COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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FOREIGN INVESTMENTS IN INDIA

INDIA'S contribution to the success of the Allies in the Second World War had gained for it the status of a creditor country. That it has lost this status and become a net debtor has been well known for some time now. The publication of the Reserve Bank's *Survey of India's Foreign Liabilities and Assets* as at 31st December 1955 serves to highlight this transformation in the country's international investment position. Although this publication refers to the position two years ago, the heavy drop in foreign assets and the large borrowings abroad since then are so fresh in mind that a broad picture of the latest position clearly emerges. India's total foreign assets and liabilities as at the end of 1955 amounted, according to the Reserve Bank's survey, to Rs. 1,251.8 crores and Rs. 766.3 crores, respectively; as a result, it had a net creditor position to the extent of Rs. 485.5 crores. During 1956 and 1957, the foreign assets held by the Reserve Bank shrank by Rs. 437.53 crores and that despite large loans and grants from the United States and borrowings from the World Bank and the I.M.F. The Bank's report itself, therefore, briefly remarks that it is very likely that, by the end of 1957, India has already become a net debtor country. It is common knowledge that the great bulk of the sterling balances accumulated during the last world war and the favourable trade balance enjoyed during the Korean boom have been utilised for raising India's living standards and sustaining its growing population. But whether the investment of these resources has been wisely made and whether it is fetching satisfactory returns constitute another set of questions into which we need not go now, as the main purpose of this article is to review the Reserve Bank's survey under reference.

The Bank's first survey of foreign assets and liabilities related to the position as on 30th June 1948 and the second to that on 31st December 1953. The one under review is, therefore, the third survey. At the end of June 1948, India's foreign liabilities aggregated Rs. 178.1 crores in the official sector and Rs. 326.1 crores in the non-official sector, while its assets in these sectors were Rs. 1,939.6 crores and Rs. 69.1 crores, respectively, so that it was a net creditor to the tune of Rs. 1,504.5 crores. Five and a half years thereafter, that is, at the end of 1953, the excess of assets over liabilities had shrunk to Rs. 557.6 crores, mainly as the result of a fall in the foreign assets of the official sector to Rs. 1,206.6 crores and an increase in its liabilities to Rs. 249.6 crores. It may be noted here that, of the decline in the official sector's foreign assets during this period, some Rs. 300 crores represent assets transferred to Pakistan in terms of the Partition settlements and to the U.K. towards sterling pensionary liabilities. In the non-official sector, the liabilities rose to Rs. 476.8 crores and so also the assets to Rs. 66 crores. The downward trend in the creditor status continued in the two years ended 1955 but with a slight difference. While there was actually an increase in the net position of the official sector from a credit of Rs. 957.0 crores to Rs. 960.8 crores, the net debtor position of the non-official sector widened from Rs. 399.4 crores to Rs. 475.3 crores, thereby bringing down the extent of creditor status of the country to Rs. 485.5 crores. In other words, foreign private investments rose to an extent which more than neutralised the modest variations in the official sector's liabilities and assets. The exact position at the end of 1955 was that foreign liabilities in the official and non-official sectors were Rs. 209.9 crores and Rs. 556.4 crores, respectively; as against these, their assets were Rs. 1,170.7 crores and Rs. 81.1 crores. Thus, while the official sector was a creditor to the tune of Rs. 960.8 crores, the non-official sector was a debtor to the extent of Rs. 475.3 crores. The assets of the official sector mainly consisted of sterling balances, while its liabilities represented largely loans from the U.S. (Rs. 91.4 crores) and other foreign countries and international institutions. The non-official sector's assets comprised claims on the U.K. and Pakistan, as well as balances and small investments in other countries, while its liabilities represented business investments, loans and advances, and insurance.

Of the total liabilities of Rs. 556 crores in the non-official sector, foreign business investments aggregated Rs. 481 crores and other business liabilities Rs. 41 crores. A predominant portion of the Rs. 481 crores of business investments was accounted for by branch investments and equity holdings, the share of fixed-yield investments (preference shares and debentures) being only 3 per cent. of the total. Between branch investments and direct equity investments, the former accounted for more than half —Rs. 268 crores to be precise. A bulk of the direct equity investments was in the form of subsidiaries of foreign parent companies. The branches and subsidiaries together formed 95 per cent. of the direct foreign investments and over 80 per cent. of the foreign total business liabilities. Foreign capital invested in the country without any controlling interest, described as "portfolio investments" by the Reserve Bank, aggregated Rs. 69 crores (less than 15 per cent.), of which Rs. 55 crores were in equities and Rs. 14 crores in fixed-yielders (creditor capital). It will be seen from these figures that most of the foreign investments are in the form of risk capital and that more than half of them are not partnered by Indian capital. Where foreign capital controls and manages joint-stock companies, its ownership works out to 57 per cent. on an average; in several cases, foreign ownership is said to be close to 60 per cent.

A purposewise analysis of foreign private investments reveals that, out of Rs. 481 crores, well over a third—Rs. 163.3 crores to be precise—were in manufacturing activities, Rs. 102 crores in trading, Rs. 87 crores in plantations, Rs. 53 crores in utilities and transport, Rs. 20 crores in banking, and Rs. 19 crores in non-banking financial business. The share of mining was no more than Rs. 9.6 crores. About Rs. 26 crores were in various other industries. A countrywise analysis of investors in India discloses that Britain continued to hold the predominant position. Of the total foreign business investments aggregating Rs. 522 crores, the U.K.'s share was Rs. 402 crores or 77 per cent., made up of Rs. 135 crores in manufacturing, Rs. 75 crores in trading, Rs. 50 crores in utilities and transport, Rs. 9 crores in mining, Rs. 86 crores in plantations, Rs. 23 crores in financial and Rs. 24 crores in miscellaneous activity. It will thus be seen that British investors have participated in almost all lines of activity. This is, of course, due mainly to Britain's historical political relationship with India. Next to Britain ranks the U.S., but its investments in the non-official sector were no more than Rs. 45 crores, the bulk of which was in petroleum marketing and manufacturing. Then comes Switzerland, with an investment of a little over Rs. 7 crores, of which Rs. 5 crores were in manufacturing business. W. Germany had Rs. 2.6 crores and other countries Rs. 64.3 crores. Unlike in the case of the U.K. and the U.S., the investments of which were mostly "direct," the other countries' share was mainly portfolio investments and miscellaneous liabilities.

The chapter on the inflow of foreign business investments in the Reserve Bank's survey makes very interesting reading. It reveals that the gross increase in these investments between 1953 and 1955 was Rs. 61 crores. This includes revaluation of assets of the order of Rs. 22 crores, of which Rs. 20 crores represented revaluation of the assets of tea companies alone. Making allowance for this capital appreciation on paper and excluding Rs. 4 crores representing banking capital (which is mostly liquid), there was an increase of Rs. 35 crores in the non-banking investments. This figure reflects the net result of the various inward and outward capital movements, including the profits retained by the companies concerned. In other words, there was an average annual capital inflow of Rs. 17-Rs. 18 crores. This rate compares unfavourably with Rs. 24-Rs. 25 crores per annum in the period from 1st July 1948 to 31st December 1953. The fall in the influx of fresh foreign capital must have been far greater. In the context of the progressive increase in the incidence of taxation since the commencement of the first Five-year Plan, the frequent threats of nationalisation, the adoption of the policy of progressive Indianisation of "trading" activities, and the attacks made on

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certain sections of foreign investors, especially in plantations, by some persons in authority, it is not surprising that the capital inflow was thus down. Since these adverse factors gathered fresh momentum in 1956, what with the reduction in the perquisites allowed to employees, the nationalisation of life insurance, the Imperial Bank of India and the Kolar Gold Mines, the rate of inflow during 1956 and 1957 must have been much less.

The Reserve Bank's survey further shows that there was a repatriation of Rs. 4 crores during 1954 and 1955 in plantation industry alone. An outflow of capital is shown in the older industries such as jute, coir and textile, as well as in automobiles and accessories, shipping, cigarettes and tobacco, and food products. On the other hand, modern industries such as medicine and pharmaceuticals, electrical goods, iron and steel products, machinery and machine tools received fairly sizable foreign capital. Petroleum (marketing as well as refining) industry alone accounted for an increase of about Rs. 27 crores in investments during the two years under review. As India needs more capital for developing this industry and as it is one of the few industries that have been attracting foreign capital all over the world, it is folly on the part of the powers-that-be to talk and act in a manner that will discourage the existing investors in oil from expanding their activities. Incidentally, the Bank's survey seems to suggest that foreign companies' additions to reserves were at a relatively lower rate as compared with that of Indian companies. This, too, is not surprising, when viewed in the light of taxation policy, especially section 23A of the Income-tax Act, which compels all closely controlled companies to distribute almost all their net profits and which affects the companies in the foreign sector more than those in the Indian sector. It was only last year that some relief under this section was given to manufacturing concerns and its effect on the transfers to reserves remains to be seen.

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SALES TAX AND EXCISE DUTY

NO two fiscal measures have attracted more attention and been the subject of more widespread discussion than sales tax and excise duty. These two indirect taxes are among the important sources of revenue, the sales tax providing less than 20 per cent. of the revenues of the State Governments and the excise duty some 30 per cent. of the Central revenue. In many States, sales tax continues to evoke much opposition partly because the traders feel that it is too heavy a burden and partly because of the cumbersome administrative procedure involved in its collection. Excise duty, too, has been frequently opposed on the ground that the Central Government has been unable to resist the temptation of enhancing the rate of duty to a level at which consumer-resistance begins to operate in respect of the goods subject to the duty. And yet, no responsible public body has so far suggested that these two levies must be given up. Indeed, the commercial organisations have vied with each other not so much in demanding the withdrawal of the levies as in making constructive suggestions for reasonable rates and better administration.

Against this background, the two Bills—the one dealing with the imposition of additional excise duty in respect of certain commodities by way of replacement of sales tax on them and the other with the distribution of the proceeds of excise duty among States—which were passed by Parliament last month are of great assistance to the future of trade and industry in the country. The sales tax system has undergone several changes in recent years, though each change has been effected only after considerable public protest. For a long time, much uncertainty prevailed in the operation of the tax in the inter-State sphere. And this was not cleared until the Supreme Court, reversing its own earlier decision, held in 1955 in the *Bengal Immunity Co.* vs. *State of Bihar* that inter-State transactions were, by virtue of Article 286 of the Constitution, exempt from sales tax. The Union Government stepped into the breach caused by the disappearance of the State Governments in the sphere of inter-State sales tax. The Central Sales Tax Act, which came into effect from 1st July 1957, sought to vest in the Central Government the power to collect sales tax on inter-State transactions and distribute the revenue so collected among the States. The Act mitigated the hardship to which the traders had formerly been subject and also restored to the States the revenue which was in danger of being permanently lost by the Supreme Court's judgment.

Despite this change, public opinion has increasingly veered round to the replacement of sales tax by additional excise duty. The conference on sales tax, organised last year by the Federation of Indian Chambers of Commerce and Industry, suggested that, as an alternative to complete centralisation of sales tax, the scheme for replacing the tax by excise duty should be "extended to as many articles as possible, particularly to those on which at present a Central excise or customs duty is levied, except those articles which are mainly used as raw materials for manufacture of finished goods." It added: "Even in regard to those articles on which no excise is levied at present by the Centre, this scheme may be adopted and sales tax levied at one stage only and the proceeds distributed among the States on an agreed formula." It must, however, be admitted that complete replacement of sales tax by excise duty is neither advisable nor practicable. In effect, this was the conclusion reached by the Taxation Enquiry Commission which examined the suggestions for the reform of the sales tax system. The Commission was at some pains to point out how the resemblance between sales tax and excise duty was more apparent than real. It noted that "excise duties are collected from the manufacturer on his production even if there are no sales, whereas the sales tax is collected only when the manufactured goods are sold." Further, excise duties "are necessarily selective and the rates of duty are normally high, whereas the sales tax operates at different points of the trade channel, over a large number of commodities and in varying degrees of proximity to the final consumption and can, therefore, be levied at comparatively low rates."

It should thus be clear that both the tax measures, the excise duty and the sales tax, have their place in the fiscal armoury of the Central and State Governments and, further, that one cannot completely displace the other. Nevertheless, there is scope for fiscal experimentation in the direction of replacement of sales tax by excise duty in respect of a wide range of goods. This is precisely what has now been attempted by the Bill with the somewhat cumbrous title—the Bill "to provide for the levy and collection of additional duties of excise on certain goods and for the distribution of a part of the net proceeds thereof among the States and to declare those goods to be of special importance in inter-State trade or commerce." The Bill seeks to impose additional duties of excise in replacement of the sales tax levied by the Union and the States on sugar, tobacco and mill-made textiles and to distribute the net proceeds of these taxes, except the proceeds attributable to the Union territories, to the States. The Bill provides that the States which levy a tax on the sale or purchase of these commodities after 1st April 1958 do not participate in the distribution of the net proceeds and that these States should observe the ceiling rate for sales tax on these commodities imposed by section 15 of the Central Sales Tax Act.

The two issues which figured prominently in the debate on the Bill were the overall burden of the excise levy, particularly the impact of the levy on cloth, and the extension of the principle of replacement of sales tax by excise duty to other commodities. The Government has announced a temporary cut in the existing duty on medium variety of cloth from As. 2 to As. 1½ per square yard with effect from 14th December 1957; the concession is available till the end of March 1958. This concession is welcomed for the reason that it will facilitate the disposal of medium cloth stocks. Nevertheless, the total burden of the consolidated excise rates—that is, the existing rates plus the additional rate—is believed to be heavy especially on fine and superfine varieties. Yet another effect of the new levy is that the margin of advantage for the decentralised sector of the textile industry over the composite mills is widened by reason of the additional levy. It remains to be seen whether the Government will be induced to revise the basic rates as a measure of assistance to the cotton mill industry. As regards the demand for the application of the principle of additional excise levy to a larger number of commodities, the Union Finance Minister, Mr. T. T. Krishnamachari, revealed that the three commodities, namely, sugar, tobacco and mill-made cloth, were singled out for additional excise duty because they were suggested by the majority of the States. He added: "It may be that other commodities can be added. One member opposite mentioned coffee. There are other items, too, but the suggestion has necessarily to meet with the approval of the majority of the States." It would, however, appear that the Union Government, by using its good offices, has been able to get the States to agree to a uniform rate of sales tax on 16 commodities. This is a welcome development which should prove to be of benefit to the States themselves. For one important effect of uniformity in the rates of sales tax is that there will be no tendency to transfer business from a State where taxes are high to a State where they are low.

The scheme for the distribution of the proceeds of the additional duties is modelled after the pattern recommended by the Second Finance Commission. Broadly speaking, the scheme envisages the payment to the States of a sum equal to the revenue they now derive from the sales tax on these commodities and a percentage share in the balance remaining after such guaranteed amounts have been met. It may be mentioned in this connection that the Finance Commission, which was constituted in June 1956, was specifically asked by the Government in May 1957 to suggest a method for the allocation of the revenue from the additional excise duty on tobacco, sugar and mill-made textiles. The Commission must have faced a difficult task indeed in evolving a formula for the distribution of the revenue, considering that the statistics relating to the consumption of these commodities and other relevant factors are somewhat meagre. Naturally enough, the States insisted that, in any scheme of distribution of the levy, they must be guaranteed the revenue now accruing to them from the sales tax on these commodities. Discussing the principles which should govern the distribution among the States of the revenue from additional excise duty, the Commission observed:

"The net proceeds may be distributed in one of two ways. The guaranteed amounts of present income may be made the first charge on the revenue from these additional duties, the balance being distributed among all the States. Or, the net proceeds of these duties may be distributed independently of the guaranteed amounts, the Union making up the deficiency, if any, that may arise in the case of any State. We have come to the conclusion that the former method is preferable, as it ensures for every State its guaranteed amount plus some portion of any balance that may remain of the additional duties. Otherwise, it may happen that, while some States do not get from the distribution even the guaranteed amounts, others may receive sums in excess of the guarantee; in the former contingency, the Union will have to make good the deficiency. While it may be reasonable to expect that the proceeds of the additional excise duties will be greater than the total of the guaranteed amounts, we do not see any justification for placing upon the Central revenues any burden arising out of implementation of the guarantees. We have, therefore, decided that, out of the net proceeds of the additional duties, the guaranteed amounts should first be paid to the States and the balance be then distributed among them."

So much for the distribution of the proceeds of the additional excise duty. As regards the mode of distributing the excise duties as such, Parliament adopted a separate Bill which provides for reducing the share of the States from the present 40 per cent. of the net proceeds of Union duties of excise on matches, tobacco and vegetable products to 25 per cent. on these commodities as well as on coffee, tea, paper, sugar and vegetable non-essential oils. In other words, while the proportion of the excise revenue allocated to the States has been reduced, they are entitled to a share in the excise revenue in respect of a larger number of commodities. This change too follows the recommendation of the Finance Commission which, after ascertaining the views of the States, felt that it would be meeting the "general wish" of the States, if it widened "the range by increasing the number of duties to be shared." Accordingly, it decided that to the three duties which are at present shared, namely, the duties on matches, tobacco and vegetable products must be added the duties on sugar, tea, coffee, paper and vegetable non-essential oils. At the same time, it recommended the fixation of the States' share at 25 per cent. The States can certainly have no reason to feel sore over the reduction in the proportion of the excise duty allocated to them, for, as the Commission itself has pointed out, such reduction will be more than made good by the widening of the range of divisible duties.

NEWS IN BRIEF

AN agreement for the development of a network of roads in Nepal was jointly signed by India and Nepal with the United States on the 2nd inst.

Manganese ore reserves of approximately 2o0,000 tons in Udaipur and Banswara areas in Rajasthan State have been estimated by the Geological Survey of India. The reserves, which lie at a depth between 30 and 50 feet, contain 40 to 50 per cent. of manganese.

Letters designed to extend by another year the validity of the schedules attached to the trade agreement between India and U.S.S.R. were exchanged in New Delhi on the 3rd inst., between the representatives of the two Governments. The agreement, which was signed on 2nd December 1953, was valid for a period of five years.

The trade agreement between India and Italy, which expired at the end of last month, has now been extended till the end of 1958. Under the agreement Italy has agreed to treat India on a par with countries in the organisation for European Economic Co-operation. About 98 per cent. of imports to Italy from these countries have been liberalised.

A high-level Tourist Promotion Committee has been constituted by the Government of India to consider ways and means of increasing tourist traffic to India from abroad. The Committee will consider, in particular, suggestions made by various non-official and other agencies and ensure expeditious implementation of the suggestions that are found acceptable.

Asbestos cement products will continue to be licensed freely for export during the period from January 1958 to March 1959. Another trade notice says that it has been decided by the Government of India to release a special quota of potatoes for shipment to Ceylon up to 15th March 1958, by co-operative societies in the Bombay State from all ports in the State.

Czechoslovakia is expected to build two 4½-kilometre-long cableways in Burma and India. One cableway will go across the Central Burmese jungle near Thajetmjo, on the Irrawady river, to carry 150 tons of material per hour to a Burmese cement works. The other will be built near Kangsabati, in the Calcutta region, on the site of a large irrigation plant. Both cableways are to be installed by engineers of the Tramontaz factory at Chrudim, who have just returned to Czechoslovakia after a fact-finding visit to the two areas.

The Government of Bombay has constituted a Small-scale Industries and Handicrafts Board under the chairmanship of Mr. Mustafa Faki. The Board will advise the Government generally on small-scale industries and handicrafts and will, in particular, consider ways and means of promoting the growth of these industries by suggesting ways for meeting their financial needs, and make efforts to start more and more industries by creating favourable atmosphere and organising co-operative societies of these industries.

The Sindri Fertiliser Factory has exceeded its production target for 1957 by 1,833 tons. The total production of ammonium sulphate for the year was 3,838 tons which was slightly higher than that of the previous year. The monthly production of ammonia and ammonium sulphate touched a new height in December 1957, the figures being 9,363 and 32,891 tons, respectively, as against the previous record of 9,019 tons of ammonia in November 1955 and 32,397 tons of ammonium sulphate in October 1956. This gives the highest daily average of 302 tons for ammonium sulphate. The total production of ammonia for 1957 is also the highest yet achieved, being 95,081 tons.

A technical sub-committee to examine new schemes, grant extension to current schemes and formulate technical programme for vegetable oils research in India was constituted at the first meeting of the Joint Committee of the Indian Central Oilseeds Committee and the Council of Scientific and Industrial Research on 31st December last. The sub-committee comprising eight members, with Dr. Subramaniam, Director, Central Food Technological Institute, Mysore, as Chairman, decided that work should be carried out on 10 items, namely, oilseed milling, non-edible oils, solvent extraction, cottonseed oil, castor oil, fatty acids, animal fats, activated earths and carbons, surface-active agents and surface-protective coatings.

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From Abroad

The Export-Import Bank of the U.S. has agreed to give a loan of $100 million to Brazil for rehabilitating its railway system. The money will be spent on U.S. equipment which include diesel locomotives and signal gear.

West Germany's steel output in 1957 is placed at 24.5 million tons, a six per cent. increase over the 1956 output of 23.2 million tons. The voluntary restriction imposed by the industry on exports of merchant bars and concrete reinforcing steel to 15,000 tons per month has been extended to the end of the current month.

The U.S. International Co-operation Administration is expected to help Indonesia to buy ships and replant rubber. Credits from the I.C.A. and funds from the Shipping Ministry's Budget will be used in payment of several ships, including a freighter ordered from Finland and passenger ships from West Germany.

Westinghouse Electric has announced the development of a new pump which circulates molten metal at temperatures up to 1,600°F. The pump can handle upto 5,000 gallons a minute. It is intended for use in nuclear reactor systems that use liquid metal coolants, such as sodium and bismuth. It is hermetically sealed to render it leak-proof.

The American Embassy in New Delhi is one of the five missions throughout the world to which the United States is planning to appoint a science attache. Others already earmarked for such an attache are Paris, Bonn, Stockholm and Tokyo. The attaches will be responsible for reporting on all aspects of scientific developments in the countries to which they are assigned.

For the sixth year in succession, America's scheduled airlines in 1957 had a fatality rate of less than one person for each 100 million passenger miles flown. According to the Civil Aeronautics Administration, there were 67 fatalities last year, making 1957 the second safest year in aviation history, even though an estimated 45 million persons were flown about 26,300 million passenger miles in domestic operations.

The American Census Bureau estimates that the U.S. commenced the new year with a population of 172.8 million, showing a net gain in population for the year of three million persons, that is, about 8,200 every 24 hours. The Census Bureau said that, during the year, there was a birth every 7½ seconds, a death every 20 seconds, an immigrant entering the country every two minutes, and an emigrant leaving every 20 minutes.

A Bristol Britannia airliner with 61 passengers and crew is believed to have smashed all records for the flight time of the trip from Mexico City to New York. The scheduled time for a piston-engined aircraft on this route is 6 hours and 45 minutes. A turbo-prop Britannia of the Aeronaves de Mexico passenger service did the flight on the 1st inst., in 5 hours 8 minutes. This was 17 minutes faster than the previous best time, which also was credited to a Bristol Britannia.

Ceylon has been offered technical assistance by the Soviet Union for expanding its food and natural rubber production with an agreement to buy rubber from the former on a mutually beneficial basis. The offer was made by a Soviet trade mission during preliminary discussions with the Ceylon Government. The Mission is presently engaged in carrying on detailed discussions with the various Ministries on the development of trade and economic relations between the two countries.

The recent tax increases by the French Government in furtherance of its austerity drive are expected to send up the price of a wide range of luxury and household goods in France. The Government has decreed a 2½ per cent. increase in the tax affecting imported and home-manufactured luxury products ranging from jewellery, beauty aids, radios and refrigerators to toys, fishing tackle, truffles and caviare. Increased stamp duties have put up the cost of passports, driving licences and similar documents.

The Canadian Government has protested to the United States over the restriction on imports of crude oil in the Pacific Coast area. According to the Canadian Finance Minister, the U.S. restrictions on Canadian oil imports were "an offence against the tenor and principles" of Canada-U.S. defence co-operation laid down in an exchange of notes between the two Governments as early as on 26th October 1950. The restrictions, according to him, were in "ill accord" with the *communique* issued after the N.A.T.O. summit meeting in Paris last month.

Apprehensions are entertained by mining circles in Kuala Lumpur that the economic impact on Malaya, consequent on the tin restriction scheme, might result in the retrenchment, within the next three months, of no less than 7,000 miners out of a total 40,000. Of all the mines, the 500 Chinese mines represented by the All-Malaya Chinese Mining Association are the hardest hit, according to the President of the Association. Anxiety in regard to this has been expressed by the Minister of Labour as well who is, accordingly, ordering an investigation into possible unemployment problems.

A report from Buenos Aires says that all assets of Mercedes-Benz in Argentina have been declared forfeited in favour of the Argentina Exchequer on the grounds of "offences against the law." Under the recently concluded German-Argentine agreement, the legal decision in regard to the Daimler-Benz subsidiary in Buenos Aires had been left to Argentina. The verdict is considered totally unjustified and it is understood that Daimler-Benz of Stuttgart will take all possible legal steps to get the order rescinded. The charges are that the subsidiary secured import licences far in excess of the amount foreseen in the original contract and that "excessive" profits were earned.

As from April 1958, the British Overseas Airways Corporation will introduce a new "economy" service on its North Atlantic routes, with fares some 20 per cent. below the normal tourist rates. Announcing this, the B.O.A.C. adds that between London and New York the rate will be £90 single and £162 return, and between London and Montreal £88 and £159 respectively. The reduction in fares, according to the B.O.A.C. follows the introduction of the £100 dollar allowance for British visitors to the dollar area, and will be an extra inducement for people wishing to visit North America as cheaply as possible. The new service is subject to Government approval.

Oil produced from the wells at Hassi-Messaoud in the Sahara region commenced flowing to the railhead at Touggourt on 31st December last. It is expected that about a week's time will be required to fill the 111-mile pipeline from deep in the Southern Algerian desert. Tanker wagons will take the oil to the Mediterranean port of Philippville. Initially about 600 tons a day will pass through the six-inch pipeline which will be raised to 1,200 tons by April. Eventually, with the aid of three pumping stations, the flow will be raised further to 1,800 tons a day. Plans are also ahead for the construction of a larger pipeline to the Mediterranean coast. Five wells in the Hassi-Messaoud field have reached the productive stage and two others are expected to become producers ere long. With two more boreholes reaching oil-bearing strata, the known extent of the oilfield has been revised to about 77 square miles.

PERSONAL

MR. Harold Macmillan, Prime Minister of the U.K., accompanied by Sir Norman Brook, Secretary of the British Cabinet, arrived in New Delhi on Wednesday on a four-day visit for discussions with Mr. Nehru.

Sir Henry Lintott, Under-Secretary of State for Commonwealth Relations, U.K., arrived in Bombay from London on Monday. He will be in the city for a few days.

Dr. M. H. Gopal, Professor of Economics in the University of Madras, has been elected President of the All-India Economic Conference scheduled to be held in Lucknow in December 1958.

Mr. Bishnuram Medhi, lately Chief Minister of Assam, has been appointed Governor of Madras in the vacancy caused by the death of Mr. A. J. John.

Mr. Owain Trevor Jenkins, Senior Managing Director, Messrs. Balmer Lawrie & Co., Ltd., Calcutta, was made a Knight by the British Government in the New Year Honours for his services to the British community in India.

Mr. J. R. Wilson, Deputy Chairman and Secretary of the Assam Branch of the Indian Tea Association, Calcutta, and Mr. M. S. Calderwood, Plantation Manager, Nagamallay Estate, Kerala, received the O.B.E. in the New Year Honours for their services to the U.K. community in Assam and South India, respectively.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *7th January*

Prospect of the New Year

In common with most other newspapers it has erstwhile been our custom, on the threshold of the New Year, to publish a review of the salient events of the year that has passed. On the present occasion we lack inspiration in that direction, for 1932 has been a melancholy year in almost every section of trade and commerce, and our review would be a rueful, if not positively a displeasing, reminder of adverse exchanges, emasculated credits, languishing industries, unproductive conferences, unsolved reparation and war debt problems, falling prices, unemployment, and the general infelicity, if not the insolvency, of nations. Far, far better will it be if we abruptly turn our backs upon the events of the past year and give our glances, hopefully if we can, to where our future lies. We may nevertheless ponder for a moment upon the fact that the autumn revival in business was somewhat encouraging, although it failed to act up to our fond anticipations. The gap between current levels of activity and those of a year ago has not yet been closed; but it has been greatly narrowed since midsummer. More important, perhaps, is the fact that the recent gains marked the first definite upturn since the spring of 1931 and the sharpest advance since the depression began. Accompanied, as it was, by the most pronounced rally in commodity prices since 1929 and by a very distinct improvement in financial conditions, the business expansion provided a basis for moderate optimism that had been almost wholly lacking since the closing months of 1931. General opinion at present leans toward the view that the winter months, while they may show some further progress, are not likely to bring sharp changes in the rate of business activity. The lack of any significant increase in bank credit, the recent irregularity in security and commodity prices, the absence of any strong seasonal influence during the winter, and the fact that the policies of incoming administrations cannot become known in detail for several months at least, are among the factors that tend to support this view. Added to these conditions is the acute political and financial unsettlement that still exists and the fact that certain international economic problems of the greatest urgency still await solution.

EARLIER GAINS IN EQUITIES PARED

HEAVY PROFIT-TAKING AT CLOSE

(From Our Own Correspondents)

BOMBAY, *23rd January*

THE share market on the whole fared well during the week under review. There was almost a boomlet in the earlier half of the week on strong speculative buying and short-covering, which lifted the leading scrips to levels not seen for sometime past. The rise in shares values, which touched their best levels for the week on Tuesday last, was noteworthy, in that it occurred without any support from the Life Insurance Corporation, which has been out of the market for the past few weeks. In the last two days, however, there was a slight reversal of the trend due to heavy profit-taking. Consequently, the closing rates today were well below the week's best levels. Nevertheless, over the week, almost the entire list shows perceptible gains.

With the attention of the market diverted to the enquiry now going on in the city into the investments of the L.I.C. in the Mundhra group of concerns, activity has thinned down and fluctuations are narrow.

The earlier cheerfulness was initiated by the announcement on Thursday evening last of a bonus issue by the Tata Iron and Steel Company (subject to Government sanction) in the ratio of one share for every five shares, out of the share premium account, in commemoration of the Company's golden jubilee. Though the gift was generally anticipated, it was greeted with a smart jump in Tata Steels as it was reported that the issue had the informal approval of the Government. Further, it raised hopes that the Indian Iron and Steel Company, which too collected a premium when it issued new capital last year, might also issue bonus shares. Reports of satisfactory movement of cloth from traders gave strength to textile shares. The most important news of the week was the announcement of the U.S. Government's offer to give loans to India aggregating $225 million to help the latter meet "the most crucial requirements of the second Five-year Plan during the next twelve or fifteen months." Roughly 70 per cent. of the loans would come from the U.S. Export-Import Bank and the balance from the President's Development Loan Fund. The loan programme would cover both the public and private sectors. It was also announced that India would be eligible for further assistance under the revolving system of credit offered by the Development Loan Fund. Good prospects of getting credit from West Germany, France and Japan and hopes of getting foreign private capital also infused strength to the market.

In the steel section, Tata Ordinaries rallied from Rs. 166.25 to Rs. 174.50, but profit-taking at the higher level caused a setback to Rs. 171.75 at the close. The new shares were marked up over the week by Rs. 7.50 to Rs. 165.50. Indian Irons advanced from Rs. 19.32 to Rs. 20.24 before finishing lower at Rs. 19.84.

In contrast to the dullness noted in the previous week, textile shares were somewhat lively this week and values hardened sizably. Bombay Dyeings came up from Rs. 50.70 to Rs. 52.30, but lost a part of the gain when they closed at Rs. 51.50. Centurys hardened from Rs. 392 to Rs. 401.25, only to react to Rs. 392. Kohinoors closed with a gain of Rs. 3.50 at Rs. 268.50, after touching a high of Rs. 273.50. Central Indias gained Rs. 2.50 to Rs. 86.50, Finlays Rs. 5 to Rs. 264 and Gokaks Rs. 3.50 to Rs. 160, while Indu Ordinaries showed no change at Rs. 9.64. Indore Malwas rose by Re. 1.50 to Rs. 119.50 and Morarjee Mills by Rs. 2.50 to Rs. 205. Mysore Spinnings jumped up by Rs. 4.50 to Rs. 99.50. New Greats put on a rupee at Rs. 223. Shree Niwas Cottons were better by Rs. 2.50 at Rs. 160. Standards were in request on reports of a bonus issue by the Company and rose by Rs. 11.50 to Rs. 404. Svadeshis looked up by Re. 1.50 to Rs. 170.50 and Tata Mills by Re. 1.75 to Rs. 40.50. Ahmedabad Advances closed with a gain of Rs. 4.50 at Rs. 112.50. Lakshmi Mills gathered Rs. 5 to Rs. 437.50 and Phoenix Rs. 10 to Rs. 126.25, while New Kaiser-I-Hinds were marked down by Rs. 2.50 to Rs. 83.50 and Sholapurs by Rs. 60 to Rs. 640.

Bank shares were steady with further gains in most scrips. Barodas were up by 25 nP at Rs. 106.25 and Central Banks (new) by 50 nP at Rs. 56.50, while Central Banks (old) shed 20 nP to Rs. 52.30. Bank of Indias were done Re. 1.75 higher at Rs. 135.25; their new shares were Re. 1 better at Rs. 136. Punjab Nationals provided the highlight of the section with a jump of Rs. 4 to Rs. 54, following the announcement of higher final dividend of Rs. 2.50 per share on the increased capital raised by the recent bonus issue. United Commercials also attracted good attention and rose by Re. 1.50 to Rs. 62.50.

In the insurance section, New Indias finished with a fractional loss of 25 nP at Rs. 49.25, while New Greats had business 12 nP higher at Rs. 17.12. Indian Mercantiles were marked up by 75 nP to Rs. 41.50 and Vulcans by 40 nP to Rs. 16.52.

Electricity shares were featureless and business was thin. Ahmedabad Electrics were a shade lower at Rs. 94.80. Bombay Suburbans and Surat Electrics were unchanged at Rs. 107 and Rs. 108, respectively. Tata Hydros held their ground at Rs. 113, while Tata Powers dropped Rs. 7.50 to Rs. 1,132.50. Andhra Valleys stood at Rs. 1,098.75.

Sugar shares came in for good attention. Belapurs were picked up Rs. 2.50 higher at Rs. 235. Phaltans put on Rs. 2.50 to Rs. 148 and Walchandnagars Rs. 3 to Rs. 273.75. Early in the week, cement shares came to the forefront, on expectations that the selling prices allowed to producers might be increased. A.C.C., for instance, shot up from Rs. 149.25 to Rs. 155, but the rise was not sustained in the latter part of the week. On profit-taking, the shares gave way to Rs. 152.75. The new shares gathered Rs. 2.70 to Rs. 80. Digvijays were well held at Rs. 135, while Ashokas rose by 24 nP to Rs. 8.12 and Dalmias by 48 nP to Rs. 10.24.

In the engineering and mining group, Alcocks were higher by Rs. 2.50 at Rs. 217.50. Tata Locomotives, after advancing from Rs. 138.50 to Rs. 144.50, finished at Rs. 141.25. Premier Constructions improved by Rs. 3.25 to Rs. 161.50. Larsen and Toubros were steady at Rs. 12.72 and Mahindra and Mahindras at Rs. 16.72. Shivrajpurs moved up by Rs. 2 to Rs. 87. Indian Coppers were steady at Rs. 2.86.

Among miscellaneous industrials, Bombay Burmahs (old) appreciated from Rs. 524 to Rs. 543.50 before receding to close at Rs. 534. The Partly-paids were better by Re. 1.25 at Rs. 202.50. National Rayons closed with a gain of Rs. 6.75 at Rs. 221.75, after touching a high of Rs. 225.25. Gwalior Rayons also looked up by 56 nP to Rs. 11.56. Killick Industries were marked up by Re. 1.50 to Rs. 158. Tata Chemicals put on 20 nP to Rs. 12.44 and Tata Oils Re. 1.75 to Rs. 36.75.

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Calcutta Stock Exchange

CALCUTTA, *22nd January*

A distinctly steady trend was noted on the Calcutta Stock Exchange during the week under review. The main contributing factor was last Thursday's announcement of the new U.S. loan of $225 million, the major portion of which would come from the U.S. Export-Import Bank, thereby raising distinct hopes of further assistance from this source in the future. Note was also taken of West Germany's possible willingness to accept payment for most of the steel plant equipment on a deferred basis. There was also a report which was very hopeful of India getting French and Swiss assistance. All these funds in foreign currency would keep the tempo of industrial progress, and the execution of the many projects would keep industrial concerns fully active. The possibilities in this regard made several scrips attractive possessions at the current rather lower levels during the week. Consequently, there was an enlargement in activity on the Exchange.

Other factors which aided the improvement in sentiment included the Congress's firm declaration to see the second Plan through despite difficulties and Mr. Nehru's speeches at Pragjyotishpur wherein he opposed any proposal to nationalise banks and industry on mere theoretical considerations. The Congress's general approval of the socialistic nature of last year's budget was only expected, but the fear whether this approval would result in further increase in taxation in the coming Budget was grimly entertained. Had it not been for this fear, the market should have attracted more funds during the week. Until a clearer picture in this regard came out—and this would not be until February-end—operators would proceed cautiously.

Sectionwise, the delay in loading and unloading in the port following labour trouble was a restraining factor, in general, and affected sentiment in the jute section, in particular, to some extent. However, earlier in the week the sentiment was better due to fair business that took place in hessian with U.S. buyers and hopes of further orders from them. While Kinnisons were better at Rs. 121, as against Rs. 110 previously, and New Centrals were fractionally higher at Rs. 12.19, Nationals closed at Rs. 24.95 after opening at Rs. 25.85 and falling to Rs. 23.75. Ganges were unchanged at Rs. 49, but Howrahs recovered to Rs. 13.81 from Rs. 13.00.

The delay in Government's decision on coal prices caused a considerable reduction in the volume of business in the coal section. Burrakurs were pushed down to Rs. 22.12 from Rs. 22.32, and at Rs. 16.75 Pench Valley lost one rupee.

Better advices from Bombay enlivened activity in engineerings. Indian Irons opened at Rs. 19.12 and rose to quote Rs. 19.90. Texmacos hardened to Rs. 16.50 from Rs. 16.30, while Jessop & Cos. were featureless at Rs. 20.75. Guest Keens, after being higher at Rs. 29.18, changed hands at Rs. 28.87 on profit-taking. Kumardhubis were quiet at Rs. 7.81, as were Braithwaites at Rs. 25.50. Richardson & Cruddas lacked buyers at Rs. 8.25.

In the miscellaneous industrials section, Dunlop Rubbers were a prominent feature for the rise to Rs. 21.87 from Rs. 21. Orient Papers spurted to Rs. 23.80 from Rs. 23.40. Indian Cables were better at Rs. 25.81, as were Calcutta Electrics at Rs. 13.69. India Steamships, on profit-taking, receded to Rs. 11.87 from Rs. 12.06. Calcutta Tramways, at Rs. 15.87 were up by 6 nP. In strong support Punjab National Banks rose from Rs. 50 to quote as high as Rs. 51.75.

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Madras Stock Exchange

MADRAS, *21st January*

A firmer trend prevailed on the Madras Stock Exchange yesterday when the market reopened after the *Pongal* holidays and also today. During the two-day session, the volume of business transacted was sizable with prices moving upward.

Tea shares in the planting section generally recorded a rise in prices as compared with those on the 10th inst. Parksides advanced by 50 nP to Rs. 15. Devasholas and Haileyburias improved by 25 nP each to Rs. 19 and Rs. 16.05, respectively. Kil Kotagiris hardened by 17 nP to Rs. 5.15. Periakaramalais and Peermades strengthened by 10 nP each, the former to Rs. 4.20 and the latter to Rs. 19.40. United Nilgiris were quoted at Rs. 15.50, as against Rs. 15.40 11 days before. Chembras put on 5 nP to Rs. 2.85. Blue Mountains were a shade better at Rs. 2.95. Among coffee shares, Coffee Lands improved by 25 nP to Rs. 28.75. Consolidated Coffees were quoted 15 nP higher at Rs. 23.40. Anaparais rose by 10 nP to Rs. 4.85, Kumergodes gathered 5 nP to Rs. 6.70. Sheveroys were better by 8 nP at Re. 1.82. In the rubber group, Nenmenys spurted by Re. 1.35 to Rs. 14.75. Vaikundams hardened by 50 nP to Rs. 27.50.

Trading in the textile section was very active and there was, as already stated, a smart rise in prices. Coimbatore Cottons rallied Rs. 15 to Rs. 170. Metturs spurted by Rs. 9.50 to Rs. 362.50. Lakshmis increased by Rs. 8.50 to Rs. 112.50 and Rajalakshmis by Rs. 8 to Rs. 80. Ranga Vilas advanced by Rs. 3 to Rs. 70. Janardanas gained Rs. 2.50 to Rs. 80. Buckinghams improved by a rupee to Rs. 157, Cannanores by Rs. 2 to Rs. 160, Travancore Rayons by 30 nP to Rs. 11.50, and Kotharis by 20 nP to Rs. 10.50.

Sugar shares evoked good support. Kirlampudis rose by a rupee to Rs. 41.50. Travancores gathered 40 nP to Rs. 9.50. E.I.Ds were better by 25 nP at Rs. 29. Jeypores increased by 10 nP to Rs. 131 and Deccans by 8 nP to Rs. 7.98.

Among miscellaneous industrials, Aluminium Industries advanced by 80 nP to Rs. 14. India Cements went up by Rs. 2.12 to Rs. 26.62. Andhra Cements were higher by 40 nP at Rs. 11.25. Orissa Cements strengthened by 25 nP to Rs. 12.60. Travancore Cements gained 20 nP to Rs. 7.20, F.A.C.Ts 10 nP to Rs. 5.35 and Parry's Confectioneries 5 nP to Rs. 3.40.

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BOMBAY

IN continuation of the Prospectus of the Company published on 11th January 1958, the Board of Directors have the pleasure to state that the construction of the Factory Building is in full swing and the entire Hardboard machinery is expected to reach India by May 1958. Production of Hardboard also is expected to commence before the end of this year.

NEWS IN BRIEF

THE purchase mission which recently went abroad to buy new equipment for the Calcutta Port has placed orders to the tune of Rs. 2 crores with some foreign firms.

A 23-member committee has been appointed by the Government of Bombay, with the Minister for Housing as Chairman, to advise on matters relating to the housing activities undertaken through the Housing Board.

The Union Government is reported to have asked the State Governments to abolish the permit system of distribution of cement to the public. This further relaxation of control on the supply of cement has been ordered, following a steady improvement in the supply position of cement.

An industrial training institute is being established in Warangal, Andhra Pradesh, at a cost of Rs. 7 lakhs. The Institute, sanctioned under a scheme sponsored by the Union Labour Ministry, will start functioning from the next academic year and will admit 288 students for training in various crafts.

A conference of tea producers' and traders' associations in the country was held on the 16th inst. at Calcutta. The Conference discussed the question of relief for India's common teas and decided that a detailed memorandum, incorporating the decisions arrived at, be sent to the Union Commerce and Industry Ministry.

The Government of India proposes to set up a full-fledged small-scale industries development institute at Calcutta in co-operation with the Japanese Government. The proposed institute which is expected to be the biggest of its kind in the country, will be of great assistance in the development and promotion of small-scale industries in West Bengal through Japanese techniques.

A giant crane capable of lifting 275 tons is on its way from Britain to India for installation in the Tata Steel Works at Jamshedpur. The crane, made by the Horsehay Company, Ltd., of Wellington, Shropshire, is completely electrically driven by motors of over 1,000 h.p. It is a massive structure, having a span of 68 ft. 9 in. and an overall width of more than 50 ft. It is operated by one man seated in a cabin attached to its underside and will be used for transferring molten metal from the furnace into rows of ingot moulds.

The Government of India has issued a licence to a private concern to set up a paper factory at Mandya in Mysore State at an estimated cost of Rs. 3 crores. The raw materials for the manufacture of paper will be bagasse, which is now available in plenty at the Mandya sugar factory. The promoters of the Company are stated to have secured favourable terms from an American manufacturing concern for the supply of necessary machinery to set up the plant. The Government of Mysore has agreed to invest up to 10 per cent. in the share capital.

The Chittaranjan Locomotive Works proposes to manufacture steam locomotives with entirely indigenous components by 1961. By this time, the steel foundry at Chittaranjan and the three steel plants in the public sector, namely, Bhilai, Rourkela and Durgapur, will go into production and supply necessary castings and steel. The factory has been taking concerted measures to cut down imported components. In the first stage of this drive towards self-sufficiency, the cost of imported components was reduced from Rs. 2.5 lakhs to Rs. 1.3 lakh per engine. It has been slashed further to Rs. 50,000. The items now imported consist mainly of bar frames, boiler plates, tyres and axles.

The Japanese expert team's report on the exploitation of iron ore mines in three ore-yielding regions of the country will be submitted to the Union Government shortly. The report will give the necessary technical data and also recommend which of the three projects, namely, the Rourkela iron ore mines, the Balladila ore belt in Madhya Pradesh and the mines in Northern Orissa, should be developed first. The problem of port and railway facilities is linked to the iron ore development projects and reports on these aspects will be included in the Japanese report. The Japanese are expected to provide railway equipment, mining machinery and port equipment. A joint request by India and Japan for financial assistance will be made to the U.S. Government in March next.

The Engineering Export Promotion Council, Calcutta, has sent its fourth trade delegation to South-East Asian countries. The previous three delegations were sent to Burma in January 1956, to British East Africa, Ethiopia, and Sudan in January-February 1957 and to West Asian countries in August-September 1957. These delegations, it is said, have made useful studies and established contacts in the overseas markets which have been very helpful in developing India's export trade in engineering goods. The present delegation, which left Calcutta on the 17th inst., consists of Mr. B. S. Agarwal of the Jay Engineering Works Ltd. (leader), Mr. N. R. Pandit of Mysore Kirloskar Ltd., Mr. T. M. Desai of Cooper Engineering Ltd., Mr. C. R. Bondre of Kirloskar Oil Engines Ltd. and Mr. J. C. Kapur of Air Conditioning Corporation (Private) Ltd. (members). Mr. R. K. Singh is the Member-Secretary.

For some time now the Governments of India and the U.S.S.R. have been examining the possibilities of an air transport agreement between the two countries under which scheduled services could be established by airlines designated by the respective Governments. Certain preliminary exchanges have taken place and with a view to advancing these negotiations, it has been proposed that the two Airlines concerned should have discussions on various points of detail. The Air-India International team, headed by Mr. B. R. Patel, Vice-Chairman and General Manager, and assisted by Mr. V. G. Gadgil, Assistant Engineering Manager, Captain K. Vishwanath, Divisional Operations Manager (Central), Mr. A. F. Dubash, Commercial Manager, Traffic and Mr. G. Bertoli, Regional Traffic Manager, Continental Europe, accordingly plan to visit Moscow early in February. The talks will cover all commercial and technical aspects of the operation of the proposed air service, including such aspects as traffic rights, air navigational facilities, fuelling facilities, etc.

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From Abroad

A French delegation has arrived in Pakistan to conclude a trade pact with the latter.

The Standard Oil Company of California has ordered five tankers of 48,600 tons each from Danish shipyards. They are to be built between 1959 and 1960.

Talks between Indonesia and Japanese shipowners for the chartering of about 40 vessels have failed, as the ships were found unsuitable for Indonesian waters.

The Federation of Rhodesia and Nyasaland is seeking a loan of $25 million on the New York market. A mission from the World Bank will visit the Federation in March.

The Martin Company of Baltimore, U.S., has announced that its "package" power reactor was successful in its first test by achieving a self-sustaining nuclear reaction. The reactor is designed to be transported anywhere by cargo aircraft.

Russia's willingness to provide Yemen with a technical aid loan, equivalent to about £20 million, was seen in the visit of the ten-member Soviet technical mission to that country recently to study agricultural and mineral prospecting development schemes.

Production of vehicles by West Germany's ten main car companies aggregated 1,070,000 units in 1957. This was about 11.5 per cent. more than the output in 1956. Of these, Daimler-Benz alone produced about 125,000; half of this number was for export.

The congestion in the Colombo Port, which resulted in the cancellation of local tea auctions, has led the Ceylon Ministry of Trade and Commerce to release mid-country teas for London auctions without any restrictions for a short period.

Representatives of the British exporters of wool rugs, wastes, tops and yarns have decided to tender evidence before the Canadian Tariff Board in the hearing to be held in Ottawa on the 10th February for protection to the Canadian woollen industry.

Egypt has indicated its readiness to accept neutral arbitration in the assessment of Egyptianised British property. Such arbitration, however, will not be acceptable on claims arising out of the sequestrated property. The request by Britain to reopen financial talks is receiving Egypt's consideration.

The relationship between the State and local oil companies in Egypt will be placed on a new footing. In furtherance of this measure, a Committee has been appointed at the Ministry of Industry to study the present agreements and also to recommend new agreements within the next two months.

A Bill designed to impose a four-cent duty on copper imports whenever the indigenous price falls below 30 cents per pound is expected to be introduced in the U.S. Congress by members from the mining areas. In view of the fact that the present price is below this level, the duty is likely to take effect forthwith when the Bill is passed.

The Ford Motor Company has decided to cease production at its Ford Division assembly plant at Buffalo in New York State as, according to the Company, the plant there has become outmoded for the assembly of modern cars. Employees will be given the option of transfer to the Company's plant at Lorain, Ohio. Operation of the stamping plant at Buffalo will, however, continue.

A Bill imposing a levy of about ¾d. a lb. on tea exports, designed to finance the Ceylon Government's seven-year scheme for the rehabilitation of the tea industry, will be presented to the Ceylon Parliament before the end of this month. The scheme will benefit the small holders who have, in recent days, been put out of production due to delays in exports of tea from Colombo.

The British Overseas Airways Corporation has signed a £60,000,000 contract for 35 Vickers VC-10 jet airliners. The VC-10, which is expected to make its first flight in 1961, will be the biggest British airliner ever, capable of seating up to 150 passengers. The B.O.A.C. order, which does not include the cost of spares, is the biggest airline order ever placed in Britain. The B.O.A.C. has taken an option on 20 more VC-10s.

The Swedish Shipbuilding Association in a report states that ships launched and delivered at Swedish yards attained a new high in 1957, with the tonnage exceeding the annual average of the past few years by some 30 per cent. The number of ships launched amounted to 81, with an aggregate tonnage of 670,000 gross tons, while deliveries accounted for 82 vessels with an aggregate of 640,000 gross tons. Of the deliveries, 70 per cent. went to foreign owners, mainly Norwegian shipping companies, which received 32 vessels.

A reduction of 5s. a ton as from the 17th inst. on the spot bunker price of marine diesel fuel oil at all ports in the U.K., Europe, the Mediterranean, the Canary Islands and West Africa has been effected by the Shell Petroleum Company. It may be noted that only last month the prices of marine fuel and gas oils as also of marine diesel oil were lowered by a cut of 10s. a ton. The latest reduction reflects the persistent slackness in demand for bunker fuel. The reported high level of stocks and the slump in spot freight rates, resulting from the low level of shipping activity, are the factors responsible for the weakness in demand for marine fuels.

The group of Norwegian shipowners who, some time ago, had taken the initiative to start preparatory technical and scientific work on the construction of atom ships, has now formally constituted itself as a company under the name Rederatom. It has signed a contract with the Institute of Atomic Energy at Kjeller, near Oslo, for a two-year research programme in this field. Two million kroner (£100,000) will be spent on the work. The first aim of the company is to form a wholly Norwegian research group working on the problem of ship reactors. There are signs that in future there will be a brisk exchange of research material in the military field as well as in merchant shipping.

PERSONAL

MR. Rajeshwar Dayal, Ambassador of India to Yugoslavia, has been concurrently appointed Ambassador to Greece.

Mr. S. L. Kirloskar is the Chairman of the the Engineering Export Promotion Council, Calcutta, for the current year.

Mr. Shankar Prasad, I.C.S., at present Chairman of the Indian Airlines Corporation, has been appointed Director-General, Posts and Telegraphs.

Dr. Radhakrishnan, Vice-President of India, will leave on a three-week visit to the U.S. on 14th March in response to a number of invitations from that country.

Mr. Justice Koka Subba Rao, at present Chief Justice of the High Court of Andhra Pradesh, has been appointed a Judge of the Supreme Court, with effect from the date he assumes charge of his office.

Mr. Eugene R. Black, President of the World Bank, proposes to visit the Belgian Congo, the Union of South Africa, the Federation of Rhodesia and Nyasaland and Kenya, Uganda and Tanganyika in March and April.

The following are the members who have been elected to serve on the Committee of the Millowners' Association, Bombay, for 1958:

Sir Vithal Chandavarkar and Messrs. T. V. Baddeley, Krishnaraj M. D. Thackersey, Neville N. Wadia, G. D. Somani, Radhakrishna Ramnarain Ruia, M. L. Tapuriah, S. P. Jain, E. D. Sheppard, Pratap Bhogilal, Arvind N. Mafatlal, Naval H. Tata, Babulal Bubna, F. H. Kemple, E. F. Morrey, E. S. Vernon Jones, C. H. Campbell, Chandrakant Mulraj Khatau and Debiprasad Poddar.

The new Committee will begin to function after the annual general body meeting of the Association.

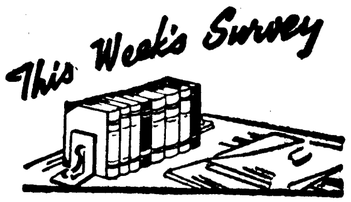
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *21st January*

The Gold Standard

The adjustment of trade balances demanded an increase in the competitive power of debtor countries and accordingly a reduction in the gold prices of their goods. As long as these countries maintained their currencies at par, their domestic price level had to be reduced accordingly. Such a reduction is naturally a painful process, particularly as it has to be accompanied by a corresponding reduction in the income of the consuming classes of the population, if it is to have the desired effect upon the economic balance of the country. Few debtor countries with gold standard currencies have found it possible to effect, in this way alone, an equilibrium in their foreign transactions. By abandoning the gold standard and allowing the exchange value of their currencies to fall below gold parity, many countries have, however, managed to reduce considerably the gold prices of their products and at the same time keep down the domestic demand for consumers' goods, at least those of foreign origin. A similar adjustment has been attained by a fall in the exchange value of the currencies of countries which were not on the gold standard, such as China, Spain and Uruguay.



AIR FARES

THE majority of the members of the Air Transport Council, which was asked by the Government of India to study the general problem of fares and freight rates to be charged on the air services operated by the Indian Airlines Corporation, has recommended an increase in passenger fares. The suggested schedule of fares (per passenger-mile) is: one to 30 miles, As. 6-6; 31 to 100 miles, As. 5; 101 to 200 miles, As. 4-9; 201 to 500 miles, As. 4-6; 501 to 900 miles, As. 4-3 and 901 miles and above, As. 4. In making this proposal, the Council has suggested that the objectives of rate making should be "to stimulate the maximum economic volume of traffic to generate surplus revenues on high-density traffic routes which would offset, to the largest extent possible, the gap between costs and revenues on weak traffic routes and to sustain and promote air traffic by creating a preference for it on account of its inherent advantages." Further, the Council has suggested that the Corporation should have reasonable scope for experimenting with lower fares, in order to promote, sustain or develop traffic. Accordingly, it has suggested that the Corporation should have the discretion to reduce the fare levels within a range of 15 per cent. below the recommended scales.

The Council's suggestion for increasing the fares obviously stems from the consideration that the Corporation has been faced with mounting losses. During the year 1956-57, the Corporation's expenditure at Rs. 970.14 lakhs exceeded its revenue by Rs. 108.79 lakhs, the corresponding figures for the previous year being Rs. 928.00 lakhs and Rs. 119.40 lakhs; in 1954-55, the loss was Rs. 90.15 lakhs. Reviewing the prospects for the immediate future, the Corporation's annual report for 1956-57 points out that "we shall face a period of greater expenditure necessitated by our plans for expansion, modernisation of the fleet and other factors." The introduction of costlier aircraft, such as Viscount, is bound to push up the provision for depreciation to a much greater extent. Further, much of the expenditure on the development of new projects, it is stated, is an immediate commitment, whereas the corresponding returns in the form of an increase in traffic will take time to appear. The increase in the excise duty on petrol, it is estimated, will raise the operating expenditure by Rs. 30 lakhs. Besides, some States have announced a further levy of sales tax. The Corporation, however, has expressed the hope that "with the progressive modernisation of our fleet and development of additional traffic, we may, once the initial heavy expenditure on the introduction of new aircraft is offset by increased revenue, appreciably improve our financial prospects." Nevertheless, it should be clear that the immediate future does not hold out prospects for reduction in losses.

Against this background, it is difficult not to concede the Corporation's demand for an increase in fares, now endorsed by the Council. It is true that the increase means a heavier burden on passengers. But, as the Council points out, "to maintain fares at their current level or to reduce them to a lower level, would not help improve the Corporation's financial position and would only benefit those who can afford to pay more and are even willing to do so." After all, a large proportion of the passengers consists of those whose bills are paid by the Government or the companies on behalf of which they travel by air. Further, the fact that the current passenger fares of the Corporation's services are generally quite low as compared with those of domestic services of foreign countries indicates that there is scope for increasing the fares. It would be an unjust expedient to throw the entire burden of the loss on the taxpayer without making the passenger bear a reasonable part of the burden.

A minority of three members, in the course of a dissenting note, has, however, pointed out that "in India, high air fares carry the risk of destroying the comparative attraction for air travel and would result in a significant diversion of air traffic to the railways." This fear is probably an exaggerated one, if not entirely unfounded. Railway travel by first class is costly because of the incidental expenses involved, besides being irksome and time-consuming. It is, therefore, unconvincing to argue that there will be a significant diversion of traffic to rail travel. It is, however, true that the aim should be to keep air fares at a low level in order to make air travel more and more popular. But one wonders whether air travel could, at least in the immediate future, become a popular mode of travel. Since, for sometime to come only the higher income groups are likely to remain the mainstay of the Corporation, an increase or decrease in fares is not likely to make a substantial difference to the volume of traffic. In thus endorsing the Council's suggestion for an increase in fares, we would like to stress that the Government as well as the Corporation should continue to explore the scope for operational economies. This search should be continuous as well as comprehensive. And the benefit of any such economy should be passed on to passengers by way of better aircraft and increased facilities.

SECOND PLAN

Mr. L. N. Birla, the well-known industrialist, attempted recently a critical appraisal of the present economic situation in the light of the imperative need to go ahead with the industrial programmes designed to augment national wealth. In the course of his presidential address at the All-India Commerce Conference, held at Nagpur on 30th December 1957, Mr. Birla outlined the concept of dynamic planning, stressed the importance of foreign capital and made a strong plea for augmenting internal resources and reducing the burden of taxation. The chief merit of Mr. Birla's address lies in the fact that it makes a realistic approach to the current economic problems, without getting lost in idle controversies of political or economic ideologies.

Mr. Birla rightly emphasised that, in dynamic planning, the accent should be on a "continuous effort towards augmenting resources for development." In India, however, the main emphasis of planning had been on the allocation of resources and their diversion from one sector to another without expanding the sources of wealth and revenue. Examining the lacunæ in Indian planning, Mr. Birla felt that little thought had been given to the development of resources for purposes of meeting the commitments under the Plan. Further, in spite of the fact that the entire success of the Plan hinged on the availability of foreign exchange, "apparently enough attention was not paid to this problem either by the Planning Commission or by the Government during all these years." This comment may appear harsh. But those who have watched the rapid deterioration of the foreign exchange position and the Government's failure to forecast this deterioration early enough or to take prompt and effective preventive measures will not dispute Mr. Birla's contention that the authorities concerned should have devoted more attention to the foreign exchange position from the very inception of the Plan.

The immediate problem is how best the gap in foreign exchange resources could be closed. How serious is the gap will become clear when it is realised that, in the next 18 months, foreign exchange to the tune of Rs. 700 crores will be needed even for implementing the "core" of the Plan. Mr. Birla declared that the Plan could not succeed, unless some effective ways were found to meet the foreign exchange shortage. In this connection, he stressed the importance of foreign capital. He said: "It is sometimes argued that participation of foreign capital may lead to foreign domination. This is a serious misapprehension. All other countries which have industrialised depended to a large extent on foreign capital." And they did not lose their freedom because of it. Mr. Birla then cited the instances of the U.S., Japan and West Germany where rapid industrial progress was made possible through large investments of foreign capital. It is obviously necessary to adopt realistic economic policies nearer home if foreign capital is to be attracted to this country. For one thing, foreign capital has many claimants who compete among themselves for attracting it. Secondly, foreign investors find the climate for investment favourable in their own countries, so that additional incentives are needed in order to make them venture abroad.

In our preoccupation with the need for stimulating the flow of foreign capital, we should not overlook the equally urgent need for giving a fillip to domestic savings. Indeed, the two issues are closely interrelated. For, as Mr. Birla himself pointed out, "we must have sufficient domestic investment before we can take advantage of external aid." Foreign business men can invest in India provided there is a "counterpart of internal investment to match." From this point of view, Mr. Birla did well to stress that the "overall burden of direct taxation measures has created a climate distinctly unfavourable to savings and investment." Again, indirect taxes are "creating buyers' resistance with the result that the demand for some goods is falling of." It should thus be clear that a reduction in the fiscal burden is indicated in the interests of both domestic and foreign investment.

PHARMACEUTICAL INDUSTRY

1958 may well turn out to be a "pharmaceutical year" for India, because it will witness, if the plans materialise, the establishment in the public sector of three major projects covering a wide range of the country's medical needs. This note of optimism was struck by Mr. Manubhai Shah, Union Minister for Industry, while inaugurating the tenth annual meeting of the Indian Pharmaceutical Congress held in the City recently. The three projects are: (1) complete manufacturing programme of basic intermediaries required for drug and chemical industries, (2) one or more units for producing a number of synthetic drugs, and (3) manufacture of antibiotics, alkaloids and vitamins. Necessary ground, we are told, has already been prepared for implementing the projects and the question of their location is being considered now.

The Government rightly attaches considerable importance to the development of pharmaceutical industry, in view of the very large requirements of drugs and pharmaceuticals in a country of the size and population of India. But one fails to understand as to why the State should take upon itself the task of setting up the aforesaid projects, instead of leaving it to the private sector which is quite capable of discharging the task not only more expeditiously but also at a cheaper cost. It must, of course, be admitted that the three projects in the public sector will, in turn, provide for the expansion and addition of plants in the private sector.

In the course of his address, Mr. Manubhai Shah recalled that, before independence, the Indian pharmaceutical industry consisted of mere bottlers and processors, while, after independence, a national drug policy had been laid down. This programme, according to Mr. Shah, depends on four vital factors. First, the major burden of producing primary and basic intermediates should obviously fall on the shoulders of the State. It is too big and complex an undertaking for any single individual or firm or group of firms. The gap between the needs and production of basic drugs, synthetic drugs, alkaloids, antibiotics and vitamins is growing, and this has to be filled by speedy State action. Secondly, complete integration and co-ordination of production programmes in the public and private sectors is necessary, so that all diverse and numerous ranges of vitamins, synthetic drugs, antibiotics, alkaloids, sulpha drugs and complexes are fully manufactured in the country in t shortest possible time. The private sector ha a big role to play in this field and all those who are capable of taking up as much of basic phased programmes as possible can do so. Thirdly, there should be strict standardisation and control on quality. Fourthly, prices of drugs should gradually be reduced and drugs of high standards and quality made easily available to the people at reasonably low prices through the latest techniques of large bulk production programmes.

Since the above policy was launched, the pharmaceutical industry has developed significantly. The total value of products manufactured by the industry is now estimated at Rs. 45 crores—Rs. 33 crores of indigenous components and Rs. 12 crores of foreign components—as against Rs. 22 crores ten years ago. The industry is expected to reach the production target of Rs. 70 crores worth of medicines set for it under the second Five-year Plan. Reassuring is the statement of the Minister that the Government would do its best to help the industry "in all possible ways."

The development programme drawn up for the pharmaceutical industry in the second Plan envisages that, so far as synthetic pharmaceuticals like saccharin chloramin-T, acetylsalicylic acid and sulpha drugs are concerned, progress will be in the direction of increased production, as well as development from basic primary organic chemicals and intermediate products in place of the present operations based on penultimate products. This industry is expected to derive considerable benefit from the steps taken to develop the manufacture of dyestuff intermediates which will provide several of its raw materials.

In respect of vitamins, the scope for the production of vitamin A from an indigenous raw material, lemon-grass oil, is under examination. As regards antibiotics, apart from the development planned in the public sector, efforts initiated by private enterprise to establish the production of penicillin are expected to bear fruit. Further, the existing units in the field are expected to make considerable progress in the conversion of what are now predominantly processing operations into genuine manufacture. Investment in the private sector of the pharmaceutical industry will be of the order of about Rs. 3 crores.

In the context of the present rising trend of population and poor standards of health, the need for ensuring adequate supplies of quality drugs and pharmaceuticals at as cheap a price as possible is very vital. This aspect must be specially stressed, because the cost of several drugs is very high and beyond the reach of the masses. The cost must be reduced if the demand for the drugs, particularly the essential ones, is to increase appreciably. There is also the need for maintaining at a high level the quality of the drugs produced in the country. Mr. Shah did well to suggest to the pharmaceutical congress the setting up of a committee of its members and professionals to go round the country, in order to keep a check on the quality of production of various medicines.

SUGAR EXPORTS

It will be recalled that the report of the Indian Industrial Delegation contains a note by Mr. S. S. Kanoria, one of the members of the delegation, on the prospects for exports of Indian sugar to the U.S. Describing this note as fantastic, our special correspondent at New Delhi observed, in the course of his despatch to our issue dated 14th December 1957, that it "betrays an amazing lack of realism where it says it would be extremely advantageous if India could enter the U.S. market."

Criticising this remark, Mr. G. L. Bansal, Secretary-General of the Federation of Indian Chambers of Commerce and Industries, says as follows in a communication addressed to us:

"May I draw your attention to a preceding paragraph of Shri Kanoria in the same report which reads as under:

'Cuba and the Philippines enjoy the lion's share of this quota, exporting about 4.5 million tons between themselves. By limiting quotas, the United States pays to these countries a price much higher than prevailing in the *world market* (italics mine), as is evident from the following figures.'

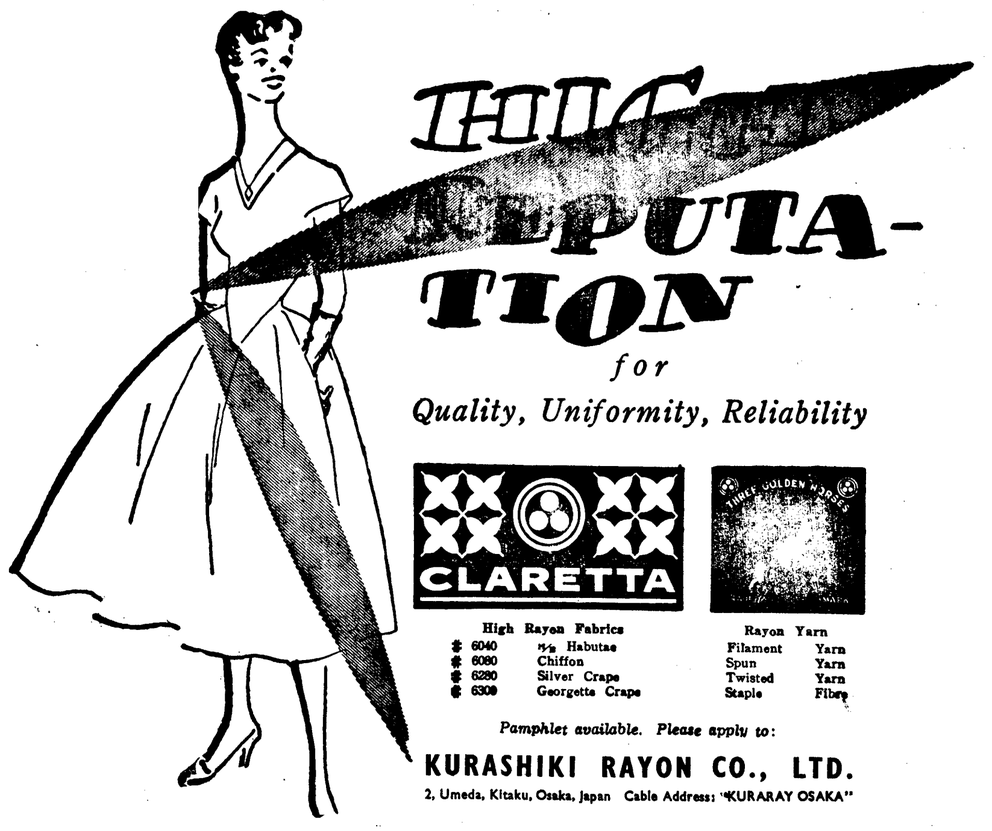
"Shri Kanoria then goes on to give in a table prices for shipments to U.S.A. and prices for shipment to the world market. The difference between these has ranged from 1.18 cent per lb. in 1952 to 2.02 cents in 1953 and 1.62 cent in 1956. It is to this difference that Shri Kanoria is referring when he says that higher freight costs on Indian sugar would be compensated by the lower f.o.b. prices prevailing in India as compared to those paid by the U.S.A. to Cuba and the Philippines. Shri Kanoria has been the President of the Indian Sugar Mills Association and his knowledge of the various aspects of the industry is acknowledged by everyone who has had anything to do with this industry in recent years. I only wish that your special correspondent had tried to read the very brief report as a whole rather than tear one sentence out of context and put a meaning to it which could never be intended and which, in fact, goes counter to all that has been said by Shri Kanoria."

In publishing Mr. Bansal's aforesaid criticism, it is only fair that we should add the explanation of our New Delhi Special Correspondent. He says:

"Mr. Kanoria's note on sugar exports to the U.S.A. was not only fully read but carefully read, too, in view of the recent controversy over sugar exports, before my comment was made thereon. This comment had necessarily to be brief for obvious reasons of space in an already long despatch on the Birla Delegation's Report. On the face of it, the very idea of trying to export sugar to a *distant* market like the United States appeared *fantastic* (extravagantly fanciful) and *unrealistic*, while markets *nearer* home were any day more inviting, if only for the reason that such well-nigh insuperable difficulties as those under the U.S. Sugar Act (which was designed to favour Cuba and the Philippines for some special reasons in the matter of both import quotas and prices) would not be there in the latter case. In any case, Mr. Kanoria's comparison of Cuban prices of *raw sugar* for shipment to the U.S. refineries and to the world market was not quite relevant, inasmuch as India could export, if at all, *only refined* (*white*) *sugar*.

"If Mr. Kanoria had given the ex-factory or market prices of refined sugar in the United States and compared them with the f.o.b. prices of Indian sugar, say, at Bombay, it would have been more realistic. Even here his case for exporting sugar to the United States could not have been sustained, for the f.o.b. price (after tax concessions) of U.P. sugar in Bombay would have been £48 to £49 per metric ton and its landed cost (including ocean freight) in the United States would have been £54 to £55 per ton at the time Mr. Kanoria wrote. At that time, incidentally, the international market price of refined sugar was about £36 per ton and, even if it had been assumed that the price in the U.S. market was about a third higher than in the world market, the price of Indian sugar in the U.S. market would still have been higher by about £7 per ton not including the dealer's margin. What special reason was there to suppose that the United States would agree to provide a sheltered market for Indian sugar at such a high price—higher than what she was probably paying for Cuban refined sugar?"

A programme for development of Co-operation for 1958-59 has been approved by the Executive Committee of the National Co-operative Development and Warehousing Board. The programme includes establishment of 2,600 large-sized societies. About 10,000 small-sized societies are also expected to be established or revitalised during the period. In addition, it is envisaged that 900 large-sized societies should construct godowns for storage of agricultural commodities, besides 390 godowns to be constructed by marketing societies. Among other co-operatives to be developed in 1958-59 will be 500 marketing and 29 processing societies. It is expected that this programme will provide employment for about 3,600 persons in managerial, supervisory and auditing capacities.



CONTROVERSY OVER UNION LANGUAGE

STATE BANK—PLAN FOR ROADS

From Our Special Correspondent

NEW DELHI, *7th January*

EVERY year New Delhi faces (or creates?) a major controversy, but somehow steers through it to a golden mean. In 1956, it was over the issue of States reorganisation; in 1957 it was over the twin questions of food and pruning of the second Plan; in the new year, it may well be over the problem of official language. With a parliamentary committee already examining the Kher Commission's Report, the stage is set for one more passionate controversy from which a compromise solution is most likely to emerge ultimately. It is perhaps in that hope that Mr. C. Rajagopalachari has entered the lists in a forceful and provocative manner. Although, in now pleading for the retention of English as the official language of the Union for all time, he has gone against his own previous case for having both English and Hindi as the official languages, his arguments (publicised in the capital) merit highlighting, in view of the importance of the problem to national unity.

DELHI LETTER

Rajaji Asserts

The starting-point of Rajaji's thesis is that, though 42 per cent. of the people of India speak Hindi in one dialect or another, the Hindi-speaking people are the hundred per cent. population of three or four States only and three-fifths of the sub-continent is wholly non-Hindi. As India is not a unitary State but a Union of States, the fact that the majority of States are non-Hindi cannot be ignored. While Hindi, as Union official language, may not hurt the regional languages or their literatures, it will harm the interests of non-Hindi *people*, because the Union Government's work cannot then be conducted efficiently, justly or with full advertence to their requirements. The Congress Working Committee's resolution which assures that no unfair treatment will be accorded to people not very well up in Hindi does not mean much, for that body is not the *deus ex machina* that will unravel and set right things resulting from Government policy. So Rajaji asserts: "I am saying and doing what I do in order to prevent a great error and to keep India together. Whatever the form of government a nation is under, injustice to large masses of its educated people and the consequent relegation of whole populations to the condition of chronic unshepherdedness is certain to lead to disunity, disaffection and disintegration.... The one and only sound argument for a change is that we should bring about language unity between administration and the people to the largest extent possible. But this argument applied in favour of Hindi completely breaks down in respect of the people of the South.... The area outside of *U.P., Bihar and Madhya Pradesh* is very large. We must fall back therefore on the regional languages and the State Governments to bring about this language unity between administration and people..... We must keep fairness as the yardstick for all Union policies, for fairness is the rockbottom of loyalty."

Rajaji thinks that it would be supreme folly to change over from English now or on any foreseeable date. There need be no shame, he says, in conducting the affairs of modern India in an international language that has the greatest vogue in the present age. It will be fully consistent with our broadminded outlook in all matters, he concludes. Two inferences are possible from Rajaji's thesis—one is that, if Hindi becomes the sole official language of the Union by 1965, the Government of India will *virtually* become the Government of U.P., Bihar and Madhya Pradesh, and the other is that the only language which now keeps the scales more or less even as between the educated classes of different States is English. It may be that this balancing role performed by English now will come to be performed by Hindi in the fullness of time. So, what is required is more time for the non-Hindi people to catch up with the Hindi-speaking people in the matter of learning that language. It is, therefore, expected by some that the Prime Minister, whose moderating influence may yet be a decisive factor, will throw in his weight on the side of those who want the deadline for the change-over to be extended beyond 1965. Perhaps an extended transition is the only compromise possible in the circumstances, where, if the objections of the non-Hindi areas cannot be ignored, the wishes of the Hindi areas have also to be respected. The Government of India cannot also ignore either the warning of the English Committee of the University Grants Commission that the change-over from English to an Indian language as the medium of instruction at the university stage should not be hastened or its recommendation that, even when a change is made in the medium of instruction after careful and adequate preparation (which, in the light of evidence tendered by universities, may well take several decades), English should continue to be studied by all university students. Whatever solution takes shape ultimately, there can be no denying that this controversy—perhaps the most crucial and vital so far—will throw up a lot of heat and dust in the process.

Banking

While inaugurating the Delhi Circle—covering Delhi, Punjab, Rajasthan and Western U.P. —of the State Bank of India last week, the Union Finance Minister referred to the stiff competition the Bank had to face from the Big Five private banks in the country, and added that it was holding its own against such competition. Discounting the occasional talks of nationalisation of the banking industry, Mr. Krishnamachari declared emphatically that private banking was inseparable from the private sector of industry and commerce which primarily depended on it for financing. The Finance Minister, however, appeared to favour the possible emergence of a smaller number of strong banks which could better control the movement of credit.

As for the operations of the State Bank in particular, the Finance Minister expected that, before 1958, the Bank's pilot schemes to serve the needs of small-scale industries would emerge from their pilot stage and become more dynamic. As for the decision to vest the agricultural credit operations in the hands of the Reserve Bank instead of handing them over to the State Bank as originally proposed, it was clarified by the Finance Minister to mean that the Reserve Bank might assume the primary responsibility but that the State Bank would have to play its full part in any scheme of financing agriculture and small-scale industries.

Roads

At the 22nd session, just held in the capital, of the Indian Roads Congress, Mr. M. S. Bisht, President, pointed out that, though the targets of the Nagpur Plan in terms of mileage (123,000 miles of hard surfaced and 208,000 miles of unsurfaced roads) would have been more than reached at the close of the second Plan, there would be several shortcomings such as unbridged river crossings, substandard road surfaces and road widths, etc. Although the amount of foreign exchange required for road projects, particularly in the construction of bridges, was modest, even that was not available.

With the targets of the Nagpur Plan about to be achieved, Mr. Bisht announced the salient features of the new plan, under formulation, for the next 20 years after the second Plan. These features are: No village should be more than three miles from a metalled road; no village should be more than one and a half miles from an unmetalled road; every town with a population of 2,000 in the plains, 1,000 in semi-hilly areas and 500 in hilly areas should be connected by a metalled road; all industrial and development centres, places of pilgrimage, places of historical importance, places of excursions for tourists and health resorts should be connected by metalled roads; all administrative units of a district such as tehsil headquarters, police outposts, etc., should be interconnected and connected to District Headquarters which in turn should be connected to adjacent District Headquarters.

Mr. Bisht, in conclusion, referred to a likely gap of 33 million tons (estimated by the Indian Roads and Transport Development Association) between the traffic offered and the traffic moved by railways and other means by 1961 and emphasised the need for providing alternative means of transport for movement of this traffic. In his view, to carry this traffic, the present road vehicle capacity *plus* the annual growth of road transport would not suffice. The solution, according to him, lay in speeding up the manufacture of goods vehicles within the country.

BRITISH ECONOMY

PROSPECT AND RETROSPECT

By Paul Barzau

BRITAIN has emerged from a year that was filled with an unusual confusion of good and bad economic phenomena. There were elements of crisis in 1957, reflected significantly in the fact that it closed with a 7 per cent. Bank rate and with gold and dollar reserves which would have been considerably depleted were it not for sums borrowed or otherwise secured from the International Monetary Fund and the Export-Import Bank.

On the other hand, there have been many elements of success in the economic history of the past year. Never before has British industry exported so much, either in value or in volume, as it did in 1957. The balance of payments for the first part of the year closed with a surplus of £125,000,000, and this tale of solvency is likely to have been continued right up to the end of the year.

Sterling, which was under severe pressure in the earlier part of the year, has made a substantial recovery. Soon after the increase in the Bank rate it rose above parity with the dollar, and has been looking that currency in the eye or slightly above it ever since.

External Factors

Looking back on the past year, the evidence of crisis has been financial and not industrial. The pressure on the pound and the need to take heroic remedial measures have been largely the product of external rather than domestic factors.

The strain on sterling has been part of the price paid by Britain for being a world banker. Certain countries in the sterling area have drawn heavily on their sterling reserves in order to meet substantial deficits in their balance of payments. India has been outstanding in this respect. Other countries, led by more speculative emotions, were withdrawing working balances from London in the earlier part of the year, driven, in some cases, by the continued repercussions of the Middle East crisis, in others by expectation of an increase in the exchange value of the German Mark.

These were movements for which no responsibility could be put on economic developments in Britain. They were the kind of consequence that is likely to attach to any currency which claims to finance more than one-half of the world's trade. They are a reminder of the need for larger reserves able to take the impact not merely of the normal seasonal ebb and flow of international payments, but of the occasional blow to international confidence imparted by political events.

It would, however, be idle to pretend that the whole of the difficulties that were encountered during the past year were of foreign or oversea manufacture. The need to raise the Bank rate was also, in part, called into being by continuing inflationary developments at home. There was still a tendency, particularly in the earlier part of the year, for remuneration to run ahead of productivity, and thus to make for inflation.

Anti-Inflationary Measures

Admittedly, all this occurred at a somewhat slower tempo than in the previous year. In 1956, wages in Britain rose by 7 per cent. while output was virtually stationary. During the past year we shall probably have paid ourselves about 5 per cent. more for producing 3 per cent. more goods than in 1956. The 7 per cent. Bank rate and its attendant measures can take a good part of the credit for this slowing down of the inflationary trend.

The Government has decided to eradicate the excessive pressure of demand which lies behind the continuing tendency towards inflation. Awakening to this need, the resolute character of the measures taken to restore complete confidence in sterling, both at home and abroad, stands out as a major event of the past year. The measures also hold great promise of reward in 1958.

Looking back on the industrial year and at the position from which Britain starts the year 1958, the picture in general is one which should give cause for satisfaction.

The steel industry in 1957 made new records with an output of 21,700,000 tons and exports of around 4,000,000 tons. During the past year the British motor car industry has broken all previous records for production and exports. In the closing months of the year it was exporting,

(*Continued on page 59*)

ECONOMIC TRENDS IN U.S.

"1958 WILL BE A HIGHLY COMPETITIVE YEAR"

NEW YORK, *2nd January*

SURVEYING the general business and economic conditions in the U.S. and discussing the outlook for 1958, the first National City Bank's *Monthly Letter* for January 1958 observes as follows:

"The holiday season has brought further evidence of business downtrend. Cutbacks in factory operations have been more marked than usual, as might be expected in a time of declining order backlogs, ample inventories, and conservative buying policies. Steel ingot output dropped below 70 per cent. of capacity in December, while leading automobile manufacturers laid off 90,000 workers over the holidays. More than seasonal curtailment is reported in some other lines. A last minute shopping rush brought Christmas sales to high totals, apparently equalling last year, but not up to retailers' hopes. Latest figures show unemployment and short time rising moderately, and personal income declining a little. There are few signs of early reversal of the trend.

"Expectations of increased Government spending seem to be borne out by unofficial estimates of next year's federal budget and by release of federal funds for housing and new defence contracts. As yet, however, there is little discounting of such anticipations. Increased unemployment insurance payments and other so-called 'automatic stabilisers' are at work cushioning the decline in income, but the predictions sometimes heard that rising consumer expenditures will, at a minimum, offset declining business spending have found little factual support.

"The disappointed Christmas hopes of retailers, despite sales that in fact were very good, typify much of 1957. All too often the year's results fell short of expectations. People who expected a fall pickup in consumer buying, a further stretch-out of record plant and equipment spending, or a revival of business ordering found that they had indulged in wishful thinking. As a result, and because it ended in a downtrend, 1957 may not get as much credit as it deserves for being a good business year. On the record, it was probably the best year in the nation's history.

"Latest figures indicate that, in 1957, the gross national product—the aggregate value of goods and services produced—set a new record by a sizable margin, as did personal income and consumer spending. Even aggregate corporate profits are not likely to wind up very far from the good 1956 level. If the final figures on Christmas sales confirm early indications, they will bring total 1957 retail sales up to the $200-billion mark for the first time—a 5 per cent. rise over 1956 and an immense volume of merchandise for any year. Construction rose to a new peak for the eleventh successive year, and business investment in new plant and equipment expanded to the unprecedented total of $37 billion. Altogether, more Americans were at work in 1957 and earning higher wages than ever before.

"Many of these records look less imposing, however, if allowance is made for the higher level of prices during 1957. Consumer prices averaged 3½ per cent. higher than in 1956, and wholesale prices were up 2.9 per cent. Gross national product will show some rise after allowance for price changes, but doubtless a slower rate of increase than in 1955 or 1956. Industrial production averages out about the same as in 1956. The overall purchasing power of consumer income is still likely to set a new record. If both prices and population growth are taken into account, however, there has been little increase in 'real' *per capita* disposable income since the last quarter of 1955.

"There were no strong cross-currents in the economy during 1957 as in 1956. In fact, there was no strong general movement in any direction—just a period of drifting followed by a gentle slide. What buoyancy there was in the early part of the year was largely due to the capital goods boom. When declining orders brought slackening in capital goods, overall business slackened with them. It has been unusual in the post-war period for major sectors of the economy to run out of steam at once, but it seems to be happening. Business inventories had gone about as high as they could without getting uncomfortable, and, until recently, the Federal Government was trying to cut back expenditures. Most backlogs of deferred demand are cleaned up, save for highways, schools, and some others. The future is even anticipated somewhat, as in certain types of industrial capacity. Significantly, the National Association of Purchasing Agents recently reported that, for the first time since the early days of World War II, no commodity was in short supply.

"Over the 12 years since the end of World War II, activity has been at high levels even during periods of adjustment. We have been making up the backlog of deferred demand inherited from a great depression and two wars, not only in tangible goods like factories and passenger cars, but also in the vital statistics of marriages, babies, and new household formation. Whole income groups have equipped themselves for a new, higher standard of living. A great deal of what we have considered 'normal' growth in the post-war period was really enhanced by this catching up process, and the real growth pattern is doubtless somewhat lower and slower than data of the past decade would indicate. In that respect, the sideways drift in 1957 and the downward adjustment now occurring may be steps toward a level from which continued long-term growth is more readily sustainable.

"No two business cycles are alike, but it may help in judging where the economy stands at present to compare the last two years with the experiences of 1947-49 and 1952-54.

"The most comprehensive measure of economic activity, gross national product, rose in the first three quarters of 1957 and, largely because of the continued rise in prices, may show little or no drop in the fourth quarter. Because of the wide scope of this indicator, its fluctuations over previous cycles have been relatively slight. In both the 1949 and 1953 dips, the reduction in gross national product was only 3 per cent. and the decline lasted a year or less.

"Industrial production, on the other hand, has already declined irregularly from a peak of 147 in December 1956 to 139 in November, or 5½ per cent. Three-quarters of the drop took place in the last three months of this period. In 1948-49 and 1953-54, production declined 10 per cent. in about a year.

"Unemployment has been consistently higher in the past two years than in the earlier periods shown. Part of this higher level of unemployment has consisted of the large numbers of youngsters and married women attracted into the job market by high wages. In November 1957, unemployment rose to 3.0 million, or 4.4 per cent. of the labour force.

"Some major differences of these earlier cycles from the present situation deserve mention. Consumer purchases remained high throughout both previous dips. However, purchasing power was stimulated by cuts in personal income taxes. Pent-up consumer demand for durable goods and homes also helped keep spending high. In both cycles, business inventories had drifted out of line with sales and needed adjustment. Finally, the reduction in Government defence spending after the Korean War was a major factor in the 1953-54 decline. Indeed, this drop, together with associated inventory cutbacks, accounted for virtually the entire 1953-54 recession.

"By way of contrast, in 1958 no tax cuts are in prospect and no backlogs remain to buoy consumer spending. On the other hand, inventories have been watched closely for some time now and do not appear to be out of line as much as in earlier periods. A major difference is the prospect for higher Government defence expenditures in 1958.

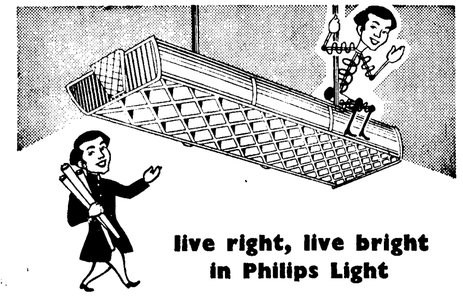
"Undoubtedly, the public reaction to the Russian satellites will touch off an increase in military expenditures during 1958—how much and how soon is another question. It would be premature to expect any substantial rise in outlays in early 1958. The cutbacks in conventional arms and manpower under way before Sputnik will still be pulling down the spending totals, and further economies are being sought to offset the increase in missile expenditures. The time necessary for research, testing, and putting new weapons into large-scale production will hold back any massive spending programme, no matter how willing Congress may be to appropriate funds.

"The most immediate impact of the shifting attitudes toward defence spending will come from stepping up the placement of defence contracts. These contracts start subcontracting and inventory accumulation—even plant and equipment spending —with direct and psychological effects going around the circle.

"Between the economy drive and the uncertainties of the shift from manned aircraft to missiles, the Defence Department has been holding back on its ordering. In 1956, obligations for major procurement and production exceeded expenditures for these purposes by $4.9 billion, but, in the first nine months of 1957, expenditures ran ahead of obligations by $2.1 billion.

"The promptness with which business firms adjust their inventories and the speed of the decline in plant and equipment spending will have much to do with the trend of the next few months and with determining how soon the economy is ready to rally and start a recovery. The amount and timing of fiscal and monetary measures to counteract recessionary trends are also vital but unknown elements in the 1958 outlook.

"One thing is certain: 1958 will be a highly competitive year. More than ever before, management's interest will be centered on cutting costs, improving efficiency, and turning out products designed and priced to attract the customer. Many industries are experiencing declines, but the fact that many of them have already gone through substantial adjustments in the past two years should help limit the size and duration of further adjustments. The prospect of an accelerated defence programme and the possibility of moderate but continued expansion in public works, home-building, and some other types of construction encourage belief that the second half year may see an end to the recession. In business plant and equipment expenditures, however, there is no precedent for expecting a fresh upturn in so short a time."



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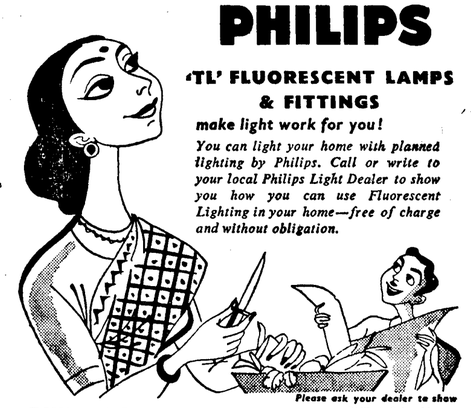

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RECOVERY IN STERLING WELL KEPT UP

CHANCELLOR'S RESIGNATION HAS NO EFFECT—GOLD RESERVES RISE

THE outstanding development of the week in the U.K. was the unexpected resignation of the Chancellor of the Exchequer, Mr. Peter Thorneycroft, on the 6th inst., as a protest against the Government's "excessive" budget estimates for 1958-59. The Chancellor was not prepared to approve of estimates for the Government's current expenditure for next year at a sum higher than that which would be spent this year. Explaining the reasons for his disapproval of the Budget estimates, Mr. Thorneycroft, in the course of his resignation letter to the Prime Minister, said:

"In the sterling crisis of last summer, restriction was placed in money terms upon the level of public investment and of bank advances. The Government itself must, in my view, accept the same measure of financial discipline as it seeks to impose upon others. I recognise that, in order to achieve my aim, some combination of politically unpopular courses would have been necessary. I, nevertheless, regard the limitation of the Government expenditure as a prerequisite to the stability of the pound, the stabilisation of prices and the prestige and standing of our country in the world."

The excess of the Government's proposed expenditure in 1958-59 over that of the current year is only one per cent., having been reduced from a considerably larger excess in the estimates presented a few days earlier to the Cabinet. It is perhaps not the actual excess expenditure proposed to which Mr. Thorneycroft took exception, but the violation of the principle of keeping down Government expenditure, which among others, would, in the opinion of Mr. Thorneycroft, help maintain the stability of the pound sterling.

According to Lord Hailsham, Chairman of the Conservative Party, who announced Mr. Thorneycroft's resignation, the acceptance of the latter's suggestion would mean the scrapping of some of the best established social policies to which successive Conservative Governments had declared their adherence. He added that the Government did not believe that the whole future of sterling did, in fact, depend, or could be represented to depend, on marginal differences in the annual estimates, which would not amount to more than one per cent. of the Government's annual expenditure. The British Prime Minister, Mr. Macmillan, who was the Chancellor of the Exchequer before Mr. Thorneycroft came to hold that post, expressed, in the course of his reply to Mr. Thorneycroft's letter of resignation, the Government's determination to check inflation and to maintain the stability of sterling. A rigid application of Mr. Thorneycroft's formula, he added, would do more harm than good, if carried out immediately and without regard to any other consideration.

No Effect

The resignation of the Chancellor did not have any marked effect on the pound sterling which closed on Tuesday (the 7th inst.) at $2.81-1/32, that is, 7/32c. lower than the previous day's closing of $2.81¼, which was the highest level touched since August 1954. The latest quotation represents an increase of 5/16c. over the rate at which sterling ended the year 1957, namely, $2.80-15/16, which was itself the highest level since May 1956. The recovery of sterling which began in September last, when it dipped to a low of $2.78-3/16, has brought it to a level which is only 3/4c. below the Exchange Control's ceiling of $2.82. The pace of recovery gained momentum in recent weeks and this is attributed to the growing conviction that the pound sterling would not be devalued. It would appear that even the lingering doubts on this point have gone. The "shorts," who had built up an oversold position on such a contingency, would appear to have covered a considerable portion of their sales.

Ever since the U.K. Government announced their determination in September last to maintain the value of the pound sterling within the existing official parity rates at all costs and pushed up the Bank rate to as high as 7 per cent., sterling has been in demand. As already stated, the demand has been on a significantly large scale in recent weeks. Three reasons are attributed for this by "Lombard," the well-known columnist of the *Financial Times*, London. They are:

"One is that we are now beginning to feel the benefit of favourable seasonal influences affecting foreign exchange operations on trade account. At about this time of the year the sterling area's transfers to dollar countries in respect of payments for commodities fall to a low ebb, while payments by the dollar countries to the sterling area in respect of their purchases of sterling commodities tend to expand. Owing to the growing popularity among traders of the practice of hedging currency commitments in advance, these seasonal variations in foreign exchange activities of a trading character tend to be less well defined nowadays than they were in the past. And this year they have been further obscured as a result of the spectacular changes in commodity price levels—the demand for sterling against dollars on account of North American purchases of Australian, New Zealand and South African wool is, for instance, on a much smaller scale this year than usual. But the seasonal swing in the supply-demand relationship for sterling still represents a factor of some importance.

Second Reason

"A second reason for the recent expansion in the demand for the pound sterling lies in the fact that American money market rates have recently been falling so much more rapidly than U.K. rates that a situation has been created wherein there is a fairly substantial 'interest turn' to be gained by transferring money from New York to London—this after covering insuring against the exchange risk. Hitherto, the profit on such transfers has been too modest to induce American holders of short-term funds to consider making the switch. But now that it has widened to between ½ and ¾ per cent., some fairly large lines of foreign money are being tempted to seek investment in U.K. Treasury bills.

"But it is unlikely that the demand for sterling on these two counts would have been sufficient to give the pound sterling the strong appearance it has manifested of late, had it not been substantially reinforced by buying in connection with the liquidation of bear commitments in sterling. The fact is that—initially—neither the raising of the Bank rate from 5 to 7 per cent. nor the Government's announcement that it intended to fight inflation through control of the money supply carried much weight with foreign speculators—partly, no doubt, because both these weapons had been previously wielded by the U.K. authorities with some vigour without removing the threat to the pound sterling. Thus, although the bears did not for the most part continue to extend their positions in sterling after these measures were announced, they showed themselves to be in no hurry to liquidate the commitments they had already made. They argued, indeed, that it would not be possible to say that the devaluation threat to the pound sterling had been removed until it had been demonstrated that, one way or another, the U.K. authorities were going to put up a stop to the wage-prices spiral.

"Now many of them seem to have been persuaded that, if wage increases occur in Britain, they will be kept for a time to such modest proportions that the pound sterling should not be in any danger on this account during most of 1958. And many have accordingly decided that there is no point in incurring further expense and inconvenience in keeping bear positions in sterling in being."

The strength of sterling has been further reinforced by the further addition to the sterling area's gold and dollar reserves during December 1957. The reserves rose by $58 million during last month to $2,273 million at the close of the year. This increase follows the rise of $33 million in November 1957 and with this, the reserves have gone up by $423 million since the end of September when a low of $1,850 million was touched. At $2,273 million, the reserves show a gain of $140 million over the year, though they are still $108 million below the year's peak of $2,381 million touched at the end of June last.

If the dollar payments to and from the European Payments Union relating to earlier months are disregarded, the gain in reserves during December would have been higher still at $91 million. The aforesaid increase of $88 million in the reserves during December is calculated after taking into account payments of interest, as also a small repayment of capital, aggregating $15.5 million, made on various dollar loans. These comprise the quarterly instalment of $8 million due on 14th December on the Canadian interest-free loan, $5.5 million due on 31st December on two U.S. loans and $2 million which Britain had to pay as interest on the $104 million capital and interest payment deferred at the end of 1956.

During December, the U.K. had a provisional deficit of £6.1 million with the E.P.U., following a deficit of £1 million in November and a surplus of £9 million in October. The December deficit of £6.1 million will be settled this month by payment in gold to the extent of 75 per cent. and by adding the balance to the U.K.'s debt to the Union. The announcement of an increase in E.P.U. deficit caused a setback in the market value of the pound sterling on Saturday last, but the decline was more than made good before the close of the day.

INDIAN BANK COMPLETES FIFTY YEARS

BONUS SHARES TO BE ISSUED

THE fifteenth of August has, by a strange coincidence, proved to be a memorable day not only for the country as a whole but also for banking in South India. For it was on this day 50 years ago—15th August 1907—that the Indian Bank Ltd., the first banking institution in South India under wholly Indian ownership and management, commenced business. The idea to start the bank originated a few months earlier, that is, on 2nd November 1906. The certificate of incorporation under Act VI of 1882 was received on 5th March 1907 and the actual business commenced in a modest way on 15th August 1907. The golden jubilee of the Bank was celebrated two weeks ago in a fitting manner under the chairmanship of Dr. C. P. Ramaswami Aiyar one of the first Directors of the Bank. The function was inaugurated by Mr. H. V. R. Iengar Governor of the Reserve Bank of India, and the commemoration address was delivered by Mr T. T. Krishnamachari, Union Finance Minister

To start a bank at a time when public confidence had just been shaken by the collapse of the House of Arbuthnot—a trading firm which was doing extensive banking business in the Madras Presidency, a peculiarity of those days—was indeed an adventurous venture. The successful growth of the Bank during the last five decades to the premier position it occupies today among the banks in South India and a well-merited place in the Indian banking structure is an impressive testimony to the courage and vision of the small but influential and well respected band of men from various spheres of public life in the Madras State who faced the challenge and took the risk.

Severe Competition

This does not, however, mean that the growth of the Bank had been smooth. Far from it. For, as Mr. H. V. R. Iengar pointed out in his inaugural address, 50 years ago, when the Indian Bank was started, and even later, when other banks came into existence, national banks had to function under conditions of considerable difficulty. They had to stand very severe competition from banks (the Bank of Madras, the Bank of Bombay and the Bank of Bengal) which later became the Imperial Bank of India with prestige and authority which they derived from the fact that they were banks of the Government with enormous balance of Government funds. Indian banks had also to compete with exchange banks which also operated in India with tremendous prestige born of the fact that they were branches of banks located in London, capital of the British Empire.

Apart from competition from these old-established banks, the Indian Bank, along with other newly established banks, had to tide over a crisis which overtook banks in general in the years 1913 and 1914, just before the outbreak of World War I, and the great economic depression of the thirties. The fact that the Indian Bank successfully emerged from these tribulations and has come to be ranked among the leading banks of India is proof of the sound and cautious manner in which those in charge of the Bank's destinies guided its affairs. As Mr. T. T. Krishnamachari pointed out, "care and progress do not always go together; the Bank had managed to progress, as well as to be careful."

The Bank started with a modest authorised capital of Rs. 20 lakhs and a paid-up capital of Rs. 10 lakhs. Its popularity and successful working resulted in a small profit of Rs. 5,500 even in the first few months of its career in 1907. In the second year of its working, the Bank was able to pay a dividend of 4 per cent. per annum from the date of its incorporation. The first two decades constituted an arduous period for banks in general and the Indian Bank had necessarily to toe a cautious line in expanding its activities to upcountry centres, despite the insistent demand for opening more branches. Between 1908 and 1932 the Bank opened 15 branches in different parts of the Presidency, in addition to an office at Colombo.

The Bank's business showed steady progress. There was a steep rise in its deposits from 19 onwards and the Directors felt justified in slowly extending the business and increased the authorised capital from Rs. 20 lakhs to Rs. 50 lakhs in 1921. The outbreak of World War II quickened the pace of the Bank's prosperity. The Bank, however, carried on its business as usual in spite of the restrictions on trade, domestic a

(Continued on page 59)

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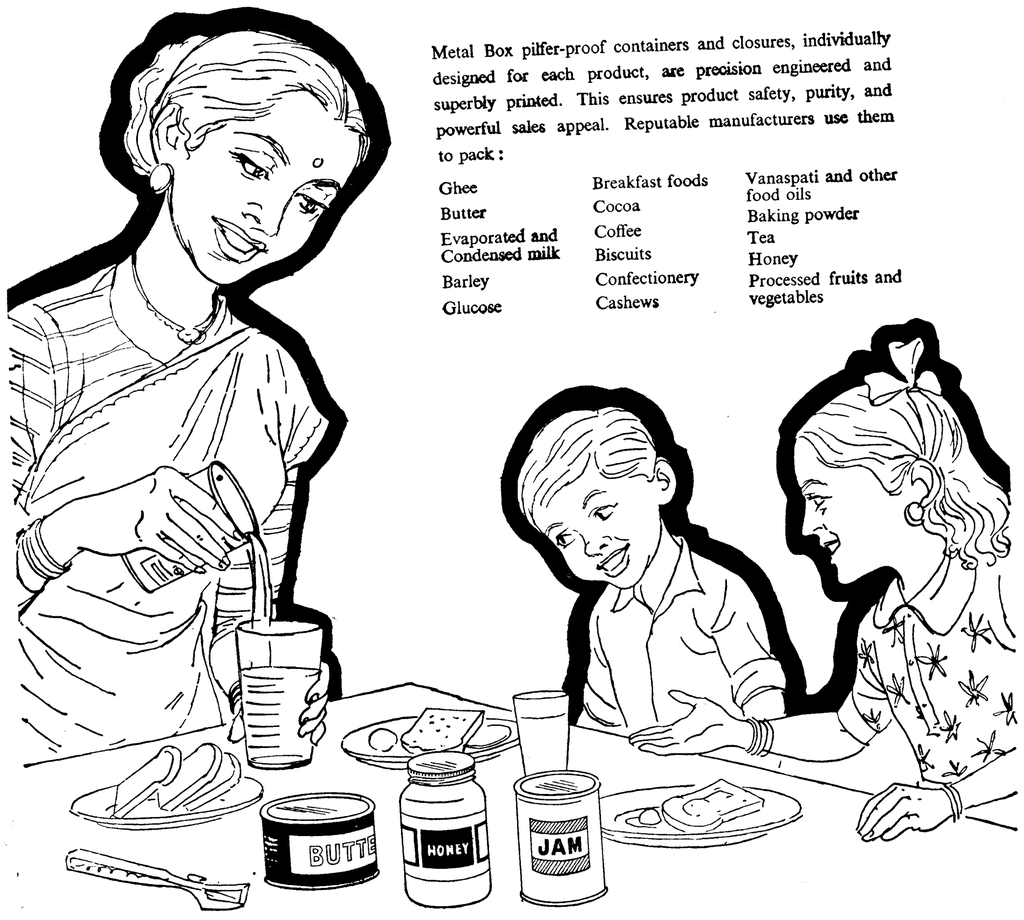

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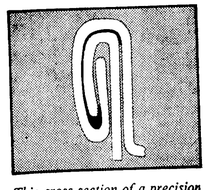

This cross-section of a precision engineered double seam shows how the rubber-like compound-lining ensures air-tightness.

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TRADING IN YARNS DURING 1957

ART SILK YARNS STEADY

AN irregular trend was witnessed in the yarn market during the year 1957. Thus, while cotton and staple fibre yarns ruled depressed, art silk yarn was steady. The steadiness of art silk yarns was engendered by shortage of supplies in the wake of enlarged requirements of the weaving industry. It may be noted here that the production capacity of the industry has gone up quite markedly in recent years, but availability of yarn has not improved proportionately, owing to the continued low level of production and to the Government of India's policy of restricting imports of foreign yarns. The total quantity of art silk yarns actually produced during the ten months ended October 1957 was not more than 20.28 million lbs., which was, of course, higher than the 15.95 million lbs. produced in the corresponding period of last year. Imports during the same period were of the order of 33 million lbs. On this basis, the total supply of art silk yarn (excluding the previous year's carry over figures of which are not available) for the whole of 1957 may be estimated at approximately 64-65 million lbs., as against the estimated demand of 100 million lbs. Thanks to such a heavy shortage of art silk yarns, the production of rayon fabrics suffered a setback. During the first ten months of 1957, 185.84 million yards of fabrics were woven, as against 211.40 million yards in the corresponding period of 1956.

Notwithstanding the vast yarn requirements of the rayon weaving industry, the Government of India has been reducing the import quota for art silk yarn from time to time. After several cuts, the quota for the July-December 1956 licensing period was fixed at Rs. 4 per loom per shift. This was further reduced to Rs. 3 for the first half of 1957. Under the revised import policy for the July-September period, established traders were not given import licences at all; the mills were granted actual users' licences on the basis of Rs. 3 per loom per shift. The import policy for the half-year ending March next completely bans imports of art silk yarn, except for the scheme envisaging grant of import licences only against proved exports of art silk fabrics. Despite the sharp cuts in imports, art silk yarns did not register any appreciable rise in prices, because the offtake—domestic and foreign—of fabrics was at a low ebb and there was a switch-over by several mills to production of fabrics made out of nylon yarns.

Comfortable Supply

Cotton yarns, as already stated, ruled depressed during the year under review. The weakness must be attributed to the comfortable supply position in respect of yarn, rendered possible by the substantial expansion in output. The aggregate supply during the eleven months ended November 1957 was 1,635 million lbs. (inclusive of the carryover stock of 11 million lbs.), as against 1,524 million lbs. (inclusive of 8 million lbs. of carry-over stocks) in the same period of 1956. Excluding 1,156 million lbs. used by mills for weaving cloth, exported abroad and utilised for other purposes, the quantity of yarn available for consumption by handlooms and powerlooms was as much as 479 million lbs., which compares favourably with 417 million lbs. a year before. There was no doubt enlarged demand from the decentralised sector of the textile industry, which is reflected in the increase in production of handloom cloth and powerloom cloth from 1,509 million yards and 278 million yards in 1956 to 1,621 million yards (estimated) and 299 million yards (estimated), respectively, in 1957. But this was at lower prices. Nor were export enquiries encouraging, due to stiff competition from other countries, particularly Pakistan. During the six months ended December 1957, only about 20,000 bales of cotton yarn could be shipped, as against the export quota of 67,500 bales. If yarn prices did not suffer a sharper fall, it was because of the firmness of raw cotton prices. The wholesale price index (base: year ended 31st August 1939=100) of cotton rose steadily from 469 in January 1957 to 506 in September, while cotton yarns declined from 492 to 470, representing a drop of 7 to 10 per cent. over the year.

Staple fibre yarns were weak during the major part of the year. Supplies were quite large which sometimes tended to create even fears of overproduction, resulting in accumulations of stocks, whereas demand from consuming centres was slack. The total production of staple fibre yarn during the first ten months of 1957 was 16.12 million lbs., as compared with 14.69 million lbs. in the corresponding period of 1956.

The following table shows at a glance the trend of the yarn market during the year under review:

	2-1-57	Highest	Lowest	31-12-57
Art Silk Yarn	Rs.	Rs.	Rs.	Rs.
Forward (per 200 lbs.)—				
120 dull cones Snia	825.00	829.00	788.00	873.00
Ready (per lb.)—				
120 Japan	4.31	4.45	3.94	4.84
150 Japan	4.50	4.53	3.94	4.95
120 Italy	4.19	5.00	3.94	5.25
150 Italy	3.91	4.81	3.66	5.06
Staple Fibre Yarn				
Forward (per 200 lbs.)—				
40×2	648.00	656.00	525.00	550.00
Ready (per lb.)—				
40×2 New Great	3.42	3.42	2.87	2.99
40×2 Century	3.52	3.52	2.97	3.09
Cotton Yarn				
Ready (per 10 lbs.)—				
10s Modern	15.62	15.62	14.62	14.62
20s Gokak	19.09	19.09	17.62	17.62
40s Mimaxi	27.75	28.25	24.81	24.75
60s Raghuvamshi	56.62	58.00	52.00	51.75
80s Finlay	80.00	83.00	75.00	75.00

Art Silk Yarn

Art silk yarns began the year on a distinctly bullish note, thanks to New Delhi's curbs on imports during the six months January to June 1957. Imports of 120 and 150 bright acetate yarns were completely stopped. The overall import quota was cut from 25 to 15 per cent. The actual extent of the cut in the case of 120 deniers and 150 deniers was 5 per cent. and 2½ per cent., the revised quotas being 20 per cent. and 7½ per cent., respectively. The drastic reduction in imports let loose a buying spree in the market resulting in a marked rise in prices. The improvement, however, was not sustained, as, in the subsequent sessions, the buying fervour diminished on account of slackness in enquiries, occasioned largely by stringency in the money market. Forward delivery in Snia 120 dull cones, after advancing from Rs. 807 on 12th December 1956 to Rs. 828 on 9th January 1957, declined to touch the lowest level for the year of Rs. 788 on 29th May. It, however, recovered to Rs. 829 on 3rd July, following good buying support induced by fears of scarcity in supplies on account of the restrictions on imports. Thereafter, the prices gradually declined, the August contract standing at Rs. 796 on 27th August. Business in October contract commenced at Rs. 828 on 31st July. It steadily fell to Rs. 814 on 27th August. After recovering to Rs. 825, it moved down again, the closing rate at the end of October being Rs. 806. December delivery which stood at Rs. 822 on 16th October eased to Rs. 807 before finishing at Rs. 851 on 31st December. Business in February delivery commenced on 13th November at Rs. 796. The closing rate for this contract as on 31st December was Rs. 873.

Spot rayon yarns were subjected to alternate bouts of buying and selling during the year. The range of difference between the highest and the lowest levels touched was 51 nP to Re. 1.15 according to varieties.

Cotton Yarn

In the cotton yarn section, the decline in prices was particularly marked in finer and medium counts. Sixty counts Raghuvamshis stood at Rs. 56.62 per bundle of 10 lbs. at the beginning of the year and rose to Rs. 58 on 20th February. This level was maintained practically till 5th June. Subsequently, the price declined to Rs. 52 on 16th October at which rate it closed on 18th December. Forty counts Minaxis opened the year at Rs. 27.75 and, after moving up to Rs. 28.25 on 24th April, retreated to Rs. 24.81 on 13th November. Over the year, eighty counts Finlays lost Rs. 5.

During the year, the Government of India announced several measures designed to promote exports of cotton yarn. These included allotment to shippers of the unutilised cotton yarn export quotas of mills, permission for exports of cotton yarns up to 78 counts freely (within a ceiling of 5,000 bales), and the subsequent upward revision in the ceiling to 17,500 bales, together with the extension of the validity of shipment period by three months ended 31st December, and grant of a further export quota of 50,000 bales. These measures had no significant effect on prices, as demand for Indian cotton yarns from important consuming centres like Aden, East Africa, Ethiopia, Hongkong and Ceylon was poor.

Staple Fibre Yarn

The bearish tendency in staple fibre yarns was in evidence during the major part of the year and was more pronounced during the second half. Some of the measures taken by the Government to encourage production of yarn failed to impart strength to the market. Among these were (1) free exports of staple fibre yarn within a ceiling of 1.5 million lbs. during December 1957 period announced on 4th June (the validity of shipping bills for such export was extended for a period of one month from the date of passing instead of 15 days); (2) abolition of excise duty on staple fibre yarn with effect from 16th September, with a view to encouraging production as well as consumption and (3) assurance of Government that it would examining fixation of a flat uniform rate of rebate for staple fibre fabrics exported.

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COTTON MILL STATEMENTS IN 1957

MANY COMPANIES ENJOYED FAVOURABLE CONDITIONS

From A Special Correspondent

MANCHESTER, 31st *December*, 1957.

MANCHESTER LETTER

RESULTS published by Lancashire textile firms during the past 12 months have, to a large extent, reflected the improvement in trade which took place in the autumn of 1956 and which was reasonably well maintained during the early months of the following year. Many companies have experienced more favourable conditions, despite some slackening in demand during the summer months. The spurt in activity, which occurred prior to the last wage advance for the operatives, gave an additional fillip to earnings which can be expected to maintain the better trend in reports published in the months ahead.

Few traders can be entirely satisfied with the situation, particularly the tendency towards small orders and short runs. Such activity, however, is a sign of the times in the present uncertain state of world commodity prices and economic affairs, and no change can be anticipated in the immediate future.

The average profit announced by 49 spinning mills during 1957 was £26,015 per company, as compared with an average of £21,077 for 49 firms in 1956 and £27,745 for 60 companies in 1955. The average dividend paid by 50 spinning mills in 1957 was 18.31 per cent., as against 16.64 per cent. for 52 firms in 1956.

Experience of Spinning Trade

The following table shows the experience of the spinning trade in this connection for the past 20 years:

Year	Companies	Average profit per company	Companies	Total paid-up ordinary share capital	Yearly average dividend per cent.
		£		£	
1938 ..	85	10,742	132	15,963,280	5.53
1939 ..	86	5,506	126	14,880,910	3.39
1940 ..	74	14,488	121	14,624,893	8.80
1941 ..	71	11,102	106	13,967,396	8.84
1942 ..	65	8,078	100	12,639,961	9.59
1943 ..	62	7,959	102	12,280,768	10.38
1944 ..	63	8,490	101	12,380,014	11.01
1945 ..	65	8,243	94	12,025,906	11.14
1946 ..	68	9,812	97	12,171,285	12.21
1947 ..	73	14,098	94	12,110,507	14.52
1948 ..	81	20,083	95	12,078,327	16.25
1949 ..	73	26,313	92	12,002,080	16.83
1950 ..	74	35,168	85	11,666,799	18.21
1951 ..	80	55,641	86	12,291,212	21.26
1952 ..	88	56,154	87	13,038,724	21.51
1953 ..	79	27,546	82	12,374,242	20.14
1954 ..	67	81,226	72	12,051,134	24.31
1955 ..	60	97,745	62	11,188,278	23.42
1956 ..	49	21,077	52	10,256,030	16.64
1957 ..	49	26,015	50	10,083,418	18.31

The average profit of 18 concerns which combine spinning and weaving was £69,197 per company in 1957, as compared with £50,233 in the previous year. The average dividend paid by these companies was 10.89 per cent., as against 12.53 per cent. For the whole of these 67 firms, the average profit was £37,616 in 1957, as against £28,693 for the same number of companies in 1956. The dividend for 68 firms was 16.37 per cent. on average, as against 16.62 per cent. in 1956.

These companies now have an aggregate credit balance aggregating £10,606,558, an average of £155,979. A year ago, 73 firms had credit balances amounting to £11,563,487, an average of £158,404. Once again, it can be pointed out to some of the outside critics of the industry that the reserves, particularly in the spinning trade, are substantial. Nor do they take into account the large sums which many farseeing managements have provided in the shape of modern machinery and the expense caused by the introduction of labour-saving devices and work-study systems.

Weavers' Problems

The situation of purely weaving firms in the trade has for long been unenviable. Their position between the highly organised spinning and doubling branches and the merchanting community, whose object must be to sell on the best possible terms, does not make for large margins. Their results continue to be the least encouraging of those sections where financial information is most readily available and, during the past 12 months, there has been a further decline in average profits.

An analysis of 24 weaving concerns shows average profits of £24,320 per company, as against £28,112 in the previous year, while dividends averaged 6.27 per cent., as against 9.60 per cent. Credit balances amounted on average to £101,011 per company, as compared with £91,048 a year previously.

The Combines' Year

Average earnings of the 14 large groups, several of which combine the various processes under one amalgamation, regained the level ruling in 1955 after the reduction in profits announced during the following year. Total earnings of these combines and their subsidiaries announced during 1957 amounted to £4,968,862, as against £3,399,939 in 1956. The average profit was £354,919, as against £242,853 in 1956 and £333,213 in 1955. The dividend distributed averaged 12.72 per cent., as against 13.23 per cent. in 1956 and 14.99 per cent. in 1955.

As in the case of a number of weaving firms, the directors of the combines have clearly decided to keep dividends relatively low and retain larger amounts for the purpose of greater liquidity. The credit balances of these 14 groups aggregated £9,052,067, as against £8,415,377, an average of £646,576, as against £601,098.

Only a limited number of capital changes occurred affecting cotton textile companies during the year. In four cases, scrip bonuses issued amounted to £1,099,526, including one of £809,533 by one of the bigger groups in the trad . Scrip issues during the previous year involved £334,401. There were more capital repayments, four companies distributing £560,037 to shareholders, whereas only one such development occurred in the previous year, involving £123,036.

Export Gap Widens

Exports of cotton goods gained a little in their battle with imports during November. Shipments of cloth, at 38,183,000 square yards, were the highest since July, while arrivals of foreign fabric failed to reach 30,000,000 yards. At the same time, the gap between the two is still relatively narrow; for the 11 months, exports of cotton cloth were 418,767,000 square yards and imports were 383,954,000 square yards. A year ago, shipments were 433,993,000 square yards and imports 382,656,000 square yards. Exactly half the gain of 100,000,000 square yards made by foreign producers in the British market is accounted for by the larger arrivals from India, which so far amount to 168,699,000 square yards. Imports from Hong Kong have increased by 13,000,000 square yards to 64,745,000 square yards and arrivals from Japan are more than 21,000,000 yards up at 52,139,000 yards. Purchases from a variety of unnamed foreign countries have increased fourfold as compared with 1955 and now amount to nearly 40,000,000 square yards.

A good deal of the reduction in exports can be attributed to the fall in cloth takings by Australia which accounts for nearly 10,000,000 yards. Many other consumers have absorbed very similar quantities to a year ago, a notable exception being the United States where shipments have declined from nearly 12,000,000 square yards to 8,339,000 square yards. After the slight revival in business with India last year, trade has fallen off and exports so far amount to only 5,588,000 square yards.

Progress in fixing up cotton yarn exports is still slow, although recent levels are being generally maintained. In November, exports were 2,972,964 lbs. and the total for the 11 months of the year was 35,009,942 lbs., an increase of more than 2,000,000 lbs. as compared with 1956. In contrast to the cloth situation, Australia has absorbed more yarn, shipments being 7,339,047 lbs., as against 5,766,691 lbs.

Safeguards Against "Dumping"

Just over a year ago, Lancashire traders were discussing the terms of the Anti-Dumping Bill which had been drawn up by the Government to protect British industry from the inroads of alleged "unfair" competition. A year later, the topic is still well to the fore in the minds of textile men, not only in connection with the European free trade area plan but also as a means of parrying the thrusts of Far Eastern rivals. It was made clear when the provisions of the Bill were published that, however hard legal minds worked to provide an unchallengeable definition of "dumping," it would be extremely difficult to offer a watertight system to prevent such practices from being employed to Britain's detriment. The terms of the legislation still offered scope to the ingenious opponent and there were complaints among industrialists that they were by no means free from exploitation.

While the majority of local traders are anxious about their prospects under the European plan, another threat has lately arisen to give them cause for alarm. The spotlight has

(*Continued on page* 59)

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I.N.T.U.C.'S NINTH ANNUAL SESSION

ATTITUDE TO ECONOMIC PROBLEMS REALISTIC

TWO of the largest trade union organisations of India, the Congress-sponsored Indian National Trade Union Congress (I.N.T.U.C.) and the Communist-inspired All-India Trade Union Congress (A.I.T.U.C.) held their sessions in South India during the last fortnight. The I.N.T.U.C.'s ninth annual conference was held at Madurai in the Madras State, while the A.I.T.U.C. silver jubilee session was convened at Ernakulam in Kerala. These two organisations, owing allegiance to rival political parties having divergent political and economic convictions, had one thing in common—the desire to see the second Plan through. This was evident from the speeches made and the resolutions passed at these conferences. It is happy to note that even the extremist A.I.T.U.C., if one is to take the professions of its leaders at its face value, has taken a more responsible stand than was hitherto the case with that organisation in respect of the second Plan. Mr. Dange, General Secretary of the A.I.T.U.C., told the labour unions that their approach to the second Plan should be "absolutely different" and that they must make the Plan their own. He advised workers that strike should be the last weapon and that, even when it was resorted to, trade unions should always have in view the idea of settling disputes through negotiation. If the A.I.T.U.C. and the unions affiliated to it take these words of their leader seriously and are prepared to honour the obligations flowing from them, it augurs well for the future of industrial relations in the country.

Meeting at a time when a serious food shortage and other difficulties are staring the nation in the face, it is only natural that the two labour organisations, representing a substantial section of industrial workers, should discuss these problems as matters vitally affecting their members and the country as a whole. The basic problem confronting the country and dogging the planned development at every step was recognised as the problem of food shortage. Mr. Nanda, Union Minister for Labour, diagnosed the problem correctly when he observed, during the course of his inaugural address to the I.N.T.U.C. at Madurai, that food could not be treated as an isolated problem. He pointed out that it was part of the prevailing phenomenon in the country, namely, low productivity. The country's manpower, skill and resources, he observed, were not being put to the most effective use in many places. The country, therefore, experienced a slow increase of production and productivity. There are certain things which at the present stage of economic and technical knowledge the country cannot do. But it cannot be said, as Mr. Nanda rightly observed, that, with the natural resources and techniques available at present, this country could not have attained the position of being able to feed its people without dependence on outside sources. The obstacles with which labour and industry at the moment were faced have their origin largely in the same source. The difficulties encountered by the second Plan, Mr. Nanda was frank enough to admit, were due partly to the bigger dimension of the targets laid down and partly to the unfavourable turn of events about which nothing could be done. But the principal reason for the present embarrassment in respect of the implementation of the Plan, according to Mr. Nanda, was that "most of us have not yet attuned ourselves to the call of our great future to which destiny opened the door ten years ago when we gained our independence." Calling upon the workers to develop a wider outlook, Mr. Nanda exhorted them to bear in mind that their struggle for a better life could not be concerned solely with their immediate occupation and employer, but that they should extend their interests and attention to embrace the entire ensemble of social and economic factors which together formed the picture of the national economy.

Referring to the complexity of the problem of productivity, Mr. Nanda said that, while the workers might well be called upon to do more and better work and thus increase their own contribution, the problem of higher productivity was bound up with the whole set-up of social and economic arrangements, the level of public and industrial administration, the facilities for general and technical training and the emotional satisfaction provided for the workers and the kind of human and social relations evolved.

Proceeding, Mr. Nanda observed that a disturbing development in recent months was the loss of employment to a large number of workers in the textile industry. Fluctuations in the fortunes of an industry do occur at times. But, if these hazards were not reduced to the minimum, it had to be acknowledged as a failure of planning. This, according to Mr. Nanda, is in essence a problem of how to deal with uneconomic units in an industry. Unless they were segregated and special methods of treatment devised for them, their unhealthy influence on common standards and volume of employment could not be avoided. While this line of reasoning is sustainable to a degree, what is intriguing is how a Government which sets so much store on efficiency can go on subsidising inefficiency when it is found to exist in certain sectors which they patronise on ideological considerations. Moreover, the Minister does not appear to have paused to examine the basic factors that have led to unemployment among workers in the textile industry. Has the Government given adequate consideration to the baneful influence of the taxes piled one after another on mill cloth and the umpteen obstructions placed in the way of modernisation and expansion of cloth production? Who else are to be blamed for the unpleasant but logical consequences of unwise economic policies than those who fathered them?

Mr. S. R. Vasavada, President of the I.N.T.U.C., in his presidential address to the conference, stressed the need for higher production and called upon Government, employers and employees to co-operate in ending the race between prices and wages. He was very realistic when he advised workers that a mere increase in wages was not going to help them. What the workers wanted was not more money but more real wages. The only way of enhancing the purchasing power of workers, he averred, was to curb the rise in prices and this was possible only by improving production. He blamed the Government for the current food shortage and attributed it to the failure of the Government to give adequate attention to agriculture. He did well to remind the workers of the fundamental economic fact that a mere wage increase is not going to help them when wages and prices are chasing each other.

Mr. Vasavada suggested that all the social security schemes such as health and life insurance, provident fund, gratuity and old age pension should be incorporated in a comprehensive scheme which should be prepared and put into force. According to him, such a scheme was feasible and would not entail much additional cost either to the industry or to the workers.

Stressing the need for amicable settlement of disputes, Mr. Vasavada rightly pointed out that recourse to industrial courts and tribunals might terminate a dispute but did not establish or restore harmonious relations between the employers and the employees. Amicable relations were best maintained only when parties tried to see each other's point of view and reach an agreement or voluntarily submit their differences to arbitration. There is no doubt that this is the sound line of approach to the question of industrial relations. It is the excessive reliance on legal approach that has been responsible for the unsatisfactory industrial relations in this country.

Among other suggestions put forward by Mr. Vasavada are: (1) enhancement of the rate of contribution of employees to provident fund from 6¼ to 8¼ per cent., with a corresponding increase in the contribution of employers, and (2) the enactment of a National Housing Act, requiring all the States to establish Housing Boards or Departments.

(Continued on page 59)

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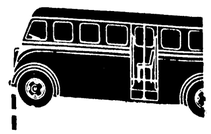

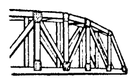

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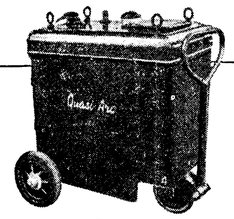

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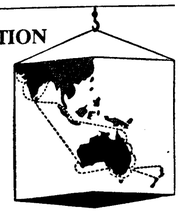

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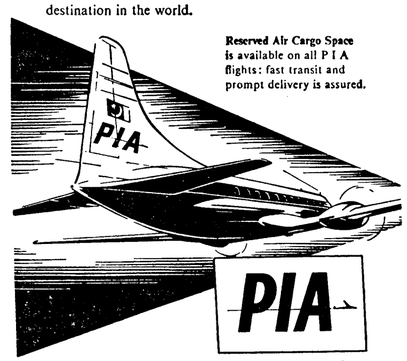

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FINANCIAL TRENDS IN SUGAR INDUSTRY

SUBSTANTIAL SHARE OF PROFITS PLOUGHED BACK

THE Association of Indian Trade and Industry, Bombay, must be complemented for the interesting study it has made about the financial trends in the sugar industry during the 17-year period 1937-54. The study makes available for the first time comprehensive data relating to the finances of 110 public limited companies owning 121 sugar factories. The aggregate cane-crushing capacity of these companies in 1954 was 101,610 tons per day (including that for two units situated in East Pakistan), accounting for over 70 per cent. of the entire industry's total installed capacity. The study excludes 54 companies owning 57 sugar factories having less than 30 per cent. of the total installed capacity. It may be noted here that sugar now ranks as one of the countries leading industries, next in importance only to cotton and jute textiles from the point of view of value of production. It is of a seasonal character, employing 135,000 workers in 1950-51 and 143,500 in 1955-56, and is expected to employ 30,000 more by 1960-61.

The Association's study clearly brings out the well-known fact that conditions in South India are more ideal for sugar growing than in North India. Thus, during the 17-year period ended 1954, the sugar industry grew faster in the South than in the North. The number of sugar companies covered by the study increased in North India from 53 in 1937 to 71 in 1954, whereas the number in South India doubled from 13 to 26. The production income of the Northern units increased by about 6 and a half times, from about Rs. 8 crores in 1937 to Rs. 51 crores in 1954, while the production income of the Southern companies in the same period increased by about 14 times, from Rs. 1.53 crore to Rs. 20.51 crores. Between 1937 and 1954, the share of companies in the South increased from 17 per cent. to about 30 per cent. in the case of production income and from 16 per cent. to 39 per cent. in the case of gross fixed assets. The higher proportion in the latter case reflects also the comparatively higher capital cost of the new companies due to inflated prices of plant and machinery. This shift in the industry's development in favour of the South is likely to be accentuated during the period of the second Plan, under which the majority of new mills are to be established in the South.

Superiority of South

"Financial results," according to the Association, "leave no doubt as regards the superiority of the South in matters of location. Since the prices of sugarcane and sugar are fixed on a uniform basis throughout India, the economic advantages of the South are reflected in the figures of relative profits, which, for the period as a whole, work out to about double the corresponding figures for the North. For instance, the ratio of profits before tax to total income for the whole period was 13.2 per cent. for the companies in the South, as against 6.4 per cent. for the companies in the North. The ratio of profits after depreciation and tax to net worth during 1937-54 was 11.4 per cent. for companies in the South, as against 7.6 per cent. in the North. The profits before depreciation and tax per ton of crushing capacity in 1954 were more than twice as much in the case of companies in the South as in the case of companies in the North."

There are two main reasons for the relatively greater success of the sugar industry in the South than in the North. One is that climatic conditions are more favourable in the South than in the North and the other is that it has been possible for the sugar factories in the South to have their own sugarcane plantations where they could raise cane on scientific lines by adopting modern mechanised methods of agriculture. This could be followed only on a limited scale in North India. But, as a result of the recent spate of land reforms, the South is unlikely to enjoy this advantage so far as future expansion is concerned.

It will be seen from the figures in the next column that the aggregate income of the companies (included in the study) from production of sugar and other sources after making adjustments for excise duties, cesses and changes in inventories rose by more than 7½ times, from Rs. 9.67 crores in 1937 to Rs. 75.66 crores in 1954. During the same period, the country's total sugar output increased by less than twice, from 900,000-1,000,000 tons in 1937-38 to 1,600,000 tons in 1954-55. The difference in the proportion of the two increases thus is due to the difference in the price of sugar which was more than thrice as much in 1954-55 as in 1937-38. But this expansion was largely the result of inflation the effect of which on production costs was heavy.

Profit and Loss

The profit and loss and appropriation account of the sugar companies under review is given in the following table:

(In crores of rupees)

	1954	1953	1952	1937
No. of companies	97	98	98	66
Income:				
Production (sales net of stocks, excise duty and cess)	71.77	67.90	82.58	9.22
Other income	3.89	4.78	4.44	0.44
Total income ..	75.66	72.68	87.02	9.66
Expenditure:				
Raw materials and stores ..	41.84	38.97	54.13	5.32
Repairs and renewals ..	1.07	1.02	1.05	0.13
Other manufacturing expenses ..	12.12	11.46	11.27	1.43
Wages, salaries, bonus, etc. ..	7.05	6.47	6.79	0.72
Managing Agents' remuneration ..	0.92	1.06	0.92	0.18
Sundries	4.83	5.43	5.67	0.71
Total expenditure ..	67.83	64.41	79.83	8.49
Profit appropriations:				
Gross profit	7.83	8.27	7.19	1.17
Depreciation	2.28	2.27	2.13	0.61
Net profit	5.55	6.00	5.06	0.56
Taxation	2.17	2.59	2.11	0.10
Disposable profit	3.38	3.59	2.95	0.46
Dividends	2.20	2.19	1.91	0.40
Undistributed profit	1.18	1.31	1.10	0.06

The cost of sugar manufacture and payments to workers and staff moved up, it may be noted, disproportionately to the growth in income. The share of total income absorbed by manufacturing expenses in 1962-54 was 73.5 per cent., as against 68.4 per cent. in 1937-39, the percentage share of employees rising from 6.6 to 8.6. Provision for income-tax also accounted for a rise, the percentage share being 2.9, as against 1.9. The other items of cost increased proportionately less and their share in the total income declined, the managing agents' remuneration falling from 1.7 per cent. in 1937 to 1.2 per cent. in 1954. As a result, the margin of profits (before depreciation and tax) was squeezed from 15.6 per cent. in 1937-39 to 9.9 per cent. in 1952-54. The percentage share of depreciation, dividend and undistributed profit declined from 6, 4.3 and 3.6 to 2.8, 2.7 and 1.5, respectively.

Another interesting conclusion arrived at by the Association's study pertains to dividend. The average of dividends distributed during the years 1937-54 was 4.2 per cent. of gross block and 4.9 per cent. of net worth (paid-up capital *plus* free reserves). The undistributed profit of the industry (carried to free reserves) was the most unstable item in the entire analysis, varying from Rs. 5 lakhs to Rs. 3.22 crores. On an average, for every 1 per cent. rise in gross profit after taxes over the previous year, there was a less than proportionate rise in dividends of 0.63 per cent. and a more than proportionate rise in transfers to reserves of 5.68 per cent. Similarly, for a fall in profits from the previous year of 1 per cent., there was a less than proportionate fall in dividends, only 0.22 per cent., but a disproportionately large fall in transfers to free reserves of 2.27 per cent. Thus, the elasticity of dividends to gross profit after taxes was less than unity at 0.63 and 0.22 per cent., while the elasticity of undistributed profit (transfers to free reserves) to gross profit after taxes was greater than unity at 5.68 per cent. and 2.27 per cent.

A chart in the Association's publication showing the year-to-year changes in profits after taxes, dividends and net retention discloses that the curve of dividends moves in line with the curve of profits after tax, where the curve of undistributed profits fluctuates widely, though moving in the same direction as the curve of profits, albeit much more steeply than the other two curves. Commenting on these fluctuations, the study remarks significantly:

"The behaviour of these curves over the period shows that dividends have a tendency to stabilise once they reach a certain level, rising slowly and falling still more slowly with profits; whilst undistributed profits tend to rise and fall fast with profits, getting the better part of surplus profits over the normal figure and bearing the brunt of maintaining dividends in case of a fall in profits. From this observation, one generalisation could be made which has relevance to policy matters. Any increase in profits due to increased prices or tax reliefs is likely to be used much more to strengthen the reserves of the industry than to increase the level of dividends, and any inroad into profits due to higher taxes or other causes would affect profit retention much more than dividends."

The book value of the gross assets of the 110 companies covered by the review in 1954 amounted to Rs. 118 crores, a rise of Rs. 98 crores as compared with 1937. Of this rise, gross fixed assets accounted for about 40 per cent., increasing from Rs. 14 crores to Rs. 53 crores, and inventories for 25 per cent., increasing from Rs. 4 crores to Rs. 38 crores. The improvement in assets was financed as follows:

	Per cent.
Internal sources, that is, depreciation and free reserves (including capitalised reserves)	44
Issue of new shares for cash ..	12
Debentures and loans	24
Current borrowing	20
Total ..	100

The net asset formation in the sugar industry during the period 1937-54 was Rs. 33 crores, which was divided evenly between net fixed assets and net current assets. The bulk of this, to the extent of 64 per cent., was financed from free reserves, the balance being the shares of new issues of shares for cash or other consideration. The net worth of companies advanced from Rs. 9 crores in 1937 to Rs. 42 crores in 1954; the sum of Rs. 42 crores comprised shares issued for cash (Rs. 19 crores) and free reserves (Rs. 23 crores). The assets structure of the industry showed a continuous shift towards working capital or current assets; the ratio of net fixed assets to net current assets fell from 1.9 : 1 in 1937 to 0.6 : 1 in 1954. The decline must be attributed to the stagnancy in fixed assets owing to the difficulty of obtaining machinery from abroad, on the one hand, and increase in the value of inventories due to higher prices of sugarcane, higher labour charges, higher taxation and increase in price of sugar, on the other. It also reflects fuller utilisation of installed capacity.

Capital Erosion

While the total capital (including free reserves aggregating Rs. 22.16 crores) invested in the sugar industry during 1937-54 amounted to Rs. 39.76 crores at 1954 prices, the total "real" capital formed (including net fixed assets of Rs. 13.16 crores) amounted to only Rs. 29.33 crores. The residual difference of Rs. 10.43 crores is regarded by the Association as "capital erosion." These calculations are based on three related assumptions. First, the book value in 1937 reflected correctly the real values in that year. Secondly, the 1954 prices were 300 per cent. of 1937 prices and the weighted average of 1937-54 prices was 200 per cent. of 1937 prices. Thirdly, prices will remain constant about the 1954 level in succeeding years. Commenting on the "capital erosion," the study observes:

"Capital erosion may be defined as the difference between the value of the real capital invested either by bringing in fresh funds or by ploughing back retained profits over a period of time and the value of real capital formed as a result of such investment during that period. It may be due to many causes, but, in this case, it appears to be due mainly to the faulty practice of calculating depreciation on fixed assets on historical rather than replacement cost basis, leading to an overestimation, and consequent overtaxation, of profits earned by the industry. The estimate given above is only a first approximation. A more accurate estimate is possible only if the exact amounts and the price indices of the various items of fixed and current assets added from year to year during the period are available. Technical surveys would yield still more accurate results."

As already quoted from the Association's study, there is statistical evidence to show that, on the basis of the present trend of appropriations, any increase in the earnings of the sugar industry due to tax relief or price increase will go mainly to augment the reserves of the industry and, to a smaller extent, to increase dividend distributions. In the case of 56 companies the accounts of which are available for each year of the period 1937-54, the co-relation between gross profit after taxes and allocation to free reserves is highly significant at 0.83. The regression of free reserves on gross profit after taxes is 0.42, while that of dividends is only 0.29. The correlation between gross profit after taxes and gross retained profit (depreciation *plus* free

(*Continued on page 45*)

PEGGING OUTPUT OF COKING COAL

PRESENT SYSTEM TO BE ABOLISHED?

IT is reported that the Government of India is considering the question of abolishing the present system of pegging production of metallurgical coal from the current year onwards, with a view to giving collieries adequate scope to develop their mines to meet the requirements of the steel plants by the end of 1958 and thereafter. It is stated that the system, if not wholly abolished, would at least be considerably modified. If these reports prove correct, it will mark a distinct change in the Government's policy of conserving valuable coking coals. For even in its latest report, namely, that for 1956-57, the Coal Board pointed out that, if pegging were to be removed, it would be difficult to check overproduction of coking and semi-coking coals. Uncontrolled production might, it added, create more difficult underground conditions and might not be in the best interest of conservation of coal. The Coal Board, therefore, advocated the planned and controlled increase in production of coking coals with different characteristics and was of the view that pegging would enable the exercise of such control. It is, therefore, hard to believe that the Government would agree to give up pegging. There is, however, no reason to believe that it would not agree to relax to a considerable extent some of the conditions pertaining to production of coking coal.

It may be noted, in this connection, that production of selected A and B grades coking coals has remained pegged from 1952 and that of grades I and II from 1953. Also, the production target for each grade has been gradually increased from 1954 onwards. The following are the pegged levels of output and actual production of all coking coals from 1953 onwards:

(In million tons)

Year	*Ceiling*	*Actual output*
1953	15.18	13.74
1954	14.38	13.61
1955	14.38	13.36
1956	15.41*	13.81
1957	16.00	—

*Excluding a further increase of 10 per cent. allowed as a special case for the year.

In answer to the criticism that the policy of pegging had been operating as a hindrance to increased production of coking coal, the Coal Board drew attention to the fact that the actual production during the last five years had been less than the ceiling fixed. It, however, recognised that the causes for the production being less than the ceiling were inherent in the mining conditions of many of the collieries where stowing was urgently necessary.

The Coal Board insisted that the policy of pegging production should be continued, because "the known and proved resources of coking coal are still limited." It added that coking coals were themselves of different characteristics and a proper blending was required to produce good metallurgical coke. In order to obtain a proper blend, the production of various types of coking and semi-coking coals had to be properly regulated.

A somewhat different view about the resources of coal in the country and the need for control over coal mining as a whole is, however, taken by Mr. D. C. Driver, Chairman of the Coal Consumers Association of India. In the course of his address at the annual general meeting of the Association held last month, Mr. Driver said that there was a revolutionary change in the outlook on coal resources and, in view of this change, the Government might consider favourably the relaxation of coal mining rules and regulations and the amendment of the Coal Areas Acquisition Act. Thus, Mr. Driver observed:

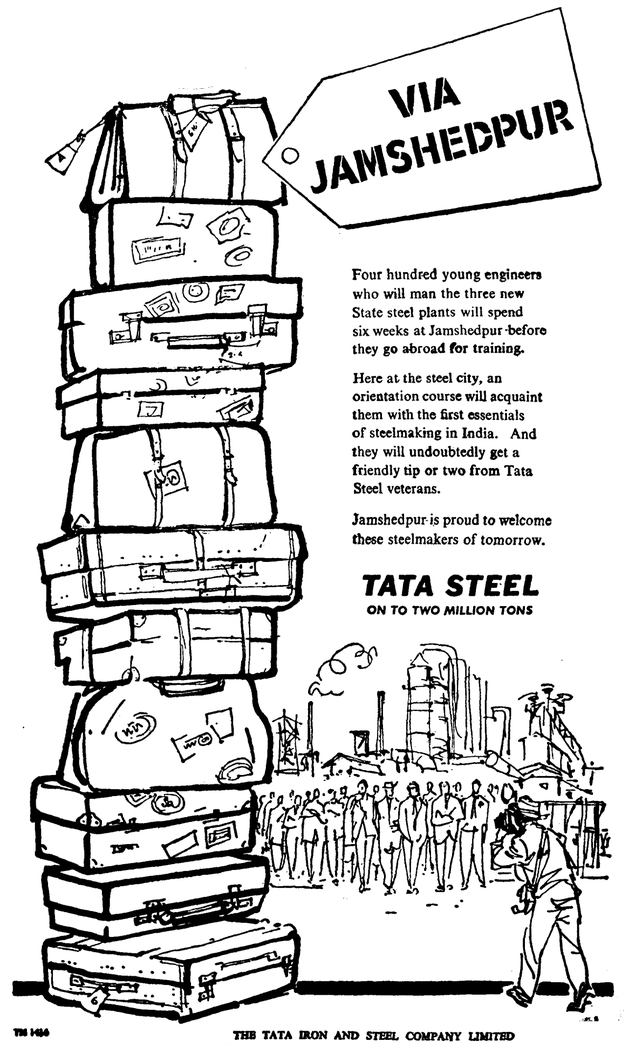
"In prospecting for coal, the realistic method of actually drilling the coal areas has been recently adopted by the Indian Geological Survey and the Bureau of Mines and the indications even in the preliminary stage of their survey are astonishing. Our previously estimated slender reserves of coking coal are indicated to be at least five times larger and the deposits of non-coking coal of good quality are enormous. Further drillings are expected to add to these estimates. This revolutionary change in the size of our reserves of good coal, coking and non-coking, alters fundamentally the outlook on Indian coal problems of conservation, distribution and transport and makes unnecessary the very rigid rules and regulations and legislation about the mining and opening of new mines and conservation of coal, etc., which were evidently based on the assumption that the reserves of our coking coal and good quality non-coking coal were very limited. The Government may, therefore, favourably consider relaxation of these rules and regulations and amendment of the Coal Areas Acquisition Act recently passed."

In view of the vast potentialities which the country's coal resources offer and the consequent increase in coal production proposed during the third and fourth Plans, Mr. Driver felt that there was no necessity for nationalising the existing collieries in the private sector. Elaborating his views on nationalisation, Mr. Driver said:

"The new finds in the public sector of the enormous deposits of coking and good quality non-coking coals disclosed by the drilling survey of our coalfields and the increase in the planned target of coal production in the third and fourth Plans to 100 to 120 million and 160 to 200 million tons, render nationalisation of the existing collieries in the private sector unnecessary, considering that, by the end of the third and fourth Plans, most of the important collieries in the private sector would be exhausted and production of the public sector would have exceeded the output of the private sector and the Government has been invested with adequate control to prevent any untoward activity in the private sector. Let the private sector, therefore, endure till its good coal is more or less exhausted in the next two or three decades and let alone its inferior coal to nationalise which serves no useful purpose."

It may pertinently be asked whether, while no notable progress has yet been made in the public sector during the current Five-year Plan, it would be possible for the target for coal in the second Plan to be achieved, let alone raising the output during the subsequent Plan periods. Mr. Driver was of the view that it might not be possible to reach the target within the second Plan period. As a result of several delaying factors and in view of the fact that it took six to eight years to develop a new mine, Mr. Driver pointed out, the production of 60 million tons per annum by the end of the second Plan period might be delayed by some 12 to 18 months. He added that most of the important new mines in the public sector would be worked by open-cast mining. In view of the vast potentialities for open-cast mining, Mr. Driver presumably thinks that the delay in achieving the target of 60 million tons might not go beyond the period of 12 to 18 months.

While on this subject, it may be noted that the problem of reaching the target for coal within the time specified was discussed at the recent meeting of the Coal Council held on 27th December last. The Council is reported to have come to the conclusion that, though there might be some shortfalls here and there, the overall production of coal envisaged in the second Plan would more or less be attained. The Council, it is further stated, was of the view that production would have to be kept up at a much higher level in the third Plan period. It, therefore, discussed steps to be taken immediately as part of the requisite forward planning. One of them pertained to collection of data for proving new coal reserves and meeting the requirements of technical manpower.



TEA PRICES IN LONDON MOVE UP

SHORT-TERM OUTLOOK DEPENDS ON SUPPLIES FROM CEYLON AND INDONESIA

RECENT developments in two of India's competitors in the world tea markets, namely, the flood havoc in Ceylon and the political upheavals in Indonesia are unfortunate, and it is not pleasant to say that their misfortunes constitute an indirect advantage, albeit short-term, for tea growers in India and elsewhere. But it is an undeniable fact that the repercussions of these on the statistical position and prices of tea have not escaped the attention of the markets the world over. In India, there were no auctions in the last two weeks of December. The first sale of 1958 in Calcutta for both export and domestic consumption began this week, but the results of these auctions are not available at the time of writing. The sale of dust teas in Cochin opened on the 2nd inst., and the demand was fairly good. Coloury medium dusts and best liquoring dusts were well supported and were dearer. Export sales for the current year have not commenced up to the time of writing. The tea markets in India have thus had no opportunity yet to reflect the developments in Ceylon and Indonesia.

Keen Bidding

Last week's auctions in London and Colombo, however, gave an indication of the direction in which the wind was blowing. Biddings were keen on expectations that supplies of plain teas to world markets during the next few months would be adversely affected, as a result of flood havoc in Ceylon and the political unrest in Indonesia. In addition, the accumulation of demand due to Christmas and New Year holidays and the absorption by blenders during these holidays of a large part of the heavy offering of C.T.C. teas which took place just before Christmas, also induced larger demand. Consequently, plain and medium teas were dearer by 2½d. per lb. (as compared with the prices at the closing sales for 1957) and quality teas fetched 4d. per lb. more. The following were the quotations at last week's auctions in Colombo, as compared with those at the end of 1957:

	1st sale of 1958	*Last sale of* 1957
	s. d.	*s. d.*
Low Grown B.O.P.'s	2 4½	2 2
Low Mediums	2 3½	2 1½
Good Mediums	2 10½	2 7½
Poorer Liquoring high growns ..	2 11	2 5½
Useful quality high growns ..	6 0 to 7 6	5 3 to 7 2½

The improvement in prices noted above has thus belied the earlier expectations of many dealers that the larger world production during 1957 would depress prices. In fact, for some weeks prior to the Christmas holidays, tea prices in London had been ruling steady and the surplus production of tea did not cause any recession in prices on account of several other intervening factors, such as the labour unrest in Colombo, following the dock labour strike in November, the occasional buying by Russia in several tea-producing countries and the uncertainty about supplies from Indonesia.

Position in Ceylon

It would, however, be unwise to conclude that the present improvement in prices would last for some months and mark a change for the better in the outlook for tea. A better assessment would, however, be possible only when the position in both Ceylon and Indonesia becomes clearer. So far as present indications go, the position in Ceylon is not so bad as it appears to be. An improvement in the labour situation has been reported. Further, the recent flood havoc is said to have not done any serious damage to the production of tea. It may be noted with interest here that the tea estates of Ceylon are mainly concentrated in the Central hills of the Island and the rain water drains down the hills to the coast. The consequent loss to estates from heavy rains can, therefore, be expected to be not heavy. It is possible that, owing to dislocation in transport, the marketing or shipment of tea might be delayed for some time, but, unless there is an undue delay, this may not have any serious repercussions, because there is already a heavy backlog of tea at the port awaiting shipment.

The main uncertain factor is thus the prospect of supplies from Indonesia. If there is a drop in production in that country, its two important customers, namely, the Netherlands and the U.S., may have to look to other exporting countries for their requirements. This, coupled with purchases by Russia, if they persist, may prevent any recession in prices.

So far as the statistical position is concerned, the latest figures of production in the main tea producing countries during 1957 indicate an increase of about 17 million lbs. (at 1,079.4 million lbs.) over that of 1956, as will be seen from the following comparative table:

(Million lbs.)

	1957	1956	1955
North India, up to November ..	509.5	538.6	525.8
South India, up to October ..	120.6	103.8	110.4
Pakistan, up to November ..	42.3	51.7	48.9
Ceylon, up to October ..	333.5	301.1	318.6
Indonesia, up to September ..	73.5	67.3	70.9
Total ..	1,079.4	1,062.5	1,074.6

It will be noted that the aggregate fall of 38.5 million lbs. in the North Indian and Pakistan crops has been offset to a large extent by the increases in the output of South India, Ceylon and Indonesia. It will also be noted that the output figure for Indonesia only up to September is available and the production data for the subsequent months will have considerable influence on tea prices elsewhere.

While assessing the outlook for tea in the next few months, one should not fail to take into account the abundance of common teas in world supplies. India and Indonesia produce mainly this variety and the output in the latter country is, therefore, of significance to Indian producers. Many of the gardens in India are selling their output below the cost of production and, if the world surplus continues, it is doubtful whether these producers will be able to get a better price. If Indonesian output were to suffer a decline, it is possible that Indian common teas will fetch a slightly higher price.

Long-term Factor

A more long-term factor on which the outlook for Indian teas depends is the improvement in the quality of teas produced. It is true that the internal market offers a vast field for absorbing the rising production of common teas. In this respect, India is more favourably placed than many other producing countries. Nevertheless, to depend on internal consumption and to allow production of more and more common varieties of tea is not in the best interest of India which needs an enormous amount of foreign exchange. But at the same time it has to be recognised that there are serious limitations to raising the production of finer teas. There are certain conditions, in addition to climatic and locational, over which man has precious little control, which are not conducive for producers to switch over to fine quality teas. The growing indiscipline among labour, rising wages, and steep increases in taxes, both at the Centre and the States, all make the investment in tea industry an unattractive proposition.

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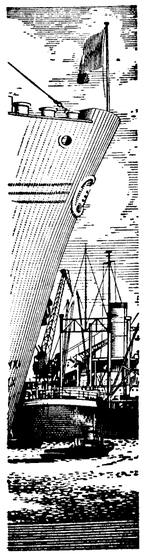

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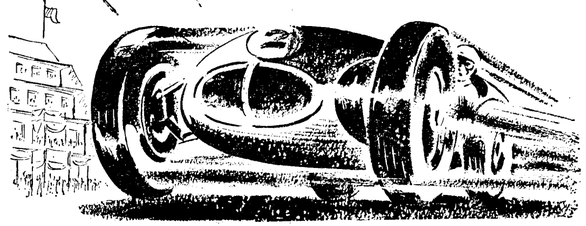

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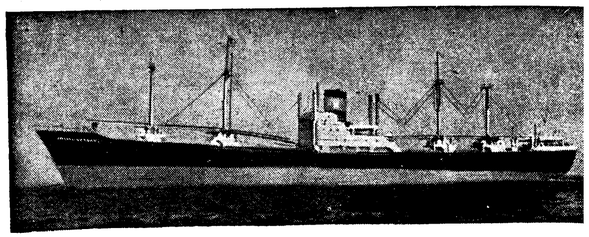

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RAW MATERIAL SHORTAGE IN ENGINEERING INDUSTRY

SARDAR SWARAN SINGH'S ASSURANCE

THE present shortage in engineering raw materials, namely, pig iron and steel, continues to provide material for the speeches of the spokesmen of the industry. Last month, we drew attention to this aspect of the industry's problem in the course of a reference in these columns to the address delivered by Mr. M. G. Vohra, Chairman of the Engineering Association of India, Bombay region. The same problem has again figured prominently in the speech of Mr. R. M. Agrawal, President of the Engineering Association of India, at the annual meeting of the Association, held on 30th December 1957, at Calcutta. It is, however, gratifying to note that the Union Minister for Iron and Steel, Sardar Swaran Singh, who addressed the meeting, gave the assurance that in the matter of distribution of steel, the steel processing industries enjoyed the same priority as the 'core' of the second Five-year Plan, which, as is well known, enjoys a high priority.

The Minister's assurance is welcome for the reason that it recognises the importance of the engineering industries. For, as Mr. Agrawal pointed out, the engineering industry is the "backbone" of the country's economy and "in volume of employment, capital investment and production, the engineering industry today is a close second to the cotton textile industry and very soon it would surpass that industry to claim the first position in the country's economy." Referring to the "burning problem" of the shortage of raw materials for the industry, Mr. Agrawal rightly stressed that a cut in the supply of raw materials to industry was an "antithesis of progress." He added: "To my mind, import of raw materials is as high a priority item as, if not more than, food and certainly more important than anything else, even an electricity project, big heavy industries, many consumer industries." The shortage of raw materials, according to Mr. Agrawal, affects the big as well as the small engineering units. In this connection, he observed:

> "Many small factories have been depending upon cuttings and rejects of tinplates, plates, sheets, wires, rods, bars, etc., as their raw materials. Now all the big manufacturers of these items have started diverting them to other uses. Railways have also withheld supplies of these items to small fabricators or their associations, so that many factories have nothing to carry on with. I would urge that until such time as prime quality raw material is not adequately available to these small units also, diversion of their present source of raw materials should be postponed, in the national interest."

Although Sardar Swaran Singh appreciated the difficulties of the engineering industry, he naturally deplored India's continued dependence on imports for the essential raw materials of its engineering industries. He said that if the foreign exchange required to import, say, two million tons of steel, were used to purchase the equipment for a steel plant, it could easily generate a productive capacity of a million tons of steel annually. Nevertheless, in the matter of distribution of available supplies of steel the Government would see that the steel processing industries got the same priority as the core of the Plan. At the same time, he admitted that the foreign exchange position did not permit the Government to arrange for liberal imports of steel. He, however, hoped that essential categories of steel would be available.

Steel Supply

The Union Minister estimated that the total availability of steel was 3.2 million tons in 1956 as well as in 1957. The prospect for the supply in the immediate future, on the basis of the present estimate of the availability of foreign exchange, was not bright. The position in regard to pig iron, he said, was better in 1956 than in 1957. Thus, the total allocation of pig iron to foundries was only 256,000 tons in 1957, as against 402,000 tons in 1956. But, with the new blast furnace functioning in the Indian Iron and Steel Company at Burnpur in 1958, the total availability for allocation would be about 500,000 tons. He, therefore, thought that pig iron supply was likely to be easier in 1958 than in 1957. A similar increase in supply was possible in respect of steel from 1959. The Union Minister announced that the Government had decided to replenish the shortage of steel content in steel manufactures exported abroad to the extent of 133-1/3 per cent. He added: "Industrial units engaged in manufacturing goods for export need not thus have any great fear of shortage of raw material."

Economy in Steel

A notable development in the engineering industry is the formation of a co-operative organisation for the purchase of iron and steel. The Bombay Committee of the Engineering Association of India has established a new body called the Engineering Raw Material Consumers' Corporation which has been recognised by the Iron and Steel Controller as a "controlled stockist." It would appear that a similar organisation will soon be established in Calcutta also. While these efforts are commendable in themselves, the ultimate solution for the raw material problem lies in augmenting the supply through domestic production and/or imports. It is to be hoped that the programme for expansion of steel output in the public and private sectors will be completed early enough to relieve the shortage in the supply of steel. So far as the immediate future is concerned, no efforts should be spared to import essential raw materials. At the same time, the Government will do well to explore possibilities of economising the use of steel in the public sector. Perhaps, some of the projects which do not add significantly to production potential—say, certain elaborate building projects—could be given up or postponed in order that the steel saved thereby could be released for more essential uses.

U.S. ATOMS-FOR-PEACE PROGRAMME

The U.S., as is well known, has taken a commendable lead in developing the programme for the utilisation of atomic power for peaceful purposes and also in the establishment of the International Atomic Agency which could be of great assistance to underdeveloped countries in their efforts at utilisation of nuclear power. In this connection, it is gratifying to note that, in 1957, steady progress was made in the U.S. in extending the application of atomic energy to such diverse purposes as generation of electricity, medicine and industry. One of the most important events of the year was the initial starting of the atomic furnace at the Shippingport, Pennsylvania, electric power plant. A chain reaction was started in the plant's reactor on 2nd December, 1957. In addition to the Shippingport plant, four other power reactors were put into operation during 1957 under the U.S. Atomic Energy Commission's (A.E.C.) experimental power reactor programme. Apart from the A.E.C. programme, private United States electric power companies went actively ahead with the building and planning of nuclear electric power plants. A 5,000-kilowatt plant was completed at Vallecitos, California, by the General Electric Company, and other private firms began construction on three more plants in the States of Illinois, New York, and Michigan. Plans were announced during the year for the construction of ten or more nuclear electric power plants by utility companies. The Commission will assist in financing some of these plants. Mr. W. Kenneth Davis, Director of the A.E.C.'s reactor development programme, has predicted that, in 20 years, nuclear plants in the United States should be producing about 133 million kilowatts of electric power. This is about the same capacity as the total electric generating capacity in the United States at the present time. During 1957, U.S. companies worked on plans with eight other countries for the building of nuclear electric power plants—Belgium, Brazil, Cuba, Dominican Republic, Italy, Mexico, the Philippines and Peru.

A number of new research reactors were put into operation in the United States during 1957, and plans were made for the installation of others in the near future. The number of research reactors already in operation, being built or planned now is nearly 50. Construction of research reactors in other countries was also advanced during the year. United States companies completed construction of research reactors in Brazil, Denmark, the Federal Republic of Germany, the Netherlands and Japan. In addition, the 1955 Geneva Conference exhibit research reactor is now in operation as part of the Swiss nuclear research centre, and 18 other research reactors are being built or designed in the United States for delivery to other countries.

In the United States, the Atomic Energy Commission put into operation late in the year an engineering test reactor described as the "world's most powerful instrument for the development of nuclear power." The reactor provides the highest neutron flux—the number of nuclear fissions occurring per second—of any known reactor. Located at the A.E.C.'s National Reactor Testing Station in Idaho, the reactor will test materials used in reactors and other nuclear devices.

Extensive research and development work was carried on during 1957 to perfect the design of a reactor for use in preserving fresh foods by means of nuclear irradiation. At the same time, the U.S. Army Quartermaster Corps proceeded with construction of its Ionizing Radiation Centre at Lathrop, California, where the reactor is to be installed. The centre, first of its kind ever to be built for food irradiation, is expected to be in operation by the end of 1958.

Several important advances were made during the year in the field of nuclear ship propulsion. Arrangements were made in April last, for the design and construction of the nuclear propulsion plant for the first nuclear-powered merchant ship. This ship, to be named the *Savannah*, will use an atomic reactor to create heat and steam for turbine operation. In October last, plans were announced for building a second merchant ship to be propelled by a nuclear gas turbine power plant. These ships, according to the Atomic Energy Commission, are considered the forerunners of "eventual privately-owned and operated American nuclear-powered merchant marine."

During 1957, the A.E.C. continued its developmental work on reactors and power plants for aircraft. Reactor experiments on nuclear operation of turbojet engines were carried out at the National Reactor Testing Station, and additional research and development laboratories and testing facilities were built. In addition, a test airplane carrying the world's first known airborne reactor was put into service. Several U.S. aircraft manufacturing companies are doing development work on atomic planes, and continued progress has been reported.

In addition to advancing the development of atomic planes, the Atomic Energy Commission authorised studies of the application of nuclear power to rocket engines. The Commission announced in December 1957 that static testing of nuclear rocket propulsion would begin in late 1958.

The Commission continued to make numerous shipments of radioisotopes to other countries during 1957 for use in medicine, agricultural research and basic research. More than 50 countries have received these materials from the United States since September 1949, when overseas shipments were started. Radioisotope users in the United States increased from about 3,600 to well over 4,000 during 1957, including hospitals, clinics, physicians, research laboratories and industrial concerns.

In medicine the use of radioisotopes continued to expand, both in the United States and other countries. More than 1,200 medical institutions in the United States are now using these valuable materials, and many hundreds of physicians and medical research centres in other countries. In the field of agricultural research the Atomic Energy Commission continued its work to create large-yielding and disease-resistant food plants by the use of nuclear radiation, to improve fertilisers and their use, and to control insects.

Development of nuclear-powered merchant ships could come with unexpected rapidity, a leader of the British shipbuilding industry forecasts in a New Year review of how British yards are preparing for the future. Mr. J. A. Milne, President of the United Kingdom Shipbuilding Conference, says in a *Lloyd's List* annual review that vast sums of money are involved in the research on nuclear-powered ships. "It would be hazardous to forecast the outcome of these researches," he writes. But "if the nuclear-powered merchant ship is not, at the moment, just round the corner, either in this country or elsewhere, it is equally true that, as a result of work now being done, progress could well be unexpectedly rapid." Britain's general research effort, Mr. Milne claims, "compares more than favourably with that in any other shipbuilding country." The *Lloyd's List* review shows that Britain's trading fleet remains the greatest in the world. Orders with the United Kingdom shipbuilding industry are stated to be worth £1,000 million.

The P. R. Mallory Company of U.S. was recently presented with the Industrial Science Achievement Award of the American Association for the Advancement of Science. The firm received the honour for a new technique in powder metallurgy, that is, the manufacture of machine parts by compressing metal powder into shapes, then heating them. The process, named steelmet, is said to produce stronger iron and steel parts with less time and expense than by other powder metallurgy methods.

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NEW PRODUCTS AND PROCESSES

New Technique for Uranium Prospecting

A NEW technique developed by the Australian Bureau of Mineral Resources in airborne prospecting for uranium, has recently been successfully tried out in test flights over Port Phillip Bay, Victoria. It will now be adopted for the first time in prospecting over the Broken Hill area in far western New South Wales. The improved method involves the use of two scintillographs, one fitted in the cabin of an aircraft and the other towed on a cable some two hundred feet below it. The standard practice, so far, has been to use scintillographs housed within the aircraft. Advantages of the new technique are: it helps considerably in distinguishing between broad areas of weak and insignificant radio-activity and small areas of high radio activity of possible economic importance; simultaneous recordings at two different levels make it easier to obtain an estimate of the grade of the surface radio-active deposit. The new technique may now make it possible for radio-active surveys by D.C.-3 aircraft to distinguish readily between the few anomalies that are worth following up and the larger number likely to be of no further interest.

Automation in Pottery

Automation has invaded the old craft of pottery-making, and firms in Australia, like many others in overseas countries, are finding it necessary to mechanise plants in order to retain their markets. A company in New South Wales, Star Machinery Pty. Ltd., of Alexandria, has designed special pottery-throwing wheels and ball mills lined with rubber and porcelain, for the industry. The semi-automatic machines produce saucers and small plates at the rate of one every six seconds. In the process the basic clays and additives are prepared in ball mills, digested in blungers and screened in vibratory screening equipment before passing on to filter presses and pugmills in preparation for presentation to the machine in the form of plastic lumps about cricket-ball size. Recently the company staged an impressive demonstration of the machines it makes, and potters from the local industry made various trade articles for public inspection.

Electronic Protection for Ships

For the first time an Australian ship has been fitted with an electronic device designed to prevent the growth of barnacles on the steel hulls of vessels. The equipment, manufactured by Amalgamated Wireless (Australasia) Ltd., has now satisfactorily passed the trial period of one year under seagoing conditions. During that time an important fuel saving of 236 tons was achieved as against the fuel consumption for a similar period prior to the installation of the device. This interesting electronic equipment develops in the steel hull of the ship supersonic sound waves which discourage marine growth which, as it accumulates, slows down a ship's speed considerably and necessitates regular dry-docking of the vessel for costly scraping of the hull. Also, it may not be necessary in future to paint the hull with anti-fouling compound which would represent a further saving of approximately £200 each time the ship is dry-docked.

Atoms for Heating Homes

Private homes of the future may have nuclear reactors in their basements where they now have furnaces, it was predicted recently by three nuclear chemical engineers of Alco Products, Inc., in the United States. These reactors would not only supply heat in winter, but would also provide power for air conditioning, electric lights and electric home appliances. Dr. A. Louis Medin, head of Alco's nuclear chemical technology division, said that the programme now under way in the United States to improve reactor technology would reduce present high costs.

"Painting" Strengthens Blood Vessels

A U.S. surgeon has developed a two-coat "paint" process to strengthen weakened blood vessels. The system was developed by Dr. Bertram Selverstone of Boston's New England Centre Hospital. A first latex coat is applied to the blood vessel with a modified artist's hair brush. The second coat, of plastic, is applied with surgical instruments. The twin-coated vessels can withstand pressures ten times above normal. The new system is designed to combat certain weaknesses in blood vessels to the brain. The weakness causes the vessels to bulge and when the vein breaks, the hemorrhage can cause death.

Improved Heat-Electricity Converter

A General Electric Company (U.S.) scientist, Dr. Voleny Wilson, has devised what is hailed as a new and highly improved technique for converting heat directly into electricity without using machines having moving parts. Dr. Wilson uses a special device—called a thermonuclear converter—which consists basically of two metal electrodes separated by gas at a low pressure. Intense heat is applied to one of the electrodes and this heat virtually "coils" electrical charges out of the hot electrode. These charges then travel over thin wire to the relatively cool electrode, and in so travelling their flow becomes electric current.

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MOTOR INSURANCE TARIFF ENHANCED

THIRD PARTY RATES, HOWEVER, LOWER

THE new year does not appear to have begun well for motor car owners, for they have been called upon to pay 20 to 40 per cent. more by way of premium for automobile insurance from 1st January 1956. The latest addition to the already heavy burden of dearer petrol, higher repair charges and replacement costs is the result of the revision of the schedule of motor insurance premiums by the Tariff Committee of the Insurance Association of India. The Committee has evolved, for the first time, a new all-India motor tariff effective from 1st January. According to the new rating schedule, private car comprehensive cover rates for risks located in Bombay City and the Island of Salsette have been put up by 40 per cent., while the rates for Delhi and Calcutta have been raised by 40 per cent., and 20 per cent. respectively. The motor cycle comprehensive cover rates have also been enhanced by 40 per cent. The comprehensive rates for certain classes of commercial vehicles have been increased by 20 per cent., while those for miscellaneous and special type of vehicles have been reduced by 30 per cent. But, at the same time, "Third Party" and "Act Only" policy premiums for private cars, commercial vehicles and motor cycles have been reduced by 20 per cent. The revised rates will apply to all new business and renewals from the 1st inst.

Mounting Loss Ratio

The increase in comprehensive cover rates for motor cars and motor cycles by 40 per cent. in Bombay is said to have been necessitated by the mounting loss ratio. For Bombay, the ratio averaged about 73 per cent. during the three years ended 1955, as compared with 66 per cent. during the previous three years. It may be observed in this connection that, so far as Bombay City is concerned, the present enhancement is the third since 1949. The first was on and with effect from 1st April 1949 when rates were put up by 25 per cent. for both Bombay and the mofussil. This was based on the "own damage" loss ratios of 73 per cent. and 36 per cent. for Bombay and the mofussil, respectively, for the year 1946 and 73.61 per cent. and 52.76 per cent., respectively, for the year 1947. The second revision became effective from 1st January 1953 and represented a 25 per cent. increase in private car comprehensive rates for risks located in the Bombay City and Salsette, while the rates for the mofussil remained unaltered. "Third Party" and "Act Only" rates for both private cars and commercial vehicles were reduced by 25 and 40 per cent., respectively. The increase in the private car comprehensive rates for Bombay and Salsette in 1953 was necessitated by the average loss ratio of 66.24 per cent. for the three-year period 1949-51.

In spite of the increase in rates in 1949 and again in 1953, the loss ratio continued to be unfavourable for the insurers and the loss figure for the period 1953-55, on which the present increase of 40 per cent. for private car comprehensive cover in Bombay City and Salsette is based, averaged 73.33 per cent. The loss ratio for 1953 was 69.64 per cent., for 1954, 84.26 per cent. and for 1955, 65.83 per cent. The experience during the same period for the mofussil risks showed an upward trend, but, as it averaged only 47.66 per cent., the Committee did not feel that an increase was warranted. The experience in respect of motor cycle comprehensive risks for the three years 1953-55 was also very unsatisfactory, the average loss ratio being as much as 72.3 per cent. A 40 per cent. increase in the comprehensive rates was, therefore, felt necessary.

Third Party Rates

The experience in regard to Third Party and Act Only risks under all sections of tariff was very favourable during the period and the Committee considered that the rates for both these type of covers warranted a further reduction by 20 per cent. The rates have accordingly been reduced by 20 per cent.

The Committee has also made some alteration in scale and qualifying period for "no claim" discount in the case of private cars by way of mitigating the incidence of higher comprehensive rates. It was realised that the five-year period during which a private car owner could earn the maximum "no claim" discount was too long and the successive slabs of discount not sufficiently attractive for the owner to forgo petty claims. Accordingly, it was decided that the maximum "no claim" discount may be earned in three years instead of five. The rate of discount has been fixed at 15 per cent. for the first year of no claim, 25 per cent. for two consecutive years and 33⅓ per cent. for three consecutive years of no claim. Under the old scale, not only did it take five consecutive years to earn the maximum "no claim" discount but the latter could be forfeited for only one claim and one had to go through a further five-year period before earning the maximum. The shorter period of three years is designed to serve as an incentive for careful driving and for forgoing petty claims to earn the maximum "no claim" discount.

The rating basis has also been altered, since it was felt that, with the recent change in engine design, the existing method of rating based on engine horse-power had become unscientific. It was decided that, with effect from 1st January 1958, rating should be based on engine cubic capacity which was now recognised as the most modern and universally accepted basis of scientific rating.

W.I.A.A.'s Protest

Motor car owners in Bombay have protested against the rise in premium rates. In a memorandum submitted to the Bombay Regional Council of the Insurance Association of India, the Western India Automobile Association, Bombay, has pointed out that, of late, motor car accidents were less as compared with commercial vehicles and that, therefore, the increase of comprehensive rates for private cars by 40 per cent. was unfair. Quoting statistics of accidents to substantiate its thesis, the Association pointed out the percentage of increase in motor car accidents in 1956 was only 17.5 over that of 1954, while, in the case of buses and lorries, it was 57.8, taxis 33 and motor cycles 45. There were 6,058 motor car accidents in 1954, 6,327 in 1955 and 7,118 in 1956, as against 3,601 bus and truck accidents in 1954, 5,031 in 1955 and 5,081 in 1956, 2,900 accidents involving taxis in 1954, 4,108 in 1955 and 3,856 in 1956. Accidents involving motor cycles numbered 397 in 1954, 460 in 1955 and 576 in 1956. Commenting on these figures, the Association observes: "While the figures thus show that the percentage increase in motor car accidents is comparatively less, the comprehensive premium rates for this class of vehicles are sought to be raised by 40 per cent., as against a reduction or a slight increase in premium for commercial motor vehicles which, it will be admitted, is unfair."

The Association has suggested that the "no claim" bonus should be raised to 50 per cent. in the third year, instead of 33⅓ per cent., as such an increase would, in its opinion, encourage careful driving and eliminate petty claims. It has been further suggested that those who are already receiving a rebate at the rate of 33⅓ per cent. should be charged premium at the existing rate only as long as they do not make any claim on the company.

Motor car owners need not be blamed if they feel that the new premium rate is burdensome, for, already, owing to a variety of factors, the motor bill is heavy enough. But there does not appear to be much that the insurance companies can do in the matter for the ever-increasing cost of damage claims have compelled them to raise the premium rates. It is common knowledge that the traffic in cities like Bombay, Delhi and Calcutta has increased enormously and accidents have been steadily mounting. The cost of repairs and replacements has also spurted to unheard-of levels and it is not an uncommon experience that, when an insurance company is to foot the bill, the latter is artificially inflated. However, as the insurance companies themselves seem to have realised, no amount of increase in premium rates is going to result in reasonable profits, unless a strict watch is kept on repairers' estimates. Despite the three revisions in the last nine years (including the present one), the loss ratio has shown no sign of coming down to a reasonable level. Informed quarters, therefore, suggest as a remedy that, in addition to a strict scrutiny of all repair bills and estimates, insurers must be more discriminating in their acceptances and observe the restraints which have been found necessary from experience. At the same time, every effort should be made by the authorities concerned to improve the chaotic road and traffic conditions which alone can be of any material help in reducing accidents and thereby the claims for damage.

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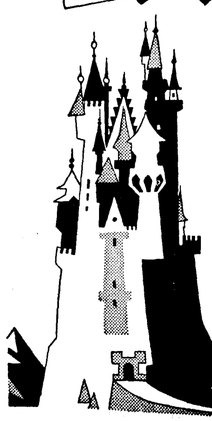

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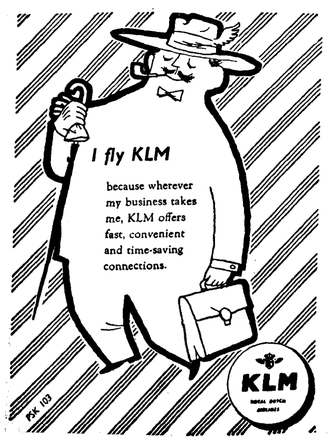

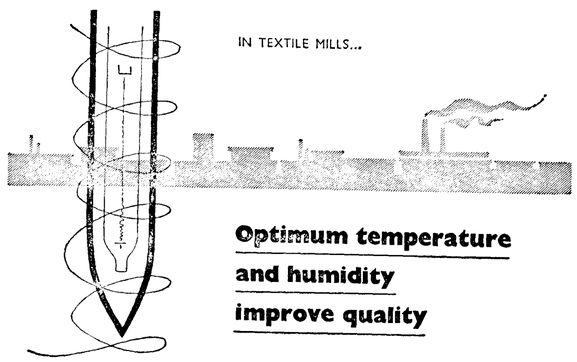

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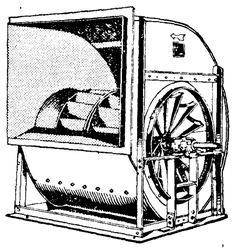

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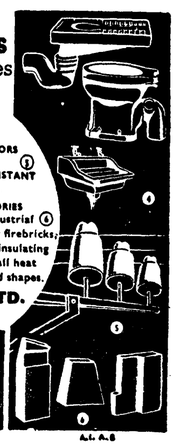

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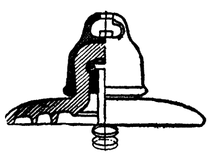

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MR. D. N. SHROFF'S SPEECH AT ANNUAL GENERAL MEETING

GREAT SHORTAGE OF RAYON YARN IN NEAR FUTURE FEARED

THE problems facing the rayon weaving industry were discusssed by Mr. D. N. Shroff, Chairman of the Silk and Art Silk Mills' Association, in the course of his address at the Eighteenth Annual General Meeting of the Association held in Bombay on 23rd December 1957. He was of the view that it would take a decade before the requirements of the rayon weaving industry were met from indigenous sources and that the industry would, therefore, be dependent on foreign supplies of this raw material for a number of years.

The following is the full text of Mr. Shroff's speech:

"GENTLEMEN,

"I have great pleasure in extending to you a cordial welcome this afternoon to the eighteenth annual general meeting of our Association. The annual report of the Directors and the audited balance-sheet and the income and expenditure account for the year ended 31st March 1957 have already been circulated. Before you proceed to adopt them, I would like to make a few observations on the events of the past year.

"We are meeting at a time when India is facing increasing difficulties of foreign exchange required to meet the targets laid down under the second Five-year Plan. The stress and strains that have resulted owing to India trying to go ahead fast with the development of the country, have manifested themselves in several facets of community life and have affected the industry and trade, for the past year witnessed far-reaching events in the direction of State ownership and a socialistic pattern of society.

"The second Five-year Plan is primarily intended to gear our economy to this goal and the resources of the entire country will have to be mobilised in order to achieve the development envisaged in the Second Plan. The private sector has to take stock of the greatly changed conditions and circumstances. It will have to play a role in line with the new economic thinking and I am confident that the private sector will rise to the occasion and make its proper contribution to the common goal laid before the nation. We, of the rayon weaving industry, shall have to concentrate our energies in effecting a radical change in the techniques of production and bringing down the costs, thereby playing our role in the task of nation-building.

Industry's Problems

"Turning to the problems facing the rayon weaving industry, I would like to state that the shortage of raw material, namely, the rayon yarn, has been the foremost problem for this industry since its inception. As a result, the productive capacity of the industry has never been fully utilised. As there was no production of rayon yarn until the middle of 1950, the industry was solely dependent on the imports of rayon yarn. During the growth and development of the rayon weaving industry, the supplies of rayon yarn have been inadequate, at times creating an acute shortage. Even today the position regarding the supply of rayon yarn is far from being comfortable. The indigenous production of rayon yarn is so inadequate compared to the total requirements of the industry, that the bulk of the yarn is imported and even then the needs of the industry are not fully met with. Inadequate supplies of rayon yarns and their high prices have been the problems that our industry has faced since its inception.

"During the Second World War, the shortage of the supplies of rayon yarn led to the virtual stoppage of the working of the industry. Even thereafter, the supplies of rayon yarn have been limited owing to the import control regulations. Except for a short period in 1949, and in 1951, when the imports of rayon yarn were put under O.G.L., this essential raw material has been subjected to considerable restrictions. The production of indigenous rayon yarn, which started in 1950, amounted to 20 million lbs. during the year 1956-57. The imports of rayon yarn during 1956-57 was of the order of 60 million lbs. Thus, the total availability of rayon yarn, that is imported *plus* indigenous production, during the year 1956-57 amounted to only 80 million lbs., thereby leaving a wide gap between the total availability and the actual requirements of the country, which have been estimated at 100 million lbs. per annum. As for the gap between the indigenous production and the requirements of the country, it can only be said that if the industry were dependent only upon the indigenous production, there would have to be immediate closures, for the indigenous production is a mere one-fifth of the requirements.

"Despite this fact, the import quota per loom per shift has been reduced by the Government from time to time thereby tightening the import control restrictions on this essential raw material required by the rayon weaving industry. Whereas in July-December 1955, the quota of Rs. 8.50 per loom per shift was allotted to the industry, during the subsequent licensing period of January-June 1956, the quota came down to Rs. 6.70 per loom per shift. This was further reduced during the July-December 1956 period when the quota of Rs. 6 per loom per shift was fixed; during January-June 1957 period, this was again brought down to Rs. 4 per loom per shift, and during July-September 1957 period, the quota per loom per shift was calculated at Rs. 3. This gradual reduction in quota did not stop even at this stage and during the current licensing period, quota of Rs. 2 per loom per shift has been granted to the industry. The present quota of rayon yarn is not at all adequate to keep the industry running. This has caused grave concern to the producers of rayon fabrics and has placed the industry under the threat of grave dislocation.

Capacity Has Increased

"On the one hand, there is a growing shortage of rayon yarn and, on the other, the productive capacity of the rayon weaving industry has considerably increased in recent years. The report of the office of the Textile Commissioner shows that, at present, there are 47,000 looms registered with them, as against 38,000 in 1954. This means that the rayon weaving industry's productive capacity is much more than 600 million yards which is the usual estimate, and this productive capacity cannot be fully utilised due to the shortage of yarn, thus limiting the actual production of rayon fabrics to about 400 million yards during the past year.

"Whilst the industry is suffering from such perennial shortage of raw material required by the industry, recently a systematic and inspired Press campaign is being waged against this industry. In this campaign, problems of growing accumulation of rayon fabrics have been attributed to the 'liberal' rayon yarn *import policy* of the Government of India, and, therefore, total ban on the imports of rayon yarn has been advocated. From what I have stated above, it is clear that such advocacy is without any foundation and is rather motivated by self-interest and is based on half truths and twisted facts.

"As a matter of fact, I foresee a great shortage of rayon yarn in the near future, especially in view of the fact that the indigenous production of rayon yarn is limited to coarse deniers and the demand of the industry regarding the different types of rayon yarn cannot be met with by the indigenous producers. It will rather take a decade before the requirements of the industry are met with from indigenous sources. Even under the second Five-year Plan, the Planning Commission does not envisage that the total requirements of the industry will be met with from indigenous sources. The rayon weaving industry will, therefore, be dependent for a number of years on the foreign sources for supply of raw material.

Reasonable Price for Yarn

"During the coming years, more plants for the manufacture of rayon yarn are to be set up in India and it is indeed a happy augury to develop our own resources for the manufacture of this essential raw material and thereby achieve self-sufficiency. However, it will have to be seen that the rayon weaving industry gets its essential raw material at a reasonable price. The indigenous rayon yarn industry owes its inception, existence and continuance to the rayon weaving industry. I would like to remind it that, owing to the great interdependence, the rayon weaving industry and the rayon yarn manufacturing industry will have to exist in an atmosphere of peaceful co-existence.

"I would now like to refer to the increasing burden of taxation on this nascent industry. From time to time, the Government has imposed unbearable burdens on the rayon weaving industry and our industry, being small-scale as it is, has been able to survive during all these years owing to the active co-operation and united efforts of all the members, and it is only with these qualities that we can face the various ordeals confronting the industry. Unfortunately, the industry has been treated on par with the cotton textile industry as regards taxation, when there is an urgent necessity that this industry should be treated as a light consumer goods industry.

Import Duty

"The import duty on rayon yarn is now levied denierwise at a specific rate per lb. This was a welcome change, inasmuch as the Government has accepted the principle that the industry had been advocating regarding the change in the basis of levy of import duty which was until then based on the market prices of rayon yarn, which were fluctuating. The effective rates of duty fixed by the Government are too high and the incidence of duty on the various types of yarn vary from 35 per cent. to 65 per cent. This advantage given by way of specific duty levied on the import of yarn has been offset owing to the higher rates of effective duty fixed on the imports of rayon yarn. The excise duty was also levied for the first time in the past year on the indigenous rayon yarn and the result of which is that the rayon fabric manufacturers have to bear the burden of this levy on the purchase of the indigenous rayon yarn.

"The Government's proposal to increase the employers' contribution towards provident fund from the present level of 6¼ per cent. to 8⅓ per cent. and the employers' contribution under the Employees' State Insurance Scheme from the present level of 1¾ per cent. to 3½ per cent. will impose an additional burden on the industry.

"The latest burden in the shape of additional Central excise duty which has come as a replacement of sales tax on rayon fabrics, though welcomed in principle by the Association and the industry, has been too high, for, if the original rate of Central excise duty was 9 pies per square yard, that is, 5 nP, and it was compounded at the rate of Rs. 27, Rs. 18 and Rs. 10 per loom per month for the first, second and third shifts, respectively, the additional excise duty of 3 nP per square yard should be compounded at the proportionate rates which would work out to Rs. 16.20, Rs. 10.08 and Rs. 6.00 per loom per month for the first, second and third shifts, respectively. Moreover, as the industry will lose the benefit of making purchases against L and M forms under the Bombay Sales Tax Act, 1953, and obtaining the set-offs on purchases of raw materials, lubricants, chemicals, stores, etc., to be used in the manufacture of art silk fabrics, the financial burden on the industry will considerably increase.

State Sales Tax

"Nor will the increase in the financial burden relieve the procedural complications for about a year, since the sales and purchases of 'non-dutiable' stocks will have to be made according to sales tax laws prevalent in Bombay State before the announcement was made on 13th December 1957. In fact, there has arisen an impasse in the trade as the local and upcountry dealers do not desire to follow the complicated procedure, especially in view of the fact that several other States have so legislated that the 'non-dutiable' stock of rayon fabrics entering those States after 13th December 1957 will further be subject to the sales tax laws prevalent within the areas of those States. Bombay State being the main manufacturing centre of rayon fabrics, the position of the industry has become precarious and we trust that the Central Government will step in and insist upon uniform legislation in all States, and, more important, will exempt 'non-dutiable' stocks from all sales tax laws.

"The burden of taxation as described above is not yet complete and I would like to make a reference to the new tax structure that has come into existence this year in the shape of the deposit scheme, the wealth and expenditure taxes, in the wake of estate duty and the tax on capital gains. With a gift tax looming on the horizon, these measures are discouraging to the development of free enterprise. The acute shortage of raw material, diminishing quota of art silk yarn, owing to the changing import policy and the increasing incidence of taxation on rayon industry from time to time, have placed this industry in a paradoxical position.

Research

"I would now like to emphasise to the silk and rayon industry the foremost need of keeping the consumer in mind while designing and manufacturing its products. It is imperative that we should produce quality fabrics according to the standards desired by the consumer both in the internal and export markets. In this age of increasing competition, fabrics should be made available at competitive prices and the technological genius of the industry should devote particular attention to the creation of new fabrics. The industry will have to effect these improvements in processes and introduce varieties of fabrics with a wide range of useful properties. The need for technically qualified personnel by the industry is rather great and it is a matter of pleasure to learn that the Research Association has approached the Government of India for starting a full-fledged technical college for giving training in the technology of silk and man-made textiles. The matter is receiving the active consideration of the Bombay State Government and the Government of India.

"At this stage, I am happy to inform you that the manufacturers are taking keen interest in the export promotion of silk and rayon fabrics. The various facilities granted by the Government to assist the producers will enable the industry to build up sizable exports. Schemes have been initiated by the Government of granting import licences against the exports of fabrics and of granting prospective licences to the manufacturers for the exports of fabrics. As a matter of fact, there has been gradual rise in the export of silk and rayon fabrics and I am glad to inform you that the targets of our exports promised by the industry to the Government will be almost achieved.

"I would like to appeal to all members to develop export consciousness and make determined efforts to participate in the export promotion drive. I, therefore, desire that every member should enrol as an exporter thereby contributing even to a small extent to the export drive so as to earn the valuable foreign exchange. The export promotion scheme is open to both big and small units and the same concessions are granted to all alike. Our Association has taken the lead in establishing Export Promotion Council and I hope all members will endeavour to export the silk and rayon fabrics of our country.

Export

"The Export Promotion Council had adopted the slogan 'Export and Exist' because export is a recourse upon which we have to increasingly rely to obtain our raw material, despite the handicaps suffered in exporting our goods, owing to the international competition from well-established foreign countries. At the time of inauguration of the Textile Industries Fair, where our Association has a stall displaying the most beautiful and quality fabrics manufactured by our industry, the Hon'ble Shri Morarji R. Desai, Minister for Commerce and Industry, who visited our stall, said that he did not like the slogan 'Export and Exist,' but would like to suggest to the industry the slogan 'Export and Thrive.' I consider it an expression of the keen desire of the Hon'ble Minister to assist our industry in boosting up its exports, enabling it thereby to thrive and prosper and not only exist. I thank him, on your behalf, for giving us such an encouraging slogan and bestowing his blessing upon this industry.

"I would like to refer now to the problems pertaining to labour. During the year in question there were four major disputes that were concerning the Association and those were (1) the demand by the union for gratuity for employees in the silk textile industry, (2) the demand for change in the service conditions of clerical, technical and supervisory staff, (3) the demand for increase in dearness allowance and (4) the standardisation of wages. During the year in question, the Association has so far successfully dealt with all these labour disputes through the co-operation of you all, members, and I take this opportunity of expressing my gratitude for all the help that was extended to the Association for fighting these disputes.

"It cannot be disputed that the employee and the employer are the two wheels of the industrial chariot and, unless they move in unison, it will not be possible to do anything for the maintenance of peace, discipline and order in the industry; but, I am constrained to say that there is a sad deterioration of law and order at present in many parts of the country and also sometimes in the case of our industry, and law and order are essential to proper labour-management relations.

Unity Needed

"The industry today is passing through a great crisis and, unless all the members unite, it will be very difficult to pass through these difficult times. I would, therefore, take this opportunity to request the members that, whenever they find any difficulty in solving the disputes or in meeting the grievances of the labour, they should approach the Association.

"Before I conclude, I would like to express my sincere thanks for the active co-operation and guidance that I have received from my colleagues on the Board of Directors and on the various Committees. I would also like to express my appreciation of the conscientious and loyal manner in which the staff of the Association have performed their duties during the year.

"It remains for me to present to you the Directors' report and the audited balance-sheet and profit and loss account for the year ended 31st March 1957, and I now move the following resolution:—

"'RESOLVED that the Directors' report and the audited balance-sheet and profit and loss account for the year ended 31st March 1957, together with the report of the auditors thereon, be and are hereby adopted.'"

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DELHI CLOTH AND GENERAL MILLS CO., LTD.

CHAIRMAN, SIR SHRI RAM'S SPEECH AT ANNUAL MEETING

EXPORT OF CLOTH AT COMPETITIVE PRICES SUGGESTED

SPEAKING to the shareholders of the Delhi Cloth and General Mills Co., Ltd., at the Sixty-ninth Annual General Meeting held on 20th December 1957, Sir Shri Ram, Chairman of the Company, stated that profits of the textile mills in India were lower in the year under review than they were in the year preceding it. The mill in Lyallpur, in common with the rest of the cotton textile industry in Pakistan, had also made lower profits.

For the chemical section of the Company, he said, this had been a year of growth and of better working. During the year under review, a new sulphuric acid contact plant designed by the Company's engineers and fabricated in the Company's workshops went into operation. This plant is the biggest of its kind to be manufactured inside the country, and it has been put up at a cost lower than that of comparable imported plants. In order to meet the country's requirements for active earth, the Company was planning to reach a daily production capacity of five tons from the present level of three tons a day. The sugar mills in Daurala and Mawana and the confectionery factory and the distillery have all worked well.

Continuing, Sir Shri Ram said:

"The overall results have been affected by the various taxation policies of the Government, such as the additional excise duties on textiles, the higher taxation on companies and the new wealth tax. In a sense, our difficulties are a part of the economic problems facing the country at large.

Food Problem

"The problem of food supplies remains with us, and its presence is casting a long and dark shadow across our economic horizons. The foreign exchange situation is still critical, and adequate solutions for it will probably need years of effort by all, and the exercise of discriminating skills in the future designing of our economic programmes, so that their import-content is within our exchange resources and their scale within the bounds of our internal resources.

"At the moment there is a lull on the price front, but it is a quietude at a level that is high, and being myself a firm believer in a low-price economy, I feel somewhat uneasy. In this context, I might refer to an aspect of our internal resource situation bearing on the working of private enterprise. Paradoxical as it might seem, the position is that, while the money market is easier this year than what it was last year, the creditworthy borrower is still unable to secure finance except at an exorbitant price, irrespective of the fact whether the money is required for industry or for operational finance. This has been very forcefully mentioned by the Industrial Delegation which went recently to the United States and Europe. The small savings scheme of the Government itself is not giving satisfactory results either. The Government alone can remove this self-defeating situation.

Crisis in Textile Industry

"Nearer home, the textile industry is in crisis. In May 1956, the stocks of unsold cloth were 168 million yards; while at the end of October 1957 the unsold stocks have piled to a level never before touched—587 million yards. As a direct consequence, realisations have been lowered and the liquid solvency of the cotton textile industry is in a state of impairment. I can do no better than present the data on bank advances to the cotton mill industry which have reached a very high level:

	(In crores of Rs.) 1955	1956	1957
Scheduled banks' advances to the cotton industry at the end of June in each year	69	73	107

"This burden of stocks carried unwillingly has been telling on all connected with the industry, and it is tragic that a few mills have closed down and some others have cut their shifts, and I am afraid that the steady growth of production, year after year, in the last few years is not likely to be maintained.

Mills Should Sacrifice

"I welcome the relief in excise duty on medium cloth announced by the Finance Minister a week ago, although the burden of excise duties on fine and superfine cloth still continues to be very heavy. At the same time, I realise that since the Government are committed to raising the maximum of internal resources for the National Plan, they may not be in a position to view the situation merely from the angle of the textile producer. The remedy, therefore, has to be found elsewhere. A fair part of the crisis, in my humble opinion, can be resolved by taking steps to export 300 to 400 million yards of cloth in the near future, even at sacrifice prices. The burden of the sacrifice should be shared equitably by the industry as a whole, since the resultant benefits of a market not oppressed by huge and rising stocks which are declining in value will be *generally* shared. I make this plea to fellow-industrialists once again, and in all humility. Its advantages do not stop at lowering stocks within the country, but in creating an appropriate psychology in the markets which have been fighting shy of their normal function of stock-holding since the successive unsettlements of the sharp rise in excise duties last year, of the 'flu epidemic, and of the confusion consequent upon the introduction, earlier in this year, of the inter-State sales tax. This will not only help the industry itself but also earn a fair amount of much-needed foreign exchange for the country. In a sense, the textile crisis is a dealer crisis, and the dealer will not be in a position to get free of the feeling of crisis so long as the once-accumulated stocks oppress the market by the sheer fact of their presence.

"In this context, as well as in the wider context of the nation's need for an expanded export effort, I will commend the suggestions made by the Export Promotion Committee. They have pointed to the stagnant condition of India's exports in a period of a significant rate of growth in world trade as a whole. Rightly, the Committee have stressed the role of the manufacturer, the exporter and of their organisations in developing larger exports, and the equally significant role of appropriate Government policy, measures and export-oriented organisations and media of publicity and information.

Worker Participation

"Gentlemen, there has been considerable talk in the course of this year about worker participation in management. As early as 1938, we, in this Company, decided to have an elected representative of the workers on the Board of Directors, as also an elected representative of other employees. We have not had cause to regret our decision, but its value as an educative step for our work-force in general has been extremely limited. Even works committees and production committees, all over the industry, have yet not been a success in the sense of providing a real feeling of belonging, of participation to all the constituents of the working family. So often these committees have become only 'demand' committees or mere platforms for the ventilation of all sorts of grievances—real, unreal and imaginary.

"Want of mutual confidence very unfortunately exists, and because it exists, it warps our understanding of the point of view of each other. And furthermore, it inhibits our willingness to talk, and to converse. And so disabled, we can hardly have the feeling of belonging, of being participants in a common cause. In my opinion, worker participation in management should be built up not from the top but from the work-floor upwards. Towards this end every effort must be made, both by the employer and by the employees, to render the works committees and production committees a living success, the educative effects of which are reflected over the larger mass of workers.

"I might even raise this to the larger national plane where we have to rely on our capacity to help ourselves. And the latter we cannot do if labour and capital, the two inevitable partners, do not pull together in the common national interest instead of following small-minded controversies and self-centred parochial interests, whether political or economic. In fact, it was good to hear labour leaders, even communists, and others rising to defend the second Five-year Plan and the democratic urges for progress which it embodies. Translated in the language of the workaday world, it means more production. And more production, in turn, implies a new, rich and rewarding co-operation between labour and capital—co-operation that is oriented to consumer interest in the broadest sense, and inclusive of the imperatively needed export orientation. And let us not forget that each one of us is a consumer as much as he is a worker.

Hard Work Needed

"There are exceptions—and I am happy that the exceptions are not very few in number—but there is an air of complacency whether inside our factories or inside other offices. Our notions of adequate personal performances are so puny, a mere fraction of our potential for performance. The urge to work hard is something which, we as a nation, have yet to acquire, although our traditions have always been informed by a sense of duty. The unions have to respond to the country's need for harder and harder work, because on them rests the responsibility of leading our workers not merely to a fair day's wage but also to a fair day's work.

"There are more holidays—other than the weekly rest day—in our country than in any other country in a similar stage of its development. I calculate that we can get up to seven per cent. more industrial production from the same set of basic equipment by judiciously pruning the excess of holidays from which we suffer.

"Some of these might appear drastic suggestions. Perhaps, they are. But to me, who is advocating them only in the larger interest, it seems that chronic diseases call for drastic remedies.

"Before I conclude, let me convey my thanks to all my colleagues, including the members of the staff and the workers.

"With these words, ladies and gentlemen, I move that the Directors' report and accounts be adopted."

Note.—This does not purport to be a record of the proceedings of the annual general meeting.

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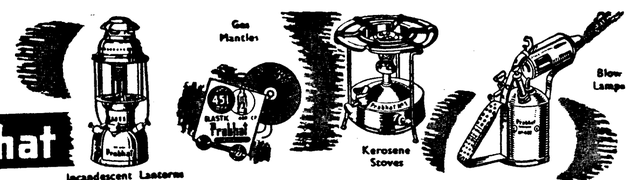

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FERTILISERS AND CHEMICALS, TRAVANCORE LIMITED

DR. JOHN MATTHAI'S SPEECH AT ANNUAL GENERAL MEETING

PERIOD OF DIFFICULTIES AND TEETHING TROUBLES COMING TO AN END

SPEAKING to the shareholders of the Fertilisers and Chemicals, Travancore Ltd., at their Thirteenth Annual General Meeting held at Alwaye on 28th December 1957, Dr. John Matthai, Chairman of the Company, dispelled the fears entertained by some of the shareholders about the future for their Company. He outlined at length the difficulties which this pioneering venture had to undergo all these years and which prevented it from declaring a dividend for the last 13 years except in respect of 1950. Dr. Matthai added that the Company was coming to the end of the period of difficulties and teething troubles.

The following is the full text of Dr. John Matthai's speech:

"GENTLEMEN,

"I have pleasure in welcoming you to this the thirteenth annual general meeting of the Company and presenting to you the accounts of the Company and the report of the Directors for the year ended 31st December 1956. As these have been circulated to all the shareholders, I presume they may be taken as read.

"Before I deal with the general working of the Company, I would like to explain the delay in holding this annual general meeting which normally should have been held before the 30th of September. As you are aware, this is a Government company under the new Companies Act, and for Government companies a more elaborate procedure has been laid down for audit. The auditors of a Government company have to submit a copy of their report to the Comptroller and Auditor-General of India who has the right to comment upon or supplement the audit report. Being the first audit under the new regulations, it has taken a longer time to go through the procedure than was originally, anticipated. I have no doubt that such delays will be eliminated and that it will be possible to present the accounts before the end of September in future.

"As you will have seen from the printed report, the working of the Company has resulted in a net profit of just over Rs. 8 lakhs for 1956. While this profit appears small compared to the capital invested in the Company, considering the difficulties that we encountered during the year, the results may be considered not unsatisfactory.

Many Difficulties

"At the outset, I would like to answer a question which perhaps is uppermost in your minds as shareholders, namely, why the Company has not been able to give any dividend for the last 13 years excepting the 2½ per cent. dividend declared for the year 1950. When I was invited a few months back to join the Board of Directors as its Chairman, the same question occurred to my mind. The answer to this question is briefly that the Company was a pioneering venture, inasmuch as it had to develop a process for the production of ammonia utilising firewood as the main raw material. The working out of the process involved many difficulties in the early stages. There were also other problems such as shortage of raw materials and periodic restriction of power supply which kept production at a low level. I believe we are coming to the end of the period of difficulties and teething troubles. Meanwhile, they have resulted in an accumulated loss of Rs. 45 lakhs. This is the main factor that prevented the declaration of a dividend during the last two years when we made some profit. The accumulated losses have been reduced to Rs. 23 lakhs by the working results of the last two years. It must be realised that this loss has been arrived at after providing Rs. 2.19 crores towards depreciation which is a liberal provision by any standard. In making this provision, your Directors were guided by the fact that measures for consolidating the position of the Company at this stage would be to the ultimate benefit of the shareholders.

"I would like to take this opportunity to dispel the fears that appear to be entertained by some of the shareholders about the future of the industry. Although no regular dividends have been declared, this factory has been able, since its inception, to produce and market about 2½ lakhs tons of ammonium sulphate and one lakh tons of superphosphate, thereby helping substantially to step up the food production in the country. By the manufacture and sale of the above fertilisers, as also industrial chemicals like ammonium chloride, sulphuric acid and ammonia, this company has also contributed its fair share in saving foreign exchange.

Current Year's Results

"This contribution by itself, I fully realise, will be poor consolation to shareholders who have patiently waited for a long time without any substantial return on the capital they have invested. The present indications are that, while the working results of 1957 may not show any perceptible improvement, the results of 1958 will enable the Company in some measure to fulfil its obligations to the shareholders. It is hoped by that time that the balance of the accumulated losses would have been wiped off. I may assure you that your Directors are fully alive to the situation and will do whatever lies in their power to remedy it.

"When the Company started commercial production from August 1948, ammonium sulphate was very much in demand in the country and, in spite of low production, it might have been possible to sell the product at a price which would have ensured a return on capital also. But being a material essential for food production in the country, we had to market our product by fixing prices in relation to comparable articles imported from abroad without duty. In this respect, this industry is placed at a disadvantage in comparison with other chemical industries in the country, as most chemical products, except fertilisers, are being sold in the country at prices which are in parity with the prices of imports plus duty ranging between 25 and 40 per cent.

Open Market Competition

"Since the commencement of production by the Sindri Fertiliser Factory from the year 1952, we were faced with the additional problem of having to compete in the open market with the product of a concern, which by its size and location is able to produce ammonium sulphate at a considerably lower cost. It may be asked why Sindri's production cost is lower than ours. As I indicated earlier, our factory was designed specially for the use of firewood in the manufacture of ammonium sulphate. We had to adopt this process owing to the non-availability of coal or coke near this area which naturally made the cost of production higher as compared with Sindri. In view of this handicap, your Managing Agents submitted a memorandum to the Government of India pointing out these difficulties.

"The Government of India, as a measure of immediate assistance, agreed to include the production of this factory in the Central Fertiliser Pool. They also appointed a committee headed by Dr. Nagaraja Rao, Chief Industrial Adviser to the Government, to investigate the reasons for the higher cost of production in this factory and to suggest ways and means of bringing it down. The Committee was also authorised to go into the costing of the product and to recommend a fair price for our product. The Committee went into the various aspects of production in this factory and arrived at a price based on the rated production. But since we could not sustain rated production due to reasons beyond our control, this price was not sufficient to cover our actual costs. I propose to take up the question of price with the Government of India and I hope to report to you the result at the next meeting.

Committee's Recommendation

"Under their terms of reference the Committee recommended an expansion of output for bringing down cost and putting the Company on a competitive footing. The specific recommendations included doubling the ammonia production and utilising the additional ammonia for increasing the ammonium sulphate production by 50 per cent. and for ammonium phosphate production. These measures, besides increasing the production and thereby bringing down costs, would also render production more diversified. Ammonium phosphate which will be manufactured for the first time in India will have the advantage of not having to face competition as in the case of ammonium sulphate. In the implementation of these measures, the Committee recommended production of hydrogen by the electrolytic process since new hydro-electric power stations have been set up in the Kerala State recently providing cheap power. They recommended also that, as a second stage, the present wood gasification plant which they found uneconomical in the present context should be replaced.

"The Government of India accepted the recommendations of the Expert Committee and a loan of Rs. 256 lakhs was sanctioned by the Industrial Finance Corporation for their implementation. Since the scheme was sanctioned, the position regarding foreign exchange became difficult and it became necessary for the Company to negotiate with foreign suppliers for deferred terms of payment for most of the equipment ordered. These negotiations have been successfully completed and I am glad to inform you that, as on date, orders for all the major plant and machinery have been placed abroad. Based on the promised dates of deliveries, we may hope to see the expanded plant in production before the end of 1959.

"I would now like to refer to the most important causes that contributed to the lower production during the year under review.

"As most of you may know, there was a mishap at the Pallivasal Power Station as a result of lightning which completely put that station out of operation. The accident was serious, but, as a result of organised effort on the part of the electricity department, the shutdown which could have extended over a month was shortened and the station brought back into commission in the course of three weeks. This mishap, however, resulted in the loss of production in our factory to the extent of practically one month.

Relationship With Labour

"A disturbing situation which developed during the year was the strike of our firewood transport contractors which lasted nearly forty-five days. Even though the factory did not have to suspend production as a consequence of the strike, its repercussions on labour generally led to a considerable lowering of production. The strained relationship that existed between the management and labour during the whole of the year has been a matter of concern and regret to us. The previous agreement with the Employees' Association which expired by the end of 1955 was followed by a fresh memorandum of demands involving large financial commitments. In spite of the best efforts on the part of your Directors, it was found impossible to come to an amicable settlement. The Government, therefore, referred the disputes for adjudication to the Industrial Tribunal which the Employees' Association, however, chose to boycott. A settlement was eventually arrived at on these demands in June this year and we are now endeavouring to bring about a better understanding with labour, so that we could work together to maximise production on which so much depends not merely for the Company but for the country. I am aware of the difficulties of labour, but obviously we cannot solve them if production is kept down. I would, therefore, appeal to all concerned for a determined and co-ordinated effort to increase production to the fullest extent possible.

"Before I conclude, I wish to express our grateful thanks to the Central Government and the Governments of Kerala and Madras for their support in overcoming the difficulties that confronted us during the year. I would also like to commend to you the good work done by the Managing Agents and the members of the staff during a particularly difficult year."

Note:—This is not the proceedings of the annual general meeting but only the speech of the Chairman.

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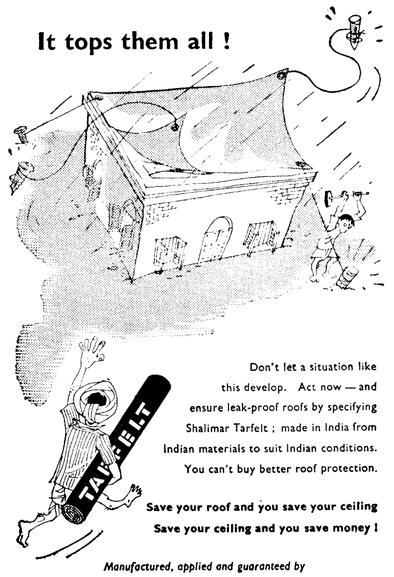

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ANIL HARDBOARDS LIMITED

BOMBAY

(INCORPORATED UNDER THE COMPANIES ACT, 1956.)

PROSPECTUS

1. A copy of this Prospectus has been delivered for registration to the Registrar of Companies, Bombay, as required by Section 60 of the Companies Act, 1956.

2. "CONSENT of the Central Government has been obtained to this issue, by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them."

3. "A Licence has been obtained from the Central Government for the establishment of this new Industrial Undertaking of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it."

4. The list for Public Subscription will open at 10-30 a.m. on Tuesday the Fourteenth day of January 1958, and will close on Tuesday the Twenty-eighth day of January 1958, or earlier as may be decided by the Directors, but not before Saturday the 18th day of January 1958.

5. **Authorised and Issued Capital :—**

	Authorised Rs.	Issued Rs.
50,000 Ordinary Shares of Rs. 100 each	50,00,000	30,00,000
50,000 Preference Shares of Rs. 100 each	50,00,000	10,00,000
	1,00,00,000	40,00,000

6. Out of the total Issued Capital, 12,000 Ordinary Shares of Rs. 100 each having a total nominal value of Rs. 12 lacs have been subscribed by the Promoters and their friends and a sum of Rs. 50 per share has been paid thereon.

A further 3,000 Ordinary Shares having a total nominal value of Rs. 3 lacs are being reserved for issue to Messrs. Aktiebolaget Defibrator of Sweden against payment in cash.

The balance of the Issued Capital, viz. :—

15,000 Ordinary Shares of Rs. 100 each, viz. .. Rs. 15,00,000

10,000 8 per cent. Taxable Redeemable Cumulative Participating Preference Shares of Rs. 100 each, viz. .. .. .. Rs. 10,00,000

is offered for public subscription in terms of this Prospectus at par payable as follows :—

(*a*) On application .. .. Rs. 25 per share
(*b*) On allotment .. .. Rs. 25 per share

The balance of Rs. 50 in respect of each share either Ordinary or Preference will be payable in such calls as may be determined by the Directors provided that no call shall exceed Rs. 25 per share and that there shall be an interval of at least one month between two calls.

7. AN APPLICATION HAS BEEN MADE TO THE STOCK EXCHANGE, BOMBAY, FOR PERMISSION TO DEAL IN THE WHOLE OF THE ISSUED ORDINARY AND PREFERENCE SHARES AND IN DUE COURSE FOR AN OFFICIAL QUOTATION.

8. Applications for Preference and Ordinary Shares should be made on the respective Forms accompanying this Prospectus and delivered before the close of the subscription list to The Bank of India Ltd., at its Head Office at Mahatma Gandhi Road, Fort, Bombay or its Branch Offices at Ahmedabad, Amritsar, Bangalore, Bhuj (Kutch), Calcutta, Coimbatore, Delhi, Gandhidham (Kutch), Hyderabad (Deccan), Jamshedpur, Junagadh, Kozhikode, Madras, Nagpur, Poona, Rajkot, Surat, Sholapur and Veraval, together with a remittance of the amount payable on application.

9. Further copies of the Prospectus and the Application Forms will be available at the said Offices of the Bank, from the Brokers to the issue named below, from the Underwriters and from the Company's Registered Office. Where no allotment is made the deposit will be returned by cheque on a Bombay Bank and where a partial allotment is made the unutilised balance will be returned by cheque on a Bombay Bank. The Directors reserve the right to refuse any application wholly or in part without assigning any reason. Failure to pay any amount due on the shares allotted when due will render previous payments liable to forfeiture. The shares when issued will be subject to the Memorandum and Articles of Association of the Company, a copy of which may be inspected at the Registered Office of the Company during office hours. The Share Certificates will be issued within 6 months of the date of allotment.

10. The following is a summary of the rights, privileges and restrictions attached to the Preference and Ordinary Shares of the Company and the limitations upon borrowings and the creation of further shares :—

The Preference Shares confer on the holders thereof the right to a fixed cumulative Preference dividend at the rate of 8 per cent. taxable per annum on the capital for the time being paid up on such shares and the right to an extra dividend, at 1 per cent. per annum on such paid-up capital if the dividend on Ordinary Shares is 10 per cent. or more but less than 15 per cent. and at 2 per cent. per annum if the dividend on Ordinary Shares is 15 per cent. or more. The Preference Shares shall have a right to rank in winding up both as regards capital and dividend upto the date of the commencement of the winding-up, whether declared or not, in priority to the Ordinary Shares of the Company.

TERMS OF REDEMPTION

The Preference Shares shall be definitely redeemable at par after the expiry of 10 years from their date of issue without any option to the Company, to redeem earlier or later.

VOTING

On a show of hands every member entitled to vote and present in person shall have one vote. His voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. The holder of Preference Shares shall in respect of the Preference Share capital held by him have a right to vote as provided in Section 87 sub-clause (2) (*a*) and (*b*) of the Companies Act, 1956.

Where the holder of Preference Shares has a right to vote on any resolution his voting right on a poll shall be in accordance with provisions of Section 87 (2) (*c*) of the Act.

VARIATION OF RIGHTS

The special rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate Meeting of the holders of the shares of the class, but not otherwise.

RESTRICTION ON TRANSFER OF SHARES

The Directors may, subject to the right of appeal under Section 111 of the Act, at their own absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares.

SHARE CERTIFICATES

Every member shall be entitled without payment to one Certificate for all the Shares of each class registered in his name. If the Directors so approve and upon payment of such fee, if any, not exceeding As. 8 per Certificate as the Directors may from time to time determine in respect of each class of shares, a member shall be entitled to more than one Certificate for shares of each class.

BORROWINGS

Subject to the restrictions imposed by Section 293 of the Companies Act, 1956, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures and other securities.

11. DIRECTORS' NAMES AND ADDRESSES

1. SIR CHUNILAL B. MEHTA, Kt. (*Chairman*), Industrialist, Mahatma Gandhi Road, Bombay 1.
2. SHRI M. H. HASHAM PREMJI, Industrialist, 5, Ghoga Street, Bombay 1.
3. SHRI ARNE ASPLUND, Chairman and Mg. Director, AB. Defibrator, Stockholm, Master Samuelsgatan, 32, Stockholm, 7, Sweden.
4. SHRI G. R. JOLLY, Contractor, 10, Khetan Bhuvan, 198, Churchgate Reclamation, Bombay 1.
5. SHRI M. P. SHAH, Contractor, Bhaskar Mansions, Lamington Road, Bombay.
6. SHRI M. J. SHAH, Contractor, 198, Churchgate Reclamation, Bombay 1.
7. SHRI K. L. JOLLY, Contractor, Bund Garden Road, Poona.

MANAGING AGENTS

JOLLY INDUSTRIAL AGENCIES PRIVATE LTD., 1st Floor, Lakshmi Insurance Bldg., Sir Pherozshah Mehta Road, Fort, Bombay 1.

BANKERS

THE BANK OF INDIA LTD., Mahatma Gandhi Road, Fort. Bombay 1.

SOLICITORS

MESSRS. GAGRAT & CO., Medows Street, Fort, Bombay 1.

AUDITORS

MESSRS. J. K. DOSHI & CO., Chartered Accountants, 198, Churchgate Reclamation, Bombay 1.

BROKERS

(1) MESSRS. BATLIVALA AND KARANI, Union Bank Building, Dalal Street, Fort, Bombay 1.
(2) MESSRS. DHIRAJLAL MAGANLAL PURSHOTAMDAS, Stock Exchange Building, Apollo Street, Fort, Bombay 1.

REGISTERED OFFICE OF THE COMPANY

1ST FLOOR, LAKSHMI INSURANCE BLDG., Sir Pherozshah Mehta Road, Fort, Bombay 1.

The consents in writing of the abovenamed Bankers, Solicitors, Auditors and Brokers, to act in their respective capacities have been filed with the Registrar.

OBJECTS OF THE COMPANY

12. The Company was incorporated on the 10th December 1956, generally for the purpose of carrying on all or any of the objects or purposes mentioned in its Memorandum of Association and particularly to carry on business as manufacturers of Hardboard and its by-products.

The main objects of the Company as contained in the Company's Memorandum of Association are:—

(a) To carry on business as manufacturers of hardboard and its by-products.
(b) To carry on business as manufacturers of and dealers in articles of any description made or prepared out of hardboard and its by-products.
(c) To buy, sell, grow, prepare for market, manipulate, import, export, and deal in wood of all kinds and/or by-products of wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which wood or any by-product of wood is used.
(d) To buy, acquire, plant and work wood estates.

HARDBOARD TRADE AND INDUSTRY

13. At present there is no factory in India for the manufacture of Hardboard. It is estimated that there is an immediate minimum demand for 10,000 tons per year and that this will increase rapidly as indigenous supplies become available.

The licensed capacity of the factory is at present 6,000 tons per year but the plant being installed will be guaranteed capable of producing 8,000 tons and the layout has been arranged for subsequent expansion.

Hardboard is a relatively unfamiliar material in India at present, largely due to import restrictions. Ready availability will, it is confidently expected, not only increase the demand for existing uses but also widen the range of uses. The main uses at present are for:—

(1) Building Construction: Partitions, panelling ceilings, flush doors.
(2) Furniture: Counters and shop fittings, desk drawer bottoms, cabinet backs, file cases and holders.
(3) Vehicles: Panelling for interiors of motor-buses and railway-coaches.

PLANT AND MACHINERY

14. The Company has entered into an Agreement for supply of Plant and Machinery and erection of the Factory with Messrs. Aktiebolaget Defibrator, of Sweden, one of the leading manufacturers of Hardboard Plant in the world, on the following terms of payment:—

30 per cent. against shipping documents.
10 per cent. 11 months after main shipment.
20 per cent. 23 months after main shipment.
20 per cent. 35 months after main shipment.
20 per cent. 47 months after main shipment.

The Company has arranged for a guarantee of the deferred payments required by Aktiebolaget Defibrator to be provided by The Oriental Fire & General Insurance Co., Ltd., Bombay. The Guarantee Bond dated 26th October 1957, will be secured *inter alia* by a mortgage of the Company's fixed assets.

TECHNICAL ASSISTANCE

15. Aktiebolaget Defibrator have agreed to supply full technical services including the necessary technicians for erection and during the first two years of operation. They have also promised to arrange for the training of Indian personnel in a similar factory in Sweden.

IMPORT LICENCES

16. The Central Government has granted to the Company Licences for all the imported capital equipment needed for the new Plant and the requisite Letters of Credit have already been opened.

FINANCIAL REQUIREMENTS

17. The total cost of the proposed plant having a capacity to manufacture 8,000 tons of Hardboard has been estimated, including the Working Capital, as follows:—

	Rs.
Payable to Aktiebolaget Defibrator for Plant and Machinery, Spare Parts and Engineering Fees ..	40,20,000
Freight, Insurance, Customs Duty, etc.	5,55,000
Cost of Land, Railroad and Power Connection, etc.	2,90,000
Cost of Foundations, Factory Buildings, Labour Quarters, etc. ..	10,30,000
Cost of Erection. Local Fabrication, etc.	2,65,000
Working Capital, etc.	6,40,000
Rs.	68,00,000

SOURCE OF FUNDS

18. The total requirements of Rs. 68 lacs will be met as follows:—

	Rs.
(*a*) By the issue of Ordinary Shares	30,00,000
(*b*) By the issue of 8 per cent. Taxable Preference Shares	10,00,000
(*c*) Through Deferred Payments (arranged with the Suppliers) ..	28,00,000
Rs.	68,00,000

19. Hardboard can be manufactured from a variety of raw materials, prominent among which is the fibre from waste wood, firewood, etc., not suitable for use as building material in its natural state. Such material is available in ample quantities to meet all present and future needs of the factory from the forest areas of Bombay State and also from the West Coast. Exhaustive tests have been carried out on the timber species and qualities available from these areas by Defibrators and it has been established that they are extremely suitable for the production of high quality Hardboard. Special mention may be made of the commonly available in (*Terminalia Tomentosa*) which gives particularly good results. Sawmill waste will also provide an additional source of good quality raw material.

The Government of Bombay have agreed, in letter dated 18th October, 1957, to make available to the Company a minimum supply of 10,000 tons of fuel wood in the first year which will be raised to 20,000 tons in the fifth year, at market rates. Negotiations are in progress for the supply of fuel wood by the Mysore State Government also.

The Company has also concluded an agreement with S. S. Haldipur, a Private Contractor, for the supply of 7,500 tons of firewood of which 2,500 tons will be made available from January to May 1958, and 5,000 tons from October 1958, to May 1959. These supplies will be sufficient for the initial needs of the plant.

SITE

20. The plant will be located near Kanjur between Vikhroli and Bhandup on the Central Railway Main Line.

Agreements have been concluded for the acquisition of land measuring approximately 47,310 sq. yds. sufficient for the installation of plant and for stock piling for the present and future needs of the Company, as follows:—

(*a*) Jolly Brothers Private Ltd. have entered into an Agreement dated 5th March 1957, with Sir Mohamed Yusuf, Kt., for the sub-lease for a period of 999 years of lands measuring 34,000 sq. yds. at Kanjur for Rs. 42,500. The sub-lease remains to be executed.

(b) Jolly Brothers Private Ltd., have also entered into an Agreement dated 13th June 1957, with Messrs. Bhiwandiwalla Industries for the purchase of land measuring 2 acres 30 gunthas for Rs. 23,637.

By arrangement between the respective parties, the above sub-lease and purchase will be executed in favour of the Company, as the nominees of Jolly Brothers Private Ltd.

ELECTRICITY AND WATER SUPPLY

21. Arrangements have been made with the Tata Hydro-Electric Power Supply Company, Ltd., for the supply of electricity upto 1,000 kw., the maximum power that the Company will require.

Arrangements have also been made with the Bombay Municipal Corporation for the supply of water sufficient for all the needs of the factory.

PROFITS

22. The Directors having estimated the cost of production on a very conservative basis, are satisfied that after meeting all expenses, a substantial margin of profit will be available on the basis of the existing prices for hardboard prevailing in the market.

The Company will enjoy the special benefits available to new projects under the Income-tax Acts as regards Development Rebate, Depreciation Allowances, etc.

The Company will not be required to make deposits with Government as required by sub-section 10(2B) of the Income-tax Act in the immediate future, since under the Income-tax Allowances (Current Profits Deposit) Rules, 1957, the utilisation of the financial resources of the Company will be for an "approved purpose" as defined in Rule (2) of the said Rules.

Given the continuance of reasonable trading conditions, the estimated profits, after providing for the dividends on the Preference Shares and de-

AUDITORS' REPORT

ANIL HARDBOARDS LIMITED, BOMBAY

Statement of Receipts and Payments made for the period, 10th December, 1956 to 11th December, 1957.

RECEIPTS	Rs.	PAYMENTS	Rs.
To Equity Share Capital: 12,000 Shares of Rs. 100 each. Amount received on application and allotment at Rs. 50 per share	6,00,000.00	By Preliminary Expenses (including Rs. 1,00,000 paid in cash to Messrs. Jolly Brothers Private Limited in consideration of and as remuneration for acquiring the benefit of negotiations entered into by them with 'Aktiebolaget Defibrator (a Swedish firm for the purchase and import of machinery required for setting up a hardboard factory for the Company and also for acquiring the benefit and advantage of various arrangements made by them and data collected by them and for assignment of the benefit of license issued to them by the Government and for the assistance rendered by their Directors in the promotion and formation of the Company and for diverse other good considerations)	1,04,635.71
,, Tender Deposit: Earnest money received from the Contractors, Messrs. Jolly Brothers Private Limited, against tender for construction of Factory Building	5,000.00	,, Capital Expenditure: Rs.	
,, Interest received on Bank Current Account	32.87	Furniture and Fixtures .. .. 481.25 Central Railway for Siding .. .. 1,000.00 Letter of Credit Charges .. .. 10,338.24 Towards Cost of Land .. .. 35,592.75 For Building under construction—building materials.. 1,11,383.01	1,58,795.25
		,, Other Payments:	
		Salaries and Wages .. .. 3,421.11 Printing and Stationery .. .. 564.46 Postage, Telegram and Telephones .. .. .. 838.08 Freight and Cartage .. .. 933.05 Licence Fees .. .. 187.50 Legal Charges .. .. 1,500.00 Travelling and Conveyance .. .. .. 622.97 Director's Travelling Expenses. (Including Rs. 2,785.00 towards foreign tour of a Director) .. .. 3,612.00 Subscription for membership of an association .. 262.00 Rent .. .. 1,800.00 Office and Miscellaneous Expenses 805.12	
		,, Cash and Bank Balances:	14,546.29
		Cash on Hand .. .. 530.15 Cash in Current Account with Bank 3,26,525.47	3,27,055.62
Total .. Rs.	6,05,032.87	Total .. Rs.	6,05,032.87

AUDITORS' CERTIFICATE.

1. We have audited the Books of Accounts of Messrs. Anil Hardboards Limited, Bombay, and do hereby certify that the foregoing statement of Receipts and Payments made for the period, 10th December, 1956 to 11th December, 1957, of the Company is true and correct.
2. That the Anil Hardboards Limited since its incorporation on 10th December, 1956 and since obtaining a Certificate for commencement of business on 4th March, 1957, till 11th December, 1957, no business as such was carried on by the Company and that no profits were made.
3. That the Company has not declared any dividend since its incorporation.

BOMBAY, 14th December, 1957.

ferred payments in respect of the machinery and for allocations to reserves, should enable a dividend to be paid on the Ordinary Shares after the first full year's operation of the plant.

PRELIMINARY EXPENSES

23. Preliminary expenses, brokerage and underwriting commission payable by the Company are estimated at about Rs. 2,00,000. This amount includes the sum of Rs. 1,00,000 paid to Messrs. Jolly Brothers Private Ltd., for reimbursement of expenses incurred on investigations overseas and for technical services rendered.

MINIMUM SUBSCRIPTION

25. The minimum subscription in respect of the present issue upon which the Directors will proceed to allotment is Rs. 22 lacs. Subscription of this amount is assured by reason of the underwriting as mentioned herein.

This sum together with amounts subscribed by the Promoters, Manufacturers, and the amounts assured by Directors in terms of the Prospectus aggregating to Rs. 18 lacs will cover the immediate financial requirements of the Project.

This aggregate sum of Rs. 40 lacs raised by this issue, and already subscribed by the Promoters and Manufacturers will be utilised as follows:—

	Rs.
Payable to defibrator towards machinery, duty, freight and insurance ...	17,55,000
Cost of land, rail road, and power connection	2,90,000
Cost of erection, local fabrication, cost of foundation, factory building, labour quarters, etc.	12,95,000
Preliminary expenses	2,00,000
Working capital	4,60,000
Rs.	40,00,000

UNDERWRITING

26. Certain Directors of the Company in their personal capacities have satisfied The Industrial Credit and Investment Corporation of India Ltd., that they will apply for the 3,000 Ordinary Shares of the total nominal value of Rs. 3 lacs in terms of this Prospectus.

The Industrial Credit and Investment Corporation of India Ltd., Fort House, 221, Dadabhoy Naoroji Road, Fort, Bombay, 1, have agreed to underwrite 12,000 Ordinary Shares of Rs. 100 each and 10,000 Preference Shares of Rs. 100 each of the aggregate nominal value of Rs. 22 lacs. The Directors are of the opinion that the resources of the Underwriters are sufficient to discharge their underwriting obligations.

UNDERWRITING COMMISSION

27. Underwriting Commission at the rate of 2½ per cent. of the nominal value of the shares underwritten by them is payable to The Industrial Credit and Investment Corporation of India Ltd., in accordance with the terms of agreement contained in letter dated 23rd December 1957 from these Underwriters and the Company's acceptance thereof.

BROKERAGE

28. Brokerage will be paid by the Company to recognised Brokers and Banks at the rate of 1 per cent. on the nominal value of shares allotted in respect of applications bearing their stamps.

Brokerage on the same basis will be payable to The Industrial Credit and Investment Corporation of India Ltd., on allotments in respect of applications made or procured by them provided that the relative forms of applications bear their respective stamps.

EXPENSES OF THE ISSUE

29. The expenses of the issue, other than brokerage and underwriting commission are estimated to amount to Rs. 1,00,000 and will be payable by the Company.

DIRECTORS' QUALIFICATION AND REMUNERATION

30. The number of Directors shall not be less than four nor more than twelve. The qualification of a Director shall be the holding of 50 Ordinary Shares in the Company of the total nominal value of Rs. 5,000. The remuneration of a Director for his services shall be such a sum as may be fixed by the Directors not exceeding Rupees Two hundred for each meeting attended by him. The Directors may allow and pay to any Director, who is not a bona fide resident in Bombay, and who shall come to Bombay for the purpose of attending a meeting, such a sum as the Directors may consider fair compensation for his expenses and loss of time in connection therewith in addition to his fee for attending such meeting.

If any Director, other than a Special Director, shall be called upon to go or reside out of Bombay on the Company's business, or otherwise perform extra services the Board may arrange with such Director for such special remuneration for such services, either by way of salary, commission, or the payment of a stated sum of money as they shall think fit, in addition to or in substitution for his remuneration above provided.

MANAGING AGENTS

31. Messrs. Jolly Industrial Agencies Private Ltd. have been appointed the Managing Agents of the Company by an Agreement dated 15th November 1957. The Managing Agents are a Private Limited Company with a Subscribed and Paid-up Capital of Rs. 1,00,000. The Government of India have approved their appointment as Managing Agents on the following conditions:—

(a) For a period of 15 years from the date of their appointment.

(b) On a remuneration of 10 per cent. commission on the net profits of the Company.

(c) A minimum remuneration in the absence of or inadequacy of profits at Rs. 12,000 per annum.

(d) Reimbursement of Expenses incurred on behalf of the Company.

NATURE AND EXTENT OF THE INTEREST OF THE DIRECTORS

32. The following Directors of the Company are also Directors in the Managing Agency Company:—

Shri G. R. Jolly, Shri K. L. Jolly — Directors of the Company are also Directors of the Managing Agency Company, and of Jolly Brothers Private Ltd., an associate of Managing Agency Co.

They are therefore interested in the said Managing Agency Agreement.

Mr. Arne Asplund, a Director of the Company, is also the Managing Director of Messrs. Aktiebolaget Defibrator of Sweden, with whom a Contract has been entered into for the supply of machinery.

33. The following is a statement of the names, addresses, descriptions and occupations of the signatories of the Memorandum and the number of shares subscribed for by them:—

Name of Subscribers	Addresses and Description of Subscribers	Number of equity Shares taken by each Subscriber
G. R. Jolly	198, Churchgate Reclamation, Fort, Bombay. Merchant.	5
K. L. Jolly	Bund Garden Road, Poona. Merchant.	5
Mahendra J. Shah	198, Churchgate Reclamation, Fort, Bombay. Merchant.	5
Harshvadan J. Shah	198, Churchgate Reclamation, Fort, Bombay. Merchant.	5
M. P. Shah	Bhaskar Mansions, Lamington Road, Bombay No. 4. Merchant.	5
S. Vishwanathan	42, Sahakar Nivas, Tardeo, Bombay-7. Service.	5
Ramdulari G. Jolly	198, Churchgate Reclamation, Fort, Bombay-1. Landlady.	5

CONTRACTS AND AGREEMENTS

34. The following Contracts have been or will be entered into by the Company:—

(1) Agreement dated 20th December 1956, with Messrs. Aktiebolaget Defibrator, Stockholm, Sweden, for supply of plant and machinery as already described.

(ii) Agreement dated 15th November 1957, with the Managing Agents, Messrs. Jolly Industrial Agencies Private Ltd., inter alia, on terms referred to in para 31 above.

(iii) Agreement with Sir Mohamed Yusuf, Kt., in respect of the land, referred to in paragraph 20 (a) above.

(iv) Agreement with Bhiwandiwalla Industries in respect of the land, referred to in paragraph 20 (b) above.

(v) Agreement dated 9th October, 1957, between the Company and S. S. Haldipur of Karwar in respect of the supply of firewood to the Company referred to in paragraph 19 above.

(vi) Construction contract entered into with Jolly Brothers Private Ltd., on 5th December 1957, being the lowest of 6 tenders received.

(vii) Letter dated 23rd December, 1957, from The Industrial Credit and Investment Corporation of India Ltd., making an offer to underwrite and the Company's acceptance thereof dated 23rd December, 1957.

(viii) Guarantee Bond issued on 26th October 1957, by Messrs. Oriental Fire & General Insurance Co., Ltd., in respect of deferred payment of Rs. 28 lacs, to be payable to Messrs. Aktiebolaget Defibrator, Stockholm, Sweden.

35. The documents mentioned below may be inspected at the Registered Office of the Company, Lakshmi Insurance Building, Sir Pherozeshah Mehta Road, Fort, Bombay, during the usual business hours on any business day for the period the Subscription List is open:—

(1) Copies of the Contracts referred to above.

(2) Copies of the Memorandum and Articles of Association of the Company.

(3) Order of the Central Government giving consent to the Issue of Capital.

(4) Order of the Central Government giving permission for the establishment of the Industrial Undertaking.

(5) The Auditors' Report dated 14th December 1957 referred to in paragraph 24 above.

(6) The Auditors' Report dated 14th December 1957 referred to in paragraph 24 above.

(Sd.) CHUNILAL B. MEHTA,
(Sd.) M. H. HASHAM PREMJI,
(Sd.) ARNE ASPLUND,
(Sd.) G. R. JOLLY,
(Sd.) M. P. SHAH,
(Sd.) M. J. SHAH,
(Sd.) K. L. JOLLY.

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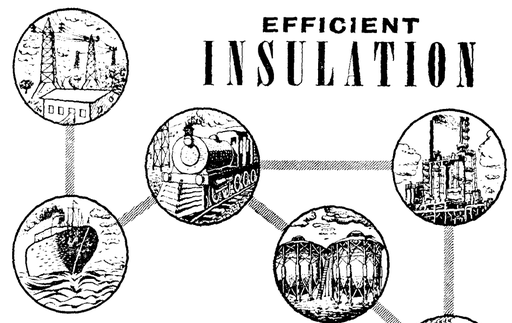
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CONSOLIDATED COFFEE ESTATES (1943) LTD.

MR. R. C. PATERSON'S SPEECH AT ANNUAL GENERAL MEETING

NEED FOR INCREASING CURING CAPACITY

ADDRESSING the shareholders of the Consolidated Coffee Estates (1943) Ltd. at their Fourteenth Annual General Meeting held at Pollibetta, Coorg, on 31st December 1957, Mr. R. C. Paterson, Chairman of the Company, welcomed the Coffee Board's proposal to introduce open export auctions. He, however, felt that a mere alteration in the marketing system would not be sufficient. The establishment of new blood in the field of curing was urgently needed, but the prohibitive capital cost of establishing new curing works and limitation of their scope acted as a deterrent to possible new-comers.

The following is the full text of Mr. Paterson's speech:

"GENTLEMEN,

"On behalf of my fellow-Directors I have pleasure in welcoming you here today on the occasion of the fourteenth annual general meeting of our Company.

"The Directors' report and audited accounts for the year ended 30th June 1957 have been with you for the requisite time and, with your permission, I shall take them as read. At the end of my speech I shall be glad to reply to any queries that may be raised.

"In addressing you a year ago, I opened my remarks by stating that the year 1955-56 had produced two records for our Company. For the first time, the total crop harvested had exceeded 2,000 tons and the gross profits were the highest for the Company to that date. These most solid achievements look rather meagre when compared with the results for the year under review. I indicated last year that we anticipated an Arabica crop considerably in excess of estimates, but the final results far exceeded our fondest expectations. At 2,453 tons harvested, the yield calculated on the total acreage under Arabica is 11.3 cwts. per acre. Allowing for the immature coffee which is not yet in full bearing, the real yield per acre would be even greater. One of our North Coorg properties, an estate of just over 242 acres, harvested an overall 18.5 cwts. per acre; on another property the average was 13.9 cwts. over 560 acres of Arabica coffee. These are substantial results by any criterion and our total Arabica crop harvested for the year was actually 1,076 tons higher than our previous best —an increase of over 78 per cent. It is true that, as our younger Arabica reaches full maturity our output should naturally increase, but the chief reason for the bumper crop harvested may be largely laid to climatic conditions which resulted in an exceptional set after satisfactory blossom showers in the spring of 1956. These and the fact that our coffee was healthy and in good heart rendered this large harvest possible.

"By the same token, the results from our Robusta have been barely average. An overall yield of a little under 6 cwts. per acre is certainly considerably below our target. Robusta is, however, ever a 'fickle jade' at blossom time, while the Company, of course, is carrying a fair percentage of Robusta which will not be in full bearing for some years. Be that as it may, the fact remains that, with the exception of spraying, our Robusta has received identically the same treatment as Arabica and has not responded in anything like the same manner.

Miscellaneous Crops

"Pepper, which five years ago, was a main item of profit, now assumes ever diminishing importance in our accounts. Our harvest was average, but selling prices were again poor, nor does there appear to be much likelihood of the market recovering.

"On the other hand, cardamom prices have persistently favoured the grower and we have been paying special attention in trying to improve their preparation for market so as to take advantage of the high premium which export grades can command.

"Climatic conditions in Coorg were conducive to successful paddy cultivation and our crop for 1956-57 was a good one. As in previous years, our entire production was held over as a strategic reserve for issue in case of need to our labour on a 'no-profit-no-loss' basis. We normally grow about four to five months' requirements and our paddy fields perform a most useful function in our economy. The harvest for 1957-58 season is now in full swing and the indications, I am glad to say, again favour a substantial crop. This, I would add, would apply generally throughout Coorg.

Accounts

"In presenting to you the accounts, the Pool Point has been valued at Rs. 2.50 a point, as against Rs. 2.37 (Rs. 2-6) for the previous year. Although prices realised at the export auctions conducted by the Coffee Board would appear to have been less favourable than for 1955-56, nevertheless, the most substantial exports of over 15,000 tons should make our valuation conservative. The system adopted by the Coffee Board in distributing sales over the full period of the year makes an accurate estimation of the final Pool dividend extremely difficult, and, as the accounts show, our valuation at Rs. 2-6 a point last year has actually produced surplus realisations brought into this year's accounts of over Rs. 13,43,000.

"The Company has taken advantage to redeem the existing 5½ per cent. debenture stock 1957-63 and this was repaid in full on the 1st of July after the closing of the books of the Company.

"Our expenditure has unavoidably gone up. This, in some measure, is due to the much larger crop handled. As from the 1st of April wages have been increased by 28 per cent. and, as at the 1st of May, the benefits of the Employees' Provident Fund Act have also been made applicable to plantation labour, adding an additional 6¼ per cent. to our wages bill. It is estimated that these increases alone cost the Company an extra Rs. 72,000 a month, or in a full year, say, approximately Rs. 9 lakhs. The increase under the heading of welfare expenses is largely accounted for by the subscriptions made to the Government under the Coorg Medical Scheme, although welfare itself in the form of larger maternity benefits and other measures has cost the Company considerably more.

"Depreciation charges, on the other hand, are lower and I would refer you to the note printed at the foot of the profit and loss account on pages 16 and 17 in the accounts. Since the formation of the Company in 1943, it has been the practice to charge depreciation at Central Indian income-tax rates on the original cost—at that time the question of agricultural income-tax did not arise. The practice has been continued up to now. Your Directors, however, have considered that, under present conditions, it is preferable to adopt the more usual system, as operated under the Income-tax Acts, of calculating depreciation on the written down value, and this method has been adopted in the accounts now before you. The rates used are those under the Mysore Agricultural Income-tax Act in regard to our estates and the Central Income-tax Act for our industrial and business assets.

"Under the new Mysore Agricultural Income-tax Rules, the special depreciation allowance of 20 per cent. for five years, which we received under the Coorg Act, has to be deducted in calculating the written down value of assets on which depreciation is now to be allowed and this in itself has made a very considerable difference in the charges we can now claim.

Taxation

"Provision for taxation is the most costly item and, for the first time in the history of the Company, the Revenue Department of Government now assume the role of major partners in our enterprise. The new Mysore Agricultural Income-tax Act becomes operative in the current assessment year. The maximum rate of tax is 40 nP, as against As. 5 or 31 nP under the previous Act. Provision in our accounts has not only been made at the rate of 40 nP for the current year but it also includes the shortfall on the previous year's provision. The provision under the Central Indian Income-tax includes the estimated liability for dividend tax on our 1955-56 dividend and also for wealth tax. In view of our successful harvest the Company will be able to absorb this liability, but in times of low average harvest taxation may well prove the most serious burden. In other respects, apart from the limiting of the special depreciation allowance of 20 per cent. to the first year only, the new Mysore Agricultural Income-tax Act would appear to have followed more or less on the lines of the old Coorg Act. The smaller depreciation allowances must act as a brake to the speedy capital development of the industry which must be completed, if we are to be able to compete in the world markets with foreign growers.

"The case made by the Central Board of Revenue that 25 per cent. of coffee income is industrial and, therefore, liable for tax has not yet been finalised. The test case which has been referred to in the Directors' reports for the past two years was recently transferred from Madras to the Mysore High Court and the appeal by the Central Board of Revenue has been dismissed. It is understood, however, that the Central Board of Revenue are now contesting another case before the Income-tax Appellate Tribunal in Madras.

"Now that the rate of agricultural income-tax is as much as 40 nP in the rupee, as against 51.5 nP under the Central Indian Income-tax Rules, even if the Central Board of Revenue gain their point the increase in liability for tax will be relatively small, particularly when it is considered that shareholders can obtain a refund of Central Indian income-tax which is not possible under the Mysore Agricultural Income-tax Rules. The main problem to the industry, therefore, really rests only on the question of backlog.

Labour

"It has not been an easy year in which to maintain the good relations with our labour which has been traditional in Coorg. In spite of difficulties, however, both sides have, I think, in a large measure succeeded. I indicated in my speech a year ago that the publication of what has been called 'the Madras Tribunal Award' could not but have considerable repercussions in Coorg and Mysore. Strange though it may seem, direct agitation on estates was conspicuous by its absence. In May this year, the Commissioner of Labour, Mysore Government, convened a conference between the labour unions and the employers' associations with himself as mediator, and after a conference extending over a few days a satisfactory solution was arrived at and an agreement registered under the Industrial Disputes Act, 1953. The assistance given by the Labour Commissioner and, in particular, the Hon'ble Minister for Labour, was, in my opinion, no doubt responsible for the success of the deliberations and the thanks of the industry are due to the Mysore Government.

"As mentioned earlier in this review, the rate of increment to labour wage was approximately 28 per cent. and having achieved this most substantial gain one might normally have expected a period of industrial peace on our coffee estates, but, I regret to say, the reverse has been the case. Coorg labour have never been what might be termed 'union-conscious,' but during the past five months the various union organisers have done their best to remedy this defect and our labour have been subject to constant propaganda. It speaks a great deal for the good sense of our employees that this onslaught has not resulted in any serious misunderstanding, particularly, when it must be emphasised that most labour organisers employ as their main advocacy abuse of the staff and management.

"A year ago, the Enquiry Commission's Report was news and, in fact, the greater part of my speech then was devoted to explaining the Company's position in relation to the many criticisms of the coffee-growing industry. So far the report has not yet been taken up by Parliament and it seems likely that it may be largely shelved. One of the most important features of the report was its radical recommendations for providing finance for a phased replanting programme of all coffee. A similar scheme was suggested for tea. In regard to the tea industry, it is understood that Government have satisfied themselves regarding the

(Continued on page 48)

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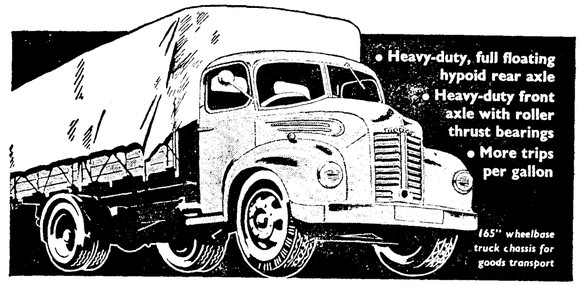

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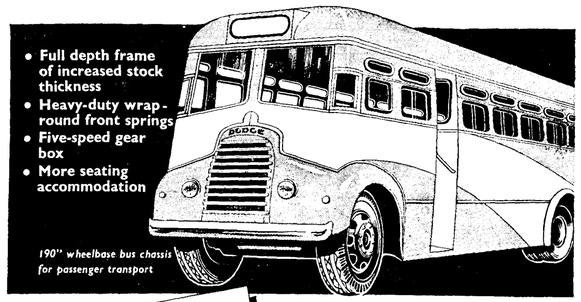

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MYSORE KIRLOSKAR LIMITED

CHAIRMAN, MR. T. SHAMANNA'S ADDRESS TO SHAREHOLDERS

THE Sixteenth Annual General Meeting of Mysore Kirloskar Ltd. was held at Harihar on 30th December 1957. Addressing the shareholders on this occasion, Mr. T. Shamanna, Chairman of the Company, referred to some of the difficulties which the Company, in particular, and industries, in general, were faced with, namely, inadequate supply of raw material, rail transport facilities and depreciation and rehabilitation allowances. He also requested the authorities concerned to see that any relief to industries provided by statutory measures was not negatived or denied in any other manner.

The following is the full text of Mr. Shamanna's speech:

"LADIES AND GENTLEMEN,

"It is my privilege and pleasure today to extend to you all a most hearty welcome to the sixteenth annual general meeting of your Company.

"The balance-sheet as at the 30th June 1957 and the profit and loss account for the year ended 30th June 1957, together with your Directors' report and the Auditors' report, have been already sent to you separately. I presume that you have gone through them and have acquainted yourselves with the details given therein. With your permission, therefore, I take the same as read.

"During the year under report the factory worked for only ten months, because there was a strike for two months. The statements of accounts give the figures also for the last year ended 30th June 1956 and this must have helped you in getting a fair comparative idea of the business done during the two years.

"Though there was a setback in production as a result of the strike, the despatches, that is, sales during the year 1956-57 show a higher figure at Rs. 54·43 lakhs, as compared with that of the previous year. This is mainly due to the drawing on the previous year's closing stocks.

"The additions to fixed capital expenditure amount to Rs. 6.92 lakhs, Rs. 4.08 lakhs being in respect of machinery and plant. This is in accordance with the policy of the management of steady development of the factory from year to year. This policy has been followed all these years.

Loan From I.F.C.

"As you must have seen from the Directors' report, the negotiations with the Industrial Finance Corporation of India, for a loan of Rs. 25 lakhs have been concluded and this loan is proposed to be drawn in suitable instalments spread over a period up to September 1958. The purpose of this loan is mainly to expand our existing lines and to take up the manufacture of Capstan and Turret lathes. I am glad to inform you that your factory has only recently, that is, on the 5th of this month, celebrated the 'switch-on' ceremony of the Capstan lathe at the hands of the Chief Minister of this State. It is a matter of pride for all of us to know that this lathe is 100 per cent. Indian, in that every part of it, including its design and drawings, is done in this factory.

"You are all aware that we are now passing through the period of the second Five-year Plan. Though greater emphasis is laid on industrial development under the second Five-year Plan, we are required to face at the moment the problems arising out of the foreign exchange difficulties. Our development plans are also to some extent required to be reconsidered and properly rephased to suit the altered conditions.

"Negotiations in securing foreign collaboration are at the final stage and the matter is now pending with the Central Government. It is to be hoped that the Central Government would be pleased to do their best in finalising this matter, which would go a long way in accelerating the speed of development of your factory.

Strike at Factory

"I have already referred earlier to the stoppage of work in your factory due to strike for about two months during the year under report. It has given a considerable setback to the normal working of the factory. It has certainly not helped anybody. However, the management have taken a constructive attitude and granted certain benefits like the raising of the dearness allowance, declaring an ex-gratia bonus of about a half month's wage recently. I would like to urge on the workmen of this factory to understand and appreciate this gesture on the part of the management and help themselves by co-operating with the management in raising production. Any strike results in totally closing the inward flow of wealth and endangers the position of the industry itself and this, in turn, is bound to create further difficulties which ultimately the workmen themselves have to face. If you want water from the well, you cannot obstruct the springs in the well. This is a plain proposition and does not admit of any controversy.

"The management has been alive to the needs of the workmen and has been doing its best in meeting their claims, consistent with the capacity of the Company to meet such claims.

Some Problems

"It is necessary to refer to some of the difficulties that your Company is required to face and I shall deal very briefly with them now.

"(i) *Raw materials*: The position of raw materials, particularly hard coke, was far from happy and continues to be a source of constant worry. There was no doubt some relief felt due to the imported pig iron. But the improvement in the supply position of a particular raw material is undone by the difficult position in respect of other equally important raw materials. The improvement in the supply position is not an all-round improvement and we are, therefore, required to face very difficult situations many a time.

"(ii) *Transport*: Rail transport has been another difficulty and though for some time it had shown some improvement, basically it still remains a problem and source of continued anxiety. It is to be hoped that the development plans of the railways would receive proper and urgent attention of the authorities concerned. Any relief in the transport situation could be secured only after the implementation of the development plans of the railways and till that time transport will continue to be a problem to be faced.

"(iii) *Depreciation and rehabilitation allowances*: The Central Government have provided for certain relief in the Indian Income-tax Act in respect of manufacturing concerns by granting certain extra depreciation allowances and also by providing for the development rebate. While the extra or additional depreciation allowances amount only to a temporary financial relief which gets itself nullified by lower depreciation in subsequent years, the development rebate allows only a partial relief, in that an amount to the extent of 25 per cent. of the original value of the machinery is allowed to be provided for over and above the full 100 per cent. depreciation. I have said that this relief is only partial for the following reasons:

"In the first place, it is available only in respect of machinery and not in respect of other assets. There is really no reason to make such a distinction between the machinery and other assets as the general rise in prices is almost common to most of the assets.

"Secondly, the allowance by way of the development rebate provides only for an additional quarter amount of the original cost of the asset, whereas the replacement cost of such assets is even more than three times of the original cost in most cases.

"Thirdly, the development rebate applies only to the new machinery that would be purchased from 1955 and thereafter and does not apply to the old machinery. While the need for replacement of the old machinery has been urgent and is to be done on a large scale, the relief in this regard, as provided in the Income-tax Act, is only a small fraction of the requirement.

Another Difficulty

"This is not all. There is another difficulty which industries have to face. What is provided as a relief under the Income-tax Act is almost totally negatived by the principles adopted by the Industrial Tribunals in recent days in calculating the surplus for awarding bonus to workmen. Both the capital and the labour can get the benefit, out of the industry, if any at all, only if the position of the industry is strengthened and not at the cost of the industry itself. Any statutory measures which are aimed at providing relief to the industry should not, therefore, be negatived or undone or denied in any other manner. I would only request those in authority to kindly give their urgent consideration to this matter.

"(iv) *Wealth tax and other measures*: The imposition of the wealth tax and the compulsory deposit of reserves with the Government has resulted in adding further difficulties in the way of the industries. If the industries are to meet these claims, they must expand their activities; but, on the other hand, the restrictions imposed on imports of machinery and other required goods, due to the foreign exchange problems, make expansion very difficult. Under the circumstances, the industries are now placed in the most unenviable position of not being able to expand, but, at the same time, being compelled to bear heavier and heavier burdens which are quite unrelated to their earnings in the year concerned. This aspect of the problem deserves the most urgent consideration by the authorities concerned. I take this opportunity to urge on them the need for giving their very sympathetic and immediate consideration to this important matter in the interest not only of the industry, in particular, but also in the larger interests of the economic development of the country as a whole.

Fresh Capital

"Ladies and gentlemen, I now wish to say a few words about the need for raising the capital of this Company. The question of raising the paid-up share capital of your Company has been engaging the attention of your Directors for sometime past. The matter still requires further detailed consideration and a decision in this respect will be taken by your Board as early as possible. I take this opportunity, however, to request you that should a decision for further subscription be taken you should extend the same co-operation as hitherto in subscribing to the new issue and also inducing your friends to subscribe to such issue. I may incidentally refer here to one of the conditions governing the loan of the Industrial Finance Corporation of India, that the last instalment of their loan, amounting to Rs. 5 lakhs, would be paid by them only if we raise funds to the extent of Rs. 5 lakhs either by way of share capital or by other means. Your Company has been doing in its humble way, whatever is possible in maintaining a steady and fair rate of dividend and this should encourage you to do your best in respect of the new issues. I do hope that you will stand by your Company and extend every help and co-operation.

"During the year under report, the management and the members of the organisation had to exert their utmost in facing many a difficult situation and the maintenance of the continued progress of your factory is in no small measure due to their efforts and they deserve your warm commendation.

"Ladies and gentlemen, I now thank you for the very patient hearing that you have given me.

"I now propose that the balance-sheet and the profit and loss account and the Directors' report be adopted."

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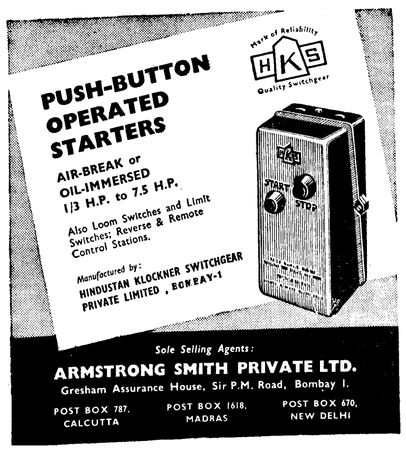

EUROPEAN COMMON MARKET COMES INTO BEING

ITS IMPACT ON WORLD TRADE

WITH the coming into being of the European Economic Community—also called the Common Market—on the 1st inst., a new chapter has been added to the story of international trade. The Community comprises six countries of Western Europe—France, Germany, Italy, Belgium, Luxembourg and the Netherlands. The first meeting of the Community was held in Paris on Monday this week to decide on the location of headquarters for the Common Market, as also for the Euratom and the Coal and Steel Community. It has been agreed that, within two months after the first meeting, the Assembly of the Community must be convened and, within a further month, the Economic and Social Committee should hold its inaugural session. Meanwhile, the Governments of the six countries will have to appoint members of the Commission—the day-to-day executive—and the Court of Justice. Only after this has been done will the staff needed to man the various institutions be appointed. The coming months will thus see the setting up of the Common Market institution side by side with continuation of the free trade area negotiations.

What will be the impact of the European Economic Community on world trade? This is, indeed, a very pertinent question which has not so far been answered adequately, although several months have elapsed since the idea for the formation of the Community was first mooted. The Secretariat of the General Agreement on Tariffs and Trade (G.A.T.T.) has, therefore, done well to study the implications of the Community to world trade in the course of a Trade Intelligence Paper published in Geneva recently. The study is devoted to a discussion of two most important aspects. They are: (1) The decisive importance of the uninterrupted prosperity of Western Europe, in general, and the six countries of the Common Market, in particular, for the maintenance of a high level of international trade; and (2) the possible repercussions of the creation of a common market among six countries upon the trade in manufactures and primary products.

Key Importance

At the very outset, the G.A.T.T. Secretariat emphasises the importance of Western Europe and the six countries as export markets for the primary producing countries. The maintenance of prosperity and continued economic growth in Western Europe, it points out, is a matter of key importance to the world economy at large and, in particular, to those non-industrial areas which depend heavily on the proceeds of their exports. To quote it: "To the extent that the Common Market will actually speed up the rate of economic progress in the six countries and, if only to that extent, the average rate in Western Europe, it would clearly make an important contribution to the well-being of other parts of the world as well." Referring to the effect of preference or discrimination in periods of rising and falling trade values, respectively, the G.A.T.T. Secretariat observes:

"However probable such an effect may be in the long run, that is, once the Common Market will have been completed, it remains nevertheless true that, throughout the duration of the transitional period—the next 12 to 15 years—the establishment of the Common Market necessarily involves the granting of privileged treatment to some trading partners to the detriment of others. In this connection, the events of recent years indicate that such arrangements do not necessarily result in serious diversions of trade. The diversionary effect of such arrangements upon the channels of trade is strongest during periods of declining activity or falling prices and values, but is smaller, even negligible, during periods of continued buoyancy in business conditions."

The G.A.T.T. Secretariat has examined several recent examples of discriminatory arrangements. On the basis of this examination, it states that the prospective effect of the Common Market on individual commodities and countries differ widely. Generally speaking, however, it concludes that the Market is likely to be beneficial for world trade. In its opinion, "the adverse effects of inevitable discrimination during the transitional period would be kept to a minimum, if it can be reasonably assumed that the Common Market, during that period and after, will positively contribute to maintain and even to accelerate an uninterrupted growth of production in the six countries as a whole."

The review of the present (or recent) trade position of the Common Market countries as made by the G.A.T.T. Secretariat reveals that these countries are, first of all, predominantly exporters of manufactures, mainly to one another and the rest of W. Europe but also to North America, as well as to the non-industrial areas. Among the latter, the overseas territories and the overseas sterling area, especially the "rest of the world," are their most important markets. In addition, the six countries are importers of primary products, of which they trade heavily (to a value as high as 75 per cent. of their intra-trade in manufactures) amongst themselves. Although the bulk of their imports of such products comes from the non-industrial areas, their imports from the rest of W. Europe, which are of the same order of magnitude as those from North America, are by no means negligible.

Trade in Primary Products

Turning to trade in primary products, the G.A.T.T. Secretariat gives interesting details: The most important supplying area comprises the overseas territories (including Algeria and the French overseas departments). Together, they account for more than one-quarter of the total imports of the six from other countries (mainly on account of coffee, tea and cocoa, oilseeds, fats and oils, fruits and vegetables and cereals). North America, the next most important food supplier, furnishes mainly cereals and oilseeds, Latin America principally coffee and cereals, other W. Europe countries mainly meat, and the rest of the world fruits (Spain and Israel) and oilseeds. The overseas sterling area is of only minor significance. The food trade of the six countries with one another consists mainly of meat and fruits. About one-third of the value of raw materials and fuels received from outside the six countries is imported from the overseas sterling area, especially wool, rubber and petroleum. Main supplies from other W. European countries are wood and wood-pulp, iron ore, textile fibres and non-ferrous metals; from North America, cotton, non-ferrous metals, steel scrap and coal; and from the overseas territories, non-ferrous metals. Latin America furnishes cotton and some petroleum, and the rest of the world textile fibres and petroleum. In trade among the six countries, coal, petroleum products, non-ferrous metals and textile fibres are the largest items.

The G.A.T.T. Secretariat analyses next the effects of the Common Market on the prospective import requirements of primary products in the six countries. The analysis brings out certain interesting conclusions. These are indicated below:

The Common Market's net imports of fuels and raw materials in 1973-75 will exceed the requirements as estimated for the six countries in the absence of a Common Market by $50 million for each one-point increase in gross national product (additional to the 90 per cent. increase in G.N.P. previously assumed), it being understood, however, that the creation of Euratom will result in a reduction of fuel imports by about $700 million at a G.N.P. level exceeding that of 1953-55 by 90 per cent. In other words, the $700 million saving on fuel imports will be compensated by the effects of economic growth upon the requirements for imports of raw materials, if, as a result of the Common Market, the G.N.P. reached in 1973-75 a level of 103 per cent. instead of 90 per cent. above the figure for 1953-55.

In respect of foodstuffs, the Common Market's net import requirements will essentially depend on the effect which the common agricultural policy, as set out in the Rome Treaty (Article 39) in conjunction with the acceleration of economic growth that is expected from the Market, will have upon the rate at which the agricultural labour force will have declined. It will, at a G.N.P. level of, say, 220 per cent. of 1953-55, require a decrease in the agricultural labour force by 18 per cent. to maintain non-tropical food imports in 1973-75 at the same level as exports, by 22 per cent. to maintain net imports at the 1953-55 level, and by 25½ per cent. to bring them to twice that volume. A decline in the agricultural labour force of nearly 2 per cent. per annum has been witnessed in the last 15 years in the case of the United States. That decline is the more significant, as agricultural prices between 1935-39 and 1950-54 have risen about half again as fast as prices of other goods. It may, therefore, not be unreasonable to suppose that a similar decrease in the agricultural labour force is within the realm of possibilities in the Common Market and that net imports of food (and not only of coffee, etc.) may also make a substantial contribution to the improvement in the export prospects of the Market's traditional suppliers.

The association of the overseas countries and territories with the Common Market has also been examined in some detail by the G.A.T.T. Secretariat. According to the study, imports from the territories are now on the whole more expensive than imports from other sources to a degree, exceeding the tariff differential contemplated for tobacco, sugar, rubber and veneer. The cotton duty is to be *nil* and the duty on roundwood is as yet undetermined. The preference in respect of bananas will roughly compensate for the high price level of supplies from the French overseas territories to Germany and from Somaliland to Italy. In other cases, however, it will constitute a general inducement to expand production and trade. Finally, the preferential treatment with respect to coffee and cocoa will *prima facie* appear to be potentially the most effective, since it will apply to commodities which the territories are now in a position to supply on the whole more (and as regards coffee, even much more) cheaply than other suppliers. Coffee, cocoa and bananas are said to be the only instances where, according to present import unit values, the tariff differentials which will eventually apply to products from overseas territories and from other suppliers will constitute a net inducement to augment exports from the former sources.

INDO-NORWEGIAN TRADE

The validity of the trade agreement between India and Norway has been extended up to the end of December next. Under the agreement, India will continue to export to Norway tea, coffee, tobacco, jute goods, coir products, hydrogenated oils, shellac, mica, iron and manganese ores, woollen carpets, tanned hides and skins, cotton and woollen textiles, light engineering goods, plastic manufactures, hardware including cutlery, and sports goods. Among the commodities available for export from Norway to India are mechanical and chemical pulp, newsprint, aluminium manufactures including aluminium boats, galvanised and black steel pipes, testing machines, welding equipment, marine type diesel engines, machine tools, fishing vessels, calcium carbide, urea formaldehyde and miscellaneous machinery.

It is gratifying that the Government of Norway has agreed to include vegetable oils, manufactures of leather including saddlery and other harness etc., and oilseed cake and meal in the free lists for equipment, floor coverings including carpets, mats imports from India into Norway, when the balance of payments position makes it possible for the Norwegian authorities to do so. Meanwhile, the Government of Norway will give due consideration to applications for the grant of quotas to new importers who may wish to import goods from non-traditional sources of supply.

The move of Norway to encourage larger imports of Indian goods must be welcomed, considering the adverse balance of trade which India has with Norway. During the year 1956-57, the value of India's exports to this country aggregated not more than Rs. 51 lakhs, while its purchases were of the order of Rs. 3.37 crores.

Over 550 machines of different types, valued at nearly Rs. 50 lakhs, have so far been supplied to small industrialists under the scheme for supply of machinery on a hire-purchase basis for the development of small industries. The scheme, it will be recalled, was started in March 1956 and aims at the rapid development of small-scale industries by providing improved equipment which the *entrepreneur* cannot afford to purchase against cash payment. Industrial machinery, machine tools and spare parts are being supplied by the National Small Industries Corporation against a small initial payment, the balance being payable in easy instalments over a long period. These include general purpose machines like lathes, shaping machines, drilling machines and power press, welding machines, hobbing machines, grinding machines and power hammers. Some special purpose machinery items such as roller mills, machines to make bricks and tiles, plastic goods, nails, pins, barbed wires, shoes, rubber goods, iron washers and pencils are also being supplied. In order to meet the increasing demand for machinery under the scheme, the Corporation keeps in stock a large number of general purpose machines. Under another scheme, sewing machines are being supplied on hire purchase to people belonging to the low-income groups through Community Projects and Social Welfare Institutions. So far, over 1,000 sewing machines have actually been delivered to different applicants. The number of machines for which orders have been placed is more than 2,200.

The production of crude mica in India during the first half of 1957 aggregated 305,811 cwts., as against 298,890 cwts. in the corresponding period of the previous year, according to the Indian Bureau of Mines. Bihar, which is the leading producing State, accounted for 169,801 cwts. The output from Rajasthan and Andhra—the other major producing States—was 79,335 cwts. and 51,831 cwts., respectively. As a result of dressing, 53,750 cwts. of sickle-dressed blocks and 4,302 cwts. of chillas were recovered by the mine-owners in the half-year ended June 1957, as compared with 62,497 cwts. of sickle-dressed blocks and 5,090 cwts. of chillas during the same period last year.

A Dutch insurance firm, the Aurora Life Insurance Company of Amsterdam, has introduced a new inflation-proof insurance policy called Index Approximation Policy with effect from the 1st inst. According to the ingenious plan evolved by the Company, a new fund will be set up which can be drawn upon to strengthen the premium reserves, whenever it is necessary to raise the insured amount to catch up with an increase in the cost of living. Future premiums will be enhanced by a percentage similar to that by which the premium reserves are increased. The fund will be raised by means of profit shares to be allocated to the insured out of the profits.

Although it is not claimed that the system provides complete guarantee against every fall in the purchasing power of money, the Company holds that it will give almost complete compensation for a creeping inflation of about 2 per cent. per annum.

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Reserve Funds .. .. .. Stg. £ 8,000,000 (Rs. 10,66,66,667)
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MARKED FALL IN A.C.C.'S PROFIT

EXPANSION PROGRESSING—DEBENTURE ISSUE CONTEMPLATED

A SUBSTANTIAL rise in production costs, mainly as a result of increased price of coal, enhanced railway freight rates and terminal charges, increases in wage rates and dearness allowance, higher prices of stores and spares and the high cost of expansion which is reflected in the higher charge for depreciation, all these have cumulatively contributed to a sizable fall in the profit margin of the Associated Cement Companies Ltd. (Managing Agents: Cement Agencies (Private) Ltd., Bombay) for the year ended 31st July 1957. The increases in the various items of cost referred to above were something over which the Company had no control. It may be asked whether the Directors did not take any steps to effect economies in production by improving the efficiency of the manufacturing units. They say they did but aver that the incidence of the rise in costs was so heavy that it negatived the benefits of increased production and economies effected. While the higher cost of production adversely affected the trading profit thus, its effect on the net profit was aggravated by the rise in direct taxation and the need for providing a larger sum for depreciation. The increase in the rates of income-tax and corporation tax, as well as the levy of wealth tax, has heavily cut into the distributable profit. The Directors have published an interesting chart which impressively shows at a glance the extent to which the profit margin has shrunk in the past seven years. While the ex-works selling price has remained unchanged at Rs. 56 per ton of unpacked cement, since 1949-50, the Company's cost and taxes payable by it have advanced from Rs. 47.43 per ton in 1949-50 to Rs. 49.58 in 1956-57. In other words, the profit margin has narrowed down from Rs. 8.57 to Rs. 6.42 per ton.

To mention the actual figures of profits now. The gross profit has declined for the second year in succession, after staging a progressive rise in 1953-54 and 1954-55. Thus, at Rs. 487.41 lakhs, it shows a fall of Rs. 59.35 lakhs from the profit for 1955-56 and as much as Rs. 101.02 lakhs from that for 1954-55. The serious nature of the impact of the rise in production costs on the earnings of the Company can be easily gauged when it is realised that all this has happened despite an increase in the sale of cement from 2,962,000 tons to 3,205,000 tons, that is, by 243,000 tons or about 8 per cent. Reflecting this rise in turnover, sale proceeds advanced from Rs. 22.13 crores to Rs. 22.63 crores. The income from other sources was better, but only slightly, by Rs. 1.12 lakhs at Rs. 53.92 lakhs. In other words, the Company's income was Rs. 23.17 crores in all, as against Rs. 22.66 crores, an increase of hardly Rs. 51 lakhs. Expenses, on the other hand, rose by no less than Rs. 124.91 lakhs to Rs. 18.56 crores. Of this rise, salaries, wages and benefits to employees alone accounted for Rs. 57.25 lakhs or nearly half.

In consonance with the fall in gross profit and in view of the larger allocations to depreciation and taxation, the net profit, too, has declined by as much as Rs. 75.52 lakhs to Rs. 177.86 lakhs. Depreciation has been provided with a larger amount of Rs. 156.04 lakhs, as against Rs. 133.64 lakhs, and taxation Rs. 117.45 lakhs, as against Rs. 116.99 lakhs. If the increase in the tax provision does not appear to be marked, it is probably because of the effects of the higher depreciation available on the large additions to block account during the year under review.

In view of the serious decline in profits, the allocations to reserves have been drastically cut, from as much as Rs. 128.88 lakhs to a mere Rs. 55 lakhs. The entire sum of Rs. 55 lakhs has been credited to reserve for plant reinstatement, which is the same as that in the previous year. The appropriations in the previous year, it may be noted, consisted, besides the transfer to plant reinstatement account, of Rs. 7.37 lakhs to general reserve, Rs. 32 lakhs to development reserve, Rs. 19.51 lakhs to reserve for deferred taxation and Rs. 15 lakhs to reserve for gratuities.

Lower profit has also meant a lower dividend. Indeed, the hope expressed in our last year's review of the Company's results that it should be possible for the Company to maintain the dividend at the modest rate of 10 per cent. per annum even on the increased capital has been belied. The dividend has been reduced to 9 per cent. from 10 per cent., at which level it had been maintained for the previous two years, after being raised from 8.5 per cent. for 1953-54. The year's dividend is on a higher capital of Rs. 15.79 crores, raised by a fresh issue of 614 891 equity shares of Rs. 100 each on which Rs. 50 per share had been called up. A dividend at the rate of Rs. 3.375 per share has been proposed for the new shares which rank for dividend only from 1st November 1956. This rate is in proportion to the 9 per cent. on the fully paid-up shares for the whole year.

The following comparative table shows at a glance the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st July			
	1957	1956	1955	1954
Sale proceeds of cement ..	22,62.79	22,13.47	21,23.05	17,12.78
Other income	53.92	52.80	36.08	49.71
Stocks	92.00	65.63	54.38	37.06
Expenses	18,55.97	17,30.76	15,80.12	13,43.23
Gross profit ..	4,87.41	5,46.76	5,88.43	4,24.12
Managing Agents' commission	36.06	42.75	51.56	32.96
Provision for—				
Depreciation	1,56.04	1,33.64	1,06.89	85.66
Taxation	1,17.45	1,16.99	1,89.28	1,34.00
Net profit	1,77.86	2,53.38	2,39.70	1,71.50
Excess provisions written back	12.30	..	..	..
Transfer to reserves ..	55.00	1,28.88	1,04.82	60.00
Dividend	1,35.51	1,27.18	1,27.18	1,05.11
	(9%)*	(10%)	(10%)	(8.5%)†
Carry forward	2.59	2.94	5.63	6.35

* On a higher capital of Rs. 15.79 crores.
† On the increased capital of Rs. 12.68 crores, raised by the capitalisation of Rs. 2.11 crores from the reserves.

As usual, the Company's annual report is replete with charts and diagrams which depict in an easily intelligible manner all the important information relating to the Company's working and progress. The chart on cement production shows that, in India, A.C.C. accounts for as much as about 54 per cent. of the total output and for about half of that in Pakistan. The one on "Where did the money go?" discloses that, of the money earned by the Company in 1956-57, 47.94 per cent. was spent on raw materials, depreciation, maintenance and other manufacturing charges, 12.38 per cent. on freight and 19.52 per cent. on employees. Of the balance, administrative charges constituted 5.32 per cent., taxes 6.68 per cent., reserves 2.34 per cent. and shareholders 5.82 per cent. The following comparative table shows the position in this respect during the last three years:

	1956-57	1955-56	1954-55	1953-54
	%	%	%	%
Raw materials, depreciation, manufacturing charges, etc. ..	47.94	40.30	36.11	45.27
Freight	12.38	18.65	19.47	18.46
Employees	19.52	18.60	17.52	16.83
Administration	5.32	4.62	5.39	4.34
Taxes	6.68	6.65	11.51	6.81
Reserves	2.34	5.57	4.11	2.61
Shareholders	5.82	5.61	5.89	5.68
	100.00	100.00	100.00	100.00

Referring to the Company's various schemes of expansion already put into execution and still under execution, the Directors observe:

"The Company has embarked upon a major programme of expansion, modernisation and rehabilitation as its contribution towards the achievement of the targets set by the Government for production of cement under the second Five-year Plan. These plans have, of course, to be executed at an abnormally accelerated pace. In consequence, the funds that the Company has already raised or proposes to raise for this purpose whether from its own resources, by further borrowings or by flotation of additional equity capital, would fall far short of requirements. The Company has, therefore, made out a case in its representation to the Tariff Commission for the grant of an adequate expansion and rehabilitation allowance in the price of cement. Meanwhile, the Company is applying to the Controller of Capital Issues for sanction to issue debentures to the extent of Rs. 5 crores to provide the additional resources required, partly for investment in the heavy engineering project which the Company may undertake in collaboration with Messrs. Vickers Limited and Babcock & Wilcox Limited, and partly for its immediate needs in relation to the expansion plans and for its eventual need for substantially increased working capital."

"The extension of the Kistna cement works, raising the yearly output of the factory from 0.90 lakh tons of cement to 2.55 lakh tons, was completed early in March 1957. Production and despatches have, however, suffered to a substantial extent on account of the inability of the Southern Railway to transport the requisite quantities of limestone from the quarries to the factory and the cement from the factory to the consumers. Recently, however, there has been some improvement in this respect. Extensions at Chaibasa and Sindri factories have made good progress and will result in raising in present capacities at each of these works by 1 lakh tons per annum. These extensions are expected to be completed by March and July 1958 respectively. In addition to the expansion of capacity at Chaibasa factory, a flotation plant is proposed to be installed there for beneficiation of the raw materials, which will extend the life of the factory by enabling it to use low grade limestone, which would otherwise have had to be rejected. It is expected that the flotation plant will be put into commission by February 1959.

"The construction work of the new cement works at Mancherial has also made satisfactory progress and the factory is expected to start production in September 1958. Extensions at Kymore and Shahabad works are also well under way. The annual capacity of these two factories will be raised from 3.60 lakh tons to 5.73 lakh tons and from 4.00 lakh tons to 5.65 lakh tons respectively, on completion of these projects. The work of construction of the technical training institute at Kymore works was completed during the year under report, and the first batch of trainees is at present undergoing training."

A broad idea of the Company's latest financial position can be had from the following synopsis of its balance-sheet as at 31st July 1957:

LIABILITIES	Rs.	ASSETS	Rs.
Capital	15,80,87,225	Gross block ..	30,81,74,705
Reserves and surplus ..	9,64,44,268	Less—Depreciation ..	11,29,17,763
Welfare and endowment fund ..	1,05,635	Net block ..	19,52,56,942
Reserve for taxation ..	1,47,72,682	Machinery, electric motors, etc., in transit ..	85,20,518
Liabilities	13,63,65,615	Unallocated capital expenditure ..	69,67,755
		Stores, spares, etc..	13,16,58,276
		Stocks	91,99,900
		Debts, deposits and advances ..	3,22,95,882
		Investments ..	80,61,503
		Cash	1,38,84,513
Rs.	40,57,75,450	Rs.	40,57,75,450

The salient features of the Company's financial position are: (a) Notwithstanding the addition made during the year by the issue of fresh capital, the paid-up capital is well below the block account; (b) the reserves and surplus are equal to nearly 60 per cent. of the capital; (c) the current liabilities, heavy as they are, are adequately covered by floating assets; (d) of the gross block shown in the summary, additions made during 1956-57 were of the order of Rs. 3.34 crores (the deductions were only Rs. 27.56 lakhs); and (e) the large amounts under stores and book debts reflect the fast pace at which expansion is going on in the Company's activity.

The Rs. 100 fully paid-up shares of the Company are currently quoted at Rs. 149 cum-div. On an ex-div. basis, the yield works out to 6.43 per cent. per annum.

COFFEE LANDS' PROGRESS STEADY

Coffee Lands and Industries (Mysore) Ltd. (Chairman: Mr. R. C. Paterson, Polibetta, Coorg) belongs to that group of plantation companies in the South which has reported very satisfactory results for the year ended 30th June 1957. With a record coffee production and higher price realisation, the earnings of the Company have made a marked advance over those for the previous year. Incidentally, it may be stated that the earnings in the previous year were, by themselves, a great improvement over those for 1954-55. Thus, the gross profit at Rs. 29.25 lakhs for 1956-57 is Rs. 10.16 lakhs higher than Rs. 19.09 lakhs for the previous year and Rs. 19.28 lakhs more than that for 1954-55.

The net profit also stands substantially higher at Rs. 16.57 lakhs, as compared with Rs. 11.68 lakhs and Rs. 5.40 lakhs for 1955-56 and 1954-55, respectively. It is noteworthy that the net profit is thus higher even after making a higher provision for taxation, namely, Rs. 9.33 lakhs, as against only Rs. 4.72 lakhs in the previous year. Of the latest provision, State agricultural income-tax takes up Rs. 7 lakhs, as against Rs. 3.45 lakhs and Union income-tax Rs. 2.33 lakhs, as against Rs. 1.27 lakhs. Depreciation account is provided with Rs. 1.18 lakhs, as against Rs. 1.27 lakhs. In view of the higher earnings, the allocation to the reserves has been stepped up from Rs. 6 lakhs to Rs. 9.50 lakhs. The entire allocation is for the general reserve. The dividend, too, has been raised to 40 per cent. from 25 per cent. for the previous year and 18 per cent. paid two years earlier.

The Company harvested a total of 947 tons of coffee during 1956-57. This is substantially higher than the estimated 745 tons. Of this crop, the share of arabica was 856 tons. The previous season's crop was of the order of 795 tons, with arabica taking the lead at 712 tons. Estimates for 1957-58 are 750 tons of arabica and 120 tons of robusta, or a total of 870 tons.

The paid-up capital of the Company as at 30th June 1957 remains unchanged at Rs. 28.41 lakhs, of which Rs. 18 lakhs are taken up by ordinary shares of Rs. 10 each and the balance by 5 per cent. tax-free cumulative preference shares of Rs. 100 each. Against this, the reserves and surplus aggregate Rs. 32.22 lakhs. The 5 per cent. debenture liability amounts to Rs. 3 lakhs. The gross block of Rs. 39.80 lakhs has been written down to Rs. 31.73 lakhs. The current assets, inclusive of cash and bank balances alone amounting to Rs. 16.76 lakhs, aggregate Rs. 63.22 lakhs, against which the current liabilities and the provision for taxation stand at no more than Rs. 31.32 lakhs.

The Rs. 10 fully paid-up ordinary shares are currently quoted at Rs. 28.75 ex-div., at which rate and on the basis of the latest dividend, the yield works out to 13.91 per cent. per annum.

SINGARENI COLLIERIES' EARNINGS LOWER

EFFECT OF LABOUR AWARD

DESPITE another record output of coal slightly in excess of the previous year's raisings, which were themselves a record, a satisfactory wagon supply for the movement of coal and cordial labour relations throughout the year, the earnings of the Singareni Collieries Company Ltd. (Secretaries and Selling Agents: Industrial Trust Fund, Government of Andhra Pradesh, Hyderabad-Dn.), for the year ended 31st December 1956 show a slight diminution. This was due to the effect of the award of the All-India Industrial Tribunal (Colliery Disputes) which became applicable with effect from 26th May 1956, unaccompanied by an increase in the selling price of coal until 5th July of that year. Even this increase in selling prices was inadequate to cover in full the rise in the wage bill. The loss in sales proceeds on this account was as much as Rs. 10.50 lakhs. Nevertheless, the Company's profit for the year, though slightly lower than the record profit earned in the previous year, is still the second best in its history. Another redeeming feature is that, in the previous year, the Company had to wipe out the remnants of loss carried over from 1953. With this liability now completely discharged, the Directors have found it possible to raise the dividend further to 10 per cent. from 7½ per cent. for 1955, to which level it had been stepped up from 7 per cent. for 1954. Again, with the present increase, the dividend has now exceeded the highest rate of 8 per cent. per annum declared for 1929.

The gross profit at Rs. 52.64 lakhs is short of the record profit of Rs. 53.40 lakhs made in the previous year by about Rs. 76,000. Despite this fall, it is Rs. 10.41 lakhs better than the previous record of Rs. 42.23 lakhs earned in 1954. After making a higher provision of Rs. 35.94 lakhs for depreciation, as against Rs. 32.12 lakhs, and Rs. 7.75 lakhs for taxation (including Rs. 1 lakh for wealth tax), as against Rs. 7.50 lakhs in the previous year, the net profit stands appreciably lower at Rs. 8.95 lakhs, as compared with Rs. 13.78 lakhs for 1955. The provision for payment of bonus to staff other than workers has been maintained at Rs. 1.75 lakhs, while the transfer to dividend equalisation fund has been reduced from Rs. 1.75 lakhs to Rs. 75,000. No amount has been transferred to workmen's compensation fund which received Rs. 1 lakh in the previous year.

The following comparative table brings out the essential features of the Company's working during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1956	1955	1954	1953
Sale proceeds (net) ..	3,57.30	3,11.50	2,93.22	2,53.20
Colliery and other expenses ..	3,34.46	2,73.96	2,53.78	2,40.89
Gross profit	52.64	53.40	42.23	14.67
Depreciation	35.94	32.12	25.53	23.28
Taxation	7.75	7.50	7.70	..
Net profit (+) or loss (—) ..	+ 8.95	+13.78	+ 9.00	— 8.61
Refund of income-tax ..	..	..	..	1.47
Provision for bad and doubtful debts	..	..	0.05	..
To reserves	0.75	2.75	1.00	..
,, bonus (other than to workers)	1.75	1.75	1.50	..
,, dividend	6.32	4.74	4.42	..
	(10%)	(7½%)	(7%)	
Carry forward	0.21	0.07	4.47	— 6.49

The Company's output of coal during the year under review amounted to 16.81 lakh tons, having risen from 12.72 lakh tons in 1953, 14.58 lakh tons in 1954 and 15.26 lakh tons in 1955. This was due partly to better labour relations and partly to increase in the productive capacity of the collieries. This favourable trend in production was, however, more than offset by the sharp rise in working expenses from Rs. 273.96 lakhs to Rs. 334.46 lakhs. Of this rise of Rs. 60.50 lakhs, the wage bill and staff welfare expenses alone account for as much as Rs. 55.03 lakhs. Despatches of coal during the year amounted to 15.66 lakh tons, as compared with 14.62 lakh tons in 1955, 13.57 lakh tons in 1954 and 11.69 lakh tons in 1953.

The reserves and surplus of the Company as at the close of 1956 amount to Rs. 94.79 lakhs, as against a paid-up capital of Rs. 63.21 lakhs, all in ordinary shares of Rs. 10 each. The provision for taxation, including that for wealth tax, stands at Rs. 19.98 lakhs. The current liabilities (excluding employees' provident fund contributions amounting to Rs. 14.33 lakhs) aggregate Rs. 274.06 lakhs, of which Rs. 120.76 lakhs represent loans from the Government of Andhra Pradesh, secured by mortgage and hypothecation of the entire immovable and movable assets. The gross block of the value of Rs. 519.42 lakhs has been written down to Rs. 235.95 lakhs, the difference, namely, Rs. 273.47 lakhs being the total depreciation provided up to the end of the year of review. Additions to block account during the year were of the order of Rs. 46.44 lakhs. The current assets aggregate Rs. 220.43 lakhs and fall short of the current liabilities and the provision for taxation by a margin of Rs. 73.61 lakhs.

The Rs. 10 fully paid-up shares are being currently quoted at Rs. 12.15 cum-div. On an ex-div. basis, and taking the dividend at 10 per cent., the yield on the shares works out to 8.96 per cent. per annum.

Points From The Chair

Future of Industry

"I WOULD like to take this opportunity to dispel the fears that appear to be entertained by some of the shareholders about the future of the industry. Although no regular dividends have been declared, this factory has been able since its inception to produce and market about 22 lakh tons of ammonium sulphate and one lakh tons of superphosphate, thereby helping substantially to step up the food production in the country. By the manufacture and sale of the above fertilisers as also industrial chemicals like ammonium chloride, sulphuric acid and ammonia, this company has also contributed its fair share in saving foreign exchange. This contribution by itself I fully realise will be poor consolation to shareholders who have patiently waited for a long time without any substantial return on the capital they have invested. The present indications are that while the working results of 1957 may not show any perceptible improvement the results of 1958 will enable the Company in some measure to fulfil its obligations to the shareholders. It is hoped by that time that the balance of the accumulated losses would have been wiped off. I may assure you that your Directors are fully alive to the situation and will do whatever lies in their power to remedy it."

DR. JOHN MATTHAI,
Fertilisers and Chemicals, Travancore Limited.

Unenviable Position of Industries

"The imposition of the wealth tax and the compulsory deposit of reserves with the Government has resulted in adding further difficulties in the way of the industries. If the industries are to meet these claims, they must expand their activities; but, on the other hand, the restrictions imposed on imports of machinery and other required goods, due to the foreign exchange problems, make expansion very difficult. Under the circumstances, the industries are now placed in the most unenviable position of not being able to expand, but, at the same time, being compelled to bear heavier and heavier burdens which are quite unrelated to their earnings in the year concerned. This aspect of the problem deserves the most urgent consideration by the authorities concerned. I take this opportunity to urge on them the need for giving their very sympathetic and immediate consideration to this important matter in the interest not only of the industry, in particular, but also in the larger interests of the economic development of the country as a whole."

T. SHAMANNA,
Mysore Kirloskar Ltd.

Worker Participation in Management

"In my opinion, worker participation in management should be built up not from the top but from the work-floor upwards. Towards this end every effort must be made, both by the employer and by the employees, to render the works committees and production committees a living success, the educative effects of which are reflected over the larger mass of workers. I might even raise this to the larger national plane where we have to rely on our capacity to help ourselves. And the latter we cannot do if labour and capital, the two inevitable partners, do not pull together in the common national interest instead of following small-minded controversies and self-centred parochial interests, whether political or economic. In fact, it was good to hear labour leaders, even communists, and others rising to defend the second Five-year Plan and the democratic urges for progress which it embodies. Translated in the language of the work-a-day world, it means more production. And more production, in turn, implies a new, rich and rewarding co-operation between labour and capital—co-operation that is oriented to consumer interest in the broadest sense, and inclusive of the imperatively needed export-orientation. And let us not forget that each one of us is a consumer as much as he is a worker."

SIR SHRI RAM,
Delhi Cloth and General Mills Co., Ltd.

Demand for Cycles

"The bicycle being the main means of transport for the middle and poorer classes it is not surprising that the demand for bicycles has gone up and the estimate of the Tariff Commission has had to be revised. The Tariff Commission estimated that by the end of the second Five-year Plan, that is, 1960-61, about 1.5 million cycles will be required. In view of the fast growing demand, the Development Council for Bicycles which is in close touch with the market through the manufacturers who are members of the Council and through Government officials directly connected with the promotion of this industry, has estimated that this target will have to be revised to 2 million by 1960-61."

DR. A. RAMASWAMI MUDALIAR,
T. I. Cycles of India Ltd.

COMPANY MEETINGS AND DIVIDENDS

SHAHJAHANPUR ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 14th January 1958. Dividend: Nil. Transfer books remain closed from 7th to 14th January 1958, both days inclusive.

PATNA ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 14th January 1958. Dividend: Re. 1.00 per share, for the 15 months ended 31st March 1957. Transfer books remain closed from 2nd to 14th January 1958, both days inclusive.

MIRZAPUR ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 14th January 1958. Dividend: Re. 0.90 (10 per cent.) per share, for the 15 months ended 31st March 1957. Transfer books remain closed from 7th to 14th January 1958, both days inclusive.

AGARPARA CO., LTD. Annual General Meeting, Calcutta, 15th January 1958. Dividend: Re. 0.25 per share. Transfer books remain closed from 2nd to 15th January 1958, both days inclusive.

BAGHMARI TEA CO., LTD. Annual General Meeting, Calcutta, 16th January 1958. Dividend: Rs. 2.50 per share. Transfer books remain closed from 3rd to 16th January 1958, both days inclusive.

BORMAH JAN TEA CO. (1936) LTD. Annual Geneing, Calcutta, 16th January 1958. Dividend: Re. 1.50 per share. Transfer books remain closed from 3rd to 16th January 1958, both days inclusive.

DIBRUGARH TEA CO., LTD. Annual General Meeting, Calcutta, 16th January 1958. Dividend: Rs. 3.00 per share. Transfer books remain closed from 3rd to 16th January 1958, both days inclusive.

TELOIJAN TEA CO., LTD. Annual General Meeting, Calcutta, 16th January 1958. Dividend: Rs. 3.50 per share. Transfer books remain closed from 3rd to 16th January 1958, both days inclusive.

BOMBAY SAFE DEPOSIT CO., LTD. Annual General Meeting, Bombay, 17th January 1958. Dividend: Rs. 26.00 per share. Transfer books remain closed from 27th December 1957 to 13th January 1958, both days inclusive.

CUTTACK ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Ranihat, Cuttack, 21st January 1958. Dividend: Re. 0.80 (8 per cent.) per share, for the 15 months ended 31st March 1957. Transfer books will remain closed from 14th to 21st January 1958, both days inclusive.

SHANGRILA FOOD PRODUCTS LTD. Annual General Meeting, Bombay, 24th January 1958.

KALPETTA ESTATES LTD. Annual General Meeting, Alleppey, Kerala State, 27th January 1958. Dividend: Rs. 2.00 per share (20 per cent.). Transfer books will remain closed from 21st to 27th January 1958, both days inclusive.

UPPER JUMNA VALLEY ELECTRICITY SUPPLY CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Transfer books will remain closed from 23rd to 29th January 1958, both days inclusive.

JAIPUR UDYOG LTD. Annual General Meeting, Sawaimadhopur, 31st January 1958. Transfer books will remain closed from 11th to 17th January 1958, both days inclusive.

NEW KAISER-I-HIND SPINNING AND WEAVING CO., LTD. Annual General Meeting, Bombay, 31st January 1958. Transfer books will remain closed from 17th to 31st January 1958, both days inclusive.

ASSOCIATED CEMENT COS., LTD. Annual General Meeting, Bombay, 31st January 1958. Dividend: Rs. 9.00 per share, payable on and after 7th February 1958. Transfer books were closed from 4th to 30th November 1957, both days inclusive.

BRITANNIA BISCUIT CO., LTD. Interim dividend of 3 per cent. for the year ending 31st March 1958.

UNITED ELECTRICAL INDUSTRIES LTD. Dividend of Re. 0.50 per share, for the year ended 31st December 1956.

CHRESTIEN MICA INDUSTRIES LTD. Interim dividend of 6 per cent. per annum on ordinary shares for the year ended 31st December 1956. Transfer books will remain closed from 15th to 25th January 1958, both days inclusive.

RELIANCE FIREBRICK AND POTTERY CO., LTD. Interim dividend of 10 per cent. per annum, for the period ended 28th February 1957. Transfer books will remain closed from 15th to 25th January 1958, both days inclusive.

ALEXANDRA JUTE MILLS LTD. Interim dividend of Rs. 5.00 per share, for the year ended 31st December 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

NELLIMARLA JUTE MILLS CO., LTD. Interim dividend of Re. 0.50 per share, for the period of 13 months ended 31st July 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

KELVIN JUTE CO., LTD. Interim dividend of Rs. 4.00 per share, for the 11 months ended 31st May 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

MYSORE SPINNING AND MANUFACTURING CO., LTD. Interim dividend of Rs. 3.00 per share, for the half-year ended 31st August 1957. Transfer books will remain closed from 27th January to 4th February 1958, both days inclusive.

PROFIT OF AGARPARA JUTE LOWER

RESULTS OF SOME McLEOD GROUP TEA COMPANIES

Agarpara Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. B. N. Elias & Co. Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March, 1957.

After transferring Rs. 75,000 (Rs. 7,50,000) from general reserve, there is a balance of Rs. 2,33,736 (Rs. 3,59,690) at the credit of profit and loss account from which the directors recommend payments as follows:—

To payment of dividend on 10,000 preference shares at 7 per cent. per annum, free of income-tax Rs. 70,000 (Rs. 70,000), to payment of dividend on 6,00,000 ordinary shares at 2½ (5) per cent. per annum, free of income-tax Rs. 1,50,000 (Rs. 3,00,000) and, to carry forward to the next year Rs. 18,786 (Rs. 29,690).

In accordance with the provisions of the Indian Jute Mills' Association's working time agreement, the mills worked for 48 hours per week, with 5 per cent. of the looms sealed up to 15th July 1956. An additional 2½ per cent. of the looms were sealed with effect from 16th July 1956 and a further 5 per cent. from 17th September 1956.

Trading conditions were difficult throughout the year owing to the continuing disparity between the prices of raw jute and manufactured goods.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	70,00,000	Block ...	66,99,502
Debentures ...	12,00,000	Stock of finished goods ...	34,93,137
Reserves ...	44,25,000	Stock of raw jute ...	39,89,344
Provision for taxation ...	5,21,047	Stock-in-process ...	2,76,685
Liabilities ...	75,60,834	Stores and spare parts ...	11,88,735
Profit and loss account ...	18,786	Stock of manganese and iron ore ...	2,58,417
		Debts, deposits and advances ...	42,64,524
		Investments ...	4,02,543
		Cash ...	1,52,574
	Rs. 2,07,25,667		Rs. 2,07,25,667

Baghmari Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 5,42,581 (Rs. 2,81,449) to which must be added the provision for taxation overprovided in previous years now written back Rs. 45,000 (*nil*) and the balance of profit brought forward from 1955 of Rs. 36,051 (Rs. 93,058) making a total of Rs. 6,23,632 (Rs. 3,74,507). From this amount must be deducted adjustment account Rs. 12,588 (Rs. 16,770), provision for taxation Rs. 1,74,500 (Rs. 1,10,000), provision for wealth tax Rs. 5,500 (*nil*), amount written off stores for obsolescence, etc., Rs. 2,772 (Rs. 5,123) and provision for bonus to labour for 1956 Rs. 48,020 (Rs. 1,18,544 for 1953 and 1954) leaving a balance of Rs. 3,80,252 (Rs. 93,058). The interim dividend for the year ended 31st December 1956, at Re. 1.00 (*nil*) per share, declared by the directors on 17th May 1957 absorbed Rs. 55,000 (*nil*). The directors have set aside to buildings and machinery reserve Rs. 2,00,000 (*nil*) leaving an available balance of Rs. 1,25,252 (Rs. 91,051). The directors recommend payment of a final dividend for the year ended 31st December 1956, at the rate of Re. 1.50 (Re. 1.00) per share on 55,000 shares of Rs. 10 each, absorbing Rs. 82,500 (*Rs. 55,000*) leaving to be carried forward Rs. 42,752 (Rs. 36,051).

Tea crop.—The saleable crop weighed out at 10,453 (9,155) maunds against an *estimate of 9,500* maunds and was disposed of at an average price of annas 38.52 (33.90) per lb.

The estimate for season 1957 provides for a saleable crop of 10,060 maunds at a total revenue expenditure of Rs. 12,51,740.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,50,000	Block ...	11,22,937
Reserves ...	13,21,541	Stock of tea	7,06,379
Provision for taxation ...	4,39,808	Stores and spare parts	3,51,389
Liabilities ...	6,42,405	Stock of foodstuffs ...	823
Profit and loss account ...	42,752	Debts, deposits and advances ...	1,26,491
		Investments	53,180
		Cash ...	6,35,307
	Rs. 29,96,506		Rs. 29,96,506

Bormah Jan Tea Co. (1936) Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December, 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 2,54,257 (Rs. 4,46,007) to which must be added adjustment account Rs. 4,030 (*nil*) and balance of profit brought forward from 1955 Rs. 15,455 (Rs. 1,44,105) making a total of Rs. 2,73,742 (Rs. 5,90,112). From this must be deducted provision for labour and staff bonus for 1956 Rs. 44,178 (Rs. 1,50,324), provision for taxation Rs. 69,000 (Rs. 1,88,000), provision for wealth tax Rs. 5,700 (*nil*) and amount written off stores for obsolescence, etc., Rs. 2,736 (Rs. 5,533 adjustment account) leaving a balance of Rs. 1,54,128 (Rs. 2,46,455). This amount the directors recommend, *should* be dealt with as follows:—

In payment of a dividend at the rate of 6 per cent. for the year ended 31st December, 1956, on 1,000 cumulative preference shares of Rs. 100 each, absorbing Rs. 6,000 (Rs. 6,000), and in payment of a dividend at the rate of 15 (20) per cent. for the year ended 31st December, 1956, on 75,000 ordinary shares of Rs. 10 each, absorbing Rs. 1,12,500 (*Rs. 1,50,000*) leaving to be carried forward Rs. 35,628 (Rs. 15,455 after setting aside Rs. 75,000 for buildings and machinery reserve).

Tea crop.—The saleable crop weighed out at 6,480 (7,703) maunds against an estimate of 8,300 maunds and was disposed of at an average price of annas 38.84 (35.69) per lb. The *smaller crop made* in 1956, as compared with the preceding year, was due to severe caterpillar attack and earlier cessation of plucking under the I.T.A. Voluntary Crop Regulation Scheme.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	8,50,000	Block ...	7,21,052
Reserves ...	7,27,550	Stock of tea	5,41,568
Provision for taxation ...	2,65,540	Stores ...	2,35,368
Liabilities ...	4,02,977	Stock of foodstuffs ...	1,131
Profit and loss account ...	35,628	Debts, deposits and advances ...	2,46,661
		Investments	52,070
		Cash ...	4,83,905
	Rs. 22,81,695		Rs. 22,81,695

Dibrugarh Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 4,56,139 (Rs. 4,26,064) to which must be added the balance of profit brought forward from 1955 of Rs. 53,921 (Rs. 54,692) making a total of Rs. 5,10,060 (Rs. 4,80,756). From this amount must be deducted adjustment account Rs. 3,861 (Rs. 10,981), provision for labour bonus account, 1956 Rs. 39,279 (Rs. 1,28,854 for 1953; 1954 and 1955) provision for taxation Rs. 1,57,807 (Rs. 1,47,000) and amount written off stores for obsolescence, etc. Rs. 717 (*nil*) leaving a balance of Rs. 3,18,396 (Rs. 1,93,921). The interim dividend for the year ended 31st December 1956, at one rupee (*nil*) per ordinary share, declared by the directors on 17th May 1957 absorbed Rs. 45,000 (*nil*). The directors have set aside to buildings and machinery reserve Rs. 1,50,000 (Rs. 50,000). From the final available balance of Rs. 1,23,396 (Rs. 1,43,921) the directors recommend payment of a final dividend for the year ended 31st December 1956, at the rate of Rupees Two (Rupees Two) per ordinary share on 45,000 ordinary shares, absorbing Rs. 90,000 (Rs. 90,000) leaving to be carried forward Rs. 33,396 (Rs. 53,921)

Tea crop.—The saleable crop weighed out at 7,323 (7,245) maunds against an estimate of 7,250 maunds and was disposed of at an average price of annas 42.20 (37.88) per lb.

The estimate *for season 1957 provides* for a saleable crop of 7,200 maunds at a total revenue expenditure of Rs. 9,25,060.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	4,50,000	Block ...	8,60,865
Reserves ...	8,76,000	Stock of tea	6,95,582
Provision for taxation ...	5,06,791	Stores and spare parts	1,13,011
Liabilities ...	4,85,806	Debts, deposits and advances ...	94,554
Profit and loss account ...	33,396	Investments	52,070
		Cash ...	5,35,911
	Rs. 23,51,993		Rs. 23,51,993

Teloijan Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December, 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 5,69,843 (Rs. 4,64,322) to which must be *added* provision for taxation overprovided in previous years now written back Rs. 45,000 (*nil*) and balance of profit brought forward from 1955 Rs. 62,549 (Rs. 81,743) making a total of Rs. 6,77,392 (Rs. 5,46,065). From this amount must be deducted adjustment account Rs. 17,576 (Rs. 2,575), provision for taxation Rs. 2,05,500 (Rs. 1,99,137), provision for wealth tax Rs. 5,000 (nil), provision for labour bonus account, 1956 Rs. 50,250 (Rs. 1,32,187 for 1953 to 1955) and amount written off stores for obsolescence, etc., Rs. 85 (Rs. 117 being loss on demolished building) leaving a balance of Rs. 3,98,981 (Rs. 2,12,049). The interim dividend for the year ended 31st December, 1956, at Re. 1.50 (*nil*) per ordinary share absorbed Rs. 89,700 (*nil*). The directors have set aside to buildings and machinery reserve Rs. 1,25,000 (*nil*). There is a final available balance of Rs. 1,84,281 (Rs. 2,12,049) which, the directors recommend, should be dealt with as follows:—

In payment of a final dividend for the year ended 31st December, 1956, at the rate of Rs. 2.00 (Rs. 2.50) per ordinary share on 59,800 ordinary shares of Rs. 10 each, absorbing Rs. 1,19,600 (Rs. 1,49,500) leaving to be carried forward Rs. 64,681 (Rs. 62,549).

Tea crop.—The saleable crop weighed out at 9,653 (10,032) maunds against an estimate of 10,000 maunds and was disposed of at an average price of annas 40.55 (33.55) per lb.

The estimate for season 1957 provides for a saleable crop of 9,750 maunds at a total revenue expenditure of Rs. 11,95,926.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,98,000	Block ...	8,80,927
Reserves ...	11,98,874	Stock of tea	7,37,280
Provision for taxation ...	3,80,197	Stores and spare parts	2,46,504
Liabilities ...	6,65,350	Stock of foodstuffs ...	11,535
Profit and loss account ...	64,681	Debts, deposits and advances ...	3,15,630
		Investments	52,070
		Cash ...	6,54,156
	Rs. 29,07,102		Rs. 29,07,102

Sungma Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 3,61,018 (loss of Rs. 33,802) from which must be deducted: adjustment account Rs. 8,219, provision for taxation Rs. 69,618, amount written off stores for obsolescence, etc., Rs. 349, provision for bonus to garden labour and staff—1956 Rs. 8,618 and loss brought forward from 1955 of Rs. 33,802 leaving a balance of Rs. 2,41,414. The interim dividend for the year ended 31st December, 1956, at 75 naye Paise per ordinary share, declared by the directors on 17th May, 1957, absorbs Rs. 46,875 (*nil*). The directors have set aside to general reserve Rs. 1,24,182 (*nil*) amount the directors recommend, should be dealt with as follows:—

In payment of a final dividend for the year ended 31st December, 1956, at the rate of 75 naiye Paise per ordinary share on 62,500 ordinary shares, absorbing Rs. 46,875 (nil) leaving to be carried forward Rs. 23,482 (debit of Rs. 33,802).

Tea crop.—The saleable crop from Sungma and Turzum Estates weighed out at 4,725 (4,685) maunds against an estimate of 4,800 maunds and was disposed of at an average price of 57.55 (39.27) annas per lb.

The estimate for season 1957 provides for a saleable crop of 5,000 maunds at a total revenue expenditure of Rs. 8,81,458.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,25,000	Block ...	12,65,808
Reserves ...	6,98,767	Stock of tea	3,13,336
Provision for taxation ...	68,600	Stores ...	1,30,626
Liabilities ...	3,97,033	Other assets	24,030
Profit and loss account ...	23,482	Debts, deposits and advances ...	68,910
		Investments	2,824
		Cash ...	1,848
	Rs. 18,12,882		Rs. 18,12,882

Bombay Safe Deposit Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Forbes Forbes Campbell & Co., Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 30th September, 1957.

The results for the year show a profit of Rs. 74,507 (Rs. 68,982). After providing for bonus to staff Rs. 4,500 (Rs. 4,300), staff gratuity fund (*nil*) and taxation (including Rs. 5,219 for accountancy year 1955-56) Rs. 41,500 (Rs. 32,000), the profit is to be added the net carry forward from 1956 of Rs. 339 (Rs. 157) making a total of Rs. 23,024 (Rs. 30,339). To this is to be added the amount transferred from reserve fund of Rs. 8,500 (Rs. 4,000) making available a sum of Rs. 31,524 (Rs. 36,339 including Rs. 2,000 transferred from renewals fund). From this amount the directors recommend the declaration of a *dividend of* Rs. 26.00 (Rs. 30.00) per share, free of income-tax, which will absorb Rs. 31,200 (Rs. 36,000) leaving a balance to be carried forward of Rs. 324 (Rs. 339).

The deposit was well patronised during the year under review and income slightly increased mainly from interest and dividends. But the regular expenses *mainly* under the heads of salaries and wages have also increased as well as special expenses having been brought about by the Companies Act, 1956.

Although the profit is slightly higher than last year, taxation has substantially increased, the additional tax on this year's profit as a result of the increased rates of taxation amounting to approximately Rs. 5,500. The profit available for dividend is therefore much reduced. Additionally, this year's accounts have had to carry the additional taxation levied with retrospective effect on last year's accounts, and partially on this account the directors have recommended the transfer of Rs. 8,500 from the reserve fund.

Towards the end of the year, 208 new lockers were installed and the directors are glad to say that satisfactory progress has been made in letting these additional lockers.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,40,000	Block ...	1,56,324
Reserves ...	63,857	Investments	1,76,286
Provision for taxation ...	39,007	Loans and advances ...	15,938
Liabilities ...	1,36,231	Cash ...	1,30,871
Profit and loss account ...	324		
	Rs. 4,79,419		Rs. 4,79,419

Bishnauth Tea Co., Ltd.

The directors of the above Company (Secretaries: Messrs. Williamson Magor & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December, 1956.

The season's working resulted in a profit on revenue account of Rs. 16,73,076 (Rs. 12,71,362). After providing for depreciation amounting to Rs. 1,80,836 (Rs. 1,25,021), writing off development expenditure of Rs. 14,183 (*nil*) incurred during the year on tea estate, providing Rs. 4,82,193 for labour bonus for 1956 and Rs. 42,000 for staff bonus for 1956. After transferring the above profit, making various adjustments and setting aside Rs. 7,00,000 (Rs. 3,85,000) for taxation, the balance available on profit and loss account amounts to Rs. 11,51,326 (Rs. 4,79,359). From this amount it is proposed to transfer to general reserve Rs. 50,000 (*nil*), to repairs and renewals reserve Rs. 50,000 (*nil*), to staff account Rs. 25,000 (*nil*), to building reserve Rs. 50,000 (*nil*) and pay a dividend of 20 (20) per cent. for 1956 absorbing Rs. 6,60,000 (Rs. 3,30,000 on old capital) and to carry forward Rs. 3,16,326 (Rs. 1,49,359).

In 1956 the quantity of tea sold was 3,879,539 (3,765,852) pounds, the average sale price per pound being Rs. 2-11-114 (Rs. 2-7-14). The estimate for 1957 provides for a crop of 3,960,000 lbs. of tea at a cost of Rs. 74,65,700 at Re. 1.89 per lb.

Accounts in brief are as under:—

Liabilities	Rs	Assets	Rs.
Capital ...	33,00,000	Block ...	35,47,900
Reserves ...	15,33,333	Stock of tea	44,86,325
Provision for taxation ...	5,33,078	Stores and loose tools	7,66,784
Provision for bonus to staff and labourers	5,24,913	Debts, deposits and advances ...	5,62,014
Liabilities ...	36,24,703	Investments	3,36,211
Profit and loss account ...	3,16,326	Cash ...	1,33,119
	Rs. 98,32,353		Rs. 98,32,353

Deccan Sugar and Abkhari Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Parry and Co., Ltd., Madras) submitted the audited accounts of the Company for the year ended 31st May 1957.

The net profit for the year before providing for taxation was Rs. 26,54,871 (Rs. 21,08,865) upon which taxation (including an adjustment *in respect* of the *previous* year and a transfer to taxation equalisation reserve) amounts to Rs. 17,05,211 (Rs. 9,55,211) leaving a net profit, after taxation, of Rs. 9,49,660 (Rs. 11,53,654). To this should be added the surplus brought forward from last year amounting to Rs. 1,23,240 (Rs. 1,12,386) making the profit available for appropriation Rs. 10,72,900 (Rs. 12,66,040). Out of this amount the directors have made the following appropriations:

To *capital reserve* Rs. 30,000 (Rs. 45,000), to general reserve Rs. 3,00,000 (Rs. 5,00,000), to dividends, free of income-tax, for the year on preference share capital, 7 per cent. Rs. 49,000 (Rs. 49,000) and *on ordinary share capital* an interim dividend at 5 (5) per cent. Rs. 99,600 (Rs. 99,600) and a final dividend of 12 (10) per cent. on increased share capital Rs. 4,78,080 (Rs. 1,99,200) leaving a surplus to be *carried* forward to next year of Rs. 1,16,220 (Rs. 1,23,240 after placing Rs. 2,50,000 to dividend equalisation fund).

Reserves.—As at 31st May 1957 the capital and revenue *reserves* of the Company, excluding the taxation equalisation reserve, aggregated Rs. 23,30,720 as against Rs. 20,07,740 previous year.

Taxation.—Although this year the depreciation allowed for income-tax purposes equalled the book depreciation provided by the Company, the increased *rates of tax imposed* by the Finance Act 1957 *has necessitated* a further transfer of Rs. 2,20,000 to taxation equalisation reserve. In future years a considerable part of book depreciation charges will not be allowed for tax purposes and therefore the net profit of *the Company*, after taxation, would be adversely affected unless the Company could draw on the taxation equalisation reserve.

Review of Operations.—The purchase price of cane for the year remained *the same as* for the previous year. The Government of India continued their policy of controlled release of sugar. *Samalkot.*—The 1956-57 season started on 28th November 1956 and finished on 20th May 1957. During this period 1,16,881 (1,03,088) tons cane were crushed and 10,822 (9,778) tons sugar were produced—both records for the factory. The average recovery was 9.26 (9.48) per cent., a fall of 0.22 per cent. from that of the 1955-56 season, mainly due to climatic conditions. *Pugalur.*—The 1956 special season started on 1st August 1956 and finished on 5th October 1956. 53,797 (59,320) tons cane were crushed and 5,007 (5,762) tons sugar were produced at a recovery of 9.31 (9.71) per cent. The main season for 1956-57 started on 24th November 1956 and finished on 25th May 1957. 1,55,060 (1,27,696) tons cane were crushed and 15,402 (12,970) tons sugar were produced at a recovery of 9.93 (10.16) per cent. The quantity of cane crushed and sugar produced during 1956-57 main season are both records for the factory. The recovery in the two seasons, though slightly lower than last year, was satisfactory.

Financial Position.—The Company's financial position continues to be satisfactory and the excess of current assets over current liabilities and provisions amounted to Rs. 22.17 lakhs as at 31st May 1957 as compared with Rs. 19.88 lakhs last year.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	26,92,000	Block ...	52,79,910
Reserves ...	47,43,760	Expenditure on plant and machinery etc. ...	2,85,689
Provision for taxation ...	22,10,000	Stocks ...	1,23,79,191
Liabilities ...	1,22,80,734	Raw materials and work-in-progress ...	1,78,284
Profit and loss account ...	1,16,220	Stores, etc. ...	13,92,725
		Debts, deposits and advances ...	11,03,207
		Investments	3,04,465
		Cash ...	6,19,243
	Rs. 2,20,42,714		Rs. 2,20,42,714

United Breweries Ltd.

The directors of the above Company (Chairman: Mr. Vittal Mallya, Bangalore) submitted the audited accounts of the Company for the 42nd year which ended on 31st March 1957.

The working of the Company for the year under review resulted in a profit of Rs. 1,21,343 (Rs. 1,15,569) to which was added the unappropriated profit brought forward from the previous year of Rs. 4,679 (Rs. 9,110) making a total of Rs. 1,26,022 (Rs. 1,24,679). The directors paid an interim dividend at Rs. 7.50 (Rs. 7.50) per share, without any deduction for income-tax payable by the Company, on 30th March 1957, absorbing Rs. 60,000 (Rs. 60,000) leaving an available balance of Rs. 66,022 (Rs. 64,679). From this the directors have paid a final dividend at Rs. 7.50 (Rs. 7.50) per share, without any deduction for income-tax payable by the Company, which absorbed Rs. 60,000 (Rs. 60,000) leaving a balance of Rs. 6,022 (Rs. 4,679) to be carried forward to the next year.

Operations: The demand for the Company's products continued to increase throughout the year under review and the new plant and machinery installed during the year helped considerably in meeting this increased demand. During the current year there has been a further sharp increase in the demand for the Company's beer due to a drastic reduction in the value of licences granted for the import of beer during the January-June 1957 licensing period and the complete suspension of the issue of import licences for beer since 1st July 1957. The Company is well equipped to meet this additional demand provided licences for the *import of the necessary* raw materials are available. The Company's beer is *now being sold* in all the principal cities in India, the quality being recognised as equal to that of the best imported brands. The Company was awarded a second prize in the British Empire and Commonwealth Bottled Beer Competition held in London in September 1957. Apart from the threat of total prohibition, the prospects appear to be very satisfactory.

Since the close of the year under review the licence for the bottling of McDowells *Aerated Waters* was terminated by agreement with the Company's subsidiary as the building housing the Factory was required by the Company in connection with its own expansion programme.

Subsidiary Company: The directors did not consider it necessary to make any provision in the Company's accounts for the net aggregate loss of Rs. 6,063 applicable to the Company out of the subsidiary's losses after deducting its profits for the years ended 31st December 1951, to 31st December 1955, as the losses incurred by the Subsidiary during the said period were adjusted in its own books without drawing on the general reserve of Rs. 3,24,000. During the aforesaid period the Company received a total of Rs. 3,05,293 by way of managing agency allowance and commission.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,00,000	Block ...	1,75,006
Reserves ...	9,60,000	Stock-in-trade ...	4,35,324
Provision for taxation ...	91,143	Stores and spare parts	16,628
Liabilities ...	11,12,108	Debts, deposits and advances ...	95,469
Profit and loss account ...	6,022	Investments	20,26,395
		Cash ...	20,451
	Rs. 27,69,273		Rs. 27,69,273

Gwalior Rayon Silk Mfg. (Wvg.) Co., Ltd.

The directors of the above Company (Managing Agents: Birla Gwalior Private Ltd., Gwalior) submit the audited accounts of the Company for the year ended 31st March 1957.

The working of the Company for the year under review has resulted in a profit of Rs. 97,42,484 (Rs. 1,01,25,741) after providing for managing agents' commission for the year amounting to Rs. 1,38,931 (nil). This profit together with the balance of Rs. 1,06,74,790 (Rs. 5,49,049) brought forward from the previous year amounts to Rs. 2,04,17,274 (Rs. 1,06,74,790) out of which the directors have appropriated Rs. 1,32,00,000 (nil) which is equivalent to the normal depreciation and extra shift allowance up to 31st March 1957 leaving a balance of Rs. 72,17,274 (Rs. 1,06,74,790) to be carried forward.

The directors invite the shareholders' attention to the position with regard *to the adjustment* for depreciation and development rebate which issue is still open and the matter is not yet finalised. Thus the contention of the Company that no depreciation should be calculated, noted and given effect to for the purposes of the tax matter still stands. Subject to this, by way of a calculation for approximate loss in the value of fixed assets the directors have provided in the accounts a sum of Rs. 132 lakhs which is equivalent to the normal depreciation and extra shift allowance.

With effect from 1st December 1956, Government imposed excise duty of 2 annas per lb. on staple fibre and another 2 annas per lb. on staple fibre yarn, making a total incidence of 4 annas per lb. on staple fibre yarn, which proved to be a very heavy burden and made the manufacture of staple fibre yarn unremunerative. This contributed to the fall in the production of staple fibre yarn this year as compared to the last year. On the other hand, foreign staple fibre was imported in huge quantities during the years 1956 and 1957. These two factors adversely affected the demand for indigenous fibre very considerably and have resulted in huge accumulation of stocks with the factory. Thus although the extension of the staple fibre plant to increase the productive capacity to 40 tons of fibre per day was completed early this year, the production had to be curtailed to only 15 tons per day since October.

The directors have made strong representations to the Government for the removal of the excise duties at both the points and the stoppage of imports of foreign fibre. They are glad to say that no fresh import licences are now being granted. But the excise duty has been removed on yarn only. As staple fibre is a basic raw material like cotton, it is necessary that the excise duty on fibre also should be removed and the Company is making further efforts and representations in this respect.

The directors would like to explain the increase in the amount of stock-in-trade this year as compared to last year. In anticipation of the increased production of staple fibre, stocks of raw materials were laid out, but for reasons explained above, the increased production did not materialise.

The directors inform that the erection of the Pilot plants for the manufacture of *Rayon Grade Wood Pulp, Staple Fibre, Continuous Filament* and *Tyre Cord Yarns* has been completed and experiments are now being carried out on these plants.

The erection of the second extension is in progress and is expected to be completed by March next year. It is hoped that with the stoppage of further foreign imports, once the existing stocks are exhausted, it will be possible for the factory to go on full production of 55 tons per day after a few months.

The Company's weaving division at Gwalior is manufacturing wide range of quality fabrics, especially gents' suitings which are becoming quite popular with the public. The new velvet and tapestry looms have also started working.

Under the present circumstances when the factory is still running at a very low production, the directors do not consider it desirable to recommend any payment of dividend.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	4,00,00,000	Block ...	3,20,38,795
Reserves ...	2,25,000	Stock-in-trade	2,16,59,786
Liabilities ...	1,27,22,372	Stores, spare parts and loose tools	20,88,583
Profit and loss account ...	72,17,274	Work-in-progress ...	6,597
		Debts, deposits and advances ...	36,70,333
		Investments	25,000
		Cash ...	6,75,552
	Rs. 6,01,64,646		Rs. 6,01,64,646

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Announcement

CHANGE OF NAME

This is to announce that the name of the SUNDATTA COTTON-SEED UTILISATION LIMITED has been changed to:—

SUNDATTA FOODS AND FIBRES LIMITED

pursuant to the Certificate dated 19th December 1957 granted under the provisions of Section 23 of the Companies Act, *1956*, by the Registrar of Companies, Bombay.

New Citizen Bank House,
Palton Road, BOMBAY 1.

MALABAR STEAMSHIP COMPANY LTD.

SPEECH OF THE CHAIRMAN, MR. PRATAPSINH SHOORJI VALLABHDASS

ADDRESSING the shareholders of the Malabar Steamship Company, Ltd., at their Twenty-second Annual General Meeting held in Bombay on 9th December 1957, Mr. Pratapsinh Shoorji Vallabhdass, Chairman, made a plea to the Government of India for the inclusion of shipping in the core of the second Plan and to help the shipping companies to supplement their tonnage at a time when such tonnage was readily available at moderate prices.

The following are extracts from Mr. Pratapsinh's speech:

"GENTLEMEN.

"I have great pleasure in welcoming you all to the twenty-second annual general meeting of your Company. You have been supplied with copies of the balance-sheet and of the profit and loss account for the year ended 31st March 1957 which, I trust, you have read.

"It is satisfactory to note that the steady progress in the working of the Company has not only been maintained but improved upon in the year under report. The value of your fleet has increased from Rs. 88,44,931 to Rs. 1,71,75,659 through the addition of the s.s. *Janvda*; while your freight earnings have risen to Rs. 89,08,876, showing an increase of Rs. 30,85,538 over the previous year. Working expenses, as well as cost of upkeep, fuel, etc., have necessarily been higher, but after taking all these into account and providing for normal depreciation, the net profit earned by your Company came to Rs. 22,25,645 which, I hope, you will appreciate, is an indication of the careful and thrifty management of the affairs of the Company.

"In view of our sound financial position and the comparatively large surplus reserves accumulated by us, the extraordinary general meeting of the shareholders has resolved that a sum of Rs. 19,99,210 from the reserves be capitalised by the grant of one ordinary bonus share per every equity share held by the existing shareholders. Approval of the Controller of Capital Issues will be sought for the purpose. Your Directors also recommend payment of dividend on ordinary shares at 10 per cent. per annum, which I trust you will consider satisfactory.

Ships and Foreign Exchange

"The Export Promotion Committee, which has reported recently, has again recommended that it would not at all be unrealistic to plan for carrying 50 per cent. of our total overseas trade in our own ships within the next ten years and only then, we would be in a position effectively to diversify our exports and also develop new markets. Freight bills paid by India may be estimated at Rs. 200 crores per year and it would be possible to save half of it in case prompt measures are taken to give effect to the above recommendation of the Export Promotion Committee. India could then go forward with her future plans without begging for foreign aid. Even a five per cent. release of foreign exchange per year for purchase of ships out of Rs. 200 crores will relieve this country in the course of the next few years from the serious handicap under which Indian shipping is labouring today. Mere appointment of committees of enquiry will not and cannot do the trick. It has to be followed up by necessary action in time, if their labours are to bear fruit.

"The favourable prices at which modern-built cargo vessels are available at present may not continue long and I hope those in authority will realise that any foreign exchange released for purchase of vessels is an investment which saves immediately certain amount of freight payments going to foreigners and repays itself in the course of about five years after which it becomes a valuable permanent earner of foreign exchange.

"India's principal means of transport are four, namely, railways, airways, motor transport by road and ships. Of these, the first two are State-owned. Railways, moreover, have had a lead of nearly a century over modern Indian-owned steamships which are yet mainly run by the private sector. Our big brother, namely, railways, has claimed Rs. 1,125 crores out of the total amount of Rs. 1,385 crores provided for transport and communications under the second Five-year Plan. Not satisfied with this, it has since raised its estimated expenditure to Rs. 1,425 crores, and we are told by the Minister in charge of Railways that the higher revised estimates would not be affected by the present shortage of foreign exchange. The importance of an efficient railway service in the country's economy was recognised under British rule and will be readily accepted in free India as well. But in a well-planned scheme other essential transport services have also to be given due consideration. Railways do not earn or save foreign exchange. While Indian shipping concerns, including coastal shipping, for which it has become almost impossible at present to obtain exchange permits, may reasonably claim to save some foreign exchange. Inadequacy of Indian-owned ships over the coast may compel us to charter foreign tonnage for which charter hire will have to be paid in foreign currency.

Core of the Plan

"The Rail-Sea Co-ordination Committee has expressed the considered view that it is imperative that India must have a coastal tonnage of 420,000 tons by 1959. Our total tonnage is less than 300,000 tons and, unless active steps are taken forthwith to supplement it when such tonnage is readily available at moderate prices, the bottleneck in transport will continue to hamper the country's orderly progress for several years to come. I would, therefore, appeal to the Government of India and specially our Transport Ministry to see to it that shipping is included in the core of the second Five-year Plan having the same priority as railways and iron and steel. Further delay in tackling the problem of Indian shipping will keep us lagging further and further behind other advanced maritime countries. Consequently, the leeway to be made up will be so long that it will be impossible to make it up at any time in the future.

"If we remain indifferent and fail to acquire essential tonnage now, a much larger outlay will, I fear, be also required later on. In view of the declared policy of our Government for reservation of the coastal traffic to Indian-owned ships, India must have an adequate coastal fleet of her own to cater for all the needs of the country. The Government of India's announcement of July 1947 that India, like other important maritime countries, must adopt a dynamic policy with regard to shipping will be meaningless, if Indian-owned tonnage is found inadequate even to meet the country's coastal requirements after more than a decade.

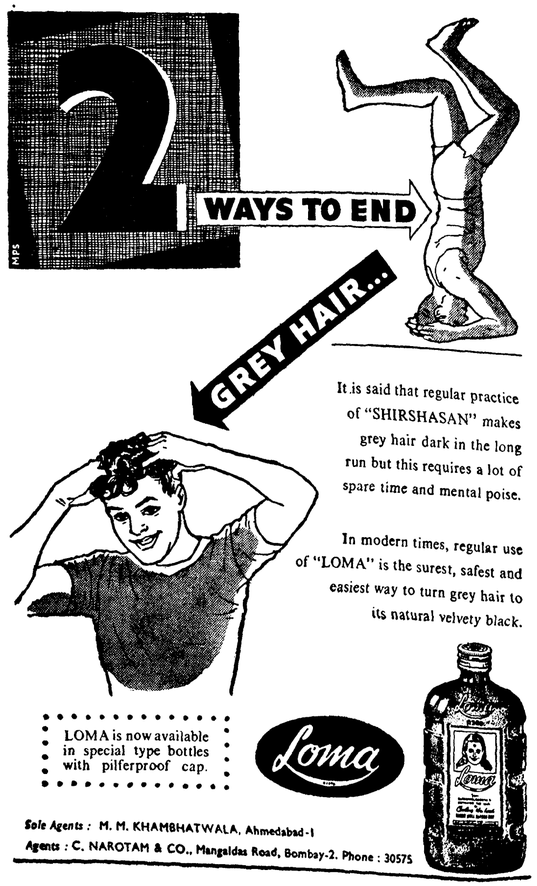
Capital Gains Tax

"The Government of India may be aware of the fact that an old steamer if sold cannot be replaced in these days except at a price several times higher than its selling price. Yet, Indian shipping companies are made liable to capital gains tax on the sale price and compelled to contribute larger amount from their scanty savings for replacement of old tonnage by better and more serviceable ships. Such a levy is unknown in any other maritime country and handicaps us in the acquisition of modern-built steamers.

"The development rebate of 25 per cent. granted to shipping companies in India is also far below that enjoyed by the more affluent British shipping companies and should in fairness to Indian shipping concerns be at least raised to that level, i.e., 40 per cent. Shipping in other countries are granted a number of concessions which Indian shipping do not enjoy. I appeal, therefore, to the Government of India to grant necessary relief to Indian shipping concerns to enable them to stand up in competition in the international shipping field.

"The Government of India are to be congratulated for attending to the improvement of facilities at the major Indian ports. The World Bank Mission recently visited Bombay and other ports to examine the extent of the loan required for the purpose. In other advanced countries, e.g., the United Kingdom, co-operation of national shipping interests is normally sought by the Government in such matters. I wonder why Indian shipping companies came to be ignored by our national Government. The latter should also have put forward suitable proposals for loan from the World Bank on behalf of Indian shipping for ports and shipping have to advance side by side and one cannot do without the other. I hope, in future, the Transport Ministry will not ignore the country's shipping interests in such consultations. The piece-rate system of payment introduced in the Bombay docks has proved beneficial to the workers and has expedited to a certain extent discharge and loading operations at Bombay. It is desirable that this wholesome practice is introduced at Calcutta, Madras and Cochin as early as possible in the interests of all concerned.

"Your Company's steamers the *Janeta* and *Januda* were useful to the Government to bring Burma rice to India. By October 1957, i.e., much before the end of the year, we successfully moved all the rice allotted to us. In view of this performance, we hope to receive a larger quota than 15 per cent. granted during 1957. Burma-India rice trade is more or less of the nature of coastal traffic and I venture to suggest that ships acquired by companies specially for overseas trade with Government loans at a lower rate of interest than that admissible for coastal steamers should not be allowed to cater for this traffic. For such competition will be somewhat unfair to coastal shipping."



CONSOLIDATED COFFEE ESTATES (1943) LTD.

(Concluded from page 34)

inaccuracy of the Enquiry Commission's conclusions and I am certain that when the time comes for investigation on this point in the coffee industry evidence will point to the same conclusion.

"In so far as this Company is concerned, our policies remain unaltered. Regeneration of existing areas continues as a normal part of our routine. Our balance resources are utilised to plant up our reserve jungle and former abandoned coffee.

Open Auctions

"The marketing of our coffee continues to be in the hands of the Coffee Board and, with the unexpectedly large crop harvested of 41,498 tons, their task must have indeed been a very difficult and unenviable one. It has long been realised that the present system of closed tenders, while adequate for the needs of the internal market, is a most unpopular method of marketing for foreign buyers. It is understood that the Board are proposing to introduce open export auctions. I am certain that this will be a step in the right direction, although its early effects may not be quite what we expect. This step should have been taken some four or five years ago when the quantity of coffee available for export was only nominal. It is never easy to change horses in mid-stream.

"The mere alteration in the marketing system will, however, not be sufficient to fulfil the requirements of the coffee industry. Curing capacity is now being taxed to the utmost. Our own works at Kushalnagar actually received 3,100 tons of the 1956-57 crop and did not complete its curing until the end of November. Although this works was only started in 1948, we have already reached over maximum capacity and cannot undertake any further substantial expansion. Other curing works are similarly placed.

"The establishment of new blood in the field of curing is urgently needed, but it would appear that the prohibitive capital costs of a new curing works and the limitation of its scope act as a deterrent to possible new comers. The quick preparation of coffee for the market will be of vital importance to the industry if and when conditions in the world markets become more competitive. Again, no market is complete without adequate buying organisations. What worked well under the system of sealed tenders may not be sufficient under conditions of open auctions. If satisfactory marketing for export is to be carried out, the market must be efficient in every respect and, with the prospect of a further recession in world prices, the coffee industry cannot afford the luxury of an inadequate marketing system.

Fertilisers

"The crisis in foreign exchange may well have unfortunate repercussions in our economy. The allotment of nitrogenous fertilisers for 1958-59 are to be cut by 45 per cent. and there is little chance of supplying the shortfall with organic manures. For example, the nitrogenous content of sulphate of ammonia is nearly seven times that of bonemeal or four times that of fish manure, and even if adequate supplies of organic fertilisers could be made available to the industry in Coorg, transport problems would undoubtedly completely defeat us. The disappearance of spare parts for spraying machinery and the difficulties of importing new equipment render more hazardous of success our constant battle against leaf disease.

"If we are to maintain our coffee trees in good heart, which is the fundamental in planting, we must be assured of adequate fertilisers and replacements of machinery to maintain our fleet of spraying equipment. That assurance at the moment seems somewhat lacking.

"The picking of our Arabica crop is now in full swing and we expect that we will about gather our estimates both in this and in Robusta. After such a large harvest last year a drop of 700 tons is not unreasonable; in fact, in comparison with our other years, the achievement of our estimates would be considered eminently satisfactory. It must, however, necessarily mean some considerable reduction in our total revenues in comparison with the year just ended.

"In conclusion, I would record our sincere thanks to the managers, staff and labour for the year's work; in particular, the managers whose efforts are so largely responsible for our success. In saying so, I would not belittle the good work of others. Success in planting is, however, dependent on sound organisation, administration and, above all, timing. Without a good team of managers, the co-ordination of our efforts would be lacking and results such as we have experienced for the past year would never be possible."

SUGAR

(Concluded from page 16)

reserves) is almost perfect at 0.97 and the regression of gross retained profit on gross profit after taxes is 0.71, indicating that a major proportion of any increase in gross profit after taxes was retained within the industry, to be added to depreciation or free reserves. In fine, the Association's analysis shows that, on the whole, the managements of sugar companies have been more anxious to plough back profits and expand their productive capacity than to distribute huge dividends. By implication this means that the present fiscal policy tantamounts to an unwarranted penalty on efficiency and prudence.

SALES TAX ON SUGAR STOCKS

In order to remove the difficulties experienced by dealers in regard to the disposal of stocks of sugar held by them on 12th December 1957, which is not liable to the additional duties of excise levied by the Government of India, the Government of Bombay has devised a scheme for the lump-sum advance payment of sales tax on these stocks. The scheme may be availed of by the dealers who are liable to pay sales tax and who voluntarily offer to pay it in advance.

According to this scheme, such dealers may make a lump-sum payment of their sales tax liability in respect of the said stocks of sugar, subject to certain conditions. The lump-sum shall be worked out on the basis of the percentage rates of the purchase price of sugar held in stock on the day on which the lump-sum payment is made. These rates are as follows:

In the old Bombay State area, the rate will be 3 per cent. of the purchase price of sugar on which only sales tax has already been paid and 6 per cent. where no tax has been paid;

in Saurashtra and Vidarbha, the rate will be 3 per cent. of the purchase price of sugar and in Marathwada the rate will be 5 per cent.;

as there is no sales tax on sugar in Kutch, the question of lump-sum payment does not arise.

Notices

THE BRITANNIA BISCUIT COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT AN Interim Dividend of 3 per cent. on Ordinary Shares and 4 per cent. on Preference Shares has been declared by the Directors for the year ending 31st March 1958. The Dividend will be payable to those shareholders whose names appear on the Register of Members as on the 7th January, 1958, or to their Mandatees.

The Register of Members of the Company will remain closed from the 7th January, 1958, to the 14th January, 1958, both days inclusive.

By Order of the Board,
A. P. CHANDA,
Secretary.

15, TARATOLA ROAD,
CALCUTTA-27, *23rd December*, 1957.

THE SVADESHI MILLS COMPANY LIMITED

IN PURSUANCE OF THE ORDER OF THE High Court of Judicature at Bombay dated the 1st July 1957 in the matter of the amendment of the Company's Memorandum of Association, the Svadeshi Mills Company, Ltd., announce that during the year ended 31st December 1957 the Company has made a contribution of Rs. 90,000 to the Indian National Congress.

For and on behalf of
THE SVADESHI MILLS CO., LTD.,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, *2nd January* 1958.

THE TATA MILLS, LIMITED

IN PURSUANCE OF THE ORDER OF THE High Court of Judicature at Bombay dated the 1st July 1957 in the matter of the amendment of the Company's Memorandum of Association, the Tata Mills Limited announce that during the year ended 31st December 1957 the Company has made a contribution of Rs. 50,000 to the Indian National Congress.

For and on behalf of
THE TATA MILLS, LIMITED,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, *3rd January* 1958.

THE BENGAL PAPER MILL COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Board of the above Company has declared the following Interim Dividends on the undermentioned shares of the Company for the year ending 31st December, 1957, payable on or after 15th January, 1958, to those members whose names are registered in the Register of Members of the Company on 15th January, 1958. Dividend Warrants will be despatched to members and no application to the Company is necessary.

	Per cent.
Ordinary Shares	6
Cumulative Preference Shares (Free of Income-tax)	3½
'A' Cumulative Preference Shares (Free of Income-tax)	3½
'B' Cumulative Preference Shares (subject to deduction of Indian Income-tax)	3

Payment of these dividends is not to be regarded as an indication of the amount of final dividend, if any, which the Board may recommend. Any such recommendation can only be made when the final results of the year's working are known.

Notice is also hereby given that the Transfer Books and the Register of Members of the Company will be closed from 6th January, 1958, to 15th January, 1958, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary.

21, NETAJI SUBHAS ROAD,
CALCUTTA, *24th December*, 1957.

INDUSTRIAL APPLICATIONS OF STATISTICS

By G. K. Nayar, M.A., B.Sc.

STATISTICS is a science of comparatively recent origin and development. It has nevertheless made its mark in every field of human activity, such as agriculture, industry, animal husbandry, and other scientific studies. In the application of statistics, the Americans have gone much ahead; they have made statistical studies of even the private and personal affairs of their people such as love and sex life.

The science of statistics helps us to simplify masses of facts and figures and makes them easier to conceive and interpret. The human mind is incapable of grasping in its entirety all the measurings of considerable numerical data. With the aid of statistics, the relevant data can be sifted from the large mass of figures and presented in an easily assimilable form, by means of a few numerical values and graphs and charts. The manager of a factory, for instance, is not interested in a statement of production of individual machines. Being a huge mass of figures, it will be of little use to him. But, if the average production per machine per shift were calculated and if the maximum and minimum production figures together with standard deviation from the mean were evaluated, these few values would interest him considerably. Similarly, the measurements of sizes of one thousand customers are of no value to a manufacturer of ready-made clothes, unless the model size of clothes is known to him, on which he can base his production of the articles in question. The determination of the relevant figures like these involves certain statistical operations which, if carried out faithfully, would enable a producer to tackle the problems of production more realistically and scientifically than otherwise. Indeed the executives of large manufacturing firms are nowadays enabled by statistics to get at a glance information concerning any problem under investigation. Waste and inefficiency are thus eliminated and production is considerably increased. Thus, it is with the aid of statistics that the growth of a business firm can readily be traced over a series of years; and reasonable prediction can be made regarding the volume of business in future years.

Methods of Forecasting

In recent years, much work has been done in the development of methods of forecasting the volume of business and trade, again more in the United States of America than in any other country. Systematic forecasts of general business activity made both in Great Britain and the U.S. are based on the fluctuations in price index. The historical curves, carefully drawn are deemed to be a good device to know future trends. A slightly different method of forecasting, based on cyclical movement of statistical series relating to securities, market prices, production and bank rates, is also widely practised. Some of these series are looked upon as anticipators as a possible basis for prediction. Business men should not, however, rely heavily on statistical forecasts; but find it useful to consider them together with other information. For, as Mr. L. H. C. Tippett, Statistician to the Shirley Institute of London, referring to his experience in forecasting, says:

"Its achievement is useful but modest. The forecasts are frequently fairly near to the actual events but frequently also 'abnormal' conditions intervene to upset them."

These words of an experienced statistician are, no doubt, a warning to those who bank upon business forecasts as a sovereign remedy for getting rich quickly.

Any old traditional industry can do very well without science or statistics as long as it is worked on a small household scale. Such is, however, not the case when production is attempted on a large scale. In the early days, for instance, baking and brewing industries were purely household occupations, carried on by traditional methods; but, when tried on a large-scale thermometers, hydrometers and sacharimeters were introduced, and measurements, both quantitative and qualitative, appeared on the scene. Hence arose the need for statistical analysis. The next stage appeared when a change in the processes was found to be profitable. Using cheaper materials or shorter working hours was now deemed to be necessary; and mere rules of thumb ceased to be of any practicable value. Indeed the whole idea of scientific experiments arose from these trials. In order to improve a certain process of production, it became necessary to understand its scientific implications. This is the stage through which metallurgical industries have passed during the last century, and the old biochemical industries are now passing through. The textile industry in India is in the second stage.

The need of statistical knowledge in running a concern increases as the concern becomes larger and more complicated. One man can conduct the affairs of a small business with a few figures. But, as the scale of enterprise becomes larger, it becomes impossible for one man to have intimate knowledge of all parts. Hence the organisation is modified whereby men in central position work largely through statistical knowledge of the sections under their control. As more industries have fallen under the control of large combines, statistical knowledge has become increasingly important.

Production Planning

The planning of production in a large factory is now a part of scientific management and many firms now have a planning department to co-ordinate the activities of various departments. The requirements of the sales department with their delivery dates are translated into orders to the various production departments with intermediate delivery dates so arranged that the final products are delivered as required; these orders are translated into orders for raw materials, tools and labour and the whole activity is organised and timed so that the work flows without interruption. Moreover, in order to secure efficiency, the size of intermediate departments should be large enough to meet the demands upon them and yet not unnecessarily large. For this purpose, too, statistical returns and charts are required.

Statistics is equally useful in administration in providing measures of performance and efficiency. The work-load of various classes of workers is determined, and wastage of manpower is checked. Efficiencies, both man-wise and machine-wise are found out. Increase in man-efficiency sometimes diminishes machine-efficiency when more than one person works on the same machine. Such an increase of man-efficiency at the cost of machine-efficiency is not desirable. In a factory, average output per man-hour or per machine-hour and the percentage of the total materials wasted or spoiled are useful quantities. With the aid of such figures the operating efficiency of a concern can usefully be compared from time to time or from one section to another. The data do not aim at discovering the cause of inefficiency, if any, and much less do they show what to do to effect improvements; but they do serve as pointers showing where things are going wrong and where improvement may be sought. The task is no doubt tremendous, but the results more than justify the considerable expense and time involved.

A fairly recent development of the application of statistics is noticed in the field of quality control. Much of the modern industry is run on the lines of mass production. This involves making separately the standard parts of an article and then assembling them. If all parts were exactly alike, they would fit together exactly. The finished product would be exactly alike in character and quality and all would be well. But this does not happen. The raw materials vary largely in quality; important processing conditions such as atmospheric humidity and temperature also vary; the tools and machines used are in various state of wear and tear, and the operators, being mere human beings, can seldom be expected to work with perfect precision. The result of all this is that the products vary. Some components differ in size or shape from the standard so much that they fail to fit in in the final assembly; while some are too low in quality to give satisfactory performance. Hence arise a number of questions: what variations in quality or raw materials shall be allowed; must every component be inspected or only a sample; how much variation in quality may be regarded as normal. All these questions require for their answer a mixture of technical or statistical knowledge. The role of statistics lies in maintaining systematic records of quality, in ascertaining measures of variation, and in applying the theory of random sampling. This kind of use of statistics is extensively made in textiles, glass-making and engineering industries. The movement is spreading rapidly; and it is likely that statistics will one day be as widely used in technical control of industry, as it is now in commercial control and management.

Part to Play

Statistics also has a part to play in the development of policy. Its first part is that of calling attention to and describing the nature of economic or social problems. In the field of business and manufacture, enquiries that are usually made are: "Whether the sales of an article are decreasing?" "Are the costs of distribution in a certain area unduly high?" "Are there any undue losses in production because of the machines being stopped for repairs?" All these and many more are questions that must be answered statistically. The man of affairs often needs to know how the demand for an article is related to its price—the electricity of

(Continued on page 59)

The Engineering Export Promotion Council's participation in the International Trade Fair at Bangkok in December 1956 brought forth a spate of enquiries and revealed the great interest among our South East Asian neighbours in Indian engineering products. A Trade Delegation of the Council will leave for these countries this January and will gladly make contacts on your behalf with importers in South East Asia. Send in your proposals to:

Engineering Export Promotion Council

India Exchange, 7th Floor, Calcutta 1

EEPC-20

DEMAND FOR MONEY PICKING UP

(From Our Own Correspondent)

BOMBAY, 8th January

The last three weeks under review witnessed fairly comfortable conditions in the short-term money market, though, during the last few days, the demand for bank credit showed signs of picking up. The movement of crop is said to have started sizably, but the consequent demand for credit was not heavy and banks were able to meet it without any difficulty. Earlier in the period under review, barring the call from banks for funds for window-dressing purposes, there was hardly any sign of activity in the market. Interest rates were well held at the previous levels, inter-bank call rate being stagnant at 2¾ per cent. Some business was reported to have been done at ¾ per cent. on 30th December, the last working day of banks for 1957. The rate among the smaller Indian banks stood at 3 per cent. House money at call continued to be bid at 4½ to 4¾ per cent., the latter rate being offered to large amounts. Short-term deposits fetched 4⅛ to 4⅜ per cent. for one to six months.

The Reserve Bank of India statement for the week ended 3rd January 1958 shows, as compared with that for the previous week, an expansion of Rs. 16.26 crores in notes in circulation. This rise has more than made good the net decline of Rs. 5.83 crores noted in the previous two weeks. Notes held in the Banking Department are only fractionally lower over the past three weeks. Total notes issued are, however, up by Rs. 9.54 crores and this is covered by a rise of Rs. 14.91 crores in rupee securities and a fall of Rs. 4.97 crores in foreign securities. The rise in the former occurred during the last two weeks only and the decline in the latter took place in the week ended 27th December 1957. The decline in foreign securities is accompanied by a fall of Rs. 6.42 crores in balances held abroad, so that the aggregate recession in foreign assets since 13th December 1957 is of the order of Rs. 11.39 crores. During the three-week period, Central Government deposits have shrunk by Rs. 3.03 crores, while that of other Governments have gone up by Rs. 3.13 crores. Deposits of banks have gone down by Rs. 10 crores. There has been a sharp rise of Rs. 15.49 crores in loans and advances other than to Governments, of which advances to Scheduled banks against usuance bills alone account for Rs. 10.57 crores. Investments are lower by Rs. 4.28 crores.

The Scheduled banks' statement for the week ended 27th December 1957, as compared with that for the week ended 6th December, discloses a rise of Rs. 2.74 crores in demand deposits and of Rs. 4.43 crores in time deposits. Inter-bank borrowings also have gone up by Rs. 5.62 crores and borrowings from the Reserve Bank by Rs. 9.88 crores. On the assets side, advances have jumped up by Rs. 21.99 crores, while bills purchased and discounted have declined by Rs. 6.47 crores. Investments stand strengthened by Rs. 5.27 crores, while cash balances have shrunk by Rs. 10.52 crores.

The turn of the year brought some cheer to the Gilt-edged market and there was a broadening of activity. The demand for short and medium dated Central loans and 4 per cent. 1967 and 1968 State loans which was in evidence for some weeks past broadened considerably during the last one week. Large parcels of these State loans were said to have changed hands at higher prices.

3 per cent. 1986 Conversion Loan had buyers at Rs. 71, but there was no change in the quotation. 3 per cent. 1970-75 had sellers at Rs. 85.70, that is ¼ per cent. lower than that three weeks ago. 3 per cent. 1966-68 rose by 15 nP during these three weeks to Rs. 91.40 and there were buyers even at that level. 3 per cent. 1964 was in demand at Rs. 93.90 and 3 per cent. 1963-65 15 nP higher at Rs. 93.65. 3 per cent. 1959-61 and 1958 were in request at Rs. 98.90 and Rs. 99.75, respectively. 3½ per cent. 1962 was marked up by 10 nP to Rs. 97.90. 3½ per cent. 1964 shed 5 nP to Rs. 97.70 and 3½ per cent. 1965 had sellers at Rs. 97.55 *ex*-voucher, as against Rs. 97.60 *cum*-voucher. Among the State loans, 4½ per cent. 1969 Bombay gained 5 nP to Rs. 99.75. 4 per cent. 1967 and 1968 Madras put on 10 nP each to Rs. 97.10. Andhra 1967 and 1968 were marked up by 45 nP each to Rs. 96.90 and U.P. 1967 and 1968 by 50 nP each to Rs. 97.

Since our last report, the rupee gained some strength in terms of the U.S. dollar, in consonance with the trend of sterling abroad. Banks' selling rate for ready dollars declined from Rs. 477 to Rs. 476.50 per $100 and their buying rate from Rs. 473.75 to Rs. 473 per $100. In New York, spot sterling improved from $2.80¼-2.80⅜ to $2.80¼-2.81. Three months' forward rose from $2.78⅛-2.78⅜ to $2.78⅛-2.78¼, while transferable sterling was unchanged on balance at 278.90-279 cents.

KIPS FIRM

(From Our Own Correspondent)

MADRAS, 6th January

The kip market rules firm. Tanners are not able to buy raw stocks in quantities or at U.K. tanned parity, due to severe competition from North Indian chrome tanners and Chinese tanners. Shipment business with U.K. has been limited and a fractional rise in prices has been paid by importers on selective purchases occasionally. As E.I. tanners do not have large stocks, the urge to sell has not been pronounced. Demand for lower grade cow hides for inland trade is brisk at attractive prices.

Arrivals of tanned cow hides and calves, as also buff hides and calves, have been restricted. Clearances by shippers is slow, on account of high prices demanded by sellers.

In the tanned skins section, tanners are in a well sold position and quote 3d. to 6d. above December levels which importers have declined to pay. Prices in the raw goat skins centres have advanced by over Rs. 50 per hundred skins, due to competitive buying.

The tanned sheep market—prime and semi-prime—ruled steady, while common tannages revealed a firmer tendency, due to short supplies.

Shipments during December 1957 were: To U.K. ports: 1,978 bales cow hides, 229 cow calf, 53 buff hides, 209 buff calf, 716 goat and 885 sheep; to the Continental ports: 4 cow hides, 20 cow calf, 11 buff calf, 642 goat and 270 sheep; to U.S.A. ports: 115 buff hides, 105 buff calf and 81 goat; to Japanese ports: 22 bales tanned sheep skins.

BULL SQUEEZE IN SILVER

(From Our Own Correspondent)

BOMBAY, 8th January

Trading in the bullion market during the last three weeks (since the date of our last report) was dominated by a bull squeeze in silver, which became strong during the closing days of the last (January) settlement. Induced by the shortage of floating stocks and by expectations that the sellers would not be able to give delivery, as also by hopes that the seasonal demand would soon pick up, some of the resourceful bulls forced prices up and exacted heavy penalty from the sellers. Forward silver (January settlement), therefore, touched on Monday last a peak of Rs. 190, which was Rs. 3 more than the 1957 high of Rs. 187. Ready metal came up to Rs. 189-8, which was, however, Re. 1-8 lower than the 1957 peak of Rs. 191. Gold, which was docile during the first two weeks, also became a little more active in the last one week and soared to a high of Rs. 109-8 for ready and Rs. 109-3 for forward (February settlement), the highest levels seen since 12th November last.

Today, however, silver suffered a sharp setback on bull liquidation induced by reports of heavy deliveries in the maturing settlement, following large arrivals from upcountry centres. This was reflected in the discount of As. 12 at which ready silver came to be quoted under the February settlement at the close, as against a premium of As. 14 which it commanded earlier in the day and as much as Re. 1-4 at one time yesterday. This sudden development affected gold also.

The extent of the bull squeeze in silver is reflected in the heavy *budla* charges which were demanded of sellers on the last day of business for the January settlement, that is, the 6th inst. Sellers had to pay as much as Rs. 2-2 on that day, as against only As. 9 a week earlier. It may be recalled that the carry forward charges, which were in favour of sellers at the close of the last settlement at Re. 1-4, turned against them on 27th December to one anna. Thereafter, the *budla* charges widened to as high as Rs. 2-2 against sellers on the 6th inst., as stated earlier. Consequent on the rise in *budla* charges, buyers in silver were asked to furnish a deposit of Rs. 500 per bar under by-law 33A. This was the first time after several months that bulls were able to dictate such heavy terms to the sellers, despite the fact that the seasonal demand has not been as encouraging as was once expected during this part of the year. Anyway, the bulls made a bold bid to exploit the situation presented by the low floating stocks in the city. Though they succeeded to some extent in their attempt, their calculations proved wrong with the unexpectedly large arrivals today. In fact, it is reported that they would not be able to take delivery of the entire quantity offered and have to make arrangements to carry over a large part of their purchases.

Silver for forward delivery (January settlement) moved up from Rs. 183-13 (on 18th December) to Rs. 190 on the 6th inst. before the settlement ran out at Rs. 189-13. The February settlement rose from Rs. 184-6 to a high of Rs. 188-4 yesterday, but reached at the close today to Rs. 187-7.

Ready silver was marked up from Rs. 183-3 to Rs. 189-8, before slumping today to Rs. 186-11. The floating stocks of silver are placed at 1,000 bars, as against only 600 bars a week ago. The daily average arrivals were of the order of 25 bars, while the offtake was only 15 bars per day.

Forward gold (January settlement) picked up from Rs. 108-3 to Rs. 108-8 on 24th December and, after a reaction to Rs. 107-7 on the 2nd inst., forged ahead to Rs. 108-5 before the settlement ran out on the 4th inst. The February settlement came up to a high of Rs. 109-3 from Rs. 108-1 on 18th December, but closed today at Rs. 108-11.

Ready gold gained from Rs. 108-13 to Rs. 109-8, before closing today at Rs. 109. The floating stocks of gold are reported to be 20,000 bars. The daily average arrivals were 2,500 tolas and the offtake also was of the same order.

The price of silver in New York, which was cut on 17th December from 89¾c. to 89¾c., was raised to 89¾c. on the 2nd inst. and further to 89¼c. on the 3rd. The London price, on the contrary, fell from 77⅞d. to 77¼d. for spot and from 77¼d. to 76⅞d. for forward. Gold also declined from 249s. 4d. to 249s. 1d. following the recovery of the pound sterling.

The following comparative table shows at a glance the trend of the market during the week under review:

	8-1-58	Highest	Lowest	18-12-57
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	109 0	109 8	107 12	108 13
Forward*	108 11	109 3	107 10	108 1
Sovereign	69 12	70 4	69 12	70 4
SILVER				
Ready (.996 fine Mint) ..	186 11	189 8	183 3	183 3
Forward†	187 7	188 4	184 3	184 8
London Silver Ready ..	77¼d.	77⅞d.	77¼d.	77⅝d.
London Forward	76⅞d.	77⅛d.	76¼d.	77⅛d.
London Gold	249s. 1d.	249s. 4¼d.	249s. 1d.	249s. 4d.
New York Silver	89¼c.	89¾c.	89¼c.	89¾c.

* 4th February settlement.
† 5th February settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

COTTON FUTURES BUOYANT

(From Our Own Correspondent)

BOMBAY, 8th January

The cotton futures market began the new year on a distinctly bearish note, but picked up strength on the 4th inst. which persisted till the close today. The initial weakness was due to absence of buying support by spot houses in the wake of heavy arrivals of cotton, particularly Vijay, in upcountry centres. Further, the earlier reports of the damage to Saurashtra and Broach crop were said to be unfounded. There was renewed selling by bear operators and values of cotton futures moved downwards. On Saturday, the market experienced a recovery in prices, as a result of short-covering by professionals. The recovery gathered momentum in the subsequent three sessions. The bullish fervour of the market was fanned by four important factors—fears of deterioration in quality of Saurashtra cotton crop on account of adverse weather conditions, reported rise of five to ten points in prices in upcountry centres, steady improvement in cloth offtake, and fears of shortage of tenderable cotton. These factors induced good buying support and cotton futures prices moved up. Not only were the earlier losses completely made up but today's closing rates were higher than those on 31st December 1957.

I.C.C. Moglai Jarilla (March 1958) opened at Rs. 668½ on the 2nd inst. and dropped to Rs. 658 on Friday following reselling by bears. Thereafter, the contract gradually advanced to touch Rs. 680¾ today before finishing at Rs. 676. The net gain over the eight days ended today was Rs. 9¼. The trend of prices of the contract is indicated below:

(In rupees per candy of 784 lbs.)

	8-1-58	*High*	*Low*	31-12-57
I.C.C. Moglai Jarilla (March 1958) ...	676	680¾	658	666½

Influenced by the firm trend in the futures section, the spot cotton prices registered an improvement. There was enlarged mill demand for cotton, especially Berar and Khandesh. Vijay delivery provided a bright spot, thanks to rise in prices at Broach and short-covering by Bombay merchants at upcountry centres. Since the current price is higher by Rs. 30 at Rs. 865 as compared with the last clearing rate, a special clearing will be introduced in this contract.

Among exportable styles, Bengals evoked good enquiries induced by hopes of a further export quota in the near future. There are said to be about 25,000 bales of this cotton lying unsold against the quota released in October 1957. Japan has still not allocated sterling for import of cotton and, pending this allocation, the validity of shipping period should, cotton circles feel, be extended by at least three months, that is, up to the end of April next. Meanwhile, traders are awaiting the meeting of the Cotton Advisory Board to be held on the 10th inst.

In the foreign section, the issue of mill quotas for Sudan cotton out of the recent allocation of 30,000 bales is expected to undergo a change. It is understood that, before issuing individual allocation, the stocks of foreign cotton held by mills and also the quantity licensed in favour of mills out of previous allocation of Egyptian and Sudan cottons will be taken into account, apart from the average mill consumption in the past three sessions prescribed. Meanwhile, the shipping period in respect of East African lower varieties of cotton is reported to have been extended till the end of the month. The extension is, however, applicable only to cotton which remained to be shipped before the end of last month. An import allocation for higher qualities of East African cotton is expected to be announced shortly. It is learned that the unused P.L. 480 allocation for cotton under the Indo-U.S. trade agreement has been diverted to finance imports of foodgrains. The funds involved, it is said, covered the cost of about 300,000 bales of U.S. cotton originally programmed to be imported in equal quantities during the current and coming seasons.

The latest available spot quotations—in rupees per candy of 784 lbs.—are given below:

Bengal *Deshi* 595; Berar Jarilla 765; Khandesh 800; Oomra *Deshi* 710; Vijay 875; Hubli Laxmi 860, Jayadhar 750; *delivery contracts*: Vijay 865; Bengal 590.

A distinctly firm trend prevailed in the Karachi cotton market during the week under review. The firmness was aided by revival of overseas enquiries, especially from China and Japan. There was also good demand from indigenous spinning mills. Buying support ensued as a consequence and cotton values registered handsome gains. N.T.R.G. January delivery climbed up from Rs. 75-2 on 30th December 1957 to Rs. 77-5 yesterday. March position advanced from Rs. 75-11-6 to Rs. 76-10. The spot prices also recorded improvement. The following are the latest available rates—in rupees per 82 lbs.—for a few popular varieties of Pakistan cotton, the figures in brackets giving last week's prices:

Sind *Deshi* 71 (70); Punjab *Deshi* 69 (67-12); 4F Roller 80-2 (77-8); S.G. 84-1 (81-12); Punjab Roller 82-5 (80); S.G. 86-5 (84); 289F N.T. Roller 83-9 (81); Sind S.G. 90-1 (87-4); 289F Punjab S.G. 95-5 (92-4).

The Alexandria cotton market ruled easy during the week under review, with prices tending to decline. The free stocks of Egyptian cotton available for further export sales as on 15th December were 665,000 bales of 730 lbs. each. The bulk of this quantity comprised Ashmouni and Karnak varieties. Egypt is reported to have concluded a barter agreement with France for a value of one million Egyptian pounds. This agreement has reopened one of the principal traditional markets for Egyptian cotton. The latest available quotations—in tallaris per lb.—from Alexandria are given below:

Karnak: January 88.60; March 89.40. *Ashmouni*: February 71.95; April 72.40.

At the Sudan auctions held recently, buying interest was at a low ebb, in contrast to the active trading noted in the past four weeks. The unsold stocks of Gezira cotton are estimated at 222,559 bales, consisting of 96,059 bales of Sakel, 94,888 bales of Lambert, 20,500 bales of AL/WL and 11,112 bales of Kassala. In addition to these stocks, there is some private estimate and Tokar cotton to be sold.

The Liverpool cotton futures market put on a dull appearance, trading being confined almost entirely to professional interests. The near position tended to be firmer, reflecting the transfer of hedges into later deliveries. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 26.35; May-June 26.79; July-August 26.35; October-November 26.50; December-January 26.87. *American cotton mixed growth contract*: March-April 27.51; May-June 27.75; July-August 27.77; October-November 27.80; December-January 27.75. *Sudan Lambert seed contract*: January-February 33.80; May-June 33.90; July-August 33.90.

Steady conditions were in evidence in the New York cotton market during the week. Declines in forward deliveries were active, particularly through commission houses, with demand based on the growing belief that the loan rate for the next crop would be higher. The limited support was partly influenced by the increase in loan entries which for the latest reported week was the largest weekly total of the season. The aggregate ginnings of the current crop till 13th December 1957 were reported to be 9,200,665 bales. This figure, it is said, indicates that the final crop outturn may be even below 10.50 million bales, as against the official December estimate of 11.01 million bales. The Commodity Credit Corporation has sold a further quantity of 314,382 bales under the export programme at an average price of 28.30 cents per lb. for middling one inch cotton at average location. With this sale, the total quantity sold under the current season's export programme now comes to 4,429,198 bales.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	7-1-58	31-12-57	24-12-57
Spot	36.45	36.40	36.55
March	35.80	33.75	36.14
May	36.02	35.92	36.25
July	35.98	35.78	36.03

CEILING FOR ART SILK YARN

(From Our Own Correspondent)

BOMBAY, 8th *January*

The most important development of the week in so far as the yarn market is concerned was the announcement of the Government's export policy for cotton yarn and staple fibre yarn under the free licensing scheme (first-come-first-served basis) for the first half of 1958. As regards cotton yarns, exports up to 78 counts will be allowed freely within a ceiling of 60,000 bales, while the quota for exports of staple fibre yarn is fixed at 1.5 million lbs. The announcement failed to have any effect on the cotton yarn section, thanks to poor enquiries from handlooms and continued slackness in demand from overseas interests. Market circles felt that, with stiff competition from Japan, Pakistan and recently China, prospects of any considerable exports of Indian yarns were not bright. They noted that exports of yarns during the second half of 1957 were only about 20,000 bales, as against the export quota of 67,500 bales. Staple fibre yarns, however, reacted bullishly to the release of export quota and prices forged ahead. The market ignored reports of the recent large sales of 30s and 40/2 counts at very low prices effected by a leading upcountry mill in the wake of poor enquiries from consuming centres. In sympathy with staple fibre yarns and on reports of acute scarcity of stocks, particularly of the imported variety, rayon yarns ruled firm with a marked rise in prices of both foreign and indigenous yarns. Following the sharp rise in prices, offtake remained very limited and the stockists were able to secure satisfactory profits in their holdings. The silk weaving mills and handloom weavers were buying only small lots just sufficient for their immediate requirements, as they considered that the present prices were abnormally high and that they would not be able to realise satisfactory price for their products.

The buying spree in art silk yarn which started a fortnight ago continued unabated and there was a further sharp advance in prices. The quotation for 120 dull cones Snia yarn February delivery stood at Rs. 905 today—at one time, it had even touched Rs. 915—a rise of as much as Rs. 77 as compared with 18th December 1957. Following such a continuously steep increase in prices and with a view to preventing a further rise, the Yarn Merchants' Association and Exchange Ltd. fixed today a ceiling of Rs. 923 per case of 200 lbs. for the February delivery. It also imposed a penalty of Rs. 10 per case, if a seller failed to tender delivery in the contract. At the same time, the Association declared a special clearing today at Rs. 904 for Snia yarn and Rs. 576 for staple fibre yarn.

Snia rayon yarn (120 dull cones) February delivery met with excellent buying support and shot up by Rs. 32 to Rs. 905. There were no transactions in April delivery. In the spot section, 120 Japan rallied 35 nP to Rs. 5.19. 150 Japan advanced by 41 nP to Rs. 4.97. 150 Italy rose by 19 nP to Rs. 5.25. 120 Italy was firm at Rs. 5.25. Among indigenous yarns, National Rayons 150 Bt. cones first grade increased 13 nP to Rs. 3.89. 120 Bt. cones first grade spurted by 21 nP to Rs. 4.40.

Under the impetus of persistent bull support, staple fibre yarns (40 x 2) jumped by Rs. 26 to Rs. 576. No transactions were put through in the April position. Spot (40 x 2) New Greats improved by 18 nP to Rs. 3.12. Citys rose by 16 nP to Rs. 3.27. Kohinoors hardened by 14 nP to Rs. 3.26. Centurys gained 15 nP to Rs. 3.15. Among foreign yarns, Paramounts strengthened by 38 nP to Rs. 6.50. Fujis spurted by 32 nP to Rs. 6.44.

In the cotton yarn section, ten counts Podars declined by 13 nP to Rs. 13.37. Moderns were dull at Rs. 14.50. Twenty counts were neglected, Gokaks being quoted at Rs. 17.50 and Moderns at Rs. 17.62. Thirty counts Indus, however, were well favoured and rallied a rupee to Rs. 20.62. Forty counts Minaxis were dull at Rs. 24.75, as also Moderns at Rs. 25 and Gokaks at Rs. 24.50. Among 60s, Moderns and Raghuvamshi were unchanged at Rs. 59.50 and Rs. 57.75, respectively, while Finlays had support and put on 25 nP to Rs. 59.50. Eighty counts Mahendras were quiet at Rs. 69.75, Moderns at Rs. 72 and Finlays at Rs. 73.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	8-1-1958	31-12-57
Art silk yarn (per case of 200 lbs.)	Rs.	Rs.
120 dull Cones Snia February	905.00	873.00
December	—	851.00
150 Japan (per lb.)	5.19	4.84
150 Japan (per lb.	4.97	4.56
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.25	5.06
Staple fibre yarn (per case of 200 lbs.)—		
40 x 2 February	576.00	550.00
40 x 2 December	—	539.00
40 x 2 New Great (per lb.)	3.12	2.94
40 x 2 Century (per lb.)	3.15	3.00
40 x 2 City (per lb.)	3.27	3.11
Cotton yarn per bundle of 10 lbs.)—		
10s Podar	13.87	14.00
20s Gokak	17.50	17.50
30s Indu	20.62	19.62
40s Minaxi	24.75	24.75
60s Raghuvamshi	57.75	57.75
80s Modern	72.00	72.00

GROUNDNUT WEAK

(From Our Own Correspondent)

BOMBAY, 8th *January*

Since the last weekly report of the oilseeds market was published in these columns, the market experienced minor fluctuations in the last two weeks of December 1957. The year 1958 has, however, witnessed a notable decline in prices. This is attributed to heavy arrivals and the absence of export demand.

In the groundnut section, groundnut February 1958 delivery which closed last year at Rs. 159.12 opened the year 1958 still lower at Rs. 157.25. On the very next day it declined to Rs. 156.50. Heavy arrivals and weak upcountry advices tended to depress the market still further and the contract yielded ground to a low of Rs. 153.87 today. Groundnut bold receded from Rs. 32.12 towards the close of December to touch a low of Rs. 31.25. Groundnut oil changed hands at Rs. 17.37, as against Rs. 18.00.

In contrast to groundnut, linseed proved a steady spot in the local oilseeds market. This is said to be due to prospects in export business in oil in the United Kingdom. Linseed May 1958 closed the year 1957 at Rs. 31.37. It opened the year 1958 at Rs. 31.06 and improved to Rs. 31.25 on the 4th inst. On some profit-taking at the higher levels, it declined to Rs. 31.06 yesterday and still further to Rs. 31 today. Linseed bold ready was quoted at Rs. 30.62, as against Rs. 30.69 early in the week. Linseed oil was practically unchanged at Rs. 16.75.

It would appear that Indian castorseed is facing stiff competition from its Brazilian counterpart in the foreign markets. Castorseed May 1958 closed the year 1957 at Rs. 142.25. It opened lower at Rs. 141.50 on the 2nd inst. and was gradually hammered down to a low of Rs. 136.50 yesterday, though it recovered in today's dealings to close slightly higher at Rs. 137. Castorseeds Madras quality eased by Re. 1.13 to Rs. 27.87. Castor oil commercial moved down from Rs. 14.62 to Rs. 14.12.

Among other seeds, cottonseed February 1958 delivery was quoted at Rs. 95.25, as against Rs. 96.00 last week, kardiseed bold at Rs. 18.50, as against Rs. 19.62 and nigerseed Madras at Rs. 26.87, as against Rs. 26.62.

A quota of 5,000 tons each of nigerseed oil and kardiseed oil would be released for export during the licensing period January-June 1958. Announcing this, an Export Trade Control notice said exports against these quotas would be licensed freely on shipping bills as hitherto, duly supported by evidence of valid firm sale contract up to the end of September 1958 or till the ceiling was reached, whichever was earlier. Licensing of these oils would be stopped as soon as the ceilings were reached, the notice added.

The following table shows the closing prices of oilseeds and oils today as compared with those on 2nd January 1958 and 28th December 1957:

	8-1-1958	2-1-1958	28-12-1957
Groundnut—	Rs.	Rs.	Rs.
February 1958	153.87	157.25	159.00
Bold ready (per cwt.) ..	31.25	31.87	32.25
Khandesh quality ..	32.12	33.75	33.25
Linseed—			
May 1958	31.00	31.06	31.37
Bold ready (per cwt.) ..	30.62	30.69	31.00
Castorseed—			
May 1958	137.00	141.50	141.75
Madras (per cwt.) ..	27.87	29.00	29.37
Cottonseed—			
February 1958	95.25	96.00	96.25
Groundnut oil—			
Ex-mill ready (per quarter) ..	17.37	18.00	18.19
Castor oil—			
Commercial (per quarter) ..	14.12	14.62	14.69
Linseed oil—			
Ready	16.75	16.75	16.81

SUGAR MOVES DOWN

(From Our Own Correspondent)

BOMBAY, 7th *January*

The sugar market has been ruling extremely bearish since we reported last on 13th December. With the last Christmas monthly release, the sugar mills in Bombay-Deccan have received a quota of about 38,000 tons, the largest ever issued in a month's time. Following such a large release, arrivals have been heavy, while demand has not broadened. Consequently, sugar prices have suffered a setback. The fall would have been more marked but for some enquiries from the Malabar markets.

Large grain sugar is now quoted at Rs. 107-Rs. 111 per bag, including the additional Central excise, as against Rs. 110-Rs.115 three weeks ago. Medium grain declined by Rs. 2 to Rs. 105-Rs. 109. Small grain lost a rupee to Rs. 104.

Arrivals of sugar into the market in the past week aggregated 10,600 bags.

PEPPER EASY

(Messrs. Parekh & Co.)

BOMBAY, 8th *January*

During the last three weeks of December 1957, we did not issue our usual weekly letter on Malabar black pepper, there being no new development worth reporting, particularly owing to intervening Christmas and New Year holidays.

During the week ending 8th January 1958, Malabar black pepper continued to yield ground with pressure of increasing arrivals of new crop. Daily new arrivals at Alleppey and Cochin averaged about 400 candies while, at Calicut, they were about 100 candies with prospect of further increase with the advance of the season. Prices at Alleppey sagged from Rs. 550 to Rs. 475, establishing a new low level. Garbled at Cochin came down from Rs. 95 to Rs. 82½ and Calicut to Rs. 505. Dealers in U.S.A. desisted from buying. Increased arrivals in Kerala, therefore, were not readily absorbed. Floating stocks continued to increase. A Russian steamer which was to lift 700 to 800 tons during the first week of January as part of about 2,000 tons sold to U.S.S.R. for shipments during December-January-February was delayed. As a result, exporters who were supporting the market off and on by their purchases against the sales to Russia withdrew and prices tumbled down. Heavy seasonal receipts added to the decline.

Malabar black is reported facing competition in New York market from Brazilian pepper too, though the quantity involved is reported to be limited. The general expectation that the demand from New York will develop during the first week of January did not materialise as spot continued to move down to $0.24½ after touching the highest at $0.26. Demand from grinders was very slow.

Singapore moved down to Str.$63 under pressure of selling of distressed parcels from Lampong. It was reported that Lampong was selling cheaper than Sarawak. Arrivals from Sarawak dwindled but those from Sumatra continued heavy in spite of trouble in Indonesia, as most of the holders in Lampong were bringing down their stock to Singapore.

In the A.S.T.A. section, business continued to be restricted. January-February-March was done at as low as $0.22. In the delivery section, prices moved down. February delivery is nominally quoted at Rs. 490. At the time of writing, small technical improvement was noticed owing to short covering but new buying at higher price remained absent.

The future of the market appears uncertain. If New York refuses to come out as a big buyer during the peak of the season, prices are likely to rule still lower. Weakness in ginger continued to exert psychological pressure.

Following are today's nominal quotations: Ready delivery Rs. 72 per Bengal maund and February Rs. 490-Rs. 495 per candy of 5½ cwts.

GOOD DEMAND FOR TEA

[*Messrs. Forbes, Ewart and Figgis (Private) Ltd.*]

COCHIN, 3rd *January*

A quantity of 700,000 lbs. was on offer in Dust Sale 'A' which was held on Thursday, 2nd January. There was a very good demand which weakened slightly towards the close. Coloury medium dusts were well supported and were often 5 to 10 nP dearer. Other types were irregular and up to 5 nP easier. Best liquoring dusts sold well.

London Market.—*Sale of 30th December 1957*:—Market opened 3*d.* to 6*d.* dearer for Assams, but eased slightly at the close. Others irregularly one penny to 2*d.* dearer.

Sale of 31st December 1957:—Very strong demand. Best coloury sorts often one penny to 3*d.* dearer. Others irregular a few easier.

Colombo Market:—Very active demand. Considerably dearer, except plain UVA brokens and poor liquoring fannings.

Calcutta Market:—No sales this week.

Export Duty:—The Government of India announces that the price of tea for the purposes of determining the export duty for the month of January 1958 is Rs. 3.02, as compared with Rs. 3.35 the previous month. The duty remains unchanged at 38 nP.

Export Quota:—Since the New Year, there has been a firmer tendency and business has been done at 16 nP. At the time of writing there are sellers at 17 nP.

Forthcoming Auctions:—Dust Sale 'B' will be held on Thursday, 16th January. Sale 1 for Export will be held on 7th January and Sale 2 on 14th January.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale 1.*—1,700,000 lbs. Very good general demand, particularly for teas with improved quality which are considerably dearer. Others irregularly 10 to 15 nP lower except plain types which are about steady."

EXPORT TEAS STRONG

(From Our Own Correspondent)

CALCUTTA, 7th *January*

A small rise in demand was in evidence during the export auctions in tea held yesterday. Prices, however, did not show any improvement, in view of the poor quality of teas on offer.

Tea trade circles have noted with satisfaction the statement of Mr. D. M. Langton, Executive Director of the Tea Council of Canada, who was in Calcutta recently. Consumption in Canada is increasing. In 1956-57, India exported to Canada 20 million lbs., Canada's total imports amounting to 45 million lbs. During the current year, India's export to Canada is likely to increase by 500,000 lbs. Political troubles in Indonesia, it is thought here, may affect its tea exports. Although Indonesia's contribution to the world tea markets is insignificant—up to August last. Indonesia's shipments abroad aggregated 54 million lbs.—in the event of production there being affected, the world surplus will be less. Also, Russia has been buying more from Ceylon and India. These two factors together constitute an encouraging feature to the tea trade and may lead to an improvement in prices in auctions here.

In the meantime, the tea trade and industry continue to urge the Government to change its attitude in regard to export duty and other levies. Mr. S. C. Dutta, Secretary of the Surma Valley Tea Planters' Association, declared here recently that the export duty for teas selling below Re. 1.75 per lb. should be abolished. He warned that, if this was not done, most gardens in the Cachar and Tripura areas would have to face a grim future. Prices of common teas were mostly below output cost and, of the realisation, approximately 56 nP per lb. was paid as export duty, excise duty, Assam road tax, West Bengal entry tax and tea cess.

An almost similar strain was focussed in the speech of Sir Richard Duckworth in his presidential address at the annual meeting of the Calcutta Tea Traders' Association held here. Sir Richard regretted that the Government of India had not so far paid any heed to the Export Inquiry Committee's recommendation to accord assistance to producers of common teas by reducing export duty. He also called for foresight on the part of producing countries to regulate exports by common agreement and thus eliminate the surplus problem in the larger interests of the industry.

During yesterday's export sales, offerings amounted to 61,988 packages. There was strong general demand and prices tended to rise. Orthodox fannings with a clean black appearance were particularly a popular feature. Fannings rose by 10 to 14 nP, medium brokens and commons by 8 to 10 nP, and teas for price by 6 to 10 nP. C.T.C. Assam were fully steady and fannings in this category were steadier. Non-wither Dooars rose by 10 to 20 nP, having met with keen competition. There was good demand for medium B.O.Ps. with any quality, but other kinds in this category were quiet and irregular. Medium O.Fs. were sold above valuations. Prices of well-made whole leaf grades and Darjeelings also improved. The quotations were: Best Assam C.T.C. fannings Rs. 2.50 to Rs. 2.60; best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80; clean black pekoe Rs. 2.30 to Rs. 2.35; medium fannings Re. 1.78 to Re. 1.82; plain B.P. Re. 1.58 to Re. 1.62; medium B.P. Re. 1.64 to Re. 1.68; and plain B.P. Re. 1.58 to Re. 1.62.

Export quota changed hands at 18 nP, subsequently sagging to 17½ nP.

JUTE QUIET

(From Our Own Correspondent)

CALCUTTA, 7th *January*

The three-week period under review (from 17th December 1957 to date) witnessed quiet conditions in the jute markets. Although the year 1957 ended with better statistical position in jute goods than in 1956, prices gave way, as support from overseas countries was not appreciable. Contrary to earlier expectations, there was no sign of the seasonal increase in the U.S. burlap consumption, which in November was as low as 63 million yards, representing a substantial fall of 12 million yards, representing a substantial fall of 12 million yards as compared with the previous month; million yards as compared with the previous month; in November 1956, U.S. consumption was as high as 81 million yards. The average monthly consumption in the eleven months ended November was only 69 million yards, as against 73.3 million yards in the corresponding period of 1956. Such a decline in consumption was attributed to an extension of the returnable bag programmes and expansion of the bulk handling methods. There were fears that, in view of the damage to agricultural crops, Australia would lift less sacking bags from India in the coming months. This possibility, it was thought would also extend to Burma, where the first jute mill of the country has gone into production. It has 520 looms, of which about half are being operated now. It is reported that Burma is planning to set up a second mill of this size.

Another disquieting news for the jute industry has been the reported possibility of Brazil attempting to export its surplus production. Stocks by the coffee industry consequent on lower exports. However, to begin with, it will be difficult for Brazil to find an export market, as most consuming countries use bags entirely different in specification as compared to Brazil's production. So, while Brazil's present heavy stocks may not find a ready market abroad, it is felt here that mills there can change their production to suit the needs of foreign markets. Competition from this source may not, therefore, be immediate, but trade circles realise that the possibility exists in the near future.

On 17th December, prices of jute goods recovered slightly, following heavy speculative buying in hessian, the 40″ 10 oz. advancing from Rs. 39.55 to Rs. 39.75. Ready B. twills were quoted at Rs. 106.35, as against Rs. 106.20 on the previous day. Hessian 40″ 10 oz. rose further to Rs. 39.85, but gave way subsequently to Rs. 39.50, while, on speculative selling, B. twills sagged to Rs. 105.65. Soon, some shipper business followed to raise hessian 40″ 10 oz. to Rs. 39.65 and B. twills to Rs. 106.25. Holiday considerations and lack of follow-up demand caused the prices of the above representative constructions to fall to Rs. 39.25 and Rs. 105.90, respectively, on the 28th. On Monday, prices were maintained at Rs. 39.35 and Rs. 106, following due date manipulations in the *fatka* market. Prices at Rs. 39.40 and Rs. 106.30 were steady on Thursday. Some bear-covering was in evidence on Friday last, but, in the absence of genuine business, hessian 40″ 10 oz. and B. twills sagged to Rs. 39.30 and Rs. 105.85, respectively. Selling pressure caused prices to fall further to Rs. 39.20 and Rs. 105 towards the week-end. Yesterday, B. twills fell to Rs. 104.75, with the eight oz. hessian being lower at Rs. 32.50.

Mills accorded fair support to the raw jute market. During the period under review, they purchased more than 500,000 maunds. In the bazar also, fair business was done by way of covering against contracts at higher rates. This incidently maintained the quotations. Good demand from mills resulted in small gains in prices. On 17th December, northern bottoms were quoted at Rs. 26.25 and, after a temporary fall to Rs. 26 immediately thereafter, rose to Rs. 27 towards last week-end. The rise would have been higher but for the reserve attitude of sellers who welcomed business and accepted offers of mills and other buyers. The latest quotations for the different varieties for the January-February delivery are:

	Middles	*Bottoms*
	Rs.	Rs.
Pakistani:		
District	33.50	30.50
Northern	33.00	30.00
Indian:		
Northern	29.25	26.75
Assam	29.50	27.00
Orissa	31.00	28.50
Murshidabad	25.50	23.00
Bimli f.a.q.	Rs. 20.75	
Pucca bales 1st marks ...	Rs. 170.00 per bale	

FOODGRAINS QUIETLY STEADY

(From Our Own Correspondent)

HAPUR, 6th *January*

Quietly steady conditions prevailed in the foodgrains markets during the fortnight under review. Government circles view the food situation in the country for the year just begun with cautious optimism, which stems from the adequate programme of food imports backed by the concentrated activities within the country. The position regarding wheat imports in 1958 is roughly as follows:

Balance under P.L. 480 from the U.S.A.: 450,000—500,000 tons; aid under the Colombo Plan from Canada: about 110,000 tons; normal marketing import as required under P.L. agreement: 400,000 tons; an additional quantity of over 600,000 tons is also expected under the recent agreement that unused allocations under P.L. 480 agreement should be diverted to foodgrains.

The position in respect of rice is not so satisfactory because it has not been found possible to augment imports of rice due to foreign exchange difficulty and high prices in world markets. About 500,000 tons are expected from Burma and about 200,000 tons are held in stocks as balance for 1957.

The Government of India has decided to impose restrictions on exports of all foodgrains from Bihar and of rice from Madhya Pradesh and east U.P., as these areas were adversely affected by recent drought. Procurement of rice is being continued in Andhra and the Punjab and the State Governments have been authorised to fix procurement prices of rice in accordance with local conditions but between Rs. 15 and Rs. 17 per maund as recommended by the Asoka Mehta Committee.

Wheat at Hapur ruled quietly steady to be quoted now at Rs. 15.75 per maund for average quality, while farm quality was quoted upto Rs. 17.12 per maund. Arrivals from producing centres throughout the fortnight were small, the average being 50 maunds daily, and, as consumer demand was being met from stocks, local stocks of wheat ran down by 5 *khaties* to 21 *khaties*. The corresponding figure last year was 55 *khaties* and wheat average quality was then quoted at Rs. 16 per maund. The conditions of the standing wheat crop here is not very satisfactory due to want of winter rains.

Rice recorded an improvement of about a rupee per maund during the fortnight, due to reports of overall shortage in the country. The latest prevailing prices here were: *Basmati* Rs. 27 to Rs. 30; *mainpuri* Rs. 23.75; coarse quality Rs. 20 per maund.

Coarse grains continued to rule steady. Demand for maize and bajra was fairly heavy, due to seasonal consumption, and arrivals were being supplemented from east U.P. and the Punjab. Gram was mostly unchanged. The local stock of 40 *khaties* is mostly State Government-owned which is being diverted to east U.P. for sales at the subsidised prices. The corresponding last year stock of gram with the trade was 60 *khaties* when gram was quoted at Rs. 13-4 per maund. Other coarse grains were mostly unchanged and were now quoted at: Gram Rs. 11.25 to Rs. 11.44; maize Rs. 11.62; *bajra* Rs. 12.37; *jowar* Rs. 9.25 to Rs. 11; *guwar* Rs. 12; oats Rs. 10.50 and *mathi* Rs. 13.25 per maund.

Pulses recorded an easy trend, as demand for peas and *arhar* and *dals* was very slack and conditions of the standing crops were reported to be satisfactory. Other pulses ruled steady, due to poor local stocks. The prevailing prices were: Peas *dara* Rs. 9.37; farm Rs. 10.37; *arhar* Rs. 10.12; *peas dal* Rs. 11; *arhar dal* Rs. 13.50; *urd* Rs. 16.50 to Rs. 18; *moong* Rs. 15.25 to Rs. 15.50; *massor* Rs. 15 per maund.

SUGAR DEPRESSED

(From Our Own Correspondent)

HAPUR, 6th *January*

The sugar markets ruled depressed during the week, on account of poor buying interest and heavy stocks lying unsold in the markets. Crushing for the season is in full swing. The upward trend in production of sugar which aggregated 289,000 tons by the middle of December, as against 265,000 tons a year before, also acted as a dampening factor. Stocks with factories on that date stood at 492,000 tons. The problem of increase in export of sugar has been engaging the attention of both the Government and the industry for some time past, but, as there is disparity in prices here and abroad, export is not at all remunerative.

Mill delivery prices of sugar in the Kanpur market recorded a fall of about 50 nP per maund, but spot prices tended to move up following revival of buying enquiry for immediate loading at Kanpur for Saurashtra. Ex-mill trading was very slack. The Muzaffarnagar markets, on the other hand, attracted good demand from consuming centres at unchanged price levels.

Following a sharp increase in arrivals in the producing centres and poor buying support due to off season for marriages, *khandsari* prices ruled depressed during the week. Prices ranged between Rs. 26 and Rs. 31 per maund according to quality.

An easy trend was noted in the *gur* market during the week and the price sagged by about a rupee per maund to Rs. 11.75 per maund for *pansera* quality and Rs. 13 for *balti* quality. Outside demand was slack and was being diverted to other smaller centres where prices are more favourably low. Loading facilities have slightly improved during the week. Daily arrivals are now at an average of 4,000 to 5,000 maunds and total arrivals from the beginning of the season aggregated 240,000 maunds, the corresponding figure last year being 280,000 maunds. It is now safely gathered that *gur* production in the season will not be able to touch the previous year's figure due to the overall loss in the cane crop. Prices in the Muzaffarnagar market also sagged and were now quoted at: *Chaku Minja* Rs. 13.12 to Rs. 13.50; *khurpa* Rs. 12.27 to Rs. 12.50; *ladu* Rs. 12.25 to Rs. 12.62; *pansera* Rs. 12.37 to Rs. 12.50; *shakker dara* Rs. 13.12 to Rs. 13.75; *masala* Rs. 14 to Rs. 14.75 per maund.

LINSEED WELL MAINTAINED

(*Messrs. A. Bradley & Co.*)

CALCUTTA, 6th *January*

Linseed prices have been fairly well maintained, but the market is rather stagnant and general conditions remain unchanged. Both buyers and sellers are reserved. Although supplies of seeds are a bit freer, the offtake of oil is poor and crushers are operating on a limited scale. The overseas market for linseed oil, while it is not recording much actual advance, has appeared more active with a few enquiries from buyers.

The latest available quotation for ready-January is Rs. 23 per maund.

COPPER SHOOTS UP

(From Our Own Correspondent)

CALCUTTA, 7th *January*

The feature in the metal market during the fortnight under review was the acute shortage for copper. In fact, there was nothing on offer and consumers were in difficulty as production was being affected. The shortage was a result of the restricted import licensing policy in force from October. A ship containing copper is anticipated in the next few days, and only after its arrival and clearance after customs formalities which would take a few days, the present stringency would ease. More ships containing consignments on actual user import licences are expected to reach the port in a week or two, but since the supply position has become one of hand-to-mouth, the shortage is not expected to ease by any noticeable degree. Electrolytic copper soared to Rs. 167 from Rs. 158 and the fire-refined material to Rs. 165 from Rs. 156. Prices on the London Metal Exchange also hardened following threat of strike in a Chilean mine and the announcement of a cut in domestic production by a big producing firm in the United States, effective from 1st January. A firm each in Canada and Peru was stated to be following suit. The cumulative reduction in output would amount to about 52,200 tons a year, it was stated. Immediately after this announcement custom smelters in the U.S.A. raised their price by half cent to 25 cents a lb.

Tin opened at Rs. 508 and after rising to Rs. 519 closed at Rs. 516. There was shortage for the ready material and this coupled with the restrictions on exports from producing countries recently imposed by the International Tin Council led to the uptrend. Electrolytic zinc rose to Rs. 54.25 from Rs. 52. The uptrend was in sympathy with steadiness in the market as a whole, as the supply position was satisfactory. Lead closed at Rs. 60.50 after opening at Rs. 58. Only small quantities changed hands.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1938	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	May, 1955	4½	5
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1955	3½	4
El Salvador	April, 1957	3	4
Finland	20th April 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1956	4½	5
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	15th Aug., 1957	4½	5
New Zealand	16th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1954	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1946	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	Nov., 1957	3½	3½
West Germany	18th Sept., 1957	4½	4

† Five of the Federal Reserve Banks have lowered the rate to 3 per cent. between 15th and 19th November, 1957.

CLEARING HOUSE RETURNS

Centre	Week ended 3rd January, 1958 Number of Cheques	Amount Rs.	Week ended 27th December, 1957 Number of Cheques	Amount Rs.
Bombay	2,62,926	58,58,34,000	2,82,268	65,33,42,000
Calcutta	1,57,000	57,51,00,000	1,39,000	50,85,00,000
Madras	75,150	8,62,94,565	75,065	8,85,01,270
All Centres—				
1955-56*	.. .. ..	..	3,100,000	6,380,200,000
1956-57*	.. .. ..	..	3,334,000	7,260,900,000
Sept., 1957	.. .. ..	..	3,077,000	6,49,12,00,000
Oct., „	.. .. ..	..	3,295,000	5,99,38,00,000
Nov., „	.. .. ..	..	3,755,000	8,18,13,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 3rd Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up	..	5,00,00,000
Reserve Fund	..	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	..	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	..	2,00,00,000
Deposits:—		
(a) Government—		
(1) Central Government	..	52,50,01,000
(2) Other Governments	..	8,09,81,000
(b) Banks	..	96,37,34,000
(c) Others	..	115,69,63,000
Bills Payable	..	17,37,04,000
Other Liabilities	..	25,33,93,000
	Rupees ..	392,37,76,000

ASSETS	Rs.
Notes	9,12,85,000
Rupee Coin	3,16,000
Subsidiary Coin	2,71,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,15,96,000
Balances held abroad*	17,95,92,000
Loans and Advances to Governments†	34,80,01,000
Other Loans and Advances	67,40,84,000
Investments	243,73,88,000
Other Assets	16,32,48,000
Rupees	392,37,76,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 24,91,58,000/- advanced to Scheduled banks against usances bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,12,85,000	
Notes in circulation	1523,05,54,000	
Total Notes issued		1532,18,39,000
Total Liabilities		1532,18,39,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	275,22,56,000	
Total of A		392,98,59,000
B. Rupee Coin		132,00,00,000
Government of India Rupee Securities		1007,19,78,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1532,18,39,000

Scheduled Banks*

Statement of Affairs for the week ended 27th Dec., 1957

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,40,04,000
(ii) Other demand liabilities	709,01,15,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	20,68,00,000
(ii) Other time liabilities	666,86,40,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	5,92,05,000
(ii) Time liabilities	70,00,000
Borrowings in India from the Reserve Bank of India‡	23,62,80,000 (21,07,00,000)
Cash in India	83,38,87,000
Balances with the Reserve Bank in India	67,80,81,000
Balances with other banks in current account in India	12,46,96,000
Money at call and short notice in India	50,11,25,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	432,95,79,000
Advances in India	712,02,85,000
Inland Bills purchased and discounted in India	99,42,50,000
Foreign Bills purchased and discounted in India	46,56,85,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	7th January, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D.Spot	s. 1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	s. 1-5⅛	1-5⅛
Buyers T.T. spot to nine months	s. 1-6⅛	1-6⅛
Buyers T.T. 10 to 12 months	s. 1-6⅛	1-6⅛
Bombay on New York—		
Sellers T.T. D.D.	Rs. 476.00	476.00
Buyers T.T.	Rs. 473.00	473.00
London on New York	$ 2.801-2.81	2.801-2.80½
London on Paris	Frs. 1,178½	1,178½
London on Berne Sw. Frs.	12.25¼-12.25½	12.25¼-12.25½
New York on London	$ 2.81½-2.81	2.80½-2.80½

NATIONAL INCOME*

Country	Year	Population (in millions)	National Income (in millions)		In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	383.09	..	..	10,430	272
Pakistan††	'54-'55	79.71	..	..	1,890	237
Burma	1955	19.48	Kyats	4,087	409	210
Ceylon	1955	8.38	..	..	478	567
Japan	1956	90.09	¥	7,427,000	9,283	1,031
Philippines	1955	21.95	Ps.	7,804	1,873	857
New Zealand	1956	2.17	£(N.Z.)	834	1,178	5,425
Australia	1956	9.40	£(A)	4,236	4,623	4,918
U.K.	1956	51.20	£	19,485	21,933	4,287
U.S.A.	1956	168.09	$	363,600	163,554	9,731
Canada	1956	16.09	$	22,710	10,787	6,742
France	1956	43.69	N.Fr.	13,990,000	17,649	4,040
W. Germany	1956	51.59	Dm.	147,000	16,889	3,270
Italy	1956	48.10	Lr.	11,426,000	8,760	1,821
Norway	1956	3.46	Kr.	20,930	3,408	4,358
Sweden	1956	7.30	Kr.	44,680	4,127	5,653
Netherlands	1956	10.89	Grs.	25,400	3,215	2,977
Denmark	1956	4.46	Kr.	24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr.	24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance* 1955-56—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 27th Dec., 1957

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up	..	3,00,00,000
Reserve Fund	..	3,00,00,000
Deposits:—		
(a) Central Government	..	76,44,08,000
(b) Provincial Governments	..	....
(c) Banks	..	15,44,53,000
(d) Others	..	9,33,07,000
Bills Payable	..	22,37,000
Other Liabilities	..	7,38,19,000
	Rupees ..	114,77,24,000

ASSETS	Rs.
Notes	7,01,15,000
Rupee Coin	31,000
Subsidiary Coin	25,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	12,17,000
Loans and Advances to Governments	3,16,00,000
Provincial Governments' Debtor Balances	8,76,45,000
Other Loans and Advances	15,06,00,000
Investments	68,41,70,000
Other Assets	12,23,21,000
Rupees	114,77,24,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	7,01,15,000	
Notes in circulation	336,75,80,000	
		343,76,95,000
Total Liabilities		343,76,95,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,33,41,000	
Silver Bullion		
Approved Foreign Exchange	66,55,25,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		120,90,96,000
B. Rupee Coin	4,53,97,000	
Government of Pakistan Securities	212,41,96,000	
Internal bills of exchange and other commercial paper	....	
		216,95,93,000
II Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,00,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets		343,76,95,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 38.89 per cent.

COMPARATIVE BANKING STATISTICS *

In crores of Rupees.

	1st Sep., 1939 (pre-war)	27th Dec., 1957	A week ago	A month ago	A year ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1506.79	1504.60	1478.06	1466.07
Notes held in Banking Department	31.05	16.52	18.58	36.71	9.14
Foreign Securities	59.50	275.23	280.19	280.19	447.30
Rupee Securities	37.39	997.26	992.29	982.29	785.35
Banking Department					
Deposits of:					
Government of India	14.89	53.54	64.87	50.01	57.24
Other Governments	..	13.01	8.16	11.31	8.00
Balances held abroad	10.08	22.42	22.38	29.30	82.01
SCHEDULED BANKS					
Demand Liabilities	134.36	718.01	714.47	722.68	652.71
		(17.40)†	(17.48)†	(14.99)†	(9.14)†
Time Liabilities	102.24	687.54	684.06	672.46	459.89
		(20.68)†	(22.19)†	(17.86)†	(2.73)†
Borrowings from Reserve Bank	..	23.63	22.66	16.25	79.06
		(21.07)‡	(19.83)‡	(14.12)‡	(57.20)‡
Borrowings from State Bank	6.70	6.62	6.19	5.73	7.76
Cash in India		38.84	37.87	38.26	38.55
Balances with Reserve Bank	25.17	67.61	70.51	106.41	51.98
Excess over statutory limits	15.62	17.96	21.11	56.83	10.15
Balances with other banks in current account in India	..	12.47	11.64	11.38	12.87
Money at call and short notice in India	..	50.11	50.51	46.25	12.43
Investments (at book value)	..	432.96	432.65	408.82	364.44
Advances and bills	105.09	858.02	847.67	839.98	788.43
STATE BANK					
Deposits	87.76	364.98	364.76	361.90	242.02
Investments	51.99	183.67	183.65	183.91	108.90
Advances	30.35	170.02	165.95	158.43	140.12
Cash	14.69	27.12	20.98	55.81	10.07

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	July, 1957		Four months, April to July,	
	1956	1957	1956	1957
Import Duties:				
Revenue	9.15	14.04	88.87	51.53
Protective	1.14	0.97	4.24	4.01
On surplus disposals	..	0.04	0.03	0.05
Total import duties	10.29	15.05	43.14	55.59
Export Duties	1.24	1.29	7.08	5.32
Land Customs	0.18	0.16	0.62	0.88
Miscellaneous	0.06	0.13	0.32	0.43
Gross total customs	11.77	16.63	51.11	62.22
Refunds and drawbacks	0.20	0.42	0.70	1.42
Net Customs	11.57	16.21	50.32	60.80
Gross excise	14.41	20.63	55.89	79.67
Refunds	0.23	0.31	0.57	1.29
Net Excise	14.18	20.32	55.32	78.41
Net total of customs and excise†	25.75	36.53	105.64	139.21

† Net Customs plus net Excise.

State Bank of India

Statement of Affairs for the week ended 20th Dec., 1957

CAPITAL AND LIABILITIES	Rs.	Rs
Capital—		
Authorised Capital— 20,00,000 shares of Rs. 100 each	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,37,50,000
Borrowings from Other Banking Companies, Agents, etc.		354,76,29,000
Bills Payable		1,03,00,000
Bills for Collection being Bills Receivable as per contra		4,25,76,000
Acceptances, Endorsements and Other Obligations per contra		1,06,29,000
Other Liabilities (including Inter-Office Adjustments)		20,60,000
Total ..	Rs.	11,57,86,000
		394,89,80,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		26,80,54,000
Balances with other Banks		3,17,04,000
Money at Call and Short Notice		3,20,00,000
INVESTMENTS:		
Government and other Trustee Securities	173,61,32,000	
Other Authorised Investments	10,08,26,000	
		183,64,84,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	147,16,76,000	
Bills Discounted and Purchased	18,78,14,000	
		165,94,90,000
Bills Receivable being Bills for Collection as per contra		4,25,76,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		1,06,29,000
Premises less Depreciation		20,60,000
Furniture and Fixtures less Depreciation		1,19,55,000
Other Assets (including Inter-Office Adjustments)		72,84,000
Total ..	Rs.	8,93,26,000
		394,89,80,000

SMALL SAVINGS‡

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year Receipts	5-Year Outstandings*	7-Year Receipts	7-Year Outstandings*	12-Year Receipts	12-Year Outstandings*	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings*	10-Year National Plan Certificates† Receipts	10-Year National Plan Certificates† Outstandings*	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposits Certificates 3½% † Receipts	10-Year Treasury Savings Deposits Certificates 3½% † Outstandings	4½% † Receipts	4½% † Outstandings	15-Year Annuity Certificates** Receipts	15-Year Annuity Certificates** Outstandings*
1952-53	6,83	65	3,26	23,66	84,17	1,58,11	92,02	..	..	..	—21,07	25,64	..	..	..	..	..
1955-56	3,76	1,98	5,48	27,19	1,44,37	1,76,97	1,57,85	9,86	16,38	—37,68	41,25	..	..	..	..	45	95
1956-57	3,00	2,87	6,01	31,62	1,58,68	13,27	1,96,36	10,08	25,88	—38,82	44,28	..	..	..	..	48	1,32
October 1956	3,28	16	5,69	2,38	1,56,53	13,90	1,85,98	82	22,08	—38,06	43,29	..	..	..	..	4	1,17
November „	3,23	14	5,67	2,51	1,57,64	15,70	1,86,88	76	22,76	—38,15	43,30	..	..	..	..	3	1,19
December „	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,85	—38,28	43,58	..	..	..	..	3	1,22
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,00	86	24,10	—38,54	43,80	..	..	..	..	6	1,27
February „	3,07	17	5,81	2,35	1,61,04	12,96	1,88,82	78	24,72	—38,71	44,14	..	..	..	..	4	1,30
March „	3,00	35	6,01	4,01	1,63,68	23,55	1,96,50	78	25,38	—38,82	44,28	..	..	..	..	4	1,33
April „	2,93	12	5,93	2,30	1,64,55	14,76	1,96,76	70	25,98	—38,87	44,39	..	..	..	..	2	1,33
May „	2,88	12	5,84	2,13	1,65,59	14,63	1,97,56	56	26,41	—38,93	44,51	..	..	..	..	2	1,35
June „	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34	—39,02	44,48	68	68	..	..	2	1,36
July „	2,74	2	5,61	—29	1,62,36	15,08	2,00,57	10	26,16	—39,11	44,42	62	1,24	..	..	4	1,39
August „	2,68	..	5,49	—9	1,60,88	12,64	2,01,66	—22	25,61	—39,18	44,37	52	1,76	..	..	3	1,42
September „	2,60	..	5,39	—2	1,58,28	14,05	2,03,17	—2	25,17	—39,26	44,14	63	2,39	..	..	4	1,46
October „	2,54	..	—5,26	..	—1,55,82	12,51	2,02,33	..	24,81	—39,33	44,07	42	2,81	..	..	2	1,47
November „	..	..	..	..	..	..	..	..	..	..	43,96	49	3,29	..	..	2	1,49

Outstandings do not include Indian Union's share of the pre-partition liabilities; repayments, however, include those from the prepartition holdings of Indian investors.
‡ Issued from May 10, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957
¶ Issued from 1st June, 1957. *Source:* Accountant-General, Posts and Telegraphs.
§ These exclude receipts and outstandings of 12-year National Plan Savings Certidcates of which receipts amount to Rs. 6.17 lakhs and outstandings to Rs. 26.33 lakhs (upto October 1957).

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 28th Dec., 1957	21st Dec., 1957	30th Nov., 1957	29th Dec., 1956*
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.1	89.1	89.1	89.7
1. Government of India	88.8	88.8	88.8	89.4
2. State Governments	96.1	96.3	96.3	96.6
3. Municipal Port Trust, etc.	90.1	90.0	90.1	90.9
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.7	97.7	100.0
1. Electricity	99.0	99.0	98.6	100.9
2. Jute	92.0	92.0	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	98.5	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	97.0	96.8	96.3	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.8	98.3	98.3	100.5
PREFERENCE SHARES	72.0	72.6	72.7	80.2
1. Electricity	83.8	83.7	83.6	87.1
2. Jute	68.5	68.3	70.1	80.2
3. Coal	63.1	63.0	63.1	75.6
4. Iron and Steel	74.5	74.5	74.5	83.0
5. Sugar	76.9	76.9	76.8	83.2
6. Paper	71.0	71.0	71.2	81.6
7. Cement	80.0	80.4	80.4	79.6
8. Plantations	88.9	88.9	89.3	101.2
9. Miscellaneous	68.2	70.5	70.9	73.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.9	96.6	98.3	114.5
(a) Financial	95.0	94.7	93.3	91.6
1. Banks	98.0	97.6	95.9	92.9
2. Insurance	83.4	83.2	83.5	86.5
3. Investment Trust	93.6	93.4	91.4	92.7
(b) Public Utilities	103.4	103.3	104.0	108.9
1. Electricity	101.1	101.2	101.8	110.1
2. Shipping and other Transport	119.1	119.0	119.4	113.6
3. Railways	85.6	85.4	87.3	81.7
(c) Manufacturing Industries	98.3	99.4	101.7	122.5
1. Cotton, Woollen and Silk	95.5	96.7	99.0	129.2
2. Jute	50.6	51.2	54.7	60.9
3. Iron and Steel	113.9	115.8	118.5	130.3
4. Paper	209.2	211.7	209.7	247.5
5. Cement	135.2	135.5	137.1	169.0
6. General Engineering	141.3	141.6	147.7	177.4
7. Sugar and Breweries	97.1	97.8	97.1	102.9
8. Chemicals	126.3	126.7	126.5	137.2
(d) Non-Manufacturing Industries	108.5	109.7	113.5	143.0
1. Coal	65.2	65.8	65.4	75.6
2. Mining and Oil	144.7	144.3	152.3	293.9
3. Plantations	119.5	121.7	126.2	158.3
(e) Miscellaneous	70.2	70.8	72.6	91.9
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:	88.5	88.5	88.5	—
1. Bombay	89.0	89.0	89.0	89.5
2. Calcutta	89.3	89.3	89.2	89.9
3. Madras				
DEBENTURES OF INDUSTRIAL CONCERNS:	96.0	96.0	96.6	—
1. Bombay	97.7	97.7	97.3	100.5
2. Calcutta	97.7	99.2	99.2	99.7
3. Madras				
PREFERENCE SHARES:	78.2	78.5	78.5	—
1. Bombay	65.4	66.3	66.3	73.9
2. Calcutta	85.3	85.4	85.8	96.2
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:	109.1	109.8	110.9	—
1. Bombay	83.7	84.4	86.2	100.8
2. Calcutta	106.8	107.2	108.2	128.2
3. Madras	120.7	111.5	111.8	121.3
4. Delhi				

* Bombay market remained closed during the week.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved.	Number of man-days lost
1953	772	466,607	3,382,608
1954	840	477,138	3,372,630
1955	1,166	527,707	5,697,848
1956	1,263	784,168	7,136,512
August 1956 ..	136	—	498,533
September „ ..	180	—	924,768
October „ ..	188	—	922,965
November „ ..	127	—	512,389
December „ ..	147	—	422,406
January 1957 ..	154	—	895,419
February „ ..	134	40,811	262,209
March „ ..	114	60,958	406,470
April „ ..	106	64,877*	445,640*
May „ ..	164	95,672(a)	713,892(a)
June „ ..	147	83,727(b)	723,854(a)
July „ ..	178	83,502†	556,699†
August „ ..	145	....	....

(a) Not known in 5 cases. (†) Not known in 7 cases.
‡ In progress during the month. * Not known in 3 cases

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	July 1956	June 1957	July 1957
General Index	122.1	123.9	122.7	108.4	101.5
Coal	111.4	114.9	108.9	113.0	114.3
Cotton textiles	143.0	176.1	200.2	1,090.2	800.3
Sugar*	106.3	106.0	123.8	110.8	125.4
Tea*	111.9	117.5	125.2	109.4	110.6
Cotton textiles	118.9	127.3	129.4	114.2	113.4
Jute textiles	140.2	145.6	149.9	154.7	156.2
Paper and paperboards	99.0	90.4	89.4	79.6	95.8
Matches	106.6	106.6	105.3	81.4	156.5
Cement	140.4	154.2	151.1	140.6	156.5
Iron and steel	113.8	119.4	116.9	111.7	114.9
Non-ferrous metals	123.7	124.7	122.1	146.0	169.0
Rayon	280.7	352.8	373.3	358.8	417.1

*Adjusted for seasonal fluctuations.

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns‡	Units Generated‡	Total Units Sold
1952-53	614	6,301.4	5,134.3
1954-55	686	7,760.9	6,316.3
1955-56	715	8,505.7	7,185.8
1956-57	769	9,377.8	8,103.1
July 1956	724	798.0	656.2
August „	725	793.7	650.0
September „	737	812.7	666.4
Octobcr „	753	824.1	670.1
November „	756	810.5	668.1
December „	757	881.5	715.0
January 1957	765	868.7	711.7
February „	767	811.0	677.7
March „	769	874.0	715.5
April „	770	901.4	734.5
May „	793	932.2	754.7
June „	799	898.4	726.1
July „	809	928.3	743.9
August „	811	923.0	739.3
September „	814	924.7	....

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
† At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	21st Dec., 1957	14th Dec., 1957	22nd Dec., 1956	November, 1957	November, 1956	Percentage of Increase(+) or decrease(—) in Nov., 1957 as compared with Nov., 1956	Financial Year Average† 1956-57†	1955-56†
Food Articles	504	103.9	104.4R	104.1	107.9	105.9	+ 0.9	388.5	313.2
Cereals	332	98	99	96	102	100	+ 2.0	499	373
Pulses	84	79	80R	87	83	84	— 1.2	297	289
Fruits and Vegetables	45	101	103	111	111	116	— 4.3	—	—
Milk and Ghee	167	98	99	95	104	101	+ 3.0	—	—
Edible Oils	93	125	126	133	131	133	— 1.5	—	—
Fish, Eggs and Meat	34	99	98	94	98R	97	+ 1.0	—	—
Sugar and Gur	95	110	108	96*	110	110	—	—	—
Others	100	132	133 R	146	136R	135	+ 0.7	247	235
Liquor and Tobacco	21	97.3	98.1	88.2	96.5	86.7	+11.3	—	—
Tobacco	..	96	97	87	95	80	+10.5	—	—
Fuel, Power, Light and Lubricants	30	114.8	115.0	106.7	115.0	106.7	+ 7.8	—	—
Industrial Raw Materials	182	115.8	115.6	122.5	116.0	118.0	— 1.7	501.6	418.8
Fibres	393	116	115	122	114	118	— 3.4	498	420
Oilseeds	388	129	119 R	126	123	—	—	558	398
Minerals	14	107	108*	103	103	104	+ 5.8	508	427
Others	206	109*	109 R	110	107	110	— 2.7	421	431
Manufactures	290	107.4	107.6	108.9	108.4	—	—	384.6	372.9
Intermediate Products	141	105.5	105.9	113.3	106.0R	112

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Fore-cast	1956–57	1955–56	1956–57	1955–56
Cereals—					
Rice	final	78,174	76,864	28,143	26,846
Wheat	final	22,891	20,366	9,065	8,569
Jowar	final	41,814	42,904	7,427	6,902
Bajra	final	27,542	29,264	2,966	3,370
Barley	final	8,694	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,584
Ragi	final	5,674	5,593	1,914	1,820
Small millets	final	13,209	12,713	2,010	1,937
Total cereals	final	215,542	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,830	5,331
Tur	final	5,896	5,837	2,047	1,880
Other Kharif pulses ‖	final	16,166	15,567	1,664	1,682
Rabi pulses‡	final	11,443	11,703	1,794	2,088
Total pulses	final	57,295	57,264	11,435	10,881
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	2nd	12,518†	11,421††	3,651†	3,570††
Cashewnut	final	1,403	1,405	129	124
Sesamum	final	5,433	5,653	451	457
Rape and Mustard	final	6,311	6,317	1,017	848
Linseed	final	3,788	3,781	849	414
Total oilseeds	final	29,906	29,848	6,085	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,893	1,789	4,221	4,197
Mesta A.	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	final	5,019	4,964	56,800	59,817
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,018	306	295

Source: Ministry of Food and Agriculture. ‡ Excluding Tur.
* In thousand bales of 392 lbs. each. †Excluding Gram and Tur.
At In thousand bales of 400 lbs. each. ††Refers to 1957-58.
†††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During November, 1957	91.9
	Corresponding month, 1956	83.8
	Five months ended Nov., 1957	429.2
	Corresponding period, 1956	432.4
Stocks	At the end of Nov., 1957	71.3
	Corresponding month, 1956	101.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	8,57.2
	1956-57	8,52.9
	Oct., 1956	73.4
	Oct., 1957	70.5
For Internal Consumption	1955-56	1,90.0
	1956-57	1,79.0
	Oct., 1956	15.1
	Oct., 1957	12.9
	RAW JUTE	(In lakh bales)
Consumption by Mills†	November, 1957	5.33
	Corresponding month, 1956	4.86
	Five months ended Nov., 1957	24.89
	Corresponding period, 1956	25.12

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	11,34,400	10,42,900	7,81,200
Do.	31st March, 1956	11,55,900	10,68,100	7,97,800
Do.	31st March, 1957	11,55,900	10,78,900	7,97,500
July	1956	94,400	91,300	65,500
August	,,	97,800	88,000	66,000
Sept.	,,	96,400	88,800	59,700
Oct.	,,	96,700	91,100	71,800
Nov.	,,	94,700	85,800	65,100
Dec.	,,	1,01,500	93,300	66,900
July	1957	88,500	88,800	66,800
August	,,	89,700	88,500	68,100
Sept.	,,	88,600	92,600	71,700
Oct.	,,	95,100	96,500	69,000
Nov.	,,	94,900	95,100	66,000
Dec.	,,	95,100	100,500	74,200
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	7,15,949	5,28,240	4,59,003
Do.	31st March, 1956	7,05,986	5,31,505	4,60,607
Do.	31st March, 1957	6,95,158	5,32,815	4,41,488
Three months ended	Dec., 1956	1,88,540	1,41,450	1,14,703
,, ,,	Mar., 1957	1,88,887	1,39,880	1,20,578
,, ,,	June, 1957	1,72,235	1,39,651	1,06,096
,, ,,	Sept., 1957	1,71,307	1,19,178	96,815
,, ,,	Dec., 1957	1,90,484	1,26,104	102,146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	June		Jan. to June.	
	1957	1956	1957	1956
Exports	48,04	45,54	311,61	282,18
Re-exports	25	1,01	2,11	5,37
Total Exports	48,29	46,55	313,72	287,55
Imports	65,60	64,21	497,71	393,91
Overall Balance of Trade	—17,31	—17,66	—183,99	—106,36
Exports:				
Tea	3,47	7,48	49,36	55,10
Cotton fabrics including handloom	2,09	4,83	18,34	27,98
Jute manufactures	5,18	5,59	28,99	30,80
Raw cotton excluding linters	2,53	1,33	11,56	13,29
Leather (manufactured and unmanufactured)	1,95	2,16	11,33	11,43
Animal and vegetable oils and fats	1,46	1,93	7,73	16,89
Spices	46	68	5,11	5,25
Misc.	71	71	4,35	4,37
Hides, skins and fur skins	86	62	3,56	3,48
Tobacco (manufactured and unmanufactured)	1,26	79	9,01	5,15
Imports:				
Iron and steel	17,33	10,78	73,71	45,54
Electric machinery	3,21	2,02	17,36	24,97
Other machinery	13,01	9,71	80,43	122,00
Transport equipment	11,62	6,33	35,28	48,27
Raw cotton	4,54	5,21	31,76	24,25
Petroleum products	7,91	3,24	49,54	28,02
Organic chemicals	2,13	2,24	13,37	12,15
Wool and other animal hair	1,32	1,03	6,84	5,43
Medical and pharmaceutical products	1,43	1,43	8,17	5,78
Raw jute	71	66	5,80	5,06

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manu-factures	Raw Jute	Jute Manu-factures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manga-nese Ore
1955-56	12,751	2,763	974	213	111	57	149	29	517	412	41	330	43	143
1956-57	13,585	2,963	1,022	219	108	56	207	24	610	427	30	368	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,,	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,,	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,,	1,245	208	103	22	10	6	16	2	78	39	3	34	7	18
May ,,	2,468	522	219	45	21	13	34	4	129	77	6	69	4	33
June ,,	5,592	755	234	57	30	18	48	5	164	109	9	101	7	48
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	128	13	62
August ,,	5,781	1,379	529	84	39	25	67	8	206	183	13	177	19	81
September ,,	6,303	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source:*—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 2nd Jan., 1958	31,111
	Corresponding week, 1957	57,826
	1st Sept. to 2nd Jan., 1958	337,089
	Corresponding period, 1957	456,997
Cotton Exports	Week ended 2nd Jan., 1958	3,974
	Corresponding week, 1957	15,260
	1st Sept. to 2nd Jan., 1958	29,024
	Corresponding period, 1957	68,031
Mill Consumption (Estimated)	1st Sept. to 2nd Jan., 1958	447,166
	Corresponding period, 1957	451,802
Stock (with exporters, dealers and mills) in Bombay (Estimated)	On 2nd Jan., 1958	437,234
	Corresponding date, 1957	447,837
Cotton Exports from Bombay (by sea)	During November, 1957	5,306
	During November, 1956	8,243
	1st Sept., 57 to 30th Nov., 1957†	9,268
	1st Sept., 56 to 30th Nov., 1956	27,298
Karachi (Pakistan)—		
Receipts	1st Sept. to 26th Dec., 1957	573,077
	Corresponding period, 1956	683,074
Exports	1st Sept. to 26th Dec., 1957	178,735
	Corresponding period, 1956	269,384

Particulars	From 1st September to 6th Jan., 1958 Bales	From 1st September to 6th Jan., 1957 Bales
From Bombay to Cotton Shipments to—		
United Kingdom	1,005	7,628
Continent	773	5,472
Hongkong	1,030	4,638
China		3,027
Japan	14,875A.	42,026
U.S.A.	910A.	475
Other Countries	691	342
Total to all foreign countries	19,884A.	63,608
Coastal Ports	9,972†	7,360
Total	29,856	70,968

Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	October, 1957	372,781
Foreign		48,415
Indian	Two months ended Oct., 1957	771,906
Foreign		97,725
Indian	Same Period 1956	747,901
Foreign		104,226
Stocks in Mills and Elsewhere)—		
Indian	As on 31st Oct., 1957	779,044
Foreign		204,989
Indian	As on 31st Oct., 1956	1,082,772
Foreign		180,218
Cotton Pressed in India† (In running bales)	Week ended 27th Dec., 1957	304
	Corresponding week, 1956	—
	1st Sept., to 27th Dec., 1957	121,018
	Corresponding period, 1956	644,161
	Season	826,227

‡ By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st to 31st Oct., 1957. A.=Adjusted. § Includes Zoda and Yellow Pickings, etc.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1926–28	68,30,35,000	1960–70	100.50
3 % Loan	1938–39	116,17,46,000	1968–85	93.70
2½ Loan	1950	30,88,10,000	1964	94.00
2½ Fg. Loan	1943	1,10,11,78,000	1956–66	91.40
2½ Dev. Loan	1948	1,15,05,83,000	1970–75	85.75
2½ 2nd V. Loan	1948	1,19,58,54,000	1956–61	98.95
3 % Loan	1941	59,35,53,000	1958	99.80
2½ Loan	1948	48,63,07,000	1960	97.25
2½ Loan	1946	87,00,89,000	1961	94.55
2½ Loan	1946	14,77,48,000	1974	83.10
2½ Loan	1947	75,86,73,000	1962	94.70
2½ N. F. Bonds	1953	78,29,00,000	1961	99.60
2½ N. F. Loan	1954	1,85,17,90,000	1964	97.70
2½ N. F. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.60
2½ Loan	1955	87,57,58,000	1962	97.90
2½ N.F. Bonds (4th Series)	1956	33,81,83,000	1967	97.60
3 % Loan	1956	66,61,95,000	1974	98.25
2½ N.F. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1972	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896–97	8,93,34,000	At option of Government after three months notice. On September, 1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.00
REPATRIATE STERLING LOANS				
4½ % Loan	1928	5,85,73,000	1958–65***	100.50
STATE LOANS				
4 % Andhra	1955	5,00,15,000	1st Sept. 1967	96.70
4 % Andhra	1956	6,56,15,000	3rd Sept. 1966	96.70
3 % Bombay	1944	3,04,13,000	15th Aug. 1964	99.25
3 % Bombay	1949	4,49,76,000	9th Aug. 1965	98.80
3 % Bombay	1950	3,83,70,000	31st July 1960	98.80
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.00
4 % Bombay	1955	4,15,90,000	17th July 1963	98.25
4 % Bombay	1956	5,45,95,000	1st Aug. 1964	99.10
4 % Bombay	1956	9,87,61,000	1st Sept. 1967	98.25
4 % Bombay	1957	8,07,08,000	3rd Sept. 1970	98.00
4½ % Bombay	1957	4,00,00,000	1960	99.75
4 % Bihar	1955	1,54,08,000	1st Sept. 1967	96.40
4 % Bihar	1956	2,13,15,000	3rd Sept. 1966	96.40
3½ % Cochin	1945	1,00,00,000	16th Dec. 1955–58	96.00
3½ % Cochin	1956	70,00,000	1st June 1956–61	97.75
3½ % Howrah Bridge (New)	1936–37	1,05,66,700	1954–66	94.12
4 % Hyderabad	1955	2,15,46,000	1st Sept. 1967	97.10
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1966	97.10
4 % Madras	1949	1,23,98,000	21st June 1959	98.25
4 % Madras	1954	1,97,98,000	15th Aug. 1963	99.00
3 % Madras	1945	2,78,44,000	14th Sept. 1960	96.80
3½ % Madras	1946	3,81,77,200	1st Sept. 1961	98.50
3½ % Madras	1946	4,85,23,000	21st Sept. 1961	96.80
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.80
4 % Madras	1953	10,35,71,000	15th Aug. 1963	98.25
4 % Madras	1954	5,34,81,300	1st Aug. 1964	98.12
4 % Madras	1956	10,47,17,000	1st Sept. 1967	97.05
4 % Madras	1956	13,85,96,000	3rd Sept. 1966	97.05
4 % Madras	1956	2,95,58,200	1st Dec. 1956–68	100.50
3 % Mysore(f)	1926	5,09,73,000	30th Apr. 1966–61	98.27
4 % Mysore	1947	5,98,05,000	15th Jan. 1957	98.70
4 % Mysore	1953	3,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	96.40
4 % Mysore	1956	1,11,11,000	3rd Sept. 1966	96.80
4½ % Mysore	1957	3,00,00,000	1960	98.77
3 % M.P.	1944	55,50,000	15th Aug. 1958	98.70
3 % M.P.	1945	2,83,28,800	15th Sept. 1964	93.00
3 % M.P.	1950	1,01,45,000	31st July 1960	96.00
3 % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
3 % M.P.	1955	1,10,18,000	15th July 1963	98.25
4 % M.P.	1955	1,68,12,000	1st Sept. 1967	96.50
4 % M.P.	1956	1,58,42,000	3rd Sept. 1966	96.80
4 % Saurashtra	1956	3,61,56,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1966	98.10
4 % Trav. Cochin	1955	3,35,51,000	15th July 1963	98.50
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1966	95.75
3½ % U.P.S.A.	1932	41,44,790002		94.00
3 % U.P.	1936	1,56,55,000	15th Sept. 1961–66	97.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1946	2,17,22,000	14th Sept. 1960	96.25
3 % U.P.	1946	2,16,59,000	1st Sept. 1961	96.80
3½ % U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
4 % U.P.	1955	6,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1956	5,65,16,000	15th July 1963	98.25
4 % U.P.	1956	9,58,54,000	1st Sept. 1967	96.45
4 % U.P.	1956	8,76,76,000	3rd Sept. 1966	97.00
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1966	96.80
4 % Orissa	1956	3,05,99,000	3rd Sept. 1966	96.60
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1966	96.40

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market Quotation
		BOMBAY		
Rs.				Rs.
26,50,000	4	1904	1964	
25,00,000	4	1905	1965	
18,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.50N
40,00,000	4	1909	1970	
55,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1912*	1950	D
80,26,000	4	1912	1974	96.50N
50,00,000	4	1914	1974	96.50N
10,00,000	4	1915*	1950	
58,00,000	4	1915	1975	
61,61,000	4	1922*	1950	
11,51,000	4	1924*	1950	
19,35,000	4	1924*	1950	
35,00,000	5½	1929*	1959	
15,50,000	5½	1930*	1950	D
12,50,000	5½	1931*	1961	
12,50,000	5½	1932*	1962	
24,50,000	5½	1934*	1964	
15,00,000	5½	1936*	1956	
48,84,000	5½	1936*	1960	
15,00,000	5½	1936*	1956	
7,00,000	5½	1941	1971	
		CALCUTTA		
Rs.				Rs.
90,24,388	4	1914	1974	97.75
75,00,180	4	1915	1975	97.75
1,00,00,000	4½	1921	1961	98.00
65,08,3800	6½	1921	1981	144.00N
41,99,300	5	1928	1958–68	102.00
90,00,000	5½	1931	1961	95.00
80,00,000	5½	1935	1965	97.00
25,00,000	3	1938	1963–68	90.00
25,00,000	3	1939	2006	76.00
50,00,000	3	1946	1976	86.50
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	3½	1947	1977	79.50
50,00,000	3½	1948	1978	88.75
50,00,000	3½	1949	1979	93.25
50,00,000	3	1948	1968	98.25
50,00,000	3	1948	1988	86.00
1,00,00,000	3	1949	1969	86.00
1,00,00,000	3	1950	1960	97.00
50,00,000	3	1950	1970	91.75
50,00,000	3½	1951	1981	97.50
50,00,000	3	1952	1972	97.25
50,00,000	3	1952	1992	86.00
1,00,00,000†	4	1952	1964	97.75
2,50,00,000†	4	1953	1968	97.75
2,50,00,000†	4	1954	1969	97.50
1,50,00,000	4	1956	1968	97.50
		CALCUTTA		
Rs.				Rs.
36,00,000	5	1928	1948	102.00
25,00,000	5	1928	1958	102.00
10,00,000	5½	1928	1962	110.00
33,91,000	5	1928	1965	94.00
60,00,000	5	1928	1968	90.00
47,50,000	3	1938	1968	90.00
16,56,800	4	1940	1957	99.75
17,64,400	3½	1943	1963	98.50
21,10,000	3½	1943	1973	98.50
15,40,000	3½	1951	1966	97.00
16,33,000	3½	1951	1971	97.50
66,86,000	3½	1951	1966	97.50
87,56,000	4	1952	1962	99.25
72,50,000	4½	1954	1978	100.00
		MADRAS		
Rs.				Rs.
15,00,000	3½	1961	1961	107.00N
10,00,000	3½	1952	1962	107.50

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repay-able	Market quota-tion
		BOMBAY		
Rs.				Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
60,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
20,00,000	4	1905	1965	97.75
15,00,000	4	1906	1970	N
20,00,000	4	1907	1967	
20,00,000	4	1908	1968	
25,00,000	4	1912	1972	
50,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	4	1916	1974	96.50N
40,00,000	4	1918	1978	
65,00,000	5	1919	1957–79	118.00N
25,00,000	5	1920	1955–80	
25,00,000	5	1926	1956–86	115.00N
10,00,000	5	1927	1961–70	98.00N
			1966	
		STERLING LOAN		
£366,600		1906	1956	98.50N
£338,000		1910	1970	108.50N
		CALCUTTA		
Rs.				Rs.
35,00,000	5½	1929	1958	104.00
50,00,000	4	1954	1964	99.00
85,00,000	3½	1935	1965	94.00
30,00,000	3	1935	1965	90.00
80,00,000	3	1937	1968	91.00
50,00,000	3	1938	1963–68	90.00
80,00,000	4	1956	1968	99.25
1,08,00,000	4	1956	1968	99.00

MUNICIPAL LOANS

		BOMBAY		
Rs.				Rs.
20,00,000	4	1918–19	1974	97.00
10,00,000	4	1922	1962	110.00N
25,00,000	5	1928	1968	102.00
25,51,500	5	1928	1958	102.00
8,35,00,000	3½	1939	1969	84.10
2,50,00,000	3½	1949	1979	84.10
4,00,00,000	3½	1950	1980	84.10
2,50,00,000	4	1950	1964	97.75
1,50,00,000	3½	1951	1966	97.00
1,00,00,000	3	1952	1968	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,00,000	3	1953	1968	97.75
2,50,00,000†	4	1954	1968	97.50
1,50,00,000	4	1956	1968	97.50
		CALCUTTA		
Rs.				Rs.
36,00,000	5	1928	1948	102.00
25,00,000	5	1928	1958	102.00
10,00,000	5½	1928	1962	110.00
33,91,000	5	1928	1965	94.00
60,00,000	5	1928	1968	90.00
47,50,000	3	1938	1968	90.00
16,56,800	4	1940	1957	99.75
17,64,400	3½	1943	1963	98.50
21,10,000	3½	1943	1973	98.50
15,40,000	3½	1951	1966	97.00
16,33,000	3½	1951	1971	97.50
66,86,000	3½	1951	1966	97.50
87,56,000	4	1952	1962	99.25
72,50,000	4½	1954	1978	100.00
		MADRAS		
Rs.				Rs.
15,00,000	3½	1961	1961	107.00N
10,00,000	3½	1952	1962	107.50

STERLING LOANS

£892,500	5	1923	1953–83	£80.00
£901,000	5	1924	1954–84	£80.25
£886,100	5½	1925	1962	£91.00
		MADRAS		
Rs.				Rs.
31,47,169	3½	1947	1977	
9,88,000	3½	1947	1977	A
8,00,000	3½	1947	1977	
45,00,000‡	4½	1954	1964	

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.00
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,80,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.00

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105·00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec.	70·00	100
Brew & Co. T.F.C.	8,00,000	1875	6½	Mar. Sep.	82·00	100
Champore Sugar Works T.F.C.	10,00,000	1905–24	8	Feb. Aug.	109·50	100
Doaba Sugars (Kisan) T.F.T.C.	7,00,000	1929	7	July Apr.	5 8/6d	10
East India Distilleries T.F.C.	£20,000	1897	7	Jan. July	16 4/0	£1
Gwalior Sugar T.R.C.	6,75,000	1919	7	Dec. ..	60·00	100
Do. (Non-redeem.)	5,40,000	1940	7	Dec. ..	60·00	100
Jurbahpore Co. T.C.	6,00,000	1922	10	Oct. ..	13 50	10
Gunnaur Cane T.F.C.	10,00,000	1933–36	6	Aug. ..	97·00	100
Gwalivam Sugar ..	20,00,000	1943	5½	Oct. Apr.	89·00	100
South Behar Sugar T. ..	5,00,000	1926	7	Oct. ..	29·00	100
Travancore C.T.F. ..	15,00,000	1946	5	Dec. ..	96·00	100
Upper Ganges T.F.C. ..	12,00,000	1932	5	Dec. ..	90·00N	100
Do. T.C.R.O. ..	15,00,000	1916	5	Dec. ..	70·00N	100
COAL						
Bengal-Nagpur T.F.C. ..	1,12,500	1905	7	Jan. July	87·00xd	100
Borea T.F.C. ..	4,00,000	1896–97	6½	Oct. Apr.	95·00	100
Burrakur (1st) T.F.C. ..	22,99,800	1901–19	7	Apr. Oct.	99·00	100
Do. (2nd) T.C. ..	4,50,000	1946	6	.. ..	6 50xd	10
Sanitable T.F. ..	4,00,000	1895	6	Mar. Sept.	90·00	100‡
Karanpura Collieries T.C. ..	9,89,500	1916	5½	.. ..	51·00	75p.
†Khas Kajora C. ..	1,93,000	1931	5	Mar. Sept.	3·00N	10
New Beerbhoom T.F

STOCK & SHARE QUOTATIONS

Abbreviations:—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares:—If a company has different classes—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts:—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends:—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
60,00,000	5,87,500	1,01,25,595	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	2.02	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	24,000	1,021	B. K. Cotton Mills	24.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.T.
2,50,00,000	3,12,58,051	5,98,22,946	3,51,00,992	2,41,362	Nowrosjee Wadia & Sons, Ltd. ..	50,448	3,984	Bombay Dyeing & Mfg. Z	50.00	25	20.00	25.00*	25.00	0.751	12	Y.
10,00,000	48,58,860	54,14,259	42,32,976	14,115	Ramnarain Sons Private Ltd. ..	17,256	860	Bradbury Mills	151.00	50	75.00*	15.00	20.00	15.00	3	Y.P.
1,00,42,800	2,83,31,209	6,06,56,976	2,32,01,693	7,61,731	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg. ..	392.75	100	22.00	22.00	22.00	8.001	12	Y.
49,00,000	25,42,324	1,19,99,765	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director) ..	40,068	698	Colaba Land & Mill	55.00	100	*Nil*	*Nil*			12	Y.
26,00,000	13,03,889	90,15,997	57,80,041	17,016	Cowasjee Jehangir & Co., Ltd. ..	24,848		Coorla Spg. & Wvg.	134.50	100	7.50	7.50	12.50*		12	Y.
16,00,000	24,86,996	69,10,881	54,06,041	2,17,076	Ramnarain Sons Private Ltd. ..	40,992	680	Dawn Mills	82.00	50	6.00	15.00			12	Y.
24,00,000	40,06,185	1,13,54,400	62,28,676	2,28,479	Puranmal Rubna Sons	48,718	928	Edward Textiles	220.00	200	15.00	18.00	15.00		12	Y.
20,08,050	16,71,233	1,20,97,050	78,22,690	95,787	M.	42,124	886	Elphinstone Spg. & Wvg. ..	48.00	50	3.00	5.00	15.00		12	Y.P.
30,00,000	67,54,875	1,41,78,008	82,93,207	73,257	James Finlay & Co., Ltd. ..	48,004	784	Finlay Mills	253.00	100	16.00	20.00	20.00		12	Y.
50,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	40,540	1,020	Gold Mohur Mills Ltd. ..	171.50	100	12.50	15.00	15.00		12	Y.
11,84,000	1,31,31,482	1,71,88,661	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills..	5,075.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
15,00,000									992.50	250	25.00	75.00	81.25	87.50*		
2,50,00,000	66,89,572	4,90,61,319	3,54,60,000	1,29,960	Agarwal & Co.	2,44,300	6,278	India United Mills	9.52	0.100	*Nil*	0.94	0.92		12	Y.
									1.28	0.10	*Nil*	0.19	0.18			
3,65,000	1,12,51,255	1,60,59,952	1,06,65,093	75,722	M.	47,984	1,122	Indian Mfg.	4,000.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
35,000									—	500	112.50	150.00	150.00	162.50*		
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	140.00	100	12.50	12.50	10.00	10.00(c)	6	Y.P.
1,00,00,000	1,23,00,000	3,59,01,531	2,78,94,101	1,62,892	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	264.00	100	18.00	18.00	18.00	6.00	12	Y.
22,13,050	43,06,720	1,22,08,423	64,68,440	55,199	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	59.00N	50	5.00	8.00*	8.00*		10	Y.T.
51,75,000	88,44,612	2,04,74,625	1,23,16,228	23,230	Piramal Sons Private Ltd. ..	71,652	1,652	Morarjee Goculdas Spg. & Wvg.	202.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,95,00,000	5,52,034	Chinai & Co. Private Ltd. ..			National Rayon Corporation	215.50	100	10.00	12.00	14.00*		6	Y.P.
24,00,000	29,50,456	78,05,743	48,70,077	53,192	New City of Bombay Mfg. ..	45,244	422	New Great Spg. & Wvg. ..	125.00	100	10.00	12.00	10.00		12	Y.
80,00,000	22,91,492	95,52,554	67,37,035	215	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	223.00	100	10.00	12.00	10.00		12	Y.
48,00,000	54,20,707	1,61,29,392	1,02,32,041	4,06,677	Raimarain Sons Private Ltd. ..	62,208	1,190	Phoenix Mills	120.00	100	8.00	10.00			12	Y.P.
40,00,000	45,74,554	48,69,967	24,25,000	4,72,633	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	140.00	100	10.00	12.00*	12.00*	12.50*	3	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783		M.			Sassoon & Alliance Silk Mfg.	7.48	10	0.50	0.50	0.25(c)		12	Y.
87,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,06,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	30.00	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,061	1,12,05,790	61,47,202	9,90,705	Marwar Textiles (Agency) Ltd. ..	69,070	1,540	Shree Nivas Cotton Mills ..	144.50	100	14.00	12.00	12.00		12	Y.P.
42,00,000	83,02,179	98,78,309	78,08,752	96,917	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	159.00	50	11.00	10.00	12.00		12	Y.
87,80,000	2,50,82,705	2,77,88,972	1,62,08,915	2,59,059	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	393.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,08,483	2,51,02,081	1,33,02,736	29,151	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	179.75	100	8.00	12.00	14.00*		12	Y.P.
56,00,000	65,13,465	1,37,20,469	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	39,328	552	Swan Mills	305.00	100	20.00	25.00	25.00		12	Y.
65,57,875	58,74,500	2,01,57,228	80,31,256	17,925	Tata Industries Private Ltd. ..	65,448	1,800	Tata Mills	38.25	25	2.50	4.00	3.50*		12	Y.P.
12,60,000	1,21,86,655	1,45,81,207	95,78,967	93,935	M.	45,508	1,308	Western India Spg. & Mfg.	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

AHMEDABAD

40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	125.00	100	5.00	7.00	12.00	5.00	6	Y.P.T
10,00,000	94,58,068	94,37,398	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Aruna Mills	560.00	100	20.00	30.00			12	Y.P.
40,00,000	2,97,83,861	1,95,82,179	97,29,203	15,274	Narottam Lalbhai & Co.	66,412	1,216	Arvind Mills	1,062.00	100	25.00	35.00*	35.00*		12	Y.P.
20,00,000	81,75,009	96,34,384	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,884	892	Aryodaya Ginning & Mfg. ..	420.00	200	15.00	25.00*			12	Y.P.
12,00,000	1,43,05,808	95,70,783	63,81,730	17,257	Lalbhai Dalpatbhai & Co.	37,588	914	Asoka Mills	928.00	100	22.00	30.00	30.00		12	Y.P.
1,37,50,000	3,49,54,519	5,14,69,792	2,56,06,336	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,372	Calico	663.00	125	18.00		30.00		12	Y.P.
62,91,000	62,38,059	1,26,33,243	95,76,063	3,458	Tricumlal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	425.00	1,000	70.00	80.00	100.00*	80.00	3	Y.P.
99,00,000	72,52,436	1,32,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	49,264	1,092	New Shorrock Spg. & Wvg.	684.00xd	125	35.00	35.00			12	Y.
15,00,000	67,78,770	67,78,443	36,49,912	21,803	Jagabhai Bhogilal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	840.00	100	30.00*	20.00	20.00		12	Y.P.
30,00,000	1,10,62,606	99,61,102	66,28,955	1,77,073	Lalbhai Dalpatbhai & Co. ..	33,828	636	Rajpur Mfg.	805.00	100	25.00	35.00*	35.00*		12	Y.P.
32,50,000	14,78,207	1,07,01,469	71,42,808	17,84,740	Lalbhai Gordhandas Ltd.	35,156	648	Rohit Mills	150.00	100	9.00	*Nil*			12	Y.P.
57,96,300	2,75,84,105	1,92,47,853	1,05,24,569	2,63,336	Harivallabhdas Kalidas & Co.	94,128	1,783	Shri Ambica Mills	585.00	50	20.00	27.00*	30.00*		12	Y.P.
19,52,500	62,31,263	78,08,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg.	570.00	100	25.00*	25.00			12	Y.
35,00,000	87,34,105	1,19,54,140	83,17,270	59,446	Haridas Achratlal & Co., Ltd. ..	36,176	740	Vijaya Mills	600.00	500	85.00*	85.00*	50.50*		12	Y.P.

WEST BENGAL

15,00,000	2,82,800	85,86,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	5.62	10	0.50	0.50	0.60		12	Y.P.T
7,11,280	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director) ..	38,292	925	Bengal Luxmi Cotton Mill ..	32.00N	40	4.00	4.00	4.00			
8,00,620																
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	110.00	100	*Nil*	*Nil*	*Nil*	4.00	3	Y.P.
19,00,000	26,17,431	1,15,16,740	74,67,879	3,50,325	Kettlewell Bullen & Co., Ltd. ..	42,944	518	Dunbar Mills	130.00	100	*Nil*	2.50	6.00		12	Y.P.
80,08,000		60,00,197	15,93,197	2,682	Birla Brothers Private Ltd. ..	4,852	206	Jay Shree Textiles Ltd. ..	10.12	10	0.87	*Nil*	0.37		12	Y.
1,60,00,000	2,29,43,320	3,76,14,833	1,31,26,833	1,85,672	Birla Brothers Private Ltd. ..	74,672	1 992	Kesoram Cotton Mills	15.06N	10	0.87	0.87	1.00		3	Y.T.
19,47,7000	7,45,000	4 84,571	26 70,548	3,936	Hazareemull Meeralal	23,036	795	Rampooria Cotton Mills ..	15.06N	10	0.62	1.00	1.00		3	Y.P.
5,00,0000									4.00N	1D	*Nil*	0.34	0.26		6	Y.

SOUTH INDIA AND OTHER CENTRES

1,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00	100	*Nil*	12.50	15.00		9	Y.
72,00,000	17,60,681	1,85,99,228	69,71,682	95,455	C. S. Tyabjee, Esq.	36,139	716	Azam Jahi Mills	62.00	100	*Nil*	3.50(c)	5.00	12.50	6	Y.
1,21,50,000	2,50,15,697	3,39,77,404	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd. ..	40,068	1,157	Bangalore Woolen, Cotton and Silk Mills	166.00	100	30.00	30.00	30.00	5.00	9	Y.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	81.00N	10	3.00	3.00	3.00	4.00	3	Y.P.
1,78,47,800	2,77,73,212	6,69,41,316	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic ..	155.00	100	10.00	10.00	10.00	1.50	3	Y.
20,00,000	20,00,000	42,35,535	23,90,012	53,534	Peirce, Leslie & Co., Ltd. ..	37,536	4	Cambodia Mills	9.50	10	*Nil*	0.50	0.50	4.00	12	Y.P.T
15,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,000		Canmanore Spg. & Wvg. ..	160.00	100	20.00	12.50	15.00		12	Y.P.
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.44	5	0.50	*Nil*	15.00	20.00	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Coimbatore Cotton Mills ..	155.00	100	*Nil*	0.62	0.75	0.25	3	Y.
19,01,056	19,01,056	41,37,634	30,65,709	10,589	R. Bhoema Naidu & Co.	28,864	..	Coimbatore Mfg. Co.	155.00	100	25.00	25.00	25.00	0.00	3	Y.P.
18,15,000	7,25,195	39,16,552	24,29,833	..	T. A. R. Chettiar Sons & Co. ..	22,810	..	Coimbatore Murugan Mills ..	141.00	100	17.50	20.00	20.00		12	Y.
20,00,000	19,95,000	38,59,430	24,25,921	14,323	T. R. N. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills ..	225.00	100	20.00	20.00	12.00		12	Y.P.
20,76,000	2,05,076	1,24,06,676	88,06,276	10,417	R. G. S. Naidu & Co.	67,228	1,620	Coimbatore Spg. & Wvg. ..	67.00	50	6.00	8.00	10.00		6	Y.P.
40,87,500	46,12,622	2,50,83,371	1,62,61,854	13,215	Central India	83.00	100	Tata Industries Private Ltd. ..	83.00	100	2.00	3.00	*Nil*		12	Y.
24,43,911	15,50,000	92,00,552	40,27,014	15,780	Travancore Cotton Mills ..	13,200	316	R. Hanumanthappa & Son ..	155.00	100	12.00	9.00	9.00		6	Y.P.
3,35,36,222	3,10,24,830	11,79,09,463	6,78,07,135	2,77,593	R. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	28.50	25	2.25	2.25	2.50	2.00	3	Y.
1,00,563										24	0.28	0.22	0.25	2.00	6	Y.T.
48,00,000	22,25,000	69,71,855	46,12,585	..	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	207.00	100	20.00	30.00	40.00	0.80	6	Y.P.
63,00,000	93,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13.00	10	1.00	1.00	25.00		12	Y.
48,81,000	37,59,771	1,06,45,241	73,45,088	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	156.00	100	13.00	15.00	15.00		12	Y.P.
2,50,00,000	2,55,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..			New City of Bombay Mfg. ..	125.00	100	10.00	12.00	14.00*		6	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United	117.00	100	6.00	9.00	*Nil*		3	Y.P.
8,90,000	10,65,683	31,40,455	19,97,477	..	G. Y. Naidu & Co., Ltd.	25,756	..	Janardhana Mills	75.00	50	5.00	10.00	10.00		12	Y.
15,54,000	18,24,703	45,22,324	33,88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00			12	Y.
4,62,65,300	3,24,05,304	4,34,50,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,680	Jiyaji Cotton	10.80	10	4.00	4.00	50.00		6	Y.
42,00,000	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	300	Kothari Textiles	10.30	10	0.50	1.00	0.55	0.25	6	Y.
32,00,000	67,91,510	1,69,61,585	1,26,19,465	20,376	M.	60,452	1,219	Lakshmi Cotton Mfg.	432.50	250	33.75	42.50	42.50	1.00	6	Y.P.
71,28,200	66,35,960	2,12,88,797	1,17,05,975	4,183	G. K. Naidu & Co.	93,150	201	Lakshmi Mills	102.00	50	10.00	12.50	12.50	7.50	12	Y.P.
35,64,100									50.00	25	5.00	6.25	12.50	10.00		
1,75,02,480	4,24,40,278	5,83,51,924	3,77,47,982	32,44,130	A. & F. Harvey Ltd.	53,000	..	Madura Mills	23.75	15	1.50	2.00	2.25	5.00	3	Y.
12,00,000	3,67,383	29,03,362	18,76,709	213	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	99.00	200	*Nil*	3.00	2.62		12	Y.
6,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	353.00	100	22.50*	35.00	42.50		12	Y.
29,80,884	19,58,081	92,42,488	53,37,785	19,662	N. Sirur & Co. Private Ltd. ..	52,408	704	Minerva Mills	71.50	100	5.00(c)	6.00	6.00	20.00	3	Y.
94,91,850	21,56,146	1,71,94,799	78,81,528	1,85,098	M.	52,408	952	Model Mills (Nagpur)	177.50	250	5.00(c)	6.00	6.00		12	Y.
24,83,500	48,52,478	1,18,48,711	71,02,473	35,037	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	95.00	50	8.00*	6.00(c)	7.50		6	Y.
12,61,780		29,15,641	17,83,314	3,966	K. Tipperudrih (Chairman)	6,000	..	Mysore Sugar Silk Mills ..	53.50	100	*Nil*	*Nil*	6.00*	9.00*	6	Y.P.
87,20,400	47,50,246	1,71,25,376	67,31,363	2,593	M.	87,788	902	Osmanshahi Mills	53.50	100	*Nil*	*Nil*	2.50(c)	*Nil*	3	Y.
4,00,000A	13,00,000	65,46,779	25,36,447	8,530	Palani Andavar Mills	41,200	..	Palani Andavar Mills	135.00	50A	12.00	12.00	3.00(c)		9	Y.
6,00,000B									135.50	75B	18.00	18.00	4.50(c)			
15,00,000		34,19,570	18,82,524	9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	44.50	100	*Nil*	*Nil*	22.50		12	Y.P.
16,81,200A	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Guruasamy Naidu & Co. ..	55,664	300	Radhakrishna Mills	244.00	100A	16.00	20.00	4.00(c)		12	Y.
8,40,000B									120.00	50B	8.00	10.00	20.00			
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	33,896	..	Rajalakshmi Mills	70.00	50	10.00	10.00	10.00		12	Y.
16,14,300	12,00,000	35,92,216	17,41,434	10,510	Ramco Agencies Ltd.	24,926	..	Rajapalayam Mills	185.00	100	6.00	10.00	7.50		12	Y.
22,31,750	12,40,000	49,64,423	21,30,815	32,012	Rayalaseema Development Co. ..	14,800	..	Rayalaseema Mills	112.00	100	9.00	10.00	10.00		12	Y.P.
15,00,000									700.00	1,000	*Nil*	*Nil*	10.00		12	Y.
10,000	1,60,55,917	3,13,49,031	2,05,07,227	—1,85,20,798	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	—	500	*Nil*	*Nil*	*Nil*		12	Y.
86,69,700	20,26,386	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills ..	80.00	50	4.50	5.00	5.00		3	Y.P.
15,00,000	3,43,80,155	99,62,153	79,53,780	30,60,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	6.00	7.00	7.00	8	Y.
17,50,0000	2,36,28,081	5,18,52,120	1,81,83,924	8,35,712	Jalpuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur) ..	11.50	100A	0.75	1.15	0.75		12	Y.P.
67,50,000P									11.00	10P.C.	1.15	0.75	1.15			
1,00,08,295	50,06,584	3,85,56,288	1,62,42,715	2,63,690	Ernoete & Sons (Travancore), Ltd.			Travancore Rayons	10.75	10	0.62	0.75	1.15		12	Y.P.T
13,98,670	9,50,000	17,49,881	12,41,858	62,937	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	12.35	10	0.89	0.89	1.12		12	Y.
21,00,000	38,50,000	80,75,834	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	278.00	100	15.00	20.00	20.00	50.00	12	Y.
32,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,355	Vishnu Cotton	101.00	100	4.00	8.00	8.00	8.00	12	Y.P.

• Includes bonus. † The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. ‡ Made up of 4,854 shares of Rs. 40 each—Rs. 80 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up.

M.=Managed by Board of Directors. X.R.=Ex-Right. (c) Paid out of Reserves. Y=For fifteen months ended 31st March, 1957. Z=Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957. § On old capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari ..	7.75xd	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,030	26,75,014	29,38,961	16,22,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	7.75	5	0.50	0.56	0.56		8	Y.
£549,950	£1,149,466	£1,757,928	£841,807	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	28.50	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,00,000	24,10,352	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	168.50xd	75	15.00	15.00	15.00	15.00	3	Y.

CEMENT

61,18,220	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd. ..	Andhra Cement Co.	10.85	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6000	13,13,132	1,44,65,792	53,48,979	4,59,343	Eastern Corporation Ltd.	Assam Bengal

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,12,38,493	1,56,73,314	4,805	M.	Bengal Paper Mills	80 25	25	3 12	4 69	2 50		12	Y.P.T.
63,00,000	69,34,258	1,24,92,172	52,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp †‡	19 50	10	14 00	1 39 2/5	1 39 2/5	1 40	3	Y.
25,00,000	20,12,500	1,48,27,689	77,57,946	47,608	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15 50	10	0 75*	0 75*	1 00*	1 00*	3	Y.P.T.
1,46,82,500	2,46,75,045	6,94,16,697	1,37,53,645	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	22 90	10	0 94	1 12	0 62	1 50	3	H.P.T.
1,25,40,000	95,75,903	1,56,40,302	1,00,79,701	3,18,038	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills ..	14 50	10	1 50	1 25	1 25		6,12	
40,00,000	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	{ 11 00	O. 10	0 75	1 25	1 05		3,9	H.P.T.
							{ 11 00	A. 10	0 75	1 25	1 05			
20,00,000 A.	49,18,056	3,75,66,264	57,92,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	8 36	10	*Nil*	5 00‡	0 50		6	Y.P.
2,18,58,240							{ 31 81xd	A. 10	1 50	2 00*	1 12*	2 37*	8	Y.P.
56,00,000 A.	2,50,000						{ 31 81xd	B. 10	1 50	2 00*	1 12*	2 37*		
56,01,000 B.	3,70,50,474	6,78,40,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd.	Titaghur Paper Mills Co., Ltd.	{ 3 81	P.O. 2½	0 25	0 25	0 12	0 25		
4,37,500 P. O.														
PRESSING														
8,00,000	3,25,572	13,912	11,912	20,934	Andrew Yule & Co., Ltd. ..	Calcutta Hydraulic	65 00N	100	4 00	*Nil*	*Nil*		6	Y.
8,00,000	2,47,132	10,91,809	9,30,374	20,289	Andrew Yule & Co., Ltd. ..	Central Hydraulic	90 00	100	5 00	5 00	6 00		6	Y.
PROPERTY AND LAND														
10,00,280 O.	7,30,843	43,74,650	23,83,280	90,047	M.	Humayun Properties	{ 12 25N	O. 10	0 60	0 60	0 60		9	Y.P.
2,00,000 D.	25,22,469	7,33,363	52,646	—16,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	{ 16 50	100	4 00	3 00	*Nil*	*Nil*	4	Y.P.
94,00,000														
SAW MILLS AND TIMBER														
13,99,998	22,83,439	32,33,742	11,96,031	.....	Bird & Co. (Private) Ltd. ..	Assam Saw Mills	1 50	3	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000	4,13,54,388	3,98,84,871	1,71,93,141	39,548	Wallace & Co.	Bombay-Burmah Trading Corps.	{ 526 50	Ord125	20 00	37 50	40 00	18 75‡	5	Y.
42,00,000							{ 204 00	New50	8 00	15 00	13 75	7 50‡		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	41 75	10	2 75	3 00	3 00		6	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	6 25	5	0 75	0 06	*Nil*		6	Y.
12,00,000 A.	29,80,260	55,40,831	36,32,435	12,12,090	Narang Bros. & Co. Private Ltd.	Basti Sugar	{ 125 00N	A. 100	10 00	10 00	10 00		4	Y.T.
8,00,000 B.							{ 11 50N	B. 10	1 00	1 00	1 00			
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	40 00	74	3 75	3 75	3 75		9	Y.
15,00,000	13,51,513	18,12,168	12,47,844	2,339	Cotton Agents Private Ltd. ..	Bharat Sugar	13 50N	10	1 50	1 50	1 50		6	Y.P.T.
82,90,000	27,44,459	1,40,84,581	95,71,755	20,716	Gladstone Lyall & Co., Ltd. ..	Cawnpore Sugar	6 00	10	0 75	0 25	*Nil*		6	Y.P.
30,00,000	65,65,722	1,63,37,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	12 06	10	0 75	0 75	0 75		10	Y.P.
18,00,000	39,52,380	81,58,685	55,46,244	29,503	Begg, Sutherland & Co. Private Ltd.	Deoria Sugar	19 50	10	1 00	1 50	1 00		8	Y.
9,58,252	2,59,762	25,14,152	16,98,383	5,464	K. C. Thapar & Bros. Private Ltd.	Hindustan Sugar Mills ..	10 00N	10	0 75	0 50	0 50		8	Y.T.
50,00,000 A.	44,95,000	1,02,71,005	67,56,074	33,123	Bachhraj & Co. Private Ltd. ..		{ 275 00	A. 100	15 00*	15 00*	15 00		6	Y.P.
10,00,0000.							{ 100 00	O. 100	15 00*	15 00*	15 00			
12,00,000	8,61,001	75,81,309	42,63,455	27,926	Kilachand Devchand & Co. ..	Kesar Sugar	54 00	40	*Nil*	2 25	4 00		7	Y.P.
7,80,100	22,35,852	44,42,878	22,31,723	3,730	Cotton Agents Private Ltd. ..	New India Sugar Mills ..	26 00	10	2 50	2 50	2 50		6	Y.P.
11,00,000	4,45,000	46,39,636	27,41,293	10,796	K. C. Thapar & Bros Private Ltd.	New Savan	4 50	10	0 25	0 25	0 37		6	Y.
12,38,000	48,01,854	71,25,062	24,33,984	9,769	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	{ 200 00N	100	20 00	20 00	20 00		6	Y.
61,575							{ 50 00N	25	5 00	5 00	5 00			
77,45,050	55,05,899	2,04,73,468	1,05,50,000	20,563	Cotton Agents Private Ltd. ..	Oudh Sugar	80 00N	100	10 00	11 00	11 00		7	Y.P.
12,00,000	19,03,817	31,06,894	21,49,459	24,602	Narang Bros. & Co. Private Ltd.	Punjab Sugar	10 00	10	0 75	0 75	0 75		10	Y.
9,00,000	19,04,817	43,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Ryam Sugar	21 25N	10	0 50	*Nil*	*Nil*		6	Y.P.
8,00,000	6,10,793	25,74,028	22,66,740	12,204	M.	Samastipur Central Sugar ..	11 75	10	0 50	*Nil*	1 75		6	Y.
11,00,000	19,38,539	45,20,102	24,12,129	3,554	Begg, Sutherland & Co. Private Ltd.	Shree Krishna Gyanoday Sugar	9 88	10	1 50	1 75	1 00		8	Y.P.T.
39,70,525	22,68,560	1,40,84,561	68,35,097	16,381	Sahu Jain Ltd.									
9,99,950	26,825	28,20,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	4 75	10	*Nil*	*Nil*	*Nil*		6	Y.
						Shri Sitaram Sugar	11 62	10	1 50*	1 00	1 00		8	Y.T.
15,89,962	13,10,991	33,41,287	18,97,008	88,761	M.	South Bihar Sugar	{ 1 12N	O. 10	*Nil*	*Nil*	*Nil*		10	Y.P.T.
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.		{ 0 31N	D. 24	*Nil*	*Nil*	*Nil*			
4,40,0000.						Upper Ganges Sugar	35 00N	10	2 50	2 50	3 00		6	Y.P.
8,00,000	29,24,348	1,15,70,815	68,03,754	32,829	Cotton Agents Private Ltd. ..	United Provinces Sugar ..	12 87	10	1 25	1 50	0 60		9	Y.
16,00,0.0	7,66,859	32,69,951	26,58,926	29,564	M.									
Other Centres														
80,00,000	8,00,000	48,07,304	14,63,228	1,90,837	Rangarao & Co.	Andhra Sugars Ltd.	17 75	10	*Nil*	0 60	1 00		9	Y.
70,13,650	1,18,45,705	1,59,14,782	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	234 00xd	50	16 00	16 00	16 00	18 00	9	Y.
17,50,000	8,96,583	33,66,588	22,70,669	33,669	A. H. Bhiwandiwalla & Co. ..	Bharat Sugar Industries Ltd.	19 00	10	1 00	2 00	1 50		9	Y.P.
15,00,000	57,08,165	32,89,314	3,24,598	35,744	A. H. Bhiwandiwalla & Co. ..	Shree Gajendra Sugar	29 00	12-8	1 00	2 00	1 50		6	Y.
15,00,000	12,65,973	40,71,511	29,64,506	14,799	Sir J. P. Srivastava & Sons (M.R.) Ltd.	Gwalior Sugar	12 25	100	1 75	1 00	1 50		6	Y.P.
15,00,000	14,89,827	38,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	12 90	10	1 00	1 00	1 00		12	Y.P.
7,50,000	12,13,785	46,34,173	11,11,565	32,569	R. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	{ 14 50N	10	1 50	1 50	1 50		9	Y.
29,62,553	45,51,089	42,51,227	21,05,827	18,645	Govan Bros. (Rampur), Private Ltd.		{ 130 00	O.100	7 50	7 50	7 50	7 50	10	Y.
23,57,620						K. C. P. Ltd.	{ 130 00	D. 10	10 00	10 00	10 00		6	Y.P.
10,32,2000.	70,50,000	1,79,03,447	85,20,265	26,868	V. Ramakrishna Sons (Private) Ltd.									
2,87,1000.						Kesoram Industries	38 50	10	2 00	2 00	2 00		9	Y.
21,74,250	86,24,818	1,29,89,142	82,51,728	2,63,107	S. Muninanjappa, Esq. (Mg. Director)	Mysore Sugar	148 00	50	8 00	8 00	8 00		9	Y.
50,00,000	53,60,540	1,09,70,631	63,85,454	93,981	Matatilal, Apte and Kantilal Ltd.	Ramnuggur, Cane and Sugar ..	17 75	10	1 50	2 00	2 00		9	Y.P.T.
16,50,800	41,20,000	58,54,984	31,76,680	1,25,729	Anderson Wright Ltd.		{ 125 00	O. 50	2 50	5 00	12 00		9	Y.P.T.
20,00,0000.	35,02,395	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd.	Ravalkaon Sugar Farm	7 00N	D. 10	*Nil*	0 07	0 70		9	Y.P.T.
4,00,000 D.							15 50	10	0 75	1 50			10	
13,99,600	47,65,324	48,85,213	22,94,524	44,168	Govan Bros. (Rampur), Private Ltd.	Raza Sugar	9 00	10	*Nil*	*Nil*	0 75		7	Y.
80,00,000	25,16,000	62,19,329	24,74,579	77,353	Parry Co., Ltd.	Travancore Sugars	273 00	100	16 00	18 00	21 00	1 00	9	Y.P.
1,01,00,000	1,08,46,263	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd.	Travancore Sugar & Chemicals								Y.P.T.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd. ..	Bengal-Assam Steamship Co. ..	104 00	100	7 50	7 50	7 50		10	Y.P.
1,00,00,000	82,00,000	4,21,63,342	1,45,20,689	128,612	Dunlop (Private) Ltd. ..	Bharat Line	80 00N	100	5 00	5 00	6 00		12	Y.
90,00,000	1,42,35,068	4,90,84,346	86,21,345	1,85,509	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19 88	10	1 00	*Nil*	1 00	1 50	6	Y.P.
						India General Navigation & Rly. Co.	52 00	£10	Sh. 10	Sh. 10			6	Y.P.
	£655,580	£1,098,108	£5,814,160	£3,397,531	£32,063	India Steamship Co.	10 84	10	*Nil*	*Nil*	1 00	1 00	12	Y.P.
2,25,00,000	1,74,74,239	12,78,96,545	2,83,26,759	2,70,984	Lionel Edwards (Private) Ltd.	Scindia Steam Navigation Co.	17 98	20	0 50	0 50	1 00	1 00	6	Y.P.
9,30,98,000	9,00,12,101	22,64,99,394	4,85,66,202	5,62,020	M.	Walford Transport Ltd.	1 53	O. 1	0 12	0 14	0 14		6	Y.T.
8,40,8000.	18,26,615	12,00,284	7,86,760	1,66,513	R. B. Alyer, Esq. (Manager) ..		{ 1 56	P.O. 1	0 11	0 12	0 12		12	Y.
2,10,200 P. O.														
UNCLASSIFIED (Bombay)														
2,40,000	71,000	5,68,321	4,22,869	339	Forbes, Forbes Campbell & Co., Ltd.	Bombay Sale Deposit	500 00N	200	32 00	32 00	30 00		9	Y.
15,98,860	2,91,173	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47 50	80	4 50	*Nil*			12	Y.
25,00,000	1,00,000	20,18,548§§	68,584‡	96,198	A. J. C. Hoskyns-Abrahall (Chairman)	Dawkaran Ranji Investment Co.	19 96	10	0 75	0 75	0 81	0 81	3	Y.
5,57,00,000	1,03,93,754	4,55,59,017	1,03,65,563	94,16,738	Birla Brothers Private Ltd. ..	Hilsonian Lever	121 50	100	10 00	10 00	1 25		12	Y.
31,07,000	10,29,510	1,00,45,989	67,14,407	14,086	Cotton Agents Private Ltd. ..	Hind Cycles	36 00	50	2 00	3 00		12.50F.	3	Y.P.T.
14,38,440	3,01,500	28,81,284	19,40,793	22,010	Choonilal Manilal Private Ltd.	Hindustan Investment Trust ..	66 00	100	4 50	4 50	3 00		3	Y.P.
99,99,250	20,12,980	1,22,60,0655§§	3,23,874	1,23,875	Premchand Roychand & Sons	Killick Industries	156 00	100	11 00	11 00	11 00		12	Y.
1,00,00,000	28,08,446	38,85,170	11,25,734	2,758	K. G. Milne, Esq. (Mg. Director)	Premier Automobiles	87 70	100	*Nil*	*Nil*	*Nil*	11 00	12	Y.
2,20,13,775 A.O.	39,14,265	3,06,50,581	1,49,05,326	6,05,448	Aero-Auto Private Ltd. ..	United Motors (India) Ltd. ..	19 00	20	2 00	2 00	0 00		6	Y.T.
10,21,200	5,05,419	8,09,102	5,79,914	7,356	Sir Joseph Kay (Chairman)	Western India Match Co., Ltd.	16 00	100	11 00*	11 00*	11 00*		12	Y.
2,75,00,000	1,35,45,829	3,14,34,161	1,50,08,376	5,02,238	Mr. A. Hydari & Mr. S. Gothberg	W. H. Brady & Co., Ltd. ..	283 75	150	20 00	20 00	22 50	11 00*	12	Y.
45,00,000	62,52,390	7,44,904	5,09,715	60,677	Sir Joseph Kay, K.B.E. (Mg. Director)								12	Y.
Other Centres														
57,50,000	1,99,56,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	{ 9 81	D. 10	*Nil*	*Nil*	0 50	0 09	3	Y.
2,50,000							{ 26 75N	D. 24	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	32,25,000	68,17,870	28,12,985	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	13 15	10	1 25	1 25*	*Nil*	*Nil*	3	Y.
30,00,000	39,18,873	34,21,252	22,04,853	8,35,874	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	14 00	10	1 25	2 00*	2 00*	1 25	8	Y.
30,00,000	15,70,000	39,82,721	21,20,441	1,72,873	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15 25*	10	1 25*	2 00*	2 00*		8	Y.
20,00,000	32,47,885	1,02,58,021	36,87,830	2,45,122	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	5 25N	10	0 20	0 40	1 20		3	Y.P.T.
80,01,400	98,61,293	69,52,106	37,02,106	5,03,375	M.	Balmer Lawrie & Co., Ltd. ..	151 00	100	13 00	12 50	15 00		12	Y.
12,00,000	12,56,000	33,30,386	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd.	28 50	10	2 50	2 25	2 75		12	Y.
20,00,000	8,05,715	62,28,4925§§		37,657	Lovelock & Lewis	Birds Investment Ltd.	13 00	10	1 25	1 25	1 00		9	Y.
45,97,270	34,61,814	1,14,31,995	37,07,455	1,84,083	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	4 12	10	1 00	1 00	1 00	1 00	3	Y.
8,25,00,000	1,55,55,571	3,06,98,577	2,33,80,121	1,92,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	8 37	10	0 25	0 50	0 10		3	Y.P.T.
1,35,80,000	17,34,264	2,00,95,9405§§		8,16,584	Andrew Yule & Co., Ltd. ..	Clive Row Investment	20 50	10	1 50	1 50	1 38	0 75	12	Y.
1,50,00,000	3,40,86,174	5,55,01,695	2,48,71,167	13,24,595	John Luckham, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	104 50	100	9 00	9 00	9 00		12	Y.P.T.
51,25,000	54,10,811	1,72,17,3675§§		3,27,916	Hird & Co. Private Ltd.	Eastern Investments Ltd. ..	133 00	100	15 00	15 00	15 00		12	Y.
14,00,000	9,35,000	34,02,164	19,69,339	34,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	10 87	10	0 75	1 40	4 00	12.50	12	Y.
65,00,000	53,17,300	19,73,012	9,18,963	89,541	J. F. E. d'A. Willis, Esq.	Gillanders Arbuthnot & Co., Ltd.	240 00	250	6 25	6 25	15 00		3	Y.P.
30,00,000	15,17,354	83,08,871	36,24,683	74,215	V. P. N. Syndicate	Great Eastern Hotel	5 00	10	*Nil*	*Nil*	*Nil*	15 00	3	Y.P.
49,87,700	10,00,000	4,37,26,577	1,61,88,541	7,92,903	Birla Brothers Private Ltd.	Hindustan Motors	12 94	10	*Nil*	0 00	*Nil*	*Nil*	3	Y.P.
2,01,10,000	56,50,543	3,80,45,268	1,96,84,142	7,97,410	E. S. Greenwood (Mg. Director)	Indian Aluminium Co., Ltd. ..	25 25	10	1 00*	1 25*	1 00		12	Y.
1,52,89,220	1,46,00,000	2,99,86,001	86,85,093	41,81,852	B. J. Woodley, Esq. (Mg. Director)	Indian Cables	25 50	10	0 50	0 50	0 50	1 50*	12	Y.P.T.
2,27,570	6,03,000	16,74,908	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	11 75	10	0 50	0 50	0 62		3	Y.P.
15,16,00,000	24,02,01,694	9,85,79,293	1,62,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	53 00	100	7 50	7 50	8 00	0 70	3	Y.
2,00,00,000	76,27,615	39,02,307	12,08,923	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	{ 215 00	O.100	17 00	22 50	7 50	2 50	3	Y.
40,00,000	80,86,000	26,18,922	8,72,670	2,57,234	A. T. Dolz, Esq. (Mg. Director)	McLeod & Co.	{ —	D.O.10	1 20	1 75			12	Y.P.
5,00,0000.						Martin Burn Ltd.	24 37	10	1 38	1 81	2 12*		9	Y.P.
1,43,96,500	81,82,796	24,06,298	13,34,790	2,70,207	T. Leslie Martin, Esq. (Mg. Director)	Metal Box Co. of India, Ltd. ..	22 25	10	1 00	1 25	1 62	1 75	3	Y.P.
1,13,00,000	1,17,09,151	2,62,36,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman)	Mysore Glass and Enamel Works	3 75	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
6,35,585	1,821	7,68,660	2,60,987	—1,57,648	Shankar Rao P. Ozarle, Esq. ..	Mysore Lamp Works	15 25	10	1 00	0 75	0 75	1 25	3	Y.
6,56,250	6,07,000	11,29,680	5,97,262	43,554	Mr. J. L. D'Sa (Chairman)	Mysore Tobacco	13 50	10	1 25	1 00	1 25	1 50	3	Y.
10,00,000	3,70,000	16,47,590	10,18,129	1,03,841	M. Malleshayya, Esq. (Chairman)	National Carbon Co. (India) Ltd.	23 87	10	0 40	0 32	1 50	1 50	3	Y.
2,00,00,000	78,15,505	1,50,98,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director)									
2,00,00,000	74,71,172	63,80,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	23 00	10	1 00	1 50*	2 00*		3	Y.T.
40,00,000						National Rolling & Steel Ropes	10 06	10	0 50	0 50	0 50		3	Y.P.
					Do.	National Tobacco Co.	8 87	10	0 50	0 80	0 55		12	Y.P.T.
40,00,000	15,00,000	93,19,395	21,17,403	9,02,640	B. N. Elias & Co. Private Ltd.	Rallis (India) Ltd.	28 25	100	*Nil*	0 80	0 75	6 00	3	Y.
79,97,005	38,12,466	1,20,51,899	61,75,108	—44,12,938	M. P. A. Paspatti, Esq.	Rohtas Industries	15 37	10	*Nil*	*Nil*	*Nil*		8	Y.
2,87,00,000	8,71,248	1,43,28,415	49,402	Sahu Jain Ltd.		{ 100 00N	100	1 50	1 50	1 50	1 50		3	Y.P.T.
2,28,00,000	1,37,70,209	10,60,39,211	3,96,22,768			{ 50 00N	50	..	..	0 00	2 50	3 00		
4,73,200	51,836	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	16 75	10	1 50	1 50	2 50		3	Y.P.
5,13,400						Spencer & Co., Ltd.	10 06	10	1 00	1 50	1 50		6	Y.P.
40,00,000	87,06,558	1,21,67,804	73,09,327	6,32,212	C. W. Stephenson, Esq.	Shaw Wallace & Co., Ltd. ..	27 00	10	1 25	1 00	1 50		12	Y.
75,00,0000.	17,19,008	57,03,035	7,05,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Travancore Ogale Glass	2 70	10	*Nil*	1 00	1 00		12	Y.
9,98,380		14,51,909	4,53,782	—47,988	Ogale Bros. (Private) Ltd.				*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

† On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.

†† Investments at cost. ‡ Includes bonus. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.

M.—Managed by Board of Directors.

◆ Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,988	.....	Meleod & Co., Ltd.	325	Amluckie	25 00	10	75 00	10 00	5 00		12	Y.P.
2,76,500	5,71,500	11,19,937	3,89,763	49,669	M.	312	Ananda (Assam) Tea ..	24 00	10	7 50	1 00	2 00		12	Y.
7,00,000	6,43,250	12,23,333	3,34,393	39,951	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	23 75xd	10	9 00*	1 00	1 25		12	Y.
6,50,000	11,21,541	17,56,465	7,08,427	53,593	McLeod & Co., Ltd.	573	Badamari	17 50	10	3 50	1 00	1 00		12	Y.
5,10,000	9,85,000	12,90,911	6,32,795	1,30,178	Andrew Yule & Co., Ltd. ..	378	Basmatia	24 00	10	8 00	1 50	2 00		12	Y.
2,30,000	5,10,000	12,75,996	8,08,524	1,30,178	National Tea Corporation ..	570	Batell	28 50	5	4 00	2 50	3 00		12	Y.
6,40,000	7,40,000	11,16,644	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23 75xd	10	10 00*	2 00	2 50		12	Y.
32,00,000	15,33,332	62,88,222	28,40,322	3,16,326	Williamson Magor & Co., Ltd.	3,067	Bishnauth	17 06	10	5 50	2 00	2 00		12	Y.
35,00,000	16,53,333	62,88,222	28,40,322	3,16,326	Williamson Magor & Co., Ltd.	485	Bokakhat	12 75	10	1 00	*Nil*			12	Y.
6,00,000	2,50,000	11,47,111	2,50

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	3,82,505	34,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	2.90	2	0.25	0.30	0.21	0.45	5	Y.P.
26,91,900	24,50,000	52,61,468	5,69,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.25	3	0.75	0.45	0.75	0.52	2	Y.P.
18,00,000	31,00,000	39,79,846	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries	28.50xd	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,69,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	28.50xd	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,725	9,11,782	50,961	6,831	M.	Cottanad Plantations	12.00xd	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,81,442	37,145	A. V. Thomas & Co., Ltd.	Highland Produce	11.90	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	18,33,825	2,21,241	4,859	A. V. Thomas & Co., Ltd.	Kalpetta Estates	20.25xd	10	2.00	2.75	2.00		4	Y.
13,50,000	3,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq.	Malankara Rubber	15.10	10	2.25	2.25	3.25	2.25	3	Y.
27,00,000	28,79,287	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd.	Midland Rubber	14.60	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd.	Nenmeny Rubber	13.40	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	13.75	10	1.00	1.50	1.50		12	Y.P.T.
19,45,980	21,29,915	43,87,395	14,23,968	*Nil*	Peirce, Leslie & Co., Ltd.	Ouchterloney Valley Estates	4.88	2	0.61	0.40	0.21		10	Y.P.T.
13,50,000	8,66,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd.	Rajagiri Rubber	14.12xd	10	1.75*	2.00	2.50	2.00	6	Y.P.
6,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd.	Savamala Estates Ltd.	4.05	2	0.50	1.00	1.50		11	Y.
10,00,000	3,01,000	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd.	6.65	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd.	Thamarapally Rubber	20.40	10	3.00	3.00	3.00		12	Y.P.
9,15,300	4,00,000	20,99,924	96,217	27,055	Peirce, Leslie & Co., Ltd.	Thirumbadi Rubber Co., Ltd.	1.88	1	0.09	0.12	0.12		9	Y.T.
6,00,000	32,566	7,71,251	1,36,210	2,287	Espen Thomas, Esq.(Mg. Director)	Travancore Rubber	13.75	10	2.00	3.00	2.00		12	Y.
41,00,000	13,61,221	81,07,222	12,54,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6.08	10	1.50	1.25	0.75		12	Y.P.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crosafield Ltd.	Valkundam (Travancore) Rubber	26.25	10	2.25	2.50	3.50	2.00‡	12	Y.
6,95,000	1,44,567	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.80xd	10	1.50	2.00	1.25	1.00	8	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
6,00,000	47,00,000	1,06,27,544	56,37,664	29,690	B. N. Ellias & Co. Private Ltd.	879	Agarpara	6.94	10	0.62	0.62	0.25		3.9	H.T.P.
60,00,000	10,25,000	53,46,050	37,72,102	2,45,707	McLeod & Co., Ltd.	446	Alexandra	105.00	100	7.50	10.00	5.00‡		6.12	H.P.T.
30,00,000	5,25,000	1,17,61,827	94,41,069	34,402	McLeod & Co., Ltd.	1,264	Alliance	80.50	100	12.00	6.00	*Nil*		6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	131.50	100	7.50	8.50	3.50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,985	55,34,726	—3,79,016	Bird & Co. Private Ltd.	810	Auckland	72.00	100	3.50	10.00	1.00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,85,094	65,302	Birla Brothers Private Ltd.	959	Bally	148.00	100	*Nil*	8.50	*Nil*		3.9	H.P.
£275,000	£474,507	£1,628,482	£9,23,109	....	Sir John H. Burder (Chairman)	1,389	Barrasgore	64.00	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
28,00,000	26,56,128	94,87,700	51,49,231	1,830	Andrew Yule & Co., Ltd.	820	Belvedere	64.00	100	10.00	7.50	*Nil*		12	Y.P.
45,00,000	38,45,000	57,03,172	31,25,574	2,65,100	Soorajmull Nagarmull	600	Bengal	11.50	10	1.12	1.12			6	Y.P.T.
91,26,000	2,17,48,383	3,34,10,402	1,45,32,651	4,37,393	Birla Brothers Private Ltd.	1,373	Birla	13.50	10	1.00	1.00	1.00		3	Y.P.
36,00,000	21,09,926	1,17,00,893	72,35,319	4,184	Andrew Yule & Co., Ltd.	901	Budge-Budge	65.00	100	9.00	7.50	*Nil*		10	Y.P.
7,47,380	3,09,640	42,13,704	31,02,883	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7.00	10	0.75	*Nil*			6.12	H.P.T.
18,00,000	26,46,234	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd.	616	Caledonian	160.00	100	9.00	6.50	*Nil*		11	Y.P.
59,16,400	76,49,239	2,28,64,628	1,19,60,548	—7,24,043	James Finlay & Co., Ltd.	600	Champdany	108.00	100	8.00	10.00	2.00	*Nil*	3	Y.
25,95,000	23,29,252	82,73,756	57,70,175	8,665	Andrew Yule & Co., Ltd.	530	Cheviot	110.00	100	14.00	10.00	2.00		11	Y.P.
30,15,000	32,00,000	66,68,762	48,43,666	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	11.37	10	1.12	1.37	0.621		6.12	H.P.T.
24,00,000	9,00,000	81,05,335	67,13,337	25,935	Shree Krishna Investment Co.,Ltd	969	Clive	12.37	10	*Nil*	1.25x	0.50		3	Y.P.
31,49,200	44,50,392	1,35,02,698	51,19,167	—8,75,531	Bird & Co. Private Ltd.	766	Dalhousie	70.00	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
29,00,000	40,51,879	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd.	779	Delta	88.00	100	12.00	10.00	5.00		11	Y.P.
15,00,000	34,50,000	83,98,104	60,85,860	76,491	McLeod & Co., Ltd.	500	Empire	15.50	10	1.25	1.25	0.50‡		6.12	H.T.P.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd.	1,098	Fort Gloster Industries Ltd.	285.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.58	10	20.00	20.00	0.75K	1.50	3	H.P.T.
84,32,100	....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	49.25	100	0.50	2.50	*Nil*		3.9	H.P.
10,80,000	28,68,943	76,08,097	50,72,167	11,510	M.	807	Gondalpara	550.00	800	*Nil*	*Nil*	50.00		12	Y.T.
24,00,000	24,50,000	2,22,46,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,894	Gourepore	205.00	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	60,68,233	1,28,36,137	58,58,639	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	5.00		3	Y.P.
16,80,000	18,61,969	66,47,731	47,79,916	—2,96,263	Baijnath Bajoria	720	Hooghly	12.00	10	0.50	1.25	*Nil*		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	18.19	10	1.25	0.87	0.25	*Nil*	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	16.50	7.50	2.00	2.00	2.00	1.50	3	
87,00,000 } 30,000 }	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	105.00 O. 74.00	125 100	3.12 8.00	4.69 2.50	4.69 *Nil*		3 6.12	Y. H.P.T.
24,00,000 } 19,00,000 ‡	20,90,135	1,92,31,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	72.50 'B'	100	8.00	2.50	*Nil*		6.12	H.P.T.
30,00,000 } 24,00,000 }	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,524	Kankanarrah	45.00 'B'	100	6.50	1.00	*Nil*		6.12	H.P.
21,00,000	53,00,000	1,35,18,975	86,26,121	91,338	McLeod & Co., Ltd.	703	Kelvin	198.00	100	20.00	17.50	5.00‡		3	Y.P.
54,00,000	23,33,375	1,96,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,530	Khardah	115.00	100	12.50	11.00	5.00	8.00	3	Y.P.
48,00,000	81,53,808	2,36,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	97.00	100	7.00	13.00	6.00	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	70.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	45,53,647	1,41,73,663	66,14,075	—7,78,386	Bird & Co. Private Ltd.	840	Lawrence	80.00	100	6.00	6.00	*Nil*	*Nil*	3	Y.P.T.
31,65,200	26,86,645	2,64,18,349	1,26,97,809	1,64,942	M.	1,288	Megna	80.00	100	2.50	8.75	3.75		3.9	H.
29,98,900	34,62,195	1,65,70,566	86,70,690	—13,08,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	65.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
20,00,000	15,55,000	29,01,554	18,21,709	17,316	Howrah Trading Co., Ltd.	425	Naskarpara	12.00	10	1.12	1.25			4.10	H.T.
35,00,000	41,29,326	81,71,346	10,66,470	17,339	Andrew Yule & Co., Ltd.	852	National	28.00	10	2.00	1.75	0.75		10	Y.P.
26,25,000	27,00,000	28,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	11.62	10	0.75	1.00	0.50‡		6.12	H.P.T.
85,50,000	2,86,31,171	4,68,82,343	1,06,43,534	3,39,607	Sahu Ltd.	1,765	New Central†	11.62	10	17.00	1.50	1.50		12	Y.P.
16,79,880	46,58,882	1,28,54,122	66,38,490	9,227	Bird & Co. Private Ltd.	567	Northbrook	16.00	10	1.25	1.50	1.50	*Nil*	3	Y.P.T.
66,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	29.50	50	0.50	1.00	*Nil*	*Nil*	3	Y.P.T.
24,91,000	23,76,049	75,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd.	601	Orient	70.00	100	10.00	9.00	2.00		11	Y.
25,00,000	6,28,490	80,38,457	65,22,166	51,595	McLeod & Co., Ltd.	400	Presidency	8.81	5	0.31				6.12	H.T.
9,15,300	4,00,000	20,99,924	96,217	27,055	Peirce, Leslie & Co., Ltd.	305	Rameshwara	3.66	10	*Nil*	*Nil*	*Nil*	*Nil*	3	H.P.
6,00,000	32,566	7,71,251	1,36,210	2,287	Espen Thomas, Esq.(Mg. Director)	1,276	Reliance	5.56	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
49,50,000	4,80,552	1,24,75,806	64,70,616	—38,95,290	Aspinwall & Co. (Travancore) Ltd.	2,013	Samnuggur	8.75	£1	10%	3%21			3.9	H.
£569,000	£1,093,713	£1,246,244	....	£58,394	Thomas Duff & Co. (India) Ltd.	911	Shree Ambica	9.95	10	1.00	0.50			3.9	H.P.
30,00,000	13,14,910	1,15,50,877	79,96,145	7,972	Bagaria More & Co., Ltd.	401	Soorah	14.75	10	1.00	1.50			12	Y.P.T.
14,00,000	11,25,000	66,11,794	38,79,294	3,166	Hindustan Investment Corporation	650	Standard	55.00	100	2.00	1.00	*Nil*	*Nil*	3	Y.P.T.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,063	Bird & Co. Private Ltd.	1,794	Titaghur	8.75	£1	10%	3%21			12	Y.P.
£600,000	£925,119	£1,137,650	....	£88,548	Thomas Duff & Co. (India) Ltd.	1,326	Union	91.00	100	6.00	10.00	1.00	*Nil*	3	Y.P.T.
35,86,600	68,80,143	2,01,42,357	89,47,895	—13,51,940	Bird & Co. Private Ltd.	1,331	Victoria	8.75	£1	10%	3%21			12	Y.P.
£400,000	£688,035	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd.	457	Waverley	8.19	1	0.50	0.37	*Nil*		0.61	H.P.T
2,50,000	6,35,000	56,01,062	40,73,991	11,327	McLeod & Co., Ltd.										

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,780	Shaw Wallace & Co., Ltd.	Amalgamated Coalfields	14.75	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	12.00	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,350	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	9.37N	10	0.25	0.62	0.62‡		6.12	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,385	9,44,557	Andrew Yule & Co., Ltd.	Bengal Coal	228.00	100	30.00*	35.00*P	17.50	7.50	12	Y.P.
2,25,000	4,13,782	22,45,080	....	....	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		12	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd.	Bhalgora	6.25	10	*Nil*	*Nil*			9	Y.
40,00,000	8,00,000	1,39,06,662	71,05,188	27,433	Sahu Jain Ltd.	Bharat Collieries	5.87	10	0.62	0.62			3	Y.P.T.
7,15,000	15,11,080	52,82,538	37,38,500	—1,87,446	F. W. Heilgers & Co. Private Ltd.	Bhulanbararee	12.00N	10	*Nil*	*Nil*			6.12	H.T.
7,50,000	24,16,419	45,67,883	27,10,503	19,553	F. W. Heilgers & Co. Private Ltd.	Borrea	15.69	10	2.00	2.00	1.50		6.12	H.T.
90,92,480	69,04,448	4,25,18,901	1,95,93,458	92,891	Bird & Co. Private Ltd.	Burrakur	22.00	10	0.56	0.62	0.68		6.12	H.P.T.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	6.00	10	0.25	0.25	0.50	0.50	3	Y.
3,00,000	13,30,590	49,13,827	33,03,460	69,009	M.	Central Kurkend	11.00N	10	0.25	0.50	0.50‡		12	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churia	2.00	4	0.12	0.06	0.06		12	Y.
16,00,000	....	54,02,810	30,95,160	—3,86,508	Macneill & Barry Ltd.	Dhermo Main	7.62	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£28,677	Jardine Henderson, Ltd.	East Indian	21.62	£1	2.50	3.00	2.50	1.50	3	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	24.06	10	1.50	1.50	1.50		12	Y.P.T.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Mualia	14.50N	10	0.50	0.25			3	Y.
12,00,000	1,17,809	42,34,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	30.75	50	*Nil*	2.25	2.25	*Nil*	6	Y.P.
8,00,000	7,25,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1.75	2.50	1.50		12	Y.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	19.00N	10	*Nil*	*Nil*	*Nil*		2	Y.
20,00,000	2,21,575	33,57,576	5,71,179	1,062	Bird & Co. Private Ltd.	Karanpura Collieries	78.00	100	*Nil*	2.50	5.00	*Nil*	3	Y.P.
5,00,000	18,90,895	47,65,511	37,70,923	1,38,336	Andrew Yule & Co., Ltd.	Katras Jherriah	50.50	10	4.00	4.50	6.50	6.50	1	Y.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Beriwala & Co.	Khas Kajora	2.50N	10	*Nil*	*Nil*			6.12	H.P.
11,00,240	64,314	16,80,329	10,66,899	10,611	H. V. Low & Co. (Private) Ltd.	Kusrei	2.25N	10	*Nil*	0.12			6	Y.
9,00,000	11,11,926	28,38,749	22,36,193	4,706	H. V. Low & Co. (Private) Ltd.	Lakurka	8.81N	10	0.25	0.12			4	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nazira	5.50	10	0.50	0.50			12	Y.
7,00,000	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd.	New Bandeobpur	9.00N	10	1.25				3.9	H.
17,76,230	19,51,814	1,24,49,315	91,72,491	58,206	Andrew Yule & Co., Ltd.	New Beerbhoom	14.00	10	1.12	1.00	0.75		10	Y.P.
6,00,330	75,000	33,35,331	22,35,923	1,48,499	Octavius Steel & Co., Ltd.	New Manbhoom	10.56	10	*Nil*	*Nil*	*Nil*	0.50	3	Y.
1,15,000 } 1 57,500 }	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	21.00 18.00	10 7.50	*Nil* *Nil*	1.37 1.03	1.50 1.12		3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	18.00	10	1.00	1.00	0.75		12	Y.P.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Priva e Ltd.	Oriental Coal	8.00N	10	0.50	0.25			12	Y.T.
8,34,000	10,050	19,86,766	8,69,957	61,987	Deepchand Kishenlal	Parasea	12.50	10	0.75	1.00			6.12	H.P.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd.	Pench Valley	17.00xd	10	1.62	1.50	0.70	2.00	3	Y.
23,99,500	20,17,105	1,24,35,583	87,36,164	23,188	B. N. Elias & Co. Private Ltd.	Raneegunge	9.12	10	0.50	0.62	0.37		3.9	H.
13,50,000	10,49,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	15.75xd	10	1.37	0.87	0.75‡		6.12	H.
20,00,000	37,12,000	88,58,756	22,17,867	9,297	M.	Samla Collieries	10.50N	10	0.75	1.00	1.25		12	Y.
2,50,000	1,95,802	13,78,480	12,21,227	21,070	M.	Searsole	4.00N	2.50	0.62	0.75			1	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	28.25	7	2.00	2.50	2.25		12	Y.P.
8,00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	8.00N	10	0.12	0.25	0.25		6.12	H.T.
63,21,450	94,58,536	5,19,41,849	2,73,46,629	20,557	Industrial Trust Fund (Government of Andhra Pradesh)	Singareni	11.16xd	10	0.70	0.75	1.00		12	Y.T.
17,50,000	10,89,693	38,95,664	16,16,484	10,407	Bird & Co. Private Ltd.	South Karanpura	8.94	10	0.12	0.12	0.35		2.8	H.
8,00,000	14,01,053	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	15.00	10	1.50	1.00	1.00		12	Y.
10,00,000	....	31,92,694	15,43,902	—5,62,907	M.	Talcher	1.70	2.50	*Nil*	*Nil*	*Nil*		9	Y.T.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd.	Union	18.75	10	0.75	*Nil*	*Nil*		12	Y.
49,98,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal	5.00	10	0.37	0.50	0.50	0.50	3	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,058	Macneill & Barry Ltd.	West Jamuria	5.81	10	*Nil*	*Nil*	*Nil*		12	Y.

M—Managed by the Board of Directors. † Less income-tax. (x) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
* New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
‡—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

BRITISH ECONOMY

(*Concluded from page 8*)

both in passenger cars and commercial vehicles, very close to one-half of what it was producing. This is the best possible evidence of the continuing competitive qualities of the British engineering industry.

Some notable victories have also been gained in the new field of atomic power plants, where British industry has secured a clear lead over all its competitors.

Aircraft Industry

On the other hand, the year ended on a note of considerable uncertainty in the aircraft industry. It has been hit by changes in the Government's defence plans and by a contraction in the total amount of work available. It is, however, tackling these difficulties by measures to secure closer collaboration and, in some cases, complete integration between the activities of various groups of companies. Technical co-operation between the Bristol Aeroplane and Hawker Siddeley groups is an instructive example of positive response to new difficulties and problems.

Looking into 1958, two major question marks emerge. One is the uncertainty concerning the business situation in the United States. This must cause certain doubts about the ability of British industry to maintain its exports to the dollar markets at the high level of 1957. The other is the fact that a low level of commodity prices must impair the purchasing power of some of the traditional markets to which Britain exports. There is, however, no parallel between the late 1950s and the late 1920s. The world is not plunging into a major depression.

British industry remains, by and large, competitive, and is likely to retain its fair share of world markets throughout the coming year.

BANKING

(*Concluded from page 10*)

foreign, incidental to the times. Since then, the capital of the Bank has been more than once increased, the authorised capital from Rs. 60 lakhs to its present level of Rs. 1 crore and its paid-up capital from Rs. 12.80 lakhs in 1941 to Rs. 65 lakhs. The Bank's deposits have grown considerably, the pace of expansion being more rapid in the last two decades; they have swelled nearly tenfold from Rs. 3.30 crores at the end of 1937 to Rs. 32.56 crores at the close of 1956.

The Bank's profit, which amounted to only Rs. 2.43 lakhs in 1937, rose to Rs. 23.45 lakhs in 1946. It, however, declined to Rs. 12.57 lakhs in 1949. Thereafter, there was a steady increase to a peak of Rs. 45.71 lakhs in 1956. In 1957, the year of its Golden Jubilee, the Bank can be expected to have shared in the general prosperity for banks and establish a fresh record in its profit. From the very inception, the Directors of the Bank have been following a prudent policy of conserving as much as possible, with an eye on giving an adequate return to the shareholders at the same time. Thanks to this policy the reserves stand, as at the end of 1956, at Rs. 90.50 lakhs, that is nearly 150 per cent. of the paid-up capital. The distribution to shareholders ranged from 10 per cent. to 12 per cent. for some years, but was raised to 14 per cent. in 1944 and maintained at that level till 1948. In 1949, it was reduced to 11½ per cent. and kept steady at 12 per cent. during 1950 to 1955. It was stepped up to 13 per cent. in 1956.

The Bank has expanded its branches from 16 in 1932 to 120 in 1956. They are spread over seven States of the Indian Union, with three in the Federated Malaya States, and one each in Singapore and Ceylon. Even as early as 1908, the Bank had resolved to enter the field of foreign exchange. A beginning was, however, made in 1935, but the outbreak of World War II and the resultant complications of international finance prevented any large measure of advance. Since 1952, the

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,08,00,000	12,42,652	Allahabad Bank	359.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				179.50	50	9.00‡	9.00	9.00	4.50‡		
1,01,000				111.75	100	7.50	6.50	8.00	4.00‡	6,12	
40,38,540	16,63,000	2,93,939	Andhra Bank	98.00	85	3.75	4.54	5.59	3.40‡		H.
1,00,00,000	1,28,00,000	4,75,752	Bank of Baroda	106.00	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	18.00	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	15,54,924	Bank of India	133.25	50	7.00	8.00	8.00	3.00‡	6,12	R.L.Y.
50,00,000 'A'				134.00	50'A'	..	..	..	3.00‡		
15,30,375	28,00,000	67,486	Bank of Indore	63.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	37.50	50	2.00	2.00	2.50		12	Y.
50,00,000	84,00,000	5,91,911	Bank of Mysore	249.50	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
15,00,000	32,00,000	38,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00		12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80.00	50	5.00	5.50‡	5.00‡		12	Y.P.
5,72,229 'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	176.50	100'A'	12.50	12.50	15.00		12	Y.
23,787 'C'				1.86	1'C'	12½%	12½%	15%			
2,62,11,375	4,02,77,123	18,23,048	Central Bank of India Ltd.	52.50	25	3.00	3.00	3.50	1.50‡	12	R.L.Y.
52,42,375				54.80	25	3.00	3.00	3.50	1.50‡		
50,00,000	34,50,000	2,13,141	Devkaran Nanjee Banking Co.	47.25	50	2.00	2.50	3.00	1.50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	33.25	50	1.50	3.00	3.00		12	Y.
1,25,00,000	16,43,000	16,919	Hindustan Commercial Bank	8.50	50	*Nil*	*Nil*	..		12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank	8.00	50	*Nil*	*Nil*	..		12	Y.
44,00,000	90,50,200	8,13,491	Indian Bank	207.00	100	12.00‡	12.00‡	13.00	6.50‡	6,12	R.L.H.
21,82,515				178.00	80	7.20‡	7.75	9.75	5.20‡		
55,45,375	36,00,000	2,52,286	Indian Overseas Bank	148.00	100	6.00	7.50	10.00		12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	37.50	25	1.56	1.87	1.87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	49.00	25	3.00	3.50	4.00	2.50‡	12	Y.
1,00,00,000	26,20,000	45,060	Travancore Bank	16.20	25	0.75	1.00	1.00		12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7.56	5	0.24	0.37	0.44		12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	59.30	50	2.50	2.75	3.50		12	H.
PRINCIPAL EXCHANGE BANKS						**Dividend (per cent.)**					
£,3,500,000	£5,000,000	£409,308	Chartered Bank	£1-15-9	£1	15†	15†	15†		12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,039,578	Hongkong and Shanghai Banking Corporation	£43/4	H.K. $125	5*	5*	5*		12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£2-2-0	£1	15†	12†	13†		12	Y.
£375,000 'A'	£2,000,000	£224,521	Mercantile Bank Ltd.	£6-5-0	A £2½	14†	14†	14†		12	Y.
£375,000 'B'				£6-5-0	B £2½	14†	14†	14†			
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,667	£354,046	National Overseas and Grindlays Bank Ltd.	£1-0-0	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June .. 1962
4,00,000	5½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	97.00	28th February .. 1960
1,00,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1962-63
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	90.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	91.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1946	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (e)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (e)‡
COTTON						
8,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1927	89.00	15th November .. 1966 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (e)
13,71,000	5½	30th June and 31st December	Jayshree Textiles	1949	90.00N	1st January .. 1964-69
39,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (e)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.		97.00	14th June .. 1960
4,00,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (e)
£4,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (e)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
13,80,000	5	1st January and 1st July	Sijua (Dharrtah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1978 (e)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	98.50	30th September .. 1958-68
47,73,000	5	1st April and 1st October	Tata Power	1940	99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
30,00,000	5½	15th September and 16th March	Indian Rume Pipe (Bearer)	1942	97.50	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	84.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	96.25	1st October .. 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd.	1950	97.00	31st December .. 1960 (e)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	91.00	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1959
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Late Mill Co., Ltd.	1945	90.00	30th June .. 1960
10,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1959
10,69,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	80.00	30th June .. 1966
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (e)
8,86,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (e)
80,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (e)
25,00,000	5½	30th June and 31st December	Naihati	1952	90.00	31st March .. 1967 (e)
5,00,000	4½	14th November and 14th May	Neillmaria Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December	Presidency	1943	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1968 (e)
8,00,000	4½	14th March and 14th September	Soorah Jute	1937	91.00	14th September .. 1957
12,00,000	4½	30th June and 31st December	Union	1937	90.00	30th June .. 1957
10,00,000	5½	31st January and 31st July	Waverly	1925	80.00	31st July .. 1966
RAILWAYS ; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.10N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1950 (e) Any time on six months' notice (e)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	1st September .. 1963
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	
PLANTING						
12,50,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Teekoy	1944	100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.00	1st September .. 1964-69 (e)
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.00	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1960
1,00,00,000	4	31st March and 30th September	Dalmia Cement Bharat Ltd.	1946	87.00	1960
1,30,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971(e)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00	30th June .. 1969 (e)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	95.00	1964
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	500.00	30th September .. 1976 (e)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (e)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	99.00	30th June .. 1966-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (e)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1969
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. 1968(e)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. Any debenture outstanding on 1-6-1969 will be redeemed on that date with option redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1965, six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 9th January 1958.

	Closing quotations 24-12-1957	High	Low	Closing quotations 9-1-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	130.00	—	—	130.00
Apollo (2)	2.04	2.06	2.00	2.04
Bombay Dyeing (25)	49.80	51.20	49.00	50.90
Bradbury (50)	152.50	—	—	152.50
Central India (100)	75.50	80.00	74.00	85.00
Century Mills (100)	382.00	396.75	379.50	394.50
Colaba (100)	55.00	55.00	53.00	53.00
Edward Textile (200)	222.50	222.50	220.00	220.00
Elphinstone (50)	48.00	48.00	47.00	48.00
Finlay (100)	251.50	253.00	252.50	253.00
Gokak (100)	156.50	157.50	156.50	156.50
Ind. Untd. Defd. (1)	1.28	1.30	1.24	1.30
Ind. Untd. Ord. (10)	9.24	9.72	9.12	9.72
Indore Malwa (100)	113.50	118.00	113.00	117.50
Khatau (100)	140.00	—	—	140.00
Kohinoor (100)	259.50	265.50	258.50	264.50
Lakshmi (250)	435.00	—	—	432.50
Minerva Mills (100)	71.00	—	—	71.00
Model Naupur (250)	180.00	180.00	175.00	178.75
Morarji (100)	202.50	—	—	202.50
Mysore (50)	95.00	—	—	95.00
National Rayons (100)	211.25	217.50	211.25	216.00
New City (100)	126.25	128.00	125.00	125.00
New Great (100)	215.00	223.00	217.00	223.00
Phoenix (100)	116.25	—	—	118.25
Podar Mills (100)	142.50	142.50	140.00	142.50
Sassoon Silk (10)	7.48	—	—	7.48
Sassoon Spg. (10)	30.00	—	—	30.00
Sholapur (1,000)	700.00	—	—	700.00
Shrinivas (100)	143.25	144.50	142.00	144.50
Simplex (50)	154.00	160.00	155.00	160.00
Standard (100)	390.50	394.00	388.00	394.00
Svadeshi (100)	165.00	172.50	164.50	171.00
Swan (100)	305.00	—	—	305.00
Tata Mill (25)	38.00	38.75	37.75	38.50
Vishnu (100)	101.00	—	—	101.00
Western India (1,000)	4,520.00	—	—	4,520.00
BANKS				
Bank of India (50)	132.00	133.25	132.00	133.00
Do. (New) (50)	132.75	134.00	133.50	133.75
Bank of Baroda (50)	106.25	106.25	105.50	106.00
Central (25)	52.30	52.50	51.50	52.50
Central 'A' (25)	54.50	54.80	54.00	54.80
Dena Bank (50)	47.25	—	—	47.25
Punjab National (25)	49.00	—	—	49.00
Union Bank (5)	7.48	7.56	7.44	7.56
United Com. (50)	59.50	59.50	58.70	59.30
ELECTRIC COS.				
Ahmedabad (100)	94.20	95.00	94.10	95.00
Amalgamated (10)	10.52	10.52	10.08	10.08
Andhra Valley (1,000)	1,117.50	1,117.50	1,085.00	1,091.25xd
Bom. Sub-El. (100)	105.75	106.75	105.75	106.75
Surat (100)	106.50	106.75	105.75	106.75
Tata Hydro (100)	115.00	115.50	113.00	113.00xd
Tata Power (1,000)	1,155.00	1,157.50	1,125.00	1,142.50xd
INSURANCE COS.				
British India (10)	13.00	—	—	12.75
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	40.25	41.00	40.75	40.75
Jupiter (15)	9.12	9.20	9.12	9.20
New India (15)	48.00	50.25	48.00	49.75
Oriental (200)	3,830.00	—	—	3,830.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	15.60	16.12	15.60	16.12
STEEL COS.				
Ind. Iron (10)	18.56	19.20	18.32	19.12
Tata Steel Ord. (75)	160.50	165.75	159.75	164.75
SUGAR COS.				
Belapur (50)	252.00	252.50	233.00	233.00xd
Bhopal (10)	19.20	—	—	19.20
Phaltan (50)	146.50	149.00	146.50	147.50
Walchand Ind. (100)	265.00	278.00	265.00	273.00
CEMENT COS.				
Associated Cts. (100)	151.00	159.75	148.00	159.75
Digvijay (100)	133.25	138.50	132.50	137.50
MISCELLANEOUS				
Alcock Ashdown (100)	221.25	222.50	217.50	217.50
Bom. Burmah (125)	520.00	535.00	514.50	528.50
Do. (New) (50)	200.00	205.00	196.25	202.50
Br. H. Petrol (4 sh.)	1.78	1.80	1.72	1.72
Br. I. Corpn. (5)	4.08	4.42	4.00	4.00
C. P. Riy. (100)	58.30	58.80	57.50	57.50
Hindusthan Motors	5.80	6.88	5.72	5.72
Indian Copper (2 sh.)	2.86	2.86	2.78	2.78
Ind. Inv. Tr. (100)	66.06	66.00	65.50	66.00
Killicks (100)	155.00	156.00	155.00	155.00
Polson (100)	160.00	167.50	160.00	160.00
Pre. Automobiles (100)	87.50	88.00	86.50	
Premier Con. (30)	154.00	159.50	154.00	
Scindia (20)	17.06xr	17.20	16.92	
G. S. Shipping (10)	10.24xr	10.24	10.24	
Shivrajpur (10)	83.00	85.00	83.00	
Tata Chemicals (10)	12.80xd xr	12.88	12.20	
Tata Locomotive (100)	137.25	139.00	135.50	
Tata Oil (25)	35.00	35.25	34.50	
W. I. Match (100)	160.75	165.00	161.25	

GOVERNMENT SECURITIES	24-12-1957 Rs. nP	Gross Yield Earlier Redemption	Later Redemption
2½% 1961	94.35	—	4.20
2½% 1962	97.20	—	3.92
2½% 1962	94.60	—	3.99
2½% 1976	85.10	—	4.08
3 % 1958	99.80	—	3.28
3 % 1959–61	98.90	3.69	3.32
3 % 1964	98.25	—	4.06
3 % 1963–65	93.55	4.23	3.98
3 % 1966–68	91.30	4.17	4.06
3 % 1970–75	85.80	4.45	4.14
3 % 1986 Con. Loan	71.00	—	4.22*
4 % 1959–70	100.60	3.77	3.94
4½% 1958–68**	101.00	3.13	4.44
3½% 1961 N.P. Bonds	99.60	—	3.60
3½% 1964 N.P. Loan	97.75	—	3.87
3½% 1965 N.P. Bonds	97.65	—	3.89
3½% 1962	97.80	—	3.76
3½% 1967 N.P. Bonds	97.60	—	3.79
3½% 1974	98.25	—	3.89
3½% 1967 N.P. Bonds	99.60	—	3.80
4 % 1972 Loan	100.00	—	4.00

BRITISH GOVERNMENT SECURITIES

	Closing quotations 27-12-1957 £			Closing quotations 5-1-1958 £
2½% Brit. Consols	46⅞	—	—	47⅛
3 % Savings Bonds 1965-75	70⅛	—	—	70⅛
3% War Loan 1955-59	96⅞	—	—	96⅞
3½% War Loan	62⅜	—	—	63⅛
4% Victory Bonds 1976	92⅜	—	—	93
4% Funding 1960-90	86⅛	—	—	87

* Current Income. x.d.—Ex-dividend. ** Rupee Country x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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MR. MACMILLAN VISITS INDIA

MR. Harold Macmillan, British Prime Minister, has come and gone, after spending four pleasant days in New Delhi, in the company of the Ministers of the Union Government and the President of India. As this is the first occasion that a Prime Minister of Britain has visited the country, it stands out as a notable event in independent India's career. The purpose of his visit was mainly to foster goodwill between the two countries and strengthen the Commonwealth bonds. In this he has succeeded remarkably. It is true that, at one time, there were genuine doubts whether India would continue to be a member of the Commonwealth for long. But they are part of history now. There is still a microscopic minority belonging to Congress and non-Congress parties which is critical of India's association with the Commonwealth. But the vast majority of all those who count has no doubt whatever about the value of this link voluntarily forged by India itself soon after it became free. In recent months, Mr. Jawaharlal Nehru has repeatedly stated that he was not for severing India's connection with the Commonwealth, because, as he rightly contended, it might aggravate tensions already prevalent in the world. There are no doubt differences between India and Britain in their outlook and approach to international problems, but they will not cease by India quitting the Commonwealth. The differences have also not meant any practical handicap to the pursuit of Commonwealth ideals, because they are honest ones between two friendly free countries. The warmth with which Mr. Macmillan was welcomed at New Delhi, the heart of India, must have convinced him of the high regard which this country has for the Commonwealth, in general, and Great Britain, in particular. It is a pity that Mr. Macmillan could not visit such key centres as Bombay, Calcutta and Madras. Had he done so, he would have had more visual evidence of this regard and of the great strides this country has made in the economic sphere.

Although it was primarily a goodwill visit, Mr. Macmillan must have taken this opportunity to discuss with Mr. Nehru and his colleagues the latest world political situation as well as the economic problems, especially those pertaining to India's development plan. It is significant that he had long talks with Mr. T. T. Krishnamachari, India's Finance Minister. It is learned from sources known to be reliable that these talks constituted a continuation of their discussions in London when the Finance Minister was there in October last. These, it will be remembered, covered a review of the general position of the sterling area, Indo-British trade and prospects of British help to India for implementing the latter's second Plan. The outcome of the latest talks with Mr. Macmillan is not known, but unofficial advices suggest that nothing tangible has materialised. The Finance Minister is said to be convinced that, in its present state of economy, Britain is not in a position to do anything more than it has been doing for India. The resignation of Mr. Peter Thorneycroft and his deputy from the Treasury just a day before the departure of Mr. Macmillan for India must have fortified this impression. Mr. Thorneycroft's reason for giving up his post was that he was unable to agree with the rest of his colleagues in the Cabinet that the U.K. Government could afford to spend, in 1958-59, a little more than its current level of expenditure. He thought that it could not afford to incur an additional expenditure of even £50 million. He could not have chosen a more appropriate time to dramatise Britain's incapacity (according to him) to carry higher financial burdens. Whatever might be the other inconveniences to Mr. Macmillan consequent upon Mr. Thorneycroft's resignation, it must have come to him as a blessing in disguise at least in one respect, namely, for convincing his Indian friends that Britain is genuinely not in a position to spare more savings for India.

Beyond expressing sympathy and goodwill and admiration for the progress which India has made during the past one decade under the guidance of its devoted leaders, Mr. Macmillan has given away nothing. He recalled the help which Britain is rendering to India in the form of know-how, as also the fact that even today British business investments in India were substantial and ten times greater than those of any other single country. He also drew attention to the private capital that has been flowing into this country from some of the British manufacturers to work in partnership with Indian capital and skill. It cannot be denied that all this assistance is highly valuable. Despite the repatriation of sizable capital from such traditional industries as jute, cotton textiles and plantations in recent years, the fact remains that the value of British investments in India is higher than before. The total of all British business investments as at the end of 1955 was Rs. 391.99 crores, as against Rs. 347.28 crores on 31st December 1953 and Rs. 209.95 crores on 30th June 1948. A good part of the increase during the seven and a half years may be due to revaluation of assets. Besides, there has been a substantial outflow of capital since the end of 1955. Nevertheless, it would appear to be true to say that the inflow of capital, including the net profits retained in business, has on the whole been in excess of the outflow. If this excess has not been as large as is needed by this country, the blame must be laid at the doors of our Government, the politicians and the Indian business men to some extent. They did everything possible to discourage the flow of fresh foreign capital and to encourage the flight of such capital which had already been invested. It is only of late that there is a better appreciation of the role of foreign capital in an underdeveloped economy such as India, but precious little is being done to translate this appreciation into vigorous action. On the contrary, even today the Government of India is following, for ideological reasons and fear of domination by foreign vested interests, a policy which does not give full scope for foreign capital even in those spheres where it is prepared to take the necessary risk.

Oil and fertilisers are typical instances of the aforesaid point. There may be some point in arguing that, in order to avoid in future unpleasant developments of the type witnessed in the Abadan oilfields in Iran, it is better to associate indigenous capital with foreign capital for the development of basic industries and, since not enough domestic private capital can be found for such participation, the State must go in partnership with foreign capital. This may be true in the case of oil to some extent, but not of fertilisers. Even in the case of oil, a *via media* could be found, given the will and mutual confidence, a solution which provides safeguards for the future without reducing the quantum of foreign and internal capital resources needed for carrying out the various development plans. Instead of going into partnership with foreign capital right from the beginning, the Government could, for instance, reach an understanding with foreign investors for participation at a later stage, say, after ten or fifteen years. Failure to do so has already cost the country heavily by way of loss of foreign exchange and higher capital cost.

While this journal fully recognises the faults on this side, it must at the same time point out that the present British Government has failed to move with the times in regard to the method of rendering economic assistance to underdeveloped countries. It has been enlightened enough to receive foreign capital on a Government-to-Government basis, but not so when it comes to giving capital to other countries. We wonder as to what would have been the position of Britain if the American and the Canadian Governments had, instead of giving it huge loans at low rates of interest and repayable in easy instalments, asked it to raise its requirements in their respective capital markets or given it the same advice which it is tendering to India now. At the Press Conference in New Delhi last week-end, Mr. Macmillan said that the best contribution that Britian could make to help India in the implementation of its second Plan was bank credits and partnership between British private capital and the Government of India on the lines already taking place. He approvingly quoted the instances of the Government of India's deals with the I.C.I. and Burmah Oil for the manufacture of industrial explosives and the development of Assam oilfields, respectively. When asked whether Britain could give a direct loan of £100 million to £200 million to India, Mr. Macmillan gave a firm negative reply. "You do not lend a man when you already owe him £300 million," was his answer. If this reply means anything, it is that, as India is still having £300 million by way of sterling balances, there was no point in its seeking a loan from Britain. But, a little over a year ago, his Government had no hesitation to run to the U.S. with a request for a credit of $500 million from the Government-owned Export-Import Bank and $1,300 million from the I.M.F. (most of the funds of which is American money), even though the U.K.'s foreign balances stood at about $2,000 million. Did the U.S. Government give a reply to the British Government on lines similar to the one given by Mr. Macmillan at New Delhi? It is high time the British Government revised its views on this question. Britain must raise the rate of its savings if it is to retain its status as banker for the sterling area and stall the Russian economic offensive in Asia

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INDIAN ROADS

IT is becoming increasingly clear that roads and road transport should get top priority in the economic development of this country. No longer is it necessary to think in terms of road-rail competition. If it is to be rivalry, it should be healthy competition in giving adequate service to those who need transport. There can be no real rivalry in a sphere where the opportunities for service are almost limitless and the capacity for rendering it strictly limited. In the last few years, there has been a commendable change in the attitude of the Government towards roads, in general, and road transport, in particular. Thanks to the persistent publicity given to the cause of roads and road transport by such organisations as the Indian Roads Congress and the Indian Roads and Transport Development Association, the public as well as the Government have begun to show a greater awareness of the essentially constructive role which roads and road transport can play in the national economy. Massive support has been lent to this cause by the Union Minister for Transport, Mr. Lal Bahadur Shastri himself and by the Estimates Committee of Parliament.

It is heartening to note that this interest in roads and allied problems continues to be maintained. For one thing, such interest has a topical significance, for, as is now well known, railway transport by itself cannot lift all the traffic which will become available as a result of the implementation of the second Plan, so that it has to be strongly supplemented by road transport. Secondly, in the absence of continuous publicity to road problems, there is a danger that roads might again suffer from the neglect which has generally characterised official attitude towards this problem in the past. In any case, the road problems deserve to be placed squarely before the public from time to time, in order that the interest which has now been evinced in them may be translated into concrete action, resulting in development of roads and road transport. After all, the leeway to be made up in the sphere of roads is so great that roads deserve all the attention and finance that could be given to them. The average road mileage per sq. mile of area is 0.2 in India, as against 2.0 in the U.K., 3.3 in Belgium, 2.4 in France and 1.1 in the U.S. In recent weeks, this service has been done by the Federation of Indian Chambers of Commerce and Industry also. It convened, in December last, a conference on transport in which the Indian Roads and Transport Development Association participated in full. More recently, the Transport Users' Conference, which held its annual session in Patna this month, and the Indian Roads Congress, which met at New Delhi early in January, have done much to keep alive the road issues. These meetings have been followed by the seminar on low-cost roads and soil stabilisation which was held at New Delhi last week under the auspices of the U.N. Economic Commission for Asia and the Far East.

The economic benefits of a wide and efficient network of roads have been stressed often enough. Roads help open up the countryside and become the means whereby commodities and goods are easily bought and readily marketed. But the one aspect which deserves equal recognition is the sociological impact of roads on the life of a community. From this point of view, Dr. Rajendra Prasad, President of India, did well to stress, while inaugurating the Indian Roads Congress, that good roads enable not only human beings to travel quickly and goods or commodities to be transported swiftly but also traffic of ideas to flow through. Emphasising that "this social and cultural aspect" of roads was in no way less important than the economic aspect, he said: "I, therefore, consider the existence of good roads as a vital factor in determining whether our society can become an equalitarian homogeneous one or will continue merely as a conglomeration of social groups leading their own separate lives and maintaining different levels of social and economic development." It should thus be clear that roads are an important factor in facilitating national cohesion or what our Prime Minister has so often stressed, emotional integration of the country. It is this factor which invests roads with a national significance that cuts right across the more parochial, sectional, regional and linguistic interests.

It is against this background that one has to assess the progress of road construction in this country. The Nagpur Plan, formulated in 1942, set a target of 400,000 miles to be reached in 20 years. This target was reduced in the light of partition, the reduced figure being 331,000 miles. At the end of the first Five-year Plan, the mileage for metalled roads rose to 121,000, as against the Nagpur Plan target of 123,000, and the mileage of unmetalled roads to 195,000, as against the Nagpur Plan target of 208,000. At the end of the second Plan, the mileage for metalled and unmetalled roads is expected to rise to 143,000 and 235,000, respectively. Reviewing the developments in the construction of roads, Mr. M. S. Bisht pointed out, in the course of his presidential address to the Indian Roads Congress, that, though the target of the Nagpur Plan in terms of mileage would have been more than reached at the close of the present Plan, there would be several shortcomings such as unbridged river crossings, sub-standard road surfaces and road widths. Clearly, this is a very serious matter. There is no point in building roads, if they are broken up in shreds or disjointed and end in blind alleys which will just lead nowhere. It would appear that the chief difficulty in constructing the necessary bridges is the paucity of foreign exchange which is to be spent on importing certain essential equipment. Mr. Bisht deplored that, "though the foreign exchange required for road projects is modest, even that is not available." It is to be hoped that the Central and State Governments will ensure that the foreign exchange component of the bridges is reduced to a minimum and that the minimum exchange so needed is made available for their construction.

Far more important than foreign exchange is the availability of internal finance for road development. The amount set apart for road development in the second Plan is Rs. 290 crores. In order to bring home the enormous cost of road development, Mr. Shastri cited certain interesting figures. If the current Plan target of road construction were reached, he said, they would bring India's road system to a stage where no village in a well-developed area would be more than five miles from a main road and in an underdeveloped area more than 20 miles from such a road. He added: "If, however, we were to aim at bringing every village within three miles from the main road in a developed agricultural area, within nine miles in semi-developed area and forest area and 20 miles in underdeveloped area, it would involve an expenditure of something like Rs. 4,000 crores." This serves to show that roads are large consumers of capital. At the same time, it must be recognised that they constitute a necessary investment in a developing economy. Indeed, they are the basis of all development.

In view of the high cost of building roads, efforts have been made to find out how far the cost could be reduced. In many regions, a metalled road is often costly, particularly when stone is not available within their vicinity. Further, the available traffic may not be large enough to demand a full-fledged metalled road. What is necessary is to construct roads which, unlike earthen roads, would not become slushy in rain nor a heap of fluffy dust in dry weather and which would, at the same time, be less costly than metalled roads.

MUTUAL SECURITY

NOTHING illustrates the U.S. Administration's wider conception of defence than the phrase "Mutual security." A welcome feature of Mr. Eisenhower's budget message is the reiteration of the American stand that military security for the country extends to frontiers beyond the U.S. and includes activities other than the purely physical aspects of defence. "An effective system of military security," Mr. Eisenhower said, "requires closer economic co-operation through trade, investment, loans and technical assistance with nations throughout the free world, so that they can develop their resources and raise their living standards." He added: "To the degree that this economic co-operation strengthens the internal stability and ability of those nations to preserve their independence, the cause of a just and lasting peace will be advanced."

The *raison d'etre* of the U.S.'s non-military mutual security programme was neatly summed up by Mr. Eisenhower when he said that, "as a country blessed with great natural resources, modern industry and high productivity, we recognise the compelling humanitarian reasons for helping less fortunate people abroad as we help them at home." He pointed out that the progress of some less developed countries which were "understandably impatient" of progress would be dangerously slow without outside help, despite their best efforts. He added:

"If Western help is unavailable or inadequate, these countries may become dependent upon the Communist bloc. We are concerned that they strengthen their independence and find prospects for improved living standards within a free society. It is my earnest hope that other free governments will also enlarge their efforts in advancing the development, trade and well-being of developed countries. In addition, without economic progress, military security may prove illusory. People who see little improvement in their economic conditions may question the value of the freedom that our mutual defence efforts are intended to preserve. The events of the cold war re-emphasise the importance of our helping to insure that peoples of less developed countries have faith in their future."

The sentiments expressed above are reflected in the mutual security programme, the break-up of which is as follows:

(Fiscal years in millions of dollars)

	Budget expenditure		Recommended authority for 1959
	1958	1959	
Major National Security—			
Military assistance—			
Present programme ..	2,200	1,846	..
Proposed legislation ..	..	854	1,800
Defence support—			
Present programme ..	945	575	..
Proposed legislation ..	..	310	865
Total ..	3,145	3,085	2,665
International Finance—			
Development Loan Fund—			
Present programme ..	20	174	..
Proposed legislation ..	..	..	625
Technical Co-operation—			
Present programme ..	136	103	..
Proposed legislation ..	..	46	164
Special and other Assistance—			
Present programme ..	448	266	..
Proposed legislation ..	..	193	486
Total ..	604	788	1,275
Grand Total ..	3,749	3,868	3,940

In determining the amounts, included in the table given above, the authorities have taken into account the use of local currencies obtained as counterpart for dollar assistance and from sales of surplus U.S. farm products. International finance is estimated to require $1.3 billion of expenditure in 1959 or $156 million less than in 1958. The decline is attributed to the fact that the Export-Import Bank had made a substantial disbursement under a previously authorised loan to the U.K. The lending authority provided in 1955 for the Export-Import Bank, which is a limb of American economic policy, will be fully committed till 1959. In order to assure continuity in the Bank's operations and also to provide for possible emergencies, the budget message carries a request for $2 billion in new obligational authority. Similar authority for some $625 million is requested for the Development Loan Fund. Explaining the need for such a fund, Mr. Eisenhower pointed out how, "in many cases, urgent needs for economic development in less developed countries cannot be financed by the Export-Import Bank or by other sources such as the International Bank for Reconstruction and Development or private institutions." For the recipient countries, the loans given out of this Fund carry the advantage that they could be repaid in local currencies as well as dollars. The budget message also carries a request for $164 million of new obligational authority in 1959 to carry forward the U.S. programme of technical assistance and to make possible larger participation by the U.S. in the U.N. programme for similar assistance.

Economic aid to other countries, important as it is, is only one aspect of what the U.S. can do to stimulate material progress in other countries. A far more important consideration is that these countries must have freer access to the great American market. "Trade, not aid" has been a slogan used by many countries which have been disappointed by the continued existence of high tariffs in the U.S. Realising the essential validity of the demand for larger trade with the U.S., Mr. Eisenhower emphasised that, "in order to pay for imports and goods and services from the U.S., other countries must be able to export to us." He also pleaded for a steady reduction of "unjustifiable" trade barriers. In this connection, he welcomed the European Common Market which has already come into existence and the Free Trade Area still under discussion. So far as the U.S. is concerned, he suggested that the Reciprocal Trade Agreements Act, which is due to expire on 30th June 1958, should be extended for another five years, with some new authority for the President to negotiate "gradual and selective" tariff reductions. He added: "In addition, I recommend that the Congress delete a rider which in past years has been attached to the Defence Appropriation Act and which virtually prohibits normal competitive bidding by other countries on many defence contracts." It is to be hoped that these measures will be approved by the American Congress. There is no gainsaying the fact that they would go a long way towards restoring equilibrium in the U.S.'s trade with the rest of the world, besides promoting the cause of free and multilateral international trade.

JESSOP & CO. OUT OF MUNDHRA GROUP?

T.I.S.CO. BONUS—ASSAM OIL—WORLD COFFEE

THURSDAY, 5 P.M.

THERE have been no outstanding developments in any of the markets this week, except that a firm trend has come to prevail in all of them. In shares, there has been a sizable speculative activity in Indian Irons and Tata Steels, followed by a further rise in their value. In textiles, some have looked up, while others have declined a little. Miscellaneous industrials have been dull, barring a smart rise in the long-neglected Wimcos. Among the popular counters in this section, Bombay Burmahs and Belapurs have turned quiet. All commodity markets have staged a sizable recovery. Raw cotton has spurted, owing to continued encouraging reports from the cloth and yarn markets, revival of buying by mills and the Cotton Advisory Board's recommendation that 50,000 bales of Bengals new crop and 25,000 bales old crop unusable short-staples be exported. There are expectations of a relief in export duty on Bengals, in order to make them competitive. All oilseeds and oils also have climbed up. Here, too, there has been good enquiry in the spot on account of crushers and *vanaspati* makers. Rumours of a cut in the export duty on castor oil also are current. Prices of even groundnuts and groundnut oil, which were sluggish last week, have advanced, presumably in sympathy with the heavy rise in copra and coconut oil in the world markets. In the Bullion Exchange, both gold and silver have appreciated further, due partly to bull pressure and partly to better offtake. The short-term money market has all the signs of revival of the seasonal demand. Inter-bank call money rate, which had eased to 2¼ per cent., has become 3 per cent., with some borrowers paying even 3½ per cent. Term and House money rates are, of course, unchanged, but they did not go down when the supply of funds was plentiful during the past few weeks. Many bankers, however, still feel that the demand for bank credit in the current busy season will be much less than in the 1956-57 season, as imports are down and domestic economic activity is expected to remain perceptibly subdued.

MARKET GOSSIP

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Arrangements are now complete for holding the public enquiry into the investments of the Life Insurance Corporation in the shares of the Mundhra Group concerns. A spacious room on the second floor of the Council Hall House has been made available by the Bombay Government which has also spared the services of one of its officers, Mr. Nadkarni, to act as the Secretary of the Commission. It is said that the room can accommodate about 150 members of the public. The enquiry is scheduled to begin on Monday the 20th inst. So far, no organised attempt seems to have been made by the interested section of the public in Bombay, as well as Calcutta, to tender evidence before the Commission. Very few are said to be in possession of authentic details of the Corporation's purchases, though there appear to be many who can express an opinion on the merits of the L.I.C.'s investments in the shares mentioned in the terms of reference to the Commission. They, however, wonder whether it will be in order for them to go to the Commission and air their views on what the L.I.C. has done. Much will depend on the nature of the proceedings which the Commission is expected to outline on the opening day of the enquiry.

* * * *

Meanwhile, we have been asked by the authorities of Jessop and Co., Ltd., to inform the public that their Company, though it was at one time in the "Mundhra Group," is now entirely free from that influence. "Mr. Mundhra," we are told, "is no longer connected with the Company in any capacity." It is, however, not clear whether he is still a shareholder of the Company and, if so, what is the extent of his holding.

The latest position of the Company and the results of its working in the year ended 31st October 1957 were explained by Mr. S. S. H. Sitwell at its annual general meeting held at Calcutta last week. The text of his speech is published on page 98 of this issue. It will be seen therefrom that the Company's order book is full and that, if sufficient steel becomes available, it should be possible for the Company to report encouraging results in the next two or three years.

The main drawback lies in the Company's financial position. Including the sum of Rs. 12 lakhs provided from the profit for 1955-56, the Company's reserves and surplus aggregate about Rs. 70 lakhs, as against the paid-up capital of Rs. 121.98 lakhs. Nothing is yet known about the fate of Rs. 60.24 lakhs which had been advanced to Mr. Mundhra's nominee in November 1956 for the purchase of 217,000 ordinary shares of Richardson Cruddas Ltd. Further, the present market value of the investment of Rs. 65.06 lakhs in the shares of this latter Company earlier must be much less, as this scrip has depreciated considerably since 31st October 1956, the date of the latest balance-sheet with us. There are many other complications and it is hard to say as to what exactly are the losses incurred by the Company as a result of the muddle in which it finds itself, thanks to Mr. Mundhra. Even Mr. Sitwell is cautious when he says:

"There is no disguising the fact that your Company has suffered severe damage, but, to adopt medical terms, the wound is not mortal, bleeding was promptly stopped and the patient is on the road to recovery. However, the days of convalescence are frequently difficult ones and there is no exception in the case of your Company."

In the aforesaid circumstances, how is one to assess the intrinsic value of the Company's shares? The L.I.C. now holds 20 per cent. of the ordinary capital of Rs. 1.02 crore and 70 per cent. of the 5 per cent. cumulative preference capital of Rs. 20 lakhs. It is thus one of the largest shareholders of the Company, though it does not hold the controlling interest. Nevertheless, the L.I.C. was successful in getting things done the way it wanted at the last annual meeting of the Company, as will be evident from the following brief but authentic account of the proceedings of the meeting:

"When the meeting came to consider the dividend of 12½ per cent. (or Re. 1-4 per share) to be declared for the year in question, Mr. S. D. Srinivasan stated that the Life Insurance Corporation of India, which he represented, believed that, though the Directors had recommended a dividend, it would be in the better interests of the Company not to declare any dividend for the year ended 31st October 1956. He pointed out that, since the first few days of December, when the Directors had considered the question of dividend, there had been numerous disclosures and rumours concerning Mr. Mundhra and his associations and he felt that, while the Company had escaped from what might be called the Mundhra Group, the whole situation was still somewhat obscure. He, therefore, strongly recommended that the other shareholders should follow the lead of the Life Insurance Corporation and strengthen the hands of the Company by all means possible, one of which was to forgo the proposed dividend.

"Mr. Sitwell, on behalf of the Board of Directors, said that, while the Board had certainly considered it possible to declare a dividend and had made their recommendation accordingly, it was also true, as Mr. Srinivasan had said, that much had happened during the last few weeks and, though nothing had worsened the Company's position since then, the Board could not but agree that it was sound policy to conserve the resources of the Company to the fullest extent possible. The Board was grateful, he said, for the practical spirit of help shown by the Life Insurance Corporation.

"Mr. Srinivasan's recommendation was then discussed at the meeting and various views were expressed. Finally, Mr. Arratoon proposed and Mr. J. N. Banerjee seconded that the Company should declare the original dividend as recommended by the Board and shown in the Directors' report. This motion was put to the vote and was lost by a large majority, it being evident that other major shareholders present supported the views of the Life Insurance Corporation. No dividend, therefore, will be payable on the ordinary shares for the year ended 31st October 1956."

The move initiated by the L.I.C. was undoubtedly the best that could be done in the present circumstances. It will help the Company to meet at least a part of the losses it has suffered. The dividend which has now been given up, it may be noted, was a relatively modest one as compared with the 30 per cent. paid for 1954-55, when the Company was under the control of Mr. Mundhra. It would have absorbed Rs. 12.75 lakhs. It is to be hoped that the new management will, with the assistance of the experts of the L.I.C., work hard and soon place the Company on a sound footing.

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For some days past, there have been reports that the Directors of the Tata Iron and Steel Company, Ltd., would soon announce a bonus issue in commemoration of the Company's golden jubilee. This report has now turned out to be correct. An announcement by the Company this evening says that its Directors "have decided, subject to the Government's approval, to issue ordinary shares as fully paid-up bonus shares in the ratio of one share for every five shares held by utilising the premium received on new ordinary shares issued last year and a small amount out of the reserves." It is reliably understood that the management of the Company has already discussed this proposal with the Government and that the latter has informally agreed to sanction it. Accordingly, it is optimistically felt that the formal consent of the Government is only a question of time.

In order to carry out the aforesaid proposal, the Company will require a sum of about Rs. 3.84 crores. As against this, the premium amount on the new shares is a little over Rs. 3.78 crores. Accordingly, it will have to draw from the reserves about Rs. 6 lakhs on which it will have to pay the bonus tax, assuming that it will be retained in the next budget.

If, as stated above, it is true that the Government has been consulted in this matter and that it has no objection to the Company's move, it represents a welcome change in the Government's attitude towards investors and is in refreshing contrast to its refusal to permit an increase in the dividend of the Indian Iron and Steel Company, Ltd., in the last two years. Considering that the T.I.S.Co. issued the new shares at a premium of Rs. 30 per share under compulsion from the Government and the last instalment of the amount due on the new issue was collected only about six months ago, it is an agreeable surprise that it has agreed, albeit informally, to the capitalisation of the premium amount. In effect, it amounts to allowing the Company to pay a higher dividend. That is why we feel that this development marks a significant change for the better in the Government's policy. Will the Government now agree to the capitalisation of the premium collected by the Indian Iron and Steel Company, Ltd., also on its new shares?

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It is in a spirit of "all's well that ends well" that the signing of the agreement between the Union Government and the Burmah Oil Company for the formation of the rupee company to exploit oil resources in Assam, announced this week, will be welcomed by all. Even so, this decision has taken so long in coming that it is difficult to resist the temptation of saying that it had better come earlier. The prospect of formation of this company has struck the headlines in the Press far too many times to make what in journalistic parlance is called 'lead' news. Perhaps, much oil has remained untapped in the bowels of the earth in Assam, while the prospective drillers sat discussing on the surface as to who should own the oil when it is struck. This loss of precious time has not done anybody any good. The best that could be said about the decision to form the company is that it might have been infinitely worse if it had not been taken. This is not saying a great deal in its favour, for, as we pointed out on an earlier occasion (*vide Commerce* dated 14th December 1957), there was no valid cause for the long and, what appeared till recently, interminable, delay in the formation of the company.

The agreement signed by Mr. K. K. Sahni, Joint Secretary, Ministry of Steel, Mines and Fuel, on behalf of the Government of India, and Mr. R. P. Smith, Managing Director of the Burmah Oil Company, on behalf of the Company and its subsidiary, the Assam Oil Company, provides for the formation of a new company, to be named Oil India (Private) Ltd., with an authorised capital of Rs. 50 crores, divided into 500,000 shares of Rs. 1,000 each. Two-thirds of the capital will be provided by the Burmah Oil Company, Ltd., and one-third by the Government of India. The new company, as is now well known, will take over the assets of the Assam Oil Company in the newly discovered oil areas of the Brahmaputra Valley where 36 deep wells, most of them good producers of oil, have already been completed. We have in our 14th December issue already drawn the attention of our readers to the broad features of the agreement. It is not, therefore, necessary to go into them here. It is to be hoped that the delay in reaching the agreement will be made up by expeditious work on oil exploration, production and related projects.

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Coffee consumers the world over are watching with interest the outcome of the international conference of coffee producers to be held in Rio de Janeiro on Monday next. The main object of the conference is to discuss the prospects of increasing coffee consumption. The convening of the world conference has a special significance, in that it is being held within three months after the main coffee producers of the Western Hemisphere had signed an agreement (in October last) in Mexico City to cut exports of coffee by 20 per cent. during the five months ending March 1958, so as to keep off the world market a substantial part of the surplus production and thus to arrest the slump in coffee prices. Obviously, the conveners of the conference feel that the mere withholding of the surplus coffee will not do and that efforts should be made to raise consumption also.

It is stated that an attempt is likely to be made by the signatories to the Mexico City agreement to persuade the African producers, who account for about 20 per cent. of world output, to join the agreement. It remains to be seen whether the Africans will readily agree to join hands with the American countries and restrict their coffee exports, as they are getting the benefit of a rise in prices of their produce by remaining outside the Mexico City agreement. For, during the last two months, following the agreement, there has been a rise in coffee prices and African coffee has shared this increase. The price of Uganda robusta (grade 15), for instance, came to touch a high of £266 per ton in London a few days ago, as against £250 per ton in October last before the agreement. It is now being quoted at £263½ per ton. Moreover, some of the African producers are making a bold bid to capture the world market. Last year, for instance, Belgian Congo and Ruanda Urundi produced 52,000 metric tons of coffee worth £40.8 million and exported 97 per cent. of it.

The signing of the Mexico City agreement was not, however, the only factor responsible for the rise in the price of coffee. The purchases of vast quantities of coffee in the local markets by the Brazilian Coffee Institute, the additional restrictions imposed on exports by Colombia, the quality control measures adopted by Mexico on its exports and the political developments in Indonesia which have adversely affected shipments from there, have all contributed to the rise in prices.

Although the European and U.S. roasters have restricted their purchases ever since the implementation of the Mexico City agreement, a substantial part of whatever they need has been met from African coffee, which is easily available, while coffee from Central and South America are not readily obtainable, consequent on the export restriction scheme under the Mexico City agreement. Another result of this agreement is that the interest of roasters has been diverted more to lower grades and the price differential between the higher grades and the lower ones has narrowed down, particularly in robusta, where the gap has almost disappeared.

One cannot foresee how long the Central and South American producers can stick to their stocks and how long the present upward trend in prices will continue. Be that as it may, India, though not a large producer of coffee to influence world prices, should see that it gets the benefit of the present rise in prices. The Coffee Board has, in the meantime, allocated 7,903 tons of coffee out

(*Continued on page* 111)

SHARE MARKET DULL

STEELS, HOWEVER, FIRM

(From Our Own Correspondents)

BOMBAY, *16th January*

THE cheerful tone noted on the Stock Exchange in the opening week of the year failed to be sustained in the subsequent week. For, barring the steel scrips and a few miscellaneous counters, equities turned dull and movements in prices were narrow and somewhat erratic. Expectations of getting foreign aid, following Mr. Dulles' statement that the U.S. would give further financial aid to India to help the latter carry out its second Five-year Plan, renewed hopes of a bonus issue by the Tata Iron and Steel Company and encouraging advices from Calcutta were the main factors which kept sentiment intact. The buoyancy in textile shares noted in the previous week, following reports of good offtake in cloth, proved to be short-lived and activity in this section did not show any expansion this week. On the whole, equities presented a mixed trend, but changes over the week were small.

In the steel section, Tata Ordinaries opened on a buoyant note at Rs. 165.75, but soon drifted lower to Rs. 163.75 on Monday. Subsequently, they slowly gathered strength and closed today at Rs. 166.25. The new shares gained over the week Rs. 2 to Rs. 158. Indian Irons gave way from Rs. 19.12 to Rs. 19.04 before advancing to Rs. 19.32 at the close.

Textiles were a shade quiet. After dropping from Rs. 50.90 to Rs. 50.40, Bombay Dyeings came up to Rs. 50.90 and finished today at Rs. 50.70. Centurys declined early in the week from Rs. 394.50 to Rs. 391, but soon recouped to touch a high of Rs. 397.50 on Tuesday. Subsequently, they reacted to Rs. 392 on selling induced by rumours that the State Trading Corporation might take over sales of rayon. Kohinoors were extremely dull, moving between Rs. 265.75 and Rs. 262.75 before closing at Rs. 265. Central Indias shed a rupee over the week to Rs. 84, in contrast to the sharp rise of Rs. 9.50 in the previous week. Finlays provided a notable exception with a rise of Rs. 6 to Rs. 259. Gckaks were unchanged at Rs. 156.50, while Indu Ordinaries were a shade better at Rs. 9.64. Indore Malwas were featureless at Rs. 118. New Greats were marked down by a rupee to Rs. 222. New Kaiser-I-Hinds declined by a rupee to Rs. 86 and Shree Niwas by Rs. 4 to Rs. 140.50. Simplex were done Rs. 2.50 lower at Rs. 157.50 and Standards Re. 1.50 down at Rs. 392.50. Svadeshis shed Rs. 2 to Rs. 169, but Tata Mills were a fraction better at Rs. 38.75. Ahmedabad Advances declined by as much as Rs. 12 to Rs. 118 and Coorlas by Rs. 9.50 to Rs. 125. Vishnu Mills changed hands Rs. 7.25 lower at Rs. 93.75.

Bank shares were cheerful and sizable gains were recorded in many counters. Barodas were well maintained at Rs. 106 and Centrals at Rs. 52.50. Centrals (new) were, however, taken up Re. 1.20 higher at Rs. 56. Bank of Indias put on 50 nP to Rs. 133.50 and their new shares Re. 1.25 to Rs. 135. Punjab Nationals gained Re. 1 to Rs. 50 and United Commercials Re. 1.70 to Rs. 61. Bank of Jaipurs were done 50 nP lower at Rs. 37.

Business in insurance shares was restricted. New Indias were a fraction lower at Rs. 49.50, as also British India Generals at Rs. 12.76. Orientals had business at Rs. 3,980, as against Rs. 3,830 previously.

Electricity shares ruled steady. Ahmedabad Electrics were unchanged at Rs. 95, while Bombay Suburbans gained a fraction to Rs. 107 and Surat Electrics Re. 1.25 to Rs. 108. Tata Hydros held their ground at Rs. 113, but Tata Powers dropped Rs. 2.50 to Rs. 1,140. Andhra Valleys were, however, higher by Rs. 7.50 at Rs. 1,098.75.

Sugar shares were quiet, with losses over the week on reports that the prospects for sugar exports were not very bright. Belapurs receded from Rs. 233 to Rs. 231.25, but gained to close at Rs. 232.50. Phaltans declined by Rs. 2 to Rs. 145.50 and Walchandnagars by Rs. 2.25 to Rs. 270.75. Cement shares fared none too well, A.C.Cs reacting from Rs. 150.25 to Rs. 149.25. Their new shares were, however, better at Rs. 77.30. Digvijays were dull at Rs. 135. Dalmia Cements looked up by 36 nP to Rs. 9.76 and Jaipurs were steady at Rs. 12.04.

In the engineering and mining group, Alcocks were marked down by Rs. 2.50 to Rs. 215, while Tata Locomotives, after drifting lower from Rs. 138.25 to Rs. 137, gained, on interested buying, to Rs. 138.50. Premier Constructions showed no change at Rs. 158.25. Larsen and Toubros were featureless at Rs. 12.64. Shivrajpurs were steady at Rs. 85 and Indian Coppers at Rs. 2.84.

Among shipping and automobile shares, Scindias came up to Rs. 17.24, before closing at Rs. 17.16, as against Rs. 17.08 a week ago. The good performance of the Company during the year ended 30th June 1957 failed to have any marked effect on the shares. Great Easterns were dull at Rs. 19.96. India Steamships were, however, in the limelight, moving up from Rs. 10.88 to Rs. 11.92 on good investment support as also on reports that the shares had been listed in the forward section on the Calcutta Stock Exchange. Hindustan Motors were quiet at Rs. 5.68, as also Premier Automobiles at Rs. 87.

In the miscellaneous section, Bombay Burmahs (old) reacted from Rs. 528 to Rs. 521, but the loss was partially made good when the shares closed today at Rs. 524. National Rayons were quiet at Rs. 215. British India Corporations were weak at Rs. 3.82, following the Stock Exchange authorities' decision not to allow any forward transactions in this scrip. Tata Chemicals were quiet at Rs. 12.24, losing over the week 24 nP. Tata Oils were unchanged at Rs. 35, while Wimcos were in favour, rising by Rs. 6.25 to Rs. 171.25. Gwalior Rayons were dull at Rs. 11, while Hindustan Levers were steady at Rs. 20.

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Calcutta Stock Exchange

CALCUTTA, *15th January*

Trading on the Calcutta Stock Exchange during the week under review was on a distinctly cheerful note. The main factors contributing to such a trend were the higher advices from Bombay, improved prospects of India getting foreign aid, and expectations of relaxation of import policy relating to industrial raw materials. The higher output figures of the two steel units continued to cheer operators, and speculative scrips added sizable gains during the week.

The improvement in tea auctions held yesterday, as well as New Delhi's reluctance to bring plantations within the scope of the Factories Act, assisted sentiment in tea shares. The recovery in the prices of jute goods, coupled with the announcement of satisfactory statistical position of jute goods as on 31st December, was duly reflected in the jute section. Mr. Dulles's statement in Washington on Friday last wherein he indicated that the U.S.A. proposed to give assistance to India was the first official reaction to India's request for loan, and imparted general support mainly to miscellaneous industrials. Similarly, the New Delhi decision to form an autonomous National Productivity Council was also noted with cheer, as this move was aimed at increasing production. Note was also taken of the reduced withdrawal from sterling balances following the recent cuts in imports, and trade and industry hoped that this improvement would enable Government to review the import policy and announce increased quotas for the principal industrial raw materials, particularly metals and steel.

Jutes responded to selective enquiries. Expectations of more business with the U.S. led to interest being shown in shares of mills producing more hessian than sacking goods. Indicative of the general improved trend, Nationals hardened to as high a rate as Rs. 26.50, as against Rs. 23.50 early in the week. Yesterday, however, the rate fell to Rs. 24.70. Anglo-Indias were one rupee better at Rs. 136. Fort Glosters, after being higher at Rs. 286 for a time, gave way to Rs. 284, while Dalhousies were as low as Rs. 57.

In contrast to the general trend, coals failed to attract buyers' attention, Burrakurs being unchanged at Rs. 22. Bengals were unchanged for most part of the week at Rs. 228, but spurted to Rs. 230 yesterday.

The improvement in the cloth market was reflected in cotton textiles. Cawnpores advanced to Rs. 4.62 from Rs. 4.44, Dunbars to Rs. 125 from Rs. 124, and Basantis to Rs. 5.68 from Rs. 5.50. Among minings, Indian Coppers were earlier affected by reports of strike in the mines. The rate sagged to Rs. 2.74 before closing at Rs. 2.82.

In the engineering section, Jessops fell to Rs. 19.12 from Rs. 21.75, as shareholders at their recent meeting decided to forego the dividend of 12½ per cent. recommended by the Directors in respect of the year to October 1956. Subsequently, a recovery set in to raise the rate to Rs. 20.93 following the Chairman's disclosure that the Company's working during the subsequent year was quite satisfactory. Texmacos were better at Rs. 16.35. Guest Keens were steady at Rs. 28.56. Indian Irons opened at Rs. 18.77 and gradually recovered to Rs. 19.40, but sagged to close at Rs. 19.07 yesterday.

Teas received more attention. Hantaparas were lifted to Rs. 121 from Rs. 108 previously. Hasimaras were fully steady at Rs. 22.62, as were Bishnaths at Rs. 19.37. Brooke Bonds were taken to Rs. 15.75 from Rs. 14.

Several miscellaneous industrials added gains. India Steamships on active support hardened to Rs. 11.62 from Rs. 10.87. Martin Burns picked up to Rs. 25.37 from Rs. 24.25. F. & C. Oslers recovered to Rs. 2.12 from Rs. 1.87, while B.I. Corporations receded to Rs. 3.94 from Rs. 4.11. Dunlop Rubbers were pushed up to Rs. 20.75 from Rs. 20.37, while Hindusthan Motors sagged to Rs. 5.56 from Rs. 5.84. National Carbons, after being better at Rs. 24.31, closed at Rs. 24.12.

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Madras Stock Exchange

MADRAS, *14th January*

The Madras Stock Exchange had only three sessions during the week, as it remained closed with effect from the 11th inst., on account of *Pongal* holidays. During this brief period, the market presented a fully steady trend. The volume of business transacted showed an improvement and prices registered a modest rise. The steadiness was aided by expectations of some tax relief in the ensuing budgets of the Union Government and Kerala State. Plantation shares evoked good attention of operators, following reports of enlarged offtake of tea at higher prices at the recent auctions. Traders would appear to feel that the trend would continue in the coming months, thanks to dock labour trouble in Colombo and recent political situation in Indonesia which were regarded as deterrent factors to exports from these countries. The statement of the United Planters' Association of South India that disturbances and indiscipline were continuing in the Kerala plantations had no effect on the market. Textile shares also met with enlarged buying enquiries on hopes that the improvement in movement of cloth stocks held with North Indian mills would lead to better offtake of yarn produced by the Southern mills. Sugar and miscellaneous industrials, too, evoked good support and tended to move up.

Among tea shares in the planting section, Parksides advanced by 30 nP to Rs. 14.50. Haileyburias and Emerald Valleys gained 5 nP each to Rs. 15.80 and Rs. 6.65, respectively. Ouchterloneys were quoted at Rs. 4.90, as against Rs. 4.85 on the 7th inst. Kil Kotagiris were better by 6 nP at Rs. 4.98. Blue Mountains rose by 3 nP to Rs. 2.93. Chembras gathered 2 nP to Rs. 2.80. United Nilgiris, however, receded by 30 nP to Rs. 15.40. Mlamallays retreated by 25 nP to Rs. 29.75. Among coffee shares, Kumergodes moved up by 10 nP to Rs. 6.65. Savamalais gathered 5 nP to Rs. 4.10. Sangameshwars were a shade better at Rs. 2.48. Coffee Lands, on the other hand, shed 10 nP to Rs. 28.50. In the rubber group, Midlands improved by 25 nP to Rs. 14.85. Puthutottams and Nelliampathys added 5 nP each to Rs. 2.70 and Rs. 2.60, respectively. T.R. & Ts put on 2 nP to Rs. 6.05. Vaikundams spurted by 75 nP to Rs. 27 cr., following issue of bonus shares in the proportion of two shares for every five shares held.

In the textile section, Lakshmis and Janardanas strengthened by Rs. 2, the former to Rs. 104 and the latter to Rs. 77.50. Rajalakshmis gained a like amount to Rs. 72. Ranga Vilas were higher by Re. 1.50 at Rs. 67. Bangalore Woollens, Buckinghams and Pankajas rose by a rupee each to Rs. 167, Rs. 156 and Rs. 45.50, respectively. Anglo-French improved by 50 nP to Rs. 77.50. Travancore Rayons gathered 45 nP to Rs. 11.20 and Loyals 25 nP to Rs. 38.

Sugar shares were well favoured. United Breweries and Kirlampudis gained a rupee each to Rs. 169.50 and Rs. 40.50, respectively. E.I.Ds hardened by 25 nP to Rs. 28.75. Deccans put on 12 nP to Rs. 7.90. Travancores gained 10 nP to Rs. 9.10.

Among miscellaneous industrials, F.A.C.Ts were marked up by a rupee to Rs. 5.25, on good buying support. Indian Aluminiums spurted by 48 nP to Rs. 13.10. India Cements advanced by 30 nP to Rs. 24.50. Spencers were higher by 25 nP at Rs. 17.

BANK PROFITS SLIGHTLY HIGHER

The two main factors which influence bank earnings during any year are the turnover of banks and the interest rates which prevail during the year. So far as 1957 was concerned, banks in India had a substantially larger volume of business than in 1956, thanks to the keen demand for credit during the major part of the year. They also raised their deposit resources, particularly time deposits, but they had to do it at a higher cost, in consonance with the general trend of money rates. Their cost of borrowing from other banks and from the Reserve Bank was also dearer. The increase in cost on this account was to a large extent met by a rise in their own lending rates, but the profit margin could not have been more than slender. It was, therefore, only through a larger turnover that banks were able to increase their profits during 1957. Though the preliminary results of working of banks for the past year, released so far, indicate that the profits for the year have established fresh record levels, the pace of increase in profits over the year is much less than that noted a year ago.

Bank of India

The working of the Bank of India Ltd. has resulted in a profit of Rs. 93.47 lakhs, as compared with Rs. 92.03 lakhs for the previous year and Rs. 84.91 lakhs for 1955. It will thus be seen that the pace of increase has considerably slowed down during the past year. The Directors have raised the provision for taxation from Rs. 28 lakhs to Rs. 30 lakhs, but they have not added anything to the reserve fund, which had received Rs. 8 lakhs from the previous year's profit. The dividend for the year has been maintained at 16 per cent. per annum, free of income-tax, made up, as in the previous year, of an interim dividend of 6 per cent. and a final one of 10 per cent. The dividend is, however, on a higher capital of Rs. 3 crores, raised in 1956 by the capitalisation of Rs. 50 lakhs and issue of bonus shares in the ratio of one share for every five, in commemoration of the Bank's golden jubilee. The bonus shares became entitled to dividend from 1957 onwards. The dividend distribution absorbs Rs. 48 lakhs, as against Rs. 40 lakhs in respect of 1956. The surplus left to be carried forward is Rs. 31.02 lakhs, subject to payment of bonus to staff, for which purpose a sum of Rs. 13.75 lakhs was utilised last year. After payment of bonus the surplus brought in to 1957 was Rs. 15.55 lakhs.

Bank of Baroda

The Bank of Baroda Ltd. is yet another bank to earn a record profit in 1957. The profit, at Rs. 43.85 lakhs, represents a rise of Rs. 3.95 lakhs over that for 1956. As in the case of the Bank of India, this increase does not compare very favourably with that of Rs. 10.25 lakhs noted a year ago. The provision for taxation has been raised from Rs. 15.75 lakhs to Rs. 21 lakhs and that for bonus to staff from Rs. 8.75 lakhs to Rs. 9.50 lakhs. The Directors have recommended a final dividend of 8 per cent. for the half-year ended 31st December 1957, same as that for the corresponding period of 1956, which, with the interim one of 6 per cent. makes a total of 14 per cent. for the year, to which level it had been raised last year from 12 per cent. paid for 1955. The dividend absorbs Rs. 14 lakhs, leaving a surplus of Rs. 4.11 lakhs to be carried forward, as against Rs. 4.76 lakhs brought in.

NEWS IN BRIEF

NEGOTIATIONS on a convention for the avoidance of double taxation between India and the Federal Republic of Germany, which lasted a week, have now ended in agreement on a good number of points. Some issues are, however, still left open for further consideration.

The fourth consignment of 3,500 tons of equipment comprising special bricks, clay and steel products from Russia for the Bhilai steel plant has arrived in Bombay. The freighter which had been chartered by the Russian Government is the second ship to be diverted to Bombay owing to congestion in the port of Visakhapatnam.

The next meeting of the Import Advisory Council will be held at New Delhi on 8th February 1958, when it will discuss the working of the current import policy and examine suggestions pertaining to the policy to be followed in the next half-year, namely, April-September 1958.

Consequent upon the revision of the initial rate of postage for inland letters for the first unit from 13 nP to 15 nP, a new postage stamp in the denomination of 15 nP in the current decimal coinage series of stamps for public use was introduced on 16th January. Another new stamp in the denomination of 90 nP, representing similarly the initial rate of postage for air mail letters to Europe, was also introduced on the same date.

The Government of Bombay has made arrangements for providing financial assistance and credit facilities to interested parties intending to start small-scale and cottage industries through the following agencies:—(1) The Bombay State Financial Corporation, Bombay; (2) the State Bank of India, Bombay and its sub-offices; (3) the National Small Industries Corporation (Private) Ltd., New Delhi; (4) the Director of Industries, Bombay; (5) the Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Poona; and (6) the Director of Fisheries, Bombay.

An Indian trade exhibition, designed to give visual publicity to the wide range of Indian export goods, will be held in Khartoum, capital of Sudan, for a fortnight from the middle of March. The exhibition which will be the first of its kind to be organised by India in the Sudan, will, besides promoting trade between the two countries, also demonstrate India's industrial progress since independence. It will be divided into five main sections dealing with machinery and engineering goods, semi-finished industrial goods and raw materials, agricultural products and general information on India.

Production of rice in Kerala is expected to increase by 345,000 tons by the end of the second Five-year Plan period, as against an estimated additional requirement of 1,400,000 tons. The present production of rice is put at 892,000 tons per year which works out to 6½ ounces per head of the population. On the basis of the present population, the State needs an additional 1,200,000 tons at the rate of 16 ounces per head. The population is expected to rise by 1,500,000 by the end of the second Plan period and to meet the needs of this increased population another 200,000 tons will be required.

Long-distance carrier telephone systems are being installed all over the country and an ambitious co-axial cable scheme connecting Bombay, Delhi and Calcutta at a cost of Rs. 8.5 crores is under execution, according to the Union Minister for Transport and Communications. The scheme will be completed within the second Plan period and will provide 960 speech channels, improving considerably the trunk traffic. A new technique of direct dialling has been introduced between Delhi and Calcutta which means that the trunk operator of the former can dial direct to the subscriber for whom the call is booked.

Five members of the 45-man Japanese Government technical mission which will finalise the Indo-Japanese project for the development of iron ore mines in Orissa arrived in Bombay on Friday last from Calcutta on a four-day visit to the city. Headed by Mr. S. Fujita of the northern section of the Japanese national railways, the five-member group comprising railway experts will make preliminary study of port and railway facilities in Bombay. Two other groups of technicians are now in India surveying iron ore mines and port and railway facilities in and around the country. Japan will partly finance the opening of the iron ore mines in Orissa, development of port facilities in Visakhapatnam and the construction of railway lines linking the port and the mines. The project is expected to cost between Rs. 15 crores to Rs. 25 crores.

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From Abroad

Railway rates in Morocco have been increased by 12 per cent. This is expected to add 0.88 per cent. to the cost of living index.

Russia has offered to help Ceylon in establishing a factory for the manufacture of tyres, tubes and allied rubber products. This was disclosed by Mr. S. Padmanathan, Chairman of the Ceylon Rubber Research Board.

Australian manufacturers are said to be keen on establishing factories in Malaya in co-operation with indigenous capital. One Australian company has already announced its plan for setting up paint industry in Kuala Lumpur.

The Netherlands' deficit on the balance of payments account in 1957 is expected to be smaller than that in 1956. Interest rates in that country are tending to decline; the latest rate on Treasury Bills at 4¼ per cent. being lower than 4⅞ per cent. touched recently.

The British Automobile News Bureau has reported that more than 85,000 British cars were sold in the U.S. in 1957, as compared with 32,305 in 1956. According to it, British cars are now being sold by 1,600 dealers across the U.S.

The U.S. Natural Rubber Bureau estimates the total world production of all rubbers in 1958 (excluding the Soviet bloc) at 3,290,000 tons and consumption at 3,250,000 tons. It expects that the U.S. will supply 175,000 tons of synthetic to meet world demand in 1958.

The Federal Labour Office in Nuremberg states that the number of unemployed in West Germany rose by 733,750 to 1,212,866 in December, 1957. The increase was above expectations. Of this number, 72 per cent. was due to dismissals in the building industry.

The proposal to nationalise foreign-owned tea and rubber estates, banks and insurance companies, put forward by a section of the ruling party, was strongly opposed by the Ceylon Prime Minister, Mr. Bandaranaike, at a meeting of the Ceylon Government Parliamentary Group on the 7th inst.

A Bill to sell to private investors the State-owned Volkswagen concern, West Germany's largest car producer and exporter, has been tabled by Dr. Konrad Adenauer's Christian Democratic Party. It may be recalled that the same Bill was shelved in the last session of the Bundestag (Lower House), owing to lack of parliamentary time.

Production of gold in South Africa during 1957 touched a new high of 17,031,637 ounces, as compared with 15,892,935 ounces in 1956, which itself was far above the 14-year high of 14,602,267 ounces achieved in 1955. In terms of value, last year's output was about £213 million, as against £193 million in 1956, excluding a certain amount of miscellaneous production.

The annual report of the U.S. Shipbuilders Council shows that U.S. shipyards in 1957 had their busiest period in three years and that the outlook for 1958 is "reasonably good." During the first eleven months of 1957, orders were placed for 34 commercial vessels and for one survey ship. Of the 34 ships, 29 were tankers and four bulk carriers for service in the Great Lakes.

Following the lead given by the large corporations, American industry in 1957 extended profit-sharing to more of its employees, with a record number of new plans, notably in medium-sized companies. There are now more than 22,000 such plans in existence in the whole country. As many as 2,000 new profit-sharing plans were put into execution in the first three quarters of 1957 itself.

The Government of Malaya will be urged by the Malayan Mining Employees' Union to investigate into dismissals of staff by tin-mining companies and to ascertain whether there have been any "unjustifiable and arbitrary" dismissals. The reduction of staff by companies had been necessitated because of the restriction in output under the International Tin Agreement. A working committee has been constituted to investigate unemployment in the mines.

The value of the U.S. mineral output during 1957 was a record $18,300 million, which is $800 million more than in 1956. The increase in value was due almost entirely to higher prices for mineral fuels, particularly oil and natural gas. These higher values were enough to offset decline in production in most other minerals and drop in base metal prices. Natural gas and iron ore were the only major commodities to show sizable production increases.

The West German steel industry has placed its production target of crude steel for 1958 at about 26 million tons, as compared with a production of about 24.5 million tons in 1957 and 23.2 million tons in 1956. Presently, about 96 per cent. of the industry's productive capacity is being utilised. It is expected that output will increase at an annual rate of about 1 million tons in the next few years, in view of the fact that domestic requirements of steel are expected to rise to about 29.5 million tons by 1960.

The first Nigerian oilfield at Oloibiri, in the Eastern Region, started production less than 16 months after oil was first struck in September 1956. The Shell-BP Development Corporation at Lagos has announced that the first cargo of 1,200 barrels of crude oil arrived at the storage terminal at Port Harcourt, 65 miles from the oilfield, on Christmas Day. At present oil is being stored at Port Harcourt, until the full production of some 4,000 barrels a day is reached in February, when tanker shipments to Europe will begin.

The establishment of an Iraqi shipping concern which had been under consideration for some time has taken a definite shape following the approval by the Iraq Development Board of an authorisation of £1 million as capital for this project. The Ministry of Development has been authorised to place the amount at the disposal of this new national venture. At the request of the Iraqi Government, the World Bank had assigned an expert to study the project which is to provide sea-going transport facilities for Iraq's exports on a national level.

The East Central Nuclear Group and the Florida West Coast Nuclear Group of the U.S. have filed a proposal with the U.S. Atomic Energy Commission for a nuclear power plant of advanced design. The proposal calls for design, development, construction and operation of a high temperature, gas-cooled, heavy-water moderated, pressure tube reactor of 50,000 electrical kilowatts capacity. It would be designed as a prototype for a later 200,000 electrical kilowatt plant.

The Union Carbide Corporation of America has brought into operation a new plant at Lawrenceburg, Tennessee, which cuts the manufacturing time of industrial carbon products from eight weeks to less than eight minutes. The automated two-step method forms carbon products to shape in giant presses, while high electrical currents simultaneously heat the product to baking temperature. The process was made possible by a new method of mixing carbon flour and some form of tar or pitch as a binder. Initially, the new process will be used in the manufacture of carbon brick for furnace linings. It will eventually be extended to other carbon products.

Steel production in the United Kingdom aggregated 21.7 million tons in 1957, reaching the highest level ever attained. The increase in production was five per cent. above the 1956 output, according to the Iron and Steel Board. Though the above figure is a record, it is still three per cent. lower than the estimate of possible production made at the beginning of the year. The excess of exports over imports increased from 1.5 million tons in 1956 to 3 million tons last year. This was partly due to an increase of exports, and partly to reduced imports. The main reduction in imports took place during the first half of the year. Steel capacity available during 1958 is estimated to be sufficient to provide an output of 23.50 million ingot tons (for a 53-week year), but the Board points out that the actual production of most types of steel will depend on the level of demand.

PERSONAL

MR. Harold Macmillan, Prime Minister of the U.K., left New Delhi for Karachi on Sunday the 12th inst., after spending four days.

Sir Alexander Fleck, Chairman, Imperial Chemical Industries Ltd., arrived in Bombay from London last Saturday on a two-week visit to India.

Mr. Gopaldas P. Kapadia and Mr. Lalchand Hirachand have been elected President and Vice-President, respectively, of the Indian Merchants' Chamber for the year 1958.

Mr. M. K. Kripalani, at present Chief Commissioner, Pondicherry, has been appointed Ambassador of India to Brazil, in succession to Mr. L. R. S. Singh. He is expected to assume charge of his new assignment in June.

Dr. Hans Pedersen, a dairy expert attached to the F.A.O. Headquarters, arrived in Bombay from Rome on Tuesday. His visit is in connection with the second dairy project proposed to be undertaken in the city, and the Poona milk scheme.

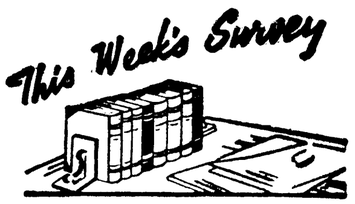
Mr. D. N. Shroff has been re-elected Chairman of the Silk and Art Silk Mills' Association Ltd., Bombay, for the seventh year in succession. Mr. M. S. Kapadia has been re-elected Vice-Chairman of the Association for the third year in succession.

Sir Owen Jenkins has been elected President of the United Kingdom Citizens' Association, central administration, for the ensuing year. The two Vice-Presidents elected are Mr. D. C. B. Pilkington, of Calcutta and Mr. S. Murray Scott of Bombay. Mr. D. Fordwood (Calcutta) has been appointed Honorary General Treasurer.

Mr. H. L. Murray, Managing Director of Mackinnon Mackenzie and Company (Private) Limited, has been elected President of the Bombay Chamber of Commerce and Industry for the year 1958-59, and will take office after the annual general meeting to be held in the second week of March 1958. Mr. Murray joined Mackinnons in 1928 and has served them in Bombay, Calcutta, Penang, Colombo and in East Africa. On completion of this last assignment he returned to Bombay at the beginning of 1956. He served as Vice-President of the Chamber during 1957-58.

Sir Harry Jephcott, Chairman of the Glaxo Laboratories Ltd., and Mr. H. W. Palmer, Managing Director of the Company, have arrived in Bombay, the headquarters of their Indian Company. They are expected to be in India for about two weeks.

Sir Harry has been Chairman of Glaxo Laboratories since 1945, and was also Managing Director until his retirement from that position early in 1956. He was appointed Chairman of the Council for Scientific and Industrial Research in 1956. Other public appointments held by him include the chairmanship of the Association of British Chemical Manufacturers (1947-48) and the presidentship of the Royal Institute of Chemistry (1953-55). During the last war, Sir Harry was adviser to the British Ministry of Food on manufactured foods, and visited the U.S.A. on behalf of the Ministry of Supply to report on penicillin production. He has been Chairman of the Council of the School of Pharmacy at London University since 1948 and is a Governor of the London School of Economics.



PRODUCTIVITY COUNCIL

THE Government of India's decision to set up an autonomous National Productivity Council is a reflection of its realisation of the importance of higher productivity as a means of increasing national output. The decision appears to be the outcome of the recommendation of the Indian Productivity Delegation to Japan which, in its report, strongly urged the establishment of a national council for undertaking a vigorous productivity drive. The I.L.O. productivity missions to underdeveloped countries have demonstrated how, with the simple application of modern industrial engineering techniques, productivity could be enhanced substantially without any additional capital outlay. It has been the experience of the missions that the existence of an official productivity organisation in the respective countries, backed by Government with qualified technicians and necessary administrative staff, is of major importance to the success of the missions' work. In Israel, the work of the productivity missions was a great success, because the Israel Institute of Productivity played a leading role in promoting productivity-consciousness among the people and effectively helped the missions in their tasks. It was in fact the staff of the Institute which did most of the work after they were imparted the necessary training. The absence of such an organisation in Pakistan proved to be the source of much waste of the expert's time and energies.

The National Productivity Council, to be set up shortly, is to be greatly welcomed. It will launch the campaign for increase of productivity initially in all spheres of industries, including large-scale, medium-scale, small-scale and light industries, and encourage and facilitate the establishment of local, regional and industry-wise productivity councils through which productivity services will be made available. The Council will have in it representatives of the national organisations and confederations of employers and labour, Government and representatives of other interests such as consumers, technicians, consultants, small industries and scholars. The total membership of the Council, of which the President will be Mr. Manubhai Shah, Union Minister for Industry, will be 60. The Government, employers and labour will have equal representation on the Council. It will elect a Governing Body in which the interests represented in the Council will be present in similar proportion. Dr. P. S. Lokanathan, Director of the National Council of Applied Economic Research, will be the Chairman. The Governing Body will elect two Vice-Chairmen, one each from among employers and labour representatives.

The productivity seminar held in New Delhi in November last had made certain recommendations regarding the general principles on which productivity drive in the country should be based. These principles have been generally accepted by the Government. For increasing the national wealth and *per capita* income and for improving the standard of living, according to the seminar, the people must first be made aware of the significance of higher productivity as the means of achieving the objects. It is, therefore, necessary to create among labour, management and the general public an attitude receptive to the idea of productivity thus ensuring a favourable climate of opinion which would facilitate the introduction and application of modern techniques for increasing productivity.

In a campaign for productivity, full co-operation of the employers, Government and other interests is indispensable. For ensuring this co-operation, certain broad principles on which the productivity campaign should be based were also outlined. It was stressed that, in the productivity drive, the objective should be to increase production and improve quality by employing better techniques which aim at efficient and proper utilisation of the available resources of men, machines, materials and power, raise the standard of living of the people and improve the working conditions and welfare of labour, taking into account the social implications of these changes. It was laid down that there should not be any intensification of workers' burden through increased work-load and speed-up. Other points made were: (1) specific measures should be taken to obviate the possibility of any unemployment, (2) benefits of productivity should be equitably distributed among capital, labour and consumers and that higher productivity should lead to the renewal and expansion of plant, machinery and equipment, (3) in order to achieve improvement in productivity in all sectors, productivity drive may eventually be launched in all the spheres of the economy. It was emphasised that, as increase in productivity could not be achieved without the fullest co-operation between management and labour, a proper climate of labour-management relation should be created through encouragement of joint consultations, participation of labour in management and promotion of mutual understanding.

GRADUATE UNEMPLOYMENT

How many of our university graduates get employment in Government and what proportion of them obtains jobs in the private sector? How long fresh graduates have to remain unemployed before securing jobs? Among the unemployed, what proportion are graduates in Arts and Commerce? What percentage of jobless men are graduates in Science? What is the incidence of unemployment among graduate women? These are questions which are highly relevant to a correct appraisal of the unemployment situation in India and availability of data concerning them will greatly facilitate employment planning in the country. But data regarding such questions, if at all available, are very inadequate and unreliable. In countries like Britain, independent bodies like the P.E.P. (Political and Economic Planning) have undertaken detailed surveys of graduate employment in Government and industry with a view to throwing much useful light on the pattern of employment and salary structure of graduates. In India, no such inquiry seems to have been made into the anatomy of unemployment. In the absence of reliable data regarding the magnitude and nature of unemployment among graduates, it is very difficult to estimate the dimension of the problem and plan the remedies accordingly.

Recently, the Manpower Division of the Directorate of Employment Exchanges, Union Ministry of Labour and Employment, however, undertook a study, of the pattern of unemployment among university graduates. The study, the first of a series being undertaken by the Ministry, revealed certain interesting details, though it covered only a limited area. The analysis was made on the basis of registration details supplied by 151 Employment Exchanges in the country regarding graduates seeking jobs through them. Particulars of 26,297 graduates were received and a detailed analysis was made of 25,785. It was found that the problem of unemployment among graduates was more widespread in West Bengal, Uttar Pradesh, Bombay and Delhi than in other States. Of the total number seeking employment, 24,425, or 92.8 per cent., were men and 1,872, or 7.2 per cent., women. It was found that the highest incidence of unemployment among women graduates was in Kerala.

The study revealed that 84 per cent. of the unemployed graduates held Bachelor's degree in Arts, Science or Commerce. Of this, 48.5 per cent. were B.As, 22.7 per cent. B.Scs and 12.8 per cent. B.Coms. In order to examine the relative incidence of unemployment among various degree holders, the annual outturn from universities was taken into consideration, as it provided an indication of the aggregate addition to the labour force every year. Comparing this with the percentage of unemployed registrants degree-wise, it was found that unemployment was relatively higher among those holding B.Com and B.Com. (Hons.) degrees than those with B.Sc. and B.A. degrees. It was also found that unemployment among M.Coms. was more acute than among M.Scs and M.As.

Of the total number of unemployed graduates, only 2.3 per cent. had secured first class, 24.8 per cent. second class and 72.9 per cent. third class. An analysis of the age composition of the unemployeds showed that 65.4 per cent. were below 25 years, 31.2 per cent. between 25 and 35. The remaining 34 per cent. were 35 and above. About 76.7 per cent. of the unemployed graduates had no previous employment. Only 23.3 per cent. reported previous employment. A high proportion of B.As and B.Coms had previous employment, as compared with B.Scs.

Analysis of the nature of employment sought by candidates revealed that those registered for clerical jobs were as much as 60.4 per cent. Nearly 95 per cent. of them were Bachelors in Arts, Science or Commerce. 19.5 per cent. wanted professional and technical jobs, whereas 15.7 per cent. required administrative and executive jobs. The remaining 4.4 per cent. sought other types of jobs.

FOOD PROBLEM

After nearly seven years of continued economic planning and development, the country seems to be coming back to an era of controls and rationing in the sphere of foodgrains. In the past few months, there have been persistent reports of scarcity pockets and soaring prices of foodgrains from different parts. The Governments of several States have already set up machinery for controlled distribution of food and the Centre is endeavouring to secure as much food as possible from abroad, entailing much precious foreign exchange. Indeed, the country finds itself today in a great food muddle from which it could have certainly been saved if there had not been false optimism about the food position and the second Plan had been drawn up on more realistic lines. It is, of course, true that the recent unexpected natural calamities of excessive floods in some parts and drought in some others have largely upset the food balance of the country. But there is no denying the fact that the authorities failed to make provision for such unforeseen contingencies. They did not care to replenish the Government godowns as and when they got emptied.

Be that as it may, it is somewhat comforting to be told by Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, that the food situation is not at all depressing. Talking to Press men at Gorakhpur the other day, Mr. Jain stated that he had well fortified himself against the worst that might yet happen on the food front. He revealed that stocks of foodgrains had started arriving from Canada—these had been obtained partly on a deferred payment basis and partly under the Colombo Plan—and Burma (necessary sterling had already been arranged), and those from Vietnam and other countries had already reached India. The Central and State Governments together had at present over one million tons of foodgrains. Imports would continue and there would be no difficulties of foreign exchange. The general outlook of *rabi* crops, he said, was quite encouraging and the situation would considerably ease by March or April.

The large-scale imports of foodgrains from abroad may no doubt help alleviate the shortage for the time being, but the real, permanent solution to the food problem lies in raising output. The approach that India should go on importing food year after year is, as the Prime Minister rightly declared when he addressed the sixth meeting of the National Development Council's (N.D.C.) Standing Committee, an approach of defeat. He did not consider as practical, reasonable or logical the question of importing food for a long time to come, for he said: "If we function at that rate, even our rate of progress will be so slow that our great-grandchildren will be drawing up some wretched five-year Plan for another six inches of growth." The Prime Minister, therefore, urged a more dynamic approach to food production, and observed:

"I am convinced that the potential for India's food production is enormously greater than is commonly reckoned. It runs into hundreds of times. It is quite extraordinary how pessimistic we are about our capacity and about the capacity of the country. Naturally, food production does not increase by itself. It requires organised effort. Therefore, the fault is in ourselves, not in our stars. The fault is in the steps we take or the inadequacy of the steps, whatever they may be. The basic approach to the problem of increasing food production is through the Community Development movement, which has created an organisation that can help us very greatly. It can help us if it is fully utilised and directed properly.

"We should increase it (food production) mainly through intensive methods, not extensive methods. Intensive methods should be applied where water is available, where either irrigation is available or there is assured rainfall. Such areas amount to 100 million acres in the country and an increase in production of 50 to 60 per cent. should be secured there during the second Plan. This concentrated, intensive work can only be done by individual approach, by horticultural methods as it were, like the methods they use in Japan and China."

This is, indeed, a very correct assessment of the whole problem of augmenting the production of foodgrains, as well as of other agricultural commodities. The Standing Committee of the N.D.C. did well to give due thought to the different aspects of the agricultural programme. The discussions at the meeting revealed that, though there has been much fuller utilisation of the irrigation potential of major and minor schemes in recent months as compared with the position that obtained in March 1957 when the unutilised potential exceeded three million acres, there is nevertheless considerable time lag between the completion of projects and their utilisation. The lag is attributed to the failure to construct distributaries and field channels and, in some cases, to shortage of steel which has delayed installation of shutters and sluice gates. The Standing Committee emphasised that, in the Community Project areas, it should be the responsibility of the project authorities to have village channels constructed through local voluntary labour. Elsewhere, the State Governments should secure the construction of such channels and, if need be, spread the recovery of dues over a long period. After considering the relative yields per acre of rice and wheat in different States, the Committee asked the Planning Commission to take two steps: (1) to set up a special study group to examine the disparities in average yield in different parts of the country and to analyse as precisely as possible the reasons for these disparities; (2) to arrange for an examination of the existing agricultural statistics in respect of both area and production.

Summing up the discussions on the agricultural production programme, the Prime Minister struck a note of realism when he said that it was wasteful to spend large sums of money and then fail to derive full profit from them. In particular, he alluded to the tendency to think in terms of big projects and emphasised that the whole outlook should now be of availing ourselves of the existing resources to the fullest extent. There is considerable force in this observation, as also in his statement that due importance should be attached to programmes such as soil conservation, green manuring and development of subsidiary foods. Alluding to the co-operatives, Mr. Nehru said: "The co-operative movement is essentially a movement for human beings working together and building themselves up. This can only happen if responsibility is cast upon them. Care should be taken to see that the tendency to increase the number of petty officials is checked." These remarks are, indeed, very pertinent and deserve to be pondered by those protagonists of the co-operative movement who are all out to foster the movement through excessive official patronage and, possibly, some compulsion.

UNITED STATES' BUDGET

Military preparedness, coupled with an emphasis on economic development of the backward countries, forms the keynote of the budget message of President Eisenhower to the U.S. Congress delivered this week. It is of the utmost importance to the free world that the U.S. must be strong, both materially and morally, in order that it may discharge the obligations which the rest of the free world expects it to bear and which it has so bravely and cheerfully borne all these years. From this point of view, it is noteworthy that Mr. Eisenhower, in his budget message, has taken account of the need for promoting technological advancement in the U.S. as well as for facilitating and speeding up the economic progress of the rest of the free world. In effect, the budget reflects American determination to be prepared to meet any challenge to freedom and the international idealism which has for long guided its foreign economic policies.

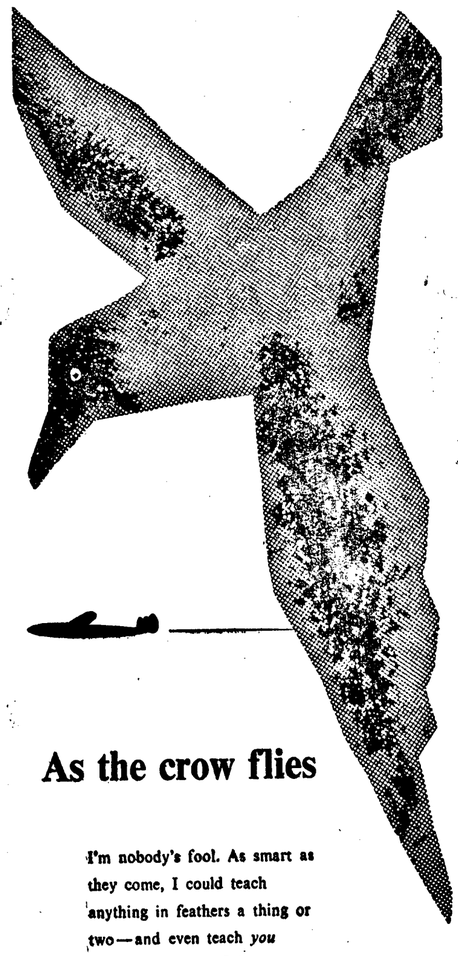
The estimated budget totals, for the current fiscal year and for the fiscal year 1959, as given by Mr. Eisenhower, are compared with actual results of earlier years in the following table:

(In thousand million dollars)

	Actuals		*Estimate*	
	1956	1957	1958	1959
Budget Receipts ...	68.1	71.0	72.4	74.4
Budget Expenditure	66.5	69.4	72.8	73.9
New Obligational Authority ...	63.2	70.2	74.4	72.5

It will be seen from the table above that the fiscal year 1958 will end in an estimated deficit of 0.4 billion dollars, while a surplus of 0.5 billion dollars is anticipated for the fiscal year 1959. The current estimate of receipts for the fiscal year 1958 is higher than in previous years. Even so, Mr. Eisenhower revealed that it is "somewhat smaller than earlier expectations, reflecting readjustment currently taking place in an economy following the rapid growth of the past several years." Budget expenditure is grouped under categories of protection, civil benefits, interest and general Government expenditure. A major share of the expenditure is accounted for by protection which includes expenditure for major national security and for international affairs and finance. This item will absorb 64 per cent. of the estimated total 1959 budget expenditure. The $47.1 billion (a billion=1,000 million) estimated to be spent on protection in the fiscal year 1959 is higher than in any year since 1955. Explaining the importance of protection, Mr. Eisenhower said: "Our security is an integral part of the entire free world. In addition to strengthening our own defence, we must improve the effectiveness of our partnership with our allies." Civil benefits, which include labour and welfare, will absorb $16.4 billion in the 1959 budget or 22 per cent. of the total. The estimate of 1959 expenditure for interest is $7.9 billion and expendiure for general Government $1.4 billion.

Among significant allocations, mention must be made of the increased allotment to the Atomic Energy Commission which, in the fiscal year 1959, will receive $2,550 million or $250 million more than the estimated expenditure for 1958, which, in turn, was $310 million above the total in 1957. "These increases," Mr. Eisenhower said, "reflect our determination both to increase the tempo of progress in achieving a greater nuclear military capability and to press ahead in our successful development of the peaceful applications of atomic energy." The total expenditure on the development of missiles will be $4.3 billion in 1958, and $5.3 billion in 1959, as compared with $3 billion spent in 1957 and $1.7 billion in 1956. In missile technology, there will be a marked shift of emphasis from earlier initial weapons to the more advanced types. The longer-range missiles will account for nearly half the missile programme for 1959. This programme includes construction of naval vessels and equipment. Most of the ships under this programme, it is stated, will be new types, including the first nuclear-powered frigate. Expenditure on research and development under the defence budget will amount to $2,256 million in 1959 or 50 per cent. more than in 1958. This increase obviously reflects the Administration's determination to win the race in applied science and technology, which is of incalculable significance to military and material advancement.



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BRITISH PRIME MINISTER ON INVESTMENT PROSPECTS

FALL IN FOOD PRODUCTION EXAGGERATED?

From Our Special Correspondent

NEW DELHI, *14th January*

DELHI LETTER

NEW DELHI extended last week a warm welcome to Mr. Harold Macmillan, the first British Prime Minister ever to visit this country. His visit probably also symbolised the first serious attempt by Britain to force the Commanageable in a way that force making for peace in the world. Beyond this, the visit had also the significance that it gave the British Premier the opportunity to clarify Indo-British economic relations. In a broadcast over the All-India Radio, Mr. Macmillan pointed out that, in the first five years of India's independence, British investment in India was 10 times greater than that of any other single country and the total of such investment today represented about 82 per cent. (Rs. 400 crores) of the total foreign business capital in this country. Incidentally, he referred to the fact that, during the period 1946 to 1955, the United Kingdom provided nearly three-fourths of the foreign capital investment in Commonwealth countries within the sterling area. Mr. Macmillan emphasised the point that, despite the drain on her resources in the last two wars, Britain still remained by far the largest source of capital for economic development in the Commonwealth.

Subsequently at a Press conference, Mr. Macmillan said that the best contribution that Britain could make to India's second Plan was through provision of bank credits and partnership between private British industry and the Government of India, which was already taking place, and by a sufficiently flexible policy to enable India to draw from her sterling balances. He, however, hoped that, as a result of American and West German assistance, India would be able to get through without drawing too much from the sterling balances. Mr. Macmillan explained this by saying that he had partly in mind the effect of too much withdrawal from the sterling reserves on the value of Indian currency and partly the effect on the sterling area in general. The banker's liabilities would be very great if all customers were to draw all their money on the same day, he said. Mr. Macmillan ruled out the possibility of any British loan of £100 or £200 million to India. At the same time, he added that membership of the sterling area ensured a flexible system of advances and it was for India to decide the quantum of her sterling reserves. And he concluded with the cryptic remarks: "You do not lend a man when you already owe him 300 million pounds."

Food Production

Although it is too early to have full estimates of foodgrains production in the agricultural year 1957-58, it would appear from the report of the Study Team (led by Mr. M. S. Sivaraman, Adviser, Programme Administration, Planning Commission) on crop failure in Bihar, Orissa and eastern Uttar Pradesh that the previous estimates—made by the State Governments concerned—of loss in output were exaggerated. The Team's finding in respect of Bihar is as follows:

"The State Government has estimated the damage to the crop at 56.5 per cent. and the production of winter rice at 1.5 million tons on the basis of a peak production of 3.475 million tons in 1956, whereas the average production of both winter and autumn rice is 2.86 million tons. As the conditions are similar to those obtaining in 1932, 1935 and 1950 when the estimated yield of winter rice was 65, 64 and 65 per cent., respectively, of the normal crop production, this year's outturn may also be about 65 per cent. of the normal crop and the outturn of autumn and winter paddy may be about 2.24 million tons as in 1950. The loss of crop this year will, therefore, be about 6 lakh tons and not 19.6 lakh tons."

In respect of Orissa, the Study Team has given the finding as follows:

"The State Government has estimated the damage to crops at 6 to 10 lakh tons of rice on the basis of visual impressions formed by the local staff. In 1954, which is said to be a year of severe drought, the outturn was estimated to be 6 annas or less and the actual total output of paddy in terms of rice then was 2.179 million tons as against a yearly average of 2.140 million tons. The State Government's estimate of crop this year is 6 annas and as such the production is not likely to be different from that in 1954."

The Team's finding in respect of eastern Uttar Pradesh is:

"The State Government has estimated the yield of rice in the eastern districts at 5.12 lakh tons against a normal of 10.19 lakh tons. In 1951, which is said to be a year of severe drought with a similar pattern of distribution of rainfall, the actual outturn was found to be 7.77 lakh tons. It is likely that the production of paddy in the eastern districts this year will be of the same order."

Beating the Drought

Two of the recommendations of the Study Team merit highlighting for the reason that they involve cheap and simple methods of increasing production or of preventing loss of output in conditions of drought. These recommendations may be summarised thus: Every effort should be made to exploit the possibilities of using underground water wherever possible through open wells, wells with borings and small tube-wells. At the same time, a mass approach to the problem of lifting water through simple inexpensive contrivances like bullock-operated pumps which can directly pump from small tube-wells with equipment of a type which can be made by the village artisans should be seriously taken up. The programme for incorporation of organic manures like green manure or composts which would conserve soil moisture and improve crop yields should be extensively taken up and it is possible to do this within two years if an earnest effort is made to plant perennial shrubs and use green manure by raising seeds on the borders of fields. Simple measures like raising the height of bunds of paddy fields to store more of rain water and putting up bunds around *rabi* fields in areas not subject to inundation should be popularised.

The Governments of India and Czechoslovakia have reached an agreement on the terms of payment for the foundry and forge project, which will supply heavy castings and forgings needed by the proposed heavy machine building plant for the construction of which an agreement has been concluded with Russia. The project will cost Rs. 30 crores, of which Rs. 16.5 crores in foreign exchange will be financed by the Czech Government, to be payable in instalments after 1st April 1961. The Government of India will pay during the period ending 31st March 1961, a sum not exceeding Rs. one crore to the Czech Government, in order to enable the latter to make purchases of Indian goods for export to Czechoslavakia. The project will be completed in two stages. The first stage, with an installed capacity of 22,000 tons per annum, will be completed in 1962. The final stage, with a capacity of 45,000 tons, is scheduled to be finished by 1964.

STERLING AS A WORLD CURRENCY—I

From Our Own Correspondent

LONDON, *6th January*

LONDON LETTER

WHEN Lord Keynes saw his dream of an International Monetary Fund come true, with its own inset of account, the Bancor, he thought the world was set for an international currency, elastic and manageble in a way that gold could not be. Sterling would not have to bear the burden of being a world currency and Britain and the world would have got away from that crippling "barbarous relic" —gold.

Alas! That the reality has been far different: bancors have turned out to be dollars, dollars have turned out to be gold, gold reigns supreme and sterling and the sterling system remain as inexorably tied to it as in the heyday of the maligned gold standard. It is not, therefore, surprising that, whenever sterling hits a crisis, as it did this summer, voices of rebellion should be raised to demand an end to this gold-anchored sterling system. They would like Britain to throw in her hand as an international banker and restrict the convertibility of sterling, so that international speculation in the pound would no longer be possible.

The reason for this attitude is entirely understandable. If Britain is keeping her own payments in balance, why on earth should the country be set by the ears—Bank rate go up to 7 per cent., credit be restricted, unemployment allowed to grow, production be damped down and a general air of crisis engendered by foreign gentlemen who take it into their heads to have a flutter with the pound?

Sterling Area

The function of sterling and the future of the international pound are at the moment widely debated—the more freely since the current confidence in sterling means that discussion does not create despondency. The London *Economist* has made an analysis of the sterling system and concluded that it is not desirable either to seek to fund the sterling balances or to drop support of the transferable sterling rate (it is, of course, the Bank of England support of this rate that makes transferable sterling in practice convertible sterling). That journal's conclusion is that nothing can be done by way of control in any form and that "plainly, the principal support for sterling must come from Britain's own domestic and current trading surplus." As for the Commonwealth, it admits nothing more than the *toleration* of "informal agreements with newly independent countries about the pace of rundown of their balances" and the only glimmer of an appreciation of the basic problem is the recognition that "there is certainly need for a greater sense of common purpose among the sterling creditors." Yet this is the clue to the whole problem, as this and subsequent "Letters" will show.

But before analysing the problem confronting sterling, it would be as well to dispose of two lines of thought. The first is the suggestion that the International Monetary Fund should come to the reserve by providing more funds to replace sterling internationally. This takes us back to Keynes' dream: by all means let the I.M.F. reconsider the first principles of its reason for existence, but the I.M.F., in this context, means America and that country, lost in admiration of its own productive and exporting powers and impressed by the recent development of European countries such as Germany and Belgium, who have subscribed to the principle of rugged individualism, is suspicious of developments of international banking which would savour of a right to dollars by countries which have no such right! Besides, would they let international units (which buy dollars) go to Red China or the Iron Curtain countries?

Gold Value

It is also unprofitable to hope that gold might be upvalued, so that everybody's gold reserves would buy much more of everybody's currencies. This idea, popular outside the United States, makes no appeal to Americans who are again suspicious that it would mean giving dollars away. After all, Russian gold would also buy more American goods—and at no greater cost. Besides, the upvaluation of

(Continued in previous column)

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gold would not resolve the basic problem of the United Kingdom. It would, of course, be helpful—if considerable enough—by raising the sterling and dollar value of the reserves in relation to this country's sterling liabilities. Theoretically, it could be carried so far (say, by a trebling of the price of gold) that the whole of the sterling balances could be paid off or gold be earmarked to pay them off on demand. But such a devaluation of all currencies in terms of gold would set up a world-wide inflation on a scale obviously to wipe out, in terms of goods, the increases in reserves. So that Britain would have got herself out of her liabilities merely by cheating her creditors, and the fact that every other debtor had done likewise would hardly make the device more creditable. So that while a modest upvaluation of gold would be helpful—whereas a large one would do more harm than good—it would not avoid the need for a country aspiring to continue as an international banker to make arrangements to put its business on a sound footing. And that is the need of Britain and the whole sterling area today.—*All Rights Reserved.*

AMERICAN LETTER

ONLY A MILD RECESSION EXPECTED

BABY BOOM SHOWS NO SIGNS OF ABATEMENT

From Our Special Correspondent

NEW YORK, *8th January*

MANY problems are being debated, at this time, with great fervour in the United States. On top of the list, perhaps, is the question whether or not President Eisenhower should meet with Soviet leader Nikita Kruchshev. Nearly all U.S. observers who returned from Moscow say that the Kremlin's offer and desire for such a meeting is genuine.

There seem to be great stresses within the Soviet Union itself. The harvest was poor and Mr. Kruchshev is determined to better the lot of the Russian consumer. This, however, is possible only by cutting down on armament expenditures. Peaceful co-existence, in the opinion of these observers, therefore, is in the Kremlin's interest. Prime Minister Macmillan of Great Britain seems to argue the same point.

So far, there has been no positive reply from Washington. Secretary of State Dulles seems to argue that this is no proof of Soviet sincerity and he is, apparently, opposed to further meetings. Part of this attitude may be caused by the many frustrations the Secretary received at the hands of Soviet leaders both in the Middle and Far East.

On the more cheerful side, Secretary of Commerce Sinclair Weeks asserted the other day that the present downturn in business would be nothing more than a "mild dip," to be followed by a climb later in 1958. "The 12-month outlook is better," he said, "than nail-biting pessimists think." He cited three major plus-factors, namely, stepped-up defence orders, a rapidly growing highway construction programme and continued population growth.

Baby Boom

The latter point was the subject of an elaborate study by the U.S. Census Bureau. Somewhere in the U.S., a baby was born every 7½ seconds in 1957. Taking into account population fluctuation caused by deaths, immigration and emigration, this country's population scored a net gain of one per every 11 seconds. The U.S. entered 1958 with a population of 172.8 million, up 3 million from last year. It is a jump of almost 100 million since the start of this century.

The baby boom has been prevailing since the last war and shows no signs of abatement. It offers long-range encouragement and almost insures expansion of vital lines of endeavour for many years to come.

The first part of January saw no unexpected changes in the business picture. Termination of holiday employment brought about an increase in unemployment insurance claims which at the turn of the year were larger than for some time past, but not alarmingly so.

Automobile output was 6.1 million cars in 1957. It was the fourth largest output year in the history of the U.S. Prognostications are that, for 1958, the figure will probably be 6 million cars, if only for replacement of worn-out vehicles.

The financial picture has brightened somewhat since my last despatch. The stock market has recovered from year-end tax selling and has turned in several excellent trading sessions at which higher prices were prevailing. The reduction of the discount rate by the Federal Reserve banks injected new life into the bond markets. Thus, many paper portfolio losses were offset. Year-end bank statements were good. They showed higher earnings than in 1956 and most of the major balance-sheet items were up for the year as well.

Wage Demands

Farm prices and most other items seem fairly stable and no undue movements are expected in the near future. The only pressure for higher prices which may arise comes from continuing demand for higher wages by labour unions. There is no reason to assume there will be any let-up in such demands.

However, the present session of Congress is likely to tackle the labour problem as a whole and demand several revisions in existing statutes. Those proposed at this time include reporting of labour pension fund resources publicly and the holding of secret elections of union officials at least once every one, two, three or four years. The secret ballot is held to be important in diminishing the hold labour leaders have over their membership.

Savings have held up well, but they may decline as unemployment increases and demands are made upon backlogs. How high savings should be is a much debated question. While they have gone up in dollar amounts steadily, they have been dropping, however fractionally, in terms of incomes. With higher costs and more expensive machinery every day, more money is required to keep the industrial machinery going and, if private savings are insufficient, industry would have to rely on the seemingly inexhaustible Government funds which would mean a further step in the direction of socialism.

Foreign Events

In the perspective of a slightly declining economy at home, U.S. public opinion has viewed foreign events with greater gravity than it might have otherwise. Developments in France, for example, cause considerable concern. The Algerian war has not been resolved and continues as a great drain on the country's economy. The contention that Algeria is part of continental France is, of course, untenable in Africa, and there seems no way of resolving the dilemma.

The feeling here is that, unless there are immediate and rapid improvements in the areas of Algeria and French domestic finances, a *coup d'etât* must be expected either by the extreme right or the extreme left. The effects such an event would have on N.A.T.O. cannot be predicted, of course.

President Eisenhower's appearance at Paris was a valiant gesture, but it does not change the increasing sentiment of a prosperous continent of Europe to seek their own salvation, perhaps in neutrality, rather than to be pawns between the two giants of the East and the West. Whether such a course is possible remains to be seen.

The Middle East continues as another trouble spot, The Afro-Asian conference at Cairo was another Soviet propaganda success and the Government crisis in Israel portrayed vividly the dangers ahead. The Eisenhower doctrine which was designed to protect the Arabs from Soviet domination, it is generally held here, has backfired by an unrealistic approach for which Secretary Dulles is blamed.

There is now an attempt being made at Washington to make drastic personnel changes. There are no hints, at this time, that this would include the Secretary of State. But there seems to be a more realistic viewpoint in the Treasury since Mr. Humphrey left and some attempts are being made to cope with realities rather than to adhere to resolutions, noble in purpose, such as a balanced Budget, the integrity of the dollar and other cliches.

Another shock to American nerves was news from Indonesia where Russia appears to be making headway, too. The U.S. faces a real dilemma. Indonesia asked for arms. This was rejected for fear of alienating the Netherlands N.A.T.O. ally. Now it looks Indonesia might get the weapons anyway—from Iron Curtain countries.—*All Rights Reserved.*

NEW U.N. AID FUND

Moves are under way in the U.N. headquarters for establishing a new U.N. technical aid fund that was unanimously approved by the General Assembly last December. Mr. David Owen, Executive Chairman of the U.N. Technical Assistance Board said that he would consult his field representatives on the matter during a six-week trip to Asia, the Middle East and Europe. The first meeting of the 16-nation Preparatory Committee that is to plan for the new special fund will take place shortly.

The Assembly outlined the general character of the fund, but left to the Preparatory Committee the task of defining the kinds of assistance it is to provide, recommending the organisational and administrative machinery needed and ascertaining the contributions which governments are willing to make. The Preparatory Committee is to report later this year to the Economic and Social Council which will in turn report to the Assembly next autumn for final action in establishing the fund. The idea of the special fund was put forward by the United States in a proposal for the U.N. to triple its present rate of providing technical assistance, up to $100 million or more.

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INTERNATIONAL MONETARY SITUATION

PEOPLE ALL OVER THE WORLD ARE TIRED OF INFLATION

Dr. Per Jacobsson

MANAGING DIRECTOR, INTERNATIONAL MONETARY FUND

I HAVE just returned from a journey to Europe where I visited France, Switzerland, Finland and Sweden—and in each case paid close attention to the monetary problems. Four months earlier I had made a journey to a number of Latin American countries in connection with the Buenos Aires Economic Conference in August, visiting besides the Argentine, Brazil, Chile and Peru.

Now there are, of course, many differences between the older European and the younger Latin American countries, but, in one respect, I found a pronounced similarity: in Latin America, as in Europe, I found that the people in general are getting increasingly tired of inflation. This does not only mean that they dislike rising prices; that they have done for quite a time. But it means that now they begin to recognise the reasons for the price increases, and thus to feel that stable money is something worthwhile striving for, even something worthwhile making sacrifices for. It is this feeling that has made it possible for the authorities to take steps to defend the currency which only a few years ago would have been politically unthinkable. Thus, the Bank of England has raised the Bank rate to 7 per cent., which is the opposite to cheap money. In Finland, the official discount rate is as high as 10 per cent., which it also is in France for any commercial bank that exceeds by more than 10 per cent. the quota of re-discounting allotted to it by the Bank of France.

Latin America

As far as Latin America is concerned, it is interesting to find that the fall in the prices of most of the products which these countries sell, leading to difficulties in their balances of payments, has *not* diminished their desire for currency stability, but in several cases has led them to take more decisive steps in their struggle against corrosive inflation.

There seems to have been a change in the climate of opinion almost all over the world. People begin to realize that an inflationary credit expansion may, for a while, even perhaps for a few years, finance new enterprise but that when people wake up to the fact that their money has a constantly diminishing value, as they inevitably do, they will then stop saving. Credit expansion can be no substitute for savings: a reliable currency is the only true basis for sustained investments. The experiences of Germany and Italy—two countries which have carried out cautious monetary policies—prove beyond doubt that, in our days, with so many inventions to be exploited and so many houses and hospitals, schools and roads needed for a growing population, the difficulty is not to find outlets for the available savings but rather to increase the flow of savings in each country in order to sustain the desirable level of investments. Let us note, in passing, that the Russians know this and, indeed, have put into practice a careful non-inflationary monetary policy. In a speech the other day in Kiev, Mr. Kruschev even apologised for the fact that, since 1954, there had been no further price cuts in Russia.

I have started with these more general observations, for it is against the background of an increasingly widespread wish to get rid of inflation and to restore orderly monetary conditions that recent action by Governments and central banks has to be examined.

Nasty Corners Passed

If we cast our minds back over the last 18 months, we find that the world has successfully turned two nasty corners in the monetary field.

The first great difficulty that was encountered was in connection with the Suez crisis, which led in particular to a run on sterling. As you know, the International Monetary Fund in December 1956 granted assistance to Great Britain to the tune of $1,300 million ($561 million as a drawing and $739 million in the form of a stand-by, i.e., a line of credit, which has in fact not been drawn upon). Together with other measures, this assistance helped to arrest the run on sterling, and it also enabled the British to avoid going back on the liberalisation of trade which had been attained. It is often said that the Suez crisis was more easily overcome than anybody had expected; *maybe* it would not all have gone so relatively smoothly had it not been for the assistance from the International Monetary Fund.

The second difficulty occurred in the summer of 1957, when there arose a state of acute tension over certain European exchange parties. There were rumours about a revaluation of the German mark and a possible devaluation of other currencies, including perhaps a widening of the margin for the official quotations of the pound sterling. Fortunately, remedial measures were taken by the countries concerned. The official discount rate was increased in France, Great Britain, the Netherlands and Sweden; and at about the same time, it was reduced in Germany according to the rule that those who lose gold and foreign exchange shall increase their interest rate, while those who gain reserves should lower their interest rates. In addition, the annual meeting of the International Monetary Fund in Washington in September this year became the occasion of statements by the representatives of, in particular, Great Britain and Germany, that no alterations would be made in the exchange parities. It seems that these Statements were believed by the markets, for the fact is that, from that time, the German reserves ceased to increase, while funds began to flow back to London. In the middle of December, transferable sterling was quoted at $2.79=£1, the highest rate since April 1954, and *well* within the margin for the official quotations of the pound sterling ($2.78 to $2.80). The pound sterling is in fact convertible for all foreign holders at rates within the official margins.

German Marks

In the case of the German mark, the turnaround was equally spectacular. During the first nine months of 1957, the German gold and foreign exchange reserves had increased by as much as DM5.7 milliard—three-fifths of which occurred in the third quarter (July to September 1957). But, by the middle of December 1957, the same reserves of the Bundesbank were no higher (in fact, slightly lower) than they had been three months earlier.

The speculative positions taken in the markets as a result of the uncertainties with regard to the pound sterling and the German mark in the summer of 1957, probably reached an amount well above $700 million, one way and another. Some of these positions are probably still outstanding—their reversal will presumably take some time. By November the pound had passed its seasonally weak period of the summer and early autumn, and had returned to its normal strength—as was to be expected at this time of the year, this being now shown in the market quotations.

Before I turn to some other currencies, it may, perhaps, be well to say a few words about the present prospects of the pound sterling and of the German mark. There can be little doubt as to the determination of the British authorities to stop inflation and safeguard the value of their currency. Since the end of 1949, the money supply in Great Britain has only risen in all by about 11 per cent., which is much less than in any other country in the world (except Denmark). The banks continue to reduce advances, and the Government has declared that it will not increase the total investments of the nationalised industries above the level attained this year. There has been a moderation in the rate of expansion in private industry which can be characterised rather as a levelling-off than as a setback. There is little unemployment, but not quite so strong a demand for labour as there was previously.

Horatius at the Bridge

It has been the declared policy of the Government to prevent a general rise in prices, and as part of that policy there has to be, at least for the time being, no marked increase in wages. Some labour unions have made demands for substantial increases, but it seems that, in practice, there is a tendency to be more moderate. Perhaps, the workers, and their leaders, feel that public opinion would be strongly averse to violent industrial disputes and, indeed, not approve a policy of wage increases which would result in higher prices. It seems that no labour union is anxious to be the first to press its claim. I have been told that the situation reminds one of two lines in Macaulay's poem *Horatius at the Bridge*: "Those behind cried forward, and those before cried back."

As things stand now, the British seem to be able to master their internal cost and price problems, but what about the burden of sterling balances? To finance its development schemes, India has, over the last year, drawn down its sterling balances and other countries will presumably do the same. But Great Britain is a banker for many countries, and it is unlikely that the net annual withdrawals will be very large. When it is a question of making provisions against such withdrawals, and in general to provide savings for overseas and other investments, it is inevitable that the question of economies in the budget will arise. Sometimes, it is technically and politically easier to compress the volume of investments financed through the budget than to cut current Government expenditure, although a cut in such current expenditure would be preferable from many points of view.

In dealing with the British problems, one has always to remember that a country's capacity to master its problems does not so much depend upon how difficult those problems are as on the determination, patriotism and ingenuity with which the authorities and the public face the task before them, so that the appropriate solutions are found. As it is, the sterling balances serve for the countries who own them as a buffer against serious embarrassment in the field of foreign trade, especially in a period of recession with an appreciable decline in the prices of raw materials and foodstuffs.

Continent: Germany

It is all to the good that a country in Germany's exposed position should have a strong currency and substantial gold and foreign exchange reserves, but now that such a position has been reached, it is not in the interest of Germany or anybody else that the reserves should continue to increase at a rapid rate. But is it to be expected that the cessation of the increase during the last quarter of 1957 will be continued in 1958?

Undoubtedly, Germany has a strong export position, being still able to sell many products at relatively low prices, but this is not the whole story. There has been a quite pronounced expansion in the money volume in Germany (by perhaps 15 per cent. in one year), reflecting in a large measure the higher wages and the increased social benefits. Further, the public authorities are no longer adding to their cash reserves but drawing on the funds already accumulated to finance a budget deficit. Moreover, the Bundesbank has not by any means completely offset the combined expansionary effect of the budget deficit and the foreign exchange surplus. These factors should help to reduce the current German surplus in the balance of payments, but it is still possible that Germany will, nevertheless, continue to earn a substantial, though reduced, surplus. The German authorities, therefore, still have every reason to consider what credit measures they can take, or what other facilities they can grant, in order to lessen, as far as possible, the strain for other countries. It is hardly to be expected that the question of the possible revaluation of the German mark will be raised again; so, on that score, there should be less embarrassment.

Netherlands

The Netherlands, too, has had its difficulties this summer. The guilder was under pressure, but, with an increase in the official discount rate and a series of other measures taken, the trend has been reversed, the Dutch currency being apparently strong enough to remain rather unaffected by the recent happenings in Indonesia.

France

As far as France is concerned, one of the main difficulties of recent years has been the effort to do too many things all at the same time. Everybody knows about the struggle in Algeria, which is, of course, costly, although it is hard to estimate what the exact costs are, especially as

there are some offsetting items. But it is, perhaps, less well known that France in recent years has become a highly dynamic country, making large forward strides in developing its industry and agriculture. This dynamism finds its expression also in the birth rate, which in the last two or three years in France has been even higher than in Italy. The growing population has, of course, added to the demands for more houses, schools and hospitals. Taken together, the resources devoted to these various purposes have substantially exceeded the genuine savings available in France. Internally, therefore, part of the financing has been met by credit creation, with the result that, externally, the country's foreign exchange reserves were very greatly reduced. By the middle of 1957, it became clear that such a situation could not continue, and a series of steps were taken to reduce the budget deficit, to restrain the granting of credit and to replace a complicated system of import charges and export premiums by a more simple system equivalent to an exchange adjustment. The rehabilitation work has been continued by a new Government in the late autumn, and France will in January open negotiations in E.P.U. and I.M.F. to obtain certain foreign credits, which can bridge the gap until the measures taken and still to be taken will become fully effective.

It is interesting to note that the gold and exchange markets already appear to have partly anticipated the results of the present plans of the French Government to rehabilitate the economy—evidently expecting a fair measure of success. The quotations in the unofficial bank note markets fell from 504 francs to the dollar to 478 in a fortnight in December; the gold price has fallen correspondingly; and certain recent market issues have been highly successful—subscriptions to a railway loan reached 40 milliard francs instead of the 20 milliard that had been expected. It is too early to make any definite predictions, but one cannot shut one's eyes to some distinctly favourable developments.

Finland

During my journey to Europe I also visited Finland where an old friend of mine, Rainer von Fieandt, had just become Prime Minister. The exchange value of the Finnish currency had been adjusted to the rate of the already devalued tourist mark in August 1957; and it was of interest to find out what the results had been. A devaluation is, of course, not in itself a solution to a country's difficulties. In Finland, however, it had been preceded and accompanied by a series of measures which made the home currency scarce, ensuring increased payments into the Bank of Finland. The autumn is seasonally the strong period in the Finnish exchange market, so it was natural that the foreign exchange reserves should increase; but that they should go up from the equivalent of 20 to 40 milliard Finnish marks within four months was decidedly more than the authorities had dared to expect.

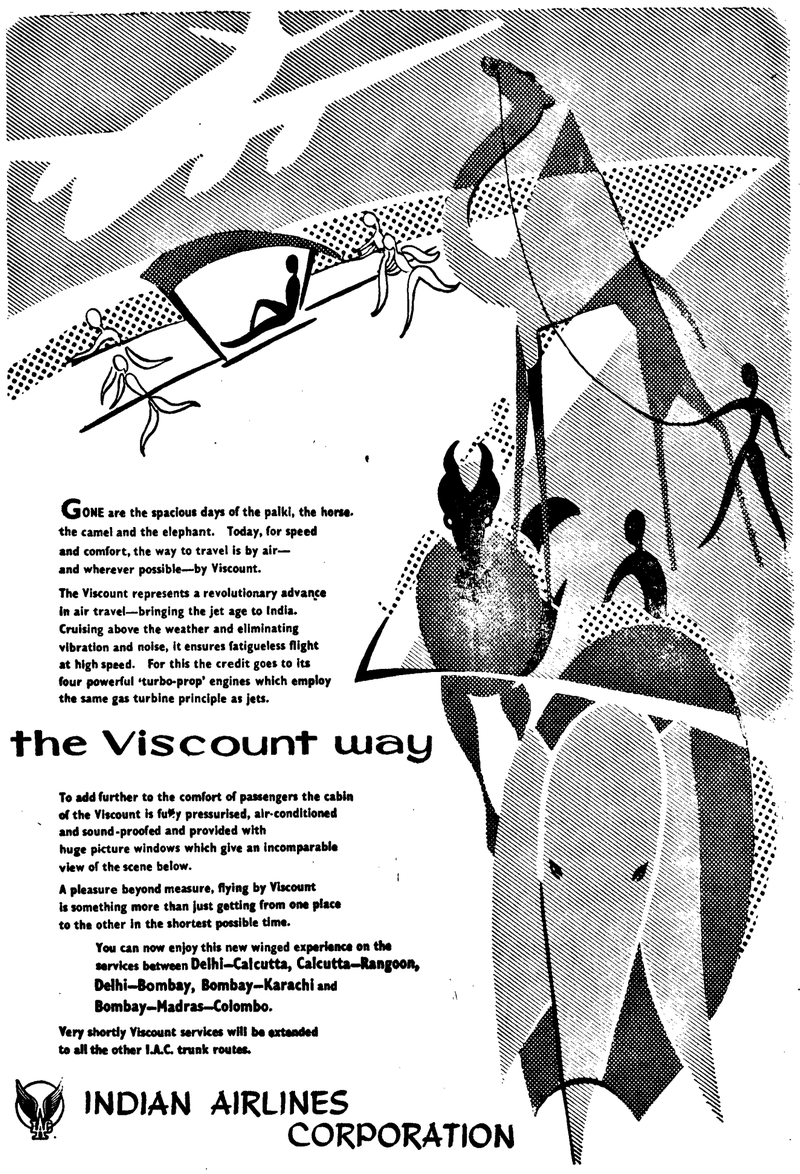
I have here referred to those countries which have been faced with acute foreign exchange problems of one kind or another. Many interesting things could be said also about the other European countries. Common to these other countries is one rather extraordinary fact: during the period of monetary tension in Europe in the summer of 1957, these other countries did not experience any acute strain. Several of them, and in particular Italy and Austria, continued to add to their foreign exchange reserves.

At the present moment, i.e., at the turn of the year from 1957 to 1958, in the European foreign exchange markets there are less signs of strain than there have been for a long time. Some might think that it is the calm before the storm, but, personally I am inclined to think that the readjustments and the many serious internal measures which have been taken in recent years begin to bear fruit in the form of a more balanced and durable international rate structure.

South America and Asia

I must say a few words about other continents also. For most Latin American countries, 1957 has been a year of disappointment and difficulties, in that the prices of the materials which they export have fallen in some instances quite sharply. But an interesting fact is that, notwithstanding the reduced foreign exchange receipts and, in fact, to some extent as a conse-

(*Continued on page* 111)



AMBAR CHARKHA PROGRAMME PRUNED

PROGRESS SO FAR NONE TOO SATISFACTORY

THE production target of ambar yarn cloth fixed at 300 million yards for 1960-61 has now been scaled down to 150 million yards. This is the result of the Planning Commission's acceptance of the recommendation made by the Expert Committee which reviewed the working of the Ambar Charkha programme recently. This Committee, it may be noted, was appointed in May 1957 by the Khadi and Village Industries Commission itself, with Mr. A. Zaman, I.C.S., one of the Joint Secretaries, Ministry of Commerce and Industry, Government of India, as Chairman. In its report, the Committee stated that it would be more reasonable to expect an output of no more than 150 million yards by the last year of the second Plan by means of Ambar Charkha. The revised scheme now proposed to be implemented envisages a production of 20 million yards in the current year (1957-58), 40 million yards in 1958-59, 100 million yards in 1959-60 and 150 million yards in 1960-61. The overall scheme is estimated to involve a total expenditure of about Rs. 36 crores, including the sum of Rs. 10-15 crores to be given as subsidy.

The downward revision in the production target for ambar yarn cloth, though it is belated, is a step in the right direction. Even before the original target of 300 million yards was fixed in the cotton textile policy announced by Mr. T. T. Krishnamachari as early as in June 1956, several experts in the textile industry had clearly pointed out that the technical and economic efficiency of the Ambar Charkha had not been proved to the satisfaction of all. It was stated that, if a sum of Rs. 30 to Rs. 40 crores per annum was required as subsidy to sell the yarn and cloth produced with the aid of this crude hand-operated spindle, it was obvious that it did not satisfy the test of economic efficiency. Further, in order to produce a given quantity of yarn, the Ambar Charkha would require 55 times the man-hours taken by an ordinary power-spindle. In view of all these defects, this journal observed in the course of an editorial (*vide* page 797 of the issue dated 28th April 1956) that encouragement to Ambar Charkha on the lines demanded by the protagonists tantamounted to nothing more than providing unemployment relief.

After the production target for ambar cloth was fixed at as high as 300 million yards out of the total estimated additional cloth requirements of 1,700 million yards in the second Five-year Plan period, genuine doubts were expressed as to whether reliance could be placed on the Ambar Charkha to produce in five years enough yarn required for manufacturing 300 million yards of cloth. The question was also posed as to who would weave the ambar yarn into cloth. These questions, posed two years ago, remain unanswered even today.

Actual Production Low

Viewed thus, it is not at all surprising to be told now that the implementation of the Ambar Charkha programme has so far been none too satisfactory. Notwithstanding the generous scheme of State subsidy and other measures of active support and encouragement, not more than 5.5 million lbs. of ambar yarn are expected to be manufactured in the current financial year (1957-58), as against the target of 18.1 million lbs.; the actual output in the six months ended September 1957 was 1,307,000 lbs. Similarly, in respect of cloth woven out of ambar yarn, the estimated production in 1957-58 is put at 20 million yards which represents a shortfall of 69 per cent. as compared with the target of 65 million yards; the actual production in the aforesaid six months was 3,618,000 yards.

One of the main reasons for the low level of ambar yarn and cloth production is the very slow progress in the manufacture of Charkhas. As against the target of 180,000 Ambar Charkhas fixed for 1957-58—150,000 Charkhas for distribution among trained spinners for commercial production of yarn and 30,000 Charkhas for training more spinners—the number that will actually be produced is estimated at 115,000, the output in the April-September 1957 period being no more than 45,815. The number of instructors trained is expected to be lower at 3,200—by the end of September 1957, only 1,648 persons had been trained—whereas the original target was 4,000. The number of spinners trained is also expected to be lower at 120,000—49,537 had been trained by the end of September 1957—as against the target of 150,000. With regard to the establishment of 100 *saranjam karyalayas*, only 20-22 per cent. has been done.

It is in the light of the actual experience thus and on the basis of advice given by the Expert Committee that the Planning Commission has revised the production target for ambar cloth from 300 million yards to 150 million yards. The enthusiasts of Ambar Charkha may feel that the revised target will be fully realised. This view is based on three considerations. First, the full impact of training and manufacture will be in evidence in the coming financial year (1958-59). Secondly, certain experiments are now being conducted to reduce the time spent on the preliminary process of preparing the cotton for spinning. Thirdly, the Government is keen on giving every possible encouragement and assistance (including subsidy) to the Ambar Charkha programme for social and political reasons. Incidentally, it may be noted here that the Ambar Charkha Committee had recommended, in June 1956, a single-point subsidy at the cloth stage of a minimum of As. 4 in the rupee. It is, however, not clear whether the subsidy involved has not actually worked out to be much more than As. 4.

Rather Doubtful

Despite the continuance of subsidy and extension of other measures of Government assistance and encouragement, it is rather doubtful whether even the revised target of 150 million yards of ambar cloth will, in fact, be hit in the next three years. Even supposing that the Ambar Charkha will produce enough yarn to produce 150 million yards of cloth, the wages that can be afforded to spinners of yarn on this instrument will be so low that the workers will not, as we have pointed out ere now, be able to make both ends meet. There is also no certainty that people will take to it easily unless they are either compelled or on the verge of starvation. They will always be on the look-out for some better and more profitable sources of occupation and switch over to them whenever opportunities arise. There will, therefore, be considerable fluctuation in the supply of yarn and the weavers dependent on it will be greatly handicapped.

It is necessary, in this connection, to draw attention to reports that the handloom weavers are reluctant even to touch the ambar yarn and prefer only mill yarn. This reluctance must be attributed primarily to the high prices of ambar yarn, on account of the substantially heavy wage cost of the Charkha which is said to be about Re. 1.87 per lb. of yarn, as against Re. 0.15 of a mill known for its high wages and excellent technical performance. Also, the quality of ambar yarn does not compare favourably with that of yarn produced in mills on scientific lines and under the supervision of experts. Apart from questions of cost and quality, the Ambar Charkha, it is said, cannot be expected to supply yarn which can be used by weavers with care for producing cloth of vast diverse patterns and designs.

The foregoing analysis will clearly bring out the fact that the Ambar Charkha will not be able to help meet to any significant extent the increasing requirements of cloth—domestic and foreign—in the coming years. Whether or not the Charkha will add to the total supply of cloth, there is certainly no point in continuing the negative policy of curbing consumption of such an essential item as cloth by the unconscionably high rates of excise duty. The demand for cloth is bound to be accelerated in the coming years, what with the rise in population at the rate of about 4.2 million every year and the general increase in the standard of living following the implementation of the various development schemes. This is a trend which should not be overlooked, whatever may be the considerations underlying the need for development in the decentralised sector of the cotton textile industry. The planners will do well so to shape the textile policy as to give the required freedom to the more efficient mill sector to expand its operations. Otherwise, they would have to take upon themselves the entire blame if there were to be any acute scarcity of cloth and soaring prices at any time in future.

SILK INDUSTRY

The Central Silk Board has just published a brief review of the progress of silk industry during 1957. The review, however, does not indicate the trend of production of raw silk in the country or the conditions obtaining in the sphere of mulberry cultivation. All that the review contains is the following high-sounding statement:

"Whether from the point of view of increased allocation of funds to the various State Governments towards the implementation of development plans in respect of sericulture, or because of the perceptible change for the better in the pace of expenditure in relation to the various schemes taken on hand or due to the sustained drive on the part of the Central Silk Board to achieve the target of self-sufficiency in the matter of raw silk production, the year 1957 will go down in the history of sericulture as an important landmark. Constituting as it does the greater part of the second year of the second Five-year Plan, the period under review is of considerable significance to the industry, inasmuch as the performance of the industry during the year will facilitate the determination, to a great extent, of the rate of progress that the industry could be expected to show during the rest of the Plan period. Looked at from this angle, it is really heartening to note that there has been an all-round progress in the development of the industry during the year 1957."

Considering that the Central Silk Board is the apex body entrusted with the task of ensuring the development of silk industry and that it has been functioning for the past several years, one naturally expects that the Board should make available to the public, especially in an annual review such as the one circulated to the Press now, statistical data relating to the different aspects of the silk industry. How else can one assess the extent to which the Board has contributed to the progress of the industry?

Even in regard to finances, the Board's annual review fails to give up-to-date figures. The latest year for which it has given figures is that ended March 1957. These figures show that there has been an improvement in the actual pace of development expenditure. Thus, during 1956-57, the States were able to show an expenditure of over Rs. 11 lakhs out of grants aggregating Rs. 33 lakhs, as against a little more than Rs. 1,60,920 out of Rs. 11 lakhs sanctioned in 1953-54. The Board claims a spectacular increase in the quantum of financial assistance rendered by it to the States; grants amounting to as much as Rs. 24,25,394 have been allocated for the current year (1957-58), as against Rs. 2,70,390 in 1952-53. This is in addition to loans to the tune of Rs. 21,27,050. The Board would have done well if it had given at least a rough indication of the actual utilisation out of the grants and loans made so far.

During 1957, large sums of money, we are told, were placed at the disposal of the State Governments concerned to effect improvement of mulberry, silk-worm seed organisation, silk-worm rearing, marketing, and sericulture research training. The Board says that it has set before itself three most important problems in respect of sericulture industry, namely, increase in production, qualitative improvement of goods produced and possible scaling down in the cost of production. With this end in view, the visit of two Japanese sericulture experts was arranged during the year. Dr. Y. Tazima, one of the experts, has already completed a tour of the important places of sericulture industry and his report covering the methods in which improvements can be effected in the different sectors of the industry is expected to be made available shortly. The other expert, Mr. Shohei Karasawa, will advise, in the main, on the organisation of the sericulture industry in Mysore State on a rational basis.

The production of spun silk yarn and noil yarn registered a rise during 1957 as compared with the previous two years. The total output of spun silk yarn during the first ten months of 1957 was at an annual rate of 65,000 lbs., as against 82,802 lbs. in 1956 and 53,666 lbs. in 1955. The production of noil yarn in the same period was at an annual rate of nearly 55,000 lbs., as against 45,703 lbs. in 1956 and 52,868 lbs. in 1955.

The Silk Board's review of the Bangalore silk market during 1957 shows that the market presented a firm trend, the prices of most varieties—filature silk, charka silk, domestic basin quality spun silk and even reeling cocoons—touching the highest level for the year in the last week of December. The following table gives the rates for different varieties of silk quoted in the market during 1957:

(In Rs. per lb.)

Filature: Kollegal: 31 to 37; T. Narasipur: 33 to 37; Kanakapura: 34 to 39; Channapatna: 36 to 38; Kisan: 28.50 to 37.50.

Charka: *Superfine*: 24 to 32; 1st quality: 21 to 28.50; 2nd quality: 18 to 26; 3rd quality: 17 to 23; domestic basin quality: 28 to 34; spun silk yarn 210/2: 20 to 21.

Cocoons: Reeling cocoons: 1st quality: 1.16 to 2.25; 2nd quality: 0.84 to 1.94; seed cocoons (per 1,000): Mysore: 2.50 to 14; foreign: 2.75 to 15.

Silk Waste: Filature: 3.75 to 6; improved *charka*: 1.75 to 3.25; long *charka*: 1.37 to 2.50; pierced cocoons: 2 to 2.75.

The Central Wage Board for the cotton textile industry of India, set up by the Union Ministry of Labour and Employment, will begin its hearings in Bombay from 12th February. The hearings will be in respect of units of the cotton textile industry in Bombay City, Sholapur and its adjoining areas, Nagpur (including Marathwada and Vidharbha) and Khandesh and its adjoining areas.

Two trade representatives from Japan met the Kerala Minister for Industries on the 8th inst., and discussed with him the possibility of starting a nylon twine factory in Kerala. The representatives suggested that the factory be started as a joint venture with the participation of the Kerala Government in it. Nylon twine is used for the manufacture of fishing nets. The Government will collect statistics about the State's requirements of the material within two weeks. Further discussion with the Japanese representatives will take place later.

PROBLEMS FACING COTTON INDUSTRY

COURTAULDS PRODUCE A NEW FIBRE

From A Special Correspondent

MANCHESTER, 7th January

MANCHESTER LETTER

AT the outset of 1958, firms engaged in the cotton and rayon industries in Lancashire face an uncertain prospect, yet one which is not wholly discouraging. The five years of intense post-war prosperity are now far behind and the subsequent period has been one of ups and downs in the true tradition of the county. Such fluctuating fortunes do not assist those whose job it is to gain new labour for the mills, but they have for many years been almost an integral part of the trade.

Much of the blame for these contradictory movements must be attached to the dependence of the industry on a fibre subject to climatic conditions. Additionally, the recent attempts to regulate supplies through governmental action have added a fresh factor of uncertainty and have resulted in world cotton markets becoming completely divorced from the elemental laws of supply and demand. There is as yet no sign that the existing arrangements under which the American Government is very successfully disposing of the remainder of its surplus cotton supplies will be materially revised, despite the many suggestions which are being put forward to the United States authorities.

By the end of the current season, it should be possible to have a better idea of the probable trends in the raw material, but, for the moment, prices seem likely to keep on an even keel, retaining the steady undertone which has been apparent for some months past. Stability in values has, in fact, been an important feature in recent trading and recognition that the trend will be maintained should stimulate buying in the near future.

The dearth of desirable qualities of raw cotton from the new American crop is also a pertinent feature of the situation, as it underlines the strength of the market and should result in firmer rates being quoted. On the face of it, there are grounds for believing that customers are being slow in not extending their commitments at the present time. Problems raised by the Government's credit restrictions have deterred many prospective buyers from increasing their engagements.

Fresh Problems

In addition to these national aspects of the financial situation, the cotton industry faces its own individual problems, such as the ever-present threat of competition from abroad and the rising scale of imports. It is difficult to foresee any change in this situation. Despite continual pleas, the Government appears to be quite adamant in its refusal to provide any form of protection. It would not be at all surprising if the present narrow gap between exports and imports was finally extinguished in 1958 and Lancashire became a net importer of cloth.

The common market project is another unpredictable source of uncertainty. While many traders fear its implications and believe that Lancashire as an industry will suffer, a number takes the view that the opportunities offered are too good to miss. The actual introduction of the scheme has now become a reality and the challenge is there to be faced. Individual firms and traders now have to make their decisions accordingly.

With rather shorter order books than at this time a year ago, spinners and weavers still retain useful contracts for completion and they are hopeful that the weeks ahead may bring a revival of buying interest. The trade done over the past six months has been remunerative and should be reflected in forthcoming financial results. The distant future is more obscure, but any improvement in demand can be satisfied by the output of the mills.

Raw Cotton Problems

The difficulties confronting the raw cotton markets of the world need no reiteration. For months past, ever since the American Government introduced its disposal programme to shift the burdensome supplies of the raw material, futures trading has been restricted and barely representative of current conditions in the industry. Latest trends indicate some movement towards greater equality between production and consumption, but progress in re-establishing marketing techniques is still slow.

Running over familiar ground in his speech at the annual meeting of the Manchester Cotton Association, Mr. A. L. Hughes, the President, was starkly realistic. "Until the two-price system is abandoned, it will be impossible for the futures markets of the world to carry out their appropriate function," he declared. "If a major change in policy does not come about reasonably quickly there may be no futures markets. The American method of making policy announcements at irregular intervals and to cover a very short term of the immediate future inevitably has a frustrating effect on an industry which must plan ahead over a much longer period."

Throughout the trade, the persistence of the policy of operating from hand to mouth whether the goods concerned be raw cotton or finished textiles is a severe handicap. Not only the procedure adopted by the United States Government, as Mr. Hughes pointed out, but the British Government's credit restrictions are responsible for this state of affairs. "It is absurd that, under present circumstances, we should have to conduct trade by emergency procedures more appropriate to times of war and disturbance," he added.

In the autumn of 1956, the American dock strike caught importers in this country with only light stocks of cotton. Visible supplies at that time were below 200,000 bales, but there was a subsequent build-up of about 150,000 bales and these stocks are still at hand either in the ports or awaiting arrival. Millowners lately have restricted their purchases as the inevitable outcome of the difficulties connected with financing supplies and there is no sign of any immediate change in this situation. Visible supplies of raw cotton, which at the end of October had reached a peak of 387,000 bales, are now 330,000 bales.

The Americans, as Mr. Hughes remarked, have supplied the underdeveloped countries with grants, loans, commodities, scholarships and technical assistance, believing that a well-fed and educated democratic community would not easily succumb to Communism. What they overlooked was that most of these areas derived an increasing portion of their national revenue from cotton growing. A stroke from the pen of the Secretary for Agriculture can do more harm to producers of raw cotton throughout the world than to the consumers.

A New Fibre

It is a well-established fact that progress in the textile field in the years to come is largely in the hands of the technician, the research worker and the chemist. Now that the actual operation of the machinery is open to all and countries which formerly imported huge quantities of cloth are engaged in a flourishing and extensive export trade, the technologist holds sway. For this reason, the various new fibres which are produced and the fresh processes evolved command attention from all those interested in the future of textiles.

With the opening of 1958, details have been released of the first British acrylic fibre—Courtaulds' "Courtelle." Limited quantities of this fibre are now being produced at a Coventry plant and the first garments made from it should be available in the spring. Additional full-scale plant at Grimsby will be producing the fibre early in 1959.

Extravagant claims have so often been made in the past on behalf of so-called "miracle fibres" that the trade is inclined to treat such comments with scepticism, but, if only a proportion of the virtues said to be possessed by "Courtelle" are substantiated, it will have more than earned its place among the wide range of man-made fibres now in production. This new fibre is of mineral origin, and the clothes made from it are claimed to be warm, soft and light, yet completely washable. It can be used in all kinds of end-products, from knitwear and woven fabrics to blankets, carpets and numerous industrial purposes. Said to be twice as strong as wool, garments made from the fibre should neither shrink nor stretch, need little ironing, and are creaseproof and mothproof.—*All Rights Reserved.*

The British textile industry is faced with increasingly severe competition from unregulated imports. Expressing this view, the Manchester Chamber of Commerce observes in its annual report that piecegoods imported from India are running at the rate of 200 million square yards a year and those from other countries continue to advance. The Government has been informed of the grave consequences of such developments and urged to help find a solution. According to it, it is to be hoped that there may yet be a satisfactory outcome as a result of the strenuous efforts still being made by Lancashire in negotiations with the industries of India, Pakistan and Hongkong.

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WORLD COTTON SUPPLY POSITION

SUBSTANTIAL REDUCTION IN STOCKS INDICATED

A RECORD low production and substantially reduced carryover in the United States have considerably altered the overall supply picture of free world cotton during the current (1957-58) season. Total free world supply is expected to aggregate 48.6 million bales comprising an estimated crop of 28.1 million bales and a stock of 20.5 million bales which represents a reduction of 2.4 million bales over the previous season's figure. The fall has occurred despite larger prospective production and higher opening stocks in the free world countries outside the U.S. For instance, the season began with carryover of 9.3 million bales in the free world countries outside the U.S., as compared with 7.6 million bales in the previous season. Their production is expected to be higher at 16.4 million bales which is 500,000 bales above the previous season's figure. Global production, including that of communist countries, is estimated at 36.7 million bales, as compared with 38.2 million bales in 1956-57.

The relationship between prospective world production and consumption indicates, according to the International Cotton Advisory Committee, Washington, that further progress will be made this season in the liquidation of existing cotton surpluses. Last season, a marked declined in production, combined with an equally significant increase in consumption, resulted in a decline in world stocks by about a million and a half bales to 22.2 million bales. In the current season, however, according to the Committee, contraction in stocks will be brought about primarily by a continued decline in world production while, according to present indications, any variation in consumption will be relatively minor. The I.C.A.C. estimates that world deficit in current production in relation to consumption would be two million bales or even more. Total global consumption in 1956-57 was 39.1 million bales of which 29.5 million bales were consumed by free world countries and 9.6 million bales by communist countries. The following table gives the global supply of cotton during the three seasons 1955-56—1957-58.

(In million bales)

	1955-56	1956-57	1957-58
U.S.—			
Stocks	11.2	14.5	11.2
Production	14.7	13.0	11.7*
Total	25.9	27.5	22.9
Other free world—			
Stocks	9.4	7.6	9.3
Production	16.1	15.9	16.4
Total	25.5	23.5	25.7
Total free world—			
Stocks	20.6	22.1	20.5
Production	30.8	28.9	28.1
Total	51.4	51.0	48.6
Communist countries—			
Stocks	1.5	1.5	1.7
Production	8.9	9.3	8.6
Total	10.4	10.8	10.3
Total world—			
Stocks	22.1	23.6	22.2
Production	39.7	38.2	36.7
Total	61.8	61.8	58.9

* November estimate.

Contraction in world production and supply this season is attributed mainly to developments in the U.S. Opening stocks in that country on 1st August 1957, estimated at 11.2 million bales, was 3.3 million bales lower than what was carried over into the previous season. The December estimate of the U.S. Department of Agriculture placed the season's cotton crop at 11.01 million bales, as compared with the November estimate of 11.7 million bales and the September estimate of 12.7 million bales. The yield per acre was indicated at 390 lbs., as compared with 446 lbs. forecast three months ago. If the actual crop appoximates the latest forecast, it will be the smallest since 1951 when production just exceeded 10 million bales. The fall in production is attributed to heavy rains, frost and generally unfavourable weather over most part of the cotton belt.

Lower production has thus paved the way for a more substantial liquidation of U.S. stocks this season. The consensus of opinion in the U.S. seems to be that disappearance, that is consumption plus exports, may be in the neighbourhood of 14 million bales. This would mean a deficit in current production of about 3 million bales and stocks will, in all probability, fall to under nine million bales by 1st August 1958.

The following table illustrates the position:

(In million bales)

	1955-56	1956-57	1957-58
Stocks, 1st August	11.2	14.5	11.2
Production	14.7	13.0	11.7
Imports	0.1	0.1	0.1
Total	26.0	27.6	28.0
Disappearance	11.5	16.4	14.0
Ending stocks	14.5	11.2	9.0

Free world production outside the United States is expected to register a slight increase of about half a million. It is estimated that production might be of the order of 16.4 million bales, as compared with 15.9 million bales in 1956-57. Higher production is indicated in Mexico, Egypt, Syria, India, Pakistan, Argentina, and some of the smaller African countries. Smaller crops are anticipated in Sudan, Turkey, Peru and Uganda. Mexican production is expected to aggregate 2 million bales, about 200,000 bales above last season. Crop progress in Egypt is reported to be satisfactory and production is estimated at 1,718,000 bales, as against 1,498,000 bales last season. Prospects in Middle East countries are favourable. In India and Pakistan production is expected to be higher than last season.

Although aggregate production outside the U.S. may thus exceed last season's output, it will be more than offset by the very much smaller crop in the U.S., thus resulting in a significant reduction in free world total to about 28 million bales, as compared with nearly 29 million bales in 1956-57. Free world supply would, therefore, be the smallest for several seasons.

As regards consumption, there has been a continuous expansion during the post-Korean period. In the last six seasons, world consumption has increased by over 5 million bales or 15 per cent., an average increase of 2½ per cent. per annum. World consumption last season rose to a record of 39.1 million bales of which the free world accounted for 29.5 million bales and communist countries 9.6 million bales. A major exception to this trend was seen in the U.S. It is true that consumption there was much higher than in the thirties but allowing for seasonal fluctuations, the trend during the last decade has been downward. Consumption last season declined to 8.6 million bales, one of the lowest levels for the post-war period. For the current season, it is too early to make even a rough estimate, but the expectation is that consumption will be lower than last season's 8.6 million bales.

Outside the United States consumption is much higher than a few years ago. Free world consumption excluding the U.S. rose last season to nearly 21 million bales, as against 19.3 million bales in 1955-56. As compared with 1951-52, the increase was over 30 per cent. or an average of about one million bales per year. This is one of the encouraging features in the present world cotton situation.

COTTON VS. SYNTHETICS

The need to make cotton competitive with synthetic fibres was stressed by Mr. T. D. Morse, U.S. Under Secretary of Agriculture at Memphis (U.S.A.), recently. Mr. Morse observed that for U.S. cotton to compete at home and abroad with foreign growths and synthetic fibres, mills must be assured of ample and regular supplies. Availability, he pointed out, was as important as price. Mills were aware that they could get ample supplies of rayon at stable price. They need to be assured that the same would be true for cotton also. The second requirement was price. He pointed out the need for taking steps to produce more of the kind of cotton demanded by world spinners today. Mr. Morse said that short-staple and low-quality cotton should become cheap enough to induce mills to use them. He pointed out that low grade cotton could be used by mills if the price differential was large enough to compensate for the extra manufacturing costs.

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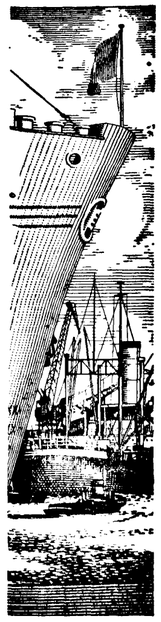

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ASIA IN WORLD SUGAR ECONOMY

OUTPUT RISES APPRECIABLY

UNTIL recently, the international sugar market was influenced predominantly by two factors. First, Cuba, the largest sugar-producing country in the world, was interested very much in the stabilisation of prices at a fair level. The second factor was the European beet sugar. Owing to vagaries of nature, the size of the beet sugar crop vary from time to time. Forecasts of this crop, therefore, have an important bearing on the trend of sugar prices. The conditions in the sugar economies of the wide Asian region, however, hardly counted. But, of late, the sugar industry in this region is undergoing such rapid changes that it looks as though the region will influence the trends in the world sugar market more markedly in the coming years. This view is expressed by Dr. Hugo Ahlfeld, Ratzburg, in the course of an interesting article contributed to the *F.O. Lights International Sugar Report*. The sugar men of the world, Dr. Hugo Ahlfeld observes, have all reason carefully to consider the development in these districts (countries of Asia) which certainly will play also in the sugar sphere a more important role in future than for the time being. In this connection, he says:

"There can be no doubt that these areas will become more and more interesting for all sugar men too. When we formerly wrote about the sugar conditions in Asia, we did not mention the Soviet Union. Today, this would be a mistake, as the Soviet Union is more expanding sugar beet cultivation in Siberia. Naturally, it remains difficult to judge whether they have reached real success or whether the Russians want to glorify their system. There can be no doubt, however, that they want to develop an important sugar beet cultivation in Siberia and that there are wide districts which are suitable for beet cultivation."

Gigantic Development

In the opinion of Dr. Hugo Ahlfeld, in all Asian countries, great efforts are made to adapt the sugar industry to circumstances, efforts which have by no means settled the immeasurable problems in the countries of the Asian region. To quote him: "Therefore, it can be taken for granted that there will be a gigantic development also in the sphere of sugar during the next decades." This is certainly a realistic assessment of the position. Sugar production in the Asian countries has registered an appreciable expansion in recent years. The aggregate quantity actually produced during the 1956-57 sugar season was nearly 10.22 million tons (raw value), as against 7.92 million tons in 1953-54, representing a rise of as much as 30 per cent. The improvement has been accounted for by all the sugar-producing countries, with the exception of the Philippines, as is indicated in the table below:

(In thousand tons—raw value)

	1956-57	1955-56	1954-55	1953-54
India	4,840	4,375	4,344	3,827
Pakistan	1,300*	1,292	1,315	1,046
Philippines	1,075	1,105	1,244	1,302
China	945	935	600	810
Indonesia	906	1,090	968	870
Taiwan	894	814	770	784
Iran*	90	82	90	89
Japan†	75	78	70	66
Thailand	64	73	70	59
Burma	89	24	20	20
Total‡ ..	10,218	9,553	9,006	7,922
Percentage share in world output	23.2	22.9	22.2	19.6

* Estimate only.
† Beet sugar.
‡ Both cane and beet sugar.

The foregoing figures will reveal that the increase in production of sugar (white sugar and *gur*) has been particularly marked in India. As compared with 1953-54, the production in 1956-57 was higher by more than 1.25 million tons. Alongside the rise in output, the consumption of sugar, too, has gone up, but not proportionately. In view of this, as also of the large carry-overs brought in from previous seasons, there is an exportable surplus in sugar. It will be recalled here that India as well as Indonesia, previously not signitories to the five-year International Sugar Agreement, were allotted basic export quotas of 25,000 tons and 350,000 tons, respectively, under the protocol of amendments agreed on at the second session of the U.N. Sugar Conference held in Geneva from 2nd October to 4th November 1956. But actually India exported much more, mainly to non-agreement countries. During 1956-57, India exported about 150,000 tons of sugar, as against the quota of 200,000 tons allowed by the Government of India. Thanks to the present low level of sugar prices the world over, the chances of India continuing to export sugar are not bright, unless some ways and means are found to enhance the competitive capacity of its sugar. Commenting on the recent trends in the Indian sugar economy, Dr. Hugo Ahlfeld states:

"Considering the rising standard of living, there are still very important reserves for an increasing sugar consumption and, in consequence of this, for a much higher sugar production. Acreage and labour are abundant in India. Furthermore, the Indian sugar industry declared some months ago that they wanted to continue sugar exports in order to get foreign exchange. They repeatedly stressed the need to export sugar even with losses, an intention which, however, can be realised only to a certain degree, as business losses cannot be made a permanent economic principle."

Next to India, Pakistan and the Philippines are the biggest producers of sugar in Asia. Sugar and *gur* production in Pakistan does not show any marked variations, the average annual rate of output in the past three years being about 1.3 million tons. This quantity is not sufficient to meet the domestic requirements, so that the country imports about 100,000-120,000 tons every year. The Government of Pakistan is endeavouring to make the country self-sufficient by augmenting the sugarcane acreage, improving cane varieties and erecting new factories for producing white sugar. The Philippines quickly rebuilt its sugar industry after the Second World War. The production has, however, suffered a setback in the last three years, declining from 1.28 million tons in 1953-54 to 1.22 million tons in 1954-55, 1.09 million tons in 1955-56 and 1.08 million tons in 1956-57. The bulk of the sugar output is shipped to the U.S., because the home consumption is low, being only 275,000-300,000 tons. The same position is expected to hold good in future also, although it is probable that the Philippines will attempt to export small quantities of sugar to the world market.

China is another large producer of sugar in Asia. This country produces both cane sugar and beet sugar. The sugarcane crop is said to have risen from 3,133,000 tons in 1950 to 8,110,000 tons in 1955 and sugar beet crop from 245,000 tons to 1,596,000 tons. The total cane sugar production (raw value) during 1956-57 is estimated at 945,000 tons, as against 310,000 tons three years before. Alluding to the sugar industry in China, Dr. Hugo Ahlfeld makes the following notable observations:

"The figures underline the success of Chinese efforts. Considering the population of over 500 million heads, however, the results reached are a mere drop in the ocean. We calculated the Chinese *per capita* consumption at 1.2 kilograms in our *World Sugar Statistics*. We wish to save us and our readers the trouble to calculate anew what a world sugar production would have to be gathered if every Chinese consumed more sugar. For the time being, he does not yet eat considerably more sugar than 1.2 kilos and the export possibilities will remain restricted in the near future, because the country is and will be too short of foreign exchange within a measurable time as to spend valuable foreign exchange for sugar imports. Therefore, it can be assumed that China will try to settle the problem of covering her sugar consumption by raising home production. In all probability, it will be a long way before one will be able to state that also the Chinese people will be satisfactorily provided with sugar."

Indonesia

Indonesia doubled its sugar production during 1954-55 as compared with 1952-53. No further progress could be made in the following years, as the political situation prevented foreign capitalists from participating in the sugar industry to a larger extent. Dr. Hugo Ahlfeld refers to this aspect and says: "Java could not regain her leading position in the world sugar market which she had had in such an extraordinary measure between the two world wars and it can be assumed that the situation will not undergo any considerable change during the next few years." Incidentally, it is remarkable that, during 1955-56, Indonesia exported 222,000 tons of sugar to Japan and other markets in the Far East.

The sugar production of Taiwan (Formosa), it is said, is at present stagnated by the regulations of the International Sugar Agreement which limits the exports by fixed sugar export quotas. As home consumption has not exceeded 100,000 tons to any noticeable degree, production will be regulated by the possibilities of sugar exports to world markets. According to Dr. Hugo Ahlfeld, Taiwan has sufficient suitable land to produce much more sugar than it formerly did within the Japanese Empire. Further development will depend on the possibilities of exports to world markets and it can be assumed that this country will have no difficulty in shipping considerable quantities to the numerous sugar importing countries in the neighbourhood.

In Japan

Since the loss of Taiwan by Japan after the war, the sugar industry in Japan occupies a very insignificant place in the Asian sugar map. The country has now only a small beet sugar industry, comprising four plants in Hokkaido which can cover only a small percentage of home consumption. The production of native cane sugar in the Riu Kiu Islands is limited and can be consumed in Japan only to a small extent. Thus, Japan has been forced to import large quantities of sugar year by year which are—on the basis of trade agreements—supplied by Taiwan, Cuba and Indonesia, but also Peru, Brazil and Santo Domingo have been important suppliers of the Japanese sugar market. The possibilities of increasing the sugar beet acreage or modernising the cane industry situated on the Riu Kiu Islands are limited. Thus, it can be assumed that the Japanese sugar conditions will not be subject to any important changes within a measurable time. It may finally be mentioned that it is not an easy problem for Japan to cover its sugar requirements, as the country has to spend considerable amounts of foreign exchange.

Among other countries, Iran is considering plans to expand its sugar industry. For the time being, it has an efficient beet sugar industry mainly in the north of the country. It is contemplating to erect a cane sugar factory and a refinery in Southern Iran. Ceylon is making efforts to have a well-established sugar industry. A new sugar factory is being set up and other projects are provided for in its plan for economic development.

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U.K. COAL BOARD'S DIFFICULT TASK

GROWING ABSENTEEISM—NEW LABOUR CLAIMS

THE year 1957 has proved to be yet another disappointing one for the U.K. Coal Board. The production during the year, though slightly higher than in 1956, was none too encouraging, thanks to the increase in absenteeism in the second half of the year. Despite the increase in coal prices in July last, the operations in the first three quarters of the year—the latest available so far—resulted in a deficit of about £7 million, bringing the total accumulated loss since nationalisation to £31 million.

The production of coal in 1957 amounted to 223.6 million tons, an increase of 1.6 million tons over 1956. The upward trend was thus maintained for the second year in succession, though the pace of expansion was not impressive. Notwithstanding this expansion, the output for 1957 was still below that achieved in either of the three years 1952, 1953 and 1954. Of the increase in 1957, all but 129,000 tons was accounted for by opencast working, which produced 13.6 million tons last year, as against 12.1 million tons in 1956. Imports of coal were, however, lower at 2.85 million tons, as compared with 5.24 million tons in 1956. Exports, too, declined, from 9.98 million tons to 8.10 million tons. Consumption within the U.K. also fell from 218.09 million tons to 212.95 million tons. The stocks at the end of the year amounted to 27.65 million tons, of which 8.88 million tons represented undistributed quantity at collieries and opencast sites, the corresponding figures for 1956 being 20.99 million tons and 2.95 million tons, respectively. Thus, the undistributed stocks at the end of last year were three times that at the close of 1956.

The main reasons for the disappointing production are the annual holidays, the Asian influenza epidemic which started in September, and increased absenteeism. It is stated that absenteeism during the year increased from 12.92 per cent. to 13.81 per cent. and shifts worked per wage earner dropped from 4.65 to 4.61. The increase in absenteeism is traced to the abolition, in May last, of the penalties for absence. No doubt, the Coal Board foresaw the effects of this step, but nothing would appear to have been done to stop the decline in attendance. The Coal Board wants the Labour Union's co-operation in enforcing strict disciplinary measures against absentees, but, except in Lancashire coalfield, such co-operation does not seem to be forthcoming.

The disappointing production and the accumulation of stocks affected the earnings of the Coal Board, which, as pointed out earlier, suffered a loss of £7 million in the first three quarters of 1957. This deficit was the result of successive losses of £7.6 million in the second quarter and £8.1 million in the third quarter, thus more than wiping out the first quarter's surplus of £8.8 million. The loss of £8.1 million in the third quarter of 1957 was the heaviest since the second quarter of 1955 and occurred notwithstanding the average increase of 6*s.* 6*d.* per ton in the prices of coal with effect from 1st July. The increase in coal prices was designed to make at least a small surplus for the whole of 1957. But this expectation has so far been belied, if the financial results of the three-month period following the price rise provided any indication. It remains to be seen whether the Coal Board has been able to turn the tide so quickly in the final quarter and to earn a profit in order to wipe out at least the deficit of the preceding nine months.

The problem of the British Coal Board does not end with earning a surplus for 1957. It has still to make good the previous years' accumulated loss of £24 million and to find a way out for the disposal of its surplus small coals. It may be noted here that the entire stocks at the collieries and opencast sites, namely, 8.9 million tons, at the close of 1957, represented small coals, which were almost unsaleable. It may also be noted here that the proportion of small coals in the total output has been growing, while that of large coals, which are in increasing demand, is declining.

While the growing absenteeism among miners and accumulation of small coals are telling on the finances of the Coal Board, a new problem is cropping up. It is reported that the Miners' Union will shortly present a claim for an increase in wages. While the details of the wage claim are being worked out, it is stated that the miners may ask for an increase of 10*s.* per week which, if granted, will cost the industry about £18 million more a year. This demand for wage increase is on top of the Union's demand for a 40-hour week for surface workers and a sick-pay scheme already submitted to the Coal Board. It is reported that, in all probability, the Coal Board will reject any further concessions to workers, let alone giving higher wages, unless the workers give a guarantee against absenteeism. Meanwhile, the Coal Board itself is considering the question of asking the Government for an increase in coal prices. Will the Government accede to this request, if made, when it knows that it will certainly lead to larger wage claims and higher prices for manufactured goods?

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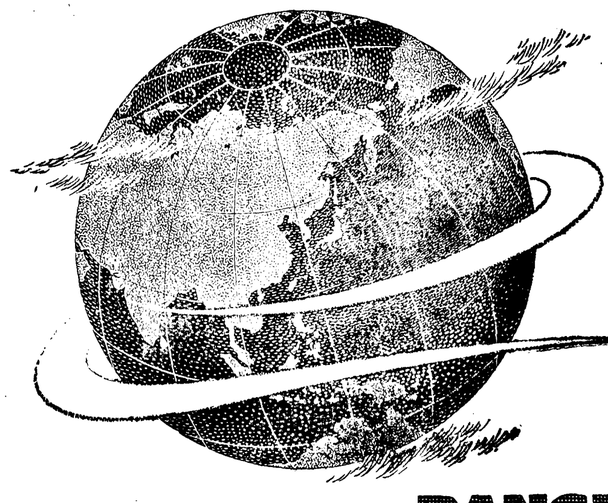

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JUTE GOODS OUTPUT SLIGHTLY HIGHER

DESPATCHES DECLINE—STOCKS INCREASE

THE New Year does not seem to have brought any cheer to the jute industry. On the contrary, the jute goods market is far from active and traders are extremely cautious, the talk of business recession in the world during the current year presumably acting as a restraint. Though the undertone at the time of writing is a bit steady, the sustained recession in prices of jute goods witnessed since the middle of October last has not been reversed. In fact, B. twills, among sackings, touched early last week a low of Rs. 103.70 per 100 bags (for ready delivery), the worst level seen since the first week of August 1956. They are now currently being quoted at Rs. 104.55, as compared with the 1957 closing of Rs. 106 and the past year's high of Rs. 121.60 touched in the second week of October. Hessians 40" x 10 oz. are being placed at Rs. 39.75 (per 100 yards), as against Rs. 39.10 a week ago. It will be recalled that this variety of hessian closed last year at Rs. 39.35, after touching a high of Rs. 44.60.

A feature of the trading in jute goods in recent weeks is the premium which the forward positions have come to command over the ready, as against the discount at which they were quoted a month ago. This change is evidently due to the operators' anticipation that the demand for jute goods, particularly for sacking, would broaden in the next few months, if the import of foodgrains gathers pace. This, coupled with the fact that the statistical position of the goods is sound, despite the increase in stocks at the end of December, is quite encouraging. The rise in stocks is due more to the sizable fall in despatches than to expansion in production.

The production in the month of December 1957 aggregated 92,800 tons, as compared with 91,900 tons in the previous month, thus maintaining the upward trend for the second month in succession, thereby taking the monthly output to the highest level since July 1956. The rise in output during December is, however, only a fraction of that noted in November and falls very much short of the general expectation. The following table shows the variety-wise output during the month under review, as compared with that in the previous two months and in the corresponding month of 1956:

(In tons)

	December, 1957	November, 1957	October, 1957	December, 1956
Hessian	32,100	38,400	31,700	37,700
Sacking	54,700	53,200	47,100	41,300
Others	6,000	5,300	4,700	5,900
Total ..	92,800	91,900	83,500	84,900

It will be noted that the rise in output is shared by sacking and "other manufactures," their share being 1,500 tons and 700 tons, respectively. With this expansion, the output of sacking has maintained the upward trend which began in August last. It will also be noted with interest that the output last month was 7,900 tons more than that in December 1956, thanks to the sharp rise in sacking production, which has gone up by 13,400 tons, consequent on the gradual switch-over of some of the hessian looms by the mills to this variety a few months ago. During the last four months alone, the output of sacking has gone up by 11,600 tons, while during the same period the hessian production has shrunk by 1,800 tons. Consequent on the switch-over, the proportion of sacking production to the total output has gone up from 48.6 per cent. in December 1956 to 58.9 per cent. last month, while that of hessian has dropped from 44.4 per cent. to 34.6 per cent.

With 92,800 tons during December, the total production of mills in the calendar year 1957 aggregates 1,029,900 tons, as compared with 1,092,800 tons in 1956, thereby showing a slight fall. The total is made up of 414,300 tons hessian (as against 415,200 tons in 1956), 548,700 tons sacking (the corresponding figure for 1956 was 605,500 tons) and 66,900 tons "other manufactures" (as compared with 72,100 tons in the preceding year.) The fall of 62,900 tons in output during 1957 has reversed the upward trend noted since 1953, when production rose from 869,200 tons to 1,092,800 tons, the highest level since 1942.

A season-wise analysis shows that the production during the first half of the current season (1957-58) aggregated 522,000 tons, as compared with 517,300 tons in the corresponding period of 1956-57.

The stocks of manufactured goods at the end of December aggregated 75,600 tons, as compared with 71,000 tons a month before. This rise of 4,600 tons, which was smaller than anticipated, has served to reverse the downward trend in stocks noted since June last, when they stood at 116,000 tons. The rise in stocks has occurred in sacking and "other manufactures," which have gone up by 4,000 tons and 1,600 tons, respectively, over the month, while hessian stocks are lower by 1,000 tons. The decline in hessian stocks, which started in July last, is thus maintained to touch the lowest level since January 1957.

(In tons)

	As on 31st Dec., 1957	As on 30th Nov., 1957	As on 31st Oct., 1957	As on 31st Dec., 1956
Hessian	25,000	26,000	29,500	19,700
Sacking	39,200	35,200	37,500	64,700
Others	11,400	9,800	9,000	11,300
Total ..	75,600	71,000	76,000	95,700

Notwithstanding the increase at the close of last month, the stocks are lower by 20,100 tons, as compared with those a year ago, mainly due to the decline in sacking from 64,700 tons to 39,200 tons. The stocks of hessian have, however, gone up from 19,700 tons to 25,000 tons.

As stated earlier, the rise in stocks at the end of 1957 was chiefly due to the setback in shipments, as will be seen from the following figures (which are gross figures based on shipping bills presented and include coastal shipments also):

(In tons)

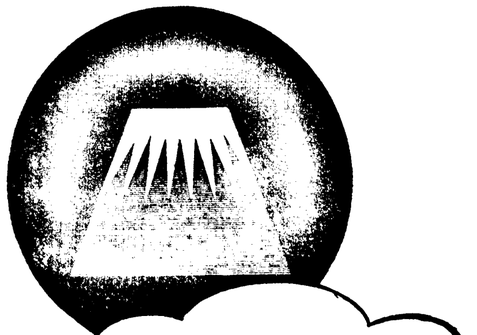
	Bags	Cloth	Total
Hessian—			
December 1957	1,252.7	27,007.6	28,260.3
November 1957	3,358.9	32,347.1	35,706.0
December 1956	4,373.0	35,245.8	39,618.0
Sacking—			
December 1957	33,475.2	755.9	34,231.1
November 1957	41,374.9	864.2	42,239.1
December 1956	32,236.2	1,855.3	34,091.5

The break-up figures of net despatches from mills for export purposes and for internal consumption, in respect of December (and, therefore, for the whole year) are not available. The figures up to November do not, however, show an encouraging picture. The total quantity despatched for export purposes has gone up only slightly from 787,700 tons to 795,500 tons, while that for domestic consumption has shrunk from 177,200 tons to 160,700 tons, bringing the total offtake from mills during the 11-month period down from 964,900 tons to 956,200 tons. The decline in domestic offtake is in distinct contrast to the steady rise from 109,800 tons in 1954 to 193,400 tons in 1956 and is contrary to the general expectation that, with the steady expansion in the economic activity of the country year after year, the domestic consumption would also increase, thus compensating the loss of overseas demand for jute goods. The fall in domestic offtake is, therefore, cause for concern to jute mills. There is, however, still a ray of hope in the outlook for the industry. Thanks to the modernisation of mills in recent years the industry is decidedly better equipped today than at any time in recent years to keep its position in the world market. It can also improve its position through diversification of production and by adapting itself to the changing needs of consumers.

W. GERMAN JUTE INDUSTRY WANTS PROTECTION

A strong plea for protection to the home jute industry against "dumping competition" from India and Pakistan was advanced at the annual conference of the German Jute Association held recently in Bremen, reports the *Jute Bulletin* of the Indian Central Jute Committee. It is pointed out in the Association's annual report that other European countries, in view of the special position occupied by jute, have recognised the need for protection, a fact which has also been acknowledged by the O.E.E.C. The safeguarding of the supply of bags for the food industry and agriculture, says the Association, must not be left at the mercy of foreign suppliers.

Meanwhile, figures of exports recently released for the eight-month period, January to August 1957, show slight improvement in the West German jute industry's position in foreign markets, with the total up at 4,733 tons from 4,550 tons in the same period a year ago. The largest buyer was the United States taking 2,618 tons, as against 2,486 tons in January-August 1956. Among the major European buyers were Switzerland, Sweden, Norway and Denmark.



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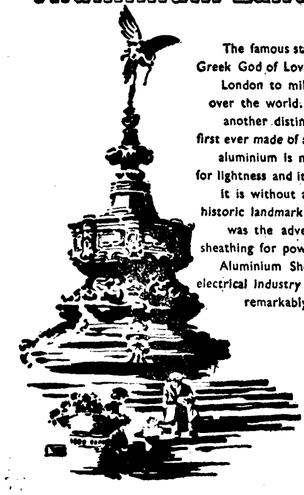

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GROWING CONSUMPTION OF OIL

ROLE OF BURMAH-SHELL AND STANVAC

A NOTABLE feature of post-war trends in world economy is the growing consumption of energy of all types, including coal, electricity, petroleum and natural gas. Between 1951 and 1954, world consumption of energy, according to the U.N. publication, *World Energy Supplies*, increased from 2,895.2 million tons (coal equivalent) to 3,215.6 million tons. It is interesting to note that while the proportion of coal as a source of energy to the total energy consumed declined during this period from 55.3 per cent. to 51.3 per cent., the share of petroleum increased from 27.0 per cent. to 29.2 per cent. In India, too, the consumption of energy is increasing year by year. Thus, between 1951 and 1954, it moved up from 37.96 million tons to 41.4 million tons. There is still immense scope for further increase in total energy consumption, considering that the *per capita* consumption is only 0.11 ton, as against 4.76 tons in the U.K. and 7.64 tons in the U.S. Further, the share of petroleum in total energy consumption is still very low. And, with the progress of industrialisation and increase in living standards, not only will the total energy consumption go up but also the share of petroleum in the overall total; it may be mentioned here that the demand for petroleum products has moved up from 20.3 million barrels in 1948 to 39.8 million barrels in 1956. From this point of view, given the opportunity, Burmah-Shell and Stanvac, two of the three principal oil companies engaged in the marketing and refining of oil in India, may be expected to play an increasingly important role in meeting India's growing energy requirements.

Burmah-Shell

In its latest publication, *Burmah-Shell—Survey of Activities* 1956, the Burmah-Shell Oil Storage and Distributing Company of India Ltd. points out that the year 1956 was a year in which total consumption of petroleum products in India increased by approximately 8 per cent. Supplies of petroleum products to India were well maintained throughout the year, despite the closure of the Suez Canal in the last two months. Further, prices of those products remained steady in sharp contrast to the wholesale price index (base: August 1939=100) which rose from 368 to 429 during the year. Again, the year 1956 was the first full year of operation of Burmah-Shell Refineries Ltd. in Bombay.

All the motor spirit and furnace oil and most of the high speed diesel oil which the Company sells in India is now being produced in the Refinery; sufficient kerosene and light diesel oil is produced for the Bombay rail-fed supply area. The pattern of supply has changed for, whereas imports of all products used to be made direct to the main installations at Cochin, Madras, Visakhapatnam, Calcutta, Okha and Kandla, now coastal transfers by tanker from Bombay are being made for motor spirit, furnace oil and high speed diesel oil. Over 820,000 tons of products were transferred by this means last year. The Company's distribution network of seven installations and 579 upcountry depots is being improved and expanded all the time, for example, a large new depot with a storage capacity of over 3.7 million gallons was opened at Shakurbasti, near Delhi, during the year to enable full use to be made of the shortest supply route to Delhi area via Kandla. As many as 569 tankers were handled at ports on the coast of India requiring Rs. 2.88 crores to be paid to the Port Authorities. Further, 108,446 bulk and packed wagons were loaded for distribution to interior points by road, and freight charges amounting to Rs. 7.67 crores were paid to the railways.

The Company, as is well known, has a well developed sales organisation. The general manager's office in Bombay directs the policy and acts in an advisory capacity to the four branches located at Bombay, Calcutta, Madras and Delhi. These branches, which have 22 divisional offices under them, are responsible for sales promotion and meeting the growing oil requirements of the country. The divisional offices maintain contact with agents and dealers and direct customers through their district sales representatives. Agents and dealers, who are a vital link in the chain of administration, are business men working in association with the Company. Many of them have grown with it, their connection going back to several generations. Through their industry and service they have won esteem in their local communities. In addition to the distribution and sale of petroleum products, in many cases they have other business of their own. Quite a few represent the Company at more than one station and for more than one product and thus have a considerable investment in the oil business. The number of the Company's main agencies and dealerships aggregated a little over 6,000, more than 200 additional agency and dealership points having been opened during the year to meet the growing demand for petroleum products in the country.

Aviation Service

Besides, the Burmah-Shell aviation service in India, which has been built up over the last 30 years, is available at all important airfields throughout the country. It may perhaps not be generally realised that the rapid strides made in civil aviation has led to the introduction of new and bigger aircraft which require larger quantities of fuel at a greater speed of delivery and demand more exacting specifications. Boeing 707, which have been ordered by many airlines, including Air-India International, requires a delivery of some 17,500 gallons (over 60 tons) of fuel at a rate of 1,000 gallons a minute. This has led to the development of new fuelling techniques, e.g., the Hydrant system of fuelling. It involves the use of underground pipelines through which the fuel can be pumped direct into the aircraft on the apron thus replacing the use of the normal fuelling vehicle. Seven Hydrant systems are already in use by the Company and the eighth, the most modern in India, is shortly to be commissioned in Bombay. In 1956, more than 90,000 aircraft were fuelled by Burmah-Shell on airfields in India.

Trading receipts (gross) in 1956 aggregated Rs. 115.23 crores. Out of this, the share of the Government by way of duties and taxes recovered from the Company was 28.23 per cent. The f.o.b. value of the oil accounted for 35.80 per cent. of trading receipts, distribution charges for 28.30 per cent. and ocean freights for 4.80 per cent. The balance, amounting to Rs. 3.31 crores or 2.87 per cent. of receipts, represents the Company's net earnings, that is, after payment of Indian and U.K. taxes. It is noteworthy that the Company's net earnings of Rs. 3.31 crores represent only 5.96 per cent. of the total capital employed which aggregates no less than Rs. 55.56 crores. This important point should be borne in mind when one comes across reports of the Company making excessive profit.

Stanvac

The progress made by Stanvac—or to give the Company its full name, the Standard-Vacuum Oil Company—is also impressive. Between 1947 and 1956, according to the pamphlet, *Stanvac—A Report of Progress*, published by the Company, the Company's sales of petroleum expanded from 4.6 million barrels to 9.6 million barrels and its staff from 4,300 to 6,294. Again, between 1949 and 1956, the Company's contribution to the Indian exchequer increased from Rs. 7.50 crores per annum to Rs. 16.59 crores per annum and its assets from Rs. 11.66 crores to Rs. 41.55 crores. During 1956, the sales volume handled by the Company's marketing organisation reached a record of 9.6 million barrels, resulting in a gross income of Rs. 50.22 crores. The cost of buying products absorbed Rs. 34.20 crores, salary and wages Rs. 2.59 crores, taxes Rs. 8.77 crores, depreciation Rs. 57.61 lakhs, interest paid Rs. 19.21 lakhs and other expenses Rs. 3.0 crores, leaving a net profit of Rs. 86.15 lakhs which works out to 3.74 per cent. of total assets.

The other major branch of Stanvac's activities, namely, the refining section, also made good progress. The total crude oil processed during the year was 10.32 million barrels and a gross revenue of Rs. 24.47 crores was realised. After paying Rs. 11.96 crores for crude oil, Rs. 1.06 crores for salaries, wages and employee benefits, Rs. 2.65 crores for other operating charges, Rs. 6.83 crores for excise duty and taxes, Rs. 32.45 lakhs for interest and Rs. 70.52 lakhs for income-tax, the refinery's net profits amounted to Rs. 81.11 lakhs. It is worthy of special mention that the finished products turned out by the Company in excess of India's requirements were exported, thus not only augmenting India's foreign exchange earnings but introducing a new item in the list of goods exported by India.

Exploration

The third aspect of Stanvac's activities is its search for oil. Stanvac's exploration efforts in the Bengal area continued at an accelerated pace during 1956 with emphasis on reflection seismic work. This programme started in 1950 with geological surface surveys and was followed by an aeromagnetic survey in 1951 and later by gravimetric and seismic surveys. All these efforts have the goal of securing as much information as possible about the subsoil conditions of this area, prior to the commencement of drilling. Last year, Rs. 67.82 lakhs were spent on the exploration project bringing the total spent to Rs. 2.62 crores. At the close of the year, a deep drilling rig was on the high seas headed for India.

The two earning members of Stanvac are the marketing and refining sections which, as already stated, made a net profit of Rs. 86 lakhs and Rs. 81 lakhs, respectively, or Rs. 1.71 crores in all. It is noteworthy that all this profit was re-invested in the organisation and also additional capital was imported for purposes of expanding and modernising Stanvac's services. In the last five years alone, Standard-Vacuum has invested Rs. 23 crores in India, of which only one-third represented the entire net profit for the period. The major projects completed during 1956 included the installation of the Hydrant refuelling system at Santa Cruz airport and lubricating oil blending facilities at Mazagon (Bombay) and construction of additional tankage at Calcutta and Madras, a terminal at Kandla and a tank discharge pipeline in Cochin. It would appear that the Company's plans in the current year call for further expansion and modernisation of facilities and enlargement and expansion of the capacity of the Bombay refinery. The pamphlet referred to above, essentially meant for distribution among Stanvac employees, says: "Our added experience and training will stand us in good stead as the industrial progress of India continues and the nation's need for petroleum products expands. In continuing to serve these needs, we would be doing a very useful job and we will find better security and opportunity to fulfil ourselves as individuals."

Training

An invaluable, though intangible, service which both Burmah-Shell and Stanvac are rendering to the country is in the direction of imparting technical and managerial know-how. Burmah-Shell has organised training courses at its four main branch offices and at the installations, besides establishing a residential training centre at Juhu, near Bombay. Stanvac, too, has organised training courses for its employees. In addition to those training courses, Stanvac has been sending Indian employees who show exceptional promise for advanced training in overseas countries. All this training, organised by the two companies, is a distinct contribution to India's national economy, considering how greatly economic development of a country depends upon the availability of technical personnel.

NATIONAL RESEARCH DEVELOPMENT CORPORATION

Established in December 1953, the National Research Development Corporation of India (Chairman: Mr. Kasturbhai Lalbhai) is engaged in arranging for the commercial exploitation of research processes developed by the National Research Laboratories set up by the Government of India. During the year 1956-57, to which the latest Annual Report of the Corporation refers, 134 inventions were reported for development by 21 research institutions, thus bringing the total number of inventions reported upto the end of March 1957 to 388. The research processes for which licences were negotiated during the year under review were: (1) lisasorb, (2) method for improving the storage life of cashew kernels, (3) thermo couple ammeters, (4) desiccants and dehumidifiers from Indian coals, (5) ethyl ether and (6) production of benzidine.

During the last three years, the Corporation, it is stated, had to face a number of basic problems in the intensive study of research development. One of these problems is that usually there is a time lag of at least two years between the completion of a research and its commercial exploitation, if all arrangements proceed smoothly. There have been cases where successful research projects have languished on account of one reason or another and commercial production could not be arranged within a reasonable time. The question is whether pilot plants should be run as experimental units to maintain interest in a project and to meet the demands during an interim period. The Corporation, therefore, has, as a matter of policy, laid down that, while research laboratories extend their investigations upto the pilot plant stage where necessary and sell the produce of such pilot plant experimentation, they should not be encouraged to undertake manufacture of a product as a part of their routine activities. If, however, it is decided to operate pilot plants as experimental production units, consideration will have to be given to the organisation which could assume responsibility for their operation.

NEW PRODUCTS AND PROCESESS

Mango Cereal Flakes

MANGO is a common fruit of India, available in abundance in all parts of the country. The fruit season generally lasts for three months only and although several preserved products are being made, large quantities still go waste during the seasonal gluts because the fruit cannot be utilised in time; at times even the collection and transport expenses exceed the market price of the fruit. As a part of investigations on new economic uses for mango, a product, mango cereal flakes, has been developed by the Central Food Technological Research Institute, Mysore, for use as a breakfast food, porridge or snacks. The product, which has approximate composition—mango solids 49 per cent., wheat flour 23 per cent. and added sugar 28 per cent.—can also be used as thickener and flavouring material for ice creams. It is highly nutritious, containing, among others, carotene, equivalent to about 3,500 I.U. of vitamin A per oz. Mango cereal flakes have been found acceptable to all tastes and have appreciable possibilities for successful marketing at home and abroad. In hermetically sealed tins and glass containers, they have good keeping qualities. The method of preparation consists in cooking the wheat or corn flour to gelatinize the starch and destroy the enzymes. Mango pulp, partially neutralised and heated separately, is added to the cooked flour. Cooking is continued till a desired consistency is obtained. Sugar and other additives are then added, the mixture is made homogeneous and dried into flakes on a suitable drum drier. This product offers good means of utilising not only large quantities of surplus fruit but also pulp obtained as a by-product in fruit canning. Production can be taken up independently, but preferably in conjunction with other lines of fruit processing. With some additional equipment, existing fruit and vegetable preservation factories can take up commercial production without much difficulty. Parties desirous of undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, Mandi House, Lytton Road, New Delhi.

Combating Wind Erosion

Cultivated sandy soils are subject to the risk of soil being blown away, in particular during the period after sowing and before emergence of the crops. A chemical works, W. A. Scholten's Chemische Fabrieken N. V., at Foxhol (the Netherlands) has developed an anti-dust agent for which a patent application is being made. It only temporarily fixes the soil surface, and is not intended as a permanent fixing agent. The new agent has a durability varying between a few weeks and a few months, after which it disappears completely from the soil as a result of bacterial conversion, so that there is no danger of accumulation in the soil when this product is used periodically. The new agent is a cold-water soluble starch derivative which when dissolved in a 2 to 4 per cent. concentration can be sprayed over the field by means of the conventional insecticide-spraying machines at an operating pressure of about 10 atm. The dosage is 50 to 100 kilogrammes per hectare. The Soil Fertility Institute, Groningen, has made successful tests with this agent on sandy soils used for growing asparagus.

Colour Printing

Phosphorus-containing resins may provide the key to the development of simpler and more efficient processes for the colour printing of "difficult" plastics and man-made fibres such as polyethylene, Terylene or nylon. Research which has recently been carried out in the laboratories of the Nobel division of Imperial Chemical Industries, London, has shown, it is claimed, that the adhesion of phosphorus-containing resins, called Phoryl resins, to polyethylene, Terylene and nylon is good. For this reason they can be used to hold the coloured dyes used in colour printing on the polyethylene, or Terylene material. Then, at a later stage of processing, the resins can be removed, leaving the dye embedded in the plastic, or fibre. Materials which are colour printed in this way can be laundered or dry cleaned, it is claimed, without losing colour.

Metal In Oil Neutralises Engine Acid

The introduction of a short magnesium rod into the crankcase of automobile engines is reducing engine wear and prolonging the life of cylinders, pistons and spark plugs, according to Winthrop A. Johns, who has sold more than 700,000 kits to motorists in the United States. Installed in an oil plug that merely replaces the one in the crankcase, the inventor says the magnesium alloy rod neutralises the carbonic acid which forms after a time from the interaction of water and carbon dioxide. He reasons that this prevents the corrosive effect of the acid, which ordinarily reacts with iron and water, to form ferrous oxide or rust.

Shoe Moulded to Foot Now Assures Perfect Fit

For the first time in the United States it will soon be possible to buy a perfectly fitted shoe. A shoe that literally is moulded to the foot was patented recently. The new shoe has a special inner lining called a sock lining. After the shoe is put on the foot a moulding material of liquid latex mixed with zinc oxide and wood flour is inserted through the shoe sole, filling up all the space between the shoe proper and the sock lining. The material is injected at a comfortable body temperature.

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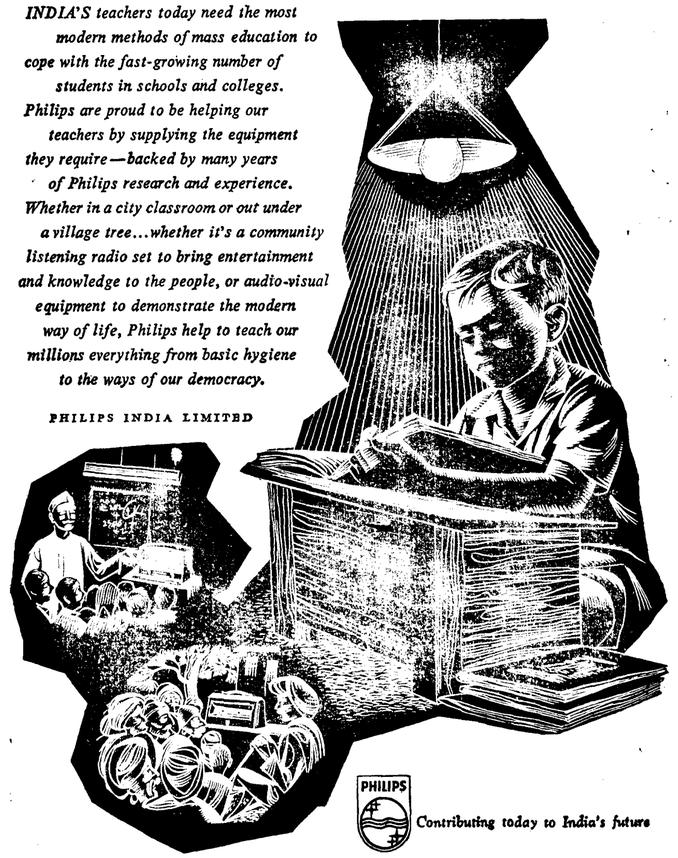

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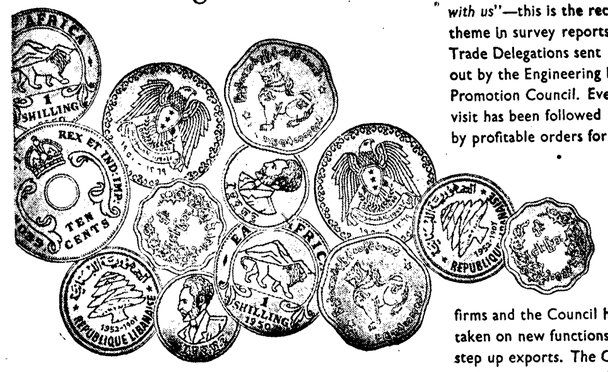

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LAW OF MASTER AND SERVANT IN INDUSTRIAL DISPUTES

SOME RECENT JUDGMENTS ANALYSED

By Krishna Prakash Goel

WHEN the Indian Legislature enacted the Industrial Disputes Act, in 1947, it did not lay down any pointers for the guidance of Industrial Tribunals. With practically unfettered powers and fanciful notions of social justice, the industrial tribunals sometimes delivered conflicting awards. A few industrial tribunals went to the extent of disregarding the rulings of Labour Appellate Tribunal. Even the well-known principle of *Res Judicta* was not followed.

The position was highlighted by the confusion caused as a result of adjudication on the same issue by two industrial tribunals in West Bengal. The Government of West Bengal had referred the demands of the workers of the Calcutta Electric Supply Corporation. One of the demands was connected with overtime payment to workers of the mains department. The first reference was to the Judge, Mr. M. C. Banerjee. In his award, dated 26th March 1951, Mr. Banerjee observed:

"I do not find any reason for the union to doubt that workmen governed by the Factories Act should not be so admitted by the Company. The Company, in its written statement, admits that the mains department, the testing department, the central workshop, the generating station and certain sub-stations are governed by the Factories Act." (*Calcutta Gazette*, 19th April 1951.)

It is not clear why the Government made a reference again of the same demand to another tribunal. Nor is it clear as to why the new industrial tribunal adjudicated on a demand which had already been disposed of by an earlier tribunal. Whatever might have been the case, the second industrial tribunal, presided over by J. N. Maitra, in his award dated 13th September 1954, said: "I am unable to accept the contention of the Mazdoor Union that the findings under issue 21 amounted to an award by Mr. M. C. Banerjee that the workmen in the mains department were factory workers. Mr. M. C. Banerjee merely noted under the said issue that there was such an admission in the written statement of the Company. What the Company appears to have admitted was that the Factories Act applied to its generating stations, the testing department, the central workshop (but not central stores) and certain sub-stations." Mr. Maitra went on to state: "It is therefore obvious that the statement in the award by Mr. M. C. Banerjee was without foundation and made apparently through inadvertence." (*Calcutta Gazette*, 30th September 1954.) The matter did not end there. The workers filed an application before the Payment of Wages Authority, and the Authority chose to accept the earlier interpretation of Mr. Banerjee in favour of the workers. (*Etwari & others* vs. *Electric Supply Corporation of Calcutta* 1937 11 L.L.J.)

It is, therefore, heartening to know that at least one High Court (Allahabad High Court; *vide Bajpai & others* vs. *Labour Appellate Tribunal* 1957 11 L.L.J.) has categorically declared that the industrial tribunals would be bound to follow the Law of Master and Servant and the ordinary Law of Contract in so far as it is not expressly altered by the Industrial Disputes Act. In this context it may be worthwhile examining briefly the case-law under the Law of Master and Servant, which may be useful under cases of industrial disputes.

Employers and Employees

Under the Common Law governing the relations of employers and employees, an employer is entitled to terminate the services of his employee unless under a binding contract, security of tenure of service is conferred. An employer at best may be liable to pay to his employee damages for wrongful termination of employment, but normally he cannot be compelled to retain an employee whom he does not desire to retain in his employment (*Bombay Municipal Corporation* vs. *Labour Appellate Tribunal of India* 1957 I.C.R.). No court of equity could compel an employer to retain the servant, agent or manager. How is it possible for an employer or an agent to go on in the intimate connection which such a contract is calculated to create? They are to be on the same premises, acting in the management of the same business. If there is mutual dissatisfaction, well- or ill-founded, it is perfectly clear that a management conducted under such circumstances, must tend very much to the prejudice of the concern. Where the master is a trustee, however, as in the case of trustees of a school, the Court may, on a fit case being made out, interfere.

Notice

Even under the ordinary law governing the relations between master and servant, no employee can be dismissed without notice (*Laxminarayan* vs. *Imperial Bank of India*, A.I.R. 1939 Mad.) and where the dismissal is by way of punishment, it cannot be effected without giving the employee an opportunity to explain his conduct (*Kallagar Devasthan* vs. *T. T. Nambigal*, A.I.R. 1943 Mad.). If, however, the servant's misconduct be not such as to go the whole consideration of the contract on the part of the master, he will not be justified in dismissing the servant, but must, if necessary, resort to a cross action against the servant. It would be no ground to discharge a servant that, after the contract of hiring was entered into, the master discovered that the servant had acted dishonestly or fraudulently to a former master, unless indeed the servant had by fraud, misstatement or concealment of the facts, induced the second master to hire him. Where no time limit is limited either expressly or by implication for the duration of a contract of hiring and service, the hiring is considered as a general hiring, and in point of law, a hiring for a year. If a party hired for a certain time so conducts himself that he cannot give the consideration for his salary, he shall forfeit the current salary even for the time during which he has served. And where a person has entered into a binding agreement to take another into his service on a future day, but, before that day arrives, announces his intention not to do so, he is entitled to be immediately believed, and the servant may thereupon immediately bring an action against him, and is not bound to wait till the day arrives to see if the master will change his mind. It is conceived, however, that in such a case if the servant does not act upon the master's announced renunciation of the contract, and before the day arrives for the commencement of the service, becomes either by the act of God, *vis major*, or by his own misconduct or misfortune, incompetent or unable to perform his part of it, the master would be at liberty to avail himself of those circumstances to rescind the contract, and could not therefore be sued for a breach of it.

Monetary Value

The Supreme Court, in a recent case in which they had to decide the monetary value of reinstatement, stated:

"The position as it obtains in the ordinary law of Master and Servant is quite clear. The master who wrongfully dismisses his servant is bound to pay him such damages as will compensate him for the wrong that he has sustained . . . They are to be assessed by reference to the amount earned in the service wrongfully terminated and the time likely to elapse before the servant obtains another post for which he is fitted. If the contract expressly provides that it is terminable upon, e.g., a month's notice, the damages will ordinarily be a month's wages. . . . No compensation can be claimed in respect of the injury done to the servant's feelings by the circumstances of the dismissal, nor in respect of extra difficulty of finding work resulting from those circumstances. A servant who has been wrongfully dismissed must use diligence to seek another employment, and the fact that he has been offered a suitable post may be taken into account in assessing the damages." (*Chitty on Contracts*, 21st Edn., Vol. (2), p. 559, para 1040.)

If the contract of employment is for a specific term, the servant would, in that event, be entitled to damages the amount of which would be measured *prima facie* and subject to the rule of mitigation in the salary of which the master had deprived him (*vide Collier* vs. *Sunday Referee Publishing Co., Ltd.* 1940-4, A.E.R., 234, 237). The servant would then be entitled to the whole of the salary, benefits, etc., which he would have earned had he continued in the employment of the master for the full term of the contract, subject, of course, to mitigation of damages by way of seeking alternative employment.

Such damages would be recoverable by the servant for his wrongful dismissal by the master only on the basis that the master has committed a breach of the contract of employment. If, however, the contract is treated as subsisting and a claim is made by the servant for a declaration that he continues in the employment of the master and should be awarded his salary, benefits, etc., on the basis of the continuation of the contract, the servant would be entitled to a declaration that he continues in the service of the master and would only be entitled to the payment of salary, benefits, etc., which accrued to him upto the date of the institution of the suit. Whatever be the position in regard to the terms and conditions of employment, the benefit of reinstatement awarded to a workman certainly cannot be treated as part of the contract between him and the employer. The effect of an order of reinstatement is merely to set at naught the order of wrongful dismissal of the workman by the employer and to reinstate him in the service of the employer as if the contract of employment originally entered into had been continuing. The terms and conditions of the contract which obtained when the workman was in the employ of the employer prior to his wrongful dismissal which has been set aside continue to govern the relations between the parties. There is no variation of those terms and conditions of the contract. The only thing which happens is that the workman is reinstated in his old service as before.

The monetary value of the benefit of such reinstatement is, therefore, to be computed not on the basis of a breach of the contract of employment, nor on the basis of a tort alleged to have been committed by the employer by reason of the non-implementation of the direction for reinstatement contained in the award. The analogy of a suit for a declaration that the workman is continuing in the employ of the employer and that he should be paid the salary and benefits, etc., which would have been earned by him upto the date of the institution of the suit also does not strictly apply for the simple reason that the workman here is not asking for a declaration that he is still continuing in service on the ground that there was a termination of his service after the award, which termination is void. What he is asking for is a computation in terms of money of the benefit of reinstatement which was granted to him by the industrial tribunal and which the employer did not implement.

Value of Benefit

The purpose of the enactment of section 20(2) of the Industrial Disputes Act is not to award to the workman compensation or damages for a breach of contract or a breach of a statutory obligation on the part of the employer. Any money which is due from an employer under the award can by virtue of the provisions of section 20(1) of the Act be recovered by the appropriate Government on an application made to it by the workmen. Where, however, any benefit which is not expressed in terms of money is awarded to the workman under the terms of the award, it will be necessary to compute in terms of money the value of that benefit before the workman can ask the appropriate Government to help him in such recovery. Section 20(2) provides for the computation in terms of money of the value of such benefit and the amount at which such benefit should be computed is to be determined by the industrial tribunal to which reference would be made by the appropriate Government for the purpose. Such computation has relation only to the date from which the reinstatement of the workman has been ordered under the terms of the award and would have to be made by the industrial tribunal having regard to all the circumstances of the case. The industrial tribunal would have to take into account the terms and conditions of employment, the tenure of service, the possibility of termination of the employment at the instance of either party, the possibility of retrenchment by the employer or resignation or retirement by the workman and even of the employer himself ceasing to exist or of the workman being awarded various benefits including reinstatement under the terms of future awards by industrial tribunals in the event of industrial disputes arising between the parties in the future.

Even in the case of ordinary contracts between master and servant such considerations have been imported by the Courts. The observations of Greer, L.J., in *Salt* vs. *Power Plant*

(Continued on page 101)

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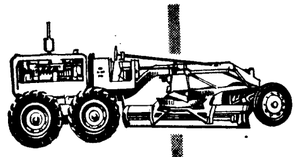
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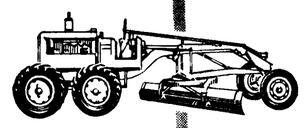
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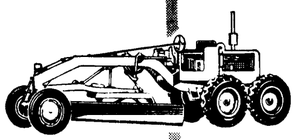
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CHARGE AND COMPUTATION OF WEALTH TAX

MAIN PROVISIONS EXPLAINED

By R. K. Dalal, B.Com., F.S.A.A., F.C.A.

THE Wealth Tax Act 1957 received the assent of the President on 12th September 1957. It shall be deemed to come into force on the 1st day of April 1957. A review of its main provisions as they finally emerged from Parliament will be useful as the Government has started collecting this tax.

Wealth tax shall be charged for every financial year commencing on or from 1st April 1957 in respect of the "net wealth" on the corresponding valuation date of every individual, H.U.F. and company at the rates specified in the schedule.

The three categories of assessees are:—(1) Individual, (2) H.U.F. and (3) company. It excludes partnership and other association of persons from the operation of the Act.

Net wealth has been defined as the amount by which the aggregate value computed in accordance with the provision of the Act of all "assets" wherever located, belonging to the assessee on the valuation date, including assets required to be included in his net wealth as on that date under the Act is in excess of the aggregate value of all debts owed by the assessee on the valuation date other than—

(i) debts which under section 6 are not to be taken into account; and,

(ii) debts which are secured on or which have been incurred in relation to any asset in respect of which wealth tax is not payable under this Act.

Assets Defined

This definition takes us to the definition of "assets." The latter definition states:

"assets" include property of every description, moveable or immoveable, but does not include—

(i) agricultural land and growing crops, grass or standing trees on such land;

(ii) any building owned or occupied by a cultivator or receiver of rent or revenue out of agricultural land;

Provided that the building is on or in the immediate vicinity of the land and is a building which the cultivator or the receiver of rent or revenue by reason of his connection with the land requires as a dwelling-house or a store-house or an outhouse;

(iii) animals; even stud animals or race-horses, whatever their value may be are expressly exempted;

(iv) a right to any annuity in any case where the terms and conditions relating thereto preclude the commutation of any portion thereof into a lump sum grant;

(v) any interest in property where the interest is available to an assessee for a period not exceeding six years.

Valuation Date

The next important definition to note is the definition of "valuation date." Valuation date, says the definition, in relation to any year for which an assessment is to be made under this Act, means the last day of the previous year as defined in clause (11) of section 2 of the Income-tax Act if an assessment were to be made under that Act for that year.

Provided that where in the case of an assessee there are different previous years under the Income-tax Act for different sources of income, the valuation date for the purposes of this Act shall be the last day of the last of the previous years aforesaid.

This means that if you have a calendar year for your business source, financial year for your property income source, the valuation date will be the last date of the financial year, and not the calendar year of your business, because the financial year will be the last of the previous years.

Net Wealth

In computing the net wealth of an individual, there shall be included, as belonging to him—

(a) the value of assets which on the valuation date are held—

(i) by his wife—to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration or in connection with an agreement to live separately, or

(ii) by a minor child—not being a married daughter to whom such assets have been transferred by the individual otherwise than for adequate consideration, or

(iii) by a person or association of persons—to whom such assets have been transferred by the individual otherwise than for adequate consideration for the benefit of the individual or his wife or minor child, or

(iv) by a person or association of persons—to whom such assets have been transferred by the individual otherwise than under an irrevocable transfer,

whether the assets referred to in any of the sub-clauses aforesaid are held in the form in which they were transferred or otherwise.

(b) Where the assessee is a partner in a firm or a member of an association of persons, the value of his interest in the firm or association determined in the prescribed manner.

In determining the value of interest contemplated above, the Central Board of Revenue shall have regard to the law relating to the manner in which accounts are to be settled between partners of a firm and members of an association on the dissolution of a firm or association, as the case may be.

Where the value of assets is to be included in the net wealth in accordance with clause (a), there shall be deducted for such value any debts owing on the valuation date by transferee mentioned in that sub-section in so far as such debts are referable to the assets.

The transfer mentioned above shall not apply to any transfer made by an individual before 1st April 1956, and the value of any assets so transferred shall not be included in the computation of net wealth.

The value of any assets transferred under an irrevocable transfer shall be liable to be included in computing the net wealth of the transferor as and when the power to revoke arises to him.

The expression "transfer" for above purposes includes any disposition, trust, covenant, agreement or arrangement. An "irrevocable transfer" includes a transfer of assets which, by the terms of the instrument effecting it, is not revocable for a period exceeding six years or during the lifetime of the transferee.

Exemptions

The law provides the following exemptions:

It says, wealth tax shall not be payable by an assessee on the following assets and such assets shall not be included in the net wealth of the assessee:

(i) any property held by him under trust or other legal obligation for any public purpose of a charitable or religious nature in India;

(ii) the interest of the assessee in the coparcenary property of any Hindu undivided family of which he is a member;

(iii) any building in the occupation of a ruler declared by the Central Government as his official residence;

(iv) one house belonging to the assessee exclusively used by him for residential purposes and situate in any place with a population not exceeding 10,000 and which is more than five miles from any area for which there is a municipality the population whereof exceeds 10,000;

(v) the rights under any patent or copyright belonging to the assessee, provided that they are not held by him as assets of a business, profession or vocation and no income or benefit accrues to him therefrom;

(vi) the right or interest of the assessee in any policy of insurance before the moneys covered by the policies become due and payable to the assessee;

(iv) one house belonging to the assessee ex-sion or other life annuity in respect of past services under an employer;

(viii) furniture, household utensils, wearing apparel, provisions and other articles intended for personal or household use of the assessee;

(ix) the tools and implements used by the assessee for the raising of agricultural produce. (Tools and implements do not include any plant or machinery used in any tea or other plantation in connection with the processing of any agricultural produce or the manufacturing of any article from such produce);

(x) the tools and instruments necessary to enable the assessee to carry on his profession or vocation, subject to a maximum of Rs. 20,000 in value;

(xi) instruments and other apparatus used by the assessee for purpose of scientific research;

(xii) any works of art, archæological, scientific or art collections, books or manuscripts belonging to the assessee not intended for sale;

(xiii) any drawings, paintings, photographs, prints and any heirloom not falling within clause (xii) and not intended for sale, but not including jewellery;

(xiv) jewellery in the possession of any ruler, not being his personal property which has been recognised by the Central Government as his heirloom or, where no such recognition exists, which the Board may, subject to any rules that may be made by the Central Government in this behalf, recognise as his heirloom at the time of the first assessment to wealth tax under this Act;

(xv) jewellery belonging to the assessee, subject to a maximum of Rs. 25,000;

(xvi) 10-year treasury savings deposit certificates, 15-year annuity certificates, deposits in post office savings banks, post office cash certificates and post office national savings certificates held by the assessee;

(xvii) the amount standing to the credit of an assessee, being a salaried employee, in any provident fund maintained by the employer to which the Provident Funds Act, 1925, applies or which is recognised provident fund within the meaning of the Income-tax Act;

(xviii) the property received by an assessee from Government in pursuance of any gallantry or merit award instituted or approved by the Central Government;

(xix) the value of shares held by the assessee in any other company in any case where the assessee is a company;

(xx) the value of any shares held by the assessee in any company referred to in section 45 (d), if on the relevant valuation date the provisions of this Act are not applicable to the company by reason of the provisions contained in that section;

(xxi) that portion of the net wealth of a company established with the object of carrying on an industrial undertaking in India within the meaning of the *Explanation* to clause (d) of section 45, as is employed by it in a new and separate unit set up after the commencement of this Act by way of substantial expansion of its undertaking:

Provided that—

(a) separate accounts are maintained in respect of such unit; and

(b) the conditions specified in clause (d) of section 45 are complied with in relation to the establishment of such unit:

And provided further that this exemption shall apply to any such company only for a period of five successive assessment years commencing with the assessment year next following the date on which the company commences operations for the establishment of such unit.

Wealth tax is not payable by an assessee in respect of any deposit made by the assessee with the Government or in any security of the Government or of a local authority not specified in clause (xvi) above which the Central Government may, by notification in the official *Gazette*, exempt from wealth tax; but the value of any deposit or security so exempted shall be included in computing the net wealth of the assessee.

Notwithstanding anything contained in sub-section (1), wealth tax shall be payable by an assessee in respect of assets referred to in clause (xvi), clause (xix), clause (xx) above for any assessment year unless the assets are held by him—

(a) in the case of shares in a company, from the date on which the shares were first issued by the Company, or for a period of at least six months ending with the relevant valuation date, whichever is shorter; and

(b) in the case of other assets, for a period of at least six months ending with the relevant valuation date.

Assets and Debts Outside India

So far as the exclusion of assets and debts outside India are concerned, section 6 of the Wealth Tax Act provides as under:

In computing the net wealth of an individual or a Hindu undivided family not resident in India or resident but not ordinarily resident in India, or of a company not resident in India during the year ending on the valuation date—

(i) the value of the assets and debts located outside India; and

(ii) the value of the assets in India represented by any loans or debts owing to the assessee in any case where the interest, if any, payable on such loans or debts is not to be included in the total income of the assessee under section 4 (3) of the Income-tax Act;

shall not be taken into account.

An individual or Hindu undivided family shall be deemed to be not resident or resident but not ordinarily resident in India during the year ending on the valuation date if in respect of that year the individual or the Hindu undivided family, as the case may be, is not resident in India or resident but not ordinarily resident in India within the meaning of the Income-tax Act.

A company shall be deemed to be resident in India during the year ending on the valuation date, if—

(a) it is a company formed and registered under the Companies Act, 1956, or is an existing company within the meaning of that Act; or

(b) during that year the control and management of its affairs is situated wholly in India.

How are the values of the assets to be determined?

The value of any asset, other than cash, for the purposes of this Act shall be determined to be the price which, *in the opinion of the wealth, tax officer*, it would fetch if sold in the open market on the valuation date.

However:

(a) where the assessee is carrying on a business for which accounts are maintained regularly, the wealth tax officer may, instead of determining separately the value of each asset held by him in such business, determine the net value of the assets of the business as a whole having regard to the balance-sheet of such business as on the valuation date and making such adjustment therein as the circumstances of the case may require;

(b) where the assessee carrying on the business is a company not resident in India and a computation in accordance with clause (a) cannot be made by reason of the absence of any separate balance-sheet drawn up for the affairs of such business in India, the wealth tax officer may take the net value of the assets of the business in India to be that proportion of the net value of the assets of business as a whole wherever carried on determined as aforesaid as the income arises from the business in India bears to the aggregate income from the business wherever arising during that year.

Companies Exempted

The following companies are exempted:

(a) a banking company within the meaning of the Banking Companies Act, 1949;

(b) an insurer or insurance company within the meaning of the Insurance Companies Act, 1938;

(c) any company established with the object of financing by way of loans or advances or subscribing to the capital of private enterprises in India where the Central Government has made or agreed to make a special advance for the purpose or guaranteed or agreed to guarantee the payments of money borrowed by the Company from an institution outside India;

(d) any company established with the object of carrying on an "industrial undertaking" in India in any case where the Company is not formed by the splitting up or the reconstruction of a business already in existence or by the transfer to a new business of any building, machinery or plant used in a business previously carried on.

The exemption granted by clause (d) shall apply to any such company only for a period of five successive assessment years commencing with the assessment year next following the date on which the company is established, which period shall, in case of a company already established be computed in accordance with this Act from the date of its establishment as if this Act had been in force on and from the date of its establishment.

The expression "industrial undertaking" means an undertaking engaged in the manufacture, production or processing of goods or articles or in mining or in the generation or distribution of electricity or any other form of power;

(e) any company solely engaged in the business of transporting goods or passengers by ships;

(f) any company registered under section 25 of the Companies Act, 1956.

Rates of Tax and Exemptions

The rates of wealth tax are as follows:

(a) In case of every individual:

	Per cent.
(i) On the first Rs. 2,00,000 of net wealth	*Nil*
(ii) On the next Rs. 10,00,000 of net wealth	½
(iii) On the next Rs. 10,00,000 of net wealth	1
(iv) On the balance of net wealth	1½

(b) in case of every Hindu undivided family:

	Per cent.
(i) On the first Rs. 4,00,000 of net wealth	*Nil*
(ii) On the next Rs. 9,00,000 of net wealth	½
(iii) On the next Rs. 10,00,000 of net wealth	1
(iv) On the balance of net wealth	1½

(c) in case of every company:

	Per cent.
(i) On the first Rs. 5,00,000 of net wealth	*Nil*
(ii) On the balance of net wealth	½

Companies incurring a loss: In case of a company which has incurred a net loss in any year computed in the manner hereinafter provided and which has not declared any dividend on its equity capital in respect of that year, the rate of tax for the relevant year shall be *nil*.

The loss referred to in the above proviso shall be computed in accordance with the provisions of sections 8, 9, 10 and 12 of the Income-tax Act but without deducting the allowances for arrears of depreciation or extra depreciation or developmental rebate or any allowance in respect of any losses brought forward from earlier years.

Wealth includes assets on which taxes not payable: Where the net wealth of an assessee includes the value of assets on which wealth tax is not payable, the amount of tax payable by an assessee shall be the amount bearing to the total amount of wealth tax which would have been payable on net wealth had no property been exempt the same proportion as the unexempted portion of net wealth bears to the net wealth.

Assessees other than companies having shares in companies as its assets: Where the net wealth of an assessee not being a company, in respect of any assessment year includes the value of any shares in a company, the wealth tax payable shall be reduced by the amount, if any, by which the sum of the following, namely:

(a) that portion of the wealth tax payable by the assessee computed as aforesaid as bears to the total amount of the tax the same proportion as the value of the shares aforesaid included in his net wealth bears to his net wealth;

(b) that portion of the wealth tax, if any, paid by the company in respect of the same assessment year as bears to the whole amount of the said tax, the same proportion as the paid-up value of the shares included in the assessment of the assessee aforesaid bears to the aggregate paid-up value of the share capital of the company as on the relevant valuation date, *exceeds* the amount calculated at the rate of 1.5 per cent. on the value of shares included in his net wealth.

Non-resident foreigner: Where an assessee is an individual who is not a citizen of India and who is not a resident in India, the wealth tax payable by him in respect of any assessment year computed in accordance with the rates specified in this schedule shall be reduced by an amount equal to 50 per cent. thereof.

Resident Indian citizen: Where the net wealth of an assessee, being an individual who is a citizen of India, or a Hindu undivided family, includes any assets located outside India, the wealth tax payable by the assessee in respect of any assessment year shall be reduced by an amount which bears to the amount of tax that would have been payable by the assessee if the rates of tax had been reduced to one-half of the rates specified in this schedule the same proportion as the value of the assets located outside India as reduced by the debts located outside India bears to the net wealth of the assessee.

Companies having profit less than wealth tax payable: Where the profits of a company in respect of any year, before deducting any of the allowances referred to in the second para of the proviso to Part II, are less than the amount of wealth tax payable by it in respect of the relevant assessment year, the wealth tax payable by the company for such assessment year shall be limited to the amount of such profits; provided that the company has not declared any dividend on its equity capital in respect of that year.

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RADIO AND ELECTRICALS MANUFACTURING COMPANY, LIMITED

CHAIRMAN, MR. K. NARAYANASWAMY'S REVIEW

THE Eleventh Annual General Meeting of the Radio and Electricals Manufacturing Company, Ltd., was held in Bangalore on 27th December 1957. Speaking to the shareholders on the occasion, Mr. K. Narayanaswamy, Chairman of the Company, indicated that the Company was contemplating expansion of the energy meter section on a substantial scale for the manufacture of single and polyphase energy meters, in view of the large demand expected during the current Plan period.

The following is the full text of Mr. Narayanaswamy's speech:

"LADIES AND GENTLEMEN,

"It gives me great pleasure to welcome you to this eleventh ordinary general meeting of the shareholders of the Radio and Electricals Manufacturing Company, Ltd. I extend a special welcome to the employee-shareholders who have joined this meeting for the first time in their capacity as shareholders. The Directors' report and the audited accounts for the year ended 31st March 1957 have been before you for some time and, with your permission, I propose to take them as read. Last year, your Company made a beginning in regard to payment of a return of 6 per cent. to the shareholders and I am happy to say that this year, a provision of Rs. 3,17,802 has been recommended towards 13 per cent. dividend on the paid-up capital. Payment of three months' basic salary as bonus to employees has also been made. Out of this proposed dividend of 13 per cent., an interim dividend of 5 per cent. has already been paid in September 1957 and the payment of a final dividend of 8 per cent. and also carry-over of the balance of net profit of Rs. 83,448 is before you for consideration and adoption.

Production of Meters

"In the Directors' report, mention has been made of the amalgamation of the meter section with effect from 1st April 1956. During the year under review, your Company manufactured about 50 per cent. of the electricity meters produced in India. But the existing installed capacity for electricity meters is not commensurate with the requirements of the country. Thanks to plans for expansion of the electricity generation capacity in the country from 1.83 million kw. to 3.4 million kw., the demand for meters by the end of the second Five-year Plan period is estimated to go up to about three times the present installed capacity in the country, thus indicating scope for substantial expansion of the production capacities. The Company is, therefore, contemplating expansion of the energy meter section on a substantial scale for manufacture of single and polyphase energy meters.

"There is similar demand for radio receivers also, but since the existing plant capacity of the Company has been utilised for the manufacture of electricity meters, manufacture of radio receivers is maintained on a modest scale, so that it can be augmented substantially when circumstances permit. The Company has also taken up manufacture of some more radio components in technical collaboration agreements with two U.K. firms as indicated last year.

Water Meters

"Operations of the new water meter section are progressing fairly satisfactorily. I am glad to report that already about 2,000 water meters assembled or manufactured by the Company have been put into the market and sold. There is a good demand for these meters and the question of increasing production of water meters is receiving careful consideration.

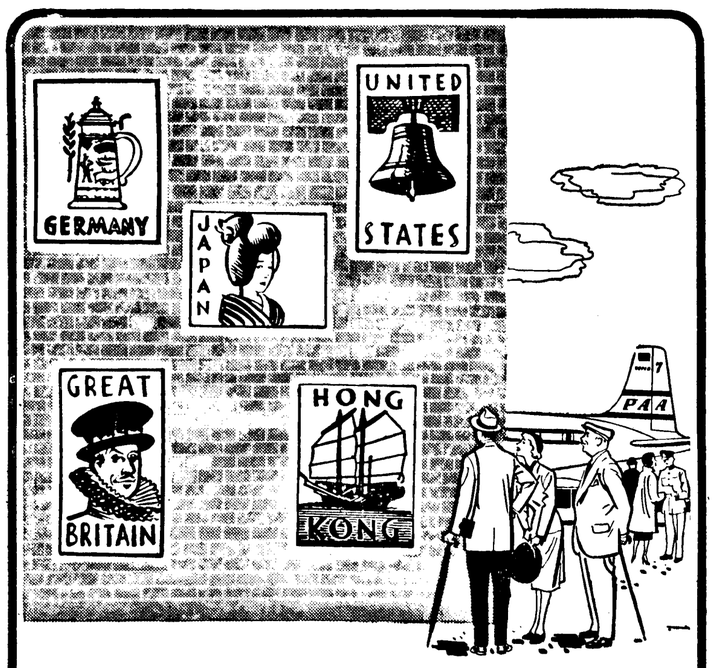
"The working of the Mysore Government Plastics Section which is under the management of your Company continues to be satisfactory.

"Whatever the alarms raised, the economic health of the country continues to display steady improvement, thanks to generous foodgrain loans advanced by developed countries, on the one hand, and a heartening degree of expansion in the output of manufactured goods within the country, on the other. Foreign exchange and other troubles are, no doubt, serious, but they are all inherent in the attempts being deliberately made to force the pace of development. The masses instinctively appreciate the position, because they can see no other way of breaking the deadlock facing the country all along, namely, stabilisation of the present subsistence level of living conditions and poverty. The plea for devaluation of the rupee on a unilateral basis or for allowing the rupee to 'float and find its equilibrium' is, therefore, most inopportune, to say the least. That the cure will prove worse than the disease is clear enough, if one remembers the imperative need for an ever-increasing volume of capital goods and other indispensable imports. The vulnerable and inelastic nature of demand for the main exports like tea, jute and textiles does not make the position any easier. Maintenance and expansion of exports so essential for development must, therefore, be secured not so much by tinkering with the rupee-dollar parity, but by appropriate control and other measures aimed at reducing production costs to reasonable levels, even if such controls involve some inconvenience to the general public during this period of transformation of India into a modern economy.

Employer-employee Relationship

"In this connection, I feel it my duty to refer to the steady encouragement and support being given to the Company from the State as well as the Central Governments. I also wish to acknowledge with thanks the valuable advice, co-operation and support received from my esteemed colleagues on the Board, on the one hand, and from all employees including officers and staff, on the other. I am glad to inform you that employee-employer relationships continue to run on a smooth and co-operative basis.

"With these introductory remarks, I now move: 'Resolved that the balance-sheet and the profit and loss account for the year ended 31st March 1957, as certified by the Chartered Accountants and the Comptroller and Auditor General of India, together with the Directors' report, be received and adopted.'"



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WORKING RESULTS FOR 1957

The net profits of the Bank of Maharashtra, Ltd., for the year ended 31st December, 1957 (subject to audit) after providing Rs. 70,000 for payment of bonus to the staff and making other usual and necessary provisions, including Rs. 32,000, the balance of profit brought forward from the previous year, amounted to Rs. 5,01,000. Out of this sum, the Directors have made the following appropriations:

	Rs.
Transferred to Reserve Fund ..	1,50,000
Provision for Taxation	2,10,000
Total ..	Rs. 3,60,000
The balance of Rs. 1,41,000, the Directors propose to recommend to the shareholders to dispose of as follows :—	
To pay Dividend at 6 per cent. per annum free of income-tax. *Pro-rata*	1,05,000
To carry forward to next year's account	36,000
Total ..	Rs. 5,01,000

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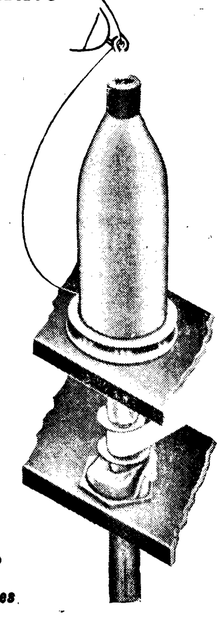

Round and round whirl the spindles in the spinning frames of India's 419 cotton mills. Averaging a speed of over 10,000 revolutions to the minute, these spindles wind yarn for 5,000 million yards of cloth each year. Under the Second Five Year Plan this output will increase by 3,500 million yards. Ten years ago the Indian textile industry imported almost all their machines; today, Indian machinery manufacturers are increasingly meeting their needs. Texmaco, pioneer manufacturer of cotton textile machinery in India, supplies the complete range of spinning machinery for cotton and staple fibre, designed and built to established international standards in technical collaboration with the world renowned Howa Machinery Limited of Japan.

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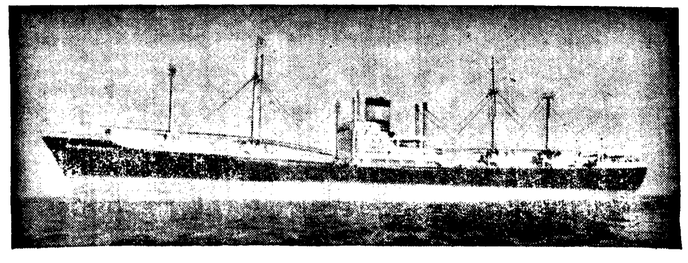

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TENTH ANNUAL GENERAL MEETING

CHAIRMAN, SIR A. RAMASWAMI MUDALIAR, CONFIDENT OF THE COMPANY'S FUTURE

SPEAKING at the Tenth Annual General Meeting of the National Newsprint and Paper Mills Ltd., held at Nepanagar, Madhya Pradesh, on 31st December 1957, Sir A. Ramaswami Mudaliar, Chairman, said that the Company had got over its teething troubles and reached a stage from which it could forge ahead with success. The future of the mill, he added, was now assured.

The following is the full text of Sir Ramaswami Mudaliar's speech:

"GENTLEMEN,

"I have much pleasure in welcoming you to the tenth annual general meeting of the National Newsprint and Paper Mills Ltd. Copies of the balance-sheet and profit and loss account for the year ended 31st March 1957 have been in your hands for some time and, with your permission, I shall take them as read.

"With the completion of the chemical mill and the commissioning of it into production, the manufacture of newsprint on a commercial scale was taken up from the beginning of the current year. The mill was formally opened by the Hon'ble the Prime Minister on 26th April 1956, and, therefore, the accounts relate to one complete year of production of newsprint through the machinery installed in the mill.

Accounts

"The balance-sheet and the profit and loss account will appear at first sight to make cheerless reading, but a closer analysis of the figures, particularly the losses indicated in the balance-sheet, will show that the year under review marks an important milestone in the development of this mill. The losses are comprised of an amount of Rs. 75,83,183-15-6 which is the interest payable on the loans given by the Madhya Pradesh Government from time to time during the past eight years. It also includes a sum of Rs. 38,11,901 provided for depreciation on the fixed and other assets of the Company for the year. These two items require further elucidation, so as to present the balance-sheet in its proper perspective. The Madhya Pradesh Government gave its decision recently about the rate at which interest should be charged on the loans given by that Government during the period of construction which extended over eight years. The treatment of this interest on loans received during the period of organisation and construction and before the mill went into production and was in a position to earn revenue, has engaged the serious attention of your Directors. According to normal practice this interest amount would be capitalised and would form part of the capital of the Company. Your Directors had addressed the Governments of India and Madhya Pradesh to treat the loan granted by these Governments as capital and the Governments have kindly agreed to convert their loans into share capital and also to reconstitute the capital structure on a more realistic basis.

Accrued Interest

The question of whether the interest accrued during this long period should according to normal practice be added to the capital or be otherwise dealt with has formed the subject of correspondence between the Company and the Governments. The Directors have felt that adding over Rs. 78 lakhs to the capital would result in overcapitalisation and have, therefore, suggested that the interest should be frozen and that the Governments may be pleased to allow the Company to repay this interest in instalments spread over a period of 25 to 30 years. No decision has as yet been arrived at on this issue. Whichever way the decision may be given, it will be obvious now that this amount cannot be treated as a loss. I would like to refer to the large sum of Rs. 38,00,000 which has been provided in the accounts as depreciation for the year. This is the first year of real commercial production with the assets of the Company. It is rarely that the full amount of depreciation on such a large scale can be earned out of the revenue of the very first year of production, but the Directors have provided for this amount and shown it as a loss so as to give a clear picture to the shareholders of the position. Considering that the machinery has been newly installed and the factory has just come into production during the year, this depreciation amount forms a loss in a technical sense. Taking these facts into consideration it is expected that when the capital structure of the Company is properly constituted the financial position of the mill would be more reassuring.

"During the year under review the manufacture of newsprint on a commercial scale resulted in 13,534 tons. For the first time newsprint of an acceptable quality with entirely indigenous chemical and mechanical pulp was produced. The revenue from sales amounted to Rs. 1.06 crores and the working losses, if depreciation is not taken into account, amounted to only Rs. 95,084-13-9. The quality of our production has improved and the demand for our product has grown. We are at present producing 60 to 65 tons per day and our monthly savings average Rs. 3 lakhs.

Hindrances

"Several factors have hindered the mill from reaching the target production of 100 tons per day. The Consultants did not provide for the bleaching of merchnical pulp. During trial operations in the previous year it was established that bleaching mechanical pulp would be necessary to produce newsprint of an acceptable quality. Your Directors, therefore, decided to utilise the existing equipment, which was intended for bleaching only chemical pulp, to bleach mechanical pulp also. This naturally restricted newsprint production. A plan was drawn up to augment the capacity of the existing equipment so as to give optimum production and it was decided to implement this plan in two stages. The first stage of development contemplated only modifications to the equipment which was carried out during the year under review. As I have already stated, the chemical mill was commissioned during this year. Here again it was found that the capacity of the chemical mill was inadequate to produce the necessary amount of chemical pulp. Your Directors have, therefore, placed an order for a third digester. Certain economies in production were also found necessary. At present, bleaching is carried out with caustic soda and chlorine, instead of with lime and chlorine. Your Directors have, therefore, decided to install equipment for a calcium hypochlorite plant which forms part of the second stage of development. The Government of India have approved of these proposals. The year's working has demonstrated that the raw materials so far untried, namely, salai, could be utilised for the manufacture of newsprint. The operation of the mill during the year enabled our technicians to appraise correctly the potentialities of the various equipments in the mill and gave them the necessary experience to put the untried raw material to the best possible use.

"We started operation of the mill after a long period of construction and installation of machinery with an entirely untrained crew. Most of the crew have now gained experience and have been trained to do their jobs. We have now reached a stage when we can confidently go ahead progressing steadily towards increased production. The progress achieved during the year, therefore, is noteworthy in many ways. The entire mill was commissioned and tuned to commercial production. The progress of manufacture was perfected after laborious trials and experiments both in the plant and in the laboratory. Untrained and unskilled crew were trained for the job. The skill and labour put in last year is now being reflected in the current year's working, although we had a setback owing to shortage of power and steam. During the last two months, our production has averaged over 1,400 tons and there has been a working profit of Rs. 4.78 lakhs.

"In other spheres also, there has been all-round progress. Cost control has been introduced under the guidance of consultants specially appointed for the purpose. At every stage of production there is a check to assess costs and eliminate waste and inefficiency. To improve the effectiveness of the supervisory staff the 'Training Within Industry' scheme has been adopted.

Human Factor

"Realising the importance of the human factor in industry your Directors adopted several measures for the welfare of the workers. Three hundred tenements have been constructed this year. There is still a shortage of housing and it has been decided to construct another 200 tenements during the year. Provident fund facilities were liberalised and the dearness allowance has been raised by another five rupees. A child welfare centre was started and a maternity ward has been constructed in the hospital. The workers also have shown a remarkable spirit of co-operation and the industrial relations remained cordial throughout the year. Progressively the workers are being associated with the management in several spheres. Works committee meetings were held periodically. Workers are represented on housing, market and canteen committees.

"As this was the first year of commercial production, special effort had to be made to organise sales. A full-fledged sales department was set up and a sales policy was designed mainly with a view to making our newsprint available for the *bona fide* consumption of newspapers. Practically every leading newspaper in the country is now using our newsprint and many newspapers are using it regularly. Zonal agents were appointed for the distribution of our newsprint. The demand for our newsprint now exceeds our production. But for the shortage of chlorine we would have been in a position to serve the newspaper customers in a greater measure. Our newsprint has had a stabilising influence on the market and valuable foreign exchange is being conserved by the production of newsprint in the country. The mill can be reasonably proud to have made this modest contribution to the economy of the country in the present critical times.

Economy of Newsprint Manufacture

"Finally, I would like to suggest to you that the economy of manufacture of newsprint is entirely different from the manufacture of other kinds of paper. The principal buyers of newsprint are newspapers. The economy of a newspaper is comparatively rigid and there are definite limitations to the price which a newspaper can pay for the newsprint it buys. Newsprint has, therefore, to be produced as cheaply as possible. It is only the faith and the courage of the Madhya Pradesh Government and the stout support that it received from the Government of India that has enabled this mill to reach a stage from which it can forge ahead with success. The future of the mill is now assured. The mill had many teething troubles and many unforeseen setbacks but they can now be regarded as past history.

"In conclusion, I would like personally to thank the Industrial and Financial Directors nominated by the Government of India for their advice and assistance and the wholehearted manner in which they have co-operated in bringing the mill to its present condition. On behalf of the Board of Directors, I would like to thank both the managerial and the mill staff for the enthusiastic manner in which they have made their contribution to the progress of the mill and I would like to make special mention of the invaluable services rendered by the Managing Director, the Works Manager and the Secretary of the Company."

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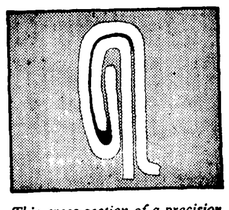

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NEW PUBLICATIONS

Capital and its Structure. By L. M. Lachmann. Published for the London School of Economics and Political Science by G. Bell and Sons Ltd., London. Pages : 130. Price : 15 shillings.

FEW economic concepts have gained as much currency in popular and expert discussions in the post-war period as capital. In underdeveloped countries, in particular, the term has come very much into prominence, as shortage of capital and the difficulties in the way of its building up represent the crux of their problem. It is surprising that, despite its practical importance, economists have ceased to ask fundamental questions about capital. Consequently, it has turned out to be one of the "backward areas" in the realm of economics. This neglect of the theory of capital may be attributed to two main reasons. First, many economists have come to regard the conceptional framework of a theory of capital as unnecessary to discuss problems germane to capital. Secondly, the preoccupation of modern economists with quantitative treatment of problems have led to the neglect of capital which by reason of being no homogenous quantity but a heterogeneous aggregate, does not lend itself to quantitative expression.

The object of the book under review, in the author's own words, is "to rekindle interest in the fundamental problems of capital, to outline a new approach to them and demonstrate that it can be applied with some promise of success to a number of problems." His justification for writing it is that it is not possible to discuss the causes and consequences of a change in stock (of capital) without some knowledge of its nature and composition.

The author develops a conception of capital as a complex structure functionally differentiated, in that the various capital resources of which it is composed have different functions. He applies his ideas to a variety of capital problems. The analytical tool employed is the process analysis as developed by Lindahl and Lundberg. The author's reflections on certain practical problems of development in underdeveloped countries are interesting. For instance, pointing out the advantages of risk capital over loan capital in the development of backward countries, he states that foreign investors undertaking the risk would insist on taking managerial decisions regarding the investment, which, in the prevailing climate of opinion in underdeveloped countries, is not favoured by politicians. But, in the case of loan capital, such a difficulty does not arise, as the recipient has the full responsibility in decision-making. But there is a serious disadvantage in that, should the decisions go wrong, capital losses arising therefrom will have to be borne entirely by the recipient who is least able to bear them.

The subject discussed is essentially technical in nature and requires in the reader a degree of proficiency in economics for the arguments to make any sense to him. The general reader may not find anything to gain from the book but advanced students of economics will find not a little to interest and benefit them.

Indian Labour Code (Third Edition). By S. N. Bose. Published by Eastern Law House (Private) Ltd., P. 13, Ganesh Chunder Avenue, Calcutta. Pages : 1585. Price : Rs. 25.

Few countries of Western Europe, which has had more than two centuries of industrial existence, can boast of so vast a corpus of labour legislation as India which has only just started its industrial career. Even the most diligent lawyer is apt to get himself lost in the bewildering complexity of legislative enactments, not to mention the vast expanse of case laws built up by industrial awards. It is no cause for surprise, therefore, if an employer is not always abreast of the labour laws which, since 1947, have grown by leaps and bounds. And it is only very rarely, if ever, that the industrial worker has more than a vague idea of his exact position in law. This lack of understanding on the part of the employer as well as the employee, is responsible, in part at least, for the friction that is sometimes found to exist between the two. A suitable reference book, containing all existing labour laws, which will serve as a handy guide, was a long-felt need. The publication under review meets this need admirably. The fact that the book has entered its third edition since it was first published in 1948 bears ample testimony to its popularity.

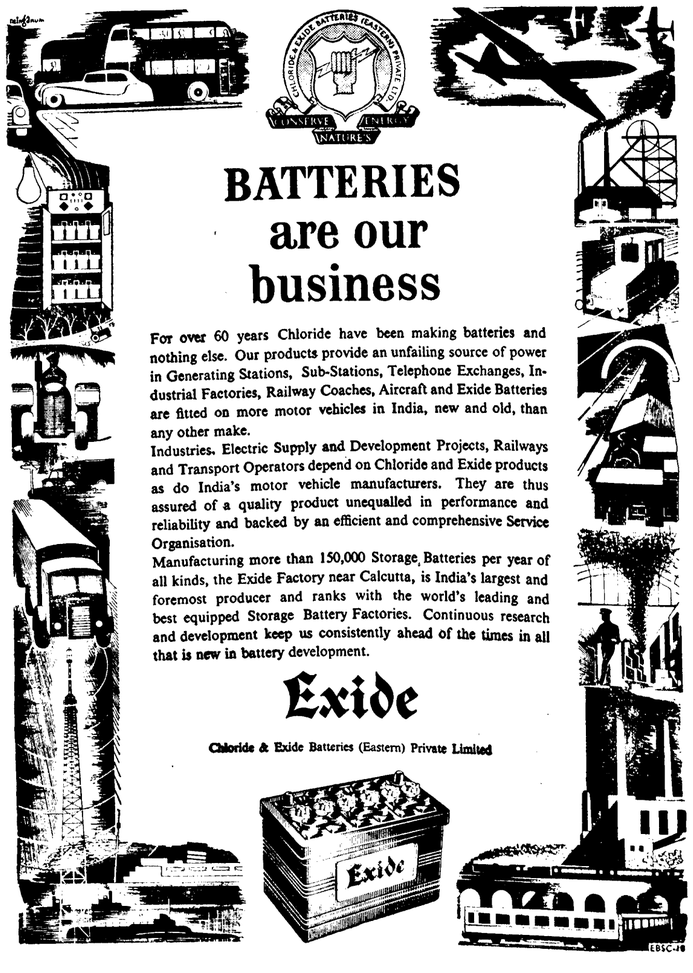
The third edition is a considerable improvement on the previous editions. The book has been thoroughly recast, rearranged and brought up to date, incorporating all factory, labour and welfare laws enacted to date. The author's introductory notes giving the historical background of each enactment and his comments on them will help the reader to view them in perspective and comprehend the exact scope and significance. Statements of objects and reasons for important Acts, together with extracts from parliamentary debates on the Bill, have also been incorporated. Added to the text are a number of appendices which give useful information about such relevant topics as the Philadelphia Charter, I.L.O. Conventions and Recommendations. To facilitate easy reference, a special index to statutory definition of terms like "wages," "workmen," "employment" and "factory" are also given. A comprehensive compendium of labour laws in India, this publication must find a place on every reference shelf.

A Schedule of Job Analysis of Different Job Categories in Ahmedabad Mills. Published by H. G. Acharya, Secretary, The Ahmedabad Millowners' Association, Ahmedabad. Pages : 168. Price : Rs. 2.

The need for a standardised wage structure for the different industries and employments is generally recognised. The aim of standardisation, it is common knowledge, is to fix a fair wage in relation to a specified workload. Hitherto the practice in India has been for industrial courts and tribunals to fix wages on an *ad hoc* basis and the awards usually do not specify the duties and the quantum of work to be done by a worker to entitle him to the prescribed wage. There cannot be two opinions on the need for basing the scheme of standard wages on scentifically evolved and well recognised principles which necessarily include the linking of wages to workload and standardisation of musters. In order to evolve any scheme of standardised wages, it is essential to determine the duties to be performed by the employees in each category and occupation and assign standard workload. The Ahmedabad Millowners' Association has, therefore, done well to sponsor the preparation of a schedule of standard duties to be performed by each worker in the different job categories in a textile mill. A technical committee appointed by the Association for the purpose, having thoroughly examined each job, prepared a schedule which is scientific and practicable. The schedule, which was originally circulated among member mills of the Association only, has now, through this booklet, been made available to a wider readership. It is a timely publication, in view of the fact that a wage board for cotton textile industry is studying the entire wage structure of the industry. The publication will prove to be of interest to all those who are connected with the textile industry.

Hand Book on Wealth Tax. By C. A. Gulanikar. Published by Mrs. Savita Gulanikar, Patel Buildings, Ahmedabad, 9. Pages: 346. Price: Rs. 7.

Amongst the books to be published on wealth tax, Mr. C. A. Gulanikar's book is the first to draw public attention to the complexity of this new tax. The book is written in such refreshingly simple style as would enable even a layman to follow its import. A large number of illustrations have been given to explain the technicalities of the computation, relief and charge. The author, who is himself an income-tax officer, has shown a grasp and mastery which is really commendable. The chapter especially on the ticklish problem of valuation is indeed very illuminating. No business house, professional practitioner, secretaries of companies should be without this useful hand book on their table as a ready reference to any wealth tax problem they are considering. We congratulate the author on producing a quite useful and illuminating book on wealth tax.—R. K. D.



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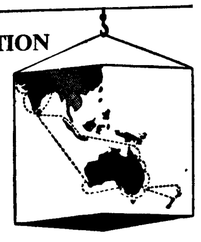

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RECENT TRENDS IN WORLD TRADE

SLOWING DOWN IN RATE OF EXPANSION

THE impact of the European Economic Community on world trade as assessed by the G.A.T.T. Secretariat was briefly reviewed in these columns last week. The review brought out the Secretariat's conclusion that the Community would clearly make an important contribution to the well-being of the whole world. It remains to be seen how far and to what extent this conclusion is justified. There is, however, no gainsaying the fact that the principle of setting up of regional marketing arrangements, if extended too far, is bound to hamper the progress towards the establishment of a free and multilateral system of international trade and payments.

The aforesaid aspect must be specially stressed in the present context of the fears of a slowing down in the rate at which world trade has been expanding in recent years. The aggregate value of world exports in the second quarter of 1957 as compared with the corresponding quarter of 1956 was higher by only 6 per cent., while the same during the first half of the year was about 10 per cent. above the same period in 1956. This suggests, as Sir Claude Corea, Chairman of the G.A.T.T. Contracting Parties, emphasised in the course of his speech at the last session of the Parties held in Geneva, that the world may now be entering a period in which the general tendency towards expanding trade, which it has enjoyed for a number of years and which has formed the background for so many developments in commercial policy, may be replaced by a slow down in the rate of expansion.

In support of his view, Sir Claude Corea drew particular attention to three important factors. First, as in previous years, a quite substantial part of international trade continued to be financed by extraordinary means which do not fit into the normal financial and trading pattern. Secondly, world trade in 1956 increased nearly twice as fast as world production, whereas, hitherto, these two trends had kept abreast. There is, therefore, some danger that the tendency towards a levelling off in production, which has recently made its appearance, might be accompanied by a fall in world trade. Thirdly, the exports of the non-industrialised countries as a whole have persistently failed to keep up with the general rate of trade expansion. It is obvious that the development of these countries is closely dependent on their capacity to maintain and increase their export earnings, in order to pay for imports essential to their development programme, as also to service development loans and credits.

Incidentally, it may be noted that the trade between the industrial and non-industrial areas of the world continues to decline; the value of the exports of non-industrialised countries to industrialised countries expressed as a proportion of world trade in 1956 was 24 per cent., as against 28 per cent. in 1950 and 30 per cent. in 1937. Such a contraction is attributed to several factors. The manufacturing industries are increasingly capable of producing the same quantities of goods with less raw materials. Since the war, the industrial countries are themselves producing more raw materials and food. Further, there is the substitution of synthetic raw materials in certain branches of industries. Again, the more advanced of the non-industrialised countries are producing insufficient raw materials and foodstuffs to meet their own increasing consumption and to maintain—much less to increase—their exports of these products.

Be that as it may, the table given below indicates the trend of world trade in the past three years:

(In million U.S. dollars)

	Exports (f.o.b.)			Imports (c.i.f.)		
	1957	1956	1955	1957	1956	1955
World total	**100.65**	**93.54**	**84.21**	**109.45**	**97.97**	**88.97**
U.S.A.	21.87	19.08	15.55	13.94	13.75	12.37
U.K.	9.87	9.29	8.47	11.74	10.89	10.87
W. Germany	8.45	7.36	6.14	7.26	6.62	5.79
Canada	5.39	5.29	4.78	6.90	6.27	5.16
France	5.18	4.54	4.91	6.74	5.55	4.74
Belgium-Luxemburg ..	3.25	3.16	2.78	3.47	3.27	2.88
Netherlands	2.89	2.86	2.69	4.08	3.71	3.21
Japan	2.69	2.50	2.01	5.11	3.23	2.47
Venezuela	2.46	2.12	1.91	1.52	1.23	1.09
Italy	2.45	2.16	1.86	3.72	3.17	2.71
Australia	2.31	1.89	1.75	1.88	1.94	2.16
Sweden	2.20	1.95	1.73	2.44	2.21	2.00
Switzerland	1.52	1.44	1.31	2.01	1.77	1.49
Malaya	1.31	1.36	1.36	1.40	1.36	1.25
India	1.25	1.27	1.27	2.20	1.71	1.41
South Africa	1.24	1.19	1.06	1.71	1.52	1.48
Denmark	1.15	1.11	1.06	1.29	1.31	1.18

Figures relating to 1957 are actually for the second quarter of the year.

It will be seen from the above table that the world trade trends continue to be generally favourable. An outstanding feature of recent years is that the commerce of the industrialised countries has expanded a good deal more satisfactorily than that of the less developed countries. The Governments of the former group of countries have continued to take advantage of easier circumstances in their payments position. They have, for instance, found it possible to remove or render more flexible their restrictions on imports. They have also been able to give wider scope to their importers and to take increasing advantage of multilateral arrangements in place of bilateral arrangements, thus widening the possibilities of buying in the cheapest markets. On their part, the Governments of the less developed countries have in many cases endeavoured to make import controls less onerous for international trade, although they have found it impossible to relax them substantially.

Trade Expands

Thanks to the foregoing welcome developments, world trade expanded more rapidly in the 11 years since the Second World War than in the corresponding period after the first war, notwithstanding many difficulties and obstacles. The first volume of the United Nations *Yearbook of International Trade Statistics*, published in Geneva this week, estimates that, by 1956, the total volume of world trade was nearly double that of 1938, while the same in 1929—the eleventh year after the first war ended—had reached only one and one-third times its level in 1913. The recovery and expansion of world trade after the second war, it is said, was achieved by a gradual reconstruction of a trade pattern in many ways similar to the one prevailing before the war.

The aggregate value of trade (calculated from exports, excluding those from the U.S.S.R., Eastern Europe and Mainland China) in 1956 was higher than in any other year. The volume of trade was of record size, being 1.8 times that in 1938. The average world exports in 1956 were (using dollar unit values) more than 2½ times those prevailing in 1938. Volume increases, notably above average, were recorded between 1938 and 1956, on the export side, by the U.S. and the Middle East (volume nearly trebled), as well as the Continental Western Europe and the dollar area of Latin America (volume more than doubled) and, on the import side, by the dollar area of Latin America (threefold expansion), the U.S. and the overseas territories of Continental Western Europe (more than double).

The most striking change in the pattern of world trade since the second war is that the U.S. has replaced the U.K. as the world's greatest trading country. The U.S. share in aggregate exports rose from 15 per cent. by value in 1938 to 21 per cent. in 1956, but its share in imports expanded only from 9 per cent. to 13 per cent. In 1956, the value of U.S. exports was 23 per cent. more than in 1955, while that of imports was up by only 11 per cent. This unequal rate of expansion accounts largely for the continuing international balance of payments problems. The effects of the dollar shortage, for instance, are evident in the trade statistics of the U.K. Between 1938 and 1956, the U.K. nearly doubled its volume of exports, while the rise in its imports was very little. During the same period, the U.K.'s imports from the sterling area improved much more rapidly than imports from the dollar area. In the rest of the sterling area, imports more nearly kept pace with the expansion in exports than they did in the U.K.

During the 11 years ended 1956, the trade of dollar countries (the U.S., Canada, Mexico, Colombia, Venezuela and the Central American Republics) greatly increased. The total value of the exports of all these countries accounted for about 31 per cent. of world exports in 1956 (30 per cent. in 1955), as against 22 per cent. in 1938, and the volume of exports had risen in 1956 by 15 per cent. over 1955 and by a factor of more than 2½ over 1938. Between 1938 and 1956, the percentage share of the Far East in the aggregate value of world trade declined from 12 to 7, due principally to Japan's failure to regain its pre-war trade volume as fast as the other major countries. Trade between Western Europe and Eastern Europe, which was just 3 per cent. of aggregate trade in 1938, fell to 1 per cent. in 1956, despite the upward trend in the value of exports from the U.K. and West Germany to Eastern Europe during the past two years.

Between 1955 and 1956, the volume of world trade expanded by 9 per cent. and the average price at which goods moved increased by about 2 per cent. without reaching the high prices of the peak in 1951 when prices were 9 per cent. above those in 1955, largely because of high raw material prices. The principal increases in value were in the following currents of trade:

	Percentage rise
U.S. to W. Europe	32
U.S. to Canada	24
W. Europe to U.S.	20
Non-dollar countries of Latin America to U.S.	20
Middle East non-sterling countries to the sterling area (despite disturbances in the former)	18

The average level of prices of primary commodities in world trade in 1956 was 14 per cent. below the post-war peak of 1951, though it was nearly the same as in 1955. There was a sharp advance of 8 per cent. in the world export prices of metal ores between 1955 and 1956; the prices in 1956 were only 2 per cent. less than those in the peak year of 1952. The prices of manufactured goods exported rose by nearly 4 per cent., reaching almost the peak attained in 1952.

SALT INDUSTRY

A nine-man committee with Mr. Satish Chandra, Union Deputy Minister for Commerce and Industry, as Chairman, has been appointed by the Central Government to enquire into the working of the salt industry and to recommend measures for its development. The terms of reference of the Committee, which has been asked to complete its work within six months, are quite broadbased, in that they cover the wide and varied aspects relating to the salt industry. The terms are:

To examine the position of the large, medium and small-scale manufacturers of salt and assess their production;

to review the concessions given to salt manufacturers, particularly the small producers, and ascertain how far these concessions have helped in the development of the industry (any practical difficulties experienced by small producers will be investigated);

to consider the question whether the statutory provisions like those contained in the Minimum Wages Act can be made applicable to the salt industry in order to assist the labour employed in it;

to assess the progress made in recent years in the co-operative field and suggest measures for encouraging salt manufacture on co-operative basis; and

to study quality control in salt production, keeping in view the difficulties of manufacturers, as well as the requirements of the general public, the industries based on salt and the export markets.

The constitution of a special enquiry committee for the salt industry with broad terms of reference reveals the Government's anxiety to ensure proper and well-balanced development of the industry. This is only as it should be. The consumption requirements of salt are rapidly rising On the basis of a *per capita* household consumption of 14 lbs. for a population of 408 million in 1960-61, the total demand under this head comes to 69.41 million maunds. Taking this into account, as also the increasing needs in the chemical and related industries and the efforts made to expand exports considerably, the aggregate demand for salt by 1960-61 is put at 100 million maunds. The production target is accordingly fixed at this figure. From the progress made so far in the implementation of the development programme drawn for the salt industry, it looks as though the target has already been reached. During the first eight months of 1957, the total production of salt was over 88 million maunds—or an annual rate of over 130 million maunds—as against 80 million maunds in the corresponding period of 1956 and 89 million maunds in the whole of 1956.

The total fixed capital investment in the salt industry is of the order of Rs. 8.30 crores, of which the public sector accounts for Rs. 1.07 crore and the private sector for Rs. 7.23 crores. The salt works give employment to about 29,300 workers per day (1955). In addition, on an average, 10,000 labourers work every day in the unlicensed salt works.

WORLD MERCURY PRODUCTION

In 1955, the latest year for which detailed data are available, world production of mercury was 183,470 flasks of 34.47 kilos (76 lbs.) each, as against 177,000 flasks in 1954, 160,000 flasks in 1953, 151,000 flasks in 1952, 147,000 flasks in 1951 and 143,000 flasks in 1950. The chief producers of mercury are Italy, Spain, Mexico and the U.S. Among the other producers, Yugoslavia, the U.S.S.R., Japan and China are important. The actual output in the chief producing countries in 1955 as compared with 1950 is given below:

(In flasks of 76 lbs.)

	1955	1950
Italy	52.000	53.000
Spain	43.000	52,000
Mexico	29,858	3,757
U.S.	18,830	4,535

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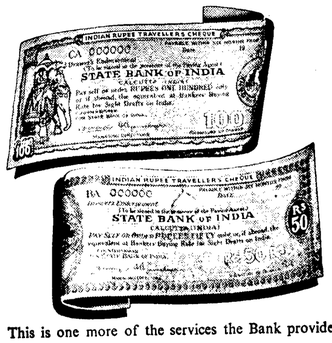

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T.I. CYCLES' RESULTS IMPRESSIVE

DIVIDEND ENHANCED—RESERVES STRENGTHENED

AN upward revision in the dividend rate to 10 per cent has been made by the T.I. Cycles of India Ltd. (Chairman: Dr. A. Ramaswami Mudaliar, Madras) for the year ended 30th June 1957 from a steady but modest maiden dividend of 6 per cent. per annum paid from the half-year ended 30th June 1954. This enhanced dividend follows an impressive rise in the Company's turnover and profit. Indeed, the Company's working during the year under review has produced results which are highly gratifying from every angle. The sale proceeds show a spectacular improvement, being nearly twice as much as those in the previous year. The gross profit has more than doubled. From Rs. 30.05 lakhs for 1955-56, it has shot up to Rs. 81.97 lakhs for 1956-57, an advance of Rs. 51.92 lakhs or 170 per cent.

In consonance with the rise in the gross profit, the net profit also has more than doubled, from Rs. 15.87 lakhs to Rs. 36.90 lakhs to be precise. It may be noted that the higher net profit has been arrived at only after making a liberal provision of Rs. 35 lakhs for taxation, as against a mere Rs. 7.50 lakhs in the previous year. The provision for depreciation also is higher, but only slightly, at Rs. 5.95 lakhs, as compared with Rs. 5.30 lakhs. In view of the substantial expansion of the Company's factory now on hand and the further expansion contemplated, the Directors have very wisely taken the view that it is prudent to follow the policy of ploughing back the major portion of the net profit into the Company's business. Accordingly, they have transferred a sum of no less than Rs. 30.01 lakhs to the various reserves. This sum represents 81 per cent. of the net profit and is well over three times the amount of Rs. 9.28 lakhs provided out of the profit for 1955-56. A breakdown of the additions made to the reserves this year shows that as much as Rs. 23.51 lakhs, as against Rs. 6.28 lakhs a year before, have been credited to development, replacement and research reserve, Rs. 5.50 lakhs, as against Rs. 1.50 lakhs, to general reserve, and Rs. 1 lakh, as against Rs. 1.50 lakhs, to dividend equalisation reserve. The dividend at 10 per cent. absorbs Rs. 7 lakhs, a sum equivalent to only 19 per cent. of the net profit. It is commendable that, despite a tax system which penalises prudence and efficiency, the Directors have followed an appropriation policy which is fully in consonance with the letter and the spirit of the Government's economic policy. There can be no better proof than this of their faith in the future and desire to co-operate fully with the Government.

The following comparative table shows the progress of the Company's working during the past three years:

(In lakhs of rupees)

	For the year ended 30th June			For the six months ended June 30, 1954
	1957	1956	1955	
Sale proceeds	2,70.67	1,38.14	1,45.71	64.34
Stock of finished goods and work-in-progress	6.95	5.70	52.35	23.69
Expenses	1,91.46	1,08.74	1,44.94	47.98
Gross profit	81.97	30.05	29.80	12.39
Managing Agents' commission..	4.12	1.38	1.25	0.58
Depreciation	5.95	5.30	5.87	4.68
Taxation	35.00	7.50	2.50	..
Net profit	36.90	15.87	20.18	7.18
To reserves	30.01	9.28	10.69	2.50
,, goodwill	..	2.50	5.00	2.50
Dividend	7.00	4.20	4.20	1.95
	(10%)	(6%)	(6%)	(6%)
Carry forward	0.49	0.59	0.71	0.42

It will be seen from the table above that the Company's proceeds from sales during the year very nearly doubled from Rs. 1.38 crores to Rs. 2.71 crores, reflecting, in a large measure, the increased production and the growing popularity of the Company's manufactures. Expenses have also risen from Rs. 1.09 crores to Rs. 1.91 crores but the rise is only in line with the enlarged turnover.

It is needless to add, as it must be obvious, that the aforesaid excellent financial results reflect the Company's satisfactory progress in production and expansion programmes during 1957. The Company was permitted by the Government to manufacture 200,000 bicycles and 100,000 sets of bicycle components. The production of bicycles reached the target during 1956-57, but that for components fell a little short of expectation. The Company is, however, confident of making good this shortfall this year. It has also made remarkable progress in the programme for attaining self-sufficiency in regard to all parts of a bicycle. The manufacture of freewheels, an important part of the bicycle, has already been successfully established to the satisfaction of a competitive market. The Company has received the Government's permission for increasing its manufacturing capacity of both bicycles and components.

The Company's latest balance-sheet shows that reserves and surplus aggregate Rs. 59.74 lakhs, as against a paid-up capital of Rs. 70 lakhs, all in ordinary shares of Rs. 100 each. The gross block of the value of Rs. 116.12 lakhs stands written down to Rs. 90.78 lakhs. Additions to the gross block during the year were of the order of Rs. 29.75 lakhs. The goodwill (Rs. 10 lakhs) has been practically written off, the balance remaining being a nominal sum of Rs. 16. The current assets, including cash and bank balances (these alone amount to Rs. 36.65 lakhs) aggregate Rs. 126.90 lakhs and cover the current liabilities and the provision for taxation, amounting to Rs. 87.95 lakhs in all, by a wide enough margin. The financial position of the Company is thus quite sound. Considering that the Company is only eight years old, it is, indeed, remarkable that it has been able to report a reserve fund which is equal to 85 per cent. of the paid-up capital.

This point alone is sufficient to show that the Company is under able management. Its success is due as much to the efficient work of its Directors and employees in this country as to the advice and assistance given by the Company's British collaborators, namely, Tube Investments Ltd. and Hercules Cycle Company, Ltd. As this collaboration is being kept up with all the enthusiasm that was shown in the initial years and as the Company has established itself firmly, there is no doubt that it is assured of a prominent and profitable place in the steadily expanding market for bicycles in this country. Incidentally, it may be noted that the Managing Agents, Messrs. T. & M. Industries Private Ltd., have voluntarily terminated their agreement with the Company, an action which is in keeping with the trend of thinking of the powers-that-be. Mr. A. M. M. Murugappa Chettiar and Mr. A. M. M. Arunachalam, connected with the managing agency company, have been appointed Managing Directors of the Company.

RAGHUVANSHI MILLS LTD.

Better trading results, as compared with the previous year, are disclosed by the Raghuvanshi Mills Ltd. (Managing Agents: Messrs. Ravindra Maganlal & Co. Private Ltd., Bombay) for the year ended 31st March 1957. The gross profit has doubled from Rs. 8.28 lakhs for 1955-56 to Rs. 16.56 lakhs. A sum of Rs. 15.20 lakhs (including Rs. 11.52 lakhs towards short provisions made in previous years) has been provided for depreciation, as against Rs. 4.35 lakhs 12 months before, while another Rs. 10,000 has been provided for taxation, as against *nil*. After the above essential provisions, the net profit amounts to only Rs. 1.01 lakh, as against Rs. 3.32 lakhs in the previous year. In order to offset the diminution in net profit and to make a modest upward revision in the distribution to shareholders, the Directors have withdrawn a sum of Rs. 2.56 lakhs from the capital redemption reserve. The gratuity fund has been credited with Rs. 1 lakh though the total liability in respect of future payments on this account still remains to be ascertained. A dividend of 6 per cent. per annum, absorbing Rs. 2.40 lakhs, has been declared on the ordinary shares, as against 3 per cent. a year ago. It may be recalled that, in the previous year the Company had to wipe out the balance of loss amounting to Rs. 1.46 lakhs incurred in its working during 1954-55 and also pay four years' arrears of dividend on its 4 per cent. preference shares.

Proceeds from sales of yarn, cloth and waste improved from Rs. 117.91 lakhs in 1955-56 to Rs. 126.42 lakhs. As against this, only a very modest rise in expenses, from Rs. 109.12 lakhs to Rs. 112.37 lakhs, was registered. The Directors say that, during the year under report, the Company was granted licences for the manufacture of art silk and staple fibre fabrics. The looms purchased last year were received during the year and they are under erection. The Company has already started the manufacture of art silk and staple fibre fabrics.

The paid-up capital of the Company as on 31st March 1957 remains unchanged at Rs. 44 lakhs. Of this amount, Rs. 40 lakhs are taken up by ordinary shares of Rs. 100 each and the balance by 4 per cent. redeemable cumulative preference shares of Rs. 50 each. The reserves and surplus are indeed nominal and amount to a mere Rs. 97,000. The gross block of Rs. 78.69 lakhs stands reduced at Rs. 31.96 lakhs. The current liabilities are of the order of Rs. 35.01 lakhs, while the current assets aggregate Rs. 48.01 lakhs.

HUKUMCHAND JUTE'S PROFIT DECLINES

DIVIDEND LOWER

IT is common knowledge that the jute industry has not been faring quite well in recent years. While, on the one hand, there has been increasing competition from Pakistan in overseas markets, on the other, the high prices of raw jute, consequent on inadequate supply thereof, have reduced the competitive capacity of Indian jute goods. Labour troubles, too, have been not infrequent. It is not, therefore, surprising that most of the units in the jute industry are reporting adverse working results and many even losses. The working of the Hukumchand Jute Mills Ltd. (Managing Agents: Messrs. Ramdutt Ramkissendass, Calcutta) for the year ended 31st March 1957 is a typical example to illustrate the aforesaid conditions. The gross profit of the Company for the year under review at Rs. 25.84 lakhs shows a decline of Rs. 12.79 lakhs from Rs. 38.63 lakhs for the previous year and is Rs. 15.98 lakhs lower than Rs. 41.82 lakhs for 1954-55. It is true that, in the latter year, namely, 1954-55, the gross profit made a modest improvement from Rs. 39.39 lakhs for 1953-54. That, however, does not mean that trading conditions in that year were any the better.

Like the gross profit, the net profit also stands lower at Rs. 14.75 lakhs, as compared with Rs. 18.77 lakhs for 1955-56, after maintaining the provision for taxation at Rs. 8 lakhs, but lowering that for depreciation from Rs. 2.36 lakhs to Rs. 1 lakh. The transfer to investment reserve has been cut from Rs. 2 lakhs to Rs. 1.50 lakhs. Not only that. The distribution of dividend to shareholders has also received a setback. Thus, the Directors have declared a dividend of only 20 per cent. per annum for the year under review, as against 26⅔ per cent. per annum for the past three years. It must, however, be said that even this dividend is an impressive one considering that most of the well-known jute companies could hardly pay remuneration to their shareholders.

The following comparative table will give an idea of the Company's working during the past four years:

(In lakhs of rupees)

	For the year ended 31st March			
	1957	1956	1955	1954
Sale proceeds	4,88.01	4,57.62	4,20.99	3,44.69
Other income	3.75	5.12	3.57	4.19
Closing stocks of finished goods.	31.14	38.25	27.74	16.28
Expenses	4,65.92	4,24.11	3,94.25	3,21.75
Gross profit	25.84	38.63	41.82	39.84
Managing Agents' commission..	2.09	9.50	8.90	7.36
Depreciation	1.00	2.36	4.40	3.78
Taxation	8.00	8.00	9.00	10.00
Net profit	14.75	18.77	19.52	18.20
Amounts written off realised ..	..	0.02	..	0.05
Transfer to reserves	1.50	2.00	3.17	1.68
Dividend—				
7% cum. preference	2.80	2.80	2.80	2.80
Ordinary	10.50 (20%)	14.00 (26⅔%)	14.00 (26⅔%)	14.00 (26⅔%)
Carry forward	1.14	1.19	1.20	1.65

The decline in the Company's earnings in the face of a rise in sale proceeds from Rs. 4.58 crores to Rs. 4.88 crores is due to the substantial increase in expenses from Rs. 4.24 crores to Rs. 4.66 crores. It will be seen from the table that, while the turnover in terms of value, has been rising from year to year, expenses, too, have been moving up at an accelerated pace, resulting in a fall in the profit margin.

The balance-sheet of the Company as at 31st March 1957 shows the Company's paid-up capital unchanged at Rs. 92.50 lakhs, divided into 40,000 seven per cent. cumulative preference shares of Rs. 100 each and 700,000 ordinary shares of Rs. 7-8 each. As against this, the reserves and surplus amount to only Rs. 30.01 lakhs, representing just about a third of the total paid-up capital. The 3½ per cent. debenture liability stands at Rs. 25 lakhs. The current liabilities are of the order of Rs. 119.97 lakhs, inclusive of a provision for taxation of Rs. 20.48 lakhs. The gross block of Rs. 293.22 lakhs stands written down to a net book value of Rs. 135.70 lakhs. The auditors of the Company consider that the depreciation provided so far is inadequate but the Directors disagree with this view on the ground that the present condition and the unexpired life of the assets justify their present book value. The current assets aggregate Rs. 131.80 lakhs and cover the current liabilities and provision for taxation by a modest margin.

The Rs. 7-8 paid-up shares are currently quoted at Rs. 18.50 *ex-div.*, at which rate the yield works out to 8.1 per cent. per annum.

KIRLOSKAR ELECTRIC FORGES AHEAD

ADDITIONAL CAPITAL PROPOSED

THE Kirloskar Electric Company, Ltd. (Managing Agents: Messrs. Kirloskar Associates, Harihar), established in July 1946, has completed 11 years of useful existence with the year ended 30th June 1957. During this short period of its history, it has made rather remarkable progress in the electrical field, especially in the manufacture of electric motors, transformers, switchgears, alternators, etc. The Company has been working in close collaboration with the famous British manufacturers, the Brush Electrical Engineering Company of Loughborough, and has on its Board a representative of Messrs. Parry & Co., Ltd., Madras. Within 18 months of its inception an up-to-date factory for the manufacture of electric motors upto 30 h.p. was erected. The factory was formally opened on 3rd July 1949 and actual production commenced in November 1949. From an initial target of 100 motors a month, the factory has progressively stepped up the production to the present level fo approximately 1,500 motors a month (about 10,000 h.p.), while the range has been increased from 15 h.p. to 250 h.p. In 1951, an additional line of manufacture, namely, transformers, was taken up. Within a short space of one and a half years, the Company was manufacturing transformers in various sizes upto 2,000 KVA, 33 KV; the present monthly production is about 15,000 KVA. The Company claims to be the first organisation in India to manufacture slipring motors, in addition to manufacturing a wide range of other special types of motors. Production of alternators for oil engines is also fast progressing. It is said that the Company's production accounts for nearly 30 per cent. of the total output of electrical industry in India. With such rapid strides that the Company has been making in its specialised field, it is but natural that the Company's turnover and earnings should show a steady upward trend.

The gross profit of the Company for the year ended 30th June 1957 at Rs. 22.75 lakhs represents a rise of Rs. 6.19 lakhs from Rs. 16.56 lakhs for the previous year. Further, it is almost three times better than Rs. 7.73 lakhs earned in 1954-55. The net profit at Rs. 6.94 lakhs is also higher than Rs. 5.94 lakhs and Rs. 2.71 lakhs for 1955-56 and 1954-55 respectively This improvement, again, it should be noted, is after raising the provision for depreciation from Rs. 4.88 lakhs to Rs. 5.50 lakhs and that for taxation from Rs. 4 lakhs to as much as Rs. 9.25 lakhs, inclusive of Rs. 50,000 for wealth tax. A sum of Rs. 4.43 lakhs has been transferred to the various reserves, as against Rs. 4.22 lakhs in the previous year. This consists of Rs. 1.52 lakhs to development reserve (Rs. 1.47 lakhs in 1955-56), Rs. 1.21 lakhs to general reserve (Rs. 1.70 lakhs), Rs. 80,000 to I.F.C. loan redemption fund (Rs. 80,000), Rs. 75,000 to rehabilitation reserve (*nil*) and Rs. 15,000 to dividend equalisation fund (Rs. 25,000). The figures within brackets represent the transfers made a year before. The dividend has been raised to 7½ per cent. from 5½ per cent. in the previous year, to which level it had been modestly stepped up from 5 per cent. per annum in the preceding three years.

The progress in the Company's working during the past four years is reflected in the following comparative table:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds	1,67.18	1,06.17	N.A.	N.A.
Closing stock	20.72	22.69	18.82	14.65
Expenses	1,42.61	93.53	N.A.	N.A.
Gross profit	22.75	16.56	7.73	5.32
Managing Agents' commission..	1.06	1.84	0.51	0.35
Depreciation	5.50	4.88	3.19	2.99
Taxation	9.25	4.00	1.32	0.82
Net profit	6.94	5.84	2.71	1.15
To reserves	4.43	4.22	1.52	..
Dividend	2.58*	1.59	1.19	1.14
	(7½%)	(5½%)	(5%)	(5%)
Carry forward	0.06	0.07	0.04	0.05

* On the increased capital of Rs. 33.68 lakhs.

Sales proceeds increased from Rs. 106.17 lakhs in 1955-56 to Rs. 167.18 lakhs, a rise of 57.5 per cent. The Directors state that the production of electric motors and transformers recorded further progress during the year under review and the demand also continued to be satisfactory. Good progress is being maintained in the Company's expansion programme. Apart from the normal expansion of production in existing lines, the Company has on hand schemes for new lines of manufacture. These will necessarily require additional finance and the Directors propose to issue additional capital for a sum of Rs. 5 lakhs.

The balance-sheet as at 30th June 1957 shows that the Company's paid-up capital rose from Rs. 30.14 lakhs a year earlier to Rs. 34.37 lakhs. These are in shares of Rs. 10 each. Of this capital, Rs. 68,965 represent the amount of forfeited shares. The reserves and surplus aggregate Rs. 11.32 lakhs, having risen from Rs. 6.90 lakhs in the previous year. The provision for taxation stands at Rs. 16.64 lakhs. The current liabilities amount to Rs. 52.73 lakhs. The gross block has been written down from Rs. 54.52 lakhs to a book value of Rs. 29.37 lakhs. The current assets aggregate Rs. 85.69 lakhs, providing full cover for the current liabilities and tax liability.

Points From The Chair

Newsprint Manufacture

"THE economy of manufacture of newsprint is entirely different from the manufacture of other kinds of paper. The principal buyers of newsprint are newspapers. The economy of a newspaper is comparatively rigid and there are definite limitations to the price which a newspaper can pay for the newsprint it buys. Newsprint has, therefore, to be produced as cheaply as possible. It is only the faith and the courage of the Madhya Pradesh Government and the stout support that it received from the Government of India that has enabled this mill to reach a stage from which it can forge ahead with success. The future of the mill is now assured. The mill had many teething troubles and many unforeseen setbacks but they can now be regarded as past history."

A. RAMASWAMI MUDALIAR,
National Newsprint and Paper Mills Ltd.

Taxation on Coffee

"The case made by the Central Board of Revenue that 25 per cent. of coffee income is industrial and, therefore, liable for tax has not yet been finalised. The test case which has been referred to in the Directors' reports for the past two years was recently transferred from Madras to the Mysore High Court and the appeal by the Central Board of Revenue has been dismissed. It is understood, however, that the Central Board of Revenue are now contesting another case before the Income-tax Appellate Tribunal in Madras. Now that the rate of agricultural income-tax is as much as 40 nP in the rupee, as against 51.5 nP under the Central Indian Income-tax Rules, even if the Central Board of Revenue gain their point, the increase in liability for tax will be relatively small, particularly when it is considered that shareholders can obtain a refund of Central Indian income-tax which is not possible under the Mysore Agricultural Income-tax Rules. The main problem to the industry, therefore, really rests only on the question of backlog."

R. C. PATERSON,
Consolidated Coffee Estates (1943) Ltd.

Plea for Devaluing Rupee Inopportune

"The plea for devaluation of the rupee on a unilateral basis or for allowing the rupee to 'float and find its equilibrium' is, therefore, most inopportune, to say the least. That the cure will prove worse than the disease is clear enough, if one remembers the imperative need for an ever-increasing volume of capital goods and other indispensable imports. The vulnerable and inelastic nature of demand for the main exports like tea, jute and textiles does not make the position any easier. Maintenance and expansion of exports so essential for development must, therefore, be secured not so much by tinkering with the rupee-dollar parity, but by appropriate control and other measures aimed at reducing production costs to reasonable levels, even if such controls involve some inconvenience to the general public during this period of transformation of India into a modern economy."

K. NARAYANASWAMY,
Radio & Electricals Manufacturing Co., Ltd.

Outlook for Jessops

"It remains to add that the Company's order book now stands at the remarkable figure of over Rs. 20 crores and that the works and their connected staff and employees are in an excellent position to tackle this great volume of business. I am glad to say in this connection that our relations with our employees have been consistently good throughout the year just ended and the satisfactory working results that I have been able to forecast are chiefly due to the sustained efforts of all the Company's employees to whom all thanks are due. As I have already told you, your Company has a very good order book on which it is earning satisfactory margins. There is no reason why it should not continue to do so provided that it continues to receive adequate supplies of steel, a commodity which unfortunately is in increasingly short supply with little prospect of easement within the next two years. Fortunately, a very large portion of our activities are concentrated on the manufacture of rolling stock for the railways which carries top priority for steel supplies, while the remainder of our order book covers contracts having a very high degree of priority, thus we can be sure of obtaining our full share of what steel supplies are available."

S. S. H. SITWELL,
Jessop and Co., Ltd.

COMPANY MEETINGS AND DIVIDENDS

CUTTACK ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Ranihat, Cuttack, 21st January 1958. Dividend: Re. 0.80 (8 per cent.) per share, for the 15 months ended 31st March 1957. Transfer books remain closed from 14th to 21st January 1958, both days inclusive.

SHANGRILA FOOD PRODUCTS LTD. Annual General Meeting, Bombay, 24th January 1958.

KALPETTA ESTATES LTD. Annual General Meeting, Alleppey, Kerala State, 27th January 1958. Dividend: Rs. 2.00 per share (20 per cent.). Transfer books will remain closed from 21st to 27th January 1958, both days inclusive.

UPPER JUMNA VALLEY ELECTRICITY SUPPLY CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Dividend: Re. 1.25 per share. Transfer books will remain closed from 23rd to 29th January 1958, both days inclusive.

UPPER JUMNA VALLEY ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Dividend: Re. 1.25 per share (includes an additional dividend of Re. 0.25 per share). Transfer books will remain closed from 23rd to 29th January 1958, both days inclusive.

CALCUTTA HYDRAULIC PRESS CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Dividend: Rs. 3.00 per share. Transfer books remain closed from 16th to 29th January 1958, both days inclusive.

CHUNDEECHERRA TEA CO., LTD. Annual General Meeting, Calcutta, 30th January 1958. Dividend: *Nil*. Transfer books will remain closed from 22nd to 30th January 1958, both days inclusive.

RAJAHBHAT TEA CO., LTD. Annual General Meeting, Calcutta, 30th January 1958. Dividend: Re. 1.25 per share. Transfer books remain closed from 16th to 30th January 1958, both days inclusive.

JAIPUR UDYOG LTD. Annual General Meeting, Sawaimadhopur, 31st January 1958. Transfer books will remain closed from 11th to 17th January 1958, both days inclusive.

NEW KAISER-I-HIND SPINNING AND WEAVING CO., LTD. Annual General Meeting, Bombay, 31st January 1958. Dividend: Rs. 6.00 per share, payable on 17th March 1958. Transfer books remain closed from 17th to 31st January 1958, both days inclusive.

ASSOCIATED CEMENT COS., LTD. Annual General Meeting, Bombay, 31st January 1958. Dividend: Rs. 9.00 per share, payable on and after 7th February 1958. Transfer books were closed from 4th to 30th November 1957, both days inclusive.

MYSORE CHROME TANNING CO., LTD. Annual General Meeting, Bangalore, 13th February 1958. Transfer books will remain closed from 1st to 14th February 1958, both days inclusive.

ALEXANDRA JUTE MILLS LTD. Interim dividend of Rs. 5.00 per share, for the year ended 31st December 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

NELLIMARLA JUTE MILLS CO., LTD. Interim dividend of Re. 0.50 per share, for the period of 13 months ended 31st July 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

KELVIN JUTE CO., LTD. Interim dividend of Rs. 4.00 per share, for the 11 months ended 31st May 1957, payable on or after 15th January 1958. Transfer books were closed from 24th December 1957 to 7th January 1958, both days inclusive.

MYSORE SPINNING AND MANUFACTURING CO., LTD. Interim dividend of Rs. 3.00 per share, for the half-year ended 31st August 1957. Transfer books will remain closed from 27th January to 4th February 1958, both days inclusive.

SRI PALAMALAI RANGANATHER MILLS LTD. Dividend of Rs. 6.00 per share, free of income-tax for the year ended 31st March 1957. Transfer books will remain closed from 8th to 21st February 1958, both days inclusive.

PREMIER AUTOMOBILES LTD. Dividend of Rs. 6.00 per share, for the year ended 30th June 1957, payable on 3rd March 1958.

NEW SWADESHI SUGAR MILLS LTD. Dividend of Rs. 20.00 per share, for the year ended 30th June 1957, payable on 25th January 1958. Transfer books remain closed from 10th to 22nd January 1958, both days inclusive.

OUDH SUGAR MILLS LTD. Dividend of Rs. 12.50 per share, for the year ended 31st July 1957, payable on 25th January 1958. Transfer books remain closed from 10th to 22nd January 1958, both days inclusive.

BOMBAY-BURMAH TRADING CORPORATION LTD. Final dividend of Rs. 28.75 per share, on old shares and Rs. 11.50 per share on new shares, for the year ended 31st May 1957, payable on 3rd March 1958. Transfer books will remain closed from 7th to 28th February 1958, both days inclusive.

BENGAL PAPER MILL CO., LTD. Interim dividend of Re. 1.50 per share (6 per cent.), for the year ended 31st December 1957. Transfer books were closed from 6th to 15th January 1958, both days inclusive.

BRITANNIA BISCUIT CO., LTD. Interim dividend of Re. 0.30 (3 per cent.) per share, for the year ending 31st March 1958. Transfer books were closed from 7th to 14th January 1958, both days inclusive.

INDIAN VEGETABLE PRODUCTS LTD. Dividend of Rs. 10.00 per share, for the year ended 30th September 1957. Transfer books were closed from 27th December 1957 to 14th January 1958, both days inclusive.

KALPETTA ESTATE MAINTAINS DIVIDEND

MORE JUTE MILLS REPORT DISAPPOINTING RESULTS

Kalpetta Estates Ltd.

THE directors of the above Company (Managing Agents: Messrs. A. V. Thomas and Co., Ltd., Alleppey, Kerala State) submit the audited accounts of the Company for the year ended 30th April 1957.

Tea crop harvested during the year was 2,86,239 (2,63,489) lbs. at a cost of 124.87 (122.49) cents per lb., against an estimate of 2,25,000 (2,00,000) lbs. at 132.99 (147.09) cents per lb. The average selling price has been 187.63 cents per lb., as against 183.31 cents in the previous year. It may be mentioned here, that the cost of production at 124.87 cents per pound would have been less, had it not been for the fact that additional wages and bonus (as per Madras Agreement) had to be included during the year under report.

Rubber crop secured during the year was 2,70,000 (3,18,700) lbs. at a cost of 97.51 (77.81) cents against an estimate of 3,25,000 (3,00,000) lbs. at 73.27 (76.84) cents per lb. The shortfall in crop is due to adverse weather conditions and the low yield from the 501 acres of old and worn out rubber under slaughter tapping. The higher wages, bonus, etc., to workers and also the reduced crop have contributed to the increase in cost of production.

Cardamom crop secured during the year was 7,170 (6,087) lbs. at a cost of Rs. 3.82 per lb. against an estimate of 7,000 (6,000) lbs. to cost Rs. 5.23 per lb. Average price realised is Rs. 9.93 per lb., as against Rs. 8.40 in the previous year.

Coffee crop harvested this year is 81 (4,800 lbs.) cwts. at a cost of Rs. 409 per cwt., against an estimate of 80 cwts. to cost Rs. 516.70 per cwt. This crop is almost double that of last year, because more plants are coming to bearing.

Estimate for 1957-58 are as follows:—Tea crop of 2,60,000 lbs. to cost 133.26 cents per lb., Rubber crop of 3,00,000 lbs. to cost 91.67 cents per lb., Cardamom crop of 8,000 lbs. to cost Rs. 5.92 per lb. and coffee crop of 160 cwts. to cost Rs. 179.00 per cwt.

The net profit for the year under review after allowing for depreciation, managing agents' commission, Central and States taxes, works out at Rs. 93,228 (Rs. 1,40,440) to which should be added the sum of Rs. 4,860 (Rs. 17,844) brought forward from last year, totalling Rs. 98,088 (Rs. 1,58,284). This sum, the directors recommend, be disposed of as under:—

To pay a dividend of 20 (20) per cent. for the year 1956-57 absorbing Rs. 80,000 (Rs. 80,000) and to carry forward to next year Rs. 18,088 (Rs. 4,859) after placing Rs. 5,000 to staff pension and gratuity reserve and Rs. 65,000 to development reserve and writing of estate lease expenses to the extent of Rs. 3,425.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	4,00,000	Block ...	16,28,143
Reserves ...	10,92,899	Stock-in-trade	1,35,038
Provision for taxation ...	1,15,895	Stores and spares ...	72,173
Liabilities ...	4,26,886	Nurseries ...	12,794
Profit and loss account ...	18,088	Debts, deposits and advances ...	99,685
		Investments	22,361
		Cash ...	83,574
Rs.	20,53,768	Rs.	20,53,768

Anglo-India Jute Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Duncan Brothers and Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st March 1957.

In accordance with resolutions passed at the Annual General Meeting of the Company on 28th December last, the accounts are now being closed once yearly on the 31st of March. These accounts are therefore the first to be drawn up covering a full year's working and are also the first to be prepared in accordance with the provisions of the Companies Act, 1956. After transferring the sum of Rs. 3 (*nil*) lakhs from machinery replacement reserve account and providing the sum of Rs. 10 (10.25) lakhs for depreciation there is a credit balance on profit and loss account of Rs. 8,02,270 (Rs. 17,56,672) which the directors recommend should be dealt with as follows:

In payment of dividend on preference share capital at the rate of 7 per cent. per annum (Rs. 7 (Rs. 7) per share) without any deduction for income-tax paid by the Company absorbing Rs. 2,80,000 (Rs. 2,80,000) and in payment of dividend on ordinary share capital at the rate of 7 per cent. per annum (Rs. 7 (Rs. 7) per share) without any deduction for income-tax paid by the Company absorbing Rs. 3,44,449 (Rs. 3,44,448) and leaving to be carried forward Rs. 1,77,821 (Rs. 2,30,192 after transferring Rs. 5,00,000 to general reserve, Rs. 1,00,000 to machinery replacement reserve, and after paying Rs. 2,70,141 in respect of sales tax for the previous year and also Rs. 31,891 being net interest under the Income Tax Act).

As stated in the directors' last report, the percentage of sealed looms was reduced to 5 per cent. with effect from 20th February 1956 under the provisions of the working time agreement of the Indian Jute Mills' Association. In view of the substantial over-production which ensued, 2½ per cent. of the looms were re-sealed with effect from 16th July 1956 and a further 5 per cent. were re-sealed with effect from 17th September 1956 and for the remainder of the year under review, 12½ per cent. of the looms remained sealed.

Trading conditions during the year were difficult on account of the high price prevailing for raw jute in relation to the prices for manufactured goods.

The installation of electrical equipment at Middle Mill was completed during the period and the modernisation of that mill was also continued as planned. Three-quarters of the spinning capacity of Middle Mill is now fully modernised, whilst the complete modernisation of the preparing and spinning machinery at Lower Mill has been previously advised to the shareholders. It is the policy of the Directors to concentrate production in the modernised mills to the maximum extent possible.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	89,20,700	Block ...	1,08,77,070
Reserves ...	67,00,000	Stocks ...	1,32,50,828
Provision for taxation ...	1,86,862	Stores and spare parts	12,31,571
Liabilities ...	1,77,81,547	Work-in-progress ...	10,29,630
Profit and loss account ...	1,77,821	Debts, deposits and advances ...	29,28,981
		Investments	41,20,153
		Cash ...	3,28,697
Rs.	3,37,66,930	Rs.	3,37,66,930

Champdany Jute Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. James Finlay & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st March 1957.

The accounts show a loss of Rs. 26,43,053 (profit of Rs. 2,06,853) after charging Rs. 8,93,779 (Rs. 10,11,053) for depreciation. Taking into account the balance brought forward and the general reserve, the net debit balance in the profit and loss account comes to Rs. 7,24,043 (credit of Rs. 17,90,056) as follows: Loss for the year Rs. 26,43,053 (profit of Rs. 2,06,853) and credit balance brought forward Rs. 19,010 (Rs. 98,277) making a total of Rs. 26,24,043 (credit of Rs. 3,05,130). From this is deducted the amount transferred from general reserve of Rs. 19,00,000 (Rs. 14,84,926 from rehabilitation reserve) leaving a debit of Rs. 7,24,043 (credit of Rs. 17,90,056 from which the directors paid a dividend of Rs. 8 per share absorbing Rs. 4,73,312 and transferred Rs. 12,97,734 leaving to be carried forward Rs. 19,010).

General.—As indicated in the directors' report for the half-year ended 31st March 1956, the market prices for raw jute and those obtainable for manufactured goods remained at unprofitable levels throughout the 12 months ended 31st March 1957, and this factor was responsible for the very unsatisfactory results shown in the accounts. Manufacturing costs have been kept as low as possible and all other expenses have been reduced to the lowest level consistent with the efficient running of the mills. The directors and the managing agents have had the working of the mills investigated and steps to reduce still further the costs of manufacture are being pursued.

Since the commencement of the Company's new financial year there has been an improvement in the prices available for the Company's manufactures as compared with the cost of raw materials, and the working of the Company during the current year has consequently improved.

In accordance with the provisions of the Indian Jute Mills' Association's working time agreement, the mills worked 48 hours per week during the period under report. Five per cent. of the looms remained sealed on 1st April, 1956, and as mentioned in the last report 2½ per cent. and 5 per cent. of the total loomage was re-sealed and taken out of production on 16th July and 17th September, 1956, respectively. These steps were taken by the industry in an effort to bring production more into line with the quantity of raw jute available and thus reduce the disparity between the prices of raw jute and manufactured goods.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	59,16,400	Block ...	1,09,03,785
Reserves ...	76,49,238	Stock of manufactured goods	13,91,258
Liabilities ...	63,66,500	Jute in hand, in transit and jute in process ...	45,72,391
		Stores and spare parts	8,25,814
		Debts, deposits and advances ...	12,62,491
		Investments	2,06,637
		Cash ...	45,719
		Miscellaneous expenditure and losses	7,24,043
Rs.	1,99,32,138	Rs.	1,99,32,138

Khardah Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Anderson Wright, Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

The revenue account after deduction of all working charges, commissions and bad debts amounting to Rs. 4,418 (Rs. 8,519) shows a profit of Rs. 8,43,192 (Rs. 13,34,053). Adding to this the amount brought forward from the last year of Rs. 56,928 (Rs. 57,501) there is a total of Rs. 9,00,120 (Rs. 13,91,554). After providing for taxation (wealth tax) Rs. 43,450 (income-tax Rs. 4,22,126) and for depreciation Rs. 3,43,643 (Rs. 3,18,500) there remains an available balance of Rs. 5,13,027 (Rs. 6,50,928). This amount the directors recommend, be dealt with as follows:

For payment of dividends for the year ended 31st March 1957, without any deduction in respect of income-tax paid by the Company on preference shares at the rate of 6 per cent. per annum Rs. 54,000 (Rs. 54,000) and on ordinary shares at the rate of Rs. 8 (Rs. 10) per share Rs. 4,32,000 (Rs. 5,40,000) leaving to be carried forward Rs. 27,027 (Rs. 56,928).

In compliance with the working time agreement of the Indian Jute Mills' Association, the mills continued working 48 hours per week with 5 per cent. of the total complement of looms sealed until the 14th July, 1956, with 7½ per cent. of the total looms sealed from 16th July, 1956 to 15th September, 1956, and with 12½ per cent. of the total looms sealed from 17th September, 1956 onwards.

The jute industry had to face adverse working conditions during the period under review with simultaneous sales and purchases showing less throughout the period. With the resealing of 7½ per cent. of looms, however, the stock position improved considerably and the total stocks held by the mills at the end of March 1957 came down to 97,700 tons. The corresponding figure for October 1957 was 76,200 tons. Since then the stock position has continued to be favourable and at present although the prices of hessian cloth are very uneconomic, sacking constructions are showing manufacturing profit.

The supply position of raw jute still continues to be scanty and although in the beginning of the season it was felt that with bumper crops both in India and Pakistan the materials would be freely available to the mills, the effect of drought conditions was felt very severely, resulting in a very marginal position of raw jute stocks. As a result of this situation, the mills had to pay very high prices for raw jute till the end of October. Fortunately, however, since the beginning of November the raw material prices have declined considerably and it is hoped that they will continue to remain at a reasonable level.

In view of the above situation, for raw jute as well as finished goods, the directors anticipate that the mills will henceforth be making better profits than during the last 12 months. The competitive position of the Indian industry *vis-a-vis* the Pakistan and the Continental Industries, has recently improved to a considerable extent. The price of raw materials in Pakistan, which is the principal source of raw jute for both Pakistan as well as the continental mills, remain high. The Indian mills can, therefore, easily compete with their counter-part in other countries. In addition to this the Indian mills are gradually modernising their machinery resulting in lower production costs and if no untoward events happen during the coming months it can be safely presumed that there will be a substantial improvement in the economy of the Indian jute industry during the months ahead.

The establishment of a well regulated futures market has not yet been effected, mainly due to certain differences between the Forward Markets Commission and the industry. The need of such a market is very keenly felt in view of the wide and rapid fluctuations occasioned by the unrestrained activities of the local speculators. It is hoped that very soon there will be agreement between the authorities concerned, which will ensure stability in the prices of manufactured goods resulting in a larger volume of business.

The modernisation programme of the mills continues according to schedule. The installation of new machinery for the first two phases of the modernisation programme has already been completed and the directors are glad to report that the National Industrial Development Corporation has sanctioned a further loan of Rs. 20 lakhs covering the third and fourth stages of the modernisation scheme.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	63,00,000	Block ...	74,57,222
Reserves ...	23,33,375	Stock of jute	69,06,916
Provision for taxation ...	9,63,903	Stock of cloth and bags ...	18,06,432
Liabilities ...	1,23,76,074	Stores ...	18,01,966
Profit and loss account ...	27,027	Jute-in-process	5,72,867
		Debts, deposits and advances ...	31,55,013
		Investments	1,41,459
		Cash ...	1,58,504
Rs.	2,20,00,379	Rs.	2,20,00,379

Rajagiri Rubber and Produce Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. A. V. Thomas and Co., Ltd., Alleppey, Kerala State) submitted the audited accounts of the Company for the year ended 30th June 1957.

Crop.—The total estimated crop for the year under report was 5,50,000 (5,25,000) lbs. rubber from Rajagiri and 8,00,000 (7,50,000) lbs. from Challacary [Total 13,50,000 lbs.] to be produced at an average cost of 69.00 (65.86) cents per pound. The actual crop harvested was 13,89,753 (13,69,972) lbs., viz. 5,73,200 (5,57,800) lbs. on Rajagiri and 8,16,553 (8,12,172) lbs. on Shalidcary at an average estate cost of 71.42 (65.52) cents per pound. The average sale price realised was 150.00 cents per pound as compared to 148.50 cents for the previous year.

The profit before appropriation for 1955-56 was Rs. 9,98,721 and that for the year under review is Rs. 9,39,817. As the Agricultural Income Tax Act of the Kerala Government raising heavily the incidence of agricultural income-tax, was passed after the Accounts of the Company for the year 1955-56 had been adopted by the General Body, the provision that was made in 1955-56 Season's accounts in conformity with the rates then prevailing, was short by Rs. 1,35,000. To make up for this short provision, Rs. 1,35,000 has been additionally provided under taxation in the accounts for the year under review, besides Rs. 4,75,000 towards this year's tax provision, making in all Rs. 6,10,000. The balance available for distribution after this provision for tax, together with the carry forward from last year of Rs. 8,082 (Rs. 7,461) is Rs. 3,37,899 (Rs. 6,41,182). Out of this sum, the preference dividend for the year amounting to Rs. 1,35,600 (Rs. 1,35,000) and an interim dividend of 10 (*nil*) per cent. on the equity shares amounting to Rs. 1,35,000 (*nil*) have already been paid. To pay a final dividend of 10 (25) per cent. [making 20 (25) per cent. in all for the year for the equity shareholders], the funds available are short by about Rs. 68,000. So, Rs. 80,000 (*nil*) has been transferred from the dividend equalisation fund making a total of Rs. 1,47,299 (Rs. 5,05,582) available for distribution which the directors recommend be disposed of as under:—

The balance available for distribution is Rs. 67,299 (Rs. 5,05,582) to which is added the amount transferred from dividend equalisation fund of Rs. 80,000 (*nil*) making a total of Rs. 1,47,299 (Rs. 5,05,582). The proposed final dividend of 10 (25) per cent. [making 20 (25) per cent. for the year] on equity shares will absorb Rs. 1,35,000 (Rs. 3,37,500) leaving to be carried forward to next year Rs. 12,299 (Rs. 8,082) after transferring Rs. 1,10,000 to dividend equalisation fund and Rs. 50,000 to rehabilitation fund.

Estimate for 1957-58.—A total crop of 13,70,000 lbs. of rubber—5,70,000 lbs. from Rajagiri and 8,00,000 lbs. from Shaliacary—is estimated to be harvested during 1957-58 season at an average cost of 74.00 cents per pound. The capital expenditure for the year is estimated at Rs. 4,26,511.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	36,10,000	Block ...	41,12,483
Reserves ...	8,60,000	Stock-in-trade	1,54,020
Provision for taxation ...	9,82,668	Stores and spare parts	70,457
Liabilities ...	4,73,375	Estate nurseries	4,783
Profit and loss account ...	12,298	Debts, deposits and advances ...	2,18,445
		Investments	10,000
		Cash ...	13,68,153
Rs.	59,38,341	Rs.	59,38,341

Teekoy Rubbers (India) Ltd.

The directors of the above Company (Managing Agents: East India Agencies Private Ltd., Pafai, Kerala State) submitted the audited accounts of the Company for the year ended the 31st March 1957.

The accounts have been drawn up in conformity with the form prescribed under the Companies Act, 1956. The net profit for the year, after meeting all charges and expenses including depreciation and interest on debentures, is Rs. 1,61,918 (Rs. 2,17,141). Together with the amount of Rs. 8,472 (Rs. 2,031) brought forward from the previous year a total of Rs. 1,70,390 (Rs. 2,19,172) is available for allocations. Out of this sum, the directors have paid the dividend on preference shares for the year ended the 31st March 1957 amounting to Rs. 36,000 (Rs. 36,000) and provided for taxes Rs. 64,450 (Rs. 84,700). The balance of Rs. 69,940 (Rs. 98,472), the directors recommend, may be utilised as under:—

To dividend on ordinary shares at 6 (9) per cent. absorbing Rs. 60,000 (Rs. 90,000) and to carry forward Rs. 9,940 (Rs. 8,472).

Debentures for Rs. 17,100 were drawn for redemption on the 31st March 1957. Debentures for Rs. 300 drawn for redemption previously remained unpaid on that date. These are shown in the accounts as drawn for redemption unpaid (at that date).

The crop of rubber obtained during the year was 4,01,436 lbs. The production fell short of the previous year's figure by 39,324 lbs. The decrease was mainly due to unfavourable weather, there having been complete and partial loss of tapping days from June to November due to rain and a spell of severe drought from December to mid-February. The shortfall in crop, as also other factors like the enhanced excise duty and additional bonus and other amenities to labour, have raised the estate cost from Rs. 84 per 100 lbs. in the previous year to Rs 97 per 100 lbs. The average price obtained for the year was Rs. 154 per 100 lbs. as against Rs. 149 in the previous year.

The area of the Company's estate remains unchanged at 1,178 acres seedling rubber, 276 acres budded rubber and 416 acres reserve land. The old seedling area on the Teekoy Estate was planted during the years 1906-10. Due to the age of the trees and the low stand per acre, the average yield has been on the decline. The directors have therefore decided to adopt a phased programme of replanting with high yielding rubber, to the extent finances permit. An application has been made to the Rubber Board for replanting an area of 85 acres in 1958, under the Rubber Board's subsidised scheme.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	16,00,000	Block ...	20,84,869
Debentures	1,54,200	Stock-in-trade	97,546
Reserves ...	3,01,600	Stores and spare parts	15,461
Provision for taxation ...	1,46,408	Other assets	465
Liabilities ...	2,48,663	Debts, deposits and advances ...	18,018
Profit and loss account ...	9,939	Investments ...	10,653
		Cash ...	2,33,798
Rs.	24,60,810	Rs.	24,60,810

Shahjahanpur Electric Supply Co., Ltd.

The directors of the above Company (Secretaries and Treasurers: Messrs. Octavius Steel & Co., Ltd., Calcutta), submitted the audited accounts of the Company for the period of 18 months ended 31st March 1957.

In accordance with the Indian Electricity Rules, 1956, the accounts of the Company have to be closed henceforward each year on 31st March instead of on 30th September. The accounts for the period commencing from 1st October, 1955, have therefore been made upto 31st March 1957, covering a period of 18 months.

The revenue account shows a profit on the working of the period of Rs. 63,789. Adding to this the profit on sale of investments Rs. 1,128 there is a total of Rs. 64,917. After deducting from this arrears of depreciation Rs. 3,999, gratuity to retired employees Rs. 793, bonus to staff Rs. 4,178, expenditure during construction—written off Rs. 1,111, donation to Governor's flood relief fund Rs. 500, provision for taxation Rs. 39,500, provision for wealth tax Rs. 3,200 and reserve for contingencies Rs. 8,070, there is a net profit for the period of Rs. 3,566. To this is added the balance brought forward from previous year of Rs. 11,613, amount received on account of fuel clause adjustment Rs. 33,808, forfeiture of unclaimed dividends Rs. 500, doubtful debts realised Rs. 12,000 and staff bonus for 1950-51 recovered Rs. 1,098 making a total of Rs. 62,585. From this amount is deducted under-provision for taxation 1954-55 Rs. 9,857 and sundry adjustments Rs. 28 leaving a credit balance on profit and loss account of Rs. 52,700. The directors recommend that this balance should be carried forward.

A continuous supply of energy was maintained throughout the period and a small increase in the number of units sold was again recorded, as compared with the previous year. The Indian Electricity Rules 1956 were enforced with effect from 26th June 1956.

Plant.—A temporary partial bulk supply was made available by the Government of U.P. from their Sarda Hydel Scheme on the 26th November 1956. Full bulk supply of energy was effected on 16th July 1957 from which date the Company's generating sets were closed down.

During the 18 months ended 31st March 1957, the total units of electricity sold was 35,63,752 (23,54,926 units for the period ended September 1955 viz., for 12 months from October to September). The number of consumers and the load connected to the Company's system at 31st March 1957 were 2,101 (2,169) and 2,439 k.w. (2,528 k.w.) respectively.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	9,10,000	Block ...	5,51,018
Reserves ...	1,72,511	Stores, loose tools, etc.	4,05,634
Provision for taxation ...	39,632	Other assets	13,220
Liabilities ...	2,70,877	Debts, deposits and advances ...	2,17,433
Profit and loss account ...	52,700	Investments	1,33,772
		Cash ...	1,09,459
		Miscellaneous expenditure and losses	15,184
Rs.	14,45,720	Rs.	14,45,720

Bhagalpur Electric Supply Co., Ltd.

The directors of the above Company (Secretaries and Treasurers: Messrs. Octavius Steel & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the period of fifteen months ended 31st March 1957.

In accordance with the Indian Electricity Rules 1956, the accounts of the Company have to be closed henceforward each year on 31st March instead of on 31st December. The accounts for the period commencing from 1st January 1956, have therefore been made upto 31st March 1957, covering a period of 15 months. The revenue account shows a profit on the working of the period of Rs. 2,31,110. After deducting from this arrears of depreciation Rs. 2,122, gratuity to retired employees Rs. 376, bonus to staff Rs. 13,863, expenses relating to loan from the Government of Bihar—written off Rs. 547, provision for taxation Rs. 24,500, provision for wealth tax Rs. 4,000, provision for redemption of Government loan Rs. 30,000, reserve for contingencies Rs. 12,055 and appropriations—under paragraph II of the 6th schedule to the Electricity (Supply) Act, 1948 Rs. 72,704 there is a net profit for the period of Rs. 70,943. After adding to this Rs. 33,352, the adjusted balance brought forward from the previous year, Rs. 942 on account of forfeited dividends and Rs. 448 on account of sundry adjustments and after deducting therefrom Rs. 1,658 being the amount written off on account of Sabour Transmission Line (Government Account) there is a credit balance of Rs. 1,04,027 which the directors recommend be disposed of as follows:—

Pay a dividend of 62 naye paise per share for the 15 months ended 31st March, 1957, without any deduction for income-tax payable by the Company Rs. 45,830 and to carry forward Rs. 58,197.

The Indian Electricity Rules 1956 were enforced with effect from 26th June 1956. A continuous supply of electricity was maintained throughout the year and as compared with the corresponding period of the previous year an increase of 7 per cent. in the number of units sold has been recorded.

The total number of units of electricity sold during the period of 15 months ended 31st March, 1957, was 52,77,046 (Rs. 39,72,312 for the year ended 31st December, 1955).

Total number of consumers connected to the Company's system, as at 31st March, 1957 was 4,310 (3,675) and the total connected load was 4,454 (4,107) kW. The Company's business continues to expand at a satisfactory rate and prospects are considered good.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,91,360	Block ...	11,68,703
Reserves ...	5,95,855	Stores, loose tools, etc. ...	3,27,241
Provision for taxation ...	28,500	Other assets	5,793
Liabilities ...	11,03,258	Debts, deposits and advances ...	3,12,348
Profit and loss account ...	58,197	Investments ...	50,801
		Cash ...	5,03,981
		Miscellaneous expenditure and losses	8,213
Rs.	23,77,170	Rs.	23,77,170

New Manbhoom Coal Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Octavius Steel & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

The revenue and profit and loss accounts for the year ended 31st March 1957, show a profit of Rs. 1,03,489, as compared to Rs. 44,701 of the previous year. To this after adding Rs. 70,222 (Rs. 36,426), the balance brought forward from the previous year and deducting Rs. 212 (Rs. 20,103) on account of sundry adjustments in respect of the previous year there is a balance of Rs. 1,73,499 (Rs. 70,222 after adjustment) at the credit of the profit and loss account. The directors recommend that this balance should be disposed of as follows:—

To pay a dividend at 5 (*nil*) per cent. for the year ended 31st March 1957, without any deduction for income-tax paid or payable by the Company Rs. 30,000 (*nil*) and to carry forward Rs. 1,43,499 (Rs. 70,222).

Raisings and despatches.—The raisings for the year ended 31st March 1957, amounted to 1,43,485 tons, despatches being 1,20,744 tons. This compares with 1,31,246 tons and 1,16,642 tons respectively for the previous year.

Prospects.—In the last directors' report it was stated that orders for the requisite machinery for stowing by means of crushing overburden had been placed. The directors have pleasure in informing that the machinery has now arrived and they hope it will be put into operation in the ensuing financial year. Furthermore, the Stowing Board have been pleased to sanction the directors' application for the project, which will increase the production of higher grade metallurgical coal and will naturally result in the improved working of the colliery in the future.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,00,000	Block ...	10,96,408
Reserves ...	75,000	Stock of coal and coke	85,072
Provision for wealth tax	1,500	Stores ...	2,07,499
Liabilities ...	11,23,636	Debts, deposits and advances ...	4,94,862
Profit and loss account ...	1,43,499	Investments	37,020
		Cash ...	22,774
Rs.	19 43,635	Rs.	19,43,635

Union Coal Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Williamson Magor & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st December 1956.

The year's working has resulted in a profit on revenue account of Rs. 81,720 (loss of Rs. 1,00,318) after providing Rs. 23,465 (Rs. 16,884) for depreciation. After transferring the above profit making various adjustments, the balance on profit and loss account amounts to Rs. 77,105 (debit of Rs. 9,689) which it is proposed to carry forward. In view of the loss sustained during previous years no provision for taxation is considered necessary.

Raisings and despatches of coal.—Raisings of coal were 75,546 (63,550) tons and despatches amounted to 69,728 (60,615) tons.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,50,000	Block ...	4 43,400
Reserves ...	3,35,000	Stock of coal	82,570
Liabilities ...	3,09,190	Stores ...	13,001
Profit and loss account ...	77,105	Debts, deposits and advances ...	5,18,024
		Cash ...	14,300
Rs.	10,71,295	Rs.	10,71,295

N.B.—Figures within brackets relate to the corresponding period of the previous year.

JESSOP AND COMPANY, LIMITED

ORDER BOOK STANDS AT HIGH LEVEL

MR. SITWELL EXPLAINS THE POSITION

ADDRESSING the shareholders of Jessop and Company Ltd. at their Twenty-fifth Annual General Meeting held in Calcutta on 9th January 1958, Mr. S. S. H. Sitwell, one of the Managing Directors of the Company and Chairman of the meeting, sought to remove certain misapprehensions prevailing in some quarters about the Company's affairs.

The following is the text of Mr. Sitwell's speech:

"GENTLEMEN,

"The next item on the agenda today is to receive and consider the accounts together with the reports of the Directors and auditors for the year ended 31st October 1956. These documents have been in your hands for some time and you have heard the Acting Secretary read the auditors' report. With your permission, I will not read the Directors' report which, in the main, covers the period upto 31st October 1956, though it also reveals certain important happenings after that date. I think, however, that it will be in the general interest to correct certain misapprehensions that have received some currency and to bring you even more up to date before I move the adoption of the report and accounts and so give you an opportunity to discuss them.

"Early in December 1957 your Board was advised that, by reason of certain actions on his part, Mr. H. D. Mundhra had vacated his seat on the Board. The Registrar of Companies was advised accordingly, the date being 5th December.

"I would now like to draw your attention to some changes that have taken place in the composition of your Board of Directors since the report was printed.

"First, Mr. K. N. Tapuriah tendered his resignation as a Director on 2nd January 1958. Your Directors accepted this resignation with regret for they have always found him a useful and likeable fellow worker.

"Secondly, Mr. S. D. Srinivasan was co-opted as a Director under clause 107 of the Company's Articles on 13th December 1957, and this calls for some explanation. Some of you will know that the Life Insurance Corporation of India is a large shareholder in your Company. In fact, it owns just under 20 per cent. of the ordinary shares and about 70 per cent. of the preference shares. In view of this fact, your Directors, some months ago, approached the Life Insurance Corporation with the suggestion that they nominate a Director on your Board. This suggestion culminated early in December by the Corporation nominating Sir Dhiren Mitra before, incidentally, he took up other appointments which have recently been in the public eye. Sir Dhiren is over 65 years of age and, therefore, under the Companies Act cannot be brought on to the Board except at a general meeting. You will note that a proposal to that effect will be moved later today. In the meantime, your Directors co-opted Mr. Srinivasan, the Zonal Manager of the Corporation here in Calcutta, so that the Life Insurance Corporation should not go unrepresented. Mr. Srinivasan retires at this meeting and is not standing for re-election.

"I would remark at this stage that, contrary to impressions in various quarters, no Administrator, Receiver or other official has been appointed for this Company by the Government or any other party. Your Directors themselves, as I have already said, invited the Life Insurance Corporation to nominate a Director and also took an opportunity to strengthen the Board by co-opting Mr. B. P. Khaitan, the well-known Calcutta solicitor, and Mr. B. N. Chaturvedi, who is, *inter alia*, the Chairman of the Calcutta Stock Exchange Association.

"Unfortunately, the meeting today is very much overdue. I would remark, however, that those of you who are shareholders of long standing will remember that our annual general meetings are usually held about July. In 1956, by a very great effort, we held the meeting in February, but experience then gained showed that with the large and varied nature of our business the time between February and the closure of the Company's accounts at the end of October was too short. It had been our intention to hold this meeting during June or July 1957, but we delayed in the hope that doing so would aid us in recovering the moneys due to the Company.

"In view of the fact that another of our financial years ended on 31st October 1957, I can tell you today a little of the more recent working of the Company. I must be brief and you must appreciate that figures must in many cases be approximate. The sales this last year increased to over Rs. 7½ crores, as against Rs. 6½ crores for the period we are reviewing today, and the margins have remained at a satisfactory level. As forecast in the report now in your hands, the activities of the import and trading departments continued to deteriorate, but those of the works increased by over 40 per cent. during 1957, as against 1956.

"The increased activity in the works was of a general nature though one new project, the manufacture of diesel road rollers, got fairly on its way. During the period January to September 1957, the Company completed 100 rollers, but in the autumn production came to a halt for lack of steel. Production is now continuing, but the steel situation is very difficult and it is not easy to see how we can economically produce a standardised article such as a road roller, unless we can get some real continuity of supplies of raw material.

"The new factory built for the manufacture of electric and other railway coaches is now virtually complete and a small amount of work has already started. This factory will be in full operation during the second half of this year.

"On the end cover of the report you will see a photograph of Level Luffing Wharf Cranes at Alexandra Dock, Bombay. These form part of a contract for 34 cranes for the Bombay Port Trust, the last of which has just completed 12 months' service. We have orders in hand for nine similar cranes for Calcutta and four for Madras and we have just received a further contract from Bombay for another 54 cranes. These cranes are entirely designed and manufactured here in India, only some special electrical equipment and such items as ball and roller bearings being imported. The local manufacture content is of the order of 75 per cent., so that on the new contract from Bombay, which totals about Rs. 164 lakhs, this Company saves India some Rs. 120 lakhs in foreign exchange. I think, I am right in saying that, apart from Japan, India is the only country outside Europe and North America where such cranes are being designed and manufactured, and in this country your Company is the only one so doing.

"It remains to add that the Company's order book now stands at the remarkable figure of over Rs. 20 crores and that the works and their connected staff and employees are in an excellent position to tackle this great volume of business. I am glad to say, in this connection, that our relations with our employees have been consistently good throughout the year just ended and the satisfactory working results that I have been able to forecast are chiefly due to the sustained efforts of all the Company's employees to whom all thanks are due.

"As I have already told you, your Company has a very good order book on which it is earning satisfactory margins. There is no reason why it should not continue to do so, provided that it continues to receive adequate supplies of steel, a commodity which, unfortunately, is in increasingly short supply with little prospect of easement within the next two years. Fortunately, a very large portion of our activities are concentrated on the manufacture of rolling stock for the railways which carries top priority for steel supplies, while the remainder of our order book covers contracts having a very high degree of priority; thus, we can be sure of obtaining our full share of what steel supplies are available.

"Turning back to the past I would emphasise that what is now revealed in the Directors' report, in fact, happened over a year ago and that as soon as the position was known prompt steps were taken which prevented any further happenings of the same sort. There is no disguising the fact that your Company has suffered severe damage but, to adopt medical terms, the wound is not mortal, bleeding was promptly stopped and the patient is on the road to recovery. However, the days of convalescence are frequently difficult ones and there is no exception in the case of your Company. It is now obvious that we were entangled in a mesh of events the full extent is only now becoming apparent. I use the past tense advisedly, for I believe that we have succeeded in disentangling ourselves from the net, but it still remains obvious that any measure that can be taken to conserve the Company's resources will materially assist in making its recovery more sure and more swift."

(*Note*: This does not purport to be a record of the proceedings of the annual general meeting.)

MONEY STRINGENT

(From Our Own Correspondent)

BOMBAY, 15*th January*

The short-term money market experienced perceptibly stringent conditions during the week under review, due to a broadening of the seasonal demand for credit. Although the busy season had been somewhat delayed, the demand for financing movement of crops and other trade requirements would appear to have gathered such quick momentum that the surplus funds with banks are said to have been used up. It is even said that banks have had to look up to the Reserve Bank for accommodation. This state of affairs is borne out by the fact that deposits of banks with the Reserve Bank have gone down during the last two weeks alone by over Rs. 10 crores and that banks have borrowed against usance bills substantially—the rise in outstanding borrowings during the past fortnight was over Rs. 9 crores.

During the week under report, there was a hardening of interest rates, particularly in the inter-bank section, where lenders were scarce. There were keen borrowers at 3 per cent. among the Exchange banks and big Indian banks and at 3½ per cent. among the smaller banks. House money at call was, however, unchanged at 4½ to 4¾ per cent. and short-term deposits at 4½ to 4¾ per cent. for one to six months.

A further sharp rise of Rs. 17.67 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 10th January 1958. This brings the aggregate expansion in the past three weeks to Rs. 36.12 crores. Notes held in the Banking Department were also higher by Rs. 1.08 crores, so that the increase in total notes issued is of the order of Rs. 18.74 crores. As against this, there has been a rise of Rs. 24.91 crores in rupee securities. Foreign securities have, however, declined by Rs. 4.97 crores and rupee coin by Rs. 1.19 crores. In the Banking Department, the Central Government's deposits have fallen by Rs. 2.81 crores, while deposits of other Governments are up by Rs. 8.06 crores. Deposits of banks have declined further by Rs. 6.09 crores. Balances held abroad are higher by Rs. 1.67 crores and loans and advances other than to Governments by Rs. 6.06 crores. Of the latter, advances to Scheduled banks against usance bills alone account for Rs. 5.37 crores. Investments have dwindled by Rs. 11.87 crores.

The Scheduled banks' statement for the week ended 3rd January 1958 discloses a sharp fall of Rs. 10.13 crores in demand deposits. But time deposits are up by Rs. 7.91 crores. Borrowings from banks have declined by Rs. 4.53 crores, while those from the Reserve Bank and the State Bank show a rise of Rs. 6.96 crores and Rs. 1.11 crores, respectively. A rise of Rs. 8.06 crores is noted in advances and of Rs. 14.55 crores in bills purchased and discounted, while investments and cash balances show small variations.

The Gilt-edged market ruled steady during the week under review, but in the last few days it turned dull, consequent on the decline in demand due to seasonal factors. The short-dated loans, which had been in keen demand till last week-end, were not much in favour latterly, while medium and long-dated issues were on offer. The 4 per cent. 1967 and 1968 State loans, however, continued to be in demand and due to scarcity of sellers, prices looked up further.

3 per cent. 1986 Conversion Loan was better at Rs. 71.05. 3 per cent. 1970-75 was unchanged at Rs. 85.70, while 3 per cent. 1966-68 picked up 10 nP to Rs. 91.50. 3 per cent. 1964 was stagnant at Rs. 93.90, while 3 per cent. 1963-65 gained 5 nP to Rs. 93.70, as also 3 per cent. 1959-61 to Rs. 98.95. 3¼ per cent. 1962 was marked up by 5 nP to Rs. 97.95. 3½ per cent. 1961 was unchanged at Rs. 99.60. 3¾ per cent. 1964 at Rs. 97.70, 3½ per cent. 1965 at Rs. 97.55 and 3½ per cent. 1967 at Rs. 97.60. Among the State loans, 4½ per cent. 1969 Bombay improved by 5 nP to Rs. 99.80. 4 per cent. Madras 1967 and 1968 gained 15 nP each to Rs. 97.25, and Andhra 1967 and 1968 10 nP each to Rs. 97. U.P. 1967 and 1968 put on 15 nP each to Rs. 97.15.

In the foreign exchange section, the rupee gathered further strength in terms of the U.S. dollar during the week under review, in consonance with the trend of sterling abroad. Banks' selling rate of ready U.S. dollars declined from Rs. 476.50 to Rs. 475.75 per $100 and their buying rate from Rs. 473 to Rs. 472.50. In New York, spot sterling hardened from $2.80½-2.81 to $2.81¼-2.81½ and three months' forward from $2.78¾-2.78¾ to $2.79.3/16-2.79.5/16. Transferable sterling moved up from 278.90-279 cents to 279.05-279.15 cents, but declined yesterday to 278.75-278.85 cents.

COPPER IN SHORT SUPPLY

(From Our Own Correspondent)

CALCUTTA, 14*th January*

The acute shortage of copper continued to dominate trading in the metal market during the week under review also. Fresh arrivals were few and far between, and were readily absorbed. Some quantity was also received by way of direct imports by consumers. The Government was also in the market to get its requirements. For most of the week, there was no quotation for electrolytic copper in the absence of stocks. For a time, however, the rate was as high as Rs. 170, as against Rs. 167 previously. New Delhi reports indicated that the Government was reviewing the import policy to provide for more imports of copper in the licensing period commencing from April and that import of copper ingots against licences for copper scrap and brass scrap would be permitted. Trade circles here stated that copper being an essential requirement for industrial development, the Government must provide for unrestricted imports. Unless this was done and established importers provided facilities to stock at least about three months' requirements, production in factories consuming copper would continue to be affected. The forthcoming meeting of the Import Advisory Council would give the industry a forum for voicing current difficulties arising from limited copper imports.

From Rs. 514, tin advanced to Rs. 524. The advance was due to the delay in fresh arrivals. Demand was as usual and was fully met. Electrolytic zinc opened at Rs. 54.50 and improved to close at Rs. 56. The increase was in sympathy with the uptrend in copper, as also to the not too satisfactory stock position. Virgin lead, on the other hand, was quiet at Rs. 59.50.

BULLION HARDENS FURTHER

(From Our Own Correspondent)

BOMBAY, 15*th January*

Bullish sentiment continued to prevail in the bullion market for yet another week. Despite the large arrivals of silver from upcountry centres, as reported last week, and persistent influx of Tibetan coins, the white metal hardened further on strong speculative support and short-covering. Rumours of an increase in the price of silver at Tibet also aided sentiment, but there does not seem to be any basis for these rumours.

After a lapse of nearly eight months, gold prices crossed this week the Rs. 110-mark and touched a high of Rs. 110-13 for ready and Rs. 110-8 for forward. The sentiment was favourably influenced by the good demand in the ready section and receding prospects of unauthorised arrivals, thanks to the strict vigilance of the Indian customs authorities and the strict measures taken by the East Pakistan Government against smuggling.

Silver for forward delivery (5th February settlement) advanced from Rs. 187-7 to Rs. 188-13 on Monday. The higher level, however, attracted profit-taking and the closing was done lower at Rs. 188-4.

Ready silver continued to be quoted at a discount of As. 12 consequent on the increase in floating stocks. The ready metal moved up from Rs. 186-11 to Rs. 188-1, before closing today at Rs. 187-8. The floating stocks of silver are placed at 1,500 bars. The daily average arrivals were 20 bars, while the offtake was no more than 15 bars.

Gold for forward delivery (4th February settlement) rallied from Rs. 108-11 to Rs. 110-8, but finished lower at Rs. 109-12.

Ready gold stood on balance Re. 1 higher at Rs. 110, after touching a high of Rs. 110-13. The floating stocks of gold are reported to be 20,000 tolas. The daily average arrivals were 4,000 tolas and the offtake was also of the same order.

Silver was unchanged in New York at 89¼c. There was also no change in London prices at 77¼d. for spot and 76¾d. for forward. Gold, however, declined further from 249*s.* ½*d.* to 248*s.* 8¾*d.*, consequent on the persistent recovery in sterling.

The following comparative table shows at a glance the trend of the market during the week under review:

	15-1-58	Highest	Lowest	8-1-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint)	110 0	110 13	108 14	109 0
Forward*	109 12	110 8	108 9	108 11
Sovereign	70 0	..	..	69 12
SILVER				
Ready (.996 fine Mint) ..	187 8	188 1	186 6	186 11
Forward†	188 4	188 13	187 1	187 7
London Silver Ready ..	77¾d.	..	..	77¼d.
London Forward	76¾d.			76¾d.
London Gold	248*s.* 8¾*d.*	249*s.* ¼*d.*	248*s.* 8¾*d.*	249*s.* ½*d.*
New York Silver	89¼c.	..	..	89¼c.

* 4th February settlement.
† 5th February settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

LINSEED WEAKER

(Messrs. A. Bradley and Co.)

CALCUTTA, 13*th January*

There has been a slightly weaker undertone in the linseed market during the week, owing to absence of enquiries. Local crushers have reduced their output to a great extent, because of increasing lack of parity. Oil prices have declined, but with little corresponding decline in the price of seeds. Overseas advices for linseed oil are far from encouraging, with cheaper offers of Argentine oil failing to attract buyers. In the local market, demand has been sluggish.

The latest quotation for January-February is Rs. 22-12 per maund.

HIDES QUIET

(From Our Own Correspondent)

KANPUR, 13*th January*

During the week under review, the hides and skins market ruled quiet. The anti-cow slaughter campaign, coupled with the dry season and stoppage of shipment to the U.K. by Madras tanners were responsible for the quiet trend. The latest available quotations are given below:

Wet salted cow 1st grade Rs. 340 and 2nd grade Rs. 240 to Rs. 300 per score; wet salted buff 1st grade 1 lb. ¼ oz. and 2nd grade 1 lb. 10 ozs. per rupee; goat 1st grade Rs. 320 and 2nd grade Rs. 300 per 100 pieces; sheep 1st grade Rs. 275 and 2nd grade Rs. 200 per 100 pieces.

COTTON FUTURES RALLY

(From Our Own Correspondent)

BOMBAY, 15*th January*

Cheerful conditions prevailed in the cotton futures market during the week under review. The emergence of fresh investment support and large upcountry buying resulted in an impressive rally in prices. The firmness of the market was aided by strong spot advices, and encouraging news from the cloth market. Another bullish influence was the persistent rumour that an export quota announcement was imminent. The rumour gained considerable strength when it was known that the Cotton Advisory Board, at its meeting held on Friday, recommended a quota of 50,000 bales of Bengal *Deshi* and 25,000 bales of minor varieties not used by domestic mills. A section of the trade was, however, disappointed that the Board did not urge any reduction in export duty nor did it recommend export of 24/32" staple cotton as was expected in certain quarters. The disappointment is reflected in a break in futures values on Saturday. The setback, however, proved short-lived and the market again firmed up, thanks to the strength of other commodity markets and the expectation that an export quota would soon materialise, and would give fillip to exports, especially since foreign demand is beginning to revive. The firm trend persisted till the close today.

I.C.C. Moglai Jarilla opened the week at Rs. 681, as against the previous close of Rs. 676 and firmed up to Rs. 684.75 the next day. After declining on nervous liquidation to Rs. 676.50 on Saturday, the contract again firmed up to Rs. 691.50 yesterday. Opening at the same rate today, the contract gathered Rs. 2 before closing at Rs. 692. The net gain over the week was Rs. 16. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	15-1-58	*High*	*Low*	8-1-58
I.C.C. Moglai Jarilla (March 1958) ...	692	693.25	676.50	676

In line with the firm condition of the futures section the spot market was also active. There was a general widening of mill purchases. Most of the popular varieties evoked good attention and values registered handsome gains. Demand was particularly keen for Khandesh and Vijay even at advancing prices. Other varieties which evoked interest were Khamgaon, Berar, Moglai, etc.

In the export section, the rumours regarding quota imparted considerable strength to the market and prices of Bengals and other exportable styles improved remarkably. Export interest also widened. Enquiries were reported from Japan, the U.S. and France.

Activity in the foreign section was limited. Towards the close of the week, however, a sudden revival of demand was noted for U.S. styles. A prominent Bombay mill group was credited with having booked 10,000 bales of Californian Acala at prices ranging from Rs. 1,450 to Rs. 1,530, for February-March shipments.

The Government of India has notified that the quantity of cotton stapling 1-3/16" and above permitted for import from sterling areas has been raised from 30,000 to 40,000 bales. Mills which have already applied in terms of trade notice on 16th December will now be allotted quotas on this basis.

A trade notice issued by the Joint Chief Controller of Imports, Bombay, states that the period of shipment of licences already issued for the import of 50,000 bales of East African cotton permitted by the Government of India on 20th July 1957 has now been extended up to 31st January 1958. Licences already made valid up to 31st December 1957 may be submitted for necessary amendments.

The latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri are given below:

Bengal *Deshi* 620; Berar Jarilla 780; Khandesh 815; Oomra *Deshi* 750; Vijay 925; Hubli Laxmi 900; Jayadhar 760. *Delivery Contracts*: Vijay 905; Bengal 615.

The Karachi cotton market ruled firm during the week under review. The firmness was aided by good ready demand and reports of good business with France and Hongkong. Speculative support was forthcoming throughout the week and values registered substantial gains. N.T.R.G. January delivery, which had closed at Rs. 77-5, improved to Rs. 79-2-6. The March position gained, over the week, As. 8-6 to Rs. 77-2-6. Spot prices also moved higher. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind *Deshi* 72; Punjab *Deshi* 70; 4F Punjab Roller 80-6; S.G. 84-14; L.S.S. Punjab Roller 82-14; S.G. 86-14; N.T. Roller 83-10; S.G. 90-2; 289F Punjab Roller 87-10; S.G. 95-10.

The easy conditions noted in the Alexandria cotton futures market last week persisted during the week under review also. In the absence of buyers to absorb the offerings, futures values registered a sizable fall. The spot section, however, continued to rule firm. Premiums hardened for high grades of Menoufi, Ashmouni and Giza 30 while those for Karnak remained steady.

Shipments of Egyptian cotton from 1st September 1957 till 31st December 1957 aggregated 234,085 bales (of 720 lbs.), as against 137,818 bales during the same period last year. The following are the latest available quotations—in tallaris per lb.—from Alexandria, the figures in brackets being last week-end closings:

Karnak: January 86.45 (88.60); March 87.50 (89.40). *Ashmouni*: February 71.50 (71.50); April 71.65 (72.40).

The week's trading in the Liverpool cotton futures market was dull with prices showing a declining trend. Lack of support in the near delivery

months and a considerable increase in hedge selling in the distant months resulted in a break in values. Traders were inclined to feel that although higher grades of U.S. cotton might get scarcer as the season advances, supplies of lower grade tenderable cotton would be plentiful. This consideration tended to keep the contracts down. The latest available quotations—in pence per lb.—from Liverpool are as follows:

American Cotton One Inch Staple Contract: March-April 26.32; May-June 26.60; July-August 26.76. *Sudan*: January-February 32.50.

The New York cotton futures market ruled easy during the week under the impact of a fair volume of hedge selling believed to have been against recent purchases of C.C.C. cotton for unrestricted use. New crop months were particularly easy due to New Orleans and local selling which found buyers scarce. Uncertainty regarding any change in farm legislation discouraged follow-up support even when scattered buying was forthcoming. Even the expectation of a high loan rate for the 1958 crop failed to impart strength to the market.

The mid-December parity price for upland cotton was announced as 37.43 cents per lb. This is 12 points above the mid-November parity price. The expectation of a high loan rate for the 1958 crop is no doubt based, to a large extent, on the advancing parity price.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	14-1-58	7-1-58	31-12-57
Spot	36.35	36.45	36.40
March	35.47	35.80	33.75
May	35.69	36.02	35.92
July	35.48	35.98	35.78

YARNS FIRM

(From Our Own Correspondent)

BOMBAY, 15*th January*

The yarn market ruled distinctly firm during the week under review. Cotton yarns which had been remaining very dull all these days picked up strength during the week under review and there was a rise in prices. Support was lent chiefly by reports of improved offtake in piecegoods and better enquiries from consuming centres. The mills were not inclined to sell at reduced prices. The recent large exports of cotton yarn from Bombay port—during December 1957, they aggregated over one million lbs.—led to expectations of still increasing demand from foreign countries, especially Hong Kong and Viet Nam. Staple fibre yarns met with continued bull support, thanks to excellent demand for quality yarns from Surat and Banaras. In sympathy with these yarns and induced by conditions of acute scarcity, particularly in imported variety, art silk yarns also recorded a further rise in prices. The scarcity in supplies of these yarns, it may be noted here, has been due to New Delhi's policy not to grant import licences to established traders and the tendency on the part of actual users to convert their licences from import of nylon yarns.

Snia rayon yarn (120 dull cones) February delivery elicited good attention of operators and improved by Rs. 8 to Rs. 913. No transactions were reported in the April delivery this week also. In the spot section, 120 Japan increased by 9 nP to Rs. 5.28. 150 Japan hardened by 12 nP to Rs. 5.09. 120 Italy and 150 Italy were both firm at Rs. 5.25. Among indigenous yarns, National Rayons 150 bright cones first grade spurted by 17 nP to Rs. 4.06. 120 bright cones first grade rallied 18 nP to Rs. 4.58.

Staple fibre yarns (40×2) February delivery met with excellent buying support and picked up Rs. 15 to Rs. 591. There were no transactions in the April delivery. Among spot foreign yarns, Paramounts strengthened by 25 nP to Rs. 6.75. Fujis gathered 20 nP to Rs. 6.64. Spot (40×2) Centurys rose by 7 nP to Rs. 3.22. On the other hand, Kohinoors lost 3 nP to Rs. 3.33. New Greats declined by a like amount to Rs. 3.09. Citys softened by 2 nP to Rs. 3.25.

In the cotton yarn section, ten counts Podars went up by 13 nP to Rs. 14. Moderns were better by 12 nP at Rs. 14.62. Twenty counts Moderns, however, declined by 37 nP to Rs. 17.25. Among thirty counts, Indus rallied 63 nP to Rs. 21.25. Forty counts Minaxis spurted by 62 nP to Rs. 25.37, Moderns by 50 nP to Rs. 25.50 and Gokaks by 75 nP to Rs. 25.25. Sixty counts were strong. Moderns and Finlays both moved up by 50 nP to Rs. 60. Raghuvamshis firmed up by 75 nP to Rs. 52.50. Eighty counts Mahendras were neglected at Rs. 69.75, Moderns at Rs. 72 and Finlays at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	15-1-1958	8-1-1958
Art silk yarn (per case of 200 lbs.)		
120 dull Cones Snia February	Rs. 913.00	Rs. 905.00
December	—	—
120 Japan (per lb.)	5.28	5.19
150 Japan (per lb.	5.09	4.97
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.25	5.25
Staple fibre yarn (per case of 200 lbs.)—		
40×2 February	591.00	576.00
40×2 December	—	—
40×2 New Great (per lb.)	3.09	3.12
40×2 Century (per lb.)	3.22	3.15
40×2 City (per lb.)	3.25	3.27
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	14.00	13.87
20s Gokak	—	17.50
30s Indu	21.25	20.62
40s Minaxi	25.37	24.75
60s Raghuvamshi	52.50	51.75
80s Modern	72.00	72.00

OILSEEDS BUOYANT

(From Our Own Correspondent)

BOMBAY, 15*th January*

Buoyant conditions prevailed in the oilseeds market during the week under review. The buoyancy was whipped up by large bull support and heavy short-covering. Groundnuts registered handsome gains, thanks to encouraging offtake by crushers and *vanaspati* manufacturers. There would have been a more marked rise in prices but for offerings by some Kanpur interests. Castorseeds ruled firm on revival of rumours regarding cut in export duty on castor oil. The firmness was aided further by reports of bulk business (involving about 300 tons) in castor oil commercial with the U.K. at Rs. 1,500 per ton. Linseed evoked good enquiries on hopes of better prospects of oil exports, following the availability of charter freight. The cottonseed section presented a bullish trend, the chief inspiring factors being renewed strength in cotton and oil export prospects. Traders welcomed the Government of India's decision to continue, up to the end of September next, the system of licensing exports of cottonseed oil freely as before. It was reported that a large quantity—estimated at nearly a thousand tons—had already been sold, Rumania, purchasing the bulk at Rs. 1,500 per ton f.o.b. Bombay. In sympathy with the general trend, kardiseeds and nigerseeds ruled strong, with values moving up.

Groundnut February 1958 delivery climbed up from Rs. 153.87 last week-end to touch a high of Rs. 158.75 before closing at Rs. 158.62. Bold ready rallied Re. 1 to Rs. 32.25. Coromandel advanced by 87 nP to Rs. 32.87. Khandesh improved from Rs. 32.12 to Rs. 32.87. Groundnut oil railway receipt hardened by 57 nP to Rs. 17.69. Ex-mill gathered 50 nP to Rs. 17.75.

Castorseed May 1958 contract spurted by Rs. 3 to Rs. 140 today but finished slightly lower at Rs. 139.87. Ready Madras rose from Rs. 27.87 to Rs. 28.12 before closing at Rs. 27.75. Kanpur was fully maintained at Rs. 26.50. Castor oil B.S.S. strengthened by 50 nP to Rs. 15.87. Commercial quality was better by 25 nP to Rs. 14.37.

Linseed May 1958 contract, after declining in the earlier sessions to Rs. 30.19, recovered to Rs. 31 before finishing at Rs. 30.87. Bold ready put on 65 nP to Rs. 30.75 and February-March 63 nP to Rs. 30.75. Linseed oil ready increased by 50 nP to Rs. 16.62.

Cottonseed February 1958 delivery which stood at Rs. 95.25 at the close of last week gradually moved up to touch Rs. 100.25 today. At the close, however, it was slightly lower at Rs. 100.

Among other seeds, kardi bold ready encountered good support and advanced by 50 nP to Rs. 19. Niger Madras improved from Rs. 26.87 to Rs. 27.25, but wound up today easy at Rs. 26.75.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	15-1-1958	8-1-1958	2-1-1958
Groundnut—	Rs.	Rs.	Rs.
February 1958	158.62	153.87	157.25
Bold ready (per cwt.)	32.25	31.25	31.87
Khandesh quality	32.87	32.12	32.75
Linseed—			
May 1958	30.87	31.00	31.06
Bold ready (per cwt.)	30.75	30.62	30.69
Castorseed—			
May 1958	139.87	137.00	141.50
Madras (per cwt.)	27.75	27.87	29.00
Cottonseed—			
February 1958	100.00	95.25	96.00
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.75	17.37	18.00
Castor oil †			
Commercial (per quarter) ..	14.37	14.12	14.62
Linseed oil †			
Ready	16.62	16.75	16.75

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR MOVES UP

(From Our Own Correspondents)

BOMBAY, 15*th January*

The sugar market put on a cheerful appearance during the week under review, in contrast to the bearish trend noted in the past three weeks. Demand from Malabar Coast broadened considerably. But there was paucity of ready stocks, on account of small arrivals; the quantity that actually arrived into the market during the week was not more than 10,000 bags, as against 10,600 bags in the previous week. Consequently, sugar prices tended to move up.

Large grain sugar advanced from Rs. 107-111 to Rs. 109-112 per bag, including the additional Central excise. Medium grain rose by a rupee to Rs. 105-107. Small grain was fully maintained at Rs. 104.

The total production of sugar during the first two months of the current season amounted to 493,000 tons, an increase of 42,000 tons as compared with the corresponding period of 1956-57. Offtake, including quantities despatched for export, aggregated 295,000 tons. The closing stock as on 31st December 1957 was 627,000 tons.

* * * *

HAPUR, 13*th January*

Want of support from consuming centres accounted for the dull conditions in the sugar market during the week. The *khandsari* prices have fallen appreciably and crystal sugar has to face much competition with *khandsari* which is now attracting better consumer demand. The undertone, however, was steady in anticipation of early good demand. Production of crystal sugar is in full swing in all the factories in west U.P. and cane supplies to them is adequate.

Sugar prices tended to go down in the Muzaffarnagar market, due to poor outside buying enquiry. Factories were reported to be anxious sellers, in view of increasing stocks of new quality. The latest ex-mill delivery prices are: New Deoband (B-29) Rs. 37.50; Khatauli (C-29) Rs. 36.62; Rohana (B-29) Rs. 37.37; Mansurpur (C-29) Rs. 36.50; Shamli (B-29) Rs. 37.44; Daurala (B-29) Rs. 37; Mawana (C-29) Rs. 36.50; Bijnore (E-29) Rs. 34.69; Amroha (D-29) Rs. 34.50; Simbhauli (E-29) Rs. 35.75; Meerut (D-28) Rs. 35.

The Kanpur sugar market showed barely any change from the generally listless pattern of trading in the past week, except for a slight improvement in quotations for east U.P. and Bihar ex-mill deliveries. The pace of daily arrivals in the market fell short of offtake, but prices failed to show improvement, as demand lacked a keen edge.

Following heavy arrivals, prices of *khandsari* suffered a setback. *Khandsari* production is continuing at a rapid pace, as producers are in a position to buy cane upto Re. 1 per maund, as against mill-gate delivery prices at Re. 1.44 per maund. The prevailing prices of *khandsari* are: Rs. 21 to Rs. 30 per maund, according to quality.

After an early fall of about 25 nP per maund during mid-session for want of support, ready *gur* made up most of the losses towards the week-end, as stockists entered the market and began to purchase for building up stocks. Local arrivals continued to be modest, the average being 3,000 to 4,000 maunds. The total arrivals from the beginning of the season are put at 260,000 maunds, the corresponding figure last year being 295,000 maunds. Local stock is put at 12,000 maunds and prevailing prices are: *Gur pansera* Rs. 11.50 to Rs. 11.75 and *balti* Rs. 12.25 per maund. Ready *gur* was mostly unchanged in the Muzaffarnagar market, where arrivals averaged 8,000 maunds and trade circles said that the overall *gur* production this season would not touch last year's figures. The prevailing prices were: *Gur Chaku Minja* Rs. 13.50 to Rs. 13.81, *pansera* Rs. 12.25 to Rs. 12.50; *khurpa rusket* Rs. 7.50 to Rs. 9.50; *shakker dara* Rs. 13.50 to Rs. 14.50; *masala* Rs. 14.50 to Rs. 15.50; *khandsari* Rs. 21 to Rs. 32 per maund.

After an early fall from Rs. 12.12 in the beginning of the week on Monday last to Rs. 11.81, *gur fagun* spurted on vigorous bull support and was quoted today at the best level of the week at Rs. 12.19.

Preparations for sowings of cane crop for the next season have begun and actual sowings will begin in a fortnight's time.

PEPPER WEAK

(Messrs. Parekh and Co.)

BOMBAY, 15*th January*

During the earlier part of the week, Malabar black pepper showed some improvement, following the report that Russia was in the market and bought about 600 to 800 tons at Rs. 97 per cwt. f.o.b. for shipment during the month of March. Alleppey improved to Rs. 487½ and garbled at Cochin to Rs. 87½. The news that Russian steamer was due on or about the 18th inst., for lifting about 1,000 tons proved a supporting factor. Most of the arrivals in all the primary markets were readily taken up by exporters. However, New York having refused to follow the advance, the market during the later part once again turned weak under the fear of further expansion in arrivals. Daily arrivals in North Malabar were reported to be about 250 candies, while the inflow in South Malabar was irregular as growers were holding back.

Singapore was reported steady as arrivals from Sarawak proved poor. Sumatra was said to be shipping pepper to Singapore along with rubber and tin for barter in defiance of the Central Government of Indonesia. Reports regarding the political situation in Sumatra were, however, conflicting.

New York was reported to be quietly steady, the President's Union message having been discounted. Trade was reported awaiting the President's Budget message. New York dealers were said to be offering at $0.22 which is below the replacing parity. Business, therefore, remained difficult. Future of the pepper appeared uncertain. The trade expected further fall in the prices, if no overseas support was forthcoming during February when arrivals are likely to reach the peak. Thanks to Russian buying and the consequent covering by Indian exporters, floating stocks in the terminal markets were not heavy.

At the time of writing, Alleppey is quiet at Rs. 475 while garbled is quoted at Rs. 86½ in Cochin and Rs. 510 at Calicut where Bombay houses are buying for replacement.

Business in A.S.T.A. proved poor. There were sellers at $0.22½ for March shipment but without buyers. In delivery section, February delivery, after improving to Rs. 500, came down to Rs. 486 under liquidation by bulls and hedge sales by the trade.

Following are today's nominal quotations: Ready delivery Rs. 72 per Bengal maund and February delivery Rs. 490-Rs. 495 per candy of 5½ cwts.

TEA PRICES IMPROVE

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 9*th January*

The first export sale of the New Year, which was held on Tuesday, 7th January, contained 1,700,000 lbs. Quality showed an all-round improvement and there were some attractive highgrown teas on offer. From the outset there was a very good general demand and prices were generally dearer. Plainer types were about steady, but low medium and medium teas advanced irregularly 10 to 15 nP per lb. Buyers were quick to appreciate any teas which showed an improvement in quality. Best liquoring highgrown teas were considerably

dearer and top quality invoices met with keen competition. Whole leaf grades met a slightly better enquiry but prices were occasionally easier. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.35
Low medium	1.45—1.70
Medium	1.55—1.75
Good medium	1.90—2.15
Quality	2.20—4.40

The average price realised in sale No. 1 was Re. 1.94 per lb., as compared with Re. 1.76 per lb. realised in the last sale of 1957 and Rs. 2.42 per lb. in the first sale of 1957.

London Market—Sale of 6th January 1958.—Market generally 2d. to 4d. dearer.

Sale of 7th January 1958.—Very strong demand with advances up to 4d. according to quality.

Colombo Market.—Sale of 6th January 1958.—Generally dearer, except plainest UVAS. Some irregularity at top. More interest plainer fannings.

Sale of 7th January 1958.—Dearer, particularly fannings. Stalky broken mixeds unchanged.

Calcutta Market—Export.—Much improved general demand. Prices 10 to 15 nP dearer at commencement.

Internal.—20,000 dust. Good general demand. Weakest feature, fibrous C.T.Cs. Strongest feature best liquoring C.T.Cs. Middle East strong at 2 nP below last. Internal leaf 2,000 chests. Good demand at dearer rates.

Export Quota.—The market has been strong and there are sellers at 18 nP.

Forthcoming Auctions.—Sale No. 2 will be held on Tuesday, 14th January.

The South Indian tea crop for December 1957 is estimated at 10.98 million lbs., as against the actual output of 10.68 million lbs. in the corresponding month of 1956. This brings the total estimated production for 1957 to 144.94 million lbs., as compared with 126.94 million lbs. produced in the previous year.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale 2*:—1,300,000 lbs. Market opened quietly, but strengthened considerably and closed dearer for everything, particularly improved mediums and highgrowns."

KIP PRICES ADVANCE

(From Our Own Correspondent)

MADRAS, 13*th January*

The seasonal Christmas holiday slackening in the U.K. kip trade did not affect the Madras market. Prices ruled firm, as arrivals were small and tanners were finding it extremely difficult to buy raw stocks to keep their tanneries running. Though U.K. buyers were not able to obtain advances on their finished leather, it looked as if higher levels would be established eventually. There were more enquiries for tanned cow 10/12 lbs. run and 5/5½ lbs. fifths and higher prices were paid on several bookings. Arrivals of cow hides and calves, as well as of buff hides and calves, were small, and were taken up by exporters readily. Inferior fifths cow hides were in great demand for local trade at 10 per cent. over U.K. importers' ideas of prices.

In the tanned skins section, arrivals of common tannages goat and sheep skins were limited, and prices advanced by two to three annas per lb. Better class tannages were firmly held, because tanners were in a well-sold position, and prices in the raw markets were pushed up to fantastic levels. Shipment business was small.

TEA FIRM

(From Our Own Correspondent)

CALCUTTA, 14*th January*

Very firm conditions prevailed in the export auctions held yesterday. Prices were dearer on higher advices received from abroad in respect of the auctions held in Mincing Lane in the previous week. Also, the orders which collected during the Christmas and New York holidays were still being executed. Foreign buyers are turning their attention more to Calcutta, and there is a distinct diversion of business from Colombo to Calcutta. For, in Colombo, port delays have dislocated shipments, and shippers are naturally reluctant to bid in auctions there and block money when shipments are uncertain. Also, movement of teas from estates to Colombo port have been disrupted by recent floods, although it is stated that the gardens have not been affected, in view of their higher elevation. In the last week's sales in Colombo, Russians displayed some interest, and prices, on the whole, were dearer.

Adding the estimated output in December, North Indian tea production in 1957 amounted to 515 million lbs., that is, 25 million lbs. less than that in 1956. The uncertainty whether Indonesian exports would be maintained at normal levels, in view of the changed political situation there, was also a contributory cause for the higher trend here yesterday. In the event of Indonesian production being affected, traders said here, there was the distinct possibility of an increase in Calcutta's exports of common teas. This would mean considerable relief to the gardens in the Cachar and the Dooars areas. Indonesia generally ships fair quantities to Denmark and the U.S., and, if its exports are affected, these two principal customers of Indonesia are likely to increase their bids in Calcutta. The London report that the improvement in auctions in Mincing Lane followed adverse weather in Pakistan and East Africa threatening to restrict output was noted. Trade circles here believe that the changed situation would reduce the expected surplus.

Offerings during yesterday's export sales amounted to 55,372 packages. The strong general demand raised prices. The strongest feature of the sales was provided by clean well made teas, O.Fs in this category improving by 10 nP. B.O.Ps rose above valuations, while other medium B.O.Ps eased. C.T.C. teas met with good demand and were steady at about last rates; the brighter liquoring lots also advanced. Plain and medium B.Ps, fannings and teas for price improved by 2 to 4 nP per lb. Non-wither legg-cut teas irregularly advanced by 6 to 8 nP. Whole leaf grades and B.P.S. met with competition. Darjeelings were fully steady. The quotations were: Best Assam C.T.C. fannings Rs. 2.50 to Rs. 2.60 (nominal), best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80 (nominal), clean black pekoe Rs. 2.30 to Rs. 2.40, medium fannings Re. 1.80 to Re. 1.84, plain fannings Re. 1.70 to Re. 1.74, medium B.P. Re. 1.68 to Re. 1.72, and plain B.P. Re. 1.60 to Re. 1.64.

Export quota changed hands at 18 nP, but subsequently sagged to 17½ nP with buyers offering 17 nP.

In last week's auctions for domestic consumption, dusts on offer amounted to 19,789 chests. There was good demand for all teas on offer, barring the fibrous plainer liquoring C.T.C. Assams which received little support. Prices for the brighter liquoring medium and the best liquoring C.T.C. Assams advanced impressively, while other teas in this category eased by 10 nP. Following fair support by Middle East buyers, orthodox teas from all districts were sold above valuations. The rates were: Best Assam C.T.C. Rs. 2.50 to Rs. 2.86, medium Assam C.T.C. Re. 1.90, medium Assam grainy dust Re. 1.62 to Re. 1.64, and medium Dooars Re. 1.60.

Leaf offerings aggregating 1,837 chests met with improved demand. Green teas were the strongest feature, prices rising above valuations.

JUTE GOODS RECOVER

(From Our Own Correspondent)

CALCUTTA, 14*th January*

Earlier in the week under review, the jute markets were quiet, but, as the week progressed, speculators, as well as genuine buyers, accorded fair support and prices recovered. Details of jute goods with mills as on the 31st December were known on Wednesday, and, although the total stocks were higher than in the previous month, it was somewhat encouraging to note that stocks were equal to production of about three weeks only. The figure for hessian was 1,000 tons lower, at 25,000 tons, which indicated that the process of transfer of hessian looms to sacking was continuing. Sacking goods, at 39,200 tons, represented a rise of 4,000 tons and miscellaneous goods, at 11,400 tons, were higher by 1,600 tons. There was thus an overall rise of 4,600 tons in stocks. It was expected that in the coming weeks more hessian looms would be switched over to sacking and special constructions. For the demand for hessian from the United States is anything but encouraging. Burlap stocks in the U.S. were expected to last for three months only. Support from buyers on behalf of the U.S. has been so poor that fresh purchases have not gone for replenishment of stocks. Trade circles here believe that substitutes have once again become cheaper than burlap and that American farmers are increasing the utility of their burlap bags by using them again and again.

Output figures for the last month were released by the Indian Jute Mills Association yesterday, and indicated that the total, at 92,800 tons, was slightly higher by 900 tons, compared to November, consequent on the longer working hours in the month as a whole. This small increase was hardly taken notice of in the market, and as such prices continued to recover impressively yesterday. It was noted that stocks at the end of November and December being 71,000 and 75,600 tons respectively, demand in December was estimated at about 88,200 tons or 4,600 tons less than output. Although the demand thus fell short of the output, it was noted that the statistical position had improved inasmuch as stocks with mills had declined below the monthly output level. Similarly, reports from New York indicating that packaging in the U.S. still accounted for almost 80 per cent. of burlap consumption and that the growing carpet tafting industry promised lifting of more burlap were noted with satisfaction. More burlap would also be consumed in the development of a burlap asphalt lining for irrigation canals in the U.S. These reports were taken as an indication that the present lull in American buying would prove to be a temporary phase and that good orders from the U.S. might be forthcoming. These expectations, coupled with some actual buying, contributed to the recovery in hessian prices, while sacking received support from speculators as well as shippers.

In the meantime, note was taken of the report that the West German jute industry had demanded protection against India and Pakistan. This was taken as proof here that Indian bags continued to offer competition in foreign markets. West German production as well as exports were increasing. In the eight months to August last, West German exports to the U.S. amounted to 4,733 tons, as against 4,550 tons in the corresponding previous period. Other countries in Europe to which West Germany exported jute goods in the above period were Denmark, Switzerland, Norway and Sweden, and trade circles here thought that more attempts should be made to popularise the Indian product, which is not only cheaper but of higher quality as compared to the products of several other countries.

On Tuesday last, the market for jute goods was quiet, but before closure on that day short covering, coupled with speculative support, aided quotations to finish higher on balance. Thus, ready B. twills after being lower at Rs. 103.75 recovered to Rs. 104 and ready 40" 10 oz. hessian was lifted to Rs. 39.40 from Rs. 39.00 on the previous day. On the next day, stock figures were announced, and since the increase was considerably lower than earlier expectations the recovery continued, despite speculative manipulations which lowered prices for a time. B. twills advanced to Rs. 104.10 and 40" 10 oz. hessian to Rs. 39.45. At this stage, the report of the reduction in North American freight rates was received and enlivened activity of speculators raising hessian 40" 10 oz. to Rs. 39.65 on Thursday. B. twills registered a further rise to Rs. 104.85. On Friday, these levels were more or less maintained as the due date fluctuations in the *fatka* kept the quotations within narrow limits. Over the week-end, fair business took place and prices ruled firm at the following levels: Rs. 39.80 for hessian 40" 10 oz. and Rs. 104.60 for B. twills. Business continued to be transacted at these rates and yesterday the quotations rose further to Rs. 40.05 and Rs. 105.25, respectively.

Fair interest was shown by mills in raw jute and prices improved fractionally. The latest quotations are given below:

	Middles Rs.	*Bottoms* Rs.
Pakistani:		
District	33.00	30.00
Northern	32.50	29.50
Indian:		
Northern	29.00	26.50
Assam	29.25	26.75
Orissa	30.75	28.25
Desal	26.75	24.25
Murshidabad	25.50	23.00
Jungli	—	21.50
Daissee	32.00	29.75
Uttar Pradesh	—	21.50
Daissee mesta	26.00	23.50
Bimli f.a.q.	Rs. 20.50	
Pucca bales 1st marks ...	Rs. 167.50 per bale	

FOODGRAINS QUIETLY STEADY

(From Our Own Correspondent)

HAPUR, 13*th January*

Quiet to steady conditions prevailed in the foodgrain market during the week. The Government of India is despatching more of foodgrains to the drought-affected areas of Bihar and east U.P. About 300,000 tons are scheduled to reach Bihar by the end of March to be sold at subsidised rates. The Union Food Minister visited the east U.P. districts and assured all help from the Centre. Arrangements to import more wheat are being finalised and a total of 400,000 tons is to be shipped to India from Canada during this winter and early spring.

Wheat recorded modest gains towards the week-end, due to scanty daily arrivals and falling local wheat stocks. Wheat *dara* was quoted at Rs. 16 per maund and farm quality at Rs. 17.50. With daily arrivals at less than 50 maunds, local wheat stock ran down to 18 *khaties*, the corresponding figure last year being 52 *khaties*. Crop prospects continued to be not very bright for want of winter rains.

Rice ruled quiet. *Basmati* was done at Rs. 27 to Rs. 30, *mainpuri* at Rs. 23.75 and coarse quality at Rs. 20 per maund.

Coarse grain, recorded a sharp fall in the earlier part of the week recovered towards the week-end. Maize and *bajra* continued to attract good seasonal demand. Barley and *bejhar* were mostly unchanged, due to slack buying support. Further despatches of gram were made on State Government account to east U.P. and local gram stock ran down by 3 *khaties* to 37 *khaties*. The latest prevailing prices are: Gram Re. 1.25 to Rs. 11.50; barley Rs. 9.50; *bejhar* Rs. 9.37; maize Rs. 11.50; *bajra* Rs. 11.87; *jowar* Rs. 9 to Rs. 11; *gowar* Rs. 12.

After an early sharp fall of about 75 nP per maund in absence of buying enquiry, peas and *arhar* improved slightly towards the week-end in line with wheat and other foodgrains. Local stock position was better than that in previous years. The standing crop was reported to be fairly good. Other pulses were quiet. The quotations (in rupees per maund) on Monday were: Peas *dara* 9; farm 9.75; *arhar* 10; *urd* 16.25 to 17.50; *moong* 15 to 15.50; *masoor* 14.75.

LABOUR

(*Concluded from page* 82)

Co., Ltd. (1936-3 All. E.R. 322, 325) are apposite in this context:

"This is the case of a man who had, according to my view, got an engagement which was to last for life, or at any rate for the joint lives of himself and the company, but I think for his life, because I think there are authorities to the effect that, if a company winds up, that is a dismissal of the servants, and they can then prove for damages and get their dividend, whatever it may happen to be. Fortunately, the company has not been wound-up, but in estimating the damages, of course the tribunal estimating them will have to take into consideration the fact that at any time after 26th June 1935, it might have appeared to the Directors that they had good reasons for terminating the plaintiff's services, (for) reasons connected with his conduct. The present value of what his salary would be for the rest of his life must also be considered, and there must also be taken into account the fact that he is a man who might at any time terminate his service by his life coming to an end, and other matters with which I need not deal."

These and similar considerations would equally be germane in the matter of the computation in terms of money of the value of the benefit of reinstatement (*vide Shetty* vs. *Bharat Nidhi Ltd.*, 1957, II LL.J.).

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	2	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	13th May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	15th Aug., 1957	4½	5
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	7	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	1957	3½	3½†
West Germany	18th Sept., 1957	4½	4

† Five of the Federal Reserve Banks have lowered the rate to 3 per cent. between 15th and 19th November, 1957.

CLEARING HOUSE RETURNS

Centre	Week ended 10th January, 1958		Week ended 3rd January, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,26,744	70,80,66,000	2,62,926	58,58,34,000
Calcutta	1,83,000	64,67,00,000	1,39,000	59,95,00,000
Madras	99,816	10,86,06,782	75,150	8,62,94,565
All Centres—1955-56*	..	..	3,100,000	6,630,209,000
1956-57*	..	..	3,324,000	7,260,900,000
Sept., 1957	..	..	3,077,000	6,49,12,00,000
Oct., „	..	..	3,295,000	5,89,38,00,000
Nov., „	..	..	3,755,000	8,18,13,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 10th Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up		5,00,00,000
Reserve Fund		80,00,00,000
National Agricultural Credit (Long-term Operations) Fund		20,00,00,000
National Agricultural Credit (Stabilisation) Fund		2,00,00,000
Deposits :—		
(a) Government—		
(1) Central Government		49,68,83,000
(2) Other Governments		6,15,78,000
(b) Banks		60,28,52,000
(c) Others		115,66,38,000
Bills Payable		15,21,79,000
Other Liabilities		26,28,01,000
	Rupees	390,29,20,000

ASSETS	Rs.
Notes	10,20,79,000
Rupee Coin	9,51,000
Subsidiary Coin	2,09,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,73,62,000
Balances held abroad*	19,63,31,000
Loans and Advances to Governments†	24,61,85,000
Other Loans and Advances	73,47,06,000
Investments	231,87,18,000
Other Assets	16,62,79,000
Rupees	390,29,20,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 30,29,06,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	10,20,79,000	
Notes in circulation	1540,72,18,000	
Total Notes issued		1550,92,97,000
Total Liabilities		1550,92,97,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,08,000	
(b) Held outside India		
Foreign Securities	270,25,63,000	
Total of A		388,01,71,000
B. Rupee Coin		120,80,35,000
Government of India Rupee Securities		1032,10,41,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1550,92,97,000

Scheduled Banks*

Statement of Affairs for the week ended 3rd January, 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,61,05,000
(ii) Other demand liabilities	690,48,52,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,94,00,000
(ii) Other time liabilities	674,77,35,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	7,08,31,000
(ii) Time liabilities	65,00,000
Borrowings in India from the Reserve Bank of India‡	20,58,73,000 (24,91,53,000)
Cash in India	40,31,29,000
Balances with the Reserve Bank in India	66,39,50,000
Balances with other banks in current account in India	12,15,63,000
Money at call and short notice in India	50,39,20,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	433,48,05,000
Advances in India	720,08,99,000
Inland Bills purchased and discounted in India	115,58,67,000
Foreign Bills purchased and discounted in India	44,95,78,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		15th January, 1958	Previous week
Bombay on London—			
Sellers T.T. D.D.Spot	£.	1-5 31/32	1-5 31/32
Sellers T.T. D.D. upto six months	£.	1-5 31/32	1-5 31/32
Buyers T.T. spot to nine months	£.	1-6 1/32	1-6 1/32
Buyers T.T. 10 to 12 months	£.	1-6 1/32	1-6 1/32
Bombay on New York—			
Sellers T.T. D.D.	Rs.	476.25	476.00
Buyers T.T.	Rs.	472.50	473.00
London on New York	$	2.81 1/2-2.81 1/2	2.80 1/2-2.81 1/2
London on Paris	Frcs.	1,178½	1,178½
London on Berne Sw. Frcs.		12.25 1/2-12.26	12.25 1/2-12.25 1/2
New York on London	$	2.81 1/2-2.81 1/2	2.80 1/2-2.80 1/2

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita Income (Rs.)
India†	'55-'56	368.09	..	10,420	272
Pakistan††	'54-'55	79 71	..	1,890	237
Burma	1955	19 43	Kyats 4,087	409	210
Ceylon	1955	8.88	..	475	507
Japan	1956	90 00	Y. 7,427,000	9,283	1,031
Philippines	1955	21.86	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9 40	£ (A) 4,238	4 023	4,918
U.K.	1956	51.20	£ 10,465	21,953	4 287
U.S.A.	1956	168 09	$ 348 600	163,554	9,731
Canada	1956	16 00	$ 22,710	10,787	6,742
France	1956	43 60	F.Fr. 13,960,000	17,640	4,046
W. Germany	1956	51 50	Dm. 147,000	16,889	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3 46	Kr. 20,990	1,408	4,355
Sweden	1956	7 30	Kr. 44,580	4,127	5,653
Netherlands	1956	10 80	Grs. 25 400	3,215	2,977
Denmark	1956	4 46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance* 1955-56—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 3rd Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	74,74,40,000
(b) Provincial Governments	50,62,000
(c) Banks	14,37,95,000
(d) Others	9,72,16,000
Bills Payable	71,66,000
Other Liabilities	8,42,05,000
Rupees	114,48,84,000

ASSETS	Rs.
Notes	8,82,28,000
Rupee Coin	29,000
Subsidiary Coin	18,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	4,98,000
Loans and Advances to Governments	37,00,000
Provincial Governments' Debtor Balances	3,62,67,000
Other Loans and Advances	15,20,30,000
Investments	71,93,71,000
Other Assets	9,42,45,000
Rupees	114,48,84,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	8,82,28,000	
Notes in circulation	339,81,75,000	
Total Notes issued		348,63,98,000
Total Liabilities		348,63,98,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,86,60,000	
Silver Bullion	....	
Approved Foreign Exchange	71,55,25,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,80,000	
		125,94,15,000
B. Rupee Coin	4,37,81,000	
Government of Pakistan Securities	212,41,96,000	
Internal bills of exchange and other commercial paper	....	
		216,79,77,000
II Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,53,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	348,63,98,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 57.73 per cent.

COMPARATIVE BANKING STATISTICS *

In crores of Rupees.

	1st Sep., 1939 (pre-war)	3rd Jan., 1958	A week ago	A month ago	A year ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1523.06	1506.79	1509.25	1481.52
Notes held in Banking Department	81.05	9.13	16.52	13.63	7.55
Foreign Securities	59.50	275.23	275.23	280.19	447.08
Rupee Securities	37.89	1007.20	997.26	992.29	800.25
Banking Department					
Deposits of :					
Government of India	14.89	52.50	53.54	56.63	54.34
Other Governments	..	8.10	18.01	6.74	13.98
Balances held abroad	10.08	17.96	22.42	23.33	81.07
SCHEDULED BANKS					
Demand Liabilities	134.86	706.10	718.01	714.22	648.37
		(15.61)†	(17.40)†	(16.34)†	(6.93)†
		692.71	687.54	678.55	457.60
		(17.94)†	(20.68)†	(16.12)†	(2.34)†
Time Liabilities	103.24	..	..	..	..
Borrowings from Reserve Bank	..	30.59	23.63	13.75	73.19
		(24.92)‡	(21.07)‡	(12.41)‡	(52.82)‡
Borrowings from State Bank	..	7.73	6.62	6.46	10.09
Cash in India	6.70	40.31	38.84	39.31	37.38
Balances with Reserve Bank	25.17	66.40	67.61	77.65	48.13
Excess over statutory limits	15.52	17.24	17.96	28.37	6.77
Balances with other banks in current account in India	..	12.16	12.47	10.69	11.80
Money at call and short notice in India	..	50.39	50.11	50.26	8.97
Investments (at book value)	..	433.48	432.96	427.69	364.45
Advances and bills	105.09	880.63	868.02	842.51	802.98
STATE BANK					
Deposits	..	37.76	366.47	364.98	360.72	240.59
Investments	..	31.99	173.72	165.67	168.44	107.41
Advances	..	30.35	174.93	170.92	161.28	140.41
Cash	..	14.69	24.12	27.12	29.48	11.61

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	July,		Four months, April to July,	
	1956	1957	1956	1957
Import Duties :				
Revenue	9.15	14.04	38.37	51.58
Protective	1.14	0.97	4.24	4.01
On surplus disposals	..	0.04	0.08	0.05
Total import duties	10.29	15.05	42.14	55.59
Export Duties	1.24	1.29	7.08	5.32
Land Customs	0.18	0.16	0.62	0.88
Miscellaneous	0.06	0.13	0.32	0.43
Gross total customs	11.77	16.63	51.11	62.22
Refunds and drawbacks	0.20	0.42	0.79	1.42
Net Customs	11.57	16.21	50.32	60.80
Gross excise	14.41	20.63	55.89	79.67
Refunds	0.23	0.31	0.57	1.26
Net Excise	14.18	20.32	55.32	78.41
Net total of customs and excise†	25.75	36.53	105.64	139.21

† Net Customs plus net Excise.

State Bank of India

Statement of Affairs for the week ended 10th Jan., 1958

CAPITAL AND LIABILITIES	Rs.	Rs
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves	5,87,50,000	
Deposits and Other Accounts	363,23,14,000	
Borrowings from Other Banking Companies, Agents, etc.	7,88,50,000	
Bills Payable	4,82,80,000	
Bills for Collection being Bills Receivable as per contra	1,12,13,000	
Acceptances, Endorsements and Other Obligations per contra	20,43,000	
Other Liabilities (including Inter-Office Adjustments)	4,97,88,000	
Total	Rs.	394,19,88,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		15,18,48,000
Balances with other Banks		2,89,64,000
Money at Call and Short Notice		1,33,33,000
INVESTMENTS :		
Government and other Trustee Securities	178,92,72,000	
Other Authorised Investments	10,23,04,000	
		184,15,76,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	159,61,18,000	
Bills Discounted and Purchased	21,22,01,000	
		180,83,19,000
Bills Receivable being Bills for Collection as per contra		1,12,13,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		20,43,000
Premises less Depreciation		1,19,54,000
Furniture and Fixtures less Depreciation		72,35,000
Other Assets (including Inter-Office Adjustments)		6,55,03,000
Total	Rs.	394,19,88,000

SMALL SAVINGS§

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year Receipts	5-Year Outstandings*	7-Year Receipts	7-Year Outstandings*	12-Year Receipts	12-Year Outstandings*	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings*	10-Year National Plan Certificates‡ Receipts	10-Year National Plan Certificates‡ Outstandings*	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposit Certificates 3½%¶ Receipts	10-Year Treasury Savings Deposit Certificates 3½%¶ Outstandings	10-Year Treasury Savings Deposit Certificates 4%¶ Receipts	10-Year Treasury Savings Deposit Certificates 4%¶ Outstandings	15-Year Annuity Certificates** Receipts	15-Year Annuity Certificates** Outstandings*
1952-53	6,82	65	3,26	23,66	84,17	1,58,11	92,02	..	..	..	—81,07	25,64	..	..	..	..	..
1955-56	3,76	1,93	5,48	37,19	1,44,87	1,75,97	1,67,85	9,86	16,38	—27,58	41,25	..	..	..	..	45	95
1956-57	3,00	2,87	6,01	31,62	1,69,68	13,27	1,96,80	10,08	25,38	—38,88	44,28	..	..	..	..	48	1,82
October 1956	3,28	16	5,60	2,38	1,56,53	13,00	1,85,38	82	22,06	—36,06	43,29	..	..	..	..	4	1,17
November	3,28	14	5,67	2,31	1,57,64	12,70	1,86,88	76	22,75	—36,15	43,29	..	..	3	1,19	..	..
December	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,85	—36,23	43,58	..	..	3	1,22	..	..
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,09	66	24,10	—36,64	43,59	..	..	6	1,27	..	..
February	3,07	17	5,81	2,35	1,61,04	12,96	1,88,82	73	24,72	—36,71	44,14	..	..	4	1,30	..	..
March	3,00	25	6,01	4,01	1,63,68	23,56	1,96,50	78	25,38	—36,82	44,28	..	..	4	1,33	..	..
April	2,98	12	5,98	2,30	1,64,82	14,76	1,93,76	70	25,98	—36,87	44,39	..	..	2	1,35	..	..
May	2,88	12	5,84	2,13	1,65,59	14,63	1,97,56	56	26,41	—36,93	44,51	..	..	2	1,37	..	..
June	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34	—39,02	44,45	63	63	2	1,39	..	..
July	2,74	2	5,61	—29	1,62,56	15,03	2,00,87	10	26,16	—39,11	44,42	62	1,24	4	1,43	..	..
August	2,68	..	5,49	—9	1,60,38	12,64	2,01,66	—22	25,61	—39,18	44,27	52	1,76	3	1,46	..	..
September	2,60	..	5,39	—2	1,58,28	14,05	2,03,17	—2	25,17	—39,26	44,14	61	2,39	4	1,49	..	..
October	2,54	..	—5,26	..	1,55,82	12,51	2,02,33	..	24,81	—39,33	44,07	42	2,81	2	1,47	..	..
November	..	..	..	..	..	..	..	..	..	..	43,96	49	3,29	2	1,49	..	..

Outstandings do not include Indian Union's share of the pre-partition liabilities ; repayments, however, include those from the prepatition holdings of Indian investors.
‡ Issued from May 10, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957.
¶ Issued from 1st June, 1957. *Source* : Accountant-General, Posts and Telegraphs.
§ These exclude receipts and outstandings of 12-year National Plan Savings Certificates of which receipts amount to Rs. 6.17 lakhs and outstandings to Rs. 26.33 lakhs (upto October 1957).

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 4th Jan., 1958	28th Dec., 1957	7th Dec., 1957	5th Jan., 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.1	89.1	89.1	88.7
1. Government of India	88.8	88.8	88.8	89.4
2. State Governments	96.4	96.4	96.3	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.0	90.9
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.3	97.7	100.0
1. Electricity	98.7	99.0	98.6	100.9
2. Jute	92.0	92.0	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	98.5	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	97.0	97.0	96.3	100.9
7. Shipping etc.	98.6	98.6	98.6	101.8
8. Others	94.8	94.8	98.3	100.5
PREFERENCE SHARES	71.5	72.0	72.7	89.3
1. Electricity	83.8	83.8	83.6	87.0
2. Cotton	68.3	68.5	69.7	80.0
3. Jute	62.4	63.1	63.1	75.5
4. Coal	74.5	74.5	74.5	83.0
5. Iron and Steel	76.6	76.6	76.8	83.7
6. Sugar	70.7	71.0	71.2	81.6
7. Paper	79.6	80.0	80.4	79.6
8. Plantations	67.5	68.9	69.1	100.2
9. Miscellaneous	66.8	68.2	70.3	74.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.4	95.9	98.1	113.4
(a) Financial	94.9	95.0	96.4	99.9
1. Banks	97.8	98.0	97.1	92.0
2. Insurance	88.7	88.7	89.4	99.8
3. Investment Trust	73.6	73.6	73.3	82.7
(b) Public Utilities	103.2	103.4	103.8	108.0
1. Electricity	101.0	101.1	101.7	103.7
2. Shipping and other Transport	118.8	119.1	118.3	113.6
3. Railways	66.0	65.6	66.1	81.7
(c) Manufacturing Industries	97.7	98.3	101.3	121.2
1. Cotton, Woollen and Silk	94.8	95.5	98.2	128.0
2. Jute	60.1	60.6	63.6	60.4
3. Iron and Steel	114.3	113.8	119.6	127.5
4. Paper	208.4	209.0	209.5	247.3
5. Cement	134.2	135.2	136.7	168.5
6. General Engineering	140.2	141.3	147.5	174.8
7. Sugar and Breweries	96.5	97.0	97.6	101.5
8. Chemicals	125.7	126.3	127.7	137.0
(d) Non-Manufacturing Industries	107.7	108.5	112.5	141.5
1. Coal	65.1	65.2	65.8	74.8
2. Mining and Oil	144.3	144.7	150.8	200.9
3. Plantations	118.1	119.5	124.6	156.9
(e) Miscellaneous	69.4	70.2	73.5	90.7
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :	88.5	88.5	88.5	89.0
1. Bombay	89.0	89.0	88.9	89.5
2. Madras	89.2	89.3	89.2	89.9
DEBENTURES OF INDUSTRIAL CONCERNS :	96.0	96.0	96.6	99.4
1. Bombay	97.4	97.6	97.8	100.5
2. Calcutta	97.7	97.7	99.2	99.7
PREFERENCE SHARES :	78.1	78.2	78.5	84.9
1. Bombay	64.6	65.4	66.4	74.1
2. Calcutta	84.1	85.3	85.6	95.5
3. Madras	..	..	..	..
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :	108.9	109.1	111.0	121.8
1. Bombay	88.1	88.7	85.8	100.0
2. Calcutta	106.6	106.8	107.4	125.4
3. Madras	110.3	110.7	114.1	120.8
4. Delhi	..	..	..	..

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved.	Number of man-days lost
1953	772	466,607	3,382,608
1954	840	477,188	3,578,630
1955	1,166	597,767	5,697,548
1956	1,322	784,169	7,186,519
August 1956	136	—	498,583
September	130	—	284,788
October	138	—	525,966
November	137	—	513,389
December	147	—	422,406
January 1957	154	—	395,619
February	134	—	282,909
March	114	40,811	333,791
April	106	60,358	406,470
May	164	64,377	446,940
June	147	95,273	715,592
July	178	83,727	723,854
August	163	85,255(a)	563,341(a)
September	163	67,410†	497,221†

(a) Not known in 6 cases. (†) Not known in 8 cases.
‡ In progress during the month.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	July 1956	June 1957	July 1957
General Index	122.1	133.0	152.7	168.4	161.5
Coal	111.4	114.9	108.9	118.0	114.3
Sugar*	145.0	175.1	590.2	1,090.2	800.8
Tea*	106.3	108.0	122.8	110.8	122.4
Cotton textiles	111.9	117.5	128.2	109.4	116.6
Jute textiles	118.9	127.3	129.4	114.2	118.4
Paper and paperboards	140.2	146.3	149.5	154.7	156.5
Matches	106.5	106.5	105.3	81.4	95.8
Cement	140.4	154.2	146.1	149.6	156.5
Iron and steel	113.3	119.4	116.9	111.7	114.9
Non-ferrous metals	123.7	124.7	122.1	146.0	145.9
Rayon	280.2	355.8	373.3	358.8	417.1

*Adjusted for seasonal fluctuations.

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns‡	Units Generated‡	Total Units Sold
1952-53	614	6,901.4	5,184.3
1955-56	686	7,760.9	6,319.2
1956-56	716	8,305.8	7,185.8
1956-57	760	9,377.8	8,103.1
July 1956	724	798.0	656.2
August	735	792.7	650.0
September	753	812.7	666.4
October	756	810.5	670.1
November	756	788.1	688.1
December	757	861.6	715.0
January 1957	765	866.7	711.7
February	767	811.0	677.7
March	770	901.4	754.5
April	768	882.2	756.7
May	795	898.4	736.1
June	809	928.3	743.9
July	811	923.0	731.0
August	814	924.7	739.3
September	..	..	..

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	28th Dec., 1957	21st Dec., 1957	29th Dec., 1956	November, 1957	November, 1956	Percentage of Increase (+) or decrease (—) in Nov., 1957 as compared with Nov., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	102.9	103.6R	108.9	107.9	108.9	+ 0.9	106.8	98.9
Cereals	288	97	98	95	102	100	+ 2.0	102	92
Pulses	84	80	79	86	83	84	— 1.2	85	78
Fruits and Vegetables	45	96	101	106	111	116	— 4.3	117	108
Milk and Ghee	167	98	98	95	104	101	+ 3.0	104	99
Edible Oils	93	125	125	130	131	133	+ 1.5	128	117
Fish, Eggs and Meat	34	97	99	94	98R	97	+ 1.0	97	97
Sugar and Gur	95	107*	110	95	110	110	—	105	97
Others	93	132*	132	144*	136R	135	+ 0.7	132	125
Liquor and Tobacco	21	98.5	97.3	82.2	98.5	88.7	+11.3	91.8	82.3
Tobacco	—	95	96	87	95	86	+10.5	90	81
Fuel, Power, Light and Lubricants	98	114.8	114.8	106.8	115.0	106.7	+ 7.8	111.5	101.6
Industrial Raw Materials	188	114.8	115.8	119.1	116.0	118.0	— 1.7	118.1	113.2
Fibres	393	115	116	121	114	118	— 3.4	120	114
Oilseeds	88	117	120	122	123	123	—	122	115
Minerals	14	107*	107	106	108	104	+ 3.8	109	99
Others	205	109*	109*	110	107	110	— 2.7	107	110
Manufactures	260	107.4	107.4	108.6	108.4	108.4	—	107.9	104.9
Intermediate Products	141	105.6	105.5	113.2	106.0R	112.2	— 5.5	108.6	110.0
Finished Products	289	107.7	107.7	107.9	108.8	107.8	+ 0.9	107.8	104.1
Textiles	106	105	106	110	107	110

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Forecast	(In thousand acres) 1956-57	1955-56	(In thousand tons) 1956-57	1955-56
Cereals—					
Rice	final	78,174	76,364	28,142	26,848
Wheat	final	32,891	30,386	9,068	8,509
Jowar	final	41,814	42,904	7,427	6,602
Bajra	final	27,542	28,024	2,926	3,379
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,654
Ragi	final	5,674	5,693	1,914	1,820
Small millets ..	final	12,209	12,713	2,010	1,937
Total cereals ..	final	215,542	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,330	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses § ..	final	16,166	15,567	1,664	1,632
Rabi pulses‡ ..	final	11,443	11,708	1,794	2,088
Total pulses ..	final	57,295	57,064	11,435	10,881
Total foodgrains .		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed ..	final	1,403	1,405	129	124
Sesamum ..	final	5,453	5,653	451	457
Rape and Mustard ..	final	6,211	6,317	1,017	848
Linseed ..	final	3,758	3,781	349	414
Total oilseeds .	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,723	4,001
Jute A. ..	final	1,883	1,739	4,221	4,197
Mesta A. ..	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane ..	2nd	4,784†	4,475††	68,501†	58,985††
Ginger (Dry) ..	final	40	40	15	15
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	806	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During December, 1957 ..	92.8
	Corresponding month, 1956 ..	84.9
	Six months ended Dec., 1957 ..	522.0
	Corresponding period, 1956 ..	517.3
Stocks	At the end of Dec., 1957 ..	75.6
	Corresponding month, 1956 ..	95.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export	1955-56	8,57.2
Purpose ..	1956-57	8,52.9
	Nov., 1956	80.5
	Nov., 1957	76.6
For Internal	1955-56	1,90.0
Consumption ..	1956-57	1,79.0
	Nov., 1956	17.0
	Nov., 1957	20.4
	RAW JUTE	(In lakh bales)
Consumption by Mills† ..	December, 1957	5.88
	Corresponding month, 1956 ..	4.92
	Six months ended Dec., 1957 ..	30.27
	Corresponding period, 1956 ..	30.04

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1955 ..	11,84,400	10,42,900	7,81,200
Do. 31st March, 1956 ..	11,55,900	10,62,100	7,97,500
Do. 31st March, 1957 ..	11,55,500	10,73,600	7,97,500
July 1956	94,400	91,300	65,500
August "	97,500	88,100	66,000
Sept., "	96,400	88,800	69,700
Oct., "	96,700	91,100	71,800
Nov., "	94,700	85,800	65,100
Dec., "	1,01,500	93,300	66,900
July 1957	88,300	88,300	66,600
August "	88,700	85,500	63,100
Sept., "	88,600	92,500	71,700
Oct., "	96,100	96,500	59,000
Nov., "	94,900	98,100	66,000
Dec., "	95,100	100,500	74,200
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1955 ..	7,15,949	5 28 240	4,59 093
Do. 31st March, 1956 ..	7,06,986	5,31,505	4,60,607
Do. 31st March, 1957 ..	6,95,156	5,32,315	4,41,483
Three months ended Dec., 1956	1,88,546	1,41,450	1,14,703
" " " Mar., 1957	1,83,887	1,39,830	1,20,578
" " " June, 1957	1,72,225	1,29,651	1,05,096
" " " Sept., 1957	1,71,397	1,19,172	96,815
" " " Dec., 1957	1,80,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August 1957	August 1956	Jan. to August 1957	Jan. to August 1956
Exports	59,87	49,47	426,88	372,99
Re-exports	38	41	2,89	6,49
Total Exports ..	60,25	49,88	429,77	379,48
Imports	80,98	66,55	659,11	519,85
Overall Balance of Trade ..	—20,73	—16,67	—229,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures ..	5,12	11,55	52,27	72,77
Cotton yarns and manufactures ..	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap iron or steel for re-manufacture ..	4,69	2,27	34,78†	10,74†
Cotton, raw and waste ..	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal ..	2,43	98	17,54	19,62
Fruits and vegetables ..	1,44	1,74	12,54	12,62
Tobacco	83	2,51	10,95	8,23†
Mica	71‡	68‡	5,24†	4,95†
Wool—Raw	1,06‡	76‡	7,41†	6,27†
Gums, resins and lac ..	80‡	1,01‡	6,31	6,51
Spices	55	70	6,06	6,60
Hides and skins, raw ..	69	25	5,38	4,02
Imports—				
Machinery of all kinds ..	17,39	13,15	144,71	97,32
Metals, iron and steel and manufactures thereof ..	12,50	10,88	107,31	77,44
Oils—vegetable, mineral and animal ..	8,56	5,78	70,10	40,44
Cotton, raw and waste ..	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines ..	4,20	2,98	31,89	27,68
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus ..	5,21	1,44	37,75	12,96
Paper, pasteboard, etc. ..	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats) ..	4,49	4,95	45,32	41,23
Fruits and vegetables ..	1,17	19	13,39	9,10
Spices	32	81	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,64

† Estimated.

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oilseeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,762	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February "	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March "	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April "	1,245	268	103	22	10	6	16	2	76	39	3	34	2	18
May "	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June "	3,562	756	334	57	30	18	48	5	164	109	9	101	7	48
July "	4,663	1,010	438	72	35	21	66	7	133	145	11	133	13	62
August "	5,781	1,279	539	84	39	25	67	8	208	183	13	177	19	81
September "	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October "	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.–2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 9th Jan., 1958 ..	27,737(J)
	Corresponding week, 1957 ..	37,554(J)
	1st Sept. to 9th Jan., 1957-58 ..	368,409*
	Corresponding period,1956-57 ..	494,251*
Cotton Exports ..	Week ended 9th Jan., 1958 ..	1,889
	Corresponding week, 1957 ..	7,193
	1st Sept. to 9th Jan., 1957-58 ..	41,889
	Corresponding period, 1956-57 ..	75,224
Mill Consumption (Estimated) ..	1st Sept. to 9th Jan., 1957-58 ..	475,317A.
	Corresponding period, 1956-57 ..	476,967
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 9th Jan., 1958 ..	421,018
	Corresponding date, 1957 ..	450,444
Cotton Exports from Bombay (by sea)	During November, 1957	5,396
	During November, 1956	8,243
	1st Sept., 57 to 30th Nov., 1957‡ ..	9,268
	1st Sept., 56 to 30th Nov., 1956 ..	27,298
Karachi (Pakistan)—		
Receipts	1st Sept. to 26th Dec., 1957 ..	573,077
	Corresponding period, 1956 ..	688,074
Exports	1st Sept., to 26th Dec., 1957 ..	178,735
	Corresponding period, 1956 ..	269,384

Particulars	From 1st September to 6th Jan., 1958 Bales	From 1st September to 6th Jan., 1957 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	1,005	7,623
Continent	778	5,472
Hongkong	1,630	4,638
China	—	3,027
Japan	14,875A.	42,026
U.S.A.	910A.	475
Other Countries ..	691	342
Total to all foreign countries	19,884A. 9,972‡	63,608 7,360
Coastal Ports ..		
Total	29,856	70,968

Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	November, 1957	390,784
Foreign		51,031
Indian	Three months ended Nov., 1957 ..	1,162,690
Foreign		148,756
Indian	Same Period 1956 ..	1,117,406
Foreign		151,639
Stocks (Mills and Elsewhere)—		
Indian	As on 30th Nov., 1957 ..	750,680
Foreign		190,170
Indian	As on 30th Nov., 1956 ..	1,020,767
Foreign		189,065
Cotton Pressed in India† (In running bales) ..	Week ended 27th Dec., 1957 ..	304
	1st Sept., to 27th Dec., 1957 ..	641,918
	Corresponding period, 1956 ..	644,161
		826,227

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 31st Oct., 1957. A.=Adjusted. § Includes Zoda and Yellow Pickings, etc.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926–33	63,30,26,000	1960–70	100.60
3 % Loan	1938–39	116,17,46,000	1968–65	98.75
3 % Loan	1950	30,33,10,000	1964	94.10
3 % Fg. Loan	1943	1,10,11,78,000	1956–68	91.60
3 % Dev. Loan	1945	1,15,05,83,000	1970–75	85.75
3 % 2nd Y. Loan	1945	1,13,35,54,000	1959–61	96.95
3 % Loan	1951	50,35,63,000	1958	99.80
2½ % Loan	1946	45,63,07,000	1960	97.40
2½ % Loan	1946	64,55,69,000	1961	94.55
2½ % Loan	1946	57,00,69,000	1962	93.10
2½ % Loan	1946	1,77,48,000	1976	84.60
2½ % Loan	1947	75,86,72,000	1962	94.60
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.65
3½ % N. P. Loan	1954	1,86,17,90,000	1964	97.75
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.60
3½ % N. P. Loan	1956	27,38,36,000	1968	97.60
3½ % N. P. Bonds	1956	83,81,83,000	1967	97.60
3½ % Loan	1956	66,61,95,000	1974	98.25
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1973	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896–97	8,93,34,000	At option of Government after three months notice.	71.10
3 % Loan	1946	2,48,91,41,000	On September, 1986 or later at option of Government after three months' notice.	71.00
REPATRIATE STERLING LOANS				
4½ % Loan	1923	5,85,73,000	1958–68***	100.50
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	96.80
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	96.90
3 % Bombay	1944	3,01,13,000	15th Aug. 1958	99.25
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94.10
3 % Bombay	1950	2,83,70,000	31st July 1960	98.00
3 % Bombay	1951	2,90,05,000	17th Sept. 1962	98.90
4 % Bombay	1953	5,25,90,000	15th July 1963	99.25
4 % Bombay	1953	3,46,95,000	1st Aug. 1964	99.10
4 % Bombay	1955	2,87,51,000	3rd Sept. 1967	98.25
4 % Bombay	1956	8,07,06,000	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,00,00,000	16th Sept. 1969	99.80
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	96.75
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	96.75
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Mowrah Bridge (New)	1936–37	1,95,96,700	1956–66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.10
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.10
3 % Madras	1939	1,23,95,000	21st June 1958	98.25
3 % Madras	1944	1,07,98,000	15th Aug. 1958	99.00
3 % Madras	1945	2,78,44,000	14th Sept. 1960	96.80
2½ % Madras	1946	3,81,77,200	1st Sept. 1961	95.50
2½ % Madras	1950	4,38,25,400	31st July 1960	96.80
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.30
4 % Madras	1953	10,35,71,000	15th July 1963	98.25
4 % Madras	1955	5,24,81,200	1st Aug. 1964	98.12
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.10
4 % Madras	1956	13,83,56,000	3rd Sept. 1968	97.10
3 % Mysore(J)	1933	1,58,58,200	1st Dec. 1953–63	100.00
3 % Mysore(J)	1936	5,99,73,000	30th Apr. 1956–61	98.77
3 % Mysore	1947	5,06,06,000	25th Jan. 1958	98.70
3 % Mysore	1948	3,33,47,000	15th July 1958	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	96.40
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	96.80
4½ % Mysore	1957	6,00,00,000	16th Sept. 1969	99.00
4 % M.P.	1944	25,59,800	15th Aug. 1958	99.00
3 % M.P.	1948	2,83,28,800	15th Sept. 1964	93.00
3 % M.P.	1950	1,01,45,000	31st July 1960	96.00
3 % M.P.	1951	2,02,16,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	98.25
4 % M.P.	1955	1,83,12,000	1st Sept. 1967	96.75
4 % M.P.	1956	1,58,42,900	3rd Sept. 1968	96.75
4 % Saurashtra	1955	3,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
4½ % Trav. Cochin	1953	3 95,61,000	15th July 1963	97.60
4½ % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.10
2½ % U.P.Z.A.	1952	41,44,79000Z	..	45.00
3 % U.P.	1936	1,56,28,000	15th Sept. 1961–66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	96.25
2½ % U.P.	1946	2,16,39,000	1st Sept. 1961	93.20
2½ % U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1953	5,65,16,000	15th July 1963	98.25
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.15
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.15
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.00
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	96.75
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.25
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	96.75

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
36,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1966	
75,00,000	4	1908	1968	96.50N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00 000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,874	4	1913•	1960	D
90,00,000	4	1913	1974	96.50N
88,25,000	4	1914	1975	96.50N
10,00,000	4	1915•	1960	
55,00,000	4	1915•	1975	
61,61,000	4	1922•	1950	
11,51,000	4	1924•	1960	
10,25,000	3½	1928•	1960	
35,00,000	3½	1929•	1959	
12,50,000	3½	1930•	1950	D
12,50,000	3½	1931•	1961	
12,50,000	3½	1932•	1962	
24,58,000	3½	1935•	1975	
15,00,000	3½	1936•	1966	
48,94,000	3½	1938•	1976	
10,00,000	3½	1938•	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,34,300	4	1914	1974	97.75
78,96,100	4	1915	1975	97.75
50,00,000C	3††	1921	1981	82.00
68,02,300C	6½	1921	1981	144.00N
40,50,000	4	1928	1958–88	102.00
80,00,000	4‡	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
50,00,000	3	1938	1963–68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1959	98.25
50,00,000C	3	1950	1980	86.00
1,00,00,000	3	1950	1960	97.00
50,00,000	3	1950	1980	97.00
50,00,000	3	1951	1981	81.75
1,50,00,000C	3½	1951	1981	98.50
50,00,000	4	1953	1983	100.00
50,00,000	4	1953	1983	97.50
90,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
78,00,000C	4	1956	1986	97.25
1,24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£892,600	5	1922	1953–83	£80.00
£901,000	5	1924	1954–84	£80.25
£885,100	5½	1926	1956	£91.00
MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	
45,00,000	4½	1954	1954	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Latest Available Quotation Rs.
BOMBAY				
Rs.				Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
80,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	5	1916	1976	N
40,00,000	5	1922	1957–79	118.00N
66,00,000	5	1920	1955–80	
25,00,000	5	1926	1956–86	115.00N
25,00,000	5	1928	1961–70	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1900	1960	95.50N
£333,000		1910	1970	95.50N
CALCUTTA				
Rs.				Rs.
25,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1962	91.00
80,00,000	3	1938	1963–68	90.00
80,00,000	4	1952	1962	99.25§
1,02,00,000	4	1956	1966	99.00§

MUNICIPAL LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Latest Available Quotation Rs.
BOMBAY				
Rs.				Rs.
20,60,000	4	1913–18	1974	97.00
10,00,000	5	1920	1980	113.00N
25,00,000	5	1923	1983	108.00
26,21,500	5	1929	1959	104.00
3,25,00,000	3½	1947	1977	84.10
3,00,00,000	3½	1948	1978	84.10
4,00,00,000	3½	1948	1978	83.85
2,50,00,000	4	1952	1964	97.75
2,00,00,000	3½	1951	1966	97.00
1,80,00,000	4	1952	1967	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,80,000†	4	1954	1966	97.75
2,50,00,000	4	1956	1967	97.50
1,50,00,000	4	1956	1968	97.50
CALCUTTA				
Rs.				Rs.
36,00,000	5	1923	1953	102.00
25,00,000	5	1929	1958	100.00
10,00,000	5½	1932	1962	106.00
33,31,000	3½	1935	1965	94.00
60,00,000	3	1938	1968	90.00
47,50,000	3	1938	1968	90.00
16,56,800	4	1940	1957	99.75
17,64,400	3½	1940	1960	94.50
21,10,000	3½	1942	1979	92.00
15,49,000	3½	1951	1960	97.00
18,53,000	3½	1951	1961	97 50
66,58,000	3½	1951	1966	97.50
87,35,000	4	1952	1967	99.25
72,50,000	4½	1954	1979	100.00
MADRAS				
Rs.				Rs.
15,00,000	3½	1951	1961	107.00N
15,00 000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	96.00
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	98.25
4 % W. Bengal	1953	3,50,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,75,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.25

ABBREVIATIONS.
A— Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable.
(f) Income-tax free. • Loans held entirely by the Trustees. N—Nominal.
†Bombay State Transport. †† Rate of interest reduced from 6 to 3 per cent. with effect from 1st June 1944.
‡ Rate of Interest reduced from 6½ to 4 per cent. with effect from 1st April, 1955.]—Interest free to first 12 years. ⊢—Interest free for first 7 years
Z.—Ex four instalments but inclusive of accrued interest

***These shares carry the right of a preferential dividend at the rate of 8 per cent. (of which only 5 per cent. cumulative) per annum. In the event of a winding-up these shares have a preferential claim to repayment of capital.

†Only 7 per cent. out of the 10 per cent. dividend is cumulative.

††In addition to the fixed cumulative dividend of 5 per cent. these shares carry the right to receive a non-cumulative dividend of 3 per cent. per annum and also to participate in further dividend of 2 per cent. per annum rateably with ordinary shares. They have a preferential claim to repayment of capital and arrears of dividend.

†††These shares can be redeemed at Rs. 105 at any time by special resolution.

‡These carry the right to cumulative dividend of 7 per cent. and any surplus profits available after 10 per cent. of ordinary capital.

§These shares are entitled to receive 25 per cent. of the divisible profits in addition to the Dividend.

¶Capital and dividend unconditionally guaranteed by the Dunlop Rubber Co., Ltd.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.F.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	9,00,000	1875	6½	Mar. Sep.	85.00	100
Cawnpore Sugar Works T.F.C. ..	10,00,000	1905–24	8	Feb. Aug.	109.50	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.67	5
¶ East India Distilleries T.F.C.	£200,000	1897	7	Jan. July

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. H. = Accounts published half-yearly. P. = Company has Preference shares. T. = Company has Debentures N. = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation Rs.	Paid-up Per Share Rs	Dividend Per Ordinary Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
80,00,000	5,37,500	1,01,25,505	44,03,240	4,58,858	Rajputana Textl. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	2.00	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	51,884	1,021	B. E. Cotton Mills	25.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,00,000	3,12,88,951	5,98,22,946	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd.	2,23,552	3,984	Bombay Dyeing & Mfg. Co.	50.70	25	20.00	25.00*	25.00		3	Y.P.T.
10,00,000	42,53,360	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	151.00	50	75.00†	12.50	20.00	15.00	12	Y.
1,00,42,800	2,85,31,209	6,06,66,976	2,32,91,693	7,61,731	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	394.00	100	22.00	22.00	22.00	8.00‡	12	Y.
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,06,097	V. J. Pilani (Chairman and Managing Director)											
26,00,000	13,08,880	90,15,997	57,80,041	17,016	Cowasjee Jehangir & Co., Ltd.	40,668	698	Colaba Land & Mill	53.00	100	*Nil*	*Nil*			12	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	40,902	630	Coorla Spg. & Wvg.	125.00	100	7.50	7.50	12.50*		3	Y.
24,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	48,718	928	Dawn Mills	92.00	50	6.00	15.00			12	Y.
29,96,050	16,71,223	1,20,97,050	78,22,600	95,787	M.	42,124	886	Edward Textiles	221.25	200	15.00	18.00	15.00		12	Y.
50,00,000	67,54,375	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd.	49,528	764	Elphinstone Spg. & Wvg.	48.00	50	3.00	5.00	15.00		12	Y.P.
50,00,000	48,96,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd.	40,540	1,020	Finlay Mills	255.00	100	16.00	20.00	20.00		12	Y.
11,84,000	1,81,81,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Gold Mohur Mills Ltd.	171.50	100	12.50	15.00	15.00		12	Y.
16,000								Hindoostan Spg. & Wvg. Mills.	5,275.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,300	6,278	India United Mills	992.50	250	56.25	75.00	81.25	87.50*		
2,65,000									1.28	0 1D.	*Nil*	0.19	0.28		12	Y.
35,000	1,12,51,255	1,60,59,952	1,06,65,998	75,722	M.	47,964	1,122	Indian Mfg.	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	143.75	100	12.25	12.50	10.00	10.00(e)	6	Y.P.
1,60,00,000	1,23,00,000	3,59,04,591	2,78,94,101	1,62,802	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	264.00	100	18.00	18.00	18.00	6.00	12	Y.
22,18,050	48,06,720	1,22,06,423	54,55,440	55,109	N. Sirar & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*		10	Y.T.
51,75,000	38,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd.	71,652	1,652	Morarjee Goculdas Spg. & Wvg.	202.50	100	14.00	14.00	15.00	14.00(e)	6	Y.P.
1,80,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,084	Chinai & Co. Private Ltd.			National Rayon Corporation	215.25	100	10.00	12.00	14.00*		12	Y.P.
24,00,000	29,50,456	78,05,743	48,70,077	58,122	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	125.00	100	10.00	10.00	10.00		12	Y.
30,00,000	22,01,492	95,52,534	63,37,083	245	W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	228.00	100	7.50	10.00	10.00		12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	49,208	1,090	Phœnix Mills	116.25	100	8.00	10.00		12.50†	3	Y.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	140.00	100	10.00	12.00*	12.00*		12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783		M.			Sassoon & Alliance Silk Mill	7.24	10	0.50	0.50	0.25(e)		12	Y.
87,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,807	M. G. Investment Corp. Private Ltd.	94,584	2,127	Sassoon Spg. & Wvg.	30.50	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Ltd.	69,070	1,640	Shree Niwas Cotton Mills	144.00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	23,02,179	98,78,309	78,58,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	159.00	50	11.00	10.00	12.00		3	Y.
37,50,000	2,50,82,705	2,77,86,979	1,62,06,915	2,93,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	392.00	100	20.00	20.00	22.50*		12	Y.P.
26,00,000	96,06,485	2,51,02,081	1,33,02,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	169.25	100	12.50	12.50	14.00*		12	Y.P.
26,00,000	66,13,485	1,37,20,469	92,02,716	1,01,175	James Finlay & Co., Ltd.	39,328	552	Swan Mills	324.50	100	20.00	25.00	25.00		12	Y.
65,37,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd.	65,446	1,800	Tata Mills	89.00	25	2.50	4.00	3.50*		12	Y.T.
12,00 000	1,21 85 655	1 45 81 207	95,78,967	93 935	M.	45,508	1,308	Western India Spg. & Mfg.	4,920.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

AHMEDABAD

40,00,000	31,31,987	1,78,28,924	68,65,244	11,165	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	118.00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
94,50,000	94,50,008	2,76,10,164	1,77,29,288	27,288	P. M. Ruthieseing & Co., Ltd.	42,768	912	Arvind Mills	538.75	100	20.00	20.00	35.00*		12	Y.P.
40,00,000	2,97,83,861	1,95,82,179	97,29,208	2,46,389	Mangaldas & Bros., Ltd.	66,412	1,216	Arvind Mills	997.00	100	15.00	25.00*	35.00*		12	Y.P.
20,00,000	81,75,000	96,34,384	72,25,000	17,257	Lalbhai Dalpatbhai & Co.	35,864	892	Aryodaya Ginning & Mfg.	420.00	200	15.00	25.00*			12	Y.
12,00,000	1,48,05,808	95,70,783	63,81,782	37,368	Karamchand Premchand Pvt. Ltd.	39,120	914	Asoka Mills	892.50	100	22.00	30.00	30.00		12	Y.
1,37,50,000	3,49,54,519	5,14,69,792	2,66,98,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,872	Calico	593.00	125	18.00		30.00	30.00	3	Y.P.
62,91,000	32,38,059	1,28,33,243	95,76,083	3,468	Tribhal Bhogilal & Co., Ltd.	45,336	966	Jaw Commercial Mills	425.00	1,000	80.00	100.00*			12	Y.
15,00,000	67,78,770	57,78,441	32,49,912	21,803	Jagabhai Bhoglal Nanavaty & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	682.00	125	35.00	35.00			12	Y.
20,00,000	1,10,62,006	99,61,103	62,28,955	1,77,073	Lalbhai Dalpatbhai & Co.	25,560	572	Nutan Mills	340.00	100	20.00*	20.00	20.00		12	Y.P.
52,50,000	14,78,207	1,07,01,469	71,42,806	17,34,749	Lalubhai Gordhandas Ltd.	32,156	648	Raipur Mfg.	805.00	100	25.00	35.00*	35.00*		12	Y.P.
57,96,300	2,76,64,103	1,05,24,999	2,69,336	1,93,295	Maruvilalbhai Kalidas & Co.	94,128	1,735	Rohit Mills	145.75	100	9.00	*Nil*			12	Y.P.
19,52,500	62,81,263	78,06,018	66,64,701	15,592	Mafatlal Chandulal & Co., Ltd. (Ahmedabad), Ltd.			Shri Ambica Mills	581.00	50	20.00	27.00*	30.00*		12	Y.P.
85,00,000	37,34,105	1,19,54,140	83,17,270	50,446	Haridas Ashratlal & Co., Ltd.	36,176	780	Shorrock Spg. & Mfg.	422.50	100	25.00*	25.00			12	Y.
								Vijaya Mills	600.00	500	35.00*	35.00*	50.50*		12	Y.P.

WEST BENGAL

15,00,000	2,82,800	35,26,098	2,89,708	60,222	Calcutta Agency Private Ltd.	13,044	354	Basanti Cotton Mills	5.56	10	0.50	0.50	0.50		12	Y.P.T.
7,11,280	10,08,297	30,04,522	55,58,256	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,292	925	Bengal Luxmi Cotton Mill	33.00N	40	4.00	4.00	4.00	6.00	3	Y.P.
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	110.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
19,00,000	26,17,451	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd	42,944	518	Dunbar Mills	130.00	100	*Nil*	2.50	6.00		12	Y.P.
80,06,000		69,00,157	15,08,197	2,632	Birla Brothers Private Ltd.	4,852	208	Jaw Shree Textiles Ltd.	6.06	10	*Nil*	*Nil*	0.37		12	Y.
1,50,00,000	2,29,43,820	3,76,19,833	1,31,26,333	1,82,672	Birla Brothers Private Ltd.	74,672	1 992	Kesoram Cotton Mills	10.25	10	0.87	0.87	1.00		3	Y.P.
19,47,7000	7,45,000	4 84,571	26 70,548	3,886	Hazaresmull Heerala	23,036	795	Rampooria Cotton Mills	15.06N	10	0.62	1.00	1.00		6	Y.
5,00,0001									4.50N	1D	*Nil*	0.34	0.36			

SOUTH INDIA AND OTHER CENTRES

1,98,500	5,57,619	29,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,681	1,35,99,928	62,71,683	95,485	C. S. Tyabjee, Esq.	36,186	716	Asan Jahi Mills	62.00	100	*Nil*	3.50(e)	5.00		9	Y.
1,21,50,000	2,50,15,667	3,59,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,068	1,157	Bangalore Woollen, Cotton and Silk Mills	167.00	100	30.00	30.00	30.00	4.00‡	12	Y.P.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	3.00	1.50	3	Y.P.
1,78,47,800	2,77,73,212	6,69,41,818	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	156.00	100	10.00	10.00	10.00	1.50	3	Y.P.T.
20,00,000	20,00,000	42,33,535	23,99,012	53,534	Peirce, Leslie & Co., Ltd.	37,536	4	Cambodia Mills	9.50	10	*Nil*	0.50	0.50		12	Y.P.
15,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,500		Cannanore Spg. & Wvg.	158.00	100	20.00	12.50	15.00	20.00	3	Y.
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	501	Cawnpore Textiles	4.62	5	0.50	*Nil*	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,650	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	11.87	10	*Nil*	0.62	0.75	0.99	3	Y.P.
35,00,000	19,01,056	1,41,07,534	30,85,709	10,888	R. Bheemaraju & Co.	28,864	..	Coimbatore Cotton Mills	156.00	100	25.00	25.00	25.00		12	Y.
18,15,000	7,25,195	39,16,552	24,29,632		T. A. R. Chettiar Sons & Co.	22,810	..	Coimbatore Murugan Mills	141.00	100	17.50	20.00	12.50		12	Y.
20,00,000	19,95,000	36,59,430	24,25,921	14,323	T. R. N. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills	225.00	100	20.00	20.00			12	Y.P.
20,76,900	2,05,076	1,24,98,876	88,06,979	10,415	R. G. S. Naidu & Co.	72,353	607	Coimbatore Spg. & Wvg.	67.00	50	6.00	8.00	10.00		12	Y.P.
46,87,500	46,12,622	2,50,38,471	1,61,31,864	18,215	Textile Industries Private Ltd.	57,228	1,620	Central India Mills	116.00	100	12.00	12.00	12.00		3	Y.P.
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son	25,216	..	Davangere Cotton Mills	115.00	100	12.00	9.00	9.00	9.00	3	Y.
3,38,56,225										25	2.25	2.25	2.50	2.50	3	
1,00,563	3,10,24,830	11,79,09,463	6,78,07,185	2,77,746	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	28.50	24	2.00	2.00	2.25	2.00	6	Y.P.T
48,89,600	22,25,000	66,71,865	46,12,585		M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	207.00	100	30.00	30.00	25.00	0.20		
63,00,000	93,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,196	Elgin Mills	13.00	10	1.00	1.00	1.25		12	Y.
48,81,000	37,59,771	1,06,12,541	73,45,088	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	155.75	100	13.00	15.00	13.00		12	Y.P.
2,50,00,000	2,25,000	4,52,38,795	1,52,00,000	72,17,275	Birla Gwalior Private Ltd.			Gwalior Rayon	10.00	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United	118.00	100	6.00	9.00	11.00		12	Y.
8,90,000	10,85,653	31,40,455	19,97,477		G. V. Naidu & Co., Ltd.	23,734	..	Janardhana Mills	77.50	50	5.00	10.00	10.00		12	Y.
15,54,000	18,24,703	45,22,234	33,88,995	7,012	M. Bhaktavatsan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00		6	Y.
4,63,65,300	3,24,05,304	4,34,59,284	3,18,54,080	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	9.50	10	4.00‡	4.00‡	0.55	0.35	6	Y.P.
42,00,000	19,25,000	1,05,81,567	38,39,076	91,772	Kothari & Sons	41,040	900	Kothari Textiles	10.30	10	0.50	1.00	1.00	1.00	6	Y.P.
32,00,000	67,91,510	1,69,61,585	1,26,19,465	20,376	M.	50,452	1,219	Lakhamni Cotton Mfg.	432.50	250	33.75	45.00	42.50	7.50‡	12	Y.P.
71,28,200	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	93,160	201	Lakshmi Mills	104.00	50	10.00	12.50	12.50	10.00		
35,54,100									52.00	25	5.00	6.25	6.25	5.00	3	Y.
1,75,02,480	4,24,40,278	5,83,51,924	3,77,47,982	38,44,130	A. & F. Harvey Ltd.	4,53,000	..	Madura Mills	33.75	15	3.00	3.00	2.62		12	Y.
12,00,000	3,67,363	29,03,352	18,76,700	213	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	99.00	200	*Nil*	*Nil*	8.00		12	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	363.00	100	22.50*	35.00	42.50	20.00	12	Y.
29,80,884	19,56,081	92,42,488	53,37,785	19,652	N. Sirur & Co. Private Ltd.	39,896	704	Minerva Mills	71.00	100	5.00(e)	6.00	6.00		12	Y.
84,91,850	21,56,146	1,71,94,769	78,81,528	1,55,008	M.	52,408	952	Model Mills (Nagpur)	178.75	250	5.00(e)	5.00(e)	7.50		12	Y.
24,83,500	48,52,478	1,13,48,711	71,02,473	35,987	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spun Silk Mills	95.00	50	8.00*	6.00(e)	9.00*	9.00*	6	Y.P.
13,81,780		29,12,524	17,83,314	3,966	K. Tipperudrah (Chairman)	6,500		Mysore Spun Silk Mills	6.25	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
87,20,400	47,50,246	1,71,25,376	67,91,383	2,593	M.	57,788	902	Ramanbhai Mills	51.75	100	*Nil*	2.50(e)	3.00(e)		9	Y.
4,00,800A									135.00	50A	12.00	12.00	15.00			
6,00,000B	18,00,000	65,46,779	25,36,447	8,580	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	197.50	75B	18.00	18.00	22.50		12	Y.P.
15,00,000		34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980	..	Pankaja Mills Ltd.	45.50	100	*Nil*	4.00(e)	*Nil*		12	Y.
16,81,200A	29,95,008	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	55,664	800	Radhakrishna Mills	244.00	100A	16.00	20.00	20.00			
8,40,600B									120.00	50B	8.00	10.00	20.00		12	Y.
15,00,000	29,10,000	54,56,520	29,01,451	5,070	B. R. Naidu & Sons	33,896	..	Rajalakshmi Mills	72.00	50	10.00	10.00	7.50		12	Y.
16,14,300	12,00,000	32,92,216	17,41,494	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	135.00	100	6.00	10.00	10.00		12	Y.P.
22,31,750	12,40,000	49,64,423	21,20,815	32,012	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills	112.00	100	9.00	10.00	10.00		3	Y.
15,20,000									700.00	1,000	*Nil*	10.00	10.00		12	Y.
10,000	1,60,55,917	3,13,49,031	2,05,07,227	—1,65,20,796	Morarka & Co.	95,232	2,282	Sholapoor Spg. & Wvg.	2	500	*Nil*	*Nil*	*Nil*		3	Y.P.
86,69,700	20,26,385	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills	83.00	50	4.50	5.00	7.00	7.00	3	Y.
16,00,000	3,43,80,155	99,62,153	79,53,780	20,50,553	Birla Brothers Private Ltd.	86,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	5.00	7.00		3	Y.
17,50,0000	2,36,28,081	5,13,52,120	1,81,83,924	3,95,712	Jaipuria Brothers	1,12,216	2,061	Swadeshi Cotton (Kanpur)	11.50	100	0.75	0.75	0.75			
1,57,50,000PO									11.00	10P.O.	1.15	1.15	1.15		12	Y.P.
1,00,08,205	50,06,584	3,35,56,288	1,62,42,715	2,63,690	Emcete & Sons (Travancore), Ltd.			Travancore Rayons	11.20	10	0.62	0.75	1.00		12	Y.P.T
13,98,670	9,50,000	17,49,381	12,41,858	62,837	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	12.30	10	0.89	0.89	0.89		12	Y.
21,00,008	38,50,000	80,72,584	47,22,519	44,009	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	278.00	100	15.00	20.00	20.00		12	Y.P.
32,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,355	Vishnu Cotton	95.00	100	4.00	8.00	8.00		12	Y.P.

* Includes bonus. M = Managed by Board of Directors. X.R. = Ex-Right.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z = Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 75 each in August 1957.
§ Made up of 4,384 shares of Rs. 40 each—Rs. 80 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up.
(e) Paid out of Reserves. F = For fifteen months ended 31st March, 1957.
‡ On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital * Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
BREWERIES AND DISTILLERIES														
39,84,000	47,42,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.90	5	*Nil*	0.50	0.75	0.85	3	Y.P.
16,20,630	26,75,014	29,35,991	16,24,122	33,736	Mr. K. G. Khanna	Dyer Meakin Breweries	7.75	5	0.50	0.56	0.56		3	Y.
£549,950	£1,149,466	£1,757,923	£641,807	£59,449	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	28.75	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	169.50	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	10.85	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6900	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	4.25	O. 10	*Nil*	*Nil*			3	Y.P.T.
14,70,976D.							0.95	D. 1						
12,71,80,070	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	149.25	100	8.50	10.00	10.00	9.00	7	Y.T.
5,07,44,575														
1,66,00,0000	60,59,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	9.90	O. 10	1.00	1.25	1.25		12	Y.P.
5,00,0000							2.87	D. 1	0.10	0.12	0.12			
1,02,09,4500	26,00,000	2,09,08,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	24.50	O. 25	1.25	1.87	2.06	2.06	3	Y.P.
7,50,0000							4.70	D. 5	*Nil*	0.37	0.41	0.41		
1,00,00,000	31,40,712	2,43,40,188	93,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12.00	10	0.75	1.25	1.25		12	Y.P.
1,00,67,600	48,70,330	3,18,39,387	1,02,54,174	3,37,111	Shree Laxmi Agents Private Ltd.	Shree Digvijay Cement	135.00	100	8.50	8.50	9.00		12	Y.P.
1,50,67,600	17,70,000	2,09,86,577	1,50,04,018	4,287	M.	Sone Valley Portland Cement	4.50	5	0.37	0.25	0.30	0.15	7	Y.
75,00,000		1,04,40,357	43,91,959	7,08,101	Kasel (Privately)

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
43,00,000	35,91,541	2,13,38,493	1,56,73,814	4,805	M.	Bengal Paper Mills	80·25	25	3·12	4·69	2·50		12	Y.P.T.
63,00,000	63,91,258	1,24,02,173	53,76,687	33,644	Andrew Yule & Co., Ltd.	India Paper Pulp †‡	19·50	10	14·00	1·39 2/5	1·39 2/5	1·40	3	Y.
25,00,000	25,12,500	1,48,27,080	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15·50	10	0·75*	0·75*	1·00*	1·00*	3	Y.
1,46,82,500	2,46,78,045	6,04,16,697	1,37,38,042	2,62,477	Birla Brothers Private Ltd. ..	Orient Paper	23·65	10	0·94	1·12	0·62	1·50	3	Y.P.T.
1,25,40,070	67,75,508	1,56,46,302	1,00,70,701	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14·50	10	1·50	1·25	1·25		6,12	H.P.T.
40,00,000 }	6,50,000	95,88,644	61,01,926	13,705	Rajoria & Co.	Star Paper Mills	{ 11·00	O. 10	0·75	1·25	1·05		} 3,9	H.P.T.
20,00,000A. }					Birla Brothers Private Ltd. ..	Sirpur Paper Mills	{ 11·00	A. 10	0·75	1·25	1·05			
3,18,55,240	49,18,000	3,75,60,264	57,92,879	17,813			8·36	10	Nil	5·00†	0·50		6	Y.P.
56,00,000A. }					F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	{ 31·87	A. 10	1·50	2·00*	1·12*	2·37*	} 8	Y.P.
56,04,800B. }	3,79,50,474	6,78,46,867	3,61,66,938	92,528			{ 31·87	B. 10	1·50	2·00*	1·12*	2·37*		
4,37,600P.O. }							3·81	P.O. 2½	0·25	0·25	0·12	0·25		
PRESSING														
8,00,000	3,26,872	14,981	13,858	28,272	Andrew Yule & Co., Ltd.	Calcutta Hydraulic	65·00N	100	4·00	*Nil*	*Nil*	3·00	6	Y.
5,00,000	2,47,132	10,91,809	9,30,374	26,289	Andrew Yule & Co., Ltd.	Central Hydraulic	90·00	100	5·00	5·00	6·00		6	Y.
PROPERTY AND LAND														
10,09,7800. }	7,30,848	38,74,650	29,83,280	96,047	M.	Humayun Properties	{ 12·25N	O. 10	0·60	0·60	0·60		} 9	Y.P.
2,00,0000D. }							{ 2·75N	D. 1	*Nil*	*Nil*				
94,00,000	25,22,469	7,33,363	52,846	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	17·25	100	4·00	3·00	*Nil*	*Nil*	4	Y.P.
SAW MILLS AND TIMBER														
13,99,998	22,83,439	32,33,742	11,98,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1·50	3	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000 }	4,18,54,388	2,98,84,871	1,71,93,141	39,548	Wallace & Co.	Bombay-Burmah Trading Corpn.	{ 523·00	Old 125	20·00	37·50	40·00	18·75‡	} 5	Y.
42,00,000 }					Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products	{ 200·00	New 25	8·00	15·00	12·75	7·50‡		
20,00,000	20,40,000	19,48,737	18,06,208	1,44,843			41·75	10	2·75	3·00	3·00		9	Y.
SUGAR (U.P. and Bihar)														
14,00,000 }	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	5·50	5	0·75	0·06	*Nil*		6	Y.
12,00,000A. }	20,80,260	55,40,831	36,32,435	12,12,000	*Narang Bros. & Co.* Private Ltd. ..	Basti Sugar	{ 125·00N	A. 100	10·00	10·00	10·00		} 4	Y.T.
3,00,000B. }						Balsund Sugar	{ 11·50N	B. 10	1·00	1·00	1·00			
19,43,050	8,25,000	33,70,107	25,31,569	73,488	Bangur Bros., 1957.		10·06	7½	0·75	0·75	1·00		9	Y.
15,00,000	13,51,513	18,12,168	12,47,841	2,330	Cotton Agents Private Ltd.	Bharat Sugar	13·50N	10	1·50	1·50	1·50		6	Y.P.
32,00,000	27,44,459	1,40,84,581	95,71,755	30,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	5·69	10	0·75	0·25	*Nil*		6	Y.P.T.
30,00,000	65,93,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12·06	10	0·75	0·75	0·75		10	Y.P.
18,00,000	39,72,380	81,58,085	55,46,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19·50	10	1·00	1·50	1·00		8	Y.
9,58,252	2,59,762	16,98,385	16,98,385	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10·00N	10	0·75	0·50	0·50		8	Y.T.
50,00,000A. }	44,95,000	1,02,71,005	67,56,074	38,128	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	{ 275·00	A. 100	15·00*	15·00*	15·00		} 6	Y.P.
10,00,0000. }							{ 100·00	O. 100	15·00*	15·00*	15·00			
12,00,000	8,61,001	75,81,309	42,63,455	27,926	Kilachand Devchand & Co.	Kesar Sugar	55·00	40	*Nil*	2·25	4·00		7	Y.P.
7,89,100	22,35,852	44,42,878	22,81,723	3,730	Cotton Agents Private Ltd.	New India Sugar Mills	23·50	10	2·50	2·50	2·50		6	Y.P.
11,00,000	4,45,000	46,39,636	27,41,293	10,796	K. C. Thapar & Bros Private Ltd. ..	New Savan	4·50	10	0·25	0·25	0·37		5	Y.
12,98,000 }	48,01,854	71,25,062	24,38,984	9,769	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	{ 200·00N	100	20·00	20·00	20·00		} 6	Y.
61,375 }							{ 50·00N	25	5·00	5·00	5·00			
77,45,350	55,05,699	2,04,73,468	1,05,50,000	20,563	Cotton Agents Private Ltd.	Oudh Sugar	136·25	100	11·00	11·00	11·00		7	Y.P.
12,00,000	12,69,374	31,96,494	21,49,459	24,662	*Narang Bros. & Co.* Private Ltd.	Punjab Sugar	80·00N	100	10·00	6·00			10	Y.P.
9,00,000	19,04,817	43,00,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10·25	10	0·75	0·75	0·75		10	Y.P.
3,00,000	6,10,793	28,74,028	22,66,790	18,204	M.	Ryam Sugar	21·25N	10	0·50	*Nil*	*Nil*		6	Y.
11,99,000	19,38,520	45,20,102	24,12,129	3,564	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	11·25	10	0·50	*Nil*	1·75		6	Y.
39,70,528	22,68,560	140,84,561	68,35,007	19,981	Salim Jalia Ltd.	Shree Krishna Gyanoday Sugar	8·87	10	1·50	1·75	1·00		8	Y.P.T.
9,99,950	25,825	28,20,774	13,61,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	4·75	10	*Nil*	*Nil*	*Nil*		6	Y.
15,89,962	13,10,001	33,44,287	18,97,003	88,761	M.	*Shri Sitaram Sugar*	11·62	10	1·50*	1·00	1·00		8	Y.T.
9,15,9000. }	46,462	29,60,360	11,46,770	—16,37,907	M.	South Behar Sugar	{ 1·12N	O. 10	*Nil*	*Nil*			} 10	Y.P.T.
4,40,000D. }							{ 0·31N	D. 2½	*Nil*	*Nil*				
8,00,000	20,24,348	1,15,70,815	68,03,754	32,829	Cotton Agents Private Ltd.	Upper Ganges Sugar	35·00N	10	2·50	2·50	3·00		6	Y.P.
16,00,000	7,66,689	33,17,059	27,09,205	32,042	M.	United Provinces Sugar	12·87	10	1·25	1·50	0·60		9	Y.
Other Centres														
80,00,000	8,00,000	48,07,304	14,63,228	1,90,837	Rangarao & Co.	Andhra Sugars Ltd.	17·75	10	*Nil*	0·60	1·00		9	Y.
70,49,650	1,18,43,608	1,50,47,792	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	232·50	50	10·00	10·00	16·00	18·00	9	Y.
17,50,000	8,86,885	35,66,598	22,70,669	33,669	A. H. Bhiwandiwalla & Co. ..	Bhopal Sugar Industries Ltd.	19·20	10	1·00	1·00	1·50		9	Y.P.
15,00,000	37,08,185	32,89,315	3,24,998	33,344	A. H. Bhiwandiwalla & Co.	Shree Chandeee Sugar	28·75	12·8	1·00	2·00	5·00		9	Y.
15,93,900	12,63,973	40,71,311	23,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70·00N	100	*Nil*	*Nil*	6·00		6	Y.P.
55,94,920	14,89,827	33,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	12·25	10	1·75	1·40	1·12		9	Y.P.
20,62,558	12,13,785	46,84,173	11,11,505	32,569	R. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	12·90	10	1·00	1·00	0·60		6	Y.P.
33,57,920	45,51,080	42,51,227	21,95,827	18,645	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14·50N	10	1·00	1·50			10	Y.
10,52,2000. }	79,50,000	1,79,05,447	35,20,265	26,868	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	{ 65·00	O. 10	2·50	7·50	7·50		} 6	Y.P.
2,87,190D. }							{ 180·00	D. 10	10·00	10·00	10·00			
21,79,280	36,24,818	1,29,80,142	82,31,728	2,63,107	S. Muninarjappa, Esq. (Mg. Director)	Mysore Sugar	38·50	10	2·00	2·00	2·00		6	Y.
50,00,000	53,00,540	1,09,70,631	63,85,454	98,981	Mafatlal, Apte and Kantilal Ltd.	Phaltan Sugar	146·75	50	8·00	8·00	9·00		9	Y.P.
16,59,820	41,20,000	58,54,984	31,76,680	1,25,739	Anderson Wright Ltd.	Ramnagar, Cane and Sugar ..	17·75	10	1·50	2·00	2·50		8	Y.P.T.
20,00,00000. }	35,02,305	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd. ..	Ravalgoan Sugar Farm	{ 125·00N	O. 50	2·50	9·00	12·00		} 9	Y.P.T.
4,00,000D. }							{ 7·00N	D. 10	*Nil*	0·07	0·70			
19,99,600	47,65,324	46,85,213	22,94,524	44,168	Govan Bros. (Rampur), Private Ltd.	Raza Sugar	15·50	10	0·75	1·50			10	Y.
80,00,000	23,40,000	24,74,570	17,77,353	1,76,780	Parry Co., Ltd.	Travancore Sugars	9·10	10	*Nil*	0·75	1·00	1·00	7	Y.P.
1,01,00,000	1,09,46,263	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	271·50	100	16·00	18·00	21·00		9	Y.P.T.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,20,251	1,10,020	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	104·00	100	7·50	7·50	7·50		10	Y.P.
1,00,00,000	82,00,000	4,21,68,342	1,45,30,680	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80·00N	100	5·00	5·00	6·00		12	Y.
90,00,000	1,42,35,068	4,90,84,346	56,21,345	1,83,550	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19·96	10	1·00	*Nil*	1·00	1·50	6	Y.P.
					Kilburn & Co., Private Ltd. ..	India General Navigation & Rly. Co.	52·00	£10	Sh. 10	Sh. 10	*Nil*		12	Y.P.
£555,580	£997,739	£5,665,834	£3,428,688	—£106,383	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11·92	10	*Nil*	*Nil*	1·00	1·00	3	Y.P.
2,25,00,000	1,74,74,282	19,78,96,545	2,93,26,759	2,70,984	M.	Scindia Steam Navigation Co.	17·16	20	0·50	0·50	1·00		6	Y.T.
9,80,96,900	9,00,12,101	22,64,90,894	4,85,66,202	5,62,020	Walford Transport Ltd.		{ 1·69	O. 1	0·12	0·14	0·14		} 12	Y.
8,40,8000. }	18,26,615	12,00,284	7,86,760	1,66,818	R. R. Alyer, Esq. (Manager) ..		{ 1·56	P.O. 1	0·11	0·12	0·12			
2,10,200P.O. }														
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500·00N	200	32·00	32·00	30·00	26·00	9	Y.
15,98,860	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47·00	50	4·50	*Nil*			12	Y.
25,00,000	1,00,000	26,18,548§§		68,5991	M.	Bombay Swadeshi Investment Co.	11·52	25	0·75	0·75	0·81	0·81	3	Y.
5,57,00,000	1,03,93,754	4,58,59,017	1,03,55,568	94,16,272	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	20·00	10				1·25	12	Y.
31,07,000	16,29,510	19,45,389	67,14,407	14,986	Birla Brothers Private Ltd.	Hind Cycles	121·50	100	10·00	10·00	10·00	12·50‡	3	Y.P.
14,98,840	8,01,500	28,61,284	19,40,793	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	56·50	50	3·00	2·00	3·00		3	Y.P.
99,99,250	20,12,980	1,22,60,062§§		8,23,875	Premchand Jhaveri & Sons	Industrial Investment Trust ..	66·00	100	4·50	4·50	5·00		3	Y.
1,00,00,000	28,05,440	38,35,170	11,25,734	2,765	K. G. Milne, Esq. (Mg. Director)	Killick Industries	156·50	100	11·00	11·00	11·00	11·00	6	Y.
2,30,13,775A.O.	30,14,265	8,06,59,581	1,49,05,326	6,05,448	Premier Automobiles	Premier Automobiles	19·00	20	*Nil*	*Nil*	6·00		6	Y.T.
10,21,200	5,05,419	8,09,102	5,79,614	7,356	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	20·00	10	2·00	2·00	2·00		12	Y.
3,75,00,000	1,35,45,829	3,14,84,161	1,89,08,376	5,62,225	Sir Joseph Kay, K.B.E. (Mg. Director)	Western India Match Co., Ltd.	170·00	100	11·00*	11·00*	11·00*	11·00*	12	Y.
45,00,000	62,52,880	7,44,804	6,66,715	60,677		W. H. Brady & Co., Ltd.	283·75	150	20·00	20·00	22·50		12	Y.
Other Centres														
57,50,000 }	1,99,56,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 9·75	O. 10	*Nil*	*Nil*	0·50	0·00	} 3	Y.P.
2,50,000 }							{ 4·75N	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	32,25,000	68,17,870	28,12,985	66,539	Seshasayee Bros. (Trav.) Prv. Ltd.	*Aluminium Industries Ltd.* ..	18·20	10	1·25	1·25*	1·25	1·25	3	Y.
30,00,000	36,18,873	84,21,252	22,94,853	8,35,874	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	17·12	10	1·25	2·00*	2·00*		8	Y.
30,00,000	15,70,000	39,82,721	21,20,441	1,72,873	Mr. A. Hydari & Mr. S. Gothbarg	Assam Match Co., Ltd.	15·25	10	1·25*	1·25*	1·25*		12	Y.
20,00,000	32,47,883	1,02,88,021	56,97,850	2,45,122	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	5·25N	10	0·20	0·40	1·20		3	Y.P.
80,01,400	98,61,293	69,52,106	37,02,106	5,03,375	M.	Balmer Lawrie & Co., Ltd. ..	161·00	100	18·00	12·50	15·00		12	Y.
12,00,000	12,56,000	33,30,386	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	28·50	10	2·50	2·25	2·50		12	Y.
20,00,000	8,05,715	62,28,492§§		37,612	Birds Investment Ltd.	Birds Investment Ltd.	18·00	10	1·25	1·25	1·00		9	Y.P.
45,97,020	34,61,814	1,14,81,095	37,07,455	1,84,688	Lovelock & Lewis	Britannia Biscuits	12·56	10	1·00	1·00	1·00	1·00	3	Y.P.
3,25,00,000	1,55,55,571	3,06,98,577	2,33,80,121	1,22,521	K. Julian Scott, Esq. (Mg. Director)	British India Corporation Ltd.	12·88	5	0·06	*Nil*	0·10		12	Y.P.
1,38,80,000	17,34,264	2,05,95,940§§		8,10,584	W. H. J. Christie, Esq. (Mg. Director)	Olive New Investment	8·44	10	0·50	0·56	1·38	0·75	3	Y.
1,50,00,000	3,40,86,174	3,55,01,695	2,48,71,167	13,24,995	Andrew Yule & Co., Ltd.	Dunlop Ruber (India) Ltd. ..	21·12	10	1·50	1·50	1·50		3	Y.P.
51,26,000	54,10,811	1,72,17,857§§		3,27,916	John Luckham, Esq. (Mg. Director)	Eastern Investments Ltd. ..	104·50	100	9·00	9·00	9·00		12	Y.P.
14,00,000	9,35,000	34,02,164	19,69,339	34,634	Bird & Co. Private Ltd.	Ganges Rope Co. Ltd.	183·00	100	15·00	15·00	4·00	12·50	3	Y.
65,00,000	58,17,300	19,73,012	9,10,963	89,541	MacNeill & Barry Ltd.	Gillanders Arbuthnot & Co., Ltd.	11·25	10	0·75	1·40	1·60		3	Y.P.
30,00,000	15,17,754	83,08,821	36,24,883	74,215	J. F. E. d'A. Willis, Esq.	Great Eastern Hotel	240·00	250	6·25	6·25	15·00	15·00	3	Y.P.
4,98,05,700	10,00,000	4,37,26,577	1,61,88,541	7,92,903	B. P. R. Syndicate	Hindustan Motors	5·72	10	*Nil*	*Nil*	*Nil*		3	Y.
2,01,10,000	56,56,543	4,80,45,268	1,96,84,142	7,97,410	Birla Brothers Private Ltd.	Indian Aluminium Co., Ltd. ..	12·87	10	*Nil*	0·90	1·00		12	Y.P.
1,52,89,220	1,46,00,000	2,26,86,031	86,86,093	41,81,883	E. S. Greenwood (Mg. Director) ..	B. J. Woodley, Esq. (Mg. Director).	25·00	10	1·00*	1·25*	1·50*	1·50*	3	Y.P.
8,27,970	6,03,000	16,74,908	9,50,306	62,722	B. J. Woodley, Esq. (Mg. Director).	G. S. Moulton & Co. (India) Ltd.	15·00	10	0·50	0·50	0·62		3	Y.P.
15,16,00,000	24,02,01,594	9,85,79,293	1,62,23,899	25,04,169	G. S. Moulton & Co. (India) Ltd.	Indian Cables	25·00	10	1·00*	1·25*	1·50*	1·50*	3	Y.P.T.
2,00,00,000	76,27,615	39,02,397	12,08,932	4,71,170	Mr. G. H. J. Clarke (Chairman)	Indian Rubber Manufacturers ..	15·00	10	0·50	0·50	0·62		3	Y.P.
40,00,0000. }	80,86,900	26,18,922	8,72,670	2,57,234	Imperial Tobacco Co. of India Ltd.	Jardine Henderson	11·81	10	0·60	0·80	0·80	0·70	3	Y.
5,00,0000D. }					J. D. K. Brown, Esq. (Mg. Director).	McLeod & Co.	157·00	100	7·50	7·50	7·50	2·50	3	Y.P.
1,43,96,500	81,82,706	24,06,298	13,34,790	2,70,207	A. T. Doig, Esq. (Mg. Director)	Martin Burn Ltd.	{ 210·00	O.100	17·00	22·50	1·60		} 12	Y.P.
1,15,00,000	1,17,00,151	2,62,36,088	89,09,795	16,33,569	T. Leslie Martin, Esq. (Mg. Director)		{ —	D.O.10	1·20	1·75				
6,35,585	1,821	7,68,660	2,60,987	—1,52,648	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	27·50	10	1·88	1·81*	2·12*		9	Y.P.
6,59,250	6,02,500	11,29,680	5,97,362	8,349	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3·75	10	1·00	1·25	1·62	1·75	3	Y.P.
10,00,000	3,70,000	16,47,599	10,18,129	43,554	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15·25	10	1·00	0·75	0·90	1·25	3	Y.
2,00,00,000	78,15,505	1,56,98,462	50,60,695	21,19,752	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco	18·25	10	1·25	1·00	1·50	1·50	3	Y.
40,00,000	74,71,172	63,80,914	41,52,951	1,44,443	J. R. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24·25	10	0·40	0·32	1·50	0·75‡	12	Y.
					Associated Industrial Development Co. (Private) Ltd.									
40,00,000	15,00,000	93,19,395	21,17,408	75,726	Do.	National Insulated Cable Co. ..	23·62	10	1·00	1·50*	2·00*		3	Y.T.
79,97,000	38,12,466	1,20,81,899	51,75,198	9,02,640	B. N. Elias & Co. (Private) Ltd. ..	National Tobacco Co.	10·00	10	0·50	0·50	0·69		6	Y.P.
2,25,00,000	38,71,246	1,45,28,416	44,23,274	—44,12,938	M. P. A. Paspatti, Esq.	Nellai Jute Mills	8·94	10	0·50	0·80	0·70		12	Y.P.
2,28,00,000	1,37,70,209	10,60,39,211	3,96,22,768	49,402	M. P. A. Paspatti, Esq.	Rallis (India) Ltd.	27·50	100	*Nil*	*Nil*	*Nil*		12	Y.P.
					Sahu Jain Ltd.	Rohtas Industries	15·56	10	1·50	1·50	1·50		10	Y.P.
4,73,200 }	51,856	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	{ 100·00N	100	..	..	5·00	6·00	} 3	Y.P.
8,13,400 }							{ 50·00N	50	..	..	2·50	3·00		
40,00,000	87,96,558	1,21,67,804	73,09,327	6,32,212	C. W. Stephenson, Esq.	*Spencer & Co., Ltd.*	17·00	10	1·50	1·50	1·50		6	Y.P.
75,00,0000.	17,19,008	37,03,035	7,05,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10·31	10	1·25	1·00	1·00		12	Y.P.
9,98,380	....	14,51,909	4,58,782	—47,988	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	12·87	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

M. Managed by Board of Directors.
† Subject to taxation.
§§ Investments at cost.
F.—Hind Cycles. The latest dividend of Rs. 12·8 per share, is for fifteen months ended 31st March, 1957.
* Includes bonus.
‡ On old capital.
‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Re. of 100 each which subsequently were divided into shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25·00	10	72·00	19·00	5·00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	342	Ananda (Assam) Tea ..	24·00	10	7·50	1·00	1·25		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	40,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	22·75xd	10	8·00*	1·00	1·25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,992	42,752	McLeod & Co., Ltd.	573	Badhmari	17·25	10	3·50	1·00	2·50		12	Y.
5,10,000	9,85,000	12,90,911	5,32,732	53,533	Andrew Yule & Co., Ltd.	378	Basmatia	24·00	10	8·00	1·50	2·00		12	Y.
3,30,600	5,10,000	12,75,936	8,03,524	1,30,178	National Tea Corporation	570	Bateli	28·50	5	4·00	2·50	3·00		12	Y.
6,40,000	7,40,000	11,16,644	3,51,328	61,195	Gillanders Arbuthnot & Co., Ltd.	612	Beljan	23·75xd	10	10·00*	2·00	2·50		12	Y.
33,00,

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	3,92,505	34,197	15,099	Planters' Agencies (Private) Ltd. ..	Baimadies Plantations	2.90	2	0·25	0·30	0·21	0·45	5	Y.P.
26,91,960	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4.21	5	0·75	0·45	0·75	0·52	2	Y.P.
18,00,000	34,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	28.50	10	2·50	1·80	2·50	4.00	6	Y.P.T.
71,55,000	66,13,026	1,25,54,765	26,60,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	23.25	10	1·75	2·25	2·00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,821	M.	Cotaatad Plantations	12.60	10	1·50	1·75*	1·50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	3,31,442	37,145	A. Y. Thomas & Co., Ltd. ..	Highland Produce	11.83	10	2·50	2·00	2·00		12	Y.P.
4,00,000	10,27,893	18,91,159	2,03,019	18,088	A. Y. Thomas & Co., Ltd. ..	Kalpetta Estates	20.25cd	10	2·00	2·75	2·00	2.00	4	Y.
13,50,000	8,71,449	19,82,913	3,00,373	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15.00	10	2·25	2·25	3·25	2.25	3	Y.
27,00,000	28,79,387	80,92,726	9,49,414	1,48,576	A. Y. Thomas & Co., Ltd. ..	Midland Rubber	14.85	10	1·75*	2·50	2·00	2.00	3	Y.P.
3,35,000	3,21,000	14,62,850	2,09,733	25,171	A. Y. Thomas & Co. Ltd. ..	Nedumcy Rubber	13.80	10	1·50	1·50	1·50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	13.75	10	1·00	1·50	1·50		12	Y.P.T.
19,45,980	21,29,615	43,87,395	14,23,968	Nil	Peirce, Leslie & Co., Ltd. ..	Onetherbency Valley Estates ..	4.90	2	0·61	0·40	0·21		10	Y.P.T.
13,50,000	8,60,000	45,07,570	3,05,963	12,299	A. Y. Thomas & Co., Ltd. ..	Rajamali Rubber	14.15	10	1·75*	2·00	2·50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Sayamala Estates Ltd.	4.10	2	2·50	1·00	1·50		11	Y.
10,60,000	3,01,660	22,44,528	1,59,059	9,940	East India Agencies Private Ltd.	Teeloy Rubber (India) Ltd. ..	6.65	10	0·75	0·90	0·90	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. Y. Cooper & Co., Ltd. ..	Thamarajadhy Rubber	20.40	10	3·00	3·00	3·00		12	Y.P.
9,15,300	4,00,000	20,09,923	96,217	27,055	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.37	1	0·09	0·12	0·12		9	Y.T.
6,00,000	22,506	7,71,251	1,36,210	2,287	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber	2.00	10	2·00	3·00	2·00		12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6.05	10	1·50	1·25	0·75		12	Y.P.
20,00,000	....	29,29,758	7,04,119	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5·00	4·00	3·00		12	Y.
6,28,580	6,40,670	16,17,082	21,770	21,911	Harrisons & Crossfield Ltd. ..	Vaikundam (Travancore) Rubber ..	27.00	10	2·25	2·50	3·50	2.00‡	12	Y.
6,95,000	1,47,259	13,88,236	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.80	10	1·50	2·00	1·25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Azarpara	7.05	10	0·62	0·62	0·25	0.25	3	Y.
60,00,000	10,25,000	53,46,050	37,72,102	2,45,707	McLeod & Co., Ltd.	446	Alexandra	105.00	100	7·50	10·00	5·00i		6.12	H.P.T.
4,49,350	1,05,000	9,25,911	5,64,876	90,370	McLeod & Co., Ltd.	1,264	Alliance	80.50	100	12·00	6·00	*Nil*		6.12	H.P.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,935	9,44,657	Andrew Yule & Co., Ltd. ..	9,351	Bengal Coal	230.00	100	30·00*	35·00*P	17.50	7.50	6.12	H.
2,25,000	4,15,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd.	840	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	1,276	Bhatgora	6.25	10	*Nil*	*Nil*			12	Y.P.
40,00,000	8,00,000	13,39,66,662	71,05,188	27,431	Sahu Jain Ltd.	5,187	Bharat Collieries	10.62	10	0·62	....			6	Y.
7,15,000	15,11,080	52,62,538	37,38,500	—1,87,446	F. W. Heilgers & Co. Private Ltd.	1,889	Bhulanbararee	12.00N	10	*Nil*	*Nil*			6	Y.P.T.
7,50,000	24,16,419	45,67,883	27,10,503	19,553	F. W. Heilgers & Co. Private Ltd.	820	Borrea	15.69	10	2·00	2·00	1.50		6.12	H.T.
90,92,480	69,04,448	4,25,18,901	1,95,93,458	92,891	Bird & Co. Private Ltd.	5,600	Budge-Budge	22.00	10	0·66	0·62	0·68		6.12	H.T.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	600	Central India	6.44	10	0·25	0·25	0·50		6.12	H.P.T.
3,00,000	13,30,590	49,11,827	33,03,469	69,009	M.	600	Central Kurkend	11.00N	10	0·25	0·50	0·50	0.50	3	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	600	Churila	2.00	4	0·12	0·06	0·06		12	Y.
16,00,000	....	54,92,310	30,95,160	—3,36,508	Macneill & Barry Ltd.	991	Dhemo Main	7.25	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	5,502	East Indian	20.00	£1	2·50	3·00	2.50		12	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	6,616	Equitable	24.06	10	1·50	1·50	1·50		4	Y.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhattercy Agency Ltd.	600	Ghusick and Muslia ..	100.00	100	6·00	10·00	2·00	*Nil*	12	Y.P.T.
12,00,000	1,17,609	42,34,400	25,20,972	....	Andrew Yule & Co., Ltd.	5,530	Gloucester	95.00	100	14·00	10·00	2.00		11	Y.
3,00,000	7,25,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	500	Hurriladih	20.00	10	1·75	2·50	2.25	*Nil*	6	Y.P.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd... ..	970	Kalapahari	19.00N	10	*Nil*	*Nil*	1.50		12	Y.
20,00,000	2,21,575	33,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	766	Kanoria Collieries ..	78.00	100	*Nil*	2·50	4.00	*Nil*	3	Y.
5,00,000	18,80,898	47,65,511	37,70,923	1,38,336	Andrew Yule & Co., Ltd... ..	779	Katras Jherriah.. ..	45.62	10	4·00	4·50	5.00	*Nil*	2	Y.P.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Heriwala & Co.	969	Khas Kajora	2.50N	10	*Nil*	*Nil*	6.50	6.50	1	Y.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd..	600	Khardi	2.25N	10	*Nil*	0·12			6, 12	H.P
9,00,000	11,11,926	28,38,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd. ..	1,000	Lakurka	8.81N	10	0·25	0·12			2	Y.P.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	600	Nazira	5.50	10	0·50	0·50			6	Y.
7,00,000	26,617	10,33,740	5,20,295	4,660	Amritlal Ojha & Co., Ltd.	600	New Bansdeopur ..	9.00N	10	1·25				4	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	53,502	Andrew Yule & Co., Ltd... ..	1,600	New Beerbhoom ..	14.00	10	1·12	1·00	0.75		12	Y.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	1,000	New Manbhoom ..	10.56	10	*Nil*	*Nil*	*Nil*		8, 9	H.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd... ..	600	North West	21.00	10	*Nil*	1·37	1.50	0.50	10	Y.P.
1,57,500								18.00	7.50	*Nil*	1·03	1.50		3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	600	Ondal	13.00	10	1·00	1·00	1.12		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Priva e Ltd.	1,000	Oriental Coal	8.00N	10	0·50	0·50	0.75		12	Y.P.
8,34,000	10,050	19,86,766	8,69,957	61,987	Deepchand Kishenlal	1,394	Parasea	12.50	10	0·75	1·00			12	Y.T.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd.	1,078	Pench Valley	17.00xd	10	1·62	1·50	0.70	2.00	6, 12	H.P
23,39,500	20,17,105	1,24,35,588	87,36,164	23,188	B. N. Elias & Co. Private Ltd. ..	1,600	Raneegunge	9.12	10	0·50	0·62	0.87		3	Y.
13,50,000	10,45,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	1,000	Rewa	15.75xd	10	1·87	0·87	0.75‡		3, 9	H.
20,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	600	Samla Collieries.. ..	10.50N	10	0·75	1·00	1.25		6, 12	H.
2,50,000	1,95,802	13,78,480	12,21,237	21,070	M.	600	Searsole	4.00N	2.50	0·62	0·75			12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd... ..	600	Seebpore	23.25	7	2·00	2·50			1	Y.
8,00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	600	Sendra	8.00N	10	0·12	0·25	2.25		12	Y.P.
63,21,450	94,58,536	5,19,41,849	2,73,46,629	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)		Singareni	11.15	10	0·70	0·75	0.25		6, 12	H.T.
17,50,000	10,89,693	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	600	South Karanpura ..	9.06	10	0·12	0·12	1.00		12	Y.T.
8,00,000	14,01,053	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	1,600	Standard..	15.00	10	1·50	1·00	0.35		2, 8	H.
10,00,000	....	31,92,694	15,43,502	—5,62,907	M.	600	Talcher	1.70	2.50	*Nil*	*Nil*	1.00		12	Y.
5,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	600	Union	18.75	10	0·75	*Nil*	*Nil*		9	Y.T.
49,98,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn.,Ltd.	1,600	Western Bengal ..	5.25	10	0·37	*Nil*	*Nil*		12	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,068	Macneill & Barry Ltd.	600	West Jamuria	5.81	10	*Nil*	*Nil*	*Nil*	0.50	8	Y.
														12	Y.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields	14.75	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10.06	10	1.46	1.46	1.10	0.37	3	Y.
4,49,350	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.37N	10	0·25	0·62	0·621		3, 9	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,935	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	230.00	100	30·00*	35·00*P	17.50	7.50	6.12	H.
2,25,000	4,15,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd... ..	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	Bhatgora	6.25	10	*Nil*	*Nil*	*Nil*		12	Y.P.
40,00,000	8,00,000	13,39,66,662	71,05,188	27,431	Sahu Jain Ltd.	Bharat Collieries	5.87	10	0·62	0·62			6	Y.
7,15,000	15,11,080	52,62,538	37,38,500	—1,87,446	F. W. Heilgers & Co. Private Ltd.	Bhulanbararee	12.00N	10	*Nil*	*Nil*			6	Y.P.T.
7,50,000	24,16,419	45,67,883	27,10,503	19,553	F. W. Heilgers & Co. Private Ltd.	Borrea	15.69	10	2·00	2·00	1.50		6, 12	H.T.
90,92,480	69,04,448	4,25,18,901	1,95,93,458	92,891	Bird & Co. Private Ltd.	Burrakur	22.00	10	0·66	0·62	0·68		6, 12	H.T.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	6.44	10	0·25	0·25	0·50		6, 12	H.P.T.
3,00,000	13,30,590	49,11,827	33,03,469	69,009	M.	Central Kurkend	11.00N	10	0·25	0·50	0·50	0.50	3	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churila	2.00	4	0·12	0·06	0·06		12	Y.
16,00,000	....	54,92,310	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	20.00	£1	2·50	3·00	2.50		12	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	24.06	10	1·50	1·50	1·50		4	Y.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhattercy Agency Ltd.	Ghusick and Muslia ..	14.50N	10	0·50	0·25	1·50		12	Y.P.T.
12,00,000	1,17,609	42,34,400	25,20,972	....	Andrew Yule & Co., Ltd... ..	Hingir-Rampur	30.75	50	*Nil*	2·25	2.25		3	Y.
3,00,000	7,25,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1·75	2·50	1.50	*Nil*	6	Y.P.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd... ..	Kalapahari	19.00N	10	*Nil*	*Nil*	1.50		12	Y.
20,00,000	2,21,575	33,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Kanoria Collieries ..	78.00	100	*Nil*	2·50	4.00	*Nil*	3	Y.
5,00,000	18,80,898	47,65,511	37,70,923	1,38,336	Andrew Yule & Co., Ltd... ..	Katras Jherriah.. ..	45.62	10	4·00	4·50	5.00	*Nil*	2	Y.P.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Heriwala & Co.	Khas Kajora	2.50N	10	*Nil*	*Nil*	6.50	6.50	1	Y.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd..	Khardi	2.25N	10	*Nil*	0·12			6, 12	H.P
9,00,000	11,11,926	28,38,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	8.81N	10	0·25	0·12			2	Y.P.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nazira	5.50	10	0·50	0·50			6	Y.
7,00,000	26,617	10,33,740	5,20,295	4,660	Amritlal Ojha & Co., Ltd.	New Bansdeopur ..	9.00N	10	1·25				4	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	53,502	Andrew Yule & Co., Ltd... ..	New Beerbhoom ..	14.00	10	1·12	1·00	0.75		12	Y.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom ..	10.56	10	*Nil*	*Nil*	*Nil*		8, 9	H.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd... ..	North West	21.00	10	*Nil*	1·37	1.50	0.50	10	Y.P.
1,57,500							18.00	7.50	*Nil*	1·03	1.50		3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.00	10	1·00	1·00	1.12		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Priva e Ltd.	Oriental Coal	8.00N	10	0·50	0·50	0.75		12	Y.P.
8,34,000	10,050	19,86,766	8,69,957	61,987	Deepchand Kishenlal	Parasea	12.50	10	0·75	1·00			12	Y.T.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd.	Pench Valley	17.00xd	10	1·62	1·50	0.70	2.00	6, 12	H.P
23,39,500	20,17,105	1,24,35,588	87,36,164	23,188	B. N. Elias & Co. Private Ltd. ..	Raneegunge	9.12	10	0·50	0·62	0.87		3	Y.
13,50,000	10,45,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	15.75xd	10	1·87	0·87	0.75‡		3, 9	H.
20,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	Samla Collieries.. ..	10.50N	10	0·75	1·00	1.25		6, 12	H.
2,50,000	1,95,802	13,78,480	12,21,237	21,070	M.	Searsole	4.00N	2.50	0·62	0·75			12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd... ..	Seebpore	23.25	7	2·00	2·50			1	Y.
8,00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	8.00N	10	0·12	0·25	2.25		12	Y.P.
63,21,450	94,58,536	5,19,41,849	2,73,46,629	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)	Singareni	11.15	10	0·70	0·75	0.25		6, 12	H.T.
17,50,000	10,89,693	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura ..	9.06	10	0·12	0·12	1.00		12	Y.T.
8,00,000	14,01,053	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard..	15.00	10	1·50	1·00	0.35		2, 8	H.
10,00,000	....	31,92,694	15,43,502	—5,62,907	M.	Talcher	1.70	2.50	*Nil*	*Nil*	1.00		12	Y.
5,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Union	18.75	10	0·75	*Nil*	*Nil*		9	Y.T.
49,98,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal ..	5.25	10	0·37	*Nil*	*Nil*		12	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,068	Macneill & Barry Ltd.	West Jamuria	5.81	10	*Nil*	*Nil*	*Nil*	0.50	8	Y.
													12	Y.

M—Managed by the Board of Directors. † Less income-tax. (x) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus.
† New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954. (k) Investments.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 100 each.
For 1956 the dividend of Rs. 17·8 includes an interim dividend of Rs. 7·8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

BANKING

(*Concluded from page 71*)

quence thereof, these countries, as a rule, have intensified their effort to fight inflation. It is not only that these countries, too, are tired of inflation; they realise more and more that political, social and economic developments become increasingly difficult in an environment of inflation. In a large number of cases, these countries have turned to the International Monetary Fund not only for financial assistance, but also for technical assistance.

If I should say just one word about countries in Asia, I would have to point out that for these countries it is more often than not the scope of a development plan and the intensity with which it is pursued that determines the monetary trend internally and in the balance of payments. Increased experience is all the time being gained in the field of financing, but it would be premature, to say the least, to pretend that a solution has been found to the financial problems facing these countries. There is surely not a solution; there are a number of different ways by which resources may be mobilised.

There are, I should add, two problems to which so far I have made no reference, but which are in everybody's mind, and both of these problems refer to the United States. There is, on the one hand, the question of the present business recession; on the other hand, the question of the trend of commercial policy. To put it bluntly, the raw-material-producing countries are asking, in the first place, whether they have to expect a further drop in raw material prices, associated with a continued slackening of business activity in the United States, and, secondly whether they will have to face any large-scale revival of protectionist practices in the United States, e.g., contemplated increases in the tariff on lead and zinc, talks of reinstituting a tariff on copper, voluntary restrictions on oil imports, restrictions on tuna fish imports, etc. I mentioned the raw-material-producing countries, but similar questions were, of course, put to me everywhere during my recent trip to Europe. Anxious questions were raised whether one need fear a repetition of the chain of events after 1929. What did I answer?

As regards the recession, I pointed out that recovery—as in the case of a man's recovery after an illness—would depend on three things: the strength of his constitution, the treatment he receives, and his willingness to submit to treatment, i.e., his general behaviour.

As regards the "constitution," the structure of the economy of this country (the U.S.), there can, of course, be little doubt that it is now much stronger than in 1929; not the same speculation on the stock exchanges, no longer the weak mortgage position, no longer the danger of deposits being lost in banks having to close their doors. Unemployed persons will receive support which will keep up purchasing power. Private indebtedness, it is true, has been rising, but can hardly be regarded as dangerously high at its present level.

If we then turn to the "treatment," the policies which will be applied, I believe that there is great confidence in the Federal Reserve System and, in particular, in Mr. William McChesney Martin, and every reason to believe that the new men at the Treasury will co-operate to strengthen confidence.

But what about the "behaviour" of the patient? If there is anything that seems to me certain about the business cycle, it is that particular care should be taken not to increase costs during the initial stages of the downward phase. Balance will have to be restored by an adjustment of costs and a recovery of demand—but that recovery must come through monetary policy, not through an increase in wages which simultaneously increases costs. If moderation as regards costs is observed, it is, in my opinion, likely that, before long, this recession can be overcome through the ordinary means of credit policy.

In general, I do not think that the Europeans are very worried about the recession here in the United States, for they cannot believe that things will get out of hand. They seem, in fact, to be more worried about a possible revival of protectionist practices. The last ten years have witnessed a remarkable expansion in world trade, by which the Western World has been knit more closely together. To have to face just at the present moment a setback in this field would be nothing less than disastrous. There are today some non-industrialised countries which have restricted trade in the hope that thereby they would be able to pursue better their development plans. There are other countries which have gone back on liberalisation because of sharp falls in their foreign exchange reserves. These setbacks may, however, be reversed; Finland will again liberalise its import trade from the 1st of January 1958, and other countries may soon do the same. Should, however, the United States alter its policy and increase its protectionism, the sense of cohesion in the Western world would receive a very heavy blow.

The time of a recession is, of course, a testing time for commercial policy, for it is then that foreign competition is more keenly felt. But I cannot believe that the people of the United States will this time agree to increased protectionism. They will no doubt remember that tariff increases have in many respects been a mixed blessing for this country in the past; and they will also feel their responsibility for the prosperity of the whole free world.

The United States is now a leading nation in monetary matters: what happens here affects the whole free world. It is difficult to think that a leading monetary nation can alter the main lines of its commercial policy according to the different phases of the business cycle without ups

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000 / 14,50,000 / 1,01,000	1,08,00,000	12,42,652	Allahabad Bank	359 00 / 179 50 / 111 75	100 / 50 / 100	18 00 / 9 00 / 7 50	18 00 / 9 00 / 6 50	18 00 / 9 00 / 8 00	9 00 / 4 50 / 4 00	12 / 6, 12	Y.P. / H.
40,38,540	16,62,000	2,93,939	Andhra Bank	97 40	85	3 75	4 54	5 50	3 40		
1,00,00,000	1,28,60,000	4,75,752	Bank of Baroda	106 00	50	6 00	6 00	7 00	3 00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	18 00	25	0 75	0 87	1 12		12	Y.
2,50,00,000	3,10,00,000	15,54,924	Bank of India	153 25	50	7 00	8 00	8 00	3 00	6, 12	R.L.Y.
50,00,000 'A'				133 75	50'A'				3 00		
15,20,375	28,00,000	67,486	Bank of Indore	63 00N	25	3 00	3 50	4 00	2 00	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	37 50	50	2 00	2 00	2 50		12	Y.
50,00,000	84,00,000	5,91,911	Bank of Mysore	249 50	100	16 00	16 00	16 00	8 00	12	Y.
15,00,000	32,00,000	38,502	Canara Bank Ltd.	86 00	50	4 50	5 00	5 00		12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80 00	50	5 00	5 50	5 00		12	Y.P
5,72,220 'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	176 50	100 'A'	12 50	12 50	15 00		12	Y.
23,787 'C'				1 85	10'C'	12½%	12½%	12½%			
2,62,11,375	4,02,77,123	18,23,048	Central Bank of India Ltd.	52 30	25	3 00	3 00	3 50	1 50	12	R.L.Y.
62,42,375				55 00	25	3 00	3 00	3 50	1 50		
50,00,000	34,50,000	2,13,141	Devkaran Nanjee Banking Co.	47 25	50	2 00	2 50	3 00	1 50	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36 37	5	0 81	0 87	1 37	1 06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	33 25	50	1 50	3 00	3 00		12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank	8 50	50	*Nil*	*Nil*			12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank	8 00	50	*Nil*	*Nil*			12	Y.
44,00,000	90,50,200	8,13,491	Indian Bank	204 00	100	12 00	12 00	13 00	6 50	6, 12	R.L.H.
21,82,615				175 00	80	7 20	7 75	9 75	5 20		
55,45,375	86,00,000	2,52,286	Indian Overseas Bank	148 00	100	6 00	7 50	10 00		12	Y.
10,00,000	23,384	23,384	Pandyan Bank Ltd.	37 50	25	1 50	1 87	1 87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	49 00	25	3 00	3 50	4 00	2 50	12	Y.
1,00,00,000	26,20,000	45,060	Travancore Bank	16 30	25	0 75	1 00	1 00		12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7 50	5	0 24	0 37	0 44		12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	60 50	50	2 50	2 75	3 50		12	H.
PRINCIPAL EXCHANGE BANKS						**Dividend (per cent.)**					
£3,500,000	£5,000,000	£409,308	Chartered Bank	£1-15-0	£1	15†	15†	15†		12	Y.
H.K.$25,000,000	H.K.$128,000,000	H.K.$11,039,578	Hongkong and Shanghai Banking Corporation	£43½	H.K.$125	5*	5*	5*		12	Y.
£18,585,070	£17,500,000	£712,060	Lloyds Bank	£2-2-0	£1	15†	12½	13†		12	Y.
£375,000 'A'				£6-5-0	A £2½	14†	14†	14†			
£375,000 'B'	£2,000,000	£224,521	Mercantile Bank Ltd.	£6-5-0	B £2½	14†	14†	14†		12	Y.
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£1-0-0	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92 00	1st June .. 1963
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90 00	30th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100 00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	90 00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	91 00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90 00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1941	87 00	30th June .. 1967 (e)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97 00	14th December .. 1969 (e)‡
COTTON						
8,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85 00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89 00	15th November .. 1966 (b)
78,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	90 00	1st March .. 1972 (e)
13,71,000	5½	30th June and 31st December	Jayshree Textiles	1949	90 00N	1st January .. 1956-59
39,90,000	5	1st June	Tata Mills	1951	93 50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90 00	31st March .. 1965 (e)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.		97 00	14th June .. 1969
98,28,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97 00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90 00	31st December .. 1964 (e)
44,048,914	6	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97 50	1st January .. 1970 (e)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84 00	31st December .. 1970
15,80,000	5	1st January and 1st July	Sijua (Dherriah) Electric Supply Co., Ltd.	1951	91 00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95 00	1st April .. 1950-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93 50	30th September .. 1953-68
47,73,000	5	1st April and 1st October	Tata Power	1940	99 00	1st July .. 1970
2,50,00,000	4	1st April and 1st October]	Tata Power		85 00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94 00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98 00	30th June .. 1958
30,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97 50	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	84 00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95 25	1st October .. 1966-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97 00	31st December .. 1960 (e)
JUTE						
12,00,000	5½	1st October and 1st April'	Agarpara	1939	91 00	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91 00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1945	77 00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90 00	30th June .. 1960
10,00,000	5	31st January and 31st July	Calcutta	1949	86 00	31st July .. 1959
10,69,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	80 00	30th June .. 1966
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90 00	31st March .. 1969 (e)
8,86,000	5	15th January and 15th July	Empire	1951	90 00	15th July .. 1966 (a)
80,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94 00	31st March .. 1970
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90 00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Naihati	1952	90 00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88 00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80 00	31st December .. 1964
8,00,000	4	30th June and 31st December	Presidency	1943	85 00	30th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85 00	5th September .. 1965 (a)
8,00,000	4½	14th March and 14th September	Soorah Jute	1937	91 00	14th September .. 1957
12,00,000	4½	30th June and 31st December	Union	1937	90 00	30th June .. 1957
10,00,000	8½	31st January and 31st July	Waverly	1925	80 00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.10N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (a) Any time on six months' notice (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1963
PLANTING						
12,50,000	6	31st March and 30th September	Nilgiri Tea	1944	99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Teekoy		100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92 00	31st December .. 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.00	1st September .. 1964-69 (a)
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.00	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1986
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1969
1,00,00,000	4	31st March and 30th September	Dalmia Cement Bharat Ltd.	1946	87.00	1960
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971 (a)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00	30th June .. 1969 (a)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1940	95.00	1964
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	500.00	30th September .. 1976 (e)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (e)
					84.00N	1st April .. 1971
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	99.00	30th June .. 1965-70
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	91.50	31st March .. 1961 (a)
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1946	91.00	31st December .. 1959
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1953	97.25	1st May .. 1968(a)‡‡
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.			

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed as per annually by drawing from 1-9-1965. Any debenture outstanding on 1-6-1960 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 16th January 1958.

	Closing quotations 9-1-1958	High	Low	Closing quotations 16-1-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	120 00	130.00	117 00	118 00
Apollo (2)	2 04	2 04	2 00	2 00
Bombay Dyeing (25)	50 00	51 00	50 40	50 70
Bradbury (50)	152 50	—	—	152 50
Central India (100)	85 00	85 00	81 00	84 00
Century Mills (100)	394 50	397 50	391 00	392 00
Calsha (100)	53 00	—	—	53 00
Edward Textile (200)	220 00	—	—	221 25
Elphinstone (50)	48 00	48 00	47 50	48 00
Finlay (100)	253 00	259 00	253 00	259 00
Gokak (100)	156 50	157 00	155 75	156 50
Ind. Untd. Defd. (1)	1 30	1 32	1 28	1 28
Ind. Untd. Ord. (10)	9 72	9 84	9 60	9 84
Indore Malwa (100)	117 50	118 25	117 00	118 00
Khatau (100)	140 00	143 75	140 00	143 75
Kohinoor (100)	264 50	265 75	262 50	265 00
Lakshmi (250)	432 50	—	—	432 50
Minerva Mills (100)	71 00	—	—	71 00
Model Nagpur (250)	178 75	—	—	178 75
Morarji (100)	262 50	—	—	262 50
Mysore (50)	95 00	—	—	95 00
National Rayons (100)	216 00	217 00	214 50	215 00
New City (100)	125 00	—	—	125 00
New Great (100)	223 00	223 00	220 00	222 00
Phoenix (100)	116 25	—	—	116 25
Podar Mills (100)	142 50	—	—	140 00
Sasoon Silk (10)	7 48	7 48	7 24	7 24
Sasoon Spg. (10)	30 00	30 75	30 00	30 50
Sholapur (1,000)	700 00	—	—	700 00
Shrinivas (100)	140 00	145 50	140 50	140 50
Simplex (50)	160 00	159 50	157 50	157 50
Standard (100)	394 00	395 00	392 00	392 50
Svadeshi (100)	171 00	171 00	168 00	169 00
Swan (100)	305 00	324 50	322 50	324 50
Tata Mill (25)	38 50	39 25	38 75	38 75
Vishnu (100)	191 00	95.00	93.75	93.75
Western India (1,000)	4,520.00	—	—	4,520.00
BANKS				
Bank of India (50)	133 00	135 50	133 25	135 50
Do. (New) (50)	133 75	135 00	133 25	135 00
Bank of Baroda (50)	106 00	106 25	105 50	106 00
Central (25)	52 50	52 50	51 70	52 50
Central 'A' (25)	54 80	56.00	54 50	56.00
Dena Bank (50)	47 25	—	—	47 25
Punjab National (25)	49 00	50.00	48 50	50.00
Union Bank (5)	7 56	—	—	7 55
United Com. (50)	59 30	61.00	59 30	61.00
ELECTRIC COS.				
Ahmedabad (100)	95 00	95 20	94 80	95.00
Amalgamated (10)	10 08	10 16	10 12	10 16
Andhra Valley (1,000)	1,091 25xd	1,098 75	1,092 50	1,098.75
Bom. Sub-El. (100)	106 75	107 00	106 75	107.00
Surat (100)	106 75	108 75	106 75	108.00
Tata Hydro (100)	113 00xd	113 50	113 00	113.00
Tata Power (1,000)	1,142 50xd	1,143.75	1,137.50	1,140.00
INSURANCE COS.				
British India (10)	12 76	—	—	12.75
Empire of India (100)	265 00	—	—	265.00
Ind. Mercantile (20)	40 75	—	—	40.75
Jupiter (15)	9 20	—	—	9.20
New India (15)	49 00	50.30	49 50	49.50
Oriental (200)	3,830.00	3,980.00	3,830.00	3,980.00
Universal (10)	13 25	—	—	13.25
Vulcan (10)	16.12	—	—	16.12
STEEL COS.				
Ind. Iron (10)	19.12	19.40	19.00	19.32
Tata Steel Ord. (75)	164.75	166.50	163.75	166.25
SUGAR COS.				
Belapur (50)	233 00xd	233.00	231.25	232.50
Bhopal (10)	19 20	—	—	19.20
Phaltan (50)	147.50	148.00	145.50	145.50
Walchand Ind. (100)	273.00	272.50	270.75	270.75
CEMENT COS.				
Associated Cts. (100)	150.25	150.50	149.00	149.25
Digvijay (100)	135.25	135.75	134.75	135.00
MISCELLANEOUS				
Alcock Ashdown (100)	217.50	220.00	212.50	215.00
Bom. Burmah (125)	528 00	529.00	520 50	524.00
Do. (New) (50)	202.00	202.00	199 00	201.25
Br. B. Petrol (4 sh.)	1.72	1.78	1.74	1.74
Br. Ind. Corpn. (5)	4.10	4.16	3.80	3.82
C. P. Rly. (100)	57.50	—	—	57.50
Hindusthan Motors (10)	5.76	5.80	5.68	5.68
Indian Copper (2 sh.)	2.80	2.86	2.78	2.84
Ind. Inv. Tr. (100)	66 00	—	—	66.00
Killicks (100)	156.00	156.50	156.00	156.50
Polson (100)	167 50	170.00	167.50	170.00
Pre. Automobiles (100)	87 20	88.00	87.00	87.00
Scindia (20)	158.25	160.00	158.00	158.25
G. E. Shipping (10)	17.08	17.24	17.04	17.16
Shivrajpur (10)	20.04	20.00	19.92	19.96
Tata Chemicals (10)	84 50	85.00	84.50	85.00
Tata Locomotive (100)	12.48	12.48	12.20	12.24
Tata Oil (25)	138.25	138.75	136.50	138.50
W. I. Match (100)	35.00	35.25	34.50	35.00
	165.00	171.25	166.25	171.25

GOVERNMENT SECURITIES	9-1-1958 Rs. nP	Gross Yield Earlier Redemption	Later Redemption	16-1-1958 Rs. nP
2½% 1961	94.55	—	4.20	94.35
2½% 1960	97.25	—	3.86	97.40
2½% 1962	94.70	—	3.98	94.60
2½% 1974	83.10	—	4.03	83.10
3 % 1958	99.80	—	3.28	99.80
3 % 1959-61	98.95	3.70	3.32	98.95
3 % 1964	94.00	—	3.98	94.10
3 % 1963-65	93.70	4.28	3.92	93.75
3 % 1966-68	91.40	4.28	3.97	91.60
3 % 1970-75	85.75	4.48	4.14	85.75
3 % 1986 Com. Loan	71.00	—	4.22*	71.00
4 % 1960-70	100.60	3.77	3.94	100.60
4½% 1958-68*	100.50	3.24	4.44	101.50
3½% 1961 N.P. Bonds	99.60	—	3.50	99.65
3½% 1964 N.P. Loan	97.70	—	3.88	97.75
3½% 1965 N.P. Bonds	97.60	—	3.89	97.60
3½% 1962	97.90	—	3.76	97.90
3½% 1967 N.P. Bonds	97.60	—	3.79	97.60
3½% 1974	98.25	—	3.89	98.25
3½% 1967 N.P. Bonds	99.60	—	3.80	99.60
4 % 1972 Loan	100.00	—	4.00	100.00

BRITISH GOVERNMENT SECURITIES

	Closing quotations 8-1-1958 £			Closing quotations 15-1-1958 £
2½% Brit. Consols	46⅜	—	—	47⅛
3 % Savings Bonds 1965-75	70⅛	—	—	69⅜
3% War Loan 1955-59	96⅛	—	—	96⅛
3½% War Loan	62⅛	—	—	63⅛
4% Victory Bonds 1970	93⅞	—	—	92⅝
4% Funding 1960-90	86⅛	—	—	86⅛

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts
x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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AMERICAN LOAN TO INDIA

THE new U.S. loan to India, announced soon after we went to Press last week, is both timely and sizable. The amount of the loan is approximately $225 million or roughly equal to Rs. 106 crores at the current rate of exchange. Viewed against India's need of about Rs. 700 crores of foreign exchange to fulfil even the core of its second Plan and the commitments which it has already concluded, as well as against American capacity to help, this sum is not very large. But $225 million is not a small amount. It is some $160 million more than the amount the U.S. Government has been sparing for India every year during the past five years under the Indo-U.S. Technical Co-operation Programme. In any case, it is large enough to give a breathing spell for this country and buoy up its sagging spirits. It is an impressive expression of U.S. goodwill and a further proof of its sincere desire to help India's economy move forward on democratic lines. We are grateful to the U.S. Government and its people for coming to the aid of our country at this critical juncture. Special thanks are due particularly to all those who helped to bring about this arrangement. Prominent among these are Mr. T. T. Krishnamachari, who laboured hard to create a favourable public opinion in the U.S. for India, the U.S. Ambassador to India, Mr. Ellsworth Bunker, and the Indian Ambassador to the U.S., Mr. G. L. Mehta. Both the Ambassadors have spared no efforts to remove misunderstandings and to strengthen Indo-American friendship.

Details of the new loan of $225 million are yet to be worked out and, for this purpose, an official delegation from this country will proceed to Washington in a few days under the leadership of Mr. B. K. Nehru, Secretary for Economic Affairs, who by now must be quite familiar with American officials and non-officials, as he has been in charge of financial negotiations in the U.S. capital for a fairly long time. It has, however, been disclosed that the loan will be made available from two sources, the U.S. Export-Import Bank and the U.S. Development Loan Fund. While the exact share of each of these sources has not been indicated, the U.S. Ambassador disclosed at a Press conference at New Delhi last week that 70 per cent. would be from the Export-Import Bank and the balance of 30 per cent. from the Development Loan Fund, the actual figures on this basis being $157.5 million and $67.5 million, respectively. It is pertinent to recall here that the pressure for assistance from various other countries on these two sources of American Government capital is very high. The lending limit of the Export-Import Bank has been very nearly reached. President Eisenhower has, therefore, found it necessary to approach the Congress to sanction additional funds for this institution. The Development Loan Fund, which came into being only last year with an initial credit of $300 million for operations upto 30th June 1958, has received applications for aid aggregating $1,098 million; of these, requests for $800 million were received in the first three weeks of this month. It will thus be seen that, in promising loans to the tune of $225 million, the U.S. Government has given high priority to India. This shows that the U.S. Administration is fully alive to the urgency of India's requirements.

The present offer is a loan, pure and simple. It is a business transaction, and does not contain any element of grant or gift. It has to be repaid in full with interest. Our object in stressing this point is not to belittle the value of this type of American assistance but to remind the powers-that-be in this country that the money must be utilised prudently and profitably and that enough return must be obtained from its investment in the shape of capacity and ability to repay the debts as and when they fall due. It is, therefore, gratifying to hear that the project to be financed by these loans will be scrutinised by the lender. Some critics may regard this as an unwarranted condition. A few may even go a step further and characterise it as an interference. Such criticisms will be absurd. There is no harm in consulting friends, who are competent, about the soundness or otherwise of our plans and projects. On the contrary, it is a positive advantage, as it will enable us to discover our weaknesses and rectify them.

The fact that the offer is a loan and not a gift has also to be stressed for another reason. While occasional gifts from economically rich countries like the U.S. to poor countries like India should be welcome and need not be decried, excessive dependence on them, as Prime Minister Nehru has often reiterated, would be bad, as they might breed complacency, political corruption and ultimately demoralisation. The chances of this danger are greater in underdeveloped than in developed countries and more so if the underdeveloped nations happen to be politically young, with no strong democratic traditions. Further, in the context of current international politics, with cold war becoming active and colder, large and frequent gifts from the leaders of either of the two power blocs to underdeveloped, unaligned countries will only worsen the situation. It may lead to an unhealthy competition which may end in more and more underdeveloped countries going under the wing of the Communist bloc. It will be in the long-range interests of India not to encourage such competition between the power blocs, in which a country under dictatorship has certain obvious advantages over its democratic confrere.

It is not yet known when the aforesaid loans from the U.S. are repayable and what rates of interest they carry. Usually, the Export-Import Bank lends for periods from three to eighteen years. The rates of interest vary, in accordance with the changes in the cost of money to the U.S. Treasury which makes funds available to the Bank. Currently, the Bank has been charging 5½ to 5¾ per cent. It is possible that the loans offered to India through this Bank may be in various amounts repayable at varying periods. A part of the promised credit includes assistance to projects in the private sector, though the exact amount meant for it has not been disclosed. The loans through the Development Fund also may be subdivided, but nothing may be available to the private sector from this source. The rate of interest to be charged on loans from the Fund varies, depending upon the purpose for which they are taken. The classification seems to be based on profit-making and non-profit-making development projects.

A few days ago, it was reported that, while the rate of interest

for profit-making projects will remain on a par with that charged by the Export-Import Bank? While no information is available yet on this subject, it may be mentioned, in passing, that the trend of interest rates in the U.S. seems to be downward and that this is bound to influence the lending rates of the Bank also.

A loan from the Development Fund has certain advantages as compared with that from the Export-Import Bank. In the first place, the duration of loans from the former is very much longer than in the case of loans from the latter. As already stated, the Bank lends, generally speaking, for a maximum period of 18 years, while the Fund gives a time limit of 40 years. Mr. D. McIntosh, the Fund's Manager, has, however, urged that the maximum period should be reduced to 25 years. The outcome of this suggestion is awaited, but it is to be hoped that the authorities concerned will turn it down and retain the 40-year limit. The second important advantage is that, whereas Export-Import Bank loans are meant to be utilised only for buying goods in the U.S., those from the Development Fund can be spent anywhere in the world. The value of this advantage lies in the fact that a borrower from the Fund can buy his needs in the cheapest market in the world. And there are several items of goods required by India for implementing its projects which can be bought at a lower price outside the U.S. In view of these advantages, the benefit of U.S. loans to India would be greater if a greater proportion than now envisaged could be made available from the Fund instead of from the Bank. As it is, the loans from the Bank cannot help India to meet any part of the foreign exchange commitments already incurred outside the U.S.

The Government of India was in favour of a big straight loan from the U.S. Government. Such a loan would have, of course, enabled it to go ahead with the second Plan more easily than is possible now. It would have raised its foreign currency reserves, thereby imparting greater confidence among foreign investors in this country. It would have also minimised, to a very great extent, the need for buying plant and machinery on the costly method of deferred payments. But, for various reasons, partly political and partly economic, such a course has not been possible. Moreover, a straight loan of the type and size sought by India would have required Congressional sanction, but the mood of the Congress is said to be unpredictable. An approach to the Congress carried with it the risk of rebuff and an acrimonious debate, hurting the feelings of sensitive souls which abound in both the countries, perhaps in far greater number in this country than in the U.S. Criticisms of India in the U.S. Congress would naturally evoke unpalatable replies from this side, thereby resulting in public controversies to the mutual disadvantage of both India and America and to the benefit of communists and their friends all over the world. It, therefore, seems to us that the decision of the U.S. Government not to approach the Congress for a special loan to India and to give as much help as possible from the resources already at its disposal was the best in the present circumstances. Further, it has the additional advantage of providing India with urgently required funds far more expeditiously than would be possible through a loan requiring the authority of the Congress. The latter would have taken anything between six and nine months, if not a year, for sanctioning a loan.

The proposed U.S. assistance is not confined to the loan of $225 million alone. It is something bigger than that. For the U.S. Government is actively considering the possibilities of providing India with more wheat than has already been undertaken under the 1956 P.L. 480 Agreement, which provides for the sale of U.S. surplus farm products on easy terms. Explaining the scope for such assistance, Mr. Ellsworth Banker said last week that 900,000 tons of wheat could be made available in addition to the quantity already agreed, that is, 700,000 tons, by changing the supply of cotton to wheat and 200,000 tons in exchange for minerals, such as manganese ore. He added that India would be eligible for further assistance from the Development Fund and P.L. 480. This means that fresh negotiations for assistance could be initiated as soon as the Congress sanctions the President's request for a fresh loan of $625 million to the Development Fund and for an extension of P.L. 480. It is to be hoped that, in the interval, events will so shape out as to make conditions propitious enough for the American and Indian Governments alike to approach the U.S. Congress for a special loan of a more substantial amount. It is encouraging to hear from the American Ambassador that his Government has not ruled out such a future possibility.

Meanwhile, the Government of India will be well advised to be as thrifty as possible in the use of its foreign resources and to pursue an economic policy that will help the flow of foreign private capital into this country. There is ample scope and need for such capital. While announcing the new loan arrangement to the Press the other day, the American Ambassador paid a tribute to the Government of India and its planners by saying that the offer under reference constituted "further evidence of the United States' deep interest and confidence in the imaginative, courageous effort India is making to build a better life for all her people." It is to be sincerely hoped that this testimonial will not be interpreted by the powers-that-be to mean that their plans and policies are perfect and therefore need no amendment. It is necessary to stress this point, as they are quite liable to make that mistake. It would be a great tragedy for India if the American loan were to engender in them the complacent belief that there is no case for improving the climate for private savings and initiative.

SOVIET CHALLENGE TO THE WEST

THE facts compiled and published by the State Department of the United States on foreign aid given by Soviet Russia to the uncommitted underdeveloped nations make interesting reading. The revelations are, indeed, startling. Two years ago, when Mr. Nikita S. Khruschev challenged the U.S. and other Western powers to compete with Russia in giving aid to underdeveloped countries, many in this country thought that he was indulging in a propaganda stunt. It was generally believed that Russia did not have the necessary surplus production to render effective assistance to this part of the world. This belief was, of course, based mostly on advices received from the Western world. The inability of Russia to buy some of the goods which it had promised to take up under trade agreements with the underdeveloped countries was also in a way responsible for strengthening this impression. For instance, Russian failure to take up Indian jute goods, tea, and coffee to the extent anticipated caused great disappointment in this country. Similarly, reports from Burma and Ceylon that Russia was trying to drive a hard bargain with them after concluding specific barter agreements caused scepticism about the genuineness of Russian intentions and claims. But the State Department's report shows that one must revise one's opinions about Russia, that Mr. Khruschev was not making empty boasts and that Russia is in a position to render economic assistance on a much larger scale than has been believed hitherto.

The facts emerging from the U.S. State Department's report are summarised by the *New York Times* as follows:

1. In the last two and a half years, the Soviet bloc has made agreements with the underdeveloped nations to provide them with $1,500,000,000 in economic aid, excluding $400,000,000 in military aid. The nations are Afghanistan, Cambodia, Ceylon, Egypt, India, Indonesia, Nepal, Syria, Yemen and Yugoslavia. Only 10 to 15 per cent. of this amount has actually been expended to date, but funds are being made available as specific projects are approved. The United States' economic aid to the ten countries over the same period is estimated at about $900,000,000. (This, of course, excludes the latest U.S. loan of $225 million to India.)

2. During the first six months of 1957, more than 2,000 Soviet bloc technicians worked for one month or longer in nineteen underdeveloped countries. The rate at which the Soviet educational programme is turning out technicians makes possible a great increase in the number of technicians sent abroad within the next few years.

3. Despite economic hardship within the Soviet bloc, it could double its aid shipments abroad during the next eight years by drawing on only 5 per cent. of the projected increase in its productive output during the same period.

4. Trade agreements between the Soviet bloc and the underdeveloped areas, based on barter or acceptance of local currencies, have met with wide favour and are expected to increase.

Some of the specific Soviet bloc projects cited in the aforesaid report pertain to a steel mill in India, with a capacity of 1,000,000 ingot tons, for which the Russians are providing $115,000,000 in machinery, materials and technical services; a $175,000,000 aluminium plant in Yugoslavia; a $10,000,000 petroleum refinery in Syria; a sugar refinery in Indonesia; and a large flour mill-bakery installation in Afghanistan. In presenting the report to the public, the State Department has emphasised that, though Russia has offered economic assistance without attaching any strings, communist influence in all the uncommitted countries which have received its assistance has steadily grown. This may sound propagandistic, but, on calm reflection, one cannot but admit that it is a fact. To take our own country. The Communists, who were nowhere in the picture before India accepted Russian aid for putting up a steel plant at Bhilai, are commanding considerable power in many parts of the country today. They constitute the only effective opposition party at the Centre and West Bengal, besides holding office in one of the States, namely, Kerala. Whether this success of theirs is the direct result of economic collaboration with Russia or the weaknesses of the Congress Party is not the question to be answered here. All that we want to state here is the fact that, during the last three or four years, the Communists in India have gained in strength to a significant extent.

Be that as it may, there is some resemblance in the Russian policy of giving economic aid to underdeveloped countries with that followed by the U.S. Just as the U.S. has given larger aid to those countries which are definitely more friendly with it and the inherent leanings of which are not in doubt, so also Russia has undertaken to give bigger aid to those countries which, though uncommitted for all outward purposes, have been supporting it vociferously and appear to be almost in its camp. Thus, countries very much smaller than India and with hardly any plan for their economic development have been offered surprisingly large amounts of aid, exceeding that made to India by a wide margin. Including $400 million by way of military aid, Egypt has been promised $480 million. Syria has received $280 million by way of both economic and military aid. Purely economic aid has been offered to Afghanistan to the tune of $145 million, Indonesia $110 million and Yugoslavia $465 million. These amounts compare with $270 million committed to India. Another country which is being wooed on a large scale is Ceylon; it has already received $20 million. Negotiations are currently going on between Ceylon and Russia and an agreement is expected to be signed in a fortnight.

Considering the fact that Russia started offering economic aid to the underdeveloped countries only a little over two years ago, the progress made by it is remarkable, but not surprising, because, unlike a democratic country, which has to get parliamentary sanction, Russia can go ahead unhampered by red-tapism. Further, Russia has been offering aid without almost any conditions and in very sweet language. Again, Russia encourages socialisation of industry, trade and services which readily appeals to the ruling party in underdeveloped countries, whereas the U.S. and Western countries lay considerable stress on the need for encouraging private enterprise—advice not quite palatable to most of them. It may be argued that Russia has only made promises so far and may not be able to fulfil them. There is not much ground for this scepticism. Russia has already delivered a substantial part of its promised aid and, according to the U.S. State Department's findings, has enough resources (including those of its satellites) not only to continue the programe but even to expand it to some extent. It is pointed out, in this connection, that even if Soviet economic aid to underdeveloped countries were to aggregate $1,000 million per annum, it would be less than 1 per cent. of the estimated annual future industrial output of both the Soviet Union and its East European allies. The ability of these countries to supply engineers and other technicians is also said to be rapidly growing. The only limiting factors of Russia are its extensive commitments to China and other full-blooded communist countries and its deficiency in consumer goods, as well as in food and agricultural commodities. Nevertheless, there is now enough evidence that Russia's challenge to the West is a real one. It may be that underdeveloped countries must, in their own interest, be cautious in accepting large-scale economic aid from Russia. But this advice will cut no ice with them, as they are living in miserable conditions. The only effective solution lies in the West meeting the challenge. It remains to be seen whether the State Department's report will succeed in convincing the American Congress and the Parliaments of other Western countries of the necessity to set apart a larger part of their resources for rendering economic assistance to the underdeveloped areas of Asia Africa and South America than they have done so far.

END OF DEARER MONEY ERA IN SIGHT?

BEARS IN SHARES COVER—DIAMONDS SOFT—WORLD SUGAR WEAK—TAX PAYERS INCREASE

THURSDAY, 5 P.M.

AFTER registering a smart rise in value and turnover, the share markets have become listless. Although the closing rates for the week are well below the highest levels witnessed earlier in the week, they are higher than those a week ago and the trend is steady. The spurt in the initial days of the week was chiefly due to bear covering of a sizable nature. This is evident from the fact that the rise in prices was confined mainly to speculative counters. Apparently, the bears have come to the conclusion that the worst is over, or at least that the chances of making any profit by holding on to their sales have become rarer as compared with those by going long. In other words, the bears seem to have taken the view that it will be prudent for them to withdraw from the ring for the present. Not even the statements of the Prime Minister and the Finance Minister at the Gauhati Congress session that there would be no departure from the Congress Party's goal of socialism have encouraged them to stay. It will be noted that, at this session, Mr. Nehru firmly declared that there would be no retreat "even by a hair's breadth" from the goal of the Congress Party to usher in a socialist pattern of society in India. Mr. Nehru further said: "I want to tell the whole world that India will not change her policy under any threat or pressure or temptation of aid." Mr. Krishnamachari, the Finance Minister, clearly stated that there would be no change in the pattern of taxation, though he was prepared to concede the necessity for providing incentives for increased production. Yet market men are hoping against hope that there would be some relief in taxation in the forthcoming budget.

MARKET GOSSIP

Market circles have paid no thought yet to Mr. Babubhai Chinoy's suggestion that all companies should voluntarily agree on a scheme for restriction of dividends. Evidently, he hopes that, by such an agreement, the Government could be induced to give up or modify some of the taxes imposed as anti-inflationary measures. Is he not too optimistic, despite the rebuff he has had at the Gauhati Congress session, where his plea for even a modest relief in taxation fell on deaf ears?

* * * *

It looks as though interest rates in many parts of the world have started moving down. West Germany has cut its Bank rate from 4 per cent. to 3½ per cent., thereby signifying the end of its dear credit policy started in March 1956, when the Bank rate was pushed up from 4½ to 5½ per cent. Today, the Dutch Bank rate also has been lowered from 5 to 4.5 per cent. In the U.S., the Treasury Bill rate has fallen appreciably, the latest rate (for 91-day bills) being 2.587 per cent. It is confidently expected that the Federal Reserve rate also will be reduced from the present 3 per cent. to at least 2¾ per cent. Bill rates have been going down in the U.K., too, and it is felt that the 7 per cent. Bank rate might not last long. The lower rates of interest are the result of realisation by the authorities of several countries, particularly the U.S., Germany and the Netherlands, that the time has come to reverse the recessionary tendencies before they get out of control. There is thus every prospect of 1958 witnessing the end of the era of dearer money.

* * * *

Diamond, the hardest of all known materials, shows signs of "softening" in the world markets. Evidently, the demand, which began to fall in the last quarter of 1957, consequent on the slow down in business activity in the U.S. and the three-month strike of diamond cutters in Antwerp, an important market for the precious stone, has not picked up. To add to this, the markets have not yet recovered from the shock caused by the demise of Sir Ernest Oppenheimer (in the closing week of November last) and Dr. John Williamson (on the 7th inst.), the two leading personalities in the diamond industry. Another development of great interest to the diamond markets of the world is the announcement that Russia has made a second big diamond find. But this has not so far had any adverse effect on the market, because the Russians have yet to produce diamonds even from their first find in Siberia.

Despite the decline in demand in the last quarter of 1957, sales of diamonds during that year are said to have been higher than in 1956. The sales of De Beers' Central Selling Organisation, which handles about 80 to 90 per cent. of the total world production, reached a record high of £76.8 million, exceeding the previous year's high of £74.5 million. Of these sales, gems accounted for £52.8 million and industrial diamonds for £24 million, as compared with £50.5 million and £24 million, respectively, in 1956. The following comparative table shows the sales of the De Beers' organisation during the last five years:

(In million £s)

Year	Gems	Industrial Diamonds	Total
1953	43.3	17.8	61.1
1954	45.6	16.5	62.1
1955	50.3	24.0	74.3
1956	50.5	24.0	74.5
1957	52.8	24.0	76.8

The record sales in 1957 were due, to some extent, to a rise of 5.7 per cent. in prices of gems early in the year and of 8.5 per cent. in those of industrial stones. The sales of industrial diamonds have been well maintained, despite the cessation of buying for the U.S. stockpile of this class of precious stone.

* * * *

The Government of India has not yet come to any conclusion about exports of sugar from this country in the current year. Meanwhile, the prospects of India being successful in this sphere are bleaker than before, because the world sugar market continues to rule depressed and there has been a further fall of 0.05 cent per lb. in the price of sugar, the spot quotation for Cuban raw sugar in New York now standing at 3.70 cents per lb. (f.o.b. Cuba), as against 3.75 cents a week before and 4.03 cents on 4th December 1957. The low level of sugar prices is expected to persist during the whole of the current year. This at any rate is the opinion given by the Chairman of one of the leading sugar firms in the U.K., Messrs. Tate and Lyle Limited, when he addressed the recent annual meeting of the Company held in London last week. The year 1958, the Chairman pointed out, was likely to see a progressive growth in raw sugar stocks which should be reflected in prices, particularly because most sugar-producing countries could sell surplus output profitably at prices well below that ruling at present, namely, £1 13s. 7½d. per cwt. In support of his view, the Chairman stated that, despite political disturbances, Cuba, which supplies 50 per cent. of the free market requirements, would harvest 6.25 million tons of sugar in 1958, an increase of 750,000 tons as compared with 1957.

The continued low level of prices has whipped up the domestic demand for sugar in the U.K. But the Sugar Board is said to be losing heavily at a rate of 13s. per cwt., being the difference between the actual market price (of about 33s.) and the negotiated price at which it has to buy Commonwealth sugar. If, therefore, sugar prices do not register any rise, the Sugar Board, it is felt, may impose a surcharge on imports of raw sugar. Such a levy will, however, make matters worse for the world sugar market.

* * * *

It is surprising that, in the oilseeds market, linseed continues to remain low-priced; the May 1958 contract was done today at Rs. 29.62, the lowest touched since 11th December when it was quoted at Rs. 32.81. This is a matter for surprise because the statistical position of linseed is sound. The production of linseed in India is reported to have suffered a distinct setback in the current season (1957-58), the estimated output being about 300,000 tons, as against 349,000 tons in 1956-57 and 414,000 tons in 1955-56. The setback has occurred at a time when enquiries from crushers is encouraging, on account of broadening demand for linseed oil by industrial users, especially paint manufacturers, and from overseas countries. Prospects for exports of oil would appear to be quite bright, thanks to the tight world supply position, following the marked decline in the U.S. crop which is assessed at 676,000 tons, as against 1,225,000 tons last year. Canadian linseed oil, it may be noted, is quoted higher at £124 per ton, as against £113-£114 at which the U.K. is buying Indian and Argentine supplies. This is attributed to high prices for Canadian flax.

Meanwhile, advices from London suggest that the outlook for trade in linseed oil is at present very uncertain. To quote a report: "Dealers are worried about the effects on the consumption of linseed oil, especially in paint, and some signs of setback are apparently already evident. This would help to explain why demand for oil is so small, although it is also suggested that consumers may have enough in stock to meet their requirements for the early part of this year. For the moment then, supplies of oil afloat and already in Europe are reasonably ample, but there is very little pressure to sell." The new crop linseed oil surplus of Argentina is estimated at 150,000 tons as against the actual shipment of 120,000 tons in the previous year. But half of this quantity is said to have already been sold for export.

* * * *

In India, taxes on incomes of individuals and corporations account for about one-third of the aggregate revenue receipts of the Central Government. Consequently, the statistics relating to assessment of income and tax levied which are compiled by the statistical unit of the Central Board of Revenue are always noted with interest. The latest financial year for which such data are made available is 1956-57. In that year, the total amount of tax asssessed registered a substantial rise of Rs. 34.6 crores to Rs. 216.6 crores (Rs. 182.0 crores in 1955-56), the income assessed being higher at Rs. 935.7 crores, as against Rs. 785.0 crores. The number of assessees too was higher at 579,902, as against 527,737. These figures, of course, suffer from a number of deficiencies. The data, for instance, cover not only the assessments completed in the year but also those for the earlier years, while some assessments of the year are carried over to next year. Further, they relate only to tax demand and not actual collections which differ widely on account of appeals. Another deficiency is that, since all capital gains do not come within the purview of income-tax, a large part of the income is excluded. Nevertheless, the income-tax revenue statistics do give some idea of the broad trends and magnitudes of incomes in this country.

The following table indicates the distributi of the total of assessed income and tax among t different categories of assessees:

	Income assessed (Rs. crores)		Tax assessed (Rs. crores)	
	1956-57	1955-56	1956-57	1955-56
Individuals	551.8	509.6	87.6	79.4
Hindu undivided families ..	63.4	62.2	11.0	11.0
Unregistered firms	32.7	34.0	1.6	9.0
Registered firms	51.9		1.6	
Companies	295.9	188.1	108.5	82.5
Total ..	935.7	784.9	216.6	181.9

N.B.—No figures are available for registered firms for the year 1955-56; these firms with an income of Rs. 40,000 and more have been subjected to pay tax only from 1956-57.

The above table shows that the rise in the assessment of tax on companies during 1956-57 was very much steeper than that of tax on individuals, being nearly 32 per cent., as against 10 per cent. There was no change in the assessment of tax on Hindu undivided families, while the unregistered firms met a smaller proportion of the tax demand.

There was a marked increase in 1956-57 of Rs. 36 crores in the assessment of tax on incomes from business and professions, the most important source of income; it amounted to Rs. 174 crores, as against Rs. 138 crores in the previous year, the total amount of income assessed being Rs. 575 crores, as against Rs. 452 crores. The break-down of income and tax—in crores of rupees—relating to the different business groups for the year under review is: Commerce, transport and communications: 245 and 47; banking, insurance, money-lending, etc. 80 and 28; processing and manufacturing textile and leather and products thereof: 55 and 27. The assessment of tax on incomes from "salary" was practically unchanged at Rs. 22.7 crores in 1956-57 (Rs. 22.2 crores in 1955-56), the total income being Rs. 207.3 crores (Rs. 206.5 crores), and the number of salary earners being 244,037 (235,291). Government servants accounted for Rs. 62 crores of the income assessed, the tax on which was Rs. 4.2 crores. There was also an increase in assessment of tax on incomes from dividends, interest on securities and property which recorded an improvement in 1956-57 as compared with 1955-56. The increase was particularly marked in the case of dividends, as the figures given below will show:

(In crores of rupees)

	Income assessed		Tax assessed	
	1956-57	1955-56	1956-57	1955-56
Dividends ...	55.00	45.97	24.50	19.26
Property ...	34.00	29.69	7.00	6.11
Interest on securities ...	14.00	10.21	6.40	4.54

The bulk of the assessment of tax on income from dividends—73 per cent. of the total tax—is accounted for by persons with an income of over Rs. 1 lakh, the actual share of which was Rs. 184 crores, the assessed income being Rs. 30 crores (55 per cent. of the total). The share of individuals and companies in the aggregate dividend income was Rs. 31 crores (56 per cent.) and Rs. 20 crores (36 per cent.), respectively. Out of the total tax of Rs. 6.4 crores on incomes aggregating Rs. 14 crores from securities, companies accounted for more than 81 per cent.—Rs. 5.2 crores, to be precise—the actual income being Rs. 9.0 crores (64 per cent. of the total.

An idea of the distribution of income-tax assessment of individuals according to grades of income during 1956-57 can be had from the table given below:

Grades of total income (Rs.)	Number of assessees	Tax yield	
		Amount (Rs. crores)	Percentage to total
Below 20,000—super-tax limit ..	510,173	20.9	9.7
20,000—50,000	N.A.	29.8	13.7
50,000—100,000	N.A.	24.9	11.5
Over 100,000	6,271*	141.0†	65.1
Total ..	N.A.	216.6	100.0

* Includes 2,187 individuals, 2,439 companies, 271 Hindu undivided families, 257 unregistered firms and 1,123 registered firms.
† The share of individuals and companies is Rs. 30.9 crores and Rs. 100.9 crores, respectively.

A striking feature revealed by the income-tax statistics is that the number of individual assessees with an income of over Rs. 1 lakh, which stood at 2,182 with an income of Rs. 47.6 crores before tax, declined to 242 after payment of tax, their aggregate income being Rs. 5.3 crores. The total tax assessed on incomes of over Rs. 5 lakhs was Rs. 95.1 crores, the number of assessees being 1,017. This consisted mainly of 847 companies paying a tax of Rs. 83.7 crores. The number of individual assessees with an income of over Rs. 5 lakhs was 113 (Rs. 11.7 crores) before tax and 9 (Rs. 1.2 crore) after tax. The percentage share of tax paid to the total income was 65 in the case of individual assessees with over Rs. 1 lakh of income, while the same for assessees with incomes of Rs. 20,000-Rs. 1 lakh and below Rs. 20,000 was 25 and 5, respectively.

* * * *

A new type of life insurance policy recently offered to the British public by the Confederation Life Association of Canada has many novel features to commend itself. Its most distinguishing aspect is that it provides cover, under a single contract, for every member of a family, including step-children and adopted children as well as children born after a policy is taken out. Such family policies, though new to the citizens of Britain, are familiar to their confreres across the Atlantic. The policies will be issued in units of £1,000, each unit providing whole-life assurance for that amount on the life of the father with premium payment ceasing when he attains the age of 65. Added to each

(*Continued on page 159*)

EARLIER GAINS IN EQUITIES PARED

HEAVY PROFIT-TAKING AT CLOSE

(From Our Own Correspondents)

BOMBAY, *23rd January*

THE share market on the whole fared well during the week under review. There was almost a boomlet in the earlier half of the week on strong speculative buying and short-covering, which lifted the leading scrips to levels not seen for sometime past. The rise in shares values, which touched their best levels for the week on Tuesday last, was noteworthy, in that it occurred without any support from the Life Insurance Corporation, which has been out of the market for the past few weeks. In the last two days, however, there was a slight reversal of the trend due to heavy profit-taking. Consequently, the closing rates today were well below the week's best levels. Nevertheless, over the week, almost the entire list shows perceptible gains.

With the attention of the market diverted to the enquiry now going on in the city into the investments of the L.I.C. in the Mundhra group of concerns, activity has thinned down and fluctuations are narrow.

The earlier cheerfulness was initiated by the announcement on Thursday evening last of a bonus issue by the Tata Iron and Steel Company (subject to Government sanction) in the ratio of one share for every five shares, out of the share premium account, in commemoration of the Company's golden jubilee. Though the gift was generally anticipated, it was greeted with a smart jump in Tata Steels as it was reported that the issue had the informal approval of the Government. Further, it raised hopes that the Indian Iron and Steel Company, which too collected a premium when it issued new capital last year, might also issue bonus shares. Reports of satisfactory movement of cloth from traders gave strength to textile shares. The most important news of the week was the announcement of the U.S. Government's offer to give loans to India aggregating $225 million to help the latter meet "the most crucial requirements of the second Five-year Plan during the next twelve or fifteen months." Roughly 70 per cent. of the loans would come from the U.S. Export-Import Bank and the balance from the President's Development Loan Fund. The loan programme would cover both the public and private sectors. It was also announced that India would be eligible for further assistance under the revolving system of credit offered by the Development Loan Fund. Good prospects of getting credit from West Germany, France and Japan and hopes of getting foreign private capital also infused strength to the market.

In the steel section, Tata Ordinaries rallied from Rs. 166.25 to Rs. 174.50, but profit-taking at the higher level caused a setback to Rs. 171.75 at the close. The new shares were marked up over the week by Rs. 7.50 to Rs. 165.50. Indian Irons advanced from Rs. 19.32 to Rs. 20.24 before finishing lower at Rs. 19.84.

In contrast to the dullness noted in the previous week, textile shares were somewhat lively this week and values hardened sizably. Bombay Dyeings came up from Rs. 50.70 to Rs. 52.30, but lost a part of the gain when they closed at Rs. 51.50. Centurys hardened from Rs. 392 to Rs. 401.25, only to react to Rs. 392. Kohinoors closed with a gain of Rs. 3.50 at Rs. 268.50, after touching a high of Rs. 273.50. Central Indias gained Rs. 2.50 to Rs. 86.50, Finlays Rs. 5 to Rs. 264 and Gokaks Rs. 3.50 to Rs. 160, while Indu Ordinaries showed no change at Rs. 9.64. Indore Malwas rose by Re. 1.50 to Rs. 119.50 and Morarjee Mills by Rs. 2.50 to Rs. 205. Mysore Spinnings jumped up by Rs. 4.50 to Rs. 99.50. New Greats put on a rupee at Rs. 223. Shree Niwas Cottons were better by Rs. 2.50 at Rs. 160. Standards were in request on reports of a bonus issue by the Company and rose by Rs. 11.50 to Rs. 404. Svadeshis looked up by Re. 1.50 to Rs. 170.50 and Tata Mills by Re. 1.75 to Rs. 40.50. Ahmedabad Advances closed with a gain of Rs. 4.50 at Rs. 112.50. Lakshmi Mills gathered Rs. 5 to Rs. 437.50 and Phoenix Rs. 10 to Rs. 126.25, while New Kaiser-I-Hinds were marked down by Rs. 2.50 to Rs. 83.50 and Sholapurs by Rs. 60 to Rs. 640.

Bank shares were steady with further gains in most scrips. Barodas were up by 25 nP at Rs. 106.25 and Central Banks (new) by 50 nP at Rs. 56.50, while Central Banks (old) shed 20 nP to Rs. 52.30. Bank of Indias were done Re. 1.75 higher at Rs. 135.25; their new shares were Re. 1 better at Rs. 136. Punjab Nationals provided the highlight of the section with a jump of Rs. 4 to Rs. 54, following the announcement of higher final dividend of Rs. 2.50 per share on the increased capital raised by the recent bonus issue. United Commercials also attracted good attention and rose by Re. 1.50 to Rs. 62.50.

In the insurance section, New Indias finished with a fractional loss of 25 nP at Rs. 49.25, while New Greats had business 12 nP higher at Rs. 17.12. Indian Mercantiles were marked up by 75 nP to Rs. 41.50 and Vulcans by 40 nP to Rs. 16.52.

Electricity shares were featureless and business was thin. Ahmedabad Electrics were a shade lower at Rs. 94.80. Bombay Suburbans and Surat Electrics were unchanged at Rs. 107 and Rs. 108, respectively. Tata Hydros held their ground at Rs. 113, while Tata Powers dropped Rs. 7.50 to Rs. 1,132.50. Andhra Valleys stood at Rs. 1,098.75.

Sugar shares came in for good attention. Belapurs were picked up Rs. 2.50 higher at Rs. 235. Phaltans put on Rs. 2.50 to Rs. 148 and Walchandnagars Rs. 3 to Rs. 273.75. Early in the week, cement shares came to the forefront, on expectations that the selling prices allowed to producers might be increased. A.C.C., for instance, shot up from Rs. 149.25 to Rs. 155, but the rise was not sustained in the latter part of the week. On profit-taking, the shares gave way to Rs. 152.75. The new shares gathered Rs. 2.70 to Rs. 80. Digvijays were well held at Rs. 135, while Ashokas rose by 24 nP to Rs. 8.12 and Dalmias by 48 nP to Rs. 10.24.

In the engineering and mining group, Alcocks were higher by Rs. 2.50 at Rs. 217.50. Tata Locomotives, after advancing from Rs. 138.50 to Rs. 144.50, finished at Rs. 141.25. Premier Constructions improved by Rs. 3.25 to Rs. 161.50. Larsen and Toubros were steady at Rs. 12.72 and Mahindra and Mahindras at Rs. 16.72. Shivrajpurs moved up by Rs. 2 to Rs. 87. Indian Coppers were steady at Rs. 2.86.

Among miscellaneous industrials, Bombay Burmahs (old) appreciated from Rs. 524 to Rs. 543.50 before receding to close at Rs. 534. The Partly-paids were better by Re. 1.25 at Rs. 202.50. National Rayons closed with a gain of Rs. 6.75 at Rs. 221.75, after touching a high of Rs. 225.25. Gwalior Rayons also looked up by 56 nP to Rs. 11.56. Killick Industries were marked up by Re. 1.50 to Rs. 158. Tata Chemicals put on 20 nP to Rs. 12.44 and Tata Oils Re. 1.75 to Rs. 36.75.

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Calcutta Stock Exchange

CALCUTTA, *22nd January*

A distinctly steady trend was noted on the Calcutta Stock Exchange during the week under review. The main contributing factor was last Thursday's announcement of the new U.S. loan of $225 million, the major portion of which would come from the U.S. Export-Import Bank, thereby raising distinct hopes of further assistance from this source in the future. Note was also taken of West Germany's possible willingness to accept payment for most of the steel plant equipment on a deferred basis. There was also a report which was very hopeful of India getting French and Swiss assistance. All these funds in foreign currency would keep the tempo of industrial progress, and the execution of the many projects would keep industrial concerns fully active. The possibilities in this regard made several scrips attractive possessions at the current rather lower levels during the week. Consequently, there was an enlargement in activity on the Exchange.

Other factors which aided the improvement in sentiment included the Congress's firm declaration to see the second Plan through despite difficulties and Mr. Nehru's speeches at Pragjyotishpur wherein he opposed any proposal to nationalise banks and industry on mere theoretical considerations. The Congress's general approval of the socialistic nature of last year's budget was only expected, but the fear whether this approval would result in further increase in taxation in the coming Budget was grimly entertained. Had it not been for this fear, the market should have attracted more funds during the week. Until a clearer picture in this regard came out—and this would not be until February-end—operators would proceed cautiously.

Sectionwise, the delay in loading and unloading in the port following labour trouble was a restraining factor, in general, and affected sentiment in the jute section, in particular, to some extent. However, earlier in the week the sentiment was better due to fair business that took place in hessian with U.S. buyers and hopes of further orders from them. While Kinnisons were better at Rs. 121, as against Rs. 110 previously, and New Centrals were fractionally higher at Rs. 12.19, Nationals closed at Rs. 24.95 after opening at Rs. 25.85 and falling to Rs. 23.75. Ganges were unchanged at Rs. 49, but Howrahs recovered to Rs. 13.81 from Rs. 13.00.

The delay in Government's decision on coal prices caused a considerable reduction in the volume of business in the coal section. Burrakurs were pushed down to Rs. 22.12 from Rs. 22.32, and at Rs. 16.75 Pench Valley lost one rupee.

Better advices from Bombay enlivened activity in engineerings. Indian Irons opened at Rs. 19.12 and rose to quote Rs. 19.90. Texmacos hardened to Rs. 16.50 from Rs. 16.30, while Jessop & Cos. were featureless at Rs. 20.75. Guest Keens, after being higher at Rs. 29.18, changed hands at Rs. 28.87 on profit-taking. Kumardhubis were quiet at Rs. 7.81, as were Braithwaites at Rs. 25.50. Richardson & Cruddas lacked buyers at Rs. 8.25.

In the miscellaneous industrials section, Dunlop Rubbers were a prominent feature for the rise to Rs. 21.87 from Rs. 21. Orient Papers spurted to Rs. 23.80 from Rs. 23.40. Indian Cables were better at Rs. 25.81, as were Calcutta Electrics at Rs. 13.69. India Steamships, on profit-taking, receded to Rs. 11.87 from Rs. 12.06. Calcutta Tramways, at Rs. 15.87 were up by 6 nP. In strong support Punjab National Banks rose from Rs. 50 to quote as high as Rs. 51.75.

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Madras Stock Exchange

MADRAS, *21st January*

A firmer trend prevailed on the Madras Stock Exchange yesterday when the market reopened after the *Pongal* holidays and also today. During the two-day session, the volume of business transacted was sizable with prices moving upward.

Tea shares in the planting section generally recorded a rise in prices as compared with those on the 10th inst. Parksides advanced by 50 nP to Rs. 15. Devasholas and Haileyburias improved by 25 nP each to Rs. 19 and Rs. 16.05, respectively. Kil Kotagiris hardened by 17 nP to Rs. 5.15. Periakaramalais and Peermades strengthened by 10 nP each, the former to Rs. 4.20 and the latter to Rs. 19.40. United Nilgiris were quoted at Rs. 15.50, as against Rs. 15.40 11 days before. Chembras put on 5 nP to Rs. 2.85. Blue Mountains were a shade better at Rs. 2.95. Among coffee shares, Coffee Lands improved by 25 nP to Rs. 28.75. Consolidated Coffees were quoted 15 nP higher at Rs. 23.40. Anaparais rose by 10 nP to Rs. 4.85, Kumergodes gathered 5 nP to Rs. 6.70. Sheveroys were better by 8 nP at Re. 1.82. In the rubber group, Nenmenys spurted by Re. 1.35 to Rs. 14.75. Vaikundams hardened by 50 nP to Rs. 27.50.

Trading in the textile section was very active and there was, as already stated, a smart rise in prices. Coimbatore Cottons rallied Rs. 15 to Rs. 170. Metturs spurted by Rs. 9.50 to Rs. 362.50. Lakshmis increased by Rs. 8.50 to Rs. 112.50 and Rajalakshmis by Rs. 8 to Rs. 80. Ranga Vilas advanced by Rs. 3 to Rs. 70. Janardanas gained Rs. 2.50 to Rs. 80. Buckinghams improved by a rupee to Rs. 157, Cannanores by Rs. 2 to Rs. 160, Travancore Rayons by 30 nP to Rs. 11.50, and Kotharis by 20 nP to Rs. 10.50.

Sugar shares evoked good support. Kirlampudis rose by a rupee to Rs. 41.50. Travancores gathered 40 nP to Rs. 9.50. E.I.Ds were better by 25 nP at Rs. 29. Jeypores increased by 10 nP to Rs. 131 and Deccans by 8 nP to Rs. 7.98.

Among miscellaneous industrials, Aluminium Industries advanced by 80 nP to Rs. 14. India Cements went up by Rs. 2.12 to Rs. 26.62. Andhra Cements were higher by 40 nP at Rs. 11.25. Orissa Cements strengthened by 25 nP to Rs. 12.60. Travancore Cements gained 20 nP to Rs. 7.20, F.A.C.Ts 10 nP to Rs. 5.35 and Parry's Confectioneries 5 nP to Rs. 3.40.

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BOMBAY

IN continuation of the Prospectus of the Company published on 11th January 1958, the Board of Directors have the pleasure to state that the construction of the Factory Building is in full swing and the entire Hardboard machinery is expected to reach India by May 1958. Production of Hardboard also is expected to commence before the end of this year.

NEWS IN BRIEF

THE purchase mission which recently went abroad to buy new equipment for the Calcutta Port has placed orders to the tune of Rs. 2 crores with some foreign firms.

A 23-member committee has been appointed by the Government of Bombay, with the Minister for Housing as Chairman, to advise on matters relating to the housing activities undertaken through the Housing Board.

The Union Government is reported to have asked the State Governments to abolish the permit system of distribution of cement to the public. This further relaxation of control on the supply of cement has been ordered, following a steady improvement in the supply position of cement.

An industrial training institute is being established in Warangal, Andhra Pradesh, at a cost of Rs. 7 lakhs. The Institute, sanctioned under a scheme sponsored by the Union Labour Ministry, will start functioning from the next academic year and will admit 288 students for training in various crafts.

A conference of tea producers' and traders' associations in the country was held on the 16th inst. at Calcutta. The Conference discussed the question of relief for India's common teas and decided that a detailed memorandum, incorporating the decisions arrived at, be sent to the Union Commerce and Industry Ministry.

The Government of India proposes to set up a full-fledged small-scale industries development institute at Calcutta in co-operation with the Japanese Government. The proposed institute which is expected to be the biggest of its kind in the country, will be of great assistance in the development and promotion of small-scale industries in West Bengal through Japanese techniques.

A giant crane capable of lifting 275 tons is on its way from Britain to India for installation in the Tata Steel Works at Jamshedpur. The crane, made by the Horsehay Company, Ltd., of Wellington, Shropshire, is completely electrically driven by motors of over 1,000 h.p. It is a massive structure, having a span of 68 ft. 9 in. and an overall width of more than 50 ft. It is operated by one man seated in a cabin attached to its underside and will be used for transferring molten metal from the furnace into rows of ingot moulds.

The Government of India has issued a licence to a private concern to set up a paper factory at Mandya in Mysore State at an estimated cost of Rs. 3 crores. The raw materials for the manufacture of paper will be bagasse, which is now available in plenty at the Mandya sugar factory. The promoters of the Company are stated to have secured favourable terms from an American manufacturing concern for the supply of necessary machinery to set up the plant. The Government of Mysore has agreed to invest up to 10 per cent. in the share capital.

The Chittaranjan Locomotive Works proposes to manufacture steam locomotives with entirely indigenous components by 1961. By this time, the steel foundry at Chittaranjan and the three steel plants in the public sector, namely, Bhilai, Rourkela and Durgapur, will go into production and supply necessary castings and steel. The factory has been taking concerted measures to cut down imported components. In the first stage of this drive towards self-sufficiency, the cost of imported components was reduced from Rs. 2.5 lakhs to Rs. 1.3 lakh per engine. It has been slashed further to Rs. 50,000. The items now imported consist mainly of bar frames, boiler plates, tyres and axles.

The Japanese expert team's report on the exploitation of iron ore mines in three ore-yielding regions of the country will be submitted to the Union Government shortly. The report will give the necessary technical data and also recommend which of the three projects, namely, the Rourkela iron ore mines, the Balladila ore belt in Madhya Pradesh and the mines in Northern Orissa, should be developed first. The problem of port and railway facilities is linked to the iron ore development projects and reports on these aspects will be included in the Japanese report. The Japanese are expected to provide railway equipment, mining machinery and port equipment. A joint request by India and Japan for financial assistance will be made to the U.S. Government in March next.

The Engineering Export Promotion Council, Calcutta, has sent its fourth trade delegation to South-East Asian countries. The previous three delegations were sent to Burma in January 1956, to British East Africa, Ethiopia, and Sudan in January-February 1957 and to West Asian countries in August-September 1957. These delegations, it is said, have made useful studies and established contacts in the overseas markets which have been very helpful in developing India's export trade in engineering goods. The present delegation, which left Calcutta on the 17th inst., consists of Mr. B. S. Agarwal of the Jay Engineering Works Ltd. (leader), Mr. N. R. Pandit of Mysore Kirloskar Ltd., Mr. T. M. Desai of Cooper Engineering Ltd., Mr. C. R. Bondre of Kirloskar Oil Engines Ltd. and Mr. J. C. Kapur of Air Conditioning Corporation (Private) Ltd. (members). Mr. R. K. Singh is the Member-Secretary.

For some time now the Governments of India and the U.S.S.R. have been examining the possibilities of an air transport agreement between the two countries under which scheduled services could be established by airlines designated by the respective Governments. Certain preliminary exchanges have taken place and with a view to advancing these negotiations, it has been proposed that the two Airlines concerned should have discussions on various points of detail. The Air-India International team, headed by Mr. B. R. Patel, Vice-Chairman and General Manager, and assisted by Mr. V. G. Gadgil, Assistant Engineering Manager, Captain K. Vishwanath, Divisional Operations Manager (Central), Mr. A. F. Dubash, Commercial Manager, Traffic and Mr. G. Bertoli, Regional Traffic Manager, Continental Europe, accordingly plan to visit Moscow early in February. The talks will cover all commercial and technical aspects of the operation of the proposed air service, including such aspects as traffic rights, air navigational facilities, fuelling facilities, etc.

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From Abroad

A French delegation has arrived in Pakistan to conclude a trade pact with the latter.

The Standard Oil Company of California has ordered five tankers of 48,600 tons each from Danish shipyards. They are to be built between 1959 and 1960.

Talks between Indonesia and Japanese shipowners for the chartering of about 40 vessels have failed, as the ships were found unsuitable for Indonesian waters.

The Federation of Rhodesia and Nyasaland is seeking a loan of $25 million on the New York market. A mission from the World Bank will visit the Federation in March.

The Martin Company of Baltimore, U.S., has announced that its "package" power reactor was successful in its first test by achieving a self-sustaining nuclear reaction. The reactor is designed to be transported anywhere by cargo aircraft.

Russia's willingness to provide Yemen with a technical aid loan, equivalent to about £20 million, was seen in the visit of the ten-member Soviet technical mission to that country recently to study agricultural and mineral prospecting development schemes.

Production of vehicles by West Germany's ten main car companies aggregated 1,070,000 units in 1957. This was about 11.5 per cent. more than the output in 1956. Of these, Daimler-Benz alone produced about 125,000; half of this number was for export.

The congestion in the Colombo Port, which resulted in the cancellation of local tea auctions, has led the Ceylon Ministry of Trade and Commerce to release mid-country teas for London auctions without any restrictions for a short period.

Representatives of the British exporters of wool rugs, wastes, tops and yarns have decided to tender evidence before the Canadian Tariff Board in the hearing to be held in Ottawa on the 10th February for protection to the Canadian woollen industry.

Egypt has indicated its readiness to accept neutral arbitration in the assessment of Egyptianised British property. Such arbitration, however, will not be acceptable on claims arising out of the sequestrated property. The request by Britain to reopen financial talks is receiving Egypt's consideration.

The relationship between the State and local oil companies in Egypt will be placed on a new footing. In furtherance of this measure, a Committee has been appointed at the Ministry of Industry to study the present agreements and also to recommend new agreements within the next two months.

A Bill designed to impose a four-cent duty on copper imports whenever the indigenous price falls below 30 cents per pound is expected to be introduced in the U.S. Congress by members from the mining areas. In view of the fact that the present price is below this level, the duty is likely to take effect forthwith when the Bill is passed.

The Ford Motor Company has decided to cease production at its Ford Division assembly plant at Buffalo in New York State as, according to the Company, the plant there has become outmoded for the assembly of modern cars. Employees will be given the option of transfer to the Company's plant at Lorain, Ohio. Operation of the stamping plant at Buffalo will, however, continue.

A Bill imposing a levy of about ¾d. a lb. on tea exports, designed to finance the Ceylon Government's seven-year scheme for the rehabilitation of the tea industry, will be presented to the Ceylon Parliament before the end of this month. The scheme will benefit the small holders who have, in recent days, been put out of production due to delays in exports of tea from Colombo.

The British Overseas Airways Corporation has signed a £60,000,000 contract for 35 Vickers VC-10 jet airliners. The VC-10, which is expected to make its first flight in 1961, will be the biggest British airliner ever, capable of seating up to 150 passengers. The B.O.A.C. order, which does not include the cost of spares, is the biggest airline order ever placed in Britain. The B.O.A.C. has taken an option on 20 more VC-10s.

The Swedish Shipbuilding Association in a report states that ships launched and delivered at Swedish yards attained a new high in 1957, with the tonnage exceeding the annual average of the past few years by some 30 per cent. The number of ships launched amounted to 81, with an aggregate tonnage of 670,000 gross tons, while deliveries accounted for 82 vessels with an aggregate of 640,000 gross tons. Of the deliveries, 70 per cent. went to foreign owners, mainly Norwegian shipping companies, which received 32 vessels.

A reduction of 5s. a ton as from the 17th inst. on the spot bunker price of marine diesel fuel oil at all ports in the U.K., Europe, the Mediterranean, the Canary Islands and West Africa has been effected by the Shell Petroleum Company. It may be noted that only last month the prices of marine fuel and gas oils as also of marine diesel oil were lowered by a cut of 10s. a ton. The latest reduction reflects the persistent slackness in demand for bunker fuel. The reported high level of stocks and the slump in spot freight rates, resulting from the low level of shipping activity, are the factors responsible for the weakness in demand for marine fuels.

The group of Norwegian shipowners who, some time ago, had taken the initiative to start preparatory technical and scientific work on the construction of atom ships, has now formally constituted itself as a company under the name Rederatom. It has signed a contract with the Institute of Atomic Energy at Kjeller, near Oslo, for a two-year research programme in this field. Two million kroner (£100,000) will be spent on the work. The first aim of the company is to form a wholly Norwegian research group working on the problem of ship reactors. There are signs that in future there will be a brisk exchange of research material in the military field as well as in merchant shipping.

PERSONAL

MR. Rajeshwar Dayal, Ambassador of India to Yugoslavia, has been concurrently appointed Ambassador to Greece.

Mr. S. L. Kirloskar is the Chairman of the the Engineering Export Promotion Council, Calcutta, for the current year.

Mr. Shankar Prasad, I.C.S., at present Chairman of the Indian Airlines Corporation, has been appointed Director-General, Posts and Telegraphs.

Dr. Radhakrishnan, Vice-President of India, will leave on a three-week visit to the U.S. on 14th March in response to a number of invitations from that country.

Mr. Justice Koka Subba Rao, at present Chief Justice of the High Court of Andhra Pradesh, has been appointed a Judge of the Supreme Court, with effect from the date he assumes charge of his office.

Mr. Eugene R. Black, President of the World Bank, proposes to visit the Belgian Congo, the Union of South Africa, the Federation of Rhodesia and Nyasaland and Kenya, Uganda and Tanganyika in March and April.

The following are the members who have been elected to serve on the Committee of the Millowners' Association, Bombay, for 1958:

Sir Vithal Chandavarkar and Messrs. T. V. Baddeley, Krishnaraj M. D. Thackersey, Neville N. Wadia, G. D. Somani, Radhakrishna Ramnarain Ruia, M. L. Tapuriah, S. P. Jain, E. D. Sheppard, Pratap Bhogilal, Arvind N. Mafatlal, Naval H. Tata, Babulal Bubna, F. H. Kemple, E. F. Morrey, E. S. Vernon Jones, C. H. Campbell, Chandrakant Mulraj Khatau and Debiprasad Poddar.

The new Committee will begin to function after the annual general body meeting of the Association.

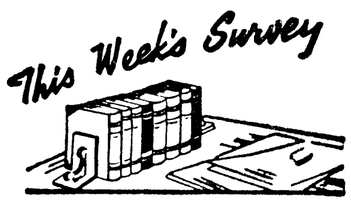
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *21st January*

The Gold Standard

The adjustment of trade balances demanded an increase in the competitive power of debtor countries and accordingly a reduction in the gold prices of their goods. As long as these countries maintained their currencies at par, their domestic price level had to be reduced accordingly. Such a reduction is naturally a painful process, particularly as it has to be accompanied by a corresponding reduction in the income of the consuming classes of the population, if it is to have the desired effect upon the economic balance of the country. Few debtor countries with gold standard currencies have found it possible to effect, in this way alone, an equilibrium in their foreign transactions. By abandoning the gold standard and allowing the exchange value of their currencies to fall below gold parity, many countries have, however, managed to reduce considerably the gold prices of their products and at the same time keep down the domestic demand for consumers' goods, at least those of foreign origin. A similar adjustment has been attained by a fall in the exchange value of the currencies of countries which were not on the gold standard, such as China, Spain and Uruguay.



CONSTRUCTIVE EFFORT

THE Government of Bombay must be congratulated on its constructive effort to take over and run the Raja Narsinggirji Textile Mill at Sholapur as an unemployment relief scheme. This Mill, it will be recalled, was closed on 8th August last by the management which found it uneconomic to run. The closure resulted in throwing out of employment more than 4,400 workers. The workers urged the State Government to intervene in the matter. After satisfying itself that the management was not in a position to resume working, the Government sponsored a scheme for running the Mill itself with a view to relieving unemployment among the workers. This was approved by the Bombay High Court on the 16th inst., the permission of which had been sought earlier for the liquidation of the Mill.

The official liquidator has handed over the Mill (plant, machinery and other accessories) to the Bombay Government on lease basis for a period of 11 months or until it is sold by the liquidator in the ordinary course, whichever is earlier. The Government will pay a nominal rent of Re. 1 per month as consideration for the lease. It has, of course, the option to determine the lease earlier after giving 15 days' notice. The Government has agreed to pay all rates, taxes, assessments and outgoings but not arrears of such rates, etc., as were due and payable by the Mill prior to the Government's taking over the Mill. It has also agreed to insure the Mill and to comply with the requirements of the Factories Act.

The resumption of working in the Mill—possibly from the 1st of next month—will be under a new contract of employment between the Government and the workers for the period of the lease. The Government will not be responsible for any retrenchment compensation or any compensation due to workers from the previous management. Before the Mill is reopened, the State Government may promulgate an Ordinance preventing the application of the Wages and Disputes Acts in the case of this Mill, as also in respect of any other concern that the Government make take over in future. The proposed Ordinance will not, however, affect protective labour legislations such as those covering payment of wages, workmen's compensation, maternity benefits and provident fund.

The aforesaid move of the Bombay Government, as stated at the outset, is certainly a constructive effort, in that it will relieve unemployment among the 4,400 workers of the Raja Narsinggirji Textile Mill, though the workers will not get their full wages. The workers, it is said, will be paid only two-thirds of their former wages. Even this arrangement entails some financial burden to the State Government. A direct investment of Rs. 25 lakhs and borrowing of Rs. 75 lakhs from banks are required to meet the working capital of Rs. 1 crore needed for running the Mill. The investment will not yield any return, for the profit if any made by the Mill will be passed on to workers, but the losses incurred will be borne by the Mill itself.

This move of the State Government is to be appreciated, as it represents a novel method of providing unemployment relief. The exact cost of this experiment is not known, but it will be a wasteful form of unemployment relief, unless the Mill can be salvaged in the near future by being made an economic unit. If there is no scope for it, the Government should endeavour to find out other more productive means of providing relief, such, for instance, as building roads, soil conservation, and building irrigation tanks and canals.

Meanwhile it is the duty of the Government of Bombay to ensure that no more units of this premier industry are allowed to share the fate of the Narsinggirji Textile Mill. A special responsibility rests on its shoulders in this respect, because the adverse results of the Central Government's textile policy affect it to a much greater extent than the other State Governments, as about 46 per cent. of cotton mills is within its jurisdiction. More mill closures will mean more headaches to it. There is no gainsaying the fact that the real solution for preventing closure of any cotton mill or mills lies not in taking it (or them) over but in creating conditions which will induce the managements to think in terms of keeping their mills working all the time. There is, for instance, the imperative urgency for reducing the heavy tax burden on the cotton mill industry. Also, the Governments—Central and State—should take special steps designed to enable the mills to modernise and expand their machinery and equipment, with a view to raising their productivity and thereby their economic efficiency. The present economic policy of the Government is hardly conducive to such a healthy development.

ROAD FUND

The nine-day seminar on low-cost roads, sponsored by the E.C.A.F.E., which concluded last Saturday at New Delhi, recommended, among other things, the establishment of a Road Fund for quickening the *tempo* of road development. The suggestion would appear to be the result of the realisation, which was shared by delegates from all the 11 countries who attended the seminar that finance was the most important handicap to development of roads. The Fund, it was urged, should be fed by revenues derived directly from tax on petrol, diesel and other fuel oils, lubricants, tax on motor vehicles registration, licence fees, tolls on roads and bridges, etc., and other taxes such as surcharge on transport fares and freights. It was also suggested that a percentage of the total income derived from import duty on petrol, diesel oil, lubricants, motor vehicles, tyres and spare parts, as well as sales tax on all these items, should be earmarked for road works and pooled into the Fund, so that the requirement of road development could be fuly met out of it. The seminar also urged that highway tax levied on diesel oil used in road transport should be increased suitably and that this enhanced rate should be chanelled into the Road Fund.

While emphasising the need for a balanced development of different classes of roads, the seminar laid particular stress on the development of rural roads and the earmarking of an appropriate portion of the Road Fund for this purpose. It is obvious that, with the present cost of construction, it is impossible for underdeveloped countries to have an adequate road system which will meet the legitimate demands of an expanding economy. The immediate need is, therefore, to cheapen road construction. This, it is stated, could be done by adopting the technique of soil stabilisation that is, improving the properties of the soil that occurs at the site of the road to enable it to withstand the disintegrating effects of traffic. It is a solution worthy of consideration because it can reduce construction costs substantially. The technique has happily passed the laboratory stage and is being tried in field experiments. Many miles of roads have already been constructed in India and in some other countries of the E.C.A.F.E. region by employing this method. The seminar has pooled the knowledge available in this branch of engineering and made practical recommendations on the technique of design and construction of such roads. Recommendations regarding the procedure to be followed in the investigation of low-cost road alignments in terrains having widely differing characteristics were also made, so as to guide engineers working in these regions. It may be noted, in this connection, that the E.C.A.F.E. Secretariat has indicated its willingness to use its good offices for arranging training of engineers in the technique of low-cost road building. The possibility of procuring scholarships for trainees under the Colombo Plan, the U.N. Technical Assistance Programme and the International Co-operation Administration will also be explored.

MADRAS PORT TRUST

In the context of the expanding overseas and coastal trade, it is, indeed, gratifying that the Madras Port Trust is endeavouring its best to handle as much traffic as possible. The volume of trade which actually passed through the port during 1956-57 was appreciably more than in 1955-56 being 2,665,828 tons, as against 2,461,611 tons, according to the latest Administrative Report of the Port Trust. The bulk of this trade—nearly 48 per cent. of the total, to be precise—was accounted for by foreign imports, the volume of which aggregated 1,273,653 tons, as against 1,085,171 tons in 1955-56. The coast-wise traffic in imports was of the order of 759,749 tons, the figure for the previous year being 748,703 tons. On the export side, there was a rise in foreign traffic from 571,551 tons in 1955-56 to 594,429 tons in 1956-57, while the coast-wise traffic declined from 56,186 tons to 37,997 tons. In terms of value, the total of all imports and exports during 1956-57 amounted to Rs. 129.93 crores and Rs. 52.43 crores, as against Rs. 95.87 crores and Rs. 63.88 crores, respectively, in 1955-56.

The increase in the volume and value of trade handled by the port thus, together with the rise in the rate of demurrage on goods from 15th August 1956, enforcement of collection of dues before delivery instead of after, and change in the type of cargo passing earned for the port larger revenue during the year under review. The actual net receipts for the year amounted to over Rs. 234.08 lakhs, representing an improvement of Rs. 65.50 lakhs as compared with 1955-56. The figures exclude the sum held under suspense and contribution from pilotage fund. The improvement in receipts was neutralised to some extent by the rise of Rs. 13.57 lakhs in net expenditure which during 1956-57 amounted to Rs. 111.41 lakhs, exclusive of amount held under suspense and contributions to renewals and replacement fund, general insurance fund, and capital account. Nevertheless, the surplus on revenue account was more substantial in 1956-57 than in 1955-56, being Rs. 123 lakhs, as against Rs. 71 lakhs.

During the year under review, contribution to capital account aggregated Rs. 95.31 lakhs. Contributions to others were Rs. 34.57 lakhs to renewals and replacement fund, Rs. 8.80 lakhs to suspense account, Rs. 1.00 lakh to repayment of debt, Rs. 1.00 lakh to general insurance fund and Rs. 96,863 to interest on loans. After excluding these contributions from the gross expenditure, the ratio of actual working expenses to receipts works out to 46.75 per cent. in 1956-57, as compared with 56.85 per cent. in the previous year. The decrease in the ratio is attributed mainly to higher receipts.

Thanks to the continued upward trend in earnings, the financial position of the Madras Port Trust is quite satisfactory, as witness the sizable balances held in different funds. The renewals and replacement fund alone had Rs. 1.76 crore as on 31st March 1957. The balance of revenue reserve and general insurance funds was Rs. 1.20 crore and Rs. 22.36 lakhs, respectively. The closing balance of the pilotage fund was Rs. 1.87 lakh, the actual receipts for 1956-57 being Rs. 4.76 lakhs and expenditure Rs. 5.62 lakhs. The Port Trust received from the Central Government a loan of Rs. 1.20 crore which brought the total outstanding loan as at the end of the year to Rs. 3.02 crores. The surcharge of 50 per cent. on all charges leviable under the Scale of Rates was continued during 1956-57.

In view of the satisfactory finances, the Madras Port Trust would appear to be in a position to meet from its own resources a sizable part of the capital outlay on the expansion and modernisation programme under the second Five-year Plan. The total outlay on this port is estimated at Rs. 9.2 crores, out of the Rs. 76 crores (including schemes carried forward from the first Plan) earmarked for the entire programme relating to major ports. The development programme drawn up for the Madras Port includes the first stage of the wet dock scheme, which is expected to cost Rs. 7 crores. The scheme is intended to provide facilities for handling an increased volume of cargo in four berths in a new wet dock with a communication passage to the existing harbour.

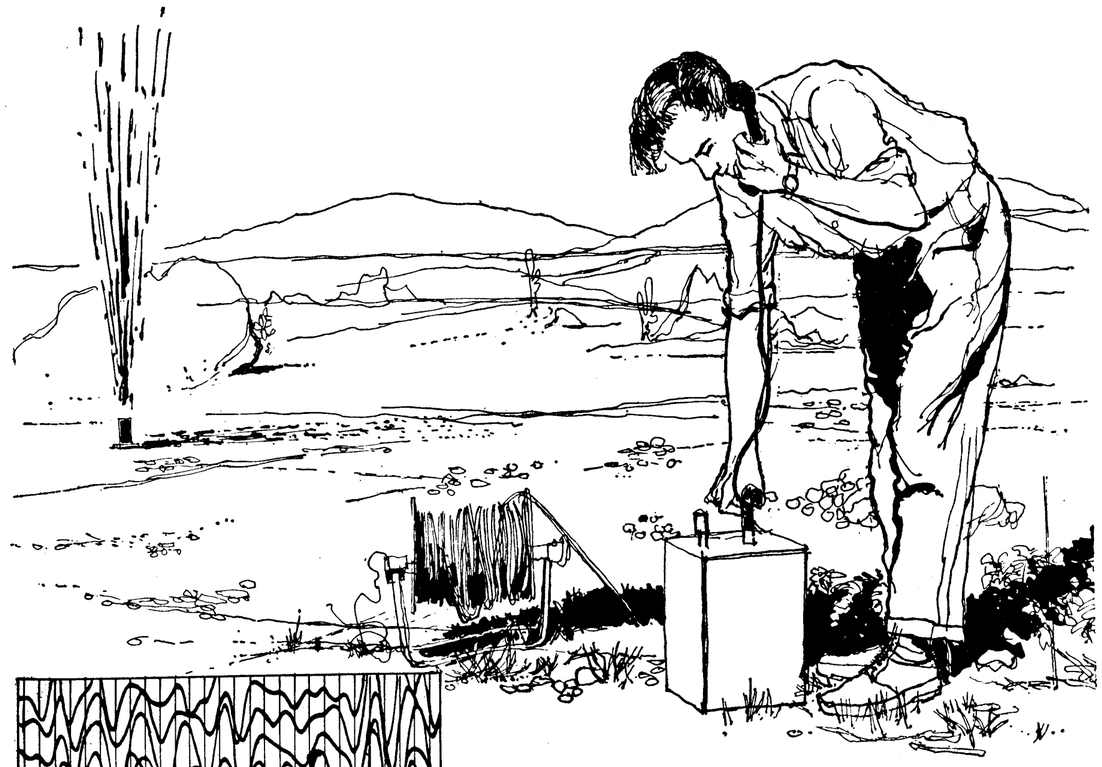
U.S. FARM POLICY

In line with the general expectation, President Eisenhower, in his annual farm message to the Congress, has called for substantial changes in U.S. farm policy. He proposed a shift of emphasis from short-term to long-term methods of reducing farm surpluses which, despite heavy acreage cuts, have not diminished to any notable extent. He said that a changed emphasis in the Soil Bank programme will aid all farmers. Although surplus holdings of farm products in the hands of the Government appear to have fallen from their peak, Government investment in price-supported commodities is still very heavy. It now stands at about $7,000 million which is $1,000 million below a year ago. In its surplus disposal programme the Commodity Credit Corporation incurred a record loss of $1,300 million in the fiscal year ended June 1957.

It is generally argued that this heavy accumulation of market-depressing surpluses is proof of the failure of the price support and crop control programmes, which, as now constituted, result in one vicious circle after another without touching the core of the surplus problems. The President himself called the present price support laws as "unrealistic" and Mr. Benson, U.S. Secretary of Agriculture, termed them as "directly contradictory to the objective of an expanding, prosperous and free agriculture." Some of the provisions of the present law, such as the escalator clauses, defeat the very object of bringing down the surpluses. These clauses require that price supports be raised as soon as a surplus is reduced. This means that the moment one surplus is done away with incentives are automatically provided to build another. The President has recommended to the Congress that these clauses in the present law should be abolished, because, as he put it, "until this basic law is changed, farm people can expect to be kept continually under the shadow of price-depressing surpluses." The Soil Bank and surplus disposed programmes, according to him, have already cut deeply enough into the surpluses to bring these escalator clauses into action to build more surpluses.

The President also suggested that the rigid formula in respect of price supports be amended and made more flexible. At present, price supports for basic products such as cotton, wheat, maize, rice and tobacco, range between 75 and 90 per cent. of parity. The President has suggested that the floor be dropped to 60 per cent. of parity, as he considered the current range too narrow to permit the growth of markets needed to absorb the production. This much-needed flexibility in price support policy would, according to him, open the door to market expansion, increased acreage allotments and greater freedom for farmers to produce crops of their choice and convenience.

The President did not propose any change in the law under which $4,000 million worth of U.S. farm surpluses have been sold abroad for foreign currencies. On the contrary, he asked for an extension of this law for another year, with authorisation to sell up to $1,500 million worth of surpluses under this scheme. He also asked the Congress for authority to increase the acreage allotments for cotton, wheat, rice, groundnut and tobacco up to 50 per cent. above their present levels. He noted that acreage allotments had already been cut sharply in recent years and were likely to be reduced further. But any acreage increases, the President emphasised, must be related to price adjustments which would permit the growth of markets necessary to absorb the increased production. In other words, the increase in acreage will depend upon the readiness of the Congress to agree to a lower support price.



The Story of Oil—5

Mapping buried rocks

Geophysics, which is the science of the earth's physical structure, aids the search for petroleum by making it possible to study the characteristics of rock layers buried deep in the earth's crust.

The geophysicist's main "tools" for this job are the gravity meter, the magnetometer, and the seismograph. The gravity meter and the magnetometer, as their names imply, measure the pull of gravity and the magnetic force of the earth. For the sedimentary rocks which may contain oil are lighter than others, and they are less "magnetic" than the harder rocks which never contain oil.

With the seismograph, the geophysicist can measure the intensity and timing of earth tremors. The men of a seismic crew bore a shallow hole in the ground, lower a charge of dynamite into it and set it off. The shock waves produced by this miniature earthquake travel down, hit the layers of rocks beneath and bounce back to the surface where they are recorded by the seismograph. The waves are reflected strongly from hard rock and less strongly from soft rock. The length of time they take to reach a particular layer and to return indicates the depth of the rock.

All this information is recorded in the form of wavy lines on a chart. By setting off explosions at a number of points it is possible to map the various buried rock formations with a fair degree of accuracy.

When all the results of a geophysical survey have been compared, it may be possible to locate a rock formation that might prove to be oil-bearing. But even if such a trap is found, the only way of proving whether or not it contains oil is by drilling a test well.

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REACTIONS TO AMERICAN LOAN

SHIFT IN EMPHASIS ON IRRIGATION

From Our Special Correspondent

NEW DELHI, 21*st January*

THE official announcement, last week, of an American loan of $225 million for meeting in part the foreign exchange requirements of India's second Plan upto March 1959 has been received here with mingled feelings of disappointment and relief—*disappointment* because the already expected Export-Import Bank credits are included in the loan and the allotment from the Development Loan Fund has fallen considerably short of the original expectation, and *relief* because it holds out, by implication, the promise of a loan of the same order or, say $250 million in each of the last two years—1959-60 and 1960-61—of the Plan. The sense of relief is more justified than the immediate reaction of disappointment, for, as the loan expectations for the remaining two years are likely to be fulfilled, the foreign exchange gap of $1,500 million in respect of the "hard core" projects will have been met to the extent of 50 per cent. by the United States alone. It would thus appear that what has actually come about and what is most likely to take place belie alike the original excessive optimism of some circles and the original excessive pessimism of some others.

DELHI LETTER

There is no denying that the note of uncertainty, in so far as the last two years of the Plan are concerned, has been dispelled by the American Ambassador's significant remark that "India would be eligible for further assistance under the revolving system of credit offered by the Development Loan Fund" and special legislation for further loan assistance is not necessarily precluded by the present proffer. This is also supported by Mr. H. M. Patel's remark at the Press conference that, as the U.S. President has asked for the next year a much larger amount for the Special Development Fund, there is the probability of a much larger amount for India from this Fund in the future. But some crucial doubts still remain to be removed before there can be any jubilation that the second Plan has been saved from the necessity of rephasing in point of time or of pruning in point of size. Here, of course, the Principal Finance Secretary of the Government of India has not quite cleared the doubts, for he has merely stated that, with the latest U.S. loan ($225 million), the Japanese yen credit ($53 million), an expected additional World Bank loan ($100 million) and the extended credit for the Rourkela steel plant (120 million marks?), India is making good progress towards filling the foreign exchange gap of $1,500 million.

Gap in Respect of Hard Core

As the larger part of this gap is in respect of the "hard core" projects (75 in all, as revealed by Mr. Patel) and has to be mostly met in the third year of the Plan, it is too early to say whether the Plan as a whole or even its "hard core" has been saved from the necessity of pruning or rephasing. If anything, Mr. Patel's own estimate of Rs. 1,700 crores of targeted investment in the aforesaid 75 projects (with a heavy foreign exchange component) both in the public and private sectors provides enough warrant for the belief that the second Plan has undergone some drastic pruning or rephasing, or both. Now that the picture of external assistance is more or less clear, it will be interesting to watch if the Government will take the public into greater confidence and reveal the state of the Plan, so that it may know what projects and schemes would have to be dropped or postponed. If the Plan was democratically evolved by public discussion, there is no reason why it should not be openly and democratically pruned or rephased in a like manner.

There is here involved a vital pragmatic consideration, particularly in the case of major irrigation projects. It is not inconceivable that administrative decision may well be against dropping any of them or against even going slow on them. But the discerning public—especially the agriculturist section—would be in a better position to say whether some of them can be conveniently postponed. It would also appear that, if the current irrigation policies are objectively reviewed in public, their reorientation may well be facilitated. In this connection, your correspondent has been able to ascertain the views of some knowledgeable persons. These views may be summarised as under:—

Food self-sufficiency in three years from now cannot be achieved without a shift in emphasis from major to minor irrigation. New major projects inevitably cost much more per acre than the old major projects and even more than the minor works like tanks and wells. If water rates are to be on the basis of "net utility," and if the interest on the loans raised for the major projects is not wholly covered by the reduced rates, there will be a recurring loss to the exchequer—a loss which, in the last analysis, will have to be made good by taxpayers other than agriculturists. If water rates are reduced so as to encourage the use of irrigation water, the current or contemplated betterment levies also will have to be withdrawn as a consequence of more strenuous agriculturist opposition to them in the wake of reduction of water rates.

Water Rates

It is doubtful if even reduced water rates will markedly reduce the present 40 to 50 per cent. gap between new irrigation potential and its actual utilisation. It appears this gap is either larger than what is estimated or possibly increasing. For example, the area formerly irrigated by the Punjab canals which took off directly from weirs on the Sutlej is now included in the area under the Bhakra-Nangal irrigation system; as the old irrigated area is not shown separately, the figure of area supposed to be newly irrigated by this project is inflated to that extent. In the same way, the area formerly irrigated by the Anderson Weir (with a potential of one lakh acres) on the Damodar is now shown as newly irrigated area with the construction of D.V.C. dams. A similar kind of counting is probably done in the case of some other major projects. The rapidity with which new irrigation potential has been created without prior planning in the matter of distribution channels, drainage in the event of waterlogging, conversion of dry lands for wet cultivation and estimation of water requirements of crops in irrigated conditions, has been rather unfortunate. This may be wisdom after the event, but the fact remains that these knotty problems were not anticipated by irrigation and agricultural experts.

These problems would need to be solved expeditiously, though it is doubtful if all the new irrigation potential will be fully utilised even by the end of the second Plan. At the same time, the current and short-term need for increasing the area under irrigation (which, other things remaining constant, can by itself double crop-yields) could be more easily met by diverting some resources from major and medium projects (some of which can be conveniently postponed) to minor irrigation works like tanks and wells. The potential that can be created by small or big *kutcha* wells in particular will be more immediate than that under major projects which take a far longer time for construction, and will involve none of the knotty problems referred to earlier. The recommendations in the Gauhati Congress resolution on economic situation is also to the effect that old tanks and wells should be repaired and new ones constructed. This reveals a significant shift in emphasis from major to minor irrigation. What is required is energetic and large-scale action in this direction in the short run, so that an increase in food production may help save some part of the Plan—a part which may otherwise go unimplemented.

The production of *vanaspati* in India has gone up by about 40 per cent. in the last three years. The production in 1957 is estimated at about 3.2 lakh tons, as compared with 2.56 lakh tons in 1956, 2.61 lakh tons in 1955 and 2.31 lakh tons in 1954. There are at present 46 *vanaspati* factories in the country. Of these, 16 are in the western region, 12 in the southern region, and nine each in the eastern and northern regions. Since December 1953, all *vanaspati* factories are statutorily required to fortify their product with synthetic vitamin "A". There has also been a rising trend in exports of this commodity. In 1956-57, exports amounted to 11,150 tons valued at about Rs. 2.06 crores, as against 900 tons in 1953-54 valued at Rs. 21 lakhs. The exports were of the value of Rs. 1.75 crore in 1955-56 and about Rs. 1.48 crore in 1954-55. The domestic consumption of *vanaspati* is estimated at 2.53 lakh tons in 1956-57. Indian *vanaspati* is exported to a number of countries, including countries in West Asia, Burma, Pakistan, the United Kingdom, Aden, Australia, Malaya, Singapore and the Fiji Islands.

STERLING AS A WORLD CURRENCY—II

From Our Own Correspondent

LONDON, 18*th January*

LONDON LETTER

AS part of its drive to engender that sort of discipline at home which would strengthen the pound abroad, the British Treasury recently provided a detailed analysis of the sterling balances as they were in mid-1957. It showed, briefly, this picture:—

Sterling Balances

(In million £s)

Held by the Colonies	1,309
Held by the rest of the sterling area	1,616
Held by the non-sterling countries	569
Held by international organisations (International Monetary Fund, etc.)	660
Total	4,154

The balances held outside the sterling area can be further broken down as follows:

(In million £s)

Western European countries (O.E.E.C.)	205
Other non-dollar countries	278
Dollar countries	50
Other Western Hemisphere countries	36
Total	569

These balances represent liabilities inasmuch as if they are drawn down for capital purposes then to that extent British exports are non-revenue producing and the balance of payments is affected adversely. Thus, for instance, if, in a given year, there were an apparent surplus of £100 million on the balance of payments, but the sterling balances were drawn down by £300 million, then there would be a net deficit on the final balance of payments of £200 million which would fall to be met out of the gold and dollar reserves.

What reserves then does the country hold against these sterling balances? First, there are the published gold and dollar reserves of about £800 million (they were £850 million in mid-1957 to which the £4,154 million of sterling balances relates). Then there is an estimated £200 million of working dollar balances held by British banks; then comes about £320 million of dollar securities held by the British Government (the so-called second line of reserves) of which £90 million has already been pawned against the $250 million advanced by the American Export-Import Bank—leaving a net £230 million. Finally comes £290 million of dollar securities which are privately owned but deposited under control—probably rightly regarded as the last line of reserves. Thus, we have a grand total of reserves of the order of £1,500 million against liabilities of £4,150 million—nearly 40 per cent. It can be objected that much of the £1,500 million is illiquid, but then so is a great part of the £4,150 million. Thus, one can accept that the dollar working balances of the British banks must be maintained around their present figure and that, *under the present conventions*, the privately held dollar securities cannot be effectively mobilised—reducing the practical reserves to £1,000 million.

On the other hand, a great part of the sterling balances are in practice working balances for the countries holding them. The dollar and Western Hemisphere holdings can be only an irreducible minimum. The O.E.E.C. countries cannot work on much lower balances, the colonial holdings are, to a large extent, the reserves of the local banking and currency systems and working bank balances, and the same is true—though less proportionately—of the rest of the sterling area. Thus, it is unlikely that more than £1,500 million of the total liabilities could even be drawn off—but even so this figure is one and a half times the maximum readily available reserves and, psychologically, it is not possible to conceive a situation in which Britain could permit the active reserves to go down to vanishing point, even though that represented a full paying off of creditors who wanted to draw away their funds. For, in such an event, the holders of long-term balances would seek to mobilise them and the sterling system would have collapsed by reason of a complete flight from sterling.

There is no point in speculating how much bigger the reserves should be to give adequate cover against a miximum drawing down of the sterling balance for capital purposes; for such speculation could not increase the reserves by one pound. Instead one should appraise the

(*Continued on page* 159)

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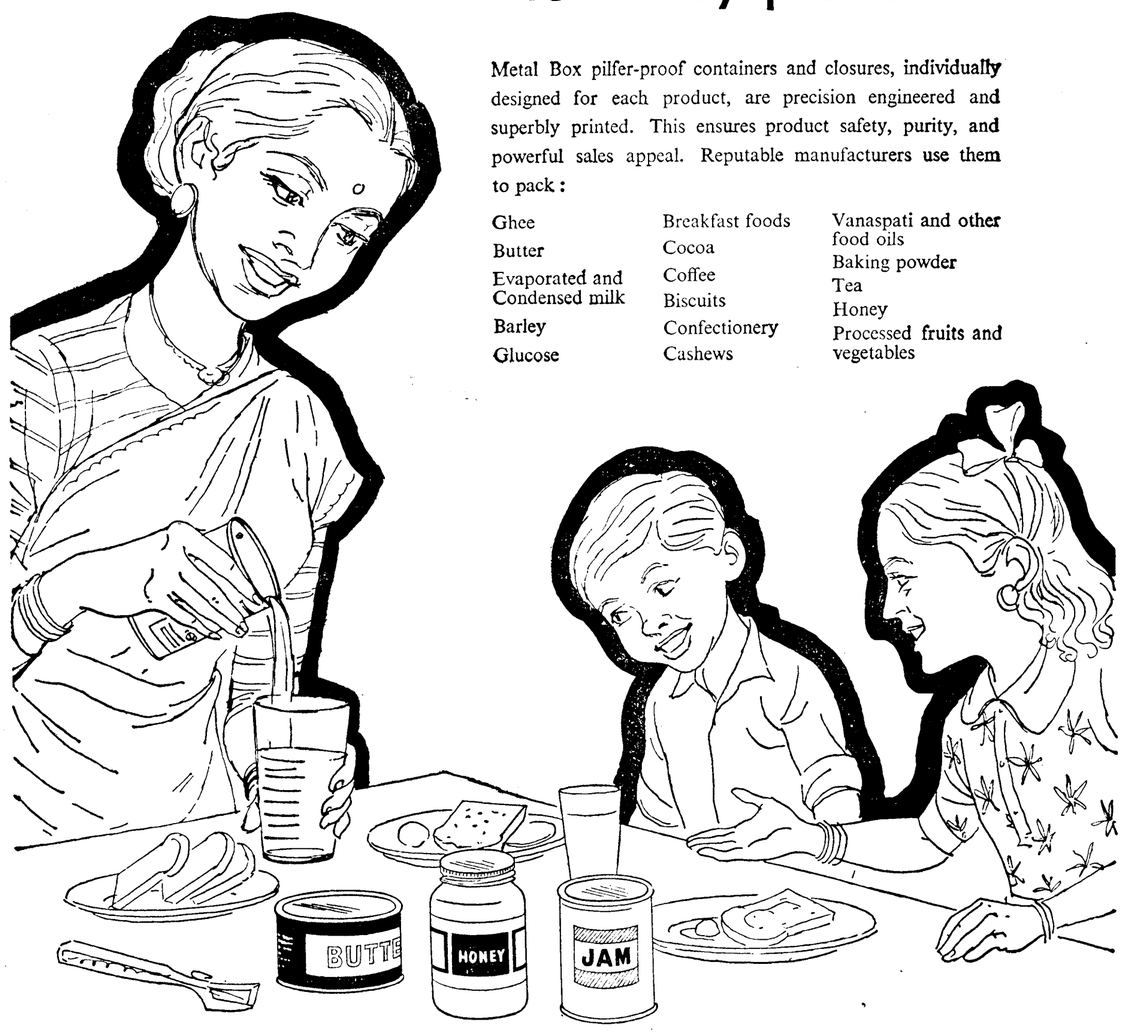

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Barley
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Confectionery
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Vanaspati and other food oils
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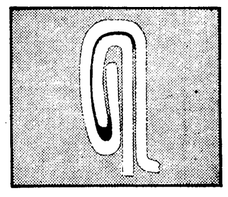

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WORLD BANK LOAN OPERATIONS

HAS LATIN AMERICA BEEN DISCRIMINATED AGAINST?

THE operations of the World Bank during the calendar year 1957 are noteworthy more for the shift in both the area of the activities and the purpose for which its funds have been used than for the aggregate sum lent. While the total number of loans granted went up from 24 to 26, the aggregate amount declined slightly from the record total of $507.4 million (in 1956) to $502.4 million. Nevertheless, for the second year in succession, the loans granted by the Bank were well above the $500-million mark.

As already stated, there was a notable shift in the area of the Bank's operations and the purpose for which the loans were made. Thus, as much as about 70 per cent. of the total, or $351.7 million were given to countries in Asia, which had received no more than $150.15 million in 1956. In other words, the Asian countries received more than double the amount they got in the previous year. What is equally noteworthy is the drastic cut in the loan assistance given to European countries, which received only 5 per cent. of the total, that is, about $25 million, as compared with $145.6 million in 1956. The loans granted to African countries also were lower from $80 million to $75 million and so also those to Latin American countries from $72.4 million to $50 million.

Distribution

A purpose-wise analysis of loans made during the year shows that the largest share of the loans, namely, 40 per cent., was given for financing development of highways, railways and other forms of transport (as against only 14 per cent. in 1956), whereas development of electric power accounted for the bulk, namely, 44 per cent., of the funds lent in the previous year, as will be seen from the following comparative table:

(In million dollars)

Purpose	Amount granted	
	1956	1957
Highways, railways and other transport	236.5	72.1
Electric power	105.4	223.3
Industry	73.5	163.0
Agriculture	12.0	49.0
General development	75.0	..
Total ..	502.4	507.4

Of the large loans, as much as $75 million was lent to Iran to provide short-term financing for Iran's second seven-year development plan, $66 million to the Yankee Electricity Authority of Thailand to help a multi-purpose project for the development of electric power, flood control and irrigation and the equivalent of $40 million to the Belgian Congo for road construction and improvement forming part of the country's 10-year plan of development. A feature of the Bank's operations during the year was the addition of three new countries to the list of borrowers. They were: Iran, Philippines and Ruanda-Urundi. These countries had not borrowed previously from the Bank.

To revert to the area-wise operations of the World Bank. The decline in the Bank's lending to the Latin American countries during 1957 and the sharp rise in loans granted to Asian countries during the year would appear to have revised the old controversy that the World Bank is not fair in its treatment to some member-countries. For some time past, the Latin American countries have been nursing a grievance that they are being gradually neglected by the World Bank in the matter of giving loans, while the overall flow of the Bank's funds for development purposes has been increasing at a rapid pace. It is felt that the decline in assistance to the Latin American countries is due to something more than the Bank's desire to help countries which had hitherto received a less favourable treatment.

Conditions for Grant of Loans

The fall in assistance to Latin American countries is presumably due to the fact that the bulk of their loan applications has not satisfied the two important conditions laid down in the World Bank's policy, namely, that (1) loans would be given only to specific development or reconstruction projects and (2) loans would be provided as far as possible only to meet the foreign exchange cost of the projects. It is, however, contended on behalf of these countries that the less favourable treatment to them in recent years is not due to lack of well-prepared development projects, but to the unwillingness on the part of the Bank to lend money for financing a substantial part of the cost of the projects that require expenditures that are largely or wholly to be made within the country itself. The Latin American countries seem to feel that a strict application of the rule regarding financing only the foreign exchange cost of the development plans has resulted in their being denied assistance for development purposes, although the bulk of the cost thereof represents only local expenditure. This contention of the Latin American countries seems to have the support of some outsiders also. Thus, referring to this grievance of Latin American countries, "Lombard" observes in the *Financial Times* as follows:

"While it is easy to appreciate the considerations that have led the Bank to make it a rule that only the foreign exchange cost of development projects can, in general, be financed from its funds, I do feel that the time may have come to look at this matter again. For it would seem unfair that a country should be deprived of its due share of World Bank help in developing its resources simply because projects that should have top priority do not involve much spending abroad."

Most Equitable Treatment

It may be true that the Latin American countries do not get as much assistance as they want from the World Bank, but to accuse the Bank of discriminatory treatment simply because it is unwilling to change its affirmed policy to suit the needs of a particular country or group of countries is most unfair. In this connection, a perusal of the loans granted to the Latin American countries so far shows that they have received the most equitable treatment from the World Bank. For up to the end of 1956, the total development loans granted to Latin American countries, at $719 million, were larger than those given to any other region of the world so far. This compared with $508.9 million received by the Asian countries till then. At the end of 1957, however, the position was different; but even then the loans given to Asian countries, at $806.6 million, were only slightly higher than those granted to Latin American countries. Further, a larger number of countries in Latin America has received assistance from the Bank than that in Asia. The population of Asia is far greater than that of Latin America. Again, economically, Asian countries, with the possible exception of Japan, are more backward than Latin American and, therefore, deserve greater attention. Another important point in favour of Asia is that it is in the soft currency area, whereas the bulk of Latin America is a hard currency area being neighbours of the rich northern hemisphere of the new world.

Further, in the early years of the Bank's history, the loans granted by it for development purposes amounted to no more than a few hundred million dollars. Even though the Bank started giving development loans as early as 1948, it was not until a few years ago that the flow of these loans gathered momentum, because the problems in underdeveloped countries were quite different from those involved in European reconstruction for which large sums were given by the Bank in the earlier years.

Loans Compared

The following comparative table shows the amount of loans received by the Latin American and Asian countries up to the end of 1957:

(In million dollars)

Year	*Latin America*	*Asia*
1948	16.00	..
1949	126.64	44.00
1950	90.13	56.70
1951	45.45	..
1952	96.00	61.95
1953	72.59	59.70
1954	111.09	49.31
1955	88.70	87.10
1956	72.40	150.15
1957	50.00*	352.00*
Total ..	769.00	860.91

* Approximate only.

It will be seen from the above particulars that, up to the end of 1955, the Latin American countries had received every year more than the amount granted to Asian countries and that, despite the fact that, during this period, Argentina, one of the biggest Latin American countries, was not a member of the Bank. It was only in the last two years—1956 and 1957—that the loans to Asian countries had been stepped up substantially. Another noteworthy feature disclosed by the table above is that the loans received by the Asian countries up to the end of 1955 amounted to only 55 per cent. of the loans granted to the Latin American countries during the same period. Surely, these countries cannot expect such most favoured treatment to be extended to them year after year. Indeed, Latin America has had the advantage of getting large assistance from the World Bank in the first half of this decade when the cost of capital development was relatively cheaper than in 1956 and 1957. It is common knowledge that now money everywhere buys less than it did three or four years ago.

The decline in loans given to the Latin American countries during the last three years can be attributed only to the two causes mentioned earlier. Moreover, the Latin American countries, unlike their Asian counterparts, have been receiving substantial private capital from the U.S., as well as loans from the U.S. Export-Import Bank. Thus, in 1956, out of the total U.S. private investment abroad amounting to $33,000 million, direct investment in petroleum industries in Latin America alone accounted for $426 million. In addition, there were large investments in manufacturing and mining and smelting industries in Latin America. Besides, acquisition of oil rights in these countries was expected to have fetched further large U.S. investments during 1957. In short, there has been no dearth of capital flow to Latin American countries. In view of all this, it is not reasonable to expect the World Bank to spare its resources for areas and purposes for which adequate funds have been forthcoming from elsewhere.

THE
HONGKONG AND SHANGHAI
BANKING CORPORATION
(Incorporated in Hong Kong with limited Liability)
HEAD OFFICE: HONG KONG
Capital Authorised .. .. Hk. $50,000,000 (Rs. 4,16,66,667)
Capital Issued and Fully Paid-up .. Hk. $50,000,000 (Rs. 4,16,66,667)
Reserve Funds .. .. .. Stg. £ 8,000,000 (Rs. 10,66,66,667)
BRANCHES:
BORNEO — Colony of North Borneo, Jesselton, Labuan, Sandakan, Tawau; State of Brunei, Brunei Town, Kuala Belait, Seria
BURMA — Rangoon
CAMBODIA — Phnom-Penh
CEYLON — Colombo
CHINA — Shanghai
DJAWA — Djakarta, Surabaia
EUROPE — Hamburg, Paris
HONG KONG — Hong Kong, Kowloon, Mongkok, North Point
INDIA — Bombay, Calcutta
JAPAN — Kobe, Osaka, Tokyo, Yokohama
MALAYA — Colony of Singapore, Collyer Quay, Orchard Road; Federation of Malaya, Cameron Highlands, Ipoh
MALAYA—contd. — Johore Bahru, Kuala Lumpur, Malacca, Muar, Penang, Sungei Patani, Teluk Anson
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THE
CENTRAL BANK OF INDIA,
LIMITED

Profits for 1957

The Net Profits of The Central Bank of India, Ltd., for the year ended 31st December 1957, subject to audit, including the sum of Rs. 18,23,048.49 brought forward from the previous year's account, amounted to Rs. 1,26,97,641.05.

The following appropriations have been made :—

	Rs.
An *ad-interim* dividend paid for the half-year ended 30th June, 1957, at the rate of 12% per annum free of income-tax, i.e., Rs. 1.50 per share on 12,58,170 shares	18,87,255.00
Amount transferred to Bank's Investments	15,00,000.00
Amount provided for Taxation.. ..	13,00,000.00
Amount transferred to Staff Gratuity Fund	6,50,000.00
Amount provided for Bonus to Staff ..	30,00,000.00
	Rs. 83,37,255.00
The balance of Rs. 43,60,386.05 the Directors propose to recommend to the shareholders to dispose of as follows:—	
To pay a final dividend for the half-year ended 31st December, 1957 at the rate of 16% per annum free of income-tax, i.e., Rs. 2 per share on 12,58,170 shares (making in all 14% per annum for the whole year)	25,16,340.00
To carry forward to next year's account	18,44,046.05
Rs.	1,26,97,641.05

WORLD BANK BOND ISSUE OVERSUBSCRIBED

The World Bank's public offer of a $150-million bond issue made in the U.S. market on the 7th inst. was quickly oversubscribed. The terms of the issue were: Interest: 4¼ per cent. per annum; issue price: $49¼ per cent; maturity date: 15th January 1979; and yield at maturity: 4.29 per cent. per annum.

The bonds are not callable before 15th January 1968. On and after that date, they are callable at the option of the Bank at prices varying from $102½ per cent. and accrued interest, if redeemed on or before 14th January 1970, to $100 per cent. after 14th January 1976. The Bank will redeem $7 million per annum beginning in 1968 and including 1977 and $5 million in 1978, as a sinking fund for the bonds. Purchases for the sinking fund, which are calculated to retire 50 per cent. of the issue prior to maturity, will be at a price of $100 per cent.

The issue represents the largest market transaction by the World Bank since 1947. This is the eighth issue of World Bank bonds to be marketed in the U.S. on a negotiated basis by underwriting groups, managed jointly by the First Boston Corporation and Morgan Stanley & Co. The previous such sale was made in October 1957, when 23-year bonds for an aggregate sum of $73 million were issued. The net proceeds of the latest bond issue will be used to finance the general operations of the Bank.

The Bank's outstanding funded debt as on 30th November 1957 was $1,270 million. Including the latest issue and the delivery of bonds under delayed delivery contracts, the Bank's funded debt is raised to $1,471 million. It includes U.S. dollar obligations amounting to $1,271 million and Swiss franc, Canadian dollar, sterling and Nertherlands guilder obligations aggregating $200 million. Since its inception to the end of December 1957, the Bank's loan commitments aggregate $3,480 million to finance programmes and projects in 46 countries.

MORE BANKS' RESULTS

The results of some more banks for the year ended 31st December 1957 released this week confirm that the past year was generally one of higher profits, though the pace of increase had slowed down considerably.

Central Bank of India Ltd.

A notable instance of this trend is provided by the Central Bank of India Ltd. Its profit for 1957 amounts to Rs. 108.74 lakhs, which shows an increase of only Rs. 4.38 lakhs, as against a rise of Rs. 26.60 lakhs to Rs. 104.36 lakhs recorded in 1956. Nevertheless, the year's profit is the highest to be reached since 1951. After bringing in the previous year's surplus of Rs. 18.23 lakhs, the Directors have maintained the provision for taxation at Rs. 13 lakhs and the allocation to the Bank's investments at Rs. 15 lakhs. The transfer to the staff gratuity fund has, however, been raised from Rs. 5 lakhs to Rs. 6.50 lakhs and that for bonus to staff from Rs. 27.50 lakhs to Rs. 30 lakhs. The interim dividend at the rate of 12 per cent. per annum (same as that paid in respect of 1956), paid already, absorbed Rs. 18.87 lakhs. The Directors have now recommended a final distribution at 16 per cent. per annum, to which level it had been raised a year ago from 12 per cent. per annum, which absorbs Rs. 25.16 lakhs. This makes the total dividend for the year 14 per cent. per annum, thus maintaining it for the second year in succession. The balance left to be carried forward is Rs. 18.44 lakhs.

Canara Bank Ltd.

The profit of the Canara Bank Ltd. has gone up from Rs.12.31 lakhs to Rs. 15.29 lakhs. This increase compares favourably with that of Rs. 2.30 lakhs noted a year ago. After bringing in the surplus of Rs. 0.38 lakh from 1956, and after making the usual and necessary provisions, the profit available for appropriation is Rs. 11.67 lakhs, as against Rs. 8.41 lakhs in the previous year. The Directors have raised the provision for taxation from Rs. 4.60 lakhs to Rs. 7.30 lakhs and that for bonus to staff from Rs. 1.40 lakhs to Rs. 1.90 lakhs. The 5 per cent. preference dividend requires Rs. 52,500 and the dividend on ordinary shares, which is proposed to be maintained at 10 per cent. per annum, absorbs Rs. 1.50 lakhs, leaving to be carried forward Rs. 44,767.

The Bank's deposits have increased by over Rs. 3.52 crores during the year to Rs. 17.84 crores.

The reserve fund stands at Rs. 40 lakhs, an increase of Rs. 8 lakhs over the year. During the year under review, the authorised capital of the Bank was raised from Rs. 50 lakhs to Rs. 1 crore. The Directors propose to issue in the current year 42,000 ordinary shares of Rs. 50 each, aggregating Rs. 21 lakhs. The new shares, which will be issued at a premium of Rs. 15 each, will be offered to the existing shareholders and the Bank's confirmed employees. The issue will raise the paid-up capital of the Bank to Rs. 50 lakhs, made up of 72,000 ordinary shares of Rs. 50 each and 28,000, 5 per cent. preference shares of Rs. 50 each, and will also bring in a share premium aggregating Rs. 6.30 lakhs.

Punjab National Bank Ltd.

The results of the Punjab National Bank Ltd. for the year 1957 are also very encouraging, in that the profit and deposits (as at the close of the year) have established record levels. The profit (subject to audit), after making payment of Rs. 9.27 lakhs to gratuity fund trust and providing for contingencies, has crossed the one-crore mark to Rs. 111.11 lakhs, thus showing a rise of Rs. 23.26 lakhs over the previous year's high of Rs. 87.85 lakhs. After bringing in the previous year's surplus of Rs. 6.20 lakhs, the amount available for appropriation is Rs. 117.31 lakhs, as against Rs. 90.20 lakhs a year ago. A sum of Rs. 8.75 lakhs had already been utilised for payment of an *ad-interim* dividend of Rs. 2.50 per share, free of income-tax, thus raising it from the corresponding distribution of Rs. 2 per share made in respect of 1956. The Directors have increased the provision for taxation from Rs. 27.50 lakhs to Rs. 50 lakhs, but have resumed the transfer to the reserve fund from Rs. 27.50 lakhs to Rs. 22.50 lakhs. Bonus to staff has been raised from Rs. 13 lakhs to Rs. 18 lakhs, while the charity account gets the same amount as last year, that is, Rs. 1 lakh. The Directors have recommended the payment of a final dividend of Rs. 2.50 per share, free of income-tax, on the increased capital of Rs. 125 lakhs as on 31st December 1957, raised by the capitalisation of the share premium amount. This compares with the final dividend of Rs. 2 per share paid on the old capital for 1956. The balance left to be carried forward is Rs. 4.56 lakhs.

Indian Overseas Bank Ltd.

The profit of the Indian Overseas Bank Ltd. for the year 1957, after providing for contingencies and expenses and subject to audit, amounts to Rs. 32.49 lakhs (which is a fresh record for the Bank), as compared with Rs. 28.65 lakhs earned in 1956 and Rs. 16.56 lakhs in 1955. The Directors have proposed to maintain the dividend at 10 per cent per annum, free of income-tax, to which level it had been stepped up last year from 7½ per cent. paid in 1955. The proposed dividend for 1957 is, however, on part of the increased capital raised during the year by the issue of right shares in the ratio of one share for every two shares held. This requires Rs. 5.62 lakhs, as against Rs. 4.91 lakhs utilised last year. The Directors have recommended the above dividend after raising the provision for taxation from Rs. 14 lakhs to Rs. 16 lakhs and the allocation to the reserve fund from Rs. 6 lakhs to Rs. 7.32 lakhs. The provision for bonus to staff has also been slightly increased from Rs. 3.50 lakhs to Rs. 3.75 lakhs. All these appropriations leave a surpuls of Rs. 2.32 lakhs to be carried forward, as against Rs. 2.52 lakhs brought in.

Bank of Maharashtra Ltd.

The net profit of the Bank of Maharashtra Ltd. for 1957 (subject to audit) shows a rise from Rs. 4.01 lakhs to Rs. 4.69 lakhs, after making larger provision of Rs. 70,000 for bonus to staff (as compared with Rs.60,000 set aside last year). The provision for taxation has been raised from Rs. 1.80 lakh to Rs. 2.10 lakhs and the transfer to the reserve fund from Rs. 1.25 lakh to Rs. 1.50 lakh. The dividend is proposed to be maintained at 6 per cent. per annum, free of income-tax, *pro rata*, requiring Rs. 1.05 lakh, as against Rs. 96,000. The surplus left to carried forward is Rs. 36,000, including Rs 32,000 brought in from the previous year.

The Bank's deposits as at the end of 1957 stand at Rs. 7.85 crores, having gone up from Rs. 6.26 crores a year before. The advances have risen from Rs. 2.96 crores to Rs. 3.83 crores, while investments are almost unchanged at Rs. 2.56 crores.

Andhra Bank Ltd.

The Andhra Bank Ltd. has earned a net profit (subject to audit) of Rs. 7.23 lakhs, after payment of one month's substantive salary as bonus to staff and after effecting revision in pay scales from 1st May 1957. This compares with Rs. 9.43 lakhs for 1956 arrived at after payment of 1½ months' substantive salary as bonus and making necessary provision for contingencies. The Directors had already paid an *ad interim* dividend at the rate of 8 per cent. per annum, free of income-tax, for the half-year ended 30th June 1957, raising it from the corresponding distribution of 7½ per cent. per annum paid a year ago and absorbing Rs. 1.47 lakhs (Rs. 1.30 lakhs), and had transferred to the statutory reserve a sum of Rs. 1.08 lakh (as against Rs. 1.03 lakh). These leave for final appropriation a net profit of Rs. 4.80 lakhs, including Rs. 11,996 brought in from 1956.

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FREE WORLD COTTON GOODS OUTPUT AT RECORD HIGH LEVELS

EXPORTS MOVE UPWARD

THE production of cotton goods in the free world continues to move up. The estimated total output of cloth in the nine major producing countries—India, Japan, the U.S., the U.K., W. Germany, France, Italy, Belgium and the Netherlands—during 1957 was at an annual rate of 30,330 million yards, as compared with 29,540 million yards in 1956 and 28,551 million yards in 1955. The rise of 790 million yards during 1957 was shared by all the countries with the exception of the U.S. and Italy which are believed to have suffered some setback. The improvement was particularly marked in Japan, being as much as 355 million yards, followed by France with an increase of 298 million yards. Western Germany with 266 million yards and India with 147 million yards. Other countries to record an increase in production were Belgium 77 million yards, the Netherlands 74 million yards, the Netherlands and the U.K. 16 million yards each. In contrast, the estimated output in the U.S. and Italy was lower by 372 million yards and 51 million yards, respectively.

The following table indicates the trend of cotton cloth production in the aforesaid nine countries during the last three years:

(In million yards)

	1957*	1956	1955
India	7,240	7,093	6,821
Japan	3,655	3,300	2,814
U.S.	10,789	11,161	11,028
U.K.	1,727	1,711	1,781
W. Germany	2,633	2,367	2,184
France	1,952	1,654	1,622
Italy	906	957	937
Belgium	800	723	697
Netherlands	628	574	667
Total	30,330	29,540	28,551

* Estimates only.

One of the reasons for the persistent upward trend in cotton goods production is the addition of more automatic looms and looms with automatic attachments. The aggregate number of these looms actually in place in the free world as on 31st January 1957, the latest month for which data are available, was 927,400, which compares favourably with 917,200 a year before. This addition partly represented the replacement of ordinary looms which had become old and worn out. The total of ordinary looms as on 31st January 1957 was 1,274,000, as against 1,293,700 on the corresponding date of 1956. The aggregate number of all types of looms in the entire free world on the abovementioned date was 2,201,400, as against 2,210,900 a year before, a decline of 9,500 looms. In contrast, the Communist areas accounted for a rise in the number of looms, the total as at the end of January 1957 being 594,000, as against 591,000 a year before. An idea of the world's loomage position can be had from the table given below:

	As on 31st January 1957	As on 31st January 1956
Free world:		
India	205,300	207,600
Japan	373,400	368,400
U.S.	360,000	362,900
U.K.	289,900	316,700
W. Germany	132,000	128,100
France	129,000	136,100
Italy	34,400	35,900
Belgium	34,600	34,600
Netherlands	121,600	124,500
Others	..	..
Total free world	2,201,400	2,210,900
Communist areas:		
U.S.S.R.	342,000	339,000
China	85,000	85,000
Czechoslovakia	36,700	36,700
Poland	37,700	37,700
Others	92,600	92,600
Total	594,000	591,000
Grand total	2,795,200	2,801,900

The upward trend in cotton goods production noted during 1957 was accompanied by an increase in the volume of international trade in cotton textiles which had suffered a contraction in the previous three years. The free world's nine leading countries reported an aggregate export of 4,660 million yards in 1957, representing a rise of 477 million yards as compared with the previous year. The improvement was shared principally by Japan, India, Belgium and the U.S. There was, however, a slight fall in the shipments from Western Germany and the Netherlands. The following table shows the trend of cloth exports from the nine countries in the past three years:

(In million yards)

	1957*	1956	1955
India	895	804	872
Japan	1,400	1,262	1,139
U.S.	618	545	577
U.K.	474	474	554
W. Germany	170	186	223
France	318	296	364
Italy	91	86	91
Belgium	467	200	190
Netherlands	227	230	213
Total	4,660	4,183	4,223

* Estimates only.

The recovery in the world cotton textile trade is, indeed, significant, inasmuch as it has occurred notwithstanding many unfavourable factors. Special mention must be made of the fact that some of the cotton-growing countries which were hitherto large importers of cotton textiles for their domestic needs have themselves started manufacturing piecegoods. Further, the world trade in fabrics of rayon and other synthetic fibres has been expanding. Mention may also be made of trade regulations and trade barriers enacted by several countries for balance of payments considerations.

FEDERATION OF MILLOWNERS?

The renewed move of the different millowners' associations in the country to form themselves into a central organisation called the Federation of Millowners is not surprising. The cotton textile industry is passing through stresses and strains, thanks to the unhelpful official policies, several of which are based on ideological considerations. The industry has learned from experience that, before it can claim a more helpful official treatment, it is imperative that it must approach the powers-that-be with one voice. This was precisely what was lacking hitherto. There are quite a number of bodies representing millowners, resulting in a multiplication of representations to the Government on the problems facing the industry. Sometimes, there are even conflicting views as between two bodies. For some time past, Mr. Morarji Desai, Union Minister for Commerce and Industry, has been suggesting to the representatives of the cotton textile industry to set up an apex body, so that the demands of the industry could be jointly put forward to the Government, instead of each association approaching the Government for relief, etc. The latest move to establish a Federation of Millowners is a sequel to this suggestion.

There is, of course, nothing new in this move. An attempt was made in this direction a few years ago, that is, shortly after the Textile Control Board died a natural death following the abolition of controls. The T.C.B. came into existence during the war years and continued to exist for several years thereafter as an advisory body. It was not only in charge of controls on the industry but also played an effective role in planning the post-war reconstruction and development of the cotton industry. So long as this body was there, it served the purpose of an all-India federation of millowners, but its disappearance caused a gap. Whenever any big issue arises, all millowners, of course, get together even now through a meeting of some of the leading millowners. But this does not answer the need for a full-fledged federation of the existing millowners' associations. The previous efforts to form a federation failed because of power politics and group rivalries. Further, a section of millowners was rather critical of the Government's economic policies and actions, while another section, politically more influential, preferred to be less critical, even though it was fully aware of the untenable character of such policies and actions. But now the position is somewhat different, in that the former has lost, or is rapidly losing, its influence over the industry. The "yes" men are in charge of almost all the millowners' associations, as they constitute a majority in the industry. Consequently, the chances of a meeting of minds between the various associations are now better than ever before.

A meeting of the spokesmen of the several millowners' associations was held in Bombay last week. At this meeting, Mr. Kasturbhai Lalbhai was elected Chairman of the proposed Federation. A twenty-two man committee, consisting of seven representatives from Bombay, six from Ahmedabad, four from Madras, two from Uttar Pradesh, one each from West Bengal, Madhya Pradesh and Rajasthan, was also formed. The new body, however, has still to be registered and this will be done after final agreement on some matters is arrived at among the individual millowners' associations. Meanwhile, it is reported to have been agreed that the tentatively formed Federation will not make any representation to the Government about any issue on which there is difference of opinion. For instance, the South Indian mills, being mainly spinning units, want all possible active encouragement and assistance to the handloom industry, while the North Indian mills are opposed to such active assistance.

The Government of India has abolished all restrictions on exports of mineral khaki drill and/or cellular shirting processed by factories other than mills. Hitherto, the exporters of these varieties of cloth were required to purchase the grey material packed for home consumption only as envisaged in the Government announcement of 1st July 1953. This decision of the Government is in accordance with the recommendation made by the Export Promotion Committee that, "our aim being to export as much cloth as possible, no restrictions such as those once imposed on exports of mineral khaki cloth should naturally be placed on any variety or varieties."

FOR RAIL PASSENGERS

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(1) declare their value in writing at the time of booking, and

(2) pay a percentage on the value so declared over and above the normal freight charges,

failing which the Railways will not accept liability for the loss, destruction, deterioration or damage of such articles. The articles named above and many others you will find listed as "Excepted Articles" in the Railways Time Tables and Guide.

The Station Master of the nearest station will give you detailed information if you contact him.

CENTRAL AND WESTERN RAILWAYS

NEW CURBS ON CHINESE CLOTH IMPORTS

CHAMBER OF COMMERCE DISAPPOINTED OVER EXPORT TRADE

From Our Special Correspondent

MANCHESTER, 14*th January*

NO tears were shed in Lancashire at the departure of Mr. Peter Thorneycroft from the high office of Chancellor of the Exchequer. Whatever the merits or otherwise of the stand he took against increasing Government expenditure, in the eyes of British textile traders, he represented a view long associated with rejection of demands for protection against foreign competition.

MANCHESTER LETTER

Even before he was dubbed "the hangman of Lancashire," Mr. Thorneycroft was regarded by many as the real stumbling block against which successive deputations from the cotton trade had foundered in their efforts to obtain some relief from the inroads made by rival mills in Commonwealth territories. His policy, it was felt, permeated the Board of Trade and was responsible for persistent refusals to see the Lancashire viewpoint, even after he had moved to the Treasury.

Although there were some who immediately took heart, hoping that a change of policy would follow the Chancellor's resignation, few believed that an announcement relating to foreign cloth imports would come as swiftly as it did. Obviously, there was no connection between the two, but the decision to impose quotas on the entry of Chinese cloth provided a gleam of hope for Lancashire which will not be extinguished for some time.

Nervousness Recreated

The situation is thus in a state of "as-you-were." Traders who had already made up their minds that no Government action was contemplated have now begun to doubt whether further steps will be taken to curtail imports from abroad. So uncertainty becomes again a factor in connection with foreign cloth and, however, strongly Lancashire feels about this vexed question, it must be admitted that uncertainty is at the root of many of the industry's problems.

Ever since the agitation began about foreign cloth, Government spokesmen have deliberately refrained from making any categorical statements as to their intentions. Always the door has been left at least ajar so that, however faintly, traders have hoped that their appeals for some form of protection would succeed.

The new restrictions on the arrival of Chinese cloth will, it is estimated, keep these imports at around the 1957 levels. They provide for a maximum of £1,500,000 worth of cotton grey cloth to be purchased from China for processing in this country and re-export and £150,000 worth of goods to be imported for distribution in the home market. Similar arrangements, involving larger quantities, have been in force in Anglo-Japanese trade in cotton goods for some time.

Disappointment was expressed at the character of Britain's textile export trade with India, Pakistan, Ceylon and Burma during 1957 in the annual report of the Indian Section of the Manchester Chamber of Commerce. In 1956, it was pointed out, the total figure reached 30,000,000 square yards which was slightly above the preceding year, but, in 1957, it was doubtful whether the volume of exports would exceed 18,000,000 square yards.

Much of the blame for this unsatisfactory position from the Lancashire viewpoint is attributed to uncertainty as to the import licensing regulations, due to the intensification of financial restrictions imposed in India and the poor prospects of higher Indian spending on imported textiles have contributed to the situation.

In the case of Pakistan, the report observes that British trade in cotton texiles has dropped "catastrophically." In the first 10 months of last year, exports were only 570,000 square yards. "With the virtual absence of import licences in this market due also to financial stringency and with the completion of the triangular deal commitments, Lancashire's prospects in Pakistan have become very problematical," the report comments.

Difficult trade conditions also curtailed Ceylon's purchases of textiles and the upward trend of shipments during recent years has been reversed. As regards trade with Burma, the report states: "In the light of all the import problems facing Burma, it is doubtful whether we can look forward to sufficient licences being available to maintain a volume of textile exports above the pre-1956 levels."

In a further reference to British-Indian trading relations, the report traces the steps taken by Lancashire's interests to maintain at least a small flow of trade. The Executive committee approached the Government seeking to ensure some constant flow at the highest possible level of British textile goods if only of speciality types and fine yarns to the Indian market. A carefully selected list of cloths was drawn up which, if licences could be granted, would give Lancashire exporters an opportunity of keeping alive their marks and their dealer connections with the market.

Commenting on the triangular deals undertaken during the year with particular relation to Pakistan, the report says that they provided an opportunity for Lancashire traders to maintain contact with customers and retain many of their brands and qualities on the market. "Pakistan has been a valued and traditional market for Lancashire and one which we are most anxious to retain, as also the goodwill of buyers and consumers," the report adds.

While current conditions in Lancashire provide many disconcerting factors, reports from textile producing centres overseas are somewhat varied in character. The European common market plan adds emphasis to the situation in the Continental cotton industries, where, according to the latest evidence, the mills are doing better than in Britain.

Yarn production in Western Europe was, in fact, 11 per cent. higher in the third quarter last year than in 1956. In contrast, output in Britain was about 6½ per cent. up. Increased domestic demand in Italy and France accounted for much of the improvement in Continental activity, but output in Germany remains high and exports have broadened, particularly to French West Africa.

Japan, as usual, presents a paradox. Some reports speak glowingly of record output and exports; then comes news of curtailment of production, due to the accumulation of stocks. For the first ten months of 1957, shipments of cotton cloth were 18 per cent. above those in the same period of 1956. Exports of rayon piecegoods in the third quarter reached 366 million square yards, as against 281 million yards in the same quarter of 1956.

Shortly before the end of the year, however, there were signs that overproduction, combined with a tight money policy, was having its inevitable effect. Japanese industrialists, always ready with the superlative "quote," described the recession as "the biggest in the entire post-war period." Cloth quotations slumped—in some cases, to 50 per cent. below the 1956 peak. Despite its recurring crises, the Japanese mill industry has shown in the past that it can recover remarkably quickly from slump levels.

Another area where trade conditions are hardly rosy is in the United States. Stocks of cloth have accumulated, margins have fallen by 14 per cent., and most of the big mills extended their Christmas holiday break. Production and exports last year were running at a lower level than in 1956. As in Lancashire, concern is being expressed about the large imports of cloth and made-up goods from Hong Kong.

Yarn Output Up

Sectional surveys issued by the Manchester Chamber of Commerce covering the past year can be conveniently divided into those mainly catering for textile traders in the home market and those concerned with conditions overseas. The comments contained in these reports reflect the contrast between these complementary yet in some ways opposing branches.

If yarns were taken as the basic consideration, the situation would not be at all discouraging. Output for the first 46 weeks of last year was 4 per cent. higher than in the same period of 1956 and the number of operatives on the books of spinners at mid-November was 2,000 more than 12 months previously. Additionally, export trade in cotton yarns has increased, being 7½ per cent. higher than in 1956, but shipments are still below the 1954 level, which was itself only a poor year as compared with earlier results.

The yarn section emphasises two points which are brought out in many other annual reports—the continued uncertainty about future relationships between domestic and imported textile goods deterring firms from making plans ahead and undertaking capital expenditure, and the interference by Governments in the free marketing of raw cotton, causing spinners to face

(*Continued on page 129*)

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SOVIET COTTON GROWING

ROLE OF FERTILISERS AND INCENTIVE SCHEMES

IT is common knowledge that, as compared with Soviet industry, Soviet agriculture is relatively backward and has not shown that spectacular advancement in productive efficiency which has brought Soviet industry, particularly heavy industry, on a par with that of any in the most advanced countries of the free world, namely, the U.S., the U.K. and West Germany. But there are, however, certain branches of Soviet agriculture which have shown truly remarkable progress. To this category belongs cotton, the production of which in the U.S.S.R. has almost doubled in the post-war period The 1934-38 average annual production of cotton in the U.S.S.R. was only 3.08 million bales. But it increased to 5.8 million bales in 1954-55 and six million bales in 1956-57. The improvement in yield has been more notable. The 1934-38 average yield was as low as 292 lbs. per acre but it rose to 513 lbs. in 1954-55 and, after having declined slightly to 487 lbs. in 1955-56, again improved to 562 lbs. in 1956-57. These overall figures, however, conceal much regional variations which reflects, in a large measure, the influence on production of a variety of factors, natural as well as man-made. The experience of the Central Asian Soviet Republics, namely, Uzbekistan, Kirgizia, Tadzhikistan and Turkmenia in respect of cotton production show, for instance, how a systematic policy of increasing specialisation in cotton production, aided by modern science and technology, can produce remarkable results. It also illustrates the role that a judiciously devised incentive scheme can play in encouraging cotton production. Some interesting details regarding cotton production in Central Asian Soviet Republics are revealed in an article entitled "Regional Economic Policy in the Soviet Union: The case of Central Asia," contained in the latest (November 1957) issue of the *Economic Bulletin for Europe* published by the U.N. Economic Commission for Europe.

Important Supplier of Raw Materials

Although Central Asia comprises only three per cent. of the Soviet Union's sown area, the region is an important supplier of raw materials —cotton, silk and wool—for the Soviet textile industry. Central Asian agriculture displays characteristics which are considerably different from that of the rest of the Union. Average agricultural yields are not much different from those obtained under similar natural conditions in the neighbouring countries. An important exception, however, is cotton which has been grown as a main crop on the irrigated land for at least seven centuries. Continuous and systematic efforts in recent years have raised cotton yields to a level comparable with that of Egypt, where the climate is more propitious for cotton production than in large parts of the Central Asian cotton areas. Between the late 'thirties and the early 'fifties, average yields of cotton in Central Asia fluctuated round the Egyptian average which is the world record for cotton yields. But now yields in Central Asia are somewhat higher, though long-staple type of cotton, which yields less per hectare than short staples, account for a much smaller share of the total in Central Asia than in Egypt. The statement often made in Soviet sources that Central Asian average cotton yields are several times higher than those of the United States, or of neighbouring Asian countries, requires the qualification that, in all these countries, a large share of the cotton is grown on non-irrigated land. In the Soviet Union itself, cotton production on non-irrigated land gave yields one-fifth of those obtained in irrigated land. But at present cotton cultivation on non-irrigated land has been almost entirely abandoned. Further, comparison with the United States misinterprets the policy of American farmers which concentrates on raising yields per unit of labour rather than per unit of land. The former are many times higher in the U.S. than in Central Asia.

The pre-Revolutionary policy of developing cotton production in Central Asia was accomplished both by positive measures, such as irrigation, introduction of better types of cotton and restrictions on rice cultivation in order to reserve irrigation facilities for cotton. The Soviet Five-year Plans pushed this specialisation in cotton further. In the years just before the Revolution, Central Asia supplied about 50 per cent. of Russian cotton consumption, other regions about seven per cent. and foreign countries 43 per cent. By 1924-25, the share of foreign imports had risen to 58 per cent. But from 1935 onwards, imports stopped. Central Asia today supplies 85 per cent. of a much increased internal consumption. Cotton production in Central Asia now is five times that grown before the Revolution. This spectacular increase in Central Asian cotton production was obtained by trebling the area under cotton and raising yields per hectare by about two-thirds. For instance, the index number of cotton production in Central Asia (Base 1913=100) improved from 100 in 1913 to 103 in 1928, 312 in 1940 and 526 in 1955. The index of area (1913=100) increased to 146 in 1928, 229 in 1940 and 321 in 1956. The index of yield per hectare (1913=100), after declining from 100 in 1913 to 71 in 1928, increased to 136 in 1940 and 164 in 1955.

The increase in area was achieved partly by a number of large irrigation projects which have increased the land under irrigation by 35 per cent. and partly by replacing other crops, mainly cereals, by cotton on the old irrigated areas. The increase in yield was obtained primarily by application of very large amounts of fertilisers but a number of other measures also contributed to this result. The land reforms in the 'twenties and the subsequent collectivisation abolished the old system of water rights and made possible a more rational system of water distribution. Agricultural methods were improved through the use of better seeds, closer planting, tractor ploughing and the use of insecticides. Moreover, a pricing policy gave sharply progressive remuneration for high yields.

It is noteworthy that, whereas the application of chemical fertilisers in Soviet agriculture as a whole is at very low levels by European standards, it is by now generous on cotton areas. In 1953, about one-third of the total production of mineral fertilisers in the Soviet Union was used for raising the yield of cotton. The response of yields to the increase in fertiliser input was spectacular, particularly in the 'thirties, as is evident from the following table:

Fertiliser Application in Uzbekistan
(In quintals per hectare)

	Quantity of fertiliser	*Average yield of unginned cotton*
1933	0.15	8.9
1934	1.66	7.9
1935	2.70	11.6
1936	5.10	16.2
1937	5.68	16.1
1938	5.32	16.8
1939	5.66	17.0

1 hectare=2.47 acres. 1 quintal=112 lbs.

Apart from the use of fertilisers and improvement in irrigation facilities, another method adopted for increasing production was the employment of incentive schemes. A cotton premium system introduced in 1935 offered very high premiums to farms that exceeded the planned targets or obtained high yields. It is, however, not possible to single out the effect of the system on yield, as its introduction coincided with an intensification of the application of mineral fertilisers to cotton fields, but a part of the improvement in yield is, no doubt, attributable to the premium system.

As a result of the rapid growth of the area sown to cotton in Central Asia, the share of cotton, which before the Revolution was about one-fifth of the sown irrigated area, is now more than one-half, while that of grains has been reduced from two-thirds of the total area to probably no more than 10 per cent. Moreover, the high premia paid for cotton was a temptation to reduce the share of alfalfa in the traditional cotton-alfalfa rotation and cotton has increasingly tended to become a monoculture. In 1950-56, it accounted for 80 per cent. of the total money income of the collective farms in Uzbekistan and Turkmenia. It has, however, now become more and more clear to the Soviet authorities that the mere use of mineral fertilisers will not be sufficient to raise, or even maintain, cotton yields. A more varied crop rotation must, it is realised, be introduced with a larger share of the area devoted to soil-improving fodder crops.

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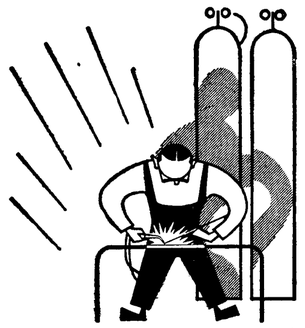

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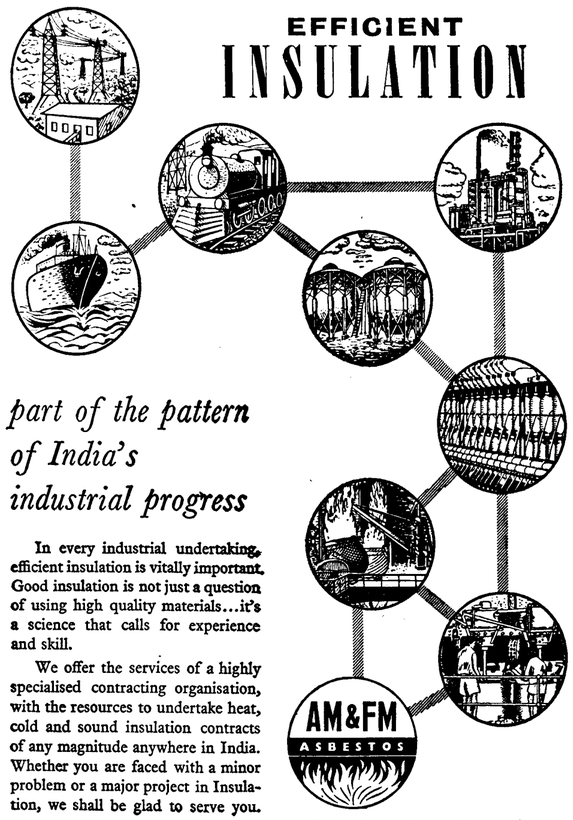

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DEVELOPMENT OF SUGAR INDUSTRY

INCREASE OF 200,000 TONS IN CAPACITY DURING CURRENT SEASON EXPECTED

By T. C. Puri, I.C.S.

CHAIRMAN, DEVELOPMENT COUNCIL FOR SUGAR INDUSTRY

THE Indian sugar industry has amply demonstrated, on two occasions, that, given the right climate, it can develop itself to the extent necessary for meeting the country's requirement of an essential article of food—sugar. It was first called upon to meet the challenge in the early 'thirties when protection was granted to the industry. During the course of the next five years, the industry witnessed a phenomenal growth. The number of factories working in the Indian Union rose to 129 and the production to about 11 lakh tons. The area under sugarcane increased from 2.8 million acres in 1927-31 to about 4.0 million acres in 1936-37. From occupying a relatively minor position, the sugar industry rose to become the second largest industry of the country —being next only to cotton textiles.

Then came World War II. Due to shipping difficulties and engineering firms in India and abroad being fully booked with war orders, supplies of even essential replacement parts were greatly curtailed. Control was also imposed over distribution and price of sugar in 1942. Further development of the industry was consequently halted. During 1940-50, there were 135-140 working factories in the Indian Union and the production varied between 10.0 and 12.00 lakh tons depending upon the cane crop. This was, however, just sufficient to meet the needs of the country under controlled economy. It was under these conditions that the development programme for the first Five-year Plan was formulated. The then installed capacity of the industry of 15.0 lakh tons was considered adequate to meet the country's demand of sugar during the Plan period. The first Plan, therefore, did not envisage the establishment of new factories or expansions of the existing economic units and the entire development was restricted to increasing the supply of sugarcane so as to raise the working season, utilising idle capacity and effecting expansions in uneconomic units.

After the War

In keeping with the general policy of withdrawal of control after the war, control over sugar was finally lifted towards the end of 1952. Experience of the first year of decontrol showed that the demand for sugar under free market conditions was 16.6 lakh tons, as compared with the average offtake of about 10-11 lakh tons during the period of control. The consumption increased still further and the offtake in 1953-54 was 18.1 lakh tons. The indigenous production dropped to about 10.00 lakh tons due to failure of the cane crop. In order to bridge the gulf between supply and demand, sugar was imported, as a temporary expedient. Simultaneously, the policy of restricted development decided upon at the commencement of the first Plan was replaced by a policy of freely licensing the establishment of new factories and expansions in existing units. The target of production was raised to 18 lakh tons from an installed capacity of 20 lakh tons. On the recommendation of the Development Council for Sugar Industry, the production target was further raised to 22.5 lakh tons from an installed capacity of 25 lakh tons during the second Plan period. The gap between installed capacity and actual production represents the possible shortfalls due to failure of crop, etc.

As in 1932, the industry responded very well to the call for expansion for nearly doubling its production capacity. On the announcement of Government policy for licensing additional capacity in the industry in March 1954, a large number of applications were received for the establishment of new sugar factories and expansion in existing ones. After examination of these applications, licences have so far been granted for effecting substantial expansion in 68 factories and for the establishment of 56 new sugar factories involving an additional capacity of 3.8 lakh tons and 6.3 lakh tons of sugar per annum, respectively. Of the 56 new factories licensed, six factories would be established by utilising machinery lying idle in the country. In addition to the above, permission has been granted for the establishment of a factory of 1,200 tons daily cane crushing capacity in Pondicherry. No licence is necessary for this, because the Industries Act is not applicable to Pondicherry State. Statewise distribution of the capacity licensed is given in the attached table.

An outstanding feature of the current development programme is the establishment of a large number of sugarcane growers' co-operative sugar factories. Before the expansion programmme was launched, there were only two co-operative sugar factories, one each in Bombay and Andhra Pradesh. Of the 56 new factories licensed, 39 would be co-operative enterprises. There is still a provision for licensing about a dozen more co-operative factories in the second Plan period. The licensing of co-operative factories is an effort in the direction of early establishment of a socialist pattern of society—our avowed objective.

New Capacity

Since the entire capacity targeted for the second Plan has already been licensed, further licences are now being restricted only to expansions in existing uneconomic factories so as to raise their capacity up to 1,000 tons of cane per day and for the establishment of co-operative factories as envisaged in the second Plan as and when spare capacity becomes available by revocation of licences already granted.

Considerable headway has been made in regard to the establishment of the capacity licensed. By 1956-57, nine new factories including six co-operatives went into production and 20 factories completed their expansion programme. The total additional capacity thus coming into production amounted to over 2 lakh tons of sugar per annum. In 1957-58, 10 new factories, including eight co-operatives, are expected to be established. Two of these have already gone into production. Ten more existing factories would also complete their expansions during this year. The total additional capacity which will come into production during the 1957-58 season would be around 2.0 lakh tons. The remaining new factories and expansions for a total capacity of about 6.0 lakh tons are expected to be completed during the seasons 1958-59, and 1959-60.

Sugar Mill Machinery

The progress in regard to the establishment of new capacity has of late somewhat retarded due to the difficult foreign exchange position. It has, however, focussed attention to the great need of developing the manufacture of sugar mill machinery in the country. Although steps in this direction were taken up soon after the protection was granted in 1932, not much progress was made owing to limited demand during the early years of the growth of the industry, the competition from foreign suppliers and restricted policy of expansion in the earlier part of the first Five-year Plan. During the first Five-year Plan, there were about six firms producing items like tanks, juice heaters, vacuum pans, evaporators, condensers, etc. Later, a few more items were added in the field of indigenous manufacture and their quantum of production also increased. The value of machinery produced during 1954, 1955 and 1956 was Rs. 27.3 lakhs, Rs. 19.0 lakhs and Rs. 32 lakhs. As a result of the impetus given by current development programme, the production of indigenous machinery has gone up to about Rs. 40 lakhs during the first half of 1957.

A new chapter was added in 1956 by licensing six firms for manufacture of complete sugar plants in collaboration with well-known foreign firms. These are as under:

Name of firm	Name of foreign collaborator
Messrs. Walchandnagar Industries Ltd., Bombay.	Messrs. Skoda Works Ltd., Praha, Czechoslovakia.
Messrs. Protos Engineering Co., Bombay.	Messrs. Machinin Fabrik Buckau R. Wolf, A.G., West Germany.
Messrs. Textile Machinery Corporation Ltd., Belghurriah, Calcutta.	Messrs. Stork Werkspoor, Holland.
Messrs. Indian Sugar and General Engineering Corporation, Yamunanagar (Punjab).	Messrs. A. F. Craig & Co., Ltd., Scotland.
Messrs. Binny & Co., Madras ..	Messrs. Mirrlees Watson & Co., Ltd., Glasgow.
Messrs. K. C. P. Ltd., Madras ..	Messrs. CAIL, France.

The phased production programme of these firms envisages the manufacture of about a dozen complete sugar plants per year. These do not for the present include the manufacture of boilers, prime movers, high speed centrifugals and heavy electrical machinery. One firm has, however, plans for the manufacture of boilers also by 1961. To the extent progress is made by these firms in implementing their production programme, our dependence on imports of sugar machinery from abroad will be reduced.

Exports

Another notable event in the sugar industry has been the emergence of India as an exporter of sugar. With a view to augmenting the foreign exchange resources, it was decided in 1956 to export some surplus sugar. The work was entrusted to the Indian Sugar Mills' Association. The Association sold 1.52 lakh tons of sugar, of which 1.45 lakh tons has actually been shipped. These exports have been made without loss, because there was a rise in world sugar prices on account of the Suez crisis and failure of beet crop on the European continent. World prices have, however, returned to their normal level and further exports would be possible only at a loss. This may be as high as about £15 per ton, even after allowing remission of excise duty and cane cess. The question of continuing exports in future to earn the much needed foreign exchange even at a loss is at present under active consideration. The recent exports have given us very valuable experience in knowing the requirements of the importing countries, as also our own shortcomings.

Development Council

Simultaneously with the launching of the current expansion programme in 1954, a Council was set up for advising on matters concerning the proper regulation and development of the industry. During the course of its three years of existence, the Council has tried to tackle a number of problems confronting the industry. As stated earlier, the Development Council estimated that the country's requirements of sugar by 1960-61 would be of the order of 22.5 lakh tons from an installed capacity of 25 lakh tons. The Council has examined the measures necessary for securing the fuller utilisation of the installed capacity of the industry, particularly of the units at present lying idle in the country. It has recommended that 14 sugar factories can be rehabilitated at their existing sites, if suitable measures are taken for the development of their areas of operation. In the case of another 13 factories, which are at present lying idle, the Council is of the opinion that it would not be worthwhile to take any special measures for their rehabilitation owing to their plants being worn out and of uneconomic size. Shifting to better sites has been recommended in the case of only four factories.

Statement Showing Statewise Distribution of Additional Capacity Licensed

State	Expansions		New Factories				Total capacity Tons cane/ per day
			Joint Stock		Co-operative		
	No.	Capacity cane/ per day	No.	Capacity Tons cane/ per day	No.	Capacity Tons cane/ per day	
Andhra Pradesh ..	7	4,880	4	3,400	6	4,950	13,230
Assam	..	..	..	..	1	800	800
Bombay	7	3,525	2	1,800	16	15,800	21,125
Bihar	8	2,560	..	..	1	800	3,360
Mysore	3	1,180	1	1,000	3	2,400	4,580
Madras	1	200	4	3,800	3	2,700	6,700
Madhya Pradesh ..	3	1,200	..	..	..	..	1,200
Orissa	1	350	..	..	1	1,200	1,550
Punjab	2	2,600	2	1,800	5	5,500	9,900
Rajasthan	2	900	..	..	..	..	900
Uttar Pradesh ..	33	18,240	3	2,500	3	3,400	25,140
West Bengal	1	400	1	600	..	..	1,000
Total ..	68	36,035	17*	15,900	39†	37,550	89,485

* Four factories are to be established by utilising old plants. † Two factories are to be established by utilising old plants.

Technical Efficiency

The Council has made a number of recommendations for improving technical efficiency of sugar factories. On its recommendation, an Extension Service for advising the sugar factories is being started at the National Sugar Institute, Kanpur. A pamphlet on Uniform Methods of Analysis and Reporting of Technical Data has been finalised and sugar factories have been requested to adopt this from the current season. This would make the technical data reported by various sugar factories comparable and thus facilitate in drawing conclusions for suggesting measures for effecting improvements. The Council also examined the question of employment of technical persons in the industry and in this connection ascertained the number and qualifications of persons employed by the industry on technical posts. It was found that a large number of persons holding technical posts in the industry did not possess the requisite qualifications and training. The Council, therefore, is of the opinion that the employment of technically qualified persons in the industry is very necessary for improving the efficiency of the factories. It has recommended that the employment of unqualified persons should not be permitted in future and that a number of short-term courses be started at the National Sugar Institute, Kanpur, for bringing the knowledge of unqualified persons at present employed in the industry to the desired level. In this connection, the Council has also recommended the extension of facilities of the Training-Within-Industry Scheme to the sugar industry.

The Council has also devised a system for promoting better standardisation of sugar. A Standard Contract for sale and purchase of sugar has also been finalised for facilitating smooth trading in sugar. In regard to the research work, the problems of the industry have been ascertained and divided into various categories according to their importance, facilities available, etc. The National Sugar Institute will take up these problems according to the priorities so fixed. Research schemes have also been sanctioned for undertaking work on utilisation of cane wax and treatment of effluents. For improving the sugar content of cane, the Council devised a scheme for making payment for sugarcane on the basis of its quality. Trials on the scheme were conducted in nine factories during the season 1956-57. It is proposed to continue the trials of the scheme during the current season also to make the system perfect by overcoming the difficulties experienced.

Achievement

The achievement of the sugar industry is clearly evident from the figures of production, consumption, etc., given below:

Season (Nov.-Oct.)	Production	Imports (including raw sugar)	Exports	Offtake (internal consumption)
1951-52 ..	14.97	..	0.08	11.68
1952-53 ..	12.97	0.59	0.07	16.52
1953-54 ..	10.01	7.17	..	18.07
1954-55 ..	15.90	5.65	..	17.23
1955-56 ..	18.62	0.08	..	19.41
1956-57 ..	20.30	..	1.31	19.74

Due to a good cane crop and establishment of additional capacity recently licensed, the production of sugar during the 1956-57 season totalled 20.3 lakh tons. This is an all-time record and exceeds the previous year's figure by 1.7 lakh tons.

Outlook

According to the first estimate, the area under sugarcane during 1957-58 is reported to be 6.3 per cent. higher than the corresponding figure for 1956-57. The largest increase is in U.P. and this is attributed partly to high prices of *gur* at the time of sowing and partly to better irrigational facilities and seasonal conditions. The other important sugarcane-growing States where the area under cane has gone up are the Punjab, Bihar, Madhya Pradesh and Rajasthan. There has been a small decrease in Andhra Pradesh and West Bengal. Due to this and establishment of new capacity, it is estimated that sugar production during 1957-58 would total about 21.50 lakh tons, or about 1.2 lakh tons more than in 1956-57.

The additional targeted capacity for the second Five-year Plan has already been licensed. But it should not be understood that there would be no further development for a long time to come, as happened between 1937 and 1953. Our consumption of sugar is steadily increasing on account of increase in population, changes in the dietetic habits of the people and increase in the general standard of living. Very soon we should be called upon to formulate the programme for the third Five-year Plan and to revise the target in an upward direction. If we are able to establish a regular export trade in sugar, the target will have to be further increased to provide for this also. From the performance of the industry so far, it can be confidently hoped that it will be able to develop itself further to serve the country in meeting its requirements of sugar in the future also.—*All Rights Reserved.*

At its meeting held on the 12th inst., the Joint Council of Action of Bihar Sugar Labour, representing 35,000 sugar workers in 28 sugar mills of Bihar, ratified its call to strike with effect from the 24th inst. The three important demands of the workers are 25 per cent. interim wage increase, immediate payment of bonus for the 1956-57 season and payment of retaining allowance to workers for 1957. A latest report says that the State Government has agreed on the question of retaining allowance. The strike, if it is not averted, will paralise the whole sugar industry in Bihar, resulting in loss of output, apart from financial loss to cane growers and loss of revenue to the State exchequer.

A plea for the Government of India setting up a board with a High Court Judge as Chairman to fix the price of sugarcane in future has been put forward by Mr. Genda Singh, a member of the U.P. and Bihar Sugarcane Board. The fixation of price now being done by the Centre is, in his opinion, undesirable, as it cannot do justice to the cane growers.

MANCHESTER LETTER

(*Concluded from page 125*)

competition in overseas markets from countries often able to buy their raw material at very considerable discounts.

Arrivals of Clothing

Much of the publicity attached to the rising imports of foreign cloth has centred on the flow of unfinished fabrics into Britain for subsequent processing and making-up. Less has been heard of the arrival of finished products, but the garment manufacturers' section of the Chamber draws attention to this danger. In the first nine months of last year, imports of foreign clothing cost £13,900,000, a rise of about £2,000,000 as compared with 1956. The principal source of supply was again Hong Kong with £5,100,000, a figure slightly below the level of imports from the Colony in 1956, but considerable ground was made by Italy, with goods valued at £2,500,000.

Imports of shirts from Hong Kong in the first nine months of last year amounted to nearly 500,000 dozen, a smaller total than corresponding arrivals in 1956. The report comments: "This may represent a realisation on the part of the public of the better value offered by British manufacturers and a taste for the special non-iron finishes now becoming so popular as a result of the close collaboration between the textile finishing industries in this country."—*All Rights Reserved.*

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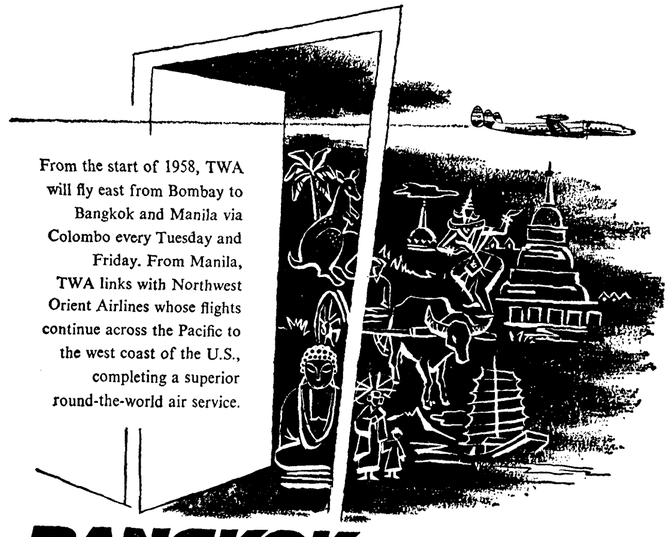

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PAKISTAN'S JUTE INDUSTRY IN 1956-57

EXPORTS OF RAW JUTE DECLINE

THE year ended 30th June 1957 proved to be a none too happy one for Pakistan's economy. With a further deterioration in food situation, necessitating substantial import of foodgrains, which in turn caused a setback in balance of payments position, a slowing down in the tempo of industrial progress and fresh momentum to inflationary tendencies, the country's economy was subjected to serious strains during the year. Though the jute industry in Pakistan continued to hold the pride of place among the country's foreign exchange earners, it could not escape the setback in the country's economy as a whole. While there was no increase in raw jute production during the year, the domestic consumption recorded a rise, with the result that exports of raw jute suffered a marked fall. The decline in earnings from raw jute exports were, however, offset to a slight extent by the rise in those from exports of jute manufactures.

A complete, but brief, picture of Pakistan's jute economy in the 1956-57 season is given in the State Bank of Pakistan's *Report on Currency and Finance for* 1956-57, received by us only this week. A perusal of its account shows that there was a decline in the area under jute in Pakistan from 1.63 million acres in the 1955-56 season to 1.23 million acres in 1956-57. Notwithstanding this fall in acreage, the output of raw jute was nearly maintained at the previous season's level, the actual production being 6.40 million bales, as against 6.50 million bales in 1955-56.

The following table shows the changes in acreage and output of raw jute during the last four seasons:

(Area in 000's acres; yield in 000's tons)

	Area	*Yield*
1952-53	1,907	1,250
1953-54	965	714
1954-55	1,243	832
1955-56	1,634	1,161
1956-57	1,230	1,143

With a carry-over of about 0.20 million bales, the total supply aggregated 6.60 million bales, a shade less than 6.85 million bales in the previous year. The E.P.C. registrations with the State Bank of Pakistan declined sharply from 5.94 million bales to 4.77 million bales, mainly accounted for by the lower offtake from India, which shrank from 1.57 million bales to 0.75 million bales. Exports to overseas countries also declined, but only to a slight extent. The explanation for the decline in Indian purchases in the open market is the large-scale border smuggling of raw jute to India. After making allowance for this factor and taking the domestic consumption at 1.15 million bales, the available surplus, except for a small carry-over, was all disposed of by the end of the season. The actual exports in 1956-57 aggregated 4.07 million bales, the lowest level in the past seven years, having declined from 5.68 million bales in the previous year. The following is the trend of country-wise exports during the past five years:

(In thousand bales)

	1952-53	1953-54	1954-55	1955-56	1956-57
India ..	1,491	1,360	1,231	1,354	614
United Kingdom ..	842	702	791	692	667
France	343	469	438	476	347
Germany	512	544	536	536	426
Italy	347	274	285	294	296
Belgium-Luxemburg ..	408	426	470	591	454
United States of America	520	307	317	390	231
Japan	158	150	165	185	170
Netherlands ..	82	67	102	99	77
South Africa ..	54	95	115	110	80
Argentina ..	17	77	114	34	82
All other countries ..	620	692	502	682	576
Total ..	5,274	5,132	5,139	5,681	4,067
Value (in crores of Rs.)	56 64	55 64	59 82	82 87	70 58

The export of raw jute to countries other than India were "adversely affected by the disruption of the Suez traffic and bottlenecks in internal transport on account of the requisitioning of the bulk of inland water transport and railway wagons for the movement of imported foodgrains." During the season, the arrival of jute at baling centres was much restricted in view of the tight supplies and the reserved attitude of sellers.

The tight supply position in raw jute and increased domestic offtake necessitated by the growing utilisation of installed mill capacity caused a rise in the price of raw jute. White Jat Bottoms, for instance, closed the season Rs. 6 higher at Rs. 36 per maund, and Export Firsts gained over the year Rs. 64 to Rs. 218 per bale. In view of the satisfactory price levels, there was no change in the minimum export price of raw jute, which had been raised in March 1956, by £1 to £91 per ton for Export Firsts as the basis.

The export duty on long jute was unchanged at Rs. 20 per bale, while duties on "cuttings and cutropes" and "Habijabi" were raised from Rs. 5 per bale to Rs. 10 and Rs. 20 per bale, respectively.

The figures of output of jute manufactures for the full year 1956-57 are not available in the State Bank's Currency Report. But, on the basis of the data for the first six months, the production during the year is estimated at 144,534 tons, as compared with the actual production of 130,209 tons in 1955-56 and 74,815 tons in 1954-55. Data from East Pakistan show that actual production in 1956-57 was 146,508 tons, as compared with 128,235 tons in 1955-56. The bulk of production was in sackings, the total of such being 105,356 tons in 1956-57, as compared with 94,351 tons in the previous season. The production of jute goods during the calendar year 1956 amounted to 146,695 tons, as compared with 103,224 tons in the previous year, representing an increase of 42 per cent. over the year. The increased production of jute goods has not only made the country self-sufficient in respect of its requirements, which are estimated at 40,000 to 50,000 tons per annum, but also enabled the building up of a good export business. In terms of value, exports of jute manufactures amounted to Rs. 9.35 crores in 1956, as against Rs. 6.72 crores in 1955, and accounted for about 6 per cent. of the country's total export earnings.

In terms of value, the export of raw jute during 1956-57 aggregated Rs. 70.58 crores which, as compared with the previous season, represented a decline of Rs. 12.29 crores, that is, from Rs. 82.87 crores. The value of jute yarn and gunny exported in the year under review was Rs. 9.10 crores, as against Rs. 10.57 crores in 1955-56 and Rs. 2.31 crores in 1954-55. The actual earnings (as distinct from the value of exports) from export of raw jute, which had steadily advanced from Rs. 53.26 crores in 1952-53 to Rs. 92.71 crores in 1955-56, suffered a setback to Rs. 80.85 crores, which in terms of foreign exchange was the lowest level since 1952-53. This decline occurred notwithstanding a distinct rise in export price and was attributable entirely to lower volume of exports. The sharpest decline was recorded in earnings from India, which came down by Rs. 8.95 crores to Rs. 7.24 crores. With this fall, India came to account for only 9 per cent. of Pakistan's total earnings from raw jute exports. Earnings from exports to the U.K., however, improved by Rs. 1.53 crores to Rs. 15.35 crores and it emerged as the single largest buyer of Pakistani jute, accounting for about 19 per cent. of the total receipts from raw jute.

Earnings from jute goods exports, which had increased from Rs. 36 lakhs in 1953-54 to Rs. 8.52 crores in 1955-56, rose further to Rs. 10.19 crores in the year under review, though the pace of increase slowed down considerably. This reflected the slowing down in the rate of increase in production of jute goods (11 per cent. in 1956-57, as against 74 per cent. 1955-56), as well as an increase in domestic consumption. To sum up, the earnings from export of raw jute and jute manufactures declined from Rs. 101.23 crores to Rs. 91.04 crores, in consonance with the fall in earnings out of Pakistan total exports from Rs. 189.87 crores to Rs. 170.05 crores. In other words, the ratio of earnings from raw jute and jute goods to the total remained unchanged at about 53.5 per cent.

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PROTECTION TO DUNDEE JUTE CRITICISED

There seems to be a growing feeling among consumers of jute manufactures in the U.K. that they are being asked to pay an unnecessarily high price to protect the jute industry in Dundee through import control which is operated by a system of marking-up prices of imported jute cloth used for bag making. The main reason for the continuation of the system of marking-up prices is the desire to protect the Dundee jute industry against competition from the more efficient overseas manufacturers. It is feared that, if this protection were not given, there would be large unemployment in Scotland where Dundee is. The consumers' protest against the artificially high price for jute manufactures is evident from two letters to the Editor, *Financial Times*, London, last week. It is alleged that the mark-up amounts to no less than a tariff on imports and is contrary to the assertion of the President of the Board of Trade (made in Parliament in December last) that Britain should not use tariffs to maintain full employment in any industry.

In July last, the U.K. Government reduced the mark-up of those widths of jute cloth most commonly used in bag making from 40 per cent. to 30 per cent., in accordance with the Board of Trade President's promise in May last to restore the competitive position of the jute sack made from imported cloth. It is stated that "the standard new hessian jute bag used largely for packaging of food still includes a mark-up content of about 5d. which represents approximately the amount by which it exceeds its chief competitor, the paper sack, which is not subject to similar Government interference in regard to price." One of the correspondents points out that "a purchaser at present either pays more than he should for a hessian jute bag which can, of course, be used several times or buys the cheaper paper sack with little or no re-use value. Either way, the country is the loser and inflationary pressure gets a fresh boost, this time through the agency of a Government department itself."

Refuting the argument that the system of mark-up is necessary to avoid unemployment, the writer points out that the Ministry of Labour figures have not shown any deterioration at all since July last in the unemployment figures either in the jute industry as a whole or in the Dundee area. He, therefore, concludes that "the Dundee jute industry is demanding for itself and receiving, with Government connivance, a level of protection beyond that required even to avoid unemployment."

Another correspondent, who is obviously a consumer of jute spun yarn, alleges that, as a result of the protection to the Dundee jute industry, "the Controller has made it possible for the Dundee spinners to supply a quality of jute spun yarn which just would not be acceptable in this country if it were faced by competition from up-to-date overseas mills." He does not see any reason why the jute industry should be subsidised at the expense of manufacturers of goods for export who have to compete in the export markets with overseas competitors to whom cheaper and better jute is freely available. It is not also obvious, he says, why protection should be extended to jute, when the same is denied to cotton textiles which also face similar competition. If, however, protection is necessary, the correspondent suggests, it can be given "by means of a straight tariff, which would then leave consumers of jute goods free to buy in the open market from whatever source best suited them."

U.S. BURLAP CONSUMPTION

The consumption of burlap in the U.S. during the month of December last amounted to 70.7 million yards, representing an increase of 7.7 million yards over the month. It, however, shows a decline of 1.3 million yards from that in the corresponding month of 1956. With the increase last month, the total consumption of burlap during the whole of 1957 aggregated 830.7 million yards, but this total falls short of the 1956 level by 47.3 million yards. Barring 1956, the consumption during the past year was the highest since 1948.

Stocks of burlap in the U.S. at the end of 1957 were of the order of 225 million yards, as compared with 267 million yards at the close of the previous year and were the lowest for the past four years.

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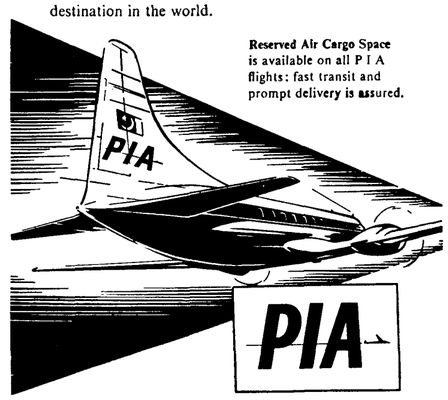

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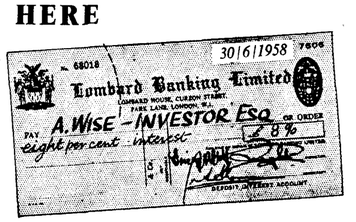

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INDIA'S NUCLEAR POWER RESOURCES

DR. BHABHA ON ECONOMIC ASPECTS

ONE of the main impediments in the way of rapid industrialisation of India is the paucity of power resources. The two main sources of energy in India are coal and hydro-electric power. Though the coal reserves are expected to last for several years to come, the geographical situation of the coalfields and the difficult transport position have contributed not only to the shortage of power in many of the industrial areas but to the high cost of energy consumption. The hydro-electric potential also is not uniformly spread over the whole of the country and is by no means plentiful. Further, in some parts of the country, it is subject to the vagaries of rainfall, which is seasonal and concentrated in only about three months of the year.

The only other sources of power which India can develop, in consonance with the recent trends in other industrially developed countries of the world, is nuclear energy. It is gratifying to learn from Dr. H. J. Bhabha, Chairman of the Atomic Energy Commission, that the known reserves of this source of energy in India are vast and could be made available to the major part of the country at a competitive cost. Dr. Bhabha, who delivered the Sri Krishnarajendra Silver Jubilee Lecture in Bangalore under the auspices of the University of Mysore last week, disclosed that the known Indian reserves of uranium in ore, containing more than 0.1 per cent., exceeded 30,000 tons and those of thorium were about 500,000 tons. These reserves exceeded in energy value the equivalent of 30 times the reserves of coal in India and were enough to support an annual *per capita* energy consumption in the country equal to that of the industrially more advanced countries for over 300 years. Dr. Bhabha was confident that it would be possible to obtain energy in a controlled manner from fusion within a much shorter period.

"Per Capita" Consumption

Dr. Bhabha pointed out that the *per capita* energy consumption in India was about one-twelfth of that in the U.K. and one-twenty-third of that in the U.S. The reserves of conventional fuels and water power in India were, he said, not sufficient to enable its population to reach a standard of living comparable even with the present standard in industrially advanced countries. The *per capita* energy consumption in the U.S., he added, corresponded to the burning of about 9 tons of coal per head per annum, and that, if the same *per capita* rate of energy consumption in this country were to be ensured, India would require 3,600 million tons of coal per year, at which rate the known coal reserves in India would last for only 12 years. The hydro-electric potential, which could economically be harnessed, amounted to less than 40 million kw., or hardly 0.1 kw. of installed capacity per head of population. This is equivalent to a *per capita* consumption of one-third of a ton of coal per annum. The *per capita* installed electrical capacity in the U.S. is 0.63 kw. and in Norway 1.1 kw.

Turning next to the economics of atomic power development, Dr. Bhabha said that the peculiar conditions obtaining in India made it possible for atomic energy to provide the primary necessity of all industrialisation—electric power—at a cost less than coal in regions remote from the coalfields. These regions, in fact, constituted the major part of the country. The three special factors, which made nuclear power competitive over a large part of the country, were: (1) the geographical distribution of the coalfields, (2) the limited spare transport capacity available on the railways and (3) the great shortage of power in certain industrial areas. Fifty-six per cent. of the total known coal reserves of the country were in Bengal and Bihar and 80 per cent. of the coal production (in 1955) came from these two States, some of which having had to be transported for distances up to 1,500 miles.

Transport Cost

Apart from scarcity of transport facilities, the cost of transport is also very heavy. The transport of coal on the railways, as Dr. Bhabha pointed out, is heavily subsidised in the interest of the economy as a whole. In this connection, Dr. Bhabha gave some interesting figures. The real cost of coal from Bengal and Bihar collieries in places like Rajasthan and Delhi was over Rs. 80 per ton. Even if coal was supplied to Ahmedabad, Bombay and Madras from the Central India coalfields, the real cost, he said, would come to Rs. 50 per ton. With coal costing Rs. 50 per ton, the estimated cost of electricity from thermal power stations was about 4.7 nP (or 0.85*d.*) per kw.h. There is every chance of the pithead price of coal going up in the next few years, so that the cost of thermal power will also go up.

Dr. Bhabha also gave an idea of the cost of atomic power in the U.K. The capital cost ranged from Rs. 2,000 per kw. of net electrical capacity for a 60 mw. station to Rs. 1,470 per kw. for a 250 mw. station and the cost of power varied from 5 nP to 4.4 nP per kw.h. (that is, 0.8 to 0.7 anna or 0.9 to 0.8*d.* per unit), as against 4.7 nP (0.85*d.* per kw.h., the cost of thermal power in India. The third circumstance which favoured the economic operation of atomic power stations in India was that power was in short supply in the industrial areas of the country; the grid systems of Ahmedabad and Bombay, for example, had load factors of 63 per cent. and 69 per cent., respectively.

Dr. Bhabha was hopeful that atomic power would become progressively cheaper, as a result of technical advances leading to higher operation temperature, higher efficiency and lower capital cost. The technical know-how and equipment, he said, could be bought and, indeed, India would itself be able to provide the former within about five years. The main problem, which Dr. Bhabha himself posed, was that of finding the money out of savings required for rapid industrialisation. This is in fact, the greatest problem facing India at present.

PIG IRON FOR FOUNDRY INDUSTRY

Growing scarcity of raw materials is the principal problem of the foundries in India. There are as many as 1,300 foundries, of which 300 fall within the purview of the Central allocations, the rest being small foundries in the State lists. An idea of the rapid growth of this industry can be had from the fact that its requirements of pig iron, the main raw material, rose from 450,000 tons in 1955 to 750,000 tons in 1957. The magnitude of the scarcity of raw material will be evident from the quantum of pig iron allotted to it against this demand. The allocations actually fell from 300,000 tons in 1955 to 260,000 in 1957. It will thus be seen that, while the demand for pig iron rose rapidly, the supply declined, so that the scarcity was aggravated. Sardar Swaran Singh, Union Minister for Steel, Fuel and Mines, however, was somewhat optimistic that the worst was over and that the position would improve a little in 1958 and become positively better in 1959. He held out this hope on two grounds. Addressing the Indian Foundry Association's annual meeting at Calcutta last week, the Minister said that (*a*) the railways had arranged for their own imports and as such would not share from the common pool and (*b*) the "blowing in" of three blast furnaces, one each at Burnpur, Bhilai and Rourkela, was likely to increase the supply to about 500,000 tons in the current year. He was confident that 1958 would be the last year of raw material shortage for the foundries, as there would be enough to go round from 1959 onwards.

Scrap and hard coke are two other basic raw materials required by the foundries. These two are not available both in quantity and quality. Referring to this position, Mr. K. L. Jalan, Chairman of the Association, said that, a few years ago, a sufficient quantity of good scrap was available from the railways, but, for the last two years or so, hardly any of the foundries had obtained scrap from this source. The price of scrap had also risen from Rs. 115 to Rs. 280 per ton. He suggested that scrap from the railways should be controlled and distributed by the Government. He urged the Government to adopt a systematic arrangement for the allocation of scrap from the main producers in different units and evolve a plan for collection of melting scrap, its classification by categories, fixation of a fair price and the organisation of a reliable scrap trade. Simultaneously, the Government should, he said, realise that millions of tons of scrap which were being exported could be converted into useful steel. As regards coke, his main complaint was that a difficult supply position was made more acute by inadequate transport facilities. Many a time, when suppliers were in a position to offer coke or pig iron, wagons could not be found. Accordingly, he pleaded for a more realistic allocation of wagons.

Sardar Swaran Singh did not seek to underestimate the difficulties of this key industry. He counselled patience, saying that current scarcities represented "pains of growth" and that they were, therefore, of a passing nature. Scarcity of foreign exchange was the root of the difficulty and the solution lay in raising indigenous production, for which the Government was working very hard. In the meantime, it was doing its best by rationing the available supply. The Minister, however, did not agree with Mr. Jalan's statement on the supply of scrap. He contended that it was incorrect to say that railway scrap was no longer available. For it was controlled and channelled mainly to industries which produced for the railways' requirements. It might not have gone to some firms, but it went to the industry as a whole. The Government had banned export of all types of scrap that could be used in India, besides imposing a price control to prevent high prices. He thought that, if these steps had not helped ensure supplies at a reasonable price, one obvious reason was that it was not worthwhile for agencies to collect and supply scrap. He suggested that industries should themselves co-operate and evolve a mechanism for scrap collection. The Association will find it worthwhile to implement this suggestion; scrap collection in India at present is not half as vigorous as it was during the war years.

What Others Say regarding:—

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EARTHQUAKE-PROOF ATOMIC REACTOR

Britain, having already obtained an order to supply Italy with an atomic reactor, has her scientists and construction engineers now engaged in finding the answer to a special problem—to meet the needs of Japan in the field of nuclear power. This problem is to make the Calder Hall type of reactor so strong that, however badly it might be shaken in an earthquake, there would be no danger of radiation outside.

As it stands, the reactor at Calder Hall, in Cumberland, has been constructed with such careful scientific calculation of possible strains and stresses that it is judged to be absolutely safe in all normal circumstances. This opinion is supported by Japanese scientists who, after examining all types of reactor, have come to the conclusion that none can so easily be made earthquake-proof as the Calder Hall type. Japanese scientists think that few additions are needed, and that these would add little to the cost of making such a reactor proof against earthshock.

Because Japan lies in a zone which experiences severe earth tremors, the greatest emphasis is being laid on selecting reactors sufficiently robust in construction to remain safe in extreme conditions, and an "earthquake study team" has been sent to Britain in advance of the main body of the Japanese atomic-power negotiating mission, which reached London on 18th January. The advance party of three experts, headed by the Vice-President of the Japan Atomic Power Company, arrived in Britain on 4th January. The special earthquake study team, comprising five men, arrived in London on 8th January, 1958. This party has been in consultation with British atomic-energy and construction experts in various parts of the United Kingdom. Mr. D. Yasukawa, President of the Japan Atomic Power Company, is leader of the main group and negotiating mission of eight scientists and constructional engineers.

After full and detailed discussion with British atomic scientists and representatives of British industries connected with the building of nuclear energy plant, it is expected that tenders will be invited from the British groups interested. Assuming that all the parties are satisfied, it is hoped that it will be possible to complete the final terms so that construction of an approved reactor for Japan could begin in October. According to present arrangements, the negotiating mission will leave Britain about the middle of February and will split into two parties, one returning to Japan by way of Europe, and the other visiting the United States on its way back to Tokyo.

CONCRETE RUBBER FINISH

Considerable interest has been aroused among architects and designers in a technique developed in Britain for the application of figured rubber sheeting to the surface of concrete to give it a decorative finish. The method is described in a brochure dealing with the uses of rubber in building just issued in London by the Natural Rubber Development Board. The publication, entitled *Casting Concrete Against Textured Rubber*, presents in compact form all the basic information needed to use the technique.

As a result of development work jointly carried out by the Natural Rubber Development Board and the Cement and Concrete Association, the stage has been reached where, according to the brochure, an architect now has at his disposal tested techniques for finishing concrete by means of rubber sheeting, and there are a varied range of patterns at his disposal. All these patterns are applicable both to precast units and concrete cast *in situ*. Subjects covered in the brochure include the positioning and fixing of rubber in moulds, lubrication of rubber, concrete mix and its placing in moulds, stripping of rubber, and selection of rubber and choice of patterns.

It is stated that concrete cast against rubber has shown good results in weathering tests, and the brochure comments: "There are on view at the Wecham Springs station of the Cement and Concrete Association some panels in a satisfactory condition which were cast in 1949, and have since been continuously exposed to the weather." Illustrations in the brochure show close-up photographs of concrete slabs cast in a variety of well-tested patterns, as well as of a number of notable buildings decorated by this rubber-against-concrete technique.

NEW PRODUCTS AND PROCESSES

New Technique for Apple Breeding

A NEW technique in apple breeding which may substantially shorten the time required for new varieties to gain commercial acceptance is being employed at Cornell University's New York State experimental station. Under the conventional apple breeding procedure, thousands of seeds obtained from fruit produced by cross-pollination of two known parents must be planted each year in greenhouse beds, and grown into seedling whips six to eight feet tall. They are then set in hedge rows in the field where they remain until they produce fruit, after a matter of from eight to ten years. These fruits are then evaluated for desirable characteristics. On the average, however, only one seedling out of a thousand shows sufficient promise to merit further propagation by budding and further testing. In the new method, the seeds are planted in individual pots. As soon as they are well started, a thin section of a root is made with a microtome and examined under a microscope to determine the number of chromosomes—the character determining elements—which are present. By selecting the seedlings by microscope, the total number to be grown to fruiting can be drastically reduced it is claimed at the outset, simply on the basis of the number of chromosomes which are present. To speed up the process still further, buds from selected seedlings are placed on special root-stocks, thus increasing the number of trees of the original seedling before they even begin to bear fruit. When the original seedling and these budded trees produce fruit, enough fruit is available to evaluate it for dessert purposes and for processing long before fruit is available in the usual apple breeding cycle. As a result of using the new technique the station now has several bushels of fruit of what are stated to be highly promising selections from a cross between the Northern Spy and Golden Delicious varieties made in 1943. One of the most promising of these weighs 50 pounds to the box as compared with 36 pounds for McIntosh.

Mango Cereal Flakes

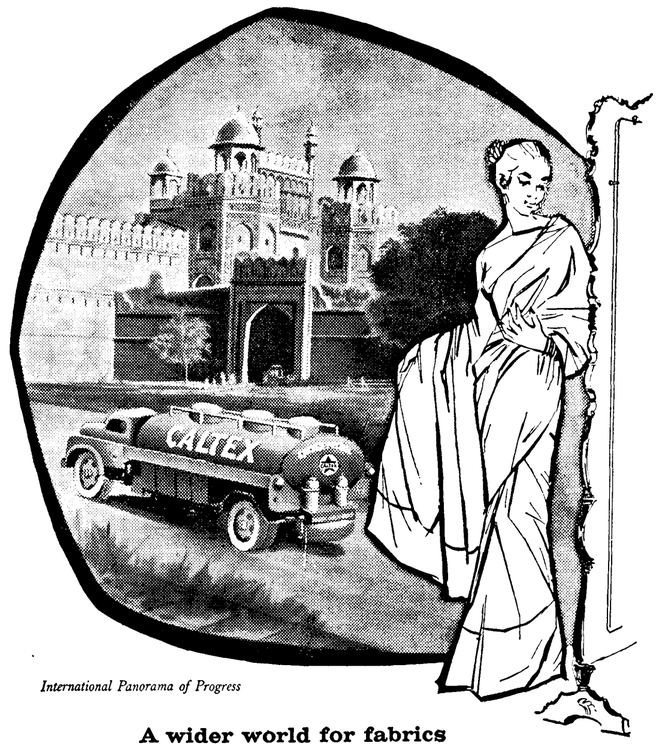
Breakfast food, porridge or snacks for a common man in India will be made more delicious, nutritious and palatable in future with the use of mango cereal flakes. The new product has been developed as a part of investigations on new economic uses for mango at the Central Food Technological Research Institute, Mysore. The product, which has an approximate composition—mango solids 49 per cent., wheat flour 23 per cent. and added sugar 28 per cent.—can also be used as thickener and flavouring material for ice creams. It has been found highly nutritious, containing, among others, carotene, equivalent to about 3,500 I.U. of vitamin A per ounce. Mango cereal flakes have been found acceptable to all tastes and have appreciable possibilities for successful marketing at home and abroad. In hermetically sealed tins and glass containers, they have good preserving qualities. The method of preparation consists in cooking the wheat or corn flour to gelatinise the starch and destroy the enzymes. Mango pulp, partially neutralised and heated separately, is added to the cooked flour. Cooking is continued till a desired consistency is obtained. Sugar and other additives are then added, the mixture is made homogeneous and dried into flakes on a suitable drum drier. This product offers good means of utilising not only large quantities of surplus fruit but also pulp obtained as a by-product in fruit canning. Production can be taken up independently, but preferably in conjunction with other lines of fruit processing. With some additional equipment, existing fruit and vegetable preservation factories can take up commercial production without much difficulty.

Sillimanite Refractories From Sillimanite Waste

The Central Glass and Ceramic Research Institute, Calcutta, had initiated investigations to examine the causes of high porosity of locally manufactured sillimanite refractories and if possible, to produce better refractories by even utilising the natural sillimanite waste obtained during sawing the boulders into blocks. As a result of systematic investigations, it is now possible to produce much superior sillimanite bricks having porosity and other properties similar to those of samples obtained from other countries and not so far possessed by the locally made products. The methods worked out do not involve any radical departure from the existing practice followed by the refractories works and it is possible to utilise waste sillimanite instead of kyanite. Sillimanite needs no calcination and thus has an advantage over kyanite. Compared to calcined kyanite natural sillimanite is hard to grind and as such the cost of grinding it to the desired fineness may be slightly more but this is compensated by saving the expenditure incurred otherwise on calcining kyanite. Other factors in the manufacturing process being practically the same, it is felt that there will be no appreciable increase in the cost of production.

"Wonder Metal" in Pure Form

The so-called "wonder metal" niobium is now being produced in its purest form for the first time by scientists of the Westinghouse Electric Corporation at Pittsburgh, Pennsylvania, U.S. Scientists and engineers believe that niobium may be of major importance in the development of future aircraft engines and nuclear reactors. Discovery of a method to purify niobium, formerly called columbium, is considered an important step towards its practical application in industry. It is expected that new alloys based on niobium will be able to maintain their strength at temperatures above 1,800°F. This is well above the highest operating temperatures of the best existing engine and reactor structural materials. The Westinghouse scientists purified the metal by repeated meltings in a nearly perfect vacuum. The high temperature and low pressure distils impurities out of the metal.



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PADDY CROP INSURANCE FOR CEYLON

OUTLINE OF A TENTATIVE SCHEME

A PREDOMINANTLY rice-eating nation, Ceylon, our island neighbour in the south, has reason to feel despondent over its food situation. For its food shortage is more acute than that facing India. Out of its yearly consumption of rice of about 900,000 tons, Ceylon has to import from abroad roughly 50 per cent. In addition, a large quantity of wheat flour is also imported. This heavy import of food is a national anxiety for Ceylon, as it involves a great drain on the country's foreign exchange. During the seven years 1949-55, Ceylon's food import bill averaged Rs. 600 million annually, which was over two-fifths of total imports. Imports of rice alone cost the country Rs. 222 million in 1955, although it was less than 50 per cent. of normal imports in previous years. Higher production of rice or paddy is, therefore, a question of great national urgency for Ceylon. The method of doing it, put simply, is partly to increase the yield from lands already under paddy and partly to extend the area sown to it.

Like many other monsoonal countries, paddy cultivation, or agriculture in general for that matter, is a gamble in the monsoon. The problems of paddy production are those arising from natural causes like uncertainty of rainfall, hazards like drought and flood as well as those having their origin in economic and social or institutional factors such as pressure of population on land, uneconomic holdings, sub-division and fragmentation, absentee landlordism, insecure tenancy and share-cropping system, inefficient methods of production. The Government of Ceylon is fully aware of the problems to be tackled in order to improve and increase paddy production. The Food Production Department, which is directly concerned with paddy production, is active in promoting improved cultural practices, securing more intensive cultivation of food crops in areas where they are not grown, providing services of general benefit such as minor irrigation works and wells and financing through co-operative societies. While there is no doubt that the natural hazards of paddy production could be mitigated by measures such as irrigation, drainage, land reclamation, etc., on the one hand, and by improvements in social and institutional set-up on the other, still a great deal of uncertainty will always be there. For, no imaginable measures could make paddy cultivation completely independent of the monsoon. Secondly, most of the physical measures are to be justified by their cost-benefit ratio. There may be many cases, for instance, where flood is preventible but the cost of the preventive measures might be far out of proportion to the benefit. In such cases, it would be bad economy to spend more capital, especially in underdeveloped countries where capital is scarce, in preventing a risk than would be lost if the risk itself were to materialise. But, as against this, there is the consideration that, with a population constantly pressing against the land, no part of the latter could be given up for cultivation, simply because it is subject to periodical risks of crop failure. The risk has, therefore, to be faced. To this date, it is the owners and cultivators who have mostly borne these risks, often unaided and sometimes with the help of Government. But it is obviously too heavy a burden on the small owners and operators who form the majority of paddy-land holders. If the crop fails on account of bad weather or other similar factors, the farmer bears a burden which may become permanent and which he may find it difficult to throw off.

Crop Failure—Its Effects

Farmers, however, are not the only sufferers from crop failure, especialy when the failure is extensive and occurs in respect of a principal crop. In a predominantly agricultural country, it creates a general uncertainty, prices tend to go up, balance of payments and the budgetary position of the Government are affected. Unless, therefore, relief is an accepted and preferred policy of the Government, insurance against climatic hazards would appear to be the relatively less costly and more appropriate way of meeting crop failures. Crop insurance, through reducing the uncertainty of loss through a combination of a large number of similar uncertainties and through distribution of the burden of loss by utilising funds accumulated in advance, offers a measure of security to the farmers. Although insurance cannot prevent crop failures, it can at least take the sting out of the calamities that befall the cultivators.

At the request of the Government of Ceylon, the Food and Agriculture Organisation of the United Nations assigned to it the services of an agricultural insurance expert, Dr. P. K. Ray, to advise on crop and livestock insurance. The expert, after a detailed study of the problem, submitted a report, entitled *Report to the Government of Ceylon on Crop (Paddy) Insurance.* This is a general study, on the basis of available data, of the problems and possibilities of paddy crop insurance in Ceylon, of likely insurance cover and premium rates, its other possible features and financial implications. It is not an actual blue-print for paddy crop insurance in Ceylon as much still needs to be done before applying the scheme in practice like determination of coverages and premiums, preparation of contract and policy forms, laying down of procedures for the collection of premiums, payment of indemnities, organisation of the necessary administrative set-up and training of technical staff, etc. Nevertheless, the report is of particular interest to India as well, in view of the similarity of problems faced in this country and the equally urgent need for giving relief to farmers from calamities which it is beyond their power to control.

Benefits of Crop Insurance

The principal benefits of crop insurance are the following: (1) It would protect farmers against losses caused by crop failure, and thereby ensure a stability in farm income. (2) If the insurance were combined with sizable storage of an insured commodity like paddy, it might help to reduce the uncertainty of supplies and of prices during periods of extreme scarcity. (3) Insurance will improve the economic position of farmers and thus reduce their dependence on private moneylenders. (4) It would also strengthen the position of co-operative credit institutions, in so far as it enables farmer-members to repay their loans in years of crop failure. (5) Crop insurance would encourage more intensive cultivation and thus result in increased crop production. (6) Government would be relieved of the financial burden of providing relief and distress loans to farmers, unless the loss was very widespread and of a catastrophic nature.

Practical Difficulties

While the need for and the benefits of crop insurance are generally recognised, the difficulties in the way of its introduction are not always fully realised. Some of the main problems of crop insurance in an underdeveloped and predominantly agricultural country are: (1) Lack of basic, reliable, long-period data regarding acreage, average yield and the extent of damage caused by various natural hazards, (2) smallness of the holdings which implies not only greater moral hazard (that is probability of loss due to intentional act or omission on the part of the insured) from the insurance point of view but also makes it administratively difficult and costly, (3) complicated terminal system and absence of proper registration of titles which renders it difficult to determine the insurable interest and the beneficiaries of insurance as also to fix and allocate the liability for premium payment, (4) lack of understanding of the real meaning and significance of insurance, (5) poverty of the cultivator and (6) lack of trained personnel to run the administration. While many of these problems are to be encountered in Ceylon, the more serious of them are smallness of paddy holdings, complicated tenurial system and lack of proper registration of titles. On the other hand, there are certain factors favourable for paddy insurance in Ceylon which singles out that country from other underdeveloped countries. These are: (1) Smallness of the country, only 25,000 sq. miles in area, (2) relatively better economic condition of the people. (The *per capita* domestic product of the island was Rs. 517 in 1953, as against Rs. 290 in India and Rs. 220 in Pakistan), (3) a high percentage of literacy (about 66), (4) a fairly extensive

(*Continued on page* 159)

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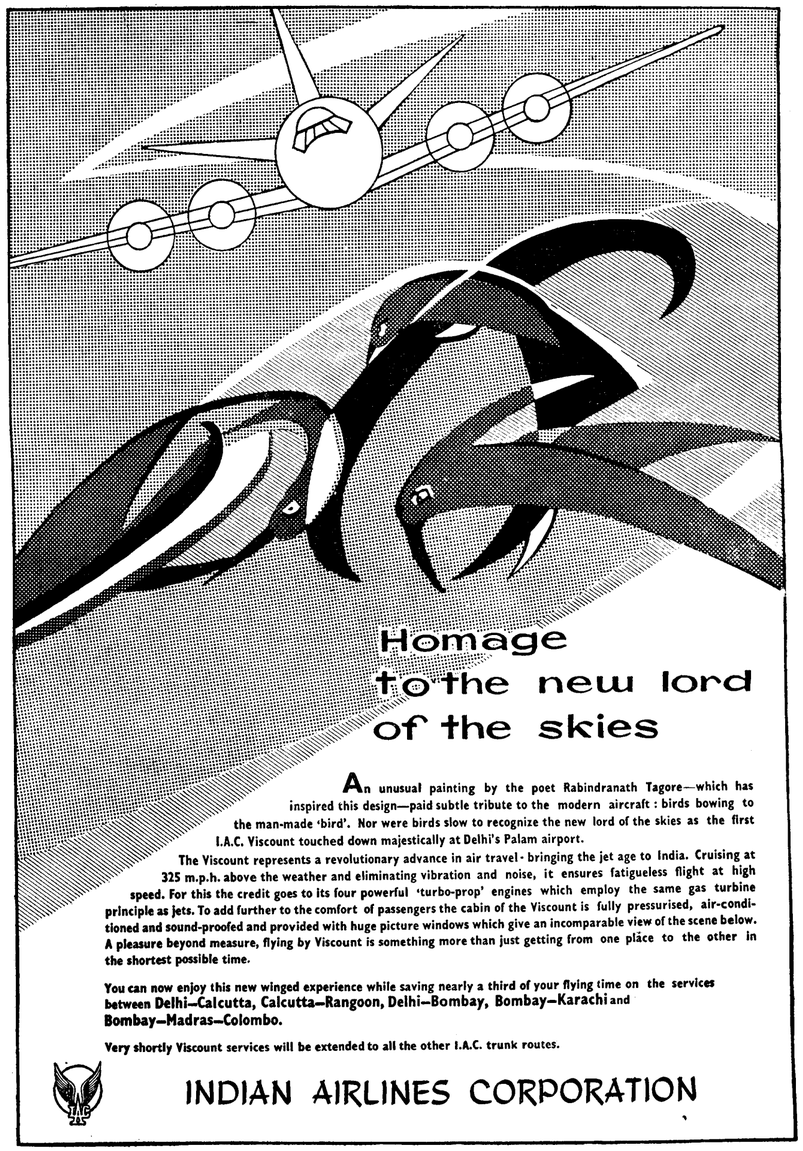

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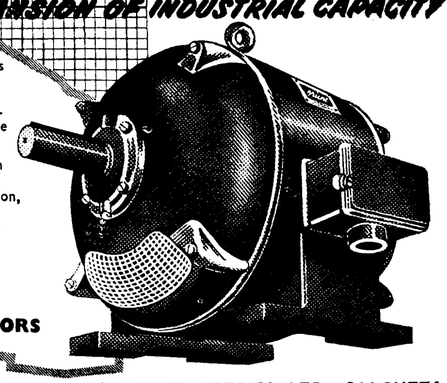

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By Jagjivan Ram

MINISTER FOR RAILWAYS, GOVERNMENT OF INDIA

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India has launched on a big industrial and agricultural expansion programme. For its fulfilment, it is essential that our transportation capacity should keep pace with, if not be a step ahead of, the additional production capacity.

Since in India railways are the chief carriers of passengers and goods, the main brunt of increased economic activity, quite naturally, has fallen on them.

Main Objectives

The railway development plans are, therefore, essentially and inevitably a part of India's general economic expansion plan, and our main objective is to expand our goods-carrying capacity in proportion with the general expansion of industrial and agricultural production.

Out of this overall objective other corollaries follow: (1) We should, in ever-increasing measure, depend on indigenous industry for our own needs of rolling stock and other equipment. This, incidentally, will help save us a lot of foreign exchange, increase the country's prosperity by increasing indigenous production and employment opportunities, and will make us relatively independent from the sources of supply abroad. (2) For obvious reasons, we have to give first priority to the traffic requirements of basic industries such as coal, steel, cement, etc. (3) We have to rehabilitate and maintain our rolling stock, track, bridges, etc., in the best trim to enable satisfactory carrying of the increased traffic.

If we are to work to the enhanced target of goods traffic from 42 million tons to 61 million tons, the requirements of the second Five-year Plan on the railways are likely to cost the nation about Rs. 1,425 crores—about Rs. 300 crores more than the original sum of Rs. 1,125 crores allotted by the Planning Commission.

The aforementioned amount is scheduled to cover the following, among other things:

(a) Construction of about 842 miles of new railway lines mainly to serve the requirements of the coal and steel industries; (b) renewal of about 8,000 miles of existing track which has fallen into arrears, owing to shortage of rails and sleepers; (c) doubling of about 1,607 miles of track, where additional capacity is required on the existing single lines; (d) conversion of about 265 miles of metre-gauge lines into broad-gauge; and (e) electrification of about 1,353 route miles of existing railway lines, where density of traffic is likely to be such that steam traction cannot cater to the needs.

We propose to purchase the following quantities of rolling stock during the second Plan period: Locomotives 2,364; coaching stock (in units) 11,575; and wagons (in 4-wheelers) 107,247.

We have ordered 100 diesel electric locomotives and the first batch of 20 has already arrived. These engines will initially be used on certain busy main lines, pending completion of electrification of those lines. As electrification is completed, these engines will be shifted to other areas where, meanwhile, the traffic density would have increased.

There will be a large number of line capacity works like remodelling of important marshalling yards, improvement of goods facilities, opening of new crossing stations, provision of additional loops and extension of the length of existing loops, etc., and, of course, a sizable expansion in railway workshops, sheds and sick lines to help to get the most out of the rolling stock.

Works Programme

The second Plan programme has been on the way for over a year and a half, and it seems to be a good mile-post to do a bit of stocktaking. I give here an idea of the position as at the end of 1956-57, the first year of the second Plan.

The railways each year prepare a "Works programme," detailing the new works to be taken in hand in a particular year. The programme for 1956-57 made provision for new works which, on completion, were estimated to cost in all Rs. 330 crores. The break-up is:

Item	*Anticipated cost* (Rs. crores)
Rolling stock	148
Workshop, plant and machinery ...	27
Track renewals	21
Bridges	6
Line capacity works	43
Electrification	31
New lines	16
Staff quarters and staff welfare ...	17
Railway users' amenities	4
Other works	17
Total	330

The 1956-57 budget provision for new works and the works in progress was Rs. 193 crores: Rs. 88 crores for rolling stock and Rs. 105 crores for other works. Out of this sum, the railways, despite the shortage of essential materials like steel and cement, have spent a total of Rs. 179 crores.

Actual deliveries of rolling stock up to the end of March 1957 were: locomotives 664, coaching stock (in units) 1,236 (excluding EMU stock), and wagons (in units) 34,387.

A total of 2,800 miles of surveys was approved during the year, and work in the field is actually in progress on about 2,000 miles.

Work on three new lines was completed during the course of the year and these were opened to traffic. These are the 37-mile Ernakulam-Kottayam metre-gauge line on the Southern Railway, the 24-mile Champa-Korba broad-gauge line on the South-Eastern Railway, and the 27-mile Fatehpur-Churu metre-gauge line on the Western Railway.

In addition, the seven-mile line from Gandhidham to the new Kandla port was opened for both goods and passenger traffic.

Work is in progress on about 556 miles of new railway lines, the important ones being the Rourkela-Dumaro, Bhilai-Dhalli Rajhara, Etah-Burhan, Indore-Dewas-Ujjain, Chandrapur-Muri, and Noamundi-Banspani.

Work is also in progress on the Rohtak-Gohanna section of the Northern Railway (20 miles), and will be started shortly on the Akbarpur-Tanda section (11 miles) of the same railway.

The conversion of the Renigunta-Gudur metre-gauge section of the Southern Railway into broad-gauge, a total of 52 miles, at an estimated cost of Rs. 2 crores has been completed and opened to traffic.

Work was in progress on about 670 miles of doubling, of which about 350 miles lie on the South-Eastern Railway alone. A few of the important sections where doubling work is in progress are: Delhi-Mathura, Saharanpur-Moradabad, Kanpur-Allahabad, Delhi-Rewari, Arkonam-Jalarpet, Bezwada-Gudur, Manoharpur-Rourkela, Rajkarswan-Barajmda, and Rourkela-Drug.

Electrification

Work on the Howrah-Bandel main line has been completed and that on the Sherophuli-Tarakeswar section of the Eastern Railway will be completed shortly. The Howrah-Bandel electric service was inaugurated by the Prime Minister on 14th December 1957.

It has now been decided that the railways should use the alternating current single-phase 50-cycle system, instead of the direct current system which has hitherto been in vogue, and on which our original plans were based. This decision is in line with developments in several foreign countries and has been reached after a great deal of careful thought and study.

The routes to be electrified will be in the east: the Calcutta suburban area, Howrah to Moghalsarai, Howrah to Khargpur and Asansol-Sini-Tatanagar-Rourkela-Rajkarswan-Noamundi—a total of 1,061 miles; in the west: Igatpuri to Bhusaval 192 miles; and in the south: Tambaram to Villupuram 100 miles (including a third line from Madras to Tambaram).

A large number of workshops and loco sheds on the Indian railways are being expanded and modernised to meet the maintenance requirements of the increased holdings of rolling stock.

As many as 67 goods yards are being remodelled, including major remodelling of marshalling yards at Moghalsarai, Ondal, Tatanagar, etc. Work on providing modern marshalling yards at Bhilai and Rourkela is in progress. As many as 52 new crossing stations are being opened to increase line capacity. At a large number of stations, the length of existing loops is being increased and additional loops are also being provided, depending upon the requirements of individual sections.

Amenities

Railway users' amenities are also receiving close attention. A large number of works are in progress at various stations. A sum of about Rs. 3 crores was earmarked for such works during 1956-57. It is proposed to spend about the same amount during 1957-58.

Some of the amenities with approximate proposed expenditure during 1957-58 are: improved facilities in existing carriages, Rs. 60.91 lakhs; improved facilities on platforms, Rs. 75.66 lakhs; improved waiting and other facilities at stations, Rs. 39.09 lakhs; and better and improved water-supply facilities at stations, Rs. 21.86 lakhs.

During 1956-57, the railways spent about Rs. 8.15 crores on staff quarters and other amenities, including Rs. 6.80 crores for the construction of new quarters and improving the existing ones.

During 1957-58, a total of Rs. 10.77 crores has been earmarked for such works, of which about Rs. 1.14 crores will be spent on providing new hospitals, health centres, etc., and improving facilities in the existing ones, while about Rs. 9.63 crores will be spent on providing quarters, improving the existing ones, providing electric lighting, etc.

Goods Traffic

During 1955-56, the total tonnage of goods moved on the Indian railways was about 114 million tons, which figure increased to about 125 million tons during 1956-57, representing an increase of about 10 per cent.

The line capacity and other works proposed take a long time to develop. In the meantime, we are resorting to improved operational methods leading to better utilisation of wagons by running block trains and express goods services, running goods trains to a time-table, reducing the time allowed for loading and unloading of wagons, round-the-clock working in important transhipment yards, reducing the number of disabled rolling stock, etc., to keep pace with the increase in traffic.

Self-sufficiency

The railways are very much alive to the importance of achieving self-sufficiency in the matter of stores, equipment and personnel, and are actively working to this end. Early in 1956-57, the Railway Equipment Committee submitted its report to Government. As a result of one of the recommendations, a nucleus Development Cell has been established in the Railway Board office, and, for the first time, the development of exclusively railway items has been taken over by the Ministry of Railways. One of the first steps taken by the cell was to augment the wagon-building and underframe manufacturing capacity in the country from about 20,000 wagons and 300 underframes per annum to an ultimate of about 36,000 wagons and 1,700 underframes per annum respectively.

Issue of licences has been recommended in favour of some of the prospective firms capable of doing the work. A number of development orders for rolling stock components as well as electrical signalling items have also been placed during the year.

Production Up

At the Chittaranjan Locomotive Works, the rate of production has been stabilised at 14 WG locomotives per month. The total number of steam locomotives manufactured during the year 1956-57 was 156, making a total of 504 WG locomotives since the workshop went into production.

The monthly outturn of unfurnished coaches at the Integral Coach Factory at Perambur has been stepped up to 11 per month. During 1956-57, 88 shells were manufactured, making a total of 100 shells since the factory went into production on 2nd October 1955.

A workshop to manufacture spare parts for locomotives and to carry out major reconditioning of machine tools is being set up. In addition, it has been planned to set up two new wagon repair shops and modernise the existing ones.

The railways will require a large number of additional technical men to handle the increased traffic and maintenance requirements of rolling stock, etc. It is proposed to spend about Rs. 3 crores in the second Plan period to increase the training facilities on the railways. It is also proposed to recruit untrained hands and train them for the work they will be required to perform.

The requirements of the railways are of a specialised and technical nature, training for which can only be imparted at the moment by the railways themselves, as there are no outside facilities available. The staff are being trained in railway workshops, loco sheds and special training schools run by the railways.

Facilities are being expanded to train over 7,000 men of different categories at a time. About 125,000 men in all are expected to be trained during the second Plan period.

Before the commencement of the second working season, all works in connection with the training of the river Ganga, eight of the 15 main piers and all the four shore piers had already been completed. During the second season, which commenced from October 1956, work had been in progress on the remaining seven piers (all water piers), earthwork in the transhipment yard on the north bank, and on the raising of the formation in the river area to its final railroad level. All the main piers have now been completed, including the placing of grillages in position.

Fabrication of steel girder spans has been commenced and these are being received at the site.

Foreign Exchange and Steel

I have referred to some of our development projects to show that the railways have geared themselves for the tasks ahead to complete the large number of works necessary for their second Plan. Arrangements have been made for training the necessary personnel, but the greatest difficulty appears to be the question of foreign exchange and the shortage of steel. As for foreign exchange, the World Bank was approached for a loan and, earlier this year, it sanctioned a loan of $90 million. Similar help will be sought in the future also. Meanwhile, arrangements have been made for the procurement of iron and steel that is essential for railways, such as track and track fittings. A few months ago, a high-powered railway mission went to Europe and was able to buy 522,000 tons of steel.

Development in Assam Area

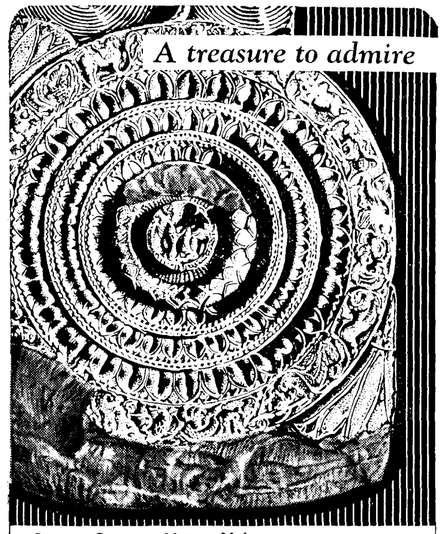
Geographically, the area which has received continuous attention from the Railway Ministry is Assam. When Partition cut off Assam and a portion of West Bengal from the rest of India, it was immediately decided that the Assam Rail Link should be constructed. This line of 141 miles was completed in December 1949 at a cost of Rs. 8.5 crores.

Its alignment crossed difficult terrain subject to heavy floods. Its protection works have received attention every year since construction, and have cost about Rs. 3½ crores. An engineer-in-chief was posted before the commencement of the last monsoon to hold the link and to devise further measures for its stabilisation. Fortunately, the line has survived the ordeal and has remained unbroken despite heavy monsoons.

It is proposed to commence work during this working season on further strengthening of the link, and also to survey an alternative alignment over certain stretches. Recently, the Railway Board sanctioned a preliminary engineering survey of this area. It is also proposed to take in hand the construction of a bridge across the Brahmaputra. Also, to improve operational efficiency in this area, the North-Eastern Railway has been split into two zones. The new zone, called the North-East Frontier Railway, has its headquarters at Pandu. A major railway repair workshop will also be set up at Bongaigaon, in Assam.

The satisfactory execution of the enormous task which the railways have undertaken during the current Plan period, depends to a large extent upon the full and willing co-operation of ten and a half lakh railway employees. It is a matter for great satisfaction to me personally that these railwaymen are fully alive to their responsibilities. The railway administration, too, fully realises the necessity of paying increasing attention to the welfare and contentment of railway workers and has a massive staff welfare programme in hand. I have full confidence that both the railway administration and the workers will render better account of themselves than in the past in the fulfilment of the bigger tasks which lie ahead.

A treasure to admire



Courtesy: Government Museum, Madras

The Lotus Circle

Among the many treasures of Indian art, is this exquisite piece which dates back to 158 A.D. It is now a part of the rich collection of Amaravati sculpture at the Madras Museum. The "Lotus Circle" is a common but significant decorative motif in Indian art.

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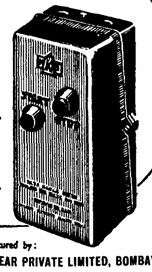

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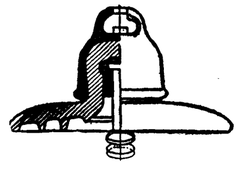

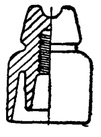

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ACHIEVEMENTS OF INDO-BRITISH ECONOMIC COLLABORATION

RELATIONSHIP FULL OF PROMISE FOR MUTUAL BENEFIT

By Paul Bareau

AN abiding impression which I carried back to London after a five-week visit to India was a conviction that never in the history of the two countries had collaboration between Britain and India been so close, so full of promise for continued development, and so mutually beneficial. Not only were personal and business relations on as friendly a basis as they had ever been, but—paradoxically, perhaps—the economic bonds between the two countries appeared to be firmer as a result of the fundamental change in the direct political links between them.

I was assured that there are now more Britons in India than there were in the days before Indian independence was secured, including in this comparison those who were in the old Indian Army. That in itself is an impressive token to the growth of economic collaboration between the two countries. A new world of business friends has been called in to redress the balance of the earlier political relations between them.

Although I want, in this article, to deal mainly with the commercial, industrial, and technical links between Britain and India, it would be misleading to discuss them in isolation from, and independently of, the cultural and philosophical relations on which they are based.

Common Heritage

Both countries have a common heritage of culture and philosophy which may belong more to the social and political field than to the economic but which, nonetheless, affects the latter. In the realm of technical collaboration, it stands to reason that a common language is of immense importance, and that for India it opens the door to the vast literature and the whole world of technical education on which the future progress of its industry so largely depends.

I recall, in this context, one of the series of Commonwealth economic conferences held in London at a moment of stress in the economic position of the sterling area. When the *communique* announcing the customary measure of general agreement on problems discussed was published, I asked one of the participants, a high British official, how he could explain the fact that general agreement could be secured on problems in which the individual interests of the participating countries could—in the short run, at least—appear to be so divergent.

He answered me with a parable. He said that towards the end of the conference, an Oxford and Cambridge dinner had been organised for the participants, and that it was discovered then that every delegation, save one (the exception was South Africa), was very fully represented at this gathering of graduates of the two universities. This, he said, symbolised the common heritage of culture and philosophy which, for all its intangibility, provided the real cement of the Commonwealth.

For good measure, he added that, in all the speeches made at this dinner, by far the most eloquent and impeccable English came from the Indian delegate (who shall be nameless). To complete the story, it would appear that the Indian delegate closed his speech with a peroration in which he quoted Scotland's national poet, Robert Burns, in the appropriate brogue. The Canadian delegate, who spoke next, expressed his admiration for this feat, but added that, in his opinion, this was "carrying coals beyond Newcastle!"

I hope that, in the search for national self-expression, India will not choose the negative way of discouraging the use of the English language, with all the cultural as well as economic and technical advantages it has brought and will continue to bring.

Ties of Sterling

Turning to the more strictly economic aspects of this problem of Indo-British relations and of Britain's contribution to India's development in the post-independence period, I would like to give first priority to the financial links, and particularly to the ties of sterling, that bind them.

When I was in India a few months ago, I heard occasional criticism of the London market as one which had become singularly narrow in its capacity to satisfy India's large capital requirements. The accusation is somewhat unfair. It should be judged, in the first place, in the light of the counterclaims, often made in Britain in these days, that the British investor is, in fact, pouring out too much of his substance in the development of oversea countries, and that better use could be found for his savings in domestic investment than in the underdeveloped countries overseas.

I disagree with this thesis, but I must stress the fact that India cannot claim exclusive rights or even priority in the London capital market. Given all the responsibilities which Britain has to endeavour to honour as an international banking nation, the amounts of capital that have been flowing to India from the United Kingdom are by no means negligible.

As a result of this common bond of sterling, India has had placed at its disposal not only the long-term lending but the banking facilities of the London banking centre. British banks have formed syndicates which have provided short- and medium-term credit to finance some of the more important projects now being carried through in India. The British Government's Export Credits Guarantee Department—now an integral part of the mechanism of the City of London—has played an important role in insuring the finance of the massive surplus Britain has been running in its trade with India and the substantial flow of exports of capital goods to India.

Providing Finance

Not least in the contribution Britain has made to India's industrialisation plans has been the provision of finance through the running down of India's sterling balances. Admittedly, this is money which belongs to India, and no one will gainsay India's right to use it. The fact remains that these substantial balances, which are now less than half of what they were a few years ago, have provided India with some £400,000,000 of truly convertible sterling which has been spent on the industrialisation programme.

The manufactures and, in particular, the capital equipment which have been bought with these resources have come from most industrial countries of the world. When, in my tour of Indian factories, I saw machine tools bearing the names of the industrial elite of the free world—the United States, Germany, Switzerland, and Britain itself—I was given the most convincing of all proofs that sterling is a convertible currency.

These expensive machine tools had been bought wherever the best quality was available. The cheques to pay for them were drawn in sterling. Britain had honoured those cheques by paying in whatever currency the buyer needed. When, therefore, thought is given to the economic partnership between the two countries, the financial and monetary ties that bind them should be given their due recognition.

When we think of the economic partnership between the two countries, the mind immediately turns to the more visible aspects of that collaboration—namely, to the partnership between British and Indian capital which is now to be found at so many points in the development of India's second Five-Year Plan, and which will carry over into the subsequent stages of the industrialisation programme. That collaboration is to be found in both public and private sectors of the Indian economy.

Major Projects

In the public sector, it is symbolised by the great steel works which is going up at Durgapur, West Bengal, on the orders of the Indian Government but with the help of British capital and technicians. Here, incidentally, is competitive co-existence at its best and most constructive. From an almost equal start the British, the Germans, and the Russians have been erecting steel plants of virtually equal capacity in India. It will be interesting to see which of the three pours its first ingot, and—even more important—which, in the long run, will prove the most efficient and provide the best return for the money invested in it.

Another important project in which British "know-how" is being put at the disposal of the Indian Government is the creation in India of a heavy electrical industry, in which Associated Electrical Industries (A.E.I.) is vitally interested. This is of interest as being another instance of British private enterprise contributing to a project which falls well and truly in the sphere of the public sector in India, and thus helps to create the "socialist pattern of society."

This is a project in which the imparting of expert skills is as important as the delivery of plant and equipment. In order to ensure a continuing supply of skill, the A.E.I. project includes a well-thought-out plan for the training of Indian technicians in A.E.I. factories and in technical schools in Britain. This also applies to the Durgapur steel project, under which several hundred Indian trainees are, and will be, working in Britain to familiarise themselves with the technical details of the plant now being erected; they will ultimately make it a wholly Indian-run enterprise.

Of this, and of the heavy electrical project, it may be said that, in due course, they will be entirely Indian-run, but on the basis of techniques imparted by Britain, and probably with the help of continuing collaboration between experts in the two countries.

Private Sector

It is, however, in the private sector of industry that the greatest diversity of Indo-British industrial and commercial collaboration is to be found. Illustrations of this mixture of skills and resources abound. They are to be found in such widely divergent fields as motor car production and assembly, telephone equipment, textile machinery, the manufacture of paints and varnishes, plastics, the manufacture of radios and components (in which no less than 10 British firms are involved), diesel engines, batteries, lamps, and cables.

In each of these cases, joint ventures have been launched which represent a genuine marriage of Indian and British resources. More often than not, the capital is jointly subscribed. Even if, in the initial stages, the administrative and technical skills are in large measure provided by British personnel, these men have taken good care to impart their knowledge to their Indian colleagues, and so to prepare for the day when the major responsibility for the running of these organisations is, in fact, in Indian hands.

In order to help this constructive marriage of British and Indian capital, the Indian authorities have gone out of their way to maintain freedom of remittance of dividends and profits from India to the United Kingdom.

May I stress here how important it is that this toleration should continue, even though the

(*Continued on page 159*)

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DEVELOPING MICA INDUSTRIES IN INDIA

ESTABLISHMENT OF A WET GRINDING PLANT SUGGESTED

INDIA would have for the first time a large mica wet grinding industry, if the recommendation of the National Council of Applied Economic Research, New Delhi, were accepted by the Government of India. The recommendation is based on a special project undertaken by the Council at the request of the Union Ministry of Commerce and Industry. The request was a sequel to the proposal put forward some time ago by a foreign firm for the establishment, in collaboration with Indian enterprise, of a mica grinding plant with a capacity of 1,000 tons per day, requiring a capital of Rs. 1.25 crore. After examining the various aspects of the project, the Council has urged the outright rejection of the foreign firm's proposal. For, in its opinion, the actual production of wet ground mica as envisaged in the proposal will be 225,000 tons per annum which is more than twice the entire U.S. output of 91,695 tons of dry mica and 14,490 tons of wet ground mica (in 1955) and the world consumption of ground mica will not reach the level proposed by the foreign firm in the next 20 years. But it has favoured the implementation of a more modest-sized plant.

The scheme evolved by the Council provides for the setting up of a mica wet grinding plant with an annual production capacity of 1,000 tons but expanded to 2,000 tons. The capital outlay of the plant is put at approximately Rs. 3 lakhs and the return on such investment is expected to be 17 per cent. or more per year. The Indian mica interests and the Government of Rajasthan, it is said, are ready to participate in the project; these two, it is said, can easily find the capital required. As regards the location of the plant, the Council feels that it is probably desirable to locate it near the supply of raw material, muscovite scrap, because of the reduction in weight in shipping, although this is slight. There should also be easy access to an exporting port.

The Council's suggestion for establishing a mica grinding project deserves to be supported. Although mica mining has been known in India since ages, the country has not developed mica industries worth any mention. The result is that it exports 75 per cent. of the total world supply, the average quantity actually shipped in the past five years being 367,000 cwts. valued at Rs. 9.06 crores. The exports comprise splittings, blocks and waste. If a wet mica grinding plant is established, India will be able to meet the requirements not only of the expanding domestic roofing, paint and rubber industries but also the growing demand of Europe and Asia.

Consumption

The Council has based its scheme on a detailed review of the position in respect of world demand for and supply of ground mica (powdered form of mica), which is used by roofing, paint, rubber and some miscellaneous industries. The ground mica consuming capacity of the world has gone up markedly in recent years, although there was a setback in 1956. The aggregate consumption of ground mica, both wet and dry, during 1956 was 110,511 short tons, as against 78,950 tons in 1953; it was, of course, lower by 5,754 tons as compared with that in 1955. The following table shows the consumption of ground mica in the different countries during the last four years:

(In short tons)

	1956	1955	1954	1953
U.S.A.	99,981	106,185	80,072	73,072
Rest of N. America ..	1,880	1,380	1,323	1,449
South America ..	928	407	422	393
U.K.	2,316	3,710	1,563	2,059
Norway	1,737	2,053	874	583
Sweden	189	134	128	174
Belgium	350	306	273	146
W. Germany	1,066	734	365	237
France	840	484	432	209
Italy	265	298	218	197
Rest of Europe ..	73	36	92	19
India	27	4	30	25
Indonesia	19	..	..	6
Japan	313	467	735	265
Philippines	34	..	30	..
Rest of Asia ..	266	24	8	11
Africa	227	43	95	113
Oceania	..	..	48	1
Total ..	110,511	116,265	86,708	78,950

It will be seen from the above table that the U.S. accounts for more than 90 per cent. of the world consumption of ground mica produced by both wet and dry processes. The European countries together consume about 6 per cent. The share of Asian countries is just half per cent. The consumption of wet ground mica in the U.S. is said to be less than one-sixth of that of dry ground mica. Out of the total of 106,185 tons consumed in 1955, dry ground mica acounted for 91,695 tons and wet ground mica for 14,490 tons. The consumption of these is expected to rise to 130,000 tons and 20,000 tons, respectively, by 1966. Generally, roofing materials, welding rods and well drilling use only dry ground mica and wallpaper uses only wet ground mica, while rubber, paint and plastics use both. The annual consumption of mica in the U.K. has fluctuated around 2,500 tons. There has been a rising trend in consumption in almost every country in Europe, especially France and W. Germany. Consumption in Norway appears to have been relatively high. Japan is the most important consumer in Asia.

Source of Supply

The main source of the world supply of ground mica is the U.S. Most of the European countries import mica scrap and waste from India and grind them for domestic use, in addition to importing ground mica from the U.S. It is possible that some of these countries may be exporting limited quantities of ground mica to neighbouring countries. The imports of Indian mica scrap and waste by some countries of Europe in the past four years are given below:

(In short tons)

	1956-57	1955-56	1954-55	1953-54
U.K.	2,365	2,414	3,869	1,614
Norway	1,097	1,828	2,162	920
W. Germany	799	862	489	137
France	658	635	297	130
Italy	291	112	123	76
Sweden	68	199	129	125
Belgium	..	22	..	..
Total ..	5,278	6,072	7,069	3,002

The findings of the Council reveal that the two important varieties of mica used in grinding are muscovite and phlogopite. The muscovite type is used more commonly by the grinding industry, particularly in the high quality wet process. The largest sources of mica scrap are India, the U.S., Canada and South Africa. These countries are in a position to produce ground mica without depending on external resources for the supply of raw material. Both India and the U.S. have large supplies of muscovite scrap and waste. The U.S., of course, imports mica scrap and waste from India, but the quantity involved is limited; during 1956, it amounted to not more than 8,500 tons, as against the total U.S. consumption of over 100,000 tons of scrap. The U.S. has enough resources of scrap for grinding. Canada also has enough supply of phlogopite type of scrap to cater to the needs of its grinding industry. The European countries, however, have to depend on outside sources of scrap for their grinding industries.

Ability To Sell

Since the final decision to set up a mica grinding plant in India will depend on its ability to sell the finished product at competitive price in international markets, the Council has done well to study some of the more important aspects of this problem. The Council draws special attention to the competition from the U.S., Canada and European countries. According to it, the U.S. is the principal supplier of ground mica to the world markets. Exports from this country have been on the increase in recent years, the total for 1956 at 4,451 tons being more than thrice the quantity of 1,284 tons shipped in 1950. The increase was shared by all areas. Over the years 1950 to 1956, the U.S. exports rose by more than 10 times to Asia, five times to Africa and four times to Europe. The U.S. has vast resources of raw material, technical know-how and investment capital. It will be a more powerful competitor in the North and South American markets, because of their geographical proximity than in the European, African and Asian markets. As regards Canada, the Council's study shows that it has adequate resources of phlogopite scrap and a distinct geographical advantage relative to India in the U.S. market. Canada is virtually the only country which sells in the U.S. So far as the European countries are concerned, it is said that their ability to compete with Indian-produced ground mica will be conditioned by their access to raw material at competitive prices, since these countries depend mainly on India for supplies.

Favourable Factors

It is against this background that the ability of India to compete in the world markets for ground mica is to be judged. This ability, as the Council rightly emphasises, should be considered mainly on the basis of production cost. From the study of the Council, the following interesting points emerge:

Availability of raw material at competitive prices: India has abundant sources of scrap. It is estimated that it produces more than 50,000 tons of scrap every year. In addition, there are unknown quantities of accumulated scrap near the pitheads of the mines. Indian scrap is at least as good in quality as the U.S. scrap. Indian mica producing firms estimate that adequate supplies of scrap are available at Rs. 50 per ton. In the U.S., the cost of muscovite scrap in June 1957 varied from about Rs. 125 per ton for mine scrap and flakes to about Rs. 330 per ton for fabricator's scrap. Thus, it appears that raw material costs in India will be definitely lower than in the U.S. The U.S. mica grinders who replied to the questionnaire, reported paying between Rs. 100 and Rs. 200 per ton for muscovite scrap.

Knowledge of technical processes: There has been some grinding of mica in India by the dry process. An Indian firm reports that it ground 250 tons in 1956. Another Indian firm reports that it has plans to produce about 1,500 tons per year and will go into production very soon. It is reported that the Indian Glass and Ceramics Research Institute has developed a method of wet grinding that is cheaper than the U.S. method. If need be, collaboration with an experienced foreign firm will be helpful in securing necessary technical knowledge.

Adequate margin to meet costs: In order to justify economically the setting up of a mica grinding plant in India, the margin between the price of finished ground mica and the price of scrap and waste should be adequate to meet the costs of production and marketing. The margin per ton between the value of Indian scrap and waste mica plus marketing costs and the current prices in the U.S. comes to a minimum of Rs. 175 and a maximum of Rs. 359 in the case of wet ground mica, the corresponding figures for dry ground mica being a loss of Rs. 55 and a profit of Rs. 15, respectively.

The Council's study accordingly concludes that India will be able to compete in the U.S. on a price basis, if its cost of wet grinding is no more than Rs. 175 per ton. It will probably not be able to compete in dry ground. In European markets, the margin is likely to be somewhat larger, since ground mica sold in those markets by the U.S. bears a relatively higher transportation charge. Any tariffs in the European countries will affect equally shipments from the U.S and India.

TRADE AGREEMENT WITH CEYLON

A trade agreement between India and Ceylon was signed in New Delhi on the 13th inst. Under the agreement, which will be valid till 31st August 1961, the Government of India has undertaken to permit import of specified quantities of Jaffna chewing tobacco during the next four years at a concessional rate of import duty of Rs. 400 per candy. The quantity to be permitted for import is fixed at 1,500 candies in 1957-58, 1,200 candies in 1958-59, 960 candies in 1959-60 and 770 candies in 1960-61. Imports will be made through the port of Trivandrum, while imports through other ports as well as those in excess of specified quantities will be subject to the Indian tariff rate applicable to the import of unmanufactured tobacco. The Government of Ceylon will facilitate the import of Indian-grown tobacco for the production of cigarettes and other tobacco manufactures in Ceylon. Ceylon has also agreed to allow the import of fixed quantities of Indian *bidis* during the next four years at the prevailing rate of duty. The quantities are: 1957-58, 2 million lbs.; 1958-59, 1.6 million lbs.; 1959-60, 1.28 million lbs.; 1960-61, 1.02 million lbs. If there are temporary gaps in Ceylon's requirements and production of *bidis*, the Ceylon Government will issue supplementary licences for imports whenever necessary. On its part, the Government of India will issue supplementary quotas for Jaffna tobacco.

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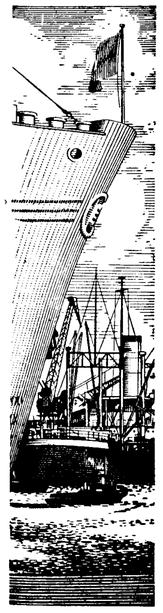
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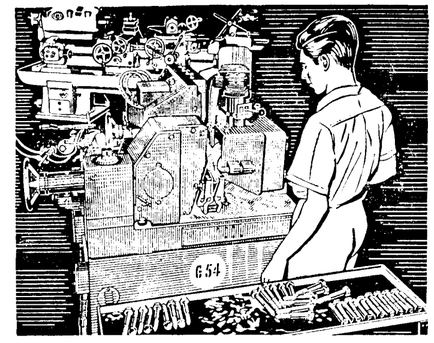
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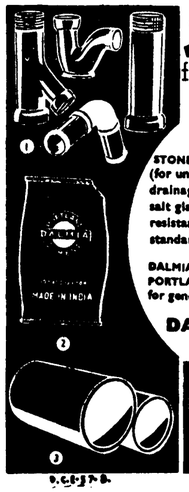
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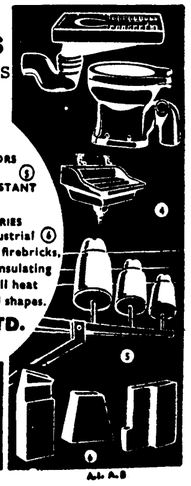
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SCINDIA STEAM REPORTS BETTER RESULTS

RESERVES ENHANCED—FLEET BEING EXPANDED

THE working of the Scindia Steam Navigation Company, Ltd. (Chairman: Mr. Dharamsey M. Khatau, Bombay), during the year ended 30th June 1957 has yielded results which should be considered excellent from every point of view. The Company's earnings, which had made a substantial rise in the previous year from the depressing level touched in 1954-55, have shot up further. The increase in freights in overseas services was the factor mainly responsible for the impressive expansion in earnings. Better profits have brought cheer to the shareholders as well, in that their dividend for the year has been stepped up from Re. 1 to Re. 1-4 per share and that on an enhanced capital. In other words, the rate of dividend has been raised further to 6¼ per cent. per annum from 5 per cent. for the previous year, to which level it had been stepped up from a very modest 2½ per cent. paid for the preceding two years. It must also be noted that the year's dividend is, as has been just stated, on a higher capital, following the capitalisation of Rs. 1.88 crores from the share premium account and issue of bonus shares at the rate of one fully paid-up share for every five shares held.

The Company's gross profit at Rs. 370.48 lakhs represents an advance of Rs. 101.17 lakhs or 27.3 per cent. from that for 1955-56. It may be noted that the Company's earnings had suffered a progressive decline in the two preceding years when the gross profit fell from Rs. 242.29 lakhs in 1952-53 to Rs. 159.35 lakhs in 1953-54 and still further to Rs. 117.69 lakhs in 1954-55. The recovery made in the last two years is, therefore, nothing more than a return of the Company to a normal level of operations. The rise in the profit is due, as it should be, to a substantial increase in freight and passage receipts from Rs. 10.19 crores in 1955-56 to Rs. 12.46 crores in the year under review. The income from other receipts, however, has dropped from Rs. 42.41 lakhs to Rs. 35.63 lakhs. The net profit at Rs. 138.62 lakhs also shows a handsome rise from Rs. 71.41 lakhs. It is significant that this higher net profit has been arrived at after raising the provision for depreciation from Rs. 172.16 lakhs to Rs. 187.19 lakhs and providing another Rs. 31 lakhs for taxation, as against *nil* in the previous year. The sum of Rs. 187.19 lakhs provided for depreciation consists of Rs. 115.19 lakhs normal depreciation and Rs. 72 lakhs special depreciation. The latter, namely, Rs. 72 lakhs, represents the amount by which the Company's tax liability is reduced on account of the development rebate of 25 per cent. allowed under the Income-tax Act, in respect of new ships commissioned during the year.

Results Compared

The following table shows at a glance the trend of financial results of the Company since 1953-54:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Freight and passage money ..	12,46.03	10,18.75	8,88.22	9,17.87
Other income	35.63	42.41	25.68	34.92
Expenses	9,11.18	7,91.85	7,96.21	7,93.44
Gross profit	3,70.48	2,69.31	1,17.69	1,59.35
Agents' commission ..	13.67	25.74	10.27	15.08
Depreciation	1,87.19	1,72.16	74.70	81.32
Taxation	31.00	..	..	..
Net profit	1,38.62	71.41	32.73	62.95
To debenture sinking fund ..	10.00	10.00	10.00	10.00
,, gratuity reserve ..	..	13.00	..	..
,, dividend	70.40† (6¼%)	46.93 (5%)	23.47 (2½%)	25.47* (2½%)
Transfer from reserves and excess provision	..	55.08	11.75	..
To reserves	58.00	53.68	11.00	29.50
Carry forward	5.84	5.62	2.74	2.73

* On the increased capital of Rs. 9.39 crores, raised by the capitalisation of Rs. 2.35 crores and increasing the paid-up value from Rs. 15 to Rs. 20 per share.

† On the capital further raised by the capitalisation of Rs. 1.88 crores.

It will be seen from the table above that, despite the substantial rise in earnings over those of the previous years, the net profit, after providing for all essential transfers, constitutes only about 11 per cent. of the freight and passage income, although it is better than 7 per cent. in the previous year. Out of the net profit indicated in the table above, the dividend of 6¼ per cent., which is only modest, absorbs as much as Rs. 70.40 lakhs, that is, about 50 per cent. of the net profit. The balance of profit has been ploughed back. Of the additions to reserves the debenture sinking fund gets Rs. 10 lakhs, the same as that in the past few years. Another Rs. 58 lakhs has been transferred to the various reserves. This amount is not comparable with the Rs. 53.68 lakhs allocated in the previous year, in addition to Rs. 13 lakhs made to gratuity reserve, (no provision has been made in the current year on this account) because the appropriations made in that year constituted nothing more than a reallocation of the reserves created in the preceding years. It will be seen from the table that a sum of Rs. 55.08 lakhs was withdrawn from the reserves out of which only Rs. 53.68 lakhs were credited back. Be that as it may, the allocations from the profit of 1956-57 consist of Rs. 24 lakhs to dividend equalisation reserve, as against Rs. 13 lakhs in 1955-56, Rs. 24 lakhs to deferred taxation reserve, as against *nil*, and Rs. 10 lakhs to annual and special survey reserve, as against Rs. 20 lakhs.

The managing agency agreement between the Company and Messrs. Narottam Morarjee and Company, expired under law on 15th January 1957. The question of the future managing agency of the Company, which will be on the broad outlines reported last year, is still in the final stage of discussion. The commission payable to the agents for the period up to 15th January 1957 has been calculated *pro rata* for 6½ months at 13/24ths of the total profits for the year and the amount payable on this basis for the year comes to Rs. 13.67 lakhs.

Traffic

Cargo carried by the Company's steamers during the year was slightly less, at 1.87 million tons, as compared with 1.91 million tons last year, but the effect of this deficiency on revenue was offset by higher freight rates. The Directors say that the year under review included a very abnormal period for the shipping industry following the Suez Canal crisis. Hence, they have cautioned the shareholders that it is extremely difficult to draw any useful comparison between the earnings in 1956-57 and those of the previous year or to base estimates for future years' trading on them. In fine, the excellent results for the year under review are due to fortuitous factors, to some extent, and shareholders should not be surprised if the Company's results for 1957-58 were to show a setback. The large addition to dividend equalisation reserve should, however, ensure the maintenance of the dividend at about the current level.

Expansion

Alluding to the Company's scheme of modernisation, which is going apace, and its policy of replacing old and worn-out vessels, as also those which prove unremunerative, the Directors state thus:

"The sale of s.s. *Jalakirti*, s.s. *Jalaratna* and s.s. *Kalavati* was reported last year. We have since then sold s.s. *Jaladuta* due to her old age and the prohibitive cost of putting her through special survey. We have also sold s.s. *Jalakanya* to our subsidiary company, the Kamal Shipping Company Private Ltd. Besides these steamers, small launches *Sarasvati*, *Devi* and *Bhaktawar* were sold due to their age.

"Out of the ships ordered from the German shipbuilders, four ships, namely, *Jaladharma*, *Jaladhir*, *Jaladharati* and *Jaladhanya* were delivered since the last report and the remaining two ships are expected to be delivered, one in 1959 and the other in 1960. In pursuance of the policy of modernising the fleet of the Company, the Directors have purchased the s.s. *Silverburn*, built in 1953, which will be delivered in March-April 1958. Its deadweight capacity is 8,865 tons. The remaining two 7,000-tonners which were to be delivered by the Hindustan Shipyard Private Ltd. some time during the second half of 1957 are now expected to be delivered in February and May 1958."

Finances

As regards the financial position of the Company, it will be remembered that, in 1953-54, its capital was raised to Rs. 9.39 crores, by capitalising reserves of the order of Rs. 2.35 crores and increasing the paid-up value of the shares from Rs. 15 to Rs. 20 per share. The Company has only ordinary shares. Even after such capitalisation, the Company's reserves and surplus aggregated Rs. 10.91 crores. Since the close of the financial year 1956-57 and as stated at the outset, a sum of Rs. 187.99 lakhs out of the share premium account was capitalised. But the bonus issue that followed was ranked *pari passu* with the then existing shares. Besides the capital and reserves the Company has 4½ per cent. 1963 debentures amounting to Rs. 4.01 crores. In addition, it has loans from the Government of India aggregating Rs. 4.51 crores, so that the total of long-term secured liabilities are Rs. 8.52 crores. As against these capital resources, the fixed assets, after depreciation, appear at Rs. 21.87 crores, of which the net value of fleet account is Rs. 18.98 crores and payments on account of steamers under construction Rs. 2.70 crores. The gross value of the fixed assets comes to Rs. 27.66 crores, as against which a total depreciation of Rs. 5.79 crores has been provided. The current liabilities amount to Rs. 7.52 crores, against which there are current assets aggregating Rs. 14.48 crores, exceeding the former by Rs. 6.96 crores. The current assets include the Company's investments in subsidiaries and others of the value of Rs. 5.85 crores, of which Rs. 3.84 crores are in quoted investments and Rs. 2.01 crores in unquoted investments. It is to be noted that the market value of the quoted investments as at the close of June last was almost equal to that of the book value.

The Rs. 20 fully paid-up shares of the Company are being currently quoted at Rs. 17.24 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 7.81 per cent. per annum, free of income-tax.

RADIO AND ELECTRICALS MFG. CO., LTD.

The results of the Radio and Electricals Manufacturing Company, Ltd. (Chairman: Mr. K. Narayanaswamy, Bangalore) for the year ended 31st March 1957, as compared with those in the previous year, make encouraging reading. The Company's turnover has recorded a sizable improvement and, along with that, the earnings also have risen to new levels. It must, however, be said at the outset that the accounts for 1956-57 are not strictly comparable, since the profit and loss account for the year under review relates not only to the radio section but also to the meter section taken over from the Government of Mysore with effect from 1st April 1956, while the corresponding figures for the previous year relate only to the radio section. In view of this new development in its activities, the Company's gross profit for the year at Rs. 11.33 lakhs has shown a marked improvement over Rs. 2.60 lakhs for 1955-56.

After raising the provision for taxation from a mere Rs. 74,252 to Rs. 6.28 lakhs and that for depreciation from Rs. 2.46 lakhs to Rs. 2.54 lakhs, the net profit amounts to Rs. 2.51 lakhs, as against a net loss of about Rs. 60,000 in the preceding year. The net profit has been further strengthened by the addition of Rs. 2.17 lakhs, which includes some provisions written back and also the half share of profit from the plastics section of the Government of Mysore. The income from the latter account amounts to Rs. 1.77 lakh. The Directors have utilised a sum of Rs. 85,970 to write off deferred revenue expenditure and have also made a modest provision of Rs. 3,360 for bad and doubtful debts. Out of the balance, they have declared a dividend of 13 per cent. for the year under review, absorbing Rs. 3.18 lakhs, leaving a balance of Rs. 83,448 to be carried forward, as against Rs. 21,242 brought in. It must be said in this connection that, in the previous year, with the income of Rs. 6.47 lakhs, represented by the half share of profit from the meter and plastics section of the Government of Mysore, the Directors had wiped out all the losses, including Rs. 4.19 lakhs brought forward from the preceding year. In addition, they also declared in that year a modest maiden dividend of 6 per cent. per annum.

The Company has a big expansion programme. The Government of India has given its approval to the technical collaboration agreements entered into by the Company with two U.K. firms for manufacture of band switches and condensers. A programme of production of these radio components on a substantial scale has been drawn up. Manufacture of water meters also has been taken up from this year and steps are being taken to increase their production gradually.

Against a modest reserve and surplus of Rs. 1.24 lakhs, the Company has a paid-up capital (as on 31st March 1957) of Rs. 24.84 lakhs. The smallness of the reserve is due to the fact that the Company is a relatively new one and has just turned the corner. There is no doubt that, in the coming years, it will steadily strengthen its reserve position. The gross block of Rs. 27.04 lakhs has been well written down to Rs. 16.28 lakhs. Assets earmarked against employees' provident fund accounts for Rs. 22,931. The current liabilities amount to Rs. 43.85 lakhs, against which there are current assets aggregating Rs. 53.43 lakhs. The overall financial position is thus satisfactory.

In his speech to the shareholders at their last annual meeting published in our last issue, the Chairman, Mr. K. Narayanaswamy, clearly indicated the outlook for the Company. It will be seen therefrom that the Company is engaged in a promising field of manufacturing activity, that its management is quick enough to avail itself of the profitable opportunities for development afforded by the second Plan and that it enjoys the support and co-operation of the Central and State Governments alike.

The Rs. 10 paid-up shares of the Company are currently quoted at Rs. 12.37 *ex-div.* at which rate and on the basis of the latest dividend, the yield works out to 10.5 per cent. per annum.

Points From The Chair

The Real Saving

"THERE is only one sort of saving. It is the sum of private and industrial earnings in excess of the sum of private and industrial spending and Government expenditure on current account. There is a simple choice whether such savings, from which alone capital investment can be made, shall be made by individuals and industry ploughing back its profits or by forced savings through taxation by the Government in power. To get the former, there must not only be an incentive to save but a new attitude towards the saver. Till our penal rates of taxation are reduced, a strong inflationary influence will remain; there will be less inducement to save and less than adequate savings.

"To many, the saver who accumulates the new capital so essential for expansion is looked upon as a greedy, almost reprehensible, person who should be taxed out of existence during his life and his property confiscated by duties on his death. In fact, he or the industry that saves and ploughs back those savings is the provider of the wherewithal which enables thousands upon thousands of others to earn a good living. In default of the private and industrial saver, if there are to be savings and further expansion at all, there is only the State with compulsory savings through heavy taxation with all its disincentives and frustration. If the State takes on the role of compulsory saver to acquire and finance the means of production, it inevitably means rigid control, licences for everything for imports and exports and, sooner or later, the control and direction of labour as well as of capital, in fact a communist or near-communist state. Those who amiably smile on the elimination of private enterprise would be horrified when they realise that it leads ultimately to the loss of freedom of choice in their employment and to compulsory transfer from one industry and area to another. The signposts are clearly marked and it is well that all realise where each road leads and that we choose aright."

SIR A. HAROLD BIBBY,
Martins Bank Ltd., (Liverpool)

Competition for Money

"There is today an increasing tendency for organisations other than the Government to take deposits or loans directly from private individuals and companies instead of from the banks. Local authorities frequently finance themselves by this means and even borrow from one another, and other financial institutions such as hire purchase companies advertise freely for deposits, sometimes offering rates of interest which seem unnecessarily high for short-term investments if they are of good quality. This raises an important question: whether the banks should attempt to resist this tendency by offering higher rates for money, or even, in the case of hire purchase, by taking a direct interest in the business themselves. To offer higher rates would in any case be futile, in my opinion. There is no sense in the banks competing for money at rates which make it impossible in present conditions to employ it profitably, and whatever rates we offer, our rivals outside will always bid, like Chu Chin Chow, one dinar more for what they need; in some cases apparently several dinars. The alternative may be that the banks must face a gradual diminution of their deposits and a change-over to more exclusive dependence on their current account balances for the raw material of their business, a trend which was already apparent during the long period of 2 per cent. Bank rate between 1932 and 1951. Although there may be attractions to the official mind in having as much as possible of the loose money in the private sector of the economy channelled through the banks, through a bottleneck where it can be controlled with the minimum of effort, I feel that we should not accept that view without the closest scrutiny of all its implications. ... A banker must always put the quality of his business first, and must never be tempted to reduce his standards, in order to increase his profits or maintain his turnover. *Corruptio optimi pessima.*"

ANTHONY WILLIAM TUKE,
Barclays Bank Ltd., (London)

U.K.'s Special Responsibility

"The general state of the economy of this country (United Kingdom) is healthy, as the trade figures show, but we have a particular responsibility arising from our position as bankers to the sterling area. It is a prime responsibility of a banker to hold adequate liquid resources and reserves. It may be that no country would now willingly shoulder the heavy responsibilities entailed in being bankers to the sterling area, but we have carried them for many years and are in honour bound to bear them still. Though they are more difficult to bear as a result of two world wars, they are not without advantage to us and, having accepted the responsibilities, we must behave as a good banker should. This means that, in running our own affairs, we need to exercise restraint, so that not only do we not try to get more out of the common pool than we put in but also that it is clearly seen that we are building up reserves. It may be that, in recent years, we have been using too much of the resources which have come into our possession to invest abroad, including investment in the underdeveloped areas of the Commonwealth, on a long-term credit basis. This is, of course, quite a laudable thing to do, not without profit to ourselves in the long run, and a thing which, I am sure, all people in these islands want to do, particularly to the extent of helping those less fortunate than themselves. If, however, at the present time we had these resources in liquid form, moderate though the amount is in proportion to our national product, we should be the better able to fulfil our duties as a banker and the present crisis, which is essentially one of confidence, might not have arisen."

SIR ERIC A. CARPENTER,
Williams Deacon's Bank Ltd., (Manchester)

COMPANY MEETINGS AND DIVIDENDS

INDIAN CARDBOARD INDUSTRIES LTD. Annual General Meeting, Calcutta, 29th January 1958. Transfer books remain closed from 22nd to 29th January 1958, both days inclusive.

UPPER JUMNA VALLEY ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Dividend: Re. 1.25 per share (includes an additional dividend of Re. 0.25 per share). Transfer books remain closed from 23rd to 29th January 1958, both days inclusive.

CALCUTTA HYDRAULIC PRESS CO., LTD. Annual General Meeting, Calcutta, 29th January 1958. Dividend: Rs. 3.00 per share. Transfer books remain closed from 16th to 29th January 1958, both days inclusive.

CHUNDEECHERRA TEA CO., LTD. Annual General Meeting, Calcutta, 30th January 1958. Dividend: *Nil*. Transfer books remain closed from 22nd to 30th January 1958, both days inclusive.

RAJAHBHAT TEA CO., LTD. Annual General Meeting, Calcutta, 30th January 1958. Dividend: Re. 1.25 per share. Transfer books remain closed from 16th to 30th January 1958, both days inclusive.

JAIPUR UDYOG LTD. Annual General Meeting, Sawaimadhopur, 31st January 1958. Dividend: Nil. Transfer books remain closed from 11th to 17th January 1958, both days inclusive.

NEW KAISER-I-HIND SPINNING AND WEAVING CO., LTD. Annual General Meeting, Bombay, 31st January 1958. Dividend: Rs. 6.00 per share, payable on 17th March 1958. Transfer books remain closed from 17th to 31st January 1958, both days inclusive.

ASSOCIATED CEMENT COS., LTD. Annual General Meeting, Bombay, 31st January 1958. Dividend: Rs. 9.00 per share, payable on and after 7th February 1958. Transfer books were closed from 4th to 30th November 1957, both days inclusive.

DHANRAJ MILLS PRIVATE LTD. Annual General Meeting, Bombay, 31st January 1958. Transfer books remain closed from 16th to 31st January 1958, both days inclusive.

CENTRAL HYDRAULIC PRESS CO., LTD. Annual General Meeting, Calcutta, 5th February 1958. Dividend: Rs. 10.00 per share (includes bonus of Rs. 4.00 per share). Transfer books remain closed from 25th January to 5th February 1958, both days inclusive.

UNITED PROVINCES ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 10th February 1958. Dividend: Re. 1.00 per share. Transfer books will remain closed from 4th to 10th February 1958, both days inclusive.

GANNON DUNKERLEY & CO. LTD. Annual General Meeting, Bombay, 12th February 1958. Dividend: Rs. 6.00 per share. Transfer books will remain closed from 5th to 19th February 1958, both days inclusive.

MYSORE CHROME TANNING CO., LTD. Annual General Meeting, Bangalore, 13th February 1958. Transfer books will remain closed from 1st to 14th February 1958, both days inclusive.

SCINDIA STEAM NAVIGATION CO., LTD. Annual General Meeting, Bombay, 19th February 1958. Dividend: Re. 1.25 per share, payable on or after 26th February 1958. Transfer books were closed from 18th November 1957 to 17th December 1957, both days inclusive.

SUTLEJ COTTON MILLS LTD. Dividend of Rs. 6.00 per share, for the year ended 31st March 1957.

INDIAN WOOD PRODUCTS CO., LTD. Interim dividend of Re. 1.00 per share, for the year ended 30th September 1957, payable on 29th January 1958.

CALCUTTA ELECTRIC SUPPLY CORPORATION LTD. Interim dividend of £3½ per cent. nett, for the year ending 31st March 1958, payable on 15th February 1958.

PREMIER AUTOMOBILES LTD. Dividend of Rs. 6.00 per share, for the year ended 30th June 1957, payable on 3rd March 1958.

NEW SWADESHI SUGAR MILLS LTD. Dividend of Rs. 20.00 per share, for the year ended 30th June 1957, payable on 25th January 1958. Transfer books remain closed from 10th to 22nd January 1958, both days inclusive.

OUDH SUGAR MILLS LTD. Dividend of Rs. 12.50 per share, for the year ended 31st July 1957, payable on 25th January 1958. Transfer books remain closed from 10th to 22nd January 1958, both days inclusive.

BOMBAY-BURMAH TRADING CORPORATION LTD. Final dividend of Rs. 28.75 per share, on old shares and Rs. 11.50 per share on new shares, for the year ended 31st May 1957, payable on 3rd March 1958. Transfer books will remain closed from 7th to 28th February 1958, both days inclusive.

BENGAL PAPER MILL CO., LTD. Interim dividend of Re. 1.50 per share (6 per cent.), for the year ended 31st December 1957. Transfer books were closed from 6th to 15th January 1958, both days inclusive.

BRITANNIA BISCUIT CO., LTD. Interim dividend of Re. 0.30 (3 per cent.) per share, for the year ending 31st March 1958. Transfer books were closed from 7th to 14th January 1958, both days inclusive.

INDIAN VEGETABLE PRODUCTS LTD. Dividend of Rs. 10.00 per share, for the year ended 30th September 1957. Transfer books were closed from 27th December 1957 to 14th January 1958, both days inclusive.

RAJAHBHAT TEA EARNS HIGHER PROFIT

RESULTS OF U.P. ELECTRIC SATISFACTORY

Rajahbhat Tea Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. McLeod and Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 2,56,455 (Rs. 1,03,758) to which must be added the balance of profit brought forward from 1955 of Rs. 13,527 (Rs. 34,441) making a total of Rs. 2,69,982 (Rs. 2,19,906 including other adjustments). From this amount must be deducted adjustment account Rs. 13,173 (*nil*), bonus to garden labour and staff Rs. 27,659 (Rs. 1,85,465 for 1953 and 1954), provision for taxation Rs. 30,500 (*nil*), provision for wealth tax Rs. 5,500 (*nil*) and amount written off stores for obsolescence, etc. Rs. 1,770 (*nil*) leaving a balance of Rs. 1,91,380 (Rs. 1,59,441). The interim dividend for the year ended 31st December 1956, at Re. 0.50 (*nil*) per ordinary share, declared by the Directors on 17th May 1957 will absorb Rs. 30,000 (*nil*) leaving a balance of Rs. 1,61,380 (Rs. 1,59,441). From this amount the directors have set aside to buildings and machinery reserve Rs. 75,000 (*nil*) leaving an available balance of Rs. 86,380 (Rs. 1,59,441) which, the directors recommend, should be dealt with as follows:—

In payment of a final dividend for the year ended 31st December 1956 at the rate of Re. 0.75 (Re. 1.25) per ordinary share on 60,000 ordinary shares, absorbing Rs. 45,000 (Rs. 75,000) and leaving to be carried forward Rs. 41,380 (Rs. 13,527).

Tea crop.—The saleable crop weighed out at 10,071 (9,135) maunds against an estimate of 11,370 maunds and was disposed of at an average price of As. 34.29 (As. 29.49) per lb.

General.—The smaller crop made in 1956, as compared with the estimated crop, was due to adverse weather conditions and earlier cessation of plucking under the I.T.A. Voluntary Crop Regulation Scheme.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,00,000	Block ...	7,48,122
Reserves ...	11,01,434	Stock of tea ...	4,89,271
Provision for taxation ...	3,15,709	Stores, etc. ...	2,49,047
Liabilities ...	5,19,891	Debts, deposits and advances ...	1,49,582
Profit and loss account	41,380	Investments	53,575
		Cash	8,88,817
Rs.	25,78,414	Rs.	25,78,414

United Provinces Electric Supply Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

Having regard to the provisions relating to the closing of accounts under the Companies Act, 1956 and the obligations imposed on a Company by the Act in respect of every annual general meeting, the directors recommend that the Company's accounts in future be made up annually to the 31st March in each year.

Satisfactory progress is being maintained and in view of the stabilised position, the cash discount for prompt payment of bills covered by the Company's scale of charges has been raised from three naye paise to six naye paise for each whole rupee of the consumer's bill, as from 1st January 1958. The following schedule indicates that progress has been maintained during the past three years.

Year ended	Maximum demand on power stations Kws.		Units sold	Revenue Rs.
	Lucknow	Allahabad		
31st March, 1955 ..	11,950	7,500	66,118,986	81,14,253
31st March, 1956 ..	14,400	8,400	72,994,737	86,90,131
31st March, 1957 ..	13,850	8,500	75,993,930	90,98,280

After providing for all charges and placing Rs. 1,70,808 (Rs. 1,39,477) to statutory contingencies reserve, Rs. 2,00,000 (Rs. 2,00,000) to reserve for redemption of debentures, Rs. 78,366 (Rs. 3,00,505) to tariffs and dividends control reserve and Rs. 3,30,000 (Rs. 2,90,000) to general reserve, there remains a balance of Rs. 6,44,072 (Rs. 6,40,728) including Rs. 80,728 (Rs. 77,157) brought forward from the half-year ended 31st March 1956. From this is deducted a sum of Rs. 2,80,000 (Rs. 2,80,000) in respect of dividends paid for the half-year ended 30th September 1956, leaving a balance of Rs. 3,64,072 (Rs. 3,60,728) available for distribution, and this the directors recommend be disposed of as follows:—

Payment of a dividend at the rate of 10 (10) per cent. per annum without deduction of tax for the half-year ended 31st March 1957 Rs. 2,80,000 (Rs. 2,80,000) and carrying forward to next year Rs. 84,072 (Rs. 80,728).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	56,01,185	Block ...	1,79,83,360
Debentures ...	30,00,000	Expenditure on capital work-in-progress	2,26,899
Reserves ...	65,36,540	Stores, spare parts and loose tools etc. ...	32,12,576
Provision for taxation ...	3,88,231	Other assets ...	1,233
Liability ...	1,03,34,579	Debts, deposits and advances ...	29,53,285
Profit and loss account ...	84,072	Investments ...	9,06,882
		Cash ...	6,02,205
		Miscellaneous expenditure	58,167
Rs.	2,59,44,607	Rs.	2,59,44,607

Upper Jumna Valley Electricity Supply Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

Having regard to the provisions relating to the closing of accounts under the Companies Act, 1956, and the obligations imposed on a Company by the Act in respect of every annual general meeting, the directors recommend that the Company's accounts in future be made up annually to the 31st March in each year.

In view of the provisions of the sixth schedule of the Electricity (Supply) Act 1948, the Company is required to so adjust its charges for the supply of electricity that there shall be no excess over the permissible reasonable return, therefore, having regard to all circumstances, it has been decided to forego the royalty received from the State Government in respect of supplies in rural areas as from the 1st April 1956 and henceforth. Satisfactory progress has been maintained as indicated in the following schedule:—

Year ended	Units Sold	Revenue Rs.
31st March, 1955	8,947,732	15,41,462
31st March, 1956	10,430,517	19,02,317
31st March, 1957	13,602,172	22,43,942

After providing for all charges and placing Rs. 17,848 (Rs. 9,914) to statutory contingencies reserve, Rs. 13,521 (Rs. 79,931) to tariffs and dividends control reserve, and Rs. 75,000 (Rs. 45,518) to general reserve, there remains a balance of Rs. 94,516 (Rs. 96,679) including Rs. 34,492 (Rs. 31,490) brought forward from the half-year ended 31st March 1956. From this is deducted a sum of Rs. 31,000 (Rs. 31,094) in respect of dividends paid for the half-year ended 30th September 1956, leaving a balance of Rs. 63,516 (Rs. 65,585) available for distribution, and this the directors recommend be disposed of as follows:—

Payment of a dividend at the rate of 10 (10) per cent. per annum without deduction of tax for the half-year ended 31st March, 1957 Rs. 25,000 (Rs. 24,875), an additional payment of Re. 0.12 (Re. 0.12) per share without deduction of tax Rs. 6,000 (Rs. 6,219) and carrying forward to next year Rs. 32,516 (Rs. 34,492).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,00,000	Block ...	16,88,922
Reserves ...	7,65,006	Stores, spare parts and loose tools, etc. ...	6,02,510
Provision for taxation ...	64,727	Debts, deposits and advances ...	6,50,039
Liabilities ...	20,29,061	Investments ...	78,295
Profit and loss account ...	32,516	Cash ...	3,71,544
Rs.	33,91,310	Rs.	33,91,310

Patna Electric Supply Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Octavius Steel and Co., Ltd., Calcutta) submitted the audited accounts of the Company for the period of fifteen months ended 31st March 1957.

In accordance with the Indian Electricity Rules 1956 the accounts of the Company have to be closed henceforward each year on 31st March instead of on 31st December. The accounts for the period commencing from 1st January 1956 have therefore been made upto 31st March 1957 covering a period of 15 months.

The revenue account shows a profit on the working of the period of Rs. 14,44,934. Adding to this—profit on sale of investment Rs. 289 there is a total of Rs. 14,45,223. After deducting debenture interest of Rs. 1,25,000, debenture trustees' fees Rs. 875, bonus to employees Rs. 1,18,151, gratuity to employees Rs. 10,571, provision for taxation Rs. 3,97,200, provision for wealth tax Rs. 41,000, arrears of depreciation Rs. 15,221 and for reserve for contingencies Rs. 67,924, there is a net profit for the period of Rs. 6,69,281. After adding to this Rs. 1,96,550, the adjusted balance brought forward from the previous year, Rs. 1,040 being sundry adjustments, Rs. 3,277 being forfeiture of unclaimed dividends, Rs. 11,370 being the provision for taxation in respect of previous year no longer required and Rs. 53,381 transferred from reserve for tariffs and dividends control in accordance with the paragraph II(2) of the Sixth Schedule to the Electricity (Supply) Act, 1948 and deducting therefrom Rs. 1,16,093 being additional bonus to employees from 1952 to 1955, referred to hereafter, and Rs. 1,477 and Rs. 20,670 on account of sundry adjustments and coal clause adjustment respectively there is a credit balance of Rs. 7,96,659 on profit and loss account out of which the directors have transferred Rs. 2,00,000 to general reserve. The directors recommend that the balance namely, Rs. 5,96,659 should be disposed of as follows:—

To pay a dividend of 10 per cent. for the period of 15 months ended 31st March 1957 without any deduction for income-tax payable by the Company Rs. 3,50,738 and to carry forward Rs. 2,45,921.

General.—The Indian Electricity Rules 1956 were enforced with effect from 26th June 1956. A continuous supply of energy was maintained throughout the period and the number of units sold during the period recorded an increase of approximately 8 per cent. as compared with the same period of the previous year.

The Labour Union made a number of demands during the period and served a strike notice on the Company in September 1957. Conciliation proceedings were held by Government and the strike notice was withdrawn as a result of a negotiated settlement signed on 27th September 1957 by virtue of which a bonus equivalent to 3 months' wages was to be paid in respect of each of the years 1953, 1954, 1955 and 1956-57.

During the period ended 31st March 1957, i.e., for 15 months the total units of electricity sold was 39,021,753 (29,498,309 for 12 months ended December 1956). The total number of consumers connected to the Company's system at the close of the financial year was 16,722 (15,977) and the connected load as compared with the previous year was 29,249 kw. (28,225 kw.).

Prospects.—There is a continued demand for additional supply within the Company's licensed area and prospects are considered good. A partial bulk supply of D.V.C. power to the extent of 1,200 kw. was made available to the Company in September 1957, but was temporarily discontinued after about four weeks on account of the emergency created by drought conditions in Bihar. It is hoped that a permanent bulk supply from D.V.C. to supplement the Company's generating capacity will become available during 1957-58. Bulk supply to the Government of Bihar for the P.B.B.E.S. scheme has almost been discontinued. Supply was extended to Sultanpur and Saguna villages during 1956-57. Extensions of supply to Pataliputra Housing Colony, Rajendra Nagar Colony and the villages of Jamaluddin Chowk, Magdumpore and Sarari will be completed during 1957-58.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	35,10,478	Block ...	76,60,057
Debentures ...	20,00,000	Stores, etc. ...	10,79,345
Reserves ...	33,83,009	Debts, deposits and advances ...	14,15,966
Provision for taxation ...	4,38,200	Investments	6,96,304
Liabilities ...	23,24,396	Cash ...	10,50,332
Profit and loss account ...	2,45,921		
Rs.	1,19,02,004	Rs.	1,19,02,004

Chundeecherra Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Octavius Steel & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

Crop.—A crop of 8,623 (8,251) maunds of tea was manufactured and disposed of for sale in the U.K. 2,025 (*nil*) maunds and for sale in Pakistan for internal consumption 6,598 (8,251) maunds. The teas realised an average price of Rs. 2 per lb. as compared with Rs. 2-1-0 per lb. obtained for the previous season's crop.

A further 8 acres were put out during the year and the area under cultivation at 31st December 1956, was 622 acres.

The revenue account shows a profit of Rs. 6,75,586 (Rs. 7,61,053) and after deducting from this manager's planting commission Rs. 859 (*nil*), manager's retiring gratuity Rs. 10,725 (*nil*), staff commission and bonus Rs. 71,798 (Rs. 87,061), managing agents' remuneration Rs. 57,019 (*nil*), provision for taxation Rs. 2,60,000 (Rs. 3,50,000) and depreciation Rs. 49,904 (Rs. 34,102) there is a balance of Rs. 2,25,281 (Rs. 2,74,704 after deducting managing agents' commission on profits of Rs. 15,186). To this amount is added the dividend on investments (net) of Rs. 329 (Rs. 329) making a net profit for the year of Rs. 2,25,610 (Rs. 2,78,453 including other income). After adding to this the adjusted credit balance of Rs. 42,062 (Rs. 17,259) brought forward from the previous year, there is a credit balance of Rs. 2,67,672 (Rs. 2,95,712) on profit and loss account. The directors regret that owing to lack of funds in India they are unable to recommend the payment of any dividend for 1956 at this stage. As and when they are able to have the profits remitted to India a dividend will be declared. Meantime the directors propose to transfer a sum of Rs. 1,50,000 (Rs. 1,50,000) to the buildings and machinery reserve out of the profit and loss balance leaving a sum of Rs. 1,17,672 (Rs. 40,712 after paying a dividend 30 per cent. for the year 1955 absorbing Rs. 90,000 and transferring Rs. 15,000 to contingencies reserve account) to be carried forward.

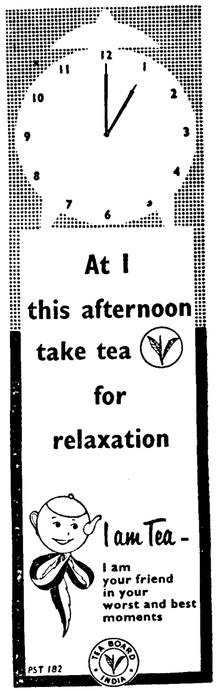
Outstanding dividends.—The Company has now been able to transfer certain funds from Pakistan to India in respect of past year's profits, but a considerable sum on this account still remains to be remitted. Meantime the dividend declared for season 1953 on 23rd November 1954, has now been distributed to the shareholders.

The estimates for season 1957 provide for a tea crop of 8,000 maunds at a total outlay of Rs. 7,13,234 excluding capital expenditure amounting to Rs. 2,86,000.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,00,000	Block ...	6,32,508
Reserves ...	7,95,000	Stock-in-trade	9,54,167
Provision for taxation ...	14,58,436	Stores and supplies ...	2,16,906
Liabilities ...	8,15,588	Capital work-in-progress	1,14,159
Profit and loss account ...	1,17,672	Debts, deposits and advances ...	3,40,752
		Investments	1,940
		Cash ...	12,26,264
Rs.	34,86,696	Rs.	34,86,696

N.B.—Figures within brackets relate to the corresponding period of the previous year.



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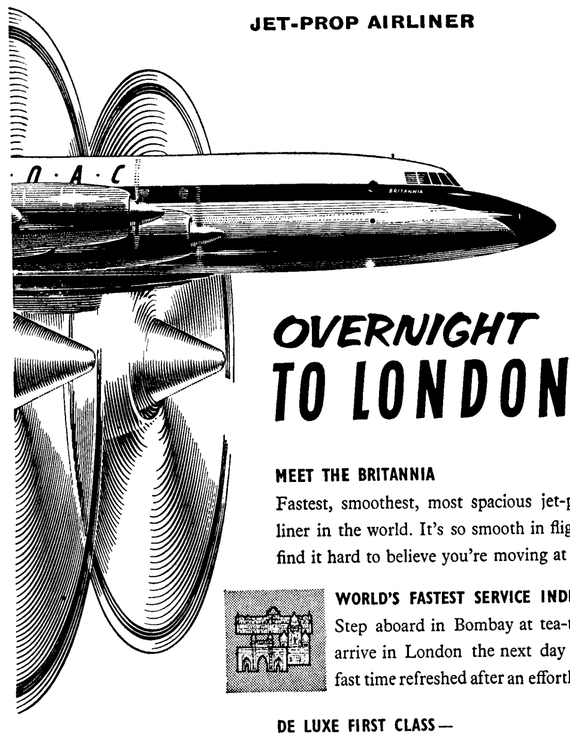

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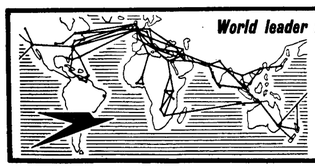

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PRESIDENT EISENHOWER IS CONFIDENT OF ECONOMIC OUTLOOK FOR U.S.

PRICE INFLATION SUCCESSFULLY RESTRAINED

IN a candid survey of the American economy, President Eisenhower told Congress on Tuesday this week that the year 1957 was a prosperous one for the United States. He expressed confidence that the moderate decline in business activity which began in the fourth quarter of the year need not be prolonged, and that economic growth "can be resumed without extended interruption."

These views are contained in the annual Economic Report which the President sent to Congress this week. The Report is required to be submitted by the Employment Act of 1946, which declares it to be the responsibility of the Federal Government to help create conditions in which high levels of production, income and employment can be maintained.

In appraising 1957, the President's report notes that economic expansion continued during the year with production, income and employment again attaining record levels. It estimates the Gross National Product—the total output of goods and services—at $434,000 million, and personal income of all Americans at $343,000 million, both about 5 per cent. above 1956. Average civilian employment rose 300,000 during the year to about 65 million, while average unemployment, at 2.9 million, showed little change from the previous year.

The decline which became apparent in the last quarter of the year, the Report observes, followed an unusually long period of expansion which began in 1954. The decline, the Report notes, has been rather moderate, despite reductions in inventories and industrial production. Purchases of goods and services have been well sustained; incomes have held up well; and the continuing high level of retail sales attests to the confidence of consumers in their economic position.

From a long-range perspective, the President points out that, in the 12 years since the Employment Act was passed, the aggregate of goods and services produced has increased nearly one and one half times—an average rate of economic growth of 3.5 per cent. a year. Moreover, the number of civilian jobs has increased by 10 million, and more than $350,000 million of private funds have been devoted to the expansion and modernisation of productive facilities. This is in addition to huge investments in homes, schools, hospitals, roads and other private and public improvements.

The increases have been accompanied by a significant advance in consumption. The output of consumer goods and services, the President notes, is 40 per cent. higher today than it was in 1946—an average rise of 3 per cent. a year. All this leads the President to conclude that the U.S. economy "has exhibited a remarkable capacity for sustained and balanced growth. The American people and the free enterprise system have responded well to the challenges of increasing requirements."

Discussing the role of national policy in economic affairs, the Report lays great stress on the need to limit fluctuations in the rate of growth to a relatively narrow range around a rising trend. Through its policies and programmes, the Report says, Government can help achieve a sound economic balance.

In 1957, the Report notes, the shifting in economic forces called for adjustments in public policies. The paramount task during much of the year was to restrain inflationary tendencies. As the year progressed, however, these tendencies diminished in strength. Thus, from restrictive monetary and fiscal policies, Government agencies began to switch to policies of greater ease.

In its efforts to achieve economic growth and at the same time avoid price inflation, the President points out, reliance has been placed on measures which involve a minimum of intervention in the affairs of individuals and private groups. This recognises that the productiveness of the American economy, in the words of the Report, derives from its "reliance on private enterprise and on the incentives and opportunities which such a system supplies for the development and use of individual talents and energies."

Among the evidences of strength visible in the economy today, the President cites research and development outlays by business, residential and commercial construction, expansion of public services and facilities, a continuing high level of personal income, and the greater availability of credit.

Looking further ahead, the President sees "good grounds for confidence" that a vigorous expansion of the U.S. economy can be sustained over the years. He notes that the domestic market for goods and services has doubled every 25 years, while *per capita* consumption has increased more than 50 per cent. over the past two decades. Meanwhile, he notes, technological achievements are opening up new and growing fields for investment and trade.

Foreign Economic Policy

Explaining the foreign economic policy of the U.S., the President says:

"Now more than ever, the United States must ensure that its foreign economic policy is soundly conceived in the interests of the nation as a whole and is adequate to the changing needs of the times. Gratifying gains have already been achieved in the scope and freedom of international trade and financial transactions. Important legislative steps remain to be taken in the field of foreign economic policy, if we are to deal successfully with the problems confronting us.

"The keystone of our foreign trade policy is the Trade Agreements Act, shortly up for renewal. Under that Act, as extended from time to time by the Congress, trade barriers against United States goods have been reduced on a wide front. The most important results are embodied in the General Agreements on Tariffs and Trade, to which 37 countries accounting for more than 80 per cent. of world trade are now signatories. Through the General Agreements we have secured conditions conducive to the increase of our exports. We have succeeded not only in reducing tariffs against our goods but also, owing in large part to the multilateral obligations provided by the General Agreements, in greatly reducing the quantitative controls abroad which were so prevalent before and, for a time, after the war.

"While the national interest demands a growing two-way flow of trade, certain recognised safeguards have been established. These include "escape clause" relief for industries which have experienced or are threatened with serious injury as a result of tariff concessions on imports. To assist him in the consideration of Tariff Commission investigations in such cases, and to advise on the administration of the trade agreements programme generally, the President has established the Trade Policy Committee at the Cabinet level with the Secretary of Commerce as chairman.

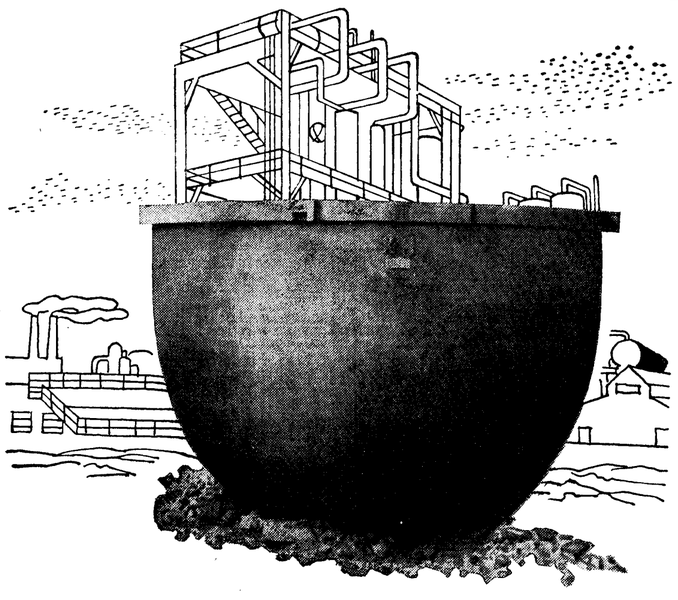
"The preservation and extension of the benefits obtained from widening the channels of world trade will depend heavily on the direction taken by American trade policy in the next year. The decisions made will have a significant bearing on the economic fortunes and policies of our trading partners, and particularly on the success of the steps being taken toward closer integration in Western Europe through the Common Market now starting among six countries and through the Free Trade Area under negotiation for the region as a whole. It is basic to our interests and to those of the larger community of nations that these new groups pursue policies favouring the expansion of international trade and that they contribute effectively to the economic growth and unity of the free world.

"To meet these needs, three major elements are required in our trade agreements programme:

"First, the Trade Agreements Act should be extended for five years from the date of its expiration on 30th June, 1958. This action would confirm our continued adherence to the principles which the Act embodies, and would enable the United States to carry on necessary negotiations in behalf of our export trade during the crucial formative period which lies ahead in Western Europe.

"Second, additional authority is needed to make tariff concessions to enable us to conduct trade negotiations successfully. Congress will be requested to authorise the reduction of any duty existing on 1st July 1958 by 5 per cent. per year over a five-year period, or by an equivalent total amount in not less than three stages with a maximum of 10 per cent. in any one year. The President would also be authorised, alternatively, to reduce any rate of duty by three percentage points *ad valorem*, without any yearly reduction exceeding one percentage point or to reduce any rate to 50 per cent. *ad valorem*, if the existing duty is in excess of that

(*Continued on page* 159)



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MONEY SHADE EASY

(From Our Own Correspondent)

BOMBAY, 22*nd January*

Conditions in the short-term money market during the week under review showed signs of a slight relaxation in the stringency noted in the previous week. Contrary to the general expectation that the demand for credit would broaden in the coming weeks, there was a distinct fall in demand. With a fairly adequate supply, banks had no difficulty in meeting the call for funds and were, therefore, not keen borrowers in the market. There was, however, no change in interest rates. Thus, inter-bank call money continued to be quoted at 3 per cent. among the Exchange banks and big Indian banks and at 3½ per cent. among the smaller banks. House money at call fetched the self-same rate of 4¼ to 4½ per cent. and short-term deposits 4¼ to 4½ per cent. for one to six months.

After three weeks of successive expansion, notes in circulation have recorded a fractional decline (Rs. 47 lakhs) during the week ended 17th January 1958, according to the Reserve Bank of India's statement for that week. There has been a sharp fall of Rs. 24.72 crores in foreign securities, as against which there is a corresponding rise in rupee securities. The decline in foreign securities has been offset to a large extent by the increase of Rs. 22.57 crores in balances held abroad in the Banking Department, so that the net decline in foreign assets is of the order of only Rs. 2.15 crores. Deposits of the Central Government are up by Rs. 2.42 crores and those of other Governments by Rs. 15.19 crores. Deposits of banks also have risen by Rs. 4.91 crores. Loans and advances other than to Governments are lower by Rs. 1.11 crores, in contrast to the aggregate rise of Rs. 13.43 crores in the preceding two weeks. The advances to Scheduled banks against usance bills are only fractionally higher, while investments have gone up by no less than Rs. 23.55 crores.

The Scheduled Banks' statement for the week ended 10th January 1958 discloses a fall of Rs. 6.63 crores in demand deposits and of Rs. 2.13 crores in time deposits. Borrowings from the Reserve Bank are higher by Rs. 4.67 crores and those from the State Bank of India by Rs. 92 lakhs. A further rise of Rs. 8.48 crores is noted in advances, while bills purchased and discounted have recorded a decline of Rs. 7.95 crores. Cash balances have shrunk by Rs. 9.93 crores, and money at call and short notice by Rs. 4.88 crores.

Activity in the gilt-edged market was dull during the week under review, though the undertone remained steady consequent on the demand for some of the short-dated Central loans and State loans. Barring one or two issues, the Reserve Bank was reported to have suspended sale of all securities, the latest ones to be withdrawn from its sale being 3½ per cent. 1974 and 4 per cent. 1972. Consequently, there was a general shortage of scrips and the volume of business was, therefore, next to nothing. 3 per cent. 1986 Conversion Loan was unchanged at Rs. 71.05, while 3 per cent. 1970-75 attracted slight enquiries at quoted rates, consequent on the suspension of sale of 4 per cent. 1972 by the Bank. 3 per cent. 1966-68 gained 15 nP to Rs. 91.65. 3 per cent. 1964 put on 10 nP to Rs. 94, while 3 per cent. 1963-65 was stagnant at Rs. 93.70. 3 per cent. 1959-61 was marked up by 10 nP to Rs. 99.05. 3½ per cent 1962 was placed at Rs. 97.85 *ex*-voucher, as against Rs. 97.95 *cum*-voucher a week ago. 3½ per cent. 1961 had buyers 5 nP higher at Rs. 99.65. 3½ per cent. 1964 was held at Rs. 97.70, while 3½ per cent. 1965 had sellers at Rs. 97.55. 3½ per cent. 1967 and 3½ per cent. 1967 had buyers at Rs. 97.60 and Rs. 99.60, respectively. 3½ per cent. 1974 was unchanged at Rs. 98.25, while 4 per cent. 1972 gained 10 nP to Rs. 100.10. Among State loans, 4 per cent. 1968 Madras showed a rise of 5 nP to Rs. 97.30. Andhra 1968 hardened by 10 nP to Rs. 97.10 and U.P. 1968 by 5 nP to Rs. 97.20.

In the foreign exchange section, there was a further slight hardening of the rupee in terms of the U.S. dollar. Banks' selling rate of ready dollars declined from Rs. 475.75 to Rs. 475.50 per $100 and their buying rate from Rs. 472.50 to Rs. 472.25 per $100. In New York, sterling, after an initial recession, gained strength. Thus, spot sterling fell from $2.81⅝-2.81¾ to $2.81-3/16-2.81-5/16 before appreciating to $2.81-7/16-2.81-3/16. Three months' forward dropped over the week ¼c. to $2.79-1/16-2.79-3/16, while transferable sterling was unchanged on balance at 278.75-278.85 cents.

DEMAND FOR HIDES KEEN

(From Our Own Correspondent)

KANPUR, 20*th January*

The hides and skins market ruled firm during the week under review. Demand for both wet salted cow and buff was keen, the main purchasers being the local tanners. The Madras dealers were interested in goat, sheep and lighter cow. The country tanners were prominent buyers of inferior grade cow.

The latest available quotations are: Wet salted cow 1st grade at Rs. 360, 2nd grade Rs. 320 and 3rd grade Rs. 300 per score; wet salted buff 1st grade 1 lb. 4 oz. to 1 lb. 8 oz. and 2nd grade 1 lb. 10 ozs. to 1 lb. 12 ozs. per rupee; goat skins 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces; sheep skins 1st grade Rs. 300 and 2nd grade Rs. 250 per 100 pieces.

LINSEED DECLINES FURTHER

(Messrs. A. Bradley and Co.)

CALCUTTA, 20*th January*

A further decline in linseed prices has been recorded and trading has continued to be very dull. Arrivals of seeds are small, and the local stocks of both seeds and oil are limited. Crushers are operating very cautiously. The oil market is dull; local demand is sluggish, whilst overseas markets have ruled easier with sellers offering vainly at reduced prices.

The latest available quotation for January-February is Rs. 22-4 per maund.

BULLION FIRM

(From Our Own Correspondent)

BOMBAY, 23*rd January*

Trading in the bullion market during the week under review was marked by a further hardening of the precious metals, thanks to the sustained bull grip over the market. Though there was a slight setback towards the close, on profit-taking, the undertone was still bullish. Consequent on the decline in arrivals and good demand in the ready section, the bulls once again made a bold bid to push up the prices of both silver and gold and they were successful to a large extent. In silver, despite the heavy *budla* charges which they had to pay in the last two days, the bulls showed no signs of relaxing their grip on the metal. Gold touched a new high for the year at Rs. 111-3 in the ready and Rs. 110-15 in the forward (current settlement). The *budla* charges for this metal were in favour of buyers, albeit slightly.

Forward silver (February settlement) dropped early in the week from Rs. 188-4 to Rs. 187-11, but this recession was short-lived. For the white metal soon crept up to touch a high of Rs. 189-10 yesterday. On profit-taking, however, there was again a setback at the close to Rs. 188.15. The March settlement advanced from Rs. 188-15 to Rs. 190-3 before closing at Rs. 189-11.

Ready silver appreciated from Rs. 187-8 to Rs. 189-1, but receded to close at Rs. 188-6. Thanks to the slackening of arrivals, the discount at which the ready metal was quoted below the current settlement narrowed down from As. 12 to As. 9. The floating stocks are placed at 1,500 bars. The daily average arrivals were 10 bars, while the offtake was higher at 15 bars per day.

Gold for forward delivery in the February settlement moved up from Rs. 109-12 to Rs. 110-15, but shaded off at the close to Rs. 110-9. The March settlement gained up from Rs. 109-14 to Rs. 110-14 before finishing today at Rs. 110-8.

Ready gold closed As. 13 higher on balance at Rs. 110-13, after touching a peak of Rs. 111-3. The floating stocks of gold are reported to be 20,000 tolas. The daily average arrivals were of the order of 2,500 tolas and the offtake was also of the same order.

In New York, silver declined from 89⅞c. to 89⅝c. London prices also fell in sympathy from 77¼d. to 77d. for spot and from 76¾d. to 76½d. for forward. Gold moved up from 248s. 8½d. to 249s. ½d. before closing lower at 248s. 9¼d.

The following comparative table shows at a glance the trend of the market during the week under review:

	22-1-58	Highest	Lowest	15-1-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	110 13	111 3	109 9	110 0
Forward*	110 9	110 15	109 7	109 12
Sovereign	70 4	70 4	70 0	70 0
SILVER				
Ready (.996 fine Mint) ..	188 6	189 1	186 15	187 8
Forward†	188 15	189 10	187 11	188 4
London Silver Ready ..	77d.	77⅛d.	77d.	77⅛d.
London Forward	76¾d.	76¾d.	76½d.	76¾d.
London Gold	249s. 9½d.	249s. 9½d.	248s. 8d.	248s. 8¾d.
New York Silver	89⅝c.	89⅝c.	89⅜c.	89⅝c.

* 4th February settlement.
† 5th February settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

BRISK OFFTAKE IN COW HIDES

(From Our Own Correspondent)

MADRAS, 20*th January*

Arrivals of cow hides were small and offtake by shippers brisk. Prices ruled firm. The U.K. buying was selective; and light weight cow hides superior standards were sold at 68/58/48d., cow calf at 93d. and buff calf at 67d. Ordinary F.A.Q. marks were done at higher prices, and trading with the U.K. was extremely difficult. There was good demand for low grades cow hides and buffs for inland trade, while the U.K. levels were 5 per cent. lower.

In the tanned skins section, there was good call from the Continent for superior tanned goat skins and for common tannages in sheep skins, with the result that prices in the raw centres remained firm.

METALS STEADY

(From Our Own Correspondent)

CALCUTTA, 21*st January*

Prices of base metals were well maintained during the week under review. There were more fresh arrivals of copper during the week; these did not alleviate the shortage in the metal. For arrivals were not only little as compared to demand but even these could not be unloaded from ships in time due to continued refusal by pool stevedore labour engaged in unloading and loading to accept bookings. Electrolytic copper closed at Rs. 167 after having sagged to Rs. 165 from Rs. 168 earlier. The mid-week fall was attributed to weakness on the London Metal Exchange. The break in London was arrested following a report from New York that Chile might plan to cut copper production by 10 per cent. The report also indicated that, unless Chile reduced output, world supply would exceed demand. Locally, scrap was not available. There was an enquiry on behalf of the Government mint. Tin opened at Rs. 523 and hardened to Rs. 539. Ready supplies were difficult to be obtained, but some quantity was expected to be received shortly. Virgin lead was throughout quoted at Rs. 60. Demand was little and the supply position was comfortable. More supplies of zinc were received, and the price eased to Rs. 54.50 from Rs. 56.50.

COTTON FUTURES IRREGULAR

(From Our Own Correspondent)

BOMBAY, 22*nd January*

The cotton futures market ruled irregular during the week under review. It opened the week easy but picked up strength on Saturday which gathered further momentum on Monday. There was, however, a reaction yesterday and today; towards the close, some recovery was in evidence. The initial weakness was due to nervous liquidation induced by recession in spot Vijay prices and disappointment over the delay in the announcement of export quota. On the third day, the market staged a smart rally, thanks to encouraging reports from the yarn and cloth market and firm upcountry advices. The apprehension that, with the approaching maturity date of the March contract, scarcity of tenderable cotton would be increasingly felt forced the shorts to enter the market and cover their requirements. There was also large-scale mill and investment support. Consequently, the prices touched a peak of Rs. 697 on Monday. The sharp spurt in price caused panic among traders who feared that the Forward Markets Commission might intervene to check the rise in prices and direct the East India Cotton Association to enforce margin at a level lower than Rs. 750 at which margins are payable at present. It was recalled that the Commission had not hesitated in the past to reduce the limit to as low as Rs. 700. These apprehensions had an adverse effect on the market. The bulls sold heavily on Tuesday, with the result that the Jarilla March contract fell sharply to Rs. 687.50. There was, of course, some switch-over of purchases to the May contract, business in which commenced on Monday. Towards the close today, however, the market again firmed up, on emergence of fresh buying, and values recovered so that today's closing rate was actually higher by Rs. 2.25 as compared with last week-end quotation.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 690 and, after declining to Rs. 685 the same day, firmed up to Rs. 689.25 on Saturday. Persistent short covering pushed up the contract to Rs. 697.50 on Monday. After dropping to Rs. 687.50 today, the contract again recovered to Rs. 694.25 at the close. Business in I.C.C. Moglai Jarilla (May 1958) started on Monday at Rs. 685.25. After moving up to Rs. 690 the same day, it fell to Rs. 684 yesterday. Commencing at Rs. 681.50 today, the contract improved to finish at Rs. 687.50.

The following table indicates the trend of prices of the contracts during the week:

(In rupees per candy of 784 lbs.)

	22-1-58	*High*	*Low*	15-1-58
I.C.C. Moglai Jarilla (March 1958)	694.25	697.50	680.50	692
I.C.C. Moglai Jarilla (May 1958) ...	687.50	689	680	685.25*

*On 20th January 1958.

In the spot section, encouraging upcountry advices coupled with fears of scarcity of good quality cotton led to enlarged mill demand at higher prices. The new arrivals of Vijay, which showed a deterioration in quality, were quoted lower. But subsequent arrivals were better and prices consequently improved. The other varieties in demand were Khandesh, Khamgaon, Berar and Laxmi.

In the export section, shippers' interest revived towards the end of the week in anticipation of export quota. Sizable business was put through in fine and superfine Bengals subject to availability of export licence. Although there is disappointment over the delay in the announcement of quota, it is considered to be a certainty because the supply position of exportable styles is such as to leave a sizable surplus for shipments abroad.

In the foreign section, there was revival of demand for American cotton and some business was reported in Californians for February-March shipments. Interest was also noted in East African growths. A prominent Bombay mill group was credited with having purchased 10,000 bales of East African cotton and another group about 3,000-4,000 bales of East-African Bukhedi.

There is widespread resentment among mills against the allocation recently made in respect of 40,000 bales of Sudan cotton. Originally, allocations were to be made on the basis of a mill's average annual consumption over the past three years. But now the authorities have also taken into account the stocks held by the mills out of their previous import allocations. This change has drastically reduced the share of many mills who have been important consumers of foreign cotton. Mills which had built up stocks on a long-range view are now at a disadvantage. They will be deprived of the benefit of the prevailing lower prices. Importers too find themselves in an awkward position.

In contrast to last week's firm trend, the Karachi cotton futures market ruled easy during the week under review. Overseas demand was slack. Domestic spinner interest was also subdued. Mill buyers were inclined to take the view that, as the current season's crop would be higher, the supply position would be comfortable. N.T.R.G. January declined from Rs. 79-2-6 last week-end to Rs. 78-14 at close yesterday, and the March contract was marked down, over the week, by As. 12-6 to Rs. 76-6. In the spot market, activity was subdued and prices climbed down. Sind *Deshi* and Punjab *Deshi* dropped Rs. 2 and Re. 1-8 to Rs. 70 and Rs. 68-8, respectively. The latest available quotation—in rupees per maund of 82 lbs.—for a few other popular varieties of Pakistan cotton are given below:

4F Punjab Roller 79; S.G. 84; L.S.S. Punjab Roller 81-12; S.G. 86; N.T. Roller 82-12; S.G. 89-8; 289F Punjab Roller 87; S.G. 95.

The current season's cotton crop of Pakistan is estimated at 1,715,000 bales, as compared with 1,600,000 bales harvested in the previous season. Local mills are expected to consume about one million bales, leaving an exportable surplus of

715,000 bales. Export sales in the current season are below that of the previous year, the principal customers being, Japan, France, Hongkong, and U.K. U.S.A. and Germany are interested in *Deshi* styles.

The Alexandria cotton futures market continued to display an easy trend during the week under review also. The absence of buying support, in the wake of a considerable volume of hedge selling, resulted in a further break in values. Both the Karnak and Ashmouni contracts were marked down. Spot premiums, however, were firm. The following are the latest available quotations—in tallaris per lb.—from Alexandria, the figures in brackets being last week's closing rates:

Karnak: January 83.10 (86.45); March 84.05 (87.50). *Ashmouni*: February 69.10 (71.05); April 69.70 (71.65).

Limited turnover, with prices showing a declining trend and inter-month switching operations, characterised trading in the Liverpool cotton futures market during the week under review. There was a fair volume of liquidation and hedge selling in near months which was only partially absorbed by mill fixations and trade covering. Lack of buying support reflected the hand-to-mouth policy of the mills, the weak trend of the New York market, more generous American offers and slow movement of yarn and cloth stocks. Both the American and the American type contracts declined. Sudan contracts were neglected. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 25.60; May-June 25.95; July-August 26.30; October-November 26.50. American cotton *mixed growth contract*: March-April 26.85; May-June 27.10; July-August 27.40; October-November 27.58. *Sudan*: January-February 32.50; May-June 32.60; July-August 32.60.

The downward trend of prices noted in the New York cotton futures market last week gathered further momentum this week, thanks to heavy speculative selling which was touched off by the President's farm message to the Congress urging lower support prices and higher acreage allotments. A further fall was, however, prevented by the emergence of some buying support prompted by the opposition of some leading Congress men representing agricultural interests to the Administration's farm proposals, and reports of heavy entry into 1958 Soil Bank programme with the consequent temporary suspension of the signing of agreements with farmers for retiring lands from cotton. Over the week, futures prices showed a marked decline.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	21-1-58	14-1-58	7-1-58
Spot	36.25	36.35	36.45
March	35.14	35.47	35.80
May	35.30	35.69	36.02
July	35.29	35.48	35.98

SUGAR DULL

(From Our Own Correspondents)

BOMBAY, 22*nd January*

The sugar market presented a dull trend during the week under review. Demand from Malabar Coast was slack and spot demand was at a low ebb in the wake of larger arrivals, aggregating 16,060 bags, as against 10,000 bags in the previous week. Rumours were also current that the Union Food Ministry would issue the usual monthly release very shortly. Another unhelpful factor was the report from Kanpur that the manufacturers of *khandsari* sugar were doing prosperous business, due to the wide gap in prices between white sugar which is subjected to excise duty and *khandsari* which enjoys relief in tax. Sugar circles estimate the production of *khandsari* in the current season at 500,000 tons, as against the normal annual output of 250,000 tons. Owing to inroads of *khandsari* in the sugar market, fears are expressed that white sugar prices may go down. Reflecting these fears, the ex-mill quotations for U.P. sugar have receded by about As. 8 per bag, with a corresponding decline of Re. 1-8 per bag in the Bombay-Deccan.

Despite all these adverse factors, sugar prices in the local market did not suffer any break. Small grain was unchanged at Rs. 104 per bag, including additional Central excise, medium grain at Rs. 105-107 and large grain at Rs. 109-112.

* * * *

HAPUR, 20*th January*

A quiet tendency was witnessed in the sugar market during the week under review. There were reports that crushing for the season was in full swing and an overall increase in sugar production in the country was expected during the current season. The trend of the market in future would depend mostly on the decision to be taken by the joint meeting of the sugar merchants' associations and the Government regarding the export policy for sugar.

In limited business, the sugar market at Muzzafarnagar ruled quiet, due to lack of support from consuming centres. Rates of some varieties for Saurashtra and Punjab side declined by 6 nP to 25 nP per maund. The factories are attracting enough cane for maximum crushing, but the recovery of sugar is reported to be 0.5 per cent. lower as compared with last year, on account of poor cane quality. The latest prevailing ex-mill delivery prices per maund are: New Buland (B-29) Rs. 37; Rampur (B-29) Rs. 37; Shamli (B-29) Rs. 37.44; Daurala (B-29) Rs. 37; Mawana (B-29) Rs. 37.12; Amroha (D-29) Rs. 34.50; Bijnore (E-29) Rs. 34.31; Meerut (D-28) Rs. 35.25; old Iqbalpur (D-29) Rs. 34.62.

Owing to lack of buying interest, the sugar ex-mill delivery prices at Kanpur moved downward in the wake of selling pressure. Crystal sugar had to face keen competition with *khandsari* in the spot section. The production and arrivals of *khandsari* in the market were reported to be twice those in the previous season. The Government's announcement of export policy is keenly awaited.

Following heavy arrivals in neighbouring markets and increased production, *khandsari* prices eased further; they ranged between Rs. 22 and Rs. 31 per maund, according to quality. The *khandsari* manufacturers were reported to be buying cane around Re. 1 per maund as against the mill delivery price of Re. 1.44 per maund.

Thanks to disquieting reports about the overall sugarcane output, the downward trend in ready *gur* prices was halted. In fact, there was some improvement in prices. Outside demand continued to be slack and stockists were the main supporters. Arrivals in all the main producing areas in North India continued to be smaller as compared with previous year. Daily arrivals at Hapur averaged 2,500 maunds and total arrivals from the beginning of the season were put at 275,000 maunds, the corresponding figure last year being 300,000 maunds. Local stock aggregated about 30,000 maunds. The prevailing prices at Hapur were: *Gur pansera* Rs. 11.50 to Rs. 11.75 and *balti* Rs. 12.50 per maund.

Despite slack outside demand, ready *gur* at Muzaffarnagar recorded a gain of about 50 nP per maund during the week, due to poor daily arrivals and support lent by stockists. The latest prevailing prices were: *Gur chakku minja* Rs. 14.25 to Rs. 14.75; *pansera* Rs. 12.50; *shakker dara* Rs. 14.75 to Rs. 15.75; *shakker masala* Rs. 14.75 to Rs. 15.75.

Future *gur* moved both ways during the week and recorded a bullish trend toward the close. Opening at Rs. 12.04 on Monday last and touching the highest of the week at Rs. 12.26 the same day, *fagun* delivery declined to the lowest level of Rs. 11.82 on Friday. Thereafter, it recovered to Rs. 12.13 today.

The preparation for sowing the cane crop for the next season have begun.

BLACK PEPPER DEPRESSED

(Messrs. Parekh and Co.)

BOMBAY, 22*nd January*

The Malabar black pepper ruled depressed during the week under pressure of arrivals and owing to paucity of foreign as well as inland demand. Alleppey went down to Rs. 462½ and garbled at Cochin to Rs. 83. Tellicherry pepper showed comparatively softer undertone, in view of lower holding powers of the growers. Calicut was lower at Rs. 480. But for the covering by exporters for shipment of about 1,200 tons to Russia, the market would have gone still lower.

New York proved a discouraging market, most of the dealers and grinders inclining to hold off in anticipation of further declines. Spot in New York came down to $0.23½. Big offers of 100 to 200 tons of smuggled Lampong from Singapore scared away prospective buyers. Dealers in New York indicated chance of business for Malabar black at $0.21 for January shipment. They refused to give firm offers.

Sarawak in Singapore ruled steady, but Lampong weakened under fear of heavy arrivals of smuggled pepper from Sumatra which was reported to be shipping away most of their produce to Singapore for bartering in contravention of the Central authority at Java. It was stated that Sumatra was trying to break away from the Republic and to establish a separate Government of its own, while the Central Government in Java was devising ways and means to deal with the independent barter trade by the Provinces such as Sumatra and the Celebes.

The present depressed state of the pepper market in Europe and New York was responsible to some extent, if not fully, for the exaggerated estimated of the crop of Malabar black or 1957 given out by the Government. The Government placed its estimate at 32,000 tons which was very much wide of the mark. Some of our foreign friends were asking us to confirm if the official estimate published by *Reuter* was true. It was high time that the Cashew and Pepper Export Promotion Council took up the matter with the State for circulating such an exaggerated estimate, causing depression in the world market to the detriment of the producing countries.

In A.S.T.A. February was done at $0.21¾, while April-May-June were done at $0.22.

In the delivery section, February was done at as low as Rs. 468.

Today's nominal quotations are: Ready Rs. 71 per Bengal maund, February Rs. 468-Rs. 473 and March Rs. 474-Rs. 479 per candy of 5¼ cwts.

YARNS LOOK DOWN

(From Our Own Correspondent)

BOMBAY, 22*nd January*

The distinctly firm trend noted in the yarn market in the past few weeks abated during the week under review. In fact, the market ruled easy. Art silk yarn lacked support on reports that the recent marked rise in prices had evoked consumer resistance from handloom and powerloom interests. These interests, it is said, are finding it difficult to run their looms, as the prices of fabrics have failed to keep pace with increased yarn values. Fears are expressed that, if the situation were to continue, the weaving operations might be cut down. There are, besides, expectations of larger arrivals of imported yarns in the coming weeks; the expectations are based on the news that several exporters of art silk fabrics have applied for import of yarn on a guarantee of augmenting shipments by 100 per cent. in the ensuing half-year. Meanwhile, the Silk and Rayon Textiles Export Promotion Council is contemplating to raise the export target for the six months ending June 1958 by Rs. 150 lakhs for rayon piecegoods and by Rs. 50 lakhs for silk goods. Indications are that this target will be hit. The quality of the fabrics, for instance, has been improved, new attractive designs at lower prices introduced and efforts are being made to standardise the goods meant for export. These reports did not have any effect on the market. In sympathy with art silk yarns and on account of lack of follow-up support, staple fibre yarns and cotton yarns ruled dull. Enquiries from consuming centres slackened. It was stated that the weavers had already covered their minimum needs of yarn.

Snia rayon yarn (120 dull cones) February delivery dropped from Rs. 913 to Rs. 907 but recovered today to Rs. 913. There were no transactions in the April delivery this week too. In the spot section, 120 Italy and 150 Italy were dull at Rs. 5.25. 120 Japan lost a naya paisa to Rs. 5.27. 150 Japan receded by 7 nP to Rs. 5.02. Indigenous yarns evoked some support, National Rayons 150 bright cones first grade improving by 13 nP to Rs. 4.19 and 120 bright cones first grade by 17 nP to Rs. 4.75.

Staple fibre yarns (40×2) February delivery which had gone up yesterday from Rs. 591 to Rs. 596 relapsed today to Rs. 593. No transactions were reported in the April delivery this week also. Spot (40×2) Centurys put on 3 nP to Rs. 3.25. New Greats were better by a naya paisa at Rs. 3.10. Citys, however, shed a naya paisa to Rs. 3.24. Among spot foreign yarns, Paramounts gathered 3 nP to Rs. 6.78. Fujis, on the other hand, declined by 58 nP to Rs. 6.06.

In the cotton yarn section, among ten counts, Moderns and Podars were quiet at Rs. 14.62 and Rs. 14, respectively. Twenty counts Moderns climbed up by 43 nP to Rs. 17.68. Gokaks were done at Rs. 17.62. Among thirty counts, Indus were dull at Rs. 21.25. Forty counts, Moderns and Gokaks were unchanged, the former at Rs. 25.50 and the latter at Rs. 25.25. Minaxis encountered selling and came down by 12 nP to Rs. 25.25. Sixty counts, however, elicited good support. Finlays and Moderns both moving up by a rupee to Rs. 61. Raghuvamshis improved by 50 nP to Rs. 53. Eighty counts were quiet, Mahendras being done at Rs. 69.75, Moderns at Rs. 72 and Finlays at Rs. 75.

The following table gives the prices of rayon, stable fibre and cotton yarns quoted today, as compared with those seven days before:

	22-1-1958	15-1-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	913.00	913.00
120 Japan (per lb.)	5.27	5.28
150 Japan (per lb.)	5.02	5.09
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.25	5.25
Staple fibre yarn (per case of 200 lbs.)—		
40×2 February	593.00	591.00
40×2 New Great (per lb.)	3.10	3.00
40×2 Century (per lb.)	3.25	3.22
40×2 City (per lb.)	3.24	3.25
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	14.00	14.00
20s Gokak	17.62	
30s Indu	21.25	21.25
40s Minaxi	25.25	25.37
60s Raghuvamshi	53.00	52.50
80s Modern	72.00	72.00

OILSEEDS EASY

(From Our Own Correspondent)

BOMBAY, 22*nd January*

Easy conditions prevailed in the oilseeds market during the week under review, in contrast to last week's buoyant tone. There were offerings from upcountry and stale liquidation, but buying enthusiasm was lacking. The market, of course, depicted a firm trend on Monday, following rumours of an export quota of groundnut oilcake to the tune of 20,000-25,000 tons, continued free licensing of exports of decorticated cottonseed oilcake as well as undecorticated cottonseed oilcake against the balance quota of 10,000 tons remaining unutilised at the end of last month, and release of a fresh export quota (4,000 tons) of "other oilcakes." But the firmness did not last long, for, yesterday, the market again staged a relapse on resumption of fresh selling, while support was very poor. Today also, the market was easy. Not only were Monday's gains completely erased but the closing rates stood lower than those at the end of last week. Reports that the Forward Markets Commission was feeling rather concerned over the swift rise in prices of commodities unnerved a section of speculators and induced a certain amount of bull liquidation.

Activity in the groundnut section was subdued during the major part of the week under review. A feature of trading was the switch-over of forward transactions from February contract to May contract the business in which commenced on Thursday. Groundnut February came in for selling and declined from Rs. 158.62 last week-end to Rs. 157.50 on Saturday, and, after recovering to Rs. 159 on Monday, fell again to Rs. 156.75 today. May delivery commenced at Rs. 160 and lost 50 nP on the second day. After recovering to Rs. 160.62 on the 20th inst., it eased to Rs. 158.50 today. Bold ready fell by 75 nP to Rs. 31.50, Coromandel by 87 nP to Rs. 32.00 and Khandesh quality by 75 nP to Rs. 32.12. Groundnut oil ex-mill lost 50 nP to Rs. 17.25. Railway receipt eased by 44 nP to Rs. 17.25.

Castorseed futures encountered selling induced by inability of the spot section to move up. There was, however, a distinct recovery today, on reports of export business in about 300 tons of castor oil with Russia. May contract opened the week at Rs. 139, as against the last week's close of Rs. 139.87, and moved down to Rs. 136.12 on the 18th inst. There was a sharp rise of Rs. 2.38 on Monday when the contract stood at Rs. 138.50. Subsequently, it came in for selling and dropped to Rs. 136.75, but recovered to Rs. 139.00 today. Ready Madras decreased by 25 nP to Rs. 27.50. Castor oil B.S.S. shed 25 nP to Rs. 15.62. Commercial was done at Rs. 14.31 today, as against Rs. 14.37 a week ago.

The linseed section ruled dull in the absence of any encouraging development. Turnover was restricted and values tended to look down. Over the week, May contract declined by a rupee to Rs. 29.87. February-March delivery and bold ready both lost Re. 1.38 to Rs. 29.37. Linseed oil ready fluctuated between Rs. 16.69 and Rs. 16.50 before winding up the week at Rs. 16.37.

Cottonseed February contract was subjected to continued selling and fell from Rs. 100 to Rs. 98.25 on Monday. After recovering to Rs. 99.75 on the following day, it again reacted, today's closing rate being Rs. 98.00. May position was done at Rs. 97.75.

Kardiseed lacked support, notwithstanding the release of an export quota of 5,000 tons for the period January-September 1958. Opening at Rs. 18.50, as against Rs. 19.00, it declined to Rs. 18.25 before recovering to Rs. 18.75 today. *Nigerseed* Madras remained dull at Rs. 27.25 during the major part of the week, but evoked some support yesterday, when there was a rise of 25 nP in the quotation. Today again, it eased to Rs. 27.25 for want of support.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	22-1-1958	15-1-1958	8-1-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	156.75	158.62	158.87
May 1958	158.50	—	—
Bold ready (per cwt.)	31.50	32.25	31.25
Khandesh quality	32.12	32.87	32.12
Linseed—			
May 1958	29.87	30.87	31.00
Bold ready (per cwt.)	29.37	30.75	30.62
Castorseed—			
May 1958	139.00	139.87	137.00
Madras (per cwt.)	27.50	27.75	27.87
Cottonseed—			
February 1958	98.00	100.00	95.25
May 1958	97.75	..	—
Groundnut oil *			
Ex-mill ready (per quarter)	17.25	17.75	17.37
Castor oil †			
Commercial (per quarter)	14.31	14.37	14.12
Linseed oil †			
Ready	16.37	16.62	16.75

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

GOOD DEMAND FOR TEA

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 17*th January*

Approximately 1,300,000 lbs. were on offer in Sale No. 2 which was held on Tuesday, 14th January. Quality again showed improvement and there was a very useful selection of teas from all districts on offer. The sale opened quietly, but a strong general demand quickly developed. Low medium and medium teas were 10 to 15 nP dearer and sometimes more with buyers quick to appreciate improved quality. Good medium and best liquoring teas met keen competition, although highgrown fannings were a weak feature. There was a much improved enquiry for whole leaf grades and these must be quoted 10 to 15 nP dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.40
Low medium	1.55 to 1.75
Medium	1.75 to 2.20
Good medium	2.15 to 2.50
Quality	2.55 to 4.50

The average price of tea realised in Sale No. 2 was Rs. 2.05 per lb., as compared with Re. 1.94 per lb. in the previous sale and Rs. 2.41 per lb. in the corresponding sale of 1957.

Dust Sale 'B'.—A little over 600,000 lbs. were on offer in Dust Sale 'B' which was held on Thursday, 16th January. The sale opened to a very strong general demand and prices were irregularly 10 to 15 nP dearer for all types. Fine dusts were the strongest feature of the sale and occasionally advanced more. Highgrown dusts were well supported at dearer rates.

Export Quota.—The market has been a little easier and business has been done at 17½ nP.

Forthcoming Auctions.—Sale No. 3 will be held on Tuesday, 21st January and Dust Sale 'C' on Tuesday, 28th January.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale* 3:—900,000 lbs. Very strong general demand for everything, particularly whole leaf. Low medium and medium descriptions 15 to 20 nP dearer. Better sorts higher following quality.

MIXED TREND IN TEA

(From Our Own Correspondent)

CALCUTTA, 21*st January*

There was again little demand during tea auctions held yesterday. Prices generally improved, but it was thought that the higher trend would have been more marked if only labour troubles in the Calcutta port were not causing anxiety.

In the last month, tea output in North India amounted to 11.7 million lbs., or 1.7 million lbs. more than in December 1956. Production in 1957 as a whole was 18.9 million lbs. lower at 521.1 million lbs. Pakistan's output in 1957 aggregated 45 million lbs. which also showed a fall of 9 million lbs. over the year. Ceylon's output last year, however, increased by about 9 million lbs. compared to 1956. Although thus the statistical position has improved, yet the problem of world surplus remains. It is to be hoped that the forthcoming Commerce and Industry Mission to Japan, the United States, and, Canada to boost tea exports to these countries would meet with success.

Dusts on offer during last week's sales for domestic consumption amounted to 18,083 chests. Demand was good, and all offerings were accepted. All teas of orthodox manufacture were steady. Exporters evinced keen interest in clean black leafy grades. The strongest features of the sales were the better liquoring mediums, and the best liquoring C.T.C. Assams, prices of which rose. The higher trend was also in evidence in the plainer fibrous teas. The rates were: best Assam C.T.C. Rs. 2.80 to Rs. 3.05, medium Assam C.T.C. Rs. 2.00 to Rs. 2.20, medium Assam grainy dust Re. 1.64 to Re. 1.66, and medium Dooars Re. 1.62 to Rs. 1.64.

Leaf on offer amounted to 1,890 chests, which met with good demand at firm rates.

During yesterday's export sales, offerings aggregated 58,041 packages. Demand was good, but while teas for certain varieties rose, prices for most others gave way. The strongest features of the sale were bright liquoring Assam B.O.Ps and O.Fs. The latter showed some improvement. However, the ordinary B.O.Ps gave way by 5 to 10 nP. The ordinary O.Fs also lost, C.T.Cs met with good demand. The best lots were firm, while the lower qualities eased. Broken grades of medium and common kinds declined by 2 to 3 nP, and fannings by 4 nP. An irregular trend was in evidence in "teas for price." Legg cut teas moved down by 4 to 6 nP, while a firmer trend was displayed in brighter liquoring lots. Whole leaf grades were very steady, as were Darjeelings. The quotations were: best Assam C.T.C. fannings Rs. 2.50 to Rs. 2.60, best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80, clean black pekoe Rs. 2.35 to Rs. 2.40, fannings Re. 1.76 to Re. 1.80, medium B.P. Re. 1.66 to Re. 1.70, plain fannings Re. 1.66 to Re. 1.70 and plain B.P. Re. 1.58 to Re. 1.62.

Export rose to 15 nP from 14½ nP, but subsequently sagged to the lower rate.

JUTE GOODS QUIET

(From Our Own Correspondent)

CALCUTTA, 21*st January*

After registering a mid-week recovery following good consumption reports from the United States, prices of jute goods sagged towards the close of the week under review. In fact, yesterday's closing levels were lower on balance for the week. Raw jute prices were, however, maintained for most part of the week but fell fractionally during yesterday's trading following the lower trend in the jute goods market. For a time, stockists of jute goods derived encouragement from reports that burlap consumption in the U.S. during December, at 70.7 million yards, registered an increase of 7.7 million yards over the previous month's total. Some business was also transacted by buyers on behalf of the United States, and more orders were anticipated, in view of the fact the stocks of burlap in that country at the end of 1957 was lower than a year ago. Bag manufacturers in the U.S. must have also noted that mills here had been gradually transferring hessian looms to sacking manufacture, and that the output of hessian was declining month by month. It was noted that American consumption for the last year as a whole was lower than 1956 owing to a recession in economic activity.

The jute goods market opened on Tuesday last on a quiet note, and in the absence of incentives prices gave way with ready B. twills being pushed down to Rs. 104.85 from Rs. 105.25 and ready 40" 10 oz. hessian to Rs. 39.90 from Rs. 40.05. On the following day, speculators paid keen attention and bought a fair quantity in anticipation of business with the U.S. B. twills gained to Rs. 105.20 and hessian 40" 10 oz. to Rs. 39.95. At this stage, gunny shipment figures for the ten days to 10th January were available. Sacking shipped was lower at 9,000 tons, as against 13,500 tons in the corresponding period of December, and hessian 10,000 tons, as against 13,500 tons. These figures caused some anxiety in the market. This was reflected in the fall in B. twills to Rs. 105.10 and hessian 40" 10 oz. to Rs. 39.80. Sentiment was further affected by the refusal by pool stevedore labour in the port to accept bookings which brought loading and unloading operations here to a standstill. By the week-end, B. twills declined to Rs. 104 and hessian 40" 10 oz. to Rs. 39.65. Yesterday, B. twills recovered to Rs. 104.75 on speculative attention.

A quiet trend was in evidence in raw jute market, although mills bought a fair quantity of mesta white jute. Imports were limited in the upcountry areas, and prices there ruled above those in Calcutta. Sellers refused to lower their quotations, despite persistent attempts in this regard by mills. The latest quotations for January-February delivery for the different varieties of raw jute are:

	Middles Rs.	Bottoms Rs.
Pakistani:		
District	33.00	30.00
Northern	32.50	29.50
Indian:		
Northern	29.00	26.50
Assam	29.00	26.50
Orissa	29.00	26.50
Desal	26.50	24.00
Murshidabad	25.00	22.50
Jungli	—	21.50
Orissa	32.25	29.75
Uttar Pradesh	—	21.50
Daissee mesta	25.75	23.25
Bimli f.a.q.		Rs. 21.00
Pucca bales 1st marks ...		Rs. 167.50 per bale

ready.

[SLIGHT FALL IN WHEAT PRICES

(From Our Own Correspondent)

HAPUR, 20*th January*

A quiet trend prevailed in the foodgrain market during the week. The Government of India, it was reported, was arranging more exports and a heavy quantity was expected shortly from Canada.

Wheat at Hapur recorded a modest fall, average quality being quoted at Rs. 15.44 per maund and farm produce at Rs. 17. Daily arrivals continued to be scanty and local stocks were fast dwindling, the latest estimate of which is put at 17 *khatias*, as against 53 *khatias* a year before. Some rains were received during the week in scattered parts of west U.P., but winter rains have so far been deficient and crop prospects are still bleak. The fall in wheat prices must be attributed to the Government's efforts not to let prices go up by selling wheat and other grains in the needy areas.

Rice ruled quiet during the week and the local supply position was reported to be satisfactory. The prevailing prices were: Basmati Rs. 27 to Rs. 30; mainpuri Rs. 23.50; coarse quality Rs. 20 per maund. Gram eased in the absence of any active demand and easy Punjab advices. The stocks were being moved to east U.P. on Government account. Local stock ran down by 4 *khatias* to 33 *khatias*, the corresponding figure last year being 38 *khatias* when gram was transacted at Rs. 13.87 per maund.

While maize was mostly unchanged during the week, *bajra* sought lower levels due to fall in ready demand. *Guwar* also eased. The week-end prices (in rupees per maund) were: Gram 11 to 11.12; barley 9.50; *bejhar* 9.37; maize 11.25; *bajra* 11.37; *guwar* 11.50; *jowar* 9 to 11.

Peas and *arhar* mostly in the form of pulses attracted some demand at lower rates, which resulted in the depletion of local stocks. *Arhar* advanced towards the week-end, following reports of damage to the standing crop due to frost. Other pulses were mostly unchanged. The quotations in rupees per maund were: Peas *dara* 9; farm 9.50; *peas dal* 10.06; *arhar* 10.25; *arhar dal* 13.75; *urd* 16.50 to 17.50; *moong* 15 to 15.50; *masoor* 14.62.

Arhar futures advanced in line with ready section, while other pulses futures ruled quiet. The prices prevailing on Monday were: *Peas maha* Rs. 8.81; *jeth* Rs. 9.31; *arhar maha* Rs. 10.06; *jeth* Rs. 10.81; *bajra fagun* Rs. 11.25; *urd maha* Rs. 16.31; and *urd baisakh* Rs. 16.81.

Notices

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

Requirement of Rolling Stock Against Indian Railways Global Procurement Programme of Rolling Stock No. G.P. 14/58-59—Item No. 3—9,392 Nos. Broad Gauge Wheelsets—20 ton axle.

DUE TO THE DELAY IN THE ISSUE OF Drawing No. SK.57-W-031 in respect of the above item, the opening date of tender has been extended as under:—

(*a*) The offers should reach the Director, Railway Stores, Railway Board, State Entry Road, New Delhi (India) not later than 8-3-1958.

(*b*) The offers received will be opened at 11 hours on 10-3-1958.

The above Drawing is now obtainable from the Research, Design and Standardisation Organisation, Bâroda House, Annexe, New Delhi, on payment.

H. D. SINGH,
Director, Railway Stores,
Railway Board.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

MODIFICATION TO TENDER NOTICE

IT IS HEREBY NOTIFIED THAT FOR electrification on 25 kV A.C. of sections Calcutta-Moghalsarai and Asansol-Rourkela on the Eastern and the South-Eastern Railways respectively, the dates previously advised in specification No. OHE/AC/1 for submission of qualifications and tenders have been extended to 18th January 1958 and 3rd March 1958 respectively.

2. Kindly also note that the address of the Engineer-in-Chief, Electrification is:

Annexe,
Eastern Railway Office,
3, Koilaghat Street,
Calcutta-1.

M. N. MUKERJEE,
for Secretary, Railway Board.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	8th May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	13th Aug., 1957	4½	5
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	3rd April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	20th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	Nov., 1957	3½	3†
West Germany	17th Jan., 1958	4	3½

† Five of the Federal Reserve Banks have lowered the rate to 3 per cent. between 15th and 19th November, 1957.

CLEARING HOUSE RETURNS

Centre	Week ended 17th January, 1958		Week ended 10th January, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,09,620	74,12,70,000	3,26,744	70,80,66,000
Calcutta	1,91,000	64,04,00,000	1,83,000	64,67,00,000
Madras	65,384	7,04,74,085	99,316	10,86,06,782
All Centres—				
1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Sept., 1957	..	..	3,077,000	6,49,12,00,000
Oct., "	..	..	3,295,000	5,89,38,00,000
Nov., "	..	..	3,755,000	8,18,12,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 17th Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up		5,00,00,000
Reserve Fund		80,00,00,000
National Agricultural Credit (Long-term Operations) Fund		20,00,00,000
National Agricultural Credit (Stabilisation) Fund		2,00,00,000
Deposits :—		
(a) Government—		
(1) Central Government		52,11,22,000
(2) Other Governments		31,35,02,000
(b) Banks		65,10,70,000
(c) Others		115,83,39,000
Bills Payable		36,03,92,000
Other Liabilities		29,43,07,000
	Rupees	436,96,32,000

ASSETS	Rs.
Notes	10,76,07,000
Rupee Coin	8,29,000
Subsidiary Coin	3,06,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	4,05,53,000
Balances held abroad*	42,20,39,000
Loans and Advances to Governments†	35,36,65,000
Other Loans and Advances	72,36,92,000
Investments	255,42,55,000
Other Assets	16,67,76,000
Rupees	436,96,32,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 30,65,98,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	10,76,07,000	
Notes in circulation	1540,25,29,000	
Total Notes issued		1551,01,36,000
Total Liabilities		1551,01,36,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		130,89,24,000
Government of India Rupee Securities		1056,82,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1551,01,36,000

Scheduled Banks*

Statement of Affairs for the week ended 10th Jan., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,83,75,000
(ii) Other demand liabilities	683,85,83,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,95,00,000
(ii) Other time liabilities	672,64,31,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	7,94,93,000
(ii) Time liabilities	70,00,000
Borrowings in India from the Reserve Bank of India‡	35,26,08,000 (30,29,08,000)
Cash in India	38,49,64,000
Balances with the Reserve Bank in India	58,28,09,000
Balances with other banks in current account in India	11,47,51,000
Money at call and short notice in India	45,51,01,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	434,06,25,000
Advances in India	728,56,62,000
Inland Bills purchased and discounted in India	108,49,59,000
Foreign Bills purchased and discounted in India	44,09,61,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	22nd January, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot £	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months £	1-5⅛	1-5⅛
Buyers T.T. spot to nine months £	1-6¼	1-6¼
Buyers T.T. 10 to 12 months £	1-6⅜	1-6⅜
Bombay on New York—		
Sellers T.T. D.D. Rs.	476.00	476.25
Buyers T.T. Rs.	472.25	472.50
London on New York $	2·81⅛-2·81⅛	2·81⅛-2·81⅛
London on Paris Frs.	1,1784	1,1784
London on Berne Sw. Frs.	12·25-12·26¼	12·25¼-12·25½
New York on London $	2·81⅛-2·81⅛	2·81⅛-2·81⅛

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	383·09	..	10,420	272
Pakistan††	'54-'55	79·71	..	1,890	237
Burma	1955	19·43	Kyats 4,087	409	210
Ceylon	1955	8·38	..	475	567
Japan	1956	90·00	Y. 7,427,000	9,283	1,031
Philippines	1955	21·85	Ps. 7,804	1,873	857
New Zealand	1956	2·17	£(N.Z.) 884	1,178	5,428
Australia	1956	9·40	£(A.) 4,238	4,023	4,918
U.K.	1956	51·20	£ 16,465	21,953	4,287
U.S.A.	1956	168·09	$ 343,600	163,554	9,731
Canada	1956	16·00	$ 22,710	10,787	6,742
France	1956	43·60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51·50	Dm. 147,000	16,889	3,279
Italy	1956	48·10	Lr. 11,476,000	8,769	1,821
Norway	1956	3·46	Kr. 20,990	1,408	4,358
Sweden	1956	7·30	Kr. 44,580	4,127	5,653
Netherlands	1956	10·80	Grs. 25,400	3,215	2,977
Denmark	1956	4·46	Kr. 24,950	1,690	3,789
Switzerland	1956	5·00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1955-56—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 10th Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	79,14,70,000
(b) Provincial Governments	14,59,03,000
(c) Banks	9,60,61,000
(d) Others	37,24,000
Bills Payable	8,64,84,000
Other Liabilities	
Rupees	118,36,42,000

ASSETS	Rs.
Notes	10,75,89,000
Rupee Coin	30,000
Subsidiary Coin	21,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	4,67,000
(c) Government Treasury Bills	3,16,00,000
Loans and Advances to Governments	10,59,93,000
Provincial Governments' Debtor Balances	18,10,75,000
Other Loans and Advances	65,87,04,000
Investments	9,81,63,000
Other Assets	
Rupees	118,36,42,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	10,75,89,000	
Notes in circulation	342,76,80,000	
Total Notes issued		353,52,69,000
Total Liabilities		353,52,69,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	76,55,25,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	4,26,52,000	130,94,15,000
Government of Pakistan Securities	212,41,96,000	
Internal bills of exchange and other commercial paper	....	
		216,68,48,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	353,52,69,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 38·62 per cent.

COMPARATIVE BANKING STATISTICS *

(In crores of rupees)

	1st Sept., 1939 (pre-war)	10th Jan., 1958	A week ago	A month ago	A year ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1540.72	1523.06	1,495.21	1512.62
Notes held in Banking Department	35.05	10.21	9.13	13.16	10.01
Foreign Securities	59.50	270.26	275.23	447.30	280.19
Rupee Securities	37.39	1032.10	1007.29	820.25	992.29
Banking Department					
Deposits of :					
Government of India	14.89	49.69	52.50	54.00	55.53
Other Governments	..	16.16	8.10	4.94	4.97
Balances held abroad	10.08	19.63	17.96	80.30	24.38
SCHEDULED BANKS					
Demand Liabilities	134.36	699.70	706.10	653.98	720.24
		(15.84)†	(15.61)†	(4.63)†	(17.54)†
Time Liabilities	102.24	690.59	692.71	457.33	682.65
		(17.95)†	(17.94)†	(2.07)†	(23.93)†
Borrowings from Reserve Bank	..	35.26	30.59	79.10	15.61
		(30.29)†	(24.92)†	(60.86)†	(14.35)†
Borrowings from State Bank	..	8.65	7.73	10.56	6.10
Cash in India	6.70	38.50	40.31	35.13	39.30
Balances with Reserve Bank	25.17	58.28	66.40	50.74	73.46
Excess over statutory limits	15.52	9.48	17.24	8.90	23.80
Balances with other banks in current account in India	..	11.48	12.16	10.22	11.05
Money at call and short notice in India	..	45.51	50.39	6.87	50.98
Investments (at book value)	434.06	433.48	362.47	432.01
Advances and bills	105.09	881.16	880.63	808.85	841.47
STATE BANK					
Deposits	87.76	363.23	366.47	247.76	365.58
Investments	51.99	184.16	173.72	107.04	183.43
Advances	30.35	180.83	174.93	151.41	162.61
Cash	14.69	18.08	24.12	18.59	30.64

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R=Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	July		Four months, April to July	
	1956	1957	1956	1957
Import Duties :				
Revenue	9.15	14.04	38.87	51.53
Protective	1.14	0.97	4.24	4.01
On surplus disposals	..	0.04	0.03	0.05
Total import duties	10.29	15.05	43.14	55.59
Export Duties	1.24	1.29	7.03	5.32
Land Customs	0.18	0.16	0.62	0.88
Miscellaneous	0.06	0.13	0.32	0.43
Gross total customs	11.77	16.63	51.11	62.22
Refunds and drawbacks	0.20	0.42	0.79	1.42
Net Customs	11.57	16.21	50.32	60.80
Gross excise	14.41	20.63	55.89	79.67
Refunds	0.23	0.31	0.57	1.26
Net Excise	14.18	20.32	55.32	78.41
Net total of customs and excise†	25.75	36.53	105.64	139.21

† Net Customs plus net Excise.

State Bank of India

Statement of Affairs for the week ended 17th Jan., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital—		
20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,37,50,000
Borrowings from Other Banking Companies, Agents, etc.		371,05,22,000
Bills Payable		8,15,50,000
Bills for Collection being Bills Receivable as per contra		4,24,13,000
Acceptances, Endorsements and Other Obligations per contra		1,08,08,000
Other Liabilities (including Inter-Office Adjustments)		20,30,000
Total	Rs.	5,01,56,000
		401,74,79,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		20,34,63,000
Balances with other Banks		3,08,64,000
Money at Call and Short Notice		1,33,33,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	173,92,70,000	
Other Authorised Investments	10,13,04,000	
		184,05,74,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	162,06,03,000	
Bill Discounted and Purchased	21,90,44,000	
Bills Receivable being Bills for Collection as per contra		183,96,47,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		1,08,08,000
Premises less Depreciation		20,30,000
Furniture and Fixtures less Depreciation		1,19,60,000
Other Assets (including Inter-Office Adjustments)		72,79,000
Total	Rs.	5,75,21,000
		401,74,79,000

SMALL SAVINGS§

(In lakhs of rupees)

Year/Month	National Savings Certificates						Post Office Savings Bank Deposits		10-Year National Plan Certificates‡		Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposit Certificates				15-Year Annuity Certificates**	
	5-Year		7-Year		12-Year							3½%†		4%¶			
	Outstandings*	Receipts	Outstandings*	Receipts	Outstandings*	Receipts	Outstandings*	Receipts	Outstandings*			Outstandings	Receipts	Outstandings	Receipts	Outstandings*	
1952-53	6,83	65	3,26	23,66	84,17	1,58,11	92,02	..	..	..	—31,07	25,64	..	..	..	..	..
1955-56	3,76	1,98	5,48	27,19	1,44,37	1,76,97	1,67,85	9,86	16,38		—37,68	41,25	..	..	..	45	95
1956-57	3,00	2,87	6,01	31,62	1,63,68	13,27	1,96,50	10,08	25,38		—38,82	44,28	..	..	..	43	1,32
October 1956	3,28	16	5,69	2,38	1,56,53	13,00	1,85,98	82	22,08		—38,06	43,29	..	..	..	4	1,17
November "	3,23	14	5,67	2,31	1,57,64	12,70	1,86,86	76	22,75		—38,15	43,39	..	..	..	3	1,19
December "	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,35		—38,23	43,58	..	..	..	3	1,22
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,00	86	24,10		—38,64	43,89	..	..	..	6	1,27
February "	3,07	17	5,81	2,35	1,61,04	12,96	1,88,32	73	24,72		—38,71	44,14	..	..	..	4	1,30
March "	3,00	35	6,01	4,01	1,63,68	23,55	1,96,50	78	25,38		—38,82	44,28	..	..	..	3	1,32
April "	2,93	12	5,92	2,30	1,64,82	14,76	1,98,78	70	25,98		—38,87	44,39	..	..	..	2	1,33
May "	2,88	12	5,84	2,13	1,65,59	14,63	1,97,56	56	26,41		—38,93	44,51	..	..	..	2	1,35
June "	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34		—39,02	44,48	63	63	2	1,36
July "	2,74	2	5,61	—29	1,62,36	15,03	2,00,57	10	26,16		—39,11	44,42	62	1,24	4	1,39
August "	2,68	..	5,49	—9	1,60,38	12,64	2,01,68	—22	25,61		—39,18	44,27	52	1,76	3	1,42
September "	2,60	..	5,39	—2	1,58,28	14,05	2,03,17	—2	25,17		—39,26	44,14	63	2,39	4	1,46
October "	2,54	..	—5,26	..	—1,55,82	12,51	2,02,83	..	24,81		—39,33	44,07	42	2,81	2	1,47
November "	..	..	..	..	..	..	..	..	..		..	43,96	40	3,29	2	1,49

Outstandings do not include Indian Union's share of the pre-partition liabilities; repayments, however, include those from the partition holdings of Indian investors.
‡ Issued from May 10, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957.
¶ Issued from 1st June, 1957. *Source* : Accountant-General, Posts and Telegraphs.
§ These exclude receipts and outstandings of 12-Year National Plan Savings

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 11th Jan., 1958	4th Jan., 1958	14th Dec., 1957	12th Jan., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.1	89.1	89.1	89.7
1. Government of India	88.8	88.8	88.8	89.4
2. State Governments	96.5	96.4	96.3	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.0	90.8
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.9	100.0
1. Electricity	98.9	98.7	99.0	100.9
2. Jute	92.0	92.0	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	97.6	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	97.0	97.0	96.4	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.8	98.3	100.5
PREFERENCE SHARES	71.4	71.5	72.8	80.5
1. Electricity	83.7	83.6	83.7	87.0
2. Cotton	68.3	68.3	69.0	79.9
3. Jute	62.3	62.4	63.0	75.4
4. Coal	74.4	74.5	74.6	83.0
5. Iron and Steel	77.0	76.6	77.4	84.2
6. Sugar	70.9	70.7	71.2	81.6
7. Paper	77.3	79.6	80.4	79.7
8. Plantations	87.5	87.6	88.9	99.9
9. Miscellaneous	66.8	66.8	70.5	74.3
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.5	95.4	98.0	112.6
(a) Financial	96.2	94.9	94.8	91.4
1. Banks	98.1	97.8	97.6	92.8
2. Insurance	84.3	83.7	84.6	85.3
3. Investment Trust	73.1	73.6	73.3	82.7
(b) Public Utilities	103.0	103.2	103.7	108.0
1. Electricity	100.7	101.0	101.5	109.2
2. Shipping and other Transport	118.8	118.8	119.5	112.7
3. Railways	65.8	66.0	65.5	81.2
(c) Manufacturing Industries	98.0	97.7	101.1	120.0
1. Cotton, Woollen and Silk	95.1	94.8	97.9	126.7
2. Jute	49.0	50.1	52.5	58.9
3. Iron and Steel	117.0	114.3	119.0	127.1
4. Paper	206.1	206.4	212.0	245.6
5. Cement	135.0	134.2	136.9	168.2
6. General Engineering	139.7	140.2	147.0	173.2
7. Sugar and Breweries	94.8	96.6	98.0	100.1
8. Chemicals	127.2	125.7	127.0	136.5
(d) Non-Malayalam Industries	108.8	107.7	112.2	139.6
1. Coal	64.9	65.1	66.1	73.6
2. Minning and Oil	144.0	144.3	149.1	197.6
3. Plantations	116.6	118.1	124.5	155.1
(e) Miscellaneous	69.3	69.4	72.1	80.0
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	88.5	88.5	88.4	89.0
2. Calcutta	89.0	89.0	89.0	89.5
3. Madras	89.3	89.2	89.3	89.9
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.0	96.0	96.4	99.4
2. Calcutta	97.6	97.4	97.6	100.5
3. Madras	97.4	97.7	99.2	99.7
PREFERENCE SHARES :				
1. Bombay	78.4	78.1	79.0	85.4
2. Calcutta	64.4	64.6	66.3	74.1
3. Madras	84.1	84.1	85.5	95.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	109.8	108.9	111.5	121.4
2. Calcutta	82.7	83.1	85.5	99.0
3. Madras	107.1	106.6	106.9	125.1
4. Delhi	111.2	110.3	114.1	121.1

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
September 1956	737	812.7	666.4
October "	753	824.1	670.1
November "	756	819.5	668.1
December "	757	881.5	715.0
January 1957	765	868.7	711.7
February "	767	811.0	677.7
March "	769	874.6	716.5
April "	770	901.4	734.5
May "	793	932.2	756.7
June "	799	898.4	726.1
July "	809	928.3	743.9
August "	811	923.0	731.0
September "	814	924.7	739.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Sept., 1956	Aug., 1957	Sept., 1957
General Index	122.1	133.0	146.4	141.4	144.3
Coal	111.4	114.9	111.1	115.8	129.3
Sugar*	143.0	175.1	353.4	423.8	329.1
Tea	106.2	106.0	113.0	106.5	113.1
Cotton textiles	111.9	117.5	125.8	108.6	118.3
Jute textiles	116.9	127.3	120.9	112.7	121.6
Paper and paperboards	140.2	146.6	149.1	160.7	143.7
Matches	106.6	106.6	105.0	94.8	94.0
Cement	140.4	154.2	162.3	165.6	168.3
Iron and steel	113.3	119.4	120.6	116.7	120.4
Non-ferrous metals	123.7	124.7	117.7	149.4	153.2
Rayon	280.2	355.8	366.6	522.6	525.7

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,630
1955	1,166	527,767	5,697,848
1956 R	1,203	715,130	6,992,040
October 1956	138	—	822,965
November "	137	—	513,389
December "	147	—	422,406
January 1957	154	—	395,419
February "	134	—	262,209
March "	114	[40,811	232,791
April "	166	60,358	406,470
May "	154	64,877	446,640
June "	147	95,672	713,892
July "	178	83,727	723,854
August "	163	85,255	586,341
September "	229	139,875(a)	806,859(a)
October "	190	88,878†	472,342†

(a) Not known in 8 cases. (†) Not known in 11 cases.
‡ In progress during the month. R = Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	4th Jan., 1958	28th Dec., 1957	5th Jan., 1957	November 1957	November 1956	Percentage of Increase(+) or decrease(—) in Nov., 1957 as compared with Nov., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	102.8	102.9	102.7	107.9	106.9	+ 0.9	106.8	99.0
Cereals	382	97	97	95	102	100	+ 2.0	102	92
Pulses	83	84	80	86	83	84	— 1.2	85	78
Fruits and Vegetables	42	94	96	105	111	116	— 4.3	117	108
Milk and Ghee	167	97	98	96	104	101	+ 3.0	104	99
Edible Oils	93	122	125	130	131	133	— 1.5	128	117
Fish, Eggs and Meat	34	99	97	95	98R	97	+ 1.0	97	97
Sugar and *Gur*	95	112	107*	94	110	110	—	105	97
Tobacco	100	131*	132*	142	136R	135	+ 0.7	137	125
Others	21	98.1	98.5	88.2	96.5	86.7	+11.3	91.8	82.3
Liquor and Tobacco	—	97	95	87	95	86	+10.5	90	81
Fuel, Power, Light and Lubricants	30	114.7	114.8	105.7	115.0	106.7	+ 7.8	111.5	101.6
Industrial Raw Materials	155	114.1	114.8	119.8	116.0	118.0	— 1.7	118.1	113.2
Fibres	114	115	122	114	118	—	— 3.4	120	114
Oilseeds	117	117	124	123	123	—	—	122	115
Minerals	14	107	107*	106*	108	104	+ 3.8	109	99
Others	290	107.5	107.4	108.6	108.4	108.4	— 2.7	107	110
Manufactures	141	106.8	105.6	112.7	108.0R	112.2	— 5.5	107.9	104.9
Intermediate Products	859	107.7	107.7	107.9	108.8	107.8	+ 0.9	108.0	110.0
Finished Products	506	106	105	110	107	110	— 2.7	107.8	104.1
Textiles	—	115	115	117	115	119	— 3.4	108	106
Cotton	—	91	91	103	97	101	— 4.0	116	114
Jute	—	103	103	97	103	97	+ 6.2	98	95
Woollen	—	84*	82*	87*	82*	85	— 3.5	102	97
Silk and Rayon	—	141	142	131	141	131	+ 7.6	85	99
Metal Products	—	94	99	94	99	93	+ 6.5	137	128

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres) Forecast 1956-57	(In thousand acres) 1955-56	(In thousand tons) 1956-57	(In thousand tons) 1955-56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,314	42,904	7,427	6,902
Bajra	final	27,542	28,024	2,926	3,379
Barley	final	8,544	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,554
Ragi	final	5,874	5,993	1,914	1,820
Small millets	final	12,209	12,713	2,010	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,666	5,637	2,047	1,880
Other Kharif pulses	final	16,166	15,567	1,664	1,632
Rabi pulses‡	final	11,443	11,703	1,794	2,38
Total pulses	final	57,295	57,064	11,425	10,831
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed	final	1,403	1,495	129	124
Sesamum	final	3,433	5,653	451	497
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,758	3,781	349	414
Total oilseeds	final	29,906	29,848	6,082	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,883	1,799	4,221	4,197
Mesta A.	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	2nd	4,784†	4,475††	63,501†	58,935††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	223	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
JUTE MANUFACTURES		(In 000 tons)
Production	During December, 1957	92.8
	Corresponding month, 1956	84.9
	Six months ended Dec., 1957	522.0
	Corresponding period, 1956	517.3
Stocks	At the end of Dec., 1957	75.6
	Corresponding month, 1956	95.7
DESPATCHES OF GUNNIES		(In 000 tons)
For Export Purpose	1955-56	8.57 2
	1956-57	8.52 9
	Nov., 1956	80.5
	Nov., 1957	76.6
For Internal Consumption	1955-56	1,90.0
	1956-57	1,79 0
	Nov.,1956	17.0
	Nov.,1957	20.4
RAW JUTE		(In lakh bales)
Consumption by Mills†	December, 1957	5.38
	Corresponding month, 1956	4.92
	Six months ended Dec., 1957	30.27
	Corresponding period, 1956	30.04

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	11,34,400	10,42,900	7,81,200
Do.	31st March, 1956	11,55,900	10,62,100	7,97,800
Do.	31st March, 1957	11,55,500	10,73,600	7,97,500
Oct.,	1956	96,700	91,100	71,800
Nov.,	,,	94,700	85,800	65,100
Dec.,	,,	1,01,500	93,300	66,900
Oct.,	1957	95,100	96,500	69,000
Nov.,	,,	94,900	95,100	66,000
Dec.,	,,	95,100	100,500	74,200
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	7,15,949	5,28,240	4,59,093
Do.	31st March, 1956	7,06,986	5,31,505	4,50,607
Do.	31st March, 1957	6,95,156	5,32,315	4,41,488
Three months ended	Dec., 1956	1,88,546	1,41,450	1,14,703
,, ,,	Mar., 1957	1,83,857	1,39,380	1,20,578
,, ,,	June, 1957	1,72,225	1,29,652	1,06,096
,, ,,	Sept., 1957	1,71,397	1,19,178	96,815
,, ,,	Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August 1957	August 1956	Jan. to August 1957	Jan. to August 1956
Exports	59,87	49,47	426,88	372,99
Re-exports	38	41	2,89	6,49
Total Exports	60,25	49,88	429,77	379,48
Imports	80,03	66,55	650,11	519,55
Overall Balance of Trade	—20,78	—16,67	—220,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures	5,12	11,55	52,27	72,77
Cotton yarns and manufactures	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap Iron or steel for re-manufacture	4,69	2,27	34,78†	10,74†
Cotton, raw and waste	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal	2,43	98	17,54	19,62
Fruits and vegetables	1,44	1,74	12,24	12,62
Tobacco	88	2,51	10,02	8,23
Mica	71†	68†	5,24†	4,05†
Wool—Raw	1,06†	76†	7,41†	6,27†
Gums, resins and lac	60†	1,01†	5,33†	6,31†
Spices	55	70	6,00	6,60
Hides and skins, raw	69	25	5,38	4,02
Imports—				
Machinery of all kinds	17,39	13,15	144,71	97,32
Metals, iron and steel and manufactures thereof	12,50	10,88	107,31	77,44
Oils—vegetable, mineral and animal	8,56	5,78	70,10	40,44
Cotton, raw and waste	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines	4,20	2,98	31,89	27,68
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus	5,21	1,44	37,75	12,96
Paper, pasteboard, etc.	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats)	4,49	4,95	45,32	41,23
Fruits and vegetables	1,17	19	13,39	9,10
Spices	32	81	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,54

† Upto July only. ‡ During July.

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grain and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	143
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,,	12,280	2,684	929	197	90	52	190	22	520	388	27	350	51	159
March ,,	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	190
April ,,	1,245	263	104	22	10	6	16	2	76	39	3	34	2	18
May ,,	2,468	522	219	43	21	13	34	4	129	77	6	69	4	35
June ,,	3,562	756	334	57	30	18	48	6	161	109	9	101	7	48
July ,,	4,063	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,,	5,781	1,270	539	84	39	25	67	8	208	183	13	177	19	81
September ,,	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	737	107	46	34	109	13	241	263	19	261	31	120

Note.—The figures relate to broad and metre gauges on Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months. *Source:*—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 16th Jan., 1958	37,032(J)
	Corresponding week, 1957	52,908(J)
	1st Sept. to 16th Jan., 1957-58	434,1924
	Corresponding period, 1956-57	561,659*
Cotton Exports	Week ended 16th Jan., 1958	4,318
	Corresponding week, 1957	9,590
	1st Sept. to 16th Jan., 1957-58	45,998
	Corresponding period, 1956-57	84,724
Mill Consumption (Estimated)	1st Sept. to 16th Jan., 1957-58	500,377
	Corresponding period, 1956-57	487,972
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 16th Jan., 1958	455,696
	Corresponding date, 1957	447,487
Cotton Exports from Bombay (by sea)	During December, 1957	8,229
	During December, 1956	30,073
	1st Sept., 57 to 31st Dec., 1957§	17,497
	1st Sept., 56 to 31st Dec., 1956	58,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 9th Jan., 1957-58	647,854
	Corresponding period, 1956-57	770,496
Exports	1st Sept., to 9th Jan., 1957-58	196,680
	Corresponding period, 1956-57	322,705

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 30th Nov., 1957. A.=Adjusted. § Includes Zoda and Yellow Pickings, etc.

Particulars	From 1st September to 20th Jan., 1957-58 Bales	From 1st September to 20th Jan., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	1,405	10,268
Continent	1,571	9,560
Hongkong	1,035	7,561
China		3,027
Japan	10,120	48,937
U.S.A.	1,660	600
Other Countries	691	342
Total to all foreign countries	26,382	80,285
Coastal Ports	20,789†	7,360
Total	47,171	87,645

Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	November, 1957	390,784
Foreign		51,081
Indian	Three months ended Nov., 1957	1,162,690
Foreign		148,756
Indian	Same Period 1956	1,117,406
Foreign		151,639
Stocks (Mills and Elsewhere)—		
Indian	As on 30th Nov., 1957	750,680
Foreign		190,170
Indian	As on 30th Nov., 1956	1,029,767
Foreign		189,065
Cotton Pressed in India† (In running bales)	Week ended 10th Jan., 1958	277
	Corresponding week, 1957	43,460
	1st Sept., to 10th Jan., 1957-58	837,728
	Corresponding period, 1956-57	954,393

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1960-70	100.60
3 % Loan	1988-89	116,17,46,000	1963-65	93.75
3 % Loan	1950	39,33,10,000	1964	94.10
3 % Fg. Loan	1948	1,10,11,78,000	1966-68	91.70
3 % Dev. Loan	1945	1,15,05,83,000	1970-75	85.80
3 % 2nd V. Loan	1945	1,15,55,64,000	1959-61	99.10
3 % Loan	1951	50,35,63,000	1958	99 80
2½% Loan	1946	45,63,07,000	1960	97 45
2½% Loan	1946	57,00,69,000	1961	94.60
2½% Loan	1947	14,77,48,000	1976	83 10
2½% Loan	1947	75,86,72,000	1962	97.75
2½% Loan	1948	75,29,06,000	1961	99 70
3½% N. P. Bonds	1953	75,29,06,000	1964	97.75
3½% N. P. Loan	1954	1,58,17,00,000	1964	97 90
3½% N. P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97 60
3½% Loan	1956	57,27,36,000	1962	97 90
3½% N. P. Bonds	1956	33,81,83,000	1967	97 60
3½% Loan	1956	66,61,05,000	1974	98 25
3½% N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1972	100 00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	Option of Government after three months notice. (On September,1986 or later at option of Government after three months' notice.	71 10
3 % Loan	1946	2,48,91,41,000		71.00
REPATRIATE STERLING LOANS				
4½% Loan	1928	5,85,73,000	1958-68***	100.50
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	96.80
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	96.90
4 % Bombay	1944	3,04,13,000	15th Aug. 1958	99 25
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94 15
3 % Bombay	1950	2,83,70,000	31st July 1960	96.90
4 % Bombay	1950	2,00,05,000	17th Sept. 1962	98 10
4½% Bombay	1952	5,25,90,000	15th July 1963	99 25
4 % Bombay	1952	3,45,95,000	1st Aug. 1964	98 15
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	8,07,06,000	3rd Sept. 1970	98.00
4 % Bombay	1957	6,60,00,000	16th Sept. 1969	99.80
4½% Bombay	1955	1,54,02,000	1st Sept. 1967	98.85
4 % Bihar	1955	2,13,15,000	3rd Sept. 1968	96.85
4 % Bihar	1956	1,00,00,000	16th Dec. 1955-58	98.00
3 % Cochin	1936	70,09,000	1st June 1956-61	97 75
3½% Cochin				
3½% Howrah				
Bridge (New)	1936-37	1,95,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.10
4 % Hyderabad	1956	2,18,72,000	15th Sept. 1968	97.10
3 % Madras	1943	1,23,96,000	21st June 1959	98.25
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.00
3 % Madras	1945	2,78,44,000	14th Sept. 1960	98.50
2½% Madras	1946	3,81,77,200	1st Sept. 1961	98.50
2½% Madras	1950	4,38,25,400	31st July 1960	96 80
3½% Madras	1951	3,01,42,300	17th Sept. 1962	97 30
4 % Madras	1951	10,33,71,000	15th July 1963	98.25
4 % Madras	1952	5,24,81,200	1st Aug. 1964	98 12
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97 30
4 % Madras	1956	13,93,56,000	3rd Sept. 1968	97.20
3 % Mysore	1953	2,95,85,200	1st Dec. 1958-63	100.50
3 % Mysore(f)	1936	5,99,73,000	30th Apr. 1956-61	98.77
3 % Mysore	1947	5,08,05,000	25th Jan. 1958	98.70
3 % Mysore	1953	8,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,04,000	1st Sept. 1967	96 40
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	96.80
4½% Mysore	1957	3,00,00,000	16th Sept. 1969	99.00
3 % M.P.	1944	25,69,800	15th Aug. 1958	99.00
3 % M.P.	1948	2,93,28,800	15th Sept. 1964	93.00
3 % M.P.	1950	1,01,45,900	31st July 1960	96.50
3 % M.P.	1951	1,02,18,100	17th Sept. 1962	97.70
3½% M.P.	1953	1,10,18,000	15th July 1963	98.25
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	96.90
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	96.90
4 % Saurashtra	1955	3,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
4½% Trav. Cochin	1953	3,25,61,000	15th July 1963	97.50
4½% Trav. Cochin	1956	3,24,75,000	3rd Sept. 1968	96.10
2½% U.P.Z.A.	1952	41,44,790002		46.00
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99 15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	96.50
3 % U.P.	1946	2,16,39,000	1st Sept. 1961	93.15
3 % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1953	6,66,16,000	15th July 1963	98.25
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.15
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.20
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.00
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	96.70
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	96.85

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
Rs.				
$6,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1957	
44,00,000	4	1907	1968	96 00N
75,00,000	4	1908	1968	
40,00,000	4	1909	1970	
66,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1965	D
80,00,000	4	1913	1974	96.00N
88,25,000	4	1914	1975	96.00N
19,00,000	4	1915*	1965	
10,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
13,25,356	4	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,58,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	

CALCUTTA				
Rs.				Rs.
90,24,300	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
50,00,000C	3½†	1921	1981	82.00
66,02,300C	6½	1921	1981	104.00N
1,40,30,000	5	1928	1958-88	102.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
25,00,000	3	1938	1963-68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
1,00,00,000	3	1949	1959	98.25
50,00,000C	3	1950	1980	82.00
50,00,000	3	1950	1960	97.00
1,00,00,000	3	1950	1960	97.00
50,00,000	3	1951	1981	81.75
1,50,00,000	3½	1951	1961	98.50
50,00,000	3	1953	1983	100.00
50,00,000	4	1953	1983	97 50
90,00,000	4	1955	1985	97 25
77,00,000C	4	1956	1986	97 25
78,00,000C	4	1956	1988	97 25
1,24,00,000	4½	1957	1987	99.50

STERLING LOANS				
£892,600	5	1928	1953-83	£80.00
£901,000	5	1924	1954-84	£80.25
£835,106	5½	1932	1962	£91.00

MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	A
9,85,000	3	1947	1977	
8,00,000†	3	1949	1979	
45,00,000†	4½	1954	1984	

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,80,000	17th Sept. 1962	96.00
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,60,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	96.25
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	96.00

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
Rs.				
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	5	1916	1976	N
40,00,000	5	1919	1957-79	116.90N
66,00,000	6	1920	1955-80	
25,00,000	5	1926	1956-86	115.00N
25,00,000	4	1927	1961-79	98.00N
10,00,000	3	1936	1966	

STERLING LOAN				
£566,600		1909	1959	95.50N
£338,000		1910	1970	£95.50N

CALCUTTA				
Rs.				Rs.
23,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1967	91.00
20,00,000	3	1938	1963-68	90.00
80,00,000	4	1952	1962	99.25
1,02,00,000	4	1956	1968	99.00

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,60,000	4	1913-16	1974	97.00
10,00,000	5	1920	1980	113.00N
25,00,000	5	1928	1958	102.00
26,21,500	5	1929	1959	102.00
8,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1949	1979	84.00
4,00,00,000	3½	1950	1965	97.25
2,50,00,000	4	1952	1964	97.75
2,00,00,000	3½	1951	1966	97.75
1,50,00,000	4	1963	1968	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,00,000†	4	1954	1966	97.25
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25

Rs.				Rs.
CALCUTTA				
35,00,000	5	1928	1958	102.00
25,00,000	5	1929	1958	103.00
10,00,000	5½	1932	1982	108.00N
33,91,000	3½	1935	1965	94.00
60,00,000	3	1936	1966	90.00
47,50,000	3	1938	1968	90.00
15,58,800	4	1940	1957	99.75
17,64,400	3½	1942	1959	96.50
21,10,000	3½	1942	1972	99.00
18,49,000	3	1942	1962	97.00
16,35,000	3½	1951	1961	97.50
66,88,000	3½	1951	1966	97.50
87,85,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	100.00

Rs.				Rs.
MADRAS				
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

ABBREVIATIONS.
A—Held by Government of India. * B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable.
(J) Income-tax free. * Loans held entirely by the Trustees. *** Rupee Counterparts.
† Bombay State Transport. †† Rate of Interest reduced from 6 to 2 per cent. with effect from 1st June 1944.
‡ Rate of Interest reduced from 6½ to 4 per cent. with effect from 1st June 1944. †—Interest free to first 12 years. ‡—Interest free for first 7 years.
§ — Ex. from December but inclusive of current interest. N—Nominal.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	82.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	109.50	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.67	5
¶East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.40cd	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	60.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	60.00	100
Purtabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.50	10
Ramnugger Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	80.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	80.00	100
South Behar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	90.00N	100
Upper Ganges T.F.C.	12,00,000	1922	5	Dec. ..	70.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00xd	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	99.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	6.50xd	10
Do. (2nd) T.C.	4,50,000	1946	6	Mar. Sept.	88.00	100½
Equitable T.F.	4,00,000	1895	5½	.. ..	51.00	75p.
Karanpura Collieries T.C.	9,89,500	1946	5	Mar. Sept.	3.00N	10
¶Khas Kajora C.	1,98,000	1951	7	Jan. July	10.00xd	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Apr. Oct.	96.00	100
Ondal T.F.C.	2,00,000	1898-99	6			
COTTON						
Ahmedabad Adv

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
80,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	808	Apollo Mills	2.00	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,33,52,007	72,25,655	—6,97,129	M.	51,884	1,021	B. K. Cotton Mills	24.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.T
2,50,36,000	3,13,86,951	5,08,32,945	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd. ..	2,23,552	3,984	Bombay Dyeing & Mfg. Z	51.60	25	20.00	25.00*	25.00	0.75‡	12	Y.
10,00,000	43,38,500	54,14,200	42,52,976	68,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	152.50	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,42,800	2,88,31,209	6,06,05,272	2,23,91,693	7,01,731	Birla Brothers Private Ltd. ..	1,25,752	2,752	Century Spg. & Mfg. ..	393.25	100	22.00	22.00	22.00	8.001	12	Y.
49,00,000	25,43,326	1,19,99,766	66,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director) ..	40,668	698	Colaba Land & Mill	56.00	100	*Nil*	*Nil*			12	Y.
96,00,000	13,08,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	24,848	..	Swadeshi Spg. & Wvg. ..	125.00	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd. ..	40,992	680	Dawn Mills	78.00	50	6.00	15.00			12	Y.
24,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	48,718	928	Edward Textiles	221.25	200	15.00	18.00	15.00		12	Y.
20,06,050	16,71,233	1,20,97,050	78,25,000	95,787	M.	42,124	886	Elphinstone Spg. & Wvg. ..	48.00	50	3.00	5.00	15.00		12	Y.P.
50,00,000	67,54,875	1,41,78,000	82,93,307	79,257	James Finlay & Co., Ltd. ..	49,528	784	Finlay Mills	264.00	100	16.00	20.00	20.00		12	Y.
50,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	40,540	1,020	Gold Mohur Mills Ltd. ..	171.50	100	12.50	15.00	15.00		12	Y.
11,84,000 / 16,000	1,81,81,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills..	6,275.00 / 992.50	1,000 / 250	225.00 / 56.25	300.00 / 75.00	325.00 / 81.25	350.00* / 87.50*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,989	Agarwal & Co.	2,44,300	6,278	India United Mills	9.68 / 1.28 / 4,900.00	0 100, / 0 1D. / 1,000	*Nil* / *Nil* / 225.00	0.94 / 0.19 / 300.00	0.92 / 0.18 / 300.00	325.00*	12	Y.
5,55,000 / 35,000	1,12,51,255	1,50,59,952	1,06,65,993	75,722	M.	47,984	1,122	Indian Mfg.	152.00	100	12.25	12.50	10.00	10.00(c)	3	Y.P.
80,55,000	46,10,421	3,18,61,630	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	152.00	100	12.25	12.00	10.00	10.00(c)	6	Y.P.
1,00,00,000	1,23,00,000	3,59,04,591	2,78,94,101	1,02,802	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	271.00	100	18.00	18.00	18.00	6.00‡	12	Y.
22,18,050	42,06,720	1,22,08,422	64,68,440	55,109	K. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*		12	Y.T.
51,75,000	58,44,612	2,64,74,025	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	71,652	1,652	Morarjee Goculdas Spg. & Wvg.	204.00	100	14.00	14.00	15.00	14.00(e)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,68,00,000	5,52,034	China & Co. Private Ltd. ..	..	..	National Rayon Corporation ..	221.50	100	10.00	12.00	15.00*		12	Y.P.
24,00,000	29,50,456	79,05,743	48,70,077	58,102	W. H. Brady & Co., Ltd. ..	45,044	432	New City of Bombay Mfg. ..	125.00	100	10.00	10.00	10.00		12	Y.
80,00,000	22,01,492	95,52,534	63,37,085	245	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	223.00	100	7.50	10.00	10.00		12	Y.
48,00,000	54,20,707	1,61,26,902	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	Phoenix Mills	129.00	100	8.00	10.00		12.50F	3	Y.
40,00,000	45,54,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	145.00	100	10.00	12.00*	12.00*		12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	..	M.	..	..	Sassoon & Alliance Silk Mill	7.24	10	0.50	0.50	0.25(e)		12	Y.
87,70,100	1,18,54,702	1,98,55,588	1,20,28,815	1,66,807	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg. ..	30.50	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Ltd. ..	51,640	1,240	Shree Niwas Cotton Mills ..	143.00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	33,02,179	98,78,809	71,46,268	17,849	Lalbhai Dalpatbhai & Co., Ltd.	34,840	1,276	Simplex Mills	160.25	50	11.00	10.00	12.00		12	Y.P.
87,80,000	2,50,32,705	2,77,88,979	1,62,06,915	2,93,059	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	404.00	100	20.00	20.00	22.50*		3	Y.
1,00,00,000	98,08,485	2,51,02,981	1,88,02,785	89,154	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	171.50	100	8.00	12.00	14.00*		12	Y.P.
85,00,000	65,13,465	1,87,20,469	92,02,715	1,01,175	Tata Industries Private Ltd. ..	59,328	562	Swan Mills	324.50	100	20.00	25.00	25.00		12	Y.
65,57,875	56,74,500	2,01,67,222	80,81,256	17,925	Tata Industries Private Ltd. ..	65,448	1,800	Tata Mills	41.00	25	2.50	4.00	3.50*		12	Y.T.
12,00,000	1,21 85 555	1 45 81 207	95,78,967	93 035	M.	45,508	1,306	Western India Spg. & Mfg. ..	4,620.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
AHMEDABAD																
40,00,000	81,21,987	1,78,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	125.00	100	5.00	7.00	12.00	5.00	6	Y.P.T
10,00,000	94,58,068	94,37,398	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Aruna Mills	456.25	100	20.00	30.00			12	Y.P.
40,00,000	2,97,88,851	1,95,82,179	97,29,203	15,274	Narottam Lalbhai & Co. ..	66,412	1,216	Arvind Mills	1,020.00	100	25.00	35.00*	35.00*		12	Y.P.
20,00,000	61,75,000	96,34,384	72,25,000	2,46,289	Mangaldas & Bros., Ltd. ..	35,884	892	Aryodaya Ginning & Mfg. ..	420.00	200	15.00	25.00*			12	Y.P.
15,00,000	1,48,05,898	95,70,723	63,81,789	17,257	Lalbhai Dalpatbhai & Co. ..	37,358	914	Asoka Mills	910.00	100	22.00	30.00	30.00		12	Y.P.
1,87,50,000	3,49,54,519	5,14,69,792	2,56,08,236	1,18,338	Karamehand Premchand Pvt. Ltd.	1,39,120	2,872	Calico	600.50	125	18.00	18.00	30.00	30.00	12	Y.P.
83,91,000	82,88,059	1,26,33,243	95,76,003	2,458	Trieumlal Bhoglal & Co., Ltd. ..	45,836	866	New Commercial Mills	435.00	1,000	70.00	80.00	100.00*	30.00	3	Y.
20,00,000	72,52,486	1,32,09,232	96,26,952	10,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	704.00	125	35.00	35.00			12	Y.P.
15,00,000	67,78,770	67,78,441	52,49,912	21,808	Jagabhai Bhoglal Manawary & Co., Ltd.	25,560	572	Nutan Mills	347.50	100	30.00*	20.00	20.00		12	Y.P.
80,00,000	1,10,62,006	99,61,103	62,28,935	1,77,078	Lalbhai Dalpatbhai & Co. ..	52,823	656	Raipur Mfg.	815.00	100	25.00	35.00*	35.00*		12	Y.P.
23,50,000	14,78,207	1,01,61,151	71,42,598	17,849	Lalbhai Dalpatbhai Ltd. ..	39,156	646	Saraspur Mills	150.00	100	9.00	*Nil*			12	Y.P.
57,50,000	2,75,84,105	1,92,47,853	1,05,24,569	2,68,390	Harivallabhdas Kalidas & Co. ..	94,128	1,733	Shri Ambica Mills	501.50	50	20.00	27.00*	30.00*		12	Y.P.
19,32,500	62,31,263	78,06,018	66,84,701	16,502	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	35,548	720	Shorrock Spg. & Mfg. ..	402.50	100	25.00*	25.00			12	Y.
85,00,000	87,34,105	1,19,54,140	83,17,270	50,446	Haridas Ashrafial & Co., Ltd. ..	36,176	780	Vijaya Mills	600.00	500	35.00*	35.00*	30.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	25,56,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	5.00	10	0.50	0.50	0.50		12	Y.P.T
7,11,280 / 3,00,620†	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,292	925	Bengal Luxmi Cotton Mill ..	32.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Ketilewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	110.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
19,00,000	25,17,431	1,51,74,740	74,67,879	3,50,335	Ketilewell Bullen & Co., Ltd. ..	42,944	815	Dunbar Mills	130.00	100	*Nil*	2.50	6.00		12	Y.
80,08,000	..	69,08,197	15,03,197	2,632	Birla Brothers Private Ltd. ..	4,862	206	Jay Shree Textiles Ltd. ..	6.12	10	*Nil*	*Nil*	*Nil*		12	Y.T.
1,60,00,000	2,29,43,320	3,76,19,833	1,31,26,833	1,38,672	Birla Brothers Private Ltd. ..	74,672	1,992	Kesoram Cotton Mills	10.12	10	0.87	0.87	1.00		12	Y.T.
19,47,7000 / 5,00,000‡	7,45,000	4 84,571	26 70,548	3,936	Hasareemull Heerala	23,036	795	Rampooria Cotton Mills ..	15.00N / 4.00N	10 / 1D	0.62 / *Nil*	1.00 / 0.34	1.00 / 0.26		3 / 6	Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,500	5,57,019	80,87,104	19,12,220	16,013	Setna & Co.	24,800	716	Asher Textiles Ltd.	217.00	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,581	1,85,99,928	65,71,682	95,435	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	62.00	100	*Nil*	3.50(e)	5.00		9	Y.
1,21,50,000	2,50,15,057	3,39,77,494	2,00,70,021	2,32,947	Binny & Co. (Madras), Ltd. ..	40,068	1,157	Banaghre Woollen, Cotton and Silk Mills	167.00	100	30.00	30.00	30.00	4.00‡	12	Y.P.
85,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	3.00	1.50	3	Y.P.
1,78,47,800	2,77,75,212	6,69,41,316	3,01,91,313	2,25,250	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic ..	167.00	100	10.00	10.00	10.00	4.00‡	12	Y.P.T
20,00,000	20,00,000	42,33,535	23,99,012	58,534	Peirce, Leslie & Co., Ltd. ..	37,536	4	Cambodia Mills	9.50	10	*Nil*	0.50	0.50		12	Y.P.T
15,00,000	5,11,500	58,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,000	..	Cannanore Spg. & Wvg. ..	160.00	100	20.00	12.00	15.00	20.00	3	Y.
80,00,000	82,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	5.28	5	0.50	*Nil*		20.00	3	Y.
9,57,470	9,00,000	55,16,220	21,56,420	90,659	C. R. Srinivasan, Esq. (Chairman) .	21,200	..	Dauverpet Spg. & Wvg. Mills Ltd.	11.87	10	*Nil*	0.62	0.75	0.25	3	Y.
35,00,000	19,01,056	41,97,634	30,65,709	10,889	R. Bheema Naidu & Co. ..	28,864	..	Coimbatore Cotton Mills ..	170.00	100	25.00	25.00	25.00	9.00	12	Y.
18,15,000	7,25,195	39,16,552	24,29,632	..	T. A. R. Chettiar Sons & Co. ..	22,810	..	Coimbatore Murugan Mills ..	141.00	100	15.00	25.00	25.00		12	Y.
20,00,000	19,95,000	30,59,430	24,25,921	14,823	T. R. K. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills ..	235.00	100	20.00	20.00	12.00		12	Y.
30,76,000	2,05,07,000	1,24,06,270	1,06,99,979	10,415	R. G. S. Naidu & Co.	72,822	407	Coimbatore Spg. & Wvg. ..	69.00	50	6.00	8.00			6	Y.
46,87,500	46,12,622	2,50,83,871	1,62,61,854	18,215	Tata Industries Private Ltd. ..	67,238	1,620	Central India	86.00	100	8.00	8.00	10.00		12	Y.
24,43,911	15,50,000	92,90,552	40,37,014	15,780	R. Hanumanthappa & Son ..	25,216	..	Davangere Cotton Mills ..	115.00	100	12.00	9.00	*Nil*		6	Y.
3,85,35,000	3,10,24,830	11,79,00,463	6,78,07,135	2,77,592	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,852	Delhi Cloth & General Mills ..	30.00	25 / 2½	2.25 / 0.28	2.25 / 0.22	2.50 / 0.25	2.00 / 0.20	6	Y.P.T
48,69,600	22,25,000	66,71,865	46,12,585	..	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	207.00	100	20.00	30.00	25.00		12	Y.
68,00,000	98,47,000	1,54,57,565	1,35,57,645	78,764	Begg, Sutherland & Co. Private Ltd.	48,452	1,196	Elgin Mills	13.00	10	1.00	1.00	1.00		12	Y.
48,61,000	37,59,771	1,05,45,241	72,45,068	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gwalior Mills	160.00	100	13.00	15.00	15.00		12	Y.P.
2,50,00,000	2,25,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..	..	..	Gwalior Rayon	11.49	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
60,00,000	21,27,574	1,48,10,189	1,16,80,184	6,716	K. L. Sekaaria, Esq. (Chairman) ..	51,180	1,420	Indore Malwa United	119.00	100	*Nil*	*Nil*		*Nil*	3	Y.P.
8,00,000	10,65,568	21,40,455	19,97,477	..	G. V. Naidu & Co., Ltd. ..	23,734	..	Janardhana Mills	80.00	50	5.00	9.00	11.00		12	Y.
15,54,000	18,24,708	45,22,284	33,88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji ..	1,450.00	1,000	20.00	50.00	50.00		6	Y.
4,53,65,800	3,24,05,304	4,34,59,294	3,18,54,030	2,45,717	Birla Gwalior Private Ltd. ..	84,576	1,660	Jiyajeerao Cotton	9.60	10	4.00§	4.00	6.00	0.25	6	Y.P.
42,00,000	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	300	Kothari Textiles	10.00	10	0.50	0.50	0.50	0.50	3	Y.P.
82,00,000	67,91,510	1,69,61,585	1,26,19,465	20,276	M.	50,452	1,219	Lakshmi Cotton Mfg.	452.50	50	50.00	1.00	1.00	1.00	6	Y.P.
71,28,200	66,35,950	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	93,160	201	Lakshmi Mills	112.50	50	10.00	12.50	12.50	7.50	12	Y.
35,64,100 / 1,75,02,489	4,24,40,278	5,83,51,924	3,77,47,982	36,44,180	A. & F. Harvey Ltd.	4,53,000	..	Madura Mills	56.00	25	5.00	6.25	6.25	10.00	3	Y.
12,00,000	3,67,368	29,03,852	18,76,700	4,183	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	15.25cd	10	3.00	3.00	2.62		12	Y.
60,00,000	69,14,000	94,94,181	45,89,145	5,167	W. J. Seardsell & Co. (Private) Ltd.	25,656	903	Meitar Industries Ltd. ..	99.00	200	*Nil*	8.00	8.00		12	Y.
20,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	362.50	100	22.50*	35.00	42.50	20.00	3	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85,008	M.	62,408	952	Model Mills (Nasgur)	71.80	100	5.00(e)	6.00	6.00		12	Y.
24,83,500	48,52,478	1,13,48,711	71,02,478	25,937	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	180.00	250	15.00(e)	7.50(e)	7.50		6	Y.
13,61,780	..	29,12,541	17,83,314	3,966	K. Tirupurdiah (Chairman) ..	6,000	..	Mysore Spun Silk Mills ..	95.00	50	8.00*	6.00(e)	6.00	9.00*	3	Y.P.
87,20,400	47,50,246	1,71,25,376	67,91,363	2,593	M.	87,788	902	Osmanshahi Mills	6.25	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
4,00,000 / 6,00,000	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	52.00	100	*Nil*	2.50(e)	3.00(e)		9	Y.
15,00,000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	135.00 / 197.50	50A / 75B	12.00 / 18.00	12.00 / 18.00	15.00 / 22.50		12	Y.P.
16,81,200 / 8,40,600	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	55,564	300	Radhakrishna Mills	45.50 / 244.00	100 / 100A	*Nil* / 15.00	4.00(e) / 20.00			12	Y.
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Co.	33,896	..	Rajalakshmi Mills	120.00	50B	8.00	10.00	20.00		12	Y.P.
16,14,300	12,00,000	32,92,216	17,41,424	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	80.00	50	10.00	10.00	10.00		12	Y.P.
22,31,750	12,40,000	49,64,423	21,20,815	92,012	Rayalaseema Development Co. ..	14,800	..	Rayalaseema Mills	135.00	100	6.00	10.00	10.00		3	Y.
16,90,000	1,60,55,917	3,13,49,081	2,05,07,227	—1,65,20,798	Morarka & Co.	95,232	2,282	Sholapoor Spg. & Wvg. ..	112.50 / 700.00	100 / 1,000	9.00 / *Nil*	10.00 / *Nil*	10.00 / *Nil*		12	Y.
19,000 / 36,69,700	20,26,385	96,26,665	76,67,094	19,543	H. N. Pallegar, Esq.	80,744	292	Sri Kshanasrilendra Mills ..	33.00	500 / 50	*Nil* / 4.50	*Nil* / 5.00	*Nil* / 7.00	*Nil*	3	Y.
16,00,000	3,43,80,155	99,82,153	79,53,780	30,60,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	6.00	7.00	7.00	3	Y.
17,50,0000 / 37,50,000PO	2,36,28,081	5,13,52,120	1,81,83,924	8,85,712	Jaipuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur) ..	11.50 / 11.00	160 / 10P.O.	0.75 / 1.15	0.75 / 1.15	0.75 / 1.15		12	Y.P.
1,00,06,206	50,06,584	3,85,56,288	1,02,42,715	2,68,690	Kmcete & Sons (Travancore), Ltd.	..	..	Travancore Rayons	11.50	10	0.62	0.75	1.00		12	Y.P.T
13,98,670	9,50,000	17,49,881	12,41,858	62,837	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	12.50	10	0.89	0.89	1.12		12	Y.P.
21,00,000	38,50,000	80,72,634	47,22,519	44,000	K. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	278.00	100	15.00	20.00	20.00		12	Y.P.
23,00,000	31,80,000	1,74,27,029	1,17,04,869	16,922	M.	47,240	1,256	Vishnu Cotton	95.00	100	4.00	8.00	8.00		12	Y.P.

* Includes bonus. M=Managed by Board of Directors. X.R.=Ex-Right. (c) Paid out of Reserves. F=For fifteen months ended 31st March, 1957

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z=Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957

‡ Made up of 4,854 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.93	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	7.75	5	0.50	0.56	0.56	0.56	3	Y.
£549,950	£1,149,466	£1,757,928	£841,807	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	29.00	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	169.50	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,50,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.25	B. 10	1.00	1.00*	1.00		12	Y.P.
45,14,6000 / 14,70,976D.	13,13,132	1,14,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	4.19 / 0.93	O. 10 / D. 1	*Nil*	*Nil*			3	Y.P.T.
12,71,80,070 / 3,07,44,575	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies ..	152.75	100	8.50	10.00	10.00	9.00	7	Y.T.
1,66,00,0000. / 5,00,0

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,09,080	35,91,841	2,13,38,493	1,86,78,314	4,805	M.	Bengal Paper Mills	80.25	25	3.12	4.69	2.50		12	Y.P.T.
65,00,000	63,91,258	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	19.50	10	14.00	1.30 2/5	1.30 2/5	1.40	3	Y.
25,00,000	23,12,500	1,48,57,859	77,57,046	47,098	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15.50	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,82,500	2,46,75,045	5,04,16,697	1,37,53,042	2,62,477	Birla Brothers Private Ltd.	Orient Paper	23.80	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,25,49,070	67,75,503	1,86,40,302	1,00,70,701	3,18,088	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills ..	14.44	10	1.50	1.25	1.25		6,12	H.P.T.
40,00,000	6,50,000	95,33,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	10.94	O. 10	0.75	1.25	1.05		3,9	H.P.T.
80,00,000A.							10.94	A. 10	0.75	1.25	3.05			
2,15,55,240	49,18,069	3,75,66,264	87,92,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	8.36	10	Nil	5.00‡	0.50		6	Y.P.
56,00,000A.							32.12	A. 10	1.50	2.00*	1.12*	2.37*		
56,04,800B.	3,70,50,474	6,78,46,967	3,51,66,928	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	82.12	B. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,37,800P.O.							3.81	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co., Ltd.	Calcutta Hydraulic	65.00N	100	4.00	Nil	Nil	3.00	6	Y.
3,00,000	2,47,152	10,91,809	9,30,374	26,289	Andrew Yule & Co., Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00		6	Y.
PROPERTY AND LAND														
10,00,7800.	7,30,843	48,74,650	23,83,280	96,047	M.	Humayun Properties	10.25N	O. 10	0.60	0.60	0.60		9	Y.P.
2,00,000D.							2.15N	D. 1	Nil	Nil	....			
94,00,000	25,22,459	7,33,362	52,546	—16,87,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	17.25	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
15,99,998	22,83,439	32,33,742	11,66,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.37	3	Nil	Nil	Nil		9	Y.
40,00,000	4,12,54,388	3,98,54,871	1,71,93,141	39,548	Wallace & Co.	Bombay-Burmah Trading Corps.	536.00	Old125	20.00	37.50	40.00	18.784	5	Y.
42,00,000							204.00	New50	8.00	15.00	15.75	7.506		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products... ..	42.75	10	2.75	3.00	3.00		9	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,33,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	5.30	5	0.75	0.06	Nil		6	Y.
12,00,000A.	29,80,260	85,40,831	36,32,435	18,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	125.00N	A. 100	10.00	10.00	10.00		4	Y.T.
3,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Balsund Sugar	10.00	7½	0.75	0.75	1.00		9	Y.
15,00,000	13,51,518	18,12,168	13,47,841	2,550	Cotton Agents Private Ltd. ..	Bharat Sugar	13.50N	10	1.50	1.50	1.50		6	Y.P.
32,00,000	27,44,459	1,40,84,581	95,71,755	20,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6.19	10	0.75	0.25	Nil		6	Y.P.T.
30,00,000	65,63,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12.06	10	0.75	0.75	0.75		10	Y.P.
18,00,000	39,72,350	81,58,085	55,46,244	29,508	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.50	10	1.00	1.50	1.00		6	Y.
9,58,252	2,59,762	25,14,152	15,98,383	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T.
80,00,000A.	44,95,000	1,02,71,005	67,56,074	38,128	Bachhraj & Co. Private Ltd. ..	Hindustan Sugar Mills ..	275.00	A. 100	15.00*	15.00*	15.00		6	Y.P.
10,00,0000.							100.00	O. 100	15.00*	15.00*	15.00			
12,00,000	8,61,001	75,81,309	42,63,455	27,926	Kilachand Devchand & Co.	Kesar Sugar	55.50	40	Nil	2.25	4.00		7	Y.P.
7,89,100	22,35,852	44,42,878	22,81,722	3,720	Cotton Agents Private Ltd.	New India Sugar Mills ..	23.50	10	2.50	2.50	2.50		6	Y.P.
11,00,000	4,45,000	46,39,535	27,41,203	10,796	K. C. Thapar & Bros Private Ltd.	New Savan	4.50	10	0.25	0.25	0.37		5	Y.
12,98,000	49,01,854	71,25,062	34,35,984	9,769	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill ..	200.00N	100	20.00	20.00	20.00		6	Y.
61,375							50.00N	25	5.00	5.00	5.00			
77,45,350	55,05,629	2,04,73,468	1,05,50,000	20,563	Cotton Agents Private Ltd.	Oudh Sugar	135.25	100	11.00	11.00	11.00		7	Y.P.
12,00,000	12,69,374	31,96,494	21,49,469	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	80.00N	100	10.00	6.00			10	Y.
9,00,000	19,64,817	43,99,385	21,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puraibpore Co.	10.22	10	0.75	0.75	0.75		10	Y.P.
8,00,000	6,10,795	28,74,028	22,66,790	13,204	M.	Ryam Sugar	21.22N	10	0.50	Nil	Nil		6	Y.P.
11,99,000	19,38,520	45,20,102	24,12,129	3,554	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	11.25	10	0.50	Nil	1.75		6	Y.
39,70,525	22,68,560	1,40,84,561	68,35,007	16,881	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.00	10	1.50	1.75	1.00		8	Y.P.T.
9,99,950	26,825	28,20,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Shahpore Sugar	4.75	10	Nil	Nil	Nil		6	Y.
15,89,962	13,10,901	33,44,287	18,97,008	58,761	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.T.
9,15,0000.	46,462	29,66,360	11,46,770	—16,87,907	M.	South Behar Sugar	1.12N	O. 10	Nil	Nil			10	Y.P.T.
4,40,000D.							7.00N	D. 10	Nil	0.07	0.70			
8,00,000	29,24,348	1,15,70,815	68,03,754	32,829	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00		6	Y.P.
16,00,000	7,66,589	33,17,959	27,09,205	33,042	M.	United Provinces Sugar ..	12.87	10	1.25	1.50	0.60		9	Y.
TRANSPORT														
20,00,000	1,00,69,622	1,34,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		10	Y.P
1,00,00,000	82,00,000	4,21,63,342	1,45,20,080	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,90,84,846	86,21,845	1,83,630	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	20.28	10	1.00	Nil	1.00	1.50	6	Y.P.
£655,580	£997,739	£5,665,834	£3,428,088	—£106,393	Kilburn & Co. Private Ltd.	India General Navigation & Rly. Co.	55.50	£10	Sh. 10	Sh. 10	Nil		12	Y.P.
2,25,00,000	1,74,74,282	12,78,96,545	2,63,26,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.80	10	Nil	Nil	1.00	1.00	3	Y.P.
9,39,98,060	9,00,12,101	22,64,99,894	4,85,66,202	8,62,020	M.	Scindia Steam Navigation Co. ..	17.56	20	0.50	0.50	1.00		6	Y.T.
5,40,8000.	18,26,615	12,00,284	7,86,760	1,66,818	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.75	O. 1	0.12	0.14	0.14		12	Y.
2,10,2000P.O.							1.56	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Yorbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
15,98,860	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4.00	Nil			12	Y.
25,00,000	1,00,000	26,18,548‡‡		58,589†		Devkaran Nanji Investment Co.	11.52	25	0.75	0.75	0.81	0.81	3	Y.
5,57,00,000	1,08,98,754	4,55,59,017	1,03,65,563	94,16,738	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	19.88	10	Nil	Nil	Nil	1.25	12	Y.
31,07,000	16,29,510	1,09,45,989	67,14,407	14,088	Birla Brothers Private Ltd. ..	India Cements	123.50	100	10.00	10.00	8.00	12.50‡.	3	Y.P.T.
14,98,840	3,01,500	28,51,284	19,40,998	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	36.50	50	3.00	3.00	3.00		3	Y.P.
99,99,250	20,12,950	1,22,50,062‡‡		3,23,875	Premchand Roychand & Sons ..	Industrial Investment Trust ..	71.00	100	4.50	4.50	5.00		12	Y.
1,00,00,000	28,08,446	38,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	158.00	100	11.00	11.00	11.00	11.00	6	Y.
2,20,13,775A.O.	39,14,265	8,06,59,581	1,49,00,326	6,05,448	Aero-Auto Private Ltd.	Premier Automobiles	87.00	100	Nil	Nil	6.00		6	Y.T.
10,21,200	5,05,419	8,09,102	5,79,614	7,856	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00		12	Y.
2,75,00,000	1,35,45,829	3,14,34,161	1,59,08,376	5,02,238	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	171.25	100	11.00*	11.00*	11.00*	11.00*	12	Y.
45,00,000	62,52,290	7,44,904	5,09,715	60,677	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	288.75	150	20.00	20.00	22.50		12	Y.
Other Centres														
57,50,000	1,99,56,718	3,81,21,462	86,96,321	2,38,759	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	9.62	O. 10	Nil	Nil	0.50	0.60	13	Y.P.T.
2,50,000							4.75N	D. 2½	Nil	Nil	Nil	Nil		
40,00,000	32,25,000	68,17,870	28,12,988	66,539	Seshaasyee Bros. (Trav.) Prv. Ltd. ..	Aluminium Industries Ltd. ..	14.00	10	1.25	1.25*	1.25	1.25	3	Y.
30,00,000	36,18,873	34,31,252	12,94,563	8,35,874	Turner Morrison & Co. Private Ltd. ..	Angelo Bros., Ltd.	17.00	10	1.25	2.00*	2.00*		3	Y.
30,00,000	18,70,000	30,82,721	21,20,441	1,72,873	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.25	10	1.25*	1.25*	1.25*		12	Y.
30,00,000	32,47,883	1,02,58,021	36,87,880	2,45,122	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India ..	5.25N	10	0.20	0.40	1.20		3	Y.P.T.
80,01,400	98,51,203	89,52,106	37,02,106	5,08,378	M.	Balmer Lawrie & Co., Ltd. ..	148.00	100	12.00	12.50	16.00		12	Y.
12,00,000	12,56,000	33,30,886	25,71,886	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	28.50	10	2.50	2.25	2.50		12	Y.
30,00,000	8,05,715	62,28,492‡‡		37,612	Lovelock & Lewis	Birds Investment Ltd.	13.00	10	1.25	1.25	1.00		12	Y.
30,00,000	34,61,814	1,14,31,005	37,07,465	1,84,688	K. Jullan Scott, Esq. (Mg. Director)	Britannia Biscuits	12.00	10	1.00	1.00	1.00	1.00	3	Y.P.T.
2,25,00,000	1,55,55,571	5,06,98,577	2,58,80,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	3.62	5	0.06	0.06	0.10		12	Y.P.
1,88,00,000	17,84,254	2,05,95,940‡‡		3,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	3.62	10	0.20	0.56	0.10		12	Y.
1,80,00,000	3,40,86,174	5,55,01,695	2,48,71,167	13,24,695	John Lockham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	21.94	10	1.50	1.50	1.50	0.75	3	Y.P.T.
61,26,000	54,10,811	1,72,17,367‡‡		2,27,916	Bird & Co. Private Ltd.	Eastern Investments Ltd.	134.50	100	9.00	9.00	9.00		12	Y.P.
14,00,000	9,35,000	34,02,104	19,09,339	34,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	188.00	100	15.00	15.00	14.00	12.50	3	Y.
55,00,000	53,17,300	19,78,012	9,18,963	89,541	J. F. E. d'A. Willis, Esq.	Gillanders Arbuthnot & Co., Ltd.	11.50	10	0.75	1.40	1.50		3	Y.
30,00,000	15,17,354	33,08,521	26,24,683	74,215	B. P. R. Syndicate	Great Eastern Hotel	240.00	250	6.25	6.25	15.00	15.00	3	Y.P.
4,98,05,700	10,00,00,000	7,97,26,577	1,61,58,541	7,92,903	Birla Brothers Private Ltd.	Hindustan Motors	6.18	10	Nil	Nil	Nil		3	Y.
2,01,10,000	66,56,843	4,80,45,268	1,96,84,142	7,97,410	E. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd. ..	12.81	10	Nil	0.90	1.00		12	Y.
1,52,89,220	1,46,00,000	2,26,86,031	86,85,093	41,81,858	E. J. Woodley, Esq. (Mg. Director) ..	Indian Cables	26.37	10	1.00*	1.25*	1.50*	1.50*	12	Y.P.T.
8,27,970	6,03,000	16,74,908	9,50,806	62,782	G. S. Monkton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	12.00	10	0.50	0.50	0.62		3	Y.P.
15,16,00,000	24,00,01,694	9,86,79,288	1,62,23,890	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	12.25	10	0.50	0.50	0.50	0.70	3	Y.
2,00,00,000	76,27,615	39,02,397	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director) ..	Jardine Henderson	55.00	100	7.50	7.50	7.50	2.50	3	Y.P.
40,00,0000.	80,86,900	26,18,922	8,72,670	2,57,284	A. T. Doig, Esq.	McLeod & Co.	210.00	O.100	17.00	22.50			12	Y.P.
5,00,000D.								D.O.10	1.20	1.75				
1,43,96,500	81,82,796	24,06,298	13,34,790	2,70,207	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	25.00	10	1.25	1.81*	2.12*		3	Y.P.
1,15,00,000	1,17,00,151	2,62,36,089	89,09,798	16,33,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	25.87xd	10	1.00	1.25	1.62	1.75	3	Y.P.
6,35,585	1,821	7,68,660	2,69,987	—1,52,648	Shankar Rao P. Gaze, Esq.	Mysore Lamp Enamel Works ..	3.75	10	Nil	Nil	Nil	Nil	3	Y.
6,56,250	6,92,500	11,39,650	5,97,382	8,849	Mr. J. L. Dias (Chairman)	Mysore Lamp Works	15.25	10	1.00	0.75	0.90	1.25	3	Y.P.
10,00,000	4,70,000	15,47,599	10,18,129	43,554	M. Malleshayya, Esq. (Chairman) ..	Mysore Tobacco	18.25	10	1.25	1.00	1.50	1.50	3	Y.
2,00,00,000	78,15,505	1,50,98,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director) ..	National Carbon Co. (India) Ltd.	24.31	10	0.40	0.82	1.50	0.75‡	12	Y.
40,00,000	74,71,172	63,80,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	28.87	10	1.00	1.50*	2.00*		3	Y.P.
						National Rolling & Steel Ropes ..	9.81	10	0.50	0.50	0.50		3	Y.P.
40,00,000	15,00,000	98,19,395	21,17,403	75,726	Do.	National Tobacco Co.	9.19	10	0.50	0.80	0.70		6	Y.P.
79,97,000	38,12,466	1,20,51,899	61,75,108	9,02,540	B. N. Elliss & Co. Private Ltd. ..	Rallis (India) Ltd.	28.50	100	Nil	Nil	Nil		12	Y.P.
2,25,00,000	3,71,248	1,45,28,415	44,22,874	—44,12,938	M. A. Pappali, Esq.	Sahu Jain Ltd.	16.19	10	1.50	1.50	Nil		8	Y.P.T.
2,28,00,000	1,37,70,309	10,60,39,213	5,06,22,765	49,402	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100	..	..	5.00	6.00	10	Y.P.T.
4,73,200	51,836	31,11,657	6,29,199	19,106			50.00N	50	..	..	2.50	3.00	8	Y.P.
5,18,400						Spencer & Co., Ltd.	17.00	10	1.50	1.50	1.50		3	Y.P.
40,00,000	87,06,588	1,21,67,804	73,09,327	6,32,212	C. W. Stephenson, Esq.	Shaw Wallace & Co., Ltd. ..	10.44	10	1.00	1.00	1.00		3	Y.P.
75,00,0000.	17,19,008	15,07,035	7,05,723	3,64,554	S. M. Smith, Esq. (Mg. Director) ..	Travancore Ogale Glass	2.70	10	Nil	Nil	Nil	Nil	12	Y.
9,98,880	....	14,51,909	4,58,782	—47,988	Ogale Bros. (Private) Ltd.									

M. Managed by Board of Directors. ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd. Subject to taxation. P.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,60,019	15,95,482	5,76,638	....	McLeod & Co., Ltd.	325	Ambukle	25.00	10	72.00	10.00	5.00		12	Y.P
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	312	Ananda (Assam) Tea	24.00	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,223	3,34,393	40,069	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Baz	23.75xd	10	8.00*	1.00	1.25		12	Y.
5,30,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Bazhmari	13.37xd	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,93,911	5,32,732	53,593	Andrew Yule & Co., Ltd. ..	378	Basmatia	24.00	10	8.00	1.50	2.00		12	Y.
3,30,000	5,10,000	12,75,995	8,35,524	1,30,173	National Tea Corporation ..	570	Batrii	23.50	5	4.00	2.50	3.00		12	Y.
6,40,000	7,40,000	11,16,044	3,51,823	93,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23.87	10	10.00*	2.00	2.50		12	Y.
35,00,000	15,31,333	63,88,222	23,40,322	3,10,326	Williamson Magor & Co., Ltd.	5,957	Bishnauth	18.75	10	5.00	2.00	2.00		12	Y.
6,00,000	2,50,000	11,47,111	2,30,337	33,931	Octavius Steel & Co., Ltd...	495	Bokakhat	12.75	10	1.00	Nil			12	Y.
7,50,000	7,27,550	10,55,753	3,31,701	35,623	McLeod & Co., Ltd.	450	Borrwh Jan Tea	16.00	10	3.50	2.00	1.50		12	Y.P.T.
35,00,000	15,31,335	81,37,373	23,03,351	5,44,800	M.	2,334	Brooke Bond	17.02	10	1.25	4.75	1.25	1.75	6	Y.P.
1,20,000	4,23,426	6,44,302	2,17,579	42,144	McLeod & Co., Ltd.	307	Dejoo Valley	50.00	10	6.00	3.00	1.00		12	Y.
8,40,000	8,32,250	30,50,515	18,19,274	69,307	Jardine Henderson Ltd.	1,138	Dissai & Parbuttia	210.00	100	40.00	10.00	10.00		12	Y.
17,58,140	9,57,982	24,59,777	5,10,559	42,736	James Warren & Co., Ltd. ..	661	Dhelakhat	20.37	10	5.00	2.50	0.50		12	Y.
4,05,970	3,95,000	11,95,643	4,32,726	1,456	M.	646	Dhunseri	23.00	10	4.00	2.00	3.00		12	Y.P.
4,50,000	8,76,000	11,31,219	2,70,354	33,393	McLeod & Co., Ltd.	458	Dibrugarh	20.50	10	6.00	2.00	3.00		12	Y.
4,74,100	5,10,000	13,07,380	6,03,240	1,17,081	Williamson Magor & Co., Ltd.	617	Dimakusi	29.50	10	6.00	2.00	2.00		12	Y.P.
7,03,520	10,50,000	21,34,945	12,82,745	2,21,346	Williamson Magor & Co., Ltd.	615	Dullazhur	27.87	10	5.00	4.00	4.00		12	Y.
10,00,000	7,00,000	27,71,947	10,69,747	1,12,777	Williamson Magor & Co., Ltd.	1,165	East India Tea	29.00	10	3.50	1.00	1.00		12	Y.
5,03,750	4,61,553	11,32,218	4,53,892	17,703	M.	407	Gillapukri	29.00	10	8.00	3.50	3.00		12	Y.
5,00,000	4,25,000	13,21,001	8,55,551	99,712	Williamson Magor & Co., Ltd.	546	Gohpur	19.12	10	5.00	3.00	2.50		12	Y.
A. 7,41,540	19,32,810	35,38,143	8,04,222	93,337	Ostavius Steal & Co., Ltd.,	1,920	Grob	25.00	A. 10	5.00	2.50	3.25		12	Y.
B. 3,91,155								13.25	B. 5	2.50	1.25	1.62			
5,00,000	5,75,000	9,27,900	3,55,210	39,337	Andrew Yule & Co., Ltd.	476	Hoograjull	28.00N	10	9.00	0.50	1.50		12	Y.
8,70,000	13,19,332	23,33,844	12,41,054	95,546	Andrew Yule & Co., Ltd.	1,321	Hoolanzooree	165.00	100	55.00	7.50	15.00		12	Y.
58,51,000	45,17,050	1,44,38,018	33,30,005	98,318	Birla Brothers Private Ltd.	4,900	Jay Shree Tea Gardens ..	9.75	10	1.00	1.00	1.00		12	Y.
9,00,000	6,85,000	15,91,227	3,85,778	23,003	Gillanders Arbuthnot & Co., Ltd.	945	Jutlibari	15.50xd	10	3.50	Nil	1.00		12	P.Y.
2,40,000	11,30,500	12,75,843	6,72,818	65,943

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
3,00,000	2,10,000	3,92,505	34,197	15,099	Planting Agencies (Private) Ltd...	Balmadies Plantations	2.90	2	0.25	0.30	0.21	0.45	5	Y.P.
26,91,900	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4.25	3	0.75	0.45	0.75	0.52	2	Y.P.
18,00,000	31,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	28.75	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,60,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	28.40	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Cottanad Plantations	12.00	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,81,442	37,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	11.88	10	2.50	2.00	2.00	..	12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	20.25cd	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15.00	10	2.25	2.25	3.25	2.25	3	Y.
27,00,000	28,79,387	30,92,726	9,49,414	1,48,976	Midland Rubber	Midland Rubber	14.85	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	13.75	10	1.50	1.50	1.50	..	12	Y.P.T.
2,00,000	2,00,000	8,40,417	58,785	4,271	Associated Planters Private Ltd...	Nilambur Rubber Co.	14.00	10	1.00	1.50	1.50	..	12	Y.P.T.
19,45,980	21,29,615	45,87,395	14,23,968	*Nil*	Peirce, Leslie & Co., Ltd. ..	Ouchterloney Valley Estates ..	4.93	2	0.61	0.40	0.21	..	10	Y.P.T.
13,50,000	8,60,000	45,07,576	3,05,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	14.12	10	1.75*	2.00	2.50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4.12	2	2.50	1.00	1.50	..	11	Y.
10,00,000	3,01,600	22,44,528	1,59,659	9,040	East India Agencies Private Ltd.	Teckoy Rubber (India) Ltd. ..	6.65	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd. ..	Thamarapally Rubber	29.00	10	3.00	3.00	3.00	..	12	Y.P.
9,15,300	4,00,000	20,99,924	96,217	27,055	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.29cd	1	0.09	0.12	0.12	..	9	Y.T.
6,00,000	32,566	7,71,251	1,36,210	2,287	Rapen Thomas, Esq. (Mg. Director)	Travancore Rubber	13.50	10	2.00	3.00	2.00	..	12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6.05	10	1.50	1.25	0.75	..	12	Y.P.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00	..	12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Valkundam (Travancore) Rubber ..	27.50	10	2.25	2.50	3.50	2.00‡	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.80	10	1.50	2.00	1.25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,901	53,26,489	18,786	B. N. Ellias & Co. Private Ltd...	879	Agarpara	7.06	10	0.62	0.62	0.25	0.25	3	Y.
60,00,000	10,25,000	53,46,050	37,72,102	2,46,707	McLeod & Co., Ltd.	446	Alexandra	105.00	100	7.50	10.00	5.00	..	6.12	H.P.T.
30,00,000	5,25,000	1,17,61,827	94,41,069	34,402	McLeod & Co., Ltd.	1,264	Alliance	80.50	100	12.00	6.00	*Nil*	..	6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	137.00	100	7.50	8.50	3.50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,985	55,34,728	—3,79,016,	Bird & Co. Private Ltd.	810	Auckland	148.00	100	3.50	10.00	1.00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,05,994	65,302	Birla Brothers Private Ltd. ..	959	Bally	148.00	100	*Nil*	3.50	*Nil*	..	3.9	H.P.
£275,000	£474,807	£1,69,482	£9,25,109	....	Sir John H. Burder (Chairman) ..	1,889	Barnagore	76.00	£5	sh.15	sh.15	*Nil*	*Nil*	3	Y.P.
28,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd. ..	820	Belvedere	64.00	100	10.00	7.50	*Nil*	..	12	Y.P.
45,00,000	38,45,000	57,03,172	31,28,574	2,68,100	Soorajmull Nagarmull	960	Bengal	11.50	10	1.12	1.12	..	..	6	Y.P.T.
91,25,000	2,17,48,383	3,34,10,402	1,45,32,651	4,37,393	Birla Brothers Private Ltd. ..	1,373	Birla	14.19	10	1.00	1.00	1.00	..	3	Y.P.
36,00,000	21,09,926	1,17,00,893	72,35,319	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	70.00	100	9.00	7.50	*Nil*	..	10	Y.P.
7,47,380	3,09,640	42,13,704	31,62,683	—S 31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7.00	10	0.75	*Nil*	*Nil*	..	6.12	H.P.T.
18,00,000	26,46,234	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	91.00	100	9.00	6.50	*Nil*	..	11	Y.P.
59,15,400	76,49,239	2,28,64,628	1,19,60,848	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	100.00	100	3.00	10.00	2.00	*Nil*	3	Y.
25,95,000	23,29,282	82,73,766	57,70,176	8,665	Andrew Yule & Co., Ltd. ..	530	Cheviot	100.00	100	14.00	10.00	2.00	..	11	Y.P.
30,15,000	32,00,000	66,68,762	45,43,686	1,01,927	McLeod & Co., Ltd.	500	Clitheroe	14.00	10	1.25	1.25	0.621	..	6.12	H.P.T.
24,00,000	9,00,000	51,05,385	37,13,287	25,935	Shree Krishna Investment Co.,Ltd	969	Clive	13.75	10	*Nil*	1.25‡	0.50	..	3	Y.P.
81,49,200	44,50,392	1,35,02,698	51,19,167	—8,75,531	Bird & Co. Private Ltd.	766	Dalhousie	50.50	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	40,51,679	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	69.00	100	12.00	10.00	5.00	..	11	Y.P.
24,00,000	34,50,000	83,93,104	60,85,660	79,497	McLeod & Co., Ltd.	500	Empire	14.25	10	1.25	1.25	0.501	..	6.12	H.T.P.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	284.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.53	10	20.00	20.00	0.75K	1.50	3	Y.P.T.
84,32,100	....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	49.00	100	0.50	2.50	*Nil*	..	3.9	H.P.
10,80,000	28,68,948	76,08,097	50,72,167	11,510	M.	607	Gondalpara	550.00	300	*Nil*	*Nil*	50.00	..	12	Y.T.
24,00,000	24,50,000	2,22,48,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,394	Gourepore	215.00	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	40,66,233	1,28,36,137	58,68,639	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	5.00	..	3	Y.P.
16,80,000	18,61,969	66,47,731	47,79,916	—2,95,253	Baijnath Baijoria	720	Hooghly	12.25	10	0.50	1.25	*Nil*	..	3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,96,402	Andrew Yule & Co., Ltd. ..	1,140	Howrah	13.81	10	1.25	0.87	0.25	*Nil*	3	Y.P.T.
52,50,000	28,57,124	1,93,51,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	16.75	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	99.00	O. 125	3.12	4.69	4.69	..	3	Y.
30,000								70.00	100	8.00	2.50	*Nil*	..	6.12	H.P.T.
24,00,000	20,90,135	1,92,31,843	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	71.00	'B' 100	8.00	2.50	*Nil*	..		
19,20,000'B'								45.00	100	6.50	1.00	*Nil*	..	6.12	H.P.T.
30,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanrah	44.00	'B' 100	6.50	1.00	*Nil*	..		
24,00,000															
21,00,000	53,00,000	1,35,18,975	86,26,121	91,333	McLeod & Co., Ltd.	703	Kelvin	198.00	100	20.00	17.50	5.00‡	..	6.12	H.P.
54,00,000	23,33,375	1,96,60,992	1,22,08,770	27,027	Anderson Wright Ltd.	1,530	Khardah	115.00	100	12.50	11.00	5.00	8.00	3	Y.P.
48,00,000	21,53,988	2,30,20,709	98,50,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	115.00	100	7.00	13.00	6.00	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	65.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	45,53,647	1,41,73,943	65,14,075	—7,73,368	Bird & Co. Private Ltd.	840	Lawrence	80.00	100	6.00	6.00	*Nil*	*Nil*	3	Y.P.T.
81,65,200	26,36,645	2,64,13,349	1,26,97,309	1,64,782	M.	1,288	Magma	81.50	100	2.50	9.75	3.75	..	3.9	H.
29,98,990	34,62,100	1,65,70,565	86,70,690	—13,08,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	65.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
20,00,000	15,65,000	29,01,568	18,21,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	12.00	10	1.12	1.25	..	..	4.10	H.T.
35,00,000	41,29,326	31,71,346	10,66,470	17,359	Andrew Yule & Co., Ltd. ..	852	National	24.95	10	2.00	1.75	0.75	..	10	Y.P.
26,25,000	27,00,000	28,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute	11.25	10	0.75	1.00	0.501	..	6.12	H.P.T.
85,50,000	2,86,31,171	4,68,82,343	1,06,43,584	3,35,601	Sahu Jain Ltd.	1,765	New Central	12.12	10	17.00	1.50	1.50	..	12	Y.P.
16,79,880	46,58,882	1,28,54,122	56,38,490	9,227	Bird & Co. Private Ltd.	567	Northbrook	16.44	10	1.25	1.50	1.50	*Nil*	3	Y.P.T.
66,79,500	12,74,591	2,24,42,238	1,39,16,557	20,166	Macneill & Barry Ltd.	1,092	Nuddea	29.00	50	0.50	1.38	1.00	*Nil*	3	Y.P.T.
24,91,000	23,76,049	75,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	81.00	100	10.00	9.00	2.00	..	11	Y.T.
25,00,000	6,28,490	80,86,437	55,22,166	51,595	McLeod & Co., Ltd.	400	Presidency	3.31	5	0.31	*Nil*	..	..	6.12	H.T.
20,00,000	10,325	22,05,784	8,39,136	—8,51,559	Birla Brothers Private Ltd. ..	305	Rameshwara	9.69	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
46,50,000	4,80,552	1,24,75,806	64,70,616	—88,95,290	Jardine Henderson Ltd.	1,276	Reliance	5.60	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
£660,000	£1,093,713	£1,245,244	....	£58,994	Thomas Duff & Co. (India)Ltd...	2,013	Samnuggur	8.75	£1	10%	8%‡1	..	..	3	Y.P.T.
80,00,000	18,14,910	1,15,50,877	79,96,145	7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica	9.95	10	1.00	0.50	..	..	3.9	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Soorah	13.00	10	1.00	1.50	..	..	12	Y.P.T.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,088	Bird & Co. Private Ltd.	650	Standard	49.75	100	2.00	1.00	*Nil*	*Nil*	3	Y.P.T.
£600,000	£925,119	£1,137,660	....	£88,548	Thomas Duff & Co. (India) Ltd...	1,794	Titaghur	8.75	£1	10%	8%‡1	..	..	12	Y.P.
55,98,600	68,80,143	2,01,42,357	89,47,895	—18,51,940	Bird & Co. Private Ltd.	1,826	Union	100.00	100	6.00	10.00	1.00	*Nil*	3	Y.P.T.
£400,000	£688,035	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd...	1,331	Victoria	8.75	£1	10%	8%‡1	..	..	12	Y.P.
2,50,000	6,35,000	58,01,062	40,73,991	11,327	McLeod & Co., Ltd.	457	Waverley	2.87	1	0.50	0.37	*Nil*	..	12	Y.P.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15.00	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	3,49,990	37,46,676	35,26,182	70,971	Jardine Henderson Ltd.	Barakar Coke	31.06	10	1.46	1.46	1.10	0.37	3.9	H.
4,40,350	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.37N	10	0.25	0.62	0.621	..	6.12	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,035	9,44,057	Andrew Yule & Co., Ltd. ..	Bengal Coal	286.00	100	30.00*	35.00*P	17.50	7.50	6.12	H.
2,25,000	4,13,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*	..	12	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	Bhalgora	6.25	10	*Nil*	*Nil*	..	..	9	Y.
40,00,000	8,00,000	1,39,06,662	71,05,188	27,433	Sahu Jain Ltd.	Bharat Collieries	6.19	10	0.62	0.62	..	..	6	Y.P.T.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,536	M.	Bhulanbarare	12.00N	10	*Nil*	*Nil*	*Nil*	..	12	Y.T.
7,50,000	24,18,419	45,87,883	27,10,503	19,563	F. W. Heilgers & Co. Private Ltd.	Borree	15.69	10	2.00	2.00	1.50	..	6	Y.P.T.
90,92,480	69,04,448	4,26,18,001	1,95,98,458	92,891	Bird & Co. Private Ltd.	Burrakur	22.12	10	0.56	0.62	0.68	..	3	Y.P.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	6.40	10	0.25	0.25	0.50	0.50	6, 12	H.T.
3,00,000	13,30,590	49,11,827	33,03,469	69,090	M.	Central Kurkend	11.00N	10	0.25	0.50	0.501	..	3	Y.
6,00,000	1,43,986	7,30,00(1k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churila	2.00	4	0.12	0.06	0.06	..	12	Y.
16,00,000	....	54,02,810	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	*Nil*	*Nil*	*Nil*	..	12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	20.00	£1	2.50	3.00	2.50	1.50	12	Y.
29,63,760	92,06,405	4,10,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	24.06	10	1.50	1.50	1.50	..	4	Y.P.T.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Muslia	14.50N	10	0.50	0.25	..	..	12	Y.P.T.
12,00,000	1,17,609	42,34,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	30.75	50	*Nil*	2.25	2.25	*Nil*	3	Y.
8,00,000	7,25,000	22,40,556	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1.75	2.50	1.50	..	6	Y.P.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	19.00N	10	*Nil*	*Nil*	*Nil*	..	12	Y.
20,00,000	2,21,575	53,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	78.00	100	*Nil*	2.50	5.00	*Nil*	2	Y.
5,00,000	18,90,898	47,55,511	37,70,923	1,88,336	Andrew Yule & Co., Ltd.	Katras Jherriah	49.62	10	4.00	4.50	6.50	6.50	2	Y.
1,58,400	5,72,960	12,85,941	5,72,960	—2,60,236	Berriwala & Co.	Khas Kajora	12.50N	10	*Nil*	*Nil*	..	..	1	H.P.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd...	Kuardi	2.25N	10	*Nil*	0.12	..	..	6, 12	Y.
9,00,000	11,11,926	28,38,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	8.81N	10	0.25	0.12	..	..	6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Naxira	5.50	10	0.50	0.50	..	..	4	Y.
7,00,000	26,10,000	13,15,740	5,20,295	4,260	Amritlal Ojha & Co., Ltd. ..	New Baneedeopur	10.00N	10	1.25	..	..	..	12	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	58,598	Andrew Yule & Co., Ltd.	New Beerbhoom	14.00	10	1.12	1.00	0.75	..	3, 9	H.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	10.56	10	*Nil*	*Nil*	*Nil*	0.50	10	Y.P.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	21.00	10	*Nil*	1.37	1.50	..	3	Y.
1,57,500							18.00	7.50	*Nil*	1.03	1.12	..		
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.00	10	1.00	1.00	0.75	..	12	Y.P.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Priva e Ltd.	Oriental Coal	8.00N	10	0.50	0.25	..	..	12	Y.T.
8,34,000	10,050	19,86,766	8,69,957	61,987	Deepchand Kishenlal	Parasea	12.50	10	0.75	1.00	..	..	12	H.P.
15,75,000	16,30,000	55,17,410	39,02,410	46,388	Shaw Wallace & Co., Ltd. ..	Perch Valley	16.75	10	1.62	1.50	0.70	2.00	6, 12	H.
28,99,500	20,17,105	1,24,35,588	87,36,164	23,188	B. N. Ellias & Co. Private Ltd. ..	Raneegunge	9.12	10	0.50	0.62	0.37	..	3	Y.
13,50,000	10,46,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	15.75xd	10	1.87	0.87	0.751	..	3, 9	H.
20,00,000	37,12,000	88,58,756	22,17,867	9,297	M.	Samla Collieries ..	10.50N	10	0.75	1.00	1.25	..	6, 12	Y.
2,50,000	1,95,802	13,78,480	12,21,237	21,070	M.	Searsole	4.00N	2.50	0.62	0.75	..	..	12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	28.25	7	2.00	2.50	2.25	..	1	Y.P.
8,00,000	5,09,216	52,491	28,887	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	8.00N	10	0.12	0.25	0.25	..	12	H.T.
63,21,450	94,58,536	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)	Singareni	11.15	10	0.70	0.75	1.00	..	6, 12	Y.T.
17,50,000	10,89,693	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	9.00	10	0.12	0.12	0.35	..	12	H.
8,00,000	14,01,063	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	15.00	10	1.50	1.00	1.00	..	2, 8	Y.
10,00,000	....	31,92,994	15,45,502	—5,62,907	M.	Talcher	1.70	2.50	*Nil*	*Nil*	*Nil*	..	12	Y.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Union	18.75	10	0.75	*Nil*	*Nil*	..	9	Y.
49,98,000	66,784	65,72,308	24,18,308	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal	5.25	10	0.37	0.50	0.50	0.50	12	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,058	Macneill & Barry Ltd.	West Jamuria	5.81	10	*Nil*	*Nil*	*Nil*	..	3	Y.
													12	Y.

M—Managed by the Board of Directors. † Less income-tax. (s) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each.
New Jehilli Jute Co. Dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 500 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 115*)

£1,000 cover on the father is a temporary assurance for £200 on the life of the mother. It will remain in force until the father reaches 65. This amount will be varied upwards if the mother is younger than the father and downwards if older. If the mother dies before the father attains the age of 65, the amount of assurance on his life will be increased by £200 until that age is reached.

Similarly, each child is insured from its first birthday upto the age of

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,08,00,000	12,42,652	Allahabad Bank	359.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				179.50	50	9.00‡	9.00	9.00	4.50‡		
1,01,000	16,63,000	2,03,939	Andhra Bank	111.75	100	7.50	6.50	8.00	4.00‡	6,12	H.
40,38,540				97.40	85	3.75	4.54	5.50	3.46‡		
1,00,00,000	1,28,00,000	4,75,752	Bank of Baroda	106.25	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	18.00	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	15,54,924	Bank of India	134.50	50	7.00	8.00	8.00	3.00‡	6,12	R.L.Y.
50,00,000 'A'				133.75	50'A'	...	...	...	3.00‡		
15,30,375	28,00,000	67,486	Bank of Indore	63.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	37.50	50	2.00	2.00	2.50		12	Y.
50,00,000	84,00,000	5,91,911	Bank of Mysore	249.50	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
15,00,000	82,00,000	83,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00		12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80.00	50	5.00	5.50‡	5.00‡		12	Y.P.
5,72,220 'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	176.50	100'A'	12.50	12.50	15.00		12	Y.
23,787 'C'				1.86	1'C'	12½%	12½%	15%			
2,62,11,375	4,02,77,123	18,23,048	Central Bank of India Ltd.	52.50	25	3.00	3.00	3.50	1.50‡	12	R.L.Y.
62,42,375				55.50	25	3.00	3.00	3.50	1.50‡		
50,00,000	34,50,000	2,13,141	Devkaran Nanjee Banking Co.	47.25	50	2.00	2.50	3.00	1.50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	33.25	50	1.50	3.00	3.00		12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank	8.50	50	*Nil*	*Nil*			12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank	8.00	50						
44,00,000	90,50,200	8,13,491	Indian Bank	206.00	100	12.00‡	12.00‡	13.00	6.50‡	6,12	R.L.H.
21,82,615				173.00	80	7.20‡	7.75	9.75	5.20‡		
55,45,375	86,00,000	2,52,286	Indian Overseas Bank	148.50	100	6.00	7.50	10.00		12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	37.50cd	25	1.50	1.87	1.87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	54.50	25	3.00	3.50	4.00	2.50‡	12	Y.
1,00,00,000	26,50,000	45,989	Travancore Bank	13.75cd	25	0.75	1.00	1.00		12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7.60	5	0.24	0.37	0.44		12	H.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	62.00	50	2.50	2.75	3.50		12	Y.

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.)

£,3,500,000	£5,000,000	£400,308	Chartered Bank	£1-16-9	£1	15†	15†	15†		12	Y.
H.K.$25,000,000	H.K.$128,000,000	H.K.$11,039,578	Hongkong and Shanghai Banking Corporation	£4$\frac{1}{2}$	H.K.$125	5*	5*	5*		12	Y.
			Lloyds Bank	£2-2-6	£1	15†	12†	13†		12	Y.
£18,565,070	£17,500,000	£712,060		£6-5-0	A £2$\frac{1}{2}$	14†	14†	14†			
£375,000 'A'				£6-5-0	B £2$\frac{1}{2}$	14†	14†	14†		12	Y.
£375,000 'B'	£2,000,000	£224,521	Mercantile Bank Ltd.	—	C £1	14†	14†	14†			
£720,000 'C'											
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£1-0-0	sh. 12$\frac{1}{2}$	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92.00	1st June 1963
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February 1960
10,00,000	5	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	90.00	1st November 1959-64
10,00,000	4	1st May and 1st November	Walchandnagar Industries (New)	1944	91.00N	1st November 1959-64
25,00,000	4½					
COAL						
20,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June 1957 (e)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December 1969 (e)‡
COTTON						
8,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur Cotton	1897	89.00	15th November 1966 (b)
78,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March 1972 (a)
13,71,000	5½	30th June and 31st December	Jaykrishe Textiles	1949	90.00N	1st January 1956-59
89,00,000	5	1st June	Tata Mills	1951	93.50	15th November 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March 1965 (e)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.		97.00	14th June 1960
98,28,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December 1964 (a)
£4,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	31st January 1970 (a)
25,00,000	4	30th June and 31st December	Goreprere Electric Supply Co., Ltd.	1945	84.00	31st December 1970
13,80,000	5	1st January and 1st July	Sijua (Dherriah) Electric Supply Co., Ltd.	1951	91.00	30th June 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1929	95.00	1st April 1950-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September 1953-63
47,73,000	5	1st April and 1st October	Tata Power	1940	99.00	1st July 1970
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June 1958
20,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.50	1st July 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	84.00	31st May 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.25	1st October 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	91.00	31st March 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December 1964
10,00,000	5	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June 1960
10,00,000	4½	31st January and 31st July	Calcutta	1949	86.00	31st July 1959
10,00,000	5	30th June and 31st December	Chiksaisah Jute Mills	1951	89.00	30th June 1966
10,69,500	5	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March 1969 (a)
20,48,000	5½	15th January and 15th July	Empire	1951	90.00	15th July 1966 (a)
8,86,000	5	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March 1970
80,00,000	5½	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December 1964 (a)
25,00,000	5	30th June and 31st December	Naihati	1952	90.00	31st March 1967 (a)
25,00,000	5½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May 1959
5,00,000	4½	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December 1964
20,00,000	4	30th June and 31st December	Presidency	1943	85.00	30th June 1958
8,00,000	4	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September 1965 (a)
25,00,000	5	14th March and 14th September	Soorah Jute	1937	91.00	14th September 1957
8,00,000	4½	30th June and 31st December	Union	1937	90.00	30th June 1957
12,00,000	4½	31st January and 31st July	Waverly	1925	80.00	31st July 1966
10,00,000	8½					
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.10N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter 1st October 1974
£189,363	5	1st April and 1st October		1933	£74.10N	
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December 1959 (a) Any time on six months' notice (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September 1963
PLANTING						
12,50,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April 1958-68
1,56,500	5½	31st March and 30th September	Teekoy	1944	100.00	31st March 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December 1962
8,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.25	1st September ..1964-69 (a)§
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.00	1st October 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September 1960
1,00,00,000	4	31st March and 30th September	Dalmia Cement Bharat Ltd.	1946	87.00	1960
1,30,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January 1971(c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00	30th June 1969 (d)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	95.00	1964
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	500.00	30th September 1976 (a)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December 1972 (a)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	99.00	30th June 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March 1961 (e)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May 1968(e)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 8 months' notice at any time at 2 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years at Rs. 100-8 per cent. after 12 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1969, six months' notice.
†† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 23rd January 1958.

	Closing quotations 16-1-1958	High	Low	Closing quotations 23-1-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	118.00	125.00	118.00	122.50
Apollo (2)	2.00	2.02	2.00	2.00
Bombay Dyeing (25)	50.70	52.30	50.70	51.50
Bradbury (50)	152.50	—	—	152.50
Central India (100)	84.00	87.00	82.00	86.50
Century Mills (100)	392.00	401.25	389.00	392.00
Colaba (100)	53.00	56.00	52.50	56.00
Edward Textile (200)	221.25	—	—	221.25
Elphinstone (50)	48.00	—	—	48.00
Finlay (100)	259.00	264.00	258.00	264.00
Gokak (100)	156.50	160.00	156.50	160.00
Ind. Untd. Defd. (1)	1.28	1.32	1.28	1.28
Ind. Untd. Ord. (10)	9.64	9.92	9.64	9.64
Indore Malwa (100)	118.00	123.00	118.00	119.50
Khatau (100)	143.75	152.00	148.50	152.00
Kohinoor (100)	265.00	273.50	264.00	268.50
Lakshmi (250)	432.50	452.50	432.50	437.50
Minerva Mills (100)	71.00	71.30	71.00	71.30
Model Nazpur (250)	178.75	180.00	177.50	180.00
Morarji (100)	202.50	206.00	204.00	205.00
Mysore (50)	95.00	99.50	95.00	99.50
National Rayons (100)	215.00	225.25	214.25	221.75
New City (100)	125.00	—	—	125.00
New Great (100)	222.00	224.00	223.00	223.00
Phoenix (100)	116.25	126.25	116.25	126.25
Podar Mills (100)	140.00	146.00	140.00	145.00
Sassoon Silk (10)	7.24	—	—	7.24
Sassoon Spg. (10)	30.50	—	—	30.50
Sholapur (1,000)	700.00	700.00	640.00	640.00
Shrinivas (100)	140.50	143.00	141.25	143.00
Simplex (50)	157.50	161.50	159.00	160.00
Standard (100)	392.50	410.00	393.50	404.00
Svadeshi (100)	169.00	174.00	168.50	170.50
Swan (100)	324.50	—	—	324.50
Tata Mill (25)	38.75	41.50	38.50	40.50
Vishnu (100)	93.75	95.00	93.75	95.00
Western India (1,000)	4,520.00	—	—	4,520.00
BANKS				
Bank of India (50)	133.50	135.25	133.50	135.00
Do. (New) (50)	135.00	136.00	135.00	136.00
Bank of Baroda (50)	106.00	107.00	106.00	106.25
Central (25)	52.50	52.50	52.00	52.50
Central 'A' (25)	56.00	56.50	56.00	56.50
Dena Bank (50)	47.25	—	—	47.25
Punjab National (25)	50.00	54.50	50.00	54.00
Union Bank (5)	7.56	7.64	7.52	7.60
United Com. (50)	61.00	62.50	61.00	62.50
ELECTRIC COS.				
Ahmedabad (100)	95.00	95.00	94.50	94.50
Amalgamated (10)	10.16	10.16	10.08	10.12
Andhra Valley (1,000)	1,098.75	1,098.75	1,096.25	1,098.75
Bom. Sub-El. (100)	107.00	—	—	107.00
Surat (100)	108.00	—	—	108.00
Tata Hydro (100)	113.00	113.50	113.00	113.00
Tata Power (1,000)	1,140.00	1,141.25	1,132.50	1,132.50
INSURANCE COS.				
British India (10)	12.76	—	—	12.76
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	40.75	41.50	40.75	41.50
Jupiter (15)	9.20	—	—	9.20
New India (15)	49.50	49.75	49.00	49.25
Oriental (200)	3,980.00	—	—	3,980.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	16.12	—	—	16.50
STEEL COS.				
Ind. Iron (10)	19.32	20.24	19.48	19.84
Tata Steel Ord. (75)	166.25	174.50	167.50	171.75
SUGAR COS.				
Belapur (50)	232.50	236.00	233.00	235.00
Bhopal (10)	19.20	19.60	19.20	19.40
Phaltan (50)	145.50	151.00	146.00	149.00
Walchand Ind. (100)	270.75	273.75	270.25	273.75
CEMENT COS.				
Associated Cts. (100)	149.25	155.00	149.00	152.75
Digvijay (100)	135.00	136.00	134.00	135.00
MISCELLANEOUS				
Alcock Ashdown (100)	215.00	220.00	216.25	217.50
Bom. Burmah (125)	524.00	540.50	522.50	534.00
Do. (New) (50)	201.25	204.25	201.25	202.50
Br. B. Petrol (4 sh.)	1.74	1.82	1.74	1.80
Br. Cotton (5)	3.82	3.90	3.80	3.84
C. P. Ely. (100)	57.50	—	—	57.50
Hindusthan Motors (10)	5.68	6.20	5.68	6.12
Indian Copper (2 sh.)	2.84	2.92	2.84	2.86
Ind. Inv. Tr. (100)	66.00	71.00	66.20	71.00
Killicks (100)	156.50	158.00	156.50	158.00
Polson (100)	170.00	—	—	170.00
Pre. Automobiles (100)	87.00	88.00	86.50	87.00
Premier Cen. (20)	158.25	164.00	158.00	161.50
Scindia (20)	18.00	17.80	17.16	17.48
G. E. Shipping (10)	19.00	20.28	19.02	20.28
Shivrajpur (10)	86.00	87.00	84.50	87.00
Tata Chemicals (10)	12.24	12.72	12.20	12.44
Tata Locomotive (100)	138.50	144.50	138.75	141.25
Tata Oil (25)	35.00	37.25	35.00	36.75
W. I. Match (100)	171.25	—	—	171.25

GOVERNMENT SECURITIES	16-1-1958	Gross Yield Earlier Redemption	Later Redemption	23-1-1958
	Rs. nP			Rs. nP
2½% 1961	94.55	—	4.17	94.60
2½% 1960	97.40	—	3.83	97.45
2½% 1962	94.60	—	3.97	94.70
2½% 1976	83.10	—	4.03	83.10
3% 1958	99.80	—	3.28	99.80
3% 1959–61	98.95	3.70	3.28	99.10
3% 1964	94.10	—	3.98	94.15
3% 1963–65	93.75	4.23	3.92	93.75
3% 1966–68	91.60	4.16	3.95	91.70
3% 1970–75	85.75	4.48	4.14	71.00
3% 1986 Con. Loan	71.00		4.22*	100.60
4% 1960–70	100.60	3.77	3.94	100.60
4½% 1958–68**	101.50	3.24	4.44	100.60
3½% 1961 N.P. Bonds	99.65	—	3.59	99.70
3½% 1964 N.P. Loan	97.75	—	3.88	97.75
3½% 1965 N.P. Bonds	97.60	—	3.89	97.60
3½% 1962	97.90	—	3.76	97.90
3½% 1967 N.P. Bonds	97.60	—	3.79	97.60
3½% 1974	98.25	—	3.89	98.25
3½% 1967 N.P. Bonds	99.60	—	3.80	99.60
4% 1972 Loan	100.00	—	4.00	100.00

BRITISH GOVERNMENT SECURITIES

	Closing quotations 9-1-1958 £			Closing quotations 17-1-1958 £
2½% Brit. Consols	47⅛	—	—	47⅛
3% Savings Bonds 1965-75	69⅜xd	—	—	70⅜
3% War Loan 1955-59	96⅛	—	—	96⅜
3½% War Loan	63⅜	—	—	63⅝
4% Victory Bonds 1976	93⅛	—	—	92⅝
4% Funding 1960-90	86⅛	—	—	87⅜

* Current Income. x.d.—Ex-dividend. ** Rupee Counterpart x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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UNREALISTIC ADVICE

THE advice tendered by the Panel of Economists to the Planning Commission early this week on rephasing of the Plan is extremely disappointing. Their recommendations are hedged in with so many qualifications that many of them are not quite intelligible and, in the case of those the meaning of which is clear, there is lack of realism. It looks as though the experience of the second Plan during the past 22 months has meant nothing to them. The failure of the Plan to progress along the lines envisaged by the majority of the planners and their advisers and its serious shortcomings that are as plain as daylight have brought about no change in their outlook. Excepting Prof. Shenoy, whose views are well known, all of them still maintain that "they are convinced that there was nothing basically over-ambitious in the initial targets of the Plan." One can understand politicians refusing to admit facts, but it is a bad day for the country when its teachers also do so. Not content with saying that the Plan was not over-ambitious, they give the naive explanation that, "if the Plan has run into difficulties, it is because of the inadequacy of effort, mainly organisational, that has so far gone into its implementation." What an explanation! While, of course, this is one of the reasons, it is by no means the main one. The main cause lies in the facts that the Plan sought to achieve the impossible and that when this was pointed out in good time by many eminent economists and financiers, both in India and abroad, the authorities turned a deaf ear to them. The Plan as it was framed has completely gone out of shape, because its authors concentrated too much on what should be done instead of on what could be done and how it could be done. It is depressing to find that most of our economists continue to make that mistake even now, despite all that has happened during the last two years.

In all sixteen economists participated in the discussions on the Plan. They were: Prof. D. R. Gadgil, Prof. V. L. D'Souza, Prof. C. N. Vakil, Prof. B. R. Shenoy, Dr. V. K. R. V. Rao, Dr. P. J. Thomas, Dr. K. N. Raj, Dr. S. R. Sen, Dr. S. K. Muranjan, Dr. B. K. Madan, Dr. D. T. Lakdawala, Dr. B. N. Ganguli, Mr. B. N. Datar, Mr. M. L. Dantwala, Mr. D. S. Savkar and Mr. J. J. Anjaria. As stated at the outset, Prof. Shenoy has again disagreed with the majority of his colleagues on their conclusions and recommendations, but no statement has been made to the public giving details of his disagreement, though his views are common knowledge now. It would appear from their statement to the Press, giving the gist of their meeting and conclusions, that, besides the elucidation of the problems facing the Government by the Finance Minister, the Panel was furnished by the Planning Commission with a statement on the progress of the Plan outlay in both the public and private sectors and on the lines along which the Plan was being rephased. It would have been helpful to commentators in the Press if this statement also had been made available to them. The Planning Commission would have lost nothing by giving publicity to such information. After all, the public has had no comprehensive progress report on the second Plan, though nearly two years are over since its implementation began.

The members of the Panel say that they did not have sufficient time to examine all the material placed at their disposal. And yet they chose to give serious advice to the authorities as to how they should go about the rephasing of the Plan. This is, indeed, an extraordinary thing to do. It is doubtless uncharitable to attribute motives, but one cannot help feeling that this prefatory qualification to the entire statement is a safety valve to escape responsibility later on. It would be easy for these economists to say in future, for instance, that what they said early this week was only tentative. Surely, the distinguished economists could have spent a couple of days more in the bracing climate of New Delhi and considered all the aspects in full at some leisure before formulating their recommendations. Where was the need to hurry through? A few days' delay would have made little difference to the nation.

The first subject referred to in the Panel's statement pertains to inflation. While the Panel is perfectly right in pointing out that the Plan has generated "a large inflationary potential even in its early stages" and that the heavy deficits in the balance of payments have counteracted the inflationary pressure so far, it is not convincing when it asserts that it "is definitely of the view that inflationary pressure has not been in the past nor is likely to be in the future such that it cannot be held in check by appropriate policy, including direct controls at particular points." The rise in prices and cost of living since 1955 is there for all to see. That this rise has led to an increase in the salary and wage bills in both the public and private sectors without bringing about any corresponding improvement in productivity cannot be denied. The recent increase in the dearness allowance of bank employees and the interim increase awarded by the Pay Commission for Government servants are the latest instances to substantiate this contention. There is also no indication to believe that the upward trend in the wage bill has come to a halt. If inflationary pressures could not be effectively held, despite heavily drawing down the external reserves, it is extremely risky to proceed on the assumption that they could be successfully subdued when the cushion of foreign exchange reserves is gone for all practical purposes and no reserve of food exists. Past experience of direct controls, of which we have had plenty, is not happy. The efficacy of such controls is limited and they only postpone the day of reckoning. The penalty for the countries (including India) that practised direct controls during the war and early post-war years was devaluation, besides severe hardship to the vast majority of the masses. If this country decides to accept the aforesaid advice

Administration. Nothing could be more conducive to the growth of communism than such a situation. Indeed, the more one thinks about this aspect the plainer becomes the lack of realism in the economists' approach. They have themselves discovered several shortcomings in organisation and co-ordination which have worked to the serious detriment of the Plan. Nevertheless, they expect every one to believe that the same Administration is competent enough to work a complicated system of direct controls to hold the fresh flood of inflation that will be generated by further deficit financing.

The Panel is of the view that a plan of Rs. 4,800 crores at today's prices should be feasible, but it has been careful enough to add some riders to this statement. It has thus stated that an investment of Rs. 4,800 crores will be possible only if (a) external resources of the order of Rs. 700 crores are forthcoming, (b) there is a considerable increase in the efforts to mobilise domestic resources in all forms, and (c) utmost care is taken to see that all available resources are fully utilised and that all the expenditure that is incurred comes to fruition without loss of time. To what extent can these conditions be fulfilled? It is the business of economists who undertook the responsibility of giving advice to the Commission to provide the answer in the light of a true assessment of the position. It must be said to their credit that they have made an attempt in this direction. Only, their conclusions sound hollow or over-optimistic.

Apparently, the large tax efforts made in the last two years, the country-wide campaigns launched to garner the savings of the people, the total nationalisation of life insurance and the enormous control the State has been exercising over the money market—all these efforts by the Government have not convinced the Panel that enough has been done to mobilise internal resources and to channel them along the lines planned. This inference is irresistible, because the Panel says that, "considering that the rate of domestic savings implied in an investment target of this order is by no means high, it should be possible to devise ways and means of raising the resources required, without causing serious strains in the process." In the opinion of many competent observers—as well as that of this journal—the people of this country have already been squeezed enough; the level of taxation is so high today that it has led to serious strains in the economy. The Industrial Delegation that visited the major Western countries in the latter half of last year has stated that the road to further progress is blocked, as sufficient internal resources are not available. Several State Governments also have found from experience that the job of extracting financial resources from the people of this country by asking them to tighten their belts further is not easy of accomplishment. If, however, the fifteen out of the sixteen economists who participated in the Panel's discussion feel that these contentions are wrong, they must in fairness to their profession, show how more resources could be raised without causing serious strains. They ought to draw up and publish for the edification of the public the blue-print of a practical scheme for raising more resources. Indeed, they will be doing a real service to the country, if they can clearly show the way out. What is needed now is positive action and not empty statements.

On the question of foreign exchange required to implement a plan of Rs. 4,800 crores (even at today's prices), will the gap be only Rs. 700 crores? It is not known how the gap has been estimated, whether it includes or excludes the new American loan of about Rs. 106 crores. As the Panel met after this loan was made public, it is reasonable to presume that allowance has been made for it. In any case, the Finance Minister himself is reported to have remarked that the foreign exchange gap in the Plan was much greater than was originally estimated. It is, however, not clear to which estimate the Finance Minister was referring; there are several of them. But even assuming for argument's sake that the gap is only Rs. 700 crores, what are the chances of bridging it? The economists themselves say that, after taking note of the assessment of the position by the authorities, even the figure of Rs. 700 crores is a large one and that "it cannot be assumed that external assistance of this order will be forthcoming." Why then have they taken the view that a plan of Rs. 4,800 crores is feasible? Since unsubstantiated assumptions and unwarranted hopes about filling the foreign exchange gap through external assistance were one of the basic causes for the second Plan going awry, the economists ought to have been doubly careful in lending even qualified support to the target of Rs. 4,800 crores. They should have been realistic enough to suggest that the planning authorities should no longer gamble on getting billion-dollar gifts and that the size of the Plan should be reduced to the external assistance which could be regarded as possible in the present circumstances. Instead, they have given the following advice to the Planning Commission:

> "While the rephasing of the Plan has, at this stage, to proceed on the assumption that the foreign exchange gap will be covered by additional resources from abroad, it is necessary at the same time to be prepared to take whatever corrective measures are required against the contingency of external assistance falling short."

Here is a typical instance to prove our contention at the outset of this article that the economists have ignored the lessons of the grave mistakes made in the preparation of the second Plan. Are not half of India's current difficulties, frustrations and disappointments due to the assumption that somehow or other the foreign exchange required could be found? If the rephasing of the Plan also were to proceed on such a dubious assumption, it would mean either that the planners are incorrigible optimists or that they are incapable of learning even from experience. Further, are there any corrective measures which can effectively meet the contingency envisaged by the economists and if so what are they? If there are any correctives, why not apply them now to set right the defects arising from similar assumption made earlier? The economists would have probably strengthened their argument had they indicated the type of correctives that could be applied in case the contingency anticipated were to materialise.

The economists are, however, perfectly justified in stating, as a general principle, that "in executing programmes of industrial development, care should be taken not to spread out effort in too many directions at the same time but to try to concentrate effort on lines of production strategic to future development and to try to make them as early as possible more or less domestic-based rather than import-based." Equally right they are when they say that "it is necessary, in view of the shortage of both external and internal resources, to secure the maximum economy in the outlay of resources for the end-results in view" and that "all postponable expenditure should be abandoned and a strictly utilitarian approach adopted in the matter of all construction work and the provision of amenities." The same is also true of their advice on the deferred payments system. The Finance Minister had asked them to state their views specifically on the extent to which it would be safe to incur further liabilities by way of deferred payments and to indicate the criteria for entering into further commitments on this basis. The economists' reply to this request is as follows:

> "It is arguable that further commitments can be taken on, if deferred payment terms are available and no payments fall due within the next four or five years. It is important, in this context, to remember that the finding of complementary internal resources for these projects will impose an additional strain on the economy. There are dangers in permitting an unco-ordinated increase in investments in the private sector merely on the ground that no immediate foreign exchange expenditure is involved. However, exceptions could be made in particular cases where there is substantial import-saving or export-earning accruing in a short time. It is, of course, assumed that a similar discipline would be exercised in regard to extension of liabilities for the public sector."

The foregoing criteria are undoubtedly sound and should be strictly observed if the country is not to get into embarrassing difficulties in future on the foreign exchange front.

EXPORT PROMOTION

ONE of the principal ways in which the foreign exchange gap can be closed is export promotion. It is, therefore, quite natural that the Panel of Economist, which tried to tackle the task of rephasing of the second Plan early this week, should have paid some thought to this question. But, unfortunately, the Panel seems to have given only cursory consideration, possibly because it was not asked to go into the subject at any great length. The Panel has urged a review of the existing export policies, with a view to setting apart a larger proportion of domestically produced goods for export. It has also briefly indicated as to how this could be done. "Besides fiscal measures to assist this redirection of resources," says the Panel, "there may be need for extension of State trading and, under certain circumstances, for more direct action by way of controls and allocation."

Fiscal measures can be used in two ways to promote exports. One is the punitive method, as is the case with cotton textiles which are subjected to very high rates of excise duty, so that the domestic market for cloth may be depressed and the producers compelled to seek an export outlet. Similarly, cotton mills are permitted to install automatic looms on the distinct understanding that the increased production that will be secured through this new capacity will be exported. This directional control also is of a punitive nature. Such penal measures are not productive of sustained results, especially in the case of highly competitive manufactures like textiles. It is true that in 1957 exports of cotton goods were higher than in 1956, but this increase cannot be solely attributed to the penal excise duties; in any case, it is not appreciable as compared with the gain made by the Japanese cotton mills, which have maintained the first place in the world export of cloth for the seventh successive year. The fact that the scheme for introducing automatic looms has not evoked much enthusiasm among the millowners also goes to prove the correctness of our contention. With more and more cotton mills being established in every part of the world, with countries like Australia and the U.K. thinking in terms of placing restrictions on imports of textiles even from Commonwealth nations, with China, Soviet Russia and East European countries entering the world textile markets, and with all the adverse implications of the European Common Market to Indian cotton textiles, how many millowners in this country have the courage to incur large capital expenditure on putting up highly modern automatic looms? By following the present negative policy, the Government is actually undermining the future of an important export industry, if not hastening its end. It is only making the long-term aspect of the problem of foreign exchange more difficult. It is, therefore, to be hoped that the authorities will not treat the economists' suggestion as an endorsement of their unhelpful fiscal policy and directional control or quote it in favour of their continuation. On the contrary, they should view it from the other way, namely, the positive one, under which producers are given fiscal reliefs for stepping up their exports and all facilities for strengthening their competitive capacity.

The theoretical bent of mind of the distinguished economists seems to have had the better of them while examining the problem of exports also. For there seems to be no other explanation for their dragging State trading into the picture. The limited experience of the State Trading Corporation in the sphere of export trade is by no means encouraging to warrant the belief that the Government can fare better as a trader in the competitive international markets than private enterprise. The Export Promotion Committee, of which Prof. V. L. D'Souza, one of the members of the Panel, was the Chairman, attached no special importance to State trading as a means for promoting exports. Stating that it was too early to judge what contribution the State Trading Corporation had made in promoting exports from India, the Committee supported the view that the Corporation should avail itself of expert professional advice from experienced persons, that Government should not give it any privileges or facilities that are not available to the private sector and that the Corporation should not be given monopoly rights to export a commodity, unless private traders, individually or collectively, are unable to promote its exports. It is not surprising that the D'Souza Committee showed no enthusiasm for State trading, because all the principal export merchandise—tea, jute goods, cotton manufactures, raw cotton, oilseeds, metallic ores and scraps, tobacco, mica, raw wool, hides and skins—are such that it is beyond the competence of a democratic Government to make a good job of it. Some may argue that the Government can always take the assistance of experts either for money or for love of the country. But experience in India, as well as elsewhere, shows that an advisory body of counsellors who have no significant stake of their own or responsibility for the actual conduct of business is not a satisfactory device. The incident that took place in the L.I.C., now a subject matter of judicial enquiry, may conceivably occur in State trading as well.

INVESTMENT MERITS OF INDIAN OXYGEN

OUTLOOK FOR TEXTILES—U.S. COTTON—TIN AGREEMENT—AUSTRALIAN TARIFFS

THURSDAY, 5 P.M.

THIS has been a dull week for almost all the markets. Even the events which were expected to materialise have not done so. The Government's decision on the recommendations of the Cotton Advisory Board regarding exports of short-staple cotton, for instance, has not been made known upto the time of writing, though it is long overdue. There is really not much for the Government to do in this respect, except to check up the basis on which the Board has made the suggestions. The delay in the announcement of export quota is, therefore, intriguing. Meanwhile, the trend of cotton prices has been firm, with operators taking a bullish view of the prospects for the rest of the current season. The futures section will have shot up by now but for threats of intervention by the Forward Markets Commission. The other commodity markets are ruling somewhat quiet, following the latest crop reports which point to a slight improvement in size over the earlier estimates. Castor is the only exception in oilseeds. While the crop estimates of this seed have been revised downwards, export demand has been good. In the bullion market, speculators' attention has shifted from silver to gold, the floating stocks of which have shrunk, arrivals are small and demand is brisk.

MARKET GOSSIP

The undertone of Stock Exchanges all over the country is quite steady. Prices have been fluctuating within a small range, but the trend has been irregularly upward. There seems to have been some revival of investment buying; it is quite possible that a section of investors may have begun to feel that the markets have turned the corner and that it was worthwhile averaging their investments. It is now fairly well known that most of the cotton mills in Bombay which will shortly announce their results for 1957 will show either losses or a very marked fall in profits. But this has not deterred cotton mill shares from edging forward. The reason for this is psychological. Reports from the cloth and yarn markets are still favourable and operators think that the worst is over for the cotton mill industry and that 1958 will turn out to be better than 1957. With full eleven months still to go, it is, however, too early to take any such definite view of the outlook for the cotton mill industry. There are still many imponderable factors. The raw cotton supply position is getting tight and prices have been steadily moving against the mills. The Wage Board for textile industry has been working in right earnest and its findings will be out in the course of this year. Again, one does not know yet how the export trade in cloth will fare. All available signs are by no means auspicious, what with the lower foreign exchange earnings of the countries which provide the markets for Indian cloth and the persistent efforts of Lancashire to get a ceiling imposed on imports of cotton textiles into the U.K.

The Central budget for 1958-59 is ahead of us by less than a month from now. Yet there is hardly any speculation about it. At one time, it was thought that there would be some relief in taxation. This was based on the belief that the Finance Minister must have come back from his foreign tour fully convinced of the need for giving some incentive to investors. At present, this belief is not that firmly held, as there are serious doubts whether Mr. T. T. Krishnamachari will remain as Finance Minister till 28th February 1958. Indeed, there are already repeated, unconfirmed but uncontradicted reports that he has tendered his resignation to the Prime Minister. The trend of evidence before the Chagla Commission regarding the L.I.C's investments in the Mundhra group of shares has given rise to these doubts and reports. In view of this uncertainty, shrewd operators prefer to wait and see.

* * * *

The long awaited public issue of the Indian Oxygen Ltd. has been announced, the details of which will be found on pages 182-184 of this issue. It is one of those issues in which the Indian investor has been given a welcome opportunity to participate in successful and promising foreign companies in this country through the offer of shares held by the foreign holders or through a fresh issue of shares. In the last two years, we have had a chain of such issues, the most recent one being by Philips India Ltd. Before that we had Guest, Keen, Williams, Hindustan Lever, National Carbon and Imperial Tobacco. All these issues were offered at premiums of varying degree and were found to be relatively more attractive to investors as compared with the returns available on comparable equities quoted on the stock exchanges. They were, therefore, heavily oversubscribed, in spite of acute stringency in the capital market. If the success of the earlier issues is any guide, the issue of Indian Oxygen, too, should have an equally favourable reception. The details of the offer, the working of the Company in recent years and the future prospects, all indicate that there is no reason to take a contrary view.

The Company, working as a private limited firm under the name of Indian Oxygen and Acetylene Company, Ltd., is more than two decades old and is well known in this country. It was only a fortnight ago that it was converted into a public limited company. Simultaneously, its name also was changed to Indian Oxygen Ltd. It has all along been a wholly-owned subsidiary of the British Oxygen Company Ltd. of London, its entire paid-up capital of Rs. 2 crores, made up of 2,000,000 ordinary shares of Rs. 10 each being held by the British Company. Out of its holdings, the British Oxygen is offering now 600,000 shares of Rs. 10 each to the Indian public at a premium of Rs. 3.50 per share. The entire issue price is to be paid on application. A part of the offering, namely, 30,000 shares, is being reserved for the employees of the Company.

The shares now offered to the Indian public are entitled to any dividend that may be declared in respect of the year ending 30th September 1958. The Company had paid a dividend of 10 per cent. per annum for the past three years on a capital of Rs. 1.32 crore. Quite recently, the Company issued 680,000 new ordinary shares of Rs. 10 each to the British Oxygen Company Ltd. at par, raising the paid-up capital to Rs. 2 crores. If there are no adverse factors, the Directors expect that the profit for the current year should be sufficient to justify the payment of a dividend of 10 per cent., free of income-tax. This means that the dividend of 10 per cent. will be on a higher capital of Rs. 2 crores and will require Rs. 6.80 lakhs more than that distributed in the previous three years. Apparently, the Directors are confident that this extra amount can be found. It may be noted here that dividend is covered three times by profit. On the basis of this expected dividend and at the issue price, the yield works out to 7.4 per cent. per annum, free of income-tax. This compares favourably with that of 7.2 per cent per annum, provided by the recent Philips issue. This scrip, which was offered at Rs. 12-8, is now standing in the neighbourhood of Rs. 14, thereby registering a gain of Re. 1-8 over a period of about 2½ months.

The performance of Indian Oxygen during the last few years has been very encouraging, in that the sales have risen nearly fourfold within a decade from Rs. 1.08 crore in 1947-48 to Rs. 4.18 crores in 1956-57. The profit before providing for depreciation and taxation has gone up from Rs. 36.23 lakhs in 1952-53 to Rs. 82.52 lakhs in 1956-57. The net profit, after depreciation and taxation, shows a rise from Rs. 15.37 lakhs to Rs. 31.49 lakhs. Of the net profit of Rs. 31.49 lakhs for 1956-57, a sum of Rs. 11.44 lakhs was set aside for additional depreciation and development rebate.

The Company is claimed to be the main supplier of India's requirements of industrial and medical gases and equipment for welding and various other processes involving the use of industrial gases. The prospects for the Company are closely connected with the industrial development of the country. The development plans, particularly those of the steel industry, are expected to cause a further very substantial increase in demand for the Company's products. With this prospect in view, the Company has undertaken a replacement and expansion programme, which includes the setting up of a new industrial undertaking for the manufacture of gas welding and cutting equipment. The programme is expected to be completed by 1960 at an estimated cost of Rs. 3.21 crores. Of this expenditure, a sum of about Rs. 1 crore has already been incurred and the balance of Rs. 2.21 crores is to be expended in the three years ending September 1960. A part of this will be met by the net sale proceeds of the present offer, which will be made available by the offeror (British Oxygen Company) as loan for a period of seven years. The replacement and expansion programme of the Company involves an expenditure in foreign exchange equivalent to Rs. 1.43 crore. Of this, the equivalent of Rs. 68 lakhs has already been met by the recent issue of shares to the parent Company. For the balance, the Company is carrying on negotiations with the I.C.I.C. of India Ltd. and intends approaching the Commonwealth Development Finance Company Ltd. of London.

The success of the issue is assured by the fact that the I.C.I.C. of India Ltd. has underwritten the whole issue.

* * * *

A cloud of uncertainty had for long hung over the future U.S. cotton policy. Speculation was rife as to the probable shifts in policy. Various rumours, often conflicting ones, were quick to sprout and fade. The net effect of this uncertainty was to leave the futures markets in American cotton in a state of flux. Even the U.S. President's annual farm message to Congress on 16th January has not completely dispelled all doubts about the future, though the Administration's policy in respect of farm surpluses is clear. Whether its policy will be approved by the U.S. Congress remains to be seen. The President's message has made it clear that the Administration stands for lower support prices and larger acreage allotments. Mr. Eisenhower has pleaded for more flexibility in the price-support formula and suggested that the support level should range between 60 and 90 per cent. of parity, as compared with the prevailing range of 75 and 90 per cent. of parity, so as to permit the growth of market needed to absorb the production and to make cotton competitive with other fibres.

The President has also asked the Congress for authority to increase acreage allotments for cotton and other crops by 50 per cent. over their present levels. There is a considerable volume of opinion in the U.S. in favour of the modification of farm policy on these lines. Critics of the current policy argue that Government aid, with its attendant restrictions and controls, has underwritten inefficient operations and blocked production adjustments that would occur in a free market. This view is echoed by the National Cotton Council of the U.S. which is reported to have represented to Mr. Benson, the U.S. Secretary of Agriculture, for an immediate increase in the next season's cotton acreage. The Council has pointed out that an enhancement of acreage is necessary because of the low quality of the 1957 crop and the shortage of supplies of better grades. Further, the Council would appear to have suggested a system which would permit low-cost farmers to increase the land sown to cotton, provided they were prepared to accept lower support prices. In principle, this proposal is in line with the policy of the Administration. But there is considerable opposition to it from the high-cost farmers who consider it the thin end of the wedge which would ultimately force them to stop growing cotton. Reports from Washington suggest that the latter group has the support of many prominent Congressmen who, informed quarters believe, would stoutly oppose a drop in the "floor" of the support level.

It is thus too early to say whether the modifications in policy suggested by the President would materialise. But cotton circles outside the U.S., especially in Liverpool, believe that a basic change in the U.S. policy is very likely. The President of the Liverpool Cotton Association, Mr. Arthur Byrne, for instance, cited three reasons in support of this view. First, heavy export movement over the past two years, coupled with the heavy deterioration suffered by the current season's U.S. crop from bad weather, has brought about a sharp reduction in the Commodity Credit Corporation's surplus stocks from as much as 14.5 million bales on 1st August 1956 to no more than 4.4 million bales by the middle of this month. Most of the cotton now held by the C.C.C. comprises undesirable, lower graders. Secondly, opinions are being expressed in all segments of American cotton textile industry favouring a return to freer production and marketing on the ground that a continuation of the present policy of drastic acreage curtailment and high supports would create a deficiency of cotton and encourage the use of competing fibres. Thirdly, according to Mr. Byrne, there is no doubt that the Department of Agriculture is seriously concerned over the disruptive effects of the two-price system on the traditional method of cotton trading and the effective functioning of the futures markets.

It will be pertinent to recall, in this connection, the latest statistical position of U.S. cotton. At the commencement of the current season, that is on 1st August 1957, carryover stocks stood at 11.2 million bales, which, together with the season's crop of about 11 million bales, would make an aggregate supply of 22.2 million bales. The U.S. mills are expected to consume about 8.5 million bales of cotton this season and the prospective exports are estimated at 5 million bales. This would leave a surplus of 8.7 million bales (including stocks with the C.C.C.) to be carried over into the 1958-59 season on 1st August next, which would be the lowest since 1953 when the end-season stocks were of 5.6 million bales. The total quantity sold for exports under the current export programmes this season is 4,812,322 bales. As already stated, Government-owned stocks at present aggregate about 4.4 million bales, comprising 2.4 million bales of 1956 and earlier crops and 2 million bales of 1957 loan stocks.

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The tin market in India presents a curious trend. The quotation for this metal at Calcutta which had gone up from Rs. 523 per cwt. on the 21st inst. to Rs. 545 early this week has since come down to Rs. 511. The sharp fall of Rs. 34 over a period of six days is in distinct contrast to a marked recovery in tin prices the world over. The open market rate for spot 'A' New York delivery now stands at about 94.37 cents per lb., as against 92.00 cents a week before. Similarly, cash tin on the London Metal Exchange is done higher at £731½—at one time it had even risen to £736—as against £730½ on Tuesday last week.

The recent recovery in world tin prices has been aided by the latest fresh moves of the International Tin Council to secure the continued effectiveness of the Tin Agreement and to maintain the floor price of £730 per ton. At its meeting held in London last week-end, the Council took two important decisions—(1) creation of a special fund to supplement the dwindling resources of the buffer stock and (2) extension of export quotas at lower levels for a further period of three months, that is, upto 14th June next. Although the actual size of the proposed fund is not revealed, it is said that the fund will enable the buffer stock manager to continue buying tin for a longer time, even if the 40 per cent. cut in supplies from the main producing countries is insufficient to bring supplies into line with current consumption. The secrecy about the size of the fund is regarded as a desirable one, inasmuch as it does not give any basis for speculation as to the period during which the buffer stock would continue buying tin. The export quotas for the six major producing countries—Malaya, Indonesia, Bolivia, Belgian Congo, Thailand and Nigeria—have been not only extended but also curtailed from a total of 27,000 tons for the three-month period 15th December 1957 to 14th March 1958 to 23,000 tons for the period from 15th March to 14th June 1958. The individual quotas—in tons—for the current and next quarters are: Malaya: 10,125 and 8,625; Indonesia: 5,516 and 4,699; Bolivia: 5,516 and 4,699; Belgian Congo: 2,416 and 2,059; Thailand: 1,985 and 1,690; Nigeria: 1,442 and 1,228.

The aforesaid decisions of the International Tin Council have been prompted by two considerations. First, the imposition of export quotas in the middle of December, which meant a reduction of 28.5 per cent. of supplies from the six countries mentioned above, did not have much effect on the tin market, because the cut in supplies was not adequate to

(Continued on page 203)

ERRATIC TREND IN EQUITIES

UNDERTONE STEADY

(From Our Own Correspondents)

BOMBAY, *30th January*

THE share market presented a steady tone during the week under review, although the trend of prices was erratic. In the earlier part of the week, equities were buoyant with a sharp rise in prices, led by steel shares. Indian Irons, in particular, were in the forefront on good support from Calcutta. The visit of the World Bank team and its discussion with the Union Finance Minister and other Ministers on the proposed $100-million loan for development of major ports and some power projects, as also on the Bank's further assistance to finance the Damodar Valley and Koyna projects, were noted with encouragement. The signing of the agreement between France and India providing for a credit guarantee by the French Government of 25 billion francs, or about Rs. 28 crores, to French firms for supply of capital equipment to India and Japan's acceptance of India's proposal that the proposed Japanese credit for 18 billion yen (about Rs. 25 crores) should be on a Government-to-Government basis induced hopes that the pressure on foreign resources would be relieved to some extent. Consequent on these encouraging news, Tata Ordinaries shot up to a high of Rs. 176 and Indian Irons to Rs. 20.52, levels which had not been seen for some time past.

Subsequently, however, there was a minor setback on selling pressure in Tata Ordinaries, induced by reports of lower production during the current month, as also by reports that the expansion programme of T.I.S.Co. to raise the output of steel to 2 million tons which was scheduled to be completed in May this year might not be over before September. Just at the close, there was again a recovery, which was more pronounced in Indian Irons, Associated Cements, Centurys and National Rayons.

Sectionwise, Tata Ordinaries rallied from Rs. 171.75 to Rs. 176 before reacting to Rs. 172.50. At the close, there was a recovery to Rs. 173.75. The new shares gained over the week Rs. 2 to Rs. 167.50. Indian Irons improved from Rs. 19.84 to Rs. 20.52 and after a dip to Rs. 20.28 yesterday came up again to Rs. 20.56. The closing was done at Rs. 20.52.

Barring a spurt in Centurys, textile shares, in general, were featureless, but the undertone was fairly steady. Bombay Dyeings moved between Rs. 52 and Rs. 51.20 before finishing at Rs. 51.60. Centurys advanced from Rs. 392 to Rs. 396.50 and, after a recession to Rs. 392.50, jumped up to Rs. 397.25. Kohinoors gathered over the week Re. 1 to Rs. 269.50, the highest level touched during the week being Rs. 271.50. Central Indias dropped Rs. 2.50 to Rs. 84, on reports that the Company had again passed over the ordinary dividend for the year ended June 1957 and also had kept in arrears the preference dividend, which for 1955-56 had been paid out of the dividend equalisation fund. Finlays gained Re. 1 to Rs. 265 and Gokaks Rs. 2.50 to Rs. 162.50. Indu Ordinaries were a shade lower at Rs. 9.56. Indore Malwas were marked down by a rupee to Rs. 118.50, while Khataus improved by Re. 1.50 to Rs. 153.50. Models dropped Rs. 2.50 to Rs. 177.50, Morarjee Mills Re. 1 to Rs. 204 and New Greats Rs. 2 to Rs. 221. Shree Niwas Cottons suffered a loss of Rs. 2 to Rs. 141, as also Standards to Rs. 402. Svadeshis were a shade better at Rs. 171 and Tata Mills at Rs. 40.75.

Bank shares were featureless. Barodas were a fraction lower at Rs. 106, while Central Banks looked up a little to Rs. 52.50. Their new shares were unchanged at Rs. 56.50. Bank of Indias picked up 75 nP to Rs. 136, but Punjab Nationals, after last week's spurt, reacted to Rs. 53—a fall of Re. 1 over the week. Likewise, United Commercials also lost Rs. 2 over the week to Rs. 60.50, in distinct contrast to the rise of Re. 1.50 in the previous week.

Electricity shares were dull. Ahmedabad Electrics were unchanged at Rs. 94.80, while Bombay Suburbans shed 25 nP to Rs. 106.75. Surat Electrics also were a fraction lower at Rs. 107. Tata Hydros gained a little to Rs. 113.50. Tata Powers were marked down by Rs. 5 to Rs. 1,127.50 and Andhra Valleys by Rs. 3.75 to Rs. 1,095.

Sugar shares fared well. Belapurs moved up from Rs. 235 to Rs. 238. Following an increase in the distribution for the year ended September 1957 from Rs. 9 to Rs. 12 (inclusive of a bonus of Rs. 3) per share, Phaltans jumped up to Rs. 154.50 from Rs. 148, to which level they had receded from Rs. 150 a week ago. But profit-taking erased a part of the gain, and the shares finished at Rs. 151. Walchandnagars put on Rs. 2.50 to Rs. 276.25. Kesar Sugars spurted by Rs. 4.50 to Rs. 60, on the announcement of an increase in dividend from Rs. 4 to Rs. 7 per share for the year ended July 1957.

In the cement group, Associated Cements moved within a narrow range between Rs. 154.25 and Rs. 152.25 before shooting up to Rs. 156 at the close. The rally at the close was induced by hopes that the Company would be able to get a higher selling price. Their new shares gathered Rs. 2 to close at Rs. 82. Digvijay Cements gained over the week Re. 1 to Rs. 136. Orissa Cements were better at Rs. 12.76. Ashoka Cements were unchanged at Rs. 8.12, while Jaipur Udyogs dropped 12 nP to Rs. 11.80.

In the engineering and mining group, Alcocks declined by Rs. 2.50 to Rs. 215. Tata Locomotives came up from Rs. 141.25 to Rs. 144, but gave way to Rs. 142 at the close. Premier Constructions were dull at Rs. 161. Mahindras were in favour and rose by 80 nP to Rs. 17.52. Texmacos were firm with a jump of Re. 1.16 to Rs. 17.80. On expectations of higher dividend, Shivrajpurs were sought for and the shares rallied from Rs. 87 to Rs. 94. Indian Coppers were steady at Rs. 2.90.

Shipping shares were dull. After improving from Rs. 17.48 to Rs. 17.68, Scindias receded to Rs. 17.44. Great Easterns dropped 28 nP to Rs. 20. Among automobiles, Premier Automobiles were quiet at Rs. 86.50, while Hindustan Motors were a shade better at Rs. 6.24.

In the miscellaneous section, Bombay Burmahs (old) gained Rs. 6 to Rs. 540, while their new shares were unchanged at Rs. 202.50. National Rayons were erratic, moving between Rs. 221 and Rs. 225. The closing, however, was higher by Rs. 2.75 at Rs. 224.50. Gwalior Rayons were done 44 nP higher at Rs. 12. Sirpur Papers were enquired and they gained 44 nP to Rs. 8.80. Tata Chemicals improved by 20 nP to Rs. 12.64 and Tata Oils by 50 nP to Rs. 37.25, while Wimcos softened from Rs. 171.25 to Rs. 171. New Central Jutes came into the limelight with a jump of Re. 1.32 to Rs. 13.32, on reports that the Company had decided to issue bonus shares (subject to Government sanction) in the ratio of one share for every two shares held.

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Calcutta Stock Exchange

CALCUTTA, *29th January*

The week under review on the Calcutta Stock Exchange was short by two holidays on Thursday and Friday last. The pre-holiday feeling was reflected in trading on Wednesday last, when buyers were hesitant to enter into commitments. Moreover, advices from the Bombay market showed that operators there were holding away, and the Bombay Exchange's ban on trading in the Mundhra group of shares was also a factor which imparted dullness. Also, attention was diverted to the proceedings of the enquiry into the L.I.C's recent bulk purchases of shares direct from Mr. Mundhra. The reopening on Monday was noted for a steady trend, and in trading during yesterday quotations moved up further.

In the meantime, conditions in the commodity markets were improving. Prices of jute goods recovered, and selected counters in jutes added gains. Coals tended to be quiet for a time, on reports of an increase in stock in collieries due to transport difficulties. However, the increase in raisings during the nine months to September last by 9.28 per cent. to 31,968,313 tons was noted with satisfaction. Tea shares sagged, as the easier trend during yesterday's auctions affected sentiment.

The feature of the trading in coal shares yesterday was the rise in Bengals to Rs. 248 from Rs. 235 and New Beerbhooms to Rs. 14.75 from Rs. 13.50 on interested buying. Burrakurs were unchanged at Rs. 22.12 and Pench Valleys at Rs. 17.25. Amalgamateds were fractionally better at Rs. 15.37.

In jutes, Nationals gave way to Rs. 24 from Rs. 24.25, and Howrahs to Rs. 13.75 from Rs. 13.81, while Aucklands were pushed to Rs. 85 from Rs. 81.

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In the engineering section, Indian Irons recorded a fair recovery on bullish support. The opening rate was Rs. 19.90 and the latest is Rs. 20150. Texmacos picked up to Rs. 17.40 from Rs. 16.55 and Jessops hardened to Rs. 21.25 from Rs. 20.25. Guest Keens were fully steady at Rs. 28.94.

In the miscellaneous industrials section, there were several features. Indian Coppers gathered strength to Rs. 2.91, as did Indian cables to Rs. 27.12. National Carbons had buyers at Rs. 24.56, as against Rs. 24.31 previously. National Insulated Cables were fractionally higher at Rs. 23.94. There was a further rise in Dunlop Rubbers to Rs. 22.50. Martin Burns were better at Rs. 25.75.

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Madras Stock Exchange

MADRAS, *28th January*

The Madras Stock Exchange ruled steady during the week under review. Plantation shares elicited some enquiries induced by improvement in tea prices at the Cochin auctions. Textiles also evoked some enquiries, thanks to persistent reports of continued rising trend of offtake in piecegoods. There were signs of revival of investment support in the sugar, electricity and banking sections and values of several counters tended to move up. The miscellaneous section presented a firm trend under the leadership of cement shares. The chief inspiring factors were rumours of a possible relaxation of controls on cement distribution and expectations of increase in prices.

Among tea shares in the planting section, Balanoors improved by 25 nP to Rs. 14.75. Chandramalais gained 8 nP to Rs. 2.78, on reports that the Company had proposed to issue 68,750 shares of Rs. 2 paid 7½ per cent. tax-free preferences in the ratio of one for every four ordinary shares held. Nonsuch and Kalasas added 20 nP each to Rs. 19.20 and Rs. 13, respectively. Parksides advanced by 50 nP to Rs. 15.50. Ouchterloneys hardened by 13 nP to Rs. 5.06. Twyfords gathered 10 nP to Rs. 12.60. Waterfalls and Haileyburias put on 7 nP each, the former to Rs. 3.40 and the latter to Rs. 16.12. Among coffee shares, Anaparais went up by 15 nP to Rs. 5. Sheveroys and Sangameshwars rose by 6 nP each to Re. 1.88 and Rs. 2.56, respectively. Mysore Coffees were better by 3 nP at Rs. 2.80. Coffee Lands, however, encountered selling and declined by 75 nP to Rs. 28. In the rubber group, Midlands strengthened by 25 nP to Rs. 15.10. Anandams rose by 12 nP to Rs. 14.12, Be Bes by 15 nP to Rs. 2.90, Cowcoodys by 10 nP to Rs. 7.10 and Rajagiris by 8 nP to Rs. 14.20. Nenmenys increased by 5 nP to Rs. 14.80. Thirumbadis, on the other hand, softened by 2 nP to Rs. 1.27. The Company has declared a dividend of only 5 per cent. for the year ended 30th September 1957, as against 12½ per cent. last year; the cut in dividend is attributed to the need for making higher provision for taxes.

Trading in textile shares was of a selective nature. Bangalore Woollens met with good support and improved by Rs. 5 to Rs. 172. Vijayakumars hardened by Rs. 3 to Rs. 113. Coimbatore Pioneers spurted by Rs. 2 to Rs. 237. Metturs rose by Re. 1.50 to Rs. 364. Cambodias were well favoured at Rs. 10.20, a rise of 70 nP.

Among sugar shares, Cauverys improved by a rupee to Rs. to 88.50. Travancores were better by 25 nP at Rs. 9.75. E.I.Ds gathered 12 nP to Rs. 29.12.

In the miscellaneous section, India Cements climbed up by 88 nP to Rs. 27.50. Andhra Cements improved by 75 nP to Rs. 12. Travancore Cements advanced by 55 nP to Rs. 7.75.

TRAVANCORE BANK LTD.

A further rise of Rs. 2.91 lakhs to a record level of Rs. 14.82 lakhs is noted in the profit of the Travancore Bank Ltd. for the year ended 31st December 1957. With this increase, the profit of the Bank has not only maintained the upward trend for the third year in succession but more than doubled itself in the course of the last three years. The Directors have raised the provision for taxation from Rs. 4.90 lakhs to Rs. 7 lakhs and the transfer to the reserve fund from Rs. 2.40 lakhs to Rs. 2.97 lakhs. A sum of Rs. 5,000 has been set aside for gratuity to staff, while a year ago the Directors had provided Rs. 40,000 for gratuity, as well as bonus to staff. The Directors have recommended the payment of a dividend of 5 per cent. per annum, free of income-tax, raising it from 4 per cent. paid for 1955 and 1956 (this will absorb Rs. 5 lakhs) after transferring Rs. 20,000 (same as in the previous year) to depreciation reserve on investments. All these appropriations will leave a balance of Rs. 5,628 to be carried forward, as against Rs. 45,060 brought in.

UNITED COMMERCIAL BANK LTD.

A rise of Rs. 3.17 lakhs to a fresh record level of Rs. 59.41 lakhs is disclosed by the profit of the United Commercial Bank Ltd. for the year ended 31st December 1957. This is the fourth year in succession for which the profit of the Bank has maintained an upward trend. Notwithstanding the expansion in profit, the Directors have pruned the transfer to the reserve fund from Rs. 20 lakhs to Rs. 19 lakhs. The provision for taxation has, however, been raised from Rs. 16 lakhs to Rs. 18.50 lakhs and that for bonus to staff from Rs. 6.50 lakhs to Rs. 7 lakhs. The dividend also is proposed to be stepped up from Rs. 3.50 per share or 7 per cent. to Rs. 3.75 per share or 7½ per cent., free of income-tax. This small enhancement in the dividend level follows the substantial increase from 5½ per cent. to 7 per cent. made a year ago. The proposed dividend requires Rs. 15 lakhs, that is, Rs. 1 lakh more than in the previous year, leaving a surplus of Rs. 0.49 lakh including Rs. 0.29 lakh brought in.

NEWS IN BRIEF

THE revenue from excise duty on cotton cloth in the first six months of the current fiscal year amounted to nearly Rs. 32 crores, according to official figures. The budget estimate for the whole year is Rs. 72 crores.

A consignment of 5,360 tons of Russian steel products arrived in Bombay on Wednesday last week. The major part of the shipment consists of steel billets, joists and angles. These are for the re-rolling mills in India.

Manganese ore exports were well maintained in the second half of 1957, when shipments were placed at 431,952 tons valued at Rs. 9.80 crores, as against 522,880 tons of manganese ore worth Rs. 9.45 crores exported in the previous half year, bringing the total shipments in the whole of 1957 to 954,832 tons valued at Rs. 19.25 crores.

The Government of India has sanctioned Rs. 96,000 this year for starting a model coir factory with a branch research institute attached to it at Uluberia in the district of Howrah, West Bengal. The proposed institute and the factory will be run under the direct supervision of the Central Coir Board.

The Indian Merchants' Chamber will celebrate its golden jubilee in Bombay next week. The celebrations will be inaugurated by Prime Minister Nehru on Monday. The occasion will be marked by the institution of a scheme for practical training in business management for persons holding specialised degrees. The Chamber has also decided to set up a research department to do research work on current economic problems.

A gift of audio-visual equipment has been made available to the Central Committee for Co-operative Training by the Canadian Government under the Colombo Plan. The equipment consists of 13 sets of film projectors and necessary accessories and spare parts valued at about $14,000 (about Rs. 70,000). In addition to this gift, films, pamphlets and books worth about $25,000 (about Rs. 1,25,000) are expected to be given to India shortly.

The Life Insurance Corporation of India completed, during 1957, a total business of Rs. 256 crores, excluding foreign business which is accounted for separately. During 1954 and 1955, business turnover was Rs. 236 crores and Rs. 238 crores, respectively. In the first year of nationalisation, that is, 1956, the business amounted to only Rs. 188 crores. Besides the completed business of Rs. 256 crores during 1957, a further business of at least Rs. 9 crores awaits completion of formalities. Proposals for insurance introduced aggregated Rs. 320 crores. The months of October, November and December were more productive than previous months, the total business written being a little more than Rs. 177 crores.

A scheme for improving navigational aids at Visakhapatnam Port was approved of by the Central Advisory Committee for Lighthouses which met in New Delhi recently. Early introduction of night navigation is one of the steps proposed for increasing rapidly the handling capacity of the Port which in recent years has been meeting the requirements of increasing traffic. The scheme envisages the laying of outer channel deep-sea lighted buoys, shallow draft lighted buoys for the inner channel and several pairs of leading lights. Two new lighthouses, one on the Sandhills and another at Waltair Point, are also included in the scheme. It is proposed as a first stage to implement the scheme partially with the equipment already available. The lanterns and flashers required for the inner channel buoys are to be fabricated in the lighthouse workshop at Madras and are expected to be ready shortly. The scheme is estimated to cost about Rs. 10.5 lakhs.

Three well-represented U.S. trade missions will visit India in April as a link-up to the American trade fair to be held in Bombay, Calcutta and New Delhi. Opening first in Bombay on 15th April, this fair will exhibit machinery for small-scale industries. These will be operated by Indian technicians who will demonstrate the production of small tools, parts and also do welding jobs. In co-operation with the Small-scale Industries Corporation, the fair will demonstrate how small business can be tied up with big industrial establishments for the production of machine parts, tools and semi-finished products. These machines are in the price range of $250 to $5,000. The trade fair will also demonstrate how the farmers in villages can utilise their spare time to organise small-scale industries with the help of these machines. After four weeks in Bombay, the fair will move to Calcutta and then to New Delhi.

An all-India soil and land use survey has been sanctioned by the Union Government. The aim of the survey is to formulate a national policy for all phases of soil survey and cartographic work, including standardisation of methods and procedures for improvement. The central office for the survey has been set up at the Indian Agricultural Research Institute, New Delhi. Four regional centres will also be established at Delhi, Kharagpur, Nagpur and Bangalore. The Central Soil Conservation Board of the Union Ministry of Food and Agriculture will exercise general control on the implementation of the scheme. A major function of the survey is to help scientists in predicting soil behaviour under defined land use and management. It will thus be a scientific analysis of the soil in a plot of land and the manner in which it can be exploited safely and economically. The survey will benefit farmers, conservationists, engineers and others engaged in grouping soil according to its capability. A sum of Rs. 65.09 lakhs has been sanctioned for the scheme for the remaining three years of the second Plan.

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From Abroad

As a sequel to mounting protests against selective rate increases, the U.S. railways decided, on 21st January, to cut the proposed charge for loading and unloading import and export freight from 10 cents to 6 cents per 100 lbs.

West German exports last year rose by 16.5 per cent. from £2,627 million to £3,061 million and imports by 13 per cent. from £2,381 million to £2,689 million, leaving an export surplus of £372 million, as against a surplus of £246 million in 1956.

French motor output in 1957 showed that total production amounted to nearly 930,000 vehicles. This is more than 10 per cent. higher than the output in 1956. Of this, Renault is the leader, followed by Citroen, Simca, Pengeot and Panhard.

Exports from Japan rose by 15.5 per cent. in 1957 to a total value of $2,861 million, according to the Japanese Ministry of Trade. This rate of expansion was, however, lower, as compared with 1956, which showed an increase of 23.4 per cent. over 1955.

Imperial Oil of Canada intends spending $133 million on oil exploration and new plant and equipment in 1958. Half of this amount is earmarked for exploration. In 1957 itself, the Company had spent $160 million on exploration and new plant.

Approval for a loan of $13.4 million has been given by the World Bank for the development of electric power in the State of Sao Paulo in Brazil. The loan will help to meet the financial needs of an 85,000 kw. power project which is being built at Jurumirim on the Paranapanema river, and associated transmission lines.

Australia's search for oil will receive further fillip by the decision of the Commonwealth Government to increase the oil search subsidy from £A300,000 to £A500,000 a year. The subsidy will meet the Commonwealth's half share of cost of drilling deep bores to obtain further geological data of Australia's sedimentary basins, which are likely to contain oil.

A rise in the prices of some medium and heavy duty nylon truck tyres by three to five per cent., effective from 1st February, has been announced by the Goodyear Tyre and Rubber Company of U.S. The increases have been designed to bring the selling price of these tyres more in conformity with actual costs. It is thought that other tyre companies will follow this lead.

Oil search concession agreements covering two-thirds of Jordan territory has been approved by Jordan's Lower House of Parliament. One was a concession on one-third of the territory granted in November 1955 to an independent American oil producer. Another one-third was conceded in November 1957 to an Arab financier living in Guatemala. It is learnt that an Italian company is making efforts for a concession over the other third of the area.

A ten-man Soviet delegation, now holding a series of talks with Government officials in Pakistan, has offered assistance to the latter in the field of industrial development, particularly in the setting up of a steel plant, if such a request was made. Pakistani officials have disclosed that, while the discussions centred round the question of further development of trade between Pakistan and Russia, no definite request for a steel plant had so far been made.

British Overseas Airways Corporation will start a round-the-world operation via San Francisco in March 1959. It is expected that this operation will be the shortest round-the-world service of any airline. The present plans are to open up a San Francisco-Tokyo route via Honolulu, thus completing a global circuit. Commencing from 3rd April, B.O.A.C. will introduce a Brittannia on the twice-weekly San Francisco-London route. This will cut down the time-schedule from 20½ to 18½ hours.

France is negotiating for a loan of £25.5 million from the World Bank to help finance the cost of building the Kouilon dam in French West Africa. The loan will be guaranteed by the French Government which will also take a direct initiative in the raising of the balance of the capital required for building the dam and the aluminium plant which it will serve. Kouilon is the second of two French West African hydro-electric aluminium projects. The other one is at Konkouri, Gabon.

The International Tin Council has announced an extension of export controls for a second three-month period commencing from 1st April next. A *communique* issued after a two-day meeting of the Council, in which 19 nations were represented, said that the six tin-producing countries would be allowed a total permissible export quantity of 23,000 tons during the period ending 30th June. India was one of the countries represented at the Council meeting.

The launching of vessels aggregating 2,424,000 tons last year takes Japan further ahead as the world's premier shipbuilding nation. This figure puts Japan more than one million tons ahead of Britain. The British tonnage launched was 1,407,000, with West Germany (1,230,000 tons) occupying the third place. In 1955, Japan launched 829,000 tons of shipping, as compared with Germany's 929,000 tons and Britain's 1,474,000 tons. In 1956, Japan scored over both its rivals with an output of 1,746,000 tons.

Britain will contribute this year the equivalent of 25,000 U.S. dollars to the fund to be established by the International Atomic Energy Agency for financing the grant of fellowships for training in the peaceful uses of atomic energy. It is understood that the United States has offered to contribute up to half of the $250,000 which is the target for the Agency's fellowship scheme this year. The Soviet Union has offered places to 25 students from underdeveloped countries for study in Russia, but has offered no contribution to the Agency's fund.

PERSONAL

MR. Bishnuram Medhi, former Chief Minister of Assam, was sworn in as Governor of Madras on the 24th January.

Sir John Cockcroft, Director of the United Kingdom Atomic Energy Research Establishment at Harwell, Berkshire, will be succeeded by the present Deputy Director, Dr. Basil Schonland.

Mr. H. Bailey, Under-Secretary to the U.K. Ministry of Supply, has been appointed Senior U.K. Trade Commissioner in New Delhi. He will take up the appointment in May, when Mr. G. J. MacMahon completes his term of duty.

Mr. G. Lepori, Federal Councillor for Posts, Telegraphs, Railways, Broadcasting, Television and Tourism of Switzerland, arrived in Bombay from Geneva on Wednesday last. He is on a fortnight's visit to India at the invitation of Dr. B. V. Keskar, Minister for Information and Broadcasting.

Mr. U. L. Goswami, Joint Secretary, Indian Ministry of Commerce and Industry, has been named for the post of Director of the Division of Economic and Technical Assistance in the Department of Technical Works of the International Atomic Energy Agency (I.A.E.A.). The appointment was announced by Mr. Sterling Cole, Director-General of the I.A.E.A.

Mr. F. J. Philips, Vice-Chairman, Presidium, Board of Management, N. V. Philips' Gloeilampenfabrieken, the Netherlands, is on a tour of India visiting the offices of Philips-India and meeting important personalities in the Government and in the industry. After visiting Calcutta, Madras and Bangalore he arrived in Bombay on Tuesday, 21st January 1958, and spent five days. He left for New Delhi on Saturday last. It will be recalled that Philips-India was recently converted into a public limited company with the participation of Indian capital in it and with an agreement with N. V. Philips' Gloeilampenfabrieken in the Netherlands by which the latter will make available to Philips-India the benefit of research facilities and vast technical knowledge in the production of radio apparatus, radio components, lighting fittings and accessories, public address equipment and other electrical articles.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

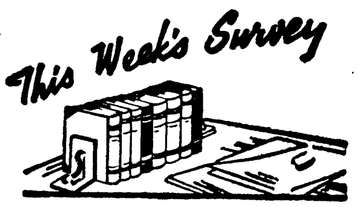
CALCUTTA, *28th January*

Joint Stock Enterprise in British India

The report for 1929-30 of joint stock companies operating in British India and in the Indian States of Hyderabad, Mysore, Baroda, Gwalior, Indore and Travancore has been issued by the Department of Commercial Intelligence and Statistics. In the year under review the number of newly registered companies (both public and private) increased by 16 per cent., as compared with the previous year. The authorised capital of the newly registered companies, as compared with the preceding year, was greater by 128 per cent. and the paid-up capital 206 per cent. The number of private companies registered in 1929-30 was 301, as against 277 in 1928-29. The total number of companies limited by shares which were incorporated in India up to 1929-30 under the laws relating to the registration of companies, was 15,369. Of these, 6,919 companies or 45 per cent. of the total number registered were working at the end of the year 1929-30; the remainder were either wound-up or discontinued, or never commenced business. The number of companies at work and the capital invested in them stood as follows at the end of each of the last three years:

		1927-28	1928-29	1929-30
Companies	(No.)	5,880	6,580	6,910
Authorised capital	(Rs. 1,000)	6,30,62,81	6,41,40,10	6,69,98,00
Paid-up capital	(Rs. 1,000)	2,76,43,54	2,79,80,81	2,86,35,58

As compared with the preceding year, there was thus an increase of 589 in the number of companies at work and of about Rs. 29 crores or 4.5 per cent. in the authorised capital and of Rs. 7 crores in the paid-up capital.



SOVIET ECONOMY EXPANDS

A STUDENT of Soviet economy outside Russia has had to face, till very recently, many formidable problems. In the first place, there was a dearth of accurate and reliable data regarding many key branches of the economy. Soviet statistics about industrial and agricultural production, even when available, were masked behind percentages and actual figures were seldom forthcoming. Western economists and statisticians, anxious to measure the magnitude of Soviet economic growth and size up its industrial potential, had very little factual material to work with. Much of their efforts were, therefore, no more than essays in uncertainties. A lot of time and talent were wasted in guessing what the facts might be rather than in interpreting them. It was only in 1956 that a *Statistical Abstract for the U.S.S.R.* was made available. Even this was too brief and incomplete to be of much use. Last year, however, a more comprehensive abstract, dealing with the statistics of Soviet industry, was published. Even this, no doubt, fell far short of a census of production, but the coverage was sufficiently wide to provide a fairly clear-cut picture of Soviet economy, although many Western economists were inclined to think that there were still many statistical pitfalls in them.

While the reliability of Soviet statistics is a matter for debate, it cannot be denied that the performance of Soviet industry in 1957, as revealed in the figures released by the Soviet authorities last week, is impressive. According to the Central Statistics Board of the U.S.S.R. Council of Ministers, as reported by Tass, the official Soviet news agency, the total volume of industrial production last year was 10 per cent. above that of the previous year and exceeded the planned target of 7.1 per cent. Production of capital goods was higher by 11 per cent. and that of consumer goods by more than eight per cent. It was claimed that all the Republics of the Union fulfilled their 1957 programmes for gross production and that the majority of principal items of production were ahead of schedule. Soviet national income, in comparative prices, went up by six per cent. in 1957, as compared with 1956. Employment was higher by 2.1 million at 52.1 million by the end of 1957 and, as in previous years, there was no unemployment.

The increase of 10 per cent. in industrial production is composed of varying percentage increases in different branches of production. The actual output of some of the products, with the percentage of increase over 1956 given within brackets, was as under: Pig iron, 37 million tons (4 per cent.); steel, 51 million tons (5 per cent.); rolled metal, 40 million tons (6 per cent.); coal, 463 million tons (8 per cent.); oil, 98 million tons (8 per cent.); gas, 20,200 million cubic metres (4 per cent.); electric power, 209.500 million kw. hours (9 per cent.); vehicles, 495,500 (7 per cent.); tractors, 204,000 (11 per cent.); grains combines (that is, machines which harvest the crop and gather grains) 133,080 (60 per cent.); wool fabrics 282 million metres (5 per cent.); silk fabrics 85 million metres (8 per cent.); leather footwear 315 million pairs (10 per cent.).

It is claimed that milk production in the Soviet Union aggregated 95 per cent. of that in the U.S.A. and butter production almost equalled the U.S. outturn and exceeded, if home-made butter were included in the total. In actual figures, 54.7 million tons of milk, or 43 per cent. more than in 1954 and 20 per cent. more than in 1956, was produced in 1957. Total harvest of grain crops, despite unfavourable weather, increased by 26 per cent. over the 1953 figure and wheat crop was higher by 40 per cent. and maize by 100 per cent.

A total of 210,000 million roubles were invested in State and co-operative organisations in 1957 which was higher than the 1956 figure by 12 per cent. During the year, 800 new industrial enterprises were started. The report also speaks of the advancements in the field of atomic power generation. Work on new atomic electric power stations with a capacity of 200,000-400,000 kilowatts each is stated to be under way. Reflecting these growths in the different sectors of the economy, Soviet foreign trade expanded by 13 per cent. over 1956. It was valued at 33,000 million roubles in 1957, as compared with 29,000 million roubles in the previous year.

Several important steps are also stated to have been taken to improve the material welfare of the Soviet people. Wages of low-paid workers were raised and they were exempt from taxes. Working hours of industrial operatives were shortened, but it is not stated from how many and to what extent. Soviet citizens received in 1957 57,900 million roubles in pensions which was 21,400 million more than in 1956. Investments in savings banks increased by 16,800 million roubles. Consumer goods worth 75,700 million roubles more are estimated to have been purchased in 1957, as compared with the previous year. There was thus an all-round improvement in the economy of Soviet Russia.

EASTERN ZONAL COUNCIL

Mr. Govind Ballabh Pant, Union Home Minister, did well to stress, when he spoke at the second meeting of the Eastern Zonal Council held in Patna on 23rd January, that the meetings of the Council would be held in future at more frequent intervals, notwithstanding preoccupation with other matters. There are so many issues, especially economic, of common concern to the States of the zones that, unless the representatives of the Governments meet regularly and at frequent intervals, co-ordinated action will be lacking, thereby slowing down the pace of implementation of development schemes. The need for such regular and frequent meetings is all the greater in the case of the Eastern Zonal Council, covering territories (Assam, Bihar, Orissa, West Bengal, Tripura and Manipur) which are developing rapidly into an industrial area comparable to the Ruhr or Pittsburg or other industrially well-known centres of the world. As Mr. Pant remarked, Rourkela in Orissa, Jamshedpur in Bihar, Durgapur in West Bengal, Asansol and its neighbouring areas, and the mining belt on the Orissa-Bihar border are humming with life and activity of fast developing industrial centres. The execution of these projects and also of the proposed erection of an oil refinery in Gauhati (Assam) "is bound to have a vital impact on the economy of this region."

It is true that all these projects are mainly the responsibility of the Centre, but the State Governments included in the Zone also have, as Mr. Pant rightly reminded them, certain vital functions to discharge, if the tempo of activity is not to be arrested. Considered thus, it is disquieting to be told that no progress has been made in the direction of co-ordinating and harnessing the manpower resources of States at the zonal as well as the national plane since the question was discussed nine months ago, that is, at the inaugural meeting of the Council held on 30th April 1957. This is a very important problem which must be tackled energetically and expeditiously. The participating States may, of course, be unequal in their contributions, but "what is necessary is," to quote Mr. Pant, "that they should be equal in their desire and will to help."

A similar kind of co-operative venture is urgently required in respect of three other important problems to which the Home Minister drew pointed attention—improvement of communications, power development, and maintenance of law and order. There must be a major liberalisation of the State Governments' policies in regard to road transport, so that the load in inter-State traffic within the Zone which the railways or steamer companies are still unable to lift may be diverted to the roads and can be moved freely without restriction, at least within the Zone. Such liberalisation will doubtless supplement the measures which the Centre has initiated or is considering. It will be recalled that, only a fortnight ago—15th January—a new railway zone, the North-East Frontier Railway, came into being, in order to deal more efficiently with the rather peculiar problems of rail transport to and from Assam; the new zone with its headquarters at Pandu, covers a route mileage of 1,738.3 in Assam, North Bengal and East Bihar. Various measures to relieve the congestion in Calcutta Port are also being examined. As regards power development, Mr. Pant's suggestion for the setting up of a technical committee for co-ordination within the zone deserves to be considered. Such a committee will surely have a useful function to perform in suggesting closer and better integration of the various grids in the Zone and in routing electric power to areas where it is most urgently needed. No less vital is the need for maintaining general law and order at a high standard. This point has to be stressed, because a growing number of irresponsible elements are trying to undermine peace in the industrial areas under the cloak of trade union movement. Their ultimate aim is to capture political power and they regard the trade unions as a convenient ladder.

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"ZETA"

Before the astonishment stirred up by the Russian *Sputniks* has begun to subside, there comes yet another sensational news of the latest technical achievements in nuclear research in the U.K. and the U.S., the consequences of which promise to be more far-reaching and more beneficial to mankind than the "baby moons." The U.S. Atomic Energy Commission and the British Atomic Energy Authority issued, on the 24th January, simultaneous announcements of spectacular developments in research aimed at producing, economically, electric power from controlled thermonuclear reaction. They said that the British and American scientists have made significant strides towards harnessing the power of the hydrogen bomb, thus bringing nearer the day when mankind will obtain limitless power from the oceans.

The announcements confirm what has hitherto been a mere rumour, that scientists of the two countries have been able to fuse together atoms and thereby release energy. This was considered to be a far tougher problem than the fission of the atom—the present source of atomic energy from uranium. The former is the energy process that goes on in the sun and has kept it hot for 3,000 million years. In a thermonuclear reaction, the nuclei of the heavy hydrogen atoms collide with one another and fuse to form heavier nuclei, releasing energy. This can only take place in extreme heat such as the reaction that takes place in the hydrogen bomb which is an uncontrolled reaction. The British and U.S. scientists have now succeeded in producing, in a plasma of deuterium gas (heavy hydrogen gas) temperatures as high as six million degrees centigrade for a few millionths of a second. In order to produce electric power economically from this reaction, much longer containment and temperatures of the order of a hundred million degrees would be required.

The apparatus use by Britain's Atomic Energy Research Establishment at Harwell in the fusion process is known as ZETA (short for Zero Energy Thermonuclear Assembly). It reached a temperture of five million degrees centigrade which is higher than the measured surface temperature of any star, and was sustained for a few millionths of a second. For generating thermonuclear energy for practical purposes a temperature of 50 to 100 million degrees will have to be reached (the centre of the sun has a temperature of 10 million degrees centigrade) and the heat sustained sufficiently long.

The British and American scientists are confident that this can be done. The British Atomic Energy Authority said: "There appears to be no fundamental reason why these longer times together with much higher temperatures cannot be achieved." According to Sir John Cockroft, it would, perhaps, be 20 years before industrial nuclear stations producing energy through the fusion of deuterium could be put into everyday use.

What will be the effects of these developments on the current efforts in the development and construction of nuclear reactors to produce electricity from nuclear fission, the process used in the standard atomic power plants such as the engine which propels the U.S. submarine *Nautilus*? Answering this poser, Mr. Lewis L. Strauss, Chairman of the U.S. Atomic Energy Commission, emphasised that controlled thermonuclear programme will not interfere with the development of reactors to produce electricity out of nuclear fission. He added that the results of the research in the fusion process are "sufficiently encouraging and the ultimate rewards are so great as to justify the necessary expenditure of money, time and talent." The "power-hungry" world is hopefully awaiting the time in the near future when science will enable it to harness that inexhaustible source of fuel, the ocean.

JUTE OUTPUT DECLINES

The fall in raw jute production during the current season (that is, 1957-58), as disclosed by the all-India final estimate, is not wholly unexpected. For some time past, there were fears that the delay in the onset of monsoon and the drought conditions in some areas of production would affect the total raw jute output in the country. It was, however, expected that, thanks to intensive cultivation, production might not be seriously affected. It is, therefore, somewhat gratifying to note that the weather has been more kind to many jute-producing States than anticipated, as indicated by the increase in yield in these areas, with the result that the decline in aggregate production in the country has been much less than once feared early in the season.

The final estimate of raw jute output in 1957-58 is placed at 4,088,000 bales (of 400 lbs. each), as against 4.288.000 bales in 1956-57, thus showing a decline of 4.7 per cent. This setback in production has reversed the upward trend noted in the previous two years, when the output rose from 2.93 million bales in 1954-55 to 4.29 million bales in 1956-57. It will be recalled that the raw jute production expanded substantially after the partition of the country from 1.66 million bales in 1947-48 to a high of 4.68 million bales in 1951-52, before suffering a setback to 2.93 million bales in 1954-55. The decline in production during the current season, though not serious, cannot but be viewed with some concern in the context of the intensive efforts being made to attain self-sufficiency in raw jute.

The fall in production is not so marked as that in the area under jute, which has declined from 1.908,000 acres to 1,754.000 acres or by 8.1 per cent. It is perhaps this reduction in area, without a corresponding decline in output, which has raised the all-India average yield per acre from 899 lbs. or 2.25 bales in 1956-57 to 932 lbs. or 2.33 bales in the current year. The break-up figures of area under jute and outputs in various States are not available, but the data relating to yield show that the yield has been higher in all the States, except in Bihar and Uttar Pradesh. The highest average yield of 1,254 lbs. or 3.13 bales per acre has been recorded in Assam, the corresponding figure for the previous season in respect of that State being 1,182 lbs. or 2.95 bales per acre. Besides Assam, the Union territory of Tripura, West Bengal and Orissa States also have recorded an increase in yield. The output per acre in Tripura has risen from 2.72 bales to 2.90 bales, in West Bengal from 2.03 bales to 2.41 bales and in Orissa from 2.02 bales to 2.21 bales. In Bihar, the yield has shrunk from 2.08 bales per acre in 1956-57 to 1.63 bales in 1957-58 and in U.P. from 2.80 bales to 2.20 bales, consequent on the drought conditions during the sowing and growing period of the crop, which affected not only the production but also the area under cultivation.

The fall in production of raw jute is reflected in the decline in arrivals durng the six months ended 31st December 1957, to 3,268,000 bales from 3,326,000 bales in the corresponding period of 1956. Of this quantity, the arrivals of Indian jute account for 2,854,000 bales, as against 2,936,000 bales in the six months ended December 1956. The import of Pakistani jute has however, gone up from 390,000 bales to 414,000 bales, thanks to the sharp rise in arrivals during December (the last month of the licensing period for import of raw jute from Pakistan) when a quantity of 105,000 bales—the largest quantity for any month since March 1956—was received. Till the end of November, import of Pakistani jute was lagging behind that in the corresponding period of 1956-57.

The first export of Japanese rayon plant to India under deferred payment system has been contracted for. The Kawasaki Aircraft Industry Company of Japan will furnish a complete plant equipment worth 300 million yen, 20 per cent. of which will be paid on shipment and the remainder in five years. The estimated production capacity of this plant is put at five tons per day.

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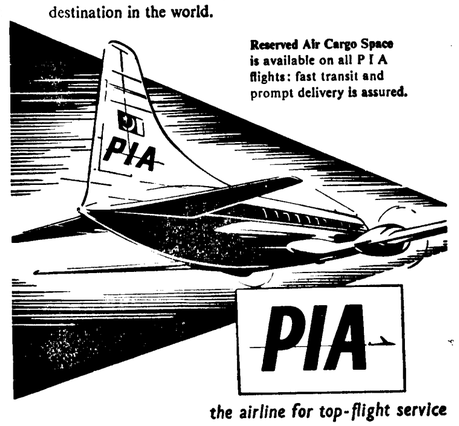

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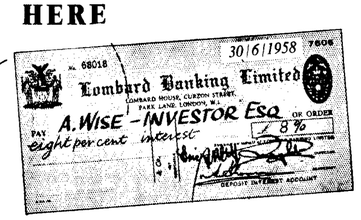

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ECONOMISTS ON THE PROSPECTS FOR SECOND PLAN

THEIR ADVICE TO PLANNING COMMISSION QUITE UNSOUND

From Our Special Correspondent

NEW DELHI, *28th January*

NOT many in the vast multitudes that were awe-struck by the fantastic colour and pageantry of the Republic Day in the Capital could have seen its sombre background in a miserable, though revealing, document drawn up by the Panel of Economists of the Planning Commission on problems relating to adjustments in the second Plan—a document which was as cheerless as the cultural and military parade was cheerful. The Panel's conclusion is that a public sector outlay of Rs. 4,800 crores, *at present prices*, is feasible in the five-year period 1956-61 if the estimated foreign exchange gap of Rs. 700 crores happens to be wholly covered and domestic resources in all forms happen to be mobilised adequately. Assuming that the two conditions may be fulfilled, this would mean that the public sector outlay will be considerably less than Rs. 4,800 crores in 1952-53 prices at which the Second Plan's original financial target of Rs. 4,800 crores was fixed. In other words, this would mean, in the words of the Panel itself, reduced performance in terms of physical targets incorporated in the original Plan. The Panel, however, has not exactly estimated the likely reduction in physical performance (as distinct from financial performance) probably because there are still some vague hopes, alongside of clear uncertainties, in the situation.

DELHI LETTER

The hopes, of course, are just so many assumptions which are probably unwarranted, because, according to its own admission, the Panel "has not had the time necessary for a close examination of the relevant material, especially material bearing on the progress of the Plan in the various sectors and sub-sectors of the economy and the possible imbalances in the system which are emerging or which may emerge hereafter in the process of rephasing," or "the opportunity of reviewing in detail the resources position and outlook for the future." This is a crucial admission in the sense that, in the absence of a critical evaluation of sector-wise performance and, more especially, in the absence of a detailed review of the resources position, the Panel's advice is either pointless or potentially dangerous. If it had happened that the Panel was not given the opportunity to review the resources position in detail, there was no point, one might have thought, in the Planning Commission seeking its advice. If, on the other hand, it had happened that the Panel did not use the opportunity it might have had of reviewing the resources position, there was no point, one might have thought again, in its giving advice either. But the advice was sought and it has been given on the basis of the following passage in which the hopeful note is cancelled out by a note of diffidence:

"The Panel has not had the opportunity of reviewing in detail the resources position and outlook for the future. It assumes, however, that every effort will be made to raise the domestic resources required for implementing a Plan of Rs. 4,800 crores (at present prices). . . . Even this financial target of Rs. 4,800 crores is not easy of achievement. Considering, however, that the rate of domestic savings implied in an investment target of this order is by no means high, it should be possible to devise ways and means of raising the resources required, *without causing serious strains in the prices.*" (Italics mine.)

". . . it cannot be assumed that external assistance of this order (Rs. 700 crores) will be forthcoming. While the rephasing of the Plan has, at this stage, to proceed on the assumption that the foreign exchange gap will be covered by additional resources from abroad, it is necessary at the same time to be prepared to take whatever corrective measures are required against the contingency of external assistance falling short."

The italicised words in the above passage cannot be taken to represent an implicit warning against inflationary deficit financing which may well cause serious strains in the context of a continuing food shortage which is confidently forecast by the Panel for the remaining years of the Plan. If anything, those words provide some implicit justification for such deficit financing, because, in the light of the Panel's advocacy of a policy of direct controls, such strains as might develop could be subdued. It should be relevant to recall here the Panel's "definite" view that "the inflationary pressure has not been in the past nor is likely to be in the future such that it cannot be held in check by an appropriate policy, including direct controls at particular points." The Panel appears to have been so well aware of the inflationary potentialities in the situation that it gives the advice that "it would be desirable to initiate action even at this stage in preparation for a fairly comprehensive system of controls (involving compulsory procurement and rationed distribution of foodgrains) in case of need." The "need," it may be noted, is not dimly but distinctly visualised. The conclusion is irresistible that, even in implementing a plan of smaller physical size, physical controls would be more or less inevitable. This is pretty unsound advice to the Planning Commission which should have been in a dilemma all along—to have a smaller plan with few physical controls or to stick to the Original Plan with full-fledged food controls becoming inevitable.

Quite apart from the dangerous implications of the Panel's advice in the matter of an outlay of Rs. 4,800 crores at present prices, there is an element of casualness and unrealism in it even after the Finance Minister's reported statement at the meeting of the Panel that the foreign exchange gap in the Plan was expected to be much larger than was originally anticipated (Rs. 700 crores) and the performance of domestic resources was still below expectations in spite of the large tax effort that had been made. With such widening gaps in resources, the probability is that actual expenditure on the public sector schemes in the coming three years will not be significantly more than an annual average of Rs. 750 crores, unless, of course, deficit financing is stepped up further. This figure, incidentally, happens to correspond, more or less, to the annual average outlay in the first two years when the effort to mobilise internal resources had all but reached its peak. It is clearly too late in the day to keep alive the hope (or illusion?) that a Rs. 4,800-crore Plan at present prices would still be possible, and so the Economists' Panel cannot be taken as having discharged its advisory functions boldly and frankly. In its obsession with the question of easing the likely financial strains by possible physical controls, the Panel has regrettably ignored the real cost to millions of people in terms of hardship and inconvenience that such controls would involve.

(*Concluded from next column*)

working dollar balances of the British banks should also be held in trust for the British Government to whom they would be reported weekly and these too should be added into the published reserves.

These arrangements, while not apparently adding to the country's dollar resources, would, in practice, strengthen the reserves by bringing out to the world what they really were. Is it not obvious that published reserves of £1,500 million (which is what the mobilised total would be) would be far more impressive in relation to the total of the sterling balances than published reserves of only £800 million. Of course, people would say, you cannot use the whole £1,500 million—but then neither can one use the whole £800 million. At present, we make the worst of all worlds keeping our reserves split up into fractions none of which can be fully mobilised and some of which cannot be mobilised at all. They should all be put to work and their joint effectiveness thereby increased.

A final point which should be considered is the desirability of monthly publication of the reserves figures. At present, such publication tends to arouse or to dampen speculation. If, the reserves are swelled to their true level in the manner suggested above, publication would not matter so much; but, while the reserves give a false picture of the country's strength, it would be better to publish them only at the annual Budget when the Chancellor has an opportunity to report on them in perspective.—*All Rights Reserved.*

THE STERLING SYSTEM—III

From Our Own Correspondent

LONDON, *25th January*

THE preceding "Letters" in this series have established that, as against current liabilities of some £1,500 million (out of a total of £4,154 million of sterling balances), the total liquid assets of the sterling area held in London are about £1,000 million of which only £800 million are mobilised; and, since this £800 million appears as the total gold and dollar reserves, probably not more than £200 million of it could be dissipated without causing a confidence crisis.

LONDON LETTER

It is an undoubted convenience, though not a necessity, for world trade to be carried out largely in sterling; the use of sterling banking facilities brings in an invisible income to the United Kingdom of some £125 million per annum. It is in the interests of Britain and the whole sterling area to keep the sterling system in being, but the co-operation of the whole area is necessary to this end.

If this co-operation is not forthcoming, if the Bank of England is supposed to operate the sterling system with the published reserves only and with them face all the vicissitudes of trade throughout the system, then it had better give up trying and save the British people a great deal of headache and nervous strain. And the rest of the sterling system had better try to make its own peace with the world.

The first requisite is, therefore, to set up a permanent Sterling Commission—comparable to the European Payments Union—of the Finance Ministers of the sterling area of which the Bank of England would be the *Agent*. The Commission would sit permanently in London and normally each country would be represented by nominees of the Finance Ministers who would be attached to the staffs of the various High Commissioners in London. So, instead of rare conferences of Finance Ministers, there would be a permanent body keeping the affairs of the sterling system under constant review.

The second requisite is that the balance of payments of Britain *and* of each of the sterling area countries should keep in balance over the years. Some countries may have deficits in some years and surpluses in others—that is the advantage of having a sterling area—but so long as payments are *normally* kept in balance, then there will be nothing to nibble away the reserves. Foreign funds may flow into sterling and out of it, but they will not drain the reserves. As they come in they will swell the reserves and be put to use in the money market but there will be gold and dollar backing available to pay them off at call if need be.

The third requisite is for the major deposit holders (who would form the permanent Commission) to agree a *maximum* drawing down of their deposits year by year. Deposits could be drawn upon without limit, but, over the year, they should not fall below an agreed level. If any protest that this is an infringement of their rights, the answer is that a devaluation of sterling would be an even greater infringement. In the real world, given the limited amount of the gold and dollar reserves, the choices are between maintaining the sterling system by avoiding overstraining it and of bucking it up by insisting on getting more out of it than there is to give.

For, in fact, the sterling balances can only be drawn down by the sterling area as a whole throwing up a surplus of exports with the gold and dollar world, or by drawing down the existing gold and dollar reserves. And, unless the reserves are big enough to be drawn without difficulty, or unless the sterling area is in trading surplus with the gold and dollar world, it is simply not practicable to draw the balances down.

The fourth requisite, which the depositors could fairly demand in return for abstemiousness over their drawings, is to mobilise effectively the second and third lines of reserves. The dollar securities privately held should be sold to the British Government and the total dollar security holdings of the latter should then be deposited as collateral with the I.M.F. (in preference to the Export-Import Bank) against which dollars can be drawn. These securities should then rank as part of the reserves. Similarly, the substantial

(*Continued in previous column*)

AMERICAN LETTER

"PUMP PRIMING" BACK AGAIN IN U.S.

ANOTHER ERA OF INFLATION BEGINNING?

From Our Special Correspondent

NEW YORK, *21st January*

AS predicted in earlier despatches, "pump priming" as practised in the Administrations of Franklin Delano Roosevelt is back under President Eisenhower. The most important annual messages by the President have been submitted to Congress. They all spell expansion, just a few months after the previous session of the same Congress was possessed by an economy mania which was a major contributing factor in the economic cutbacks, which have occurred in the United States.

It is difficult to explain rationally. Perhaps, as long as human beings are involved, reason can never be disassociated from emotion and *vice versa*. Sputnik did it as well as the severe criticism which has been heaped upon the U.S. defence command by such individuals as General Gavin who is generally regarded as one of the greatest brains of the current military generation.

As is customary at this time of the year, much attention is being paid to the Government's economic plans. In this connection, a word must be said about the U.S. Budget. There are, in reality, two budgets. One is the widely heralded book-keeping Budget, the other the cash Budget of Washington. The former excludes the Government trust funds, such as Social Security and other items which become bigger every year. They are wholly disregarded in the regular Budget which is tied in with the national debt limit, presently at $275,000 million.

The current fiscal year Budget (book-keeping) is in the neighbourhood of $72,000 million. The next one for the fiscal year ending 30th June 1959 is projected at about $74,000 million. What are the cold facts?

Cash spending by the U.S. Government in the current fiscal year ending 30th June 1958 will amount to about a little better than $81,000 million. This is slightly less than was received from taxpayers. Hence, the economic pinch. In the following fiscal year, about $85,000 million will be dispensed by the national treasury and for the year next to it, the figure is likely to be $86,000 million. Both are far above expected tax revenues.

All this means that the chances are from here on in, there will be deficit spending as in the '30's under President Roosevelt. This may be aggravated by political motives of the lawmakers. There is now talk of a reduction of taxes, in order to make the new programme of defence more palatable to the voters. Nothing can be ruled out as unlikely under present circumstances, I feel.

In the final analysis, the U.S. seems to be headed for another era of inflation and, thus, for a further reduction in the purchasing power of the U.S. dollar. This is a long-range forecast, not a prediction for the immediate future.

All this may sound quite complicated to Indian readers. The point is, the U.S. has an antiquated budgetary conception. Unlike Great Britain, where every annual Budget stands on its own feet, the U.S. appropriations carry over from one year to another so far as unspent portions are concerned. Thus, it is almost impossible to determine just what Government spending is going to be, unless a close analysis is made of the facts at hand. There is little doubt this time. Washington is headed for a new spending spree which, in terms of dollars, may be without precedent in peace-time history of the country. It is based on the American conception that everything can be bought—peace, security, health plus the necessary tangibles which go with it.

Much criticism is directed against Secretary of State Dulles for his adamant stand against "summit talks" with the Kremlin leaders. Mr. Dulles, to be certain, distrusts the Soviets and he has good reasons for his attitude. At the same time, the average man in the street, and I mean just that, asks, with a good deal of justification, what possible harm could come of talks between President Eisenhower and Nikita Khrushchev?

Indeed, the atmosphere is such at this writing it seems most likely Secretary Dulles will be overruled and a summit meeting will take place. All this is against the background of utter confusion regarding the future.

Something new, something very frightening has come over the U.S.—Sputnik. These revolving missiles do not fall into the traditional thought pattern. As President Eisenhower said in his message to Congress, "important new weapons . . . do not fit into any existing service pattern. They cut across all services, involve all services and transcend all services at every stage from development to operation . . . pride of service and mistaken zeal in promoting a particular doctrine has more than occasioned the kind of difficulty of which I have spoken." The U.S. Chiefs of Staff of the U.S. Army, Navy, and Air Force are openly and earnestly opposing any reorganisation. So is the Chairman of the Joint Chiefs, General Nathan Twining.

The world may know as well that this situation exists in the U.S. today. It is a human problem of well-meaning people, but it is a problem. Senators and Congress men are now trying to untangle this emotional jungle. Whether they will be successful remains to be seen.

The latest estimate is that the current fiscal year which has a little more than five months to go, will show a deficit of $400 million, instead of the originally estimated surplus of $1,800 million. Present projections are that the 1959 Budget will be in balance. This, however, rests on a predicted $2,000 million rise in revenues which is problematical. It would occur only if there were to be a fairly quick end of the current business recession.

Meanwhile, the U.S. Treasury faces the prospect of running short of cash under the current debt limit of $275,000 million. Already, the Administration has asked Congress, which controls the purse-strings, to boost the debt limit by $5,000 million to $280,000 million. It was approved promptly by the House of Representatives' Ways and Means Committee.

At this point, some economies in non-military expenditures are contemplated, but they are not to take effect immediately. The plan is that within the next few years, Washington would shift some of its financial burden to State and Local Governments. This would apply particularly to such matters as slum clearance, aid to the needy, vocational education and other fringe areas.

It may be noted that the new Budget provided for no new public works projects. The old ones are still very much in evidence, such as the 10-year road-building programme. Because of higher road construction costs and expansion of plans by the States, the figure for this joint Federal and State venture is now at $37,600 million, that is, 37 per cent. up from earlier estimates. Whatever else may be said, it will be a powerful stimulus for the U.S. economy.—*All Rights Reserved.*

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

Condensed Statement of Condition December 31, 1957
(Figures of Overseas Branches are as of December 24, 1957)

RESOURCES

Cash and Due from Banks	$ 1,850,658,364.57
United States Government Securities and Securities Guaranteed by the Government	1,873,880,684.95
Federal Agency Securities	114,084,739.81
State, County, and Municipal Securities	615,224,494.07
Other Securities	139,340,429.60
Loans Guaranteed or Insured by the United States Government or its Agencies	1,345,072,437.40
Other Loans and Discounts	4,209,711,583.91
Bank Premises, Fixtures, etc.	115,159,169.02
Customers' Liability on Letters of Credit, etc.	318,278,678.02
Accrued Interest and Other Resources	57,739,009.77
TOTAL RESOURCES	**$10,639,149,591.12**

LIABILITIES

Capital	$ 160,000,000.00	
Surplus	290,000,000.00	
Undivided Profits and Reserves	133,021,220.77	
TOTAL CAPITAL FUNDS		$ 583,021,220.77
Reserve for Possible Loan Losses		90,926,400.83
DEPOSITS Demand	$4,790,055,035.50	
DEPOSITS Savings and Time	4,734,061,687.15	9,524,116,722.65
Liability for Letters of Credit, etc.		320,828,328.30
Reserve for Interest, Taxes, etc.		120,256,918.57
TOTAL LIABILITIES		**$10,639,149,591.12**

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Condensed Statement of Condition December 31, 1957
Home Office—New York, N.Y. ***Branches: Duesseldorf, Singapore, Paris, Beirut, Guatemala City***
(Branch figures are as of December 24, 1957)

RESOURCES

Cash and Due from Banks	$107,755,854.74
United States Government Obligations	9,734,347.21
Other Securities	18,353,830.67
Loans and Discounts	139,124,212.06
Customers' Liability on Letters of Credit, etc.	173,730,622.03
Accrued Interest and Other Resources	2,520,123.75
TOTAL RESOURCES	$451,218,990.46

LIABILITIES

Capital	$34,000,000.00	
Surplus	6,600,000.00	
Undivided Profits	1,205,241.61	
TOTAL CAPITAL FUNDS		$ 41,805,241.61
Reserve for Possible Loan Losses		2,128,329.59
Deposits		227,897,803.93
Liability for Letters of Credit, etc.		176,199,088.02
Reserve for Interest, Taxes, etc.		3,188,527.31
TOTAL LIABILITIES		$451,218,990.46

NO LEAKAGE OF BRITISH BANK RATE

TRIBUNAL'S UNANIMOUS VERDICT

THE three-man Tribunal appointed by the U.K. Government to enquire into the alleged leakage of information relating to the raising of the British Bank rate in September last, has unanimously concluded that there was no justification for the allegations. The Tribunal was headed by Lord Justice Parker, Mr. E. Milner Holland, Q.C. and Mr. Geoffrey Veale, Q.C., being his two colleagues. It has further found that even the information disclosed by the Ministers to some Press men and Party members generally about the proposed restrictive financial measures (not specifically about the Bank rate) was treated by the recipients as confidential and that no use of such information was made for the purpose of private gain. It has fully endorsed the view that the transactions made on the eve of the Bank rate rise were made by intelligent anticipation of the possible crisis measures that the Government would have to take in the circumstances in which Britain found itself in September last.

The Tribunal's report has come as a great relief to the City of London, which has for long been enjoying the position of a leading international financial centre, though its place as the "financial capital of the world" has in recent years been taken over by Washington. Financial circles in London find it gratifying that the Tribunal has fully justified the hope expressed by the Governor of the Bank of England that its report would not only maintain but actually enhance London's reputation for financial integrity. Such a reputation was at stake in September last, when allegations were made against the Cons rvative Government of improper disclosure of information relating to the raising of the Bank rate. The allegations were, of course, denied by the Government. The members of the Opposition (Labour Party) were, however, unconvinced and almost raised a storm in the House of Commons demanding an independent enquiry. After considerable hesitancy, the Government agreed to the suggestion and the result was the appointment of the Tribunal under the chairmanship of Lord Justice Parker on 14th November.

Thorough Enquiry

The Tribunal first sat on 21st November 1957 to consider the procedure and to give directions. Hearing of evidence and arguments lasted for 12 days between 2nd and 30th December. The enquiry was a thorough one, inasmuch as evidence on oath from 132 witnesses and a statutory declaration from one witness were recorded, written statements of 236 other persons were considered, the lists of sales and purchases of Gilt-edged securities made on 18th September and on the morning of 19th September upto the time when the increase in Bank rate was announced were scrutinised and the turnover in Gilt-edged securities of leading jobbers on these two days was compared with that on other days between 22nd August and 3rd October 1957, inclusive, as also with that on 15th February 1956 and 6th February 1957, the days preceding the earlier changes in the Bank rate.

The report of the Bank Rate Tribunal covers investigation of three distinct issues, namely, (1) allegations of premature disclosure by Ministers to the Press and other persons not in the public service, (2) rumours current in the City (London) of substantial sales of Gilt-edged securities on 18th and 19th September 1957 of a character which suggested selling by persons who were in possession of advance information, and (3) accounts of isolated incidents which, if true, would support the view that unauthorised persons were in possession of such information. The Tribunal unhesitatingly reached the unanimous conclusion that there was no justification for allegations that information about the raising of the Bank rate was improperly disclosed to any person.

Prior Disclosure

On the first issue, namely, disclosure by Ministers of the proposed restrictive measures to the Press and other persons not in service, the Tribunal's finding is as follows:

"We have found the occasion on which and the circumstances in which prior disclosure was made by Ministers of the proposed restrictive financial measures. We have also found that in every case the information disclosed was treated by the recipient as confidential and that no use of such information was made for the purpose of private gain. As we said at the outset, the propriety of such disclosure is a matter for Parliament alone.

"We do, however, understand and appreciate the reason for the decision of the Chancellor of the Exchequer with the approval of his Cabinet colleagues, to explain in advance to Press representatives, the Conservative Central Office and representatives of industry the nature of the intended restrictive financial measures, having regard to the serious financial situation and the urgency created by his imminent visit to Washington."

The Tribunal is satisfied that, although the Chancellor discussed with the aforesaid people in confidence the restrictive financial measures, he did not at any time discuss with, disclose to or give them, either directly or indirectly, any information whatsoever about the proposed increase in the Bank rate. It is also satisfied that no unauthorised disclosure was made by any of these persons of the information as to the restrictive financial measures given to them as representatives of their newspapers and that no use was made of the information for the purpose of private gain.

The report next deals with three members of the Conservative Party, who were not in public service, but who received prior information about the restrictive financial measures. The Tribunal has found no justification for the allegation that these persons received, either directly or indirectly, any information as to the increase in Bank rate. "Each of them," the Tribunal added, "treated the prior information on the restrictive financial measures which they received as confidential and did not use it for the purpose of private gain." A similar verdict is given by the Tribunal about the representatives of industry who met the Ministers prior to the Bank rate rise.

Sales of Securities

As regards the sales of Gilt-edged securities on 18th and 19th September, the Tribunal's report says that securities of the nominal value of about £16.5 million were sold and of £14 million were bought on the 18th. Sales on the 19th were small. Giving its views on these sales, the Tribunal observes:

"In our view, the effect of these substantial sales, together with the general factors already indicated above, was to cause the fall in prices of Gilt-edged securities between the afternoon of the 18th and 11.45 a.m. on the 19th when the increase in the Bank rate was announced. There was no evidence that the fall in prices was due to any general leakage of information about the impending rise in the Bank rate. The comparatively small figure of sales negatives any such conclusion. Indeed, in the light of all the circumstances, we are surprised that selling was not heavier.

"This may be due to the fact that it was the general opinion that the Government would be unwilling to agree to an increase in the Bank rate and in part also to the fact that it was thought that a new Government funding operation was shortly to be undertaken. It does not follow, that there may not have been individual cases in which dealings were prompted by the improper disclosure or use of confidential information.

"There is no doubt that a number of persons in the City had come to the conclusion that some Government measures to deal with the financial and economic crisis would have to be announced before the Chancellor of the Exchequer left for Washington. This was, we think, a very natural view to take and could readily have been formed without any special knowledge.

"It is possible that some people may have been encouraged to this view by rumours that consultations with the Chancellor had been taking place for some time, but there is very little evidence that any such rumours were current and the interviews given by Ministers on the afternoon of Wednesday, the 18th, even if the fact of such interviews became known, were too late to have any effect on the market on that day. On the 19th, although the newspapers forecast a Government announcement, the sales of Gilt-edged securities were small in amount."

Probe into Dealings of Firms

The Tribunal made a special probe into the dealings of certain firms, with which two Directors of the Bank of England (Lord Kindersley and Mr. W. J. Keswick) and the Deputy Chairman of the Conservative Party (Mr. Oliver Poole) were connected. Lord Kindersley is Chairman and one of the Managing Directors of Lazard Brothers, Governor of the Royal Exchange Assurance Company and Chairman of the British Match Corporation. In these three firms, no person, other than Lord Kindersley, had any prior knowledge of the impending rise in the Bank rate or of the proposed restrictive financial measure. The firm of Lazards sold large parcels of securities of a nominal value of £2 million prior to the Bank rate rise and bought back on 23rd and 24th September securities of the value of £750,000 at the lower prices then ruling and made a profit of over £30,000 in the repurchase, although it suffered an overall loss on its remaining Gilt-edged holdings. Though the Tribunal found that the proceeds of the securities sold by Lazards were considerably in excess of the firm's requirements, it was satisfied that "in a business such as that carried on by Lazards, liquidity must be of considerable importance and the steps they took arose out of necessary requirements of the firm's business, in the light of the situation as the Managing Directors saw it at that time. Had Lazards any prior knowledge of the Bank rate rise, the Tribunal points out, they would no doubt have sold more Gilt-edged securities and thus have reduced the overall loss which they suffered on their remaining Gilt-edged securities.

Lord Kindersley's Conduct

The Tribunal was satisfied that Lord Kindersley did not disclose in any way the knowledge which he had, or use that knowledge in order to assist Lazards. Though Lord Kindersley was a party to the firm's policy decision leading to sale of securities, the Tribunal found that he was influenced solely by the necessary requirements of the firm and not by any knowledge obtained as a Director of the Bank of England. The Tribunal did not find anything unusual about the sales of Royal Exchange Assurance and British Match Corporation. Dismissing the allegation that the sales of Royal Exchange Assurance implied prior knowledge of Bank rate rise, the Tribunal points out that, if the Company had any such knowledge, it would have sold more Gilt-edged securities and sold long-dated securities rather than short-dated ones, as was actually done by the Company. The Tribunal has, in fact, paid a tribute to the conduct of Lord Kindersley, the complete honesty and propriety with which he conducted himself "during a period when he might, at any moment, have been placed in an embarrassing position."

Mr. W. J. Keswick, another Director of the Bank of England, is a Director of Messrs. Matheson & Co., the London agents of Messrs. Jardine Matheson, Hong Kong. Messrs. Matheson & Co. sold Gilt-edged securities of the value of over £1 million on behalf of the latter firm. The Tribunal made an exhaustive study of the evidence tendered by Mr. Keswick and came to the conclusion that he behaved with complete honesty and propriety in the difficult and embarrassing situation in which he found himself. It was his duty to Jardine Matheson to give the advice sought for by the latter. The advice was given reluctantly and the Tribunal was satisfied that, if he had not been a director of the Bank of England, he would, in the circumstances prevailing at that time, have given the same advice.

In the case of Mr. Oliver Poole, the Tribunal found not a shred of evidence that he made any

(Continued on page 203)

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AMENDMENT TO COMPANY LAW

IMPORTANT RECOMMENDATIONS OF NEW COMMITTEE REVIEWED

By Premjus Roy

THE Companies Act Amendment Committee which was appointed by the Government in May 1957 has submitted its report to the Government. It is intended to set out in this article the main recommendations of the Committee.

Some of the recommendations would adversely affect company managements. It has been recommended that clause (iv) of section 3(1) of the Companies Act, for instance, should be amended to provide that any private company in which shares to the extent of 25 per cent. or more of the paid-up capital are held by one or more public or private companies should not be treated as a private company, but that it should be deemed to be a public company. If this recommendation were accepted, many genuine private companies will come to be considered as public companies, and will be liable to the various disabilities, restrictions and obligations which apply to public companies. Another recommendation made by the Committee is that those private companies which are subsidiaries of foreign bodies corporate but in which some part of the capital is beneficially held by Indian nationals or Indian companies, should be treated as subsidiaries of public companies. In case there is no beneficial holding of Indian nationals, the matter is left to be considered by the Government whether Indian subsidiaries of such foreign bodies corporate are or are not to be treated as subsidiaries of public companies.

In regard to section 81 of the Companies Act, the Committee has recommended that, on any increase of subscribed capital of a company after the expiry of one year from the first allotment of the shares, the issue or allotment of further shares must be offered to the existing holders of equity shares. This amendment is proposed, in order to prevent directors allotting to themselves shares which were offered to shareholders but were not taken up by them, when the share values go up.

The Committee has also recommended that it will not be enough if only the chairman's speech which forms part of proceedings of general meetings is published in the papers, but that the whole minutes should be published. This recommendation, if accepted, would entail unnecessary expense to the company.

Managerial Remuneration

A very important recommendation which the Committee has made is that, in section 198, which prescribes a ceiling for overall managerial remuneration, an explanation should be added to the effect that remuneration would include perquisites. It has also been suggested that it should be provided that the minimum remuneration of upto Rs. 50,000 which is authorised by section 198(4) to be paid to managing agents, etc., in the case of absence or inadequacy of profits, should be fixed only subject to the approval of the Central Government, and it will not be enough if such minimum remuneration is sanctioned by the directors or by the company in general meeting.

One very revolutionary recommendation which the Committee has made is that, within seven days of the declaration of the dividends, the company should deposit the total amount of the dividends in a Scheduled bank and dividends should be paid from that account from time to time. When the companies are already finding difficulty of finances, this provision, which would compel companies to lock up their funds, is, indeed, very drastic and will have to be modified.

It has also been recommended by the Committee that an amendment should be made in section 209 to provide that books of account must be preserved by the company for a period of at least eight years. The power given to the Registrar of Joint Stock Companies under section 210(4) to allow the company to extend its financial year upto 18 months is recommended to be cancelled. Another very important suggestion made is that the directors' report, in addition to the matters already required to be stated under section 217(1) in respect of the company's year of account to which the report relates, should also state material changes and any commitments in respect of purchases or sales of investments and capital expenditure between the close of the financial year and the publication of the directors' report.

The Committee has also recommended that private companies should, in addition to the balance-sheet, file a copy of the profit and loss account with the Registrar, although only members will have the right to inspect or get copies of the profit and loss account from the Registrar.

An amendment has been suggested to section 228 to the effect that the branch accounts of a company must also be audited by qualified auditors. In section 283(1)(h), it has been suggested that taking a loan from the company by a director, even indirectly, would also be a disqualification rendering the director liable to vacate office. In respect of section 293(1), the Committee has suggested that the resolution of the company in general meeting relating to the power of borrowing should specify the total amount upto which moneys may be borrowed by the Board.

It has also been recommended that full information relating to contributions made by companies to political parties should be given in the accounts and circulated to the members.

A very important recommendation made by the Committee is that no managing agent who has resigned his managing agency shall take up sole selling agency directly or indirectly, without the approval of the Government within six months of the Act coming into force. It has also been recommended that the Government should have the power to specify industries or commodities in which sole selling agents shall not be appointed, except with the Government's approval regarding conditions of agency, etc.

Shareholdings of Managing Agents

Yet another restrictive provision is in respect of section 307, which the Committee has recommended should be amplified to include shareholdings of managing agents, secretaries and treasurers and managers. Hitherto, particulars of shareholdings had to be recorded by the company only in respect of directors, and not the managing agents, etc. A further restriction has also been placed on the power of managing agents to transfer the right to manage the affairs of the company to another person, such as under irrevocable power-of-attorney, without the Government's approval.

For calculating managing agents' commission under section 349, the Committee has recommended that debts considered to be bad or doubtful will also be deducted from the profits, apart from other deductions already prescribed. For reimbursement of expenses incurred by the managing agents on behalf of the company under section 354, it has been suggested that sanction for reimbursement should be based on the certificate of the auditors, or the managing agents, or the managed company.

It has also been prescribed that, in the profit and loss account, detailed information should be given about remuneration, other emoluments, pensions, etc., payable to directors, managing agents, treasurers, secretaries and other managerial personnel. It has also been suggested that a new section should be added after section 362 to provide that every company shall, in its accounts, give full particulars of managerial remuneration, commission paid to managing agents in various ways, etc.

In respect of section 369, it has been suggested that the company should not make loans to managing agents, whether directly or indirectly, and further that an explanation should be added to the effect that credits given by the company to the managing agents for facilitating company's business refers only to cash advances, transactions on such advances being settled as far as possible on a monthly basis.

Another very important recommendation made by the Committee is that a new section should be inserted after section 629 to provide for levy of penalty for default or non-compliance of any of the provisions or orders made under the Act for which no punishment is provided separately. This is a blanket provision for penalty and is very drastic indeed.

All the above provisions are, as mentioned at the outset, of an onerous character, so far as company managements are concerned. The Company Law Amendment Committee has also made some recommendations to remove certain difficulties of company managements. These may now be mentioned. An amendment is proposed to the definition of "managing director" in section 2(26) to the effect that only substantial powers of management vested in a director would bring him within this definition.

The definition of "relative" in section 6 is also recommended to be modified. Under the modified definition, reference to relationship by adoption, illegitimate descent, full-blood or half-blood is removed, and it is intended to cut down the number of relatives to about half the present number.

In respect of non-profit-making associations which are licensed to register as companies under section 25, the Committee has recommended that the Central Government may be given power to exempt such companies from the operation of certain specified sections of the Companies Act. In addition to the sections specified by the Committee, there are many more sections in the Act which such non-profit-making associations find difficult to comply with, and it is, therefore, preferable that the Government are given a general power to scrutinise the Articles of such companies and give exemption from any sections, if the contrary provisions in the Articles are not found objectionable.

It is also recommended by the Committee that Government's approval should not be necessary where a private company is proposed to be converted into a public company, and that such consent should be necessary only when a public company is proposed to be converted into a private company.

Investments

In regard to section 49, which prescribes that investments of a company must be held by the company in its own name, it is recommended that the section should be amended to provide that nothing in the section should be deemed to prevent a company from depositing with or transferring to or holding shares or securities in the name of the State Bank of India or a Scheduled bank which acts as the company's bankers.

In section 106, it is proposed that for variation of class rights, the sanction of a special resolution passed at a separate meeting of the shareholders of that class should suffice, instead of the sanction of three-fourths of the entire issued shares of that class. In regard to section 172, it is recommended that the explanatory statement need not be published in the newspapers, and publication of notice of the general meeting is enough. In respect of section 192, it is provided that all special resolutions need not be filed, and that it should be enough if copies of resolutions which amend or alter the Articles or which relate to capital structure, appointment of managerial personnel, etc., are filed.

The Committee has also recommended that section 255 should be altered to provide that companies may, by Articles, provide for retirement of all directors at every annual general meeting, instead of only one-third of the directors retiring every year. It has also been suggested that to remove difficulties experienced by chambers of commerce, clubs, etc., sections 263, 177, 255 and 256 may not apply where the Articles of a company specifically provide for election by a ballot, instead of election of each director separately at the general meeting.

An amendent is also proposed in section 285 to provide that private companies having a subscribed capital below a certain amount, and guarantee companies, or any such class of companies as the Government may exempt, should not be required to hold a meeting of the Board once at least in every three months.

In regard to section 294, which requires appointment of sole selling agents to be approved by the company in general meeting within six months of the appointment, the Committee has suggested that the approval of the shareholders might be required to be obtained at the next annual general meeting even if it takes place after the expiry of six months of the appointment. An amendment is also proposed in section 300 to provide that the holding of not more than 2 per cent. of the paid-up capital of a company with which contract is proposed to be entered into, shall not disqualify a director from taking part or voting on that contract in the Board's meeting.

(Continued on page 203)

IMPORT QUOTA FOR RAW WOOL RAISED

STRESS ON PROMOTING EXPORTS OF FINISHED PRODUCTS

TWO notable decisions governing import of raw wool and wool tops during the current calendar year have been announced by the Government of India. First, the monetary ceiling on imports is fixed at Rs. 9 crores, as against Rs. 4 crores announced in November last. The quota will be allocated on a past consumption basis, the part which has already been released on the basis of spindleage being adjusted appropriately. The allocations will be in two parts, Rs. 5 crores for the January-June period and Rs. 4 crores for the July-December period. Secondly, import allocations have been made to serve as an incentive for promoting exports of finished woollen products. Accordingly, those manufacturers who undertake to export a specific quantity of finished products within a certain time may claim in advance an additional quota of foreign exchange up to 75 per cent. of the value of goods to be exported.

The aforesaid decisions of the Central Government are a sequel to the representations made by the woollen textile industry. When the Government announced the import quota of Rs. 4 crores in November last, it was not clear whether the quota was for six months or for one year. The Federation of Woollen Manufacturers protested against this lack of definiteness and questioned the very basis on which the quota had been fixed. Declaring that the restrictions on imports of raw wool and wool tops were too severe, the Federation had warned that, unless the ceiling was raised suitably, it would inevitably result in short working in mills, leading to unemployment among workers.

Higher Ceiling Urged

The fixation of the ceiling of Rs. 9 crores on imports of raw wool and wool tops now announced, though it compares favourably with the previous ceiling, is less than the rough estimate of imports of Rs. 11 crores during 1957. Since, however, the prices prevailing now are lower than those a year ago, there may not be any appreciable shortfall in the total quantity of imports this year. Nevertheless, the woollen manufacturers would appear to feel that the revised ceiling would not fully meet their requirements. The question was discussed by the Federation at a meeting held in Bombay a few days ago. It is understood that a communication has been sent to the Government of India urging the latter to enhance the ceiling to about Rs. 12 crores. It may be noted here that imports of wool tops during 1957 were higher than those in 1956, the actual quantity imported in the first eight months being 11.46 million lbs., as against 11.13 million lbs. in the corresponding period of 1956. But imports of raw wool were lower at 2.61 million lbs., as against 2.97 million lbs.

Satisfaction is, of course, expressed by the woollen industry on the Government's decision to link the import allocations partly to the export of manufactured goods. The decision, it is expected, will encourage a diversification of woollen goods exports. In past years, wool hosiery has been the principal item, although some quantities of worsted cloth have lately been shipped to Soviet Russia. One of the main defects of woollen manufactures is heavy shrinkage after almost every dry wash in the initial period of their usage. This is one of the reasons why even domestic consumers prefer to buy foreign woollen goods, notwithstanding the fact that a substantially higher price has to be paid for them due to heavy import duty. If, therefore, Indian-made woollen goods are to compete effectively in foreign markets, their quality must be improved. They should compare favourably with foreign-made goods in regard to anti-shrinking quality.

Thanks to the upward revision in ceiling on imports of foreign raw wool and wool tops, together with the export incentive scheme, the output of woollen textiles is likely to be maintained at a high level this year. The following table indicates the trend of production of woollen-worsted yarn and fabrics during the first 10 months of 1957 and 1956, as also in the whole of 1956, 1955 and 1954:

	Yarn (thousand lbs.)		Fabrics (thousand yards)	
	1957	1956	1957	1956
January	1,844	1,732	1,196	1,234
February	1,862	1,900	986	1,194
March	2,137	1,969	1,066	1,285
April	2,179	1,859	1,157	1,083
May	2,185	2,056	1,211	1,153
June	2,217	2,171	1,225	1,452
July	2,427	2,349	1,382	1,470
August	2,485	2,364	1,366	1,552
September ..	2,620	2,387	1,515	1,592
October	2,581	2,351	1,686	1,506
Jan.-Oct. ..	22,537	21,138	12,790	13,523
Whole of 1956 ..	25,576		16,308	
,, 1955 ..	20,700		13,578	
,, 1954 ..	19,361		13,748	

It will be seen from the above table that the production of woollen yarn has gone up markedly, while that of fabrics has suffered some setback. Incidentally, the total number of mills engaged at present in the manufacture of woollen textiles is 122, the bulk of which, namely, 73 units, is accounted for by purely weaving units. The number of purely spinning units is 18 and there are 26 composite factories which both spin and weave. The major centres of woollen yarn spinning are in the States of Punjab, Bombay, Uttar Pradesh, Mysore and West Bengal. The production of woollen-worsted yarn and fabrics in the different States during the first 11 months of 1957 is shown below:

	Yarn (in lbs.)	Fabrics (in yards)
Bombay	7,527,223	2,437,534
Punjab	8,799,992	4,367,023
Uttar Pradesh	3,217,786	2,374,284
West Bengal	2,777,089	945,835
Mysore	2,498,189	3,827,825
Jammu and Kashmir ..	358,568	200,262
Total	25,178,847	14,152,763

An idea of the different varieties of woollen-worsted fabrics manufactured can be had from the following table which relates to production in the months of September and October 1957; the figures for the previous months are not available:

(In yards)

	September 1957	October 1957
Woollen :		
Suitings	137,192	163,956
Uni cloth	64,408	63,067
Lohis	40,562	12,166
Worsted :		
Suitings	373,840	366,885
Uni cloth	26,722	34,727
Lohis	65,059	73,099
Mixing :		
Suitings	29,208	55,075
Uni cloth	1,474	5,571
Lohis	32,259	74,534
Blankets and rugs ..	339,286	306,384
Hosiery goods	73,358	22,756
Other items	286,036	268,825
Shoddy	44,796	68,755
Total ..	1,515,200	1,685,800

WORLD WOOL CONSUMPTION

The wool consuming capacity of the world continues to move up. During the first nine months of last year (1957), the total consumption in the 11 chief manufacturing countries of the non-communist world is estimated at 1,457 million lbs. (clear weight), representing a rise of 5 per cent. as compared with the corresponding period of 1956. The rate of wool consumption was one of the highest since the war in the first half of 1957, but slackened slightly in the third quarter and a further decline is believed to have occurred in the final three months of the year. Taking the whole of 1957, the world wool consumption would appear to have touched an all-time record. Although the actual figure is still not available, it is said to compare very favourably with the average for recent years despite trade reports of reduced wool textile activity lately.

The last quarter of 1957 witnessed a weakening of competition in the world wool market which is attributed to a number of unfavourable developments in some of the principal wool-using countries. In the United Kingdom, an increased Bank rate and intensified credit restriction so increased the cost and difficulty of borrowing that the vast wool-consuming trades of Britain found it expedient to run down their stocks and reduce their buying rate. This more or less coincided with news from Japan that sterling shortage and balance of payment difficulties caused it to modify its wool buying programme for the current licensing period. The devaluation of the French franc, which also occurred in the autumn, increased the cost of wool imports into that country. A developing recession in the United States was reflected in sharply-reduced wool consumption in American mills. As Britain, France, the United States and Japan—in that order of importance—are the largest buyers of the world's wool exports, it is hardly surprising that Commonwealth wool values have sustained a setback during the present marketing season.

There are indications that the more reasonable price level of the raw material may prove a promising augury for improved business in the days ahead. Wool stocks in commercial hands appear to have been reduced to a lower level and market reports indicate that orders for intermediate products such as tops and yarns are being placed more freely. This suggests that all sections of the industry are improving their liquid position and that, to a greater extent than of late, new business will need to be met from production.

World wool supplies for 1958 are expected to be somewhat lower than in 1957. This is due mainly to a reduction in Australian production, which is now officially estimated to be nearly 10 per cent. smaller than the first estimate issued six months ago. Drought conditions during the period of growth are reflected in a reduced quantity of wool coming forward for sale.

SHORT-STAPLE COTTON

The world's shortest and coarsest cotton, the Comilla of India, is in good demand abroad. The harsh short-staple Bengal *Deshi* has also a ready market in foreign countries. The special attraction of these types of cotton, it is common knowledge, is that because of the extreme harshness of their staple and the springy and resilient nature of the fibre, they can be mixed well with wool in the manufacture of blankets and other woollen goods. The traditional markets for these cottons are the U.S.A., Japan and West European countries. In view of their strong statistical position, these varieties fetch higher prices, as compared with better and longer staple cotton. In view of India's urgent need for augmenting foreign exchange resources, attempts are being made to increase the production of these short-staples. At present, the total annual production of Bengal *Deshi* and Comilla together averages about 337,000 bales (of 400 lbs.) annually, of which about 105,000 bales are exported. While Comilla is produced mainly in Assam, Bengal *Deshi* is grown in the Punjab, Rajasthan and Uttar Pradesh.

In view of the importance of this type of cotton from the point of view of earning foreign exchange, the Indian Central Cotton Committee is bestowing considerable attention on its production. The Committee is encouraging the growth of these cottons in exclusive areas where there is no risk of their being used for mixing with long-staple cotton. The Committee estimates that output of these cottons can be raised by 150,000 bales by the end of the second Plan period. The prospective States in which such cotton may be grown are Rajasthan, Madras, Mysore, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh and Assam.

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REVITALISING COTTON MILL INDUSTRY

GOVERNMENT ASSISTANCE URGED

From A Special Correspondent

MANCHESTER, 21st *January*

MANCHESTER LETTER

CERTAIN months of the year tend to bring better production returns, in the absence of holidays or other restrictive factors. The output of cotton yarn in Lancashire in November last was at the highest monthly level in 1957, with the exception of May, the weekly average being 18,310,000 lbs. Production of cotton waste yarns in that month at 2,190,000 lbs. was the highest of the year, but yarns spun from cotton and man-made fibres both failed to exceed the May average. Over the first 11 months of the year, production of yarn of all types was 813,200,000 lbs., as against 785,400,000 lbs. in the same period of 1956.

In weaving, the November cloth figure of 47,820,000 yards per week had only been exceeded in February and March last year, but the quantity of cotton cloth involved at 34,270,000 yards was the highest of any month in 1957. Over the 11 months, the aggregate output was 2,124,200,000 yards, as against 2,145,500,000 yards in the same period of 1956. Although production of purely cotton fabric last year was running at a higher level than in 1956, the aggregate totals as compared with either 1955 or 1954 show a distinct reduction in output. As compared with three years previously, the 11-month total was exactly 400,000,000 yards lower, of which 300,000,000 yards were in cotton fabric and 100,000,000 yards in other materials.

At the end of November, the total available labour force in spinning and weaving was 242,490, a reduction of 3,250 as compared with the 1957 peak at the end of February. The major part of this decline in manpower was experienced in the weaving section where the available total fell from 117,750 to 115,070. Spinning and waste spinning manpower was almost identical, but there was a loss of 600 in the available labour in the doubling trade.

Aircraft Or Looms?

Comparing Government expenditure on aircraft to the amount needed to re-equip the Lancashire cotton weaving industry, Mr. Kenneth O. Boardman, Chairman of Boardman Marden Ltd., the Manchester textile group, this week urged that a loan should be granted to the trade. Addressing the Trade and Industries Committee of the Manchester Junior Chamber of Commerce, he said that the cost of converting the weaving industry to completely automatic production to give output similar to that of today would be £26,000,000. Considering that the Government had just placed an order for 35 new aeroplanes at a cost of £60,000,000, was it too much to ask for the loan of the price of 14 of these aircraft, in order to revitalise and extend an industry employing over 300,000 workpeople?

Mr. Boardman said that the section of the industry, which was destroying Lancashire textiles and could be the main cause of its further decline in the future, was the weaving industry. Over 80 per cent. of the looms in use at the moment is of the old type known as the Lancashire loom. "This machine cannot play any part in modern textile production," he declared.

With re-equipment requiring the introduction of three-shift working, it would be possible for the Lancashire weaving trade to enter into the European common market plan with confidence. Considerably higher wages could be paid which would attract labour and yet reduce the cost of production. Average wages for weavers could be around £14 a week, offering greater prospects to the workers than for the past 30 years.

Smaller Cloth Exports

The continued decline in Britain's export of cotton and rayon fabrics "can only be viewed with grave concern," according to the Annual Report of the Board of Directors of the Manchester Chamber of Commerce. This states that, to some extent, the trend reflects the pace of the development of highly protected local industries in many of Britain's best overseas markets. In other cases, currency difficulties or import licensing restrictions limit the flow of goods. The report adds: "It would be wrong, however, to imply that these are the only reasons. There are still some open markets and, in these, our competitive ability, whether in quality, price, design, or sales organisation, can still be the deciding factor."

The Chamber has given support during the year to market research surveys in the Scandinavian and Venezuelan territories, commissioned by the Cotton Board. In the former, Lancashire exporters have been exposed chiefly to competition from Continental producers and, in the latter, the United States and Japan have been their chief rivals.

On a more satisfying level, the Chamber gives evidence of more practical and immediate help which it has been able to give the trade in securing export business which might otherwise have been lost. The past year had seen the satisfactory conclusion of the triangular aid schemes with Pakistan, Burma and Indonesia, in which the Chamber has worked "in almost daily collaboration" with the Board of Trade, the Chartered Bank, and the Liverpool and Manchester Raw Cotton Associations.

In the case of Pakistan, a final additional quota of $600,000, chiefly for yarns, was secured, while the Chamber's pool arrangements for Burma and Indonesia operated most successfully in providing exporters with facilities for raw cotton cover necessary under the schemes, which many members could not otherwise have secured on their own account. Seventy per cent. of the textiles exported under the aid scheme to Indonesia and 50 per cent. to Burma were covered through the Chamber's pool.

Indicative of the stagnation which persists throughout raw cotton markets is the small number of transactions recorded in Liverpool futures from day to day. Even those closely connected with this branch of the trade would scarcely deny that its revival in 1954 has hardly lived up to expectations.

The blame for this inactivity is by no means the responsibility of merchants and brokers dealing with the raw material. Their efforts to stimulate interest in the distribution and purchasing of cotton have been worthy of commendation, but circumstances on an international scale have been against them practically from the start of the re-establishment of the market. The real stumbling block came with the introduction of the two-price system in the United States which has effectively stifled initiative in cotton markets throughout the world.

Interest in the American contract in Liverpool remained relatively constant during the second half of last year, but the average turnover was distinctly lower than in 1956 which in turn failed to reach the level recorded in 1955. To gain some idea of the decline which has taken place in market conditions, it should be stated that an average of nearly 40,000 bales changed hands daily in the American contract in March 1955, whereas the figure during the second half of last year was around 2,500 bales.

An Innovation

Among the innovations introduced by the Liverpool Cotton Association to stimulate demand in the raw material was the establishment of a mixed contract covering not only United States qualities but also other substitute growths. This contract has been in existence for about 18 months, but the daily turnover has shrunk from a peak of nearly 3,700 bales in October 1956 to only a few hundred bales daily. The Sudan contract has been bedevilled by developments in that country and has attracted little attention for months past.

It would be idle to pretend that the outlook in this connection for raw cotton traders is anything but bleak. In such a narrow market, transactions tend to have a disproportionate effect on prices; selling or buying pressure can cause fluctuations in values which are not justified by the size of the business under consideration. Political opponents of the system will not be slow to point out these defects, if the opportunity arises to make changes in the situation.

The only encouraging aspect of the position from the viewpoint of those involved is the possibility that the United States Government may eventually revise its farm policies. Reversion to a single price system would be generally welcomed throughout the cotton world, but the threat of further statutory plans to control supplies and prices cannot be ruled out now that Governments are so deeply involved in commodities and industry as a whole.—*All Rights Reserved.*

Last week, forty-six leading Japanese textile manufacturers held a sales promotion exhibition in Hong Kong. The objective of this exhibition was to establish direct commercial relations with overseas markets. It was the first of its kind held overseas by Japanese manufacturers since the second world war.

The Moscow Artificial Fibre Institute has produced a fibre which, it is claimed, is more durable than steel. It can be used to make products ranging from lace to machine parts.

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RAW COTTON TRADE AND THE EUROPEAN COMMON MARKET

IMPLICATIONS ANALYSED

RIGHT from the moment the idea of a more closely linked European economic community was mooted, which has now materialised with the coming into force of the European Common Market on 1st January 1958, the question has been asked as to how it would affect world trade in general and trade in commodities in particular. The six Common Market countries—Belgium, Luxembourg, France, Western Germany, Italy and the Netherlands—have large textile industries which have been extensively modernised since the Second World War. They draw raw materials for these industries, partly from indigenous sources and from associated overseas territories but mainly from a wide range of other countries outside Europe. The formation of the Common Market, which involves, among other things, relaxation of trade barriers between participating countries and reduction and eventual elimination of all duties inside the area, is likely to affect the competitive position of raw cotton *vis-a-vis* synthetic fibres, the internal consumption of cotton in each country and the volume and pattern of imports. The Food and Agriculture Organisation of the U.N. recently made a study of some of the possible effects of the Common Market on the raw cotton trade. Its conclusions, published in a recent issue of the *Monthly Bulletin of Agricultural Economics and Statistics*, will doubtless be of interest to readers in this country.

Largest Single Outlet

The Common Market represents the largest single outlet for imported cotton, as the six constituent countries together import 850,000 to 900,000 tons of cotton annually, which is nearly one-third of the total moving in international trade. There are two main sources of supply to these countries. They are: First, overseas territories associated with these countries. Less than 10 per cent. of the combined imports are derived from such associated overseas territories in Africa. Under special arrangements, France acquires the whole supply of French African cotton. In the 1956-57 season, French Africa's output amounted to 225,000 bales of 478 lbs. each. The exportable quantity of Belgian Congo cotton moves freely to all countries (in accordance with the Congo-Basin Treaties) but the Common Market countries take the bulk of it. During the 1956-57 season, Belgian Congo is estimated to have produced 250,000 bales of 478 lbs. of which about 200,000 bales were exported. The second source is "outside" supplies which have been divided into three groups: (1) countries the cotton exports of which have been concentrated on the six countries, (2) countries the cotton exports of which are not so concentrated, but for which cotton production and trade is particularly important, and (3) the U.S.

Group (i) includes countries like Greece, Turkey, Syria and Iran which are not important world producers; but their output has been expanding in response to demand from developing indigenous textile industries. Common Market countries purchase cotton from them under special trade arrangements. They, however, supply less than 15 per cent. of the Common Market countries' import requirements. The second group includes widely dispersed major cotton producers such as Mexico, Egypt, Brazil and Pakistan. They offer a wide range of cotton and account for about one-third of the total imports into these six countries. Some of them, Brazil, for instance, have special trade arrangements with the Common Market countries. Raw cotton exports from each of these countries to the Common Market countries represent a significant portion of their total exports. It has averaged 41 per cent. for Mexico, 38 per cent. for Brazil, 30 per cent. for Egypt and 21 per cent. for Pakistan.

The United States, the world's largest producer and exporter of cotton, supplies a varying residual proportion of the Common Market's cotton imports. Despite U.S. foreign aid programmes, the relatively high price of U.S. cotton led to a sharp decline in the U.S. exports to these countries in 1955-56. Over the past three seasons, namely, 1953-54, 1954-55 and 1955-56, the share of U.S. cotton averaged only 25 per cent. of total imports into these countries.

Effects Not Drastic

The F.A.O. study points out that the direct and indirect effects on cotton trade of the Common Market would be numerous but seem unlikely to be drastic. Since standards of living in these metropolitan countries are already relatively high and some technological factors also are operating adversely, a rapid increase in consumption of textiles generally is scarcely to be expected. The relaxation of barriers to textile trade between the contracting countries would add impetus to the demand for speciality products of individual industries; but whether the textile price structure will generally be lower will, it is pointed out, depend, to some extent, on the tariff treatment of low-cost textiles, particularly those originating in the East. The sizable textile requirement of the associated overseas territories will no doubt expand as joint investment in their developments proceed and all the six Common Market countries gain access to their markets. But any discrimination against textiles into these territories from outside the Market might tend to put a break on expansion.

Prospective Consumption

The prospect for cotton consumption in the Common Market countries will be affected by the increasingly competitive status which rayon staple will achieve in the area. It may be noted, in this connection, that rayon, particularly in its staple form, is widely used by the textile industry of these countries in combination or competition with cotton and the indigenous production of the fibre constitutes a substantial and increasing proportion of total supply, though the pulp required for its manufacture is largely imported. Presently, import duties on rayon staple range from 6 per cent. (in Benelux) to 20 per cent. (in France) whereas cotton enters duty-free into all countries except Italy where a 6 per cent. duty is levied. The reduction and eventual elimination of all duties inside the Common Market may, therefore, tend to divert some consumption to rayon or, at least, increase the pressure on cotton prices.

Pattern of Imports

As regards the pattern of cotton imports, the F.A.O. Study says that no major change is likely to occur, at least in the near future, as a direct result of the advent of the Common Market and the eventual elimination of duty on cotton which, in effect, means the abolition of the 6 per cent. duty levied by Italy. Shifts will no doubt occur, but they are more likely to have their origin in the policies of the cotton-producing countries, notably in the United States. Already, the associated African territories ship virtually all their exportable surplus to the Common Market countries. Intensified, joint efforts by the latter to increase productivity, including the use of more highly organised and mechanised methods, may yield sizable results, but probably only over a longer term and any displacement of other cottons is, therefore, bound to be slow. The Common Market countries have closer economic ties with cotton-exporting countries like Syria, Turkey, Iran and Greece, while, in the case of Egyptian, Sudanese and Pakistani cotton, these are mostly staples not produced in the overseas territories associated with the Common Market. It is, therefore, unlikely that imports from these countries would be reduced as a result of expansion in the cotton production of African territories. Imports from the Western Hemisphere, on the other hand, are, at least to some extent, hampered by currency difficulties and it seems likely that any cut in imports, owing to increased supplies, from overseas territories would fall on the U.S. or Latin American cotton. The U.S. exports are currently favoured by subsidies and other financial aid but efforts are being made to reduce production. To the extent that these efforts prove successful, the study points out, the danger to Mexico and Brazil (which are the main competitors of the U.S. in the European markets) of reduced outlets for their cotton in the Common Market will be removed.

MILL CONSUMPTION OF COTTON

Indian mills consumed during the first three months of the current season, that is 1st September 1957 to 30th November 1957, 1,311,446 bales of raw cotton (of 400 lbs. each), as compared with 1,269,045 bales during the corresponding period of the previous season. Of this, 1,162,690 bales were indigenous cotton and 148,756 bales foreign cotton. The corresponding figures for the previous season were 1,117,406 bales and 151,639 bales, respectively. Of the foreign cotton consumed in the first quarter of the current season, 69,526 bales were U.S. cotton, 19,293 bales Egyptians, 17,692 bales Sudanese, 37,378 bales East African and the rest other growths, as against 10,453 bales, 34,925 bales, 26,298 bales and 75,052 bales, respectively, in the same period of the previous season. The following table gives the varietywise break-down of foreign cotton consumption during the period, together with the figures for the corresponding period of the previous season.

Raw Cotton Consumption

Variety	1st September to 30th November	
	1957	1956
Indian cotton	1,162,690	1,117,406
Foreign cotton	148,756	151,639
Of which :		
U.S.	69,526	10,453
Egyptian	19,293	34,925
Sudan	17,692	26,298
East African	37,378	75,052
Belgian Congo	356	926
Peruvians	3,029	1,821
Others	1,482	2,164

It may be noted that the share of U.S. cotton in the consumption portfolio of Indian mills has increased sixfold, thanks to the larger availability of that cotton under the aid programmes while that of Sudanese, Egyptian and East Africans has shrunk considerably. It is common knowledge that shortage of foreign exchange is the main obstacle in the way of getting East African and Sudan cotton, whereas Egyptians and U.S. cotton are obtained for payment in rupees.

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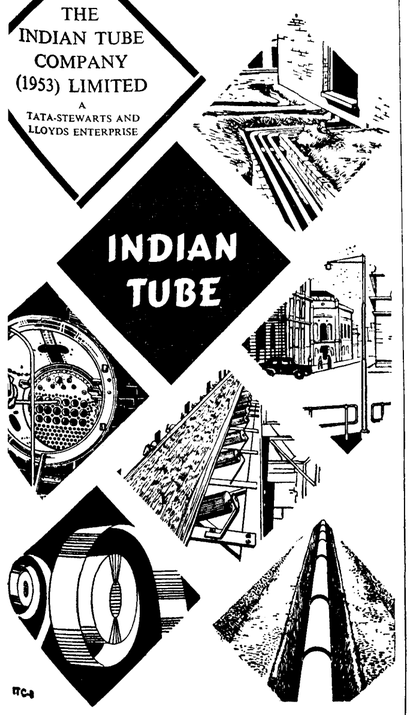
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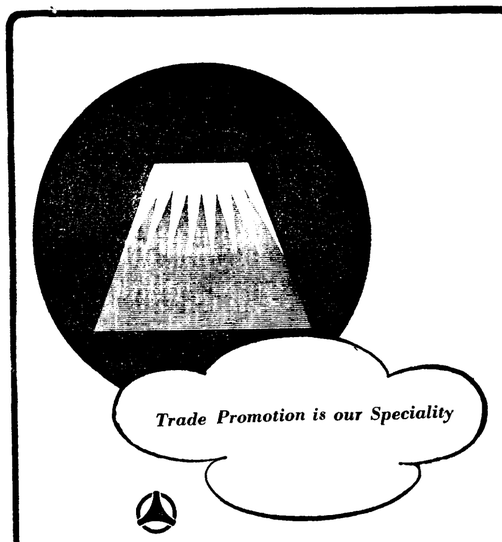
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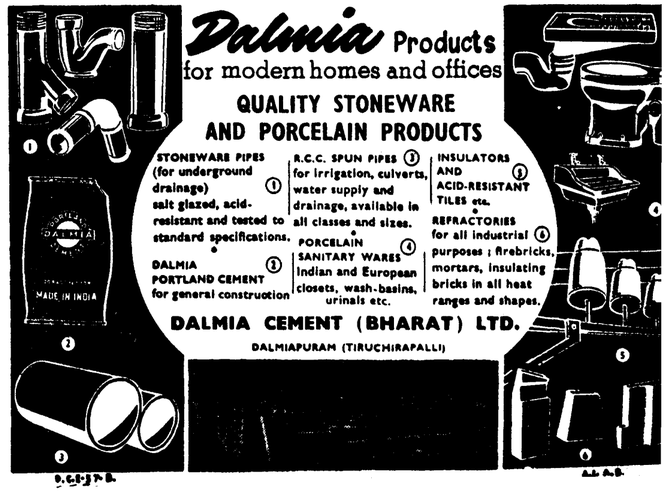

THREE SMALL SUGAR CO-OPERATIVES IN UTTAR PRADESH

SUGAR TO BE MADE THROUGH OPEN PAN SYSTEM

IT is rather difficult to understand as to why the Government of Uttar Pradesh has taken the initiative in sponsoring the establishment of three new co-operative processing societies for the manufacture of sugar on a small scale through the open pan system, unless the idea is to provide some sort of unemployment relief or to improve upon the present methods of sugarcane utilisation. Out of a share capital of Rs. 1,20,000 per each society, two-thirds are to be given by the Government—Rs. 40,000 as direct contribution to the share capital and Rs. 40,000 as loan by the Co-operative Department; only the balance of Rs. 40,000 will be met by sugarcane growers who number 400 per society. This is a clear instance of excessive official patronage which is not a desirable feature. The co-operative movement, as no less a person than Prime Minister Nehru emphasised in the course of his address at the recent meeting of the National Development Council's Standing Committee, is essentially a movement for human beings working together and building themselves up. This can only happen if responsibility is cast upon them. These remarks are, indeed, very pertinent. As this journal itself has ere now pointed out, the co-operative movement must grow from within; it will have little chance of success, if it is imposed from above, that is, through official patronage and compulsion. The capital outlay of the aforesaid co-operative crystal sugar mills is so small that the whole of it could have been left to be subscribed by the canegrowers themselves.

Of the three factories, one will be established in Bisalpur in Pilibhit District, another in Budhana (Muzaffarnagar) and the third in Deokali (Ghazipur). The construction of buildings for erecting plants is already in progress and actual manufacture is expected to commence in the near future. Each processing plant will have a crushing capacity of 1,000 maunds of cane a day.

The scheme is patterned on the lines of the Ghosi pilot project initiated in the Azamgarh District about two years ago. It is designed to ensure the cane growers a minimum return of Re. 1 per maund of cane. This is no doubt As. 4 to As. 6 more than what could be had from making *khandsari* or *gur*, but is lower than the official minimum price of Re. 1-7 per maund payable by sugar mills for gate deliveries and Re. 1-5 for deliveries at rail centres. The processing societies are expected to earn a decent return. The selling price of crystal sugar in the market ranges from Rs. 20-30 per maund, as against the estimated cost of production of Rs. 22.

Wasteful Process

As compared with white crystal sugar manufactured by large-scale factories, production of crystal sugar through open pan system, it must be stressed, is a wasteful process, in that it results in loss of much sugar, to the extent of 20-25 per cent. The recovery of sugar is expected to be not more than about 7.5 to 8.0 per cent., as against the average recovery of 10 per cent. in a sugar factory. On this basis and assuming that the duration of the crushing season is 120 days, the loss in the production of sugar in each of the three proposed units will work out to 2,400 to 3,000 maunds valued at Rs. 72,000-90,000. The State Government will also not levy any tax in the shape of either the cess on cane crushed or the excise duty on sugar produced, since the sugar is classified under the category of *khandsari*. In other words, there will be some loss of revenue to both the Central and State Governments.

All these disadvantages will have to be duly considered before the authorities in Uttar Pradesh decide to extend the scheme for crystal sugar production through open pan system to other areas. It is one thing to try and provide, even at some sacrifice, some means of employment in localities where there is no other way out. The cost involved in such cases can be written off as unemployment relief. But it is an entirely different matter to adopt such means on a wider scale even in areas where profitable opportunities for employment and utilisation of land and raw materials exist. In such cases, it would undoubtedly constitute unconscionable waste.

It is, however, possible that, as compared with manufacture of *gur*, the new method to be tried in the aforesaid co-operatives has certain advantages. The recovery of sugar from the cane will be higher than in the case of *gur*. It is, therefore, less wasteful than *gur*. But its extensive adoption as a heavily subsidised and mechanised cottage industry is undesirable, because it will, in course of time, undermine the strength of the organised large-scale white sugar industry and thereby the sugarcane economy as a whole. It behoves the U.P. Government not to give room for such a danger. This timely warning is necessary, in view of the mania now prevailing in this country for encouraging all sorts of uneconomic means of production as a solution for rural unemployment.

It is, however, gratifying that the U.P. Government has decided to spend about Rs. 3 crores for distribution of manures and fertilisers in the drought-stricken 15 districts of east U.P. on *taqavi* basis during the next three years. The object of the scheme is to help the peasants to step up their per-acre yield of crops and thereby improve their economic conditions. Under another scheme to be launched from the next financial year, over Rs. 46 lakhs will be spent in these districts in three years for the economic development of the agriculturists. In 1958-59, a sum of Rs. 11,15,000 will be spent under the scheme.

Other Schemes

Certain schemes which will help the cultivator in earning money as well as increasing the fertility of his land are also proposed to be launched. Deepening of tanks on payment of wages is one of these schemes by which more water will be available in tanks for irrigation and the soil dug out from them could be utilised for increasing the fertility of the fields. Another scheme to prepare compost from water lily by salvaging it from tanks on payment of wages is also under Government's consideration.

Recent soil tests have revealed that land in the eastern districts of U.P. is actually deficient in phosphorus, a deficiency which can be removed by using bonemeal. It has, therefore, been decided to utilise the caraceas bone—this is exported at present—in the manufacture of bonemeal by setting up 50 bone mills in 25 places. In addition, superphosphate to be mixed with bonemeal will be distributed at a cost of Rs. 26,59,560, giving a rebate of 25 per cent. on the price. In order to protect the standing sugarcane and other crops from frequent ravages of floods, it is proposed to conduct thorough agricultural research in respect of crops.

All these steps, if they are implemented with vigour, will surely go a long way towards improving the sugarcane economy in east Uttar Pradesh.

"GUR" AND "KHANDSARI" IN U.P.

The *gur* and *khandsari* scheme of the Industries Department, Government of Uttar Pradesh, aims at securing an increase in production and improvement in quality through the introduction of modern implements and better methods of manufacture. Stressing the importance of *gur* and *khandsari* in balancing the prices of sugar to the advantage of the cultivator, the Director of Industries, in a Press note issued the other day, observes:

"The sugar mills consume only 25 per cent. of the total cane produced in Uttar Pradesh and seeds and chewing account for another 10 per cent. The rest of the total output is estimated to be consumed in the manufacture of *gur* and *khandsari*. The *per capita* consumption of *gur* and sugar in India is only 26 lbs., as compared with 97 lbs. in the U.K. and 100 lbs. in Australia. Considering this, the Planning Commission has fixed a production target of 77 million tons sugarcane in the second Five-year Plan. Out of this, sugar factories are expected to consume only about 25 million tons, the balance going to the village sector for production of *gur* and *khandsari*. This implies an increase of 1.2 million tons over the present production."

In about five months' time, Ceylon is expected to join the rank of sugar-producing countries, for efforts are being made to set up a fairly large sugar factory. The Government of Ceylon has signed on agreement with a Czechoslovakian firm for the supply of the necessary machinery and equipment. The estimated capital outlay of the proposed factory including a housing scheme, is placed at Rs. 2.15 crores. Productive operations are expected to commence by June next.

COAL OUTPUT IN PRIVATE SECTOR

TARGET UNDER SECOND PLAN RAISED?

THE Government of India is reported to have revised upward, in consultation with the Planning Commission, the target of additional production of coal earmarked for the private sector under the second Five-year Plan from 10 million to 11.9 million tons. This does not involve any corresponding cut in the public sector's target of 12 million tons per annum. At one time it was felt that, in view of the widespread apprehension that the collieries in this sector may not be able to attain the additional output of 12 million tons in the next three years of the Plan period, its share might have to be reduced. But it is now stated that the original target of 12 million tons for the public sector will be maintained. This means that, in theory, the overall target of coal output will be stepped up to 62 million tons. Apparently, the authorities must have felt that, while they should try to reach the goal set for themselves, they should at the same time take care to see that the original overall target of 60 million tons was not missed and if for this it was necessary to give more scope for the private sector, that should be done. In short, the reported increase in the target for the private sector is a sort of insurance against a possible failure of the public sector to hit its target. If this surmise based on the aforesaid report is correct—no official announcement has been made on the subject till the time of writing—it marks a change in the Government's policy pertaining to the private sector's role in the fulfilment of the current Five-year Plan.

Another reason for revising the private collieries' target may be the reported proposal of the Government to relax substantially—if not abolish—the system of pegging output of coking coal with effect from the current year onwards. The decision to raise the private sector's target is obviously due to the fact that the potentialities of quickly raising production from the contiguous areas of the existing units in this sector are large. The Ministry of Steel, Mines and Fuel is said to be confident of achieving its target also, although a recent assessment of the coal development programme by the Planning Commission is known to have revealed a possible shortfall of 4 to 5 million tons (in both the public and private sectors) at the end of the Plan period.

Encouraging Trend

Preliminary figures of coal output in 1957 show an encouraging trend. Production up to the end of October last (the latest month for which official figures are available) aggregated 35.6 million tons, as compared with 32.4 million tons and 31.7 million tons in the corresponding periods of 1956 and 1955, respectively. The output for the whole year is expected to be over 42 million tons, as against 39.6 million tons in 1956 and 38.2 million tons in 1955. This means that, during the last two years alone, coal production in the country has gone up by 4 million tons, leaving a balance of 18 million tons to be covered in the course of the next three years to reach the original target of 60 million tons. It may be noted here that, out of the additional output of 12 million tons per annum to be got from the public sector by the end of the Plan period, the existing State collieries (including Singareni collieries) are expected to provide 3.5 million tons and new mines 8.5 million tons. Of the new collieries in the public sector, Kathara (near East Bokaro) and Gidi (near Karanpura), the first two mines to be taken over under the Coal-bearing Areas Acquisition Act, will commence production in the current year and are expected to produce 1 million tons and 1.50 million tons per annum, respectively, by the end of the Plan period. The target of production for the other new coalfields are: Korba, 2.60 million tons; Bachra-Sounda (Karanpura), 0.60 million tons; Korea, 1 million tons and Bisrampur, 1 million tons. It will thus be seen that the task of the public sector, as compared with that of the private sector, is a stupendous one. Nevertheless, the Coal Council of India affirmed at a recent meeting that the target would more or less be achieved.

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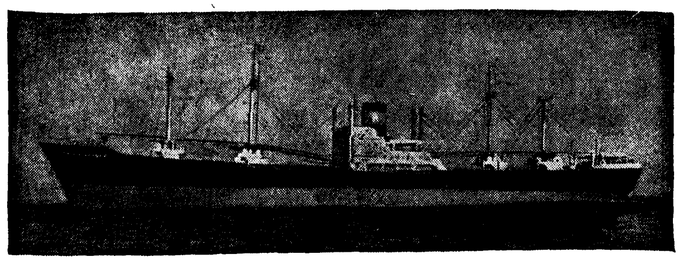

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DISCIPLINE IN PLANTATION INDUSTRY

TRIPARTITE COMMITTEE DECIDES TO ADOPT I.L.C. CODE

IT is now admitted on all hands that one of the essential conditions for the rapid expansion of the country's economy is cordial relationship between the management and the workers. This can be secured only through the mutual recognition by workers and employers of their respective rights and responsibilities. To fight for their own rights, without any regard to their obligations and responsibilities to the other, would spell disaster to both. It is this recognition that paved the way for the evolution of the code of industrial discipline by a tripartite sub-committee in August last pursuant to the recommendations of the Indian Labour Conference.

The need for such a code of discipline in the plantation industry is all the more essential, in view of the recent happenings in various plantations, namely, the acts of violence by plantation workers in Kerala and the closure of some estates here and there in Assam, which have created an atmosphere of insecurity about the future. The plantation industry plays an important role in the economy of the country, both as a leading earner of foreign exchange and as a source of employment. The number of persons employed in various plantations forms a large proportion of the total employment in organised industries of the country. It is, therefore, in the fitness of things that this problem of enforcing discipline in the plantation industry figured prominently in the discussions of the Tripartite Industrial Committee (Plantations) which held its eighth session in Shillong on the 21st and 22nd ultimo, under the chairmanship of Mr. Gulzarilal Nanda, Union Minister for Labour and Employment.

Problems Discussed

The Tripartite Industrial Committee (Plantations), which ultimately decided to adopt such a code of discipline, discussed also various other problems facing the industry, namely, inter-union rivalry, which is an important cause of labour unrest, amendment of the Plantation Labour Act, extension of the Industries (Development and Regulation) Act to plantation, provision of housing for plantation workers and the feasibility of setting up a wage board for the industry.

Inaugurating the two-day session of the Committee, the Union Minister for Labour and Employment called for a spirit of mutual understanding and co-operative endeavour to resolve all difficulties and problems which the industry and workers might be facing today. He added:

"We should address ourselves to these tasks with determination and in every case explore and discover the solution which is fair to all parties and is best calculated to promote the well-being of the community. The assumption is, and that assumption underlies the whole structure of industrial relations created in the country, that among various participants in the industry there is a large community of interests, and an approach of mutual co-operation and adjustment will enlarge gains and benefits for all parties concerned, while, on the other hand, if conditions of suspicion, friction and hostility persist, harm to everybody can be the only outcome. Even such differences as may at the moment appear to be irreconcilable can be settled, if we apply to them the supreme test of the common good."

Emphasising the fact that these considerations have a special significance in the case of plantations, in view of the important role which the industry plays in the economy of the country, the Minister expressed his apprehensions about the recent developments in the industry, which bid fair to "create an element of insecurity about the future." He referred to the disorderly behaviour and acts of violence by workers which "have assumed serious proportions in some areas." The magnitude of the evil, he said, could not be judged merely by the number of incidents or of persons affected. This was relatively not very large, but the repercussions could be very grave.

Giving discipline in the industry the foremost place among the problems in the field of employer-employee relations, Mr. Nanda declared:

"Without this, there can be no firm foundation for our other aims, namely, increase in productivity and a rising level of well-being for the workers. A code of discipline has been evolved as a result of tripartite discussions. This is meant for the whole country. There may be some special features of the situation in the plantations, which call for addition of supplementary provisions to the code. Whatever conclusions emerge and whatever agreements are reached, the vital point is that steps should be taken to ensure effective implementation. For this purpose, special machinery of a tripartite character should be set up. I may add that a sound conception of discipline rests more on the capacity for a proper appreciation of mutual obligations than on our eagerness to enforce certain rights. Its positive aspects are of real importance. It will essentially become a process of education and re-education. Let us approach this problem in this spirit."

Closure of Estates

Another recent development, over which the Minister felt disturbed and for which he squarely laid the responsibility on the management, was the closure, here and there, of some estates. "Some others are in difficulties," he said, "because they are not being properly managed and considerable number are undergoing neglect and exhaustion." The Assam State Government would appear to have expressed its anxiety over this development and it was this anxiety which led to the inclusion, in the agenda for the meeting of the Committee, of the item relating to the extension of the Industries (Development and Regulation) Act to plantations. It is, however, gratifying to note that Mr. Nanda ruled out the feasibility of such extension on technical grounds. But he added that it would be legitimate for the Committee to consider what other remedial action was practicable and appropriate in the circumstances. Proceeding, he observed:

"It will be legitimate to insist that safeguards should be devised both in the interests of the industry and of the workers who draw their livelihood from it. The very first consideration in the planning for a country's economy in our conditions has to be that whatever assets have already been created, whether in the period of the Plan or earlier, should be conserved and used fully and to the best advantage."

While it is admitted that the existing assets and resources should be fully utilised to the best advantage, it cannot be denied that these assets will become unproductive and uneconomic after some time, unless replaced. It is, therefore, necessary that the causes and circumstances which have led to the closure of the estates should be scrutinised and remedial measures suggested, instead of merely asking the estates not to close down.

On the question of enforcing the code of discipline in the industry, the Tripartite Committee was of the unanimous view that the necessary code of conduct should be adhered to by both the management and the workers, in order to ensure the smooth and harmonious working of the industry. It was agreed that the code already adopted by the Indian Labour Conference and the Standing Labour Committee was basically suitable. It was, however, decided to appoint a sub-committee to consider whether supplementary provisions should be added to that code to suit the special circumstances of the plantation industry. The Committee found it desirable to draw up an agreed code of conduct which labour unions would observe in their relations with each other, in order to avoid inter-union rivalry which is found to be an important cause of labour unrest. While this primary matter was to be arranged by trade union organisations, the Central Government might, if necessary, convene a conference of trade unions to consider the matter.

The Committee agreed that the practice of dividing estates into small units to avoid the Plantation Labour Act, which was said to exist in certain places, was undesirable in the interests of workers and labour welfare, as also the industry, and that it should be discouraged. It was also agreed that, while steps should be taken to prevent fragmentation, care should be taken to ensure that no new burden was imposed on existing units. The Committee, however, does not seem to have examined the question of giving relief from the present burden on the small units. It was generally agreed that all possible steps should be taken to ensure a high level of efficiency to maintain the industry, prevent any deterioration of assets and management of plantations, so that the closures due to such causes could be minimised. The State Governments, in consultation with the Central Government, would consider legislative or other measures necessary for this purpose.

On the question of creating a wage board for the plantation industry there was general agreement that national wage boards were the most suitable machinery for the determination of the wage structure for the industry. In view, however, of the fact that agreements on wages existed in some States, it was considered that the question as to when and in what manner a wage board should be set up for the plantation industry, should be examined by a sub-committee to be appointed for the purpose.

WORLD TEA OUTPUT HIGHER

Tea production in North-east India during the month of December last aggregated 11.8 million lbs., as compared with 46.9 million lbs. in the previous month and 1.5 million lbs. in the corresponding month of 1956. This brings the total production in the year to 521.4 million lbs., the lowest level for the past three years, and represents a fall of 18.7 million lbs. over that in 1956. The South Indian production up to the end of November, at 134 million lbs., was 17.7 million lbs. more than that in the corresponding period of 1956. Even at this level, the production is much in excess of a whole year's output in any of the previous years. Pakistan produced 42.3 million lbs. up to the close of November, as against 51.7 million lbs. in the corresponding period of 1956.

Ceylon's tea production during 1957 reached a record total of 397.7 million lbs., exceeding the previous high of 380 million lbs. in 1955, from which level the output fell to 375.6 million lbs. in 1956. Indonesian output up to the end of September amounted to 73.5 million lbs., an increase of 6.2 million lbs. over the year. British East Africa, which has emerged as a serious competitor in the world tea market, produced 26.6 million lbs. up to September, as against 24.4 million lbs. in the corresponding period of 1956.

Thus, the fall in production in North-east India and Pakistan has been more than offset by the increase in other main tea-producing countries, with the result that the total output of the five main producers so far show an increase of 20.1 million lbs. at 1,195.5 million lbs.

The decision of the Coffee Board to close all coffee houses run by it in various cities of the country with effect from 1st April next is said to have been approved by the Union Ministry of Commerce and Industry. It is felt that there is no further need for carrying on propaganda for the purpose of popularising coffee in non-coffee drinking areas of the country. It is even felt that a limit on internal consumption deserves to be placed, in order to enlarge exports and to earn the much needed foreign exchange.

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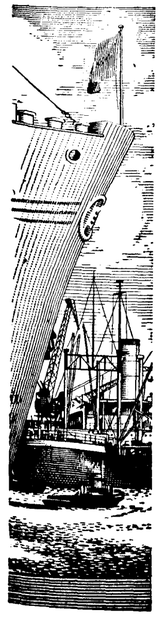

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London Branches: 54, Parliament Street, S.W. 1. 13, St. James's Square, S.W. 1.

Shipping, Travel and Insurance Departments: 9, Tufton Street, S.W. 1.

BRANCHES:

INDIA— Amritsar, Bangalore, Bombay—Mahatma Gandhi Rd., Mint Road, Calcutta—Netaji Subhas Road, Brabourne Rd., Chowringhee Road, Church Lane, Cochin, Delhi, Kanpur, Madras—North Beach Road, Armenian St., Mount Road, New Delhi—Connaught Circus, Connaught Place, Simla, Tuticorin.

PAKISTAN— Chittagong—Sadarghat Rd., Agrabad Branch, Karachi—McLeod Road, Bunder Road, Dundas Street, Saddar Branch, Khulna, Lahore—Bank Square, The Mall, Narayanganj, Peshawar, Quetta.

CEYLON— Colombo—37/30 York St., 11 York St., Kandy, Nuwara Eliya.

BURMA— Rangoon.

ADEN— Aden, Little Aden (Sub-Branch to Aden), Steamer Point, Aden.

SOMALILAND PROTECTORATE— Berbera, Hargeisa.

ZANZIBAR ISLAND— Zanzibar.

KENYA— Eldoret, Embu (Sub-Branch to Fort Hall), Fort Hall, Kakamega (Sub-Branch to Kisumu), Karatina (Sub-Branch to Fort Hall), Kericho, Kiambu (Sub-Branch to Nairobi), Kisumu, Mombasa—Treasury Sq., Kilindini Rd., Nairobi—Government Rd., Delamere Ave., Industrial Area, River Road, Naivasha (Sub-Branch to Nakuru), Nakuru, Nyeri, Sotik (Sub-Branch to Kericho), Thika.

UGANDA— Entebbe, Port Portal, Gulu, Jinja, Kampala, Kamuli (Sub-Branch to Jinja), Masaka, Mbale, Mbarara, Soroti, Tororo.

TANGANYIKA TERRITORY— Bukoba, Daressalaam, Lindi, Mbeya, Mikindani (Sub-Branch to Mtwara), Moshi, Mtwara, Mwanza, Tanga.

NORTHERN RHODESIA— Lusaka, Ndola.

SOUTHERN RHODESIA— Bulawayo, Gwelo, Makokoba (Sub-Branch to Bulawayo), Salisbury, Umtali.

Current Deposit Accounts are opened and Fixed Deposits received on terms which may be ascertained on application.

The Bank issues Letters of Credit and Travellers' Cheques and it offers every facility for the conduct of all classes of Banking and Exchange business with the principal commercial centres throughout the world.

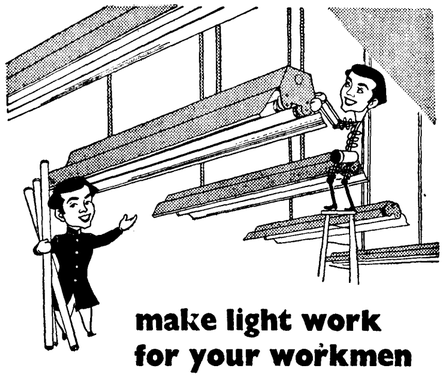
The Bank's Head Office undertakes to act as Executor and Trustee in approved cases.

Savings Bank Accounts are opened.

Bombay Offices: Main Office: 90, Mahatma Gandhi Road, Fort, Bombay 1.

Mint Road Branch: Corner of Mint Road and Sir P. M. Road, Bombay 1.

J. B. LEASK, *Manager.*



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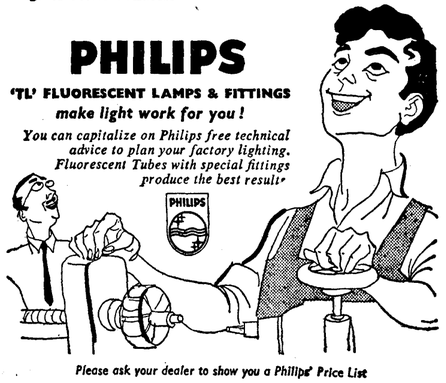

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THE COST OF AIRPORTS

MUST INDIA FOLLOW EUROPEAN COUNTRIES?

By "Rudderbar"

WHEN Charles Lindberg set out to win a $10,000 prize for the first non-stop flight between New York and Paris, and successfully completed this hazardous journey flying solo in a small single-engined aeroplane, he accomplished something of which he had never dreamed. It was undoubtedly the glamorous nature of his feat which fired the imagination of people all over the world and stimulated enormous interest in the possibilities of air travel. That event took place only 30 years ago and, in that short space of time, commercial aviation has grown from what was generally regarded as a foolhardy adventure, with no serious commercial possibilities, to become an important and large-scale industry.

The dynamic rapidity of that development has created, both for the industry itself and for national governments many difficult problems, and none more difficult, perhaps, than the provision of airports—airports sufficient in number, of adequate size, and equipped with all the multifarious aids and facilities demanded by this continually expanding industry.

The airliner of 30 years ago was small, slow, simple of construction, and of very limited seating capacity. Airports for these aircraft presented no difficulties whatsoever. Any fairly level grass field, offering a take off run of six to seven hundred yards, was considered perfectly adequate—as, indeed, it was. Since flying was then only possible so long as visual contact with the ground could be maintained, navigational aids were limited to prominent landmarks. A row of kerosene flares was standard night-flying equipment at most airports.

Ten years later, the picture had already begun materially to change. Four-engined aircraft had been introduced, and speeds had risen to 150 miles per hour; seating capacity had, naturally, been increased and the large airliner of that time carried from 15 to 20 passengers; flight instruments on the gyroscopic principle had made it possible to fly in cloud; radio directional aids, though still few in number, were to be found on most major routes. Most important of all, the simple grass field no longer sufficed as an airport; the heavier aircraft of that period required, among other things, runways to support their weight when rain made the ground soft.

Effect of War

The Second World War forced the pace of development almost immeasurably. Unlimited finance was available for research and this led to rapid progress in almost every field of aeronautical endeavour. Engines of far greater efficiency and power were developed; operational necessity demanded all-weather flying for which more precise instruments, better navigational aids, radar, instrument landing systems, and even a "fog dispersal" device had to be, and were, evolved.

To prosecute the war with the utmost vigour, a great many airfields were required. These were built in hundreds in every theatre of war. The very much heavier aircraft which were being produced for both bomber and transport duties, had to have runways longer and stronger than any which had formerly existed. It was, perhaps, this legacy of numerous, large airfields which led, in many countries, to the promotion of air transport undertakings on a scale which, prior to the war, would have been quite impractical. India is, possibly, a case in point.

Be that as it may, with the cessation of hostilities, there was an unprecedented boom in commercial air transport. Not surprisingly, there was, at the same time, an alarming increase in the incidence of air accidents. Something clearly had to be done, and the newly formed International Civil Aviation Organisation took early steps to draw up a set of standards covering every aspect of air safety. These included many recommendations in respect of airports—their layout, the permitted proximity of obstacles, the length and breadth of runways, the provision of directional aids, the intensity and design of runway and approach lighting, a system of air traffic control, and many other subjects. Since safety was involved, every country naturally felt it incumbent to implement these recommendations—at least to the minimum standards laid down.

The race to establish supremacy in this new "carrying trade" was on, and no country could afford to dawdle. Great airports were planned and money lavished on these projects. By the year 1947, however, a new generation of fast, pressurised airliners had begun to roll off the production lines and many airports had to be replanned to satisfy their requirements in respect of runway lengths and auxiliary facilities. In the meantime, the backlog of travel, pent up during the war years, began to seek an outlet in air transport, and traffic grew in volume at a quite unexpected rate. Again, much airport planning had to be revised—this time from the aspect of bigger buildings and more space to cope with the increasing flow of passengers.

Tourist Class

The introduction of cheaper 'tourist' fares in 1950 gave another tremendous fillip to air travel. Curiously enough, the financial benefits to the airlines was by no means as great as had been expected, but one important result did materialise—air tourism became a major and lucrative industry in most European countries. National governments, as a consequence, were—and are—very anxious to ensure that nothing should interrupt or interfere with this golden flow of dollars. To this we can attribute, perhaps, the apparent willingness to finance, once again, the enormously costly airport development schemes, which the imminent introduction of large commercial jet airliners has now rendered necessary.

Let us pause for a moment and examine the effect of these constant and progressive demands on a single airport—that of London, for example. Planned in 1944 on lines which, it was thought, would provide all that could conceivably be required for the foreseeable future, work commenced on London Airport in 1946. It was finally completed—at tremendous cost—only last year, incorporating many of the improvements which had been found necessary in the light of events. Already, however, the runways require lengthening for the new turbo-jet airliners, the passenger handling facilities need to be enlarged, and the transportation of the rapidly growing volume of traffic between the metropolis and the airport is the cause of considerable anxiety.

Second Port for London

To meet this situation, the British taxpayer is called upon to foot a bill for £17 million for interim improvements—and that does not include, one understands, a costly rail project to link the airport with a terminal in the West End. Nor is that, by any means, the end of the story. The time is not very far distant when the airport will reach "saturation point" and an alternative will have to be found—indeed, a second airport at Gatwick is already under development.

Whilst the British taxpayer may not relish the additional burdens which international air transport thrusts upon him, he has at least one source of compensation—the annual flow of "dollar tourists" through London Airport provides very valuable and much needed foreign exchange. Viewed in that light, the expenditure entailed to keep London Airport—as is claimed—the best in the world, is probably a good investment. Can the same thing be said of the taxpayer in respect of the cost of India's airports?

The Union Government, it is understood, has three major projects under consideration. At Santa Cruz (to cater for the Boeing 707 aircraft on order for A.I.I.), the main instrument runway has to be lengthened—and, judging by what happened recently to a 'Britannia' of B.O.A.C., strengthened too! In any event, the lengthening of the runway will entail the levelling of the two hills which obstruct the runway approach at the eastern end. The cost of this work has been estimated—or so one understands—at Rs. 6 crores.

The second project concerns an entirely new civil airport for the Capital. This, we are told, has become necessary in order to permit the development of Palam (the present international airport for Delhi) exclusively as an Air Force base. No very reliable figure of the cost of this new airport is available. A sum of Rs. 13 crores has, however, been mentioned. The third project is a comparatively minor one; it involves the construction of a new terminal building, on modern lines, for Dum Dum at a cost of Rs. 2½ crores.

On the question of whether these costly works are essential or otherwise, opinions will vary. Whilst the modernisation of Santa Cruz is probably a necessity—the hills to be levelled present a hazard even under present conditions of operation—it is hard to see why, if Palam were to be suitably enlarged, the present joint use of that airport by both civil aircraft and the Indian Air Force, should not continue for many years to come. Similarly, whilst a modern terminal at Dum Dum is probably desirable, many would question whether it is any more than that.

Taxpayer Has to Foot the Bill

Whatever opinions may be held on these particular subjects, one melancholy fact is incontestable—the taxpayer in India is unlikely to see any very tangible return on his investments in international air transport. London Airport handles 600 aircraft movements every 24 hours and in the course of one year (1956), no less than 3,500,000 passengers embarked or disembarked there. The combined movements of all international aircraft at all three of India's major airports would barely reach a twentieth of that total. Even if we include the movements of all domestic aircraft as well, the proportion is still grotesquely unequal.

At this point, a very natural question is bound to arise: why should the air transport industry, which, apparently, is expanding its activities so rapidly, be subsidised, however, indirectly, at the expense of the taxpayer-at-large? Why should not the airlines, as do the ocean shipping companies, pay for all the facilities which they require? Why, if they desire to introduce much larger and heavier jet aircraft, should they not be called upon to pay, by means of increased landing fees and other dues, the entire cost of building longer and stronger runways?

These are, of course, pertinent and reasonable questions. The answers lie, indirectly, in the extreme rapidity with which the industry has developed. Sea transport has grown to its present size and importance over a very long period of time. Docks, harbours, warehouses, lights, tug services, etc., have been long established and the capital cost recovered many times over. Moreover, ships are built for various trades and with an eye to the harbours, depths of water, etc., available. It is very, very seldom that a liner or tanker of such vast dimensions is built as to require special docking facilities.

The air transport industry, on the other hand, has passed from, shall we say?, the sailing ship age, to that of the *Queen Mary*, in a matter of 30 years. The industry, moreover, makes marginal profits and is, at this juncture, in extremely difficult financial circumstances owing to vast investment—many say overinvestment—in jet re-equipment. The airlines are already seeking higher fares as a remedy for their difficulties. Were they to be called upon to pay very substantially higher airport dues, these could be found only from still higher fares (owing to the law of diminishing returns, a very doubtful source) or by direct subsidisation contributed by the various national governments concerned—in other words, by the taxpayer-at-large!

THE BANK OF BARODA LIMITED

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N. M. CHOKSHI,
General Manager.

NEW PRODUCTS AND PROCESSES

Dehydrated Castor Oil

THE Regional Research Laboratory, Hyderabad, has developed an improved process for the manufacture of dehydrated castor oil. Dehydrated castor oil is used as a drying oil in the formulation of light coloured paints and enamels and in the production of alkyd resins, printing inks, oilcloth, linoleum, etc. It has also been employed as a substitute for tung oil. It is superior to linseed oil in many ways; it dries more quickly and has better water and alkali resistance. D.C.O. films are completely free from "yellowing" associated with linseed oil films and it is particularly suited for making white and pale coloured paints and enamels. Though the manufacture of dehydrated castor oil is an established industry in foreign countries and it is being produced by a few paint factories in India for their own use, large-scale production has not been undertaken in this country so far. The dehydrated product ordinarily obtained by the use of catalysts, namely, sodium bisulphate and sulphuric acid, is dark in colour; it possesses high acid value and tends to give tacky films. The new process involves heating the castor oil with the catalyst, and modifying agents under vacuum till dehydration is complete. The product is then cooled under vacuum and filtered before storage. The equipment required is simple. Existing equipment in paint factories can be employed with minor modifications. Independent production units can also be set up in places where raw castor oil is available in plenty. The process has been tried on a pilot plant scale and a standardised procedure has been worked out. Parties interested in undertaking the commercial development of the process may correspond with the Secretary, National Research Development Corporation of India, Mandi House, Lytton Road, New Delhi.

New Textile Drier

A Netherlands engineering works manufacture a machine for drying fabrics and yarns. The drying medium is hot air which is blown on the material to be dried. Unlike the conventional types using wind boxes with discharge nozzles, this drier has blowout nozzles on the circumference of a cylindrical drum at an appropriate distance from the material. The positioning of the nozzles on the circumference of the cylinder effects a considerable saving in length and cost of the drier. The fabric or yarn enters the machine at the bottom via a roller, turns on the rolls on the inside of the cylinder and is passed out again at the bottom via another roller. The drive of the rotating drum with nozzles and the latter roller in such as to cause a difference in velocity between fabric and drum wall, as a result of which the drying air covers all parts of the fabric or yarn. An axial ventilator built-it at one end of the drum forces the circulating drying air via a diffuser into the interior of the nozzle-drum. The new machine has a favourable water evaporation of about 150 kg. (330 lbs.) per hour for a steam consumption of about 1.5 kg. (3.3 lbs.) per kg. of evaporated water. The machine is built for a maximum width of fabric of 6½ ft.

Push-button Record-changers

A record changer which is fully operated with push-buttons has been put on the market by a firm of Amsterdam. This apparatus changes all types of records at speeds of 78, 45, 33⅓ and 16 r.p.m. The movement of the pickup arm cannot be disturbed because any irregularity is automatically eliminated. The pickup element has 2 exchangeable sapphires for ordinary and microgrooves. This record player is adaptable to 110 or 220 volts and can be supplied in 3 designs: on an assembly plate for building in, on a bakelite stand, or in a smart case. The same firm also supplies a small new record changer with push-button operation for 45 r.p.m. records. It is supplied in a closed cabinet with storage space for 10 or 12 records and connecting wires and plugs, and with a thick or thin record-changing spindle as required.

Molybdenum Coatings

A new process for coating steel and metal alloys with molybdenum has been developed by the Vitro Laboratories of the U.S. It is said to produce a hard, bright, thin, molybdenum coating which shows excellent resistance to changes in temperature, and to be capable of protecting the metals to which it is applied against corrosive attack by molten metals and salts. The process can also be used to coat ceramics providing small quantities of graphite and other materials, such as osmium oxide, are added to the ceramic materials which are to be coated in order to increase their ability to conduct electricity. Operation of the process depends on the use of an electrical technique termed "electrophoresis" in which electrically charged particles of material are made to migrate towards an electrode having the opposite electrical charge. It is claimed by the company, that it not only enables the thickness of the coating which is applied to be very accurately controlled, but also that it produces the coatings exceptionally quickly and cheaply.

Pressure Seal for Vacuum Furnaces

When a cylindrical rod or other type of element is passed through the wall of a chamber containing gas at a pressure other than atmospheric pressure, such as a vacuum furnace, the prevention of any leakage of gas presents a number of engineering problems. A new form of pressure seal for use in vacuum furnaces and similar equipments has recently been patented in the U.K. As designed for use in the removal of an ingot from the base of a vacuum furnace, the seal consists of a water-cooled cylinder attached to the furnace beyond which lie a series of small chambers, each of which is fitted at both its entrance and its exit with a ring of resilient heat-resistant metal sheet. Each of these metal rings is slit at intervals in order to increase its resiliency. As the ingot is passed through the chambers from the furnace each chamber is continuously evacuated. The seal can also be used to facilitate the insertion of a consumable electrode into such furnaces. Furnaces of this type are used for processing titanium and a number of other metals.

LLOYDS BANK LIMITED

THE STERLING AND WORLD ECONOMY

VIEWS OF SIR OLIVER FRANKS

THE Annual General Meeting of Lloyds Bank Limited will be held at London on 14th February 1958. The following are extracts from the statement by the Chairman, The Right Hon. Sil Oliver Franks, G.C.M.G., K.C.B., C.B.E., circulated with the report and accounts for the year 1957:

"The profit for the year, at £2,502,391 is slightly lower, by £39,402, than last year and we propose to repeat the 1956 dividend of 13 per cent. per annum.

"Although high rates as well as a high degree of activity in all sections of our business have again benefited our earnings, our operating costs continue to rise inexorably.

"Our loans and advances are lower by some £9 millions than they were a year ago. The reduction would have been greater but for the two particular categories of lending I referred to in my statement last year. Our advances in the East have expanded along with our general business there, and we have continued to interest ourselves in the important and specialised field of medium-term credits to facilitate the export of major capital goods, a category of advances excluded from the operation of the general restrictions upon bank lending.

Eastern Branches

"A heavy and sustained demand for bank advances has been a pronounced feature of our operations in India during the past year. Both there and in Pakistan, a shortage of foreign exchange has led to a curtailment of imports, the financing of which is an important part of our business.

"Our thanks are due to the Eastern staff for their devoted work in difficult conditions.

External Problems of Sterling

"As a member of the Radcliffe Committee, I cannot comment upon monetary developments at home during the past year. Instead, I propose to discuss some of our problems, certainly no less important, in the sphere of international payments.

"I do not mean to imply that our external problems and our domestic policies can be divided into separate compartments. We cannot argue that our payments difficulties arose purely out of our position as a world banker and had no connection with the state of the United Kingdom economy: for the fear that inflation might continue played a large part in disturbing international confidence in sterling. Unfortunately, it is also true that to avoid further inflation will not automatically ensure success in the vital task of rebuilding the reserves. Sterling being an international currency, we are necessarily affected by the general climate of world trade. The course of events is bound to depend not only upon our own policies but also, in some considerable degree, upon those followed by other countries, above all by the United States and our fellow-members in the sterling area.

"Nothing can change our dependence upon overseas trade for a living, but our persistent external difficulties have led to suggestions that we should be better off if we shed our role as banker to the sterling area. On the face of it, this system is well designed to promote the interests of its members and of the world economy as a whole. It means that individual sterling countries do not have to keep an extract balance either in their trade with each other or with the outside world, provided that deficits are matched by surpluses elsewhere in the area. The use of sterling as an exchange reserve keeps down competition for the world's limited supplies of monetary gold. Both these features tend to promote the expansion of world trade, as does the natural alliance of the financial machinery of the City of London with the use of a common currency for the settlement of transactions.

"Sterling balances held by countries outside the area are now fairly small, as compared with those of the overseas sterling countries. That a large proportion of these latter balances is earmarked for such purposes as currency reserves affords no great comfort, since the example of India has shown that local currency laws can easily be amended. Still the fact that all the members have a common stake in the preservation of the pound is some safeguard. From the collective point of view, nothing could be more urgent than to build up the reserves again. Yet individual Governments find it difficult to believe that any objective can really merit a higher priority than their own development programmes.

Possible Deflation Ahead

"What of the relationship between sterling and other currencies? By outlawing beggar-my-neighbour policies and helping to clear the jungle of exchange restrictions left over from the war, the Bretton Woods system has rendered the world good service. To say that the system has served us well hitherto is not, of course, to say that this must always be so. For the time being, the post-war boom in the world as a whole has lost much of its impetus. That being so, our preoccupations during the next phase may become those of deflation rather than inflation. Should the course of events take this direction, it means that, if the Bretton Woods system is to work successfully, the policies followed by creditor countries will be of decisive importance.

"A condition for a smooth functioning of the Bretton Woods system is an adequate level of monetary reserves. At present, the problem centres upon the distribution of existing exchange reserves rather than their absolute magnitude. Nearly half the total is now held by the United States and Germany, though the United States has large short-term liabilities to the outside world. By contrast, sterling finances perhaps 40 per cent. of world trade, yet the United Kingdom reserves are about half those of Germany and less than 4 per cent. of the world total.

"That is the most important single fact in the world currency situation. Measures to ensure the stability of the sterling area and measures to ensure the smooth working of the Bretton Woods system must alike be directed to the removal of that anomaly.

"Once we have brought about a substantial increase in the reserves by our own efforts, therefore, the question may arise of their being further fortified by some kind of stabilisation operation.

"It might be that an operation of this kind should take an international rather than a national form. In that case, the International Monetary Fund would be the obvious instrument. There might be general advantage for the world, however, if the Fund could move in the direction of becoming a supercentral bank. This implies that the controllers of the Fund should be permitted greater discretion in their operations than is accorded under the present articles. Secondly, it means that countries should be prepared to deposit exchange reserves with the Fund and treat the Fund's certificates of indebtedness as exchange reserves, in the same way that some European countries already treat as part of their exchange reserves their stake in the European Payments Union.

Position Summed Up

"To sum up, the problems of the sterling area and of the world economy, as a whole, are essentially those of reconciling the aims of individual nations and their Governments with the general requirements of an international order. They are therefore merely one aspect of the far wider problem which the free nations have to solve: that of adapting their political ideas and political institutions to the facts of their growing interdependence, in economic as in military affairs."

Consent of the Central Government has been obtained to this Offer for Sale by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

Licences have been obtained from the Central Government for effecting a substantial expansion to an existing industrial undertaking and for the establishment of a new industrial undertaking. Copies of these Licences are open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting these Licences the Government of India do not take any responsibility for the financial soundness of these undertakings or for the correctness of any of the statements made or opinions expressed in regard to them.

A copy of this Offer for Sale, having attached thereto the documents specified below, has been delivered to the Registrar of Companies, West Bengal, for registration as required by Section 60 of the Companies Act, 1956.

Application is being made to the Calcutta Stock Exchange for permission to deal in and for an official quotation for the whole of the issued share capital of the Company.

The Application Lists will open at 10 a.m. on Tuesday, the 4th day of February, 1958, and will close at 10 a.m. on Friday, the 7th day of February, 1958 or later at the discretion of the Offeror.

INDIAN OXYGEN LIMITED

(INCORPORATED UNDER THE INDIAN COMPANIES ACT, 1913)

CAPITAL

Authorized .. .. Rs. 4,00,00,000

Issued and Fully Paid .. .. .. Rs. 2,00,00,000

Ordinary Shares of Rs. 10/- each

The Company has no debentures, debenture-stock or other loan capital outstanding but is indebted to The British Oxygen Company Limited in the sum of Rs. 16,91,743 on Special Loan Account and Rs. 1,13,16,165 on Current Account as at the 31st December, 1957. These amounts are unsecured.

The Company at present has overdraft facilities with its Bankers up to a maximum of Rs. 20,00,000 outstanding at any one time. As at the 31st December, 1957, no amount was outstanding on this account.

OFFER FOR SALE

by The British Oxygen Company Limited of Bridgewater House, Cleveland Row, St. James's, London, S.W.1

OF

600,000 Ordinary Shares of Rs. 10/- each fully paid

IN

INDIAN OXYGEN LIMITED

at Rs. 13·50 per share payable in full on application.

All the shares now being offered for sale are being underwritten by The Industrial Credit and Investment Corporation of India Limited, of Union Bank Building, Apollo Street, Fort, Bombay-1, for a commission of 2 per cent. on the sale price of the shares, making a total commission of Rs. 1,62,000. In the opinion of the Directors the resources of the underwriters are sufficient to discharge their obligations.

All the shares now being offered for sale are equity shares within the meaning of Section 85 (2) of the Companies Act, 1956.

DIRECTORS

A. D. VICKERS, 29, Netaji Subhas Road, Calcutta, (*Chairman*). Solicitor.

J. S. HUTCHISON, Bridgewater House, Cleveland Row, London, S.W. 1. Chairman of The British Oxygen Company Limited.

R. G. C. STEPHENSON, 48/1, Diamond Harbour Road, Calcutta-27. Managing Director.

C. H. CAMPBELL, Chartered Bank Buildings, Mahatma Gandhi Road, Bombay-1. Merchant.

M. A. SREENIVASAN, Highground, Bangalore. Company Director.

S. K. SINHA, 1, Sunny Park, Ballygunge, Calcutta-19. Company Director.

A. K. SEN, 48/1, Diamond Harbour Road, Calcutta-27. Finance Director.

T. R. SHIELDS, 48/1, Diamond Harbour Road, Calcutta-27. Sales Director.

C. HAWKINS, 48/1, Diamond Harbour Road, Calcutta-27. Technical Director.

BANKERS

THE CHARTERED BANK, Chartered Bank Buildings, Calcutta-1.

BROKERS

PLACE, SIDDONS & GOUGH, 6, Lyons Range, Calcutta-1.

LEWIS & JONES, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.

HARBANS SINGH MEHTA & CO., 33, Regal Buildings, Parliament Street, P.O. Box 300, New Delhi-1.

PATERSON & CO., 22, Errabalu Chetty Street, P.O. Box 48, Madras-1.

SOLICITORS TO THE COMPANY AND TO THE OFFER

ORR, DIGNAM & CO., 29, Netaji Subhas Road, Calcutta-1.

AUDITORS

PRICE, WATERHOUSE & CO., B4, Gillander House, Calcutta-1. (Chartered Accountants).

SECRETARY AND REGISTERED OFFICE

A. K. BASAK, Chartered Accountant (England), 48/1, Diamond Harbour Road, Calcutta-27.

REGISTRARS

JARDINE HENDERSON LTD., 4, Clive Row, Calcutta-1.

The Offeror will receive through the Company's Bankers, The Chartered Bank, applications for the above Ordinary Shares payable in full (i.e. Rs. 13.50 per share) on application.

It is intended to reserve a maximum of 30,000 (i.e. 5 per cent.) of the above 600,000 shares for offer in the first instance to employees of the Company. To the extent to which these shares are not taken up by employees they will be available to meet applications from the public.

Applications which, unless made by employees of the Company, must be for 50 shares or multiples thereof, must be made on the accompanying form and lodged, together with the full amount payable, before the close of the application lists, with any branch in India of The Chartered Bank. Employees of the Company may apply for 25 shares or multiples thereof and a special form of application, coloured blue, is provided for this purpose with copies of this Offer for Sale issued to employees.

Further instructions regarding application for shares appear later in this Offer for Sale and also on the Application Forms.

All expenses of the offer, including stamp duty payable on the first transfer of shares (from the Offeror to the applicant), will be paid by the Offeror.

The shares now being offered will confer the right to any dividend declared in respect of the Company's financial year ending 30th September 1958. No dividend has yet been declared in respect of such financial year.

PARTICULARS

History and Business : Indian Oxygen Ltd. was incorporated and registered in West Bengal on the 24th January 1935, as a private company limited by shares under the name of "The Indian Oxygen & Acetylene Co., Limited. On the introduction of the Companies Act, 1956, the name of the Company was changed to "The Indian Oxygen & Acetylene Co., Private Limited. The Company was converted into a public company on the 15th day of January 1958, and at the same time its name was altered to "Indian Oxygen Limited."

The Company was originally formed for the purpose of taking over (and, after incorporation, did take over) as going concerns the businesses then carried on:—

Firstly: By The Lightfoot Refrigeration Company Limited at Calcutta, Bombay, Lahore, Jamshedpur, Giridih and Kargali and at Colombo in connection with the manufacture and sale of Oxygen Gas and Liquid Oxygen Explosives and appliances therefor.

Secondly: By The Gas Accumulator Co. (India) Limited at Calcutta in connection with the manufacture and sale of Oxygen and Acetylene Gases and appliances therefor.

Thirdly: By Allen Liversidge (India) Limited at Bombay in connection with the manufacture and sale of Acetylene Gas and appliances therefor.

The Company is a subsidiary of The British Oxygen Company Limited and, as such, is a unit of an organisation having subsidiary and associated companies in Africa, Australia, Burma, Canada, Ceylon, Eire, Hongkong, Malaya, New Zealand, Norway, Pakistan and the United Kingdom.

New companies were formed in Pakistan, Burma and Ceylon, as subsidiaries of The British Oxygen Company Limited, to commence operations as from the 1st August 1949 after taking over the capital assets, stocks and certain other assets, together with certain liabilities of The Indian Oxygen & Acetylene Co., Limited in those territories. The Indian Oxygen & Acetylene Co., Limited ceased trading in those territories as from the 1st August 1949, consequent upon the formation of the new companies.

The Company's present business consists of the manufacture and sale of Industrial and Medical Gases (including Oxygen, Acetylene, Nitrous Oxide and Dry Breathing Oxygen) and Electrodes and of the assembly, manufacture and sale of Welding and Cutting Apparatus and Equipment and other similar articles.

The business is carried on in India at the Company's Head Office and factories in Calcutta and at branch factories and offices at Ahmedabad, Bangalore, Bombay, Burnpur, Delhi, Jamshedpur, Kanpur, Madras, Tiruchirapalli and Visakhapatnam and through depots at Bombay City, Baroda, Cochin, Delhi, Gauhati, Howrah, Hubli, Hyderabad, Jaipur, Patna, Poona and Vijayawada.

Development : Since its incorporation the Company has progressively expanded both its volume of production and its range of products and it is now the main supplier of India's requirements of Industrial and Medical Gases and Equipment for Welding and various other processes involving the use of Industrial Gases.

An indication of this progressive expansion is given by the following figures showing the total sales turnover during the last ten years:—

	Rs.		Rs.
1948 ..	1,08,52,445	1953 ..	1,97,39,770
1949 ..	1,36,59,064	1954 ..	2,34,03,420
1950 ..	1,33,03,772	1955 ..	2,67,96,882
1951 ..	1,53,97,836	1956 ..	3,45,59,726
1952 ..	1,69,25,955	1957 ..	4,17,74,429

Note :—Sales in Pakistan, Burma and Ceylon up to 31st July, 1949, have been included in the above figures. After that date separate companies were, as mentioned above, incorporated in these countries to take over the business previously carried on there by this Company.

In order to meet the increasing demand for its products the Company has throughout adopted a progressive policy both as regards expansion of its factories and facilities and as regards replacement of old plant and machinery by modern equipment.

The industrial development plans initiated by the Government of India, and in particular the expansion in steel production envisaged by the second Five-year Plan, are expected to give rise to a further very substantial increase in the demand for the Company's products. With this in mind the Directors have therefore drawn up a replacement and expansion programme. This programme involves the setting up of new factories and expansion and modernisation of existing factories and includes provision for the progressive manufacture in this country of certain equipment and accessories used in the process of Welding and Cutting which presently have to be imported from abroad. As indicated by the headnote on the first page of this Offer for Sale, Licences under the Industries (Development and Regulation) Act, 1951, have been obtained for the establishment of a new industrial undertaking for the manufacture of Gas Welding and Cutting Equipment and for effecting a substantial expansion to the Company's existing industrial undertaking for electrode manufacture. In the light of a recent Government notification the Company has been advised by the Ministry of Commerce and Industry that Government now considers that Industrial Gases, Oxygen and Dissolved Acetylene, and also Fluxes of all types, are covered by the Act. This will necessitate the obtaining of certain further Licences under the Act and the necessary applications have been submitted.

The Replacement and Expansion programme, which is already in hand, is planned to be completed by approximately 1960 at an estimated cost of Rs. 3,20,86,423. Of this sum expenditure of Rs. 99,59,423 had already been incurred up to the 30th September 1957, leaving a balance of Rs. 2,21,27,000 to be expended during the three years to the 30th September 1960. The expenditure incurred to date has been financed, on a temporary basis, by The British Oxygen Company Limited partly by means of the Special Loan Account referred to on the first page of this Offer for Sale and partly by allowing the Company to withhold payment of amounts due to The British Oxygen Company Limited on Current Account.

Shortly before this Offer for Sale 680,000 Ordinary Shares of Rs. 10 each were issued to The British Oxygen Company Limited at par. Out of the total issue price (Rs. 68,00,000) Rs. 29,23,333 was paid by liquidation of a loan from The British Oxygen Company Limited then outstanding. The balance of Rs. 38,76,667 was remitted to the Company in cash.

The Offeror (The British Oxygen Company Limited) has agreed to leave the net proceeds of sale of the present Offer for Sale, less Capital Gains Tax, if any, payable by the Offeror in respect thereof, on loan to the Company for a period of seven years at the rate of interest from time to time applicable to loans from The British Oxygen Company Limited to the Company. Such rate of interest is subject to adjustment in the light of prevailing conditions but at present stands at 6 per cent. per annum.

In planning the financing of the Replacement and Expansion Programme the Directors have had due regard to the necessity of providing for adequate foreign exchange for the import of capital goods. In this connection the subscription by The British Oxygen Company Limited of the sterling equivalent of Rs. 68,00,000 (partly by liquidation of an outstanding loan to the Company and partly by remittance in cash) will be of great assistance but it is estimated that further foreign exchange to the extent of approximately Rs. 75,00,000 will be required for the Replacement and Expansion Programme. The Company is therefore engaged in negotiations with The Industrial Credit and Investment Corporation of India Limited and intends to open negotiations with the Commonwealth Development Finance Company Limited of London and it is honed that these two Companies between them will lend to the Company a total of Rs. 75,00,000 available as foreign exchange. Should these negotiations for any reason prove unsuccessful it will be necessary to explore other possible means of raising the required amount of foreign exchange.

The balance in the hands of the Company resulting from the recent issue of 680,000 shares to The British Oxygen Company Limited; the net proceeds of this Offer for Sale (less Capital Gains Tax, if any) to be lent to the Company by the Offeror; the foreign exchange loans referred to above; (assuming the negotiations are successful) and the amount that is estimated to be available from the Company's internal resources (after making due allowance for the working capital which will be required during the three years to the 30th September 1960), will be used to finance the Replacement and Expansion Programme including expenditure already incurred. It is proposed in the first instance to pay off the amount due to The British Oxygen Company Limited on the Special Loan Account and also at the earliest opportunity to pay off the sum presently due to that Company on Current Account.

Management, Staff and Technical Facilities : The Company has an experienced technical and executive staff, a large proportion of whom have been trained by the Offeror in the United Kingdom, and provides work for over 2,000 employees.

As a wholly owned subsidiary of The British Oxygen Company Limited the Company has had the benefit of the wide technical experience and "know how" of that Company. Consequent upon the conversion of the Company into a public company with a view to the present Offer for Sale by the Offeror to the Indian public of a substantial part of the Offeror's shareholding, it is proposed to enter into an Agreement with the Offeror for a period of 5 years for the undertaking of joint research in the Offeror's research establishments in the United Kingdom, each party to pay an appropriate proportion of the cost of such research, subject to a maximum annual payment by the Indian Company of £30,000, and for the continuance of the various training and technical assistance facilities heretofore provided by the Offeror. The Agreement will also make provision for the continued use by the Company of registered designs, trade marks, patents, processes and inventions of the Offeror and for reciprocal facilities to be given by the Company to the Offeror. Application has been made to the Reserve Bank of India for its consent to the proposed Agreement.

Working Capital : Taking into account bank facilities the Directors consider that the Company has adequate working capital for its present requirements and the financial arrangements referred to above provide for working capital during the period of the Replacement and Expansion Programme.

Future Prospects : The growth of the Company's sales is reflected in the profit figures over the past five years. Whilst no assurance can be given as to future profits or prospects, it is considered that with the planned rise in steel production in this country there should be a ready absorption of the Company's present and proposed increased production.

The Directors anticipate that, in the absence of circumstances beyond their control, the profits of the current financial year should be sufficient to justify recommending a dividend for the year of 10 per cent. free of income-tax.

AUDITORS' REPORT

The following is a copy of a Report which has been received from Messrs. Price, Waterhouse & Co.:—

B4, GILLANDERS HOUSE,
CALCUTTA, 8*th January* 1958.

THE DIRECTORS,
THE INDIAN OXYGEN & ACETYLENE CO. PRIVATE LTD.
48/1, DIAMOND HARBOUR ROAD,
CALCUTTA—27.

Dear Sirs,

We have examined the books and accounts of The Indian Oxygen and Acetylene Co. Private Ltd., which are kept in Calcutta and in which are incorporated the audited returns from the Branches, for the five years ended 30th September, 1957, and report that the profits of the Company are as set out below. These profits have been arrived at after charging all expenses of working and management including provision for normal depreciation as allowable for taxation and after making such adjustments as are, in our opinion, appropriate:—

	Year ended 30th Sept., 1953	Year ended 30th Sept., 1954	Year ended 30th Sept., 1955	Year ended 30th Sept., 1956	Year ended 30th Sept., 1957
INCOME					
Sales and Recoveries	1,97,39,770	2,34,03,420	2,67,96,882	3,45,59,726	4,17,74,429
Miscellaneous Income	70,197	51,066	60,273	27,587	20,725
	1,98,09,967	2,34,54,486	2,68,57,155	3,45,87,313	4,17,95,154
EXPENDITURE					
Cost of Sales and Recoveries	1,19,34,762	1,39,02,828	1,55,34,830	2,10,94,178	2,61,57,756
Staff—Salaries, Wages and Incidental Expenses	23,59,363	25,22,067	27,89,111	30,88,457	38,32,438
Office and Administration	7,57,456	9,06,700	11,04,009	11,95,504	16,39,582
Selling Expenses	7,07,112	7,57,048	8,15,635	9,76,022	11,65,763
Miscellaneous Expenses	4,28,607	3,26,073	2,66,327	3,40,338	7,47,702
	1,61,87,300	1,84,14,716	2,05,09,912	2,66,94,499	3,35,43,241
Net Profit before Depreciation and Taxation	36,22,667	50,39,770	63,47,243	78,92,814	82,51,913
Normal Depreciation	8,81,672	9,41,439	10,30,414	10,78,659	12,54,773
Net Profit before Taxation	27,40,995	40,98,331	53,16,829	68,14,155	69,97,140
Taxation after allowance of normal depreciation only	12,03,768	17,93,266	25,13,682	38,21,367*	38,48,416
NET PROFITS	15,37,227	23,05,065	28,03,147	29,92,788	31,48,724
Extra Shift Allowance	1,15,390	1,18,601	1,13,220	97,523	97,523
Double Allowance	5,90,895	6,33,658	7,05,480	7,32,010	8,84,798
Initial Allowance	4,10,819	2,90,933	2,03,955	2,61,756	....
Development Rebate	....	3,99,562	72,094	1,55,013	1,62,112
	11,17,104	14,42,754	10,94,749	12,46,302	11,44,433

* Exclusive of Rs. 7,50,000 Super Tax payable in respect of Bonus Shares issued during the year. Depreciation and Development Rebate figures not included above are as follows:—

We also report that the assets and liabilities of the Company as at 30th September, 1957, which is the last date to which the Company's Accounts were made up, prior to the date of this report, are as set out below. These assets and liabilities have been arrived at after making such adjustments as are, in our opinion appropriate:—

ASSETS.	Rs.	Rs.
Capital Assets less Depreciation, Capital Work-in-Progress and Capital Goods in Transit		2,51,11,147
India Government Securities and other Investments at Cost		4,46,023
Stocks on hand and Goods in Transit		1,49,52,898
Sundry Debtors and Advance Payments less provision for Doubtful Debts		98,22,230
Cash at Banks in Transit and in hand		23,82,947
	Rs.	5,27,15,245
LIABILITIES.		
The British Oxygen Co., Ltd., Loan Account—Unsecured	29,23,333	
The British Oxygen Co. Ltd. Special Loan Account—Unsecured	6,04,063	
The British Oxygen Co. Ltd. Current Account	1,11,09,199	
Sundry Creditors and other Liabilities	54,07,370	
Cylinder Deposits	29,91,316	
Taxation Provision less Advance Payments	50,55,938	
Dividend Provision	13,20,000	
Gratuity and Pension Provisions	11,61,272	
Bank Overdraft—Unsecured	18,77,280	
		3,24,49,771
	Rs.	2,02,65,474
NET ASSETS.		
Represented by :—		
Issued and Subscribed Capital— 13,20,000 Shares of Rs. 10/- each		1,32,00,000
Reserves and Surplus		70,65,474
	Rs.	2,02,65,474

Contingent Liabilities :—There are certain demands from the staff against the Company, mainly in regard to additional bonuses, revision of pay and dearness allowance scales, etc., which are not acknowledged as debts, and the amount in regard to which cannot now be determined.

We further report that the dividends paid or proposed to be paid by the Company out of profits on its paid-up capital are as follows. The dividends were paid or are proposed to be paid without any deduction in respect of Income Tax paid or payable by the Company:—

10,70,000 Shares of Rs. 10/- each.

	Per annum	Rs.
In respect of the year ended—		
30th September, 1953	8%	8,56,000
30th September, 1954	10%	10,70,000

13,20,000 Shares of Rs. 10/- each.

In respect of the year ended—		
30th September, 1955	10%	13,20,000
30th September, 1956	10%	13,20,000
30th September, 1957	10%	13,20,000

Yours faithfully,

(Sd.) PRICE, WATERHOUSE & CO.

Statutory and General Information : The shares now being offered for sale were acquired by the Offeror prior to 1947. No part of the proceeds of this Offer for Sale is payable directly to the Company but, as mentioned above, the entire net proceeds less Capital Gains Tax if any, payable by the Offeror in respect thereof will be loaned to the Company by the Offeror. The expenses of this Offer for Sale, which are payable by the Offeror, inclusive of underwriting commission, brokerage, stamp duty, printing charges, Registrars' fees and legal and other charges are estimated at Rs. 5,20,000. This does not take into account Capital Gains Tax, if any, payable by the Offeror.

No share or loan capital is under option or agreed to be put under option.

The main objects specified in the Company's Memorandum, apart from the taking over of the businesses of The Lightfoot Refrigeration Co., Ltd., The Gas Accumulator Co. (India) Ltd., and Allen Liversidge (India) Ltd. referred to above, are:—

"To carry on the business of manufacturing and compressing oxygen, hydrogen, nitrogen, carbonic acid, acetylene and other gases or kindred substances or any compounds thereof by any process, and of selling or applying such gases, substances and compounds or any of them to such purposes as the Company may from time to time think desirable, and to manufacture, buy, sell, let on hire, and deal in engines, cylinders, compressors, machines and other apparatus and conveniences which may seem calculated to promote (directly or indirectly) the consumption of gases.

To manufacture and deal in metals, substances and materials of all kinds (including glass) which may be usefully or conveniently employed in the manufacture of receivers for compressed or liquefied or other gases, and all machinery, appliances, tools, articles and things used or capable of being used for closing or in the manufacture of appliances for closing such receivers or for closing or stoppering bottles or for liberating the gases or other contents of any such receivers or the tools required for or used in the manufacture of any such articles or things or for any of the purposes aforesaid.

To carry on the business of manufacturing, buying and selling dissolved acetylene, acetylene lamps, generators and plants, acetylene apparatus and accessories and other apparatus, appliances, articles and things which may seem calculated to promote or to be capable of being used in connection with the consumption of dissolved acetylene.

To carry on the businesses of chemists, druggists, importers, and manufacturers of and dealers in carbide of calcium and other pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, cements, oils, paints, pigments and varnishes, makers of and dealers in proprietary articles of all kinds, and electrical, chemical, photographical, surgical and scientific apparatus and materials."

No shares or debentures have been issued or agreed to be issued within the two years preceding the date of this Offer for Sale as fully or partly paid up otherwise than in cash and no shares have

been issued at a premium within the said two years, nor are any shares presently intended to be issued at a premium.

The Company has not issued any redeemable preference shares and does not at the present time intend to do so.

No amount or benefit has been paid or given within the two years preceding the date of this Offer for Sale or is intended to be paid or given to any promoter or officer of the Company save as remuneration for services as a director, managing director or employee of the Company.

On a show of hands every member present in person has one vote and every person present as a General Proxy (i.e., any Proxy other than a Proxy appointed for a specified meeting only) or as a representative for a body corporate, if he is not entitled to a vote in his own right, has one vote. On a poll the voting rights of members are as specified in Section 87 of the Companies Act, that is to say, every Ordinary shareholder has a right to vote on every Resolution in proportion to his share of the paid-up equity capital of the Company.

No member may exercise any voting rights either personally or by Proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien.

The Board are authorised to borrow and secure the payment of any sums of money for the purposes of the Company but they may not without the sanction of a General Meeting, so borrow any sum of money which will make the amount borrowed by the Company (exclusive of temporary loans obtained from the Company's bankers in the ordinary course of business) and then outstanding exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

The general powers of management of the Company are vested in the Board subject to the provisions of the Companies Act or any other statute, to the provisions of the Memorandum and Articles of the Company and to any regulations not inconsistent therewith duly made thereunder, including regulations made by the Company in General Meeting.

There has been no revaluation of the assets of the Company during the two years preceding the date of this Offer for Sale.

The following capitalisations of reserves or profits of the Company have taken place:—

Bonus Issue of	24,111	fully paid Ordinary shares of Rs. 10/- each in	March	1940
Do.	24,111	do.	April	1941
Do.	24,112	do.	April	1942
Do.	40,000	do.	December	1944
Do.	40,000	do.	August	1945
Do.	2,40,000	do.	May	1946
Do.	1,80,000	do.	February	1947
Do.	35,000	do.	November	1949
Do.	2,50,000	do.	January	1956

During the two years preceding the date of this Offer for Sale no commissions, discounts, brokerage or other such terms, except as herein mentioned, have been granted to any person in connection with the issue or sale of any stock, shares or securities of the Company.

Contracts: The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company with the parties mentioned during the two years preceding the date hereof and are or may be material:—

(1) Dated 20th January, 1958 with Jardine Henderson Limited whereby the latter were appointed Registrars and Share Transfer Agents to the Company at a fee of Rs. 30,000 per annum and also undertook to perform various services for The British Oxygen Company Limited in connection with this Offer for Sale for a fee of Rs. 50,000. (2) Dated 10th July, 1956, with The British Oxygen Company Limited being an order placed by the Company for a Liquid Oxygen Plant for Bombay Branch for Rs. 7,66,670. (3) Dated 29th April, 1957, with The British Oxygen Company Limited being an order placed by the Company for a Liquid Oxygen Plant for Burnpur Branch for Rs. 8,76,820. (4) Dated 29th April, 1957, with The British Oxygen Company Limited being an order placed by the Company for a 1,000 cubic feet Mobile Oxygen Plant for Rs. 2,88,000. (5) Dated on various dates between 10th February, 1956 and 27th September, 1957 with The British Oxygen Company Limited being orders placed by the Company for plant and machinery comprising cylinders, evaporators, oxygen compressors, liquid oxygen transport tanks, portable equipment for steel process work, water receivers, conversion units, filter units, alumina driers, pipeline supply components, machinery for manufacture of welding fluxes and nozzles for a total sum of Rs. 76,42,058. (6) Dated on various dates between 17th January, 1956 and 2nd December, 1957 with Dalbhum Trades & Industries Ltd., Aluminium Manufacturing Co. Ltd., G. C. M. Burman, Indian Galvanizing Co. (1926) Ltd., Parry & Co. Ltd., General Electric Company of India Private Ltd., Cumberland & Martin Ltd., Process Plant Engineers, A. Reyrolle & Co. Ltd., (Indian Agency), Braithwaite & Co. (India) Ltd., C. A. Parson & Co. Ltd., (Indian Agency), Alfred Herbert (India) Private Ltd., H. G. Fewkes & Co. Private Ltd., Avery Co. of India Private Ltd., Martin Burn Ltd., Garden Reach Workshops Ltd., William Jacks & Co. Ltd., Batliboi & Co., Biyani & Sons (Private) Ltd., Bombay Company Private Limited, Madras, Nigam Brothers, Crompton Engineering Co., Parkeen Brothers, W. H. Brady & Co. Ltd., and Quasi-Arc Co. Ltd., being orders placed by the Company for miscellaneous items of plant and machinery for a total sum of Rs. 5,69,559. (7) Dated 18th October, 1956, with Bosana & Co. being an order placed by the Company for site preparation at Khardah for an Electrode Factory for Rs. 2,05,000. (8) Dated 4th March, 1957, with Bridge & Roof Co. (India) Ltd., for the construction of factory buildings for the new Electrode Factory at Khardah at an estimated cost of Rs. 15,30,000. (9) Dated 11th September, 1957, with the General Electric Company of India Private Limited being an order placed by the Company for electric installations at the new Electrode Factory at Khardah at an estimated cost of Rs. 78,000. (10) Dated 1st November, 1957, with H. G. Fewkes & Company Private Limited being an order placed by the Company for sanitary installation at the new Electrode Factory at Khardah at an estimated cost of Rs. 35,000. (11) Dated 5th August, 1957, with Mr. N. Guha for the construction of factory and office buildings at a new site at Burnpur at an estimated cost of Rs. 11,50,000. (12) Dated 14th October, 1957, with the General Electric Company of India Private Limited being an order placed by the Company for electric installations at the factory and office buildings at the new site at Burnpur at an estimated cost of Rs. 1,15,000. (13) Dated 5th August, 1957, with Mr. N. Guha for the construction of staff quarters at Jamshedpur at an estimated cost of Rs. 4,40,000. (14) Dated 5th July, 1956, with the Governor of the State of West Bengal regarding acquisition on behalf of the Company at an approximate cost of Rs. 1,50,000. of an area of approximately 17.76 acres of land in Burnpur for an oxygen and acetylene factory and other buildings. (15) Dated 11th February, 1956, with the Gas Accumulator Company (India) Limited for assignment to the Company of quota rights held by that Company. (16) Dated 11th February, 1956, with the Gas Accumulator Company (India) Limited for the transfer of quota rights by the Company to that Company. (17) Dated 7th May, 1957, with Deloro Stellite Limited whereby the latter granted exclusive resale rights to the Company in India in respect of hard facing rods and electrodes as from the 1st April, 1957. (18) Dated 27th December, 1957, between the Company and Mr. R. G. C. Stephenson whereby Mr. Stephenson was re-appointed Managing Director of the Company from the 1st January, 1958, for a period of five years at a salary of Rs. 4,150 per month from the 1st January, 1958 to the 30th June, 1960, and Rs. 4,500 per month from the 1st July, 1960 to the 31st December, 1962, together with such allowances, appropriate to his appointment, as are determined by the Board.

Directors are interested to the extent that Mr. J. S. Hutchison is a Director and Member of the Offeror Company, Mr. A. D. Vickers is a Partner in the firm of Messrs. Orr, Dignam & Co., Solicitors to the Company, he and Mr. S. K. Sinha are Directors of Jardine Henderson Limited, the Registrars, and Mr. T. R. Shields is a Member of the Offeror Company.

The Articles of Association contain (*inter alia*) provisions to the following effect:—

Subject to the provisions of Section 111 of the Companies Act the Board, without assigning any reason for such refusal, may, within two months from the date on which the instrument of transfer was delivered to the Company, decline to register any transfer of shares upon which the Company has a lien, and, in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom the Board do not approve.

Unless otherwise determined by the Company in General Meeting the qualification of a director shall be the holding in his own name or jointly with any other person, whether beneficially or as a trustee or otherwise, of 100 shares in the Company.

Unless otherwise determined by the Company in General Meeting the Chairman of the Board shall be entitled to receive out of the funds of the Company a fee of Rs. 20,000 per annum and each other director who is neither a Managing Director nor a director in the whole time employment of the Company shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board a fee of Rs. 500 per mensem. All other remuneration, if any, payable by the Company to each director, whether in respect of his services as a Managing Director or a director in the whole or part-time employment of the Company shall be determined in accordance with and subject to the provisions of the Articles and of the Companies Act. The directors shall be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attending at Board and Committee meetings and otherwise in the execution of their duties as directors.

If any director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from Calcutta for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a committee of the Board, then, subject to Sections 198, 309 and 310 of the Companies Act, the Board may remunerate the director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Subject to the provisions of Section 297 of the Companies Act a director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director or a firm in which such director or relative is a partner, or with any other partner in any such firm, or a private company of which such director is a member or director, be avoided nor shall any director so contracting or being a member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding office or of the fiduciary relation thereby established.

Subject to the provisions of Sections 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more directors to be Managing Director or Managing Directors of the Company.

Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to the remuneration payable to him as a director of the Company under the Articles, receive such additional remuneration as may from time to time be sanctioned by the Company.

Every director, manager, secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such director, manager, secretary, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 663 of the Companies Act in which relief is granted to him by the Court.

Application for Shares: Applications by persons other than employees of the Company must be for 50 shares or multiples of 50 shares and must be made on the white form accompanying this Offer for Sale. Employees of the Company may apply for 25 shares or multiples of 25 shares in which case they must do so on the blue form accompanying the copies of this Offer for Sale issued to them. All application forms, properly completed, must be lodged, together with the full amount (Rs. 13.50 per share) payable on application, with any branch in India of the Chartered Bank, viz., at Amritsar, Bombay, Calcutta, Chowringhee (Calcutta), Cochin, Delhi, Kanpur, Kozhikode, Madras and New Delhi. Payment should be made by cheque or draft in favour of "The Chartered Bank A/c British Oxygen" and should, for the applicant's protection, be crossed "A/c Payee only." A separate cheque or draft must accompany each application. Cheques or drafts drawn on the Chartered Bank, or drawn on any bank in the same town as that in which the branch of The Chartered Bank with which the application is lodged is situated, need include no allowance for collection charges. All other cheques or drafts must include bank charges at the rate of 25 nP. per Rs. 100.

Applications from persons resident outside India will not be considered.

Acceptance will be notified by the despatch of an Acceptance Letter but the Offeror reserves the full and uncontrolled right of accepting or rejecting any application in whole or in part. Where an application is rejected or not accepted in full, the whole or the balance, as the case may be, of the application money received will be refunded to the applicant by post at his risk and any bank charges will be payable by the applicant. The Company has agreed to waive the first payment of transfer registration fees in respect of the transfer of shares from the Offeror to applicants whose applications are accepted and for which Letters of Acceptance are issued. Share certificates will be available for issue in exchange for Letters of Acceptance on or after the 25th April, 1958.

Brokerage at the rate of 12 nP. per share will be paid by the Offeror on acceptances made in respect of applications bearing the stamp of a recognised stock broker or banker. Brokerage on the same basis will be payable to The Industrial Credit and Investment Corporation of India Limited, in addition to the underwriting commission, on acceptances made in respect of applications made or procured by them provided that the relative forms of application bear their stamp.

Messrs. Price, Waterhouse & Co. have given and have not withdrawn their written consent to the issue of this Offer for Sale with a copy of their Report included therein in the form and context in which it is included. A copy of such consent, together with a statement of the adjustments made by that firm in arriving at the profits and assets and liabilities shown in the Report and giving the reasons therefor, copies of the consents of the auditors, solicitors, bankers and brokers to the Company to act in those capacities and copies of the material contracts specified above have been attached to the copy of this Offer for Sale which has been delivered to the Registrar of Companies for registration.

A print of the Memorandum and Articles of Association of the Company, copies of the material contracts and of the agreement proposed to be entered into between the Company and the Offeror referred to above, the Report of the Auditors and their Statement of Adjustments and the audited Accounts of the Company for the last five financial years may be inspected at the registered office of the Company during usual business hours (Saturdays excepted) for a period of fourteen days from the date of publication of this Offer for Sale or until the closing of the application list, whichever is earlier.

Copies of this Offer for Sale and forms of application can be obtained from any branch in India of The Chartered Bank and from any of the Brokers specified above.

Dated the 21st day of January, 1958.

DIRECTORS:

A. D. VICKERS
J. S. HUTCHISON
C. H. CAMPBELL
M. A. SREENIVASAN
R. G. C. STEPHENSON
S. K. SINHA
A. K. SEN
T. R. SHIELDS
C. HAWKINS
} by their authorised agent A. D. VICKERS.

OFFEROR:

F. LEWIN-HARRIS
L. S. KINNEAR
Directors. The British Oxygen Company Limited,
} by their authorised agent A. D. VICKERS.

DEVELOPMENT OF SMALL INDUSTRIES

REMOVAL OF CERTAIN INHERENT WEAKNESSES URGENT

THE wide and varied problems connected with the development of small industries were impressively brought out by Mr. Manubhai Shah, Union Minister for Industry, when he addressed the tenth meeting of the Small-scale Industries Board held at Calcutta last week. At the very outset, Mr. Shah sought to explain why the Governments of the States should assume the responsibility for the development of small industries. These industries, he declared, required less capital but more organisation, less technique but more efforts, so that it was only the local Governments, aided by local talents and people, that could pay adequate attention to the intensive development of these industries in their respective areas. Mr. Shah urged the State Governments to make vigorous efforts to give a powerful drive and momentum to the development of small industries. "I will," to quote him, "repeat this over and over again in order to induce *a new sense of urgency* that is required to be installed and implemented at the State level and at the people's level."

The development of small industries, it will be recalled, has been accorded a special place in the second Five-year Plan, the total financial provision made being as much as Rs. 200 crores, as against Rs. 25 crores in the first Plan. Of this total, the funds earmarked for small industries other than handloom, *khadi* and village handicrafts, silk, coir and 'other' industries, aggregate Rs. 61 crores. About 750 State Government schemes have been sanctioned since the second Plan. The amount sanctioned for the implementation of these schemes in the current financial year has already exceeded Rs. 4.5 crores, whereas the Plan allocation was only Rs. 4 crores. This is in addition to the sum of Rs. 5.5 crores sanctioned for supply of machinery to small industries on hire purchase, industrial estates, co-operatives, etc. The terms and conditions on which loans are advanced to small industrialists have been liberalised. It is now possible for small *entrepreneurs* in most States to get loans up to Rs. 1,000 on a personal bond and up to Rs. 5,000 against one or two securities. Loans exceeding this amount are also given against security which includes assets created out of the loans. What is more, the rate of interest is low and the loans are repayable in easy instalments spread over 10 years.

Bottlenecks

While the pace of improvement in schemes sanctioned is to be welcomed, the question is whether, in actual practice, they will be successfully implemented, and that in time. Present indications are that, if adequate and timely attention is not given, the implementation may not be wholly satisfactory. Mr. Shah did well to call upon the State representatives to bear in mind the great need to fulfil the targets before the fiscal year ended. It is certainly disquieting to be told time and again that, despite liberalisation of credit facilities by almost all the State Governments, the grant of loans to small-scale units is still hampered on account of avoidable procedural delays. If the assistance given to small units is to be timely and effective, it is imperative that the bottlenecks are avoided and procedure simplified. Attention must be drawn here to the urgency of eradicating certain inherent weaknesses to which Mr. Shah made a special reference in his speech. These are:

A large number of units are not in a position to provide even the minimum securities that are required.

They often pay high prices for their raw materials and sometimes have to sell their goods at distress prices, because they do not organise themselves, and fear and shun joint effort.

Practically all small units are working with persons who have learned a technique by experience but are not properly trained, and with out-of-date equipment, with the result that, often, their cost of production is high and quality inferior.

The overall shortage of iron and steel in the country and the difficulties in supplying adequate quantities of proper coal and coke at all centres add to the numerous problems they have to face.

Unless all these weaknesses are overcome, the small-scale industries cannot be expected to play a prominent role in bringing about the accelerated industrialisation of the country.

A very pertinent point which Mr. Shah reiterated in the course of his address was that the small-scale industries would have ultimately to get all their finances from institutional agencies. Having regard to the record of *taccavi*, rehabilitation and other direct loan activities of Government, the supply of credit with a view to the effective fostering of productive enterprise would not, as Dr. B. K. Madan, Principal Adviser, Department of Research and Statistics, Reserve Bank of India, aptly remarked in his article appearing in one of the issues of the *Reserve Bank of India Bulletin*, seem appropriate for being entrusted to direct Government agency. According to Dr. Madan, "institutional agencies like banks and finance corporations making loans on a businesslike basis are much more likely to succeed in setting up effective production units on their feet than disbursement of Government funds through Industries Departments. The objective of future development may, therefore, well be the gradual but effective replacement, in a planned manner, of Government credit by institutional credit."

A Beginning

Viewed thus, it is, indeed, gratifying that a beginning has at least been made now to develop financing by institutional agencies. The information given by Mr. Shah in this regard shows that efforts are being made to get State Financial Corporations appointed as agents of the State Governments for handling this work so that delays caused in scrutinising applications, etc., by departmental agencies may be reduced and the transactions are commercialised. State Financial Corporations in U.P., Andhra Pradesh, and Bombay have already started doing this work. Urban co-operative banks are also being organised in different areas for giving loans to small-scale industries. All the 12 State Financial Corporations are advancing long- and medium-term loans to small industries from out of their own funds under their present rules and regulations. They have by now sanctioned an amount of Rs. 2.4 crores to 284 small industrialists. The State Bank of India has also introduced a pilot project of providing working capital to small industries in 36 towns on liberalised terms and conditions. By the end of November 1957, they had sanctioned an amount of Rs. 150 lakhs to 260 parties. The Reserve Bank is also examining the possibilities of placing some of the small industries on their approved list to provide them credit through the co-operative banks.

Apart from financial aid, organisation also plays a notable part in ensuring speedy and smooth development of small industries. Reference may be made here to the setting up of industrial co-operatives. We are told that, since independence, the number of such co-operatives has gone up from a mere 3,000 to over 20,000. The latter figures include 5,600 each of handloom and small-scale industries societies, 5,200 cottage and village industries societies, 370 handicrafts societies, 250 coir societies and 2,980 miscellaneous. The Minister for Industries wanted this number to be doubled or trebled in the coming years. In his opinion, the very liberal assistance given to co-operatives should make it easy to spread them as much as possible. But there is dearth of competent, well-trained co-operative functionaries, the co-operative workers who, as Mr. Shah rightly called, "would be the central point or fulcrum of good and successful industrial co-operatives." The Government's move to hold a special seminar shortly at Delhi to discuss all the problems of industrial co-operatives and to chalk out an intensive programme for their growth and development deserves to be welcomed.

Another important step taken by the Government to assist small industries to which Mr. Shah alluded, relates to the establishment of an Industrial Extension Service, consisting of four regional institutes at Bombay, Calcutta, Madras and New Delhi. Over and above this, there are 14 major and branch institutes and 60 extension centres which advise small units on adoption of improved technical processes; use of modern machinery and equipment; utilisation of local raw materials; hold demonstrations at stationary or mobile workshops; supply designs, drawings and schemes; instruction on proper methods of business management; and act as information centres on various technical matters. By the end of November 1957, over 38,000 parties were provided technical assistance and advice, and more than 36,000 visits were paid by these technical officers and experts. With a view to meeting the requirements of trained personnel in small industries, 114 training-*cum*-production centres have so far been set up in different States; an equal number is likely to be opened in 1958. Already, 1,400 persons have been trained and another 2,000 are undergoing training. The Institutes, it is said, have prepared 75 pamphlets containing model schemes and technical details on different industries. It is proposed to translate these booklets into different Indian languages. Meanwhile, special surveys of important industries in selected areas are being made to supply the industrialists information on the prospects of different industries in the area. Reports on 16 industries in six areas have already been completed and published. As regards direct marketing assistance, during 1956-57, the Director-General of Supplies and Disposals purchased goods worth Rs. 2.75 crores from small industries, in addition to the purchase of *khadi* and handloom products. In the current financial year, a target of Rs. 4 crores is sought to be achieved.

Although the Small Industries Service Institutes have done a good job, there is no denying the fact that the degree of their utility has been limited. This must be attributed to three factors. First, there is the non-availability of suitable technical officers for the vacant posts. Secondly, the publicity given by the Small-scale Industries Board to the activities of the Service Institutes is poor, especially in the rural areas. Thirdly, there is said to be no proper and adequate co-ordination between the Institutes and the Departments of State Governments. In order to remove this deficiency, the Government is contemplating some structural reorganisation of the existing set-up of the Central Organisation in the States. As a first step, a fifth regional institute will be set up immediately at Kanpur, so that the regional redistribution in this organisation is coterminous with the zones in the States Reorganisation Act. Further, from this year onwards, every State will have a separate institute for small-scale industries suited to its needs with a competent director as its head. The technical officers in each region will work in a pool, so that the available technical manpower can be put to the best possible use.

Most Effective Way

Whatever may be the method of assistance —financial and technical—given to the small industries, the fact cannot be disputed that the most effective way of ensuring an orderly and sound development of these industries lies in building up small units not independently but as ancillaries for the production of components and parts required by the large factories. The National Small Industries Corporation must certainly be congratulated on having taken the initiative in this direction. The Corporation, we are told, has succeeded in securing the co-operation of over a dozen large factories for this purpose. The Corporation has also helped the small industries to market their goods through its wholesale depots and mobile sales vans. Export orders for the products have been secured from Russia, Poland and New Zealand for a total value of Rs. 80 lakhs. The Corporation supplies machinery to small units on easy hire-purchase system; by November 1957, nearly 1,050 applications for the supply of over 3,800 machines worth Rs. 2.8 crores had been accepted, and over 608 machines costing Rs. 60 lakhs have already been delivered. It has also supplied more than 1,100 sewing machines to women in low-income groups, in order to enable them to augment their family income. The scheme of machinery supply on hire purchase is claimed to have become extremely popular. It is said that, at the rate at which applications are being received, the Corporation will have to supply machinery worth over Rs. 3 crores per annum in the coming years.

An exhibition displaying nearly 300 items of machinery and equipment manufactured by Hungary is now being held in Bombay at the premises of the Silk and Art Silk Association, Dr. Annie Besant Road, Worli. The exhibits cover, among others, medical implements, laboratory equipment, electronic and electrical instruments for geodesic, nuclear and meteorological purposes, materials testing and measuring appliances for the textile industry, and instruments for plant control. Some of the outstanding items of each group of instruments are: 1551 type double-beam oscilloscope, laboratory signal generator, 272/s type universal measuring bridge for telephone maintenance, 1862 type portable radiation meter, electronic extensometer, Univeka universal electric measuring instrument, neo-laboragraph flour quality tester, geodetical plane table equipment, air samples, lilliput type mercury sphygmomanometer, automatic cotton grader, etc. Arrangements have also been made to give more detailed technical and scientific information on the products displayed. The last day of the exhibition is Saturday next.

PREMIER AUTOMOBILES TO ISSUE DEBENTURES

SHORT-RANGE OUTLOOK UNCERTAIN

IT is common knowledge that the automobile industry is struggling hard to establish itself on a sound financial footing. The Government has given tariff protection to this industry for a period of 10 years. It has also given it the freedom to fix the prices of vehicles in accordance with the cost of production. In return, the industry is committed to implement a programme of progressive manufacture of cars and trucks within the country. This is a difficult undertaking, because, apart from other handicaps, the industry must command sufficient financial resources and it cannot find them easily, as investors have burnt their fingers badly in automobile shares. To some extent, this handicap is the result of the Government's shortsighted policy. While it is anxious to see a strong automobile industry established at an early date, it has placed severe restrictions on the growth of the market for the industry's products through imposition of heavy taxes. The extremely limited character of the market for cars and trucks is, indeed, the principal bottleneck that must be widened first if the automobile industry is to make any headway.

So long as an automobile unit is mainly an assembly shop, it is able to show a moderate profit and pay modest dividends. But, once it starts manufacturing on a progressively expanding scale, its profit-margin begins to thin down. This again is due, to a considerable extent, to the smallness of the Indian market for cars, for, unless manufacturing of parts is done on a large scale, it is not an economic proposition. The experience of Hindustan Motors in the last few years clearly bears out this contention. This Company is well ahead of the Premier Automobiles in the implementation of manufacturing programme, but its profit is less than that of the Premier. While the Premier has been able to pay at least a modest dividend, the Hindustan still seems to be a long way from it. The Premier, too, is beginning to make more and more parts and use more of indigenous products. This will be evident from the following extract from the latest Directors' report adopted at the annual meeting of the Company held at Bombay last week:

"The Company's manufacturing programme is making progress. The machining of various components for the Fiat engine is completed and the Fiat engine is now on the production line. The scheme for the manufacture of transmission and rear axles for Fiat cars has been submitted to the Government for their approval and on receipt of their sanction production of these items would be taken in hand. The progress on Timken axles has advanced considerably. Orders for the machine tools and fixtures required for the manufacture of these axles have been placed and a part of the machinery has already arrived. We expect that, within a few months, we shall be commencing the production of important components for the front and rear axles for trucks. When this is done about 72 to 80 per cent. by value of the components of trucks will have been manufactured in the country.

"It may be recalled that, in our last report, we had mentioned that preparation for the manufacture of sufficient petrol engines for our then estimated production of the Chrysler group of cars and petrol trucks had been completed. A part of our potential, however, in this direction has been rendered unfruitful inasmuch as the demand for these cars has gone down considerably, as a result of the very heavy excise duty which has been imposed by the Government on big cars. This has been further aggravated by the fact that the use of petrol engine is being progressively restricted only to small-wheel base trucks and the vehicles in demand by the Defence Department and that most of the civilian demand is being increasingly diverted to diesel-powered trucks. The manufacture of transmission is progressing satisfactorily. But, here also, in view of the shift in demand for heavier transmission for diesel engines, we had to effect some alteration in our plans and to obtain the permission of the Government for producing five-speed transmission. It is expected that the manufacture of this will commence early next year (that is, 1958)."

As the Company's cars and vehicles begin to have more and more of indigenous components, will its profit also go down? Will it be able to maintain even the modest dividend of 6 per cent. per annum, first paid for the year ended 30th June 1956 and repeated for the following year, 1956-57? While we do not know much to give categorical replies to these posers, it can be said without fear of contradiction that the Company's Chairman (Mr. Lalchand Hirachand) himself did not sound quite optimistic on these points when he addressed the shareholders a few days ago. He actually struck a note of caution about the results for the current year (1957-58). Apart from the excise duty on big cars which has affected their sales, the foreign exchange difficulties will affect the imports of engines and other essential parts not made in this country. The imports of Fiat engines have already been discontinued. Fiat cars were one of the main sources of the Company's revenue hitherto. Their contribution in the coming years will depend on the Company's ability to make the engines here in requisite numbers and as efficiently as is done in Italy and what is more on the popularity of the new Fiat cars fitted with the engines made in this country. Further, the Company has applied for permission to import machinery for the manufacture of transmission and rear axles for Fiat cars on the basis of deferred term payments. The Government's consent is yet to come. The short-range outlook is thus clouded by quite a few uncertain factors. As against this, however, there remains the fact that the Company's management, under the leadership of Mr. Lalchand Hirachand and Mr. Chinubhai Kilachand, will make determined efforts to get over them and to maintain its operations on a profitable scale.

The Company needs more finance to put through its manufacturing programme. With its existing shares quoting at a discount—they are currently standing at Rs. 87 *cum*-dividend—issue of equity capital is out of question. The only way out is debentures. The Company has, therefore, decided to raise Rs. 2 crores by way of debentures. Details of this issue were given to the shareholders by Mr. Lalchand the other day. Out of the proposed Rs. 2 crores, convertible debentures of the value of Rs. 1.60 crores only will be issued for the present. They will carry interest at 6½ per cent. per annum, taxable, and will be redeemed at par at the end of 15 years from the date of allotment, with an option to the Company to redeem them at par at any time after 10 years on giving six months' notice. They will be offered, in the first instance, to the ordinary shareholders of the Company, as they are convertible into 'A' ordinary shares under certain conditions. The necessary arrangements for underwriting the issue are in an advanced stage. From the proceeds of the issue, the Company proposes to pay off the loan of Rs. 45 lakhs due to the Industrial Finance Corporation of India.

Before concluding this review, the results of the Company's operations during 1956-57 may be briefly stated. There was a substantial increase in the turnover. The gross profit was slightly better, though the rise was not commensurate with that in turnover. The point to be remembered, however, is that the upward trend in the Company's earnings was maintained for the third year in succession and the fact that such was possible after suffering a net loss of Rs. 13.84 lakhs as recently as in 1953-54 is, in itself, sufficiently gratifying. The gross profit at Rs. 82.80 lakhs represented a rise of Rs. 4.04 lakhs from Rs. 78.76 lakhs for 1955-56. After setting aside Rs. 22.72 lakhs for depreciation, as against Rs. 23.88 lakhs in the previous year and Rs. 17.01 lakhs for taxation (including Rs. 1.21 lakhs for wealth tax) as against *nil*, the net profit was appreciably lower at Rs. 37.32 lakhs, as compared with Rs. 47.71 lakhs for 1955-56. In view of the sizable reduction in the net profit, the transfer to reserves was cut from Rs. 34.50 lakhs to Rs. 24 lakhs. These for the year under review consisted of Rs. 10 lakhs for contingencies, Rs. 9 lakhs for general reserve and Rs. 5 lakhs for dividend equalisation reserve. The dividend was maintained at 6 per cent., as stated already.

The salient features of the Company's working during the past four years are brought out in the table given below:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sales (cars, trucks and spare parts)	18,08.67	14,29.43	12,37.57	2,87.39
Other income	5.66	3.55	3.32	2.39
Closing stocks	2,80.17	2,73.98	1,05.96	2,98.63
Expenses	17,46.72	14,32.24	10,77.00	5,11.76
Gross profit (+) or loss (—)	+82.80	+78.76	+61.23	—13.83
Managing Agents' remuneration	5.75	7.17	3.92	..
Depreciation	22.72	23.88	30.00	..
Taxation	17.01	..	..	..
Net profit (+) or loss (—)	+37.32	+47.71	+27.31	—13.83
Transfer to reserves	24.00	34.50	8.00	..
Loss written off from previous year's credit	..	..	..	..
Dividend—Ordinary	13.04 (6%)	13.04 (6%)	.. ..	0.39 ..
Carry forward	6.32	6.03	5.87	—13.44

It will be seen from the table above that, though the Company's proceeds from sale of cars, trucks and spare parts had staged a smart rise from Rs. 14.29 crores in 1955-56 to Rs. 18.09 crores, the gross profit works out to only 4.5 per cent. of the turnover, as against 5.5 per cent. in the previous year. This is due to the sharp rise in expenses from Rs. 14.32 crores to Rs. 17.47 crores.

The balance-sheet of the Company as at 30th June 1957 shows its paid-up capital at Rs. 220.25 lakhs, all in ordinary shares of Rs. 100 each. As against this, the reserves and surplus stand at Rs. 69.46 lakhs. Secured loans from the Industrial Finance Corporation of India and banks total Rs. 301.79 lakhs and unsecured loans Rs. 11.96 lakhs. In all, the current liabilities amount to Rs. 581.03 lakhs, including a provision for taxation of Rs. 22.93 lakhs. The gross block of Rs. 342.78 lakhs stands depreciated at Rs. 172.85 lakhs. The current assets aggregate Rs. 697.89 lakhs and cover the current liabilities and the provision for taxation by a wide margin of Rs. 116.86 lakhs.

The Rs. 100 fully paid-up ordinary shares are currently quoted at Rs. 87 *cum-div.* On an *ex-div.* basis, the yield works out to 7.41 per cent. per annum.

INDIAN VEGETABLE PRODUCTS

DIVIDEND MAINTAINED

DESPITE a sizable rise in turnover, the earnings of the Indian Vegetable Products Ltd. (Managing Agents: Messrs. Forbes, Forbes Campbell & Co. Private Ltd., Bombay) for the year ended 30th September 1957 are a shade lower than those of the previous year. The gross profit amounts to Rs. 7.38 lakhs, as against Rs. 7.60 lakhs for 1955-56. Even so, it is more than twice the profit (of Rs. 3.39 lakhs) for 1954-55 and constitutes the second best for the four-year period under discussion. The net profit at Rs. 2.32 lakhs is also lower than Rs. 2.71 lakhs for the previous year but is better than Rs. 2.01 lakhs made in 1954-55. The provision for taxation has been raised from Rs. 2.90 lakhs to Rs. 3.92 lakhs but that for depreciation has been lowered from Rs. 68,315 to Rs. 45,888. The amount transferred to general reserve at Rs. 25,000 is also lower, as compared with Rs. 55,000 in 1955-56. The dividend has been maintained at the previous year's rate of 10 per cent. to which level it had been raised from 5 per cent. for the preceding two years.

The following comparative table brings out the progress of the Company during the past four years:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	2,39.43	2,06.29	1,27.47	1,64.79
Closing stocks of finished products	3.05	5.53	6.34	4.41
Expenses	2,30.87	1,99.01	1,27.11	1,65.77
Gross profit (+) or loss (—)	+7.38	+7.54	+3.27	—0.01
Managing Agents' commission	0.68	1.25	0.31	..
Depreciation	0.46	0.68	0.75	0.75
Taxation	3.92	2.90	0.20	0.46
Net profit (+) or loss (—)	+2.32	+2.71	+2.01	—1.22
Transfer from reserves	..	..	0.22	1.06
To reserves	0.25	0.55	..	..
„ dividend	2.12 (10%)	2.12 (10%)	1.06 (5%)	1.06 (5%)
Carry forward	0.04	0.08	0.04	—1.18

The balance-sheet as at 30th September 1957 shows the Company's paid-up capital at Rs. 21.17 lakhs, all in ordinary shares of Rs. 100 each. As against this, the reserves and surplus amount to a mere Rs. 4.76 lakhs. The gross block of Rs. 24.64 lakhs stands written down at Rs. 4.75 lakhs. Cost of machinery to be erected amounts to Rs. 1.72 lakhs. The current assets, including cash and bank balances at Rs. 11.43 lakhs, aggregate Rs. 42.80 lakhs, against which the current liabilities amount to only Rs. 23.35 lakhs.

The Rs. 100 paid-up shares are currently quoted at par, at which rate the yield works out to 10 per cent. per annum. With exports of Indian *vanaspati* showing a rising trend and with increased home consumption, following enlarged use of *vanaspati* as a substitute for ghee, the prospects for the industry appear to be bright. The margin of profit, however, depends to a large extent on the price of raw materials, an unpredictable factor. For some years now, the supply of oil and oilseeds has not been plentiful and their prices have invariably been against *vanaspati* makers. There has been no worthwhile improvement in this respect since September last and the prospect for the coming months too does not seem to be favourable.

A CORRECTION

In our review of the results of the Kirloskar Electric Company Ltd. for the year ended 30th June 1957, on page 95 of *Commerce* dated the 18th January, the rate of dividend for 1955-56 was stated to be 5½ per cent. per annum. This is not correct. The actual dividend for that year was 6 per cent. per annum.

OUDH SUGAR'S EARNINGS IMPRESSIVE

DIVIDEND HIGHER—TAXATION, TOO, TAKES MORE

THE Oudh Sugar Mills Ltd. (Managing Agents: The Cotton Agents Private Ltd., Bombay) has reported very encouraging results for the year ended 31st July 1957. The Company's sugar mills had a record cane crushing during the year, with the average recovery also showing an improvement over the previous season. These favourable factors were further strengthened by higher sales realisations. The cumulative effect of all these was so marked that even other adverse factors like lower production in the *vanaspati* factory and the unsatisfactory working of the Company's farms have had no effect on the Company's earnings. The latter, on the other hand, have made a strident advance over those in the previous year. The gross profit for the year under review, for instance, amounts to Rs. 63.66 lakhs, as against Rs. 37.82 lakhs for 1955-56, an improvement of Rs. 25.84 lakhs or 68.32 per cent. over the year.

The net profit also stands higher at Rs. 19.76 lakhs, as compared with Rs. 12.01 lakhs for the previous year. But, as compared with the rise in gross profit, the growth in net profit is disproportionately smaller, because of the heavy incidence of taxation. The provision for taxation, it may be noted, has shot up from a mere Rs. 8.45 lakhs in 1955-56 to as much as Rs. 25.58 lakhs. The amount set apart for depreciation is modestly higher at Rs. 12.75 lakhs, as against Rs. 10.50 lakhs a year ago. A welcome feature of the appropriation of profit is the decision of the Directors to plough back a larger sum into the business than was done a year earlier. Thus, a sum of Rs. 9.52 lakhs has been conserved, as against a mere Rs. 2.92 lakhs. These are in the form of Rs. 5 lakhs to renovation and renewals reserve and Rs. 4.52 lakhs to capital redemption reserve. The addition to the latter reserve is in furtherance of the Directors' decision to redeem in full the Company's four per cent. taxable first cumulative redeemable preference shares of Rs. 25 each. During the year under review itself, 18,151 of such shares were redeemed and the balance will be paid off in due course. The conservative policy of the Directors in regard to payment of dividend has also undergone a slight revision in favour of the shareholders, in that it has been stepped up to 12½ per cent. from 11 per cent., at which rate it had been maintained for the previous four years in succession.

The following comparative table shows the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st July			
	1957	1956	1955	1954
Sales and shipments	6,88.18	5,82.11	3,79.25	5,15.09
Other income	3.71	6.43	0.61	0.61
Closing stock	1,45.51	1,48.13	1,17.81	69.64
Expenses	6,25.61	5,82.20	4,02.80	4,49.88
Gross profit	63.66	37.82	24.98	33.66
Managing Agents' remuneration	5.57	6.86	3.96	6.09
Depreciation	12.75	10.50	7.00	8.00
Taxation	25.58	8.45	5.40	8.50
Net profit	19.76	12.01	8.62	11.08
Transfer to reserves	9.52	2.92	..	2.00
Dividend—				
Preference	0.89	0.41	0.41	0.41
Ordinary	8.69 (12½%)	8.52 (11%)	8.52 11%)	8.52 (11%)
Carry forward	0.86	0.21	0.05	0.87

As stated at the outset, the sugar mills had a record cane crushing during the 1956-57 season. Thus, a total quantity of 12.49 million maunds of cane were crushed during the year, as against 10.53 million maunds in 1955-56. Along with this, the recovery of sugar also improved from 9.59 per cent. to 9.73 per cent. The working results of the Company's farms were, however, not satisfactory due to lower yield per acre as a result of infestation of cane crop. Due to inadequate supplies of raw materials, there was a slight reduction in the output of the Company's *vanaspati* factory also, production for the year being only 14,700 tons, as against 16,900 tons in the previous year. The quantity of power alcohol and spirits at 959,000 gallons was also lower than 1,010,000 gallons produced in 1955-56.

The paid-up capital of the Company as at 31st July 1957 stands reduced from Rs. 90.22 lakhs in the previous year to Rs. 85.68 lakhs. This is due to the redemption of the 18,151 first cumulative preference shares as aforesaid. Of the present capital, Rs. 77.48 lakhs are in ordinary shares and the balance in 4 per cent. taxable and tax-free first and second redeemable cumulative preference shares of Rs. 25 each. These are supplemented by reserves and surplus aggregating Rs. 64.84 lakhs. The current liabilities amount to Rs. 166.18 lakhs. Of these, secured loans from a bank account for Rs. 77.82 lakhs, unsecured loans for Rs. 10.25 lakhs and provision for taxation for Rs. 38.07 lakhs. The gross block of the value of Rs. 215.99 lakhs stands well written down at Rs. 97.74 lakhs. The current assets aggregate Rs. 218.97 lakhs and cover the current liabilities and the provision for taxation by a comfortable margin.

The Rs. 100 fully paid-up ordinary shares of the Company are currently quoted at Rs. 123.75 *ex-div.*, at which rate, and on the basis of the latest dividend, the yield is 10.1 per cent. per annum.

Points From The Chair

I.M.F.'s Weakness

"....Our preoccupations during the next phase may become those of deflation rather than inflation. I am not, of course, predicting that this will in fact happen; I merely suggest that we must take the possibility into account. Should the course of events take this direction, it means that, if the Bretton Woods system is to work successfully, the policies followed by creditor countries will be of decisive importance. It is true that a deficit country persisting in inflationary courses will not only aggravate its own difficulties but tend to infect other members of the system with the inflationary virus. The sanctions against such behaviour, however, are quite strong; the country in question is liable to get into a bad crisis in its balance of payments, involving the loss of gold or other reserves. It is the lack of any sanction of similar strength against over-restrictive policies on the part of surplus countries that is perhaps the least satisfactory of the Bretton Woods rules. There is, of course, the so-called 'scarce currency' clause, but a deflationary trend might already be fairly advanced before that became operative and would not necessarily be reversed by it. In the meantime, a country with gold coming in is not absolutely compelled to expand credit; it can sterilise the addition to its exchange reserves and may in this way inflict more damage upon the rest of the world trading community than lies within the power of any deficit country. One might say that, if over-expansionist policies can be suicidal, over-restrictive policies are undoubtedly fratricidal."

THE RT. HON. SIR OLIVER FRANKS,
Lloyds Bank Ltd., London.

The Clerical Guild

"You may be interested to learn a little about the Staff Associations in the Bank, particularly about the Clerical Guild, since the occasional Press references which appear on this subject are often misleading and often directed towards the discrediting of a system such as that obtaining in Westminster Bank. The Guild was established in 1919 and is very representative of the clerical staff at all levels. It enjoys a 70 per cent. membership of the total of our active clerical staff and if one leaves out those with less than three years' service that is to say, the bracket in which there is a considerable turnover in present conditions—the proportion of possible membership is approximately 80 per cent. It can thus be seen that the Guild is a truly representative body and that its elected representatives, who come along to head office on a variety of problems, speak with a great weight of opinion behind them. These meetings, I may say, take place quite frequently and can be called by either the Bank or the Guild. They are conducted in such an atmosphere as to permit of a very full and frank exchange of views on both sides of the table and, although agreement on all points cannot always be achieved, a better understanding of the other side's point of view invariably results. In addition, there is in being a formal Arbitration Agreement completed in 1956, by the Bank and the Guild which can be invoked by either party, although I hope the need will never arise.

THE RIGHT HON. LORD ALDENHAM,
Westminster Bank Ltd., London.

U.K. Trying To Do Too Much

"For 12 years in this country (the U.K.), we have been attempting to do more than our resources can manage and, in the process, we have been gravely weakening ourselves. We have been trying to be a nuclear power with large conventional force as well, and maintain the Welfare State at a high level. It has meant that, over 12 years, we have slithered from one crisis to another. It has meant that the pound sterling has sunk from 20s. to 12s. That is a picture of a nation in full retreat from its responsibilities. The simple truth is that we have been spending more money than we should. It is not the sluice gate that is at fault. The plain fact is that the water is coming over the top of the dam. The basic problem, whether it is in the Welfare State or arms, or both, is that we should plan to spend less than we are planning to spend at the present time and unless we do so the pound sterling is going to continue to decline in value. Higher taxation has already reached the point where most men admit that it is inflationary in itself. A new method of paying for the social services may well be right, but it is only a new form of taxation. I believe there is an England that would prefer to face these facts and make the necessary decisions now. I believe that living within our resources is neither unfair nor unjust, nor perhaps, in the long run, even unpopular. Self-interest and honour alike demand that we should take the necessary steps to hold the value of our money."

PETER THORNEYCROFT,
Ex-Chancellor of the British Exchequer.

COMPANY MEETINGS AND DIVIDENDS

CENTRAL HYDRAULIC PRESS CO., LTD. Annual General Meeting, Calcutta, 5th February 1958. Dividend: Rs. 10.00 per share (includes bonus of Rs. 4.00 per share). Transfer books remain closed from 25th January to 5th February 1958, both days inclusive.

TYROON TEA CO., LTD. Annual General Meeting, Calcutta, 6th February 1958. Dividend: Rs. 4.50 per share (includes interim dividend of Rs. 2.00 per share. Transfer books remain closed from 25th January to 6th February 1958, both days inclusive.

CALICO PROCESSORS LTD. Annual General Meeting, Bombay, 10th February 1958. Transfer books will remain closed from 1st to 10th February 1958, both days inclusive.

UNITED PROVINCES ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 10th February 1958. Dividend: Rs. 10.00 per share. Transfer books will remain closed from 4th to 10th February 1958, both days inclusive.

GANNON DUNKERLEY & CO. LTD. Annual General Meeting, Bombay, 12th February 1958. Dividend: Rs. 6.00 per share. Transfer books will remain closed from 5th to 19th February 1958, both days inclusive.

MYSORE CHROME TANNING CO., LTD. Annual General Meeting, Bangalore, 13th February 1958. Transfer books remain closed from 1st to 14th February 1958, both days inclusive.

MALWA SUGAR MILLS CO., LTD. Annual General Meeting, Calcutta, 15th February 1958. Transfer books will remain closed from 5th to 15th February 1958, both days inclusive.

SCINDIA STEAM NAVIGATION CO., LTD. Annual General Meeting, Bombay, 19th February 1958. Dividend: Re. 1.25 per share, payable on or after 26th February 1958. Transfer books were closed from 18th November 1957 to 17th December 1957, both days inclusive.

ROOPACHERRA TEA CO., LTD. Annual General Meeting, Calcutta, 20th February 1958. Transfer books will remain closed from 8th to 20th February 1958, both days inclusive.

CALCUTTA ELECTRIC SUPPLY CORPORATION LTD. Interim dividend of £3½ per cent. nett, for the year ending 31st March 1958, payable on 15th February 1958.

PREMIER AUTOMOBILES LTD. Dividend of Rs. 6.00 per share, for the year ended 30th June 1957, payable on 3rd March 1958.

NEW SWADESHI SUGAR MILLS LTD. Dividend of Rs. 20.00 per share, for the year ended 30th June 1957.

OUDH SUGAR MILLS LTD. Dividend of Rs. 12.50 per share, for the year ended 31st July 1957.

BOMBAY-BURMAH TRADING CORPORATION LTD. Final dividend of Rs. 28.75 per share, on old shares and Rs. 11.50 per share on new shares, for the year ended 31st May 1957, payable on 3rd March 1958. Transfer books will remain closed from 7th to 28th February 1958, both days inclusive.

SOOM TEA CO., LTD. Interim dividend of Re. 1.50 (15 per cent.) per share, for the year ended 31st December 1957, payable on or after 6th February 1958. Transfer books will remain closed from 3rd to 6th February 1958, both days inclusive.

DUFFLAGHUR TEA CO., LTD. Interim dividend of Re. 1.00 (10 per cent.) per share, for the year ended 31st December 1957, payable on or after 6th February 1958. Transfer books will remain closed from 3rd to 6th February 1958, both days inclusive.

THIRUMBADI RUBBER CO., LTD. Dividend of 5 per cent. on the ordinary shares, for the year ended 30th September 1957. Transfer books will remain closed from 8th to 15th February 1958, both days inclusive.

MADURA MILLS CO., LTD. Dividend of Rs. 2.25 per share (15 per cent.), for the year ended 31st December 1957.

INDIAN CABLE CO., LTD. Supplementary dividend of 4 per cent. per annum, on the ordinary shares, for the year ended 31st March 1956. Transfer books will remain closed from 15th to 28th February 1958, both days inclusive.

HINDUSTAN ELECTRIC CO., LTD. Dividend of Rs. 6.00 per share, for the year ended 30th April 1957, payable on 25th March 1958. Transfer books will remain closed from 11th February to 25th March 1958, both days inclusive.

COMPANY REGISTRATIONS

VICTORY NAVIGATION CO., LTD. (First Director: Major General Pratap Sinhji J. Jadeja.) Business: Maintaining shipping lines and other transport and conveyance between ports. Authorised capital: Rs. 2,50,00,000. Public company. Address: Pharmed House, 141, Fort Street, Fort, Bombay-1.

SAGAR TEXTILE MILLS PRIVATE LTD. (First Director: Mr. Budhmall Rawatmall Chhaje.) Business: Spinning and weaving of cotton. Authorised capital: Rs. 10,00,000. Private company. Address. Ramkumar Mills Compound, Saraspur, Ahmedabad.

BANSILAL BISESARDAS PRIVATE LTD. (First Director: Mr. Kushalchand Bisesardas Daga.) Business: Buying and selling agents. Authorised capital: Rs. 5,00,000. Private company. Address: "Ilaco House," Sir Phirozeshah Mehta Road, Fort, Bombay.

LUNKAD BROTHERS PRIVATE LTD. (First Director: Mr. P. A. Lunkad.) Business: Distributors and exhibitors of talkie and motion pictures. Authorised capital: Rs. 5,00,000. Private company. Address: Sagar House, Bhavani Peth, Jalgaon (E.K.).

PROFIT OF NEW SWADESHI SUGAR HIGHER

RESULTS OF MORE ELECTRIC COMPANIES

New Swadeshi Sugar Mills Ltd.

THE directors of the above Company (Managing Agents: The Cotton Agents Private Ltd., Bombay) submitted the audited accounts of the Company for the year ended 30th June 1957.

The profit and loss account after providing Rs. 2,39,136 (Rs. 2,50,000) for depreciation shows a profit on the year's working of Rs 8,87,687 (Rs. 5,94,827). To this amount is added the amount brought forward from the previous year of Rs. 6,269 (Rs. 5,317) making a total of Rs. 8,93,956 (Rs. 6,00,144). Provision for taxation absorbs Rs. 5,81,226 (Rs. 3,02,000) and provision for welfare and charities Rs. 34,000 (Rs. 20,000). Thus there is an available balance for disposal of Rs. 2,78,730 (Rs. 2,78,144). From this amount the directors recommend payment of dividend on 13,211 ordinary shares of Rs. 100 each at the rate of Rs. 20.00 (Rs. 20.00) per share free of income-tax, absorbing Rs. 2,64,200 (Rs. 2,64,220) and on 1,531 quarter ordinary shares of Rs. 25 each at the rate of Rs. 5.00 (Rs. 5.00) per share, free of income-tax absorbing Rs. 7,655 (Rs. 7,655) leaving to be carried forward Rs. 6,855 (Rs. 6,269).

The directors are glad to report that during the year under review a record crushing of about 40,54,600 maunds of cane was achieved surpassing the previous record of 39,30,875 maunds of cane crushed in the season 1955-56. It is regretted, however, that the average recovery was only 9.2 per cent. during the year as against an average recovery of 9.9 per cent. in the previous season. The fall in the recovery is attributable to disappearance of better variety of cane, red-rot epidemic and irregular rainfall. The mills worked satisfactorily.

The Company's farms yielded about 3 lakh maunds of cane as against about 4 lakh maunds in the previous season. The cause for the shortfall in production lay in smaller area under cane and larger area under ratoon and the crop having been affected by diseases.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	13,59,375	Block ...	46,73,412
Reserves ...	49,91,797	Stock-in-trade	38,72,707
Provision for taxation ...	10,42,255	Stores, chemicals, spare parts, etc.	4,93,132
Liabilities ...	49,87,730	Debts, deposits and advances ...	23,51,855
Profit and loss account ...	6,855	Investments	6,40,193
		Cash ...	3,56,713
Rs.	1,23,88,012	Rs.	1,23,88,012

Salem-Erode Electricity Distribution Co., Ltd.

The directors of the above Company (Secretaries and Treasurers: Messrs. Octavius Steel & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st March 1957.

The revenue account shows a profit on the year's working of Rs. 3,86,026 (Rs. 3,70,380). After deducting from this arrears of depreciation Rs. 115 (Rs. 116), bonus to employees Rs. 42,968 (Rs. 24,648), provision for taxation Rs. 52,327 (Rs. 36,500), provision for wealth tax Rs. 9,300 (*nil*), reserve for contingencies Rs. 23,196 (Rs. 19,958) and appropriations—Under paragraph II of the Sixth Schedule to the Electricity (Supply) Act, 1948 Rs. 63,942 (Rs. 1,29,208) there is a net profit for the year of Rs. 1,94,178 (Rs. 1,59,866 after providing Rs. 190 for gratuity fund). After adding to this Rs. 25,231 (Rs. 22,417), the balance brought forward from the previous year, and Rs. 1,255 (Rs. 202) on account of forfeited dividends and after deducting therefrom Rs. 4,453 on account of loss on conversion of investments, there is a credit balance of Rs. 2,16,211 (Rs. 1,89,201) on profit and loss account out of which the directors have transferred Rs. 70,000 (Rs. 50,000) to general reserve. The directors recommend that the balance of Rs. 1,46,211 (Rs. 1,39,201) be disposed of as follows:—

Dividend in respect of 6½ per cent. cumulative redeemable preference shares for the year ended 31st December 1956, without any deduction for income-tax payable by the Company—(already paid) Rs. 26,000 (Rs. 26,000), pay a dividend on the ordinary shares of 10 (10) per cent. for the year ended 31st March 1957, without any deduction for income-tax payable by the Company Rs. 87,970 (Rs. 87,970) and carry forward Rs. 32,241 (Rs. 25,231).

With reference to the special resolution dated 25th October 1957, passed by the Company appointing, with retrospective effect from 15th January 1957, Messrs. Octavius Steel & Co., Ltd., as its secretaries and treasurers the necessary approval of the Government of India in regard to the appointment has since been received.

The Indian Electricity Rules 1956 were enforced with effect from 26th June 1956. A continuous supply of energy was maintained throughout the year. The number of units sold during the year recorded a slight decrease as compared with the previous year, on account of restrictions in supply imposed by Government due to low water level conditions both at the commencement and end of the year under review. The Madras State Electricity Board was formed on 1st July 1957.

Consumers connected and units sold.—The number of consumers and the load connected to the Company's system at 31st March 1957 are as follows:—

	No. of consumers	*Connected load in K.W.*
Salem	12,059 (11,028)	13,950 (12,524)
Erode	3,226 (3,011)	3,334 (3,198)
Villages	2,097 (1,742)	3,770 (2,939)
Total ..	17,382 (15,781)	21,054 (18,679)

The total number of units of electricity sold during the year was 23,171,982 (23,487,473).

Rural Electrification.—Supply was extended during 1956-57 to the villages of Pudur, Pallitherupatty, Sandiyur, Sandiyur Attayampatty, Ammapalayam and Devendragoundanoor. Supply was extended to Karuppur village in April 1957 and electrification of six more villages will be taken up for execution in 1957-58 when a loan of Rs. 10 lakhs is sanctioned by Government. A scheme to extend H.T.. supply to the Dalmia Magnesite Corporation Ltd. is under execution.

The Company's business continues to expand at a satisfactory rate and prospects are considered good.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	12,79,775	Block ...	26,92,242
Reserves ...	9,41,304	Meters and transformers not in operation ...	1,20,428
Provision for taxation ...	49,521	Stores, loose tools, etc.	5,12,911
Liabilities ...	18,94,114	Debts, deposits and advances ...	3,65,778
Profit and loss account ...	32,241	Investments	2,13,611
		Cash ...	2,91,985
Rs.	41,96,955	Rs.	41,96,955

Tinnevelly-Tuticorin Electric Supply Co., Ltd.

The directors of the above Company (Secretaries and Treasurers: Messrs. Octavius Steel & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st March 1957.

The revenue account shows a profit on the year's working of Rs. 2,99,878 (Rs. 2,69,232). After deducting from this arrears of depreciation Rs. 3,986 (Rs. 3,989), bonus to employees Rs. 38,798 (Rs. 36,827), gratuities Rs. 2,333 (Rs. 451), underprovision in respect of income-tax for 1955-56 Rs. 1,422 (Rs. 56,500 for taxation), provision for wealth tax Rs. 8,500 (*nil*), reserve for contingencies Rs. 20,299 (Rs. 8,366) and appropriations under paragraph II of the Sixth Schedule to the Electricity (Supply) Act, 1948 Rs. 65,834 (Rs. 15,757), there is a net profit for the year of Rs. 1,58,706 (Rs. 1,42,589 after writing off Rs. 4,753 in connection with expenses relating to issue of preference shares). After adding to this Rs. 21,047 (Rs. 13,512), the balance brought forward from the previous year, Rs. 811 (Rs. 427) on account of sundry items, and deducting therefrom Rs. 4,912 (profit of Rs. 93) in respect of loss on sale of investments and transferring Rs. 30,000 (Rs. 30,000) to general reserve, there is a balance of Rs. 1,45,652 (Rs. 1,26,621) on profit and loss account which the directors recommend be disposed of as follows:—

To pay a dividend in respect of 6½ per cent. cumulative redeemable preference shares for the year ended 31st December 1956, without any deduction for income-tax payable by the Company—(already paid) Rs. 29,250 (Rs. 8,574), to pay a dividend of 10 (10) per cent. in respect of the ordinary shares for the year ended 31st March 1957, without any deduction for income-tax payable by the Company Rs. 97,000 (Rs. 97,000) and to carry forward Rs. 19,402 (Rs. 21,047).

With reference to the special resolution dated 25th October 1957, passed by the Company, appointing with retrospective effect from 15th January 1957, Messrs. Octavius Steel & Co., Ltd., as its Secretaries and Treasurers the necessary approval of the Government of India in regard to the appointment has since been received.

Consumers connected and units sold.—The following table shows the number of consumers and the load in k.w. connected at 31st March 1957.

	No. of consumers	*Connected load in K.W.*
Tuticorin	4,827 (4,530)	8,250 (7,570)
Tinnevelly and Palamcottah ..	9,362 (8,760)	7,656 (6,897)
Villages	422 (214)	554 (344)
Total ..	14,611 (13,504)	16,460 (14,811)

During 1956-57 the total number of units of electricity sold was 16,844,241 (16,960,723).

Extension of supply.—H.T. supply was extended to the Municipal Head Water Works, Manapadai in December 1956.

Rural electrification.—Supply was extended during 1956-57 to the villages of Karungulam, Mannirpallam, Tharuvai, Kootampuli and Kulayankarisal out of the loan of Rs. 3 lakhs sanctioned by the Government of Madras. The electrification of eight more villages will be taken up for execution in 1957-58 when a further loan of Rs. 7 lakhs is sanctioned by Government.

The Company's business continues to expand satisfactorily and prospects are considered good.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	14,20,203	Block ...	23,51,814
Reserves ...	6,48,477	Meters and transformers not in operation ...	72,279
Provision for taxation ...	8,500	Stores, tools, etc. ...	4,60,855
Liabilities ...	14,90,101	Debts, deposits and advances ...	3,50,611
Profit and loss account ...	19,402	Investments	2,13,615
		Cash ...	1,37,509
Rs.	35,86,683	Rs.	35,86,683

Muttra Electric Supply Co., Ltd.

The directors of the above Company (Chairman: Mr. G. D. Bhagat, Calcutta) submitted the audited accounts of the Company for the half-year ended 30th September 1956.

Applications for electrification of the towns of Raya, Gokul, Baldeo, Mahaban and Goverdhan in the district of Mathura have been submitted with the Government of Uttar Pradesh and the director-in-charge has been able to get the Government department concerned agreed for the issue of the licences in favour of the Company by the end of this year or early in 1958.

As indicated in the directors' report for the year ended 31st March 1956, there has been appreciable increase in the number of consumers, with a consequent improvement in the revenue position. This has resulted in a considerable excess of clear profit over reasonable return, making a reduction in rates to consumers possible, and the Government of Uttar Pradesh has already referred the matter to the Rating Committee to modify our scale of charges.

Satisfactory progress has been maintained during the period under review as indicated in the following schedule:—

Year ended	*Units sold*	*Revenue* Rs.
31st March, 1955	31,87,103	5,39,119
31st March, 1956	36,25,664	6,41,067
Half-year ended 30th September, 1956	21,62,850	3,95,620

After providing for all charges and placing Rs. 3,802 (Rs. 3,183) to statutory contingencies reserve and Rs. 25,864 (Rs. 22,427) to Director-in-Charge's remuneration (which is payable subject to the approval of the shareholders in the next ordinary general meeting) and bringing forward Rs. 15,088 (Rs. 9,915) from the half-year ended 31st March 1956, there remains a balance of Rs. 46,913 (Rs. 37,372) available for distribution and this the directors recommend be disposed of as follows:—

Payment of a dividend at 8 (6) per cent. per annum free of income-tax for the half-year ended 30th September 1956 Rs. 27,988 (Rs. 20,991) and carrying forward to next half-year Rs. 18,925 (Rs. 11,381 after placing Rs. 5,000 to general reserve).

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,99,850	Block ...	8,11,534
Reserves ...	1,67,564	Stores, spare parts and tools, etc.	1,84,248
Provision for taxation ...	86,006	Debts, deposits and advances ...	2,02,173
Liabilities ...	6,41,233	Investments	1,38,967
Profit and loss account ...	18,925	Cash ...	2,76,656
Rs.	16,13,578	Rs.	16,13,578

Central Hydraulic Press Co., Ltd.

The directors of the above Company (Secretaries: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th June 1957.

The accounts show a profit of Rs. 1,37,129 (Rs. 66,695) of which taxation requires Rs. 78,000 (Rs. 30,000). The balance brought forward from last year was Rs. 26,289 (Rs. 13,957) making a total available for appropriation of Rs. 85,418 (Rs. 1,08,421 including Rs. 42,769 being profit on investments sold in previous years and Rs. 15,000 being excess provision for taxation). The directors recommend that a dividend of Rs. 6 (Rs. 6) per share and a bonus of Rs. 4 (*nil*) per share be paid Rs. 50,000 (Rs. 30,000) leaving a balance to be carried forward of Rs. 35,418 (Rs. 26,289 after providing Rs. 15,000 for taxation reserve and Rs. 37,132 for reserve for depreciation of investments).

The Company's presses and ancillary plant were disposed of during the year under review realising Rs. 56,528 more than their written-down value, and the Board considers that, in view of this non-recurring profit, part of the distribution to shareholders should be in the form of a bonus.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,00,000	Block ...	1,45,213
Reserves ...	2,47,132	Investments	6,99,501
Provision for taxation ...	76,028	Debts, deposits and advances ...	33,992
Liabilities ...	54,731	Cash ...	34,603
Profit and loss account ...	35,418		
Rs.	9,13,309	Rs.	9,13,309

N.B.—Figures within brackets relate to the corresponding period of the previous year.

THE BANK OF INDIA, LTD.

ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

Head Office:
MAHATMA GANDHI ROAD, FORT, BOMBAY

BRANCHES IN INDIA:

AHMEDABAD, Bhadra (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch; AMRITSAR; BANGALORE; BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill; BHUJ (Kutch), CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square; COIMBATORE; DELHI; GANDHIDHAM (Kutch); HYDERABAD (Deccan); JAMSHEDPUR; JUNAGADH; KOZHIKODE (Late Calicut); MADRAS; NAGPUR, Kingsway, Itwari Bazar; NEW DELHI; PALANPUR; POONA, POONA CITY; RAJKOT; SURAT; SHOLAPUR; VERAVAL

BRANCHES OUTSIDE INDIA:

LONDON—17, Moorgate, London, E.C. 2. ADEN, DAR-ES-SALAAM, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI OSAKA, SINGAPORE, TOKYO.

DIRECTORS

SIR COWASJEE JEHANGIR, Baronet, G.B.E., K.C.I.E. (Chairman).
Mr. AMBALAL SARABHAI.
SIR JOSEPH KAY, K.B.E.
Mr. RAMNIWAS RAMNARAIN.
Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
SIR VITHAL N. CHANDAVARKAR.

Current Deposit Accounts.—Except at certain places Interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Rs. 5 per half-year.

Fixed, Short and Savings Bank Deposits received on favourable terms. Rates on application.

Foreign Exchange Business Transacted and **Letters of Credit** opened for approved customers.

The Bank acts as Executor and Trustee under Wills and Settlements and undertakes Trustee business generally.

Every Description of Banking Business Undertaken.

T. R. LALWANI, *General Manager.*

ATLAS ASSURANCE CO., LTD.

The Liability of Members of the Company is Limited

Incorporated in England

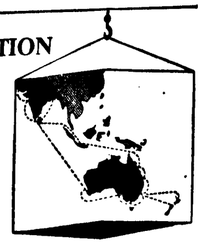
A. D. 1808

Bombay Agents:
N. SIRUR & CO. PRIVATE LTD.
TULSIDAS KHIMJI
MACKINNON MACKENZIE & CO.
PRIVATE LTD.
GEORGE OAKES PRIVATE LTD.
LALLJI THAKERSEY & CO.

Branch Offices:
Dougall Road, Ballard Estate, Bombay.
Indra Palace, Connaught Place, Delhi.
4, Clive Row, Calcutta.

FIRE — MARINE — ACCIDENT

For INFORMATION on AUSTRALIA, NEW ZEALAND, and FIJI



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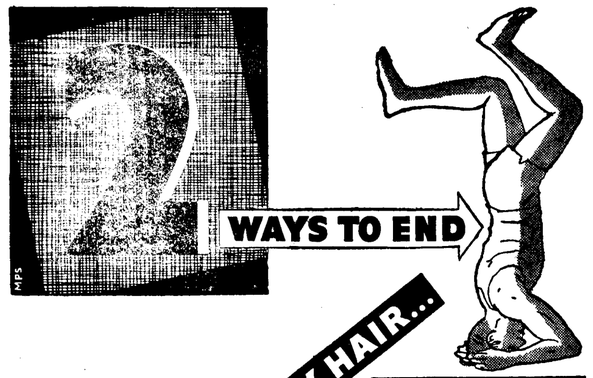

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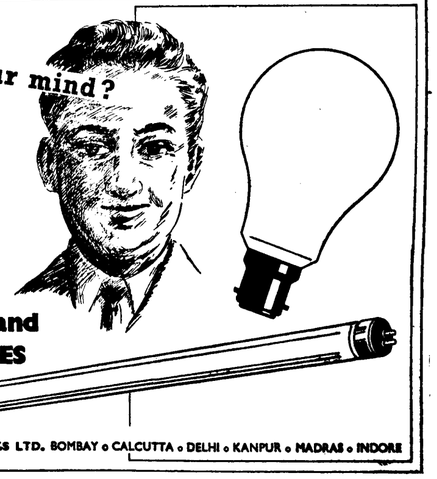

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WORLD'S OCEANS MAY PROVIDE LIMITLESS POWER

BRITISH EXPERIMENTS ENCOURAGING

CONTROL of thermonuclear reactions for the generation of electricity may well be a possibility for the future, according to the United Kingdom Atomic Energy Authority. In a statement issued on 24th January 1958, the Authority said that, whereas atomic power was now based on the splitting of atoms, experiments were being made to produce power by the joining of atoms. The following is the text of the announcement:

"Research at Harwell with the latest apparatus has led British scientists to the conclusion that control of thermonuclear reactions for electricity generation may well be a possibility for the future, though its practical application is still a long way off.

"The operation of present atomic-power reactors is based on the fission (or splitting) of atoms. The possibility now being explored is the harnessing of power from the fusion (or joining) of atoms, which provides the heat for the stars.

"Results obtained from the Harwell apparatus ZETA suggest that 'thermonuclear neutrons' have been obtained, but further experiments will be necessary before this can be proved conclusively. Temperatures reached in this apparatus have been as high as 5,000,000° C., higher than the measured surface temperatures of any star.

"Many major problems have still to be solved before its practical application can be seriously considered, and the work must be expected to remain in the research stage for many years yet. *If it proves ultimately possible to construct a power station operating on the fusion of deuterium, the oceans of the world will provide a virtually inexhaustible source of fuel.* (Italics ours.—Ed.)

"On 12th August 1957, a large experimental apparatus for studying the controlled release of energy from thermonuclear reactions was started up at the Atomic Energy Research Establishment, Harwell. On 30th August this apparatus was first operated under conditions that produced nuclear reactions; neutrons emitted in these reactions were observed when deuterium gas was heated electrically to temperatures in the region of from 2,000,000° to 5,000,000° C. The hot gas was isolated from the walls for periods of two to five thousandths of a second. The heating process was repeated every 10 seconds.

"The high temperatures achieved, together with the relatively long duration for which the hot gas has been isolated from the tube walls, are the most important experimental results obtained so far. Whilst much longer times (perhaps several seconds) are required for a useful power output, there appears to be no fundamental reason why these longer times, together with much higher temperatures, cannot be achieved.

The source of the observed neutrons has not yet been definitely established. There are good reasons to think that they came from thermonuclear reactions, but they could also come from other reactions, such as the collision of deuterons with the walls of the vessel, or from the bombardment of stationary ions by deuterons accelerated by internal electric fields produced in some forms of unstable discharge.

"In the ZETA apparatus, the number of neutrons produced by each pulse of energy as the current was doubled was roughly that which might be expected from a thermonuclear reaction at the measured temperatures. These temperatures have been definitely established."

Principle of Apparatus

As the Atomic Energy Authority has stated in its last two Annual Reports, research has been in progress for some years into the possibility of producing energy in a controlled manner from thermonuclear reactions. Over two years ago, the design began of a large installation for this work, and in August 1957 the apparatus called ZETA (which stands for Zero Energy Thermonuclear Assembly) started up, with the results described in the Atomic Energy Authority's announcement.

The reaction being studied in ZETA is that in which deuterons (nuclei of the heavy hydrogen isotope deuterium) collide with one another and fuse to form heavier nuclei, releasing energy and some neutrons in the process.

The principle adopted in ZETA is to pass a large electric current through deuterium gas. This current sets up an electric discharge in the gas (analogous to the discharge in a neon sign) which heats it and also produces an intense magnetic field around the column of hot gas. This magnetic field causes the discharge to become constricted, and hence heated still more.

Since it also causes the discharge to wriggle about this field by itself, it is not enough to keep the discharge away from the walls. The wriggling has been suppressed by applying an additional steady magnetic field parallel to the axis of the tube.

While temperatures in the region of 2,000,000° to 5,000,000° C. are needed to explain the observed rate of neutron production on the basis of a thermonuclear process, electric fields in the gas arising from instabilities can also accelerate deuterium ions and lead to nuclear reactions. It is not, therefore, altogether certain that the observed neutrons come from a thermonuclear reaction. Experiments are continuing to study details of neutron-producing processes.

In order to obtain a net gain in energy from the reaction, it would be necessary to heat deuterium gas to temperatures in the region of 100,000,000° C., and to maintain it at this temperature long enough for the nuclear energy released to exceed the energy needed to heat the fuel and lost by radiation. Lower temperatures would suffice for a deuterium-tritium mixture.

The high temperatures achieved in ZETA and the relatively long duration for which the hot gas has been isolated from the tube walls are the most important experimental results obtained so far. There are, however, many major problems still to be solved.

Research work in the field of controlled thermonuclear reactions is also being carried out at the A.E.I.—Associated Electrical Industries—research laboratory (Director: Dr. T. E. Allibone) at Aldermaston, Berkshire, on behalf of the Atomic Energy Authority and with the advice of Sir George Thomson. Experimental work was started at the Imperial College by Sir George Thomson in 1947. It was moved to the A.E.I. laboratory in 1951. Senior members of the staff engaged are Mr. D. R. Chick and Dr. A. A. Ware.

Full collaboration in the field of controlled thermonuclear reaction was established with the United States in October 1956.

Cockcroft Traces Progress For Newsmen

The future possibility of limitless power from the sea, and of creating on earth temperatures far exceeding that at the centre of the sun, was held up to newsmen from many countries when they visited Harwell on 23rd January to get their first glimpse of ZETA, writes a London correspondent.

ZETA has helped to bring this dream a step nearer to reality by reaching a measured temperature of 5,000,000° C., thus opening up the immense prospect of turning the H-bomb to peaceful purposes.

The starting-point was the study made by Cockcroft and Walton at the Cavendish Laboratory, Cambridge, in 1932 into nuclear reactions between light elements. It was found that nuclei of heavy hydrogen, speeded up by high voltages, could join (or fuse together) with other nuclei of heavy hydrogen to form helium, producing neutrons and energy in the process. Now, a quarter of a century later, the same Cockcroft—now Sir John Cockcroft, Head of Harwell—was able to review the spectacular progress that has been made since then. "We know that processes of this kind provide the energy and heat of the stars," he said. "Our sun has a central temperature of about 15,000,000° C., and, at this temperature, the nuclei of light elements can move about so fast that fusion reactions can occur."

It has long been the ambition of scientists to emulate the stars, and to produce in the laboratory temperatures so high that useful energy could be produced from fuel reactors.

"I consider that to have achieved temperatures which are a third of those at the centre of the sun, and to hold them for so long, is a remarkable scientific achievement, and I have no doubt that, within a year ZETA, with some modifications, will far surpass the sun's central temperature," said Sir John. At the present time, energy produced in the fusion reaction was only about one millionth of a millionth of the energy input. "We intend to increase the current circulating in ZETA by the provision of more condensers; temperatures should then rise substantially," Sir John said. But even when a temperature of 25,000,000° C. was reached, the amount of energy produced in ZETA would be small as compared with the energy input.

Sir John said that, in order to break even, they would have to produce temperatures of at least 100,000,000° C. in deuterium gas and about

(Continued on page 203)

Notice

THE CENTRAL INDIA SPG., WVG. AND MANUFACTURING COMPANY, LTD.

NOTICE

THE EIGHTY-THIRD ANNUAL GENERAL MEETING of THE CENTRAL INDIA SPINNING, WEAVING AND MANUFACTURING COMPANY, LIMITED, will be held at the Registered Office of the Company, Bombay House, Bruce Street, Fort, Bombay, on Friday the 14th March, 1958, at 4-30 p.m. (S.T.), to transact the following business:—

(1) To adopt the Directors' Report and the audited Profit and Loss Account of the Company for the year ended 30th June 1957, and the audited Balance Sheet as at 30th June 1957.

(2) To appoint a Director in the place of Mr. K. M. D. Thackersey who retires by rotation and is eligible for re-appointment.

(3) To appoint a Director in the place of Mr. M. M. Amersey, who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution of which a special notice, as required by Section 281 of the Companies Act, 1956, has been received by the Company:

"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. M. M. Amersey, who has attained the age of 67 years and retires by rotation, be and is hereby reappointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

(4) To appoint Auditors for the current year and to fix their remuneration.

Notes:—(*a*) The relative Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under item 3 set out above, is annexed hereto.

(*b*) *A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.*

(*c*) The Transfer Books of the Company will be closed from Friday, the 7th March, 1958, to Tuesday, the 18th March, 1958, both days inclusive.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents.
T. V. BADDELEY.
Director.

BOMBAY, 28th *January* 1958.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

The following explanatory statement, as required by Section 173 of the Companies Act, 1956, sets out the material facts relating to the special business under item 3 mentioned in the Notice dated the 28th January, 1958.

Mr. M. M. Amersey, a Director of the Company, who retires by rotation and is eligible for re-appointment has attained the age of 67 years and he cannot therefore be appointed a Director of the Company except by a resolution in respect of which a special notice has been given in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. The Company has received such a special notice from some members notifying their intention to move the resolution as set out in the said item (3). Mr. M. M. Amersey has been a Director of the Company for the last 10 years. He is a businessman of wide and varied experience, and throughout his association with the Company, has rendered valuable services to the Company. As it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be appointed a Director.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents.
T. V. BADDELEY.
Director.

MONEY COMFORTABLE

(From Our Own Correspondent)

BOMBAY, 29th *January*

The short-term money market continued to rule easy for yet another week. Despite the fact that two months of the traditional busy season had passed, there was a perceptible slackening of demand for credit and, with an expansion in supplies following the release of funds locked up in cloth stocks, banks were more comfortably placed in regard to meeting their day-to-day requirements. There was, however, no decline in interest rates. Inter-bank call money was placed at 3 per cent. among the Exchange banks and large Indian banks and at 3½ per cent. among the smaller banks. House money at call was quoted at 4½ to 4¾ per cent. and short-term deposits at 4½ to 4¾ per cent. for one to six months.

A contraction of Rs. 6.62 crores in notes in circulation is disclosed by the Reserve Bank of India's statement for the week ended 24th January 1958. Notes held in the Banking Department are higher by Rs. 7.28 crores and the fractional rise in total notes issued is covered by a similar increase in rupee coin. There has been no change in rupee securities or foreign securities, but foreign balances (in the Banking Department) have declined by Rs. 2.31 crores. A rise of Rs. 10.31 crores is noted in deposits of the Central Government, while deposits of other Governments have fallen by Rs. 7.50 crores. Deposits of banks have gone up by Rs. 8.65 crores. Loans and advances to Governments show a rise of Rs. 1 crore, while other loans and advances have declined by Rs. 10.72 crores, of which advances to Scheduled banks alone account for Rs. 9.28 crores.

The Scheduled banks' statement for the week ended 17th January 1958 discloses a sharp rise of Rs. 14.98 crores in demand deposits, while time deposits are a fraction lower. Borrowings from the Reserve Bank have fallen by Rs. 1.84 crores. There has been an increase of Rs. 7.16 crores in advances and of Rs. 1.85 crores in bills purchased and discounted. Cash balances are up by Rs. 2.40 crores, but money at call and short notice has shrunk by Rs. 2.20 crores.

The Gilt-edged market showed no signs of liveliness. Barring a few enquiries in selected issues, activity was restricted. The undertone, however, remained steady. 3 per cent. 1986 Conversion Loan was featureless at Rs. 71.05. 3 per cent. 1970-75 had sellers at Rs. 85.70. 3 per cent. 1966-68 had buyers, but the quotation was unchanged at Rs. 91.65. 3 per cent. 1964 held its own at Rs. 94. 3 per cent. 1963-65 gained 10 nP to Rs. 93.80 and 3 per cent. 1959-61 5 nP to Rs. 99.10. 3½ per cent. 1961 was marked up by 5 nP to Rs. 99.70 and 3¾ per cent. 1964 by a like amount to Rs. 97.75. 3¾ per cent. 1965 was on offer at Rs. 97.55, while 3¾ per cent. 1967 was featureless at Rs. 97.60. 3¾ per cent. 1967 had buyers at Rs. 99.60. Among the State loans, 4 per cent. Bombay 1967 put on 5 nP to Rs. 98.30. Madras 1967 gained 5 nP to Rs. 97.40 and 1968 10 nP to Rs. 97.40. U.P. 1967 and 1968 were marked up by 25 nP and 20 nP, respectively, to Rs. 97.40.

The rupee ruled steady in terms of the U.S. dollars. While banks' selling rate of ready dollars was unchanged at Rs. 475.50 per $100, their buying rate shaded off from Rs. 472.25 to Rs. 472 per $100. Sterling was featureless, but it ruled steady. In New York, spot sterling moved between $2.81-7/16-2.81-9/16 and $2.81¼-2.81⅜, before finishing 1/16c. better at the latter level. Three months' forward advanced from $2.79-1/16-2.79-3/16 to $2.79¼-2.79⅜ and transferable sterling from 278.75-278.85 cents to 278.85-278.95 cents.

COPPER HARDENS FURTHER

(From Our Own Correspondent)

CALCUTTA, 28th *January*

While electrolytic copper maintained the higher trend during the week under review, other base metals eased fractionally mainly following the expectation that the import policy which would be formulated for the six months commencing April next would provide for more imports of metals. The new U.S. loan in the amount of $225 million and assistance from West Germany, France, and other countries would ease the foreign exchange shortage situation considerably, and the market noted with cheer that U.S. assistance would be continued over and above the present offer amount. There were indications that the execution of the projects under the second Plan would gather momentum in the next few months, and this would mean larger consumption of metals. Thus, market circles hoped that current restrictions on import of metals would be relaxed markedly in the near future. While this expectation affected tin and lead, electrolytic copper, after opening at Rs. 167, hardened to Rs. 168.50. The labour trouble in the Calcutta port having ended, there were clearings of copper too from waiting steamers. These arrivals could not relieve the shortage. More steamers carrying copper were anticipated in the next month, but the quantity is expected to be insignificant compared to demand. However, the situation should improve with the anticipated arrival of a fair quantity of copper under the Colombo Plan. In the meantime, an easier tendency was reported in both New York and London. In the U.S., customs smelters were reported likely to reduce their selling price further.

Electrolytic zinc was quiet at Rs. 53.50, although for a time the rate sagged to Rs. 53. Consumers bought just to meet their day-to-day requirements only, as stocks in the market were plenty. Tin dropped to Rs. 511 at one time from Rs. 545 following fresh arrivals. Lead eased to Rs. 59 from Rs. 60. Only little business was put through.

SILVER EASY, GOLD FIRM

(From Our Own Correspondent)

BOMBAY, 29th *January*

A feature of the trading in the bullion market during the week under review was the divergent trends presented by silver and gold. In contrast to the bullish trend displayed in the previous three weeks, silver was a shade easy and suffered a setback in prices, while gold presented a firm tone. Following the widening of the *budla* charges from As. 12 to Re. 1 against them in silver, the bulls would appear to have diverted their attention to the yellow metal, in which the *budla* against sellers widened from just an anna to As. 8. Consequently, the carry forward charges against buyers in silver once again declined to As. 12 today.

The fall in price of silver in New York and London markets and reports of heavy arrivals of coins from Tibet were the other factors which induced the "bulls" to lighten their commitments in this metal. The fact that the actual daily arrivals into the local market were far less than the daily offtake was ignored. In contrast to silver, gold ruled distinctly firm. The bulls derived great comfort from (*a*) scarcity of floating stocks, (*b*) good seasonal demand from upcountry centres, especially in South India, and (*c*) reports of further seizure of smuggled gold.

Forward silver (February settlement) was marked down from Rs. 188-15 to Rs. 187 before closing today at Rs. 187-15. The March settlement finished a rupee lower over the week at Rs. 188-11, after declining to Rs. 187.

Ready silver fell from Rs. 188-6 to Rs. 186-14, but improved slightly to close at Rs. 187-11. The discount at which the ready metal was quoted under the current settlement narrowed down from As. 8 to As. 4, consequent on the decline in floating stocks from 1,500 bars to 1,300 bars and the improvement in offtake. The daily average arrivals were of the order of 10 bars, while the offtake was higher at 20 bars per day.

Gold for forward delivery (February settlement) gained from Rs. 110.9 to Rs. 111.4 and finished at Rs. 111 today. The March settlement moved narrowly and closed on balance without any change at Rs. 110-8.

Ready gold moved up from Rs. 110-13 to Rs. 111-6. The floating stocks of gold are unchanged at 20,000 tolas. The daily average arrivals were 3,500 tolas, while the offtake was over 4,000 tolas per day.

In New York, silver was marked down from 89½c to 88½c. Following this, London prices also declined, the spot metal from 77d. to 76½d. and the forward from 76¾d. to 75¾d. Gold was steady with movements confined to a narrow range. On balance, it was ¼d. lower at 248s. 8¾d.

The following comparative table shows at a glance the trend of the market during the week under review:

	29-1-58	Highest	Lowest	22-1-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	111 6	111 8	110 14	110 13
Forward*	111 0	111 4	110 9	110 9
Sovereign	70 4	70 4	70 0	70 4
SILVER				
Ready (.996 fine Mint) ..	187 11	188 10	186 14	188 6
Forward†	187 15	189 2	187 0	188 15
London Silver Ready ..	76¾d.	77d.	76¼d.	77d.
London Forward	75¾d.	76¾d.	75¼d.	76¾d.
London Gold	248s. 8¾d.	248s. 9d.	248s. 8¼d.	249s. 3¾d.
New York Silver	88½c.	89½c.	88½c.	89½c.

* 4th February settlement.
† 5th February settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

KIPS FIRM

(From Our Own Correspondent)

MADRAS, 27th *January*

There was no notable change in the tanned hides and skins market during the week under review. Arrivals were small and demand exceeded supply. Prices ruled firm. E.I. tanners did not wish to part with stocks, because replacement costs were higher. Inland demand for lower grade hides was good and fancy prices were paid.

Though there has been good call for tanned goat skins from the Continent, importers are not keen to pay higher prices demanded at origin. Consequently, shipment business has been slow. As arrivals of common tannages sheep skins are very small, shippers think twice before offering lining sheep skins for shipment in two months and prefer to see the trend of the London public sales which are due to commence today.

HIDES STEADY

(From Our Own Correspondent)

KANPUR, 27th *January*

During the week under review, the hides and skins market presented a steady trend, despite heavy new arrivals. The volume of the fresh goods from the butcheries of the city had an appreciable rise, as is usual in the cold season of the year. The local tanners were the main buyers. There was keen demand for the upper grade buff, goat and sheep. The Madras dealers or even the country tanners were not as conspicuous in the market as in the previous week.

The latest quotations are: Wet salted cow, 1st grade Rs. 360, 2nd grade Rs. 320 and 3rd grade Rs. 300 per score; wet salted buff, 1st grade 1 lb. 4 ozs. to 1 lb. 8 ozs. and 2nd grade 1 lb. 10 ozs. to 1 lb. 12 ozs. per rupee; goat, 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces; sheep skins, 1st grade Rs. 300 and 2nd grade Rs. 275 per 100 pieces.

COTTON FUTURES EASY

(From Our Own Correspondent)

BOMBAY, 29th *January*

The firm trend of the cotton futures market witnessed towards the close of last week was arrested in the first two sessions of the week when it ruled distinctly easy, thanks to fears of Government intervention in the event of a further rise in prices which induced traders to be extremely cautious in their dealings, delay in release of export quota, and increasing arrivals of new crop Gujerat and Saurashtra cotton. The market, however, picked up strength on the 25th inst. There was fresh bull support, aided by strong spot advices following renewed mill buying and reports of continued improvement in offtake in piecegoods. Expectations of a considerable decline in Vijay and Surti crop this season also imparted strength to the market. Consequently, cotton futures values staged a recovery which gathered momentum in the subsequent two sessions. But today again, prices sagged as a result of renewed hedge pressure. A fair volume of switching from the maturing March position to the more distant May contract depressed the former.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 691, as against the previous close of Rs. 694.25, and after improving to Rs. 693.50, dropped to Rs. 685 on Friday. The contract firmed up to Rs. 696.50 yesterday. Opening at Rs. 696 today, it improved fractionally before closing at Rs. 693.25. I.C.C. Moglai Jarilla (May 1958) commenced the week at Rs. 684.50, and after declining to Rs. 681.50 on Friday, rallied to Rs. 690 yesterday. The contract opened today at Rs. 689, gathered Rs. 2 and finished lower at Rs. 688. The following table gives the trend of prices of the contracts during the week:

(In rupees per candy of 784 lbs.)

	29-1-57	*High*	*Low*	22-1-58
I.C.C. Moglai Jarilla (March 1958) ...	693.25	696.50	685	694.25
I.C.C. Moglai Jarilla (*May 1958*) ...	688	691	681.50	687.50

Activity in the spot section was dull earlier in the week as the mills had already covered their immediate requirements. Subsequently, however, mill buying broadened on news that the Vijay and Surti cotton crop would be smaller in the current season. Buying in Vijay, Surti and Broach styles was on a large scale. There was also keen interest in good quality Khandesh even at higher prices. In view of shortage of supplies of this cotton, some mills were forced to switch over purchases to Punjab staple styles.

In the export section, shippers' interest was at a low ebb, as foreign demand did not show any sign of revival. It is reported that the Government of India has decided to extend the validity of export licences issued in respect of Bengal *Deshi* up to the end of April next. These licences, it will be recalled, are due to expire on the 31st inst. Out of the quota of 50,000 bales of Bengals released in October last, the quantity sold so far is estimated at about 40,000. The slow progress is attributed to slackness in demand from traditional buyers, especially Japan. The extension of the validity period has been widely welcomed by the trade. The Export Advisory Council is scheduled to meet on 9th February at New Delhi. Informed quarters feel that no export quota announcement will be made until after this meeting.

In the foreign section, traders were inclined to await further import allocation for Sudan and Egyptian cottons. Some transactions were reported in B.P. 52 at Rs. 1,455. A sizable volume of business was reported done in Sudan XG3S and XG4S at 48.50d. and 45.50d. per lb., respectively. It is understood that Sudan has agreed to pass on the benefit of a 50 per cent. reduction in the export duty in November last to overseas buyers. The export duty, was slashed by 50 per cent. to 3.75d. per lb. by that country only after Indian mills utilised their special quota of 15,000 bales of Sudan cotton.

The Government of India has decided that import of American cotton under P.L.480 which was suspended on 30th November last would be resumed with immediate effect for the remaining quantity. On 21st June last, the Government of India announced that 60,000 bales of cotton with stapling 1-1/16 inch and above would be permitted to be imported from the United States under the P.L.480 aid programme. The Government suspended the import of this cotton on 30th November 1957 until further orders. Till 30th November last, the authorities had issued licences for the import of 48,000 bales of American cotton under P.L. 480. Thus the "balance quantity" amounted to 12,000 bales for which licences would be issued till the ceiling is reached. Meanwhile, it is notified that the quantity of one lakh bales of U.S. cotton eligible for import under P.L. 665 has been fully utilised, and that no further application for import licence will be entertained under this programme.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 640; Berar Jarilla 810; Khandesh 840; Oomra *Deshi* 700; Vijay 930; Hubli Laxmi 1,000; Jayadhar 780. *Delivery contracts*: Vijay 900; Bengal 600.

The Karachi cotton futures market depicted an easy trend during the week under review. Although the January contract, which went off the board on the 25th inst., at Rs. 78-5, received some support attributed to tender requirements prior to its expiry, there was a general absence of buying in other positions. Demand from overseas interests and domestic spinners continued to be slack, in the wake of increasing new crop pressure. Consequently, values staged a retreat. N.T.R.G. March delivery declined from Rs. 76-6 last week-end to Rs. 75-9 yesterday. In the spot section, barring *Deshi*

styles which were more or less maintained, most other varieties were quoted lower. The following are the latest available quotations in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind Deshi 70-8; Punjab *Deshi* 68; 4F Punjab *Roller* 77-4; S.G. 82-4; L.S.S. Punjab Roller 80; S.G 84-4; N.T. Roller 81 8; S.G. 88-4; 289F Punjab Roller 86-1; S.G. 93-12.

Cotton futures at Alexandria moved further downward, reflecting continued lack of overseas demand. Both the long-staple Karnak and the medium-staple Ashmouni contracts registered further fall in prices on tired bull liquidation, the drop in the former being more marked. Karnak January expired on the 25th inst; the last known quotation was 68.30 tallaris. In the spot market, however, premiums, except those for Karnak medium grades, which were easy, remained firm.

Export sales of cotton from the commencement of this season till the end of December aggregated 392,911 bales (of 720 lbs.) as compared with 267,316 bales in the corresponding period of the previous season. The following are the latest available quotations—in tallaris per lb.—from Alexandria, the figures in brackets being last week's closing rates:

Karnak: March 79.00 (84.05); May 80.25. *Ashmouni*: February 67.20 (69.10); April 67.50 (69.70).

A mixed trend was evident in the Liverpool cotton futures market during the week. There was pressure on near deliveries of American cotton contracts induced by weaker New York advices which resulted in a break in values, while the distant positions attracted some support and ruled firm. The buying in distant positions was attributed to fears of scarcity in tenderable cotton in the coming months. The mixed growth contracts ruled bearish, due to increased hedge pressure and absence of buyers. Sudan contracts ruled fully steady. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 25.15 (25.60); May-June 25.35 (25.95); July-August 25.65 (26.30); October-November 25.90 (26.50). *American cotton on mixed growth contract*: March-April 26.25 (26.85); May-June 26.50 (27.10); July-August 26.75 (27.40); October-November 26.90 (27.58). *Sudan*: January-February 32.55 (32.50); May-June 32.65 (32.60); July-August 32.65 (32.60).

Persistent long liquidation and hedge selling, prompted by the proposed farm legislation, resulted in a sharp setback in cotton futures values in the New York market. It was pointed out that, if the legislation were to materialise, it would result in lower price supports and higher acreage allotments. Slow movement of piecegoods and the possibility of more hedging against larger purchases of Government-owned cotton were the other bearish factors.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	28-1-58	21-1-58	14-1-58
Spot	36.15	36.25	36.35
March	34.78	35.14	35.47
May	34.97	35.30	35.69
July	34.78	35.29	35.48

YARNS EASY

(From Our Own Correspondent)

BOMBAY, 29*th January*

The yarn market continued to rule easy during the week under review also. Transactions put through were limited with prices moving downward. Rayon yarns were subjected to selling pressure from stockists on reports that the rise in prices of rayon fabrics had not kept pace with that in yarn prices. In sympathy with rayon yarn and following slackness in enquiries from important consuming centres like the Punjab, Calcutta, Bhagalpur and Surat, staple fibre yarns also suffered a break in values. Cotton yarns ruled distinctly easy, due to lack of buying enthusiasm and reports of a downward revision in prices, especially of coarse counts, by a few spinning units.

Snia rayon yarn (120 dull cones) February delivery encountered selling and dropped Rs. 4 to Rs. 909. No transactions were reported in the April delivery this week also. In the spot section, 120 Japan and 150 Japan softened by 2 nP each to Rs. 5.25 and Rs. 5, respectively. 120 Italy and 150 Italy were both neglected at Rs. 5.25. Among indigenous yarns, National Rayons 120 bright cones first grade receded by 9 nP to Rs. 4.66. 150 bright cones first grade shed 4 nP to Rs. 4.15.

Staple fibre yarns (40×2) February delivery was subjected to heavy selling and slumped by Rs. 23 to Rs. 570. There were no transactions in the April delivery this week too. Spot (40×2) Centurys and New Greats lost 10 nP each, the former to Rs. 3.15 and the latter to Rs. 3. Citys retreated by 7 nP to Rs. 3.17. Kohinoors were quoted at Rs. 3.26. Among foreign yarns, Paramounts declined by 12 nP to Rs. 6.66. Fujis, however, advanced by 52 nP to Rs. 6.58.

In the cotton yarn section, ten counts Moderns receded by 12 nP to Rs. 14.50. Podars were neglected at Rs. 14. Twenty counts Moderns climbed down by 18 nP to Rs. 17.50. Gokaks were dull at Rs. 17.62. Among thirty counts, Indus lost 38 nP to Rs. 20.87. Forty counts Minaxis declined by 50 nP to Rs. 24.75. Gokaks and Moderns eased by 25 nP each to Rs. 25 and Rs. 25.25, respectively. Sixty counts Moderns decreased by 50 nP to Rs. 50.50. Raghuvamshis shed 25 nP to Rs. 52.75. Finlays changed hands at Rs. 61, same as last week. Eighty counts were stagnant, Mahendras being quoted at Rs. 69.75, Moderns at Rs. 72 and Finlays at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	29-1-1958	22-1-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	909.00	913.00
120 Japan (per lb.)	5.25	5.27
150 Japan (per lb.)	5.00	5.02
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.25	5.25
Staple fibre yarn (per case of 200 lbs.)—		
40×2 February	570.00	593.00
40×2 New Great (per lb.)	3.00	3.10
40×2 Century (per lb.)	3.15	3.25
40×2 City (per lb.)	3.17	3.24
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	14.00	14.00
20s Gokak	17.62	17.62
30s Indu	20.87	21.25
40s Minaxi	24.75	25.25
60s Raghuvamshi	52.75	53.00
80s Modern	72.00	72.00

OILSEEDS MOVE DOWN

(From Our Own Correspondent)

BOMBAY, 29*th January*

The easy trend noted in the oilseeds market last week gathered momentum during the week under review. In fact, the market ruled distinctly bearish, excepting on Saturday when there was a slight recovery in values. Castorseeds encountered selling induced by renewed offers from producing centres, particularly Hyderabad, following large arrivals of new crop. The reported sale of about 400 tons of castor oil to East Germany imparted some strength to the market on Saturday, but this was not sustained subsequently, since the Government was said to be in no mood to lower the export duty on castor oil. Groundnuts were depressed, thanks to unhelpful advices from Rajkot and Madras and weakness of sarson at Delhi and Agra. Reports from Madras stated that, due to keen competition from duty-free groundnut oil produced by small crushers, the big crushers who have to pay heavy excise duty were in a hurry to sell their stocks. The *vanaspati* makers withdrew from the scene, evidently in the hope of seeing still lower prices. Linseed lacked support, despite good export prospects. With the recent reported sale of linseed oil by Argentina to Russia, traders expected the U.K. and the Continent to buy Indian oil. It was actually stated that business in bulk Indian linseed oil had been put through with the U.K. at about Rs. 1,487 per ton c.i.f. January-February *shipment*. *Cottonseed also lacked support in the absence of any encouraging news.* Kardiseed came in for selling on fears of heavy tenders and nigerseed ruled dull.

Groundnut February contract was subjected to selling pressure and climbed down from Rs. 156.75 to Rs. 154.75 on Friday. After recovering to Rs. 156 on the following day, it relapsed to Rs. 153.12 today before finishing at Rs. 153.25. May position fell from Rs. 158.50 to Rs. 155.62 and, after rising to Rs. 157.12, dropped to Rs. 154.50 today. Bold ready receded by 75 nP to Rs. 30.75. Khandesh quality shed by a like amount to Rs. 31.50. Coramandal lost 62 nP to Rs. 31.50. Groundnut oil railway receipt fell by 44 nP to Rs. 16.75 and ex-mill by 37 nP to Rs. 17.

Castorseeds May delivery which stood at Rs. 139 last week-end moved down on persistent selling to Rs. 136.75 on the 24th inst. On Saturday, it attracted some attention of operators and rose by a rupee. The market turned bearish once again yesterday when the quotation fell to Rs. 135.75. Commencing at Rs. 136.25, it wound up at Rs. 137. The net loss over the week was Rs. 2. Ready Kandpur declined by 25 nP to Rs. 26 12. Madras quality fluctuated between Rs. 28.12 and Rs. 27.50 before closing at Rs. 27.37. Castor oil commercial receded by 31 nP to Rs. 14. B.S.S. was done at Rs. 15.75.

Linseed May contract gave way from Rs. 29.87 to Rs. 29.62 on Friday and, after recovering to Rs. 29.87 on Saturday, declined to Rs. 29.69 today before winding up better at Rs. 29.75. Bold ready, after improving from Rs. 29.37 to Rs. 29.50, eased to Rs. 29.37 today. Linseed oil lost 6 nP to Rs. 16.31.

Cottonseed February contract was subjected to selling orders and dropped Rs. 2.50 to Rs. 96.50 on the 24th inst. After recovering to Rs. 97 on the following day, it moved down to Rs. 94.75 today. May position decreased from Rs. 97.75 to Rs. 95.25.

Kardiseed bold ready was freely on offer at Rs. 17.75, as against Rs. 18.75 last week-end. Niger Madras shed 25 nP to Rs. 27 yesterday, but recovered to Rs. 27.25 today.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	29-1-1958	22-1-1958	15-1-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	153.25	156.75	158.62
May 1958	154.50	158.50	—
Bold ready (per cwt.)	30.75	31.50	32.25
Khandesh quality	31.50	32.12	32.87
Linseed—			
May 1958	29.75	29.87	30.87
Bold ready (per cwt.)	29.37	29.37	30.75
Castorseed—			
May 1958	137.00	139.00	139.87
Madras (per cwt.)	27.37	27.50	27.75
Cottonseed—			
February 1958	94.75	98.00	100.00
May 1958	95.25	97.75	..
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.00	17.25	17.75
Castor oil †			
Commercial (per quarter) ..	14.00	14.31	14.37
Linseed oil †			
Ready	16.31	16.37	16.62

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR BEARISH

(From Our Own Correspondents)

BOMBAY, 29*th January*

Bearish conditions prevailed in the sugar market during the week under review and there was a drop in prices. Offtake was very slack, but arrivals were heavy, thanks to comfortable wagon position. As much as 23,600 bags of sugar actually arrived in the market during the week, as against 16,060 bags in the previous week. Reports from the interior suggested a fall of Re. 1 per bag in the ex-mill rates for Bombay-Deccan and North Indian sugar. The rates would have declined more markedly but for the delay in the issue of the monthly release which is expected to be announced definitely on Saturday.

Large grain sugar encountered selling and fell by Rs. 2 to Rs. 107-111 per bag, including the additional Central excise. Medium grain receded by a rupee to Rs. 104-106. Small grain was done lower at Rs. 103.50, as against Rs. 104.

* * * *

HAPUR, 27*th January*

Quietly easy conditions were noted in the sugar market during the past week. The factories were said to be running in full swing and were reported to be drawing enough cane for their needs. The announcement of the export policy was keenly awaited. A quiet trend was in evidence in the Muzaffarnagar market also, business for Saurashtra, Punjab and Delhi side being done at reduced rates. The other consuming centres evinced little interest and the rates for different varieties declined further by 6 nP to 25 nP per maund. The latest prevailing prices (crystal mill-delivery wholesale) were: Deoband (C-29) Rs. 37.12; Buland (B-29) Rs. 37; Mansurpur (C-29) Rs. 36.50; Shamli (B-29) Rs. 37.31; Dauarla (B-29) Rs. 36.81; Mawana (B-29) Rs. 37.12; Amroha (D-29) Rs. 34.25; Bijnore (E-29) Rs. 34.25; Simbhauli (E-29) Rs. 35.50.

Nervous selling by sugar mills resulted in a further fall in sugar prices in the Kanpur market where ex-mill prices dropped by 12 nP per maund, while spot quotations were lower by 25 nP per bag. No appreciable buying interest was evinced. Arrivals were put at 8,000 bags and outflow at 5,000 bags.

In sharp contrast to the depression in crystal sugar, the *khandsari* markets were lively. Buying cane upto Re. 1 per maund, as against the mill-gate of Re. 1.44 per maund, *khandsari* production is proving more profitable with no controls attached to the industry. The latest prevailing prices were Rs. 22 to Rs. 32 per maund. Daily arrivals averaged 5,000 maunds in the Muzaffarnagar market.

Despite reduced daily arrivals—average of 2,500 maunds—ready *gur* registered a fall, due to slack outside demand at higher rates and fall in prices in the mofussil areas. The local stocks swelled to 50,000 maunds and the week's offtake aggregated 25 wagon-loads. *Gur* was reaching here from nearby centres to be stored for covering up speculative transactions. The latest prevailing prices were: *Gur pansera* Rs. 11.44 to Rs. 11.62 and *balti* Rs. 12.25.

Ready *gur* also recorded a sagging tendency in the Muzaffarnagar market where arrivals were at an average of 7,000 to 8,000 maunds daily, the total arrivals since the beginning of the season being about 600,000 maunds. Prevailing prices were: *Chakku Minja* Rs. 13.50 to Rs. 14 and pansera Rs. 12 to Rs. 12.50. *Khandsari* was reported to be in good demand from Punjab and Rajasthan and prices varied between Rs. 23 and Rs. 32 per maund according to quality.

Future *gur* sagged down heavily. The latest quotations were near the worst level of the week. *Gur* fagun was done at Rs. 11.72 and *baisakh* at Rs. 12.44.

BLACK PEPPER DROPS FURTHER

(Messrs. Parekh and Co.)

BOMBAY, 29*th January*

Malabar black pepper continued to rule easy, in sympathy with New York and Singapore. Spot price in New York was marked down to $0.23 under soft advices from all the origins, while Singapore was weak at Str.$61 under pressure of unauthorised arrivals from Sumatra. The Central Government of Indonesia was reported to have officially allowed Sumatra to do direct and independent barter with Singapore till the end of February. It was also reported that the Indonesian Government had set aside 100 million *rupiahs* to aid national exporters. Dutch exporters having been refused export licences.

Arrivals on the coastal markets were reported to be heavy. Daily average at times stepped up the mark beyond 500 candies. Alleppey was reported quiet at Rs. 468½, Calicut at Rs. 475 and garbled at Rs. 82 for ready. Business in the primary market was mostly of covering nature. Investment buying was conspicuous by its absence, as bottom price was yet to be reached.

New York was reported buying sparingly, mostly afloats or shipments by the named steamers. The quantities involved, however, were limited and hardly went above 10 tons at a time. The price paid was not more than $0.21¼. Thanks to bulk purchases by Russia off and on inquiries for a sizable quantity from the East European countries, the price of Malabar was able to maintain its present level, in spite of seasonal pressure. The price for Malabar black in New York having been priced out, business in the line was discouraging from that source.

The future of the market appeared to be uncertain unless Sarawak new crop turned out to be poorer than last year, and there were further complications in Sumatra.

In the A.S.T.A. section February was done at as low as $0.21½, while March to June was nominally quoted at $0.21¼. Most of the prices in A.S.T.A.

were said to be nominal in the absence of price testing either by sellers or by buyers.

In delivery, prices were down to Rs. 460 for February and Rs. 465 for March with poor turnover, as neither professionals nor outsiders were interested in the operation for lack of new incentives.

Today's nominal quotations are: Ready Rs. 69 per Bengal maund, February Rs. 460-Rs. 465 and March Rs. 465-Rs. 470 per candy of 5¼ cwts.

DEMAND FOR TEA GOOD

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 23*rd January*

Approximately 900,000 lbs. were on offer in Sale No. 3 which was held on Tuesday, 21st January. Quality continued to show improvement, particularly amongst the low medium and medium teas. A rather better selection of high-grown teas were also on offer. There was a strong general demand for all types with prices following quality. Low medium and medium teas were 15 to 20 nP dearer. Good medium teas also advanced by a narrower margin. High-grown brokens were well supported at dearer rates, but high grown fannings were again a weak feature. Whole leaf grades met with keen competition, particularly flowery pekoes and pekoes. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.70 to 1.80
Medium	1.85 to 2.20
Good medium	2.35 to 2.55
Quality	2.75 to 4.80

The average price of tea realised in Sale No. 3 was Rs. 2.29 per lb., as against Rs. 2.05 per lb. in the previous sale and Rs. 2.52 per lb. in the corresponding sale of 1957.

London Market—Sale of 20th January 1958:—Market dearer at top and bottom, but irregular in middle.

Sale of 21st January 1958.—Good demand. Colours and brighter liquoring dearer. Thin sorts tended easier.

Colombo Market.—Quality improving, but best sorts much lower. Ordinary highgrowns down 20c. mediums sometimes dearer with quality. All fannings dearer. Offgrades dearer.

Calcutta Market—Export.—Good general demand at easier rates. Commons low mediums 2 to 6 nP easier. Thin liquoring medium Assam B.O.Ps weakest feature. Whole leaf best Assam C.T.C. clean black grainy fannings well supported.

Internal.—20,000 dust. Fairly good general demand 2 to 4 nP below last. Better medium and best C.T.C. strongest and fully firm. 2,700 internal leaf. Fair demand at easier rates.

Export Quota.—The market declined rapidly and business was done at 13½ nP. There are now buyers at 14 nP and sellers at 14½ nP.

Forthcoming Auctions.—Sale No. 4 will be held on Tuesday, 4th February.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Dust Sale 'C'*.—575,000 lbs. Very good demand, but prices irregular. Low medium and medium fully firm. Others occasionally easier.

TEA PRICES DECLINE

(From Our Own Correspondent)

CALCUTTA, 28*th January*

Offerings during yesterday's export sales amounted to 63,782 chests. There was fair general demand, but prices eased. C.T.C. teas declined by 20 nP, but fannings of this category received more attention than brokens. The best liquoring lots were sold at about valuations. Medium O.Fs showing bright cup quality advanced and were the strongest feature, while medium B.O.Ps lost by 10 to 20 nP. Plain and medium B.Ps and fannings registered a fall of 4 to 6 nP and 6 to 8 nP, respectively. However, the lots showing clean appearance were about firm. Legg cut teas eased by 6 to 8 nP, while Darjeelings were fully steady and rose above valuations. Keen competition was offered to whole leaf grades, prices of which were firm. The quotations were: best Assam C.T.C. fannings Rs. 2.40 to Rs. 2.50, best Assam C.T.C. B.P. Rs. 2.50 to Rs. 2.70 (nominal), clean black pekoe Rs. 2.35, medium fannings Re. 1.68 to Re. 1.72, medium B.P. Re. 1.60 to Re. 1.64, plain fannings Re. 1.60 to Re. 1.64, and plain B.P. Re. 1.52 to Re. 1.58.

Export quota changed hands at 13 nP and rose to 13½ nP before falling to 13 nP.

Conditions were easier during last week's sales for domestic consumption. Dusts offered aggregated 19,781 chests and demand was fair. The strongest features were the best liquoring C.T.Cs and the better mediums, which were firm. The more ordinary types, however, receded by 10 nP. Non-withers Dooars realised lower prices, the orthodox teas declining by 2 to 4 nP. The quotations were: best Assam C.T.C. Rs. 2.85 to Rs. 3.05, medium Assam C.T.C. Rs. 2.00 to Rs. 2.20, medium Assam grainy dust Re. 1.62 to Re. 1.64, and medium Dooars Re. 1.60 to Re. 1.62.

Leaf offerings amounted to 2,603 chests, and met with fair demand at easier rates.

The anxiety entertained by the tea industry in regard to the low prices which common teas were realising was voiced by the Chairman of the Dooars Branch of the Indian Tea Association at its annual meeting. He said that most gardens in the Dooars grew commons, and unless prices improved or Government accorded some tax relief or production costs came down, he apprehended many gardens in the Dooars would be faced with heavy losses. He deplored that they were being taxed out of existence and that their representations to Government for relaxation of the taxes fell on deaf ears. A drought during the second flush in the year had affected the crop and its quality.

JUTE STEADY

(From Our Own Correspondent)

CALCUTTA, 28*th January*

A bout of speculative enthusiasm led to a rise in prices of jute goods during the week under review, and raw jute also responded in sympathy, with a fractional improvement. The markets were closed on Thursday (Netaji's birthday) and Friday (Basant Panchami) being State Government holidays, and during these two days speculators attempted manipulations. Contrary to earlier anticipations, business with U.S. buyers was little during this week. Shipment figures in respect of both hessian and sacking goods up to 15th January have been below last month's. The end of the labour troubles in the Calcutta port was noted with satisfaction and, although they had not affected gunny shipments by any notable extent, the continuance of the strike would have had a serious impact on the gunny trade. A tender from Government for B. twills was called, and on rumours of further orders speculators rushed to the market. This pushed up prices. The gains recorded on Saturday were fully maintained yesterday also.

On Tuesday last, ready B. twills were steady at Rs. 104.75 following the Government call for tender for 13,000 bales of B. twills for January-February delivery. The April-July position improved impressively to Rs. 106.25 from Rs. 105.30. Ready 40" 10 oz. hessian was in the meantime unchanged and quiet at Rs. 39.80. On the following day, prices for the ready positions in these two constructions fell to Rs. 104.25 and Rs. 39.65, respectively. Apart from speculative trading, the market was featureless. On Saturday, however, prices gained to Rs. 107 and Rs. 40.20, respectively, and these rates were maintained yesterday. Prices in the New York market fluctuated within narrow limits. Stockists here were still anticipating substantial business from the United States, and they believed that American buyers were biding time. However, in the meantime, the process of transfer of hessian looms to the production of heavy goods is being continued, and a further decline in the proportion of hessian output to sacking is anticipated.

Raw jute prices displayed a firmer tendency. Sellers were reserved. More mesta changed hands than other varieties of jute. It was noted that the estimated raw jute production in 1957-58 at 4,088,000 bales, showed a fall of 200,000 bales or 4.7 per cent. compared to the last season. This fall was caused owing to adverse weather affecting the crops in Bihar and Uttar Pradesh. That efforts at the intensive cultivation have resulted in some success are indicated by the higher yield per acre in West Bengal, Assam, Orissa, and Tripura. Denoting the lower crop, arrivals so far have fallen below last year's. During the six months to December last, total arrivals were 3,232,350 bales, of which 413,650 bales were from Pakistan and 2,818,700 bales were of Indian origin. In the same period in 1956, arrivals of indigenous fibre were higher at 2,936,800 bales, but Pakistani jute that arrived was lower at 371,300 bales. However, as against the total arrivals of 3,232,350 bales during the six months ended December last, consumption in mills was only 3,042,300 bales, and since arrivals were more than consumption, and the same trend is expected to continue, no shortage is anticipated. During the week, Daissee bottoms improved to Rs. 30.25 from Rs. 29.75. Northern bottoms at Rs. 26.75 added 25 nP.

LINSEED QUIET

(Messrs. A. Bradley and Co.)

CALCUTTA, 27*th January*

The linseed market ruled quiet during the week. Although prices declined to some extent, there was some increase in trading. An improved demand for seeds from crushers resulted in a fair daily turnover, with sellers showing keen interest for forward delivery; ready goods were scarce. Oil prices remained unchanged, but some enquiries from local shippers led to an increased offtake of oil. Overseas prices were still quiet and no fresh export business was reported.

The latest available quotation for January-February is Rs. 21-14 per maund.

COARSE GRAINS FALL SHARPLY

(From Our Own Correspondent)

HAPUR, 27*th January*

Divergent trends were witnessed in the food-grains markets during the week under review. Thus, wheat and rice ruled quietly steady, while coarse grains receded sharply. Wheat prices were maintained at previous week's levels, at Rs. 15.62 per maund for average quality and up to Rs. 17.12 for farm produce. Daily arrivals from villages continued to be scanty and, as most of the demand was being met from stocks, local stocks with the trade was fast dwindling, the latest estimate being 15 *khaties*, as against 53 *khaties* a year before.

Rice registered fractional gains during the week, thanks to overall shortage in the country coupled with reports that sufficient quantity was not available for imports on easy terms. The local supply position was reported to be satisfactory. The latest quotations were: *Basmati* Rs. 28 to Rs. 31; *mainpuri* Rs. 24.25; coarse Rs. 20.50 per maund. Despite a gradual fall in the local gram stocks which was slowly moving to east U.P. on Government account, gram eased during the week on easy Punjab advices and in line with the appreciable fall in maize and *bajra* prices. Maize and *bajra* lost about 75 nP per maund, due to easy supply position, as maize was reaching here from Mainpuri and Farukahbad district and demand of these grains was declining. Other grains including barley and *bejhar* declined in sympathy. The latest quotations (in rupees per maund) were: *Gram* Rs. 10.87; barley 9.25; *bejhar* 9; maize 10.37; *bajra* 10.50; *guwar* 11.25; *jowar* 8.50 to 10.50.

Despite good offtake mostly in the form of pulses-*dal*, peas and *arhar* declined during the week in line with the general bearish trend in coarse-grains prices and good crop prospects. Peas stocks ran down by 4 *khaties* to 13 *khaties* and *arhar* stocks by 5 *khaties* to 43 *khaties*. Other pulses were steady during the week. The latest prices were: Peas *dara* Rs. 8.25; farm Rs. 9; peas *dal* Rs. 9.37; *arhar* Rs. 9.75; *arhar dal* Rs. 12.50; *urd* Rs. 16.62 to Rs. 18; *moong* Rs. 16 to Rs. 16.50; *masoor* Rs. 15 per maund.

Pulses futures declined during the week to be quoted on Monday at near the worst level of the week. Peas *jeth* was done at Rs. 8.66, *arhar jeth* at Rs. 10.26, *bajra fagun* at Rs. 10.81 and *urd baisakh* at Rs. 16.37.

Notices

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

MODIFICATION TO TENDER NOTICE

IT IS HEREBY NOTIFIED THAT FOR electrification on 25 kV A.C. of sections Calcutta-Moghalsarai and Asansol-Rourkela on the Eastern and the South-Eastern Railways respectively, the dates previously advised in specification No. OHE/AC/1 for submission of qualifications and tenders have been extended to 18th January 1958 and 3rd March 1958 respectively.

2. Kindly also note that the address of the Engineer-in-Chief, Electrification, is:

Annexe,
Eastern Railway Office,
3, Koilaghat Street,
Calcutta-1.

M. N. MUKERJEE,
for Secretary, Railway Board.

MARTIN BURN LIMITED

NOTICE

AT A MEETING OF THE BOARD OF DIRECTORS of Martin Burn Ltd. held on the 22nd January 1958, the Directors have recommended the payment of a dividend at the rate of Re. 1.50 nP and a cash bonus of 62 nP per share both without deduction of Income-tax on the Ordinary Shares of the Company ranking for dividend for the year ended 30th September 1957. These recommendations await sanction by the Shareholders at the Annual General Meeting of the Company to be held on Thursday, the 27th February 1958.

The Ordinary Share Register of the Company will be closed from the 20th to 27th February 1958, both days inclusive, and the dividend and cash bonus, if sanctioned, will be paid on or after the 1st April 1958.

By Order of the Board,
MARTIN BURN LIMITED,
A. G. GIDLEY,
Secretary.

12, MISSION ROW,
CALCUTTA, 22*nd January* 1958.

BALMER LAWRIE & COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT AN Interim Dividend on the shares of the above Company of 5 per cent., free of Income-tax, for the year ended 31st December 1957, was declared by the Board of Directors on 27th January 1958, payable on or after 28th February 1958, to those Members whose names are registered in the Register of Members of the Company on the 28th February 1958. Dividend Warrants will be despatched to Members and no application to the Company is necessary.

Notice is also hereby given that the Transfer Books and the Register of Members of the Company will be closed from 14th February 1958, to 28th February 1958, both days inclusive.

By Order of the Board,
BALMER LAWRIE & COMPANY LIMITED,
D. MANSON,
Secretary.

21, NETAJI SUBHAS ROAD,
CALCUTTA, 27*th January* 1958.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956		3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948		3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1923	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	4th April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	10	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	9th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	3
Peru	13th Nov., 1947	5	6
Philippines		1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945		7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	2½†
West Germany	17th Jan., 1958	4	3½

† Six of the Federal Reserve Banks have lowered the rate to 2½ per cent. from 3 per cent.

CLEARING HOUSE RETURNS

Centre	Week ended 24th January, 1958		Week ended 17th January, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,12,421	73,11,66,000	3,09,620	74,12,70,000
Calcutta	1,22,000	48,80,00,000	1,91,000	64,04,00,000
Madras	96,463	10,91,76,927	65,384	7,04,74,085
All Centres—				
1955-56*			3,100,000	6,630,200,000
1956-57*			3,334,000	7,269,900,000
Sept., 1957			3,077,000	6,49,12,00,000
Oct.,			3,295,000	5,89,88,00,000
Nov.,			3,755,000	8,18,13,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 24th Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	62,42,73,000
(2) Other Governments	23,85,08,000
(b) Banks	73,84,32,000
(c) Others	112,92,68,000
Bills Payable	20,33,16,000
Other Liabilities	29,72,45,000
Rupees	429,80,42,000

ASSETS	Rs.
Notes	13,03,72,000
Rupee Coin	9,49,000
Subsidiary Coin	3,02,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	1,97,08,000
Balances held abroad*	39,39,30,000
Loans and Advances to Governments†	36,36,87,000
Other Loans and Advances	61,63,64,000
Investments	255,00,70,000
Other Assets	16,70,60,000
Rupees	429,80,42,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 21,37,21,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	18,03,72,000	
Notes in circulation	1533,03,23,000	
Total Notes issued		1551,66,95,000
Total Liabilities		1551,66,95,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		131,54,83,000
Government of India Rupee Securities		1056,82,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1551,66,95,000

Scheduled Banks*

Statement of Affairs for the week ended 17th Jan., 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	14,01,36,000
(ii) Other demand liabilities	698,84,23,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	18,11,00,000
(ii) Other time liabilities	672,04,06,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	8,00,95,000
(ii) Time liabilities	75,00,000
Borrowings in India from the Reserve Bank of India†	33,41,83,000 (30,65,58,000)
Cash in India	39,07,23,000
Balances with the Reserve Bank in India	60,10,15,000
Balances with other banks in current account in India	11,43,44,000
Money at call and short notice in India	43,31,19,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	484,02,89,000
Advances in India	735,72,77,000
Inland Bills purchased and discounted in India	109,47,31,000
Foreign Bills purchased and discounted in India	44,96,59,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	29th January, 1958	Previous week
Bombay on London—		
Sellers T.T. D/D. Spot	1-5⅛	1-5⅛
Sellers T.T. D/D. upto six months	1-5⅛	1-5⅛
Buyers T.T. spot to nine months	1-6 1/16	1-6 1/16
Buyers T.T. 10 to 12 months	1-6 1/16	1-6 1/16
Bombay on New York—		
Sellers T.T. D/D. Rs.	475 50	476 00
Buyers T.T. Rs.	472 00	472 50
London on New York $	2.81⅛-2.81⅛	2.81⅛-2.81⅛
London on Paris Frs.	1,178½	1,178½
London on Berne Sw. Frs.	12.25½-12.26	12.26-12.26½
New York on London $	2.81⅛-2.81⅛	2.81⅛-2.81⅛

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	383.09	..	10,420	272
Pakistan††	'55-'56	82.24	..	1,952	237
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.00	Y. 7,427,000	9,283	1,031
Philippines	1955	21.35	Pts. 7,804	1,628	357
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9.40	£ (A.) 4,238	4,623	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 343,600	163,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,889	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,990	1,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 17th Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up		3,00,00,000
Reserve Fund		3,00,00,000
Deposits:—		
(a) Central Government		70,16,51,000
(b) Provincial Governments		....
(c) Banks		15,03,31,000
(d) Others		9,29,63,000
Bills Payable		18,74,000
Other Liabilities		9,90,05,000
Rupees		110,58,24,000

ASSETS	Rs.
Notes	9,77,31,000
Rupee Coin	31,000
Subsidiary Coin	20,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,62,000
Loans and Advances to Governments	3,16,00,000
Provincial Governments' Debtor Balances	10,17,89,000
Other Loans and Advances	17,01,00,000
Investments	60,63,85,000
Other Assets	9,78,06,000
Rupees	110,58,24,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,77,31,000	
Notes in circulation	843,79,82,000	
Total Notes issued	....	353,57,13,000
Total Liabilities	....	353,57,13,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	76,55,25,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	4,30,96,000	130,94,15,000
Government of Pakistan Securities	212,41,96,000	
Internal bills of exchange and other commercial paper	....	216,72,92,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,00,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	353,57,13,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 38 62 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	17th Jan., 1958	A week ago	A month ago	A year ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1540.25	1540.72	1,504.60	1490.89
Notes held in Banking Department	35.05	10.76	10.21	18.58	17.66
Foreign Securities	59.50	245.54	270.26	280.19	442.33
Rupee Securities	37.39	1056.82	1032.10	992.29	825.22
Banking Department					
Deposits of:					
Government of India	14.89	52.11	49.69	64.87	50.71
Other Governments	....	31.35	16.16	8.16	7.03
Balances held abroad	10.08	42.20	19.63	22.38	81.24
SCHEDULED BANKS					
Demand Liabilities	134.36	712.86	699.70	714.47	665.94
		(14.01)†	(15.84)†	(17.48)†	(6.00)†
Time Liabilities	102.24	690.15	690.59	684.06	459.13
		(18.11)†	(17.95)†	(22.19)†	(2.46)†
Borrowings from Reserve Bank	....	33.42	35.26	22.66	75.13
		(30.65)‡	(30.20)‡	(19.82)‡	(60.70)‡
Borrowings from State Bank	....	8.76	8.65	6.19	12.23
Cash in India	6.70	39.07	38.50	37.87	36.65
Balances with Reserve Bank	25.17	60.10	58.28	70.51	48.32
Excess over statutory limits	15.52	10.65	9.48	21.11	5.84
Balances with other banks in current account in India	....	11.43	11.48	11.64	10.34
Money at call and short notice in India	....	43.31	45.51	50.51	8.82
Investments (at book value)	....	434.03	434.06	432.65	362.13
Advances and bills	105.09	890.17	881.16	847.67	815.87
STATE BANK					
Deposits	87.76	371.05	363.23	364.76	245.76
Investments	51.99	184.06	184.16	183.65	107.05
Advances	30.35	183.96	180.83	165.95	154.77
Cash	14.69	23.43	18.08	29.98	18.02

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R=Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	September, 1956	September, 1957	Six months, April to Sept., 1956	Six months, April to Sept., 1957
Import Duties:				
Revenue	11.17	12.20	60.37	75.88
Protective	1.01	0.86	6.05	5.88
On surplus disposals	....	....	0.03	0.08
Total import duties	12.18	13.06	66.45	81.84
Export Duties	2.60	2.31	12.11	10.43
Land Customs	0.27	0.28	1.13	1.43
*Air customs.**	....	0.15	....	0.21
Miscellaneous	0.12	0.15	0.51	0.69
Gross total customs	15.17	15.95	80.20	94.60
Refunds and drawbacks	0.20	0.35	1.20	2.03
Net Customs	14.97	15.60	79.00	92.57
Gross excise	15.42	22.16	85.98	123.84
Refunds	0.21	0.26	0.95	1.78
Net Excise	15.21	21.90	85.03	122.06
Net total of customs and excise†	30.18	37.50	164.03	214.63

† Net Customs plus net Excise.
* Figures prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 24th Jan., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital—		
20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		391,57,94,000
Bills Payable		1,35,50,000
Bills for Collection being Bills Receivable as per contra		4,37,32,000
Acceptances, Endorsements and Other Obligations per contra		1,02,75,000
Other Liabilities (including Inter-Office Adjustments)		30,05,000
		97,62,000
Total	Rs.	411,86,78,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		27,36,72,000
Balances with other Banks		2,91,58,000
Money at Call and Short Notice		1,83,83,000
INVESTMENTS:		
Government and other Trustee Securities	174,01,88,000	
Other Authorised Investments	10,18,04,000	184,14,92,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	168,00,69,000	
Bill Discounted and Purchased	19,15,05,000	
Bills Receivable being Bills for Collection as per contra		187,15,74,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		1,02,75,000
Premises less Depreciation		30,05,000
Furniture and Fixtures less Depreciation		1,19,54,000
Other Assets (including Inter-Office Adjustments)		72,28,000
		5,69,27,000
Total	Rs.	411,86,78,000

SMALL SAVINGS§

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year Outstandings*	5-Year Receipts	7-Year Outstandings*	7-Year Receipts	12-Year Outstandings*	12-Year Receipts	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings*	10-Year National Plan Certificates‡ Receipts	10-Year National Plan Certificates‡ Outstandings*	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposit Certificates 3½%† Outstandings	3½%† Receipts	4%¶ Outstandings	4%¶ Receipts	15-Year Annuity Certificates** Outstandings*
1952-53	6,83	65	3,26	23,66	84,17	1,58,11	92,02	..	..	..	—31,07	25,64	..	..	..	..
1955-56	3,76	1,98	5,48	27,19	1,44,37	1,76,97	1,67,85	9,86	16,38	..	—37,68	41,25	..	..	..	..
1956-57	3,00	2,87	6,01	31,62	1,63,68	13,27	1,96,50	10,08	25,38	..	—38,82	44,28	..	..	45	95
October 1956	3,28	16	5,69	2,38	1,56,53	13,00	1,85,98	82	22,08	..	—38,06	43,29	..	..	43	1,32
November ,,	3,23	14	5,67	2,31	1,57,64	12,70	1,86,88	76	22,75	..	—38,15	43,29	..	..	4	1,17
December ,,	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,35	..	—38,23	43,58	..	..	3	1,22
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,09	86	24,10	..	—38,64	43,89	..	..	6	1,27
February ,,	3,07	17	5,81	2,36	1,61,04	12,96	1,88,82	78	24,72	..	—38,71	44,14	..	..	4	1,30
March ,,	3,00	35	6,01	4,01	1,63,68	23,55	1,96,50	78	25,38	..	—38,82	44,28	..	..	4	1,32
April ,,	2,93	12	5,92	2,30	1,64,82	14,78	1,98,78	70	25,98	..	—38,87	44,39	..	..	3	1,33
May ,,	2,88	12	5,84	2,13	1,65,59	14,63	1,97,50	56	26,41	..	—38,93	44,51	..	..	2	1,35
June ,,	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34	..	—39,02	44,48	63	63	2	1,36
July ,,	2,74	2	5,61	—29	1,63,36	15,03	2,00,57	10	26,16	..	—39,11	44,42	62	1,24	4	1,39
August ,,	2,68	..	5,49	—9	1,60,38	12,64	2,01,68	—22	25,61	..	—39,18	44,27	62	1,76	3	1,42
September ,,	2,60	..	5,39	—2	1,58,23	14,05	2,03,17	—2	25,17	..	—39,26	44,14	63	2,30	4	1,46
October ,,	2,54	..	—5,26	..	—1,55,82	12,51	2,02,83	..	24,81	..	—39,33	44,07	42	2,81	2	1,47
November ,,	..	..	..	..	..	..	..	..	..	..	..	43,96	49	3,29	2	1,49

Outstandings do not include Indian Union's share of the pre-partition liabilities; repayments, however, include those from the partition holdings of Indian investors.
‡ Issued from May 10, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957.
¶ Issued from 1st June, 1957. *Source*: Accountant-General, Posts and Telegraphs.
§ These exclude receipts and outstandings of 12-year National Plan Savings Certificates of which receipts amount to Rs. 6,17 lakhs and outstandings to Rs. 26,88 lakhs (upto October 1957).

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 18th Jan., 1958*	11th Jan., 1958	21st Dec., 1957	19th Jan., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.1	89.1	89.1	89.7
1. Government of India	88.8	88.8	88.8	89.4
2. State Governments	96.5	96.5	96.3	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.0	90.7
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.2	97.7	100.9
1. Electricity	99.0	98.9	99.0	100.9
2. Jute	93.0	92.0	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	97.0	97.0	96.8	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.1	93.3	100.5
PREFERENCE SHARES	71.3	71.4	72.6	80.4
1. Electricity	83.0	83.7	83.7	87.8
2. Cotton	67.3	68.2	68.3	80.1
3. Jute	62.3	62.3	63.0	75.4
4. Coal	72.6	74.4	74.5	83.0
5. Iron and Steel	77.1	77.0	76.9	84.9
6. Sugar	70.9	70.9	71.0	81.6
7. Paper	75.1	77.3	80.4	79.7
8. Plantations	87.5	87.5	88.9	99.8
9. Miscellaneous	66.8	66.8	70.5	73.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.7	95.5	96.8	113.7
(a) Financial	95.9	95.2	96.7	98.5
1. Banks	95.0	94.1	97.6	96.9
2. Insurance	84.6	84.3	83.2	84.8
3. Investment Trust	72.8	73.1	73.4	92.7
(b) Public Utilities	103.3	103.0	103.3	108.5
1. Electricity	100.6	100.7	101.2	109.5
2. Shipping and other Transport	119.9	118.8	119.0	113.9
3. Railways	65.8	65.8	65.4	81.0
(c) Manufacturing Industries	98.1	98.0	99.4	120.9
1. Cotton, Woollen and Silk	95.4	95.1	96.7	127.7
2. Jute	48.0	49.0	51.2	58.1
3. Iron and Steel	118.5	117.0	115.8	129.5
4. Paper	204.9	206.1	211.0	248.8
5. Cement	134.6	135.0	135.5	169.7
6. General Engineering	140.9	139.7	143.6	175.2
7. Sugar and Breweries	94.0	94.8	97.8	100.2
8. Chemicals	127.5	127.2	126.7	136.8
(d) Non-Manufacturing Industries	107.5	106.8	109.7	139.7
1. Coal	64.8	64.9	65.7	74.2
2. Minning and Oil	144.7	144.0	144.3	196.6
3. Plantations	117.6	116.6	121.7	155.4
(e) Miscellaneous	69.2	69.3	70.8	90.8
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88.5	88.5	88.5	89.1
2. Calcutta	89.0	89.0	89.0	89.6
3. Madras	—	89.3	89.3	89.9
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.0	96.0	96.0	99.4
2. Calcutta	97.7	97.6	97.7	100.5
3. Madras	—	97.4	99.2	99.7
PREFERENCE SHARES:				
1. Bombay	78.6	78.4	78.5	85.4
2. Calcutta	64.0	64.4	66.3	74.1
3. Madras	—	84.1	85.4	94.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	110.2	109.8	109.8	125.0
2. Calcutta	82.8	82.7	84.4	99.5
3. Madras		107.1	107.2	125.4
4. Delhi	113.4	111.2	111.5	124.9

* Madras Stock Exchange remained closed during the week.

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns§	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
September 1956	737	812.7	666.4
October ,,	753	824.1	670.1
November ,,	756	810.5	668.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	932.2	756.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Sept., 1956	Aug., 1957	Sept., 1957
General Index	122.1	133.0	146.4	141.4	144.3
Coal	111.4	114.9	111.1	115.8	129.3
Sugar*	143.0	175.1	353.4	423.8	329.1
Tea*	100.2	103.0	113.0	106.5	113.1
Cotton textiles	111.9	117.5	125.8	108.6	118.3
Jute textiles	118.9	127.3	120.9	112.7	121.6
Paper and paperboards	140.2	146.6	149.1	160.7	143.7
Matches	100.6	100.6	105.0	94.8	94.0
Cement	140.4	154.2	152.5	165.6	168.8
Iron and steel	113.3	119.4	120.6	116.7	120.4
Non-ferrous metals	123.7	124.7	117.7	149.4	153.2
Rayon	280.2	355.8	366.6	522.6	525.7

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,630
1955	1,166	727,767	5,697,848
1956 R	1,203	715,180	9,692,040
October 1956	138	—	822,965
November ,,	137	—	513,389
December ,,	147	—	422,406
January 1957	154	—	395,419
February ,,	134	—	262,209
March ,,	114	40,811	232,791
April ,,	166	60,358	406,470
May ,,	154	54,577	446,040
June ,,	147	95,672	715,892
July ,,	178	85,757	728,854
August ,,	163	85,255	586,341
September ,,	220	139,875(a)	806,859(a)
October ,,	190	88,873†	472,842†

(a) Not known in 8 cases. (†) Not known in 11 cases.
‡ In progress during the month. R=Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	11th Jan., 1958	4th Jan., 1958	12th Jan., 1957	December 1957	December 1956	Percentage of Increase(+) or decrease(—) in Dec., 1957 as compared with Dec., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	102.5	102.9 R	103.0	104.0	105.1	— 1.0	106.8	99.0
Cereals	382	98	97	96	98	97	+ 1.0	102	92
Pulses	84	81	81	85	80	87	— 8.0	85	78
Fruits and Vegetables	45	90	94	108	101	111	— 9.0	117	108
Milk and Ghee	167	98	97	95	99	97	+ 2.1	104	99
Edible Oils	93	119	122	129	125	133	— 6.0	128	117
Fish, Eggs and Meat	34	99	99	94	99	94	+ 5.3	97	97
Sugar and *Gur*	95	108*	112	93	109	101	+ 7.9	105	97
Others	100	134	131*	143	133	142	— 6.3	132	125
Liquor and Tobacco	21	88.4	98.1	88.2	97.7 R	87.7	+11.4	91.8	82.3
Tobacco	—	97	97	87	97 R	86	+12.8	90	81
Fuel, Power, Light and Lubricants	30	114.7	114.7	105.7	114.9	106.8	+ 7.6	111.5	101.6
Industrial Raw Materials	155	114.3	114.1	119.1	115.4	119.4	— 3.4	118.1	113.2
Fibres	93	114	114	125	115	121	— 5.0	120	114
Oilseeds	116	117	117	121	119	124	— 4.0	122	115
Minerals	14	107*	107	109	108	104	+ 3.8	109	99
Others	205	110*	110*	108	109	110	— 0.9	107	110
Manufactures	290	107.0	107.5	108.5	107.5	108.8	— 1.2	107.9	104.9
Intermediate Products	141	108.4	108.8	113.2	105.7	113.9	— 7.2	108.6	110.0
Finished Products	859	107.5	107.7	107.8	107.8	108.0	— 0.2	107.8	104.1
Textiles	506	105	106	110	106	110	— 3.6	108	106
Cotton	—	115	115	117	115	117	— 1.7	116	114
Jute	—	90	91	102	93	104	—10.6

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Fore-cast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice ..	final	78,174	76,864	28,142	26,846
Wheat ..	final	32,891	30,386	9,068	8,569
Jowar ..	final	41,314	42,904	7,427	6,602
Bajra ..	final	27,542	28,024	2,926	3,379
Barley ..	final	8,544	8,382	2,744	2,749
Maize ..	final	9,244	9,116	3,029	2,594
Ragi ..	final	5,671	5,693	1,914	1,820
Small millets	final	12,209	12 713	2,010	1,937
Total cereals	final	215,542	214,082	57,251	54,456
Pulses—					
Gram ..	final	23,990	24,157	5,930	5,331
Tur ..	final	5,696	5,637	2,047	1,830
Other Kharif pulses §	final	16,166	15,567	1,664	1,632
Rabi pulses‡	final	11,443	11,703	1,794	2,088
Total pulses	final	57,295	57,064	11,435	10,831
Total foodgrains		272,837	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	2nd	12,518†	11,421††	3,651†	3,570††
Castor-seed ..	final	1,403	1,405	129	124
Sesamum ..	final	5 433	5.653	451	457
Rape and Mustard ..	final	6,211	6,317	1,017	848
Linseed ..	final	3,758	3,781	349	414
Total oilseeds ..	final	29,906	29,848	6.032	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,723	4,001
Jute A. ..	final	1,833	1,739	4,221	4,197
Mesta A. ..	final	738	572	1,474	1,159
Other crops—					
Potato ..	final	702	691	1,674	1,830
Sugarcane ..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry) ..	final	40	40	15	15
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	354	355
Tobacco ..	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
JUTE MANUFACTURES		(In 000 tons)
Production ..	During December, 1957 ..	92.8
	Corresponding month, 1956 ..	84.9
	Six months ended Dec., 1957 ..	522.0
	Corresponding period, 1956 ..	517 3
Stocks ..	At the end of Dec., 1957 ..	75.6
	Corresponding month, 1956 ..	95.7
DESPATCHES OF GUNNIES		(In 000 tons)
For Export Purpose ..	1955-56 ..	8.57 2
	1956-57 ..	8.52 9
	Nov.,1956 ..	80 5
	Nov.,1957 ..	76 6
For Internal Consumption ..	1955-56 ..	1,90 0
	1956-57 ..	1,79 0
	Nov.,1956 ..	17.0
	Nov.,1957 ..	20.4
RAW JUTE		(In lakh bales)
Consumption by Mills†	December, 1957 ..	5.38
	Corresponding month, 1956 ..	4.92
	Six months ended Dec., 1957 ..	30.27
	Corresponding period, 1956 ..	30.04

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955..	11,34,400	10,42,900	7,81,200
Do.	31st March, 1956..	11,55,900	10,62,100	7,97,800
Do.	31st March, 1957..	11,58,500	10,73,600	7,97,500
Oct., 1956 ..		96,700	91,100	71,800
Nov., " ..		94,700	85,800	65,100
Dec., " ..		1,01,500	93,800	66,900
Oct., 1957 ..		95,100	96,500	59 000
Nov., " ..		94,900	95,100	66,000
Dec., " ..		95,100	100,500	74,200
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955..	7,15,949	5,28,240	4,59,092
Do.	31st March, 1956..	7,06,986	5,31,505	4,50,607
Do.	31st March, 1957..	6,95,156	5,32,315	4,41,488
Three months ended	Dec., 1956	1,88,546	1,41,450	1,14,703
" "	Mar., 1957	1,83,857	1,39,336	1,20,578
" "	June, 1957	1,72,225	1,29,651	1,05,096
" "	Sept., 1957	1,71,397	1,19,772	96,815
" "	Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports ..	59,87	49,47	426,88	372,09
Re-exports ..	38	41	2,89	6,49
Total Exports ..	60,25	49,88	429,77	379,48
Imports ..	80,93	66,55	659,11	519,35
Overall Balance of Trade ..	—20,78	—16,67	—229,34	—140,37
Exports—				
Tea ..	12,71	13,73	71,65	75,47
Jute yarns and manufactures ..	5,12	11,55	52,27	72,77
Cotton yarns and manufactures ..	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap iron or steel for re-manufacture ..	4,69	2,27	34,78†	10,74†
Cotton, raw and waste ..	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal ..	2,43	98	17.54	19,62
Fruits and vegetables ..	1,44	1,74	12.24	12,62
Tobacco ..	83	2,51	10,95	8,23
Mica ..	71‡	66‡	5,24†	4,95†
Wool—Raw ..	1,06‡	76‡	7,41†	6,27†
Gums, resins and lac ..	60‡	1,01‡	5,33†	6,31†
Spices ..	55	70	6,08	6,60
Hides and skins, raw ..	69	25	5,88	4,02
Imports—				
Machinery of all kinds ..	17,39	13,15	144,71	97,32
Metals, iron and steel and manufactures thereof ..	12,50	10,88	107,31	77,44
Oils—vegetable, mineral and animal ..	8,56	5,78	70.10	40,44
Cotton, raw and waste ..	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines ..	4,20	2,98	31,89	27,68
Copper ..	1,68	1,50	13,47	8,67
Electrical goods and apparatus ..	5,21	1,44	37,75	12,96
Paper, pasteboard, etc. ..	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats) ..	4,49	4,95	45,32	41,23
Fruits and vegetables ..	1,17	19	13,89	9,10
Spices ..	32	81	2,04	4,99
Dyes and colours ..	84	1,20	9,77	11,14
Woollen and worsted fabrics ..	11‡	20‡	74†	1,22†
Cotton fabrics ..	20	14	1,65	1,64

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manu-factures	Raw Jute	Jute Manu-factures	Sugar*	Cement	Pig-Iron	Iron and Steel (Others)	Tea	Manga-nese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	205	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ...	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ...	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	190
April ,, ...	1,245	263	103	22	10	6	15	2	56	39	3	34	2	18
May ,, ...	2,468	522	219	43	21	13	34	4	129	77	6	69	4	35
June ,, ...	3,582	756	334	57	30	18	48	5	181	109	9	101	7	45
July ,, ...	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	51
August ,, ...	5,781	1,279	539	84	39	25	67	8	208	183	13	177	19	10.
September ,, ...	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	120
October ,, ...	8,056	1,824	735	107	46	34	109	13	241	263	19	261	31	

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months. *Source:*—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 23rd Jan., 1958 ..	53,339(J)
	Corresponding week, 1957 ..	66,116(J)
	1st Sept. to 23rd Jan., 1957-58 ..	490,994*
	Corresponding period,1956-57 ..	632,775*
Cotton Exports ..	Week ended 23rd Jan., 1958 ..	2,737
	Corresponding week, 1957 ..	13,656
	1st Sept. to 23rd Jan., 1957-58 ..	48,735
	Corresponding period, 1956-57 ..	97,380
Mill Consumption (Estimated) ..	1st Sept. to 23rd Jan., 1957-58 ..	525,437
	Corresponding period, 1956-57 ..	518,232
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 23rd Jan., 1958 ..	482,194
	Corresponding date, 1957 ..	501,178
Cottor. Exports from Bombay (by sea)	During December, 1957 ..	8,229
	During December, 1956 ..	30,973
	1st Sept., 57 to 31st Dec., 1957‡ ..	17,497
	1st Sept., 56 to 31st Dec., 1956 ..	55,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 16th Jan., 1957-58 ..	683,707
	Corresponding period, 1956-57 ..	804,613
Exports	1st Sept., to 16th Jan., 1957-58 ..	207,638
	Corresponding period, 1956-57 ..	341,586

Particulars	From 1st September to 27th Jan., 1957-58 Bales	From 1st September to 27th Jan., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	1,530	11,780
Continent ..	1,701	10,849
Hongkong ..	2,185	9,038
China		3,277
Japan	22,076	57,847
U.S.A.	1,660	600
Other Countries ..	691	342
Total to all foreign countries ..	29,843	93,733
Coastal Ports ..	20,789‡	7,360**
Total	50,632	101,093
	Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—		
Indian	November, 1957	390,784
Foreign		51,081
Indian	Three months ended Nov., 1957 ..	1,162,660
Foreign		148,756
Indian	Same Period 1956	1,117,406
Foreign		151,689
Stocks (Mills and Elsewhere)—		
Indian	As on 30th Nov., 1957	750,680
Foreign		190,170
Indian	As on 30th Nov., 1956	1,026,767
Foreign		189,065
Cotton Pressed in India† (In running bales) ..	Week ended 17th Jan., 1958 ..	287
	Corresponding week, 1957 ..	47,678
	1st Sept., to 17th Jan., 1957-58 ..	840,376
	Corresponding period, 1956-57 ..	1,002,071

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 30th Nov., 1957. A. =Adjusted. § Includes Zoda and Yellow Pickings, etc.
** Upto 31st Dec., 1956.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1960-70	100 60
3 % Loan	1938-39	116,17,46,000	1963-65	93 80
3 % Loan	1950	30,33,10,000	1964	94.10
3 % Fg. Loan	1943	1,10,11,78,000	1966-68	91.70
3 % Dev. Loan	1945	1,15,05,83,000	1970-75	86 80
3 % 2nd V. Loan	1945	1,13,85,64,000	1959-61	99.10
3 % Loan	1951	50,35,68,000	1958	99 80
2½ % Loan	1946	45,68,07,000	1960	97 45
2½ % Loan	1946	57,00,69,000	1961	96.40
2½ % Loan	1948	14,77,45,000	1976	88 10
2½ % Loan	1947	75,86,72,000	1962	94 75
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.70
3½ % N. P. Loan	1954	1,88,17,00,000	1964	97 75
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97 60
3½% Loan	1956	57,27,36,000	1962	97 90
3½% N. P. Bonds	1956	33,81,88,000	1967	97 60
3½% Loan	1956	66,61,95,000	1974	98.25
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1972	100 00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice. On 1st September, 1986 or later at option of Government after three months' notice.	71 10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½% Loan	1928	5,85,73,000	1958-68***	100 60
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.10
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97 10
3 % Bombay	1944	3,04,13,000	15th Aug. 1968	99 25
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94 15
3 % Bombay	1950	2,83,70,000	31st July 1960	96.00
2½% Bombay	1911	2,50,05,000	15th July 1960	98.10
4 % Bombay	1953	5,25,90,000	15th July 1963	99 25
4 % Bombay	1952	3,45,05,000	1st Aug. 1964	99 10
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98 25
4 % Bombay	1956	8,07,06,000	3rd Sept. 1970	98.00
4½% Bombay	1957	6,00,00,000	16th Sept. 1969	99.80
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.15
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.10
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½% Cochin	1936	70,09,000	1st June 1956-61	97 75
3½% Howrah (New)	1936-37	1,95,96,700	1956-66	94.12½
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.25
3 % Madras	1939	1,23,95,000	31st June 1959	97 60
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.25
3 % Madras	1945	2,78,44,000	14th Sept. 1966	98 80
2½% Madras	1946	3,81,77,800	1st Sept. 1960	98 50
3 % Madras	1950	4,88,25,400	31st July 1960	96.80
3½% Madras	1951	3,01,46,800	17th Sept. 1962	97.40
4 % Madras	1953	10,38,71,000	15th July 1963	98.25
4 % Madras	1952	5,24,81,200	1st Aug. 1964	98.15
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.40
4 % Madras	1956	13,83,56,000	3rd Sept. 1968	97 40
4 % Mysore(J)	1955	3,95,58,200	1st Dec. 1955-63	100 70
4 % Mysore(J)	1956	5,99,78,000	30th Apr. 1956-61	98.90
4 % Mysore	1953	3,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	98.40
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.00
4½% Mysore	1957	3,00,00,000	16th Sept. 1969	99.00
3 % M.P.	1944	25,00,800	15th Aug. 1958	99.00
3 % M.P.	1948	2,98,28,800	15th Sept. 1964	93.00
4 % M.P.	1951	1,01,45,000	31st July 1960	96.75
4 % M.P.	1951	1,02,18,100	17th Sept. 1962	97.25
4 % M.P.	1953	1,10,18,000	15th July 1963	98.00
4 % M.P.	1955	1,83,12,000	1st Sept. 1967	98.75
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	98.50
4 % Saurashtra	1955	3,61,66,000	1st Sept. 1967	98 25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1955	3,25,61,000	15th July 1963	97.50
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.10
2½% U.P.Z.A.	1952	41,44,79000Z		46.50
3 % U.P.	1936	1,58,25,000	15th Sept. 1961-66	90.75
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.10
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	96.00
2½% U.P.	1946	2,16,39,000	1st Sept. 1961	93.20
3½% U.P.	1951	1,87,98,000	17th Sept. 1962	97.25
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.25
4 % U.P.	1953	5,65,16,000	15th July 1963	98.30
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.15
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.15
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.00
4 % Orissa	1956	3,05,90,000	3rd Sept. 1968	97.00
4 % M. Bharat	1955	1,04,77,000	15th July 1963	98.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
Rs.				
36,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	96 00N
75,00,000	4	1908	1988	
40,00,000	4	1909	1970	
66,00,000	4	1910	1971	
75,00 000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,870	4	1913	1960	D
80,00,000	4	1913	1974	96.00N
88,25,000	4	1914	1975	96.00N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
10,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
13,50,000	3½	1931*	1961	
24,58,000	3½	1932*	1962	
15,00 000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
10,00,000	3½	1937*	1967	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,306	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
50,00,000C	3½†	1921	1981	82.00
68,02,800C	6‡	1921	1981	144.00N
1,49,30,000	5	1928	1958-88	107.50
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
25,00,000	3	1938	1968-88	90.00
50,00 000	3	1945	2006	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1959	98.25
50,00,000C	3	1950	1960	82.00
100,00,000	3	1950	1960	97.00
50,00,000	3	1950	1960	97.00
50,00,000	3	1951	1961	81.75
50,00,000	3½	1951	1961	98.50
50,00,000	4	1953	1963	100.00
50,00,000	4	1953	1968	97.50
90,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
78,00,000C	4	1956	1986	97.25
1,24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£892,600	5	1923	1953-68	£80.00
£901,000	5	1924	1954-84	£80.25
£335,100	5½	1929	1992	£91.00
***MADRAS**				
Rs.				Rs.
81,47,169	3½	1947	1977	
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	
45,00,000	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.		**BOMBAY**		Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	97.75
30,00,000	4	1905	1965	M
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	5	1916	1976	M
40,00,000	5	1919	1957-70	118.00‡
66,00,000	6	1920	1958-80	
50,00,000	5	1926	1956-86	115.00‡
25,00,000	4	1927	1957-70	98.00‡
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1964	95.50‡
£888,000		1910	1970	105.50‡
CALCUTTA				
25,00,000	5½	1920	1950	104.00
50,00,000	4	1934	1964	99.00
35,00,000	5½	1935	1965	99.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1962	91.00
20,00,000	3	1938	1968-88	90.00
80,00,000	4	1952	1968	99.00
1,02,00,000	4	1956	1968	99.00
50,00,000	4½	1958	1968	99.50

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,00,000	4	1912-13	1974	97.00
10,00,000	5	1920	1980	115.00
35,00,000	5	1928	1958	103.00
26,21,500	5	1928	1958	103.00
8,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1949	1979	84.00
1,50,00,000	3½	1950	1965	97.75
2,50,00,000	4	1952	1964	97.75
2,50,00,000	3½	1951	1966	97.75
1,00,00,000	4	1953	1968	97.75
1,50,00,000	4	1954	1966	97.75
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.75
1,50,00,000	4	1956	1968	97.75
CALCUTTA				Rs.
35,00,000	5	1923	1953	108.00
25,00,000	5	1929	1959	108.00
10,00,000	5½	1932	1962	108.00
33,91,000	3½	1935	1965	94.00
60,00,000	3	1936	1966	90.00
47,50,000	3	1938	1968	90.00
15,56,800	4	1940	1957	99.12
17,64,400	3½	1942	1972	97.00
21,10,000	3½	1943	1973	97.00
15,00,000	3½	1944	1974	97.00
16,33,000	3½	1951	1961	97.12
66,88,000	3½	1951	1966	97.12
97,35,000	4	1953	1968	99.25
72,50,000	4½	1954	1979	100.00
MADRAS				Rs.
15,00,000	3½	1951	1961	107.00
15,00 00v	3½	1952	1962	107.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,66,000	17th Sept. 1962	96.25
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,60,23,000	15th July 1963	98.30
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	96.90
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	96.90

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	106.50	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.B.C. ..	8,00,000	1875	8	Feb. Sep.	82.00	100
Champore Sugar Works T.F.C. ..	10,00,000	1905-24	8	Feb. Aug.	109.50	100
Deccan Sugar & Abkhar 'A' T.F.C. ..	7,00,000	1920	7	July Apr.	5 67	5
East India Distilleries T.F.C. ..	£200,000	1897	7	Jan. July	16 40cd	£1
Gwalior Sugar T.R.O. ..	6,75,000	1940	7	Dec. ..	60.00	100
Do. (Non-redeem.) ..	5,00,000	1940	7	Dec. ..	13.50	10
Puritabpore Co. T.C. ..	6,00,000	1922	10	Oct. ..	97 00	100
Ramnuggar Cane T.F.C. ..	4,00,000	1933-36	6	Aug. ..	65.00N	100
Savalgaum Sugar	20,00,000	1943	7	Oct. Apr.	20.00	100
South Bahar Sugar T. ..	5,00,000	1936	7	Oct. ..	6 90	10
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	90.00N	100
Upper Ganges T.F.C. ..	12,00,000	1922	6	Dec. ..	70.00N	100
Do. T.C.R.O. ..	15,00,000	1946	5	Dec. ..		
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00xd	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	99.00	100
Burrakur (1st) T.F.C. ..	22,99,800	1901-19	7	Apr. Oct.	6.50xd	10
Do. (2nd) T.C.	4,50,000	1946	6	Mar. Sept.	88.00	100½
Equitable T.F.	4,00,000	1895	6		51.00	75p.
Karanpura Collieries T.C. ..	9,89,500	1946	5½	Mar. Sept.	3.00N	10
†‡Khas Kajora C.	1,93,000	1931	7	Jan. July	10.00xd	10
New Beerbhoom T.F.C. ..	5,00,000	1921	7	Apr. Oct.	98.00	100
Oudal T.F.C.	2,00,000	1898-99	6			
COTTON						
Ahm

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciation is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
50,00,000	5,37,500	1,01,25,506	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	2.00	2	0.12(e)	0.10	0.10		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	B. B. Cotton Mills	51,834	1,021	B. B. Cotton Mills	24.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.†
2,50,98,000	2,13,58,951	5,98,32,949	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd.	2,23,552	3,984	Bombay Dyeing & Mfg. Co.	51.40	25	20.00	25.00*	25.00	0.75i	12	Y.
10,00,000	43,52,500	54,14,709	42,32,975	63,115	Manmarain Sons Private Ltd.	44,784	850	Bradbury Mills	155.00	50	75.00†	12.50	20.00	15.00	3	Y.
1,00,43,800	2,85,31,209	6,06,66,976	2,32,91,693	7,61,731	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	394.50	100	22.00	22.00	22.00	8.00i	12	Y.
49,00,000	25,43,826	1,19,99,766	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)	40,668	698	Colaba Land & Mill	56.00	100	*Nil*	*Nil*			12	Y.
26,00,000	13,08,380	99,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	24,848	..	Coorla Spg. & Wvg.	125.00	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,86,895	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	40,992	680	Dawn Mills	79.00	50	6.00	15.00			12	Y.
24,00,000	40,06,485	1,13,84,400	62,28,676	2,28,479	Puranmal Bubna Sons	48,718	928	Edward Textiles	221.25	200	15.00	18.00	15.00		12	Y.
29,96,080	16,71,233	1,20,97,050	78,22,600	95,787	M.	42,124	886	Elphinstone Spg. & Wvg.	48.00	50	3.00	5.00	15.00		12	Y.P.
50,00,000	57,54,875	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd.	49,528	784	Finlay Mills	265.00	100	16.00	20.00	20.00		12	Y.
80,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd.	40,540	1,020	Gold Mohur Mills Ltd.	171.50	100	12.50	15.00	15.00		12	
11,54,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills.	5,275.00 / 992.50	1,000 / 250	225.00 / 75.00	300.00 / 75.00	325.00 / 81.25	350.00* / 87.50*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,300	6,278	India United Mills	9.52 / 1.28 / 4,900.00 / —	0 100. / 0 1D. / 1,000 / 500	*Nil* / *Nil* / 225.00 / 112.50	0.94 / 0.19 / 300.00 / 150.00	0.92 / 0.18 / 300.00 / 150.00	325.00* / 162.50*	12 / 3	Y. / Y.P.
3,65,000 / 25,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	47,984	1,122	Indian Mfg.	46.00	100	12.50	15.00	15.00	12.50	6 / 3	Y.P.
50,85,000	46,10,421	3,15,61,680	2,25,51,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	150.00	100	12.25	12.00	10.00	10.00(e)	6	Y.P.
1,00,00,000	1,52,00,000	5,59,04,591	2,78,94,101	1,62,802	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	268.50	100	18.00	18.00	18.00	6.00i	12	Y.
22,18,050	43,06,720	1,22,08,423	64,65,440	55,109	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*	8.00*	12	Y.P.
31,75,000	35,44,612	2,64,74,025	1,88,16,828	23,520	Piramal Sons Private Ltd.	71,652	1,652	Morarjee Goculdas Spg.& Wvg.	205.00	100	14.00	14.00	15.00	14.00(e)	6	Y.P.
1,80,74,400	1,19,15,819	9,45,21,101	2,65,00,000	5,52,024	Chinai & Co. Private Ltd.			National Rayon Corporation	221.50	100	10.00	12.00	14.00*		12	Y.P.
24,00,000	29,50,456	78,95,743	48,70,077	53,192	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	125.00	100	10.00	10.00	10.00		12	Y.
30,00,000	22,01,492	95,52,334	63,37,085	245	W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	222.00	100	7.50	10.00	10.00		12	Y.
45,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	126.25	100	8.00	10.00		12.50F	3	Y.
40,00,000	45,54,554	48,59,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	145.00	100	10.00	12.00*	12.00*		12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.			Sassoon & Alliance Silk Mill	7.24	10	0.50	0.50	0.25(e)		12	Y.
87,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	30.50	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,061	1,12,05,760	61,47,202	69,070	Marwar Textiles (Agency) Ltd.	50,070	1,040	Shree Niwas Cotton Mills	143.00	100	14.00	12.00	12.00		12	Y.
45,00,000	33,02,179	98,78,309	78,85,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	160.50	50	11.00	10.00	12.00		12	Y.
87,80,000	2,50,82,705	2,77,88,979	1,62,08,915	2,93,059	Mafatlal Gagalbhai & Sons			Standard Mills	404.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,08,485	2,51,02,081	1,23,02,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Swadeshi Mills	171.50	100	8.00	12.00	14.00*		12	Y.P.
50,00,000	65,13,465	1,37,20,469	92,02,715	1,01,175	James Finlay & Co., Ltd.	39,328	552	Swan Mills	124.50	100	20.00	25.00	25.00		12	Y.
65,37,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd.	65,448	1,800	Tata Mills	41.00	25	2.50	4.00	3.50*		12	Y.P.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93,935	M.	45,508	1,308	Western India Spg. & Mfg.	4,520.00	1,000	225.00	300.00	300.00	225.00*	3	Y.P.

AHMEDABAD

40,00,000	81,21,987	1,73,25,924	66,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	125.00	100	5.00	7.00	12.00	5.00	6	Y.P.
10,00,000	94,58,068	94,37,398	76,10,164	27,288	P. M. Huthesing & Co., Ltd.	42,768	912	Aruna Mills	552.50	100	20.00	30.00			12	Y.P.
40,00,000	2,97,88,861	1,95,82,179	97,29,203	15,274	Narotam Lalbhai & Co.	66,412	1,216	Arvind Mills	1,012.00	100	25.00	25.00*	35.00*		12	Y.P.
20,00,000	81,75,000	96,84,384	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,884	892	Arvindas Ginning & Mfg.	420.00	200	15.00	25.00*			12	Y.P.
18,00,000	1,43,05,808	95,70,783	63,81,739	17,257	Lalbhai Dalpatbhai & Co.	37,368	914	Asoka Mills	935.00	100	22.00	30.00	30.00		12	Y.P.
1,87,50,000	3,49,64,519	5,14,69,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,372	Calico	568.50	125	18.00	..	30.00	30.00	12	Y.P.
68,91,000	32,38,059	1,26,38,243	95,76,063	3,458	Tricumlal Bhoglial & Co., Ltd.	45,836	866	New Commercial Mills	437.00	1,000	70.00	80.00	100.00*	80.00	12	Y.P.
89,00,000	72,52,486	1,32,00,232	96,56,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	704.00	125	35.00	35.00	..		12	Y.
15,00,000	67,78,770	57,78,441	32,49,912	21,803	Jagabhai Bhoglial Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	347.50	100	30.00*	20.00	20.00		12	Y.P.
20,00,000	1,10,62,096	99,61,103	62,28,055	1,77,073	Lalbhai Dalpatbhai & Co.	32,828	636	Raipur Mfg.	815.00	100	25.00	35.00*	35.00*		12	Y.P.
32,50,000	1,37,99,499	1,07,12,459	71,42,808	17,34,749	Lalbhai Gordhandas Ltd.	33,156	648	Saraspur Mills	148.75	100	9.00	*Nil*	30.00*		12	Y.P.
67,92,500	2,75,84,105	1,92,47,853	1,05,24,569	2,68,336	Harivallabhdas Kalidas & Co.	94,128	1,733	Shri Ambica Mills	596.50	50	20.00	27.00*	30.00*		12	Y.P.
19,52,500	62,31,263	78,06,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad) Ltd.	36,648	720	Shorrock Spg. & Mfg.	462.50	100	25.00*	25.00			12	Y.
85,00,000	87,34,105	1,19,54,140	83,17,270	59,446	Haridas Ashratlal & Co., Ltd.	36,176	780	Vijaya Mills	600.00	500	35.00*	35.00*	50.50*		12	Y.P.

WEST BENGAL

15,00,000	2,82,800	25,56,098	2,89,703	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	5.00	10	0.80	0.80	0.60		12	Y.P.
7,11,280 / 8,00,620	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,202	925	Bengal Luxmi Cotton Mill	32.00N	40	4.00	4.00	4.00	4.00	3	Y.I
24,00,000	1,50,000	1,06,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	110.00	100	*Nil*	*Nil*	*Nil*		12	Y.I
19,00,000	26,17,481	1,10,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd.	42,944	516	Dunbar Mills	150.00	100	6.00	6.00	6.00		12	Y.I
50,08,000		69,08,197	15,08,197	2,632	Birla Brothers Private Ltd.	4,852	206	Jay Shree Textiles Ltd.	6.31	10	*Nil*	*Nil*	0.37		12	Y.I
1,60,00,000	2,29,45,320	3,76,19,833	1,81,26,833	1,88,672	Birla Brothers Private Ltd.	74,672	1,992	Kesoram Cotton Mills	10.12	10	0.87	0.87	1.00		3	Y.I
19,47,700 / 5,00,000	7,45,000	4 84,871	26 70,548	3,986	Hazaremull Heerala	23,036	795	Rampooria Cotton Mills	15.00N / 4.60N	10 / 1D	*Nil*	0.34	0.36		6	Y.

SOUTH INDIA AND OTHER CENTRES

1,98,500	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,66,681	1,85,99,923	92,71,662	93,435	C. S. Tyabjee, Esq.	42,136	716	Assam Jahi Mills	62.00	100	*Nil*	3.50(e)	5.00		9	Y.
1,31,50,000	2,50,15,567	3,20,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,068	1,157	Bangalore Woollen, Cotton and Silk Mills	172.00	100	30.00	30.00	30.00	4.00i	12	Y.I
25,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,068	Birla Cotton Spg.& Wvg., Delhi	81.00N	10	3.00	3.00	1.50	1.50	3	Y.I
1,75,47,800	2,77,78,212	6,69,41,315	3,97,01,813	2,22,220	Binny & Co. (Madras), Ltd.	1,20,286	2,762	Buckingham & Carnatic	157.00	100	10.00	10.00	10.00	4.00i	12	Y.P.
20,00,000	20,00,000	42,38,535	23,99,012	58,584	Peirce, Leslie & Co., Ltd.	37,586	4	Cambodia Mills	10.20	10	*Nil*	0.50	0.50		12	Y.I
15,00,000	5,11,500	53,32,411	27,36,037	1,92,792	K. Damodaran, Esq.	20,000	..	Cannanore Spg. & Wvg.	158.00	100	20.00	12.00	15.00		12	Y.I
30,00,000	32,35,503	70,25,496	46,32,015	45,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.32	5	0.80	*Nil*	0.25	0.25	3	Y.
9,00,000	9,37,470	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	11.87	10	*Nil*	0.62	0.75	0.90	3	Y.I
35,00,000	19,01,056	41,97,634	20,65,709	10,889	R. Bheema Naidu & Co.	28,864	..	Coimbatore Cotton Mills	170.00	100	25.00	25.00	25.00		12	Y.I
18,15,000	7,25,195	39,16,552	24,29,633	....	T. A. R. Chettiar Sons & Co.	22,810	..	Coimbatore Murugan Mills	141.00	100	17.50	20.00	12.00		12	Y.I
20,00,000	29,00,000	86,50,455	54,25,921	14,823	T. R. M. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills	22.00	100	20.00	20.00			12	Y.I
20,76,900	2,05,076	1,24,06,676	56,06,979	10,415	R. G. S. Naidu & Co.	72,332	407	Coimbatore Spg. & Wvg.	68.50	50	6.00	8.00	10.00		6	Y.I
46,87,500	46,12,622	2,50,83,371	1,62,61,854	13,215	Tata Industries Private Ltd.	67,228	1,620	Central India	86.00	100	2.00	3.00	*Nil*		12	Y.I
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Ramachandappa & Son	25,218	..	Davangere Cotton Mills	116.00	100	12.00	9.00	9.00	9.00	3	
3,35,00,225	3,10,24,830	11,79,09,463	6,78,07,195	2,77,593	B. B. Chunat Ram & Co. Private Ltd.	1,41,180	2,852	Delhi Cloth & General Mills	29.50	25 / 2½	2.25	2.25	2.50	2.00	6	Y.P.
1,00,563	48,69,600	22,25,000	66,71,565	46,12,585	M. N. Chettiar & Sons	46,357	201	Dhannalkhmi Mills	205.00	0.23 / 100	0.62	0.75	0.75	0.25	3	Y.
68,00,000	48,81,000	87,59,771	1,06,45,241	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,196	Elgin Mills	13.19	100	30.00	30.00	25.00		12	Y.
2,50,00,000	2,25,000	4,52,38,795	1,32,00,000	72,17,274	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	162.00	100	1.00	1.00	1.25		9	Y.I
50,00,000	21,27,574	1,42,10,139	1,16,80,184	6,716	Birla Gwalior Private Ltd.	51,180	1,420	Gwalior Rayon	13.50	100	13.00	16.00	13.00		12	Y.P.
5,00,000	10,65,583	31,40,455	19,97,477	....	K. L. Saksaria, Esq. (Chairman)	22,734	..	Indore Malwa United	80.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
15,54,000	18,24,703	45,22,234	33,88,095	7,012	G. V. Naidu & Co., Ltd.			Janardhana Mills		50	6.00	9.00	11.00		12	Y.
					Mr. Bhatnuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00		6	Y.
4,63,65,800	3,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	60.00	10	4.00§	4.00§	0.85	0.85	3	Y.
42,00,000	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	10.60	10	0.50	1.00	1.00	1.00	6	Y.I
22,00,000	67,91,510	1,69,61,585	1,26,19,465	20,376	M.	50,455	1,219	Lakshmi Cotton Mfg.	437.50	250	33.75	42.50	42.50	7.50i	12	Y.I
71,28,900	5,67,383	23,08,152	15,76,709	213	G. K. Naidu & Co.	23,160	201	Lakshmi Mills	113.00	50	10.00	12.50	12.50	10.00	3	
35,64 100	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Harvey Ltd.			Madura Mills	55.00	50	5.00	6.25	6.25	5.00	3	
1,75,02,488	4,24,40,278	5,83,51,924	3,77,47,982	33,44,180	A. & F. Harvey Ltd.	4,55,000	..	Malabar Spg. & Wvg.	35.25cd	15	3.00	3.00	2.62		12	Y.
12,00,000	5,67,383	23,08,152	15,76,709	213	V. K. Ramaswami (Chairman)	23,592	100	Mettur Industries Ltd.	99.00	200	*Nil*	*Nil*	2.00		12	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Minerva Mills	394.00	100	22.50*	35.00	42.50	20.00	3	Y.
29,80,884	19,56,081	92,42,488	53,37,725	19,662	N. Sirur & Co. Private Ltd.	39,896	704	Model Mills (Nagpur)	71.30	100	5.00(e)	*Nil*	*Nil*		12	Y.
94,91,850	21,56,146	1,71,94,769	79,31,552	15,008	M.	52,408	952	Model Spg. & Mfg.	177.50	250	5.00(e)	7.50(e)	7.50		6	Y.
24,38,500	48,55,478	1,13,48,711	71,02,473	35,037	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	99.50	50	8.00*	6.00(e)	9.00*	9.00*	3	Y.
13,61,780		29,12,641	17,83,314	2,966	K. Tipperudriah (Chairman)	6,000	..	Mysore Spun Silk Mills	9.50N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
87,20,400	47,50,246	1,71,25,376	67,91,863	2,593	M.	37,788	902	Osmanabahi Mills	52.00	100	*Nil*	2.00(e)	3.00(e)	*Nil*	3	Y.
4,00,000A / 6,00,000B	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	135.00 / 197.50	50A / 75B	12.00	12.00	15.00		12	Y.I
15,00,000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980	..	Pankaja Mills Ltd.	45.50	100	15.00	4.00(e)	*Nil*		12	Y.
16,81,200A / 5,40,000B	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	55,664	300	Radhakrishna Mills	244.00 / 120.00	100A / 50B	16.00	20.00	20.00		12	Y.
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	33,896	..	Rajalakshmi Mills	79.50	50	8.00	10.00	10.00		12	Y.
16,14,300	12,00,000	32,92,216	17,41,484	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	135.00	100	10.00	10.00	7.50		12	Y.
22,31 750	12,40,000	49,64,423	21,50,815	32,012	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills	112.00	100	9.00	10.00	10.00		12	Y.
15,00,000 / 10,000	1,60,55,917	3,13,49,081	2,05,07,227	—1,65,20,798	Morarka & Co.	95,232	2,222	Sholapoor Spg. & Wvg.	10.00 / 640.00	1,000 / 500	*Nil*	*Nil*	*Nil*		3	Y.
26,59,700	20,26,286	99,26,666	70,67,094	19,543	H. N. Pallegar, Esq.	30,744	292	Sri Krishnarajendra Mills	83.00	50	4.50	5.00	7.00	7.00	3	Y.
15,00,000	3,43,80,156	99,82,153	79,53,780	30,60,553	Birla Brothers Private Ltd.	36,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	6.00	6.00		3	Y.
17,50,0000 / 7,50,000PO	2,36,28,081	5,18,52,120	1,81,83,924	8,35,712	Jalpuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur)	11.50 / 10.31	100 / 10P.O.	0.75	0.75	0.75		12	
1,00,08,206	50,06,584	3,85,56,288	1,62,42,715	2,03,690	Emcete & Sons (Travancore), Ltd.			Travancore Rayons	12.00	10	0.62	0.75	1.00		12	Y.
13,98,670	9,50,000	17,49,881	12,41,858	62,837	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	12.35	10	0.80	0.80	1.12		12	Y.
21,00,000	35,50,000	80,72,634	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	278.00	100	15.00	20.00	20.00		12	Y.
32,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,355	Vishnu Cotton	95.00	100	4.00	8.00	8.00		12	Y.

Includes bonus. M=Managed by Board of Directors. X.R.=Ex-Right. (e) Paid out of Reserves. F=For fifteen months ended 31st March, 19
The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z=Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 19
Made up of 4,354 shares of Rs. 40 each—Rs. 20 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
89,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.90	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	7.50	5	0.50	0.56	0.56		3	Y.
£549,950	£1,149,466	£1,757,928	£841,807	£59,449	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	29.12	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
3,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	169.50	75	15.00	15.00	15.00	15 00	3	Y.

CEMENT

72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.25	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6000	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	4.31 / 0.93	O. 10 / D. 1	*Nil*	*Nil*			3	Y.P.T.
14,70,976D. / 12,71,80,070	9,62,91,082	30,81,74,705	11,29,17,763	2,58,321	Cement Agencies (Private) Ltd.	Associated Cement Companies	152.50	100	8.50	10.00	10.00	9.00	7	Y.T.
4,07,44,575	5,95,855	3,03,84,705	1,76,78,100	7,48,254										
1,86,00,000D. / 5,00,000D.	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.20 / 2.87	O. 10 / D. 1	1.00 / 0.10	1.25 / 0.12	1.25 / 0.12		12	Y.P.
1,02,09,450D. / 7,50,000D.	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27.50 / 5.25	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06 / 0.41	2.06 / 0.41	3	Y.P.
1,00,00,000	31,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12.75	10	0.75	1.25	1.25		12	Y.P.
1,09,67,600	48,70,330	3,18,39,387	1,02,54,174	3,37,111	Shree Laxmi Agents Private Ltd.	Shree Digvijay Cement	137.00	100	8.50	8.50	9.00		12	Y.P.
75,00,000	17,70,000	2,09,86,177	1,50,04,018	4,287	M.	Sone Valley Portland Cement	6.06	5	0.37	0.25	0.30	0.15	12	Y.
50,00,000	..	1,04,40,357	43,91,959	7,08,101	Essel (Private) Ltd.	Travancore Cements Ltd.	7.75

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
						PAPER								
45,99,980	35,91,841	2,13,38,498	1,56,73,314	4,805	M.	Bengal Paper Mills	58.00	25	3.12	4.69	3.00		12	Y.P.
85,00,000	65,91,258	1,24,92,178	83,76,667	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp ‡‡	19.31	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y
25,00,000	25,12,500	1,45,27,080	47,892	T. Shamanna, Esq. (Chairman)		Mysore Paper Mills	15.50	10	0.75*	0.75*	1.00*	1.00*	3	Y
1,46,32,500	2,46,75,045	6,04,16,697	1,37,35,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	25.20	10	0.94	1.12	0.62	1.50	3.12	Y.P
1,25,49,970	67,75,593	1,56,40,202	1,09,79,701	2,18,038	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills ..	13.44	10	1.50	1.25	1.25		6,12	H.P
40,00,000	6,50,000	95,83,844	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	{ 11.00	O. 10	0.75	1.25	1.05		} 8,9	H.P
20,00,000A.							{ 11.00	A. 10	0.75	1.25	1.05			
2,16,58,240	49,18,060	3,75,69,264	57,92,379	17,312	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	8.36	10	Nil	5.00‡	0.50		6	Y.
56,00,000A.							{ 32.44	A. 10	1.50	2.00*	1.12*	2.37*	} 3	Y.
56,94,500B.	3,70,50,474	6,78,46,867	3,51,66,928	92,823	F. W. Heilgers & Co. Private Ltd.	Titaghur Paper Mills Co., Ltd.	32.44	B. 10	1.50	2.00*	1.12*	2.37*		
4,87,950P. O.							3.81	P.O. 2½	0.25	0.25	0.12	0.25		
						PRESSING								
8,00,000	3,26,872	13,981	13,858	28,272	Andrew Yule & Co., Ltd.	Calcutta Hydraulic	65.00N	100	4.00	Nil	Nil	3.00	6	Y
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co., Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y
						PROPERTY AND LAND								
16,60,780D.	7,36,843	43,74,650	22,35,280	96,047	M/s	Mumayun Properties	{ 10.25N	O. 10	0.60	0.60	0.60		} 9	Y.
2,00,000D.							2.15N	D. 1	Nil	Nil				
94,00,000	35,22,469	7,38,863	82,846	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	17.25	100	4.00	3.00	Nil	Nil	4	Y.
						SAW MILLS AND TIMBER								
13,99,998	22,83,439	32,33,742	11,96,021	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.62	3	Nil	Nil	Nil		9	Y
50,00,000	4,13,54,358	3,98,84,871	1,71,93,141	39,543	Wallace & Co.	Bombay-Burmah Trading Corps.	{ 535.00	Old125	20.00	37.50	40.00	18.75‡	} 8	Y
45,00,000							202.50	New50	8.00	15.00	15.75	7.50‡		
30,00,000	29,40,980	19,48,737	15,95,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products.. ..	42.75	10	2.75	3.00	3.00		6	Y
						SUGAR (U.P. and Bihar)								
14,00,800	12,32,302	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Bairampur Sugar	5.75	5	0.75	0.06	Nil		6	Y
12,00,000A.	29,80,280	85,40,831	26,32,425	13,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	{ 158.00N	A. 100	10.00	10.00	10.00		} 4	Y.
2,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,25,000	33,76,107	25,81,569	79,488	Bangur Bros., Ltd.	Belamd Sugar	10.05	7½	0.75	0.75	1.00		6	Y
15,00,000	13,01,313	18,12,168	13,47,841	2,256	Cotton Agents Private Ltd. ..	Bharat Sugar	13.50N	10	1.50	1.50	1.50		6	Y.
22,00,000	27,44,450	1,40,84,581	95,71,755	20,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6.56	10	0.75	0.25	1.00		6	Y.P
30,00,000	65,63,722	1,63,27,898	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12.06	10	0.75	0.75	0.75		10	Y.I
15,00,000	29,72,850	81,58,085	55,46,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.50	10	1.00	1.50	1.00		6	Y
8,58,252	2,59,762	25,14,152	16,98,258	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	0.75	0.50	0.50		6	Y.I
20,00,000A.	44,05,000	1,02,71,008	47,56,074	33,128	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	{ 275.00	A. 100	15.00*	15.00*	15.00		} 6	Y.I
10,00,000C.							100.00	O. 100	15.00*	15.00*	15.00			
12,00,000	8,61,001	75,81,309	42,63,455	27,926	Kilachand Devchand & Co.	Kesar Sugar	55.50	40	Nil	2.25	4.00		7	Y.I
7,89,100	22,35,852	44,42,878	22,31,722	3,780	Cotton Agents Private Ltd. ..	New India Sugar Mills	23.50	10	2.50	2.50	2.50		6	Y
11,00,000	4,45,000	46,39,038	27,41,292	10,705	K. C. Thapar & Bros Private Ltd.	New Savan	4.50	10	0.25	0.25	0.37		6	Y
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	200.00N	100	20.00	20.00	20.00	20.00	} 6	Y.
38,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	136.25	100	11.00	11.00	11.00	12.50	7	Y.I
12,00,000	12,09,374	31,95,494	31,49,459	24,552	Narang Bros. & Co. Private Ltd.	Punjab Sugar	80.00N	100	10.00	6.00			10	Y
9,00,000	19,64,617	43,99,385	31,54,225	20,705	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.I
8,00,000	6,10,798	28,74,028	22,66,790	13,204	M.	Ryam Sugar	21.28N	10	0.50	Nil	Nil		6	Y.I
11,99,000	19,38,530	43,39,102	24,12,129	3,584	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	11.25	10	0.50	Nil	1.75		6	Y
39,70,825	23,68,580	1,40,84,561	68,35,007	16,881	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	8.87	10	1.00	1.75	1.00		6	Y.P.
9,99,950	26,825	26,20,774	13,51,547	—4,25,477	R. K. Ghosh, Esq., and B. N. Datta, Esq. (Managing Directors)	Sitalpora Sugar	4.75	10	Nil	Nil	Nil		6	Y.
15,89,962	18,10,901	38,44,287	18,97,008	58,761	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		6	Y.
9,16,000O.	46,462	20,66,360	11,46,770	—16,37,997	M.	South Bihar Sugar	1.15N	O. 10	Nil	Nil			6	Y.I
4,60,000D.							0.31N	D. 2½	Nil	Nil			} 10	Y.P.
8,00,000	29,84,848	1,16,70,815	68,03,754	32,829	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00		6	Y.I
16,00,000	7,56,589	83,17,959	27,09,205	32,042	M.	United Provinces Sugar	12.87	10	1.25	1.50	0.50		6	Y.
						Other Centres								
60,00,000	9,00,000	45,07,894	14,65,226	1,90,687	Rangarao & Co.	Andhra Sugars Ltd.	17.75	10	Nil	0.60	1.00		9	Y
70,49,650	1,18,48,203	1,95,47,792	1,05,77,187	3,00,268	W. H. Brady & Co., Ltd.	Belsund Sugar Company ..	257.00	50	16.00	16.00	16.00	16.00	9	Y
17,50,000	8,86,885	35,05,593	22,70,609	32,609	A. H. Bhiwandiwalla & Co. ..	Bhopal Sugar Industries Ltd.	19.80	10	1.00	1.00	1.50		9	Y
15,00,000	27,96,165	32,89,814	5,24,208	32,844	A. H. Bhiwandiwalla & Co. ..	Shree Changdeo Sugar	28.75	12.5	1.00	1.00	2.00		9	Y
15,93,990	12,63,978	40,71,811	23,66,696	14,709	Sir J. P. Srivastava & Sons (M.D.) Ltd.	Gwalior Sugar	70.00N	100	Nil	Nil	6.00		9	Y.I
24,94,250	14,89,257	52,70,027	19,25,045	6,70,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	12.13	10	Nil	Nil	0.50		9	Y.I
20,62,558	12,18,785	49,34,178	11,11,505	32,569	B. S. Ind. Corpn. Private Ltd. ..	Jaypore Sugar	13.00	10	1.00	1.00	0.50		9	Y
29,57,520	45,51,080	43,51,227	21,95,827	18,645	Govan Bros. (Rampur) Private Ltd...	Buland Sugar	11.56	10	1.00	1.50	0.50		9	Y
10,52,500O.	79,50,000	1,79,09,447	85,20,255	26,868	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	130.00	O.100	7.50	7.50	7.50		10	Y
2,37,190D.							130.00	D.10	10.00	10.00	10.00			
21,79,280	66,24,818	1,39,89,142	82,21,728	2,63,107	S. Munianjappa, Esq. (Mg. Director)	Mysore Sugar	86.50	10	2.00	2.00	2.00	16.00	9	Y
80,00,000	53,00,540	1,09,70,931	53,85,454	99,981	Matalal Ayle and Kanhilal Ltd.	Pilibhit Sugar	150.75	50	6.00	6.00	6.00		6	Y.
10,59,250	41,20,000	98,54,384	31,76,680	1,25,789	Anderson Wright Ltd.	Ramnugger, Cane and Sugar ..	18.94	10	1.50	2.00	2.00		9	Y.P.
30,00,000O.	35,02,395	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	127.50	O. 50	2.50	5.00	12.00		9	Y.P.
4,00,000D.							7.00N	D. 10	Nil	0.07	0.70		} 9	Y.P.
10,80,000	47,65,324	40,85,218	22,94,594	44,168	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	16.56	10	0.75	1.50	1.00		10	Y
40,00,000	23,40,009	62,19,829	24,74,579	77,358	Parry Co., Ltd.	Travancore Sugars	9.75	10	Nil	0.75	1.00	1.00	7	Y
1,01,99,000	1,08,46,263	3,28,80,053	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	270.25	100	16.00	18.00	21.00		9	Y.I
						TRANSPORT								
20,00,000	1,06,69,652	1,24,09,186	16,29,251	1,10,020	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		10	Y.P
1,00,00,000	82,00,000	4,21,63,342	1,45,20,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,90,84,346	86,21,845	1,85,630	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	20.00	10	1.00	Nil	1.00	1.50	6	Y.I
4655,580	4997,739	45,665,834	42,428,088	—4106,393	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co...	55.50	410	5h. 10	5h. 10	Nil		12	Y.I
2,25,00,000	1,74,74,222	12,78,96,545	2,63,36,759	2,79,084	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.76	10	Nil	Nil	1.00	1.00	12	Y.I
9,40,19,673	10,85,51,342	27,66,48,271	5,78,99,512	5,84,102	M.	Scindia Steam Navigation Co. ..	17.40	20	0.50	0.50	1.00	1.25	6	Y.I
3,40,800O.	18,35,618	12,00,384	7,86,760	1,66,818	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	{ 1.81	O. 1	0.12	0.14	0.14		} 12	Y.
3,10,290P. O.							1.55	P.O. 1	0.11	0.12	0.12			
						UNCLASSIFIED (Bombay)								
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
13,98,892	2,04,178	3,22,474	90,000	1,99,851	M.	Bombay Vanaspati	47.00	80	4.00	Nil			12	Y.
35,00,000	1,00,000	38,16,548‡‡		88,589†	M.	Davkaran Nanji Investment Co.	11.13	25	0.75	0.75	0.81	0.81	3	Y
5,37,00,000	1,03,93,754	4,58,59,017	1,08,65,558	94,16,788	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	20.00	10			1.25		12	Y.P.
31,07,000	16,39,110	19,45,289	17,14,407	14,036	Birla Brothers Private Ltd. ..	Hind Lever	121.50	100	10.00	10.00		12.50‡	12	Y.P.
14,98,540	3,01,500	28,61,784	19,40,792	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	36.50	50	3.00	2.00	3.00		3	Y
99,99,250	20,12,980	1,32,60,082‡‡		2,28,875	Premchand Roychand & Sons ..	Industrial Investment Trust ..	77.00	100	4.50	4.50	5.00		12	Y
1,00,00,000	28,08,446	88,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	157.50	100	11.00	11.00	11.00	11.00	12	Y
2,20,25,325A.O.	63,14,658	3,42,78,324	1,60,00,078	6,31,792	Aeton Auto Private Ltd.	Premier Automobiles	86.70	100	Nil	Nil	6.00	6.00	6	Y
10,21,200	5,05,419	5,09,102	5,79,614	7,856	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.60	20	2.00	2.00	2.00		6	Y
2,75,00,000	1,85,45,829	3,14,84,161	1,59,08,376	5,02,238	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	170.00	100	11.00*	11.00*	11.00*	11.00*	12	Y
45,00,000	62,52,890	7,44,904	5,09,715	60,677	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	150	20.00	20.00	22.50		12	Y
						Other Centres								
87,50,000	1,99,56,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 9.75	O. 10	Nil	Nil	0.50	0.00	} 8	Y.P.
3,50,000							4.75N	D. 2½	Nil	Nil	Nil	Nil		
40,00,000	32,25,000	66,17,870	28,12,985	66,589	Seshasayee Bros. (Trav.) Prv. Ltd. ..	Aluminium Industries Ltd. ..	14.00	10	1.25	1.25*	Nil	Nil	3	
50,00,000	35,18,877	84,31,252	33,94,853	8,35,974	Turner Morrison & Co. Private Ltd...	Amalner Bros., Ltd.	17.62	10	1.25	2.00*	1.25	1.25	3	
30,00,000	15,70,000	30,82,721	21,20,441	1,72,872	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	16.25	10	1.25	2.00*	2.00*		6	
20,00,000	32,47,883	1,02,58,021	36,87,830	2,45,122	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India ..	5.25N	10	1.25*	1.25*	1.25*		12	
80,01,400	98,61,393	69,52,106	37,02,106	5,08,378	M.	Balmer Lawrie & Co., Ltd. ..	8.20	10	0.40	1.00	1.00		3	Y
12,00,000	19,56,000	33,20,386	25,71,886	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	148.00	100	13.00	12.50	15.00		6	
20,00,000	8,05,715	62,28,492‡‡		37,612	Lovelock & Lewis	Birds Investment Ltd.	18.00	10	2.50	2.25	2.50		12	
45,97,020	34,61,814	1,14,31,095	37,07,455	1,84,685	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	12.69	10	1.25	1.25	1.00		6	
3,25,00,000	1,88,05,971	3,06,99,577	2,38,50,121	1,23,281	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.60	5	0.06	0.06	0.10	1.00	3	
1,38,60,000	17,84,264	2,05,95,940‡‡		8,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.62	10	0.06	Nil	0.10		12	
1,60,00,000	3,40,86,174	5,55,01,695	2,48,71,167	18,24,595	John Lockham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	22.62	10	1.50	0.50	1.38	0.75	3	
91,28,000	54,19,811	1,72,17,976		5,27,910	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	108.00	100	9.00	9.00	9.00		12	
14,00,000	9,35,000	34,02,164	19,60,389	34,634	MacNeill & Barry Ltd...	Ganges Rope Co., Ltd.	133.00	100	12.00	18.00	4.00	12.50	3	
65,00,000	58,17,800	19,78,012	9,18,963	89,641	J. F. E. d'A. Willis, Esq.	Gillanders Arbuthnot & Co., Ltd.	11.50	10	0.75	1.25	1.50		3	
30,00,000	16,17,854	38,08,821	26,24,858	74,215	B. P. R. Syndicate	Great Eastern Hotel	240.00	250	6.25	6.25	6.25		3	
4,95,00,700	10,07,00,000	4,87,25,277	1,61,58,541	7,02,093	Birla Brothers Private Ltd.	Hindustan Motors	6.60	10	Nil	Nil	15.00	15.00	3	
2,01,10,000	56,56,548	4,80,45,268	1,96,84,142	7,97,410	E. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd. ..	12.62	10	Nil	Nil	Nil		3	
1,52,89,228	1,46,00,000	2,26,86,031	86,85,093	41,61,852	B. J. Woodley, Esq. (Mg. Director)..	Indian Cables	27.12	10	0.90	1.80	1.80		12	
8,27,776	5,00,000	16,74,906	9,50,896	62,752	G. E. Monkton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	16.00	10	1.00*	1.25*	1.50*	1.50*	3	
15,16,00,000	24,02,01,694	9,85,79,293	1,52,28,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.31	10	0.50	0.50	0.62		3	
2,00,00,000	76,27,615	39,02,397	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director)..	Jardine Henderson	54.00	100	0.60	0.80	0.80	0.70	3	
40,00,0080.	80,86,900	26,18,922	8,72,670	2,57,234	A. T. Dolg, Esq. (Mg. Director) ..	McLeod & Co.	{ 210.00	O.100	17.00	22.50	7.50	2.50	} 3	
5,00,0003P.								D.O.10	1.20	1.75				
1,43,96,500	81,82,796	24,06,208	13,24,790	2,70,207	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	25.25	10	1.25	1.81*	2.12*		12	
1,15,00,000	1,17,00,151	2,62,36,089	89,09,798	16,83,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	25.87xd	10	1.50	1.50	1.50		3	
6,25,585	1,821	7,68,560	2,60,987	—1,52,548	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3.75N	10	Nil	Nil	1.62	1.75	3	
6,56,250	6,92,500	11,39,880	6,97,382	8,349	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15.25	10	Nil	Nil	Nil	Nil	3	
10,00,000	3,70,000	16,47,590	10,18,129	43,554	M. Mallesbaiyya, Esq. (Chairman)	Mysore Tobacco	13.50	10	1.00	0.75	0.90	1.25	3	
3,00,00,000	78,15,505	1,50,98,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	24.56	10	1.22	1.00	1.50	1.50	3	
40,00,000	74,71,172	69,60,914	41,52,051	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	28.87	10	1.00	1.50*	2.00*	0.40	12	
40,00,000	16,00,000	93,19,395	21,17,403	75,726	Do.	National Rolling & Steel Repos	9.56	10	0.50	0.50	0.50		6	
70,97,000	38,12,466	1,20,51,899	61,75,108	9,02,640	B. N. Elias & Co. Private Ltd. ..	National Tobacco Co.	9.37	10	0.50	0.50	0.50		6	
2,25,00,000	5,71,245	1,45,25,415	44,22,274	—44,12,985	M. A. Apcar, Esq.	Ralli's (India) Ltd.	28.50	100	Nil	Nil	Nil		12	
2,25,00,000	1,97,70,309	10,60,39,211	2,06,23,766	49,402	Sahu Jain Ltd.	Rohtas Industries	18.06	10	1.50	1.50	1.50		12	
4,73,200	81,886	31,11,667	6,29,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd...	{ 100.00N	100	...	...	5.00	6.00	} 3	
5,13,400							50.00N	50	...	...	2.50			
40,00,000	37,96,555	1,21,67,804	72,09,327	6,32,212	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17.25	10	1.50	1.50	1.50	0.00	3	
75,00,000O.	37,19,908	37,03,035	7,05,723	2,64,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10.50	10	1.25	1.00	1.00		6	
9,36,880		14,51,989	4,53,782	—47,088	Ozale Bros. (Private) Ltd.	Travancore Ozale Glass	2.70	10	Nil	Nil	Nil	Nil	12	

M. Managed by Board of Directors. §§ Investments at cost. * Includes bonus. ‡ On old capital. † Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.
Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
							ASSAM								
4,45,708	9,69,919	15,95,482	5,76,658	....	McLeod & Co., Ltd.	325	Amlookie	25.00	10	72.00	19.00	5.00		12	Y.P.
2,75,500	5,71,500	11,19,537	3,89,763	2,29,122	M.	312	Ananda (Assam) Tea ..	24.00	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,259	12,23,233	3,34,393	49,869	Gillanders Arbuthnot & Co., Ltd...	440	Ananda Bag	28.75xd	10	8.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	18.00	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,90,911	5,38,732	53,593	Andrew Yule & Co., Ltd.	378	Basmatia	24.00	10	8.00	1.50	2.00		12	Y.
3,30,600	5,10,000	12,75,998	8,09,524	1,30,178	National Tea Corporation ..	370	Batoli	28.56	5	4.00	2.50	3.00		12	Y.
6,40,000	7,40,000	11,16,644	3,51,828	89,105	Gillanders Arbuthnot & Co., Ltd...	612	Betjan	24.12	10	10.00*	2.00	2.50		12	Y.
23,00,000	15,33,333	63,83,322	28,40,322	3,10,329	Williamson Magor & Co., Ltd.	3,967	Bishnauth	18.87	10	5.50	2.00	2.00		12	Y.
6,00,000	2,50,000	11,47,111	2,50,637	38,931	Octavius Steel & Co., Ltd...	485	Bokakhat	12.75	10	1.00	Nil			12	Y.
7,50,000	7,27,550	10,65,753	3,34,701	35,623	McLeod & Co., Ltd.	450	Borpah Jan Tea ..	16.00	10	3.50	2.00	1.50		12	Y.P.T.
35,00,000	15,33,395	81,87,373	29,98,381	5,44,800	M.	2,834	Brooke Bond	17.37	10	1.25	4.75	1.25	1.75	6	Y.P.
1,20,000	4,25,425	6,44,302	2,17,579	42,144	McLeod & Co., Ltd.	307	Dejoo Valley	50.00	10

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	3,92,505	34,197	15,099	Planting Agencies (Private) Ltd...	Baimadies Plantations	2.87	2	0 25	0 30	0 21	0.45	5	Y.P.
26,91,999	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4 25	3	0 75	0 45	0 75	0.52	2	Y.P.
18,00,000	18,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	28 00	10	2 50	1 80	2 50	4 00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,60,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	23 40	10	1 75	2 25	2 00	4 00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,061	6,831	M.	Cottanad Plantations	12 00	10	1 50	1 75*	1 50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd. ..	Bichland Produce	11 83	10	2 50	2 00	2 00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	18 25xd	10	2 00	2 75	2 00	2.00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15 00	10	2 25	2 25	3 25	2 25	3	Y.
27,00,000	28,79,387	80,92,726	9,49,414	1,48,076	A. V. Thomas & Co., Ltd. ..	Midland Rubber	15 10	10	1 75*	2 50	2 00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Netamvaly Rubber	14 80	10	1 50	1 50	1 50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	13 75	10	1 00	1 50	1 50		12	Y.P.T.
19,45,980	21,29,615	43,87,395	14,23,968	*Nil*	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates ..	5.06	2	0 61	0 40	0 21		10	Y.P.T.
13,50,000	8,60,000	45,07,576	3,95,093	12,289	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	14 20	10	1 75*	2 00	2 50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savannah Estate Ltd.	4 05	2	2 50	1 00	1 50		11	Y.
10,00,000	3,01,600	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6 65	10	0 75	0 00	0 00	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd. ..	Thamaraly Rubber	20 40	10	3 00	3 00	3 00		12	Y.P.
9,15,800	4,00,000	22,40,057	1,37,485	22,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1 27cd	1	0 10	0 12½	0 12½	0.05	9	Y.P.
6,00,000	32,566	7,71,251	1,36,210	2,287	Estate Thomas, Esq. (Mg. Director)	Travancore Rubber	13.50	10	2 00	3 00	2 00		12	Y.P.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6 05	10	1 50	1 25	0 75		12	Y.P.
20,00,000	....	29,32,388	7,04,419	66,387	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co. ..	25 65	25	5 00	4 00	3 00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Valkundam (Travancore) Rubber ..	27 50	10	2 25	2 50	3 50	2.00	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6 80	10	1 50	2 00	1 25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	No. of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Azarpara	7.05	10	0.62	0.62	0.25	0.25	3	Y.T.
60,00,000	10,25,000	53,46,050	37,72,102	2,45,707	McLeod & Co., Ltd.	446	Alexandra	105.00	100	7.50	10.00	0.00		6.12	H.P.T.
30,00,000	5,25,000	1,17,61,827	94,41,069	34,402	McLeod & Co., Ltd.	1,264	Alliance	80.50	100	12.00	6.00	*Nil*		6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,05,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	136.00	100	7.50	8.50	8.50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,995	55,34,728	—3,79,016	Bird & Co. Private Ltd. ..	810	Auckland	81.00	100	3.50	10.00	1.00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,65,094	65,302	Birla Brothers Private Ltd. ..	959	Bally	148.00	100	*Nil*	3.50	*Nil*		3.9	H.P.
£275,000	£474,867	£1,628,482	£9,28,169	....	Sir John H. Burder (Chairman) ..	1,889	Barnagore	76.00	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
25,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd. ..	829	Belvedere	72.00	100	10.00	7.50	*Nil*		12	Y.P.T.
45,00,000	38,45,000	57,03,172	31,28,574	2,65,100	Soorajmull Nagarmull	600	Bengal	11.50	10	1.12	1.12			6	Y.P.T.
91,26,000	2,17,48,383	3,34,10,402	1,45,32,651	4,87,393	Birla Brothers Private Ltd. ..	1,373	Birla	14.25	10	1.00	1.00	1.00		3	Y.P.
30,00,000	21,09,926	1,17,00,893	72,35,319	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	70.00	100	9.00	7.50	*Nil*		10	Y.P.
7,47,380	3,09,640	42,13,704	31,62,883	—3 31,479	Dayaram & Sons	602	Calcutta Jute Mfg. ..	7.00	10	0.75	*Nil*			6.12	H.P.
18,00,000	26,46,234	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	99.00	100	9.00	6.50	*Nil*		11	Y.P.
59,16,400	76,49,239	2,28,64,628	1,19,00,843	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	97.00	100	3.00	10.00	2.00	*Nil*	3	Y.
25,95,000	23,29,282	92,72,766	57,70,175	8,665	Andrew Yule & Co., Ltd. ..	530	Cheviot	104.00	100	14.00	10.00	2.00		11	Y.P.
30,15,000	32,00,000	66,68,762	48,43,666	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	11.94	10	1.12	1.37	0.621		6.12	H.P.T.
24,00,000	9,00,000	81,05,335	67,13,337	25,935	Shree Krishna Investment Co., Ltd	960	Clive	13.75	10	*Nil*	1.25z	0.50		3	Y.P.
31,49,200	44,50,392	1,35,92,698	51,19,167	—8,76,531	Bird & Co. Private Ltd.	766	Dalhousie	55.50	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
20,00,000	2,21,575	33,17,575	5,71,179	1,962	Bird & Co. Private Ltd.	779	Delta	89.00	100	12.00	10.00	5.00		11	Y.P.
5,00,000	18,90,893	47,65,511	37,70,923	1,38,336	Andrew Yule & Co., Ltd. ..	500	Empire	14.25	10	1.25	1.25	0.50		6.12	H.T.P.
21,00,000	62,40,686	2,41,68,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	284.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.53	10	20.00	20.00	0.75K	1.50	3	Y.P.T.
84,32,100	....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	49.00	100	0.50	2.50	*Nil*		3.9	H.P.
10,80,000	28,66,943	76,09,097	50,72,167	11,510	M.	607	Gondalpara	560.00	800	*Nil*	*Nil*	50.00		12	Y.T.
24,00,000	24,50,000	2,22,46,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,394	Gourepore	212.50	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	60,68,233	1,28,36,137	58,68,639	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	5.00		3	Y.P.
18,80,000	18,61,999	66,47,731	47,79,916	—2,95,253	Balpatti Jalaria	720	Hoogly	10.00	10	0.50	1.25	*Nil*		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.75	10	1.25	0.87	0.25	*Nil*	3	Y.P.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	16.75	7.50	2.00	2.00	2.00	1.50	3	H.P.T.
87,00,000 / 30,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	96.00	O. 125	3.12	4.69	4.69		3	Y.
24,00,000	20,90,135	1,92,31,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd.	1,707	Kamarhatty	70.00	100	8.00	2.50	*Nil*		6.12	H.P.T.
19,20,000 ‡								71.00	'B' 100	8.00	2.50	*Nil*			
30,00,000								44.00	100	6.50	1.00	*Nil*		6.12	H.P.T.
24,00,000 /	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanarrah	41.00	'B' 100	6.50	1.00	*Nil*			
21,00,000	53,00,000	1,35,18,975	86,26,121	91,338	McLeod & Co., Ltd.	703	Kelvin	198.00	100	20.00	17.50	5.00		6.12	H.P.
54,00,000	28,33,375	1,96,60,992	1,22,05,770	27,027	Anderson Wright Ltd.	1,530	Khardah	110.00	100	12.50	11.00	5.00	8.00	3	Y.P.
48,00,000	31,53,808	2,36,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	115.00	100	7.00	18.00	6.00	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	58,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	65.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	45,53,643	1,41,59,949	65,14,075	—7,73,866	Bird & Co. Private Ltd.	840	Lawrence	60.00	100	6.00	6.00	*Nil*	*Nil*	3	Y.P.T.
31,65,200	26,36,645	2,64,13,349	1,26,97,809	1,64,942	M.	1,283	Megna	81.50	100	2.50	9.75	3.75		3.9	H.
29,98,000	34,62,195	1,65,70,565	86,70,690	—13,08,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	65.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
20,00,000	15,55,000	29,01,563	18,21,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	12.00	10	1.12	1.25			4.10	H.T.
35,00,000	41,29,326	31,71,346	10,60,470	17,339	Andrew Yule & Co., Ltd. ..	852	National	24.10	10	2.00	1.75	0.75		10	Y.P.
26,25,000	27,00,000	28,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute	11.25	10	0.75	1.00	0.50		6.12	H.P.
55,50,000	2,86,31,171	4,68,82,343	1,06,48,534	3,85,601	Sahu Jain Ltd.	1,765	New Central*	13.37	10	17.00	1.50	1.50		12	Y.P.
16,79,880	46,58,885	1,28,54,129	56,58,490	9,227	Peirce, Leslie & Co., Ltd. ..	567	Northbrook	16.44	10	2.25	1.50	1.50	*Nil*	3	Y.P.
66,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	29.00	50	0.50	1.00	*Nil*	*Nil*	3	Y.P.
24,91,000	23,76,049	76,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	81.00	100	10.00	9.00	2.00		11	Y.
25,00,000	6,28,400	60,94,937	45,52,166	51,593	McLeod & Co., Ltd.	400	Presidency	8.37	5	0.31				6.12	H.T.
20,00,000	10,325	27,95,784	8,39,130	—8,81,589	Birla Brothers Private Ltd. ..	305	Rameshwara	8.69	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
49,50,000	4,80,552	1,24,75,806	64,70,616	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	5.69	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
£660,000	£1,093,713	£1,245,244	....	£58,994	Thomas Duff & Co. (India) Ltd...	2,013	Samnuggur	8.75	£1	10%	8%21			12	Y.P.
30,00,000	13,14,910	1,15,59,877	79,96,145	7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica	9.95	10	1.00	0.50			12	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Soorah	13.00	10	1.00	1.50			3.9	Y.P.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,083	Bird & Co. Private Ltd.	650	Standard	49.75	100	2.00	1.00	*Nil*		12	Y.P.
£600,000	£925,119	£1,157,660	....	£88,548	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	8.75	£1	10%	8%21	*Nil*	*Nil*	3	Y.P.
35,98,600	68,80,143	2,01,42,357	89,47,895	—18,51,940	Bird & Co. Private Ltd.	1,326	Union	106.00	100	6.00	10.00	1.00	*Nil*	12	Y.P.
£400,000	£688,035	£1,124,319	....	£80,501	Thomas Duff & Co. (India) Ltd. ..	1,331	Victoria	8.75	£1	10%	8%21			3	Y.P.
2,50,000	6,35,000	56,01,062	40,75,991	11,327	McLeod & Co., Ltd.	457	Waverley	2.87	1	0.50	0.37	*Nil*		12	Y.P.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.25	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	9.94	10	1.46	1.46	1.10	0.87	3.9	Y.
4,49,350	1,05,000	9,25,911	5,54,876	90,740	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.87N	10	0.25	0.62	0.62‡		6.12	H.
1,00,00,000	1,60,28,735	6,10,72,849	4,19,72,935	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	248.00	100	30.00e	35.00eP	17.50	7.50	6.12	Y.P.
2,25,000	4,13,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	Bhalgora	6.25	10	*Nil*	*Nil*			12	Y.P.
40,00,000	8,00,000	1,39,06,662	71,05,188	27,433	Sahu Jain Ltd.	Bharat Collieries	9.25	10	0.62	0.62			6	Y.P.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,536	M.	Bhulanbarasee	12.00N	10	*Nil*	*Nil*	*Nil*		6	Y.P.
7,50,000	24,16,419	45,67,883	27,10,603	19,553	F. W. Heilgers & Co. Private Ltd.	Borrea	17.62	10	2.00	2.00			12	Y.P.
90,92,480	69,04,448	4,25,18,901	1,95,92,458	92,893	Bird & Co. Private Ltd.	Burrakur	22.12	10	0.56	0.62	1.50		6.12	H.P.
49,97,750	....	46,30,014	12,80,014	8,401	Hindustan Investment Corpn. Ltd.	Central India	4.69	10	0.25	0.62	0.68		6.12	H.P.T.
3,00,000	13,30,590	49,11,827	33,03,469	69,009	M.	Central Kurkend	11.00N	10	0.25	0.25	0.50	0.50	3	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churia	2.00	4	0.12	0.50	0.50‡		12	Y.
15,00,000	....	54,02,810	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	*Nil*	0.06	0.06		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	20.00	£1	2.50	*Nil*	*Nil*		12	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	24.06	10	1.50	3.00	2.50	1.50	4	Y.
10,00,000	1,40,999	13,31,144	4,28,557	22,358	Bhatter's Agency Ltd.	Ghusick and Muslia	15.50N	10	0.50	1.50	1.50		12	Y.P.
12,00,000	1,17,609	42,84,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	30.75	50	*Nil*	2.25			3	Y.
5,00,000	7,25,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1.75	2.25	2.25	*Nil*	6	Y.P.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	19.00N	10	*Nil*	*Nil*	1.50		12	Y.
20,00,000	2,21,575	33,17,575	5,71,179	1,962	Bird & Co. Private Ltd.	Karampura Collieries ..	89.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
5,00,000	18,90,893	47,65,511	37,70,923	1,38,336	Andrew Yule & Co., Ltd.	Katras Jherriah	60.00	10	*Nil*	2.50	5.00	*Nil*	2	Y.P.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Beriwala & Co.	Khas Kajora	2.50N	10	*Nil*	4.50	6.50	6.50	7	Y.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd...	Kuardi	2.25N	10	*Nil*	*Nil*			6.12	H.T.
9,00,000	11,11,926	28,38,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd...	Lakurka	8.81N	10	0.25	0.12			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nazira	5.94	10	0.50	0.50			4	Y.
7,00,000	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Banadeopur ..	9.00N	10	1.25				12	Y.
17,76,230	19,51,753	1,24,25,515	91,72,491	53,595	Andrew Yule & Co., Ltd.	New Beerbhoom	14.75	10	1.12	1.00	0.75		5.6	Y.P.
5,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	10.81	10	*Nil*	*Nil*	*Nil*	0.50	10	Y.
1,15,000 / 1,57,500	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd...	North West	21.00	10	*Nil*	1.87	1.50		3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	18.00	7.50	*Nil*	1.03	1.15		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	18.00	10	1.00	1.00	0.75		12	Y.P.
8,84,000	10,050	19,86,766	8,69,957	61,987	Deepchand Kishenlal	Parasea	8.00N	10	0.50	0.25			12	Y.P.
15,75,000	16,30,000	55,17,410	39,02,410	46,883	Shaw Wallace & Co., Ltd. ..	Pench Valley	12.50	10	0.75	1.00			12	Y.P.
23,90,500	20,17,105	1,24,35,588	87,36,164	23,188	B. N. Elias & Co. Private Ltd. ..	Ranegunge	17.25	10	1.62	1.50	0.70	2.00	6.12	Y.
13,50,000	10,45,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	3.12	10	0.50	0.62	0.37		3	Y.
20,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	Samla Collieries	14.50	10	1.37	1.37	0.75‡		3.9	H.
2,50,000	1,95,802	13,78,480	12,23,287	21,070	M.	Searsole	10.50N	10	0.75	1.00	1.25		6.12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	4.00N	2.50	0.62	0.75			12	Y.
8,00,000	5,09,216	52,491	28,367	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	23.25	7	2.00	2.50	2.25		1	Y.P.
68,21,450	94,58,536	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Govern-ment of Andhra Pradesh)	Singareni	8.00N	10	0.12	0.25	0.25		12	Y.P. H.T.
17,50,000	10,89,693	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	11.15	10	0.70	0.75	1.00		12	Y.T.
8,00,000	14,01,053	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	10.00	10	0.12	0.12	0.25		2.6	H.
10,00,000	....	31,92,994	15,43,502	—5,62,907	Talcher	Talcher	15.00	10	1.50	1.50	1.00		12	Y.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Union	1.70	2.50	*Nil*	*Nil*	*Nil*		9	Y.
40,96,000	66,784	65,72,306	24,15,308	11,543	Hindustan Investment Corpn., Ltd.	Western Bengal	13.75	10	0.75	*Nil*	*Nil*		12	Y.
7,60,000	....	57,45,660	25,79,008	—3,20,068	Macneill & Barry Ltd.	West Jamuria	5.50	10	0.37	0.50	0.50	0.50	3	Y.
							5.81	10	*Nil*	*Nil*	*Nil*		12	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (z) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Tori William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 163*)

offset Russian exports, on the one hand, and persistent decline in U.S. consumption, on the other. Secondly, the resources of the buffer stock were dwindling greatly as a result of the heavy purchases made in recent months—about 11,000 tons in the second half of 1957 alone—and, unless they were supplemented by more funds, it was thought that further large purchases of tin would not be possible. The creation of a special fund and further cutback in export quotas have imparted much strength to the world tin market and it is expected that prices will register a notable improvement over the floor level in the coming months. A section of opinion even apprehends a sizable deficit in supply in place of the current surplus. On the basis of the quotas now fixed for the six major producers and assuming that exports from Russia will be at an annual rate of 12,000 tons, the aggregate quantity of tin that will be available from all sources during 1958 is estimated at 120,000 tons, as compared with the 160,000 tons believed to have been consumed in 1957.

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000 / 14,40,000 / 1,01,000	1,08,00,000	12,42,652	Allahabad Bank	{259.00 / 180.00 / 111.75	100 / 50 / 100	18.00‡ / 9.00‡ / 7.50	18.00 / 9.00 / 5.50	18.00 / 9.00 / 8.00	9.00‡ / 4.50‡ / 4.00‡	12.	Y.P.
40,38,540	16,68,000	2,93,939	Andhra Bank	97.00	85	3.75	4.54	5.59	3.40‡	6,12	H.
1,00,00,000	1,22,00,000	4,75,752	Bank of Baroda	105.00	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	18.00	25	0.75	0.87	1.12	..	12	Y.
2,50,00,000 / 50,00,000 'A'	3,10,00,000	15,54,924	Bank of India	{186.00 / 186.00	50 / 50'A'	7.00	8.00	8.00	3.00‡ / 3.00‡	6,12	R.L.Y.
15,30,375	28,00,000	67,486	Bank of Indore	63.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	37.50	50	2.00	2.00	2.50	..	12	Y.
50,00,000	84,00,000	5,91,911	Bank of Mysore	250.00	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
15,00,000	22,00,000	88,502	Canara Bank Ltd.	85.00	50	4.50	5.00	5.00	..	12	P.Y.
7,50,000	3,992	13,75,000	Canara Banking Corporation Ltd.	80.00	50	5.00	5.50‡	5.00‡	..	12	Y.P.
5,72,220 'A' / 23,787 'C'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	{176.50 / 1.56	100 'A' / 1 'C'	12.50 / 12½%	12.50 / 12½%	15.00 / 15%	..	12	Y.
2,62,11,375	4,02,77,123	18,23,048	Central Bank of India Ltd. ..	{52.50 / 55.50	25 / 25	3.00	3.00	3.50	1.50‡ / 1.50‡	12	R.L.Y.
50,00,000	24,50,000	2,13,141	Devkaran Nanjee Banking Co. ..	47.00	50	2.00	2.50	3.00	1.50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	26.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	39,75,000	1,61,946	Hind Bank	33.25	50	1.50	2.00	3.00	..	12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank ..	8.50	50	*Nil*	*Nil*	..	..	12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank ..	8.75	50	*Nil*	*Nil*	..	..	12	Y.
44,00,000 / 21,32,615	90,59,200	8,13,491	Indian Bank	{207.50cd / 179.00cd	100 / 80	12.00‡ / 7.20‡	12.00‡ / 7.75	18.00 / 9.75	6.50‡ / 5.20‡	6,12	R.L.H.
58,46,875	36,00,000	2,52,286	Indian Overseas Bank	149.00cd	100	6.00	7.50	10.00	..	12	Y.
10,00,000	10,25,000	22,884	Pandyan Bank Ltd.	37.50cd	25	1.56	1.87	1.87	..	12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	53.00	25	2.00	2.50	4.00	2.50‡	12	Y.
1,00,00,000	26,20,000	45,060	Travancore Bank	18.50cd	25	0.75	1.00	1.00	..	12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7.60	5	0.24	0.37	0.44	..	12	Y.
2,00,00,000	1,25,00,000	29,420	United Commercial Bank ..	61.50	50	2.50	2.75	3.50	..	12	H.
PRINCIPAL EXCHANGE BANKS						**Dividend (per cent.)**					
£3,500,000	£5,000,000	£409,308	Chartered Bank	£1-18-3	£1	15†	15†	15†	..	12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,089,578	Hongkong and Shanghai Banking Corporation	£44½	H.K.$125	5*	5*	5*	..	12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£2-6-3	£1	15†	12†	13†	..	12	Y.
£375,000 'A' / £375,000 'B' / £720,000 'C'	£3,800,000	£224,521	Mercantile Bank Ltd.	{£1-8-1½ / £1-8-1½	A £2½ / B £2½ / C £1	14† / 14† / 14†	14† / 14† / 14†	14† / 14† / 14†	..	12	Y.
£2,851,565	£3,104,687	£864,046	National Overseas and Grindlays Bank Ltd.	£1-0-0	sh. 12½	15†	15†	15†	..	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr=Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Garew & Co.	1938	92.00	1st June .. 1963
4,00,000	5½	1st March and 15th September..	Garew & Co. (2nd mortgage)	1941	95.00	15th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November ..	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November ..	Walchandnagar Industries (New).. ..	1944	91.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October ..	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December ..	Burrakur Coal Co.	1947	97.00	30th June .. 1966 (e)
50,00,000	5½	15th June and 15th December..	Equitable Coal Co.	1953	97.00	14th December .. 1969 (e)‡
COTTON						
2,50,000	5½	30th June and 31st December ..	Basanti Cotton Mills Ltd.	1942	85.00	30th April.. .. 1964
4,00,000	6	10th May and 10th November ..	Bengal-Nagpur	1937	89.00	15th November .. 1964 (b)
78,00,000	5	1st April and 1st October ..	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October ..	Gokak Mills	1957	100.25	1st April .. 1967-72
18,71,000	5½	30th June and 31st December ..	Jaywant Textiles	1949	90.00N	1st January .. 1956-59
99,90,000	5	1st June	Tata Mills	1951	92.50	15th November .. 1967
ELECTRICS						
10,00,000	4½	31st March and 30th September..	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (e)
1,25,00,000	4½	15th June and 15th December ..	Ahmedabad Electric Co., Ltd.		97.25	14th June .. 1960
98,28,000	4	1st April and 1st October ..	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1969
12,00,000	4½	30th June and 31st December ..	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (e)
£4,048,914	5	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1950	97.00	1st January .. 1970 (e)
25,00,000	4	30th June and 31st December ..	Goenpore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
13,80,000	5	1st January and 1st July ..	Sijua (Jherriah) Electric Supply Co., Ltd..	1951	91.00	30th June .. 1976 (e)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply	1940	93.50	30th September .. 1958-68
47,73,000	5	1st April and 1st October ..	Tata Power	1940	99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October] ..	Tata Power	..	85.00	15th September .. 1966-70
ENGINEERING						
5,00,000	5½	30th June and 31st December ..	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December ..	Bridge and Roof (India), Ltd.	1928	99.00	30th June .. 1958
80,00,000	5½	15th September and 15th March .	Indian Hume Pipe (Bearer)	1942	97.50	1st July .. 1957-62
10,00,000	4	31st May and 30th November ..	Kumardhubi Engineering Works Ltd. ..	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	95.25	1st October .. 1966-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (e)
JUTE						
12,00,000	5½	1st October and 1st April ..	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December ..	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June ..	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mill Co., Ltd.. ..	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July ..	Calcutta	1949	86.00	31st July .. 1959
10,00,000	5	30th June and 31st December ..	Chitavalah Jute Mills	1951	90.00	30th June .. 1966
20,48,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (e)
8,86,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1966 (e)
20,00,000	5½	31st March and 30th September..	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December ..	Khulnan Jute Mills Co., Ltd. ..	1949	90.00	31st December .. 1964 (e)
25,00,000	5½	30th June and 31st December ..	Naihati	1952	90.00	31st March .. 1967 (e)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd. ..	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December ..	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December ..	Presidency	1948	85.00	30th June .. 1956
25,00,000	5	31st March and 30th September..	Reliance Jute Mills Co., Ltd. ..	1950	85.00	5th September .. 1965 (e)
8,00,000	4½	14th March and 14th September.	Soorah Jute	1937	91.00	14th September .. 1957
13,00,000	5½	30th June and 31st December ..	Union	1937	90.00	30th June .. 1957 †
10,00,000	5½	31st January and 31st July ..	Waverly	1925	80.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	£66.50N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October ..		1923	£74.10N	
6,50,000	2½	30th June and 31st December ..	Katakhal-Lalabazar Railway	1945	85.00	1st October .. 1974 / 31st December .. 1959 (e)
£200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway ..	1905	£64	Any time on six months' notice (e)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	94.00	1st September .. 1963
PLANTING						
12,50,000	6	31st March and 30th September..	Nilgiri Tea	..	99.00	1st April 1958-68
1,56,500	5½	31st March and 30th September.	Teaboy	1944	100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1948	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September ..	Burmah-Shell	1954	96.50	1st September .. 1964-69 (e)‖
2,00,00,000	5½	1st April and 1st October ..	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1915	85.00	1st February .. 1964
19,54,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd.	1926	93.00	1st July .. 1966
20,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78.00	15th September .. 1966
1,00,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	.. 1966
1,50,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd.	1950	97.75	1st January .. 1971(e)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	98.00N	30th June .. 1969 (e)‡‡
18,75,000	5	2nd January and 2nd July ..	Mettur Chemical Industries	1949	93.00	.. 1964
12,07,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes) ..	1946	510.00	30th September .. 1976 (e)
45,00,000	4	30th June and 31st December ..	McLeod & Co., Ltd. (Convertible Notes)..	1947	470.00 (per note)	31st December .. 1973 (e)
75,00,000	5	1st April and 1st October ..	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December ..	National Rayon	1955	98.00	30th June .. 1968-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (e)
1,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. .. 1966(e)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 8 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 18 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963. on ‹ months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

Notices

THE HIND BANK LIMITED
4, Brabourne Road
CALCUTTA—1

NOTICE IS HEREBY GIVEN THAT A General Meeting of the Shareholders of the Company abovenamed will be held at the Registered Office of the Company at No. 4, Brabourne Road, in the town of Calcutta, on Wednesday, the 26th day of February 1958, at 3.15 p.m., to consider and, if thought fit, to pass the following as a Special Resolution, with or without modifications:—

"To amalgamate, sell or in any other manner deal with or dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures and other securities of any other Company having objects altogether or in part similar to those of this Company and in the event of amalgamation with or absorption in any such other Company to have such shares, securities or debentures issued or allotted to the shareholders of this Company."

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

(ii) The Transfer Book of the Bank will remain closed from Wednesday, the 19th February 1958 to Wednesday, the 26th February, 1958, both days inclusive.

Explanatory Statement Required by Section 173 of the Companies Act, 1956 in Regard to the Special Business to be Transacted at the Meeting.

Your Directors have for sometime past been seriously considering the question of expanding the activities of the Bank. They feel that the best way of doing so would be to amalgamate with any other Bank. Proposals for amalgamating your Bank with the Bank of Baroda Ltd. is now under the active consideration of your Directors.

It has been pointed out that the Memorandum of Association of the Bank does not expressly authorise such amalgamation.

It is therefore proposed to alter the objects clauses of the Memorandum of Association of the Bank to make suitable provisions therefor.

The alterations to the Memorandum will be subject to the confirmation of the High Court and will not have effect except and in so far as it is confirmed by the High Court. An application will be made in due course in Court for confirmation of the alteration.

By Order of the Board,
S. D. PARDIWALLA,
General Manager.

CALCUTTA, *25th January*, 1958.

THE WEST COAST ELECTRIC SUPPLY CORPORATION, LIMITED
Registered Office:
20, Second Line Beach, MADRAS

NOTICE

SECOND INTERIM DIVIDEND

NOTICE IS HEREBY GIVEN THAT THE Directors have declared:—

(a) A second interim dividend for the year 1956-57 at 2½ per cent. free of Income-tax on Ordinary Shares;

(b) Half-yearly dividend on Preference Shares at 2½ per cent. less Income-tax for the year ended 31st March 1957.

The Share Transfer Books of the Company will remain closed from 10th February 1958 to 16th February 1958, both days inclusive.

The Dividend Warrants will be posted on or after 17th February 1958 to those Shareholders whose names stand on the Register of Members as on 9th February 1958.

By Order of the Board,
For CHANDRIE & Co. (PRIVATE) LTD.,
S. VENKATARAMAN,
Director,
Managing Agents.

MADRAS, *22nd January* 1958.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

VOL. XCVI. No. 2447 BOMBAY, 8th FEBRUARY 1958 PRICE: Re. 1.50

Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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MESSAGE TO BUSINESS MEN

THE oration of Mr. Jawaharlal Nehru, India's Prime Minister, at the inaugural function of the Golden Jubilee Celebrations of the Indian Merchants Chamber on Monday the 3rd inst., contained nothing new. The theme chosen by him, namely, that the rich should help the poor, is as old as human civilisation, a theme that is preached by all religions. He deliberately chose it, because he was addressing a vast gathering of business men whose occupation is, to use a trite, to make money. It was, of course, interesting to hear him on the age-old economic ethics. Evidently, his object was to convert his audience to the socialism of the Congress Party. But he was not impressive nor was he quite convincing. There was a staleness about his speech, inevitable because he has been saying almost the same thing for a long time now, especially since the Avadi session of the Congress Party, when the ideal of mixed economy was replaced by the socialist pattern of society.

Mr. Nehru applied his theme to both internal and international aspects. Internationally, he pleaded that the rich countries should help the poor countries in their efforts to raise their living standards. He generously acknowledged the economic assistance that is being rendered by the U.S., Russia and others. Nevertheless, he seemed to be disturbed by the growing disparity between the two and felt that more energetic steps should be taken to bridge this widening gulf. In this context, he was logically correct when he said that there was nothing wrong in underdeveloped countries accepting foreign assistance. But, at the same time, he did not forget to stress the point that every one of these countries must do its best to help itself.

Alluding to the methods to be followed by underdeveloped countries to abolish their poverty, Mr. Nehru reiterated his firm belief in democratic approach. He was fully aware of the achievements of Soviet Russia in a relatively short period of two to three decades; he described them as very remarkable. But he considered the price paid by the Russian people for this achievement as too heavy. He was definitely not in favour of that approach. While he wanted India to follow democratic methods, he was of the view that there was bound to be State intervention, in a large measure, in order to speed up the economic growth and to reduce disparities between the rich and the poor. Accordingly, the free enterprise system which was the basis of economic progress in the U.S. and Western Europe was not suited to a country like India, which, though economically poor, is a full-blooded democracy.

The foregoing account is the gist of what Mr. Nehru said on Monday this week. There can be no quarrel with this substance. But his detailed exposition of the theme contained certain remarks which gave away Mr. Nehru's imperfect understanding of the evolution of the so-called capitalist systems of the West during the past 25 or 30 years and of the present-day capitalism in India itself. One of the flaws in his knowledge of modern economic history is evident from his statement that the U.S., the U.K., and some of the Western countries had become great industrial powers even in the nineteenth century and that it had taken them 150 years to reach the position they hold now. This is a half-truth. For most of their achievements do not date back beyond 1900 and much of it has been after 1914. The industrial revolution of Russia was based on the scientific achievements of the West and it is only, of late, that Russia has been ahead of them in certain branches of science and technology. If Russia has invented Sputnik (artificial moon), Britain has to its credit ZETA (artificial sun) which promises to be more useful to humanity than Sputnik. An important point that is often overlooked by Mr. Nehru is that, today, the underdeveloped countries do not have to go through the trials and tribulations undergone by the industrialised Western world in industrial, scientific and economic research. They are, therefore, in a somewhat advantageous position as compared with that of the Western countries, say, at the beginning of this century or before the First World War. If only they follow the right techniques, a fairly rapid development, without sacrificing democratic principles, is not an impossibility. It is the lack of right approach that is making the economic development of India difficult. Unfortunately, Mr. Nehru and his colleagues in the Congress Party and the Government do not seem to realise this point.

In many respects, India today is where the U.S. was about four decades ago. Among the Asian countries, it is more developed than any other, excepting Japan. Viewed in terms of *per capita* income, this statement may not be correct, but it is true that India has more industries than others, a first class administrative service, a well-developed judiciary and a large number of *entrepreneurs* who have proved their ability to take risks and establish all types of industries. Its banking and insurance services are up-to-date and talented. It is well served by a good transport system, though such is not adequate. India has thus a rich background and a strong foundation on which a modern industrial structure can be built within a generation. It is not that backward or underdeveloped as our Prime Minister wants one to believe. And it owes that status to private enterprise. Given a reasonable amount of freedom and encouragement, private enterprise in India can certainly take the country forward in the economic sphere as its confrere has done in many parts of the Western world.

Mr. Nehru is not fair to the business men of this country, if he feels, as he seems to do, that they are not progressive, that they are diehards and that they are not quick enough to move with the times. Every community has its exceptions, not only in this country but throughout the world. The business community in India, too, has in its midst some black sheep and a few diehards. In fine, it is not free from blemishes. But, taken as a whole, it is a forward-looking community, conscious of the need to adapt itself to the changing *yuga dharma*, to quote Mr. Nehru's expression. Contrary to his belief, no responsible section of business community has asked for the system of *laissez faire*. It had realised long, long ago that this system was dead as the dodo. It has not objected to State intervention in the economic affairs of the country. It does not want the blind market forces to operate and has, in fact, supported the need for regulation of markets, with a view to restraining unhealthy speculative forces. It is in favour of constitutionalism and not economic anarchy, if that was what Mr. Nehru had in mind when he talked of blind market forces. In the initial years of constitutional government in this country, there was doubtless considerable opposition and outcry from the capitalists against legislative enactments designed to protect the interests of workers, consumers and investors and to prevent haphazard growth of industries. But all this is past history. They now quite realise that it is necessary for the State to legislate for strengthening and safeguarding economic freedom. What they object to are excessive control and undue interference by the State. Indeed, many an honest business man feels that, while the State has not hesitated to arm itself with extraordinary powers, it has

failed to exercise effective control over the erring members of their community.

The desire on the part of business men to ensure healthy economic growth, to observe sound code of conduct and to maintain amiable relations with workers is evident from several recent instances. Some credit for this must, of course, be given to the Congress Government, as it has prodded them from time to time to move in the right direction. But business men themselves are now more alive to their responsibilities than before. The following quotation from the welcome speech of Mr. Naval H. Tata, President of the Chamber, will bear out our contention:

"We should shed the innate tendency to keep ourselves aloof from activities which do not directly concern our business. We have to play our part in a dynamic and active manner in the wider sphere. Functional representation in Parliament having been abolished, some of us will have to come forward, stand for election in order to interpret our outlook and objectives in the Legislatures both in the Centre and in the States.

"In order to justify our existence as a dynamic and useful section of society, we shall have to adhere to a code of conduct and standards of business morality which would give us immunity from the propaganda against us and making us a target of class hatred because of our legitimate belief in profit motive. A proper assessment of our position in the organisation of society and readiness to adjust ourselves to the needs and requirements of a changing pattern of society are needed to claim for ourselves a lasting place as a contributory factor in the development of the national economy, enjoying the respect and the goodwill of all sections of the community."

This sentiment has been expressed ere now by several other prominent business men as well. While it is the duty of political thinkers and leaders like Mr. Nehru to guide the society along the right lines, it is also necessary for them to ensure that they themselves do not become outdated. It is also essential for them to see that, in their zeal to reform capitalism, they do not overshoot the mark. European history has enough evidence to prove that this danger is inherent in the type of socialist reform which the Congress Party has been carrying out in India during the last few years. It is recorded, for instance, that, in some countries, "where socialism remained pure and triumphed, it introduced collectivism which proved to be in practice (as it had been proved in theory by Liberal economists) incompatible with freedom." In others, the experiment in State socialism led to fascist or semi-fascist dictatorships. In this country, the stress at present is on co-operative socialism, and not on the individual's right to own property. Since leadership of co-operative movement is not spontaneously forthcoming from the people, co-operative socialism is tending to become a State-directed variety. Unless Mr. Nehru and his colleagues are extremely careful and take suitable steps to protect the individual's right to property, their reform may ultimately lead to collectivisation or some form of dictatorship.

Mr. Nehru was perfectly right, when he urged the people to reorientate their thinking on problems, whether political, economic or social, in the light of the emergence of the Sputnik Age. This advice is, however, more pertinent to the Congress Party, in particular, and politicians, in general, than to industrialists and business men. It is the former group which is thinking on outmoded lines. For instance, who talks of Ambar Charka during this ZETA Age? Who talks of replacing an international language like English with Hindi as the State language? Who says that, in the educational curriculum for children and youngsters, priority should be given to four or five languages, instead of to mathematics and science? Who is against modernisation of industries? Who gives priority to social services and unproductive capital expenditure, instead of to production of wealth? Who places distribution ahead of production? Certainly not business men.

At the conclusion of his welcome speech, Mr. Naval Tata hoped that the Prime Minister would give the audience a Message—he spelt it with a capital M—and he was sure that it would be "one of cheer and hope." Mr. Nehru responded to his wish by asking the business men to carry (what they complained to be heavy) the burden of taxation in good cheer and with the realisation that it was necessary for their own preservation. He contended that the poor masses could not be asked to pay more and there was no other way of financing the second Plan, except by taxing the rich. Not satisfied with saying all this, he paid a high tribute to Mr. T. T. Krishnamachari for his last budget in which he wrought a fiscal revolution. Remarking that "it is not possible to carry on in the old way and in the old groove in regard to taxation or other matters, if we are to face the challenges that are before us and the difficulties confronting us," he added: "A new approach was made in the last budget and it breathed fresh air which I appreciated completely." We do not think that this was the message for which Mr. Naval Tata, nor any other business man in the audience, had bargained. Equally out of place was Mr. Nehru's assertion, in reply to the frequent criticism that the second Plan was over-ambitious, that "we propose to be over-ambitious every time." This is bravado and not realism. The test for the soundness of any economic plan, it is needless to add, is what is practically possible. But the remarks of Mr. Nehru clearly show that he still does not realise the value of this simple test.

LANCASHIRE MAKES ANOTHER BID

THE millowners of Lancashire and the British trade union leaders seem to be bent upon securing some form of protection against imports of cloth into Britain. Mr. Harold Wilson, a Labour member of Parliament and a former President of the Board of Trade, has been giving powerful support to what appears to us as an unreasonable demand of Lancashire. The British millowners are seeking protection to safeguard their investments. That is but natural. But why should Mr. Wilson bother about it? The former Labour Government did not countenance it and the present Conservative Government, too, has been refusing to yield to the pressure from millowners and that for very good reasons. The reason is simple, party politics. Apparently, any stick is good enough for him to beat his political opponent with. Speaking at a party by-election meeting in the heart of the British cotton industry early this week, he attacked the Conservative Government on its policy of "do nothing" for this industry. The Government, he is reported to have said, "has shown every sign of having written off Lancashire." Not long ago, Mr. Wilson published a pamphlet outlining his programme for protecting the British cotton industry. There is nothing novel in it, the scheme being an extension of the basis and form in which the Dundee jute industry is sheltered from foreign competition. There is, however, a growing volume of protest against this system from consumers of jute goods and other interests in Britain. Mr. Wilson's plan has also certain features which may not appeal to Lancashire millowners. Nevertheless, they may stomach them, because the scheme will relieve them from the pressure of imported goods.

It has often been stated that the British Labour Party is more enlightened and progressive than the Conservative Party. It has also been claimed that the Labour Party is more sympathetic of the aspirations of the underdeveloped countries and that it has been feeling that the Conservatives ought to render more economic assistance to them than they have been doing during the past six years of their Government. We feel that Mr. Wilson's campaign against imported cotton goods is not in keeping with the traditions of his own party nor of its professions. For the countries that are going to be hit by it are India, Pakistan, and Hongkong, all of which are economic pigmies as compared with Great Britain, an industrial giant. Evidently, for Mr. Wilson, this is a case where charity begins at home. His party has to win at the polls. And the county of Lancashire has still lots of votes, despite the migration of some workers to other areas in Britain.

It is precisely for this reason that even the Conservative Government has been encouraging the British millowners to reach a friendly informal understanding with India, Pakistan and Hongkong. Two years ago, the former Tory Prime Minister, Sir Anthony Eden, put in a special word to Mr. Nehru, India's Prime Minister, about them. Other British Ministers also did a certain amount of lobbying with their Indian counterparts. There were also talks between the Indian and British millowners. As a result and out of a genuine desire to maintain Indo-British economic relations on a very friendly basis, the Indian millowners tentatively agreed to a ceiling to be placed on imports of Indian cloth into Britain, provided other exporters also were willing. It is stated that the Pakistan cotton industry, which was at one time very vehemently opposed to this arrangement, finally consented to it. We find it hard to believe this report. If, however, it is true, the Pakistan industry must have laid down some conditions and qualifications, about which we are not aware. So far as Hongkong is concerned, it is on record that it firmly turned down the proposals of Lancashire. Indeed, it gave no quarter to the overtures from Lancashire and, when the latter's representatives visited this Colony, they were given a cold reception. The determined stand by Hongkong has rendered the understanding hastily arrived at by the Indian millowners ineffective and has enabled them to ship to the U.K. more goods than the tentative ceiling.

That, however, is not the end of the story. A fresh move is being made by Lancashire to give effect to that understanding. And it is a clever one. A *Reuter* report from Manchester says that the British Government has advised the Cotton Board to request India and Pakistan to agree to a ceiling on their exports of cotton textiles to Britain on the assumption that imports from Hongkong will not exceed an agreed limit and that, if they do, both of them would be free from any obligations which they undertake. This report further says that, on the basis of this suggestion, which the British Government considers practicable, the Cotton Board has invited the leaders of cotton textile industries in India and Pakistan to Lancashire for a fresh round of discussions and to conclude an agreement. The proposal sounds rather odd. It is clear that Hongkong is still unwilling. Why should India and Pakistan decide among themselves what quantity of cloth Hongkong could ship to the U.K.? This is a ruse to isolate Hongkong and to commit India and Pakistan to a further step in the direction of limiting their market in Britain. Surely, India cannot be a party to it. Between the two countries of this sub-continent, India will have to pay a bigger price. Last year, India's share in Britain's imports of 416.29 million square yards of cotton goods was 182.12 million square yards, the corresponding figures for 1956 being 306.17 million square yards and 127.48 million square yards, respectively. Hongkong and Japan, too, were successful in increasing their exports to Britain, the former from 55.86 million square yards to 71.09 million square yards and the latter from 32.13 million square yards to 56.46 million square yards. The Indian millowners should, in our opinion, politely but firmly tell their British confreres "no" and turn down their invitation. The Government of India, too, should support them in this respect. If Britain still chooses to protect its cotton mill industry either through a quota system or through tariffs, it is welcome to do so. But that would mean the end of Commonwealth preference system and a strain on G.A.T.T.

We see no justification whatever for the demand of Lancashire cotton millowners. Britain is having overfull employment and its capital and labour in the cotton industry alike could easily find other more gainful sources of employment. India is, however, suffering serious unemployment and under-employment. India badly needs foreign exchange for implementing its plan for economic development and cotton textiles are one of the principal exchange earners. It cannot, therefore, afford to agree to a restriction being placed on such exports. We concede that Britain, too, needs foreign exchange. But it has several other exchange earners. Moreover, the amount of foreign exchange used by the British cotton textile industry is probably in excess of what it earns by way of exports. Much is made of the fact that, in 1957, imports of foreign cotton manufactures into Britain were almost equal to those of its exports. This is only a sentimental argument, for its total imports even then were only a fraction of its total production and domestic consumption.

The case for restriction on imports can have some relevance if there is any dumping. There is, however, no such thing so far as India is concerned. It is a question of clean, healthy competition. The Indian cotton mill industry is not enjoying any special favours from its Government, as will be clear from the heavy taxation to which it has been subjected and its adverse financial results for 1957. On the contrary, it is suffering from several handicaps, all arising from the unrealistic economic policies of the Government. The charge by British labour leaders and a section of the textile trade that India is subsidising its exports of cloth is, therefore, a myth.

MR. NEHRU'S NOTIONS ABOUT STOCK EXCHANGES WRONG

I.I.S.CO.—COTTON—COPPER—COFFEE

MARKET GOSSIP

THURSDAY, 5 P.M.

DOUBTS about the forthcoming Central budget have begun to assail the share markets. Mr. Nehru's remarks on taxation at the Golden Jubilee meeting of the Indian Merchants' Chamber on Monday have led many to adopt a cautious policy. These remarks, quoted in full on the next page, are disquietingly categorical. They clearly mean that one should not expect any relief in taxation. Hopes are still being entertained that the Prime Minister would not object to the frills—compulsory deposit scheme, dividend tax and bonus tax—being either removed or trimmed. That is probably the reason why there has been no heavy selling pressure yet and a marked fall in prices. The modest recession that has taken place is mainly the result of waning buying fervour which was quite perceptible during the past few weeks.

The observations made by Mr. Nehru at the aforesaid meeting on the place of Stock Exchanges constitute another instance of his lack of understanding of the details of our economic system. They are in marked contrast to the keenness with which Governments in other democratic countries watch the working of Stock Exchanges. When Wall Street slumped a few weeks ago, President Eisenhower sat up and took corrective measures. But, in this country, Mr. Nehru simply dismisses them as a horrid thing. This shows that the Stock Exchanges in this country should take some effective steps to educate public opinion. In this connection, we are glad to find that Mr. George Carvelho, Editor of Place Siddons and Gough's *Share Market Report*, Calcutta, has promptly stressed the need for explaining to the Prime Minister the functions and importance of Stock Exchanges to the national economy. In a letter to the Press, he pertinently observes:

"What is surprising is not his (Mr. Nehru's) description of these organisations as 'horrid places' because of the din that emanates from them. Many of those who pass along Lyons Range when the Stock Exchange is in full cry will share his disgust and wish that it were possible to devise some less nerve-racking and more dignified method of transacting share business. But would anyone suggest that fish markets serve no useful purpose, because of the unsavoury associations of Billingsgate? Even the assertion that market operators are motivated by the desire to 'get rich quick' may be allowed to pass, though this is a very human, perfectly normal and not necessarily anti-social urge. In fact, the whole world would be a much duller place, were it not for this universal desire to get rich quickly. Unfortunately, on the Stock Exchange, as elsewhere, there is an immense gulf between desire and accomplishment.

"But what is one to make of the statement that 'the Stock Exchange has nothing to do with the national economy?' If there is to be a private sector at all, as we have been repeatedly assured there should be, surely there must be joint-stock enterprises owned by shareholders. Does it not follow that there must be some organisation where the shares of joint-stock companies (and the bonds issued by Government) can be bought and sold at prices reflecting, through the market mechanism of supply and demand, the current estimate of their real worth? How many people would be willing to put their savings into shares and Government securities, unless their ready liquidity were thus assured?

"The utility of a Stock Exchange lies in the fact that it is a means of channelling savings into productive investment, that it functions as the economic barometer, faithfully reflecting the swiftly moving and changing current of opinion of economic conditions and prospects, that it is an essential element in the institutional framework of even the most attenuated private sector, and that it is a potent instrument of capital formation."

• • • •

It is common knowledge that the year 1957 proved to be one of the darkest for cotton textile mills. Caught between a fall in both demand and prices of cloth, on the one hand, and higher cost of production, on the other, the financial results of mills could not be anything but disappointing. Higher wage bill, caused by a rise in dearness allowance, enhanced price of cotton and heavy excise duty have all contributed to a steep rise in manufacturing costs. In the circumstances, the recommendations of the Directors of the two Brady group mills on the dividend distribution for the year ended 31st December 1957 should cause no surprise. The dividend on ordinary shares of New Great Eastern is to be passed over, though the 5½ per cent. preference dividend is being paid. It will be recalled that for 1956 a dividend of Rs. 10 per share was paid by this Company. The Directors of the New City Mill have, however, recommended a dividend of Rs. 5 per share of Rs. 100, but this represents a 50 per cent. cut from the 1956 dividend. It will be noted with interest here that this is the first time since 1937 that the New Great has had to skip the dividend. If a company with such a long dividend record has found it necessary to withhold the distribution, one can well imagine the extent to which the tax burden and higher manufacturing costs must have eaten into the earnings of the Mill. It is reliably learned that the New Great has actually suffered a loss, while the New City has managed to show a small profit. Indeed, the profit is said to have been so slender that even the lower dividend could be met only by a draft on the past reserves. It will be recalled that, even in the previous year, both the Companies had to supplement their profits by withdrawals from the reserves and adjustment of excess provisions made in earlier years, in order to pay a dividend of 10 per cent. for 1956.

Among the other Brady group's concerns, Empire Dyeing, Brady Engineering and G. Claridge and Co. are repeating their dividends, Empire Dyeing at Rs. 3 per share of Rs. 15, Brady Engineering at Rs. 3 per share of Rs. 60 and Claridges at Rs. 15 per share of Rs. 100. The dividend on the shares of W. H. Brady & Co., Ltd., has, however, been raised from Rs. 22-8 (per share of Rs. 150 each) to Rs. 25, the increase being in commemoration of the Golden Jubilee of the Managing Director, Sir Joseph Kay's connection with the Company.

• • • •

Investors in the Indian Iron and Steel Co. Ltd., will note with gratification that the first phase of the Company's 1953 extension programme has been completed with the blowing in of one of the two new blast furnaces, each of which has a daily rated capacity of 1,200 tons of iron. The blowing-in ceremony was inaugurated on the 31st ultimo by Mr. Burke Knapp, Vice-President of the International Bank for Reconstruction and Development. The World Bank having played a very vital role in the financing of the Company's extension schemes, it was but proper that the ceremony should have been inaugurated by the Bank's Vice-President. The completion of the blast furnace, which is the largest so far erected in India, has taken nearly three years from the date the contract was placed with the manufacturers and has been done two months ahead of schedule. The cost of the blast furnace, together with the ancillary units, is estimated to exceed Rs. 8 crores, of which expenditure abroad accounts for about Rs. 3.5 crores and expenditure in India for Rs. 4.5 crores.

Simultaneously, a new 300-350 ton open hearth furnace, the largest in Asia, was also put on gas and this marked the first step towards raising steel production in India under the second Five-year Plan. Out of the 33,000 tons of iron available from the blast furnace, about 18,000 tons will be used, in the first instance, for conversion into steel in the open hearth furnace referred to above. The installation of these two furnaces will bring about a saving to the country in foreign exchange of Rs. 2.5 to Rs. 3 crores per month.

• • • •

The long-awaited export quota announcement for cotton has at last been made. The Joint Chief Controller of Exports, Bombay, notified yesterday that it has been decided to release 50,000 bales of Bengal *Deshi* cotton for export. Export licences will be granted, as usual, to established exporters and registered dealers. Licences issued for this quota will be valid for shipment till 30th June 1958 to all permissible destinations. Those who were expecting a reduction in the current rate of export duty of Rs. 100 per bale are, however, disappointed, as no reduction has been made.

The quota was not unexpected. It was considered almost a certainty, following the recommendation of the Cotton Advisory Board, at its meeting on 10th January, that an additional 50,000 bales of Bengal *Deshi*, besides 25,000 bales of cotton of stapling ¾" and below (old crop), should be permitted for export during the current season. The Board of the East India Cotton Association also was said to have urged the Government of India to release the quota without any further delay. Nevertheless, the announcement caused a mild surprise, for the delay had led the majority of traders to believe that a final decision would be taken only after the Export Advisory Council, scheduled to meet at New Delhi during the weekend, also had its say on the matter.

With the present release, the total quota given so far this season amounts to 100,000 bales, consisting exclusively of Bengal *Deshi*. As compared with this, by the end of the first week of February last, 400,000 bales of cotton, comprising 100,000 bales of Bengals and 300,000 bales of other varieties, had been released for export. Export demand during the current season has been very slack. Foreign exchange difficulty of India's traditional customers like Japan has been the main factor responsible for the snail-pace of exports. Even the small quantity of 50,000 bales released as early as last October has not been fully absorbed and the Government has found it necessary to extend the validity of export licences due to expire on 31st January till the end of April. This is due partly to some of the quota holders' inability to book business. They are probably handicapped by lack of proper organisation, drive and contacts. It may be noted here that some of the quota holders have completely disposed of their shares. The absence of a brisk export demand is not, therefore, the only reason.

It is true that a quota in itself will not automatically boost exports. But it cannot be denied that proper timing of quota and other measures such as suitable modification of export duties can greatly help to derive the best possible result out of a bad situation. Viewed thus, the present announcement is welcome, especially as foreign demand is tending to revive.

Japan is understood to have allocated sterling for the import of 99,000 bales of Bengals and Pakistani *Deshi* cotton, out of which 15,000 bales have already been purchased. Foreign exchange for another 15,000 bales was expected to be released early this month. This would appear to be the reason why shippers were anxious for an early announcement of export quota. It was feared that, in the event of failure to make available adequate supplies to Japanese buyers at prices and deliveries comparable with that of Pakistan, Japan would naturally switch over its purchases to Pakistan cotton. Exporters have been arguing for some time that the export duty on Bengal *Deshi*, which at present is at the rate of Rs. 100 per bale, should be reduced. Certain quarters are, however, inclined to point out that the fact that, despite the fall in prices of Bengal *Deshi*, the demand for it has not revived, shows that price is not so decisive a factor affecting foreign demand as the availability of foreign exchange with the buyers. The Cotton Advisory Board seems to have taken this view, for, contrary to the general expectation, it did not recommend a reduction in export duty. The Board of the East India Cotton Association has, however, urged a reduction in export duty by 25 per cent., as, in its opinion, such a revision is necessary to stimulate exports. But the Government appears to have concurred with the former view, as it has decided to leave the present duty unchanged.

The supply position of Bengal *Deshi* appears to be comfortable and warrants further exports. Total supply this season is expected to be of the order of 382,291 bales comprising a carryover stock of 62,291 bales and an estimated crop of 320,000 bales. Expected mill consumption for the season is about 144,000 bales. Another 20,000 bales would probably be required for miscellaneous consumption purposes. Assuming that carryover stocks should remain unchanged at last year's level, the exportable surplus would amount to 156,000 bales. Since the quota already announced is 100,000 bales, a balance of 56,000 bales still seems to be available for export.

In order to stimulate exports of those short-staple, harsh cottons which are not used in this country, or in which there is a surplus over internal consumption, a bit of export promotion seems to be very necessary. India has lost many of its traditional markets in Western Europe. The U.S. has virtually dropped out of the list. This is because these countries have either turned to other sources of supply or have taken to synthetic substitutes. But the latter, experience has shown, do not possess the same qualities as cotton. The inherent quality of Indian short-staples in respect of the end-uses to which they are put, therefore, needs to be more widely published in foreign countries. Now that the U.S. has thrown open its doors to unrestricted entry of short-staple cotton, it seems advisable for India to make a wise bid to regain its former position in the U.S. According to an executive order issued by the President on 30th January 1958, the quota restrictions on imports of short-staple harsh cotton by the U.S. has been removed. The quota, which was originally imposed in 1947, limited the volume of imports into the U.S. to 70,000,000 lbs. annually. In the past years, the average annual imports were less than 20 per cent. of the quota. The quota has, therefore, been considered unnecessary and, as recommended by the Tariff Commission, rescinded. The U.S. is now free to import any quantity of short-staple harsh cotton.

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Traders in non-ferrous metals are anxiously awaiting the publication of details of the new distribution scheme now being worked out by the Union Ministry of Commerce and Industry. Recently, the Ministry convened in New Delhi a meeting of the importers and actual users of non-ferrous metals. On the basis of the discussions at this meeting, the Ministry is reported to have formulated a scheme which envisages the continued import of non-ferrous metals by established traders subject to the condition that the metals so imported will be sold to actual users in the country in accordance with the Government's instructions and at a reasonable price. It is, however, not known whether the actual users will also be permitted to purchase metals abroad. The new scheme is expected to come into operation with effect from 1st April next. Meanwhile, the Government has asked importers and actual users to inform it, before the 15th inst., of the stocks held at present and the probable requirements in the future.

The aforesaid latest move of the Government to change the system of non-ferrous metals distribution would appear to be a sequel to the representation made by the consuming interests about the high level of prices. It is pointed out, for instance, that, on every cwt. of copper sold at about Rs. 170 to domestic users, the importers are making a profit of as much as Rs. 40. Similarly, the profit on the sale of other metals is high, being about Rs. 10 per cwt. on lead, Rs. 8 on tin and Rs. 7 on zinc. The average fair margin of profit, according to official circles, should not be more than 3½ per cent., that is, the difference between the imported cost and the actual selling price.

Pending the publication of exact details of the proposed change in the distribution of non-ferrous metals, the local market is currently ruling quiet. The latest available spot rates for the four important metals—copper, zinc, tin and lead—as compared with those a week and a fortnight before are given below:

(Rs. per cwt.)

	Latest available	*A week ago*	*Fortnight ago*
Copper (electrolytic ingots) ...	165	172	172
Zinc (electrolytic)	53	52½	52¾
Tin	128	127½	127½
Lead	65	65	65

(Continued on next page)

EQUITIES TURN QUIET

BUDGET FEARS REVERSE TREND

(From Our Own Correspondents)

BOMBAY, *6th February*

THE share market turned quiet during the week under review, after maintaining a steady tone in the previous four weeks. Apart from the pre-Budget caution, there were other factors which were responsible for the slight change in sentiment. They were: the Prime Minister's discouraging reference to the taxation policy of the Union Government in his speech inaugurating the Golden Jubilee celebrations of the Indian Merchants' Chamber, Bombay, the anxiety over the Chagla Commission's report, on which depends Mr. Krishnamachari's continuation in the Cabinet, uncertainty about the Railway Budget, particularly in respect of freight rates, and reports that the States would have to raise about Rs. 200 crores in the coming financial year by way of market borrowing, small savings and additional taxation.

Those who had held hopes that the coming Central Budget might bring some relief to industries and had accumulated lines on this expectation were taken by surprise by the Prime Minister's strong defence of Mr. Krishnamachari's tax proposals of last year. It was not possible to carry on in the old way and in the old groove in regard to taxation and other matters, the Prime Minister asserted, if the country were to face the challenges that were before it and the difficulties confronting it. Addressing the business men Mr. Nehru said: "It might be that a slightly additional burden was imposed on you or somebody. Well, what about it; what do you wish to be done. You want that those who are already taxed or bent down with the burdens to be taxed more and more and you less and less on the ground that you cannot find additional capital to invest. Is it justified on the masses and the people? It cannot be done."

The aforesaid observations of the Prime Minister were bearishly interpreted by the market as to mean that there would not be any relief in taxation in the coming budget.

Steel shares came in for heavy selling pressure. But for the support lent by a few operators, the recession in this section would have been more pronounced than indicated by the closing quotations. Tata Ordinaries declined from Rs. 173.75 to Rs. 169.25, before gaining ground at the close to Rs. 170.50. The new shares suffered a drop of Rs. 2.25 to Rs. 165.25. Weaker advices from Calcutta, on reports that an operator in the jute market was in difficulties, affected Indian Irons, pushing the shares down from Rs. 20.52 to Rs. 19.44. At the close, they improved to Rs. 19.64.

In the textile section, Bombay Dyeings fell from Rs. 51.60 to Rs. 50.30 and closed at Rs. 50.40. Centurys were marked down from Rs. 397.25 to Rs. 386.75. The closing was a fraction better at Rs. 387.25. Kohinoors closed with a loss of Rs. 3.50 at Rs. 266, after dipping to a low of Rs. 265.25. Central Indias were unchanged at Rs. 84, while Finlays lost Rs. 2.50 and Gokaks Rs. 4.50. Indu Ordinaries dropped 24 nP to Rs. 9.32 and Indore Malwas Re. 1.50 to Rs. 117. Khataus shed Rs. 4.75 to Rs. 148.75, while Models were unchanged at Rs. 177.50. Morarjee Mills declined by Re. 1.50 to Rs. 202.50 and New Greats by Re. 1 to Rs. 220. The news that the Company had passed over the ordinary dividend for the year ended 31st December 1957 came after the market closed. For 1956, the Company had paid a dividend of 10 per cent. New Citys was stagnant at Rs. 125. The dividend on ordinary shares of the Company for 1957 has been cut from 10 per cent. to 5 per cent. Phœnix Mills lost Rs. 6.25 to Rs. 120. Sassoon Spinnings were a shade lower at Rs. 30 and Sassoon Silks had business 72 nP lower at Rs. 6.52. Simplex improved early in the week from Rs. 160.50 to Rs. 163, but the gain was more than wiped out when the shares gave way to Rs. 159.50 at the close. Standards were maintained at Rs. 402, while Svadeshis declined by Rs. 3.50 to Rs. 167.50 and Tata Mills by Re. 1.75 to Rs. 39.

Bank shares moved in line with the general trend. Barodas were lower by 75 nP at Rs. 105.25, Centrals by Re. 1.50 at Rs. 51 and their new shares by 50 nP at Rs. 56. Bank of Indias were unchanged at Rs. 136, while their new shares were a rupee higher at Rs. 137. United Commercials lost Re. 1.50 to Rs. 59.

A spurt of Rs. 3.80 to Rs. 53.80 in New Indias was a feature in the insurance section. Scarcity of sellers and proximity of closure of transfer books for the issue of bonus shares were responsible for the rise in New Indias. Orientals had business at Rs. 3,980. Vulcans changed hands 12 nP lower at Rs. 16.52.

Business in electricity shares was small and movements in prices were narrow. Ahmedabad Electrics were a shade quiet at Rs. 94.70. Bombay Suburbans gained a fraction to Rs. 107, as also Surat Electrics to Rs. 107.50. Tata Hydros showed no change at Rs. 113.50, while Tata Powers rose by Rs. 2.50 to Rs. 1,130 and Andhra Valleys shed Rs. 5 to Rs. 1,090.

In the sugar group Belapurs dropped from Rs. 238 to Rs. 236 on Monday, but further recession was arrested and the shares closed at Rs. 236.50. Bhopals recorded a rise of Re. 1.72 to Rs. 21.52, following the enhancement of the dividend from Re. 1.50 per share (of Rs. 10 each) to Rs. 2 per share. Phaltans showed a fall of Rs. 2.75 to Rs. 148.25, while Walchandnagars were marked up by Re. 1.25 to Rs. 277.50. Among cements, Associated Cements reacted from Rs. 156 to Rs. 152.50, before gaining to Rs. 153.50 at the close. Digvijays lost a rupee to Rs. 135, while Andhra Cements gained Re. 1.24 to Rs. 12.24. Orissa Cements were quiet at Rs. 12.68. Jaipur Udyogs were steady at Rs. 11.80.

In the engineering and mining group, Alcocks presented an erratic trend. After moving up from Rs. 215 to Rs. 217.50, the shares dipped to Rs. 212.50, but regained to Rs. 215. Tata Locomotives gave way from Rs. 142 to Rs. 139.50. Premier Constructions suffered a loss of Rs. 2.50 at Rs. 139.50. Larsen and Toubros were held at Rs. 12.68. Shivrajpurs lost Rs. 2 to Rs. 92. Indian Coppers were fairly steady at Rs. 2.88.

Among shippings, Scindias moved down from Rs. 17.44 to Rs. 17.16 mid-week, but a recovery set in at this level, lifting the shares to Rs. 17.32 at the close. Great Eastern Shippings stood on balance 24 nP lower at Rs. 19.76. Premier Automobiles shed 20 nP to Rs. 86.30 and Hindustan Motors 16 nP to Rs. 6.08.

In the miscellaneous section, Bombay Burmahs (old) were erratic. After a dip from Rs. 540 to Rs. 534, the shares rallied to Rs. 546 yesterday on renewed hopes of a bonus issue. Today, however, they had a setback to Rs. 540.50. The partly-paids lost Re. 1.25 to Rs. 261.25. National Rayons drifted lower from Rs. 224.50 to a low of Rs. 213. A mild recovery at the close lifted them to Rs. 214.50. Gwalior Rayons were lower by 40 nP at Rs. 11.60. Tata Chemicals were a shade better at Rs. 12.84, while Hindustan Levers were quiet at Rs. 19.72. Tata Oils were marked down by 75 nP to Rs. 36.50. Killick Industries lost Rs. 3.50 to Rs. 154.

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Calcutta Stock Exchange

CALCUTTA, *5th February*

Following the announcement of foreign exchange aid from several countries and the American proposal to help the tea industry with Rs. 3 crores for its rehabilitation, an improved trend was in evidence on the Calcutta Stock Exchange earlier in the week under review. However, the support was mainly speculative and was not thus sustained. On Friday, profit-taking intervened to reduce gains. On Monday, trading commenced on a steady note, but soon the Prime Minister's speech at the Indian Merchants' Chamber, Bombay, on the same day not only arrested the earlier steadiness but brought about a recession.

Mr. Nehru stated in Bombay that industrialists and business men might want lighter taxes, so that they could accumulate capital for re-investment. This would not be allowed. This exposition of official policy "killed" any lingering hope in the market for relaxation in taxes in the coming budget. Further, the strain of Mr. Nehru's speech was considered significant, and although the abolition of the much vexed company reserve deposit scheme was still anticipated in accordance with Mr. T. T. Krishnamachari's declaration while he was in the United States, market circles thought that the Prime Minister's aim was to prepare the commercial community for more burdens.

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Madras Stock Exchange

MADRAS, *4th February*

The steady trend noted on the Madras Stock Exchange last week abated during the week under review. In fact, the market ruled easy. Business put through was restricted, with values of scrips moving generally downward. There were fears of additional taxation in State budgets in the coming year. The fears were based on reports that the States had to raise during 1958-59 an additional amount of Rs. 200 crores by way of taxes, loans and small savings in order to implement the plans fully. The sentiment of operators was also affected adversely by the Prime Minister's observations on private enterprise made at the Golden Jubilee celebrations of the Indian Merchants' Chamber in Bombay yesterday. Plantation shares encountered selling, despite encouraging advices from tea markets and hopes of an upward revision in rubber prices. It was reported that both the planters and the Indian Rubber Board had made representations to the Union Government, urging it to allow higher prices for rubber. Textiles were featureless, thanks to lack of buying enthusiasm. Electricity and banking shares lacked support. The sugar and miscellaneous sections, however, proved an exception to the general trend. Several counters evoked good support at enhanced rates.

Among tea shares in the planting section, Peermades dropped 30 nP to Rs. 19.10. Stanes Amalgamateds receded by 20 nP to Rs. 15.20. Ouchterlonys declined by 11 nP to Rs. 4.95. United Nilgiris shed 10 nP to Rs. 15.30. Blue Mountains and Waterfalls lost 5 nP each to Rs. 2.90 and Rs. 3.35, respectively. Chembras eased by 12 nP to Rs. 2.78. Among coffee shares, Coffee Lands moved down by 20 nP to Rs. 27.80. Consolidated Coffees lost 5 nP to Rs. 22.70. Sheveroys were a shade lower at Re. 1.87. Among rubber shares, Nenmenys fell by 55 nP to Rs. 14.25, Nilamburs declined by 50 nP to Rs. 13.25. Teekoys and Peninsulars receded by 25 nP each, the former to Rs. 6.40 and the latter to Rs. 19.25.

In the textiles section, Vasantas were pushed down by Rs. 7 to Rs. 271. Vijayakumars dropped Rs. 3 to Rs. 110. Coimbatore Spinnings declined by 75 nP to Rs. 67.75. Janardanas eased by 50 nP to Rs. 79.50, Maduras by 25 nP to Rs. 35 *cum-div.* and Cambodias by 10 nP to Rs. 10.10. But Coimbatore Cottons met with special buying support and put on Rs. 2 to Rs. 172. Bangalore Woollens were also well favoured, the quotation rising by a rupee to Rs. 173.

Among electricity shares, South Madras declined by 20 nP to Rs. 12.30. Kumbakonams were lower by 10 nP at Rs. 10.95. Ellores were neglected at Rs. 11.25 *cum-div.* The Directors of the Ellore Electric Supply Corporation have declared an interim dividend of 4 per cent. free of tax for the year 1957-58, as against 5 per cent. interim last year.

In the miscellaneous section, cement shares met with renewed buying support. India Cements advanced by 50 nP to Rs. 28. Travancore Cements improved by 45 nP to Rs. 8.20. Andhra Cements strengthened by 25 nP to Rs. 12.25. Spencers rose by 50 nP to Rs. 17.75. The Directors of Spencer & Co. Ltd., have declared a final dividend of 10 per cent. for the year ended 30th June 1957, making a total of 15 per cent., which is the same as that paid in the previous year.

MARKET GOSSIP

(Concluded from previous page)

It will be seen from the above figures that copper prices have suffered a sharp fall. This is in contrast to the distinct recovery noted in the world copper market of late, following the decision of the Anglo-American group of Rhodesian producers to cut back production by 10 per cent. in the year beginning from March next. This decision has followed similar cuts in the output of the big American mines in Chile (Kennecott and Anaconda), in accordance with the recommendation of the Chilean Government. A cut has been made by the two big Rhodesian Selection Trust mines, as also by the United States mines (Kennecott, Phelps Dodge and Anaconda), and the Belgian Congo producer (Union Miniere). As a result of all these cuts, the aggregate world output of copper outside the U.S.S.R. in 1958 is expected to be lower by more than 200,000 tons—one estimate places it higher at nearly 250,000 tons—as against the actual production of about three million tons in 1957 and 1956. This is only a rough estimate, because the precise effect of the cuts on the statistical position of copper cannot be assessed, in view of the fact that there have been some additions to capacity of a few mines. This much, however, can be said, namely, that the series of cutbacks now effected, together with the U.S. stockpile's offtake, will substantially reduce the gap (of about 200,000 tons) between the rate of output and actual consumption.

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The world coffee market has become the venue of a tussle between the producers in Latin America and the consumers in the U.S. and Europe. While the producers are trying to hold off the surplus coffee from the market and to arrest a recession in prices, the consumers' resistance to prices is also equally strong. The consumers are restricting their purchases in the fond hope that the Mexico City agreement among the producers in the Western Hemisphere to restrict their exports, reached in October last, will break at any time, as they cannot afford to hold large stocks of coffee. Thus, the coffee producers' agreement will come under severe test in the next few months, if not weeks. But the producers do not seem to despair of the situation. Indeed, they have intensified their export quota scheme by again cutting exports by 15 per cent. for a further period of three months ending June 1958. The original agreement, it may be noted, was for a period of five months ending March next. There was a rumour that Guatemala, one of the signatories to the agreement, might withdraw from the scheme, but this was later denied. The latest step means that the main producing countries of the world are making an intense effort to keep off from the market a load of 15 per cent. of their supplies for a period of eight months.

The extension of the export quota scheme, however, does not solve the problem of excess production. It is expected that there will be a carry-over stock at the end of the current season amounting to 20 million bags, equivalent to nearly 50 per cent. of the world crop. It is this expectation, coupled with the fact that supplies from Africa, equivalent to 20 per cent. of the total world production, are still freely available, that makes the prospect of a fall in world prices promising and is encouraging the consumers to restrict their purchases. The efforts of the Latin American producers to persuade African growers to join their export restriction scheme have so far proved futile.

Meanwhile, the international conference of coffee producers, held in Rio de Janeiro on 20th January last, is reported to have reached a large measure of agreement on the setting up of an international coffee organisation to promote sales of coffee. The agreement has not been finalised, but, when finally formulated, it is expected to receive the support of most of the producing countries in Africa and Latin America. The reaction of the dealers and roasters in the U.S. and Europe to the conference has not, however, been very favourable. They feel that the producers in the Western Hemisphere are only trying to use the opportunity to bring the African producers also within their export restriction scheme. They aver that restrictive practices are no good for promoting increased consumption of coffee and that the remedy for the situation lies in allowing prices to fall by restoring free trading.

NEWS IN BRIEF

PRODUCTION of Indian razor blades last year is estimated at 365 million units, as compared with 265 million units in 1956.

The Railway Board has published a small brochure entitled *Railway Careers*, describing in brief the different types of jobs offered by the Indian railways, their future prospects, emoluments, educational and technical qualifications required, and age limits prescribed for recruitment.

The Committee set up by the Government of India to enquire into the working of the salt industry and recommend measures for its development has decided to issue a *questionnaire* to elicit information. The Committee has been asked by the Government to complete its work within six months.

The new Kalkaji wireless station was declared open by Mr. Lal Bahadur Shastri, Union Minister for Transport and Communications, on the 6th inst. Being one of India's largest foreign telecommunication centres, the new station constitutes another milestone in the rapid expansion of the overseas communications service.

The Government of India has extended the procedure for export of articles under claim of rebate of duty on excisable goods used in their manufacture to include mosquito nets as well. The procedure is already applicable to ready-made apparel, tents, sugar products, cotton bags, umbrella cloth, chaddars, pillow cases, table covers, embroideries, laces and tarpaulins.

The port of Karwar became a major port for ocean-going freighters on 31st January when the Turkish freighter *s.s. Haran* anchored for the first time in the harbour to load 11,000 tons of iron ore cargo for being exported to Czechoslovakia. Twelve barges of various stevedoring firms in Bombay are now in Karwar to transport iron ore cargo from shore to the Turkish ship.

The Indian delegation to the preparatory meeting for the Commonwealth Trade and Economic Conference will be led by Mr. B. K. Nehru, I.C.S., Secretary, Ministry of Finance, Department of Economic Affairs. The other members of the delegation are Mr. T. S. Swaminathan, India's Economic Minister in London, and Dr. I. G. Patel, Deputy Economic Adviser, Ministry of Finance. The preparatory talks will open in London on the 11th inst.

The first factory to manufacture glass syringes for the medical profession will go into production in India in April next. The factory is being set up at the Faridabad township, near Delhi, by the Hindustan Syringes Ltd., in collaboration with a Japanese concern, Tsubasa Glass Industry Company. The factory is expected to meet the country's full demand of glass syringes. The Japanese firm which has been producing syringes for 40 years is sending six technicians to train Indian workers.

The purchases of imported stores made by the Director-General of Supplies and Disposals has been reduced substantially with a view to saving foreign exchange, as well as to encouraging and developing indigenous production. The value of purchases of indigenous stores, however, has increased in keeping with the policy of encouraging such production. The purchases of imported stores during the period April to October 1957 amounted to only Rs. 16.80 crores, as compared with Rs. 83.51 crores in 1956-57.

The value of minerals produced during the first half of 1957 was over Rs. 57 crores as against Rs. 53 crores in the corresponding period of 1956. The increase was due partly to increase in the production of chromite, coal, copper ore, lead and zinc and salt and partly to higher prices of manganese ore. Coal, with an output of 21.6 million tons, was the leading commodity; the output represented an increase of nearly two million tons as compared with the first half of last year. Of the total value of Rs. 57 crores of minerals produced in the first half of 1957, manganese ore accounted for Rs. 6.9 crores, salt for Rs. 6.1 crores, gold for Rs. 2.5 crores, iron ore for Rs. 2.1 crores, mica for Rs. 1.9 crore, copper ore for Rs. 1.5 crore and ilmenite for Rs. 80 lakhs.

An Export Promotion Council for Sports Goods has been set up with the support of the Government of India with headquarters at Delhi. Dr. A. S. Sharma, Joint Development Commissioner for Small-scale Industries, Ministry of Commerce and Industry, is the Chairman of the Council. The representatives of the State Governments of West Bengal, Punjab, Uttar Pradesh and Bombay, the Delhi Administration and manufacturers and business men connected with the industry are expected to be represented on the Council. This is the tenth in the chain of export promotion councils sponsored by the Government to develop export markets for Indian products. The total annual production of sports goods in India is estimated at more than Rs. 1 crore. A small percentage of this production is exported. The sports goods industry is claimed to have vast potentiality for earning foreign exchange.

India and Japan signed on the 4th inst. a trade agreement under which the Governments of the two countries have agreed to accord each other most-favoured-nation treatment on a wide range of subjects. These include customs, tariffs, imports and exports and foreign exchange transactions; entry, stay, travel and residence of each other's nationals; all kinds of business and professional activities; and shipping and navigation. The agreement is valid for two years and will continue in force thereafter, subject to three months' notice. Two schedules appended to the agreement outline the major commodities in which trade is expected to be expanded. Among the items of exports from Japan are textile and fibre products, iron and steel and other metals, capital goods and machinery, chemicals and dyes, wood and paper products. Exports from India include agricultural products, agricultural raw materials, animal products, industrial raw materials, minerals and miscellaneous commodities.

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From Abroad

The Japanese Government has ordered a sharp cut in the shipbuilding programme for the next financial year commencing from April.

Work on blue-prints for a 65,000 deadweight tons atomic-powered tanker is being stepped up by four Japanese shipyards. The plans are expected to be completed by next March.

The declaration that there should be a genuine link between the flag of a ship and the country of its registry has been supported by the United Kingdom Chamber of Shipping. The declaration is included in the U.N. Commission's proposals for an international conference in Geneva this month.

Americans contributed $6,820,560 last year to the Co-operative for American Remittances to Everywhere (C.A.R.E.), the private U.S. organisation which sends food and other relief supplies to needy persons in overseas nations. The 1956 contributions to the C.A.R.E. aggregated $5,647,820.

The volume of British merchant shipping lying idle in the U.K. ports for reasons other than repair at the end of January 1958 was the highest for the past twenty years, the exact figures being 80 vessels of an aggregate 375,026 gross tons. The task of finding suitable berths for laying-up further vessels is posing a new problem.

The discovery of an oilfield which may stand on a par in importance with the adjacent Edjele is indicated by the new oil strike tests at Zarzaitine in the Eastern Sahara. The Zarzaitine concession, which may prove to be one of the richest in Sahara, will rank in importance next to Hassi Messaond where reserves are estimated at up to 1,000 million tons.

The European Coal and Steel Community is expected to suffer a decline of about 250,000 tons in steel output in the first quarter of 1958. The estimated production is only 15.40 million tons, as compared with 15.63 million tons in the quarter ended October-December 1957. A major portion of the expected decline is centred in the exporting countries of Belgium and Luxemburg. This will, however, be neutralised to some extent by increases in France and the Netherlands.

An informal proposal for joint Japanese-Egyptian development of Egypt's oil resources has been made by the General Petroleum Company of Egypt to a group of Japanese business men and experts who are in Egypt to assess possible contributions to the Aswan High Dam construction. A preliminary survey of the areas owned by the Egyptian Company is being made by a geologist who is a member of the Japanese mission.

A new oil find by the Shell-BP Petroleum Development Company of Nigeria has been made at Soku in Eastern Nigeria, thirty miles West of Port Harcourt. This is the third oil-bearing region discovered by Shell-BP in Nigeria, where some £27 million has been spent in exploration activities. The two other oil-bearing areas are at Oloibiri, forty-five miles due west of Port Harcourt and at Afam, twenty miles north-east of that city.

Ceylon and a Soviet delegation have reached a provisional agreement for a trade pact which will be in the nature of a revolving credit with a limit of £300,000. A condition stipulated by Ceylon is that the settlement of debts incurred above the limit should be made in cash within one month. The Russians are now seeking instructions from Moscow as to what form the pact should take, whether it should be on a cash basis, as originally put forward by Ceylon, or on the revolving credit basis.

The Swedish Company, A.S.E.A., has secured a contract worth about £1 million for providing terminal equipment for the underwater cross-channel power cable linking British and French electricity systems. According to a spokesman of the Central Electricity Generating Board in London, the contract has been given to the above firm, since "no British company is able to manufacture the necessary equipment." Work in this connection is expected to commence shortly.

Thorny agricultural questions which stood as a stumbling block in the way of a wider European free trade area were discussed on the 30th ultimo at Brussels in strict secrecy by Government representatives from Britain, Denmark and the six Common Market nations. No *communique* was issued after the talks, since the talks were merely supposed to be a preparatory exchange of views for the forthcoming meeting of the Mandling Committee on the free trade area project due to be held in Paris on the 17th and 18th inst. While, according to conference sources, no new proposals were made by either side during the recent meeting, it was not thought unlikely that new and more decisive "tripartite" talks among Britain, Denmark and the European Common Market nations might take place before the Paris meeting this month.

The second World Fishing Vessels Congress, organised by the Food and Agriculture Organisation (F.A.O.), Rome, Italy, will be held at Rome in April 1959. Mr. Jan-Olof Traung, Chief of the Fishing Boat Section, Fisheries Division, F.A.O., has been appointed Secretary, and the agenda and programme are now being drawn up. It is expected that more than 300 participants will attend the Congress. These will be representatives of governments, naval architects, boat builders and other people concerned with the design and construction of fishing boats. The forthcoming Congress will review the technical developments and progress made in fishing boat design and construction since 1953 and will carry further the international exchange of knowledge, experience and ideas in this field.

PERSONAL

MR. Leopold Figl, Austrian Foreign Minister, would visit India during his trip to West Asia next spring.

Mr. Peter Haydan, Australian High Commissioner to India, who was away for five months, has returned to this country to resume his duties.

Mr. L. R. S. Singh, at present Ambassador of India to Brazil, has been appointed Chief Commissioner, Pondicherry. He will assume charge of his new assignment in May.

Mr. R. S. Kinsey and Mr. D. H. Twyford, both of the United Kingdom Export Credits Guarantee Department, arrived in Bombay this week on a fact-finding mission.

Mrs. Sumati S. Morarjee has been re-elected President of the Indian National Steamship Owners' Association for the second year, that is, 1958, in succession. She is the first woman President of any shipowners' organisation in the world.

Mr. B. G. Kakatkar, who has been acting as the Secretary of the Millowners' Association, Bombay, since April 1957, has now been confirmed in his post. He joined the Association in 1947. Mr. R. L. N. Vijayanagar, Acting Deputy Secretary, has also been confirmed in his post.

Dr. Per Jacobsson, Managing Director of the International Monetary Fund, arrived at New Delhi on the 6th inst. The object of his visit to India is to get a first-hand idea of the economic conditions and problems of this country. He is accompanied by Mr. B. N. Adarkar, India's Executive Director of the Fund. Dr. Jacobsson will be in Bombay from 12th to 18th February.

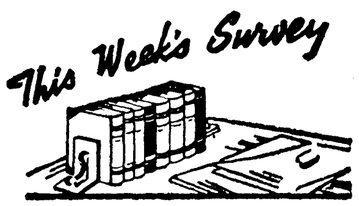
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *4th February*

A New Monetary Policy

The memorandum on monetary policy issued by the London Chamber of Commerce recently has created much interest and aroused widespread discussion. In the following article Mr. A. de V. Leigh, Secretary of the London Chamber, discusses the proposals. The London Chamber of Commerce starts from the premise that all trade is, in essence, barter—an exchange of goods and services; and that money was primarily invented to act as "honest broker" in order to facilitate such exchanges. Human beings want food, clothes, motor cars, ships. Modern scientific discovery enables us to have these things in vast abundance. We do not want money except for the purpose of exchanging it for these things; in fact, if one were on a desert island one would prefer a good strong pocket knife to a million pounds; especially if, as is the case with nine-tenths of our money, it had no physical existence, even in the form of paper, being merely bank money, transferable from account to account by cheque. Bearing these facts in mind, the "upside downishness" of our thinking on this subject will be realised when we consider the attitude of the nations towards their foreign trade. They say, in effect, if only we could export from our country to other countries a large volume of useful and desirable things, and receive nothing which is of any use to anybody in return, how prosperous we should be; we should have a favourable balance of trade. But it is agreed that one nation can only receive payment from others in goods or services, whether directly or through third parties. Economists would, no doubt, qualify this statement by adding "or gold"; but gold is, in fact, a commodity, and a peculiarly useless one at that. It is because gold has been taken out of its proper position as a metal, with qualities peculiar to itself like all other metals, put on a pedestal and worshipped as though it were the most desirable of all material commodities, that the world has conjured itself into the present ludicrous position of want in the midst of plenty.



JOINT MANAGEMENT COUNCILS

THE scope, composition and mode of functioning of the proposed joint management councils designed to secure the participation of labour in industrial management, was finalised at a two-day Seminar on labour-management co-operation held at New Delhi early this week. A model agreement, approved of by the Seminar, says that the object of the joint councils will be, among other things, to step up productivity in the interest of the establishment, the workers and the country generally and to impart to the employees a sense of participation in the enterprise. Mr. Nanda, Union Minister for Planning, Labour and Employment, characterised the scheme for the setting up of joint management councils as a "highly dynamic and vital issue." He added that the proposed councils might achieve a kind of transformation of the private sector along the lines envisaged by the Congress Party's goal of the socialistic pattern of society.

Most of the suggestions proposed by the last Indian Labour Conference in regard to the general principles on which the joint councils should function were accepted by the Seminar. It may be noted that, at present, only four concerns are trying the experiment of associating workers in management. It is indeed a happy augury that 30 more industrial undertakings have volunteered to do so.

A great deal of discussion took place over the relative functions of joint councils and the works committees which already exist in certain undertakings. The consensus of opinion was that, since joint councils would be working at the policy level, they could function without encroaching upon the field of the works committees. It was accordingly agreed that joint councils could be formed even where works committees were already functioning, though no rigidity in this matter was considered advisable. It was felt that in particular cases where works committees had done good work, their functions could be enlarged to embrace questions of policy, ordinarily the preserve of joint councils. Where, however, no works committees were in existence, the council might appoint a small sub-committee to handle routine matters like workers' grievances and welfare measures.

It was decided that the total membership of the councils might range between six and twelve and that decisions should be unanimous if they were to be valid. The trade unions and management should have equal representation. The former will elect half the members, the other half being nominated by the management. One non-employee member may be elected except where the management is agreeable to this limit being raised to two, which is the maximum. The councils should hold office for two years. The posts of chairman and vice-chairman should rotate between the workers' and management's representatives.

The councils, it was agreed, should administer welfare activities and supervise safety measures and schedules of work and holidays. They would be entitled to discuss and make suggestions with regard to the economic situation of the concern, production and sales programmes and the general running of the undertaking, methods of manufacture and work, annual balance-sheets and their explanations, long-term plans for expansion and such other matters as might be agreed upon. Doubts were raised during the discussion as to whether disclosure of certain types of information might not prejudice the interest of the concern. Clarifying the position, Mr. Nanda said that the councils should be entitled to get only that much information as was made available to the shareholders. It will be pertinent to bear in mind, in this connection, that, invariably, it is the management that decides the type and quantum of information to be made available to shareholders.

Mr. Nanda struck a note of realism when he said that a big idea like this might not find smooth sailing to start with. Much of the success of the scheme will depend upon the approach of labour and management to its working. It is not a mere set of rules that determine success but the spirit in which the scheme is implemented. It is well to bear in mind that association of workers in management is not the panacea for bad employer-employee relations, though it is no doubt true that a good participation machinery will contribute to cordial industrial relations. But, as successful participation itself is dependent upon good industrial relations, attention should be devoted to foster the latter too.

CHEMICAL INDUSTRY

The chemical industry holds a pride of place in the programme of industrial development under the second Five-year Plan, being important next only to the mineral and steel industries. Out of a total planned investment of Rs. 1,094 crores on all industries, the chemical industry alone accounts for Rs. 132 crores or 12 per cent. This outlay compares with only Rs. 26 crores made under the first Five-year Plan. Such a large provision for this industry is the result of the realisation that the industry has vast potentialities of expansion. It also reflects the fact that the fixed and working capital requirements of the industry are much larger than the average for all industries.

The progress of chemical industry in recent years has, no doubt, been very encouraging, inasmuch as the increase in production has more than kept pace with the performance of other industries. Despite this impressive performance, it is found that the installed manufacturing capacity of the chemical industry, as in many other industries, has not been fully utilised. The factors responsible for this state of affairs were analysed by Mr. Charat Ram, President of the Indian Chemical Manufacturers Association, at the seventeenth annual general meeting of the Association held at Calcutta this week.

The first and foremost problem of the chemical industry is the paucity of financial resources. Mr. Charat Ram pointed out that, while the initial gross fixed capital requirement per worker in the chemical industry was more than six times as high as that for all industries and the working capital requirements was 2.5 times the average for all industries, the ratio of net profit earned (after paying taxes) by the industry (in 1951-55) to net worth was only 3 per cent., as against an overall corporate figure of 7.9 per cent. The picture was even more depressing, he said, when this figure was compared with the corresponding figure (that is, the ratio of profit after taxes to net worth) of 17.6 per cent. for iron and steel industry, 10.6 per cent. for paper industry, and 11 per cent. for cement industry, a few of the other capital-intensive industries. Mr. Charat Ram also quoted from a recent survey by the Reserve Bank of India, which showed that the retained profits of chemical companies, included in the survey of 750 public limited companies, was only 1.2 per cent. of the pre-tax profits, as against 39 per cent. in respect of all the 750 companies. The corresponding figure for the steel industry was 66 per cent., for paper 55 per cent. and for cement 39 per cent.

Emphasising the fact that planning of the supply of capital was no less important than planning of the supply of raw materials, utilities, etc., Mr. Charat Ram pointed out, as an instance, that the capital requirement of the caustic soda industry alone, on the basis of the latest costs, was found to be of the order of Rs. 6 to 7 lakhs per ton-year, as against Rs. 3 to 4 lakhs per ton-year generally thought of. This would mean that a sum of Rs. 20 crores would be needed for achieving the Plan target of this product alone for the balance of the Plan period. Mr. Charat Ram was of the view that the capital needs for other chemical products were likely to be on a similar scale.

It is common knowledge that the geological resources of India are enormous and offer immense scope for the development of chemical industry. Mr. Charat Ram, therefore, seized the opportunity to impress upon the Minister for Industry, who inaugurated the proceedings, the need for proper development of the geological industries.

Given the necessary financial and raw material requirements, the chemical industry will provide a vast source of foreign exchange earning for the country, because the exportable items in the products of the industry are varied in character. Bleaching powder, bichromates, magnesium and calcium chlorides, Azo-dyes, calcium carbonate, animal glue, phenyl, D.D.T. and penicillin are only a few instances. This, however, will require, according to Mr. Charat Ram, a change in our approach to production capacities—that is, from planning for self-sufficiency only to planning for surpluses for export. At present, he said, even the planning for internal consumption became inadequate by the time the planned capacities matured. The increase in production of the exportable products could, he suggested, be achieved by expanding the capacities of the existing units, instead of setting up new units of production which would need far larger resources. In short, Mr. Charat Ram's exposition of the potentialities of the chemical industry suggests that fresh thinking on the development of the industry is called for.

STEEL FILES

It must be said to the credit of the engineers' steel files industry that, though it has been enjoying tariff protection only for the past 2½ years, it has endeavoured its best to give a good account of itself. This is the impression that we get after reading the speech delivered by Mr. K. R. Damle, I.C.S., Chairman, Tariff Commission, last week, while opening the public enquiry into the working of protection granted to the industry. The industry's claim for protection was first examined by the Commission in 1954 and, on the recommendation made by the Commission, protection was granted by levying specific rates of duties ranging from Rs. 7 to Rs. 34 per dozen on steel files and rasps of 4" to 18" size only; jewellers', watch-makers', other needle, mill tooth, rotary power and ampoule files were, however, excluded. The protection is, of course, to continue up to 31st December 1959, but the present enquiry is in accordance with the recommendation of the Commission for a review at the end of two years. Incidentally, certain manufacturers have represented that, as the industry is faced with severe competition from cheap files imported from Poland and other Continental countries, immediate relief is required.

The review of the progress of the engineers' files industry as made by Mr. Damle reveals that not only have the installed capacity and actual production gone up but there has also been a noticeable improvement in the quality of the product. The present aggregate rated capacity of the industry is estimated at 455,000 dozens on the basis of figures furnished by the units—the Development Wing of the Commerce and Industry Ministry puts it at 288,000 dozens—as against just 55,000 dozens at the time of the last enquiry (1954). The expansion in capacity has followed largely the increase in the number of units engaged in the manufacture of steel files, from two in 1955 to five at present. Of the five units, three are situated in Bombay (J. K. Engineers' Files, Hakimrai Jaichand, and John Baker and Sons) and two in Calcutta (Harbanslal Malhotra and Sons and Hindustan Files). It is understood that two more units—one in Delhi and the other in Bombay—have been licensed for the manufacture of files. With the coming into production of these units and the implementation of the expansion programme of existing ones, the industry's total rated capacity is expected to rise to about 800,000 dozens per annum.

Side by side with the expansion in capacity, the actual rate of output has also registered a marked increase. During the first ten months of 1957, production was of the order of 160,127 dozens, which compares very favourably with 154,629 dozens in the whole of 1956 and 44,219 dozens in 1955.

The quality of engineers' steel files produced in the country is stated to have improved considerably, thanks to the various steps taken by the manufacturers in the direction. The files produced by one firm in particular are said to have been well received by the market. Certain consumers, however, have contended that many of the domestic products are still inferior to the imported ones. Briefly, the defects pointed out are vulnerable teeth, poor cutting quality, incorrect depth of serrations, lack of uniformity in tempering and hardening, rapid wear out of files, and unsuitability of the files for use on harder steel alloys. Drawing attention to these defects, Mr. Damle did well to urge that the industry had a great responsibility in producing files of excellent quality at the lowest possible cost. It is common knowledge that steel files constitute a vital accessory in all engineering industries and, naturally, quality is of primary importance.

INDIAN MERCHANTS CHAMBER

On the occasion of its Golden Jubilee celebrations, inaugurated by the Prime Minister, Mr. Jawaharlal Nehru, on Monday the 3rd inst., the Indian Merchants Chamber, Bombay, can certainly look back upon its career with considerable pride and satisfaction. Born 50 years ago—on 7th September 1907, to be precise—the Chamber has all along been serving the cause of industry, trade and commerce with steadfast devotion and energy. By such service, the Chamber has today carved for itself a unique place in the economic life of the country—as a unifying force "to foster industry and trade, develop commercial and industrial opportunities, encourage sound industrial practice, and create favourable public and Government support in matters relating to industrial or commercial interests." Indeed, the Chamber deserves every word of what the late Sardar Vallabhbhai Patel said many years ago: "As the Congress has played a useful part in creating an atmosphere of patriotism, the Chamber has also rendered immense service to the commerce and industry of the country."

How the Indian Merchants Chamber has marched step by step in achieving the objective of a premier commercial organisation in India's economic life will be evident from a brief narrative of the important landmarks in the history of the Chamber. Incidentally, it will be interesting to note that the Chamber, which made its humble beginning with 100 members in 1907, has grown into a live-wire organisation with its total membership today standing at 2,070, the number of associations afflicted to it being as many as 121, representing the entire section of trade, commerce and industry. The first few years of the Chamber were, as is only to be expected, devoted to the work of organisation. Even during this initial period, the Chamber spared no efforts to secure legitimate recognition and representation in important public and semi-public bodies such as the former Imperial Legislative Council, the Local Council and the Port Trust. When the First World War broke out in 1914, resulting in a dislocation of the normal forces of economy, the Chamber boldly grappled with the problems and offered to the Government constructive solutions on economic and political matters from the nation's point of view. The Chamber made an insistent demand for the appointment of Trade Commissioners in the leading countries which was, in fact, conceded by the Government. Trade Commissioners or Agents were appointed in eight countries and it is gratifying that this number stands today at 30.

While the progress in the earlier years was thus notable, it was not until the end of the First World War that the Chamber emerged as a full-fledged organisation of the business community. It brought to bear a high degree of scholarship and sound knowledge of economics in the consideration of the wide and varied problems generated by the war, particularly the controversial issues of State *vs.* private management of railways, rupee ratio, and embargo on bullion imports. The valiant battle the Chamber fought for gaining fiscal autonomy necessary for the rapid industrialisation of the country undoubtedly constitutes a glowing record in the history of this body. The Chamber might not have succeeded in achieving this aim in full measure, but it did succeed in bringing about a change in the attitude of the Government from one of indifference to that of discriminating protection in respect of Indian industries.

A new and significant chapter was added to the history of the Chamber after the Second World War began when the country as a whole was subjected to heavy strain on both economic and political fronts. The spate of legislative enactments, ordinances and regulations that continued to flow from the Central and Provincial Governments, shortage of wagons, requisition of supplies, scarcity of consumer goods, threat of inflation, acute food situation culminating in the Bengal famine which took a heavy toll of life, introduction of rationing and control over essential supplies, congestion in ports and railways, dislocation of normal business life, and many other pressing issues made the period one of hectic activity and serious concern for the Chamber. The Chamber had undoubtedly heavy responsibilities of assisting the maintenance of the lifelines of industry, trade and commerce, diminished and shrunk by all-round restrictions, resulting from India's forced participation in the

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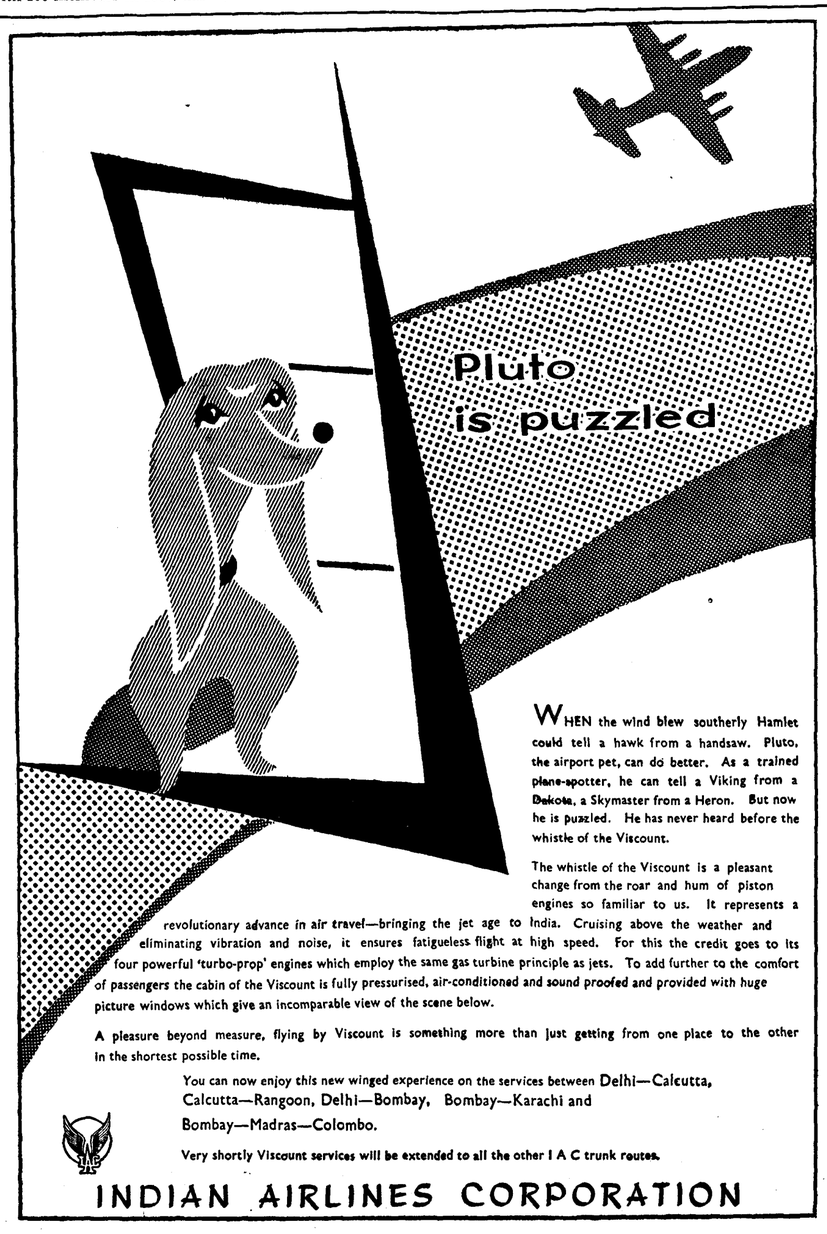

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INDIAN AIRLINES CORPORATION

SEMINAR ON LABOUR PARTICIPATION IN MANAGEMENT

CONSTITUTION AND FUNCTIONS OF JOINT COUNCILS

From Our Special Correspondent

NEW DELHI, *4th February*

DELHI LETTER

THE Indian Labour Conference, at its session in July last year, it may be recalled, reached the conclusion that as the employers were willing to introduce schemes of worker participation in selected industrial units on a voluntary basis, it was not necessary to undertake any legislation for the purpose for a period of two years. Following this decision, a labour-management co-operation seminar, in which representatives of over 30 units belonging to the public and private sectors participated, was held here at the end of last week. The Seminar laid down some general principles which should govern the constitution and functions of joint councils of management. These joint councils would consist of an equal number of representatives of management and of employees, not exceeding 12 in all. In the case of smaller undertakings, however, the membership would not be less than six.

The Seminar further decided that, where there was a representative union registered under a statute, that union should nominate the employee representatives on the joint council; where there was no law for the registration of unions as representative unions, but there was only one union well established, that union should nominate the employee representatives; where there were more than one well established and effective union, the joint council should be formed when the unions among themselves agreed as to the manner in which representation should be given to the employees. Here, the Seminar rejected the sound plea that the employees' representatives should be elected by the employees themselves, as the nominations made by the union or unions might not be acceptable to the employees and, as a consequence, there might not be smooth and effective working of the joint councils. The Seminar also decided that employees' representatives should be employees themselves—they could even be members of the supervisory and technical staff—but that, if the union or unions so desired, there could be one non-employee member or two such members through mutual agreement. Here, again, the sound view that there should be no *outsiders* (non-employees) on the joint council failed to receive support from the Seminar.

In the draft model agreement (between the employer and the trade union or unions) regarding possible establishment of a joint council, it was laid down that it would be the endeavour of the council to improve the working and living conditions of the employees, to improve productivity, to encourage suggestions from the employees, to assist in the administration of laws and agreements, to serve generally as an authentic channel of communication between the management and the employees and to create in the employees a live sense of participation. The council would be consulted by the management on such matters as administration of standing orders and their amendment when needed; retrenchment; rationalisation; and closure, reduction in or cessation of operations. The council would have the right to receive information on the general economic situation of the concern; the state of the market, production and sales programmes; the organisation and general running of the undertaking; circumstances affecting the economic position of the undertaking; methods of manufacture and work; the annual balance-sheet and profit and loss statement and connected documents and explanation; long-term plans for expansion; and such other matters as might be agreed to. The Council would also be entrusted with administrative responsibility in respect of administration of welfare measures; supervision of safety measures; operation of vocational training and apprenticeship schemes; preparation of schedules of working hours and breaks and of holidays; and payment of rewards for valuable suggestions received from the employees. All other matters like wages, bonus, etc., being subjects for collective bargaining, would be excluded from the scope of the council; at the same time, individual grievances would be excluded from its scope.

The Seminar's Committee which made recommendations on the size and composition of the joint council also discussed some other related matters and expressed its views thereon. It was felt that, since joint councils were to work at the policy level, they could function separately without encroaching upon the functions of the works committees; and that, where works committees were already working in units where joint councils were to be constituted, they should be allowed to continue. As for supply of information by the management on economic and financial matters concerning the company, it was felt that the information on questions affecting the relations of the company with its shareholders or managerial staff or concerning taxes or other matters of a confidential nature need not be supplied; in the same breath, however, the Seminar Committee felt that the non-supply of such information might lead to apathy and suspicion which might frustrate the very purpose of the council.

From the account, so far given, of the details of the scheme of labour participation in management, it may be noted that the reluctant agreement of private employers to the *nomination* by trade unions, of employee-representatives on the joint council and to the provision enabling the nomination of one or two *outsiders* as employee-representatives, and the likely (certain?) demand, by employee-representatives, for confidential information would, in all probability, render the scheme unworkable. He should be a rash prophet who would say that the proposed experimental scheme in 30 and odd selected industrial units would set an example in voluntary labour-management co-operation and pave the way for a wider voluntary movement covering all or most undertakings in the country. It looks as though the employers might try their best to work the scheme in spite of its drawbacks, for any failure on their part to do so would only invite regulatory legislation.

A Telling Illustration

This letter can usefully include a telling illustration, given by Mr. M. D. Dalmia in his presidential speech last week, at the annual dinner of the Delhi Factory Owners' Federation—an illustration which gives the lie to the general impression that profits earned by cotton mills make the rich richer and the poor poorer.

There is a mill (the name of which is not given) having a paid-up capital of Rs. 75 lakhs. The working capital employed is another Rs. 70 lakhs. The annual gross profits are Rs. 20 lakhs. These are called 'gross' profits, because the depreciation of machinery and equipment is yet to be deducted. In fact, it is wrong and misleading to include depreciation in profits under any name. If the depreciation is deducted from this figure, the profit, which is the real profit, is only Rs. 14 lakhs. At the present rate of income-tax, corporation tax and surcharge, about Rs. 7,20,000 have to be paid in taxes. Another Rs. 0.50 lakh has to be paid by way of Wealth Tax and the total payment in taxes works out to Rs. 7,70,000. The actual tax will work out differently in different cases. The remaining profit is Rs. 6,30,000 and if this is distributed to the shareholders another Rs. 40,000 will have to be paid as tax on distribution. The actual amount to reach the shareholders will be Rs. 5,90,000 only. How much tax the shareholders will pay on this income will depend on the number and financial status of shareholders but it may be safely assumed that Rs. 2,40,000 will have to be paid in taxes by the shareholders, leaving a net balance of Rs. 3.50 lakhs in their hands. On further study of the balance-sheet, it is found that Rs. 75 lakhs have been distributed to labour and staff by way of salary, allowances and bonus and about Rs. 5 lakhs to the selling agents and brokers for remuneration on sales and purchases effected through them and Rs. 75 lakhs to Government in the shape of excise duties. The real earning thus from the machines and materials will consist of five items: Rs. 3.50 lakhs for the shareholders; Rs. 75 lakhs for labour; Rs. 5 lakhs for selling agents and brokers; Rs. 86 lakhs for Government (Rs. 11 lakhs in the shape of taxes and Rs. 75 lakhs in excise duties); all totaling to Rs. 169.50 lakhs. If the shareholders of this concern, who are more than 50 in number, invest Rs. 75 lakhs in iron and bricks and invest Rs. 70 lakhs in stocks and stores and earn Rs. 3.5 lakhs after providing earnings of Rs. 166 lakhs to their Government and countrymen, is it an unequitable distribution? Are the shareholders, who float the company, undergo the risk of loss of millions in case of failure, nurse the concern like their own baby and manage it day and night with care and vigilance, not entitled to a return of even this much amount?

SURVEY

(Concluded from previous page)

war. In performing this task, the Chamber "carried on its best tradition of strengthening the Indian business community and creating feelings of unity and cohesion.

Another significant chapter was added to the Chamber's history in 1947 when India achieved independence. To the Chamber, independence was an opportunity for redoubled effort and dedicated service not only to the commercial community but to the country at large in the great task of rebuilding the tattered economy. Since then, the Chamber has been serving as an agency to assist and supplement the efforts of the political leaders in the arduous task of raising the living standards of India's teeming millions.

Apart from discharging its main function as the representative organisation of trade and industry, of disseminating informed views and opinion on current problems and placing the point of view of the business community before the authorities—Central and State—the Chamber has been endeavouring to be of assistance both to its members and to the general public in diverse directions. It has an information department which furnishes factual information on all matters concerning day-to-day business and industrial activities. It also assists in stimulating fresh and increased trade contacts. Issues involving points of legal doubts are sought to be clarified; enquiries regarding prospects for trade are adequately answered; the position and obligations under the various laws and regulations governing trade and industry are explained.

The Chamber also undertakes the work of arbitration and surveys. It has been authorised to issue certificates of origin in terms of the International Convention for the simplification of customs formalities. Further, the Chamber has a full-fledged measurement department functioning in the Docks for the purpose of measuring and weighing export cargo. The need for the spread of commercial and technical education was keenly realised by the Chamber and, in the establishment of the Sydenham College of Commerce, the Chamber had a big hand. The Chamber itself has been conducting examinations in such specialised subjects as accountancy, law and practice of banking, income-tax, company law, mercantile law, secretarial practice, insurance, business organisation and auditing. Not content with these, the Chamber now proposes, as Mr. Naval H. Tata, President of the Chamber, disclosed in the course of his address at the inauguration of the Golden Jubilee celebrations, to start a scheme for providing facilities for practical training in business methods and organisation. Under this scheme, the Chamber will take up every year a few commerce graduates and persons holding specialised degrees or diplomas for undergoing a period of apprenticeship, so that they will have an opportunity of acquiring a wider background of general knowledge. The Sir Ratan Tata Trust has been good enough to sanction a grant of Rs. 1 lakh to form the nucleus for the endowment for that purpose. About Rs. 5 lakhs are expected to be raised for the same from other sources. This scheme and the Chamber's move to set up a research department for an objective study of the current economic problems are highly commendable and deserve to be emulated by the other chambers of commerce in this country.

With these achievements of the past and having laid down great traditions, the Indian Merchants Chamber stands today fully equipped for serving the cause of industry, trade and commerce in a greater and more significant manner. The importance of a body like the Chamber is all the greater in the present context when, as Mr. Naval Tata rightly pointed out, "certain altruistic and ideological concepts" prevail and the "cloud of suspicion" hangs over the commercial community. While wishing the Indian Merchants Chamber Godspeed in its endeavours to to serve the future generations for many more years, we would like to offer one suggestion. The Chamber will do well to concentrate its attention more and more on tackling the economic problems of the region concerned, leaving the issues of national importance to be considered mainly by the apex body, that is, the Federation of Indian Chambers of Commerce and Industry. By doing so, the Chamber will not only avoid much duplication of work but also play a more positive role in bringing about such adjustments as may be conducive to the proper functioning of industry, trade and commerce in the region covered by it.

OUR DOMESTIC AIR FARES

THE COUNCIL'S REPORT

By "Rudderbar"

THE report compiled by the Air Transport Council (Indian Airlines Corporation's Fare and Freight Rates: May 1957) which was recently released to the public, is an excellently set out and informative document. The recommendations made will probably prove to be unpopular—higher fares on any form of public transport invariably receive a "bad Press"—but an upward revision of fares on our domestic air services is not only almost inevitable, it is probably justifiable.

The current air fares, when measured against those prevailing in Europe, are extremely modest. They compare, moreover, not unfavourably with fares on American and Australian routes where, for various reasons—not least the lower price of aviation fuel—the costs of operation are appreciably less. This is not to say that, if stringent economies were enforced, I.A.C.'s costs could not be substantially reduced—the Corporation's 'break-even' load factor, which is in excess of 80 per cent., provides sufficient evidence of *that*. The Council's terms of reference, however, did not include any examination of I.A.C.'s working. Its task, in effect, was to find means to raise additional revenue rather than to suggest ways of reducing costs.

Excise Rebate

There is, of course, an obvious means of reducing I.A.C.'s costs of operation—and that, too, without any effort on the part of the Corporation. The Government might grant a rebate on the excise duty paid in respect of aviation spirit. This duty is established at a fraction under Re. 1 per gallon of petrol, and boosts the Corporation's direct costs of operation by about Rs. 1 crore per annum. There is, moreover, a clear precedent for such a rebate; the private airlines benefited by an eight-anna rebate for some four years. This was later reduced to six annas and, finally, in January 1953, the concession was withdrawn *in toto*.

Not only is there a precedent, there is justification too for a rebate. This excise duty falls particularly harshly on air transport—as compared, that is to say, with other industries or forms of transport. Even a comparatively small air liner—a Dakota, for example—consumes more than a gallon of fuel every minute. Consider the case, then, of such an aircraft *vis-a-vis* a heavy road vehicle. The former, carrying a payload of two tons over a distance of 100 miles, costs the operator about Rs. 47 by way of petrol duty; the latter carrying a five-ton payload over the same distance, consumes about 12 gallons of petrol and costs in duty, therefore, only Rs. 12. Thus, for more than double the ton-miles produced, the road operator pays about a quarter of the duty paid by the air carrier. That, it will be conceded, seems to be a very inequitable distribution of this tax.

Whilst it would clearly be wrong for air transport to be exempt from any form of taxation which other industries pay, a substantial rebate is, just as clearly, admissible. With a rebate of eight annas per gallon, I.A.C. might reduce its annual deficit to about Rs. 50 lakhs. The Council has recommended a rebate (a recommendation which will receive, it is to be hoped, the consideration it deserves) and has based its further recommendations in respect of fares and freights, on the assumption—presumably—that some such rebate will be granted.

Social Aspect

Let us now examine the case for increased fares from another aspect—the 'social' aspect. Those who use our domestic air services represent an infinitesimal fraction of the total population (rather less, in fact, than 0.025 per cent.). It is clearly unjust that the taxpayer-at-large should be called upon indefinitely to subsidise the travel of this comparatively wealthy and privileged section of the people—and the annual reimbursement of I.A.C.'s losses by the Central Government does, for all practical purposes, amount to just *that*.

The Council, however, if we are to judge by the report, was not particularly impressed by this argument. It was more concerned to find additional revenue for I.A.C. "whilst stimulating the maximum volume of traffic." These aims, we are informed, "conform with both the social objective of a nationalised undertaking and, at the same time, sound commercial practice." The Council, in fact, justifies fare increases on other grounds.

"To maintain fares at their present level, or to reduce them to a lower level," the report reads, "would not help to improve the Corporation's financial position and would only benefit those who can afford to pay more and are even willing to do so. Continuation of the pre-nationalisation policy of low fares would mean maintaining the present high level of financial deficit ...."

Tapering Design

From the point of view of the public, this is little short of a damning indictment of nationalisation as a policy! Since the Council, however, was not concerned with this issue—and, in any event, probably didn't intend their words to be so construed—let us pass on to the actual method of achieving their aims which the Council has recommended. This is a single tapering design related to the cost structure. Short-haul, or short-sector routes are, for many reasons, more expensive to operate than long-haul, non-stop routes such as those from Calcutta to Bombay, Calcutta to Delhi, and Bombay to Delhi. Starting, then, by applying the highest fare to very short sector routes, the Council has drawn up a sliding scale of passenger fare rates. This commences with a maximum ceiling of 6.6 annas for sectors of 30 miles or less, and tapers to a ceiling of four annas for sectors of more than 900 miles. In both cases, of course, the figure mentioned is the rate per seat/mile. This means, in effect, that fares on the majority of the Corporation's routes (those between 200 and 700 miles) will rise by a quarter to half an anna per seat/mile.

Serious Flaw

Whilst this system may well produce additional revenue for I.A.C.—the Council's estimate in this respect is Rs. 15 lakhs—yet whether it is the best that can be devised or, for that matter, as logical as the Council insists, must remain a matter of opinion. There is, I suggest, at least one serious flaw—it penalises a certain class of traffic.

A study of I.A.C.'s route plan shows that almost all the short and very short sector routes (those between 50 and 200 miles in length) serve rural districts. The routes from Bombay to Saurashtra are cases in point, as are many of those from Calcutta to points in Assam and Tripura. The great bulk of traffic on these routes comprises those travelling on their own affairs—be those affairs of a family or business nature—and paying their own fares. On the other hand, the longer, non-stop routes (such as those already cited), are very largely patronised by a quite different class of traffic—Government officers "on duty" and representatives of commercial houses travelling "on firm's account."

Is it, then, equitable to charge the "little man," paying from his own pocket, at a substantially higher rate than the representatives of Government and "big business"? Moreover, as will readily be conceded, there is a considerable difference between the standards of comfort and catering on short-sector, rural routes (usually served by comparatively slow aircraft), and those enjoyed by the traveller on fast, non-stop services operated by Viscounts, Vikings, or Skymasters.

Why Not A Differential Fare?

An alternative method of raising additional revenue would be to apply a "fare differential," or surcharge, on services operated by faster and more comfortable aircraft. It is, of course, a matter of opinion but a fare differential of this sort would seem a more equitable arrangement—in that the higher fare is related to better value in respect of speed, comfort, and catering—and one, moreover, which is less likely to encounter "sales resistance." Government servants and the representatives of commerce and industry must travel—and, usually, by the quickest possible means. On the other hand, those travelling on their own account—save in exceptional circumstances, where surface travel is very difficult or very slow—may think twice before paying a higher air fare. They may prefer to travel by rail, or to curtail the number of pleasure or business trips which they normally make.

Whilst many of the Council's recommendations are, I suggest, open to criticism—and here, it is pertinent to observe, the Chairman himself and two members entered a minority "Minute of Dissent"—the report rendered is none the less valuable. It throws light on much that was obscure and provides the Government with a considerable amount of essential information. As a starting point for the reform of our present fare and freight tariff, it should serve a very useful purpose. For this—if for nothing more—we should be duly grateful to the Air Transport Council.

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BRITAIN LEADS IN AIRPORT SAFETY

A number of "new and fascinating developments," which he said were essential if the United Kingdom were to maintain its lead as the safest country for the general control of and technical arrangements for its airports, were discussed by Mr. Harold Watkinson, British Minister of Transport and Civil Aviation, last week. Mr. Watkinson was initiating a debate on the latest report and accounts of British European Airways and British Overseas Airways Corporation in the House of Commons. Freedom of the air, he said, would be just as vital to Britain in the future as freedom of the sea has been to it in the past. Talks were being held to try to secure an easier and more expansive position for British civil aircraft.

A bilateral agreement had been reached with the Federation of Malaya, and he hoped soon to be signing an agreement with the Australian Government, including provision for routes via the Arctic and the Antarctic. There had also recently been signed an agreement with the Soviet Union and with Poland. A Czechoslovakian delegation was expected in London this week to discuss an air agreement, and talks were going on with Ghana, the Sudan, Ethiopia—and he hoped there would be other countries as well.

Discussing safety measures in civil aviation Mr. Watkinson described plans being made to build a number of new long-range radar stations which would give the controller power to "see" on his screen all aircraft in the vicinity of the airport with a complete picture of the surrounding traffic. The United Kingdom was also examining urgently the possibility of supplying controllers with electronic computers. Referring to the building of airport facilities, the Minister said: "What we are trying to do is to create the kind of ports and transit facilities that it has taken generations to build up in our docks and harbours." In the London area alone, the number of passengers handled has been 178,000 in 1938; 834,000 in 1948; and would be 4,500,000 in 1958. Mr. Watkinson also referred in his speech to "what may be the last big conventional aircraft"—the Vickers VC-10. A contract had been signed by British Overseas Airways for 35 of these, with an option for 20 more. It was obvious, he said, that the Corporation regarded them as "world-beaters."

MOVEMENT OF INTEREST RATES ABROAD

DEFINITE SHIFT TO EASY MONEY INDICATED

THE trend of interest rates in the principal money markets of the world during the past two weeks further confirms the impression that there is now a definite move towards easier money in many countries and that the current year may well see the end of the era of dearer money. This change, which stems from the recessionary tendencies in the international economic climate, is in distinct contrast to the rising trend in money rates noted only a year ago. The first three quarters of the past year witnessed a tendency for money to harden almost in all countries. Between February and September 1957, many important countries raised their Bank rates, the extent of increase ranging from ½ per cent. to 2 per cent. The U.K. was the country which pushed up its Bank rate by the latter figure to 7 per cent. and this was done as late as on 17th September 1957. Following this step, London earned the distinction of being one of the dearest money centres in the world.

Paradoxically enough, it was almost at about the same time the dearer money tide began to recede. West Germany cut its Bank rate by ½ per cent., from 4½ per cent. to 4 per cent. In fact, this cut was made a day before the U.K. stepped up its rate by 2 per cent. An explanation offered for this step by West Germany is that it was taken not for the purpose of checking any recession in German economy, but for checking the inflow of hot money from London. In short, it was a move by West Germany as a creditor country to help Britain, a debtor country. Not long thereafter another creditor country followed suit. Thus, in November, the U.S. Federal Reserve Banks lowered their rate from 3½ per cent. to 3 per cent. But, unlike in the case of West German action, this action was designed not to help Britain but to infuse confidence among the people of the U.S. and elsewhere that the U.S. Administration was well aware of the need for arresting deflationary development. Soon, however, fears of recession gathered further momentum and some countries began to experience a gradual setback in employment and production.

Further Fall in Interest Rates

These developments initiated a further fall in interest rates. Towards the close of last month, West Germany made a further cut of ½ per cent. to 3½ per cent. It was followed almost immediately by the Netherlands which reduced its rate from 5 to 4½ per cent. In Canada, too, where there is no fixed Bank rate—its rate is varied weekly in accordance with the trend of Treasury Bill rate—the latest rate, at 3⅞ per cent., is ½ per cent. lower than the peak level touched in the autumn of last year. The latest country to reduce its Bank rate is the U.S. On 21st January, one of the Federal Reserve Banks—the one in the Philadelphia district—sought and obtained the permission of the Federal Reserve Board at Washington to reduce the discount rate by ¼ per cent. from 3 to 2¾ per cent. Within a few days, seven other Federal Reserve Banks also followed suit. Earlier, that is, with effect from 16th January, the Federal Reserve Board had permitted the Stock Exchanges to reduce the margin requirements on listed stocks from 70 per cent. to 50 per cent., so that people could buy shares with a smaller cash-down payment.

The following table shows the trend of Bank rates in four countries, which have lowered their rates so far, as compared with that in the U.K.:

(Per cent.)

Country	*January, 1957*	*Highest rate in 1957*	*Latest*
U.S.	3.00	3.50	2.75* —3.00
Canada	3.92	4.06	3.90
Germany	5.00	5.00	3.50
Netherlands ..	3.75	5.00	4.50

** Only eight of the 11 Federal Banks have cut their rates till the time of writing.*

The downward trend in interest rate in the U.S. which began in November last does not seem to have been checked. On the contrary, it is gathering momentum. The 91-day Treasury Bill rate, which had averaged above 3½ per cent. during September-October and 3½ per cent. in December, has fallen below 2 per cent. to stand at 1⅞ per cent. by the end of January 1958. Other short-term interest rates also have retreated. In the New York market, the discount rate for prime bankers' acceptances, that is, commercial bills carrying a leading bankers' endorsement, has dropped to 3⅛ per cent. for 4-6 months and to 2⅝ per cent. for 90-day bankers' acceptances. These compare with 4⅛ per cent. and 3⅜ per cent., respectively, about three months earlier.

A more important development in the field of interest rates in the U.S. is the reduction made by a number of major commercial banks in the rate of interest on advances to business borrowers of the highest credit standing from 4½ to 4 per cent. This, it may be noted, is the first cut made in the last four years. The cut in this rate of interest, called the "prime rate," is considered to be a precursor to a general move to reduce the cost of bank credit in the U.S. Thus, within the last two months, the move towards cheaper money in the U.S. has gone a long way, though it gathered momentum only in the last two or three weeks.

Rsasons For Cheap Money Policy

The reversal of the dearer money trend (indicated above) in the U.S., Germany and Canada has been prompted by the necessity to stimulate, rather than discourage, new capital outlays and other forms of economic activity. This is proof positive of the fear of widespread economic recession and the need to arrest in good time any severe jolt to the economy. Though a few other countries, such as the U.K., Australia, New Zealand and Japan have not taken any steps to reduce interest rates—indeed, the rates of interest in the last mentioned two countries are probably the highest among the leading countries in the free world—their other actions indicate that they regard deflation, and not inflation, as the main danger.

So far as the U.S. is concerned, monetary weapon is not the only one that has been used by the authorities to stimulate business activity. They have used other weapons also. In the first instance, as already mentioned, the margin requirement on the New York Stock Exchange has been reduced from 70 per cent. to 50 per cent., thereby providing the investor and speculator greater facility to operate with more borrowed money and less of their own resources. This move is intended to stimulate, through the Stock Exchange, more confidence in industry and trade.

Yet another move, which is being seriously discussed by the U.S. Government at the time of writing and which may be taken any moment, is the easing of bank reserve requirements, in order to give additional impetus to the activity generated by the cheap money policy. There is a section of opinion in America which doubts whether the cheap money policy alone would be effective to achieve the objective in view. It is, therefore, considered necessary to relax, in addition, the reserve requirements of banks. The "bank reserve" weapon has not been used since the middle of 1954, when the reserve requirements were reduced, following the collapse of the post-Korean boom. The release of commercial banks' resources will, it is thought, provide the banks with additional funds, with which they can make larger advances to business.

It is, however, too early to see the effect of cheap money policy in stimulating business activity. The initial reaction of the business community would appear to be to run down its stocks and to postpone capital outlays in anticipation of a further fall in interest rates. Thus, the use of monetary weapon would appear to have, in the initial stage, made matters worse.

Consequent on the changes in the economic and financial policies in the U.S. and other countries, attention has now been diverted to London, which, as already pointed out, is one of the dearest money markets in the world. Speculation is rife whether Britain also will be forced to take a similar step, namely, cut its Bank rate and take other anti-deflationary steps. For any economic recession abroad cannot but have its repercussion on Britain. Already there are signs of such effects. There seems to have been a flow of some "hot" money to London, consequent on the widening of interest differential in favour of London. The flow of such funds into London has not yet gathered momentum to an extent as to warrant a change in the Government's tight money policy, but the danger is there. It is said that the movement of funds to London ever since confidence in sterling revived is no more than a few tens of millions of pounds. This slow pace of flow is attributed to the fact that the actual margin of profit in such transfer is much less than that indicated by the difference between the Treasury Bill rates in New York and London.

U.K. Bill Rate Declines

Nevertheless, it will not be right to say that the fall in interest rates abroad has not had any effect on money rates in London. In fact, there was a decline in the U.K. Treasury Bill rate last week to 6⅛ per cent., the lowest touched since the last Bank rate rise. The fall in Treasury Bill rate in the U.K. is due, it is said, to an increase in the demand for these bills on home account induced by fears of a possible cut in Bank rate, rather than to competition from foreign money. All the same, there is a strong section of opinion in London which feels that a cut in the British Bank rate, at least a technical reduction, is inevitable. Thus, writing in the *Financial Times*, London, "Lombard" observes:

"It would be an entirely different matter if confidence in sterling revived to the point where foreign holders of short-term money came to the conclusion that the risk of a major fall in the £'s value over the next few months had become slight—so slight that they would be justified in making outright switches of funds to this country for the sake of claiming the big additional return obtainable here when the exchange risk is not insured against. Then, money might begin to move in on such a scale that the reserves would be swollen in a disturbing way—disturbing because with the opening in mid-year of the period during which seasonal factors are running against the £, it is quite likely that the hot money would go home.

"It is not difficult to see that, in such circumstances, the U.K. authorities would come under considerable pressure to countenance a gradual reduction in short-term interest rates in this country. For quite apart from the reserves problem that would be created by a major inflow of hot money, such a development—by materially enlarging the volume of funds seeking employment in call money and bills in London—would make it difficult for them to wield their monetary controls with sufficient vigour to keep credit short.

"My own view is that, if things do look like turning out this way, the authorities should lose no time in staging an orderly retreat from dear money by bringing down the Bank rate. Their present anxiety to avoid creating the impression that they are wavering in their determination to press forward with the rehabilitation of sterling is understandable. But their ability to point to the fact that developments abroad really had necessitated an overhaul of the U.K. rates structure should make it possible to carry out such an adjustment while satisfying opinion abroad and at home that there was no intention to show the 'green light.'

"As there is the strongest of cases for reducing Bank rate, if this can be done without suggesting a basic departure from the disinflation policy, it would in any case be foolish to miss such an opportunity to make a 'technical cut.' It may not come again before the period of seasonal pressure on the £ opens."

Meanwhile, sterling continues to be in demand in London. The pressure of demand would have lifted the pound sterling to its official ceiling (in terms of U.S. dollar) of $2.82 but for the intervention of the Exchange Account as a seller, in order to prevent a too rapid rise in the value of £ sterling.

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SOME THOUGHTS ON EARNING CAPACITY OF TEXTILE MILLS

PRINCIPLES OF SOUND MANAGEMENT RECALLED

By Gamanlal C. Presswala

IT is generally acknowledged that the cotton textile industry in India is passing through bad times. In such times, it is natural for persons connected with the industry to devote their thoughts and resources for the improvement of its condition. As a matter of fact, helpful suggestions should always be welcome.

In August 1956, the level of prices of cotton textiles was remunerative and the textile trade was brisk. Even uneconomic units were able to function at that time. But the Union Government struck a cruel blow to the textile trade and industry by adopting certain financial measures in that month. The drastic increases in the excise duties on cloth were bad enough; but the psychological shocks given by the manner and method of announcements produced worse effects. The result is that one of the most important industries of the nation is in the grip of a crisis.

Uneconomic units are making losses; some of them have closed down and some others are thinking of following suit. Certain mills which were previously earning some profits find themselves on the margin, that is, they are just able to avoid losses. With further worsening of the situation, they too may have to go out of production, and some more units, which were better placed, may have moved to the dreaded margin. Thus, from the point of view of individual units, it should be their endeavour to remain on the right side of the danger line, and as far away as possible. This they can accomplish by an all out effort to lower costs, and to evolve efficient purchase and sales departments.

Raw Cotton

Cost of production is a factor of very great importance to a manufacturing concern. Raw materials, stores, labour, overhead charges, etc., go to make the cost structure. In case of a typical medium count mill, the main raw material, namely, cotton, constitutes almost half the cost of the finished product. Such a mill, having 1,000 looms and working two shifts, consumes cotton worth nearly a crore of rupees in a year these days. Thus, cotton is by far the biggest item of cost and should call for all the care and attention it deserves.

The cotton purchase organisation of a mill should, therefore, be as up to date and efficient as possible. A little slackness or negligence or lack of foresight and judgment can easily make a difference of a few lakhs in a total bill of Rs. 1,00,00,000 or thereabouts. For example, cotton suitable for a particular mixing may be available in, say, 10 different centres, and there may be small differences in prices ruling in these centres. It goes without saying that one should make purchases in places where it is cheapest. This sounds simple enough. But how many of the textile mills have the necessary organisation for putting this simple principle into practice? In the first place, a mill has to remain in constant touch with the producing centres. The information received should be properly adjusted by adding expenses, etc., and making allowances for waste to make the figures comparable. Then, it should be presented to the executive concerned in a proper form. Moreover, spinning results of comparable lots of cotton should also be before him when he makes selections. Thus, cotton purchase is a complicated matter, demanding very shrewd and scientific handling.

The timing of purchases and hedging is also very important. It has been observed that, when cotton arrivals to the marketing centres are very heavy, prices, especially in the forward market, go down considerably. Many a time, however, a mill cannot afford to wait till then, as, otherwise, it may not be able to pick up suitable lots. But purchases can also be made "on-call" basis and "calls" can be fixed when the forward market is favourable. Another variation is to make purchases in the forward market when prices are low and then square up the forward purchases as and when ready cotton is bought. This method is widely practised but it requires a deep study of forward markets and sound judgment. Otherwise, far from being profitable, it would bring losses.

Other items of expenses such as transport, insurance, godown expenses and interest charges should also be studied. For example, a certain type of cotton may be a little cheaper in the Punjab than a similar variety in a nearer centre. If all the expenses are added, perhaps the latter may be found cheaper. It should also be remembered that, in these days of high interest rates, carrying large stocks of cotton is pretty costly. If a mill maintains an average stock of cotton worth Rs. 30,00,000, it has to pay Rs. 1,65,000 per year by way of interest, calculating at 5½ per cent. per annum.

Stores and Accessories

Stores, spare parts and other accessories constitute another important item of cost. It has several aspects, namely, consumption of stores for running machines (such as lubricating oils, beltings, shuttles, bobbins, etc.), stores required in the manufacturing processes (such as sizing materials, colours, chemicals, etc.), spare parts needed for the maintenance and repairs of machinery and purchase and quantitative accounting thereof.

Consumption of stores should be strictly controlled. Wastages should be minimised. Many a time the management is under the impression that it is fully vigilant, but it should be remembered that there is always scope for improvement in such matters. In actual practice, it would be found that persons (in departments) authorised to issue stores, etc., hardly bother to ascertain first that each demand for stores is justified. Frequently, it is left to supervisors or jobbers, who might be quite good as supervisors or jobbers but possess little technical knowledge. Hence there is a possibility of uneconomic consumption of stores in such cases. At the same time, false economy in stores should be avoided; otherwise, the efficiency of machinery is likely to be impaired. The matter, therefore, demands technical knowledge to be handled properly and a special study of the stores consumption side.

Maintenance of comparative records of a few typical machines can yield useful information regarding normal requirements of stores and also regarding quality and life of items of different makes and brands. These records can also be used for finding out the optimum points of efficiency for various machines in relation to expenses on stores and spares. Managements should consider whether it would be in their interest to engage for each major department at least one assistant who has studied this question or to train up men for the same. No management can afford to ignore the fact that constant attention to repairs and maintenance increases productivity of machines as well as labour.

For buying stores, etc., at best possible rates, organisation of an efficient and honest stores purchase department is a "must." A mill of the type we are talking about spends Rs. 15 to 16 lakhs annually on stores, etc., these days. Foresight and efficiency of the purchasing authorities can make an appreciable difference in the annual bill.

Risk of Closed Circle

Where there is a system of having an approved list of merchants from whom quotations are invited, the management should guard against the possibility of formation of a closed circle, shutting out new elements and healthy competition. The approved list should be revised periodically, with a view to deleting undesirable names and adding new names. The possibility of being excluded from the approved list and addition of new names is likely to produce a wholesome effect on the merchants in their dealings with the concern. It would also be advantageous if, now and then, quotations are invited for bigger orders by newspaper advertisements. The purchasing authority has to guard against being misguided by departmental heads, some of whom are not totally disinterested. Here, again, a comparative record of stores consumption can serve as a check.

Wages and Salaries

Wages, salaries, dearness allowances and other benefits available to employees are an item of cost only next to cotton in value. Productivity of labour is as important as that of machines. In order to ensure high productivity of labour, first of all there should be an atmosphere of efficiency. Such an atmosphere has a tremendous psychological effect on the employees. Slackness is a contagious disease. It infects even the new recruits. Many Indian concerns are unable to produce that atmosphere. A tendency to make small economies which cannot be justified on grounds of efficiency and lack of consistency are common faults. Even if there is a temporary advantage, anything that goes against a high standard of efficiency should not be tolerated. If a management succeeds in creating an atmosphere of high efficiency, half the battle (as regards productivity of labour) will be won. New recruits will have the impression that inefficiency will not be tolerated and they will try their best to attain the required standard. Moreover, capable and ambitious men will be attracted to such a concern.

In these days of stringent labour regulations, recruitment of new personnel has far-reaching consequences. An industrial concern should exercise all the care it possibly can when new persons are engaged. It should try its best to see that undesirable men from the viewpoint of efficiency and other considerations do not get in. In this connection, it may be pointed out that, sometimes, appointments of new heads of departments bring in their wake men of their choice some of whom may be of doubtful value to the concern. They are mostly taken up either without the knowledge of the top executives or on considerations of expediency. But, after all, expediency is generally a temporary remedy and not unoften it proves worse than the malady. Such appointments should be cut down to the minimum.

Incentive for Workers

Provision of incentives has a definite place in promotion of efficiency amongst workmen. A definite policy of promoting the most deserving persons to higher posts (such as jobbers) whenever a vacancy occurs, is the least expensive method of providing an incentive. A few prizes of amounts attractive enough from the workers' point of view, judiciously devised, would also engender a competitive spirit amongst them. Over and above the attraction of money, the possibility of earning a name would drive them to put in their best. At any rate, the amount spent on prizes would be more than realised by improvement in efficiency and production. This idea can be applied with greater advantage to a group working under the same management by declaring prizes for best workers from different departments in the group. A system of setting up targets of efficiency or of production and rewarding those who reach the targets is a form of incentive which promotes efficiency amongst workers as a group. It is also highly suitable to the textile industry, as production and efficiency of various departments can be measured accurately.

Value of Costing

Nowadays, if any industrial concern does not have an efficient cost accounting section, its management (to put it mildly) should be considered as old-fashioned. The importance of cost accounting has by now been so universally acknowledged that it is not necessary to prove it by arguments.

The costing system should be simple and yet capable of giving the necessary information and guidance as regards costs at every stage of manufacture. Such a system of costing could expose wastages and inefficiencies in different stages of production. For example, costs could be taken out (in respect of each definite count manufactured) at (1) blow room stage, (2) mixing room stage, (3) drawing and inter stage, (4) ring spinning stage and so on upto the cloth folding stage. One or two typical machines may be selected from each department for the purpose. Even if the costs are taken only occasionally for certain periods, they would provide very useful data. Where there is a rise in the total cost, a comparison of statistics thus made available can show at which stage it has risen and which particular item of cost accounts for the rise. At first sight, it would seem that a very elaborate and expensive organisation would be required, but, if proper tables are devised and cards prepared, a small staff (after proper training) could easily do the work.

In many mills, production is the only criterion for measuring efficiency. A jobber, under whose care a certain number of looms run, is considered more efficient if the production of those looms is higher than that of other similar looms under another jobber. But at what cost is the production achieved? Production and cost ought to be related. One jobber may be showing more production but by using disproportionately more stores or more spare parts. If the cost (at the same stage) of the one is compared with that of another, one can easily know whether or not the extra amount spent to gain a little more production is justified. Similarly, the system would be also useful for finding the comparative advantages of two different types of machines engaged in the same process of manufacture.

But the greatest benefit that can be derived by adopting a system of costing by which accurate costs can be worked out is in respect of selection of most paying sorts (and rejection of unremunerative ones) for manufacture. It may be argued that we are already doing that. But are we taking out *exact* costs of even the major sorts that are manufactured? Even if the figures of costs under the present system of costing were inaccurate by a mere half an anna per yard, a unit would stand to lose quite large amounts. One simple illustration will bring home the truth of this argument. Supposing the cost of sheeting of a particular specification, calculated under the unscientific system of costing, is more than the actual cost just by a quarter of an anna and that of longcloth of a particular specification is shown less than the actual only by 4½ pies, the management is likely to come to wrong conclusions and something on the following lines can happen:

	Market rate	Cost according to unscientific system	Profit on 1 lakh yards
	Rs. a. p.	Rs. a. p.	Rs. a.
45" longcloth of a certain specification ..	0 13 7½	0 13 1½	3,125 0
40" sheeting of a certain specification	0 9 4½	0 9 3	781 4

In the above circumstances, the management would sell longcloth and not sheeting, as the former is more remunerative. But, since the actual cost is a little different as stated, the picture would be as under:

	Market rate	Actual cost according to scientific costing	Profit on 1 lakh yards
	Rs. a. p.	Rs. a. p.	Rs. a.
45" longcloth of the same specification	0 13 7½	0 13 6	781 4
40" sheeting of the same specification as above ..	0 9 4½	0 9 0	2,343 12

If the above position, which is the exact position, were before the management, they would have sold sheeting and not cloth. But, actually, they are making a profit of Rs. 781-4 only by selling longcloth, because they are under the impression that, thereby, they are making a profit of Rs. 3,125. We have taken a more simplified example just to show more clearly what can happen under an unscientific costing system, otherwise adjustments can always be made for a higher yardage of sheeting (as compared with longcloth) that can be produced on the same loom.

Since the drastic enhancement of excise duties, considerations of the incidence of excise duties should also receive due attention. The excise duties are on a square yard basis. A yard of sheeting 56 inches wide manufactured from 14s yarn and fetching, say, Re. 1-4 will attract twice as much excise duty as drill 28 inches wide, manufactured from the same yarn and fetching, say, Re. 1-6 per yard. This example illustrates the principle that, other things being equal, the incidence of excise duty is less heavy in respect of the more highly priced varieties made from the same count. And that is one of the reasons why some of the mills are producing costly varieties like gaberdine, satin duck, cord poplin, fancy dorias, lenos, etc. As a matter of fact, while selecting the sorts to be manufactured, costs, inclusive of the excise duties (that each sort would attract), should be considered.

Special Sorts

A concern can also score over others by manufacturing as much of its cloth in sorts which do not easily yield to comparisons with others in the market. Common sorts like longcloth, sheeting, mulls, can be easily compared as to quality and price with others and hence they are highly competitive and generally less paying. Fancy sorts with new designs and appealing to distinctive tastes defy comparisons. Moreover, in case of such varieties, price is often not a major consideration when the customers like them. Even in these days of high cost of living and slow offtake, it is said that some mills are not in a bad way, because they produce varieties which satisfy distinctive tastes.

Some advanced concerns believe in creating a demand for their special sorts rather than catering for a demand for common sorts. The chief reason for doing so is that the profit margin in the former is much higher. It, of course, requires a deep and thorough knowledge of the customers' tastes and of the market. Such concerns have not only market research departments but also publicity departments. When these departments work in co-operation with the technical staff of the weaving and designing departments, excellent results are shown.

Then there is the question of sales and distribution. Mills producing goods of high quality command a definite clientele and they can afford to have a chain of retail shops in prominent centres. The retail shops run by the mills themselves also serve as instruments of publicity. They keep their goods constantly before the eyes of the public. If these shops are run efficiently, they can contribute appreciably to the annual profits.

Interest Charges

Recently, the item of interest has acquired considerable importance. Many concerns which were depositors and lenders now find themselves as borrowers. Monetary stringency and high interest rates go to inflate the amount of interest they have to pay. Nowadays mills have to sell their goods on credit. Usually, two to three months' credit is given. Add to this the heavy stocks of cloth mills have to carry these days. If a medium mill is burdened with an additional stock of 2,000 bales, it will require nearly Rs. 18 lakhs of more finance. If a concern has to give credits to the tune of about Rs. 10 to 15 lakhs in addition to Rs. 18 lakhs locked up in stocks, it has to make arrangements for nearly Rs. 28 to 33 lakhs, interest on which amounts to Rs. 1.65,000 per year. The item of interest, therefore, requires to be watched.

It will be seen from the foregoing account that a textile unit's capacity to make profits is a resultant of several factors. It is not claimed that the points mentioned in this article are in any way novel. But it always pays to review one's position in relation to them. It would always be beneficial to examine the possibility of putting them into practice more effectively and more perfectly. And it is the degree of perfection achieved in practising the principles of sound management that is reflected in the capacity of a concern to earn profits.—*All Rights Reserved.*

EAST AFRICAN COTTON

In view of the current interest in East African cotton, an import allocation for which is awaited by the trade, the following latest estimate of the 1957-58 crop, quantity sold, and unsold balance of East African cotton will be of interest to our readers.

(In bales of 400 lbs.)

Variety	Estimated crop	Quantity sold upto mid. Jan.	Unsold balance
Usuku	2,500	2,000	500
Acholi/Lango ..	62,000	34,800	27,200
Bukhedi	21,000	11,000	10,000
Budama	19,000	7,200	11,800
Busoga	85,000	43,900	41,100
West Nile	8,000	1,800	6,200
Bunyoro	6,000	2,600	3,400
Masaka	5,000	1,400	3,600
B.P. 52	104,000	66,800	37,200
Kenya	8,000	2,600	5,400
Total ..	320,500	174,100	146,400

It may be noted that the latest estimate has been revised slightly upwards. The previous estimate was 310,000 bales. The 1956-57 crop aggregated 365,000 bales. The fall in production this season despite an increase of 3 per cent. in plantings, is attributed to unfavourable weather, especially heavy rains at picking time.

YARN AND CLOTH PRODUCTION

About 435 million yards of cloth came off the looms of cotton mills in India during the month of December 1957, as against 432 million yards in the previous month and 479 million yards in December 1956. Production of cotton yarn in the same month aggregated 152 million lbs., as against 149 million lbs. a month before and 155 million lbs. a year before.

During the whole of 1957, the cotton mill industry produced a total of 5,315 million yards of cloth and 1,779 million lbs. of yarn which compare favourably with 5,307 million yards and 1,671 million lbs., respectively, in 1956.

NEW SCHEME FOR LIMITING IMPORTS?

TEXTILE EXPORTS SUFFER SETBACK

From A Special Correspondent

MANCHESTER, *28th January*

MANCHESTER LETTER

A HINT that trade leaders in Lancashire have not given up the struggle to secure some relief from foreign cloth imports from Commonwealth sources was given by Mr. Roger Lee, in the course of some additional comments he made at the annual meeting of the Lancashire Cotton Corporation. As the discussions are still in a preliminary stage, details cannot yet be given, but it can be said that a new scheme is being reviewed at the instigation of one of the members of the delegation which visited the East last year.

Referring to the retained imports which still continue on an unrestricted scale, despite the efforts made to convince the Government that action should be taken and the endeavours to arrange voluntary limitation in the countries of origin, Mr. Lee's actual words were: "The industry will certainly continue its efforts and recently suggestions which might bring about a limitation of imports by other means have been made."

The Government's reluctance to act in this matter has been, and still is, a persistent aggravation to Lancashire traders. With the interest of their local industry at heart, to say nothing of their individual stake in the trade, they feel they have had a raw deal.

Expendable Or Not?

The authorities obviously take a very different view. It has never been openly stated that Lancashire textiles are regarded as expendable, but the longer a decision on imports is delayed the more recognisable becomes the official viewpoint. Putting aside any local pride in the historical achievements of Lancashire textiles, the inescapable facts of current economic conditions are manifest.

The textile industry in this country provides employment for a large number of people, both directly and indirectly. The mills and machinery represent substantial capital assets, but the amount of foreign currency used in the manufacture and distribution of cotton goods is very much in excess of that required by certain other trades whose progress the Government is clearly in favour of encouraging.

Not only is raw cotton itself an expensive item but many of the materials used in packing and processing textile goods call for expenditure of foreign exchange. So indeed does the importation of substantial quantities of cloth from India and other Commonwealth sources, but official opinion in Government circles obviously regards the maintenance of trade ties between these countries and Britain as more important than the prospects of a particular industry.

Any new scheme which is evolved to deal with the situation will have two hurdles to surmount. Overseas producers will have to be won over—and here Hong Kong seems to be the main stumbling block—while at home Government support will also need to be obtained. The President of the Board of Trade has indicated that an agreement between the various industries involved would receive official sanction, but the road ahead is strewn with pitfalls.

Twelve months ago, when assessing the overseas trade position, the fall in shipments of cotton cloth from Lancashire was the major factor, while imports had changed but little. The declining tendency in exports during 1957 persisted, but the quantity of arrivals increased enormously.

The final trade returns for the year can be estimated fairly accurately as the months pass by and do not burst like a sudden sensation on the industry. Traders were prepared for the grim picture which is illustrated in the following table, particularly as during two separate months in 1957 imports actually exceeded exports.

(Cloth in 000 sq. yards; yarn in 000 lbs.)

	Cotton cloth		Rayon, etc., cloth		Cotton yarn	
	Exports	Imports	Exports	Imports	Exports	Imports
1949 ..	903,578	348,800	160,708	51,600	82,061	1,960
1950 ..	822,473	286,920	189,568	55,280	70,986	14,480
1951 ..	864,375	376,640	217,206	99,240	65,481	31,720
1952 ..	710,813	179,680	149,794	29,280	35,722	7,280
1953 ..	709,905	98,640	176,826	44,400	41,920	3,360
1954 ..	637,378	267,167	175,256	67,331	40,431	10,721
1955 ..	554,504	299,470	133,747	65,415	35,563	14,010
1956 ..	474,150	306,173	120,822	74,249	35,822	16,794
1957 ..	455,762	416,292	111,215	73,579	37,636	14,737

The further drop in shipments of cotton cloth occurred in the later stages of the year, but there is nothing in the existing situation in the industry to suggest that this trend will be reversed in the months to come. Much of the difference between the 1956 totals can be accounted for by a fall of 9,000,000 square yards in shipments to Australia and reductions of about 4,000,000 yards each in exports to Sierra Leone, India, Pakistan and the United States. Among the few territories where Lancashire sold more cloth were South Africa, the Belgian Congo, and French West Africa.

Leading buyers were (in thousand square yards): Australia, 71,358; South Africa, 57,262; New Zealand, 33,889; Nigeria, 30,545; Rhodesia and Nyasaland, 25,049; the Gold Coast 22,977. These destinations and the order of importance by volume are the same as in 1956.

The continuation of the larger imports has brought the quantity of arrivals to a larger figure than ever before. The situation compared with 1951 when imports were also on a large scale is utterly different. Then, much more than half the volume of foreign arrivals was for processing and re-export following the introduction of the post-war scheme to bolster up Lancashire's inability to supply her customers due to labour shortages. Now an even larger proportion of overseas cloth is being retained in the home market in competition with locally-made products.

One of the few crumbs of comfort that can can be obtained from the 1957 Board of Trade returns is the fact that yarn exports increased, if only slightly. Since the sharp fall in these shipments in 1952, there has been little variation in the quantity of yarn sent abroad, but, last year, a small gain was recorded, the total of 37,636,492 lbs. being nearly 2,000,000 lbs. higher than in 1956.

More variation than usual took place in the amount of yarn absorbed by the different consuming areas. Australia increased her takings by 2,000,000 lbs., but there was a fall of 600,000 lbs. in shipments to India and a similar drop in exports to Pakistan. South Africa bought smaller supplies of yarn, but this was offset by larger shipments to New Zealand. Exports to Canada were 900,000 lbs. lower and those to Finland declined by more than 1,000,000 lbs. In contrast, sales to undesignated foreign countries improved by 2,500,000 lbs.

In the section devoted to rayon and synthetic fibres, the yarn export figures are certainly more encouraging. During 1957, the volume exported was 44,138,000 lbs., as against 36,157,000 lbs. in the previous year. The improvement stemmed from an increase of nearly 2,000,000 lbs. in shipments to Australia and a sharp gain in the quantity of yarn sent to various unnamed foreign countries which accounted for 11,745,000 lbs., as against 7,025,000 lbs.

Cloth produced from man-made fibres, however, did not make a satisfactory showing, shipments abroad being more than 9,000,000 square yards below the previous year. The losses incurred were spread over a number of countries, chiefly in Africa, but there was a further sharp improvement in sales to Rhodesia and Nyasaland, which rose from 17,629,000 square yards to 23,189,000 square yards, maintaining this market's place as Britain's best customer for this type of cloth.

India Steps up Supplies

So much has been said about the import situation for many years past that the figures largely speak for themselves. The rising trend in arrivals of grey cloth is largely the result of much bigger purchases from India which supplied 182,123,000 square yards last year, as against 127,482,000 square yards. Shipments from Hong Kong increased from 55,859,000 square yards to 71,095,000 square yards and those from Japan rose from 32,129,000 square yards to 56,465,000 square yards.

It is significant that a further increase in imports of finished goods took place, although the quantity involved at 44,358,000 square yards is small in relation to the arrivals of grey cloth. It must, however, be assumed that, as the facilities for processing loom state cloth in overseas markets improve, so will arrivals of such goods tend to broaden.

Plan For Cotton

Leaders of 240,000 Lancashire cotton operatives decided in Manchester this week to ask Sir David Eccles, President of the Board of Trade, to receive a deputation to discuss *Plan for Cotton*—the policy statement drawn up for the cotton trade unions by Mr. Harold Wilson, M.P.

Mr. Harold Bradley, Secretary of the United Textile Factory Workers' Association, said that Sir David had been asked to receive the whole Legislative Council. Support for the Plan, he added, was also to be sought from the Trades Union Congress and the Labour Party.—*All Rights Reserved.*

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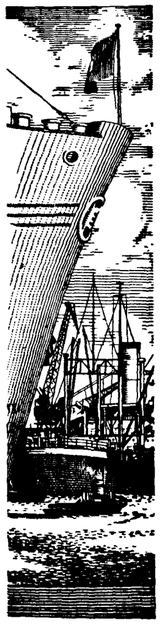

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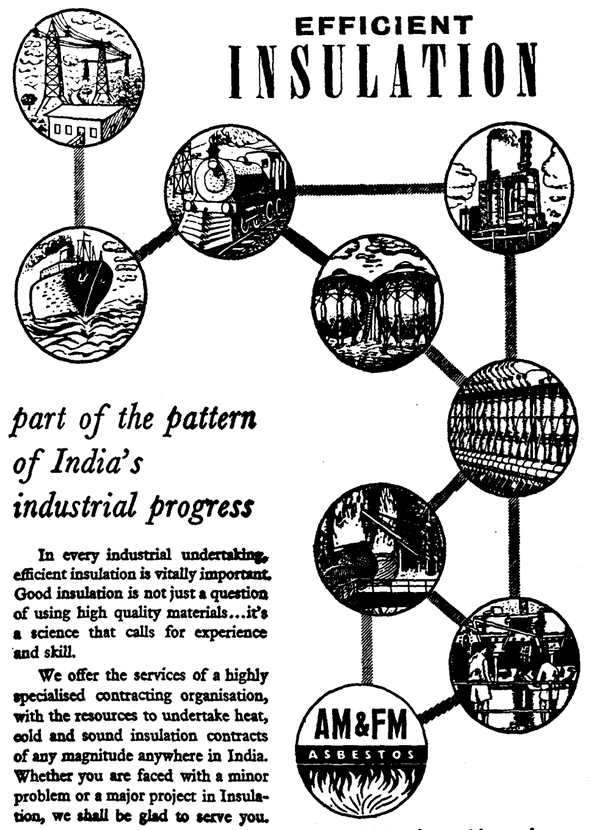

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UTILISATION OF MOLASSES

BUTANOL TO BE EXTRACTED

ONE of the notable items included on the agenda for the eighth meeting of the Development Council for Sugar Industry, to be held at Nillikuppam, South Arcot district of Madras, on Tuesday next, relates to the manufacture of butanol—a basic chemical—from the waste molasses of sugar factories. The discussions will centre round the detailed scheme on research and pilot-plant trial as worked out at the National Sugar Institute, Kanpur. The Institute has examined the economics of the two processes for extracting butanol from waste molasses. One is the fermentation process by use of clostridium aceto-butylicum which, by use of molasses as a raw material, produces butanol and acetone simultaneously. The other is the synthetic process using ethyl alcohol as raw material.

The importance of the above scheme lies in the fact that its implementation will greatly ensure proper utilisation of molasses, a valuable by-product of the sugar industry. The fulfilment of the production target of 2.25 million tons set for the sugar industry in 1960-61 will result in a total output of 800,000 tons of molasses annually. A large part of the molasses will no doubt continue to be utilised to meet the expanding needs of the power and alcohol distilleries. Nevertheless, the utilisation of molasses for production of chemicals like butanol, which constitute the basic chemical for starting other industries, is very vital. Next to ethanol, the fermentation industry that has been developed in the industrially advanced countries is the production of butanol and acetone. The largest use for butyl alcohol is in the manufacture of its esters for use in the protective coatings, nitrocellulose lacquers, spray paints, dopes, etc. It is used as a dye solvent, plasticizer, thinner, brake fluid and raw material for synthetic rubber, as well as for antibiotic recovery, urea-formaldehyde resin and gasoline derivatives. Simultaneously, acetone is produced; this is an important solvent and serves as a raw material for the production of diacetone, plastics, artificial silk, paints, etc.

The need for adopting and developing the manufacture of butanol and acetone is obvious. The estimated demand for butanol is at present about 1,500 tons a year and is expected to go up to 3,000 tons in the near future. It is accordingly felt that there is scope for erecting two plants of five tons capacity per day in the country. Licence has already been issued for a synthetic plant of 2-3 tons capacity per day. This plant is expected to go into production in the current year. It is estimated that the cost of production by fermentation is Rs. 610 per ton of butanol, as against Rs. 800 by the synthetic process under similar conditions. In view of the scope for economy in the cost of fermentation process thus, it is considered desirable to develop the same in India where abundant supplies of molasses are available.

The scheme evolved by the National Sugar Institute envisages the adoption of bio-chemical process for producing butanol on a pilot-plant scale using cane molasses, the plant having in the initial stage a capacity of 100 gallons mixed solvents per day. From the pilot plant trial, necessary data can be obtained about the economics of the process to enable the setting up of a commercial plant by any *entrepreneur*. The pilot plant will be so designed as also to serve as a unit for the training of students for the production of ethyl alcohol and power alcohol at the Institute and try out other industrial processes involving rectification and distillation. The cost of the scheme is put at Rs. 3.2 lakhs for a period of two years. In the first year, preliminary work on pre-treatment of molasses, selection of suitable strains for optimum performance, preservation of culture, and designing of columns and fermenters for multipurpose use is proposed to be undertaken at an estimated cost of Rs. 25,000. In the second year, pilot plant trials for the manufacture of butanol at a cost of Rs. 2.95 lakhs will be conducted.

The total investment required for erecting a plant of 1,600 tons capacity (1,120 tons of butanol, 400 tons of acetone and 80 tons of ethanol) is put at Rs. 33.70 lakhs. The bulk of this, amounting to Rs. 25 lakhs, is accounted for by plant and machinery, the share of other items being Rs. 3 lakhs for boiler house, Rs. 3 lakhs for buildings, land, water-supply, etc., and Rs. 2.70 lakhs for working capital. About 11,000 tons of molasses are required to extract 1,600 tons of solvents on the basis that fermentation yield is 30 per cent. on sugars in molasses and 15 per cent. on weight of molasses. The personnel required is 40 labourers in shifts, 10 labourers (general) and 10 supervisory staff. The profit margin in the industry is estimated at Rs. 370 per ton of solvent or a total of Rs. 3.9 lakhs per year, representing about 12.7 per cent. return. How the advantages of the fermentation process for producing butanol from waste sugar molasses compare with those of the synthetic process are shown below:

Fermentation	*Synthetic*
Investment of Rs. 31 lakhs for 1,600 ton total solvent	Investment of Rs. 45 lakhs, if the investment of alcohol plant is also included, otherwise Rs. 35 to Rs. 36 lakhs, including auxiliary units
Production of acetone is secured simultaneously	Production or crotonaldehyde and acetaldehyde is available as an intermediate
Molasses consumption 10 tons per ton of butanol	The molasses equivalent of alcohol consumed is only 8 tons per ton of butanol
Low power consumption but larger steam consumption	Power consumption is large, if hydrogen generation and refrigeration are included
Waste disposal is difficult	No serious waste problem
Conversion of acetone which is a by-product to other important products like isopropyl alcohol and diacetone alcohol is possible, but there is no saving in investment costs on the subsidiary industries.	Investment on a number of subsidiary industries like acetic acid, butric acid, acetates, octanol, etc., will be considerably lower, due to availability of acetaldehyde
Estimated cost of production— Rs. 1,050 per ton	Rs. 1,120 per ton

Generally speaking the fermentation process is said to be more economic. The molasses cost at Rs. 20 per ton forms 18.5 per cent. of the cost of butanol production, while, under the synthetic process, alcohol at Rs. 300 per ton forms 40 per cent. of the cost of butanol.

(*Concluded from next column*)

debentures at a slightly higher rate of interest than the one charged on other loans given by the Centre to the States. If the Centre is worried about the collieries being efficiently managed, it can have a couple of its nominees on the Board of Directors of the Company just as it has on the boards of industrial companies in the private sector, such as the T.I.S.Co., T.E.L.Co., and I.I.S.Co., to which it has given loan assistance. In fact, the Andhra State Government offered to give representation to the Centre on the Company's Board. We think that the Union Government is quite unreasonable in the stand it has taken.

There are two good reasons why the expansion programme of the Singareni Collieries should be expedited. First, it reduces the railways' responsibility for carrying coal in the North to consumers in the South. Secondly, it involves a saving of Rs. 40 per ton in the cost of transhipment of coal to consumers in the Deccan and South India. According to Dr. Melkote, a former Minister of Hyderabad, if enough financial resources are made available, the target of 3 million tons set under the second Plan for the Singareni collieries can be raised even to 4 million tons. The coal reserves of this region are said to be so large that, even after increasing the output, they would last for 600 to 700 years.

FATALITY RATE IN MINES

The fatality rate due to accidents in mines in India during 1957 was the lowest ever recorded, according to provisional figures received from the Chief Inspector of Mines in India. Out of 630,000 workers employed in all mines, 254 persons were killed due to accidents during the year, as against 335 in 1956. The annual average of deaths caused by accidents for the previous five years was 392. The fatality rate per thousand workers in 1957 worked out to 0.40, which was 25 per cent. less than the 1956 figure of 0.53. The average figure for the previous five years was 0.67.

In coal mines, which employ about 350,000 persons, the reduction in the fatality rate was even greater. The number of persons killed as a result of accidents during 1957 was 179, as compared with 259 in 1956 and an annual average of 316 for the previous five years. The fatality rate per thousand persons employed in coal mines was 0.51 for 1957, which was 30 per cent. lower than the 1956 figure of 0.73.

SINGARENI COLLIERIES' EXPANSION SCHEME

NO CUT IN TARGET PLANNED

AN unfortunate controversy over the control of the Singareni Collieries Co., Ltd., between the Central Government and the Andhra State Government has created a problem for the latter in finding adequate finances for going ahead with the Company's expansion programme. It may be noted here that the Andhra State Government holds 88 per cent. of the shares in the Company and only a small percentage is in the hands of private investors. Strictly speaking, therefore, the Company is not a private enterprise. The State Government has complete control over the management of the collieries. In order to provide the bulk of finances required for the Company's expansion programme, which envisages the attainment of its target of output under the second Five-year Plan, the State Government had asked the Centre for a loan of Rs. 4 crores. The Central Government is said to be unwilling to lend this amount, unless the State Government allows it to hold two-thirds of the equity capital of the Company. The State Government, however, is not willing to allow the Central Government to come in as a shareholder, but only as a lender of loan capital. The result is that the State Government has to go ahead with its programme of expansion without the Centre's loan assistance by borrowing elsewhere.

A reference to this controversy was made by Mr. N. Sanjeeva Reddi, Chief Minister of Andhra Pradesh, a few days ago, while inaugurating the screening plant of the Singareni Collieries constructed at a cost of Rs. 24 lakhs. He said that he tried his best to impress on the authorities at New Delhi about the great necessity of granting the above loan. "Somehow it is our misfortune," he added, "that the Centre does not quite understand our problems and our difficulties. I have invited the Union Minister for Steel and Fuel to visit our collieries and see for himself what we have been doing here. If he visits us at least, the Centre will understand our actual work." The Chief Minister of Andhra disclosed that, if the Central Government failed to extend its help, the State Government would try some other sources like banks. He, however, asserted that the denial of a loan by the Centre would not be allowed to stand in the way of the implementation of the target. "We will find the necessary funds somehow or other," he affirmed, "and execute our expansion programme without any cut to achieve the target of 3 million tons by the end of the second Plan."

The Company's progress in recent years is indicated by the following figures of production and despatches:

(In tons)

Year	*Raisings*	*Despatches*
1950	1,162,506	N.A.
1951	1,207,233	1,107,775
1952	1,375,051	1,307,454
1953	1,271,861	1,169,438
1954	1,458,186	1,357,102
1955	1,526,570	1,462,112
1956	1,681,577	1,566,529

It is estimated that the production in 1957 has very nearly touched the target of 2 million tons fixed for 1958 under the original expansion scheme. The scheme was revised subsequently to attain a target of 3 million tons by 1961-62 at an estimated cost of Rs. 9 crores.

It is difficult to understand the dogmatic stand of the Central Government, insisting on its acquiring two-thirds of the share capital before giving loan assistance, particularly in a case, such as this, where the interest of the nation is of paramount importance. After all, the Company is not a private enterprise, for which the loan is sought. So long as it is in the public sector, what does it matter whether the State Government has control over it or the Central Government has? Why should the Centre insist on its acquiring control from the State Government, particularly when it is necessary to raise coal production in the country by every means more so when the new mines acquired by the Centre have not gone into production. By making available the necessary funds, the Centre is only helping an existing deserving unit within the public sector, a unit trend of production of which has been on the increase and reserves of which are said to be enormous and capable of being easily exploited. By giving a loan, the Centre will get a share in the fruits of this collieries' effort by way of interest. If necessary, the loan could be given in the form of

(*Continued in previous column*)

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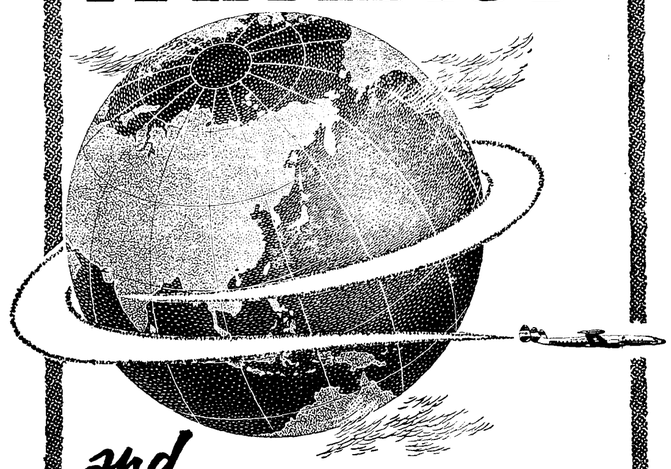

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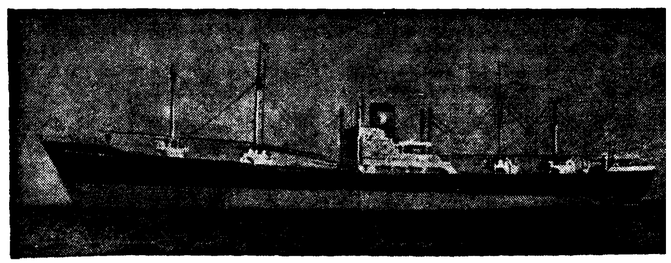

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TREND OF RUBBER PRODUCTION

GROWERS' PLEA FOR HIGHER PRICE

THE statistics relating to production and consumption of rubber in India for the full calendar year 1957 are now available and they show a further widening of the deficit of domestic production, as compared with the requirements of rubber goods manufacturers which are steadily growing. Though the upward trend of production of raw rubber was kept up during the year, albeit at a slower pace, the consumption registered a much sharper rise, with the result that the shortfall has had to be closed with a substantially larger import of raw and synthetic rubber. The aggregate production during the year under review was 23,767 tons. This is no doubt a record for the indigenous plantations, but it is only 323 tons more than that attained in the previous year. What is more noteworthy is that the pace of increase in output has considerably slowed down during the past year, for the production had recorded an increase of 962 tons and 989 tons in 1956 and 1955, respectively.

This slowing down in the pace of increase in production is due to the fact that the output suffered a setback in the months of March, May, June, July and December, the most marked fall being in June when it shrank by nearly 50 per cent., as compared with the corresponding month of 1956 (consequent on the loss of tapping due to heavy monsoon and other causes), as will be noted from the following comparative table of monthly production and consumption:

(In tons)

	Production		Consumption	
	1957	1956	1957	1956
January	2,190	2,083	2,679	2,459
February	1,165	976	2,493	2,428
March	1,229	1,270	2,556	2,341
April	2,672	1,826	2,907	2,402
May	1,545	1,983	2,573	2,168
June	750	1,484	2,513	2,401
July	1,499	1,730	2,820	2,648
August	2,241	1,750	2,664	2,397
September	2,712	2,293	2,666	2,545
October	2,768	2,326	2,320	2,103
November	2,855	2,800	2,702	2,547
December	2,950	2,914	2,812	2,647
Total ..	23,767	23,444	31,765	28,996

It will be seen from the above table that the consumption of natural rubber throughout the year was higher than in the previous year, with the result that the total consumption in 1957, at 31,765 tons, was 2,769 tons more than that in 1956. This rise compares favourably with that of 1,453 tons noted in 1956. It will also be noted that the shortfall in output, as compared with consumption, which was 5,552 tons in 1956, widened to 7,998 tons during the past year. Consumption of synthetic rubber during the year was of the order of 3,032 tons, as compared with 2,409 tons in the previous year. Consequently, the imports of rubber had to be stepped up, the quantity of natural rubber imported during 1957 being 9,677 tons, as against 6,463 tons in the previous year. In addition, a large quantity of synthetic rubber also was imported, the data relating to which is not available.

The following table shows the progress of natural rubber production in the country since 1950 and how far it has been able to meet the growing requirements of the manufacturing industry:

(In tons)

Year	Production	Imports	Consumption	Stocks
1950 ..	15,599	1,082	17,735	6,281
1951 ..	17,148	6,921	22,427	7,779
1952 ..	21,863	3,851	21,061	10,351
1953 ..	21,136	272	22,378	9,221
1954 ..	21,493	3,371	25,487	8,687
1955 ..	22,482	3,839	27,543	7,454
1956 ..	23,444	6,463	28,996	8,311
1957 ..	23,767	9,677	31,765	9,955

It will thus be seen that, while production of natural rubber went up by 8,168 tons in the course of the past seven years, the consumption advanced by no less than 14,030 tons, with the result that over 30 per cent. of the requirements has had to be met by imports. The deficit in raw rubber in this country is expected to continue for some years to come, even after the replantation and extension programme of the Rubber Board bears full fruit. The Board's programme is expected to raise production to 40,000 tons in 1974, by which time the consumption of both natural and synthetic rubber would, on a conservative estimate, be double the internal production of raw rubber.

India is one of the fortunate few, among the various countries of the world, which has a rubber plantation industry co-existing with modern rubber manufacturing industry, and an almost unlimited field for expansion of both. The rubber plantations are over half a century old, while the rubber goods manufacturing industry is less than 40 years old. Despite this time lag, the manufacturing industry has made such rapid progress that its requirements of raw rubber have far exceeded the internal production. There is, therefore, a clear case for raising internal production on a very substantial scale, but the difficulties are many. In the first instance, it takes seven years for rubber trees to grow and reach the standard for tapping. Accordingly, unless there is planning in advance with a vision, the supply of raw rubber will not keep pace with the growth of demand. This important prerequisite was lacking among the authorities and, until a couple of years ago or thereabout, New Delhi paid no heed to the repeated requests from Coonoor for taking up the question of rehabilitation and development of raw rubber industry. The plans that were drawn by the planters as early as in 1947 were not even looked into by the Government. If only they had acted promptly even in 1950, the position in regard to supply of raw rubber would have been infinitely better.

Secondly, most of the area under rubber is made up of small estates. At the end of 1956, there were 34,500 estates under rubber with an area of over 231,000 acres. Of this, 50 per cent. of the acreage was covered by small holdings. The Government's policy even today is such that this defect is being aggravated instead of being remedied. "Penalise the big grower and patronise the small grower" is the keynote of this policy. There are no indications that the Government is inclined to give up this policy and to encourage the establishment of bigger estates. Further, most of the estates, particularly the small ones, are planted with low-yielding trees. The multiplication of small estates has, therefore, proved to be an impediment to increasing production on a large scale.

Thirdly, the law and order situation in Kerala, which accounts for 93 per cent. of rubber plantations in India, has of late deteriorated so much that thefts in rubber estates have been on the increase. Fourthly, the cost of production in rubber plantations, as in all other plantations, has gone up quite out of tune with the trend of production or the price fetched by the grower. The most important item of the costs is taxation on the estates. It is, therefore, not surprising that the Quilon Rubber Planters' Association has taken up the cause of rubber growers in Kerala and sought a revision of the statutory price of rubber.

In the course of a memorandum submitted to the Union Minister for Commerce and Industry recently, the Association has expressed its concern over the steady increase in the cost of production in the rubber estates. It points out that ever since the last revision of the statutory price of rubber in September 1955 to Rs. 155.75 per 100 lbs., the cost of production has mounted up considerably on account of various factors, among which are: (1) the rise in land tax, agricultural tax and sales tax, (2) the increase in price of manures and chemicals, (3) extension of provident fund scheme to workers in plantations, (4) the implementation of the Plantation Labour Act, (5) the increase in wages of women tappers, (6) the inevitable rise in wages on account of the rise in cost of living, (7) increase in salaries of staff members as a result of the recent agreement between the Planters' Associations and the staff associations, (8) the rise in wages of plantation workers by As. 2 per day agreed upon at the Plantation Tripartite Conference in December last, and (9) the imposition of various local taxes. Despite the increased wages and amenities to workers, the memorandum submits, there has been a fall in outturn or workload. The rubber growers argue, convincingly in our opinion, that the present price has no relation to the cost and require an urgent revision of the statutory price for their produce.

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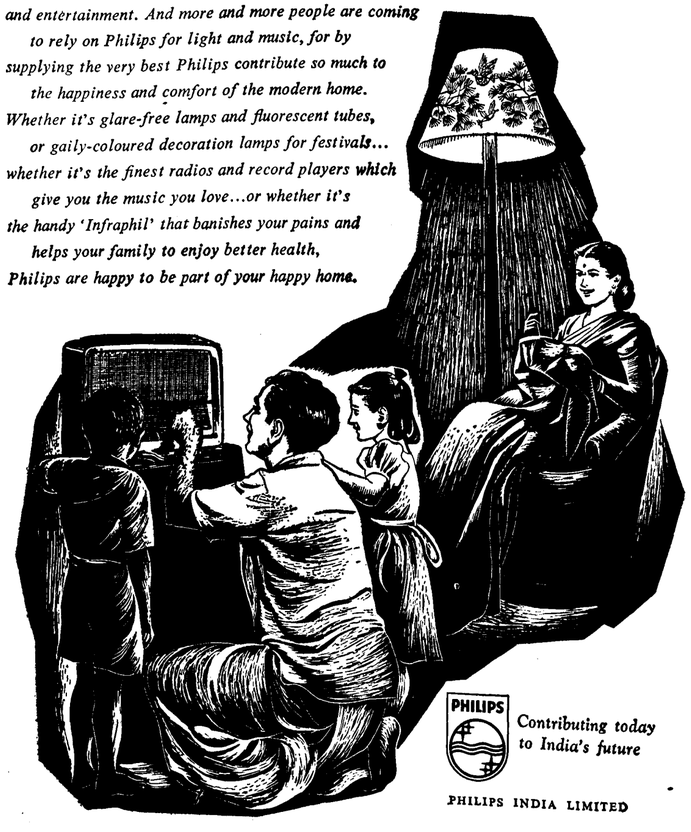

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INDIAN CHEMICAL MANUFACTURERS ASSOCIATION

SEVENTEENTH ANNUAL GENERAL MEETING

MR. CHARAT RAM'S PRESIDENTIAL ADDRESS

THE Seventeenth Annual General Meeting of the Indian Chemical Manufacturers Association was held in Calcutta on 4th February 1958. The meeting was inaugurated by Mr. Manubhai Shah, Union Minister for Industry. Speaking on the occasion, Mr. Charat Ram, President of the Association, dwelt at length on the problems of the industry. He laid stress, in particular, on the paucity of capital resources for the industry and on the need for developing the geological resources of the country to feed the chemical industry.

The following is the text of Mr. Charat Ram's speech:

"HON'BLE SHRI MANUBHAI SHAH, FRIENDS AND FELLOW DELEGATES,

"It is my privilege to welcome you, Sir, once again in our midst today, to inaugurate the Annual Session of our Association. We are conscious that you have fulfilled our hope expressed last year here on a similar occasion, that the inauguration of the annual session of the Indian Chemical Manufacturers Association by the Minister for Industries of the Government of India would become a precedent to be continued year after year. The chemical and pharmaceutical industry recognise in you one of themselves. We, particularly, value the consultation and confidence, which you and your Ministry have sought to foster between the industry and the Government, for it is only by co-operative effort that our national objectives can best be achieved.

General Review

"From the industry's point of view, the most notable event of the year was the desperate situation of foreign exchange resources resulting in practically a blanket ban on imports. It was a shock from which most of us are only now gradually recovering. The shock was not so much on account of the extent of the foreign exchange shortage, as on account of the sudden manner in which all of us appeared to be having to face it one fine morning, in a condition of complete unpreparedness. It would be futile to find fault with the planners of our economic future, ostensibly for the lack of forethought about such an eventuality, for mistakes are sometimes inevitable, particularly when we do not have the wealth of experience, fiscal and industrial, to guide us. What, however, would be tragic, nationally, is, if we were to draw no lesson from such failures, and they were repeated for the lack of an adaptable approach in views, ideas, and means of achieving our national objectives. As one in industry, I must say that I consider this desperate situation a blessing. It is a call to each one of us to bring forth the traditional resourcefulness of the private *entrepreneur* in meeting the needs of the country from indigenous production, what was met so far from imports. A vastly changed approach to work and philosophy of business is what is expected from us men of industry today.

"We have had another year of great upsurge in production all along the line and, consequently, of consumption too. This is a welcome trend, but it would be wise to acknowledge, that this year's progress has been achieved at the cost of great stresses on the economic foundations of industry. Faced with mounting raw material costs, pressing labour demands, labour welfare measures, increased railway freights, higher costs of capital goods and spares and higher interest rates, on the one hand, and a desire on the part of the Government to keep the prices low on the other, the industry has had to dip deeply into its operating margins and reserves. Disregarding this cost-price squeeze on the industry, increased taxation was imposed in the year, reducing greatly the resources of the industry. I should express a note of warning that another year or two of this type of operations would surely ruin the economic foundations of the industry and enfeeble it to a degree that it may not be able to meet the demands of production expected of it. I say so with all the greater emphasis, knowing that it is the Government's desire to strengthen the sinews of industry to the utmost, to enable it to play its necessary part in the development of the country's resources, and what has happened has been somewhat in spite of the Government's wishes.

"Mention must be made of the spectre of inflation that has been with us throughout the past year when compared to 1956 and 1955, even though there has been some downward adjustment in the latter part of the year. More, it bids to be with us indefinitely, if we do not make a determined bid to get rid of it. Over a year ago, the Prime Minister had warned that increased food production was pivotal to the entire Plan, and that there must be a near 40 per cent. increase in food output, if the Plan was not to be endangered. Sir, the real core of the Plan is not steel or transport, but food. I should be pardoned for saying that in this matter, the Government needs to make a critical reappraisal of the country's organisation, efforts and results, and without fear or favour make such shifts urgently as are needed. If food production is not increased and food prices not brought lower, it is no use hoping to meet the threat of inflation. Food accounts for no less than 60 per cent. of consumer expenditure, and even a slight rise in food prices affects greatly the consumer cost of living index all along the line. The food price-line, sir, has not only to be held but surely to be brought down.

Production

"The momentum of industrial production was not only maintained during 1957; it also acquired greater substance and speed. The general index of industrial production, which stood at 133 in 1956, rose to 149 in the first nine months of the year. Considering the strain, in view of the need to conserve foreign exchange resources, it is creditable that there was no diminution in the output of even those industries which depend on imported raw materials and components. An impressive range of new articles were manufactured for the first time during the year, such as sewing machine needles, hypodermic needles, automobile ancillaries like clutch and brake assemblies, synthetic detergents, raw materials for plastics, etc. Production increases in the chemical and pharmaceutical industries have more than kept pace with the performance in other sectors of the industry. The production of caustic soda, soda ash, sulphuric acid, superphosphate, chlorine, D.D.T., penicillin, pharmaceuticals, dyestuffs, etc., was all round higher. I should not burden you with the production statistics, as we are all familiar with them by now. Despite these impressive increases, there is considerable scope still for improving the utilisation percentage of the country's installed manufacturing capacity. For some unknown reason we continue to assess the capacity of the industry on the basis of 300/330 working days a year. Sir, in the chemical industry our target should be an effective utilisation of nearer 360 working days in the year. Given adequate emphasis on preventive maintenance by industry, I am confident that this is not difficult of achievement. This should give us more than a 10 per cent. boost in our output for little or no additional foreign exchange requirements.

"While on the subject of production, I should refer to the industries licencing policy of the Government. Instances have been brought to us, where applications for such items as chloroform, chloral-hydrate, aspirin, sodium salicylate, methyl salicylate, P.A.S., D.D.S., and gamapicoline have been disallowed on the ground that similar projects were under consideration for the public sector. Sir, we presume that the Government are interested now in putting their resources and energies into only those projects where initiative or finance is not forthcoming from the private sector. We place the case for the sanction of these small projects for your consideration.

"Supplies of the products of the chemical and pharmaceutical industry to the D.G.S. & D. form no mean part of the industry's production. We should not hesitate to place before you that, in spite of best efforts on all sides, dealing with the D.G.S. & D. continues to be on the whole a frustrating business, whether it is in the matter of testing of samples, or getting the goods approved, or receiving first and final payments. So long as this department will not change its basic approach and place its transactions on a normal commercial basis, and not deal with suppliers from a position of strength, no improvement could really be expected. It is easier to make supplies to scores of other parties, including the Government-controlled industrial companies, as they deal in a commercial manner, but not so with the D.G.S. & D. with whom time and money of the supplier are of no value. We have to suggest that purchases by the D.G.S. & D. should be made by specifications and not by 'brands,' that in all cases no less than 98 per cent. advance payment can be made by them, as the average rejection percentage could not be as much as 2 per cent., and that inspection at the works site would be of great assistance to both the suppliers and the indentors. Furthermore, the liability of the suppliers for the goods supplied should cease once the goods which have been approved are put on rail. Under the present rules, the contractor remains liable even for pilferages in transit.

"Easing of the problems of the pharmaceutical industry, arising out of the drugs and connected rules, would go a long way towards facilitating production. A complete uniformity in the enforcement of the Drugs Act in all the States is called for, and the Union Government should see that no State makes any local variations in matters connected with these Acts and rules. We believe that, at least in matters pertaining to industrial development, the country could be considered as one centrally administered unit, and that Industries and Excise Departments of the States would not attempt to consider themselves as law unto themselves.

"A special reference to the slow development of production in the superphosphate industry is called for, as there is a real danger of a great shortfall in the production of this industry against the targets of the second Plan. A production target for superphosphate of over 7 lakh tons in the remaining three years of the Plan period is to be reached, as against the current annual rate of production of over 1 lakh tons only. I had highlighted this problem last year also, stating that if the Plan target is to remain, not only a target, as was the case in the first Plan, a directed and purposive effort cannot be avoided. Production of superphosphate is dependent exclusively on its consumption. It is unfortunate that nitrogenous fertilisers are still considered a cure-all for our agricultural problems. Whereas almost without exception, the ratio of nitrogen to P_2O_5 used in other countries is 100 : 115, in India it is 100 : 30. Developing an effective system of subsidy as in the U.K., readjustment of railway freights on the same levels as for manures, and more liberal granting of *taqavi* loans are some of the measures which will prove of use in attaining the targets of production of superphosphates.

"Increase of superphosphate production acquires an infinitely greater significance in today's context of foreign exchange shortage. Imported nitrogen could be replaced by indigenously produced superphosphates in many areas, without affecting food production adversely, saving the drain on foreign exchange. A memorandum has been submitted in this matter to the Prime Minister by the Fertiliser Association of India, which could be usefully followed up in your Ministry.

Capital Requirements and Resources

"A reference has been made earlier to the cost-price squeeze and increased taxation which have reduced greatly the none too generous resources of the chemical industry. Chemical industries, sir, are capital-intensive.

"The initial gross fixed capital requirement per worker in the chemical industry works out to more than six times as high as the requirement for all the industries covered by the Census of Manufactures, i.e., Rs. 19,700 as against Rs. 3,200. Contrary to popular impression, the working capital requirements are also high in the chemical industries, the average for all the Census industries in 1954 being Rs. 2,800 per worker, as against Rs. 7,000 for the chemical industries. The second Plan targets call for a spurt in investment in the chemical industries from Rs. 26 crores in the first Plan to Rs. 132 crores in the second Plan period. And a serious problem of finance availability arises. Chemical industries earned only 3 per cent. after paying taxes on their net worth during the period 1951-55 as against an overall corporate figure of 7.9 per cent. When compared with other capital-intensive industries like steel, paper,

(*Continued on page* 251)

JAPAN MAKES A BOLD BID FOR SHARE IN MIDDLE EAST OIL BUSINESS

TERMS OF AGREEMENT WITH SAUDI ARABIA ANALYSED

[Recently, certain Japanese interests concluded an agreement with the Government of Saudi Arabia for exploring and producing oil in the offshore area over which Saudi Arabia has control. This is a daring venture on the part of Japan, in a region which has hitherto been the monopoly of British and American oil interests. The terms of the agreement are discussed in the article prepared by the **Petroleum Press Service** *and published here by special arrangement with it. The views expressed therein are those of the* **P.P.S.** *and not ours.—*Ed.]

NEGOTIATIONS have now been concluded between a Japanese company, the Japan Petroleum Company, and the Saudi Arabian Government for an oil concession in the offshore area beyond territorial waters of the Neutral Zone, over the whole of which the ruler of Saudi Arabia and the ruler of Kuwait have each an undivided half-interest. For practical purposes, it is necessary that the ruler of Kuwait should grant rights over his undivided half-interest before the agreement can become operable. The Japanese wish to conclude an agreement with Kuwait, but, meanwhile, other oil concerns, including Shell and the U.S. concern, Hunt International, are also negotiating with the ruler seeking a concession. The final outcome is uncertain, but the terms of the Japanese-Saudi Agreement as it stands at present reveal features which are novel and some of which suggest that the Japanese, with no experience in these matters, have been very compliant negotiators.

Briefly, the Company will be granted an exclusive exploration licence for two years, which may be extended for a further two years during which the Company must drill to a depth of at least 10,000 ft. if oil is not discovered before reaching this depth; an additional extension of six months may be made to enable promising drilling under way to be completed. On discovery of oil in commercial quantities, an exploitation lease will be granted for 40 years, and at least two rigs must then be maintained in use. An annual rental of U.S. $1½ million is payable in advance and on discovery a further total sum at the rate of $1 million a year from the effective date of the agreement until the date of discovery.

As soon as crude oil production averages 30,000 b/d over 90 days, the Company must construct within two years a refinery in Saudi Arabia, and when production averages 75,000 b/d for 90 days, it must construct within two years further refining capacity of not less than 30 per cent. of production. All possible highly priced products must be manufactured. Also a plant must be established for the manufacture of petrol-chemicals from natural gas. All excess natural gas beyond that utilised by the Company is the sole property of the Government.

Rights Under Agreement

At the third anniversary of the discovery of oil in commercial quantities and every five years thereafter, the Company shall relinquish 20 per cent. of any unexploited area to which the agreement refers. The Company may relinquish the whole agreement at any time on giving notice, of 60 days in the exploration period, and of 180 days in the exploitation period. Any dispute concerning the agreement is subject to arbitration and in default of agreement on the appointment of a referee for the arbitrators, the President of the Permanent Court of International Justice is to appoint one. The Company renounces any right of diplomatic recourse regarding any matter of rights under the agreement.

The agreement is characterised by several features meriting special remark. One is that the Company will operate as an integrated oil enterprise, and carry out production, refining, transportation and marketing, and that the Saudi Arab share of profits will extend to all these operations. But as the posting of prices at export points is envisaged in the agreement, it is apparently intended that some part of the production will be sold to third parties ex the Persian Gulf. The second feature is that, in addition to the rental payments, the Government will receive a royalty of 20 per cent. and will levy taxes, so that receipts from royalty and taxes will be equivalent to 56 per cent. of the Company's net income from all phases of operations inside and outside of Saudi Arabia, with a guaranteed minimum royalty of U.S. $2½ million a year. Payments are to be made in U.S. dollars or other currency selected by the Saudi Government. It is not known how the 56:44 division was arrived at to displace the conventional 50 : 50 division.

A third feature is that, after discovery of oil in commercial quantities, any Company to whom the concession is assigned must offer the Saudi Government for cash, shares of its capital stock to the extent of 20 per cent. of the initial and subsequent paid-up capital at issued value, which the Government may take up itself or for Saudi Arab subjects. The Government may nominate one-third of the Board of Directors. In the event of the Company acquiring a concession from the Sheikh of Kuwait, the above proportions would be halved. The management of the Company must be in Saudi Arabia and the books kept there. No rights under the agreement shall be acquired by a foreign Government or by any entity dependent on such nor may these be admitted as shareholders. (This contrasts sharply with Persia's grant to the Italian State entity AGIP.) The Company is committed to the expenses of salaries, buildings, living quarters, mosque and so forth for all guards, police, customs or quarantine officials, health department, postal services and other services which the Government may choose to appoint to the area.

Preference

Inside Saudi Arabia and the Concession Area, Saudis must be employed to a minimum of 70 per cent. of employees and labour, and outside of Saudi Arabia to 30 per cent. If not available, preference will be given to citizens of Arab States members of the Arab League, or other Arab States, and of other friendly States, in that order. In purchasing goods and materials preference must be given to the Saudi and other Arab countries and there is a prohibition against the Japanese company buying materials from countries which are unfriendly to Saudi Arabia. In case the Company's own tankers are not sufficient, preference in the hire of tankers must be given to Saudi-owned vessels.

A further feature is that the Japanese negotiators seem to have accepted, without realising their implications in practice, a number of onerous obligations which most oil companies would regard as quite unworkable and incompatible with managerial responsibility. For example, selling prices (posted prices must not be lower than other Persian Gulf prices for similar crude), must be agreed with the Saudi Government and the Government must be consulted at every stage of the whole operation, even apparently including the marketing arrangements; the number of barrels to be produced from each well or field must be the subject of consultation and all expenses and purchases of the Company must be supervised and examined by a committee composed of equal numbers of Government and Company representatives.

Only very great eagerness on the part of the Japanese private interests concerned to gain a stake somehow, somewhere in the Middle East could have led them to accept some of the foregoing conditions. On the other hand, the Saudi Arab Government is no doubt happy at the seemingly attractive terms which it has been able to extract from the Japanese group. The ultimate test of their attractiveness rests, however, on the rate of profit per ton and the volume of oil disposed of. It should be noted that the group does not include any Japanese oil concerns; it is made up of about 60 various concerns, including large consumers of oil such as steel and electricity companies and industrialists, and also banks, insurance companies and individuals.

Undoubted Promise

The undoubted promise of this part of the Persian Gulf has been enhanced by Aramco's recent discovery of a second offshore field at Manifa, 30 miles south-east of the Safaniya offshore field, which is only about 20 miles south of the frontier of the Neutral Zone to which this agreement refers. But against this must be set not only the very high cost of offshore drilling but the heavy burdens and day-to-day difficulties which the Japanese shoulder in the carrying out of this agreement. Even obtaining the dollars may not be easy. The Japanese interests can offer only very limited prospects of disposing of oil in Japan. Although consumption, now at about 11 million tons, is expected to rise sharply, arrangements are already in hand to meet this demand, including a big expansion of local refining capacity in Japan. Given the existing sharp local competition among the well-established importers and marketers, to force a way into the market could be an unremunerative business, particularly in the light of the big investments in the full range of facilities which would be required.

If this agreement were to become effective, would it lead to a review in other countries of payments under concession agreements where such revision is provided for? Not necessarily. It must first be seen if any oil is found and what profits there would be to divide. It is doubtful whether the divisible profits per ton from Japanese produced offshore oil, would, at least for some time to come, approach the present rate of profits from the onshore production in the already established areas of the Persian Gulf.

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MODIFICATIONS TO U.K. THERMONUCLEAR ASSEMBLY

The Zero Energy Thermonuclear Assembly (ZETA) at Harwell, Berkshire, which has held temperatures of 5,000,000° C. for from two to five thousandths of a second, is now undergoing modifications. These are designed to boost existing temperatures—and possibly to double them by the end of the year. Among the alterations to ZETA will be additional condensers to increase the electrical discharges into the deuterium gas inside the doughnut-shaped tube. This will be a long way from the "break-even" temperatures of at least 100,000,000° C. When this is achieved, it will mean that input and output are level and any further increase of input power will produce a power "profit."

But many technical problems have still to be faced before this stage is reached, and it will be even longer before it is possible to build the first thermonuclear power station. Sir John Cockcroft put this development in the region of 20 years from now when he talked to the world Press last week.

The United Kingdom's progress in the field of thermonuclear reaction will be outlined at this year's international exhibition in Brussels, Belgium. A special exhibit organised by the Board of Trade on Britain's plan for industrial atomic power will be on show in the United Kingdom industrial pavilion. It will include a colour transparency of the Zero Energy Thermonuclear Assembly (ZETA) experimental research equipment at Harwell, Berkshire, and a text indicating the prospects (which ZETA is being used to explore) for harnessing power from the fusion of atoms of heavy hydrogen.

Viscount Chandos, Chairman of Associated Electrical Industries, which has been pursuing research similar to that done at Harwell, and a former British Cabinet Minister, said in Australia that the United Kingdom's recent advances in controlling thermonuclear power were the "most important thing that has happened in the material field since human beings have been on this planet." It was a far more important advance than the invention of the steam engine, and certainly more so than the *sputnik*. "The *sputnik*," he added, "was a wonderful achievement, but it has no practical application—and thermonuclear power has."

NEW PRODUCTS AND PROCESSES

Interconnecting Control Valves

WHERE a number of main control valves are used in the construction of pneumatically or hydraulically operated machinery the problem of providing interconnecting piping for supply and exhaust connections becomes acute, particularly where space is limited, and the pipe size is relatively large. Also, the user is faced with the necessity of expending a great deal of material and labour in providing these interconnections. A neat and economical solution can be found by grouping the control valves at a central point in such a way that these interconnections are eliminated. Baldwin Instrument Company, Ltd. have now introduced such a system, which is believed to be unique to the low pressure fluid power field. The valves, which may be fitted with manual, mechanical, electric solenoid or pilot operating mechanisms, are supplied as a multi-point "packaged unit." Any number of valves, up to a maximum of 12, can be embodied into a single unit. The supply and exhaust ports of all the valves are led into passages running the full length of the assembly, screwed connections being provided in special end pieces, which also provide facilities for mounting the assembly as a whole. Each end block contains one supply and one exhaust tapping, which are common to all valves. Tappings in each individual valve body provide fluid take off points for solenoid pilot heads, where these are used. Each main control valve is therefore an entirely independent unit from the functional point of view. This facilitates servicing and also dispenses with separate pilot supply piping. The drastic simplification which is effected may be gauged from the fact that no fewer than 15 connecting pipes are eliminated in the case of the eight-bank solenoid controlled pneumatic unit. To give an idea of the ultimate economy which can be realised by this system of construction, in the case of a 12-point double solenoid operated hydraulic unit the total number of interconnecting pipes is reduced from 84 to 2.

New Collet Saves Workshop Cost

A range of precision collets of an entirely new design—which combine the dimensional flexibility of a jaw chuck with the accuracy and high gripping power of a spring collet—is now available. They should bring substantial savings in time and money to all users of lathes and similar machine tools. Consisting of a set of 11 collets, the first range covers all diameters from ⅛ to 1½ inches in ⅛ in. variable stages. Other ranges will be introduced shortly. Each collet, known as a "Multisize Collet," has a powerful grip on a component, achieved by the action of accurately ground, wedged-shaped narrow blades which are radially spaced within the collet's tapered steel body. There are six or sometimes eight blades, depending upon the size of the collet. As an example of the collet's gripping strength and accuracy, very deep cuts can be taken on components without any risk of slip or vibration. Accuracy in machining is claimed to be within .0005 inch at four inches from the nose of the collet. Designed specifically for use with the collets is the Burnerd Collet Chuck, available in a number of different forms for mounting on various lathes and on other types of machine spindle noses. The collets and chucks are manufactured by F. Burnerd & Co., Ltd., London.

A Portable Under-reaming Tool

A portable hand-operated tool has been developed for widening (under-reaming) the bottom of a cast-in-place concrete pile at the Central Building Research Institute, Roorkee. Such piles are used with advantage in foundations for building, in black cotton soil and similar highly expansive clays. The under-reamed portion at the bottom acts as an anchor and prevents uplift of the footing when the soil swells with the increase in moisture. It also provides a greater bearing area resulting in an economy in materials. The under-reaming tool consists of simple structural steel sections. It has a central square guide rod with flats fixed at the upper end. The flats hold the cutting blades which can be widened out to the desired diameter by pressing the guide rod. When the rod is rotated, the blades also rotate. With the rotational effect of the blades the bottom of the pile hole widens out. To the lower end of the rod is fixed a cylindrical container for removing the soil cut out by the blades. The usual method of making cast-in-place concrete piles is by boring a hole of uniform diameter with a post hole auger. The under-reamer is next lowered in the hole and rotated, maintaining a uniform pressure on the handle and affecting the widening of the bottom of the hole. The desired diameter of the hole is obtained by pushing down the tool by a precalculated distance. The tool has been extensively tried at Poona, Powerkhera and Jabalpur in putting down under-reamed foundations. It can be fabricated in a light engineering workshop. Parties interested in undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, New Delhi.

Economic Engine for Locos

A highly economic engine for diesel locomotive with 50 per cent. efficiency has been developed by a group of scientists working at the Poly-technical Institute in Kharkov, U.S.S.R. This difficult task was solved in less than a year. The engine has a rated capacity of 3,000 horse-power while its per h.p. per hour fuel consumption is only 145 grams. The engine is not big and weighs 18 tons. It is claimed to be the first engine of this type where the energy of the exhaust gas from the cylinder is used to increase the engine's capacity. The surplus capacity of the gas turbine is added by means of a special device at certain operational regimes to the capacity of the crankshaft and it is this that accounts for the high efficiency achieved.

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CENTRAL AND WESTERN RAILWAYS

INSURANCE IN MEXICO

TWENTY PER CENT. INCREASE IN LIFE BUSINESS A YEAR

ALTHOUGH insurance business in Mexico had a comparatively late start, its growth during the past two decades had been remarkable, the rate of expansion of business in recent years having been almost three times that of the national economy. The experience of Mexico shows, how the policy of leaving insurance, life as well as non-life, in private hands, with the Government exercising only regulatory powers, is conducive to a rapid expansion of business. This policy, while giving ample scope for private insurers to show initiative and enterprise in promoting business, has also enabled the channeling of a large proportion of the funds of the companies to socially beneficial and productive investments.

Predominance of Foreign Companies

Until very recently, foreign companies had a virtual monopoly of insurance business in Mexico. In 1900, for instance, only a single Mexican company operated in the field. In the next ten years four more companies entered the field. At the same time, foreign companies and agencies numbered as many as 40. This situation was the result of the comparatively small size of the national savings in Mexico, as well as the Government's policy which, apart from being at times excessively lenient to foreign companies, was largely indifferent to the matter of attracting national enterprise and capital to the insurance sector. Although the Code of Commerce of 1889 initiated Governmental regulation of insurance, it was not until 1910 that exclusive legislation on insurance was introduced. The enactment of 1910 is an important landmark in the history of insurance in Mexico. Still, it fell far short of an overall legislative structure on the basis of which to organise a national insurance system. In 1925-26, when the civil strife in the country came to a close, a general reform of the banking system was introduced and, simultaneously, an insurance law, embodying many regulatory provisions, was passed.

In 1935, a new law on insurance institutions was introduced. This law, while arousing dissatisfaction among foreign companies operating in Mexico, opened up new fields for the indigenous companies. From that year, the development of insurance companies and their influence on the capital market and the general economy of Mexico has been steadily increasing. Among the factors which contributed to the growth of insurance, particular mention may be made of the greatly enhanced confidence of the public in the national companies and the introduction by the latter of more attractive insurance plans. The expansion was also aided by the rapid recovery of the Mexican economy and the reorganisation of the credit system.

As a large number of persons are interested in the functioning of life insurance companies and huge sums of money are at their disposal, the Government has thought it necessary to intervene more decisively in the operations of the companies. The intervention is generally directed towards the conservation and protection of the funds of policyholders, vigilance over the organisation and operation of the companies, regulation of investments and securing of a growing contribution of insurance funds for national development. The Mexican Government would appear to have greatly succeeded in getting the companies to invest in Government securities. On 31st December 1956, according to Mr. Rafael Mancera, Sub-Secretary of Finance, Government of Mexico, the total value of Federal Government securities held by insurance institutions aggregated 72 million pesos, while another 322 million pesos worth of securities issued by the national credit institutions were also held by them. The Mexican Government realises that, for the development of the country, indigenous capital must support the nation's industry and agriculture. Insurance is recognised as having an important part to play in this respect, constituting as it does a financial mechanism by which the savings of the community are channeled to productive investments.

The pace of growth of insurance companies in Mexico could be gauged from the fact that on 31st December 1956, their 'technical' reserves aggregated 1.274 million pesos and their total assets were of the magnitude of 2,109 million pesos. The corresponding figures in 1950 were 523 million pesos and 765 million pesos respectively, 224 million pesos and 328 million pesos in 1945, and 83 million pesos and 119 million pesos in 1945. Insurance companies in Mexico constitute a constantly increasing source of demand for securities issued by the Federal Government and the national credit institutions.

Investment in Government Securities

Mexican legislation in respect of insurance aims at securing an increasing contribution of the investible funds of the companies to State investments. An amendment to the General Law of Insurance Institutions, effected in 1956, lays down that insurance companies should invest 5 per cent. of their technical reserves in bonds for housing projects issued by the national credit institutions. Besides, they have to keep an additional 5 per cent. invested in popular housing projects meant for lease. These are in addition to the requirement that 25 per cent. of the reserves should be invested in securities issued by the Federal Government or national credit institutions thus making a total of 35 per cent. compulsory investment in securities of public interest.

The Mexican Government gives all possible encouragement to the companies to expand the scale of their operations and strengthen their financial bases. As a result of this, the expansion of insurance business, as pointed out earlier, surpassed the rate of increase of the Mexican economy as a whole. Thus, while the national production in recent years increased by only 8 per cent. per annum, life insurance increased at the rate of 20 per cent. Premiums went up from 380 million pesos in 1951 to almost 800 million pesos in 1956. Total investments more than doubled from 850 million pesos in 1951 to 1,720 million pesos in 1956.

EXPORT RISK INSURANCE

Export risk insurance business in the U.K. reached a new record last year when goods declared as shipped under the export credit guarantee scheme reached a peak level of £485.4 million, as against £409.4 million in 1956, representing an expansion of 20 per cent. This compares with 6.5 per cent. increase in 1956. It is expected that, in 1958, the Export Credit Guarantee Department will be able to cover a larger volume of exports.

The rate of expansion in certain types of business was very much higher than the overall increase. For instance, medium-term business, which relates largely to capital goods and equipment sold abroad on credit terms up to five years, doubled in 1957. Deliveries of some of these goods will start only this year and this is expected to be reflected in an overall rise in the proportion of exports covered by credit guarantees to the total exports. In order to compete effectively with other exporting countries, the U.K. manufacturers are finding it increasingly necessary to give longer term credit to overseas buyers. Owing to the rising volume of business on longer credit terms, the amount outstanding to individual firms with substantial overseas orders has risen considerably.

New medium-term transactions put through in 1957 aggregated a record £156.6 million, as compared with £77.5 million in 1956 and £42.3 million in 1955. The number of short-term policies, with a duration generally of upto six months, current at the end of 1957, increased from 4,112 at the end of 1956 to 4,326, although their face value declined from £546.6 million to £518.6 million.

INSURANCE ORDINANCE IN PAKISTAN

An ordinance issued by the Government of Pakistan on 22nd January prohibits Pakistanis from placing insurance and any facultative reinsurance abroad without prior permission of the Controller of Insurance. The object of the ban is stated to be to conserve foreign exchange. The ordinance also empowers the Controller to control and regulate rates of premia charged on different classes of risks which is regarded as having become unrealistic with the passage of time. The system of collection of premium is also sought to be rationalised. According to a Press note issued by the Government, a provision has been made that no insurer shall undertake risks until premium in respect thereof is received or is guaranteed to be paid within a fixed period.

The Press note adds: "Insurance business in Pakistan has made marked progress since independence. The number of local companies has grown from seven in 1948 to 19 in 1956. The total assets of local companies and assets in Pakistan of foreign companies have also increased from Rs. 4.4 crores and Rs. 1.5 crores in 1948 to Rs. 20.5 crores and Rs. 9.4 crores, respectively, in 1956. While the (insurance) industry has shown signs of progress and growth Government had for some time past considered measures to curb malpractices that have crept into the industry.

The present ordinance was issued, it is stated, only after consultations with insurance companies and in pursuance of the recommendations of the Committee appointed in May 1957 to go into the premium rate structure and working of insurance agencies.

LIFE ASSURANCE BUSINESS IN BRITAIN

Preliminary figures issued by the British Life Offices' Association show that the new ordinary life sums assured by the life offices of the U.K. in 1957 amounted to £1,330 million, as compared with £1,190 million in 1956. This represents an increase of nearly 12 per cent., as against 11 per cent. in 1956 and 14 per cent. in 1955. Industrial life assurance (home-service) also reached a fresh peak, new sums assured so far notified having risen by £27 million to £330. The overseas contribution, which represents about 15 per cent. of new sums assured, has been fully maintained. These are global figures, but last year's rise in ordinary life sums assured would appear to owe more to individual contracts than to new group life cover.

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NEW PUBLICATIONS

Economic and Commercial Conditions in Burma. Prepared by the British Embassy in Rangoon. Published by H.M. Stationery Office, Kingsway, London, W.C. 2. Pages: 65. Price: 4s. 7½d.

THE book under review is a new volume in the series of overseas economic surveys published by H.M. Stationery Office, London. It reviews Burma's economic progress in the tenth year of independence and points the way to opportunities that still exist in this traditional market for British goods, despite its current complications. A comparison of the figures for the last four years shows that 1954, when the development programme got under way and before the foreign exchange savings had been used up, was the best post-war year for United Kingdom exports. Thereafter the effect of import controls in Burma has been increasingly felt, and has involved serious reductions in Burma's imports of hardware and the virtual cessation of private imports of motor vehicles from the United Kingdom. In fact, the total is only maintained at a respectable level by the needs of the development programme for machinery of various kinds, by the requirements of the armed services, and by the fact that drugs and chemicals and a few other items are still on open general licence.

Burma's is not yet a planned economy. It is, however, a country to which planning is being applied with much determination. Though hampered in various degrees by the foreign exchange shortage in 1955 many of the projects provided for in a succession of economic plans since independence have been completed. In the industrial field, schemes in the course of consideration include the development of an industrial area on the Hlaing River near Rangoon, and the construction of a saw mill to produce lumber for a furniture factory and joinery. Many other development projects are envisaged, although they cannot progress until more funds are available.

The survey deals at length with Burma's power resources, transport and communications without which industrialisation could not be achieved. It points out that Burma's communications and electrical plant were constructed under British guidance and with equipment made to British standards. Manufacturers from the United Kingdom start, therefore, with an initial advantage in bidding for the supply of goods under all sections of the communications programme, though for the present they face competition from goods that can be supplied from Japan under the reparations agreement at no cost to Burma or goods from "barter countries" supplied in exchange for Burmese rice.

The Eastern Economist Annual Number 1957. Editor: E. P. W. da'Costa. 52, Queensway, New Delhi. Price: Rs. 7.50.

The theme chosen in the above Number, namely, "India and China," is, indeed, quite interesting. It is a comparative economic assessment of the progress made by the two biggest countries in the world under entirely different political systems. Efforts would appear to have been made to present an objective review. The conclusion arrived at is that India has been true to its traditions in choosing its own forms of political and social thought, while China has been militant from almost the earliest times. A choice in favour of the Chinese form, the journal says, will be a denial of our past and "we would have injured ourselves morally had we chosen the Chinese way." Besides this study, the Annual Number also contains a blue supplement on the Indian economy in 1957. In the course of an editorial, *The Eastern Economist* takes a bearish, though by no means an alarmist, view of the present process of consolidation, with funds from banks heavily employed in industry. In its view, it is essential that there should be prudence and caution in both the public and private sectors and expressions of bravado or excessive optimism should be avoided.

"Capital"—Annual Review of Trade, Commerce and Industry. Editor: Mr. George Barrell. Capital (Private) Ltd., 5 Mission Road, Calcutta. Price: Rs. 5.

There are in this Number 33 interesting articles on several important economic subjects written by experts. One of the prominent contributors is Mrs. Ursula K. Hicks, who has outlined the principles on which the tax system should be based in an underdeveloped country. The author has sought to emphasise the fact that the tax system must combine in appropriate proportions the twin functions of revenue-raising and growth-stimulating. The position of foreign enterprise in the Indian tax structure has been explained in a rather long article by Mr. A. K. Roy, Secretary to the Union Ministry of Finance (Department of Revenue). Although the analysis is quite exhaustive and interesting, it is somewhat difficult to agree with the conclusion of Mr. Roy that the taxation of foreign firms is not as high or as inequitous as is sometimes made to appear. The progress made in the implementation of steel projects has been reviewed by Mr. S. Bhoothalingam. Mr. B. K. Nehru has analysed the causes for the fall in the foreign exchange reserves. The subjects covered by other articles include insurance, balance of payments, industrial finance, agriculture, jute, tea, cotton and coal industries, road and railway transport, etc.

Indian Finance Annual and Yearbook 1957. Editor: C. Swaminatha Rangaswamy, Jr. 116, Lower Circular Road, Calcutta. Price: Rs. 10.

The recent developments in the different sectors of the Indian economy have been lucidly surveyed in several articles contributed to the *Indian Finance Annual and Yearbook* 1957. Particular mention must be made of three articles—"Private sector Ahead of Schedule" by Mr. G. L. Bansal; "Inflationary Threat in a Developing Economy" by Dr. D. Bright Singh and "Typical Taxpayer: Man in the Street" by Mr. K. V. Iyer. The problems pertaining to some of the leading industries, transport, agriculture and insurance have all been discussed adequately. There are two editorials—one on the need for courage and self-reliance and the other on foreign trade outlook. A special feature of the *Annual and Yearbook* is the inclusion of a section devoted to industrial profiles on individual companies such as National Carbon, Standard Batteries, Godrej and Texmaco.

Canada, 1957. An Official Handbook. Information Services Division, Dominion Bureau of Statistics, Ottawa. Price: $1. Pages: 317.

This neatly got-up handbook is a veritable mine of information about Canada, systematically arranged and attractively presented. Within the short compass of 317 pages, the publication offers the reader a snapshot of present-day Canada, set in statistical background and illuminated with excellent pictorial illustrations of the economic, social and cultural development of the country. Even a very casual perusal of the publication will impress the reader with the many-sided progress of Canada, its richly endowed resources, its dynamic economy and its democratic institutions and cultural achievements. It is a model of what a good handbook ought to be.

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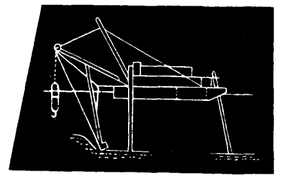

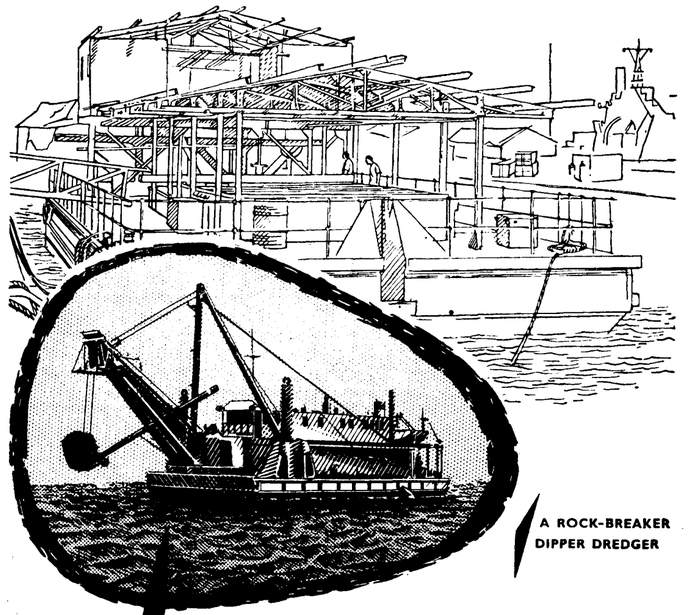

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ASSOCIATED CEMENT COMPANIES LIMITED

TWENTY-FIRST ANNUAL GENERAL MEETING

CHAIRMAN, SHRI DHARAMSEY M. KHATAU'S PLEA FOR AN INCREASE IN CEMENT PRICE

SPEAKING at the Twenty-first Annual General Meeting of the Associated Cement Companies, Limited, the Chairman, Shri Dharamsey M. Khatau, observed that he did not propose to comment upon major developments during the year in the economic and industrial field. There were many subjects demanding urgent attention, he continued, "but the fact is that so much has been said by so many with such little effect upon the course of events, that it seems pointless to take up your time by adding to the impressive volume of constructive criticism on current affairs already available to those who care to listen."

Deficit Finance

Saying that he would, therefore, content himself with making one or two observations concerning deficit financing, Shri Khatau remarked: "The quality of deficit financing, unlike that of mercy which Shakespeare so lauded, is exceedingly strained, for it blesseth neither him that gives nor him that takes. That is to say, both the public as well as the Government ...are ultimately the sufferers, because deficit finance soon overreaches itself, as has already happened in this country. The most disquieting feature of our approach to deficit financing just at present is that while Government appear to have recognised its dangers, judging by the recent speeches of their leading spokesmen, there is still no evidence of the impact of this recognition either upon the assessment of the resources for the second Five-year Plan or, consequently, upon the magnitude of the Plan. The estimates of proceeds from taxation, from current surpluses of Central and State Governments, and from net borrowings whether by the issue of public loans or from small savings, continue to be overoptimistic with the result that (i) the projected Plan expenditure continues to be maintained at a level unattainable in terms of available resources; and (ii) the erroneous belief persists that, even at that level of expenditure, deficit financing will somehow be successfully kept at a low level. The truth is that the expected volume of funds is quite unlikely to materialise from the sources indicated, with the consequence that if the Plan expenditure is maintained so high as is still contemplated, a vast magnitude of deficit finance, with all that it entails in terms of overinvestment, runaway inflation, rising prices (especially agricultural and raw materials prices) etc., is inescapable." In these circumstances, the Chairman hoped that in the next budget there would be evidence of sober and conservative appraisement of external and internal resources on the one hand, and a grimly realistic rephasing of Plan expenditure, on the other, such as would minimise our reliance on deficit finance.

Production and Profits

Turning to the affairs of the Company, Shri Khatau observed that "the year under review had been one of mixed fortune: of distinct achievement, yet of poor reward." Though the Company produced and sold 250,000 tons more cement than in the previous year, paradoxically enough, there had been a slump in the Company's profits, owing to a sharp rise in the manufacturing costs due to factors outside the Company's control such as higher cost of coal, enhanced railway freights and terminal charges, higher cost of stores and spares, etc. Other adverse factors were a higher wage bill and an increased charge for depreciation. Further, the heavy incidence of taxation resulting from the increase in the rates of income-tax and corporation tax, and the imposition of the wealth tax had left very much lower profits to the Company.

Tariff Commission

Continuing, Shri Khatau said that the industry could not continue to operate and expand under those conditions and that Government had, therefore, directed the Tariff Commission to examine the cost of production of cement and determine anew a fair price to be paid to cement manufacturers. The A.C.C. had placed its case fully before the Commission for an increase in price, and hoped that Government would sanction such an enhanced price as would cover the rising costs of production and also to enable it not only to plough back a reasonable portion of profits for rehabilitation and modernisation but also to finance its expansion programme under the second Five-year Plan.

The Chairman pointed out that the increase in price asked for need not necessarily involve any increase in the present price of cement to the consumer f.o.r. destination. "Indeed," he added, "I would go so far as to say that it must not be so, both in the interests of the consumer and of the industry. As you know, we have to sell our entire output to the State Trading Corporation at Rs. 54.50 per ton f.o.r. works for neat (unpacked) cement, *plus* Rs. 1.50 for selling expenses, *plus* a packing charge which varies every quarter depending on the price of gunny bags and presently stands at Rs. 13.64 per ton. This makes a total of Rs. 69.64 per ton. But the State Trading Corporation sells the cement to the consumer at the controlled price of Rs. 117.50 f.o.r. destination. Allowing for the average incidence of railway freight from works to destination at a little over Rs. 15 per ton, and Rs. 20 per ton for excise duty, the State Trading Corporation is left with a net profit of about Rs. 12.50 per ton. As there is likely to be practically no further substantial import of cement which the State Trading Corporation would be required to subsidise so as to sell such imports at an equalised price, and as the losses on such small imports as may still have to come in to fulfil existing commitments will be only a fraction of the enormous profit which the State Trading Corporation has already amassed, there is no reason at all why the State Trading Corporation should any longer make any profit from cement. Furthermore, the present excise duty of Rs. 20 per ton includes the increase of Rs. 15 per ton imposed in May 1957, with a view to inhibiting the demand for cement. Thus, the present price of cement to the consumer includes two inflationary elements: a profit of Rs. 12.50 per ton for the State Trading Corporation and the enhancement in excise duty at Rs. 15 per ton. If now simultaneously with the refixation of the cement price for the producers, this 'loading' of Rs. 27.50 per ton already imposed on the consumer is taken off, there will, I may assure you, be no need to increase any further the present price of cement to the consumer."

Expansion

Shri Khatau then reported that the various expansion projects that the A.C.C. had in hand had made satisfactory progress. The extensions planned at the Kistna Cement Works had been completed, but the additional capacity could not be fully utilised during the year owing to transport difficulties in respect of raw materials. The extension work at Sindri and Chaibasa had also made good progress. He revealed that a flotation plant was to be installed at Chaibasa to enable the use of low-grade limestone. The extensions at Kymore and Shahabad were also well under way.

New Plants

The Chairman informed the shareholders that the A.C.C's new factory at Mancherial, which is to use the dry process of manufacture, would begin production in September 1958. He also announced that the Mancherial plant would be duplicated in preference to the immediate construction of a new factory at Porbandar, which would be taken in hand again, later.

Firebricks

Shri Khatau reported that the Katni Firebricks Factory, working at full capacity, not only met all the requirements of the A.C.C. but was in a position to sell some 7,000 tons of refractories to steel plants, other cement concerns and to any industrial undertaking using heat-resistant firebricks.

Silvicrete

The A.C.C's white cement—produced at Porbandar and marketed under the trade name of *Silvicrete*—was becoming increasingly popular.

Collieries

Raisings from the Company's two collieries at Nowrozabad and Kotma had been fairly satisfactory and certain new schemes to increase their output had been sanctioned.

Technical Training Institute

The Chairman continued: "The building, equipping and staffing of the Company's Technical Training Institute at Kymore was completed during the year and the first batch of 75 apprentices is now undergoing training.... Intended primarily for the sons and relatives of the Company's employees, the Institute offers the best available training in India for our purpose, and most of the trained technicians will, in due course, form part of the specially trained skilled personnel of our cement works.... The curriculum also aims at turning out good citizens and, I think, the Company may well regard the Institute with justifiable pride."

Finance for Expansion Projects

Speaking about the enormous capital outlay entailed by the Company's various projects of modernisation and expansion, Shri Khatau stated that the Company's requirements of working capital had increased appreciably, and would increase still further in the next few years with the increasing tempo of production. The funds that the Company had already raised, whether from internal resources or by borrowing or by offering large issue of equity capital, were totally inadequate for the purpose.

"Your Board has, therefore, decided," he said, "subject to the sanction of the Controller of Capital Issues, to make a further issue of debentures of Rs. 5 crores on suitable terms and at the proper time during the course of this year. The proceeds of this issue will, however, be utilised partly for our investment in the heavy engineering project which we may set up in collaboration with Messrs. Vickers Ltd. and Babcock & Wilcox Ltd., to which I made reference last year, and partly for our substantially increased working capital requirements in the context of our steadily increasing production. A part of the proceeds may also be used for our immediate needs of the expansion programme.

"Even so, the funds at our disposal including the proceeds of the proposed debenture issue and the further internal resources which will accrue over the next few years, will still remain insufficient to meet the heavy capital outlay implicit in our major expansion effort. Your Company has, therefore, represented to the Tariff Commission the urgent need for the grant of an adequate expansion allowance in addition to a rehabilitation allowance in the new price of cement to be fixed in the near future. I earnestly trust that this request will meet a sympathetic if not a generous response, both from the Tariff Commission and from Government, because it is quite plain that without such an allowance we shall be compelled to abandon many of the expansion plans and projects we have in view, for the simple reason that no further funds would be available from internal or external sources to finance them."

Austerity

Referring to the slowing down of the tempo of work on the Company's expansion projects as a result of the uncertainty of financial resources and difficulties in obtaining foreign exchange, the Chairman mentioned that a good deal of capital had been locked up in the form of large quantities of equipment and stores including steel. The liquidation of these was receiving priority attention and an 'austerity' drive had been launched "not only to abandon, postpone or prune the purchase of stores but also to minimise all other forms of expenditure."

Pakistan

The Chairman stated that the Company's two factories in Pakistan were operating satisfactorily, but that the return earned by the Company in Pakistan was very poor. The prices of coal, stores and other materials had sharply risen in that country, and the price increase sanctioned by the Pakistan Government in response to the Company's representation was altogether inadequate. In view of further increases in the cost of coal and other essential materials, the Chairman announced that the Company had again represented its case to the Pakistan Government. Shri Khatau also mentioned that the total incidence of income-tax, corporation tax and business profits tax in that country had risen from 56.25 per cent. to 62.50 per cent.

Labour-Management Relations

Turning to labour-management relations, the Chairman observed: "You will be glad to know that the improvement in our relations with our employees to which I referred with some satisfaction last year has been maintained during the year under review. Once again there were no strikes or stoppages of work to tarnish our record of round-the-clock production—a matter so vital for keeping down costs and for the fulfilment of the targets set under the second Five-year Plan. This is a sure index of growing goodwill and mutual trust, and augurs well for our future. I would like you to join me in according the full share of credit to our employees for their praiseworthy contribution to our joint endeavour.

"It was this atmosphere of harmonious industrial relations that encouraged us to initiate talks with our workers' representatives, with a view to reaching, if possible, a long-term agreement on an all-works basis. In the course of these negotiations it came to be appreciated, however, that one overall agreement, covering the variety of conditions at all our works, was difficult to achieve and that the purpose in view would perhaps be best served by negotiating individual unit-wise settlements.

"It gives me great pleasure to be able to report that after patient negotiations, we have now reached such three-year agreements with our workers' unions at six of our factories.

"The agreements include such important matters as wage grades, dearness allowance, house-rent allowance and leave facilities. Negotiations at some of the other works are still in progress, and I hope the day is not too distant when relations between labour and management at all A.C.C. works will be regulated by similar settlements.

"To my mind the signing of these six settlements is one of the most significant events within the A.C.C., because the spirit which has brought forth these agreements should certainly lead to better industrial relations in the coming years and consequently to greater prosperity for the Company and, in the same measure, for those who work in it."

Shares for Employees

The Chairman stated that 12,202 shares out of the new issue of 635,928 shares had remained unapplied for by the shareholders as at 31st October 1957. The Board had, therefore, decided to offer these 12,202 shares to the permanent employees of the Company at the face value of Rs. 100 *plus* the premium of Rs. 20 per share, and the consent of the Controller of Capital Issues had been obtained. Shri Khatau expressed the hope that this would not only enable the Company's employees to make a valuable investment but would also give them a greater stake in the prosperity of the Company. The Chairman added that the offer of shares would have to be confined to the Company's employees in India and would not be made to employees in Pakistan, because the State Bank of Pakistan had declined to grant necessary permission.

Bonus and Appreciation

The Chairman announced that the Board had decided to pay a bonus to all the employees in appreciation of their excellent work: to those employees drawing up to Rs. 1,000 per month by way of basic earnings a bonus equivalent to one-fourth of their basic earnings during the year; to those drawing over Rs. 1,000 a bonus equivalent to one-fifth of their basic earnings during the year. The Chairman concluded by recording the Company's warm appreciation of the wholehearted co-operation and sustained hard work put in by all members of the Company's staff during the year.

NOTE: *This does not purport to be a report of the proceedings of the Annual General Meeting which will be sent separately to shareholders on request.*

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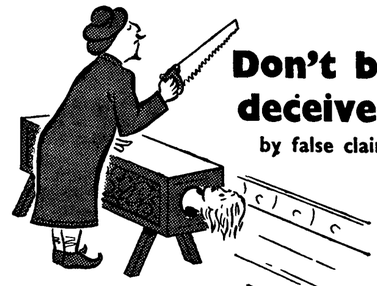

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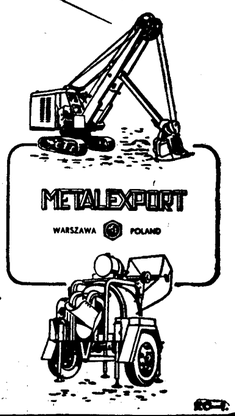

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ROLE OF TOBACCO IN INDIA'S ECONOMY

QUALITY MUST BE IMPROVED AND PRICES REDUCED

SEVERAL important decisions designed to improve the value of tobacco as a cash crop were taken by the Indian Central Tobacco Committee at its annual meeting held in Calcutta last week. The State Governments, for instance, were asked to enact legislation, on the lines similar to that in Madras and the Punjab, compelling the tobacco growers to take measures to control the root parasite, orobanche. Further, the Committee extended the period of operation of the scheme for improving indigenous tobacco in Uttar Pradesh, as well as the scheme for carrying out wrapper tobacco trials for high altitude at Vedasandur in Madras State. It also sanctioned four research schemes, (1) for evolving improved varieties of tobacco and better methods of cultivation in Kerala, (2) for undertaking research in the Vidarbha region of Bombay State, (3) for studying embryology and anatomy of tobacco in Andhra University, and (4) for supplying tobacco seedlings of improved strains to growers. Another decision of the Committee related to the upward revision in subsidy given to tobacco co-operative societies, from 50 to 70 per cent. of the recurring expenditure on the establishment of societies for a period of two years. A sub-committee was set up to undertake both the achievement audit of the research stations and the achievement-*cum*-efficiency audit of the Central schemes on tobacco research.

The aforesaid brief account will clearly bring out the importance attached to the need for improving quality. This is only as it should be. The problem facing tobacco cultivation in India is not so much of expansion of production as improvement in quality. Owing to unfavourable weather conditions in recent years, a large proportion of the crop turned out to be of low grade varieties and it was found difficult to sell it. This resulted in the accumulation of stocks and the consequent fall in prices. The Planning Commission has, therefore, done well in according the highest priority to the improvement in quality under the second Five-year Plan and an increase in output as such is not envisaged. The production target for tobacco to be reached in 1960-61 is fixed at 560 million lbs., same as the estimated production in 1955-56.

Target More Than Fulfilled

It is significant that the Plan target has already been more than fulfilled, the actual output of tobacco in 1956-57 being about 687 million lbs., as against 580 million lbs. in the previous year. The rise of as much as 107 million lbs. in production has been due partly to the increase in acreage and partly to the improvement in per-acre yield. The total area devoted to tobacco in 1956-57 was 1,022,000 acres, as against 921,000 acres in 1955-56. The all-India average per-acre yield was 672 lbs., which compares very favourably with 629 lbs. Incidentally, it may be noted that India is the third largest tobacco producing country in the world, the first two being the U.S. and China. The major centre of tobacco production in India is Andhra Pradesh, which accounts for over one-third of the total, followed by Bombay, Madras and Uttar Pradesh. The table below gives the acreage and production of tobacco in the different States during 1956-57:

States	*Area* (Thousand acres)	*Production* (Thousand lbs.)
Andhra Pradesh ..	390	291,200
Bombay	246	143,360
Madras	69	85,120
Mysore	110	40,320
Uttar Pradesh	47	33,600
West Bengal	39	22,400
Bihar	39	20,160
Assam	23	15,680
Rajasthan	21	11,200
Madhya Pradesh ..	16	8,960
Orissa	11	6,720
Punjab	5	2,240
Kerala	1	2,240
Delhi	1	2,240
Himachal Pradesh ..	2	1,120
Tripura	2	1,120
All India ..	1,022	687,680

Tobacco plays a vital role in the economy of India. Tobacco growing provides means of livelihood to thousands of persons, the aggregate return to growers being of the order of Rs. 40 crores per annum. Tobacco is one of the staple earners of foreign exchange. During 1956-57, nearly Rs. 14 crores worth of tobacco (about 100 million lbs.) was exported abroad; the principal buyers were the U.K. and the Continental countries. Of late, the U.S.S.R. and China, too, have been taking interest in Indian tobacco. The important varieties exported are flue-cured and sun-cured Virginia, white burley, sun-cured *natu* (country) and *bidi* tobacco, Virginia tobacco accounting for more than 75 per cent. of the total. Apart from earning for the country precious foreign exchange, tobacco is also one of the most important sources of revenue to the Governments—Central and State. The annual proceeds of the Union excise duty on tobacco alone come to about Rs. 36 crores per annum, which represent nearly 5.4 per cent. of the total Central Government revenue receipts (1957-58 budget estimate).

Exports of Tobacco

Exports of tobacco during 1956-57, as already stated, aggregated 100 million lbs., as against 93 million lbs. in 1955-56. While this improvement is notable, there is no denying the fact that, if any further headway is to be made with exports, the competitive capacity of Indian tobacco in world markets must be enhanced through improvement in quality and reduction in price. Indian tobacco, it is said, is facing stiff competition from Rhodesian tobacco. This is one of the commodities which will be adversely affected by the European Common Market. The proposed common tariff of 30 per cent. is higher than the rate now prevailing in the Benelux countries. In 1955-56, these countries took no less than 82 per cent. of India's total exports to Common Market countries. This aspect deserves to be emphasised in the present context when the cost of tobacco production is said to be increasing and quality is tending to go down. Alluding to this point, the Export Promotion Committee observed: "Attention has to be centred on producing as much high grade tobacco as possible. Though this is not entirely within the farmers' powers, if the outlook for exports is good, he will pay better attention to methods of cultivation." The Committee accordingly commended to the attention of the Government the following five suggestions:

(1) Export of tobacco should be allowed on a consignment basis.

(2) The Government must buy or rent godowns in important foreign centres consuming tobacco such as London, Brussels, Rotterdam and Hamburg and keep available there a ready supply of seasoned Indian tobacco. The advantage of this lies in the fact that, on account of the temperate climate obtaining there, tobacco will not deteriorate as it does in India.

(3) Priority should be given for the movement of tobacco from Guntur to Kakinada and Madras during March to June every year.

(4) Pre-shipment inspection of export consignments must be made compulsory, so that complaints regarding quality, etc., are obviated.

(5) Air-conditioned godowns and fumigation facilities must be provided at the ports at reasonable rates.

All these are very pertinent suggestions which deserve to be implemented. At the same time, steps should be taken to explore new markets for Indian unmanufactured tobacco.

To revert to the annual meeting of the Indian Central Tobacco Committee. Presiding over the meeting, Dr. B. N. Uppal, Agricultural Commissioner to the Government of India, estimated the surplus of Virginia tobacco available for export at about 100 million lbs. The estimate is based on the assumption that the annual utilisation of this variety in India for the manufacture of cigarettes is 30 million lbs., as against the total production of 132 million lbs. in Andhra Pradesh in 1956-57. Dr. Uppal disclosed that the Government of India had accepted all the major recommendations of the Tobacco Expert Committee which examined the question of rationalising the rates of excise duty. One of these recommendations was that, in order to provide a uniform and stable basis of assessment, the varieties of tobacco, which by reason of their physical form, are incapable of being used in the manufacture of *bidis*, should be assessed at a lower rate.

LAC PRODUCTION

The year 1957 witnessed a market setback in the production of lac in India. The final estimate of the *katki* lac crop for the year, for instance, places the aggregate yield at 193,000 maunds, which compares very unfavourably with 501,000 maunds in 1956 and 333,000 maunds in 1955. Similarly, the production of *aghani* (*kusmi*) lac was substantially lower at 29,500 maunds, as against 64,000 maunds and 61,000 maunds in the previous two years, respectively.

The reduction in the yield of *katki* and *aghani* lac has been accounted for practically by all the States, with the exception of Assam which has reported a slight improvement in the output of *katki* lac. The following table shows the trend of output of the two kinds of lac in the different States during 1957 as compared with 1956 and 1955:

(In maunds)

	1957	1956	1955
Katki lac:			
Madhya Pradesh	97,000	155,000	159,000
Bihar	35,000	200,000	80,500
W. Bengal	4,000	76,000	17,500
Bombay	35,500	51,000	57,000
Assam	10,000	7,000	7,000
Uttar Pradesh	5,000	5,000	5,000
Orissa	1,500	2,000	2,000
Other States	5,000	5,000	5,000
Total ..	193,000	501,000	333,000
Aghani lac:			
Madhya Pradesh	17,000	20,000	22,000
Bihar	7,000	30,000	26,250
W. Bengal	500	6,000	5,750
Orissa	4,000	6,500	6,000
Other States	1,000	1,500	1,000
Total ..	29,500	64,000	61,000

It will be seen from the foregoing table that the decline in the output of lac during 1957 was particularly steep in the States of Bihar, Madhya Pradesh and W. Bengal. Owing to an acute scarcity of brood lac in the infecting season in Bihar and W. Bengal, the number of trees infected was small and, consequently, the crop was poor. The *katki* lac crop in W. Bengal and Bihar was adversely affected by intense heat in the last summer season, coupled with a long spell of drought, which led to poor carryover of infection from the last *baisakhi* crop.

Despite the appreciable fall in the production of *katki* and *aghani* lac, the prices of this commodity have suffered a recession. Spot lac (shell pure T.N.) is now quoted in the Calcutta market at Rs. 77.50 per maund, as against Rs. 105 a year before and Rs. 123 in November 1956. The downward trend in prices has been due to slackness in business with foreign countries, thanks partly to the competition from Thailand. Reflecting this competition is the drop in the export prices of Indian lac; the average price per maund of lac sold abroad during the first seven months of 1957 was about Rs. 100, as against Rs. 138 in the corresponding period of 1956. The total quantity of lac actually shipped in the above period was 427,418 maunds valued at Rs. 427.31 lakhs, the figure for the same period in 1956 being 401,639 maunds valued at Rs. 553.34 lakhs.

COCONUT INDUSTRY

Although India claims the distinction of being the second biggest producer of coconut in the world, next only to the Philippines, it continues to be in deficit to the tune of 40,000 tons in terms of coconut oil. The rate of annual output is at present 130,000 tons of oil (the actual number of nuts produced is more than 4,000 million and the area covered by plantations is 1.58 million acres), as against the estimated demand of 170,000 tons, of which the consumption in the soap industry alone accounts for 55,000 tons. The demand is expected to rise by 80,000 tons by 1960-61 as a result of the rise in population and improvement in consumption standards. The increasing demand must be met in full by augmenting domestic output, for, otherwise, the country will be forced to import coconut oil from other countries entailing heavy foreign exchange expenditure. Mr. M. V. Krishnappa, Union Deputy Minister for Agriculture, did well, therefore, to urge, in the course of his address at the twenty-fifth annual meeting of the Central Coconut Committee held at Kozhikode on 28th January, that the coconut industry should bend its energies for achieving self-sufficiency within the minimum time possible. The research laboratories, Mr. Krishnappa declared, must become the arsenals for instructing farmers on new techniques in order that millions of farmers and cultivators might wage the production battle effectively. "Research workers," to quote him, "have to have an awareness of the urgency of the situation."

It is gratifying to be told that valuable results have already been obtained from coconut research done so far and that these are being passed on to the cultivators through periodicals and pamphlets. The Governments of the coconut-growing States, according to Dr. M. S. Randhawa, President of the Committee, have been investigating cultural and manurial problems, as well as those relating to diseases affecting the tree. The Central Coconut Committee was set up in 1945 and it took over the responsibility of the Indian Council of Agricultural Research regarding coconut research schemes. It appointed two experts to report on the existing state of coconut research in various parts of the country. On the basis of the report presented to it, the Committee decided to establish two central research stations. One was set up in 1948 at Kayankulam to investigate problems relating to pests and diseases. The other was set up in 1947 at Kasaragode to tackle research problems of a fundamental character, including breeding. These research stations are wholly financed by the Committee. Three regional research stations were started in 1947 in Travancore under the joint auspices of the Committee and the State Government. Since then, regional research stations have been established on the same basis in Orissa and Andhra Pradesh. Madras, Mysore and Assam will shortly have a regional coconut research station each.

The second Five-year Plan envisages a rise of 80,000 tons in terms of coconut oil production, from 130,000 tons in 1955-56 to 210,000 tons in 1960-61. The rise is expected to be achieved through the implementation of short-term and long-term measures. The short-term programme includes the establishment of demonstration centres to propagate improved methods of cultivation and protection of crop against pests and diseases. Under the long-term programme, the area under coconut will be raised by bringing suitable waste lands, development of nurseries for distributing superior varieties of plants, etc. It is also planned to augment the yield per tree from 30 to 45 nuts.

It will be interesting to know the actual progress made in these directions during the last 22 months. The Press version of Dr. Randhawa's speech does not, however, give any clear idea of the progress. All that is gathered is that the Central Government has made available to the Committee a grant of Rs. 38 lakhs for expanding the scope of work of the research stations and that it is extending to the Governments of coconut-growing States grants for financing development schemes calculated to step up output. It is not known whether the three sub-committees constituted at the previous meeting of the Central Committee—one to suggest ways of co-ordinating research on coconuts and arecanuts, another to chalk out programmes for conducting manurial trials at the regional research stations and the third to examine the question of organisation of technological research—have completed their findings.

ARECANUT SCHEMES

A notable point which has emerged from the deliberations of the Indian Central Arecanut Committee's annual general meeting held at Kozhikode recently is that any imposition of a ceiling on arecanut gardens will not be in the larger interests of the country. Readers are aware that India is spending every year foreign exchange of about Rs. 4 crores for importing arecanut, the quantity involved being about a million maunds. The domestic production is only 2.2 million maunds, which is sufficient to meet about two-thirds of consumption requirements. The need for enhancing production cannot, therefore, be stressed too strongly. The Committee is certainly justified in asking the authorities concerned to exempt arecanut gardens from the proposed ceiling on land and to fix the rent for these gardens at a fair level, keeping in mind the heavy cost involved in cultivation. The implementation of this suggestion, as also some of the decisions taken by the Committee, will doubtless go a long way towards achieving self-sufficiency in arecanuts. The decisions cover intensification of nursery programme under the various categories of schemes sponsored by it; need for accelerating the distribution of fertilisers and affording assistance to growers to take up irrigation of arecanut gardens; setting up of co-operative marketing societies in important arecanut-growing regions of Kerala; opening of sales branches in Bombay and Madras under the Federation of Arecanut Marketing Societies of Mysore; and establishment of a central arecanut research institute having two wings—one for agriculture and the other for technology—with a combined building programme at Vittal near Mangalore.

INDO-HUNGARIAN TRADE

The three-year old trade agreement between India and Hungary—concluded on 17th June 1954—has been extended for two more years, that is, up to the end of December 1959 with some adjustments. One such adjustment is that payments in respect of commercial and other transactions will be made in Indian rupees. It is said that steps will be taken to encourage exports to Hungary of consumer goods such as cotton, woollen and silk textiles, shoes and other leather goods, spices, coffee, tea, hydrogenated oils, handicrafts, shellac, jute goods, and tobacco and tobacco manufactures. Among the other important commodities are iron ore, mica, raw goat and sheep skins, cordage and ropes, paints and lacquers, and tapioca and its products. The goods which India will import from Hungary include metals, iron and steel and manufactures thereof, cutlery, hardware, implements and instruments, electrical goods and appliances, machinery of all kinds, chemicals, drugs and medicines.

The working of the Indo-Hungarian trade agreement has so far been quite smooth, as is indicated by the improvement in the value of trade between the two countries, from just Rs. 12 lakhs in 1953-54 to Rs. 1.15 crore in 1956-57. India had an adverse balance of trade with Hungary to the tune of Rs. 17 lakhs in 1956-57 and Rs. 33 lakhs in 1955-56, in contrast to the favourable balance of Rs. 9 lakhs enjoyed during 1954-55. This must be attributed to the large imports of iron and steel, which accounted for nearly 75 per cent. of Hungarian exports to India.

It is understood that East Germany has agreed to supply during 1958 about 60,000 long tons of fertilisers worth Rs. 1.65 crore to India on the basis of rupee payments. The supply comprises 50,000 tons of ammonium sulphate and 10,000 tons of chloride of potash. The State Trading Corporation is said to be negotiating with East Germany for another 10,000 tons of fertilisers. In the meantime, there are reports that East Germany has offered to make available to India 160,000 tons of ammonium sulphate worth Rs. 3 crores on easy payments during the years 1959 and 1960.

The International Netherlands Industries Fair will be held from 18th to 27th March next. Exhibitors from 23 different countries are expected to participate. The combined exhibit of Netherlands textile mills will be twice as large as last year with 100 participants. The group building machines and building materials occupies 22,500 sq. metres and the Shipbuilding section will be three times as big as in 1957.

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Chairman: JAL H. MEHTA General Manager: M. S. DASTUR

BOMBAY BURMAH'S EARNINGS STEADY

PROFIT ON TEA LOWER BUT TIMBER YIELDS MORE

A STEADY trend is disclosed in the trading results of the Bombay Burmah Trading Corporation Ltd. (Secretaries and Treasurers: Messrs. Wallace & Co., Bombay) for the year ended 31st May 1957. The Company's earnings for the year under review have been fully maintained at the new record level established in the previous year. The aggregate trading profit from its various branches of business amounts to Rs 151.84 lakhs. This shows practically no change from Rs. 151.81 lakhs earned in 1955-56, which represented a rise of Rs. 27.65 lakhs over the erstwhile record of Rs. 124.16 lakhs in 1954-55. This performance of the Company is encouraging, especially as the tea industry in South India, one of the main sources of the Company's revenue, was in a bad way during the year under review, owing to high cost of production and fall in tea prices. In fact, even the trading profit from tea was appreciably less and, if this is not reflected in the total trading profit, it is because of the improvement in the earnings on the timber business.

The aggregate net profit, amounting to Rs. 52.38 lakhs, compares favourably with Rs. 49.10 lakhs for 1955-56 and Rs. 43.93 lakhs for 1954-55. This improvement is not due to any saving in the provisions for taxation or depreciation. On the contrary, the transfers to both these accounts are higher. Thus, the provision for taxation has been substantially raised from Rs. 48.40 lakhs in 1955-56 to Rs. 68.87 lakhs. A break-up of this enhanced tax provision shows that foreign tax takes up Rs. 19.30 lakhs (Rs. 17.45 lakhs), agricultural tax Rs. 12.35 lakhs (Rs. 5.80 lakhs), Indian income-tax and super-tax Rs. 34.71 lakhs (Rs. 25.15 lakhs) and wealth tax Rs. 2.50 lakhs (*nil*). The figures in brackets relate to the position in the previous year. The depreciation account also has received a larger sum of Rs. 30.36 lakhs as against Rs. 28.45 lakhs a year ago. The main reasons for the net profit being higher than in the previous year are two. There has been a marked rise in other income from Rs. 14.22 lakhs to Rs. 27.77 lakhs, an increase of over Rs. 24 lakhs. This improvement was due partly to a profit of Rs. 10.36 lakhs on sale of assets, as against *nil* and partly to better receipts by way of interest aggregating Rs. 16.02 lakhs, as against Rs. 7.33 lakhs in 1955-56. The other cause for the rise in the net profit is the impressive saving in the Secretaries' and Treasurers' remuneration (subject to adjustment) which has come down from Rs. 24.66 lakhs to Rs. 9.75 lakhs. A part of these additional incomes has been offset by a good increase in establishment and other expenses.

It will be noted from the foregoing account that the improvement in net profit is due more to non-trading activities than to trading activities pure and simple. Further, the profit on sale of assets is probably a non-recurring item. The Directors are, therefore, perfectly justified in not raising the dividend and in almost doubling the transfers to reserves from Rs. 8.58 lakhs to Rs. 16.70 lakhs. This consists of Rs. 8.26 lakhs to general reserve (being the estimated amount of development rebate allowable under the Indian Income-tax Act), Rs. 4.73 lakhs to fixed property reserve, Rs. 3.50 lakhs to investment reserve and Rs. 20,750 to provision for bad and doubtful debts.

The following comparative table brings out the salient features of the Company's working results for the past four years:

(In lakhs of rupees)

	For the year ended 31st May			
	1957	1956	1955	1954
Trading profit on—				
Timber	1,02.42	97.06	43.75	39.09
South Indian plantations ..	39.98	44.38	68.02	45.69
Namhsan tea factory ..	4.03	6.81	7.98	6.99
Sundries	5.41	3.57	4.41	0.56
Total trading profit	1,51.84	1,51.81	1,24.16	92.33
Other income	37.29	14.22	11.11	9.57
Establishment and other expenses	27.77	15.42	22.23	38.40
Secretaries' commission ..	9.75	24.66	20.30	16.84
Depreciation	30.36	28.45	26.39	18.92
Taxation	68.87	48.40	22.42	9.82
Net profit	52.38	49.10	43.93	17.91
Reserves	16.70	8.58	5.00	..
Dividend	34.24* (32%)	30.24 (32%)	28.35 (30%)	15.12 (16%)
Preferential dividend	..	10.50	10.53	2.86
Carry forward	1.83	0.39	0.02	0.57

* On the increased capital, raised by the issue of 10,000 ordinary shares of Rs. 125 each after the close of the accounting year.

It will be seen from the table that the trading results for each of the sections have not maintained the all-round uniform progress witnessed in 1954-55. While the profit from the timber section shows a progressive rise, that from the South Indian plantations and Namhsan tea factory disclose a decline. The sundries section, however, has fared better.

The dividend is proposed to be maintained at the rate of 32 per cent. for the previous year to which level it had been raised from 30 per cent. for 1954-55. It should, however, be remembered that the year's dividend is on a higher capital, raised by 10,000 ordinary shares of Rs. 125 each, issued after the close of the Corporation's accounting year but which, in accordance with the terms of the agreement, rank for dividend for that year. It may be noted that the scheme of arrangement for the extinguishment of the special rights attaching to the 100 founder shares of Rs. 2,500 each has received the necessary approval of the High Court, the Controller of Capital Issues and the Reserve Bank of India.

The Company has trading activities mainly in India, Burma and Thailand. Referring to its business in Burma, the Directors, in their report to shareholders state that the scope of dockyard working was expanded; the repair of small craft continued and, in addition, a start was made in the design and construction of timber and steel launches and in repair work to deep sea vessels. The plant for the manufacture of concrete pipes and similar articles came into full production during the year. Sales of Caltex lubricating oils and greases continued to expand. Erection of a plant for the manufacture of asbestos-cement sheeting began towards the end of the year.

For another year in succession, the Namhsan tea factory in Burma did not yield satisfactory results. The output of made tea dropped to 742,230 lbs. from 803,763 lbs. in the previous year. Sales totalled 729,040 lbs. at an average price of K.3.08, as against K.3.18 in the preceding year. Costs stood higher at K.2.65, as against K.2.54 per lb. Weather conditions were unfavourable and green leaf supplies were limited. Hence there was an increase in costs.

In Thailand, sale of teak logs and sawn produced from timber extracted under the old leases continued and the Company's stock was disposed of during the year at satisfactory prices. All machinery in the mill was dismantled and sold. The Company's share in the Joint Timber Company, Ltd., formed in April 1957, is 26 per cent. of the equity. The proposed company for the manufacture of high grade tapioca starch in conjunction with certain American interests was registered in August 1956 in the name of Thai Tapioca Ltd., with a capital of Tes. 1 million. The Company's share in the equity is 50 per cent, and it is responsible for the management of the business in Thailand at a remuneration of 5 per cent. of the gross receipts. Further finance has been provided by the Corporation in the form of loans. The factory started operation in October 1956 and production to the end of its financial year totalled 1,535 tons. The Company incurred initial losses, after charging depreciation for a full year during its first period of working.

Production and purchases of hardwood logs at the Company's branch in Wallace Bay (Borneo) reached a total of 83,692 tons, as against 65,750 tons in 1955-56. The mill started trial runs in October 1956 and, since that date, the required input capacity has been reached.

The trading profit from South Indian plantations at Rs. 39.98 lakhs falls very much below the record profit of Rs. 68.02 lakhs earned in 1954-55. The total production in the estates dropped to 5,677,690 lbs. from the record crop of 5,940,276 lbs. in 1955-56. Consequently, the unit cost per lb. of made tea rose from Re. 1.17 in 1955-56 to Re. 1.34. The average gross returns, however, were better at Rs. 2.46 per lb., as against Rs. 2.14 per lb. Production of the coffee estates in Coorg amounted to 14,465 cwts., as against 9,086 cwts. in 1955-56, with satisfactory results. Closing stocks were valued at Rs. 2.25 per point.

On the Company's holdings of land in the Usambaras in Tanganyika, a promising start has been made with the planting of tea and 250 acres had been planted by May 1957. The timber on the estates is being extracted, milled and sold.

A strong financial position is disclosed by the Company's balance-sheet as at 31st May 1957. The reserves and surplus aggregate Rs. 382.98 lakhs as against a paid-up capital of Rs. 94.50 lakhs. As stated earlier, the paid-up capital has since been increased by the issue of an additional 10,000 ordinary shares of Rs. 125 each. The provision for taxation stands at the high figure of Rs. 130.19 lakhs. The current liabilities amount to Rs. 272.96 lakhs. The gross block of the value of Rs. 460.48 lakhs has been written down to Rs. 272.39 lakhs. Additions to block account during the year were of the order of Rs. 79.06 lakhs. These are exclusive of buildings and machinery, etc., under erection shown at Rs. 27.37 lakhs. Investments in shares of subsidiary companies, other companies, Government securities and debentures, together with interest accrued, appear at Rs. 90.69 lakhs. Of these, the holdings in Government securities alone amount to Rs. 28.76 lakhs and those in debentures to Rs. 11.23 lakhs. It is to be noted that all the investments in debentures are only in those of oil refining companies which are considered to be excellent. The other current assets aggregating Rs. 491 lakhs include, among other things, stores at cost Rs. 43.38 lakhs, stock-in-trade of timber, tea, coffee and sundry trading stock Rs. 49.54 lakhs, sundry debtors Rs. 55.69 lakhs, loans and advances Rs. 106.56 lakhs and cash and bank balances Rs. 231.96 lakhs; a year before the last mentioned item stood at Rs. 153.51 lakhs.

The Rs. 125 fully paid-up shares of the Company are being currently quoted at Rs. 544 *cum-div.* (final div. Rs. 28.75). On an *ex-div.* basis the shares offer a yield of 7.76 per cent. per annum, free of tax.

A.C.C. ANNUAL MEETING

At the twenty-first annual general meeting of the Associated Cement Companies Ltd., held at Bombay on Friday, 31st January 1958, the shareholders evinced keen interest in the affairs of their Company. As usual, the meeting was well attended and about a dozen shareholders took an active part in the deliberations. They posed several questions on various subjects, from the outlook for the Company to the Company's contribution to the Congress Party's election fund. The Chairman, Mr. Dharamsey M. Khatau, in his speech, characterised the year under review as one of mixed fortune; of distinct achievement, yet of poor reward. He stated that though the Company produced and sold 2.5 lakh tons more cement than in the previous year, there was a fall in profits. This was the result of manufacturing costs rising so sharply as to more than offset the economies resulting from increased output and efficient working. Some of the shareholders who spoke on the occasion complained about the lower return on their investment but the consensus of opinion was that the management had done its best. Many appreciated its difficulties and there was a sense of satisfaction with the results achieved in 1956-57.

As regards the outlook for the Company, Mr. Khatau stated that much depended on the verdict of the Tariff Commission on the Company's plea for a higher ex-factory price to cover the increase in cost of production. He disclosed that the Tariff Commission had completed its examination of the Company's works costs and overall costs and that it would submit its report to the Government in a few days. He pointed out that the increase in price by a little over Rs. 5 per ton which the Company had asked for, need not necessarily involve any addition to the present price of cement to the consumer, as it could come out of the profit of the State Trading Corporation. The State Trading Corporation, it was revealed by the Chairman, was making a net profit of about Rs. 12.50 per ton. A part of the increase in the ex-factory price requested by the Company includes an allowance for financing expansion. The Chairman made it clear that, without such an allowance, the Company would be compelled to abandon many of the expansion plans and projects in view, for the simple reason that no further funds would be available from internal or external resources to finance them.

Several shareholders were highly critical of the activities of the State Trading Corporation and its interference in the working of the cement industry, one of the largest basic industries in the country. One shareholder denounced it as a sleeping partner, who was making huge profits without making any investments. Such dubious ways of making easy money, he remarked, had encouraged the Corporation to extend its sphere of influence more and more to other new industries. Some shareholders urged the management to proceed cautiously with its schemes of expansion. They contended that, when the return to shareholders was not guaranteed, there was no point in trying to fulfil the targets envisaged in the second Five-year Plan. They were also afraid that, at the prevailing high prices for cement, the demand for it would steadily slow down, creating a glut in the market and that, if such a situation were to arise, the Company would be faced with the task of carrying large unsold stocks.

The Chairman in his reply said that the management shared the fears of the shareholders on this point to some extent, since the element of price did influence the consumption trend. He, however, justified the past expansion schemes on the ground that they had been undertaken at strategic points where raw materials were in plentiful supply resulting in lower cost of production for cement. In future expansion, too, he assured the shareholders, great care and deliberation would be given. Shareholders also doubted whether the present economic climate was conducive to the raising of debenture capital. They thought that the rate of interest would have to be at least 6½ per cent. Besides, in the event of the industry getting nationalised at a future date, there was the danger of shareholders' interests being overlooked in preference to those of debenture-holders. Mr. Khatau counselled patience and stated that the terms of the debenture issue were yet to be finalised. As the sum to be raised was as large as Rs. 5 crores, the Company could not take chances. It would entrust the issue to big corporations for being underwritten and the shareholders could buy these debentures from such underwriters.

The Chairman made the important disclosure that the proposed heavy engineering project in collaboration with Messrs. Vickers Ltd. and Babcock & Wilcox Ltd. had been shelved for the time being, due to various difficulties which had arisen in the way of raising adequate capital. The project had been under negotiation for a long time. The raising of the British Bank rate and the present state of the investment market in India, following higher loads of taxation, together made it difficult for both sides to secure the necessary capital. It would, however, be considered again at a later stage if conditions were found to be more favourable.

Some members pleaded that the Directors should take every possible step to ensure that the shareholders got at least 6 per cent. on the capital invested by them. Mr. Khatau agreed with the suggestion in principle and observed that it would receive the Directors' consideration. He, however, added that much depended on the outcome of the Tariff Commission's recommendation on the Company's request for a higher selling price.

The other main points of Mr. Khatau's replies to the various questions were: (1) The decision to duplicate the Mancherial plant, in preference to the immediate construction of a new factory at Porbandar, was taken in view of the fact that the advantages which were expected to accrue for purposes of marketing from Porbandar disappeared when the State Trading Corporation took over the distribution of cement and payments were made f.o.r. works. (2) The losses shown by the Cement Marketing Company of India Ltd., a subsidiary of A.C.C., was merely a technical adjustment. (3) Advertisements were necessary to keep the public informed of the tempo of progress and the expenses incurred were only reasonable as compared with the turnover. (4) Jute bags were being used in preference to paper bags because they were liked by customers. (5) No further new issue of capital was contemplated. The capitalisation of the share premium account would be considered at the appropriate time. (6) The Life Insurance Corporation was made to the Congress Party, the general feeling was that the Company should support a party which would provide a stable government and that the Congress Party was considered as the only one that could do so. There was no pressure on the Company from any quarter to contribute to the Congress Party's election fund.

COMPANY REGISTRATION IN WESTERN REGION

Fifty-one companies with a total authorised capital of Rs. 14,52.50 lakhs were registered in the Western Region (comprising Bombay and Madhya Pradesh) under the Companies Act 1956 during the quarter ended 31st December 1957. Of these, three were public companies with an aggregate authorised capital of Rs. 11,00 lakhs, 46 private companies with a total authorised capital of Rs. 257.50 lakhs and the remaining two were guarantee companies. During the same period, 34 companies went into liquidation in this region.

In the Bombay State, three public companies with a total authorised capital of Rs. 11,00 lakhs and 44 private companies with a total authorised capital of Rs. 251.50 lakhs were incorporated. The number of guarantee companies registered was two. Of the 44 private companies, 13 companies related to processing and manufacturing (metals and chemicals), 12 to processing and manufacturing (general), seven to commerce (trade and finance), six to processing and manufacturing (foodstuffs and textiles, leather products thereof), three to personal and other services, two to agricultural and allied activities, one to construction and utilities. Of the three public companies, two related to transport, communication and storage and one to processing and manufacturing (metals and chemicals). The object of one of the two guarantee companies is the promotion of interest of cotton trade, that of the other being promotion of sports.

The number of private and public companies reported to have gone into liquidation during the period was 20 and 14, respectively. The names of nine public and 25 private companies were struck off the register under section 560 of the Companies Act 1956 and 18 companies (four public and 14 private) were finally dissolved during the quarter.

Forty-two cases were filed during the quarter against companies and/or directors and liquidators. Affairs of three public limited companies were under investigation by the inspectors appointed by Government on the basis of the complaints by shareholders and reports of Registrars.

In Madhya Pradesh, two private companies with a total authorised capital of Rs. 6 lakhs were registered during the quarter under review. Nine companies having a total paid-up capital of Rs. 97,500 were struck off the register, and two companies with a paid-up capital of Rs. 1,00,500 were dissolved after they were finally wound-up. Four convictions were secured during the quarter for various offences under the Companies Act.

Points From The Chair

Deficit Financing

"DEFICIT financing has curative and even tonic properties when taken in therapeutic doses; but like all poisons, it is fatal when administered in large quantities. The quality of deficit financing, unlike that of mercy which Shakespeare so lauded, is exceedingly strained, for it blesseth neither him that gives nor him that takes. That is to say, both the public as well as the Government that embark on this slippery slope are ultimately the sufferers because deficit finance soon overreaches itself, as has already happened in this country. The most disquieting feature of our approach to deficit financing just at present is that while Government appear to have recognised its dangers, judging by the recent speeches of their leading spokesmen, there is still no evidence of the impact of this recognition either upon the assessment of the resources for the second Five-year Plan or, consequently, upon the magnitude of the Plan. The estimates of proceeds from taxation, from current surpluses of Central and State Governments, and from net borrowings, whether by the issue of public loans or from small savings, continue to be overoptimistic; with the result, firstly, that the projected Plan expenditure continues to be maintained at a level unattainable in terms of available resources; and, secondly, that the erroneous belief persists that, even at that level of expenditure, deficit financing will somehow be successfully kept at a low level. The truth, however, is that the expected volume of funds is quite unlikely to materialise from the sources indicated, with the consequence that, if the Plan expenditure is maintained so high as is still contemplated, a vast magnitude of deficit finance, with all that it entails in terms of overinvestment, runaway inflation, rising prices (especially agricultural and raw materials prices), etc., is inescapable."

DHARAMSEY M. KHATAU,
Associated Cement Cos., Ltd.

Gold Price

"The problem of rising costs against a fixed price for its product is one which continues to reduce the profitability of gold mining, and indeed, to threaten the continued existence of certain units in the gold mining industry. In our own group, the most vulnerable mine is Rand Leases, where only an almost token profit-margin is being maintained, despite the most strenuous efforts to reduce the cost structure. In a world bedevilled by creeping inflation, the cost of producing gold continues to rise without the producer being compensated by an increase in the price of his product. The average cost of producing an ounce of gold in South Africa has risen since September 1949 from 135/2 to 179/2 in September 1957 and during the same period the purchasing power of an ounce of gold has progressively declined. It is difficult to believe that this disequilibrium can last much longer. The increasing spate of inflation throughout the world, and the almost desperate measures being taken by certain countries to resist it can only lead to a revaluation of currencies in terms of gold on a more realistic basis. The recent revival in the gold share market once again draws attention to the intrinsic merits of this class of investment—both for the high returns it is capable of yielding as well as for its attraction as a form of insurance against depreciating currency. That gold continues in its all-important role as the only acceptable medium for settling the international balance of payments, becomes more and more evident as problems in this field multiply. It is, therefore, astonishing for the visitor to the United States of America to form the impression that, generally, members of the American public still remain oblivious to the power for good which gold can wield internationally and hence, in the final analysis, to themselves as individuals."

S. G. MENELL,
Anglo-Transvaal Consolidated Investment Co., Ltd. (Johannesburg).

Refractory Project

"We have undertaken to set up the manufacture of bonded sillimanite bricks, if and when required by the Government to do so, provided there is sufficient demand for the product in the country. Sillimanite sold in India this year totalled only 358 tons, whereas the export was 4,476 tons. The Board is investigating the possibility of collaboration with overseas refractory manufacturers for setting up a refractory plant in India. Large capital investment is required for such an undertaking, as also a high degree of technical insight for such a project. The Refractory Project is being examined with all its commercial and economic aspects before the Board decides to undertake the same. We are all aware that our super refractory khasi sillimanite is incorporated in the refractory bricks made abroad, and imported for many vital purposes, such as (a) ceramic manufacturing, (b) glass making, (c) cement, (d) iron founding, (e) metal treating, and (f) steel making. In the Second Five-year Plan, these are just the industries for which priority is given by the Government of India. On the face of it, the establishment of a refractory plant in this country should save on costs as well as in foreign exchange."

C. F. SHAW-HAMILTON,
Assam Sillimanite Ltd., Gauhati.

COMPANY MEETINGS AND DIVIDENDS

THIRUMBADI RUBBER CO., LTD. Annual General Meeting, Kozhikode, 15th February 1958. Dividend: Re. 0.05 per share (5 per cent.). Transfer books remain closed from 8th to 15th February 1958, both days inclusive.

BISRA STONE LIME CO., LTD. Annual General Meeting, Calcutta, 21st February 1958. Dividend: Re. 1.75 per share. Transfer books remain closed from 7th to 21st February 1958, both days inclusive.

BOMBAY BURMAH TRADING CORPORATION LTD. Annual General Meeting, Bombay, 24th February 1958. Dividend: Rs. 28.75 per share (final) on old shares and Rs. 11.50 per share (final) on new shares, payable on 3rd March 1958. Transfer books remain closed from 7th to 28th February 1958, both days inclusive.

HINDUSTAN ELECTRIC CO., LTD. Annual General Meeting, Bombay, 24th February 1958. Dividend: Rs. 6.00 per share. Transfer books will remain closed from 11th to 25th February 1958, both days inclusive.

VICTORIA COTTON MILLS LTD. Annual General Meeting, Calcutta, 25th February 1958. Transfer books will remain closed from 12th to 25th February 1958, both days inclusive.

KESAR SUGAR WORKS LTD. Annual General Meeting, Bombay, 26th February 1958. Dividend: Rs. 7.00 per share, free of income-tax, payable on and after 1st March 1958. Transfer books will remain closed from 12th to 26th February 1958, both days inclusive.

ANGELO BROS., LTD. Annual General Meeting, Calcutta, 26th February 1958. Transfer books will remain closed from 12th to 26th February 1958, both days inclusive.

MARTIN BURN LTD. Annual General Meeting, Calcutta, 27th February 1958. Dividend Rs. 2.12 per share (includes a cash bonus of 62 nP per share). Transfer books will remain closed from 20th to 27th February 1958, both days inclusive.

CENTRAL INDIA SPINNING, WEAVING AND MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 14th March 1958. Dividend: *Nil*. Transfer books will remain closed from 7th to 18th March 1958, both days inclusive.

ELLORE ELECTRIC SUPPLY CORPORATION LTD. Interim dividend of Re. 0.40 (4 per cent.) per share, free of tax for the year 1957-58. Transfer books will remain closed from 15th to 22nd February 1958, both days inclusive.

WEST COAST ELECTRIC SUPPLY CORPORATION LTD. Second interim dividend of 2½ per cent. free of income-tax on ordinary shares, for the year 1956-57. Transfer books will remain closed from 10th to 16th February 1958, both days inclusive.

SURAT ELECTRICITY CO., LTD. Ad-interim dividend of Rs. 2.50 per share, for the half-year ended 30th September 1957, payable on and after 25th February 1958. Transfer books remain closed from 7th to 24th February 1958, both days inclusive.

AHMEDABAD ELECTRICITY CO., LTD. Ad-interim dividend of Rs. 2.50 per share, for the half-year ended 30th September 1957, payable on and after 3rd April 1958. Transfer books remain closed from 7th to 24th February 1958, both days inclusive.

PHALTAN SUGAR WORKS LTD. Dividend: Rs. 12.00 per share (includes bonus) for the year ended 30th September 1957, payable on 12th March 1958. Transfer books remain closed from 7th to 21st February 1958, both days inclusive.

BALMER LAWRIE AND CO., LTD. Interim dividend of 5 per cent. free of income-tax, for the year ended 31st December 1957. Transfer books will remain closed from 14th to 28th February 1958, both days inclusive.

SOOM TEA CO., LTD. Interim dividend of Re. 1.50 (15 per cent.) per share, for the year ended 31st December 1957, payable on or after 6th February 1958. Transfer books remain closed from 3rd to 6th February 1958, both days inclusive.

DUFFLAGHUR TEA CO., LTD. Interim dividend of Re. 1.00 (10 per cent.) per share, for the year ended 31st December 1957, payable on or after 6th February 1958. Transfer books remain closed from 3rd to 6th February 1958, both days inclusive.

MADURA MILLS CO., LTD. Dividend of Rs. 2.25 per share (15 per cent.), for the year ended 31st December 1957.

INDIAN CABLE CO., LTD. Supplementary dividend of 4 per cent. per annum, on the ordinary shares, **for the year ended 31st March 1956. Transfer books will remain closed from 15th to 28th February 1958, both days inclusive.**

COMPANY REGISTRATIONS

JUNAGADH SALT AND ALLIED CHEMICAL WORKS PRIVATE LTD. (First Director: Mr. Abdul Hussain Mulla Jiwajee.) Business: Manufacturers and dealers in salt and other chemicals. Authorised capital: Rs. 15,00,000. Private company. Address: Hussain Building, Mahatma Gandhi Road, Junagadh (Bombay State).

ABDUL HUSSAIN MULLA JIWAJEE HARIANAWALLA PRIVATE LTD. (First Director: Mr. Abdul Hussain Mulla Jiwajee.) Business: Manufacture of textiles. Authorised capital: Rs. 5,00,000. Private company. Address: Hussain Building, Mahatma Gandhi Road, Junagadh (Bombay State).

INDIA CORRUGATING INDUSTRIES PRIVATE LTD. (First Director: Mr. Mansukhlal Shamjibhai Kaka.) Business: Manufacture of corrugated papers and boards. Authorised capital: Rs. 5,00,000. Private company. Address: 37A, Parel Cross Lane, Chinchpokli, Bombay.

EARNINGS OF BISRA STONE LOWER

HINDUSTAN ELECTRIC'S PROGRESS SATISFACTORY

Bisra Stone Lime Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Bird & Co. (Private) Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

In conformity with the provisions of the Companies Act, 1956, the Company's accounts are now being drawn up on an annual basis. The present statement of accounts is the first one to be prepared under the Companies Act, 1956 and for the future the Company's accounts will be closed and audited as at the 31st March each year.

Limestone.—Raisings increased slightly to 8,19,208 tons as compared with 8,04,487 tons in the previous year. Sales, however, were reduced slightly to 7,80,026 tons as compared with 7,84,662 tons. This sales reduction was mainly due to the reduced offtake of one of the Company's major customers.

The wagon supply position has not materially altered and whilst it can be considered to be fairly satisfactory it is still irregular and generally speaking below the actual requirements.

Dolomite.—Production has again increased to 49,795 tons from 36,950 tons in the previous period. Sales also recorded an increase from 39,901 tons to 51,656 tons.

Lime.—Output showed a slight improvement, the total quantity produced being 12,73,549 mds. Sales, however, increased considerably by 1,20,465 mds. to 12,65,697 mds. As in previous years sales and output continued to be affected by wagon supplies. Whilst these have improved, as will be evident from the increased sales, there is still room for considerable improvement.

Labour.—The year has been free of labour troubles and the agreement which was reached with the union in March, 1956 still continues to be in operation.

The profit and loss account after providing for all charges and making provision of Rs. 5,15,000 (Rs. 6,07,243) for taxation and Rs. 1,36,100 (Rs. 85,260) for depreciation, shows a profit of Rs. 3,31,813 (Rs. 6,78,237). To this amount is added the balance brought forward from the previous half-year of Rs. 20,179 (Rs. 9,142) making a total of Rs. 3,51,992 (Rs. 6,87,379). From this amount has to be deducted the amounts transferred to reserves as follows:—To general reserve Rs. 15,977 (*nil*), mechanisation reserve Rs. 1,25,000 (Rs. 3,50,000), tax contingency reserve Rs. 8,000 (Rs. 39,000) and to development rebate reserve Rs. 9,575 (Rs. 3,200). The interim dividend declared on 28th June 1957 on the ordinary shares at 87 (As. 14) naye Paise per share without any deduction for income-tax payable by the Company absorbed Rs. 87,000 (Rs. 87,500) leaving a balance available of Rs. 1,06,440 (Rs. 1,07,679). The directors propose to dispose of this amount as follows:—

By payment of a final dividend on the ordinary shares at 88 (As. 14) naye Paise per share without any deduction for income-tax payable by the Company Rs. 88,000 (Rs. 87,500) and by carrying forward Rs. 18,440 (Rs. 20,179).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	10,00,000	Block ...	26,90,580
Reserves ...	30,51,407	Capital work-in-progress	1,50,409
Provision for taxation ...	2,27,813	Stock-in-trade	1,27,401
Liabilities ...	16,24,307	Stores, spare gear, etc. ...	8,06,296
Profit and loss account ...	18,440	Debts, deposits and advances ...	19,37,319
		Investments	3,017
		Cash ...	2,06,945
Rs.	59,21,967	Rs.	59,21,967

Hindustan Electric Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Dharmsinh and Co., Bombay) submit the audited accounts of the Company for the year ended 30th April 1957.

During the year, the working of the Company showed a profit of [after providing Rs. 10,57,187 (Rs. 5,81,790) for depreciation] Rs. 10,54,982 (Rs. 5,23,602). To this has been added the amount brought forward from last year of Rs. 18,487 (Rs. 4,23,268) making a total of Rs. 10,73,469 (Rs. 9,46,870). The directors recommend the following appropriations:

To goodwill and rights at cost to be written off Rs. 2,40,000 (Rs. 1,22,940), preliminary expenses to be written off Rs. 26,800 (Rs. 12,911), to commission on shares to be written off Rs. 66,910 (Rs. 27,720), to provision for taxation including wealth tax Rs. 4,00,000 (Rs. 1,15,910), to dividend at the rate of 6 (6) per cent. per annum on 40,000 ordinary shares of the Company for the year ended 30th April 1957 Rs. 2,40,000 (Rs. 3,74,352 for the two years ended 30th April, 1955 and 1956), to dividend on 10,000 6 per cent. income-tax free cumulative preference shares and new issue of 10,000 6 per cent. income-tax free cumulative preference shares of the Company for the year ended 30th April 1957 Rs. 74,658 (Rs. 74,550) and leaving a balance of Rs. 25,101 (Rs. 18,487) to be carried forward to next year's account. The directors, after writing off Rs. 2,40,000 from goodwill and rights at cost, Rs. 26,800 from preliminary expenses and Rs. 66,910 from commission on shares and after making provision of Rs. 4,00,000 for taxation including wealth tax, recommend on reviewing the results for the year ended 30th April 1957 a dividend of 6 per cent. on the ordinary shares as well as a dividend of 6 per cent. on the preference shares of the Company for the year ended 30th April 1957. The year under review was marked by strengthening of oganization, consolidation and training of supervisory staff and workmen for manning of the works at considerable cost as to time and expenses.

During the year, the Company strengthened its financial position. More than adequate provision for taxation has been made for the year under review. Provision amounting to Rs. 10,57,187 has been made for depreciation in respect of their works. Regrouping under Companies Act, 1956 has been effected this year.

Howrah Works Transformer Division reconstruction was completed and the output of transformers increased during the year very substantially. For the first time in India, production of large capacity transformers with 66,000 volts commenced at the Company's Howrah Works. Work commenced in the beginning of April 1956 on construction of buildings of high tension switchgear division and on switchgear designs at Howrah Works.

Production at Faridabad Works No. 1 was established and the quality of products improved. Separate carpentry shop was added and cable drums production increased. Construction of buildings for Faridabad Works No. 2 was completed during the year. The erection of the plant and machinery was also completed during the year. Production of electric motors commenced from July-August 1956 and increased considerably during the year. A large number of electric motors designs and prototypes were developed, tested, finalised and put into production during the year.

The bulk of the capacity of Faridabad Works No. 3 was retained on care and maintenance basis. Part of it was utilised for the manufacture of patterns, jugs, tools and fixtures for Faridabad Works No. 2 and another part for manufacture of control panels. Faridabad Works No. 3 will commence manufacture of motor control gear including switches and starters after the designs and prototypes are finalised and the raw materials/components sources secured.

Construction of buildings for Faridabad Works foundry was taken on hand during the year and most of the plant and machinery was also received and the erection commenced towards the end of the year. Extensive housing facilities and allocation of quarters for employees were undertaken and completed during the year at Faridabad. Excavation of Mahi Canals and construction of Karad Dam were nearly completed by end of April 1957 and were completed in time, i.e., before 30th June 1957.

Demand for the products and services of the Company continued to rise. All the works of the Company are having orders extending over six months mainly from the Central and the State Governments. The number of personnel employed by the Company has further increased and all the works are doing considerable services for the progress of development projects under the second Five-year Plan.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	58,17,585	Block ...	60,18,798
Reserves ...	2,00,000	Stock-in-trade	13,87,961
Provision for taxation ...	5,18,906	Raw materials ...	25,85,739
Liabilities ...	1,12,32,147	Work-in-progress ...	12,82,404
Profit and loss account ...	25,101	Stores, spare parts, etc.	2,68,750
		Debts, deposits and advances ...	58,39,039
		Investments	2,30,056
		Cash ...	85,992
		Miscellaneous expenditure and losses	95,000
Rs.	1,77,93,739	Rs.	1,77,93,739

Neelamalai Tea and Coffee Estates Ltd.

The directors of the above Company (Managing Agents: Messrs. A. V. Thomas & Co. (India) Ltd. (Madras) submitted the audited accounts of the Company for the year ended 30th June 1957.

The tea crop harvested during the season, was as follows:—

	Estimates, 1956-57	Crop harvested, 1956-57	Yield per acre, 1956-57	Crop secured, 1955-56
	Lbs.	Lbs.	Lbs.	Lbs.
Katary and Bhawani..	825,000	873,000	858	789,600
Sutton	475,000	495,000	1,068	401,810
Total ..	1,300,000	1,368,000	924	1,191,410

The expenditure on tea had exceeded the estimates by about Re. 0.18, owing to higher wages that had to be paid to the workers as from 24th October, 1956 and export duty and other charges on tea made in excess of the estimated crop. The average price realised was Rs. 2.15 per lb. of tea against Rs. 2.30 per lb. last year. The net price realised is considered satisfactory in view of the low prices and abnormal fluctuations in the tea market during the year.

Coffee Crop and Cost of Production.—The total coffee crop secured from the Company's estates amounted to 3,551.89 (207.33 from two estates) cwts. against an estimate of 3,905.00 cwts. The cost of production was 88.63 per cwt., against the estimate of Rs. 82.58 per cwt. of coffee. The entire crop was delivered to the pool and was valued at Rs. 180 per cwt.

The profit for the year under review amounted to Rs. 8,30,929 (Rs. 4,98,629) to which was added the balance brought forward from the previous year of Rs. 35,344 (Rs. 3,16,715) making a total of Rs. 8,66,273 (Rs. 8,15,344). Out of this, the directors have made the following appropriations:—

To reserve for taxation Rs. 4,15,000 (Rs. 1,50,000) and to 5 per cent. dividend for 1956-57 on preference shares Rs. 90,000 (Rs. 90,000) leaving a balance of Rs. 3,61,273 (Rs. 3,05,344) available for distribution, which the directors recommended being disposed of as under: To payment of 7½ (7½) per cent. dividend on equity shares amounting to Rs. 2,70,000 (Rs. 2,70,000) and to carry forward to next year Rs. 91,273 (Rs. 35,344).

Estimates for the season 1957-58:

	Tea Lbs.	Cost of production in Cents.	Coffee Cwts.	Cost of production in Rs.
Katary and Bhawani.	830,000	138.76	...	...
Sutton	485,000	133.67	30.00	170.93
Woolgooly	..	..	3,600.00	98.65
Total ..	1,315,000	136.88	3,630.00	99.25

Development.—As mentioned in the last report, the Katary and Sutton Estates had received permits for planting about 80 acres in tea and during the season about 41.06 acres of old coffee were planted in tea.

Machinery.—With the increasing scarcity of firewood in the Nilgiris, it was found necessary to install oil burning equipment for the tea driers on the Katary and Sutton Estates.

Plantation Labour Award.—As the shareholders are aware, employers of plantation labour in Madras State had appealed against the Plantation Tribunal Award in the Supreme Court in November, 1956. Since then efforts were made to bring about a settlement of the dispute with the workers and in April 1957 a final settlement with the workers was reached. According to the terms of this settlement, wages have been revised with effect from 24th October, 1956, as follows: For men Re. 1-11-6 per day, for women Re. 1-5-0 per day and for adolescents Re. 1 per day. Meanwhile, there was considerable labour unrest, "go-slow" and threats of strike on Nilgiri estates and the Workers' Unions were pressing for the implementation of the Plantation Labour Award *in toto*.

The directors are pleased to inform the shareholders that recently an agreement was reached with the Estates Staff Union over all the pending disputes. As per this, the estate staff will be receiving 20 per cent. increase in the basic wages as from the 24th October, 1956 and new pay scales will also be adopted from that date. In Coorg also the employers had to agree to a wage increase for the workers and the present wages, as from 1st April, 1957 are as follows: For men Re. 1.50 per day, for women Re. 1.12 per day and for adolescents Re. 0.95 per day.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	54,00,000	Block ...	67,02,252
Reserves ...	19,24,400	Stock-in-trade	8,92,156
Provision for taxation ...	8,26,614	Stores and spares, etc.	1,64,524
Liabilities ...	8,21,995	Debts, deposits and advances ...	7,99,747
Profit and loss account ...	91,273	Investments	44,934
		Cash ...	4,60,669
Rs.	90,64,282	Rs.	90,64,282

Shree Madhav Mills, Ltd.

The directors of the above Company (Chairman: Mr. H. D. Mundhra, Bombay) submit the audited accounts of the Company for the year ended 31st March 1957.

During the year under review, the Company encountered difficult trading conditions due to the poor offtake of cloth. The Company was throughout the year handicapped by a shortage of working capital. The results of the year's working showed a loss of Rs. 37,448, less credit received on account of an income-tax return of Rs. 11,064 which added to the debit balance of the profit and loss account brought forward from 1955-56 of Rs. 7,20,454 leaves the debit balance on the profit and loss account to be carried forward to the next year amounting to Rs. 7,46,838, the directors are making every effort to improve the financial position of the Company.

With reference to paragraph 2 (*a*) of the auditors' report regarding the loan of Rs. 1,00,000 to Richardson and Cruddas Ltd., the loan was given against a receipt duly executed by Richardson and Cruddas Ltd. The directors regret to inform that the loan has not yet been confirmed by Richardson and Cruddas Ltd., but the directors are actively pursuing the matter.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital* ...	22,50,000	Block ...	23,23,459
Reserves ...	1,51,190	Stock-in-trade§	60,47,432
Liabilities ...	84,62,629	Stores and spare parts	5,98,291
		Goods in transit	1,422
		Debts, deposits and advances ...	15,49,086
		Investments	48,032
		Cash ...	91,142
		Profit and loss account ...	2,04,955
Rs.	1,08,63,819	Rs.	1,08,63,819

*The entire share capital is held by the Holding Company—The Elgin Mills Co., Ltd., Kanpur. §Stock-in-trade pledged with the Punjab National Bank Ltd., save and except stocks of the value of Rs. 8,56,427 which have not been pledged.

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

THE BOMBAY BURMAH TRADING CORPORATION, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Ninety-fourth Annual General Meeting of the Shareholders of the Corporation will be held at the Indian Merchants' Chamber Hall, Lalji Naranji Memorial Building, 76, Veer Nariman Road, Bombay 1, on Monday, 24th February 1958, at 3-30 p.m., S.T., for the purpose of transacting the following business:—

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st May 1957.
2. To sanction the declaration of a dividend.
3. To elect a Director in the place of Mr. Pratapsinh Mathuradas who retires by rotation and is eligible for re-election.
4. To elect a Director in the place of Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation and is eligible for re-election.
5. To elect a Director in place of Mr. K. G. Milne, who retires under Section 260 of the Companies Act, 1956, and is eligible for re-election.
6. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board,
WALLACE & CO.,
Secretaries and Treasurers.

N.B.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Corporation.

Warrants for the dividend, if declared, will be posted to shareholders on 3rd March 1958 and will be payable on and from that date.

The Transfer Books of the Corporation will be closed from 7th February 1958 to 28th February 1958, both days inclusive.

BOMBAY, *8th January* 1958.

As the lift to the Hall is of limited capacity shareholders should come in good time to avoid congestion.

THE BOMBAY BURMAH TRADING CORPORATION, LIMITED

NOTICE IS HEREBY GIVEN THAT AN Extraordinary General Meeting of the Corporation will be held at the Indian Merchants' Chamber Hall, Lalji Naranji Memorial Building, 76, Veer Nariman Road, Bombay 1, on Monday, the twenty-fourth day of February 1958, at half past four o'clock p.m. (Standard Time) or so soon thereafter as the Annual General Meeting of the Corporation to be held on the same day at half past three o'clock p.m. (Standard Time) shall have concluded, for the purpose of considering and if thought fit passing, with or without modifications, the following Special Resolutions and the following Ordinary Resolution, that is to say:—

As Special Resolutions

(I) That pursuant to Section 360 of the Companies Act 1956, approval be and is hereby accorded to the following contracts being entered into with The Bombay Company (Private) Limited, an Associate of Wallace & Company, the Secretaries and Treasurers of the Corporation, namely:

(*a*) The clearing and forwarding by The Bombay Company (Private) Limited of the Corporation's Tea from Cochin on such terms and conditions as may be prescribed from time to time by the Cochin Tea and Rubber Shippers' Association, for a period of five years from the date of this Resolution.

(*b*) Leave and licence for the Corporation to occupy two portions of the premises at No. 9, Wallace Street, Fort, Bombay, for an office and depot at a total compensation of Rs. 900 per mensem for a period of five years from the date of this Resolution, subject to earlier termination by either party giving six months' notice in writing to the other party.

(*c*) Leave and licence for the Corporation to occupy the ground floor and connected offices at the premises at No. 11, Nepean Road, Bombay, at a compensation of Rs. 400 per mensem for a period of five years from the date of this Resolution, subject to earlier termination by either party giving six months' notice in writing to the other party.

(II) That pursuant to Section 360 of the Companies Act 1956, approval be and is hereby accorded to contracts being entered into with The Bombay Company (Private) Limited, an Associate of Wallace & Company, the Secretaries and Treasurers of the Corporation, for the purchase from The Bombay Company (Private) Limited, and where necessary the installation by them, of electric cables and accessories, steel, insulating material, insecticides, tar and tar products, and engineering sundries, equipment and machines such as are dealt with in the regular course of The Bombay Company (Private) Limited's business and such as may be required from time to time for the Corporation's business, and provided that:

(i) the prices or amounts charged to the Corporation are at rates which are not less favourable to the Corporation than the market rates or which are otherwise reasonable, and

(ii) the aggregate value of all such supplies and services shall not exceed Rupees one lakh in any one calendar year.

(III) That pursuant to Section 359 of the Companies Act 1956, Messrs. Wallace & Company, the Secretaries and Treasurers of the Corporation, be and they are hereby authorised to retain any commission earned or to be earned by them as Agents of the Commercial Union Assurance Company Limited in respect of Accident and Miscellaneous insurance effected with the Corporation.

(IV) That pursuant to Section 359 of the Companies Act 1956, The Bombay Company (Private) Limited, an Associate of Messrs. Wallace & Company, the Secretaries and Treasurers of the Corporation, be and they are hereby authorised to retain any commission or other remuneration earned or to be earned by them in respect of goods or services supplied by them to the Corporation as Agents of the undernoted firms and Companies, provided that the prices or amounts charged to the Corporation are at rates which are not less favourable to the Corporation than the market rates or which are otherwise reasonable:

Name of Company	*Nature of Goods or Services*
British Paints (India) Limited	Paints, Stoving Enamels and Varnishes.
Shalimar Tar Products (1935) Ltd. ...	Tar Products.
Mysore Iron & Steel Works	Coal Tar.
Swaika Oil Mills ...	Linseed Oil.
Himalaya Rosin & Turpentine Mfg. Co.	Rosin and Turpentine.
Alsales Limited ...	Maxweld Fabric.
Hindustan Wire Netting Co. (Private) Ltd.	Wire Netting.
Martin Black & Co. (Wire Ropes) Limited	Wire Rope.

(V) That pursuant to Section 314 of the Companies Act 1956, Mr. Edward Stanley Vernon-Jones, a Managing Director of the Bombay Company (Private) Limited who are Associates of Wallace & Company, the Secretaries and Treasurers of the Corporation, be and he is hereby elected a Director of the Corporation.

(VI) That the following alteration be made in the Articles of Association namely:

The following Article shall be inserted after Article 106:

"106A. (1) Any general meeting may resolve that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Fund or any monies, investments or other assets forming part of the undivided profits (including profits or surplus monies arising from the realisation and (where permitted by law) from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised

(*a*) by the issue and distribution as fully paid-up of shares, debentures, debenture-stock, bonds or other obligations of the Company, or

(*b*) by crediting shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Fund shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

(2) Such issue and distribution under (1)(*a*) above and such payment to credit of unpaid share capital under (1)(*b*) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1)(*a*) or payment under (1)(*b*) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the profits or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under (1)(*a*) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1)(*b*) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.

(4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

(5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid only such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied *pro rata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

(6) When deemed requisite a proper contract shall be entered into in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be affective."

As an Ordinary Resolution

(VII) That the commission payable to Jardine Matheson & Company Limited, the sole selling agents of the Corporation for timber in Hongkong, be and is hereby increased to a percentage not exceeding 5 per cent. on the c.i.f. value of sales in so far as such sales relate to

timber shipped from the Corporation's Wallace Bay branch.

By Order of the Board,

WALLACE AND COMPANY,
Secretaries and Treasurers.

9, WALLACE STREET,
FORT,
BOMBAY, 22*nd January* 1958.

Explanatory Notes under Section 173 (2) of the Companies Act, 1956

Special Resolution (I)

(*a*) The Corporation requires Agents for the clearing and forwarding of its Tea in Cochin. The Bombay Company (Private) Limited maintain an office and storage depot in Cochin, and for some years past have carried out the clearing and forwarding of the Corporation's teas there. It would serve the best interests of the Corporation to appoint The Bombay Company (Private) Limited Agents for this purpose at the usual rates fixed by the Tea and Rubber Shippers Association of which The Bombay Company (Private) Limited are a member. A draft of the proposed contract, and a schedule of current rates, have been sent to shareholders.

(*b*) and (*c*) For many years the Corporation have been in occupation, by leave and license of The Bombay Company (Private) Limited, of a portion of the premises at 9, Wallace Street, Bombay, for use as an Office and Store Depot, and of part of premises at 11, Nepean Road, Bombay, for the residential use of Corporation Officers. The compensation paid for such use and occupation is reasonable. It is desirable that the Corporation continue in occupation of these premises, and Section 360 of the Act requires the approval of this by Special Resolution.

Special Resolution (II)

The Corporation periodically requires, for use on its Estates and in its other business, electric cables and accessories, steel, insulating material, insecticides, tar and tar products, and engineering sundries, equipment and machines which need to be purchased from time to time at the prevailing market rates. The Bombay Company (Private) Limited are regular importers of certain well-known brands of these articles. In so far as such articles may be purchased by the Corporation from The Bombay Company (Private) Limited, who are Associates of Messrs. Wallace & Company, the Secretaries and Treasurers of the Corporation, approval of the Members of the Corporation is required by Special Resolution, under Section 360 of the Act, for such contracts.

Special Resolution (III)

Messrs. Wallace & Company are Agents of the Commercial Union Assurance Company Limited, and the Corporation effects Accident and Miscellaneous insurance with them. The commission paid is in accord with the standard practice for this type of business.

Special Resolution (IV)

Messrs. The Bombay Company (Private) Limited, Associates of Wallace & Company, the Secretaries and Treasurers of the Corporation, are Agents for:—

British Paints (India) Limited.

Shalimar Tar Products (1935) Ltd.

Mysore Iron & Steel Works

Swaika Oil Mills.

Himalaya Rosin & Turpentine Mfg. Co.

Alsales Limited.

Hindustan Wire Netting Co. (Private) Ltd.

Martin Black & Co. (Wire Ropes) Limited.

and supply equipment and stores to the Corporation. The rates charged are not less favourable than normal market rates. Section 359 of the Companies Act, 1956 requires the Corporation's sanction by Special Resolution for The Bombay Company (Private) Limited to retain commission and remuneration earned by them.

Special Resolution (V)

Mr. E. S. Vernon-Jones has previously been a Member of the Board. It is considered desirable that the Board should receive the benefit of his knowledge and experience. He is a Managing Director and a shareholder of The Bombay Company (Private) Limited, the resident partners of Wallace & Company, the Secretaries and Treasurers of the Corporation.

Special Resolution (VI)

It is considered desirable to amend the Articles of Association so as to include an Article empowering the Corporation, should your Board so recommend, to capitalise part of the Corporation Reserve and other funds, to be used for the issue of Corporation Shares and other securities or for the part or whole extinguishment of the liability on partly-paid shares. Article 106A has been framed accordingly, having due regard to the rights of the partly paid shareholders as set out in the Special Resolution passed on the 27th February 1918 and confirmed on the 15th March 1918. The proposed alteration requires the approval by Special Resolution of the Members of the Corporation.

Ordinary Resolution (VII)

At an Extraordinary General Meeting of the Corporation held on the 12th November 1956 the Corporation *inter alia* approved the appointment of Jardine Matheson & Company Limited as sole selling agents of the Corporation's timber in Hongkong for a period of five years commencing from the 1st October 1956. The commission sanctioned by the Members of the Corporation at the aforesaid Meeting was 4 per cent. Owing to changes, since that date, in timber market conditions it is considered necessary to agree to an increase in the rate of commission from 4 per cent. to a percentage not exceeding 5 per cent. on the *c.i.f.* value of sales in Hongkong; and the Board recommend that this be approved by Members under Ordinary Resolution.

Note

(1) None of the present Directors is interested in any of these Resolutions.

(2) The Secretaries and Treasurers are interested in certain of the above resolutions as follows:

(*a*) In Special Resolutions Nos. 1, II and IV in that the contracting parties, The Bombay Company (Private) Limited, who are partners in the firm of Wallace & Company, are therefore Associates of the Secretaries and Treasurers.

A partner of Wallace & Company, the Secretaries and Treasurers, is also a substantial shareholder in The Bombay Company (Private) Limited and to that extent therefore the Secretaries and Treasurers are interested in the commission or remuneration earned by their Associates.

(*b*) In Special Resolution No. III as Agents of the Insurance Company therein mentioned, and

(*c*) In Special Resolution No. V inasmuch as Mr. E. S. Vernon-Jones is a Managing Director and shareholder of their Associates, The Bombay Company (Private) Limited.

(3) Documents or drafts thereof relating to these Resolutions may be inspected at the office of the Corporation on any working day during business hours.

(4) Any Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and such proxy need not be a member of the Corporation.

By Order of the Board,

WALLACE AND COMPANY,
Secretaries and Treasurers.

9, WALLACE STREET,
FORT,
BOMBAY, 22*nd January* 1958.

THE PHALTAN SUGAR WORKS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL MEETING of The Phaltan Sugar Works Ltd. will be held on Friday the 7th day of March, 1958, at 5 p.m. (S.T.), at the Registered Office of the Company, Sangli Bank Building, 296, Bazargate Street, Bombay-1, to transact the following business:—

1. To adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 30th September, 1957.
2. To declare a DIVIDEND.
3. To elect directors in place of Shri Natverlal Bhikhabhai and Shri R. B. Apte who retire by rotation but being eligible, offer themselves for re-election.
4. To appoint Auditors for the current year and fix their remuneration.

By Order of the Board of Directors,

A. Y. JOSHI,
Secretary.

BOMBAY, 27*th January*, 1958.

Notes:—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

The Transfer Books of the Company will be closed from the 7th day of February 1958 to the 21st day of February 1958 (both days inclusive).

The Dividend when declared will be made payable through The United Commercial Bank Ltd., Fort, Bombay, on and after the 12th day of March 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Company's Register on the 21st day of February, 1958.

THE ELLORE ELECTRIC SUPPLY CORPORATION, LIMITED
(Registered Office—Madras)

INTERIM DIVIDEND FOR 1957-58

NOTICE IS HEREBY GIVEN THAT THE Directors at their Meeting held at the Registered Office on the 27th January, 1958, have resolved to declare an INTERIM DIVIDEND of 4 per cent. free of tax for the year 1957-58.

The Share Transfer Books will remain closed from the 15th February, 1958 to 22nd February, 1958 (both days inclusive).

The Dividend Warrants will be posted to the Shareholders on or after the 25th February, 1958.

By Order of the Board,

For CHANDRIE & Co. (PRIVATE) LTD.,
S. VENKATARAMAN,
Director,
Managing Agents.

20, II LINE BEACH,
MADRAS-1, 27*th January* 1958.

MARTIN BURN LIMITED

NOTICE

THE ANNUAL GENERAL MEETING (BEING the Twelfth Ordinary General Meeting) of the Shareholders of Martin Burn Ltd. will be held on Thursday, 27th February, 1958, at 12 noon at the Registered Office of the Company, 12, Mission Row, Calcutta, to transact the following business:

1. To receive and adopt the Audited Accounts for the year ended 30th September, 1957, and the Directors' and Auditors' Reports thereon.
2. To declare a Dividend and Cash Bonus.
3. To appoint Directors in place of those retiring. In this connection notice is hereby given that a special notice as defined in Section 190 of the Companies Act, 1956, has been received by the Company under Section 281 of the Companies Act, 1956, to move the following resolution at the meeting:—

   "That Mr. T. Leslie Martin be and is hereby appointed a Director of the Company and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him."
4. To appoint Auditors and to fix their remuneration.

The Ordinary Share Registers of the Company will be closed from 20th to 27th February, 1958, both days inclusive.

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

By Order of the Board,

A. G. GIDLEY,
Secretary.

CALCUTTA, 1*st February*, 1958.

Note.—The Dividend and Cash Bonus, if sanctioned, will be paid on or after 1st April, 1958, to those Shareholders so entitled whose names appear in the Company's books on the 27th February, 1958, or to their mandatees. No application for dividend warrants will be necessary.

Notices

UPPER GANGES SUGAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-fifth Annual General Meeting of the Upper Ganges Sugar Mills Ltd. will be held at 8, India Exchange Place, Calcutta, on Tuesday, the 25th February, 1958, at 2 p.m., for the following purposes:—

1. To receive and consider the Report of Directors and to adopt the Audited Accounts of the Company for the year ended 30th June, 1957.
2. To declare Dividends.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

As Special Business

5. To consider and, if thought fit, to pass, with or without modification, the following resolutions as Special Resolutions.

(*a*) "WHEREAS the East Indian Produce Co. Ltd., an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at London in the United Kingdom and whereas the said company carry on business of acting as agents in the United Kingdom for the purchase and sale of goods including stores, plant and machinery and rendering of services such as recruitment of technical personnel, etc., and also have dealings and business connections with parties all over the United Kingdom and the Continent and their operations are on a very large scale and whereas their expenses of maintaining their office, as assessed, amount approximately to £40,000 per annum and whereas expenses which can be attributed to the work expected to be done for and on behalf of the company, would depend on the value of purchases effected and services rendered through the said company in relation to its total turnover in each year and whereas the said East Indian Produce Co. Ltd. are acting as Purchasing Agents of the Company for purchases of plant, machinery, chemicals and stores, etc., and rendering of services such as recruitment of technical personnel, etc., and are paid commission at various rates. NOW it is hereby resolved that the appointment of the East Indian Produce Co. Ltd. as Agents for the company to purchase, for and on behalf of the company, plant, machinery, chemicals and stores, etc., and to render services such as recruitment of technical personnel and execution of various commissions entrusted to them from time to time by the company, be continued for a further period of three years with effect from 1st March, 1958 and that commission (1) for purchase of plant, machinery and stores, etc., upto 2½ per cent. of the invoice price of plant and machinery and upto 5 per cent. of the invoice price of stores, etc., subject to a maximum of £5,000 in respect of a single order irrespective of the amounts calculated on the percentage basis, (2) for recruitment of technical personnel, upto 20 per cent. of the gross salary payable to the technical personnel during the first year of service under company and (3) for execution of various matters referred and entrusted to them, the actual expenses incurred, the remuneration of the staff of the East Indian Produce Co., Ltd. apportionable to such work plus 50 per cent. commission of such remuneration, be paid by the company to the Agents, viz., The East Indian Produce Co., Ltd. in the manner sanctioned by the Directors of the Company."

(*b*) "RESOLVED that the Directors be and they are hereby authorised to enter into a contract on behalf of the company with Orient Paper Mills Ltd., an associate of the Managing Agents of the company, providing for the sale of bagasse by the company to the said associate company on the terms and conditions set forth in the draft agreement produced at the meeting and initialled, for identification, by the Chairman and which is hereby approved."

EXPLANATORY STATEMENT

Item 5(*a*): The East Indian Produce Co. Ltd., are an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company. They have been acting as buying agents of the Company since a long time and it is proposed that they continue as buying agents for a further period of three years in the manner and on the terms and conditions stated in the resolution. Shri K. K. Birla, a Director of the Company, is a shareholder in the East Indian Produce Co. Ltd.

(*b*) The Orient Paper Mills Ltd. approached the company for purchase of bagasse which they intend to use as raw material in the manufacture of paper and the Company has sufficient quantities of bagasse available for sale. As the Orient Paper Mills Ltd. is an associate of the Managing Agents of the Company, approval of the shareholders is necessary to enter into the required contract with them. The above resolution has, therefore, been circulated for obtaining the requisite sanction to enter into a contract with the said associate company. The draft agreement to be entered into with the said associate company can be inspected at the registered office of the company any time during business hours.

By Order of the Board,

Per Pro THE COTTON AGENTS PRIVATE LTD.,
B. N. SABOO,
Managing Agents.

"INDIA EXCHANGE,"
CALCUTTA-1, 20*th January*, 1958.

Notes:—(1) A member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member.

(2) Shareholders are requested to notify any change of address failing which the dividend warrants will be posted to their addresses as registered with the Company.

(3) The dividends when declared will be payable to registered shareholders as on the 25th February, 1958 on or after 10th March, 1958.

(4) The Register of Members of the Company will remain closed from the 15th February, 1958 to the 25th February 1958, both days inclusive.

BHARAT SUGAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-sixth Annual General Meeting of the Bharat Sugar Mills Ltd. will be held at 8, India Exchange Place, Calcutta, on Tuesday, the 25th February, 1958, at 2-30 p.m., for the following purposes:—

1. To receive and consider the Report of Directors and to adopt the Audited Accounts of the Company for the year ended 30th June, 1957.
2. To declare Dividends.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

As Special Business

5. To consider and, if thought fit, to pass, with or without modification, the following Special Resolution:

WHEREAS the East Indian Produce Co., Ltd., an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at London in the United Kingdom and whereas the said company carry on business of acting as agents in the United Kingdom for the purchase and sale of goods including stores, plant and machinery and rendering of services such as recruitment of technical personnel, etc., and also have dealings and business connections with parties all over the United Kingdom and the Continent and their operations are on a very large scale and whereas their expenses of maintaining their office, as assessed, amount approximately to £40,000 per annum and whereas expenses which can be attributed to the work expected to be done for and on behalf of the company, would depend on the value of purchases effected and services rendered through the said company in relation to its total turnover in each year and whereas the said East Indian Produce Co. Ltd. are acting as Purchasing Agents of the company for purchases of plant, machinery, chemicals and stores, etc., and rendering of services such as recruitment of technical personnel, etc., and are paid commission at various rates. Now it is hereby resolved that the appointment of the East Indian Produce Company Ltd. as Agents for the company to purchase, for and on behalf of the company, plant, machinery, chemicals and stores, etc., and to render services such as recruitment of technical personnel and execution of various commissions entrusted to them from time to time by the company, be continued for a further period of three years with effect from 1st March, 1958 and that commission (1) for purchase of plant, machinery and stores, etc., upto 2½ per cent. of the invoice price of plant and machinery and upto 5 per cent. of the invoice price of stores, etc., subject to a maximum of £5,000 in respect of a single order irrespective of the amounts calculated on the percentage basis, (2) for recruitment of technical personnel, upto 20 per cent. of the gross salary payable to the technical personnel during the first year of service under company and (3) for execution of various matters referred and entrusted to them, the actual expenses incurred, the remuneration of the staff of the East Indian Produce Company Ltd. apportionable to such work plus 50 per cent. commission of such remuneration, be paid by the company to the Agents, viz., The East Indian Produce Company Ltd. in the manner sanctioned by the Directors of the Company.

EXPLANATORY STATEMENT

Item 5: The East Indian Produce Company Ltd. are an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company. They have been acting as buying agents of the Company since a long time and it is proposed that they continue as buying agents for a further period of three years in the manner and on the terms and conditions stated in the resolution. Shri K. K. Birla, a Director of the Company, is a shareholder in the East Indian Produce Company Ltd.

By Order of the Board,

Per Pro THE COTTON AGENTS PRIVATE LTD.,
B. N. SABOO,
Managing Agents.

"INDIA EXCHANGE,"
CALCUTTA-1, 20*th January*, 1958.

Notes.—(1) A member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member.

(2) Shareholders are requested to notify any change of address failing which the dividend warrants will be posted to their addresses as registered with the Company.

(3) The Dividends, when declared, will be payable to registered shareholders as on the 25th February, 1958 on or after the 10th March, 1958.

(4) The Register of Members of the Company will remain closed from the 15th February, 1958 to the 25th February, 1958, both days inclusive.

NEW INDIA SUGAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-third Annual General Meeting of the New India Sugar Mills Ltd. will be held at 8, India Exchange Place, Calcutta, on Tuesday, the 25th February, 1958, at 3 p.m., for the following purposes:

1. To receive and consider the Report of Directors and to adopt the Audited Accounts of the Company for the year ended 30th June, 1957.
2. To declare Dividends.
3. (*a*) To elect a Director in place of Shri P. D. Himatsingka who retires by rotation as well as under Section 280 of the Companies Act, 1956.

   In this connection the Company has received a special notice pursuant to section 281 read with section 190 of the Companies Act, 1956 from a shareholder

of the company and special notice is hereby given that the following resolution will be moved at the meeting:

"Resolved that Shri P. D. Himatsingka who retires by rotation and who has attained the age of 68 years be and is hereby re-appointed as a Director of the Company and that the age limit prescribed under section 280 of the Companies Act, 1956 shall not apply to him."

Shri P. D. Himatsingka has been on the Board of Directors of the Company since the inception of the Company and has rendered valuable services to the company as a Director. It is, therefore, in the interest of the Company that he should continue as a Director of the Company.

(b) To approve of the appointment of Shri N. C. Mehta, as a Director of the Company, who retires under section 280 of the Companies Act, 1956.

In this connection the company has received a special notice pursuant to section 281 read with section 190 of the Companies Act, 1956 from a shareholder of the Company and special notice is hereby given that the following resolution will be moved at the meeting.

"Resolved that Shri N. C. Mehta who has attained the age of 65 years be and is hereby re-appointed as a Director of the Company and that the age limit prescribed under section 280 of the Companies Act, 1956 shall not apply to him."

Shri N. C. Mehta is a man of wide experience and has been associated with the sugar industry since long. During the period of his Directorship he has rendered valuable guidance to the Company. It is, therefore, in the interest of the Company that he should continue as a Director of the Company.

4. To appoint Auditors and fix their remuneration.

As Special Business

5. To consider and, if thought fit, to pass, with or without modification, the following Resolutions as Special Resolutions.

(a) "WHEREAS the East Indian Produce Company Ltd., an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at London in the United Kingdom and whereas the said company carry on business of acting as agents in the United Kingdom for the purchase and sale of goods including stores, plant and machinery and rendering of services such as recruitment of technical personnel, etc., and also have dealings and business connections with parties all over the United Kingdom and the Continent and their operations are on a very large scale and whereas their expenses of maintaining their office, as assessed, amount approximately to £40,000/- per annum and whereas expenses which can be attributed to the work expected to be done for and on behalf of the company, would depend on the value of purchases effected and services rendered through the said company in relation to its total turnover in each year and whereas the said East Indian Produce Company Ltd. are acting as Purchasing Agents of the company for purchases of plant, machinery, chemicals and stores, etc., and rendering of services such as recruitment of technical personnel, etc. and are paid commission at various rates. NOW it is hereby resolved that the appointment of the East Indian Produce Company Ltd. as Agents for the company to purchase, for and on behalf of the company, plant, machinery, chemicals and stores, etc. and to render services such as recruitment of technical personnel and execution of various commissions entrusted to them from time to time by the company, be continued for a further period of three years with effect from 1st March, 1958 and that commission (1) for purchase of plant, machinery and stores, etc., upto 2½ per cent. of the invoice price of plant and machinery and upto 5 per cent. of the invoice price of stores, etc. subject to a maximum of £5,000 in respect of a single order irrespective of the amounts calculated on the percentage basis, (2) for recruitment of technical personnel, upto 20 per cent. of the gross salary payable to the technical personnel during the first year of service under company and (3) for execution of various matters referred and entrusted to them, the actual expenses incurred, the remuneration of the staff of the East Indian Produce Company Ltd. apportionable to such work plus 50 per cent. commission of such remuneration, be paid by the Company to the Agents, viz., The East Indian Produce Company Ltd. in the manner sanctioned by the Directors of the Company."

(b) "RESOLVED that the Directors be and they are hereby authorised to enter into an agreement on behalf of the Company with the National Bearing Company Ltd., an associate of the Managing Agents of the Company, providing for the lending of the services of Shri K. D. Churiwala, General Secretary of the Company, by the company to the said associate company on the terms and conditions set forth in the draft agreement produced at the meeting and initialled, for identification, by the Chairman and which is hereby approved."

EXPLANATORY STATEMENTS

Item 5 (a): The East Indian Produce Company Ltd. are an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company. They have been acting as buying agents of the Company since a long time and it is proposed that they continue as buying agents for a further period of three years in the manner and on the terms and conditions stated in the resolution. Shri K. K. Birla, a Director of the Company, is a shareholder in the East Indian Produce Co. Ltd.

Item 5 (b): The National Bearing Company Ltd. approached the Company for lending the services of Shri K. D. Churiwala, General Secretary of the Company. As the National Bearing Co. Ltd. is an associate of the Managing Agents of the Company, approval of the shareholders is necessary to enter into the required agreement with them. The above resolution has, therefore, been circulated for obtaining the requisite sanction to enter into an agreement with the said associate company. The draft agreement to be entered into with the said company can be inspected at the registered office of the Company any time during business hours.

By Order of the Board,

Per Pro THE COTTON AGENTS PRIVATE LTD.,

B. N. SABOO,
Managing Agents.

"INDIA EXCHANGE,"
CALCUTTA-1, *20th January*, 1958.

Notes: (1) A member entitled to attend and vote is entitled to appoint a proxy and the proxy need not be a member.

(2) Shareholders are requested to notify any change of address failing which the dividend warrants will be posted to their addresses as registered with the Company.

(3) The dividends, when declared, will be payable to registered shareholders as on the 25th February, 1958 on or after the 10th March, 1958.

(4) The Register of Members of the Company will remain closed from the 15th February, 1958 to the 25th February, 1958, both days inclusive.

BURMAH-SHELL REFINERIES LIMITED

NOTICE IS HEREBY GIVEN THAT THE Register of the Company's 5¼ per cent. Debentures 1965-69 will be closed for transfers from 15th February 1958 to 28th February 1958, both days inclusive.

P. A. ENGINEER,
Secretary and Treasurer.
State Bank of India.
Agents for Burmah-Shell Refineries Ltd., for the management of the Debentures.

STATE BANK OF INDIA,
MUNICIPAL LOANS SECTION,
APOLLO STREET, FORT,
BOMBAY 1, *1st February*, 1958.

McLEOD AND COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE 34th Annual General Meeting of the Members of McLEOD & CO., LTD., will be held at "McLeod House," No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 28th day of February, 1958, at 4 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st December, 1956, the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To appoint Directors in place of Lord Sinha of Raipur and Mr. J. L. Esplen who retire by rotation and who, being eligible, offer themselves for re-appointment.
3. To appoint Auditors for the year ending 31st December 1957, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from the 21st February, 1958, to 28th February, 1958, both days inclusive.

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

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary.

"McLEOD HOUSE."
3, NETAJI SUBHAS ROAD,
CALCUTTA-1, *22nd January*, 1958.

EASTERN INVESTMENTS LIMITED

NOTICE IS HEREBY GIVEN THAT AN Annual General Meeting of EASTERN INVESTMENTS LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 3.00 p.m. on Friday the 28th day of February, 1958, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1957, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Directors in the places of retiring Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 15th February 1958 to 28th February, 1958, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretaries

CHARTERED BANK BUILDINGS,
CALCUTTA, *29th January*, 1958.

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

(b) The Dividends, if declared, will be paid on or after 7th March 1958 to those Shareholders so entitled whose names appear in the Company's books on the 28th February, 1958 or to their mandatees. No application for Dividend Warrants will be necessary.

EASTERN INVESTMENTS LIMITED

THE BOARD OF DIRECTORS HAS DECIDED to recommend to the forthcoming Annual General Meeting of Shareholders the following dividends for the year ended 31st December 1957:—

On the Cumulative Preference Shares, a final Dividend at 2½ per cent. per annum making a total of 5 per cent. per annum less Income-tax.

On the Ordinary Shares at 9 per cent. per annum, without any deduction in respect of tax payable by the Company.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretaries

CHARTERED BANK BUILDINGS,
CALCUTTA, *29th January*, 1958.

DEMAND FOR MONEY PICKS UP

(From Our Own Correspondent)

BOMBAY, *5th February*

There was a broadening of demand for funds in the money market during the week under review, thanks to an improvement in crop movement. It was not, however, on such a large-scale, as is usually experienced at this time of the season. The supply of funds was also sufficient to meet the increased demand without much difficulty. Consequently, interest rates were well held at the previous week's levels. Thus, inter-bank call money continued to be bid at 3 per cent. among the Exchange banks and larger Indian banks and at 3¼ per cent. among the smaller banks. House money at call was placed at 4¼ to 4⅜ per cent. and short-term deposits were offered 4⅛ to 4⅜ per cent. for one to six months.

There was a further fall of Rs. 2.43 crores in notes in circulation during the week ended 31st January 1958, as seen from the Reserve Bank's statement for that week. Notes held in the Banking Department are up by Rs. 2.69 crores. Rupee securities and foreign securities show no variation, but there has been a decline of Rs. 2.14 crores in balances held abroad (in the Banking Department). In contrast to the sharp rise of Rs. 10.31 crores in the previous week, a fall of Rs. 4.29 crores is noted in Central Government deposits during the week under review. Deposits of other Governments have, however, gone up by Rs. 3.49 crores, and those of banks by Rs. 1.89 crores. On the assets side, loans and advances other than to Governments are up by Rs. 3.64 crores, of which advances to Scheduled banks against usance bills account for Rs. 2.84 crores.

The Scheduled banks' statement for the week ended 24th January 1958 shows a further sharp rise of Rs. 19.13 crores in demand deposits. Time deposits too have gone up by Rs. 7.09 crores and inter-bank borrowings by Rs. 3.24 crores. Borrowings from the Reserve Bank stand reduced by Rs. 10 crores. Advances have risen by Rs. 7.94 crores and bills purchased and discounted by Rs. 3.74 crores. While cash balances have enlarged by Rs. 12.20 crores, money at call and short notice are lower by Rs. 3.21 crores.

Barring a slight enquiry for short-dated loans, the Gilt-edged market was devoid of any interest. In the absence of any worthwhile business, variations in prices were few and far between. The demand for 4 per cent. 1967 and 1968 State loans was also on an attenuated scale. 3 per cent. 1986 Conversion Loan was on offer and declined by 5 nP to Rs. 71, but it soon regained to Rs. 71.05. 3 per cent. 1970-75 had sellers at Rs. 85.70. 3 per cent. 1966-68 was maintained at Rs. 91.65, 3 per cent. 1964 at Rs. 94 and 3 per cent. 1963-65 at Rs. 93.80. 3 per cent. 1959-61 was in demand, but the quotation was unchanged at Rs. 99.10. 3½ per cent. 1961 shed 5 nP to Rs. 99.65, while 3½ per cent. 1964 was unchanged at Rs. 97.75 and 3½ per cent. 1965 at Rs. 97.55. 3½ per cent. 1967 was featureless at Rs. 97.60. 3¾ per cent. 1967 was placed at Rs. 99.60 *ex*-voucher, as against Rs. 99.60 *cum*-voucher. 3¾ per cent. 1974 was marked down by 10 nP to Rs. 98.15 and 4 per cent. 1972 by a similar extent to Rs. 100. Among the State loans, 4¼ per cent. 1969 gained 10 nP to Rs. 99.90. 4 per cent. West Bengal 1968 gathered 5 nP to Rs. 98.05, Madras and U.P. 1968 to Rs. 97.45.

The persistent improvement in sterling in terms of the U.S. dollar gave further strength to the rupee during the week. Banks' selling rate for ready dollar was marked down from Rs. 475.50 to Rs. 475 per $100 and their buying rate from Rs. 472 to Rs. 471.75 per $100. In New York, spot sterling moved up from $2.81½-2.81⅝ to $2.81⅝-2.81¾. Three months' forward was, however, marked down from $2.79-3/16-2.79-5/16 to $2.79-1/16-2.79-3/16. Transferable sterling gained from 278.95-279.05 cents to 279.05-279.15 cents.

HIDES WELL SUPPORTED

(From Our Own Correspondent)

KANPUR, *3rd February*

There was no development worth noting in the hides and skins market during the week under review. New arrivals of buff were not as considerable as formerly. Upper grade cow was in strong demand and Madras dealers effected heavy purchases of upper grade goat and sheep. The country tanners were lukewarm.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 320 to Rs. 330 and 3rd grade Rs. 210 per score; wet salted buff 1st grade 1 lb. 3 ozs. and 2nd grade 1 lb. 10 ozs. per rupee; goat 1st grade Rs. 325 and 2nd grade Rs. 275 per 100 pieces; sheep 1st grade Rs. 350 and 2nd grade Rs. 275 per 100 pieces.

LINSEED QUIET

(Messrs. A. Bradley and Co.)

CALCUTTA, *3rd February*

Quiet conditions prevailed in the linseed market during the week under review and prices declined further, while trading was fair. Demand from crushers appeared to have improved slightly and there was a moderate daily turnover, with buyers lowering their limits from day to day. Dull conditions prevailed in the oil market and enquiries were few and feeble. Shippers were out of the market with further lack of support from overseas buyers.

The latest quotation for February-March is [illegible] per maund.

BULLS IN GOLD PAY MARGIN

(From Our Own Correspondent)

BOMBAY, *5th February*

Once again, gold stole the show in the bullion market. A sharp rise in the price of this precious metal, resulting in the establishment of a new high level since September 1951, widening *budla* charges against sellers and the imposition of a margin of Rs. 7 per tola on the buyers, as the *budla* widened to over As. 12, were the highlights of the trading in the gold section during the week under review. Ready gold was pushed up to a peak of Rs. 113 and forward (February settlement) to Rs. 112-6 yesterday, but the closing rates today were a fraction below these peak levels. The carry forward charges in favour of buyers widened from As. 8 at the close of the previous week to As. 12 per tola early this week, and attracted the imposition of margin as mentioned above, but this did not deter the bulls from extracting still heavier carry forward charges, which widened further to Re. 1-1 per tola on the last day of the February settlement, that is, yesterday.

Silver too was firm, but the rise in price was not very marked. Nevertheless, the bulls in this metal had to pay in the same coin to the sellers a carry forward charge of Re. 1-1 per 100 tolas today, as against As. 12 a week ago.

The bullish trend in both the metals was inspired by the low floating stocks and good demand in the ready section. In silver, the arrival of Tibetan coins was on the decline and, in gold, besides the heavy drop in the influx of smuggled gold, the offering of Kolar gold was not made during the last four days.

Forward silver (February settlement) advanced from Rs. 187-15 to Rs. 188-15 before finishing at Rs. 187-12. The March settlement moved up from Rs. 188-11 to Rs. 189-13, but the closing was lower at Rs. 188-13.

Ready silver hardened from Rs. 187-11 to Rs. 188-15, but there was a recession at the close to Rs. 188-5. The ready metal, which was quoted at a discount of As. 4 under the February settlement on Wednesday last week, came to command a premium of As. 9 today. This reflected the decline in floating stocks and the better demand for the metal. The floating stocks of silver are estimated at 1,100 bars. The daily average arrivals were 10 bars, while the offtake was of the order of 25 bars per day.

Gold for forward delivery in February settlement appreciated from Rs. 111 to Rs. 112-7 before the settlement ran out at Rs. 112-6. March settlement gained from Rs. 110-8 to Rs. 111-7, but shaded off to Rs. 111-1 at the close today.

Ready gold gained over the week Re. 1-3 to Rs. 112-9, the highest level touched during the week being Rs. 113. The premium for ready position over the March settlement widened from As. 14 to Re. 1-8. The floating stocks of gold are placed at 15,000 tolas. The daily average arrivals and offtake were of the order of 2,500 tolas.

There was no change in silver prices at New York and in London after last week's reduction. New York silver stood at 88⅜c. In London, spot silver was quoted at 76½d. and forward 75½d. Gold, however, improved from 248*s.* 8½*d.* to 249*s.* 0½*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	5-2-58	Highest	Lowest	29-1-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 9	113 0	112 0	111 6
Forward*	111 1	111 10	110 12	110 8
Sovereign	71 2	71 2	70 8	70 8
SILVER				
Ready (.996 fine Mint) ..	188 5	188 15	187 7	187 11
Forward†	188 13	189 13	188 7	188 11
London Silver Ready ..	76½d.	—	—	76½d.
London Forward	75½d.	—	—	75½d.
London Gold	249*s.* 1*d.*	249*s.* 2½*d.*	248*s.* 9½*d.*	248*s.* 8½*d.*
New York Silver	88⅛c.	—	—	88⅛c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

HIDES ARRIVALS SMALL

(From Our Own Correspondent)

MADRAS, *3rd February*

Arrivals of E.I. tanned hides and calf skins were of the usual small volume during the week. Prices ruled unchanged. Shippers were buying the arrivals steadily without allowing stocks to accumulate in the local market. Shipment business in F.A.Q. marks continued to be difficult. U.K. boot manufacturers were greatly resisting any increase on dressed kip leather, as they were able to get imported full chrome leather at comparatively cheaper prices. There was, however, selective call for premium class tannages, especially light weight kips, and prices improved by 1*d.* per lb. Heavier weights which were not in favour all these months were enquired after, and some business was put through. Demand for inferior cow hides was brisk for inland trade and prices hardened considerably.

In the tanned goat skins London public sales which commenced on the 27th ultimo, prices ruled unchanged on December levels, with the exception of 8/9 lbs. run and 9 to 12 lbs. rejections of superior tannages which realised 3*d.* to 9*d.* dearer, while 5/6 lbs. run sold 3*d.* lower. There was good attendance of the home trade and a good deal of pre-auction buying was done by French buyers. Common tannages were sold at low prices. Sales of tanned sheep skins are due to commence today.

In the local market, prices of tanned skins remained unchanged, and arrivals were meagre. Shipment business was small, as tanners were awaiting the results of the public sales in progress.

COTTON FUTURES DECLINE

(From Our Own Correspondent)

BOMBAY, *5th February*

The cotton futures market opened the week on a steady note and, after firming up the following day, relapsed again in the subsequent sessions. The firmness on Friday was due to heavy short-covering induced by fears that, owing to damage caused to the Vijay crop, supplies of tenderable quality would be scarce. Sentiment was also favourably affected by firm spot advices and encouraging reports from upcountry markets where prices hardened due to slackness in new crop arrivals. The downward revision in the unofficial crop estimate from 5.00 million bales to no more than 4.85 million bales also imparted strength to the market. Under the pressure of persistent buying, values firmed up. The firmness, however, proved short-lived. On Saturday, reaction set in which gathered momentum on Monday, on account of heavy upcountry selling and liquidation by local bulls on fears of the Forward Markets Commission's intervention if the rates were to rise above Rs. 700 and due to bearish survey results of Vijay February-March delivery contracts. The downward trend was accelerated further yesterday following persistent heavy liquidation to the tune of about 15,000 bales in Jarilla March alone. Traders were keen on switching over purchases to the distant May delivery. The spread between the two contracts was considerably narrowed to Rs. 4.50. Today the market ruled quiet.

I.C.C. Moglai Jarilla March opened the week at Rs. 693.50, fractionally higher than the previous close, and firmed up to Rs. 699 on Friday, but declined to Rs. 686 yesterday. Commencing today's session at this rate, the contract gained Rs. 2 before finishing at Rs. 687.50. The net loss over the week was Rs. 5.75. I.C.C. Moglai Jarilla May, after opening at Rs. 687.50, improved to Rs. 692 on the following day before declining to Rs. 681 yesterday. The contract opened at Rs. 682.50 and, after rising to Rs. 684.50, closed a rupee lower. The net loss over the week was Rs. 4.75. The following table indicates the trend of prices of the contracts during the week:

(In rupees per candy of 784 lbs.)

	5-2-58	*High*	*Low*	29-1-58
I.C.C. Moglai Jarilla (March 1958) ...	687.50	699	684	693.25
I.C.C. Moglai Jarilla (May 1958) ...	683.25	692	681	688

The East India Cotton Association has notified that the Forward Markets Commission has agreed to the change-over of the submission of statements of transactions by members of the Association from the daily to a weekly basis as an experimental measure for three months. This changed system would be reviewed by the Commission at the end of that period. Members are, therefore, required to submit weekly statements in duplicate in place of daily statements showing collectively particulars as to the sales and purchases effected in respect of hedge contracts of all delivery periods.

In the spot section, demand for good quality cotton was more or less maintained, although prices tended to look down. The principal long-staple varieties which attracted the attention of buyers were Vijay, Berar and Laxmi. Among short-staples Wagad, Mathia, Kalagin and Khandesh were in request. Arrivals of new crop Laxmi have just commenced and the quality is reported to be satisfactory. The reduced estimates of Vijay and Surti cotton have induced mills to go in for other qualities. It is reported that cotton crop in the Surat-Broach area has been widely affected by a type of pink boll-worm disease and the yield this season is now expected to be at least one-third less than the normal two lakh bales. So far, about 30,000 bales have come into the market from the northern Surat and Navsari and Bardoli areas. While a large quantity of cotton from the Zaghadia area has not yet been marketed, forward sales have been concluded for the Navsari and Bardoli types.

Activity in the export section was subdued. Only stray enquiries were noted for exportable styles. Prices of permissible varieties such as Bengals, Wagad, Kala, Oomra were lower. There is considerable disappointment over the delay in the announcement of an export quota.

Trading in the foreign section was at a standstill, as the licensing for import of cotton from both sterling and dollar areas remained suspended. There are reports that the Government of India is likely to permit import of 70,000-75,000 bales of new crop East African cotton shortly. It may be noted that business to the tune of about 80,000 bales is estimated to have been done already in this cotton, subject to the availability of licence.

It has been notified that the ceiling fixed for import of American cotton under P.L. 480 has been reached. It will be recalled that on 21st June 1957, a supplementary allocation of 60,000 bales has been released for import under this programme but issuance of licences had to be suspended on 30th November 1957 in order to facilitate quicker absorption of the quantity allocated under P.L. 665. The quantity, which was licensed till 30th November, when the suspension was announced, amounted to 48,000 bales. There was, thus, a quantity of 12,000 bales which remained to be licensed. The issuance of licences for this quantity was resumed on 25th January 1958. This small quantity has now been fully absorbed and thus, the licensing of American cotton remains suspended until a fresh allocation is announced.

The latest available spot quotation from Sewri —in rupees per candy of 784 lbs.—are given below:

Bengal *Deshi* 625; Berar Jarilla 800; Khandesh 830; Oomra *Deshi* 680; Vijay 925; Hubli Laxmi 1,020; Jaydhar 780. *Delivery contracts*: Vijay 910; Bengal 568.

The easy trend noted in the Karachi cotton futures market last week gathered momentum during the early part of the [illegible] review,

thanks to persistent selling induced by continued slackness of foreign demand and poor domestic spinner interest. N.T.R.G. March and May contracts declined from Rs. 75-4 and Rs. 75-9 last week-end to Rs. 73-14 and Rs. 74-3, respectively, on the 31st inst. Some recovery ensued subsequently, following speculative support induced by reports that Japan would shortly make sterling allocation for the purchase of 15,000 bales of short-staple cotton. The recovery was also aided by higher New York cable advices. N.T.R.G. March improved to Rs. 74-8 and the May position to Rs. 75-2. In the spot section, barring *Deshi* which remained unchanged, most other varieties suffered a setback. The following are the latest available rates—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind *Deshi* 70-8; Punjab *Deshi* 68; 4F Roller 76-13; S.G. 82-1; L.S.S. Punjab Roller 79-9; S.G. 83-9; 289F Punjab Roller 85-1; S.G. 94-1.

The Alexandria cotton futures market depicted an easy trend during the week. Upcountry fixings and tired bull liquidation found offtake limited. Consequently, values tended to move down. Spot premiums for better grades were maintained, while those for lower qualities declined. The following are the latest available quotations—in tallaris per lb.—from Alexandria:

Karnak: March 78.70; May 79.65. *Ashmouni*: February 67.15; April 67.65.

Cotton futures at Liverpool registered handsome gains. There was replacement buying by Commission Houses but offerings were limited. Near month deliveries were firm on trade covering, while American buying prompted by the reported consensus of opinion in Washington that there was little prospect of the Congress making any change in U.S. farm policy in the current season supported new crop positions. Yesterday, however, a mild reaction set in in American contracts which wiped out the earlier gains. The mixed growths contracts, however, were maintained. Over the week, Sudan contracts showed an improvement. The following are the latest available rates—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 25.30; May-June 25.28; July-August 25.60. *American cotton mixed growth contract*: March-April 26.37; May-June 26.56; July-August 26.75. *Sudan*: May-June 32.65; July-August 32.65; September-October 32.65.

The New York cotton futures market experienced a rally early in the week, owing to trade and Commission House buying based on the belief that there would be no increase in 1958 cotton acreage. Another bullish factor was the anticipation of a substantially higher mid-January parity price. The values, however, staged a retreat on the 1st inst. due to heavy selling following the announcement of the Department of Agriculture of the mid-January parity at 37.96 cents per lb. basis middling 1". Although this is higher than the December figure by 53 points, it was below trade expectations. The weakness of the market persisted till yesterday when there was some recovery.

According to the U.S. Department of Commerce cotton ginning report issued on 23rd January, ginnings prior to the 16th of January were 10,633,000 bales. Many quarters believe that the final crop may be close to this figure, as against the December estimate of 11,010,000 bales. During last season, ginnings prior to the 16th of January were 13,098,000 bales and the final ginnings 13,150,000 bales.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	4-2-58	28-1-58	21-1-58
Spot	36.15	36.15	36.25
March	35.11	34.78	35.14
May	35.25	34.97	35.30
July	35.22	34.78	35.29

YARNS EASY

(From Our Own Correspondent)

BOMBAY, *5th February*

Barring rayon yarns which ruled firm, the yarn market depicted a distinctly easy trend during the week under review. The firmness in rayon yarns was aided by reports of growing scarcity in supplies of imported varieties. Offtake, of course, continued to be low, as the handlooms and powerlooms considered the present prices as being uneconomic. Staple fibre yarns were subjected to selling induced by hedge sales by stockists. Reports from upcountry centres also indicated that demand had gone down, resulting in a fall in prices. Cotton yarns were weak. There was slackness in enquiries from both weavers and shippers. Stocks with mills were said to be mounting up again and there were reports that some mills were actually thinking of reducing prices.

Snia rayon yarn (120 dull cones) February delivery attracted good attention of operators and rallied Rs. 10 to Rs. 919. There were no transactions in the April delivery this week also. In the spot section, 120 Japan and 150 Japan increased by 6 nP each to Rs. 5.31 and Rs. 5.06, respectively. 150 Italy put on 3 nP to Rs. 5.28. 120 Italy was fully steady at Rs. 5.25. Indigenous yarns, however, were easy, National Rayons 150 bright cones first grade declining by 7 nP to Rs. 4.08 and 120 bright cones first grade by 3 nP to Rs. 4.63.

Staple fibre yarns (40 x 2) February delivery encountered heavy selling and fell by Rs. 11 to Rs. 559. Business in the April delivery commenced on Friday at Rs. 574. Today's closing rate was lower at Rs. 571. Spot (40x2) New Greats receded by 5 nP to Rs. 2.95. Citys and Kohinoors shed 4 nP each, the former to Rs. 3.13 and the latter to Rs. 3.22. Centurys lost 3 nP to Rs. 3.12. Foreign yarns, however, evoked some support, Paramounts rising by 3 nP to Rs. 6.69 and Fujis by 2 nP to Rs. 6.60.

In the cotton yarn section, ten counts were neglected, Podars at Rs. 14 and Moderns at Rs. 14.50. Twenty counts were dull, Moderns being quoted at Rs. 17.50 and Gokaks at Rs. 17.62. Among thirty counts, Indus declined by 12 nP to Rs. 20.75. Forty counts Gokaks dropped 50 nP to Rs. 24.50. Minaxis and Moderns shed 25 nP each to Rs. 24.50 and Rs. 25, respectively. Sixty counts Finlays fell by a rupee to Rs. 60. Moderns lost 50 nP to Rs. 60. Raghuvamshis were quoted 25 nP lower at Rs. 52.50. Among eighty counts, Moderns decreased by 80 nP to Rs. 71.20. Mahendras eased by 25 nP to Rs. 69.50. Finlays were quiet at Rs. 75.

The following table gives the prices of rayon, stable fibre and cotton yarns quoted today, as compared with those seven days before:

	5-2-1958	29-1-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	919.00	909.00
120 Japan (per lb.)	5.31	5.25
150 Japan (per lb.)	5.06	5.00
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.28	5.25
Staple fibre yarn (per case of 200 lbs.)—		
40 x 2 February	559.00	570.00
40 x 2 April	571.00	—
40 x 2 New Great (per lb.)	2.95	3.00
40 x 2 Century (per lb.)	3.12	3.15
40 x 2 City (per lb.)	3.13	3.17
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	14.00	14.00
20s Gokak	17.62	17.62
30s Indu	20.75	20.87
40s Minaxi	24.50	24.75
60s Raghuvamshi	52.50	52.75
80s Modern	71.20	72.00

OILSEEDS DEPRESSED

(From Our Own Correspondent)

BOMBAY, *5th February*

The oilseeds market continued to rule generally depressed during the major part of the week under review and there was a further drop in prices. Some recovery was in evidence today, but this was due purely to technical considerations. Trading in the groundnut section was characterised by persistent pre-tender day liquidation in the maturing February contract. While the weak stockists were lightening their commitments, the bulls were trying to transfer holdings to May delivery. Offerings from upcountry centres were quite heavy, but demand from crushers was at a low ebb, thanks to the Government's reluctance to allow exports of H.P.S. groundnut and groundnut oil and delay in the release of export quota for groundnut oilcake. Linseed encountered selling by upcountry operators and, enquiries from export houses being poor on account of lack of overseas interest even at low rates, prices suffered a setback. Cottonseeds lost ground following bearish advices from the cotton market. Kardi and niger seeds also weakened on selling pressure. Castorseeds, however, proved an exception. There was good buying enquiry, induced by rivival of rumours of a possible cut in export duty on castor oil and prospects of purchases by Russia.

The oilseeds interests are greatly worried about the mounting stocks of groundnut and groundnut oil with the consequent fall in prices. In the course of a telegram sent to the Chief Controller of Exports, the Board of the Bombay Oilseeds and Oils Exchange Ltd. has vigorously pleaded for the release of some export quotas for H.P.S. groundnut kernels, groundnut oil and groundnut oilcake. The plea is based on the grounds that groundnut oil prices have declined considerably, that there are good crop reports of rapeseed and mustard seed, that the supply position of edible oils in the world is quite comfortable, and that internal stocks of edible oils are sizable. Referring in particular to H.P.S. groundnuts, the Board points out that it is a dollar-earning commodity; if exports of this commodity is not allowed. India will lose its traditional buyers, as they will turn to other sources of supply.

The Government of India has released a quota of 15,000 tons of coconut oilcake for export during the nine months ending September next. Exports against this quota will be licensed freely to all shippers on shipping bills supported by valid firm sale contract as hitherto upto the end of September 1958 or till the ceiling is reached, whichever is earlier. The maximum quantity that an exporter will be allowed to export from all the ports taken together is fixed at 500 tons. Requests for further allotments will be considered on *ad hoc* basis on completion of shipment of the maximum quantity of 500 tons, subject to the availability of the ceiling.

Groundnut February contract met with selling pressure and moved down from Rs. 153.25 last week-end to Rs. 151.25 on Monday, but recovered to Rs. 152.62 today. May contract fell from Rs. 154.50 to Rs. 152.75 before finishing at Rs. 154.37. Ready Coramandel dropped 63 nP to Rs. 30.87, Khandesh 50 nP to Rs. 31 and bold variety 25 nP to Rs. 30.50. Groundnut oil ex-mill declined by 25 nP to Rs. 16.75. Railway receipt eased from Rs. 16.75 to Rs. 16.44 before recovering to Rs. 16.75.

Castorseeds May contract advanced from Rs. 137 last week-end to Rs. 138 on Friday and, after receding to Rs. 136.50 on the 3rd inst., gradually rose to Rs. 137.87 today. Ready Madras recorded a gain of 63 nP to Rs. 28. Kanpur was higher by 13 nP at Rs. 26.25. Castor oil commercial picked up 12 nP to Rs. 14.12, while B.S.S. was fully maintained at Rs. 15.75.

Linseed May delivery came in for selling and declined by 94 nP to Rs. 28.81. Bold ready and February-March both dropped Re. 1.12 to Rs. 28.25. Linseed oil moved down from Rs. 16.31 to Rs. 15.56.

Cottonseed February contract decreased from Rs. 94.75 to Rs. 93.50 before finishing at Rs. 94.25. May position eased by Re. 1.25 to Rs. 93.50, but wound up higher at Rs. 94.25.

Kardiseed bold ready shed 50 nP to Rs. 17.25; on Monday, the rate was even lower at Rs. 16.87. Niger Madras was subjected to selling pressure and fell from Rs. 27.25 last week-end to Rs. 26.12 on the 3rd inst. Thereafter, it recovered slightly, today's closing rate being Rs. 26.25.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	5-2-1958	29-1-1958	22-1-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	152.62	153.25	156.75
May 1958	154.37	154.50	158.50
Bold ready (per cwt.)	30.50	30.75	31.50
Khandesh quality	31.00	31.50	32.12
Linseed—			
May 1958	28.81	29.75	29.87
Bold ready (per cwt.)	28.25	29.37	29.37
Castorseed—			
May 1958	137.87	137.00	139.00
Madras (per cwt.)	28.00	27.87	27.50
Cottonseed—			
February 1958	94.25	94.75	98.00
May 1958	95.00	95.25	97.75
Groundnut oil *			
Ex-mill ready (per quarter) ..	16.75	17.00	17.25
Castor oil †			
Commercial (per quarter) ..	14.12	14.00	14.31
Linseed oil †			
Ready	15.56	16.31	16.37

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR FIRMS UP

(From Our Own Correspondents)

BOMBAY, *5th February*

A distinctly firm trend was in evidence in the sugar market during the week under review, in contrast to the bearish undertone noted last week. Offtake of sugar was quite large, due partly to revival of demand from Southern India. But arrivals were comparatively small, being 16,200 bags, as against 23,600 bags in the previous week. The ex-mill quotations for Bombay-Deccan sugar were held firm, thanks to the small monthly release for factories in this region. This is attributed to the fact that these factories commenced crushing operations earlier and, therefore, received almost double the usual quantity for sale in free market in the previous release. It may be noted here that the Government of India has released a further quantity of 155,000 tons of sugar for free sale.

Large grain sugar fell by Rs. 2 to Rs. 109-Rs. 113 per bag, including the additional central excise duty. Medium grain dropped a like amount to Rs. 106-Rs. 108. Small grain declined by Re. 1-8 to Rs. 105.

* * * *

HAPUR, *3rd February*

Quiet conditions were witnessed in the sugar markets during the week. The Government has released a fresh quota of sugar for sale in the free market which improved the supply position in the market. The factories in this region were reported to be crushing to their maximum capacity, thanks to plentiful supplies of cane. Production of sugar up to 15th January amounted to 702,000 tons, as against 621,000 tons in the corresponding period last year. The total offtake, including quantities despatched for export was 372,000 tons and stocks with the factories as on 15th January stood at 761,000 tons. The Union Food Minister hinted this week that India would be able to export more sugar in the current year.

The sugar market in Muzaffarnagar ruled quiet, as the consuming centres did not show any appreciable bull support. Some business was done for Saurashtra and Punjab side at rates lower by 6 nP to 25 nP per maund.

The latest ex-mill delivery prices were:—Rampur (A-29) Rs. 37.37; Buland (B-29) Rs. 36.62; Deoband (C-29) Rs. 36; Iqbalpur (D-29) Rs. 35.62; Mansurpur (B-29) Rs. 37.62; Shamli (B-28) Rs. 36.81; Daurala (B-29) Rs. 36.87; Amroha (D-29) Rs. 34.25; Bijnore (E-29) Rs. 34.25; Meerut (D-28) Rs. 34.81; Simbhauli (E-29) Rs. 35.25.

Sugar markets at Kanpur also recorded a quiet trend. Some business to consuming centres was done at slightly lower rates.

The production of *khandsari* is increasing and is expected to touch a new high this year. The producers are in a position to buy cane upto Re. 1 per maund and, with no controls, production is proving more profitable. The prevailing prices are Rs. 23 to Rs. 32 per maund according to quality.

Ready *gur* ruled mostly quiet during the week. Outside demand is slack and stockists have begun purchases. Consequently, local stock has swelled to about 70,000 maunds. Daily arrivals average 2,500 to 3,000 maunds. Prices are:—*Pansear* Rs. 11.44 to Rs. 11.56; *balti* Rs. 11.75 per maund. While *gur* eased by about 25 nP per maund in the Muzaffarnagar market, due to slack outside support, *shakker* improved due to better demand from Rajasthan side. Prevailing prices there were: *Chakku Minja* Rs. 13.50 to Rs. 14.12; *Pansera* Rs. 12.50 to Rs. 12.75; *gur rusket* Rs. 7.50 to Rs. 9.50; *shakker dara* Rs. 14 to Rs. 15; *Masala* Rs. 15.50 to Rs. 17; *boora* Rs. 27 to Rs. 31.50; *khansari* Rs. 24 to Rs. 32 per maund.

Future *gur* moved both ways in active trading during the week. The latest quotations were near the opening level of the week at Rs. 11.69 for *fagun* delivery and Rs. 12.31 for *baisakh* delivery.

BLACK PEPPER RECOVERS

(Messrs. Parekh and Co.)

BOMBAY, *5th February*

Supported by bull purchases, Malabar black pepper showed improving tendency during the week. Indian exporters who sold to Russia and the U.S.A. for February shipment came out [illegible]

cover. They absorbed a greater part of the arrivals in all the primary markets, thus relieving the pressure, though temporarily. Daily arrivals in all primary centres averaged about 500 candies. New York was reported to be in the field and purchased a sizable quantity at $0.21¼ and $0.21½ for shipment during the first half of February.

Alleppey improved to Rs. 481½, while garbled at Cochin to Rs. 484½. Calicut, were pressure of arrivals was rather heavy, also showed harder tendency at Rs. 495.

New York, reflecting steadier advices from both India and Singapore, improved to $0.23¼, though no follow-through was noted on the part of grinders.

Singapore, after going down to Str. $61, improved to Str. $62 for Sarawak black special, while Lampong was being offered as distressed parcels in both Singapore and New York. A sizable quantity of Lampong was reported to have been sold in Singapore at Str. $58 to Str. $60 per picul ex-stock. The stock of Lampong and Muntok was reported to be heavy, as unauthorised arrivals were mounting from Sumatra, though that of Sarawak Black remained poor.

In the delivery section, price for March improved to Rs. 468 under pressure of short-covering by way of profit-taking.

In A.S.T.A., March shipment was done at $0.22, while April-May-June were quoted at $0.22½.

The future of the market depended upon the buying policy of New York. If the U.S.A. continued to support the market at about $0.21, the Indian market was likely to stabilise. However, trade in general awaited development from Lampong and Singapore.

Today's nominal quotations are: Ready delivery Rs. 67 per Bengal maund; March Rs. 468-Rs. 473 and April Rs. 473-Rs. 478 per candy of 5¼ cwts.

GOOD DEMAND FOR DUST TEAS

[*Messrs. Forbes, Ewart and Figgis (Private) Ltd.*]

COCHIN, *30th January*

A little over 575,000 lbs. were on offer in Dust Sale 'C' which was held on Tuesday, 28th January. There was a very good general demand and prices for low medium and medium dusts were fully firm and occasionally dearer. Better sorts were rather irregular and prices were sometimes lower. The best highgrown types were scarce, but the limited quantity sold well.

The average price realised in Dust Sale 'C' was Re. 1.64 per lb., as compared with Re. 1.62 per lb. in the previous sale and Re. 1.96 per lb. in the corresponding sale of 1957.

London Market—Sale of 27th January 1958.—Lowest firm to dearer. Others good, though selective demand.

Sale of 28th January 1958.—Good general demand. Best and lowest often dearer.

Colombo Market—Sale of 27th January 1958.—Good demand. Lower rates broken grades. Some coloury mediums firm. Fannings generally steady, but best lower.

Sale of 28th January 1958.—Liquoring sorts dearer, particularly dusts. Plain tea easier.

Calcutta Market—Export.—Less general demand. Commons, medium brokens and fannings 2 to 8 nP lower. Best Assam C.T.C. whole leaf well supported at easier rates. Medium Assam B.O.P. with Plain liquors weakest feature. Flavoury Darjeelings sold well.

Internal.—20,000 Dust. Fairly general demand at easier rates. All orthodox 6 nP down. C.T.C. weakest 20 nP lower. 2,400 internal leaf. Fairly good general demand. Prices irregularly easier.

Export Quota.—It is understood that the Tea Board have recommended to Government a final release of between 5 per cent. and 6 per cent. of the best crop basis. This amounts to approximately 35 to 42 million pounds. Following this news the market was quiet, but there are now sellers at 15½ nP and buyers at 14½ nP.

Forthcoming Auctions.—Dust Sale 'D' will be held on Tuesday, 11th February.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale* 4.—1,350,000 lbs. Good, but irregular, demand with prices dearer for improved quality, but poor demand for best liquoring highgrown fannings."

EXPORT TEA RISES

(From Our Own Correspondent)

CALCUTTA, *4th February*

Sentiment during yesterday's tea export auctions was better, thanks to good demand in sales held in London last week. It was reported that tea stocks in the United Kingdom for the week ended 17th January were lower at 122 million lbs., as against 127 million lbs. in the previous week. This was taken as an indication of London showing more interest on Calcutta.

In the meantime, the Tea Board has forwarded the suggestion to release an additional quota for export to the Government of India for final decision in the matter. The quota accorded so far comes to a total of 397.4 million lbs., the country's total production amounting to 635 million lbs. The additional quota for which permission is likely to be accorded will be between 35 and 59 million lbs. The Board has also considered the interesting proposal to improve and rehabilitate the tea industry with American aid amounting to Rs. 3 crores. A condition attached to this offer is that part of the machinery required by the tea gardens will have [illegible] imported from the U.S.

Tea trade circles have noted the announcement that, for this month, the export duty will remain unchanged at 38 nP per lb. The price of tea for determining this has been taken as Rs. 2.99 per lb., as against Rs. 3.02 for the previous month.

Dusts offered during last week's internal sales amounted to 20,285 chests. Demand was fair at lower rates, despite the support given by the Middle East buyers. The sole exception to the general trend was Darjeelings, which were fully steady. C.T.C. Assams were very weak, the price easing by 20 nP. The few bright liquoring invoices, however, were steady. Dooars, commons and Assams of orthodox manufacture lost 6 nP. The quotations were: Best Assam C.T.C. Rs. 2.70 to Rs. 2.90 (nominal); medium Assam C.T.C. Re. 1.80 to Rs. 2.00; medium Assam grainy dust Re. 1.58 to Re. 1.60; medium Dooars Re. 1.56 to Re. 1.58.

Leaf on offer amounting to 2,427 chests met with fairly good demand at irregularly easier rates.

During yesterday's export sales, offerings aggregated 62,709 packages. There was good demand, and the feature was the keen attention paid to bright liquoring teas of all kinds. Low medium O.Fs rose above valuations, but plain and medium teas eased. A steady trend was in evidence in non-wither legg-cut fannings, and the lots which were bright in cup advanced. C.T.Cs, on the other hand, eased by about 10 nP, but the very best lots were fully steady. Whole leaf grades declined by 10 nP, with some withdrawals being reported. Darjeelings met with better demand than last week at lower rates, but the lots possessing stylish appearance of autumnal character realised higher prices. The quotations were: Best Assam C.T.C. fannings Rs. 2.30 to Rs. 2.40; best Assam C.T.C. B.P. Rs. 2.40 to Rs. 2.60; clean black pekoe Rs. 2.25 to Rs. 2.30; medium fannings Re. 1.66 to Re. 1.70; plain B.P. Re. 1.52 to Re. 1.56; medium B.P. Re. 1.58 to Re. 1.62; plain fannings Re. 1.60 to Re. 1.64.

Export quota changed hands at 14 nP and fell to 13½ nP.

SETBACK IN JUTE

(From Our Own Correspondent)

CALCUTTA, *4th February*

Business that was put through in jute goods during the week under review was not commensurate with availability of supplies and failed to maintain the level of prices. Heavy goods were subjected to profit-taking, and recent gains were lost. Hessian also was marked lower. Such a trend in goods naturally affected sentiment in raw jute, and despite the final all-India estimate of the 1957-58 crop showing a reduction, most varieties of raw jute were offered at lower rates with mills being reluctant to enter into commitments.

Shipments of jute goods during the last month were believed to have fallen. Up to 25th January, hessian shipments were only 13,000 tons, as against 19,000 tons in the corresponding period in December, and sacking shipments, at 16,000 tons, were lower by 8,000 tons. Lack of fair demand from overseas coupled with the labour troubles in the port contributed to the fall in shipments. Moreover, interest from the United States had been negligible, although business with that country was still anticipated. An increase in stocks of jute goods as at the end of January was believed to have occurred, and confirmation in this regard from the Indian Jute Mills Association was awaited with interest by buyers. As and when this would be made, prices would naturally be affected, and in this context the New York report that the near-term price outlook was bearish caused no surprise. In the meantime, a big order from the Government of India was still looked forward to.

Shippers covered for small quantities only. Since a large increase in stocks of sacking goods was anticipated as definite, shrewd operators hurried to take profit and this added momentum to the down-trend. As regards hessian, traders were earnestly looking forward for a change in the economic activity in the United States.

Early in the week under review, ready B. twills were higher at Rs. 106.65. Mills were keen sellers, and the large amount of offers which the higher rate attracted affected sentiment and, on Wednesday, the price moved down to Rs. 104.10. At this level, there was speculative business put through, but the profit-taking that followed pushed the rate down to Rs. 103.75 on Thursday. The sharp reaction to Rs. 102.40 on the next day followed rumours of a prominent operator being in difficulty to meet his commitments. By the week-end, the rate was as low as Rs. 102.70. At this stage, covering business was done, and the rate recovered to Rs. 103 yesterday. Ready hessian 40" 10 oz. opened at Rs. 39.95 and after moving down to Rs. 39.50 closed at Rs. 39.80.

Raw jute prices also fell. Sellers were anxious for business, but not much passed hands. In view of the fall in goods, mills anticipated further decline in raw jute prices. Also stocks with sellers were heavy. The latest quotations for February-March delivery for the different varieties of jute are:

	Middles Rs.	Bottoms Rs.
Pakistani:		
District	32.00	29.00
Northern	31.50	28.50
Indian:		
Northern	28.25	25.75
Assam	28.25	25.75
Orissa	30.25	27.75
Desal	26.25	23.75
Murshidabad	25.00	22.50
Jungli	...	20.50
Daissee	31.75	29.25
Uttar Pradesh ...	...	20.50
Daissee mesta ...	25.75	22.75
Bimli f.a.q.		Rs. 20.00

Pucca bales 1st marks ... Rs. 165.00 ready per bale.

METALS IRREGULAR

(From Our Own Correspondent)

CALCUTTA, *4th February*

The metal market ruled irregular during the week under review. Thus copper hardened further, zinc attracted good attention, lead was unchanged, and tin eased. From Rs. 169, electrolytic copper rose to Rs. 171, while, in contrast, in both New York and London, prices gave way. The easier trend in international markets was due to supplies exceeding demand. The Chilean decision to reduce output by 10 per cent. or 42,000 tons a year failed to have any effect. Trade circles feel that the Government will allow more time for established importers to establish their quotas in accordance with the current import policy. If this is not done, the Government should, it is pointed out, allow unrestricted imports of copper. The price in producing countries is going down and, if the trade is accorded facilities to import, an adequate stock can be built up and the Indian industries can be benefited by the lower trend in world prices. Electrolytic zinc advanced to Rs. 54.50 from Rs. 53.50, following higher advices from the London Metal Exchange. Local demand was little, and there was no anxiety over the stocks. Lead was unchanged but steady at Rs. 59. There were some Government inquiries, but commercial demand was negligible. From Rs. 528, tin gave way to Rs. 520 and this showed that the price was moving down in accordance with the quotation in Bombay, which, in view of the downward trend, attracted mofussil business.

FOODGRAINS EASY

(From Our Own Correspondent)

HAPUR, *3rd February*

Quietly easy conditions prevailed in the foodgrain markets during the week under review. A heavy quantity of foodgrains is reaching the country from abroad and the chances of India getting additional one million tons from the U.S.A. under its relief programme are reported to be bright. Further negotiations with the U.S. Government for conversion of the unutilised balance of tobacco and cotton under P.L. 480 into wheat, it is said, are progressing satisfactorily.

Wheat average quality recorded a fall of 25 nP per maund during the week to be quoted now at Rs. 15.37, while farm quality continues to be quiet at Rs. 17, due to paucity of arrivals from producing areas. Most of the consumer demand was being met from stock with the result that local wheat stock ran down by three *khatties* to 12 *khatties*. The corresponding figure a month ago was 23 *khatties* and a year ago 52 *khatties*. Some rains received in the earlier part of the week have improved prospects of *rabi* crops.

Rice registered a slight fall, in line with the bearish trend of other grains. The latest prevailing prices were: *Basmati* Rs. 27.50 to Rs. 30.50; *mainpuri* Rs. 23.25; coarse Rs. 20 per maund.

Gram eased fractionally on easy Punjab advices, influenced by better crop prospects. Local stock ran down to three *khatties* to 24 *khatties*, the corresponding figure a month back being 41 *khatties*. Maize and *bajra* ruled quietly steady. Some quantities of maize were reported to have been despatched to the Punjab. Barley and *bejhar* recorded a sagging tendency, as recent rains proved very beneficial to standing crops. The week-end prices (in rupees per maund) were: Gram *Punjabi* 10.50; barley 9; *bejhar* 8.75; maize 10.87; *bajra* 11; *jowar* white 9 to 10.50; *guapar* 11.25; [illegible] 9.75.

THE
UNITED
COMMERCIAL
BANK
LIMITED
Head Office : CALCUTTA
SUBSCRIBED CAPITAL Rs. 4,00,00,000
PAID-UP CAPITAL ... Rs. 2,00,00,000
RESERVE FUND ... Rs. 1,34,00,000
Chairman
G. D. BIRLA
● Short and Long-Term Deposits Received at Attractive Rates.
● Savings Accounts Welcomed.
● Every description of Domestic & Foreign Banking Business transacted.
108 Branches in India & Abroad.
Agents throughout the world.
General Manager
S. T. SADASIVAN
Manager, Bombay Branch: S. J. UTAMSING.
UCO-2/58

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1956	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	3
Peru	13th Nov., 1947	5	6
Philippines	1st April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	23rd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	2½†
West Germany	17th Jan., 1958	4	3½

† Six of the Federal Reserve Banks have lowered the rate to 2½ per cent. from 3 per cent.

CLEARING HOUSE RETURNS

Centre	Week ended 31st January, 1958		Week ended 24th January, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,71,268	67,49,71,000	3,12,421	73,11,66,000
Calcutta	—	—	1,22,000	48,86,00,000
Madras	84,456	10,97,42,291	96,463	10,91,76,927
All Centres—				
1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Sept., 1957	..	..	3,077,000	6,49,12,00,000
Oct., "	..	..	3,295,000	5,39,35,00,000
Nov., "	..	..	3,755,000	8,18,13,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 31st Jan., 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	58,13,24,000
(2) Other Governments	27,34,28,000
	75,73,23,000
(b) Banks	113,20,55,000
(c) Others	20,06,61,000
Bills Payable	31,40,56,000
Other Liabilities	1,22,20,000
	37,75,21,000
	38,03,50,000
	65,27,47,000
	254,72,45,000
	17,03,22,000
Rupees	432,88,47,000

Assets	Rs.
Notes	20,72,49,000
Rupee Coin	9,81,000
Subsidiary Coin	2,12,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	....
Balances held abroad*	....
Loans and Advances to Governments†	....
Other Loans and Advances	....
Investments	....
Other Assets	....
Rupees	....

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 24,21,21,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	20,72,49,000	
Notes in circulation	1531,19,83,000	
Total Notes issued		1551,92,32,000
Total Liabilities		1551,92,32,000

Assets	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	245,53,81,000	
Foreign Securities		
Total of A		363,29,84,000
B. Rupee Coin		181,80,20,000
Government of India Rupee Securities		1056,82,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1551,92,32,000

Scheduled Banks*

Statement of Affairs for the week ended 24th Jan., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	18,03,47,000
(ii) Other demand liabilities	717,97,55,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,33,00,000
(ii) Other time liabilities	670,13,61,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	8,62,29,000
(ii) Time liabilities	35,58,000
Borrowings in India from the Reserve Bank of India‡	23,41,78,000 (21,37,21,000)
Cash in India	37,40,38,000
Balances with the Reserve Bank in India	73,96,74,000
Balances with other banks in current account in India	11,68,10,000
Money at call and short notice in India	46,52,24,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	438,99,46,000
Advances in India	743,67,21,000
Inland Bills purchased and discounted in India	106,77,61,000
Foreign Bills purchased and discounted in India	51,40,68,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	5th February, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot ₹.	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months ₹.	1-5⅛	1-5⅛
Buyers T.T. spot to nine months ₹.	1-6¼	1-6¼
Buyers T.T. 10 to 12 months ₹.	1-6¼	1-6¼
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.50	472.50
Buyers T.T. Rs.	471.75	472.00
London on New York $	2.81⅛-2.81⅛	2.81⅛-2.81⅛
London on Paris Fcs.	1,178⅛	1,178⅛
London on Berne Sw. Fcs.	12.27-12.27½	12.25½-12.26
New York on London $	2.81⅛-2.81⅛	2.81⅛-2.81⅛

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	383.09	..	10,429	272
Pakistan††	'55-'56	82.24	..	1,952	237
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.00	¥. 7,427,000	9,283	1,031
Philippines	1955	21.89	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£(N.Z.) 884	1,178	5,428
Australia	1956	9.40	£(A.) 4,238	4,023	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 343,600	165,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,889	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,990	4,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,960	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 24th Jan., 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	72,87,14,000
(b) Provincial Governments	13,98,05,000
(c) Banks	9,29,48,000
(d) Others	18,20,000
Bills Payable	8,19,57,000
Other Liabilities	
Rupees	110,52,63,000

Assets	Rs.
Notes	9,80,09,000
Rupee Coin	30,000
Subsidiary Coin	24,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	5,33,000
Loans and Advances to Governments	3,16,00,000
Provincial Governments' Debtor Balances	11,85,01,000
Other Loans and Advances	37,54,40,000
Investments	59,01,87,000
Other Assets	9,09,39,000
Rupees	110,52,63,000

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	? 9,80,09,000	
Notes in circulation	343,88,61,000	
Total Notes issued	....	353,68,70,000
Total Liabilities	....	353,68,70,000

Assets	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	75,16,76,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	4,42,53,000	129,55,66,000
Government of Pakistan Securities	213,80,45,000	
Internal bills of exchange and other commercial paper	....	218,22,98,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	353,68,70,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 88.22 per cent.

COMPARATIVE BANKING STATISTICS *

(In crores of rupees)

	1st Sept., 1939 (pre-war)	24th Jan., 1958	A week ago	A month ago	A year ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1533.63	1540.25	1506.79	1485.52
Notes held in Banking Department	35.05	18.04	10.76	16.52	23.56
Foreign Securities	59.50	245.54	245.54	275.23	427.48
Rupee Securities	37.39	1056.82	1056.82	997.26	840.13
Banking Department					
Deposits of :					
Government of India	14.89	62.43	52.11	53.54	51.46
Other Governments	..	23.85	31.35	13.01	13.33
Balances held abroad	10.08	39.89	42.20	22.42	83.18
SCHEDULED BANKS					
Demand Liabilities	134.36	736.01 (18.63)†	712.86 (14.01)†	718.01 (17.40)†	670.55 (6.81)†
Time Liabilities	102.24	696.47 (17.33)†	690.15 (18.11)†	687.54 (20.65)†	462.18 (2.56)†
Borrowings from Reserve Bank	..	23.42 (21.37)‡	33.42 (30.65)‡	23.63 (21.07)‡	74.15 (59.31)‡
Borrowings from State Bank	..	8.88	8.76	6.62	14.17
Cash in India	6.70	37.41	39.07	38.84	32.82
Balances with Reserve Bank	25.17	73.97	60.10	67.61	50.09
Excess over statutory limits	15.52	23.24	10.65	17.96	7.32
Balances with other banks in current accounts in India	..	11.63	11.43	12.47	9.87
Money at call and short notice in India	..	46.52	43.81	50.11	11.44
Investments (at book value)	..	433.99	434.03	482.96	861.03
Advances and bills	105.09	901.86	890.17	858.02	826.49
STATE BANK					
Deposits	87.76	391.58	371.05	364.98	252.03
Investments	51.99	184.15	184.06	183.67	106.92
Advances	30.35	187.16	183.96	170.92	100.83
Cash	14.69	30.28	28.43	27.12	17.96

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	September,		Six months, April to Sept.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	11.17	12.29	60.37	75.88
Protective	1.01	0.86	6.05	5.88
On surplus disposals	—	—	0.03	0.08
Total import duties	12.18	13.06	66.45	81.84
Export Duties	2.60	2.31	12.11	10.43
Land Customs	0.27	0.28	1.18	1.43
*Air customs.**	—	0.15	—	0.21
Miscellaneous	0.12	0.15	0.51	0.69
Gross total customs	15.17	15.95	80.20	94.60
Refunds and drawbacks	0.20	0.35	1.20	2.03
Net Customs	14.97	15.60	79.00	92.57
Gross excise	15.42	22.16	85.98	123.84
Refunds	0.21	0.26	0.95	1.78
Net Excise	15.21	21.90	85.03	122.06
Net total of customs and excise†	30.18	37.50	164.03	214.63

† Net Customs plus net Excise.
* Figures prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 31st Jan., 1958

Capital and Liabilities	Rs.	Rs.
CAPITAL—		
Authorised Capital—		
20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up :		
5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		894,05,25,000
Bills Payable		2,18,50,000
Bills for Collection being Bills Receivable as per contra		4,60,80,000
Acceptances, Endorsements and Other Obligations per contra		1,23,20,000
Other Liabilities (including Inter-Office Adjustments)		29,67,000
Total Rs.		1,25,64,000
		416,47,65,000

Property and Assets	Rs.	Rs.
Cash in hand and with Reserve Bank		29,29,62,000
Balances with other Banks		3,01,27,000
Money at Call and Short Notice		1,58,88,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	178,34,94,000	
Other Authorised Investments	10,13,04,000	
		183,47,98,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	172,88,39,000	
Bill Discounted and Purchased	19,48,93,000	
		192,37,32,000
Bills Receivable being Bills for Collection as per contra		1,23,20,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		29,67,000
Premises less Depreciation		1,19,54,000
Furniture and Fixtures less Depreciation		72,60,000
Other Assets (including Inter-Office Adjustments)		3,33,12,000
Total Rs.		416,47,65,000

SMALL SAVINGS‖

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year Out-standings*	5-Year Receipts	7-Year Receipts	7-Year Out-standings*	12-Year Receipts	12-Year Out-standings*	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Out-standings*	10-Year National Plan Certificates‡ Receipts	10-Year National Plan Certificates‡ Out-standings*	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposit Certificates 3½% Receipts	10-Year Treasury Savings Deposit Certificates 3½% Out-standings*	10-Year Treasury Savings Deposit Certificates 4½% Receipts	10-Year Treasury Savings Deposit Certificates 4½% Out-standings*	15-Year Annuity Certificates** Receipts	15-Year Annuity Certificates** Out-standings*
1952-53	6,88	65	3,26	23,66	84,17	1,58,11	92,02	..	..	..	—31,07	25,64	..	..	..	..	..
1953-54	3,76	1,98	5,48	27,19	1,44,37	1,76,27	1,67,85	9,86	16,38	—37,53	41,25	..	..	..	..	..	..
1956-57	3,00	2,87	6,01	31,62	1,63,68	18,27	1,96,50	10,08	25,38	—38,82	44,28	..	..	..	..	45	95
October 1956	3,28	16	5,69	2,38	1,56,53	13,90	1,85,98	82	22,08	—38,06	43,20	..	..	..	..	4	1,17
November "	3,23	14	5,67	2,31	1,57,64	12,70	1,86,88	76	22,75	—38,15	43,89	..	..	..	..	3	1,19
December "	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,35	—38,23	43,56	..	..	..	..	3	1,22
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,09	86	24,10	—38,64	43,80	..	..	..	..	6	1,27
February "	3,07	17	5,81	2,35	1,61,04	12,98	1,88,82	78	24,72	—38,71	44,14	..	..	..	..	4	1,30
March "	3,00	35	6,01	4,01	1,63,68	23,56	1,96,50	78	25,38	—38,82	44,28	..	..	..	..	3	1,33
April "	2,93	12	5,92	2,30	1,64,82	14,76	1,98,78	70	25,98	—38,87	44,39	..	..	..	..	2	1,35
May "	2,88	12	5,84	2,13	1,65,59	14,68	1,97,56	56	26,41	—38,93	44,51	..	..	..	..	2	1,35
June "	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34	—39,02	44,48	68	68	..	..	2	1,36
July "	2,74	2	5,61	—29	1,62,36	15,08	2,00,57	10	26,16	—39,11	44,42	62	1,24	..	..	3	1,39
August "	2,68	..	5,49	—9	1,60,88	12,64	2,01,68	—22	25,61	—39,18	44,27	52	1,76	..	..	3	1,42
September "	2,60	..	5,33	—2	1,58,33	14,05	2,03,17	—2	25,14	—39,28	44,14	63	2,39	..	..	4	1,46
October "	2,54	..	—5,26	..	—1,55,82	12,51	2,02,83	..	24,81	—39,33	44,07	42	2,81	..	..	2	1,47
November "	..	..	..	..	..	..	..	..	..	..	43,96	49	3,29	..	..	2	1,49

Outstandings do not include Indian Union's share of the pre-partition liabilities; repayments, however, include those from the partition holdings of Indian investors.
‡ Issued from May 16, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957.
¶ Issued from 1st June, 1957. *Source* : Accountant-General, Posts and Telegraphs.
‖These exclude receipts and outstandings of 12-year National Plan Savings Certificates of which receipts amount to Rs. 6.17 outstandings to Rs. 22.58 lakhs (provisional).

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 18th Jan., 1958*	11th Jan., 1958	21st Jan., 1957	19th Jan., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.1	89.1	89.1	89.7
1. Government of India	88.8	88.8	88.8	89.4
2. State Governments	96.5	96.5	96.3	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.0	90.7
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.2	97.7	100.0
1. Electricity	99.0	98.9	99.0	100.9
2. Jute	93.0	92.9	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	97.0	97.0	96.8	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.1	98.3	100.5
PREFERENCE SHARES	71.3	71.4	72.6	80.4
1. Electricity	83.9	83.7	83.7	87.8
2. Cotton	67.3	68.2	68.3	80.1
3. Jute	62.3	62.3	63.0	75.4
4. Coal	74.6	74.5	74.5	83.0
5. Iron and Steel	77.1	77.0	76.9	84.0
6. Sugar	70.9	70.9	71.0	81.6
7. Paper	77.3	77.3	80.4	79.7
8. Plantations	87.5	87.5	88.9	99.8
9. Miscellaneous	66.8	66.8	70.5	73.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.7	95.5	96.8	113.7
(a) Financial	95.9	95.2	94.7	94.7
1. Banks	99.0	98.1	97.6	96.9
2. Insurance	94.9	94.3	93.5	94.8
3. Investment Trust	72.8	73.1	73.4	82.7
(b) Public Utilities	103.3	103.0	103.3	108.6
1. Electricity	100.6	100.7	101.2	109.5
2. Shipping and other Transport	119.9	118.8	119.0	113.9
3. Railways	65.8	65.8	65.4	81.0
(c) Manufacturing Industries	98.1	98.0	99.4	120.9
1. Cotton, Woollen and Silk	95.4	95.1	96.7	127.7
2. Jute	48.0	49.0	51.2	58.1
3. Iron and Steel	118.5	117.0	115.8	127.5
4. Paper	204.9	206.1	211.0	248.8
5. Cement	134.6	135.0	135.5	169.7
6. General Engineering	140.9	139.7	143.8	175.2
7. Sugar and Breweries	94.0	94.8	97.8	100.2
8. Chemicals	127.5	127.2	126.7	136.8
(d) Non-Manufacturing Industries	107.5	106.8	108.7	139.7
1. Coal	64.8	64.9	65.8	74.2
2. Minning and Oil	144.7	144.0	144.3	196.6
3. Plantations	117.6	116.6	121.7	155.4
(e) Miscellaneous	89.2	89.3	70.8	80.8
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	88.5	88.5	88.5	89.1
2. Calcutta	89.0	89.0	89.0	89.6
3. Madras	—	89.3	89.3	89.9
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.0	96.0	96.0	99.4
2. Calcutta	97.7	97.6	97.7	100.5
3. Madras	—	97.4	99.2	99.7
PREFERENCE SHARES :				
1. Bombay	78.6	78.4	78.5	85.4
2. Calcutta	64.0	64.4	66.3	74.1
3. Madras	—	84.1	85.4	94.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	110.2	109.8	109.8	125.0
2. Calcutta	82.8	82.7	84.4	99.5
3. Madras	—	107.1	107.2	125.4
4. Delhi	113.4	111.2	111.5	124.9

* Madras Stock Exchange remained closed during the week.

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
September 1956	737	812.7	666.4
October "	753	824.1	670.1
November "	756	810.5	668.1
December "	757	881.5	713.0
January 1957	765	868.7	711.7
February "	767	811.0	677.7
March "	769	874.6	716 5
April "	770	901.4	734 5
May "	793	932.2	756.7
June "	799	898.4	726.1
July "	809	928.3	743.9
August "	811	923.0	731.0
September "	814	924.7	739.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Sept., 1956	Aug., 1957	Sept., 1957
General Index	122.1	133.0	148.4	141.6	144.3
Coal	111.4	114.9	111.1	115.8	129.3
Sugar*	143.0	175.1	353.4	423.8	329.1
Tea*	106.2	106.0	113.0	106.5	113.1
Cotton textiles	111.9	117.5	125.8	108.6	118.3
Jute textiles	118 9	127.3	120.9	112.7	121 8
Paper and paperboards	140.2	146.6	149.1	160.7	143.7
Matches	106.6	106.6	105.0	94.8	94 0
Cement	140.4	154.2	155.5	165.6	168 3
Iron and steel	113.3	119.4	120.6	116.7	120.4
Non-ferrous metals	123.7	124.7	117.7	149.4	153.2
Rayon	280 2	355.8	366.6	522.6	525.7

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,630
1955	1,166	527,767	5,697,848
1956 R	1,203	715,130	9,692,040
October 1956	138	—	822,965
November "	137	—	513,389
December "	147	—	422,406
January 1957	154	—	395,419
February "	134	—	262,209
March "	114	40,311	282,791
April "	166	60,358	408,470
May "	164	64,877	446,540
June "	147	96,672	712,802
July "	178	82,787	723,554
August "	163	85,255	563,841
September "	220	139,575(a)	906,859(a)
October "	190	88,973†	472,843†

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	18th Jan., 1958	11th Jan., 1958	19th Jan., 1957	December 1957	December 1956	Percentage of Increase(+) or decrease(—) in Dec., 1957 as compared with Dec., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	102.5	102.5	104.2 R	104.0	105.1	— 1.0	108.8	99.0
Cereals	382	97	98	97	98	97	+ 1.0	102	92
Pulses	84	80	81	86	80	87	— 8.0	85	78
Fruits and Vegetables	45	94	90	108	101	111	— 9.0	117	108
Milk and Ghee	167	99	98	97	99	97	+ 2.1	104	99
Edible Oils	93	119	119	131	125	133	— 6.0	128	117
Fish, Eggs and Meat	34	98	99	95	99	94	+ 5.3	97	97
Sugar and Gur	95	109	108*	97*	109	101	+ 7.9	105	97
Others	100	133	134	144	133	142	— 6.3	132	125
Liquor and Tobacco	21	96.1	98.4	88.5	87.7 R	87.7	+11.4	91.8	88.3
Tobacco	—	95	97	87	97 R	86	+12.8	90	81
Fuel, Power, Light and Lubricants	30	114.4	114.7	105.8	114.9	106.8	+ 7.6	111.6	101.6
Industrial Raw Materials	155	113.7	114.3	121.1	116.4	119.4	— 3.4	118.1	113.2
Fibres	103	116	115	125	121	121	— 0.0	120	114
Oilseeds	388	114	116	125	119	124	— 4.0	122	115
Minerals	14	107*	107*	107	108	104	+ 3.8	109	99
Others	295	110*	110*	109	109	110	— 0.9	107	110
Manufactures	290	107.7	107.0	108.4	107.5	108.8	— 1.2	107.9	104.9
Intermediate Products	141	108.8	108.4	112.9	105.7	113.9	— 7.2	108.8	110.0
Finished Products	859	107.8	107.5	107.7	107.8	108.0	— 0.2	107.8	104.1
Textiles	506	105	104	110	106	110	— 3.6	108	106
Cotton	—	110	115	117	115	117	— 1.7	116	114
Jute	—	90

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	22,891	20,386	9,968	8,569
Jowar	final	41,314	42,904	7,427	6,602
Bajra	final	27,542	28,024	2,956	3,379
Barley	final	8,544	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets	final	12,809	12,713	2,010	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses §	final	16,166	15,567	1,664	1,622
Rabi pulses†	final	11,443	11,703	1,794	2,038
Total pulses	final	57,295	57,064	11,435	10,831
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed	final	1,403	1,405	129	124
Sesamum	final	5,433	5,653	451	457
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,758	3,781	349	414
Total oilseeds	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,683	1,739	4,221	4,197
Mesta A.	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,530
Sugarcane	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During December, 1957	92.8
	Corresponding month, 1956	84.9
	Six months ended Dec., 1957	522.0
	Corresponding period, 1956	517.3
Stocks	At the end of Dec., 1957	75.5
	Corresponding month, 1956	95.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	8.57 2
	1956-57	8.52 9
	Dec., 1956	73.8
	Dec., 1957	69 0
For Internal Consumption	1955-56	1.90 0
	1956-57	1.79 0
	Dec., 1956	16.7
	Dec., 1957	19.1
	RAW JUTE	(In lakh bales)
Consumption by Mills†	December, 1957	5.38
	Corresponding month, 1956	4.92
	Six months ended Dec., 1957	30.27
	Corresponding period, 1956	30.04

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1955	11,34,400	10,42,900	7,61,300
Do. 31st March, 1956	11,55,900	10,63,100	7,97,900
Do. 31st March, 1957	11,55,500	10,73,600	7,97,500
Oct., 1956	96,700	91,100	71,800
Nov., "	94,700	88,900	65,100
Dec., "	1,01,500	93,300	66,900
Oct., 1957	95,100	96,500	59,000
Nov., "	94,900	95,100	66,000
Dec., "	95,100	100,500	74,200
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1955	7,15,949	5,28,240	4,59,093
Do. 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,156	5,38,315	4,41,483
Three months ended Dec., 1956	1,88,546	1,41,450	1,14,703
" " " Mar., 1957	1,83,857	1,39,830	1,20,578
" " " June, 1957	1,72,225	1,29,651	1,05,096
" " " Sept., 1957	1,71,397	1,19,172	96,815
" " " Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports	59,87	49,47	426,88	372,99
Re-exports	88	41	2,89	6,49
Total Exports	60,25	49,88	429,77	379,48
Imports	80,46	66,55	659,11	519,85
Overall Balance of Trade	—20,78	—16,67	—229,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures	5,12	11,55	52,27	72,77
Cotton yarns and manufactures	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap Iron or steel for re-manufacture	4,69	2,27	34,78†	10,74†
Cotton, raw and waste	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal	2,43	98	17,54	19,62
Fruits and vegetables	1,44	1,74	12,24	12,62
Tobacco	85	2,51	10,99	8,23
Mica	71‡	68‡	5,24†	4,95†
Wool—Raw	1,06‡	76‡	7,41†	6,27†
Gums, resins and lac	60‡	1,01‡	5,53†	6,31†
Spices	55	70	6,06	6,60
Hides and skins, raw	69	25	5,38	4,08
Imports—				
Machinery of all kinds	17,39	13,15	144,71	97,32
Metals, Iron and steel and manufactures thereof	12,50	10,88	107,81	77,44
Oils—vegetable, mineral and animal	8,56	5,78	70 10	40 44
Cotton, raw and waste	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines	4,20	2,98	31,89	27,68
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus	5,21	1,44	37,75	12,96
Paper, pasteboard, etc.	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats)	4,49	4,95	45,32	41,23
Fruits and vegetables	1,17	19	13,39	9,10
Spices	32	81	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,64

† Upto July only. ‡ During July.

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-Iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February "	12,230	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March "	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April "	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May "	2,468	552	219	43	21	13	34	4	129	77	6	69	4	33
June "	3,552	756	334	57	30	18	48	5	164	109	9	101	7	46
July "	4,663	1,010	438	72	35	21	56	7	183	145	11	138	13	62
August "	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September "	6,998	1,542	623	93	42	30	87	10	223	230	15	219	25	101
October "	8,056	1,824	736	107	46	34	109	13	241	293	19	261	31	130

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 30th Jan., 1958	49,481(J)
	Corresponding week, 1957	44,837(J)
	1st Sept. to 30th Jan., 1957-58	554,975*
	Corresponding period, 1956-57	579,492*
Cotton Exports	Week ended 30th Jan., 1958	3,754
	Corresponding week, 1957	9,081
	1st Sept. to 30th Jan., 1957-58	52,489
	Corresponding period, 1956-57	106,461
Mill Consumption (Estimated)	1st Sept. to 30th Jan., 1957-58	550,497
	Corresponding period, 1956-57	543,397
Stock (with exporters, dealers and mills) in Bombay (Estimated)	On 30th Jan., 1958	515,184
	Corresponding date, 1957	510,083
Cotton Exports from Bombay (by sea)	During December, 1957	8,229
	During December, 1956	30,978
	1st Sept., 57 to 31st Dec., 1957‡	17,497
	1st Sept., 56 to 31st Dec., 1956	58,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 23rd Jan., 1957-58	714,989
	Corresponding period, 1956-57	838,862
Exports	1st Sept., to 23rd Jan., 1957-58	219,206
	Corresponding period, 1956-57	365,855

Particulars	From 1st September to 3rd Feb., 1957-58 Bales	From 1st September to 3rd Feb., 1956-57 Bales
From Bombay Cotton Shipments to—		
United Kingdom	1,530	13,227
Continent	2,749	12,954
Hongkong	2,185	9,528
China	—	3,277
Japan	28,356	63,483
U.S.A.	2,578	800
Other Countries	691	543
Total to all foreign countries	38,089	103,611
Coastal Ports	20,789‡	14,377
Total	58,878	117,988A.

Period	Quantity (Bales of 400 lbs.)
Consumption of Cotton—	
India—	
November, 1957	260,784
	51,081
Three months ended Nov., 1957	1,162,690
	148,736
Same Period 1956	1,117,406
	151,689
Stocks (Mills and Elsewhere)—	
Indian—	
As on 30th Nov., 1957	750,680
	190,170
As on 30th Nov., 1956	1,026,767
	189,065
Week ended 24th Jan., 1958	291
Corresponding week, 1957	56,209
1st Sept., to 24th Jan., 1957-58	904,174
Corresponding period, 1956-57	1,103,374

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 30th Nov., 1957. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc.
** Upto 31st Jan., 1957

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1960-70	100.60
3 % Loan	1938-39	116,17,46,000	1968-65	93 80
3 % Loan	1950	80,33,10,000	1964	94 20
3 % Fg. Loan	1943	1,10,11,78,000	1956-68	91 75
3 % Def. Loan	1945	1,15,05,83,000	1970-75	85 80
3 % 2nd V. Loan	1948	1,13,65,64,000	1959-61	99.10
3 % Loan	1951	50,35,63,000	1958	99 75
2½ % Loan	1946	45,87,000	1956	97 45
2½ % Loan	1946	57,00,69,000	1961	94.60
2½ % Loan	1946	14,77,48,000	1976	88 10
2½ % Loan	1947	75,86,72,000	1962	94 75
3 % N. P. Bonds	1953	75,29,00,000	1961	99 70
3½ % N. P. Loan	1954	1,58,17,90,000	1964	97.75
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97 60
3½ % Loan	1956	57,27,36,000	1962	97 85
3½ % N. P. Bonds	1956	33,81,83,000	1967	97 60
3½ % Loan	1956	66,61,95,000	1974	98 20
3½ % N.P. Bonds (4th series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1972	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,84,000	At option of Government after three months notice. On September, 1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½% Loan	1923	5,85,73,000	1958-68**	100.60
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97 20
3 % Andhra	1956	6,56,15,000	1st Sept. 1968	92 90
3 % Bombay	1944	3,01,13,000	15th Aug. 1958	99 25
3 % Bombay	1940	5,49,76,000	1st Aug. 1962	94 15
3 % Bombay	1950	2,83,70,000	31st July 1960	97 00
3½% Bombay	1951	2,90,05,000	17th Sept. 1962	98 10
4 % Bombay	1953	5,25,90,000	15th July 1963	99 25
4 % Bombay	1952	3,45,95,000	1st Aug. 1964	99 10
4 % Bombay	1955	9,87,51,000	15th July 1967	98 25
4 % Bombay	1956	8,07,06,000	3rd Sept. 1970	98.00
4½% Bombay	1957	6,00,00,000	16th Sept. 1969	99 90
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97 15
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97 15
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½% Cochin	1936	70,09,000	1st June 1956-61	97.75
3½% Gowrah Bridge (New)	1936-37	1,95,96,700	1956-66	94 12½
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97 25
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97 25
4 % Madras	1939	1,23,00,000	21st June 1958	98.50
3 % Madras	1944	1,97,95,000	15th Aug. 1958	99 25
3 % Madras	1945	2,75,44,000	14th Sept. 1960	96 80
2½% Madras	1946	3,81,77,000	1st Sept. 1961	95 50
3 % Madras	1950	4,38,25,400	31st July 1960	96.80
3½% Madras	1951	3,01,49,800	17th Sept. 1962	97.40
4 % Madras	1953	10,33,71,000	15th July 1963	98 30
4 % Madras	1952	5,34,49,000	1st Aug. 1964	98 10
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97 40
4 % Madras	1956	13,33,56,000	3rd Sept. 1968	97 50
4 % Mysore(J)	1953	2,96,56,800	1st Dec. 1956-68	100 75
4 % Mysore(J)	1955	5,99,73,000	30th Apr. 1956-61	98 90
4 % Mysore	1953	3,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.00
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	96.10
4½% Mysore	1957	3,00,00,000	16th Sept. 1969	99.00
3 % M.P.	1944	25,90,800	15th Aug. 1958	99.20
3 % M.P.	1945	2,83,50,900	15th Sept. 1964	96.00
3 % M.P.	1950	1,01,45,000	31st July 1960	96.50
3½% M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	98 25
4 % M.P.	1955	1,63,13,000	1st Sept. 1967	97 20
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	97.20
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98 25
4 % Saurashtra	1956	2,74,95,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1953	3,25,61,000	15th July 1963	97.50
4% Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.10
2½% U.P.Z.A.	1952	41,44,790007		47.75
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	99 85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	96.50
2½% U.P.	1946	2,16,28,000	1st Sept. 1961	93 45
3 % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98 20
4 % U.P.	1953	5,55,16,000	15th July 1963	98 25
4 % U.P.	1955	9,92,54,000	1st Sept. 1967	97.40
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.45
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.00
4 % Orissa	1956	3,05,92,000	3rd Sept. 1968	97.00
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.10
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
Rs.				
36,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96 00N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
80,00,000	4	1913	1974	96.00N
88,25,000	4	1914	1975	96.00N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
10,35,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
18,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,58,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1960	
10,08,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,326	4	1914	1974	97 75
76,90,180	4	1915	1975	97 75
50,00,000C	3½†	1921	1981	82 00
68,02,800C	6½	1921	1981	144.00N
149,36,000	5	1928	1958-88	101.00
80,00,000	4½	1931	1991	95 00
80,00,000	3½	1935	1965	97.50
25,00,000	3	1938	1968-88	90 00
50,00,000	3	1945	2006	74.00
50,00,000	3	1946	1976	85.00
50,00,000	3	1946	1976	84 75
50,00,000C	3	1947	2006	74 00
50,00,000	2½	1947	1977	79 50
50,00,000	3	1948	1978	83 75
50,00,000	3	1949	1959	98 25
50,00,000C	3	1949	1959	98 25
50,00,000C	3	1950	1980	82.00
100,00,000	3	1950	1980	97 00
75,00,000	3	1950	1960	97 00
50,00,000	3	1951	1981	81 75
50,00,000	3½	1951	1981	86.50
50,00,000	3	1952	1982	100 00
50,00,000	4	1953	1983	97 50
50,00,000	4	1955	1985	97 25
75,00,000C	4	1956	1986	97 25
78,90,000C	4	1956	1986	97 25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£602,600	3	1923	1953-83	£80.00
£2,000,000	3	1924	1954-84	£80.50
£285,106	5½	1942	1962	£91.00
MADRAS				
Rs.				Rs.
81,47,169	3½	1947	1977	
9,88,000C	3	1947	1977	A
8,00,000C	3	1949	1979	
45,09,000C	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.		**BOMBAY**		Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
40,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1911	1972	
18,00,000	4	1913	1973	
30,00,000	4	1914	1974	97.50
25,00,000	4	1916	1976	N
40,00,000	5	1919	1957-70	118.00N
66,00,000	6	1920	1955-80	
25,00,000	5	1926	1958-86	115.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1956	95.50N
£388,000		1910	1970	105.50N
CALCUTTA				
25,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1964	99 00
25,00,000	3½	1935	1965	94 00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1962	91 00
20,00,000	3	1938	1968-88	90 00
80,00,000	4	1951	1991	99 25
1,02,00,000	4	1956	1968	99.00
50,00,000	4½	1958	1968	99.50

MUNICIPAL LOANS

Rs.				Rs.
		BOMBAY		
20,00,000	4	1913-16	1974	97.00
10,00,000	5	1920	1940	113.00N
25,00,000	5	1920	1955	113.00N
26,21,500	5	1929	1959	102.00
8,25,00,000	3½	1947	1977	84 00
2,50,00,000	3½	1949	1979	84 00
4,00,00,000	3½	1950	1980	83.50
2,00,00,000	3½	1951	1981	86.00
1,00,00,000†	4	1952	1964	97 75
1,00,00,000†	4	1954	1966	97 75
2,50,00,000	4	1955	1967	97 25
1,50,00,000	4	1956	1968	97.25
Rs.		**CALCUTTA**		Rs.
26,00,000	5	1928	1958	102.00
25,00,000	5	1929	1958	102 00
10,00,000	5½	1932	1962	106.00
33,91,000	3½	1935	1965	94 00
60,00,000	3	1936	1966	90.00
47,50,000	3	1938	1968	90.00
15,56,800	4	1940	1957	99.75
17,64,400	3½	1942	1959	96 50
21,10,000	3½	1943	1960	96 00
15,49,000	3½	1951	1960	97 00
16,33,000	3½	1951	1961	97 50
66,88,000	3½	1951	1966	97 50
87,36,000	4	1952	1962	99 25
72,50,000	4½	1954	1979	100.00
Rs.		**MADRAS**		Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99 25
4 % W. Bengal	1953	3,00,25,000	15th July 1963	99 25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	98.05

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable. N—Nominal.
(J) Income-tax free. * Loans held entirely by the Trustees. ** Rupee Counterparts.
†Bombay Stock Transport. †† Rate of interest reduced from 6 to 3 per cent. with effect from 1st June 1944.
‡ Rate of Interest reduced from 6½ to 4 per cent. with effect from 1st April, 1955.)—Interest free to first 12 years. t—Interest free for first 7 years
2.—Ex four instalments but inclusive of accrued interest

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	82 00	100
Dawnpore Sugar Works T.F.C.	10,00,000	1905-24	6	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5 67	5
¶ East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec. ..	58 00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58 00	100
Puritabjore Co. T.C.	6,00,000	1922	10	Oct. ..	13.37	10
Ramnugger Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	97 00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65 00N	100
South Behar Sugar T.	5,00,000	1936	7	Oct. ..	20 00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90 00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	97.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90 00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	100 00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.50	10
Do. (3rd) T.C.	4,00,000	1895	6	Mar. Sept.	89.00	100‡
Equitable T.F.	9,82,500	1946	5½	.. ..	48 00	75p.
Karanpura Collieries T.C.	2,32,000	1921	5	Mar. Sept.	8 00N	10
††Khas Kajora C.	2,00,000	1920	7	Jan. July	10.00	10
New Beerbhoom T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
Oudal T.F.C.						
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	5	Apr. Oct.	93.00	100
Bangalore C.T.F.	6,00,000	1894	6	Jan. July	117.00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Bowreah 'A'	6,00,000	1900	8	Feb. Aug.	122.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	64.00	100
Bradbury T.F.	14,75,000	1919	7	June Dec.	58.50	50
Buckingham & Carnatic C.T.

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. **E.** = **Accounts** published half-yearly. P. = Company has Preference shares. T. = Company has Debentures. **N.** = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,99,990	5,97,500	1,01,25,506	44,03,349	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.98	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,83,007		—5,97,129	M.	24,000	1,021	B. B. Cotton Mills	24.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,99,000	3,13,85,951	5,98,22,946	3,51,00,992	2,41,366	Kowarjee Wadia & Sons, Ltd.	2,23,552	3,984	Bombay Dyeing & Mfg. Z	50.80	25	20.00	25.00*	25.00	0.75i	12	Y.
10,00,000	48,58,560	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd.	41,784	860	Bradbury Mills	155.00	50	75.00i	12.50	20.00	15.00	3	Y.P.
1,00,48,800	2,85,31,209	6,06,66,976	2,32,91,993	7,61,731	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	389.50	100	22.00	22.00	22.00	8.00i	12	Y.
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pllani (Chairman and Managing Director)	40,668	698	Colaba Land & Mill	56.00	100	*Nil*	*Nil*	*Nil*		12	Y.
26,00,000	18,03,880	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	40,848	..	Coorla Spg. & Wvg.	125.00	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,98,886	69,10,361	54,86,041	2,17,076	Ramnarain Sons Private Ltd.	40,992	680	Dawn Mills	79.00	50	6.00	15.00	..		12	Y.
24,00,000	40,06,485	1,18,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	48,718	928	Edward Textiles	221.25	200	15.00	18.00	15.00		12	Y.P.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	42,124	884	Elphinstone Spg. & Wvg.	262.50	100	16.00	20.00	20.00		12	Y.
50,00,000	67,54,876	1,41,78,009	82,93,297	79,257	James Finlay & Co., Ltd.	49,328	784	Finlay Mills	171.50	100	12.50	15.00	15.00		12	Y.
50,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd.	40,540	1,020	Gold Mohur Mills Ltd.	1,375.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
11,84,000 / 16,000	1,81,51,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills	5,275.00 / 992.50 / 9.44 / 1.28	1,000 / 250 / 0 10O. / 0 1D.	225.00 / 56.25 / *Nil*	300.00 / 75.00 / 0.94	325.00 / 81.25 / 0.19	350.00* / 87.50* / 0.92	3 / 12	Y.P. / Y.
2,50,00,000	56,39,672	4,90,61,819	3,54,00,000	1,29,989	Agarwal & Co.	2,44,300	6,278	India United Mills	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
3,65,000 / 35,000	1,12,51,255	1,80,59,952	1,06,65,993	75,722	M.	47,984	1,122	Indian Mfg.	— 148.75	— 100	112.50 12.25	150.00 12.00	150.00 10.00	162.50* 10.00(e)	12 6	Y. Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	266.00	100	18.00	18.00	18.00	6.00i	12	Y.
1,00,00,000	1,23,00,000	3,59,04,591	2,78,94,101	1,62,802	Kilachand Mills Ltd.	1,20,504	1,846	Kohinoor Mills	70.00N	50	5.00	8.00*	8.00*		10	Y.T.
22,18,050	43,06,720	1,22,06,423	64,68,440	55,109	N. Sirur & Co. Private Ltd.	40,848	644	Modern Mills	205.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
51,75,000	85,44,612	2,84,74,625	1,82,16,328	23,520	Piramal Sons Private Ltd.	71,652	1,852	Morarjee Goculdas Spg. & Wvg.	215.50	100	10.00	12.00	14.00*		12	Y.P.
1,60,74,400	1,19,16,319	9,46,21,101	2,65,00,000	5,52,034	Chinai & Co. Private Ltd.	..	432	National Rayon Corporation	125.00	100	10.00	10.00	10.00		12	Y.
24,00,000	29,50,456	78,06,743	48,70,077	53,192	W. H. Brady & Co., Ltd.	45,044	1,018	New City of Bombay Mfg.	220.00	100	7.50	10.00	10.00		12	Y.P.
30,00,000	22,01,492	95,52,534	63,37,035	245	W. H. Brady & Co., Ltd.	49,012	1,190	New Great Spg. & Wvg.	126.25	100	8.00	10.00	..	12.50F	12	Y.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,100	Phoenix Mills	145.00	100	10.00	12.00*	12.00*		3	Y.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	7.24	10	0.50	0.50	0.25(e)		12	Y.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.	20,212	512	Sassoon & Alliance Silk Mill	30.50	10	1.75	2.00	2.00		12	Y.
57,70,100	1,18,54,702	1,98,85,583	1,20,38,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	141.00	100	14.00	12.00	12.00		12	Y.P.
60,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Ltd.	69,070	1,640	Shree Niwas Cotton Mills	160.00	50	11.00	10.00	12.00		3	Y.
42,00,000	33,02,179	98,78,309	78,68,752	98,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,376	Simplex Mills	402.00	100	20.00	20.00	22.50*		12	Y.P.
57,80,000	2,50,82,705	2,77,88,979	1,62,06,915	2,93,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	168.00	100	8.00	12.00	14.00*		12	Y.P.
1,00,00,000	96,06,485	2,51,02,081	1,33,02,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	180.00	100	8.00	12.00	14.00*		12	Y.
80,00,000	66,18,465	1,87,20,469	92,02,715	1,01,176	James Finlay & Co., Ltd.	59,328	552	Swan Mills	324.50	100	20.00	25.00	25.00		12	Y.T.
65,57,875	56,74,500	2,01,67,222	80,81,256	17,095	Tata Industries Private Ltd.	55,448	1,800	Tata Mills	39.50	25	2.50	4.00	3.50*		12	Y.P.
12,00,000	1,21,85,655	1,45,81,207	95,75,997	93,985	M.	45,508	1,208	Western India Spg. & Mfg.	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
AHMEDABAD																
40,00,000	81,21,987	1,78,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	125.00	100	5.00	7.00	12.00	5.00	6	Y.P.
10,00,000	94,58,068	94,37,898	76,10,164	97,288	P. M. Hutheesing & Co., Ltd.	42,768	912	Aruna Mills	552.50	100	20.00	30.00	..		12	Y.P.
40,00,000	2,37,33,551	1,95,82,179	97,29,308	15,374	Narottam Lalbhai & Co.	66,412	1,216	Arvind Mills	1,005.00	100	25.00	35.00*	35.00*		12	Y.P.
30,00,000	81,75,000	96,84,384	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,864	892	Aryodaya Ginning & Mfg.	420.00	200	15.00	25.00*	..		12	Y.P.
30,00,000	1,43,05,808	95,70,783	63,81,789	17,257	Lalbhai Dalpatbhai & Co.	37,368	914	Asoka Mills	935.00	100	22.00	30.00	30.00		12	Y.P.
13,00,000	3,49,54,519	5,14,69,792	2,56,08,236	1,39,120	Karamchand Premchand Pvt. Ltd.	45,836	2,372	Calico	595.00	125	18.00	..	30.00	30.00	3	Y.P.
1,37,50,000	2,98,05,059	1,26,33,243	95,76,068	3,458	Tricumlal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	433.00	1,000	70.00	80.00	100.00*		12	Y.
93,01,000	82,33,059	1,32,09,232	96,26,962	19,221	Mafatlal Chandula & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	693.00	125	35.00	35.00	..		12	Y.
99,00,000	77,52,436	1,32,09,232	84,07,251	21,808	Jagabhai Bhoglal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	360.00	100	30.00*	20.00	20.00		12	Y.P.
15,00,000	67,78,770	87,78,441	52,49,912	....	M.	45,508	1,208	Rajpur Mfg.	815.00	100	25.00	35.00*	35.00*		12	Y.P.
20,00,000	1,10,63,006	99,61,103	62,28,955	17,84,749	Lallubhai Gordhandas Ltd.	33,156	648	Rohit Mills	148.75	100	9.00	*Nil*	..		12	Y.P.
26,50,000	14,75,307	1,07,01,109	71,42,808	2,63,886	Harivallabhdas Kalidas & Co.	94,128	1,788	Shri Ambica Mills	590.40	50	20.00	27.00*	30.00*		12	Y.P.
57,96,350	2,72,54,105	1,92,47,858	1,05,24,569	16,592	Mafatlal Chandulal & Co. (Ahmedabad)	36,648	720	Shorrock Spg. & Mfg.	463.75	100	25.00*	25.00	..		12	Y.
19,35,800	62,31,263	78,06,018	66,84,701	....	Haridas Achratlal & Co., Ltd.	36,176	780	Vijaya Mills	600.00	500	35.00*	35.00*	50.50*		12	Y.P.
35,00,000	37,34,108	1,19,54,140	88,17,270	59,446												
WEST BENGAL																
15,00,000	2,82,800	25,56,098	2,89,703	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	5.37	10	0.50	0.50	0.60		12	Y.P.
7,11,280 / 3,00,620‡	10,06,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,292	925	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
24,00,000	1,80,000	1,06,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	112.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
10,00,000	26,17,451	1,15,15,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd.	42,944	518	Dunbar Mills	125.00	100	*Nil*	2.50	6.00		12	Y.
30,08,000	..	69,08,197	15,08,197	2,832	Birla Brothers Private Ltd.	4,852	206	Jay Shree Textiles Ltd.	6.31	10	*Nil*	*Nil*	0.37		12	Y.I.
1,60,00,000	2,29,43,820	3,76,19,833	1,31,26,883	1,88,672	Birla Brothers Private Ltd.	74,672	1,992	Keoraun Cotton Mills	10.19	10	0.37	0.50	1.00		3	Y.I.
19,47,7000 / 5,00,000D	7,45,000	4 84,871	26 70,548	3,036	Hazareemul Heerala	23,036	795	Rampooria Cotton Mills	15.06N / 4.60N	10 / 1D	0.62 / *Nil*	1.00 / 0.34	1.00 / 0.26		6	Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,500	5,57,619	39,87,104	19,12,220	16,013	Seina & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,681	1,55,99,928	62,71,682	95,435	C. S. Tyabjee, Esq.	36,136	716	Asarn Delhi Mills	58.50	100	*Nil*	3.50(e)	5.00		9	Y.
1,21,50,000	2,50,15,667	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,068	1,157	Bangalore Woollen, Cotton and Silk Mills	158.00	100	30.00	30.00	30.00	4.00i	12	Y.P.
25,00,000	99,61,544	1,33,11,187	1,08,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	21.00N	10	3.00	3.00	1.50	1.50	3	Y.
1,78,47,800	2,77,73,212	6,69,41,316	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	158.00	100	10.00	10.00	10.00	4.00i	12	Y.P.
20,00,000	20,00,000	42,35,535	23,90,012	57,586	Cambodia Mills	37,586	4	Cambodia Mills	10.10	10	*Nil*	0.50	0.50		12	Y.
15,00,000	5,11,500	58,32,411	37,36,937	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg.	158.00	100	20.00	12.00	15.00	20.00	3	Y.
80,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.37	5	0.50	*Nil*	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,86,420	99,659	C. R. Srinivasan, Esq. (Chairman)	31,500	..	Cauvery Spg. & Wvg. Mills Ltd.	11.87	10	*Nil*	0.62	0.75	0.90	3	Y.
36,00,000	19,01,056	1,16,15,740	80,55,709	10,889	K. Bheema Naidu & Co.	28,864	..	Coimbatore Cotton Mills	172.00	100	25.00	25.00	25.00		12	Y.
18,15,000	7,25,195	39,16,552	24,29,633	....	T. A. R. Chettiar Sons & Co.	22,810	..	Coimbatore Murugan Mills	141.00	100	17.50	20.00	12.00		12	Y.I.
20,00,000	19,95,000	36,59,430	24,25,921	14,323	T. R. N. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills	237.00	100	20.00	20.00	..		6	Y.I.
20,76,900	2,05,076	1,24,06,676	88,06,979	13,215	R. S. Naidu & Co.	67,775	407	Coimbatore Spg. & Wvg.	67.75	50	6.00	8.00	10.00		12	Y.I.
46,87,500	46,12,622	2,50,50,871	1,65,61,884	1,27,228	Tata Industries Private Ltd.	67,228	1,620	Central India	88.00	100	2.00	3.00	*Nil*		6	Y.
24,43,811	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son	25,216	..	Davangere Cotton Mills	115.00	100	12.00	9.00	9.00	9.00	3	Y.
3,38,36,225 / 1,00,563‡	3,10,24,880	11,79,09,463	6,78,07,185	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	29.50	{2½ / 2½	2.25 / 2.25	2.25 / 2.25	2.50 / 2.50	2.00 / 0.20	6	Y.
48,99,000	22,25,000	66,71,865	46,12,585	....	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	205.00	100	30.00	30.00	25.00		12	Y.
68,00,000	98,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,196	Elgin Mills	13.00	10	1.00	1.00	1.25		9	Y.I.
48,81,000	37,59,771	1,06,45,241	73,45,083	9,155	Forbes, Forbes Campbell & Co., Ltd.	37,904	5	Gokak Mills	12.00	10	1.00	15.00	15.00		12	Y.I.
2,50,00,000	2,25,000	4,52,35,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.	..	..	Gwalior Rayon	12.00	10	*Nil*	*Nil*	*Nil*		3	Y.
80,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United	117.50	100	6.00	9.00	11.00	*Nil*	12	Y.
8,90,000	10,65,588	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd.	23,734	..	Janardhana Mills	79.50	50	5.00	10.00	10.00		12	Y.
15,54,000	18,24,703	45,22,234	33,58,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00		6	Y.
4,68,65,800	3,24,05,804	4,34,59,294	3,18,54,080	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	9.60	10	4.00§	4.00§	0.55	0.35	6	Y.I.
42,00,000	19,25,000	1,06,81,667	88,28,076	91,772	Kothari & Sons	41,040	200	Kothari Textiles	10.60	10	0.50	1.00	1.00	1.00	12	Y.I.
32,00,000	67,91,510	1,69,61,583	1,26,19,465	20,376	M.	50,452	1,219	Lakshmi Cotton Mfg.	423.75	250	33.75	42.50	42.50	7.50i	12	Y.
71,25,000	..	66,25,960	12,23,797	1,17,05,975	G. K. Naidu & Co.	93,160	201	Lakshmi Mills	113.50 / 56.00	50 / 25	10.00 / 5.00	12.50 / 6.25	12.50 / 6.25	10.00 / 5.00	3	Y.
35,64,100	4,24,40,278	5,85,51,924	3,77,47,982	33,44,130	A. & F. Harvey Ltd.	4,53,000	..	Madura Mills	99.00	200	*Nil*	6.00	6.00		12	Y.
1,75,02,480	12,00,000	3,67,363	29,05,352	213	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	380.00	100	22.50*	35.00	42.50	20.00	3	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,856	608	Mettur Industries Ltd.	364.00	100	27.50	30.00	42.50		12	Y.
29,80,884	19,58,081	92,42,488	53,37,785	19,662	N. Sirur & Co. Private Ltd.	32,396	704	Meyya Mills	71.80	100	5.00(e)	6.00	6.00		12	Y.
94,91,350	21,56,146	1,71,94,769	79,51,528	1,85,098	M.	52,408	952	Model Mills (Nagpur)	180.00	250	5.00(e)	7.50(e)	7.50		12	Y.
24,35,500	48,52,478	1,19,46,711	71,02,478	35,937	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	99.50	50	8.00*	6.00(e)	9.00*	9.00*	3	Y.
18,61,780	..	29,12,541	17,88,314	3,966	K. Tipperudriah (Chairman)	6,000	..	Mysore Spun Silk Mills	6.25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
37,20,400	47,50,246	1,71,25,376	67,91,363	2,593	M.	37,788	902	Ramanbhai Mills	51.50	100	*Nil*	2.50(e)	3.00(e)		9	Y.
4,00,000A / 6,00,000B	13,00,000	65,46,779	25,36,447	8,580	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	135.00 / 197.50	50A / 75B	12.00 / 18.00	12.00 / 18.00	15.00 / 22.50		12	Y.
15,00,000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980	..	Pankaja Mills Ltd.	45.50	100	*Nil*	4.00(e)	*Nil*		12	Y.
10,00,000A / 10,00,000B	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	55,664	800	Radhakrishna Mills	244.00 / 120.00	100A / 50B	15.00 / 7.50	20.00 / 10.00	20.00 / 10.00		12	Y.
8,40,600D	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	33,336	..	Rajalakshmi Mills	79.50	50	10.00	10.00	7.50		12	Y.
15,00,000	12,00,000	32,92,216	17,41,434	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	135.00	100	6.00	10.00	10.00		3	Y.
16,14,800	12,00,000	....	21,20,815	32,012	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills	112.25	100	9.00	10.00	10.00		12	Y.
22,31,750	12,40,000	49,64,426	....	....	....	....	....	....	....	....	....	....	....	....	....	....
15,00,000 / 10,000	1,60,55,917	3,13,49,031	2,05,07,227	—1,65,20,798	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg.	83.00 / — —	50 / 500	4.50 / *Nil*	5.00 / *Nil*	7.00 / *Nil*		3	Y.
36,60,700	20,26,386	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	30,744	292	Sri Krishnarajendra Mills	85.00	50	4.50	5.00	7.00	7.00	3	Y.
15,00,000	3,43,26,155	99,62,153	79,58,780	30,60,553	Birla Brothers Private Ltd.	56,212	1,244	Sultaji Cotton Mills	90.00N	10	6.00	6.00	6.00		3	Y.
17,50,0000	2,36,28,081	5,13,52,120	1,81,88,924	8,35,712	Jaipuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur)	10.80 / 10.25	100. / 10P.O.	0.75 / 1.15	0.75 / 1.15	0.75 / 1.15		12	Y.
1,57,50,000PO	50,06,584	3,85,56,288	1,62,42,715	2,68,690	Emcete & Sons (Travancore), Ltd.	..	..	Travancore Rayons	12.10	10	0.62	0.75	1.00		12	Y.I.
1,00,25,205	9,50,000	17,49,881	12,41,858	62,837	Mooljl Ramjee & Sons	15,000	..	Trichinopoly Mills	12.45	10	0.89	0.89	1.12		12	Y.
13,98,870	38,50,000	80,72,634	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	271.00	100	15.00	20.00	20.00		12	Y.
21,00,000	31,89,000	1,74,27,020	1,17,94,880	16,922	M.	47,240	1,355	Vishnu Cotton	95.00	100	4.00	8.00	8.00		12	Y.

* Includes bonus. M = Managed by Board of Directors. X.R. = Ex-Right. (e) Paid out of Reserves. F = For fifteen months ended 31st March, 19

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1958. Z = Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 19

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.85	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,650	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	8.12	5	0.50	0.56	0.56		3	Y.
£549,950	£1,149,486	£1,757,928	£841,807	£59,449	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	29.75	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,328	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	177.00	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940 / 43,14,600O. / 14,70,976D. / 12,71,80,070 / 3,07,44,575‡	13,33,764 / 13,13,132 / 9,62,91,082	1,00,14,799 / 1,44,65,792 / 30,31,74,705	47,17,446 / 53,48,079 / 11,29,17,763	5,752 / 4,59,345 / 2,58,821	Andhra Engineering Co. (Private) Ltd. / Eastern Corporation Ltd. / Cement Agencies (Private) Ltd.	Andhra Cement Co. / Assam Bengal Cement / Associated Cement Companies	12.25 / 4.37 / 0.84 / 153.00	B. 10 / O. 10 / D. 1	1.00 / *Nil*	1.00* / *Nil*	1.00	10.00	12 / 3 / 7	Y.P. / Y.P.T. / Y.T.
1,66,00,000O. / 6,00,000D.	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.25 / 2.87	O. 10 / D. 1	1.00 / 0.10	1.25 / 0.12	1.25 / 0.12	9.00	12	Y.P.
1,02,09,450O. / 7,50,000D.	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	28.00 / 5.25	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06 / 0.41	2.06 / 0.41	3	Y.P.
1,00,00,000	31,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12.64	10	0.75	1.25	1.25		12	Y.P.
1,09,67,600	48,70,330	3,18,39,387	1,02,54,174	3,37,111	Shree Laxmi Agents Private Ltd.	Shree Digvijay Cement	8.50	100	8.50	9.00	9.00		12	Y.P.
75,00,000	17,70,000	2,09,88,577	1,50,04,018	4,287	M.	Sone Valley Portland Cement	5.19	5	0.37	0.25	0.30	0.15	7	Y.
50,00,000	..	1,04,40,357	43,91,959	7,

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,38,402	1,86,73,814	4,805	M.	Bengal Paper Mills	58 00	25	3 12	4 69	2 50		12	Y.P.T.
45,00,000	53,01,256	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	19 37	10	1 00	1 39 2/5	1 39 2/5	1 40	3	Y.
25,00,000	25,12,500	1,48,27,689	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15 50	10	0 75*	0 75*	1 00*	1 00*	3	Y.
1,46,82,500	2,46,75,045	6,04,16,697	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	24 05	10	0 94	1 12	0 62	1 50	3	Y.P.T.
1,28,49,070	67,75,503	1,56,40,802	1,00,79,701	8,18,088	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14 06	10	1 50	1 25	1 25		6,12	H.P.T.
40,00,000 } 6,50,000	95,88,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	{ 11 00	O. 10	0 75	1 25	1 05		} 3,9	H.P.T.
29,00,000A. 3,18,55,140	49,18,060	3,75,66,264	57,92,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	{ 11 00	A. 10	0 75	1 25	1 05			Y.P.
							8 80	10	Nil	5 00‡	0 50		6	
56,00,000A. 56,04,800B. 4,87,500P.O. } 3,70,50,474	6,78,46,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	{ 33 75	A. 10	1 50	2 00*	1 12*	2 37*	} 3	Y.P.
						3 90	P.O. 2½	0 25	0 25	0 12	0 25		
PRESSING														
8,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co., Ltd. ..	Calcutta Hydraulic	62 00xd	100	4 00	*Nil*	*Nil*	3 00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co., Ltd. ..	Central Hydraulic	90 00	100	5 00	5 00	6 00	10 00*	6	Y.
PROPERTY AND LAND														
10,80,7800. 2,00,000D.	7,30,843	48,74,650	23,83,280	90,047	M.	Humayun Properties	{ 10 75N	O. 10	0 60	0 60	0 60		} 9	Y.P.
94,00,000	25,12,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	2 15N	D. 1	*Nil*	*Nil*	0 05			Y.P.
							22 50	100	4 00	3 00	*Nil*	*Nil*	4	
SAW MILLS AND TIMBER														
15,99,998	22,82,489	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1 87	3	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000 } 42,00,000 }	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	{ 541 00	Old125	20 00	37 50	40 00	40 00	} 5	Y.
							291 25	New50	8 00	15 00	18 75	16 00		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,543	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	42 00xd	10	2 75	3 00	3 00	1 00‡	6	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	5 25	5	0 75	0 06	*Nil*		6	Y
12,00,000A. 3,00,000B.	29,80,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd.	Basti Sugar	{ 120 00N	A. 100	10 00	10 00	10 00		} 4	Y.T.
							11 50N	B. 10	1 00	1 00	1 00			Y.
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	9 87	7½	0 75	0 75	1 00		9	Y.P.
15,00,000	13,51,518	18,12,168	13,47,841	2,330	Cotton Agents Private Ltd. ..	Bharat Sugar	13 50N	10	1 50	1 50	1 50		6	Y.P.T.
22,00,000	27,44,459	1,40,84,561	95,71,765	20,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6 44	10	0 75	0 25	*Nil*		6	Y.P.
80,00,000	65,63,722	1,63,27,393	85,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12 00	10	0 75	0 75	0 75		10	Y.
15,00,000	39,72,850	81,58,088	55,46,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19 00	10	1 00	1 50	1 00		6	Y.T.
9,58,252	2,59,762	25,14,152	16,98,888	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10 00N	10	0 75	0 50	0 50		8	
80,00,000A. 10,00,00000.	44,95,000	1,02,71,005	67,56,074	88,123	Bachhraj & Co. Private Ltd. ..	Hindustan Sugar Mills ..	{ 275 00	A. 100	15 00*	15 00*	15 00		} 6	Y.P.
							100 00	O. 100	15 00*	15 00*	15 00			
18,00,000	12,51,626	70,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	60 00	40	*Nil*	2 25	4 00		7	Y.P.
7,89,100	22,35,852	44,42,878	22,81,723	3,730	Cotton Agents Private Ltd. ..	New India Sugar Mills ..	26 00	10	2 50	2 50	3 50		6	Y.P.
11,00,000	4,45,000	46,39,836	27,41,293	10,796	K. C. Thapar & Bros Private Ltd. ..	New Savan	4 50	10	0 25	0 25	0 37		5	Y.
13,21,100 } 38,275	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	{ 200 00N	100	20 00	20 00	20 00	20 00	} 5	Y.
							50 00N	25	5 00	5 00	5 00	5 00		
77,48,500	64,48,618	2,15,09,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	136 25	100	11 00	11 00	11 00	12 50	7	Y.P.
12,00,000	12,69,374	31,96,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75 00N	100	10 00	6 00			10	Y.
9,00,000	19,64,817	43,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10 25	10	0 75	0 75	0 75		10	Y.P.
8,00,000	6,10,798	23,74,028	22,66,700	13,204	M.	Ryam Sugar	21 25N	10	0 50	*Nil*	*Nil*		6	Y.P.
11,99,000	19,38,520	45,20,102	24,12,120	3,554	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	11 75	10	0 50	*Nil*	1 75		6	Y.
39,70,525	22,68,560	1,40,84,561	68,35,007	16,881	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9 60	10	1 50	1 75	1 00		8	Y.P.T.
9,99,950	26,825	28,30,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and B. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	4 75	10	*Nil*	*Nil*	*Nil*		6	Y.
15,89,962	13,10,901	32,44,287	18,97,008	88,761	M.	Shri Sitaram Sugar	11 62	10	1 50*	1 00	1 00		8	Y.T.
9,15,0000. 4,00,00D.	46,462	29,06,860	11,46,770	—16,37,007	M.	South Behar Sugar	1 12N	O. 10	*Nil*	*Nil*			} 10	Y.P.T.
							{ 1 31N	D. 2½	*Nil*	*Nil*				
8,00,000	29,24,848	1,15,70,815	68,03,754	32,829	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35 00N	10	2 50	2 50	3 00		6	Y.P
16,00,000	7,66,589	33,17,959	27,09,205	32,042	M.	United Provinces Sugar ..	13 12	10	1 25	1 50	0 60		9	Y.
Other Centres														
30,00,000	8,00,000	45,07,304	14,68,228	1,90,837	Rangaroo & Co.	Andhra Sugars Ltd.	17 75	10	*Nil*	0 60	1 00		9	Y.
70,49,550	1,18,43,608	1,50,47,792	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd. ..	Belsipur Company	236 50	50	16 00	16 00	16 00	18 00	9	Y.
17,50,000	8,86,885	35,66,592	22,70,009	33,609	A. H. Bhiwandiwalla & Co. ..	Bhopal Sugar Industries Ltd.	21 00	10	1 00	1 00	1 50		9	Y.P
15,00,000	37,95,155	82,39,314	2,24,398	33,544	A. H. Bhiwandiwalla & Co. ..	Shree Chandee Sugar	28 50	12-8	*Nil*	*Nil*	6 00		6	Y.P
15,93,900	12,63,973	40,71,311	28,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70 00N	100	*Nil*	*Nil*	6 00		6	Y.P
55,04,920	14,89,827	33,70,027	19,25,045	6,76,086	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	13 00	10	1 75	1 40	1 12		9	Y.P
20,62,558	12,13,755	46,84,178	11,11,505	82,560	R. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13 00	10	1 00	1 00	0 60		9	Y.P
23,57,620	45,51,080	42,51,227	21,05,827	18,645	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	12 19	10	1 00	1 50			10	Y.
10,62,2000. 2,67,100D.	79,50,000	1,79,03,447	85,20,265	26,868	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	{ 120 00	O.100	7 50	7 50	7 50		} 6	Y.P
							130 00	D. 10	10 00	10 00	10 00			
31,79,280	86,24,818	1,29,89,142	82,31,728	2,63,107	S. Muninanjappa, Esq. (Mg. Director)	Mysore Sugar	38 22	10	2 00	2 00	3 00		8	Y.
50,00,000	53,00,540	1,09,70,631	63,85,454	92,981	Mafatlal, Apte and Kantilal Ltd.	Phaltan Sugar	149 00	50	8 00	8 00	9 00		9	Y.P.
16,59,820	41,20,000	58,54,084	31,76,680	1,25,780	Anderson Wright Ltd.	Ramnugger, Cane and Sugar ..	18 94	10	1 50	2 00	2 00		8	Y.P.
30,00,0000. 4,00,00D.	35,02,895	95,51,817	56,00,576	67,511	Walchand & Co. Private Ltd.	Ravalgaon Sugar Farm	{ 127 50	O. 50	2 50	9 00	12 00		} 9	Y.P.
							7 00N	D. 10	*Nil*	0 07	0 70			
19,99,800	47,65,324	46,85,213	22,94,524	44,166	Govan Bros. (Rampur), Private Ltd.	Raza Sugar	17 25	10	0 75	1 50			10	Y.
50,00,000	23,40,000	1,19,82,939	74,74,579	77,358	Parry Co., Ltd.	Travancore Sugars	19 00	10	*Nil*	0 75	1 00	1 00	7	Y.T
1,01,1,0,000	1,03,46,263	2,23,80,553	99,17,710	1,75,780	Walchand & Co. Private Ltd.	Walchandnagar Industries ..	275 75	100	16 00	18 00	21 00		9	Y.P.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd. ..	Bengal-Assam Steamship Co. ..	104 00	100	7 50	7 50	7 50		10	Y.T
1,00,00,000	82,00,000	4,21,63,842	1,45,20,689	1,28,612	Dinshaw (Private) Ltd. ..	Bharat Line	80 00N	100	5 00	5 00	6 00		12	Y.
90,00,000	1,42,35,068	4,99,84,346	86,21,845	1,83,689	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19 92	10	1 00	*Nil*	1 00	1 50	6	Y.T
4555,550	4997,780	45,65,834	42,428,088	—$106,393	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co.	59 50	£10	Sh. 10	*Nil*	1 00		12	Y.T
2,25,00,000	1,74,74,322	12,75,96,844	2,53,26,770	2,70,984	Lionel Edwards (Private) Ltd. ..	Indian Steamship Co.	10	*Nil*	*Nil*	1 00	1 00		8	Y.T
9,40,10,673	10,88,51,842	27,05,48,271	5,79,99,812	5,94,102	M.	Scindia Steam Navigation Co. ..	17 32	20	2 00	0 50	1 00	1 25	6	Y.T
5,40,9000. 2,10,200P.O.	18,26,615	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager)	Walford Transport Ltd.	{ 1 78	O. 1	0 12	0 14	0 14		} 12	Y.
							1 50	P.O. 1	0 11	0 12	0 12			
UNCLASSIFIED (Bombay)														
3,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500 00N	200	32 00	32 00	30 00	26 00	9	Y.
15,98,950	2,04,178	2,25,474	90,000	1,99,851	M.	Bombay-Uganda	47 00	80	4 50	*Nil*			12	Y.
25,00,000	1,00,000	26,18,548‡‡		58,580†	M.	Devkaran Nanji Investment Co.	11 52	25	0 75	0 75	0 81	0 81	3	Y.
5,37,00,000	1,03,98,754	4,55,59,017	1,08,65,568	94,16,788	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	19 72	10				1 25	12	Y.
31,07,000	16,29,510	1,09,45,988	67,14,407	14,986	Birla Brothers Private Ltd.	Hind Cycles	131 00	100	10 00	10 00	12 50‡		3	Y.T
14,98,840	3,01,500	23,61,284	19,40,708	22,010	Choonilal Manilal Private Ltd.	Intrasia Batteries	36 50	50	3 00	3 00	3 00		3	Y.T
99,99,250	20,12,980	1,32,60,065‡‡		3,23,875	Premchand Roychand & Sons ..	Industrial Investment Trust ..	71 00	100	4 50	4 50	5 00		12	Y.
1,00,00,000	25,08,446	28,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Kirloskar Industries	155 80	100	11 00	11 00	11 00	11 00	6	Y.
2,20,25,2254.0.	63,14,265	3,42,78,804	1,69,93,078	6,61,752	Aero-Assay Private Ltd. ..	Premier Automobiles	86 00	100	*Nil*	*Nil*	6 00	6 00	6	Y.T
10,31,200	5,05,419	8,09,102	5,79,614	7,856	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19 00	20	2 00	2 00	2 00		12	Y.
3,75,00,000	1,35,45,529	3,14,34,161	1,59,08,376	3,02,228	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	170 00	100	11 00*	11 00*	11 00*	11 00*	12	Y.
45,00,000	62,52,800	7,44,904	5,00,715	60,677	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	280 00	150	20 00	20 00	22 50		12	Y.
Other Centres														
87,50,000 } 2,50,000	1,99,56,718	2,81,21,462	86,96,321	2,83,789	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 9 87	O. 10	*Nil*	*Nil*	1 50	0 09	} 3	Y.P.
40,00,000	22,26,000	68,17,870	26,12,985	66,589	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	14 00	10	1 25	1 25*	1 25	1 25	3	Y.
30,00,000	13,15,975	84,31,353	34,15,353	9,35,574	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	16 00	10	1 25	2 00*	2 00*		8	Y.
20,00,000	18,70,000	29,82,781	21,20,441	1,72,872	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15 31	10	1 25*	1 25*	1 25*		12	Y.
30,00,000	32,47,888	1,02,58,021	36,87,880	2,45,122	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	4 50	10	0 20	0 40	1 20		12	Y.
80,01,400	98,61,208	69,55,106	37,02,106	5,08,373	M.	Baijnath Laurie & Co., Ltd. ..	146 00	100	18 00	12 50	15 00		12	Y.
13,00,000	13,56,000	33,35,886	20,71,886	90,879	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	27 25	10	2 50	2 25	2 50		12	Y.
20,00,000	8,05,715	62,28,492‡‡		27,612	Lovelock & Lewis	Birds Investment Ltd.	12 69	10	1 25	1 25	1 00		12	Y.
45,97,026	84,61,814	1,14,81,005	37,07,455	1,84,688	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	12 50	10	1 00	1 00	1 00	1 00	3	Y.T
3,35,00,000	1,55,55,571	5,06,98,577	2,58,80,151	1,22,551	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	82 50	5	0 06	*Nil*	0 10		12	Y.T
1,88,80,000	17,84,264	2,05,95,940‡‡		8,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8 87	10	0 20	0 56	1 88	0 75	3	Y.
1,60,00,000	3,40,86,174	3,85,01,695	2,48,71,107	19,24,595	John Lockham, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	21 81	10	1 50	1 50	1 88		9	Y.P.
51,26,000	54,10,811	1,72,17,887‡‡		3,27,010	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	102 00	100	9 00	9 00	9 00		12	Y.T
14,00,000	9,85,000	34,02,184	19,59,289	39,584	MacNeill & Barry Ltd..	Ganges Rope Co. Ltd.	15 00	100	15 00	15 00	4 00	12 50	3	Y.
65,00,000	53,17,800	19,78,012	9,18,968	89,541	J. F. B. d'A. Willis, Esq. ..	Gillanders Arbuthnot & Co., Ltd.	12 81	10	0 75	1 40	1 50		3	Y.
30,00,000	15,17,854	88,08,521	36,24,658	74,210	B. P. E. Syndicate	Great Eastern Hotel	240 00	250	6 25	6 25	15 00	15 00	3	Y.
4,08,95,700	10,00,000	4,87,26,577	1,36,84,545	2,02,202	Birla Brothers Private Ltd. ..	Hindustan Motors Ltd.	6 08	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.T
5,01,10,000	55,55,548	4,50,48,368	1,96,34,142	7,97,410	E. S. Greenwood (Mg. Director)	Indian Aluminium Co., Ltd. ..	21 31	10	*Nil*	0 06	1 00		12	Y.T
1,82,89,220	1,46,00,000	2,26,86,031	86,85,092	41,81,852	B. J. Woodley, Esq. (Mg. Director).	Indian Cables	28 25	10	1 00*	1 25*	1 50*		12	Y.T
8,27,976	6,08,000	16,74,906	9,50,806	62,722	G. S. Monlton & Co. (India) Ltd.	Indian Rubber Manufacturers	19 00 N	10	0 50	0 50	0 62	1 50*	3	Y.T
15,16,00,000	24,02,01,694	9,85,79,238	1,53,18,599	25,04,189	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	11 78	10	0 60	0 80	0 80		12	Y.T
2,00,00,000	76,27,618	89,02,897	13,08,982	4,71,170	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	54 25	100	7 50	7 50	7 50	2 50	3	Y.T
40,00,0000. 5,00,000D.	50,86,900	36,18,922	8,72,670	2,57,284	A. T. Doig, Esq. (Mg. Director)	McLeod & Co.	{ 202 00	O.100	17 00	22 50			} 12	Y.T
								D.O.10	1 20	1 75				
1,43,95,500	81,82,796	24,06,298	13,34,790	2,70,207	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	24 67	10	1 88	1 81*	2 12*		9	Y.T
1,15,00,000	1,17,00,151	2,62,36,089	89,00,793	16,33,559	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	25 06	10	1 00	1 25	1 62	1 75	3	Y.T
6,25,585	1,821	7,58,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3 75N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.T
6,56,250	6,92,500	11,29,680	5,97,352	8,840	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15 25	10	1 00	0 75	0 90	1 25	3	Y.T
10,00,000	3,70,000	15,47,599	10,18,139	43,854	M. Mallesbaiya, Esq. (Chairman)	Mysore Tobacco	12 50	10	1 25	1 00	1 50	1 50	3	Y.T
2,00,00,000	78,15,505	1,50,98,462	50,60,695	31,10,752	J. B. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24 50	10	0 40	0 32	1 50	0 75‡	12	Y.
40,00,000	74,71,172	63,80,014	41,82,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	24 00	10	1 00	1 50*	2 00*		3	Y.T
40,00,000	15,00,000	93,19,995	21,17,403	78,726	Do.	National Rolling & Steel Repair	9 75	10	0 50	0 50	0 50		6	Y.T
79,97,000	88,12,466	1,30,51,899	61,75,108	9,02,640	B. N. Elias & Co. Private Ltd.	National Tobacco Co.	9 06	10	0 50	0 80	0 70		12	Y.T
2,25,00,000	8,71,245	1,45,26,415	44,23,374	—44,12,938	M. P. A. Pasputi, Esq.	Rallis (India) Ltd.	29 00	100	*Nil*	*Nil*	6 00		12	Y.T
2,25,00,000	1,37,70,309	10,60,30,211	3,96,22,766	40,402	Sahu Jain Ltd.	Rohtas Industries	16 00	10	1 50	1 50	1 50		10	Y.P.
4,75,200 } 5,13,400 }	51,886	81,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	{ 100 00N	100	..	..	5 00	6 00	} 3	Y.T
							50 00N	50	..	..	2 50	3 00		
40,00,000	37,96,585	1,21,57,864	72,09,327	6,32,212	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17 75cd	10	1 50	1 50	1 50		6	Y.T
75,00,0000.	17,19,068	1,41,57,035	7,05,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd. ..	10 37	10	1 25	1 00	1 00		12	Y.T
9,98,380	....	14,51,900	4,58,782	—47,988	Ogale Bros. (Private) Ltd. ..	Travancore Ogale Glass	2 70	10	*Nil*	*Nil*	*Nil*	*Nil*	12	

M. Managed by Board of Directors. ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.
Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Re. of 100 each which subsequently were divided into shares of Rs 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,683	....	McLeod & Co., Ltd.	335	Amluckie	25 00	10	72 00	19 00	8 00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	32,129	M.	312	Ananda (Assam) Tea ..	21 00	10	7 50	1 00	2 00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21 00	10	8 00*	1 00	1 25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	578	Baghmari	17 75xd	10	3 50	1 00	2 50		12	Y.
5,10,000	9,85,000	12,96,911	5,32,732	53,593	Andrew Yule & Co., Ltd. ..	378	Baanatola	24 00	10	8 00	1 50	2 00		12	Y.
3,30,600	5,10,000	12,75,995	8,38,224	1,30,178	National Tea Corporation ..	570	Bateli	18 50xd	5	4 00	2 50	3 00		12	Y.
6,40,000	7,40,000	11,16,644	3,31,328	69,105	Gillanders Arbuthnot & Co., Ltd.	612	Batjan	24 00	10	10 00*	2 00	2 50		12	Y.
33,00,000	15,84,333	63,38,222	28,40,322	3,16,326	Williamson Magor & Co., Ltd.	3,967	Bishnauth	18 94	10	5 50	2 00	2 00		12	Y.
6,00,000	2,50,000	11,47,111	2,50,537	38,931	Octavius Steel & Co., Ltd...	495	Bokakhat	12 75	10	1 00	*Nil*			12	Y.
7,50,000	7,27,550	10,55,753	3,34,701	35,628	McLeod & Co., Ltd.	450	Bormah Jan Tea ..	14 00xd

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
8,00,000	2,10,000	3,92,505	84,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	2·87	2	0·25	0·30	0·21	0·45	5	Y.P.
28,91,400	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4·06	3	0·75	0·45	0·75	0·52	2	Y.P.
18,00,000	51,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries	27·80	10	2·50	1·80	2·50	4·00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,69,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	22·70	10	1·75	2·25	2·00	4·00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Cottanad Plantations	12·05	10	1·50	1·75*	1·50	1·75	8	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd.	Highland Produce	11·88	10	2·50	2·00	2·00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd.	Kalpetta Estates	18·25xd	10	2·00	2·75	2·00	2·00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,272	6,347	K. T. Thomas Kathanar, Esq.	Malankara Rubber	15·00	10	2·25	2·25	3·25	2·25	3	Y.
27,00,000	28,79,387	50,92,726	9,49,414	1,48,076	A. V. Thomas & Co., Ltd.	Midland Rubber	15·00	10	1·75*	2·50	2·00	2·00	3	Y.P.T.
3,35,000	3,31,000	14,62,886	2,00,733	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	14·25	10	1·50	1·50	1·50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	13·25	10	1·00	1·50	1·50		12	Y.P.T.
19,45,080	21,29,015	43,87,395	14,23,968	*Nil*	Peirce Leslie & Co., Ltd.	Ouchterlony Valley Estates	4·95	2	0·61	0·40	0·21		10	Y.P.
12,50,000	8,80,000	45,07,575	3,95,903	12,299	A. V. Thomas & Co., Ltd.	Pasoit Rubber	12·25	10	1·75*	2·00	2·50	2·00	6	Y.
3,66,780	3,50,000	7,77,412	78,478	71,842	Peirce, Leslie & Co., Ltd.	Savamala Estates Ltd.	4·05	2	2·50	1·00	1·50		11	Y.
10,00,000	3,01,600	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6·40	10	0·75	0·90	0·90	0·60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd. ..	Thamaraguly Rubber	20·40	10	3·00	3·00	3·00		12	Y.P.
9,15,300	4,90,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1·31cd	1	0·10	0·12½	0·12½	0·05	9	Y.
6,00,000	32,566	7,71,251	1,36,210	2,287	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber	13·50	10	2·00	3·00	2·00		12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,45,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6·02	10	1·50	1·25	0·75		12	Y.P.
20,00,000	.....	29,29,088	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25·65	25	5·00	4·00	3·00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Vaikundam (Travancore) Rubber ..	27·50	10	2·25	2·50	3·50	2·00‡	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6·88	10	1·50	2·00	1·25	1·00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Elias & Co. Private Ltd.	879	Agarpara	7·12	10	0·62	0·62	0·25	0·25	3	Y.
60,00,000	10,25,000	53,48,059	37,72,102	2,45,707	McLeod & Co., Ltd.	446	Alexandra	100·00	100	7·50	10·00	5·00‡		6·12	H.P.T.
30,00,000	5,25,000	1,17,61,827	94,41,069	84,402	McLeod & Co., Ltd.	1,264	Alliance	80·50	100	12·00	6·00	*Nil*		6·12	H.P.
49,20,700	67,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	131·00	100	7·50	8·00	3·50	7·00	3	Y.
40,00,000	29,54,500	1,49,09,985	55,34,728	—8,79,015	Bird & Co. Private Ltd.	819	Auckland	87·00	100	*Nil*	3·50	*Nil*	*Nil*	3	Y.P.T.
20,00,000	66,58,094	99,91,416	66,802	Nil	Birla Brothers Private Ltd.	959	Bally	134·00	100	*Nil*	3·50	*Nil*		3·9	H.P.
£275,000	£474,807	£1,628,482	£9,28,169	....	Sir John R. Burder (Chairman)	1,889	Barnagore	75·50	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
25,00,000	26,56,123	94,57,700	51,49,231	1,330	Andrew Yule & Co., Ltd.	820	Belvedere	70·00	100	10·00	7·50	*Nil*		12	Y.P.
15,97,000	38,45,000	57,08,172	31,28,574	2,65,100	Somarmull Nazarmull	600	Bengal	13·75	10	1·12	1·12			6	Y.P.T.
91,26,000	2,17,48,383	3,34,10,402	1,45,32,651	4,87,898	Birla Brothers Private Ltd.	1,373	Birla	15·50	10	1·00	1·00	1·00		3	Y.P.
25,00,000	21,09,926	1,17,09,893	72,35,319	4,154	Andrew Yule & Co., Ltd.	991	Budge-Budge	69·00	100	9·00	7·50	*Nil*		10	Y.P.
7,47,380	3,09,640	42,13,704	31,62,683	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7·00	10	0·75	*Nil*			6·12	H.P.T.
18,00,000	26,46,234	87,43,998	45,04,058	20,980	Andrew Yule & Co., Ltd.	616	Caledonian	102·00	100	9·00	6·50	*Nil*		11	Y.P.
59,16,400	76,49,239	2,28,54,628	1,19,60,848	—7,24,043	James Finlay & Co., Ltd.	600	Champdany	97·50	100	8·00	10·00	2·00	*Nil*	3	Y.
25,95,000	23,29,282	82,73,766	57,70,175	8,665	Andrew Yule & Co., Ltd.	550	Clerk	102·00	100	14·00	10·00	2·00		11	Y.P.
30,15,000	32,00,000	66,43,666	48,43,666	1,01,027	McLeod & Co., Ltd.	600	Chitavalsah	12·00	10	1·12	1·37	0·62½		6·12	H.P.T.
24,00,000	9,00,000	81,05,335	67,13,337	25,985	Shree Krishna Investment Co., Ltd	969	Clive	18·12	10	*Nil*	1·25x	0·50		3	Y.P.
81,49,200	44,50,392	1,85,02,698	51,19,167	—8,75,531	Bird & Co. Private Ltd.	766	Dalhousie	55·00	100	2·50	4·00	*Nil*	*Nil*	3	Y.P.T.
25,00,000	40,51,879	97,25,542	47,66,110	4,547	Andrew Yule & Co., Ltd.	779	Delta	105·00	100	12·00	10·00	5·00		11	Y.P.
15,00,000	34,50,000	83,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	15·25	10	1·25	1·25	0·50‡		6·12	H.T.P.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd.	1,098	Fort Gloster Industries Ltd.	297·00N	100	5·00	15·00	10·00	10·00	3·9	H.P.T.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17·50	10	20·00	20·00	0·75K	1·50	3	Y.P.T.
54,32,100		2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	50·00	100	0·50	2·50	*Nil*		3·9	H.P.
10,80,000	28,08,943	76,08,097	50,72,167	11,510	M.	607	Gondalpara	550·00	800	*Nil*	*Nil*	50·00		12	Y.T.
24,00,000	24,50,000	2,22,46,942	1,55,81,965	45,248	Thomas Duff & Co.	1,394	Gourepore	214·00	100	10·00	15·00	2·50	2·50	3	Y.P.
40,00,000	60,68,233	1,28,36,137	68,68,639	3,00,086	Bangur Bros., Ltd.	1,078	Hastings	104·00N	100	10·00	11·50	5·00		3	Y.P.
16,80,000	18,61,969	66,47,781	47,79,916	—2,95,253	Baijnath Bajoria	720	Hooghly	11·87	10	0·50	1·25	*Nil*		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,551	—24,86,402	Jardine Henderson Ltd.	1,940	Howrah	14·25	10	1·25	0·87	0·25	*Nil*	3	Y.P.T.
52,50,000	28,87,124	2,93,23,107	1,57,51,007	1,14,596	Ramdutt Ramkissendas	2,272	Hukumchand	16·50	7·50	2·00	2·00	2·00	1·50	3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	97·00	O. 125	3·12	4·69	4·69		3	Y.
30,000								81·00	100	8·00	2·50	*Nil*		6·12	H.P.T.
24,00,000	20,90,185	1,92,31,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	81·00	'B' 100	8·00	2·50	*Nil*			
19,20,000 'B'								46·50	100	6·50	1·00	*Nil*		6·12	H.P.T.
30,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanrah	46·00	'B' 100	6·50	1·00	*Nil*			
24,00,000														6·12	H.P.
21,00,000	53,00,000	1,35,18,975	86,26,121	91,333	McLeod & Co., Ltd.	703	Kelvin	175·00	100	20·00	17·50	5·00‡			
54,00,000	23,33,375	1,96,60,992	1,22,08,770	27,027	Anderson Wright Ltd.	1,530	Khardah	109·00	100	12·50	11·00	5·00	8·00	3	Y.P.
48,00,000	51,53,808	2,36,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	118·00	100	7·00	13·00	6·00	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	58,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Landowne	65·00	100	2·00	7·00	*Nil*	*Nil*	3	Y.P.T.
25,00,000	45,53,647	1,41,72,566	65,14,042	—7,78,568	Andrew Yule & Co., Ltd.	840	Lawrence	78·00	100	6·00	6·00	*Nil*	*Nil*	3	Y.P.T.
31,65,200	26,86,645	2,64,13,349	1,26,97,309	1,64,942	M.	1,288	Megna	78·00	100	2·50	9·75	3·75		3·9	H.
29,98,900	34,62,195	1,65,70,565	86,70,690	—13,08,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	70·00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
20,00,000	15,55,000	29,01,568	19,21,709	17,816	Horah Trust Co., Ltd.	425	Nakarpara	15·50	10	1·12	1·25			4·10	H.P.
35,00,000	41,29,336	81,71,341	10,66,470	17,889	Andrew Yule & Co., Ltd.	852	National	23·00	10	2·00	1·75	0·75		10	Y.P.
22,25,000	27,00,000	28,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	11·06	10	0·75	1·00	0·50‡		6·12	H.P.T.
36,50,000	2,86,31,171	4,68,82,843	1,06,43,534	3,86,601	Sahu Jain Ltd.	1,765	New Central†	18·12	10	17·00	1·50	1·50		12	Y.P.
16,79,880	40,58,882	1,28,54,152	56,58,090	9,527	Bird & Co. Private Ltd.	567	Northbrook	16·50	10	1·25	1·50	1·50	*Nil*	12	Y.P.T.
66,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	34·25	50	0·50	1·00	*Nil*	*Nil*	3	Y.P.T.
24,91,000	28,76,049	75,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd.	601	Orient	80·00	100	10·00	9·00	2·00		11	Y.
25,00,000	6,29,490	80,86,481	65,22,166	81,505	McLeod & Co., Ltd.	400	Presidency	5·06	5	0·31				6·12	H.T.
30,00,000	10,9325	27,95,784	8,89,180	—8,81,589	Birla Brothers Private Ltd.	805	Rameshwara	4·37	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
49,50,000	4,80,552	1,24,75,806	64,70,616	—88,95,290	Jardine Henderson Ltd.	1,276	Reliance	5·87	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
£869,000	£1,093,718	£1,245,244	....	£55,994	Thomas Duff & Co. (India) Ltd.	2,018	Samnuggur	8·50	£1	10%	8%x			12	Y.P.
20,00,000	18,14,910	1,15,50,877	70,95,145	7,972	Bagaria More & Co., Ltd.	911	Shree Ambica	10·50N	10	1·00	0·50			3·9	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Soorah	18·50	10	1·00	1·50			12	Y.P.T.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,088	Bird & Co. Private Ltd.	850	Standard	55·00	100	2·00	1·00	*Nil*	*Nil*	3	Y.P.T.
£600,000	£925,119	£1,191,450	....	£88,548	Thomas Duff & Co. (India) Ltd.	1,794	Titaghur	8·50	£1	10%	8%x			12	Y.P.
35,86,500	68,80,143	2,01,42,357	89,47,895	—18,51,940	Bird & Co. Private Ltd.	1,326	Union	115·00	100	6·00	10·00	1·00	*Nil*	3	Y.P.T.
£400,000	£688,085	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd.	1,331	Victoria	8·50	£1	10%	8%x			12	Y.P.
2,50,000	6,35,000	56,01,062	40,73,991	11,327	McLeod & Co., Ltd.	457	Waverley	2·87	1	0·50	0·37	*Nil*		12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,780	Shaw Wallace & Co., Ltd.	Amalgamated Coalfields	15·62	10	1·31	1·37	0·50	1·25	3	Y.
12,00,000	8,40,890	37,46,676	35,26,162	70,917	Jardine Henderson Ltd.	Bararee Coke	10·81	10	1·46	1·46	1·10	0·37	3·9	H.
4,44,850	1,05,000	9,25,911	5,64,876	90,870	Kalyanji Mavji & Co.	Bengal-Bhatdee	5·87N	10	0·25	0·62	0·62½		6·12	H.
00,00,000	1,60,28,785	6,10,16,849	4,19,73,985	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	£44·00	100	30·00*	35·00*P	17·50	7·50	10	Y.P.
2,25,000	4,13,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14·00	*Nil*	*Nil*	*Nil*	*Nil*		12	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd.	Bhalgora	5·87	10	*Nil*				9	Y.
40,00,000	8,00,000	1,39,06,662	71,05,188	27,438	Sahu Jain Ltd.	Bharat Collieries	6·00	10	0·62	0·62			6	Y.P.T.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,536	M.	Bhalanbararee	10·00N	10	*Nil*	*Nil*			12	Y.T.
7,50,000	24,16,419	45,57,883	37,10,053	19,653	F. W. Heilgers & Co. Private Ltd.	Borrea	18·00	10	2·00	2·00	1·50		12	Y.P.
90,92,480	69,04,448	4,25,18,901	1,95,93,458	92,891	Bird & Co. Private Ltd.	Burrakur	21·87	10	0·56	0·62	1·50		6, 12	H.T.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn. Ltd.	Central India	6·87	10	0·25	0·25	0·50	0·50	6, 12	H.P.T.
3,00,000	13,30,590	49,11,827	33,03,469	69,009	M.	Central Kurkend	11·00N	10	0·25	0·50	0·50‡		12	Y.
6,00,000	1,43,986	7,30,061(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churila	2·00	4	0·06	0·06	0·06		12	Y.
16,00,000	....	54,02,810	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7·75	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	21·00	£1	2·50	3·00	2·50	1·50	12	Y.
29,65,750	92,09,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	25·25	10	1·50	1·50	1·50		12	Y.P.T.
10,00,000	1,40,999	13,81,344	4,28,557	23,853	Bhatter's Agency Ltd.	Ghusick and Mualia	16·12	10	0·50	0·25			3	Y.
12,00,000	1,17,609	42,84,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	80·75	50	*Nil*	2·25	2·25	*Nil*	3	Y.P.
5,00,000	7,25,000	22,40,858	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20·00	10	1·75	2·50	1·50		6	Y.
3,50,000	2,48,005	14,13,062	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	17·00N	10	*Nil*	*Nil*	*Nil*		12	Y.
20,00,000	2,21,575	33,57,576	5,71,179	1,062	Bird & Co. Private Ltd.	Karanpura Collieries	85·00	100	*Nil*	2·50	5·00	*Nil*	2	Y.
5,00,000	18,90,898	47,65,511	37,70,923	1,88,886	Andrew Yule & Co., Ltd.	Katras Jherriah	54·00	10	4·00	4·50	6·50	6·50	3	Y.P.
1,38,400	5,72,980	12,85,941	5,72,980	—2,50,236	Berwala & Co.	Khas Kajora	2·50N	10	*Nil*	*Nil*			1	Y.
11,00,240	64,314	16,80,329	10,68,809	10,611	H. V. Low & Co. (Private) Ltd.	Kuardi	2·25N	10	0·12				6, 12	H.P
9,00,000	11,11,926	28,88,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd.	Lakurka	9·00N	10	0·25	0·12			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	81,201	Tantia Brothers Ltd.	Nazira	5·94	10	0·50	0·50			4	Y.
7,00,000	26,617	10,35,740	8,20,295	4,561	Amritlal Ghosh & Co.	New Damadeopur	9·00N	10	1·25				12	Y.
17,76,280	19,51,814	1,24,49,315	91,72,491	58,598	Andrew Yule & Co., Ltd.	New Beerbhoom	14·62	10	1·12	1·00	0·75		3, 9	H.
6,00,000	75,000	33,35,331	22,38,923	1,48,499	Octavius Steel & Co., Ltd.	New Manbhoom	10·56	10	*Nil*	*Nil*	*Nil*	0·50	10	Y.P.
1,15,000	3,47,692	13,06,689	8,06,110	17,516	Andrew Yule & Co., Ltd.	North West	21·00	10	*Nil*	1·87	1·50		3	Y.
1,57,500							18·00	7·50	*Nil*	1·03	1·12		3‡	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13·00	10	1·00	1·00	0·75		12	Y.P.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4·60N	10	0·50	0·25			12	Y.T.
8,34,000	10,050	19,86,766	8,09,957	61,987	Deepchand Kishenlal	Parasea	11·50	10	0·75	1·00			12	H.P
15,75,000	15,50,000	55,17,410	39,09,510	46,883	Shaw Wallace & Co., Ltd.	Pench Valley	19·25	10	1·62	1·50	0·70	2·00	6, 12	H.
23,99,500	25,66,361	1,37,28,021	91,88,862	29,060	B. N. Elias & Co. Private Ltd.	Raneegunge	10·00	10	0·50	0·62	0·87	0·75	3	Y.
13,50,000	10,45,115	38,59,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	14·50	10	1·37	0·87	0·75		3	Y.
20,00,000	37,12,000	88,58,755	22,17,867	9,297	M.	Samla Collieries	10·50N	10	0·75	1·00	1·25		6, 12	H.
2,50,000	1,05,502	13,78,480	12,21,237	21,070	M.	Searsole	4·00N	2·50	0·62	0·75	0·75‡		12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	22·50	7	2·00	2·50	2·25		1	Y.
00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7·25N	10	0·12	0·25	0·25		12	Y.P.
....	94,58,536	5,19,41,849	2,78,46,629	20,557	Industrial Trust Fund (Government of Andhra Pradesh)								6, 12	H.T.
65,21,450						Singareni	11·15	10	0·70	0·75	1·00		12	Y.T.
12,50,000	10,89,603	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	9·25	10	0·12	0·12	0·35		2, 6	H.
9,00,000	14,01,058	1,69,57,670	....	27,510	F. W. Heilgers & Co. Private Ltd.	Standard	15·00	10	1·50	1·00	1·00		12	Y.
15,00,000	....	31,92,694	16,43,502	—5,62,007	M.	Talcher	1·62	2·50	*Nil*	t *Nil*	*Nil*		9	Y.
3,50,000	3,25,000	19,27,634	14,54,734	77,105	Williamson Magor & Co., Ltd.	Union	14·00	10	0·75	*Nil*	*Nil*		12	Y.
49,98,000	66,784	65,72,806	24,15,362	11,543	Hindustan Investment Corpn., Ltd.	Western Bengal	5·31	10	0·37	0·50	0·50	0·50	12	Y.
7,00,000	.....	57,45,660	25,79,008	—8,20,058	Macneill & Barry Ltd.	West Jamuria	6·25	10	*Nil*	*Nil*	*Nil*		12	Y.

M.—Managed by the Board of Directors. ‡ Less income-tax. (a) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
x—Port William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. y—New Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
The Interim dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

INDIAN CHEMICAL MANUFACTURERS ASSOCIATION

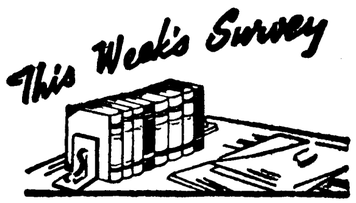
(*Concluded from page 223*)

cement, etc., the picture is truly depressing and must cause concern to all interested in the attainment of the investment targets of the chemical industries, as the following figures show:—

Industry	*Ratio of profits after taxes to net worth per cent.*
Iron and Steel	17.6
Paper	10.6
Cement	11.0
Chemicals	3.0

"According to a survey carried out by the Reserve Bank, the retained profits of 750 public limited companies were 39 per cent. of the pre-tax profits. In the chemical industries, sir, the comparable figure is only 1.2 per cent. This may be compared with the retention in the other capital-intensive industries, being 66 per cent. in steel, 55 per cent. in paper and 39 per cent. in cement.

"It will be obvious that the planning of the supply of capital is no less important than the planning of the supply of raw materials, utilities, etc. We had occasion lately to make an assessment of the capital needs of the caustic soda industry and were amazed to find that, as against the general idea of the capital requirement of Rs. 3/4 lakhs per ton-year of caustic soda, on the basis of latest costs, Rs. 6/7 lakhs per ton-year of caustic soda were needed, i.e., a total requirement of nearly Rs. 20 crores for meeting the second Plan targets for the balance of the Plan period. Capital needs for other chemical products are likely to indicate capital requirements on a similar scale. Capital costs are increasing at an average annual rate of 8 per cent. to 9 per cent., and a continuous adjustment in capital cost estimates has to be made of these increases, for the estimates we make in one year become out of date for another year. There are usually three sources of capital availability open to any business, viz., share capital, loan capital, and internal capital. Whatever the source of capital, however, business must provide for basic 'capital-charges' in its cost and profit structure, viz., depreciation, rehabilitation reserve, dividends, interest on loan, repayment of loan, and a fair net return on investment, and if we wish to avoid capital erosion, an acceptance of these capital charges in a realistic way will need to be made. It is not easy for any industry, and much less for the chemical industry, to raise capital in the share market these days. The procurement of capital, however, must be looked at very much in the same way as the procurement of raw materials or any other services, i.e., the cheapest source must be tapped. Sir, the use of 'internal capital' is the cheapest source of capital procurement, for there is no fixed charge for dividends as in the case of share capital, nor of interest on loan and provision for repayment of loan as in the case of loans. All this is not a matter of opinion, but a fact, and I have to commend that, if an objective study does uphold this conclusion, then the Government and the Tariff Commission should in their consideration of fair prices of products keep this aspect in view. For correct guidance as to the direction which our effort should take for tapping sources of capital for the chemical industry, we need to begin to visualise in a general way



CONCILIATION OR ADJUDICATION ?

IT is generally easy to take sides in controversies on social and economic policies. But when each of the two conflicting theories has equally strong and weak points to commend and condemn itself, and when it is propounded by persons considered as authoritative, a lot of confusion is bound to ensue among the public. A way out can, of course, be found in cases where a compromise or a synthesis of the two views is possible, but when the issue at dispute is one which admits of no compromise but requires a blunt 'yes' or 'no,' a choice is extremely difficult, if not impossible. Those who heard Mr. V. V. Giri, Governor of U.P. at present, an ex-Labour Minister of the Government of India and a person who has devoted the best part of his life to the cause of healthy trade unionism, and Mr. G. L. Nanda, Union Minister for Labour and an equally ardent worker for the cause of labour, expounding the case for voluntary and compulsory adjudication, respectively, at a symposium on "My Approach to Industrial Relations," organised by the Indian Institute of Personnel Management, must have surely found themselves in such a predicament. The Governor as well as the Minister convincingly argued out their respective points of view and both, having been intimately connected with the trade union movement, certainly know, more than anyone else, the full import of what they advocate.

The Governor's view is already well known as the "Giri approach." The case for eschewing compulsion by the State in the settlement of disputes between employer and employee was impressively brought out by him in his presidential address to the twelfth session of the Indian Labour Conference in 1953 and has been repeated many times since then. Mr. Giri was quite emphatic when he said at New Delhi this week: "If you would like to have good industrial relations, if you want differences and disputes to be settled at the level of the industry, adjudication has no place. Adjudication should be taken out of the Statute Book." He was of the view that so long as compulsory adjudication was present in the picture as a machinery for settling disputes, voluntary settlement could hardly succeed. Further, unless compulsory adjudication was totally removed from the Statute Book, lock, stock and barrel, he contended, the parties, during the period of mutual negotiations or voluntary arbitration, would not place all their cards on the table but would reserve the 'ace' for the final game of compulsory adjudication.

It is true that those who oppose this approach do not do so on principle. In fact, every one is agreed that internal settlement through mutual agreement is the best method of ironing out differences between employers and employees without unpleasant consequences. Only, their point of view is that, in the present context in India, having regard to the state of development of trade unionism, the existence of some diehards among employers, and the need for maintaining industrial peace, compulsory adjudication must remain in the picture as a last resort. They point out that trade unions in India are not strong enough to deal with the recalcitrant employers effectively and that much of the strength of the trade union movement today is due to the State support it enjoys.

It could not be that Mr. Giri was unaware of all this. Yet, he argued that it was compulsory adjudication that had cut at the root of the trade union movement, because when the workers found that there was a machinery other than their own unions that would settle their disputes they hardly recognised the need for unions. He, therefore, firmly maintained that the removal of compulsory arbitration would help in promoting solidarity among the workers as that alone would bring them the strength to bargain effectively.

Mr. Nanda, however, did not consider Mr. Giri's approach practicable at present. He felt that the course suggested by Mr. Giri would lead to a state of anarchy. He argued that a strong trade union movement should come into being first before the Government could take the risk of surrendering its power to refer disputes to compulsory adjudication. At the moment trade unionism had not yet reached a stage of maturity. It was in the process of growth and still depends for its strength and sustenance upon incitement of the workers. Until workers' education reached a stage when they would understand the implications of the points at dispute, he went on to add, it was difficult for the State to keep aloof from industrial disputes. Another aspect of compulsory adjudication, said Mr. Nanda, was that, in 99 per cent. of the cases, the reference to adjudication was at the instance of the workers. If the Government were to abdicate this power, he pointed out, the workers would charge the Government with having sided the employer. "I think," he averred, "a Labour Minister, as long as he wants to keep his job, cannot afford to do that." Mr. Nanda, however, agreed to place Mr. Giri's suggestion before the next Labour Conference and see whether the Conference would approve of the Government not using its powers for a period of six months or a year as an experiment.

Mr. Giri's approach is unassailable in principle. In fact, it should be the ideal to be aimed at and every effort should be made to reach it at an early date. The only question is whether it will work in India today without prejudicing rapid economic development. Mr. Giri is fully aware of this. That is why he has suggested that his specific medicine should be tried under certain safeguards to face critical situations should they arise. The suggestion of Mr. Nanda that this experiment could be tried for a predetermined short period of six or 12 months, however, is not the right approach to the 'Giri approach,' because once the parties know this condition those among them who are opposed to this solution will do everything possible to discredit it. Unless, therefore, the Government is prepared to take the plunge with a determination not to turn back, there is no point in taking the road shown by Mr. Giri.

AMBAR CHARKHA

Welcoming the downward revision in the Ambar Charkha programme, we observed only three weeks ago (*vide* page 72 of *Commerce* dated 18th January) that Ambar Charkha would not be able to meet, to any significant extent, the requirements of cloth in the coming years. The conclusion was amply supported by facts and figures indicating the none too satisfactory progress made in the implementation of the programme since its inception two years ago. Further details confirming its poor progress are now available. These reveal that the programme has been scaled down by nearly one half. Thus, as against the target of 180,000 charkhas fixed for 1957-58, the actual number distributed is expected to be not more than 115,000; it will be, we are told, still less at 100,000 in 1958-59. The budget allocation, it is gratifying to find, has been similarly halved, from Rs. 10 crores originally provided to Rs. 5 crores which is all the provision for the next year. Indeed, the authorities seem to be anxious "to consolidate what has been achieved rather than to march on a wide front."

Evidently, the authorities in charge of this programme have realised, though belatedly, that the Ambar Charkha does not satisfy any of the tests of economic efficiency, namely, those pertaining to cost of production, quality, wage-giving potentiality and fatigue factor. The cost of unbleached cloth woven from Ambar yarn is currently assessed at as much as Rs. 1.62 per square yard, a rise of 37 nP as compared with that originally envisaged. An attempt is no doubt made to counteract this factor by pooling Ambar *khadi* with the high-cost pure *khadi*. But even then, the result is not satisfactory. The pool price is Re. 1.87 per square yard, as against the price of Re. 1.62 for Ambar cloth; only the price of pure *khadi* is reduced from Rs. 2.12 to Re. 1.87. One can, of course, justify the high price, provided it means a decent wage to those engaged in production. But the fact is different. Despite subsidy, the average wage received by a person spinning Ambar yarn is said to be substantially below that earned by an unskilled worker in a village. It is not surprising to be told that the response to the Charkha has been mainly from the womenfolk, the men having generally taken to it only as a supplementary source of income. This is sought to be corrected by raising the rate of payment from 9 nP to 12 nP per hank of yarn. But even then, the wage earned by the worker will not be gainful. And how is this additional expenditure to be met except through increased subsidy? Apart from low wage, there is the high fatigue factor. In actual practice, we are told that one Ambar Charkha does not provide work for more than one person, the average number of days put in every year being just 200. But when the programme was initiated, it was thought that two persons would be provided with work for 300 days in a year. Another defect is that the quality of Ambar yarn lacks uniformity, although it compares favourably with pure *khadi* yarn.

All these shortcomings must be borne in mind in assessing the potentialities of Ambar Charkha, in particular, and in planning to meet the expanding requirement of cloth in the coming years, in general. It is needless to add that the same thing holds good equally with regard to the traditional *khadi* (non-Ambar) sector, the production of which is also highly uneconomic. The annual rate of output of cotton *khadi* is a bare 17 million square yards. Even this rate of output is maintained largely because of the patronage extended by the Governments through direct purchase—these account for nearly 50 per cent. of the total quantity produced—and grant of liberal rebates on sales of *khadi* cloth. Considering such a low level of output, the amount that is being spent on sales promotion of *khadi* is, indeed, excessive.

The foregoing analysis is not intended to suggest that Ambar Charkha and traditional charkha have no place at all in the country's economy. They do have a place, but it is a very much limited one than is sought to be given by their protagonists. Their utility is confined to the extent to which they provide employment to persons in regions where other opportunities of gainful employment are either totally absent or cannot be provided at a reasonable cost. The aim should be to minimise the money now being expended on these uneconomic means of production and devote larger sums to something more beneficial to the rural areas. There is undoubtedly plenty of scope for diverting skill, effort and money from the ungainful charkhas to such activities as agriculture, animal husbandry, land reclamation, afforestation, road building, and sanitation which will yield sustained results and permanent gains to the rural economy. It is high time our planners looked at the problem on these lines.

CEMENT INDUSTRY

The development programme of the cement industry was discussed at the meeting of the Standing Committee of the Central Advisory Council of Industries held at New Delhi on Monday last. According to reports in the daily Press, proposals for the establishment of 26 new factories and expansion of 29 existing units have been approved. If these schemes were to materialise, the total installed capacity of the cement industry would expand from 6.6 million tons at present to 15.3 million tons in 1960-61. This is very near the target of 16 million tons set in the second Five-year Plan. It is estimated that the capacity of the industry will go up to 8.4 million tons by the end of this year and to 10.5 million tons a year later.

It is, however, highly doubtful whether all the schemes sanctioned will, in fact, materialise. Although nearly two years have elapsed since the second Plan began, the progress actually made in the implementation of the expansion programme of cement industry has not been quite encouraging. The installed capacity of the industry during these two years has gone up by a bare 1.67 million tons, that is, from 4.93 million tons in 1955-56 to 6.60 million tons at present, and actual production from 4.49 million tons in 1955 to 5.50 million tons in 1957. The slow pace of progress must be attributed primarily to the increase in the cost of expansion. The investment actually required to raise the productive capacity by 10 million tons is now estimated at as much as Rs. 125-Rs. 150 crores, as against the Planning Commission's original estimate of Rs. 81.5 crores. Considering the recent tax policies of the Government, it is, indeed, too much to expect the cement industry to mobilise such vast capital resources. Moreover, the entry of the State Trading Corporation into the cement trade seems to have taken away some of the enthusiasm among the industrialists to venture further in this field. What is worse, there is also the shortage of foreign exchange needed for importing capital equipment and the continued rise in the prices of coal, rail freight, cesses, royalties, etc., over none of which the industry has any control.

In view of these factors the target of 15.3 million tons of installed capacity appears to be rather too high to be hit by March 1961. Even assuming that the target will be hit, two questions remain to be answered. First, will adequate rail transport capacity be available for promptly moving the additional production of

cement? And, secondly, will the demand for cement be maintained at such a level as to prevent unhealthy accumulation of stocks?

The last mentioned question, it is reported, was discussed by the Standing Committee at some length. That is only as it should be, for the target for the cement industry was originally fixed assuming that all the projects in the second Plan would be implemented. But now it is admitted even by the authorities that only the so-called "Core of the Plan" can be completed. Accordingly, some convincing reasons are required to believe that there will be sufficient outlet for 15 to 16 million tons of cement. The general view of the meeting, we are told, was that there was no justification at present to anticipate any fall in demand and, therefore, to think in terms of reducing the target. It was felt that the demand for cement from the various projects would pick up, as more steel became available and that in any case large quantities of cement would be required for the development of national roads. The Committee was inclined to believe that there was no reason to consider any adjustment of the target merely on the basis of temporary improvement in supply; even now, the stocks of cement with the factories were equal to less than five days' production.

In the course of discussions, some members urged the Government to relax further controls on the distribution of cement. Mr. Shanti Prasad Jain, for instance, suggested liberalisation in distribution of licences in the Bengal-Bihar region, so that cement could be made more easily available and prices brought down. Referring to the expansion programme, Mr. Jain, it is said, wanted priority to be given to the manufacture of slag cement. Another interesting bit of information was that the Government informed the Committee that the scheme for erecting a cement machinery plant by the A.C.C. in collaboration with two British firms was still in the field. It was stated that discussions were continuing on the subject and, even if this particular scheme failed to materialise, an alternative approach was possible. It will be recalled, in this connection, that, only a fortnight ago, the Chairman of the A.C.C., Mr. Dharamsey Khatau, informed his shareholders that the scheme had been shelved for the present. The Government is rather too optimistic in assuming that an alternative approach is possible. Even assuming that it is possible, the important question is: At what cost? It is needless to add that anything should be possible, if one were to disregard the cost aspect.

INDO-BELGIAN TRADE

A Belgian industrial delegation, sponsored by the Belgo-Indian Chamber of Commerce and Industry, is currently in India on a fact-finding mission. The delegation, which represents a cross-section of Belgian industries, is headed by Mr. Robert Desprechins, President of the Chamber. It will visit the major industrial centres of India and make a first-hand study of the economic and business conditions in this country. Members of the delegation have for some time been meeting industrialists, business men, and Government officials in this country to explore the possibilities of strengthening commercial relations between the two countries.

Although Belgium is one of the smallest countries of Europe, lacking in raw materials, except coal, and having no special advantages with regard to climate or soil, it has a highly developed industrial and commercial economy. Belgium stands at the cross-roads of European trade routes and this advantageous position, together with the industrious nature of its people and the sound economic and financial policies of the Government, have enabled it to develop many industries such as glass, chemical, cement, iron and steel, etc., which can compare with the best in Western Europe. The Belgian franc is one of the soundest currencies in the world. In fine, Belgium's economic importance is more than in proportion to its size in terms of either area or population. Its position among the nations of the world is determined by its role in international trade. It produces a wide range of industrial products, 40 per cent. of which finds its way to foreign markets. By virtue of its geographical position it is also a great conversion and transit centre.

India is already having a fairly large volume of trade with Belgium and there is much scope for expansion. In the year ended March 1956,

(*Continued on page 299*)

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PRESIDENT STRIKES A NOTE OF SUBDUED OPTIMISM

EMPHASIS ON FOOD SELF-SUFFICIENCY SIGNIFICANT

From Our Special Correspondent

NEW DELHI, 11*th February*

DELHI LETTER

PARLIAMENTS Budget session heralding the third year of the second Plan opened yesterday in the background of speculations of a Cabinet crisis involving the reported resignation of the Finance Minister, Mr. T. T. Krishnamachari. The President's opening address to the session referred at the outset to the favourable turn on the foreign exchange front by way of a diminution in the rate at which India's foreign assets were falling. This was rendered possible by the Government's efforts to restrict imports in the last six months and to obtain extra foreign exchange through loans, arrangements covering specific projects, deferred payments for essential capital goods, and limitation of foreign exchange allocations to the most essential capital or consumption requirements. The President also claimed that the internal economy had taken a similar favourable turn by way of a slight fall in general prices in recent months, an easier credit position, an improvement in the resources of the banking system and only a moderate increase in the advances made by banks.

As for foodgrains production in 1957-58, the President did not specifically mention if it would be considerably less than in 1956-57 with its 68.7 million tons. It could, however, be inferred that the Government had taken into account the probability of a big fall in production in the 1957-58 agricultural year. The President's remarks that the damage to crops as a result of drought in certain parts of the country had been very disquieting and that the Government would be maintaining food reserves at adequate levels by further imports, were significant in this connection. But a hopeful factor in the situation is that the fall in rice production does not appear to be as much as it was originally estimated unscientifically in the drought-affected tracts of Bihar, Orissa, Uttar Pradesh and Madhya Pradesh.

Incidentally, the estimates of rice production made by the Planning Commission's Study Team are now further confirmed in the case of Bihar. According to the latest Bihar Government's estimate made through crop-cutting experiments by random sampling, the total output of rice in Bihar in 1957-58 is 2.20 million tons as against the Study Team's estimate of 2.24 million tons. According to the planning Commission's Adviser (Programme Administration), this bears out the approach of his Team's report that, "with a given pattern of cultivation, the yield of paddy in years of sub-normal rain is determined by the residual moisture in the fields at the time of flowering and this residual moisture would be of the same order as in previous years with a similar distribution of rainfall in September and the months following." In 1957-58, there was no rain in Bihar after the first week of September as in 1930, 1934 and 1950 and, in all these years, the total output was estimated at 65 per cent. of the normal. As conditions in the current year were about the same as in 1950, the estimate of 2.24 million tons of rice production was made on the basis of the total production in 1950. The results of the latest estimates in Madhya Pradesh, Uttar Pradesh and Orissa are not yet available. But the confirmatory estimates so far available go to show that the fall in rice production due to drought in the North Indian States could not have been substantial. In any case such loss of crop as there has been might well be compensated by some increase in production in the South Indian States. Be that as it may, the need for quick and reliable estimates of crop losses *as they take place* is obvious if the Government of India are not to be hustled or alarmed into financing relief operations or importing foodgrains on scales larger than are genuinely required.

In the latter context, the President's remarks that all possible efforts were being made to increase food production at a higher rate than hitherto and it was essential that self-sufficiency in food should be attained were hopeful indications of a renewed emphasis on the short-term question of increasing food production. The Planning Commission's goal of self-sufficiency in food by the end of the second Plan is now more or less settled, although it runs counter to the Ashoka Mehta Committee's thesis. The only question is whether increased resources could or would be made available for agricultural schemes of a short-term character. It is understood that a process of reorientation of agricultural schemes has been initiated, although it is too early to assess its possibilities. As for the recognition that, unless food production increases more substantially in the next three years, the economy cannot take further doses of deficit financing, it appears to be clearly there. The President's emphasis on food self-sufficiency is thus more than a pious wish.

As for industrial production, the President referred to its steady improvement and to the greater employment of domestic resources and skills as a consequence of the severe import restrictions which were necessitated by the foreign exchange crisis. The emphasis, in the President's address, on increased industrial production which would help reduce foreign exchange requirements as well as earn it was quite understandable. Whether the expected increase in industrial production will take place in the context of the just-announced policy of continued restrictions on imports of raw materials in the coming licensing period (April-September, 1958), is the question. Incidentally, with capital goods scheduled to be accorded a lower priority than industrial raw materials in the matter of imports in the next licensing period, it is again difficult to foresee if the approved schemes for 26 new cement factories and for expanding the existing units in this industry will be fully implemented in the next three years of the Plan. Here, too, there is the problem of adequate foreign exchange for the purpose. The Standing Committee of the Central Advisory Council of Industries which has just been informed about the cement schemes has, however, been told that "efforts are being made to secure the foreign exchange required."

Another highlight of the President's address was the reference to the process of "necessary adjustments in the Plan as a whole, having regard to the available resources." The Government would soon place before Parliament a picture of the "core of the Plan." This should help clear a lot of confusion on the score of pruning or rephasing of the Plan. In the context of the President's particular emphasis on "domestic savings which help to check inflation and provide the internal resources required for the fulfilment of our Plan tasks," it could also be inferred that deficit financing may not figure to the same extent as in the 1957-58 Budget. There are also other reports to that effect.

The Government of India has decided that schemes should be formulated for developing the cottonseed crushing industry exclusively on co-operative lines for the benefit of growers. The decision is a sequel to the recommendation made by the Oilseeds Crushing Industry Inquiry Committee. The Government feels that it is desirable to organise a network of village oilmen's co-operative societies throughout the country. Such societies can be formed in villages or compact groups of villages inhabited by a large number of oilmen. One of the main functions of the co-operative societies should be to ensure a continuous supply of raw materials to oilmen by stocking oilseeds in godowns soon after the harvest when prices are not very high. The societies should also buy oil and oilcakes produced by the members and arrange for the products to be sent to co-operative marketing societies or warehouses established by the Central and State Warehousing Corporations. In areas where a separate society cannot be formed, the oilmen should be enrolled as members of co-operative societies, the oilseeds required by them being supplied from godowns of a large-sized credit society. Similar facilities may be provided to them by marketing co-operatives. It is further recommended that the State Governments should remove the difficulties experienced by the co-operative societies by extending facilities to them for building godowns. Oilmen (*telis*) can also be helped to become shareholders of co-operative societies.

THE LIBERAL TORIES?

From Our Own Correspondent

LONDON, 1st *February*

LONDON LETTER

THERE is no doubt that the Government and their supporters are still feeling lost after sacrificing Mr. Thorneycroft on Mr. Butler's altar. The former Chancellor was regarded as a true right-wing Tory, prepared to carry his political convictions into the economic field. Most people cannot believe that a Chancellor of the Exchequer should resign over a mere £50 million out of a Budget total of around £5,000 million and whether they are right or not will only be established when the new Budget is actually announced. On the other hand, the power of a department over its Ministers is considerable and the Chancellor *plus* his Economic Secretary *plus* his Financial Secretary, once convinced that they must make a stand on the limit of Government spending and that to give way would show infirmity of purpose over the whole field of battle against inflation, would feel committed in loyalty to their permanent officials as well as to the cause in which they believed to stand by their decisions.

Mr. Thorneycroft no doubt expected to be able to stand aside and watch the Government muddling itself along on the edge of inflation through failure to follow his surgery. And the Government saw themselves as liberals not prepared to carry policies to extremes regardless of all factors. They would fight inflation but they would not kill the Welfare State—and so on. But here they reckoned without their right-wing. To the right the ex-Chancellor was a man prepared to give Tory economic policy its head and his departure seemed to them a sign of weakness. Now two things have happened to reassure the right. First, the new Chancellor is a man commanding the respect of all groups among Government supporters and when Mr. Heathcote Amory says he is going to fight inflation they feel there is more in those words than if spoken by any other member of the Government.

Next has been the attitude of the Minister of Labour over the London busmen's wages claim. He has refused the request for a Commission of Enquiry into the dispute—a request put forward by the Trades Unions in a sincere bid for peace—and will only agree into an enquiry into the relationship between the wages of all busmen throughout the country; such an enquiry, necessary and important though it is, would be very prolonged and the unions consider the suggestion as designed to procrastinate. The attitude of the Government in this matter is hard to understand in isolation: they appear to be courting industrial unrest and a serious strike which could spread through the whole transport industry. Why should they do this?

The explanation is the need to rally their own supporters that the exodus of the Treasury Ministers did not mean a softening in the Government's attitude towards claims for increased wages which are not accompanied by increases in production. It is not quite a case of letting Mr. Thorneycroft go and continuing the policies of Mr. Thorneycroft but at the moment it looks very near it!

But is the Opposition taking as much advantage of the confused situation as it might? Apparently not. They appreciate that it is not a case of too much money chasing too few goods, but of not enough goods being produced against the present quantity of money. Hence restrictive monetary policies may prove sterile until they plunge the country into deflation; while expansionist production policies will meet both the home problem and the export needs of the country. But how is the necessary impetus to production to be given by means other than inflationary ones? In short, the Labour Party has not yet risen to a solution of the problem which it has successfully analysed. The Labour Party must be able to do better than Mr. Thorneycroft—they must be able not merely to maintain the level of Government expenditure, but to reduce it and to apply the reduction to a boosting up of investment. And before Government expenditure is reduced severe political decisions must be taken: the Government did not dare face whittling away the Welfare State further—would the Labour Party attack and reduce the country's defence commitments?—*All Rights Reserved.*

LONDON LETTER—II

THE AFTERMATH OF A BANK RATE LEAK

From Our Own Correspondent

LONDON, *7th February*

THE famous enquiry into the alleged leak about the intention to raise the Bank Rate to 7 per cent. last September has had its findings debated in Parliament. Not surprisingly the true lessons to be drawn from the enquiry were intended to be ignored at the expense of the political display which each side saw fit to put on. The Government devoted their energies to attacking the Opposition for ever having suggested an enquiry and the Opposition retaliated by fully justifying their demand for one! The honours in terms of substance undoubtedly went to the Government, but, in terms of debating skill, the Opposition seemed to do rather better, with very little material to work upon.

It has been suggested that the somewhat cumbersome machinery of an enquiry should not be used in cases such as this, as a great many private persons are not only put to expense and inconvenience, but have had all manner of irrelevant details about their private lives dragged into the Court. On the other hand, it is impossible to take away from Parliament the right to demand the fullest information on substances which seem to them important and if, in the course of this demand, allegations under cover of Parliamentary privilege are made against members, then the only answer may be a judicial enquiry of the sort that was held in this case.

But the reasons, which made the Opposition suspicious that some personal advances had been gained at the time of the decision to raise the Bank Rate would hardly have arisen if the consultation of some Ministers, and in particular the Chancellor of the Exchequer, had not been so wide. There is the difficulty in this country that the Party machine operates outside the Parliamentary machine, but since the Parliamentary machine depends in the last resort on the Party machine to keep it in power or to return it to office, the Parliamentarians feel bound to keep in close touch with their political assistants outside Parliament. This is all very well on many matters in which sense of popular feeling is important, but is it necessary on economic matters where a great deal of expert knowledge is necessary in order to form a view, or where popular opinion is not involved?

On the other hand, it is very odd that there was no consultation of any kind with the Members of the Court of the Bank of England who are private bankers. Although the Bank is a nationalised institution, it has been thought desirable to retain the private Members of the Court, in order to give expert advice and, yet, when expert advice is needed, they are not consulted. In these circumstances, it would surely be far better to restrict the Members of the Court to the Senior Bank Officers and Treasury Officers and Ministers concerned, while outside City interests can always be consulted by setting up an Advisory or Consultative Committee which can be called together *ad hoc* when appropriate.

The third lesson and the most significant one is the need for a properly planned economic policy. It is most alarming to consider the haphazard way in which significant decisions such as that to raise the Bank rate—apparently as a result of the Commission Enquiry—are taken. The state of the country and the financial measures necessary to secure that state are discussed casually wherever the Ministers concerned may be, and out of this casual conversation and out of a good deal less casual conversation inside the Treasury and in the Cabinet, decisions are taken. But there is apparently no expert examination of the general economy of the country as the crisis develops—and after all the foreign exchange crisis which the country surmounted last autumn began far back in July. The Government was notoriously opposed to planning when it took over from its Socialist predecessors but it has carried its opposition too far if there is no up-to-the-minute appraisal of the country's affairs which can be considered by Ministers and their advisers at all times and form the basis for economic decisions. It seems clear that the country needs a little less of the casual outlook in the Government's approach to economic problems.—*All Rights Reserved.*

PRESENT-DAY ECONOMIC PROBLEMS

NEXT TWO OR THREE YEARS WILL BE CRITICAL, SAYS MR. J. R. D. TATA

ADDRESSING the Commerce Graduates' Association on some of the problems of the day, Mr. J. R. D. Tata said that he saw no alternative to a considerable re-phasing or curtailment of the second Five-year Plan. While agreeing that the Plan was not overambitious in relation to the needs of the people, Mr. Tata felt that the question of resources available could not be brushed aside. Reviewing the present economic situation, he said that, although the long-term prospects were good and he took an optimistic view of India's economic future, the situation today and during the next two or three years would be critical and must be faced boldly, however unpalatable the remedies might be.

Mr. Tata referred to the continued shortage of foodgrains and the consequent drain of foreign exchange on imports, the inflationary pressures which, though temporarily in check, continued to threaten the stability of the economy, the foreign exchange crisis, and the inadequacy of internal savings. In his opinion, all the symptoms of the present malady were directly or indirectly related to the excessive size of the second Five-year Plan in relation to resources. He observed:

"The original Plan visualised an outlay of Rs. 4,800 crores in the public sector alone, of which the foreign exchange component was estimated to be about Rs. 1,100 crores. This has proved to be a serious underestimate, and foreign exchange requirements are now estimated at Rs. 1,600 crores or more. The cost of the various Plan projects had also been underestimated and, if put through in full, the Plan will now cost something in excess of Rs. 5,500 crores. The so-called core of the Plan alone will cost Rs. 4,800 crores.

"On the other hand, the resources available seemed to have been substantially overestimated. Even under the original Plan, visible resources were only Rs. 2,400 crores or half the planned expenditure. Performance during the first two years of the Plan has indicated that approximately Rs. 1,000 crores less will, in fact, be available."

Mr. Tata warned that, if the Government insisted on pushing through with the Plan as it stood, without adopting draconian measures totally unsuited to a democracy, there would be a grave risk, on the one hand, of the country failing to meet its foreign obligations and, on the other hand, of a degree of inflation, brought about by excessive deficit financing, which would wipe out the benefits of the Plan to the people. Mr. Tata argued that the size of the second Plan or any other plan in the series of Five-year Plans was of no importance; a smaller step at this stage might, in fact, result in quicker progress towards the ultimate goal which alone was important.

Apart from a realistic revision of the Plan, while there was still time to achieve it, Mr. Tata advocated a sounder order of priorities than seemed to be embodied in the present Plan. As an example, he alluded to the fatal fascination which steel plants seem to exercise on the minds of Government and the planners, although, of all the projects in the Plan, steel plants would require the largest amount of foreign exchange and yield the lowest return in foreign exchange. There was a strong case, Mr. Tata said, even now for postponing the third steel plant and using part of the money thus

(*Continued on page 299*)

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Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,62,50,000	12,42,652	Allahabad Bank	{360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				{180.00	50	9.00‡	9.00	9.00	4.50‡		
1,01,000	16,62,000	2,62,939	Andhra Bank	{111.75	100	7.50	6.50	8.00	4.00‡	6,12	H.
40,38,540				65.00	25	3.75	4.54	5.50	3.40‡		
1,00,00,000	1,25,00,000	4,75,752	Bank of Baroda	105.25	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	17.50	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	18,54,924	Bank of India	{136.25	50	7.00	8.00	8.00	3.00‡	6,12	R.L.Y.
50,00,000'A'				{137.50	50'A'	..	..	..	3.00‡		
15,80,375	22,00,000	67,486	Bank of Indore	63.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	37.50	50	2.00	2.00	2.56		12	Y.
50,00,000	24,00,000	5,91,911	Bank of Mysore	250.50	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
50,00,000	32,50,000	32,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00		12	P.Y.
15,00,000	22,00,000	3,992	Canara Banking Corporation Ltd.	80.00cd	50	5.00	5.50‡	5.00‡		12	Y.P.
7,50,000	12,75,000			{176.50cd	100'A'	12.50	12.50	15.00		12	Y.
5,72,320'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	1.85cd	1'O'	12½%	12½%	15%			
28,787'C'				52.00	25	3.00	3.00	3.50	1.50‡		
2,62,11,376	4,02,77,123	18,23,048	Central Bank of India Ltd.	56.50	25	3.00	3.00	3.50	1.50‡	12	R.L.Y.
52,42,375				47.25	10	2.00	2.50	3.00	1.50‡	12	Y.
50,00,000	24,50,000	2,13,141	Devkaran Nanjee Banking Co.	36.37	5	0.81	0.87	1.37	1.06	12	Y.
2,00,00,000	2,00,00,000	10,45,542	Habib Bank (P)	48.00	50	1.50	3.00	3.00		12	Y.
50,00,000	29,75,000	1,81,946	Hind Bank	9.00	50	*Nil*	*Nil*	..		12	Y.
1,25,00,000	15,62,500	16,919	Hindustan Commercial Bank	13.50	50	*Nil*	*Nil*	..		12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank								
44,00,000	90,50,200	8,18,491	Indian Bank	{207.50cd	100	12.00‡	12.00‡	13.00	6.50‡	6,12	R.L.H.
21,82,618				179.00cd	80	7.20‡	7.75	9.75	5.20‡		
55,45,875	35,00,000	2,52,286	Indian Overseas Bank	148.50cd	100	6.00	7.50	10.00		12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	52.00	25	1.56	1.87	1.87		12	Y.
25,00,000	1,25,00,000	6,20,272	Punjab National Bank	17.75cd	25	3.00	3.50	4.00	2.50‡	12	Y.
1,00,00,000	26,50,000	45,060	Travancore Bank	7.64	5	0.75	1.00	1.00		12	Y.
40,00,000	27,50,000	1,80,787	Union Bank of India	59.50	50	2.50	2.75	3.50		12	H.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank								

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.)

£3,500,000	£5,000,000	£409,308	Chartered Bank	£2-1-6	£1	15†	15†	15†		12	Y.
H.K.$25,000,000	H.K.$128,000,000	H.K.$11,089,578	Hongkong and Shanghai Banking Corporation	£45‡	H.K.$125	5*	5*	5*		12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£5-6-8	£1	15†	15†	15†		12	Y.
£375,000 'A'				£1-11-0	A £2½	14†	14†	14†			
£375,000 'B'				£1-11-0	B £2½	14†	14†	14†		12	Y.
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£354,046	Mercantile Bank Ltd.	£0-19-9	sh. 12½	15†	15†	15†		12	Y.
			National Overseas and Grindlays Bank Ltd.								

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr=Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
			BREWERIES AND SUGAR			
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June .. 1948
4,50,000	4½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1945	106.00	27th December .. 1963-68
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	91.00N	1st November .. 1959-64
			COAL			
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (c)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1966 (c)‡
			COTTON			
2,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	86.00	15th November .. 1966 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1925	99.00	1st March .. 1972 (c)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.25	1st April .. 1967-72
13,71,000	5½	30th June and 31st December	Jaysharee Textiles	1949	90.00N	1st January .. 1956-60
99,90,000	6	1st June	Tata Mills	1951	93.50	15th November .. 1966
			ELECTRICS			
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (c)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.	1949	97.00	14th June .. 1964
3,00,00,000	4½	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1965
2,00,00,000	5½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (c)
12,00,000	4½	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1956	97.00	1st January .. 1970 (c)
£4,048,914	5	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
25,00,000	6	1st January and 1st July	Sijua (Dherriah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1974 (c)
15,80,000	5	31st March and 30th September	South Madras Electric Supply	1939	98.00	1st April .. 1960-61
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1940	98.50	30th September .. 1952-66
1,00,000	5	2nd April and 3rd October	Tata Power	1940	96.00	1st July .. 1970
47,73,000	5	1st April and 1st October	Tata Power	..	85.00	15th September .. 1948-70
2,50,00,000	4	1st April and 1st October	Tata Power	..		
			ENGINEERING			
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
20,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1943	97.50	1st July .. 1967-72
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.25	1st October .. 1966-86
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1969 (a)
			JUTE			
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
18,00,000	6	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
12,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1959
10,69,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89.00	30th June .. 1966
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,86,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (a)
30,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Naihati	1952	90.00	31st March .. 1967 (a)
25,00,000	5½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
5,00,000	4½	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
20,00,000	6	30th June and 31st December	Presidency	1943	88.00	30th June .. 1958
8,00,000	6	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (a)
25,00,000	5	14th March and 14th September	Scorah Jute	1937	91.00	14th September .. 1957
8,00,000	4½	30th June and 31st December	Union	1937	90.00	30th June .. 1957
12,00,000	5½	30th June and 31st December	Waverly	1925	80.00	31st July .. 1966
10,00,000	6½	31st January and 31st July				
			RAILWAYS; STEAMSHIP AND TRAMWAYS			
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,368	5	1st April and 1st October		1923	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (c)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (c)
4,14,12,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
			PLANTING			
12,50,000	6	31st March and 30th September	Nilgiri Tea	..	99.00	1st April .. 1958-62
1,56,500	5½	31st March and 30th September	Teaboy	1944	100.00	31st March .. 1949-56†
			MISCELLANEOUS			
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December .. 1965
26,50,000	4½	1st January and 1st July	Associated Hotels of India	1945	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.50	1st September .. 1964-69 (c)‡
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
2,00,00,000	5½	1st February and 1st August	Chowringhee Properties	1916	85.00	1st February .. 1964
21,00,000	5½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1926	82.00	1st July .. 1965
19,84,000	4½	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1969
20,00,000	6	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1969
1,00,00,000	6	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971(c)††
1,50,00,000	5	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡‡
1,00,00,000	5½	2nd January and 2nd July	Meitur Chemical Industries	1946	83.00	 1964
18,75,000	5	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	510.00	30th September .. 1976 (c)
12,07,000	4	31st March and 30th September	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00	30th June .. 1973 (c)
45,00,000	4	30th June and 31st December			(per note)	
					84.00N	1st April .. 1971
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	98.00	30th June .. 1965-70
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	91.50	31st March .. 1961 (c)
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.00	31st December .. 1959
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	97.25	1st May .. 1966(c)‡‡
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953		

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1968, on x months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 6th February, 1958.

	Closing quotations 30-1-1958	High	Low	Closing quotations 6-2-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	125.00	—	—	125.00
Apollo (2)	2.50	2.02	1.98	1.98
Bombay Dyeing (25)	51.60	51.50	50.80	50.40
Bradbury (50)	155.00	—	—	155.00
Central India (100)	84.00	85.00	83.00	84.00
Century Mills (100)	397.25	396.50	386.75	387.25
Colaba (100)	56.00	—	—	56.00
Edward Textile (200)	221.25	221.25	220.00	220.00
Elphinstone (50)	48.00	—	—	48.00
Finlay (100)	265.00	265.00	262.00	262.50
Gokak (100)	162.50	160.00	158.00	158.00
Ind. Untd. Defd. (1)	1.28	1.30	1.26	1.26
Ind. Untd. Ord. (10)	9.56	9.60	9.32	9.32
Indore Malwa (100)	118.50	119.00	116.00	117.00
Khatau (100)	158.50	153.50	148.75	148.75
Kohinoor (100)	269.50	270.50	265.25	266.00
Lakshmi (250)	437.50	437.50	423.75	423.75
Minerva Mills (100)	71.30	—	—	71.50
Model Naspur (250)	177.50	180.00	176.25	177.50
Morarji (100)	204.00	204.00	202.50	202.50
Mysore (50)	99.50	—	—	99.50
National Rayons (100)	224.50	225.50	213.00	214.50
New City (100)	125.00	125.00	123.75	125.00
New Great (100)	221.00	224.00	219.00	220.00
Phoenix (100)	126.25	126.25	120.00	120.00
Podar Mills (100)	145.00	—	—	145.00
Sassoon Silk (10)	7.24	7.24	6.52	6.52
Sassoon Spg. (10)	30.50	30.50	30.00	30.00
Sholapur (1,000)	640.00	—	—	640.00
Shrinivas (100)	141.00	—	—	141.00
Simplex (50)	160.50	163.00	158.50	159.50
Standard (100)	402.50	405.00	400.00	402.00
Svadeshi (100)	171.00	170.00	167.50	167.50
Swan (100)	324.50	—	—	324.50
Tata Mill (25)	40.75	40.75	39.00	39.00
Vishnu (100)	95.00	97.50	95.00	97.50
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	136.00	136.50	136.00	136.00
Do. (New) (50)	136.00	137.50	137.00	137.00
Bank of Baroda (50)	106.00	106.00	105.00	105.25
Central (25)	52.50	52.50	51.00	51.00
Central 'A' (25)	56.50	57.00	56.00	56.00
Dena Bank (50)	47.25	—	—	47.25
Punjab National (25)	52.00	52.50	51.70	52.00
Union Bank (5)	7.80	7.72	7.60	7.72
United Com. (50)	60.50	60.50	58.50	59.00
ELECTRIC COS.				
Ahmedabad (100)	94.80	95.00	94.70	94.70
Amalgamated (10)	10.13	10.12	10.08	10.08
Andhra Valley (1,000)	1,095.00	1,097.50	1,087.50	1,090.00
Bom. Sub-Bl. (100)	109.75	107.25	106.50	107.00
Surat (100)	107.00	107.50	107.00	107.50
Tata Hydro (100)	118.50	119.75	118.00	118.50
Tata Power (1,000)	1,127.50	1,131.25	1,123.75	1,130.00
INSURANCE COS.				
British India (10)	12.52	—	—	12.52
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	41.50	—	—	41.50
Jupiter (15)	9.20	—	—	9.20
New India (15)	53.00	53.80	50.00	53.80
Oriental (200)	3,980.00	—	—	3,980.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	16.64	16.64	16.52	16.52
STEEL COS.				
Ind. Iron (10)	20.52	20.52	19.40	19.64
Tata Steel Ord. (75)	173.75	174.00	169.25	170.50
SUGAR COS.				
Belapur (50)	238.00	238.00	236.00	236.50
Bhopal (10)	19.80	21.52	20.20	21.52
Phaltan (50)	148.00	152.50	148.25	148.25
Walchand Ind. (100)	276.25	277.50	275.00	277.50
CEMENT COS.				
Associated Cts. (100)	156.00	156.50	152.50	153.50
Dhrolaj (100)	136.00	136.00	134.75	135.00
MISCELLANEOUS				
Alcock Ashdown (100)	215.00	217.50	212.50	215.00
Bom. Burmah (125)	540.00	546.00	534.00	540.50
Do. (New) (50)	202.50	202.50	200.00	201.25
Br. B. Petrol (4 sh.)	1.80	1.86	1.78	1.78
Br. I. Corpn. (5)	3.84	3.88	3.76	3.80
C. P. Rly. (100)	57.50	—	—	57.50
Hindustan Motors (10)	6.24	6.24	6.04	6.08
Indian Copper ($ sh.)	2.90	2.90	2.86	2.88
Ind. Inv. Tr. (100)	71.00	—	—	71.00
Killicks (100)	157.50	157.50	154.00	154.00
Forbes (100)	170.00	173.00	170.00	173.00
Pre. Automobiles (100)	86.50	86.70	85.20	86.30
Premier Con. (30)	161.00	160.50	157.25	158.25
Scindia (20)	17.44	17.48	17.14	17.32
G. E. Shipping (10)	20.00	20.00	19.76	19.76
Shivrajpur (10)	94.00	98.50	91.00	92.00
Tata Chemicals (10)	12.64	12.84	12.56	12.84
Tata Locomotive (100)	148.00	142.00	138.50	139.50
Tata Oil (25)	87.25	87.00	85.75	86.50
W. I. Match (100)	170.00	170.50	170.00	170.00

GOVERNMENT SECURITIES	30-1-1958 Rs. nP	Gross Yield Earlier Redemption	Later Redemption	6-2-1958 Rs. nP
2½% 1961	94.60	—	4.17	94.60
2½% 1960	97.45	—	3.83	97.45
2½% 1964	94.75	—	3.97	94.75
2½% 1962	95.10	—	4.08	95.10
3% 1958	99.75	—	4.08	99.75
3% 1960–61	99.10	3.60	3.28	99.10
3% 1964	94.10	—	3.98	94.20
3% 1965–65	93.80	4.22	3.91	93.80
3% 1966–68	91.70	4.14	3.97	91.75
3% 1970–75	85.80	4.47	4.14	85.80
3% 1986 Con. Loan	71.05	—	4.22*	71.05
4% 1960–70	100.60	3.77	3.94	100.60
4% 1968–88**	100.60	3.24	4.44	100.60
2½% 1961 N.P. Bonds	99.70	—	3.59	99.70
2½% 1964 N.P. Loan	97.75	—	3.88	97.75
2½% 1965 N.P. Bonds	97.60	—	3.88	97.60
2½% 1962	97.90	—	3.89	97.85
2½% 1967 N.P. Bonds	97.80	—	3.77	97.60
2½% 1974	98.25	—	3.79	98.20
2½% 1967 N.P. Bonds	99.60	—	3.80	99.60
4 % 1972 Loan	100.00	—	4.00	100.00

BRITISH GOVERNMENT SECURITIES

	Closing quotations 31-1-1958 £			Closing quotations 5-2-1958 £
2½% Brit. Consols	48‡	—	—	48‡
3 % Savings Bonds 1965-75	70¾	—	—	70¾
3% War Loan 1955-59	96‡	—	—	96‡
3½% War Loan	94‡	—	—	94‡
4% Victory Bonds 1976	64‡	—	—	65
4% Funding 1960-90	91½xd 88‡	—	—	91‡ 89¾

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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IMPORT POLICY REALISTIC

THE principles of austerity enunciated by Mr. Morarji Desai, Minister for Commerce and Industry, for determining the import policy for the half-year beginning from April next are unexceptionable, having regard to the serious foreign exchange situation confronting the country. Before referring to these principles, it will be appropriate to consider the latest foreign exchange position, so that they may be viewed in their proper perspective. A reference to this subject was made this week by both Mr. Morarji Desai, at the meeting of the Import Advisory Council, and President Rajendra Prasad, in his inaugural address to the current session of Parliament. Mr. Desai described the position as "serious," while the President merely said that there had been some improvement in the position; he did not use an adjective to indicate the state of affairs precisely. This is quite understandable because he was endeavouring to present the economic picture of India in a mild optimistic light. Mr. Desai, however, did not mince words. He candidly admitted that, though the position was better, it was still serious. That undoubtedly is the true picture.

It is, of course, correct to say that, since the last meeting of the Import Advisory Council in September 1957, the prospects of getting foreign assistance for implementing the second Plan have improved. There are today firm promises of help from the U.S., the U.K., West Germany, Japan, Canada and France. On a rough estimate, these aggregate about 270 crores. The World Bank is likely to give another Rs. 70 crores, that is, in the fiscal year 1958-59. There are also reports that the U.S. may be rendering some more assistance. But it must not be forgotten that the total of all these offers, some of which are yet to be finalised, constitutes only a fraction of the foreign exchange cost of the "core of the Plan" against which large commitments have already been concluded. The private sector also has sizable firm orders placed with foreign countries. These will materialise in the coming months. Another point that must be borne in mind is that, at present, the foreign balances to the credit of India are no more than Rs. 281 crores (as on 7th February 1958), as against Rs. 377 crores in the first week of September when the policy for the half-year now drawing to a close was discussed. This means that, during the past five months, the balances have shrunk by no less than Rs. 96 crores.

There has no doubt been a slowing down in the pace of depletion of the country's foreign balances. Thus, as against a fall of about Rs. 100 crores during July-September 1957, there was a drop of only Rs. 55 crores in the last quarter of 1957. In the month of January 1958, the rate of decline was even less, Rs. 14 crores, that is, at the rate of Rs. 42 crores per quarter. In the first week of February, it was only Rs. 2 crores, equivalent to Rs. 26 crores per quarter. Such comparisons, however, are misleading. The period from October to May is usually one when exports from India are brisk and the bulk of foreign exchange is earned. The reverse is true of the period from June to September. The seasonal exports may, therefore, be covering the effects of excessive imports on foreign balances. This is not to deny that the severely restrictive import policy adopted six months ago has begun to take effect. But the full impact of this policy will be felt only in the second half of this year. Meanwhile, the position has by no means improved to so perceptible an extent as to permit any relaxation in the present restrictions on imports. Mr. Desai was, therefore, quite justified in asserting: "The liberalising policy is dead. There is no question of liberalisation."

As the facts of the present situation warrant the continuance of a tighter policy, it is essential that there should be some well-thought-out principles for determining the basis on which the licences are to be issued for the coming half-year. It seems that Mr. Desai had done some thinking well in advance, for he stated the principles quite firmly and clearly. These are:

(1) Every request for imports should be justifiable on the strictest tests of essentiality.

(2) Every endeavour will be made by the Government to provide the industries with raw materials as adequately as possible. Nevertheless, industrialists should find ways and means of using indigenous substitutes for imported raw materials, stores and spares.

(3) Import of capital goods for new development has necessarily to be given a lower priority than the import of raw materials. "It is obviously undesirable," to quote the Minister, "to aim at an expanding capacity, if we are not able to get the utmost out of the existing installed capacity in the country."

(4) Consumer goods should rank very low in the list of priorities. "With every sympathy for the consumer," said the Minister, "there is a large number of things the import of which we simply will not be able to afford in the immediate future."

These are, indeed, sound principles on the basis of which a system of priorities for imports has to be evolved. When practised, they will, of course, hurt certain industries and trade and cause postponement of a number of contemplated new industries. These hardships are, however, inevitable, since the pace of development has to be related to the resources available. To ignore this fundamental criterion is to invite economic chaos. Accordingly, we have no hesitation to endorse the views of Mr. Desai on this point. We would only urge that the principles laid down by him should be made applicable uniformly to the public and private sectors alike.

The fervour with which a section of industrialists in this country pleads for the extension of the deferred payments system to a large number of projects, including those that are not in the Plan, and for a liberalisation of the conditions imposed by the Government for granting import licences under this system is simply amazing to us. Even the Minister (Mr. Manubhai M. Shah, who is said to have enthusiastically advocated this system at one time as a solution to the foreign exchange problem, has begun to see the danger of carrying it too far. Yet some business men, who ought to know better than this Minister, think very highly of it and want to adopt it on a wider scale. The cost of buying plant and machinery on the basis of deferred payment is very high and it is not known how the industries built on such credit will be competitive. That apart, no thought seems to be paid to the question whether India will be in a position to find enough foreign exchange to meet the liabilities as and when they materialise. There is little reason to think that, in the next three to five years, India's balance of payments position will become comfortable enough for discharging these obligations. Mr. Morarji Desai, therefore, did well in cautioning business men against resorting to deferred payments system on any large scale for getting over the foreign exchange hurdle. His brief observations on this subject bear reproduction. He said:

> "The scheme of allowing imports for capital goods on deferred payment terms is one which has only a limited scope. We should not and do not intend to mortgage our future by indiscriminate borrowing. The kind of schemes where deferred payment arrangements can be legitimately accepted are those where the projects, by their production, will either earn or save foreign exchange to pay for them when the instalments fall due. If this is not the case, then we should only undertake such development as we can finance out of our present resources. Otherwise, we shall be piling up liabilities for the future and this we certainly do not intend to do. Those who wish to proceed with a project on deferred payment terms must first satisfy Government that the project is one which is suitable for such financing and ascertain the kind of terms which will be acceptable."

It will be noted from the above extract that the Government is alive to the danger of deferred payments system landing the country in a situation quite damaging to its credit in the world. In fact, when the President of the Federation of Indian Chambers of Commerce and Industry reiterated his plea for a certain amount of relaxation in the conditions under which the Government agrees to imports under this system and observed that

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there was no danger in doing so. Mr. Desai retorted by saying: "It will be defending doom. How will we pay for these liabilities in future?" The protagonists of suppliers' credit have not so far given any convincing reply to this question. A valuable contribution to this debate was made by Dr. P. S. Lokanathan when he remarked at the meeting of the Council that, in addition to the conditions imposed by the Government for permitting deferred payments agreements, it must be laid down that no such agreement should be allowed if it in any way affected the domestic resources required for implementing the essential projects. We had ourselves advocated this condition ere now, because we found that, backed by offers of deferred payment by some foreign industrialists, several requests were being made to the Government by Indian business men to establish certain types of industries which can very well wait for some more years and which, in any case, are not already covered by the second Plan.

Since the foreign exchange position continues to be extremely difficult and since it is not desirable to rely on deferred payments system to any large extent, a logical solution to the problem is to encourage the flow of foreign private capital to this country. Mr. Desai accepted this proposition in his speech at the meeting of the Council. Thus, he said:

"One of the possible methods of financing new projects is through the participation of foreign capital. If investment from overseas of a long-term character in the equity capital of a company is forthcoming to meet at least the foreign exchange necessary for the importation of plant and equipment for the project, we certainly do not have any anxieties on account of the foreign exchange situation. For this reason, Government have encouraged Indian industrialists to seek suitable foreign collaboration which, incidentally, brings in many advantages of a technical nature. At the same time, I must add that the fields in which foreign capital is most welcome are those which strengthen our economy and which develop new lines of production of items which we would otherwise import."

But what has the Government done to attract foreign capital? Scarcely anything. On the contrary, in the last three or four years, it has placed more impediments than incentives to get such capital. Much has been said on this subject and yet there are no indications that the authorities concur with this view. Will the coming Central budget belie this assertion, even partly?

EXPORT WITHOUT PROFIT?

A COUNTRY faced with a serious balance of payments problem has four principal ways in which it can solve it. These are (1) borrowings from abroad, both short-term and long-term, (2) import of private capital through adoption of suitable techniques, (3) restriction on imports, and (4) stimulation of exports. India has been trying all the four approaches with varying degrees of efficiency and with varying results. Broadly speaking, while the first two means fall under the sphere of finance, the third and the fourth come under trade. Both the groups, however, are interdependent, in that fiscal and monetary policies have a profound effect on the movement of goods and capital alike. Of the two means pertaining to trade, restriction on imports is a negative one and fairly easy to follow, while stimulation of exports is a positive but difficult solution. There has been quite a lot of talk and some action in this country about export promotion. Nevertheless, the country is far from the goal. The reason for this is to be found in the fact that the measures so far taken have been of a halting nature and, what is more, not all of them of the right type. This is not due to lack of right advice. Of that, there has been plenty. It is invariably the Government which has faltered in implementing several pertinent suggestions. It still does not seem to realise that the defect lies with it.

The speech made by Mr. Morarji Desai at the Export Advisory Council meeting held at New Delhi on the 9th inst. was disappointing, in marked contrast with the one delivered at the meeting of the Import Advisory Council on the previous day. It was disappointing because it was unrealistic. After recounting such promotional efforts as the granting of drawback of import duties and rebates of excises, the establishment of Export Risks Insurance Corporation, the constitution of Foreign Trade Board within the Commerce and Industry Ministry, and the Export Promotion Councils and after lauding the performance of the State Trading Corporation about which there can be and are two views, Mr. Desai observed:

"The time has come when there must be a reorientation of our thinking. Many industries complain of the shortages of raw materials which the cut in our import programme has caused. They must realise that foreign exchange is not something which Goverment can produce for them. It is they who earn it. Government can only ensure an equitable distribution of the foreign exchange which is earned. It is, therefore, my considered opinion that every industry in the country must try to export at least such quantities of its production as would pay for the raw materials which it needs to import. *This may mean selling without any profits abroad.* This will mean adherence to stricter standards of quality than the domestic market demands. This will mean, in other words, some sacrifice." (Italics ours.—ED.)

It is obvious that the Government cannot produce foreign exchange. It has to be earned through exports. But, surely, it is too much to expect every industry to earn the foreign exchange required to pay for the import of materials needed by it. If the Government takes such a view, it can never fully appreciate the importance of traditional export industries. None disputes the need for diversification of exports both area-wise and commodity-wise. But, in order to stress this point, it is not necessary to say, as the authorities have often been doing of late, that the scope for promoting exports of traditional items is limited. This attitude will unconsciously undermine in the official minds the value of these industries. There is already evidence of this tendency, as witness the manner in which the jute, tea and cotton mill industries are being neglected. The Government, of course, will protest against this statement by pointing to the assistance it is giving to cotton and jute mills for renovating their plant and machinery. But this help is nothing, as compared with the various burdens they have imposed on them under some pretext or other. In fact, there would have been no need for the type of assistance now being offered had it followed appropriate policies towards them during the last 10 years. More foreign exchange can be earned by fostering and nuturing the traditional export industries, as they have still profitable scope, than by trying to boost new industries which have yet to establish themselves firmly in their own soil. The Government, it may be noted, has not yet implemented the major recommendations of the Export Promotion Committee in favour of the old industries and there are no signs to show that it is keen on doing so.

Export promotion, it must be conceded, is not the task of Government alone. It is primarily the responsibility of manufacturers and their friends who take the role of exporters. It is their task to produce quality goods and find out markets. They should spare no effort in this direction. But to say that, in order to earn foreign exchange, they should sell their goods abroad even without any profits, is to stretch the conception of "sacrifice" too far. No business man will ever be interested in exporting anything which brings no profit to him. When one of them advised the Minister at this week's meeting of the Council to reduce the taxes on goods meant for export and also give other facilities, so that the country could earn more foreign exchange, he said he had to mind the revenue requirements of the Government. Surely, what is sauce for the goose is sauce for the gander, too. If the profits made in the domestic market are taxed heavily and if there is little or no profit on exports, how are the industries to exist, let alone expand? In fine, the proposition of Mr. Morarji Desai that business men must try to expand the export trade even if there is no profit in it is neither feasible nor desirable, as it is uneconomic.

BRITAIN, TOO, HELPS INDIA

IT is gratifying to find that Britain has not been slow in joining the list of countries that have come forward to help India out of its foreign exchange difficulties. First came West Germany, with an announcement, following the visit of Mr. T. T. Krishnamachari to that country, that it would be willing to facilitate postponement by India of certain payments on obligations already stemming from Indo-German economic relations and to help India complete some of the projects in the second Plan. The exact amount involved in this offer is yet to be determined and currently negotiations are going on at Bonn to decide it as well as the terms of credit. But it is generally expected that the amount will be of the order of Rs. 80 to Rs. 100 crores. Then came the U.S. with a loan of $225 million and a promise of further assistance in the near future. This was quickly followed by the news that both France and Japan were prepared to give credit to India of the order of Rs. 28 crores (25 billion francs) and Rs. 24 crores (18 billion yen), respectively. The terms of the loan from Japan are discussed on page 278 of this issue. It will be noted therefrom that it is a medium-dated loan on terms that are quite reasonable.

The French offer of assistance is part of an Indo-French agreement signed on 23rd January 1958 for economic and technical co-operation between the two countries. It must be noted here that what France has offered is not a direct credit nor is it a line of credit. It is something comparable to the export credit guarantee facilities which Britain has been offering through its Export Credits Guarantee Department to India and various other countries. All that it means is that, for one year, the French Government is prepared to guarantee its exporters payment on account of capital goods shipped to India for an aggregate risk of Rs. 28 crores. It is not an overdraft to India which the latter can draw on directly, but to the French exporters. Accordingly, the importers in India, whether they are in the public sector or in the private sector, should negotiate directly with the exporters in France the terms of the purchase, including the period of repayment of the credit and the rate of interest thereon. It will thus be noted that the assistance offered by France is only of limited value and of a nature which Britain has rendered to India all along and is doing so even today. We have been told on reliable authority that it is absolutely incorrect to say that the E.C.G.D. in Britain has exhausted the credit limit for India and that it is not taking up any fresh commitments pertaining to this country.

Close on the heels of the conclusion of credit arrangements with Japan last week comes the report that Britain has offered to credit India's account with a sum of £12 million which is due to the latter over a period of three years beginning from April next in annual instalments of £4 million. This sum is equal to about Rs. 16 crores. The Government of India has, as is only to be expected, accepted this offer with thanks. This arrangement has to be explained at some length in order to enable the reader to understand its usefulness better.

Some 10 years ago, that is, in 1948, India had transferred to Britain a large block of sterling balances in settlement of the pensions due to British personnel who had served this country. This was done by buying sterling annuities from the British Government. In 1955, this arrangement was reviewed and it was found, on an actuarial valuation of the pensions due, that India had overpaid Britain to the tune of £40 million. It was then agreed between the two countries that Britain should return this excess sum at the rate of £4 million per annum over a period of 10 years. Considering India's foreign exchange difficulties, Britain has come forward to make an advance payment of the annual instalments of the principal due in 1959, 1960 and 1961 in April next, when the 1958 instalment of £4 million falls due. Thus, in April next, India's sterling balances will be enriched by £16 million (about Rs. 21.33 crores), the extent of special assistance here being £12 million (about Rs. 16 crores).

This amount is, of course, not large, as compared with either India's requirements or Britain's capacity to give. Besides, only a part of the amount which is due to India in future is being paid. Nevertheless, its value should not be minimised. It comes at a time when India needs such assistance most and in a form which suits this country best. The amount will be paid straight into India's account with the Bank of England. It is thus of more immediate benefit to India than any of the recently announced agreements with other countries. Whereas these other agreements relate almost entirely to payments for future orders and are hedged in with conditions about the types of goods that can be bought, the sum which Her Majesty's Government is making available to India is freely convertible into any currency and can be used for payment of orders already committed, irrespective of whether they are for plant and machinery, or consumer goods or raw materials. Above all, the offer represents a further gesture of Britain's goodwill towards India which we have no doubt will be appreciated by all in this country. Let us hope that it is a harbinger of more direct help to India in the not distant future.

T.T.K. LEAVES THE GOVERNMENT

OUTLOOK FOR SUGAR EXPORTS—LEND-LEASE SILVER—EGYPTIAN COTTON

THURSDAY, 5 P.M.

AS these lines are read in print, Mr. T. T. Krishnamachari will have ceased to be the Finance Minister. He will have left the North Block of the massive Secretariat at New Delhi. The Prime Minister has accepted his resignation (formally submitted on the 5th inst. but orally conveyed much earlier) with great regret and has paid him a fine compliment. He has very good reason for doing so, for no one has done so much as Mr. Krishnamachari to give a practical shape to his concept of socialist patern of society. As a true lieutenant, T.T.K. has laboured hard to carry out his chief's directives and principles. The new pattern of taxation is T.T.K.'s work. Although he drew the inspiration from Prof. Kaldor, he went much further than the Cambridge economist. He has won for himself the unique distinction of being the first Finance Minister in the whole free world to enforce expenditure tax. This one act alone has earned for him a place in the fiscal history of the world. He will thus be remembered not only in India but also elsewhere in the world for a long time to come. If his tax pattern were to be effectively and thoroughly enforced, a big 'if' indeed, it would leave very few rich people in India, an objective very dear to Mr. Nehru's heart, though we are not certain whether it will achieve his other objective also equally well, namely, raising the living standards of the masses. To the credit of T.T.K., however, it must be said that, if the latter objective is not achieved in the foreseeable future, it cannot be attributed to his tax system alone, for there are many other stumbling blocks in the way for which he is not responsible.

MARKET GOSSIP

There is no doubt that Mr. Nehru has lost the services of an able colleague. Whatever may be his faults, T.T.K. is a dynamic figure, just the right sort to match the dynamism of Mr. Nehru himself. His adaptability is evident from the fact that, soon after piloting and placing on the Statute Book one of the worst types of "soak-the-rich" taxation proposals and putting all sorts of restrictions on private enterprise, he had the courage and self-confidence to go to America, the land of free enterprise, with the idea of selling India's case for economic aid from that country. And, as subsequent events have shown, he did achieve his object to a considerable extent not only in the U.S. but also in West Germany, where Dr. Erhard, a practical economist strongly in favour of free enterprise, is the Finance Minister. While on this mission, T.T.K. had to overcome the prejudices caused not only by his budget proposals but also by the foreign policy of India. Thus, T.T.K. is justifiably entitled to a large measure of credit and sympathy from his party and his chief both of whom he has loyally served.

T.T.K.'s bungling in the affairs of the Life Insurance Corporation is there. It will also go down in history along with his Wealth Tax, Expenditure Tax, and Compulsory Deposit system. It is common knowledge among his friends that he was very keen on becoming the Finance Minister, as he thought that it would give him wide scope to display his talents. It is a pity that Providence did not let him enjoy this privilege and power for a longer period. He has held this post for only a little over 17 months. Nevertheless, it has been a momentous period for him. The investors might have been hard hit, but that is their price for socialism. Only T.T.K. knows whether they would have recovered their capital losses quicker than is otherwise likely, if he had continued in office.

The job of Finance Minister under a Socialist Government of India which wants to run even before it has gathered enough strength to walk steadily is not an enviable one. He has to face a Parliament dominated by the leftists and outside the House a business community which believes in profit-motive and freedom from excessive State control. In such a set-up, no Finance Minister can be popular or successful. Further, the sphere of operation for the bureaucracy has grown enormously, thereby increasing the risk of failure in discharging one's duties.

We have always held that nationalisation of life insurance was one of the hastiest steps ever taken by the Congress Government. It was a crude, rash and cruel step. So far, events have not belied this contention. It has now claimed as its victim one of its ardent advocates and dragooned some of the finest and seniormost executives of the Government. The consequences are a sorry state of affairs. If Gandhiji were alive today, he would not have hesitated, after seeing all that has happened, to admit that nationalisation of life insurance was a Himalayan blunder.

* * * *

It is surprising that, even when crushing of sugarcane is in full swing and supplies are plentiful, prices of sugar continue to rule very high. As compared with the end of last season (31st October 1957), prices of this food article have registered a rise of about 6 to 7 per cent. Small grain sugar in Bombay is now quoted at Rs. 105½-Rs. 106 per bag, as against Rs. 99 on 30th October 1957. Similarly, medium and large grain are quoted higher at Rs. 106-Rs. 108½ and Rs. 109-Rs. 113, as against Rs. 100-Rs. 103 and Rs. 104-Rs. 109, respectively. Nobody has cared to find out as to why this anomalous position exists. Whatever be the reason, the upward trend in sugar prices in this country is in distinct contrast to the decline in prices noted in world markets. The latest available rate for Cuban raw sugar at New York is 3.65 cents per lb. (f.o.b. Cuba), a fall of 0.38 cent over a period of two months. Refined sugar is now being sold in London at £32 per ton, the quotation two months ago being £36.

Considering the continued maintenance of high prices in India at a time when world prices are falling, there are, indeed, no chances of India selling sugar abroad except at a sizable loss. An idea of this loss was given by Mr. T. C. Puri, I.C.S., Chairman of the Development Council for Sugar Industry, when he addressed the eighth meeting of the Council at Nellikuppam near Cuddalore, Madras State, on Tuesday this week. Mr. Puri revealed that, with the prevailing world prices, India could now export sugar only at a loss of £16 to £17 (Rs. 213 to Rs. 227) per ton, even after allowing for a full remission of excise duty and cane cess. He revealed that the Indian Sugar Mills Association had suggested two or three schemes in this connection and they were now under the consideration of the Government. Incidentally, Mr. Puri recalled that, last year, the sugar industry exported 174,000 tons of sugar and, due to a fortuitous rise in world prices early in 1957, most of the sales was made at a profit, but the profits so earned were now being used to meet losses on further exports.

On the basis of the aforesaid account, let us analyse the economics of sugar exports. Assuming that the total exports will be 200,000 tons—the Union Food and Agriculture Minister recently stated at Kashipur (U.P.) that "it is our desire to export 200,000-300,000 tons of sugar this year—and that the average price is about Rs. 440 per ton, the aggregate foreign exchange earned will work out to Rs. 8.80 crores." This is no doubt a sizable amount in the present context of the difficult foreign exchange situation. But the sacrifice involved far outweighs the foreign exchange earned. Thus, the actual loss of profit (at Rs. 220 per ton on the basis of the average of figures given by Mr. Puri) on exports of 200,000 tons of sugar will amount to as much as Rs. 4.40 crores. To this must be added the loss of Rs. 5.82 crores by way of remission of Union excise duty and of Rs. 1.02 crore by way of remission of cane cess. The total loss to the country will thus come to as much as Rs. 11.24 crores.

Judging from the recent developments on the world sugar front, the loss on sugar exports from this country may, in fact, be more than what is estimated at present. It looks as though even the currently ruling prices in the world market will not be held and there will actually be a further marked drop in prices. Cuba, the world's largest sugar-producing country, is today faced with the problem of disposing of huge stocks of sugar. The new crop sugar is expected to reach 5.5 million tons and, in addition, there is a carry-over of 680,000 tons. What is likely to make matters worse is the possibility of new crop sugar reaching the market earlier than usual. It is said that crushing of sugarcane in Cuba has been speeded up, in order to "reduce the risk of the cane being damaged by the rebels." Indeed, sugar is already beginning to pile up at the Cuban ports, while actual exports have not been quite encouraging. Up to 31st January last, Cuba is stated to have been able to sell just 870,000 tons of new crop sugar, as compared with over 1.1 million tons in the same period a year before. Naturally, the authorities in Cuba are anxious "to see sales going well." As a means to expedite sugar sales abroad, Cuba tempted Russia last week by offering a rebate of 0.2 cent per lb., if the latter were to conclude the second purchase of sugar within 20 days; the first purchase involving 100,000 tons at 3.65 cents per lb. was effected in the last week of last month.

The prospect of Russia taking advantage of the aforesaid rebate has, of course, imparted some steadiness to the world sugar markets and, if this expectation proves wrong, sugar prices may suffer a setback. Indications are that Russia will not be buying as much sugar from Cuba this year as in 1957. For a large part of the rise in the European beet crops in 1957-58 has occurred in Eastern Europe. The total of these crops is put at 15.8 million tons, which compares very favourably with 14.4 million tons in 1956-57. Meanwhile, Brazil remains a seller of sugar. The Brazilian Institute recently allocated a further quantity of 60,000 tons of sugar for export.

* * * *

The final consignment of 9 million fine ounces of alloy silver coins due to the U.S. from the Government of India in repayment of silver borrowed by India during the last war on Lend-lease basis was shipped from Bombay yesterday. With the despatch of this quantity, India has completely repaid its share of 172 million ounces of silver given by the U.S. Under the Lend-lease agreement, prepartition India got 226 million ounces of silver to be returned five years after the end of the emergency period. On partition, this liability was divided between India and Pakistan, the former's share being 172 million ounces. This quantity was due for repayment by the end of April 1957.

Except for 100 million ounces of India's obligation, an extension of two years is permitted by mutual agreement for the balance. The Indian Government, however, did not want an extension. In April last, it offered to make immediate arrangements for the shipment of approximately 50 million ounces of silver of the requisite fineness in the form of bars. For the balance of the silver, amounting to about 122 million ounces, it was prepared to pay in the form of quaternary alloy coins, as it did not have sufficient silver bullion. The U.S. accepted the offer. It also agreed to bear all the cost of handling, transportation and refining of these coins.

Accordingly, the shipment of the first instalment of 50 million ounces of silver (in bars) started on 24th April 1957. On that day, about 3 million ounces were actually shipped. The balance, of bullion as also of the coins, was despatched as and when shipping space was available. The last lot of 9 million ounces in the form of quaternary alloy coins was sent out this week. It will be interesting to note that, out of the 172 million ounces shipped, 80 million ounces were cleared through Bombay Port and the balance of 92 million ounces through Calcutta Port.

With the return in full of the U.S. Lend-lease silver, the bullion market is left guessing about the stocks of silver with the Government. These must be in the form of bullion, to some extent, old standard silver coins (the minting of which was stopped in 1941) and quaternary coins (the minting of which was stopped in 1947). It will be recalled that, in reply to a question in the Lok Sabha in November last, Mr. B. R. Bhagat, Deputy Minister for Finance, refuted a member's suggestion that the silver refinery plant, which was being set up in Calcutta, would be rendered superfluous, in view of the fact that the bulk of American Lend-lease silver was being repaid in the form of quaternary coins. The Minister added that, even after payment of the Lend-lease silver, there would be enough quaternary coins left in India to keep this mint busy for several years to come.

Leaving aside the standard silver coins which were minted up to 1941, about which complete data are not available, the total quantity of quaternary coins minted in India between 1941 and 1947 (both inclusive) is of the face value of about Rs. 153 crores. The silver content of this total works out to 287 million ounces. Out of these, rupee coins of the value of Rs. 48 crores and small coins (quaternary) of the value of Rs. 21 crores had been withdrawn up to the end of March 1957. In terms of silver content, this amounts to a withdrawal of 129 million ounces. At the beginning of the current financial year, there were still quaternary coins of the value of Rs. 84 crores in circulation, the silver content of which amounts to 158 million ounces. Thus, out of the silver amounting to 287 million ounces in the form of quaternary coins issued to the public, the Government has so far withdrawn 129 million ounces and repaid out of this 122 mihion ounces to the U.S. in the form of coins themselves, leaving still a large surplus of 158 million ounces in the form of quaternary coins to be withdrawn. Besides this, the Government has on hand 7 million ounces in the form of quaternary coins alone. Even assuming that 25 per cent. of the coins will not come back from circulation, there will still be, sooner or later, a surplus of about 118.5 million ounces in the form of coins in the hands of the Government. Of course, it will take several years for all these coins to be withdrawn.

Now that the Government of India has wiped out its Lend-lease silver liability, what will it do with the sizable surplus silver which it will get back in the course of the next few years, as and when these coins come back from circulation? Will the Government cash this silver or keep it idle? There is no need to answer this question now, because it will be topical only after some years. For the present, the payment of Lend-lease silver has only weakened the hands of the bears, as it has reduced the scope for raising the scare of the possibility of the Reserve Bank selling silver in the open market.

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Hopes are being expressed in cotton circles that the talks the Egyptian delegation is currently having in the city with the representatives of the cotton trade and industry will prove fruitful. The fact that the delegation's visit coincides with the time when the Government's cotton import policy announcement is anxiously awaited has given grounds for thinking that some agreement for the import of Egyptian cotton would be reached. Although the first reaction of the representatives of mills and the trade who met the delegation yesterday was not very encouraging, because the leader of the delegation, Dr. Chiati, pointed out that the Egyptian Government had decided not to give any discounts for its cotton, there was still a hope that some mutually satisfactory arrangement which would assure regular supplies of Egyptian cotton to India at reasonable prices would materialise after the delegation's talks with representatives of the Government at New Delhi. The delegation's attention was drawn to the fact that India's foreign exchange difficulties and higher prices of Egyptian cotton *vis-a-vis* Sudanese growths after the recent reductions in the reserve prices of the Sudan Gezira Board and the slash in export duty were the main factors responsible for the fall in India's offtake of Egyptian cotton. It was pointed out that, unless Egyptian prices were brought to parity with those of Sudan, Indian mills would not be in a position to go in for any substantial quantity. The delegation's attention was also drawn to the deterioration in the quality of Karnak cotton.

The sharp fall in purchases by Egypt's traditional customers, the competition of Sudan cotton and the larger crop expected this season have all combined to exert a downward pressure on cotton prices in Alexandria in recent weeks. Cotton being its staple export item, Egypt is anxious to accelerate its exports. It is true that exports so far in the current season have fared better than in the corresponding period of last season. But the larger crop of about 1,192,739 bales (of 720 lbs.), as compared with 960,000 bales in the previous season,

(*Continued on page 299*)

DULL TRADING IN SHARES

NARROW MOVEMENTS IN PRICES

(From Our Own Correspondents)

BOMBAY, 13*th February*

AS was generally expected, the Union Finance Minister's resignation was accepted today by the Prime Minister, following the verdict of the Chagla Commission. This development has had no effect on the share market, since it is generally conceded that Mr. T. T. Krishnamachari's exit does not mean any change in the Government's fiscal policy. The Prime Minister's speech at the Indian Merchants' Chamber's Golden Jubilee Celebrations last week has made that point clear. Even the hope that there would at least be no further taxation by the Centre is neutralised by the fear that there may be an increase in taxes at the State level, because the States have been asked to raise Rs. 200 crores in the coming financial year by way of market borrowing, small savings and additional taxation.

Now that Mr. Krishnamachari is out of the Cabinet, market circles are anxious to know who will be his successor, for they feel that the future for investment markets will depend much on him. This anxiety is reflected in the extreme dullness that characterised the trading today. Fluctuations in prices were confined to a very narrow range. Earlier in the week, too, the market was lethargic. With only two weeks to go for the Union Budget to be presented, operators' attention was diverted to the outcome of the Chagla Commission's report and the possible change in the Finance Ministership. There was no inclination among them to enlarge their commitments and trading was, therefore, thin. There was, however, no selling pressure and the undertone was steady.

In the steel section, Tata Ordinaries receded from Rs. 170.50 to Rs. 169.25 early in the week, following the announcement of a decline in output of saleable steel at Jamshedpur during January from 74,200 tons to 70,600 tons, but recovered to touch Rs. 172.25 yesterday. At the higher level, however, there was profit-taking and the shares dipped to Rs. 171. The new shares were better by 75 nP at Rs. 166. Indian Irons were first marked down from Rs. 19.64 to Rs. 19.48, but put up later to Rs. 19.88. At the close, there was again a drop to Rs. 19.76.

Textile shares ruled quiet, but the fall in prices was only small, despite the Commerce Minister's statement in Parliament ruling out the possibility of a reduction in excise duty on coarse cloth. The Minister added that the Government had no intention whatever of making any other concession to the textile industry at present. Bombay Dyeings dipped from Rs. 50.40 to Rs. 50.10, but came up to Rs. 50.70 yesterday. Today, they shaded off to Rs. 50.60. Centurys came down from Rs. 387.25 to Rs. 383.50 and, after a revival to Rs. 388.75, closed at Rs. 387. Kohinoors wound up Re. 1 lower at Rs. 265. Central Indias lost Rs. 2 to Rs. 82. Indu Ordinaries were dull at Rs. 9.24 Gokaks fell by Rs. 3.75 to Rs. 154.25 and Indore Malwas by Re. 1 to Rs. 116 Khataus shed Rs. 3 to Rs. 143.75 and Models Re. 1.25 to Rs. 176.25. Morarjees were steady at Rs. 203, while New Greats were marked down by Rs. 2 to Rs. 218. New Kaiser-I-Hinds declined by Rs. 4.50 to Rs. 81.50. Simplex were lower by a rupee at Rs. 158.50. Standards gave way from Rs. 402 to Rs. 399. Svadeshis dropped Re. 1.50 to Rs. 166 and Tata Mills 50 nP to Rs. 38.50. Ahmedabad Advances changed hands Rs. 6 lower at Rs. 119 and Colaba Mills Rs. 5 down at Rs. 51.

In the banks section, the announcement that a Bill to merge some of the State-associated banks with the State Bank of India would be introduced in Parliament in the current session, led to a demand for the shares of these banks. Jaipur Banks were prominent among them with a rise of Re. 1.50 to Rs. 38.50. Jodhpur Commercials attracted attention and gained 22 nP to Re. 1.46. Barodas were only a fraction lower at Rs. 105, as the merger of this Bank with the State Bank would be considered only later on. Central Banks were unchanged at Rs. 51, while their new shares were Re. 1 lower at Rs. 55. Bank of Indias were maintained at Rs. 136, while United Commercials gained 50 nP to Rs. 59.50.

In the insurance section, New Indias were placed at Rs. 40.25 *ex*-right, as against Rs. 53.80 *cum*-right a week ago. Indian Mercantiles gained Re. 1 to Rs. 42.50, while Jupiters were done 68 nP lower at Rs. 8.52.

Electricity shares presented a mixed pattern. While Ahmedabad Electrics gained 30 nP to Rs. 95, Bombay Suburbans were done 25 nP lower at Rs. 106.75. Tata Hydros ruled a shade better at Rs. 114, but Tata Powers and Andhra Valleys declined by Rs. 5 each to Rs. 1,125 and Rs. 1,085 respectively.

Sugar shares were featureless. Belapurs moved between Rs. 237 and Rs. 236 before closing at Rs. 236.50. Phaltons dropped Rs. 2 to Rs. 146.25 and Walchandnagars Rs. 2.50 to Rs. 275. Kesar Sugars were unchanged at Rs. 59.50, while Ravalgaon Sugars had business Rs. 2.50 higher at Rs. 130. Barring rise of Rs. 2 to Rs. 137 in Digvijay Cements, cement shares were extremely dull. Associated Cements came up to Rs. 155.50 early in the week, but reacted to Rs. 153.75 at the close. Their new shares were quoted at Rs. 138.50 *ex-div.*, as against Rs. 140.50 *cum-div.* a week ago. Orissa Cements closed with a loss of 12 nP at Rs. 12.56 and Jaipur Udyogs were done 20 nP lower at Rs. 11.60. In the engineering and mining group, Alcocks hardened by Re. 1.25 to Rs. 216.25. Tata Locomotives improved from Rs. 139.50 to Rs. 142.50, but most of the gain was wiped out when the shares closed at Rs. 140. Premier Constructions were lower by 75 nP at Rs. 159. Cooper Engineerings had business Rs. 4.20 lower at Rs. 90.80. Mahindras and Mahindras were marked down by 36 nP to Rs. 16.64. Shivrajpurs were a shade quiet at Rs. 91.50 and Indian Coppers at Rs. 2.84.

In the shipping and automobile group, Scindias were lethargic, moving between Rs. 17.40 and Rs. 17.20 and closing at Rs. 17.32 with no change over the week. Great Eastern Shippings were a fraction lower at Rs. 19.72. Hindustan Motors were dull at Rs. 6.04. Premier Automobiles dropped Re. 1.30 to Rs. 85.

Among other miscellaneous industrials, Bombay Burmahs (old) gave way from Rs. 540.50 to Rs. 534, but improved to Rs. 537.50 at the close. Their partly paids lost over the week Re. 1.25 to Rs. 200. National Rayons provided a notable exception to the general trend with a jump from Rs. 214.50 to Rs. 220. Towards the close, however, they were marked down to Rs. 217. Gwalior Rayons were a shade dull at Rs. 11.56. Tata Chemicals suffered a loss of 16 nP at Rs. 12.68 and Hindustan Levers 20 nP at Rs. 19.52. Dhrangadhra Chemicals had business Rs. 7 lower at Rs. 88. Tata Oils were quiet at Rs. 36.25 W. H. Brady shares were done at Rs. 275. Industrial Credit and Investment Corporations changed hands at Rs. 70.

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Calcutta Stock Exchange

CALCUTTA, 12*th February*

The Prime Minister's recent speech at the Indian Merchants' Chamber continued to restrict business on the Calcutta Stock Exchange during the week under review also. Even the President's encouraging speech to the joint session of Parliament failed to arrest the downtrend. His reference to the appreciable decline in balance of payments deficit should have normally raised hopes of more provision of imports of industrial raw materials in the import policy effective from 1st April, but the Commerce and Industry Minister in his speech earlier to the Import Advisory Council had left no ground for market circles to entertain any such hope. However, without the provision for more imports of raw materials and capital goods, market circles thought that it would be difficult even to implement the core of the Plan. But these thoughts did not result in any change in sentiment, since the moves in New Delhi were considered so uncertain that there were not many operators who desired to bank upon hopes and enter into commitments.

Although business put through in the coal section was small, a few shares recorded improvement. Thus, Burrakurs recovered to Rs. 22.25 from Rs. 21.87 a week ago, and Khatras Jherriahs picked up Rs. 2 to Rs. 55. On revival of interest South Karanpuras were pushed to Rs. 9.00 from Rs. 8.87 and Equitables to Rs. 24.37 from Rs. 24.06.

The weakness in the jute goods market was duly reflected in the jute share section. Agarparas realised Rs. 7, as against Rs. 7.12 previously. Birlas were lower at Rs. 13.94. Anglo-Indias eased to Rs. 129 from Rs. 130, and Indias to Rs. 94.50 from Rs. 95.50.

In minings, Indian Coppers, after realising Rs. 2.88, gave way to Rs. 2.85. Orissa Minerals earlier receded to Rs. 21.25 from Rs. 21.56, but subsequently rose to Rs. 21.62.

Engineering shares met with restricted support. Prices were lower. Indian Irons closed, at Rs. 19.70, after declining to Rs. 19.51 from Rs. 19.78 earlier. Texmacos improved to Rs. 17.10 from Rs. 16.85, but closed at Rs. 17.05. Jessops were steady at Rs. 22.12, and Kumardhubis were unchanged at Rs. 7.94.

A feature in the miscellaneous industrials section was that Indian Oxygens changed hands at Rs. 16.12, as against the issue price of Rs. 13.50. As stated, the offer was oversubscribed, and the official list closed on Friday last. The basis of allotment would be announced within the next week or two, it was stated. Another feature was the interest which Indian Cables received and the share quotation rose to Rs. 29 from Rs. 28.25. Martin Burns were fully steady at Rs. 25.25 and the announcement of 2½ per cent. dividend (same) for the year ended September last was received with satisfaction. Philips India received attention at Rs. 13.90.

Tea shares were featureless. Bishnaths were fractionally lower at Rs. 18.68. Patrakolas declined to Rs. 124 from Rs. 130.

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Madras Stock Exchange

MADRAS, 11*th February*

Easy conditions prevailed on the Madras Stock Exchange during the week under review also. Business put through continued to be restricted, with values generally moving further downward. For, operators adopted a cautious attitude, in view of Central and State budget uncertainties. Plantations lacked support, despite higher price realisations for quality teas at the recent Calcutta auctions. Barring a few select scrips, the textile section ruled subdued. There was selling induced by reports that the working results of several mills in the past year were not encouraging. Sugar, bank and miscellaneous industrials followed the general trend. Electricity shares, however, evoked some support at higher levels.

Tea shares in the planting section suffered a fall in prices following selling. Stanes Amalgamateds declined by 40 nP to Rs. 14.80. Haileyburias shed 22 nP to Rs. 15.90. Talayars receded by 20 nP to Rs. 8.20. Twyfords lost a like amount to Rs. 12.40. Nilgiris eased by 35 nP to Rs. 8, Ouchterloneys by 10 nP to Rs. 4.85 and Waterfalls by 3 nP to Rs. 3.32. Parksides, on the other hand, improved by 75 nP to Rs. 16.25 on special support. Chandramalais increased by 17 nP to Rs. 2.95. Among coffee shares, Consolidated Coffees came down by 50 nP to Rs. 22.20. Coffee Lands receded by 15 nP to Rs. 27.65. Sangameshwars were lower by 6 nP at Rs. 2.60. Kumergodes were neglected at Rs. 6.70, notwithstanding the decision of the Kumergode Estates Ltd., to enhance the dividend for the year ended 31st October 1957 to 25 per cent. as against 20 per cent. in the previous year. Among rubber shares, Nilamburs declined by 75 nP to Rs. 12.50, Midlands by 57 nP to Rs. 14.43 and Mercaras by 20 nP to Rs. 7.65. Cochin Malabars eased by 5 nP to Rs. 4.03. Puthutottams softened by 2 nP to Rs. 2.50.

In the textiles section, Coimbatore Cottons and Ramakrishnas were marked down by Rs. 10 each to Rs. 162 and Rs. 190, respectively. Rajapalayams and Rajalakshmis dropped Re. 1.50 each, the former to Rs. 133.50 and the latter to Rs. 78. Loyals moved down by Re. 1.25 to Rs. 37.50, reflecting disappointment over the cut in dividend from 7½ per cent. last year to 5 per cent. Hemalathas fell by 60 nP to Rs. 8.90. Lakshmis eased by 50 nP to Rs. 113 and Rayalaseemas by Re. 1.25 to Rs. 111. Vasantas lost a rupee to Rs. 270 and Kotharis 20 nP to Rs. 10.40.

Among sugar shares, Mysores dropped 75 nP to Rs. 37.50. Travancores eased by 25 nP to Rs. 9.95. E.I.Ds softened by 13 nP to Rs. 29.12. But United Breweries were well favoured, the quotation rising by a rupee to Rs. 178.

In the miscellaneous section, F.A.C.Ts declined by 35 nP to Rs. 5.10. Mysore Tobaccos decreased by 20 nP to Rs. 13. Mysore Chemicals shed 12 nP to Rs. 15 and Aluminium Industries 15 nP to Rs. 13.65. Mysore Chemical and Fertilisers dropped 70 nP to Rs. 6. Orissa Cements lost 10 nP to Rs. 12.70.

CEAT TYRES OF INDIA LTD.

A new rubber tyre manufacturing factory is to be started in Bombay, called the CEAT Tyres of India Limited. The Company will be floated by Tatas in collaboration with the well-known Italian industrial firm CEAT S.p.A. The new Company will have an authorised capital of Rs. 4 crores and a paid-up capital of Rs. 1.15 crore, of which 60 per cent. is to be subscribed by the Italian company and their associates and 40 per cent. by the public in India. This issue will be underwritten by the Investment Corporation of India Limited. In order to meet the shortage of foreign capital, the capital subscribed by CEAT and their associates will be in the form of imports of plants, machinery and structures for the factory.

CEAT S.p.A. is a well-known industrial company in Italy manufacturing cables and wires in Italy, France and Venezuela. CEAT GOMMA, one of the companies belonging to the CEAT group, will be suppliers of technical know-how to the new Indian company. They have a technical agreement with a well-known American company, The General Tyre and Rubber Company of Akron (Ohio), to exchange the most up-to-date technical know-how. The result will be that the CEAT Tyres of India will benefit from the technical know-how from both Italy and the United States.

CEAT GOMMA has already captured about 25 per cent. of the total markets for tyres and tubes in Italy. This company also sells tyres in Africa, experience which CEAT GOMMA has gained by the sale of tyres in different parts of the world in various climatic conditions will help the Indian company in manufacturing types of tyres best suited to conditions prevailing in this country.

LOANS FROM FOREIGN FINANCIAL INSTITUTIONS

The Income-tax Act exempts interest payable by an industrial undertaking in India on moneys borrowed by it under a loan agreement entered into with such financial institutions in any foreign country as may be approved by the Government of India by general or special order. The Union Government has approved, the following three financial institutions under this provision:—

1. International Finance Corporation, Washington, D.C.

2. The Export-Import Bank of Washington, Washington.

3. The Commonwealth Development Finance Company, Ltd., London.

The effect of this approval will be that interest payable on any loans granted by these three institutions to industrial undertakings in India will be exempt from income-tax; it will not be necessary to obtain fresh Government approval in respect of each such loan.

INDIAN OXYGEN ISSUE OVERSUBSCRIBED

The issue of 600,000 ordinary shares of the Indian Oxygen Ltd. offered recently by the British Oxygen Company, Ltd., was oversubscribed and the lists were closed on the 7th inst. It is stated that details of the basis of allotment will be made available within the next two weeks.

NEWS IN BRIEF

THE annual general meeting of the Indian Jute Mills Association will be held at the Royal Exchange, Calcutta, on Friday, 14th March 1958.

The Atomic Energy Commission will soon arrange for the mining of the extensive deposits of uranium near Ranchi in Bihar, according to its Chairman, Dr. Homi J. Bhabha. The geological survey in various parts of India has revealed several mineral deposits needed for atomic energy.

The Government of India has extended the procedure for export of articles under claim of rebate of duty on excisable goods used in their manufacture to include sugar candy powder as well. The rebate is already applicable to ready made apparel, tents, sugar products, cotton bags, umbrella cloth, chaddars, pillow cases, table covers, embroideries, laces, tarpaulins and mosquito nets.

The Government of India has abolished with immediate effect the export duty on manganese ore in which the manganese content expressed as metal, calculated as percentage of the moisture-free ore, is below 42 per cent. It has also reduced the existing duty on such manganese ore in which the manganese content is 42 per cent. and above, but does not exceed 44 per cent. to Rs. 10 per ton.

One of the biggest private omnibus operators in southern India, Messrs. T. V. Sundaram Iyengar and Sons Private Ltd. of Madurai, has placed an order for 30 Leyland Comet passenger chassis for its omnibus fleet. These chassis will have bodies constructed in the Company's own workshops at Madurai. In addition to these 30 Comets, the firm has also placed orders for six Leyland Royal Tiger Worldmaster chassis which are to be employed on its long-distance express motor-coach services.

The Company Law Administration has been transferred from the Finance to the Commerce and Industry Ministry with effect from the 7th inst. Created in August 1955, the Company Law Administration was dealing with stock exchanges and capital issues, in addition to administering the Company Law. Soon after Mr. T. T. Krishnamachari took over the Finance portfolio in September 1956, stock exchanges and capital issues were taken away from the Administration.

Occurrences of bentonite clay have been traced in India at Uttar Beini in Jammu, Hathi-ki-Dhani in Sheopargana of Jodhpur and Tinpahar in the Santhal Parganas of Bihar. Minor occurrences are also known at Dargama in Karauli and near Gajner in Bikaner. Bentonite is used in metal foundries as an ingredient of moulding sands, in oil drilling for thickening the drilling mud, in engineering works for stopping leakage and percolation of water, in laundries and in the ceramic industry.

A direct radio-telegraph and telephone service between India and Italy was inaugurated in New Delhi on the 6th inst. by the Union Minister for Transport and Communications. The Minister also formally opened the new wireless transmitting station of the Overseas Communications Service at Kalkaji in the suburbs of Delhi. The telegraph rates between India and Italy will be Re. 1.04 for ordinary word and 33 nP for the Press. The rates for radio-telephone calls will be Rs. 50 per unit call of three minutes; Rs. 16.11 for every additional minute and a report fee of Rs. 5.

A new development in the plastics industry has recently been announced by Messrs. R. A. Cole Private Limited of Bombay, who manufacture a rigid, synthetic foam building and insulation material called *Thermocole*, from a special grade of imported polystyrene. The company has now nearly completed erection of a plant near Bombay for the manufacture of this special grade of polystyrene, by the block polymerisation process. An imported styrene monomer will provide the basic material. The new plant will go into production by the end of February with an estimated output of 30 tons per month.

India had an adverse balance of trade to the extent of Rs. 19.53 crores during the month of October 1957. This estimate is subject to the adjustment in the value of certain consignments of Government stores which are excluded in the merchandise import figures. During the month under review, merchandise exports (excluding the transit trade of Pakistan and other overland frontier countries) aggregated Rs. 52.53 crores and re-exports Rs. 1.11 crore, while imports amounted to Rs. 73.08 crores. Exports (including re-exports) of currency notes accounted for Rs. 41 lakhs and current coins (excluding gold coins) for Rs. 1 lakh. Imports of gold were Rs. 9 lakhs, currency notes Rs. 4.60 crores and current coins (excluding gold coins) Rs. 1 lakh.

The production of crude mica in India during the third quarter of 1957 was 130,547 cwts., as against 125,445 cwts. in the corresponding quarter of the previous year, according to the Indian Bureau of Mines. This brings the total production for the nine months ended September to 441,142 cwts., representing an increase of 16,807 cwts. as compared with the corresponding period of 1956. Out of the 130,547 cwts. produced in the third quarter, Bihar, the leading producer of mica, accounted for 69,990 cwts., Rajasthan for 34.840 cwts. and Andhra for 23.560 cwts. As a result of dressing, 18,323 cwts. of sickle-dressed blocks and 2,098 cwts. of chillas were recovered by the mine owners in the quarter ended September 1957, as compared with 24,486 cwts. and 2,544 cwts., respectively, a year before.

The Ford Foundation has announced a grant of $2.2 million to the Government of India to help step up the growth of small-scale industries. Of this amount, $2,163,000 are for financing the expansion of small-industries development programme in the States and $70,000 for an intensive study of India's handicrafts industries by a team of experts. In addition to building small-scale industries service institutes in the States, plans under the grant call for establishment of 60 extension training centres throughout India. Two other centres are planned for the training of educated young men in skilled trades to qualify them for managerial and supervisory positions in small industrial enterprises. More than one-half of the Foundation's grant, namely, $1.28 million, will be used for machinery and equipment for new and existing facilities.

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From Abroad

Negotiations between a World Bank mission and Austria for a $12-million loan have reached a successful conclusion.

The Brussels Steel Cartel has announced a reduction in the prices of steel plates from $135 to $122 and of shipping plates from $177.50 to $155 per ton f.o.b.

Production of steel in the Netherlands in 1957 amounted to 1.18 million tons, as compared with 1.05 million tons in the previous year, an increase of 12.4 per cent. over the year. The rise in production during the last five years was 73 per cent.

Further negotiations for a direct air link between London and Moscow by British and Russian civil airlines will be resumed at Moscow by officials of two British European airways during this month.

The value of dollar imports into the U.K. last year aggregated £965 million. Of this sum, more than £9 million were accounted for by imports of films and gramophone records, while newspapers and magazines accounted for £840,000.

Under a loan agreement signed in Belgrade recently, the U.S. will deliver surplus farm goods worth $62.5 million (£22.3 million) to Yugoslavia. This agreement brings the total American economic aid to Yugoslavia, since 1950, to about $800 million (£285.7 million).

Production of coal in West Germany during January this year aggregated 11.97 million tons, as compared with 10.51 million tons in December and 11.83 million tons in January 1957. The daily output increased from 438,000 tons in December to 460,500 tons in January.

The gross earned incomes required at present by a married man with two children in the U.K. which, after deduction of tax, would equal the purchasing power of gross annual incomes of £1,000, £2,000 and £3,000 in 1938 are £3,621, £10,208 and £31,961, assuming that both the children are under twelve.

The three-day European Industrial Conference convened in London by the U.K. Council of the European Movement will be attended by more than 150 prominent European industrialists and trade union leaders. The Conference will be inaugurated on the 19th inst., by Mr. D. Heathcoat Amory, the Chancellor of the Exchequer. It will discuss specific problems connected with the establishment of a Free Trade Area for Europe.

The number of unemployed men in the Netherlands at the end of 1957, including those employed on relief works, was 103,924, as against 50,018 and 62,800 at the end of 1956 and 1955, respectively. There was a marked increase in unemployed men in December 1957, the number then mounting up to over 42,000. This was mainly due to the termination of seasonal work, notably in the building trade, agriculture and the foodstuffs and stimulants industries.

There is a strike in the West German textile industry, the number of strikers as on the 6th inst., being almost in the neighbourhood of 12,000. The strike is a sequel to failure of negotiations with the employers for a wage increase of 5d. per hour. It is possible that another 24,000 textile workers may swell the number of strikers. The movement is likely to spread to Westphalia also where weaving and spinning concerns have 100,000 in their employment.

West German synthetic textiles are beginning to feel the effects of competition from Japan. One result is the decision of *Glauzstoff-Courtaulds*, a German subsidiary of Courtaulds of Britain, to effect a reduction in working hours from 45 to 40 per week for its 3,300 employees. It is stated that cuts of up to 15 per cent. of output have been made by all leading staple fibre manufacturers during the last six weeks. The position, however, might improve when the proposed 8d. rebate concession on the staple fibre price of 4s. 11d. per kilo is granted by the West German Government.

Increased taxes, which will yield an extra Kr. 390 million (about £27 million) for defence purposes, have been announced by the Swedish Government on cigarettes, petrol, drink and other consumer goods. The tax on wines and spirits will go up by about 3s. a pint, petrol by about 4½d. a gallon. A packet of 20 of the cheapest cigarettes will cost about 4s. instead of about 3s. 6d. before. A new tax of about 2d. a lb. will be imposed on sugar. Prices of beer and mineral water will also go up. In addition, there will be an increase in electricity charges and a new 30 per cent. tax on lottery prizes.

PERSONAL

MR. A. K. Sen, Union Law Minister, will lead a six-man delegation to Geneva to attend a conference convened by the U.N. on the 24th inst., to codify the existing law of the sea.

The Rt.-Hon. Malcolm MacDonald, High Commissioner for the United Kingdom in India, left for London on the 5th inst., for consultations. He expects to return to India in April.

Mr. P. W. B. Wanklyn, Assistant Chief Mechanical Engineer at the Ebbw Vale Foundry in Wales, has been seconded for a period of three years to act as Chief Engineer of the Indian Steelworks Construction Company, Ltd., at Durgapur, West Bengal.

Mr. Frederick Blackmore Arnold, a former United Kingdom Trade Commissioner in Calcutta and Bombay who had served earlier in the Indian Civil Service, has been appointed Senior U.K. Trade Commissioner and Economic Adviser to the United Kingdom High Commissioner in Australia.

Prof. P. M. S. Blackett, of the Imperial College of Science and Technology, London, who is now in Bombay, will spend three weeks as a visiting professor at the Tata Institute of Fundamental Research. He will give a course of lectures on "Controlled Fusion Research."

Raja Surender Singh of Nalagarh, a former P.E.P.S.U. Minister and a member of the Foodgrains Inquiry Committee, has been appointed Agricultural Production Adviser in the Union Ministry of Agriculture. He will serve in an honorary capacity.

Mr. Brian G. Robbins, Secretary of the Institution of Mechanical Engineers, London, will visit India early next month on his way to Australia, where he will attend a Commonwealth conference of engineering institutions. It is expected that he will be in Delhi from 4th to 6th March and in Calcutta from 6th to 9th March. Mr. Robbins' visit to Calcutta is likely to coincide with that of Mr. T. E. Goldup, C.B.E., and Mr. W. K. Brasher, C.B.E., President and Secretary, respectively, of the Institution of Electrical Engineers, London.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, 11*th February*

Road-Rail Controversy

The present state of road and railway competition in the major provinces of India and the possibilities of their future co-ordination and development are discussed fully in the Mitchell-Kirkness Report. During their investigations the two officers found, among other features, a want of balance in road development; shortcomings of railways as compared with motor transport in meeting the needs of the public; and complaints of excessive taxation from the motor transport industry. The report says that, as the result of existing motor competition, class I railways are losing about Rs. 190 lakhs a year. The greatest loss is in the United Provinces (Rs. 45 lakhs), the railway most seriously affected being the North-Western (Rs. 39 lakhs). In the face of a possible increase of competition from motor transport, it is suggested that, in many cases, the railways themselves should operate motor transport on parallel roads and that railways doing so should be protected from uneconomic competition from other sources. Dealing with the taxation of motor transport, the report says that independent taxation by different authorities is unsatisfactory. The most constantly recurring feature in the investigation has been the need for co-ordination over a wide range of subjects almost all of which are cut across by constitutional divisions; but the framers of the report assume that where common and co-ordinated action is agreed to be necessary constitutional adjustments will be possible. They draw attention to previous recommendations regarding the concentration of the functions of the Central Government in respect of all forms of communication and transport into one department, and they refer to the suggestions for some central advisory Board of Communications, the revival or creation of Provincial Boards of Communications, and the allocation to these of as wide a scope as possible. It has been suggested that in the event of a difference of opinion between the road and railway authorities it may be possible to take the matter to arbitration. Messrs. Mitchell and Kirkness think it highly desirable to provide for co-operation and co-ordination outside the headquarters of Government and they suggest that there might be divisional committees not only to advise on the control of motor transport but also within their sphere to be small counterparts of Boards of Communications.

MARKED INCREASE IN STERLING AREA'S GOLD AND DOLLAR RESERVES

HIGHEST LEVEL SINCE JULY 1956

THE opening month of 1958 has proved to be a promising one for the sterling area as a whole, in that it has brought about an increase of $131 million in the gold and dollar reserves of the area to $2,404 million at the end of the month, thanks to a further substantial inflow of gold and dollars. This is the biggest rise, attributable solely to trade and payments movements, during the last four years. It compares favourably with $88 million added to the reserves in December 1957 and $92 million in November of that year.

With this rise, the upward trend in gold and dollar reserves has been maintained for the fourth month in succession, the aggregate increase since the end of September, when a low of $1,850 million was touched, being of the order of $554 million. This addition has taken the reserves to the highest level since July 1956, when they stood at $2,405 million. Barring the July 1956 figure, the reserves are at their peak since August 1955, when they aggregated $2,457 million.

The successive additions to the sterling area's gold and dollar reserves during the past four months provide a clear vindication of the severe corrective measures taken in September last by Britain, for, as the following table shows, they are in refreshing contrast to the large deficits suffered in August and September last to the tune of $517 million in the aggregate:

(In million dollars)

	True dollar gain	*Actual change in reserves*	*Reserves at the end of period*
1957			
January-June	— 77	+248	2,381
July	— 32	— 14	2,367
August	—300	—225	2,142
September	—296	—292	1,850
October	+142	+243	2,093
November	+ 74	+ 92	2,185
December	+ 91	+ 88	2,273
January 1958 ..	+169	+131	2,404

It will be noted that the surplus of $243 million earned in October 1957, the first month after Britain began to tighten its belt, was much higher than that in January this year, but the October figure does not represent the correct picture. For it was arrived at after taking into account a sum of $250 million drawn from the Export-Import Bank—being the first drawing on the $500 million credit with the Bank—and the payment of $130 million to the European Payments Union in settlement of the September deficit. But for the Export-Import Bank credit, the surplus in October would have been only $123 million, while the corresponding figure for January this year is $147 million, if the sums of $13 million paid to the European Payments Union in respect of the December deficit and of $3 million paid to the creditors of the E.P.U. in bilateral settlements are taken into account.

The month of January has turned out to be a favourable month for Britain in its dealings with the European Payments Union also. It earned a surplus of £10.5 million with the E.P.U., in refreshing contrast to the successive deficits of £6.1 million and £1 million sustained in the preceding two months. Later this month, the U.K. will receive $22 million in part-settlement of January surplus. Consequent on this surplus, Britain has been able to turn the debit balance of $14 million (as at the beginning of January) to a credit balance of about $21 million with the E.P.U.

A notable feature of the surplus in the sterling area's reserves during January is that it was earned purely out of current earnings, without any abnormal receipts or any special transactions. This is mainly due to the large trade surplus which Britain is now enjoying. It is estimated that Britain's current balance of payments surplus may be twice as much as that a year ago, thanks, to a large extent, to the favourable movement in the terms of trade. It is true that the earnings of other sterling area countries have considerably dwindled on account of the fall in commodity prices in recent months. Britain's export earnings also have fallen, but the relatively sharper fall in import prices has, fortunately, enabled it to earn a surplus in its general balance of payments. This has contributed, in turn, to the strengthening of the reserves of the sterling area as a whole.

Another factor which must have contributed, to some extent, to the rise in the reserves during January is capital movement. Attracted by the high interest rates prevailing in London, some "hot" money must have flown in there, though the extent of flow could not have been more than a few million dollars, because of the general expectation that the Bank rate in Britain may be cut any time in tune with the fall in interest rates in many other countries.

The other factors which must have contributed to the rise in reserves are: (1) a reduction in the speculative positions against sterling and (2) the rebuilding of the ordinary working balances which were run down in last autumn, consequent on the restoration of the confidence in the pound sterling. The capital movements on these accounts constitute an unstable factor and cannot be relied upon to strengthen the reserves. These funds are liable to flow out as quickly as they came in and any small withdrawal will shake confidence and will only accelerate the pace of outflow.

As already stated, the sterling area's reserves have been considerably strengthened since September 1957 to almost the 1956 peak of $2,405 million (touched in July 1956). No doubt, this is due to a large extent, to the credit obtained from the I.M.F. and the Export-Import Bank and the loans obtained from these two bodies are to be repaid. It must also be borne in mind that in December last, the U.S. and Canada again waived the annual instalment of debt due to them. Nevertheless, for the first time since the middle of 1955, Britain stands well equipped and faces the prospect of a major rebuilding. Normally, this is the time of the year when the tide of commercial payments begins to move strongly in favour of sterling and Britain can, therefore, look forward to some more favourable months to strengthen its reserves. This confidence is reflected in the current firmness of sterling, which has come to stand at $2.81⅛, which is only ⅛c. short of the official ceiling of $2.82. It would have certainly crossed the upper limit of $2.82, but for the intervention of the Bank of England which readily supplied the market with sterling in order to prevent a too rapid rise in the rate.

It is, however, too early for Britain to take a complacent view of its present position. It must be said to the credit of the British authorities that they do not do so. This is evident from the fact that they are very reluctant to cut the Bank rate and are firmly refusing to allow wages to rise. Apart from the question of payments position with the dollar area, there could easily be a setback during the coming months in Britain's overall balance of trade. For it is not known how far the measures taken by the other sterling area countries to counter the damage done to their balance of payments positions by the fall in commodity prices would affect the U.K.'s general payments position. Many of these countries, particularly India, Pakistan, Australia and New Zealand, have taken steps to cut their spendings abroad through monetary measures and/or restriction on imports, in order to reduce the pressure on their foreign exchange reserves. It is likely that other countries also will follow suit. Since most of these countries have been getting the bulk of their needs from Britain, a drastic cut in their imports will naturally affect Britain's export trade adversely.

BANK OF ENGLAND

The question of the appointment of part-time directors to the Bank of England is to be reviewed by the committee which, under the chairmanship of Lord Radcliffe, is at present examining the working of Britain's monetary and credit system. Announcing this last week in the course of a two-day debate in the House of Commons on the report of the Bank Rate Tribunal, the Lord Privy Seal, Mr. R. A. Butler, as acting Prime Minister, said that Lord Radcliffe had agreed that the questions of tion could fall within his committee's terms of reference.

Mr. Butler added that the findings of the Bank Rate Tribunal had justified the trust which the Government must place in the Press, in the integrity of individual members of the Government and party officers, and in the honour of those against whom insinuations had been made.

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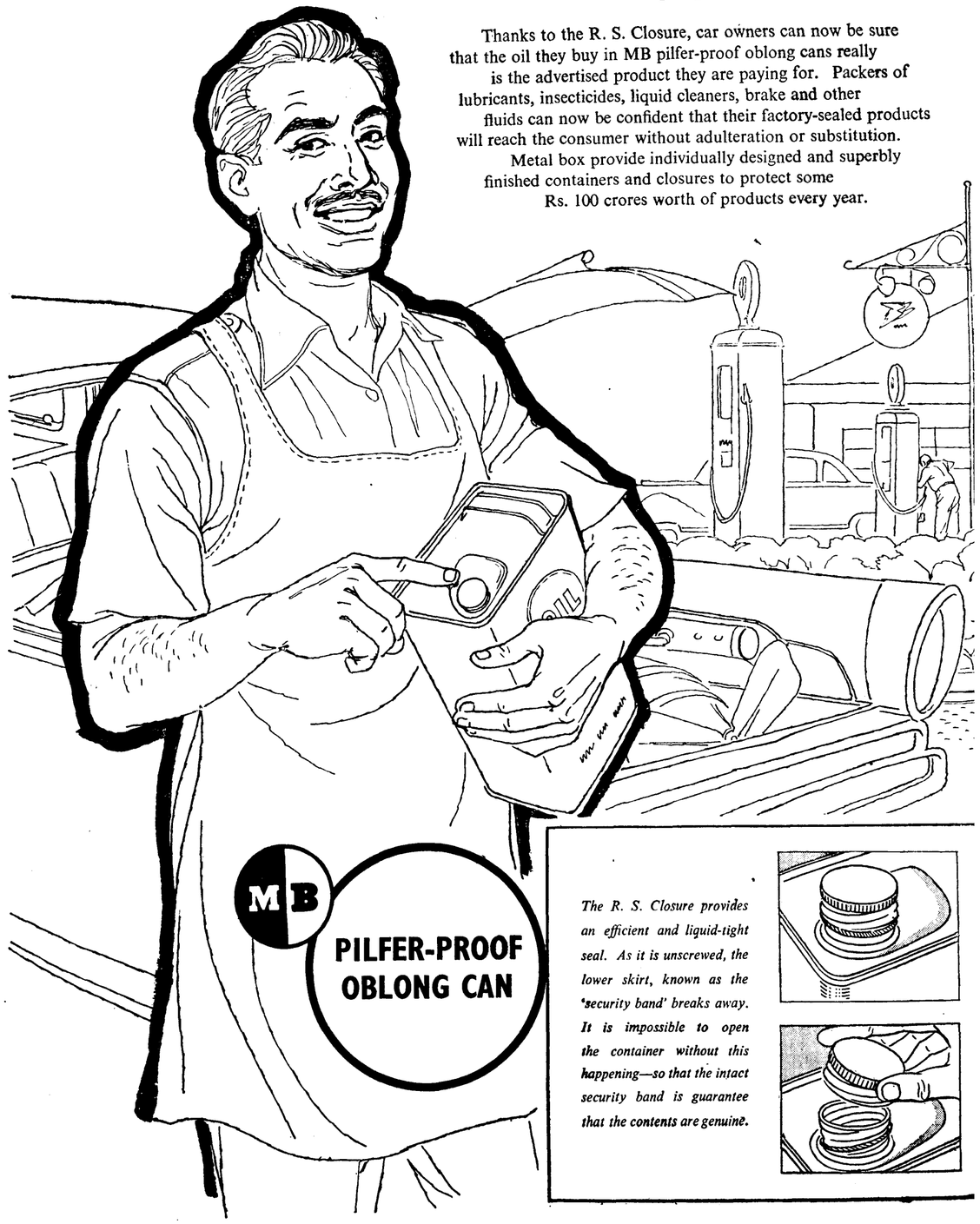

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MB I

CHARGE AND COMPUTATION OF EXPENDITURE TAX

By R. K. Dalal, B.Com., F.S.A.A., F.C.A.

THE most controversial piece of legislation in recent years has been the Expenditure Tax. It is a novelty unknown in the fiscal legislation of the world. It was passed into an Act on 1st April, 1958. Let us briefly review its provisions so far as they deal with the charge and computation of the tax.

Charge

The tax is charged for every financial year commencing on and from 1st April 1958 at the rate or rates specified in the Schedule in respect of the expenditure incurred by any individual or Hindu undivided family in the previous year.

No expenditure tax is payable by an assessee for any assessment year if his income from all sources during the relevant previous year, reduced by the amount of taxes to which such income is liable under any other law for the time being in force, does not exceed Rs. 36,000.

In computing the year's expenditure, nothing in the Act shall require the inclusion of an expenditure for the spending or disbursing of which a liability had already been incurred and which has been subject of tax on any earlier year.

'Expenditure' means any sum of money or money's worth, spent or disbursed or for the spending or disbursing of which a liability has been incurred by an assessee, and includes amounts required to be included under the Act in taxable expenditure.

Inclusion

What are the amounts to be included in the taxable expenditure? They are:

(i) any expenditure incurred directly or indirectly by any person other than the assessee in respect of any obligation or personal requirement of the assessee or any of his dependants which, but for such expenditure, would have to be incurred by the assessee himself, provided the amount exceeds in aggregate Rs. 5,000 in any year;

(ii) if such an expenditure has been incurred by a dependant for the benefit of the assessee directly or out of the gifts, donation or settlement on trust or out of any other source created by the assessee, whether directly or indirectly.

The above does not cover or include any expenditure incurred by an assessee or any other person by way of customary hospitality or which is trivial or inconsequential in nature.

Exemptions

Expenditure referred to below are not to be included in the taxable expenditure:

(*a*) expenditure (capital or revenue) incurred wholly or exclusively for purpose of business, profession or vocation;

(*b*) expenditure incurred by the assessee, or on his behalf by his employer, wholly and necessarily in connection with the discharge of duties arising out of his employment;

(*c*) expenditure incurred by or on behalf of the assessee wholly and necessarily in connection with the discharge of any duties assigned by Government;

(*d*) expenditure by way of passage concession as referred to in section 4 (3) (via) of Income-tax Act;

(*e*) expenditure in connection with the acquisition of any immovable property, in construction, repair, maintenance or improvement of any immovable property belonging to him;

(*f*) expenditure by way of investment in deposits, loans, shares and securities or in bullion, precious stones or jewellery;

(*g*) expenditure incurred in the purchase of products of any cottage industries in India, books or works of art (subject to rules to be framed by the Central Government);

(*h*) expenditure by way of contribution as capital to a firm or other association of persons in consideration of a share on the profit;

(*i*) expenditure by way of repayment of a loan or other borrowing, or by way of payment of interest on the same, not being interest on loan or borrowing utilised for incurring expenditure liable to tax;

(*j*) expenditure by way of or in respect of any gift or donation or settlement on trust or otherwise for the benefit of any other person;

(*k*) expenditure for paying premiums in respect of any policy of insurance—

(i) on the life of the assessee or any other dependants;

(ii) for education or marriage of any dependants;

(iii) for insuring the health of the assessee or covering any accident which may befall him or any disability to which he may become subject;

(iv) covering any property (other than aircraft, motor vehicles or other transport vehicles) against loss or damage by fire or theft.

(*l*) expenditure in the purchase or maintenance of livestock;

(*m*) expenditure for any public purpose of a charitable or religious nature, not being incurred outside India;

(*n*) expenditure out of any allowance in the nature of entertainment allowance (*vide* section 7(2) (ii) of the Income-tax Act in respect of which income-tax is not payable);

(*o*) expenditure incurred outside India—

(i) from any source by an assessee who is not a citizen of India and who is a non-resident;

(ii) from any income or capital accrued or realised outside India by an assessee who is resident but not a citizen of India or by a citizen or Hindu undivided family which is not resident or not ordinarily resident in India.

(Resident or not ordinarily resident to be determined on the basis of the Income-tax Act.)

(*p*) expenditure by way of contribution to a provident, thrift or superannuation fund;

(*q*) expenditure, not being personal, incurred out of the sums guaranteed or assured by the Central Government as his privy purse for meeting expenses in respect of—

(i) maintenance of any member of his retinue, salaries, allowances and pensions to his staff or persons who retired from his firm;

(ii) maintenance of any building declared by the Central Government as his official residence under Tax Concession Order, 1950;

(iii) maintenance of any conveyance or animals for official purposes;

(iv) maintenance of any relatives dependant on him;

(v) performance of any official ceremonies.

The above expenses will be allowed having regard to the status and practice of the family, provided they are, in the opinion of the Expenditure-tax Officer, reasonable. The amounts so fixed must be with the previous approval of the Commissioner of Income-tax.

(*r*) expenditure by the assessee or any of his dependants, where the assessee is a Hindu undivided family, by way of election expenditure to any legislative, municipal, or other public authority in India to which he is a candidate, to the extent that such expenditure is not in excess of the limits fixed under any law for the time being in force relating to such elections.

Computation

How is the taxable expenditure to be computed? The taxable expenditure will be computed after making the following deductions and allowances:

(*a*) Any taxes, including the expenditure tax payable under this Act, duties, cesses, rates or fees paid to Government or local authority, except—

(i) taxes or fees in respect of any conveyance or other movable asset intended for the personal use of self and dependants;

(ii) customs duties on, or taxes on purchase of articles imported or purchased for personal use or of his dependants.

(*b*) expenditure lawfully incurred in respect of any civil or criminal proceedings to which he is a party;

(*c*) expenditure, if an individual, in respect of his own marriage or marriage of his dependants and if a Hindu undivided family, in respect of the marriage of the *karta* or any other member of the family subject to a maximum of Rs. 5,000 for each marriage;

(*d*) fourth-fifths of any capital expenditure incurred on purchase of furniture, household goods, motor cars and conveyance and any other articles for personal use of the assessee or his dependants;

The deduction of fourth-fifths of capital expenditure as above is often on the condition that for each of the four succeeding years, one-fifth of such expenditure shall be deemed to be incurred.

(*e*) expenditure on maintenance of parents subject to a maximum of Rs. 4,000;

(*f*) expenditure incurred—

(i) of individual in respect of his own or his dependants or parents' medical treatment;

(ii) of Hindu undivided family in respect of the medical treatment of the *karta* or any other member of his family;

maximum in case of individual and in case of Hindu undivided family which consists of *karta*, wife and children Rs. 5,000 and Rs. 10,000 of any other Hindu undivided family;

The unexpended portion of this allowance, the assessee is entitled to carry forward to the next year and the year immediately following.

If the assessee immediately before the commencement of this Act has been incurring a higher expenditure on the medical treatment of himself, his parents or his dependants, the Expenditure-tax Officer may, in any of the five years commencing from 1st April 1958, increase the allowance as he may think fit but not exceeding Rs. 20,000.

(*g*) any expenditure in respect of education of himself and his dependants or where he is a Hindu undivided family, any member of the family in any foreign country outside India subject to a maximum of Rs. 8,000 per year;

(*h*) a basic allowance—

(i) of Rs. 30,000 in case of individual;

(ii) of Rs. 30,000 in case of Hindu undivided family in respect of *karta*, his wife and children and a further allowance of Rs. 3,000 for every additional coparcener, provided the basic allowance for Hindu undivided family does not exceed Rs. 60,000 in any case.

(i) expenditure incurred in any foreign country where he is not a citizen of India but is resident in India, to the extent to which expenditure is not admissible under clause (*c*), (*e*), (*f*) or (*g*) subject to a maximum of Rs. 10,000;

If the assessee claims on or before making a return that, instead of deductions under clauses (*b*), (*c*), (*d*), (*e*), (*f*), (*g*), (*h*) and (*i*), as above, the deductions and allowance should be determined having regard to actual expenditure in the last three previous years immediately preceding the previous year, then, instead of the deductions and allowances permissible, there shall be allowed—

(*a*) a sum equal to 75 per cent. of the average annual expenditure for the said three years after taking into account exemptions; or (*b*) Rs. 75,000; whichever is less.

The limit of Rs. 75,000 will be progressively reduced by Rs. 5,000 every year commencing from the assessment year ending on 31st March 1960 in the 1959-60 assessment year.

This relief will cease to apply when the progressive reduction, if allowed, has the effect of bringing the limit so reduced to a figure below in aggregate the allowance and deductions permissible under clauses (*b*) to (*i*).

If an assessee has incurred any expenditure chargeable to tax in India and if in any foreign country he has paid tax under any law in force for the time being, relating to taxes on income, wealth or expenditure, he shall be entitled to a deduction from the expenditure chargeable to tax under this Act.

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FRESH BID TO RESTRICT CLOTH IMPORTS

INDIA AND PAKISTAN INVITED FOR TALKS

From A Special Correspondent

MANCHESTER, *4th February*

MANCHESTER LETTER

A DISCLOSURE that representatives of the Indian and Pakistan cotton industries had been invited to come to the United Kingdom for further discussions on the question of cloth imports into this country was made in a statement issued by the Cotton Board this week. This interim report on the progress of negotiations on a topic which has probably been discussed more than any other in Lancashire over the past few years said that the Board's Standing Consultative Committee had been constantly at work to achieve a solution of the problem, but details of the negotiations had been kept secret in the industry's own interests.

The Board claimed that the recent imposition of restrictions on imports from China could be accepted as part of the results of their work. Since the delegation to India, Hong Kong and Pakistan in the early months of last year, the British Government had expressed its willingness to implement any agreement reached between the industries concerned by means of a system of import control designed to limit the volume of cloth retained for consumption in the home market. This applied to India and Pakistan, but the Government refused to take similar action in regard to a colonial industry such as that in Hong Kong.

Instead it was suggested that negotiations with the industries in India and Pakistan would still be practicable on the basis of the inclusion in agreements of a figure for imports from Hong Kong, which, if exceeded, would release the Indian and Pakistan industries from any obligations into which they had entered. Although this proposal fell short of the original hopes of the British representatives, invitations were sent last November to the Indian and Pakistan textile leaders, suggesting that discussions should be resumed on this basis. "The replies so far received are not without their difficulties but it is hoped that these can soon be solved," the statement added.

Co-operative Plan

A casual comment can sometimes produce a crop of consequences bringing results not always contemplated at the time of the actual remark. The reference to a new scheme for restraining cotton cloth imports made by Mr. Roger Lee nearly a fortnight ago has had both official and unofficial repercussions and traders have been plunged once more into controversy over cloth imports.

Despite the absence of official comment on the suggestion of a co-operative plan between producers and distributors, the general outline of the proposals is now widely known. Any final arrangement would presumably be open to modification, but the basic idea appears to centre on a limit being placed on the activities of importers according to their recent purchases of foreign goods. Any attempt to secure larger supplies of fabric from abroad would lead to a system of sanctions whereby merchants would have to pay more for any Lancashire cloth they wanted to distribute.

Supporters of the plan argue that it offers flexibility and could be adapted to meet the needs of the moment according to the productive capacity of the industry in Lancashire, so that imports could be regulated within recognisable limits. Their ingenuity is to be commended, as, for too long the Government has been urged to "do something" without any indication that Lancashire was prepared to act on its own behalf.

An obvious aspect of the situation is that, if merchants refused to import foreign cloth, no problem would exist. On this premise, the current scheme is founded, but there are many obstacles to be overcome. Even if the collaboration of leading merchant firms is secured, the multitude of small traders, many outside Lancashire, who handle imported goods may not be as co-operative. The threat of sanctions seems also likely to arouse the attention of those investigating restrictive practices.

Machinery Exports

Some reduction in the volume and value of British textile machinery shipped abroad last year is recorded in the annual figures, but earnings from this source were practically the same as in 1955. Exports amounted to 1,400,071 cwt., as against 1,606,889 cwt., the respective values being £43,215,590, as against £44,986,840.

A number of markets absorbed larger quantities of textile plant made in Lancashire and Yorkshire engineering works, but the amount taken by several former big buyers has lately declined substantially. India is now the only country taking more than 100,000 cwt. annually, exports being 266,591 cwt., as against 403,974 cwt. in 1956. Shipments to Pakistan have shown a steep decline in the past two years, the 1957 total of 84,236 cwt. comparing with 224,577 cwt. in 1955. A similar decline has occurred in trade with the Soviet Union, which has fallen from 193,328 cwt. in 1955 to 41,295 cwt. last year.

Although the quantities involved are not large, it is interesting to note that shipments of British textile plant to such markets as Hong Kong, Japan and several South American Republics are showing a distinctly upward trend, and Australia has become the second largest market with 91,899 cwt.

Exports of the various types of textile machinery have shown a uniform decline, although those for making synthetic fibres were only a little lower than in 1956. Plant used in preparatory processes amounted to 182,237 cwt., as against 220,284 cwt; spinning machinery exported aggregated 119,527 cwt., as against 125,751 cwt; looms and other weaving machinery accounted for 219,225 cwt., as against 266,102 cwt. and plant for various finishing processes for 89,340 cwt., as against 118,334 cwt.

Leaders of the Lancashire cotton unions are to ask the employers for compensation payments for mill workers who become redundant when mills close down. The executive committees of the Weavers' Amalgamation, the Operative Spinners, and the Cardroom Workers' Amalgamation have drawn up proposals which they hope millowners will be prepared to consider. A request for an early meeting will be sent off shortly to the employers' organisations.

Over the last five years, 200 Lancashire mills have closed down and many of the thousands of operatives affected have not been absorbed in other parts of the industry.

New-Style Furnishing Finish

A complete range of British-made furnishing fabrics which will neither shrink nor stretch are now retailing at shops throughout the country. The development is claimed as the most revolutionary in furnishings over the last quarter of a century and the most important since fast finishes were introduced. The range of 50 new designs of cottons, rayons, linens and mixture cloths is being introduced by Grafton. They will all have the Calpreta-fixt finish which guarantees non-shrink and non-stretch qualities.

A spokesman for the Calico Printers' Association, of which Grafton is a subsidiary, said that nearly all furnishing fabrics in the past had suffered from the disadvantage that they were liable to shrink on washing. At the same time, curtains compressively shrunk were liable to stretch under their own weight. Fabrics with the Calpreta-fixt finish, which is permanent, makes furnishing fabrics dimensionally stable and curtains and loose covers can be made to the correct size. They will retain the same fit throughout the fabric life.

It is claimed that the fabrics have a better "handle" and can be home-washed, laundered and dry cleaned with safety. They are non-absorbent to chlorine and, in addition, the wet strength of rayons is increased and in this way should reduce washing mishaps.

A C.P.A. spokesman said that, although they did not claim the finish made the fabrics crease-resisting, it gave them certain properties of crease resistance. Because of this, they were easier to iron and would not crush so easily.

The new finish, which follows long months of research at the Calico Printers' headquarters in Manchester, is a development of what is known as the resin finish. Fabrics undergoing "Calpreta-fixt" treatment will retail at from 11s. 6d. to 15s. 11d. a yard, about 1s. a yard dearer than comparable fabrics. This margin, however, can be offset against the smaller quantity of material needed since shrinkage has no longer to be allowed for.

Fabrics incorporating the new finish have attracted a great deal of attention in export markets. The C.P.A. spokesman said: "Our Australian distributors have allocated the whole of their import licence to the new furnishings and have promised all their next licence for the same purpose. New Zealand, too, is buying enthusiastically."

From Iraq, normally only a moderate market, an initial order has been received from one firm for £1,500 worth of furnishings. Other orders have been placed from New Guinea, Baghdad and Fiji, as well as one of almost £4,000 from Paris.—*All Rights Reserved.*

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FREE WORLD COTTON PRODUCTION

LOWEST IN THE POST-KOREAN PERIOD

SUCCESSIVE reduction in the U.S. crop estimate and reduced carry-over at the start of the current season in that country have had a material effect on the supply position of cotton in the U.S. and, indeed, on the world position. According to the estimates of the International Cotton Advisory Committee, Washington, total free world production during the current (1957-58) season is estimated at 27.2 million bales (of 478 lbs.) of which the share of the U.S. is to be 10.9 million bales and that of other free world countries 16.3 million bales. This compares with a total outturn of 28.9 million bales last season, with the U.S. accounting for 13 million bales and the rest of the free world for the balance of 15.9 million bales. Carry-over stocks at the beginning of the season were of the order of 20.4 million bales. The U.S holdings aggregated 11.2 million bales and that of other free world countries amounted to 9.2 million bales. As against this, at the beginning of the last season, that is 1956-57, total free world carry-over stocks were higher at 22.1 million bales. Total supply for the current season is of the order of 47.6 million bales, comprising a crop of 27.2 million bales and stocks of 20.4 million bales, as compared with 51.0 million bales last season. It may be noted that the reduction in supply has occurred mainly in the U.S., from 27.5 million bales to 22.1 million bales, whereas in other free world countries it has shown an actual improvement by 2 million bales from 23.5 million to 25.5 million bales. Carry-over stocks in the U.S. declined from 14.5 million to 11.2 million bales and production from 13 million bales to an estimated 10.9 million bales.

As noted earlier, successive reduction in the U.S. crop has reduced aggregate supply in that country. The December crop report of the Department of Agriculture estimated production at 10.9 million bales, a drop of 778,000 bales from the previous estimate and 1.7 million bales less than the first crop estimate published in September and 2.1 million bales less than the previous season's figure. Acreage for harvest this season is now put at 13,561,000 acres, which is one per cent. below the September acreage estimate. Abandonment of acreage in cultivation on 1st July last is placed at 3.4 per cent. Yield, estimated at 390 lbs. per acre, is 23 lbs. under the November figure and 19 lbs. below last season.

Adverse Weather

The fall in production in the U.S. has been mainly due to adverse weather and reduced planting. In Texas and Oklahoma, rainy, damp weather, following late October frosts, caused the estimates for these two States to be lowered by a total of nearly half a million bales. Similar conditions prevailed over most of the central cotton belt, resulting in substantial crop losses. The reduced crop prospects have been reflected in ginning reports. Cotton ginned upto December aggregated 8 million bales as against 12.4 million bales a year ago, representing the smallest proportion of the crop ginned to the total on record to date. Ginnings upto the 16th of January were 10,633,000 bales. Many quarters believe that the final crop may be close to this figure. About 40 per cent. of ginnings was 1.1/16" staple cotton, the largest proportion of this staple length on record. The grade index of Upland cotton was significantly lower The proportion of Strict Middling and higher to the total ginned was considerably lower than a year earlier. Middling comprised a somewhat smaller proportion while the proportion of Strict Low Middling and lower white grades was slightly larger. Ginnings hitherto contained a greater than average amount of spotted cotton, about 20 per cent. The quality-wise breakdown of the carry-over on 1st August 1957 was as follows:

(In million bales)

Grade	Carry over August 1	
	1956	1957
Strict Middling and above ..	1.3	0.8
Middling	4.5	2.3
Strict Low Middling	4.1	2.3
Low Middling and below ..	2.1	1.3
Spotted	2.2	3.9
Others	0.2	0.6
Total ..	14.4	11.2

It is generally expected that all the C.C.C. stocks of higher grade cotton will be sold out well before the end of the season.

Further Fall in Stocks

Reduced production prospects in the U.S means that there will be a further significant decline in stocks at the end of the season. On the basis of the estimated total disappearance this season of 13.5 million bales in the U.S., comprising an estimated consumption of 8.5 million bales and prospective exports of 5 million bales. stocks are expected to decline to about 8.5 million bales by 1st August 1958, as against 11.2 million bales on the same date the previous year.

Early December last, cotton growers in the U.S. voted on the marketing quotas and acreage allotments for 1958-59 season and these were approved for both Upland and American-Egyptian cotton. The acreage allotment for Upland cotton next season will be 17.5 million acres, the same as in the current season. The national average per acre payment rate for the next season has been increased from this season's rate of $54.15 to $58.95. Under the Soil Bank programme, about 2.7 to 3.7 million acres are expected to be laid off, as compared with actual Soil Bank entries to the tune of 3 million bales in the current season. If this goal is achieved and provided there is no marked improvement in yield, a further reduction in cotton supply is indicated.

Production Outside U.S.

Aggregate free world production outside the U.S. is expected to increase slightly this season from 15.9 million bales to 16.3 million bales. As will be seen from the following table, production is expected to be higher in most producing countries.

World Cotton Production

(In 1,000 bales of 478 lbs.)

Country	1956-57	1957-58 (estimated)
United States	13,029	10,900
Other Free World	15,922	16,290
Of which :		
Mexico	1,800	2,000
Central America	383	354
India	4,180	4,300
Pakistan	1,400	1, 35
Egypt	1,498	1,804
Turkey	650	500
Syria	428	450
Sudan	620	500
Uganda	315	250
W. Europe	501	517
Brazil	1,340	1,250
Peru	450	450
Argentina	520	550
Others	1,837	1,930
Total free world ..	28,951	27,190
Communist countries	12,145	11,645
Total world ..	41,096	38,835

Production is higher in several countries. The Mexican crop is estimated to be around 2 million bales, 10 per cent. higher than last season. The second official estimate in Egypt put production at 1.8 million bales, as compared with 1.5 million in 1956-57. The crop in Syria estimated at 450,000 bales or more, will be an all-time record and the same is true of Tanganyika. Acreage in Pakistan is up slightly from last season and the first official crop estimate is 1,435,000 bales as compared with 1,400,000 bales in 1956-57. The Punjab crop has been affected by unfavourable weather but Sind N.T. is apparently higher than last season. In India, crop prospects are considered normal and reports from the main growing areas indicate satisfactory progress. But of late the crop estimate has been reduced.

Production is significantly down in Turkey, Uganda, Nicaragua, and the Sudan. Unfavourable weather has affected yield in Turkey and the crop is estimated at 500,000 bales, as compared with 650,000 bales last year. In Uganda bad weather has played havoc with yields so that, despite near-record acreage, production is expected to be no more than a quarter of a million bales this season. The marked decline in production in Nicaragua is the result of both reduced acreage and lower yields and the estimated crop of 150,000 bales will be the smallest for several years. Reports from the Sudan suggests that production may be materially less than last year's record. In South Brazil, acreage is believed to be significantly under last season but the chances are that there may be some improvement in yield per acre. Trade estimates are that there has been an increase of about 7 per cent. in cotton acreage in Argentina this season. Peruvian production may be lower as a result of the smaller extra long-staple crop this year.

Aggregate free world production this season is expected to be around 27 million bales. Although production in free world countries outside the U.S. will be higher, it will be more than offset by the reduction in output in the U.S. Total free world production will, therefore, be lower than last year's by roughly two million bales and the lowest since the post-Korean period.

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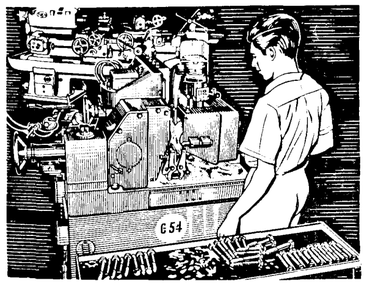

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CENTRAL AND WESTERN RAILWAYS

PROSPECTS OF LARGE SUGAR EXPORTS NOT BRIGHT

PLEA FOR HIGHER CANE PRICES ILL-ADVISED

THE Government of India is expected to announce its decision on sugar exports "in a short time." This was disclosed by Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, while speaking at the inaugural function of the new crushing plant of L. H. Sugar Factory, Kashipur, Tarai, Uttar Pradesh, on 30th January last. A scheme for exports of sugar, Mr. Jain said, was under the consideration of the Government and the Indian Sugar Mills' Association was being consulted. He added: "It is our desire to export 200,000-300,000 tons of sugar this year. .... There is one difficulty which is that the price obtaining for sugar outside India is much less than in this country. The Government is thinking as to how to overcome this difficulty."

While the final decision of the Government is awaited, it looks as though the chances of India exporting large quantities of sugar are completely bleak. The world sugar market continues to rule depressed, and the gap between world prices and Indian prices has markedly widened against India. The average price of sugar produced in India now stands at as high as Rs. 750 per ton, even after excluding the Union excise duty of Rs. 291.20, which compares very unfavourably with the quotation of Rs. 440 (£33) per ton prevailing in London. The low level of world sugar prices is expected to persist during the whole of the current year.

It is against the aforesaid background that one has to view the scheme for sugar exports. The most fundamental question is: How to make Indian sugar compete effectively in the world market. Instead of examining this issue, the representatives of sugar industry have been wasting their time and energy on debating the question of the agency which should handle the export business. Although discussions have been going on on this issue for many months now, the differences in approach among sugar millowners continue to be as sharp as before. Thus, a section of millowners wants the setting up of a monopoly central marketing organisation to distribute sugar not merely for exports but also for domestic consumption. Another section prefers an autonomous central organisation with membership being compulsory for all sugar mills which will pay a membership fee based on the production of each mill and also linked to the loss on exports. There is still another section which believes that exports of sugar should be handled individually by mills, that is, in the same manner as is being done in the case of textiles or any other commodity. In view of the continued sharp differences in approach, it remains to be seen how the Government of India will evolve a scheme which will be acceptable to all the sugar interests in the country.

Whatever may be the form chosen for handling export business in sugar, the fact remains that the export price of Indian sugar should bear comparison with that quoted by other countries. This can be ensured by lowering cane prices, refunding cess on cane in respect of exported sugar, simplifying excise formalities and granting concessions in freight rate for exportable sugar. The need for a reduction in the price of sugarcane is especially great, considering that the cane accounts for as much as 60 per cent. of the cost of sugar production.

When such is the state of affairs, it is highly deplorable that the Praja Socialist Party should continue to whip up the emotions of the cane growers of Uttar Pradesh and Bihar by urging them to ask for an upward revision in cane prices which are already high in all conscience. The P.S.P. recently convened at Meerut a conference of the presentatives of a number of cane co-operative societies in the Meerut division. Addressing the conference, Mr. Genda Singh accused the Central Government of partiality and said: "While it allows industrialists to sell their sugar in the open market, it forces growers to sell their sugarcane to the mills only at a price fixed by the Government. The Bihar Assembly had unanimously demanded that the price be fixed at Re. 1.75 (as against Re. 1.44) per maund. Even this is disregarded by the Government." The conference criticised the Government for having fixed the price of sugarcane at Re. 1.44 per maund for the next season (this is same as that in the past four seasons) without consulting the U.P. and Bihar Joint Sugarcane Board. Such consultation, according to the conference, was mandatory. The conference passed a resolution urging the Government to fix the cane price at Re. 1.75 per maund and to appoint a price fixation board as in Australia. It even warned that, if the Government hesitated to fulfil the demands, the action committee would be forced to advise the growers not to supply cane to the sugar factories.

The plea for enhancing the price of cane is most ill-timed, especially as the country is now trying to build up an export trade in sugar. With the exception of Japan, the price of sugarcane in India is the highest in the world. Indeed, one wonders if any other agricultural commodity pays the cultivator as much as sugarcane does. Any increase in cane price at this stage is bound to have the effect of diverting more land from food crops to cane crop. Even the existing prices have resulted in a substantial rise in the production of cane, particularly in areas supplying cane to the sugar mills. The all-India second estimate of cane (1957-58) puts the aggregate yield at 63.50 million tons and area at 4,784,000 acres, as against the adjusted second estimate of 58.99 million tons and 4,475,000 acres, respectively, in 1956-57. Surely, if the price offered for cane has not been economic, the growers would not have devoted a larger area to the cultivation of sugarcane. The maintenance of the old price for cane is itself more than equitable *inter se* between growers of cane and other farmers, as also in the general interests of the country's economy. Indeed, it is high enough to cause an imbalance in the pattern of crops. It must be noted that it is the factories that are being compelled to pay a fixed minimum price and that this compulsion is being exercised in order to protect the cane growers and not the factories. There is no doubt that, left to the free play of market forces, it is the cane grower who will suffer most. The socialists are, therefore, distorting the truth when they do propaganda among the cane growers to the effect that the price fixation is intended for the benefit of factories.

Irrespective of the quality of cane he supplies to the sugar factories, the grower gets Re. 1.44 per maund, thanks to the present defective system of fixing price of cane. How can such a system give any incentive to cultivators to grow better quality canes? It is not surprising that the recovery of sugar in cane has all along continued to be very low. The Praja Socialist Party of Uttar Pradesh and Bihar would serve the cause of cane growers better if, instead of pleading for enhanced cane prices, they were to advocate the introduction of the scheme for payment of cane on the basis of both weight and quality, as against weight alone as at present. Such a scheme will create quality-consciousness among growers, with the result that, in subsequent years, they can raise the sugar-content of their cane. Mr. Ajit Prasad Jain did well to stress the need for augmenting both the sucrose-content and the per-acre yield of cane. In this connection, he observed:

"It is a pity that no real attempt has so far been made to improve the quality of sugarcane. Excellent work has been done by the various research institutes in this country. But the record of the Coimbatore Institute is by far the most outstanding. In Egypt, there is now 97 per cent. of Coimbatore variety of cane grown, as compared with 3 per cent. of the Java breeds. It is, therefore, necessary that the millowners, peasants and cane development societies should plan and coordinate their development activities in such a manner as to get the maximum results. It is likely that the recovery from cane will be linked with the sugarcane price. No final decision has yet been taken, but this is one of the lines on which Government is thinking. It will be in the interest of all to improve the quality of cane and get the maximum price for it."

In the course of his address, Mr. Jain emphasised the importance of a co-ordinated development of both white sugar and *khandsari*. He sought to impress on the sugar millowners the fact that the *khandsari* industry played a notable role in the economy of the country. Mr. Jain also stressed that there should be some co-ordination between bonus, wages and welfare of workers employed in sugar mills. Incidentally, he stated that the Wage Board for sugar industry would determine the capacity of a factory to pay; it would find out everything and compile data that might be necessary to arrive at right conclusions.

WAGE BOARD FOR SUGAR INDUSTRY

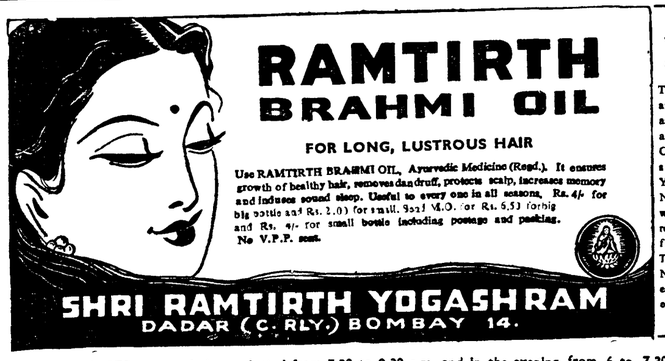
The Wage Board for Sugar Industry (Chairman: Mr. Bind Basini Prasad) held its first meeting at Lucknow on 31st January. At this meeting, the Board decided the procedure to be adopted for carrying on its work. Accordingly, before drawing up a *questionnaire*, the Board will address communications to all the central organisations of employers and employees to suggest the matters on which information should be collected. It will then visit a few typical sugar factories in the North and the South. This will be followed by the issue of a *questionnaire* to the interests concerned. The Board will also give hearing to the sugar mills in every zone and visit as many units as possible in each zone. The three specific questions discussed by the Board related to the following:

(1) The needs of the sugar industry in a developing economy, with particular reference to the special features of the industry and social justice to be kept in view while considering wages;

(2) the necessity for collecting family budgets of the class of persons from where workers for sugar industry is drawn; and

(3) the payment of bonus to workers. On the last-mentioned question, the Board resolved that, after hearing the parties, a formula should be evolved on the basis of which bonus may be paid.

The next meeting of the Board is expected to be held early next month.



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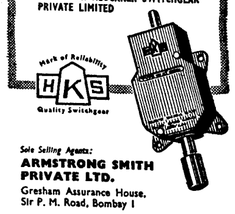

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MOVEMENT OF COAL

STUPENDOUS TASK AHEAD FOR RAILWAYS

ONE of the serious impediments in the coal industry's way to the production goal set for it under the second Five-year Plan is inadequate transport facilities for the movement of coal. It is true that transport has been given a high priority in the Plan and that for this purpose a sum of Rs. 1,125 crores, or 30 per cent. of the total Plan outlay, has been allotted for the development of railways alone. It is estimated that, with this allocation, it will be possible to provide for a net increase of 42 million tons in goods transport at the end of the current Plan period. The additional quantity of coal which the railways expect to move at the end of the Plan period is 18 million tons per annum, including 12 million tons of additional coal required for the steel plants. But, as against this, the additional coal that will require to be moved is expected to be as much as 23 million tons per annum. There will thus be a shortfall of 5 million tons per annum in the facilities available for the movement of coal. In other words, there will be heavy accumulation of the stocks at the pit-heads, which will, in turn, affect the production of coal.

Assuming that the coal production target for 1960-61 is 60 million tons, the net output (after excluding colliery consumption and coal moved otherwise than by rail) that will have to be moved by the railways is 55 million tons at the end of the Plan period. On this basis, the estimated wagon requirements year by year during the Plan period are as follows:

(No. of wagons)

Name of coalfield	Actual loading in 1955	Anticipated daily requirement				
		1956-57	1957-58	1958-59	1959-60	1960-61
West Bengal and Bihar	3,262	3,675	3,778	4,693	4,810	5,016
Windhya Pradesh	302	497	546	935	1,033	1,130
Singareni	175	216	227	308	329	349
Talcher	30	33	33	33	33	33
Madhya Pradesh	276	276	276	276	276	276
Total	4,045	4,697	4,860	6,155	6,481	6,804

There has, no doubt, been some improvement in the allotment of wagons during the last few years, thanks to the repeated representations made by the coal producers and the earnest efforts of railways to help them. Thus, in 1957, the daily average loading from West Bengal and Bihar Coalfieds (which account for 80 per cent. of the country's total output of coal) aggregated 3,667 wagons, as against 3,405 wagons in the previous year and 3,163 wagons in 1952. Barring the three months, June, July and August, the daily average loadings in all the months of 1957 were higher than those in the corresponding months of 1956, as the following comparative table shows:

	Average daily loading in				
	1953	1954	1955	1956	1957
January	3,118	2,874	3,169	3,281	3,583
February	3,054	2,865	3,208	3,230	3,586
March	3,211	3,061	3,215	3,204	3,726
April	3,111	3,111	3,191	3,403	3,780
May	3,093	3,092	3,145	3,246	3,587
June	3,033	3,118	3,130	3,410	3,354
July	3,033	3,351	3,234	3,590	3,576
August	3,020	3,558	3,475	3,824	3,794
September	3,222	3,598	3,393	3,280	3,847
October	3,351	3,432	3,478	3,437	3,982
November	3,208	3,263	3,361	3,568	3,689
December	2,886	3,145	3,141	3,384	3,556
Average for the year	3,112	3,206	3,262	3,405	3,667

It will be noted that the average daily loading suffered a serious drop in June last to 3,354 wagons, from a high of 3,780 wagons in April. Subsequently, it rose to a record high of 3,982 wagons in October, before declining markedly to 3,556 wagons in December.

It is true that the average daily loading for the year as a whole showed a rise of 400 wagons during the last two years, but the progress is not commensurate with the expansion in the output of coal. Further, we are now about to complete the second year of the Plan and the actual daily loading in 1957 at 3,667 wagons for W. Bengal and Bihar coalfields, is still well behind that of 3,778 wagons allocated for 1957-58. This shows that the leeway to be made up during the next three years is considerable and appears to be difficult of fulfilment. It should be noted here that, with the commencement of operation of some of the new coal mines in the public sector during the current year, the pace of production of coal will be accelerated during the coming years and coal loading will have to be keep pace with the increase in production, so that the industry will not be burdened with the mounting level of stocks. It will be seen from Table I above that an additional daily loading of 2,000 wagons will be required during the next three years for all coalfields and nearly 1,400 wagons for the West Bengal and Bihar coalfields alone. The railways have therefore, no cause for jubilation over their achievement in increasing the wagon allotment by 400 wagons per day during the last two years. It marks only a humble achievement as compared with the stupendous task ahead.

COAL PRODUCTION IN THE NETHERLANDS

The production of coal in the Netherlands during 1957 aggregated 11.38 million tons, as compared with 11.84 million tons in the previous year. Production reached a peak in 1952, but has been regularly decreasing ever since and in 1955 it fell below 12 million tons for the first time. The rather steep decrease in production during 1956 and 1957 was due to some special circumstances which had a slightly adverse effect on last year's labour output.

The coal production of 7.2 million tons in the State Mines was about 270,000 tons lower than in 1956. This decrease in production, combined with a steep rise in cost, will have an adverse effect on the operating results.

Further progress was made in the mechanical production of coal. Despite difficult geological conditions 30 per cent. of the total coal production was mined by mechanical methods (in 1956: 26 per cent.).

Good progress was made in completing the new shafts in the Emma, Hendrik and Maurits mines. The drill holes for the shafts in the new Beatrix mine were finished down to the coal formation. The washeries of the four mines were improved, as a result of which manual sorting of coal from crude coal will soon be a thing of the past.

The mine gas, which is drawn off in large quantities underground, was entirely absorbed in the State Mines' gas economy. Some 25 million cu.m. (883 million cu.ft.) of gas for consumption is now being annually obtained from the mine gas.

Coke production amounted to nearly 3 million tons, that is, slightly more than in the previous year.

COAL PRICE IN W. GERMANY

A threatened second increase in the price of Ruhr coal has been averted. Two coal-selling organisations have decided not to raise prices for the time being. The third such organisation made a similar announcement some time ago.

The West German price of coke and coal was increased by an average of eight per cent. on 1st October last.

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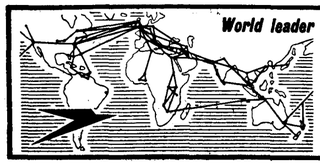

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TEA PRICES TEND TO DECLINE

SHARP FALL IN EXPORTS—CASE FOR CUT IN EXPORT DUTY ON COMMON TEAS

THE improvement in tea prices witnessed early this year, following the political upheaval in Indonesia and the flood havoc in Ceylon, seems to have yielded place to a downward trend. Barring the best quality teas, which are still sold well in London and Calcutta, thinner varieties have been ruling easy. In Colombo, even the best teas have struck a weak note. The auctions in London and Colombo reflect the uncertainty over the labour situation in Colombo harbour. Though the disruption in the movement of tea caused by the recent floods has been overcome, trading has not returned to normalcy, due to unsettled labour conditions in Colombo Port. This has resulted in a number of shipping lines boycotting the harbour until such time there is a distinct improvement in the situation.

The easier trend in tea prices at the London auction has affected the auctions in Calcutta, as will be seen from the following comparative table of prices in export sales:

	3-2-58	27-1-58	20-1-58	6-1-58
	Rs.	Rs.	Rs.	Rs.
Clean B.P.	2.25 to 2.30	2.35	2.35 to 2.40	2.30 to 2.35
Plain B.P.	1.52 to 1.56	1.52 to 1.56	1.58 to 1.62	1.58 to 1.62
„ Fgs.	1.60 to 1.64	1.60 to 1.64	1.66 to 1.70	1.68 to 1.72
Medium B.P.	1.58 to 1.62	1.60 to 1.64	1.66 to 1.70	1.64 to 1.68
„ Fgs.	1.66 to 1.70	1.68 to 1.72	1.76 to 1.80	1.78 to 1.82
Best Assam C.T.C. B.P. ..	2.40 to 2.60	2.50 to 2.70	2.60 to 2.80	2.60 to 2.80
„ Fgs.	2.30 to 2.40	2.40 to 2.50	2.50 to 2.60	2.50 to 2.60

A comparison of latest prices over those a year ago shows that, while Clean B.Ps. have maintained their price levels, Plain B.Ps. have suffered a drop of 42 nP per lb., Medium B.Ps. 48 nP per lb. and Best C.T.C. Assam B.P. 26 nP per lb. It will thus be noted that the plain and medium varieties are the worst affected. The average sale price realised in export auction No. 30 held in Calcutta on 27th January 1958 (the latest auction for which the average price is available) was Rs. 1.86 per lb., as against Rs. 2.22 per lb. obtained in the corresponding sale of 1956-57 season. The average price realised so far this season (upto and including sale No. 30) is Rs. 2.23 per lb., as against Rs. 2.51 per lb. in the corresponding period of the previous year.

World Price Drops

The world price of tea, fixed by the Government of India for the purpose of levying export duty shows an even more distinct fall from Rs. 3.94 per lb. fixed for February 1957 to Rs. 2.99 per lb. for the corresponding month this year. Despite this decline of 95 nP or As. 15 per lb. in the price of tea, the export duty has not been cut. On the contrary, it is even a shade higher than that levied a year ago. Thus, while an export duty of As. 6 per lb. (which in terms of the new currency works out to 37 nP) had been levied in February 1957, the duty for the current month is 38 nP. In other words, while the Government of India has not afforded any relief in export duty to tea growers, in consonance with the fall in tea prices, it is actually profiteering at the expense of the consumers at the rate of 1 nP per lb.

The impact of export duty on the offtake of tea from abroad does not seem to have been discussed by the Export Advisory Council, though Mr. Morarji Desai, the Union Minister for Commerce and Industry, pointed out that the only long-term solution to India's economic difficulties lay in the country's ability to produce and export more. Tea is the largest foreign exchange earner and it can continue to hold its place, provided it is given the necessary incentive. The main drawback in Indian tea production is that the bulk of it is made up of common teas, which are difficult to dispose of in foreign countries, particularly when they are made to bear the same rate of export duty as the quality teas. It has been suggested by some that the export duty should be levied on an *ad valorem* basis, depending on the quality of teas exported, instead of on a flat rate of duty on all teas. It is, no doubt, difficult, though not impossible, to fix the correct value of each grade of tea for enforcing the *ad valorem* duty. But a *via media* solution must be found to afford some relief to producers of common teas. A broad classification of tea can at least be made and the duty varied according to the quality of these groups. In this connection, the observations of the Export Promotion Committee on export duty on common teas can be recalled. The Committee said:

"Though India is the largest single producer of tea in the world, she has to meet keen competition from other tea producers like Ceylon and Indonesia. The competition is particularly keen in what the trade in India calls 'common teas'. The competition in this category of tea is likely to increase when the tea bushes planted in East Africa begin producing their full yield of nearly 100 million lbs. of tea a year between seven and ten years from now. Even at present, the landed cost of East African tea is reported to be about two shillings a lb. which is somewhat below the cost of production in many estates in North India. Therefore, in considering what possibilities there are of promoting exports of tea from India, we have to take into account production of tea by other producing countries, such as Ceylon and Indonesia and East Africa.

High Cost of Production

"Though we have generally been able to sell our tea, as witnessed by the fact that we do not always carry large stocks of unsaleable tea, a reduction of even 12 to 18 nP a lb. in the cost of production would make a substantial difference to the grower. Even though we can really never hope to compete with East Africa in cost of production, a measure of relief from the present high level of costs would be of assistance to tea exports. Apart from the plantation labour Acts, various taxes and levies inflate the prices of Indian tea. The taxes and levies which get reflected in our export prices are: (*a*) the tea cess at 4 nP per lb., (*b*) the Assam carriage tax and West Bengal *octroi* each at one anna per lb. and (*c*) the export duty which now stands at 6 annas a lb.

"The tea cess is of benefit to the tea industry itself. The two State taxes are important revenue resources for Assam and West Bengal. The export duty of 6 annas a lb. is not much of a burden on high quality tea. Therefore, the only means by which some assistance can be given to 'common' teas which have to face keen competition abroad is by a reduction in export duty. Unfortunately, there is no accepted definition of 'common' tea; but common tea being inferior tea, it should, perhaps, be possible to define it in terms of price. We have been told that, at the present level of prices, teas selling below Rs. 1.50 a lb. can be regarded as 'common' teas. We, therefore, recommend that all teas sold in the Calcutta auctions below Rs. 1.50 a lb. should benefit from a reduction in export duty to the extent of 12 nP a lb. Government will only have to ensure that, after the auctions, superior tea is not substituted and shipped. To this end, arrangements may be made for movement in bond of auctioned consignments up to the shipping stage."

It will be noted with interest that the Ceylon Government, which levies a flat rate of export duty of 65 cents per lb. on all teas, has decided to change it, by increasing the duty on high-grown teas and reducing that on medium-growns. The export duty on low-grown teas, however, has been kept unchanged. A flat increase on certain grades and a reduction on others has been decided, in view of the difficulties in enforcing an *ad valorem* duty. The extent of increase on the high-growns and the reduction on medium teas has, however, not yet been announced.

Exports Decline

The need for a reduction in export duty on common teas has now assumed greater urgency, because India is caught between a fall in the quantum of exports and a decline in prices, which is cumulatively affecting the foreign exchange earnings of the country. In 1956, India exported 523.56 million lbs. valued at Rs. 142.8 crores. In 1957, the foreign exchange earnings from tea must have been very much lower, because of the lower prices and the decline in the quantity exported. As will be seen from the table below, shipments from North-east India during 1957 fell from 436.06 million lbs. to 359.91 million lbs., while those from Cochin went up slightly from 80.18 million lbs. to 85.37 million lbs.

(In million lbs.)

	North India		South India	
	1957	1956	1957	1956
Britain ..	247.23	308.27	47.37	45.09
Irish Republic ..	16.90	16.62	..	..
Europe ..	5.38	11.58	..	..
U.S.S.R. ..	14.82	13.02	..	..
U.S.A. ..	16.28	21.04	7.03	6.71
Canada ..	10.74	14.84	0.22	7.02
Iran	12.16	8.22	..	..
Egypt	14.35	15.32	..	..
Turkey	7.00	6.57	..	..
Australia	1.04	2.55	6.55	6.87
Other countries ..	13.93	19.03	18.19	14.48
Total ..	359.91	436.06	85.37	80.18

It may be noted here that, among exporters of tea in the world it was only India that lost ground last year; all its competitors had actually made some gains. Thus, tea exports from Pakistan have gone up from 51.41 million lbs. to 52.54 million lbs. During the ten months ended October 1957, Ceylon's exports of tea rose from 292.16 million lbs. to 327.04 million lbs., at which level they were only short of India's exports during the whole of 1957 by 32.9 million lbs. Similarly, Indonesian exports during the eight months ended August rose from 48.66 million lbs. to 52.63 million lbs. Why did India alone fare differently? It is for the Government of India to find out the answer, if it does not agree with the view that export duty was the main cause.

A scheme to set up a Company for importing tea directly from the countries of origin, chiefly India and Ceylon, is contained in the Tea Purchase and Importation Bill published by the Government of Ireland last week. The Bill also envisages the replacement of the war-time scheme operated by tea importers. The new Company to be formed will be composed of a committee nominated by the main body of wholesale importers. Blending will be done in Ireland itself and a register of tea traders will be maintained. It is thought in Dublin that the scheme will come into operation before 1st July next.

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SHARP RISE IN STOCKS OF JUTE GOODS

SHIPMENTS FALL

TRADING in the jute goods market is at present dominated by "bears," who have seized the opportunity presented by several factors in their favour to depress the prices. Overseas interest is conspicuous by its absence, an indication of which is provided by the sharp fall in shipment of gunnies during January. There was heavy offering of jute goods last week by weak holders, following reports that a prominent operator failed to take delivery of his purchases. Though the panic caused by these reports ceased subsequently, when settlement was effected smoothly without any difficulty, the market has not yet regained confidence. Fears of a sharp rise in stocks of jute goods with mills, consequent on the fall in shipments during the past month, have also depressed sentiment, causing a slump in prices of gunnies.

Thus, ready hessian—40" 10 oz. stood at a low of Rs. 38.98 per 100 yards on Saturday last, having fallen from Rs. 39.80 on the preceding Monday. Likewise, sacking B. twills declined from Rs. 103.30 per 100 bags to Rs. 99.05. These are the lowest levels touched since August 1956 when they had dipped to Rs. 38.37 and Rs. 103.12, respectively. They also compare with the 1957 peak of Rs. 43.25 and Rs. 121.60, respectively, touched in the middle of October last. Since then, the general trend of prices of jute goods has been downward. It will thus be seen that, over the last 16 weeks, hessian—40" 10 oz. has lost Rs. 4.27 per 100 yards and sacking B. twills Rs. 22.25 per 100 bags. The relatively heavier fall in sacking is obviously due to the larger output of this variety of goods during the last few months, accompanied by a decline in offtake, resulting in a rise in stocks.

The fears of a sharp increase in stocks with mills at the end of last month, which is one of the factors for the present depression in the gunny market, have proved correct. Stocks at the end of January show a jump of 21,400 tons over the month to 96,400 tons. This rise is on top of an increase of 4,000 tons noted at the end of December, when the stocks expanded from 71,000 tons to 75,000 tons. The aggregate increase of 25,400 tons in the last two months has thus not only reversed the downward trend witnessed in the preceding five months, when stocks dwindled from 116,000 tons to 71,000 tons, but also lifted the stocks to the highest level since July 1957.

Stocks Variety-wise

The following comparative table gives a variety-wise analysis of the stocks, as at the end of the last three months and as at the close of January 1957.

Jute Goods Stocks

(In tons)

	As on 31st Jan., 1958	As on 31st Dec., 1957	As on 30th Nov., 1957	As on 31st Jan., 1957
Hessian	29,700	25,200	26,000	23,800
Sacking	53,500	38,400	35,200	67,700
Others	13,200	11,400	9,800	11,700
Total ..	96,400	75,000	71,000	103,200

As will be seen from the table, all the three main groups have contributed to the increase in stocks. The rise in hessian is of the order of 4,500 tons, the sharpest increase in any month since April last, and is in distinct contrast to the successive recession noted since June 1957, when hessian stocks began to decline from 42,400 tons and came down to a low of 25,200 tons at the end of December. The bulk of the increase in stocks at the close of last month is accounted for by sacking, which has gone up by no less than 15,100 tons to the highest level since July last. Such a sharp rise in sacking stocks has not occurred in any month in recent years. With this expansion, the proportion of sackings to total stocks has gone up from 51.2 per cent. at the end of December to 55.5 per cent. while that of hessians has declined from 33.6 per cent. to 30.8 per cent. Stocks of "other manufactures" have also gone up by 1,800 tons to 13,200 tons, thus maintaining the upward trend for the fifth month in succession. It will also be noted with interest that the stocks of these varieties have doubled themselves in the course of the past five months.

The substantial rise in stocks is presumably due to an increase in production during the month, accompanied by a decline in offtake. The data relating to production are not available at the time of writing, but figures of shipments indicate a sizable setback in offtake, as will be seen from the following table:

(In tons)

	Bags	Cloth	Total
Hessian—			
January 1958	1,541.2	22,098.3	23,639.5
December 1957	1,252.7	27,007.6	28,260.3
January 1957	5,755.6	33,450.7	39,206.3
Sacking—			
January 1958	23,344.6	436.1	23,780.7
December 1957	41,571.9	564.2	42,229.1
January 1957	29,082.1	2,297.5	31,379.6

These figures include coastal shipment and are gross figures based on shipping bills presented. The bulk of the shipments of jute goods being for export purposes, it will be cause for no small concern if the offtake by overseas consumers were to show a sizable setback.

WEST GERMAN EXPORTS OF JUTE CLOTH HIGHER

West German jute trade statistics for the nine months ended September 1957, show cloth exports at a slightly higher level, with imports lower, than in the corresponding 1956 period, reports the *Jute Bulletin* of the Indian Central Jute Committee. Exports of jute cloth from West Germany during January-September 1957, improved to 5,166 tons from 4,795 tons in the same nine months of 1956. The U.S. was the largest single outlet, taking 2,841 tons in 1957, as against 2,531 tons in 1956. Next in order came Switzerland with 827 and 835 tons, respectively. Sweden absorbed 514 and 510 tons.

Imports of jute cloth into West Germany during the period January to September 1957, aggregated 2,730 tons, as compared with 3,103 tons in the corresponding period of 1956. Hungary was the largest source of supply, accounting for 1,135 tons of West German imports during the first nine months of 1957 and 531 tons in the corresponding months a year ago. Imports from Belgium aggregated 652 tons, as against 355 tons, and those from France amounted to 407 tons, having declined from 1,587 tons. Imports from India amounted to only 395 tons, as compared with 230 tons.

METRIC SYSTEM FOR JUTE INDUSTRY

The jute trade and industry is to adopt metric system of weights and measures, on an optional basis, with effect from 1st July 1958. A decision to this effect was taken last week at a meeting of the representatives of the trade and industry, held under the chairmanship of Mr. A. P. Mathur, Jute Controller, Government of India. The operation of the metric system will, in the first instance, be confined to the purchases of raw jute by mills and sales of jute products by them. A committee, consisting of representatives of the jute trade, industry and officials, was appointed to deal with problems that will be encountered during the switch-over to the new system and ensure its smooth operation.

DUNDEE JUTE INDUSTRY'S FEARS

Fears for the position of the Dundee jute industry were expressed by Mr. George M. Thompson, M.P., at a conference convened recently in Glasgow by Scottish industrialists and trade union leaders to discuss the European Free Trade plan. Mr. Thompson said that the jute industry was not afraid of European competition so long as it was fair—free from hidden subsidies and so on. What Dundee did fear was that the granting of free trade would involve uncontrolled entry of cheap Indian jute goods which would knock Dundee out altogether. Successive Governments must honour the guarantees already given to the home industry.

HESSIAN AS COVERING FOR COTTON BALES

A hessian-polyethylene laminated fabric has proved to be the most promising among the experimental materials tried so far in field tests in the U.S. National Cotton Council's search for a satisfactory bale covering for lint cotton. The weight of the hessian cloth used in trial is 10 oz. This information is contained in the Central Jute Committee's monthly journal, the *Jute Bulletin*.

More tests are planned by the Council on a 12-oz. hessian with 6,000 to 8,000 bales of the 1957-58 cotton crop.

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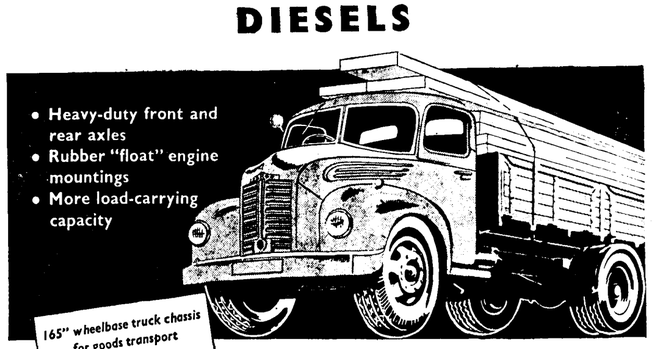

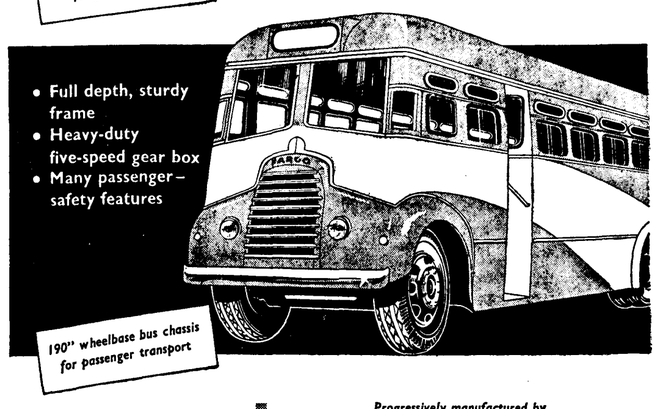

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POWER POTENTIALITIES OF INDIA VAST

SHARAVATHI PROJECT—A MIGHTY VENTURE

By M. Hayath

MEMBER (HYDRO-ELECTRIC), CENTRAL WATER AND POWER COMMISSION

THE vast power potentialities of the Sharavathi Valley—there for all the world to see at the famous Jog (Gersoppa) Waterfalls—have attracted the attention of engineers and statesmen for many decades. Years ago, when a proposal to turn these resources—one of the greatest of nature's bounties—to good account reached Lord Curzon, he is reported to have turned it down, wary of its effect on the beauty of the falls, and left the following postscript to posterity:

"... If this question is brought up again—as in an age of rampant utilitarianism it is, I suppose, certain to be—I implore any successor of mine to pause before he gives his sanction to so great an outrage and if he remains in doubt then not to decide until he has paid a visit to the Falls himself. I can promise him one of the greatest sensations of his life—and the industrial development of the locality will once again be beneficially postponed."

This, however, was not to be. During the late forties, a relatively modest scheme for partial development of the potentialities of this river—the Mahatma Gandhi Hydro-electric Scheme, with an installed capacity of 120,000 kw. —was implemented single-handedly by the Mysore State Government. Work is now being formally inaugurated on the giant Sharavathi Valley Project conceived to meet the ever-growing demand for power in this region by utilising fully the potentialities of the last drop of water which this great river drains to the Arabian Sea, save that of the waters which will be let down from the large 178,000 m.c.ft. Linganamakki reservoir to follow its time-worn course over the falls and preserve its scenic grandeur. When the project is completed, ten mighty machines each rated at 89,100 kw., housed in a river-side power station about three miles downstream of the Falls will produce every year, at the incredibly low rate of less than three-fourths of a naya paisa per unit, about 4,500 million units of electrical energy—equivalent in energy value approximately 5.5 million tons of lignite, mining of which is now being initiated in the neighbouring State of Madras. The accelerating effect of the Sharavathi Valley Project on the entire economic development of the State of Mysore and areas of other States which are contiguous with it is bound to be considerable, all the more so because this State relies entirely on this cheap and bountiful source of power for all its requirements of electrical energy.

Enormous Potentialities

Large as it is, the Sharavathi Valley Project is only one of a chain of major hydro-electric schemes to harness the enormous potentialities of the west-flowing rivers of the State of Mysore. Long before the constructional activity on the Sharavathi Project has ceased, work would have to commence on some of the other projects, namely, the giant Kalinadi Project, (with a potential of over 646,000 kw. at 60 per cent. load factor) the Barapole Project (180,000 kw. at 60 per cent. load factor), the Varahi Project (150,000 kw. at 60 per cent. load factor), and the Bedti-Sonda-Aganashni group of stations (with a total power potential of about 630,000 kw. at 60 per cent. load factor). All these schemes are of the high-head type, utilising drops ranging from 1,400 ft. to 2,200 ft., and this is the main factor which contributes to the overwhelming economy of these projects—which can be implemented, though not perhaps at the same ultimate cost per unit, nevertheless at roughly the same order of economy as the Sharavathi Project. These vast power potentialities of the west-flowing rivers of Mysore, aggregating over two and a half million kilowatts of firm power, constitutes the most favourable factor for the overall economic development of the entire region.

The Sharavathi Valley Project will demonstrate, not only to the Mysore State but to the country as a whole, the great advantage of planning confidently for the future on the basis of development of its vast water power resources, as yet largely untapped. The present utilisation constitutes barely 2 per cent. of the availabe hydro resources of the country. Not so long ago, the most important question which arose at the time of implementation of power projects was whether there really was adequate ready demand for the amount of power to be made available. Often, lack of an immediate and compelling demand led to postponement of power development schemes, but it was invariably found that demands not only caught up with capacity in those regions but soon confronted the States with the spectre of power shortage.

Doubts about the growth of power demands are not heard as often now, and it is realised that, in the foreseeable future, power development would be limited not by demand but mainly by financial resources—both of capital and, more critically, of foreign exchange. Although manufacture of some of the equipment required for power projects is being initiated at the heavy electrical manufacturing plant, now being established at Bhopal, its output as planned at present would only meet a small part of the total requirements. The field of power development would, therefore, be critically dependent on imports of equipment for the foreseeable future. A maximum rate of development can be ensured only by carefully husbanding the limited foreign exchange, which the national economy can allocate to the power sector, and by utilising it on projects which yield the maximum benefits of power production for every rupee of foreign exchange. Of the alternatives available, hydro schemes, by far, require the least foreign exchange—these being required mainly for the generating plant and equipment, which forms only a small part of the total investment—those of the thermal and nuclear alternatives being higher in that order. On this and several other economic considerations, the future pattern of development, as can now be visualised, should, therefore, be based on almost complete reliance on hydro-electric resources in all regions located away from the coal-bearing areas of the country, with such pithead thermal generating stations as are required.

Largest Hydro-electric Projects
(Above 250,000 kw.)

Scheme	Head (ft.)	Discharge (cusecs)	Firm power at 60 per cent. LF (kw.)
Projects under construction			
Koyna ..	1,600	2,140	380,000
Bhakra-Nangal ..	365	9,000	670,000
	2 of 90" (average)		
Sharavathi ..	1,500	5,200	867,000
Projects under contemplation			
Upper Siloru			
Dam P.H. 1 ..	115	4,150	258,000
,, 2 ..	309		
Pamba	2,150	1,100	270,000
Punasa	180	18,600	373,000
Bhimkund ..	700	3,500	275,000
Inchampalli ..	135	20,000	300,000
Kalinadi	1,450	4,000	656,000
Beas Link—			
Bhakra Stage ..	Under investigation		

Utmost Importance

The availability of hydro-electric resources and their relative economy of development thus becomes a matter of utmost importance for the field of power development during the next two or three decades. In 1953, an assessment of hydro-electric resources capable of development on practical and economic considerations was launched by the Central Water and Power Commission. A preliminary survey regarded as a necessary first step in the systematic assessment of the country's resources was taken up on the basis of available data. The country was divided into six broad regions for facilitating the conduct of these surveys, (*a*) the west-flowing rivers of the Western Ghats, (*b*) the east-flowing rivers of Southern India, (*c*) the rivers of Central India, (*d*) the Ganga Basin, (*e*) the Brahmaputra Basin and (*f*) the Indus Basin in India. Reports prepared on the first five regions include, respectively, 26 schemes aggregating 3.7 million kw. at 60 per cent. load factor; 37 schemes aggregating 6.8 million kw. at 60 per cent. load factor, 51 schemes aggregating 12.98 million kw. (out of this, 7.4 million kw. is located entirely in Nepal) at 60 per cent. load factor; and 35 schemes aggregating to 13.27 million kw. at 60 per cent. load factor (out of this, 0.95 million kw. lies in Sikkim).

The current hydro-electric survey of India has revealed that the total utilisable hydro resources of this country would be of the order of 40 million kw. at 60 per cent. load factor, though the theoretical hydro potential of the country would be very much higher. These resources, contrary to some common notions, are fairly evenly distributed all over the country and are of sufficient magnitude to sustain power development in every region of the country during the next two or three decades. In addition to these resources which are located entirely within the territorial limits of India, there are vast potentials of the order of 7.5 million kw. in Nepal, 1 million kw. in Sikkim and the colossal potentialities of the Brahmaputra river in the sharp 'U' bend just beyond the frontiers of India and Tibet, where it is estimated that a potential of the order of 30 million kw. at 60 per cent. load factor can be developed on a run-of-the-river basis alone. These vast resources are so located that they command the major load centres of north and north-east India and these schemes could well be developed to the mutual advantage of the countries in which the resources lie and India.

Single-purpose Power Schemes

Another important conclusion of this survey is that the bulk of future hydro generation in this country would have to be derived from what may for practical purposes be called single-purpose power schemes located in the precipitous upper and in the middle reaches of the various river basins. On the basis of the latest cost estimates available, the prevailing capital cost per kilowatt of firm power of these schemes vary in the range of Rs. 600-Rs. 1,400, the representative average figure being Rs. 1,000, the corresponding costs of energy generation generally varying from 0.12 to 0.3 anna per unit. The conclusion has also been drawn from the survey that costs of future schemes would generally tend to the lower limit of the prevailing range of costs, due to the fact that they will mainly comprise schemes with very large power potentials relative to the proportions of their civil works. It is, therefore, expected that, during the next decade or two, 75 per cent. or more of the total requirements of electrical energy would have to be drawn from hydro resources for maximum economy. Thermal generation will form a steadily declining proportion of the total energy generation and will be confined to a few large-size mine-head stations utilising low-grade coals and middlings from washeries that are being established. Nuclear power stands in quite different category from thermal generation based on coal, as, without the attendant costs and problems of transport of fuel, it promises a more satisfactory alternative to meet demands for power, as they exceed the limits of hydro resources in areas where resources of solid fuels are several hundreds miles away. The large, unexploited and utilisable resources of hydro power can sustain a rapid pace of development for only about three decades. Nuclear generation, even if it is not competitive with hydro during this period, must nevertheless be resorted to on the scale required for experimentation, both to evolve a suitable indigenous type of station and to prepare the country with technical skills required for its local manufacture and commercial operation on the tremendous scale of expansion which would be required later when all the hydro resources are exhausted.

BURMA'S STATE-OWNED STEEL MILL

Burma's first State-owned steel rolling mill constructed in Ywama, Insein, has been completed. The process of making steel is to melt the scrap iron already collected in the electric arc furnace, to mould them into ingots and to roll down in various rolling mills into different sizes and products which would principally be required for the construction of dwelling houses in Burma. The initial programme of production of this mill would be:

Corrugated galvanised iron sheets, wire process material such as wire nails, wood screws, bolts, nuts, rivets, galvanised telegraph wires, barbed wires, etc. Rolled bars, such as angles, flats, rounds below 3 inches size. The total output of finished products would be about 16,000 tons and the value, according to the present market price, would be approximately K. 20 million.

This programme of production is based on running the main rolling mill on eight-hour shifts a day. When the Burmese workers have gained sufficient experience, it is proposed to run two eight-hour shifts, increasing the production to 31,000 tons of the value of about K33.5 million.

The making of steel in electric furnace, the handling of rolling mills and other steel making machineries are quite new to Burmese labour. The German and Indian engineers would be employed for stipulated periods and thereafter Burmese engineers and workers will take over the running of the whole project.

NEW PRODUCTS AND PROCESSES

Electronic Stethoscope

AN amplifying stethoscope for industrial use introduced by the firm of ARSONIC is claimed to permit "expensive noises" in machine tools to be detected before they reach the dangerous stage. Known as the Minear, it is fitted with a binaural head-set and contained in a 10 oz. chromium-plated case measuring 1 in. by 10 in. It will detect aural defect symptoms such as the sound of dry or cracked bearings and other mechanical moving parts; squeaks and groans set up by metal under stress; water, gas, or oil flowing in pipes or leaking under pressure; and most of the symptoms of mechanical defect which are usually audible only when it is too late for preventive action. Fitted with transistors for economy of space and operation, the stethoscope has a chromium-plated probe so designed that it can be easily held to, for instance, the crankcase of a large oil engine without fear of wandering. The probe is insulated to withstand high voltages (such as those experienced on sparking plugs) and to protect the operator. An on/off switch and thumb-operated volume control are incorporated, while the head-set sockets are situated at right-angles to the body of the instrument to prevent the cable becoming entangled with the apparatus under test. Power is supplied by an easily changeable standard Mallory battery with a life of 2,000 hours, and the instrument can be carried in the pocket.

Aluminium Welding

Today the welding of heavy gauge aluminium is invariably carried out by the use of a metal arc welding process in an inert gas atmosphere. A new U.K. development will, however, enable considerably thicker aluminium plate to be welded than has been possible hitherto. Previously the welding of metal plates of up to two inches thick—such as may be required in atomic energy plants—has only been possible with the aid of techniques involving a very large, or multiple, number of passes through the welding machines. This is because conventional leads have a limit of 350 amperes of current that could be handled. Since even greater thicknesses will be required in the future for the atom industry and other industries, the British Welding Research Association has developed a new design of welding lead which can handle electric currents of up to 650 amperes for use with conventional aluminium welding equipment. This equipment will enable aluminium one inch plates to be welded with only two passes through the welding apparatus at a speed of twelve inches of welds per minute. This is, it is claimed, a great improvement in terms of the number of "passes" required over previous performance. Special techniques are being developed for handling even thicker plates with a very small number of passes through the equipment, and for welding aluminium plates of considerably greater thicknesses of more than two inches.

Automatic Control Equipment for Sugar Production

Successful application of KENT *Universal* pH automatic-control equipment for the first and second-carbonatation processes is reported by the Barrah Factory Branch of the Champarun Sugar Co., Ltd. The equipment is supplied by W. H. Brady and Co., Ltd., KENT Representatives in India. The Barrah Factory reports that the final commissioning of the *Multelec Universal* glass-electrode pH recorder-controller was early in January 1957, and since then it has been giving continued satisfactory service to the close of cane-crop operations. Cleaning of the glass electrode was twice-daily routine, states the Factory, and a simple matter of merely wiping the electrode with a piece of cotton wool saturated in a weak solution of hydrochloric acid. Apart from that and the occasional descaling of the sample hopper, reference electrode and resistance thermometer, no other regular attention was necessary. A feature of the instrument, is that even when the glass electrode appears to be completely coated with scale, the instrument continues to maintain control of operations *to very close limits*. It has proved reliable and capable of continuous, prolonged operation with minimum attention. Pending the delivery of another KENT *Multelec* instrument, for the control of second carbonatation, the existing instrument was switched to that duty during early March last. Without modification or adjustment, it continued to give satisfactory service on this new duty. Here no scaling of the electrodes took place and the instrument operated continuously without attention.

New Water-resistant Cement

A new type of cement, known as Pectacrete which cannot get wet—even when submerged in water, it is claimed—has been developed in Britain. The cement can be left in standard paper bags in jungle conditions or monsoon rains without getting solid afterwards. This development means that major engineering and construction projects can soon go ahead without delays due to adverse weather. The product is being manufactured and marketed in bulk by a major British cement concern. The development is the outcome of an all-British research project initiated some eight years ago. In effect, each fine particle of cement is coated during manufacture with a water-repellent chemical, which will remain intact until broken by the abrasive action of mixing with sand or gravel. So effective is this coating that while normal cement increases its weight 63 per cent. after exposure to the atmosphere, the new-type, acid-resistant cement adds only 5 per cent. to its initial weight, the manufacturers claim.

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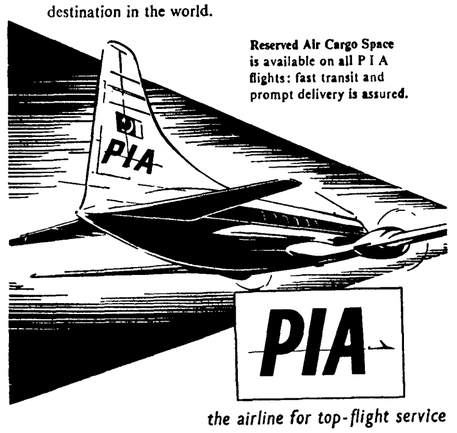

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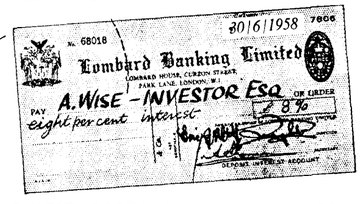

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EDUCATION OF WORKERS

VIEWS OF BRITISH TRADE UNION CONGRESS

VIGOROUS steps are currently being taken to elevate labour from the position of being a mere instrument of production to that of responsible participant, the latest one being the finalisation at New Delhi last week of the scope and functions of the proposed joint councils of management. The object, it is common knowledge, is to impart to workers a sense of belonging, to secure their willing and responsive co-operation and to foster cordial employer-employee relations necessary for the establishment of industrial democracy. In order to arouse the enthusiasm of labourers and to elicit their co-operation, it is necessary that they should be made aware of the social and economic transformation that is being aimed at and their vital role in engineering it. Workers should also be equipped to play their part effectively. It was this realisation that impelled the Planning Commission to lay particular emphasis on workers' education. Industrial democracy can flourish only under conditions of sound trade unionism and its informed membership. Unfortunately in India, there is a multiplicity of unions, organisationally weak, financially crippled and lacking proper leadership and guidance. The majority of unions are mere appendages of political parties, unduly militant and often springboards for political aspirants. It is not surprising, therefore, if some employers look at labour unions with suspicion and are inclined to take a legalistic rather than a problem-solving approach to issues at dispute. These defects cannot be rectified, unless workers are given the necessary education. They should also be trained in the techniques and principles of trade unionism, so as to enable them to understand the real purpose and functions of trade unions in a democracy.

The Government and the Planning Commission are fully aware of the imperative necessity for educating the ignorant workers. A sum of Rs. 50 lakhs has been allocated in the second Plan for this purpose. At present, facilities for education of workers are provided in the welfare centres run by State Governments or by statutory funds such as the Coal and Mica Mines Labour Welfare Fund. Literacy classes for workers are also being run by the social education societies. Workers' organisations such as the Textile Labour Association, Ahmedabad, are also running workers' education courses.

Facilities Inadequate

The available facilities are, however, limited in scope and character and are not capable of fully meeting the requirement. In January last year, the Government of India, in co-operation with the Ford Foundation, appointed an international team of experts to suggest specifically the steps to be taken for: (1) the education of union representatives in the principles and techniques of trade union organisation, management and financing, (2) education of union members for intelligent participation in union affairs, (3) education of union representatives in responsible and effective participation in management, (4) other aspects of workers' education. The team recommended that the implementation of workers' education programme should be entrusted to a semi-autonomous body —a Central Board, comprising representatives of trade unions, employers, Government and educational institutions. Its functions would be to lay down policy, administer the programme of education, allocate funds, inspect, and co-ordinate the working of the workers' education schemes. The team also suggested that, in order to ensure effective implementation of the programme, provision should be made for the training of teachers and programme administrators. In its view, two types of teachers are required, full-time teachers-administrators and those who have other responsibilities but could be called upon to teach part-time, as the programme developed. Presumably, in pursuance of this recommendation, the Union Ministry of Labour has evolved a new scheme for workers' education, the central feature of which is the training of a body of "teacher-administrators" who would be sent to different industrial centres, where they will, in their turn, train workers to be teachers. This is a step in the right direction and has come not a day too soon. As experience of other countries has shown, workers' participation in management would only degenerate into an extension to the management field of militant union activity, unless the workers and their representatives are given the necessary training.

This explains why the Government as well as trade unions of countries like Britain take a lively interest not only in the training of workers but also in the education of the younger generations who would be the workers of tomorrow. Indeed, one of the oldest standing committees of the British Trade Union Congress General Council is that which deals with public trade union education. As Mr. John Walton, a member of the British T.U.C. says, throughout, the T.U.C.'s interest in education has been to speed the development of full and equal opportunities for youngsters at school and college and for young workers needing part-time training. The latest view of T.U.C. on education, expressed to the Central Advisory Council for Education in England, stresses this theme, though it is adapted to the current age of scientific invention and technological advance.

Some of what the T.U.C. puts forward, says Mr. Walton, are already current educational practice in one form or another. Here the T.U.C.'s purpose is to seek its extension. In other ways, the T.U.C. urges new developments. All are, however, designed to realise the four broad aims which the T.U.C. advocates for the education of Britain's young people.

Broad Objectives

For the T.U.C., a modern system of education must prepare young people to live and work in a society of relatively swift social and economic change. It must secure for the community the best use of their skill and ability. It must help them to find satisfaction in their leisure, and, finally, it must enable them to play an effective part in the democratic conduct of political, economic, and social affairs.

A greater emphasis on general education and a raising of the school-leaving age from 15 to 16 are suggested by the T.U.C. It also proposes that, when young people have started work, their general education should be continued up to the age of 18 on any part-time courses they may take.

This question of the balance between general and specialised studies is one to which the Central Advisory Council is giving attention in its examination of the education of boys and girls between the age of 15 and 18. The T.U.C. believes that there is a danger that vocational training may now start too soon, and that, below the age of 18, it should be limited in scope and intensity without depriving those who can benefit of the chance to do so.

In many British firms today, there are schemes of training which provide for the release of young workers for technical education during working hours, and the number of day-release courses has been growing following consultations between education authorities and industry. The T.U.C. wants to see these arrangements for day-release classes extended for all young workers who are not apprentices and their syllabus so devised as to ensure continued general education. Most apprentices already have to attend courses leading to established qualifications.

"Sandwich" Course

Another educational provision for the young worker is the "sandwich" course, which offers the chance to leave the job for a period of full-time training. Such courses are already being extended as part of the Government's expanded provisions for technical education. While approving of this development, the T.U.C. is anxious to ensure greater flexibility in the educational opportunities open to young workers, and it suggests a system of maintenance grants so that larger numbers of young people can undertake full-time day courses or could participate in "sandwich" courses without requiring to be maintained by an employer for the period of the course.

The T.U.C. emphasises the need for colleges in every area which all young workers would attend part-time and which would provide for the continuation of general education. In time, these county colleges, as they are known, and other establishments of further education would bring their syllabuses into line so that general and vocational education throughout this stage might cease to represent separate claims on the time and energies of the young worker.

TRAINING YOUNG MEN FOR INDUSTRY

NATIONAL APPRENTICESHIP SCHEME

ONE of the many problems that confront an underdeveloped economy is shortage of skilled manpower. In the industrially advanced countries, facilities for the training of technical manpower are provided by the various industrial establishments themselves. But, in India, the position is different. Apart from a few apprenticeship schemes in the railways, ordnance factories and iron and steel industries as well as in some of the other industrial establishments, no opportunities exist. This may be due partly to shortage of equipment and finance, but it is mostly due to lack of enthusiasm and appreciation among the employers of the value of training a few young workers in their own establishments. Not many of them regard the trouble and expense involved in having apprentices as an investment, which yields a return in the long run. It has, therefore, become necessary for the Government to take the initiative in this matter.

Indeed, now that the development programmes call for exceptional efforts from industry, especially heavy industries, the matter of training of technical personnel has become one of great urgency. It is gratifying to find that the Government is fully aware of this need and has already taken the problem in hand. It has approached the problem from two angles, short-term and long-term. The short-term solution is the training within industry of workers already employed for higher and more skilled jobs. The required theoretical knowledge is imparted to them through evening classes either in the factory or in technical institutes. The long-term solution to the problem is the recruitment of juveniles under apprenticeship schemes in various industries. Besides ensuring a regular flow of skilled manpower needed by industry, such apprenticeship schemes open employment opportunities for the educated unemployed.

There are no up-to-date and reliable data on the extent of unemployment in India, but the National Sample Survey, a few years ago, revealed a broad picture of unemployment. It was greatest in urban areas and the incidence of unemployment was the highest in the age group 16-21. It was found that the unemployment situation was much more acute among literates than illiterates in urban areas and most acute among those who had studied up to matric and intermediate. The National Apprenticeship Scheme, as recommended by the Shiva Rao Committee on training and employment, affords an ideal opportunity for the employment of youths with the minimum of education, assuming that the scope for industrial workers will steadily grow.

Aims

The object of the National Apprenticeship Scheme, it may be noted, is to provide training for young persons with some educational background to become skilled craftsmen. These skilled workers can then be trained in the factories in due course to occupy higher posts which are bound to increase from the implementation of the second Five-year Plan. The training schemes that existed in the past were not scientifically organised. The trainee was left with a more experienced worker to learn what he could. Sometimes, the worker who gave instructions in the workshop was himself illiterate and so the theoretical aspect of training suffered. In order to remove these defects, the National Apprenticeship Scheme provides for a comprehensive and methodical programme.

Under this system, the Government selects suitable young men and arranges with employers to engage them as apprentices under contract for a fixed period of time. During this period, the employer is obligated to provide training facilities conforming to the standard agreed upon by the Training Authority, namely, the Apprenticeship Adviser. If related instruction cannot be imparted in the same workshop the apprentices are to be released, even during work hours if necessary, to attend courses at local technical schools. The apprentices are generally paid and provided with allowances and amenities such as hostels. The cost of these apprentices is borne by the Government.

On the completion of their course, the apprentices are tested and awarded certificates of proficiency by the National Council for Training in Vocational trades. The cost of the scheme is

(*Continued on page 299*)

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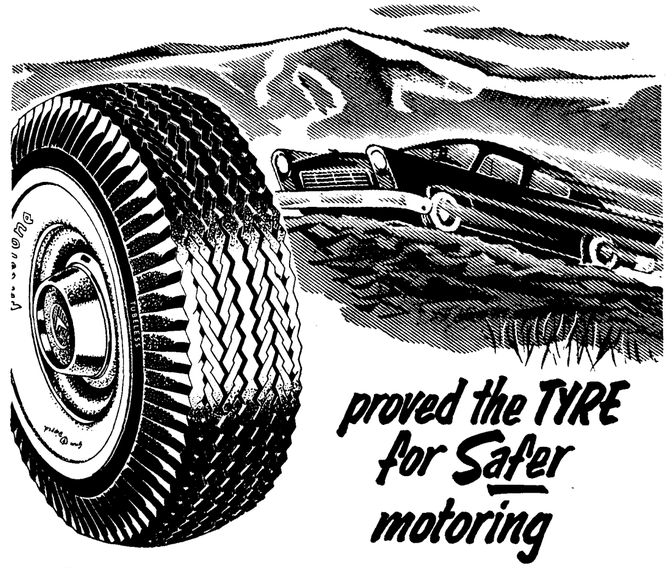

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ANOTHER FAVOURABLE YEAR FOR WORLD LABOUR

INFLATION AND UNEMPLOYMENT, MAIN ENEMIES TO BE GUARDED AGAINST

HIGHER employment, slightly increased purchasing power and extended social security schemes offset the ill-effects of the spurt in consumer prices and increased unemployment to make 1957 yet another favourable year for workers the world over. This is the considered view of Mr. David A. Morse, Director General of the International Labour Organisation. Employment in most of the countries, which reported to the I.L.O., was higher in late 1957 than in the previous year-end, though the rise was small and insufficient in several cases to absorb the increase in the available labour force. Social protection was extended and consolidated in many countries, including several in Western Europe. Wage rates continued to climb up and, in the majority of reporting countries, rose more than in proportion to the rise in prices thus resulting in enhanced purchasing power. The number of days lost during the year through industrial disputes approached their lowest post-war level, having been as low as 55 million, as compared with 73 million in 1956.

Consumer prices, however, registered their greatest advance for several years, threatening the standard of living of millions of persons on fixed or sluggish incomes and undermining the protection afforded by social security schemes. Consumer prices rose by 3.7 per cent. during the 12 months ended late 1957. The increase was greatest in South America. A number of Asian countries, which had previously suffered from severe inflation, effectively checked a rise in price during 1957. Economic recession augmented joblessness in a number of countries. As the new year dawned, labour was, therefore, required to be vigilant against two grim and relentless enemies, namely, inflation and unemployment.

Employment

The employment picture in 1957 was less favourable than it had been at the end of 1955 or 1956. Two-thirds (16 out of 24) of the countries providing recent information on employment trends showed increases over the preceding 12 months, but the median change among all reporting countries was an increase of only about 1 per cent. Unemployment was more prevalent at the end of 1957 than in years of the recent past. In some countries, both employment and unemployment increased, because the gain in employment was not sufficient to absorb the growing labour force. Half of the reporting countries (16 out of 32 which provided information on this point) had more unemployment in late 1957 than in late 1956, although in most countries the number of the unemployed was still relatively small.

Among the more gratifying declines in unemployment was a drop of nearly 200,000 in Italy in the 12 months ended October 1957. Countries experiencing rather large 12-month percentage increases and in which unemployment was assuming disquieting proportions included Canada and the Netherlands, in both of which unemployment doubled, Finland (82 per cent. increase in 12 months ending in December) and the United States (24 per cent., December). In regional terms, unemployment trends in North America aroused particular apprehension, not because the proportion of the labour force out of work was highest there but because the sharp increase in joblessness reflected an adverse economic trend which might have repercussions elsewhere.

The United States was experiencing an economic recession—mild, so far, and not expected to attain the proportions of a major depression, but providing sufficient cause for anxiety. Steel mills were operating at only a little more than half of their capacity at the end of the year, while the automobile industry, reacting to the disappointing sales of new models, was in the process of laying off several thousand workers. Other lines of activity were also adversely affected. Unemployment increased by about 900,000 between October and December and in the latter month stood at 3,400,000. Claims for unemployment insurance benefits were at record levels for recent years. Somewhat similar conditions appeared to exist in Canada, where the unemployed numbered 313,000 in November 1957, as compared with 147,000 a year earlier.

Unemployment decreased in most of the Western European countries during 1957. In the United Kingdom, however, the unemployed numbered 350,000 in November 1957, about 19 per cent. above the level of November 1956. Other increases were reported by Finland, as noted above, Sweden (43 per cent.), Belgium (34 per cent.), Norway (13 per cent.), and Switzerland (19 per cent.). An abnormally large year-end jump in unemployment in the Federal Republic of Germany, attributable in part to lay-offs in building construction, raised the number of unemployed to 1,200,000 (December) or 11 per cent. above the level of a year earlier. In most months of 1957 unemployment in Germany had been considerably lower than in 1956. Much concern was felt in Europe regarding the possible effects of the recession in the United States. Fear of inflation was still a powerful factor, however, and many countries maintained economic controls which had been introduced to discourage inflationary economic activities.

Reports on the employment situation in Eastern Europe are not available but indications of the level of industrial activity in that region suggest relatively full utilisation of the labour force, in some cases serious labour shortages.

In Asia and South America vast numbers of underemployed constitute a continuing economic and social problem which is not revealed by statistics of unemployment. The available information suggests a mixed picture. Israel, the Philippines, Japan and Burma, all reported good increases in employment or declining unemployment or both, although unemployment is still a serious problem in the latter three countries. India, faced with multiple economic problems, including a calamitous drought, reported 17 per cent. increase in job applications. Job applicants increased by about 16 per cent. in Ceylon but declined slightly in Pakistan. Very incomplete information from South American countries revealed no major swings in employment. Unemployment increased in both Australia and New Zealand but at the end of the year was still at a very low level.

Consumer Prices

Actual or potential inflation was a major concern of most nations during 1957 and prompted the application of numerous economic controls, particularly financial measures. Even at the end of the year, when unemployment was rising and other signs of recession were in evidence, inflation was regarded by many as the greater and more imminent danger. Despite some indications of slackening earlier in the year, consumer prices continued to climb up. Of 85 countries reporting price statistics during a 12-month period ending in the latter part of 1957, 73 showed increases and 12 decreases. The median change for all reporting countries was an increase of 3.7 per cent. This compares with a median increase of 3.0 per cent. in 1956.

Individual countries succeeded in bringing inflation largely under control. In Denmark, for example, consumer prices rose by only 2 per cent. during the 12 months ending October 1957 as compared with a rise of twice that magnitude during the preceding 12 months. Price increases were also checked in Australia and New Zealand. The previous sharp rise in Chile, Paraguay, Taiwan and South Korea was slowed considerably and an earlier increase in Viet-Nam was replaced by a decrease. Despite the improvement registered by some South American countries, however, that region accounted for six of the seven reported increases over 15 per cent. and continued as the area in which inflation was most pronounced. The 12-month rise in Bolivia at mid-year was 152 per cent., although it is reported that this runaway increase has since been slowed. Other major increases were reported in Argentina (31 per cent., November), Chile (20 per cent., November), Uruguay (20 per cent., August), and Colombia (19 per cent., November). The median increase among all reporting South American countries was 17 per cent.

Asia, which had previously shared with South America the foremost position in world inflation, abandoned this place in 1957 when price increases in several countries were effectively controlled. Indonesia (31 per cent., November) reported the largest 12-month gain, while the median among all reporting countries was 4.4 per cent.

Prices continued to rise in the United States (3.1 per cent., December) and Canada (2.5 per cent., November); and although these 12-month gains were moderate by world standards they were disquieting when viewed against the background of extraordinary price stability which both countries enjoyed from 1952 to 1955. With increased national resources being devoted to defence, many observers regarded inflation as a constant menace. Central America was an area of general price stability, with several countries reporting small decreases. Only Mexico (13 per cent., November) reported a substantial increase. The median increase for the region was 1.9 per cent.

Moderate price movements predominated in Western Europe, the median change among all reporting countries being an increase of 3.3 per cent. Substantial increases were reported, however, by Spain (13.8 per cent., October), the Netherlands (6.3 per cent., December), and Finland (8.5 per cent., December). Stern governmental measures were taken to restrict inflation in the United Kingdom, where among other things the discount rate was raised to 7 per cent. The price increase over the 12 months ending in November was 4.5 per cent. Consumer prices in France rose by 10.1 per cent. (December) after several years of comparative stability; they had mounted rapidly after the adjustment of franc exchange rates in late summer and appeared still to be increasing at the end of the year.

Wages

Money wages continued to rise during 1957, and in most countries exceeded the increase in consumer prices. The median increase in real wages in manufacturing industry appears to have been about 2.5 per cent., which corresponds with the median figure among reporting countries over a period of several years. Some of the increases, however, referred to hourly rates or earnings which were partly offset by reduced hours of work. In several countries real wages declined.

Of the countries for which statistics are available 16 provide evidence of an increase in real wages during the most recent 12-month period, most of the increases amounting to less than 5 per cent. These countries were: Austria, Colombia, Denmark, the Dominican Republic, France, Germany (F.R.), the Netherlands, New Zealand, Norway, Philippines, Puerto Rico, South Korea, Sweden, Taiwan, the United Kingdom, Yugoslavia. Figures from six countries—Argentina, Finland, Ireland, Israel, Japan and the United States—indicate that money wages rose less than consumer prices. In three countries the trend was inconclusive: Australia, Canada and Italy. In Canada, for example, real hourly earnings rose slightly, while real weekly earnings fell slightly.

Hours of work in industry declined in a number of countries in 1957, reflecting a general movement towards a shorter normal or legal work week, on the one hand, and reduced economic activity on the other.

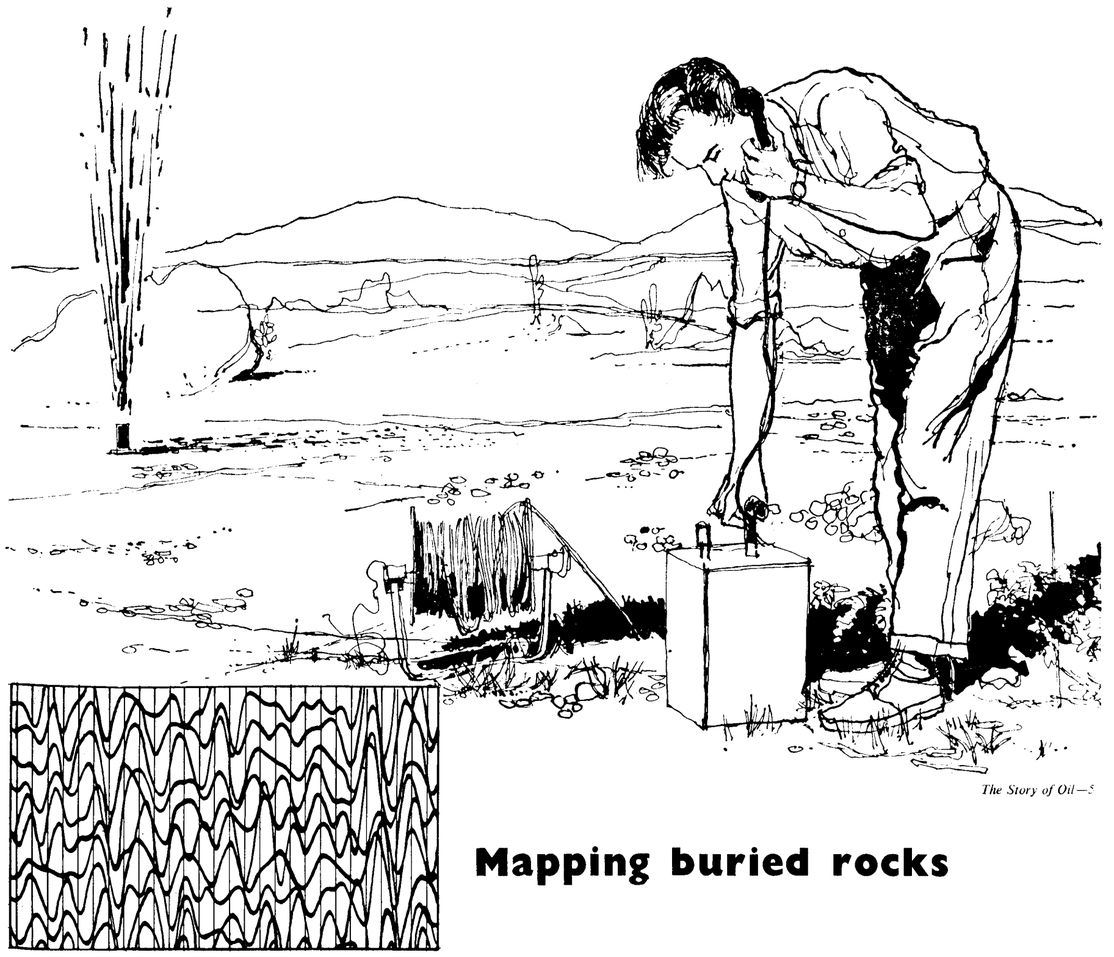
Social Security

Consolidation was the keynote of social security developments during 1957. Almost every country introduced some modification of its social security institutions, but in most countries the changes were limited to minor adjustments or to the progressive implementation of a phased programme.

Fear of erosion in the value of social security benefits through inflation continued to haunt social security planners and administrators in many countries. Experience has repeatedly demonstrated the tardiness and inadequacy of most remedies for this evil. Much thought and experimentation have been devoted to designing built-in defences against inflation and attention to this subject appears to have been intensified during 1957. Some countries adopted or were considering automatic adjustments of benefit rates, linked with movements in the consumer price index. A new device introduced in Denmark during 1957 enables insured persons to purchase voluntarily a state-subsidised deferred annuity, payments under which are intended to supplement the old-age pension. This supplement has been termed an "index contract" as its amount is directly linked with changes in the consumer price index.

The system of "productivity" or "dynamic" pensions introduced in the Federal Republic of Germany breaks new ground in this context.

(*Continued on page 299*)



The Story of Oil—5

Mapping buried rocks

Geophysics, which is the science of the earth's physical structure, aids the search for petroleum by making it possible to study the characteristics of rock layers buried deep in the earth's crust.

The geophysicist's main "tools" for this job are the gravity meter, the magnetometer, and the seismograph. The gravity meter and the magnetometer, as their names imply, measure the pull of gravity and the magnetic force of the earth. For the sedimentary rocks which may contain oil are lighter than others, and they are less "magnetic" than the harder rocks which never contain oil.

With the seismograph, the geophysicist can measure the intensity and timing of earth tremors. The men of a seismic crew bore a shallow hole in the ground, lower a charge of dynamite into it and set it off. The shock waves produced by this miniature earthquake travel down, hit the layers of rocks beneath and bounce back to the surface where they are recorded by the seismograph. The waves are reflected strongly from hard rock and less strongly from soft rock. The length of time they take to reach a particular layer and to return indicates the depth of the rock.

All this information is recorded in the form of wavy lines on a chart. By setting off explosions at a number of points it is possible to map the various buried rock formations with a fair degree of accuracy.

When all the results of a geophysical survey have been compared, it may be possible to locate a rock formation that might prove to be oil-bearing. But even if such a trap is found, the only way of proving whether or not it contains oil is by drilling a test well.

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INDO-JAPAN ECONOMIC RELATIONS

TRADE AGREEMENT SIGNED—YEN CREDIT GRANTED

NEXT to Communist China, India and Japan are the largest countries in Asia with a population of about 385 million and 90 million, respectively. It is very vital for the peace and prosperity of the world that these two countries maintain utmost friendly relations—politically and economically. Viewed from this angle, the three agreements signed, in the course of last 10 days, between the two countries are, indeed, notable and together constitute a significant landmark in the history of Indo-Japanese economic relations. The agreements cover (1) trade, (2) supply of textile machinery on deferred payment basis and (3) grant of an 18 billion yen (Rs. 24 crores) loan by Japan to India.

Under the trade agreement entered into between India and Japan, which is to be valid for two years in the first instance, the most-favoured-nation treatment will be accorded to each other in respect of a number of subjects, including customs, tariff, imports and exports and foreign exchange transactions, entry, stay, travel, residence, all kinds of business and professional activities, and shipping and navigation. Japan, however, will not be entitled to claim the benefit of preference or advantages accorded by India to Commonwealth countries or of advantages accorded by India to adjacent countries in order to facilitate frontier traffic. A striking feature of the agreement is that each country undertakes that, if it establishes or maintains a State enterprise wherever located, or grants to any enterprise or agency exclusive or special privileges, such enterprise or agency shall not, in its purchases or sales involving either imports or exports, act in a manner that will nullify or impair any benefits accruing to the other under the agreement. To this end, such enterprise or agency shall make any purchase or sales solely in accordance with commercial considerations, including price, quality, availability, marketability and other conditions of purchases or sales and shall afford to the enterprises of the other country adequate opportunity in conformity with customary business practices to compete for participation in such purchases or sales.

Commodities Listed

The following are the exports from India to Japan and imports into India from that country:

Exports from India: Agricultural products (for example, spices palmyrah fibre, tea, tobacco, coffee beans, gums and resin and molasses sugar); agricultural raw materials (for example, raw cotton and cotton waste); animal products (for example, hides and skins and animal casings); industrial raw materials (for example, tanning materials and iron and steel scrap); minerals (for example, iron ore, manganese ore, salt, mica and coal); miscellaneous commodities (for example, sandalwood oil, lac and shellac, magnesite, opium and curry powder).

Imports into India: Textile and fibre products (for example, artificial fibre, yarn, artificial fibre fabrics and raw silk); iron and steel and other metals (for example, galvanised steel plate and sheets, other iron and steel mill products, aluminium rolled products, copper alloy rolled products and insulated electric wire); capital goods and machinery (for example, electrical machinery, ships, railway cars and parts and, industrial machinery); chemicals and dyes (for example, drugs and medicines, ammonium sulphate and urea, dyestuffs, caustic soda, cement, vegetable wax, camphor, menthol, crystal and peppermint oil); wood and paper products (for example, veneer and plywood, and newsprint).

Simultaneously with the signing of the trade agreement, India has agreed to withdraw at the earliest possible date invocation against Japan of Article 35 of the G.A.T.T. This Article it will be recalled, provides that, in certain cases, a contracting party may refrain from undertaking G.A.T.T. obligations towards an acceding contracting party. Notes to this effect were exchanged at Tokyo on the 4th inst. between Mr. K. B. Lall, Joint Secretary to the Union Ministry of Commerce and Industry, and Mr. Nobuhiko Ushiba, Director, Japanese Foreign Ministry's Economic Bureau.

While the trade agreement is of a general character and between the Governments of two countries, a specific agreement covering textile machinery has been entered into by the State Trading Corporation of India with the Japan Textile Machinery Industry Association, a trade body. The agreement enables India to make purchases of Japanese textile machinery on yen credit and repay within five years' deferred period with an annual interest of 6 per cent. The total value of purchases is expected to be about 4-6 billion yen (Rs. 5.3 to Rs. 8 crores). The purchase to be made forthwith will be 500,000 spinning spindles. The agreement is the revised version of the original plan providing for payments in pounds sterling which was shelved, as it was opposed by India.

More important than the aforesaid two agreements is the Indo-Japanese commercial treaty under which Japan has agreed to make available to India a credit of 18 billion yen (Rs. 24 crores) over a period of three years. The credit will be extended through the Japan Export-Import Bank. The rate of interest on it will be decided on the basis of the prevailing rate of interest charged by the World Bank at the time the credit line is availed off. Each loan under this agreement will have to be repaid within ten years from the date of its commencement. The credit will be utilised by India for purchases of such Japanese goods as railway equipment, hydro and thermal power generation and transmission and dam construction equipment, coal mining and processing equipment, ore mining and processing equipment, ships, port equipment, industrial machinery (inclusive of equipment for rayon pulp, fertiliser and caustic soda plants, etc.), and machine tools.

Quite Timely

The Japanese offer of credit to the tune of 18 billion yen (Rs. 24 crores) is quite timely and will help India, to some extent, in bridging the wide foreign exchange gap in the second Plan. Japan is one of the countries with which India has been continuously having trade deficit since the past three years, in contrast to the favourable balance enjoyed during the years 1952-53 and 1953-54, as the following figures will show:

(In crores of rupees)

	Exports	Imports	Balance
Year ended March—			
1953	31.18	15.82	+15.36
1954	23.16	13.06	+10.10
1955	16.10	20.57	— 4.47
1956	13.15	33.37	—20.22
April-December, 1956	20.39	34.21	—13.82

The adverse balance of trade with Japan is bound to widen still in the coming years for two reasons. First, the grant of most-favoured-nation treatment by India to Japan may help Japanese exporters to enlarge their business with India. Secondly, the purchases of goods by India in Japan will be larger in view of the requirements of the Plan. The Japanese credit will no doubt help India to meet a part of the foreign exchange needed for these large imports, but, in actual practice, it only means the postponement of payments for commitments now entered into with Japan. The real solution to the adverse balance of trade with Japan as, indeed, with any other country in augmenting India's exports. The accent should, therefore, be on stepping up the exports to Japan.

Sacrifice By Japan

Be that as it may, the terms of credit arrangement should be regarded as satisfactory. This is particularly so in regard to the period of repayment. Ten years are longer than what India has been able to get under the deferred payment scheme from any other country. In effect, it amounts to a medium-term loan from Japan. The basis for determining the rate of interest is also reasonable. The current rates of interest in Japan are very much higher than those charged by the World Bank. Indeed, Japan is one of the few countries in the world where money is very dear. The current Bank rate in that country is as high as 8.40 per cent., as against 7 per cent. in the U.K. and 3½ per cent. in West Germany. Now, the World Bank generally charges 5 per cent. (including 1 per cent. commission) for long-term (15 to 20 year) loans and a slightly lower rate of interest for medium-term (10 to 14 year) loans. If current trends continue, it looks as though 4 to 4½ per cent. may be the rate of interest on the 10-year credit which Japan has now agreed to give India. It is said by some that, in fixing the rate of interest, India should bear in mind that the rate charged by the World Bank includes what is called a commission of 1 per cent. which is credited to a special reserve meant for taking care of bad and doubtful debts and that, since no part of this loan will turn out to be bad for Japan, only the rate of interest excluding the commission should be taken into account. There, is, of course, great force in this contention, but, in pressing this point, it should not be forgotten that, even at the rate including the commission, the Japanese Government will be subsidising the loan to India to a considerable extent as compared with the rates prevailing in the Japanese money market. This is undoubtedly some sacrifice by Japan which deserves to be fully appreciated in this country.

FREE TRADE AREA: FRENCH COUNTER-PLAN

The effects of the association of overseas territories with the European Economic Community on other countries are now being assessed by the 15-nation Working Party of the G.A.T.T. The Party began a two-week session at Geneva on the 5th inst. to examine the effects on cocoa, coffee, tea, sugar, banana and tobacco markets. The second session of the Party will be held from 26th February to 8th March at which the Party will deal with hard fibres, cotton, oilseeds, vegetable oils, wood and timber.

The deliberations of the Working Party and the final decisions it will take are awaited with much interest. Meanwhile, informal talks on the problem of agriculture in the projected European free trade area held at Brussels ended on 30th January. The talks centred round the draft agreement put before the O.E.E.C. meeting early last month by Mr. Reginald Maudling, Britain's representative. It is understood that the draft agreement appeared to imply separate treatment of the subject of agriculture, while the Common Market countries were anxious that the two propositions should hang together. "The general conflict," to quote a report, "seems to be between the British agreement to co-operate in principles and the desire of the Six to work towards a common agricultural policy and to regard each step towards it as permanent."

Another complicated and most intractable issue overshadowing negotiations on the free trade area relates to the harmonisation of external tariffs, as, for instance, the prevention of any major decisions of trade to the benefit of the low-tariff countries in a free trade area which re-export manufactures produced from imported raw materials or semi-finished goods, such as grey cloth, paying little or no duty. The main difficulty here, it is said, arises from the fact that a wide range of raw materials, especially those from Commonwealth countries, enter the U.K. duty-free, while, under the terms of the Common Market Treaty, tariffs are already laid down or remain to be negotiated for a large number of raw materials. Yet another complicated issue relates to the demand that the six countries should enjoy equal rights with the U.K. in markets in which imperial preference applies.

It will be interesting to see how these outstanding problems are solved. In the meantime, a group of leading officials in France is busy finalising the French free trade plan which will be placed for discussion before the ensuing Maudling Inter-Ministerial Committee to be held next month. The French plan, according to a recent report from Paris, envisages a provisional agreement to reduce industrial and agricultural tariffs more gradually than in the Common Market, with wide escape clauses, coupled with a decision to narrow the difference between Common Market external tariffs and the various external tariffs of the free trade area partners, and a considerable measure of international control over social and fiscal policies.

There are thus two plans for free trade area, the French and the British, competing with each other. Commenting on the French plan, the *Financial Times* correspondent in Paris makes the following observations:

"Although British negotiations emphasise that they have no wish to split the Six, they are well aware that French suspicions and hostility towards the free trade area are not shared by all the partners, and seem confident that France will be eventually persuaded to come some way to meet the view of the non-Common Market countries.

"After one year of negotiation, any attempt to foretell the shape of an ultimate free trade area treaty is still largely guess work. It will have to be more "supra-national" than the U.K. would like, and less so than the French are demanding. It should provide for reductions in industrial tariffs in step with the Common Market, but would probably have to include wide escape clauses to be acceptable to the French. Most decisions on industrial trade are likely to be subject to the O.E.E.C's rule of unanimity, although there may be some case for majority decisions.

"National agricultural policies will doubtless come under much closer supra-national scrutiny than at present in O.E.E.C. (there could, for instance, be no more "dumping" of British eggs on the Continent).

"The 'peripherals' would join the free trade area from the beginning, but would get assistance with capital investment in their industries, and reduce their industrial tariffs much more slowly than the rest. Algeria would form a part of the area, receiving treatment analogous to that given to the 'peripherals'. No forecast can be made as yet about the position of overseas territories of the Six."

It is too early to say anything specific about the progress that will be made on these lines. It requires, as the correspondent rightly says, much give and take and months of work to prepare a document which will prove negotiable.

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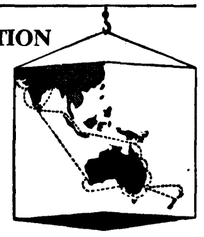

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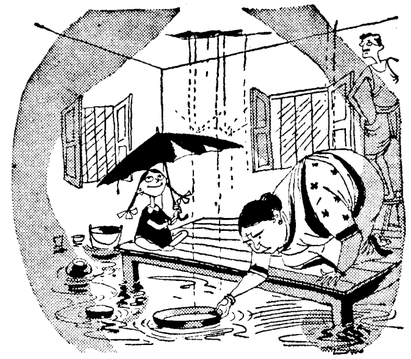

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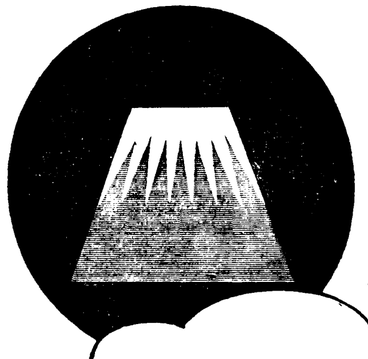

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UPPER GANGES' RESULTS ENCOURAGING

DIVIDEND HIGHER—FINANCES SOUND

THE shareholders of the Upper Ganges Sugar Mills Ltd. (Managing Agents: The Cotton Agents Private Ltd., Bombay) have every reason to feel satisfied with the results of their Company for the year ended 30th June 1957. Their dividend has gone up from 30 per cent. for 1955-56 to as much as 50 per cent., a rate which only a few companies in India are able to pay in these days of heavy penal tax on dividend. It may be noted here that, two years ago, the dividend was only 25 per cent. Here is one more sugar company the results of which confirm that, despite heavy taxation on white sugar, the sugar industry fared extraordinarily well in the 1956-57 season.

The very handsome dividend reflects an all-round improvement in the Company's working during 1956-57. The average recovery of sugar was a record in the Company's history. Sales also made a rapid stride over those in the preceding year. Consequently, the Company's profit touched a high level not seen in recent years. The gross profit for the year at Rs. 45.26 lakhs represents an advance of Rs. 15.43 lakhs over that (Rs. 29.83 lakhs) for the previous year. It is, indeed, more than double the profit of Rs. 22.18 lakhs for 1954-55.

The following table shows the trend of the Company's progress in 1956-57 against the background of its results for the three preceding years:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds	3,59.09	2,73.14	1,85.41	2,45.54
Closing stocks	1,31.90	1,55.43	1,12.24	52.86
Other income	2.68	3.43	6.24	9.12
Manufacturing and other expenses	2,46.70	2,46.84	2,08.25	1,66.73
Excise duty	40.28	42.72	20.60	26.12
Gross profit	45.26	29.83	22.18	41.56
Managing Agents' remuneration	3.84	6.26	5.44	8.23
Provision for—				
Depreciation	12.54	10.54	6.50	7.00
Taxation	18.50	7.90	5.75	11.75
Net profit	10.38	5.13	4.49	14.58
To reserves	5.50	2.08	1.00	11.00
Dividends—				
5% cum. preference	1.11	1.15	1.15	1.15
Ordinary	4.00 (50%)	2.40 (30%)	2.00 (25%)	2.00 (25%)
Carry forward	0.10	0.33	0.83	0.46

It will be noted from the table that the Government has been the largest beneficiary from the increase in the Company's earnings. Apart from the rise in excise duty, the provision for taxation has taken up the bulk of the increase in gross profit. From Rs. 7.90 lakhs, such provision has gone up to Rs. 18.50 lakhs. The increase here is Rs. 10.60 lakhs, which is equal to nearly two-thirds of that in the gross profit. The amount set apart for depreciation is higher by Rs. 2 lakhs at Rs. 12.54 lakhs.

The net profit at Rs. 10.38 lakhs is twice as much as that (Rs. 5.13 lakhs) for the previous year. The bulk of the improvement in the net profit has been utilised to strengthen the Company's reserves further. Thus, the allocation to reserves amounts to Rs. 5.50 lakhs, as against Rs. 2.08 lakhs in 1955-56 and a mere Rs. 1 lakh in 1954-55. Although the dividend is 50 per cent., the sum required to pay it is only Rs. 4 lakhs which is equal to only about 40 per cent. of the net profit and 9 per cent. of the gross profit. This point should be borne in mind by those critics of the private sector who may raise their eyebrows when they hear of the Company paying a 50 per cent. dividend on its ordinary capital. Another point which they should bear in mind is that, in the Company's capital structure, the ordinary dividend holds only a minor place. Out of Rs. 35 lakhs, the ordinary capital is a mere Rs. 8 lakhs, the balance of Rs. 27 lakhs being in 5 per cent. cumulative preference shares. A third point that requires to be noted in this context is that for several years now the Company has been following a policy of ploughing back a good part of its profit.

The Directors say that the working efficiency of the Company's sugar mills during the year was satisfactory. The quantity of cane crushed dropped from 12,154,737 maunds in the previous season to 10,832,726 maunds but the average recovery of sugar was high at 10.38 per cent., as compared with 9.72 per cent. and 9.69 per cent. in 1955-56 and 1954-55 respectively. Indeed, according to the Directors, the recovery of 10.38 per cent. achieved during the year was a new record in the Company's history, having stolen a march over the previous best at 10.01 per cent. in the 1946-47 season. It is interesting to hear that the Company sold 3,300 tons of sugar for export during the current year. A feature of the year's working, which is also partly responsible for the highly successful results, is that manufacturing and other expenses remained fairly steady at the previous year's level.

The Government of India enhanced the rate of excise duty on sugar from Rs. 5.62 per cwt. to Rs. 11.25 per cwt. with effect from 16th May 1957. It has also imposed an additional excise duty of Rs. 3.31 per cwt. in lieu of Central and State sale taxes as from 14th December 1957, which is much more than that warranted by the total burden of all sales taxes. The full effect of these additional tax burdens will be felt by the profits of the Company for the current year.

The Company's chemical department did not fare well during the year. This was due to the rise in the cost of production, occasioned by higher prices for chemicals and raw materials, enhanced wage bill and keen competition. The Directors report that the Government of India has granted to the Company a licence for the manufacture of power alcohol from molasses. Necessary steps have been taken to establish a well equipped distillery at Seohara. Erection of the plant and machinery is progressing satisfactorily.

The Company's factory is situated at Seohara in Bijnor district in U.P., on the Northern Railway. Its capacity is 2,575 tons of cane per day. Sugar is produced on double sulphitation process.

The Company's financial position, as disclosed by its latest balance-sheet, appears to be quite sound. Its reserves and surplus aggregate Rs. 34.84 lakhs, as against a paid-up capital of Rs. 35 lakhs. Of this, as already stated, only Rs. 8 lakhs are accounted for by ordinary shares of Rs. 10 each. Of the balance, Rs. 12 lakhs are in tax-free and Rs. 15 lakhs in taxable cumulative preference shares of Rs. 100 each, both carrying interest at 5 per cent. The current liabilities stand at Rs. 173.46 lakhs, of which secured loans from the State Bank of India amount to Rs. 119.14 lakhs and unsecured loans to Rs. 2.68 lakhs. The gross block of the value of Rs. 127.30 lakhs stands depreciated at Rs. 46.88 lakhs. Additions during the year were of the order of Rs. 11.81 lakhs. The current assets aggregate Rs. 196.42 lakhs and cover the current liabilities and provision for taxation by a comfortable margin. Of the above current assets, investments account for Rs. 7.07 lakhs, stock-in-trade for Rs. 131.90 lakhs, debts, deposits and advances for Rs. 39.37 lakhs and cash balances for Rs. 2.26 lakhs.

It will be seen from the foregoing data that the Company is undercapitalised. Its turnover, as well as its block account, point to the need for a bigger capital.

The Rs. 10 fully paid-up ordinary shares are nominally quoted at Rs. 35, at which rate, and on the basis of the latest dividend, the yield is 14.3 per cent. per annum.

(Concluded from next column)

acres (304.94 acres new clearings budded and 5 acres replanted budded) of immature rubber. The immature acreage includes 50 acres of rubber newly planted during the year on Thirumbadi estate. The total area including jungle reserves is 3,902.89 acres.

The paid-up capital of the Company, as per its latest balance-sheet as at 30th September 1957, remains unchanged at Rs. 9.15 lakhs, in ordinary shares of Re. 1 each. As against this, the reserves and surplus stand at Rs. 4.24 lakhs. The 7½ per cent. taxable debenture liability amounts to Rs. 5 lakhs. The gross block of the value of Rs. 22.40 lakhs, including additions during the year of Rs. 1.91 lakhs, has been written down to Rs. 21.02 lakhs. The current liabilities amount to Rs. 5.99 lakhs, against which the current assets aggregate only Rs. 3.36 lakhs.

The Re. 1 paid-up ordinary shares of the Company are currently quoted at Rs. 1.31 *cum-div.* On an *ex-div.* basis, the year's dividend means a yield of 3.97 per cent. per annum.

THIRUMBADI RUBBER EARNS LESS

DIVIDEND REDUCED

THE working of the Thirumbadi Rubber Company, Ltd. (Secretaries and Treasurers: Messrs. Peirce, Leslie & Co., Ltd., Kozhikode, Kerala), during the year ended 30th September 1957 has yielded results which are not surprising, having regard to the difficult conditions experienced by the plantations as a whole in Kerala. Labour became not only costlier but also truculent. The incidence of taxation was pushed up steeply to confiscatory levels. As a result, the profit-margin of the plantation industry, including rubber, narrowed down. This trend is fully reflected in the accounts of the Company for 1956-57. Thus, there has been a substantial reduction in the Company's output of rubber and this, together with higher production costs, has led to a sizable reduction in the Company's earnings. It is true that the average sale price of rubber was also higher, but the increase was not such as to offset the effects of heavy decline in production in the face of rising costs. The cumulative effect of all this, so far as the shareholder is concerned, is a drastic cut in the rate of dividend. The Directors have declared a dividend of only 5 per cent. for the year under review, as against 12½ per cent. for the preceding two years. The allocation to reserves has also had to be cut to a nominal sum.

The gross profit at Rs. 2.16 lakhs has fallen by Rs. 1.58 lakhs from Rs. 3.74 lakhs for the previous year, which was a new record high for the Company. The net profit amounts to only Rs. 43,327 and makes a very unfavourable comparison with Rs. 2.16 lakhs for 1955-56 and Rs. 1.08 lakhs for 1954-55. In fact, the net profit for the year under review is the lowest for the past four years. The drop in net profit is due largely to the higher incidence of taxation. Despite the appreciable fall in the gross profit, as noted above, the provision for taxation at Rs. 1.11 lakhs shows practically no change from Rs. 1.14 lakhs provided a year ago. The transfer to depreciation, too, has been stepped up from Rs. 32,321 to Rs. 41,840. No amount has been provided for general reserve which was the recipient of a sum of Rs. 99,995 in 1955-56. Only a small provision of Rs. 690 has been made for doubtful debts.

The following comparative table brings out the progress of the Company during the past four years:

	For the year ended 30th September			
	1957	1956	1955	1954
	Rs.	Rs.	Rs.	Rs.
Sale proceeds of rubber	10,12,446	11,09,446	3,64,037	3,54,647
Stocks	1,98,368	1,86,139	85,203	59,126
Other income	5,556	3,273	6,650	7,495
Expenses	8,14,247	8,31,840	2,70,428	2,62,350
Debenture issue expenses	15	7,800	..	..
Loss on sale of Government securities	..	..	326	..
Gross profit	2,15,969	3,74,015	1,85,136	1,58,918
Secretaries' and treasurers' remuneration	20,000	10,843	5,698	5,973
Depreciation	41,840	32,321	14,269	11,116
Taxation	1,10,802	1,14,308	56,800	48,671
Net profit	43,327	2,16,543	1,08,369	93,157
To reserves	690	99,995	25,000	25,000
Dividend	45,765 (5%)	1,14,413 (12½%)†	76,275 (12½%)	61,020 (10%)‡
Carry forward	23,927	27,055	24,920	17,826
Crop harvested (in lbs.)	582,616	813,698	323,000	315,000
Cost of production per lb.	Cents 128.58	Cents 98.66	Cents 79.13	As. 12.81
Average sale price per lb.	175.87	148.12	137.62	20.73

† On the increased capital of Rs. 9.15 lakhs, raised by the issue of 305,100 new ordinary shares of Re. 1 each.

‡ On the higher capital of Rs. 6,10,200, doubled during the year by the capitalisation of Rs. 3,05,100.

The main factor for the Company's decline in earnings, as stated earlier, was the marked fall in rubber production. The crop of rubber harvested by the Company in 1956-57 amounted to 582,616 lbs., representing a reduction of 231,082 lbs. from that for the previous season. The adverse result was accentuated further by the rise in production costs from 98.66 cents in 1955-56 to 128.58 cents per lb. The Directors say that the increase in cost of production was mainly due to the increase in staff salaries and labour wages and the additional cost of centrifuging, on the one side, and the shortfall in crop on the other. A redeeming feature, however, was the increase in the average sale price from 148.12 cents to 175.87 cents per lb. According to the Directors, the increase in the average sale price is a result of the higher price realised on centrifuged latex. The crop for 1957-58 is estimated at 700,000 lbs. and the cost at 102.58 cents per lb. f.o.b.

The Company's estate covers 1,924.39 acres of mature rubber (1,437.68 acres seedlings and 486.71 acres new clearings budded) and 309.94

(Continued in previous column)

EARNINGS OF MARTIN BURN DECLINE

DIVIDEND, HOWEVER, MAINTAINED

THE impressive rate of progress witnessed in the past few years in the working of Martin Burn Ltd. (Governing Director and Chairman: Mr. T. Leslie Martin, Calcutta) was not fully maintained in the year ended 30th September 1957. Its working in that year has been characterised by a fall in sale proceeds, as well as in profit. A drop in the Company's income from "other sources," chiefly from miscellaneous accounts and in the managing agency allowance and commission, has also contributed to the decline in profit. Nevertheless, the profit has been sufficient to maintain the dividends comfortably and also to allocate a modest amount to the reserves, though on a smaller scale than in the previous year.

The gross profit for the year under review at Rs. 101.20 lakhs is lower by Rs. 9.24 lakhs, as compared with Rs. 110.44 lakhs for the previous year, the fall being 8.36 per cent. only. In spite of this, the profit for 1956-57 should be considered quite satisfactory, since it is better than that for the previous years. It may be said, in this connection, that it was only in the previous year that the Company's profit exceeded the Rs. 1-crore mark for the first time. The profit for the year under review also is well above this mark.

The provision for taxation has taken up Rs. 50.50 lakhs, as against Rs. 51.50 lakhs in 1955-56, and that for depreciation Rs. 2.04 lakhs, as against Rs. 2.33 lakhs. After these allocations, the net profit works out to Rs. 40.07 lakhs which is substantially lower, as compared with Rs. 46.60 lakhs for the preceding year, though better than Rs. 37.53 lakhs for 1954-55 and Rs. 32.82 lakhs for 1953-54. The dividend, as stated earlier, is proposed to be maintained at 21¼ per cent., which is the same as that paid for the previous year. There is also no change in the mode of payment, since the distribution, as in the previous year, is in the shape of a dividend of 15 per cent. and a cash bonus of 6¼ per cent.

The lower earnings have, however, adversely affected the allocation to the reserves. Thus, at Rs. 6.63 lakhs it is even less than half of Rs. 14.17 lakhs provided in the previous year. While the transfer to the capital redemption reserve fund has been maintained at Rs. 2 lakhs, that to the general reserve has been cut from Rs. 7.50 lakhs to Rs. 3 lakhs. The provision for contingencies has been reduced from Rs. 3 lakhs to Rs. 1 lakh, as also the provision for doubtful debts from Rs. 1.67 lakhs to Rs. 63,521.

The progress of the Company during the past four years is indicated in the following comparative table:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	7,07.36	8,23.40	5,72.17	5,00.16
Closing stocks and work-in-progress	2,34.15	2,11.00	2,07.09	2,59.28
Other income	98.59	1,09.38	99.26	72.79
Expenses including materials consumed	7,04.75	8,22.34	5,83.74	5,05.42
Gross profit	1,01.20	1,10.44	87.69	67.53
Directors' remuneration	8.59	10.01	9.92	7.42
Provision for—				
Depreciation	2.04	2.33	2.49	2.29
Taxation	50.50	51.50	37.75	25.00
Net profit	40.07	46.60	37.53	32.82
Provisions not required written back	..	0.33	..	..
To reserves	6.63	14.17	11.60	13.20
Dividends—				
5 per cent. preference	3.00*	1.50	1.50	1.50
Ordinary	30.79 (D. 15% +B. 6¼%)	30.59 (D. 15% +B. 6¼%)	24.93 (D. 15% +B. 3¼%)	18.01 (D.12½% +B. 1¼%)
Carry forward	2.35	2.70	2.03	2.52

* On the increased capital, raised by a further issue of 30,000 five per cent. redeemable preference shares of Rs. 100 each.

It will be seen from the aforesaid table that the sale proceeds suffered a sizable fall of Rs. 56.04 lakhs, that is, from Rs. 8.23 crores to Rs. 7.67 crores. This is in marked contrast to the appreciable improvement of Rs. 2.51 crores noted in the previous year. Simultaneously, there has also been a fall in other income by Rs. 10.79 lakhs. The rise in closing stocks from Rs. 2.11 crores to Rs. 2.34 crores, reflects, to some extent, the difficult trading conditions obtaining in the market for the Company's products. Reflecting the fall in turnover is the substantial reduction in expenses from Rs. 8.22 crores to Rs. 7.65 crores.

The balance-sheet of the Company as at 30th September 1957 shows that its paid-up capital has been raised from Rs. 173.96 lakhs in 1955-56 to Rs. 205.23 lakhs. This increase is the result of the issue of 30,000 five per cent. redeemable preference shares of Rs. 100 each and of the conversion of convertible notes of the value of Rs. 2.54 lakhs. The capital now consists of 60,000 five per cent. redeemable preference shares of Rs. 100 each and 1,452,350 ordinary shares of Rs. 10 each. The reserves and surplus aggregate Rs. 92.94 lakhs. The current liabilities amounting to Rs. 595.63 lakhs include a provision for taxation at Rs. 199.30 lakhs. The gross block of the value of Rs. 50.72 lakhs, including an addition of Rs. 1.91 lakhs during the year, has been written down to Rs. 35.75 lakhs. This is inclusive of goodwill at cost of Rs. 25.18 lakhs. The current assets amount to Rs. 858.06 lakhs, of which investments in shares of companies account for Rs. 185.45 lakhs (market value Rs. 211.27 lakhs), stocks, stores and spares for Rs. 120.37 lakhs, work-in-progress for Rs. 135.78 lakhs, debts, deposits and advances for Rs. 388.29 lakhs and cash balances for Rs. 8.94 lakhs. The current assets cover the current liabilities and the provision for taxation by a substantial margin.

The Rs. 10 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 25.12 *cum-div.* On an *ex-div.* basis, the yield works out to 9.26 per cent. per annum, free of income-tax.

Points From The Chair

Public Sector in U.K.

"IT is difficult to attempt any forecast of what lies ahead. In September our Government appeared at last to have grasped the nettle and decided to subordinate temporary popularity to the necessity of saving the country from the awful consequences of uncontrolled inflation and one must sincerely hope that recent events in no way indicate any relaxation of that policy. Even so, one must express doubt as to its lasting success unless a reduction, as opposed to a mere maintenance, of Government expenditure is achieved and unless the nationalised industries which play so large a part in the industrial and commercial life of the country are subjected to the same conditions as the private sector of the economy and made to pay their way; and if they are to pay their way their management must be put into the hands of men of the very highest calibre, properly paid and able to exercise their managerial skill without political interference. Because this may be difficult to put into practice gives no excuse for failing to deal with the question as of paramount urgency and importance for the future of our country."

SIR NUTCOMBE HUME,
The Charterhouse Investment Trust Ltd., London.

Nationalisation

"There is no economic argument which justifies nationalisation. The argument based on the need for public supervision has now lost its force. The Iron and Steel Board with its broadly based membership appointed by the Government has shown by its work that it is an effective instrument for the public supervision of the steel industry. Any arguments for nationalisation are based on the political theories of one party. Now that the costly consequences of the experiment in nationalisation have been experienced, it would have been thought that even the political justification had become seriously diminished. But, as has been pointed out by many critics, such policies once started force their own continuance because they contain within themselves the elements of dictatorship. I see no difference between such policies and the practice of communism in Soviet Russia where even the trade unions have been nationalised. It is sincerely to be hoped that the politicians who are journeying towards communism, while claiming to oppose it, will pause and reflect before they reach in their journey the point of no return."

SIR ANDREW MCCANCE,
Colvilles Limited, Glasgow.

Problem of Inflation

"As I see it, we in industry today are confronted with two alternatives in the face of mounting costs. The first alternative is to decide as a matter of policy to advance our prices step by step to keep pace with rising costs, but this alternative is little short of suicidal. Competition is daily becoming more acute and we are already finding that we are being undersold by foreign manufacturers in a number of our important markets. Further, price increases will undoubtedly aggravate this situation and lead to still further inroads being made into our markets by our overseas competitors. The second alternative is to resign ourselves to accepting as normal a lower margin of profit than that to which we have hitherto been accustomed, but this is no less fatal and merely defers the day of reckoning, for there has probably never been a time at which profits were more vital than now. With the increased difficulty in raising money from outside sources, companies must look more and more to their retained profits to finance new schemes of expansion and modernisation. This is an age of unparalleled advances in applied technology and it is vital, in the most literal meaning of that word, that we should be in the forefront of these developments, if we are to have any hope of continuing to place on the market a product that can compete in terms both of price and specification with the best that the world can offer."

GEORGE WILSON,
Raleigh Industries Ltd. (London).

COMPANY MEETINGS AND DIVIDENDS

PARASEA COLLIERIES LTD. Annual General Meeting, Calcutta, 21st February 1958. Dividend: Re. 0.50 per share, free of income-tax, payable on or after 28th February 1958. Transfer books remain closed from 14th to 21st February 1958, both days inclusive.

SRI PALAMALAI RANGANATHAR MILLS LTD. Annual General Meeting, Perianaickenpalayam, Coimbatore District, 21st February 1958. Dividend: Rs. 6.00 per share. Transfer books remain closed from 8th to 21st February 1958, both days inclusive.

NEW INDIA SUGAR MILLS LTD. Annual General Meeting, Calcutta, 25th February 1958. Dividend: Rs. 2.50 per share, free of income-tax payable on or after 10th March 1958. Transfer books remain closed from 15th to 25th February 1958, both days inclusive.

UPPER GANGES SUGAR MILLS LTD. Annual General Meeting, Calcutta, 25th February 1958. Dividend: Rs. 5.00 per share, free of income-tax, payable on or after 10th March 1958. Transfer books remain closed from 15th to 25th February 1958, both days inclusive.

RANEEGUNJE COAL ASSOCIATION LTD. Annual General Meeting, Calcutta, 25th February 1958. Dividend: Re. 0.75 per share. Transfer books remain closed from 13th to 25th February 1958, both days inclusive.

BHARAT SUGAR MILLS LTD. Annual General Meeting, Calcutta, 25th February 1958. Dividend: Re. 1.50 per share. Transfer books remain closed from 15th to 25th February 1958, both days inclusive.

KESAR SUGAR WORKS LTD. Annual General Meeting, Bombay, 26th February 1958. Dividend: Rs. 7.00 per share, free of income-tax, payable on and after 1st March 1958. Transfer books remain closed from 12th to 26th February 1958, both days inclusive.

ANGELO BROS., LTD. Annual General Meeting, Calcutta, 26th February 1958. Dividend: Re. 1.89 per share (includes bonus of Re. 0.55 per share). Transfer books remain closed from 12th to 26th February 1958, both days inclusive.

MARTIN BURN LTD. Annual General Meeting, Calcutta, 27th February 1958. Dividend: Rs. 2.12 per share (includes a cash bonus of 62 nP per share). Transfer books will remain closed from 20th to 27th February 1958, both days inclusive.

MCLEOD AND CO., LTD. Annual General Meeting, Calcutta, 28th February 1958. Dividend: Rs 8.00 per ordinary share and Re. 0.30 per deferred share. Transfer books will remain closed from 21st to 28th February 1958.

SPENCER AND CO., LTD. Annual General Meeting, Madras, 28th February 1958. Dividend: Re. 1.50 per share, free of income-tax (includes interim dividend of Re. 0.50 per share). Transfer books will remain closed from 21st to 28th February 1958, both days inclusive.

EASTERN INVESTMENTS LTD. Annual General Meeting, Calcutta, 28th February 1958. Dividend: Rs. 9.00 per share, payable on or after 7th March 1958. Transfer books remain closed from 15th to 28th February 1958, both days inclusive.

BHARAT COLLIERIES LTD. Annual General Meeting, Dalmianagar, 8th March 1958. Transfer books will remain closed from 1st to 8th March 1958, both days inclusive.

KOLHAPUR SUGAR MILLS LTD. Annual General Meeting, Kasaba Bavda, Kolhapur, 14th March 1958. Transfer books will remain closed from 7th to 14th March 1958, both days inclusive.

CENTRAL INDIA SPINNING, WEAVING AND MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 14th March 1958. Dividend: *Nil*. Transfer books will remain closed from 7th to 18th March 1958, both days inclusive.

MADURA MILLS CO., LTD. Annual General Meeting, Madurai, 24th March 1958. Dividend: Rs. 2.25 per share. Transfer books will remain closed from 4th to 24th March 1958, both days inclusive.

NEW CITY OF BOMBAY MANUFACTURING CO., LTD. Dividend of Rs. 5.00 per share. Transfer books will remain closed from 21st February to 14th March 1958, both days inclusive.

COMPANY REGISTRATIONS

SHREE JAGDISH OIL INDUSTRIES PRIVATE LTD. (First Director: Mr. Vallabhdas Vasanji Maniwala.) Business: Extraction of oil from copra, cotton seeds and other oilseeds, etc. Authorised capital: Rs. 30,00,000. Private company. Address: 281-283, Narsi Natha Street, Bombay 9.

BORAWAKA AND SONS PRIVATE LTD. (First Director: Rao Bahadur Narayandas Soparidas Borawaka.) Business: Manufacture of sugar, etc. Authorised capital: Rs. 5,00,000. Private company. Address: Rahala, District Ahmednagar.

DR. SAHIB SINGH AND SONS PRIVATE LTD. (First Director: Sardar Shamser Singh.) Business: Manufacture of medicines and pharmaceutical products, etc. Authorised capital: Rs. 5,00,000. Private company. Address: Ionia E-1, Colaba, Bombay 5.

R. J. SHAH AND CO. PRIVATE LTD. (First Director: Mr. R. J. Shah.) Business: Builders and constructors of roadways, etc. Authorised capital: Rs. 5,00,000. Private company. Registered office of the company will be situated in the State of Bombay.

PROFITS OF ANGELO BROS. LOWER

RESULTS OF RANEEGUNGE COAL BETTER

Angelo Bros., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Turner, Morrison & Co. Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st August 1957.

The profit for the year, after providing for depreciation, directors' fees and taxation, amounts to Rs. 5,65,415 (Rs. 7,41,914) to which is added the balance brought forward from last year of Rs. 3,35,874 (Rs. 3,43,960) making a total of Rs. 9,01,289 (Rs. 10,85,874). From this amount the directors recommend payment of a dividend of 12½ (12½) per cent. and a bonus of 5½ (7½) per cent. absorbing Rs. 5,40,000 (Rs. 6,00,000) leaving a balance to be carried forward of Rs. 3,61,289 (Rs. 3,35,874 after placing Rs. 1,50,000 to general reserve).

The liability for taxation which was provided for out of the previous year's profits has now increased as a result of the revised rates of income-tax and super-tax introduced by The Finance (No. 2) Act 1957 and also the introduction of The Wealth Tax Act 1957. As a result it is now necessary to set aside a sum of Rs. 1,25,000 to meet this additional liability and this has reduced the available profit for the current year accordingly.

Exports of shellac products from Calcutta were fully maintained at last year's level. In spite of this, and the official report of a relatively poor *Bysaki* crop, the market declined steadily throughout the year. Even the Suez crisis in November 1956, could not halt the downward tendency. T.N. was quoted at Rs. 126 at the beginning of the period and closed at Rs. 88 having touched Rs. 70.50 nP in July 1957. This decline was largely due to the U.S.A. purchasing a large part of their requirements from Bangkok, credit restrictions in the U.K., a general realisation that the *Bysaki* crop was much larger than the official report indicated and an abnormally large *Katki* crop. A steadily declining market introduced some trading difficulties but the gross profit was maintained. Sales and production were a little up on the previous year. Factory plant has been maintained at a high level of efficiency and economy.

Accounts in brief are as under:

Liabilities	Rs.	Assets	Rs.
Capital	30,00,000	Block ...	11,37,045
Reserves ...	36,20,717	Stock-in-trade	17,79,844
Provision for taxation ...	17,59,906	Raw materials	20,64,125
Liabilities ...	17,12,985	Stores and spare parts	4,00,873
Profit and loss account ...	3,61,289	Goods-in-process ...	84,251
		Debts, deposits and advances ...	30,37,750
		Investments	4,94,668
		Cash ...	14,56,341
Rs.	1,04,54,897	Rs.	1,04,54,897

Raneegunge Coal Association, Ltd.

The directors of the above Company (Managing Agents: Messrs. B. N. Elias & Co. Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

Coal raisings, despatches and stocks	*Year ended 31st March* 1955	1956	1957
	Tons	Tons	Tons
Raisings	3,44,281	3,49,758	4,31,402
Despatches ...	3,28,355	3,81,924	4,09,316
Stocks	53,207	21,041	43,127

Raisings over the year increased considerably to meet the target set by the Coal Board. Despatches were not according to the directors' expectation due to the pilot capacity not having been increased and kept in line with the increased production.

Coke manufacture: The Company manufactured during the year under review 6,693 tons of hard coke. 7,107 tons were despatched and 562 tons remained in stock.

Development and prospects: Re-opening permission has been received and raisings have begun from the Alkusa South Colliery. There is also an output from Kustore South Pits.

The Company's profit for the year ended 31st March 1957 after inclusion of Rs. 23,188 (Rs. 33,013) brought forward is Rs. 9,33,634 (Rs. 5,84,276). After making provision for taxation of Rs. 1,60,000 (Rs. 2,31,125) and adjustment relating to previous year of Rs. 14,612 (*nil*) there remains a balance of Rs. 7,59,022 (Rs. 3,53,151). From this balance the directors have placed to machinery replacement and development reserve Rs. 5,50,000 (Rs. 1,50,000) and recommend the payment of 88th dividend at Re. 0.75 (Re. 0.75) per share absorbing Rs. 1,79,963 (Rs. 1,79,963) leaving a balance to be carried forward of Rs. 29,060 (Rs. 23,188).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	23,99,500	Block ...	45,39,159
Reserves ...	25,66,361	Stock of coal	6,17,707
Provision for taxation ...	2,08,671	Stores ...	6,57,065
Liabilities ...	29,52,692	Debts, deposits and advances ...	22,98,593
Profit and loss account ...	29,060	Investments	16,507
		Cash ...	27,253
Rs.	81,56,284	Rs.	81,56,284

Kesar Sugar Works Ltd.

The directors of the above Company (Chairman: Mr. Tulsidas Kilachand, Bombay) submit the audited accounts of the Company for the year ended 31st July 1957.

The working of the year shows a profit of Rs. 7,70,144 (Rs. 2,19,951) after charging the amount of Rs. 48,99,292 (Rs. 29,88,277) for excise duty, Rs. 12,02,838 for cane cess and providing Rs. 2,46,329 (Rs. 5,19,547) for depreciation and Rs. 9,75,000 (Rs. 5,00,000) for taxation. After adding the balance of Rs. 7,033 (Rs. 27,926) brought forward from last year, the amount available or disposal comes to Rs. 7,77,177 (Rs. 2,47,877) which the directors recommend should be disposed as under:—

To payment of dividend at 5½ per cent. on preference shares Rs. 82,500 (Rs. 82,500) less income-tax Rs. 25,987 (Rs. 21,656), to dividend at Rs. 7 (Rs. 4) per share free of income-tax on ordinary shares of Rs. 50 each Rs. 3,15,000 (Rs. 1,80,000) and to transfer to general reserve fund Rs. 3,00,000 (*nil*), leaving a balance to be carried forward to next year's account of Rs. 1,05,664 (Rs. 7,033).

The Company's factory started operations from the 8th November 1956. The quantity of cane crushed was 64,14,866 maunds during 232 days of crushing as compared with 56,84,386 maunds crushed during the previous season. This was a record both for crushing and production and the sugar produced during the year under report was 6,17,238 maunds as against 5,44,492 maunds during the previous season. The recovery was 9.62 per cent. against 9.58 per cent. during the previous year. The result of the Company's working during the year under report has thus been satisfactory in all respects.

The acreage under cane during the current year is reported to be less than last year. Besides, owing to not quite favourable weather, the crop is not as satisfactory as last year. The factory started crushing for the current season on 15th November 1957.

Movement of sugar during the year under report was not quite adequate looking to the larger production, and the carry-over at the end of the year was very large

To remove the difficulties experienced by the Trade on account of varying rates and modes of sales tax on sugar in different States, the Government of India has recently levied an additional excise duty in place of sales tax. This additional duty however works out to be on an average higher than the sales tax. The excise duty on sugar was already doubled by the Government of India during the year and with the aforesaid further increase and with other direct taxes such as cane cess, sugar is now one of the most heavily taxed commodity of daily consumption. These high taxes are likely to affect the industry adversely.

During the year the production of the distillery suffered on account of the closure of the plant due to coal shortage. The working of the Power Alcohol plant was otherwise satisfactory and the manufacturing efficiency was maintained.

The Company's Chemical Factory has been able to maintain its production and also its sales even though it has to face competition from other manufacturers. The directors have also added to the line the manufacture of an electroplating *Chemical-Chromic Acid* and have developed its sale.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	33,00,000	Block ...	29,52,684
Reserves ...	12,51,626	Machinery on hand pending installation	1,27,109
Provision for taxation ...	16,05,122	Stock-in-trade	1,11,30,829
Liabilities	1,11,40,796	Stores and spare gear	12,18,709
Profit and loss account ...	1,05,664	Crop in progress ...	4,19,172
		Debts, deposits and advances ...	12,75,426
		Investments	1,30,773
		Cash ...	1,48,506
Rs.	1,74,03,208	Rs.	1,74,03,208

Forest Industries (Travancore) Ltd.

The directors of the above Company (Managing Agents: Messrs. Seshasayee Brothers (Travancore) Private Ltd., Alwaye, Kerala State, submitted the audited accounts of the Company for the year ended 31st March 1957.

The year's account shows a net loss of Rs. 3,73,366 (net profit of Rs. 3,39,558) after providing for depreciation on buildings, plant and machinery that were used during the year under report and after writing off to profit and loss account a sum of Rs. 6,17,820 as loss on obsolescence of machinery and equipments and Rs. 1,41,035 being loss on revaluation of stores. The reserve of Rs. 13,28,296 has been adjusted against the balance in the profit and loss account of Rs. 14,85,082 as required by the new Companies Act.

The efforts to dispose of the surplus machinery and stores have not been successful and the directors feel that nothing more than their scrap value could be realised, as indicated in previous reports and that revaluation on this basis has now become necessary to present a true picture of the Company's assets.

The royalty accounts with the Kerala Government have been finalised only upto 1952. The outstanding points like the expenditure for laying main roads inside the concession area as well as the arbitration on admissibility of further transport charges are still pending with the Government of Kerala.

The delivery of firewood to Fertilisers and Chemicals, Travancore Limited, during the year was 81,653 tons. The production of timber was 8,905 tons as against 6,645 tons last year. 7,083 tons of timber were sold inclusive of issues to saw mills.

The application for the reappointment of Messrs. Seshasayee Brothers (Travancore) Private Limited, as managing agents from 10th August, 1956 has been approved by the Government of India. The directors are grateful to the managing agents for forgoing their remuneration from November 1947 to the date of their reappointment. A sum of Rs. 14,187 has been provided in the accounts for the year under report towards remuneration to the managing agents for the period 10th August, 1956 to 31st March, 1957 on the basis of the revised managing agency agreement.

The directors have pleasure in mentioning that from January 1957 the clear-felling system of exploiting the forest has been restored and certain blocks are now being worked under this system.

The directors recommend for the shareholders' consideration the proposal to refund to the shareholders Re. 1.50 per share from out of the bank deposits, whereby the value of each share will be brought down from Rs. 4 paid-up to Rs. 2.50 paid-up. If this proposal is accepted arrangements can be made to put it into effect. Corresponding adjustments will be made in the issued, subscribed and paid-up capital of the Company.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	19,92,400	Block ...	2,22,330
Liabilities ...	8,45,981	Stock-in-trade	1,52,839
		Stores and spare parts	96,836
		Debts, deposits and advances ...	12,03,315
		Cash ...	7,89,695
		Profit and loss account ...	3,73,366
Rs.	28,38,381	Rs.	28,38,381

Jaipur Udyog Ltd.

The directors of the above Company (Managing Agents: Messrs. Sahu Jain Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st March, 1957.

The year's working after providing all overheads, interest charges and donations shows a surplus of Rs. 40,80,802 (Rs. 45,45,731). Out of this provision has been made for depreciation of Rs. 20,00,000 (Rs. 20,21,602) leaving a balance of Rs. 20,80,802 (Rs. 25,24,129). To this is added amount brought forward from the last year of Rs. 55,609 (Rs. 1,22,699) making a total of Rs. 21,36,411 (Rs. 26,46,828). The directors are not making any recommendation about appropriation of the year's profit pending requisite consent from the Controller of Capital Issues for capitalisation of a portion of these profits and propose that the said amount of Rs. 21,36,411 (Rs. 55,609 after placing Rs. 4,00,000 to general reserve and paying a dividend of Re. 1.25 per ordinary share absorbing Rs. 18,75,000 and also the dividend on preference shares at 3 per cent. absorbing Rs. 3,16,219) be carried forward.

THE BANK OF INDIA, LTD.

ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

Head Office:

MAHATMA GANDHI ROAD, FORT, BOMBAY

BRANCHES IN INDIA:

AHMEDABAD, Bhadra (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch, AMRITSAR, BANGALORE, BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill, BHUJ (Kutch), CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square, COIMBATORE, DELHI, GANDHIDHAM (Kutch), HYDERABAD (Deccan), JAMSHEDPUR, JUNAGADH, KOZHIKODE (Late Calicut), MADRAS, NAGPUR, Kingsway, Itwari Bazar, NEW DELHI, PALANPUR, POONA, POONA CITY, RAJKOT, SURAT, SHOLAPUR, VERAVAL

BRANCHES OUTSIDE INDIA:

LONDON—17, Moorgate, London, E.C. 2. ADEN, DAR-ES-SALAAM, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI OSAKA, SINGAPORE, TOKYO.

DIRECTORS

SIR COWASJEE JEHANGIR, Baronet, G.B.E., K.C.I.E. (Chairman).
Mr. AMBALAL SARABHAI.
SIR JOSEPH KAY, K.B.E.
Mr. RAMNIWAS RAMNARAIN.
Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
SIR VITHAL N. CHANDAVARKAR.

Current Deposit Accounts.—Except at certain places Interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Rs. 5 per half-year.

Fixed, Short and Savings Bank Deposits received on favourable terms. Rates on application.

Foreign Exchange Business Transacted and Letters of Credit opened for approved customers.

The Bank acts as Executor and Trustee under Wills and Settlements and undertakes Trustee business generally.

Every Description of Banking Business Undertaken.

T. R. LALWANI, *General Manager.*

The Company's second and third cement plants have been installed without raising any share capital but largely depending on borrowings besides the Company's own working surplus. In view of the tight money market, the directors did not consider it expedient to proceed with the cash issue of ordinary share capital although the consent of the Controller of Capital Issues had been earlier obtained by the Company for capital issues to the extent of Re. 1 crore. With a view to conserving the resources of the Company available out of its own working surplus for the expansion programme on hand, the directors have not recommended any cash dividend. An application has, however, been made to the Controller of Capital Issues for sanction of the issue of 3 lakhs ordinary shares, out of the aforesaid Capital Issue of rupees one crore, of Rs. 10 each, at par to the existing holders of ordinary shares in the proportion of one share for every five ordinary shares held, without any payment in cash, by capitalisation of Rs. 18,75,000 (representing 12½ per cent. of the ordinary capital) out of the Company's profit for the year under report and further capitalisation of Rs. 11,25,000 (representing 7½ per cent. of the ordinary capital) ad-interim out of the current year's working surplus. Further steps in this direction would be taken on receipt of requisite consent from the Controller of Capital Issues. Dividend on preference shares for the year under report is also proposed to be declared at that time.

The ex-works price of the Company's cement was reduced by the Central Government by Rs. 3.50 per ton with effect from 22nd September 1956. Due to increased borrowing for meeting capital expenditure there has also been a higher outgoing in interest by nearly Rs. 5 lakhs than in the preceding year. Profit during the year under report has to this extent been affected.

As from 1st July, 1956, cement from all the producers has been taken over for distribution by the State Trading Corporation under orders of the Government of India. The Government also fixed uniform f.o.r. destination price for sale of cement which provided a margin of about Rs. 12.75 per ton for subsidising imports. This margin is accumulating with the State Trading Corporation unutilised due to change in the import policy. The revision of the price of cement is under reference to the Tariff Commission. The industry has been expecting an interim report at least from the Tariff Commission to enable the Central Government take an early decision regarding the price recoverable by manufacturers. In the present context of the cement price providing very little margin (including depreciation) and dearth of other internal resources, the industry will be greatly assisted in meeting its difficulty for financing rehabilitation and expansion if the margin in price provided for subsidising imports is made available to the cement producers.

The Company could not due to shortage of power fully avail of the installed capacity of the second cement plant which was switched into operation in the last quarter of 1956. This capacity is being fully utilised with the coming into operation of the new power plant in August, 1957.

The third cement plant of 600 tons per day rated capacity has been switched into production in the month of November raising the annual installed capacity of the works to 6 lakhs tons of cement. Thus Sawai Madhopur with the Company's cement works is one of the two largest cement producing centres in the country and accounts for about 10 per cent. of the national cement production capacity.

The Company has since purchased a fourth cement plant with a daily rated capacity of 750 tons. Most of the machinery has already arrived at the Bombay Port and some at site. The expansion of the Company's power house is also in progress. It is hoped that this plant should be in operation by the end of 1958.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,25,00,000	Block ...	3,82,60,383
Reserves ...	4,00,000	Stock-in-trade	49,79,088
Liabilities ...	2,62,70,416	Stores, loose tools, etc.	45,47,821
Profit and loss account ...	21,36,411	Debts, deposits and advances ...	32,83,121
		Investments	6,287
		Cash ...	2,30,127
Rs.	5,13,06,827	Rs.	5,13,06,827

McLeod and Co., Ltd.

The directors of the above Company (Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The profit for the year amounts to Rs. 18,34,046 (Rs. 31,89,815) to which must be added the profit on sales of investments Rs. 4,530 (Rs. 835), dividends forfeited Rs. 2,388 (Rs. 1,250) and balance brought forward from 1955 of Rs. 257,234 (Rs. 1,87,834) making a total of Rs. 20,98,198 (Rs. 33,79,734). From this amount must be deducted forfeited dividends paid of Rs. 350 (*nil*) and loss on sales of investments Rs. 55,695 (*nil*) leaving a balance of Rs. 20,42,153 (Rs. 33,79,734). Out of this sum there has been provided for taxation Rs. 10,00,000 (Rs. 10,00,000) and transferred to convertible notes redemption reserve Rs. 2,00,000 (Rs. 2,00,000) leaving a balance of Rs. 8,42,153 (Rs. 21,79,734) from which must be deducted the interim dividends for the year ended 31st December, 1956, on 10,000 5 per cent. cumulative first preference shares, subject to deduction of tax (gross) of Rs. 25,000 (Rs. 25,000) and on 40,000 5 per cent. cumulative second preference shares, without deduction of tax absorbed Rs. 1,00,000 (Rs. 1,00,000) leaving a balance of Rs. 5,92,153 (Rs. 19,29,734). Out of this balance the directors, on the 30th December, 1957, declared an interim dividend at 8 (22½) per cent. per annum or Rs. 8 (first and final dividend of Rs. 22.50) per share on 40,000 ordinary shares for the year ended 31st December, 1956, absorbing Rs. 3,20,000 (Rs. 9,00,000) and an interim dividend at 3 (17½) per cent. per annum or 30 nP (Re. 1.75) per share on 50,000 deferred ordinary shares for the year ended 31st December, 1956 absorbing Rs. 15,000 (Rs. 87,500) leaving to be carried forward Rs. 2,57,153 (Rs. 2,57,234 after placing Rs. 3,50,000 to general reserve and Rs. 3,35,000 to investment reserve). The directors do not recommend the payment of any further dividends in respect of the year ended 31st December, 1956. The accounts of the Company have been prepared in accordance with the Companies Act, 1956.

Trading.—The profit for the year shows a substantial decline when compared with that of the previous 12 months, due chiefly to a large reduction in dividend income and lower earnings from the jute mills under the Company's management which were affected by the difficult conditions obtaining in the jute mill industry during the period under review. Commissions received from the tea companies recorded a satisfactory increase and the agency department results also showed improvement.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	95,00,000	Block ...	18,09,695
Reserves ...	82,86,900	Goodwill ...	20,00,000
Provision for taxation ...	16,04,282	Stock-in-trade	57,86,212
Liabilities ...	2,48,08,593	Sundry stores	11,470
Profit and loss account ...	2,57,153	Debts, deposits and advances ...	81,82,658
		Investments	2,64,57,365
		Cash ...	2,09,528
Rs.	4,44,56,928	Rs.	4,44,56,928

Thacker and Co. Private Ltd.

The directors of the above Company (Chairman: Mr. L. Sawhny, Bombay) submitted the audited accounts of the Company for the year ended 31st March 1957.

The accounts after providing adequate depreciation on the fixed assets, provision for income-tax and bonus for the year show a profit on the year's working of Rs. 27,304 (Rs. 24,057) to which is added the balance brought forward from last year of Rs. 3,319 (Rs. 3,065), making a total of Rs. 30,623 (Rs. 27,122). Out of this the directors have made the following appropriations:—

To provision for employees' retiring gratuity Rs. 7,401 (Rs. 8,803), to provision for taxes for previous years Rs. 3,804 (*nil*), to plant reinstatement reserve Rs. 2,500 (*nil*) and to payment of a dividend at 10 (10) per cent. free of income-tax Rs. 15,000 (Rs. 15,000) leaving a balance to be carried forward of Rs. 1,918 (Rs. 3,319).

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,37,521	Block ...	64,414
Reserves ...	1,35,855	Stock-in-trade	3,73,913
Provision for taxation ...	25,000	Stores ...	4,789
Liabilities ...	2,70,840	Work-in-progress ...	17,384
Profit and loss account ...	1,918	Debts, deposits and advances ...	1,87,880
		Cash ...	22,554
Rs.	6,70,934	Rs.	6,70,934

Tyroon Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 11,80,038 (Rs. 7,54,974) to which must be added the balance of profit brought forward from 1955 of Rs. 98,341 (Rs. 9,014), making a total of Rs. 12,78,379 (Rs. 7,63,988). From this amount must be deducted adjustment account Rs. 7,643 (Rs. 2,11,084), provision for taxation Rs. 4,35,424 (Rs. 2,96,200), amount written off stores for obsolescence (Rs. 217) and loss on farming Rs. 14,1[illegible] leaving a balance of Rs. 8,20,908 (Rs. 2,[illegible] interim dividend for the year ended 31st [illegible] 1956, at Rs. 2.00 (*nil*) per ordinary share, [illegible]d by the directors on 17th May 1957 ab[illegible]ed Rs. 1,04,000 (*nil*). The directors have set aside to buildings and machinery reserve Rs. 5,00,000 (*nil*) leaving an available balance of Rs. 2,16,908 (Rs. 2,54,341) which, the directors recommend, should be dealt with as follows:—

In payment of a final dividend for the year ended 31st December 1956, at the rate of Rs. 2.50 (Rs. 3.00) per ordinary share on 52,000 ordinary shares, absorbing Rs. 1,30,000 (Rs. 1,56,000) leaving to be carried forward Rs. 86,908 (Rs. 98,341).

Tea crop.—The saleable crop weighed out at 15,118 (15,693) maunds against an estimate of 16,000 maunds and was disposed of at an average price of As. 46.40 (As. 38.22) per lb. The smaller crop made in 1956 was due to earlier cessation of plucking under the I.T.A. Voluntary Crop Restriction Scheme. The final crop for season 1957 is expected to amount to 16,366 mds.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,20,000	Block ...	17,67,647
Reserves ...	21,00,250	Stock of tea	12,77,399
Provision for taxation ...	13,60,686	Stores and spare parts	3,76,020
Liabilities ...	12,18,910	Other assets ...	13,013
Profit and loss account ...	86,908	Stock of farm produce ...	13,584
		Debts, deposits and advances ...	1,54,817
		Investments	58,094
		Cash ...	16,26,180
Rs.	52,86,754	Rs.	52,86,754

Gannon Dunkerley and Co., Ltd.

The directors of the above Company (Governing Director: Mr. R. Morarka, Bombay) submit the audited accounts of the Company for the year ended 31st March 1957.

The net results of operations including all departments are as follows:—The profit for the year after providing for depreciation, taxation and bonus is Rs. 1,54,573 (Rs. 2,87,646) to which is added the balance brought forward as per last account of Rs. 1,57,746 (Rs. 6,14,285) making a total of Rs. 3,12,319 (Rs. 3,19,746 after providing Rs. 5,82,185 for taxation). The above results have been arrived at after making a provision of Rs. 3,50,000 (Rs. 5,82,185) for taxation raising the reserve to Rs. 14,75,000 which in the opinion of the directors is sufficient to cover all liabilities to taxation to date. The directors recommend a dividend at the rate of 6 (4½) per cent. which will absorb Rs. 2,16,000 (Rs. 1,62,000) leaving a balance of Rs. 96,319 (Rs. 1,57,746) to be carried forward to next year. A sum of Rs. 70,681 deducted from the sales as returns and expenses represents returns, claims, expenses, etc., relative to the sales of the year. The previous year's figures are strictly not comparable.

The year's working results have been better than last year's. The stringent import restrictions do not augur well for the trading department for the future. The Civil Engineering Department has a fair volume of contracts still to be completed.

The plans for setting up an engineering workshop for the manufacture of liquefied petroleum cylinders are proceeding ahead. Progress to a certain extent has been retarded in view of the import licence difficulties. The factory is expected to go into production before the next report is circulated to the shareholders.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	36,00,000	Block ...	12,27,536
Reserves ...	2,08,884	Stock-in-trade	13,05,517
Provision for taxation ...	1,56,903	Stores and building materials	11,51,553
Liabilities ...	60,35,348	Work-in-progress ...	30,90,721
Profit and loss account ...	96,319	Debts, deposits and advances ...	27,69,434
		Investments	5,17,702
		Cash ...	34,991
Rs.	1,00,97,454	Rs.	1,00,97,454

N.B.—Figures within brackets relate to the corresponding period of the previous year.

FOR SALE

Property of The English and Scottish Joint Co-operative Wholesale Society Ltd.
The following Tea Estates, either as a whole or singly.

Cherakara	Tea	795.25 acres	Reserve	818.54 acres
Jessie	,,	516.90 ,,	,,	1,545.13 ,,
Talapoya and Tavanjal	,,	855.75 ,,	,,	901.28 ,,
Tatamala Mature	Tea	475.00 ,,	,,	416.59 ,,
New clearing .. ,,		25.00 ,,		

Full details from Messrs. King & Partridge, Solicitors, McLean Street, Madras, 1.

Notices

W. H. BRADY AND COMPANY LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Forty-fifth Annual General Meeting of the Company will be held on Monday the 10th day of March 1958 at 10.30 a.m. (S.T.), at the Registered Office of the Company, "Brady House," 12-14, Veer Nariman Road, Bombay, to transact the following business:

1. To adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1957.
2. To sanction the payment of Dividend.
3. To appoint a Director in place of Mr. Jehangir P. Patel who retires by rotation in accordance with Article 156 and, being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. Nanabhoy Byramjee Jeejeebhoy who retires by rotation in accordance with Article 156 and, being eligible, offers himself for re-election.
5. To appoint Auditors for the current year and to fix their remuneration.
6. To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that the Articles of Association of the Company be amended or altered in the manner following:

(a) *Article* 61: Delete the words 'whilst any member executing the transfer is, either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever or'

(b) *Article* 186 (5): In the third line, between the words 'may' and 'be', the words 'have a right to allotment of or' should be inserted; and from the sixth line the words 'allotment of shares' should be deleted."

By Order of the Board,

JOSEPH KAY,
Managing Director.

BOMBAY, 7*th February* 1958.

Note:—(1) A member entitled to attend and vote is entitled to appoint a proxy, or where that is allowed, one or more proxies, to attend and vote instead of himself. A proxy need not be a member.

(2) Inspection of the existing Articles of Association of the Company showing therein the proposed alterations or amendments may be had at the Registered Office of the Company between the hours of 2-30 p.m. and 5 p.m. on any working day except on Saturdays and between 11 a.m. and 1 p.m. on Saturdays.

(3) The Transfer Books of the Company will be closed from Friday the 21st day of February to Friday the 14th day of March 1958, both days inclusive.

Explanatory Statement in respect of Item No. 6 as required by Section 173 of the Companies Act, 1956

Item No. 6—For various reasons it was necessary to apply to the Stock Exchange, Bombay, for officially listing the Company's ordinary shares. Before admitting the Company's ordinary shares to cash dealings on the Exchange, we were required to give an undertaking that certain changes, as detailed in the Resolution mentioned in this item, would be made in the Articles of Association of the Company in the next Annual General Meeting which your Directors did by their Resolution dated 23rd September 1957. The Company's shares are now officially listed in the Stock Exchange and to fulfil the Stock Exchange requirements and implement the said undertaking, the changes are necessary.

THE EMPIRE DYEING AND MANUFACTURING COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Fifty-eighth Annual General Meeting of the Shareholders of The Empire Dyeing and Manufacturing Company, Limited, will be held at the Registered Office of the Company, Brady House, 12-14, Veer Nariman Road, Fort, Bombay, on Monday the 10th March, 1958, at 12-15 p.m., to transact the following business:—

1. To adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st December, 1957.
2. To sanction payment of Dividend.
3. To appoint a Director in place of Mr. F. Edwards who retires by rotation in accordance with the Articles of Association of the Company and being eligible offers himself for re-election.
4. To appoint a Director in place of Mr. Kishore M. Premchand who retires by rotation and, being eligible, offers himself for re-election and to consider and if thought fit to pass the following Resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company:

"Resolved that pursuant to Section 261 of the Companies Act, 1956, Mr. Kishore M. Premchand, an associate of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company (who by the Articles of Association of the Company and the Managing Agency Agreement are entitled to appoint two Directors), be and he is hereby re-appointed a Director of the Company liable to retire by rotation."

5. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board,

W. H. BRADY & COMPANY, LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

Bombay, 5th day of February, 1958.

BRADY HOUSE,
12-14, VEER NARIMAN ROAD,
BOMBAY, 1.

Notes:—1. A member entitled to attend and vote is entitled to appoint a proxy and, where that is allowed, one or more proxies to attend and vote instead of himself. A proxy need not be a member.

2. The notice under Section 190 referred to in Resolution No. 4 mentioned in the notice is available for inspection of the members at the Registered Office of the Company between the hours of 11 a.m. and 1-30 p.m. on any working day except Saturdays and between the hours of 11 a.m. and 1 p.m. on Saturdays except Sundays and Holidays when the books and registers are closed under the provisions of the Companies Act, 1956, or the Articles of Association of the Company.

3. The Transfer Books of the Company will be closed from Friday the 21st February to Friday the 14th March, 1958, both days inclusive.

4. The Dividend when declared will be made payable at the Registered Office of the Company on and after Monday the 24th March, 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 14th March, 1958.

Explanatory Statement in respect of Item No. 4 as required by Section 173 of the Companies Act, 1956

Item No. 4.—Mr. Kishore M. Premchand is a Director of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company, who are authorised by the Articles of Association and the Managing Agency Agreement to appoint two Directors to the Board, retires by rotation. In accordance with Section 261 of the Companies Act, Mr. Kishore M. Premchand cannot be appointed a Director of the Company liable to retire by rotation except by a Special Resolution and in respect of whom a Special Notice under Section 190 of the said Act has been received by the Company.

By Order of the Board,

W. H. BRADY & COMPANY, LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 5*th February*, 1958.

G. CLARIDGE AND COMPANY LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY-EIGHTH Annual General Meeting of the Shareholders of G. Claridge and Company, Limited, will be held at the Company's Registered Office, "Brady House," 12-14, Veer Nariman Road, Fort, Bombay, on Monday, the 10th March, 1958, at 12-45 p.m., to transact the following business:—

1. To adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st December, 1957.
2. To sanction payment of Dividend.
3. To appoint a Director in the place of Mr. Kantilal Nahalchand who retires by rotation and being eligible offers himself for re-election.
4. To appoint a Director in place of Mr. Kishore D. Khatau who retires by rotation and being eligible offers himself for re-election.
5. To appoint Auditors for the current year and to fix their remuneration.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

By Order of the Board,

W. H. BRADY & COMPANY, LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

Bombay, 5th day of February, 1958.

BRADY HOUSE,
12-14, VEER NARIMAN ROAD,
BOMBAY, 1.

Note:—1. The Transfer Books of the Company will be closed from Friday the 21st February to Friday the 14th March, 1958, both days inclusive.

2. The Dividend when declared will be made payable at the Registered Office of the Company on and after the 24th day of March 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 14th day of March 1958.

THE BRADY ENGINEERING COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Twelfth Annual General Meeting of the Shareholders of the Brady Engineering Company, Limited, will be held at the Company's Registered Office, "Brady House," 12-14, Veer Nariman Road, Fort, Bombay, on Monday the 10th day of March 1958, at 2.30 p.m. (S.T.), to transact the following business:—

1. To adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st December 1957.
2. To sanction the payment of Dividend.
3. To appoint a Director in place of Mr. Nanabhoy B. Jeejeebhoy who retires by rotation and, being eligible, offers himself for re-election and to consider and if thought fit to pass the following Resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company:

"Resolved that pursuant to Section 261 of the Companies Act, 1956, Mr. Nanabhoy B. Jeejeebhoy, an associate of Messrs. W. H. Brady and Company, Limited, the Managing Agents of the Company (who by the Articles of Association of the Company and the Managing Agency Agreement are entitled to appoint two Directors), be and he is hereby re-appointed a Director of the Company liable to retire by rotation."

4. To appoint a Director in place of Mr. Kantilal Nahalchand who retires by rotation in accordance with Article 156 and, being eligible, offers himself for re-election.
5. To appoint Auditors for the current year and fix their remuneration.
6. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:—

"Resolved that the Article 198 of the Articles of Association of the Company be and the same is hereby amended by adding the following proviso at the end of the said Article:

Provided nevertheless that Certificates of Shares and Debentures may be sealed in the presence of any one Director and countersigned by the Managing Agents or such other person appointed by the Directors for the purpose."

By Order of the Board,

W. H. BRADY & COMPANY, LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 5*th February*, 1958.
BRADY HOUSE,
12-14, VEER NARIMAN ROAD,
BOMBAY, 1.

Notes:—1. A member entitled to attend and vote is entitled to appoint a proxy, or where that is allowed, one or more proxies, to attend and vote instead of himself. A proxy need not be a member.

2. Inspection of the existing Articles of Association of the Company showing therein the proposed amendment and the Special Notice received under Section 190 of the Companies Act 1956 for item No. 3. may be had at the Registered Office of the Company between the hours of 2-30 p.m. and 5 p.m. on any working day except on Saturdays and between 11 a.m. and 1 p.m. on Saturdays.

3. The Transfer Books of the Company will be closed from Friday the 21st February 1958 to Friday the 14th March 1958, both days inclusive.

4. The Dividend when declared will be made payable through the Bank of India Limited, Bombay, on and after the 24th day of March 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 14th day of March 1958.

Explanatory Statement in respect of Items 3 and 6 as required by Section 173 of the Companies Act, 1956

Item No. 3—Mr. Nanabhoy B. Jeejeebhoy is a Director of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company, who are authorised by the Articles of Association and the Managing Agency Agreement to appoint two Directors to the Board, retires by rotation. In accordance with Section 261 of the Companies Act, Mr. Nanabhoy B. Jeejeebhoy cannot be appointed a Director of the Company liable to retire by rotation except by a Special Resolution and in respect of whom a Special Notice under Section 190 of the said Act has been received by the Company.

Item No. 6—The Article 198 and Article 23 of the Articles of Association of the Company are inconsistent and hence the proposed amendment.

By Order of the Board,

W. H. BRADY & COMPANY, LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 5*th February* 1958.

THE NEW CITY OF BOMBAY MANUFACTURING COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 53rd Annual General Meeting of the Shareholders of The New City of Bombay Manufacturing Company, Limited, will be held at the Company's Registered Office, "Brady House," 12-14 Veer Nariman Road, Fort, Bombay, on Monday, the 10th March 1958, at 3 p.m., to transact the following business:—

1. To adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st December 1957.
2. To sanction the payment of Dividend.
3. To appoint a Director in place of Mr. D. H. Hiranandani whose term of office expires at this Annual General Meeting under Article 161 of the Articles of Association of the Company and, being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. Shantilal Choonilal whose term of office expires at this Annual General Meeting under Article 161 of the Articles of Association of the Company and, being eligible, offers himself for re-election.
5. To appoint a Director in place of Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation, in accordance with the Articles of Association of the Company, and being eligible offers himself for re-election.
6. To appoint a Director in place of Mr. N. B. Jeejeebhoy, who retires by rotation and, being eligible, offers himself for re-election, and to consider and if thought fit to pass the following Resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company:

"Resolved that pursuant to Section 261 of the Companies Act, 1956, Mr. N. B. Jeejeebhoy, an associate of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company (who by the Articles of Association of the Company and the Managing Agency Agreement are entitled to appoint two Directors), be and is hereby re-appointed a Director of the Company liable to retire by rotation."

7. To appoint Auditors for the current year and fix their remuneration.

By Order of the Board,

W. H. BRADY & Co., LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 6*th February* 1958.

Note:—1. A member entitled to attend and vote is entitled to appoint a proxy and, where that is allowed, one or more proxies to attend and vote instead of himself. A proxy need not be a member.

2. The Notice under Section 190 and referred to in Resolution No. 6 mentioned in the Notice is also available for inspection of the members at the Registered Office of the Company on any working day between 11 a.m. and 1 p.m.

3. The Transfer Books of the Company will be closed from Friday, the 21st February 1958, to Friday, the 14th March 1958, both days inclusive.

4. The dividend when declared will be made payable through the Bank of India Ltd., Bombay, on and after 24th March 1958. The Dividend Warrants will be posted to those shareholders whose names stand on the Register on the 14th day of March 1958.

Explanatory Statement Annexed to the Notice

Item No. 6.—Mr. N. B. Jeejeebhoy is a Director of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company, who are authorised by the Articles of Association and the Managing Agency Agreement to appoint two Directors to the Board, retires by rotation. In accordance with Section 261 of the Companies Act, Mr. N. B. Jeejeebhoy cannot be appointed a Director of the Company liable to retire by rotation except by a Special Resolution and in respect of whom a Special Notice under Section 190 of the said Act has been received by the Company.

By Order of the Board,

W. H. BRADY & Co., LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 6*th February* 1958.

THE NEW GREAT EASTERN SPINNING AND WEAVING COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 84th Annual General Meeting of the Shareholders of The New Great Eastern Spinning and Weaving Company, Ltd., will be held at the Company's Registered Office, "Brady House," 12-14 Veer Nariman Road, Fort, Bombay, on Tuesday, the 11th March 1958, at 3 p.m., to transact the following business:—

1. To adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st December 1957.
2. To sanction the payment of Dividend on Preference Shares of the Company.
3. To appoint a Director in place of Mr. B. K. Daphtary whose term of office expires at this Annual General Meeting under Section 257 of the Companies Act, 1956 and, being eligible, offers himself for re-election.
4. To appoint a Director in place of Mr. K. M. Premchand, who retires by rotation and, being eligible, offers himself for re-election, and to consider and if thought fit to pass the following Resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company:

"Resolved that pursuant to Section 261 of the Companies Act 1956, Mr. K. M. Premchand, an associate of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company (who by the Managing Agency Agreement are entitled to appoint two Directors), be and is hereby re-appointed a Director of the Company liable to retire by rotation."

5. To appoint a Director in place of Mr. N. B. Jeejeebhoy, who retires by rotation and, being eligible, offers himself for re-election, and to consider and if thought fit to pass the following Resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company:

"Resolved that pursuant to Section 261 of the Companies Act 1956, Mr. N. B. Jeejeebhoy, an associate of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company (who by the Managing Agency Agreement are entitled to appoint two Directors), be and is hereby re-appointed a Director of the Company liable to retire by rotation."

6. To appoint Auditors for the current year and fix their remuneration.

By Order of the Board,

W. H. BRADY & Co., LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, 6*th February* 1958.

Note.—1. A member entitled to attend and vote is entitled to appoint a proxy and, where that is allowed, one or more proxies to attend and vote instead of himself. A proxy need not be a member.

2. The Notices under Section 190 and referred to in Resolutions Nos. 4 and 5 mentioned in the Notice are also available for inspection of the members at the Registered Office of th

Company on any working day between 11 a.m. and 1 p.m.

3. The Transfer Books of the Company will be closed from Friday, the 21st February 1958, to Friday, the 14th March 1958, both days inclusive.

4. The dividend when declared will be made payable through the Bank of India Ltd., Bombay, on and after 24th March 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 14th day of March 1958.

Explanatory Statements Annexed to the Notice

Item No. 4.—Mr. K. M. Premchand is a Director of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company, who are authorised by the Managing Agency Agreement to appoint two Directors to the Board, retires by rotation. In accordance with Section 261 of the Companies Act, Mr. K. M. Premchand cannot be appointed a Director of the Company liable to retire by rotation except by a Special Resolution and in respect of whom a Special Notice under Section 190 of the said Act has been received by the Company.

Item No. 5.—Mr. N. B. Jeejeebhoy is also a Director of Messrs. W. H. Brady & Co., Ltd., the Managing Agents of the Company, who are authorised by the Managing Agency Agreement to appoint two Directors to the Board, retires by rotation. In accordance with Section 261 of the Companies Act, Mr. N. B. Jeejeebhoy cannot be appointed a Director of the Company liable to retire by rotation except by a Special Resolution and in respect of whom a Special Notice under Section 190 of the said Act has been received by the Company.

By Order of the Board,

W. H. BRADY & CO., LTD.,

JOSEPH KAY,
Managing Director,
Managing Agents.

BOMBAY, *6th February* 1958.

BHARAT COLLIERIES LIMITED

NOTICE IS HEREBY GIVEN THAT THE 13th Annual General Meeting of the shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar on Saturday the 8th March, 1958, at 12 noon, to transact the following business:—

(1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 30th June 1957.

(2) To declare dividends on Preference and Ordinary Shares.

(3) To elect a Director in place of the retiring Director, Shri K. Khaitan, who retires by rotation under Article 106 of the Articles of Association. The retiring Director being eligible, offers himself for re-election.

(4) To elect a Director in place of the retiring Director, Shri Balabux Poddar, who retires by rotation under Article 106 of the Articles of Association. The retiring Director being eligible, offers himself for re-election.

(5) To appoint Auditors for the current year and to fix their remuneration. The retiring Auditors, Messrs. K. N. Gutgutia & Co., being eligible, offer themselves for re-appointment.

As Special Business

(To be proposed as an Ordinary Resolution):

"Resolved that with effect from the commencement of the Companies Act, 1956, consent of the Company be and is hereby given to the Board to contribute and/or subscribe to any national, political, charitable, benevolent, public or general and other object, Fund or Trust (not directly relating to the business of the Company or welfare of its employees) from time to time, such amounts as may be considered proper by them in excess of the limits laid down in Section 293(1)(e) of the Companies Act, 1956.

Further Resolved that the donations already made in excess of the limits prescribed under the Companies Act in Charity and Donation during the year ending 30th June, 1957, be and are hereby approved and confirmed."

Explanatory Note

According to the provisions of Section 293(1)(e) of the Companies Act, 1956, the Board of Directors of a company can make contributions to charitable and other funds not directly relating to the business of the Company or the welfare of its employees within the limit of Rs. 25,000 or 5 per cent. of its average net profits, whichever is greater. In some exceptional cases the donations may exceed the limit prescribed. In order that there may not be any contravention of the Act at any time, consent of the shareholders is sought to empower the Board of Directors to make donations as mentioned in the resolution.

During the year ended 30th June, 1957, the Company paid Rs. 37,490.56 nP towards Charity and Donation including Rs. 25,000 to Indian National Congress. Out of this amount Rs. 12,490.56 nP exceeds the limit of contribution as laid down under Section 293(1)(e) of the Companies Act, 1956, and the consent of the shareholders is, therefore, sought for approval and confirmation of the excess amount paid.

The Share Transfer Books of the Company will remain closed from 1st March, 1958 to 8th March, 1958, both days inclusive.

By Order of the Board of Directors,

For SAHU JAIN LTD.,

A. K. JAIN,
Managing Director,
Managing Agents.

DALMIANAGAR, *6th February*, 1958.

N.B.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

MADURA MILLS COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the Company will be held in Pandyan Building, West Veli Street, Madurai, on Monday, the 24th March, 1958 at 4 p.m. The Share Transfer Books will be closed from 4th to 24th March, 1958, both days inclusive. It is recommended that:

1. All persons holding shares on blank transfers should immediately arrange to have the shares registered in their own names, as the Company will pay any dividend declared only to the person (s) in whose name the share stands on the date of declaration of dividend.

2. Shareholders desiring dividends to be paid to Banks or other Mandatees should register the mandates with the Company before 4th March, 1958.

3. Intimation of any change of address should be given to the Company immediately.

A. & F. HARVEY LIMITED,
Managers.

MADURAI, *1st February*, 1958.

STATE BANK OF INDIA

NOTICE

THE THIRD ANNUAL GENERAL MEETING of the Shareholders of the State Bank of India will be held at the Local Head Office of the Bank, Apollo Street, Bombay, on Friday, the 14th March 1958, at 4 p.m. (Standard Time), for the transaction of the following business:—

To receive the Central Board's Report, the Balance Sheet and Profit and Loss Account of the Bank made up to the 31st December 1957 and the Auditors' Report on the Balance Sheet and Accounts.

P. C. BHATTACHARYYA,
Chairman.

STATE BANK OF INDIA,
CALCUTTA, *24th January* 1958.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

Reg: Indian Railways Global Procurement Programme of Rolling Stock No. G.P. 12 (Supplement) 1957-58—Broad Gauge Diesel Shunting Locomotives 106 Nos.

THE RAILWAY BOARD, GOVERNMENT OF India, propose to obtain 106 Nos. Broad Gauge Diesel Shunting Locomotives from established and reliable manufacturers. Manufacturers in Europe, the United Kingdom and North America can obtain further details of design, specification, etc., from the Director General, India Store Department, Government Building, Bromyard Avenue, Acton, London, W-3. Manufacturers in other countries and their authorised agents in India of all foreign manufacturers can obtain the specifications from the office of the Research, Design and Standardization Organisation, Chittaranjan, on payment. Tender documents can be had from Research, Design and Standardization Organisation, Baroda House Annexe, New Delhi, on payment of Rs. 2 each.

Last date for receipt of offers is 12th May 1958.

H. D. SINGH,
Director, Railway Stores.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

THE MINISTRY OF RAILWAYS, GOVERNment of India, propose to develop indigenous manufacture of Tokenless Block Instruments. The Railways' requirement is likely to be about 200 instruments each year during the next five years or so, but the Ministry of Railways can enter into firm commitment for 146 instruments only, at present, without any guarantee for further quantity against future requirements. The Firm may import some of these instruments, but if they are able to manufacture or assemble most of these instruments out of 146 instruments proposed to be ordered, it would be in their favour.

The Firms who are interested may obtain copies of their tender from Research Design Standardization Organisation, Baroda House Annexe, New Delhi, on payment of Rs. 2 each.

H. D. SINGH,
Director, Railway Stores,
Railway Board.

LABOUR UNIONS IN U.S.A.

"The labour movement in the U.S. differed substantially from that in other countries, in that the former was a fairly conservative movement, restricting itself primarily to better wages and shorter hours," observed Dr. James Washington Bell, a noted American professor of economics, during the course of his talk on labour movement in the U.S.A. at a seminar on American economy held in Bombay last week. Dr. Bell said that it was so because labour in America was well paid from the very beginning. There was no surplus labour at any time and it was easy to shift from unskilled to skilled jobs and from there to small business. Also, discontented workers, in the earlier days, could go west and settle down in agriculture.

The relative scarcity of labour and high wages, Dr. Bell said, were incentives to the employer to introduce technological and labour-saving devices which led to greater productivity and, in turn, to higher wages and better standards of living. Thus, wages, in real terms, increased fivefold from 1920 to 1950. At the same time, hours of work decreased from 70 to 40 a week. He added that at no time did labour in America consider itself an exploited group and this explained why there was no attempt to overthrow the "exploiters" in a revolution.

Initiating a discussion on income distribution in the U.S., Dr. Dexter Keezer, Vice-President of the McGraw-Hill Publishing Company, said that a great transformation had occurred in income distribution in the U.S. in the past 20 years which greatly reduced extremes of wealth and poverty and swelled the ranks of the middle class. In the case of working class, comprehensive social security benefits such as unemployment, old age and survivor's insurance have been supplemented by other benefits obtained under collective bargaining. Dr. Keezer said that more than 14 million employees in private industry, roughly a fifth of the total U.S. labour force, were now covered by private pension schemes.

DEMAND FOR MONEY BROADENS

(From Our Own Correspondent)

BOMBAY, *12th February*

Conditions in the short-term money market during the week under review indicated that the seasonal demand for bank credit was slowly gaining pace and the available supplies were growing short of requirements. Though there was no acute stringency in the market, the floating funds were fully utilised and, at times, banks had to seek accommodation from the Reserve Bank. The prevailing conditions are reflected in the expansion of Rs. 27.43 crores in notes in circulation, a shrinkage of Rs. 3.81 crores in deposits of Scheduled banks with the Reserve Bank and a rise of Rs. 6.49 crores in the Reserve Bank's loans and advances other than to Governments during the week ended 7th February. This increase in the Reserve Bank's lendings is on top of a rise of Rs. 3.64 crores in the preceding week, when Scheduled banks' advances to their clients increased by no less than Rs. 25.10 crores.

There was, however, no hardening of the interest rates. In the inter-bank call money section, Exchange banks and large Indian banks were keen borrowers at the self-same rate of 3 per cent. and smaller Indian banks at 3½ per cent. House money at call fetched no more than 4½ to 4¾ per cent. Short-term deposit rates were unchanged at 4½ to 4¾ per cent. for one to six months.

As already stated, the Reserve Bank's statement for the week ended 7th February 1958 discloses an increase of Rs. 27.43 crores in notes in circulation, the sharpest rise in any week since 6th December last. Notes held in the Banking Department are lower by Rs. 9.72 crores, with the result that total notes issued have gone up by Rs. 17.71 crores. This is covered by an increase of Rs. 20 crores in rupee securities and a contraction of Rs. 2.28 crores in rupee coin. There has been no change in foreign securities, but balances held abroad (in the Banking Department) have further dwindled by Rs. 2.33 crores. While deposits of the Central Government show only a fractional decline, those of other Governments and banks have gone down by Rs. 14.22 crores and Rs. 3.81 crores, respectively. Loans and advances to Governments have risen by Rs. 4.59 crores and other loans and advances by Rs. 6.49 crores. Of the later, advances to Scheduled banks against usance bills account for Rs. 1.84 crores. There has been a sharp reduction of Rs. 21.60 crores in investments.

A rise of Rs. 1.61 crores in demand deposits and of Rs. 5.69 crores in time deposits is disclosed by the Scheduled banks' statement for the week ended 31st January 1958. Borrowings from the Reserve Bank have also gone up by Rs. 3.70 crores. As against these main changes in the resources of banks, advances have increased by Rs. 12.63 crores and bills purchased and discounted by Rs. 12.47 crores. Investments stand reduced by Rs. 1.44 crores, while cash balances do not show any notable variation.

The Gilt-edged market was extremely dull during the week under review. Enquiries were confined only to a few short-dated Central loans and 4 per cent. 1967 and 1968 State issues. With the busy season gaining momentum, banks were out of the market and the demand from other institutional investors was scarce. The volume of business was extremely low. 3 per cent. 1986 Conversion Loan was stagnant at Rs. 71.05. 3 per cent. 1970-75 was on offer at Rs. 85.70 and 3 per cent. 1966-68 at Rs. 91.65. 3 per cent. 1964 was in demand and rose by 20 nP to Rs. 94.20. 3 per cent. 1963-65 gained 5 nP to Rs. 93.85. 3 per cent. 1959-61 and 1958 were well maintained at Rs. 99.10 and Rs. 99.75, respectively. 2½ per cent. 1961 was picked up 10 nP higher at Rs. 94.60. 3½ per cent. 1961 was unchanged at Rs. 99.65, 3½ per cent. 1964 at Rs. 97.75 and 3½ per cent. 1965 at Rs. 97.55. 3½ per cent. 1967 was on offer at Rs. 97.60 and 3¾ per cent. 1967 at Rs. 99.60. Among 4 per cent. State Loans, Madras 1967 gathered 10 nP to Rs. 97.50 and 1968 5 nP to Rs. 97.50. U.P. 1967 and 1968 gained 10 nP and 5 nP, respectively, to Rs. 97.50. Andhra 1967 was marked up by 5 nP to Rs. 97.20 and 1968 by 10 nP to Rs. 97.25.

In the foreign exchange section, the rupee held its ground in terms of the U.S. dollar, despite the further rise in sterling during the week. Banks were sellers of ready dollars at Rs. 475 per $100 and buyers at Rs. 471.75 per $100. In New York, sterling continued to gain strength, and spot sterling was knocking at the official ceiling of $2.82. The closing was done at $2.81¾-2.81⅞, as against $2.81⅝-2.81¾ a week ago. Three months' forward gained 1c. to $2.79½-2.79¾ and transferable sterling was marked up from 279.05-279.15 cents to 279.20-279.30 cents.

BASE METALS EASY

(From Our Own Correspondent)

CALCUTTA, *11th February*

In anticipation of relaxation of import control on essential raw materials in the next licensing period beginning from April, prices of base metals eased during the week under review. Market circles noted the Commerce and Industry Minister's satisfaction at the slowing down of the drain on foreign exchange, when he addressed the Import Advisory Council this week. Traders thought that Mr. Morarjee Desai's plea to manufacturers to find indigenous substitutes for 'imported raw materials' could not have also been directed at producers of metal products. For there could be no substitutes for metals, and India's production of metals is insignificant as compared to the needs. And without metals, there could be no development of industries. Traders hoped that the next import policy would make provision for more imports of metals.

Electrolytic copper fell to Rs. 164 from Rs. 169, despite existing shortage. Interest was limited and consumers were reluctant to enter into large commitments on expectations of more imports and a fall in price. However, stockists noted with satisfaction that, in both London and New York, a higher trend was in evidence. From Rs. 518, tin declined to Rs. 514. The rate thus touched the Bombay level. It would be remembered that, in view of the lower price in Bombay, mofussil orders which should have normally come to Calcutta were diverted to Bombay recently. Electrolytic zinc closed at Rs. 52.50, after opening at Rs. 54.50. Lead opened at Rs. 58.50 and, after easing to Rs. 57.50, recovered partially to Rs. 58. Demand was limited.

GOLD AT NEW HIGH LEVEL FOR PLAN PERIOD

(From Our Own Correspondent)

BOMBAY, *12th February*

The bullion market continued to present a bullish tone during the week under review, with both the metals recording further gains. Gold touched the highest level since July 1951. The scarcity of floating stocks, the good offtake in the ready section, and prospects of an expansion in demand after a month, when the marriage season would be in full swing, were all the main factors which inspired the bulls to dominate the market.

Silver continued to gain strength, despite the steady inflow of Tibetan coins during the week. In gold, there was good demand from Calcutta, Madras and several North Indian centres, where the price of the metal was higher than in Bombay. At higher levels, however, there was caution among buyers and they were inclined to book their profit. Consequently, the closing rates today of both the metals were below the week's best levels.

The increasing demand and the dwindling of stocks for the precious metals are indicated by the fact that the discount of Re. 1 at which ready silver was quoted below the March settlement early this month, was wiped out entirely during the past ten days. In gold, the premium of ready over forward widened from Re. 1-4 to Re. 1-10 on Saturday last, though it again narrowed a little to Re. 1-7 today.

Encouraged by these factors, the bulls began to dictate terms to the bears, as witness the fact that the carry forward charges in both the metals are in their favour. The charges in silver for transfer of business from March to April settlement, which were only As. 2 against the seller at the commencement of the April settlement last week, rose to As. 8 on Monday this week, before declining to As. 6 today. This is in contrast to the *budla* of Re. 1-2 which the bulls had to pay at the end of the February settlement. In gold, the *budla* charges, which were against sellers throughout the last settlement (at the end of which they had to pay as much as Re. 1-2), continued to be against them in this settlement also at As. 9.

Silver forward delivery (March settlement) improved from Rs. 188-13 to Rs. 189-10 on Monday. At the higher level, profit-taking ensued and the rate declined to Rs. 188-11 today. Just at the close, there was again a recovery to Rs. 189-5. The April settlement closed at Rs. 188-15, after moving up from Rs. 188-10 to Rs. 189-1.

Ready silver advanced from Rs. 188-5 to Rs. 189-9, but shaded off to Rs. 189-5 at the close. The floating stocks of silver are estimated at 1,000 bars. The daily average arrivals were 15 bars, while the offtake was of the order of 25 bars.

Forward gold (March settlement) gained from Rs. 111-1 to Rs. 112-11 before closing at Rs. 112-7. The April settlement moved up from Rs. 111-10 to Rs. 111-14.

Ready gold gained over the week Re. 1-5 to Rs. 113-14; the highest level touched during the week was Rs. 114-3. The floating stocks of gold are reported to be 10,000 tolas. The daily average arrivals were 4,000 tolas and the offtake was of the same order.

In New York, silver price was unchanged at 88⅛c, while in London, there was a rise of ¼d. The spot metal improved from 76¼d. to 76¼d. and the forward from 75¾d. to 76d. Gold was, however, marked down to 248s. 10¾d., after an initial rise from 249s. ¾d. to 249s. 2¼d.

The following comparative table shows at a glance the trend of the market during the week under review:

	12-2-58	Highest	Lowest	5-2-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	113 14	114 3	112 9	112 9
Forward*	112 7	112 11	111 1	111 1
Sovereign	71 4	71 4	71 0	71 2
SILVER				
Ready (.996 fine Mint) ..	189 5	189 9	187 5	188 5
Forward†	189 5	189 10	187 12	188 13
London Silver Ready ..	76¼d.	76¼d.	76¼d.	76¼d.
London Forward	76d.	76d.	75¾d.	75¾d.
London Gold	248s.10¾d.	249s. 2¼d.	249s. 1d.	249s. ¾d.
New York Silver	88⅛c.	—	—	88⅛c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

LINSEED RECEDES

(Messrs. A. Bradley and Co.)

CALCUTTA, *10th February*

Linseed and linseed oil prices declined sharply towards the middle of the week to Rs. 21 and Rs. 49-8, respectively. There was, of course, a slight all-round improvement subsequently, but the closing prices were still lower than those prevailing a week ago. Local demand was poor and there was lack of crushing parity. Exporters who were vainly offering linseed oil to the U.K. at £106 per ton earlier in the week later refused buyers' bids at £107.

The latest available quotation for February-March is Rs. 21-6 per maund.

COTTON FUTURES BEARISH

(From Our Own Correspondent)

BOMBAY, *12th February*

The cotton futures market ruled bearish during the major part of the week under review. The release of 50,000 bales of Bengal *Deshi* for export, announced late on Wednesday last, failed to inspire enthusiasm among operators. This was due to the utter disappointment over the Government's refusal to allow export of cotton of staping 1" and below. At the meeting of the Export Advisory Council on Sunday, the Union Minister for Commerce and Industry categorically declared that no more cotton would be allowed for export. The mounting volume of new crop arrivals with the consequent drop in spot values and the reports of accumulations of cloth stocks after the recent brisk offtake also imparted weakness to the market. All these factors let loose a wave of selling and cotton futures values suffered a sharp recession. Yesterday, there was recovery induced by heavy short-covering which gathered further momentum today. Nevertheless, the closing rates stood lower than those at the end of last week.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 685, as against the previous close of Rs. 687.50, and succumbed to heavy selling which took the quotation down to Rs. 671.75 on Monday. The contract recovered to Rs. 674.75 yesterday. Opening today's session at Rs. 674, it spurted to Rs. 683.50 and closed at that rate. The net loss over the week was Rs. 4. I.C.C. Moglai Jarilla (May 1958) commenced the week Re. 1.75 lower at Rs. 681.50. Heavy selling depressed the quotation to Rs. 667.25 on Monday. The contract recovered to Rs. 670.50 yesterday and further to Rs. 676.50 today. The net loss over the week was Rs. 6.75.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	12-2-58	*High*	*Low*	5-2-58
I.C.C. Moglai Jarilla (March 1958) ...	683.50	685	671.75	687.50
I.C.C. Moglai Jarilla (May 1958) ...	676.50	681.50	667.25	683.25

Futures trading in cotton was resumed at Akola under the auspices of the Madhya Pradesh Commercial Exchange Ltd. with effect from Monday. The trading contract is styled as the Berar Cotton Contract with Fine M.G. Berar Jarilla, 23/32" as the basis. Important varieties of cotton grown in that region, namely, Cambodia, Buri-American, Parbhani American and Gaorani 6 and 12 are tenderable against the contract. Traders in Bombay have welcomed the new market.

Thanks to slackness in demand in the wake of heavy arrivals, the spot market ruled easy. Mill buying of domestic styles was on a very restricted scale, as they were following a hand-to-mouth policy, in view of budget uncertainty. Business was confined mostly to quality lots of Khandesh, Vijay, Laxmi Co 2 and other popular varieties.

Despite the release of export quota for Bengal *Deshi*, exportable varieties were neglected. Prices of Bengals, Wagad, Kala, etc. suffered a setback, reflecting poor export demand. Although foreign interest is subdued at present, a section of the trade believes that the whole quantity released for export can be disposed of before the end of June. It is said that Japan and France may announce sterling allocation for cotton imports and hopes are expressed that these two countries would lift substantial quantities of Indian cotton.

There was practically no activity in the foreign section. The trade is anxiously awaiting the announcement of cotton import policy. An Egyptian cotton trade delegation is currently in the city negotiating with the interests concerned about the sale of Egyptian cotton. The negotiations are expected to result in some agreement. A final decision in the matter will, of course, be taken only after the delegation discusses the question with representatives of the Central Government at New Delhi.

The following are the latest available quotations —in rupees per candy of 784 lbs.—from Sewri, the figures in brackets, being last week's closing rates:

Bengal *Deshi* 610 (625); Berar Jarilla 790 (800); Khandesh 815 (830); Oomra *Deshi* 630 (680); Vijay 925 (925); Hubli Laxmi 1,030 (1,020); Jayadhar 780 (780). *Delivery Contracts*: Vijay 900 (910); Bengal 570 (568).

The Karachi cotton futures market ruled fully steady during the week under review. Although there were sustained mill buying and good export enquiries, prices did not register any perceptible rise. This was due to reports that export of cotton from Pakistan so far had been lower by 200,000 bales, as compared with the corresponding period of the previous season. N.T.R.G. March improved from Rs. 74-8 last week-end to Rs. 74-12. May position was firm at Rs. 75-2. Spot values were maintained at more or less last week's levels. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton:

Sind *Deshi* 70; Punjab *Deshi* 67-8; 4F Punjab Roller 76-12; S.G. 82-4; L.S.S. Punjab Roller 79; S.G. 83-12; N.T. Roller 79-12; S.G. 87-12; 289F Punjab Roller 85; S.G. 95.

In contrast to the easy trend noted last week, the Alexandria cotton futures market depicted a firm trend during the week. The firmness was aided by hopes that the Egyptian trade delegation to India would succeed in concluding an agreement for sale of cotton. Buying support ensued as a consequence and prices moved up. There would have been a marked rise in prices but for lack of spinner interest and speculative sales made by stockists. The total exports of Egyptian cotton from the beginning of the season till 15th January aggregated 417,436 bales (of 720 lbs.), as against 310,632 bales in the same period last season. Actual shipments

till 29th January last were of the order of 279,474 bales, as compared with 209,185 bales a year before.

The latest available quotations—in tallaris per lb.—from Alexandria are given below, the figures in brackets being last week's closings:

Karnak: March 81.55 (78.70 ; May 82.15 (79.65). *Ashmouni*: February 68.60 (67.15); April 68.45 (67.65).

Cheerful conditions prevailed in the Liverpool cotton futures market during the week. The rise in support price for the 1958 crop, announced by the U.S. Department of Agriculture having induced good trade and Commission House buying and there was an increase in the prices of both American and American type contracts. Sudan contracts also evoked good support and values were marked up. The latest available quotations—in pence per lb.—from Liverpool are:

American cotton one inch staple contract: March-April 25.40; May-June 25.30; July-August 25.63. *American cotton mixed growth contract*: March-April 26.40; May-June 26.63; July-August 26.90. *Sudan*: May-June 32.90; July-August 33.00; September-October 33.25.

Cotton futures values at New York were maintained during the week. The price supports, for the 1958 crop has been raised to 81 per cent. of parity, as compared with 78 per cent. for the 1957 crop. The upward revision touched off a wave of buying which led to a hardening of rates. Yesterday, however, the market turned easy and values staged a retreat.

The Commodity Credit Corporation announced last week sales of 20,120 bales of cotton under the programme for unrestricted use. The total sales made thus far under that pogramme are understood to be 1,789,735 bales, of which 1,534,692 bales were sold since 1st August 1957.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	11-2-58	4-2-58	28-1-58
Spot	35.95	36.15	36.15
March	35.02	35.11	34.78
May	35.20	35.25	34.97
July	35.35	35.22	34.78

SUGAR RISES FURTHER

(From Our Own Correspondents)

BOMBAY, 12*th February*

The sugar market continued to present a firm trend during the week under review and there was a further rise in prices. Demand from Southern India, as well as from the mofussil areas, was quite encouraging, while arrivals of sugar into the market were small. The arrivals aggregated about 14,758 bags, as against 16,200 bags in the previous week and 23,600 bags two weeks before.

Small grain sugar advanced from Rs. 105 to Rs. 105½-Rs. 106 per bag, including the additional Central excise duty. Medium grain rose by As. 8 to Rs. 106¼-Rs. 107¼. Large grain was fully maintained at Rs. 109-Rs. 113.

The total production of sugar during the first 2½ months of the current season (from 1st November 1957 to 15th January 1958) amounted to 702,000 tons, as against 621,000 tons in the corresponding period of the previous season. The total offtake, including the quantities despatched for exports, was 372,000 tons and stocks with mills as on 15th January were 761,000 tons.

* * * *

HAPUR, 10*th February*

Sugar prices tended to go up towards the weekend, following good demand from consuming centres. The sugar export policy has not yet been announced by the Government. The trade and industry are keenly awaiting the same. Crushing in sugar mills is in full swing in west U.P. factories, as cane supplies are adequate.

Ready mill delivery sugar prices advanced by 19 nP to 25 nP per maund in the Muzaffarnagar market during the past week, as good business was done for Punjab, Delhi, Gujerat, Saurashtra and the south. Sufficient quantity had been sold by the factories out of the recently released quota of 155,000 tons for open sale.

The latest mill-delivery prices per maund are: Meerut (D-28) Rs. 35; Modinager (B-29) Rs. 36.50; Simbhauli (E-29) Rs. 35.37; Mansurpur (B-29) Rs. 37.62; Shamli (B-29) Rs. 37; Daurala (B-29) Rs. 36.81; Mawana (B-29) Rs. 37.12; Amroha (D-29) Rs. 34.62; Bijnore (E-29) Rs. 34.44.

Good demand from Madras side accounted for a rise of 25 nP in sugar prices at Kanpur during the week. Some factories had already disposed of their quota and demand from Saurashtra side was keen. The undertone was fully steady. The latest prevailing ex-mill delivery prices are: Maholi (AA-29) Rs. 37.25; Hardoi (AA-29) Rs. 37.50; Hardoi (A-29) Rs. 36.37; Motipur (B-29) Rs. 35.75; Rohtas (C-29) Rs. 36.50; Hargaon (D-28) Rs. 34.75; Kashipur (E-29) Rs. 34.37; Hargaon (E-29) Rs. 34.44.

There was a marked decline in *khandsari* arrivals during the week and prices moved up further and were now quoted up to Rs. 32 per maund.

Despite loading restrictions to Punjab and Gujerat sides, the two main consuming centres, ready *gur* improved fractionally during the week, due to stockists' support and in line with the appreciable advance in forward prices. Local arrivals averaged 3,000 maunds and stock was put at about 80,000 maunds. Forward delivery purchasers was keen to take delivery and sellers were building up stocks for such delivery. *Gur* was reaching here from outside for storage. Prevailing prices are: *Pansera* Rs. 12 to Rs. 12.12 and *balti* Rs. 12.19 per maund.

Gur prices also improved in the Muzaffarnagar market where daily arrivals averaged 5,000 maunds. The latest prevailing prices there were: *Chaku minja* Rs. 14.50 to Rs. 15.25; *khurpa risket* Rs. 7.50 to Rs. 8.50; *shakker dara* Rs. 14.50 to Rs. 15.50; *masala* Rs. 16.50 to Rs. 18; *khandsari* Rs. 24 to Rs. 32.25.

Futures *gur* recorded a strident advance during the week on continued bull support. The latest quotations were near the best levels of the week. *Fagun* and *baisakh* deliveries opened at Rs. 11.69 and Rs. 12.31 on Monday last and were quoted today at Rs. 12.25 and Rs. 12.94, respectively.

RAYON YARN STEADY

(From Our Own Correspondent)

BOMBAY, 12*th February*

Rayon and staple fibre yarns ruled steady during the week under review, while cotton yarns continued to encounter selling. There was good demand for rayon yarns from consuming centres, thanks to increasing offtake in rayon fabrics at higher prices. It was stated that the replacement of sales tax on cloth by an additional Central excise duty, the commencement of the marriage season and the declining demand for nylon textiles had led to enlarged buying of rayon fabrics by local and upcountry dealers. In sympathy with rayon yarns and on hopes of better offtake during the marriage season, staple fibre yarns also tended to look up. Even reports of the recent large sales by South Indian mills to Punjab and Calcutta markets at reduced prices did not have any effect on the market. Cotton yarns, as already said, ruled easy. Overseas enquiries continued to be at a low ebb, as there was persistent keen competition from Pakistan, China, Italy and France. There were also reports that several spinning mills were inclined to dispose of their stocks of yarn to handloom and powerloom factories at concessional rates.

Snia rayon yarn (120 dull cones) February delivery evoked good buying support and improved by Rs. 4 to Rs. 923. No transactions were put through in the April delivery this week also. In the spot section, National Rayons 150 bright cones first grade firmed up by 23 nP to Rs. 4.31. 120 bright cones first grade spurted by 18 nP to Rs. 4.81. Among foreign yarns, 120 Italy was fully steady at Rs. 5.25. 150 Italy, however, receded by 12 nP to Rs. 5.16. 120 Japan eased by 4 nP to Rs. 5.27. 150 Japan lost a naya paisa to Rs. 5.05.

Staple fibre yarns (40×2) February delivery attracted good attention of operators and rallied Rs. 10 to Rs. 569. April delivery advanced by Rs. 9 to Rs. 580. Spot (40×2) New Greats gained 5 nP to Rs. 3. Kohinoors gathered 3 nP to Rs. 3.25. Citys were better by a naya paisa at Rs. 3.14. Centurys were firm at Rs. 3.12. Foreign yarns, however, came in for selling. Paramounts declined by 9 nP to Rs. 6.60. Fujis lost 4 nP to Rs. 6.56.

In the cotton yarn section, ten counts were dull, Podars being quoted at Rs. 14 and Moderns at Rs. 14.50. Among twenty counts, Moderns were neglected at Rs. 17.50. Thirty counts Indus receded by 25 nP to Rs. 20.50. Among forty counts, Minaxis and Moderns shed 25 nP each, the former to Rs. 24.25 and the latter to Rs. 24.75. Gokaks were quiet at Rs. 24.50. Sixty counts Moderns dropped 50 nP to Rs. 59.50. Finlays declined by 75 nP to Rs. 59.25. Raghuvamshis were lower by 25 nP at Rs. 52.25. Among eighty counts, Moderns decreased by 20 nP to Rs. 71. Mahendras and Finlays were dull at Rs. 69.50 and Rs. 75, respectively.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	12-2-1958	5-2-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	923.00	919.00
120 Japan (per lb.)	5.27	5.31
150 Japan (per lb.)	5.05	5.06
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.16	5.28
Staple fibre yarn (per case of 200 lbs.)—		
40×2 February	569.00	559.00
40×2 April	580.00	571.00
40×2 New Great (per lb.)	3.00	2.95
40×2 Century (per lb.)	3.12	3.12
40×2 City (per lb.)	3.14	3.13
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	14.00	14.00
20s Gokak	—	17.62
30s Indu	20.50	20.75
40s Minaxi	24.25	24.50
60s Raghuvamshi	52.25	52.50
80s Modern™..	71.00	71.20

OILSEEDS FIRM

(From Our Own Correspondent)

BOMBAY, 12*th February*

The bearish trend noted in the oilseeds market in the past three weeks abated during the week under review. In fact, the market put on a distinctly cheerful appearance. The categorical rejection of the plea for permitting exports of groundnut oil and H.P.S. groundnut by the Union Commerce and Industry Minister at this week's meeting of the Export Advisory Council has no doubt greatly disappointed traders. But there has not been any drop in prices. On the contrary, groundnut and groundnut oil prices have gone up. For there have been better buying enquiries for groundnut from crushers, thanks to increasing offtake in oil by *vanaspati* producers. Firmness of groundnut oilcake (expeller variety) following the release of 20,000 tons for export, the upward trend in sarson prices at Agra and encouraging advices from terminal markets in producing areas have also imparted much strength to the groundnut section. Castorseeds have been ruling firm, under the impetus of revival of rumours regarding cut in export duty on castor oil, good prospects of enlarged export business with the U.K. and the East European countries, and reports of small new crop arrivals in Hyderabad, the main producing centre. Linseed, too, is being well supported. Hopes are expressed that exports of linseed oil will be quite substantial in the coming months; the hopes are based on the reported decline in linseed production in the U.S. and Canada. Recently, some quantities of linseed oil—estimated at 200 to 300 tons—were reported sold to the U.K. at about Rs. 1,407 per ton. In sympathy with the general trend, cottonseed, kardi seed and niger seed ruled firm. The weakness of raw cotton during the major part of the week has had no effect on prices of cottonseed.

The Government of India has released, as already stated, 20,000 tons of groundnut oilcake (expeller variety) for export by established exporters who exported during any one of the three calendar years 1955, 1956 or 1957, on the basis of their past exports. The established shippers are asked to submit documentary evidence of their past exports immediately to the port licensing officers who will be issuing a trade notice in this behalf. The decision has been widely welcomed by traders and the price of groundnut oilcake has risen by over Rs. 10 to Rs. 242 per ton. The currently ruling price in the U.K. and Continental markets is reported to be about Rs. 363 per ton (c.i.f.).

Groundnut February contract met with excellent buying support and climbed up from Rs. 152.62 to Rs. 155. May position spurted by Re. 1.49 to Rs. 155.86. Bold ready strengthened by 37 nP to Rs. 30.87, Coromandel by 25 nP to Rs. 31.12 and Khandesh quality by 12 nP to Rs. 31.12. Groundnut oil ex-mill rallied 37 nP to Rs. 17. Railway receipt hardened by 25 nP to Rs. 17.12.

Castorseeds May 1958 contract advanced from Rs. 137.87 last week-end to Rs. 138.87 on the 8th inst. and, after remaining firm at Rs. 138.62 on the 10th and 11th inst., receded to Rs. 138.12 today. Ready Madras gathered 25 nP to Rs. 28.25. Kanpur rose from Rs. 26.25 to Rs. 28.87 before finishing at Rs. 26.50. Castor oil B.S.S. improved by 25 nP to Rs. 16. Commercial quality put on 19 nP to Rs. 14.31.

Linseed May contract evoked good enquiries and moved up from Rs. 28.81 to Rs. 29.37. Bold ready increased from Rs. 28.25 to Rs. 28.69 before closing at Rs. 28.62. February-March was done at Rs. 28.87, as against Rs. 28.25 last week-end. Linseed oil was well supported, the quotation rising from Rs. 15.56 to Rs. 15.62.

Cottonseed February contract attracted excellent attention of operators and climbed up by Rs. 2 to Rs. 97 before finishing at Rs. 96.25. May contract advanced from Rs. 95 to Rs. 97.50 today; towards the close, however, it was easy at Rs. 96.75.

Niger seed Madras recorded a gain of 25 nP to Rs. 26.50. Kardi seed bold ready was firm at Rs. 17.25.

Exports (in tons) of different oils from Bombay during the period from 1st January to 7th February were: Groundnut oil 104; linseed oil 2,921; castor oil 803; kardi oil 10; rape and mustard oil 3; niger oil 15; cottonseed oil 1,402.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	12-2-1958	5-2-1958	29-1-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	155.00	152.62	153.25
May 1958	155.86	154.37	154.50
Bold ready (per cwt.) ..	30.87	30.50	30.75
Khandesh quality ..	31.12	31.00	31.50
Linseed—			
May 1958	29.37	28.81	29.75
Bold ready (per cwt.) ..	28.62	28.25	29.37
Castorseed—			
May 1958	138.12	137.87	137.00
Madras (per cwt.) ..	28.25	28.00	27.37
Cottonseed—			
February 1958	96.25	94.25	94.75
May 1958	96.75	95.00	95.25
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.12	16.75	17.00
Castor oil †			
Commercial (per quarter)	14.31	14.12	14.00
Linseed oil †			
Ready	15.62	15.56	16.31

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

BLACK PEPPER ADVANCES

(Messrs. Parekh and Co.)

BOMBAY, 12*th February*

Malabar black pepper moved up further under the leadership of forward at Cochin which spurted from Rs. 86 to Rs. 87½ for February and from Rs. 87½ to Rs. 88¾ for March delivery. Ready garbled improved from Rs. 83¾ to Rs. 85½, thanks to buying by exporters who came in to cover their former sales when they saw that the market was developing a steadier undertone.

London was reported to have purchased at 177s., while New York raised its buying indication by about ¼ cent. Dealers there were buyers for February at $0.21¾. They were, however, unwilling to follow through the improvement.

Singapore improved to Str.$63, as arrivals from Sarawak proved lighter. Presently, Lampong was reported to be dominating Singapore, as the stock of Lampong and Muntok was comfortable.

Alleppey improved to Rs. 487½, while Calicut was down to Rs. 485. Arrivals at Cochin and Alleppey were light, while they were rather heavy in North Malabar. As a consequence, the quotations in Tellicherry area were comparatively cheaper. Most of the daily arrivals were absorbed. Floating stock in the hands of commission houses, therefore, remained almost the same as last week.

Future of Malabar black depended upon the attitude of New York buyers. Political news from Sumatra and the Middle East were all discounted.

In the A.S.T.A. section, April was quoted at $0.22, and April-May-June at $0.22¼. These prices were nominal, as they remained untested.

In the delivery section, prices improved to Rs. 472 for March and to Rs. 478 for April delivery.

Today's nominal quotations are: Ready Rs. 68 per Bengal maund; March Rs. 472-Rs. 477 and April Rs. 478-Rs. 483 per candy of 5½ cwts.

QUALITY TEA IN DEMAND

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 6*th February*

Offerings in Sale No. 4, which was held on Tuesday, 4th February, amounted to 1,350,000 lbs. Quality continued to show improvement and there were some attractive high grown teas on offer. The sale opened quietly, but a good, although irregular, demand developed. Most types were dearer, following quality, but good medium teas occasionally sold below last rates. High grown brokens and whole leaf grades sold well, but high grown fannings were again a weak feature and often proved difficult of sale. Tippy teas were well supported, but whole leaf grades of below best quality were easier to buy. The following are the quotations:—

	1958
	Rs.
Plain B.P.	1.45
Low medium	1.65 to 1.75
Medium	2.00 to 2.20
Good medium	2.30 to 2.50
Quality	2.80 to 5.20

The average price realised in Sale No. 4 was Rs. 2.30 per lb., as against Rs. 2.29 in the previous sale and Rs. 2.59 in the corresponding sale of 1957.

London Market: *Sale of 3rd February* 1958:—Fully firm with a dearer tendency, particularly at the bottom.

Sale of 4th February 1958:—Generally slightly easier tendency accentuated where quality down.

Colombo Market: Quality improving, but prices considerably lower. High and medium lowgrown barely steady. Off grades generally lower.

Calcutta Market: *Export*:—Good general demand. Bright liquoring strongest. Plain medium broken and fannings 2 to 4 nP lower. Whole leaf grades 5 to 10 nP lower. C.T.C. except best, 10 nP lower. Flavoury Darjeelings sold well.

Internal:—20,300 dusts. Fair demand. Orthodox up to 6 nP easier. Darjeelings easier. Best C.T.Cs 20 nP easier. Medium C.T.C. 10 nP easier. 3,300 internal leaf. Good general demand occasionally dearer.

Export Duty:—Government announce that the "price of tea" for purposes of determining export duty is Rs. 2.99, as compared with Rs. 3.02 the previous month. Export duty remains unchanged at 38 nP.

Export Quota:—No official announcement has yet been made with regard to a final release. The market has been quiet and small business has been done at 14¼ nP.

Forthcoming Auctions:—Sale No. 5 will be held on Tuesday, 18th February.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Dust Sale 'D'*:—775,000 lbs. Good general demand at irregularly 10 to 15 nP lower all round."

EXPORT TEAS IMPROVE

(From Our Own Correspondent)

CALCUTTA, 11*th February*

That the declining level of tea exports is causing concern to the Government of India is known in the market. Speaking at the meeting of the Export Advisory Council on Sunday last, Mr. Morarjee Desai, the Commerce and Industry Minister, said that earnings from tea exports in 1957, when final figures were available, would be much below 1956's earnings of Rs. 143 crores. The reasons he attributed for this were the lower world prices and the decline in the quantity exported. That India is unable to compete in foreign markets is widely known. Even at the present low prices of Indian tea, gardens are not making a reasonable profit, and producers of common teas have been continually representing that if relief is not afforded by way of reduction in taxes and the abolition of export duty, they would be compelled to close down.

The tea industry has been representing for long for relief in taxes. So far, these representations have fallen on deaf ears. The decline in exports is proof of the industry's apprehensions expressed a year ago that, if the Government of India did not come to the help of the industry, export earnings would fall and the position of the industry would be endangered. Labour charges are daily increasing, and the export duty levied has no relationship with current trends in the market.

The Commerce and Industry Minister said at the meeting of the Export Advisory Council that the position would improve with the forthcoming promulgation of the Tea (Distribution and Export Control) Order which would aim at the maintenance of supplies of good quality tea for export. The question asked in export trade circles is: Will the promulgation of this order alone produce wonders? Cannot the Government accord reasonable relief in taxation and abolish the export duty? If only some such practical steps are taken, the tea exports can improve; otherwise, foreign exchange earnings would continue to decline. When the subject comes up for discussion in Parliament, it is to be hoped that those representing industry there would put forth the present deplorable state of affairs in unmistakable terms.

During the internal sale held last week, dusts offered aggregated 20,302 chests and prices showed a declining trend. Among C.T.C. Assams, the best liquoring teas lost by 20 nP, and the brighter mediums by 10 nP. Orthodox teas from all districts eased by 6 nP, but the better liquoring kinds were about steady. The more fibrous plainer teas were irregular and easy. Darjeelings also shared the general market trend. The quotations were: best Assam C.T.C. Rs. 2.60 to Rs. 2.90, medium Assam C.T.C. Re. 1.70 to Re. 1.90, medium Assam grainy dust Re. 1.56 to Re. 1.58, and medium Dooars Re. 1.54.

Leaf on offer amounting to 3,390 chests met with a good general demand. Prices gained, with the green teas rising above valuations.

Offerings during yesterday's export sales amounted to 60,322 packages. There was an all-round improvement in demand with prices advancing. Quality of most offerings also showed an improvement. The more ordinary B.O.Ps were steady, and the brighter liquoring teas rose by 5 to 10 nP. The better medium O.Fs were pushed to rates far above valuations. The good black Dooars B.O.Ps rose by 4 to 6 nP, plain and medium B.Ps by 2 to 4 nP, and fannings by 4 to 6 nP. C.T.Cs were keenly competed for, but the poorer teas in this category lost 10 nP. The better medium teas tended to be dearer. Legg cut teas were unchanged, but the brighter liquoring lots rose steadily. Whole leaf grades met with competition. Darjeelings were fully steady, and such of the lots with flavour rose above valuations. The quotations were: best Assams C.T.C. fannings Rs. 2.50 to Rs. 2.70, best Assam C.T.C. B.P. Rs. 2.50 to Rs. 2.60, clean black pekoe Rs. 2.25 to Rs. 2.30, plain B.P. Re. 1.54 to Re. 1.56, plain fannings Re. 1.64 to Re. 1.68, medium B.P. Re. 1.60 to Re. 1.64, and medium fannings Re. 1 to Re. 1.76.

Export quota was steady at 16 nP.

SLUMP IN JUTE GOODS

(From Our Own Correspondent)

CALCUTTA, 11*th February*

During the week under review, there was heavy selling pressure on sacking goods, prices of which fell so markedly that operators seemed to have lost confidence in the future. There was no indication whatsoever that conditions would improve in the near future. Hessian was also affected, and American interest was very little. In fact, for some days it was conspicuous by its absence. It was reported that burlap stocks in the United States would be adequate to meet requirements up to the end of May. During the week, Russia called for tenders for hessian and hessian bags; this did not, however, change the market trend. As the Commerce and Industry Minister told the Export Advisory Council on Sunday last, Russian interest was on the wane. A few months ago, it was expected that Russia would lift substantial quantities. But this expectation has not yet come to pass. Unless the United Kingdom and West Germany, with whom, as Mr. Morarjee Desai said, India was running large trade deficits, allowed free flow of imports, expansion of exports was not possible. Another bear factor was the announcement of the stock position of jute goods as at the end of January. Although a rise in stocks had been anticipated and discounted, the rise was higher than earlier thought. The total of all goods, at 96,400 tons, was higher by as much as 21,400 tons compared to the figure at the end of December. The largest increase was recorded in sacking goods which, at 53,500 tons, were higher by 15,100 tons. Hessian rose by 4,500 tons to 29,700 tons and miscellaneous goods, at 13,200 tons, were higher by 1,800 tons.

As expected, gunny shipments in January were substantially lower in view of the labour troubles at the port. Sacking goods shipped amounted to 24,000 tons, as compared with 34,000 tons in December, and hessian to 23,000 tons, as against 28,000 tons. The market was still in the grip of the bad effects caused by the failure of a prominent operator to take delivery of his orders when they became due. During the week, however, he began to honour his commitments slowly, but weak holders were still nervous and continued to sell their stocks at whatever rates were offered. This selling pressure could not be absorbed by the market, and the price of sacking fell heavily. It was stated that the prominent operator, who had earlier failed to meet his commitments and caused a near-crisis in the market, was heavily committed in the forward positions. As to what would happen when the delivery period came cannot be guessed now. Moreover, Pakistani mills were offering keen competition in foreign markets in an attempt to reduce stocks.

Earlier in the week, some business was reported done with Russia in hessian and hessian bags. However, since this was for small quantities only, there was no effect on the market. Thus, ready hessian 40" 10 oz. remained unchanged at Rs. 39.80 on Tuesday last, while ready B. twills declined to Rs. 102.70 from Rs. 103.30. On the following day, prices were further affected in anticipation of an increase in stocks of goods. There was unloading by bulls, who attempted to reduce losses, and ready B. twills gave way to Rs. 101 and 40" 10 oz. hessian to Rs. 39.40. Small holders became nervous, and began to sell. Genuine business was also lacking. This was on Thursday when the representative constructions as above recorded a further loss at Rs. 100.30 and Rs. 39.05, respectively. At this stage, some business took place in hessian with overseas buyers, and this caused ready hessian 40" 10 oz. to recover to Rs. 39.15, but B. twills were unchanged at Rs. 100.30. At this stage, stock figures were released, and the steep increase in the sacking figure forced down the price of B. twills to Rs. 99.30 by the week-end. There was, however, a recovery to Rs. 100.12 yesterday. 40" 10 oz. hessian, which eased to Rs. 39.05 on Saturday, improved to Rs. 39.30 yesterday.

In accord with the slump in goods, raw jute prices also fell. Mills evinced little interest. The latest quotations for the different varieties of raw jute in the February-March delivery position are:

	Middles	*Bottoms*
	Rs.	Rs.
Pakistani:		
District	31.50	28.50
Northern	31.00	28.00
Indian:		
Northern	27.00	28.00
Assam	27.00	24.50
Orissa	29.00	26.50
Desal	25.50	23.00
Murshidabad	23.50	21.00
Jungli	—	19.50
Daissee	30.50	28.00
Uttar Pradesh ...	—	19.50
Daissee mesta ...	24.00	21.50
Bimli f.a.q.		18.75
Pucca bales 1st marks ...	Rs. 160.00 per bale	

KIPS FIRM

(From Our Own Correspondent)

MADRAS, 10*th February*

Trading in kips with the U.K. continued to be difficult. There was a gap of one to two pence between sellers and buyers. Arrivals were restricted and demand was brisk as a consequence. Top marks of cow hides and cow calf were in good request, and prices were a shade firmer than last week. There was good call for inferior grade cow hides for local trade.

Arrivals of tanned goat and sheep skins were small, and clearances slow, as buyers were not disposed to pay the pre-auction prices.

In the London tanned skins public sales, 80 per cent. of the goat skins offered were sold and 40 per cent. of sheep skins. Though the attendance was fair, the market for sheep skins was depressed with a very limited trade and prices recorded declines of 1*s.* to 2*s.* 6*d.* on December auction levels on all classes, except best parcels of semi primes which secured December prices.

Shipments during January 1958 were: To the U.K. 1,578 bales tanned cow hides, 127 tanned cow calf, 17 tanned buff hides, 193 tanned buff calf, 510 tanned goat, 585 tanned sheep skins; to the Continent: 4 bales tanned cow hides, 5 tanned cow calf, 5 tanned buff calf, 571 tanned goat, 171 tanned sheep skins; to the U.S.A.: 44 bales tanned buff calf, 32 tanned buff hides, 53 tanned goat skins; to Japan: 3 bales tanned goat and 60 bales tanned sheep skins.

KEEN DEMAND FOR HIDES

(From Our Own Correspondent)

KANPUR, 10*th February*

Trading in the hides and skins market during the week under review was characterised by keen demand for all categories of goods. Wet salted buff was specially favoured at better prices. The main purchasers were the local tanners headed by Messrs. Cooper Allens. Both the Madras dealers and the country tanners were lukewarm: New arrivals, especially of goat and sheep, were considerable.

The latest available quotations are: Wet salted cow 1st grade Rs. 360, 2nd grade Rs. 340 and 3rd grade Rs. 260 per score; wet salted buff 1st grade 1 lb. 4 ozs. and 2nd grade 1 lb. 5 ozs. per rupee; goat 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces; sheep 1st grade Rs. 300 and 2nd grade from Rs. 225 to Rs. 260 per 100 pieces.

FOODGRAINS QUITLY EASY

(From Our Own Correspondent)

HAPUR, 10*th February*

Quietly easy conditions were noted in the foodgrains market during the week. Although local stocks were fast dwindling, the trend of prices was bearish under the lead of coarse grains. Good crop prospect was the main easing factor. The credit squeeze by banks against foodgrains stocks also went a long way towards easing the supply position in the markets.

Wheat was mostly unchanged during the week, *dara* quality being quoted at Rs. 15.25 per maund and farm produce at Rs. 17. Local arrivals from producing areas continued to be scanty and stocks as a consequence ran down by one *khati* to 11 *khatties*, the corresponding figure last month being 20 *khatties* and a year back 48 *khatties*.

Rice recorded a slight fall during the week. The local supply position was reported to be satisfactory. The prevailing prices on Monday were: *Basmati* Rs. 27-Rs. 30; *mainpuri* Rs. 23.25; coarse Rs. 20 per maund.

An appreciable fall in gram prices in the Punjab influenced the local gram prices which eased fractionally. The local stock moved to east U.P. on State Government account to be sold as assistance to impoverished people there. The local gram stock was put at 20 *khatties*. Barley and *bejhar* continued to be depressed, due to slack demand, coupled with early good crop prospects. Maize and *bajra*, however, ruled *steady*. The latest prevailing prices (in rupees per maund) were: Gram 10 to 10.37; barley 8.75; *bejhar* 8.25; maize 10.94; *bajra* 11; *jowar* 8.75 to 10; *guwar* 11.25; oats 8.75; stocks (in *khatties*) were: Gram 20; maize 7; *jowar* 7; *bejhar* 12.

Despite good offtake aggregating 3 *khatties*, peas ruled depressed, thanks to good crop prospects and demand at only lower rates. It was reported that harvesting of early sown variety would begin shortly. *Arhar* continued to attract good demand at almost unchanged prices. Other pulses were quiet. The latest prices (in rupees per maund) were: Peas *dara* 8; farm 8.62; peas *dal* 9.25; *arhar* 10; *arhar dal* 12.87; *urd* 16.25 to 18; *moong* 15.75; *massoor* 13 to 14.25.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	9th May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	9th Feb., 1945	3	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	3½†
West Germany	17th Jan., 1958	4	5½

† Six of the Federal Reserve Banks have lowered the rate to 2½ per cent. from 3 per cent.

CLEARING HOUSE RETURNS

Centre	Week ended 7th February, 1958		Week ended 31st January, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,32,439	80,16,43,000	2,71,268	67,49,71,000
Calcutta	1,87,000	68,64,00,000	1,78,000	68,52,00,000
Madras	91,700	10,14,98,123	84,456	10,97,42,291
All Centres—				
1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Oct., 1957	..	..	3,205,000	5,89,38,00,000
Nov., ,,	..	..	3,755,000	8,18,13,00,000
Dec., ,,	..	..	3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 7th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	57,52,32,000
(2) Other Governments	13,12,00,000
(b) Banks	71,91,67,000
(c) Others	113,56,56,000
Bills Payable	15,33,96,000
Other Liabilities	33,03,78,000
Rupees	411,50,29,000

ASSETS	Rs.
Notes	11,00,60,000
Rupee Coin	4,11,000
Subsidiary Coin	2,20,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	2,15,54,000
Balances held abroad*	35,42,37,000
Loans and Advances to Governments†	40,62,30,000
Other Loans and Advances	71,76,41,000
Investments	233,12,95,000
Other Assets	17,34,32,000
Rupees	411,50,29,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments. The item "Other Loans and Advances" includes Rs. 20,05,21,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	11,00,60,000	
Notes in circulation	1558,63,33,000	
Total Notes issued		1569,63,93,000
Total Liabilities		1569,63,93,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India		
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		129,51,81,000
Government of India Rupee Securities		1076,82,28,000
Internal Bills of Exchange and other commercial paper		
Total Assets		1569,63,93,000

Scheduled Banks*

Statement of Affairs for the week ended 31st Jan., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank	17,88,89,000
(ii) Other demand liabilities	719,58,74,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,38,00,000
(ii) Other time liabilities	684,82,74,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	8,37,13,000
(ii) Time liabilities	80,00,000
Borrowings in India from the Reserve Bank of India†	27,11,78,000 (24,21,21,000)
Cash in India	37,59,86,000
Balances with the Reserve Bank in India	73,54,00,000
Balances with other banks in current account in India	11,48,44,000
Money at call and short notice in India	46,28,06,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	432,55,11,000
Advances in India	756,30,17,000
Inland Bills purchased and discounted in India	109,46,06,000
Foreign Bills purchased and discounted in India	41,61,76,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	12th February, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	1-5⅛	1-5⅛
Buyers T.T. spot to nine months	1-6⅛	1-6⅛
Buyers T.T. 10 to 12 months	1-6⅛	1-6⅛
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.25	475.50
Buyers T.T. Rs.	471.75	471.75
London on New York $	2.81½-2.81⅞	2.81½-2.81⅞
London on Paris Fcs.	1,1754	1,1754
London on Berne Sw. Frs.	12.28½-12.28¾	12.27-12.27½
New York on London $	2.81½-2.81⅞	2.81½-2.81⅞

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	*Per capita* income (Rs.)
India†	55-56	383.09	..	10,420	272
Pakistan††	55-56	82.24	..	1,952	237
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.00	Y. 7,427,000	9,283	1,031
Philippines	1955	21.85	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£(N.Z.) 884	1,178	5,428
Australia	1956	9.40	£(A.) 4,238	4,623	4,918
U.K.	1956	51.20	£ 16,455	21,953	4,287
U.S.A.	1956	168.90	$ 343,600	163,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,880	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,090	1,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 31st Jan., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	73,58,42,000
(b) Provincial Governments	14,44,000
(c) Banks	13,81,12,000
(d) Others	9,14,00,000
Bills Payable	19,24,000
Other Liabilities	8,64,71,000
Rupees	111,92,63,000

ASSETS	Rs.
Notes	9,54,88,000
Rupee Coin	34,000
Subsidiary Coin	23,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,43,000
Loans and Advances to Governments	2,90,00,000
Provincial Governments' Debtor Balances	10,94,83,000
Other Loans and Advances	20,96,70,000
Investments	57,89,90,000
Other Assets	9,62,32,000
Rupees	111,92,63,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,54,88,000	
Notes in circulation	344,17,35,000	
Total Notes issued	....	353,72,23,000
Total Liabilities		353,72,23,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	75,16,76,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		129,55,66,000
B. Rupee Coin	4,46,06,000	
Government of Pakistan Securities	213,80,45,000	
Internal bills of exchange and other commercial paper	....	
		218,26,51,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	353,72,23,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 38.21 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	31st Jan., 1958	A week ago	A month ago	A year ago B.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1531.20	1533.63	1523.06	1494.02
Notes held in Banking Department	35.05	20.72	18.04	9.13	14.55
Foreign Securities	59.05	245.54	245.54	275.23	412.52
Rupee Securities	37.39	1056.82	1056.82	1007.20	855.03
Banking Department					
Deposits of :					
Government of India	14.89	58.13	62.43	52.50	52.35
Other Governments	....	27.34	23.85	8.10	16.68
Balances held abroad	10.08	37.75	39.89	17.96	93.84
SCHEDULED BANKS					
Demand Liabilities	134.36	737.48	736.01	706.10	679.10
		(17.89)†	(18.03)†	(15.61)†	(7.04)†
Time Liabilities	102.24	701.21	696.47	692.71	464.80
		(16.38)†	(17.33)†	(17.94)†	(2.21)†
Borrowings from Reserve Bank	....	27.12	23.42	30.59	80.51
		(24.21)‡	(21.37)‡	(24.92)‡	(58.88)‡
Borrowings from State Bank	....	9.17	8.88	7.73	14.10
Cash in India	6.70	37.60	37.41	40.31	34.40
Balances with Reserve Bank	25.17	73.54	73.97	66.40	51.59
Excess over statutory limits	15.52	22.66	23.24	17.24	8.34
Balances with other banks in current account in India	....	11.43	11.63	12.16	9.66
Money at call and short notice in India	....	46.28	46.52	50.39	10.03
Investments (at book value)	....	432.55	433.99	433.48	361.27
Advances and bills	105.09	907.38	901.86	880.63	841.14
STATE BANK					
Deposits	87.76	394.65	391.58	366.47	262.25
Investments	51.99	183.48	184.15	173.72	106.92
Advances	30.35	192.37	187.16	174.93	164.68
Cash	14.69	32.31	30.28	24.12	18.02

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R=Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	September,		Six months, April to Sept.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	11.17	12.20	60.37	75.88
Protective	1.01	0.86	6.05	5.88
On surplus disposals	....	....	0.03	0.03
Total import duties	12.18	13.06	66.45	81.84
Export Duties	2.60	2.31	12.11	10.43
Land Customs	0.27	0.28	1.18	1.45
*Air customs.**	....	0.15	....	0.21
Miscellaneous	0.12	0.15	0.51	0.69
Gross total customs	15.17	15.95	80.20	94.60
Refunds and drawbacks	0.20	0.35	1.20	2.03
Net Customs	14.97	15.60	79.00	92.57
Gross excise	15.42	22.16	85.08	123.84
Refunds	0.21	0.26	0.95	1.78
Net Excise	15.21	21.90	85.03	122.06
Net total of customs and excise†	30.18	37.50	164.08	214.63

† Net Customs plus net Excise.
* Figures prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 7th Feb., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital—		
20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up :		
5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		5,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		393,43,68,000
Bills Payable		2,53,50,000
Bills for Collection being Bills Receivable as per contra		4,79,16,000
Acceptances, Endorsements and Other Obligations per contra		1,18,10,000
Other Liabilities (including Inter-Office Adjustments)		18,75,000
		2,24,16,000
Total	Rs.	416,62,35,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		26,21,54,000
Balances with other Banks		2,93,24,000
Money at Call and Short Notice		2,20,00,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	178,33,00,000	
Other Authorised Investments	10,13,07,000	
		183,46,07,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	175,93,66,000	
Bill Discounted and Purchased	19,82,84,000	
		195,76,50,000
Bills Receivable being Bills for Collection as per contra		1,18,10,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		18,75,000
Premises less Depreciation		1,19,60,000
Furniture and Fixtures less Depreciation		72,74,000
Other Assets (including Inter-Office Adjustments)		2,75,81,000
Total	Rs.	416,62,35,000

SMALL SAVINGS‡

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year Outstandings*	7-Year Receipts	7-Year Outstandings*	12-Year Receipts	12-Year Outstandings*	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings*	10-Year National Plan Certificates‡ Receipts	10-Year National Plan Certificates‡ Outstandings	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings @	10-Year Treasury Savings Deposit Certificates 3½%† Outstandings	4%† Receipts	4%† Outstandings	15-Year Annuity Certificates** Receipts	15-Year Annuity Certificates** Outstandings
1952-53	6,83	65	3,26	23,66	84,17	1,13,35	92,03	..	..	—$1,07	25,64	..	..	..	..
1955-56	3,76	1,98	5,48	27,19	1,44,87	1,58,11	1,67,85	9,86	16,38	—$7,66	41,25	..	..	45	95
1956-57	3,00	2,87	6,01	31,62	1,63,68	1,76,97	1,96,50	10,08	25,38	—$8,32	44,28	..	..	48	1,33
November 1956	3,23	14	5,67	2,31	1,57,64	12,70	1,86,88	76	22,75	—$8,15	43,39	..	..	3	1,19
December ,,	3,17	22	5,76	2,47	1,58,93	14,77	1,87,95	70	23,35	—$8,23	43,58	..	..	3	1,22
January 1957	3,12	21	5,79	2,76	1,59,95	13,46	1,88,09	66	24,10	—$8,54	43,89	..	..	6	1,27
February ,,	3,07	17	5,81	2,35	1,61,04	12,96	1,86,82	73	24,72	—$8,71	44,14	..	..	4	1,30
March ,,	3,00	35	6,01	4,01	1,63,68	23,55	1,96,50	78	25,38	—$8,82	44,28	..	..	4	1,32
April ,,	2,93	12	5,92	2,30	1,64,82	14,76	1,98,78	70	25,98	—$8,87	44,39	..	..	2	1,33
May ,,	2,88	12	5,84	2,18	1,65,59	14,58	1,97,56	56	26,41	—$8,93	44,51	..	..	2	1,35
June ,,	2,82	1	5,72	47	1,64,57	14,54	1,97,97	15	26,34	—$9,02	44,48	68	68	2	1,36
July ,,	2,74	2	5,61	—29	1,62,36	15,03	2,00,57	10	26,16	—$9,11	44,42	62	1,24	4	1,39
August ,,	2,68	..	5,49	—9	1,60,38	12,54	2,01,68	—22	25,61	—$9,18	44,27	52	1,76	3	1,42
September ,,	2,60	..	5,39	—2	1,58,23	14,09	2,03,17	—2	25,17	—$9,26	44,14	63	2,39	4	1,46
October ,,	2,54	..	5,26	..	1,55,82	12,51	2,02,23	..	24,81	—$9,33	44,07	42	2,81	2	1,47
November ,,	2,48	..	5,14	..	1,53,40	13,25	..	..	24,47	—$9,38	43,75	49	3,29	2	1,49
December ,,	..	..	..	..	..	..	..	..	..	..	43,89	46	3,76	2	1,50

Outstandings do not include Indian Union's share of the pre-partition liabilities; repayments, however, include those from the partition holdings of Indian investors.
‡ Issued from May 10, 1954. @ Progressive net repayments at the end of period from August 15, 1947.
** From July 1954. * At the end of period. † No sales from June 1, 1957.
¶ Issued from 1st June, 1957. *Source* : Accountant-General, Posts and Telegraphs.
‡These exclude receipts and outstandings of 12-year National Plan Savings Certificates of which receipts amount to Rs. 6,48 lakhs and outstandings to Rs. 32,82 lakhs (upto November 1957).

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 1st Feb., 1958	25th Jan., 1958	4th Jan., 1958	2nd Feb., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.2	89.2	89.1	89.8
1. Government of India	88.9	88.9	88.8	89.5
2. State Governments	96.5	96.5	96.4	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.1	90.7
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.3	97.2	99.1
1. Electricity	98.6	99.0	98.7	98.9
2. Jute	94.4	94.4	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.2	97.3	97.0	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.1	94.8	100.4
PREFERENCE SHARES	71.3	71.2	71.5	80.1
1. Electricity	83.6	83.9	83.6	88.5
2. Cotton	67.8	67.6	68.3	80.6
3. Jute	62.2	62.2	62.4	75.4
4. Coal	72.6	72.6	74.6	83.0
5. Iron and Steel	77.5	77.1	76.6	82.2
6. Sugar	71.0	71.0	70.7	81.6
7. Paper	74.2	74.2	79.6	79.7
8. Plantations	87.6	87.6	87.6	99.9
9. Miscellaneous	66.6	66.5	66.8	74.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	97.3	97.0	95.4	114.7
(a) Financial	97.3	97.2	94.9	94.8
1. Banks	100.5	100.4	97.8	96.9
2. Insurance	85.2	85.0	83.7	84.9
3. Investment Trust	73.5	73.3	73.6	83.5
(b) Public Utilities	103.4	103.6	103.2	109.9
1. Electricity	100.2	100.3	101.0	110.2
2. Shipping and other Transport	121.3	121.6	118.8	110.9
3. Railways	65.9	65.8	66.0	81.4
(c) Manufacturing Industries	100.0	99.7	97.7	122.0
1. Cotton, Woollen and Silk	96.5	96.8	94.8	127.7
2. Jute	48.7	48.2	50.1	60.6
3. Iron and Steel	124.9	122.1	114.1	132.1
4. Paper	191.3	204.4	206.4	254.0
5. Cement	140.5	138.4	134.2	166.7
6. General Engineering	142.7	141.1	140.2	178.7
7. Sugar and Breweries	96.0	94.9	90.6	100.6
8. Chemicals	130.2	130.5	125.7	138.3
(d) Non-Manufacturing Industries	109.5	108.8	107.7	141.0
1. Coal	65.7	64.8	65.1	75.2
2. Mining and Oil	149.4	146.7	144.3	200.2
3. Plantations	110.2	119.4	118.1	155.9
(e) Miscellaneous	70.3	69.8	69.4	92.3
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	88.6	88.6	88.5	89.2
2. Calcutta	89.1	89.1	89.0	89.7
3. Madras	89.4	89.3	89.2	90.0
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.3	96.1	96.0	99.4
2. Calcutta	97.5	97.8	97.4	98.6
3. Madras	97.4	97.4	97.7	99.7
PREFERENCE SHARES :				
1. Bombay	78.8	78.6	78.1	84.3
2. Calcutta	64.0	64.0	64.6	74.2
3. Madras	83.7	83.5	84.1	94.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	112.7	112.2	108.9	124.8
2. Calcutta	83.5	83.3	83.1	100.9
3. Madras	111.3	110.7	106.6	126.7
4. Delhi	115.8	115.1	110.3	124.7

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,819.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
September 1956	737	812.7	666.4
October ,,	753	824.1	670.1
November ,,	756	810.5	668.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	710.5
April ,,	770	901.4	734.5
May ,,	793	932.2	756.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Sept., 1956	Aug., 1957	Sept., 1957
General Index	122.1	133.9	146.4	141.4	144.3
Coal	111.4	114.9	111.1	115.8	129.3
Sugar*	143.0	175.1	195.4	123.8	229.1
Tea*	106.2	106.0	113.0	105.5	113.1
Cotton textiles	111.9	117.5	125.8	106.6	118.3
Jute textiles	118.9	127.3	120.9	112.7	121.6
Paper and paperboards	140.3	146.6	149.1	150.7	148.7
Matches	106.6	106.6	105.0	94.8	94.0
Cement	140.4	154.2	152.5	165.6	168.3
Iron and steel	113.3	119.4	120.6	116.7	120.4
Non-ferrous metals	123.7	124.7	117.7	149.4	153.2
Rayon	280 2	355.8	366.6	522.6	525.7

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,372,630
1955	1,166	527,767	5,697,845
1956 R	1,208	715,180	9,692,040
October 1956	133	—	822,965
November ,,	137	—	812,230
December ,,	147	—	425,404
January 1957	154	—	286,419
February ,,	154	—	265,229
March ,,	114	40,811	362,791
April ,,	106	60,258	406,470
May ,,	154	64,877	446,540
June ,,	147	95,672	718,892
July ,,	178	83,727	723,854
August ,,	163	85,255	563,941
September ,,	220	120,276(a)	806,859(a)

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	25th Jan., 1958	18th Jan., 1958	26th Jan., 1957	December 1957	December 1956	Percentage of Increase(+) or decrease(—) in Dec., 1957 as compared with Dec., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	102·2	102.5	104.5	104.9	105.1	— 1.0	106.8	99.0
Cereals	382	96	97	98	98	97	+ 1.0	102	92
Pulses	84	79	80	86	80	87	— 8.0	85	78
Fruits and Vegetables	45	94	94	110	101	111	— 9.0	117	108
Milk and Ghee	167	101	99	90	99	97	+ 2.1	104	99
Edible Oils	93	116	119	133	125	133	— 6.0	128	117
Fish, Eggs and Meat	34	99	98	93	99	104	+ 5.3	97	97
Sugar and *Gur*	95	109*	109	102*	109	101	+ 7.9	105	97
Others	100	133	133	135	133	142	— 6.3	132	125
Liquor and Tobacco	21	86.0	86.1	87.3	87.7 R	87.7	+11.4	91.8	82.3
Tobacco	—	94	95	96	97 R	86	+12.8	90	81
Fuel, Power, Light and Lubricants	30	114.2	114.4	105.8	114.9	106.8	+ 7.6	111.5	101.6
Industrial Raw Materials	155	112.7	113.4 R	121.0	115.4	119.4	— 3.4	118.1	113.2
Fibres	393	115	116	124	115	121	— 5.0	120	114
Oilseeds	388	111	113 R	126	119	124	— 4.0	122	115
Minerals	14	107*	107	108	104	104	+ 3.8	109	99
Others	205	110*	110*	108*	109	110	— 0.9	107	110
Manufactures	290	107.5	107.7	108.2	107.5	107.7	— 0.2	107.9	104.8
Intermediate Products	141	108.6	108.8	113.0	105.7	113.9	— 7.2	108.6	110.6
Finished Products	859	107.6	107.8	107.4	107.8	108.0	— 0.2	107.8	104.1
Textiles	506	106	106	109	106	110	— 3.6	108	106
Cotton	—	115	110	117	114	117	— 1.7	116	114
Jute	—	90	90	101	92	104	—10.6	98	95
Woollen	—	103	103	100	103	97	+ 6.2	102

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,314	42,904	7,427	6,602
Bajra	final	27,542	28,024	2,926	3,379
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,244	9,119	3,020	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets ..	final	12,209	12,713	2,010	1,937
Total cereals ..	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,037	2,047	1,830
Other Kharif pulses § ..	final	16,166	15,567	1,664	1,632
Rabi pulses‡ ..	final	11,443	11,703	1,794	2,038
Total pulses ..	final	57,295	57,064	11,435	10,831
Total foodgrains ..		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed ..	final	1,403	1,405	129	124
Sesamum ..	final	5,433	5,653	451	457
Rape and Mustard ..	final	6,211	6,317	1,017	848
Linseed ..	final	3,768	3,781	349	414
Total oilseeds ..	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,723	4,001
Jute A. ..	final	1,754†	1,908††	4,088†	4,288††
Meata A. ..	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,530
Sugarcane ..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry) ..	final	40	40	15	15
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	354	355
Tobacco	final	1,022	1,018	806	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57. ††Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During December, 1957 ..	92.8
	Corresponding month, 1956 ..	84.9
	Six months ended Dec., 1957 ..	522.0
	Corresponding period, 1956 ..	517.5
Stocks	At the end of Jan., 1958 ..	96.4
	Corresponding month, 1957 ..	103.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose ..	1955-56	8,57.2
	1956-57	8,52.9
	Dec., 1956	73.8
	Dec., 1957	69.0
For Internal Consumption ..	1955-56	1,90.0
	1956-57	1,79.0
	Dec., 1956	16.7
	Dec., 1957	19.1
	RAW JUTE	(In lakh bales)
Consumption by Mills† ..	December, 1957 ..	5.38
	Corresponding month, 1956 ..	4.92
	Six months ended Dec., 1957 ..	30.27
	Corresponding period, 1956 ..	30.04

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1955..	11,24,400	10,42,900	7,81,200
Do. 31st March, 1956..	11,58,900	10,62,100	7,97,300
Do. 31st March, 1957..	11,55,500	10,73,600	7,97,500
Nov.. 1956	94,700	85,800	65,100
Dec.,, ...	1,01,500	93,300	66,900
Jan.. 1957	97,400	94,300	70,500
Nov.,, ...	94,800	95,100	66,000
Dec.,, ...	95,100	100,500	74,200
Jan.. 1958	97,600	105,800	70,600
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1955..	7,15,949	5,28,240	4,59,093
Do. 31st March, 1956..	7,06,986	5,31,500	4,50,807
Do. 31st March, 1957..	6,95,156	5,32,315	4,41,483
Three months ended Dec., 1956	1,88,546	1,41,450	1,14,703
,, ,, ,, Mar., 1957	1,83,857	1,39,330	1,20,878
,, ,, ,, June, 1957	1,72,235	1,29,651	1,08,096
,, ,, ,, Sept., 1957	1,71,397	1,19,172	96,315
,, ,, ,, Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports	59,37	49,47	426,86	372,99
Re-exports	38	41	2,89	6,49
Total Exports	60,75	49,88	429,77	379,48
Imports	80,98	66,55	659,11	519,85
Overall Balance of Trade ..	—20,73	—16,67	—229,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures ..	5,12	11,55	52,27	72,77
Cotton yarns and manufactures ..	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap iron or steel for re-manufacture ..	4,69	2,27	34,78†	10,74†
Cotton, raw and waste ..	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal ..	2,43	98	17,54	19,62
Fruits and vegetables ..	1,44	1,74	12,24	12,62
Tobacco	83	2,51	10,95	8,23
Mica	71‡	68‡	5,24†	4,95†
Wool—Raw	1,06‡	76‡	7,41†	6,27†
Gums, resins and lac ..	60‡	1,01‡	5,33†	6,31†
Spices	55	70	6,06	6,60
Hides and skins, raw ..	69	25	5,38	4,02
Imports—				
Machinery of all kinds ..	17,39	13,15	144,71	97,32
Metals, Iron and steel and manufactures thereof ..	12,50	10,88	107,31	77,44
Oils—vegetable, mineral and animal ..	8,56	5,78	70,10	40,44
Cotton, raw and waste ..	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines ..	4,20	2,98	31,89	27,58
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus ..	5,21	1,44	37,75	12,96
Paper, pasteboard, etc. ..	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats) ..	4,49	4,95	45,32	41,23
Fruits and vegetables ..	1,17	19	13,39	9,10
Spices	22	31	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,64

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oilseeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	146
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957 ..	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ..	12,230	2,834	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ..	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,, ..	1,245	263	103	22	10	6	16	2	76	39	3	34	2	15
May ,, ..	2,468	522	219	43	21	13	34	4	129	77	6	69	4	26
June ,, ..	3,592	756	334	57	30	18	48	6	164	109	9	101	7	46
July ,, ..	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,, ..	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September ,, ..	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,, ..	8,056	1,824	734	107	46	34	109	13	241	263	19	261	31	120
November ,, ..	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 6th Feb., 1958 ..	72,625(J)
	Corresponding week, 1957 ..	45,410(J)
	1st Sept. to 6th Feb., 1957-58 ..	637,014*
	Corresponding period, 1956-57 ..	731,355*
Cotton Exports ..	Week ended 6th Feb., 1958 ..	9,123
	Corresponding week, 1957 ..	12,201
	1st Sept. to 6th Feb., 1957-58 ..	77,338
	Corresponding period, 1956-57 ..	125,720A.
Mill Consumption (Estimated) ..	1st Sept. to 6th Feb., 1957-58 ..	585,832A.
	Corresponding period, 1956-57 ..	567,757
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 6th Feb., 1958 ..	535,597
	Corresponding date, 1957 ..	530,682
Cottor. Exports from Bombay (by sea)	During December, 1957	8,229
	During December, 1956	30,973
	1st Sept., 57 to 31st Dec., 1957§ ..	17,497
	1st Sept., 56 to 31st Dec., 1956 ..	58,271
Karachi (Pakistan)—		
Receipts	1st Sept, to 30th Jan., 1957-58 ..	758,810
	Corresponding period, 1956-57 ..	861,331
Exports	1st Sept., to 30th Jan., 1957-58 ..	228,451
	Corresponding period, 1956-57 ..	420,754

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 31st Dec., 1957. A. —Adjusted. § Includes Zoda and Yellow Pickings, etc.
** Upto 31st Jan., 1957

Particulars	From 1st September to 10th Feb., 1957-58 Bales	From 1st September to 10th Feb., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	1,530	14,741
Continent	3,415	13,527
Hongkong	2,385	14,723
China		3,277
Japan	32,731	69,673
U.S.A.	2,578	1,209
Other Countries	691	442
Total to all foreign countries ..	43,330	117,583
Coastal Ports ..	36,515†	14,377**
Total	79,845	131,960
	Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—		
Indian	December, 1957	391,490
Foreign		51,858
Indian	Four months ended Dec., 1957 ..	1,554,180
Foreign		200,614
Indian	Same Period 1956 ..	1,525,011
Foreign		201,257
Stocks (Mills and Elsewhere)—		
Indian	As on 30th Dec., 1957 ..	825,350
Foreign		171,668
Indian	As on 30th Dec., 1956 ..	1,072,674
Foreign		176,634
Cotton Pressed in India† (in running bales)	Week ended 31st Jan., 1958 ..	1,125
	Corresponding week, 1957 ..	61,824
	1st Sept., to 31st Jan., 1957-58 ..	905,608
	Corresponding period, 1956-57 ..	1,272,621

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,39,26,000	1960-70	100.60
3 % Loan	1938-39	114,17,46,000	1965-65	93.80
2½ % Def. Loan	1949	1,16,05,83,000	1970-75	85.80
2½ % Nd V. Loan	1945	1,13,66,64,000	1960-61	99.10
3 % Loan	1951	56,35,68,000	1958	98.40
2½ % Loan	1946	46,84,07,000	1960	97.45
2½ % Loan	1946	57,09,69,000	1961	94.65
2½ % Loan	1946	14,77,48,000	1976	88.10
2½ % Loan	1947	75,84,72,000	1963	94.75
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.65
3½ % N. P. Loan	1954	1,58,17,90,000	1964	97.75
3½ % N.P. Bonds (2nd Series)	1955	1,08,67,92,000	1965	97.60
3½ % Loan	1956	57,27,36,000	1962	97.85
3½ % N. P. Bonds	1956	33,81,53,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	98.20
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1973	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice. On September, 1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½ % Loan	1928	5,85,73,000	1958-68***	100.60
STATE LOANS				
4 % Andhra	1955	6,66,15,000	1st Sept. 1967	97.35
4 % Andhra	1956	6,66,15,000	3rd Sept. 1968	97.35
3 % Bombay	1944	3,04,13,000	15th Aug. 1958	99.35
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94.15
3 % Bombay	1950	2,82,70,000	31st July 1960	97.00
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1953	5,35,90,000	15th July 1963	99.25
4 % Bombay	1953	3,45,95,000	1st Aug. 1964	99.25
4 % Bombay	1956	9,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	9,07,06,000	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,00,00,000	16th Sept. 1969	99.90
4 % Bihar	1953	1,54,02,000	1st Sept. 1967	97.15
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.15
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,00,000	1st June 1956-61	97.75
4 % Madhya Bridge (New)	1956-57	1,95,06,700	1956—66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	2,13,02,000	3rd Sept. 1968	97.25
3 % Madras	1939	1,23,95,000	21st June 1959	98.50
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.25
3 % Madras	1945	2,78,44,000	14th Sept. 1960	98.80
3½ % Madras	1946	3,81,77,800	1st Sept. 1961	93.50
3 % Madras	1950	4,38,25,400	31st July 1960	96.80
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.40
4 % Madras	1953	10,81,71,000	15th July 1963	99.25
4 % Madras	1956	13,85,56,900	3rd Sept. 1968	97.60
4 % Mysore(J)	1933	1,55,55,300	1st Dec. 1953-63	100.75
4 % Mysore(J)	1936	5,99,73,000	30th Apr. 1956-61	98.90
4 % Mysore	1953	3,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.25
4 % Mysore	1956	3,11,11,000	3rd Sept. 1968	97.25
4 % Mysore	1957	3,00,00,000	16th Sept. 1969	99.10
3 % M.P.	1944	25,09,800	15th Aug. 1958	99.20
3 % M.P.	1948	2,82,25,800	15th Sept. 1964	93.90
3 % M.P.	1950	1,01,45,000	31st July 1960	96.50
3½ % M.P.	1951	1,03,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	98.25
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	97.20
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	97.20
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
4½ % Trav. Cochin	1953	2,25,61,000	15th July 1963	98.20
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.10
2½ % U.P.E.A.	1952	41,44,790007		48.25
3 % U.P.	1938	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	96.50
2½ % U.P.	1946	2,16,39,000	1st Sept. 1961	93.65
3½ % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	3,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1953	5,65,16,000	15th July 1963	98.25
4 % U.P.	1956	2,92,54,000	1st Sept. 1967	97.50
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.50
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.00
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	97.00
4 % M. Bharat	1955	1,04,77,000	15th July 1963	98.20
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest payable	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
86,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96 00N
50,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1972	
14,35,276	4	1913*	1960	D
80,00,000	4	1913	1974	96.00N
88,25,000	4	1914	1974	96.00N
10,00,000	4	1915†	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1925*	1960	
10,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,43,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1960	
10,08,000	3½	1938*	1958	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,306	4	1914	1974	97.75
76,90,196	4	1915	1975	97.75
1,50,00,000C	3½†	1921	1951	82 00
68,02,500C	6‡	1921	1951	144.00N
1,49,30,000	5	1928	1958-68	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1955	97.50
1,50,00,000	3	1938	1958-68	90.00
50,00,000	3	1945	2005	74.60
35,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.50
50,00,000	2‡	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1979	86.25
50,00,000C	3	1950	1960	82.00
1,00,00,000	3	1950	1980	97.00
1,00,00,000†	4	1954	1966	97.00
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
STERLING LOANS				
£892,600	5	1923	1953—63	£80 00
£901,000	5	1924	1954—64	£80 25
£386,106	5½	1932	1962	£91.00
MADRAS				
Rs.				Rs.
$1,47,169	3½	1947	1977	
9,85,000	3	1947	1977	A
5,00,000C	4	1949	1979	
45,00,000C	4½	1954	1964	

IMPR. TRUST LOANS

Amount Sanctioned	Interest payable	Year of Issue	Repayable	Latest Available Quotation Rs.
Rs.		**BOMBAY**		Rs.
50 00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
40,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
40,00,000	4	1914	1974	97.50
25,00,000	4	1916	1976	N
40,00,000	5	1919	1957-79	118.00N
60,00,000	6	1920	1958-80	
25,00,000	6	1926	1956-86	118.00N
25,00,000	4	1927	1965-75	98.00N
10,00,000	3	1936	1956	
STERLING LOAN				
£866,600		1909	1969	95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				Rs.
25,00,000	5½	1929	1959	106.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1955	94.00
30,00,000	3	1936	1966	90.00
40,00,000	3	1937	1962	91.00
50,00,000	3	1938	1963—88	90.00
80,00,000	3	1952	1963	99.25
1,02,00,000	4	1956	1965	99.00
50,00,000	4½	1958	1968	99.50

MUNICIPAL LOANS

Rs.		BOMBAY		Rs.
20,60,000	4	1913-14	1974	97.00
10,00,000	5	1920	1980	113.00
25,00,000	5	1923	1953	106.00
26,21,500	5	1929	1959	106.00
8,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1947	1977	84.00
2,50,00,000	4	1951	1966	92.25
2,50,00,000	4	1952	1964	97.75
2,50,00,000	3½	1951	1966	97.75
1,30,00,000	4	1962	1968	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
Rs.		CALCUTTA		Rs.
35,00,000	5	1923	1953	106.00
25,00,000	5	1929	1958	106.00
40,00,000	5	1929	1959	106.00
33,91,000	3½	1935	1965	94.00
60,00,000	3	1938	1968	90.00
47,50,000	3	1938	1968	90.00
15,50,800	3	1940	1967	90.75
17,64,400	3½	1942	1959	96.00
21,10,000	3½	1942	1979	96.00
15,00,000	3½	1943	1973	96.00
16,32,600	3½	1951	1967	97.50
66,32,000	3½	1951	1966	97.50
67,36,000	4	1952	1965	97.25
72,50,000	4½	1954	1979	100.00
Rs.		MADRAS		Rs.
15,00,000	3½	1951	1961	107.00N
15,08 900	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,80,000	17th Sept. 1962	96.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	2,92,23,000	15th July 1963	98.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	98.00

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C. ..	5,00,000	1875	6½	Mar. Sep.	82.00	100
Carnatic Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C. ..	7,00,000	1920	7	July Apr.	5.67	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.O. ..	6,75,000	1940	7	Dec. ..	58.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58.00	100
Puriabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.37	10
Ramnugger Cane T.F.C. ..	4,00,000	1933-36	6	Aug. ..	97.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T. ..	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.B.O... ..	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90.00	100
Burrakur (1st) T.F.C... ..	22,99,800	1901-19	7	Apr. Oct.	100.00	100
Do. (2nd) T.C.	4,50,000	1946	7	.. ..	6.50	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	89.00	100‡
Karanpura Collieries T.C. ..	9,89,500	1946	5½	.. ..	48.00	75p.
††Khas Kajora C.	1,23,000	1931	5	Mar. Sept.	3.00N	10
New Beerbhoom T.F.C. ..	2,00,000	1920	7	Jan. July	10.00	10
Ondal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	5	Apr. Oct.	93.00	100
Bangalore C.T.F.	6,00,000	1934	6	Jan. July	117.00	100
Basan

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. H. = Accounts published half-yearly. P. = Company has Preference shares. T. = Company has Debentures N. = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :— If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
56,09,000	5,37,540	1,81,25,506	44,08,248	4,86,856	Rajputana Text. (Agencies) Pvt. Ltd.	56,496	996	Apollo Mills	1.93	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,36,53,007	72,28,655	—6,97,129	M.	51,824	1,021	B. K. Cotton Mills	24.50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,00,000	3,13,96,951	5,99,22,945	3,51,00,992	2,41,966	Nowrosjee Wadia & Sons, Ltd.	2,23,552	3,984	Bombay Dyeing & Mfg. Z	50.50	100	*Nil*	*Nil*	*Nil*		12	Y.
10,00,000	48,85,240	64,14,309	42,32,576	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	155.00	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,42,500	2,25,31,209	6,06,66,976	2,32,91,693	7,51,781	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg. ..	387.50	100	22.00	22.00	22.00	8.00‡	12	Y.
49,00,000	25,42,326	1,19,99,766	65,07,036	—38,06,097	V. J. Pilani (Chairman and Managing Director) ..	40,668	698	Colaba Land & Mill ..	56.00	100	*Nil*	*Nil*			12	Y.
26,00,000	13,08,350	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	24,848	..	Coorla Spg. & Wvg. ..	122.50	100	7.50	7.50	12.50*		3	Y.
16,09,000	24,86,596	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	40,992	680	Dawn Mills	50.50	50	6.00	15.00			12	Y.
24,00,000	40,06,486	1,18,54,400	62,28,676	2,28,479	Puranmal Bubna Sons ..	48,718	928	Edward Textiles	220.00	200	15.00	18.00	15.00		12	Y.P.
39,99,060	18,71,233	1,20,97,050	78,22,600	85,787	M.	42,124	886	Elphinstone Spg. & Wvg.	48.00	50	3.00	5.00	15.00		12	Y.
50,00,000	57,54,875	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd. ..	49,528	784	Finlay Mills	260.00	100	16.00	20.00	20.00		12	Y.
50,00,000	48,96,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	40,540	1,020	Gold Mohur Mills Ltd. ..	171.50	100	12.50	15.00	15.00		12	Y.
11,84,000 / 19,000	1,81,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills.	4,550.00 / 992.50 / 9.20	1,000 / 250 / 0 100.	225.00 / 56.25 / *Nil*	300.00 / 75.00 / 0.94	325.00 / 81.25 / 0.92	350.00* / 87.50* /	3 / 12	Y.P.
2,50,00,000	56,39,872	4,90,61,319	3,54,00,000	1,29,989	Agarwal & Co.	2,44,300	6,278	India United Mills ..	3.65	10	1D.	*Nil*	0.19	0.19	12	Y.
3,65,000 / 25,000	1,12,51,255	1,00,59,952	1,06,65,998	75,722	M.	47,984	1,122	Indian Mfg.	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
50,35,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd...	99,844	1,487	Khatau Makanji Spg. & Wvg...	148.75	500	112.50	150.00	150.00	162.50*	3	Y.P.
1,00,00,000	1,22,00,000	3,59,04,691	2,78,94,101	1,62,802	Killick Industries Ltd. ..	1,20,604	1,846	Kohinoor Mills	265.00	100	12.25	12.00	10.00	10.00(c)	6	Y.
32,18,000	43,06,720	1,25,06,423	64,58,440	55,109	K. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	185.00	100	18.00	18.00	18.00	6.00‡	12	Y.P.
51,75,000	36,44,812	2,54,74,825	1,83,16,328	28,520	Piramal Sons Private Ltd. ..	71,652	1,652	Morarjee Goculdas Spg. & Wvg.	70.00N	50	5.00	8.00*	8.00*		10	Y.P.
1,50,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,084	Chinai & Co. Private Ltd. ..	..	..	National Rayon Corporation	203.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
24,00,000	29,50,456	78,05,743	48,70,077	63,192	W. H. Brady & Co., Ltd. ..	45,944	482	New City of Bombay Mfg.	216.75	100	10.00	12.00	14.00*		12	Y.
30,00,000	22,01,492	95,52,584	63,37,085	245	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	125.00	100	10.00	10.00	10.00		12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	218.00	100	7.50	10.00	10.00		12	Y.
40,00,000	45,44,554	48,69,967	24,32,900	4,72,683	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	120.00	100	8.00	10.00		12.50F	12	Y.
10,00,000	1,78,222	24,10,104	19,80,783	....	M.	1,440	..	Sassoon & Alliance Silk Mill	145.00	100	10.00	12.00*	12.00*		12	Y.
37,70,100	1,18,54,705	1,98,85,588	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg. ..	6.52	10	0.50	0.50	0.25(c)		12	Y.
80,00,000	45,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Ltd.	69,070	1,640	Shree Niwas Cotton Mills	30.00	10	1.75	2.00	2.00		12	Y.
42,00,000	38,02,179	96,78,309	78,68,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	141.00	100	14.00	12.00	12.00		12	Y.
87,80,000	2,50,32,705	2,77,88,979	1,62,08,915	2,98,050	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	158.00	50	11.00	10.00	12.00		3	Y.
1,00,00,000	98,06,485	2,51,02,081	1,33,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	402.00	100	20.00	20.00	22.50*		12	Y.P.
30,00,000	48,13,465	1,37,20,469	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	39,328	552	Swan Mills	160.00	100	8.00	12.00	14.00*		12	Y.
68,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	65,448	1,800	Tata Mills	324.50	100	20.00	25.00	25.00		12	Y.T.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93,985	M.	45,508	1,308	Western India Spg. & Mfg.	38.75	25	2.50	4.00	3.50*	325.00*	3	Y.P.
AHMEDABAD																
40,00,000	31,31,987	1,75,25,824	68,66,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills	110.00	100	5.00	7.00	12.00	5.00	6	Y.P
10,00,000	24,32,068	94,37,598	76,10,164	27,228	P. M. Mathesing & Co., Ltd.	42,768	912	Arvna Mills	550.00	100	20.00	30.00	....		12	Y.I
40,00,000	2,97,83,561	1,95,82,179	97,29,203	15,274	Narottam Lalbhai & Co. ..	66,412	1,216	Arvind Mills	1,150.00	100	25.00	35.00*	35.00*		12	Y.I
20,00,000	81,75,000	96,34,884	72,25,000	2,46,389	Maneaklas & Bros., Ltd. ..	35,834	892	Arvodaya Ginning & Mfg.	420.00	200	15.00	25.00*			12	Y.I
12,00,000	1,43,05,808	95,70,783	63,81,739	17,257	Lalbhai Dalpatbhai & Co. ..	37,358	914	Asoka Mills	935.00	100	70.00	80.00	100.00*		12	Y.I
1,37,50,000	3,49,84,519	5,14,99,792	2,56,08,236	1,15,338	Kasturbhai Premchand Pvt. Ltd.	1,39,120	2,372	Calico	549.50	125	18.00	30.00	30.00	30.00	3	Y.I
68,91,000	32,38,059	1,26,33,243	95,76,068	3,488	Trisumlal Bhoglial & Co., Ltd. ..	45,836	866	New Commercial Mills ..	433.00	1,000	70.00	80.00	100.00*	80.00	3	Y.I
89,00,000	72,52,486	1,82,09,232	96,26,962	19,221	Mafatlal Chandula & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	692.00	125	35.00	35.00	....		12	Y
15,00,000	67,78,770	57,78,441	32,49,912	21,803	Jagabhai Bhoglial Nanavaty & Co., Ltd. ..	25,560	572	Nutan Mills	360.00	100	30.00*	20.00	20.00		12	Y.I
90,00,000	1,10,62,006	99,61,103	62,28,955	1,77,072	Lalbhai Dalpatbhai & Co. ..	32,828	636	Raipur Mfg.	737.50	100	25.00	35.00*	35.00*		12	Y.I
32,50,000	14,78,207	1,07,01,469	71,42,808	17,34,749	Lalbhai Jordhandas Ltd. ..	33,156	648	Rohit Mills	737.50	100	25.00	35.00*			12	Y.I
57,96,800	2,75,84,156	1,91,47,883	1,06,08,236	2,82,336	Hasmukhbhai Kalidas & Co.	94,128	1,733	Shri Ambica Mills ..	591.51	50	20.00	27.00*	30.00*		12	Y.I
19,52,500	63,31,263	78,08,018	66,84,701	15,592	Mafatlal Chandula & Co. (Ahmedabad). Ltd. ..	38,648	720	Shorrock Spg. & Mfg. ..	452.50	100	25.00*	25.00	....		12	Y.I
35,00,000	37,84,105	1,19,54,140	83,17,270	59,446	Haridas Ashratlal & Co., Ltd. ..	36,176	780	Vijaya Mills	600.00	500	25.00*	35.00*	50.50*		12	Y.I
WEST BENGAL																
15,00,000	2,82,800	25,86,098	2,89,703	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	5.56	10	0.50	0.50	0.50		12	Y.P.
7,11,250 / 3,00,520‡	10,06,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director) ..	33,292	925	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.I
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills ..	112.00	100	*Nil*	*Nil*	*Nil*		12	Y.I
19,06,000	26,17,431	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd. ..	42,944	518	Dunbar Mills	125.00	100	2.50	2.50	6.00		12	Y.
30,08,000	....	69,05,197	15,03,197	2,682	Birla Brothers Private Ltd. ..	4,852	206	Jay Shree Textiles Ltd.	6.12	10	*Nil*	*Nil*	6.00		12	Y.I
1,80,00,000	2,29,43,820	2,74,19,883	1,31,26,883	1,88,672	Birla Brothers Private Ltd.	74,672	1,952	Keoria Cotton Mills ..	10.06	10	0.87	0.87	1.00		3	Y
19,47,7000 / 5,00,000D	7,45,000	4 84,871	26 70,548	9,036	Hazareemul Heerala ..	23,036	795	Rampooria Cotton Mills ..	15.06N / 4.60N	10 / 1D	0.62 / *Nil*	1.00 / 0.34	1.00 / 0.26		6	Y
SOUTH INDIA AND OTHER CENTRES																
1,86,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd. ..	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,681	1,85,99,928	62,71,682	95,435	C. S. Tyabjee, Esq. ..	36,136	716	Asian Jahi Mills	55.00	100	*Nil*	3.50(c)	5.00		9	Y.
1,21,50,000	2,50,15,667	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,068	1,157	Bangalore Woollen, Cotton and Silk Mills ..	174.00	100	30.00	30.00	30.00	4.00‡	12	Y.I
85,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,086	Birla Cotton Spg. & Wvg., Delhi	81.00N	10	8.00	3.00	1.50	1.50	3	Y.I
1,78,47,800	2,77,73,213	6,69,41,816	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic ..	158.50	100	10.00	10.00	10.00	4.00‡	12	Y.I
20,00,000	20,00,000	42,33,535	23,99,012	53,534	Peirce, Leslie & Co., Ltd. ..	37,536	4	Cambodia Mills	9.90	10	*Nil*	0.50	0.50		12	Y.P.
15,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq. ..	20,600	..	Cannanore Spg. & Wvg. ..	158.50	100	20.00	12.00	15.00	20.00	3	Y.I
80,00,000	32,85,551	7,25,49,496	5,56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.37	5	0.50	*Nil*	0.25	0.25	3	Y.I
9,37,470	5,00,000	58,16,220	21,85,420	96,559	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12.10	10	*Nil*	0.62	0.75	0.90	3	Y.
86,00,000	19,01,056	41,97,634	30,65,709	10,889	B. Sheema Naidu & Co. ..	28,864	..	Coimbatore Cotton Mills ..	162.00	100	25.00	25.00	25.00		12	Y.I
18,15,000	7,25,196	39,16,552	24,29,633	....	T. A. R. Chettiar Sons & Co. ..	22,810	..	Coimbatore Murugan Mills ..	141.00	100	17.50	25.00	25.00		12	Y.I
20,00,000	19,95,000	36,59,430	24,25,921	14,323	T. N. Naidu & Co.	27,226	..	Coimbatore Oilcmeer Mills ..	237.00	100	20.00	20.00	12.00		6	Y.
20,76,900	2,05,076	1,24,06,576	88,06,979	10,415	R. G. S. Naidu & Co. ..	72,832	407	Coimbatore Spg. & Wvg. ..	97.75	50	6.00	8.00	10.00		12	Y.
46,87,500	27,24,735	2,42,10,703	1,54,86,354	....	Tata Industries Private Ltd.	67,452	1,620	Central India	82.00	100	6.00	8.00	10.00		12	Y.
24,43,911	15,50,000	92,30,552	40,27,014	15,780	R. Hanumanthappa & Son	25,216	..	Davangere Cotton Mills ..	115.00	100	12.00	8.00	*Nil*	*Nil*	3	Y.
8,88,36,125	3,10,24,880	11,79,09,468	6,78,07,135	2,77,593	B. E. Charat Ram Co. Private Ltd.	1,41,180	2,858	Delhi Cloth & General Mills	29.00	100	12.00	9.00	9.00	9.00	3	Y.
1,00,563										25	2.25	2.25	2.50	2.00‡	6	Y.P.
48,69,600	22,25,000	66,71,365	45,12,588	....	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills ..	205.00	34	0.25	0.22	0.25	0.20	12	Y.
65,00,000	32,47,056	1,84,27,056	1,25,57,948	78,754	Begg, Sutherland & Co. Private Ltd.	45,452	1,196	Elgin Mills	185.00	100	30.00	30.00	25.00		12	Y.I
48,81,000	37,59,771	1,06,45,241	73,45,088	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	13.00	10	1.00	1.00	1.25		3	Y.
2,50,00,000	2,25,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..	....	..	Gwalior Rayon	158.00	100	18.00	15.00	13.00		12	Y.I
50,00,000	21,27,574	1,48,10,139	1,16,30,184	6,716	K. L. Saksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United ..	11.64	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
5,00,000	10,65,583	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd. ..	23,734	..	Janardhana Mills	116.00	100	6.00	9.00	11.00		12	Y.
15,54,000	18,24,703	45,22,234	33,88,095	7,012	Mr. Bhairuratan Damani (Managing Director) ..	20,212	512	Jam Shri Ranjitsinghji	80.00	50	5.00	10.00	10.00		12	Y.
4,53,65,300	3,24,06,304	4,34,59,294	3,18,54,080	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,680	Jiyajeerao Cotton ..	1,450.00	1,000	20.00	50.00	60.00		6	Y.
42,00,000	19,25,000	1,05,81,567	88,28,076	91,772	Kothari & Sons	41,040	300	Kothari Textiles	9.60	10	4.00‡	4.00‡	0.55	0.35	3	Y.
82,00,000	67,91,510	1,69,61,585	1,26,19,465	20,376	M.	50,452	1,219	Lakhshmi Cotton Mfg. ..	10.10	10	0.50	1.00	1.00	1.00	6	Y.P.
71,28,200	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co. ..	93,160	201	Lakshmi Mills	423.75	250	38.75	42.50	42.50	7.50‡	12	Y.P.
35,54,100									113.00	50	10.00	12.50	15.00	10.00	3	Y.
1,75,02,480	4,24,40,278	5,88,51,924	3,77,47,982	33,44,180	A. & F. Harvey Ltd. ..	4,58,000	..	Madura Mills	56.00	25	5.00	6.25	6.25	5.00	9	Y.
12,00,000	3,67,368	29,03,852	18,76,700	213	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg. ..	24.50cd	10	3.00	3.00	2.62		12	Y.
60,00,000	69,14,000	65,94,181	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,556	503	Mettur Industries Ltd. ..	99.00	200	*Nil*	*Nil*	*Nil*		12	Y.
29,80,884	19,55,081	92,42,488	53,37,725	19,662	N. Sirur & Co. Private Ltd.	39,896	704	Minerva Mills	365.00	100	22.50*	35.00	42.50	20.00	3	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85,008	M.	52,408	952	Model Mills (Nagpur) ..	176.25	250	5.00(c)	6.00	6.00		12	Y.
24,88,500	48,52,478	1,13,48,711	71,02,473	35,937	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg. ..	99.50	250	5.00(c)	7.50(c)	7.50		6	Y.
13,61,780	....	29,12,641	17,33,314	2,966	K. Tipperudiah (Chairman)	6,000	..	Mysore Sugar Mills ..	6.25N	50	8.00*	12.50(c)	7.50	9.00*	3	Y.
37,20,400	47,50,246	1,71,25,376	67,91,363	2,593	M.	87,788	902	Osmanshahi Mills	51.50	10	*Nil*	*Nil*	*Nil*		9	Y.
4,00,000A / 5,00,000B	18,00,000	65,46,779	25,36,447	8,580	Bhaghyalakshmi & Co. ..	41,200	..	Palani Andavar Mills ..	185.00	50A	12.00	12.00	15.00		12	Y.I
15,00,000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd. ..	197.50	75B	18.00	18.00	25.00		12	Y.
16,81,200A / 8,40,600B	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	55,664	300	Radhakrishna Mills ..	45.50	100	*Nil*	4.00(c)	*Nil*		12	Y.
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons ..	33,896	..	Rajalakshmi Mills ..	244.00	100A	16.00	20.00	20.00		12	Y.
16,14,300	12,00,000	32,92,216	17,41,434	10,510	Ramco Agencies Ltd. ..	24,996	..	Rajapalayam Mills ..	120.00	50B	8.00	10.00	10.00		12	Y.
22,31,750	12,40,000	49,64,423	21,20,815	32,012	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills ..	78.00	50	10.00	10.00	10.00		12	Y.
15,00,000	1,60,55,917	3,13,49,081	2,05,07,227	—1,65,20,798	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	136.50	100	6.00	10.00	10.00		3	Y.
10,000									640.00	1,000	9.00	10.00	10.00		12	Y.I
86,69,700	20,26,385	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq. ..	80,744	292	Sri Krishnarajendra Mills	——	500	*Nil*	*Nil*	*Nil*		9	Y.
15,00,000	3,48,80,155	99,62,153	79,53,780	30,60,553	Birla Brothers Private Ltd.	86,212	1,244	Sutlej Cotton Mills ..	83.00	50	4.50	5.00	7.00	7.00	3	Y.
17,50,0000 / 1,57,50,000PO	2,36,28,081	5,13,52,120	1,81,33,924	3,35,712	Jaipuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur)	80.00N	10	6.00	6.00	6.00		3	Y.I
1,00,06,206	50,06,584	3,85,56,288	1,62,42,715	2,33,690	Emcete & Sons (Travancore), Ltd.	....	..	Travancore Rayons ..	10.50	10	0.75	0.75	0.75		3	Y.I
18,98,670	9,50,000	17,49,881	12,41,858	62,837	Mooljl Ramjee & Sons ..	18,000	..	Trichinopoly Mills ..	10.25	10P.O.	1.15	1.15	1.15		12	Y.P.
21,00,000	38,50,000	90,72,634	47,22,519	44,000	R. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	12.10	10	0.62	0.75	1.00		12	Y.
82,00,000	31,89,000	1,74,27,020	1,17,94,860	15,922	M.	47,240	1,355	Vishnu Cotton	270.00	100	15.00	20.00	20.00		12	Y.I
									97.50	100	4.00	8.00	8.00		12	Y

* Includes bonus. M = Managed by Board of Directors. X.R. = Ex-Right. (c) Paid out of Reserves. F = For fifteen months ended 31st March, 195

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z = Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 195

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari ..	7.88	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	33,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.25	5	0.50	0.56	0.56		8	Y.
£549,950	£1,13,466	£1,757,923	£841,807	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	29.12	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,85,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	178.00	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd. ..	Andhra Cement Co.	12.10	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6000. / 14,70,976D.	13,13,132	1,14,65,792	53,48,079	4,59,343	Eastern Corporation Ltd. ..	Assam Bengal Cement	3.94 / 0.95	O. 10 / D. 1	*Nil*	*Nil*			3	Y.P.T.
12,71,30,070 / 3,07,44,576	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd. ..	Associated Cement Companies	154.25	100	8.50	10.00	10.00	9.00	7	Y.T.
1,66,00,000o. / 5,00,000D.	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd. ..	Dalmia Cement (Bharat)	10.15 / 2.87	O. 10 / D. 1	1.00 / 0.10	1.25 / 0.12	1.25 / 0.12		12	Y.P.
1,02,09,4500. / 7,60,0000D.	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	28.50 / 6.45	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	25,91,841	2,12,38,408	1,86,78,314	4,805	M.	Bengal Paper Mills	58.00	25	3.12	4.69	2.50		12	Y.P.
83,00,000	63,91,258	1,24,92,173	33,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp ‡‡	19.37	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,48,27,689	77,57,046	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15.50	10	0.75*	0.75*	1.00*	1.00*	3	Y.P.
1,46,82,500	2,46,75,045	6,04,16,697	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	24.25	10	0.94	1.12	0.62	1.50	3	H.P.
1,35,49,070	67,75,503	1,56,40,302	1,00,79,701	3,18,088	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14.06	10	1.50	1.25	1.25		6,12	
40,00,000	6,50,000	95,83,644	61,01,026	13,795	Bajoria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05		3,9	H.P.
20,00,000A.							11.00	A. 10	0.75	1.25	1.05		6	Y.I
2,18,55,240	49,18,050	3,75,66,264	57,02,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	8.80	10	Nil	5.00‡	0.50			
56,00,000A.							34.00	A. 10	1.50	2.00*	1.12*	2.37*	3	Y.I
56,14,800B.	3,70,50,474	6,78,46,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	34.00	B. 10	1.50	2.00*	1.12*	2.37*		
4,37,800P.O.							3.90	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
8,00,000	3,26,672	13,981	13,858	28,272	Andrew Yule & Co., Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co., Ltd.‡	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,7800.	7,30,842	48,74,650	23,83,280	96,047	M/s	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60		9	Y.I
2,00,000D.							2.15N	D. 1	Nil	Nil	0.05			
94,00,000	25,32,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.50	100	4.00	3.00	Nil	Nil	4	Y.I
SAW MILLS AND TIMBER														
13,99,998	22,83,439	32,33,742	11,06,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.81	3	Nil	Nil	Nil		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	537.50	Old125	20.00	37.50	40.00	40.00	5	Y.
							200.50	New50	8.00	15.00	13.75	16.00		
42,00,000							42.00xd	10	2.75	3.00	3.00	1.00‡	9	
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products								
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Bairampur Sugar	6.25	5	0.75	0.06	Nil		6	Y.
180,00,000A.	29,80,260	85,40,851	36,52,435	12,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		4	Y.I
3,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,25,000	33,76,107	25,31,569	72,486	Dangur Bros., Ltd.	Belsund Sugar	9.87	7½	0.75	0.75	1.00		9	Y.I
15,00,000	13,51,513	14,12,168	12,47,841	2,380	Cotton Agents Private Ltd.	Bharat Sugar	13.50N	10	1.50	1.50	1.50		6	Y.
32,00,000	27,44,459	1,40,84,581	95,71,755	20,716	Gladstone Lyall & Co., Ltd.	Carew & Co.	6.19	10	0.75	0.25	Nil		6	Y.P.
32,00,000	65,63,722	1,63,27,398	86,27,852	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	11.62	10	0.75	0.75	0.75		10	Y.
16,00,000	39,72,380	81,58,085	55,46,244	29,508	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.00	10	1.00	1.50	1.00		6	Y.I
9,58,252	2,59,765	25,14,152	16,98,382	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	
80,00,000A.	44,95,000	1,02,71,005	67,56,074	32,123	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills ..	275.00	A. 100	15.00*	15.00*	15.00		6	Y.I
10,00,000O.							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulaidas Kilachand (Chairman) ..	Kesar Sugar	59.00	40	Nil	2.25	4.00	7.00	7	Y.I
7,89,100	22,50,285	48,69,610	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills ..	26.00	10	2.50	2.50	2.50	2.50	6	Y.I
11,90,000	4,45,000	46,39,636	27,41,293	10,796	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37		5	Y.
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill ..	200.00N	100	20.00	20.00	20.00	20.00	6	Y.
38,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd.	Oudh Sugar	136.25	100	11.00	15.00	12.50	12.50	7	Y.
12,00,000	12,99,374	31,95,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	6.00	10		10	Y.I
9,00,000	19,64,817	45,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puriabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.I
8,00,000	6,10,793	28,74,028	22,66,790	13,204	M.	Ryam Sugar	21.25N	10	0.50	Nil	Nil		6	Y.
11,99,000	19,38,520	48,20,102	24,12,129	3,554	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	11.75	10	0.50	Nil	1.75		6	Y.P.
32,70,525	22,68,560	1,40,84,561	68,35,007	16,581	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.00	10	1.50	1.75	1.00		8	
9,99,950	26,825	28,20,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	4.75	10	Nil	Nil	Nil		6	Y.
15,89,962	13,10,901	33,44,287	18,97,008	58,761	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.I
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.	South Behar Sugar	1.12N	O. 10	Nil	Nil			10	Y.P.
4,40,000D.							0.31N	D. 2½	Nil	Nil				
8,00,000	34,74,348	1,27,30,247	80,57,754	9,063	Cotton Agents Private Ltd.	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.I
16,00,000	7,66,589	33,17,959	27,09,205	32,042	M.	United Provinces Sugar ..	13.12	10	1.25	1.50	0.60		9	Y.
Other Centres														
80,00,000	8,00,000	48,07,304	14,63,228	1,90,837	Rangaroo & Co.	Andhra Sugars Ltd.	17.75xd	10	Nil	0.60	1.00		9	Y
70,49,650	1,18,43,608	1,50,47,792	1,08,77,187	3,00,362	W. H. Brady & Co., Ltd.	Belapur Company	236.50	50	16.00	16.00	16.00	18.00	9	Y.I
37,50,000	8,86,885	35,66,598	22,70,049	33,699	A. H. Bhiwandiwalla & Co.	Bhopal Sugar Industries Ltd.	21.00	10	1.00	1.00	1.50		9	Y.
15,00,000	37,08,165	66,89,314	33,84,398	33,544	A. H. Bhiwandiwalla & Co.	Shree Changdeo Sugar	26.25	12-5	1.00	2.00	5.00		6	Y.
15,93,900	12,63,978	40,71,811	23,54,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	76.00N	100	Nil	Nil	6.00		6	Y.
25,94,920	14,89,837	83,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar & Refineries ..	13.00	10	1.75	1.40	1.12		9	Y.
20,62,558	12,13,785	66,34,173	31,11,508	32,599	E. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	12.19	10	1.00	1.00	0.60		6	Y.
33,57,820	45,51,080	42,51,227	21,95,827	18,645	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	12.19	10	1.00	1.50			10	
10,52,2000.	79,50,000	1,79,08,447	85,20,265	26,868	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	120.00	O.100	15.00	15.00	7.50		9	Y.I
2,87,190D.							180.00	D. 10	10.00	10.00	10.00			
21,79,280	86,24,818	1,29,89,142	82,31,728	2,68,107	S. Muninanjappa, Esq. (Mg. Director)	Mysore Sugar	37.50	10	2.00	2.00	2.00		6	
60,00,000	53,21,430	1,16,88,154	67,30,451	1,47,239	Matatial, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	147.25	50	8.00	8.00	9.00	12.00*	6	
16,59,820	41,20,000	58,54,984	31,76,680	1,25,739	Anderson Wright Ltd.	Rammuggur, Cane and Sugar ..	18.94	10	1.50	2.00	2.00		6	
20,00,0000.	85,02,905	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	130.00	O. 50	2.50	9.00	12.00		9	Y.P
4,00,000D.							7.00N	D. 10	Nil	0.07	0.70			
19,99,600	47,65,324	46,85,218	22,94,524	44,168	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	17.25	10	0.75	1.50	1.00	1.00	10	Y
80,00,000	23,40,000	82,10,829	24,74,679	77,353	Parry Co., Ltd.	Travancore Sugars	9.95	10	Nil	0.75	1.00	1.00	7	Y
1,01,00,000	1,09,46,268	2,28,80,053	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	276.25	100	16.00	18.00	21.00		9	Y.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	16,29,251	1,10,020	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		12	Y.I
1,00,00,000	62,00,000	4,21,63,842	1,45,20,689	1,26,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	
90,00,000	1,42,85,068	4,00,84,345	86,21,845	1,83,530	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co.	19.72	10	1.00	Nil	1.00	1.50	6	Y.I
£655,550	£997,739	£5,665,834	£3,428,068	—£106,393	Kilburn & Co. Private Ltd.	India General Navigation & Rly. Co.	37.00	£10	Sh. 10	Sh. 10	Nil		12	
$25,00,000	1,74,74,122	13,78,96,545	2,68,26,759	2,10,954	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.84	10	1.00	1.00	1.00	1.00	12	
9,40,19,673	10,85,51,342	27,06,48,271	5,76,99,812	6,84,102	M.	Scindia Steam Navigation Co.	17.36	20	0.50	0.50	1.00	1.25	6	Y
8,40,800O.							1.78	O. 1	0.12	0.14	0.14		12	
2,10,300P.O.	18,26,618	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager)	Walford Transport Ltd.	1.50	F.O. 1	0.11	0.12	0.13		12	
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,500	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	
15,98,850	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	20	4.50	Nil			12	
25,00,000	1,00,000	26,18,5448§§		58,5899	M.	Devkaran Nanji Investment Co.	11.52	25	0.75	0.75	0.81	0.81	3	
5,57,00,000	1,03,93,754	4,55,59,017	1,08,65,562	94,16,738	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	19.72	10			1.25		12	
31,07,000	16,39,519	1,09,45,989	67,14,407	14,986	Birla Brothers Private Ltd.	Hind Cycles	121.00	100	10.00	10.00		12.50‡.	12	
14,98,640	9,01,500	28,61,284	19,40,798	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	36.50	50	3.00	2.00	3.00		8	
99,99,250	20,12,980	1,32,60,062§§		2,23,875	Premchand Roychand & Sons	Investment Trust	71.00	100	4.50	4.50	5.00		12	
1,00,00,000	28,08,446	88,85,170	11,25,784	2,748	K. G. Milne, Esq. (Mg. Director)	Killick Industries	154.00	100	11.00	11.00	11.00	11.00	6	
12,00,000	23,06,245	43,14,265	3,42,78,324	6,31,752	Aero-Auto Private Ltd.	Premier Automobiles	85.50	100	Nil	Nil	6.00	6.00	6	
20,25,325A.O.	63,14,265	8,09,102	5,79,614	7,356	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00		12	
10,21,200	3,05,419	8,09,102	5,79,614	7,356	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	170.25	100	11.00*	11.00*	11.00*	11.00*	12	
2,75,00,000	1,35,45,829	3,14,54,161	1,59,08,876	5,02,288	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	150	20.00	20.00	22.50		12	
48,00,000	62,52,890	7,44,004	3,09,715	60,077										
Other Centres														
37,50,000	1,99,86,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	10.00	O. 10	Nil	Nil	Nil	0.90	3	
2,50,000							4.75N	D. 2½	Nil	Nil	Nil	Nil		
40,00,000	32,25,000	68,17,870	28,12,985	66,589	Seshasayee Bros. (Trav.) Pvt. Ltd. ..	Aluminium Industries Ltd. ..	12.65	10	1.25	1.25*	1.25	1.25	3	
30,00,000	36,30,717	34,97,377	23,60,332	3,61,289	Turner Morrison & Co. Private Ltd. ..	Angelo Bros., Ltd.	18.37	10	1.25	2.00*	2.00*	1.50*	6	
20,00,000	19,70,000	39,82,721	21,20,441	1,75,878	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	35.31	10	1.25*	1.25*	1.25*		12	
20,00,000	32,47,883	1,02,58,021	36,87,880	2,45,122	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	4.50	10	0.20	0.40	1.30		3	
20,01,400	98,61,202	69,52,106	37,02,106	5,03,375	M.	Balmer Lawrie & Co., Ltd. ..	146.00	100	12.50	12.50	15.00		12	
12,00,000	13,56,000	33,30,356	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	27.25	10	2.50	2.25	2.50		12	
20,00,000	5,05,715	62,28,402§§		37,612	Lovelock & Lewis	Birds Investment Ltd.	12.69	10	1.25	1.25	1.00		9	
30,00,000	54,61,514	1,14,81,095	37,07,455	1,84,688	K. Jullian Scott, Esq. (Mg. Director)	Britannia Biscuits	12.50	10	1.00	1.00	1.00	1.00	3	
45,97,020	2,25,00,000	1,55,55,571	3,00,98,577	2,33,80,121	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.88	5	Nil	Nil	0.10		12	
1,83,80,000	17,24,264	2,05,95,940§§		8,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.87	10	0.20	0.56	0.75	0.75	3	
1,00,00,000	3,40,56,174	3,55,01,695	2,48,71,167	13,24,505	John Lockhart, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	21.75	10	1.50	1.50	1.50		12	
51,26,000	54,81,635	1,64,12,908§§		2,47,744	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	103.00	100	9.00	9.00	9.00	9.00	12	
14,00,000	9,85,000	38,23,164	19,09,339	84,584	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	120.50	100	15.00	15.00	4.00	12.50	3	
65,00,000	33,17,300	19,73,013	9,16,963	89,541	Gillanders Arbuthnot & Co., Ltd.	Gillanders Arbuthnot & Co., Ltd.	12.81	10	0.75	1.40	1.00		6	
30,00,000	15,17,354	88,06,821	36,24,688	74,215	B. P. E. Syndicate	Great Eastern Hotel	240.00	250	6.25	6.25	15.00	15.00	3	
4,98,05,700	10,00,000	4,87,25,977	1,61,88,541	7,92,003	Birla Brothers Private Ltd.	Hindustan Motors	6.08	10	Nil	Nil	Nil	Nil	3	
2,01,10,000	66,56,548	3,08,46,368	1,96,64,142	7,97,410	B. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd. ..	12.44	10	Nil	0.90	1.00		12	
12,82,22,220	1,46,00,000	2,26,86,031	86,85,093	41,81,855	B. J. Woodley, Esq. (Mg. Director) ..	Indian Cables	29.00	10	1.00*	1.25*	1.50*		3	
8,27,978	6,03,000	16,74,906	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	19.00N	10	0.50	0.50	0.62		3	
15,18,00,000	24,02,01,604	9,85,79,203	1,03,22,593	25,04,150	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.40	10	0.60	0.80	0.80	0.70	3	
2,00,00,000	70,27,615	89,02,397	12,08,982	4,71,170	J. D. K. Brown, Esq. (Mg. Director) ..	Jardine Henderson	54.25	100	7.50	7.50	7.50	2.50	3	
40,00,0000.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	O.100	17.00	22.50	8.00		12	
5,00,000D.							2.00	D.O.10	1.20	1.75	0.80			
1,45,23,500	90,58,531	25,54,434	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	25.31	10	1.25	1.81*	2.12*	2.12*	9	
1,15,00,000	1,17,00,151	2,62,36,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	25.31	10	1.00	1.81	1.25	1.75	3	
5,35,585	1,821	7,68,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3.75N	10	Nil	Nil	Nil		6	
6,56,250	6,92,500	11,29,650	5,97,362	8,940	M. J. L. D'Sa (Chairman)	Mysore Lamp Works	12.25	10	1.00	0.75	0.90	1.25	3	
10,00,000	3,70,000	19,47,599	10,15,129	48,554	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco	13.00	10	1.25	1.00	1.50	1.50	3	
2,00,00,000	78,15,505	1,50,98,462	50,60,695	21,19,752	J. E. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24.12	10	0.40	0.82	1.50	0.75‡	12	
40,00,000	74,71,172	62,80,914	41,32,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	23.75	10	1.00	1.50*			3	
40,00,000	15,00,000	83,19,895	21,17,403	75,726	Do.	National Rolling & Steel Repos	10.00	10	0.50	0.50	2.00*		3	
70,97,0000	82,15,466	1,30,51,899	61,75,105	9,02,640	B. N. Elliias & Co. Private Ltd. ..	National Tobacco Co.	9.06	10	0.50	0.50	0.50	0.70	3	
2,25,00,000	8,71,245	1,45,28,415	44,23,274	—44,12,038	M. P. A. Paspati, Esq.	Rallis (India) Ltd.	27.25	100	Nil	Nil	6.59		6	
3,28,00,000	1,97,70,209	19,60,39,211	3,96,22,765	49,405	Rohtas Industries	Sathe Biscuit and Chocolate Co., Ltd.	15.94	10	1.50	1.50	1.50		12	
4,73,200	51,856	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..		100.00N	100			5.00	6.00	3	
5,15,400							50.00N	50			2.50	3.00		
40,00,000	88,41,163	1,21,89,272	72,08,500	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17.65xd	10	1.50	1.50	1.50	1.50	6	
75,00,0000.	17,19,008	37,03,035	7,05,723	3,54,554	S. M. Smith, Esq. (Mg. Director) ..	Shaw Wallace & Co., Ltd.	10.37	10	1.25	1.00	1.00		12	
9,98,880		14,51,900	4,53,782	—47,088	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.50	10	Nil	Nil	Nil	Nil	12	

M. Managed by Board of Directors. Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. §§ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co. ‡‡ India Paper Pulp.—The dividends paid upto 1954 were on shares Re. of 100 each subsequently were divided into shares of Re. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	225	Amluckie	25.00	10	72.00	19.00	5.00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	213	Ananda (Assam) Tea	21.00	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21.00	10	8.00*	1.00	1.25		12	Y.
4,50,000	13,21,511	18,70,839	7,47,902	62,752	McLeod & Co., Ltd.	572	Baghmari	17.75xd	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,90,911	5,32,732	53,592	Andrew Yule & Co., Ltd.	378	Baamatia	24.00	10	8.00	1.50	2.00		12	Y.
3,30,000	5,10,000	12,75,996	8,35,524	1,30,178	National Tea Corporation	576	Bateli	18.62	5	4.00	2.50	3.00		12	Y.
5,40,000	7,40,000	11,16,644	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd.	512	Betjan	18.68	10	5.50	2.00	2.00		12	Y.
33,00,000	15,32,333	63,38,222	23,40,322	2,10,228	Williamson Magor & Co., Ltd.	2,957	Bishnauth	12.75	10	1.00	Nil			12	Y.
6,00,000	2,50,000	11,47,111	2,50,037	38,931	Octavius Steel & Co., Ltd. ..	485	Bokakhat	14.00xd	10	3.50	2.00	1.50		12	Y.
1,50,000	7,27,550	10,55,753	3,34,701	35,628	McLeod & Co., Ltd.	450	Bormah Jan Tea	17.00	10	1.25	4.75	1.25	1.75	6	Y.P.
89,00,000	15,33,395	81,37,373	29,08,381	5,48,800	M.	2,324	Brooke Bond .. .

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	3,92,505	34,197	15,099	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	2 85	2	0 25	0 30	0 21	0 45	5	Y.P.
26,91,900	24,50,000	52,61,468	5,80,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4 03	3	0 75	0 45	0 75	0 52	2	Y.P.
18,00,000	31,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	27 65	10	2 50	1 80	2 50	4 00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,69,076	1,18,211	B. C. Paterson, Esq.	Consolidated Coffee	22 20	10	1 75	2 25	2 00	4 00	6	Y.P.
4,00,000	6,15,728	9,11,782	50,961	6,331	M.	Cottanad Plantations	12 25	10	1 50	1 75*	1 50	1 75	3	Y.
18,00,000	9,95,543	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	11 83	10	2 50	2 00	2 00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	18 60	10	2 00	2 75	2 00	2 00	4	Y.
13,50,000	8,71,449	19,82,918	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15 00	10	2 25	2 25	3 25	2 25	3	Y.P.
27,00,000	29,79,387	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	14 43	10	1 75*	2 50	2 00	2 00	3	Y.P.T.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Nedumpy Rubber	14 25	10	1 50	1 50	1 50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd..	Nilambur Rubber Co.	12 50	10	1 00	1 50	1 50		12	Y.P.T.
19,45,980	21,29,615	45,87,395	14,23,968	*Nil*	Peirce, Leslie & Co. Ltd. ..	Ouchterlony Valley Estates ..	4 85	2	0 61	0 40	0 21		12	Y.P.
13,50,000	8,60,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	14 20	10	1 75*	2 00	2 50	2 00	6	Y.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4 05	2	2 50	1 00	1 50		11	Y.P.T.
10,00,000	3,01,600	22,44,528	1,59,559	3,940	East India Agencies Private Ltd.	Teekay Rubber (India) Ltd. ..	6 40	10	0 75	0 00	0 00	0 60	3	Y.P.
2,50,000	1,40,000	5,58,440	24,741	28,968	A. V. George & Co., Ltd. ..	Thamaraiyali Rubber	20 75	10	3 00	3 00	3 00		12	Y.
9,15,300	4,00,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumuldi Rubber Co., Ltd. ..	1 36xd	1	0 10	0 12½	0 10½	0 05	9	Y.
6,00,000	32,566	7,71,251	1,86,210	2,287	Rajah Thomas, Esq. (Mg. Director)	Travancore Rubber	13 50	10	2 00	3 00	2 00		12	Y.P.
41,00,000	13,51,221	81,07,222	12,84,245	3,40,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6 02	10	1 50	1 25	0 75		12	Y.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25 65	25	5 00	4 00	3 00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crosfield Ltd. ..	Valkundam (Travancore) Rubber ..	27 50	10	2 25	2 50	3 50	2 00‡	12	Y.
6,95,000	1,47,259	13,88,386	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6 88	10	1 50	2 00	1 25	1 00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	7 00	10	0 62	0 62	0 25	0 25	3	Y.
6,00,000	10,25,000	56,92,953	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100 00	100	7 50	10 00	10 00		6 12	H.P.
30,00,000	5,25,000	1,17,61,827	94,41,069	94,402	McLeod & Co., Ltd.	1,264	Alliance	80 50	100	12 00	6 00	*Nil*		6 12	Y.P.
49,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,211	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	128 00	100	7 50	8 50	15 00	7 00	3	Y.P.T.
40,00,000	29,54,500	1,49,06,985	55,84,728	—8,79,016	Bird & Co. Private Ltd. ..	810	Auckland	84 00	100	3 50	10 00	1 00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,65,094	65,302	Birla Brothers Private Ltd. ..	959	Bally	130 00	100	*Nil*	3 50	*Nil*		3 9	Y.P.
£275,000	£474,807	£1,628,482	£9,28,169	....	Sir John H. Burder (Chairman) ..	1,889	Barnagore	75 50	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
26,56,128	24,56,128	94,67,700	51,49,281	1,880	Andrew Yule & Co., Ltd. ..	820	Belvedere	66 00	100	10 00	7 50	*Nil*		12	Y.P.
45,00,000	38,45,000	57,08,172	31,28,574	2,05,100	Scoraj mull Nagarmull	600	Bengal	13 94	10	1 12	1 12			6	Y.P.
91,26,000	2,17,48,888	5,84,10,402	1,45,32,651	4,87,892	Birla Brothers Private Ltd. ..	1,373	Birla	15 50	10	1 00	1 00	1 00		3	Y.P.
80,00,000	21,09,926	1,17,09,923	72,35,319	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge ..	66 50	100	9 00	7 50	*Nil*		10	H.P.T.
7,47,850	3,09,840	42,13,704	31,62,683	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7 00	10	0 75	*Nil*			6 12	Y.
18,00,000	26,46,284	87,48,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	102 00	100	9 00	6 50	*Nil*		11	Y.
59,16,400	76,49,289	2,28,64,628	1,19,60,848	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	83 00	100	3 00	10 00	2 00	*Nil*	3	Y.P.
15,05,000	23,29,282	82,73,765	57,70,175	5,665	Andrew Yule & Co., Ltd. ..	530	Cheviot	102 00	100	14 00	10 00	2 00		11	Y.
30,15,000	32,00,000	66,68,762	48,48,666	1,01,027	McLeod & Co., Ltd.	500	Chittavalah	12 00	10	1 12	1 37	0 62½		6 12	H.P.T.
24,00,000	9,00,000	81,05,335	67,13,337	25,985	Shree Krishna Investment Co., Ltd	969	Clive	13 12	10	*Nil*	1 25x	0 50		3	Y.P.
31,49,200	44,50,302	1,35,07,598	51,19,167	—8,75,531	Bird & Co. Private Ltd. ..	766	Dalhousie	55 00	100	2 50	4 00	*Nil*	*Nil*	3	Y.P.
28,00,000	40,51,679	77,85,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	105 00	100	12 00	10 00	5 00		11	H.P.T.
15,00,000	34,50,000	88,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	15 25	10	1 25	1 25	0 50		6 12	
21,00,000	62,40,086	2,41,58,550	1,69,62,109	2,45,418	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	297 00N	100	5 00	15 00	10 00	10 00	3 9	H.P.T.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17 50	10	20 00	20 00	0 75K	1 50	3	Y.
84,32,100	....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	50 00	100	0 50	2 50	*Nil*		3 9	H.P.
10,80,000	28,68,943	76,08,997	50,72,167	11,510	M.	607	Hendalpara	550 00	800	*Nil*	*Nil*	50 00		12	Y.P.
34,00,000	24,50,000	2,22,46,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,894	Gouripore	214 00	100	10 00	15 00	2 50	2 50	3	Y.P.
40,00,000	60,68,233	1,28,86,137	58,68,639	3,00,086	Bangur Bros., Ltd.	1,078	Hastings	104 00N	100	10 00	11 50	5 00		3	Y.P.
16,80,000	18,61,969	66,47,731	47,79,316	—2,95,253	Balmuch Bajoria	726	Hooghly	19 50	10	0 50	1 25	*Nil*		3	Y.P.T.
65,52,500	23,93,428	2,34,21,555	1,11,59,561	—24,05,402	Jardine Henderson Ltd.	1,940	Howrah	14 25	10	1 25	0 87	0 25	*Nil*	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,896	Bamdutt Ramkissendas	2,272	Hukumchand	16 50	7 50	2 00	2 00	2 00	1 50	3	Y.P.T.
97,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	94 50	O. 125	3 12	4 69	4 69		3	Y.
30,000								81 00	100	8 00	2 50	*Nil*			H.P.T.
24,00,000	20,90,185	1,92,31,843	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	81 00	'B' 100	8 00	2 50	*Nil*		6 12	
19,30,000 'B'								46 00	100	6 50	1 00	*Nil*			H.P.T.
30,00,000	9,78,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah	40 50	'B' 100	6 50	1 00	*Nil*		6 12	
24,00,000															H.P.
21,00,000	53,00,000	1,25,18,975	86,26,121	91,888	McLeod & Co., Ltd.	702	Kelvin	175 00	100	20 00	17 50	5 00‡		6 12	
54,00,000	23,85,875	1,96,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,580	Khardah	109 00	100	12 50	11 00	5 00	3 00	3	Y.P.T.
48,00,000	81,58,808	2,86,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,260	Kinnison	113 00	100	7 00	18 00	6 00	*Nil*	3	Y.P.T.
24,48,000	28,41,886	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lanadowne	65 00	100	2 00	7 00	*Nil*	*Nil*	3	Y.P.T.
38,00,000	45,53,917	1,41,79,763	65,14,075	—7,79,166	Bird & Co. Private Ltd.	840	Lawrence	78 00	100	6 00	6 00	*Nil*	*Nil*	3	Y.P.T.
81,55,200	26,86,645	2,64,13,849	1,26,97,309	1,64,942	M.	1,288	Megna	77 50	100	2 50	9 75	3 75		3 8 9	H.
29,98,900	34,62,195	1,65,70,565	86,70,690	—18,08,719	F. W. Heilgers & Co. Private Ltd.	816	Naihati	70 00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
20,00,000	15,55,000	29,01,568	12,21,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	13 50	10	1 12	1 25			4 10	Y.P.
35,00,000	41,29,326	81,71,346	10,65,470	17,389	Andrew Yule & Co., Ltd. ..	852	National	28 50	10	2 00	2 75	0 75		10	Y.P.
26,25,000	27,00,000	28,81,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute	13 00	10	0 75	1 00	0 50‡		6 12	H.P.T.
85,50,000	2,86,31,171	4,68,82,843	1,06,48,584	3,35,601	Sahu Jain Ltd.	1,755	New Central†	13 12	10	17 00	1 50	1 50		12	Y.P.T.
16,79,880	40,58,982	1,28,54,122	56,88,490	9,227	Bird & Co. Private Ltd.	867	Northbrook	16 50	10	1 12	1 50	1 50	*Nil*	3	Y.P.T.
66,79,500	15,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	33 00	50	0 50	1 00	*Nil*	*Nil*	3	Y.P.
24,91,000	28,76,049	75,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	80 00	100	10 00	9 00	2 00		11	H.
25,00,000	6,28,490	80,86,487	65,82,186	51,595	McLeod & Co., Ltd.	400	Presidency† ..	9 15	5	0 31				6 12	Y.P.
20,00,000	10,2525	37,95,775	8,93,130	—3,81,589	Birla Brothers Private Ltd. ..	805	Rameshwara ..	4 37	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
49,50,000	4,80,552	1,24,75,805	64,70,616	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	5 87	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
£669,000	£1,098,718	£1,245,244	....	£58,094	Thomas Duff & Co. (India) Ltd..	2,013	Samnuggur	6 50	£1	10%	8% 31			12	H.P.
30,00,000	13,14,910	1,15,50,877	79,96,145	7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica ..	10 50N	10	1 00	0 50			3 9	Y.P.
14,00,000	11,25,000	66,11,794	35,79,294	3,156	Hindustan Investment Corporation	401	Soorah	18 50	10	1 00	1 50			12	Y.P.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,068	Bird & Co. Private Ltd.	850	Standard	55 00	100	2 00	1 00	*Nil*	*Nil*	3	Y.P.
£400,000	£925,119	£1,187,660	....	£80,148	Thomas Duff & Co. (India) Ltd..	1,794	Titaghur	8 50	£1	10%	8% 31			12	Y.P.
35,08,600	68,80,143	2,01,42,357	89,47,895	—18,51,940	Bird & Co. Private Ltd.	1,326	Union	115 00	100	6 00	10 00	1 00	*Nil*	3	Y.P.T.
£400,000	£688,085	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd..	1,231	Victoria	8 50	£1	10%	8% 31			12	Y.P.T.
2,50,000	6,35,000	56,01,062	40,75,991	11,327	McLeod & Co., Ltd.	457	Waverley	2 87	1	0 50	0 37	*Nil*		12	

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
85,50,000	25,26,680	99,86,489	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15 62	10	1 31	1 37	0 50	1 25	3	Y.
12,00,000	8,49,890	37,46,675	35,36,182	70,017	Jardine Henderson Ltd.	Barares Coke	10 31	10	1 46	1 46	1 10	0 37	3 9	H.
4,49,850	1,06,000	9,01,642	6,54,376	90,870	Kalyanji Mavji & Co.	Bengal-Bhatdee	1 25	10	0 25	0 62	0 75		6 12	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,78,985	9,44,557	Andrew Yule & Co., Ltd. ..	Bengal Coal	232 00	100	30 00*	35 00*P	17 50	7 50	10	Y.P.
2,25,000	4,18,782	24,86,157	22,48,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	14 00	10	*Nil*	*Nil*	*Nil*		12	Y.P.
15,97,000	4,86,558	28,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd..	Bhalgora	6 44	10	*Nil*	*Nil*			9	Y.
40,00,000	8,00,000	1,39,20,662	71,05,188	27,488	Sahu Jain Ltd.	Bharat Collieries ..	6 00	10	0 62	0 62			6	Y.P.T.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,586	M.	Bhulanbararee	12 00N	10	*Nil*	*Nil*	*Nil*		6	Y.T.
7,50,000	24,16,419	45,67,868	27,10,608	19,558	F. W. Heilgers & Co. Private Ltd.	Borrea	18 00	10	2 00	2 00	1 50		6 12	H.P.
90,92,480	69,04,446	4,25,19,907	1,95,93,455	92,891	Bird & Co. Private Ltd.	Burrakur	22 37	10	0 56	0 62	0 68		6 12	H.P.T.
49,97,750	....	46,89,014	12,80,014	8,401	Hindustan Investment Corpn. Ltd.	Central India	6 44	10	0 25	0 25	0 50	0 50	3	Y.
8,00,000	13,50,590	49,11,827	33,03,469	69,009	M.	Central Kurkend	11 00N	10	0 25	0 50	0 50‡		12	Y.
6,00,000	1,43,986	7,80,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churlia	2 00	4	0 12	0 06	0 06		12	Y.
16,00,000	....	54,02,810	50,95,160	—3,86,508	Macneill & Barry Ltd.	Dhemo Main	7 18	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£362,875	£1,001,616	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	£1 00	£1	2 50	3 00	2 50	1 50	4	Y.P.T.
90,68,780	92,06,405	4,16,92,845	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	54 37	10	1 50	1 50	1 50		12	Y.
10,00,000	1,40,999	15,81,144	4,29,557	23,853	Shatter's Agency Ltd.	Ghusick and Mualia ..	16 12	10	0 50	0 25			6	Y.
12,00,000	1,17,609	42,84,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur ..	30 75	50	2 25	2 25			6	Y.
5,00,000	7,25,000	22,40,656	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20 00	10	1 75	2 50	2 25	*Nil*	6	Y.
3,50,000	2,48,905	14,13,052	7,85,171	....	Andrew Yule & Co., Ltd. ..	Kalapahari	17 00N	10	*Nil*	*Nil*	1 50		3	Y.
20,00,000	2,21,575	33,57,975	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries	85 00	100	*Nil*	2 50	*Nil*		2	Y.
5,00,000	18,90,898	47,65,511	37,70,928	1,38,386	Andrew Yule & Co., Ltd. ..	Katras Jherriah ..	55 00	10	4 00	2 50	5 00	*Nil*	3	Y.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,286	Beriwala & Co.	Khas Kajora	2 50N	10	*Nil*	*Nil*	6 50	6 50	3	H.P.T.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd..	Kusadi	2 25N	10	*Nil*	0 12			6 12	Y.
9,00,000	11,11,666	28,58,749	23,86,198	4,708	H. V. Low & Co. (Private) Ltd..	Lakurka	9 00N	10	0 50	0 12			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nasira	5 94	10	0 50	0 50			4	H.
7,00,000	26,617	10,38,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Bandeopur ..	9 00N	10	1 25				12	Y.
17,76,230	19,51,614	1,24,40,315	91,72,491	53,598	Andrew Yule & Co., Ltd. ..	New Beerbhoom ..	14 37	10	1 12	1 00	0 75		3 9	Y.P.
6,00,000	75,000	33,35,331	22,38,923	1,48,499	Octavius Steel & Co., Ltd. ..	New Manbhoom ..	16 50	10	*Nil*	*Nil*	*Nil*	0 50	10	Y.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd. ..	North West	21 00	10	*Nil*	1 37	1 50		3	Y.
1,57,500							18 00	7 50	*Nil*	1 03	1 50			
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	18 00	10	1 00	1 00	0 75		12	Y.P.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4 00N	10	0 50	0 25			12	Y.P.T.
8,51,000	20,000	23,40,367	9,36,591	3,080	Deepchand Kishenlal	Parasea	11 50	10	0 75	1 00	0 50		12	Y.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd. ..	Pench Valley	19 25	10	1 62	1 50	0 70	2 00	3	B.
23,99,500	25,66,361	1,37,28,021	91,88,862	20,060	B. N. Ellias & Co. Private Ltd. ..	Raneegunge	10 00	10	0 50	0 62	0 37	0 75	3	Y.
13,50,000	10,45,115	88,59,855	39,71,364	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	14 50	10	1 37	0 87	0 75‡		6 12	H.
20,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	Samla Collieries ..	10 50N	10	0 75	1 00	1 25		3	Y.
2,50,000	1,95,802	18,78,480	12,21,287	21,070	M.	Searsole	4 00N	2 50	0 62	0 75			1	Y.
2,80,000	9,11,598	29,02,167	19,75,253	52,200	Andrew Yule & Co., Ltd. ..	Seebpore	29 37	7	2 00	2 50	2 25		12	H.
5,00,000	5,09,216	62,491	28,987	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7 25N	10	0 12	0 25	0 25		6 12	
68,21,450	94,58,536	5,19,41,849	2,78,46,629	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)	Singareni	11 15	10	0 70	0 75	1 00		12	H.
17,50,000	10,89,693	28,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura ..	9 00	10	0 12	0 12	0 25		3	Y.
5,00,000	14,01,083	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	15 00	10	1 50	1 00	1 00		12	Y.
10,00,000	....	31,92,694	15,43,502	—5,62,907	M.	Talcher	1 62	2 50	*Nil*	*Nil*	*Nil*		9	Y.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd.	Union	13 37	10	0 75	*Nil*	*Nil*		12	Y.
49,98,000	66,784	1,04,72,806	24,15,808	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal ..	9 19	10	0 87	0 50	0 50	0 50	3	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,056	Macneill & Barry Ltd.	West Jamuria	6 25	10	*Nil*	*Nil*	*Nil*		12	Y.

M.—Managed by the Board of Directors. ‡ Less income-tax. (a) Clive Mills have paid dividend at Rs. 10½ on bonus shares, for the year 1955. • Including bonus.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K.—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each. For 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1957 the shares of Rs. 200 each were sub-divided of Rs. 100 each. (k) Investments

MARKET GOSSIP

(*Concluded from page 255*)

seems to have necessitated vigorous efforts to step up exports.

In the past few seasons communist countries had been very substantial buyers of Egyptian cotton. Their technique of bulk purchases had given an artificial boost to the Alexandria market and Egyptian prices were consequently out of parity with those of comparable cotton. Egypt now seems to have been none too happy over purchases by communist countries, as the latter often resold cotton purchased from Egypt in European markets at prices below those quoted in Alexandria. It would also appear to be averse to bilateral trade arrangements and barter deals with communist countries. Egypt's traditional customers in the free world were not happy over its cotton sales policies. The practice of offering varying discounts to different buyers, according to the currency in which payments were made, caused dissatisfaction among those who had to pay higher prices.

Egypt is now anxious to regain its traditional customers and is willing to revert to normal business practices. India is a substantial buyer of Egyptian cotton and the latter occupies a prominent place in foreign cotton portfolio of Indian mills. During the first four months of the current season, that is, from 1st September to 31st December 1957, Indian mills consumed 25,537 bales (of 392 lbs.

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000 / 14,50,000	1,08,00,000	12,42,652	Allahabad Bank	360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
1,01,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
40,38,540	16,63,000	2,93,939	Andhra Bank	111.75	100	7.50	6.50	8.00	4.00‡	6,12	H.
				90.00	85	3.75	4.54	5.59	3.40‡		
1,00,00,000	1,28,00,000	4,75,752	Bank of Baroda	105.00	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	17.50	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	15,54,924	Bank of India	136.00	50	7.00	8.00	8.00	3.00‡	6,12	R.L.Y.
50,00,000'A'				137.00	50'A'	..	..	..	3.00‡		
15,30,375	28,00,000	67,486	Bank of Indore	63.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	32,25,000	23,734	Bank of Jaipur	38.50	50	2.00	2.00	2.50	..	12	Y.
80,00,000	84,00,000	5,01,911	Bank of Mysore	250.50	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
15,00,000	32,00,000	35,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	..	12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80.00(ex)	50	5.00	5.50‡	5.00‡	..	12	Y.P
5,72,220'A'	16,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	176.50cd	100'A'	12.50	12.50	15.00	..	12	Y.
23,757'C'				1.86cd	1'C'	12½%	12½%	15%	..		
2,62,11,375	4,02,77,123	18,28,048	Central Bank of India Ltd.	51.30	25	3.00	3.00	3.50	1.50‡	12	R.L.Y.
52,42,375				55.00	25	3.00	3.00	3.50	1.50‡		
50,00,000	24,50,000	2,13,141	Devkaran Nanjee Banking Co.	47.25	50	2.00	2.50	3.00	1.50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,916	Hind Bank	48.00	50	1.50	3.00	3.00	..	12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank	9.00	50	Nil	Nil	..	..	12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank	13.50	50	Nil	Nil	..	..	12	Y.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.)					
£3,500,000	£5,000,000	£409,308	Chartered Bank	£2-1-6	£1	15†	15†	15†		12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,039,578	Hongkong and Shanghai Banking Corporation	£45‡	H.K. $125	5*	5*	5*		12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£2-6-0	£1	15†	12†	13†		12	Y.
£375,000 'A'				£1-12-6	A £2½	14†	14†	14†			
£375,000 'B'	£2,000,000	£224,521	Mercantile Bank Ltd.	£1-12-6	B £2½	14†	14†	14†		12	Y.
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£0-19-0	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotation* (per hundred) Rs. or	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92.00	1st June .. 1968
4,00,000	6½	1st March and 1st September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	91.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
30,00,000	6½	15th June and 15th December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	6½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89.00	15th November .. 1966 (b)
78,00,000	6	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.25	1st April .. 1967-72
18,71,000	5½	30th June and 31st December	Jayshree Textiles	1949	90.00N	1st January .. 1956-59
39,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 196
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.	..	97.00	14th June .. 1960
98,28,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (a)
£4,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.00	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
13,80,000	5	1st January and 1st July	Sijua (Jherriah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1960-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September .. 1953-68
47,73,000	5	1st April and 1st October	Tata Power	1940	99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October	Tata Power	..	85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	6	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
80,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.50	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	91.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.25	1st October .. 1966-86
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
15,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1969
10,69,000	5	30th June and 31st December	Chitavalah Jute Mills	1951	89.00	30th June .. 1969
£2,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,86,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (a)
30,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December	Khardah Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Naihati	1952	90.00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	90.00	31st December .. 1964
8,00,000	6	30th June and 31st December	Presidency	1948	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (a)
5,00,000	4½	14th March and 14th September	Soorah Jute	1937	91.00	14th March .. 1957
12,00,000	5½	30th June and 31st December	Union	1937	90.00	30th June .. 1957
10,00,000	5½	31st January and 31st July	Waverly	1925	80.00	31st July .. 1956
RAILWAYS ; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	66.50N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,868	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	8½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
12,50,000	6	31st March and 30th September	Nilgiri Tea	..	99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Teekoy	1944	100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1962
2,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.50	1st September .. 1964-89 (a)§
3,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
31,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1969
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	1969
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971 (a)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (a)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	88.00	.. 1964
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	510.00	30th September .. 1975 (a)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	30th June .. 1972 (a)
75,00,000	6	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,00,00,000	5½	30th June and 31st December	National Rayon	1955	98.00	30th June .. 1965-78
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (a)
5,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
6,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. 1968(a)‡‡

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 13th February, 1958.

	Closing quotations 6-2-1958	High	Low	Closing quotations 13-2-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	125 00	125 00	119.00	119.00
Apollo (2)	1.98	1.98	1.94	1.98
Bombay Dyeing (25)	50.40	50.70	50.10	50.60
Bradbury (50)	155 00	—	—	155.00
Central India (100)	84 00	84 00	78 00	82.00
Century Mills (100)	387 25	388.75	383.50	387.00
Colaba (100)	56 00	56.00	51.10	51.00
Edward Textile (200)	220 00	—	—	220.00
Elphinstone (50)	48 00	48 00	47 20	47.80
Finlay (100)	202 50	202.00	200.00	200.00
Gokak (100)	158 00	158 00	154.25	154.25
Ind. Untd. Defd. (1)	1 26	1.28	1.26	1.26
Ind. Untd. Ord. (10)	9 32	9.32	9 12	9.24
Indore Malwa (100)	117 00	117.50	116.00	116.00
Khatau (100)	148 75	148.75	143 75	143.75
Kohinoor (100)	266 00	266.50	264 00	265.00
Lakshmi (250)	428 75	—	—	428.75
Minerva Mills (100)	71 30	—	—	71.30
Model Nagpur (250)	177 50	180.00	176 25	176.25
Morarji (100)	202 50	203.00	202.50	203.00
Mysore (50)	99 50	—	—	99.50
National Rayons (100)	214 50	220.00	214.00	217.00
New City (100)	125 00	—	—	125.00
New Great (100)	220 00	220.00	210.00	215.00
Phoenix (100)	120 00	—	—	120.00
Podar Mills (100)	145 00	—	—	145.00
Sassoon Silk (10)	6 52	—	—	6.52
Sassoon Spg. (10)	30 00	—	—	30.00
Sholapur (1,000)	640 00	—	—	640.00
Shrinivas (100)	141 00	—	—	141.00
Simplex (50)	158 50	158.50	157.50	158.50
Standard (100)	402 00	403.00	399.00	399.00
Svadeshi (100)	167 50	167.50	165.00	166.00
Swan (100)	324 50	—	—	324.50
Tata Mill (25)	39 00	39.00	38.25	38.50
Vishnu (100)	97 50	97.50	94.00	95.00
Western India (1,000)	4,625.00	—	—	4,525.00
BANKS				
Bank of India (50)	136 00	136.00	135.75	136.00
Do. (New) (50)	137 00	137.00	136.50	137.00
Bank of Baroda (50)	105 25	105.25	104.25	105.00
Central (25)	51 00	51.30	50.70	51.00
Central 'A' (25)	56 00	56.80	55.00	55.00
Dena Bank (50)	47 25	—	—	47.25
Punjab National (25)	52 00	52.00	51.50	51.80
Union Bank (5)	7 72	7.72	7.68	7.68
United Com. (50)	59 00	59.50	59.00	59.50
ELECTRIC COS.				
Ahmedabad (100)	94 70	95.40	94.80	59.00
Amalgamated (10)	10 08	10.16	10.08	10.12
Andhra Valley (1,000)	1,090 00	1,091.25	1,085.00	1,085.00
Bom. Sub-El. (100)	107 00	107.25	106.75	106.75
Surat (100)	107 50	—	—	107.50
Tata Hydro (100)	113 50	114.25	113.50	114.00
Tata Power (1,000)	1,130.00	1,136.25	1,125.00	1,125.00
INSURANCE COS.				
British India (10)	12 52	—	—	12.52
Empire of India (100)	265 00	—	—	265.00
Ind. Mercantile (20)	41 80	42.50	41.50	42.50
Jupiter (15)	9 20	9.00	8.52	8.52
New India (15)	53 80	54.30	40.00	40.25
Oriental (200)	3,980 00	3,980.00	3,955.00	3,970.00
Universal (10)	13 25	—	—	13.25
Vulcan (10)	16.52	—	—	61.52
STEEL COS.				
Ind. Iron (10)	19.64	19.88	19.48	19.76
Tata Steel Ord. (75)	170.50	172.25	169.25	171.00
SUGAR COS.				
Belapur (50)	236 50	237.00	235.50	236.50
Bhopal (10)	21 52	21.04	21.00	21.00
Phalton (50)	148 25	149.00	146.25	146.25
Walchand Ind. (100)	277.50	278.75	273.75	275.00
CEMENT COS.				
Associated Cts. (100)	153.50	155.50	153.00	153.75
Digvijay (100)	135.00	137.00	135.00	137.00
MISCELLANEOUS				
Alcock Ashdown (100)	215 00	217.50	215.00	216.25
Bom. Burmah (125)	540 50	541.00	534.00	537.50
Do. (New) (50)	201 25	201.25	200.00	200.00
Br. B. Petrol (4 sh.)	1 78	1.80	1.74	1.74
Br. I. Corpn. (5)	3 80	3.82	3.76	3.84
C. P. Rly. (100)	57 50	—	—	57.50
Hindustan Motors (10)	6.08	6.12	6.04	6.04
Indian Copper (2 sh.)	2 88	2.88	2.84	2.86
Ind. Inv. Tr. (100)	71.00	—	—	71.00
Killicks (100)	154.00	—	—	154.00
Polson (100)	173.00	—	—	173.00
Pre. Automobiles (100)	86.30	85.70	85.00	85.00
Premier Con. (80)	158.25	160.25	157.50	159.00
Scindia (20)	17.32	17.40	17.20	17.32
G. E. Shipping (10)	19.76	19.72	19.60	19.72
Shivrajpur (10)	92.00	92.50	91.00	91.50
Tata Chemicals (10)	12.84	12.80	12.64	12.66
Tata Locomotive (100)	139 50	142.50	138.50	140.00
Tata Oil (25)	36.50	36.75	36.25	36.25
W. I. Match (100)	170.00	171.00	170.00	170.25

GOVERNMENT SECURITIES	6-2-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	13-2-1958
	Rs. nP			Rs. nP
2½% 1961	94.60	—	4.16	94.65
2½% 1960	97.45	—	3.83	97.45
2½% 1962	94.75	—	3.96	94.80
2½% 1976	83.10	—	4.03	83.10
3 % 1958	99.75	—	3.59	99.75
3 % 1959-61	99.10	3.60	3.28	99.10
3 % 1964	94.20	—	3.97	94.25
3 % 1963-65	93.80	4.22	3.92	93.90
3 % 1966-68	91.75	4.16	3.97	91.75
3 % 1970-75	85.80	4.47	4.14	85.80
3 % 1986 Con. Loan	71.05	—	4.22*	71.05
4 % 1960-70	100.60	3.77	3.94	100.60
4½% 1958-68**	100.60	3.24	4.44	99.65
2½% 1961 N.P. Bonds	99.76	—	3.60	97.75
2½% 1964 N.P. Loan	97.75	—	3.88	97.60
2½% 1965 N.P. Bonds	97.60	—	3.89	97.85
2½% 1962	97.85	—	3.77	97.60
2½% 1967 N.P. Bonds	97.60	—	3.79	98.80
2½% 1974	98.20	—	3.90	100.00
2½% 1967 N.P. Bonds	99.80	—	3.80	100.00
4 % 1972 Loan	100.00	—	4.00	

BRITISH GOVERNMENT SECURITIES

	Closing quotations 3-2-1958 £			Closing quotations 7-2-1958 £
2½% Brit. Consols	48‡	—	—	48‡
3 % Savings Bonds 1965-75	70‡	—	—	71‡
3% War Loan 1955-59	90½	—	—	90⅝
3½% War Loan	64⅛	—	—	65‡
4% Victory Bonds 1976	91‡xd	—	—	91⅝
4% Funding 1960-90	88‡	—	—	89‡

* Current Income. x.d.—Ex-dividend. ** Rupee Counterpart. x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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MR. CHAGLA'S JUDGMENT CREDITABLE

THE Hon'ble Justice Mr. M. C. Chagla, assisted by Mr. Motilal C. Setalvad, the Attorney-General to the Government of India, has discharged the difficult task assigned to him creditably. His enquiry into the nature of investments made by the Life Insurance Corporation in the shares of six of the most important concerns belonging to Mr. Haridas Mundhra, who has now become a historical figure, is a complete success. In making this statement we are quite aware that it runs contrary to what seems to be a popular belief, namely, that Mr. Chagla has failed to discover the truth. But nowhere in his judgment, which runs into about 24 pages of closely stencilled foolscap sheets, do we find this admission by him. It is true that, at one stage when evidence was being taken and when the Attorney-General summed up his arguments, both Mr. Chagla and the Attorney-General had remarked that there were gaps in the evidence tendered by the witnesses, that there were some mysterious aspects to the transaction, and that they got the impression that some of the witnesses had not disclosed the full picture which they must have been aware of. Indeed, the Attorney-General had observed that the whole truth behind the package deal put through on 24th June 1957 had not come out. All this was at the time of enquiry, which is different from judgment. The two should not be confused. While remarks made when an enquiry is on may be of a casual nature, the judgment reflects the considered verdict of the judge. And it is the judgment that is important. On a careful study of Mr. Chagla's report, one will find that, on all the issues referred to him, his conclusions are clear and unqualified. It must be borne in mind, in this connection, that the terms of reference to him covered only a limited field and that the task assigned to him was that of a commission and not of a regular court. It must be further noted that this approach was chosen by the Government and not by Mr. Chagla. Accordingly, the right or wrong of the whole approach goes to the Government and not to the person constituting the Commission. We are glad that Prime Minister Nehru, who was very unwise in giving public expression to his unhappy reactions to the report of Mr. Chagla, has been candid enough to admit this point.

The first question which Mr. Chagla was called upon to decide was whether the L.I.C.'s purchases of shares of the Mundhra concerns were in accordance with normal business principles or practice. Mr. Chagla's verdict on this issue is a clear and unequivocal "no." The next question pertained to the propriety of the purchases. The answer to this question also is a straight one, namely, that it was not. In his report, the Judge has proved to the hilt that the investment was neither sound nor prudent, nor in accordance with business principles and that it was opposed to propriety on several grounds. He has also shown beyond doubt that the manner in which the investment was made was totally irregular, that the Chairman (Mr. G. R. Kamat) and the Managing Director (Mr. L. S. Vaidyanathan) of the L.I.C. had failed to exercise their power and judgment, that they did not take even the minimum precautions which they ought to have, and that they had meekly allowed themselves to be bossed over by Mr. H. M. Patel, the Principal Finance Secretary. Mr. Chagla has further shown that, for some ununderstandable reason, Mr. Patel took the initiative in putting through this deal with Mr. Mundhra, even though at that time he had ceased to be the Chairman of the L.I.C.

What was objectionable about this interference with the affairs of the L.I.C. was that it was unconstitutional. The Life Insurance Corporation Act provides a procedure which should be followed whenever the Government wants the Corporation to invest its funds in a particular fashion. This procedure was not followed by Mr. Patel when he "dictated" to the L.I.C. to buy the shares of Mundhra concerns. It is a moot point whether even Mr. T. T. Krishnamachari, the erstwhile Finance Minister, followed this procedure when he wanted the L.I.C. to buy "blue chips" with the two-fold objective of supporting the market and securing for the Corporation profitable outlets for its funds. If Mr. Kamat and/or Mr. Vaidyanathan had insisted upon the Finance Ministry giving written directives as a matter of Government's policy, they would have probably been less guilty than they are now, if not totally free from guilt. We are advisedly qualifying this remark, because there is now room for doubt, in the light of Mr. Chagla's observations, whether the Government has powers to give specific directives to the L.I.C. that it should go in for the shares of a particular company or a group of companies. Mr. Chagla's reading of Section 21 of the L.I.C. Act is that the "Government cannot direct the Corporation to buy shares of a particular concern or belonging to a particular individual and, therefore, Government could not ask the Corporation to buy these specific shares of Mundhra concerns."

Mr. Patel, too, would have escaped all the blame, had he obtained his Minister's consent in writing before proceeding to invest nearly a crore and a half rupees in the shares in question. And since he could not give any convincing explanation as to why he did not take this ordinary precaution, especially as he was making an extraordinarily risky investment, he too stands condemned. It is as clear as daylight that all these three officials have condemned themselves by committing a grave dereliction of duty. To say that Mr. Chagla has not brought out this point clearly is tantamount to admitting that one has not read his report properly or that having read it one wants to misrepresent what he has stated. It is, of course, true that Mr. Chagla has not awarded any penalty to those found guilty, but that was not the task assigned to him. It is for the Government to take appropriate steps. And it is heartening to be assured by the Prime Minister that the Government will follow up the findings of Mr. Chagla by a further enquiry to determine the type and degree of punishment that must be meted out to those who have risked the hard-earned money of the policyholders and misused the funds of a trustee institution. Until the outcome of this enquiry is known, one cannot say that Mr. T. T. Krishnamachari's responsibility in this matter is over. It is accordingly surprising that the Prime Minister should have said that, with the resignation of his post, Mr. Krishnamachari had paid his penalty and that that part of the chapter must be treated as closed. Can anyone confidently assert at this stage that the second round of enquiry, if conducted as truthfully as the first one, would not reveal that Mr. Krishnamachari's responsibility was something more than constitutional?

The third question to which Mr. Chagla was asked to find an answer was: Who was the person or persons responsible for the L.I.C.'s purchases? This was undoubtedly the most difficult of all the three questions, more so because the witnesses that appeared before Mr. Chagla were far from helpful to him in arriving at the truth directly. But some of them had said enough to enable him to spot where the responsibility lay. It was unquestionably clear that Mr. Kamat and Mr. Vaidyanathan only carried out the directives of the Finance Ministry, though it is a different issue whether they did so efficiently and in accordance with the procedure laid down under the provisions of the L.I.C. Act. So the issue boiled down to this: Whether Mr. Patel did the job on his own initiative and responsibility or with the concurrence of his Minister. The conclusion of Mr. Chagla is that Mr. Patel could not have acted on his own and that the erstwhile Finance Minister also was a party to it. After explaining at some length the reasons that brought him to this conclusion, Mr. Chagla unambiguously states: ". . . clearly, there is acquiescence on the part of the Minister in the part played by Mr. Patel in bringing about the transaction of 24th June" (when the package deal involving an investment of Rs. 1.24 crore was concluded with Mr. Mundhra).

On the issue of the Minister's constitutional responsibility also, Mr. Chagla has pronounced his verdict without mincing words. He avers that, constitutionally, the Minister is responsible for the actions of his subordinates. "In his case," to quote from Mr. Chagla's report, "Mr. Patel, who admittedly was acting as the Principal Secretary of the Minister, cannot be fastened with the responsibility of having effected this transaction in his own secretarial capacity. The Minister must fully and squarely accept the responsibility for what Mr. Patel did, and, if the transaction is improper and unjustified, although Mr. Patel may be actually responsible for the transaction, constitutionally the responsibility is that of the Minister." This is undoubtedly the correct position and, by accepting Mr. Krishnamachari's resignation, Mr. Nehru has upheld the best traditions of democracy, strengthened the foundations on which this country's liberal constitution rests and demonstrated to the world that India firmly believes in the democratic way of life. Indeed, Mr. Nehru has enhanced the prestige of the Congress Party by first ordering an enquiry into this episode and then by accepting all the main findings of the Chagla Commission, painful though they have been to him. Such acts of self-purification are absolutely necessary if a political party is to hold its own in a democratic society. They may be inconvenient and the initial cost may seem to be heavy. But it is worth all the trouble, for the ultimate gain will more than compensate the initial expenditure. In a case of this nature, the attitude of the leader of the Government should be: "No one is indispensable." But by publicly praising Mr. Krishnamachari and by making observations on his role in this unhappy deal which run counter to the findings of the Chagla Commission, Mr. Nehru seems to have overdone the display of his sense of loyalty, admiration and affection for his

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colleague which might have been necessary to some extent on considerations of courtesy.

Mr. Krishnamachari's self-defence in the Lok Sabha was neither convincing nor dignified. His statement gives the impression that the Prime Minister should not have accepted his resignation, for he clearly differed from Mr. Chagla's views on the constitutional responsibility of the Minister. If that was his opinion, he should have had the courage of his conviction and refrained from resigning his post, leaving the choice to the Prime Minister and his other colleagues in the Cabinet. His plea that he was completely innocent does not cut ice, because all the circumstantial evidence is against him. He is not one of those Ministers who are unacquainted with business principles or practices. He has been a shrewd business man himself. He has also been keeping himself abreast of all the important developments in the business world. It is, therefore, hard to believe that he was not aware of the L.I.C.'s investment bungling about which the whole business world had been talking ever since it took place. So, even if he was not a party to it, he had sufficient time to find out what it was all about and to take suitable disciplinary action against the officials responsible for it. But the fact remains that, until the Lok Sabha forced his hands to institute an enquiry, he was stoutly defending the L.I.C.'s deal. Further, he took advantage of the technical loopholes in regard to short-notice questions to hide the deal from some of the inquisitive members of Parliament.

It has been proved beyond a shadow of doubt that the Reserve Bank, the State Bank, the Finance Ministry, and the Commerce and Industry Ministry were all aware of the questionable character of Mr. Mundhra. Mr. Krishnamachari himself seems to have known all about him. And yet no steps were taken by him to correct the mistakes made by the L.I.C. and his Principal Secretary, if mistakes they were. If the idea in making the investments in question was to save the companies concerned from the depredations of Mr. Mundhra, neither the Finance Ministry nor the L.I.C. took appropriate and timely steps to secure the control of these companies and to keep Mr. Mundhra out of them. On the contrary, Mr. Mundhra was allowed to remain in active charge of these concerns almost right up to the day when the deal came up for discussion in the Lok Sabha. The inaction of Mr. Krishnamachari till then and the laboured, varying and inconsistent explanations given by him from time to time do not bear out his claim that he was innocent or for the benefit of doubt. He squeals that the Commission was not fair to him and that he was not given enough opportunity to be heard. This type of argument on his part is the least convincing. What prevented him from making a clean breast of the whole thing to the Commission, from submitting to it a carefully prepared written statement, from requesting the Commission to give him another hearing or from appointing a counsel for himself at least the moment Mr. H. M. Patel chose Mr. K. M. Munshi to defend his interests?

The whole explanation of Mr. Krishnamachari in the Lok Sabha seems to be an afterthought to confuse the public and Parliament and to sidetrack their attention from the main issues and thereby save his skin. He must have by now noted that he has not succeeded in this attempt, for several Members of Parliament have exposed the hollowness of his contentions. Finally, if his plea of innocence is to be accepted, it will only mean that he was guilty of negligence and inefficiency in discharging his responsibilities as the Finance Minister. After all, the L.I.C. was his ward and, having thoroughly known all about the character of Mr. Mundhra, he ought to have firmly told Mr. Patel and the L.I.C., when the subject was broached to him, not to put a single *naye paisa* in the shares of any of the Mundhra concerns. Indeed, the more one thinks about this deal, the greater is the feeling that both Mr. Krishnamachari and Mr. Patel have sinned rather than been sinned against.

RAILWAY BUDGET

RAILWAY earnings continue to make good showing. Thanks to the increase in passenger and goods traffic, the revenue receipts maintain their upward trend. For 1958-59, according to the budget presented by the Union Minister for Railways, Mr. Jagjivan Ram, gross traffic receipts are placed at Rs. 407.48 crores, as against the revised estimate for 1957-58 of Rs. 384.40 crores. The revision of pay and allowances, together with increase in staff, accounts for an increase in ordinary working expenses which absorb Rs. 268.35 crores. After making the usual appropriation of Rs. 45.0 crores to the depreciation reserve fund and other charges, the net railway revenue is estimated to aggregate Rs. 76.92 crores, as against Rs. 65.90 crores (revised estimate) for 1957-58. The dividend for the general revenue is placed at Rs. 49.58 crores and the net surplus at Rs. 27.34 crores, as against the revised estimates of Rs. 44.24 crores and Rs. 21.66 crores, respectively.

The following table gives the actuals of revenue and expenditure for 1956-57, revised estimates for 1957-58 and the budget estimates for 1958-59:

(Rupees in crores)

	Actuals 1956-57	Revised Estimate 1957-58	Budget Estimate 1958-59
Gross Traffic Receipts ..	347.57	384.40	407.48
Ordinary Working Expenses	233.94	259.16	268.35
Net Miscellaneous Expenditure	9.92	14.01	16.99
Appropriation to Depreciation Reserve Fund ..	45.00	45.00	45.00
Payment to Worked Lines ..	0.33	0.33	0.22
Total	289.19	318.50	330.56
Net Railway Revenues ..	58.38	65.90	76.92
Dividend to General Revenues	38.16	44.24	49.58
Net Surplus	20.22	21.66	27.34

Clearly, heavier calls are being made on the Railways. During 1956-57, the first year of the second Five-year Plan, the total tonnage lifted was 124 million tons, as against 114 million tons in 1955-56 or an increase of 8.8 per cent. A further increase to the tune of 5.3 per cent. on the broad-gauge and 9.5 per cent. on the metre-gauge has taken place in the first nine months of 1957-58. This trend is bound to continue in 1958-59. With the expansion of steel industry, the increase in coal raisings and as a result of other factors, goods traffic is expected to move up by 9 per cent. over the 1957-58 level. This expectation is reflected in the estimate for goods earnings which are placed at Rs. 250.50 crores for 1958-59, as compared with Rs. 231.00 crores for 1957-58. Passenger earnings are also expected to advance from Rs. 120.90 crores in 1957-58 to Rs. 125.73 crores in 1958-59.

The Railways are in a happy position, in that they need not be apprehensive about any slackening in the demand for their services. But this is precisely a source of anxiety for the Administration as well as the business community. For both are anxious that the Railways should prove equal to the demand that is bound to be made on them. It is a pity that Mr. Jagjivan Ram, in his otherwise comprehensive speech, made no attempt at estimating the overall increase in traffic which is likely to develop and the Railways' ability to cope with it. It is true that the whole subject bristles with difficulties arising from statistical forecasting and the uncertainty about some of the development projects. Even so, considering how greatly the public is agitated over the continuing bottlenecks in transport and there is a widespread impression that the Railway Plan lacks clarity in respect of the overall outlay that the Administration may be expected to incur in the period of the second Plan, Mr. Jagjivan Ram might have devoted a part of his speech to an official clarification of the issues. Be that as it may, it is noteworthy that, as against the total allotment of Rs. 1,125 crores for the Railways under the second Five-year Plan, a sum of Rs. 179 crores was spent in the first year and Rs. 235 crores is expected to be spent in 1957-58. So far as 1958-59, the third year of the Plan, is concerned, the outlay has been placed at Rs. 260 crores. A major portion of this outlay will be absorbed by rolling stock (Rs. 87.95 crores), track renewals (Rs. 34.77 crores), traffic facilities (Rs. 63.37 crores), workshop (Rs. 14.62 crores) and electrification (Rs. 17.72 crores). A notable feature of the capital expenditure is the reliance on domestic sources of supply. For instance, out of the 255 locomotives to be procured in 1958-59, only 23 are to be obtained from abroad. Again, out of the rolling stock valued at Rs. 87.95 crores in the programme, no less than Rs. 60.17 crores are in respect of indigenous procurement. This has been made possible by the growth of domestic engineering industries. Mr. Jagjivan Ram estimated that 258 locomotives, 1,500 coaches and 16,800 wagons are likely to be produced in India during 1957-58, as compared with 234 locomotives, 1,236 coaches and 15,985 wagons in the previous year. He added: "The import of general service wagons was discontinued quite a long time ago and that of steam locomotives has also been stopped, except for a few required for the narrow-gauge lines. The development cell in the Board's office, working in collaboration with the development wing of the Commerce and Industry Ministry, is making continued progress towards development of further manufacturing capacity in the country."

Two factors have eased the difficult position of the Railways in relation to their development programme. In the first place, the loan from the World Bank has served to lessen the foreign exchange difficulties of the Railway Administration. The World Bank granted a loan of Rs. 42.84 crores which became effective from September 1957. It would appear that more than half of this amount has already been utilised and the balance is expected to be used up in the next few months. Apart from this loan, the Railways have received assistance from the Indo-American Technical Co-operation Programme and the Colombo Plan. Secondly, the shortages in critical raw materials, especially iron and steel, which developed last year, might have led to a slower tempo of development if the Railways had not taken prompt steps to augment supplies. The Railway Purchase Mission, which went abroad last year, was able to locate dependable sources of supply. The Mission entered into contracts for the supply of 530,000 tons of pig iron, steel track materials and wagon plates worth about Rs. 34 crores, deliveries against which are expected to be completed during 1958-59. Nevertheless, the Railway Administration should not relax its efforts at developing domestic sources of supply. At the same time, it should economise in the use of steel and other scarce materials, for which, according to some expert opinion, there is wide scope in the Railway development programme.

There need be no great jubilation over the absence of any proposal to raise fares and freights in the budget, considering that some, albeit limited, upward revision in freight will become inevitable when the Government implements the report of the Railway Freight Structure Enquiry Committee. It is a pity that, though the report was submitted to the Government over 10 months ago, the authorities have not yet announced their decision on the report. The Committee, on its part, must be congratulated on its having brought to bear on its complex task an essentially constructive attitude. Thus, while it has recognised that the Railways should have ample resources for their development, it has rightly insisted that all means of transport should be co-ordinated and that the "attitude that once prevailed among the Railway administrations of discouraging road traffic because of its competitive character, should be given up." It has further underlined the fact that, "at a time of shortage in railway capacity and expanding industrialisation, there may be the danger that the public sector, in its concern to achieve its targets, may utilise most of the railway capacity available and the private sector may suffer." Further, it has estimated that there will be a Rs. 300-crore gap between the revenue and expenditure of the Railways over the five years of the second Plan.

It is against this background that the Committee has formulated its suggestions for modification of the freight structure. The Committee has recommended a new pattern of legs for traffic both in smalls and in wagon-loads. It has suggested a regular and progressive increase through a percentage system of rates from the lowest class to the highest class to form an integrated scale of rates covering both class rates and wagon-load rates. The chief considerations which lie at the basis of the new scale of freights recommended by the Committee are:

"It should not bear too heavily on the long-distance traffic as compared with the burden on the short-lead traffic. It will be an all-inclusive one, enabling the abolition of the terminal and other charges. It should be so evolved as to cater for 'small' rates and wagon-load rates, suitably related to each other and with the existing disharmonies removed as far as possible. Lastly, the financial results of such a scale should be carefully considered and, to the extent possible, the gap of Rs. 300 crores may be bridged."

It is obviously conducive to the growth of trade and industry, on the one hand, and the expansion in the revenues of the Railways, on the other, that early decisions are reached on the Committee's report. Finally, the authorities should desist from imposing uniform supplementary charges on freights which, as the Committee has been at some pains to point out, is by no means a very satisfactory way of raising additional revenue, in that it restricts movement of goods and raises prices by increasing the cost of raw materials to the factories and of the transport of manufactured goods to consuming centres. A scientific and well-integrated freight structure is the primary need of an expanding economy.

BUDGET FEARS UPSET SHARE MARKET

NO "MAN-EATERS" IN PRIVATE SECTOR—WORLD OIL PRICES DECLINE

THURSDAY, 5 P.M.

THE share markets are having the usual pre-budget jitters. There has been a pronounced and all-round fall in the value of equities. The Tata Iron and Steel Company, Ltd., has received the Government's formal permission to capitalise the premium account and issue bonus shares in commemoration of its golden jubilee. This news had a steadying effect but only for a short while, because budget fears soon began to dominate the market. Hitherto, there was a complacent belief that there would be no increase in the burden of taxation this year, excepting for the introduction of a tax on gifts. But Mr. T. T. Krishnamachari's unwarranted attack on the private sector in the Lok Sabha on Tuesday by comparing it to a *man-eater* which has tasted blood has given rise to fresh misgivings amongst a section of operators. It took some time for market circles to understand the significance of this statement by the former Finance Minister. Mr. Krishnamachari was warning the Congress Party and the Government that the private sector was plotting for its downfall. In describing it as a man-eater which has tasted human blood, he was actually asking the Government not to give any quarter to it, if not to kill it before it is too late. Significantly enough, Mr. Nehru, who now holds the Finance portfolio, in addition to being the Prime Minister, instead of refuting his ex-colleague's insinuation against the private sector, seems to have taken the cue from him. For, while defending the nationalisation policy of the Government, he talked in a vein which gives the impression that he has been carried away by Mr. Krishnamachari. It is this realisation that has induced the operators to fear that the forthcoming budget will not contain any of the eagerly awaited relief to investors.

MARKET GOSSIP

Some are even apprehensive that fresh burdens may be imposed on investors, in addition to a gifts tax which is already discounted. This apprehension is based on a theory of human psychology. The theory is this: Mr. Krishnamachari has left the Government with bitterness and anger. It is human nature to give vent to this feeling by striking at somebody. There is little that he can do against the communists or his own party. He can wreck his vengeance only on the helpless private sector. He has already fired the first shot. Fortunately for him, the Prime Minister is a great admirer of his soak-the-rich fiscal policy. There are also reports that the budget for 1958-59, including the tax proposals, has already been prepared and that the budget which the Prime Minister will present eight days from now is T.T.K.'s budget. He must have already loaded it with enough ammunition to kill the "man-eater."

This theory sounds plausible, but it is to be hoped that it will not materialise. On calm reflection, the Prime Minister and his colleagues will doubtless realise that the private sector has an important part to play in the economic development of the country and that suitable conditions have to be created for attracting foreign capital and retaining such capital as is already here. They must not forget that one of the factors which have helped an adventurer like Mr. Mundhra to build up an industrial empire within a short period of five years was the Government's economic policy which has frightened a large section of foreign capital and induced it to flee from this country. They will do well to do some introspection now and think for themselves as to why foreign investors in such well-established concerns with a bright future as Jessops, Richardson Cruddas, B.I. Corporation, Angelo Bros. and Osler Electric Lamps decided to sell and get out. Even now a large number of foreign-owned concerns, especially plantations, are changing hands. It is stated that, between 1st July and 31st December 1957, four foreign-owned and/or controlled plantations, covering an acreage of about 2,500 in North East India, have gone into Indian hands. The point that we are trying to make here is that excessive taxation retards the growth of genuine *entrepreneurs* and gives room for adventurous types of business men to flourish.

Another point which the Central Government must bear in mind while framing the tax proposals is that taxation in India is already heavy and that Mr. Krishnamachari had given, according to some reliable reports, certain assurances when he was in the U.S., the U.K., and West Germany. These reports may or may not be true. We cannot vouch for their accuracy. But the authorities concerned with the budget must at least read the various speeches delivered by T.T.K. in the U.S. and draw up their proposals in keeping with the spirit of his statements.

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Using a language which bears a strong family resemblance to the etymological extravagance of extremist political parties all over the world, Mr. Krishnamachari ended his speech in Parliament with a fling at the private sector which he termed the "man-eater," of which, he said, he was the "first victim." Since wrong phrases, like bad coins, have a tendency to circulate with astonishing rapidity, it is hardly surprising that the phrase has already found repeated echoes on the floor of the House. No one has stopped to think whether any, and if so what, gains have accrued to the private sector by the "Mundhra" affair. Surely, it cannot be contended that the private sector enjoys the spectacle of a ministerial resignation arising out of an opprobrious scandal. Nor can it be contended that this sector was in any way responsible for the scandal, or even for unearthing it effectively. It was a votary of the public sector who insisted upon a public enquiry. Mr. Krishnamachari's memory seems to have become shorter than the proverbially short public memory. The "man-eater" is nothing more than a figment of Mr. Krishnamachari's imagination. It certainly does not exist in the private sector. Indeed, a little reflection will convince him that the Congress, now turning pink, may find "man-eaters" enough, red in tooth and claw alike, in the ranks of the party whose colour it is imitating.

It was more uncharitable on the part of Mr. Krishnamachari to insinuate against the private sector in the manner he did. He might have resorted to this tactics in order to divert public attention from the serious charges levelled against him. But his complaint is a frivolous one. The loyalty of the private sector to the Congress Party is evident from the fact that it contributed liberally to the last election funds of this party. It did so not because it wanted to bribe the Congress Party, as the leftists baselessly allege, but because it was the only democratic party in the country that could form a stable government.

What is intriguing about the charge is that it ignores that, while the private sector might have its differences with the Government, it has never favoured excessive growth of bureaucracy which was the bane of the L.I.C. affair. After all, the Board of the L.I.C. did not consist of the best representatives of the private sector. The fact is that it was a board, as incompetent as it was powerless, directed by a bureaucracy which, as events have shown, was as powerful as it was unwise. But all this was part of the Government's studied indifference to the good advice that was given to it in the public interest which is best served by constituting boards with men of knowledge, integrity and experience for purposes of running public institutions. Even now, so far as the L.I.C. is concerned, it may not be too late to correct the mistake.

In any case, to blame the private sector for the whole bungling by the Administration or to allege that it derives some vicarious satisfaction through Government's mistakes which can only add strength to the anti-democratic elements in the country is to make too heavy a demand upon human credulity. A man who can believe that will believe anything.

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In a brief reference to the trend of sugar prices in India in these columns last week, we wondered why the prices were going up. One explanation offered by an esteemed reader is the additional Central excise duty of Rs. 6.62 per bag introduced on 14th December 1957 to replace the sales tax. But the increase in prices has been much more than this addition to the excise duty. It is so, at any rate so far as this part of India and Uttar Pradesh is concerned. Prices have been looking up even after the latest release of the monthly quota to the factories. Enquiries made in market circles reveal the existence of a strong belief that, in the forthcoming Central budget, the excise duty on sugar will be increased further, on the pretext that it is necessary in order to cover the loss that will be sustained on the proposed exports of sugar. If true, the increase in duty will have to be quite sharp indeed. Anyway, in anticipation of this burden, some speculators are alleged to have built up large stocks of sugar. This seems to be one of the reasons for the rise in sugar prices in recent days. Incidentally, the belief seems to have spread to the share market also, as witness the drop in the prices of sugar shares this week. Belapurs have lost Rs. 4.50, Walchandnagars Rs. 8.75 and Phaltans one rupee. The fear of the Bombay Government introducing a tax on agricultural incomes in its budget for 1958-59 has also been responsible for the fall in the value of these scrips.

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The National Council of Applied Economic Research at New Delhi, of which Dr. P. S. Lokanathan is the Director-General, has undertaken to do research on the managing agency system in India. The Council has already sent out two questionnaires to over 500 business houses and other interests. This study will be valuable for two reasons. First, Dr. Lokanathan himself is a specialist on this subject and, secondly, the future of the managing agency system will come up for review by the Government in 1960.

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Although some months have elapsed since the Government of India commenced discussions with the major oil marketing companies in the country on the question of making available petroleum products to consumers at reasonable prices, no final decision seems to have so far emerged. It will be recalled that, some time in February last year, the three foreign oil companies—Burmah-Shell, Stand-and-Vacuum and Caltex—sought the Government's permission to raise the prices of some petroleum products, following the steep advance in the f.o.b. costs and ocean freights, thanks to the Suez crisis.

(*Continued on page 351*)

TOWARDS A WORLD BANK

From Our Own Correspondent

LONDON, 15*th February*

LONDON LETTER

THE most interesting of this year's Bank speeches was made by the Chairman of Lloyds, Sir Oliver Franks, who concentrated entirely on the external problems of the sterling area. He pointed out that in every other year since 1947, except in the year 1953, there has been a sterling crisis. He thought it was no mere coincidence that 1953 should have been a year of recession in the U.K. and hence of deflation, while the year 1957, although marked by a very strong balance of payments, was a year of inflation. His conclusion was that the U.K. with its considerable international obligations was particularly vulnerable to the climate of world opinion regarding the international stability of sterling. In all this, the Chairman was not making any startling analysis but he then began considering the remedies for the awkward situation in which this country has been so commonly placed with a freedom which has not been seen among Bank Chairmen since the days of Mr. McKenna of the Midland Bank.

Two facts stand out. The first regarding the relationship of the U.K. with the sterling area shows that the U.K. fed into the sterling area over the 5½ years to mid-1957 £359 millions but on the other hand the rest of the sterling area added to its sterling balances no less than £289 millions. There is little in the internal relationships of the sterling area to act as a basic cause of weakness compared with the situation between the U.K. and non-sterling countries.

With non-sterling countries over the past 5½ years there was a drawing down of sterling balances by £372 millions and other capital payments of £304 millions. As a result of these large issues the total inflow of gold from the sterling area countries, £788 millions, resulted in a net addition to the gold stock over the whole period of only £16 millions! This figure is taken *before* the crisis of the late summer of last year. If a 6-year picture were taken the showing on gold account would have been worse still.

The purpose of this analysis by the Chairman of Lloyds was to defend the sterling area as a conveninent banking system for its members and to show up the weakness of the position of the U.K. in relation to the non-sterling world—in particular, the weakness of the size of the gold reserves in relation to the U.K.'s obligations. The point was made that whereas the world's greatest creditor countries, U.S.A. and Germany, held about one half of the world's gold reserves, the U.K., which finances about 40 per cent. of the world's trade, holds only 4 per cent. of the world's gold reserves. This was the problem recently analysed in detail by your correspondent in this column, but the Chairman of Lloyds' proposal for dealing with the problem can be summarised under three headings.

First, in order to avoid inflation in this country, the long-term level of interest rates should be maintained sufficiently high to discourage internal over-investment, while the short-term rate should be kept sufficiently low to discourage hot money from flowing in too indiscriminately and giving the country's rulers undue optimism!

Secondly, the creditor countries of the world had a particular responsibility if stable exchange rates were to be maintained. America had in recent years made substantial free issues to the world in terms of currency, but Germany in spite of several liberal acts was still pursuing policies appropriate to a country with negligible reserves. Either Germany had to lend far more than it was doing or it had to encourage expansionist policies internally, including higher wages, to even up its level of costs. If it failed to do these acts there would be nothing for it in due course but a revaluation of world currencies against the mark.

Lastly, the Chairman of Lloyds wanted to see the International Monetary Fund acting truly as a world bank; that is to say, a Bank whose own currency units would be accepted by all members as good as gold and a Bank empowered to lend in the same way as any domestic bank. The Bank of England for instance would then be permitted to raise credit with the I.M.F. to meet crises such as those of last year.

The so-called World Bank and the I.M.F. ought indeed to amalgamate, but if the I.M.F. as a Bank were to pursue the same policies as the present World Bank then there would be little hope of the new Bank being operated in the imaginative spirit necessary to cope with the special problems of the sterling area. It would, however, be a move in the right way.—*All Rights Reserved.*

DR. ERHARD'S VISIT POSTPONED

The West German Finance Minister, Dr. Erhard, who was to have visited this country early this month, is reported to have postponed the idea almost *sine die*. Apparently, he must have felt a little embarrassed at the predicament in which Mr. T. T. Krishnamachari and Mr. H. M. Patel were finding themselves ever since the L.I.C.-Mundhra deal brought them into the unsavoury limelight. It will be recalled that it was Mr. Krishnamachari who had invited Dr. Erhard to visit this country and the latter had readily agreed to do so.

SETBACK IN EQUITIES

NERVOUS SELLING TOWARDS CLOSE

(From Our Own Correspondents)

BOMBAY, *20th February*

A SUDDEN setback in equity prices since yesterday on heavy selling pressure was the main feature of the trading on the Stock Exchange during the week under review. There was a distinct change in sentiment, attributed to fears about the future of the private sector, following Mr. T. T. Krishnamachari's note of caution against the "very powerful sector" which was working against the Government policies, in his statement made in the Lok Sabha on Tuesday explaining his role in the Mundhra deal. This reference by the erstwhile Finance Minister was interpreted by the market as a hint that the Government's attitude towards the private sector would be more unhelpful. The market also interpreted bearishly the Prime Minister's remarks, in the course of his speech initiating the debate in the Lok Sabha on the Chagla Commission's report, regarding the Government policies in respect of the public sector. Making it clear that the Chagla enquiry had nothing to do with the broad principles or policies of the Government, Mr. Nehru remarked:

"It is not for such enquiries to criticise, commend or object to broad principles or policies which Parliament has laid down. There has been so much reference made in the Press and elsewhere about these broad policies, and an attempt made to run down these broad policies not only in regard to insurance but also generally in regard to the public sector. I feel it necessary to state quite clearly and positively that so far as the Government's policies are concerned in regard to increasing the public sector, they hold completely. There is not a shadow of doubt in our minds that these policies are right and should be pursued."

Fears were also entertained that the Budget might contain fresh taxation. The resulting decline in values brought them to the lowest levels for some weeks past.

Earlier in the week, trading was thin and undertone was a little quiet, due to the pre-budget caution. There was no inclination on the part of the operators to extend their commitments. The absence of any increase in fares or freights in the Railway Budget did not evoke any enthusiasm. The absence of any fresh tax proposals in the West Bengal and U.P. State Budgets to cover their Budget deficits of Rs. 1.76 crores and Rs. 4.54 crores, respectively, did not attract any attention, although fears were entertained in previous weeks that State Governments might introduce new tax measures to raise additional funds.

In the steel section, Tata Ordinaries moved narrowly early in the week between Rs. 170.25 and Rs. 171.75, but receded today to a low of Rs. 167.25. The closing was done at Rs. 167.50. The new shares suffered a loss of Rs. 2.25 at Rs. 163.75. Indian Irons gave way from Rs. 19.76 to Rs. 19.56 early in the week. After a recovery to Rs. 19.72 on Tuesday, the shares slumped to Rs. 19.20 today and closed at Rs. 19.24.

Textile shares suffered widespread losses. Depressing results of mills' working and the dim prospects of any relief in excise duty induced heavy selling in this section. Bombay Dyeings crept down from Rs. 50.60 to Rs. 49.90 before closing at Rs. 50. Centurys were marked down from Rs. 387 to Rs. 377, the lowest level for the year so far. Kohinoors shed no less than Rs. 7.50 at Rs. 257.50. Central Indias lost Re. 1 to Rs. 81 and Finlays Rs. 6 to Rs. 254. Gokaks declined by Re. 1.75 to Rs. 152.50, Indu Ordinaries by 36 nP to Rs. 8.88. Indore Malwas came under heavy pressure and lost Rs. 11.50 to Rs. 104.50. While Morarjee Mills were unchanged at Rs. 203, New Greats gave way from Rs. 218 to Rs. 213.50. Osmanshahis were lower by Rs. 5 at Rs. 46.50. Podars were placed at Rs. 141 *ex-div.*, as against Rs. 1.45 *cum-div.* a week ago. Shree Niwas Cottons were unchanged at Rs. 141, while Simplex Mills fell by Rs. 2.50 to Rs. 156. Standards declined by Rs. 9 to Rs. 390, Svadeshis by Rs. 4 to Rs. 162 and Tata Mills by Rs. 2.50 to Rs. 36.

A rise of Re. 1.50 to Rs. 106.50 in Barodas was a feature in an otherwise easy banks section. Central Banks dipped by 30 nP to Rs. 50.70 and their new shares by as much as Rs. 2.70 to Rs. 52.30. Bank of Indias were done Rs. 2 lower at Rs. 134 and United Commercials lost 50 nP to Rs. 59. Punjab Nationals were, however, better at Rs. 52.

In the insurance section, New Indias were quiet at Rs. 40. Orientals had business at Rs. 3,980.

Electricity shares were featureless. Ahmedabad Electrics were taken 20 nP higher at Rs. 95.20, while Bombay Suburbans were a shade quiet at Rs. 104 *ex-div.*, as against Rs. 106.75 *cum-div.* Surat Electrics were unchanged at Rs. 107.50, whereas Tata Hydros were picked up 75 nP higher at Rs. 114.75. Tata Powers lost Rs. 2.50 to Rs. 1,122.50 and Andhra Valleys Rs. 5 to Rs. 1,080.

Sugar shares moved in line with the general trend of the market. Belapurs were marked down from Rs. 236.50 to Rs. 232. Bhopals shed 24 nP to Rs. 20.76. Phaltans had business Re. 1 lower at Rs. 145.25. Walchandnagars declined by no less than Rs. 8.75 to Rs. 266.25. Cement shares were quiet. Associated Cements were done at Rs. 143 *ex-div.* and on a *cum-div.* basis the shares showed a loss of Re. 1.75. The new shares were unchanged at Rs. 138.50. Digvijays were steady at Rs. 137, but Orissa Cements lost 12 nP to Rs. 12.44. Ashoka Cements fell by 20 nP to Rs. 8.40. Dalmias by 24 nP to Rs. 10 and Jaipur Udyogs by 24 nP to Rs. 11.36.

Engineering and mining shares shared the general recession in prices. Alcocks dropped by Rs. 5 to Rs. 211.25 and Tata Locomotives by Rs. 2.50 to Rs. 137.50. Premier Constructions shed on balance Rs. 3.25 to Rs. 155.75. Larsen and Toubros were a shade better at Rs. 12.68. Shivrajpurs moved down by Re. 1.50 to Rs. 90. Indian Coppers were quiet at Rs. 2.80. Among shippings, Scindias improved from Rs. 17.32 to Rs. 17.52 before giving way to Rs. 17.32. Great Easterns were a shade lower at Rs. 19.68. Automobile shares were easy, Hindustan Motors shedding 12 nP to Rs. 5.92 and Premier Automobiles dropping Re. 1.50 to Rs. 83.50.

In the miscellaneous group, Bombay Burmahs (old) were marked down from Rs. 537.50 to Rs. 523 and their new shares from Rs. 200 to Rs. 198.75. National Rayons kept a steady front in the earlier half of the week, gaining from Rs. 217 to Rs. 218.75, but in the face of the general setback this improvement could not be sustained and the shares gave way to Rs. 215. Gwalior Rayons lost 20 nP to Rs. 11.36. Tata Chemicals dropped 28 nP to Rs. 12.40 and Hindustan Levers 12 nP to Rs. 19.40. Tata Oils were lower by 50 nP at Rs. 35.75 and Killick Industries by Re. 1.25 at Rs. 152.75. W. H. Bradys changed hands Rs. 8.75 higher at Rs. 283.75. Wimcos were steady at Rs. 170.50.

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Calcutta Stock Exchange

CALCUTTA, *19th February*

Barring some activity in the speculative counters earlier in the week under review, trading on the Calcutta Stock Exchange was a dull and drab affair. The taking over of the Finance portfolio by Mr. Nehru from Mr. Krishnamachari, whose resignation was accepted on Thursday last, only increased the Budget anxieties in the market. Although it was believed that the Budget had almost been shaped by the former Finance Minister, judging from Mr. Nehru's recent utterances, it was feared that he might not give any relief in taxation. Grave doubts were also entertained whether the Prime Minister would withdraw the company reserve deposits scheme. Market men felt that the existing tax measures would be continued. With regard to the bonus share tax and the excess dividend tax, the market had earlier anticipated some relief; but during the week the majority of market men entertained doubts if this expectation would materialise on the 28th February. The discussions in Parliament over the Chagla report on the L.I.C.'s recent investments in the Mundhra concerns were keenly awaited, as these would have a bearing on the future investment policy of the L.I.C. on equities.

The announcement of an increase in production of jute goods restricted trading in jute shares. Until American interest in hessian revived, there was little prospect of a change in sentiment in the goods market. In the meantime, the accumulation of stocks would result in financial problems for the industry. The apprehension of labour troubles in Burnpur arrested the rise that followed speculative interest earlier in Indian Irons on the good news of opening of a second spun pipe at the Kulti works and a furnace in the works at Burnpur.

The absense of any increase in railway fares and freight rates in the Railway Budget presented in Parliament on the 17th inst. imparted some steadiness in the market yesterday.

Towards the close of the week, Mr. T. T. Krishnamachari's statement in the Lok Sabha explaining his part in the Mundhra deal, wherein he uttered a note of caution against "certain powerful interests" which were working against Government policies, created some fears in the minds of operators about the future of the private sector. This dampened even the little enthusiasm and caused a setback in prices.

Little interest was shown in coals. Bengals dropped from Rs. 233 to Rs. 231, while Burrakurs gained from Rs. 22.32 to Rs. 22.50. Central Indias, at Rs. 6.75, showed a rise of 22 nP and Naziras came to business at Rs. 6.37, as against Rs. 5.94 previously. West Bengals were done 6 nP lower at Rs. 5.19.

For reasons already stated, jutes searched lower levels. From Rs. 24, Nationals receded to Rs. 23.10 and Howrahs were quiet at Rs. 13.12. Ganges were marked down to Rs. 48.50, as were New Centrals to Rs. 12.87. India Jutes had business at Rs. 94.50. Kanknarrahs had sellers at Rs. 40.

Indian Irons opened at Rs. 19.77 and after rising to Rs. 19.88 were pulled down to Rs. 19.32. There were rumours of a likely issue of bonus shares by capitalising the Company's share premium reserves. These failed to evoke enthusiasm, in view of the labour troubles at Burnpur works. However, the market was hopeful that the Company would maintain its dividend at 10 per cent. In conformity with the general trend of the market Jessops sagged from Rs. 23 to Rs. 22.56. Texmacos were quiet at Rs. 16.90, while Indian Standard Wagons gave way to Rs. 94.50 from Rs. 101.

In minings, Indian Coppers recovered to Rs. 2.89, but subsequently sagged to Rs. 2.83. Orissa Minerals were better at Rs. 22.44.

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Madras Stock Exchange

MADRAS, *18th February*

A steady trend was witnessed on the Madras Stock Exchange during the week under review, barring textile shares which ruled easy due to renewed selling pressure. The steadiness was influenced by absence of any proposals for enhancing fares and freight rates in the Railway budget presented yesterday. Planting shares generally evoked good support induced by encouraging advices from tea markets and reports of better working of rubber companies. Even reports of disappointing performance at the first export sale in coffee when the Coffee Board had to withdraw 75 per cent. of the offer failed to have any effect. Bank, electricity and sugar shares also tended to look up. Business put through during the week was, of course, limited. For, owing to budget uncertainties, operators were not inclined to enter into large commitments.

In the planting section, the tea shares registered gains. Haileyburias improved by 10 nP to Rs. 16.00 and Highland by 17 nP to Rs. 12.00. Parksides rose by Rs. 2 to Rs. 18.25. Peermades advanced by 50 nP to Rs. 19.75. Periakaramalais were higher by 5 nP at Rs. 4.05. Devasholas rallied 65 nP to Rs. 19.65. Mysore plantations, however, receded by 7 nP to Re. 1.43. Nilgiris eased by 15 nP to Rs. 7.85. Nonsuch shed 5 nP to Rs. 19.35. United Nilgiris dropped 15 nP to Rs. 15.15. Among coffee shares, Coffeelands put on 22 nP to Rs. 27.87. Mysore Coffees gained 5 nP to Rs. 2.95. Anaparas, however, lost 5 nP to Rs. 4.95. Consolidated Coffees shed a like amount to Rs. 22.15. Shevroys eased by 7 nP to Re. 1.85. Puthuttotams were maintained at Rs. 2.50. Among rubber shares, Malankaras improved from Rs. 15 last week-end to Rs. 15.25. Kalpettas firmed up by 20 nP to Rs. 18.80. Cochin Malabars were higher by 7 nP at Rs. 4-10. Velimalais gathered 3 nP to Rs. 4.86.

In the textiles section, Buckinghams declined by a rupee to Rs. 157.50. Coimbatore Spinnings fell by Rs. 2.75 to Rs. 65.00. Dhanalakshmis eased by Rs. 2 to Rs. 203.00. Rangavilas receded by Re. 1.50 to Rs. 67.00 and Rajalakshmis by Re. 1 to Rs. 77.00. Janardanas lost 50 nP to Rs. 79.50 and Kotharis 15 nP to Rs. 10.25. Lakshmis eased by a rupee to Rs. 112. Maduras, however, were quoted higher at Rs. 34.75 *cum-div.* Rayalaseemas hardened by 25 nP to Rs. 111.25. Anglo-French spurted by Rs. 11 at Rs. 90.00.

Barring a few scrips, Sugar shares moved higher. United Breweries gathered a rupee to Rs. 179.00. K.C.P. (Defd.) put on Rs. 2 to Rs. 132. E.I.Ds were quoted 13 nP higher at Rs. 29.25. Cauverys and Deccans were maintained at Rs. 88.50 and Rs. 7.88, respectively.

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NEWS IN BRIEF

INDIA exported 88,000 tons of coal to Pakistan during January 1958, as against 93,789 tons in the previous month.

The Madhya Pradesh Government has decided to establish a warehousing corporation with an authorised capital of Rs. 2 crores and paid-up capital of Rs. 10 lakhs.

The amount of income-tax settled by the Income-tax Investigation Commission that has so far been realised is placed at Rs. 10.21 crores and the remaining amount to be realised is Rs. 7.93 crores.

The Central Sales Tax Act 1956 will be extended to the State of Jammu and Kashmir. A Bill amending the Act was introduced in the Lok Sabha on the 14th inst. by the Deputy Minister for Finance.

The huge deposits of very high quality limestone found in the Nandi village lying 15 miles from Bhilai are expected to meet the requirements of the Bhilai steel plant for at least 35 years. The limestone quarries cover an area of about 686,700 square metres, the total capacity being estimated at 27,500 tons.

The Government of India has under consideration the recommendation of the Indian Council of Agricultural Research for raising the cess levied on exports of bones, bristles, butter, cereals (other than rice), manufactured tobacco, vegetables, wheat, wheat flour and raw wool from half per cent. to one per cent.

The Punjab Government is not favourably inclined towards introducing total prohibition in the State. This was disclosed by the Planning and Excise Minister in the State Vidhan Sabha on the 17th inst. According to the Minister, the Government does not propose extending the experiment of prohibition; there is no proposal to declare other districts dry.

An Indian delegation is already in West Germany in connection with the settlement of certain outstanding matters connected with the Rourkela steel plant. Under an interim agreement signed in December 1957, the West German Government had agreed to defer certain payments relating to the plant which fell due to German firms upto 15th February 1958. The present delegation is negotiating a final agreement for postponement of payments due to German firms under contracts for the delivery and erection of a steel plant and rolling mill and related construction work at Rourkela.

The Sub-Committee for Co-operative Sugar Factories, constituted by the Union Ministry of Food and Agriculture, held a meeting in Bombay on the 12th inst., Dr. D. R. Gadgil presiding. At this meeting, the Committee decided to recommend to the Central Government the formation of a national federation of all-India co-operative sugar factories and zonal federations for units located in a particular area. The Committee also discussed the question of technical and other assistance to be given to the various co-operative sugar mills, as well as the way in which they could be helped in the selection of technical staff and for the preparation and standardisation of accounts.

The U.P. Government has ordered all the 40 private electricity undertakings in the State to pay interim bonus to their workers for the years 1954-55, 1955-56, 1956-57 and 1957-58. The payment for the first three years will be made within four weeks of the order and for the year 1957-58 within a month of the finalisation and preparation of balance-sheets by the undertakings. The order follows the recommendation of a committee set up in accordance with the decision of the State Labour Tripartite Conference (Electricity) held in June last to find out a permanent basis for the payment of bonus and also to fix, on this basis, the bonus quantum payable by individual undertakings for the period or periods between 1954-55 and 1957-58.

The established importers of non-ferrous metals have been asked by the Government of India to supply, before the 28th inst., certain particulars required to enable the Government to review the supply position of non-ferrous metals. The information is to be supplied separately in regard to lead ingot, pig and scrap, zinc or spelter unwrought, tin block and tin scrap, copper (unwrought in the form of ingots), blocks, slabs, cakes, ties, bricks, blocks, billets, cathodes, blister bars, electrolytic wire bars and ingot bars. The information should cover the extent of quota established in value, the value and date of quota licences received, the quantity and value already imported and cleared up to the 20th inst., physical stock in hand on the 20th inst., the balance to be imported and monthly import programme, firm sale commitments made, with the name of the party, uncommitted balance quantity, and details of forward commitments.

The Indian Institute of Technology for the Western Region is expected to start functioning in Bombay from July next. This will be the second of the four such institutes planned by the Government of India, the first having already been established at Kharagpur. To start with, 100 graduates and 50 post-graduates will be admitted into the Institute for courses in civil, mechanical and electrical engineering, chemical engineering and metallurgy. When completed, the Institute will have 2,000 resident students and will be one of the biggest and most up-to-date institutions of its kind in Asia. It is said that the U.N.E.S.C.O. will contribute Rs. 1.5 crore for the equipment of the Institute and the Government of India will spend about Rs. 5 crores. More than 20 top U.N.E.S.C.O. experts will work in the Institute. Meanwhile, a team of 21 U.N.E.S.C.O. experts, headed by Dr. Martin Gvsky, has arrived in Bombay to help set up the Institute.

* * * *

From Abroad

Representatives of the Russian Foreign Trade Organisation are now on a visit to Morocco to promote Russia's trade with that country.

The Federation of British Industries has urged the Chancellor of the Exchequer to lower taxation on company profit, reduce income-tax and cut the tax on petrol.

A fresh cut in the Federal Reserve Discount rate from the present level of 2½ per cent. is expected in the coming weeks. It is also likely to be followed by a reduction in the reserve requirements.

An advanced type of gas-cooled reactor, which is expected to provide valuable data for the application of nuclear power to marine propulsion, is being developed by the U.K. Atomic Energy Authority.

A German firm has undertaken to supply a part of the plant and machinery required by the Argentine steel works on a deferred payment basis. It is stated that it will accept payment in instalments over a period of seven years.

Brussels will be the headquarters of the administrative staff of the Common Market and Euratum Commissions for at least two years. The Commissions, however, will meet alternately in Brussels and Luxemburg.

The marketing interests of two independent Italian companies are being acquired by the British Petroleum. This will enable the B.P. to make a major entry into the Italian market for petroleum products.

The tariff insurance companies in Britain are contemplating a further increase in motor vehicle insurance premiums. It was only in July last that increases, ranging up to 33⅓ per cent. for car, motor cycle, commercial and agricultural vehicles, were effected.

Industrial production in the U.S. during January 1958 dropped to the lowest level since February 1955, with Federal Reserve Board's index declining to 133 per cent. of the 1947-49 average. This was the fifth consecutive month to witness a fall in the production index.

The Government of Ceylon, according to its Minister for Agriculture, has postponed the nationalisation of tea estates only for the time being. He reminded his countrymen that nationalisation was part of the Government Party's election manifesto and, therefore, required to be fulfilled.

The number of unemployed persons in the U.S. jumped up by 1,120,000 during January 1958 to reach a total of 4,494,000. This figure represents 5.8 per cent. of the labour force in the U.S. The number of employed people was 62.24 million, a drop of 2.16 million as compared with December 1957.

The formation of a new company, entitled the Australian United Acceptance, with a nominal capital of £A500,000, marks the first step in Australia's move to establish a Bill Market. The new company will engage in short-term financing and operate as a merchant banker along the lines of the discount houses in London.

Unemployment in Britain during January rose by 60,000 to 395,000, the highest figure to be witnessed since March 1953. Expressed as a proportion of the national labour force, however, the total of unemployed was only 1.8 per cent., which is practically the same as that in January and February 1957.

An industrial design division, aimed at preventing piracy of foreign designs by Japanese business men and promoting Japanese originals, will shortly be set up by the Japanese Ministry of Foreign Trade, which is said to hold the view that piracy of foreign designs has seriously impaired Japan's commercial reputation in international markets.

Due to accumulation of heavy stocks, manufacturers of tyres in the U.S. have cut their production. In the first few weeks of 1958 sales of tyres in the U.S. are reported to have declined by 20 to 25 per cent. below the level in the same period of 1957. The fall in the demand for tyre reflects the reduced level of activity in the motor industry.

The Finance Minister of Japan, Mr. Ichimada, favours the establishment of an Asian Bank with functions similar to those of the World Bank. This bank, according to him, should be established to help underdeveloped countries in Asia and be manned and organised by Asians. Japan is prepared to contribute an initial capital of 50,000 million yen.

PERSONAL

MR. Henry Cabot Lodge, U.S. Permanent Representative in the United Nations, left for Rome on Monday after a six-day tour of India.

Mr. J. Burke Knapp, Vice-President of the World Bank, left New Delhi on Monday last after a four-week visit to the country. During his stay, Mr. Knapp studied and discussed with the Government representatives India's development projects put down for aid by the Bank.

Mr. Wilhelm Billig, Polish Commissar for Atomic Energy, arrived in Bombay last week on a three-week tour of India at the invitation of the Union Government. Mr. Billig's itinerary in India includes visits to Madras, Delhi, Agra, Nangal and Chandigarh. He is accompanied by Prof. Marian Miesowicz.

Dr. Per Jacobsson, Managing Director of the International Monetary Fund, left for Calcutta on Tuesday this week after informal discussions with the Reserve Bank of India, prominent industrialists, business men, bankers, and representatives of trade associations on monetary and economic problems of India. He was accompanied by Mr. B. N. Adarkar, Executive Director for India, and Mr. J. S. Raj, Director of the Asian Department of the I.M.F.

A drop of 2 per cent. occurred in Britain's steel production during the month of January 1958. The production was at an annual rate of 21.17 million tons, as compared with 21.63 million tons in the corresponding month of 1957. The fall was largely due to a breakdown in a slabbing mill and, if allowance is made for this fact, production seems to have run at about the same level as a year before.

A sum of £126 million is proposed to be spent by the German Government by way of subsidies for farming in 1958 as compared with £101 million provided for under the "Green Plan" last year. Including other financial supports, State support for German agriculture will amount to over £250 million in the fiscal year 1958-59. During the five-year period 1953-58, it may be noted, subsidies to German farming aggregated well over £900 million.

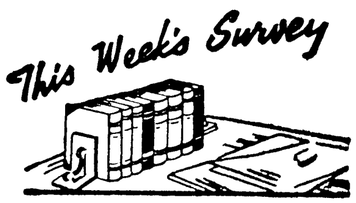
The French Government has announced new aids as part of its latest export promotion drive. Under this arrangement, promise rather than performance becomes the criterion for award of an "exporter's card"—a warrant entitling holders to export aid. Manufacturers have only to show their intention to export 20 per cent. of their production and they will be entitled to claim exemption from previous year's increased turnover tax on all or part of their production. They will also be allowed bigger and swifter depreciation allowances.

Britain expects to be producing more electricity from nuclear-power stations within eight years than the country's total consumption at the beginning of World War II, according to Sir John Maud, Permanent Secretary to the British Ministry of Power. Sir John pointed out to an audience in the U.S. that the British nuclear-power industry would have achieved in less than a decade what had taken the conventional electrical industry more than 60 years. He had no doubt that, in some years' time, hydrogen commercial power stations would be constructed which would, once and for all, free the world from the nightmare of fuel scarcity.

The first volume of the report of the Committee on Commonwealth Raw Materials has been completed and all Commonwealth Governments have agreed to its publication. It is a general survey and analysis of the Commonwealth's resources in raw materials. The Committee has made good progress with examining the question of its own scope and functions. This was a question remitted to it by the Commonwealth Prime Ministers' Conference last year, so that the Committee might consider how its activities could be extended "for the particular purpose of drawing attention to the economic resources of Commonwealth countries."

Plans have been finalised by the Japanese Overseas Technical Co-operation Company to develop shale oil deposits in Thailand in co-operation with indigenous *entrepreneurs*. The plan envisages an investment of $24 million, of which two-thirds will be provided by the Japanese company, mainly in the form of plant and machinery, and one-third by the Thai Shale and Oil Company. The funds required by the latter will be met from an American loan. The Japanese will retain the management control for a period of 25 years and the entire output of oil will be for consumption in Thailand. The project is expected to go into production in three years' time.

A three-day meeting of Commonwealth officials to prepare for the Commonwealth Trade and Economic Conference, in accordance with the recommendations made by Commonwealth Ministers at Mont Tremblant, Canada, last October, ended in London on the 13th inst. A statement issued by the Commonwealth Relations Office says that a provisional agenda for the ministerial conference was discussed and that recommendations in this regard would be made to the Governments concerned. Arrangements were made for preparatory work to be put in hand by Commonwealth Governments. Officials will meet again in London in June to concert arrangements. The time and place of the ministerial conference will be announced shortly by the Canadian Government.



LAND REFORMS

IT has been rightly recognised by the Government of India and the Planning Commission that, in a balanced, integrated approach to the central problems of economic development, land reforms have a special importance both because they provide the social, economic and institutional framework for agricultural development but also because their influence and impact extends far beyond the ambit of the rural economy. The twin objectives of land reforms, as stated by the Planning Commission, are: (1) to remove such impediments upon agricultural production as arise from the character of the agrarian structure, and (2) to create conditions for evolving an agrarian economy with high levels of efficiency and productivity. The view that the proposed land reforms were not conducive to the attainment of these objectives, but would only lead to depriving Indian agriculture of the advantages of both communism and free enterprise, was effectively put forward by Sardar Lal Singh, a member of the irrigation and power team of the Planning Commission and a former M.P. and Director of Agriculture of the Punjab. Addressing a convention of Southern State farmers at Bangalore on the 14th inst., Mr. Lal Singh said that he was not against the fundamental objectives of land reforms, but the Government's approach to the problems, according to him, was wrong, because it was based on sentiment rather than on a scientific study of the issues and the facts of the situation. The proposed reforms, if implemented, would, he said, lead to chaos and disorder in the countryside, leading ultimately to the urban *versus* rural struggle. The approach to land reforms, he urged, should be one of economic betterment of the tenants without creating class hatred, and elimination of the parasite class of landholders and modernisation of agriculture. When land reform enthusiasts were reminded of the evils and shortcomings of small farms, they at once pointed out to collective farming as the panacea of all ills, regardless of the experience in other countries where the experiment was a miserable failure.

Expressing himself against the fixation of ceiling on land holdings, Mr. Singh said that it was idle to expect increased yield by splitting commercial farms into tiny farms. There could not be the slightest justification, he asserted, for the Government to deprive such owners of land who were already making good use of them. Ceilings at low levels, Mr. Singh said, would automatically encourage transfer of rich productive land to rich people and poor land to poor people possessing little financial resources or ability to effect improvements. It would also discourage reclamation of waste land by private enterprise. This meant allowing waste land to remain idle for ever, as reclamation by the Government was found to be the costliest. He urged that sufficient inducements should be given to encourage the flow of free enterprise into the field of agriculture and pointed out that fixation of a low ceiling would not only not attract new talent but would drive away the existing one.

Wherever ceilings were imposed—in Russia, the U.K., etc.—it was always at fairly high levels which would permit modernisation of agriculture. He said that, under the proposed land reforms, even the biggest farmer would be left with only as much land as would yield an income of Rs. 3,600 a year for the whole family comprising five members. In other words, the wealthiest family in rural areas would be brought down practically to the level of a low-grade Government official or a shopkeeper, whereas there was nothing to prevent a person in an urban area owning crores of rupees worth of property. He added: "What a strange sense of justice, what a contrast in the two patterns of economy—for urban people, a capitalistic pattern and for rural people a socialistic and communist pattern with a vengeance."

Continuing, Mr. Singh rightly pointed out that the primary duty of the Government was to see that land was made to yield the maximum production and there was equitable distribution of the fruits of labour. To treat the problem in any other way, he said, was sure to lead the country to economic difficulties. Mr. Singh averred: "For the ruling party to suggest to put more people on land, only betrays lack of progressive outlook and bankruptcy of new ideas and is a crude attempt to conceal its incapacity to find new avenues and source of employment to the landless." Instead of spending the limited resources of the Government in preventing further devastation of the fertile lands or in reclaiming waste lands on which to settle the tenants or landless labour, was it wise on the part of the Government, Mr. Singh asked, to squander away its money in creating and financing a new landless and resourceless class comprising millions in a manner which would only satisfy their foolish, temporary, land-hunger, without improving their economic lot in the long run? The so-called land reforms, Mr. Singh pointed out, had already frightened people to such an extent that they were rapidly withdrawing their investment already made in agriculture, with the result that production suffered a severe setback.

Inaugurating the convention, Mr. B. Ramachandra Reddi, a former Member of Parliament, warned the Government that the drastic land reforms, if introduced, as contemplated, would only drive the wealthy farmers into urban areas in search of better occupations, comforts and facilities. He said that, while Russia had liquidated *kulaks* and introduced collective farming, and China had liquidated only the 'feudal' landlords but left intact the holdings under personal cultivation, and Egypt had fixed 200 acres as the ceiling in the Nile delta, the Congress Government in India wanted to reduce the size of holdings to 20 or 30 acres, fixing the size of the family at five members. He pertinently reminded the Government that land reform was a very difficult and complicated problem, calling for careful and judicious handling, lest it should lead to ruinous results.

In commending the aforesaid views to the attention of those who advocate extremist land reforms, including low ceilings on land, we would urge the authorities to bear in mind that the immediate task is to raise agricultural production and per-acre yields. This task is best carried out through modernisation of agriculture wherever possible, and adoption of better cultural practices. Clearly, it would be difficult for farmers owning small patches of land to adopt methods which involve high capital and recurring expenditure.

BOMBAY'S ECONOMY

No one really knows Bombay who does not know its sprawling hinterland, which cuts across linguistic and regional frontiers. The State Government faces the arduous task of integration and development of this large region. If it succeeds, it will make a most effective contribution to national economy and solidarity. And, in this adventure, it has a right to count upon the support of all sections of opinion. If they would subordinate—even if they are unwilling to abandon—their political predilections to the common task which faces the State, the national importance of the State's role would stand the best chance of being vindicated. Mr. Sri Prakasa, the Governor of the State, in the course of his address to a joint session of the Bombay Legislature on Monday, this week, outlined the great tasks that lie ahead and the solid achievements of the present ministry. It was necessarily a brief survey. But it served to indicate the broad lines of the State's approach to its many and admittedly complex tasks. Of these, the one challenging task which is now in an advanced stage of the process of completion is the integration of administrative services. Perhaps, few other States in India have inherited a more bewildering variety of laws, regulations, services and administrative procedures than the Bombay State. It is no small tribute to the administrative acumen of the original State that a large measure of integration has already been achieved. It is to be hoped that it will be completed soon and thereby pave the way for greater contact between the people and the administration.

In the context of the relatively underdeveloped state of the State's irrigation potential and the prevalence of food scarcity in certain districts, the authorities have done well to concentrate on minor irrigation works without relaxing their efforts at carrying out the major irrigation projects. A programme for the construction of 35,000 new wells and repairs to 28,000 old wells has been prepared. This is expected to be completed in the next three years, thereby bringing under irrigation 250,000 acres of land. Water rates have been fixed at attractively low levels. Seed farms are being established, one in each taluka. This programme will be completed before June next. Among the different regions, Vidarbha has received special attention with an additional allotment of Rs. 2.5 crores for that region. The programme of Community Development and National Extension Service has been extended during the last year to cover about 4.5 million of rural population in 68 blocks.

Being the government of a premier industrial State, the Bombay State Government has a special responsibility to nurse, foster and help develop the region's industries. Mr. Sri Prakasa stated that "steady progress in large-scale industries had been maintained during the year." It is not true, in our opinion, to make such an unqualified statement, because the cotton textile industry, the single largest industry of the State, remained depressed almost throughout the year. It has sustained heavy losses, with some of its units closing down. During the last few days, as many as three cotton mills could not even pay wages to their workers. It is also a well-known fact that unemployment in the textile industry and trade has been increasing since the beginning of last year. It is surprising that Mr. Sri Prakasa has made no mention of these developments. The number of licences issued during the year by the Union Government for the establishment of new units and expansion of existing concerns is 125 involving a capital investment of nearly Rs. 25 crores. It is not clear how many of these issues relate only to expansion of existing units and how many of them to establishment of new units. Nor is it clear whether any follow-up work has been done by the State in respect of the issues sanctioned by the Central Government. Be that as it may, the rate of progress in respect of large-scale industry is obviously less slow than what the large size of the State and its vast industrial potential would suggest. The Government will do well to investigate the causes for this relatively slow growth and take appropriate steps to speed up progress.

ALUMINIUM PLANT

It is now well known that the demand for aluminium is bound to increase greatly in the coming years. Apart from its use in utensilware industry, it has growing industrial applications. For instance, in recent years, its utilisation in the cable manufacturing industry has increased enormously. This trend is bound to continue with the increase in the pace of industrial progress. The Planning Commission has estimated that the demand for aluminium will increase to about 30,000 tons per annum by 1960-61, as against the present demand for about 20,000 tons and production of about 7,800 tons. Fortunately, there is vast scope for stepping up aluminium output, thanks to the existence of large deposits of bauxite in several parts of the country. Small wonder, then, that the Central and State Governments have taken considerable interest in establishing new aluminium units.

Among the States which have taken interest in setting up aluminium plants, mention must be made of Madras, Madhya Pradesh and Bombay. It would appear that the deposits of bauxite in Mettur, near Madras, are not sufficiently rich in metal content to justify immediate exploitation, while those in Amarkantak in Madhya Pradesh are described to be both large and rich in metal content. But the absence of communications seems to preclude the possibility of early exploitation of the deposits in Madhya Pradesh. Expert opinion seems to attach considerable importance to the exploitation of bauxite deposits in Udgiri area in Kolhapur district. Indeed, Mr. Jean Sabut, a French geologist who recently toured this country at the invitation of the Government of India to assess the various bauxite deposits in India and to suggest methods for their economic exploitation, is believed to have been favourably impressed by the bauxite deposits near Kolhapur. If a plant were set up in this area, it could be assured of the electric supply it would need from the Konya hydel power station which is scheduled to be completed in the next two years.

The Planning Commission is understood to be favourably inclined towards this project. The Bombay State Government also is known to be engaged in collecting all preliminary data. The State Government will do well to expedite this work which would pave the way for prompt decision on the establishment of an aluminium plant in this region. An important question is whether the plant should be in the public or private sector. The Industrial Policy Resolution lists aluminium under the Schedule B industries which may be set up both by the private sector and the State. Even so, the private sector which has been particularly active in initiating and developing all metal industries deserves to be assigned the role for expanding aluminium output in India. So far as the Bombay State Government is concerned, it is known to have pleaded for the grant of facilities to the private sector for the exploitation of even the minerals included in Schedule A of the Industrial Policy Resolution (State List). The Government should not find it difficult to induce private enterprise to take interest in the project and complete it at an early date.

SUGAR INDUSTRY

A phased programme for the adoption of metric system in the sugar industry as formulated by the special committee of the Development Council for Sugar Industry was accepted by the Council at its meeting held at Nellikuppam (Cuddalore), Madras, last week. Accordingly, the unit for expressing the weight of sugar and cane will be the quintal (100 kilograms) which, it is said, is the most appropriate unit, and the sugar factories will start conversions of weights to metric units during the 1958 off-season. It will be recalled that the standard packing of sugar is at present in bags of 2 maunds and 30 *seers*. This will be replaced by a bag of one quintal (100 kilograms), which is about three *seers* less than the present standard packing and, as such, will not create much difficulty in the changeover to the new system. Nevertheless, the Development Council has favoured the continuance of the existing units along with metric units for a fairly long period, that is, up to the end of the second Plan (1960-61); it has asked the Central and State Governments to amend all existing statutory rules, orders and notifications relating to the price of sugarcane, cess on cane, excise duty on sugar, etc., so as to incorporate both the units. It has also stressed the need for educating cane growers in the metric system.

Presiding over the meeting, Mr. T. C. Puri, I.C.S., Chairman of the Development Council, rightly stressed that standardisation in weights and measures was of very great significance and a welcome reform. He felt that the introduction of the metric system in sugar industry did not, fortunately, present any serious problem. Mr. Puri also rightly stressed that the scheme for payment of cane price on the basis of quality was of great importance to the future progress of the sugar industry on rational lines. Alluding to the question of sugar exports, he stated that India could sell sugar abroad only at a loss of £16 to £17 per ton, even after allowing full remission of excise duty and cane cess. Since this aspect has been discussed in our last issue (*vide* pages 255 and 268), it is unnecessary to go into it again.

In the course of his speech, Mr. Puri referred, in particular, to the replacement of States' sales tax on sugar by an additional excise duty of Rs. 2.43 per maund with effect from 14th December 1957, and observed:

"This would remove the diversity that existed in the matter of sales tax on sugar in the different States. While this measure will result in a substantial increase in the revenue earnings of the Government by checking evasion in the payment of sales tax, it should not mean any increase in the cost of sugar to the consumer. Due to easy supply position of sugar and Government policy of regulating releases from factories, the prices of sugar on the whole have remained at a reasonable level."

Many, however, will not agree with Mr. Puri when he says that the prices of sugar have remained at a reasonable level. For the present level of sugar prices is unduly high, thanks to the heavy impact of taxation—this accounts for as much as 34 per cent. of the price—and high cane prices. It may be noted here that the increase in excise duty in lieu of sales tax was much more than warranted. It has been estimated that the increase exceeded the incidence of sales tax by As. 3 per maund of sugar. Indeed, the ruling price is so high that it is beyond the means of a vast majority of the population, especially in rural areas. Since the replacement of States' sales tax by additional excise duty, the prices of sugar have registered a further appreciable rise as is borne out by the following table:

	Latest available	Before replacement of sales tax by excise duty
Bombay (per bag)—	Rs.	Rs.
Small grain	105-50	112
Medium grain	106-108	103-105
Large grain	109-113	106-110
Muzaffarnagar (ex-mill delivery prices per maund)—		
Bijnore (E29)	34.44	32.75
Daurala (B29)	36.87	34.12
Mowana (B29)	37.12	34.37
Amroha (D29)	34.02	32.56

The rise in sugar prices is ununderstandable, in that it has occurred, as we pointed out last week, even when crushing of sugarcane is in full swing and supplies are plentiful. Surely, it will be interesting to know as to why this anomalous position exists.

Be that as it may, in the course of his address, Mr. Puri gave a useful account of the

(*Continued on next page*)

GOVERNMENT OF ZANZIBAR

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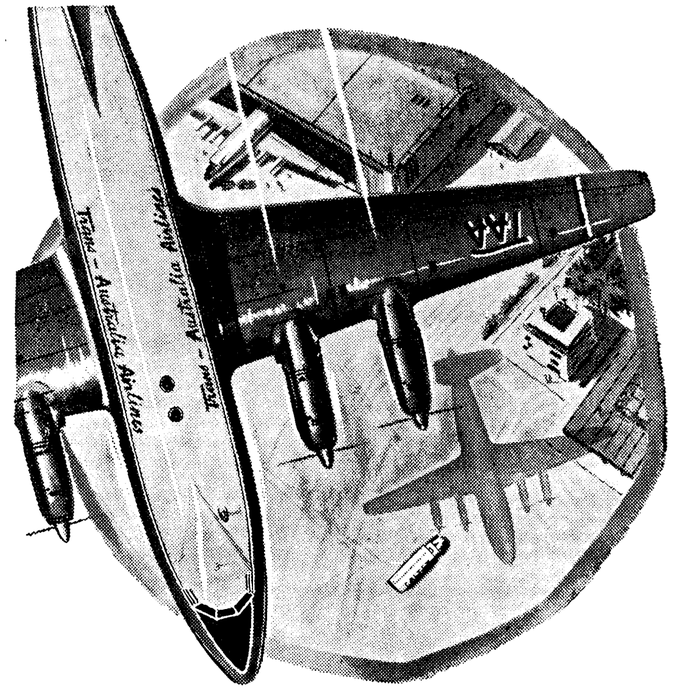
On the Instructions of the Government of Zanzibar TENDERS are invited by the undersigned for the purchase of His Highness's Ship "AL HATHERA" ex "KAFARU." Particulars :—Twin Screw Vessel built in December 1929 by Bow and McLackland & Co. Paisley. Tonnage Gross 279, net 101, length 125', breadth 25.1' and depth 10'. One single-ended oil burning Scotch boiler. Two triple expansion surface condensing engines. Cylinder diameter 22" by 35" by 57". Stroke 3'-3". Speed about 8 knots on consumption of about 8 tons of oil per day. Fitted with a hatch forward, length 10'-6", breadth 12' and capacity 70 tons approximately. Cargo capacity worked by one derrick capable of lifting 5 tons by a fitted steam winch. The vessel is also designed for deep sea towing from a self rendering steam winch aft. Oil bunkers are stowed in Port and Starboard wing tanks having a total capacity of 58 tons. Water capacity: fore peak 25 tons, after peak 25 tons and domestic peak 2 tons. Fitted with usual accommodation for Master and Officers amidships whilst the accommodation for the crew is situated forward. Can be seen afloat at Zanzibar Harbour where it is lying with a defective boiler.

2. For further information and inspection apply to the Port Officer, Zanzibar. The "AL HATHERA" is offered "as lies." The vessel to be removed within one month of the receipt of the notice of the acceptance of the tender. No responsibility will be accepted for the accuracy of the above Information. Nor can any responsibility be accepted by His Highness' Government for any costs incurred by the successful tenderer in obtaining a seaworthiness certificate. His Highness' Government does not bind itself to accept the highest or any tender.

3. Sealed tenders should be addressed to the Chairman, Central Tender Board, c/o Treasury, Zanzibar, marked "Tender for the purchase of 'AL HATHERA'" and sent by registered post so as to reach him not later than 10 a.m. on the 30th April, 1958.

A. C. C. ROBERTS,
Chairman,
CENTRAL TENDER BOARD, ZANZIBAR



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T. T. K. DEFENDS HIMSELF ABLY

MORALE OF CIVIL SERVANTS UNDERMINED

From Our Special Correspondent

NEW DELHI, 18*th February*

DELHI LETTER

TO those inside and outside the Lok Sabha who might have thought till this afternoon that the Chagla Commission had said the last word on the alleged direct responsibility of the outgoing Finance Minister in the matter of the L.I.C. investments in the Mundhra concerns, Mr. T. T. Krishnamachari's statement, delivered in a stentorian voice and with transparent sincerity and emotion, must have come as a stunning surprise. But the statement, dignified as it was, was more than an essay at self-defence or vindication of his own standing, reputation and character: it almost amounted to a judicial pronouncement, coming as it did from the son of a former District Judge. With this last brilliant performance as a parliamentarian of fifteen years' standing, Mr. Krishnamachari dramatically left the 'arena' "with regret but without any sense of frustration," as he himself put it. And regret was writ large on many a forehead in the Lok Sabha galleries.

Although the outgoing Finance Minister was personally least affected by 'aspersions' on his character, he performed a self-ordained duty to uphold the prestige of the Government of India of which he was a member. And this could not have been done otherwise than by marshalling an array of facts to disprove the three grounds on the basis of which the Commission of Inquiry had fixed on him also the personal (as distinct from constitutional) responsibility for the L.I.C. investment transaction. These three grounds, incidentally, were: "that it is improbable that any secretary would have put through an unusual deal of this character without Ministerial concurrence; that there must have been some prior understanding in Calcutta to which the Minister was privy; and the absence of subsequent repudiation, from which could be inferred the Minister was privy; and the absence of subsequent acquiescence." After a detailed presentation of facts and arguments, Mr. Krishnamachari came to the conclusion that the findings recorded against him "are on the basis of a series of surmises and not on the basis of the evidence actually led."

As for constitutional responsibility, he had already accepted it by resigning his post, in order not to be accused of taking shelter behind the Principal Finance Secretary. Although he had, of his own volition, chosen to resign, he rightly raised the issue whether it would be possible for any Minister "to accept the dictum that he must take full responsibility for the acts of his subordinates without being permitted to say that his subordinates did not reflect his policy or acted contrary to his wishes or directions, as the quantum and character of this Ministerial responsibility have not been defined." The issue that Mr. Krishnamachari raised is one that has a direct bearing on the morale of the Civil Service which, according to his own testimony, "consists of many able and devoted public servants."

Effect on Secretaries

Not much of the morale of the permanent Civil Service which the British rulers left behind was there even before the L.I.C. sensation, what with the promotion, in many cases, of junior members of that Service over the heads of its senior members. Even the little morale there was before the L.I.C. enquiry appears to have been undermined now. The senior civil servants, it is said, are more disinclined than ever before to take responsibility for any decision of a substantial nature. Where the Secretary of a Department orally discusses with the Minister concerned some question awaiting a decision and follows it up by noting down the gist of the conversation for the Minister's initials, and where the Minister actually initials it, there will be no trouble for the permanent Civil servant and the Minister's responsibility in the matter will be clear, although there can conceivably be a joint error of judgment in respect of an individual decision. This is stated to be the best possible Secretariat practice which can safeguard the permanent interests of civilians serving a succession of inexperienced and hence suspicious Ministers who come and go. Where, however, the Minister concerned calls for no such note containing the gist of a discussion for his initials, there is bound to be trouble either for the Minister or for his Secretary or for both. Where a Minister is anxious to safeguard his own public reputation which is vitally important to him in a political sense and his Secretary is anxious to maintain his own integrity in the interests of a permanent career, there will be shirking of responsibility on either side and decision-taking in the matter of policy or programme implementation will become even more dilatory than now. A near-paralysis of the kind can hardly be suited to the exigencies of a welfare State which demands a high tempo of action-performance.

Railway Budget

It was a cheerful Railway Budget that was presented to the Lok Sabha yesterday. The cheer was to be seen in the absence of any proposal to increase passenger fares and in the expectation of better financial results in the year 1958-59 than in 1957-58. The Budget estimates gross traffic receipts at about Rs. 408 crores as against Rs. 384 crores of the Revised Estimate for 1957-58; and working expenses at Rs. 314 crores as against Rs. 304 crores in the current year. An estimated increase of Rs. 14 crores in net traffic receipts in the budget year over their revised estimate in 1957-58 is something heartening. It is even more heartening because net miscellaneous expenditure will have increased by only Rs. 3 crores and dividend to General Revenues and net gain or surplus will both have increased by as much as Rs. 5 crores and Rs. 6 crores respectively. The progress of the Railway Plan under the second Five-year Plan is also equally heartening. As against the total allotment of Rs. 1,125 crores for the Railway Plan, Rs. 179 crores was spent in the first year and Rs. 235 crores will have been spent in the current year and Rs. 260 crores is proposed to be spent in 1958-59. At this rate of progress in the first three years of the Plan, it is not unlikely that the balance (Rs. 450 crores) of the five-year financial target will have been fully reached in the last two years of the Plan.

A summary picture of the working results of different railways is given in the following table constructed from the more detailed figures found in the Explanatory Memorandum:—

(Figures in Rs. crores)

	Actuals 1956-57	Revised 1957-58	Budget 1958-59
Central Railway:			
Gross traffic receipts	69.5	71.3	75.4
Total working expenses	50.0	52.1	53.5
Net revenue	18.2	17.4	19.4
Eastern Railway:			
Gross traffic receipts	47.2	53.5	56.8
Total working expenses	40.4	41.3	42.2
Net revenue	5.9	10.8	13.3
Northern Railway:			
Gross traffic receipts	54.4	61.3	64.4
Total working expenses	43.2	47.1	48.7
Net revenue	9.1	11.8	12.8
North-Eastern Railway:			
Gross traffic receipts	29.1	31.8	22.2
Total working expenses	31.8	34.9	20.9
Net revenue	—3.6	—4.2	—0.1
North-East Frontier Railway:			
Gross traffic receipts	..	..	11.7
Total working expenses	..	..	15.4
Net revenue	..	..	—4.5
Southern Railway:			
Gross traffic receipts	50.0	53.5	55.8
Total working expenses	44.3	52.0	51.1
Net revenue	4.6	—0.2	2.3
South-Eastern Railway:			
Gross traffic receipts	42.0	49.4	53.2
Total working expenses	30.6	32.7	34.6
Net revenue	10.9	15.5	17.0
Western Railway:			
Gross traffic receipts	55.3	63.6	68.0
Total working expenses	39.0	44.3	47.0
Net revenue	14.7	17.1	18.6
Total for all Railways:			
Gross traffic receipts	347.6	384.4	407.5
Total working expenses	279.3	304.5	313.6
Net revenue	58.4	65.9	76.9

EXPORTS OF SHELLAC

The inaugural meeting of the Shellac Export Promotion Council (Chairman: Mr. C. R. B. Menon) was held at Calcutta on the 5th inst. Addressing the meeting, Mr. Nityanand Kanungo, Union Minister for Commerce, did well to urge the Council to take such steps as would impart stability to the shellac market. The prices of shellac are of late subjected to violent fluctuations. Although the quantum of shellac exports in 1957 was about the same as that in the last three years (500,000 to 600,000 cwts.), the value of exports was less by over Rs. 2 crores. One of the reasons for this, it is said, has been the withdrawal of two large concerns from the shellac trade and the consequent diminution of finances available for the trade. Violent fluctuations in prices and price levels in Thailand have also had their effect. Unless shellac prices are stabilised, adequate finance cannot be attracted to the trade and industry.

Mr. Kanungo also stressed the importance of producing higher grades shellac, so that their proportion in exports could be raised. In his opinion, attention to grading of quality, packing, due and meticulous performance of contracts are urgent. Equally urgent is the need for continuous research in order to find new and extended uses for shellac.

In the course, of his speech, Mr. C. R. B. Menon, Chairman of the Council, revealed that the Council's immediate objective was to secure an increase in prices to a level attractive to foreign importers and users of shellac and remunerative to the trade and industry. Another point made by him pertained to the immediate necessity of scientific and technical research on lac and the efforts made to find the various uses of shellac.

These are some of the most important tasks to which the Export Promotion Council will have to address itself in right earnest. It may be noted here that the scope for any quantitative improvement in exports is rather limited. For about 90 per cent. of the production of shellac is already being exported, the value of which is Rs. 10 crores a year. Owing to the relatively inelastic character of production, any sizable increase in exports is not to be expected in the near future.

(Concluded from previous page)

progress of the implementation of the expansion programme of the sugar industry. The review reveals that the entire targetted capacity for the second Plan has been licensed. Further licensing is being restricted to expansion in existing uneconomic units and establishment of co-operative factories as envisaged in the Plan as and when spare capacity becomes available by a revocation of licences already granted. Of the additional capacity licensed, a capacity of about 200,000 tons came into operation in 1956-57. This was due partly to the commencement of production of nine new sugar mills, including six co-operative factories, and partly to the completion of expansion programmes of 20 existing units. In the current season (1957-58), 12 new factories, including seven co-operative ones, are expected to go into production.

Mr. Puri revealed that the establishment of new capacity for sugar production had somewhat been retarded by foreign exchange difficulties. He, therefore, called upon the sugar industry to use more indigenous machinery. While few will dispute the need for developing sugar mill machinery manufacture in India, it must be emphasised that, till such time as there is quantitative and qualitative improvement in domestic production and cost is reasonable, the sugar industry will continue to have to depend on foreign supplies. Mr. Puri himself pointed out that machinery manufactured at home were not up to foreign standards. Incidentally, it may be noted that the production of sugar mill machinery in India has gone up; the value of production in the first half of 1957 was about Rs. 40 lakhs, as against Rs. 32 lakhs and Rs. 19 lakhs in the whole of 1956 and 1955, respectively.

The next International Course on Small-scale Industries, organised by the Foundation Training Courses and Research in co-operation with the Netherlands Universities Foundation for International Co-operation (N.U.F.F.I.C.), will commence on 4th November, 1958 and last until 30th April 1959. The course is open to all those who hold an engineering degree or who have a technical background. The tuition fee is 3,800 Dutch guilders (approximately Rs. 4,735); cost of board, lodging and out-of-pocket expenses estimated at 375 Dutch guilders (approximately Rs. 470) per month have to be borne by candidates. Students interested in the course can apply directly to the Registrar, International Course on Small-scale Industries, N.U.F.F.I.C., 27 Molenstraat, The Hague (the Netherlands), before 31st August 1958.

The Deputy Minister of Finance, Mr. B. R. Bhagat, replied in the affirmative to a question in the Rajya Sabha this week whether it was a fact that a private company had been floated for establishing cotton textile mill in Ethiopia. He also replied in the affirmative to a question whether the Central Government had permitted the company to raise capital in India.

AMERICAN LETTER

SEVERITY OF WINTER HITS PART OF U.S.

"EXPLORER" RESTORES SELF-CONFIDENCE

From Our Special Correspondent

NEW YORK, 12*th February*

PERHAPS the most dramatic development of recent weeks was the firing of the United States Army's "Explorer" rocket into orbit. Its scientific name is "1958 Alpha." It will be followed presumably by 1958 Beta and so on. I flew over the site of the launching a few hours before the firing and followed the event by radio.

It was quite dramatic. Normally, the dense air traffic from the Northeastern part of the U.S. to the South hinges on Wilmington, North Carolina, and then follows a straight line across the Atlantic Ocean to Miami International Airport in Florida. Not so that day, 31st January. The normal flight path is East of the chief missile station of the U.S. in the northern part of Florida and in direct firing range. Hence all air traffic was diverted inland. It caused delays and congestion.

What are the real effects of this new U.S. 1958 Alpha? Newspapers throughout this country took great pains to interview the proverbial "man in the street" on that subject. Answers were interesting. People in smaller communities who work for their daily bread in a relatively sheltered atmosphere, displayed only mild curiosity. In the big cities where exposure to international news is constant, the reaction was one of great relief and elation. The Soviet monopoly on outer space had been broken. The stock market went up. The country forgot for a while the well publicised recession which is being enjoyed in a sort of masochistic way.

Outside of the recession to which I shall revert later, the weather this year has wrought havoc in some of the southern states. I just concluded a tour of the most hard hit areas around the Gulf of Mexico.

It seems that this year was chosen to be geophysical year because of its unusual high incidence of sun spots which run in cycles. In other words, it was predicted to be one of the worst sun spots years in history. It is known from past experience that sun spots cause, seemingly, all sorts of disturbances, they disrupt radio communications and electrical apparatus, they cause unusual weather, but, as yet, science does not know why. All observation posts around the world are on the alert this year to gather as much data as possible for getting the answers.

The severity of the winter in this hemisphere is hard to believe. Northern New York State is buried under several feet of snow. The cold belt is extending far to the south to a lesser degree. The entire vegetable crop of Florida as well as its citrus fruit trees have been destroyed by frost. Tourist trade, normally one of the main sources of income at this time of the year, has been cut in half. Hence, the southern states are having a private slowdown and an emergency of their own which is not related to the overall recession in the U.S.

All sorts of State and Federal Government planning is now under way to alleviate the hardships caused by weather. Parallel to that, discussions are continuing at Washington as to what can and should be done to counteract the general slowdown in business. There is now much serious talk about a reduction in Federal income taxes. While the stimulating influence of such a move cannot be denied, it would no doubt mean another cycle of deficit financing by the Washington Government and another dose of inflation.

At this point, two observations seem to be in order. Although unemployment is well above 4 million (about 64 million are still gainfully employed), there is very little hardship, relatively speaking, owing to the enormous backlog of savings which have been built up in the preceding decade of prosperity.

Secondly, the general psychology is such that no orthodox ideas of a balanced Budget and "sound" Government finance, such as prevailed a year ago, will stand in the way of pump priming by whatever means, in order to avoid a business recession of some magnitude which could have profound domestic and international implications, socially and politically. This is a very broad statement, but, in my opinion, thoroughly justified by current sentiment throughout the U.S.

For the outside world, in general, and for India, in particular, it means that fears of severe repercussions should subside. The successful firing of the 1958 Alpha had a good deal to do with the new psychology. Opposition against talks on any level with Soviet Russia is lessening, presumably that now Washington and the Kremlin would be conferring as equals. Even John Foster Dulles seems to have softened his opposition. At any rate, President Eisenhower received the other day the new Russian Ambassador in an unusual lengthy audience. It created a good deal of optimism.

There is now talk of another, the third, cut in the discount rate by the Federal Reserve banks. Projections also are that required reserves of commercial banks are scheduled to be reduced in April. Mortgage money will be made more plentiful by shading the interest rate one quarter to one half of 1 per cent. in the spring.

Among other boosting factors for the U.S. economy is the prospect of heavier spending this year by state and local governments for goods and services. The boost will be by $3,000 million to $40,500 million, according to Commerce Department estimates. Spending by the Federal Government in Washington will be up by $2,000 million in 1958 to $52,000 million.

The $275,000 million debt limit under which the U.S. Treasury has operated heretofore will undoubtedly be raised by the current session of Congress, perhaps to $280,000 million. In the latest Federal refinancing, a surprise was created by including in the package of offerings a 3½ per cent. 32-year bond issue in an attempt to lengthen out the maturity of the outstanding debt.

The next refunding is not due until June and by then money market conditions may not be as favourable as they are at the present time.

Two major soft spots remain in the U.S. economy and they are interrelated. Steel production is down to slightly below 55 per cent. of the annual capacity of 140 million tons and the question is being raised whether or not it was wise over a period of years to add to capacity by huge capital investment. One of the major consumers of steel, the automobile industry, reported January car sales as totalling 400,000 units, or 90,000 below January 1957. Inventories rose 90,000 to 800,000 units, now in dealers showrooms.

There is much discussion at the moment of a possible automobile strike later this year. Current wage contracts call for yearly wage boosts. If the industry should decline to go through with these stipulations on the grounds of poor business, a walkout is a possibility. While it would aggregate temporary unemployment conditions in these manufacturing areas, such a strike would certainly cure surplus conditions and assure full time production for some time to come in the future.

A third major soft spot is the railroad industry which has been unable to cope with the competition from trucks and the airlines. Freight traffic has been declining and passenger traffic remains unprofitable. The recent suicide of Robert Young, Chairman of New York Central Railroad, highlighted this plight.—*All Rights Reserved.*

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TITAGHUR PAPER

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WAGES FOR COTTON MILL WORKERS—I

INDUSTRY DOUBTS WHETHER IT WILL SUSTAIN EVEN EXISTING LEVEL

THE Millowners' Association, Bombay, has submitted a very lucid and comprehensive memorandum to the Central Wage Board for the Cotton Textile Industry. Welcoming the appointment of the Board, the Association has sought to impress upon the Board the fact that the present wage structure of the mill sector was determined after exhaustive enquiries by impartial tribunals, including the Labour Appellate Tribunal, and that any change in this structure will have wide repercussions on the wage structures prevailing in almost all other industries. It has also "grave doubts" whether the mill industry will be able to sustain even the existing level of wages, let alone an increase in that level. In support of this contention, the Association has marshalled interesting and authentic facts and figures. It must be said to the credit of the Association that, in its memorandum, as well as in its replies to some of the questions included in the general questionnaire issued by the Board, it has examined the issue from the all-India point of view, though special stress is laid on the problems confronting the mills in Bombay City and Island.

At the very outset, the Association has made a comparison between the cotton mill industry's capacity to pay in the period 1957-58 and in today's conditions. The comparison clearly brings out three outstanding conclusions. First, there has been a definite fall in the capacity of the mill industry to make trading profit. Secondly, the portion of the profit retained by the industry has declined considerably in the altered rates and structure of taxation. Thirdly, the industry's need for retained profits for purposes of depreciation reserves and dividends has gone up, as a result of rise in prices.

To take first the conclusion that the industry's capacity to make trading profit has suffered a distinct setback. This is due to the continuous increase in excise duty and sales tax. The estimated annual revenue from the Union excise duty (excluding the additional excise duty) on mill-made piecegoods is now as much as Rs. 80 crores, which represents a rise of Rs. 67.5 crores as compared with the position when the duty was imposed for the first time in 1949. Side by side with rise in excise duty, there have been also increases in sales tax rates levied by the various States, the annual total proceeds from which come to about Rs. 20 crores; the States' sales tax has now been replaced by an additional Union excise duty. The impact of the heavy excise duty, in particular, has been so severe that several mills are reported to have incurred losses in the past year (1957); only a very small number has been able to make trading profits. Commenting on the position in respect of Bombay mills, the Association observes:

"The share of Bombay mills, which represent a little less than one-third of the country's installed capacity, in the increase in duty may be taken to be of the order of Rs. 11 crores, which is more than the gross trading profits made by Bombay mills in several recent years. Although it is often assumed that the entire excise duty and sales tax can be passed on to the consumer and any changes in these should not affect the profits, in actual practice, there is a limit to the price which the consumer is willing to pay for his cloth. It does not matter to him how much of that price is excise duty, how much is sales tax and how much is the middleman's commission. If after an increase in duty the total price remains the same or almost the same, obviously, a corresponding reduction must have taken place in the amount realised by mills."

The cotton industry has also been called upon to bear other additional burdens. The Bombay mills, for instance, are required to pay every year about Rs. 1.15 crore by way of higher dearness allowance and Rs. 70 lakhs as gratuity. If and when the proposed increase in contributions to employees' insurance and provident fund comes into effect, there will be additional annual burdens of Rs. 40 lakhs and Rs. 60 lakhs, respectively.

Coming to the next point, namely, a comparison of the trading profits retained by the industry, the rate of company taxation which was 43.4 per cent. hitherto has been raised to 51.5 per cent. (1957-58 budget proposal). This means that, with a gross profit of Rs. 100, the profit retained after tax has gone down from Rs. 56.60 to Rs. 48.50 or a drop of 14 per cent. This is not all. The mills have also to pay wealth tax of half per cent. on paid up capital and reserves. Then there is the tax on dividends, not to speak of the one on capitalisation of reserves. Incidentally, a reference may be made to the study of the Reserve Bank of India which reveals that, in the four-year period 1950 to 1953, the average proportion of profits after tax to net worth was 5.3 per cent. in the cotton textile industry. This was lower than the ratio for all industries (7.3 per cent.), as well as that for the other established industries such as jute textiles (7.5 per cent.), sugar (9.5 per cent.), paper (11.3 per cent.), and even closely controlled industries such as iron and steel (13 per cent.) and cement (10.8 per cent.).

As regards the third point, namely, the industry's needs for rehabilitation reserves, dividends, etc., one has to take into account the continuous rise in prices of all articles, including machinery. The amount required by the industry for rehabilitation of machinery and equipment, as calculated with reference to pre-1950 prices, is now utterly inadequate and the mills have to find more money for rehabilitation and modernisation. The total requirements of Bombay mills alone are believed to be over Rs. 150 crores, as against Rs. 72 crores estimated in 1947. In the case of dividends, it is recalled that the Labour Appellate Tribunal fixed 6 per cent. on the paid-up capital as fair dividend at a time when the Bank rate was 3 per cent. Considering the increase in Bank rate to 4 per cent. and the reduction in the value of the rupee, there is need for a higher return on the paid-up capital. There is also need for an upward revision in the return of 2 per cent. fixed on reserves used as working capital.

An idea of the extent to which the tax burden on the cotton mill industry has been enhanced in recent years can be had from the following table:

(In crores of rupees)

	1947-48	Present position
Income-tax and super-tax	10.60	10.30*
Wealth tax	Nil	1.00
Excise duty on cloth	Nil	72.00
Excise duty (import duty on staple fibre)	Nil	1.80
Excise duty on fuel oil	0.15†	0.30
Import duty on cotton	2.40‡	Nil
Export duty on cloth	4.00‡	Nil
Cess on cotton consumed	0.05	0.15
Railway freight	7.40	11.00
Provident fund (statutory)	Nil	6.25
Sickness insurance	0.15	1.00
Leave with wages	2.00	5.00
Festival holidays	Nil	0.40§
Sales tax on cloth, stores, etc.	11.00	21.00
Electricity duty	Nil	0.65¶
Municipal taxes	0.45	0.80§
Total	38.20	131.65

* Relates to 1954-55. † Represents import duty. ‡ Relates to 1948-49.
¶ Relates to Bombay State. § Relates to Bombay City.

It is clear from the above table that, as against Rs. 38 crores paid by the cotton industry as taxes and levies in 1947-48, it is paying today as much as Rs. 132 crores, which represents an increase of roughly 250 per cent. Besides the crushing burden of taxation, the cotton mills have also been paying higher and higher prices for cotton, stores and power supply. The prices of the two basic varieties of cotton, namely, Jarilia fine and Broach Vijay now stand at about Rs. 775-830 and Rs. 945-995 per candy, as against Rs. 570 and Rs. 661, respectively, ten years ago. Similarly, the average value of foreign cotton has gone up from Rs. 966 in 1947-48 to Rs. 1,702 (1955-56). The prices of almost all items have risen considerably since 1947, as is evident from the following table which gives the value of important stores per unit consumed by the industry:

	Unit	1947	1953
		Rs.	Rs.
Pickers	Gross	168.00	188.40
Buffers	"	37.10	146.30
Roller-skins	"	1,037.60	1,476.30
Shuttles	"	554.30	818.60
Picking bands	Lb.	5.50	8.60
Belting	1,000 ft.	1,417.50	2,205.20
Heads	800 eyes	2.60	4.20
Reeds	1,000 dents	4.20	6.20
Paper and paper boards	Tons	698.20	1,169.80
Vegetable oils	Cwt.	72.50	83.90
Colours and dyes	"	1,462.10	1,645.80
Bleaching powder	"	20.20	35.00
Zinc chloride	"	60.10	101.80
Caustic soda	"	378.20	789.90
Starches	Ton	633.90	855.30

Value for unit of stores is worked out by dividing the total value of stores by the total number of units consumed by mills. Figures relating to 1954, 1955 and 1956 are not available; the general index of prices has gone up from 393.9 in 1953 to 403.2 in 1956.

The power cost of the Bombay cotton mill industry has also risen since May 1953. A 2½ per cent. surcharge was imposed by the power company in the month on account of increased operating expenses and high cost of plant and equipment replacement. This was followed by a thermal surcharge of 15 per cent. in April 1954 which was later increased to 24½ per cent. in January 1956. In October 1957, the old schedule of rates-*cum*-surcharges was replaced by a new schedule, and the new rates are about 7 to 10 per cent. higher than the old rates, inclusive of surcharges.

The foregoing account indicates a definite and marked fall in the cotton mill industry's capacity to pay as compared with the 1947-54 period. The Millowners' Association accordingly points out that, if an adjustment is to be made in the wage structure on account of the change in the capacity of the industry to pay, that adjustment cannot be in the upward direction. The Association's observations on the present wage structure of the cotton industry judged against the background of the general economic conditions in the country and with reference to productivity will be dealt with in our next issue.

TEXTILE INDUSTRY IN BOMBAY

About 20,000 workers have been thrown out of employment in the textile industry and nearly 9,700 workers have been retrenched in Bombay. This was disclosed by Mr. Abid Ali, Union Deputy Minister for Labour, while replying to a question in the Lok Sabha the other day. Mr. Abid Ali disclosed that the Union Labour Ministry had set up an inter-departmental group to study the problems of the textile industry in Bombay and make suggestions in this regard. He admitted that the Union Minister for Labour and Employment had discussions on this problem with the Bombay Chief Minister recently. During the discussions, there was a general review of the situation in the textile industry arising out of the closure of shifts or establishments but no decisions were taken. Mr. Abid Ali stated that it was very difficult to measure precisely the changes in productivity but there was evidence that it had improved. According to him, in the cases of the units about which the Government had information, there had been closures because the units were uneconomic. Some of these units were losing, perhaps due to the accumulated effect of mismanagement in the past years and depreciation in the conditions of machinery.

CLOTH PRODUCTION TO STOCKS

The production of cotton cloth and yarn in the mills suffered a setback during the first month of the current calendar year, that is, January. The quantity of cloth that actually came off the looms in this month was about 433 million yards, as against 435 million yards in the previous month (December 1957) and 484 million yards in the corresponding month of last year (January 1957). The fall in cloth production followed a decline in the output of yarn which amounted to 147 million lbs., as against 152 million lbs. and 156 million lbs., respectively.

Owing to lower output of cloth and increase in domestic offtake, stocks with mills have decreased to some extent. At the end of January, the total stocks held with mills aggregated about 874.5 million yards (583,000 bales), as against 988.33 million yards (659,885 bales) a month before. They are, however, very much higher as compared with the stocks of 771.28 million yards (514,188 bales) held at the end of January 1957. The bulk of the 874.5 million yards consisted of the quantity lying unsold, the actual figure being 558.75 million yards (372,500 bales). The quantity sold but not taken delivery was 315.75 million yards (210,500 bales).

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IOB 204

TREND OF TEXTILE OUTPUT IN PAST YEAR

CLEAR NATIONAL POLICY ON IMPORTS URGED

From A Special Correspondent

MANCHESTER, 11*th February*

MANCHESTER LETTER

BRITAIN'S spinning mills turned out 27,000,000 lbs. more cotton and rayon yarn last year than in 1956, but cloth output fell by over 26,000,000 yards. Cotton Board figures issued this week recorded total yarn production at 876,640,000 lbs., against 849,340,000 lbs. in 1956. Of this, purely cotton yarn output accounted for 622,360,000 lbs., as against 597,440,000 lbs.

Aggregate cloth production amounted to 2,287,170,000 yards, as compared with 2,313,620,000 yards in 1956. The drop in output was entirely in goods in the man-made fibres section, which aggregated 659,580,000 yards, as against 702,070,000 yards. Cotton cloth production increased from 1,611,550,000 yards to 1,627,590,000 yards.

Manpower in December reached the lowest level of the year, with a fall of 1,330 in the number of workers on the books of employers during the month. At the year-end, the labour force consisted of 241,160 operatives in spinning and weaving, as compared with 243,330 twelve months previously and the peak of 245,740 in February 1957.

A clear national policy decision on the treatment of all low priced imports of cotton goods from the East was demanded by Sir Raymond Streat, former Cotton Board Chairman, addressing the Oldham Junior Chamber of Commerce last week. The cotton industry, he declared, had shown the four virtues required to deal with inflation—energy, enterprise, sacrifice and restraint. Lancashire was willing to agree that Commonwealth countries should have free assess to a handsome share of its home market but there should be an agreed limit for an agreed period of years ahead.

"Our Indian and Pakistani competitors agree and would negotiate a limit," continued Sir Raymond. "What so far prevents a solution is that the Hong Kong millowners decline to negotiate and the Colonial Office declines to tell them that they should do so. The Government as a whole declines to tell the Colonial Office they should do so." This problem, left unsolved, could wreak lasting hurt on the cotton industry and indirectly could do more to destroy future prospects of Commonwealth economic co-operation than would a solution insisted upon by London, but of so considerate and generous a character that it would leave no rancour behind.

Commenting on the proposals for an Import Control Board, included in Mr. Harold Wilson's *Plan for Cotton*, Sir Raymond Streat said that this system was thoroughly bad, he observed: "We have bitter experience of the grievous effect of Government-held stocks of raw cotton in the United States. Trade cannot flourish where Government-held stocks, subject to political influence, hang over the market. I frankly do not believe the Labour Party in office would implement the proposal. No authoritative Labour spokesman has said they would."

Sir Raymond criticised leading personalities and organisations in the cotton industry for "too much groaning and moaning," and stated that speech-making, report-writing and resolution-drafting in the industry needed an overhaul. "We argue too much in terms of fear of a return to the acute problems of the inter-war economic depression," he added. "Lancashire has so many assets and strong points that the speaker or writer who attracts a gloomy headline should conclude that he is not equipped by temperament to be a spokesman for Lancashire and should impose a ban of silence upon himself. All Jeremiahs in the county should have their lips sealed."

Turning to current trends in the industry, the former Chairman of the Cotton Board struck a more optimistic note than is generally heard in the environs of the Manchester Royal Exchange these days. Admitting the hesitancy currently displayed by distributors, Sir Raymond said that the consumer at home was well employed and that there was no reason to suppose that any fewer cotton goods would be bought this year than last.

Supply Switches

Half the current cotton season has gone by and already the trend of imports of the raw material into this country can be gauged. American supremacy is still strongly marked, although the volume of supplies arriving is somewhat lower than at the same stage a year ago. It could hardly be expected that purchases of raw cotton would continue at such a high level, stimulated as they were last season by the policy of the United States Government in offering supplies for export at cheap rates. The continuation of this system has led to further substantial buying of the American product; the proportion of outside growths absorbed has again suffered, as the following comparison of arrivals of the raw material from different sources in recent seasons shows:

(In bales)

	First half			Total
	1957-58	1956-57	1955-56	1956-57
American	400,587	487,763	99,409	1,027,398
Mexican	92,668	71,021	69,730	105,059
Nicaraguan	7,687	2,712	1,388	24,458
Brazilian	9,942	32,500	85,006	38,236
Argentine	1,922	..	1,813	19,586
Peruvian	22,135	37,256	30,608	61,285
Egyptian	7	976	11,508	1,284
Sudan	68,375	113,803	101,243	146,396
East African	13,485	13,094	13,726	36,925
Nigerian	27,100	28,556	67,279	57,276
Congo	685	7,494	13,481	8,134
Turkish	27,110	16,302	497	26,144
Syrian	9,291	5,178	21,015	14,316
Pakistan	2,050	2,575	21,671	10,110
Indian	969	4,536	42,582	20,375
Russian	13,315	13,534	41,590	30,636
Others	60,542	30,617	52,717	61,829
Total	757,770	872,917	679,943	1,689,449

Over the years, the part played by different cotton producing areas must vary and current indications point to a swing away from the more traditional types grown outside the United States used in Lancashire. Purchases from India, Pakistan and several South American countries are now relatively unimportant and political developments have practically obliterated the spinning of Egyptian cotton. In some cases, adequate substitutes have taken the place of former favourites, but shipments from the Sudan have been affected during the past half-year by the rather curious price policy adopted by the Sudanese Government.

Mexican growers have gained a little at the expense of the United States, while a marked improvement has lately occurred in the use of Turkish cotton in Lancashire mills. An interesting commentary on the widespread nature of cotton growing throughout the world is the fact that arrivals of raw material from countries not specifically mentioned in the above list so far this season have doubled in quantity compared with a year ago.

Although imports during the past 18 months have shown a remarkable expanson, a large proportion of the supplies received have been absorbed by the mills. Stocks in first hands are probably larger than sometime ago, but the supplies held by merchants have not increased materially. The latest information on visible supplies at Liverpool, Manchester and afloat shows a total of 318,000 bales, as compared with the peak of 387,000 bales at the end of October last. The position 12 months ago was that visible supplies amounted to around 287,000 bales.

Stocks of the American staple accounted for 181,000 bales out of those at present on hand, whereas, towards the end of last year, there were at one time 227,000 bales available. Supplies of Sudanese cotton continue to arrive in fair quantities, there being at present 19,000 bales afloat and a further 11,000 bales is held in stock at Liverpool.

Financial Aid Plea

Mr. Frank Rostron, President of the Manchester Chamber of Commerce, compared current conditions in the Lancashire cotton industry to those ruling in 1951 in the course of his address at the annual meeting of members. The average number working in the third quarter last year, he said, barely exceeded 200,000 in spinning, doubling and weaving, whereas the figure in 1951 was 278,000. The last few months of 1957 did not bring a really satisfactory volume of new business and the outlook at the beginning of this year would have been more encouraging had the orders in hand been double what were, in fact, available.

To arrest this serious decline, Mr. Rostron said that, without some form of agreement or understanding with the overseas industries concerned, the Government would be faced with renewed pressure for some means to control duty-free foreign imports, perhaps on the lines of the action recently taken to check the flood of cloth from China.

While everyone agreed that there were many directions in which Lancashire must fend for herself, there were periods in the history of any industry when outside help was essential. "I feel there is a need for some generous long-term financial arrangement," he declared, "particularly in the weaving section, to enable manufacturers to re-equip with modern machinery and to employ new methods."—*All Rights Reserved.*

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SCINDIA STEAM NAVIGATION COMPANY, LTD.

MR. DHARAMSEY M. KHATAU'S REVIEW OF COMPANY'S OPERATIONS

EXPANSION OF CAPACITY OF PORTS TO RELIEVE CONGESTION SUGGESTED

SPEAKING at the Thirty-eighth Ordinary General Meeting of the Scindia Steam Navigation Company, Ltd., held at Bombay on 19th February 1958, Mr. Dharamsey M. Khatau, Chairman, referred to the congestion in the ports of India and hoped that the good record established recently in the working at different ports would be continuously maintained. At the same time, he desired that the piece-rate system introduced in Bombay port should be extended to other important ports and that no effort should be spared in expanding the capacity of the major and the important minor ports, so that they could, in future, cope with the increased export-import trades and conveniently handle larger and deep-drafted ships.

The following are extracts from Mr. Khatau's speech:

"GENTLEMEN,

"It gives me great pleasure to welcome you to this, the Thirty-eighth Annual General Meeting of the Company. The Directors' report and the statement of accounts for the year ended 30th June 1957, have been in your hands for some time now and, with your permission, I will take them as read.

"In my speech I had informed you last year that the working results for the year 1956-57 would be satisfactory, compared with the previous year, and I am happy to be able to report that our expectations have been fully realised, as can be judged from the accounts already before you. I would invite your attention to the allocations proposed in the Directors' report with you and would clarify that the amount of Rs. 72 lakhs provided as special depreciation represents the amount by which our tax liability has been reduced on account of the development rebate allowed under the Income-tax Act in respect of new ships commissioned during the year under review. This, together with the amounts previously provided in this behalf, brings the total of special depreciation to Rs. 150 lakhs. Our gross earnings of freight have shown an increase of about 20 per cent., even though during the year under review the cargo lifted by your vessels was only 18.67 lakh tons, as against 19.15 lakh tons last year.

"In spite of enhanced and rising costs of operation, the improved results have enabled your Company to pay a dividend of Rs. 1.25 per share. You will also observe that we have added substantially to various reserve funds and these additions have strengthened the finances, which will be necessary for the modernisation and expansion of our fleet, to which I shall refer later this afternoon.

Coastal and Adjacent Trades

"With the lesser number of ships available for these trades, as compared to the previous year, due to sale of old units employed here, we carried less cargo during the year. The freight earnings, however, show an increase, due to larger imports of rice from Burma and due to the freight increase of 15 per cent. on general cargoes and coal as recommended by the Rail-Sea Co-ordination Committee to which I had referred last year. The freight earnings would have been better had the increase recommended by the Rail-Sea Co-ordination Committee been made effective by Government on salt cargoes carried by your vessels. The sanctioned increases in freight rates, referred to above, have helped us in meeting to some extent, the rising operating costs, but they still fall short of the request of 28 per cent. increase made by the coastal shipowners. Under these circumstances, it is not going to be easy not only for your Company but also for other shipowners engaged in these trades to meet with the rising spiral of operating costs and to provide even for a modest programme for replacement of old and uneconomic units presently employed. It is apparent, therefore, that it would be extremely difficult, if not impossible, for shipowners in these trades to provide for additional tonnage, which would be necessary to meet with the trade requirements as envisaged not only by the Rail-Sea Co-ordination Committee but also by the authors of the second Five-year Plan.

"As regards the West Coast (B.S.N. Line) trade catered for by the smaller vessels of your Company, I have nothing very hopeful to report, for, even though there is some improvement on the Bombay-Saurashtra sector, it is apparent that we have lost a good portion of our passenger and cargo traffic between Bombay and Karachi, due to passport and export-import restrictions between the two countries. Similarly, the passenger traffic between Bombay and Mormugao is not available, owing to our having to discontinue the services to and from Mormugao.

Overseas Trades

"With the addition of new and faster ships in the trade, it was expected that our liftings would increase proportionately. Unfortunately, however, owing to the closure of the Suez Canal, our voyages were longer with the result that our liftings increased only by about 5 per cent. The freight earnings have been higher than last year, due to freight increase during the year and to the Suez surcharge levied to cover increased costs due to deviation in the routing of ships.

"The India/U.S.S.R. Service, which we started last year, is still meeting with some operational difficulties which I would call 'teething' troubles. To meet the increased operating costs, we have requested the Government to increase the freight rates suitably and hope that an early decision will be taken.

"The India/West Africa service, to which I referred last year, has found favour with the exporters from the West Coast, as it provides regular direct sailings at lower rates. This new service has enabled us to cater not only for cargoes to West African ports but also to the cross trades between West Africa and Continental Mediterranean ports, thereby making an additional contribution to the foreign exchange resources of the country.

Operating Expenses

"In view of the greater number of 8 and 12 yearly surveys in 1956-57, as compared to the preceding year, repairs, surveys and dry-docking charges show a considerable rise over the preceding year. Our fuel bill shows a rise due to the deviation of some of the voyages via the Cape and the increased cost of fuel oil, consequent upon the Suez crisis, apart from the two extra voyages performed in the year under review. There is a small set off against these increases due to saving in the Canal dues. The implementation of the piece-rate scheme at Bombay has brought an increase in the stevedoring charges which, to some extent, could be set off against the improved despatch obtained.

"In view of the demand made by the National Union of Seamen of India for a rise in wages and for certain other benefits a ten per cent. increase in wages and certain benefits were agreed to be given to the seafarers as from 1st October, 1957, that is, in the current year, and this will cost us about Rs. 5 lakhs per annum.

Port Conditions

"Shipowners had to put up with considerable delays at some of the Indian ports, thereby losing a number of ship-days in a voyage, due not only to monsoon conditions but also to unphased imports of fertilisers, foodgrains, iron and steel and other Plan cargoes, which severely strained the resources of the ports like Bombay and Calcutta and nullified the advantage gained by the introduction of the piece-rate system in Bombay. The port congestion was further aggravated by the clearance and reopening of the Suez Canal which brought about a simultaneous arrival of ships via the Cape and via the Canal. The port congestion in India caused great concern to the members of the various Conferences abroad trading with India. These Conferences were seriously considering the question of levying a surcharge on freight to compensate themselves for losses due to such delays and it required most strenuous efforts on the part of Indian Lines to persuade the Conferences to stay action in regard to the imposition of surcharge. These efforts were very necessary, in view of the active steps taken by the port authorities and the Government to reduce the congestion and minimise delays to ships in ports. It is hoped that the good record recently established in the working at different ports will be continuously maintained. Early steps should be taken by the Government to introduce the piece-rate system, so effectively working in Bombay, at other important ports. Side by side, no doubt, efforts will be made by the authorities to augment and improve the handling equipment at various major ports. The Government, I am sure, will not spare any effort in expanding the capacity of major and important minor ports, so that they can, in future, cope with the increased export-import trades and conveniently handle larger and deep-drafted ships.

Tonnage Programme

"With the delivery of the six 17-knot ships from the Lubeck shipyard, we have now with us 44 ships aggregating 2,36,532 g.r.t. in all operating in the overseas, coastal and adjacent trades including also the seven smaller ships employed in the West Coast trade. Delivery of two ships ex the Vizag Shipyard has been considerably delayed and we now expect one of these to be handed over to us next month and the other in June this year. Two faster ships on order with the Lubeck Yard are expected to be delivered to us in 1959 and 1960. With the delivery of these new ships we hope to be able to cater to the requirements of the coastal, adjacent and the overseas trades by suitable adjustments. Such additional demand for space as we have to cope with particularly from the U.K.-Continent, we arrange to cover by chartering ships on a suitable basis.

"The question of providing the necessary tonnage to meet our requirements has been receiving our constant attention. As from May, 1955 to date we have acquired 14 ships in all and expect two more to be delivered to us in the next few months and a further two during the next two years. Even so, we shall have to replace the eight liberty ships and five ships presently employed in the coastal and adjacent trades, apart from any expansion of our fleet, to enable us to cater increasingly to the overseas trades of the country in which the Indian lines have so far had a very meagre share. Looking to the depressed state of the freight market and the easier position in regard to placing of orders for new tonnage, the present seems to be an appropriate time to acquire tonnage to provide for replacements and expansion. We have been planning to provide at least for our replacement programme. We have the necessary resources, but we are faced with the very tight position in regard to foreign exchange. We trust that, as a result of the efforts being made by our Transport Minister, it will be possible for the Government to release some foreign exchange for acquisition of tonnage.

Prospects for the Current Year

"You would perhaps like me to say a few words about the current year which is coming to a close shortly. With the improvement in working at ports our turn-round has improved and we expect more voyages to be completed due to our placing newer and faster ships in service. Our operating results as up to the six months ended 31st December 1957 have been satisfactory. We propose to provide regular coastal berthings for the carriage of general cargoes both from the West and East coast ports, and we expect improved earnings in the carriage of coastal cargoes. In regard to the carriage of rice from Burma to India aggregating four lakh tons in the current year, the rate of freight as agreed by the Government of India is far from economic. While the low rate awarded is, no doubt, the result of lower prevailing tramp freight, it particularly hits essentially Liner Companies like ours who have not hesitated in the past to carry rice cargoes at comparatively lower rates even when the tramp freights were at a high level.

"The persistent low level of tramp rates in the overseas trades has, however, affected the Liner rates on bulk cargoes like ores, fertilisers, oil-cake, bulk oil, scrap, etc., and the effect of this downward trend in rates will have some impact on the working results for 1958-59. The import restrictions and the delayed announcements in regard to export quotas also affect the availabilities of cargoes in the Liner trades. In view, however, of the positive foreign exchange earning possibilities manifest in the expansion of the export markets of these commodities, I am sure the question of the release of sizable quotas of these commodities is engaging the constant attention of the Government of India. With these steps and with the expansion of the trade in general as a whole, I would expect our Liner services to get reasonable support in years to come.

"We had the usual periodical conference of our Agents and Branch Managers early in December at Bombay when our various departments at the Head Office and the Management of the Company had full and frank discussions about the important developments affecting our various services. Particular advantage was taken during these discussions to place before our representatives our plans for further improvement in our services and, as a result of these joint deliberations, we have drawn up improved schedules of different services which are being given effect to during the current year. I have every hope that our joint deliberations will result in a better and more efficient working of our services as we progress from year to year.

Government and Shipping

"The year under review has seen a number of taxation and allied proposals being given effect to, with a view to augmenting the finances for the implementation of the second Five-year Plan. The Indian shipowners were considerably agitated over the introduction of the Wealth Tax and the effect of this tax on the competitive ability of Indian shipping in the international trade. A delegation of Indian shipowners presented the case of the shipping industry before the Select Committee of the Parliament and ultimately we were able to obtain the necessary exemption from the application of the provision of this Act to the shipping industry. I am sure, you will join with me in expressing our due debt of gratitude to Shrimati Sumati Morarjee who led the delegation and, particularly, to Shri M. A. Master for his able advocacy in the cause of Indian shipping before the Select Committee.

"The systematic disposal of our older and uneconomic ships is a natural outcome of planned modernisation of our fleet. The sale of such ships, however, brings us within the ambit of the Capital Gains Tax. Your Directors are alive to the fact that a ship is sold only to be replaced and that such replacement costs the Company at least 5 to 6 times the original cost of the vessel disposed of. We are, therefore, making every effort to impress upon the Government that the sale of such vessels is not with a view to encashing the 'Capital Gains' arising out of the transaction but only to replace and improve the general tonnage position of Indian shipping and that, therefore, shipping should be exempted from the imposition of the Capital Gains Tax.

"As on 1st January 1957, India had 124 ships of 517,300 g.r.t.; ten ships aggregating 69,017 g.r.t. were added during 1957. On 1st January 1958, there were under construction or on order twenty-three ships of 138,100 g.r.t. in Indian and foreign shipyards.

"Two second hand ships of 9,879 g.r.t. were purchased for delivery in 1958. With these acquisitions the Indian registered tonnage would reach a total of 159 ships of 734,296 g.r.t. By 1960-61 about 90,000 g.r.t. will be due to be scrapped or sold and India would, therefore, still need about 255,000 g.r.t. to reach the modest target of nine lakh g.r.t. as fixed by the Planning Commission. Viewed in the context of available finance and the foreign exchange resources of the country, the fulfilment of this objective would appear to be a stupendous task. It was, therefore, very heartening to hear the very encouraging and appreciative remarks from our Transport Minister, Shri Lal Bahadur Shastri, about the efforts made by the Indian shipowners in acquiring additional tonnage, when he addressed the general meeting of the Indian National Steamship Owners' Association in December last. He was not only fully appreciative of the difficulties that the Indian shipowners had to face as regards acquisition of tonnage but was further prepared to extend assistance to the Indian shipowners in this connection. I particularly value his very encouraging observations about the shipping development fund, reduction in the rate of interest on loans granted to shipping companies for the acquisition of coastal ships and the hopes that he has held out for an increase in the development rebate allowance. He was sympathetic also in regard to the question of foreign exchange. The Transport Minister further made certain proposals in regard to the availability of cargoes to be moved in Indian ships and we are happy to note that—thanks to his efforts and the co-operation of the other Ministries in the Government of India—a Shipping Co-ordination Committee has been constituted which would attend to this question and suggest steps that could be taken to enable the Indian shipowners to acquire additional tonnage. Indian shipowners are indeed very grateful for the sympathetic understanding of our difficulties and the steps taken to resolve the same. We are sure, with the presentation of the next budget, we may see further implementation of some of the proposals made.

Managing Agency Agreement

"As mentioned in the Report, the question of future Managing Agency of the Company is now in the final stage of discussion and the same will be placed before you for approval at an early date.

Bonus Shares

"I may inform you that, consequent on the receipt of the sanction of Controller of Capital Issues, allotment letters in respect of bonus shares are being got ready and will be sent to shareholders shortly."

OUTPUT OF SHIPS IN 1957

The world's shipyards launched 1,946 ships aggregating 8,460,000 gross tons during 1957, surpassing the previous year's output by 1,786,000 tons, the biggest increase over any single year in the post-war period, and establishing a new post-war record. The latest Lloyd's Register shipbuilding returns show that Japan has once again topped the list of shipbuilders with an output of 2,424,000 tons which is an improvement of 680,000 tons over the previous year and which is 1,000,000 tons higher than the output of U.K. which lost the lead to Japan in 1956. Germany continued in the third place with 1,230,000 tons launched, showing an increase of 230,000 tons over the previous year.

The following table gives the details of shipping launched in these countries and the world in the post-war period:

(In g.r.t.)

	World	Japan	U.K.	Germany
1946	2,114,702	N.R.	1,120,526	N.R.
1947	2,102,621	N.R.	1,192,789	N.R.
1948	2,349,743	N.R.	1,176,316	N.R.
1949	3,131,805	147,974	1,267,467	N.R.
1950	3,492,876	347,945	1,324,570	154,506*
1951	3,642,564	434,286	1,341,624	315,339
1952	4,385,578	608,373	1,302,548	520,172
1953	5,096,050	557,339	1,317,463	818,221
1954	5,252,631	413,405	1,408,874	963,114
1955	5,316,742	826,730	1,473,937	925,589
1956	6,673,701	1,746,429	1,383,387	1,000,498
1957	8,460,314	2,424,000	1,407,000	1,230,000

N.R.=No Returns. * Returns may not be complete.

At the end of 1957, 9,947,977 gross tons of shipping were under construction in world's shipbuilding yards. Of these, 2,345,408 tons were being built in the U.K., 1,589,280 tons in Japan, 939,537 tons in Italy and 928,087 tons in Germany. 49.1 per cent. of the total tonnage under construction represents tankers.

The U.K. has the largest amount, namely, 2,216,520 tons of the tonnage being built, for the registration under its flag. Other countries making large additions to their fleets are Norway with 1,103,953 tons, the "flag of convenience" countries Panama and Liberia with 941,307 tons and 840,050 tons, respectively, Japan with 556,930 tons, the Netherlands with 519,490 tons, France with 486,387 tons, Italy with 480,054 tons, the U.S. with 424,339 tons, Sweden with 379,778 tons and Germany with 343,522 tons.

As at the end of 1957, there were 11 ships with a total tonnage of 29,111 under construction in Indian yards. This included seven motorships comprising five vessels of between 4,000 and 6,000 tons and two vessels of between 2,000 and 4,000 tons and four small steamships of less than 1,000 tons each.

A report from New Delhi states that the French consultants of the Hindustan Shipyard will cease to function after June. A six-month notice for the termination of their contract is believed to have been given last month. This action is reported to have been taken, because of the dissatisfaction with the manner in which French collaboration at the shipyard has progressed so far.

Things seem to have come to a head last year when a ship built at Visakhapatnam was found to contain serious structural defects. The matter was raised in Parliament and Mr. Lal Bahadur Shastri, Minister for Transport, promised an enquiry.

A new foreign firm is likely to be chosen as consultants to the shipyard after discussions with several countries.

INDO-EGYPTIAN TRADE IN COTTON

LARGER IMPORTS IN THE OFFING?

IN spite of the earlier statement of Dr. Chiati, leader of the Egyptian trade delegation currently in India, that no price discounts will be offered for Egyptian cotton, the expectation still persists in cotton circles that Egypt will be prepared to make some concessions or provide some inducements to make its cotton attractive to Indian buyers. This belief stems from the anxiety of Egypt, as expressed by the delegation, to see that India lifted as much quantity of its cotton as possible. It is also strengthened by the fact that the supply of Egyptian cotton in the current season, namely, 1957-58, is substantially higher than in the previous season. According to the latest crop estimate, the current season's crop will be of the order of 1,842,746 bales (of 478 lbs.), as compared with 1,498,000 bales in the previous season. Stocks at the beginning of the season, that is, on 1st August 1957, was also higher at 440,000 bales, as against 305,000 bales on the corresponding date of the previous year. Export demand so far this season has, however, been more encouraging than last season and sales have registered a better showing. For instance, export sales till the 15th of January last aggregated 628,773 bales, as against 468,020 bales in the same period last season.

Nevertheless, it is true to say that Egypt has not yet recovered from the shock of the Suez crisis and has yet to regain its traditional markets. Vigorous efforts are being made to accelerate cotton exports and the delegation's visit to India is an instance thereof. Dr. Chiati, leader of the delegation, however, said that the delegation was purely on a goodwill mission, though it was naturally interested in enlarging trade between the two countries. Probably, he did not want to create the impression that they were unduly anxious to get rid of their cotton stocks.

While purchases by many of Egypt's European customers dwindled to a mere trickle, following the Suez crisis, India continued to take substantial quantities, though even its offtake was considerably less than that in earlier years. Import of Egyptian cotton, which was 279,381 bales (of 400 lbs.) in the 1953-54 season, declined to 218,933 bales in 1955-56 and still further to 54,327 in 1956-57. The monthly average consumption of Egyptian cotton by Indian mills also showed a downward trend. It declined from 23,260 bales in 1953-54 to 7,790 bales in 1956-57 and has been running at the rate of about 6,380 bales during the period September-December 1957 of the current season. The fall in Indian offtake of Egyptian cotton has been mainly due to the foreign exchange difficulties of India, the high price of Egyptian cotton and the availability of cotton of comparable quality at cheaper prices. The quality of Egyptian Karnak has also deteriorated of late.

The bulk purchases of Egyptian cotton by communist countries during the last and the previous season had artificially boosted the prices of Egyptian cotton. At this time last season, for instance, Egyptian Karnak Futures contract was quoting round 120 tallaris per lb., as compared with the quotation of around 80 tallaris per lb. at present. Although the price has thus come down considerably this season, it is still out of parity with that of Sudan, especially after the recent downward revision of the reserve prices of the Gezira Board and the cut in export duty.

Indian buyers consider Egyptian Karnak dearer than comparable Sudan cotton by about Rs. 200 per bale. In addition to this price advantage, Sudan cotton is also attractive to spinners in India because it is better marketed, and is of even-running quality, thanks to the very consistent classification adopted by the Sudan Gezira Board. An attraction offered by Egyptian cotton, from the Indian point of view, is that payment for it might be made in rupees while Sudans have to be paid for in sterling. But this payment advantage in itself is not sufficient to induce India to go in for larger quantities. Some discount, which would reduce the price spread between Sudanese and Egyptian cotton, is also necessary to make the latter attractive to Indian mills.

During the talks which the delegation had with the representatives of the cotton trade and mills in Bombay last week, it was made clear to the delegation that India could not purchase now as much as it used to buy in the past, because of the high price of cotton and foreign exchange difficulties. It was pointed out that this country could take more Egyptian cotton, in preference to Sudanese styles, only if the following terms were agreed upon:

(1) Egypt should give a discount for payment in rupees.

(2) It should reach a long-term agreement with India regarding payment for cotton imports. It was suggested, in this context that the possibilities of taking more Indian goods in return for cotton should be explored.

It would appear that the purpose of the delegation's visit to this country is to arrive at an agreement with the Government which would permit a separate quota for Egyptian cotton and bilateral clearing arrangement in Indian rupees so as to channel trade between the two countries in that currency. It seems likely that, within this framework, Egypt may agree to give some price concessions. According to knowledgeable sources, Egypt is inclined to give a concession of 15 per cent. in respect of Karnak and 20 per cent. for other varieties. The aforesaid arrangement will free Egyptian cotton from the uncertainties of import quota. But whether the Government of India would permit substantial quantities to flow in or whether it would put a ceiling remains to be seen. These questions might, doubtless, have been discussed at Delhi and the outcome of the parleys is awaited with interest.

NEW COTTON FOR GUJERAT

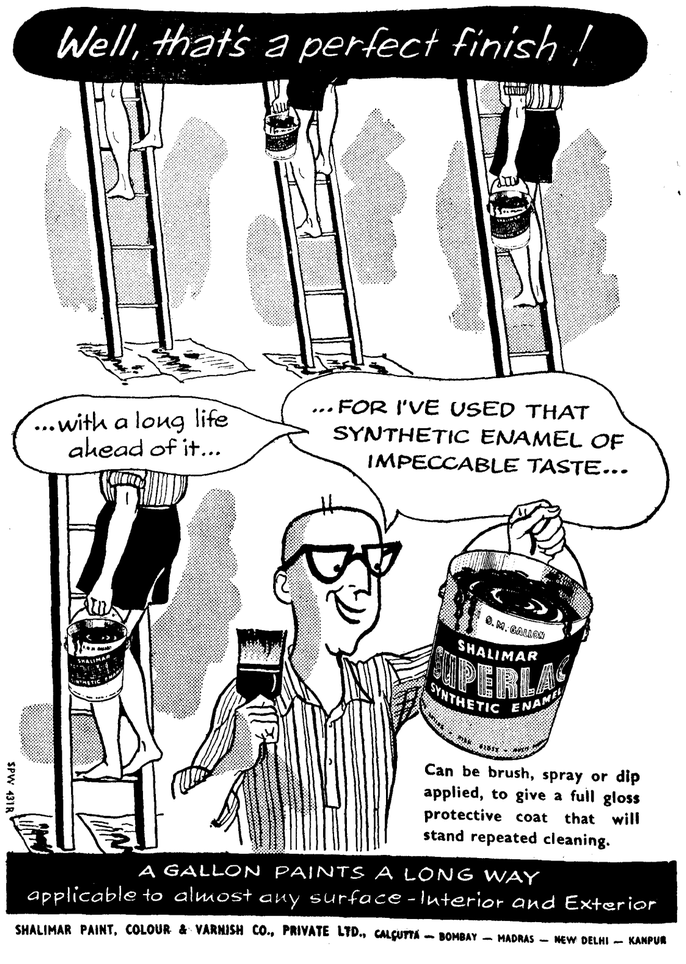
A new variety of cotton suited to the Mathio tract of Kathiawar has been evolved under the auspices of the Indian Central Cotton Committee, styled as C.J.73. It has a ginning return of 34 per cent. and a staple of ⅞"-15/16" and has been found capable of spinning up to 40 counts at the Technological Laboratory, Matunga. For an average yield of about 440 lbs. per acre, it is estimated to bring in a cash return of Rs. 258 per acre, as against Rs. 200 obtained for the previous improved strain known as 'Pratap' and Rs. 196 for the unimproved local Mathio.

Mathio cotton, which is one of the components of the commercial Dholleras grown in North Gujerat, was introduced as early as 1900. It is a coarse type of cotton of low spinning value. But its hardy and early maturing qualities made it popular and led to the extension of its cultivation. Tests were made to ascertain the suitability of similar early maturing Bengal type of cotton for the tract. As a result of these, a U.P. variety, C.520, which was better than the local Mathio, was released for general cultivation in the tract. This was the standard type for some time until an improved strain, Pratap, was introduced. Pratap possessed a staple of 25/32" to 27/32", with a ginning outturn of 32 per cent., and was capable of spinning up to 28 counts, as against the staple of 25/32", ginning percentage of 30 and spinning value of 16 counts of the local Mathio. Owing to its superior qualities, Pratap fetched, on an average, Rs. 80 more per candy of 784 lbs. of lint than Mathio. Its chief defect, however, lay in its low yield, particularly in drought years. The tract being characterised by irregular and uneven rainfall and long spells of drought, a better and hardier type of cotton was required to withstand the vagaries of the weather.

This object has been achieved by hybridising the old standard variety, C-520, and the Khandesh cotton, Jarilla, from which is derived the new strain C. J. 73. Tests have shown that this variety has distinctly better qualities than Pratap and is highly suited to the climatic and soil conditions of southern Kathiawar. It is capable of bringing in a net return of Rs. 58 more than Pratap and Rs. 60 more than Mathio.

Efforts are currently being made to multiply and distribute the seeds of this improved strain for general cultivation in the Mathio tract. It is estimated that the entire Mathio tract of southern Kathiawar and parts of Ahmedabad district extending over three lakh acres could be covered by this new variety. The monetary benefit to the cultivators growing it in preference to the local varieties is estimated to be as much as Rs. 150 lakhs.

Experiments conducted at the Cotton Research Station, Nanded (Bombay State), show that it pays to apply fertilisers to *Gaorani* cotton grown in the Marathawada area of Bombay State. The following recommendations are made in respect of manuring. Where a farmer cannot afford to give both nitrogenous fertilisers and phosphate, he should give 20 pounds of nitrogen per acre to cotton to get higher yields. Farmers who can afford to give both nitrogen and phosphate should include a leguminous crop (like groundnut or gram) in the cotton rotation, and give 30 pounds of phosphoric acid per acre to the legume and 30 pounds of nitrogen per acre to the cotton crop after the legume.



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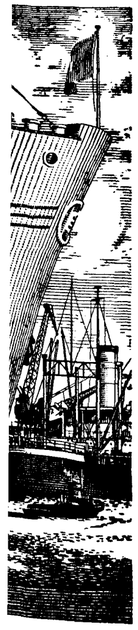

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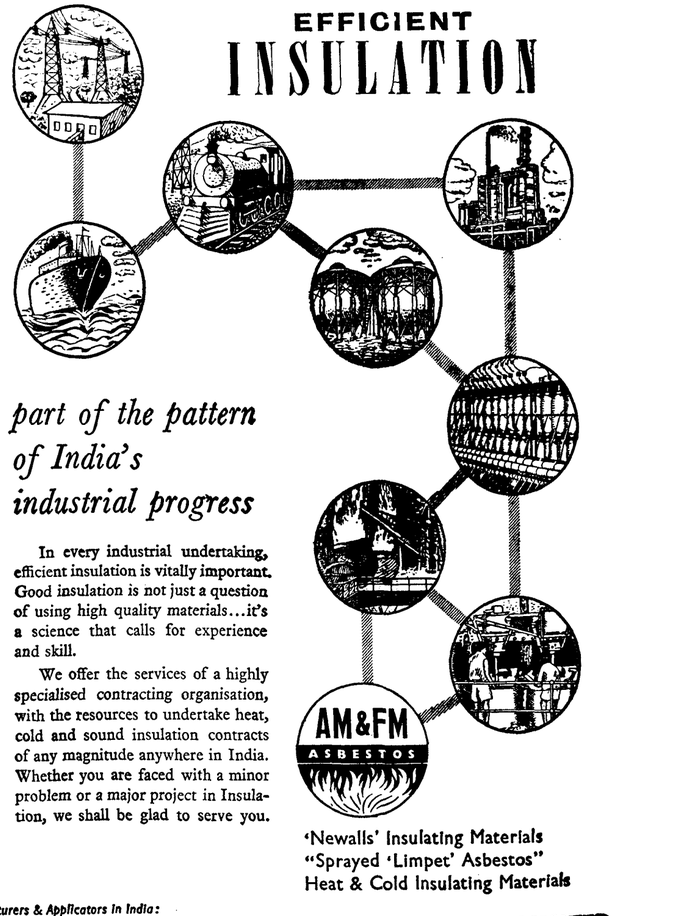

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REGULATION OF FORWARD TRADING IN "GUR"

COMMISSION'S PROPOSALS TURNED DOWN

THE Government of India has turned down the Forward Market Commission's recommendations that the regulatory provisions of the Forward Contracts (Regulation) Act 1952 be applied to *gur* and that forward trading be conducted through associations to be recognised under the Act. The Government has not given any convincing reasons in support of the rejection. All that it says is this: "The Government of India have carefully considered the recommendations made by the Commission and have come to the conclusion that there is no strong justification or special need for the time being to bring *gur* under the purview of the Forward Contracts (Regulation) Act 1952." This decision was announced as many as eight months after the Commission submitted its report (in May 1957). In fairness to the Commission and the public, the Government ought to have explained the reasons which have prompted it to come to the conclusion it has.

Forward trading in *gur*, it will be recalled, which was carried on in some places before the Second World War, was suspended during the war owing to restrictions imposed under the Defence of India Rules. When controls were lifted in 1947, forward trading became free and many commodity exchanges started *gur* futures. In January 1950, however, the Government prohibited futures trading in *gur* as part of a series of measures to bring down prices. The ban was continued till 7th January 1954, when, following the improvement in the supply position and easy trend in *gur* prices, the Government amended the Sugar and *Gur* (Futures and Options) (Prohibition) Order 1951, thereby restoring the freedom of forward trading in *gur*.

Case in Favour

Not being in possession of a detailed account of the reasons for the Central Government's decision not to bring *gur* under the purview of the Forward Contracts (Regulation) Act, for the present, it is not possible to comment on its action. But it seems to us, *prima facie*, that the Forward Markets Commission has argued the case in favour of its recommendations in a convincing manner. It may be noted here that, before submitting its report to the Government, the Commission had made a thorough study of the economics of *gur* industry, with particular reference to the part it plays in the country's sugar economy, the circumstances which warrant regulation of futures trading in *gur*, and the factors that will make such regulation most effective. The findings of the Commission clearly reveal that *gur* is a suitable commodity for futures trading and that there is need for bringing such trading under regulation.

It is, however, just possible that, in deciding as it has done, the Government was influenced by three factors. First, the Commission is already handicapped by shortage of senior staff. The Commission has not even sufficient members. It will not, therefore, be advisable to load it with more responsibilities. Secondly, the finances of the Government are being strained by the heavy development expenditure and as such it cannot afford to incur additional expenditure that will be involved in expanding the size of the Commission and its establishment. Thirdly, there have been no signs of unhealthy speculation being rampant in *gur* futures in recent years. It may be noted that the Government has stated that the need for controlling *gur* futures is not there for the time being. It may take up the matter any time in future, if the need arises.

Meets Requirements

Gur, as the Commission has rightly pointed out, generally meets the principal requirements for the successful operation of forward trading. The production of *gur*, for instance, is large and cannot easily be cornered. It has also a wide demand, so that no group of buyers is in a position to influence the prices to its advantage. The forces of supply and demand are uncertain enough to require a continuous assessment of their changing relationship through the medium of a futures market. The fluctuations in the price of *gur* are wide enough not only to attract speculative investors but also to induce the holders of ready stocks to insure themselves against risks arising thereupon. The existence of a number of flourishing futures markets at present shows that experienced operators are available in adequate numbers to deal in the commodity. Despite its varied characteristics, *gur* is capable of being graded into homogeneous lots.

The Commission is no doubt fully aware of the two defects in gur—(1) unsuitability for being stored for long without deterioration in its quality, especially in respect of colour, and (2) lack of well-defined and universally applicable standards. But it says that the defects need not be taken as insurmountable. For, according to it, the trade has, in practice, been able to overcome them in a large measure. Incidentally, the Commission emphasises the importance of measures designed to improve the keeping quality of *gur*, ensure proper storage and lay down standardisation of grades.

With regard to the need for regulating forward trade in *gur*, the Commission points out that such regulation will prevent people who have neither the means nor the technical knowledge and experience of futures trading from indulging in overtrading and speculation. Further, it will ensure fair trading practices in the forward markets. It will also help in evolving suitable standards in the trade by laying down appropriate trade descriptions in respect of quality for the stocks tendered against the contracts. Regulated forward markets can assist, too, in improving the quality of *gur*.

Trades' Reaction

It is interesting to hear that the representatives of some of the important associations such as Hapur and Muzaffarnagar feel that regulation of *gur* futures will make for healthy traditions in trade. Even the associations which think that there is no need for regulation since forward trading is going on smoothly are not opposed to regulation if the Government considers it desirable to have it. The Commission had received as many as 28 applications in response to its Press note inviting applications from associations desirous of being recognised for regulating forward trading in *gur*. These have been received from all the leading *gur*-producing States, except Madras and Andhra Pradesh which together account for about 11.2 per cent. of the all-India production.

A brief reference to the economics of the *gur* industry may now be made. The manufacture of *gur* is an important subsidiary cottage industry to the cultivators, since, generally, the cane growers themselves convert their cane into *gur*. In addition, the industry provides employment to about 41,000 persons (1951 census). The value of *gur* produced varies according to the prices prevailing; it was Rs. 70 crores in 1954-55 and as much as Rs. 140 crores in 1952-53 when the price was very high. Production is confined generally to the period between November and April which is the harvesting period of cane in most of the cane-growing tracts. *Gur* moves from the farms to the adjacent assembling markets more or less immediately after it is produced from where it then moves to the distributing and consuming centres from November to May.

Gur is used primarily as a sweetening agent. About 90 per cent. of the total output is used for consumption, mainly, for drinks, confectionery and domestic purposes. The balance is utilised for stock-feeding and for industrial purposes such as distilling, treating of tobacco and in the extraction of oil from gingelly seeds, especially in the South. It is also used for refining into sugar and *khandsari* when the price factor permits the same. Normally, *gur* costs about one-third to one-half the prices of sugar and as such is consumed by the poorer classes, particularly in rural areas. It is also preferred by some well-to-do people, as it is believed to be more nutritive than white sugar. In recent years, the consumption of *gur* has not shown any rise, while that of factory sugar has registered a definite and considerable increase.

Variations in Production

The production of *gur* shows marked variations from year to year, as the following figures will show:

Year	Production (Thousand tons)
1947-48	3,503
1948-49	2,764
1949-50	2,743
1950-51	3,254
1951-52	3,240
1952-53	2,705
1953-54	2,492
1954-55	2,714
1955-56	2,516*
1956-57	2,814*

*Estimated.

The wide fluctuations in the production of *gur* are due primarily to the variations in the area and yield of cane which, in their turn are influenced by such diverse factors as the cane growers' expectations of returns from alternative crops and climatic conditions. The relation between the price of *gur* and that of cane offered by sugar mills has also an important bearing on *gur* production, especially when there is a shortfall in cane output.

Since, the cane grower has the option of converting his cane into *gur*, high price of *gur* relatively to the price offered by sugar factories has the effect of drawing away cane supplies from production of sugar to manufacture of *gur*. When cane output is low, this factor may operate greatly to the detriment of sugar production. Since, however, this option to the cane grower is limited by the crushing capacity of the factories and also, in the case of areas away from the factories, by the expenses and difficulties of transporting cane over long distances, the price factor does not have much significance when cane supplies are relatively abundant or in areas which do not have easy access to crushing factories.

Cane Utilisation

On account of these factors, the proportions of cane devoted to *gur* and sugar vary from year to year. In 1953-54, cane production was the lowest in the post-war years. The fall was reflected in the lower production of both sugar and *gur*. However, due to remunerative prices of *gur* prevailing during the season, the proportion of cane devoted to *gur* increased from 53.52 to 55.82 per cent. over the previous year, whereas that of cane crushed by the factories declined from 25.36 to 22.19 per cent. In the next year (1954-55), there was an increase in cane production and, since the prices of *gur* were very low at around Rs. 10, there was a large diversion of cane to the factories. The proportion of cane devoted to *gur* during the year fell from 55.82 to 49.66 per cent., while that of the cane crushed by factories rose from 22.19 to 28.93 per cent.

To revert to the Forward Markets Commission's recommendations. The Commission suggested the establishment of regulated futures markets in *gur* at Hapur, Meerut, Agra, Muzaffarnagar and Delhi. The recognition, it was said, might be granted to the Chamber of Commerce, Hapur, the Kaiserganj Beopar Company, Ltd., Meerut, the Agra Merchants' Chamber Ltd., Agra, and to two associations to be newly constituted on a representative basis at Muzaffarnagar and Delhi. The Commission was of the view that recognition of the aforesaid associations should be for a period of three years in the first instance.

SUGAR EXPORT

Replying to a question in the Lok Sabha on Monday this week, Mr. A. M. Thomas, Deputy Minister for Food and Agriculture, revealed that the Government of India was considering the question of modifying last year's arrangements for the export of sugar. He recalled that, last year, the Indian Sugar Mills' Association held the monopoly of export. According to Mr. Thomas, the Association has suggested two schemes for the export of Indian sugar. One suggestion favours the establishment of an Indian sugar marketing corporation and the other the grant of quotas for each factory for export. These suggestions are being considered. The question of utilising the services of the State Trading Corporation for the export of Indian sugar is not ruled out and the Government is considering various suggestions in regard to this matter and no decision has been taken so far. The export of Indian sugar will depend on world market conditions. At present, the price of sugar in the world markets has gone down. Therefore, it is not possible to fix any target for exports. However, it will be Government's effort to export the maximum quantity.

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COAL RESOURCES OF INDIA AMPLE

REMOVAL OF CEILING ON OUTPUT OF METALLURGICAL COAL URGED

THE speeches made at the annual meeting and dinner of the Mining, Geological and Metallurgical Institute of India held at Calcutta a few days ago suggest that there is an unanimity of opinion among the producers and consumers of coal that India's resources of coal are so ample that there is no need for any control over production of metallurgical coal. Another view that emerged from these speeches is that the problem is no longer one of paucity of resources, but one of providing proper facilities for exploitation of these resources and of proper utilisation of the coal produced. A third one is that a lot of coal is being wasted in the consumption of coal and that this can be avoided by proper control and economy.

Earlier estimates of India's reserve of metallurgical coal pointing to inadequate supplies *vis-a-vis* expected demand, were primarily responsible for the enactment of the Coal Mines (Conservation and Safety) Act and the establishment of the Coal Board for regulating stowing, blending, limitation of output, restriction on use, control of opening or re-opening of coking coal mines and control of mining methods as the principal means of conserving coal. The progress in this direction was somewhat slow and the Coal Board had, therefore, to take up more readily enforceable methods of conservation, namely, restriction on output, control of operation and regulation of mining methods in various ways. The pegging of output of coking coal, which was, in the first instance, confined to Selected A and B grades, was extended to Grades I and II also in 1953. Ever since the policy of conserving metallurgical coal was first mooted many years ago, a section of coal producers has been questioning the necessity for such drastic action as to peg production. Their opposition to pegging metallurgical coal has recently gained strength from the revised estimates of coal reserves in the country.

Estimated Reserves

The latest estimated reserves of coal are of the order of 43,000 million tons, of which Gondwana type of non-coking coal accounts for 37,000 million tons, tertiary type of non-coking coal for 4,000 million tons and good quality coking coal for 2,000 million tons. If the present rate of production remains unchanged, these reserves should last for 1,000 years. In an expanding economy, where the demand for coal is growing rapidly, the rate of production cannot be expected to remain static. With an increasing demand, coupled with the enforcement of economy and the substitution, wherever possible, with low grade coal, these reserves are estimated to last for at least 400 years. The Geological Survey of India and the Indian Bureau of Mines have undertaken extensive coal prospecting in new fields and in depths down to 4,000 feet below the surface. The results achieved so far by exploration of new coal seams are remarkable and have added appreciably to the known resources of India's coal wealth. The search for such new sources of energy as atomic power, the increasing use of inferior coals and utilisation of larger quantities of inferior coal for soft coke production in low temperature carbonisation plants are all likely to divert the consumption of better grades of coal to more economic channels.

As stated earlier, some of the coal producers have all along been opposed as much to the policy of pegging output of metallurgical coal as to the various other controls on the industry. In the circumstances, the recent report that the Government of India was considering the question of liberalising the pegging of metallurgical coal production was welcome to the industry. In fact, Mr. D. Hogg, Chairman of the Indian Mining Federation, proposing the toast of the "Mineral Industry of India" at the annual dinner of the Mining, Geological and Metallurgical Institute of India, expressed his gratification at this welcome change in the Government's attitude to pegging of coal production. Mr. D. C. Driver, Chairman of the Coal Consumers' Association, who replied to the toast of the "Mineral Industry of India," reiterated his earlier theory, put forward by him at the recent annual meeting of his own association, that the revolutionary change in the idea about coal resources of India, brought about by the preliminary survey of the Geological Survey of India and Indian Bureau of Mines and by the modern coal washing processes, had made the recent legislation on mines and minerals, namely, the Mines and Minerals (Regulation and Development) Act, out of date. This Act, it may be noted, was placed on the Statute Book only in December 1957. He was of the view that this legislation was based on the previous assumption of scarcity of good coal in India, coking and non-coking. "If this is the outcome of their preliminary survey," Mr. Driver added, "their final conclusions may demolish altogether the depressing myth of scarcity of good coal. It is, therefore, only fair that the Government should consider relaxation of their very rigid and strict mining rules and regulations and amend the recently passed Coal Areas Acquisition Act."

To revert to Mr. Hogg's speech, wherein he made a reference to the Mines and Minerals (Regulation and Development) Act of 1957. Mr. Hogg observed that control and regulation over development of minerals might be necessary for Government, but even over these matters it was necessary for the other members of the combination to be taken into Government's confidence when rules were framed under this Act. The Government of India has, under this Act, powers to modify the mining leases granted before 25th October 1949, so as to conform to the provisions of the Act and the rules made under the Act. This power, in the opinion of Mr. Hogg, is not in the interest of mining companies. "The economy of companies formed to carry out mining operations," he pointed out, "is based on the terms of the leases which they hold and changes cannot be made in these matters without very adversely affecting the economics of not only the companies concerned but also the industry as a whole and the prices of the raw materials produced and dependent manufactured goods."

The Act also confers powers on the Government to enhance or reduce the rates of royalty in respect of any mineral. Mr. Hogg hoped that the existing rates of royalty paid on coal would not be enhanced, particularly because the coal industry had always understood that the Government recognised that the factors relating to leases for coal were fundamentally different from other minerals, and that coal would be excluded from some of these rules to be framed. In this connection, Mr. Hogg drew the attention of the Government to the difference between royalty and tax. Thus, he said:

"Royalty is a fixed charge for the privilege of exploiting natural resources and is an item in the cost of production. If the rate of royalty is increased by Statute, without any increase in the value or quantity of the natural resources available to the lessee, it amounts to an arbitrary imposition on what might be a practically fixed gross income. If the rate of production increases, a larger total amount of royalty is paid irrespective of whether profits increase or fall. Tax, on the other hand, is based on earned income and varies according to profits. In other words, the basis of tax is the actual earning capacity, whereas the basis of royalty is circumstantial. Should Government exploit unalterable circumstances in his way?"

Transport Problem

While the confidence reposed by the Government in the private sector of the coal industry, by calling on it to raise production by 10 million tons during the second Plan period, has not been misplaced—as witness the increase of 3.5 million tons in coal output by private collieries in 1957 alone—much more can be achieved by this sector but for the many difficulties which stand in its way, one of the greatest being inadequacy of transport facilities. Mr. Hogg paid a tribute to the good job done by the railways in moving increased quantities of raw materials, particularly those required by the expanding steel industry and the new units which were coming up, and in meeting the demands for export ore. He, however, regretted that the actual movement still fell short of the needs. The shortage was particularly felt by the mineral industry, especially collieries served by the South Eastern Railway. Mr. Hogg was, however, of the view that the South Eastern Railway had already been strained to the extreme under the weight of the second Five-year Plan and its resources appeared to be too limited to cope with the additional burden which was yet to come. Giving an instance, Mr. Hogg said that the minimum guaranteed supply of wagons for the movement of coal by the South Eastern Railway in 1957 was 950 wagons per day, which it could not provide, while according to the coal industry the daily minimum requirement was 1,050 wagons during that year. The wagons requirements were likely to grow in 1958 and in the years to follow. While an increase in coal production in the collieries served by the South Eastern Railway was vitally required, Mr. Hogg felt that it was impossible for this railway, which was already over-strained, to find the number of wagons required and move them. One of the suggestions made by Mr. Hogg to release the strain on the South Eastern Railway was to re-group certain sections of the railways. Thus, he said, the Eastern Railway, which had the capacity to operate the adjoining sections of the South Eastern Railway, should take over these sections without the least possible delay. Though this would mean some administrative inconvenience, this problem appeared to be small, as compared with the major ones posed by the second Five-year Plan.

Economy in Coal for Combustion

That there is great scope for effecting economy in the use of coal for combustion purposes and that a large quantity of coal can be saved by proper stoking were emphasised by Mr. J. W. Whitaker, in his presidential address at the annual meeting of the Institute. The vast bulk of the coal in the country, Mr. Whitaker pointed out, was used for combustion, the other main uses being carbonisation and gasification. Most of the coal used for combustion was employed in steam raising, other combustion uses being cement manufacture, ordinary brick manufacture, making of glass, ceramics, refractories and the drying and curing of various goods. Of the present annual output of 40 million tons, 35 million tons were used in combustion and of the latter quantity about 25 to 30 million tons were used for steam raising, including locomotives. If some of the large plants, like modern thermal power plants and cement works, were excluded, Mr. Whitaker added, the consumption of other combustion plants would amount to 25 million tons per annum at an efficiency which was often below 50 per cent.

The general causes of inefficiency, according to Mr. Whitaker, were unintelligent stoking and improper adjustments of the primary and secondary air supplied to the furnace, with the result that the air supply was either excessive or insufficient. When the supply of air was excessive, the sensible heat carried away in the flue gases involved a great loss of heat and a lowering of the temperature in the heating zone. The result was that the rate of heat transference to the boiler was reduced and, in order to make good this loss, additional fuel would have to be consumed.

Insufficient supply of air or improper feeding of air to the furnace, on the other hand, Mr. Whitaker explained, caused an incomplete combustion and large losses, because the full calorific value of the fuel was not obtained. Insufficient or improper supply of air also produced large volumes of smoke which not only caused a further decline in efficiency but also affected the health of the community. Mr. Whitaker suggested that a great saving could be effected in the use of coal by giving proper instructions to the engineers-in-charge and stokers for intelligent stoking and adjustment of primary and secondary air supply to the furnace. There is a lot of truth in this statement of Mr. Whitaker and it is to be hoped that consumers of coal would pay serious attention to his suggestion. One of the causes for wastage in the use of coal is its relative cheapness. A higher price for coal will not, therefore, be a bad thing. Here is an angle from which the Boothalingam Committee could view the problem entrusted to it dispassionately.

COAL MINES PROVIDENT FUND

The rate of interest allowed to members of the Coal Mines Provident Fund on their accumulations for 1958-59 will be raised to 4 per cent. from 3¾ per cent. allowed for 1957-58. A decision to this effect was taken by the Board of Trustees of the Coal Mines Provident Fund at its meeting held at Dhanbad on the 5th inst. The interest, it will be recalled, has been progressively raised in recent years, from 3¼ per cent. in 1955-56 to 3½ per cent. in 1956-57 and to 3¾ per cent. in 1957-58. The rate of interest payable to members is determined on the basis of the accumulations to the fund and the earnings on their investments. The total accumulations in the fund as on 31st December 1957, amounted to over Rs. 11 crores. The total estimated income on the investment, including a sum of Rs. 42.05 lakhs in the reserve account and about Rs. 9.92 lakhs as revenue surplus in the adjustment account, as well as the amounts to be received up to the end of March 1958, is said to be Rs. 1.37 crores. The Coal Mines Provident Fund Scheme, which was introduced in May 1947, has a membership of about 331,000 colliery workers.

JUTE ACREAGE TO BE INCREASED IN THE COMING SEASON

RISE OF 25 P.C. IN CROP ENVISAGED

THE Central supervisory body for promotion of jute production, which met at Calcutta last week under the chairmanship of Mr. A. P. Mathur, Jute Controller, Government of India, has recommended increased sowings over a larger area during the year 1958-59 for raising output of jute in the coming season. It has, accordingly, fixed the target for the area to be cultivated under raw jute in 1958-59 at 2,076,000 acres, which represents an increase of 322,000 acres, or 18.4 per cent. over the current year's acreage of 1,754,000. The expansion in area under cultivation is expected to bring an additional output of raw jute of 1,045,000 bales (of 400 lbs. each). This will mean an increase of 25.8 per cent. in the output over the current year's final estimate of 4,088,000 bales to 5,143,000 bales.

The target of 2,076,000 acres fixed for next year, if achieved, will be the largest area sown since the partition of the country. In the first year after the partition, that is, in 1947-48 the area under jute in India was 652,000 acres and this was gradually expanded to 1,951,000 acres in 1951-52. Thereafter, there was a setback to 1,228,000 acres in 1953-54. In 1956-57, it rose again to 1,908,000 acres, but declined to 1.754.000 acres in 1957-58. The proposed output for 1958-59 will also be a record since 1946-47. The highest output achieved so far is 4.678,000 bales and that was in 1951-52. From this level, the production shrunk to 2,928,000 bales in 1954-55. The increase in output in the succeeding two years (to 4,288,000 bales in 1956-57) was wiped out to some extent by the fall in 4,088.000 bales in 1957-58.

The Central supervisory body for jute cultivation was set up last year to review periodically the progress made in jute production towards achieving the target of 5.54 million bales fixed for the second Five-year Plan. Similar bodies were also set up at the State level in the jute growing States. In recommending increased sowings now, the Central supervisory body points out that the acreage figure proposed by it represents the extreme limit for expansion of area. It has urged the jute growing States that they should direct their efforts towards achieving the production target more by improvement of the average yield per acre (which at present is very low and in the case of some regions actually shows a progressive downward trend) through adoption of improved cultivation methods than by bringing a larger area under cultivation.

The State-wise break-down of acreage and output targets fixed for 1958-59, as compared with the final forecasts for the current year, is given in the table below:

States	Area (in acres)		Production (in bales)	
	1958-59	1957-58	1958-59	1957-58
West Bengal and Cooch Behar	800,080	759,000	2,000,000	1,830,000
Tripura	50,000	19,000	160,000	55,000
Assam	380,000	349,000	1,173,000	1,094,000
Bihar	665,000	477,000	1,380,000	778,000
Orissa	125,000	94,000	300,000	208,000
U.P.	56,000	56,000	125,000	123,000
Total ..	2,076,000	1,754,000	5,143,000	4,088,000

As will be seen from the above table, the largest increase in both area and output (namely, 188,000 acres and 620,000 bales, respectively), is sought to be achieved in Bihar. With this increase, the area, as well as the output, will only be restored to the levels of 1956-57, from which there was a sharp setback in 1957-58. The increase in area in West Bengal will be 41,000 acres, from which an additional output of 170,000 bales is expected. In the case of Tripura, Assam and Orissa, the expansion in area will be 31,000 acres each, but the increase in output will vary—105,000 bales in Tripura, 84,000 bales in Assam and 92,000 bales in Orissa. In U.P., there will be no expansion in area, but the output will be raised by 2,000 bales.

On the basis of the proposed target of output for all the States, the yield works out to 2.48 bales per acre, as compared with 2.33 bales in the current year. It will by no means be a record, although the area and production targets are records, for it falls short of the highest yield of 2.66 bales per acre achieved so far in 1949-50. The yield of jute crop has not shown any steady trend even over a short period of two or three years, having fluctuated between 2.66 bales to 2.25 bales during the post-partition years. This is true of the pre-partition period and of Pakistan as well. The reasons for this fluctuation are weather and prices. If they are favourable, the yield improves and if not it declines. Nevertheless, it cannot be denied that the leeway to be made up to bring the yield in India on a par even with that in Pakistan is considerable. The task before the jute-growing States in raising the yield is by no means easy, for it depends not only on adoption of improved cultivation methods but on several other factors as well. All the same, there is immense scope for the State Governments to make a distinct contribution in this direction.

In fixing the increased targets for the various States, the Central supervisory body would appear to have laid emphasis on improved methods of cultivation, particularly the use of fertilisers. The favourable responsiveness of jute to treatment with nitrogenous fertilisers and the use of ammonium sulphate as a means of increasing yield were particularly stressed. Noting that the progress in application of fertilisers had been slow, the supervisory body recommended the intensification of efforts to popularise ammonium sulphate. In order to minimise delay in distribution and possible transport bottlenecks, a streamlining of the procedure for allocation of fertilisers by the Centre to the States was suggested. Accordingly, the States were directed to furnish statements, well in advance of a sowing season, specifying their requirements of fertilisers exclusively for jute crop and showing a monthly break-up. It was decided that, in the event of delay in despatching fertilisers from 1958-59 allotment, the States requiring immediate supply for jute could utilise the stocks of fertilisers carried over from 1957-58. Depletion of the common pool of fertilisers caused by such withdrawals for jute would be made good by the Centre later as early as possible.

The supervisory body also approved in principle of a scheme prepared by the Chief Jute Development Officer, Government of India, to enlist the assistance and co-operation of recognised seed dealers in multiplication of improved jute strains. The scheme envisages registering a chain of dealers who will multiply improved jute seeds through their own agencies under strict supervision of the State jute development staff.

JUTE GOODS OUTPUT HIGHER

The statistics of jute production for the month of January 1958, received last week soon after we went to Press, indicate that the sharp rise in stocks of jute goods with mills was not due entirely to drastic fall in shipments during the month. For there was a sizable increase in production also in that month. Thus, the output of mills in January 1958 went up by 5,500 tons to 98,300 tons, the expansion being shared by all varieties. This rise is on top of an aggregate increase of 9,300 tons in the previous two months and has taken the total production to the highest level since June 1956. As compared with January 1957, the output of mills shows an increase of 9,500 tons, as will be seen from the following comparative table:

Jute Goods Production

(In tons)

	January, 1958	December, 1957	November, 1957	January, 1957
Hessian	34,400	32,100	33,400	38,800
Sacking	57,300	54,700	53,200	43,500
Others	6,600	6,000	5,300	6,500
Total ..	98,300	92,800	91,900	88,800

The output of hessian has gone up by 2,300 tons to 34,400 tons, in contrast to the fall of 1,300 tons in the previous month, bringing it to the highest level since July 1957. The rise in sacking is of the order of 2,600 tons, thus maintaining the upward trend since August last. At 57,300 tons, the production of sacking represents the highest monthly output since May 1956. For the third month in succession, production of "other manufactures" has also gone up, with a rise of 600 tons in January.

The rise in production during the month under review is accounted for by the increase in the number of hours worked from 209 to 217.5. In January 1957, the working hours aggregated 212 only.

EXPORT QUOTA FOR TEA RAISED

SLIGHT INCREASE OVER 1956-57

THE Government of India has fixed the export allotment of tea for the current year, that is. 1957-58, at 460.9 million lbs. by a further release of quota to the tune of 67.7 million lbs. In April 1957. the Government made an interim release of 50 per cent. of the crop basis of estates, amounting approximately to 357.5 million lbs. In October last, a second interim release of 5 per cent., or 35.7 million lbs., was made bringing the total release to 55 per cent. of the crop basis, equivalent to 393.2 million lbs. The final release announced last week-end brings the total quota for the year to 460.9 million lbs., representing 63.4 per cent. of the crop basis for the year, which is estimated at 726.56 million lbs.

The Tea Board at its meeting held in the closing week of January was reported to have discussed suggestions for an additional and final quota of 35 to 59 million lbs. It is not known what was the quota recommended by the Board. The final quota now announced by the Government exceeds even the highest quota proposed at the Board meeting. This is evidently due to the fact that the crop basis at 726.56 million lbs., has turned out to be more than the earlier figure of 715 million lbs.

The total export quota for the current year at 63.4 per cent. or 460.9 million lbs., compares with 63.1 per cent, or 453.3 million lbs. allotted for the previous year. Though the International Tea Agreement is not in force now and there is no restriction on export allotment, the Government of India has only once exceeded the standard export quota of 135 per cent. or 470.13 million lbs. fixed under the now defunct international agreement; this was in 1955-56, when the allotment aggregated 480 million lbs. or 138 per cent., as will be seen from the following comparative table:

(In million lbs.)

Year	Quota under I.T.A.		Export allotment by Government of India	
	Per cent.	Quantity	Per cent.	Quantity
1950-51	130	452.72	130.0	452.72
1951-52	135	470.13	130.0	452.72
1952-53	135	470.13	130.0	452.72
1953-54	135	470.13	125.5	437.05
1954-55	135	470.13	133.5	464.91
1955-56	†	..	..	480.00
1956-57	†	..	..	453.30
1957-58	†	..	..	460.96

† I.T.A. not in force.

The increase in export allotment for 1957-58 over that for 1956-57 is of the order of only 7.66 million lbs., but it should be noted that even this higher allotment has been made, despite the fact that the tea crop this season has not recorded any increase. It is, on the contrary, a shade lower at 666 million lbs., as against 667 million lbs. in the previous season. The Government's decision to give a higher export allotment is presumably to provide a fillip to exports which have been lagging behind for some time now. Thus, in the calendar year 1957, the total shipments from India aggregated only 445.3 million lbs., having shrunk from 516.2 million lbs. in 1956. It is, however, doubtful whether the additional quota would bring any worthwhile expansion in exports. Most probably, a substantial part of the export quota will have to be carried forward unutilised to the next financial year. In 1956-57, for instance, the total export quota available (including the unused allotment of the previous year amounting to 85.53 million lbs) was 538.83 million lbs., as against which actual exports aggregated 492.2 million lbs. There was thus a shortfall of 46.6 million lbs., which if added to the current year's (1957-58) allotment of 460.9 million lbs. will mean a total quota of 507.5 million lbs. If the trend of exports during the current financial year is any indication, the quota for this year may be found to be in excess.

It may be mentioned in passing that the Plantation Enquiry Commission had advocated the abolition of the present system of issuing export quota and recommended that exports of tea should be regulated under the Import and Export Control Act, as for other commodities, subject to quantitative restriction on exports. The Government of India did not, however, accept this recommendation. It was of the view that the abolition of the export quota system would not be conducive to the best interests of the industry or trade. It, however, announced its desire to make such changes in the matter of allotment and transfer of quota as would eliminate or reduce abuses.

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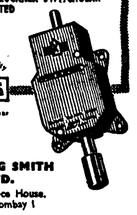

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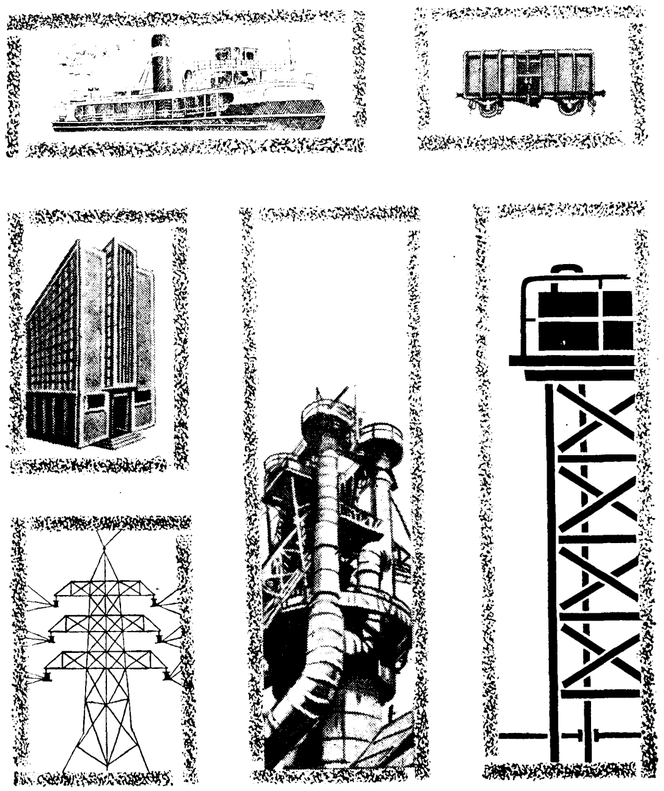

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PROGRESS OF PUMP INDUSTRY

MR. M. M. SHAH URGES MANUFACTURERS TO KEEP ABREAST OF TECHNICAL DEVELOPMENTS

A WELL-DESERVED tribute to the rapid progress made by pump industry was given by Mr. M. M. Shah, the Union Minister for Industry, in the course of his address at the annual meeting of the Indian Pump Manufacturers' Association, held in New Delhi. The all-round progress made by the industry will be evident from the fact that not only production, as a whole, has been expanding but new types and sizes of pumps are being taken up for manufacture. Mr. Shah expressed his confidence that the country "would be able to be self-sufficient in respect of most of our pump requirements in the very near future" and would also be able to command a "good export market."

Between 1955 and 1956, the production of pumps of all varieties expanded from 34,441 to 46,861, though the value of the output fell somewhat from Rs. 68.88 lakhs to Rs. 63.72 lakhs. The estimated level of production in 1957 is 57,920 pumps, valued at Rs. 1.16 crores. It is confidently believed that the industry will be able to reach the target of 86,000 pumps, valued at Rs 1.72 crores, set for 1960-61 under the second Five-year Plan. As regards the market for pumps, the demand in respect of centrifugal pumps, according to Mr. C. N. Pradhan, President of the Association, appears to be satisfactory, though the demand for borehole turbine pumps has gone down considerably in the last few months. He said: "On a most optimistic estimate, the demand for borehole turbine pumps during the second Five-year Plan is not likely to exceed 1,000 per annum and, if this be so, the existing units will work hardly to half their installed capacity resulting in unhealthy competition to the detriment of the industry."

Developments

Reviewing the important developments in the last year in the sphere of the pump industry, Mr Pradhan drew pointed attention to the fact that the country had reached self-sufficiency in deep well turbine pumps and in centrifugal pumps upto 12" size and that special duty pumps used for cement and paper industry had been produced. Other developments are: (1) the manufacture of a few sizes and types of pumps used in chemical industry, (2) approval of the scheme for the manufacture of kerosene and petrol pumps; and (3) the drawing up of a scheme for the manufacture of low lift large capacity circulating water pumps in collaboration with a foreign manufacturer. Mr. Pradhan claimed that the domestic industry was capable of manufacturing large-size pumps for sewage and water works scheme. In this connection, he cited the example of one of the units which had developed the largest pumps so far produced, namely, 24" suction and 24" delivery size discharging 15,000 gallons per minute.

In the course of his speech Mr. Pradhan referred to a few difficulties which the industry had to face in implementing its manufacturing programmes. Thus, he complained of a certain tendency in some Government departments to formulate schemes based on specifications of existing pumps of foreign origin. This, he said, interfered with bulk production, because there is no ready market for such types of pumps. Further, some State Governments called for large tenders though their requirements were much below the figures specified in the tenders. Mr. Pradhan also urged the Government to be sympathetic to the requirements of raw materials for the industry such as pig iron and hard coke. He also criticised the import policy of the Government in relation to certain raw materials in that the licences which were based upon only three months' production of the importing units did not facilitate the import of reasonably large quantities of raw materials and indirectly compelled them to pay higher prices for small import orders placed with foreign suppliers.

Mr. Manubhai Shah, in the course of his reply to a few specific issues raised by Mr. Pradhan, stated that the import policy based on three-month data, was only a temporary phase designed to facilitate the change-over from the calendar year to the financial year. He said that the present policy was to issue licences on the basis of six-month requirements assessed on past production. As regards specifications by Government departments, he felt that it was good neither to follow too closely the specifications of foreign pumps nor to stick to existing varieties only. He added: "The best way for us is to keep abreast of the world trends in this direction, so that low-priced high quality and efficient pumps and engines are manufactured in the country." It is to be hoped that the industry, in consultation with the authorities and the Indian Standards Institution, will try to improve the quality and diversify the range of its production. The industry will then be in a position to increase its exports to foreign countries. Mr. Pradhan stated that the industry could "substantially" increase the export of pumps, provided it received Government assistance in the shape of concessional railway and shipping freights, priority in movement of export goods, tax-free allowances on export turnover and rebate in sales tax on intermediate material which goes into the manufacture of exported articles

For increasing the pace of the industry's technological progress, Mr. Shah made a number of useful suggestions. These included dissemination of research information among the different units in the industry, collection of production and other statistics, arranging technological discussions and the setting up of an up-to-date technical library. We commend these suggestions to the attention of the industry. At the same time, the industry should strive to fill in what Mr. Shah called the "major gaps" in its range of output. Thus, the domestic capacity for pumps such as those used in fire-fighting equipment, coal mining, city water supply, large lift irrigation and boiler feeding should be developed.

SPUN PIPE PLANT AT I.I.S.CO.

A new spun pipe plant went into production early this month at the Indian Iron and Steel Company's works. The production of spun iron pipes commenced for the first time in India at the Company's Kulti works in 1945 under an agreement with Messrs. Stanton Iron Works of the U.K. Originally, the plant was designed for production of pipes ranging in size from 3" to 12" in diameter and 12 ft. in length. Larger pipes up to 14" diameter and 18 ft. length were later on made in this plant. Construction of a second spun pipe unit commenced in 1956. The capacity of this plant is for pipes 16" to 27" diameter and 18 ft. lengths. Although the plant was ready a short while ago, it was necessary to postpone the operations for want of pig iron. The new plant is a modern unit employing the latest technical development. The cost of this unit with certain other ancillary plant is estimated at Rs. 1.40 crores.

The annual capacity (on two-shift basis) of the new unit, it is stated, is about 90,000 tons. It would help save foreign exchange to the tune of Rs. 8 crores per year. To begin with, the unit will work only one shift a day. The second shift will be started when the second new blast furnace at Burnpur Works is blown-in sometime in July-August 1958.

EUROPEAN STEEL OUTPUT

Data relating to Europe's steel production in the third quarter of 1957, appearing in the *Quarterly Bulletin of Steel Statistics*, published by the U.N.'s European Economic Commission (E.C.E.), show that production continues to be maintained at a high level. During the period under review, the U.K. increased its output by 6 per cent. over the level in the corresponding period in 1956. The relevant percentage increases for other countries are: West Germany 5, Italy 15, Luxembourg 2, Saar 3 and the Netherlands 15. The following table gives the production of steel in Europe as well as in U.S. and Japan in 1956, the first half of 1957 and the third quarter of 1957.

(In thousand metric tons—annual rate)

Country	1956	1957	
		First half-year	Third quarter
Total Europe	148,965	154,697	..
Of which :			
W. Germany	23,189	23,738	25,004
U.K.	20,991	22,646	20,580
France	13,399	13,858	13,556
Belgium	6,375	6,500	5,340
Italy	5,908	6,618	6,788
Poland	5,014	4,472	..
Czechoslovakia ..	4,882	5,144	..
Luxembourg	3,456	3,516	3,460
Saar	3,374	3,386	3,508
E. Germany	2,740	2,838	..
Netherlands	1,042	1,160	1,208
U.S.	104,524	109,920	98,416
Japan	11,106	12,998	12,992

RISE IN TRAFFIC ON RAILWAYS IN 1956-57

EARNINGS IMPROVE

REFLECTING the increase in agricultural and industrial production and the general improvement in the economy, the working of the Indian Railways in 1956-57 shows an increase in goods and passenger traffic and in receipts from such traffic. Goods traffic, according to the Railway Ministry's annual report for 1956-57, moved up by 8.77 per cent. and the number of originating passengers by 6.57 per cent. over the previous year. Gross traffic receipts increased from Rs. 315.56 crores to Rs. 347.57 crores, while ordinary working expenses increased by Rs. 20.99 crores to Rs. 233.94 crores.

The year under review is important for the reason that it was the first year of the second Five-year Plan. As compared with 1955-56, the last year of the first Plan, goods traffic showed an increase of as much as 10 per cent.—from 114 million tons to 124 million tons. Gross traffic receipts, as already stated, amounted to Rs. 347.57 crores, made up of Rs. 116.33 crores under passenger traffic and Rs. 203.96 crores under goods traffic, the balance of Rs. 27.28 crores being contributed by parcels and other miscellaneous sources of revenue. The ordinary working expenses during 1956-57 aggregated Rs. 233.94 crores. The operating ratio—that is, the ratio of working expenses (excluding suspense but including appropriation to depreciation reserve fund) to gross earnings—was 79.90 per cent., as against 81.95 per cent. in 1955-56. After meeting all the charges, including the appropriation to the depreciation reserve fund which was raised from Rs. 30 crores to Rs. 45 crores in 1955-56, the net revenue for the year was Rs. 58.38 crores, out of which Rs. 38.16 crores were paid to general reserves. The net surplus for the year amounted to Rs. 20.22 crores which was allocated to the Development Fund.

Goods traffic touched a new high of 125 million tons and 40,225 million ton-miles, breaking the previous year's record of 115 million tons and 36,472 million ton-miles. The number of originating passengers rose from 1,297 million in 1955-56 to 1,383 million in 1956-57. Passenger miles increased from 39,083 million to 42,194 million. Taking into account the non-revenue loadings (that is, loadings on railways' account), an average of 14,275 broad gauge and 8,670 metre gauge wages were loaded every day, as against the corresponding figures of 13,407 and 8,026 in 1955-56. Revenue loadings averaged 12,168 per day on broad guage and 7,819 on metre guage, as compared with 11,374 and 7,263 respectively in 1955-56. The net ton-miles per wagon-day increased from 541 to 570 on broad guage and from 203 to 210 on metre guage. Passenger train miles increased by 2.70 per cent. to 118.75 million and goods train miles by 4.85 per cent. to 86.64 million.

The total investment on all railways, as on 31st March 1957, amounted to Rs. 1,246.40 crores, of which Rs. 1,239.88 crores represented investment in Government railways. The total route mileage of all railways in India at the end of the year was 34,744, of which 34,291 miles were under Government management. A length of 115 miles was opened during the year. At the end of the year under review, 569.45 miles of lines were under construction.

Railway purchases during 1956-57 showed a significant increase over the previous year. The total purchases increased by 36 per cent. to Rs. 171.37 crores, of which the value of indigenous materials amounted to Rs. 125.82 crores. While most of the increase was on indigenous purchases, according to the Report, it was not possible to reduce imports "primarily because of increased purchases having to be made for workshop machinery, permanent way materials, specialised rolling stock, hardware and electric equipment not available in the country." Special efforts to cut down imports, however, continued to be made in order to save foreign exchange.

The Indian railways, as is well known, are the largest single employers in the country. As on 31st March 1957, the total staff on Government railways was 1,054,343, as against 1,024,828 on the corresponding date in 1956. Salaries, including allowances, provident fund and gratuity paid to the staff during 1956-57 aggregated Rs. 155.74 crores, as against Rs. 148.22 crores in the previous year. This increase, it is stated, is due to the increase in staff, annual increments and increase in contributions to provident fund and gratuity.

NEW PRODUCTS AND PROCESSES

Electronic Sentry

AN unusual new electronic system—essentially a burglar alarm but with many other uses as a control device in the home, and in retail establishments and industry as well—has been developed in the U.S. It employs compact sensing units, each with a detection radius of 25 feet. Attached to walls, buildings, poles or trees, and wired to a central panel, the sensors, it claimed, will protect all possible points of entry simultaneously through a three-dimensional pattern. The system can be connected to a centralised police warning system or may be hooked up to bells, horns, whistles or sirens. It will also turn on lights, open doors, raise or lower objects, operate cameras or recording equipment, and can do all this at once. In and about the home the equipment can also be set for monitoring applications, such as protecting small children at play outdoors. Working in reverse, it can signal when there is no activity in a specified area, so that if a child strays out of a sensor's range an alarm sounds to bring mother to the scene before the unattended child is in danger. Sensors also can be installed indoors to baby-sit when parents visit neighbours while children are asleep. If a child gets up out of bed and alarm goes off. In retail merchandising, claims the manufacturer, the system can be used in after-hours promotions to light and activate outdoor advertising or store front displays when someone walks or drives past, automatically resetting itself to repeat the performance for succeeding passers-by. Other possible applications, according to the maker, include operating various automated components and systems, warning people approaching hazards such as swimming pools and nuclear devices, and automatic garage door opening.

Hydraulic Sealing Machines

A Belgian firm, specialists in sheet-metal work and the construction of machines used in connection with that work, has evolved greatly perfected hydraulic sealing machines of particularly high performance, a fact which has caused them to be adopted by several European countries. These automatic machines—the S.R.H. type hydraulic sealing machine for round articles, the S.O.H. type for oval or polygonal articles—perform themselves, in a regular and perfect manner, the operations necessitated by double sealing and sealing and seaming at exceptional speed. Thus, the S.R.H. type machine seals and seams 600 pails per hour, working with certain dimensions, whilst with the other type of machine, it is possible to seal and seam 150 oval articles, working with the greatest dimensions. These machines, which can be used for the double sealing of drums, have been usefully complemented by a device which automatically injects the liquid joint which is made at the same time as the sealing is done. Thus, starting with the cylindrical body, the head and the bottom, the S.R.H. machine can, in less than a quarter of an hour, produce 400 tight drums of a diameter of 500 millimetres, 500 millimetres in height, of 1 millimetre sheet metal. In order to be able to produce larger drums (200 to 300 litres), the factory has built a much more powerful machine, of the S.F.H. type, which seals and tightens up to 200 2-millimetre sheet metal drums an hour.

Pump for Handling Corrosive Chemicals

A small air-operated pump of unusual design is now being made by a British firm from material which permits it to be used for extremely corrosive liquids. It is suitable for either laboratory or everyday plant use. All parts of the pump which come into contact with the liquid being handled are made from Imperial Chemical Industries' plastic material Fluon (polytetrafluorethylene). This material remains inert when in contact with nearly all chemicals and has been found to be of especial value in atomic energy plants when "difficult" liquids have had to be pumped. The pump is described as a positive displacement type which is operated by a patented air "motor" consisting of only two moving parts and an especial feature is that no matter in what position the pump's valve and piston come to rest it will start again as soon as air is supplied. The pump has a body machined from a solid block of Fluon; other parts coming into contact with the fluid are also made from solid Fluon. The manufacturers emphasise that sprayed or dipped coatings are not used. Maximum delivery of the pump when handling thin viscosity liquids is said to be 60 gallons per hour at delivery pressures up to 40 lbs. per square inch. Air consumption is stated to be extremely low.

Bendable Ceramics

Recent research which has been carried out in U.K. and U.S. laboratories has brought the practical use of bendable, or ductile, ceramic materials appreciably nearer. In one laboratory, for example, ceramics based on caesium bromide and lithium fluoride have been developed which, the scientists responsible for carrying out the research claim, should retain their ductility almost indefinitely. Most bendable ceramics, however, retain their ductility for only short periods of time after they have been made. In a few other cases they will retain this characteristic of workability only under certain conditions, such as being kept away from chemicals such as oxygen and nitrogen. The development of surface treatments, such as coating the ceramics with other ductile materials can, however, in some cases, it is claimed, provide an adequate protection against conditions that would otherwise destroy the flexibility of the ceramic materials. Materials being investigated for the production of these new ceramics include silver chloride, sodium chloride, magnesium oxide and potassium chloride. They will offer the chemical engineering and engineering industries the advantage of higher temperature resistance than can be obtained with metals.

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INVESTMENT OF LIFE INSURANCE CORPORATION

CHAGLA COMMISSION'S CRITICISMS

THE Chagla Commission's report on the transactions of the Life Insurance Corporation relating to the purchase of shares in the Mundhra concerns, while maintaining that the transaction suffered from the serious blemish that it was effected without consulting the Investment Committee and was in contravention of the clear directions given by the Committee in respect of investments, has also made certain serious criticisms of the working of the Corporation, especially in respect of its investments. The Commission points out that not only was the wise and sound principle embodied in Section 21 of the Life Insurance Corporation Act, 1956, which was an ideal compromise between the autonomy of a statutory corporation and the control which must be exercised by the Government, was not adhered to, but even the solemn assurance given in Parliament by the then Finance Minister, Mr. C. D. Deshmukh, that Section 27-A of the Indian Insurance Act, 1938, which lays down the criteria for investment of the funds of the life insurance companies, would be made applicable to the Corporation was not carried out. These criticisms, coming as they do from a judge of the eminence of Mr. Chagla and being based on an objective and impartial study of the whole facts of the case, deserve utmost consideration. It is also imperative that, in view of the rude shock sustained by the public confidence in the Corporation, effective and immediate steps should be taken, along the lines indicated by Mr. Chagla, to remedy the defects, to restore confidence and ensure the safety of the policyholders' money.

Discussing the legal status of the Life Insurance Corporation, the Commission, in its report, observes that, according to the provisions of the Life Insurance Corporation Act, 1956, the Corporation is an autonomous body. It is independent of the Government and cannot be looked upon as merely one of the departments of the Government. In the investments the Corporation may make and in the investment policy it may pursue, it must be guided by its own officers and by the statutory committees set up under the Act. The only control that Government can exercise is, according to the Commission, under Section 21 of the L.I.C. Act, and that control is restricted to matters of policy involving public interest. The control can only be exercised by directions given in writing.

The Commission observes that there is good reason why Parliament provided that Government should not interfere with the working of the Corporation or try to control its actions except by means of the statutory direction to be given under Section 21. If the Government were to interfere with the working of the Corporation other than in the manner laid down in Section 21, the Corporation would have lost its autonomy. Further, the Commission adds, it was intended that the Government must take the responsibility for dictating to the Corporation what policy it should pursue in a particular matter and that policy could only become clear if it was embodied in a direction given in writing. Such a direction could then become a matter of discussion and debate in Parliament and in public.

Sound Principle Ignored

While leaving the Corporation complete independence to manage its own day-to-day administration and also giving it freedom to invest its funds in the interest of policyholders, the Government could only control its discretion when a question of policy involving public interest arose. The Government could not, for instance, tell the corporation that it should or should not invest in any particular shares, it could not tell the Corporation that it should help a particular industry, much less a particular individual; but it could tell the Corporation that it should invest its funds in certain industries which are essential for the successful working of the second Five-year Plan or to give effect to a particular economic or financial policy laid down by it. In the Commission's opinion, it was most unfortunate that the wise and sound principle laid down in Section 21 has not been adhered to. It observes that the evidence before it showed that there was a tendency on the part of the Finance Ministry to look upon the Corporation as a wing or branch of that Ministry and to issue orders to it in the belief that the Corporation were bound to carry out those orders. "If one thing is more important than any other," observes the Commission, "it is that the Chairman of the Corporation should be an independent official who is conscious both of his own position and the status of the Corporation under the Act." This salutary principle has been completely overlooked, says the Commission. The very first Chairman of the Corporation was Mr. H. M. Patel, who, while he held the office of the Chairman, continued to hold the office of the Principal Secretary of the Finance Ministry. It is not surprising, the Commission avers, that the clear dividing line between the functions of the Corporation and the power and authority of Government tended to be completely blurred. Mr. Patel cannot be blamed, adds the Commission, if he felt that, in administering the Corporation, he was doing nothing more than administering a department of the Government.

According to the Commission, it is very necessary that appointment to important offices in the Corporation should not be looked upon as merely the transfer of an officer from one department to another. There should be some security of tenure and a fairly long duration of office and it should also be impressed upon those who are appointed to these posts that they have to discharge their duty to the Corporation irrespective of whether their actions found favour with the Government or not.

Assurance Not Carried Out

Another serious criticism raised by the Commission is that Section 27-A of the Indian Insurance Act, 1938, was never brought into force. Section 27-A lays down what the approved investments are in which the funds of the Corporation may be invested and it is the general opinion that very salutary safeguards with regard to investments have been laid down in this Section. The intention of the Government in the first instance was not to make this Section applicable to the Corporation. But, as a result of the plea put in by Members of Parliament, the Government agreed to make it applicable. It will be recalled, in this connection, that Mr. Deshmukh stated in Parliament on 23rd May 1956 thus:

> ". . . I am saying that, in case the hon. member wants to make a point about investment, as he did yesterday or the day before yesterday in his speech, the Corporation should be obliged to adhere to the criteria which at present govern investments by a life insurance company in the private sector. I am prepared, therefore, to accept 27-A being added on in sub-clause (2) of Section 43."

The Commission observes that there is thus not only the assurance given by the then Finance Minister that Section 27-A would be made applicable to the Corporation and that the criteria laid down in that Section would be followed in making investments, but also the fact that that assurance took a statutory form inasmuch as sub-Section (2) of Section 43 cast a duty upon the Central Government, namely, that as soon as may be after the commencement of the Act, to make Section 27-A applicable to the Corporation, subject to such conditions and modification as may be specified. But this understanding has not yet been implemented in practice. The Commission also points out that no rules have been framed by the Government as contemplated by Section 6(2)(b) and in respect of which express power has been conferred under Section 48(2)(g) which provides for rules to be made with regard to the manner in which and the conditions subject to which investments may be made by the Corporation.

As regards the machinery to be employed by the Corporation in order to make investments, the Commission points out that, as the amount to be invested is extremely large, being as much as about Rs. 10 lakhs a day, it is obvious that investment should be made with the best knowledge available with regard to the Investment market. Under the regulations, the power to invest is conferred upon the Executive Committee of the Corporation. This power can only be exercised, after taking into consideration the advice of the Investment Committee. The latter has to advise the Corporation in matters referred to it relating to investment of its funds, but, inasmuch as the Executive Committee cannot act without taking into consideration the advice of the Investment Committee, all questions of investment must necessarily be referred to the Investment Committee.

The Commission says that it appears that, in practice, the Executive Committee did not consider the question of investment at all. In justification of this practice, Mr. G. R. Kamat, Chairman of the Corporation, had drawn the Commission's attention to a resolution passed by the Executive Committee on 19th February 1957 which said: "It shall be the responsibility of the Chairman to direct the purchase and sale of investments. In this he will be guided by the Investment Committee and he will make the investments, bearing in mind the recommendations of the Investment Committee." According to the Commission, it is extremely doubtful whether the Executive Committee could thus delegate its power to the Chairman. But, without going into legal technicalities, the Commission assumes that the practice followed by the Corporation with regard to investment was one authorised by law. The practice was that investments were considered by the Investment Committee and advice given. It is true that the Chairman or the Managing Director did make investments without previous consultation with the Investment Committee and then reported these investments to the Committee. The latter had laid down rules of guidance and had also advised that Section 27-A, as modified, should constitute a criterion for making investments and, in making day-to-day investments, the Managing Director or the Chairman had to keep the modified section and the rules of guidance in mind. The Commission observes that, so long as there was no departure from the principles laid down by the Investment Committee, there was no danger that any investment might be made by officials of the Corporation which would not be sound and prudent.

From an examination of the evidence before it, the Commission has come to the conclusion that the transactions in question were effected without consulting the Investment Committee and that they also contravened the directions given by it. The Committee had suggested modifications to Section 27-A and considered the Section 27-A as so modified as affording a broad basis for the investment policy of the Corporation. It also laid down rules of guidance regarding investments. The modified Section 27-A provides for investment in preference shares of a company which has paid dividends for five years immediately preceding or for at least five out of the six or seven years immediately preceding and in the ordinary shares of a company on which dividends of not less than 4 per cent. have been paid for the five years immediately preceding or for at least five out of the seven years immediately preceding. The rules of guidance laid down by the Committee had advised that investment in preference shares should yield at least 4½ per cent. net and in ordinary shares at least five per cent. According to the Commission, with regard to the three types of shares purchased by the Corporation, there was a clear departure from these provisions.

Modified Section 27-A

The modified Section 27-A also provides that the Corporation shall not, out of the controlled funds, invest or keep invested in the shares or debentures of any one company more than 30 per cent. of the capital of the Company, except with the prior permission of the Central Government. Says the Commission: "When we look at the result after the investment had been made in June 1957, the result is that, in the case of Osler Electric Company and Smith Stanistreet & Co., the limit of 30 per cent. was exceeded. It is sought to be argued that, it is open to the Corporation, under sub-Section (3) of the modified Section 27-A, to invest funds in unauthorised investments so also as the investment does not exeed 15 per cent. of the amount of its controlled fund. But such an investment in unauthorised shares can only be made on the advice of the Investment Committee and, inasmuch as no advice was taken, the Corporation cannot rely on this provision in modified Section 27-A." Referring to the bypassing of the Investment Committee, the Commission observes: "A statutory Investment Committee can serve no purpose if its advice is not taken into consideration and if it is treated purely superfluous to be consulted or not according to the sweet will of the Chairman or the Managing Director."

Discussing the purposes of the investment, which was the subject of enquiry, the Commission observes that, assuming that the transaction was entered into not to relieve Mr. Mundhra of his financial difficulties but to stabilise the

(Continued on page 351)

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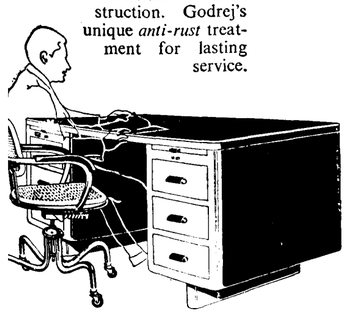

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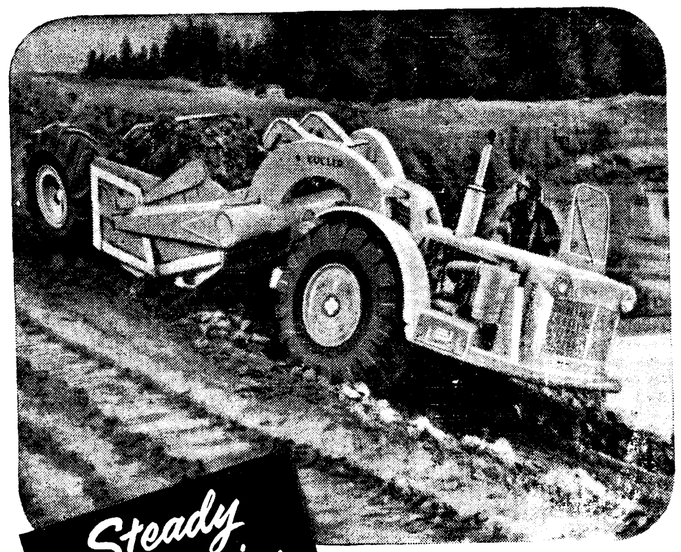

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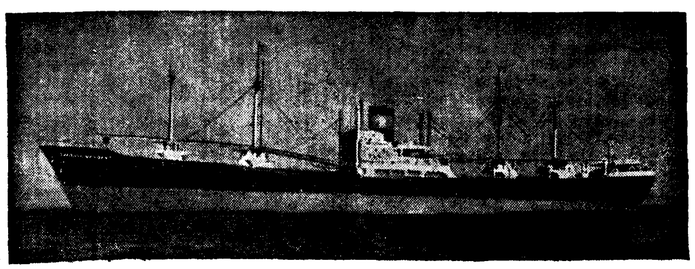

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WATER RATES IN INDIA

By R. A. Deshpande, B.A. (Hons.), Dip.Eco.Adm. (Delhi)

SITUATED as India is geographically, with tropical or sub-tropical climate, with practically no rain over a large part of the year and uncertain rains during the monsoon months, successful cultivation is not possible in many parts of the country without the aid of irrigation. The supply of irrigation waters to areas previously underdeveloped or to those which had an indifferent or precarious type of cultivation before, creates new problems. The cultivation of areas hitherto barren creates problems of colonisation, of land reforms, means of transport and communications and of charging suitable rates for irrigation. In this paper, we are mainly concerned with the question of fixation of the water rates for irrigation and other connected problems thereto.

Water flowing in natural streams and rivers is regarded as public property and it is the duty of the Government to arrange and control this public property for the greatest good of the community. From the individual cultivator's point of view, the requirements of an ideal system of irrigation would be that which delivers the water to him:

(*a*) At the site where it is required by him.

(*b*) At the time required by him.

(*c*) At the rates at which he can afford to pay.

(*d*) In the quantity adequate to his needs.

While conditions (*a*) and (*b*) are fulfilled in almost every established irrigation system, it is clear that the condition (*d*) can be fulfilled only under certain limitations. If the demand for water is more than the supply can afford, the water would have to be distributed on priority allocation or some sort of rationing system. While fixing water charges condition (*c*) is generally taken into consideration and it is the only important factor which determines the extent of water rates for irrigation.

The water thus supplied for irrigation purposes has to be charged for and the following systems are possible:

(i) A charge on the volume delivered.

(ii) A charge on the area irrigated.

(iii) A charge on the value of crops grown.

Present System

The present system of irrigation charges in India has developed differently in different States, with the result that there is multiplicity both in the principles and in the rates of assessment. A broad classification of these prevailing systems is, however, possible and is as under:

(i) Those payable by cultivators in return for the services of irrigation and thus forming an item in the cost of production and—

(ii) Those payable by the owners of the lands benefited in consideration of the increase in the value of the land.

Similarly, the existing systems of levying water charges may also be grouped into the following five groups:

(a) *Volumetric rate.*—This is a charge according to the quantity of water delivered.

(b) *Consolidated rate.*—This is a charge which is consolidated with the land revenue assessment and fixed on the settlement principles.

(c) *Differential rate.*—This is a charge which is fixed on the difference between dry and wet lands and their assessment thereon.

(d) *Occupier's rate.*—This is a fixed rate charged on the area actually irrigated and which usually varies with the nature of crop or crops.

(e) *Agreement rate.*—This is a charge based very much on the same lines as in (d) above but it is fixed by agreement for a period of years and paid for whether water is taken or not.

Each of these methods are discussed below in greater detail.

Volumetric Rates

Although the principle of levying a charge on the basis of the quantity of water consumed is generally accepted and has been made applicable to lift-irrigation schemes in Bombay, Uttar Pradesh and Bihar, the application of this system to lands under canals is found to be difficult. The main advantage claimed for this system is that it promotes the economical use of water while securing, at the same time, an adequate return to Government. But the experience of this system wherever it is worked has shown us that this system has not been a success as was assumed to be. A difficulty inherent in this system is related to the purely mechanical aspect of measurement. For it is not easy to devise a mode of reliable measurement which is not susceptible to malpractices on the part of petty officials. Besides, the success of the scheme is largely dependent on proper and effective arrangements for distribution of water between different landholders and for apportionment of costs between them. This is especialy difficult where the area irrigated consists of a number of small and scattered holdings. The working of this system in the Punjab where it was tried sometime ago has shown that it does not secure the principal advantage claimed in its favour, that of economy in the use of canal water. Moreover, as the principle was accepted that the volumetric rate should not exceed the value of water charges under the acreage system, Government derived no financial advantage. The volumetric system is, therefore, not suitable for canal irrigation. This, however, works well in the case of lift irrigation schemes, tube-wells, etc., and where the area irrigated is a compact block.

Consolidated Rate

This system obtains largely in areas commanded by older works in the States of Madras, Mysore and Hyderabad. The water rate is merged in land revenue proper and fixed on settlement principles. This system is discarded on all new works, as it does not afford a distinct classification of irrigation revenue and land revenue on a scientific basis. Besides, water rates cannot be revised at suitable intervals, as they are linked up with the revision of land revenue which usually takes place once in 30 years or so. Hence this system does not ensure adequate returns to Government. But this system can conveniently be applied to minor irrigation works, where levy of separate water charges is not desirable from administrative and economic considerations. In fact, in States like Bombay and Mysore the water rates for minor irrigation works are charged on the consolidated rate.

Differential Rate

Another system of water charge which has been condemned as unsound in theory and extremely clumsy is the differential rate system adopted in some of the older works in Andhra and Madras. The principle here is that, when a dry land is irrigated from Government sources, the water charge should correspand to the difference between wet rate and the dry rate of assessment of the corresponding land. The advantage claimed for this system is that it provides for a charge commensurate with the yield of land. But it involves a large number of complicated calculations which would not be easily comprehended by the village officers nor would it be intelligible to the cultivators. In view of these difficulties, there has been an increasing preference for a fixed rate system under which the water charge is fixed on a flat rate basis and which varies with the nature of crops grown, and category of irrigation facilities, etc.

Occupier's Rate

A system that is in general operation over the greater part of the country is the one where the charges are related to the nature of the crops and are fixed for the area actually irrigated. The rates for different crops are based mainly on the following four considerations:

(*a*) Quantity of water normally required by the crop.

(*b*) The scarcity or abundance of supply at the time,

(c) Value of the crop, and

(d) Economic capacity of the irrigators.

Concessional rates are provided in respect of certain crops like fodder crops, etc. There is, however, no variation in charge according to the distance of the land from the head of the supply, its productivity or its value. An objection usually raised against this system is that it is not conducive to the economy in the use of water. Besides, under conditions of competitive demand, it fails to secure optimum revenue to Government.

Agreement Rates

While the principle of "*no* water, no charge" is generally observed, agreement or lease systems of water rates have come to be adopted on certain works, as a result of the local conditions and requirements. In the deltaic regions of Orissa, West Bengal, parts of Bihar and Madhya Pradesh, where climatic conditions render it very doubtful whether the cultivator will in any particular season take water for his field or not, attempts have been made to induce him to take a lease for a period of years. For instance, in the area commanded by canals in Orissa, the present practice is to give long-term block leases, which often extend up to 10 years. Such leases are generally sanctioned where 95 per cent. of the net irrigable area of the block has been signed for. While long-term leases enable the cultivators to draw water from June to March for whatever crops are grown, seasonal leases are also given, usually for irrigation of the rice lands. Within the period of agreement of lease, the payment is compulsory so that the Government is not saddled with the cost of maintenance of works without realising of water rates, which a voluntary system under conditions of intermittent demand would involve. Under the long-term lease the cultivator is required to pay a lower charge and this concession encourages him to enter into a long-term agreement. This system has proved popular as is evident from the growing demand for such leases and from the extent of increase in the guaranteed area.

Deccan Canals

Another type of agreement rates obtains in the Deccan canals in the Bombay State where industrial concerns have secured the facility of regular supply of water which was to be guaranteed. For assuring such supply, the Government recovers a much higher water charge. The water rates charged in the case of Godavari and Krishna Projects in Madras are similarly on the basis of agreement rates.

In areas where water is taken on demand with special permission, "demand" or "occasional" rates are charged and they are usually considerably higher, sometimes nearly twice the agreement rates. Where canal water is utilised without proper authorisation, penal rates are imposed which are raised with the recurrence of such offence.

Rate of Return

An analysis of the various systems with reference to the actual net irrigation revenue and the percentage return on capital outlay discloses the following picture:

Name of the State	Total capital outlay on irrigation works (Direct and indirect)	Net irrigation revenue per year	Annual percentage return on capital outlay
	Rs.	Rs.	
Bihar	56,14,524	15,16,399	4.26
Bombay	8,02,997	3,18,927	4.17
Madras	20,53,82,469	1,28,07,267	6.24
Punjab	8,61,20,378	1,28,01,059	14.87
U.P.	34,00,46,863	1,88,52,707	5.54

(a) The irrigation revenue in States like the Punjab and Bihar where the system of "agreement rates" is in force, is the largest.

***(b)* The irrigation revenue in States like Madras where the "consolidated rate" is followed along with the "differential rate" is small as compared with its large capital outlay.**

(c) This clearly proves that the "agreement rate system" yields better irrigation revenue to Government than the other systems.

These systems may also be analysed from the point of cost of irrigation to the cultivators in the various States as under:

Name of the State	Total value of the crops raised in Rs.	Total irrigation revenue levied by the State Rs.	Percentage of cost of irrigation charges to total yields
Bombay	11,04,19,016	37,18,927	3.3
Madras	67,74,30,042	20,53,82,469	30.4
Punjab	34,35,46,942	8,61,20,378	28.2
U.P.	84,59,51,189	34,00,46,863	4.04

Thus it is seen that the cost of irrigation charges to the cultivators is as much as 30 per cent. in Madras, 28 per cent. in the Punjab and hardly 3 and 4 per cent. in Bombay and U.P., respectively. Thus there is greater scope for increase in the irrigational revenue in States like Bombay and U.P.

The project costs are now considerably more than in the past. The cost of maintenance is higher than before. Production increases considerably as a result of irrigation and a portion of the increased produce must be returned to meet the cost of maintenance. Existing water rates were, in many cases, determined years ago. There has since been considerable increase in the value of crops produced. Increases in water rates are, therefore, justified and it is necessary that the possibility is being explored by State Governments urgently.

Main Criterion

As a general principle, it is clear from the foregoing analysis that the system of levying of water rates should be such as to enable a economical and optimum use being made of canal waters and to promote conditions which will make maintenance and development of irrigation works possible on a larger scale than at present. The question is on what principles should such a water rate be fixed.

It is very difficult to make any general statement as to whether the water rate is a service charge or whether it includes an element of tax. In the case of more recent irrigation works, the water rates do not yield receipts even to cover the water-service costs but in some older works, e.g., in Hyderabad, Punjab, and Uttar Pradesh, the Government concerned realises some profits. The scale of water rates being largely dependent upon the economic and other circumstances of the area commanded by the works, it takes the character of a service charge in some areas and of a tax in other areas. Broadly, the assessment of water rates may be regulated according to the following three different principles:

1. No loss and no profit.
2. No profit and some loss.
3. Some profit and no loss.

No one principle can, however, be applied universally. Ordinarily, water rates must cover the maintenance charges, that is, the policy must be no profits but also no loss. But to this there would be several exceptions. A policy of no profit and some loss would be justified in the case of an irrigation work in the scarcity tract. On the other hand, a policy of some profit and no loss would be justified where an irrigation benefit has been provided for a fairly well off area.

The first Five-year Plan defines water rate thus:

"This is a charge dependent on the kind and extent of crops grown and is based on the quantity of water required by the crop and the advantage derived from use of it by the cultivator. It has no relation to the cost of supplying the water."

Maintenance Costs

Productive Irrigation works, that is, works from which net revenue can pay the interest charges on the capital investment, should not as a rule involve any loss to the general revenue. It is necessary that the water charges should be linked with the maintenance costs. The maintenance costs are of two types:

(i) Those which have to be incurred to keep the irrigation project in working order and

(ii) Those which have to be incurred to supply water to the cultivators.

Even where no water is taken, the maintenence costs of the former type have to be incurred by Government. Accordingly the water charges have to be of two varieties:

(i) A small charge covering the cost of repairs, establishment, drainage, etc., which has to be recovered from every landholder under the command of the irrigation project irrespective of his taking water or not.

(ii) An additional charge for the supply of water which will primarily cover the debt charges, overhead expenses, etc. This is to be levied on those who actually make use of the water from the project.

At present, in most States, the water rate which is recovered from the area actually irrigated is fixed with reference to the maintenance costs. Such a practice presents no difficulty where the demand for water is constant and the irrigated area does not vary from year to year. Where, however, water from the project is taken only to supplement the rainfall and, therefore, the demand varies according to the rainfall during a year, Government are put to much loss and fail to recover even the minimum costs of keeping the irrigation systems in working condition. The report on a system of compulsory water rates in the Tungabhadra Project provides an illustration in the shape of the Kurnool and Cuddapah canals, where, even after 75 years of their construction, the cultivators in the area are accustomed to taking water only if the rains fail. The Taxation Enquiry Committee was, therefore, constrained to recommend that "where irrigation is provided at great cost and the crops grown are such as can be irrigated with profit, the cultivators should be insisted to avail of the water facilities by prescribing a compulsory water rate, provided the cultivators should be given an assurance that water will be supplied to cultivators when required."

The compulsory charge should be a small fee relatable mainly to the minimum maintenance costs and not to the entire amount of water rate. In the Bombay State, a committee was appointed by the State Government in the year 1947 which examined the question of financial stability of irrigation works in the State. It recommended the imposition of a compulsory irrigation cess in the shape of a small fee to be paid by every landowner under the irrigable command of a canal system irrespective of whether the water was or was not used. The Irrigation Act of 1879 of the State has accordingly been amended and the compulsory levy of irrigation cess has been ordered with effect from 15th February 1954.

As the projects now under construction are considerably more costly than the projects executed in the past and also the cost of maintenance and operation is higher than before, it is necessary that, where the demand for irrigation fluctuates from year to year and available supplies are not fully utilised, a levy of irrigation cess should be imposed.

Other Factors

In determining the water rate which is payable by those who take water, the first principle should be, that the realisation from such a rate would at least cover the debt charges and overhead expenses on the project. While this should be the basic consideration, several other factors enter into the fixation of water rates. The more important of these are:

(1) Quantity of water supply.

(2) Value of crops grown.

(3) Extent of benefit realised by the cultivator, and

(4) Ability of the cultivator to pay.

In this context, it is worthwhile to refer to the U.P. Irrigation Rates Committee 1938, which examined this question. It says: "The value of the water is a function of the cost of supply and the increase in produce value from the land irrigated. The former determines the lowest financially sound and the latter, the uppermost permissible limit between which water rates can vary and a fair rate is one which yields adequate profit on the outlay on the one hand and offers sufficient inducement to the cultivators, on the other but prevents them from extravagant of waste."

In any system of water rates, the upper limit is naturally set by consideration of capacity to pay as revealed in the size of annual income, a cultivator is able to get from irrigated crop. But the determination of the income presents many administrative difficulties such as classification of lands into various categories, to correspond to the various degree of benefits conferred and also periodical valuation thereof. A simpler method of fixing the water rate is to determine them on the basis of the value of the crop grown. The practice in other countries conforms to this principle. A water rate which varies with the value on the market price of crops is also more equitable than a flat water rate. Further, a water rate that is linked to the crop provides scope for variation in the charges according to the quantity of water drawn, as water requirements vary considerably for different crops.

From the above analysis, it is obvious that, while fixing water rates for irrigation purposes, no single basis, which would meet the different conditions and differing requirements of the various States can be formulated.

Ploughing Back Principle

The scope and justification for the inclusion of a tax or profit element in the water rate arises in areas where the alternative cost of supply is higher than the rate fixed by the Government or where the area covered by the work is fairly developed and the irrigational facilities add further to this development. Because of the low cost of construction and maintenance of old irrigation works, water rates are much lower than in other areas and undue advantage from these low rates is derived by the individual cultivators. In such circumstances, the Government, according to the Taxation Enquiry Committee, is justified in increasing the water rates by adding an element of tax.

Water rates have long been fixed in the canal systems in the Punjab and Uttar Pradesh on the basis of securing for the exchequer a share in the additional yield derived by the cultivator from land over and above that of meeting the current costs of irrigation and interest on capital. The reinforcement of public revenues thereby has assisted in the past in the accelerated development of additional projects in those areas. Lately, such assistance to the development of new undertakings has assumed more specific forms, for example, by way of contribution to the current or capital costs of new projects as in the Punjab or a fund for extension of development activities in general as is done in U.P. This procedure is equivalent to the process as applied to the field of public enterprise of reinvestment, or ploughing back of profits which in private enterprise has been a principal means of financing development in recent years.

This suggests an approach to pricing policy for public undertakings somewhat different from what obtains generally in advanced countries. In some of these countries, where there is less emphasis on the revenue aspect of State undertakings, public enterprises mainly engage themselves in operating nationalised public utilities on cost basis. Their aim is mainly to provide cheaper and efficient service. As the Taxation Enquiry Committee rightly remarks, "A policy of 'no profit, no loss' may be appropriate in an advanced country and is, perhaps, the best to be hoped for in the earlier stages of working of some public enterprises here. But we do not recommend it as the long-term goal for public enterprise or as a permanent policy for most State undertakings in India." This should be the policy for fixing water rates for irrigation purposes also.

Concession in New Project Areas

A relevant consideration while framing water rates on new projects is the extent of concession or incentives to be provided in the water charges, particularly where it is the intention to develop irrigation. The need for such concessions arise because the materialisation of expected yields takes time and during that period added liability is imposed on the cultivator by way of cost of reclamation and of other measures for preparing the land for receiving irrigation water. There is even now in some countries the practice of providing free irrigation in the first or second year after opening of new canals or charging only a portion of the prescribed rate. The latter system is prevalent in Australia where the principle of sliding-scale assessment is applied to water charges. Thus, the rate is kept one-fourth in the first year, half in the second year and three-fourths in the third year and full in the fourth year. In Italy, a fixed reduction is made in water rates on lands brought under irrigation for the first three years.

It is desirable that, during the early developmental phase of irrigation, water rates should be low even if this involves some losses, with a view to encouraging the demand and widening the area, in order to ensure that the irrigation project functions to its optimum over a long period. In other words, the practice of "promotional pricing" in the initial phases of an irrigation project is calculated to obtain ultimately the best results.

Scope for Uniformity

Now the question usually asked is as to whether there should be uniformity in the water rates throughout the country or otherwise. The conditions of cultivators, the type of the soil irrigated, the class of crops grown, etc., vary from area to area and a rate which would be suitable for one tract would not be suitable for another.

To illustrate this point further, we will have to refer to the water rates of some important crops as assessed in some of the States. For example, the water rate for sugarcane in the State of Punjab varies from Rs. 9 to Rs. 11-1-6, whereas in the State of Madras, it varies from Rs. 7-8 to Rs. 12. In U.P., on the other hand, the rate for sugarcane ranges from Rs. 5 to Rs. 12. In Hyderabad, it used to vary from Rs. 27 to Rs. 35 and in Bombay it is between Rs. 40 and Rs. 60.

There is, however, need for reducing differences in the cost of water-supply in the same class of irrigation works within a State and between different States. Water rates within the same economic region should be uniform as far as possible.

Periodical Revision

The next problem in regard to the water rate pertains to the period for which the rate would remain in force. The practice at present followed in the various States in this country differs from State to State. In Bombay, for example, the water rates are revised at intervals of three to five years. In Madhya Pradesh, the rates are reviewed almost every year in

the Punjab and U.P., the rates have been revised at less frequent intervals. Rates fixed on a long-term basis give a feeling of security to the farmers and also import a degree of stability to irrigation revenue, and reduce administrative costs of collection. But such a system does not take into account the rise or fall in agricultural prices and particularly during a period of development, such a practice would deprive the Government of a legitimate increase in revenue. Hence, it is necessary that the water rates should be reviewed at reasonable intervals which should neither be too long nor too short.

Betterment Levy

Recently, many of the State Governments have started recovering betterment levy in addition to the usual water rates. It is, therefore, desirable to examine this question also, although it is related to water rates only indirectly.

What is a betterment levy? It is a matter of common knowledge that the introduction of canal irrigation is generally followed by an increase in the annual income and capital value of lands under the command of a project. If the entire development value is absorbed through water charges, there is absolutely no case for a further levy on the landowners. But as water rates constitute only a small part of the increased income and a considerable amount of unearned income still remains with the landowners, it is necessary that the State should claim a share in it.

Besides, the projects now under construction or likely to be taken up are considerably more costly than the projects executed in the past and, as such, the State Governments will have to find huge capital for financing these projects. The levy of betterment charges is precisely designed to meet expenses towards the cost of construction.

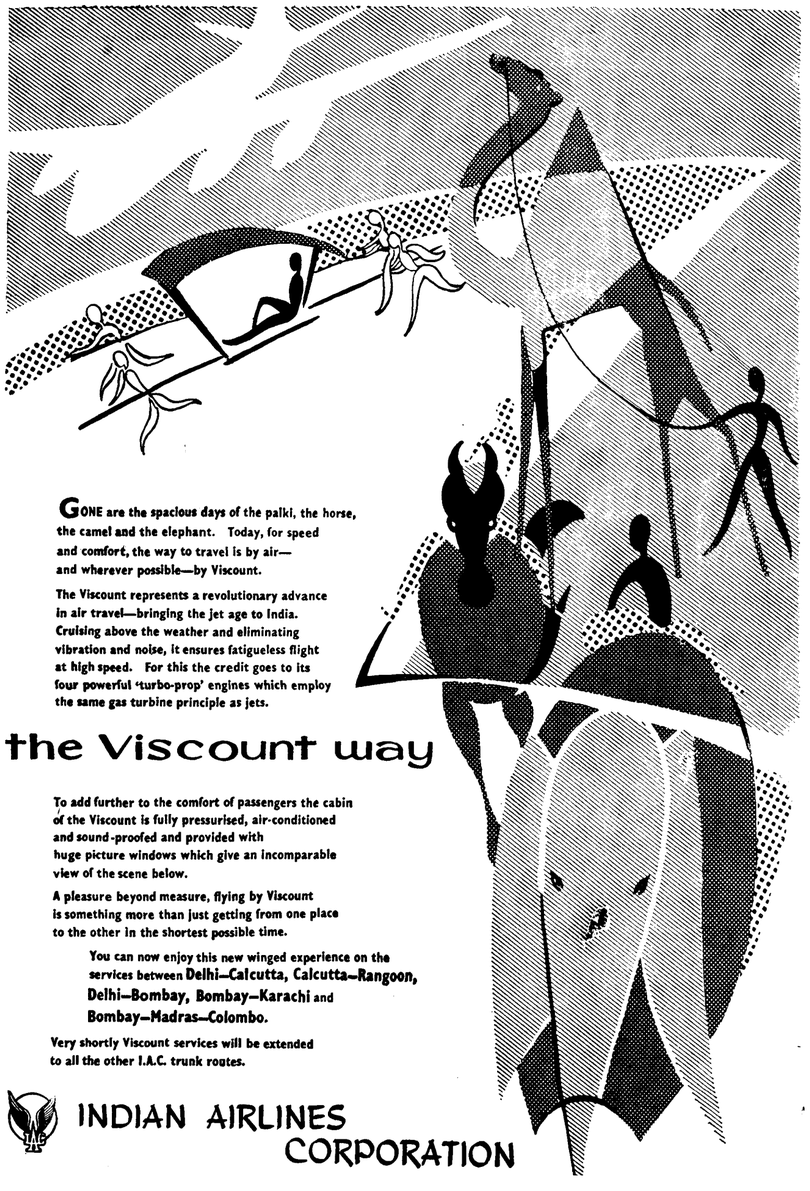
Betterment levy should be related to increase in value of land and being a capital levy should either be paid in lump sum or instalments spread over a period not exceeding 15 years. The State should also have power to recover it in the shape of land. This provision will be useful for acquiring land for community purposes, consolidation of holdings, and settlement of displaced persons and landless labourers.

The principle of betterment levy is now the accepted policy of the country. Legislation has already been passed in Assam, Andhra, Bombay, Madras, Punjab, Hyderabad, Mysore, P.E.P.S.U., Rajasthan, Himachal Pradesh and Orissa, and Bills have been prepared in Madhya Pradesh, Travancore-Cochin, Bihar and West Bengal. Although several projects have started supplying water in the various States, for example, the Bhakra Nangal, the Kakrapara, the Mayurakshi, etc., realisations have not commenced in any State. Legislation should, therefore, be passed immediately in States where this has not been done and necessary steps taken to commence realisations as soon as possible.

Administrative Problems

The supply of irrigation water to cultivators on a large scale and the recovery of water charges raises the question of administrative organisation needed for such a purpose. At present, in almost all States, all major irrigation works are in charge of Public Works Department or the Irrigation Department as the case may be. Maintenance and repairs of the canals and supplying water to the irrigators is done by the Irrigation Department. Demand statements for recovery of irrigation charges are prepared by this department and sent to the Revenue Department for recovery. The recovery is being done by the Revenue Department and the figures of actual recovery, arrears, etc., are communicated to the Irrigation Department. Even for submission of the proposals for levying the water rates, the Irrigation Department has to forward its proposals through the Revenue Department. In view of the expanded irrigation activities of the State, in the interests of administrative efficiency, it is time that the entire activities affecting the water rates right from the application of the cultivator to the payment of water charges should be placed under the Irrigation Department, as it would then be possible to review the whole position of revenue and expenditure of an irrigation project with more insight and imagination. This would not only afford better irrigation administration but also give relief to the Revenue

(Continued on page 330)



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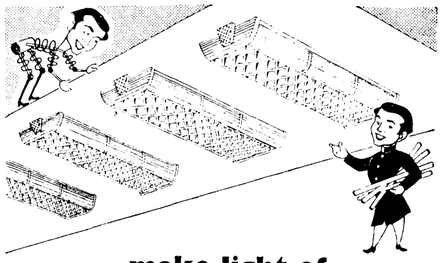

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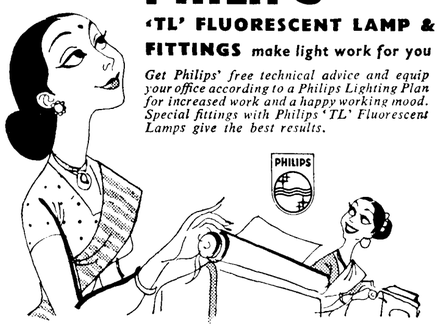

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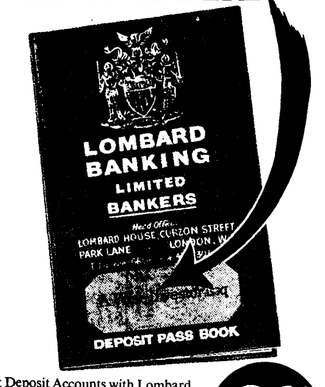

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IMPACT OF INDUSTRIALISATION ON MAN

CONSTANT ADJUSTMENT OF ATTITUDES NEEDED

By F. R. Ginwalla

THE impact of industrialisation on the individual and the community involves human problems of various nature. I shall speak on some of these problems in the context of the two partnerships of Man with Man and Man with Nature. Industrialisation based on science represents a vast extension of man's power over nature. Industrialisation is becoming a necessity. For countries with a growing economy it is a dynamic factor enabling economic development to progress at a faster pace.

It is a common conviction that the purpose of industry is to produce happy communities and satisfied individuals. The ultimate objective of industry is the satisfaction of the material needs and desires of the world. Modern communications have made the world so small and the complexity of our modern civilisation has interlocked countries so closely that it is useless to look at the problems of any country in isolation from the rest. They react so quickly on one another.

The countries which have attained higher standards of living have recognised their responsibility in helping to raise the level of existence of their less fortunate neighbours. This is evident from the Colombo Plan, the Point Four Plan, and the operation of the World Bank. With the rapid progress of science and technology, there is an inevitable spread of industrialisation to meet the growing needs of the world. The vistas opened by the great achievements of science are overwhelming. Mankind is now able to increase enormously the energy resources at his disposal, thus providing him with the power to multiply industrial production, to fertilise the arid soil, to transform deserts into arable land, indeed to conquer poverty all over the world. Mankind has entered the atomic age of history. At the same time, the advance in technology during the past decade has brought about Industrial Revolution or the Age of Automation. It is a paradox of human destiny that the rapid advance in science and technology has been quickened so much by the catastrophe of war and by the threat of war that human nature has brought upon itself. Never before has man had it in his power to destroy in a fraction of a second all that centuries of human effort have achieved, never before has he known so clearly the limitations of human efforts and his dependence on nature and her ways.

We are privileged to live in a dynamic age. Today, with an expanding world economy and with the drive for greater production and productivity, there is a growing awareness that the resources of the world are not unlimited, and that, with the erratic distribution of nature's gifts among the nations, there is an inevitable community of interest between them. The material problems we are facing today can only be solved by co-operation between nations and on the individual level by the partnership of man with man, and the recognition of the human ties, and the human understandings which that implies. The nation of a developed country in spite of her stresses and strains should display a ready understanding and appreciation of the difficulties of her sister nation of a less developed country. The tendency that the "spirit is willing but the flesh is weak" must go. India has been making an effort to spread the message of international friendship and goodwill among other nations of the world. It should be appreciated that in the context of the size of the country like India and of the acreage available for cultivation, a reasonable degree of rural prosperity is possible only with an aggregate industrial establishment of considerable magnitude. In other words, there must be industrial establishment of considerable magnitude to support a rural prosperity. For instance, electric power cannot be made without generating equipment, the transport of people and goods without railroad and automobile vehicles; and increase in the food supply without the engineering and chemical industries to provide irrigation, tractors, agricultural machinery and fertilisers. Bridges, roads and houses cannot be built without steel and cement, and so on.

It is for these reasons India is asking other countries to give her adequate assistance to tide over her foreign exchange difficulties, and to carry out extensive developments as contemplated in the second Five-year Plan. We must, however, realise that life in industry can only reflect the community and nation, as a whole. We must not put too much emphasis on the shortage of foreign exchange and develop a sense of dependence on other nations. We must learn to help ourselves before we may expect others to help us. We have no reason to take a dim view of the future. Our country has made much progress in the field of welfare services and economic development. Much has been done in the last eight years and much more remains to be done.

The real trouble with us today is not the lack of material resources but the lack of realism and the lack of strong determination to do all that needs to be done in the larger interest of our country. It is not beyond our resources, for instance, to achieve self-sufficiency in food which does not depend upon imported machinery but on our own effort to make full use of the new irrigation facilities and new techniques. When labour has been asked to increase output and to refrain from putting forward fresh demands for higher wages in the larger economic interests of the country, it is appropriate that those who are engaged in corporate enterprise in the private sector should, on their part, display a sense of "economic discipline" and undertake a similar sacrifice to the extent it is possible by voluntarily sparing a little part of the profits to enable the country to march more rapidly on to the road of progress.

We want to enjoy as far as possible the same standard of material comforts, amenities, and security enjoyed by our brothers and sisters in other parts of the world. Our prosperity and happiness can be achieved only on the basis of balanced economy. In our country, the achievement of such a balanced economy requires that measures be taken simultaneously with the process of rapid industrialisation, to reduce the wide disparity in living standards and amenities between urban and rural communities. The productivity of which we hear so much nowadays is not an end in itself, but it should be attained in a way which would stimulate and not suppress the capacity of men and women engaged in an industry to enjoy a full and healthy life. Furthermore, the structure of industrialisation of our country should be based on a strong foundation of agricultural population whose purchasing power would provide a market for manufactured goods. It is significant that agriculture and industry are not incompatible but complementary in a balanced economy. It is said that the quality of a democracy is the reflection of the qualities of citizens. It is, therefore, significant that, as political democracy has developed, the State has become more conscious of its protective role, and, today, there is a good deal of legislation for the common good of the common man.

Many of the problems which confront us today are due to the speed at which things change in this age of ours. We are changing from an agricultural to an industrial community. Science and technology are changing both agriculture and industry. All these constant and rapid changes demand constant adjustment for the individual, for the community, for the industry, and indeed for the Government. The difficult task of uprooting the backwardness of centuries calls upon us to make a united effort with a courage of a fisherman fishing in the deep sea. New methods have to be found, ready to replace the old. In this context these lines of Tennyson are so significant:

> *"The old order changeth, yielding place to new,*
> *And God fulfils himself in many ways,*
> *Lest one good custom should*
> *Corrupt the world."*

Man's most pressing needs are entirely dependent on his partnership with nature. Nature has curious devices, eccentric habits and they have to be discovered by the method of trial and error by which mankind has always treaded its way through the puzzling world. Nature is not an easy partner and she does not reveal her secrets easily. The further we penetrate into nature's secrets, the more clearly we see ever-receding frontiers of knowledge, those illimitable vistas of the unknown, the great complexities of nature and her marvels. Certainly, man's understanding is a noble faculty, of quality and fabric more devine than any other of nature's works. With closer partnership with the wonders of nature, with closer fellowship of man with man and a better understanding of the human mind, there will come a new age with the mastery of the art of living, new satisfaction of spirit and new inspiration to work together for peaceful ends. It is God who works in us the goodwill and the good deed by which we may turn industry to the service of man and man to the glory of God.—*By Courtesy of A.I.R.*

WATER RATES IN INDIA

(*Concluded from page 328*)

Department which is overburdened with other development activities.

Another suggestion relates to the improvement of the organisational set-up for the determination of water rates. Although the present revenue from water rates is small, it is about Rs. 11 crores (as in 1953-54) for the whole of India, it is likely to increase in view of the many big river valley projects which are recently constructed and still under construction. It is, therefore, necessary that the water rates should be fixed after full consideration and the people should be satisfied that they are being charged at reasonable rates, particularly in view of the fact that there was much agitation recently in some of the States over the recent increase of water rates. Hence, a Water Rates Board should be created in each State and it should be entrusted with the question of fixation of water for the whole of the State. This would not only enable a closer scrutiny and examination but also satisfy the public opinion.

It is well recognised that a plural headed form of administrative authority permit a representation of more than one viewpoint in the formulation of policy. For example, when appointments are made to Boards rendering special or technical service to the public, it is advisable that appointees be of good standing in their professional field. The Board should be a functional Board, consisting of men who have specialised knowledge in the concerned fields. The determination of water rates is a technical function involving specialised knowledge. Hence, it is necessary that the members should have specialised knowledge in the respective branches of economic use of water to lands.

The problem of optimum use of available irrigation supplies has three broad aspects:

(1) *Agricultural.*—This consists in determining the optimum quantities of water required and the correct time of their application for growing a crop with a view to irrigating the maximum area and producing the maximum tonnage of crops with a given quantity of water.

(2) *Engineering.*—This consists of conveying to the field for purposes of irrigation, as large a portion by minimising losses in the canal, in the distributaries, watercourses, and in the field itself.

(3) *The financial or economic aspect.*—It is necessary that the water supply for irrigation purposes should also take into account the financial aspect, as well as the economic conditions of the irrigators. The water rate will have to be fixed after taking into account various considerations, including those of financial and economic conditions. The main consideration should be the optimum utilisation of available water supply.

Water Rates Board

Having the above three aspects in view, it is necessary that the Water Rates Board should consist of the three representatives who have specialised knowledge in the above three. It should consist of a chairman and two members, and should be a semi-autonomous Board charged with the work of utilisation of available water supply. It should fix the maximum and minimum water rates for each irrigation work and the subordinate officers should be given discretion to charge the actual rates for each irrigation work within the above permissible limits according to circumstances.

This Board should also be empowered to act as a tribunal in case of disputes of assessment and recovery of irrigation revenue like that of the Board of Land Revenue. This Board should also be entrusted with the maintenance of "ways and means fund" for irrigation development, which the first Five-year Plan has recommended for immediate constitution in all the States. With the establishment of such a Board, the problems relating to water supply for irrigation purposes and other allied problems will receive proper and adequate attention and accelerate the tempo of irrigation development in the country.

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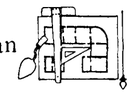
Giant walls taming the rushing waters, irrigation channels bringing new life to barren soil, and heavy cables carrying a mighty surge of power throughout the country are today laying the foundations of India's economic self-sufficiency. During the Second Five Year Plan  electrification will be extended to 10,600 additional towns and villages and irrigation to an extra 21 million acres. Textile Machinery Corporation Limited is proud to play its part in this nation-wide endeavour to bring power to industry, light to village homes, food to the hungry and prosperity and happiness to the people. A pioneer in many fields of engineering, it supplies industry, railways and river valley projects with a wide range of equipment.

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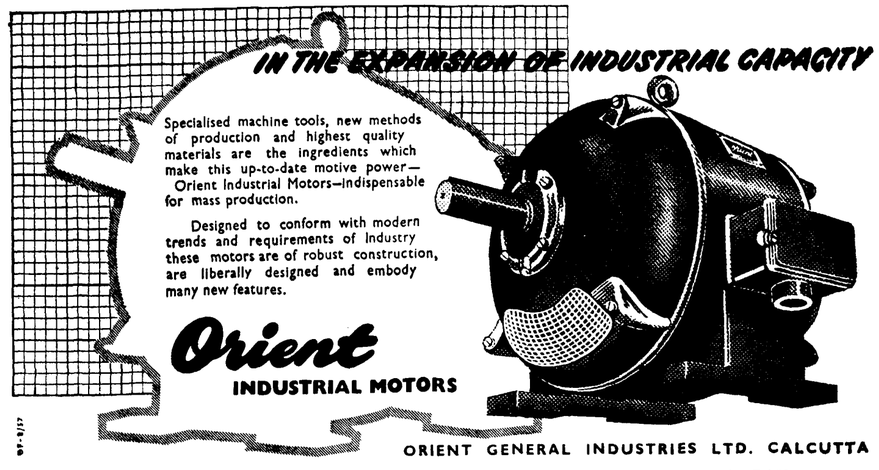

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BALANCE OF PAYMENTS POSITION

LATEST AVAILABLE DATA ANALYSED

IT is common knowledge that the balance of payments position of India continues to be disquieting, thanks to the impact of heavy development expenditure under the second Five-year Plan and the unfavourable turn in food situation necessitating large imports from abroad. A broad picture of the extent of deterioration has been available from the trend of foreign currency reserves held by the Reserve Bank. The collection and presentation of detailed information on this subject naturally take some time. The latest period for which full particulars are available pertain to the half-year ended 30th September 1957, that is, the first half of the 1957-58 fiscal year now drawing to a close. These data are published in the Reserve Bank's monthly *Bulletin* for January 1958. According to these, the gap between current receipts and payments during April-September 1957 more than doubled, as compared with the corresponding half year of 1956-57, the exact figure being Rs. 298 crores, as against Rs. 126 crores. The main source of finance for this large deficit was chiefly the foreign exchange reserves which were drawn down by Rs. 174 crores. The two other important sources were P.L. 480 facilities and the standby credit of Rs. 34.5 crores from the International Monetary Fund.

The heavy deficit of Rs. 298 crores in the balance of payments during the six months ended September 1957 was due principally to the continued high rate of imports. The total of these imports (c.i.f.) aggregated as much as Rs. 622.2 crores, as against Rs. 476.8 crores in the same period a year before, or a rise of Rs 145 crores. The deficit was also due to some extent to a drop of Rs. 21.2 crores in exports -- they amounted to Rs. 267.1 crores, as against Rs. 288.3 crores—and a decline of Rs. 27 crores in invisibles (including official donations) from Rs. 62.6 crores to Rs. 57.4 crores. The decline in invisibles was accounted for entirely by official donations which were lower by Rs. 11.4 crores, while other invisibles such as transportation and investment accounts showed a rise of Rs. 6.2 crores as compared with the first half of 1956-57.

Assets Depleted

During the six months ended September 1957, receipts from official loans aggregated Rs. 27.9 crores. Of this, the share of drawings on World Bank was Rs. 16.2 crores, the balance of Rs. 11.7 crores representing receipts under the loan component of Technical Co-operation Administration and drawings under the Russian credit for Bhilai. Net receipts on other capital transactions (I.M.F. standby credit, receipts under P.L. 480 and private capital inflow) amounted to Rs. 80 crores. Thus, there was a net capital inflow of about Rs. 107.9 crores. This more than offset the payment arising from the loan granted to Burma, the repayment of World Bank loans, etc. But, as there was a huge deficit on the current account, as already noted, the net result was a contraction of Rs. 173.8 crores in the foreign exchange assets.

The following table shows India's overall balance of payments during the first half of 1957-58 as compared with the first and second half of 1956-57:

(In crores of rupees)

	Apr.-Sept., 1957	Oct.-Mar., 1956-57	Apr.-Sept. 1956
Imports (c.i.f.)—			
Private	383.5	404.3	391.6
Government	238.7	195.4	85.2
Total ..	622.2	599.7	476.8
Exports (f.o.b.)	267.1*	348.7	288.3
Trade balance	—355.1	—251.0	—188.5
Official donations	+ 6.5	+ 21.9	+ 17.9
Other invisibles (net)	+ 50.9	+ 62.5	+ 44.7
Current account (net)	—297.7	—166.6	—125.9
Errors and omissions	+ 16.0	— 15.2	+ 10.6
Official loans	+ 27.9	+ 48.5	+ 7.9
Other capital transactions (net) ..	+ 80.0	+ 43.8	— 22.1
Movement in reserves	+ 73.8	— 89.5	—129.5

* This figure excludes transactions relating to repatriation of lend-lease silver of Rs. 64.8 crores in April-June 1957 and of Rs. 9.6 crores in July-September 1957.

It will be seen from the above table that the entire increase of Rs. 145 crores in imports was accounted for by enlarged spending in the public sector. The imports on Government account in the period under review were higher by more than Rs. 153 crores as compared with the same period in 1956-57. Imports of the private sector, however, were actually lower by Rs. 8.1 crores, as a result of the various restrictive policies pursued by the authorities. The imports of Rs. 238.7 crores on Government account, the overwhelming portion of which represented foodgrains, were financed through foreign assistance received under International Association for Technical Co-operation Administration, Colombo Plan and P.L. 480 programmes, as well as the Bhilai credit of Rs. 82 crores. If the imports financed by aid are excluded, the rise in Government imports will amount to about Rs. 96 crores; most of this was development expenditure.

Exports Suffer a Setback

Export receipts, as already stated, suffered a setback during the first half of 1957-58, notwithstanding the Government policy of active export promotion. The measures adopted in the quarter of July-September 1957 included export quota for kardiseed oil, cotton sewing thread, etc., free licensing of certain iron and steel manufactures (steel pipe castings, for example), zoda cotton and cotton linters, reduction of duty on de-oiled groundnut meal, and abolition of duties on linseed oilcake, zoda cotton, yellow pickings and sweepings. Despite these measures, exports declined by Rs. 21 crores as compared with the corresponding period of last year and by as much as Rs. 82 crores if compared with the October 1956-March 1957 period. The decline in export earnings is attributed partly to seasonal factors and partly to the weakening of foreign demand consequent on the emergence of recessionary trends in world commodity markets. Even so, there is no denying the fact that the various burdens imposed on the domestic industry by the powers-that-be have been responsible to a great extent for the continued low level of exports. It was only last week that we emphasised in the course of an editorial that more foreign exchange could be earned by fostering and nurturing the traditional export industries, as they still had profitable scope, than by trying to boost new industries which had yet to establish themselves firmly on their own soil.

Imports and Exports

An idea of the imports (on private account) and exports of the principal commodities in the first half of 1957-58, as well as in the first and second half of 1956-57, can be had from the statement given below:

(In crores of rupees)

	Apr.-Sept., 1957	Oct.-Mar., 1956-57	Apr.-Sept., 1956
Imports (c.i.f.)			
Oils	39.3	40.9	43.5
Cotton—raw and waste	13.1	23.6	24.7
Jute—raw and waste	3.1	4.0	3.8
Dyes and colours	7.6	7.3	7.7
Chemicals	11.8	14.5	14.4
Cutlery, hardware, etc.	11.7	13.6	14.9
Electrical goods	13.3	13.3	11.5
Paper, pasteboard and stationery ..	7.1	7.0	7.5
Woollen yarns and manufactures ..	4.5	4.5	6.4
Rayon textiles	5.5	7.0	9.2
Machinery	85.6	80.0	71.2
Metals—iron and steel	52.0	59.7	59.7
Metals—others	19.1	10.9	17.3
Vehicles (excluding railway locomotives)	18.0	21.3	21.8
Exports (c.i.f.)			
Tea	38.4	91.4	57.0
Cotton—raw and waste	9.8	12.8	10.9
Vegetable oils	9.2	10.8	14.7
Hides and skins (raw)	3.6	4.3	3.2
Metallic ores (including manganese ore)	19.0	23.8	17.1
Jute manufactures	47.4	69.3	56.7
Cotton manufactures	39.2	43.5	36.7

The foregoing statement shows that the fall in private imports during the period under review was distributed over a wide range of items in the raw materials and consumer goods categories. The fall was particularly marked in the case of raw cotton, payments for which declined by as much as Rs. 10 crores to Rs. 13.1 crores. Imports of machinery, on the other hand, showed an increase over both the halves of 1956-57.

On the export side, the commodities affected most were tea and jute manufactures. In respect of tea alone, the decline was about Rs. 20 crores, being the combined result of a fall in volume as well as in prices. The price decline was caused by poor quality of production, which in turn was due to unfavourable weather conditions. Consequently, the offtake of all the principal consuming countries, namely, the U.K., the U.S.A. and Egypt, was appreciably lower during this period. The decline in the case of the U.K. appears to have resulted also from the recession in demand for stockpiling. The fall in U.S. burlap consumption by nearly 16 million yards from 428 million yards during April-September 1956 to 412 million yards during April-September 1957 (attributable perhaps to slackness of business activity) also affected to some extent Indian exports of jute manufactures which recorded a fall of nearly Rs. 10 crores. Competition from Brazil for castor oil, as also the generally higher quotations of Indian oils, adversely affected exports of vegetable oils which fell by some Rs. 5 crores.

Regional Pattern

The regional analysis of balance of payments in the first half of 1957-58 shows that the deterioration on current account manifested itself *vis-a-vis* all the major monetary areas, as is evident from the following table:

(In crores of rupees)

	April-Sept., 1957	Oct.-March, 1956-57	April-Sept., 1956
Sterling area	— 48.8	— 13.6	— 21.5
Dollar area	— 73.7	— 30.7	— 0.7
O. E. E. C.	—135.0	—107.3	— 94.6
Rest of non-sterling area ..	— 40.3	— 15.0	— 9.1
Total ..	—297.7	—166.6	—125.9

The deficit in balance of trade with sterling area rose sharply from Rs. 13.6 crores in the second half of 1956-57 to Rs. 48.8 crores in the first half of 1957-58, despite the reduction of Rs. 21.3 crores in imports (from Rs. 243.8 crores to Rs. 222.5 crores) from that area. This was largely attributable to a marked drop of Rs. 45.8 crores in exports and partly to a fall of about Rs. 10 crores in net invisible earnings. The payments position of the dollar area also showed a marked deterioration. From a position of near balance in the first half of last year, there was an appreciable deficit of Rs. 74 crores in the first half of this year, the total of imports and exports accounting for Rs. 137.0 crores (c.i.f.) and Rs. 50.3 crores (f.o.b.), respectively. For imports of foodgrains under P.L. 480 and T.C.A. programmes tended to rise. It is mentioned that, if normal imports were considered, the balance with the dollar area would reveal a small surplus. Official donations were lower at Rs. 5.4 crores, as against Rs. 20.0 crores and Rs. 17.5 crores in the previous two halves, respectively. The payments gap of Rs. 135 crores with the O.E.E.C. countries was the result of rising payments for imports of machinery, electrical goods, and drugs and medicines. Payments for some of the less essential consumer goods, such as cutlery, hardware, dyes and colours, were somewhat lower. The deficit of Rs. 40.3 crores in the transactions with the rest of the sterling area was due to increased payments for imports which aggregated Rs. 163.7 crores, as against Rs. 119.3 crores a year before. Most of this rise was in the commercial sector and was distributed over a wide range of commodities.

AUGMENTING EXPORT TRADE

At no time in the history of India's foreign trade had the need for augmenting exports been so urgent as it is today. The country is faced with a serious balance of payments problem and the only effective way of solving it lies in stimulation of exports. The need is all the greater, considering the growing competition in international trade and other developments such as the establishment of the European Common Market with the dependent territories as associate members. Viewed thus, Mr. Chinoobhai C. Javari, the retiring President of the All-India Exporters' Association, did well, indeed, to stress, when he addressed the tenth annual general meeting of the Association held in the City on Wednesday this week, that "the mere wish or desire for increasing our trade will not by itself help us, in the absence of organised efforts put in jointly by the industry, labour, trade and the Government." And he put forward several valuable suggestions designed to bring about an improvement on export front.

The suggestions of Mr. Chinoobhai fall into two categories—general and particular or specific. The former include the following:

(1) Uniformity in and simplification of States' sales tax laws;

(2) extension of the benefit of excise duty refund to small manufacturers and dealers using duty-paid materials in the goods exported, as well as relaxation of the vigorous procedure of identification and manufacture in an approved place;

(3) establishment, by the Government, of some machinery to review the progress made in export promotion and issue quarterly reports for the benefit of trade; the reports must incorporate useful suggestions invited from India's Trade Commissioners in overseas countries on questions such as market conditions, consumer preferences, improvements necessary to enhance the competitive capacity of goods, and defects hampering exports;

(4) setting up of permanent exhibitions of export goods in the major Indian Ports like Bombay, Calcutta and Madras;

(5) withdrawal of the demand for an execution of a bond and a bank guarantee from exporters with regard to the specific performance against import licences issued under the export promotion scheme; and

(6) avoidance of frequent changes in export duty on goods.

(*Continued on page 338*)

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NEW CITY AND NEW GREAT COTTON MILLS SUFFER LOSSES

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IT is now a well-known fact that the past calendar year was one of depression for the cotton mill industry. The reasons for this are also equally well known. The depression was created mainly by the Government. We say so without any qualification, because the Central Government went out of its way to curb the demand for cloth through both fiscal and monetary policies. Excise duties were pushed up to unheard of levels and restrictions were placed on bank advances against cotton goods. All this was done at a time when cotton prices moved up, wages rose and the purchasing power of the people was diminished by general inflation in the country. The cotton mills' profit margin, therefore, shrunk heavily. And their capacity to pay dividends was further adversely affected by the rise in direct taxation and the imposition of an annual capital levy, called Wealth Tax.

Viewed against the aforesaid background, it is not surprising that both the Brady Group cotton mills did not fare well in 1957. The New City of Bombay Manufacturing Company, Ltd., and the New Great Eastern Spinning and Weaving Company, Ltd., have both suffered losses, though not of the same magnitude. For the first time since 1937, New Great has had to pass over the dividend to its ordinary shareholders, while, in the case of New City, the dividend has been reduced by 50 per cent. of that paid for the preceding five years in succession, that is, from 10 to 5 per cent. In the case of both the companies, the Managing Agents have waived the commission due to them. The selling agents also have accepted a cut in their commission.

A comparative table showing the progress of these two Companies appears at the foot of these columns. It will be noted therefrom that the New City discloses a loss of Rs. 2.76 lakhs, as against a gross profit of Rs. 4.55 lakhs for 1956, to which level it had slightly receded from Rs. 5.12 lakhs for 1955. The net loss at Rs. 3.44 lakhs also makes unfavourable comparison with the net profit of Rs. 2.51 lakhs and Rs. 3.26 lakhs for 1956 and 1955, respectively.

The loss suffered by the New Great amounts to Rs. 9.55 lakhs. It may be stated in this connection that even the gross profit of Rs. 2.10 lakhs for 1956 (which was only a third of Rs. 6.32 lakhs for 1955) was the lowest in the Company's history since 1939. The net loss amounts to Rs. 9.85 lakhs, as compared with a net profit of about Rs. 68,000 for the previous year.

In the case of both the companies, no provision for depreciation has been made. Fortunately for them, adequate depreciation had been made in the past when profits were better. Consequently, the absence of any transfer to this account this year has not meant any setback to their financial position. Both have provided for wealth tax; in the case of New City it works out to Rs. 68,000 and in that of New Great Rs. 30,179.

The New City has declared a dividend of only 5 per cent. as against 10 per cent. for the past five years. While in the previous year the net profit had covered the dividend in full, this year even the attenuated dividend could be paid only by taking recourse to the reserves. Accordingly, the Directors have transferred a sum of Rs. 2.68 lakhs from the reserve for taxation and another Rs. 1.20 lakhs from the reserve fund, in addition to writing back Rs. 23,888 being the excess provision no longer required. The New Great also has dipped into its reserves to the tune of about Rs. 10.20 lakhs, that is, Rs. 2.99 lakhs from general reserve and Rs. 7.50 lakhs from the taxation reserve. The sum thus withdrawn has been used partly for payment of the preference dividend and partly for writing off of the year's loss. It will be interesting to note here that, during the year under review, this Company paid as much as Rs. 16.93 lakhs by way of excise duty on cloth. If only this duty had not been enhanced in September 1956, the Company would have shown a profit.

A satisfactory financial position is disclosed by the latest balance-sheets of both the Companies. The paid-up capital of the New City is Rs. 24 lakhs, which is supplemented by reserves and surplus amounting to Rs. 25.64 lakhs. The gross block of the value of Rs. 82.12 lakhs stands depreciated at Rs. 33.42 lakhs. The current assets aggregate Rs. 46.14 lakhs, of which cash balances alone at Rs. 10.94 lakhs, provide a sufficient cover to current liabilities and provision for taxation amounting to Rs. 29.92 lakhs in all.

The paid-up capital of the New Great stands at Rs. 38 lakhs. As against this, the reserves and surplus are of the order of Rs. 49.72 lakhs. The gross block of the value of Rs. 101.83 lakhs has been well written down to Rs. 38.46 lakhs. Against the current assets aggregating Rs. 63.59 lakhs, of which stock-in-trade and stores alone account for Rs. 56.33 lakhs, the current liabilities and provision for taxation amount to only Rs. 52.33 lakhs.

Some further progress was made during the year in the modernisation of the mills by additions to the spinning machinery. In the case of New Great, the building of the new folding department of the mill was completed towards the end of the year. The installation of the necessary ancillary equipment and the transfer of the requisite machinery will be carried out during the early months of 1958.

The Rs. 100 fully paid-up shares of the New City are currently quoted at Rs. 125 *cum-div.* On an *ex-div.* basis, the dividend for the year at 5 per cent. works out a yield of 4.17 per cent. per annum.

(In lakhs of rupees)

	New City of Bombay				New Great Eastern			
	For the year ended 31st December				For the year ended 31st December			
	1957	1956	1955	1954	1957	1956	1955	1954
Sale proceeds	139.19	132.57	143.58	143.51	197.44	193.39	210.83	217.53
Closing stocks	18.13	18.24	7.39	10.95	40.46	37.52	27.60	32.54
Raw materials consumed	80.68	75.27	76.24	80.06	99.00	94.97	89.57	103.56
Stores and spares consumed	7.64	8.99	8.86	8.90	13.23	12.11	14.96	15.14
Other expenses	53.92	55.18	50.19	55.41	98.00	94.38	94.97	96.42
Gross profit (+) or loss (—)	—2.76	+4.55	+5.12	+4.48	—9.55	+2.10	+6.32	+3.39
Managing Agents' commission	..	0.74	0.51	0.12	..	0.43	0.76	..
Provision for—								
Depreciation	..	1.30	1.35	1.59	..	0.99	0.95	0.46
Taxation	0.68†	..	..	..	0.30†	..	..	..
Net profit (+) or loss (—)	—3.44	+2.51	+3.26	+2.77	—9.85	+0.68	+4.61	+2.95
Liability under L.A.T. Award	..	..	..	3.25	..	..	..	6.18
Transfer from reserves	3.88	..	..	3.25	7.30	2.06	..	6.20
Excess provision written back	0.24	2.89	..	..	..	1.52	..	..
To reserves	..	2.00	1.00	..	..	0.75	1.00	..
pension, gratuity and welfare fund	..	0.50	0.10	0.25	..	0.11	0.25	0.15
Dividends—								
5½ per cent. preference	..	..	..	..	0.44	0.44	0.44	0.44
Ordinary	1.20	2.40	2.40	2.40	..	3.00	3.00	2.25
	(5%)	(10%)	(10%)	(10%)		(10%)	(10%)	(7½%)
Carry forward	0.01	0.53	0.03	0.27	—2.99*	..	0.04	0.12

* Adjusted against general reserve.

† Provision for wealth tax.

BRADY ENGINEERING REPORTS STEADY PROGRESS

The steady progress made by the Brady Engineering Company Ltd. (Managing Agents: Messrs. W. H. Brady & Co., Ltd., Bombay) during the past few years was fully maintained in the year ended 31st December 1957. Both sale proceeds and earnings show a progressive rise year after year. This augurs well for the future of the Company. Indeed, the utility of a concern of this nature will become more apparent in the years ahead when the large complement of engineering implements required by the country have to be manufactured within the country itself. The gross profit for the year under review at Rs. 3.34 lakhs compares quite favourably with Rs. 2.61 lakhs for 1956 and Rs. 2.26 lakhs for 1955. Within three years, the gross profit has trebled. Thus, for 1954, it was no more than Rs. 1.10 lakhs.

The net profit at Rs. 77,065, however, stands lower, as compared with Rs. 1.13 lakhs for the previous year. This is due to the high incidence of taxation, for which a provision of Rs. 1.34 lakhs (including Rs. 14,000 for wealth tax), as against only Rs. 33,000 in the preceding year, has been made. The rate of wealth tax is only ½ per cent., but on the profit of even a young company such as the one under review it works out to 4.2 per cent. of the gross profit and 15 per cent. of the net profit before providing for this tax, but after other taxes, depreciation and Managing Agents' commission. The transfer to depreciation has been kept practically unaltered at Rs. 95,000. In view of the recession in net profit, the allocation to the general reserve has been pruned from Rs. 25,000 to Rs. 20,000. The dividend is, however, being repeated at the modest rate of 5 per cent. for the third year in succession. It may be noted here that the dividend for 1954 was only 2½ per cent.

The following comparative table sets out the salient features of the Company's working during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Proceeds of engineering work	10.38	8.92	7.53	3.64
Closing work-in-process	0.52	0.40	0.29	0.18
Expenses	7.31	6.52	5.53	3.02
Gross profit	3.24	2.61	2.26	1.10
Managing Agents' commission	0.28	0.19	0.17	..
Depreciation	0.95	0.96	0.85	0.42*
Taxation	1.34	0.33	0.05	0.42*
Net profit	0.77	1.13	1.19	0.26
To reserves	0.20	0.25	0.40	..
Dividend	0.75	0.75	0.75	0.37
	(5%)	(5%)	(5%)	(2½%)
Carry forward	0.04	0.22	0.09	0.06

* Includes Rs. 22,190 being tax paid for 1952 and 1953.

It will be seen from the above comparison that the Company's sale proceeds of engineering work show a visible improvement for every year of working. The Directors say that the business has again been of a general nature, but that a licence has recently been granted to the Company by the Government of India for the manufacture of pulley blocks and ancillary equipment. It is hoped that this will develop into a profitable line of business. Efforts are also being made to obtain other regular lines of business.

The paid-up capital of the Company as at 31st December 1957 stands unchanged at Rs. 15 lakhs, in 25,000 ordinary shares of Rs. 100 each, of which only Rs. 60 per share has been called up. Being a small concern still in its infancy, its reserves and surplus are modest in size, being no more than Rs. 2.39 lakhs. The gross block of a value of Rs. 15.31 lakhs has been well depreciated to Rs. 9.60 lakhs. The current liabilities amount to Rs. 2.75 lakhs. The current assets aggregate Rs. 10.54 lakhs, of which cash balances alone are of the order of Rs. 5.44 lakhs and equal to nearly twice the current liabilities and the provision for taxation. The financial position of the Company is thus quite satisfactory.

The Rs. 60 paid-up shares of the Company are currently quoted at Rs. 44 *cum-div.* On an *ex-div.* basis, the yield is 7.31 per cent. per annum.

APPOINTMENT OF MANAGING AGENT AS SELLING OR BUYING AGENT

Attention of all companies is drawn to the provisions of Sections 356 to 360 of the Companies Act 1956, which place some restrictions on the appointment of the managing agent of a company or his associate as the selling or buying agent of the company and also on the contracts between the managing agent or his associate and the managed company for the sale or purchase of goods or for the supply of services.

Under Section 361 of the Act, any contract relating to the matters dealt in the said sections, which was in force on 1st April 1956, will, in so far as the contract relates to any of the matters referred to in these sections, be deemed to be terminated on 1st March 1958, unless terminated on an earlier date.

If any company proposes to continue an existing arrangement or contract in respect of the matters, referred to above, after 28th February 1958, it will be well advised to take steps to ensure that it is modified on a fresh contract executed so as to conform to the requirements of Sections 356 to 360.

INDIAN BANK LTD.

The net profit of the Indian Bank Limited, Madras, for the year ended 31st December 1957, after providing for contingencies and paying bonus to staff and meeting other Golden Jubilee expenses aggregating nearly Rs. 12 lakhs is Rs. 32.02 lakhs, as compared with Rs. 45.71 lakhs for 1956. Out of this sum, the Directors have paid an *ad-interim* dividend at the rate of 5 per cent. and a bonus of 1½ per cent. (both free of income-tax), same as in the previous year, which absorbed Rs. 4.22 lakhs (Rs. 3.91 lakhs). The Directors, after making the other usual and necessary provisions for taxes, reserves and other funds totalling Rs. 28.25 lakhs (Rs. 31.05 lakhs) have recommended the payment of a final dividend at the rate of 5 per cent. and a bonus of 1½ per cent. (both free of income-tax), also same as for 1956, thereby maintaining the dividend and bonus for the year at 13 per cent. In addition, they have recommended the payment of a Golden Jubilee dividend of 2 per cent.

COMPANY NOTES

The Vaikundam Rubber Co., Ltd., has obtained the consent of the Controller of Capital Issues for the capitalisation of a sum of Rs. 2,51,430 and issue of bonus ordinary shares in the ratio of two shares for every five shares held by the existing shareholders.

The Jeypore Sugar Company has to capitalise a sum of Rs. 6,95,330 and to issue three ordinary shares for every 10 shares held, subject to the Government's sanction.

Kothari Textiles Ltd. has made a final call of Rs. 5 per share on the 242,000 ordinary shares of Rs. 10 each, the call money being payable on or before 7th March, 1958.

COMPANY MEETINGS AND DIVIDENDS

ARRAH-SASARAM LIGHT RAILWAY CO., LTD. Half-yearly General Meeting, Calcutta, 7th March 1958. Dividend: 4.425 per cent. per annum. Transfer books will remain closed from 25th February to 7th March 1958, both days inclusive.

FUTWAH-ISLAMPUR LIGHT RAILWAY CO., LTD. Half-yearly General Meeting, Calcutta, 7th March 1958. Dividend: Re. 1.00 per share. Transfer books will remain closed from 25th February to 7th March 1958, both days inclusive.

HOWRAH-AMTA LIGHT RAILWAY CO., LTD. Half-yearly General Meeting, Calcutta, 7th March 1958. Dividend: 4.425 per cent. per annum. Transfer books will remain closed from 25th February to 7th March 1958, both days inclusive.

HOWRAH-SHEAKHALLA LIGHT RAILWAY CO., LTD. Half-yearly General Meeting, Calcutta, 7th March 1958. Dividend: 4.425 per cent. per annum. Transfer books will remain closed from 25th February to 7th March 1958, both days inclusive.

SHAHDARA (DELHI)-SAHARANPUR LIGHT RAILWAY CO., LTD. Half-yearly General Meeting, Calcutta, 7th March 1958. Dividend: 8.85 per cent. per annum. Transfer books will remain closed from 25th February to 7th March 1958, both days inclusive.

G. CLARIDGE & CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 15.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

EMPIRE DYEING & MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 3.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

W. H. BRADY & CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 25.00 per share. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

BRADY ENGINEERING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 3.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

NEW CITY OF BOMBAY MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 5.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

INVESTMENT CORPORATION OF INDIA LTD. Annual General Meeting, Bombay, 10th March 1958. Transfer books will remain closed from 3rd to 10th March 1958, both days inclusive.

NEW GREAT EASTERN SPINNING & WEAVING CO., LTD. Annual General Meeting, Bombay, 11th March 1958. Dividend: *Nil*. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

JUBILEE MILLS LTD. Annual General Meeting, Bombay, 13th March 1958. Transfer books will remain closed from 1st to 14th March 1958, both days inclusive.

LOYAL TEXTILE MILLS LTD. Dividend of Rs. 2.50 (5 per cent.) per share, for the year ended 30th June 1957. Transfer books will remain closed from 14th to 20th March 1958, both days inclusive.

T. STANES AND CO., LTD. Final dividend of Re. 1.00 (10 per cent.) per share, for the year ended 30th September 1957. Transfer books will remain closed from 15th to 29th March 1958, both days inclusive.

ANDHRA SUGARS LTD. Dividend of Re. 1.25 per share, for the year ended 30th September 1957. Transfer books will remain closed from 1st to 15th March 1958, both days inclusive.

KUMERGODE ESTATES LTD. Dividend of Re. 0.50 (25 per cent.) per share, for the year ended 31st October 1957.

BHOPAL SUGAR INDUSTRIES LTD. Dividend of Rs. 2.00 per share, for the year ended 30th September 1957, payable on 1st April 1958. Transfer books will remain closed from 8th to 22nd March 1958, both days inclusive.

SHREE CHANGDEO SUGAR MILLS LTD. Dividend of Rs. 2.25 per share, for the year ended 30th September 1957, payable on 1st April 1958. Transfer books will remain closed from 11th to 25th March 1958, both days inclusive.

COMPANY REGISTRATIONS

SHREE VALLABH GLASS WORKS LTD. (First Director: Seth Ratilal Nathalal.) Business: Manufacture of sheet glass, plate glass, etc. Authorised capital: Rs. 5,00,000. Private company. Address: Sudamini Sadan, Block No. 2, "C" Road, Churchgate, Bombay 1.

INVEX PRIVATE LTD. (First Director: Mr. Jal D. Bomerwalla.) Business: Spinning and weaving of cotton and other fibrous substances. Authorised capital: Rs. 5,00,000. Private company. Address: Mustafa Building, Sir Phirozeshah Mehta Road, Fort, Bombay.

R. R. PAINT INDUSTRIES (INDIA) PRIVATE LTD. (First Director: Mr. Rat Shansinh Rai Sinh.) Business: Manufacturers and dealers in oils, paints and varnishes, etc. Authorised capital: Rs. 5,00,000 Private company. Address: 151-153, Khetwadi Road, Bombay 4.

REGE CINEFILMS PRIVATE LTD. (First Director: Mr. D. M. Ghia.) Business: Manufacture of films, photographic paper, etc. Authorised capital: Rs. 5,00,000. Private company. Address: 198, Jamshedji Tata Road, Bombay.

QUESTION HOUR IN PARLIAMENT

Atomic Minerals Reserves

A SYSTEMATIC and detailed survey, including prospecting work, for estimating the reserves of atomic minerals including uranium and thorium is being carried out by the Atomic Minerals Division of the Department of Atomic Energy since 1950. This is a continuing process in all countries and India's effort is being progressively increased. The country's total reserves are presently estimated at approximately 30,000 tons of uranium and about 500,000 tons of thorium. About half of these reserves are found in the large deposits recently discovered in Bihar. Thorium has been found in plenty in Kerala. The present areas where both exploratory and drilling work for estimating the reserves of these atomic minerals is going on are in the States of Bihar, Rajasthan, Mysore, Andhra, Bombay, Madhya Pradesh, Madras and Uttar Pradesh.

—*Jawaharlal Nehru*

Foreign Capital

I do not see the possibility of any change in the present policy of the Government encouraging investment of foreign capital in India. The terms and conditions on which investment of foreign capital is encouraged has already been laid down in a policy statement, of which the House is aware. If there is to be any major change in the policy, the House will have an opportunity of discussing it.

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Industrial Delegation

I understand that the members of the Industrial Delegation, both individually and collectively, have been getting in touch with foreign private enterprise. I will not say anything has materialised so far. Perhaps, it is too early to expect anything to materialise. But one notable thing that has emerged from the discussions the Delegation had in the United States is a loan from the Export-Import Bank for a concern in Bombay. The Delegation has done something towards removing the apprehensions of foreign investors by indicating to them, as well as to foreign banks, the facilities that are afforded in India to private industrial investment.

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Sterling Obligations

It seems reasonably certain that no crisis in regard to honouring sterling obligations on account of imports will arise during 1958-59. Even if some such thing arises, there are some cushions available to meet that contingency. It is not possible to say accurately what is the extent of outstanding commitments on account of imports for last year. I had mentioned tied commitments to the extent of Rs. 990 crores. These have come down now to some extent.

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Estate Duty Arrears

The outstanding arrears of estate duty during 1956-57 stood at over Rs. 1.25 crore. The amounts of arrears in the preceding two years were Rs. 39,07,547 and Rs. 78,51,667, respectively.

—*T. T. Krishnamachari*

Compulsory Deposits

It is too early to assess fully the extent to which the objective of the compulsory deposits scheme has been achieved. The total amount deposited by the companies under the scheme in the year ended December 1957 was Rs. 348 lakhs.

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L.I.C. and Warehousing Corporation

The Life Insurance Corporation has not invested any amount in the shares of the Central Warehousing Corporation. The Investment Committee of the L.I.C. did not agree to the investment. The return on it would have been 3½ per cent., while the Act requires that the return should not be less than 4 per cent.

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Small Savings

The net collections from small savings between April 1957 and January 1958 amounted to Rs. 37.8 crores approximately, as against Rs. 44.8 crores in the corresponding period of the previous year. The continued rise in prices and the higher cost of living which reduce the capacity to save, particularly of the smaller people, increased propensity to invest in commodities rather than in securities, shift in income from urban to rural areas, and diversion of investments to commercial banks which offer higher rates of interest are responsible for the fall. The decline in savings has been chiefly in postal savings. There have been some difficulties in regard to these collections. The Government has from time to time gone into them and adjusted the rate of interest and taken other steps to increase the collections.

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Conversion Loan

The extent of depreciation that has taken place in the value of the 3 per cent. 1986 conversion loan of Rs. 248.91 crores approximately since its inception has been about 29 per cent. Prices of Government securities depend upon the conditions of the money market and the structure of interest rates prevailing from time to time. Fluctuations in the prices are, therefore, not unusual. So long as securities are held until maturity, no loss is involved. There has been no loss of confidence in the market.

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I.M.F. Loan

The main purpose of the present visit to India of the I.M.F. Managing Director is to acquaint himself with the financial and economic situation in India in a general way and there is no question of the Government negotiating with him any loan from the I.M.F.

—*B. R. Bhagat*

Water Resources

The total river water resources of India in a normal year are estimated at 1,356 million acre-feet. Of this, the river flow that can be utilised is estimated at about 450 million acre-feet. As many as 1,143,000 acres received *kharif* irrigation during 1957.

—*S. K. Patil*

New Shipping Company

I can give no indication as to when a final decision will be taken on the request for permission to float a new shipping company for operating a cargo service between India and the United States. The request for such permission has come from a private individual. I do not think there is any such declaration of policy as not to give encouragement to foreigners in such ventures.

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Merchant Shipping Law

It is expected to introduce in the current session of Parliament a Bill to amend and consolidate the law relating to merchant shipping. The Bill will contain suitable provisions for employment conditions of seamen.

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Development of Ports

The Mission on Ports sent by the World Bank has submitted its report to the Bank. The Government of India has no information as to the nature of the recommendations made in the report. It has, however, received an invitation from the Bank to send a delegation to negotiate the terms of the loan which the Bank is contemplating to give to the Calcutta Port Commissioners and the Madras Port Trust. The amount of loan applied for in respect of these two ports is Rs. 17.68 crores.

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Sethu Samudram Project

In view of the prevailing paucity of resources, the Government of India has decided that it is not possible to undertake the execution of the Sethu Samudram project in the second Five-year Plan period. The question of its inclusion in the third Plan will be considered in due course. The question of development of Tuticorin harbour which had been originally linked with the Sethu Samudram project, is being pursued separately.

—*Raj Bahadur*

Revision of Air Fares

The Indian Airlines Corporation has submitted proposals for the revision of passenger fares on the basis of the recommendations contained in the majority report of the Air Transport Council and these proposals are under consideration. The Corporation has not so far submited proposals for the revision of freight rates and the introduction of two classes for internal air travel which are being considered by it. The recommendations of the Air Transport Council in regard to other matters are still under consideration. The Government has seen certain comments in some newspapers to the effect that there should be no increase of fares for Assam, Manipur and Tripura, as there are special transport difficulties in the region. The difficulties have been kept in view. Even according to the recommendations made by the Airlines Corporation, the fares will be increased only in 21 routes, while they are to be decreased in 10 routes. They will remain constant in 25 routes.

—*Humayun Kabir*

Wheat Stocks

The Government had a stock of 800,000 tons of wheat on 25th January 1958. It has taken up with the U.S. Government the question of further supplies of wheat under the P.L. 480 Agreement. India has made arrangements to import some wheat from Canada on deferred payment terms. Besides this, Canada is giving some more wheat under the Colombo Plan. Some wheat is still to be imported from the U.S. under the P.L. 480 Agreement and talks are now going on for this supply.

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Rice Supply

Under India's current arrangement with Burma, 500,000 tons of Burmese rice are due to India in 1958. We shall have to manage with the limited import programme by meeting a part of the demand for rice by wheat.

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Co-operative Farming in Bombay

The Bombay Government is in general agreement with the policy laid down by the Planning Commission regarding introduction of co-operative farming. The State has set apart a sum of Rs. 44.50 lakhs for promoting co-operative farming. In 1956-57, 29 co-operative farming societies were organised and assistance amounting to Rs. 3.03 lakhs was granted. For the current year, a target of 25 societies is fixed, and a sum of Rs. 10.58 lakhs has been earmarked for the purpose.

—*A. P. Jain*

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Exploration of Minerals

The number of drills so far purchased by the Government for exploration of minerals other than petroleum is 113. Of these, 93 are being used in different areas for exploring coal, lignite, copper, magnesite, pyrites, gypsum and uranium ores. The present number of drills is not sufficient to meet all requirements; at least 50 more are needed. The main difficulties in acquiring the required number are lack of finance and foreign exchange.

—*K. D. Malaviya*

PHALTAN SUGAR RAISES DIVIDEND

EARNINGS OF PARASEA COLLIERIES LOWER

Phaltan Sugar Works Ltd.

THE directors of the above Company (Managing Agents: Messrs. Mafatlal, Apte and Kantilal, Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 30th September 1957.

The accounts show that the profit for the year after providing Rs. 3,45,387 (Rs. 3,22,196) for depreciation, and Rs. 16,90,000 (Rs. 12,25,000) for taxation amounts to Rs. 13,53,258 (Rs. 11,82,919) to which is added the balance brought forward from the previous year's profit and loss account of Rs. 93,981 (Rs. 11,062) making a total of Rs. 14,47,239 (Rs. 11,93,981). The directors have made the following appropriations from this amount: to reserve for gratuity Rs. 1,00,000 (Rs. 2,00,000), to payment of a dividend of Rs. 9 (Rs. 9) per share, free of income-tax on one lakh ordinary shares Rs. 9,00,000 (Rs. 9,00,000) and to payment of a bonus of Rs. 3 (nil) per share free of income-tax on one lakh ordinary shares Rs. 3,00,000 (*nil*) leaving to be carried forward to next year's accounts Rs. 1,47,239 (Rs. 93,981).

Factory: The factory commenced sugarcane crushing on 12th October 1956 and stopped on 3rd March 1957. The sugarcane crushed during the season was 1,34,341 tons and the sugar manufactured was 1,62,004 bags with a recovery of 12.17 per cent. as against 1,25,008 tons of cane, 1,58,170 bags of sugar and 12.785 per cent. sugar recovery of the last season. The sugar recovery was lower than last year's due to the unseasonal rains and the consequential extended crushing season. The sugar manufactured was mainly of D-29 grade, (1,910 bags being of the C-29 grade) and was sold as per the Government Release Orders. At the close of the year the Company carried an unreleased stock of 30.3 per cent. of the year's production.

Estate: The standing crop as on the 30th September 1957 was 4,512 acres and 5 gunthas. Out of this, 2,013 acres of cane will be harvested for the crushing season 1957-58 and the seed for new cane plantation. 1,477 acres and 15 gunthas of cane crop will be carried over for the 1958-59 season leaving a balance of 1,021 acres and 30 gunthas of fodder and grain crop for the year 1957-58. The estate results were quite satisfactory, the average yield being higher than that of last year.

Income-Tax: The income-tax assessment of the Company is complete upto 30th September 1951. The provision for taxation made in the accounts is subject to completion of pending assessments.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	50,00,000	Block ...	49,57,313
Reserves ...	53,21,430	Uninstalled machinery	14,622
Provision for taxation ...	66,39,852	Stock-in-trade	45,93,626
Liabilities ...	40,22,367	Crop-in-progress ...	29,93,339
Profit and loss account ...	1,47,239	Stores and spare parts	18,34,404
		Other assets	9,345
		Debts, deposits and advances ...	37,38,488
		Investments	2,06,594
		Cash ...	27,83,157
Rs.	2,11,30,888	Rs.	2,11,30,888

Parasea Collieries, Ltd.

The directors of the above Company (Managing Agents and Secretaries: Messrs. Deepchand Kishenlall, Calcutta) submitted the audited accounts of the Company for the year ended 31st December 1956.

The Company's profit for the year ended 31st December 1956 after providing Rs. 66,634 (Rs. 51,795) for depreciation and Rs. 5,000 (Rs. 1,33,671) for income-tax etc. is Rs. 35,242 (Rs. 1,69,819) to which is added the balance brought forward from last account of Rs. 61,987 (Rs. 55,518) making a total available for disposal of Rs. 97,230 (Rs. 2,25,337). The directors recommend payment of dividends on 8,000 preference shares at 5½ per cent. per annum less income-tax Rs. 32,450 (Rs. 48,675 including Rs. 16,225 for the half-year ended 31st December 1954) and on 83,400 ordinary shares at Re. 0.50 (Re. 1.00) per share free of income-tax Rs. 41,700 (Rs. 1,14,675) which includes Rs. 31,275 being dividend on ordinary shares at As. 6 per share for the half-year ended 31st December 1954) leaving a balance of Rs. 23,080 (Rs. 61,987) out of which Rs. 20,000 (*nil*) has been transferred to general reserve fund leaving Rs. 3,080 (Rs. 61,987) to be carried forward to next year's account.

Output and Despatches

(In Tons)

	For the year ended		
	1956	1955	1954
Raisings ...	1,01,941	1,11,481	92,458
Despatches ...	88,664	1,02,445	83,595
Stock after boiler consumption	5,719	3,131	3,117

During the year under review the output decreased as compared with the previous year due to the strike at the Colliery lasting for five weeks commencing from 3rd January 1956 as a result thereof the despatches also suffered. With the electrification of the Colliery, the coal cutting machine has been put into commission and is working satisfactorily.

South Parasea Collieries Private Limited in which the Company holds shares are progressing satisfactorily and the raisings of the said Colliery have increased considerably.

At 31st December 1956, the entire subscribed share capital of Messrs. Poddar Martin Mining and Minerals (Private) Limited being 200 shares of Rs. 1,000 each fully paid, were held in the name of this Company and its nominees. The net aggregate amounts of the profit of the subsidiary company (since it became subsidiary) not dealt with in the Company's accounts are for the year ended 31st December 1956. Rs. 97,597. No part of the profits of the subsidiary has been dealt with in this Company's accounts.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	16,34,000	Block ...	14,12,776
Debentures	2,00,000	Stock of coal	74,344
Reserves ...	20,000	Stores and spare parts	79,341
Provision for taxation ...	3,22,930	Debts, deposits and advances ...	7,48,816
Liabilities ...	8,96,296	Investments	7,52,783
Profit and loss account ...	3,080	Cash ...	8,246
Rs.	30,76,306	Rs.	30,76,306

W. H. Brady and Co., Ltd.

The directors of the above Company (Managing Director: Sir Joseph Kay, K.B.E., Bombay) submit the audited accounts of the Company for the year ended 31st December 1957.

The result of the year's working, after providing Rs. 15,240 (Rs. 2,607) for depreciation and Rs. 16,50,000 (Rs. 11,50,000) for taxation, is a net profit of Rs. 9,24,377 (Rs. 11,49,243) which, together with the balance of Rs. 60,677 (Rs. 36,434) brought forward from last year's account, amounts to Rs. 9,85,054 (Rs. 11,85,677). The directors have placed to building replacement reserve Rs. 1,00,000 (Rs. 1,50,000) and transferred to gratuity reserve Rs. 60,000 (Rs. 1,00,000) leaving a balance of Rs. 8,25,054 (Rs. 7,35,677 after providing Rs. 2,00,000 to general reserve). From this amount the directors recommend the payment of a dividend, at the rate of Rs. 25 (Rs. 22.50) per share, free of income-tax. (This is Rs. 2.50 per share more than last year in appreciation of the managing director's 50th year of his connection with the Company) absorbing Rs. 7,50,000 (Rs. 6,75,000) leaving a balance to be carried forward to next year's account of Rs. 75,054 (Rs. 60,677).

The trading operations for the year showed results which may be considered very satisfactory but with the curtailment in imports of machinery and stores in which the Company deal, following the stringent import restrictions imposed by Government, it is anticipated that future prospects on this important side of the Company's business will be adversely affected.

The cotton textile industry with which the Company is so closely connected passed through a year which was full of difficulties. Owing to the poor results in the two cotton mills under the Company's management, viz., The New Great Eastern Spinning and Weaving Company, Ltd., and The New City of Bombay Manufacturing Company, Ltd., the Company agreed to forego its minimum managing agency remuneration for the year 1957 aggregating Rs. 85,000.

On the taxation account, owing to the increase in rates and also the wealth tax on companies imposed under the 1957 budget, the provision for tax in 1956 accounts was inadequate and in order to meet the shortfall an amount of Rs. 2,00,000 has been transferred from taxation reserve.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	45,00,000	Block ...	3,39,979
Reserves ...	60,66,126	Stock-in-trade	65,21,574
Provision for taxation ...	11,72,792	Work-in-progress ...	8,33,937
Liabilities ...	51,28,045	Debts, deposits and advances ...	42,79,281
Profit and loss account ...	75,054	Investments	33,25,148
		Cash ...	16,42,098
Rs.	1,69,42,017	Rs.	1,69,42,017

Empire Dyeing and Manufacturing Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. W. H. Brady & Co., Ltd., Bombay) submit the audited accounts of the Company for the year ended 31st December, 1957.

The accounts show a net profit on the year's working after writing off depreciation of Rs. 37,433 (Rs. 35,340) on machinery and plant, etc., setting aside Rs. 1,06,000 (Rs. 87,500) for taxation and charging the managing agents' commission amounting to Rs. 30,419 (Rs. 39,418) of Rs. 1,73,734 (Rs. 2,08,706) which together with the balance brought forward from last year's account of Rs. 6,930 (Rs. 8,224) gives an amount for disposal of Rs. 1,80,664 (Rs. 2,16,930). This amount the directors propose to dispose of as follows:—

To payment of a dividend of Rs. 3 (Rs. 3) per share on 60,000 shares of the Company, free of income-tax absorbing Rs. 1,80,000 (Rs. 1,80,000) and leaving to be carried forward to next year's account Rs. 664 (Rs. 6,930 after placing Rs. 20,000 to general reserve and Rs. 10,000 to staff gratuity fund).

The overall production achieved at the works during the year was slightly less than that of 1956 although income showed a small gain. Operating costs continue to rise and there appears to be little likelihood of lower charges in these directions for the immediate future. During the year a new gas singeing machine was received and arrangements for installation put in hand.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	9,00,000	Block ...	5,79,386
Reserves ...	8,50,000	Stock-in-trade	88,454
Provision for taxation ...	2,56,060	Stores and spare gear	32,553
Liabilities ...	7,38,556	Debts, deposits and advances ...	4,82,500
Profit and loss account ...	664	Investments	2,20,429
		Cash ...	12,91,958
Rs.	27,45,280	Rs.	27,45,280

G. Claridge and Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. W. H. Brady & Co., Ltd., Bombay) submit the audited accounts of the Company for the year ended 31st December, 1957.

The accounts after charging Rs. 75,000 (Rs. 39,162) for depreciation shows a net profit of Rs. 69,372 (Rs. 2,71,071) which together with an amount of Rs. 90,000 (*nil*) transferred from the provision for taxation and Rs. 29,379 (Rs. 28,308) brought forward from last year's profit and loss account, gives Rs. 1,88,751 (Rs. 2,99,379) and this amount the directors propose to dispose of as follows:—

To pay a dividend of Rs. 15 (Rs. 15) per share on 8,000 shares of the Company, free of income-tax absorbing Rs. 1,20,000 (Rs. 1,20,000) and to transfer to provision for gratuity and welfare Rs. 50,000 (Rs. 75,000) leaving a balance to be carried forward to next year's account of Rs. 18,751 (Rs. 29,379 after placing Rs. 75,000 to reserve for taxation).

During the year the turnover has increased but on the other hand, the cost of raw materials and wages has also risen steeply and due to keen competition now being experienced in the trade, the profit margins have been much lower.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	8,00,000	Block ...	5,48,370
Reserves ...	10,37,840	Stock-in-trade	9,86,927
Provision for taxation ...	1,26,328	Work-in-progress ...	1,29,328
Liabilities ...	9,12,433	Stores and spare parts	35,647
Profit and loss account ...	18,751	Debts, deposits and advances ...	11,61,311
		Investments	12,289
		Cash ...	21,480
Rs.	28,95,352	Rs.	28,95,352

Roopacherra Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st December 1956.

The season's working resulted in a profit, after providing for depreciation, of Rs. 49,422 (Rs. 1,54,543) to which must be added adjustment account of Rs. 13,644 (*nil*) and balance of profit brought forward from 1955 of Rs. 14,625 (Rs. 22,603) making a total of Rs. 77,691 (Rs. 1,77,146). From this amount must be deducted provision for taxation of Rs. 10,700 (Rs. 45,968) and amount written off stores for obsolescence, etc., Rs. 111 (Rs. 37,553 on account of adjustment account) leaving a balance of Rs. 66,880 (Rs. 93,625). From this amount the directors have set aside to buildings and machinery reserve Rs. 40,000 (Rs. 40,000). Further they recommend the payment of a dividend for the year ended 31st December, 1956, at the rate of Re. 0.50 (Re. 1.50) per ordinary share on 26,000 ordinary shares, absorbing Rs. 13,000 (Rs. 39,000) leaving to be carried forward Rs. 13,880 (Rs. 14,625).

The saleable crop weighed out at 7,105 (8,453) maunds against an estimate of 8,000 maunds and was disposed of at an average price of As. 31.06 (As. 25.97) per lb. The smaller crop made in 1956 was due to adverse weather conditions and earlier cessation of plucking under the I.T.A. Voluntary Crop Restriction Scheme.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,60,000	Block ...	5,08,465
Reserves ...	3,96,592	Stock of tea	3,92,743
Provision for taxation ...	64,972	Stores, etc.	3,48,517
Liabilities ...	6,29,809	Debts, deposits and advances ...	1,06,570
Profit and loss account ...	13,880	Investments	1,110
		Cash ...	7,848
Rs.	13,65,253	Rs.	13,65,253

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

THE BANK OF INDIA LIMITED

NOTICE

THE FIFTY-SECOND ANNUAL GENERAL Meeting of the Shareholders of The Bank of India Limited will be held at the Registered Office of the Company at Mahatma Gandhi Road, Fort, Bombay, on Wednesday, the 12th day of March, 1958, at 4 o'clock in the afternoon, to transact the following business:—

1. To receive the Report of the Directors and the audited Balance-Sheet and Profit and Loss Account for the year ended 31st December, 1957.
2. To declare a Dividend.
3. To elect a Director in the place of Sir Joseph Kay, K.B.E., who retires by rotation, is eligible and offers himself for re-election and for that purpose to consider and if thought fit to pass the following resolution as an ordinary resolution of which special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company:—

   RESOLVED that Sir Joseph Kay, K.B.E., who has attained the age of 74 years and who retires by rotation, be and he is hereby re-elected a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the Companies Act, 1956, shall not apply to him.
4. To elect a Director in the place of Mr. Ramniwas Ramnarain, who retires by rotation, is eligible and offers himself for re-election.
5. To elect a Director in the place of Mr. Krishnaraj M. D. Thackersey, who retires by rotation, is eligible and offers himself for re-election.
6. To appoint Auditors for the current year and to fix their remuneration.
7. To consider and if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:—

   RESOLVED that:

   (a) The Auditors of the Company be and they are hereby authorised to restrict their audit to the accounts of the Company at its Head Office and not to audit the accounts at the Branches either within or outside India;

   (b) Notwithstanding the authority aforesaid, the Auditors shall be entitled at such times as may be agreed upon between themselves to visit for any one of them, at least once in every financial year, every Branch in India for test inspection and that a report on such test inspection shall be submitted to the General Manager of the Company and that for such work the Auditors shall be paid all out-of-pocket expenses that they may incur for travelling, board and lodging and otherwise and that such payment shall be in addition to the remuneration fixed for the said Auditors.

By Order of the Board of Directors,

T. R. LALWANI,
General Manager,
The Bank of India Limited.

BOMBAY, *6th February*, 1958.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing a proxy and the Power-of-Attorney, if any, under which it is signed, should be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the aforesaid Meeting, as provided by Article 79 of the Company's Articles of Association.

Note.—(*a*) The Transfer Books of the Company will be closed from Monday, 24th February, 1958, to Saturday, 15th March, 1958, both days inclusive.

(*b*) The Dividend, when sanctioned, will be payable on and from Wednesday, 19th March, 1958, to those shareholders whose names are on the Register of Members on 15th March 1958

(*c*) Dividend Warrants will be posted to shareholders at their registered addresses. Early intimation should be given to the Company of any change of address.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956

In conformity with the Companies Act, 1956, the following Explanatory Statement as required by Section 173 of the said Act, sets out material facts relating to items Nos. 3 and 7 mentioned in the accompanying Notice dated 6th February, 1958.

Item No. 3.—Sir Joseph Kay, K.B.E., who retires by rotation and is otherwise eligible for re-election, has attained the age of 74 years and hence he cannot be appointed a Director except by a resolution of which a special notice has been given in accordance with the requirements of Section 281 of the Companies Act, 1956. The Company has received such special notice from some members of the Company.

Sir Joseph Kay has been a Director of the Company since the year 1921. As a businessman of wide and varied experience closely associated for a long period with the Company, he has rendered very valuable services to the Company and it is in the interest of the Company that it should continue to receive the benefit of his services. Notice is given to the members of the said resolution which is commended for acceptance.

Item No. 7.—This resolution is on the same lines as Ordinary Resolution No. 3 passed at the Fifty-first Annual General Meeting of the Company held on 7th March, 1957. This resolution is proposed in order to meet the requirements of the Companies Act, 1956. The Board consider it desirable to place this matter again before the shareholders.

By Order of the Board of Directors,

T. R. LALWANI,
General Manager,
The Bank of India Limited.

BOMBAY, *6th February*, 1958.

DETAILS OF OIL MILL PLANT FOR SALE

1. 3 Nos. Giant Oil Expellers as per specification: Manufacturers: M/s. Steel Construction Co., Ltd., Bangalore City—capable of dealing with about 15 tons of shelled groundnuts per working day of 24 hours. Arranged for and driven through worm gearing of heavy construction consuming about 25 B.H.P. The frames of the machine are throughout of steel fabrication including the feed box and are fitted with Twin Steam-jacketed Tempering kettles with self-contained chain drive thus ensuring High Cooking capacity. The cage box, bars and worms are made of special steel and hardened to withstand heavy duty. The cone adjustment mechanism is of special trouble-free design avoiding all gears or clutches.

2. 4 Nos. Filter Presses with Pumps.

3. 1 Nos. Steam Boiler of the following specifications: Marshall No. 25 size, 25 H.P. Locomotive type multitubular Boiler constructed entirely of steel in strict accordance with the Indian Boiler Regulations for a working pressure of 150 lbs., and evaporating capacity of 1,950 lbs. per hour with accessories and 'Hayward Tyler' Horizontal 'Duplex' Steam Pump suitable for the above 25 H.P. Boiler.

4. 1 Mild Steel chimney.

5. 2 Nos. Kalyan Decorticators with Stone Separators.

6. 1 No. Rotary Pump with 25 H.P. motor.

7. 3 Nos. Settling Tank, 400 gallons capacity, with cover.

8. 4 Nos. Oil Storage Tanks, 400 gallons capacity, with lids.

9. Miscellaneous spare parts. Details will be furnished to the interested buyers, if General Manager, Mysore Sugar Company, Ltd., Mandya, is addressed.

Intending purchasers are requested to send their applications in a sealed cover within 8 days from the date of the publication of this notice.

V. HANUMANTHAPPA,
Secretary.
The Mysore Sugar Co., Ltd.,
Bangalore 2.

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LTD.

NOTICE TO MEMBERS

THE TWENTY-FIRST ORDINARY GENERAL Meeting of the Members of The Alkali and Chemical Corporation of India, Ltd., will be held on Wednesday, 19th March 1958, at 3.30 p.m., at the Registered Office, 34 Chowringhee, Calcutta, to transact the following business:—

(1) To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 30th September 1957.

(2) To declare a Dividend on the Ordinary Shares.

(3) To elect Directors.

(4) To appoint Auditors for the current year and to fix their remuneration.

The Ordinary Share Registers of the Company will be closed from the 10th March 1958 to the 19th March 1958, both days inclusive.

By Order of the Board,
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED,
Secretaries.

CALCUTTA, *5th February* 1958.

Note:—If the Dividend as recommended by the Directors is sanctioned at the Meeting, it will be paid on or after the 19th March 1958, to those Shareholders whose names are on the Company's Register on the 8th March 1958.

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy so appointed need not be a member of the Company.

To

The Shareholders of the Alkali & Chemical Corporation of India, Ltd., and in particular to:—

Mr. L. E. Bagshaw, Mrs. E. E. Thompson & Mr. W. B. Joiner, Mr. E. A. Nassim and Mrs. R. E. A. Nassim, Mr. Allan Biggar, Mr. J. P. Brander & Mrs. A. J. Brander, Mr. G. F. Carter, Mrs. H. C. D'Cruz, Her Highness Bada Maharani Deela Kumari Devi, Mrs. Janet Guest, Mr. P. H. Guest, Mrs. W. L. Gregory, Mr. W. W. Hinton, Commdg. Genl. Mohun S.S. Jung B.R. & Maj. Gen. Bijaya S.S. Jung B.R, Mrs. B. J. Johnston, Mrs. Nora Johnson, Babee Shum Shere Jung & Mrigendra S.S. Jung. Rani Beda Bhakta Laxmi Devi, Mr. A. Y. Kadwa, Mr. F. J. C. Melhuish, Mr. A. R. Sahasranam, Mr. T. L. Swales, Mr. S. P. Upadhya, Mr. J. V. A. eBrito, Mrs. E. M. Fanthome, H.H. Maharani Krishna Kumari, Col. Min S.S. Jung B.R. and Rani Bindu Kumari, Mrs. C. V. Pandi, Mrs. M. V. Randall, Maj. R.E. Webb & Mrs. D. M. Webb.

THE TATA MILLS, LIMITED

NOTICE

THE TRANSFER BOOKS OF THE TATA Mills Limited will be closed from Saturday, the 22nd March to Saturday, the 19th April 1958, both days inclusive.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, 18*th February* 1958.

THE SVADESHI MILLS COMPANY LIMITED

NOTICE

THE TRANSFER BOOKS OF THE SVADESHI Mills Company, Ltd., will be closed from Saturday, the 22nd March to Saturday, the 19th April 1958, both days inclusive.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, 17*th February* 1958.

Notice

THE BHOPAL SUGAR INDUSTRIES LIMITED

THE FOURTEENTH ANNUAL GENERAL Meeting of the Shareholders of the Bhopal Sugar Industries Limited will be held on Saturday, the 22nd March 1958, at 4 p.m. (S.T.), at the Registered Office of the Company, Sehore, to transact the following business:

1. To receive and adopt the Directors' Report and Audited Profit and Loss Accounts and Balance Sheet for the year ended 30th September 1957.
2. To declare Dividends on Preference and Equity shares.
3. To elect a Director in place of Shri Mohd. Hussein H. Premji who retires under the Articles of Association of the Company, but being eligible, offers himself for re-election.
4. To appoint a Director in place of Shri Manmohandas M. Amersey who retires under the Articles of Association of the Company and to consider and if thought fit to pass the following resolution of which a special notice as required by Section 281 of the Companies Act 1956 has been received by the Company and the relative explanatory statement concerning which is annexed hereto as required by Section 173 of the said Act:—

   "RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Shri Manmohandas M. Amersey who has attained the age of 67 years and who retires by rotation under the Articles of Association of the Company, be and is hereby re-appointed a Director of the Company, and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

5. To consider and if thought fit to pass the following resolution required by Section 359 of the Companies Act, 1956, the relative explanatory statement in respect of which as required by Section 173 of the said Act is annexed hereto:—

   "RESOLVED that Adverts Private Ltd., who are the Associates of A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd., the Managing Agents of the Company, be and they are hereby authorised to retain all commission or other remuneration earned or to be earned by them at any time hereafter, in regard to any contracts for the purpose of publication of any notice, advertisement, circulars in daily newspapers, periodicals and/or journals entered into between this Company and the *Times of India, The Bombay Samachar* and other daily newspapers, periodicals and/or journals through the said Adverts Private Ltd."

6. To consider and if thought fit to pass the following resolution required by Section 360 of the Companies Act, 1956 as a "Special Resolution" the relative explanatory statement of which as required by Section 173 of the said Act is annexed hereto:

   "RESOLVED that the Company hereby approves of all sales, purchases or supplies or transactions already entered into or to be entered into between the Company and the associates of its Managing Agents, A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd., in respect of goods in which they regularly trade or do business provided that the prices charged to the Company are at rates which are not less favourable to the Company than the market rates, or which are otherwise reasonable."

7. "RESOLVED that the Donations of Rs. 4.020 made during the year ended 30th September 1957 be and are hereby approved."
8. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board of Directors,
V. R. JHAVERI,
Secretary.

BOMBAY, *5th February*, 1958.

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

(*b*) The Transfer Books of the Company will be closed from 8th March, 1958 to 22nd March, 1958 (both days inclusive).

(c) If Dividends on shares as recommended by the Directors are passed at the meeting, the payments will be made to those shareholders whose names are on the Company's Register on the 22nd March, 1958. The payments will be made on and after the 1st April, 1958.

(d) Shareholders are requested to intimate change, if any, in their registered address.

ANNEXURE TO THE NOTICE

(*Explanatory Statement as required by Section 173 of the Companies Act, 1956.*)

To

THE SHAREHOLDERS OF
THE BHOPAL SUGAR INDUSTRIES LTD.

Dear Sir/Madam:

Under the provisions of the Companies Act, 1956, the following explanatory statement as required by Section 173 of the said Act, sets out the material facts relating to the Special Business of the Company to be transacted at the Annual General Meeting of the Shareholders of the Company to be held on Saturday, the 22nd March 1958 at 4 p.m. (S.T.), at the Registered Office of the Company, Sehore, to transact the following business as stated in the accompanying Notice.

2. In respect of Item No. 4 of the said Notice, it is notified that Shri Manmohandas M. Amersey, who retires under the Articles of Association of the Company, has attained the age of 67 years and hence he cannot be re-appointed a Director of the Company except by a resolution in respect of which a special notice has been given in accordance with the requirements of sections 190 and 281 of the Companies Act 1956. The Company has received such a special notice from a member notifying his intention to move the resolution as set out in the said item. Shri Manmohandas M. Amersey has been associated with the Company as a Director since the inception of the Company. He is a businessman of wide and varied experience and during the long period of his association with the Company he has rendered very valuable services to the Company. As it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be re-appointed a Director.

3. In respect of Item No. 5 of the notice, it is notified that Messrs. Adverts Private Limited who are Associates of the Managing Agents are doing business as advertising agents for publication of notices and advertisements and circulars in various daily newspapers, periodicals, and/or journals such as the *Times of India, The Bombay Samachar*, etc. The Company gives notices, advertisements and circulars in the aforesaid publications through Messrs. Adverts Private Ltd., at rates which are not less favourable than those prevailing in the market. It is therefore necessary having regard to the provisions of Section 359 of the Companies Act, 1956 to pass the said resolution set out in the Notice in order that Messrs. Adverts Private Ltd., may retain any commission or remuneration earned or to be earned by them from newspapers, periodicals, etc., or from any other printing business entrusted to them by the Company.

4. In respect of Item No. 6 of the said Notice the Resolution has been put up in order to comply with Section 360 of the Act and to approve of transactions already entered into or to be entered into between this Company and the associates of its Managing Agents in respect of purchases or sales by this Company of various kinds of goods which it has been the practice to do so from them in the past.

The Resolution only authorises the Company to do so provided the prices charged to the Company by the Associates are at rates which are not less favourable to the Company than the market rates and which are otherwise reasonable.

5. In respect of Item No. 7 of the said Notice the donations of Rs. 4.020 have been made during the year ended 30th September 1957. The said donations are for charitable, public and useful objects and the Directors consider it is in the interests of the Company to make them.

By Order of the Board of Directors,
V. R. JHAVERI,
Secretary.

BOMBAY, *5th February*, 1958.

COMMERCE AND INDUSTRY

(*Concluded from page 332*)

The particular or specific suggestions made by Mr. Chinoobhai cover all the major items of export—cotton textiles, jute manufactures, tea, raw cotton, oils and oilcakes, and manganese and iron ore. Referring to cotton textiles, Mr. Chinoobhai drew special attention to the formidable competition from Japan, China, Hong Kong, Pakistan and even East European countries, establishment of cotton textile industry in several East and West African countries, as also in the other underdeveloped nations, and changing tastes of consumers in foreign markets. He urged the Government of India to formulate some incentive measures for those mills and exporters who endeavoured to augment exports of fine and superfine cloth. Incidentally, he emphasised the importance of improving our packings and samplings. With regard to exports of other commodities, Mr. Chinoobhai wanted intensive publicity campaign for jute goods and tea, timely announcement of export quotas for cotton, and grant of more transport facilities, reduction of export duty, and greater freedom to shippers and mineowners for manganese and iron ores.

INDIAN STANDARDS INSTITUTION

As much as 90 per cent. of the Indian standards formulated by the Indian Standards Institution were adopted by different Government purchase organisations as basis for placing orders during 1956-57, as against 77 in the previous year, according to the annual report of the Institution for 1956-57. The report speaks of the growing appreciation of the role of standards in the development of industry and trade. During the year, the Institution received 287 proposals for formulating new standards, of which 234 proposals were accepted and referred to different committees. Implementation of Indian standards by manufacturers and consumers also showed marked progress. Eighteen new licences for the use of standard certification marks on goods conforming to Indian Standards were granted to manufacturers. The goods covered such items as aluminium utensils, power conductors, cement, storage batteries, rectified spirit and the National Flag of India. Seven licences were renewed. During the year, 160 Indian standards were either published or were under print bringing the total number of Indian standards formulated so far to 919. Excluding 26 standards which were revised editions and 5 which were withdrawn, the total number of Indian standards available as on 31st March 1957 was 888.

The Institution took several steps to facilitate the introduction of the metric system of weights and measures. Three Indian standards for conversion factors and conversion tables, inter-conversion of values from one system to another, and conversion tables for ordinary use were issued during the year. Standards covering the vast range of industrial development were also formulated during the year. These included general engineering, bicycles, cutlery, sewing machines, textiles, handloom fabrics, textile mill stores, animal starches, dairy products, automobile vehicle parts, conductors, insulators and steel structurals.

The formation of two new Division Councils was another important feature of the working of the Institution during 1956-57. These Councils will specialise in standardisation relating to structurals and metals, as well as electrical materials required for the generation, transmission and consumption of electric energy.

The Institution has set itself a target of 800 Indian standards during the second Five-year Plan, after making an estimate of the demand that may arise during the Plan period due to rapid industrial expansion.

The Government of India has further enlarged the scheme of duty rebate on exports of hydraulic brake fluid. By a notification of import duty paid, the diacetone alcohol used in manufacture of hydraulic brake fluid for export was considerably simplified and a drawback of 95 nP on the export of each gallon of hydraulic brake fluid was notified. The scheme has since been reviewed and an element of rebate on account of the excise duty paid on castor oil used in the manufacture of hydraulic brake fluid has been added. The revised rate of drawback will be Re. 1.50 per imperial gallon of hydraulic brake fluid exported with effect from the 17th inst. The Government is also taking action separately to notify a rebate at the rate of Rs. 60.00 per ton on tinplate used in the manufacture of tinplate containers. This rebate will be admissible in respect of tinplate containers in which hydraulic brake fluid is exported, in addition to the rebate of Re. 1.50 per imperial gallon mentioned earlier.

A trade agreement was signed at New Delhi on the 14th inst. between India and Greece. It will be valid up to 31st December 1959, subject to mutual agreement. The main feature of the agreement is that, while Greece will treat India on a par with the countries in the Organisation for European Economic Co-operation, India will treat Greece on a par with the countries of the sterling area. The agreement provides for most-favoured nation treatment for ships belonging to either country, but this will not apply to any concessions accorded to national ships engaged in coastal trade.

The Government of Bombay has modified the procedure of distribution of steel and cement for residential constructions against permits. As a result, the Collectors of Districts will hereafter meet individual demands for cement exceeding five tons but up to 20 tons, while those up to and including five tons will be met by *mamlatdars or mahalkaris*, as the case may be. Indents for steel from villages and towns with a population up to 1,00,000 will be considered by the District Development Boards. Suitable increases in the allotment of steel for districts will be made to cater for increased demands with the local offices.

MONEY STEADY

(*From Our Own Correspondent*)

BOMBAY, *19th February*

There was no appreciable change in the conditions of the short-term money market during the week under review. While the supply of funds remained restricted, the demand for bank credit did not appear to have exerted any notable pressure on the available supplies, as was the case in the previous week. Banks were, therefore, not very keen borrowers in the market. Interest rates remained unchanged at 3 per cent. for inter-bank call money among the exchange banks and big Indian banks and at 3½ per cent. among the smaller Indian banks. House money at call was placed at 4¼ to 4⅝ per cent. Short-term deposits were bid at 4⅛ to 4⅝ per cent. for one to six months.

The Reserve Bank's statement for the week ended 14th February 1958 does not show any worthwhile variations in the Issue Department. Notes in circulation are lower by only Rs. 98 lakhs, while notes held in the Banking Department were higher by no more than Rs. 85 lakhs. In the Banking Department, deposits of the Central Government have declined by Rs. 5.70 crores, while those of other Governments have risen by Rs. 11.71 crores. Deposits of banks have gone down by a further Rs. 2.66 crores. Balances held abroad have dropped again by Rs. 1.81 crore, loans and advances to Governments by Rs. 2.41 crores and other loans and advances by Rs. 2.70 crores. Advances to Scheduled banks against usance bills are practically unchanged.

A substantial fall of Rs. 23.30 crores in demand deposits and a sharp rise of Rs. 18.90 crores in time deposits are disclosed by the Scheduled banks' statement for the week ended 7th February 1958. Inter-bank borrowings are lower by Rs. 4.96 crores, while borrowings from the Reserve Bank have gone up by Rs. 6.88 crores. A rise of Rs. 10.04 crores is noted in advances and of Rs. 1.22 crore in bills purchased and discounted. Cash balances are lower by Rs. 1.82 crore and money at call and short notice by Rs. 6.45 crores.

Barring some support extended by the Life Insurance Corporation, the Gilt-edged market was devoid of any interesting feature and business was thin during the week under review. The Corporation is reported to have placed sizable orders for purchase of 3 per cent. 1970-75 and 3 per cent. 1966-68 and some 4 per cent. State loans. This support from the Corporation kept the undertone steady. As for details, 3 per cent. 1986 Conversion Loan was lifeless at Rs. 71.05. 3 per cent. 1970-75 gained 5 nP to Rs. 85.75 following buying orders from the L.I.C. 3 per cent. 1966-65, for similar reasons, was marked up by 5 nP to Rs. 91.70. 3 per cent. 1959-61 was placed at Rs. 99.05 ex-voucher, as against Rs. 99.10 *cum-voucher* a week ago. 3 per cent. 1958 was maintained at Rs. 99.75 even after the payment of the half-yearly interest. 3½ per cent. 1964 had sellers at Rs. 97.75 and 3½ per cent. 1965 at Rs. 97.55. 3½ per cent. 1967 was on offer at Rs. 97.60 and 3¾ per cent. 1967 at Rs. 99.60. Among the State loans, 4 per cent. Madras 1967 and 1968 gained 10 nP each to Rs. 97.60. Andhra 1967 put on 15 nP to Rs. 97.35 and 1968 10 nP to Rs. 97.35. U.P. 1967 and 1968 were marked by 10 nP each to Rs. 97.60.

In the foreign exchange section, rupee held its ground in terms of the U.S. dollar, in consonance with the steady trend displayed by sterling abroad. Banks' selling rate for ready dollars was unchanged at Rs. 475 per $100 and their buying rate at Rs. 471.75 per $100. In New York, spot sterling, after shading off from $2.81⅞-2.81¼ to $2.81⅜-2.81⅝, regained to $2.81⅝-2.81¾. Three months' forward was unchanged at $2.79¼-2.79½, while transferable sterling gained from 279.20-279.30 cents to 279.40-279.50 cents.

LINSEED QUIETLY STEADY

(*Messrs. A. Bradley and Co.*)

CALCUTTA, *17th February*

The general tone of the linseed market has remained quietly steady and prices have moved within narrow margins. After advancing to Rs. 21-8 per maund, seeds gradually eased to Rs. 21-4 with only small-scale trading reported. Oil prices likewise improved to Rs. 51-8 in sympathy with a sudden advance in mustard oil, but later declined to Rs. 50-8 for ready delivery. Very little activity has taken place in linseed oil with shippers temporarily out of the market. Small sales are reported to have been made to the U.K. at around £107, but later indications are weaker.

The latest quotation for February-March is Rs. 21-4 per maund.

METALS IMPROVE

(*From Our Own Correspondent*)

CALCUTTA, *18th February*

Following better demand, prices of base metals recovered during the week under review. The recent conference which was convened by the Chief Controller of Imports and Exports at New Delhi and which was attended by metal importers and consumers has raised expectations that the Government would permit more imports of metals, particularly copper. From Rs. 163, electrolytic copper gained to Rs. 166. The rise was in accordance with the up-trend in both London and New York. There were reports which indicated that the American stock-pile in regard to copper would be reduced by 40 per cent. and that there was a possibility in American primary producers' price revision. Electrolytic zinc opened at Rs. 52.50 and closed better at Rs. 53. The rise was in accord with higher trend on the L.M.E. In fact, consumer demand in the local market was insignificant. Lead at Rs. 58, recorded a fractional rise by 50 nP. Tin changed hands at Rs. 513.

FORWARD TRADING IN BULLION TO CONTINUE

(*From Our Own Correspondent*)

BOMBAY, *19th February*

The notable development of the week under review in so far as the bullion market is concerned is the reported decision of the Government of India to maintain, for the time being, the *status quo* in regard to forward trading in gold and silver. (No official announcement has been made so far by the Government in this regard.) The question of regulating forward trading in bullion was examined by the Forward Markets Commission some time ago and it is reported to have recommended that forward trading in these two precious metals throughout India should be brought within the purview of the Forward Contracts (Regulation) Act 1952. It is also said to have recommended that futures markets in respect of gold and silver might be established in Bombay and Delhi and in respect of silver only in Jaipur and Calcutta. Forward trading in gold and silver is at present permitted freely all over the country, except in the city of Bombay, where it is regulated through the Bombay Bullion Association recognised by the Bombay Forward Contracts Control Act, 1947.

This reported decision of the Government of India means that a fresh lease of life to forward trading in Bombay under the Bombay Forward Contracts Control Act has been given. It, however, created a state of suspense in the market as to how long this *status quo* will be maintained. Presumably, the Government is either not able to make up its mind on the F.M.C's recommendations or has deferred a decision on account of its preoccupations.

The aforesaid report did not have any pronounced effect on the prices of the two metals. While silver maintained its upward trend and established fresh high levels, gold was subdued towards the close of the week. The bullish sentiment in silver gained strength from the scarcity of floating stocks and dwindling of arrivals of Tibetan coins during the week. A prominent operator from Calcutta is said to have taken advantage of this and built up a long position in the white metal. This is reflected in the widening of the *budla* charges from As. 4 to Re. 1-4 in favour of buyers.

Gold kept a steady tone for the major part of the week, but suffered a setback in the last two days, due to the weakness of the ready section, where the offtake shrunk considerably, resulting in a drop of Rs. 2 in ready gold from the peak of Rs. 114-9 touched early in the week.

Forward silver (*March settlement*) rallied from Rs. 189-5 to a peak of Rs. 192-10 yesterday. After dipping today to Rs. 191-9, it closed at Rs. 192. April settlement gained from Rs. 189-1 to Rs. 191-4, before finishing at Rs. 190-12.

Ready silver came up from Rs. 189-5 to Rs. 192-10 and closed at Rs. 192-4, that is, at a premium of As. 4 over the current settlement. The floating stocks of silver are estimated at 900 bars. The daily average arrivals were of the order of 10 to 12 bars, while the offtake was higher at 15 to 20 bars.

Gold for forward delivery (March settlement) rose early in the week from Rs. 112-7 to Rs. 113-1, but slided down to Rs. 111-14 at the close. The April settlement closed today at Rs. 111-9, after moving up from Rs. 111-15 to Rs. 112-8.

Ready gold finished with a loss of As. 10 over the week at Rs. 112-8. The floating stocks of gold are reported to be 10,000 tolas. While the daily average arrivals were 3,000 tolas, the offtake was no more than 2,000 to 2,500 tolas on an average.

In New York, silver was unchanged at 88¾c., while in London spot silver gained from 76½d. to 76⅝d. and forward from 76d. to 76⅛d. Gold also gained a little from 248s. 10⅜d. to 249s.

The following comparative table shows at a glance the trend of the market during the week under review:

	10-2-58	Highest	Lowest	12-2-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 8	114 9	112 7	113 14
Forward*	111 14	113 1	112 11	112 7
Sovereign	71 12	72 0	71 8	71 4
SILVER				
Ready (.996 fine Mint) ..	192 4	192 10	189 6	189 5
Forward†	192 0	192 10	189 6	189 5
London Silver Ready ..	76⅜d.	—	—	76⅛d.
London Forward	76⅜d.	—	—	76d.
London Gold	249s.	249s. 1d.	248s. 10d.	248s. 10⅜d.
New York Silver	88¾c.	—	—	88¾c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

GOAT SKINS EASY

(*From Our Own Correspondent*)

MADRAS, *17th February*

The kip market ruled steady during the week. Tanners were firm in their ideas, but U.K. importers were reluctant to pay the prices at origin, because dressers seemed to buy only for their specific requirements at current prices. Arrivals of kips into the Madras market were moderate and clearances good at unchanged prices. Tanners were not able to buy raw stocks in good quantities and reduced their output.

In the tanned skins section, prices of goat skins were a shade easier than last week, while sheep unchanged. There were several enquiries from the U.K. and the Continent, but exporters could not place business on account of the lower prices offered.

COTTON FUTURES WEAK

(*From Our Own Correspondent*)

BOMBAY, *19th February*

The bearish trend noted in the cotton futures market last week gathered momentum during the week under review, thanks to persistent long liquidation. Barring stray purchases at lower levels and some short covering, buying support was restricted. This was mainly due to the disappointment felt over the refusal of the authorities to permit additional exports of cotton, the gloomy outlook for textiles and the heavy accumulation of stocks with mills, the pressure of new crop arrivals and the consequent fall in spot values. The continued prevalence of monetary stringency has forced spinners to keep off the market. The fall in prices, however, would have been more marked but for the occasional support prompted by the fear that, with the approaching maturity date of the March contract, tenderable cotton would be scarce. The rumour that the Government was inclined to consider a downward revision of export duty on Bengal *Deshi* also imparted some strength to the market. Over the week prices came down sharply, the fall being steeper in the case of the March contract. This was because of the increased switch-over of purchases from that to the May contract.

I.C.C. Moglai Jarilla (March 1958) opened the week on Friday (the market having been closed on Thursday) at Rs. 679.50, as against the previous close of Rs. 683.50 and declined to Rs. 674 on the same day. The contract attracted some short-covering and replacement buying and improved to Rs. 683.50 the next day. It again faced heavy selling and eased to Rs. 672.50 yesterday. Opening at Rs. 675.50 today, the contract put on a fraction of a rupee to Rs. 676 before closing lower at Rs. 670.75. The net loss over the week was Rs. 12.75.

I.C.C. Moglai Jarilla (May 1958) followed more or less the same trend. Commencing the week lower at Rs. 673 and after improving to Rs. 677 on the 15th, the contract dropped to Rs. 658.50 yesterday. Today's opening rate for the contract was Rs. 672. It gathered Rs. 1.50 subsequently and closed lower at Rs. 669.25. The net loss over the week was Rs. 7.25. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	19-2-58	*High*	*Low*	12-2-58
I.C.C. Moglai Jarilla (March 1958) ..	670.75	683.50	670.50	683.50
I.C.C. Moglai Jarilla (May 1958) ..	669.25	677.00	668.50	676.50

The attention of the trade is currently focussed on the room rates for the maturing March contract which are to be fixed on the 22nd inst. The rates, it is common knowledge, will have an important bearing on the future price trend of the ruling contract. It is reported that, in response to protest voiced by a section of the trade, the Board of the East India Cotton Association (E.I.C.A.) has reorganised the Room Rate Committee with adequate representation to all interests concerned

In the spot market, increased arrivals and the consequent accumulation of stocks induced a break in values. Spinner demand for domestic styles was slack. Activity was on a very restricted scale, business having been mostly confined to good quality cotton. Due to the deterioration in quality of Surti styles, there was sustained demand for Laxmi, the price of which ruled firm. Short staples were practically neglected and values suffered a setback. Good demand was noted for Laxmi, Vijay, Khandesh, Berar 197/3, etc.

The controversy over the room rates for delivery contract fixed in the spot market has ended. The new Committee has lowered the rate for Vijay from Rs. 920 to Rs. 915 and for Moglai from Rs. 730 to Rs. 723 per candy. The controversy started as a section of the trade felt that the room rates fixed earlier were rather high and appeals were made against them.

There was no notable development on the export front. Business was almost negligible due to poor export demand. Rumours were current that the Government of India was likely to reduce the export duty on Bengal *Deshi*.

In the foreign section, activity was at a standstill as licensing of all types of foreign cotton stood suspended. Licensing could be resumed only after fresh import quotas are announced. The outcome of the Egyptian trade delegation's visit is awaited with much interest.

It has been announced by the U.S. State Department that the agreement between the U.S. and India concluded in 1956 to sell the former's agricultural surpluses to India had been modified to provide more wheat to India and less of cotton and other commodities. The total value of cotton to be shipped under the agreement would be reduced from $70 million to $42 million while that of wheat would be increased from $200 million to $225 million. The latest available spot rates—in rupees per candy of 784 lbs.—are given below, the figures in brackets being last week's closing quotations:

Bengal *Deshi* 600 (610); Berar Jarilla 780 (790); Khandesh 815 (810); Oomra *Deshi* 630 (630); Vijay 925 (915); Hubli Laxmi 1,040 (1,030); Jaydhar 780 (780). *Delivery Contracts*: Vijay 910 (900); Bengal 585 (570).

During a short week of only four trading days—the market remained closed for three days including Sunday, the 16th inst.—the Karachi cotton futures *market* ruled distinctly easy. Domestic spinner demand was at a low ebb and export inquiries were slack. The increasing pressure of new crop arrivals exerted a downward pressure on prices. In the absence of buying in the wake of increased hedge pressure the market registered a decline. N.T.R.G. March declined from Rs. 74-12 last week-end to Rs. 74-9-6 yesterday. The May

position dropped As. 6¼ to Rs. 74-11-6. The spot market was weak. *Deshi* styles were particularly easy. Sind *Deshi* came down from Rs. 70 last week to Rs. 68-8 and Punjab *Deshi* declined from Rs. 67-8 to Rs. 66-4. The following are the latest available spot quotations—in rupees per maund of 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 76; S.G. 81-8; 289F N.T. Roller 79-8; S.G. 87-12; 289F Punjab Roller 84-8; S.G. 93-8.

An easy trend was depicted by the Alexandria cotton futures market during the week under review. The easiness was attributed to the higher crop for the season forecast by the Ministry of Agriculture and the slow export demand. Both the long-staple Karnak and medium-staple Ashmouni contracts climbed down.

According to the third official estimate, Egyptian cotton production (less Scarto) this season is expected to aggregate 3,631,000 cantars, as against the previous estimate of 3,543,000 cantars. The final estimate is expected to be released in early April next.

The following are the latest available quotations—in tallaris per lb.—from Alexandria, the figures in brackets being last week's closing rates:

Karnak: March 79.35 (81.35); May 80.25 (82.15). *Ashmouni*: February 67.15 (68.60); April 67.05 (68.45).

Due to the absence of buyer interest at the reserve prices, the Lint Marketing Board of Uganda has temporarily adopted the private treaty system of sales, as against its normal policy of marketing cotton by auctions. It was announced that the Board would offer from 10th instant up to 10,000 bales of Uganda cotton by private treaty. The Board has reserved the right to cancel or interrupt this programme without prior notice. The first sales made on the 10th inst. are reported to have covered 100 bales of Busoga for March-April delivery and 3,400 bales of B.P. 52 for April-May delivery.

Barring the near deliveries (March-April) of the American and American type contracts, cotton futures values in the Liverpool market registered a sizable decline during the week under review. The strength of the former was due to buying support induced by the fact that the maturity date was fast approaching. The dull tone of the yarn and cloth market, the uncertainty over U.S. cotton policy and probable farm legislations touched off a fair volume of hedge selling. Values eased as a consequence. The Sudan contracts, however, were maintained. The latest available quotations—in pence per lb.—from Liverpool are given below:

American cotton one inch staple contract: March-April 25.26; May-June 25.25; July-August 25.55; October-November 26.23. *American cotton mixed growth contract*: March-April 26.15; May-June 26.40; July-August 26.65; October-November 27.16. *Sudan*: May-June 32.90; July-August 33.00; September-October 33.25.

Cheerful conditions prevailed in the New York cotton market during the week. Commission House buying and short-covering induced by the higher support price for the 1958 crop announced last week and the belief entertained in certain quarters that no major change in farm policy will be put through in time to affect the next crop, resulted on a smart rally in prices. Reports that rains and freezing weather had halted work in cotton fields in the South West also imparted strength to the market.

Sign-ups under the Soil Bank Programme till the end of last month aggregated 3,266,304 acres, as compared with only 2,294,000 acres entered till 8th March last year. The last date for entries in the Soil Bank is reported to be 20th March.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	18-2-58	11-2-58	4-2-58
Spot	36.00	35.95	36.15
March	35.17	35.02	35.11
May	35.36	35.20	35.25
July	35.43	35.35	35.22

YARNS RECEDE

(From Our Own Correspondent)

BOMBAY, 19th *February*

The yarn market presented a distinctly easy trend during the week under review. Rayon yarns were subjected to selling induced by expectations of improvement in supplies in the coming weeks. The expectations were based partly on the reported decision of the Central Government to grant to actual users an *ad hoc* supplementary licence for import of rayon yarn worth about Rs. 40 lakhs in the current half-year (October 1957-March 1958) and partly on hopes that the established importers might be given an import quota in the next licensing period (April-September). Rayon yarn prices, as a consequence, tended to move down. There would, indeed, have been a more marked fall in values but for enlarged demand from the Southern markets in the wake of scarce supplies. Staple fibre yarns also came in for selling, thanks to poor offtake from the important consuming centres, especially in the Punjab. Cotton yarns, too, encountered selling, owing to drop in raw cotton prices and slackness in demand from weavers.

The Government of India, as already stated, is understood to have decided to grant to actual users an *ad hoc* supplementary licence for import of yarn worth Rs. 40 lakhs in the current licensing period. This decision has been welcomed by the rayon weaving industry which had earlier urged the Government to allow imports in view of shortage of supplies. The licence now granted, however, is below the industry's expectation, the quantity involved being estimated at just 800,000 lbs., as against the industry's plea for import of about two million lbs. (Rs. 1 crore worth). Incidentally, it may be noted that imports of foreign rayon yarn have gone down considerably, as a result of the stringent restrictions imposed by the authorities. Imports of rayon yarn into Bombay port during the month of January were no more than 1,619,331 lbs., as against 2,521,472 lbs. in the previous month and 3,871,149 lbs. in the corresponding month last year. Following the issue of *ad hoc* import licence, the Silk and Art Silk Mills Association, it is said, has decided on a bulk purchase of yarn from abroad and the representatives of foreign firms have already been contacted.

Meanwhile, Mr. Gordhandas Jadavji, President of the Bombay Yarn Merchants' Association and Exchange Ltd., has addressed a communication to the Union Minister for Commerce and Industry, requesting the latter to grant an import quota to established importers in the ensuing licensing period (April-September 1958). In this letter, the President observes: "There has been deterioration in yarn trade day by day because of the restricted policy pursued by the Government for the import of art silk yarn through established importers. Granting of licences only to consumers directly would mean abolition of normal trade channel. It is only the established importers who can anticipate far ahead the requirements of the various types and qualities of yarn of the numerous types of consumers spread all over the country and who are also in a position to make bulk purchases on behalf of all these consumers and sell them as per their day-to-day requirements at competitive prices. The importers have also financed this business in the interest of actual users and, in many cases, have given short- and long-term credits as required by consumers big or small." It would appear that the Minister has assured sympathetic consideration of the request.

In the rayon yarn section, spot prices staged a retreat. 150 Japan dropped 12 nP to Rs. 4.93. 120 Japan fell by 5 nP to Rs. 5.22. 150 Italy receded by 4 nP to Rs. 5.12. 150 Italy was dull at Rs. 5.25. Among indigenous yarns, National Rayons 150 Bt. cones 1st grade and 120 Bt. cones 1st grade declined by 6 nP each to Rs. 4.25 and Rs. 4.76, respectively. Snia rayon yarn (120 dull cones) February delivery was done at Rs. 924, as against Rs. 823, the improvement of Re. 1 being due to purely technical considerations in view of the fact that the contract would terminate shortly. April delivery was nominally quoted at Rs. 909.

There was a sharp fall of Rs. 2 in the quotation for 40 x 2 staple fibre yarn February delivery which stood at Rs. 567. April delivery was quiet at Rs. 580. Spot (40 x 2) Kohinoors shed 4 nP to Rs. 3.21. New Greats eased by 2 nP to Rs. 2.98. Citys lost a like amount to Rs. 3.12. Deals in foreign yarns were put through at reduced rates. Paramounts climbing down by 13 nP to Rs. 6.47 and Fujis by 9 nP to Rs. 6.47.

Among cotton yarns, forty counts encountered selling and gave way. Minaxis and Moderns declined by 25 nP each, the former to Rs. 24 and the latter to Rs. 25. Sixty counts also gave way, Moderns receding by 50 nP to Rs. 59 and Raghuvamshis by 25 nP to Rs. 52. Ten counts Podars slipped down by 25 nP to Rs. 13.75, while Moderns were neglected at Rs. 14.50. Eighty counts were dull. Mahendras being quoted at Rs. 69.50. Moderns at Rs. 71 and Finlays at Rs. 75. Among twenty counts, Moderns eased by 13 nP to Rs. 17.37. Indus were done at Rs. 16.87. Thirty counts Hinds were quoted at Rs. 20.25 and Gokaks at Rs. 20.50.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	19-2-1958	12-2-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	924.00	923.00
120 dull Cones Snia April	909.00	—
120 Japan (per lb.)	5.22	5.27
150 Japan (per lb.)	4.93	5.05
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.12	5.16
Staple fibre yarn (per case of 200 lbs.)—		
40 x 2 February	567.00	569.00
40 x 2 April	580.00	580.00
40 x 2 New Great (per lb.)	2.98	3.00
40 x 2 City (per lb.)	3.12	3.14
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.75	14.00
20s Modern	17.37	17.00
30s Indu	26.50	27.50
40s Minaxi	24.00	24.25
60s Raghuvamshi	52.00	52.25
80s Modern	71.00	71.00

GROUNDNUT STEADY

(From Our Own Correspondent)

BOMBAY, 19th *February*

Steady conditions were witnessed in the groundnut and castorseed sections of the local oilseeds market during the week under review. Apprehensions about the possible increase in excise duty on groundnut oil in the forthcoming budget and the consistent support lent by crushing and *vanaspati* interests were the chief factors responsible for the steadiness in the groundnut section. Lower crop arrivals served to improve the sentiment in the castorseed section. Despite somewhat discouraging foreign advices, linseed, in sympathy with groundnut and castorseed, remained steady. Poor arrivals have been reported at terminal centres in seeds marketing regions.

In the groundnut section, groundnut February opened the week at Rs. 156.62 and steadily improved to Rs. 157.75 on 18th inst., and was today taken up to Rs. 158.62. Groundnut May gained over the week Rs. 2.15 to close at Rs. 158.62. Groundnut Khandesh firmed up to Rs. 32.00, as against Rs. 31.12 last week, while groundnut bold was better at Rs. 31.75 as compared with Rs. 30.87. Groundnut oil was quoted at Rs. 17.62.

Castorseed May contract declined from Rs. 137.62 early in the week, to Rs. 136.50. In the latter half of the week, however, the contract firmed up and touched Rs. 139.37 today. Castorseed Madras and Kanpur changed hands at Rs. 28.37 and Rs. 27.12, as against Rs. 28.25 and Rs. 27.00 respectively, last week. Castor oil commercial ruled at Rs. 14.37 and B.S.S. at Rs. 16.12, as against Rs. 14.31 and Rs. 16.12 respectively, last week.

In the linseed section, linseed May contract opened the week at Rs. 29.56 and declined to Rs. 29.12 on the following day and still further to Rs. 28.94 on 16th inst. It, however, moved up to Rs. 29.12 on 17th inst., only to decline to Rs. 28.31 yesterday. In today's dealings, there was good support at lower levels and the contract improved to Rs. 29.31. Linseed bold was better at Rs. 28.69 and oil at Rs. 15.89.

Both kardi seed and niger seed were steady at Rs. 17.75 and Rs. 27.00 respectively.

The view that a certain unhealthy tendency has developed in the oil crushing industry following the introduction of the excise duty on vegetable non-essential oils has been expressed by the Vidarbha Chamber of Commerce, Akola, in the course of a memorandum. The Chamber points out that a large number of power-driven small baby expellers have been installed in the last two years by interests which seek to obtain the exemption from excise duty on the production and delivery of the first 75/125 tons of oil. The Chamber states that these power-driven baby expellers do not come under the purview of the Factories Act and hence create conditions of unfair and unhealthy competition. Among other measures, it advocates the abolition of the exemption in the excise duty or a modified system of excise duty whereby the duty will be collected at the first instance and a 10 per cent. refund given subsequently.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	19-2-1958	12-2-1958	5-2-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	158.62	155.00	152.62
May 1958	158.62	155.86	154.87
Bold ready (per cwt.) ..	31.75	30.87	30.50
Khandesh quality	32.00	31.12	31.00
Linseed—			
May 1958	29.31	29.37	28.81
Bold ready (per cwt.)	29.69	28.62	28.25
Castorseed—			
May 1958	139.37	138.12	137.87
Madras (per cwt.)	28.37	28.25	28.00
Cottonseed—			
February 1958	100.50	96.25	94.25
May 1958	100.50	96.75	95.00
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.62	17.12	16.75
Castor oil †			
Commercial (per quarter) ..	14.37	14 31	14.12
Linseed oil †			
Ready	15.69	15 62	15.56

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR QUIET

(From Our Own Correspondents)

BOMBAY, 19th *February*

Quiet conditions prevailed in the sugar market during the week under review, in contrast to the firm trend noted in the last fortnight. The Union Food Ministry has announced additional releases to co-operative sugar mills in the Bombay-Deccan area. The announcement has come when the demand from Malabar Coast is less. Arrivals of sugar into the market have been quite large, the total for this week being 18,600 bags, as against 14,758 bags in the previous week. Meanwhile, there are strong rumours of a possible additional impost on sugar for domestic consumption, in order to meet the loss on exports. In anticipation of this increase, a well-known trader in Bombay is reported to have cornered substantial quantities of Deccan sugar.

Small grain sugar has declined from Rs. 105¾-Rs. 106 to Rs. 105¼ per bag, including the additional excise duty. Medium grain is quoted at Rs. 106-Rs. 108, as against Rs. 106¼-Rs. 107¼, and large grain at Rs. 109-Rs. 113, same as last week.

* * * *

HAPUR, 17th *February*

The sugar markets recorded a hardening trend, following good demand from all consuming centres, and prices rose further by about 25 nP per maund. Rumours that the excise duty on sugar would be enhanced in the coming Union Budget and reports that the crushing season would come to an end earlier than last year were the main influencing factors.

The sugar market in Muzaffarnagar ruled steady during the week under review, due to good demand from Punjab, Delhi, Saurashtra, Gujerat and the South. Mill delivery prices were higher by 12 nP to 50 nP per maund. The rise was particularly marked in small grain quality. It was reported that a large number of factories would close their season by the middle of April next and that the production in the current season would not touch last year's record level. The latest mill delivery prices were: Rampur (A-29) Rs. 37.50; (B-29) Rs. 36.75; Iqbalpur (C-29) Rs. 36.44; Amroha (D-29) Rs. 34.81; Meerut (D-28) Rs. 35.25; Modinagar (B-29) Rs. 36.87.

Sugar prices at Kanpur also ruled firm on good buying support from consuming centres. Budget proposals were anxiously awaited and traders were dealing cautiously.

Khandsari prices tended to harden, thanks to good demand from Madhya Fradesh side, and the producers were trying to conceal stocks, expecting some levy on *khandsari* in the ensuing budget. Prices advanced by about Rs. 2 per maund to be quoted at Rs. 26 to Rs. 33 according to quality.

Ready and future *gur* recorded a striden advance during the week, due to decreasing arri

vals in the main producing markets and higher outside advices. Crushing is expected to end earlier, owing to overall shortage of cane. Stockists are building up stocks in expectations of better prices in the off-season. Local daily arrivals average 2,500 maunds and stocks have swelled to about 105,000 maunds. Ready *pansera* is quoted at Rs. 13.12 to Rs. 13.50, and *balti* at Rs. 13.25 per maund.

Gur prices at Muzaffarnagar ruled steady on good demand from all sides and prices advanced by a rupee to Re. 1.50 per maund. Demand was being met, due to better loading facilities. *Shakkar dara* and *masala* advanced by Re. 1 per maund, while a gain of Rs. 2 was recorded in the prices of *khandsari*. Arrivals from the beginning of the season is roughly put at 700,000 maunds. Local stocks are put at 125,000 maunds, the corresponding figure last year being 275,000 maunds.

Future *gur*, after an early sharp advance, eased slightly towards the week-end on profit-taking sales. *Fagun* and *baisakh* deliveries, opened at Rs. 12.25 and Rs. 12.94 on Monday last, touched the highest of the season at Rs. 13.50 and Rs. 14.25 in mid-sesion, but declined to Rs. 13.32 and Rs. 13.92, respectively.

BLACK PEPPER FORGES AHEAD

(Messrs. Parekh and Co.)

BOMBAY, 19th *February*

Prices of Malabar black pepper continued to forge ahead during the week, following news of deterioration in the political situation in Sumatra and in sympathy with New York where ready stock remained at a low ebb, as the U.S.A. dealers persisted in their conservative buying policy for the past so many months. New York accepted all the offers from India at prices ranging from $0 22 to $0.23. Singapore improved to Str. $63. Russia and East European Countries were reported to be enquiring.

Forward market at Cochin experienced hectic fluctuations, owing to short-covering and fresh buying. Ready improved to Rs. 92 to come down to Rs. 89½, the week-end quotation being Rs. 91¼. March delivery jumped up to Rs. 93¾ and May to Rs. 95.

The future of the market depended upon the political situation in Indonesia. Pepper market having remained sluggish for some time past, short positions were created in India, Europe and New York and, until these were squared up, no sizable reaction was envisaged.

Alleppey improved to Rs. 518¾, while Calicut to Rs. 525. At the time of writing, the undertone is reported to be firm, as sellers are reserved and are waiting for new development in Sumatra. Though there is political upheaval in Central and South Sumatra, a pepper bowl in Indonesia is said to be unaffected so far.

In A.S.T.A. section, February was quoted at $0.23¾, while March-April at $0.23¼ and May-June at $0.23⅜.

In delivery section, March climbed up to Rs. 495 and April to Rs. 500 under pressure of short-covering and bull buying.

Today's nominal quotations are: Ready delivery Rs. 73 per Bengal maund; March Rs. 495-Rs. 500 and April Rs. 500-Rs. 505 per candy of 5¼ cwts.

USEFUL DEMAND FOR TEA DUSTS

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 13th *February*

A total of 775,000 lbs. was offered in Dust Sale 'D', which was held on Tuesday, 11th February. There was a useful and general demand at lower rates. Commons and low mediums met with good support at 5 to 10 nP below last rates. Most other types declined by 10 to 15 nP per lb. High-grown dusts shared in the general decline.

The average price realised in Dust Sale 'D' was Re. 1.55 per lb., as against Re. 1.64 per lb. in the previous sale and Re. 1.95 per lb. in the corresponding sale of 1957.

London Market—Sale of 10th February 1958.—Fully firm any change sellers favour.

Sale of 11th February 1958.—Best slightly dearer. All others irregular, but generally easier.

Colombo Market.—Good demand. Very irregular. Low growns firm. Poor medium and high easier, but improved quality dearer. Fannings active and dearer. Poor offgrades lower.

Calcutta Market—Export.—60,485 packages. Demand was keener and more general, particularly for any better liquoring sorts."

Internal.—19,000 packages dust. Met good general demand. Plain liquoring up to 6 nP easier. C.T.C. Assams up to 10 nP easier. Middle East types well supported. Darjeelings with flavour dearer. 2,600 packages internal. Good demand at irregular rates.

Export Quota.—There has been a firmer tendency and the present quotation is 15-15½ nP. No further news is yet available regarding a final release.

Forthcoming Auctions.—Dust Sale 'E' will be held on Tuesday, February 25th.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"Sale 5. 1,300,000 lbs. Good general demand. Low medium and medium irregularly 5 to 10 nP lower. Good medium and best liquoring of improved quality sold well, but below valuations. While leaf strongest feature at higher prices."

BETTER DEMAND FOR TEAS

(From Our Own Correspondent)

CALCUTTA, 18th *February*

The political troubles in Indonesia and the formation of a rebel Government which might affect tea exports from that country, and the labour situation in Colombo port, restricting shipments, were the main bullish factors which were reflected in the London auctions held last week. Demand visibly improved and the best teas were sold at hardening rates. Good support was accorded by Russia and Persian Gulf buyers during the last auctions held in Colombo. This caused an up-trend in prices at tea auctions held in Calcutta also and the higher quality teas moved up. It is expected that such a higher trend for the good teas would continue for the balance of the 1957 crop. The Government of India has announced the 1957-58 export allotment as being 460.96 million lbs. which is 63.44 per cent. of the crop basis estimated at 726.56 million lbs.

The prospect for the common teas has, however, not changed. It is feared that export demand in this category would be affected, as Africa is understood to be stepping up shipments of common teas. In the circumstances, it will not be surprising if tea gardens pay more attention to growing more quality teas by reducing the acreage under plain teas. For quality teas, the overseas market is expanding.

Offerings at yesterday's export sales amounted to 59,179 packages. There was a good, although not very general, demand. Plain teas sold readily, but at a discount of 2 nP to 4 nP for Fannings. Black leaf B.O.P's and O.F's however, met with a good demand at often dearer rates. Medium B.P's were about 4 nP lower, but there was a strong demand for Fannings which appreciated by about 4 nP while the brighter liquoring B.O.P's and O.F's frequently sold well above valuations. The better C.T.O. teas, especially Fannings grades, were keenly competed for at prices 20 to 30 nP above last rates. Those that were really bright in cup or which had autumnal character were particularly strong. The poorer types of C.T.C. teas, however, were again easier and often difficult of sale. Non-winter Legg cut teas were irregular and showed an easier tendency, although some invoices in this category realised more than brokers' valuations. Whole leaf grades were barely steady, any change being in buyers' favour. Darjeelings sold well, but generally below valuations, although a few of the best realised useful prices. The following are the quotations:

Clean Black Pekoe Rs. 2.25; Plain B.P. Re. 1.52 to Re. 1.56; Plain Fannings Re. 1.62 to Re. 1.66; Medium B.P. Re. 1.58 to Re. 1.62; Medium Fannings Re. 1.76 to Re. 1.80; Best Assam C.T.C. B.P. Rs. 2.70 to Rs. 2.90; Best Assam C.T.C. Fannings Rs. 2.80 to Rs. 3.00.

In the internal sales held last week, dusts offered aggregated 18,786 chests, the quality of some of which was better. There was good general demand, and prices generally added gains. Middle Eastern buyers accorded full support. Unwithered Dooars were sold above valuations. Prices for the plainer liquoring orthodox teas showing an improvement in quality advanced, while the balance of this category eased. The best liquoring and brighter medium C.T.C. Assams met with good demand, with the powdery grades receiving more attention. Among Darjeelings, the more ordinary kinds received no attention from buyers, but keen competition was offered to the flavoury lots. The quotations were: best Assam C.T.C. Rs. 2.80 to Rs. 3.10, medium Assam C.T.C. Re. 1.70 to Re. 1.90, medium Assam grainy dust Re. 1.56 to Re. 1.58, and medium Dooars Re. 1.54.

JUTE DEPRESSED

(From Our Own Correspondent)

CALCUTTA, 18th *February*

Depressed conditions continued to prevail in the jute markets during the week under review. The prices of both the finished product and the raw material, however, moved within narrow limits. American buyers showed only little interest, and the publication of higher production figures for the month of January increased the velocity of the chill wave. There was no knowing when the depression in the United States would end. Unless the economic recession there was arrested, it was believed here that burlap manufacturers in the U.S. would be reluctant to increase their stocks of hessian, and would be content in consuming the existing stocks. However, at current level, hessian stocks would not cause much of a problem to the market and to the mills, because in recent months, mills had transferred a proportion of hessian looms to sacking, in view of the better demand for heavy goods. At that time, demand for sacking was increasing, but this increase was not maintained subsequently and the result has been a heavy bulge in sacking stocks. Enquiries from Australia have been below expectations, in view of the failure of the grain crop there. There are, however, welcome signs of more buying for internal consumption, but the huge increase in stocks cannot be absorbed through this source.

In the last two months, sacking goods have increased on such a scale that they are having an impact on the market. Weak holders have become very nervous, and they have been unloading their holdings. During January, the total output was 98,300 tons, showing an increase by 5,500 tons. The increase was distributed as follows: miscellaneous constructions 600 tons, hessian 2,300 tons, and sacking 2,600 tons. Stocks at the beginning of the month were 75,000 tons, and thus the total availability of goods in January was in the order of 173,300 tons. Deducting the stocks at the end of the month, viz., 96,400 tons, sales aggregated to 76,900 tons which, it was noted, was considerably short of output. If the slackness in demand continues, the industry would have to consider measures to reduce output in line with demand. In the meantime, a redeeming feature is that shipments in the current month have proceeded satisfactorily. Hessian shipped up to 5th February was 11,000 tons and sacking 4,800 tons, as against 5,500 and 2,600 tons, respectively, in the same period in January. The higher figures have been due to shipments which were delayed as a result of recent labour troubles in the port and thus actually not due to any increase in demand.

On Tuesday last, there was a measure of speculative support following which ready B. twills recovered to Rs. 100.85 from Rs. 100.25 and 40" 10 oz. hessian to Rs. 39.45 from Rs. 39.30. On the following day, the price for B. twills rose further to Rs. 101.25 on speculative support. Had it not been for selling pressure at this level, the rise would have been more marked. This, coupled with absence of speculative support and genuine buying, pushed down hessian 40" 10 oz. to Rs. 39.35. At this stage, the output details in respect of the last month were announced. These forced down the quotations of B. twills to Rs. 101.00 and of hessian 40" 10 oz. to Rs. 39.35. However, at these rates there was revival of speculative interest, and several deals were put through on Thursday. On the next day, 40" 10 oz. hessian was better at Rs. 39.40, while speculative selling took down B. twills to Rs. 100. Genuine buying was confined to small quantities, and foreign buyers elected to wait and watch before entering into commitments. In view of the huge increase in stock and the decline in raw jute prices, they anticipated that prices would move down further to their favour in the coming few months. This expectation would materialise if the current low level of demand continued; but, at the same time, if the industry decided to take measures to reduce output by revising working hours, a steadier trend would certainly result. On Saturday, B. twills were quoted at Rs. 100.30 and hessian 40" 10 oz. at Rs. 39.40 with little business passing. The last two days witnessed a fresh setback. B. twills slumping to Rs. 99 60 today and hessian 40" 10 oz. to Rs. 39.20.

Raw jute prices fell in sympathy with the declining jute goods market. Mills showed only nominal interest in offerings. Mills were anticipating that import licences would be issued to them for importing Pakistani cuttings. These anticipations arrested the down-trend in cuttings in Pakistani markets, while they affected prices of indigenous jute of the lower variety. Daisee bottoms for February-March delivery declined to Rs. 28.00 from Rs. 28.25, while northern bottoms remained at Rs. 24.50.

FOODGRAINS STEADY

(From Our Own Correspondent)

HAPUR, 17th *February*

Steady to firm conditions were noted in the foodgrains market during the week under review. Absence of winter rains and strong westerly winds throughout the week have damaged the standing *rabi* crops and this has accounted for gains in the prices of all cereals. The Government of India is stepping up its food import programme and, according to revised estimates, the quantity of wheat expected to be imported this year is about three million tons, as against 2.4 million tons originally envisaged. A shortfall in imports of rice, however, is expected and the quantity to be imported is now likely to be about 500,000 tons, as against 700,000 tons estimated earlier. First shipments out of the 400,000 tons of wheat made available by Canada on long credit-terms have already arrived and the entire quantity is expected to be received within the next four months. The quantity of foodgrains to be procured internally is expected to go up from 150,000 tons to 316,000 tons.

Wheat at Hapur recorded modest gains, average quality being quoted at Rs. 15.62 per maund and farm produce at Rs. 17.25. Daily local arrivals continued to be scanty and, as demand was being met from stocks, local wheat stock ran down further by one *khati* to 10 *khatties*, the corresponding figure last year being 43 *khatties* when wheat *dara* was quoted at Rs. 16.62 per maund.

Rice also recorded some gains during the week, in line with prices of other grains, although local supply position was reported to be satisfactory. The latest prevailing prices were: *Basmati* Rs. 28 to Rs. 30.50; *mainpuri* Rs. 23.50; coarse Rs. 20 per maund.

Gram recorded an advance of about 50 nP per maund during the week on firm Punjab advices and poor stocks with trade. Gram stock mostly owned by State Government ran down by two *khatties* during the week, due to despatches to east U.P., and was now put at 18 *khatties*, as against 11 *khatties* a year before and 35 *khatties* a month before. Barley and *bejhar* improved fractionally during the week. The harvesting of *bejhar* will begin shortly. The standing crops have been adversely affected by strong gusty westerly winds. Maize and *bajra* improved slightly along with other foodgrains. The latest prices (in rupees per maund) are: Gram 10.62 to 10.84; barley 9.50; *bejhar* 9; maize 10.75; *bajra* 11.12; *jowar* 8.75 to 10; *guwar* 11.12; oats 8.87.

Pulses also recorded a hardening trend during the week, as strong winds had weakened prospects of peas and *arhar* crops. Outside demand was slack and stock position was mostly unchanged. Peas advanced by about 37 nP per maund, dara quality being quoted at Rs. 8.37 and farm quality at Rs. 8.87. Local peas stock was unchanged at 8 *khatties*. *Arhar* improved from Rs. 10 to Rs. 10.25 and local stock was put at 23 *khatties*, as against 24 *khatties* last weekend. Other pulses were mostly quiet. Prices were: *Urd* Rs. 16.25 to Rs. 17.75; *moong* Rs. 15.25 to Rs. 15.75; *massor* Rs. 13 to Rs. 14.75 per maund.

Pulses futures rose sharply during the week in line with ready prices, although the latest quotations were slightly lower than the best of the week due to profit-taking sales. Prevailing quotations were: Peas *jeth* Rs. 9.20; *arhar jeth* Rs. 10.75; *bajra fagun* Rs. 11.50; *urd biasakh* Rs. 16.44.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	5½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1938	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Jan., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	4
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1958	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	2½
West Germany	17th Jan., 1958	4	3½

CLEARING HOUSE RETURNS

Centre	Week ended 14th February, 1958		Week ended 7th February, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,28,420	72,20,74,000	3,32,439	80,16,43,000
Calcutta	1,74,000	64,65,00,000	1,87,000	68,84,00,000
Madras	89,269	9,40,90,365	91,700	10,14,98,123
All Centres—				
1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Oct., 1957	..	..	3,295,000	5,89,38,00,000
Nov., ,,	..	..	3,755,000	8,18,13,00,000
Dec., ,,	..	..	3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 14th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	51,82,25,000
(2) Other Governments	24,82,79,000
(b) Banks	69,25,80,000
(c) Others	113,51,93,000
Bills Payable	15,25,83,000
Other Liabilities	33,23,12,000
Rupees	414,91,72,000

ASSETS	Rs.
Notes	11,86,05,000
Rupee Coin	10,40,000
Subsidiary Coin	2,53,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	1,81,27,000
Balances held abroad*	33,60,93,000
Loans and Advances to Governments†	38,20,93,000
Other Loans and Advances	26,06,74,000
Investments	242,84,66,000
Other Assets	17,38,21,000
Rupees	414,91,72,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 26,12,27,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	11,86,05,000	
Notes in circulation	1557,65,26,000	
Total Notes issued		1569,51,31,000
Total Liabilities		1569,51,31,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		129,39,19,000
Government of India Rupee Securities		1076,82,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1569,51,31,000

Scheduled Banks*

Statement of Affairs for the week ended 7th Feb., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	13,23,02,000
(ii) Other demand liabilities	696,29,06,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,08,00,000
(ii) Other time liabilities	703,73,09,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	9,16,30,000
(ii) Time liabilities	80,00,000
Borrowings in India from the Reserve Bank of India	33,99,86,000
	(26,05,21,000)
Cash in India	36,19,80,000
Balances with the Reserve Bank in India	71,12,02,000
Balances with other banks in current account in India	11,39,42,000
Money at call and short notice in India	39,77,57,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	431,94,94,000
Advances in India	766,34,42,000
Inland Bills purchased and discounted in India	110,78,69,000
Foreign Bills purchased and discounted in India	41,51,82,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	19th February, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5 11/16	1-5 11/16
Sellers T.T. D.D. upto six months	1-5 11/16	1-5 11/16
Buyers T.T. spot to nine months	1-6 1/16	1-6 1/16
Buyers T.T. 10 to 12 months	1-6 1/16	1-6 1/16
Bombay on New York—		
Sellers T.T. D.D. Rs.	476.00	475.25
Buyers T.T. Rs.	471.75	471.00
London on New York $	2.81 1/2-2.81 1/2	2.81 1/2-2.81 1/2
London on Paris Frs.	1,178½	1,178½
London on Berne Sw. Frs.	12.28-12.28½	12.28½-12.28½
New York on London $	2.81½-2.81½	2.81½-2.81½

NATIONAL INCOME*

Country	Year	Population (in millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	388.09	..	10,420	272
Pakistan††	'55-'56	82.24	..	1,952	237
Burma	1955	19.48	Kyats 4,087	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.09	Y. 7,427,000	9,283	1,031
Philippines	1955	21.85	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£(N.Z.) 884	1,178	5,428
Australia	1956	9.40	£(A.) 4,238	4,623	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 348,600	163,654	9,731
Canada	1956	16.00	$ 22,710	10,767	6,742
France	1956	43.60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,880	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,990	1,408	4,358
Sweden	1956	7.30	Kr. 44,680	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	3,660	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 7th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	72,10,51,000
(b) Provincial Governments	....
(c) Banks	13,57,74,000
(d) Others	9,15,44,000
Bills Payable	17,55,000
Other Liabilities	9,35,98,000
Rupees	110,36,32,000

ASSETS	Rs.
Notes	9,50,89,000
Rupee Coin	85,000
Subsidiary Coin	22,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	11,98,000
Loans and Advances to Governments	3,16,00,000
Provincial Governments' Debtor Balances	12,06,35,000
Other Loans and Advances	22,91,10,000
Investments	52,21,30,000
Other Assets	10,38,13,000
Rupees	110,36,32,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,50,89,000	
Notes in circulation	348,84,44,000	
Total Notes issued		358,35,33,000
Total Liabilities		358,35,33,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,86,50,000	
Silver Bullion	....	
Approved Foreign Exchange	79,50,96,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,50,000	133,89,96,000
B. Rupee Coin	4,09,16,000	
Government of Pakistan Securities	214,46,25,000	
Internal bills of exchange and other commercial paper	....	218,55,41,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	358,35,33,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 38.93 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	7th Feb., 1958	A week ago	A month ago R.	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1558.63	1531.20	1540.72	1,519.65
Notes held in Banking Department	85.05	11.01	20.72	10.21	7.01
Foreign Securities	59.50	245.54	245.54	270.26	412.52
Rupee Securities	37.39	1076.82	1056.82	1032.10	117.76
Banking Department					
Deposits of :					
Government of India	14.89	57.52	58.13	49.69	51.01
Other Governments	....	13.12	27.34	16.16	13.53
Balances held abroad	10.08	35.42	37.75	19.63	122.16
SCHEDULED BANKS :					
Demand Liabilities	134.36	709.52	737.48	699.70	676.00
		(13.23)†	(17.89)†	(15.84)†	(6.72)†
Time Liabilities	102.24	719.81	701.21	690.59	483.84
		(16.08)†	(16.38)†	(17.95)†	(2.38)†
Borrowings from Reserve Bank	....	34.00	27.12	35.26	96.39
		(26.05)‡	(24.21)‡	(30.29)‡	(67.62)‡
Borrowings from State Bank	....	0.96	9.17	8.65	16.68
Cash in India	6.70	38.20	37.60	38.50	35.99
Balances with Reserve Bank	25.17	71.12	73.54	58.28	48.78
Excess over statutory limits	15.52	21.25	22.66	9.48	5.71
Balances with other banks in current account in India	....	11.39	11.43	11.48	9.73
Money at call and short notice in India	....	39.78	46.28	45.51	9.84
Investments (at book value)	....	431.95	432.55	434.06	360.67
Advances and bills	105.09	918.65	907.38	881.16	856.05
STATE BANK :					
Deposits	87.76	393.44	394.65	363.23	260.50
Investments	51.99	183.46	183.48	184.16	106.90
Advances	30.35	195.77	192.37	180.83	172.46
Cash	14.69	29.15	32.31	18.08	15.98

† Borrowings from the State Bank. Banks excluding the Reserve Bank and ‡ Borrowings against usance bills and promissory notes.
* Figures are provisional. R—Revised.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	September, 1956	September, 1957	Six months, April to Sept., 1956	Six months, April to Sept., 1957
Import Duties :				
Revenue	11.17	12.20	60.87	75.88
Protective	1.01	0.86	6.05	5.89
On surplus disposals	—	—	0.03	0.08
Total Import duties	12.18	13.06	66.45	81.84
Export Duties	2.60	2.31	12.11	10.48
Land Customs	0.27	0.28	1.13	1.45
*Air customs.**	—	0.15	—	0.21
Miscellaneous	0.12	0.15	0.51	0.60
Gross total customs	15.17	15.95	80.20	94.60
Refunds and drawbacks	0.20	0.35	1.20	2.03
Net Customs	14.97	15.60	79.00	92.57
Gross excise	15.42	22.16	85.98	128.84
Refunds	0.21	0.26	0.95	1.78
Net Excise	15.21	21.90	85.03	122.06
Net total of customs and excise†	30.18	37.50	164.03	214.63

† Net Customs plus net Excise.
* Figures prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 14th Feb., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves	....	5,62,50,000
Deposits and Other Accounts	....	6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.	....	400,67,09,000
Bills Payable	....	1,59,50,000
Bills for Collection being Bills Receivable as per contra	....	4,09,66,000
Acceptances, Endorsements and Other Obligations per contra	....	1,16,75,000
Other Liabilities (including Inter-Office Adjustments)	....	19,06,000
Total .. Rs.		1,30,73,000
		421,27,81,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		23,92,35,000
Balances with other Banks	....	2,84,09,000
Money at Call and Short Notice	....	1,46,66,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	178,33,62,000	
Other Authorised Investments	10,13,07,000	188,46,69,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	179,87,57,000	
Bill Discounted and Purchased	20,33,47,000	
Bills Receivable being Bills for Collection as per contra		199,71,04,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		1,16,75,000
Premises less Depreciation	....	19,06,000
Furniture and Fixtures less Depreciation	....	1,19,67,000
Other Assets (including Inter-Office Adjustments)	....	75,56,000
Total .. Rs.		6,55,94,000
		421,27,81,000

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
† At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Sept., 1956	Aug., 1957	Sept., 1957
General Index	122.1	133.6	146.4	141.4	144.3
Coal	111.4	114.9	111.1	115.8	129.2
Sugar*	111.4	175.1	353.4	423.8	320.1
Tea*	149.0	170.4	183.7	168.0	177.1
Cotton textiles	106.2	106.0	113.0	106.5	113.1
Jute textiles	111.9	117.5	125.8	108.6	118.3
Paper and paperboards	118.9	127.8	120.9	112.7	121.6
Matches	140.2	146.6	140.1	160.7	148.7
Cement	106.6	106.6	105.0	94.8	94.0
Iron and steel	140.4	154.2	152.5	165.6	168.3
Non-ferrous metals	113.3	119.4	120.6	116.7	120.4
Bayon	123.7	124.7	117.7	149.4	158.2
	280.2	355.8	366.6	522.6	525.7

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,135	2,372,630
1955	1,166	527,767	5,597,845
1956 R	1,203	715,130	9,602,040
October 1956	138	—	822,965
November ,,	187	—	513,389
December ,,	147	—	422,406
January 1957	154	—	395,419
February ,,	134	—	262,209
March ,,	114	40,811	282,791
April ,,	166	60,858	406,479
May ,,	164	64,377	446,640
June ,,	147	95,072	713,892
July ,,	178	83,727	723,854
August ,,	163	85,256	586,841
September ,,	220	129,875(a)	806,359(a)
October ,,	190	86,677†	472,943†

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
September 1956	737	812.7	666.4
October ,,	753	824.1	670.1
November ,,	756	810.6	668.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	773	932.2	756.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.3

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A Outstandings	National Savings Certificates 7-Year B Outstandings	National Savings Certificates 12-Year B Outstandings	12-Year National Plan Savings Certificates C Receipts	12-Year National Plan Savings Certificates C Outstandings	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings	10-Year National Plan Certificates D Outstandings	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F Outstandings	10-Year Treasury Savings Deposit Certificates 4% C Receipts	10-Year Treasury Savings Deposit Certificates 4% C Outstandings	15-Year Annuity Certificates G Receipts	15-Year Annuity Certificates G Outstandings	Total Receipts	Total Outstandings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	145,25	168,37
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,64	..	..	..	..	146,83	211,93
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	134,94	139,88	7,38	—36,35	37,15	..	..	55	54	177,35	310,29
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	45	95	203,53	380,04
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	..	43	1,32	225,88	440,17
1956																
November	3,23	5,67	157,64	..	..	12,70	186,88	22,75	—38,15	43,39	..	..	..	..	..	..
December	3,17	5,76	158,93	..	..	14,77	187,95	23,35	—38,23	43,58	..	..	3	1,19	16,19	420,75
1957																
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	456,60
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	63	2,39	4	1,46	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	12,51	203,33	24,81	—39,33	44,07	42	2,81	2	1,47	19,12	465,94
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	469,63
December	..	..	..	..	..	..	..	..	..	..	46	3,76	2	1,50	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities : repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 8th Feb., 1958	1st Feb., 1958	11th Jan., 1958	9th Feb., 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.2	89.2	89.1	89.8
1. Government of India	88.9	88.9	88.8	89.5
2. State Governments	96.5	96.5	96.5	96.6
3. Municipal Port Trust, etc.	90.1	90.1	90.1	90.7
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	99.1
1. Electricity	98.5	98.6	98.9	98.9
2. Jute	94.4	94.4	92.0	97.5
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.2	98.2	97.0	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.1	94.1	100.4
PREFERENCE SHARES	71.3	71.4	71.4	79.9
1. Electricity	84.0	83.6	83.7	88.6
2. Cotton	67.7	67.8	68.2	80.8
3. Jute	62.0	62.2	62.8	75.2
4. Coal	72.6	72.6	74.4	82.7
5. Iron and Steel	77.6	77.5	77.0	81.3
6. Sugar	71.0	71.0	70.9	81.6
7. Paper	74.2	74.2	77.3	79.7
8. Plantations	87.5	87.6	87.5	99.7
9. Miscellaneous	66.3	66.6	66.8	74.1
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.6	97.3	95.5	114.1
(a) Financial	96.7	97.3	95.2	94.6
1. Banks	100.0	100.5	98.1	96.7
2. Insurance	86.1	85.2	84.3	84.8
3. Investment Trust	66.6	73.5	73.1	80.0
(b) Public Utilities	103.6	103.4	103.0	109.4
1. Electricity	100.6	100.2	100.7	110.0
2. Shipping and other Transport	121.1	121.3	118.8	115.9
3. Railways	65.9	65.9	65.8	81.2
(c) Manufacturing Industries	99.1	100.9	98.0	111.1
1. Cotton, Woollen and Silk	95.7	96.5	95.1	126.5
2. Jute	49.1	48.7	49.0	61.9
3. Iron and Steel	124.9	124.9	117.0	132.5
4. Paper	187.0	191.3	206.1	253.0
5. Cement	140.3	140.5	135.0	159.0
6. General Engineering	143.5	142.7	139.7	175.9
7. Sugar and Breweries	96.4	96.0	94.8	99.9
8. Chemicals	129.9	130.2	127.2	137.5
(d) Non-Manufacturing Industries	109.1	109.5	106.8	140.3
1. Coal	65.9	65.7	64.9	75.0
2. Mining and Oil	149.2	149.4	144.0	198.7
3. Plantations	118.5	119.2	116.6	135.2
(e) Miscellaneous	69.8	70.2	69.3	92.0
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	88.6	88.6	88.5	89.2
2. Calcutta	89.1	89.1	89.0	89.7
3. Madras	89.4	89.4	89.3	90.0
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.3	96.3	96.0	99.4
2. Calcutta	97.4	97.5	97.6	98.6
3. Madras	97.4	97.4	97.4	99.7
PREFERENCE SHARES :				
1. Bombay	78.9	78.8	78.4	83.6
2. Calcutta	63.8	64.0	64.4	74.2
3. Madras	83.8	83.7	84.1	94.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	111.4	112.7	109.8	123.9
2. Calcutta	83.3	83.5	82.7	100.7
3. Madras	110.6	111.3	107.1	126.5
4. Delhi	114.0	115.8	111.2	123.8

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	1st Feb., 1958	25th Jan., 1958	2nd Feb., 1957	December 1957	December 1956	Percentage of Increase(+) or decrease(—) in Dec., 1957 as compared with Dec., 1956	Annual Average 1957	Annual Average 1956
Food Articles	504	100.7	102.2	104.8	104.0	105.1	— 1.0	106.8	99.0
Cereals	192	95	96	100	98	97	+ 1.0	102	92
Pulses	43	76	79	87	80	87	— 8.0	85.5	78
Fruits and Vegetables	23	93	95 R	108	101	111	— 9.0	117	108
Milk and Ghee	84	101	101	96	99	97	+ 2.1	104	99
Edible Oils	47	110	116	133	125	133	— 6.0	128	117
Fish, Eggs and Meat	17	98	99	96	94	91	+ 3.3	97	97
Sugar and *Gur*	85	107*	109*	99	109	101	+ 7.9	105	97
Others	50	130	133	136	133	142	— 6.3	132	125
Liquor and Tobacco	21	96.7	98.0	87.8	97.7 R	87.7	+11.4	91.8	82.3
Tobacco	—	95	94	86	97 R	86	+12.8	90	81
Fuel, Power, Light and Lubricants	30	114.3	114.4 R	106.9	114.9	108.8	+ 7.6	111.5	101.6
Industrial Raw Materials	155	111.2	112.8 R	119.2	115.4	119.4	— 3.4	118.1	113.2
Fibres	61	115	115	128	115	121	— 5.0	120	114
Oilseeds	109	111	121	119	124	—	— 4.0	122	115
Minerals	2	107	107*	108*	108	104	+ 3.8	109	99
Others	32	110*	110*	108*	109	110	— 0.9	107	110
Manufactures	290	107.4	107.5	107.5	108.8	108.2	— 1.2	107.9	104.9
Intermediate Products	41	105.9	108.6	112.5	105.7	113.9	— 7.2	108.6	110.0
Finished Products	249	107.6	107.6	107.1	107.8	108.0	— 0.2	107.8	104.1
Textiles	147	106	106	109	106	110	— 3.6	108	106
Cotton	—	115	115	116	115	117	— 1.7	116	114
Jute	—	90	90	90	90	104	—10.6	98	95
Woollen	—	103	103	100	103	97	+ 6.2	102	97
Silk and Rayon	—	88*	89*	87*	92*	86*	+ 4.7	85	89
Metal Products	12	142	142	131	142	131	+ 8.4	137	128
Chemicals	26	100	99	94	99	94	+ 5.3	98	92
Oil cakes	10	113	116	117	102	112	+ 3.4	115	103

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,364	28,142	26,946
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,314	42,904	7,427	6,602
Bajra	final	27,542	28,024	2,926	3,379
Barley	final	8,544	8,392	2,744	2,749
Maize	final	9,244	9,116	3,020	2,554
Ragi	final	5,674	5,693	1,914	1,920
Small millets ..	final	12,209	12,713	2,010	1,937
Total cereals ..	final	215,642	214,082	57,251	54,656
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,037	2,047	1,830
Other Kharif pulses § ..	final	16,166	15,567	1,664	1,632
Rabi pulses‡ ..	final	11,443	11,703	1,794	2,338
Total pulses ..	final	57,295	57,064	11,435	10,831
Total foodgrains ..		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed ..	final	1,403	1,405	129	124
Sesamum ..	final	5,433	5,653	451	457
Rape and Mustard ..	final	6,211	6,317	1,017	848
Linseed ..	final	3,758	3,781	349	414
Total oilseeds ..	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,723	4,001
Jute A. ..	final	1,754†	1,908††	4,068†	4,288††
Mesta A. ..	final	738	572	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane ..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry) ..	final	40	40	15	15
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	334	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During January, 1958	98.3
	Corresponding month, 1957	88.8
	Seven months ended Jan., 1958	620.3
	Corresponding period, 1957	606.1
Stocks	At the end of Jan., 1958	96.4
	Corresponding month, 1957	103.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose ..	1955-56	8.57 Z
	1956-57	8.52 Y
	Dec., 1956	73.8
	Dec., 1957	69 0
For Internal Consumption	1955-56	1,90 0
	1956-57	1 79 0
	Dec., 1956	16.7
	Dec., 1957	19.1
	RAW JUTE	(In lakh bales)
Consumption by Mills† ..	January, 1958	5.70
	Corresponding month, 1957	5.15
	Seven months ended Jan., 1958	35.97
	Corresponding period, 1957	35.19

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955 ..	11,34,400	10,42,900	7,81,200
Do.	31st March, 1956 ..	11,55,900	10,82,100	7,97,800
Do.	31st March, 1957 ..	11,55,500	10,73,600	7,97,500
Nov.,	1956	94,700	85,800	65,100
Dec.,	.. .. ..	1,01,500	93,300	66,900
Jan.,	1957	97,400	94,300	70,500
Nov.,	.. .. ..	94,900	95,100	66,000
Dec.,	.. .. ..	95,100	100,500	74,200
Jan.,	1958	97,600	105,800	70,600
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955 ..	7,15,949	5,28,240	4,59,093
Do.	31st March, 1956 ..	7,06,986	5,31,505	4,50,607
Do.	31st March, 1957 ..	6,95,156	5,32,315	4,41,483
Three months ended	Dec., 1956	1,88,546	1,41,450	1,14,703
.. .. ..	Mar., 1957	1,83,857	1,39,430	1,20,578
.. .. ..	June, 1957	1,72,295	1,29,651	1,05,096
.. .. ..	Sept., 1957	1,71,907	1,19,172	96,815
.. .. ..	Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports	59,87	49,47	426,88	372,99
Re-exports	88	41	2,89	6,49
Total Exports ..	60,25	49,88	429,77	379,48
Imports	80,98	66,55	659,11	519,85
Overall Balance of Trade ..	−20,73	−16,67	−229,34	−140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures ..	5,12	11,55	52,27	72,77
Cotton yarns and manufactures ..	5,18†	4,76†	28,99†	35,84†
Metallic ores and scrap iron or steel for re-manufacture ..	4,69	2,27	34,78†	10,74†
Cotton, raw and waste ..	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal ..	2,43	98	17,54	19,62
Fruits and vegetables ..	1,44	1,74	12,24	12,62
Tobacco	88	2,51	10,95	6,28
Mica	71‡	68‡	5,24†	4,95†
Wool—Raw	1,05‡	76‡	7,41‡	6,74††
Gums, resins and lac ..	60‡	1,01‡	5,33†	6,31†
Spices	55	70	6,06	6,60
Hides and skins, raw ..	69	25	5,88	4,02
Imports—				
Machinery of all kinds ..	17,39	13,15	144,71	97,32
Metals, iron and steel and manufactures thereof ..	12,50	10,88	107,81	77,44
Oils—vegetable, mineral and animal ..	8,56	5,78	70,10	40,44
Cotton, raw and waste ..	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines ..	4,20	2,93	31,89	27,68
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus ..	5,21	1,44	37,75	12,96
Paper, pasteboard, etc. ..	1,86	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats) ..	4,49	4,95	45,82	41,28
Fruits and vegetables ..	1,17	19	13,39	9,10
Spices	22	81	2,04	4,99
Dyes and colours ..	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74‡	1,22†
Cotton fabrics	20	14	1,65	1,54

† Upto July only. ‡ During July.

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	13,751	2,763	974	213	111	57	149	29	517	412	41	330	48	145
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ..	12,290	2,884	930	197	96	52	190	22	520	388	27	350	51	159
March ,, ..	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,, ..	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May ,, ..	2,468	522	219	45	21	13	34	4	129	77	6	69	4	28
June ,, ..	3,502	756	334	57	30	18	48	5	164	109	9	101	7	46
July ,, ..	4,663	1,010	438	72	35	21	58	7	182	145	11	138	13	62
August ,, ..	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September ,, ..	6,893	1,542	628	93	43	30	87	10	223	220	15	219	25	101
October ,, ..	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,, ..	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G. : 2 M. G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 13th Feb., 1958 ..	52,089(J)
	Corresponding week, 1957 ..	51,449(J)
	1st Sept. to 13th Feb., 1957-58 ..	693,903*
	Corresponding period, 1956-57 ..	784,804*
Cotton Exports ..	Week ended 13th Feb., 1958 ..	4,822
	Corresponding week, 1957 ..	12,057
	1st Sept. to 13th Feb., 1957-58 ..	82,160
	Corresponding period, 1956-57 ..	137,777
Mill Consumption (Estimated) ..	1st Sept. to 13th Feb., 1957-58 ..	614,532
	Corresponding period, 1956-57 ..	660,559
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 13th Feb., 1958 ..	557,709
	Corresponding date, 1957 ..	527,154
Cotton Exports from Bombay (by sea)	During December, 1957 ..	8,229§
	During December, 1956 ..	30,973
	1st Sept., 57 to 31st Dec., 1957‡ ..	17,407
	1st Sept., 56 to 31st Dec., 1956 ..	68,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 6th Feb., 1957-58 ..	795,014
	Corresponding period, 1956-57 ..	891,232
Exports	1st Sept., to 6th Feb., 1957-58 ..	250,753
	Corresponding period, 1956-57 ..	442,139

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From Sept. to 31st Dec., 1957. A.=Adjusted. § Includes Zoda and Yellow Pickings, etc.
** Upto 31st Jan., 1957

Particulars	From 1st September to 17th Feb., 1957-58 Bales	From 1st September to 17th Feb., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	1,530	16,168
Continent ..	3,625	13,057
Hongkong ..	2,485	16,024
China		3,277
Japan	34,778	76,374
U.S.A. ..	2,903	1,284
Other Countries ..	691	442
Total to all foreign countries ..	46,012	127,516
Coastal Ports ..	36,515‡	14,377**
Total	82,527	141,893

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian .. .. December, 1957	301,490
Foreign	51,858
Indian .. .. Four months ended Dec., 1957 ..	1,554,180
Foreign	200,614
Indian .. .. Same Period 1956	1,525,011
Foreign	201,257
Stocks (Mills and Elsewhere)—	
Indian .. .. As on 30th Dec., 1957 ..	825,350
Foreign	171,663
Indian .. .. As on 30th Dec., 1956 ..	1,072,674
Foreign	176,634
Cotton Pressed in India† (In running bales) ..	892
	64,513
	910,762
	1,337,134

‡ From 1st Sept. to 31st Dec., 1957. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc.

Week ended 7th Feb., 1958 ..	64,513
Corresponding week, 1957 ..	910,762
1st Sept., to 7th Feb., 1957-58 ..	1,337,134
Corresponding period, 1956-57 ..	

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1960-70	100.60
3 % Loan	1938-39	116,17,46,000	1968-65	93.95
3 % Loan	1950	30,33,10,000	1964	94.30
3 % Fg. Loan	1948	1,10,11,78,000	1966-68	91.75
3 % Dev. Loan	1945	1,15,05,85,000	1970-75	85.85
3 % 2nd V. Loan	1945	1,13,65,64,000	1959-61	99.05
2½ % Loan	1953	50,35,58,000	1958	99 75
2½ % Loan	1946	45,58,07,000	1960	97 45
2½ % Loan	1946	57,00,59,000	1961	94.65
2½ % Loan	1946	14,77,48,000	1976	88 10
2½ % Loan	1946	75,86,72,000	1962	94.80
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.65
3½ % N. P. Loan	1954	1,58,17,90,000	1964	97.75
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.55
3½ % Loan	1956	57,27,36,000	1962	97.85
3 % N. P. Bonds	1956	33,81,82,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	98.25
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.60
4 % Loan	1957	49,05,00,000	1972	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice. In September,1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½ % Loan	1928	5,85,73,000	1958-68***	100.60
STATE LOANS				
4 % Andhra	1955	5,90,16,000	1st Sept. 1967	97.35
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97 40
3 % Bombay	1948	3,04,13,000	15th Aug. 1958	99.35
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94 15
3 % Bombay	1950	2,88,70,000	31st July 1960	97.05
3 % Bombay	1951	9,90,05,000	17th Sept. 1962	98.10
3½ % Bombay	1951	5,25,90,000	15th July 1963	99.25
4 % Bombay	1952	3,45,95,000	1st Aug. 1964	99.10
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	99.25
4 % Bombay	1956	5,07,00,000	3rd Sept. 1970	98.00
4 % Bombay	1957	6,00,00,000	16th Sept. 1969	99.90
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.15
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.05
4 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
2½ % Cochin	1936	70,09,000	1st June 1956-61	97.75
3½ % Hewrah Bridge (New)	1936-37	1,05,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.25
3 % Madras	1939	1,23,15,000	21st June 1959	98.50
3 % Madras	1944	1,07,98,000	15th Aug. 1958	99.25
3 % Madras	1945	2,78,44,000	14th Sept. 1960	98.80
3 % Madras	1946	2,81,77,800	1st Sept. 1961	98.50
3 % Madras	1950	4,88,52,000	31st July 1960	98.80
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.40
4 % Madras	1953	10,33,71,000	15th July 1963	98.35
4 % Madras	1954	4,24,81,000	31st Aug. 1964	98.07
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.50
4 % Madras	1956	13,35,56,000	3rd Sept. 1968	97.67
4 % Mysore(f)	1943	2,96,58,200	1st Dec. 1953-58	100.75
3 % Mysore(f)	1945	5,99,97,100	30th Jun. 1956-61	99.00
4 % Mysore	1953	3,33,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.25
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.30
4 % Mysore	1957	3,00,00,000	16th Sept. 1969	99.25
4 % M.P.	1944	25,69,800	15th Aug. 1958	99.30
3 % M.P.	1948	2,98,28,800	15th Aug. 1964	93.00
3 % M.P.	1950	1,01,45,000	31st July 1960	96.50
3 % M.P.	1951	1,03,13,100	17th Sept. 1962	97.75
3 % M.P.	1953	1,10,18,000	15th July 1963	98.25
4 % M.P.	1953	1,63,12,000	1st Sept. 1967	97.15
4 % M.P.	1956	1,86,42,000	3rd Sept. 1968	97.05
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	96 25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	96.10
4½ % Trav. Cochin	1953	3,25,61,000	15th July 1963	97.50
4 % Trav. Cochin	1956	3,54,78,000	3rd Sept. 1968	96.10
3½ % U.P.E.A.	1953	41,44,79000Z		49.50
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	98.50
3 % U.P.	1946	2,16,39,000	1st Sept. 1961	93.65
3½ % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
3½ % U.P.	1952	6,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1953	5,65,16,000	15th July 1963	98.25
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.60
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.60
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.20
4 % Orissa	1956	3,05,96,000	3rd Sept. 1968	97.00
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.20
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
36,56,000	4	1904	1954	
35,00,000	4	1905	1955	
15,00,000	4	1906	1956	
44,00,000	4	1907	1958	
75,00,000	4	1908	1958	96 00N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
80,00,000	4	1913	1974	96.00N
86,15,000	4	1914	1975	96.00N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
10,35,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,58,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1937*	1960	
10,06,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,306	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
50,00,000C	3††	1921	1981	82 00
68,02,800C	6‡	1921	1981	144.00N
49,50,000	5	1925	1955-88	101.00
80,00,000	4‡	1931	1991	95.00
80,00,000	3½	1935	1955	97.50
25,00,000	3	1935	1968-88	90.00
50,00,000	3	1945	2006	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1947	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1979	83.75
50,00,000C	3	1950	1980	82.00
1,00,00,000	3	1950	1980	97.00
50,00,000	3	1950	1980	97.00
50,00,000	3½	1951	1981	81.75
1,50,00,000	3½	1951	1981	96.50
50,00,000	4	1953	1983	106.00
50,00,000	4	1953	1988	97.50
90,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
78,00,000C	4	1956	1986	97.25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£802,600	5	1922	1953-83	£80.00
£901,000	5	1924	1954-84	£80.25
£885,106	5½	1932	1962	£91.00
MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	
9,88,000	3	1947	1977	A
5,00,000	3	1949	1979	
45,00,000	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.		**BOMBAY**		Rs.
50,00,008	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
30,00,000	4	1904	1964	
30,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	4	1916	1976	N
40,00,000	5	1919	1987-79	118.00N
66,00,000	6	1920	1956-80	
25,00,000	5	1926	1956-86	118.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	3	1928	1968	
STERLING LOAN				
£566,600		1909	1936	98.50N
£338,000		1910	1976	£98.50N
CALCUTTA				
Rs.				Rs.
25,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1964	99.00
25,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1968	91.00
20,00,000	3	1938	1968-88	90.00
50,00,000	4	1938	1968	99.25
1,02,00,000	4	1938	1968	99.00
50,00,000	4½	1938	1968	99.50

MUNICIPAL LOANS

Rs.		BOMBAY		Rs.
20,00,000	4	1913-16	1974	97.00
10,00,000	3	1920	1980	118.00N
25,00,000	5	1923	1953	108.00
26,31,900	5	1923	1953	108.00
3,35,00,000	3½	1947	1977	84.00
2,56,06,000	3½	1940	1979	84.00
4,00,00,000	3½	1941	1979	83.25
2,50,00,000	4	1952	1964	97.75
2,00,00,000	3½	1951	1966	97.00
1,50,00,000	4	1953	1968	97.75
1,00,00,000†	4	1953	1968	97.75
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
Rs.		CALCUTTA		Rs.
35,00,000	5	1923	1953	108.00
25,00,000	5	1923	1953	108.00
10,00,000	5½	1923	1962	108.00
23,91,000	3½	1935	1965	94.00
60,00,000	3	1936	1966	90.00
47,50,000	3	1938	1968	90.00
15,56,800	4	1940	1957	99.75
17,64,400	3½	1942	1959	96.50
21,10,000	3½	1942	1972	92.00
15,49,000	3½	1943	1973	92.00
16,33,000	3½	1951	1971	97.50
66,88,000	3½	1951	1966	97.50
37,34,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	100.00
Rs.		MADRAS		Rs.
15,00,000	3½	1931	1961	107.00N
15,00 000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,86,000	17th Sept. 1962	98.05
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,50,25,000	15th July 1963	99.25
4 % W. Bengal	1955	7,35,72,000	1st Sept. 1967	97.25
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	98.05

ABBREVIATIONS.
N—Nominal.
A—Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable.
(f) Income-tax free. * Loans held entirely by the Trustees. ** Rupee Counterparts.
*** Bombay State Transport. †† Rate of interest reduced from 6 to 3 per cent. with effect from 1st June 1944.
‡ Rate of interest reduced from 6½ to 4 per cent. with effect from 1st April, 1955. ‖—Interest free to first 12 years. †—Interest free for first 7 years
Z.—By four instalments but inclusive of accrued interest.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C. ..	8,00,000	1875	6½	Mar. Sep.	82.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.57	5
‡ East India Distillaries T.F.C.	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	58.00	100
Do. (Non-redeem.) ..	5,00,000	1940	7	Dec. ..	58.00	100
Puritabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.37	10
Ramnugger Cane T.F.C. ..	4,00,000	1933-36	6	Aug. ..	97.00	100
Ravalgaon Sugar	20,00,000	1943	5‡	Oct. Apr.	65.00N	100
South Bihar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.E.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C. .. ..

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. H. = Accounts published half-yearly. P. = Company has Preference shares. T. = Company has Debentures N. = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	4,87,500	1,01,25,505	44,08,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.90	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	24.50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,96,000	3,12,58,951	5,98,22,946	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd. ..	2,23,552	3,984	Bombay Dyeing & Mfg. Z ..	50.10	25	20.00	25.00*	25.00	0.75i	12	Y.
10,00,000	43,52,860	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	155.00	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,42,800	2,85,31,209	6,06,66,076	2,72,91,693	7,61,731	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg.	379.00	100	22.00	22.00	22.00	8.00i	12	Y.
40,00,000	25,42,326	1,19,99,766	66,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)	40,668	698	Colaba Land & Mill	51.00	100	*Nil*	*Nil*			12	Y.
25,00,000	13,03,380	99,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	24,848	..	Coorla Spg. & Wvg.	122.50	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,86,898	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd. ..	40,992	680	Dawn Mills	79.00	50	6.00	15.00			12	Y.
34,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	48,718	928	Edward Textiles	220.00	200	15.00	18.00	15.00		12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	42,124	886	Elphinstone Spg. & Wvg. ..	47.80	50	3.00	5.00	15.00		12	Y.P.
50,00,000	67,54,875	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd. ..	49,528	784	Finlay Mills	260.00	100	16.00	20.00	20.00		12	Y.
50,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	47,540	1,020	Gold Mohur Mills Ltd. ..	171.50	100	12.50	15.00	15.00		12	Y.
11,84,000 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills..	4,550.00 992.50	1,000 250	225.00 56.25	300.00 75.00	325.00 81.25	350.00* 87.50*	3	Y.P.
									3.84	100.	*Nil*	0.94	0.92			
2,50,00,000	56,39,672	4,00,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,300	6,278	India United Mills	1.22 4,900.00	0 1D. 1,000	*Nil* 225.00	0.19 300.00	0.18 300.00	325.00*	12	Y.
3,65,000 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	47,984	1,122	Indian Mfg.	— 500	500 112.50	112.50 150.00	150.00	150.00	162.50*	3	Y.P.
59 85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd...	99,844	1,487	Khatau Makanji Spg. & Wvg...	143.75	100	12.25	12.00	10.00	10.00(c)	6	Y.P.
1,00,00,000	1,28,00,000	3,50,04,591	2,78,94,101	1,62,802	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	260.00	100	18.00	18.00	18.00	6.00i	12	Y.
22,13,050	43,06,720	1,22,08,423	64,68,440	55,109	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*		10	Y.T.
51,75,000	38,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	71,652	1,652	Morarjee Goculdas Spg.& Wvg.	202.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,034	Chinai & Co. Private Ltd. ..			National Rayon Corporation ..	215.25	100	10.00	12.00	14.00*		12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,944	432	New City of Bombay Mfg. ..	125.00	100	10.00	10.00	10.00	5.00	12	Y.
30,00,000	11,72,134	101,83,002	63,37,034	....	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	215.00	100	7.50	10.00	10.00	*Nil*	12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	Phoenix Mills	120.00	100	8.00	10.00	..	12.50F	12	Y.P.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	141.00xd	100	10.00	12.00*	12.00*	4.00i	12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.	....	....	Sassoon & Alliance Silk Mill ..	6.52	10	0.50	0.50	0.25(e)		12	Y.
37,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	30.00	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,051	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Ltd. ..	69,070	1,640	Shree Niwas Cotton Mills ..	141.00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	33,02,179	98,78,309	58,78,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	157.00	50	11.00	10.00	12.00		3	Y.
87,80,000	2,50,82,705	2,77,88,979	1,62,06,915	2,93,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	310.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,06,485	2,51,02,081	1,33,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	162.50	100	8.00	12.00	14.00*		12	Y.P.
36,00,000	65,13,465	1,37,20,469	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	39,328	556	Swan Mills	324.50	100	20.00	25.00	25.00		12	Y.
65,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	55,448	1,200	Tata Mills	36.50	25	2.50	4.00	3.50*		12	Y.T.
12,00,000	1,21,85,655	1,45,81,207	96,78,967	93,935	M.	45,506	1,308	Western India Spg. & Mfg. ..	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
AHMEDABAD																
40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	119.00	100	5.00	7.00	12.00	5.00	6	Y.P.T
10,00,000	24,88,068	94,37,398	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Arvana Mills	550.00	100	20.00	30.00			12	Y.P.
40,00,000	2,97,88,661	1,96,82,179	97,29,203	15,274	Narotam Lalbhai & Co.	66,412	1,216	Arvind Mills	1,018.00	100	25.00	35.00*	35.00*		12	Y.P.
30,00,000	81,75,000	96,34,284	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	85,984	892	Aryodaya Ginning & Mfg. ..	425.00	200	15.00	25.00			12	Y.P.
12,00,000	1,48,05,808	95,70,783	63,51,759	17,257	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	935.00	100	22.00	30.00	30.00		12	Y.P.
1,37,50,000	3,49,64,519	5,14,69,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,372	Calico	617.50	125	18.00	..	30.00	30.00	3	Y.P.
62,91,000	82,38,059	1,26,33,243	95,76,063	3,458	Tricumlal Bhogilal & Co., Ltd. ..	45,836	866	New Commercial Mills	435.00	1,000	70.00	80.00	100.00*		12	Y.P
39,00,000	72,52,486	1,32,09,232	96,26,962	19,281	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	692.00	125	35.00	35.00	..		12	Y.
15 00,000	67,78,770	57 78 441	32,40,912	21,808	Jagabhai Bhogilal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	360.00	100	30.00*	20.00	20.00		12	Y.P.
20,00,000	1,10,62,006	99,61,103	62,28,955	1,77,078	Lalbhai Dalpatbhai & Co. ..	32,628	636	Raipur Mfg.	767.00	100	25.00	35.00*	35.00*		12	Y.P.
32,50,000	14,78,200	1,01,01,749	71,47,806	17,34,749	Lalbhai Dalpatbhai & Co. ..	53,156	956	Rohit Mills	145.00	100	9.00	9.00			12	Y.P.
57 96,000	8,75,84,105	1,92,47,853	1,05,24,569	2,83,336	Harivallabhdas Kalidas & Co.	94,128	1,733	Shri Ambica Mills	597.00	50	20.00	27.00*	30.00*		12	Y.P.
19,25,500	62,31,263	78,08,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad)	36,648	720	Shorrock Spg. & Mfg.	452.50	100	25.00*	25.00			12	Y.
85,00,000	87,34,105	1,19,54,140	83,17,270	59,446	Haridas Achratlal & Co., Ltd.	36,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	35,86,098	2,89,708	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	5.50	10	0.50	0.50	0.60		12	Y.P.T
7,11,280 9,00,620	10,06,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,292	925	Bengal Luxmi Cotton Mill ..	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
						42,960	641	Bowreah Cotton Mills	112.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,944	518	Dunbar Mills	125.00	100	*Nil*	2.50	6.00		12	Y.
19,00,000	26,17,431	1,13,16,740	74,67,879	3,55,035	Kettlewell Bullen & Co., Ltd. ..	43,852	206	Jay Shree Textiles Ltd. ..	6.19	10	*Nil*	*Nil*	0.37		12	Y.T.
50,08,000	....	69,08,197	15,08,197	2,632	Birla Brothers Private Ltd. ..	4,852	795	Kesoram Cotton Mills	9.87	10	0.87	0.87	1.00		3	Y.P.
1,60,00,000	2,29,43,820	3,76,19,883	1,81,26,883	1,88,672	Birla Brothers Private Ltd. ..	74,672	1,992	Rampooria Cotton Mills	15.00N	10	0.62	1.00	1.00		6	Y.
19,47,7000 5,00,000D	7,45,000	4 84,571	2s 70,548	3,936	Hazaresmul Heerala	23,036	795	Rampoorla Cotton Mills	4.00N	1D	*Nil*	0.34	0.26		6	Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	80,87,104	19,12,220	16,013	Seina & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,681	1,85,99,928	62,71,682	95,435	C. S. Tyabjee, Esq.	36,186	716	Azam Jahi Mills	55.00	100	*Nil*	3.50(c)	5.00	3.50	9	Y.
1,21,50,000	2,50,15,667	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd. ..	40,068	1,187	Bangalore Woollen, Cotton and Silk Mills	174.00	100	30.00	30.00	30.00	4.00i	12	Y.P.
25,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	29,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	1.50	1.50	3	Y.
1,78,47,800	2,77,75,212	6,69,41,316	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd. ..	1,22,236	2,762	Buckingham & Carnatic	157.50	100	10.00	10.00	10.00	4.00i	12	Y.P.T.
20,00,000	20,00,000	42,33,535	23,99,013	53,524	Peirce, Leslie & Co., Ltd. ..	27,536	4	Cambodia Mills	9.90	10	*Nil*	0.50	0.50		12	Y.P.
15,00,000	5,11,500	53,32,411	37,36,037	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg. ..	156.00	100	20.00	12.00	15.00	20.00	3	Y.
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.37	5	0.50	*Nil*	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12.00	10	0.62	0.62	0.75	0.90	3	Y.P.
36,00,000	19,01,095	80,65,700	41,97,634	10,689	R. Bheema Naidu & Co. ..	28,864	..	Coimbatore Cotton Mills ..	160.00cd	100	25.00	25.00	25.00		12	Y.
18,15,000	7,25,136	....	39,16,552	24,29,633	....	22,810	..	Coimbatore Murugan Mills ..	141.00	100	17.50	20.00	12.00		12	Y.P.
20,00,000	19,95,000	36,59,430	24,25,921	14,923	T. R. N. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills ..	237.00	100	20.00	20.00	..		6	Y.P.
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,832	407	Coimbatore Spg. & Wvg. ..	65.00	50	5.00	8.00	10.00		12	Y.
46,87,500	27,25,144	2,42,10,703	1,54,86,354	....	Tata Industries Private Ltd. ..	67,452	1,620	Central India	82.00	100	2.00	3.00	*Nil*	*Nil*	6	Y.P.
24,43,200	15,50,000	92,00,552	40,27,014	15,780	R. Hanumanthappa & Son ..	25,216	..	Davangere Cotton Mills ..	115.00	100	12.00	9.00	9.00	9.00	3	Y.P.
3,88,36,225	3,10,24,830	11,79,09,463	6,78,07,135	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	29.00	2½	2.25	2.25	2.50	2.00	6	Y.P.T
1,00,568										2½	0.22	0.22	0.25	0.20		
48,60,000	22,25,000	66,71,865	46,12,585	....	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	205.00	100	30.00	30.00	25.00		12	Y.
63,00,000	98,47,056	1,54,57,568	1,35,57,542	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13.00	10	1.00	1.00	1.25		9	Y.P.
48,81,000	37,59,771	1,06,45,241	73,45,088	6,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	152.00	100	15.00	15.00	13.00		12	Y.
2,50,00,000	2,29,000	4,52,88,795	1,82,00,000	72,17,274	Birla Gwalior Private Ltd.	....	....	Gwalior Rayon	11.36	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
60,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United	105.50	100	6.00	9.00	11.00		12	Y.
8,90,000	10,65,683	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd. ..	23,734	..	Janardhana Mills	79.50	50	5.00	10.00	10.00		12	Y.
15,54,000	18,24,703	45,22,234	33,88,095	7,012	Mr. Bhalmurian Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji ..	1,450.00	1,000	20.00	50.00	60.00		6	Y.
4,63,65,300	3,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,683	Jiyajeerao Cotton	9.60	10	4.00‖	4.00‖	0.85	0.35	3	Y.P.
42,00,000	19,25,000	1,06,81,567	38,23,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	10.25	10	0.50	1.00	1.00	1.00	6	Y.P.
82,00,000	67,91,551	1,39,61,585	1,26,19,455	20,376	M.	50,452	1,219	Lakshmi Cotton Mfg.	415.00	250	33.75	42.50	42.50	1.00	6	Y.P.
71,28,200	66,35,960	2,12,68,797	1,17,05,975	4,183	G. K. Naidu & Co.	93,160	201	Lakshmi Mills	112.00	50	10.00	12.50	12.50	7.50i	12	Y.P.
35,64 100	....	84,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Madura Mills	34.75sd	10	5.00	6.25	6.25	5.00	3	Y.
4,24,40,278	5,83,51,924	3,77,47,982	32,44,130	A. & F. Harvey Ltd.	4,53,000	..	Malabar Spg. & Wvg. ..	99.00	200	*Nil*	*Nil*	8.00			12	Y.
12,00,000	3,67,383	29,08,922	18,76,700	213	V. K. Eradi (Chairman)	22,592	603	Mettur Industries Ltd. ..	365.00	100	22.50*	25.00	42.50	20.00	3	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	704	Minerva Mills	71.80	100	6.00	6.00	6.00		12	Y.
29,80,884	19,58,061	92,42,488	58,37,726	19,662	N. Sirur & Co. Private Ltd. ..	39,896	952	Model Mills (Nagpur)	176.75	250	5.00(e)	6.00	6.00		12	Y.
94,91,850	21,58,146	1,71,94,769	78,51,525	1,85,008	M.	52,408	500	Mysore Spg. & Mfg.	96.50xd	50	8.00*	6.00(e)	9.00*	9.00*	6	Y.
24,38,500	48,58,178	1,13,48,711	71,02,473	35,937	N. Sirur & Co. Private Ltd. ..	50,492	..	Mysore Spun Silk Mills ..	6.25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
13,61,780	....	29,12,641	17,83,314	3,966	K. Tipperudrlah (Chairman)	6,000	..	Ramanlkhl Mills	40.00	100	*Nil*	2.50(e)	3.00(e)		3	Y.
37,20,400	47,50,246	1,71,25,376	67,91,363	2,598	M.	57,788	902	Sassoon Spg. & Wvg.	135.00	50A	12.00	12.00	15.00		9	Y.
4,00,000A 6,00,000B	18,00,000	65,46,779	25,36,447	8,580	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	197.50	75B	18.00	18.00	22.50		12	Y.P.
15,00,000	....	84,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	45.50	100	*Nil*	4.00(e)	*Nil*		12	Y.
16,51,200A 8,40,000B	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	55,664	800	Radhakrishna Mills	244.00	100A	10.00	20.00	20.00		12	Y.
									120.00	50B	8.00	10.00	10.00			
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	33,896	..	Rajalakshmi Mills	77.00	50	10.00	10.00	7.50		12	Y.P
16,14,300	12,00,000	32,92,216	17,41,484	10,510	Ramco Agencies Ltd.	24,996	..	Rajalakshmi Mills	133.50	100	6.00	10.00	10.00		3	Y.
22,31 750	12,40,000	49,64,423	21,20,815	32,012	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills	114.25	100	8.00	10.00	10.00		3	Y.
15,00,000 10,000	1,60,55,917	3,18,49,081	2,05,07,227	—1,65,20,798	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	640.00 —	1,000 500	*Nil*	*Nil*			3	Y.P.
86,57,700	20,26,385	96,26,665	70,67,094	19,548	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills ..	82.00	50	4.50	5.00	7.00	7.00	3	Y.
15,00,000	3,48,80,155	99,62,153	79,53,780	80,00,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	6.00	6.00		3	Y.
17,50,0000	2,86,23,081	5,13,52,120	1,81,38,924	8,35,712	Jaipuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur) ..	10.50 10.25	10Q. 10P.O.	0.75 1.15	0.75 1.15	0.75 1.15		12	Y.P.
57,50,000‡									12.15	10	0.62	0.75	1.00		12	Y.P.T
1,00,06,205	50,06,584	3,85,56,288	1,62,42,716	2,38,690	Emcote & Sons (Travancore), Ltd...	....	..	Travancore Rayons	12.50	10	0.89	0.89	1.12		12	Y.
13,98,670	9,50,000	17,49,981	12,41,858	62,337	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	270.00	100	15.00	20.00	20.00		12	Y.
21,00,000	38,50,000	80,72,634	47,22,519	44,000	R. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	97.50	100	4.00	8.00	8.00	12	12	Y.P.
22,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,355	Vishnu Cotton								

* Includes bonus.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953.
‡ Made up of 4,354 shares of Rs. 40 each—Rs. 20 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up.
M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March, 1957.
Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957.
§ On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.83	5	*Nil*	0.50	0.75	0 85	3	Y.P.
16,20,630	26,75,014	29,38,961	10,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.31	5	0.50	0.56	0.56		3	Y.
4,70,976D	£1,149,466	£1,757,928	£811,407	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	29.25	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	179.00	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,040	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	12.10	B. 10	1.00	1.00*	1.00		12	Y.P.
3,14,6000. 4,70,976D.	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	3.94 0

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
44,00,000	28,91,841	2,18,28,402	1,86,75,214	4,805	M.	Bengal Paper Mills	58.00	25	3.12	4.69	2.50		12	Y.P.T.
62,00,000	62,91,252	1,24,92,175	43,76,687	23,444	Andrew Yule & Co., Ltd.	India Paper Pulp	14.00	1 39 2/5	1 39 2/5	1.40			3	Y.
25,00,000	23,13,580	1,48,27,629	47,402	77,57,946	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15.40	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,44,32,500	3,48,75,045	5,94,16,697	1,37,53,042	2,62,477	Birla Brothers Private Ltd.	Orient Paper	24.30	10	0.94	1.12	0.62	1.80	3	Y.P.T.
1,85,49,670	67,75,593	1,90,49,302	1,09,79,701	2,18,033	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills	14.12	10	1.50	1.25	1.25		6,12	H.P.T.
40,00,000	6,58,006	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05		3,9	H.P.T.
20,00,000A.							11.00	A. 10	0.75	1.25	1.05			
2,15,55,240	49,13,059	3,75,66,264	87,93,879	17,812	Birla Brothers Private Ltd.	Sirpur Paper Mills	5.80	10	Nil	5.00‡	0.50		6	Y.P.
55,00,000A.							34.00	A. 10	1.50	2.00*	1.12*	2.37*		
56,64,800B.	3,76,50,474	6,78,45,867	3,51,66,928	92,528	F. W. Heilgers & Co. Private Ltd.	Titaghur Paper Mills Co., Ltd.	34.00	B. 10	1.50	2.00*	1.12*	2.37*	5	Y.P.
37,86P.O.							3.90	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	2,26,872	13,981	13,858	28,272	Andrew Yule & Co., Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co., Ltd.	Central Hydraulic	90.00	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,7850.	7,30,845	42,74,650	28,85,280	96,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60		9	Y.P.
9,00,000D.							2.15N	D. 1	Nil	Nil	0.05			
94,00,000	25,22,469	7,32,563	52,846	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.50	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
12,93,998	23,83,489	83,88,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.75	3	Nil	Nil	Nil		9	Y
60,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	525.00	Old125	20.00	37.50	40.00	40.00	5	Y
42,00,000							188.75	New50	5.00	15.00	15.75	16.00		
20,00,000	20,40,000	19,48,737	16,00,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	13.90	10	2.75	3.00	3.00	1.00‡	6	Y
SUGAR (U.P. and Bihar)														
14,06,800	13,33,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	8.25	5	0.75	0.06	Nil		6	Y
12,00,000A.	29,80,366	55,40,881	36,32,438	12,12,090	Marang Bros. & Co. Private Ltd.	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		4	Y.T.
3,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,35,008	32,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Balaund Sugar	9.87	7½	0.75	0.75	1.00		9	Y.
16,00,000	13,51,513	18,12,168	12,47,841	2,350	Cotton Agents Private Ltd.	Bharat Sugar	13.50N	10	1.50	1.50	1.50		6	Y.P.
15,00,000	27,44,459	1,40,84,561	95,71,755	20,716	Gladstone Lyall & Co., Ltd.	Carew & Co.	6.00	10	0.75	0.25	Nil		6	Y.P.T.
23,00,000	27,44,459	1,40,84,561	95,71,755	20,716	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12.37	10	0.75	0.75	0.75		10	Y.P.
80,00,000	65,55,725	1,03,27,895	48,37,332	91,991	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.00	10	1.00	1.50	1.00		8	Y.
13,00,000	29,72,880	81,58,085	35,46,244	29,502	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T.
9,58,282	2,59,762	25,14,182	16,08,382	5,464			275.00	A. 100	15.00*	15.00*	15.00			
30,00,000A.	44,95,000	1,02,71,005	67,56,074	32,122	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	100.00	O. 100	15.00*	15.00*	15.00		6	Y.P.
10,00,000O.														
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman)	Kesar Sugar	59.50	40	Nil	2.25	4.00	7.00	7	Y.P.
7,89,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	26.00	10	2.50	2.50	2.50	2.50	6	Y.P.
11,90,000	4,45,000	46,89,626	27,41,292	10,796	K. C. Thapar & Bros Private Ltd.	New Savan	4.50	10	0.25	0.25	0.37		5	Y.
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	200.00N	100	20.00	20.00	20.00	20.00	6	Y.
38,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd.	Oudh Sugar	138.00	100	11.00	11.00	11.00	12.50	7	Y.P.
13,00,000	13,59,874	31,96,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75.00N	100	10.00	6.00			10	Y.
9,00,000	19,84,817	48,99,885	31,54,228	20,795	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
8,00,000	5,10,703	28,74,628	22,66,700	18,204	M.	Ryam Sugar	21.25N	10	0.50	Nil	Nil		6	Y.P.
11,99,000	19,88,250	45,20,102	24,12,129	3,554	Sahu Jain Ltd.	Samastipur Central Sugar	12.25	10	0.50	Nil	1.75		6	Y.
39,70,525	22,58,560	1,40,84,561	68,35,007	—4,25,477	M. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Shree Krishna Gyanoday Sugar	9.25	10	1.50	1.75	1.00		8	Y.P.T.
9,99,950	26,826	28,20,774	13,51,547			Sitalpore Sugar	4.75	10	Nil	Nil	Nil		6	Y.
15,59,963	13,10,901	32,44,287	18,97,008	88,761	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		6	Y.T.
9,16,000O.	46,462	29,06,360	11,46,770	—16,37,907	M.	South Behar Sugar	1.12N	O. 10	Nil	Nil			10	Y.P.T.
4,40,000D.							0.81N	D. 2½	Nil	Nil				
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	55.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
16,00,000	7,69,559	33,17,989	27,09,205	32,042	M.	United Provinces Sugar	13.50	10	1.25	1.50	0.60		9	Y.
Other Centres														
87,50,000	1,99,56,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	9.50	O. 10	Nil	Nil	1.50	0.00	3	Y.P.T.
2,50,000							4.75N	D. 24	Nil	Nil	Nil	Nil		
40,00,000	22,25,000	68,17,870	38,12,986	66,589	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd.	13.75	10	1.25	1.25*	1.25	1.25	3	Y.
30,00,000	36,20,717	34,97,377	23,60,332	3,61,259	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	18.12	10	1.25	2.00*	2.00*	1.80*	6	Y.
30,00,000	18,70,000	59,82,721	21,50,441	1,72,873	Mr. A. Hydari & Mr. S. Gobhery	Assam Match Co., Ltd.	16.31	10	1.25*	1.25*	1.25*		12	Y.
30,00,000	22,47,882	1,02,58,021	36,57,889	2,48,122	Associated Hotels of India	Oberoi Hotels (India) Private Ltd.	4.50	10	0.20	0.40	0.10		8	Y.P.T.
30,01,400	98,61,292	69,52,108	37,02,106	5,05,576	M.	Balmer Lawrie & Co., Ltd.	146.00	100	12.50	12.50	15.00		12	Y.
12,00,000	13,56,099	33,30,385	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd.	27.25	10	2.50	2.25	2.50		12	Y.
20,00,000	3,05,715	62,28,402§§		37,612	Lovelock & Lewis	Birds Investment Ltd.	12.69	10	1.25	1.25	1.00		8	Y.P.
45,97,028	84,61,914	1,14,81,095	37,07,455	1,84,685	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	12.50	10	1.00	1.00	1.00	1.00	3	Y.P.T.
2,25,00,000	1,89,55,571	3,06,98,577	2,89,80,121	1,33,852	W. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.76	5	0.06	Nil	0.10		12	Y.P.
1,25,80,000	17,84,984	1,09,45,998§§		3,15,884	Andrew Yule & Co., Ltd.	Clive Row Investment	8.94	10	0.20	0.56	1.88	0.75	3	Y.
3,00,00,000	3,40,86,174	5,59,01,095	2,48,71,167	13,24,595	John Lockham, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd.	22.06	10	1.50	1.50	1.50		12	Y.P.T.
21,28,955	54,81,635	1,64,12,906§§		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	104.50	100	9.00	9.00	9.00	9.00	12	Y.P.
14,00,000	9,85,000	34,02,189	19,99,339	34,584	Mansfill & Barry Ltd.	Ganges Rope Co., Ltd.	120.50	100	15.00	15.00	4.00	12.50	3	Y.
68,00,000	58,17,500	1,19,75,913	9,18,968	89,641	J. F. E. d'A. Willis, Esq.	Gillanders Arbuthnot & Co., Ltd.	12.12	10	0.75	1.40	1.60		3	Y.P.
20,00,000	18,17,354	88,08,821	26,24,683	74,215	B. P. R. Syndicate	Great Eastern Hotel	240.00	250	5.25	5.25	15.00	15.00	3	Y.
4,95,05,700	10,00,000	4,87,26,877	1,61,58,541	7,92,903	Birla Brothers Private Ltd.	Hindustan Motors	6.00	10	Nil	Nil	Nil		3	Y.
2,01,10,000	1,40,00,864	2,56,86,031	86,85,093	41,81,853	M. S. Greenwood (Mg. Director)	Indian Aluminium Co., Ltd.	12.75	10	Nil	0.90	1.00		12	Y.P.
1,82,29,228	6,03,006	16,74,908	9,50,806	52,722	B. J. Woodley, Esq. (Mg. Director)	Indian Cables	22.50	10	1.00*	1.25*	1.50*	1.50*	3	Y.P.T.
8,57,878	24,02,01,694	9,95,79,293	1,62,23,899	25,04,159	G. S. Monilon & Co. (India) Ltd.	Indian Rubber Manufacturers	19.00N	10	0.50	0.50	0.50	0.70	3	Y.P.
15,16,00,000	76,27,615	89,09,997	13,06,932	4,71,176	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	11.12	10	0.60	0.80	0.80	0.80	3	Y.
2,00,00,000					J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	59.50	100	7.50	7.50	7.50	2.50	3	Y.P.
40,00,000O.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	O.100	17.00	22.50	8.00		12	Y.P.
5,00,000D.								D.O.10		1.25	1.75	1.50		
1,45,23,500	90,58,531	25,54,434	14,97,332	2,35,312	Lee Tools Martin, Esq. (Mg. Director)	Martin Burn Ltd.	25.31	10	1.38	1.31*	2.12*	2.12*	9	Y.P.
1,15,00,000	1,17,00,151	2,02,36,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd.	25.25	10	1.00	1.25	1.62	1.75	3	Y.P.
	1,821	7,65,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3.76N	10	Nil	Nil	Nil	Nil	3	Y.
8,57,585	6,92,500	11,29,660	5,97,852	8,849	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15.25	10	1.00	0.75	0.90	1.25	3	Y.P.
4,56,250	2,76,000	16,47,549	10,18,139	43,554	M. Mallaiahyya, Esq. (Chairman)	Mysore Tobacco	18.10	10	1.25	1.00	1.50	1.50	3	Y.
10,00,000	78,16,585	1,06,98,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	24.25	10	0.40	0.62	1.50	0.75‡	12	Y.
2,00,00,000					Associated Industrial Development Co. (Private) Ltd.									
40,00,000	74,71,172	63,89,914	41,52,961	1,44,443		National Insulated Cable Co.	24.00	10	1.00	1.50*	2.00*		3	Y.T.
						National Rolling & Steel Repos	9.81	10	0.50	0.50	0.50		6	Y.P.
40,00,000	15,00,000	93,19,295	21,17,403	75,726	Do.	National Tobacco Co.	9.06	10	0.50	0.50	0.70		12	Y.P.T.
79,97,000	58,15,466	1,30,51,899	61,75,168	9,02,640	B. N. Elias & Co. Private Ltd.	Raffia (India) Ltd.	27.25	100	Nil	Nil	Nil		3	Y.P.
2,50,00,000	3,71,245	1,45,28,415	44,23,274	—44,12,938	M. P. A. Pappatti, Esq.	Rohtas Industries	16.00	10	1.50	1.50	1.50		10	Y.P.T.
2,25,00,000	1,37,70,209	19,60,39,311	3,96,22,765	49,403	Sahu Jain Ltd.		100.00N	100			5.00	6.00		
4,73,200	51,886	31,11,687	6,29,199	19,106	Sathe Food Inds (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	50.00N	50			2.50	3.00	3	Y.P.
5,15,000							17.65xd	10	1.50	1.50	1.50	1.50	12	Y.P.
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	10.06	10	1.25	1.00	1.00		12	Y.P.
75,00,000	17,19,008	1,41,51,909	4,53,782	—47,988	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10.00	10	Nil	Nil	Nil	Nil	12	Y.
9,95,350					Oriale Bros. (Private) Ltd.	Travancore Oriale Glass	2.40	10	Nil	Nil	Nil		12	Y

M. Managed by Board of Directors.
Subject to taxation.
Y.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957.
†† Investments at cost.
* Includes bonus.
‡ On old capital.
§ Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.
‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Average under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,588	....	McLeod & Co., Ltd.	335	Amluckie	25.00	10	72.00	19.00	5.00		12	Y.P.
2,76,500	5,71,990	11,19,837	3,89,768	33,139	M.	312	Ananda (Assam) Tea	19.50	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,569	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21.00	10	5.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	16.75	10	3.50	1.00	2.50		12	Y.
5,10,000	9,95,000	12,90,911	5,32,732	53,592	Andrew Yule & Co., Ltd.	378	Basmatia	23.00	10	8.00	1.50	2.00		12	Y.
5,10,000	5,10,000	12,75,996	8,39,524	1,80,178	National Tea Corporation	570	Batell	18.50	5	4.00	2.50	3.00		12	Y.
6,40,000	7,40,000	11,16,644	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23.75	10	10.00*	2.00	2.50		12	Y.
33,00,000	15,83,333	63,38,222	28,40,322	3,16,826	Williamson Magor & Co., Ltd.	485	Bishnauth	18.70	10	5.50	2.00	2.00		12	Y.
6,00,000	2,50,000	11,47,111	2,50,037	35,931	Octavius Steel & Co., Ltd.	450	Bokakhat	12.75	10	1.00	Nil			12	Y.P.
7,50,000	7,27,550	10,59,753	3,34,701	35,528	McLeod & Co., Ltd.	2,356	Borman Jan Tea	14.00	10	3.50	2.00	1.50		12	Y.
35,00,000	15,33,393	51,87,373	29,03,381	5,44,800	M.	507	Brooke Bond	16.00	10	1.25	4.75	1.25	1.75	6	Y.
1,20,000	4,25,426	6,44,302	3,17,579	42,144	McLeod & Co., Ltd.	1,135	Dejoo Valley	50.00	10	6.00	3.00	1.001		12	Y.
8,40,000	9,22,239	20,30,518	10,14,274	99,807	Jardine Henderson Ltd.	661	Dhekakhat	210.00	100	40.00	10.00	10.00		12	Y.
17,52,440	5,97,962	24,59,777	5,10,550	42,736	James Warren & Co., Ltd.	646	Dhunsari	20.25	10	2.50	2.50	0.501		12	Y.
4,68,970	3,95,000	11,95,648	4,32,726	1,486	M.	458	Dibrugarh	12.75	10	1.00	1.25	2.50		12	Y.P.
4,50,000	8,76,000	11,31,919	3,70,354	33,396	McLeod & Co., Ltd.	617	Dimakusi	21.50	10	4.00	2.00	3.00		12	Y.P.
3,00,000	5,10,000	13,97,930	6,03,330	1,17,081	Williamson Magor & Co., Ltd.	615	Dirrumgaon	28.50xd	10	5.00	4.00	4.00	1.001	12	Y.P.
7,00,520	10,50,000	21,34,945	12,92,745	2,21,346	Williamson Magor & Co., Ltd.	1,165	Dufflaghur	17.62	10	3.50	1.00	1.00		12	Y.
10,00,000	7,00,000	27,71,247	10,69,747	1,13,777	Williamson Magor & Co., Ltd.	407	East India Tea	27.00	10	8.00	3.50	3.00		12	Y.
5,03,760	4,84,586	11,32,248	4,39,802	17,708	M.	407	Gillapukri	20.12	10	5.00	3.00	2.50		12	Y.
5,76,000	6,25,000	18,21,051	3,55,561	99,713	Williamson Magor & Co., Ltd.	546	Gohpur	21.25	A 10	5.00	2.50	3.26		12	Y.
A. 7,41,540	19,32,310	35,88,143	8,04,222	93,857	Octavius Steel & Co., Ltd.	1,920	Grob	12.25	B 5	2.50	1.25	1.02			
B. 3,61,135															
5,00,000	5,75,000	19,27,909	3,55,210	39,357	Andrew Yule & Co., Ltd.	476	Hoograjuli	28.00N	100	65.00	7.50	15.00		12	Y.
8,70,000	13,19,382	23,89,844	12,44,054	95,546	Andrew Yule & Co., Ltd.	1,321	Hoolungooree	160.00	100	10.00	1.00	1.00		12	Y.
58,55,900	45,17,050	1,44,35,016	35,30,005	95,818	Birla Brothers Private Ltd.	4,900	Jay Shree Tea Gardens	10.25	10	1.00	1.00	1.00		12	Y.
9,00,000	6,50,000	15,61,927	3,93,778	33,605	Gillanders Arbuthnot & Co., Ltd.	945	Jutilbari	17.00	10	3.50	Nil	1.00		12	P.Y.
9,00,000	11,30,500	12,75,343	6,72,343	65,935	M.	1,166	Kinaidey-Golaghat (Assam)	150.00N	100	25.00	25.00			12	Y.P.
2,40,000	60,000	21,41,914	1,53,014	13,519	Duncan Bros. & Co., Ltd.	1,583	Kotamullai Tea	11.00	5	Nil	Nil	Nil		12	Y.
1,80,000	60,000	21,41,914	1,53,014	13,519	Duncan Bros. & Co., Ltd.	63	Ledo	17.00	10	2.75	1.00	0.75		12	Y.
3,50,000	11,98,587	20,33,814	5,74,363	58,584	Octavius Steel & Co., Ltd.	612	Methoni	17.00	10	4.50	1.75	2.00		12	Y.P.
6,00,000	10,30,000	20,33,814	5,74,363	1,317	Duncan Bros. & Co., Ltd.	573	Moheema	20.00N	10	Nil	Nil			12	Y.
4,80,000	430,000	10,02,237	2,42,536	1,317	Duncan Bros. & Co., Ltd.	383	Mothola	445.00N	100	65.00	50.00	60.00			
1,50,000	7,72,434	8,97,034	4,90,190	99,992	Kettlewell Bullen & Co., Ltd.			27.00	O. 10	4.00	1.25	2.00		12	Y.
1,75,000					Andrew Yule & Co., Ltd.	344	Murphulani	25.00	P.O. 10	5.00	1.75	2.50		12	Y.
1,75,000	6,55,000	10,14,557	5,76,123	99,252				13.00	10	3.00	1.00	1.50		12	Y.
100,000								100.00	100	10.00	Nil	Nil		12	Y.
5,35,000	1,75,000	11,34,794	4,84,702	1,012	M.	814	Namburnadi	100.00	100	10.00	Nil	Nil		12	Y.
5,00,000	1,01,000	6,55,064	2,30,978	5,451	Duncan Bros. & Co., Ltd.	796	New Cinnatollah	40.00	10	7.50	0.25	4.00		12	Y.
2,00,000	3,62,500	6,62,500	2,30,978	41,025	Andrew Yule & Co., Ltd.	358	Rajgarh	23.75	10	4.50	2.50	2.50		12	Y.
2,00,000	1,55,586	23,96,624	9,34,819	52,603	M.	469	Sapoi	19.00	10	4.00	1.50	1.50		12	Y.
9,00,000	3,00,000	10,71,022	6,25,422	57,277	Williamson Magor & Co., Ltd.	510	Seajuli	22.00	10	6.00	2.00	3.00		12	Y.
2,40,000	8,50,000	12,80,456	4,57,911	26,143	Octavius Steel & Co., Ltd.	495	Teen Ali	23.00	10	5.00	2.50	3.50		12	Y.P.
4,50,000	8,50,000	13,32,300	4,42,373	64,681	McLeod & Co., Ltd.	495	Telolian	50.00N	10	6.50*	0.75	1.00		12	Y.
5,99,000	11,93,874	14,38,300	4,42,373	42,609	Gillanders Arbuthnot & Co., Ltd.	514	Tengpani	15.02	10	5.00	1.50	1.25		12	Y.
8,00,000	4,85,127	11,51,111	3,30,737	15,02	M.	2,219	Tespore	59.00xd	10	6.00	3.00	4.50		12	Y.P.T.
19,82,880	13,18,237	41,79,605	17,70,005	72,154	Shaw Wallace & Co., Ltd.	1,050	Tyroon								
5,20,000	21,00,250	19,40,043	1,72,398	86,908	McLeod & Co., Ltd.										
CACHAR															
2,00,000	8,40,000	5,20,762	1,79,876	—8,36,165	M.	863	Arcuttipore	8.75	10	Nil	Nil	Nil		12	Y.
7,00,000	....	8,32,149	85,697	—1,33,746	Octavius Steel & Co., Ltd.	540	Eastern Cachar	4.00	10	Nil	Nil	Nil		12	Y.
2,60,000	11,02,719	28,90,111	10,97,624	23,510	Octavius Steel & Co., Ltd.	1,154	Hattikhira	10.37	10	4.00	0.75	0.50		12	Y.
2,60,000	3,24,391	6,71,592	2,40,610	3,189	Duncan Bros. & Co., Ltd.	618	Kunchunpore	7.62	10	2.75	Nil	Nil		12	Y.
2,60,000	6,50,000	11,03,389	2,80,389	1,37,855	Octavius Steel & Co., Ltd.	1,376	North-Western Cachar	100.00	100	20.00	15.00	15.00		12	Y.
2,59,050		4,38,303	54,250	—93,198	McLeod & Co., Ltd.	638	Roopacherra	6.00	10	Nil	Nil	Nil		12	Y.
2,60,000	3,96,592	13,22,712	2,41,201	13,880	Duncan Bros. & Co., Ltd.	688	Rungamattee	60.00	50	17.50	10.00	10.00		12	Y.
5,25,000	11,42,956	13,22,712	3,64,041	26,286	M.	663	Sonai River	12.00	10	1.25	Nil	Nil		12	Y.P.
4,00,000	3,85,980	10,68,284	3,68,708	—31,199											
DARJEELING															
2,79,900	1,25,000	35,85,806	74,106	33,357	Williamson Magor & Co., Ltd.	408	Chamong	10.50	10	2.00	Nil	0.75		12	Y.
2,00,000	1,37,039	9,22,398	1,43,785	408	M.	483	Dilaram	138.00	100	21.00	Nil	5.00		12	Y.
2,00,000	3,00,532	12,73,097	72,73,097	—5,922	Davenport & Co., Ltd.	807	Gielle	9.50	10	2.50

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
8,00,000	2,10,000	2,92,505	84,197	15,099	Planting Agencies (Private) Ltd...	Balmadies Plantations	2.85	2	0.25	0.30	0.21	0.45	5	Y.P.
28,91,909	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4.10	3	0.75	0.45	0.75	0.52	2	Y.P.
16,00,000	31,00,000	39,79,856	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	27.87	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,13,936	1,25,54,765	20,59,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	22.15	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Cottanad Plantations	12.25	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	12.00	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,068	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	18.80	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	6,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15.25	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	28,79,387	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	14.43	10	1.75*	2.50	2.00	2.00	3	Y.P.
8,35,000	5,31,000	14,62,886	2,09,733	26,171	A. V. George & Co. Ltd. ..	Neimmery Rubber	14.25	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,765	4,371	Associated Planters Private Ltd...	Nilambur Rubber Co.	12.50	10	1.00	1.50	1.50		12	Y.P.T.
19,45,980	21,29,615	43,87,305	14,23,968	*Nil*	Peirce, Leslie & Co., Ltd. ..	Ouchterluney Valley Estates ..	4.00	2	0.61	0.40	0.21		10	Y.P.T.
13,50,000	8,60,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajasiri Rubber	14.20	10	1.75*	2.00	2.50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,542	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4.05	2	2.50	1.00	1.50		11	Y.
10,00,000	3,01,500	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.40	10	0.75	0.00	0.00	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	84,741	33,968	A. V. George & Co., Ltd. ..	Thamarapally Rubber	20.85	10	3.00	3.00	3.00		12	Y.P.
9,15,300	4,00,000	22,40,057	1,37,485	23,027	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.93xd	1	0.10	0.12½	0.12½	0.05	9	Y.T.
6,00,000	32,566	7,71,251	1,36,210	2,287	Eapen Thomas, Esq. (Mg. Director)	Travancore Rubber	13.50	10	2.00	3.00	2.00		12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6.05	10	1.50	1.25	0.75		12	Y.P.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00		12	Y.
6,28,580	6,40,670	9,17,692	21,770	21,911	Harrisons & Crosfield Ltd. ..	Valkundam (Travancore) Rubber ..	19.47xR	10	2.25	2.50	3.50	2.00‡	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.88	10	1.50	2.00	1.25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	7.06	10	0.62	0.62	0.25	0.25	3	Y.T.
6,00,000	10,25,000	66,62,953	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	160.00	100	7.50	10.00	10.00		6.12	H.P.T.
80,00,000	5,25,000	1,17,61,827	94,41,059	84,402	McLeod & Co., Ltd.	1,264	Alliance	77.50	100	12.00	8.00	*Nil*		6.12	H.P.
49,20,700	57,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	128.00	100	7.50	8.50	2.50	7.00	3	Y.P.
48,00,000	29,54,500	1,49,09,985	85,84,728	—8,79,016	Bird & Co. Private Ltd.	810	Auckland	85.50	100	3.50	10.00	1.00	*Nil*	3	Y.P.T.
20,00,000	28,80,918	26,91,416	65,85,094	65,802	Birla Brothers Private Ltd. ..	959	Bally	134.00	100	*Nil*	8.50	*Nil*	*Nil*	3.9	H.P.
5275,000	£474,867	£1,628,462	£0,23,169	....	Sir John E. Burder (Chairman) ..	1,889	Barnagore	76.00	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
25,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd. ..	820	Belvedere	64.00	100	10.00	7.50	*Nil*		12	Y.P.
45,00,000	38,46,000	57,08,172	31,25,574	2,66,100	Soorajmull Nagarmull	600	Bengal	13.60	10	1.12	1.12			6	Y.P.T.
91,26,000	2,17,45,383	3,84,15,475	1,65,32,951	4,37,898	Birla Brothers Private Ltd. ..	1,373	Birla	12.31	10	1.00	1.00	1.00		3	Y.P.
66,00,000	21,09,926	1,17,00,598	72,35,819	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	64.00	100	9.00	7.50	*Nil*		10	Y.P.
7,47,880	3,09,640	42,13,704	31,62,668	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7.00	10	0.75	*Nil*			6.12	H.P.T.
15,00,000	26,46,234	87,41,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	516	Caledonian	102.00	100	9.00	6.50	*Nil*		11	Y.P.
59,15,400	76,49,289	2,28,54,028	1,19,50,848	—7,24,048	James Finlay & Co., Ltd. ..	600	Champdany	96.00	100	8.00	10.00	2.00	*Nil*	3	Y.
15,95,000	23,29,282	82,73,766	57,70,175	8,665	Andrew Yule & Co., Ltd. ..	550	Cheviot	102.00	100	14.00	10.00	2.00		11	Y.P.
20,15,000	32,00,000	66,58,752	45,43,566	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	11.75	10	1.12	1.37	0.62½		6.12	H.P.T.
24,00,000	9,00,000	81,05,337	52,13,137	25,935	Shree Krishna Investment Co.,Ltd	959	Clive	72.12	10	*Nil*	1.25x	0.50		3	Y.P.
31,49,200	44,50,392	1,35,02,698	51,19,167	—8,75,531	Bird & Co. Private Ltd.	768	Dalhousie	55.00	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	40,51,679	77,35,542	47,06,110	4,567	Andrew Yule & Co., Ltd. ..	779	Delta	95.50	100	12.00	10.00	5.00		11	Y.P.
15,00,000	24,50,000	83,92,514	60,85,660	76,491	McLeod & Co., Ltd.	600	Empire	14.50	10	1.25	1.25	0.50‡		6.12	H.T.P.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell *Bullen* & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	275.00	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.19	10	20.00	20.00	0.75K	1.50	3	Y.P.T.
24,32,100	....	2,11,07,224	1,32,88,625	—2,67,462	M.	1,709	Ganges Mfg.	48.50	100	0.50	2.50	*Nil*		3.9	H.P.
10,80,000	28,68,943	76,06,097	50,72,167	11,510	M.	607	Gondalpara	550.00	200	*Nil*	*Nil*	50.00		12	Y.T.
24,00,000	24,50,000	2,22,45,943	1,58,31,965	45,248	Macneill & Barry Ltd.	1,394	Gourepore	210.00	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	60,68,223	1,28,45,157	98,09,539	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	15.00	5.00		3	Y.P.
16,80,000	18,61,960	66,47,781	47,79,916	—2,95,266	Balmadies Bajoria	720	Hooghly	11.87	10	0.50	1.25	*Nil*		3	Y.P.
65,62,500	28,68,428	2,84,21,655	1,11,59,661	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.19	10	1.25	0.87	0.25	*Nil*	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	16.50	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
87,00,000 } 30,000 }	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	95.00	O. 125	3.12	4.69	4.69		3	Y.
24,00,000	20,90,135	1,92,31,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhaity	78.00	100	8.00	8.00	2.50	*Nil*	6.12	H.P.T.
19,80,000 }								40.00	'B' 100	6.50	1.00	*Nil*			
30,00,000	9,73,967	1,72,73,751	87,49,860	—21,87,149	Jardine Henderson Ltd.	1,527	Kankinarrah	40.00	'B' 100	6.50	1.00	*Nil*		6.12	H.P.T.
24,00,000 }															
21,00,000	53,00,000	1,35,18,975	86,26,121	91,888	McLeod & Co., Ltd.	708	Kelvin	175.00	100	20.00	17.50	5.00‡		6.12	H.P.
54,00,000	23,33,275	1,96,60,992	1,22,08,770	27,027	Anderson Wright Ltd.	1,530	Khardah	115.00	100	12.50	11.00	5.00	5.00	3	Y.P.
48,00,000	31,58,808	2,86,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	107.00	100	7.00	13.00	6.00	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	58,10,344	—9,08,440	Bird & Co. Private Ltd.	931	*Lansdowne*	69.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	45,56,947	1,41,77,805	85,14,975	—7,75,868	Bird & Co. Private Ltd.	840	Lawrence	76.50	100	4.00	6.00	*Nil*	*Nil*	3	Y.P.T.
31,05,200	26,86,645	2,64,18,849	1,26,97,809	1,64,942	M.	1,288	Megna	79.00	100	2.00	3.75	2.75	3.0	3	H.
29,98,900	34,62,195	1,65,70,565	86,70,690	—13,08,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	67.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3.9	Y.P.T.
20,00,000	15,65,000	29,01,568	18,21,709	17,616	Howrah Trading Co., Ltd. ..	425	Naskarpara	18.00	10	1.12	1.25			6.10	H.T.
25,00,000	41,29,326	91,73,845	10,66,470	17,833	Andrew Yule & Co., Ltd. ..	852	National	23.20	10	2.00	1.75	0.75		10	Y.P.
26,25,000	27,00,000	28,81,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute	10.50	10	0.75	1.00	0.50‡		6.12	H.P.T.
85,50,000	2,86,31,171	4,68,82,848	1,06,48,534	3,86,601	Sahu Jain Ltd.	1,766	New Central	12.87	10	17.00	1.50	1.50		12	Y.P.
16,79,880	46,56,852	1,25,54,122	56,85,690	9,227	Bird & Co. Private Ltd.	567	Northbrook	16.50	10	1.25	1.50	1.50	*Nil*	3	Y.P.T.
60,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	31.50	50	0.50	1.00	*Nil*	*Nil*	3	Y.P.T.
24,01,000	23,76,049	75,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	74.00	100	10.00	9.00	2.00		12	Y.P.T.
25,00,000	6,28,495	80,66,437	65,22,166	51,695	McLeod & Co., Ltd.	400	Prestoncy	8.31	5	0.31				6.12	H.T.
20,00,000	10,325	27,95,784	8,39,180	—8,61,589	Birla Brothers Private Ltd. ..	505	Rameshwara	4.25	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
49,50,000	4,80,552	1,24,75,806	64,70,616	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	5.75	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2669,000	£1,005,713	£1,245,344	....	£58,994	Thomas Duff & Co. (India) Ltd...	2,013	Sampsugun	8.12	£1	10%	5%‡			12	Y.P.
30,00,000	13,14,910	1,15,50,877	79,96,145	7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica	10.50N	10	1.00	0.50			3.9	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Soorah	13.50	10	1.00	1.50			12	Y.P.T.
25,19,000	31,10,501	1,26,68,701	57,29,512	—5,76,063	Bird & Co. Private Ltd.	650	Standard	56.50	100	2.00	1.00	*Nil*	*Nil*	3	Y.P.T.
2600,000	£925,119	£1,327,650	....	£82,548	Thomas Duff & Co. (India) Ltd...	1,794	Titaghur	8.12	£1	10%	5%‡			12	Y.P.
35,58,600	68,80,143	2,01,42,957	89,47,895	—13,51,040	Bird & Co. Private Ltd.	1,326	Union	106.00	100	10.00	10.00	1.00	*Nil*	3	Y.P.T.
2400,000	£688,035	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd...	1,381	Victoria	8.12	£1	10%	5%‡			3	Y.P.T.
2,50,000	6,35,000	56,01,062	40,73,991	11,327	McLeod & Co., Ltd.	457	Waverley	2.75	1	0.50	0.37	*Nil*		12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,830	99,86,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15.50	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	9,49,930	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10.31	10	1.46	1.46	1.10	0.37	3.9	H.
4,40,350	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.87N	10	0.26	0.62	0.75		6.12	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,935	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	231.00	100	30.00*	35.00*P	17.50	7.50	10	Y.P.
2,25,000	4,13,782	24,88,157	22,48,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	14.00	10	*Nil*	*Nil*			9	Y.P.
15,97,000	4,85,558	48,14,600	24,29,290	—94,879	H. V. Low & Co. (Private) Ltd...	Chalkora	9.00	10	*Nil*	*Nil*			9	Y.
40,00,000	8,00,000	1,39,06,662	71,05,188	27,483	Sahu Jain Ltd.	Bharat Collieries	6.25	10	0.62	0.62			6	Y.P.T.
7,15,000	10,15,172	49,80,946	34,64,101	—4,92,536	M.	Bhulanbarare	12.00N	10	*Nil*	*Nil*	*Nil*		12	Y.T.
7,50,000	24,16,419	45,67,883	19,10,503	19,553	F. W. Heilgers & Co. Private Ltd.	Borrea	18.00	10	2.00	2.00	1.50		6.12	H.T.
90,92,480	69,04,445	4,25,18,901	1,95,98,458	92,891	Bird & Co. Private Ltd.	Burrakur	22.50	10	0.50	0.62	0.68		6.12	H.P.T.
49,97,750	....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	6.75	10	0.25	0.25	0.50	0.50	3	Y.
8,00,000	13,30,590	49,11,827	33,08,469	69,000	M.	Central Kurkend	11.00N	10	0.25	0.50	0.50‡		3	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churulia	2.00	4	0.12	0.06	0.06		12	Y.
16,00,000	....	54,02,810	30,05,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	*Nil*	*Nil*	*Nil*		12	Y.
4240,000	£862,875	£1,001,816	£764,050	£26,677	Jardine Henderson Ltd.	East Indian	21.00	£1	2.50	3.00	2.50	1.50	12	Y.
39,58,760	92,06,405	4,16,92,845	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	24.75	10	1.50	1.50	1.50		4	Y.
10,00,000	1,40,999	13,81,144	4,28,557	28,883	Bhatter's Agency Ltd.	Ghusick and Musila	16.00N	10	0.50	0.25			12	Y.P.T.
12,00,000	1,17,609	42,84,400	25,20,972	....	Killick Industries Ltd.	*Hingir*-Rampur	30.75	50	*Nil*	2.25	2.25	*Nil*	3	Y.
8,00,000	7,25,000	12,91,895	4,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1.75	2.50	1.50		6	Y.P.
3,50,000	2,48,905	14,13,055	7,85,171	....	Andrew Yule & Co., Ltd...	Kalapathari	15.00N	10	*Nil*	*Nil*	*Nil*		12	Y.
20,00,000	2,21,575	33,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	85.00	10	*Nil*	*Nil*	2.50		3	Y.
5,00,000	18,90,898	47,65,511	27,70,028	1,88,386	Andrew Yule & Co., Ltd...	Katras Jherriah.. ..	55.00	10	4.00	5.00	5.00	*Nil*	2	Y.P.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,286	Beriwala & Co.	Khas Kajora	2.50N	10	*Nil*	*Nil*	6.50	6.50	1	Y.
11,00,240	64,514	16,80,220	10,03,999	10,011	H. V. Low & Co. (Private) Ltd...	Kurardi	2.25N	10	0.12	*Nil*			6.12	H.P.
9,00,000	11,11,926	28,38,749	22,86,193	4,708	H. V. Low & Co. (Private) Ltd. .	Lakurka	9.00N	10	0.25	0.12			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	81,201	Tantia Brothers Ltd.	Nazira	6.37	10	0.50	0.50			4	Y.
7,00,330	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Bansdeopur ..	9.00N	10	1.25				12	Y.
17,75,250	19,51,814	1,24,48,315	91,72,441	83,586	Andrew Yule & Co., Ltd...	New Beerbhoom ..	13.00	10	1.12	1.00	0.75		3.9	Y.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom ..	10.50	10	*Nil*	*Nil*	*Nil*	0.50	3	Y.P.
2,15,000 }	8,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd...	North West	21.00	10	*Nil*	1.87	1.50		3	Y.
1,57,500 }							18.00	7.50	*Nil*	*Nil*	1.00			
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	18.00	10	1.00	1.00	1.12		3	Y.
10,00,000	1,10,000	41,24,516	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.00N	10	0.50	0.25	0.75		12	Y.P.
8,31,000	20,000	23,40,367	9,36,591	3,080	Deepchand Kishenlal	Parasea	12.00	10	0.75	1.00	0.50		12	Y.T.
15,75,000	16,50,000	35,17,470	39,02,410	46,883	Shaw Wallace & Co., Ltd. ..	Pench Valley	19.00	10	1.62	1.50	0.70	2.00	12	Y.P.T.
23,99,500	25,06,261	1,37,28,021	91,88,962	29,066	B. N. Ellias & Co. Private Ltd.	Ranegunge	31.12	10	0.50	0.62	0.87	0.75	3	Y.
13,50,000	10,45,115	38,59,365	29,71,864	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	14.75	10	1.87	0.87	0.75‡		3	Y.
29,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	Samla Collieries..	10.50N	10	0.75	1.00	1.25		6.12	H.
2,50,000	1,98,802	13,78,480	12,21,787	21,070	M.	Searsole	4.75xdN	2.50	0.62	0.75			12	Y.
5,50,000	9,11,598	29,92,167	19,76,253	52,200	Andrew Yule & Co., Ltd...	Seebpore	24.50	7	2.00	2.50	2.25		1	Y.P.
3,00,000	5,00,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0.12	0.25	0.25		12	Y.P.
63,21,450	94,58,536	5,19,41,849	2,73,46,629	20,557	Industrial Trust Fund (Government of Andhra Pradesh) ..	Singareni	11.25	10	0.70	0.75	1.00		6.12	H.T.
17,50,000	10,80,892	88,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura ..	8.94	10	0.12	0.12	0.85		12	Y.T.
8,00,000	14,01,053	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	15.00	10	1.50	1.50	1.00		2.8	H.
16,00,000	....	31,02,594	15,43,502	—5,62,907	M.	Talcher	1.60	2.50	*Nil*	*Nil*	*Nil*		12	Y.
5,50,000	3,35,000	18,97,834	14,54,734	77,105	Williamson Magor & Co., Ltd. ..	Union	14.00	10	0.75	*Nil*	*Nil*		9	Y.T.
49,98,000	66,784	65,72,306	24,15,306	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal ..	5.25	10	0.37	0.50	0.50		12	Y.
7,00,000	....	57,45,660	25,79,008	—3,20,058	Macneill & Barry Ltd.	West Jamuria	5.87	10	*Nil*	*Nil*	*Nil*		12	Y.

M—Managed by the Board of Directors. † Less income-tax. (x) Clive Mills have paid dividend at As. 10½ on bonus shares for the year 1955.
‡ New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. F.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.
* Including bonus. (k) Investments.

MARKET GOSSIP

(*Concluded from page 303*)

Pending discussion and examination, the Government agreed, in May 1957, to an interim increase of As. 2 per gallon in the price of motor spirit and of As. 13 per eight gallons in the price of superior kerosene. This decision of the Government was subjected to most severe criticism in the inaugural session of Parliament after the last General Elections. Some members had contended that the existing prices of oil were very high and that the foreign oil companies were already making huge profits. They had urged the Government to obtain a reduction in the prices. In view of these criticisms, the Government began discussions with the oil companies on fixation of reasonable prices for petroleum products.

While hopes were being expressed that these negotiations would succeed, there came the reports in the Press towards the end of December 1957 that the Government of India was studying "the economics of nationalising" the oil distribution trade. To quote one of the reports:

"Prices of oil products in India are officially regarded as unreasonably high as compared to the prevailing rates in the neighbouring countries, including Ceylon and Pakistan. The disparity between the Indian prices and those in some European countries is stated to be even higher

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,68,80,000	12,42,652	Allahabad Bank	360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,80,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
1,01,000	16,63,000	2,93,939	Andhra Bank	111.75	100	7.50	6.50	8.00	4.00‡	6,12	H.
40,35,540				90.00	86	3.75	4.54	5.59	3.40‡		
1,00,00,000	1,25,00,000	4,75,752	Bank of Baroda	106.50	50	6.00‡	6.00‡	7.00	3.00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	26.00	25	0.75	0.87	1.12		12	Y.
2,50,00,000				134.50	50	7.00	8.00	8.00	8.00		
0,00,000 'A'	3,10,00,000	16,92,381	Bank of India	137.00	50'A'	..	..	..	8.00	6,12	R.L.Y.
15,80,875	25,00,000	67,486	Bank of Indore	68.00N	25	3.00	3.50	4.00	2.00‡	12	Y.
50,00,000	22,25,000	23,784	Bank of Jaipur	38.50	50	2.00	2.00	2.50		12	Y.
80,00,000	84,00,000	5,91,911	Bank of Mysore	251.00	100	16.00‡	16.00‡	16.00‡	8.00‡	12	Y.
15,00,000	22,00,000	38,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00		12	P.Y.
7,80,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80.00cd	50	5.00	5.50‡	5.00‡		12	Y.P
5,72,320'A'	16,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	180.00cd	100'A'	12.50	12.50	15.00		12	Y.
22,787'C'				1.86cd	1'C'	12½%	12½%	15%			
2,25,11,875	4,02,77,122	18,23,045	Central Bank of India Ltd.	50.50	25	3.00	3.00	3.50	1.50‡	12	R.L.Y.
52,42,875				52.00	25	3.00	3.00	3.50	1.50‡		
60,00,000	84,50,000	2,13,141	Devkaran Nanjee Banking Co.	47.25	50	2.00	2.50	3.00	1.50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	26.37	5	0.81	0.87	1.37	1.06	12	Y.
80,00,000	29,75,000	1,61,946	Hind Bank	48.00	50	1.50	3.00	3.00		12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank	8.62	50	Nil	Nil	..		12	Y.
80,00,000	1,37,00,000	2,771	Hindustan Mercantile Bank	11.75	50	Nil	Nil	..		12	Y.
44,00,000	90,50,200	8,13,491	Indian Bank	211.00cd	100	12.00‡	12.00‡	13.00	6.50‡	6,12	R.L.H.
21,82,616				182.00cd	50	7.20‡	7.75	9.75	5.20‡		
58,45,375	35,00,000	2,52,256	Indian Overseas Bank	146.50cd	100	6.00	7.50	10.00		12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	37.50cd	25	1.56	1.87	1.87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	52.00	25	3.00	3.50	4.00	2.50‡	12	Y.
1,00,00,000	25,20,000	45,060	Travancore Bank	17.75cd	25	0.75	1.00	1.00		12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7.68	5	0.24	0.37	0.44		12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	59.00	50	2.50	2.75	2.50		12	H.

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.)

£3,500,000	£5,000,000	£409,308	Chartered Bank	£2-0-0	£1	15†	15†	15†		12	Y.
LK. $25,000,000	H.K.$128,000,000	H.K.$11,039,578	Hongkong and Shanghai Banking Corporation	£4[5]	H.K.$125	5*	5*	5*		12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£2-4-3	£1	15†	12†	13†		12	Y.
£375,000 'A'	£2,000,000	£224,521	Mercantile Bank Ltd.	£1-10-9	A £2½	14†	14†	14†		12	Y.
£375,000 'B'				£1-10-9	B £2½	14†	14†	14†			
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£0-19-9	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * ½ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June .. 1963
4,00,000	4½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	91.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th April .. 1964
60,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December	Bquitable Coal Co.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December	Basanji Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89.00	15th November .. 1964 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1973 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.25	1st April .. 1967-72
13,71,000	5½	30th June and 31st December	Jayshree Textiles	1949	90.00N	1st January .. 1964-69
89,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 196-
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.		97.00	14th June .. 1960
98,25,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959
13,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (a)
44,045,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	31st January .. 1970 (a)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1965
15,80,000	5	1st January and 1st July	Sijua (Dherrjah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (a)
2,00,00	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1959-81
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September .. 1958-88
47,78,000	6	1st April and 1st October	Tata Power		99.00	1st July .. 1970
2,90,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1968
2,80,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
20,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.50	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	98.25	1st October .. 1966-85
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1943	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1969
10,60,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89.00	30th June .. 1966
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,56,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (a)
20,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Manoli	1953	90.00	31st March .. 1967 (a)
5,00,000	5½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December	Presidency	1942	85.00	30th June .. 1966
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	30th September .. 1965 (a)
8,00,000	4½	14th March and 14th September	Soorah Jute	1937	91.00	14th September .. 1957
12,00,000	5½	30th June and 31st December	Union	1937	90.00	30th June .. 1957
10,00,000	5½	31st January and 31st July	Waverly	1925	80.00	31st July .. 1958
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,368	5	1st April and 1st October	Kalakhal-Lalabazar Railway	1938	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1945	85.00	31st December .. 1959 (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
25,50,000	6	31st March and 30th September	Kilgiri Tea	..	99.00	1st April .. 1958-66
1,56,500	6½	31st March and 30th September	Teakoy	1944	100.00	31st March .. 1949-56†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1965
20,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1963
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	96.50	1st September .. 1964-69 (c)‡
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	88.00	1st February .. 1965
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1926	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1966
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	1969
1,50,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971 (a)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (a)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	88.00	1964
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	810.00	30th September .. 1976 (a)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (a)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	98.00	30th June .. 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (a)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. 1968(c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 6 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 18 years. † Rs. 1,00,00,000 debentures will be redeemed at par annually by drawing from 1-6-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-6-1964. †† Rs. 30 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1968, on ... †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 20th February, 1958.

	Closing quotations 13-2-1958	High	Low	Closing quotations 20-2-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	110.00	—	—	110.00
Apollo (2)	1.98	1.98	1.90	1.90
Bombay Dyeing (25)	50.60	50.50	49.90	50.00
Bradbury (50)	155.00	—	—	155.00
Central India (100)	82.00	83.00	81.00	81.00
Century Mills (100)	387.00	386.75	376.50	377.00
Colaba (100)	51.00	—	—	51.00
Edward Textile (200)	220.00	—	—	220.00
Elphinstone (50)	47.80	—	—	47.50
Finlay (100)	260.00	260.00	254.00	254.00
Gokak (100)	154.25	155.00	152.50	152.50
Ind. Untd. Defd. (1)	1.26	1.28	1.20	1.20
Ind. Untd. Ord. (10)	9.24	9.26	8.84	8.88
Indore Malwa (100)	116.00	117.00	102.00	104.50
Khatau (100)	143.75	—	—	143.75
Kohinoor (100)	265.00	265.50	256.50	257.50
Lakshmi (250)	423.75	423.75	413.75	416.00
Minerva Mills (100)	71.30	—	—	71.30
Model Nagpur (250)	176.25	180.00	176.25	176.75
Morarji (100)	203.00	204.00	202.00	203.00
Mysore (50)	99.50	—	—	99.50
National Rayons (100)	217.00	218.75	214.25	215.00
New City (100)	125.00	—	—	105.00
New Great (100)	218.00	218.00	213.00	213.50
Phoenix (100)	120.00	—	—	120.00
Podar Mills (100)	145.00	—	—	146.00
Sassoon Silk (10)	6.52	—	—	6.52
Sassoon Spg. (10)	30.00	—	—	30.00
Sholapur (1,000)	640.00	640.00	401.25	401.25
Shrinivas (100)	141.00	—	—	141.00
Simplex (50)	158.50	159.50	156.00	157.00
Standard (100)	399.00	400.00	391.00	391.00
Svadeshi (100)	166.00	166.00	161.50	162.00
Swan (50)	324.50	—	—	324.50
Tata Mill (25)	38.50	38.50	35.75	36.00
Vishnu (100)	95.00	—	—	97.50
Western India (1,000)	4,525.00	—	—	4,625.00
BANKS				
Bank of India (50)	136.00	136.00	134.00	134.00
Do. (New) (50)	137.00	—	—	137.00
Bank of Baroda (50)	105.00	106.50	105.00	106.50
Central (25)	51.00	51.00	49.50	50.70
Central 'A' (25)	55.00	53.00	52.00	52.20
Dena Bank (50)	47.25	—	—	47.25
Punjab National (25)	51.80	52.00	51.50	52.00
Union Bank (5)	7.68	7.68	7.64	7.68
United Com. (50)	59.50	59.00	58.30	59.00
ELECTRIC COS.				
Ahmedabad (100)	50.00	95.20	94.90	95.20
Amalgamated (10)	10.12	—	—	10.12
Andhra Valley (1,000)	1,085.00	1,085.00	1,080.00	1,080.00
Bom. Sub-El. (100)	106.75	106.25	103.25	104.00
Surat (100)	107.50	—	—	107.50
Tata Hydro (100)	114.00	115.00	113.75	114.75
Tata Power (1,000)	1,125.00	1,125.00	1,120.00	1,122.50
INSURANCE COS.				
British India (10)	12.52	—	—	12.76
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	42.50	—	—	42.50
Jupiter (15)	8.52	—	—	8.52
Oriental (200)	3,970.00	3,980.00	3,970.00	3,980.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	16.52	—	—	16.52
STEEL COS.				
Ind. Iron (10)	19.76	19.72	19.20	19.24
Tata Steel Ord. (75)	171.00	171.50	167.25	167.50
SUGAR COS.				
Belapur (50)	236.50	236.00	231.50	232.00
Bhopal (10)	21.00	20.76	20.72	20.76
Dhaliwal (100)	146.25	147.25	145.25	145.25
Walchand Ind. (100)	275.00	275.00	266.25	266.25
CEMENT COS.				
Associated Cts. (100)	153.75	154.25	142.75	143.00
Digvijay (100)	137.00	137.75	136.00	137.00
MISCELLANEOUS				
Alcock Ashdown (100)	216.25	217.50	211.25	211.25
Bom. Burmah (125)	537.50	538.00	522.00	523.00
Do. (New) (50)	200.00	200.00	198.75	198.75
Br. B. Petrol (4 sh.)	1.74	1.74	1.68	1.70
Br. I. Corpn. (5)	3.84	3.88	3.76	3.76
C. P. Rly. (100)	57.50	—	—	57.50
Hindusthan Motors (10)	6.04	6.08	5.92	5.92
Indian Copper (2 sh.)	2.84	2.86	2.80	2.80
Ind. Inv. Tr. (100)	71.00	—	—	71.00
Killicks (100)	154.00	154.00	152.75	152.75
Polson (100)	173.00	—	—	173.00
Pre. Automobiles (100)	85.00	85.00	83.50	83.50
Premier Con. (20)	159.00	159.50	155.75	155.75
Scindia (20)	17.32	17.52	17.20	17.28
G. E. Shipping (10)	19.72	19.68	19.04	19.08
Shivrajpur (10)	91.50	92.00	90.00	90.00
Tata Chemicals (10)	12.68	12.72	12.40	12.40
Tata Locomotive (100)	140.00	140.25	137.00	137.50
Tata Oil (25)	36.25	36.00	35.75	35.75
W. I. Match (100)	170.25	170.50	170.00	170.50

GOVERNMENT SECURITIES	13-2-1958	Gross Yield Earlier Redemption	Later Redemption	20-2-19
	Rs. nP			Rs. nP
2½ % 1961	94.65	—	4.16	94.6
2½ % 1960	97.45	—	3.83	97.4
2½ % 1962	94.80	—	3.98	94.8
2½ % 1963	88.10	—	4.03	88.1
3 % 1958	99.75	—	4.03	99.7
3 % 1959-61	99.10	3.62	3.50	99.1
3 % 1964	94.25	—	3.28	94.2
3 % 1963-65	93.90	—	3.97	93.9
3 % 1966-68	91.75	4.22	3.92	91.7
3 % 1970-75	85.80	4.16	3.97	85.8
3 % 1986 Con. Loan	71.05	4.47	4.14	71.0
4 % 1960-70	100.60	—	4.22*	100.6
4½ % 1958-68**	100.60	3.77	3.94	100.6
3½ % 1961 N.P. Bonds	90.65	3.24	4.44	90.6
3½ % 1964 N.P. Loan	97.75	—	3.60	97.8
3½ % 1965 N.P. Bonds	97.60	—	3.88	97.7
3½ % 1962	97.60	—	3.69	97.6
3½ % 1967 N.P. Bonds	97.85	—	3.77	97.8
3½ % 1974	97.60	—	3.79	97.8
3½ % 1967 N.P. Bonds	98.20	—	3.90	98.2
4 % 1972 Loan	99.60	—	3.80	99.6
	100.00	—	4.00	100.0

BRITISH GOVERNMENT SECURITIES	Closing quotations 10-2-1958 $			Closing quotations 17-2-19 £
2½% Brit. Consols	48‡	—	—	47‡
3 % Savings Bonds 1965-75	71	—	—	70‡
2½% War Loan 1955-59	96‡	—	—	96‡
3½% War Loan	65‡	—	—	64‡
4% Victory Bonds 1976	91‡xd	—	—	91‡
4% Funding 1960-90	89‡	—	—	89‡

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts
x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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MORE ON L.I.C.-MUNDHRA DEAL

BOTH Houses of Parliament have done full justice to the report of the Chagla Commission on the investments of the Life Insurance Corporation in the shares of the Mundhra concerns. There have been sharp differences of opinion on certain aspects of the Commission's findings, conclusions and advice between the Government members and non-Congress members. Although the formal resolution of the Government was carried by the majority it commands in Parliament, it seems to us that some of the valid criticisms remained unanswered effectively. Mr. Nehru, in particular, was far from convincing on many points. Indeed, at one stage, he was actually justifying the L.I.C.'s investments in question, though he was critical of the way in which they were done. If, basically, the investments were sound, if the mistakes that had been made were only of a procedural nature, and if there was nothing *mala fide* in the whole transaction, then, why all this pother?

There is a general impression in the country that the enquiry into the L.I.C-Mundhra affair is incomplete. The way in which Mr. T. T. Krishnamachari defended himself and was defended by Mr. Nehru, Mr. Pant and a few other members of the Congress Party has only strengthened this impression. There is, therefore, every justification for the demand voiced by some that the whole incident be probed into further by a Committee of Parliament with all the legal paraphernalia or in a regular court of law. This will give an excellent opportunity for Mr. Krishnamachari to vindicate his innocence and for Mr. Patel, as well as the other condemned officials, to explain their side of the case. It is now clear that all of them feel that they have been wronged. Will it be in keeping with the principles of justice and democracy to allow the persons concerned to nurse such a feeling of grievance? It has been argued that, with Mr. Krishnamachari continuing as Minister, the officials who tendered evidence must have been reluctant to tell the whole truth. Mr. Nehru, too, has repeatedly stated that, for want of experience in these matters, the Chagla Commission enquiry has turned out to be an imperfect and one-sided affair. He has also stated that "all the facts have not come out, either because those who knew them did not say all they knew or those who knew were not produced." In view of all this, the only remedy is to order a fresh enquiry at least into those aspects of Mr. Chagla's findings on which there is, it is contended, room for difference of opinion. A departmental enquiry, conducted by a senior civilian, as now proposed by the Government, will hardly be adequate for this purpose. For this enquiry will, in all probability, keep the ex-Finance Minister out of the picture. If so, it will be, as one Member of Parliament remarked, a play without the Prince of Denmark.

With all due deference to the Prime Minister and the Home Minister, it must be said that the impression which the Government spokesmen have created in the public mind is that, on the crucial question of both factual and constitutional responsibility of the Finance Minister, they have been unduly generous towards the erring Minister and that Mr. Nehru, in particular, has gone out of his way to rescue Mr. Krishnamachari, instead of taking a more detached and balanced view of the situation. Mr. Nehru has also failed to prove his statement that Mr. Krishnamachari's part was the smallest. There is, therefore, a lot of force in Pandit Kunzru's remark that Mr. Nehru has laid himself open to the charge that "he has placed personal loyalty above loyalty to facts." Mr. Nehru should have been graceful enough either to accept the verdict of an independent and impartial person like Mr. Justice Chagla, who had heard the case and sifted all the evidence tendered before him, or to refer the matter to another independent person for further examination. By doing neither and by praising Mr. Krishnamachari to the skies right from the time when the Chagla Commission was proceeding with its investigation, he has created the impression that Mr. Krishnamachari was being shielded for more reasons than one. This is in sharp contrast with the complete silence that was observed by the Prime Minister of Britain as well as by all his other colleagues when the Bank Rate Tribunal was in session. We have been tempted to make this comparison because of a similar comparison made by Mr. Nehru and Mr. Pant.

An important point that emerges from the replies of Mr. Nehru and Mr. Pant to the debate is this: Mr. Krishnamachari had given his general approval to Mr. Patel's proposal to invest in the shares of a few Mundhra concerns. But, at the same time, he had warned Mr. Patel to be cautious and careful as he had heard rumours of spurious shares of these concerns circulating in the market. In admitting this much of the story, both Mr. Nehru and Mr. Pant are really concurring with Mr. Chagla on the ex-Finance Minister's factual responsibility. And yet they vehemently differ from others when they pinpoint this issue. This kind of inconsistency in the arguments of such eminent persons as the Prime Minister and the Home Minister strikes one as rather strange. It is, of course, true that the caution given by the Finance Minister was *not followed* by the officials concerned, but that is a separate issue for which they should be rightly held responsible and suitably punished.

The Government has done well in accepting at least the non-controversial findings of the Commission without any qualification. Mr. Pant has roundly condemned the transaction as a "disreputable" one. But in all the debate, none has said as to how the loss the policyholders have now suffered could be made good. It has been proved beyond doubt that it was the Government which gave the directive to the L.I.C. to invest its funds in the shares of Mundhra concerns. The Government, of course, owns this monolithic monopoly corporation. But the funds of the L.I.C. are those of the policyholders. It has no right to use these funds the way it likes. The Government may be right in deciding to support big concerns such as the B.I.C., Jessops and Richardson and Cruddas, in order to prevent them from going to pieces owing to the activities of adventurers like Mr. Mundhra. But it should not use the funds of life insurance policyholders for such risky purposes, as they are trust funds. It should find other channels through which it can operate to realise such objectives. In fairness to policyholders, therefore, the Government should buy back the *investments in question from the L.I.C.* at cost price and hold them on some other account. This is essential, because the transaction in question vitally affects the interests of the *endowment* policyholders, who have taken life policies as an investment rather than as a mere cover against premature death. The resignation of the Finance Minister and the contemplated disciplinary action against the officials of the L.I.C. do not constitute any positive satisfaction to them. If the Government at least takes away these bad eggs from the investment basket of the L.I.C., it will be doing a lot to restore the confidence of policyholders. For the Government's folly, let the taxpayers as a whole pay and not the with-profit policyholders in particular.

Mr. Justice Chagla has brought out the weaknesses of the Government's policy towards the L.I.C. and its administration. He has briefly pointed out the lines on which the relationship between an autonomous body like the L.I.C. and the Government should be established and how the L.I.C. should be conducted if the grievous errors of the type investigated by him were not to be repeated. Mr. Nehru and Mr. Pant alike have given the solemn assurance that they will carefully consider the principles recommended by Mr. Chagla. One cannot expect the Government to do more than this for the present. Surely, it is the sovereign right of a constitutionally elected Parliament and the Government to decide the policy it wants to pursue. If these august institutions decide, in their wisdom, to depart from these recommendations and if the country suffers as a result, there is nothing that its citizens can do but to bear the consequences. One can, of course, commend the recommendations of Mr. Chagla for the acceptance of the Government and Parliament. But it is not right to demand of the Government that it should abide by them here and now, just because they form part of Mr. Chagla's report. If the speeches of the Prime Minister and the Home Minister on this question are carefully analysed, it will be found that they are in agreement with most of the recommendations of Mr. Chagla. There is, therefore, good reason to feel that the Government will approach the problem in a sensible manner. It certainly cannot go wrong, if it always bears in mind that the Life Insurance Corporation is a credit institution, that it holds the funds of the policyholders in trust and that it ought not to be made a tool in the hands of politicians for furthering their ambitions and pet ideologies.

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ment and additional production. To the extent that a rigorous tax system lowers the tempo of economic activity by removing the incentive for saving and investment, it is bound to have inflationary consequences. The last budget inflicted a large variety of tax burdens, though each of them taken singly may not have been too burdensome. It is now time that the country was not only given a respite from additional taxation—this has been promised—but some realistic measures of fiscal reform which would provide the necessary incentives to help move the country forward to higher levels of industrial activity.

In this context, the Federation of Indian Chambers of Commerce and Industry did well to organise a conference on savings and investment. Addressing the Conference, which was held in Bombay this week, the President, Mr. Babubhai M. Chinai, made a closely-reasoned plea for fiscal reliefs in the interest of saving and investment. Mr. Chinai's main thesis was that "personal savings and corporate savings are rendered difficult on account of high taxation." Although in recent years some relief has been given in personal taxation, the Government has heaped upon the community other tax burdens which have had a disincentive effect both on the individual and the companies. The capital gains tax, the super-tax on dividends, the tax on bonus shares, the wealth tax and the expenditure tax are among the tax measures which have fallen thick and fast on the community and rendered it increasingly difficult for *entrepreneurial* classes and the management of companies to undertake fresh investment.

It is hardly surprising that these measures have led to a loss of confidence among investors and resulted in a heavy decline in equity values. The index of variable dividend industrial securities (Base: 1948-49=100) which stood at 126.19 in September 1956 declined to 114.5 before the end of the year and still further to 98.1 in the first half of December 1957; it now stands at 96.6 (as on 8th February, 1958). Mr. Chinai quoted some figures to show how the flow of internal and external capital has been arrested in recent months. In the period December 1956 to May 1957, the total increase in the paid-up capital of all companies was Rs. 13 crores, as compared with Rs. 18 crores in the corresponding period in 1955-56. Again, so far as the investment of foreign capital is concerned, it has been computed that the average inflow for the two years 1954 and 1955 was only Rs. 20 crores, as against the average annual investment of Rs. 25 crores in 5½ years ended December 1953. The consequences of unfavourable climate for investment and fall in equity values have been particularly disturbing. For, as Mr. Chinai rightly pointed out, many small investors have had a "good part of their life's savings wiped out" and it has become extremely difficult to raise new capital. Appropriately enough, Mr. Chinai called for fiscal reforms by way of exemption from wealth tax and capital gains tax for companies, abolition of the tax on bonus shares, reduction in the tax on excess dividends, and in personal income-tax and the withdrawal of the compulsory deposit scheme.

India's fiscal problems have now become a complicated subject, thanks to the fact that its taxation system is the work of many minds and reflects even contradictory concepts. From this point of view, the pamphlet, *The Case for Relief in Direct Taxation*, published by the Association of Indian Trade and Industry, is a most convincing document. The Association, which has a well-deserved reputation for comprehensive, analytical and objective reports on India's economic problems, in general, and fiscal problems, in particular, must be congratulated on producing a document which undertakes the very difficult task of evaluating India's fiscal system against an international background and indicating the possible lines of fiscal reform. The chief argument in the pamphlet, with which we have no hesitation in associating ourselves, deals with the imperative need for incentives. Thus, it says:

> "The general atmosphere of planning does create a climate favourable to a high level of economic activity and rapid industrial growth, but that by itself is not adequate—some motivating force is essential. Exhortation and appeal to altruism are feeble forces; incentive is the only known potent motive force of voluntary action in a democratic society in which coercion is ruled out. There is every advantage in entrusting the responsibility for developing trade and industry to non-Government organisations with their highly developed sense of frugality and capital-consciousness, which have proved their merit in these fields through centuries of experience. They should be enabled to garner the resources required for development."

The case for relief in direct taxation, as presented by the Association, rests on several solid grounds. In the first place, it points out that, whereas the Planning Commission fixed Rs. 45 crores a year as the target of additional revenue from new tax measures, the latest tax proposals imply a tax revenue of Rs. 90 crores a year on top of similar proposals designed to bring in Rs. 30 crores introduced earlier by Mr. Deshmukh. Secondly, the non-development expenditure of the Central Government shows an unplanned increase of Rs. 163 crores during the first two years of the second Plan. This figure exceeds the amount of Rs. 157 crores of additional tax revenues accruing to the Central Government during these two years. There has thus been a certain "frittering away of valuable resources forced out of the people through heavy taxation." Thirdly, the private sector has a particularly difficult role to play in economic development, in that it has to find resources to the tune of Rs. 2,400 crores for its own development, besides meeting the draft of Rs. 1,150 crores of additional tax revenue and of Rs. 1,200 crores of Government borrowing. Finally, the burden of taxation on corporate incomes (*vide* Table A on this page) and on personal income (*vide* Table B on the next) in India is the heaviest.

The chief merit of the publication lies as much in its statistical analysis of the problem as in the pertinent manner in which it has indicated the lines on which fiscal reform is best undertaken. Few will disagree with the conclusion reached by the study, namely, the complexity of the Indian tax system. It points out how "other countries make a choice between alternative taxes, but India seems to favour a simultaneous levy of almost all taxes prevailing elsewhere and has the unique distinction of levying the expenditure tax and enforcing a scheme of deposit of corporate reserves, which are without precedent in any part of the world." It says:

> "Countries like the U.K. and other Commonwealth countries do not levy taxes on capital gains or wealth. The U.S.A. (Federal) Government taxes capital gains but not wealth. The wealth tax is levied on individuals in West Germany, Norway, Sweden and the Netherlands, but along with it there is no surcharge on income earned from such wealth as in India. Wealth tax on companies is levied only in West Germany and Norway, but there, the rates of tax on corporate income are low. In India, there is a wealth tax on companies and also very high rates of taxes on their income and dividends. Moreover, Sweden and Norway have a maximum limit of 80 per cent. of income for the combined burden of taxes on income and wealth, and the maximum rates of tax on income in West Germany and the Netherlands are quite low so that they do not reach 80 per cent. of income even in the case of very high incomes up to Rs. 10,00,000. In India, however, there is no such maximum limit, and the combined rate of taxes on income and wealth exceeds 100 per cent. of income for individuals in the highest brackets."

To bring order into the fiscal chaos in this country is by no means an easy task. If the fiscal authorities realised that it is easier to place a bad tax on the statute book than to withdraw it, they would be more careful in attempting fiscal innovations. Without necessarily calling for radical changes in the fiscal system—there is a great deal to be said in favour of such a reform—the pamphlet makes a series of constructive suggestions designed to secure the twin benefits of reducing the burden of taxation and increasing the incentives available for investors and industrial managements. Accordingly, it has divided the possible relief measures that might be undertaken into three groups. In the first place, it insists that those tax measures must be pruned first which act as deterrents and are relatively unproductive of revenue. Such taxes include the tax on bonus shares, the compulsory deposit scheme and the expenditure tax. Secondly, it calls for introduction of such incentive measures as will not entail a serious loss of revenue. Such measures include the introduction of a ceiling on the combined burden of taxation and the facility for carrying forward of losses for an indefinite period. Thirdly, it favours the abolition of certain existing fiscal measures which are "relatively productive of revenue but have disproportionately adverse effects on incentives." To this class belongs such taxes as wealth tax on companies, taxes on income and excess dividend tax.

The study, in the course of its examination of the taxes in the first list noted above, argues that the tax on bonus issues is inequitable and cites, in this connection, the opinion of the Taxation Enquiry Commission and Mr. Kaldor. The scheme of deposit of corporate reserves, as it points out, is "without precedent in any part of the world." Referring to expenditure tax, the study says that, though the Government has fixed the rate of the tax at a level lower than the one suggested by Mr. Kaldor, it has kept the marginal rate of income-tax at 84 per cent., instead of at 45 per cent. as suggested by the tax expert. Pleading for its abolition, the study says that the tax was proposed as an anti-avoidance measure—as a cross-check against evasion of income-tax—but this could be secured by authorising the Department to demand the type of information now sought under the provisions of this tax.

Pleading for incentives which involve no substantial loss of revenue, the study argues that there should be a ceiling on the combined liability under income-tax and wealth tax; such liability, as in Norway and Sweden, should not exceed 80 per cent. of the income in any year. Besides advocating indefinite carry forward of losses, as against the present eight-year limit for claiming this benefit, the study makes two suggestions for modifying Section 23A of the Income-tax Act. Under this section, investment companies are compelled to distribute all their income on pain of paying a special penal tax. Since there is a dearth of financial institutions, this provision should be amended so as to permit genuine investment companies to retain at least the same percentage of income as non-manufacturing companies. Secondly, non-manufacturing companies are allowed to retain only 10 per cent. of their income, whereas industrial companies are allowed to retain 55 per cent. Since trading enterprises require larger finance to handle the increasing volume of industrial production, they should be allowed to retain a larger margin, say, 40 per cent.

Finally, the study advocates certain reliefs in taxation which, though they involve substantial loss in revenue, are necessary in the interests of providing incentives to industrial expansion. Thus, it emphasises the need for the removal of wealth tax on companies—the tax penalises poor and middle-class investors—and the wealth tax on industrial securities which leads to double taxation, once in respect of the company's net wealth and again in the hands of the individuals owning the shares. Finally, it pleads for a lowering of the burden of corporate taxation. This plea rests on the valid ground that the burden, besides being very high in itself, was raised last year by as much as one-fourth, from 43.4 per cent. to 56 per cent.

TABLE A

Percentage of Income paid by Corporations as Taxes on Income, Dividends and Wealth in selected countries

Country	Year	Income in rupees						
		25,000	50,000	1,00,000	2,00,000	5,00,000	7,50,000	10,00,000
India*†	(1957-58)	51.1	56.0	56.0	56.0	56.0	56.0	56.0
U.K.	(1957-58)	57.7	57.7	57.7	57.7	57.7	57.7	57.7
Sweden	(1957)	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Israel	(1957-58)	53.0	53.0	53.0	53.0	53.0	53.0	53.0
Netherlands	(1956)	44.0	44.0	47.0	47.0	47.0	47.0	47.0
West Germany*	(1957)	40.8	41.4	41.4	41.5	41.6	41.6	41.6
Ceylon	(1957-58)	39.0	39.0	48.2	49.0	49.0	49.0	49.0
Japan	(1957)	37.4	38.7	29.3	39.7	39.9	39.9	39.9
U.S.A.	(1957-58)	30.0	30.9	30.9	39.8	47.7	49.4	50.3
Norway*	(1956)	34.5	34.5	34.5	34.5	34.5	34.5	34.5
Australia	(1957-58)	32.5	32.5	34.8	36.2	37.0	37.1	37.2
Canada	(1957-58)	18.0	18.0	18.1	31.6	39.6	41.4	42.3

* Wealth tax is levied in these countries and not in others. † Excess dividends tax is levied in this country only

SHARE MARKET IN STATE OF SUSPENSE

BOMBAY BURMAH—NEW SHIPPING VENTURE

WORLD GOLD PRICE

THURSDAY, 5 P.M.

THE turnover in share markets has shrunk almost to a trickle. Prices have been moving within a narrow range. The Central budget, due to be presented tomorrow, has remained a secret till the time of writing. A feeling of suspense prevails, with everybody waiting to see what Mr. Nehru does as the Finance Minister. There is said to be neither a pronounced bull position nor a strong bear position at present. It is stated that some operators are on the long side, but that their outstandings are believed to be neither large nor of a very recent nature. The belief that there is not much of a short position suggests that no new fresh taxation of any magnitude nor any significant increase in the existing taxation is expected. Everybody has, of course, taken it for granted that a gifts tax will be introduced. Accordingly, the market has discounted this strong possibility. Many are expecting a *status quo* budget, with a realistic pruning of the second Plan. Some are still nursing the hope that even Mr. Nehru will not hesitate to show some gestures to the private sector by removing and/or readjusting those fiscal measures which yield very little return to the Government but have done considerable harm to the confidence of investors. Another expectation is that there will be some relief in the excise duty on cloth. The speculation is that the Government may either reduce the rates of duty or revise the basis of the charge. All these are only surmises and guesses. We wish to make this point very clear, in order to avoid possible charges of a leakage of the budget later.

MARKET GOSSIP

Mr. Nehru's observations on the investment policy of the Life Insurance Corporation have not upset the share markets very much. The reason for it is that he quickly corrected himself to some extent. On Thursday last, he seemed to have jumped at the suggestion of a Communist Member of Parliament that the L.I.C. could be used as a means for securing control over the concerns in the private sector. In fact, Mr. Nehru went so far as to say that this was one of the objectives of nationalisation of life insurance. This statement, of course, runs counter to the clear assurance given by Mr. C. D. Deshmukh as the Finance Minister at the time when the life business was taken over by the Government. Next day, somebody must have reminded Mr. Nehru about it. There were also prompt criticisms that his statement meant that the Government would be resorting to nationalisation through the backdoor. For on Friday, Mr. Nehru practically recanted. He said thus: "In the other House, Mr. Dange had said, 'why not nationalise Jessops? It is a gold mine.' I had replied, 'Why should I nationalise Jessops or others and pay heavy compensation?' It is a simpler thing for me to acquire the majority holding in it." Mr. Nehru then went on to say: "Now it is said that this means some kind of backdoor method of nationalisation. It has nothing backdoor about it. It is not our deliberate policy to nationalise corporations or companies by this way. Our investments in the L.I.C. are not meant to further this."

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In an otherwise steady market, the shares of the Bombay Burmah Trading Corporation Ltd. have been ruling dull, but quiet. While shares over a wide front have staged a small recovery in the last few days, despite the Budget uncertainties, those of Bombay Burmah have not shown any change. Though the shareholders have been assured by the Company's Chairman that the question of issuing bonus shares would be considered after the Budget, they are not presumably impressed with the outlook for the current year. Although the results for 1956-57 might be considered satisfactory, particularly in the light of the very heavy increase in taxation and costs, the Chairman pointed out that it was not possible to hold out hopes of an equally satisfactorily profit for the current year.

Addressing the shareholders at the annual general meeting held on Monday this week, Mr. Pratapsinh Mathurdas, Chairman of the Company, said that the Scheme of Arrangement approved by the shareholders in February 1957 had cleared the way for a bonus issue, should this be thought desirable. "With your approval," Mr. Pratapsinh added, "the Articles of Association will now be amended so as to include an article empowering your Company to capitalise reserves and other funds for the issue of bonus shares. The Budget will be out soon and further consideration to this matter will be given after the taxation proposals are studied."

In view of the huge reserves of the Company, the shareholders submitted that the Directors should make up their mind on issuing bonus shares. It was suggested by them that bonus shares could be issued in the ratio of three new shares for every two shares held and that the liability on account of bonus tax should not stand in the way of the issue. The Chairman fully sympathised with this plea, but he drew their attention to the heavy tax burden which the Company would have to bear if their proposal to issue bonus shares in the ratio of 3 : 2 were carried through. Even after drawing the sum of Rs. 21.23 lakhs held in the share premium account and assuming that the present rate of bonus tax was kept unchanged at 30 per cent., the tax liability on the bonus issue would, the Chairman said, come to Rs. 27 lakhs. He asked the shareholders whether it was worthwhile giving away such a large amount as a gift to the Government. Though he was not hopeful of a revision of the tax liability, he said that it would be better to await the Budget.

The following summary of the Company's activities, as outlined by the Chairman, will give an idea of the outlook for the current year:

The Company's branch at Rangoon has continued to develop its industrial and trading activities. Though sales of concrete pipes (the production of which commenced in the past year) have been difficult so far, the market has been gradually built up and the offtake is expected to expand substantially when housing and other development schemes are implemented in Burma. In the Company's dockyard at Rangoon, there has been an increase in boat-building activity during the current year and deliveries have increased. The asbestos cement factory, the first of its kind in Burma, is expected to go into production within the next few months. The supply of green leaf to the Company's tea factory at Namshan (Burma) has become greatly restricted in the current year, on account of bad weather as well as competition from new factories. The close of the 1957 season marks the end of the Company's three-year selling arrangement with the Government of Burma. From April 1958, sales of the Company's products will be through normal market channels, but it will be some time before this new arrangement shows its full effect.

The sale of all timber extracted under old leases and the sale of the timber mill machinery mark a great change in the Company's activities in Siam. In the past two years, the Company's revenue from Siam stood at a very high level, as a result of the disposal of timber stocks on termination of the leases and closure of the mill, but the receipts in future from the Company's activities in Siam will not bear any relation to those received in the last two years. In order to make good the loss of revenue, the Company is actively pursuing various openings. Following the temporary permit received in October last, the extraction of timber by the Joint Timber Company, Ltd., in which the Company holds 26 per cent. of the equity capital, has been proceeding at a satisfactory pace, but the delay will preclude disposal of the output in the current financial year. The production of tapioca starch by Thai Tapioca Ltd., another joint venture in Siam, has reached the rated capacity of the factory and amounts to an average of over 400 tons per month.

The Company's tea crop in South India (Madras State) is expected to be satisfactory during the current year, provided weather conditions for the remainder of the year are reasonably favourable. In view of the current trends in world production and consumption, the Company's estates continue to concentrate on quality. The receipts per lb. remain above the average for the plantation industry in South India. The output from the Company's coffee estates is expected to be lower in the current year, following the record crop in the past year. The Company has recently purchased another estate in Coorg (Mysore State), increasing the bearing acreage by about 260 acres. Coffee prices for the 1956-57 crop are expected to be as satisfactory as those for the 1955-56 crop. It is difficult to finance the necessary capital expenditure under the Plantation Labour Act, on account of the increased burden of taxation and costs. An idea of the increased tax burden can be had from the fact that, besides capital gains tax, wealth tax and increased dividend tax, the Corporate income and super taxes have been revised from 43 per cent. to 51.5 per cent. and agricultural income-tax in Madras and Coorg from As. 5½ and As. 4 in the rupee to 45 per cent. and 40 per cent., respectively. Three-fifths of the Company's income from tea in Madras is subject to agricultural tax and the balance is subject to Central income-tax and super-tax. Income from coffee is, however, subject to agricultural tax only.

Some of the shareholders suggested that, in view of the uncertain conditions in some of the overseas countries where the Company operates, the Directors should think of expanding the Company's activities in India. The Chairman, in reply, said that the question had been engaging the attention of the Directors.

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The inauguration of the Indian Overseas Shipping Company, Ltd., by His Excellency Mr. Sri Prakasa, Governor of Bombay, this week, marks a new venture in the field of Indian shipping. This company proposes to establish a regular and speedy cargo service between India and the U.S. For there is no Indian shipping company which runs this service now. There was a service run by the Scindia Steamship Company, Ltd., but this was suspended in 1947, as it was found unremunerative. Thus after a break of over 10 years, a new company has just decided to step into this field. The trade between the two countries constitutes 15 per cent. of India's total overseas trade, amounting to over Rs. 1,600 crores per annum, and is second only to that with the U.K. The Indian Overseas Shipping Company, Ltd. has thus plenty of scope for doing profitable service.

The Company has been sponsored by Mr. S. N. Haji, a former senior official of the Scindia Steam and at present Managing Director of the Varuna Syndicate Private Ltd., the Managing Agents of the Company. The Directors of the Company are: Yuvaraj of Porbandar, Nawab of Palanpur, Mr. K. D. Shah, Mr. Murarji J. Vaidya, Mr. Pratap Bhogilal and Mr. R. K. Mistry. Only a few days ago, the Company obtained the certificate for commencement of business and is expected to begin the service in three or four months. The authorised capital of the Company is Rs. 6 crores, out of which it is proposed to issue initially Rs. 1.50 crores. There will be no public issue of the share capital for the present, as the whole issued capital is being taken up by the promoters and their friends. It is the intention of the Company to purchase four fast vessels of 10,000 d.w.t. each with a speed of 17 knots. With this speed, each vessel will make more than three trips a year, thus enabling the Company to provide at least one steamer per month. The Company does not contemplate placing orders for new ships at present. It has decided to begin its operations by buying second-hand vessels of not more than five to six years old from the stocks of shipping companies abroad. The cost of each vessel is expected to be Rs. 1 to Rs. 1.10 crores and might even go down below Rs. 1 crore, if the current slump in the market for ships were to persist. The Company has already received offers from several countries to meet the cost of the ships on deferred payment basis.

The volume of Indo-U.S. trade is so great and promises to grow further that, even after allowing 50 per cent. of it to be catered by the U.S. ships, the rest will be enough for about 20 Indian vessels. The inward cargo is said to be very paying and will enable the Company to cover the cost of the ships in four or five years. On the outward voyage, the Company expects to carry tea, ore, jute goods, etc. As the trade with the U.S. originates and ends mostly with the east coast of America, the Company's service will be run via the Suez Canal. The Company does not propose to buy American Liberty ships, as their speed is only 9 knots. Such slow-moving vessels, in the opinion of its promoters, will be hardly remunerative. They point out that this was the reason why Scindias who were operating this service with Liberties had to suspend it.

The foregoing particulars go to show that the new shipping project has been well conceived. Shipping is, indeed, a very difficult business, especially for a country like India which accounts for only a tiny fraction of the world mercantile marine. Further, financially, Indian shipping has fared very badly in recent years and one thought that the days when private enterprise could enter this field afresh were over. We are glad to find that Mr. Haji, Mr. Murarji Vaidya and his friends have been courageous enough to belie this impression. We wish them all success in this bold and patriotic venture. They deserve all reasonable encouragement and support from the State and shippers.

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World business recession in the last few months has once again brought to the fore the question of a rise in the U.S. official price of gold. In fact, there is a widespread belief in many parts of the world that it would be raised from the present level of $35 per ounce, as a step to combat deflationary trend. This hope would appear to be gaining ground even in the U.S., the country which has all along been opposed to South Africa's demand for a higher gold price, as witness the switch-over by American investors to Kaffir shares in the last few weeks. It is, however, doubtful whether the U.S. will agree to the suggestion to increase its dollar price of gold, particularly when the U.S. President has expressed his confidence that the business recession would prove short-lived. Even if the U.S. Administration is agreeable to such a proposal, it has to get the approval of the U.S. Congress, as it has no longer the powers to change the price of gold without the prior approval of the Congress.

An increase in world price of gold can be brought about in another way also, but this will

(*Continued on next page*)

TABLE B

Percentage Income Paid as Tax on Income and Wealth by a Married Person with Two Children

Income (Rupees)	India* 1957-58	U.K. 1957-58	Ceylon 1957-58	Norway* 1956-57	Sweden* 1956	Netherlands* 1956	U.S.A. 1957-58	West Germany* 1957	Australia 1957-58	Japan 1957	Canada 1957-58	Israel 1957-58
1,000	..	..	..	2.20	..	..	..	..	..	..	..	..
2,000	..	..	..	2.20	0.83	..	..	..	..	..	..	..
3,000	..	..	..	4.33	4.05	..	..	..	..	..	..	..
5,000	0.84	..	..	9.88	9.25	2.79	..	0.86	0.10	3.80	..	..
7,000	2.31	..	..	12.26	12.98	5.87	..	4.55	1.13	6.94	..	..
10,000	4.38	2.74	2.00	15.37	15.64	9.51	..	9.08	3.86	10.26	..	..
20,000	10.20	15.89	7.50	27.27	22.67	19.53	9.00	17.63	12.20	18.06	6.77	..
30,000	19.83	22.25	14.17	38.39	29.31	27.94	12.70	22.78	19.01	23.05	10.91	1.67
50,000	34.16	33.16	25.00	52.43	38.27	38.54	18.84	30.69	28.88	29.11	15.68	11.40
70,000	44.62	39.99	33.57	60.09	44.97	45.46	22.85	35.46	36.05	33.15	20.25	18.36
1,00,000	56.76	48.97	43.50	71.12	52.21	52.27	27.58	40.42	42.88	37.53	26.62	26.50
2,00,000	76.17	66.41	63.50	80.00	67.16	64.35	39.91	50.02	53.68	45.36	37.72	40.35
3,00,000	83.87	75.33	70.67	80.00	74.97	68.43	48.79	55.62	57.81	49.07	43.58	48.22
5,00,000	92.48	82.95	76.40	80.00	80.00	72.31	59.48	62.91	61.35	54.45	50.95	52.94
7,00,000	98.02	86.57	78.86	80.00	80.00	74.50	66.51	68.11	62.87	57.71	55.90	54.96
10,00,000	103.58	89.82	80.70	80.00	80.00	76.58	74.11	70.75	64.01	61.40	60.70	56.47

* Wealth-tax is levied in these countries only and not in the others.

EQUITIES STEADY

TEXTILES IMPROVE

(From Our Own Correspondents)

BOMBAY, *27th February*

AS usual, the pre-budget trading in the share market remained greatly restricted during the week under review. With the outstanding positions well squared up, the market on the eve of the Budget looked healthy and the sentiment was also better than a week ago. There was a small recovery in prices in most of the scrips, the rise being more conspicuous in textiles. Till a week ago, the market was somewhat jittery about the Budget, particularly in view of the Prime Minister's remarks made at the Indian Merchants Chamber's Golden Jubilee Celebrations, justifying the tax proposals of the former Finance Minister and indicating that there would not be any tax concession. The Prime Minister's subsequent statement in Parliament that the Government would adhere to its policy of extending the public sector also increased their anxiety.

During the last few days, however, there was a slight improvement in the sentiment. It came to be widely believed that, in view of the former Finance Minister's assurance that there would not be any major change in taxation during the rest of the second Plan period, and in view of the fact that Mr. Krishnamachari had almost finalised the Budget before he resigned, there would be not only no increase in taxes but a pruning in some of the existing levies. There was also an expectation that the period for which the cut in excise duty on medium cloth made in December was to be effective would be extended beyond 31st March 1958 and that a reduction in duty on coarse cloth would be made. This accounted for the modest gains in textile shares over the week.

In the steel section, Tata Ordinaries moved up from Rs. 167.50 to Rs. 170.25 before declining today to Rs. 168.75. At the close, there was a fractional recovery to Rs. 169.25. The new shares were marked up by Re. 1 to Rs. 169.25. Indian Irons gained from Rs. 19.24 to Rs. 19.64 but shaded off at the close to Rs. 19.52.

Among textiles, Bombay Dyeings gained from Rs. 50 to Rs. 51, but wound up a shade lower at Rs. 50.50. Centurys rallied from Rs. 377 to Rs. 385.25, but profit-taking pushed them down to Rs. 381.50 at the close. Kohinoors recorded a gain of Rs. 4.75 to Rs. 262.25. Central Indias were unchanged at Rs. 81. Finlays were, however, lower by Rs. 2 at Rs. 252, and Gokaks suffered a loss of Rs. 4.50 at Rs. 148. Indu Ordinaries were better at Rs. 8.96 and Indore Malwas recovered from Rs. 104.50 to Rs. 106. Morarjee Mills improved by Rs. 2 to Rs. 205, while New Greats gave way further from Rs. 213.50 to Rs. 211. Osmanshahis were maintained at Rs. 46.50. Simplex Mills advanced by Rs. 2 to Rs. 158 and Standards by Rs. 5 to Rs. 395. Svadeshis gained by Rs. 3 to Rs. 165 and Tata Mills by 75 nP to Rs. 36.75.

Bank shares were marked up generally, the most conspicuous being Bank of Barodas with a rise of Rs. 6.50 to Rs. 113, on expectations of a bonus issue in commemoration of the Bank's Golden Jubilee this year. Bank of Bikaners came to the limelight and were bid Rs. 5.24 higher at Rs. 23.24. Central Banks were marked up by Re. 1.80 to Rs. 52.50 and their new shares by Re. 1.70 to Rs. 54. Bank of Indias gained a fraction to Rs. 134.75, while their new shares moved down by Re. 1.50 to Rs. 135.50. Punjab Nationals had business at the self-same rate of Rs. 52. Union Banks gained 32 nP to Rs. 8 and United Commercials 50 nP to Rs. 59.50. Dena Banks changed hands 75 nP higher at Rs. 48.

Business in insurance shares was limited. New Indias were done 50 nP higher at Rs. 40.50 and Indian Mercantiles gained 50 nP to Rs. 43, while New Greats declined by 32 nP to Rs. 17.44.

The electricity section ruled quiet and most of the leading counters suffered losses. Ahmedabad Electrics shed 20 nP to Rs. 95 and Bombay Suburbans as much as Re. 1 to Rs. 103. Surat Electrics were done at Rs. 105.50 *ex-div.*, as against Rs. 107.50 *cum-div.* a week ago. Tata Hydros dropped Re. 1.75 to Rs. 113 and Tata Powers Rs. 17.50 to Rs. 1,105. Andhra Valleys were lower by Rs. 12.50 at Rs. 1,067.50.

Sugar shares were prominent with smart rise in prices. This was attributed to the absence of any levies on sugar farms in the Bombay budget, contrary to earlier fears. Belapurs jumped from Rs. 232 to Rs. 236 before closing at Rs. 234. Phaltans gained as much as Rs. 3.75 to Rs. 149 and Walchandnagars moved up by Rs. 4.25 to Rs. 270.50. Cement shares were steady, but no marked rise in prices was noted. Associated Cements moved within a narrow range between Rs. 144.50 and Rs. 143, before closing at Rs. 143.50. The new shares gained a fraction to Rs. 139. Digvijays recorded a rise of Re. 1.50 to Rs. 138.50, while Orissa Cements were a fraction lower at Rs. 12.36 and Jaipur Udyogs at Rs. 11.32. Ashoka Cements declined by 28 nP to Rs. 8.12.

In the engineering and mining group, Alcocks staged a rise of Rs. 3.75 to Rs. 215. Tata Locomotives advanced from Rs. 137.50 to Rs. 141.50, but finished lower at Rs. 139.50. Premier Constructions dropped 75 nP to Rs. 155. Larsen and Toubros were dull at Rs. 12.64, while Mahindra and Mahindras gained 60 nP to Rs. 17.24. Shivrajpurs were steady at Rs. 90.50 and Indian Coppers at Rs. 2.82. Shipping shares were featureless, but the undertone was steady. After improving from Rs. 17.32 to Rs. 17.60, Scindias gave way to Rs. 17.40. Great Eastern Shippings stood on balance a shade better at Rs. 19.76. Their new shares shed 76 nP to Rs. 13.24. In the automobile group, Hindustan Motors were a shade better at Rs. 5.96, while Premier Automobiles were lower by Re. 1 at Rs. 82.50.

In the miscellaneous group, Bombay Burmahs (old) were marked down from Rs. 523 to Rs. 518.50, following the none-too-optimistic note struck by the Chairman of the Company about the outlook for the current year at the annual general meeting held on Monday last. Subsequently, however, they recovered the earlier loss and closed at Rs. 523. National Rayons moved up from Rs. 215 to Rs. 217, but receded to close at Rs. 215.25. Gwalior Rayons were unchanged at Rs. 11.36. Tata Chemicals improved by 20 nP to Rs. 12.60. Tata Oils were steady at Rs. 36. Hindustan Levers moved up by 40 nP to Rs. 19.80, following the increase in dividend for 1957 to Re. 1.40 per share from Re. 1.25 paid for 1956. Killick Industries were dull at Rs. 152.50. W. H. Bradys were unchanged at Rs. 283.75. Voltas were a shade better at Rs. 113.75 and their new shares gained by Re. 1.50 to Rs. 110.

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Calcutta Stock Exchange

CALCUTTA, *25th February*

An easy trend was depicted by the Calcutta Stock Exchange during the week under review. Fresh investment support was lacking, while speculative interests preferred to await budget proposals. The volume of business, as a consequence, was greatly restricted. The statement of the Prime Minister, Mr. Nehru, in Parliament expressing approval of the policy of acquiring controlling interest in good private concerns with the funds of the Life Insurance Corporation, the remarks on the private sector made by Mr. T. T. Krishnamachari and the fears of additional burdens on companies in the ensuing Central Budget affected sentiment of operators. Jute shares came in for selling, thanks to the continued slump in gunny prices and the lightning strike in Calcutta port by a section of labour, loading gunny barges. Coal shares were affected adversely by the coal mine disaster at Asansol. Renewed labour troubles in Burnpur were mainly responsible for the easiness of Indian Irons.

Interest in coal shares was subdued. Bengals slumped from Rs. 231 last week-end to Rs. 205. Central Indias shed 16 nP to Rs. 6.59. Burrakurs were neglected at Rs. 22.50. Bharats were done at Rs. 6.50 *cum-div.*

Among jute shares, Unions were marked down by Rs. 2 to Rs. 106. India Jutes declined by 50 nP to Rs. 94. Nationals receded by 35 nP to Rs. 22.75. Howrahs were a shade lower at Rs. 13.12. New Centrals, however, gained 7 nP to Rs. 12.94 on special support.

In the mining group, Orissa Minerals dipped from Rs. 22.44 to Rs. 22.37. Indian Coppers were lower by 2 nP at Rs. 2.82. But Burmas were quoted higher at Re. 1.32, as against Re. 1.26 last week-end.

In the engineering section, Indian Irons were on offer at Rs. 19.55, as compared with Rs. 19.68 last week-end. Jessops eased by 31 nP to Rs. 22.25. National Irons were on offer at Rs. 6.75, as against Rs. 6.87 on the 19th inst. Brittanias were stagnant at Rs. 13.50. Texmacos, however, were better by 25 nP at Rs. 17.15.

Among miscellaneous shares, Dunlops shed 6 nP to Rs. 22. Indian Aluminiums were quiet at Rs. 12.75 and Rohtas at Rs. 16. Aluminium Corporations were done 25 nP lower at Rs. 9.62. B.I. Corporations eased by 5 nP to Rs. 3.75. Jardine Hendersons were marked down by Rs. 4.75 to Rs. 53. National Insulateds were unchanged at Rs. 24. But Indian Oxygen put on 6 nP to Rs. 16.

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Madras Stock Exchange

MADRAS, *25th February*

The Madras Stock Exchange ruled dull during the week under review. Transactions put through were limited. For operators were hesitant to extend their commitments either way, thanks to pre-budget uncertainties. Some were apprehensive that fresh burdens might be imposed on investors, while others thought that additional taxation, barring the imposition of gifts tax, was not likely. The general opinion, however, was that there would not be any relief to investors. Textiles met with persistent selling pressure on renewed reports of heavy accumulations of stocks with mills and announcements of lower dividends by some important mills. In the planting section, rubber shares encountered buying, induced by renewed hopes of higher prices for rubber. Tea and coffee shares were generally easy. Sugar and electricity shares were dull, although there were selective buying enquiries in a few scrips.

Among tea shares in the planting section, Devasholas receded by 15 nP to Rs. 19.50. Alageswars retreated by 13 nP to Rs. 2.45. Chandramalais eased by 8 nP to Rs. 2.90. United Nilgiris fell by 25 nP to Rs. 14.90. The Company has declared an interim dividend of 5 per cent. Ouchterlonys and Lucky Valleys lost 5 nP each to Rs. 4.85 and Rs. 10.75, respectively. Among coffee shares, Consolidated Coffees declined by 25 nP to Rs. 21.90. Anaparais receded by 15 nP to Rs. 4.80 and Bababudins by 13 nP to Rs. 10.12. But Coffee Lands spurted by 78 nP to Rs. 28.65 on excellent support following rumours that the Company was issuing bonus shares in the ratio of one for every four shares held. Rubber shares, as already stated, tended to move up. Cochin Malabars and Rajagiris improved by 25 nP each, the former to Rs. 4.35 and the latter to Rs. 14.45. Kalpettas jumped up by Re. 1.45 to Rs. 20.25. Highlands advanced by 10 nP to Rs. 12.10. Cowcoodys rallied 40 nP to Rs. 7.65. Puthutotams and Pullangodes gained 5 nP each to Rs. 2.55 and Rs. 1.68, respectively.

In the textile section, Vasantas were pushed down by Rs. 15 to Rs. 255. Coimbatore Murugans fell by Rs. 6 to Rs. 135. Coimbatore Pioneers dropped Rs. 4 to Rs. 233. Balasubramanias, Bangalore Woollens, Coimbatore Spinnings and Ranga Vilas eased by Rs. 2 each to Rs. 57, Rs. 172, Rs. 63 and Rs. 65, respectively. Lakshmis softened by a rupee to Rs. 111. Loyals declined by 40 nP to Rs. 37.10, reflecting disappointment of the cut in dividend from 7½ per cent. to 5 per cent., for the year ended 30th June 1957. Dhanalakshmis eased by Rs. 3 to Rs. 200 *cum-div.* The Company has declared only 10 per cent. dividend for the year ended 31st December 1957, as against 25 per cent. last year. Coimbatore Cottons were neglected at Rs. 160 *cum-div.* The Company has declared a dividend of only 9 per cent. for the year ended December 1957, as against 25 per cent. for the previous year.

In the sugar section, E.I.Ds improved by 15 nP to Rs. 29.40. Travancores were higher by 10 nP at Rs. 10. Deccans gathered 2 nP to Rs. 7.90.

Among miscellaneous industrials, Rallis dropped 75 nP to Rs. 28.50. Mysore Papers and Mysore Lamps declined by 25 nP each to Rs. 15.15 and Rs. 15, respectively. India Cements receded by 65 nP to Rs. 27.25. Orissa Cements lost 30 nP to Rs. 12.40. Mysore Tobaccos shed 20 nP to Rs. 12.90, and Travancore Cements 10 nP to Rs. 8.30. Textools, however, attracted attention and rose by 50 nP to Rs. 178.50.

HINDUSTAN LEVER LIMITED

The Directors of the Hindustan Lever Ltd. have decided to recommend at the annual general meeting of the Company, which will be held on 7th April 1958, the payment of a dividend of Re. 1.40 per share free of income-tax for the year to 31st December 1957, as against Re. 1.25 per share paid for 1956.

The net profit of the Company for the year amounted to Rs. 100 lakhs after providing Rs. 123 lakhs for taxation at current rates. This compares with the net profit of Rs. 61 lakhs earned in the previous year, making a provision of Rs. 162 lakhs for taxation. The 1956 taxation charge of Rs. 162 lakhs included a provision of Rs. 47 lakhs on account of the bonus issue made in October 1956.

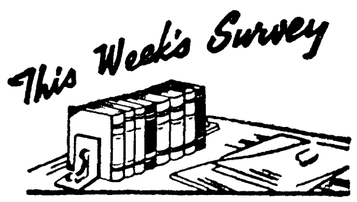
MARKET GOSSIP

(Concluded from previous page)

be a circuitous one. If business recession deepens and spreads to a number of countries and if these countries decide to reduce the value of their currencies in terms of gold, it would mean a corresponding appreciation of the dollar in terms of the other currencies. In such a contingency the U.S. would be compelled to reduce the value of dollar in terms of gold to the extent that the other countries bring down the value of their currencies in terms of gold. It is, however, too much to expect such a contingency at this stage.

It is also considered unlikely that an increase in world price of gold would come about, when the world output of this precious metal, particularly in the Soviet Union, is increasing and more and more gold is being offered by the U.S.S.R. in the London market. The world output of gold (excluding U.S.S.R.) in 1957, according to Samuel Montagu & Co., Ltd., the well-known bankers and bullion merchants of London, is estimated at 29.30 million ounces, as against 28.20 million ounces in 1956. It has thus maintained the upward trend noted in the preceding years. During the last six years alone, world production has gone up by 5.36 million ounces. The bulk of the world production is accounted for by South Africa, its output in 1957 being 17.03 million ounces (or 58.1 per cent. of the world total) as against 15.89 million ounces in 1956 (56.3 per cent.) and 11.52 million ounces in 1951 (48.1 per cent.). Canada comes next, albeit far behind, with a production of 4.38 million ounces, such having fallen from 4.54 million ounces in 1955. The U.S. accounts for 1.83 million ounces; its output also has declined from 1.86 million ounces in 1956 and 1.97 million ounces in 1953. No statistics of the output in the Soviet Union are available, but latest estimates place it at as high as that of South Africa.

The year 1957 saw a marked increase in turnover in gold markets. Messrs. Samuel Montagu & Co. estimate that the turnover in the London market alone expanded by over 25 per cent. The main feature of the year's trading in gold was the unprecedented volume of sales by the U.S.S.R., amounting to about 7.5 million ounces, as compared with the previous record of 4.3 million ounces in 1956. Another feature of the year was the large-scale operations by Central Banks. The activities of the Central Banks, other than the Bank of England, accounted for well over half the total turnover in the London market. Out of the total sales of new gold amounting to 37 million ounces in 1957, about 24 million ounces are said to have gone into the reserves of Central Banks, about 9 million ounces to hoarders and 4 million ounces for industrial consumption. It is, however, stated that the demand for hoarding purposes showed a marked decline. The greater part of this demand from Middle Eastern and Far Eastern markets was for India, which is still a paradise for smugglers of this precious yellow metal.



SIR JOSEPH ASPDEN KAY, K.B.E.

WITH India achieving maturity in the sphere of modern commerce, celebration of golden jubilee by some institution or other every year is not a rare event in the latter half of this twentieth century. But it is certainly a rare event when a man completes 50 years of active business life, all in one concern, and is still working hard for it. That, by any standard, constitutes a creditable record, of which the person concerned can certainly feel proud and can justifiably expect to be felicitated by his friends and colleagues. Seventy-three-year-old Sir Joseph Aspden Kay, K.B.E., Chairman of the company that owns *Commerce*, and Managing Director of Messrs. W. H. Brady & Co. Ltd., which controls and manages two cotton mills, a dyeing works, a big printing press, one of the largest and up-to-date sugar mills and sugarcane farms in India and a light engineering concern, is one of those few persons blessed by Providence to receive such an honour in life. On 21st February 1958, Sir Joseph completed 50 years of his connection with Brady & Co. And, on that day, he and Lady Kay were heartily congratulated by his friends and directors of the Company and its associate concerns, at a special function held at the Taj and attended by the elite of the Bombay business community, mostly the elders. Sir Homi Mody, who is three years older than Sir Joseph Kay, presided over the function.

Exactly fifty years ago from this week—on 21st February, 1908, to be precise—Sir Joseph signed his agreement with Messrs. Bradbury and Brady & Co., a partnership firm, which was dissolved three years later, its place being taken up by Messrs. W. H. Brady & Co., Ltd., first as a partnership and then, that is, two years later, as a public limited concern. He joined the firm as an assistant on a princely salary of Rs. 350 per month, subject to income-tax, rising by Rs. 50 per annum, which, however, enabled one in those days to command the comforts of life and maintain the standard of living expected of a member of a proud ruling race then. His first assignment in the firm was to reorganise the administration of the firm on efficient lines and give it a modern look. This he did with such great success that the partners of the firm soon made him a part of their concern and, as years went by, he grew with it. He became the Managing Director in 1922, following the retirement of Mr. Brady. It is interesting to note in passing that one of the conditions laid down in the first agreement with Sir Joseph (he was Mr. Joseph Kay then) contained three don'ts. These were: (1) he should not engage in any speculation; (2) he should not accept a loan from any person in India; and (3) he should not engage himself in any steeplechase or hurdle race without his employers' consent. Apparently, his employers were keen on ensuring not only his integrity but also the safety of his life.

Sir Joseph is one of the several Britishers who have spent their lifetime in this country to the mutual benefit of both. Through hard work and honest endeavour as an *entrepreneur*, he has doubtless become a rich man. But, at the same time, he has, through the fruits of his labour, enriched this country in several ways. He has seen two world wars and gone through many booms and depressions; in fine, he has witnessed the classical theory of business cycles in operation and, therefore, knows what they are. He believes even today that this theory is not as outdated as many seem to feel. He was neither carried away by overoptimism during years of boom nor allowed himself to be unduly oppressed by a feeling of pessimism during periods of depression. He has nurtured his concerns through bad and good times alike with faith in the future. He has followed a sound conservative financial policy, never overtraded, and always adopted a high degree of rectitude and integrity. All these fine qualities have paid him good dividends, the most important of which is the respect he commands as a grand old man of the British business community in India. He has been a great believer in Indo-British co-operation. He never insisted on having full controlling interest in his concerns and was always happy to work with the majority of Indian capital, provided those who put up the capital had the confidence in him to manage their concerns efficiently. As a director, or managing director, or chairman of a concern, he always bore in mind that his principal masters were the shareholders and as an employer he considered himself to be the trustee of his employees. Even during the worst of times, he did not retrench a single employee.

Sir Joseph has been director and chairman of several companies in Bombay, but these were not in such large numbers as to be affected by the relevant restrictive provisions of the new Companies Act. He could have obtained many directorships for the mere asking, but he firmly believed in the principle that the number of such positions should be kept down to a manageable proportion, so that one could discharge one's responsibilities in the letter and the spirit of the law. Apart from the seven companies that belong to his managing agency house, he has been connected as a director for several years now with two important joint-stock companies in India, the Bank of India and the Oriental Life. All the companies under the management of Brady & Co. are financially sound and strong and have been known in the commercial world for their honesty and efficiency. The credit for this mainly goes to Sir Joseph, who has been taking keen personal interest in their progress. Even now, when he is well past seventy, he regularly visits his mills three or four times a week and frequently travels to Belapur, which is about 280 miles from Bombay City, either by car or train, in order to inspect the sugarcane farm and the sugar factory of the Belapur Company, Ltd. Of all his achievements, the Belapur sugarcane farm and factory are, in our opinion, the best. One has to visit them to appreciate the enormous labour, thought and capital he has expended in raising an agro-industry on sound and scientific lines in an area which was once virtually a desert. Its original founders had given up the project as lost, but Sir Joseph saw a great future for it and went in. Events have proved that he was right. The Rs. 50 paid-up shares of this sugar company once went abegging at Re. 1 per share before he paid his close attention to the Company. They are now standing at Rs. 236, and that after the issue of quite a few bonus shares.

Another evidence of Sir Joseph Kay's faith in this country and his indomitable courage and confidence in the future is provided by the history of this journal which is still two years behind its golden jubilee. The original home of *Commerce* was Calcutta and, hardly had it completed 25 years of its existence than it ran into financial difficulties, apparently badly hit by the Great Depression of the 'thirties. It was, indeed, about to close down. But Sir Joseph Kay had the foresight to intervene and give it a fresh lease of life. He formed a public limited company in 1935 to acquire the ownership of *Commerce* and resume its publication from this City, the Gateway of India. In those days, when economic activity was still not free from depression, few business men would have had the courage to take over a sinking concern, and that too a newspaper. Even in the 'thirties, a weekly journal of decent size, giving sufficient reading matter, required a sizable capital and willingness to risk at least Rs. 2 lakhs, if not more, before the hope of making a modest profit could be established. And Rs. 2 lakhs was not a small sum in those days. Indeed, it will be difficult to find investors who are prepared to risk Rs. 2 lakhs in a weekly newspaper enterprise even in these days. Today, of course, a much bigger sum than this will have to be staked for this purpose.

Nineteen years after his arrival in India, that is, in 1927, Sir Joseph Kay was created a Knight Bachelor and honoured with a K.B.E. twenty-one years later. He richly deserved these honours, for he had rendered much valuable public service. It is said that "he is a true business man who devotes as much time to public service as he does to his own business." Sir Joseph is a great believer in this saying. Notwithstanding his heavy commitments in his own office, he devoted considerable time to social work, sports, defence and business associations. Thus, he served the Bombay Light Horse for 19 years, from which he retired in 1934 with the rank of Captain. He was President of the Bombay Gymkhana for 19 years, of the Western India Football Association for a decade, Chairman of Breach Candy Baths and is even now President of the Bombay Club right from 1931. He was Chairman of the Bombay Millowners' Association on three occasions, President of the Bombay Chamber of Commerce once, Vice-President of the Indian Central Cotton Committee for three years and of the E.I.C.A. once, besides being a Trustee of the Bombay Port Trust and Bombay Improvement Trust. He represented the employers at the International Labour Conference, Geneva, in 1923. He was a member of the Bombay Legislative Council in 1924 and 1926 and, as Chairman of the Back Bay Enquiry Committee, helped to instil in the Government of the day a sense of proportion to its grandiose scheme, now almost forgotten but then popularly known as the Lloyd Reclamation Scheme. There were enthusiasts of prohibition even in those days and, in 1927, as Chairman of the Prohibition (Finance) Committee, Sir Joseph presented a convincing report exposing the financial folly of the proposed social experiment. Of course, he then had no Rajaji nor Mr. Morarji Desai—to whom prohibition is more important than finance—to contend with. Sir Joseph was also a member of the Indian (then called Imperial) Council of Agricultural Research Such was the variety of public service rendered by this able and distinguished Britisher in India Though a Britisher, he was loyal to the country where he worked and always placed the interests of India above those of Britain. To give an instance. As the Chairman of the Bombay Millowners' Association, it fell to his lot to oppose the demands of Lancashire millowners for reducing the import duty on cotton textiles And this he did effectively and won the battle against his own countrymen.

Although Sir Joseph is critical of the present Government's economic policy and deplores the incentive-killing taxes and controls, he is optimistic enough to hope that wisdom will one day dawn upon those in whose hands the destiny of this country rests now. This is evident from the fact that, unlike many other British business men, he has not sold out his interests. Nor did he revalue his assets and inflate the capital, in order to repatriate a part, if not most, of them, even when such a practice was possible and actually in vogue a few years ago. It is no secret that quite a few Indian business men offered to take over his investments at attractive prices, but he refused them. It is to be hoped that his confidence in the leaders of this country and optimism about the future for it will be justified by the events to come.

SAFETY IN MINES

"Safety-first" is one of those principles which do not evoke public interest until its neglect leads to grievous loss of life. The recent explosion in the Chinakuri colliery, near Asansol, in which 182 workers perished in the blazing fire which developed in the pit, has shocked the press and the public into a new sense of urgency. The colliery itself is one of the most modernised of its kind in India, so that the tragic event serves only to show how accidents could take place even in the best regulated colliery. The judicial enquiry, which was promised by the Union Minister for Labour, Employment and Planning, Mr. G. L. Nanda, should throw some light on the antecedents and causes of this unfortunate accident, which has ended in such "human" waste and also inflicted considerable damage to property. An accident in a mine, especially if it arises from fire, puts the mine out of work for several weeks. The Chinakuri colliery, which belongs to the well-known Bengal Coal Company, Ltd., is not expected to resume operations for another three weeks. As a precautionary measure, an adjacent colliery has also been closed down. No estimate of the loss of output has been given. But it might be large, considering that the Chinakuri colliery alone employs about 2,000 workers. So far as the Company is concerned, the loss is said to be covered through adequate insurance.

The explosion was indeed one of the worst of its kind. Even so, it is easy enough for the authorities to yield to the temptation of setting up an elaborate committee to examine the safety conditions in the country's mines. But the fact is that, whereas, with the best will in the world, it may be difficult to prevent all accidents, there is little that a committee can do by way of addition to the knowledge of safety measures. All that is worth knowing about "safety" in mines is known. What is necessary is that the measures should be scrupulously implemented and that "safety" consciousness should be inculcated in all ranks of workers. From this point of view, the Government's decision to convene a conference of representatives of workers, employers and experts to discuss measures to enforce the use of safety devices in mines will be widely welcomed. Announcing this decision, in the course of his speech at the annual conference of the Indian National Mine Workers' Federation, held at Bhaga (Jharia) last week, Mr. Nanda said he would refrain from commenting on last week's mine disaster, since it would be a subject

of a judicial enquiry. He added: "At the moment, I can only give my pledge to the miners and their dependents that the question of their safety will constantly occupy my mind and claim my attention till all steps that are humanly possible have been taken." It is to be hoped that the conference on safety measures will meet at an early date and its decisions and suggestions will be realistic and enforced without delay.

The maintenance of "safety" is by far the most important of the functions in which workers can do much to ensure success. Addressing the conference of the National Mine Workers' Federation, the President, Mr. Michael John, rightly stressed the need for creating increasing "safety" consciousness in the industry. He pleaded for raising the rate of compensation to a level which would act as a deterrent to neglect of safety provisions. He pointed out that education of workers in safety measures and stricter vigilance by the Mines Department would also help in reducing the hazards of mining. In commending these suggestions to the Government, we would emphasise the need for more frequent "surprise" inspection of mines which would help infuse a sense of urgency about safety measures in those connected with their maintenance.

IMPORT TRADE

The continuing severely restrictive policy in relation to imports has evoked bitter criticisms from a section of the mercantile community. Voicing these criticisms, Mr. Shantilal M. Shah, the retiring President of the All-India Importers' Association, declared, in his speech at the annual meeting of the Association held in Bombay this week, that the import policy had created a great scarcity of foreign products which in turn had resulted in considerable increase in prices of such goods. He observed: "Acute scarcity or non-availability of goods does cause hardship and inconvenience to the consumers, and there is a limit to the measure of austerity and sacrifice that could be demanded from the people at a time. In this context, the continuance of drastic policy or whittling down or banning imports is not in the larger interests of the country, as it would eventually affect the rate of development itself."

While few would underrate the hardships and inconveniences that would arise from restrictions on imports, there is no denying the fact that they are inevitable. For the pace of development must be related to the resources available. As this journal pointed out only two weeks ago in the course of an editorial (*vide* page 253), the foreign exchange position is still serious enough not to permit any relaxation in the present restrictions on imports. Mr. Morarji Desai, Union Minister for Commerce and Industry, asserted at the recent meeting of the Import Advisory Council that the liberalising policy was dead and that there was no question of liberalisation.

Mr. Shantilal Shah, however, rightly stressed that it should be considered whether the continuance of the present drastic import policy was having adverse repercussions on, or prejudicing, the export promotion efforts. He also did well to emphasise that the established trade channels should be utilised for the distribution of products manufactured by the indigenous industries. This aspect must specially be stressed, because there is a strong tendency among Indian manufacturers to keep the distribution trade to themselves so that they can earn some additional profit. As we have ere now pointed out, if free enterprise and democracy are to survive, manufacturers should follow the policy of decentralisation of functions. They should let the distribution of what they produce to those business men who are prepared to specialise in that function. Incidentally, this will enable them to concentrate their time and resources on their primary function of production, leaving the task of marketing their products to other *entrepreneurs*.

The adverse effect of the growing tendency among manufacturers to keep the distribution trade to themselves has been further aggravated by the increasing encroachment and participation of the State Trading Corporation in actual trading. Mr. Shantilal Shah was justified in urging that any further extension of the Corporation's activities was unwarranted, especially into the spheres of trade which has been well established and functioning successfully through the established trade channels. Surely, the Corporation would, as he pertinently remarked, be rendering a great service to the economy of the country, if it were to confine its activities to spheres of a pioneering character designed to create new opportunities for the trade and also to activities which, by their very nature, are unsuitable for being handled by private individuals.

FINANCE FOR SHIPPING

Rupee finance and foreign exchange are still the chief bottlenecks in the way of a more energetic programme for the acquisition of ships. The long leeway which India has to make up in its tonnage cannot, however, be covered without expenditure of vast sums of money. Already, the sums allotted for shipping under the second Five-year Plan have been exhausted, though the target for tonnage set under the Plan has still to be reached. Reviewing the progress of shipping, Mr. Dharamsey M. Khatau, Chairman of the Scindia Steam Navigation Company, Ltd., in the course of his address at the annual meeting of the Company, held last week in Bombay, pointed out that India's registered tonnage was likely to reach 734,296 in the current year. By 1960-61, about 90,000 G.R.T. would be due to be scrapped or sold. India would, therefore, need about 255,000 G.R.T. to reach even "the low and modest target of *900,000 G.R.T.* as fixed by the Planning Commission." Mr. Khatau felt that, in the context of available finance and the foreign exchange resources of the country, the fulfilment of even this modest objective would appear to be a "stupendous" task.

The Government, on its part, has been particularly anxious to see that Indian shipping attains a higher status among the maritime nations. The country owes a great deal to the vision and constructive thinking of the Union Minister for Transport and Communications, Mr. Lal Bahadur Shastri, who has consistently evinced a sympathetic attitude towards the problems of Indian shipping. Mr. Khatau himself referred to Mr. Shastri's "very encouraging and appreciative remarks" at the recent annual general meeting of the Indian National Steamship Owners' Association where he expressed his willingness to extend the best possible assistance to Indian shipowners in the matter of acquisition of additional tonnage. Mr. Khatau said: "I particularly value his very encouraging observations about the shipping development fund, reduction in the rate of interest on loans granted to shipping companies for the acquisition of coastal ships and the hopes he has held out for an increase in the development rebate allowance."

The last budget has, by and large, imposed a severe burden on shipping companies. Nevertheless, it is gratifying to note that the Government eventually decided to exempt shipping companies from the operation of the wealth tax. Mr. Khatau was voicing the feelings of all those who have the good of Indian shipping at heart when he expressed his gratitude to Mrs. Sumati Morarjee, who led the delegation for presenting the case for Indian shipping before the Select Committee, and to Mr. M. A. Master for his "able advocacy" of the cause of Indian shipping. Although the shipping companies have now been exempted from wealth tax, there is another tax which is as oppressive in its incidence as the wealth tax might have been. It is the capital gains tax. Referring to this tax, Mr. Khatau said: "The systematic disposal of our older and uneconomic ships is a natural outcome of planned modernisation of our fleet. The sale of such ships, however, brings us within the ambit of the capital gains tax." It is to be hoped that the Government will grant the necessary fiscal relief at least in cases where the capital gains, arising from sales of ships, are reinvested for purposes of acquiring additional tonnage.

LOCKOUTS

It is unfortunate that a minor dispute between a section of workers and the management of the State-owned Hindustan Aircraft Limited, Bangalore, should have taken so unexpected and undesirable a turn as to force the closure of the factory and necessitate the intervention of the police. The situation deteriorated further and violent demonstrations by workers culminated in firing by the police, resulting in the death of one worker. It is deplorable that the trouble should have started on so flimsy a ground as the arrest of five workers on a charge of assaulting a co-worker. Reinstatement of 18 workers dismissed earlier by the management and withdrawal of suspension order against certain others are stated to be some of the demands of the workers.

One should not be accused of being cynical if one thinks that this incident, unfortunate in the extreme, should, nevertheless, serve to dispel the illusion entertained in some quarters that strikes and lockouts are exclusive phenomenons of the private sector and invariably due to the adamant refusal of the management to stoop to the just demands of labour. An undertaking owned by the Government, which has always taken a paternal attitude to labour, was forced to close its doors, because it found real danger in the factory for life and property. While not seeking to apportion the blame for this development, we would like to point out that it is, in part at least, the manifestation of an evil common among almost all sections of people in the present-day India, but endemic in the ranks of labour, namely, indiscipline. One wonders where this will lead the country to.

COHEN COUNCIL'S REPORT

The report of the Cohen Council (Britain) on Prices, Productivity and Incomes, published on the 21st ult., is a well-reasoned essay on the inevitability and the positive need for effective anti-inflationary policies to defend the value of the pound, safeguard Britain's competitive strength in export markets and prevent a fall in living standards. It is, in effect, an able vindication of the measures initiated last September by Mr. Peter Thorneycroft, the former Chancellor of the Exchequer, to curb inflation, including the putting up of the Bank Rate. The Council expresses almost unqualified approval of these measures and considers it justified and even as long "overdue."

The Council, it may be recalled, was appointed in August 1957, to keep under review changes in prices, productivity and incomes, including wages, salaries and profit, and to report thereon from time to time. It is a completely independent body comprising Lord Cohen (Chairman), Sir Dennis Robertson and Sir Harold Howitt.

The Council, in its report, observes that it is important for Britain, especially with its dependence on imported food and raw material and the consequent need for high exports, to avoid inflation, since it cannot count on its competitors indulging in that practice. It, therefore, suggests that the country's principal economic aim at the moment should be to halt, not merely moderate, the current inflation and that no branch of the Government expenditure should be held immune from possible reductions or limitations, except where covered by definite contracts. It maintains that Britain has, during the post-war period, pursued a number of objectives arising from the circumstances of the time, and in themselves desirable, but making, in the aggregate, a greater demand on the thrift and industry of its citizens than they have had the power or the will to satisfy. This has shown itself in an abnormal pressure of monetary demand for both consumer and capital goods and services which has been the main cause of the rising trend of prices and money incomes. This expansion, the Council maintains, has been assisted by a plentiful supply of money and by the pursuit of full employment policies. Increases in import prices also had an inflationary effect.

Although the main cause of rise in prices and incomes has been high demand, the Council points out that wage advances have chiefly been secured through the instrumentality of powerful trade unions. The habit of demanding large and frequent increases in monetary rewards grows by what it feeds on and might, according to the Council, be found to persist even after any technical justification for it in the state of the labour market has passed away. The report points out that a peace-time rise in price as big and prolonged as that experienced by Britain in the post-war period has no precedent in the last hundred years of its economic history. It is true that prices have been rising since 1934, but the rise since the end of the war has been exceptionally big and prolonged, averaging from four to five per cent. per annum. The cost of production has also followed an upward course. The Council estimates that, of the increase in the cost per unit of goods and services in 1956 over the 1946 figure, 49 per cent. is attributable to extra wages, 19 per cent. to extra profit and 19 per cent. to higher import prices and 13 per cent. to extra indirect taxes. The overall increase in production during the 1946-56 period is estimated, on an average, at about 3 per cent., whereas the rise in wages and salaries is estimated at just under 8 per cent. per year and the rise in profit income at just under 7 per cent. per annum. The Council points out that wages and profits had thus increased their share of the national income, while the share of dividends, rents and incomes of the self-employed has fallen. It warns that, if wage rates continued their spectacular rise of recent years, it would mean real hardship for large sections of the people and that the future employment and living standards of those who sought the rise would also be endangered.

It, therefore, strongly emphasises the need for maintaining stability in prices and is opposed to the trade union demands for higher wages. The Council, however, hopes that, if any increases are granted in 1958, they will be substantially below the average of the last few years in the interest of stable currency and rising production. It also points to the possibility, or even the desirability, of a larger volume of unemployment than at present. According to it, a free and flexible economic system cannot work efficiently without a perceptible margin of unemployment. Nobody should be surprised or shocked, the report of the Council, adds, if unemployment rises above the present rate of 1.8 per cent. If it should prove necessary to take action to maintain employment, the Council thinks that this should be done by stimulating exports rather than home investments. The Council feels that, in the present circumstances, it cannot recommend physical controls over investments and prices and opposes any form of subsidies. Nor does it suggest legislation enforcing dividend limitation or repeal of the Rent Act of 1957.

It may be mentioned that the Council was meant to be a fact-finding body. There was, however, a large section of opinion in Britain which felt that the real job of the Council should not be to find out the facts, as there was no doubt that the central point about the British economy was inflation. It was suggested that the Council might do better to drive home this point to the various interests.

It will be interesting to note the kind of reception the report has had in Britain. The reaction of employers and trade unions was in line with what was generally anticipated. The former have welcomed the report in its broad outline. But labour has condemned it in the strongest terms and rejected it outright. They have termed it as a document of "outdated and discredited" views on employment and investment. This is not surprising, because every one of its pet panaceas for the current ills of British economy was rejected and the Council even expressed itself in favour of a higher margin of unemployment. In fact, the trade union leaders from the outset opposed the very idea of setting up the Council, as they feared that its purpose might be to create some kind of super wage-claims court. Mr. Hugh Gaitskell, leader of the British Labour Party, observed that the Council had produced a "political tract, not a scientific report." According to him, it would not help solve the important question of how to combine full employment, economic expansion and stable prices.

Most trade union leaders point out that the Council's advice to restrict wage increases would lead to a deterioration in industrial relations. The immediate impact of the report is expected to be on the crucial arbitration cases which will decide the key to the outstanding wage claims during the next few weeks. The most important of these cases are the London busmen's 25*s*. a week claim, the railwaymen's £48 million a year claim and the miners 10*s*. a week claim. These three are regarded as the "pace-setters" for the four million workers currently in the wage queue, with demands aggregating £250 million a year. The Government's reaction to the Council's suggestions is not known at present. It is generally thought that the recommendations are likely to strengthen the Government's determination to continue stern measures against inflation even if it means risking clashes with the trade unions.

BOMBAY BUDGET

The budget estimates of the Bombay Government for 1958-59, presented by Dr. Jivraj N. Mehta, the Finance Minister, in the Legislative Assembly on Tuesday this week, clearly indicate that the Government is quite alive, unlike some of the other State Governments, to the need for adequate and proper efforts to mobilise internal resources for implementing the Plan successfully. By proposing a few measures of additional taxation yielding a total of Rs. 3 crores, the Finance Minister has endeavoured to convert the anticipated revenue deficit of Rs. 2.01 crores for the coming year into a surplus of Rs. 99 lakhs; the actual surplus will, of course, be less at Rs. 24 lakhs, since a sum of Rs. 75 lakhs is to be earmarked for credit to the State Road Fund. Dr. Mehta must certainly be congratulated on having chosen such measures of taxation as would not adversely affect industry and trade directly. These include taxes on passenger fares, motor vehicles, motor spirit and diesel oil used as fuel, consumption of electrical energy, stamp duty on instruments used for non-judicial purposes, and duty on entertainment tax. Only the first tax is a new one. The rest represent extension of the ruling rates in the original Bombay State to the portions added to it under the Bigger Bombay State. It is particularly gratifying to note that the budget does not include proposals for agricultural income-tax and levy of tax on trade and professions.

The deficit (before tax) of Rs. 2.01 crores on revenue account expected for 1958-59 compares very unfavourably with the sizable surplus of Rs. 5.57 crores in 1957-58 (revised). The deficit has occurred despite the improvement of Rs. 2.65 crores in revenue receipts, from Rs. 117.35 crores to Rs. 120.00 crores. But the improvement has been more than offset by the appreciable rise of Rs. 10.24 crores in expenditure which in 1958-59 is estimated at Rs. 122.01 crores, as against Rs. 111.77 crores in the current year. This rise, though it is spread over a number of heads, is generally due to larger provision for both Plan and Central-sponsored schemes.

The revenue deficit of Rs. 2.01 crores has been converted, as already stated, into a surplus of Rs. 99 lakhs by additional taxation. The additional taxation takes two forms, as already stated. First, there will be the imposition of a new levy on all passengers and luggage carried by stage carriages at such rates as would yield an amount equal to 10 per cent. of the inclusive amount of fares payable, except where such stage carriage plies exclusively within a municipal area. This levy is expected to yield a total of Rs. 1.80 crore. Secondly, it is proposed to unify taxes throughout the State generally along the lines and at the rates these taxes are being levied in the former Bombay State areas. The result is as under:

	Additional yield (Lakhs of Rs.)
Unification of motor vehicles taxation ...	15
Unification of sales tax on motor spirit and high-speed diesel oil (used as fuel) up to a maximum of 20 per cent. *ad valorem*	30
Uniform application of the present rates of stamp duty (in the former Bombay State) on instruments of conveyance of urban and rural movable and rural immovable property	25
Extension of the rates of duty on use of electrical energy to all the component units of the State	25
Extension of the rates of taxation on admission to places of entertainment other than the racecourse	25
Total ...	120

The aggregate additional taxation revenue thus comes to Rs. 3.00 crores. After crediting Rs. 75 lakhs to the State Road Fund, the balance of Rs. 2.25 crores will be utilised to wipe off the revenue deficit of Rs. 2.01 crores completely. There will thus be an actual surplus of Rs. 24 lakhs.

The capital expenditure of the Bombay Government in the coming year is expected to be higher by Rs. 7.67 crores at Rs. 48.23 crores (the revised estimate for 1957-58 is Rs. 40.56 crores). This includes the expenditure met from the State Road Fund but *excludes* that on State trading schemes and provision of Rs. 21.36 crores under loans and advances. The capital expenditure, according to the Finance Minister, will be met from loans from Central Government, share in small savings, as also by withdrawal from Funds like Development Schemes, Port Development and Reserve, Milk, State Road and Sugarcane Cess Funds. Attempts, we are told, will be made, in consultation with the Centre, to meet a part of the balance from open market borrowing of about Rs. 10 crores.

The net capital expenditure for 1958-59 (that is, including recoveries on capital account which are taken in reduction of capital expenditure) is put at Rs. 39.49 crores. After adjusting the revenue surplus of Rs. 24 lakhs and the sum of Rs. 18.99 crores under debt heads (including loans from the Centre but excluding open market borrowing), the overall deficit will amount to Rs. 20.26 crores. As a result of this deficit, the closing balance (inclusive of investments in treasury bills) with the State Government will be reduced from Rs. 38.85 crores at the end of the current month to Rs. 18.59 crores a year later. The reduction will, however, be less to the extent the State Government succeeds in raising the estimated open market borrowing of Rs. 10 crores.

The aggregate capital expenditure of the Bombay Government (*including* that on State trading schemes and provision of Rs. 21.40 crores for loans and advances) is estimated at Rs. 72.23 crores. Of this amount, "capital formation on economic services" account for Rs. 62.58 crores, the balance representing "capital formation for social services" (Rs. 5.4 crores) and non-developmental expenditure (Rs. 4.3 crores). The sources from which the major portion of the capital expenditure—amounting to Rs. 61.97 crores—is proposed to be met are (in crores of rupees): revenue surplus: 0.24; open market borrowing: 10.00; small savings 10.00; Central loans: 25.36; net receipts from funds and balances: 9.48; recoveries of loans and advances: 6.89. This leaves a gap of Rs. 10.26 crores in 1958-59, as against the budgeted gap of Rs. 17 crores in 1957-58 and the surplus of a little over Rs. 1 crore in the revised estimate.

BOMBAY PORT TRUST

The implementation of Five-year Plans, involving large-scale imports of capital goods, is reflected in a considerable increase in the activities of all major ports in India during the past year. And Bombay, as the key port connecting the industrially advanced countries of the West with the East, had to shoulder more than its normal share of this vastly expanded trade. It is, therefore, not surprising that the Administration Report of the Bombay Port Trust (Chairman: Mr. L. T. Gholap) for the year 1956-57 makes interesting reading. It sets out the details of enlarged turnover and volume of work in the Port's activities during the year under report, resulting in a larger surplus revenue than was originally anticipated in the revised estimates. The weight of cargo handled at the docks and bunders at 11.98 million d.w. tons was a new record for the port, such having exceeded the 1955-56 traffic by as much as 1.67 million d.w. tons. The growth in the port's activities in the recent past can be further gauged from the fact that, as against an aggregate 5.53 million d.w. tons handled in 1937-38, the volume of goods handled in 1954-55 was 7.58 million and 10.31 million tons in 1955-56. This has again risen during the year under review to the figure mentioned above. The overseas traffic in passengers, exclusive of passengers by country craft and harbour ferries, during 1956-57 and 1955-56 was: inward 69,558 and 72,201 and outward 76,988 and 92,931, respectively. Similarly, the coasting traffic during the above periods was: inward 385,418 and 375,316 and outward 382,485 and 403,262, respectively.

The general account for 1956-57 closed with a surplus of Rs. 233.10 lakhs, as against a surplus of only Rs. 141.33 lakhs envisaged in the revised estimates. The pilotage account likewise showed a surplus of Rs. 6.78 lakhs, as compared with the estimated surplus of Rs. 4.11 lakhs. So far as the general account is concerned, the improvement over the revised budget was due to an increase of Rs. 25.70 lakhs in receipts and a saving of Rs. 66.08 lakhs in expenditure. The increase in receipts was mainly under wet docks, due to higher recoveries of wharfage, demurrage charges, etc. The saving in expenditure was the result of the slow progress of repairs and maintenance and less expenditure than anticipated on other establishments.

The year under review also saw further progress in the various development schemes carried over from the first Five-year Plan. These include (*a*) the scheme for the modernisation of the Prince's and Victoria docks, (*b*) reconstruction of transit sheds in the Prince's and Victoria docks, (*c*) labour housing scheme, (*d*) electrical cranes for Ballard Pier and Alexandra Dock, (*e*) reorganisation of the electrical distribution system in the docks, (*f*) marine oil terminal, and (*g*) telecommunications, etc. With the addition of the dredger *Mayur*, the number of dredgers with the Port Trust increased to 7 and all of them were fully employed in maintaining the approach channels, docks, harbour wall berths, etc.

It is a pity that the Chairman has been compelled to record that the labour situation at the port continued to be "unsettled and there were a number of stoppages of work, some of them on flimsy grounds." Regarding labour welfare activities, nine welfare centres were conducted by the Labour Department at Port Trust residential settlements for workmen. Indoor and outdoor games and matches were organised at these centres. Open-air cinema shows, dramas, variety programmes, socials, excursions, celebrations, demonstrations, etc., were also arranged and co-operation was extended to local groups for recreational activities. These measures are welcome. It is to be hoped they will induce the dock labour to put forth its best in the discharge of its functions.

ECONOMIC STRENGTH OF WEST GERMANY

NOTION OF HIGH PROSPERITY ERRONEOUS

By A German Financial Correspondent

IT appears that many wrong notions are current abroad about the economic and financial capacity of the Federal Republic of Germany. The Federal Government is receiving an ever-increasing number of urgent requests to assist other nations economically or financially, to extend them help on a large scale for the development of their industrial potential, to mitigate their difficulties of balance of payments by making available to them foreign exchange or to accord them some amount of direct financial relief by taking over definite obligations. Obviously, these expectations are based on the belief that the Federal Republic enjoys an extraordinarily high level of prosperity and is, therefore, more than any other European nation, in a position to give assistance. To prove the point reference is usually made to the surplus in the German balance of payments and the foreign exchange reserves of the Federal Bank, the increase in the national production since 1948 and the surplus budgets of the last few years. Upon closer examination it will, however, be found that the common belief these phenomena point towards Germany enjoying a level of prosperity well above the average is not borne out by the facts.

The current German balance of payments position, cannot be allowed to continue either from the viewpoint of Germany's trading partners or from that of the Federal Republic; the Federal Government is, accordingly, constantly endeavouring to reduce, as far as it can, the surplus in the balance of payments. It is misleading, however, to take this surplus and the foreign exchange reserves as indications of affluency. With exchange rates remaining the same, the disequilibrium in the balance of payments is an unmistakable sign that the price levels in the countries concerned have followed different courses; this is essentially due to the fact that the individual countries have tried to achieve different economic objectives by different methods which have, in course of time, brought about a notable change in the respective competitive positions of the countries in international trade. The success of the Federal Republic during the last few years in keeping the internal price level relatively stable gave it a competitive advantage which led to increasing surplus in its balance of payments. In terms of production, the export surplus represents advance deliveries of goods by Germany to her trading partners and a considerable loss to the German economy for the time being.

Balance of Payments

The external trade position of the Federal Republic does not warrant a conclusion of extraordinary prosperity being drawn; on the contrary, the accumulation of foreign exchange reserves of the Central Bank is an indication of exceptional stringency of capital in the German economy. While foreign enterprises of other countries very often invest their export earnings in their business establishment overseas, in participating financially in local business, etc., the German enterprises are normally not in a position to do the same. The capital outlay of the German exporters is generally so insufficient that they are ordinarily obliged to convert their foreign exchange earnings into German Marks immediately, so that they can carry on production; to counteract the inflationary effect of this exchange, the Federal Government has to follow a restrictive credit policy which makes the shortage of capital still more felt. Suggestions to solve the problem of the German balance of payments by capital exports are not realistic, since they fail to take into account the notorious weakness of the German capital market.

There would still be justification in considering the amount of foreign exchange reserves as an evidence of extraordinary prosperity of the German economy if the national production, i.e., the current production of goods in the Federal Republic, had reached an extent far above the average. That, however, is not the case as a statistical comparison would show. The increase in national production in the period since 1945, particularly since the currency reform, has, of course, been abnormally high; from 1948 to 1955, the increase in national production in the Federal Republic was about 125 per cent., as compared with the average of hardly 40 per cent. for all the O.E.E.C. countries. In this context, however, such a comparison, obviously, is of no value, based as it is on the figures of a year when the German economy lay absolutely shattered, as a result of the war and dismantling of factories. A truer picture will emerge if the increase in national production *per capita* with reference to the base year 1938 is considered. It would be seen that, since 1938, the population of the Federal Republic has increased by about 30 per cent., whereas the increase in population in other countries has been relatively smaller and that the increase in national production in the Federal Republic has been much less than in the other countries. The following table gives the increase in the real national production per *capita* from 1938 to 1955 in the various countries:

	Per cent.
United States	73
France	40
Italy	24
Great Britain	21
All the O.E.E.C. countries: average	25
Federal Republic only	16

The economic situation of the Federal Republic becomes still more comprehensible if national production itself, i.e., the average quantity of goods available *per capita* for consumption (i.e., expenditure) and investment is compared with the other countries. For 1956, the following are the *per capita* figures based on gross *national production* at current prices:

	Dollars
United States	2,504
France	1,180
Great Britain	1,134
Belgium	1,120
Norway	1,040
Federal Republic of Germany	877
Netherlands	754
Italy	483

And, if the figures of the *per capita* consumption (i.e., expenditure) were considered, Germany's position would appear to be still worse than it is in the case of current production; figures for various countries for the year 1956 are as follows:

	Dollars
United States	1,592
France	812
Belgium	758
Great Britain	732
Norway	635
Federal Republic of Germany	521
Netherlands	445
Italy	328

It will be seen that, so far as *per capita* consumption is concerned, the Federal Republic is far below the average. The common contention, namely, that the low rate of expenditure has enabled the Federal Republic in the last years to invest at an extraordinarily high rate and therewith to achieve the high surplus in its balance of payments, does not take into account the peculiar position of the Federal Republic during its period of reconstruction. After all, the high rate of investment was absolutely necessary to catch up with the economic development in other West European countries. As is well known, as a result of the war, a substantial part of Germany's national wealth was destroyed and the whole structure of her economy disorganised. Accordingly the standard of living of the German people had sunk to below the bare existence level. For speedy reconstruction, great effort on Germany's part was necessary to supplement the foreign aid which was extended to her.

Moreover, the large influx of refugees from Germany's eastern territories and parts occupied by the Soviet Union into the already overcrowded Federal Republic made large-scale investments necessary to create new avenues of employment. The economic rehabilitation of the displaced persons whose influx still continues gains particular importance for social and political reasons in view of the proximity of the Federal Republic to the Eastern Bloc. Also, in view of the defence responsibilities that Germany will have to undertake in future, the investments during the last few years were an absolute necessity. Without the increase in national production achieved in the past, Germany would not be in a position to bear the expenditure that will have to be incurred in future on account of the setting up of her defence forces.

Like the comparison of the figures of national production, a comparison of the national wealth of the various countries would be equally instructive. Statistical data, incomplete though, shows that *per capita* wealth in the Federal Republic is considerably less than in other countries; this obviously is explained by the destruction during the war and the loss of German property abroad.

The following table of comparative *per capita* income of the member countries of the O.E.E.C. should also help to dispel the common misconception of a comparatively high level of prosperity being enjoyed by Germany.

Per capita *income in U.S. dollars*

	1956
United States	2,043
Canada	1,458
Sweden	1,178
Switzerland	1,144
Luxembourg	1,040
France	916
Great Britain	889
Norway	874
Denmark	826
Belgium	814
Federal Republic of Germany	692
Netherlands	612
Austria	488
Ireland	434
Italy	381
Greece	257
Portugal	201

The comparison shows that Germany occupies the eleventh place and is surpassed by France by 32 per cent. and Great Britain by 28 per cent.

It may also be pointed out that, after Great Britain, the Federal Republic is the most heavily taxed country in the free world. In the year 1956, the tax burden bore the following relationship to the gross national production at current price in the various countries:

	Per cent.
Great Britain	27.6
Federal Republic	27.3
Norway	27.0
Netherlands	24.8
France	23.3
United States	23.0
Italy	19.6
Belgium	17.0

Defence Expenditure

Taking into account social insurance, which is financed to a large extent by the national exchequer in Great Britain, and in the main through contributions in Germany, the two countries lead all others. The high rate of taxation in the Federal Republic is the result of the financial consequences of the war and the extra burdens due to the partition of Germany, its geographical situation and its immediate proximity to the Eastern Bloc (Berlin, areas bordering on Eastern Germany). From 1948 to 1957, the Federal Republic has spent about 145 billion DM. on social welfare to mitigate the effects of the war. If to that is added cost of, and relating to, occupation, the expenditure connected with the war would amount to about 200 billion DM. Payments following from the war still to be made (e.g., compensation for damages, reparation) are estimated to amount to 100 billion DM. approximately. Furtherance of social justice, elimination of economic conflicts and thus increasing the internal defensive strength of the country are the indispensable prerequisites of a military contribution for purposes of defence. Leaving aside the political importance of these items of civil expenditure, the rapidly increasing defence expenditure will, in the coming years, surpass all other items of national expenditure; in 1960, the defence expenditure will amount to almost half of the total expenditure of the Federal Republic.

For all the reasons given above, it would appear that it is erroneous to consider the economic expansion, the surpluses in the balance of payments and the budgets as indication of a particularly high level of prosperity in the Federal Republic. It is only now that a hard-working nation has, after considerable sacrifice, caught up economically with the other Western nations. The upward trend of development hitherto obtained will not continue in future; the rising curve of expansion will subside. The defence responsibilities to be fulfilled during the next years will strain the German economy to the utmost. In order to balance the budgets, additional sacrifices will be needed and an intensive utilisation of the economic means available required.

Notwithstanding what has been stated above, the Federal Republic is well aware of the fact that India expects an active assistance of the German economic potential in her industrial development. The Federal Government, for its part, is deeply interested in intensifying the economic and financial co-operation with India, but feels that it must be pointed out that the German contribution can be made only according to the economic and financial capacity of the Federal Republic.

LONDON LETTER

SCOPE FOR CONFIDENCE

From Our Own Correspondent

LONDON, *22nd February*

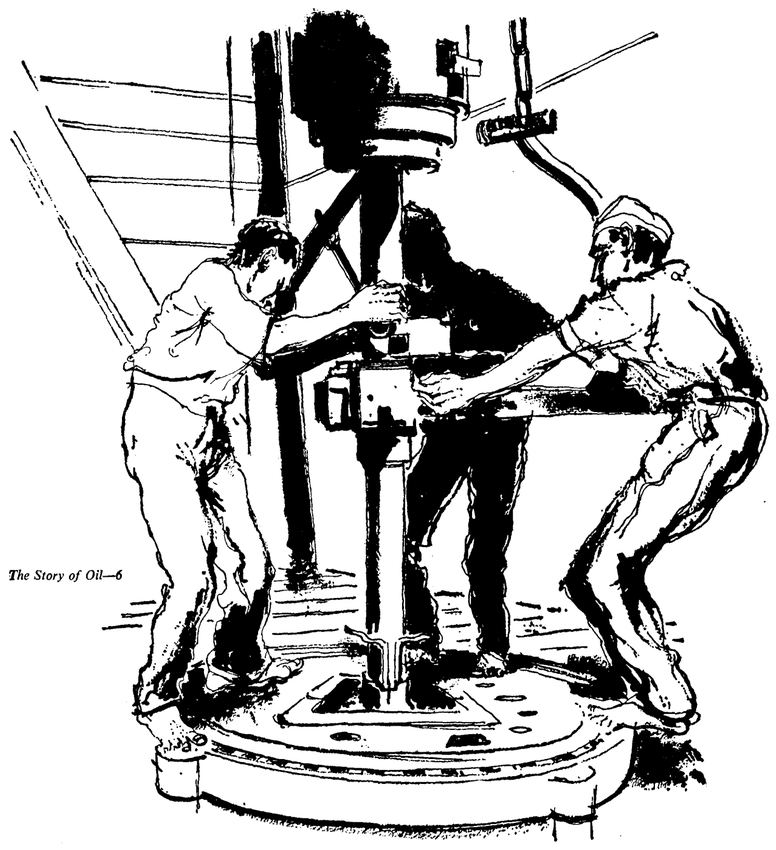
THERE are times when one must stop looking at the endemically gloomy side of the Nation's affairs, however much more sensational these may be, and seek consolation in some of the solid aspects of the U.K.'s economic life which tend to go unsung.

In spite of the depression afflicting the Stock Markets and the impression created by the investing classes that they no longer have as much money to spend as they did, there is much satisfaction to be gained from the latest statistics of industrial production which show that 1957 ended with a higher figure of output than any previous December (the index number was 141 based on 100 in 1948 and comparing with 136 for December in the previous year). Indeed, December made a better showing than any month last year excepting June, allowance being taken of course for seasonal factors. 1957 as a whole came out with a production figure of 139½, against the previous year's 136½. We are apt to forget that to increase industrial production in nine years by 40 per cent. is no mean effort.

The figures of progress in national income and investment are always issued rather tardily hence their lack of glamour, but though we are only now getting the picture for the third quarter of last year, it is very worthwhile taking note of it. Comparing the third quarter of 1957 with that of 1956, we know that the national income was running at an annual rate approaching £19,000 million and the increase was no less than 5 per cent. but, of course, inflation was at work over the year as well and all prices rose about 3 per cent. Allowing for price increase, the increase in the national income in real terms was still about 1½ per cent.

In real terms also, expenditure by consumers and exports also rose by 1½ per cent. In *money* terms personal incomes, after allowing for rather higher taxes, increased by 4½ per cent. but expenditure lagged behind this figure by no less than some £100 million which is adequate evidence of increased savings. Independent calculations which estimate personal savings, without allowing for increases in the value of stocks and for the depreciation in property, show that savings rose by £115 million and this was coupled with a continued fall in *Government*—both central and local—expenditure.

(*Continued on page 399*)



The Story of Oil—6

A major operation

Geological and geophysical surveys provide clues to the whereabouts of underground traps which *might* contain mineral oil. But there is only one way of proving whether or not oil is actually present. And that is by drilling a test well.

With all the skill and knowledge of modern science, the odds are still 20 to 1 against striking an oil-trap which justifies the heavy costs of exploration. For example, it may cost over a crore of rupees and take years of research before success is achieved. Yet only by taking these risks will new oilfields be discovered.

Drilling a test well is a tremendous undertaking in itself, involving great quantities of machinery, equipment and supplies. A typical well (10,000 or more feet deep) would probably need: a complete drilling rig, weighing about 200 tons, 15,000 to 17,000 feet of drill pipe, 14,000 to 16,000 feet of steel casing, 60 to 100 drilling bits, 500 to 1,000 tons of drilling-mud chemicals, 2,000 to 5,000 sacks of cement, 48,000 barrels of water, and 3,000 barrels of fuel oil. In addition, at least 125 skilled personnel comprising drillers, drilling crews, geologists, engineers, cementers, electricians and other technicians would be required for drilling the well.

It can take as long as a year to drill a deep test, and the result may be that the well strikes water, not oil; or it finds only a little oil, or even turns out to be dry. Then the mass of machinery and equipment is moved to another location and drilling begins all over again.

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BOC

FUTURES TRADING IN BULLION

"STATUS QUO" TO BE MAINTAINED FOR THE TIME BEING

THE Government of India has decided to maintain the *status quo* for the time being in regard to futures trading in bullion, after carefully examining the recommendations of the Forward Markets Commission. The Government, which announced its decision last week, has not assigned any reasons why the existing arrangements should be allowed to be continued for the time being and why it does not desire to disturb the same. The wording "for the time being" in the Government's announcement, however, suggests that the Government has not altogether rejected the Forward Markets Commission's recommendations and it may take up the question again after some time. It is inexplicable as to why the Government has taken nine months to arrive at this decision.

The Commission itself took fifteen months to conclude its enquiry and submit its findings. It was in February 1956 that the Commission commenced its enquiry—the two main issues which it was asked to deal being (1) whether futures trading in the country was at all necessary and (2) the centres at which and the associations through which the futures trading (if found necessary) should be conducted. The report of the Commission was forwarded to the Government of India in May 1957. The Commission, after sifting the evidences both in favour and against futures trading in bullion, has come to the conclusion that "the advantage is, on balance, in favour of permitting futures trading in bullion on a limited scale, even if the case in its favour might not be as strong as in the case of agricultural commodities. The requirements of the situation would, however, be adequately met by providing the necessary facilities only at a limited number of centres and there was no need for continuance of all the markets in existence at present."

Commission's Recommendations

Accordingly, the Commission recommended that:

(1) Sections 15 and 18(3) of the Forward Contracts (Regulation) Act, 1952, might be applied immediately to gold and silver throughout the country, excepting the cities of Jaipur, Delhi and Calcutta, where these sections might be made applicable a few months later to enable existing associations to reconstitute themselves.

(2) Futures markets in respect of gold and silver might be established at Bombay and Delhi and in respect of silver only at Jaipur and Calcutta.

(3) Formal recognition might be granted under Section 8 of the Forward Contracts (Regulation) Act, 1952, to the Bombay Bullion Association Ltd., Bombay, in respect of gold and silver, and to the Bullion Association Ltd., Jaipur, in respect of silver only, when Section 15 was subsequently applied to Jaipur.

(4) The recognition of both these associations should be for a period of three years.

(5) Shri Mahalaxmi Bullion Exchange Ltd., Delhi, and the Calcutta Bullion Association, Calcutta, might be given an opportunity to reconstitute themselves into strong and representative associations on the lines indicated by the Commission within a period of three months, with a view to the eventual recognition to them under Section 6 of the Forward Contracts (Regulation) Act, 1952, in respect of gold and silver for the former and silver only for the latter.

The Commission is convinced that, if non-transferable specific delivery contracts in respect of gold and silver were permitted freely even after the application of Section 15 of the Forward Contracts (Regulation) Act, 1952 to these two metals, as is customary, it will give an impetus to the non-recognised associations to resort to illegal futures trading and would weaken the recognised association. Consequently, the Commission submits that the situation warrants the application of Section 18(3) of the Act to gold and silver, simultaneously with the application of Section 15 of the Act to these two commodities. After the recognised associations have been well established and trading has been properly organised, the Commission recommends, the question of the withdrawal of Section 18(3) of the Act in particular areas can be considered, if necessary.

India is the only country in the world where futures trading in gold and silver is carried on and is very popular, judging from the large number of centres where associations, small and large, are engaged in this type of business. At present, futures trading in bullion, in respect of both transferable and non-transferable specific delivery contracts, is permitted freely all over the country, except in the city of Bombay, where it is being regulated under the Bombay Forward Contracts Control Act, 1947. Futures trading in bullion is being carried on for many years past. Forward contracts in these two precious metals first came to be regulated in May 1943, when, under the powers conferred by Section 2 of the Defence of India Act, 1939, the Central Government notified that the date of delivery of bullion in a forward contract should not be later than 12 days from the date of the contract. This time interval was subsequently reduced to 5 days in August 1943 and still further to 2 days in September 1943, but was again increased to 7 days in January 1944. The restriction was, however, lifted with effect from 25th January 1946 and trading was again freely permitted thereafter.

The Bombay Forward Contracts Control Act, 1947 came to be applied to bullion in the city of Bombay in December 1948. Under the Act, all forward contracts in bullion, other than those entered into by, through or with the members of an association recognised under the Act, were made illegal. The Bombay Bullion Association Ltd. was the only association which received recognition in January 1949.

Need for Continuance

Although futures trading is prevalent in India for many years past, the need for its continuance has been the subject of controversy, particularly because it is prohibited in other countries of the world. This question was, therefore, discussed at some length by the Forward Markets Commission. In the first place, the Commission undertook a study of the question whether bullion fulfilled the principal requirements for the successful operation of a futures market and found that it satisfied most of these requirements. Thus, the Commission says in its report:

"First, there is a considerable amount of inter- and intra-State movement of bullion, because the seasons of its demand and supply vary in different parts of the country. In the country as a whole, therefore, there is a continuous trade in both these metals. Secondly, the jewellers, the *varakh* and *jari* manufacturers, and the dealers are required to hold large stocks of bullion to meet the seasonal demand and to absorb the seasonal supply, and need hedging facilities to cover their risks. Thirdly, the existence of a large number of futures markets in respect of gold and silver show that numerous professional operators are available to deal in these commodities and to bear the risk involved. Fourthly, bullion is one of the most standardised of all commodities and does not suffer from the complications created by varieties and sub-varieties. Lastly, the two metals combine large value with small bulk, reducing the problems of warehousing and transport to a minimum."

One of the main arguments in favour of abolition of futures trading in bullion is that the internal production is too meagre to allow the smooth working of a futures market. It is argued that an adequate volume of internal production should be regarded as an essential requirement of futures trading and that bullion does not fulfil this requirement. Since internal production of bullion is negligible and a very large proportion of the internal stocks are privately hoarded, it is pointed out, the market has to depend only on such stocks as might be dishoarded from time to time, and these are not adequate for the smooth working of a futures market.

Supply

Before going into the Commission's reply to this argument, it may be useful to analyse the supply position. The production of gold in India in the year 1956 amounted to 200,000 fine ounces, and formed only 0.71 per cent. of the total free world output at 28.1 million fine ounces. This represented a fall of 23,000 ounces from the production in 1953, consequent on the closure of the Oorgaum Gold Mines in Mysore in that year and the temporary closure of mining operations in 1955 due to labour troubles and the low grade of the ore mines. The production of silver in India during 1956 amounted to about 105,000 ounces and formed no more than 0.05 per cent. of the free world output of 230 million ounces.

Under the Foreign Exchange Regulation Act 1947, the import of gold is permitted only with the general or special permission of the Reserve Bank of India. The Reserve Bank has occasionally granted, under certain conditions, general permission for importing gold for purposes of transit, but no special permission to import gold on a commercial scale has so far been granted. Thus, the import of gold has been negligible as compared to the floating stocks in the country. Import of silver has also remained greatly restricted. In May 1956, however, with a view to facilitating Indo-Tibetan trade, the Government of India freely licensed the import of Tibetan silver coins against export of goods from India. The quantity of coins thus imported up to April 1957 is estimated at 20,000 bars. While import of gold through authorised channels has been practically nil during the past few years, unauthorised arrivals have been on a large scale, as the cost of foreign gold even after payment of heavy import duty is still below the Indian price and this has provided a strong incentive for smuggling. The value of gold smuggled into India is estimated roughly between Rs. 30 to Rs. 40 crores per annum. In the case of silver the incentive for smuggling is low, as the difference between the internal and external prices is small, after taking into account the heavy cost of transport. Thus, the trading in bullion depends for its supply of metals on internal production and existing hoards, as also on smuggling in the case of gold (which, however, has greatly dwindled in the last two or three years) and on imports of silver coins from Tibet.

Argument Dismissed

The Commission has dismissed the argument that an adequate internal production of gold and silver is a pre-requisite for the successful working of futures trading in the two metals. Thus, it says:

"The volume of internal production is important only because it alters, from year to year, the size of the stocks available for purchase of sale in the market and adds to the uncertainty in regard to the course of prices. From the point of the successful functioning of a futures market, it is, therefore, not the volume of internal production which is important, but the volume of marketable stocks of the commodity. In the case of bullion, appreciable stocks of both gold and silver appear to be always available in the market, despite the small volume of internal production and the large volume of hoarding, and the non-perishable nature of the metals enables the same stocks to be offered for purchase and sale over and over again. Since there are no restrictions on buying or selling bullion internally, the actual supply in the market fluctuates from day to day, depending on social and economic factors. The prices, consequently, move over a fairly wide range and the dealers and stockists seek to reduce their risks and safeguard their position by operations in a futures market. The Commission feels, therefore, that the lack of an adequate volume of internal production could not be a decisive ground for prohibiting futures trading."

Several other arguments are also advanced against permitting futures trading in bullion. First, the existence of futures trading, it is said, gives rise to excessive speculation and gambling and the existing associations are alleged to have mismanaged their affairs, involving their members in financial difficulties. In reply to this contention, the Forward Markets Commission says that "the evils of excessive speculation and gambling are not limited to futures trading in bullion alone and the Forward Contracts (Regulation) Act, 1952 was enacted precisely for restraining these evils and for confining futures trading within the limits in which it can perform an economic service to society." The Commission goes on to add that "the failure of some of the existing associations to manage their affairs on proper lines is also an argument for bringing them under regulation rather than for imposing a total ban on futures trading."

Other Arguments

The other arguments against futures trading are: (1) Futures markets act as an incentive to the hoarding of bullion, preventing thereby the investment of resources in developmental activities; (2) the existence of futures markets leads to the smuggling in of bullion, particularly gold, and (3) if the rest of the world can do without a futures market in bullion, there is no reason why such a market should be permitted in India. Replying to these arguments, the Commission says:

"The Commission is inclined to believe that the tendency to hoard bullion follows from a number of factors, amongst which the existence of a futures market is by no means the more important one. While the Commission is anxious to ensure that every step is taken to discourage the hoarding of bullion in the present stage of our economic development, it is also impressed by the considerations that the large numbers of people in rural areas who hold their meagre savings in gold and silver ornaments should not be put to loss when they have to dispose them off in times of depress.

"With respect to the smuggling in of bullion, the Commission is inclined to believe that its volume is not significant as compared to the float-

(*Continued on page 389*)

CAPITAL FORMATION IN CORPORATE SECTOR

HEAVY RELIANCE ON INTERNAL RESOURCES AND BORROWINGS

THE year 1956 was an important landmark in the industrial development of India, in that it constituted the first year of the second Five-year Plan, with its large emphasis on the industrialisation of the country and its programme for a fresh outlay of the order of Rs. 1,094 crores on the same, as against a new investment amounting to Rs. 327 crores envisaged under the first Five-year Plan and an actual outlay of only Rs. 293 crores. There was also an overall sharp rise in industrial production in that year, as indicated by the jump in the index number of industrial production (base 1951=100) from 122.1 for 1955 to 133.0 in the year under review. For many industries, it was a record year of production.

To take the industrial development in the private sector alone. The second Plan, as originally drawn, provides for a fresh outlay of Rs. 570 crores, in addition to an investment of Rs. 150 crores on replacement of plant, making a total outlay of Rs. 720 crores. This represents an average annual investment of the order of Rs. 144 crores. It is stated that, as against this proposed investment, the actual investment by the private sector during the first year of the second Plan amounted to Rs. 140 crores. The outlay in the public sector on development amounted to Rs. 761 crores. No official details of the sources of financing the large outlay in the public and private sectors are available yet.

A few months ago, the Reserve Bank of India made an analysis of the balance-sheets of 750 public limited industrial concerns relating to the six years 1950-55, which threw a flood of light on the manner in which the various industries were able to secure the finance they needed for both short-term and long-term purposes. The analysis disclosed that the brunt of providing industrial finance was borne by the companies' internal savings, namely, depreciation reserves, general reserves, taxation reserves, etc., these accounted for 60 per cent. of the total capital formation during the period. Borrowings came next with a contribution of 20 per cent., while the issue of share capital constituted a fraction (7 per cent.) of the total outlay. The aforesaid analysis brought out clearly the difficulty of even well established industries in raising fresh capital in the market for financing their development during the first Plan period. It was also found that the reliance on internal resources and borrowings brought a severe strain on the companies.

A fresh analysis of the balance-sheets of 513 public limited companies, whose accounts related to the periods ended during July 1956 to June 1957, made by the Reserve Bank and contained in the January 1958 issue of the Bank's *Bulletin*, shows that the problem of financing industrial development was no different during the first year of the second Plan period from that experienced in the first Plan period. Thus, fresh capital issues continued to contribute but a fraction of the total outlay during the year, while the other sources of finance, which are not normally utilised by companies to provide long-term finances, came again under severe strain. Such a trend poses an important question, namely, how long can the corporate sector continue to finance their development through borrowing? The position could not have been far different during 1957, considering that incentive for capital formation was completely sapped by the Government's fiscal policy. In the circumstances, it is not surprising that certain industrial houses have started calling for fixed deposits from the public by offering attractive rates of interest.

The companies chosen for the analysis can be taken as fairly representative, inasmuch as they account for 50 per cent. of the public limited sector, from the point of view of paid-up capital and total net assets. The Reserve Bank's study excludes financial institutions, Government companies, companies limited by guarantee and non-profit associations. The statistical analysis of capital formation in selected industries during the year is given at the foot of this page.

The Reserve Bank's analysis is not an exhaustive one giving the sources of finances of these companies. It, however, provides sufficient data to indicate the extent of capital formation and to show that the companies have had to find the bulk of their development finance from internal sources and borrowings. The Reserve Bank's study discloses that the private corporate sector continued to spend heavily on acquisition of fixed assets, especially on plant and machinery, and that a considerable part of the funds was locked up in current assets, that is, inventories, sundry debtors, etc. The rate of expansion in 1956 was exceptionally high as compared with any of the post-war years and most of the major industry-groups contributed to this accelerated growth of the industrial sector.

The total net assets of the 513 companies amounted to Rs. 1,060.5 crores in 1956, as compared with Rs. 889.9 crores in the previous year, thus recording an increase of 19.2 per cent. Of the increase of Rs. 170.6 crores in total net assets, which represents the total net capital formation during the year, as much as 50 per cent. is accounted for by cotton textiles, iron and steel and petroleum refineries alone, the aggregate rise in total net assets of these three groups of industries being Rs. 85.6 crores. The other noteworthy instances of industries where capital formation has been sizable are sugar (with Rs. 5.9 crores), jute textiles (Rs. 6.4 crores), transport equipment (Rs. 14.8 crores), machinery (Rs. 13 crores), cement (Rs. 5.8 crores), electricity (Rs. 3.9 crores), trading (Rs. 3 crores) and shipping (Rs. 6.5 crores). The only two industries where there has been a decline in total net assets are match industry (to the tune of 12.9 per cent.) and construction industry (10.7 per cent.).

The Reserve Bank's previous study relating to the first Plan period (contained in the September 1957 issue of the *Bulletin*) had shown that, during the five years, the corporate sector spent as much as 60 per cent. of the total capital formation on acquisition of fixed assets. This tendency to spend heavily on fixed assets not only persisted in 1956 but was on an exceptionally large scale. Thus, during the year under review, the gross fixed assets of the 513 companies amounted to Rs. 717.9 crores, as compared with Rs. 614.3 crores in 1955. This represented an annual rate of growth of 16.9 per cent. in 1956, as against 10.8 per cent. in 1955 and 8.3 per cent. in the first Five-year Plan period. Manufacturing industries recorded a very high rate of capital formation, while plantation companies and mining and quarrying companies showed a relatively lower rate. Iron and steel industry accounted for the largest investment on the fixed assets during the year, at Rs. 32.4 crores or a rise of Rs. 32.1 per cent. This outlay compares very favourably with the aggregate addition to fixed assets of Rs. 38.4 crores during the five years 1951-55. Cotton textile industry added Rs. 17.5 crores (an increase of 11.2 per cent. over the year) and petroleum industry Rs. 12.4 crores (or 33.4 per cent.). These three industries alone, thus, accounted for over 60 per cent. of the total gross investment on fixed assets by all industries represented by the 513 companies. It will be of interest to note that, among the major industries, the coal industry accounted for the lowest rate of gross fixed assets formation.

Out of the total gross fixed assets formation of Rs. 103.6 crores during 1956, investments in plant and machinery alone accounted for Rs. 74.7 crores or 72.1 per cent. The rate of increase in plant and machinery (gross) was 19.5 per cent. during 1956, as compared with 13.1 per cent. in 1955 and 9.6 per cent. during the entire first Plan period. The largest investment in this main fixed asset was made by the two iron and steel companies, which spent no less than Rs. 26.8 crores during the year. Cotton textile industry made an addition of Rs. 13.2 crores to its plant and machinery and petroleum refineries Rs. 10.3 crores.

The net fixed assets formation, the most significant indication of industrial expansion, recorded a phenomenal rate of 23.8 per cent. in 1956 (that is, from Rs. 341.4 crores to Rs. 422.7 crores), as compared with 13.9 per cent. in 1955 and 8.0 per cent. in 1951-55. The two iron and steel companies and the petroleum refineries were responsible, to a substantial extent, for the high rate of net investment of all industries put together.

The other assets of the 513 companies (the difference between the total net assets and the total net fixed assets) amounted to Rs. 637.8 crores in 1956, as compared with Rs. 548.5 crores in the previous year, plus showing an increase of 16.3 per cent. The growth of these assets, comprising business inventories, debtor balances, investments and cash, was only slightly lower than that (16.9 per cent.) in fixed assets.

As already pointed out, the study is not a detailed one, in that it does not provide a full account of the methods of financing the investment programmes. One, thing however, is clear from the available data; that is, the bulk of the funds have been found from depreciation reserves, retained profits and borrowings, while the contribution by share capital was relatively very small. Thus, the increase in paid-up capital was of the order of only Rs. 25.1 crores or 8.5 per cent. If the capitalisation of reserves made during the period is excluded (the separate data for which are not available), the rate of increase in capital would be still lower. Depreciation reserves contributed Rs. 22.3 crores. Thus, out of the total capital formation of Rs. 170.6 crores, increase in share capital and depreciation reserves accounted for only Rs. 47.4 crores. Obviously, the balance must have been found from retained profits and borrowings, as was the case during the first Plan period.

Capital Formation in Selected Industries During 1956

(Amount in crores of rupees)

	No. of Companies	Paid-up Capital			Gross Fixed Assets			Plant and Machinery			Net Fixed Assets			Total Net Assets		
		1955	1956	Increase %	1955	1956	Increase %	1955	1956	Increase %	1955	1956	Increase %	1955	1956	Increase %
Plantations	100	10.8	11.6	7.0	20.1	21.9	8.9	3.8	4.2	9.4	15.2	16.3	7.3	31.2	32.9	5.6
Tea	76	8.5	9.1	7.9	15.9	17.3	8.5	3.5	3.8	8.9	11.6	12.5	7.4	26.0	27.5	5.6
Rubber	17	1.6	1.6	..	3.1	3.5	8.5	0.2	0.3	13.0	2.6	2.8	7.7	3.8	3.8	7.2
Mining	21	4.9	4.9	0.1	19.9	20.9	4.8	10.1	10.1	0.7	7.6	7.9	3.0	17.8	18.8	5.4
Coal	18	4.8	4.8	0.1	19.3	20.1	4.1	9.9	9.9	−0.1	7.3	7.4	1.6	16.6	17.3	4.2
Manufacturing and Processing	336	230.1	252.7	9.8	492.5	583.2	18.4	326.8	394.3	20.6	258.9	331.1	28.0	713.2	867.7	21.6
Vegetable oil	8	2.8	2.8	0.4	5.0	5.2	4.4	3.1	3.2	2.9	2.8	2.9	4.0	7.6	8.5	12.0
Sugar	32	9.9	10.7	14.3	21.3	25.4	19.2	12.6	15.2	20.9	10.2	13.1	28.5	37.6	43.5	15.8
Cotton textiles	134	58.4	60.7	3.1	154.8	172.9	11.7	113.3	126.2	11.6	58.9	70.7	20.0	204.5	240.3	17.7
Jute textiles	16	9.0	9.1	0.6	21.7	23.2	6.9	14.1	15.3	9.2	10.0	11.4	13.7	22.2	28.6	29.7
Silk and woollen	10	6.5	6.6	1.5	13.2	16.0	20.8	9.0	11.5	27.0	8.6	10.2	19.9	13.6	16.0	17.5
Tobacco	4	17.0	17.3	1.8	5.6	6.5	16.8	2.6	3.1	19.3	3.2	4.2	30.4	30.2	31.3	3.5
Iron and steel	2	25.2	31.4	24.4	101.0	133.4	32.1	75.9	102.7	35.3	50.5	80.0	58.3	116.2	152.3	31.0
Transport equipment	7	7.9	9.9	24.9	7.6	9.6	27.4	4.6	5.5	20.3	4.7	6.4	35.9	19.4	34.2	77.0
Machinery—others	17	16.3	17.8	9.6	25.5	30.6	20.1	13.3	15.1	13.3	16.5	20.1	21.5	45.7	58.7	28.5
Aluminium	2	2.4	2.8	17.1	4.7	5.2	10.6	3.3	3.2	5.4	2.8	3.0	7.5	6.5	7.8	20.5
Chemicals	19	7.5	7.8	4.0	10.5	12.2	16.2	6.0	7.2	20.0	7.6	8.7	14.5	17.5	19.3	10.3
Petroleum refineries	3	16.5	19.1	15.4	37.2	49.6	33.4	20.6	30.9	50.2	34.9	45.1	29.4	54.3	68.0	25.2
Cement	7	18.6	19.5	5.0	35.1	41.0	11.7	20.1	24.7	12.3	21.7	26.0	12.0	44.7	50.5	13.0
Rubber manufactures	3	2.6	2.6	..	5.5	5.9	7.4	3.0	3.4	11.3	2.1	2.2	5.3	8.8	10.2	14.7
Paper	6	2.9	3.2	10.2	6.4	6.8	6.3	4.2	4.6	7.3	3.3	3.4	2.4	8.6	9.4	9.6
Construction	5	1.7	1.9	9.8	1.7	1.9	10.4	0.9	1.0	11.2	0.9	1.1	25.8	12.0	10.7	−10.7
Electricity	12	24.3	25.2	3.8	49.3	53.7	9.0	18.0	19.4	8.0	37.5	41.1	9.6	47.2	51.1	8.3
Trading	13	6.0	6.2	4.9	3.4	3.7	8.2	0.9	1.2	22.3	2.2	2.3	6.0	17.1	20.1	18.1
Shipping	7	5.9	6.2	5.1	22.3	27.3	22.1	21.9	26.8	22.3	15.7	19.5	24.1	23.5	30.0	27.5
All Industries	513	294.4	319.5	8.5	614.3	717.9	16.9	383.2	467.9	19.5	341.4	422.7	23.8	889.9	1060.5	19.2

ESTIMATED U.K. EXPENDITURE

The British Government's total net estimates of expenditure for the coming financial year will amount to £4,260 million, according to a statement circulated by the Chancellor of the Exchequer, Mr. Derick Heathcoat Amory, on 18th February in answer to a parliamentary question. The figure excludes the Post Office estimate, which covers self-balancing expenditure. Mr. Heathcoat Amory has emphasised in his written answer that the total net estimates give effect to the Government's determination to insist on the greatest practicable economy in public expenditure, and, in fact, some cuts appear to have been made since the resignation of Mr. Peter Thorneycroft from the post of Chancellor of the Exchequer. They have, however, only marginally affected the grand total.

The two largest elements in Government expenditure are defence and social services, and it is in the latter field that the estimates for the coming year show material increases—in particular for education, health services, and National Insurance.

WAGES FOR COTTON MILL WORKERS—II

ANY CHANGE IN PRESENT LEVEL MUST BE RELATED TO RISE IN PRODUCTIVITY

LAST week, we referred in these columns to the "grave doubts" of the cotton mill industry whether it would be able to sustain even the existing level of wages, let alone an increase in that level, as brought out by the Millowners' Association, Bombay, in its memorandum submitted to the Central Wage Board for the Cotton Textile Industry. It is now proposed to deal with the Association's observations on the present wage structure of the cotton industry judged against the background of the general economic conditions and with reference to productivity.

The Association has sought to emphasise that an important enquiry such as the one relating to wages of nearly 800,000 workers has to take into account the economic conditions in the country and the requirements of development planning. Cotton mills constitute the single largest employers among the organised industries sector and, as the mills are scattered all over the country, any wage adjustment in this industry is bound to have wide repercussions on wages of all other industries. "Any increase in wages in the cotton textile industry," to quote the Association, "will make cloth dearer for the consumer and will raise the cost of living and with it the quantum of dearness allowance, even if one ignores the disappointment and resentment that will be caused to the general public who will not be able to purchase adequate quantities of cloth, in spite of a rise in national income." Further, an increase in wages for cotton workers will adversely affect the competitive capacity of Indian cloth in world markets which are tending to become more and more competitive. Incidentally, it must be borne in mind that cotton textiles constitute one of the staple earners of foreign exchange for the country. Alluding to this aspect, the Association has done well to draw attention to the following state of affairs:

"Indian mills are finding it extremely difficult to export goods in competition with Japan, the U.K. and Hongkong, because of a higher cost of production. Indian mills have an advantage over their competitors of cheaper cotton used in coarse and medium varieties, but even that advantage has narrowed down considerably, due to a rise in the price of Indian cotton, and what little margin is left is almost wiped out by our higher cost of production. Any further increase in cost will prove disastrous for the industry's efforts to earn foreign exchange."

There is considerable force in these observations of the Millowners' Association, as also in its view that, as compared with the average *per capita* national income, the wages of cotton mill workers, especially in Bombay, are disproportionately high. The annual income of an average working class family in the Bombay cotton mill industry comes to Rs. 2,046, as against the income of Rs. 1,088 for a family of four on the basis of the *per capita* income of Rs. 272. It must be noted here that the wages of the Bombay cotton mill worker have not remained static since the award of the Industrial Court regarding standardisation of wages in 1947, but have been continuously rising, as the figures below will show:

	1946 Rs.	1957 Rs.	December 1957 Rs.
Average basic wage ...	34.50	49.56	49.56
Average dearness allowance	35.37	74.09	81.11
Total ...	69.87	123.65	130.67

Apart from the increase in wages, the mill workers have been granted several other benefits such as employees' provident fund, retrenchment and lay-off compensation, improvement in working conditions under the Factories Act, introduction of schemes of gratuity, employees' State insurance scheme and paid festival holidays. The extent to which all these benefits have imposed a financial burden on the mill industry is indicated below:

	Cost per month per worker Rs.
Employees' State Insurance employers' contribution	1.50
Bonus	7.50
Provident fund	7.50
Gratuity	3.12
Leave with pay and four paid festival holidays	7.25
Retrenchment and lay-off compensation	5.75
Total ...	32.62

It will thus be seen that the monthly earnings per worker, together with the direct and indirect benefits, aggregate about Rs. 163.29 (December 1957) for 26 days. Indeed, the Association says that the average wage of the Bombay cotton mill workers is easily the highest as compared with wages of cotton mill workers in other centres of the industry and, with the exception of three or four industries, compares favourably even with such industries as engineering, petroleum, electrical machinery manufacturing and basic metal industries which employ highly skilled labour.

The increase in the general level of wages has been due to three factors. These are: (1) Extension of the standardisation of wages scheme to certain occupations which were included in Schedule III by the Industrial Court and which were given percentage increases; (2) improvement in the average monthly earnings of piece-workers during the period 1947-56 and introduction of standard piece rates for drawers-in, warpers and for certain types of reeling; and (3) fixation of rates of wages for workers in rationalised occupations and for workers working on new machines such as Barber-Colman, winding and warping machines, automatic looms and high-speed winding. While considering the third factor, it is important to note the following outstanding features:

Wage increases have been granted on a liberal scale in agreement with the Union.

There has been no increase in the workload of workers concerned. If at all, there would be some reduction.

With more mechanised machinery, less skill is required and, in many cases, wage increases had to be given on psychological grounds. Wage increases have been given to workers who have directly contributed to increased productivity and also ancillary labour working along with the workers in special occupations. In other words, the industry has shared the benefits of new improvements and productivity with the workers on a very liberal basis.

It is important to note that average monthly basic wages of occupations—rationalised and newly introduced—(covered in factor 3 work out at Rs. 61.62). The number of workers as stated above is only 10,283. If an average basic wage was worked out for only rationalised occupations in the industry, including four-loom and six-loom weavers, it comes to Rs. 69.50.

Commenting on the aforesaid three factors, the Millowners' Association observes:

"Of the three factors mentioned above, the first one has ceased to function, that is to say, standard rates have been fixed for all the occupations which were originally included in Schedule III of the Industrial Court's award. There is limited scope for further increase in the average earnings of piece-workers and, therefore, this factor will not help to raise the general level of earnings in the industry. It is the third factor which is very important from this point of view. Bringing in more occupations under the new scheme such as those of oilers, banders and card tenters would certainly raise the general level of wages in the industry."

The Association next stresses the fact that the wage increase since 1947 has been more than that warranted by the estimates of rise in labour productivity. It is calculated that the quantity of cloth produced per man-hour has gone up from 2.81 yards in 1948 to 3.24 yards in 1956, representing an increase of 15 per cent. But this increase is due primarily to improvement in working conditions, introduction of new machines, which require less number of workers and give more output, and changes in the character of production. If allowance is made for these factors, the 15 per cent. increase in productivity errs on the high side. "The increase in productivity," to quote the Association, "is not a measure of increase in workload, as a large portion of the improvement can really be attributed to the introduction of modern machinery. In fact, there has been a diminution in the work-loads, particularly of those who are working on the modern machines."

On the question of productivity, the Millowners' Association points out that, where increases in productivity are the direct result of greater effort on the part of workers and their acceptance of an increased workload, there should be a compensating upward revision in their wages, but, when higher productivity is not at all the direct result of workers' efforts, the workers cannot claim a disproportionately large share of the benefit of increased productivity. This benefit must be divided equitably among the worker, the management and the consumer. A proper share to management is essential to pay for the cost of creating the conditions which make increased productivity. It makes a special mention of the latest move of the Bombay cotton mill industry to share benefits of productivity with workers by introducing new systems of workload assessment and at the same time not disturbing the existing practices in different mills. The Association concludes that the wage level should not be a static one and that any changes in it should spring from improvement in productivity. It urges that the policy adopted by the cotton mill industry is a rational one and should be pursued with more vigour in order to raise the general level of wages in the industry.

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DEALING WITH RESTRICTED INFLOW OF CLOTH FROM ABROAD

ORGANISATIONS ASKED TO DRAW UP A SCHEME

From A Special Correspondent

MANCHESTER, 18*th February*

MANCHESTER LETTER

NOT only national but local interest has been centred on the result of the by-election in Rochdale in the heart of the cotton textile belt where the Government suffered a severe reverse. The Conservative candidate, far from holding the seat, was third in the poll being beaten by the Labour and Liberal representatives. "The Government has been warned"—that was the message from the Rochdale cotton employers after the result of the by-election was announced. Whether the abstention, or even active opposition, of a number of local textile traders had any marked effect on the polling or not, the disastrous drop in the Conservative vote was a certain indication of dissatisfaction with existing policies. The opportunity to show political reaction to the Government's languid attitude towards Lancashire's problems has not arisen before, but, if Rochdale is to be taken as an example, the voters of the country will take matters into their own hands when given the chance. Unhappily, the alternatives do not offer much encouragement.

Rigidity of controls, imposition of unimaginative restrictions and failure to appreciate the fundamental problems of the business man are all features of the Labour Party's plans. Keen opposition to all forms of restrictive practices, including the industry's price regulation schemes, is a major plank in the liberal programme.

Governments, of whatever political belief, are unlikely in the near future to relinquish their grip on economic developments and industrialists and workers will meet more interference in their affairs rather than less. In the case of Lancashire textiles, it may well be a matter of "out of the frying pan into the fire," whatever the result of the forthcoming electoral battles.

More Import Arguments

Now that imports are playing almost as important a part as exports in Lancashire's trading circumstances, it is scarcely surprising that new aspects of the situation appear nearly every week. Most of the arguments, both in favour and against the system of permitting duty-free imports, have been drained dry with continuous discussion, but there are still issues to be settled and points to be considered.

One of these is the restriction on the re-export of Japanese grey cloth to specific markets. This arrangement was introduced in a very different set of circumstances to those now ruling, when, soon after the war, Lancashire had the utmost difficulty in meeting her commitments to a number of Colonial and Empire territories, chiefly in Africa. What began as a temporary measure to cover particular needs has now grown out of all recognition. As the Cotton and Rayon Merchants' Association has pointed out to the authorities, no such restriction applies to Lancashire's Continental rivals, who are thus in a favourable competitive position. There will be widespread interest among producers and distributors on the outcome of the representations which have been made for the removal of this discriminatory system.

Meanwhile, the Government appears to be making plans in readiness for any possible agreement which Lancashire trade leaders can reach with their opposite numbers in Commonwealth countries as to a voluntary limitation on imports. Despite the fact that the response from the Indian sub-continent seems luke-warm in the extreme, organisations in Lancashire have been asked to draw up a scheme for dealing with a restricted inflow of cloth from abroad.

Employment Situation

Unemployment in Lancashire, Cheshire and the High Peak of Derbyshire is at its highest level since May 1953. The latest figures issued by the Ministry of Labour show that, following the customary seasonal trend, the number of unemployed rose by nearly 10,000 in the month to mid-January to a total of 58,657. The figure 12 months ago was 51,088 and, in May 1953, it was 60,646. The number of wholly unemployed adults rose last month by 6,451, including 5,636 men. Nearly half this increase was in the building and distributive trades, but most other industries were affected to some extent.

More short-time working was reported from the cotton, steel, and shoe and slipper industries and the register was swollen by 2,356 Christmas school leavers who had not taken up employment when the count was taken. Unfilled vacancies in the region number 29,659—one job for every two unemployed in the region.

Despite uncertainty and continued contraction in the Lancashire textile industry, many school leavers still take mill jobs; a reflection, perhaps, of the confidence Lancashire itself still retains in its future. Of the 9,900 pupils who left secondary modern schools in the principal cotton towns at the end of the Christmas term, 1,073—equal to 10.9 per cent.—started work in the mills during December and January. This compared with a percentage of 10.3 at the mid-summer term and 10.1 at the Easter term.

Collaboration Needed

An intensification of the co-operation between employers and workers to improve the operating efficiency in Lancashire mills was called for in Manchester by Mr. H. Pemberton, President of the Bolton Master Cotton Spinners' Association. If the industry was to progress, changes must be accepted and welcomed, he told the annual meeting. Thinking must be flexible and there must be a determination to try new methods; this appealed to employers as well as operatives. There was a far greater willingness than ever before to examine new proposals from the point of view of what was best in the long term interest of all connected with the trade.

"The trade unions and their members need not fear that arrangements modifying existing systems of work or weekly hours will jeopardise in any way what they consider to be their hard-won improvements in conditions," said Mr. Pemberton. "They are quite capable of protecting their own interests, but our joint concern must be to see that employment is available under fair and reasonable terms."

Synthetics in 1957

Although output of man-made fibres in this country increased by 3 per cent. in 1957 as compared with the previous year, there was a significant decline in production in each of the last two months of the year. Over the whole period, the quarterly average output was 124,000,000 lbs., a gain of over 3,000,000 lbs. per quarter on 1956 and 6,000,000 lbs. per quarter up on 1955.

Deliveries of continuous filament yarn also declined in the final quarter of last year, mainly as a result of smaller takings by the weaving industry. In contrast, supplies absorbed for industrial purposes actually rose by 16 per cent.

Staple fibre deliveries towards the end of 1957 also began to fall away. As compared with the same period 12 months previously, both cotton and woollen spinning mills took much small quantities, but other spinning systems accounted for an increase in takings. During the quarter deliveries to all sources amounted to 62,403,000 lbs., as against 68,154,000 lbs.

Rivalry in Furnishings

The important contribution to the export trade provided by furnishing cloths is stressed in the annual report of the Furnishing Fabric Federation. Competition must be faced, despite everdiminishing margins of preference with powerful Continental rivals, a situation which is only too common in many different branches of textiles. What many interests outside textiles seem to forget is that Lancashire's once vast overseas trade was based on a flourishing home market and should its foundations be destroyed by imports or other threatening factors, the whole edifice would undoubtedly crumble away.

The attention of many organisations representing traders who deal in overseas markets is frequently taken up these days in opposing applications for more protection made by textile producers in foreign lands, many of which have been substantial importers in the past. The report of the Furnishing Fabric Federation, while recognising the need for these countries to develop secondary industries, is critical of the breadth and level of protection asked for, which is "generally out of all proportion to their just requirements."

Calls for safeguards of this kind have lately become more frequent, especially in some of the larger Commonwealth markets. Australian producers have sponsored a claim, while import restrictions imposed by New Zealand from the end of last year are likely to cause some reduction in Lancashire's shipments to that important market.—*All Rights Reserved.*

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STEPPING UP COTTON PRODUCTION

ROLE OF RESEARCH AND EXTENSION SCHEMES

THE need for concerted efforts to bring home to the cultivators the imperative necessity for adopting the latest methods of tillage, manuring, plant protection, etc., so as to improve output and yield per acre was stressed by Mr. A. P. Jain, Union Minister for Food and Agriculture in his address to the Seventy-seventh meeting of the Indian Central Cotton Committee held in Bombay on the 21st inst. Mr. Jain said that this could be done by practical demonstration of the superiority of such methods on cultivators' own fields. He rightly pointed out that only through improved yield could the target for cotton in the second Plan be achieved, as expansion of land under cotton would not be possible, except in Project areas. The cultivation of cotton under irrigated conditions, he added, would provide the means to increase the yield but such area was limited and formed only 10 per cent. of the total area under cotton. The emphasis should, therefore, be on yield. Given proper facilities, encouragement and right guidance, it was possible to augment production. The crux of the problem, according to the Minister, lay in the approach made to the cultivators. The improved methods recommended to the farmers should, according to him, be such as would be well within his capacity to adopt.

Emphasising the role of research, the Minister pointed out that there was no gainsaying the fact that, unless research and extension went hand in hand, progress would be retarded. He added that this matter was engaging the attention of the Government of India and the need to link up research with extension was also being impressed upon the State Governments. A Co-ordination Committee at the Ministerial level was also formed between the Ministries of Food and Agriculture and Community Development. The Central Cotton Committee had also constituted an Agricultural Extension Sub-Committee to make available the results of research to farmers.

Less Dependence on Imports

The Minister expressed the hope that, as a result of the research and development work being carried out by the Committee in the evolution and acclimatisation of longer staple cotton, superior foreign cotton, which were now being imported would, before long, be substituted by indigenous growths. At present, cotton of staple length 1-1/16" and above was allowed for import from the U.S. under the aid programme and imports from sterling area were confined to cotton of stapling 1.3/16" stapling and above. The staple length stipulation, the Minister said, was made with a view to encouraging the indigenous growth of cotton of stapling 1.1/16" to 1.3/16". Superior varieties approximating these standards were M.C.U1 and M.C.U2, already under cultivation in Madras, Indo-American strains 170-Co.2 and 134-Co. 2-M etc. The successful acclimatisation of Sea Island Andrews in Kerala clearly indicated, said Mr. Jain, that the country's dependence on Sudan and Egypt for 1.3/16" and above cotton could be reduced.

Mr. Jain also underlined the need for developing the facilities for marketing cotton. He pointed out that distress selling was still prevalent among cotton growers as they were always in need of ready cash. The National Co-operative Development and Warehousing Board and the Central Warehousing Corporation, he added, were designed to provide the much needed help to cultivators. The Minister said that it was proposed to grade the produce stored in the chain of warehouses to be constructed and issue receipts to the producer which could be discounted like any other negotiable instruments. The Minister said that the question of making available cleaner and purer cotton was as important as ensuring adequate supplies. Complaints were often heard of mixing cotton, watering of lint, etc. Several legislation had been passed in the various States. The Committee had also appointed Liaison Officers, who, the Minister hoped, would explain to the owners of ginning factories the provisions of the law and persuade them to abide by them.

Plan Target and Production

Presiding over the conference, Dr. M. S. Randhawa, President of the Committee reviewed the working of the Committee. Referring to production of cotton during the 1957-58 season, he noted that it fell below the plan target by 2 lakh bales. The target for production of cotton for 1957-58 was fixed at 54 lakh bales under the second Plan. Production for the year was estimated at present around 52 lakh bales. This was an improvement, as compared with the figure of 50.8 lakh bales in 1956-57. Unfavourable seasonal conditions were responsible for this shortfall below the target, particularly in Gujerat where the crop suffered as a result of prolonged drought. The measures being taken for increasing the production of cotton, Dr. Randhawa said, were extension in area, use of improved seed, application of manures and fertilisers, adoption of plant protection measures, provision of irrigation and adoption of improved cultural practices. The area was proposed to be extended by 464,000 acres, while the achievement reported was 377,000 acres. In Marathwada and Vidarbha regions of Bombay State, arrangements for the distribution of improved seeds were unsatisfactory. In Marathwada, the target for distribution of improved seed was 252,000 maunds, while the quantity distributed was only 46,387 maunds. For Vidarbha region, the target was 167,320 maunds while only 37,670 maunds were distributed. Similarly, in Mysore while the target was 225,500 maunds, only 117,043 maunds were distributed. In other States, particularly Punjab, Rajasthan and Bombay region of Bombay State, this work was satisfactory.

Irrigation

Reviewing the progress of irrigation, Dr. Randhawa said that the target for area to be provided with irrigation facilities had been fulfilled in the Bombay State. In Mysore, while an area of 105,000 acres was to be irrigated, irrigation was provided only to 32,999 acres. The total area under irrigated cotton throughout India in 1955-56 was 1.9 million acres, while the area to be brought under irrigation when the major irrigation schemes under the second Plan are implemented, is placed at 3.2 million acres. This indicated, he added, the urgent necessity for speedy implementation of the major irrigation projects which were a major factor in cotton production. Apart from the possibilities of increasing the yield per acre, it would also promote the cultivation of superior long staple cottons in the newly irrigated areas.

Dr. Randhawa noted that, practically, the entire area under American cotton in the Punjab had been sown in lines and the practice was becoming more popular in Rajasthan and the Uttar Pradesh. The aim, he said, was to encourage line sowing of cotton in all the irrigated areas in all the States. As regards distribution of fertilisers, he remarked that the progress was not uniform in all the States. The target for distribution of fertilisers was achieved only in the Punjab State. The target for Rajasthan was 3,000 tons of fertilisers, but only 750 tons were distributed. He went on to add that, while the fertilisers were being given as loan in kind in most of the States, no such facilities were provided by the Bombay Government in Bombay, Saurashtra and Kutch regions. There was need for similar facilities in the States of Madras and Rajasthan also.

Referring to the co-ordinated scheme on the development of Andrews variety of Sea-Island cotton, Dr. Randhawa said that the objective of the scheme was to bring an area of three lakh acres in the States of Kerala, Mysore and Assam under this variety of cotton. In spite of adverse weather conditions, this scheme made progress and the crop was raised on an area of 120 acres which would provide sufficient quantity of seed for 2,500 acres.

Regional Research

Dr. Randhawa observed that the concept of co-ordinated regional research stations on cotton, oilseeds and millets was an important advance in the field of agricultural research.

(Continued on page 399)

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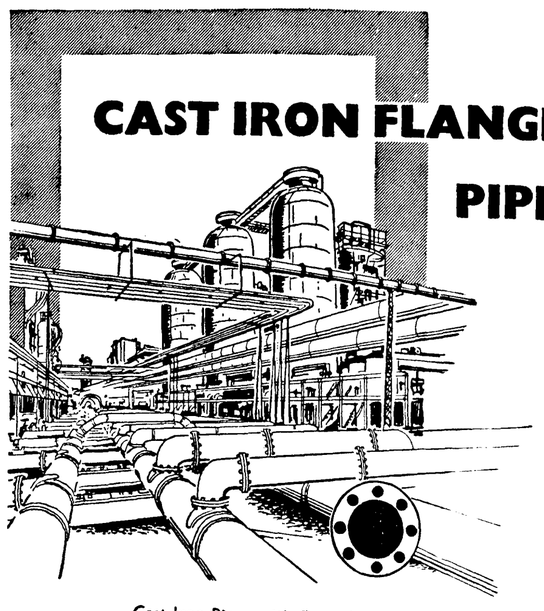

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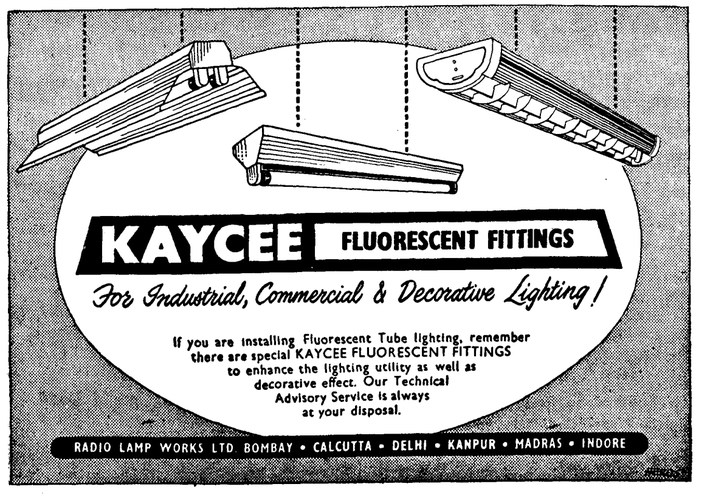

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SUGAR OUTPUT IN CURRENT SEASON

TARGET OF 2.16 MILLION TONS WILL BE EASILY REACHED

ASSESSING the outlook for sugar production in the current season (1957-58), we observed in our last Annual Number that the target of 2.16 million tons fixed for the season by the Development Council for Sugar Industry would be easily reached. This view has more than been confirmed by reports of the highly satisfactory crushing operations in the sugar factories and the conditions obtaining in the sugar and *gur* markets. Full four months have elapsed since the current season commenced, but preliminary figures of output are available only for the first three months, that is, 1st November 1957 to 31st January 1958. According to these figures, the quantity of sugar produced by the mills aggregated 921,762 tons, as against 812,897 tons in the same period of the previous season, representing a rise of more than 13 per cent. On this basis and assuming that the present tempo of crushing will be maintained in the coming months, the total sugar production in the 1957-58 season will be well above 2.03 million tons produced in the previous season.

The continued upward trend in sugar output has been rendered possible largely by plentiful supply of sugarcane to the factories, thanks to the bumper crop. The all-India second official estimate of sugarcane for 1957-58 places the aggregate yield at 63.50 million tons, which compares favourably with the adjusted second estimate of 58.98 million tons for 1956-57, or an increase of about 7.5 per cent. In terms of *gur*, the output comes to 6.40 million tons, as against 5.95 million tons. The rise in output has been due in a large measure to the improvement in acreage. The total area sown to cane during 1957-58 is estimated at 4,784,000 acres, as against 4,475,000 acres in 1956-57. The per-acre yield of cane is also believed to be higher, albeit slightly, the all-India average being put at 13.3 tons, as against 13.2 tons.

The overall increase in current year's sugarcane production, as well as acreage has been shared mainly by Uttar Pradesh, the Punjab, Bombay and Madhya Pradesh. It is attributed to better climatic conditions as compared with last year. There would have been a more marked rise in production but for the damage to crop by drought in the eastern parts of Uttar Pradesh and Bihar and by heavy rains in some western districts of Uttar Pradesh.

"Gur" Prices

Rise in cane production does not necessarily mean that there will be a corresponding increase in the output of sugar, for the factories do not constitute the only outlet for cane in the country. They have a powerful competitor for the available supply of cane in the cottage sector that produces *gur* and *khandsari*. If the prices of the latter, especially of *gur*, are high, then the growers invariably divert their cane to the cottage sector rather than to the mills. Much, therefore, will depend on the trend of the *gur* markets. The *gur* markets have no doubt been ruling firm, but the rise in prices so far has not been big enough to tell on the flow of cane to the factories.

Side by side with the improvement in cane supplies, the crushing capacity of sugar mills has also gone up. In the past season (1956-57), nine new sugar factories, including six co-operative units, went into production and 20 existing units completed their expansion programmes. The total additional capacity thus coming into operations amounted to about 200,000 tons of sugar. During the current season, twelve new sugar mills, including seven co-operatives, are expected to go into production. Of these, six have already commenced working. Another ten existing units are also expected to complete their expansion schemes. The total additional capacity is put at 200,000 tons. There has also been an improvement in the efficiency of crushing plants of several mills, following the implementation of schemes relating to renovation.

In First Three Months

As a result of all the foregoing factors, the sugar production target of 2.16 million tons fixed for this season may be expected to be fulfilled. The actual output during the first three months of the season aggregated, as already stated, 921,762 tons, as against 812,897 tons a year before. The following table shows the State-wise comparative production of sugar during the first three months of the current season as compared with the corresponding period of the last season:

(In tons)

	1956-57	1957-58	Increase (+) or decrease (—)
Uttar Pradesh	421,536	447,674	+ 26,138
Bihar	135,941	139,384	+ 3,443
Bombay	100,280	139,501	+ 39,221
Andhra	56,679	61,728	+ 5,049
Mysore	23,593	51,230	+ 27,637
Punjab	17,981	33,137	+ 15,156
Madras	17,480	15,779	— 1,709
Madhya Pradesh	17,527	15,305	— 2,222
Kerala	10,445	7,029	— 3,416
Rajasthan	7,090	5,347	— 1,743
West Bengal	3,588	4,333	+ 745
Orissa	757	1,416	+ 659
Total ..	812,897	921,762	+ 108,865

It will be seen from the above table that the rise in sugar production during the first three months as compared with the same period a year before was of the order of 108,865 tons. The bulk of this rise—amounting to 82,996 tons—is accounted for by Bombay, Mysore and Uttar Pradesh. The increase is particularly marked in Bombay, being 39,221 tons.

Supply Comfortable

The anticipated sugar production of 2.16 million tons, together with the previous season's carryover of 458,000 tons, will give a total supply of as much as 2,618,000 tons, which is more than the quantity of 2,579,000 tons available in the previous season. Despite such a comfortable supply position and poor prospects of large sugar exports, prices of sugar have continued to move up in many parts of the country, the rise being more than what is warranted by the replacement of States' sales tax by additional excise duty with effect from 14th December last.

Be that as it may, the total despatches of sugar from the factories during the three months ended January 1958 amounted to 441,000 tons, as against 459,133 tons a year before. It may be noted here that the despatches do not contain any quantity meant for export, as no deals have so far been put through in the current season's sugar with foreign countries. In contrast, the figure of 459,133 tons despatched in the first three months of the 1956-57 season included some quantity despatched for exports. The closing stocks with factories as on 31st January 1958 aggregated 910,000 tons, as against 878,000 tons on the corresponding date in 1957.

BONUS FOR U.P. SUGAR LABOUR

All the workers employed in the 67 sugar mills of Uttar Pradesh during the 1956-57 season, including those who are no longer in the employment now, will be getting bonus aggregating Rs. 71.50 lakhs. This is in accordance with the State Government's order issued on 15th February. It will be recalled that, on the recommendations made by the State Tripartite Labour Conference (Sugar) held on 21st September 1957, a committee was constituted to investigate and report to the State Government on the question of paying bonus to sugar mill workers for the year 1956-57. The committee succeeded in bringing about an agreement between the representatives of employers and workers. It is as a sequel to this Committee's report that the U.P. Government has issued the aforesaid order.

The bonus will be distributed in proportion to each employee's earning during the 1956-57 season, subject to a maximum of three months' wages. Any amount paid as interim or advance bonus will be adjustable against that payable for the said season under the latest order. A factory shall not, however, be entitled to recover any amount already paid by it to its employees towards bonus, if such payment is in excess of the amount payable under the order. If a factory claims losses or meagre profits during 1956-57, making it unreasonable for it to pay the bonus, it will have the right to represent its case to a sub-committee presided over by the Labour Commissioner. The factories claiming exemption from payment of bonus are required to apply to the Chairman before the 10th inst. and the sub-committee will submit its report to the Government within six weeks.

The above order has been enforced for one year in the first instance. It may be extended from time to time if found necessary.

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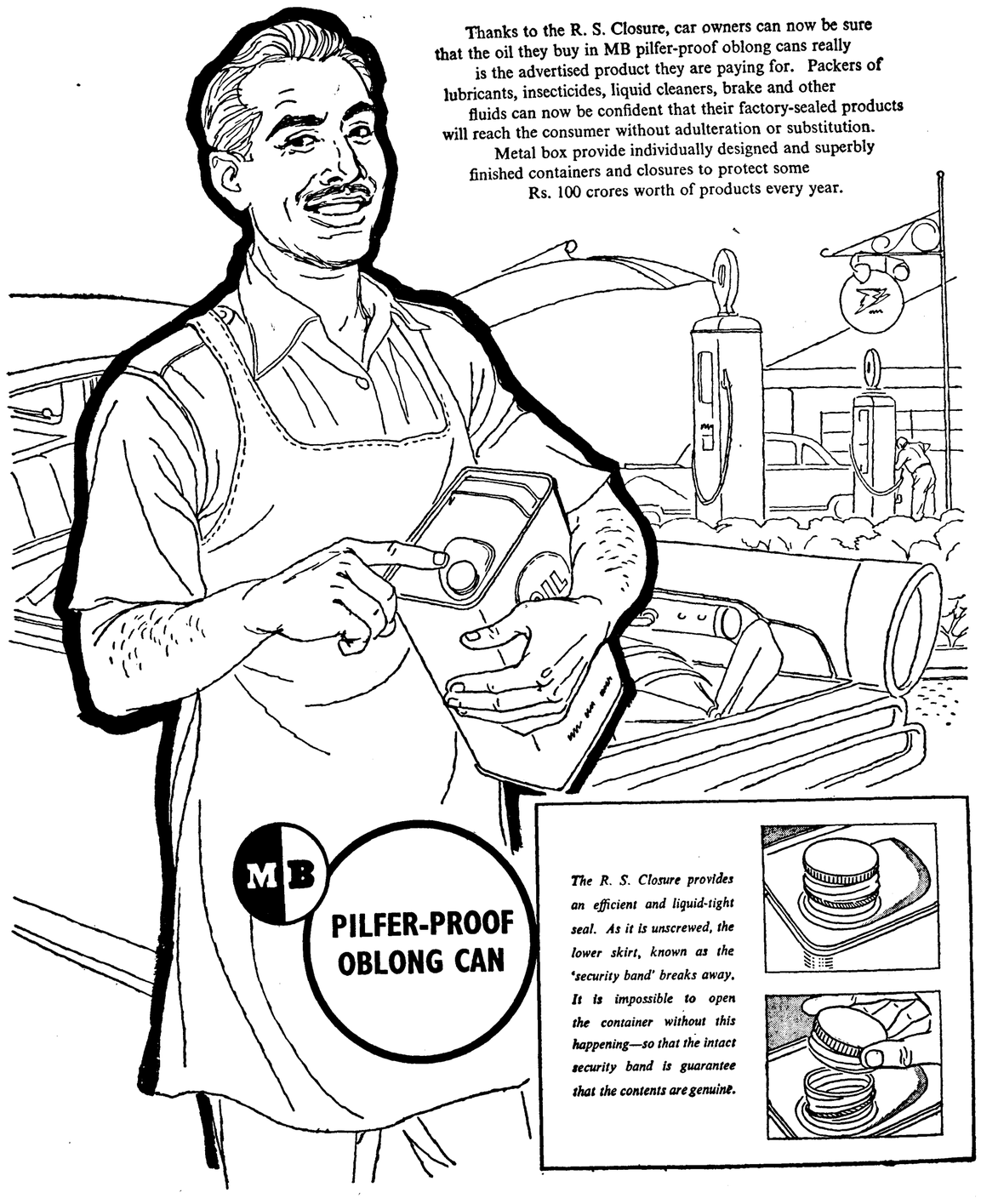

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STATE OF JUTE INDUSTRY

MR. MICHELMORE NOT PESSIMISTIC

JUTE constitutes the second largest foreign exchange earner for the country. It is also one of the two major industries of vital importance to the economy of the North-east India, inasmuch as 95 per cent. of jute goods produced in India comes from this area. Notwithstanding the predominent position occupied by this industry as a valuable foreign exchange earner, it is subject to many problems and uncertainties, not the least of which is that it has become an easy victim of competitive world markets. This is indicated by the decline in both the quantum and value of exports in recent months, thus resulting in a drop in its contribution to the country's foreign exchange receipts. During the six months ended September 1957 (the latest period for which the figures of India's export earnings are available) the value of jute goods exported amounted to no more than Rs. 47.4 crores, having declined from Rs. 69.3 crores in the previous six months and Rs. 56.7 crores in the corresponding period of 1956.

The jute industry also plays a very vital role in the economy of West Bengal. Besides having the biggest capital stake, the industry provides direct employment to more than a quarter of a million people in and around Calcutta and provides a livelihood to many thousands of cultivators in the jute-growing district of West Bengal and other neighbouring States. However, the jute mills in Calcutta have been passing through a difficult time. Consequent on the over-production in 1956, the mills have suffered heavy losses, as the accounts of jute mills published in recent months have shown. This, coupled with the heavy borrowings by mills to finance their modernisation programme and inventories, has put a severe strain on their resources. The prices of gunnies, which had recovered from the low levels of 1956, have again sharply fallen recently and this means further heavy losses to mills. In the circumstances, the process of recovery cannot but be slow, particularly, when the current business recession in the U.S. is having its adverse effect on burlap consumption in that country.

Those who are closely connected with the jute industry do not, however, take a very gloomy view of the long-term prospects for the industry. Mr. W. H. S. Michelmore, the retiring President of the Bengal Chamber of Commerce, in his address at the annual meeting of the Chamber, struck a note of subdued optimism. He said that much had been done to eliminate the uneconomic units. Widespread rationalisation had been effected and several mills had been closed, so that their loom-hours could be worked by other mills on double shifts with greater economy. In general, Mr. Michelmore pointed out, the industry was in much better shape than it was even as recently as a year ago and the process continued.

Another favourable factor which induced Mr. Michelmore to take a hopeful view of the outlook for the industry was "its resiliency and its quick adaptability to new uses as well as to changes in market conditions and in the pattern of world trade." He said that "by intensifying its sales propaganda activities in established markets such as the U.S. and by building up new markets in the underdeveloped countries of Africa and the Far East, the industry is making every endeavour to maintain the level of exports." The erstwhile President of the Bengal Chamber was of the view that the demand for gunnies could be expected to go up in the years to come, provided the overseas markets were not affected by a general trade recession. Thus, he said:

"With output more in line with demand, there is no doubt that statistically it is now in a sounder position than it was a year ago. If the population of the world is to go on increasing at the rate of 30 million a year, and that largely in the grain-eating areas, which grain must be moved in sacks, the position is not one of unrelieved gloom, provided always that overseas markets are not adversely affected by a general trade recession."

One of the main difficulties of the industry is the high cost of raw jute in relation to the prices of manufactured goods. A lower level of raw jute prices is essential to the economic working of the mills and this in turn depends largely on the country achieving complete self-sufficiency in raw jute. Much progress has no doubt been made to this end. The Governments at the Centre and in the States are aiming at raising production. With the limited land available for cultivation of jute, attention has naturally been diverted to increasing the yield per acre. This has also produced some results with the rise in average yield from 2 bales per acre in 1956 to 2.4 bales in 1957. But this yield is much below that of Pakistan. The main impediment to achieving a higher yield is evidently due to the slackness in the distribution of fertilisers. And Mr. Michelmore pointed out that the fertilisers were now urgently required for this year's crop.

An important point made by Mr. Michelmore was that, while the jute and tea industries suffered from all the difficulties generated by the Five-year Plans themselves, such as rising internal prices, shortage of materials and increased labour costs, they did not have an upsurge of an increasing internal demand such as other industries were likely to enjoy. In view of this disadvantage, Mr. Michelmore felt that the Government must keep its finger very closely on the pulse of these two important industries.

There is a feeling in this part of the country that whereas the jute mills owned, controlled and managed by Indians fared better from the financial point of view than the British-owned and managed mills. Apparently, Mr. Michelmore had this complaint in mind, when he made the following observation:

"I sometimes hear allegations that a certain section of the jute mill industry is inefficiently managed; but it seems to me that an allegation of that sort gives quite an incorrect impression. It is true that, in recent years, some units in the industry have shown better results than others, but, if you look at the picture more closely, you will see that, for the most part it is the large units that have made money, whereas it is the small ones that have proved uneconomic in the difficult conditions which this industry faces today."

In other words, the question was, according to Mr. Michelmore, not so much of management, but of economic size. He contended that much was being done to remove this defect, as was indicated earlier.

ACTION AGAINST JUTE FIRMS

A report from Dacca says that the Central Pakistan Jute Board has taken action against four London and four Pakistani jute firms for allegedly helping to depress the local jute market through collusive sales at prices below the prevailing market rates or by entering into contracts booked through Calcutta in contravention of the ban on such contracts imposed by the Jute Board on 1st February 1954.

The four London firms have been blacklisted and dealings with them by Pakistani exporters have been prohibited. The Pakistani concerns' export licences have been cancelled, but contracts entered into by them with foreign buyers prior to 24th February will be honoured. The London Jute Association is stated to have objected to the action against the four foreign firms and is expected to approach the Central Government in this connection.

JUTE OUTPUT IN PAKISTAN

The East Pakistan Government has fixed the target of jute production for 1958-59 season at 5,500,000 bales, as against the estimated output of 5,750,000 bales in the current season. The total area of jute for the year will be 1,405,000 acres, as compared with 1,562,600 acres for 1957-58. This excludes two districts of Sylhet and Chittagong hill tracts. In fixing the above target, the Government has accepted the recommendation of the Jute Cultivation Advisory Board. It has also estimated the world demand of Pakistani jute during the next season at 5,700,000 bales. With the estimated carry-over of 600,000 bales or more from the current year, over 6,100,000 bales would be available during the next year for consumption in the international and home markets.

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DESPATCHES OF JUTE GOODS SHRINK

EFFECT OF RECESSION IN U.S.

THE reports from Washington that the U.S. Government economists are of the view that business recession in their country will soon touch the bottom and that they do not expect a recovery for some months at least have focussed attention on the short-term outlook for the Indian jute industry. Industrial production in the U.S. during January dropped by 3 points to 133 per cent. of the 1947-49 average, the lowest level since February 1955. This was the fifth month in succession for which output recorded a fall. Though the U.S. President is confident that an upturn in business would take place next month and the Vice-President has assured that the Administration will not stand by and allow a recession to continue or unemployment to rise, top ranking economists do not see any evidence to back the U.S. President's optimism about a recovery in U.S. business.

The present economic recession is reflected in the figures of U.S. burlap consumption and stocks relating to January 1958. In that month U.S. consumption of burlap aggregated 71 million yards, which was the same as that in December 1957. Though there has been no decline in consumption, the absence of any increase is in distinct contrast to the rise of 8 million yards recorded in December and of 3 million yards in January 1957. This brings the total consumption in the first seven months of the current season 1957-58 to 481 million yards, which represents a fall of 57 million yards from the consumption in the corresponding period of 1956-57. This means an annual consumption of 825 million yards, as against the peak level of 884 million yards touched in 1956-57. This will be the lowest for the last three years.

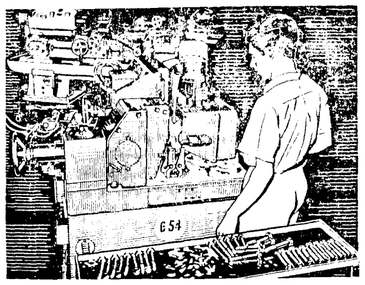
With consumption of burlap during January 1958 not having recorded any increase, stocks at the end of the month went up from 225 million yards to 240 million yards, thus maintaining the upward trend for the third month in succession, having risen from a low of 219 million yards at the end of October 1957. Stocks at the end of last month were, however, still much lower than those a year before, when they stood at 267 million yards. Though the increase in stocks during the last three months is of a seasonal nature, talks of a business recession in the U.S. have cast an uncertainty about the consumption of burlap in the coming months. The U.S. being the largest consumer of Indian burlap—it accounts for over 80 per cent. of the total imports of burlap into the U.S.—the outlook for jute industry depends on how far the U.S. authorities are successful in reversing the recession in business.

The statistics relating to despatches of gunnies by Indian jute mills during January also do not make encouraging reading. The total despatches (net) have declined from 88,087 tons in December 1957 to 75,528 tons in the following month. They are also lower than those made in January 1957, at 78,785 tons. The variety-wise break-up figures for export purposes and internal consumption are as follows:

(In tons)

	January, 1958	December, 1957	January, 1957
For export—			
Hessian	28,103	31,265	31,864
Sacking	26,215	30,273	28,605
Others	1,336	1,470	3,600
	55,654	60,008	64,069
For internal consumption—			
Hessian	1,911	2,000	2,514
Sacking	15,319	15,108	10,704
Others	2,644	1,971	1,498
	19,874	19,079	14,716
Total despatches—			
Hessian	30,014	33,265	34,378
Sacking	41,534	51,381	30,309
Others	3,980	3,441	5,098
	75,528	88,087	78,785

The fall in despatches is mainly accounted for by the setback in exports. At 55,600 tons, despatches for export purposes represent a drop of 13,400 tons from the December figure and are the lowest for any month in recent years. The bulk of this decline has occurred in sacking, the despatches of which have shrunk by 10,000 tons. As regards domestic consumption, there has only been a slight improvement of 800 tons, but this is in refreshing contrast to the fall of 1,300 tons in the previous month. Over the year, the despatches during January for internal consumption show a marked increase of 5,100 tons, which is encouraging.



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RAILWAY FREIGHT ENQUIRY BODY'S REPORT REVIEWED

EMPHASIS LAID ON ROAD TRANSPORT FOR MOVING SHORT-DISTANCE TRAFFIC

IN a brief reference to the report of the Railway Freight Structure Enquiry Committee (Chairman: Dr. A. Ramaswami Mudaliar) which we made last week, we commended the Committee's constructive attitude towards the problems of railway freight structure and indicated some of the salient features of the Committee's report. The Committee, which was appointed in June, 1955, to review the freight rates structure on the railways, to examine the responsibilities of the railways as carriers and to suggest changes in the constitution, jurisdiction and rules of procedure of the Railway Rates Tribunal, had necessarily to examine and sift a large mass of data and evidence placed before it. The Committee's report and recommendations are based upon an impartial assessment of the financial needs of the railways, on the one hand, and the plea by the users of the railways for keeping the freight rates at as low a level as possible.

At the outset, the Committee has reviewed the evolution of the railway freight structure. It has dealt with the changes in freight introduced in 1922, the further refinements effected in 1936 and the ultimate standardisation and rationalisation effected by the 1948 revision. The revision in the freight structure made in 1948, as is well known, resulted in the introduction of the telescopic principle. This principle secures a gradual tapering in rates with the length of haul, taking into account the twin facts that, with the increasing distance of haul, (1) the cost of operation of the railways generally tends to be lower and (2) the capacity of traffic to bear more and more freight charge diminishes. The Committee feels that there is need for some revision in the telescopic structure. Thus, it says:

"In the telescopic system for through distance, which was adopted in the 1948 freight structure, the first and second legs are each of 300 miles in the case of class rates, with a third leg for distances beyond. For wagon-load scales also there are three legs, but of varying distances, as described in the previous chapter. There is a case for revising both the length of the legs and the number of legs that form the telescope. It has been pointed out that the average lead on railways is within 300 miles according to the annual reports of the Railway Board. A criticism has, therefore, been advanced that as most of the traffic moves within the first leg, both the leg and the rate were so designed as to get the largest amount of revenue from this leg. An analysis of the various commodities carried over the railways and the average distances that they travel shows that many important commodities travel over a far greater distance than 300 miles, and if 'smalls' are excluded and wagon-load traffic is taken separately into consideration, the average lead is as high as nearly 400 miles.

"From the sample survey of traffic moving within different zones, which was carried out by the Statistical Officers of the various railways at our instance and to which we refer in more detail later in our report, we have found that the average lead for several commodities is very much higher than 300 miles. For instance, the average lead for iron and steel division A, and iron pipes, is 580 miles, for tea over 600 miles, for electrical appliances 600 miles, for paints about 600 miles, and for asbestos cement products, it is as much as 1,000 miles. It has been a feature of all industrialised countries that as industries develop, movement of goods is over longer and longer distances; so that with the growing industrial activity in the country, the lead for most of the commodities may be longer than at present; at the same time, the regional development of industries may have an effect in the opposite direction."

First Leg

An important recommendation of the Committee is that the first leg of 300 miles should be split up into four legs—1 to 25; 26 to 75; 76 to 150 and 151 to 300. In suggesting this revision, the Committee has done well to emphasise the role of road transport. The Committee says:

"The railways are finding it difficult to cater for all the traffic that is forthcoming and as we examined the witnesses and the memoranda presented, we came to the conclusion that far greater emphasis was placed by the witnesses on the availability of railway facilities than on the burden of freight rates now charged. During the war, it was common experience that there was fierce competition among industrialists and traders to obtain wagons. Conditions are not very dissimilar at the present time and as the tempo of industrialisation increases under the second Five-year Plan we think that, in spite of the precautions that Government have taken and continue to take in securing more rolling stock and locomotives, there will be shortage of wagons. It must, therefore, be the deliberate policy of the authorities to discourage as far as possible short-distance traffic by rail and to encourage alternative modes of transportation over such distances."

The first leg of 1 to 25 miles, according to the Committee, is designed to avoid as far as possible traffic over short distances. It says: "Over this distance, it is possible to move traffic either by motor lorries or where good roads do not exist, by other means of transport." It also feels that, in many parts of the country, movement by motor lorries is possible over the next leg (26 to 75 miles) too.

Rates

Having established the legs for the telescopic system of freight rates, we have now to evolve a scale of rates to be applied to these legs. This scale of rates must take into account the existing rates for classes and wagon-load scales and should make an integrated pattern embracing both. In the new structure, it is desirable that the scale of rates should be on a regular progressive basis from the lowest to the highest class. The Committee considers that the simplest and most satisfactory method of achieving this increase would be to have one rate as a base and express all other rates as percentages of this rate. For this purpose, the Committee recommends a norm or a standard rate, to be called the Class 100 rate. It has taken the present class 9 as the most convenient norm and all other classes above and below class 9 and also the wagon-load scales have been expressed as percentages of the new class 100. It has shown what percentage each class will represent. It recommends that, for all commodities, there should be a wagon-load classification and a "smalls" classification. For a few commodities, for which separate "smalls" and wagon-load rates will have no special significance, the rate will apply on an "AQ" (any quantity) basis. There should be a relativity between the rates for wagon-loads and "smalls." The Committee has allowed an increase in the rates for "smalls" as compared with wagon-loads to the extent of some 15 to 36 per cent. and, on this basis, it has shown the pattern of the classification for wagon-loads and "smalls." Other recommendations made by the Committee include:

(1) The terminal charges as such should be abolished, but this fact should be taken into consideration in evolving the revised freight structure. (2) The additional short-distance charge is not justified. (3) The separate levy of transhipment charges and of ghat charges should be discontinued. (4) The minimum distance for charge should be raised to 25 miles and should apply only once (in bookings) whether the movement is over one or more railways. (5) The minimum weight for acceptance per package by goods train should be 20 seers and the charge should be based on 20 seers. (6) The overall minimum charge of Rs. 1-12-0 per ton for wagon-load consignments should be abolished.

Capacity

In considering the question of rates, the Committee has taken into account the imperative need for augmenting the carrying capacity of the railways. In this connection, the Committee says:

"According to the second Five-year Plan, the volume of goods traffic is expected to increase by 61 million tons (originating), i.e., from 120 million tons at the end of the first Plan to 181 million tons in 1960-61, while the increased capacity provided for and the improved efficiency expected to be secured will not enable railways to carry all the additional traffic anticipated or rather planned to be generated. More recent indications go to show that the estimate of 61 million tons of additional traffic expected is itself on the low side. Further, this does not take into account the increasing transport burden resulting from an increase in the lead of traffic, which generally characterises a period of rapid industrialisation. The prospect is, therefore, anything but reassuring. Against the background of planned development, shortfall in transport will mean idling and non-utilisation of scarce resources. Several witnesses appearing before us expressed serious misgivings about the adequacy of additional transport capacity that is being provided by the railways. The apprehension that very real difficulty may be experienced in the execution of the Plan, owing to transport shortages, is widespread."

Among other observations made by the Committee, mention must be made of the Committee's view that the annual allocation to depreciation fund at the present rate of Rs. 45 crores is insufficient. It emphasises the need for increasing this allocation. Further, it has come to the conclusion that "on the basis of the existing levels of rates and fares and after taking into account the additional traffic, which the railways are expected to carry during the second Plan period, there will be a total gap between revenue and expenditure of over Rs. 300 crores for the five years of the Plan period." Other considerations, which it has stressed in evolving a new scale are: (1) it should not bear too heavily on long-distance traffic; (2) it should be an all-inclusive one enabling the abolition of terminal and other charges; (3) it should, to the extent possible, help bridge the anticipated gap of Rs. 300 crores in revenue and expenditure. These factors, it is stated, have been taken into account by the Committee in recommending the following new scale:

(In pies per maund per mile)

(1) 1 to 25 miles—3.60; (2) 26 to 75 miles—1.40, (3) 76 to 150 miles—1.20; (4) 151 to 300 miles—1.05; (5) 301 to 500 miles—0.85; (6) 501 to 800 miles—0.70; (7) 801 to 1,200 miles—0.60; (8) 1,201 and over—0.50.

Risk Rates

As regards the question of the assumption of risk by the Railways in carriage of goods, the Committee recommends that practically for all commodities, rates should be quoted only at railway risk. At the same time, it suggests that there are a few commodities which may continue to be carried at owners' risk but in regard to which the railway risk rates may also be quoted. It has strongly urged that the existing classifications should be carefully examined with a view to removing the anomalies which have been pointed out. For this purpose, it has suggested the setting up of a specific committee. Finally, the Committee has recommended revised lower classification for commodities which deserve special considerations in the interest of industrial development or of preventing a rise in cost of living. These commodities include alcohol, certain acids, agricultural implements, caustic soda, charcoal fuel, coir, grain and pulses, jute, milk, salt, slates, tapioca, certain varieties of toys and vegetables. In regard to products of cottage industries, the Committee has recommended that a concession of 25 per cent. of the normal freight rates should be granted when these products are booked by recognised co-operative societies.

Concessions

The Committee, in the course of its examination of the question of granting freight concessions for underdeveloped areas, makes a few interesting observations. Thus, it says:

"We have dealt with the requests of industries for concession rates for carriage of raw materials or goods by railways. We have also received requests for such concessions on a slightly different ground both for large-scale industries and for cottage industries. It has been forcefully argued before us that there are many backward and underdeveloped areas in the country, where industrial development is urgently needed to raise the standard of living of the people, and that one method of ensuring this development would be by giving a stimulus of general freight rate concession to such industries. These requests have specially come from Assam, Rajasthan, the Malnad areas, the eastern districts of Uttar Pradesh and some other areas. It is pointed out that the policy of Government is not to concentrate development of industries in any particular areas in so vast a country as India, but to distribute and regionalise industries, so that the advantages of industrialisation

(Continued on page 377)

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Fatliquor

A process for making fatliquors in which Pongam oil—a non-edible oil available in abundance in South India—or Sardine fish oil is the basic raw material, has been developed at the Central Leather Research Institute, Madras. Fatliquors are oil-based products which emulsify easily with water to produce stable oil-in-water-type emulsions for use in leather processing. Their use imparts softness, pliability, tensile strength and other desirable physical properties to leather. They are particularly used in production of chrome-tanned leathers and box and willow sides for shoe uppers.

At present, Fatliquors based on Neats' Foot oil, fish oil or mineral oils, employed by the Indian leather industry, are imported under various trade names. Indigenous production is small. Present requirements are estimated at nearly 200 to 300 tons per annum, valued at Rs. 15 lakhs. The consumption is expected to rise to nearly 600 tons per annum with the progress of the leather industry during the second Plan. Fatliquors made in the laboratory have been tried in the model tannery of the Institute and also by several progressive leather manufacturers who have, after use in processing of shoe upper leathers, box and willow sides, full chrome or chrome retanned leathers, reported on the excellent properties of the product. The process consists in sulphonating the oil under optimum conditions to obtain a product which can be employed to produce emulsions for use. Several batches of nearly 100 lbs. each have been processed and conditions for large scale production have been standardised.

The equipment required, jacketed leadlined vessel fitted with stirrers, cooling arrangements, wooden vats, etc., could be easily fabricated in India.

Parties desirous of undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, New Delhi.

Timber Substitutes for Iron and Steel

The Forest Research Institute at Dehra Dun is reported to have succeeded in finding suitable timber substitutes for iron and steel. At present, only the stronger and more durable varieties of timber, like sal and teak, are being used as replacements for iron and steel. Scientists working on this problem at the Forest Research Institute have developed processes which will enable certain other and more common varieties of timber also to be utilised in this manner. The main weakness of timber lies in its vulnerability to attacks from insects and fungi. The Mycology Section of the Institute has, it is reported, succeeded in discovering chemicals, which when used as a coating on timbers, render it immune from these attacks. It has been found that chemicals like creosote and ascu possess just the properties needed for this purpose.

Novel Concrete

A new type of concrete which, it is claimed, produces a surface which does not need any finishing, plastering, or maintenance has been developed in Norway. The production of the concrete, which has been "tried out" on a number of new buildings in Norway, involves the incorporation of small stone pebbles into the cement during its preparation. While the surface of the concrete does not need, it is said, any finishing, artistic effects can be achieved by treating the surface with sand blasting. The development of the concrete is the result of work carried out by a Norwegian architect, Mr. Erling Viksjo and a Norwegian civil engineer, Mr. Svere, at Jystad in Oslo.

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(Sd.) S. B. MEHTA
(Signature of Publisher)

Date: 1st March 1958.

AVERAGE INCOME OF SOVIET WAGE EARNERS

STANDARD OF LIVING COMPARATIVELY LOW

THE pattern of distribution of the national income of the U.S.S.R., the percentage of consumer goods in the aggregate production, the structure and quantum of wage of the Soviet workers, the level of real earnings, etc., have for long remained, to the free world outside Russia, the more mysterious enigmas of the Soviet economy. Reliable and precise information regarding these factors, which provide an index of the material welfare of the Soviet citizens, are not generally available to the outside world. People outside Soviet Russia are naturally curious to know how their confreres within the Iron Curtain fared, the more so because it is proclaimed to the world that, unlike in capitalist countries, Soviet workers are not mere hires of capital but its real masters. In this connection, a reference may be made to an article in a recent issue of the Bulletin published by the *Institute for the Study of the U.S.S.R.*, Munich, which throws some light on the earnings of Soviet workers. It may be noted that the Institute, whose purpose is to present the free world an analysis of contemporary events in the Soviet Union, is a free corporation of scientists and men of letters.

The concomitant of Soviet economic development, Mr. F. S. Gaenko, the author of the article points out, has been an extremely high rate or compulsory accumulation of savings, including the maximum mobilisation of resources for industrialisation and the creation of strategic resources. This accentuation of capital goods production has been elevated to a low of socialism, a direct result of which appears to have been a clamp on wages and the consequent comparatively low standard of living of the Soviet citizens.

The annual reports issued by the Central Statistical Administration of the U.S.S.R. on Plan fulfilment asserts that, roughly, three quarters of the national income is destined for consumption. According to the author, this is not borne out by the figures for industry alone which present a different picture. In 1928, according to him, consumer goods production comprised 60.5 per cent. of all industrial output, as compared with 66.7 per cent. in 1913. In 1937, this dropped to 42.2 per cent. and by 1955 had declined to 29.4 per cent., indicating the progressive decline of the share of consumption goods in the aggregate production.

Workers and salaried employees, together with their families, comprise 58.3 per cent. of the Soviet population and their main—in many cases only—means of support is their earnings. Prior to World War II, wages made up approximately 68 per cent. of the population's income; but since 1930 no information on wages has been published. Western statisticians and economists, working with the meagre data available, have arrived at different figures for the average Soviet workingman's wage. An Austrian parliamentary delegation which visited Russia in 1955 estimated a Russian Workers' average wage at 900 roubles a month, presumably on the basis of the average wage paid in enterprises shown to foreign visitors. Mr. Maurice Allais, a famous French economist, estimated, on the basis of the annual subscription to the State loan, the average wages at 610 roubles a month. On the basis of the Soviet data available, the author estimates that the average wage in 1956 was somewhere between 700 and 800 roubles per month. The following table shows how wages and prices changed since 1940:

Trend of Soviet Wages and Prices
(1940=100)

	Average annual wage	Average monthly wage	Wage index	Real wage index	Index of prices of goods and services
1940 ..	4,100	341.7	100	100	100
1950 ..	..	..	..	126	..
1951 ..	7,550	629.2	184	..	..
1952 ..	8,079	673 3	197	..	..
1953 ..	8,241	686 8	201	165	122
1954 ..	8,446	703 8	206	174	118
1955 ..	8,699	724 9	212	175	121
1956 ..	8,960	746 7	219	182	120

It will be seen from the above table that the average annual wage more than doubled during the period 1940-56. The index of money wages, (1940=100), which was 100 in 1940, more than doubled to 201 in 1953 and increased still higher to 219 in 1956. The index of real wages improved from 100 in 1940 to 182 in 1956.

As for the family budget, food accounts for a very high share of expenditures. In 1913, it accounted for only 50 per cent. of the workingman's budget. It dropped to as low as 44 per cent. in 1927 before the upswing to reach the figure of 69.7 in 1957. As can be seen from the following table, the structure of expenditure has changed considerably since 1913:

Structure of Soviet Workers' Expenditure
(Percentage of total budget)

	1913	1927	1957
Food	50 0	43 8	69.7
Rent and utilities	20 0	17.0	2.3
Clothing	10 0	22 4	18.2
Recreation	3.6	4 0	5 5
Other household expenses..	7 0	4.2	2.6
Transportation	..	..	1.8
Aid to family	1 1	1 2	..
Miscellaneous	8.3	7.4	..

The budget for 1957 reveals, according to the author, a modest standard of living. It is pointed out that the amount allocated to rent, utilities and clothing is inadequate, the sum available for these items being determined not by probable needs but by the amount left after the essentials have been paid for.

Precise information on the size of the Soviet family is not available. A post-war estimate made by S. N. Prokopovicz places it at 3.6 persons. The number of dependents per worker has been progressively declining from 1927 onwards. In 1952, the average number of dependents per worker was 0.91 although it rose to 0.97 in 1955.

The author makes an estimate of how much a worker would have to earn to support himself and his dependents. The absolute essentials, it is calculated, amount to 451 roubles per person, of which 384 roubles are for food and 67 roubles for other essentials. Each worker has to support 0.97 dependents. Hence the minimum amount required each month aggregates 451×1.97=888.5 roubles. Since deductions from earnings average 15 per cent., the ordinary worker's wages, it is said, would have to be no less than 1,045 roubles. The Table I above shows that wages average only 746.7 roubles a month which means that the Soviet wage earner receives only 72.4 per cent. of the minimum required to cover food and other essentials. It must be borne in mind that the average wage index gives only a rough indication of the true state of affairs because there is a large differential between maximum and minimum rates. The range is stated to be from 300 to 3,000-5,000 roubles.

The question inevitably arises as to how the average wage earners get the money to live? The answer, according to the author, is that they have to find a source of income over and above what they earn from their eight-hour day. Some work over-time at factories while the majority spend every spare moment working small private plots of land. Urban working families usually keep a cow, a goat and pigs and raise their vegetables on plots situated far outside the city limits. These private plots are a great help to workers and their families and the Soviet Government encourages town dwellers to develop them. The importance they attained can be judged from the fact that in 1955, 12 per cent. of the land sown to vegetables was accounted for by workers who also kept 15 per cent. of the cows and 12 per cent. of the hogs. In 1955, for instance, total area sown as workers' private plots aggregated 1.59 million hectares. The number of cattle owned were 7.6 million, hogs 6.5 million, sheep 3.8 million and goats 4.9 million.

The author concludes that the wage increases granted to low-paid workers, the increased pensions, the curtailment of working hours, increase in agricultural output, etc., which were forced on the Government by necessities, have slightly improved the workers' standard of living which nevertheless remains low. The low level is attributed to the rate of industrialisation and the nature of capital investments which are primarily aimed at developing the means of production.

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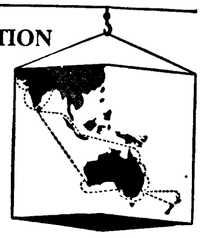

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I.L.O. DIRECTLY HELPS SETTLEMENT OF DISPUTES

For the first time in its history, the International Labour Organisation (I.L.O.) was recently called upon to assist directly in setting a dispute between the workers and management of a railway undertaking of Southern Peru. It is common knowledge that, normally, the I.L.O. acts only in the international field. But in the summer of 1957, at the request of the Chairman of a Mediation Committee, transmitted through the Government of Peru, the I.L.O. Director-General sent one of his senior officials to help settling the dispute which had paralysed the country's most important railways and disrupted life in Arequipa province. The mediation efforts of the I.L.O. expert was a great success as his proposals were unanimously accepted by all the parties concerned and the dispute was amicably settled.

In April 1957, the unions representing some 3,500 railway men employed by the railway requested the company to pay wage increases ranging from 30 to 50 per cent., as well as other concessions regarding hours of work, overtime, family allowances, holidays, etc. After a brief and fruitless discussion of the issues involved between management and labour, the question was referred to the conciliation machinery of the Peruvian Ministry of Labour which also could not bring about an agreed settlement. The Government declared the strike illegal, proclaimed a state of emergency and called out the army to maintain law and order.

At this critical moment, on the initiative of the Mayor of Arequipa, a Mediation Committee was set up. In order to strengthen the Committee from the technical point of view and from the point of view of prestige, the Chairman of the Committee appealed to the Peruvian Government for technical assistance, indicating that the Committee would especially welcome the help of an I.L.O. expert. In response to the request of the Peruvian Government, the Director-General of the I.L.O. sent Mr. Pier Paolo Fano, Chief of the International Organisations Division of the I.L.O. as an adviser to the Peruvian Government and the Mediation Committee in connection with the settlement of the dispute.

As a result of exploratory interviews made by Mr. Fano, it was clear to him that the most important problem lay in getting to the root of the trouble which appeared to lie in the absence of regular machinery for discussion of labour conditions between labour and management. There was in the undertaking no standard conditions of employment and no satisfactory personnel policy, human relations and welfare measures. Bearing these and other related matters in mind and taking the lead from a resolution on industrial relations in the transport industry unanimously adopted by Governments' workers' and employers' representatives at the second session of the I.L.O.'s Inland Transport Committee in 1947, he made certain proposals. The proposals included the creation of three permanent joint committees, composed of representatives of the company and the unions concerned to deal separately with collective grievances, welfare problems and safety matters. It was also suggested that the company should, within one year, establish a uniform system of employment and promotion for its staff so as to eliminate the continuous difficulties and complaints caused by the lack of such a system; that it should appoint a qualified executive to deal exclusively with the problems of labour management and welfare, that it should improve the facilities for the airing of individual grievances and that more attention should be paid to the problems of human relations within the undertaking. As regards wages, it was proposed that the increase in wages granted to a section of the employees should be granted to all, as otherwise, it would be thought discriminatory and uniust. It was also suggested that the company should pay a Christmas bonus as the promise had already been made and also because that was the prevailing practice in most undertakings in that region. Regarding other claims concerning wages and hours of work, it was suggested that they should not be pressed by the workers, since they could more appropriately be discussed in connection with the proposed introduction of the uniform system of conditions of employment and production. As regards claims not concerned with wages and hours of work it was suggested that they should be referred by the Mediation Committee to the proposed joint committees in accordance with their respecive nature. It was also suggested that the company should take a number of welfare measures. Before submitting these suggestions to the Mediation Committee, the I.L.O. expert discussed them with representatives of the workers and the company. The Mediation Committee considered the proposals as the final basis for the settlement of the dispute and unanimously adopted them with the concurrence of the representatives of the company and the workers.

NEW PUBLICATIONS

Nationalisation and the Managerial Role. By J. V. S. Rama Sastri. Published by The Popular Book Depot, Lamington Road, Bombay 7. Pages : 119. Price : Rs. 6.00.

THE managerial function, as is well known, has acquired an influential status in economic society today. The author seems to hold the view that the actual owners of enterprise have not seriously lost the managerial functions. He admits, however, that there has been a wide dissipation of managerial process among a variety of persons connected with business. While the earlier chapters of the book deal with the management problems in general, the latter part is concerned with the problems of management in nationalised concerns. He also makes a comparative study of the managerial role obtaining in private enterprise and the public sector today.

The author discusses the essential functions of management illustrating how these functions are effected in actual practice. He discusses at length whether or not the managerial functions, as Burnham contends, rest solely with the men in charge of actual technical processes of production, the shareholders exercising little or no powers over the affairs of the company. In the third stage of his analysis, the author examines the dispersion of the managerial functions among the three groups—shareholders, directors and managing agents. He attributes this dispersion to the complexities of modern methods of production which have necessitated the managerial task of "policy decision and intelligent execution" to be performed by separate groups.

The latter part of his discussion deals with the position of the manager in nationalised industry, who is bereft of his fundamental task of policy decisions. The manager works within a rigid framework determined by the Government. The case for the nationalisation of basic industries in India has often been justified by illustrating the experience of another Welfare State, namely, the U.K. The author proceeds to point out that while, in Britain, nationalisation has had every chance of "emerging as the climax of a system of industrial control" it is bound to be considered an "abrupt step" in India.

There is a brief but thorough analysis of the managerial role in private enterprise and nationalised industry. The author also discusses the relative value of the chief forms of State enterprise—the departmental organisation, the public corporation, the joint-stock company and the "mixed" enterprise. Although the author admits that his aim is not to judge the rationale of nationalisation itself, it is noteworthy that he reaches the conclusion that the managerial function "seems to be weakened under the spate of nationalisation."

Iran : Published by Her Majesty's Stationery Office, Kingsway, London W.C. 2. Pages : 114. Price : 5s.

Iran probably has the greatest potentialities for development of all countries of the Middle East. Since the war it has been engaged in an ambitious development programme backed by growing oil revenues adequate to cover the country's needs. A detailed survey of economic conditions and information on sales methods and opportunities is given in a new edition of *Economic and Commercial Conditions in Iran* prepared by H.M. Counsellor (Economic) of the British Embassy, Teheran, and published for the Board of Trade by H.M. Stationery Office, London. The survey points out that since the settlement of the oil dispute, a considerable number of British firms have shown a remarkable and rewarding degree of interest in Iran. British exports in 1956 reached £26 million and are expected to exceed this total appreciably in 1957. It is hoped that many more firms will be attracted to this market.

The Seven-year Plan Organisation, which was set up in 1949 under the Seven-Year Plan Law, is now in its second period. For this second seven-year plan the Organisation is authorised to spend $350 million. This expenditure covers a variety of development projects such as roads, railways, harbours, airfields, agriculture, irrigation, municipal water and electricity supplies, the creation of new industries and the development of all types of social services. The survey gives details of the sales prospects for U.K. exporters of various commodities and equipment. For instance, diesel types of equipment, it is stated, are in particular demand because of the cheapness and availability of oil supplies. There is an immediate and growing demand for all kinds of contractors' plant and a boom in the building of dwelling accommodation, offices and shops.

Details of foreign trade regulations, statistics and economic and social data of many kinds are included in this survey.

Report and Proceedings of His Royal Highness The Duke of Edinburgh's Study Conference. Volumes I and II, Published by Oxford University Press, London. Pages: 676. Price : 42s.

The two volumes contain a complete account of the proceedings of H.R.H. The Duke of Edinburgh's Study Conference, held at Oxford in July 1956, and the speeches of the delegates from the different parts of the Commonwealth. They cover a large number of the problems of industrial countries having widely different economies and different levels of industrial development. Readers will find that the study conference has made a thoughtful and constructive contribution to the discussion on the most pressing problems of industrialisation. In view of the wide coverage of the report it is difficult to give here a brief summary of its contents. However, certain points highlighted in the report may be mentioned here. The report has as its background the thoughts and ideas of those who took part in the study conference, and throws a great deal of new light on the problems and opportunities created by industrialisation. Most of the speakers, who addressed the study conference, have emphasised that productivity, of which we hear so much nowadays, is not an end in itself and that it should be attained in a way which would stimulate and not suppress the capacity of men and women engaged in industry to enjoy a healthier and fuller life. All workers earn for security. They desire that management should take real interest in them. The report, therefore, emphasises that everything possible must be done to enable workers to give of their best under a good organisation. The need for the best possible human relations in industry has assumed increasing importance. Indeed, the life in industry can only reflect the community and nation as a whole.

The report is an invaluable source of information for those who are interested in the industrial field. It is a critical guide to the scientific study of the problems of industrial communities.

India's Five-year Plans—An Economic Analysis. By Prof. Dhiresh Bhattacharyya. Available at Udayan Granthagar, 41, Deb Lane, Calcutta-14. Price: Rs. 2.50.

This is the second edition of the publication brought out in 1956. The revised edition contains not merely an analytical framework of the two Five-year Plans but also a critical review of the achievements of the Plans up-to-date. Special attention is devoted to the study of capital formation, public and private sectors and full employment. There is also a thorough discussion of the Central Government's budgetary policy.

The main theme of the author is that the establishment of the socialist pattern of society can be achieved not by giving doles to the unemployed or by encouraging practices like copartnership in large-scale industries but by decentralising the industrial sector. Drawing particular attention to the financial aspect of the second Plan, he rightly points out that it will be very difficult to get even half of the planned expenditure of Rs. 4,800 crores through taxation, non-tax revenue surplus, deficit financing and external assistance. In his opinion, the investment pattern has little relation to the supply of available investible resources in the country and the scale of investment is very large as compared with the consumption propensities of the public.

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Direction of International Trade (Annual Issue). Joint publication of the U.N. (Statistical Office), the I.M.F. and the World Bank. Pages : 333. Price : $2.50.

This is the fifth annual issue of *Direction of International Trade*, reporting annual trade-by-country data for the years 1938, 1948 and 1953-56. The table for each country shows the value in U.S. dollars of the country's exports to and imports from its trading partners during the years 1938, 1948 and 1953-56, as well as aggregates of the trade obtained by grouping the partners into monetary and geographic regions. Where the returns of a country showing its export and import trade in any period covered are not available, "derivative" figures obtained from the trade returns of other countries have been tabulated, providing an approximate indication of the magnitude and direction of the trade of the non-reporting country. The reconciliation of the totals distributed by country with the totals adjusted for general international comparison, included for the first time in the second annual issue is continued in this issue. The totals distributed by country are reconciled with the totals in U.S. dollars.

A special feature of the annual issue is the presentation of the summaries of the trade of the principal monetary areas of the world as measured by the reporting countries in each area. For those countries for which direct reports are not available, data derived from the trade returns of partner countries have been incorporated in the summaries to obtain complete coverage for each area shown. For comparison with these summaries in the indirect trade of each area as measured by all countries trading with the area is presented as a second set of summaries. Direct data of the area are used when necessary to obtain complete coverage by the reporting country.

Irrigation, Improved Seeds and Land Reclamation. Published by The Publications Division, Ministry of Information and Broadcasting, Government of India. Pages: 28. Price: Re. 0.25.

Even after completing the first Five-year Plan which had accorded a very high priority to irrigation and agriculture, the need for stepping up production of food and other cash crops continues to be pressing. It is not surprising that, in the second Plan, still greater emphasis has been laid on more irrigation facilities, use of better seeds and reclamation of culturable waste lands. These aspects have been explained in some detail in this book.

The first chapter of the publication gives information regarding the various irrigation schemes undertaken in the first Plan, as also those included in the second Plan. It deals even with the fundamental aspect, namely, the meaning of minor and major irrigation. The second chapter is on improved seeds. Until recently, there were no adequate facilities for multiplication of better seeds. If agricultural production is to be increased, it is essential that the nucleus of the seeds should reach every group of villages. The State has provided facilities like seed farm, seed store, etc. The publication furnishes useful information on these facilities. The third chapter is devoted to land reclamation, with particular reference to the Central Tractor Organisation, its achievements in the first Plan and its programmes under the second Plan.

INDIA'S CEMENT INDUSTRY

RAPID GROWTH IN A DECADE—SPECIAL FEATURES OF FUTURE EXPANSION

By Manubhai Shah

MINISTER OF INDUSTRY, GOVERNMENT OF INDIA

THE cement industry in India had a humble beginning. The first organised attempt to manufacture portland cement was made early in this century, when, in 1904, a small factory was established at Madras, using sea shells as a source of lime. The venture was short-lived, but a decade or so later, the industry revived and three factories were set up one each at Porbandar in Saurashtra in 1913, Katni in Madhya Pradesh in 1915, and Lakheri in Rajasthan in 1916. The out-break of war and consequential restriction on imports created favourable environments for the growth of the industry and, by 1918, the three factories were producing 85,000 tons of cement per year.

During the years of post-war boom, the Indian cement industry developed rapidly and, between 1919 and 1924, seven more factories came into existence. In 1920, the production of cement in India was 91,253 tons and imports were of the order of 150,000 tons. By 1930, the production had risen to 564,000 tons and so rapidly did the production outstrip demand that the industry was faced with the problem of selling its output. The Government of India referred the matter to the Tariff Board in 1925 to enquire into the working of the industry. The findings of the Board emphasised, *inter alia*, the need for co-operation amongst the manufacturing units. Accordingly, the Indian Cement Manufacturers Association was formed to regulate cement prices and to ensure proper delivery of quality cement to consumers.

The important events in the history of the Indian portland cement industry are the imposition of duty on imported cement by the Government of India in 1926, and the establishment in 1927 of the Concrete Association of India for purposes of giving free advice and assistance to the consumers of cement. In 1930, the Cement Marketing Company of India Ltd. came into being, in order to supervise the distribution and sale of the output of member companies.

The year 1936 was, perhaps, the most outstanding in the history of the cement industry, when Mr. F. E. Dinshaw brought under control of a single organisation all the ten existing factories and the Associated Cement Companies was formed. In the same year, the Dalmia Managing Agency, which controlled another group of factories in different parts of the country, was also instituted. Mr. Dinshaw's efforts and confidence in the industry were amply rewarded and nine new factories started production between 1936 and 1939. The production in the period 1936-40 was of the order of 1,700,000 tons per annum. By 1945, the production had increased to 2,150 000 tons, but, in 1947, the production fell to 1,440,000 tons as a result of partition of the country. In the period 1940-47, only two more factories came into production; one at Banjari in 1946 and the other at Chaibassa in 1947. The development of the industry in subsequent years, i.e. 1948-57, was rather phenomenal and 10 more factories came into production one each at Sevalia, Kottayam, Tirunelveli, Rajgangpur, Sawai Madhopur, Sika, Sindri, Churk, Dalmianagar and Bagalkot.

The progress in production of cement during the last ten years since Independence has been as follows:

Year	No. of factories	Production in tons	Percentage utilisation of installed capacity
1947	18	1,447,660	70
1951	22	3,195,142	90
1955	27	4,495,920	95
1957	28	5,598,000	86

Rated capacity now is 6.6 million tons and production in 1957 was 5.6 million tons giving 86 per cent. utilisation of the capacity.

Present Position

There are at present 29 cement factories, having an installed capacity of over 6.6 million tons per annum working in the country with both the dry and wet processes. Of these, 13 belong to the A.C.C. Group, 6 to the Dalmia-Jain Group and 10 of other industrialists. It is estimated that a capital of Rs. 35-40 crores is invested in the industry which gives direct employment to more than 30,000 people.

The annual consumption of the main raw materials based on production in 1957 is as follows:

Raw material	Quantity consumed
Limestone and clay	96 million tons
Gypsum ..	800,000 tons
Coal	3.4 million tons
Water	18-24 million gallons
Power	720 million KWH
Gunny bags	96 million nos.

Apart from limestone which is mainly used as a source of lime, sea shells, marl, chemical sludge are also used in large quantities as a source of lime in the manufacture of cement.

Demand

The Planning Commission, in their programme of Industrial Development for the period 1951-56, estimated the demand for cement at about 3.3 million tons by 1952-53 and 3.8 million tons by 1955-56, exclusive of the requirements for multi-purpose schemes and road construction. The total demand was estimated at 4.5 million tons by 1955-56. However, subsequent developments have shown that these estimates were on the conservative side and the demand for cement was substantially higher as would be evident from actual production as well as estimates of demands. The present annual estimated demand for cement is about 9 to 10 million tons. The Indian Institute of Public Opinion in their quarterly Economic Report (July 1954) have estimated the following trends in construction activity during the next seven years, i.e., 1954-61:

Classification of construction	Current expenditure: Rs. crores per year (current prices)	Rates of historical growth per cent. per year	Current rates of growth per cent.	Estimated rate of growth 1954-61 per cent.	Estimated annual expenditure 1961 at current (1954) prices Rs. crores
1	2	3	4	5	6
Urban Housing (Private) ..	100	1.05	2	2.5	118
Rural Housing (Private) ..	36	0.66	0.75	1	39
Public Sector (Corporate) ..	14	2	3	3.5	18
Private Sector (Corporate) ..	140	10	20	20	336
Total ..	290				511

The average rate of growth per year over the period 1954-61 comes to 10.9 per cent. This rate of construction activity is likely to boost up the demand for cement to a very much higher order. The demand by 1960-61 is estimated at 14 million tons for which a capacity of 16 million tons is considered necessary. In the third Five-year Plan, 1961-66, the demand for cement is expected to increase further to 20 to 25 million tons per annum and may even go upto 30 million tons per year, if the economy develops an integrated dynamism.

The industrial or social progress of a country is greatly reflected through the consumption of portland cement. The *per capita* consumption of cement in India is only 33 lbs., as against 594 lbs. in the United States, 649 lbs. in Germany, and 847 lbs. in Switzerland. The *per capita* consumption of cement in some countries is shown below:

Countries	Population in million	Consumption of cement in lbs. per head
Switzerland	4.925	847
Sweden	7.212	660
Germany	18 516	649
Norway	3 362	613
U.S.A.	172 000	594
Denmark	4 426	486
Ireland	2 933	453
France	43 046	451
U.K.	51 025	444
Netherlands	10 909	440
Italy	47 586	420
India	400 000	33

Expansion Programme

The capacity target for the cement industry under the second Five-year Plan is 16 million tons a year. Its present installed capacity is over 6.6 million tons per annum and new schemes and schemes for expansion with an additional annual capacity of 8.7 million tons has so far been approved. Of the total 55 new schemes, 29 are by way of substantial expansion of the existing factories, with an additional capacity of nearly 4.0 million tons per annum and 26 new factories with a total installed capacity of 4.7 million tons per annum. When these schemes are implemented, the capacity of the industry would have increased to over 15 million tons a year. In addition, three more schemes (one new and two expansions), involving a capacity of 0.74 million tons per annum, have since been considered by the Government. These would also be licensed shortly, pending completion of certain formalities. This would bring the total licensed capacity to about 16 million tons in the Cement Industry by 1960-61.

Some of the new and expansion schemes sanctioned have not been able to make satisfactory progress mainly on account of non-availability of limestone of suitable grade in close proximity of the site chosen and may, therefore, be revoked in the near future. The total capacity of such projects likely to be revoked is 2.1 million tons per annum. The Government have under consideration several substitute proposals for meeting the deficit gap in the capacity target.

The progress of the various schemes is reviewed from time to time and, according to the licences issued so far, the cement industry is expected to attain the following capacity in the next two-three years:

Existing capacity ... ... 6.634,000 tons

Year	Additional capacity likely to come into being	Progressive total
January-June 1958 ..	797,200 tons	7,331,700
July-December 1958..	1,990,000 tons	9,321,700
1959	3,117,000 tons	12,438,700
1960	1,693,000 tons	14,131,700
In 1960-61	1,176,000 tons	15,307,000

The requirements of foreign exchange for meeting the targets for cement production set out in the second Five-year Plan are estimated at Rs. 56 crores by way of capital equipment. Of this, import licences of a total value of Rs. 23 crores have been already granted. In addition, some parties have made arrangements of import of machinery on deferred payment terms for some of the capital goods. The foreign exchange requirements for some of the cement schemes, which are in advanced stage of implementation, have also been satisfactorily covered. Assistance of foreign exchange under T.C.M. Aid Programme to the extent of Rs. 3.6 crores has also been arranged. All these steps will cover *additional* capacity of 3.27 million tons per annum. It is now, therefore, necessary to arrange for import licences for capital goods and machinery for the balance capacity of 5.4 million tons per annum which is still left uncovered through import licences.

As already indicated, it is proposed to licence shortly three more schemes covering an additional capacity of 0.74 million tons over and above that of 15.3 million tons capacity approved under the Industries Act, making a total of 16 million tons. Besides, there are about 14 proposals pending. A close watch is being kept on the progress of each scheme and, in the light of periodic assessment of the actual implementation, it will be possible to approve proposals out of these pending schemes, in order to cover the target of 16 million tons by 1960-61. It is hoped that a major portion of the balance capacity will be covered through import licences during 1958.

Future Development

The Government have under consideration various suggestions made to them for conserving cement and supplementing its availability by admixing with it certain materials of pozzuolanic activity. It is felt that considerable savings could be effected by intergrinding portland cement with siliceous admixtures either at the site of construction or in the cement mill itself. In several cases, the sand cements, comprising as much as 45 per cent. sand stone and 55 per cent. portland cement, have yielded satisfactory results. Such materials that could lend themselves to partial replacement for cement are reported to be available at many places in the country and some of these are in the proximity of the cement factories. Already a factory for producing pozzuolana from local shale has come into production near Bhakra Nangal Dam site. This has been functioning since May 1957. The shale available at the dam site is burned at 1400OF and the material is ground to the fineness required. The cost of the plant is estimated at Rs. 25-30 lakhs, most of the items having been fabricated here. At present, 10 per cent. of the cement is being replaced by the Pozzuolana with a likelihood of increasing it to 20 per cent. shortly. The Government have appointed a Technical Committee to investigate fully the problems posed by such admixtures or replacements in portland cement.

There is yet another type of cement, the production of which would make available a larger quantity of cement within the existing clinker capacity and i.e., portland blast furnace slag cement. It is an intimately inter-ground mixture of portland cement clinker and granulated blast furnace slag. Normally, the slag constituent is between 20 to 50 per cent. of the portland blast furnace slag cement. The following six schemes have, in this connection, been licensed for the manufacture of portland blast furnace cements, for a total capacity of 1.2 million tons per annum:

Location	Capacity (Tons p.a.)	Source of obtaining slag
Bhadravati	18,000	Mysore Iron and Steel Works.
Chaibassa	170,000	Tata Iron and Steel Co., Jamshedpur.
Drug	85,000	Bhilai Steel Works.
Rajnandgpur	365,000	Rourkela Steel Works.
Durgapur	240,000	Durgapur Steel Works.
Durgapur	330,000	Durgapur Steel Works.

A capacity of 46,500 tons per annum is also being set up for white and coloured portland cements through following schemes:

Location	Capacity (Tons p.a.)
Kottayam	5,000
Thiruvattiyur (Madras)	16,500
Porbunder	25,000

The development of sludge cement also offers great potentialities. This utilises the calcium carbonate sludge obtained as a by-product as in the manufacture of ammonium sulphate fertiliser at Sindri. Already one cement factory, with an annual capacity of 200,000 tons, is working at Sindri, utilising the sludge from the Sindri Fertiliser plant. The establishment of such new fertiliser plants opens, therefore, an avenue for setting up further capacity for sludge cement.

There has been a noticeable shift in favour of larger cement kilns and a number of rotary kilns of a daily production capacity of 700 tons have been installed in preference to smaller kilns of 250-300 tons daily capacity. The production of cement in such kilns is found to be more economical and consumption of fuel is also lower. There are, however, many areas in the country where availability of limestone is limited, which would not lend to setting up of large factories. Many of such areas are deficit in cement and several schemes are afoot for installing smaller cement factories with a production capacity ranging from 60 tons to 175 tons per day. The recent advances in the shaft kilns have made it possible to manufacture cement by the shaft-kiln process at a price comparable to the one produced in the larger rotary kilns, without impairing the quality of cement produced. While the shaft kiln factories may not become very common in India, there might be at least half a dozen to one dozen such small factories set up during the Second Plan period. The natural advantages of the shaft kiln process are that limestone of lower grade and fuel of lower calorific value can be utilised. The capital cost of the project is substantially lower and so is its maintenance and running cost. A suggestion has also been made to some State Governments notably Himachal Pradesh and Assam to examine the prospects of setting up small cement factories based on Vertical Shaft Kilns. A small cement factory is also being established in Kashmir, with a view to meeting local demand.

The capital cost for setting up a cement factory in India is estimated at Rs. 120-125 per ton annual capital for new factories and between Rs. 75 and Rs. 80 per ton of annual capacity for expansion of existing factories. Of these, nearly 60-65 per cent. is by way of machinery and capital equipment.

The production cost of cement itself in India is not high as compared to foreign countries, but the incidence of freight and packing charges are relatively higher, with the result that cement is sold in this country at a price somewhat higher than obtaining in some other countries. But this may not be a major handicap in export of cement specially from Port Town Factories.

There has also been considerable development in the field of manufacture of cement machinery. Two firms are already making certain items of cement machinery such as Kilns, Clinker Coolers and Clinker Breakers etc., for their own use. Besides, one engineering firm in collaboration with Messrs. Miag of West Germany has already been licensed for manufacture of complete cement plants of 300-500 tons daily capacity, with an installed capacity of two such plants per annum.

There is also a scheme prepared by one of the biggest group of Cement Manufacturers in collaboration with two of the well known British firms for the production of heavy items of Cement Machinery like Grinding Mills, Tube Mills, Air Separators and Dust Collectors, Rotary Kilns, Conveying and Transport equipment, Slurry Mixer Basins and Slurry Pumps, Wash Mills, and Fans and Blowers etc. This scheme is in the last stage of finalisation. The scheme also visualises the production of large, medium and high pressure boilers and some of the items of Mining Machinery like Winders, Cages and Skips and Haulers etc.

At present, there are 29 factories, located practically in all the States of India except Assam, West Bengal and Kashmir but these States would also start manufacturing cement during the Second Plan through the schemes already approved. These schemes have already been covered in the estimates given earlier.

THE
CHARTERED BANK
(Incorporated in England by Royal Charter, 1853)
(Liability of Stockholders Limited)
Capital (Paid up) - - - £4,400,000
Reserve Fund - - - - £5,000,000
Branches throughout India, Pakistan and the East
Branches of
THE EASTERN BANK LTD.
a wholly owned subsidiary of the Chartered Bank are established in Iraq, Bahrain, in the Persian Gulf at Qatar and Sharjah, Lebanon and Hadramaut and in India, Pakistan, Ceylon, Aden, Singapore and Malaya.
AFFILIATED BANK IN INDIA:
THE ALLAHABAD BANK LTD.
with over 70 offices in India
The Bank offers a complete Overseas Banking Service and provides exceptional facilities for financing every description of trade with the East.
Deposits for Fixed Periods or repayable at call or at short notice are received at rates which may be ascertained on application.
The Bank's London Office undertakes Trusteeships and Executorships.
Head Office:
38, BISHOPSGATE, LONDON, E.C.2.
Branch: 28, Charles II St., Haymarket, London S.W.1.
Manchester Branch: 52 Mosley Street,
Liverpool Branch: 28, Derby House, Exchange Buildings, Liverpool, 2
Hamburg Agency: Borsenbrucke 2A Hamburg 11.
New York Agency: 65 Broadway New York, 6.
Branches in Japan: Kobe, Osaka, Tokyo and Yokohama.
Branches in Cyprus: Famagusta, Kyrenia, Larnaca, Limassol, Nicosia and Paphos.
Bombay Branch:
23-25, Mahatma Gandhi Road, Bombay 1. G. DODDS, *Manager.*

ENGINEERING

(*Concluded from page 372*)

may accrue to the people in different parts of the country.

"It is well known that State Governments have placed particular emphasis on regional development of industries and the Planning Commission has taken note of this desire on the part of both the people and Governments concerned. Even so, and accepting both the need and desirability for such development in backward or undeveloped areas, the question that arises is how far the railways are qualified to or obliged to play a part in this development through freight concessions. If railways were to grant such concessions, it is obvious that they cannot be the judges of areas to which these concessions should extend. They cannot define which are the backward areas or undeveloped areas, and it is necessary that this decision should be made by an authority other than the railways. Indeed, a planned programme of development of industries should be available to the railways, so that they may consider granting the concession. Otherwise, the railways will lay themselves open to the charge of favouring particular areas when they do not grant concessions to other areas similarly situated. In this connection, our attention has been drawn to the practice of the Canadian Government which grants low concessional rates for wheat moving from certain territories, the value of the concession being reimbursed to the railways by the Federal Government of Canada. We would commend this procedure to the Government of India for assisting backward parts of the country."

It is noteworthy that the Committee does not favour the creation of freight pools. The chief argument in favour of the system of "freight pool" is that it will prevent the concentration of industries in regions where the main raw materials are found and will promote wider spread of industries. On the other hand, it has been argued that the "natural geographical advantage with reference to any raw material or to the sale of a finished product in an existing market should not be whittled down by these artificial methods and that it would be unfair if industrialists, who had the vision to see that these natural advantages should be taken advantage of, are now to be penalised by the greater freight which they will have to pay under a system of pooled freight, so that new industries and new *entrepreneurs* may be benefited." After a study of this problem, the Committee has reached the conclusion that though at first sight, a pooled freight may look attractive, this "method of encouraging certain areas where industrial development is needed is not justified."

As regards the constitution of the Railway Rates Tribunal, the Committee has recommended that it should consist of an experienced High Court judge as President with two other members chosen for their knowledge or experience of commercial, industrial and economic conditions in the country or of the commercial working of railways. The President and the members of the Tribunal may be appointed for a period of five years and may, in suitable cases, be eligible for reappointment. The jurisdiction of the Tribunal should be divided into mandatory and advisory functions. The Tribunal will have mandatory powers of decision in matters which arise out of complaints of undue preference and the levy of unreasonable rates and charges. Its advisory functions will relate to classification of goods, scales of charges for the carriage of passengers and their luggage, military traffic and traffic in railway materials and stores and demurrage charges. Finally, it has recommended that necessary provision should be made in the Indian Railways Act so that the Tribunal may adopt an "informal procedure" in dealing with cases where a formal hearing is unnecessary and may be dispensed with.

AUTOMATION TECHNIQUES IN U.K.

In the next four or five years, British industry will be making big strides in the greatly increased use of automation equipment. Many major employers of clerical labour expect to be using digital computers to improve speed and accuracy and to reduce costs, and most firms hope that, by adopting automatic techniques, they will reduce the labour factor in their costs. These are some of the trends indicated in a report by Britain's Board of Trade on its special enquiry into automation in United Kingdom industry. The report is based on answers to a questionnaire circulated towards the end of 1956.

Some industries report installation of automatic equipment to overcome shortages of labour, others to increase the quality and consistency of their products, while large process industries such as oil refining, chemicals, and iron and steel consider that it would not be possible to handle the quantities involved without some degree of automatic control. On computers, the report says that industries expected to have them in use in the next few years include nationalised industries, iron and steel firms, oil companies, aircraft constructors, and large engineering concerns.

One interesting point is raised in a summing-up of the effect on labour of automatic techniques. "While some firms expected to reduce the size of their labour force," the report says, "some expected to have to increase it—in some cases to keep pace with increasing production—and some to keep their existing labour force while increasing their output."

THE BANK OF INDIA, LTD.
ESTABLISHED 7th SEPTEMBER, 1906
CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000
Head Office:
MAHATMA GANDHI ROAD, FORT, BOMBAY
BRANCHES IN INDIA:
AHMEDABAD, Bhadra, (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch
AMRITSAR
BANGALORE
BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
KOZHIKODE (Late Calicut)
MADRAS
NAGPUR, Kingsway, Itwari Bazar
NEW DELHI
PALANPUR
POONA, POONA CITY
RAJKOT
SURAT
SHOLAPUR
VERAVAL
BRANCHES OUTSIDE INDIA:
LONDON—17, Moorgate, London, E.C. 2.
(ADEN, DAR-ES-SALAAM, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI OSAKA, SINGAPORE, TOKYO.
DIRECTORS:
SIR COWASJEE JEHANGIR, Baronet, G.B.E., K.C.I.E. (Chairman).
Mr. AMBALAL SARABHAI.
SIR JOSEPH KAY, K.B.E.
Mr. RAMNIWAS RAMNARAIN.
Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
SIR VITHAL N. CHANDAVARKAR.
Current Deposit Accounts.—Except at certain places interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Rs. 5 per half-year.
Fixed, Short and Savings Bank Deposits received on favourable terms. Rates on application.
Foreign Exchange Business Transacted and Letters of Credit opened for approved customers.
The Bank acts as Executor and Trustee under Wills and Settlements and undertakes Trustee business generally.
Every Description of Banking Business Undertaken.
T. R. LALWANI, *General Manager.*

Notices

THE RAVALGAON SUGAR FARM LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING of the Company will be held at Construction House, Ballard Estate, Fort, Bombay, on WEDNESDAY the 26th MARCH, 1958, at 4-30 p.m. (S.T.), for the purposes of transacting the following business:—

1. To receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 30th September, 1957.

2. To declare Dividends on Preference, Ordinary and Deferred Shares.

3. To appoint a Director in place of Shri Lalchand Hirachand who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution as a Special Resolution in respect of which a Special Notice as required by Section 261 of the Companies Act, 1956, has been received by the Company:—

"Resolved that pursuant to the provisions of Section 261 and other relevant provisions (if any) of the Companies Act, 1956, Shri Lalchand Hirachand who retires by rotation and who is a Director, Officer and Member of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, be and is hereby re-appointed a Director of the Company."

4. To appoint a Director in place of Shri Govindji Raoji who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution as a Special Resolution in respect of which a Special Notice as required by Section 261 of the Companies Act, 1956, has been received by the Company:—

"Resolved that pursuant to the provisions of Section 261 and other relevant provisions (if any) of the Companies Act, 1956, Shri Govindji Raoji who retires by rotation and who is an Officer and Member of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, be and is hereby re-appointed a Director of the Company."

5. To appoint Auditors for the current year and to fix their remuneration.

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"That the Articles of Association of the Company be altered in the manner following:—

"The present Articles Nos. 10, 23, 32, 42, 43, 49 and 74 of the Articles of Association of the Company be deleted and the same be substituted by the following new Articles as under:—

"10. Subject to the provisions of the Act and Article 63 and the other Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Companies Act, 1956, or any statutory modifications thereof for the time being in force) at a discount and at such times as they may from time to time think fit and proper, and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject as aforesaid at a discount such option being exercisable at such time and for such consideration as the Directors think fit.

"23. If any certificate be old, decrepit, worn out, defaced or rendered useless then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof, without any charge and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment of Re. 1 for every new certificate.

"32. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares, held by him beyond the sums actually called for; and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the share in respect of which such advance has been made the Company may pay interest at such rates as the member paying such sum in advance and the Directors agree upon or subject to the provisions of the Act and these Articles the Company may at any time repay the amount so advanced upon giving to such member three months' notice in writing.

"42. For the purpose of enforcing such lien the Board of Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such members, his executors or administrators or his committee, *curator bonis* or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice.

"43. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and residue if any shall be paid to such member, his executors or administrators or assigns or his committee, *curator bonis* or other legal representatives as the case may be.

"49. Subject to the provisions of Section 111 of the Companies Act, 1956, or any statutory modification thereof for the time being in force the Directors may, at their own absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and in particular may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee.

"74. Subject to the provisions of the Act and these Articles any bonds, debentures, debenture-stocks or other securities may be issued at a discount, premium or otherwise, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors, provided that debentures with the right of allotment of or conversion into shares shall be issued only with the consent of the Company in General Meeting."

7. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. Hind Auto Engineering Co., Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable and provided further that Messrs. Hind Auto Engineering Co. shall make payment within one month from the date of sale or supply by this Company."

8. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. New Vardhaman Machinery Stores, Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that Messrs. New Vardhaman Machinery Stores shall make payment within one month from the date of sale or supply by this Company."

9. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. Standard Tool Co., Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that Messrs. Standard Tool Co. shall make payment within one month from the date of sale or supply by this Company."

10. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with The Premier Garage, Poona, Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that The Premier Garage shall make payment within one month from the date of sale or supply by this Company."

11. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. P. V. Brothers, Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that Messrs. P. V. Brothers shall make payment within one month from the date of sale or supply by this Company."

12. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. National Garage, Nagpur, Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that Messrs. National Garage shall make payment within one month from the date of sale or supply by this Company."

13. To consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"Resolved that the Company hereby approves of contracts or arrangements being entered into with Messrs. Nav Bharat Motor Agency, Sholapur, Associates of Messrs. Walchand & Co. Private Ltd., the Managing Agents of the Company, for sale, purchase or supply of any property, movable or immovable, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable, and provided further that Messrs. Nav Bharat Motor Agency shall make payment within one month from the date of sale or supply by this Company."

The Transfer Books of the Company will remain closed as from Friday the 7th March, 1958, to Thursday the 27th March, 1958, (both days inclusive).

By Order of the Board,
WALCHAND & CO. PRIVATE LTD.,
Managing Agents,
GULABCHAND HIRACHAND,
Director.

CONSTRUCTION HOUSE,
BALLARD ESTATE, FORT,
BOMBAY, *7th February*, 1958.

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

(2) The Dividends, if sanctioned, will be paid at Devkaran Nanjee Banking Co., Ltd., Fort, Bombay, on and from Friday the 28th March, 1958, to those members whose names stand on the Company's Register as on Thursday the 27th March, 1958.

DETAILS OF OIL MILL PLANT FOR SALE

1. 3 Nos. Giant Oil Expellers as per specification: Manufacturers: M/s. Steel Construction Co., Ltd., Bangalore City—capable of dealing with about 15 tons of shelled groundnuts per working day of 24 hours. Arranged for and driven through worm gearing of heavy construction consuming about 25 B.H.P. The frames of the machine are throughout of steel fabrication including the feed box and are fitted with Twin Steam-jacketed Tempering kettles with self-contained chain drive thus ensuring High Cooking capacity. The cage box, bars and worms are made of special steel and hardened to withstand heavy duty. The cone adjustment mechanism is of special trouble-free design avoiding all gears or clutches.

2. 4 Nos. Filter Presses with Pumps.

3. 1 No. Steam Boiler of the following specifications: Marshall No. 25 size, 25 H.P. Locomotive type multitubular Boiler constructed entirely of steel in strict accordance with the Indian Boiler Regulations for a working pressure of 150 lbs., and evaporating capacity of 1,950 lbs. per hour with accessories and 'Hayward Tyler' Horizontal 'Duplex' Steam Pump suitable for the above 25 H.P. Boiler.

4. 1 Mild Steel chimney.

5. 2 Nos. Kalyan Decorticators with Stone Separators.

6. 1 No. Rotary Pump with 25 H.P. motor.

7. 3 Nos. Settling Tank, 400 gallons capacity, with cover.

8. 4 Nos. Oil Storage Tanks, 400 gallons capacity, with lids.

9. Miscellaneous spare parts. Details will be furnished to the interested buyers, if General Manager, Mysore Sugar Company, Ltd., Mandya, is addressed.

Intending purchasers are requested to send their applications in a sealed cover within 8 days from the date of the publication of this notice.

V. HANUMANTHAPPA,
Secretary.

The Mysore Sugar Co., Ltd.,
Bangalore 2.

NOTICE

INSPECTION OF THE PEARL BANKS OFF Tuticorin conducted by the Fisheries Department during January, 1958, has revealed that there are more than 2 crores of mature fishable pearl oysters at Kodamuthi, Karuval and a few other pearl beds. These oysters are found to be fully grown and in healthy condition. The yield of pearls is found to be good. So there will be a pearl fishery commencing from 3rd March 1958, and lasting till the end of April 1958. Judged from the results of the last year's FISHERY AND THE PEARL BEDS IN THE SAME REGION coming up for fishing, the prospects of the ensuing fishery are very bright. Sites for Pearl Bazaar and Thotties will be sold in auction, on Monday, the 24th February 1958 at 3 p.m. in the Fisheries Office, Tuticorin. All enquiries for further particulars may be addressed to the Additional Director of Fisheries, Tuticorin, Madras State, India.

CALTEX OIL REFINING (INDIA) LIMITED

NOTICE IS HEREBY GIVEN THAT THE Register of the Company's 5¼ per cent. Debenture Stocks 1966-70 will be closed for transfers from 18th March to 31st March 1953, both days inclusive.

P. A. ENGINEER,
Secretary and Treasurer,
State Bank of India,
Agents for Caltex Oil Refining (India) Ltd.,
for the management of the Debenture Stocks.

STATE BANK OF INDIA,
MUNICIPAL LOANS SECTION,
APOLLO STREET, FORT,
BOMBAY-1, *28th February* 1958.

TENDER NOTICE

1. Tenders are invited from established foundries in India only for the supply of Cast Iron C.S.T. 9 Sleeper Plates, Broad and Metre Gauge, to be supplied by 31st December, 1953.

2. No raw materials will be arranged by the Railways.

3. Applications for copies of tender documents should be made to the Deputy Director, Works, Ministry of Railways, State Entry Road, New Delhi. Tender documents embodying conditions of supply and contract and relevant drawings will be supplied at Rs. 10 per set and will be available for sale from 28th February, 1958 onwards on any working day during office hours.

4. Tenders will be received upto 13.00 hours on 25th March, 1958, and opened in the office of the Railway Board, New Delhi, at 15.00 hours on the same day.

SECRETARY, RAILWAY BOARD.

NEW DELHI, *18th February* 1958.

THE KELVIN JUTE COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Ninety-ninth Annual General Meeting of the Members of THE KELVIN JUTE COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday the 31st day of March, 1958, at 3 o'clock in the afternoon, for the following purposes:—

1. To receive and consider the Profit and Loss Account for the eleven months ended 31st May, 1957, the Balance Sheet as at that date and Reports of the Directors and Auditors.

2. To declare Dividends.

3. To appoint Directors in place of Mr. R. S. Kanoria and Mr. B. L. Bajoria, the retiring Directors.

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

"That Mr. B. L. Bajoria be and is hereby appointed a Director of the Company liable to retirement by rotation."

Special notice dated 19th February, 1958 of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Mr. B. L. Bajoria is an "associate" of the Managing Agents within the meaning of the Act, and that therefore, he can only be appointed by special resolution as a Director of the Company liable to retirement by rotation.

4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 17th to 31st March, 1958, both days inclusive.

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

By Order of the Board,
McLEOD & CO. LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *27th February*, 1958.

Note:—Payment of the proposed dividends, if declared, will be made on or after 15th April, 1958, only to those members whose names are registered in the Books of the Company on 31st March, 1958, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

RALLIS INDIA LIMITED

CLOSURE OF REGISTER OF MEMBERS

NOTICE IS HEREBY GIVEN THAT THE Register of Members and the Transfer Books of the Company will be closed from 15th March 1958 to 28th March 1958, both days inclusive.

By Order of the Board,
KENNETH SHEPPARD,
Secretary

16, HARE STREET,
CALCUTTA, *24th February* 1958.

THE BANK OF INDORE, LIMITED

(Incorporated in Indore, 1920)

NOTICE IS HEREBY GIVEN THAT THE Thirty-eighth Annual Ordinary General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Bank, Prince Yeshwant Road, Indore City, on Thursday the 27th March, 1958, at 4 p.m. (S.T.), to transact the following business:—

(1) To receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st December, 1957.

(2) To declare a Dividend.

(3) Rai Bahadur Sir S. M. Bapna, Kt., C.I.E., and Seth Bhanwarlal Sethi, retire by rotation, but are eligible for re-election.

(4) To elect Auditors for the ensuing year and to fix their remuneration.

By Order of the Board of Directors,
N. D. JOSHI,
Manager.

INDORE CITY,
14th February, 1958.

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

N.B.—(*a*) The Transfer Books of the Company will be closed from 13th March 1958 to 27th March, 1958, both days inclusive.

(*b*) The Dividend when sanctioned will be payable on and from Friday the 28th March, 1958.

(*c*) Shareholders are requested to intimate the Bank their change of address, if any, immediately.

Leases of land obtained by industrial or commercial undertakings (other than co-operative societies) approved by Government and carrying on *bona fide* industrial or commercial operations, and by sugar factories approved by the Government, which are governed by special provisions under the Bombay Tenancy and Agricultural Lands Act, 1948, will hereafter be subject to certain conditions specified by the Government of Bombay. Two notifications incorporating the conditions have been published in Part IV-B of the Bombay Government *Gazette Extraordinary*, dated 14th February 1958. The conditions applying to the leases of industrial or commercial undertakings relate to the duration and termination of lease and purchase of land by lessee, while those in respect of leases of sugar factories relate, besides the duration and termination of lease, to the payment of land revenue, etc., land in excess of the requirements of lessee and right of purchase.

APPOINTMENTS AS SELLING AND BUYING AGENTS UNDER COMPANIES ACT

PROPOSALS OF AMENDMENT COMMITTEE EXAMINED

By F. R. Ginwalla, B.A., LL.B.

IN order to check certain abuses of the Managing Agency system in India and to prevent enrichment of the managing agent in several ways, the Companies Act 1956 imposes certain restrictions on the appointment of the managing agent of a company or his associate as the selling or buying agent of the company and on the contracts between the managing agent or his associate and the managed company for the sale or purchase of goods or the supply of services. These restrictions are contained in Sections 356 to 360 of the Act. The provisions of these sections need a careful analysis, in view of Section 361 which states that any contract relating to the matters referred to in Sections 356 to 360, which was in force on 1st April 1956, shall, in so far as the contract relates to any of the matters referred to in the foregoing sections, be deemed to be terminated on 1st March 1958, unless it terminates on an earlier date. I shall, therefore, venture to analyse these provisions in the light of the Report of the Companies Act Amendment Committee appointed by the Government of India by its order of 15th May 1957.

Section 356

Section 356 relates to appointment of managing agent or his associate as selling agent of the goods produced by the company. Under this section, no managing agent or his associate shall receive any commission or other remuneration for sale of goods produced by the managed company and sold, (i) at the premises at which the goods are produced, (ii) the head office of the managing agent or (iii) from any place in India.

As regards sales of goods at places outside India, the sub-section (2) of Section 356 states that a managing agent or his associate may be appointed selling agent of such goods provided (i) he maintains his own office at such place for his own business, unconnected with business of the company, (ii) the remuneration payable to him for such work is sanctioned by a special resolution of the company (which must recite the material terms of the appointment), and (iii) no other sums are payable by the company to him for such work, whether by way of expenses or otherwise. Such an appointment shall not be for more than five years at a time, but its renewal is permissible during the last year of the term for another similar period upto five years. Every such appointment and all particulars thereto are required to be entered in the register maintained by the company for that purpose. This is the true picture of Section 356 as it stands at the date of the Report of the Companies Act Amendment Committee.

Now let us consider what changes are proposed by the Companies Act Amendment Committee with regard to this section. The Committee considered this section in the light of the suggestions made by managements, the chambers of commerce and the shareholders' association. The management pleaded for the abrogation of restrictions on the freedom of the contracts. The chambers of commerce suggested that the Central Government should have discretionary power to exempt companies from the restrictions on contracts falling within Sections 356 to 360. The shareholders' associations pleaded for more rigid restrictions and pressed for a total ban on all such contracts which involve a conflict of interest and duty, or at least for the imposition of a condition of previous approval of the Central Government to the matters falling within Sections 356 to 360. It is significant that the managing agents occupy a fiduciary position in relation to the managed company and therefore there must be some restrictions on the managing agents in respect of the contracts between the company and themselves or their associates.

The Report of the Committee does not suggest any modification in the body of Section 356, except so far its part (*a*) of sub-section 2 is concerned. It is suggested by the Committee that the words "or any other company managed by the Managing Agents" should be added at the end of sub-section 2(*a*) so as to read as follows:—

"that the managing agent or associate maintains an office at such place for his own business, that is to say, for a business not connected with that of the company or any other company managed by the managing agent."

In suggesting this amendment, the Amendment Committee observes: "If a managing agent keeps an office outside India only for selling the goods of the several companies of which he is the managing agent, it could not be said that he is keeping an office for his own business or for a business not connected with that of the managed company. In that case the managing agent would be charging the managed companies *pro rata* and recovering his expenses under Section 354." In order to bring out the point that the commission should not be allowed in such a case, the sub-section 2(*a*) is proposed to be put into amended form as observed above.

Section 357

Section 357 states that, where and in so far as the business of the company consists of supplying or rendering services to outsiders, the same rules as contained in Section 356 shall apply as regards business procured outside India. Similarly, the commission for rendering services to the company or procuring supply of services to the company is controlled by Section 357. Under the old Act of 1913, there were no such restrictions on the powers of the company to appoint Managing Agent or his associate as selling agents of the company either in India or outside India and therefore the managing agents were at full liberty to earn as much commission and remuneration as they could. This is now not possible under the new Section 357. In view of the foregoing underlying idea the Amendment Committee have not touched this section.

Section 358

Section 358 relates to appointment of managing agent or his associate as buying agent for the company. Under this section, subject to exceptions specified in sub-sections (1) and (2), no managing agent or his associate as buying agent for the company shall receive any payment whatever from the company for goods purchased on its behalf whether in India or outside India. Sub-section (1) exempts the expenses sanctioned under Section 354. Sub-section (2) makes another exception and states that, as regards goods purchased by the managing agent or his associate outside India, if (i) the managing agent or his associate maintains an office at such place and (ii) such office is maintained by him not only for the company's business, but also for his own separate distinct and independent business, then, he may at his option, receive (*a*) such part of the office expenses as may be reasonably attributed to the company's business or (*b*) remuneration by way of commission or otherwise for work done by him or his associate for such purchases. In case of the former, the maximum amount payable to the managing agent or his associate must be specified in the special resolution of the company and in case of the later remuneration would be payable according to the terms of a special resolution. In either case, the special resolution of the company must set out in details the particulars specified in sub-section (4). The special resolution has its force for three years but it may be renewed in the last year of its term for a further period of three years. Every resolution so passed is required to be entered in a register maintained by the company for that purpose.

The Amendment Committee has proposed to add the words "or any other company managed by the Managing Agent" after the words "business not connected with that of the company" occurring in sub-section 2 of this section. The need to amend this sub-section arises on account of the proposed amendment of Section 356 (2) which we have already discussed.

Section 359

Section 359 provides for commission, etc., of managing agent as buying or selling agent of other concerns. The Amendment Committee, in its Report, states that,

"while it has been claimed that this section gives rise to difficulties due to the multiplicity of transactions involved, it has also been pointed out that, where the main contract for sale or purchase of goods or supply of services ranging over a period, has secured the approval of the company by a resolution, each transaction of sale or purchase or instalment of service taking place under the main contract need not get separate approval by way of a resolution of the company. The section, as it stands, supports this construction and no amendment is called for."

Section 360

Section 360 deals with principal to principal contracts between the company and its managing agent or his associates. The object of this section is to restrict the scope for managing agent making profits for himself or in the names of his associates.

Sub-section 1 of Section 360 requires the previous approval of the company by special resolution to dealings between the company and its managing agent or his associates. It was urged before the Amendment Committee that Section 360(1) involves serious hardship, as it interferes with transactions in the normal course of business between a company and its managing agent or his associates and it is particularly so where a group of public companies has the same managing agents. The Amendment Committee has recognised that the requirements of previous approval as contemplated by sub-section (1) of Section 360 has caused hardship and that it has made it difficult for a company to meet the temporary shortages of stores, chemicals, machine parts or other materials in an associate company required in order to avert a breakdown in the latter. Such temporary services or arrangements have sometimes to be made available at a very short notice. The Amendment Committee has therefore suggested that it would be sufficient if the company gives its consent at the next general meeting. In order to bring out this idea and to simplify the section with regard to the material particulars to be set out in the special resolution, the Amendment Committee has suggested that the section should be recast by substituting a new sub-section as stated in the Report for the existing sub-section (1) of Section 360, by amending sub-section (4) by adding the words "or rendering" after the words "or supply" and by adding an explanation to the section. When Section 360 is recast it will read as follows:—

A contract between a company and its managing agent or an associate of the Managing Agent.

(*a*) For the sale, purchase or supply of any property, movable or immovable, or rendering of any service other than that of Managing Agent, or

(*b*) for the underwriting of any shares or debentures to be issued or sold by the Company,

shall not be valid as against the company, unless the company either previously or at its next meeting within a period of three months from the date of the contract approves of the Contract by a special resolution.

(2) The special resolution aforesaid shall—

(*a*) set out the material terms of the contract proposed to be entered into; and

(*b*) provide specifically that for any property supplied or sold, or any services supplied or rendered, by the company, the managing agent or associate shall make payment to the company within one month from the date of the supply or sale of the goods, or the supply or rendering of the service, as the case may be.

(3) Every such contract and all particulars relating thereto shall be entered in a separate register maintained by the company for the purpose.

(4) Nothing contained in clause (a) of sub-section (1) shall affect any contract or contracts for the sale, purchase or supply or rendering of any property or services in which either the company or the managing agent or associate, as the case may be, regularly trades or does business, provided that the value of such property and the costs of such services do not exceed five thousand rupees in the aggregate in any calendar year comprised in the period of the contract or contracts.

Explanation.—Where it is not possible to set out in the special resolution all the terms and conditions of the contract or the details regarding quantities or rates or times of delivery of goods or rendering of services, it shall be deemed to be a sufficient compliance with the section, if the special resolution approves generally of the terms relating to the duration of the Contract, the goods or services to be supplied or rendered, the approximate quantities thereof, the rate or rates or payment therefore and the remuneration, if any, payable to the managing agent or his associates, provided that full particulars of the transactions resulting from the contract are entered in the register kept under sub-section (3).

Section 361 does not save the operation of existing contracts for the intervening period upto 1st March 1958 or if they, by their own force, terminate on an earlier date upto that date. Sections 356 to 360 prohibit certain arrangements with and payments to managing

(*Continued on page 399*)

GOVERNMENT OF ZANZIBAR

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3. Sealed tenders should be addressed to the Chairman, Central Tender Board, c/o Treasury, Zanzibar, marked "Tender for the purchase of 'AL HATHERA'" and sent by registered post so as to reach him not later than 10 a.m. on the 30th April, 1958.

A. C. C. ROBERTS,
Chairman,
CENTRAL TENDER BOARD, ZANZIBAR

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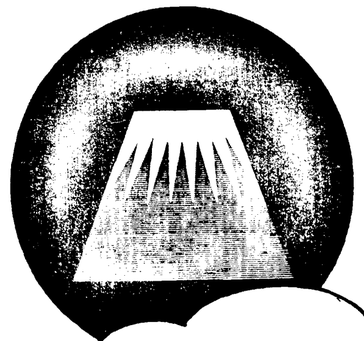

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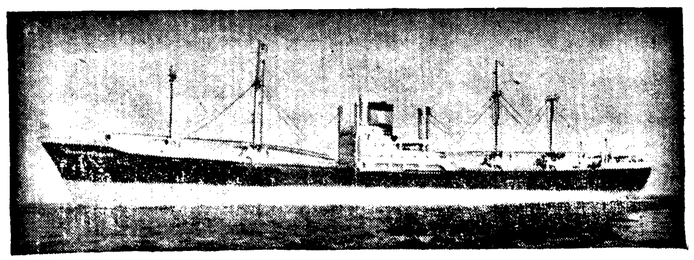

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CENTRAL INDIA MILLS SUFFER HUGE LOSS

PREFERENCE DIVIDEND IN ARREARS

THE audited accounts of the Central India Spinning, Weaving and Manufacturing Company, Ltd. (Managing Agents: Tata Industries Private Ltd., Bombay), for the year ended 30th June 1957, disclose a very disappointing performance, in that it has suffered a huge loss of Rs. 20.79 lakhs, even before making any provision for depreciation. This compares with the small profit of Rs. 1.38 lakhs earned in 1955-56. The amount of depreciation due for 1956-57 is placed at Rs. 7 lakhs. If this amount is included, the total loss will be of the order of Rs. 27.79 lakhs. This is equal to six times the net loss sustained in 1955-56. Last year, the reserves were depleted by Rs. 6 lakhs in order to cover the loss and to meet the dividend on the 5 per cent. tax-free cumulative preference shares. For the year under review, the loss has been so large that the Directors have decided to suspend even the preference dividend. They have adjusted the loss (before depreciation) by a further withdrawal from the reserves, this time by no less than Rs. 20.66 lakhs. For the second year in succession, the ordinary shareholders have had to forego the dividend. Indeed, even for the two years preceding, they did not get much of a dividend, the rate being no more than 3 per cent. for 1954-55 and 2 per cent. for 1953-54. Even those payments, it may be noted, were possible only with the assistance of the dividend equalisation fund.

The following comparative table shows the trend of the Company's progress at a glance:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds of cloth, yarn and waste	2,83.23	3,12.05	4,04.54	3,52.05
Other income	3.56	2.38	4.70	4.57
Closing stocks of cloth, yarn and waste	66.67	34.62	84.50	1,15.53
Expenses	3,39.68	2,63.19	3,76.81	3,89.64
Gross profit (+) or loss (—)	—20.79	+1.38	+1.40	—18.52
Managing Agents' remuneration	..	6.00	2.00	..
Depreciation	..	..	..	..
Taxation	..	..	..	..
Net profit (+) or loss (—)	—20.79	—4.62	—0.60	—18.52
Withdrawal from reserves	20.66	6.00	1.60	18.56
To reserves	..	..	0.28	0.50
Dividends—				
5% cum. preference	..	..	2.50†	2.50†
Ordinary	..	..	..	1.41† (3%)	0.94† (2%)
Carry forward	..	..	0.13	0.04	0.14

† Paid out of dividend equalisation fund.

The main reasons for the setback in the Company's financial results are two. The depression in the cloth and yarn markets brought about by the Government through heavy taxation and the dislocation and disruption caused by the large-scale renovation programme that is being implemented by the Company.

It may not be much of a consolation to shareholders that the Managing Agents have given up even the minimum commission of Rs. 50,000 to which they are entitled under the new Companies Act. Nevertheless, it deserves to be recorded as a point in favour of the much maligned managing agency system.

It will be seen from the comparative table above that, though sale proceeds have declined from Rs. 3.12 crores to Rs. 2.83 crores, expenses have risen sharply from Rs. 2.63 crores to Rs. 3.40 crores. The closing stocks at Rs. 66.67 lakhs are nearly double of Rs. 34.62 lakhs a year earlier, reflecting the difficult trading conditions in the cloth and yarn markets brought about by the steep rise in excise duties, Government's propaganda of its notional fair prices which had no relation to costs and credit restrictions. The Directors say that, as a result of all this, stocks had to be disposed of at very low prices and rebates had to be offered to induce traders to lift sold stocks.

As stated earlier, the management is actively implementing a programme of rapid modernisation of the Company's mills so as to enhance its profit-earning capacity. Alluding to this in their latest report, the Directors observe thus:

"In order to put the mills on a remunerative basis, the Directors, after considering alternative schemes, have now embarked on an extensive renovation and rehabilitation programme which will cost approximately Rs. 2.03 crores. The programme involves the complete scrapping of mills Nos. 1 and 2 with the exception of the preparatory equipment of mill No. 1 and 456 looms of mill No. 2 which are serviceable and have been retained. In accordance with this decision, mill No. 1 was demolished and the very old and worn out machinery and motors, and other miscellaneous equipment were sold. In substitution of these two units, a new unit is being erected with up-to-date lighting, humidification and other equipment. This unit will be equipped with 49,712 spindles and 704 looms, a considerable portion of which has already been received at site and is under erection. Simultaneously, extension to mill No. 3, which is a wholly spinning unit equipped with 31,408 spindles, is being carried out to house 456 looms. The number of spindles in this unit will be reduced from 31,408 to 29,656. The renovation programme has put an enormous burden on the financial and managerial resources of the Company. Out of the planned outlay of Rs. 2.03 crores, about Rs. 85 lakhs have already been expended, all out of the internal resources of the Company and by resort to short-term borrowings, in anticipation of receiving a large loan from the National Industrial Development Corporation Private Ltd. Additional heavy commitments have been entered into to purchase the balance of plant and equipment to complete the programme. A renovation plan of this magnitude, involving new buildings, the large-scale erection of new plant and equipment and mass scrapping or moving of existing plant with the redeployment or retirement of labour is bound to adversely affect the operations of any mill. The transition period between the demolition of the old unit and the operation of the new unit is unavoidably one of dislocation and disruption of normal working. On the basis of the progress so far achieved, it appears likely that the new unit will commence coming into operation by the middle of 1958. The resultant economies of this large-scale rehabilitation programme are expected to be realised when the whole new unit comes into operation."

In addition to the schemes mentioned above, the Directors have sanctioned a further capital expenditure of about Rs. 7 lakhs during the year to purchase a stentering and drying range, two finishing ranges, a cloth conditioning machine and additional tractors and trailers. The value of new plant and equipment installed during the year amount to Rs. 2.50 lakhs, while those awaiting installation is of a total value of Rs. 71 lakhs. New construction work completed cost another Rs. 29 lakhs. The Company has sold away all its five ginning and pressing factories owned by it at Wardha, Yeotmal, Hinganghat, Umri and Limba for a consideration of Rs. 6.25 lakhs as they were found old and unsuitable.

The paid-up capital of the Company as at 30th June 1957 stands unchanged at Rs. 96.87 lakhs, of which Rs. 50 lakhs are taken up by tax-free cumulative preference shares of Rs. 500 each carrying dividend at 5 per cent. and the balance by ordinary shares of Rs. 100 each. As against this, the reserves and surplus aggregate Rs. 27.25 lakhs. There is no provision for taxation. The current liabilities amount to Rs. 233.59 lakhs, of which secured loans from the State Bank of India are of the order of Rs. 106.56 lakhs and unsecured loans for Rs. 72.55 lakhs. The gross block of Rs. 242.11 lakhs stands written down to Rs. 87.24 lakhs. It is stated that arrears of depreciation up to 30th June last amount to Rs. 11.15 lakhs. Works under construction and machinery awaiting installation at cost are shown at Rs. 42.63 lakhs. The current assets aggregate Rs. 227.84 lakhs and fall short of the current liabilities by a margin of Rs. 5.75 lakhs. The contingency liability in respect of the preference dividend for the year ended 30th June 1957 is Rs. 2.50 lakhs.

The Company's application to the National Industrial Development Corporation Private Ltd. in August 1956 for a loan of Rs. 1.56 crores for financing the plan for renovation and rehabilitation of the mills has not met with complete success. The Directors say that the actual amount of the loan to be granted will be substantially reduced. They further observe: "Though negotiations have now reached an advanced stage, considerable time will still be taken in examining title deeds and completing other formalities before the loan can be drawn against. In the circumstances, as already stated, the Company had to resort to temporary borrowings from banks and other sources. We are giving consideration to alternative sources for meeting the additional finance required, in view of the reduction in the amount of the loan to be made available to us."

No progress has so far been made in the negotiations by the Directors of the Consolidated Tin Mines of Burma with the Government of Burma for joint control of the mines. Repeated reminders for remittance of profits have also proved futile. The Company proposes to delete Article 6 of its Articles of Association which provides, *inter alia*, that Directors should be British subjects. Group net profits of the Company for the 15 months to June 1957 was £7,884, as against £8,197 for the previous year. The Company's fixed assets in Burma stand written down at £81,107.

SPENCER'S PROGRESS STEADY

DIVIDEND MAINTAINED

THE year ended 30th June 1957 adds one more year of successful working to the history of Spencer & Co., Ltd. (Director and Secretary: Mr. C. W. Stephenson, Madras). The Company's working during the year under review is characterised by a further rise in sale proceeds and other income as also in earnings. Thus, sale proceeds and other income have risen by Rs. 21.39 lakhs to Rs. 3.34 crores. On the earnings side, the gross profit has increased by Rs. 3.69 lakhs to Rs. 29.73 lakhs. The pace of improvement has, however, somewhat slowed down, as compared with that in the previous year, when the gross profit staged a rise of no less than Rs. 6.19 lakhs from Rs. 19.85 lakhs for 1954-55. But it is gratifying that the upward trend in gross profit has been maintained for the third year in succession.

The net profit, however, stands a shade lower at Rs. 14.09 lakhs, as compared with Rs. 14.18 lakhs in the previous year. This is due to the increase of Rs. 3.70 lakhs to Rs. 13.65 lakhs in the provision for taxation, which is inclusive of Rs. 1.50 lakhs for wealth tax for the two years ended 30th June 1957. It will be noted that, even at Rs. 75,000 per annum, the wealth tax represents 5.05 per cent. of the net profit. The provision for depreciation takes up Rs. 1.99 lakhs, as against Rs. 1.91 lakhs. The dividend on ordinary shares has been maintained at 15 per cent. per annum for the sixth year in succession. A sum of Rs. 2.09 lakhs has been added to the various reserves, as against Rs. 3.55 lakhs made in the previous year. This includes Rs. 98,200, being provision for current repairs on buildings and machinery, Rs. 1 lakh to fixed assets depreciation reserve and Rs. 11,405 to capital reserve. The last item represents the profit on sale of sundry assets.

The progress of the Company's working during the past four years is reflected in the following comparative table:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds and other income	3,33.59	3,12.20	2,99.04	2,95.53
Closing stock of finished goods and work in progress	75.49	64.87	N.A.	N.A.
Manufacturing and other expenses	3,03.86*	2,86.16*	2,79.18	2,78.56
Depreciation	29.73	26.04	19.85	16.97
Provision for taxation	1.99	1.91	2.70	2.84
Net profit	13.65	9.95	6.90	4.70
To reserves	14.09	14.18	10.16	9.48
Dividends—	2.09	3.55	0.18	0.94
Preference	3.30	3.42	3.42	3.42
Ordinary	6.00	6.00	6.00	6.00
	(15%)	(15%)	(15%)	(15%)
Carry forward	9.03	6.32	5.11	4.55

* Only approximate.

The improvement in trading results for the year under review would have been even better had it not been for the rise in manufacturing and other expenses by Rs. 17.70 lakhs to Rs. 3.04 crores. In the previous year expenses had increased by only Rs. 6.98 lakhs. This explains the relatively smaller pace of growth in profit.

The Company's financial position, as seen from its latest balance-sheet, is quite sound. The paid-up capital of Rs. 100 lakhs is made up of 400,000 ordinary shares of Rs. 10 each, 232,000 (6½ per cent.) 'A' cumulative preference shares of Rs. 10 each and 368,000 (8½ per cent. 'B' cumulative preference shares of Rs. 10 each. As against this, the reserves and surplus amount to Rs. 98.19 lakhs, of which the share of the general reserve alone is Rs. 56.09 lakhs. The provision for taxation stands at Rs. 20.88 lakhs and current liabilities at Rs. 49.99 lakhs. The gross block of the value of Rs. 122.18 lakhs has been well written down to Rs. 49.81 lakhs. The current assets aggregate Rs. 219.24 lakhs, represented by investments amounting to Rs. 25.45 lakhs, stocks and stores Rs. 83.82 lakhs, book debts, advances and double taxation relief claims Rs. 52.06 lakhs and cash balances Rs. 57.92 lakhs. It will be seen that the cash balances alone provide a sufficient cover to the current liabilities and for about 50 per cent. of the provision for taxation.

The Rs. 10 fully paid-up ordinary shares of the Company are currently quoted at Rs. 17.65 *cum-div.* (final dividend Re. 1). On an *ex-div.* basis, the shares provide a yield of 9 per cent. per annum, free of tax.

EARNINGS OF BHOPAL SUGAR IMPROVE

DIVIDEND ALSO HIGHER

THE Bhopal Sugar Industries Ltd. (Managing Agents: Messrs. A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd., Bombay) is another sugar company to report impressive results for the 1956-57 season, although the tax on white sugar had reached pretty high levels. The Company's working during the year ended 30th September 1957 is encouraging from the point of view of both production and earnings. The quantity of cane crushed, the output of sugar and the average recovery of sugar were all the highest to be achieved since 1943. With sales also closely keeping abreast of production, the Company's earnings have reached new high levels. It is, therefore, in the fitness of things that the shareholders should have been allowed to participate in the Company's prosperity. The dividend has been raised from 15 per cent. to 20 per cent. The proposed distribution, it may be noted, is twice as much as that for 1954-55 and 1953-54.

The gross profit for the year at Rs. 18.46 lakhs represents an advance of Rs. 7.50 lakhs or 69 per cent. over that for the previous year. It is more than four times the gross profit (of Rs. 4.71 lakhs) earned in 1954-55 and more than three times the 1953-54 gross profit.

The progress of the Company during the past four years is indicated in the following comparative table:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale of sugar and molasses	75.25	48.80	25.58	29.70
Closing stocks of sugar and molasses	32.36	19.61	12.13	3.28
Manufacturing and other expenses	50.96	37.60	25.57	24.62
Excise duty	18.94	7.96	4.49	2.89
Gross profit	18.46	10.96	4.71	5.88
Managing Agents' commission	1.60	0.96	0.31	0.44
Depreciation	1.56	1.34	1.61	1.51
Taxation	7.55	5.50	0.75	1.13
Net profit	7.75	3.16	2.04	2.80
Transfer from reserves	..	0.87	..	1.78
Provisions no longer required	0.06	..	..	..
To reserves	8.71	..	..	..
Dividends—				
5% Red. cum. preference	0.62	0.62	0.62	0.62
Ordinary	3.50	2.62	1.75	1.75
	(20%)	(15%)	(10%)	(10%)
Carry forward	0.31	0.34	0.05	0.38
Cane crushed	2,693,458 Mds.	2,031,425	1,222,870	1,110,480
Sugar production	95,491 Bags.	68,581	40,242	37,904
Recovery	9.70 %	9.27	9.10	9.45

It will be seen from the above table that, as in the case of several other companies which have produced such good results, the largest share of increased earnings has been whisked away by the Government. The rise in the excise duty from Rs. 7.96 lakhs to Rs. 18.94 lakhs, representing an increase of Rs. 10.98 lakhs or 137.94 per cent. over the year, is itself enough to drive this point home. The provision for taxation takes up Rs. 7.55 lakhs, as against Rs. 5.50 lakhs. The increase of only Rs. 2 lakhs in this provision may appear small as compared with that in profit, but it must be borne in mind that the latter amount, namely, Rs. 5.50 lakhs, is inclusive of a provision of Rs. 1.65 lakhs for the previous year. The provision for 1956-57 also includes the liability for Wealth Tax. The Directors would have done well to show this tax liability separately, so that the public may know how this inequitous tax affects the Company. The provision for depreciation is modestly higher at Rs. 1.56 lakhs, as against Rs. 1.34 lakhs.

The net profit at Rs. 7.75 lakhs is more than twice as much as that (Rs. 3.16 lakhs) for 1955-56. This has enabled the Directors not only to enhance the dividend but also to plough back a substantial amount, equal to about 50 per cent. of the net profit. Thus, a sum of Rs. 3 lakhs has been transferred to general reserve and Rs. 71,400 to development rebate reserve. Incidentally, it may be noted that the reserves had not received any allocation for quite a few years in the past.

The Directors say that the working of the factory during the year was smooth and satisfactory, thanks to absence of any breakdown during the season and good labour relations. As stated at the outset, the crushing, sugar production and recovery during the year touched a new peak. The duration of the season was 142 days, as against 112 in the previous season. The total quantity of sugarcane crushed increased from 2,031,425 maunds in 1955-56 to 2,693,458 maunds and production of sugar likewise rose from 68,581 bags to 95,491 bags. The average recovery at 9.70 per cent. was higher, as compared with 9.27 per cent., 9.10 per cent. and 9.45 per cent. in 1955-56, 1954-55 and 1953-54 respectively. The average quality of the cane also showed a marked improvement. The total overall average yield from all the farms at 854 maunds per acre was slightly better than 843.3 maunds in the previous season. The Directors say that the condition of the crop in the current season is satisfactory and they expect that, in all probability, the previous year's production of 95,491 bags would be exceeded. The new mill and the vacuum pan which were ordered last year have been erected in position, as a result of which the Directors expect to get higher extraction this year.

The paid-up capital of the Company as at 30th September 1957 remains unchanged at Rs. 30 lakhs. Of this, Rs. 17.50 lakhs are in ordinary shares of Rs. 10 each and the balance, namely, Rs. 12.50 lakhs, in 5 per cent. tax-free redeemable cumulative preference shares of Rs. 100 each. As against this, the reserves and surplus stand at Rs. 12.89 lakhs. The gross block of the value of Rs. 41.57 lakhs stands written down to Rs. 17.60 lakhs. The current liabilities, including a provision of Rs. 14.46 lakhs for taxation, amount to Rs. 34.50 lakhs, against which the current assets aggregate Rs. 59.79 lakhs.

The Rs. 10 paid-up ordinary shares of the Company are currently quoted at Rs. 20.76 *cum-div.* On an *ex-div.* basis, the year's dividend means a yield of 10.66 per cent. per annum.

Points From The Chair

Outlook for Shipping

"WITH the improvement in working at ports our turn-round has improved and we expect more voyage to be completed due to our placing newer and faster ships in service. Our operating results as up to the six months ended 31st December 1957 have been satisfactory. We propose to provide regular coastal berthings for the carriage of general cargoes both from the West and East coast ports, and we expect improved earnings in the carriage of coastal cargoes. In regard to the carriage of rice from Burma to India aggregating four lakh tons in the current year, the rate of freight as agreed by the Government of India is far from economic. While the low rate awarded is no doubt the result of lower prevailing tramp freight, it particularly hits essentially Liner Companies like ours who have not hesitated in the past to carry rice cargoes at comparatively lower rates even when the tramp freights were at a high level. The persistent very low level of tramp rates in the overseas trades has, however, affected the liner rates on bulk cargoes like ores, fertilisers, oilcake, bulk oil, scrap, etc., and the effects of this downward trend in rates will have some impact on the working results for 1958-59. The import restrictions and the delayed announcements in regard to export quotas also affect the availabilities of cargoes in the liner trades. In view, however, of the positive foreign exchange earning possibilities manifest in the expansion of the export markets of these commodities, I am sure the question of the release of sizable quotas of these commodities is engaging the constant attention of the Government of India. With these steps and with the expansion of the trade, in general, as a whole, I would expect our liner services getting a reasonable support in years to come."

DHARAMSEY M. KHATAU,
Scindia Steam Navigation Co., Ltd.

Penal Bank Rate

"I find it difficult to understand what good purpose—apart possibly from a psychological effect—is served by a penal bank rate under existing conditions. It is well known that last year this country exported £3,326 million of goods; whilst our international trading account shows a credit surplus of only between £250 and £300 million. In view of the first of these facts, can it be said that sterling is overvalued? But in view of the second and the fact that nearly half the world's trading is financed through our currency, can we wonder that doubts may sometimes rise in some quarters as to our international solvency? There is the rub. And it must be the earnest hope of all of us that the combined efforts of the Radcliffe Committee and of the Three Wise Men will find the solution. Does a seven per cent. Bank rate which is unfair in its incidence restore the confidence of the world in British character and creditworthiness on which, in the absence of an exchange standard, the value of the £ sterling must ultimately depend? I have my doubts. And is it generally realised that a difference of two per cent. interest on the floating debt is equivalent to an addition of over £100 million a year in the cost to the taxpayer of the service of that debt? Not to mention the cost of funding operations. And, as the Chancellor of the Exchequer told us last year, each one per cent. extra costs our balance in our international trading account not less than £15 million."

SIR ERIC GORE BROWNE,
Alexanders Discount Co., Ltd., London

COMPANY MEETINGS AND DIVIDENDS

EMPIRE DYEING & MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 3.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

W. H. BRADY & CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 25.00 per share. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

BRADY ENGINEERING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 3.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

NEW CITY OF BOMBAY MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 5.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

INVESTMENT CORPORATION OF INDIA LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 9.25 per share. Transfer books will remain closed from 3rd to 10th March 1958, both days inclusive.

NEW GREAT EASTERN SPINNING & WEAVING CO., LTD. Annual General Meeting, Bombay, 11th March 1958. Dividend: *Nil*. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

JUBILEE MILLS LTD. Annual General Meeting, Bombay, 13th March 1958. Transfer books will remain closed from 1st to 14th March 1958, both days inclusive.

ANDHRA SUGARS LTD. Annual General Meeting, Venkatarayapuram, Mandapaka, Tanuku (Andhra Pradesh), 15th March 1958. Dividend: Re. 1.25 per share. Transfer books will remain closed from 1st to 15th March 1958, both days inclusive.

JOGTA COAL CO., LTD. Annual General Meeting, Calcutta, 15th March 1958. Dividend: *Nil*. Transfer books remain closed from 25th February to 14th March 1958, both days inclusive.

JHANSI ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Jhansi, 17th March 1958. Dividend: Re. 0.86 for the fifteen months months ended 31st March 1957. Transfer books will remain closed from 5th to 18th March 1958, both days inclusive.

UNITED MOTORS (INDIA) LTD. Annual General Meeting, Bombay, 17th March 1958. Dividend: Re. 1.20 per share, payable on and after 31st March 1958. Transfer books will remain closed from 10th to 24th March 1958, both days inclusive.

ALKALI AND CHEMICAL CORPORATION OF INDIA LTD. Annual General Meeting, Calcutta, 19th March 1958. Transfer books will remain closed from 10th to 19th March 1958, both days inclusive.

NAGRI FARM TEA CO., LTD. Interim dividend of 10 per cent. or Re. 1.00 per share for the year 1957, payable on or after 6th March 1958. Transfer books remain closed from 28th February to 6th March 1958, both days inclusive.

LINGA TEA CO., LTD. Interim dividend of 10 per cent. or Re. 1.00 per share, payable on or after 1st March 1958. Transfer books remain closed from 24th to 28th February 1958, both days inclusive.

CENTRAL SCIENTIFIC CO., LTD. Interim dividend of 5 per cent. or Re. 0.25 per share, free of tax, for the year ending 31st March 1958. Transfer books will remain closed from 25th to 31st March 1958, both days inclusive.

COIMBATORE COTTON MILLS LTD. Dividend of Rs. 9.00 per share for the year ended 31st December 1957. Transfer books will remain closed from 13th to 26th March 1958, both days inclusive.

JEYPORE SUGAR CO., LTD. Dividend of 6 per cent., or Re. 0.60 per share, for the year ended 30th June 1957. Transfer books will remain closed from 17th to 26th March 1958, both days inclusive.

AZAM JAHI MILLS LTD. Dividend of Rs. 3.50 per share, for the year ended 30th September 1957, payable on 15th April 1958. Transfer books will remain closed from 14th to 28th March 1958, both days inclusive.

VOLTAS LTD. Dividend of Rs. 9.00 per old share and Rs. 6.00 per new share, for the year ended 31st August 1957, payable on 27th March 1958. Transfer books will remain closed from 3rd to 24th March 1958, both days inclusive.

RAVALGAON SUGAR FARM LTD. Dividend of Rs. 12.00 per ordinary share and Rs. 2.40 per deferred share, for the year ended 30th September 1957, payable on 28th March 1958. Transfer books will remain closed from 7th to 27th March 1958, both days inclusive.

LOYAL TEXTILE MILLS LTD. Dividend of Rs. 2.50 (5 per cent.) per share, for the year ended 30th June 1957. Transfer books will remain closed from 14th to 20th March 1958, both days inclusive.

T. STANES AND CO., LTD. Final dividend of Re. 1.20 (12 per cent.) per share, for the year ended 30th September 1957, making a total of Rs. 2.00 per share, for the year. Transfer books will remain closed from 15th to 29th March 1958, both days inclusive.

RESULTS OF JHANSI ELECTRIC
JOGTA COAL TO REDEEM PREFERENCE SHARES

Jhansi Electric Supply Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Moonna Lall & Sons, Jhansi) submit the audited accounts of the Company for the 15 months ended 31st March 1957.

The total revenue for the year from all sources amounted to Rs. 15,42,065. From this is to be deducted operating expenditure for the period including depreciation, provision for statutory contingency reserve, instalment of preliminary expenses as per Electricity (Supply) Act, redemption of debentures and income and wealth tax provision (the provision for income-tax during the period has been made taking into consideration the deferred taxation which the Company will have to meet in future on account of extra depreciation allowable under the Income Tax Act in the initial years of the establishment at fixed assets) amounting to Rs. 14,88,338 leaving a net amount available for the period of Rs. 53,727. This amount together with the balance of Rs. 2,603 brought forward from last year amounts to Rs. 56,330 which is available for appropriation. The directors recommend this amount to be disposed of as under against the working for 15 months:—

To dividend to shareholders at Re. 0.86 (Re. 0.69 for 12 months ended 31st December 1956) per share free of income-tax absorbing Rs. 45,946 (Rs. 36,757) and leaving to be carried forward to next year Rs. 10,385 (Rs. 2,603).

Plants.—During the period under review a new Mirrless-Brush Generating Set of 245 kw. was installed at Jhansi which is giving excellent service. For the installation of this set an old set installed in 1932 has been dismantled and stored for disposition. The other plants at Jhansi and Gorakhpur were maintained in good and efficient order and they worked perfectly well. To further improve the supply position at Gorakhpur, negotiations are going on with Hydel Authorities to obtain A.C. supply so as to take up new areas for supply in A.C. and supplement present D.C. position with converted D.C. supply.

Distribution.—Extensions of 18 street lights were made at the instance of Municipal Authorities at Jhansi and 24 street lights were extended at Gorakhpur. The following table indicates the progress that has been made during the last four years:—

Jhansi and Gorakhpur

Year	Units sold	Consumers connected
1953	17,31,638 (10,91,070*)	2,039 (1,351*)
1954	16,40,711 (12,45,080*)	2,081 (1,469*)
1955	18,59,626 (13,70,391*)	2,259 (1,584*)
1956 (upto March 1957)	23,37,242 (19,07,775*)	2,437 (1,798*)

Figures in brackets marked * relate to Gorakhpur.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,34,640	Block ...	16,60,784
Debentures	5,36,000	Stores and spare parts	3,49,769
Reserves ...	82,299	Debts, deposits and advances ...	3,64,255
Provision for taxation ...	1,15,644	Investments	25,142
Liabilities ...	12,01,715	Cash ...	37,844
Profit and loss account ...	10,385	Miscellaneous expenses and losses	42,889
Rs.	24,80,683	Rs.	24,80,683

Jogta Coal Co., Ltd.

The directors of the above Company (Managing Agents: Bajpaie Trust Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

It will be observed, that this year there has been quite a long delay in completing the balance-sheet of the Company. The delay is due to the fact that at the request of some registered holders of the preference shares of the Company the directors agreed to frame a scheme so that all the preference shares of the Company could be redeemed. This was being done especially in consideration of the registered holders of the preference shares having agreed to waive all claims to past accumulated dividends and the premium of Rs. 4 per share originally stipulated as payable upon redemption. The scheme framed by the directors had been duly supported by the Counsel's opinion but still some objections were taken by Company Law Administration and considerable time had to be taken in convincing the Government Department about the legality of the proposed procedure adopted. This was ultimately done only after obtaining a further opinion from Counsel. And, the directors have the pleasure to state that, subject to the shareholders' approval, they have been able to finalise an adequate scheme for redeeming all the preference shares of the Company which is calculated to be for the ultimate benefit of the Company as also all its members.

Raisings and Despatches: During the year under review a total quantity of 1,22,917 tons of coal has been raised and 8,300 tons soft coke manufactured as against which the despatches amounted to 1,06,887 tons of coal, 8,348 tons soft coke and 386 tons hard coke. These figures will be found to be slightly lower than the corresponding figures of the previous year but the difference is quite negligible and the overall position of the Colliery should be deemed to be quite satisfactory from all points.

The directors inform that just after the expiry of the year under review, possession of the Jogta Colliery 11 seam has been recovered amicably from the ex-lessee and this seam is also now being worked by the managing contractors.

Redemption of Preference Shares: For the purpose of redeeming the preference shares of the Company which will require a total sum of rupees five lakhs the directors have reversed the following amounts, i.e.—(A) The amount hitherto standing in general reserve Rs. 1,12,060, (B) the amount being the difference between the depreciation actually allowed by the Income-tax Department and the amounts already charged in the Company's books up to the previous year Rs. 2,87,078 and (C) from out of the profits previously allotted for partially writing off the preliminary expenses and share selling commission, which profits, would otherwise, have been available for declaring dividends Rs. 40,400 making a total of Rs. 4,39,538. The entire amount of Rs. 4,39,538 as aforesaid together with a further sum of Rs. 60,462 out of the profits of the year ended 31st December 1956 the directors propose to transfer to a special fund called *Capital redemption reserve fund* and utilise the entire amount for redeeming the fully paid-up 5,000 preference shares of the Company at the face value thereof. With reference to the redemption of the preference shares the directors have to point out that these shares carry with them the right to a fixed preferential dividend of five per cent. free of income-tax and also carry a preferential right of repayment upon liquidation. As against above, the considerable amount of surplus money now in the hands of the Company, being the amounts received from the managing contractors by way of the annual guaranteed income cannot be invested at any more advantageous term than 2½ per cent. subject to income-tax. Thus, by redeeming the preference shares not only a considerable present saving can be effected, but at the same time the volume of total capital participating in the profits being less, the future return on the ordinary shares will also improve.

After allocation of Rs. 5,00,000 as aforesaid there will be left a further sum of Rs. 6,078 only out of the profits for current year and the directors recommend that out of the same, a sum of Rs. 5,000 only be utilised for writing off a portion of the share selling commission standing in the books of the Company and the balance sum of Rs. 1,078 be carried over to the next year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	27,00,000	Block ...	19,76,146
Reserves ...	4,39,538	Loans and advances ...	6,20,349
Provision for taxation ...	3,59,398	Investments	27,477
Liabilities ...	20,935	Cash ...	3,27,471
Profit and loss account ...	60,463	Miscellaneous expenses and losses ...	6,28,891
Rs.	35,80,334	Rs.	35,80,334

Burhwal Sugar Mills Co., Ltd.

The directors of the above Company (Managing Directors: Pandit Durga Shanker Dixit and Lala Dayaram, Kanpur) submit the audited accounts of the Company for the year ended 30th September 1957.

The year's working after making all the usual allowances and normal depreciation of Rs. 46,949 (*nil*) resulted in a profit of Rs. 4,62,953 (Rs. 2,21,946) to which is added the balance brought forward from last year of Rs. 453 (Rs. 46,187) and the amount transferred from dividend equalisation reserve of Rs. 35,000 (*nil*) making a total of Rs. 4,98,406 (Rs. 2,68,133). Out of this amount has been provided for taxes Rs. 3,00,000 (Rs. 1,18,000). The directors paid an interim dividend absorbing Rs. 1,49,680 (Rs. 1,49,680). They have now proposed a final dividend at 3 (*nil*) per cent. absorbing Rs. 44,904 (*nil*) leaving a balance to be carried forward to next year of Rs. 3,822 (Rs. 453). The total dividend paid for the year is 13 (10) per cent.

No provision for bonus to workers for the year ended 30th September 1957 has been made as neither the basis of payment nor the amount to be paid can be ascertained. The bonus relating to the earlier two years 1954-55 and 1955-56 has been written off to profit and loss account.

The working of the year has been satisfactory because crushing of cane continued till 3rd July, 1957 and the crushing for the whole season was a record of *mds.* 30,22,517 (20,69,293) cane. The quality of the cane was not good and the recovery percentage was not satisfactory.

The next year's prospects do not appear to be bright on account of expected short supply of cane without any improvement in the quality of cane in spite of every effort having been made, due to unfavourable weather conditions.

The directors are making efforts to get the crushing capacity of the mills increased from 651 to 800 tons and have applied to the Government for necessary permission and have placed orders for more machinery.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	14,96,800	Block ...	9,88,212
Reserves ...	4,40,000	Stock-in-trade	21,34,041
Provision for taxation ...	3,00,743	Stores and spare parts	5,42,574
Liabilities ...	19,76,679	Goods-in-transit	1,156
Profit and loss account ...	3,822	Debts, deposits and advances ...	5,00,558
		Investments	6,135
		Cash ...	45,368
Rs.	42,18,044	Rs.	42,18,044

Arrah-Sasaram Light Railway Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) submit the audited accounts of the Company for the half-year ended 30th September 1956.

Gross Earnings.—Gross earnings for the half-year were Rs. 9,93,083 which is Rs. 26,471 more than the earnings of the corresponding period ended 30th September 1955. There is an increase of Rs. 61,269 under coaching and decreases of Rs. 32,601 under goods, and Rs. 2,197 under miscellaneous.

Working Expenses.—The working expenses for the half-year were Rs. 6,79,524 plus Rs. 25,558 for renewal expenses, making a total of Rs. 7,05,082 which is Rs. 3,854 less than the figure for the corresponding period ended 30th September 1955.

Net Earnings.—The net earnings for the half-year were Rs. 2,88,001 an increase on the figure for the corresponding period ended 30th September 1955 of Rs. 30,325.

Comparative Statistics:—

Half-year ending	Gross earnings	Working expenses	Expenditure on renewals	Dividend per cent. per annum less tax
	Rs.	Rs.	Rs.	Rs.
31-3-1955 ..	8,11,147	7,74,410	35,246	6
30-9-1955 ..	9,66,612	6,68,498	45,488	6
31-3-1956 ..	8,67,897	7,80,518	70,432	6
30-9-1956 ..	9,93,083	6,79,524	25,558	4.425

The net profit for the half-year is Rs. 82,050 (Rs. 82,964) to which is added the balance brought forward from last account of Rs. 12,838 (Rs. 810) making a total of Rs. 94,888 (Rs. 83,774). The directors recommended that the available balance be disposed of as follows:—

To payment of a dividend for the half-year ended 30th September 1956 at the rate of 4.425 (6) per cent. per annum without deduction of tax Rs. 47,995 (Rs. 47,995) and balance to be carried forward of Rs. 46,893 (Rs. 35,735 after deducting Rs. 44 being forfeited dividends paid).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	21,69,300	Block ...	33,40,226
Reserves ...	6,00,000	Stores, etc. ...	30,665
Provision for taxation ...	2,44,963	Debts, deposits and advances ...	2,06,503
Liabilities ...	12,83,691	Investments	5,29,961
Revenue account ...	46,893	Cash ...	2,17,269
		Miscellaneous expenditure	20,223
Rs.	43,44,847	Rs.	43,44,847

New India Sugar Mills Ltd.

The directors of the above Company (Managing Agents: The Cotton Agents Private Ltd., Calcutta) presented the audited accounts of the Company for the year ended 30th June 1957.

The profit and loss account after providing Rs. 4,59,203 (Rs. 2,95,000) for depreciation shows a profit on the year's working of Rs. 10,25,119 (Rs. 5,00,578) to which is added the balance brought forward from the previous year of Rs. 3,730 (Rs. 1,364) making a total of Rs. 10,28,849 (Rs. 5,30,828 which includes Rs. 28,886 being gain on sale of investments). From this there has been provided for taxation Rs. 7,10,000 (Rs. 2,56,000) leaving a balance available for disposal of Rs. 3,18,849 (Rs. 2,74,828). Out of this amount the directors recommend payment of dividend on 486 cumulative preference shares of Rs. 100 each at 9 per cent. per annum free of income-tax absorbing Rs. 4,374 (Rs. 4,374), on 10,000 cumulative redeemable preference shares of Rs. 100 each at 5½ per cent. per annum less tax absorbing Rs. 37,675 (Rs. 40,563) and on 78,910 ordinary shares of Rs. 10 each at Rs. 2.50 (Rs. 2.50) per share free of income-tax absorbing Rs. 1,97,275 (Rs. 1,97,275) leaving a balance to be carried forward of Rs. 79,525 (Rs. 3,730 after placing Rs. 28,886 to investment reserve).

During the year under review the factory worked for 190 days against 174 days during the previous year and had a record crushing. The sugar cane crushed during the year amounted to 51,53,581 maunds against 45,74,333 maunds during the previous year. The crushing was also the highest in the State of Bihar. The average recovery was, however, lower at 9.17 per cent. against 9.47 per cent. in the previous year which was due to cane having been affected by disease and crushing over a longer period. Sales and despatches were satisfactory. About 2,500 tons of sugar was sold for export during the current year.

The directors regret that due to shrinkage in the area under sugarcane crop by reason of diversion to other food crops, a crushing of about 35 lakh maunds of sugar cane only is expected during the current year.

Pursuant to Section 212(3) of the Companies Act, 1956 the directors have to state that as the entire issued capital as on 31st March 1957 of the Darbhanga Marketing Co., Ltd. was held by the Company, the profits of the subsidiary company for the last as well as the previous financial years which have not been dealt with in or for the purposes of the accounts of the company, wholly concern the members of the Company. As regards The Behar Journals Ltd., 61.45 per cent. of the issued capital of the said company as on 31st March 1957 was held by the Company. The proportionate part accordingly of Rs. 11,727 being profit of the last financial year and of Rs. 1,39,573 being net aggregate losses of the previous financial years, of the said The Behar Journals Ltd. which have not been dealt with in or for the purposes of the accounts of the company, concern the members of the Company.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	18,54,619	Block ...	21,78,693
Reserves ...	22,50,288	Stock-in-trade	58,83,393
Provision for taxation ...	9,27,286	Stores, etc ...	6,55,372
Liabilities ...	69,15,764	Debts, deposits and advances ...	12,40,508
Profit and loss account ...	79,525	Investments	17,43,689
		Cash ...	3,25,827
Rs.	1,20,27,482	Rs.	1,20,27,482

Eastern Investments, Ltd.

The directors of the above Company [Secretaries: Messrs. Bird and Co. (Private) Ltd., Calcutta] submitted the audited accounts of the Company for the year ended 31st December 1957.

The profit and loss account after providing for all charges and making provision of Rs. 6,53,393 (Rs. 5,44,728) for taxation and after paying an interim dividend on the cumulative preference shares at 2½ per cent. per annum, less tax, amounting to Rs. 42,812 (Rs. 46,094) shows a profit of Rs. 4,18,509 (Rs. 5,29,212) to which is added the balance brought forward from the previous year of Rs. 3,27,916 (Rs. 3,06,138) making a total of Rs. 7,46,425 (Rs. 8,35,350). The directors propose to dispose of this amount as follows:—

By paying a final dividend of 2½ per cent. per annum, making the total dividend at 5 per cent. for the year, on the 25,000 issued preference shares less income-tax at 30 per cent. plus 5 per cent. surcharge on income-tax Rs. 42,813 (Rs. 46,094), by payment of a dividend at the rate of 9 (9) per cent. per annum on the 51,260 issued ordinary shares without any deduction for income-tax paid by the Company Rs. 4,61,340 (Rs. 4,61,340) and by carrying forward a sum of Rs. 2,42,272 (Rs. 3,27,916).

Investments.—The Company's portfolio is representative of investments which are quoted on the Calcutta Stock Exchange with the exception of certain shares costing Rs. 78,358 for which no quotations are available. The total of the market value of the investments for which quotations are available together with unquoted investments as valued by the directors, exceeds the book value at 31st December, 1957, by Rs. 31,75,971.

General reserve.—Rs. 70,824 have been transferred from profit and loss account to general reserve account representing net profit made on sales of investments during the year.

On the other hand the increase in the rates of taxation on companies in the 1957 budget has made it necessary to draw on the balance brought forward from 1956 to the extent of Rs. 85,644 to maintain the ordinary dividend at the rate proposed of 9 per cent.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	76,26,000	Investments	1,64,12,908
Reserves ...	54,81,635	Loans and advances	2,979
Provision for taxation ...	3,38,770		
Liabilities ...	27,27,210		
Profit and loss account ...	2,42,272		
Rs.	1,64,15,887	Rs.	1,64,15,887

Woodland Estates Ltd.

The directors of the above Company (Managing Director: Mr. M. K. Thomas, Trivandrum) submitted the audited accounts of the Company for the year ended 31st March 1957.

The tea crop from the Company's two estates viz., Braemore and Marigold amounted to 1,93,046 (2,38,010) pounds. The average selling price per pound of tea was 167.74 (154.00) cents.

The total rubber crop harvested from the Company's three estates viz., Braemore, Marigold and Lakshmi was 2,89,071 (1,94,649) pounds. The average selling prices for rubber were as follows:—R.M.A. grades 154.52 (146.20) cents. per pound., E.B.C. and Scrap 136.00 (101.30 scrap only) cents. per pound and for sole and Latex crepe 205.35 (143.10 for latex only).

The net profit for the year after allowing for the usual depreciation and outgoings, debenture interest and income-tax thereon, amounts to Rs. 2,58,584 (Rs. 67,706) of which a sum of Rs. 50,000 (*nil*) has been provided for debenture redemption fund, and Rs. 1,10,000 (Rs. 30,000) for taxation. The balance together with the carry forward of Rs. 2,245 (Rs. 5,524) makes a total of Rs. 1,00,830 (Rs. 43,230). Of this the preference dividend for the year amounting to Rs. 14,540 (Rs. 6,500) have already been paid; and a sum of Rs. 6,500 (Rs. 3,859) has been set aside for payment of bonus to staff. The balance available is Rs. 79,789 (Rs. 32,870) which the directors propose to dispose of as under:—

To payment of 10 (12½) per cent. dividend on the equity shares Rs. 69,500 (Rs. 20,625) and to carry forward Rs. 10,289 (Rs. 2,245 after placing Rs. 10,000 to general reserve).

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	9,27,500	Block ...	13,48,592
Debentures ...	5,07,560	Stock-in-trade	1,54,590
Reserves ...	1,47,259	Stores and spares ...	47,463
Provision for taxation ...	1,38,864	Estate nursery	6,359
Liabilities ...	1,62,640	Debts, deposits and advances ...	1,09,030
Profit and loss account ...	10,289	Cash	1,67,402
		Miscellaneous expenditure	60,676
Rs.	18,94,112	Rs.	18,94,112

N.B.—Figures within brackets relate to the corresponding period of the previous year.

QUESTION HOUR IN PARLIAMENT

Estate Duty

SINCE the Estate Duty came into being, a total amount of Rs. 5.95 crores has been realised by the Exchequer. The total expenditure incurred on collecting this tax is Rs. 22 lakhs. The Government is aware of the gifting away of property during the period since the Duty came into being. I do not know, however, whether a separate register is kept for it. The real difficulty is not the gifting away, but the joint Hindu family.

—*Jawaharlal Nehru*

L.I.C. Business

The amount of business completed by the L.I.C. during 1957 was Rs. 273.63 crores approximately. The information relating to collection of premium during the year 1956 and 1957 will be available only when the accounts and business statistics for the period 1st January 1956 to 31st December 1957 are ready. It is true that the accounts for 1957 have not yet been prepared. We have been told by the Corporation that the figures have to be collected and audited. Unless they are audited, they are not finalised. The accounts will be ready by March or April 1958.

—*B. R. Bhagat*

Foundry Forge Project

The proposed foundry forge project with Czechoslovak participation will cost about Rs. 30 crores and will produce annually 30,000 tons of castings, 8,000 tons of steel castings and 27,300 tons of steel forgings. An understanding has been reached between the Governments of India and Czechoslovakia about the terms of payment for the plant and machinery required to be imported for the project. According to this understanding, India will not have to make any foreign exchange payment for the project before April 1961. Technical and financial details in regard to the project are being worked out with the representatives of Messrs. Techno-export of Czechoslovakia. As the project is intended to supply castings and forgings to the heavy machine building plant (for which Ranchi has been under active consideration), it has to be set up in close proximity to it. The Government of India had received four offers in respect of the foundry-forge project—from Britain, Germany, Russia and Czechoslovakia. After examining these offers, the Czechoslovak offer was found to be the best.

—*K. C. Reddy*

Productivity Councils

Fifteen Productivity Councils are proposed to be set up during 1958-59 on regional, State and local basis. The National Productivity Council has already been registered as a society under the Societies Registration Act. The Union Ministries concerned and organisations of employers and workers have been requested to nominate their representatives on the Council. These representatives will collectively co-opt on the Council representatives of other interests. Organisations of industries, employers and workers in the industrial centres are being approached to initiate efforts to organise Productivity Councils. The State Governments have been requested to give their support in the formation of such councils. Meetings of representatives of employers, workers, Government, and institutions and organisations interested in Productivity are being promoted at certain places for preparing draft constitutions of the Councils. The Productivity Council of Mysore State with the Minister of Industries of the State as President has recently been constituted as a result of such joint consultations.

Cement Supply

In view of the comparatively easier supply position of cement as a result of increase in indigenous production, the State Governments have been advised to increase the public quota to the extent possible and abolish the permit system for sale of cement by stockists to consumers.

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Export of Cement

The Government is considering the question of exporting about 100,000 tons of cement mainly with a view to making a start in building up an external market for Indian cement. The country is all the time short of cement and that production is going up from year to year. While in 1957 production was 5.6 million tons, it is expected to reach seven million tons by the end of 1958. Even this output may not be sufficient for internal needs, but, in order to cater for different markets and create an external market when the second Plan targets are reached, we are trying to plan out a minimum export of about 100,000 tons. The outright sale of 10,000 tons of cement to Pakistan is agreed to, keeping in view the fact that Pakistan is a neighbouring country and has helped India with a large quantity of cement earlier. The contract has been signed at the rate of Rs. 117-8-0 per ton, but even this quantity may not be required by Pakistan and is liable to be cancelled. The price charged to Pakistan cannot be compared with the price of Rs. 140 per ton India has paid for cement imported from East and West European countries, as the latter involves a large margin of freight.

—*M. M. Shah*

Oil Tanker

A proposal to acquire at least one more tanker in the public sector during the second Plan period is under consideration. At present, there are two tankers owned by Indian shipping companies, one in the public sector and one in the private sector. The former was acquired after the second Plan commenced.

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Port Development

The World Bank has invited the Government of India and the authorities of the ports of Madras and Calcutta to send a delegation to Washington early in March 1958 to negotiate the terms of the loans which the Bank proposed to advance to these two port authorities. The loan agreements are expected to be finalised early in April.

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I.A.C. Fares

The proposals made by the Indian Airlines Corporation for the revision of passenger fares are under examination. The proposals are for revision rather than for increase of passenger fares. They envisage an increase in 106 sectors and a decrease in 18 sectors, out of the total of 173 sectors. The estimated additional revenue is approximately Rs. 33 lakhs per annum.

—*Humayun Kabir*

Agricultural Prices

The State Governments are the proper authorities to enforce the prices fixed for agricultural commodities. I am feeling concerned that States are not enforcing statutory prices in the manner in which they should do.

—*Ajit Prasad Jain*

Price Stabilisation Board

The Government is considering the suggestion of the Foodgrains Enquiry Committee to set up a price stabilisation board to arrest increase in the prices of foodgrains in the country.

—*A. M. Thomas*

Community Development

The community development plan is to be revised shortly so as to transfer authority to people's institutions at and below the district level. The revised plan also envisages the merging of the National Extension Service and the community development stages into a single-phase programme. The revised programme is expected to come into being on 1st April this year.

—*S. K. Dey*

Stainless Steel Plant

The Government is considering the question of setting up a plant for the manufacture of stainless steel in the country as evolved by the National Metallurgical Laboratory, Jamshedpur. Under the process evolved by the Laboratory, nickel, a strategic and costly material, will not be used in the manufacture of stainless steel. Instead, manganese available in plenty in the country will be used. Steps have been taken to patent the process both at home and abroad.

—*Dr. M. M. Das*

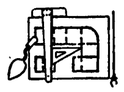
Oil Exploration

Dasuya area in the Punjab is one of the many parts in the country were there is a possibility of finding oil. The Government proposes to undertake extensive exploration of this area.

—*K. D. Malaviya*

Plan for Progress

Industry in India

Steel biting into the earth, metal and concrete taking shape as buildings, and giant machines roaring into action are today changing the pattern of India's economy through dynamic industrialisation. Over Rs. 1,000 crores will be spent on the expansion of industries during the Second  Five Year Plan. This intensive development programme will increase the national income, create more employment and bring the benefits of modern living to India's millions.

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D. R. VEDAMUTHU,
General Manager.

MONEY COMFORTABLE

(From Our Own Correspondent)

BOMBAY, *26th February*

Conditions in the short-term money market were fairly comfortable during the week under review. While the supply of funds was somewhat large, the demand was not so heavy as it was two weeks ago. Banks did not, therefore, find any difficulty in meeting their requirements. In fact, banks were able to increase their deposits with the Reserve Bank and to reduce their borrowings from the Bank. Interest rates were, however, unchanged at the previous week's levels. Inter-bank call money continued to be bid at 3 per cent. among the Exchange banks and larger Indian banks and at 3½ per cent. among the smaller Indian banks. House money at call was placed at 4½ to 4¾ per cent. and short-term deposits at 4½ to 4¾ per cent. for one to six months.

A drop of Rs. 11.65 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 21st February 1958. Notes held in the Banking Department are higher by Rs. 12.25 crores, and the fractional increase in total notes issued is covered by a corresponding rise in rupee coin. There is no change in rupee securities or foreign securities, but foreign balances have dropped again by Rs. 1.85 crores. Deposits of the Central Government are a shade lower and those of the other Governments have declined by Rs. 8.09 crores. Deposits of banks have gone up by Rs. 8.08 crores. Loans and advances to Governments show a rise of Rs. 1.51 crores, while other loans and advances have declined by Rs. 4.39 crores, of which advances to Scheduled banks against usance bills account for Rs. 2.02 crores. Investments are lower by Rs. 2.26 crores.

The Scheduled banks' statement for the week ended 14th February 1958 discloses a sharp rise of Rs. 8.18 crores in demand deposits and of Rs. 2.39 crores in time deposits. Borrowings from the Reserve Bank have been reduced by Rs. 2.49 crores. A rise of Rs. 6.78 crores is noted in advances, while bills purchased and discounted are lower by Rs. 2.20 crores. Cash balances have shrunk by Rs. 3.73 crores and money at call and short notice by Rs. 2.41 crores.

The Gilt-edged market ruled very steady. Though the Life Insurance Corporation did not make any fresh purchases this week, the demand for short-dated issues and the scarcity of stocks improved the sentiment and some of the issues recorded gains. 4 per cent. State loans were in demand from provident fund institutions. 3 per cent. 1986 Conversion Loan was neglected at Rs. 71 05. 3 per cent. 1970-75 gained 5 nP to Rs. 85 80. 3 per cent. 1966-68 put on 15 nP to Rs. 91.85 and 3 per cent. 1964 gathered 10 nP to Rs. 94.30. 3 per cent. 1963-65 changed hands 10 nP higher at Rs. 94. 3 per cent. 1959-61 was maintained at Rs. 99.05 and 3 per cent. 1958 at Rs. 99.75. 2½ per cent. 1961 gained 5 nP to Rs. 94.65 and 2½ per cent. 1960 and 2½ per cent. 1962 similar rise to Rs. 97.45 and Rs. 94 80, respectively. 3½ per cent. 1961 was unchanged at Rs. 99.65 and 3½ per cent. 1954 at Rs. 97.75. 3½ per cent. 1965 and 3½ per cent. 1967 had sellers at Rs. 97.55 and Rs. 97.60, respectively. Among State loans, 4½ per cent. 1969 was marked up by 15 nP to Rs. 100 05, 4 per cent. Madras 1967 and 1968 were in demand and rose by 10 nP each to Rs. 97.70. Andhra 1967 advanced by 25 nP to Rs. 97.60 and 1968 by 40 nP to Rs. 97.75. U.P. 1967 and 1968 gained 5 nP each to Rs. 97.65.

The Government of India has issued a notification intimating that the whole of the 4½ per cent. Loan 1958-68, will be repaid at par on 1st June 1958, with all interest due up-to-date. Interest will not accrue on the loan from and after 1st June 1958. A similar notification has been issued in London in respect of the outstanding balance of the Sterling loan.

In consonance with the setback in sterling abroad, rupee also was a shade easy in terms of the U.S. dollar. Banks' selling rate of ready dollars rose from Rs. 475 to Rs. 476 per $100 and their buying rate from Rs. 471.75 to Rs. 472.75 per $100. In New York, spot sterling declined from $2.81⅛-2.81⅜ to $2.81¼-2.81½ and three months' forward was marked down from $2.79⅛-2.79⅜ to $2.78⅛-2.78⅜. Transferable sterling declined from 279.40-279.50 cents to 279.15-279.25 cents.

KIP ARRIVALS SMALL

(From Our Own Correspondent)

MADRAS, *24th February*

There has been no important change in the kip market. Arrivals are small and offtake fair sized at unchanged prices. U.K. buying is small, because U.K. dressers are making selective purchases and are not keen to buy ahead. E. I. tanners state that there is no profit at the current prices and that they are going slow in their output. The only satisfactory feature is that there has been good call for low grade kips for inland trade at attractive prices.

In the tanned skins section, there are several enquiries for light weight goat skins and middle class sheep. A small volume of business has been reported—goat at unchanged levels and sheep at prices lower than those in January.

From 18th March 1958, Amsterdam (the Netherlands) will have a new futures market for hides—the first in Europe—in which the Netherlands and foreign parties may participate. The countries interested in this market are the Netherlands, Belgium, Luxemburg, the three Scandinavian countries, the U.K., France, Switzerland, Italy, Austria, Germany, Argentina, the U.S.A., Canada and New Zealand. The other futures markets already functioning in Amsterdam are for rubber, cocoa, coffee, pepper and copra. The new futures market for hides will be managed by N.V. Amsterdamse Liquidatiekas, Amsterdam.

BULLION QUIET

(From Our Own Correspondent)

BOMBAY, *26th February*

The bullion market ruled quiet during the week under review and the upward trend in prices noted in the previous weeks suffered a slight reversal. Towards the close, gold staged some recovery from the week's lowest levels touched on Monday, but silver maintained the downward trend throughout after an early improvement. Increased arrivals of yellow metal, without any corresponding expansion in offtake, and heavy profit-taking at higher levels caused the setback in gold. The relaxation of the squeeze by the bulls in this metal is reflected in the narrowing of the *budla* charges in favour of buyers from As. 4 to an anna today. At one time, that is, on Monday, the *budla* charges actually went against buyers, but, in the last two days, they turned again in their favour. The recovery in gold in the last two days was due to an improvement in offtake and short-covering, following reports of confiscation of large parcels of smuggled gold at the Palam airport in New Delhi.

After an early spurt to new high levels, silver declined sharply on expectations that the offtake would contract during the *Holi* festival and on reports that duty for import of a large quantity of Tibetan coins had been paid. Despite the recession in silver, the "bulls" continue to tighten their grip, as witness the widening of the *budla* charges in their favour from Re. 1-4 to Re. 1-13 today.

Forward silver (March settlement) picked up early in the week from Rs. 192 to Rs. 192-12, but reacted to a low of Rs. 191-1 today. The closing was, however, again better at Rs. 191-9. The April settlement, after a rise from Rs. 190-12 to Rs. 191-5, declined to close at Rs. 189-12.

Ready silver closed at Rs. 191-9, after being marked up from Rs. 192-4 to Rs. 192-14. The floating stocks of silver are estimated at 800 bars. The daily average arrivals were 20 bars, while the offtake was lower at 15 bars.

Gold for forward delivery (March settlement) was marked down from Rs. 111-14 to Rs. 111, but gained before closing to Rs. 111-8. The April settlement finished on balance with a loss of As. 2 at Rs. 111-8.

Ready gold dipped from Rs. 112-8 to Rs. 111-10, the lowest level touched during the week being Rs. 111-2. The floating stocks of gold are reported to be 15,000 tolas. The daily average arrivals were 4,000 tolas, while the offtake was no more than 3,000 tolas per day.

In New York, silver was unchanged at 88¼c., while London prices moved up from 76⅜d. to 76½d. for spot and from 76¼d. to 76⅜d. for forward. Gold also gained from 249s. to 249s. 4½d. following the setback in sterling.

The following comparative table shows at a glance the trend of the market during the week under review:

	26-2-58	Highest	Lowest	19-2-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.995 fine Mint) ..	111 10	112 7	111 2	112 8
Forward*	111 8	111 13	111 0	111 14
Sovereign	71 4	71 12	71 4	71 13
SILVER				
Ready (.996 fine Mint) ..	191 9	192 14	191 1	192 4
Forward†	191 9	192 12	191 1	192 0
London Silver Ready ..	76⅛d.	76⅝d.	76⅛d.	76⅝d.
London Forward	76⅛d.	76⅜d.	76⅛d.	76⅜d.
London Gold	249s. 4½d.	249s. 4½d.	249s. ½d.	249s.
New York Silver	88¼c.	—	—	88¼c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

LINSEED QUIET

(Messrs. A. Bradley and Co.)

CALCUTTA, *24th February*

There was little material change in the linseed market during the week. A generally quieter tone prevailed and trading was rather dull. A slight advance in seeds to Rs. 21-7 in mid-week was followed by a reaction, owing to lack of interest from buyers. Crushers were inactive, with poor demand for oilcake and lack of parity. The oil market was supported earlier in the week by some enquiries from shippers, and business was reported at Rs. 50-8, but sellers were later quoting Rs. 50, with buyers keeping out of the market. There was no fresh business for export with buyers' ideas around £105.10, sellers indicating £107.

The latest available quotation for February-March is Rs. 21-2 per maund.

KEEN DEMAND FOR HIDES

(From Our Own Correspondent)

KANPUR, *24th February*

During the week under review, the demand for wet cow and buff was keen. The goat sector ruled active, in view of the Soviet order. New supplies of cow and buff were considerable. A good portion of these were fresh unsalted ones direct from the butcheries. The Madras dealers were keen buyers of light cow, sheep and goat, whereas the local tanners went in for other categories.

The latest available quotations are: Wet salted cow 1st grade Rs. 380 and 2nd grade Rs. 350 per score; wet salted buff 1st grade 1 lb. 4 ozs. and 2nd grade 1 lb. 6 ozs. per rupee; Goat 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces; sheep 1st grade Rs. 300 and 2nd grade Rs. 265 per 100 pieces.

COTTON FUTURES EASY

(From Our Own Correspondent)

BOMBAY, *26th February*

The Room Rates Committee of the East India Cotton Association fixed the tendering differences on the maturing March contract on Monday the 24th inst. The rates were generally considered to be on the low side. Since they were about Rs. 30 to Rs. 45 per candy lower than the price of the corresponding ready qualities, it was thought that they would discourage the tendering of cotton against the March contract. Although the tendering differences were believed to be in favour of bulls, the cotton futures market ruled distinctly easy during the week under review. Business earlier in the week was restricted, with prices showing a mixed trend, as the attention of traders was focussed on the fixation of room rates. When the rates were announced the market initially improved, but it proved shortlived and the market subsequently suffered a sharp setback. This was due to heavy bull liquidation and hedge pressure. Bulls were keen to square up their position in the maturing contract and switch over to May which was regarded more attractive, price-wise. There was also a large volume of spot house selling, following the recession in spot prices due to the pressure of larger arrivals and the accumulation of inferior quality cotton. The easiness was further aided by the discouraging news from the piecegoods market and the report that the season's crop had been estimated higher at 5.2 million bales by the Indian Central Cotton Committee. The declining trend of the market was, however, arrested today and the market improved, thanks to heavy short-covering in the March contract which, consequently, recovered most of the lost ground. The May contract also moved up in sympathy. Nevertheless, today's closing rates were below last week-end quotation.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 658 50, as against the previous close of Rs. 670.75 and after improving to Rs. 673, declined to Rs. 660.50 yesterday. Opening today at Rs. 662.50, it firmed up to Rs. 667.50 before closing fractionally lower at Rs. 667. The net loss over the week was Rs. 3.75. The market remained closed on Saturday as a mark of respect to the memory of the late Maulana Azad. I.C.C. Moglai Jarilla, (May 1958), after having opened the week Rs. 2 25 lower at Rs. 667, improved to Rs. 670.05 before dropping to Rs. 657.50 yesterday. Commencing today's session at Rs. 659.50, the contract gained Rs. 2.50 to Rs. 662 and closed at that rate. The net loss over the week was Rs. 7.25. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	26-2-58	High	Low	19-2-58
I.C.C. Moglai Jarilla (March 1958) ...	667	673.50	659.50	670.75
I.C.C. Moglai Jarilla (May 1958) ...	662	670.50	656.50	669.25

New crop arrivals have been increasing in Gujerat, Saurashtra and Madhya Bharat areas. The season is gradually coming to a close in Vidarbha, Khandesh and Punjab while it has just commenced in Andhra and Mysore. About 55 per cent. of the total season's crop has so far been marketed. Areawise, about 80 per cent. crop in Vidarbha, Khandesh and Punjab has been marketed. Malwa, Moglai and Rajasthan will take about six weeks more while the season will continue in Saurashtra and Gujerat till the end of April. The quality of the crop has been satisfactory although the crop in Surti and Broach areas has suffered some quality deterioration.

The spot market also ruled easy. Prices of almost all varieties declined. Mill demand was slack. Short staple varieties were practically neglected, although there was good demand for quality lots. Keen demand was noted in Laxmi, Khandesh, etc.

In the absence of export inquiries shippers showed no interest in exportable varieties. Consequently prices of Bengal *Deshi*, Kala, Wagad, etc. were marked down. The foreign section was listless. Spinners would appear to have deferred their purchases until the announcement of import quotas by the Government. It is expected that the Government would also announce a quota for East African cotton as a large volume of business has been concluded in this cotton subject to import licences being available.

It is reported that an understanding has been reached between the Egyptian delegation and the Government of India in respect of cotton imports. A quantity of 100,000 bales of Egyptian cotton has been tentatively fixed for import. The delegation is also reported to have offered a discount of 12 per cent. No official announcement has yet been made.

The following are the latest available quotation—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 580; Berar Jarilla 765; Khandesh 785; Oomra *Deshi* 600; Vijay 800; Hubli Laxmi 1,020; Jaydhar 780. *Delivery Contracts*: Vijay 890; Bengal 550.

Karachi cotton futures market ruled bearish during the week under review. Absence of export inquiries, slackness of domestic spinner demand and increasing new crop pressure touched off a large volume of selling which depressed prices. N.T.R.G. March declined from Rs. 74-9-6 last week-end to Rs. 71-3 yesterday. The March position dropped, over the week, Rs. 2-5-6 to Rs. 72-6. The spot section was also weak.

An easy trend was depicted by the Alexandria cotton futures market during the week, reflecting the weak foreign demand and the recession in spot prices in the wake of larger crop arrivals.

Export sales from the commencement of the season till 31st January aggregated 452,134 bales (of 720 lbs.), as compared with 385,463 bales

during the same period last season. It is reported that a new arrangement has been formulated under which cotton will be allowed to be shipped in "export account" Egyptian pounds to all countries which have no payments agreement in Egyptian pounds. Details of the new system and any possible advantage it might have to foreign buyers are still not available.

The following are the latest available quotation—in tallaris per lb.—from Alexandria:

Karnak: March 76.80; May 78.05. *Ashmouni*: February 66.40; April 66.70.

An erratic trend was witnessed on the Liverpool cotton exchange during the week under review. While the American contracts ruled firm due to speculative support which was inspired by the report that the U.S. Congress had voted additional Soil Bank payments, the mixed growth contracts were easy due to hedge selling. Sudan contracts were well maintained on support based on the lower crop forecast by the Sudan Government. The following are the latest available quotations—*in pence per lb.—from Liverpool*:

American cotton one inch staple contract: March-April 25.35; May-June 25.30; July-August 25.58; October-November 26.26. *American cotton mixed growth contract*: March-April 26.10; May-June 26.35; July-August 26.62; October-November 27.23. *Sudan*: May-June 32.90; July-August 33.10; September-October 33.35.

Values in the New York cotton futures market registered a perceptible improvement. The report that the House Appropriation Committee voted an increase of $175 million for the 1958 acreage reserve of the Soil Bank set in motion a general covering operation which pushed values higher. The near contract (March), however, was brought under hedge pressure and, therefore, ruled easy. Spot values eased slightly.

Reports from Washington indicate that, subject to Congressional approval, there is a possibility of the Administration establishing a cotton export subsidy of 6 cents per pound in the 1958-59 season in lieu of the present export sales programme on a competitive bid basis. Shippers will not get a cash payment as subsidy but cotton of equivalent value from the surplus stocks of the Commodity Credit Corporation will be released to them. The proposed substitution of a fixed subsidy for U.S. cotton, as against the present C.C.C. two-price selling system is generally considered a very welcome measure.

Efforts to increase acreage for the 1958 crop in order to ensure production of sufficient high grade cotton to relieve the scarcity of such quality is still continuing. Congressional approval is being sought to enable growers to choose increased acreage by sacrificing a part of the price support due to them under the law. Trade sources, however, generally do not anticipate that legislation can be put through in time to affect the acreage of the 1958 crop.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	25-2-58	18-2-58	11-2-58
Spot	35.95	36.00	35.95
March	35.10	35.17	35.02
May	35.41	35.36	35.20
July	35.70	35.43	35.35

SUGAR FIRM

(From Our Own Correspondents)

BOMBAY, 26th *February*

A firm trend was in evidence in the sugar market during the week under review. There was strong buying support, induced by renewed rumours of a possible additional excise duty of about Rs. 2 per maund on sugar in order to offset losses on export. Spot stocks were slim—estimated at 20,000 bags only—despite heavy arrivals of sugar which aggregated 21,300 bags, as against 18,600 bags in the previous week.

Medium grain sugar advanced from Rs. 106½-Rs. 107½ to Rs. 107-Rs. 109 per bag, including additional excise duty. Large grain spurted by a rupee to Rs. 110-Rs. 113. Small grain gathered half a rupee to Rs. 106.

* * * *

HAPUR, 24th *February*

Quiet conditions were witnessed in the sugar markets during the week. Limited business was done for Rajasthan and Punjab side, while other centres displayed little buying interest. The rates for some qualities, however, advanced slightly. The Government of India's export policy is still undecided and the Government is reported to be considering the question of modifying last year's arrangements for sugar export. The quantity to be exported will depend on world conditions. The price of sugar in world markets have gone down and it is not possible to fix any target for exports. Crushing season in west U.P. is likely to close early, due to overall shortage of cane and faulty system of cane supplies to factories through societies.

Slack outside buying enquiry accounted for the dull conditions in the sugar markets at Muzaffarnagar, but prices continued to rule steady. The Government's export policy announcement was keenly awaited. The latest ex-mill delivery prices were: Khatauli (B-29) Rs. 37.75; Mansurpur (B-29) Rs. 37.81; Amroha (D-29) Rs. 35; Daurala (B-29) Rs. 37.25; Mawana (B-29) Rs. 37.50; Meerut (D-29) Rs. 35.50; Shamli (B-29) Rs. 37.56; Bijnore (E-29) Rs. 34.75; Simbhauli (E-29) Rs. 35.75.

Following withdrawal of demand from consuming centres, sugar prices turned easy in the Kanpur market and mill delivery quotations were lower by As. 2 per maund. The market was taking a bearish view of the Government's unsettled policy about exports.

The *khandsari* market continued to rule steady, due to revival of demand from Madhya Pradesh. The *khandsari* producers were finding production profitable even after buying cane at Re. 1.37 per maund. Prevailing prices are Rs. 27 to Rs. 33 per maund.

The *gur* market presented a steady trend. Price fluctuations were within narrow range. Local arrivals continued to be small, at an average of 2,500 maunds, and stocks were now put at 120,000 maunds, the corresponding figure last year being 90,000 maunds. Total arrivals from the beginning of the season are estimated at 3.5 lakh maunds, as against about 4.1 lakh maunds by this time last year. Crushing season is likely to continue for another fortnight by which time it is expected that cane supplies will become inadequate. Sowings of cane for the next season is in full swing. The latest prevailing prices of *gur* were: *Pansera* Rs. 13.12 to Rs. 13.37; *balti* Rs. 13.

Good support from Gujerat side accounted for steady conditions in *gur* prices in the Muzaffarnagar market. Offtake of *shakker* was to Rajasthan and Punjab side and daily arrivals went down to an average of 5,000 maunds. *Khandsari* prices also advanced on good demand from Madhya Pradesh.

While *gur fagun* delivery ruled quiet in sparse trading on the eve of delivery date, *baisakh* delivery moved both ways in active bouts of buying and selling. The latest quotations were: *Gur fagun* Rs. 13.15 and *baisakh* Rs. 13.83.

YARNS ADVANCE

(From Our Own Correspondent)

BOMBAY, 26th *February*

In contrast to the distinctly easy conditions noted last week, a firm trend prevailed in the yarn market during the week under review. Rayon yarns evoked good support, thanks to growing scarcity of imported yarns. It was felt that even the *ad hoc* supplementary licence for import of yarn worth Rs. 40 lakhs granted to actual users was too insufficient to meet the needs of rayon fabric weaving mills. There was enlarged demand for staple fibre yarns from nearby centres such as Surat. The South Indian producers were reported to be quoting higher prices for yarn, following the increase in price of indigenous raw staple fibre. Stocks of foreign raw staple fibre were very low. Cotton yarns were steady, despite fall in raw cotton prices and persistent reports of heavy accumulations of yarn stocks with mills.

Snia rayon yarn (120 dull cones) April delivery met with excellent enquiries and rallied Rs. 10 to Rs. 919. February delivery gathered a rupee to Rs. 925. In the spot section, 120 Japan went up by 9 nP to Rs. 5 31. 150 Japan strengthened by 13 nP to Rs. 5 06. 120 Italy and 150 Italy were fully maintained at Rs. 5.25 and Rs. 5.12, respectively. Indigenous yarns, however, suffered a setback. National Rayons 150 bright cones first grade declined by 9 nP to Rs. 4.16. 120 bright cones first grade eased by 7 nP to Rs. 4.69.

Staple fibre yarns (40×2) April delivery attracted good attention of operators and climbed up by Rs. 7 to Rs. 587. February delivery advanced by Rs. 5 to Rs. 572. Spot (40×2) Centurys and Kohinoors put on 3 nP each to Rs. 3.18 and Rs. 3.24, respectively. New Greats added 5 nP to Rs. 3.03. Foreign yarns, however, suffered a setback in prices, Paramounts declining by 7 nP to Rs. 6.40 and Fujis by 10 nP to Rs. 6.37.

Among cotton yarns, ten counts Podars improved by 12 nP to Rs. 13.87. Moderns were quiet at Rs. 14.50. Twenty counts Moderns rose by 13 nP to Rs. 17.50. Indus were unchanged at Rs. 16.87. Among thirty counts, Indus were done at Rs. 20.37. Forty counts encountered selling. Minaxis receded by 13 nP to Rs. 23.87, and Moderns by 25 nP to Rs. 24.75. Among sixty counts, Moderns increased by 50 nP to Rs. 59.50. Raghuvamshis were firm at Rs. 52. Finlays, however, retreated by 50 nP to Rs. 59. Eighty counts were fully maintained at last week's levels, Mahendras being quoted at Rs. 69.50, Moderns at Rs. 71 and Finlays at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	26-2-1958	19-2-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	925 00	924 00
120 dull Cones Snia April	919.00	909.00
120 Japan (per lb.)	5 31	5 22
150 Japan (per lb.)	5.06	4.96
120 Italy (per lb.)	5.25	5.25
150 Italy (per lb.)	5.12	5 12
Staple fibre yarn (per case of 200 lbs.)—		
40 × 2 February	572 00	567.00
40 × 2 April	587 00	580 00
40 ×2 New Great (per lb.)	3.03	2.98
40 ×2 Cits (per lb.)	—	3.12
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13 87	13 75
20s Modern	17 50	17 37
30s Indu	20 37	20 50
40s Minaxi	23 87	24 00
60s Raghuvamshi	52 00	52 00
80s Modern	71 00	71.00

OILSEEDS EASY

(From Our Own Correspondent)

BOMBAY, 26th *February*

The oilseeds market ruled easy during the major part of the week under review and there was a fall in prices. Today, the market picked up strength and there was some recovery in values. Castorseeds were particularly depressed, thanks to liquidation by bulls and bear pressure. Brazil was reported to be selling castor oil to the U.S. at a substantially low rate (about $277.09 or Rs. 1,317 per ton). Enquiries for Indian oil from the U.K. were only at £115 (Rs. 1,533) per ton; this quotation was considered to be unremunerative. Shippers were not inclined to enter into commitments, as they preferred to await the details of the Union Government budget (1958-59) which would set at rest the rumours of a revision in export duty on castor oil. Groundnuts encountered selling induced by weakness of sarson and offerings by upcountry interests in spot groundnuts, in the wake of lower offtake by crushers following lack of interest in oil by *vanaspati* manufacturers. Cottonseed lacked support owing to bearish advices from cotton market. Linseed also lacked support. Some export house buying in linseed oil was, of course, noted, but this was against previous sales. Kardi seed and niger seed remained firm throughout the week and suffered a setback yesterday which, however, gave way to recovery today. The closing rates were higher than those at the end of last week.

Groundnut February contract dropped from Rs. 158.62 last week-end to Rs. 157.12 yesterday, but recovered to Rs. 158.25 today. May position receded by Re. 1.25 to Rs. 157.37 before finishing at Rs. 158.25. Bold ready declined by 25 nP to Rs. 31.50. Coromandel receded from Rs. 32.87 on the 21st inst. to Rs. 31.50 and Khandesh quality from Rs. 32.87 to Rs. 32.12. Groundnut oil ex-mill which stood at Rs. 18 on the opening day fell to Rs. 17.62 today. Railway receipt was done today at Rs. 17.50, same as last week.

Castorseed May contract fell from Rs. 139.37 on Wednesday last to Rs. 136.25 yesterday. Today, however, it recovered to Rs. 137.62. The net loss over the week was Re. 1.75. Ready Madras decreased by 62 nP to Rs. 27.75. Kanpur quality dropped a like amount to Rs. 26.50. Castor oil fell from Rs. 16.12 to Rs. 15.87, but recovered today to Rs. 16.12. Commercial, after declining from Rs. 14.37 to Rs. 14.12 yesterday, wound up the week higher at Rs. 15.25.

Linseed May contract was quoted yesterday at Rs. 28.94, as against Rs. 29.31 on the 19th inst. Today, however, it improved to Rs. 29.37. Over the week, bold ready declined by 32 nP to Rs. 28.37. February-March shed 25 nP to Rs. 28.75. Linseed oil ready climbed down from Rs. 15.69 last week-end to Rs. 15.50 yesterday, but moved up to Rs. 15.62 today.

Cottonseed February contract, after receding from Rs. 100.50 to Rs. 99.25 on Friday, gradually rose to Rs. 101.75 today. May contract was done today at Rs. 100.50, same as last week; it was lower at Rs. 99.25 on Friday.

Kardi seed bold ready fluctuated between Rs. 18.37 and Rs. 18.12 before finishing at Rs. 18.25, representing a rise of 75 nP as compared with the quotation on Wednesday last. Niger Madras eased from Rs. 27.37 on the 20th inst. to Rs. 27.25 yesterday. This rate was maintained today also.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	26-2-1958	19-2-1958	12-2-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	158 25	158 62	155 00
May 1958	158 25	158 62	155 88
Bold ready (per cwt.)	31 50	31 75	30 87
Khandesh quality	32.12	32 00	31.12
Linseed—			
May 1958	29 37	29 31	29 87
Bold ready (per cwt.)	28 37	29 00	28.62
Castorseed—			
May 1958	137 62	139 37	138.12
Madras (per cwt.)	27.75	28.37	28.25
Cottonseed—			
February 1958	101 75	100 50	96 25
May 1958	100 50	100 50	96 75
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.62	17.62	17.12
Castor oil †			
Commercial (per quarter) ..	15.25	14.37	14 81
Ready	15.62	15 00	15 62

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

BLACK PEPPER RISES

(Messrs. Parekh and Co.)

BOMBAY, 26th *February*

Following sizable purchases by New York, Malabar black pepper ruled firm during the earlier part of the week, with values hardening further to Rs. 575 at Alleppey for ungarbled and to Rs. 98½ at Cochin for the garbled. In the later part, however, the market turned quiet when New York dealers withdrew, as buyers began to counter offer at ½ to 1 cent lower. Spot at New York rose from $0.23½ to $0.25½ and dealers there bought Malabar black at prices ranging from $0.23 to $0.24½ for nearby shipment.

Alleppey came down from Rs. 575 to Rs. 550, while garbled from Rs. 98½ to Rs. 96. There were heavy fluctuations in the forward market at Cochin where March and May moved erratically, the highest and the lowest being Rs. 100 and Rs. 101½ and Rs. 96½ and Rs. 98, respectively.

Singapore is reported to be barely steady at $0.64. Sellers there are reserved, since holders are watching keenly the day-to-day political developments in Sumatra. General feelings are that the present firm attitude of the Central Government at Djakarta in dealing with the Rebel Governments will most likely restore law and order soon in the disturbed areas, provided there is no outside interference.

The future of the market is uncertain. Prices are likely to move narrowly both sides, pending the clear picture of the Indonesian situation. Conflicting newspaper reports as to the latest development in Sumatra have so far proved a supporting factor. However, everything will depend upon the attitude of the U.S.A. buyers, as Malabar is usually lacking strength of its own.

In A.S.T.A. March shipment having been done at $0.24¼ is now quoted at $0.23¾. The buyers having paid for April-May-June at $0.24¼ are now indicating 1 cent lower.

In delivery section, prices, having staged a sizable increase for March and April, are now moving narrowly for want of new incentive.

Today's nominal quotations are: Ready delivery Rs. 72 per Bengal maund, March Rs. 503-Rs. 508 and April Rs. 509-Rs. 514 per candy of 5¼ cwts.

TEA IMPROVES

[Messrs. Forbes, Ewart & Figgis (Private) Ltd.]

COCHIN, 20th *February*

Approximately 1,300,000 lbs. were on offer in Sale No. 5, which was held on Tuesday, 18th February. There was a very useful all-round selection on offer, particularly of high grown teas. The sale opened quietly, but a good general demand developed. Low medium and medium teas met a useful enquiry at 5 to 10 nP below last rates. Good medium teas and best liquoring high growns encountered some competition and although rates were often below valuations, they were frequently above last prices. There was a rather better demand for high grown fannings. There was a strong demand for whole leaf grades at dearer rates. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.65 to 1.75
Medium	1.80 to 2.10
Good medium	2.30 to 2.60
Quality	2.90 to 5.70

The average price realised in Sale No. 5 was Rs. 2.35 per lb., as against Rs. 2.30 per lb. in the previous sale and Rs. 2.59 per lb. in the corresponding sale of 1957.

London Market—Sale of 17th February 1958.—Little irregular, except for Dooars, which were generally dearer.

Sale of 18th February 1958.—Steady, except where quality declined.

Colombo Market—Sale of 17th February 1958.—Good demand. Lowgrowns steady. Plain mediums down 5 cents better. Mediums firm. Highgrowns opened very strong prices following improved quality, but eased at close.

Sale of 18th February 1958.—Better liquoring fannings and broken mixeds dearer. Others lower.

Export Quota.—The Government of India have announced a further release of 8.4 per cent. of the best crop basis. This makes the total release to date for the 1957-58 season 460.96 million pounds or 63.4 per cent. of the B.C.B. The market reacted sharply to this news and business was done down to 5 nP. The market later recovered and there are now sellers at 7 nP.

Forthcoming Auctions.—Sale No. 6 will be held on Tuesday, 4th March.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Dust Sale 'E'.*—700,000 lbs. Good demand, but rather irregular. Milled dusts slightly easier. Others about steady."

FOODGRAINS MOVE UP

(From Our Own Correspondent)

HAPUR, 24th *February*

The latest food position was explained by Mr. A. M. Thomas, Deputy Food Minister, in the Lok Sabha this week. The review reveals that present stocks are roughly 12.5 lakh tons of rice and wheat 9.25 lakh tons being held by the Centre and the rest with the States. The stocks compare favourably with those held in January 1957 when the total stood at 3 lakh tons. It is the Government's intention to build up a reserve of 20 lakh tons, consisting of equal quantities of rice and wheat. India expects to get 16 lakh tons of wheat from abroad during the first half of 1958. Out of this quantity, 10 lakh tons are expected from the U.S. under various heads, 4 lakh tons under the recently concluded wheat loan from Canada, and more than 125,000 tons as balance supplies under the Colombo Plan.

Wheat at Hapur recorded fractional gains, due to falling stocks at the *tag end* of the season which is always a lean period. Local stock ran down further to 8 *khatties*, the corresponding figure last year being 40 *khatties*. There is still over one and a half month for the beginning of the arrivals of new wheat crop into the markets. Crop prospects, too, are not very bright, due to failure of winter rains. Prevailing prices are: Wheat *dara* Rs. 15.75 and farm quality Rs. 17.25 per maund.

Rice improved during the week in sympathy with wheat and reports of overall shortage of rice. The latest prices are: *Basmati* Rs. 28 to Rs. 31; *mainpuri* Rs. 24; coarse Rs. 20.75 per maund.

After recording slight gains during the week on encouraging Punjab advices, gram receded later on early crop prospects. Stocks ran down further by 2 *khatties* to 16 *khatties*, following despatches to east U.P. With the beginning of harvesting of the *bejhar* crop, barley and *bejhar* ruled quiet during the week and maize sought lower levels, owing to falling seasonal demand. The latest prevailing prices (in rupees per maund) were: Gram 10.50 to 10.75; barley 9.37; *bejhar* 8.87; maize 10.62; *bajra* 11.37; *jowar* 9 to 10; *guwar* 11.25.

Pulses future ruled quietly steady during the week. The latest prevailing quotations were: Peas *jeth* Rs. 9.17; *arhar jeth* Rs. 10.90; *bajra fagun* Rs. 11.62; *urd baisakh* Rs. 16.65.

BANKING

(Concluded from page 362)

ing stocks in the country and it understands that the precautionary measures taken by the customs authorities have already reduced it to some extent. The incentive to smuggle, besides, arises from the difference between the prices ruling in India and the prices ruling overseas, rather than from any stability that might have been imparted to the prices ruling in India by the existence of a futures market.

"With respect to the argument that futures trading in bullion should be prohibited in India on the analogy of the practice in the rest of the world, the Commission is of the view that the analogy is not wholly justified, as the conditions are not entirely parallel. In most countries abroad, the use of bullion was confined to monetary purposes and the State Governments and Central Banks enjoyed a monopoly of purchase. Private transactions in bullion were permitted only to licence-holders or to specialised agencies which needed the metal for industrial purposes. In important producing countries such as South Africa, Australia and Mexico, standing arrangements were made to sell the surplus stocks to foreign countries on a Government-to-Government basis. In the United Kingdom, the London Bullion Market functioned mainly for international transactions and provided only for a deferred delivery contract rather than a hedge contract. In the East European countries, the price mechanism itself had been eliminated. In the African and West Asian countries, although private transactions were permitted more or less freely, there had never been any tradition of futures trading either in bullion or in other commodities. In India, on the other hand, there was a free market in gold and silver, private transactions took place on a large scale, and there was a long tradition of futures trading in all commodities. In view of these basic differences, the Commission is of the view that a case exists for permitting futures trading in India irrespective of whether it was or was not permitted abroad. It may be that futures trading in bullion was not conducted in other countries, but the uniqueness of India in this respect followed naturally from the fact that India was also unique in being the only important country with a free ready market in gold and silver."

The Commission also feels that the service rendered by a futures market in integrating the prices of bullion ruling in different centres in the country is of some value. After taking all these facts into consideration, the Commission has come to the conclusion that the advantage is, on balance, in favour of permitting futures trading in bullion on a limited scale, even if the case in its favour might not be as strong as in the case of agricultural commodities. "The requirements of the situation would, however, be adequately met", the Commission adds, "by providing the necessary facilities only at a limited number of centres and there is no need for continuance of all the markets in existence at present." The Commission is reinforced, in this conclusion, by considerations of enforcement, finance and transitional hardship to the classes affected. These considerations, it adds, are by no means of decisive importance and will not have, by themselves, influenced the Commission in its conclusions. The fact, however, that they also point in the same direction gives added emphasis to the conclusions that the Commission has already reached on other grounds.

CONSTITUTION OF THE BANK OF ENGLAND

The present constitution of the Bank of England has been stoutly defended by Sir John Braithwaite, Chairman of the London Stock Exchange. He is wholly in favour of the retention of the existing system of having on the Bank's Board part-time directors drawn mainly from those business houses situated "in the very heart of stirring and living finance and commerce." This system has, however, been opposed by the Labour Party, on the ground that the dual capacity of these part-time directors with close business associations "puts too great a strain on the honesty and integrity" of these persons.

The question, which is to be reviewed by a Committee under the Chairmanship of Lord Radcliffe, was raised by the Labour members of Parliament, following the alleged leakage of the news of Bank rate rise by some of these part-time directors. The Tribunal, under the chairmanship of Lord Justice Parker, which enquired into these allegations, gave a clean bill of honour to them. It did not, however, give any opinion on the present system of having directors with close business associations on the Board of the Bank of England, as it was outside the terms of reference.

Sir John Braithwaite examined the demand for a change in the present system from the practical side, as well as from the moral point of view. Thus, he observed:

"Upon the practical side, it is said that the knowledge and experience of the City of London could be made available to the Bank by calling the appropriate persons into conference from time to time as and when they were needed. That, in my opinion, would not produce anything like the results obtained by the existing system. In the first place those called in in this way would not carry the responsibility that the directors of the Bank carry now; advice without responsibility has not the same value; and in the second place, occasional contact with what we may loosely call the market—the whole market of the City of London—would not at all take the place of constant and continual contact; not only with the Governor but with a Board of colleagues, slowly building up a body of gradually maturing opinion upon each problem as it arises, until the right course to pursue emerges almost of itself when the time for decision arrives."

On the moral side, he stated: "It seems to me to be utterly defeatist and altogether lamentable that it should be almost taken for granted in some quarters that there is no such thing as a standard of integrity which can stand up to the occasional strain to which a part-time director of the Bank may be exposed; and, I might add, not only part-time directors of the Bank but many others in the City of London and elsewhere, who are exposed to similar strains, and can and do bear them without difficulty. It is to me inconceivable and not to be tolerated that we should positively budget for a lower standard of integrity than we know we possess."

Notice

RAZA BULAND SUGAR COMPANY LIMITED

RAMPUR, U.P.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22nd Annual General Meeting of the Shareholders of the Company will be held at Rah-e-Raza, Rampur, the Registered Office of the Company, on Thursday the Twenty-seventh March, 1958, at 10 a.m., to transact the following business:—

1. To receive and consider the report of the Board of Directors and the Auditors and the Audited Statement of Accounts of the Company for the year ended 31st October, 1956.
2. To declare a Dividend.
3. To appoint a Director in place of Shri R. K. Jain, who retires by rotation at the Meeting, and is eligible for re-appointment.
4. To appoint a Director in place of Shri Ravi Prakash Jain, who retires by rotation at the Meeting, and is eligible for re-appointment.
5. To appoint Auditors for the year 1956-1957 and fix their remuneration. Messrs. V. Sankar Aiyar & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment.
6. To consider any other business that can be transacted at an Annual General Meeting with the permission of the Chairman.

The Share Transfer Books of the Company will remain closed from 17th March, 1958 to 5th April, 1958, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself, who need not necessarily be a member. Such proxies should reach the Company at least 48 hours before the meeting.

By Order of the Board,

FOR RAZA BULAND SUGAR COMPANY LIMITED,

S. K. KAUL,
Secretary.

NEW DELHI,
Dated 2nd February, 1958.

Note.—(1) The Dividend as proposed by the Directors, if declared, will be paid on or after the 14th April, 1958, to those members whose names appear in the Books of the Company on the 27th March, 1958, or to their Mandatees. No applications for Dividend Warrants will be necessary.

(2) Members or other persons holding shares of the Company on blank transfer should submit such shares for transfer with stamped and completed transfer deeds and the registration fee before the closure of the Transfer Books so as to be entitled to the despatch of the Dividend Warrants in respect of those shares to them. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

(3) Members should immediately notify any change that may have occurred in their addresses as the Dividend Warrants will be sent at the addresses of members registered in the books of the Company on the 27th March, 1958.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	1st Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	6½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	10th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	2½
West Germany	17th Jan., 1958	4	3½

CLEARING HOUSE RETURNS

Centre	Week ended 21st February, 1958		Week ended 14th February, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,21,001	67,56,51,000	3,28,420	72,20,74,000
Calcutta	1,74,000	67,32,00,000	1,74,000	64,65,00,000
Madras	88,376	10,21,45,604	89,260	9,40,00,365
All Centres—1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Oct., 1957	..	..	3,295,000	5,89,38,00,000
Nov., ,,	..	..	3,755,000	8,18,13,00,000
Dec., ,,	..	..	3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 21st Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	51,00,76,000
(2) Other Governments	16,73,20,000
(b) Banks	77,34,07,000
(c) Others	113,04,04,000
Bills Payable	17,75,35,000
Other Liabilities	36,66,35,000
Rupees	419,53,77,000

ASSETS	Rs.
Notes	24,10,98,000
Rupee Coin	10,05,000
Subsidiary Coin	2,78,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	2,40,56,000
Balances held abroad*	31,79,43,000
Loans and Advances to Governments†	39,71,82,000
Other Loans and Advances	64,57,62,000
Investments	240,58,21,000
Other Assets	16,07,31,000
Rupees	419,53,77,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 21,10,27,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	24,10,98,000	
Notes in circulation	1546,00,60,000	
Total Notes issued		1570,11,58,000
Total Liabilities		1570,11,58,000

ASSETS	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		129,99,46,000
Government of India Rupee Securities		1076,82,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1570,11,58,000

Scheduled Banks*

Statement of Affairs for the week ended 14th Feb., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	12,78,02,000
(ii) Other demand liabilities	704,47,45,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,24,50,000
(ii) Other time liabilities	706,12,21,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	8,52,17,000
(ii) Time liabilities	80,00,000
Borrowings in India from the Reserve Bank of India†	31,50,94,000 (26,12,27,000)
Cash in India	38,92,56,000
Balances with the Reserve Bank in India	66,65,88,000
Balances with other banks in current account in India	11,82,35,000
Money at call and short notice in India	37,36,70,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	432,81,43,000
Advances in India	778,12,17,000
Inland Bills purchased and discounted in India	109,02,31,000
Foreign Bills purchased and discounted in India	41,07,91,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	25th February, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5	1-5
Sellers T.T. D.D. upto six months	1-5	1-5
Buyers T.T. spot to nine months	1-6	1-6
Buyers T.T. 10 to 12 months	1-6	1-6
Bombay on New York—		
Sellers T.T. D.D. Rs.	475 00	475 00
Buyers T.T. Rs.	472 75	471 75
London on New York $	2.81 2.81	2.81 2.81
London on Paris Frcs.	1,17.84	1,17.84
London on Bonns Sw. Frcs.	12.27 12.27	12.28 12.28
New York on London $	2.81 2.81	2.81 2.81

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	383 09	..	10,420	272
Pakistan††	'55-'56	82 24	..	1,952	237
Burma	1955	19 43	Kyats 4,087	409	210
Ceylon	1956	8 88	..	475	567
Japan	1956	90 00	Y. 7,427,000	9,283	1,031
Philippines	1956	21 85	Ps. 7,804	1,873	857
New Zealand	1956	2 17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9 40	£ (A.) 4,238	4,023	4,918
U.K.	1956	51 20	£ 16,465	21,953	4,287
U.S.A.	1956	168 09	$ 343,000	169,554	9,731
Canada	1956	16 00	$ 22,710	10,787	6,742
France	1956	43 60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51 50	Dm. 147,000	15,889	3,270
Italy	1956	48 10	Lr. 11,476,000	8,760	1,821
Norway	1956	3 46	Kr. 20,900	1,408	4,358
Sweden	1956	7 30	Kr. 44,680	4,127	5,653
Netherlands	1956	10 80	Gra. 25,400	2,215	2,977
Denmark	1956	4 46	Kr. 24,950	1,690	3,789
Switzerland	1956	5 00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 14th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	77,23,28,000
(b) Provincial Governments	....
(c) Banks	13,78,09,000
(d) Others	4,86,94,000
Bills Payable	28,49,000
Other Liabilities	9,83,06,000
Rupees	111,99,86,000

ASSETS	Rs.
Notes	11,15,99,000
Rupee Coin	37,000
Subsidiary Coin	23,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	12,44,000
Loans and Advances to Governments	3,15,00,000
Provincial Governments' Debtor Balances	12,82,09,000
Other Loans and Advances	22,40,90,000
Investments	51,63,53,000
Other Assets	10,50,21,000
Rupees	111,99,86,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	11,15,99,000	
Notes in circulation	347,25,57,000	
Total Notes issued	....	358,40,66,000
Total Liabilities	....	358,40,66,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	78,96,04,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		133,34,94,000
B. Rupee Coin	4,14,48,000	
Government of Pakistan Securities	215,01,18,000	
Internal bills of exchange and other commercial paper	....	
		219,15,66,000
II Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,03,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	358,40,66,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 38.77 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	15th Feb., 1958	A week ago	A month ago	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1557.65	1558.63	1515.62	1515.62
Notes held in Banking Department	59.50	245.54	245.54	115.52	115.52
Rupee Securities	37.39	1076.82	1076.82	879.03	550.28
Banking Department					
Deposits of :					
Government of India	14.89	51.82	57.52	52.25	52.25
Other Governments		24.83	13.12	12.48	12.48
Balances held abroad	10.08	33.61	35.42	113.43	113.43
SCHEDULED BANKS					
Demand Liabilities	134.36	717.25	709.52	683.29	682.75
		(12.75)‡	(13.23)‡	(6.37)‡	(6.90)‡
Time Liabilities	102.24	721.37	719.81	661.03	664.29
		(15.25)‡	(16.08)‡	(2.48)‡	(2.48)‡
Borrowings from Reserve Bank	..	31.51	34.00	92.48	92.48
		(26.12)‡	(26.05)‡	(59.18)‡	(59.18)‡
Borrowings from State Bank	..	9.22	9.96	15.12	16.14
Cash in India	6.70	38.93	38.29	56.88	56.93
Balances with Reserve Bank	25.17	66.66	71.12	48.80	48.86
Excess over statutory limits	15.52	16.28	21.25	5.36	5.44
Balances with other banks current account in India	..	11.82	11.39	9.50	9.62
Money at call and short notice in India	..	37.37	39.78	10.23	10.29
Investments (at book value)	..	432.81	431.95	355.71	356.20
Advances and bills	105.09	923.22	918.65	861.47	860.82
STATE BANK					
Deposits	..	87.76	400.67	393.44	265.01	265.01
Investments	..	51.99	183.47	183.46	106.84	106.85
Advances	..	30.35	199.71	195.77	173.54	173.54
Cash	..	14.69	26.76	29.15	18.04	18.04

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	October,		Seven months, April to Oct.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	10.57	11.25	70.94	86.00
Protective	1.13	0.75	7.18	6.61
On surplus disposals	..	..	0.03	0.08
Total Import duties	11.70	12.04	78.15	92.69
Export Duties	2.80	2.23	15.26	12.94
Land Customs	0.27	0.41	1.40	1.83
Air customs	—	0.13	—	1.52
Miscellaneous	0.12	0.13	0.63	0.82
Gross total customs	14.89	14.92	95.44	109.80
Refunds and drawbacks	0.15	0.32	1.35	2.35
Net Customs	14.74	14.60	94.09	107.45
Gross excise	16.15	21.26	102.74	144.82
Refunds	0.20	0.21	1.15	1.99
Net Excise	15.95	21.05	100.93	142.83
Net total of customs and excise†	30.69	35.65	195.02	250.28

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 21st Feb., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		407,51,18,000
Bills Payable		1,10,50,000
Bills for Collection being Bills Receivable as per contra		5,01,05,000
Acceptances, Endorsements and Other Obligations per contra		1,22,64,000
Other Liabilities (including Inter-Office Adjustments)		18,73,000
Total	Rs.	1,43,33,000
		428,72,43,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		30,90,23,000
Balances with other Banks		2,95,16,000
Money at Call and Short Notice		1,53,33,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	173,34,11,000	
Other Authorised Investments	10,23,07,000	
		183,57,18,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	180,72,24,000	
Bill Discounted and Purchased	20,84,90,000	
		201,57,14,000
Bills Receivable being Bills for Collection as per contra		1,22,64,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		18,73,000
Premises less Depreciation		1,19,68,000
Furniture and Fixtures less Depreciation		75,30,000
Other Assets (including Inter-Office Adjustments)		4,82,95,000
Total	Rs.	428,72,43,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A		7-Year B		12-Year B		12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total	
	Out-standings	Sales	Out-standings	Sales	Out-standings	Sales	Receipts	Out-standings	Receipts	Out-standings	Out-standings		Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	..	145,25	168,37
1952-53	5,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,64	..	..	..	..	..	146,83	211,03
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	..	137,71	260,96
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	..	..	..	152,71	312,96
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	55	54	..	177,35	310,29
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	..	43	1,82	..	225,88	440,17
1956																	
November	3,23	5,67	157,64	..	..	12,70	186,88	22,75	—38,15	43,89	..	..	3	1,19	16,19	420,75
December	3,17	5,76	158,93	..	..	14,77	187,95	23,35	—38,23	43,58	..	..	3	1,22	18,45	428,96
1957																	
July	2,74	5,61	162,36	5,20	3,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	456,9
September	2,60	5,39	158,23	5,86	10,17	14,05	203,17	25,17	—39,26	44,14	63	2,39	4	1,42	17,91	456,9
October	2,54	5,26	155,82	6,17	26,33	12,51	202,33	24,81	—39,33	44,07	42	2,81	2	1,46	21,54	462,7
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,20	2	1,47	19,12	465,9
December	..	..	..	..	..	..	..	..	..	..	46	3,76	2	1,50	..	..	..	..	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities : repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issues discontinued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1949. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 15th Feb., 1958	8th Feb., 1958	18th Jan., 1958*	16th Feb., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.8	89.2	89.1	89.8
1. Government of India	89.5	88.9	88.8	89.5
2. State Governments	90.6	90.5	90.5	90.6
3. Municipal Port Trust, etc.	90.7	90.1	90.1	90.7
DEBENTURES OF INDUSTRIAL CONCERNS	99.0	97.2	97.3	99.0
1. Electricity	98.7	98.5	99.0	98.7
2. Jute	97.3	94.4	93.0	97.3
3. Plantations	98.6	97.8	97.8	98.6
4. Sugar	98.5	96.4	96.4	98.5
5. Coal	90.6	84.8	84.8	90.6
6. General Engineering	100.9	98.2	97.0	100.9
7. Shipping	101.8	98.6	98.6	101.8
8. Others	100.3	94.1	94.1	100.3
PREFERENCE SHARES	79.6	71.3	71.3	79.6
1. Electricity	88.3	84.0	83.9	88.3
2. Cotton	80.6	67.7	67.3	80.6
3. Jute	74.2	62.0	62.3	74.2
4. Coal	82.7	72.6	72.6	82.7
5. Iron and Steel	84.0	77.2	77.1	84.0
6. Sugar	81.6	71.0	70.9	81.6
7. Paper	79.7	74.2	75.1	79.7
8. Plantations	99.4	87.5	87.5	99.4
9. Miscellaneous	74.0	66.3	66.8	74.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	113.6	96.6	95.7	113.6
(a) Financial	93.9	86.7	85.9	93.9
1. Banks	96.1	100.0	99.0	96.1
2. Insurance	84.7	86.1	84.6	84.7
3. Investment Trust	80.4	66.9	72.5	80.4
(b) Public Utilities	109.3	103.6	103.3	109.3
1. Electricity	109.9	100.6	100.6	109.9
2. Shipping and other Transport	116.4	121.1	119.9	116.4
3. Railways	78.7	65.9	65.8	78.7
(c) Manufacturing Industries	120.3	99.1	98.1	120.3
1. Cotton, Woollen and Silk	125.8	95.7	95.4	125.8
2. Jute	62.3	49.1	48.0	62.3
3. Iron and Steel	131.3	121.2	118.5	131.3
4. Paper	252.3	187.0	204.0	252.3
5. Cement	158.0	140.3	134.6	158.0
6. General Engineering	170.3	143.5	140.9	170.3
7. Sugar and Breweries	99.5	96.4	94.0	99.5
8. Chemicals	137.2	129.0	127.5	137.2
(d) Non-Manufacturing Industries	140.3	109.1	107.5	140.3
1. Coal	74.8	65.9	64.5	74.8
2. Mining and Oil	197.4	149.2	144.7	197.4
3. Plantations	156.0	118.5	117.6	156.0
(e) Miscellaneous	91.5	89.8	89.2	91.5
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	89.2	88.6	88.5	89.2
2. Calcutta	89.7	89.1	89.0	89.7
3. Madras	90.0	89.4	—	90.0
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	99.4	96.3	96.0	99.4
2. Calcutta	98.5	97.4	97.7	98.5
3. Madras	99.7	97.4	—	99.7
PREFERENCE SHARES :				
1. Bombay	83.4	78.9	78.6	83.4
2. Calcutta	73.8	63.8	64.0	73.8
3. Madras	94.4	83.8	—	94.4
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	123.1	111.4	110.2	123.1
2. Calcutta	100.3	83.3	82.8	100.3
3. Madras	135.7	110.6	—	135.7
4. Delhi	123.1	114.0	113.4	123.1

* Madras Stock Exchange remained closed during the week.

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,819.2
1955-56	715	8,805.8	7,785.8
1956-57	769	9,877.8	8,703.1
September 1956	737	812.7	666.4
October ,,	753	824.1	670.1
November ,,	756	810.5	685.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	932.2	756.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Oct., 1956	Sept., 1957	Oct., 1957
General Index	122.1	133.0	131.9	144.8	133.8
Coal	111.4	114.9	109.3	129.3	121.9
Sugar*	143.0	175.1	231.7	329.1	333.1
Tea*	106.2	106.0	105.5	113.1	111.4
Cotton textiles	111.9	117.5	122.0	118.3	107.4
Jute textiles	118.9	127.8	111.8	121.6	113.8
Paper and paperboards	140.2	140.6	143.4	143.7	163.2
Matches	100.6	100.6	94.7	97.1	85.7
Cement	140.4	154.2	188.1	168.3	188.0
Iron and steel	118.3	119.4	117.4	120.4	115.1
Non-ferrous metals	123.7	124.7	130.1	148.2	106.1
Rayon	280.2	355.8	346.7	525.7	479.4

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,630
1955	1,166	527,797	5,697,548
1956 R	1,203	715,180	9,692,040
October 1956	133	—	822,965
November ,,	137	—	615,859
December ,,	147	—	422,406
January 1957	154	—	395,419
February ,,	134	—	2,592,208
March ,,	114	40,611	283,791
April ,,	166	60,358	406,470
May ,,	164	64,877	446,040
June ,,	147	95,572	718,902
July ,,	178	83,727	723,854
August ,,	193	85,255	966,341
September ,,	229	139,878	806,359
October ,,	219	101,359(a)	517,837(a)
November ,,	166	50,391†	275,516†

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	8th Feb., 1958	1st Feb., 1958	9th Feb., 1957	January 1958	January 1957	Percentage of Increase(+) or Decrease(—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1957	Annual Average 1956
Food Articles	504	99 9	100 6 R	104 2	102 5 R	103 6	— 1 1	108 8	99 0
Cereals	193	95	95	100	95	97	— 2	102	92
Pulses	43	74	78	87	86	86	— 7·0	85	78
Fruits and Vegetables	23	94	93	104	94	108	—13·0	117	108
Milk and Ghee	84	101	101	99	99	96	+ 3·1	104	99
Edible Oils	47	110	111	110	110	101	+ 9·2	128	117
Fish, Eggs and Meat	17	96	98	100	99	95	+ 4·2	97	97
Sugar and Gur	48	105*	107*	96	110	97	+13·4	105	97
Others	50	127	130	134	133	141	— 5·7	132	125
Liquor and Tobacco	21	96 7	96 7	87 8	88 4	88 0	+ 9 5	91 8	83 3
Tobacco	—	95	95	86	87	87	+ 9·2	90	81
Fuel, Power, Light and Lubricants	30	114 5	114 5 R	106 7	114 6 R	105 8	+ 8 3	111 8	101 6
Industrial Raw Materials	155	110 4	111 2	117 7	113 6	120 3	— 5 6	118 1	113 8
Fibres	61	112	115	122	117	124	— 7·3	120	114
Oilseeds	60	109	109	119	114	124	— 8·1	122	115
Minerals	2	107*	107	108*	107*	107	—	109	99
Others	32	110*	110*	108*	108*	109	+ 0·9	107	110
Manufactures	290	107 2	107 4	107 8	107 7 R	108 4	— 0 6	107 9	104 9
Intermediate Products	41	105 5	105 9	111 5	105 7	113 0	— 5 6	108 8	110 6
Finished Products	249	107 4	107 7	107 2	107 8 R	107 7	+ 0 1	107 8	104 1
Textiles	147	106	106	109	106	110	— 3·6	108	106
Cotton	—	115	115	116	116	117	— 0·9	116	114
Jute	—	90	90	100	90	102	—11·8	98	95
Woollen	—	103	103	109	103	107	— 3·7	102	97
Silk and Rayon	—	90*	90* R	87*	87*	87*	—	85	89
Metal Products	12	142	142	131	142	131	+ 8·4	137	128
Chemicals	29	100	96	94	94	94	+ 6·3	96	93
Oil cakes	10	111	113	117	118	115	+ 2·6	115	103
Machinery and Transport Equipment	31	102	102	101	102	100	+ 2·0	101	98
Others	30	112	112	103	112	103	+ 8·7	108

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,884	28,142	26,846
Wheat	final	25,891	23,356	9,065	8,569
Jowar	final	41,314	42,904	7,427	6,602
Bajra	final	27,542	28,024	2,926	3,479
Barley	final	8,594	8,362	2,744	2,749
Maize	final	9,244	9,116	3,020	2,584
Ragi	final	5,674	5,693	1,914	1,830
Small millets	final	12,809	12,713	2,910	1,987
Total cereals	final	215,542	214,052	57,251	54,456
Pulses—					
Gram	final	23,909	24,157	5,980	5,231
Tur	final	5,696	5,637	2,047	1,820
Other Kharif pulses †	final	16,166	15,567	1,654	1,632
Rabi pulses‡	final	11,443	11,702	1,794	2,088
Total pulses	final	57,295	57,064	11,435	10,831
Total foodgrains		272,837	271,146	68,686	65,287
Oilseeds—					
Groundnut	2nd	12,518†	11,421††	3,651†	3,570††
Castorseed	final	1,403	1,405	129	124
Sesamum	final	5,433	5,653	451	457
Rape and Mustard	final	6,311	6,317	1,017	848
Linseed	final	3,758	3,781	849	414
Total oilseeds	final	29,906	29,848	6,682	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,754†	1,908††	4,088†	4,288††
Mesta A.	final	738	572	1,474	1,189
Other crops—					
Potato	final	702	691	1,674	1,580
Sugarcane	2nd	4,784†	4,475††	45,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
JUTE MANUFACTURES		(In 000 tons)
Production	During January, 1958	98.3
	Corresponding month, 1957	88.8
	Seven months ended Jan., 1958	620.3
	Corresponding period, 1957	606.1
Stocks	At the end of Jan., 1958	95.4
	Corresponding month, 1957	103.2
DESPATCHES OF GUNNIES		(In 000 tons)
For Export Purpose	1955-56	8.57 §
	1956-57	8.53 ¶
	Dec., 1956	73.8
	Dec., 1957	69.0
For Internal Consumption	1955-56	1,90.0
	1956-57	1 79.0
	Dec., 1956	16.7
	Dec., 1957	19.1
RAW JUTE		(In lakh bales)
Consumption by Mills†	January, 1958	5.70
	Corresponding month, 1957	5.15
	Seven months ended Jan., 1958	35.97
	Corresponding period, 1957	35.19

† Estimated.

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1955	11,34,400	10,48,900	7,81,300
Do. 31st March, 1956	11,55,900	10,92,100	7,97,800
Do. 31st March, 1957	11,58,400	10,78,600	7,97,600
Nov., 1956	94,700	88,800	65,100
Dec., 1956	1,01,500	95,800	66,900
Jan., 1957	97,400	94,300	70,500
Nov., ,,	94,900	95,100	66,000
Dec., ,,	95,100	100,500	74,200
Jan., 1958	97,600	105,800	70,600
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1955	7,15,940	5,28,240	4,59,092
Do. 31st March, 1956	7,06,988	5,31,505	4,56,867
Do. 31st March, 1957	6,98,156	5,33,315	4,41,482
Three months ended Dec., 1956	1,88,546	1,41,450	1,14,708
,, ,, ,, Mar., 1957	1,83,457	1,39,830	1,20,676
,, ,, ,, June, 1957	1,72,225	1,29,651	1,08,096
,, ,, ,, Sept., 1957	1,71,997	1,19,173	96,815
,, ,, ,, Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports	59,87	49,47	426,88	372,99
Re-exports	88	41	2,89	5,49
Total Exports	60,25	49,88	429,77	378,48
Imports	80,98	66,55	659,11	519,85
Overall Balance of Trade	—20,73	—16,67	—229,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute Yarns and manufactures	5,12	11,55	52,27	72,77
Cotton yarns and manufactures	5,18†	4,76†	28,99†	25,84†
Metallic ores and scrap iron or steel for re-manufacture	4,69	2,27	24,78†	10,74†
Cotton, raw and waste	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal	2,43	98	17,54	19,62
Fruits and vegetables	1,44	1,74	12,24	12,62
Tobacco	85	2,61	10,95	8,52
Mica	71‡	98‡	7,24†	4,25†
Wool—Raw	1,06‡	76‡	7,41†	5,27†
Gums, resins and lac	60‡	1,01‡	5,32†	6,81†
Spices	55	70	6,06	6,60
Hides and skins, raw	69	25	5,83	4,02
Imports—				
Machinery of all kinds	17,39	13,15	144,71	97,32
Metals, Iron and steel and manufactures thereof	12,50	10,88	107,81	77,44
Oils—vegetable, mineral and animal	8,56	5,78	70,10	40,44
Cotton, raw and waste	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines	4,20	2,98	31,89	27,68
Copper	1,68	1,80	13,47	8,67
Electrical goods and apparatus	5,21	1,44	37,75	12,96
Paper, pasteboard, etc.	1,36	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats)	4,49	4,95	45,32	41,23
Fruits and vegetables	1,17	19	13,39	9,10
Spices	32	81	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,04

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	20	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	20.	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,,	12,280	2,684	920	197	96	52	190	22	520	388	27	350	51	159
March ,,	13,589	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,,	1 245	248	105	22	10	6	16	2	76	39	3	34	2	16
May ,,	2,498	522	219	45	21	13	34	4	129	77	6	69	4	28
June ,,	3,562	756	334	57	30	18	48	5	164	109	9	101	7	46
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	135	13	61
August ,,	5,781	1,279	539	84	39	25	67	8	206	188	13	177	19	81
September ,,	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	130
November ,,	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	154

Note.—The figures relate to broad and metre ranges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
Source :—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 20th Feb., 1958	51,449(J)
	Corresponding week, 1957	39,241(J)
	1st Sept. to 20th Feb., 1957-58	768,352*
	Corresponding period, 1956-57	838,295*
Cotton Exports	Week ended 20th Feb., 1958	1,163
	Corresponding week, 1957	7,540
	1st Sept. to 20th Feb., 1957-58	83,323
	Corresponding period, 1956-57	145,317
Mill Consumption (Estimated)	1st Sept. to 20th Feb., 1957-58	631,232A
	Corresponding period, 1956-57	626,319
Stock (with exporters, dealers and mills) in Bombay (Estimated)	On 20th Feb., 1958	614,171
	Corresponding date, 1957	536,248
Cottos, Exports from Bombay (by sea)	During December, 1957	8,229§
	During December, 1956	30,973
	1st Sept., 57 to 31st Dec., 1957†	17,497
	1st Sept., 56 to 31st Dec., 1956	58,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 18th Feb., 1957-58	822,175
	Corresponding period, 1956-57	918,737
Exports	1st Sept., to 13th Feb., 1957-58	260,612
	Corresponding period, 1956-57	466,409

Particulars	From 1st September to 24th Feb., 1957-58 Bales	From 1st Septembes to 24th Feb., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	1,530	16,948
Continent	3,735	14,772
Hongkong	2,534	18,261
China	—	3,277
Japan	36,699	82,801
U.S.A.	2,903	1,284
Other Countries	691	462
Total to all foreign countries	48,002	138,865
Coastal Ports	36,515†	14,377**
Total	84,517	153,242

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian	391,490
Foreign	51,858
Indian	1,554,180
Foreign	200,614
Indian	1,525,011
Foreign	201,257
Stocks (Mills and Elsewhere)—	
Indian	825,350
Foreign	171,663
Indian	1,072,674
Foreign	176,63
Cotton Pressed in India† (In running bales)	98(
	61,41
	915,166
	1,398,655

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Dec., 1957. A. — Adjusted. § Includes Zoda and Yellow Pickings, etc
** Upto 31st Jan., 1957

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,39,26,000	1966-70	100.60
3 ½ Loan	1938-39	116,17,46,000	1968-65	94.00
3 % Loan	1948	30,38,10,900	1964	94.30
2½ Fg. Loan	1943	1,18,11,79,000	1965-68	91.85
3 % Def. Loan	1945	1,15,05,85,000	1970-75	85.85
3 Rd V. Loan	1945	1,13,66,64,000	1969-61	99.05
3 % Loan	1951	50,35,25,000	1958	99.10
2½ Loan	1946	48,93,07,000	1960	97.45
2½ Loan	1946	57,06,69,000	1961	94.70
2½ Loan	1946	14,77,48,000	1962	93.10
2½ Loan	1947	75,86,72,000	1963	94.80
2½ N.F. Bonds	1953	75,29,90,000	1961	99.65
2½ N.P. Loan	1954	1,58,17,90,000	1964	97.75
2½ N.F. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.55
2½ Loan	1956	57,27,36,000	1962	97.85
2½ N.F. Bonds	1956	23,31,33,000	1967	97.60
2½ Loan	1956	66,61,05,000	1974	98.20
2½ N.P. Bonds (4th Series)	1957	56,92,00,000	1967	99.80
4 % Loan	1957	48,58,00,000	1972	100.00
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice. On September,1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½ % Loan	1923	5,85,73,000	1958-68***	100.60
STATE LOANS				
4 % Andhra	1955	5,00,15,000	3rd Sept. 1957	97.60
4 % Andhra	1956	6,56,15,000	3rd Sept. 1958	97.75
4 % Bombay	1944	3,04,13,000	15th Aug. 1956	99.35
4 % Bombay	1945	5,49,71,000	1st Aug. 1958	99.10
4 % Bombay	1945	5,88,70,000	31st July 1960	97.00
3½ % Bombay	1961	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1946	5,25,90,000	15th July 1963	99.25
4 % Bombay	1947	3,45,98,000	1st Sept. 1963	99.10
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	3,07,08,000	3rd Sept. 1979	98.00
4 % Bombay	1957	6,80,00,000	16th Sept. 1969	99.90
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.15
4 % Bihar	1956	2,12,15,000	3rd Sept. 1968	97.15
4 % Cochin	1946	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
4 % Kerala	1956-57	1,98,95,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	3,15,08,000	3rd Sept. 1968	97.25
3 % Madras	1944	1,23,96,000	31st June 1958	99.50
3 % Madras	1944	1,97,98,000	15th Aug. 1956	99.25
3 % Madras	1945	2,78,44,000	14th Sept. 1960	98.50
3½ % Madras	1946	3,81,77,300	31st July 1958	98.60
3½ % Madras	1959	4,38,25,400	31st July 1959	96.80
4 % Madras	1951	5,01,49,800	17th Sept. 1958	97.40
4 % Madras	1953	10,33,71,000	15th July 1963	98.40
4 % Madras	1955	5,24,81,200	1st Aug. 1964	98.20
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.50
4 % Madras	1956	12,81,56,200	3rd Sept. 1968	97.75
3 % Mysore(J)	1943	2,96,85,200	1st Dec. 1945-63	99.50
3 % Mysore(J)	1944	5,98,73,000	30th Apr. 1956-61	99.00
4 % Mysore	1953	3,23,47,000	15th July 1966	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.25
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.25
4½ % Mysore	1957	8,06,00,000	16th Sept. 1969	99.25
3 % M.P.	1944	2,98,53,900	15th Aug. 1956	99.30
3 % M.P.	1945	2,98,53,900	15th Aug. 1958	98.00
3 % M.P.	1946	1,01,45,000	31st July 1960	96.50
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	98.30
4 % M.P.	1955	1,62,12,900	1st Sept. 1967	97.15
4 % M.P.	1956	1,55,42,000	3rd Sept. 1968	97.15
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
3½ % Cochin	1946	2,25,61,000	15th July 1963	97.50
4½ Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.25
3½ U.P.E.A.	1938	41,44,79000Z		47.00
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	99.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1956	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	99.75
3½ U.P.	1946	2,16,39,000	1st Sept. 1961	98.65
3½ % U.P.	1951	1,57,06,000	17th Sept. 1962	97.75
4 % U.P.	1953	4,11,45,000	31st Aug. 1964	98.20
4 % U.P.	1953	5,58,16,000	15th July 1963	98.35
4 % U.P.	1955	9,62,54,000	1st Sept. 1967	97.65
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.65
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.25
4 % Orissa	1956	2,05,99,000	3rd Sept. 1968	97.00
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.20
4 % M. Bhaat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
26,50,000	4	1934	1964	
15,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1948	96.00N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,25,676	4	1913*	1960	D
80,00,000	4	1913	1974	96.00N
92,15,000	4	1914	1975	96.00N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1915*	1960	
11,51,000	4	1924*	1960	
10,13,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	D
12,50,000	3½	1930*	1961	
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1963	
24,50,000	3½	1935*	1975	
15,00,000	3½	1936*	1956	
48,04,000	3½	1936*	1960	
10,08,800	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,300	4	1914	1974	97.75
78,00,100	4	1915	1975	97.75
50,00,000C	3††	1921	1961	82.00
50,00,000C	4½	1921	1961	144.00N
49,80,000	5	1928	1958-68	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1955	97.80
50,00,000	3	1935	1958-68	90.00
50,00,000	3	1945	2006	74.00
50,00,000	3	1946	1976	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1979	82.25
50,00,000	3	1949	1959	98.25
50,00,000	3	1950	1960	92.00
100,00,000	3	1950	1980	87.00
100,00,000	3	1950	1980	97.00
50,00,000	3	1951	1961	81.75
50,00,000	2½	1951	1961	96.50
50,00,000	3	1952	1982	86.00
50,00,000	4	1953	1963	97.50
50,00,000	4	1955	1965	97.25
50,00,000	4	1956	1966	97.25
77,00,000C	4	1956	1966	97.25
78,00,000C	4	1956	1966	97.25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£662,600	5	1923	1953-83	£80.00
£901,000	5	1924	1954-84	£80.25
£856,100	5½	1926	1956	£91.00
MADRAS				
Rs.				Rs.
$1,47,100	2½	1947	1977	
9,58,000	3	1947	1977	A
5,00,000C	4	1949	1979	
45,00,800C	4½	1954	1964	

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation
2½ % W. Bengal	1931	1,75,80,000	17th Sept. 1962	98.
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.
4 % W. Bengal	1953	2,80,23,000	14th July 1963	99.
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	98.

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Latest Available Quotation
BOMBAY				
Rs.				Rs.
50,00,000	4	1899	1959	100.
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,50,000	4	1912	1972	
15,00,000	4	1913	1973	
80,00,000	4	1914	1974	
25,00,000	4	1916	1976	
40,00,000	5	1919	1957-79	
60,00,000	5	1926	1956-86	
25,00,000	5	1928	1956-86	
25,00,000	5	1927	1961-79	
16,00,000	5	1928	1966	
STERLING LOAN				
£356,600	4	1909	1969	
£338,000	4	1910	1970	
CALCUTTA				
25,00,000	5½	1920	1959	104.
50,00,000	4	1924	1964	99
35,00,000	5	1924	1964	94
30,00,000	3	1936	1966	90.
50,00,000	3	1937	1966	91
20,00,000	3	1938	1968-68	90
80,00,000	4	1952	1963	99
1,02,00,000	4	1956	1968	99
50,00,000	4½	1958	1968	99

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,00,000	4	1913-14	1974	97.
10,00,000	5	1920	1960	113.
19,00,800	5	1922	1962	113.
26,31,580	5	1929	1959	94
3,35,000	3½	1947	1977	84
2,56,20,000	3½	1949	1979	84
4,00,00,000	4	1952	1964	97
2,50,00,000	4	1952	1964	97
2,80,80,000	3½	1951	1966	97
1,50,00,000	4	1954	1966	97
1,00,80,000†	4	1952	1964	97
1,00,80,000†	4	1954	1966	97
2,50,00,000	4	1955	1967	97
1,50,00,000	4	1956	1968	97
Rs.				Rs.
CALCUTTA				
26,80,000	5	1922	1964	102
25,00,000	5	1929	1959	102
10,00,000	5½	1932	1962	102
28,31,000	3½	1935	1965	94
60,00,000	3	1936	1966	90
47,50,000	3	1937	1966	90
16,56,980	4	1940	1957	99
17,64,400	3½	1942	1959	97
31,19,000	3½	1942	1972	97
30,00,000	3½	1942	1972	97
16,33,000	3½	1951	1961	97
66,38,000	3½	1951	1966	97
37,36,000	4	1952	1962	99
72,50,000	4½	1954	1979	100
Rs.				Rs.
MADRAS				
15,00,800C	3½	1951	1961	107.
15,00,00C	3½	1952	1962	107.

***These shares carry the right of a preferential dividend at the rate of 3 per cent. (of which only 5 per cent. cumulative) per annum. In the event of a winding-up these shares have a preferential claim to repayment of capital.

†Only 7 per cent. out of the 10 per cent. dividend is cumulative.

††In addition to the fixed cumulative dividend of 5 per cent. these shares carry the right to receive a non-cumulative dividend of 3 per cent. per annum and also to participate in further dividend of 2 per cent. per annum rateably with ordinary shares. They have a preferential claim to repayment of capital and arrears of dividend.

†††These shares can be redeemed at Rs. 105 at any time by special resolution.

‡ These carry the right to cumulative dividend of 7 per cent. and any surplus profits available after 10 per cent. of ordinary capital.

§These shares are entitled to receive 25 per cent. of the divisible profits in addition to the Dividend.

¶Capital and dividend unconditionally guaranteed by the Dunlop Rubber Co., Ltd.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	90.37	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.67	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec. ..	58.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58.00	100
Furlaspore Co. T.C.	6,00,000	1922	10	Oct. ..	13.37	10
Ramnugger Cane T.F.C.	4,00,000	1938-36	6	Aug. ..	97.00	100
Ravalgaon Sugar	20,00,000	1937	5½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.E.O...	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90.00	100
Burrakur (1st) T.F.C.	22,00,800	1901-19	7	Apr. Oct.	100.25	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.50	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	89.00	100½
Karanpura Collieries T.C.	9,99,500	1946	5½	.. ..	48.00	75p.
†Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	3.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
Oudal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	5	Apr. Oct.	93.00	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	117.00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Bowreah 'A'	6,00,000	1900	8	Feb. Aug.	122.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shar s. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Prefere ce sh res. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Divid..... i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,506	44,06,848	4,58,858	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	896	Apollo Mills	1·75	2	0·12(e)	0·19	0·19		12	Y.
40,00,000	24,00,000	1,35,32,007	72,28,555	—6,97,129	M.	51,834	1,021	B. R. Cotton Mills	24·50	100	*Nil*	*Nil*	*Nil*		12	Y.P.
2,50,00,000	3,15,54,551	5,98,12,944	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd.	2,23,552	3,984	Bombay Dyeing & Mfg. Z	50·60	25	20·00	25·00*	25·00	0·75i	12	Y.
16,00,000	42,53,860	64,14,209	43,32,975	68,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	155·00	50	75·00†	12·50	20·00	15·00	3	Y.P
1,00,42,800	2,85,31,209	6,06,66,974	2,32,91,693	7 61 731	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	382·75	100	22·00	22·00	22·00	8.001	12	Y.
49,00,000	25,42,826	1,19,99,766	65,07,085	—33,06,097	V. J. Pilani (Chairman and Managing Director)		698	Colaba Land & Mill	61·00	100	*Nil*	*Nil*			12	Y.
26,00,800	13,08,380	90 15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	24,848	..	Coorla Spg. & Wvg.	122·50	100	7·50	7·50	12·50*		3	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	40,992	680	Dawn Mills	79·00	50	6·00	15·00			12	Y.
34,00,000	40,06,485	1,13,54,409	62,28,876	2,28,479	Parasmal Bubna Sons	48,718	928	Edward Textiles	220·00	200	15·00	18·00	15·00		12	Y.
29,98,050	16 71,233	1,20,97,050	78,25,600	95,787	M.	47,80	896	Elphinstone Spg. & Wvg.	50	50	2·00	5·00	15·00		12	Y.P
56,98,000	67,54,875	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd.	52,968	784	Finlay Mills	252·00	100	16·00	20·00	20·00		12	Y.
80,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd.	40,540	1,020	Gold Mohur Mills Ltd.	171 50	100	12 50	15 00	15·00		12	Y.
11,84,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,080	1,122	Hindoostan Spg. & Wvg. Mills.	4,500·00 / 992·50 / 9·00 / 1·20	1,000 / 250 / 2½ / 0 1D.	225·00 / 56 25 / 0 100. / *Nil*	300 00 / 75·00 / 0·94 / 0·19	325·00 / 81 25 / 0·92 / 0·18	350·00* / 87·50*	3 / 12	Y.P
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,989	Agarwal & Co.	2,44,300	6,278	India United Mills	4,900·00	1,000	225·00	300·00	300·00	325·00*	3	Y.P
3,56,000 / 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	47,984	1,122	Indian Mfg.	——	500	112·50	150·00	150·00	162·50*	3	Y.
59,55,000	46,10,421	3,18,61,680	2,26,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	143·75	100	12·25	12·00	10·00	10·00(c)	6	Y.P
1,00,00,000	1,22,00,000	3,59,04,891	2,78,94,101	1,62,802	Killick Industries Ltd.	1,29,504	1,845	Kohinoor Mills	263 25	100	18·00	18·00	18·00	6.001	12	Y.
22,13,050	48,06 720	1,22,08,423	64,68,440	85,109	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70·00N	50	5·00	8·00*	8·00*		10	Y.P
51,75,000	36,44,612	2,64,74,625	1,85,16,828	23,520	Piramal Sons Private Ltd.	71,652	1,652	Morarjee Goculdas Spg.& Wvg.	205·00	100	14·00	14·00	15·00	14.00(c)	6	Y.P
1,00,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,084	Chinai & Co. Private Ltd.			National Rayon Corporation	216·00	100	10·00	12·00	14·00*		12	Y.P
24,00,000	25,02,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	125·00	100	10·00	10·00	10·00	5.00	12	Y.P
80,00,000	11,72,134	101,83,002	63,37,034	....	W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	212·00	100	7·50	10·00	10·00	*Nil*	12	Y.P
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	60,208	1,190	Phoenix Mills	120·00	100	8·00	10·00	....	12.50F	3	Y.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	141·00	100	10·00	12·00*	12·00*	4.001	12	Y.P
10,00,000	1,78,222	24,10,104	18,80,783	....	M.	....	....	Sassoon & Alliance Silk Mill	6·52	10	0·50	0·50	0·25(c)		12	Y.
87,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	30·00	10	1·75	2·00	2·00		12	Y.
80,00,000	48 20,061	1,12,05,700	61,47,522	6,90,705	Marwar Textiles (Agency) Ltd.	49,276	1,640	Shree Niwas Cotton Mills	141·00	100	14·00	12·00	12·00		12	Y.
42,00,000	33,02,179	98,78,309	78,85,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	54,840	1,276	Simplex Mills	158·00	50	11·00	10·00	12·00		12	Y.
87,80,000	2,50,82,705	2,77,88,979	1,62,08,915	2,98,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	396·00	100	20·00	20·00	22·50*		3	Y.
1,00,00,000	98,08,485	2,51,02,081	1,38,02,735	89,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	167·00	100	8·00	12·00	14·00*		12	Y.
34,00,000	65,13,465	1,37,20,402	92,02,715	1,01,175	James Finlay & Co. Ltd.	39,328	552	Swan Mills	324·50	100	20·00	25·00	25.00		12	Y.
65,57,875	56,74,500	2,01,67 222	80,31,256	17,925	Tata Industries Private Ltd.	65,448	1,800	Tata Mills	37·00	25	2·50	4·00	3·50*		12	Y.
12,00 000	1,21 85 655	1 45 81 207	95,78,967	93 935	M.	45,808	1,208	Western India Spg. & Mfg.	4,520·00	1,000	225·00	300·00	300·00	325·00*	3	Y.
AHMEDABAD																
40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	119.00	100	5.00	7.00	12.00	5.00	6	Y.P.
10,00,000	94,58,068	94,37,898	76,10,164	27,288	P. M. Hatheesing & Co., Ltd.	42,768	912	Aruna Mills	550.00	100	20.00	30.00	....		12	Y.
40,00,000	2,97,83,861	1,95,82,179	97,29,303	15,274	Narotam Lalbhai & Co.	66,412	1,216	Arvind Mills	1,010·00	100	25.00	35.00*	35.00*		12	Y.J
30,00,000	81,75,000	96,84,884	72,25,000	2,46,889	Mangaldas & Bros., Ltd.	25,864	892	Aryodaya Ginning & Mfg.	420.00	200	15·00	25.00*	....		12	Y.J
12,00,000	1,43,05,808	85,70,788	68,81,789	17,257	Lalbhai Dalpatbhai & Co.	37,258	914	Asoka Mills	935.00	100	22·00	30·00	30.00		12	Y.J
1,87,50,000	3,49,54,519	5,14,69,792	2,56,08,236	1,18,858	Karamchand Premchand Pvt. Ltd.	1,39,120	2,272	Calico	612.00	125	18·00	30·00	30.00	80.00	3	Y.J
63,91,000	32,38,059	1,26,38,242	95,76,068	3,458	Tricumlal Bhogilal & Co., Ltd.	45,856	866	New Commercial Mills	430.00	1,000	70.00	80.00	100·00*		12	Y.J
39,00,000	72,52,436	1,32,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	689.00	125	35.00	35.00	....		12	Y.
15,00,000	67,78,770	57 78 441	32,49,912	21,803	Jagabhai Bhogilal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	360.00	100	30.00*	20.00	20.00		12	Y.J
20,00,000	1,10,62,006	99,61,103	62,28,955	1,77,073	Lalbhai Dalpatbhai & Co.	32,828	626	Raipur Mfg.	797.50	100	25.00	35.00*	35.00*		12	Y.J
25,50,000	14,78,207	1,07,01,469	71,42,806	17,34,749	Lalbhai Dalpatbhai & Co.	33,156	648	Rohit Mills	141·25	100	9·00	*Nil*	*Nil*		12	Y.J
57,98,100	2,75,54,105	1,92,47,853	1,05,54,560	2,63,336	Harivallabhdas Kalidas & Co.	94,128	1,788	Shri Ambica Mills	588.50	50	20.00	27.00*	30.00*		12	Y.J
19,83,500	62,81,263	78,06,018	66,84,701	15 592	Mafatlal Chandulal & Co. (Ahmedabad). Ltd.	26,648	720	Shorrock Spg. & Mfg.	452·50	100	25.00*	25.00	....		12	Y.
85,00,000	37,34,105	1,19,54,140	83,17,270	59,449	Haridas Achratlal & Co., Ltd.	36,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.J
WEST BENGAL																
15,00,000	2,82,500	25,56,098	2,89,708	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	5.62	10	0.50	0.50	0.60		12	Y.P.
7,11,280 / 9,00,4201	10,08,207	80,04,522	55,58,268	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,292	925	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.J
24,00,000	1,50,000	1,06,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	112.00	100	*Nil*	*Nil*	*Nil*		12	Y.J
10,00,000	26,17,481	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd	42,944	518	Dunbar Mills	120.00	100	*Nil*	2.50	6.00		12	Y.J
50,00,008	....	90,23,197	15,03,197	2,632	Birla Brothers Private Ltd.	44,852	206	Jaya Shree Textiles Ltd.	6.19	10	*Nil*	*Nil*	0.37		12	Y.J
1,00,00,000	2,29,43,320	3,76,19,833	1,31,26,833	1,38,672	Birla Brothers Private Ltd.	74,672	1,992	Kesoram Cotton Mills	9.75	10	0.87	0.87	1.00		3	Y.J
19,47,7000 / 5,00,9001	7,45,000	4 84,571	26 70,548	3,936	Hazareemul Heerala	23,036	795	Rampoora Cotton Mills	15.00N / 4.00N	10 / 1D	0.62 / *Nil*	1.00 / 0.24	1.00 / 0.26		3 / 6	Y
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	30,87,104	19,12,220	16,013	Saina & Co.	24,800	..	Ashok Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,60,881	1,85,99,928	62,71,632	98,435	C. S. Tyabjee, Esq.	96,126	716	Asam Jalsi Mills	56.00	100	*Nil*	8.50(c)	5.00	3.50	9	Y.
1,21,50,000	2,50,15,567	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,068	1,157	Bangalore Woollen, Cotton and Silk Mills	172.00	100	30.00	30.00	30.00	4.00	12	Y.J
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	1.50	1.50	3	Y.
1,78,47,800	2,77,75,212	6,69,41,816	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	159.00	100	10.00	10.00	10.00	4.00	12	Y.P.
20,00,000	20,00,000	42,33,535	23,99,012	53,534	Peirce, Leslie & Co., Ltd.	27,580	4	Cawnpore Mills	9.75	10	*Nil*	1.00	10.00		12	Y.P.
15,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	23,960	..	Cawnpore Spg. & Wvg.	156.00	100	20.00	12.00	15·00		12	Y.J
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,016	591	Cawnpore Textiles	4.37	5	0.50	*Nil*	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12.00	10	0.50	*Nil*	0.25	0.25	3	Y.
36,00,000	19,01,056	1,47,97,851	65,65,799	10,889	R. Bheema Naidu & Co.	36,864	..	Coimbatore Cotton Mills	160.00cd	100	25.00	20.00	0.75	0.90	3	Y.J
18,15,000	7,25,195	39,16,552	24,29,683	....	T. A. R. Chettiar Sons & Co.	22,810	..	Coimbatore Murugan Mills	135.00	100	17.50	20.00	25.00		12	Y.
20,00,000	19,95,000	36,59,430	24,25,921	14,323	T. R. N. Naidu & Co.	27,226	..	Coimbatore Pioneer Mills	233.00	100	20.00	20.00	12.00		12	Y.J
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,882	407	Coimbatore Spg. & Wvg.	63.00	50	6.00	8.00	10.00		6	Y.J
45,57,500	27,24,735	2,42,10,703	1,54,96,354	....	Tata Industries Private Ltd.	67,452	1,620	Central India	81.00	100	12.50	15.00	15.00		12	Y.
24,43,911	15,50,000	92,00,552	40,27,014	15,780	R. Hanumanthappa & Son	25,216	..	Davangere Cotton Mills	115.00	100	2.00	8.00	*Nil*		6	Y.J
3,58,36,228 / 1,00,563	3,10,24,830	11,79,09,463	6,78,07,135	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	29.00	100 / 25	12.00 / 2.25	9.00 / 2.25	9.00 / 2.50	9 00 / 2.00	3 / 6	Y.P
48,99,500	22,25,000	66,71,865	46,12,585	....	M. N. Chettiar & Sons	38,052	201	Dhanalakshmi Mills	200.00	2½	0.20	0.25	0.25	0.20		Y.
65,00,000	98,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	100	100	30.00	30.00	25.00		12	Y.
48,81,000	37,59,771	1,05,45,241	78,55,641	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	12·00	10	1.00	1.00	1.25		9	Y.
2,50,00,000	2,25,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.	3,50,335	..	Gwalior Rayon	152·50	100	13.00	15.00	13.00		12	Y.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,420	Indore Malwa United	11·56	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
8,00,000	10,65,663	31,40,455	19,07,477	....	G. V. Naidu & Co.	28,734	..	Janardhana Mills	107.00	100	6.00	9.00	11.00		12	Y.
15,54,000	18,24,703	46,22,224	33,38,395	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	79.00	50	5.00	10.00	10.00		12	Y.
4,68,66,800	3,24,05,804	4,34,59,204	3,18,54,080	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	1,450.00	1,000	20.00	50.00	60.00		6	Y.
42,00,000	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	9·60	10	4.00§	4.00§	0.55	0.85	3	Y.J
32,00,000	67,61,310	1,09,57,585	1,26,19,465	20,376	M.	10 352	10	Lakhahmi Cotton Mfg.	415.00	250	33.75	42.50	42.50	1.00	6	Y.J
71,28,200	66,85,960	2,12,88,797	1,17,05,975	4,183	G. K. Naidu & Co.	93,160	201	Lakshmi Mills	111.00	50	10.00	12.50	12.50	10.00	12	Y.J
25,54,100	4,24,40,278	5,83,51,924	3,77,47,982	32,44,180	A. & F. Harvey Ltd.	4,53,000	..	Madura Mills	66.00	10	5.00	6.25	6.25	5.00	3	Y
12,00,000	3,67,868	29,08,852	18,76,700	218	V. K. Eradi (Chairman)	22,562	100	Malabar Spg. & Wvg.	84·75ed	15	3.00	3.00	2.25		12	Y
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Meitur Industries Ltd.	99·00	200	*Nil*	*Nil*	8.00		12	Y
29,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd.	39,896	704	Minerva Mills	362.00	100	22.50*	35.00	42.50	20.00	3	Y
94,91,850	21,58,146	1,71,40,769	78,81,528	1,85,008	M.	71,310	952	Model Mills (Nagpur)	176·25	100	5.00(c)	6.00	6.00		12	Y
24,38,500	48,52,478	1,13,48,711	71,02,473	35,937	N. Sirur & Co. Private Ltd.	52,408	500	Mysore Spg. & Mfg.	50·492	250	6.00(e)	7.50(e)	10.00	0.25(c)	12	Y.
13,61,780	....	29,12,641	17,83,314	3,966	K. Tipperudrish (Chairman)	6,000	..	Mysore Sugar Mills	96·50	50	5.00*	6.00(e)	9.00*		12	Y.
37,20,400	47,50,246	1,71,25,376	67,91,363	2,593	M.	37,788	902	Osmanshahi Mills	6·25N	10	*Nil*	*Nil*	*Nil*	9.00*	3	Y
4,00,000A / 6,00,000B	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	41,200	..	Palani Andavar Mills	46.50	100	*Nil*	2.50(e)	3.00(e)	*Nil*	9	Y
15,00,000	....	84,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980	..	Pankaja Mills Ltd.	135.00	50A	12.00	12.50	15.00		12	Y.J
16,31,200A	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	55,664	300	Radhakrishna Mills	197.50	75B	18.00	18.00	22.50		12	Y.J
8,40,900B	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	33,896	..	Rajalakshmi Mills	45.50	100	*Nil*	4.00(e)	*Nil*		12	Y
15,00,000	12,00,000	32,92,216	17,41,484	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	118.00	50B	8.00	10.00	10.00		12	Y
16,14,300	12,40,000	49,64,423	21,20,315	32,014	Rayalaseema Development Co.	14,800	..	Rayalaseema Mills	77.00	50	10.00	10.00	7.50		12	Y
22 31 750	....	....	....	....	....	....	....	....	133.50	100	6.00	10.00	10.00		3	Y
15,00,000 / 10,000	1,60,55,917	3,13,49,031	2,05,07,227	—1,66,20,796	Morarka & Co.	95,232	2,222	Sholapoor Spg. & Wvg.	111.75 / 401.25	100 / 1,000	9.00 / *Nil*	10.00 / *Nil*	10.00 / *Nil*		3	Y.
36,89,700	29,26,382	96,26,666	70,67,094	19,543	H. N. Pallegat, Esq.	80,744	292	Sri Krishnarajendra Mills	500 / —	500	*Nil*	*Nil*	*Nil*		3	Y.
15,00,000	2,00,155	99,62,153	79,53,780	80,00,553	Birla Brothers Private Ltd.	80,212	1,244	Sutlej Cotton Mills	82.00	50	4.50	5.00	7.00	7.00	3	Y
2,36,28,061	5,13,52,120	1,81,83,924	8,35,712	Jaipuria Brothers	1,12,216	2,081	Swadeshi Cotton (Kanpur)	80.00	10	5.00	6.00	6.00		3	Y
1,57,50,000P	50,06,584	3,85,56,288	1,62,42,715	2,38,690	Emcete & Sons (Travancore), Ltd.	....	..	Travancore Rayons	10·50 / 10·25	100. / 10P.O.	0.75 / 1.15	0.75 / 1.15	0.75 / 1.15		12	Y.
1,00,08,226	9,50,000	17,49,881	12,41,556	62,837	Mooljl Ramjee & Sons	18,000	..	Trichinopoly Mills	12·45	10	0.62	0.75	1.00		12	Y.J
13,98,670	21,00,000	38,50,000	30,72,634	44,009	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	12·50	10	0.50	0.62	1.12		12	Y.J
82,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,358	Vishnu Cotton	255.00	100	15.00	20.00	20.00		12	Y.
									97.50	100	4.00	8.00	8.00		12	Y.

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March, 19

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 19

‡ Made up of 4,364 shares of Rs. 40 each—Rs. 80 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
90,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.90	5	*Nil*	0.50	0.75	0.85	3	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	88,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.25	5	0.50	0.56	0.56	....	3	Y.
£349,950	£1,149,466	£1,757,928	£841,407	£59,440	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	29.40	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	179.00	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.95	B. 10	1.00	1.00*	1.00	....	12	Y.P.
43,14,6000. / 14,70,976D.	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	4.12 / 0.95	O. 10 / D. 1	*Nil*	*Nil*	....	....	3	Y.P.T.
12,71,80,070	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	143.50	100	8.50	10.00	10.00	9.00	7	Y.T.
4,07,44,575														
1,86,00,0000. / 5,00,0900D.	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.05 / 2.87	O. 10 / D. 1	1.00 / 0.10	1.25 / 0.12	1.25 / 0.12	....	12	Y.P.
1,82,09,4500. / 7,50,0000D.	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27.25 / 5.45	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06 / 0.41	2.06 / 0.41	3	Y.P.
1,50,00,000	4,00,000	4,72,60,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	11.28	10	....	0.75	1.25	*Nil*	3	Y.P.
1,00,00,000	31,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12.36	10	0.75	1.25	1.25	....	12	Y.P.
1,55,57,000	48,70,330	3,18,39,387	1,02,54,174	3,37,111	Shree Laxmi Agents Private Ltd.	Shree Digvijay Cement	138.75	100	8.50	8.50	9.00	....	12	Y.P.
75,00,000	17,70,000	2,09,86,577	1,50,04,018	4,287	M.	Sone Valley Portland Cement	5.25	5	0.37	0.25	0.30	0.15	7	Y.
50,00,0000	..	1

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	25,91,841	2,13,33,403	1,58,73,314	4,805	M.	Bengal Paper Mills	58.00	25	3.12	4.69	2.50		12	Y.P.T
66,00,000	62,91,255	1,24,92,172	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp	19.37	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
35,00,000	25,12,580	1,48,27,680	77,57,946	47,695	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15.15	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,32,500	2,48,75,045	6,04,16,597	1,37,53,042	2,62,477	Birla Brothers Private Ltd. ..	Orient Paper	24.50	10	0.94	1.12	0.62	1.50	3	Y.P.T
1,25,49,070	67,75,503	1,56,40,302	1,00,79,791	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills	14.12	10	1.50	1.25	1.25		6,12	H.P.T
60,00,000 }														
30,00,000A. }	6,50,000	95,83,644	61,01,926	13,795	Baleria & Co.	Star Paper Mills	{ 11.00	O. 10	0.75	1.25	1.05		} 3,9	H.P.T
5,12,55,240	49,18,050	3,75,66,264	57,92,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	{ 11.00	A. 10	0.75	1.25	1.05			
84,00,000A. }							{ 8.80	10	Nil	5.00‡	0.50		6	Y.P.
84,00,000B. }	3,79,50,474	6,78,46,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	{ 33.56	A. 10	1.50	2.00*	1.12*	2.37*	} 3	Y.P.
4,97,500P.O. }							{ 3.90	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
5,00,000	3,16,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,13,622	6,98,409	35,418	Andrew Yule & Co., Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,7800. }	7,20,843	43,74,650	22,83,280	96,047	M.	Humayun Properties	{ 10.75N	O. 10	0.60	0.60	0.60		} 9	Y.P.
2,00,000D. }							{ 2.15N	D. 1	Nil	Nil	0.05			
84,00,000	25,23,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.50	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
15,99,998	22,83,439	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.69	1	Nil	Nil	Nil		9	Y.
50,00,000 }	8,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	{ 523.00	Old125	20.00	37.50	40.00	40.00	} 5	Y*
42,00,000 }							{ 156.25	New50	8.00	15.00	13.75	16.00		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products.. ..	43.50	10	2.75	3.00	3.00	1.00‡	0	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Bairampur Sugar	6.00	5	0.75	0.06	Nil		6	Y.
12,00,000A. }	29,80,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	{ 129.00N	A. 100	10.00	10.00	10.00		} 4	Y.T
8,00,000B. }							{ 11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,35,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	9.56	7½	0.75	0.75	1.00		9	Y.
14,00,000	13,51,513	18,12,168	12,47,841	2,330	Cotton Agents Private Ltd. ..	Bharat Sugar	13.50N	10	1.50	1.50	1.50		6	Y.
25,00,000	27,44,459	1,40,84,581	95,71,765	20,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6.69	10	0.75	0.25	Nil		6	Y.P.
80,00,000	65,63,722	1,63,27,398	86,27,882	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	11.25	10	0.75	0.75	0.75		10	Y.P
18,00,000	20,72,880	81,58,085	55,45,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.00	10	1.00	1.50	1.00		6	Y.
9,58,282	2,89,762	25,14,152	16,98,388	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T
80,00,000A. }	44,95,000	1,02,71,005	67,56,074	32,128	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	275.00	A. 100	15.00*	15.00*	15.00		} 6	Y.P
10,00,000O. }							{ 100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	59.50	40	Nil	2.25	4.00	7.00	7	Y.P
7,89,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	24.75	10	2.50	2.50	2.50	2.50	6	Y.P
11,00,000	4,45,000	47,92,961	28,66,316	4,540	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
23,21,100 }	49,91,797	78,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	200.00N	100	20.00	20.00	20.00	20.00	} 6	Y.
38,275 }							{ 50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,018	2,15,99,028	1,18,25,000	35,818	Cotton Agents Private Ltd.	Oudh Sugar	127.00	100	11.00	11.00	11.00	12.50	7	Y.P
13,00,000	12,69,374	31,96,494	21,49,459	34,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	76.00N	100	10.00	6.00			6	Y.
9,00,000	19,64,817	43,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puritabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P
8,00,000	6,10,725	28,74,028	22,66,790	13,204	M.	Ryam Sugar	21.25N	10	0.50	Nil	Nil		6	Y.P
10,00,000	19,38,520	45,20,102	24,12,129	3,584	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	12.25	10	0.50	Nil	1.75		6	Y.
39,70,525	23,05,860	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.00	10	1.50	1.75	1.00		8	Y.P.
9,99,950	26,825	28,30,774	18,51,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar								
15,89,962	13,10,901	33,44,287	18,97,008	88,761	M.	Shri Sitaram Sugar	4.75	10	Nil	Nil	Nil		6	Y.
9,16,000O. }	45,462	89,66,350	11,46,770	—16,37,907	M.	South Behar Sugar	11.62	10	1.50*	1.00	1.00		8	Y.T
4,40,000D. }							{ 1.12N	O. 10	Nil	Nil			} 10	Y.P.
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	{ 0.81N	D. 2½	Nil	Nil				
16,00,000	7,66,589	33,17,950	27,09,205	32,042	M.	United Provinces Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P
							13.50	10	1.25	1.50	0.60		9	Y.
Other Centres														
20,00,000	8,00,000	48,07,504	14,63,528	1,90,837	Rangarao & Co.	Andhra Sugars Ltd.	17.75cd	10	Nil	0.60	1.00		9	Y.
70,49,650	1,18,48,608	1,60,47,792	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	235.00	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,58,255	41,35,701	29,90,315	30,227	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	{ Bhopal Sugar Industries Ltd.	20.72	10	1.00	1.00	1.50	2.00	9	Y.T
18,00,000	37,08,165	32,89,314	8,84,898	33,344		{ Shree Changdee Sugar ..	28.45	12-8	1.00	2.00	1.50		9	Y.T
15,93,900	12,63,978	40,71,311	22,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70.00N	100	Nil	Nil	6.00		6	Y.T
35,04,020	14,89,827	33,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	13.19	10	1.75	1.40	1.12		9	Y.T
30,93,558	13,18,785	46,34,173	11,11,505	32,569	B. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.00cd	10	1.00	1.00	0.60		6	Y.T
28,57,620	45,51,080	42,51,227	21,95,827	18,645	Govan Bros. (Rampur), Private Ltd...	Buland Sugar	13.37	10	1.00	1.50			10	Y.
10,52,2000. }	79,50,000	1,79,03,447	35,20,265	36,868	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	120.00cd	O.100	7.50	7.50	7.50		} 6	Y.T
5,87,190D. }							{ 122.00cd	D. 10	10.00	10.00	10.00			
81,79,280	86,24,818	1,29,89,142	82,31,728	2,63,107	S. Muniunanjappa, Esq. (Mg. Director)	Mysore Sugar	37.00	10	2.00	2.00	2.00		6	Y.
50,00,000	53,21,430	1,16,88,154	67,30,841	1,47,239	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	150.00	50	8.00	8.00	9.00	12.00*	9	Y.
16,89,820	41,20,000	58,54,984	31,76,880	1,25,739	Mr. J. J. Wadia & Co.	Rammugger, Cane and Sugar ..	24.50	10	1.50	2.00	2.00		8	Y.P.
6,00,0000. }	35,02,895	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	{ 128.00	O. 50	2.50	2.50	12.00		} 9	Y.P.
4,00,000D. }							{ 7.00N	D. 10	Nil	0.07	0.70			
19,99,600	47,65,324	46,85,218	22,94,524	44,168	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	20.00	10	0.75	1.50			10	Y.
33,40,000	32,40,000	82,19,329	34,74,579	77,365	Parry Co., Ltd.	Travancore Sugars	14.00	10	Nil	0.75	1.00	1.00	7	Y.I
1,01,00,000	1,08,46,263	2,23,30,553	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	271.50	100	16.00	18.00	21.00		9	Y.P.
TRANSPORT														
20,00,000	1,00,69,622	1,24,00,186	18,20,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co...	104.00	100	7.50	7.50	7.50		10	Y.I
1,00,00,000	82,00,000	1,21,53,849	1,03,20,689	1,28,013	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,008	4,90,84,346	86,21,345	1,88,536	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.									
4065,580	£997,739	£5,665,834	£3,428,088	—£106,393	Kilburn & Co. Private Ltd. ..	Great Eastern Shipping Co. ..	19.66	10	1.00	Nil	1.00	1.50	6	Y.I
2,25,00,000	1,74,74,332	12,78,96,545	2,63,26,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	12.04	10	Nil	Nil	1.00	1.00	8	Y.I
9,40,19,673	10,86,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	17.44	20	0.50	0.50	1.00	1.25	6	Y.I
5,40,8000. }	18,26,615	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	{ 1.69	O. 1	0.12	0.14	0.14		} 12	Y.
2,16,800P.O. }							{ 1.50	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	19	Y.
15,95,850	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4.50	Nil			12	Y.
25,00,000	1,00,000	26,18,544‡‡		58,580†	M.	Dawkaram Ranji Investment Co.	11.52	25	0.75	0.75	0.81	0.81	3	Y
3,87,90,000	1,03,19,754	4,58,59,017	1,03,65,563	94,16,744	M. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	77.00	10	1.00	1.00	1.25		12	Y
21,97,000	16,29,510	1,99,45,989	67,14,407	14,986	Birla Brothers Private Ltd.	Hind Cycles	117.50	100	10.00	10.00		12.50F.	3	Y.T
14,95,840	3,01,500	28,61,284	19,40,792	22,010	Choonilal Manilal Private Ltd. ..	Ishrela Batteries	36.50	50	3.00	2.00	2.00		3	Y.T
99,99,250	20,13,980	1,23,50,0654‡‡		2,23,000	Premchand Roychand & Sons ..	Industrial Investment Trust ..	71.00	100	4.50	4.50	5.00		12	Y.I
1,00,00,000	25,05,446	48,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	162.75	100	11.00	11.00	11.00	11.00	12	Y
20,25,325A.O.	63,14,285	3,42,78,324	1,69,93,078	6,31,752	Aero-Auto Private Ltd.	Premier Automobiles	82.50	100	Nil	Nil	11.00	6.00	6	Y.I
19,21,200	8,05,419	8,09,102	3,79,614	7,356	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00		6	Y.
2,75,00,000	1,84,48,829	3,14,84,161	1,59,09,476	5,02,338	Mr. A. Hydari & Mr. S. Gothbarg	Western India Match Co. Ltd.	175.50	100	11.00*	11.00*	11.00*	11.00*	12	Y
49,00,000	60,62,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	283.75	150	20.00	20.00	22.50	25.00	12	Y
Other Centres														
87,50,000 }	1,99,56,718	3,81,21,462	86,96,821	2,33,750	J. K. Industries Private Ltd.... ..	Aluminium Corporation of India Ltd.	{ 9.62	O. 10	Nil	Nil	1.50	0.09	} 3	Y.P.
3,50,000 }							{ 4.75N	D. 2½	Nil	Nil	Nil			
40,00,000	32,25,000	68,17,870	28,12,985	66,539	Seshasmaye Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd.	146.00cd	10	1.25	1.25	1.25	1.25	8	Y.
20,00,000	36,20,717	34,97,377	23,60,332	3,61,289	Turner Morrison & Co. Private Ltd...	Angelo Bros., Ltd.	18.12	10	1.25	1.25*	1.25	1.25	8	Y.
20,00,000	18,70,000	39,62,781	21,20,441	1,72,872	Mr. A. Hydari & Mr. S. Gothberg ..	Assam Match Co., Ltd.	15.31	10	1.25*	1.25*	2.00*	1.80*	8	Y.
20,00,000	23,47,883	1,02,58,021	30,57,330	3,45,132	Chaurol Hotels (India) Private Ltd. ..	Associated Hotels of India ..	4.50	10	0.20	0.40	1.20		8	Y.
80,91,400	98,61,293	69,52,106	37,02,105	5,03,875	M.	Balmer Lawrie & Co., Ltd. ..	146.00	100	12.50	12.50	15.00		12	Y.P.
15,00,000	13,56,000	33,20,886	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	27.26	10	2.50	2.50	2.50		12	Y.
20,00,000	8,05,715	62,28,4924‡‡	....	37,513	Lovelock & Lewis	Birds Investment Ltd.	12.69	10	1.25	1.25	1.00		12	Y.
45,37,020	24,61,814	1,14,81,095	37,07,455	1,84,688	K. Julian Scott, Esq. (Mg. Director) ..	Britannia Biscuits	12.50	10	1.00	1.00	1.00		9	Y.I
3,35,00,000	1,88,58,571	3,06,98,577	2,88,80,121	1,22,221	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	3.80	5	0.06	Nil	1.00	1.00	3	Y.P.
1,88,80,000	17,34,254	2,05,95,9404‡‡		5,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.97	10	0.20	0.05	0.10		12	Y.I
1,00,00,000	3,40,85,174	5,58,01,965	2,48,71,167	12,24,594	John Lockhart, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	22.00	10	1.50	1.50	1.50	0.75	3	Y.P.
31,25,000	54,81,635	1,64,12,9084‡‡		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	104.50	100	9.00	9.00	9.00		12	Y.I
14,00,000	9,85,000	34,02,164	19,59,339	34,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	120.50	100	15.00	15.00	9.00	9.00	12	Y.I
65,00,000	34,20,910	21,25,475	10,66,888	1,08,398	P. E. G. Woodbine Parish, Esq. ..	Gillanders Arbuthnot & Co., Ltd.	12.50	10	0.75	1.40	4.00	12.50	3	Y.I
30,00,000	15,17,354	83,08,821	53,24,658	74,518	M. P. S. Syndicate	Great Eastern Hotel	240.00	250	6.25	6.25	15.00	15.00	3	Y.I
4,98,05,700	10,00,000	4,87,26,577	1,61,88,541	7,02,902	Birla Brothers Private Ltd.	Hindustan Motors	16.00	10	Nil	Nil	Nil		3	Y.I
2,01,12,000	56,56,843	4,80,45,265	1,96,84,142	7,97,410	B. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd. ..	12.75	10	Nil	Nil	Nil		3	Y.I
1,62,89,220	1,46,00,000	2,26,86,031	86,85,093	41,81,852	B. J. Woodley, Esq. (Mg. Director).	Indian Cables	28.81	10	1.00*	1.25*	1.00		12	Y.P.
5,87,978	6,03,000	16,74,905	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	19.00 N	10	0.50	0.50	1.50*	1.50*	3	Y.P.
15,16,90,000	24,02,01,694	9,85,79,292	1,02,28,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.25	10	0.50	0.50	0.62		3	Y.I
2,99,90,000	76,27,615	39,02,497	12,08,982	4,71,170	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	53.00	100	7.50	7.50	9.50	9.70	3	Y.I
40,00,000O. }	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co., Ltd.	{ 202.00	O.100	17.00	22.50	8.00	2.50	} 3	Y.I
5,00,000D. }							{	D.O.10	1.20	1.75	0.80			
3,45,23,500	90,58,531	25,54,434	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	24.75	10	1.25	1.25	1.25		12	Y.
1,15,00,000	1,17,00,151	2,62,36,089	89,00,798	16,33,569	H. Chlawali Jones, Esq. (Chairman) .	Metal Box Co. of India, Ltd. ..	25.00	10	1.25	1.25*	2.12*	2.12*	9	Y.I
6,35,585	1,821	1,58,880	2,00,987	—1,25,548	Mankar Bros. & Co., Ltd.	Mysore Glass and Enamel Works	3.75N	10	Nil	1.25	1.25		3	Y.I
6,56,250	6,93,800	11,20,680	5,97,862	8,849	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15.00	10	Nil	Nil	Nil		3	Y.I
10,00,000	3,70,000	16,47,590	10,18,129	43,554	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco	10.00	10	1.00	0.75	0.90	1.25	3	Y.I
2,00,00,000	78,15,505	1,50,08,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24.56	10	0.40	0.80	1.50	1.50	3	Y.
40,00,000	74,71,172	63,80,914	41,52,961	1,44,443	Associated Industrial Development Co. (P) Ltd.						1.50	0.75‡	12	Y.
40,00,000	15,00,000	93,10,395	21,17,403	75,726	Do.	National Insulated Cable Co. ..	24.00	10	1.00	1.50*	2.00*		3	Y.I
79,97,000	28,12,466	1,20,51,899	61,75,108	9,02,540	B. N. Elias & Co. Private Ltd. ..	National Rolling & Steel Repos	9.81	10	0.50	0.50	0.50		6	Y.P.
2,25,00,000	8,71,346	1,40,35,415	44,23,974	—44,12,938	M. P. A. Pappaiii, Esq.	National Tobacco Co.	9.06	10	0.50	0.50	0.70		12	Y.I
2,25,00,000	1,37,70,209	10,60,39,211	3,96,22,768	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	27.25	100	Nil	Nil	Nil		6	Y.I
40,00,000	4,72,200 }	51,836	31,11,687	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Robtas Industries	16.00	10	1.50	1.50	1.50	10	Y.P.
	5,13,400 }						Sathe Biscuit and Chocolate Co., Ltd...	{ 100.00N	100	..	..	5.00	6.00	} 3	Y.I
	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	{ 50.00N	50	..	..	2.50	2.00		
	17,19,008	37,03,035	7,05,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	17.65cd	10	1.50	1.50	1.50	1.50	6	Y.I
	....	14,51,809	4,53,782	—47,988	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.40	10	Nil	Nil	1.00		12	Y.

M. Managed by Board of Directors. §§ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,40,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd. Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Average under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,668	....	McLeod & Co., Ltd.	335	Amluckie	25.00	10	72 00	19 00	5 00		12	Y.P.
2,75,500	5,71,500	11,10,537	3,80,703	22,139	M.	312	Ananda (Assam) Tea	19 50	10	7 50	1 00	2 00		12	Y.
7,00,000	8,43,250	13,22,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd...	440	Ananda Bag	21.00	10	8 00*	1 00	1 25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Bashmari	16.75	10	3 50	1 00	2 50		12	Y.
5,10,000	9,85,000	12,90,911	5,32,732	53,593	Andrew Yule & Co., Ltd.	378	Baomatia	22.75	10	8 00	1 50	2 00		12	Y.
3,30,000	5,10,000	12,75,906	8,35,524	1,30,178	National Tea Corporation	570	Bateli	18.50	5	4 00	2 50	3 00		12	Y.
6,40,000	7,40,000	11,16,044	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd...	612	Beljan	23.75	10	10 00*	2 00	2 50		12	Y.
33,00,000	13,33,333	63,88,222	28,40,322	3,10,820	Williamson Magor & Co., Ltd. ..	3,967	Bialmauth	15.37	10	5 50	2 00	2 50		12	Y.
9,00,000	2,50,000	11,47,111	2,50,037	39,231	Octavius Steel & Co., Ltd... ..	455	Bokakhat	12 75	10	1 00	Nil	Nil		12	Y.
7,50,000	7,27,550	10,55,753

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
8,00,000	2,10,000	3,92,505	84,197	15,099	Planting Agencies (Private) Ltd...	Balmadies Plantations	3.00	2	0 25	0.30	0 21	0.45	5	Y.P.
26,91,900	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Codon Malabar	4.25	3	0 75	0.45	0 75	0.52	2	Y.P.
18,00,000	31,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	28.65	10	2 50	1.80	2 50	4.00	6	Y.P.T.
71,55,000	66,15,026	1,25,54,765	26,69,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	21.90	10	1 75	2.25	2 00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,792	59,961	6,831	M.	Cottawal Plantations	12.25	10	1 50	1 75*	1 50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	87,145	A. V. Thomas & Co., Ltd. ..	Hicklaud Produce	12.10	10	2 50	2 00	2 00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,62,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	20.25	10	2 00	2 75	2 00	2.00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15.25	10	2 25	2 25	3 25	2.25	3	Y.
27,00,000	28,70,387	80,92,720	9,49,414	1,48,076	A. V. Thomas & Co., Ltd. ..	Maviland Rubber	14.43	10	1 25*	2 50	2 00	2.00	3	Y.P.
3,35,000	8,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Neriamuty Rubber	14.25	10	1 50	1 50	1 50		12	Y.P.T.
2,00,000	2,00,000	8,40,417	58,785	4,271	Associated Planters Private Ltd...	Nilambur Rubber Co.	12.50	10	1 00	1 50	1 50		12	Y.P.T.
19,45,850	21,29,015	43,77,795	14,22,068	Nil	Peirce, Leslie & Co., Ltd. ..	Owel Iruhoers Valley Estates	1.85	2	0 61	0 40	0 21		10	Y.P.T.
13,50,000	8,60,000	45,07,576	3,95,093	12,599	A. V. Thomas & Co., Ltd. ..	Rajamudi Rubber	14.45	10	1 75*	2 00	2 50	2.00	6	Y.P.
8,06,780	8,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savannala Estates Ltd.	4.05	2	2 50	1 00	1 50	2.00	6	Y.
10,00,000	3,91,640	22,44,528	1,50,759	9,949	East India Agencies Private Ltd.	Teesow Rubber (India) Ltd. ..	6.40	10	0 75	0 90	0 90	0.60	11	Y.
2,50,000	1,40,000	5,58,440	31,741	33,966	A. V. George & Co., Ltd. ..	Thomanally Rubber	20.85	10	3 00	3 00	3 00		3	Y.P.T.
9,15,300	4,60,000	22,40,057	1,37,485	23,027	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.31sd	1	0 10	0 12½	0 12½	0.05	12	Y.P.
6,00,000	32,500	7,71,251	1,36,310	2,287	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber	13.50	10	2 00	3 00	2 00		12	Y.T.
41,00,000	13,61,221	81,07,222	12,64,246	8,45,623	Jaganadha & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6.05	10	1 50	1 25	0 75		12	Y.
20,00,000	.....	29,29,268	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5 00	4 00	3 00		12	Y.P.
6,28,580	6,40,670	9,17,052	21,770	21,911	Harrisons & Crosfield Ltd. ..	Vadakumbam (Travancore) Rubber ..	19.47NR	10	2 25	2 50	3 50	2.00	12	Y.
6,95,000	1,47,259	12,38,356	89,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.88	10	1 50	2.00	1 25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,901	53,26,489	18,786	B. N. Elias & Co. Private Ltd..	879	Agarpara	7 06	10	0 62	0 62	0 25	0.25	3	Y.T.I
6,00,000	10,25,000	56,02,953	38,46,893	1,70,290	McLeod & Co., Ltd. ..	446	Alexandra	100 00	100	7 50	10 00	10.00		6 12	H.P.T.
30,00,000	5,25,000	1,17,61,927	94,41,009	34,402	McLeod & Co., Ltd. ..	1,264	Alliance	77 50	100	12 00	6 00	Nil		6 12	H.P.
40,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,821	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	138 00	100	7 50	8 50	8 50	7.00	3	Y.P.
40,00,000	29,54,500	1,40,09,985	55,34,728	—3,79,015	Bird & Co. Private Ltd. ..	810	Auckland	84.50	100	3 50	10 00	1 00		3	Y.P.
20,00,000	28,00,915	96,84,416	65,65,894	65,302	Birla Brothers Private Ltd. ..	950	Bally	134 00	100	Nil	3 50	Nil	Nil	3	Y.P.T.
£275,000	£474,807	£1,629,482	£9,23,169	....	Sir Berkley H. Burder (Chairman)	1,989	Baranagore	74 00	£5	sh. 15	sh. 15	Nil	Nil	3	B.P.
28,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd. ..	820	Belvedere	63.00	100	10 00	7 50	Nil		3	Y.P.
45,00,000	38,45,000	57,33,172	31,28,574	2,65,100	Soorajmull Nagarmull ..	600	Bengal	13 94	10	1 12	1 12			12	Y.P.T.
91,25,000	2,17,48,383	3,34,10,402	1,45,32,651	4,37,393	Birla Brothers Private Ltd.	1,373	Birla	13.81	10	1 00	1 00	1.00		6	Y.P.T.
36,00,000	21,09,926	1,17,09,893	72,35,319	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	60.00	100	9 00	7 50	Nil		3	Y.P.
7,47,380	3,09,640	42,13,704	31,62,683	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7 00	10	0 75	Nil	Nil		10	Y.P.
18,00,000	26,48,234	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	102 00	100	9 00	6 50	Nil		6 12	H.P.T.
59,16,400	76,49,239	2,28,64,628	1,19,60,843	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	96 00	100	3 00	10 00	2 00	Nil	11	Y.P.
15,05,000	23,29,282	82,73,766	57,70,175	8,665	Andrew Yule & Co., Ltd. ..	530	Clerviot	102 00	100	14 00	10 00	2 00	Nil	3	Y.
30,15,000	32,00,000	66,68,762	46,43,668	1,01,027	McLeod & Co., Ltd. ..	500	Chitavalsah	11 75	10	1 12	1 37	2 00		11	Y.P.
24,00,000	9,00,000	81,05,335	67,13,337	25,935	Shree Krishna Investment Co.,Ltd	969	Clive	13 12	10	Nil	1 25z	0 50		6 12	H.P.T.
31,49,200	44,50,302	1,35,02,698	51,19,167	—8,75,531	Bird & Co. Private Ltd. ..	766	Dalhousie	66.50	100	2 50	4 00	Nil	Nil	3	Y.P.
28,00,000	40,51,679	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	94.50	100	12 00	10 00	Nil		3	Y.P.T.
15,00,000	24,50,000	82,93,104	60,85,000	76,491	McLeod & Co., Ltd. ..	500	Empire	14 50	10	1 25	1 25	0 50		11	Y.P.
21,00,000	62,40,086	2,41,86,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd.	1,098	Fort Gloster Industries Ltd.							6 12	H.T.P.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	275 00	100	5 00	15 00	10 00	10.00	3 9	H.P.T.
84,32,100	.....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	17.10	10	20 00	20 00	0 75K	1.50	3	Y.P.T.
10,80,000	28,68,943	76,08,097	50,72,167	11,510	M.	607	Gondalpara	48 50	100	0 50	2 50	Nil		3 9	H.P.
24,00,000	24,50,000	2,22,46,943	1,58,81,965	48,248	Macneill & Barry Ltd. ..	1,394	Gourepore	550 00	300	Nil	Nil	50 00		12	Y.T.
40,00,000	60,88,033	1,28,26,137	68,68,639	8,00,638	Banarsi Dross., Ltd. ..	1,078	Hastings	210 00	100	10 00	15 00	10 00	2.50	3	Y.P.
16,80,000	18,01,969	66,47,731	47,79,916	—2,95,253	Baijnath Bajoria	720	Hoogbly	104 00N	100	10 00	11 50	5 00		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd. ..	1,940	Howrah	11 87	10	1 00	1 25	Nil		3	Y.P.
52,50,000	28,87,124	2,90,31,907	1,85,31,907	1,14,396	Ramdutt Ramkissendas ..	2,272	Hukumchand	13 25	10	1 25	0 87	0 25	Nil	3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	16.50	7.50	2 00	2 00	2 00	1.50	3	Y.P.T.
$30,000								94.00	O. 125	3 12	4 69	4.69			
24,00,000	20,90,135	1,02,31,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd.	1,707	Kamarhatty	78 00	100	8 00	2 50	Nil		3	Y.
9,20,000 P								75.00	'B' 100	8 00	2 50	Nil		6.12	H.P.T.
30,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanrrah	40.00	100	6 50	1 00	Nil			
24,00,000								40.00	'B' 100	6.50	1 00	Nil		6.12	H.P.T.
21,00,000	53,00,000	1,35,18,975	86,26,121	91,333	McLeod & Co., Ltd.	703	Kelvin	160.00	100	20 00	17 50	5 00		6.12	H.P.
64,00,000	23,33,375	1,96,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,530	Khardah	115 00	100	12 50	11 00	5 00	8.00	3	Y.P.
48,00,000	81,53,898	2,36,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	107 00	100	7 00	13 00	6.00	Nil	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	69 00	100	2 00	7 00	6.00	Nil	3	Y.P.T.
28,00,000	45,53,647	1,41,73,065	65,14,075	—7,73,366	Bird & Co. Private Ltd.	840	Lawrence	76 50	100	6 00	6 00	Nil	Nil	3	Y.P.T.
31,65,200	26,36,645	2,64,13,349	1,26,97,309	1,64,942	M.	1,283	Mectea	79 00	100	2 50	9 75	3.75		3 9	H.
29,98,000	34,62,195	1,65,70,565	86,70,690	—13,08,710	F. W. Heilgers & Co. Private Ltd.	815	Naihati	67 00	100	Nil	Nil	Nil	Nil	3	Y.P.T.
20,00,000	15,55,000	29,01,583	18,51,709	17,814	Howrah Trading Co., Ltd. ..	425	Naskarpara	13 00	10	1 12	1 25	Nil	Nil	3	Y.P.T.
25,00,000	41,29,326	81,71,346	10,66,470	17,339	Andrew Yule & Co., Ltd. ..	852	National	22.75	10	2 00	1 75	0.75		6 10	H.T.
26,25,000	27,00,000	28,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute ..	10 25	10	0 75	1 00	0 50		10	Y.P.
85,50,000	2,86,31,171	4,88,82,343	1,06,43,534	8,35,601	Sahu Jain Ltd.	1,765	New Central	10.94	10	17 00	1 50	1 50		6.12	H.P.T.
16,79,880	46,58,882	1,28,54,122	56,28,490	9,227	Bird & Co. Private Ltd.	567	Northbrook	14 43	10	1 25*	2 50	2 00	2.00	12	Y.P.
66,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	22.75	10	1 50	1 50	1 50	Nil	3	Y.P.T.
24,61,000	23,76,049	75,85,619	51,45,600	11,008	Andrew Yule & Co., Ltd. ..	601	Orient	74 00	100	1 00	1 50	1 50	Nil	3	Y.P.T.
25,00,000	6,28,499	80,86,437	55,52,106	51,556	McLeod & Co., Ltd.	400	Presidency	100 00	100	10 00	6 00	2 00		12	Y.
20,00,000	10,325	27,95,784	8,39,130	—8,81,539	Birla Brothers Private Ltd.	805	Rameshwara	2.37	5	0 31				6.12	H.P.
49,50,000	4,89,552	1,54,75,806	64,70,616	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	4 25	Nil	Nil	Nil	Nil	Nil	3	Y.P.
£600,000	£1,093,513	£1,245,244	£58,994	....	Thomas Duff & Co. (India) Ltd...	2,013	Samnuggur	5.69	10	Nil	Nil	Nil	Nil	3	Y.P.
30,00,000	13,14,910	1,15,50,877	79,96,145	7,972	Jaxaria More & Co., Ltd. ..	911	Shree Ambica	8 12	£1	10%	8% 21			12	Y.P.T.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Sonrah	10.50N	10	1 00	0 50			3 9	H.P.
25,19,600	31,10,501	1,26,68,701	57,29,512	—8,76,083	Bird & Co. Private Ltd.	650	Standard	13 50	10	1 00	1 50			12	Y.P.T.
£600,000	£925,119	£1,157,660	....	£31,543	Thomas Duff & Co. (India) Ltd...	1,704	Titaghur	55.75	100	2 00	1 00	Nil	Nil	3	Y.P.T.
35,98,600	68,80,143	2,01,42,357	89,47,895	—13,51,940	Bird & Co. Private Ltd.	1,326	Union	8 12	£1	10%	8% 21			12	Y.P.
£400,000	£688,035	£1,124,819	....	£80,501	Thomas Duff & Co. (India) Ltd...	1,331	Victoria	106.00	100	6 00	10 00	1.00	Nil	3	Y.P.T.
2,50,000	6,35,000	56,01,062	40,73,091	11,327	McLeod & Co., Ltd.	457	Waverley	8 12	£1	10%	8% 21			12	Y.P.
								2.12	1	0 50	0.37	Nil		12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15 50	10	1 31	1 37	0.50	1.25	3	Y.
12,00,000	8,40,000	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 31	10	1 46	1 46	1 10	0.37	3 9	H.
4,49,350	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	5 37N	10	0 62	0 62	0 75		12	Y.
1,00,00,000	1,50,28,785	6,10,16,849	4,19,73,035	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	205.00	100	30.00*	35.00*P	17.50	7.50	6.12	H.
2,25,000	4,13,782	24,36,157	22,43,089	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	14 00	10	Nil	Nil	Nil		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	Bhalgora	6 50	10	Nil	Nil	Nil		12	Y.P.
40,00,000	8,00,000	1,39,06,692	71,05,188	27,433	Sahu Jain Ltd.	Bharat Collieries ..	0 62	10	0 62	0 62			9	Y.
7,15,000	10,15,172	49,80,946	34,84,101	—4,02,536	M.	Bhulanlarara	12 00N	10	Nil	Nil	Nil		6	Y.P.T.
24,16,419	45,67,883	1,19,55,903	1,10,58,459	92,891	F. W. Heilgers & Co. Private Ltd.	Burrea	18 00	10	2 00	2 00	1 50		12	Y.T.
90,92,480	69,04,448	4,25,18,901	1,05,03,458	92,891	Bird & Co. Private Ltd.	Burrakur	22 50	10	2 00	2 00	1 50		6 12	H.
49,97,750	.....	46,39,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	6.59	10	0 25	0 62	0 68		6 12	H.P.T.
8,00,000	13,39,500	49,11,927	33,03,469	M.	M.	Central Kurkend	11 00N	10	0 25	0 50	0 50	0.50	3	Y.
6,00,000	1,43,986	7,50,0?(lk)	4,240	F. W. Heilgers & Co. Private Ltd.		Churlia	2 00	4	0 12	0 06	0 06		12	Y.
16,00,000	.....	54,02,810	30,05,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7 25	10	Nil	Nil	Nil		12	Y.
£240,000	£302,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd. ..	East Indian	21 00	£1	2 50	3 00	2 50		12	Y.
29,83,760	92,06,405	4,10,92,345	3,00,76,357	41,728	Macneill & Barry Ltd.	Equitable	24 75	10	1 50	1 50	1 50	1.50	4	Y.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Muslia ..	16 00N	10	0 50	0 25	1 50		12	Y.P.T.
12,00,000	1,17,609	42,34,400	25,20,977	....	Killick Industries Ltd.	Hingir-Rampur	30.75	50	Nil	Nil			3	Y.
8,00,000	7,25,000	22,48,254	19,21,995	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1 75	2 50	2 25	Nil	3	Y.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd... ..	Kalapahari	17.00N	10	1 50	2 50	1 50		6	Y.P.
20,00,000	2,21,575	33,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries	85 00	100	Nil	Nil	Nil		2	Y.
5,00,000	18,90,898	47,65,511	37,70,923	1,88,336	Andrew Yule & Co., Ltd... ..	Katras Jherriah ..	55 00	10	4 00	4 50	5 00	Nil	2	Y.P.
1,58,400	5,72,960	12,85,941	5,72,960	—2,60,236	Periwala & Co.	Khas Kajora	2 50	10	Nil	Nil	0 50	0.50	11	Y.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd...	Kuardi	2.58N	10	Nil	Nil			1	Y.
9,60,000	11,11,926	28,38,749	22,38,193	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	9 00N	10	0 25	0 12			6 12	H.P.
7,48,240	2,00,000	13,13,208	9,66,219	$1,201	Dania Investment Ltd.	Nazira	6.37	10	0 50	0 50			6	Y.
7,00,000	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Bamdeopni ..	0 00N	10	1 25				4	Y.
17,76,230	19,51,814	1,24,40,315	91,72,491	53,598	Andrew Yule & Co., Ltd... ..	New Beerbhoom ..	13.00	10	1 12	1 00			12	Y.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom ..	10 50	10	Nil	1 37	0.75		8 9	H.
1,15,000	3,47,602	13,06,689	8,06,110	17,516	Andrew Yule & Co., Ltd... ..	North West	19.12	10	Nil	Nil	Nil	0.50	10	Y.P.
1,57,500							18 00	10	7.50	Nil	1 37		3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13 00	10	Nil	1 03	1 12		3	Y.
10,00,000	1,10,000	41,24,518	19,79,571	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.60N	10	0 50	1 00	0 75			
8,34,000	20,000	23,49,307	9,66,591	3,080	Deepchand Kishenlal	Parasea	12 00	10	0 50	0 25			12	Y.P.
15,75,000	16,30,000	55,17,410	30,02,410	46,383	Shaw Wallace & Co., Ltd. ..	Pench Valley	18.00	10	0 75	1 00	0 50		12	Y.T.
23,99,500	25,66,361	1,37,38,021	91,88,862	29,060	B. N. Elias & Co. Private Ltd. ..	Raneegunge	11.37	10	1 62	1 50	0 70	2.00	12	Y.P.T.
13,50,000	10,45,115	38,50,365	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	14 75	10	0 50	0 62	0 87	0.75	3	Y.
20,00,000	37,12,967	85,58,765	52,17,867	9,297	M.	Sanla Collieries.. ..	10 50N	10	0 75	1 00	0 75		3	H.
2,50,000	1,95,802	13,78,480	12,21,237	21,070	M.	Searsole	4 75xdN	2.50	0 62	0 75	1 25		6 12	H.
2,80,000	9,11,598	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd... ..	Seehpore	23.31	10	2 00	2 50			12	Y.
5,00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0 12	0 25	2 25		3	Y.
63,21,450	94,58,536	5,19,41,849	2,73,46,629	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)	Singareni	11 25	10	0 70	0 75	0 25		12	Y.P.
17,50,000	10,89,693	88,95,664	16,16,454	10,407	Bird & Co. Private Ltd.	South Karanpura ..	8 94	10	0 75	0 75	1 00		6 12	H.T.
5,00,000	14,01,053	1,69,57,570	93,10	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	15 00	10	0 12	0 12	0 35		12	Y.T.
10,00,000	.....	31,22,694	15,45,502	—5,62,907	M.	Talcher	1 60	10	1 50	1 00	1 00		2 3	H.
3,50,000	3,35,000	18,07,634	14,54,234	77 105	Williamson Magor & Co., Ltd. ..	Union	1 60	2.50	Nil	Nil	Nil		12	Y.
49,98,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal ..	14.00	10	0 75	Nil	Nil		9	Y.
7,00,000	.....	57,45,660	25,79,008	—3,20,058	Macneill & Barry Ltd.	West Jamuria	5.22	10	0 87	0 50	0 50	0.50	12	Y.
							5.50	10	Nil	Nil	Nil		3	Y.
													12	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (z) Clive Mills have paid dividend at Rs. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian Jute companies have been amalgamated with New Central Jute Co., will effect from 1st December 1954.
‡—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. §—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

WAGES COUNCILS IN U.K.

By John Walton

APPROXIMATELY one wage-earner in five in Britain has his wages fixed by a body whose orders have the force of law. Such wage-earners are found in major industries like agriculture, distribution, catering, and road haulage, and in a large number of smaller ones such as drift-nets mending or button manufacturing. What is common to all these industries is that none of them is sufficiently well organised on either side for the effective regulation of wages by voluntary agreement and, as a result, in each of them a wages council or board has been set up.

Some 60 such bodies today regulate, by statutory order, wages for about 3,500,000 workers, and a man who is chairman of five of them has recently been assessing their achievements and activities. He is Mr. C. W. Guillebaud, a Cambridge economist and an expert on industrial relations. In a booklet, *The Wages Council System in Great Britain*, he claims that they are fulfilling the main purposes for which they were formed.

Historically, Wages Councils have an ancestry in the old Trade Boards, which in 1909 were first brought into being by Act of Parliament to tackle the scourge of "sweated" industries. The Act applied them in chain-making, lace-finishing, tailoring and paper-box making, and there is no doubt that they did much to lift the standard of earnings for many workers and protected the good employers who had found competition difficult when faced by firms thriving on "sweated labour."

This, according to Mr. Guillebaud, is one of the

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000 / 14,50,000 / 1,01,000 / 40,85,540	1,08,00,000	12,42,652	Allahabad Bank	360·00 / 186·00 / 111·00 / —·—	100 / 50 / 100 / 85	18 00 / 9 00‡ / 6 00 / 3 75	18 00 / 9 00 / 6 50 / 4 54	18 00 / 9 00 / 8 00 / 5 59	9 00 / 4 50 / 4 00 / 3 40	12 / 6,12	Y.P.
1,00,00,000	1,28,00,000	4,75,752	Bank of Baroda	147·00	50	6 00‡	6 00‡	7 00	3 00‡	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	12·00	25	0 75	0 87	1 12		12	Y.
2,50,00,000 / 50,00,000 'A'	3,10,00,000	16,02,381	Bank of India	135·00 / 137·00	50 / 50 'A'	7 00	8 00	8 00	8 00	6,12	R.L.Y.
15,30,375	28,60,600	67,486	Bank of Indore	63·00N	25	3 00	3 50	4 00	2 00‡	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	38 50	50	2 00	2 00	2 50		12	Y.
50,00,000	84,00,000	5,91,941	Bank of Mysore	251·00‡	100	16 00‡	16 00‡	16 00‡	8 00‡	12	Y.
15,00,000	32,00,000	38,502	Canara Bank Ltd.	86·00	50	4 50	5 00	5 00		12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80·00cd	50	5 00	5 00‡	5 00‡		12	Y.P.
5,72,220 'A' / 28,747 'C'	18,00,000	16,576	Canara Ind. & Bkg. Syndicate Ltd.	185·00cd / 1 86d	100 'A' / 1 'C'	12 50 / 12½%	12 50 / 12½%	15 00 / 18%		12	Y.
2,62,11,375 / 52,42,375	4,02,77,123	18,23,048	Central Bank of India Ltd. ..	53·00 / 52·50	25	3 00	3 00	3 50	1 50‡	12	R.L.Y.
50,00,000	34,50,000	2,13,141	Devkaran Nanjee Banking Co. ..	47·50	50	2 00	2 50	3 00	1 50‡	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36·37	5	0 81	0 87	1 37	1 06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	48·00	50	1 50	3 00	3 00		12	Y.
1,25,00,000	15,43,000	16,919	Hindustan Commercial Bank ..	10·50	50	*Nil*	*Nil*	..		12	Y.
60,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank ..	12·00	50	*Nil*	*Nil*	..		12	Y.
44,00,000 / 21,82,815	90,50,200	8,13,491	Indian Bank	213·00cd / 182·00cd	100 / 80	12 00‡	12 00‡	13 00	6 50‡ / 5 20‡	6,12	R.L.H.
55,45,375	36,00,000	2,52,286	Indian Overseas Bank	147·50cd	100	6 00	7 50	10 00		12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	87·50cd	25	1 56	1 87	1 87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	52·00	25	3 00	3 50	4 00	2 50‡	12	Y.
1,00,00,000	25,20,000	45,000	Travancore Bank	18·75cd	25	0 75	1 00	1 00		12	Y.
40,00,000	37,50,000	1,80,787	Union Bank of India	7·68	5	0 24	0 37	0 44		12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	59·00	50	2 50	2 75	3 50		12	H.
PRINCIPAL EXCHANGE BANKS									Dividend (per cent.)		
£3,500,000	£5,000,000	£409,308	Chartered Bank	£1-13-6	£1	15†	15†	15†		12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,039,578	Hongkong and Shanghai Banking Corporation	$15/-	H.K. $125	5*	5*	5*		12	Y.
£18,565,070	£17,500,000	£712,060	Lloyds Bank	£2-3-6	£1	15†	12†	13†		12	Y.
£375,000 'A' / £375,000 'B' / £720,000 'C'	£3,000,000	£224,521	Mercantile Bank Ltd.	£1-9-0 —	A £2½ / B £2½ / C £1	14†	14†	14†		12	Y.
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£1-2-6	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Carew & Co.	1938	92.00	1st June 1963
4,00,000	5½	1st March and 18th September..	Carew & Co. (2nd mortgage) ..	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November ..	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
£5,00,000	4½	1st May and 1st November ..	Walchandnagar Industries (New)..	1944	91.00N	1st November .. 1959-64
COAL						
$0,00,000	4½	30th April and 31st October ..	Bharat Collieries	1944	90.00	30th June .. 1964
$0,00,000	4½	30th June and 31st December..	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (c)
£0,00,000	5½	15th June and 15th December..	Bijuitable Coal Co.	1953	97.00	14th December .. 1969 (c)‡
COTTON						
2,50,000	5½	30th June and 31st December ..	Basanti Cotton Mills Ltd.	1942	85.00	30th April.. .. 1964
4,00,000	6	10th May and 10th November ..	Bengal-Nagpur	1897	99.00	15th November .. 1966 (b)
75,00,000	5	1st April and 1st October ..	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	30th April and 1st October ..	Gokak Mills	1957	100.25	1st April .. 1967-72
18,71,000	5½	30th June and 31st December ..	Jayshree Textiles &..	1949	90.00N	1st January .. 1956-59
£9,00,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September..	Agra Electric Supply Co., Ltd. ..	1950	90.00	31st March† .. 1965 (a)
1,25,00,000	4½	15th June and 15th December ..	Ahmedabad Electric Co. Ltd. ..	1940	97.00	14th June .. 1960
98,28,000	4	1st April and 1st October ..	Andhra Valley Power Supply Co. ..	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December ..	Benarea Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (a)
£4,049,914	5	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December ..	Gouripore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
18,80,000	5	1st January and 1st July ..	Sijua (Dherriah) Electric Supply Co., Ltd..	1951	91.00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply	1940	93.50	30th September .. 1958-68
47,78,000	5	1st April and 1st October ..	Tata Power	1940	99.00	1st July 1970
£,50,00,000	4	1st April and 1st October ..	Tata Power	..	85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December ..	Britannia Engineering	1945	94.00	31st December .. 1968
2,00,000	5	30th June and 31st December ..	Bridge and Roof (India), Ltd. ..	1928	98.00	30th June .. 1958
80,00,000	5½	15th September and 15th March..	Indian Hume Pipe (Bearer) ..	1942	97.50	1st July .. .. 1957-62‡
10,00,000	4	31st May and 30th November ..	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May 1971
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	95.25	1st October .. 1966-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April ..	Agarpara	1939	90.50	31st March .. 1960
6,00,000	5½	30th June and 31st December ..	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June ..	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mills Co., Ltd. ..	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July ..	Calcutta	1949	86.00	31st July 1959
10,60,000	5	30th June and 31st December ..	Chitavalsah Jute Mills	1951	89.00	30th June .. 1966
20,48,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,66,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1968 (a)
30,00,000	5½	31st March and 30th September..	Howrah Mills Co., Ltd.	1955	94.00	31st December .. 1970
25,00,000	5	30th June and 31st December ..	Kinnison Jute Mills Co., Ltd. ..	1949	90.00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December ..	Naihati	1952	90.00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd. ..	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December ..	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December ..	Presidency	1948	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September..	Reliance Jute Mills Co., Ltd. ..	1950	85.00	5th September .. 1965 (a)
8,00,000	4½	14th March and 14th September.	Soorah Jute	1937	91.00	14th September .. 1957
12,00,000	5½	30th June and 31st December ..	Union	1937	90.00	30th June .. 1957
10,00,000	8½	31st January and 31st July ..	Waverly	1926	80.00	31st July 1956
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£850,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October ..		1923	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December ..	Katakhal-Lalabazar Railway ..	1945	85.00	31st December 1959 (c)
£200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (c)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
13,50,000	6	31st March and 30th September..	Nilgiri Tea	..	99 00	1st April 1958-68
1,56,500	5½	31st March and 30th September.	Teekoy	1944	100 00	31st March .. .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1948	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September ..	Burmah-Shell	1954	96.50	1st September .. 1964-69 (c)§
2,00,00,000	5½	1st April and 1st October ..	Caltex Oil Refining (India) Ltd. ..	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd. ..	1926	82.00	1st July 1958
20,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78.00	15th September .. 1960
1,00,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	1st January .. 1966
1,80,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd. ..	1950	98.00	1st January .. 1971(c)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡
18,75,000	5	2nd January and 2nd July ..	Mettur Chemical Industries	1949	88.00	1964
15,07,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes)	1946	510.00	30th September .. 1976 (c)
45,00,000	4	30th June and 31st December ..	McLeod & Co., Ltd. (Convertible Notes)..	1947	470.00 (per note)	31st December .. 1973 (c)
75,00,000	5	1st April and 1st October ..	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December ..	National Rayon	1955	98.00	30th June 1968-78
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (c)
1,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1950
4,00,00,000	8½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. .. 1968(c)‡‡

(c) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeemed at Rs. 101 per cent. after 10 years or at Rs. 100·5 per cent. after 18 years. † Rs. 1,80,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-4-1966 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 60 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1968, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1963.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 27th February, 1958.

	Closing quotations 20-2-1958	High	Low	Closing quotations 27-2-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100) ..	119·00	119·00	117·50	118·00
Apollo (2) ..	1 90	1 86	1 66	1 78
Bombay Dyeing (25)..	50·00	51·00	50·10	50·50
Bradbury (50) ..	155·00	—	—	155·00
Central India (100) ..	81·00	81·00	80·00	81·00
Century Mills (100) ..	377·00	385·25	377·75	381·50
Colaba (100) ..	51·00	—	—	51·00
Edward Textile (200)..	220·00	—	—	220·00
Elphinstone (50) ..	47·80	47·80	47·25	47·50
Finlay (100)	254·00	254·00	251·00	252·00
Gokak (100)	152·50	152·50	148·00	148·00
Ind. Untd. Defd. (1)..	1·20	1·22	1·18	1·20
Ind. Untd. Ord. (10)..	8·88	9·04	8·80	8·96
Indore Malwa (100) ..	104·50	107·00	103·50	106·00
Khatau (100)	143·75	—	—	143·75
Kohinoor (100)	257·50	264·75	257·50	262·25
Lakshmi (250)	415·00	—	—	415·00
Minerva Mills (100) ..	71·30	—	—	71·30
Model Nagpur (250) ..	176·75	177·50	175·00	176·25
Morarji (100)	203·00	205·00	202·50	205·00
Mysore (50)	99·50	—	—	99·50
National Rayons (100).	215·00	217·00	214·50	215·25
New City (100)	125·00	—	—	125·00
New Great (100)	213·50	214·00	210·00	211·00
Phoenix (100)	120·00	—	—	120·00
Podar Mills (100)	145·00	—	—	145·00
Sassoon Silk (10)	6·52	—	—	6·52
Sassoon Spg. (10)	30·00	—	—	30·00
Sholapur (1,000)	401·25	—	—	401·25
Shrinivas (100)	141·00	—	—	141·00
Simplex (50)	156·00	158·00	151·50	158·00
Standard (100)	390·00	396·00	390·00	396·00
Svadeshi (100)	162·00	167·00	162·50	165·00
Swan (100)	324·50	—	—	324·50
Tata Mill (25)	36·00	37·50	35·75	36·75
Vishnu (100)	97·50	—	—	97·50
Western India (1,000)	4,525·00	—	—	4,525·00
BANKS				
Bank of India (50) ..	134·00	135·00	134·25	134·75
Do. (New) (50) ..	137·00	137·00	135·25	135·50
Bank of Baroda (50)..	106·50	113·00	106·50	113·00
Central (25)	50·70	53·00	51·00	52·50
Central 'A' (25) ..	52·30	54·00	52·30	54·00
Dena Bank (50) ..	47·25	48·00	47·50	48·00
Punjab National (25) .	52·00	—	—	52·00
Union Bank (5) ..	7·68	8·00	7·68	8·00
United Com. (50) ..	59·00	59·50	59·00	59·50
ELECTRIC COS.				
Ahmedabad (100) ..	95·20	95·50	95·00	95·00
Amalgamated (10) ..	10·12	10·16	10·12	10·16
Andhra Valley (1,000).	1,080·00	1,080·00	1,065·50	1,067·50
Bom. Sub-El. (100) ..	104·00xd	104·00	103·50	104·00
Surat (100)	107·50	107·50	105·50	105·50xd
Tata Hydro (100) ..	114·75	114·00	113·00	113·00
Tata Power (1,000) ..	1,122·50	1,122·50	1,100·00	1,105·00
INSURANCE COS.				
British India (10) ..	12·76	—	—	12·76
Empire of India (100).	265·00	—	—	265·00
Ind. Mercantile (20) ..	42·50	43·00	42·50	43·00
Jupiter (15)	8·52	—	—	8·52
New India (15)	40·00	40·75	40·00	40·50
Oriental (200)	3,080·00	—	—	3,080·00
Universal (10)	13·25	—	—	13·25
Vulcan (10)	16·52	—	—	16·52
STEEL COS.				
Ind. Iron (10)	19·24	19·64	19·24	19·52
Tata Steel Ord. (75) ..	167·50	170·25	167·50	169·25
SUGAR COS.				
Belapur (50)	232·00	236·00	231·50	234·00
Bhopal (10)	20·76	20·76	20·72	20·76
Phaltan (50)	145·25	150·50	145·50	149·00
Walchand Ind. (100)..	266·25	273·00	267·50	270·50
CEMENT COS.				
Associated Cts. (100)..	143·00xd	144·50	143·00	143·50
Digvijay (100)	137·00	138·75	137·00	138·50
MISCELLANEOUS				
Alcock Ashdown (100).	211·25	217·50	211·25	215·00
Bom. Burmah (125) ..	523·00	526·00	518·50	523·00
Do. (New) (50) ..	198·75	198·75	196·25	196·25
Br. B. Petrol (4 sh.) ..	1·75	1·72	1·68	1·68
Br. I. Corpn. (5) ..	3·76	3·80	3·76	3·80
C. P. Rly. (100) ..	57·50	—	—	57·50
Hindustan Motors(10) ..	5·92	6·00	5·88	5·88
Indian Copper (2 sh.) ..	2·80	2·81	2·80	2·82
Ind. Inv. Tr. (100) ..	71·00	—	—	71·00
Killicks (100)	152·75	152·75	152·50	152·50
Poison (100)	173·00	—	—	173·00
Pre. Automobiles (100)	83·50	83·50	82·00	82·50
Premier Con. (80) ..	155·75	157·50	155·00	155·00
Scindia (20)	17·32	17·60	17·32	17·40
G. E. Shipping (10) ..	19·68	19·76	19·64	19·76
Shivrajpur (10)	90·00	90·50	89·00	90·50
Tata Chemicals (10) ..	12·40	12·72	12·41	12·60
Tata Locomotive (100)	137·50	141·50	138·00	139·50
Tata Oil (25)	35·75	36·00	35·50	36·00
W. I. Match (100) ..	170·50	170·50	170·25	170·50

GOVERNMENT SECURITIES	20-2-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	27-2-1958
	Rs. nP			Rs. nP
2½% 1961	94·70	—	4.16	94·70
2½% 1960	97·45	—	3.88	97·45
2½% 1962	94·80	—	3.95	94·85
2½% 1976	83·10	—	4.03	83·10
3 % 1958	99·75	—	3.50	99·75
3 % 1960-61.. ..	99·05	3.66	3.29	99·05
3 % 1964	94·30	—	3.97	94·30
3 % 1963-65.. ..	93·95	4.20	3.90	94·05
3 % 1966-68.. ..	91·85	4.15	3.96	91·90
3 % 1970-75.. ..	85·85	4.49	4.15	85·90
3 % 1986 Con. Loan ..	71·05	—	4.22*	71·05
4 % 1960-70.. ..	100·60	3.77	3.94	100·60
4½% 1958-68** ..	100·60	3.24	4.44	100·60
3½% 1961 N.P. Bonds.	99·65	—	3.60	99·65
3½% 1964 N.P. Loan .	97·75	—	3.88	97·75
3½% 1965 N.P. Bonds.	97·55	—	3.89	97·55
3½% 1962	97·85	—	3.99	97·85
3½% 1967 N.P. Bonds.	97·60	—	3.77	97·60
3½% 1974	98·20	—	3.79	98·20
3½% 1967 N.P. Bonds	99·60	—	3.90	99·60
4 % 1972 Loan ..	100·00	—	4.00	100·00

BRITISH GOVERNMENT SECURITIES	Closing quotations 17-2-1958 £			Closing quotations 24-2-1958 £
2½% Brit. Consols.	47⅛	—	—	48⅛
3 % Savings Bonds 1965-75	70⅜	—	—	70⅜
3% War Loan 1955-59.	96⅜	—	—	97
3½% War Loan 1952 ..	64⅜	—	—	63⅜
4% Victory Bonds 1976	91¼	—	—	91⅛
4% Funding 1960-90..	80¼	—	—	80⅛

* Current Income. x.d.—Ex-dividend. ** Rupee Counterpart. x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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MEANING OF THE BUDGET

THE Union budget for 1958-59 is certainly disappointing and unrealistic from the point of view of business men, middle class and even the agriculturist. None of them has received any relief or encouragement. But it has the virtue of being logical and consistent with the social and economic philosophy of the Congress Party, which has earned the distinction, both domestically and internationally, of having successfully maintained a socialist democracy during the last 10 years in this troublous part of the planet inhabited by man. In recent weeks, high tributes have been paid to Mr. Jawaharlal Nehru and his colleagues for the way in which they have piloted the destinies of India in the face of severe hardship, trials and tribulations. The mere fact that, unlike China and some parts of South East Asia, India has not gone communist has won for them the respect and admiration of the free world. Praises have been showered on them by such eminent heads of Governments as Mr. Harold Macmillan, the British Prime Minister, President Eisenhower of the U.S. and his Secretary of State, Mr. Dulles.

There is greater realisation in the Western World today than ever before of the importance and the urgency of ensuring that, in its efforts to improve the economic well-being of its people through democratic methods, India does not fail. As a practical display of their enlightened interest in India, several of the highly developed countries in the free world—the U.S., Canada, the U.K., France, Western Germany and Japan, to name some of them—have offered material help in varying degrees. Even the heads of private enterprise in these countries have expressed a sense of satisfaction with what the Government of India has been trying to do for its people through the first and the second Plans, as witness the observations of Sir Norman Kipping, Director-General of the Federation of British Industries, London. Early this week, an ex-editor of *Capital*, our Calcutta contemporary, Mr. Geoffrey Tyson, publicly praised in London Mr. Nehru's Government for its "daring experiment" and said that "only a bold, imaginative and challenging blue-print is likely to brace the country for a real take-off into economic development." In the midst of these compliments from foreign friends who not long ago were critical of India's economic policies, is there any chance of criticisms on the latest budget being heard by Mr. Nehru and his fellow ministers? They will only evoke the laconic reply from them that the business men of this country have neither vision nor capacity to move with the times.

The budget for 1958-59 shows beyond doubt that the Government remains unconvinced by all the criticisms against its fiscal and monetary measures introduced since the end of August 1956 when it set out with the clear object of restraining the enthusiasm of the private sector. It further shows that the advice tendered by friendly foreign observers on this subject has been quietly ignored. The hope that the improvement in the chances of getting foreign assistance would result in better working conditions for the private sector has been belied. On the contrary, the Government's determination to proceed with its policy of establishing heavy industries irrespective of the cost, reducing disparities of income and wealth and preventing concentration of economic power in the hands of a few business men has been firmly established. In fact, the official *Economic Survey 1957-58* makes it clear that what matters now is the "core of the Plan." And, in the "core," it is the public sector that dominates, with only the steel and coal mining programmes in the private sector being included in it. "For the rest," to quote the *Survey*, "the course of private investment hereafter will depend mainly upon the availability of foreign investment or satisfactory deferred payment terms." The private sector has thus been largely left to fend for itself in a situation where the bulk of the savings in the country is being absorbed by the Government in some way or other and the unfavourable climate for attracting foreign private capital remains unclieared.

As it is the core of the Plan that matters now, the Government has chosen not to give reliefs and incentives which will lead to a diversion of resources to projects that are not essential in its opinion. And, since the external and internal resources required for financing the "core" are more than those that are readily available, it is obvious that additional funds can be found only by forcing out the savings from the private sector. Viewed thus, there is force and logic in the Government's economic policy. If, as a result, consumer goods industries like cotton textiles suffer in the form of low profits or losses and unemployment of men and machines alike, there is no alternative for them except to endure the suffering. In other words, the people of this country are now being peacefully called upon to pay a heavy price for the establishment of heavy industries. There could be some satisfaction if the resources that are being collected in the name of "core of the Plan" are at least used for that purpose with single-minded devotion. But what is happening in actual practice is that a large part of them is being consumed by the inevitable defence expenditure and a long list of unproductive ventures in social and commercial spheres. Consequently, it seems that the return to the community will be both belated and disproportionately small as compared with the sacrifices made. During the past two years, in particular, the country was faced with the risk of falling between two stools, an anæmic private sector and an amateurish and inefficient public sector. The budget for 1958-59 has only enhanced that danger.

The Prime Minister, who presented the budget in his capacity as the Finance Minister, drew some satisfaction from the fact that the upward trend in price levels has suffered a reverse and that today the index number for wholesale prices is well below the peak in August last and even a shade lower than that a year ago. Further, he was comforted by the marked shrinkage in the withdrawal of foreign balances as well as by the absence of stringency in the money market. In other words, he was happy that inflationary forces had been brought under control. But this improvement in the economic situation is more apparent than real. Even the official appraisal concurs with this view. Thus, the *Economic Survey 1957-58* admits that, "despite the slight fall in prices in recent months and despite the relative improvement in monetary trends, the economic situation is basically one in which there is a continuous pull, on balance, in the direction of inflation." It also admits that, "though the outlook on foreign exchange resources for the Plan is now a little better than it appeared to be about a year ago, there is still a sizable gap in the foreign exchange resources required for the Plan." There is, however, no recognition, either by the Prime Miister or by the official appraisers of the economic situation, of the cost at which this seeming stability on the monetary and price fronts has been achieved. We advisedly say "seeming stability," because, despite a slight fall in commodity prices, there has been no worthwhile decline in cost of living as such, especially of the middle class. And to buy this stability the country has had to pay in the form of growing unemployment and underemployment in certain industries, more notably in cotton textiles, and shrinkage in their profits. A setback in the competitive capacity of India's export industries is also the direct outcome of this policy. Even though the price of cloth today is less than that before the excise duties were enhanced in September 1956, the demand for cloth continues to be slack. This only shows that people have less money to spend than before. There are also other indications to show that, despite all the measures taken to introduce socialism and despite making the rich less rich, the living standards of the common man are not better, if not worse. One, however, need not be surprised at this outcome, as the investments in the public sector and in the heavy industries in the private sector will take a few more years to bear fruit.

The pedestrians have heaved a sigh of relief that they have not been called upon to pay still higher taxes on the goods they consume. They will, however, be premature in congratulating themselves on this point. For they are yet to realise the full impact of the large deficit financing of about Rs. 400 crores incurred during 1957-58. On top of it, there is going to be a further large dose of deficit financing in 1958-59. It may very well be

first place, the Plan outlay is very much higher at Rs. 1,017 crores, as against Rs. 845 crores in the year drawing to a close and Rs. 670 crores in 1956-57. Although the total revenue in 1958-59 is expected to be higher by Rs. 45 crores, the year is expected to end with a revenue deficit of Rs. 27 crores, as against a surplus (revised) of Rs. 5 crores in 1957-58. Secondly, receipts through small savings and open market long-term borrowings have been overestimated at least to the tune of Rs. 100 crores. Thirdly, the law of diminishing returns has begun to operate in most of the well-established old industries. A large number of units in cotton textiles, tea, coal and jute may report losses or only meagre profits. This will mean a lower yield in the form of direct taxes and even indirect taxes in some cases. Fourthly, the quantum of foreign assistance, estimated at Rs. 325 crores, appears to err on the optimistic side. Actual receipts may fall short by at least Rs. 30 crores, if not Rs. 50 crores. Fifthly, as a result of recession in the industrially advanced countries, India's exports may fail to reach the total anticipated. It is true that import costs also may fall, but the decline is unlikely to be large enough to offset the drop in export prices, so that the terms of trade may prove to be quite adverse. Consequently, the balance, of payments position may continue to be critical. Sixthly, till a couple of years ago, there was a possibility of the actual expenditure falling short of the planned outlay, but now the Government's capacity to spend has greatly gone up, as is evident from the experience in 1956-57 and 1957-58. And, finally, whereas a substantial part of Plan expenditure in 1957-58 was outside India, the expenditure in rupees in 1958-59 will be heavier than in the current year.

It is unnecessary to expatiate on the adverse consequences of a large volume of deficit financing to the man-in-the-street. Much, however, will depend on the availability of food, but this is unlikely to be plentiful until at least the 1958-59 crop starts moving. More inflation will only add to the cost of production and discourage exports. The foreign exchange cushion has been practically deflated. The foreign assistance that has been promised will be utilised mostly for the core of the Plan, leaving very little for import of raw materials, machinery, stores, etc., needed by other industries. Taking all aspects into consideration, it looks as though the country cannot afford to incur deficit financing of the order implied in a capital outlay of Rs. 1,017 crores. The pedestrian is thus in for severe hardship. He will be compelled by force of circumstances to tighten his belt further. Viewed thus, the budget for 1958-59 is literally a "pedestrian" budget.

T.I.S.CO.'S GOLDEN JUBILEE

IF the Tata enterprises in general and the Tata Iron and Steel Company, Ltd. (T.I.S.Co.) in particular represent today all that is best in industrial civilisation, the credit is due to the long line of distinguished men in the management who, having been imbued by ideals of economic statesmanship, have given of their best to the cause which fell to their lot to serve. Nevertheless, there is something in the Tata organisation which, we venture to believe, can obtain only in an atmosphere of free enterprise—a certain daring and adventure in ideas and organisation. It is this combination of broad vision, high organising ability and continued adherence to the ideals of service which transcend the limitations of what is immediately profitable that has invested the Tata House with a national significance. Small surprise, then, that the entire country regards the T.I.S.Co's Golden Jubilee, celebrated last week, as a national event. Appropriately enough, the Government has issued a postage stamp in commemoration of the event.

Naturally, at the inauguration of the Golden Jubilee Park, at Jamshedpur, both the Prime Minister, Mr. Nehru, and the Company's Chairman, Mr. J. R. D. Tata, projected their thoughts to the far-off years when the illustrious founder of the Tata enterprise, Jamsetji Tata, lived and worked. Mr. Nehru called him "one of the founders of modern India." Mr. Tata, in the course of his reference to Jamsetji, said that it was a measure of the man that, even in those days when the "passive despair engendered by colonial rule had reached its peak," he dreamt of a modern industrialised India. It is difficult at this distance of time to reconstruct the personality of Jamsetji. The biographer of the T.I.S.Co. enterprise, Mr. Verrier Elvin, in his admirable study, *The Story of Tata Steel*, succeeds in bringing out the significance of Jamsetji's personality to the events of the early years which preceded the establishment of T.I.S.Co. From all accounts, Jamsetji was a man of indomitable courage. To have conceived a steel enterprise in days when India was still probably regarded as a country which could not go beyond metal fabrication is itself a tribute to Jamsetji's vision. It would appear that there was something of the Rennaisance scholar too in him. For he could combine a great passion for detail with a broad vision. Without in any way losing sight of the great mission to which he called himself, he could still find time to dictate the details for planting trees in the footpaths of the town which had not yet been built. His love of knowledge was matched only by his love of fellow-men. He represented what Bertrand Russell would call knowledge inspired by love. This intrepid industrial savant pored continually over the periodical reports on minerals in India with a view to discovering the site where his dream factory could be built. Further, his wide travels in Europe and the U.S. gave him a knowledge of men and things which so richly supplemented his own individual researches into the technology and economics of a modern industrial establishment. As Mr. Nehru said, India has now its Five-year Plans, but in those days Jamsetji had constituted himself into a Planning Commission. With incredible industry and foresight, he threw himself into the task of laying the foundation of a steel factory and a steel town. The discovery of the iron ore deposits in Dhalli-Rajhara, in Mayurbhanj and Singhbhum, is Jamsetji's lasting contribution to the growth of Indian economy. Before he passed away in 1904, he had already done considerable work in the cause of a steel enterprise—a work which was to be carried further by his sons and other able lieutenants who had obviously caught something of the spirit of the great master under whom they were trained.

Jamsetji himself did not live to see the fruition of his efforts. The T.I.S.Co. was registered on 26th August 1907. Within three weeks, 8,000 Indians had contributed Rs. 2 crores by way of the Company's share capital. It took some 2½ years to set up the factory which then had an initial capacity of 35,000 tons of pig iron and 50,000 tons of finished steel. By the end of 1911, the first cast of pig iron had flowed down the "runners" and the first ingot was rolled in February 1912. Since then, the factory has grown far beyond the confident expectations of many of its ardent supporters in the early years. This has also given the lie to its early detractors who could never bring themselves to believe that India could make steel. The saga of T.I.S.Co's growth is, however, not a tale of "all pleasure and no pain." Although the first decade was an era of smooth sailing, it was followed by a period of acute stress. There were times when every inch of the upward path of progress had to be fought and won. Indeed, there were periods when all seemed lost. In those dark days—the early twenties—the Company could hardly know where the money for paying its next day's wage bill could come from. The threat of competition from cheap Continental steel, which had actually begun to flood the Indian market, compelled the industry to seek protection. The grant of protection in 1924 provided some relief to the industry. Even before this measure of assistance came to the Company, the management had embarked upon an expansion scheme designed to raise capacity to 450,000 tons of ingot steel. But, when the expansion scheme was under way, the industry found itself confronted by the depression of the 'thirties which, as is well known, was the worst of its kind within living memory. By 1933, however, the Company had weathered the storm. After a lapse of well over a decade, it paid an ordinary dividend in 1935-36.

From the Company's point of view, the depression of the 'thirties has been appropriately compared to an "ordeal by fire." As with individuals, so with industrial enterprises, adversity is a great university which inculcates the best of discipline. Having survived the depression and its aftermath, the Company could forge ahead, confident of its essential strength. Further additions were made to the plant. And, during the Second World War, it could reach a peak production of 1.24 million tons of pig iron, 1.08 million tons of steel ingots and 839,000 tons of saleable steel.

In the post-war period, the Company has undertaken two programmes of expansion. The Modernisation and Expansion Programme, launched in 1951, was designed to raise the capacity of the plant to 1.3 million tons of ingot steel or 935,000 tons of finished steel. Into this programme was dovetailed in 1955 a new expansion programme, the two together being designed to raise the output to two million tons of steel ingots a year. The significance of this programme will be clear from the fact that it implies doubling the output which almost tantamounts to setting up another T.I.S.Co. The entire project is expected to be completed in May next. It is heartening to be told that it is running to schedule. "If this gigantic undertaking, involving the marshalling of plant and equipment from nine countries in three continents and all the uncertainties and shortages that India faces today, is still running more or less to schedule, it is", as Mr. Jehangir Ghandy, the Managing Director of T.I.S.Co., observes, "a major tribute to the team of American and Indian engineers working on it." The programme, it is stated, will help solve largely the intractable problem of surplus labour in the factory.

The saga of T.I.S.Co's growth will not be complete without a reference to its philosophy of what might best be described as its broad industrial humanitarianism. Welfare measures for workers, including housing, educational facilities for their children, modern municipal services and town planning, are all a concrete expression of the Tatas' early realisation that, as between the machine and the man behind it, the latter should claim the first attention. The sprawling industrial township of Jamshedpur, with its 300,000 inhabitants, can boast of a system of municipal services which is a model of its kind for all the urban centres in this country; the Company operates these services. And it must be remembered that the entire city has grown out of the jungle which was all that stood in its place early in this century. For its employees, the Company has built more than 13,000 houses. Free medical services have lifted the expectancy of life within the last 20 years by four years. The Company's educational activities—there are over 100 schools—cover technical and trade schools and a post-graduate institute.

Nothing brings out more clearly the T.I.S.Co's essentially human attitude towards the workers than the fact that, even before the long-interrupted distribution of dividends to shareholders was restored in 1935-36, the management gave a bonus to workers. The Company's profit-sharing bonus scheme, introduced in 1936-37, gives in its present form 30 per cent. of the net profits to employees. Apart from the basic wage, the worker gets a production bonus, an incentive bonus, dearness allowance, food rebate, and emergency bonus and annual profit-sharing bonus; he is also entitled to provident fund and retirement gratuity. In accordance with the modern trend of treating a worker not merely as a wage-earner but as an active partner in industry, the Company has instituted a scheme designed to secure the association of the workers in the task of management. Introduced in 1956, the scheme ensures joint consultation at several levels and points in the management of this vast enterprise.

Such, in brief, are the achievements of T.I.S.Co. Its role as a maker of steel is only one aspect, though an important aspect, of its contribution to Indian economy. Its industrial leadership is not confined only to the industry it serves. It has stimulated the growth of many other enterprises in the country. Its sociological implications are no less significant. The fact that Jamshedpur is not only a miniature India but also possesses something of an international status—it has more foreign technicians than almost any other city—serves to show how rapid industrialisation helps to bring about that emotional integration, on which Mr. Nehru rightly lays so much stress. Above all, as an embodiment of all that is best and all that compels admiration and evokes respect in free enterprise, T.I.S.Co. will be long remembered as a pre-eminent exponent of the economic aspect of the democratic way of life. In associating ourselves with the many citizens of the country who have felicitated the Company on its Golden Jubilee, we express the hope that it will be allowed to retain its present status as part of the private sector—a status which, judging from its performance so far, should enable it to render an increasingly beneficial service to the nation.

PRIVATE SECTOR'S HOPES SHATTERED

U.S. RECESSION—ORIENTAL LIFE

THURSDAY, 5 P.M.

MARKET GOSSIP

SOON after the Birla Mission returned to this country in November last, after visiting the U.S., Canada, the U.K., France and West Germany, it announced at a Press conference quite optimistically that it was convinced that the Government of India was not suffering from any 'ism' and that its *economic* policies were pragmatic. After making a fervent plea to the Government to create conditions which would enable the private sector also to raise sufficient internal capital, it observed that it did not take a pessimistic view, because the key to the door that was blocking the country's progress was in India. It then proceeded to declare: "We believe that India is wise enough to take the right course. And from this emanates our optimism." In our comments on this statement, we were rather sceptical. We observed, in our issue of 23rd November 1957, that, while the *Industrial Delegation* was perfectly right in saying that the key was in India, the key was unfortunately in the hands of the very persons who had slammed the door against the private sector and firmly secured it in the past twelve months by fixing further bolts and nuts and that the strongest of these locks and bolts had been added in the face of vehement opposition and eloquent persuasion. We pointed out that as many as eight Union Ministers themselves had questioned the wisdom of these steps but to no purpose. For these reasons, we were unable to share the optimism of the Delegation. We, however, added that we would be only too happy to see our scepticism completely belied and that at an early date. We are sorry to find that our reading of the Government's mind has proved correct and that the Central budget for 1958-59 has shattered the optimism of the Industrial Delegation. It is, indeed, no exaggeration to say that this budget is a slap in the face of the Delegation. For not one of its demands has been conceded. Its report has been consigned to the waste-paper basket.

For over eight months, the private sector labour hard to convince the Government that its fiscal innovations were not the right ones. Some tried to carry conviction to the Government by speaking frankly and openly. The vast majority, however, believed in the policy of lobbying and persuasion. Both have miserably failed. The private sector asked for a few reliefs and a little more freedom from vexatious controls. But what has it got? More fetters, more checks and balances. To the Rs. 130 crores of new taxation imposed last year, some Rs. 6 crores have been added. Then there are the additions to the tax burden by some of the State Governments.

The former Finance Minister, Mr. T. T. Krishnamachari, justified some of his curious taxes and control measures on the ground that he did not trust the honesty of taxpayers in this country. The expenditure tax, the tax on dividends and bonus shares, the compulsory deposit scheme are all the result of this distrust. It is precisely this reasoning which constitutes the rationale for the gift tax and the tightening of the rules and regulations governing the development rebate also. The gift tax is intended to plug the loopholes in the estate duty and wealth tax. Similarly, the restrictions on the use of development rebate are to ensure that the beneficiaries do not fritter away the resources by paying large dividends. There are already quite a few checks against a liberal distribution of profits to shareholders. Restriction on the use of development rebate on top of these are unwarranted. But the Government is apparently so distrustful of the business community that it is not satisfied with these checks and has gone in for one more. This new fetter on the private sector neutralises, to some extent, the liberalisation of the provisions relating to the compulsory deposit scheme which was effected last year.

Mr. Nehru, who has now taken upon his shoulders the onerous responsibilities of the Finance portfolio also, has repeatedly stated that the private sector should be given sufficient freedom to play its role. This statement sounds hollow in the light of the latest budget. He would have lost nothing by abolishing the compulsory deposit scheme, by reducing the tax on dividends and by giving up the tax on bonus shares, a tax which does not exist anywhere in the free world. Even Prof. Kaldor had opposed this tax. By deciding not to do so, he has shown that he will not yield even an inch in favour of private enterprise. On the contrary, there is enough indication that he wants to accelerate the growth of the public sector, even if it means more inflation and still less resources for the private sector. One cannot but view the reduction in the exemption limit for the estate duty from Rs. 1,00,000 to Rs. 50,000 except from this angle. As a result of this measure, thousands of middle class will be roped into the net and harassed by the tax authorities.

* * * *

The tax collecting machinery is already groaning under pressure of heavy work. The lowering of the exemption limit for income-tax last year, the introduction of complicated wealth and expenditure taxes, and the various additions to the existing taxes have enormously increased the power, work and responsibility of tax collectors. Now even before they could adjust themselves to these new responsibilities, they have been asked to shoulder additional responsibilities consequent upon the tightening of development rebate provisions, the introduction of gift tax and the reduction in the exemption limit for estate duty. There should, therefore, be no cause for surprise if the tax collecting machinery were to be more inefficient than it is now. The assessees should not grumble if the income-tax officers lose their temper more often than they do at present and become autocrats. As in the case of estate duty and wealth tax, the gift tax gives them a very large measure of discretion. According to Dr. Rustom C. Cooper, a leading chartered accountant of this city, in many cases the Wealth Tax Officers are taking undue advantage of the provision in the law which lays down that the basis of wealth tax should be what appears to be fair market value "in the opinion of the Income-tax Officer." He complains that, in many cases, the Wealth Tax Officers disregard reports of expert architects on property valuations without assigning any reasons. These architects, it may be noted, are from a panel appointed by the Central Board of Revenue itself. There is a similar provision in the Gift Tax Bill in regard to valuation of the gifts. Are Gift Tax Officers, he asks, better judges of property values than qualified architects, even though they are not able to find a single flaw in the report? The same thing happens also in case of life interests valued by qualified actuaries. Dr. Cooper's experience is that, in all such cases, the standard answer given by the tax officers concerned is: "We have departmental instructions in this matter." There will thus be more room for harassment by tax collectors.

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The business recession in America has now well past the stage of diagnosis. No one is in any doubt that it exists. The rising unemployment and the decline in industrial production are all pointers to a malady which has already set in. It is true that experts differ among themselves as to the extent of the malady and, even more, as to the right remedies which need to be prescribed. But all those who have the good of the free world at heart rightly insist that the political consequences of any prolonged American recession would be damaging to a degree. From this point of view, it is somewhat heartening to be told by President Eisenhower that the recession would begin to end this month. Only, not many experts share his optimism. They feel that, unless something were done, the recession would not halt by itself. In this connection, the study of the recession and the analysis of the experts' views, which have been presented by the March issue of the *Monthly Bank Letter* of the First National City Bank of New York, make interesting reading.

Hope of improvement in the early future, the *Letter* says, rests largely on two possibilities. One is that the usual spring pick-up will check the downtrend. The other is that, in many lines at least, the decline in industrial operations has brought production so far below consumption and is cutting inventories so satisfactorily that a larger output will soon be called for. It, however, warns that a seasonal improvement, though it could have important psychological effects, should not be confused with real recovery. As regards the hope of recovery in a situation created by excessive reduction in inventories, it cites the example of the steel industry. In January and February, steel output, measured in terms of weekly production, was 40 per cent. below levels in the corresponding period of last year. But consumption has not declined to the same extent. This must eventually lead to an increase in production as and when stocks are reduced. But it notes that there are no signs of a large-scale revival of orders.

In the course of a review of the recent history of recession, the *Monthly Letter* observes:

"Many experts, in and out of Government, looked for a deep depression immediately after World War II. The troubles that actually developed in 1946 stemmed from shortages of consumer goods and long and bitter strikes which prolonged the shortages and intensified upward pressures on prices. Since then, we have had two mild recessions, in 1949 and 1954. The 1958 recession so far is no larger than those were but it is entitled to be treated with more respect. A decade or so after each great war people's wants get saturated and we find that we have enough homes and cars and factories for the time being. Capital spending shrinks and a more or less serious readjustment ensues. That has been the historical experience.

"We have built into the economy many new devices which, like unemployment insurance, support spending power in business recession or, like deposit insurance, eliminate the crippling effects on credit supply of panicky runs on banks. Federal outlays naturally rise in recession, while revenues fall off, creating pump-priming deficits quite automatically. Indeed, the general post-war experience suggests that, in our anxiety to avoid another decade of stagnation like the 1930's, we have built into the economy better protections against deflation and unemployment than we have against inflation and upward spiralling wage costs."

Analysing some of the views of the American economists, the *Monthly Letter* draws attention to what Mr. Percival F. Brundage, Director of the Budget, had to say on the subject of American recession. It would appear that Mr. Brundage, in the course of his reference to the suggested remedy of larger public works expenditure, said that, whereas it would be perhaps a year before such a programme could be effective, a tax cut would take effect immediately. According to the *Monthly Letter*, this idea—that is, cut in taxes, is receiving increased support. It says: "It does not seem sensible for the Federal Government to hunt around for places to put more money into circulation when it is demanding in taxes around half of business profits and 10 to 15 dollars a week out of the average household budget. There is no end of stimulus available through tax reductions." The *Letter* notes that Dr. C. F. Phillips, an economist and President of the Bates College, and other witnesses supported the Sadlak-Herlong Bill which would reform the income-tax structure over a five-year period and wind up with a rate schedule running from 15 to 42 per cent. for individuals and a 42 per cent. rate for corporations. The *Letter* says: "It is doubtful if there is any action Congress could take that would so frighten the economic outlook and revitalise efforts to produce and sell and go ahead. This bold approach, curiously, is also the one which, with reasoned control over federal expenditures, would hold the highest promise of rebalancing the budget. There is no question but that more taxable income would be earned and reported under an easier set of rates." It adds: "Prosperity demands more than cheaply-created money purchasing power; it demands enterprising work effort. If Congress wants private enterprise to offer more employment, the means are readily at hand to make it possible."

Clearly, a cut in taxes is a much greater incentive to American economy, or economy anywhere, and is more immediately beneficial than any other expedient. Whether the aim is to arrest a recession or to stimulate an economy, it cannot be better achieved than by appropriate tax reliefs.

* * * *

It is now 18 months since the life insurance companies were taken over by the Government of India, but the companies have not yet been taken into liquidation for two reasons. In the first place, the question of compensation has not been finalised and settled to the satisfaction of the companies. Secondly, some of the companies have been thinking of taking to new lines of business, in order to avoid the consequences of heavy tax liability on the shareholders in the event of liquidation. The first company to formulate a scheme on these lines is the Oriental Government Security Life Assurance Company, Ltd. There is, however, one difference.

The directors of the Company felt that, instead of starting a new business, such as investment business, it would be advantageous to amalgamate the Company with the business of another existing investment Company. With this object in view, they carried on negotiations with the Investment Corporation of India Ltd., a subsidiary of Tata Sons Private Ltd., and have succeeded. They have evolved a scheme of amalgamation which, it is felt, would be in the interests of both the Companies, as the earning capacity of both after the amalgamation would be considerably increased and larger savings would be effected in establishment expenses. Under the scheme, the undertaking and all the property, rights, powers and all the liabilities and duties of the Company will be transferred without further act or deed to the Corporation by an order to be made by the High Court. In consideration of such transfer, the Corporation will allot to every member of the Company, in respect of every share of the Company of Rs. 200 each held by the member, 40 shares of the Corporation of Rs. 100 each credited as fully paid-up, or, in the alternative at the option of the member of the Company, make a cash payment of Rs. 4,000. This compares favourably with the current market value of the Oriental Life shares at Rs. 3,980 per share. The shares of the Investment Corporation are at present closely held. There is, therefore, no regular market for them. But they are nominally quoted at Rs. 120 and on the basis of last dividend of Rs. 9.25 per share, the yield on them works out to 7.7 per cent. Accordingly, the compensation offered to the shareholders of the Oriental Life in the form of shares of Tatas' Investment Corporation are more attractive than cash compensation. In the first place, they get Rs. 800 more in terms of capital value and a yield which is high enough, taking into consideration the current rate of return on first class equities.

Under its existing articles of association, the Oriental Life Company has no powers to amalgamate with another Company. In order, therefore, to bring the scheme into effect, the articles of association have to be amended and, after the scheme is approved by the shareholders, it has to be sanctioned by the Bombay High Court.

The Company has already received compensation from the Life Insurance Corporation of India aggregating Rs. 1.36 crore. On appeal to the Tribunal constituted under Section 17 of the Life Insurance Corporation Act, the Company has received a further sum of Rs. 5.05 lakhs by way of additional compensation. The Directors of the Company are not satisfied that full justice has been done to the shareholders even by the Tribunal. They are, therefore, considering whether an appeal should be filed in the Supreme Court against the Tribunal's award.

Another life insurance company which is taking steps to alter its Articles of Association, in order to enable it to function effectively in the best interests of the shareholders, is the Bombay Life Assurance Company, Ltd. No definite scheme has yet been formulated, but the Company is consulting legal opinion in regard to changing the articles of association and dealing with the amount of compensation received by the Company. A sum of Rs. 11.72 lakhs was received from the Life Insurance Corporation by way of compensation and on appeal to the Tribunal, the Company got a further sum of Rs. 2.22 lakhs.

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In our notes on the trend of oil prices in India published in these columns a fortnight ago (*vide* page 351), it was stated that the Government of India had permitted the oil companies to effect an interim increase of As. 2 per gallon in the price of motor spirit and As. 13 per eight gallons in the price of superior kerosene. This is incorrect, in that the increases allowed were only one anna and six annas, respectively.

EQUITIES BUOYANT

BUDGETARY RECESSION SHORT-LIVED

(From Our Own Correspondents)

BOMBAY, *6th March*

BARRING a setback in the special Budget session on Friday last, the share market was buoyant throughout the week. In the pre-Budget trading, sentiment was good and prices recorded some gains on expectations that the Government might show a last-minute gesture to industries, particularly textiles, as a result of the various representations made by the interests concerned. The absence of any relief in the Budget, therefore, caused some disappointment. Further, the tightening of the rules governing the grant of development rebate to companies was also viewed with some concern, as it was thought that such rigorous application would affect capital formation in new companies. The only new tax proposed was the levy of tax on gifts, but even this was anticipated long back and was discounted in prices. The market's disappointment over the Budget proposals was duly reflected in the sharp fall in prices in the Budget session. The recession was more marked in textiles.

On second thoughts, however, the market took a more favourable view of the outlook for industries in general, now that the tax structure has been finalised and offers no scope for any increase during the rest of the Plan period. The receipt of liberal foreign aid from several countries was also noted with optimism. Though there is no reference in the Budget to the existing cut in excise duty on medium varieties of cloth, which will be effective only up to the end of the current month, there is a widespread belief that the period of relief would be extended beyond the end of March. The increase in development rebate for shipping companies from 25 per cent. to 40 per cent. and the relief in excess dividend tax applicable to Section 23A companies were welcomed. Moreover, the technical position of the market was so sound that even small buying was enough to push up the prices. On balance, therefore, equities staged a sizable recovery over the week.

The market remained closed on the 5th and 6th inst. on account of *Holi*.

In the steel section, Tata Ordinaries jumped in the pre-Budget session from Rs. 169.25 to Rs. 171.50, but in the Budget session reacted to a low of Rs. 167. Subsequently, however, they rallied to a high of Rs. 175.75 on Tuesday before closing at Rs. 174.50. The new shares were marked up by Rs. 5.50 to Rs. 170.25. Indian Irons rose from Rs. 19.52 to Rs. 19.76 before losing ground to Rs. 19.44 in the Budget session. Latterly, they advanced to close at Rs. 20.52.

In the textile section, Bombay Dyeings fell to Rs. 49.70 in the Budget session from Rs. 51.10 touched earlier, but gathered strength to close at Rs. 52. Centurys closed with a gain of Rs. 7.75 at Rs. 389.25, after touching a high of Rs. 391.50. In the Budget session they had gone down to a low of Rs. 373. Kohinoors rallied from the Budget low of Rs. 256 to Rs. 267, the gain over the week being Rs. 4.75. Finlays recorded a rise of Rs. 8 to Rs. 260, Gokaks Rs. 2 to Rs. 150 and Morarjee Mills Rs. 3 to Rs. 208. New Greats gained Rs. 3 to Rs. 214, while Shree Niwas Cottons lost Re. 1 to Rs. 140. Simplex improved by Rs. 2 to Rs. 160. Standards by Rs. 11 to Rs. 406, Svadeshis by Rs. 3.50 to Rs. 168.50 and Tata Mills by Rs. 2.25 to Rs. 39.

In the miscellaneous section, sugar shares were buoyant, Belapurs gaining Rs. 5 to Rs. 239, Phaltans Rs. 3.50 to Rs. 152.50 and Walchandnagars Rs. 2 to Rs. 272.50. Among cements, Associated Cements closed with a gain of Rs. 2.25 at Rs. 145.75, after touching a low of Rs. 140. Shipping shares recorded impressive rises, consequent on the grant of a higher development rebate. Scindias showed a gain of 93 nP at the *ex-div.* rate of Rs. 17.08. Great Easterns stood 76 nP higher at Rs. 20.52. Alcock Ashdowns were up by Rs. 2.50 at Rs. 217.50 and Tata Locomotives by as much as Rs. 6 at Rs. 145.50. Premier Constructions rose by Rs. 4.50 to Rs. 159.50. Shivrajpurs were marked up by Rs. 4.50 to Rs. 95. Premier Automobiles changed hands at Rs. 79.20 *ex-div.*, as against Rs. 82.50 *cum-div.* a week ago. Hindustan Motors gained 28 nP at Rs. 6.24. Bombay Burmahs (old) were done at Rs. 502 *ex-div.* at the close, which on a *cum-div.* basis showed a rise of Rs. 7.75. National Rayons hardened from Rs. 215.25 to Rs.221.25. Tata Chemicals looked up by 36 nP to Rs. 12.96 and Tata Oils by Rs. 2.25 to Rs. 38. Wimcos were done Re. 1 higher at Rs. 171.50.

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Calcutta Stock Exchange

CALCUTTA, *5th March*

The absence of any new taxation proposal (excepting the gift tax) in the 1958-59 Budget introduced in Parliament by Mr. Nehru on Friday last did not come as a surprise to market circles, since it was well anticipated that after the plethora of new taxes enacted in May last there was not much scope for fresh taxation. On the other hand, market circles were disappointed to note that the exchequer proposed to collect Rs. 6.50 crores by way of gift tax and small adjustments to the existing taxation structure. The absence of any relief in taxes, in fact, came as a great disappointment. Ever since the Budget was announced the undertone of the Calcutta share market was steady, which demonstrated market men's satisfaction at the absence of further fiscal levies. However, transactions did not expand and the market has so far failed to attract funds.

No doubt, there was appreciation for the small relief proposed in regard to the excess dividend tax for Section 23A Companies, but market circles were of the view that all funds employed in the business rather than the share capital should be taken into consideration for working out the dividend percentage for taxation purpose. Similarly, the proposed increase from 25 to 40 per cent. in the development rebate in respect of new ships was welcomed and, in accord with this satisfaction, shipping shares rebounded with activity. However, when the several vexatious conditions for qualifying for the development rebate of companies were known, caution was in evidence.

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Madras Stock Exchange

MADRAS, *4th March*

In refreshing contrast to the dull conditions which prevailed in the previous week, the Madras Stock Exchange presented a steady trend during the week under review. Turnover also was better and prices registered moderate gains in all counters. The chief factor which helped enliven sentiment was the absence of any fresh tax proposals, barring the Gift Tax, in the Union Budget which was presented in Parliament on Friday last. Nevertheless, there was a sense of disappointment over the fact that the Budget did not contain any measures of relief in regard to bonus tax, dividend tax and the compulsory deposit scheme. Another factor which infused cheer to the market was the optimistic picture presented by the Prime Minister about the economic outlook, in view of the increasing foreign aid for financing the Plan. The absence of any fresh tax proposals in the Madras State Budget which affect the Stock Exchange as such was also welcomed. Plantation shares were noted with attention and there were enquiries for select textile scrips. The sugar and miscellaneous industrials followed the general trend.

Among tea shares in the planting section, Parksides improved by 18 nP to Rs. 18.68. Haileyburias advanced by 15 nP to Rs. 16.25. Chembras increased by 8 nP to Rs. 2.98. Periakaramalais and Blue Mountains added 3 nP each to Rs. 4.08 and Rs. 2.93, respectively. Kil Kotagiris were 15 nP better at Rs. 5.13. Devasholas strengthened by 25 nP to Rs. 19.75. The Company has declared 7½ per cent. interim dividend, as against a corresponding distribution of 10 per cent. in the previous year. Despite the announcement of a final dividend of 10 per cent., making a total of 30 per cent. for the year ended 31st October 1957, as against a total of 10 per cent. paid for 1955-56, Ouchterloneys were a shade quiet at Rs. 4.80. Among coffee shares, Coffee Lands rallied by 85 nP to Rs. 29.50. Consolidated Coffees improved by 50 nP to Rs. 22.40. Rubber shares also evoked good support. Anandams hardened by 38 nP to Rs. 14.50. Cochin Malabars rose by 15 nP to Rs. 4.50. Thirumbadis advanced by 9 nP to Rs. 1.40 and Kailas by a like amount to Rs. 3.79. Puthuthottams gathered 3 nP to Rs. 2.58. Mercaras, however, declined by 25 nP to Rs. 7.15.

In the textile section, Venkatesas were marked up by Rs. 9 to Rs. 133. Metturs put on Re. 1.50 to Rs. 363.50. Coimbatore Cottons gained a rupee to Rs. 161. Buckinghams were steady at Rs. 159.50, Lakshmis at Rs. 111.50, Maduras at Rs. 35.25 and Virudhunagars at Rs. 27. Vasantas, however, lost Rs. 5 to Rs. 250 and Rajalakshmis Rs. 4 to Rs. 73.

In the sugar section, Deccans were well favoured and rose by 22 nP to Rs. 8-12. Travancores went up by 15 nP to Rs. 10.15. E.I.Ds were 10 nP better at Rs. 29.50. Among miscellaneous industrials, F.A.C.Ts improved by 15 nP to Rs. 5.05. Dalmia Cements went up by 8 nP to Rs. 10.13, Mysore Chemical and Fertilisers and Andhra Cements gathered 5 nP each, the former to Rs. 5.85 and the latter to Rs. 12.

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WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 4th March, 1958.

	Closing quotations 27-2-1958	High	Low	Closing quotations 4-3-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Abm. Adv. (100)	118.00	118.50	117.50	118.50
Apollo (2)	1.78	1.78	1.70	1.78
Bombay Dyeing (25)	50.50	52.10	49.70	52.00
Bradbury (50)	155.00	—	—	155.00
Central India (100)	81.00	82.00	81.00	81.50
Century Mills (100)	381.50	391.50	373.00	389.25
Colaba (100)	51.00	—	—	51.00
Edward Textile (200)	220.00	—	—	220.00
Elphinstone (50)	47.50	—	—	47.50
Finlay (100)	252.00	260.50	252.00	260.00
Gokak (100)	148.00	150.00	148.00	150.00
Ind. Untd. Defd. (1)	1.20	1.24	1.18	1.24
Ind. Untd. Ord. (10)	8.96	9.16	8.80	9.08
Indore Malwa (100)	106.00	110.00	104.00	107.00
Khatau (100)	143.75	143.75	142.50	142.50
Kohinoor (100)	262.25	268.50	256.00	267.00
Lakshmi (250)	415.00	—	—	415.00
Minerva Mills (100)	71.30	—	—	71.50
Model Nagpur (250)	176.25	176.25	168.75	172.50
Morarji (100)	205.00	210.00	204.00	208.00
Mysore (50)	99.50	—	—	99.50
National Rayons (100)	215.25	222.00	214.00	221.25
New City (100)	125.00	—	—	125.00
New Great (100)	211.00	214.00	211.00	214.00
Phenix (100)	120.00	116.50	114.50	114.50
Podar Mills (100)	145.00	—	—	145.00
Sassoon Silk (10)	6.52	—	—	6.52
Sassoon Spg. (10)	30.00	30.00	29.75	29.75
Sholapur (1,000)	401.25	—	—	375.00
Shriniwas (100)	141.00	141.02	135.00	140.00
Simplex (50)	158.00	160.00	154.00	160.00
Standard (100)	395.00	409.00	390.00	406.00
Svadeshi (100)	165.00	170.00	160.00	168.50
Swan (100)	324.50	—	—	324.50
Tata Mill (25)	36.75	40.00	36.00	39.00
Vishnu (100)	97.50	—	—	97.50
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	134.75	135.50	134.25	135.50
Do. (New) (50)	135.50	136.00	135.50	136.00
Bank of Baroda (50)	113.00	115.50	113.00	115.50
Central (25)	52.50	52.80	51.50	52.50
Central "A" (25)	54.00	54.50	53.00	54.30
Dena Bank (50)	48.00	—	—	48.00
Punjab National (25)	52.00	52.50	52.00	52.50
Union Bank (5)	8.00	9.28	8.52	9.08
United Com. (50)	59.50	59.50	59.06	59.50
ELECTRIC COS.				
Ahmedabad (100)	95.00	95.20	94.70	95.00
Amalgamated (10)	10.16	—	—	10.16
Andhra Valley (1,000)	1,067.50	1,072.50	1,067.50	1,067.50
Bom. Sub-El. (100)	104.00	103.50	103.00	105.50
Surat (100)	105.50xd	—	—	105.00
Tata Hydro (100)	113.00	113.75	112.75	113.75
Tata Power (1,000)	1,105.00	1,125.00	1,105.00	1,120.00
INSURANCE COS.				
British India (10)	12.76	12.64	12.24	12.44
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	43.00	—	—	43.00
Jupiter (15)	8.52	—	—	8.44
New India (15)	40.50	40.75	40.25	40.75
Oriental (200)	3,980.00	—	—	3,980.00
Universal (10)	18.25	—	—	18.25
Vulcan (10)	16.52	—	—	16.52
STEEL COS.				
Ind. Iron (10)	19.52	20.68	19.40	20.52
Tata Steel Ord. (75)	169.25	175.75	167.00	174.50
SUGAR COS.				
Belapur (50)	234.00	240.00	233.50	239.00
Bhopal (10)	20.76	—	—	20.76
Phaltan (50)	149.00	154.00	148.50	152.50
Walchand Ind. (100)	270.50	274.50	267.00	272.50
CEMENT COS.				
Associated Cts. (100)	143.50	145.75	140.00	145.75
Digvijay (100)	138.50	138.75	137.00	138.75
MISCELLANEOUS				
Alcock Ashdown (100)	215.00	220.00	210.00	217.50
Bom. Burmah (125)	523.00	528.00	505.50	502.00xd
Do. (New) (50)	196.25	200.00	190.00	191.25xd
Br. B. Petrol (4 sh.)	1.68	1.72	1.66	1.75
Br. I. Corpn. (5)	3.80	3.96	3.84	3.96
C. P. Rly. (100)	57.50	—	—	57.50
Hindusthan Motors (10)	5.96	6.28	5.96	6.24
Indian Copper (2 sh.)	2.82	2.92	2.82	2.92
Ind. Inv. Tr. (100)	71.00	74.50	74.00	74.20
Killicks (100)	152.50	152.50	151.25	151.50
Polson (100)	173.00	—	—	168.75
Pre. Automobiles (100)	82.50	83.50	78.00	79.20xd
Premier Con. (30)	155.00	160.50	154.00	159.50
Scindia (20)	17.40	18.08	16.88	17.08xd
G. E. Shipping (10)	19.76	20.52	19.76	20.52
Shivrajpur (10)	90.50	95.00	90.00	95.00
Tata Chemicals (10)	12.60	13.08	12.56	12.96
Tata Locomotive (100)	139.50	146.25	139.50	145.50
Tata Oil (25)	35.75	38.50	35.50	38.00
W. I. Match (100)	170.50	171.50	170.00	171.50

GOVERNMENT SECURITIES	27-2-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	4-3-1958
	Rs. nP			Rs. nP
2½% 1961	94.70	—	4.16	94.70
2½% 1960	97.45	—	3.88	97.50
2½% 1962	94.85	—	3.95	94.85
2½% 1958	88.10	—	4.08	88.10
3% 1959–61	99.75	—	3.50	99.75
3% 1964	99.05	3.66	3.29	99.05
3% 1965–85	94.30	—	3.97	94.30
3% 1966–68	94.05	4.18	3.89	94.10
3% 1970–75	91.90	4.15	3.94	92.00
3% 1986 Con. Loan	85.90	4.49	4.14	86.00
4% 1960–70	71.05	—	4.22*	71.05
4½% 1958–68**	100.60	3.77	3.94	100.60
3½% 1961 N.P. Bonds	100.60	3.24	4.44	100.60
3½% 1964 N.P. Loan	99.65	—	3.60	99.65
3½% 1965 N.P. Bonds	97.75	—	3.88	97.80
3½% 1962	97.55	—	3.89	97.55
3½% 1967 N.P. Bonds	97.85	—	3.77	97.85
3½% 1974	97.60	—	3.70	97.60
3½% 1967 N.P. Bonds	98.20	—	3.90	98.20
4% 1972 Loan	99.60	—	3.79	99.65
	100.00	—	4.00	100.05

BRITISH GOVERNMENT SECURITIES

	Closing quotations 25-2-1958 £			Closing quotations 28-2-1958 £
2½% Brit. Consols	48½	—	—	49☆
2½% Savings Bonds 1965-75	70⅝	—	—	70⅜
2½% War Loan 1955-59	97	—	—	97
3½% War Loan	63⅜	—	—	64⅛
4% Victory Bonds 1976	91½	—	—	91⅜
4% Funding 1960-90	89½	—	—	89☆

* Current Income, x.d.—Ex-dividend. ** Runoo Counterparts x.r.—Ex-Right

NEWS IN BRIEF

THE standing committee of the Central Silk Board which met in Bombay recently recommended over Rs. 10.75 lakhs during 1958-59 to eight State Governments for development of silk industry.

The setting up of a plant in India for assembly and progressive manufacture of tractors by the trade representatives of the U.S.S.R., in order to meet the present import difficulties, is now under consideration by Russian experts.

The Government of India has fixed the price of tea, for the purpose of determining the export duty, at Rs. 2.87 per lb., as against Rs. 2.99 per lb., in force from 1st February last. There is, however, no change in the existing rate of duty of 38 nP per lb.

The Union Government has decided to set up a uranium metal processing plant at an estimated cost of Rs. 27 lakhs. The plant, which is expected to be in operation by the middle of this year, will provide enough uranium for scientific experiments and for use in the three reactors that are under construction.

The all-India third estimate of sesamum for 1957-58 puts the current year's area at 5,287,000 acres, as against the corresponding adjusted estimate of 5,145,000 acres for 1956-57, representing an increase of 142,000 acres or 2.8 per cent. The overall production of sesamum up to the end of December 1957 is, however, reported to be about 3 per cent. lower this season, as compared with the corresponding period of the last season.

Pursuant to the recommendations of the Mineral Advisory Board which met in June 1957 in Simla, the Government of India has decided to set up a sub-committee on mica to advise Government on all matters connected with mica trade and industry. The Joint Secretary of the Department of Mines and Fuel will be the Chairman of the sub-committee, of which the Director, Geological Survey of India, will be the Vice-Chairman.

India is expected to produce almost all the accessories of an electrical railway coach in about two years' time. An Indo-British firm at Dum Dum, which got orders for manufacturing electric coaches for the suburban sections of the Eastern Railway, had to import only about 40 per cent. of the components from abroad. The import of components will also decrease gradually. With the coming up of the heavy electrical plant in Bhopal in a few year's time almost all the necessary parts will be manufactured in this country itself.

The Government of India has decided to allow refund of customs and central excise duties paid on raw materials such as oxidised oil, resins, pigments, fillers, driers, powdered cork, etc., entering into the manufacture of linoleum subsequently exported. The refund will be admissible on consignments exported on or after 18th February 1958, by virtue of a notification issued under the Sea Customs Act and the Central Excise and Salt Act. The Collector of Customs, Calcutta, will be the authority for information regarding the procedure regulating the fixation of the rate of refund.

The Government of India is holding negotiations in London to get deferred payment terms for the cost of machinery and equipment required for a security paper mill proposed to be established at Hoshangabad in Madhya Pradesh. The mill, meant for the manufacture of currency, bank note and other security paper, is to be set up in conjunction with Messrs. Portals, Ltd., of the U.K., from whom such paper is at present being imported. A wholly Government-owned private company is to be floated. This company will enter into an agreement with the British firm. The total estimated capital cost of the project is about Rs. 4 crores.

The production of lead and zinc ores in India during the quarter ended December 1957 increased to 24,121 tons from 24,004 tons in the preceding quarter. This was higher by 1,880 tons, as compared with the corresponding quarter of 1956. The entire production was reported from the Zawar mines of Rajasthan. The lead and zinc concentrates recovered from the ores during the quarter ended December 1957 aggregated 1,253 tons and 1,850 tons respectively, as compared with 1,340 tons and 1,906 tons in the preceding quarter. The lead concentrates are sent to the smelting plant at Tandoo in Bihar. Zinc concentrates are sent to Japan for smelting. The total production of lead and zinc ores during 1957 was 95,462 tons, as against 79,959 tons in the preceding year. The recoveries of lead and zinc concentrates amounted to 4,850 tons and 7,469 tons, respectively, as against 3,909 tons and 6,880 tons in 1956.

Seven more housing colonies for handloom weavers in Madras and Andhra Pradesh will be built under schemes approved by the Government of India. The houses in the colonies will also be used as workshops by the weavers. The colonies will have common plants for dyeing, finishing and calendering. The co-operative societies which will own and run these colonies will, in addition, arrange the bulk purchase and supply of yarn to the weavers and undertake marketing of the finished products. The cost of construction of a house in these colonies varies from Rs. 3,000 to Rs. 3,600. A third of the cost will be treated as grant and the balance as long-term loan repayable in 25 years. In addition, Government has sanctioned loans for providing amenities such as water-supply, drainage, etc., in the colonies. Schemes to build housing colonies for weavers in Madras, Andhra, Orissa, Bombay and Mysore have already been sanctioned by the Central Government as part of a programme to improve the living conditions of weavers. Of the seven schemes now sanctioned, three are for Madras and four for Andhra Pradesh.

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From Abroad

A scheme to construct a 270-mile monorail link to carry coal from Tanganyika's interior to the coast railway is under study. The project may cost £15 million, which means half the cost of a normal railway.

Unemployment in Canada reached a post-war peak of 520,000 in January last. This figure also represented a big jump from the 386,000 of mid-December 1957. The previous post-war high was 401,000 in March 1955.

The British European Airways and the Soviet State Airline, Aeroflot, signed an agreement in Moscow on the 26th ultimo, providing for direct London-Moscow flights by both the organisations from this summer.

Both the British Petroleum and the Royal Dutch-Shell are participating with the French and U.S. Companies in exploiting a vast potentially oil-bearing area in the Sahara Desert. It is expected that their area of operations will be in the vicinity of the Hassi Messaoud Oilfield.

Russia will allow Ceylon a credit of Rs. 140 million (£10½ million) to enable the latter to purchase Soviet material for economic development. It is stated that prices will be based on world market rates and that the loan is repayable in twelve years, carrying interest at 2½ per cent.

Work on the world's longest undersea tunnel in Japan linking the main island of Honshu with the southern island of Kyushu has been completed by Japanese engineers. It took 21 years to construct the tunnel, the estimated cost being Rs. 10.40 crores. It is about 2½ miles long and will be used by both vehicles and pedestrians.

The K.L.M. Royal Dutch Airlines is expected to reduce its staff by about 1,000 because of the loss it sustained this year to the tune of 22 million guilders. It is said that the 4 per cent. loss of income resulting from the suspension of services to Djakarta, together with the decline in world prosperity, would cause the company to effect economies.

Uranium ore, comparing well with or even exceeding those which are at present being exploited in considerable quantities in Canada, has been discovered in the Swiss Alps. The general appearance of the uranium-rich layers and the analysis made of samples appear to suggest that further investigations as to their exact dimensions are well worth taking.

A new trade agreement involving $2½ million (about Rs. 1.25 crores) has been concluded between Austria and the U.S.A. Under the agreement, Austria will pay for American agricultural products with shillings. This will be banked in Austria to finance exports from Austria to Spain, Pakistan, Turkey, Korea, Viet Nam and other underdeveloped countries.

West German imports of foodstuffs and stimulants in 1957 aggregated £850 million, an increase of £68 million over that in the preceding year. The main items, in order, were fruit and vegetables £170 million, grain and grain products £136 million, coffee and tobacco £119 million, fats £119 million and cattle and meat £60 million.

Pakistan's deficit in its balance of trade during 1957 was of the order of Rs. 47.79 crores. Its total exports in 1957 stood at Rs. 161.21 crores, as against Rs. 162 crores in 1956. Imports in 1957 were of the value of Rs. 209 crores, as compared with Rs. 198 crores in 1956. The country's big imports of cereals, involving an outlay of Rs. 27 crores, was the chief factor which contributed to the rise in the deficit.

The Dunlop Rubber Company in Britain has announced a five per cent. reduction in the selling prices of tyres, with effect from the 1st inst. This is expected to be followed by other major British manufacturers. Incidentally, the announcement has coincided with the 70th anniversary of the first ride on pneumatic tyres made by Johnnie Dunlop when has was ten years old.

Ceylon intends to start the manufacture of "crystal tea" to create a new class of consumers for its teas. "Crystal tea" which will be made out of the essence of the tea leaf will reduce the process of tea brewing to the simple method of stirring the ready-made crystals in a cup of boiling water. Negotiations are now proceeding with a British firm to set up a pilot plant to turn out the crystals.

Unemployment in Norway touched a post-war record at the end of January this year, the total being about 39,000 out of a labour force of approximately one million. This compares well with 28,000 unemployed at the end of January last year and 31,000 in January 1953. It is stated that much of the unemployment is seasonal, while a portion is due to a decline in the activity of some industries like wood-processing and shipping.

Orders booked with Japanese shipbuilders are fast declining, consequent on lower freight rates. Orders held by 24 major yards at the end of 1957 were for 230 ships with an aggregate 3,876,250 gross tons, as compared with 285 ships with 4,320,000 tons six months ago. It is expected that, unless new orders are received, eleven shipyards will become idle by the end of this month, while another 27 will be idle by the end of September.

Lack of demand from charterers and the steep fall in freight rates have compelled the shipowners in the U.K. to lay off their ships so as to avoid the heavy operational losses. Consequently, the volume of British tonnage now lying idle in the U.K. ports is said to be more than that at any time since the world depression of the early thirties. The early February total was 99 ships of 492,000 gross tons which compares unfavourably with a mere 16 British ships of an aggregate 32,000 tons at the beginning of last year. Idle British shipping a month earlier had already touched 80 ships of 375,000 tons.

The U.N. Food and Agriculture Organisation's Rice Committee in Rome expects the quantity of rice available for export to the world in 1958 to be lower than that in the two preceding years. This, according to the Committee, is due to the "significantly lower" crop harvests made in 1957-58 by some of the main exporting countries and to the very low level of carry-over stocks from previous harvests. The reduction in supplies, it is stated, is more marked in the lower grades than in the more expensive grades. The 1957-58 crop is estimated at 434,000 million lbs. as compared with 438,000 million lbs. last year. Increased production in Japan, Korea, Mainland China, the Philippines, Europe and Egypt was more than offset by smaller crops in India, Thailand, Indo-China Peninsula and the U.S.

PERSONAL

MR. Ernest Schmidheiny has been elected as the new Chairman of Swissair.

Dr. K. Freubenberg, Director of the Research Institute for Wood Chemistry in Hendelberg, and a world-famous organic chemist, arrived in Bombay on Sunday on a three-week tour of India.

Mr. Ramdas Kilachand has been elected representative of the Indian Merchants' Chamber on the Indian Central Cotton Committee for a fresh term of three years beginning from 1st April 1958.

Mr. Clyde S. Fullerton, Vice-President and General Sales Manager, and Mr. Joseph W. Letzkus, Sales Vice-President for the Middle East and the Far East, of Trans World Airlines, arrived in Bombay on Friday last on a round-the-world study of the tourist air traffic potential for the coming year. While in India, they will hold consultations with tourist officials and heads of travel agencies.

Professor D. T. Jack, who was Labour Adviser to the Government of India in 1943, has been invited by the Sierra Leone Government to undertake an economic survey of this West African territory and make recommendations for practical measures of development. Professor Jack, now Professor of Economics at Durham University, will leave for Sierra Leone about the middle of March.

Mr. L. D. Mudie, General Manager, Burmah-Shell Oil Storage and Distributing Company of India Ltd., has been elected Vice-President of the Bombay Chamber of Commerce and Industry for the year 1958-59 and will take office after the annual general meeting to be held on 18th March 1958. Mr. Mudie came out to India with Burmah-Shell in 1937 and served in the Royal Artillery from 1940 to 1945. Since the conclusion of hostilities, he has served with Burmah-Shell in India, apart from the years 1952 to 1954 when he was General Manager for Shell in Israel and Cyprus. He became the Chairman of Burmah-Shell Refineries in March 1957. He served as a member of the Committee of the Bombay Chamber of Commerce and Industry during 1957-58.

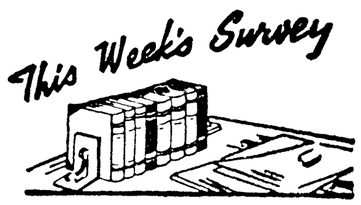
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *11th March*

Indian Central Cotton Committee

An interesting discovery has been made of cotton materials among the remains of prehistoric civilisation at Mohenjo-Daro. They have been identified at the Indian Central Cotton Committee's technological laboratory as being made of fibres of cotton botanically known as *Gossypium arboreum*. The discovery occupied an important place among the many references made by the President, Dewan Bahadur Sir T. Vijayaraghavacharya, in opening the twenty-sixth meeting of the Committee at Karachi. The session was held in the Assembly Hall of the Karachi Chamber of Commerce. The President made reference to several other subjects on the agenda, notably the Central Provinces Cotton Market Act, the Madras Cotton Control Act, the economic investigation into the cost of production of crops in the principal cotton and sugarcane tracts of India, and also to the effect of the Ottawa Agreement on the greater use of Indian cotton by Lancashire mills. The meeting resolved that Sir Purshotamdas Thakurdas be appointed Vice-President of the Indian Central Cotton Committee for the year 1933-34 in the place of Sir Joseph A. Kay, whose term expires on 31st March 1933. An important decision taken by the Committee was that common standards should be adopted for Indian cotton in the Indian markets before the introduction of universal standards.



MERCHANT SHIPPING BILL

THE Bill to amend and consolidate the law relating to merchant shipping, now referred to the Select Committee, is the most voluminous of its kind undertaken in Indian legislative history. The history of merchant shipping legislation in India makes interesting reading. Beginning with the Bombay Coasting Vessels Act of 1838, a number of Acts relating to merchant shipping were passed by the Indian legislature from time to time. Although attempts were made to revise these laws in 1867 and in 1832, again in 1883 and 1896, they were not successful owing to certain legal and constitutional difficulties. A major difficulty was that part of the British statute law on the subject, the Merchant Shipping Act 1894, applied to India and any Indian enactment had to be in legal harmony with the British Law. Some consolidation, however, was effected in 1923 when the Indian Merchant Shipping Act was passed. Since then, the Act has been amended from time to time. Nevertheless, by reason of Article 372 of the Constitution, the U.K. legislation continues to apply to India. This arrangement has been generally regarded as unsatisfactory. The present Bill, which has as many as 447 clauses, revises and consolidates all laws in force in India, whether passed by the British Parliament or the Indian legislature.

The Bill consists of 16 parts which deal successively with administration, registration of ships, certificates of officers, seamen and apprentices, safety, accidents, navigation, investigations and enquiries, salvage operations, control of Indian ships, sailing vessels, penalties, miscellaneous matters and repeal of the existing laws which the Bill seeks to replace or modify. When the Bill becomes law, it will not be necessary to set up any new organisation. For the Mercantile Marine Department can itself undertake the administration of the Act. But it is believed that the Department will need some expansion in order to carry out the additional duties and responsibilities contemplated in the Act. A rough estimate of the increase in annual expenditure will be between Rs. 2 and Rs. 3 lakhs, of which 40 to 50 per cent. will be recovered by way of fees and miscellaneous charges. Some additional expenditure will become necessary in connection with the setting up of new bodies contemplated in the Bill, namely, the advisory boards attached to seamen's employment offices, the tribunal for adjudication of disputes between seamen and employers, the National Welfare Board for seafarers, the Marine Board and the committees for the purpose of advising the Government regarding modifications of rules, regulations and scales of fees.

The Bill consolidates all the provisions relating to appointment of various officers for the administration of the Act. The new part on registration of ships replaces the British law on the subject. Provision has been made in the Bill for the holding of examinations for the grant of appropriate certificates to marine officers. Welfare measures for seamen and apprenticeship training have been dealt with in a separate part. The provisions relating to passenger amenities, which form part of the Bill, take into account the recommendations of the Deck Passenger Committee. A passenger welfare cess is contemplated, the proceeds of which will be utilised for the provision of welfare measures for passengers. The provisions relating to pilgrim ships, it is stated, have been revised so as to conform to the new International Sanitary Regulations 1951. Provision is also made for the advertisement in advance of the provisional dates of sailing and for the acceptance of provisional bookings of passages against deposits. The Control of Shipping Act 1947 has been made a part of the Bill with suitable modifications. The 1947 Act empowers the Government to control the movements of all mechanically propelled vessels of 150 tons. Power is now taken to prescribe a lower limit by notification and to bring under control ships chartered by Indians and Indian companies. An entirely new part is the one which provides for the implementation of such recommendations of the Sailing Vessels Committee as have been accepted by the Government. It provides for a uniform system of registration and tonnage measurement of sailing vessels and also for a system of annual inspection and issue of certificates of inspection.

The new part on registration of ships lays down the conditions for such registration and for the grant of the status of Indian ships. A notable feature of the provisions in this part is that either ships owned by companies or ships in which majority ownership is held by Indians can be registered as Indian ships. The property in a ship will be divided into 64 shares, of which 33 or more shares should be owned by Indian citizens in order to entitle a ship to be deemed an Indian ship. This opens the door for at least minority participation of foreign interests in Indian shipping industry. Even this limited concession seems to be opposed by a section of opinion in India. Clearly, this is not a correct stand to take. In the first place, the concession is limited. Secondly, the conditions which might have provided some justification for a stand on 100 per cent. Indian ownership have changed in recent years. After all India needs foreign capital; its foreign exchange resources are not plentiful enough to meet its entire requirements. And shipping, it must be noted, needs, to begin with, more foreign exchange than any other industry, for India does not produce all the ships it needs, so that it has necessarily to buy them abroad.

Further, if India can permit participation of foreign capital in other vital enterprises, there is no reason why it should not permit such participation in the shipping industry. The argument that shipping constitutes a vital defence industry should not be carried too far, considering that, in an atomic age, the "defence" significance of ships is less than it was in the early years of the century. Again, in India's altered political context, any invitation to foreign capital to participate in Indian shipping enterprise will not imply any political loss, considering that India has ample powers to control and regulate its enterprises, whether they are partially or wholly owned by foreigners. Above all, the inflow of foreign capital into Indian shipping industry will bring with it the much-needed technical staff for which, in certain cases, India has even now to depend on the West. Surely, it is a shortsighted policy to sacrifice speedy development of shipping industry at the altar of an irrational, meaningless and fear-inspired prejudice against foreign capital.

INDO-U.S. ECONOMIC RELATIONS

Trade relations with the U.S. are of utmost significance to India. For one thing, the U.S. is a country which, with its high purchasing power and diversified economy, is capable of offering the best market anywhere in the world for Indian goods. Secondly, the U.S. capacity to aid India's development through export of plant and machinery is virtually limitless. And yet, it is a pity that the trade between the two countries is not expanding as fast as it should. Indeed, there has been a decline in India's exports which has rendered the balance of payments position particularly difficult in the context of India's growing import requirements. Between 1955 and 1956, India's imports from the U.S. increased from $188 million to $267 million, while its exports to the U.S. declined from $221 million to $205 million. The increase in the U.S. exports to India is mainly accounted for by India's increasing requirements of capital goods. Only, this country has been unable to win a larger share of the U.S. import trade. This is the more disappointing because the U.S. imports from the rest of the world are increasing; in 1956, the U.S. imported $12,585 million from the rest of the world, as compared with $11,384 million in the previous year. Readers may feel annoyed for the reason that we have referred to trade statistics for 1956 instead of for 1957. The fault is not ours. The blame must be laid at the doors of the Government of India. Its innovation in a new form of presenting foreign trade figures has yielded results which are confusing and far from up to date. Verily, the foreign trade data of India is in a mess.

Against this background, the joint statement issued in Washington by Mr. K. B. Lall, Joint Secretary, Union Ministry of Commerce and Industry, and Mr. Henry Kearns, Assistant Secretary of the U.S. Department of Commerce, makes encouraging reading. The statement, which followed the conclusion of talks between these two official representatives of their respective countries, is not in the nature of a trade agreement, as such. Nevertheless, it does serve to emphasise the importance of and the need for closer Indo-U.S. trade relations. The signatories recognise that "closer commercial relations between the two countries would prove mutually beneficial." To this end, they express their desire "to facilitate, develop and expand private trade between their two countries by every appropriate means." They have agreed that there exists a potential for a significant increase in value and volume of trade. It has been recognised that effective steps should be taken to promote trade within the framework of the G.A.T.T. and the I.M.F., of which both countries are members, that adequate and economic shipping facilities are vital to the expansion of the trade between the two countries and that private travel for business men of one country should be encouraged in the other.

As regards the lists of specific commodities available for export, India cited a list which included jute goods, tea, manganese ore, mica, cashew nuts, pepper and spices, frozen and preserved foods, carpets and rugs, coir products, hides and skins, leather manufactures, essential oils, handloom fabrics and other handicrafts including silks, shawls and jewellery. On behalf of the U.S., Mr. Kearns observed that his country was a principal supplier of commodities required for India's economic development programme, including foodgrains, industrial machinery, vehicles, iron and steel products, non-ferrous metals, fertilisers and chemicals.

Both representatives noted the fact that investment of private capital aids in the promotion of economic development and trade. Since U.S. private investment in India, although increasing, is still relatively small, they considered it desirable to "encourage an increasing flow of American private capital to India in appropriate fields." In this connection, they agreed that every appropriate support should be given to efforts designed to promote technical collaboration between Indian and U.S. enterprises. They further agreed that a greater interchange of scientific and technological knowledge between their two countries would be desirable.

It is to be hoped that these joint consultations, the gist of which has been set forth in the statement, will be a prelude to wider and more effective economic co-operation between India and the U.S. The importance of private capital investment by the U.S. in India has been rightly stressed by the representatives of the two countries. In the context of the underdeveloped nature of Indian economy and the meagre availability of foreign exchange in relation to its immense requirements for purposes of development, there is no gainsaying the fact that a larger flow of private American capital would be of significant assistance to Indian programmes of industrial development. This, however, implies that the Indian economic climate should be favourable to such foreign investment. That it is not is the consensus of competent opinion. All efforts should be made to create such a climate in this country. From this point of view, the joint statement has done well to stress the need for exploring the possibilities of concluding an agreement or convention whereby double taxation is avoided. Such a convention, although it is not the only thing that is needed for facilitating inflow of American capital into India, could be of considerable assistance to Indo-American economic relations.

MUTUAL SECURITY

The emergence of economic aid to uncommitted nations as a major adjunct of Soviet diplomatic offensive against the West has invested the economic aspects of the U.S. Mutual Security Programme with a new importance and urgency. That the U.S. is fully aware of the implications and challenges of this Soviet economic offensive is reflected in President Eisenhower's address on the Mutual Security Programme and Mr. Dulles' testimony before the Foreign Affairs Committee of the U.S. House of Representatives urging the enactment of the Administration's $3,942 million Mutual Security Programme for continued economic and military assistance to friendly countries.

In his address to a conference of national leaders, called to discuss the role of American assistance to other nations, President Eisenhower maintained that, though the principal deterrent to war was adequate military strength, positive peace could be brought about only by active work to create the living conditions, the level of education and health and the sense of common purpose which make for a meaningful life. An effective system of military security requires closer economic co-operation between the nations of the free world, so that they can develop their resources, raise their standard of living and thus provide an effective barrier against communist infiltration.

It is this realisation that has impelled the U.S. Government to make economic aid an important component of the mutual security programme. It is also based on the recognition that a country blessed with great natural resources, modern industry and high productivity has an obligation to help the less fortunate peoples abroad. During the post-war period, the U.S. has expended nearly $45 billion in purely economic assistance throughout the world. It is an insult to American intelligence to think that the mainspring of assistance of such a vast magnitude is the belief of Americans that it will help them to control the policies and aspirations of the nations to whom aid is given. The Director of the International Co-operation Administration, which administers American aid, has dispelled any doubt that might have remained on this point when he observed recently: "One thing we are not trying to do and should not try to do is to buy friends with this programme. You cannot buy friends with a programme of economic assistance. We are trying to strengthen the economies of the uncommitted areas of the world, so that they can be independent of any domination, including the domination of the U.S. itself." Their policies thus flow from the conviction that economic well-being is the best bulwark against communism and that poverty anywhere is a threat to prosperity everywhere. But at the same time the Americans do not make any pretensions that they are motivated by purely humanitarian considerations.

The Mutual Security Programme is composed of aids of two kinds, military and economic. Of these, the military side is much the larger. Of the $3,940 million asked by the President for the fiscal year 1959, the sum needed for direct military assistance is $1,800 million. Defence support, that is, financial assistance to other countries to maintain their military strength, accounts for another $830 million. Thus, the total for defence purposes is $2,600 million. Even then, economic aid is one of the major tools which serve both defensive and constructive purposes. In the Mutual Security Programme for 1959, it accounts for $1.300 million, about half of that earmarked for military purposes. The larger part of the economic aid operations falls under three heads. In the first place, there is the Technical Assistance programme which provides the necessary spark that releases the latent creative energies of the underdeveloped countries. Secondly, loans supplied through the new Development Loan Fund to help needy countries tide over difficulties. In fact, the Development Loan Fund is now the only element of Mutual Security Programme which can ordinarily be used to promote assistance for development. Thirdly, there is special assistance. This includes, among other things, grants where loan repayment would be impossible. In short, economic aid is designed to bridge the two great gaps that stand in the path of most of the newly developing countries, namely, lack of trained manpower and capital.

The U.S. mutual aid programme, commencing from the Marshall Plan, Point Four, etc. has grown and undergone radical changes both in the methods of administration and objectives. From being an instrument meant for post-war emergency reconstruction, it has now become a long-range basis of peaceful development. The scene of operation has also shifted from war-torn countries to newly-developing nations.

PAKISTAN'S BUDGET

The large outlay on defence has made it difficult for Pakistan to devote a larger proportion of its revenue to development expenditure. The budget for 1958-59, which was presented last week by the Finance Minister, Mr. Syed Ajmad Ali, gives some evidence of the stress to which the Pakistan economy is subject as a result of heavy defence outlay and increasing administrative expenditure. The revised estimates for 1957-58 place revenue, including revenue from railways, at Rs. 139.38 crores and expenditure at Rs. 140.36 crores, thereby revealing a deficit of Rs. 98 lakhs. Revenue receipts for 1958-59 have been estimated at Rs. 143.76 crores and expenditure at Rs. 143.54 crores, resulting in a revenue surplus of Rs. 22 lakhs. Defence continues to absorb a major portion of expenditure. Thus, out of a revenue budget of Rs. 143.76 crores for the year 1958-59, Rs. 80.85 crores have been provided for defence. In addition to this expenditure, Rs. 6.89 crores have been provided for defence under capital account. Again, the additional expenditure required for the induction of U.S. military aid is placed at Rs. 12.29 crores. Defence thus accounts for an overall expenditure of Rs. 100 crores. It may be mentioned here that Pakistan's expenditure on defence was Rs. 75 crores in 1953-54, Rs. 80 crores in 1954-55, Rs. 82 crores in 1955-56 and about Rs. 100 crores in 1956-57. The upward trend in defence expenditure is being maintained. In view of this, it is hardly surprising that development expenditure, placed at Rs. 145 crores for 1958-59, cannot be stepped up. "Much as I would have wished to provide a larger sum for this purpose," the Minister said, "it is not possible to do so in view of the available resources." It must be noted here that, unlike in India, Pakistan has no separate railway budget. The proportion of defence expenditure to the total revenue is, therefore, much higher than that in India.

The Finance Minister has been compelled to withdraw some of the concessions granted to industrialists in the past and also to impose a few new taxes. The rebate of As. 2 in supertax allowed to private limited companies paying dividends in Pakistan, has been withdrawn. Business profits tax is being continued. But it will no longer be allowed as deduction for purposes of income-tax and super-tax assessments. A 12½ per cent. tax has been imposed on bonus shares. The fall in foreign exchange earnings—the deficit was Rs. 25.6 crores in 1957, as against Rs. 90 lakhs deficit in 1956—has induced the Finance Minister to raise customs and import duties so as to serve the twin purpose of raising revenue and curbing imports. Customs duties have been raised in respect of several items including motor cars and car parts (by 100 per cent.), provisions and oilmanstores (by 45 to 100 per cent.), woollen hosiery (by 30 to 50 per cent.), glass and glassware (by 40 per cent.) and electrical appliances (by 40 per cent.). Excise duties are sought to be raised or imposed in the case of several goods such as rayon, woollen cloth and fans. To the extent these imposts raise the prices of the goods on which they fall, the industries concerned will be compelled to work in a climate of consumer-resistance to their products.

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INCIDENCE OF RAILWAY FREIGHT ON EXPORT GOODS HIGH

PROBLEM REQUIRES URGENT ATTENTION

By Chinoobhai C. Javeri

OUR efforts at promoting exports are hampered and handicapped because the products we export are pushed out in competition with other countries due to its high price. The higher price of our products may be attributed to a host of factors, the heavy incidence of railway freight being one of them. Let me illustrate the point by citing cotton textiles as an example.

In India, the distances are vast as compared with Japan and the U.K. where distances are small. There, the mills are located near the port or at a short distance from it. The incidence of railway freight on merchandise in those countries, if any, is, therefore, negligible. Even the ocean freight paid by those countries on raw materials imported by them is often less than the railway freight paid in India. It might also happen that the raw material imported by those countries cost less than what it costs in India even after paying the ocean freight, because they can buy their requirements from the cheapest source in the world market.

Numerous items are used in the manufacture of cotton textiles such as raw cotton, dyes. coal, chemicals, starch, bobbins, etc. The railway freight paid on the carriage of various raw materials required by mills work out quite high. The percentage of aggregate railway freight in relation to total cost of production, if systematically worked out, would show how its high incidence inflates the price, rendering our cloth non-competitive and difficult to market. This incidence is further accentuated in case of fine and superfine varieties which derive no advantage of the cheap Indian cotton, as these varieties are manufactured out of high-priced imported cotton.

Take the consumption of raw cotton. It constitutes a major item in the manufacure of cloth. It is brought to mills from long distances. Likewise, the mills located in the interior have to pay high railway freight on foreign cotton consumed by them.

Finally, when cloth is manufactured and exported, it again travels over a long distance upto the port, incurring railway freight once again. This point is strikingly brought out by the fact that the railway freight from Ahmedabad to Bombay is nearly the same as the ocean freight from Bombay to Ceylon. It is true that any decrease in railway freight will not make significant reduction in cost. Yet, in view of keen foreign competition, even a slight reduction in cost might help exports.

There are mills in the interior which do not run on electricity but use coal. The amount of haulage on coal by rail from the mine to the mill, due to its remoteness, is excessive. It is as much as the price of coal. For instance, the railway freight from the mine to Ahmedabad is Rs. 17-4-6 per ton, whereas its sale price ex-colliery is Rs. 20-12 per ton.

Maize constitutes the basic raw material in the manufacture of starch, which is used by the textile industry. It is brought from a long distance by rail to the factory. Coal is also consumed to run the factory, paying a high railway freight. The heavy incidence of railway freight incurred on various accounts is reflected in the price of starch. This in turn is reflected in the cost of production of cloth.

The above analysis of a few items goes to prove the high incidence of railway freight entering into the manufacture of raw materials and other auxiliaries used by consuming industries. It is a factor which is responsible for the higher cost of our production. In relation to the cost of production of an article, excluding labour and basic raw material, the percentage of railway freight is comparatively high.

I have taken cotton textiles as an example but a similar position, I venture to say, will be revealed in other industries also. It would be worthwhile for the Government to probe into the whole question and determine industry-wise the ratio of aggregate railway freight to total cost of production, excluding labour and basic raw material.

One method of tackling this problem is to determine the total incidence of railway freight in the cost of production of our major items of export and give *ad hoc* rebate on exports. It is visualised that the computation of the incidence in respect of many items will be complicated and difficult. But it is not necessary to be exact.

The other method is to reduce the freight substantially for export goods. Such a concession might conflict with the provisions of the G.A.T.T. I am, however, of the opinion that, except cotton textiles, which is an established industry, it should be possible for us, even under G.A.T.T., to give special rebate on exports where an industry manufacturing the goods is in its teething period.

Since excise duties, which do distinguish between local and export sales. are refunded on export, we can likewise make a distinction in railway freight and charge reduced rates for export goods. The objection against discrimination can be got over by reducing the freight rates on the goods which are largely exported and then a surcharge, equivalent to the reduction, may be levied on goods for domestic consumption, of course, exempting exports from it as it is being done for excise.

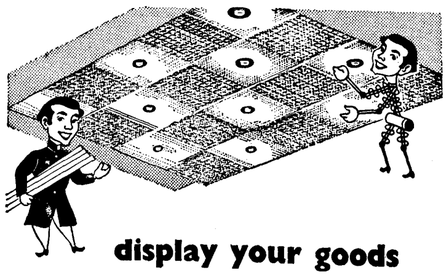
Let me make it clear that I have no doubt about the difficulties involved in identifying export goods when they are not railed in bags, bales, containers or packages but despatched loose or in bulk. An answer to this vexed point would be to maintain bonded warehouses owned either by the Port Trust or recognised clearing and forwarding agents, where goods can be directly railed and stored, and therefrom shipped as and when required.

Another course would be to reduce effectively freight rates in respect of movement of certain goods towards port which may be restricted to only a few exportable items. This will considerably help our export of items such as sugar, manganese ore, etc. Take, for example, manganese ore. The railway freight is about Rs. 22 per ton from Londa to Bombay and the cost of low grade ore is Rs. 65 per ton. Thus, the incidence of railway freight on it is as high as 33⅓ per cent. of the cost. There are items which can be easily distinguished as being meant for export when railed to ports. In those cases a guarantee may also be taken from an exporter to produce proof of shipment.

According to trade reports, it is alleged that some countries, which are also members of the G.A.T.T. and far more advanced industrially than India, do give indirect or secret rebates which enable them to sell their goods in export markets at an advantage in competition with others in the field. Their mode of giving indirect or secret rebates should properly be investigated by our Trade Commissioners abroad collecting relevant information for our guidance.

For internal consumption, the incidence of railway freight is not so much a factor to reckon with. But in exports its incidence affects the competitive position of our products. Thus, there is a strong case for granting freight concession not only for finished products but also for the movement of raw materials which are used in the manufacture of goods meant for export.

A deep and detailed study should be made of this intricate problem and a workable formula be devised, whereby the incidence of railway freight on goods manufactured for export is considerably reduced.—*All Rights Reserved.*



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P.145 PHILIPS INDIA LIMITED

AMERICAN LETTER

RESERVE REQUIREMENTS REDUCED

DEMOCRATS ARE RAISING A SCARE

From Our Special Correspondent

NEW YORK, *26th February*

STORMS are raging in the United States in more than one way. Physically, many portions of the country east of the Mississippi River have been ravaged by the worst weather in generations. Snow has blanketed and buried many States. This has not added cheer to the confusion over the state of national and international affairs.

An emotional storm is raging over mounting unemployment which, however, is strictly relative. By contrast, the chemical industries are booming, literally speaking, and profit margins are mounting. Mindful of the general recession psychology and of falling loans to business by commercial banks, the Federal Reserve Board saw fit to reduce reserve requirements ½ of 1 per cent. across the board.

The very small reduction attested to the reluctance of that agency to act. Mr. William McChesney Martin, Chairman of the Board, is still convinced of the threat of inflation, as he has said many times. In the opinion of many, he should have resigned a long time ago.

Uniform Ratio Lacking

At the present time, reserve requirements of the New York and Chicago banks are 20 per cent. of their demand deposits, other cities are 18 per cent. and country banks are even less than that. Since these requirements were established many, many years ago, the importance of New York and Chicago as money centres and accumulation centres of funds has changed. Other mighty money centres have arisen, such as San Francisco, although the only real "money market" remains in New York. Because of this situation, the entire banking industry is almost unanimous in demanding an equalisation of reserve requirements which, it is believed, would make for a better distribution of lendable funds. So far, the Federal Reserve has done nothing about it.

The Democratic Party, under the leadership of former President Harry S. Truman, has seized upon increasing unemployment as its chief ally in winning this year's important Congressional elections. The old familiar slogans are back again. The Republicans are being accused of mismanaging the domestic economy in attempts to help big business. There are also pointed references to the fact that, under the last Republican President, Herbert Hoover, who left office in 1933, the "great depression" was ushered in.

Effective Attack

It is an effective attack, particularly for those who remember the last depression. Comparisons between now and then are, of course, completely untenable. There was no insurance of bank deposits in those days, savings were meagre, unemployment insurance and social security did not exist. Pension and welfare funds were also virtually unknown since rugged individualists were supposed to take care of themselves, or they had to depend on charity.

The foreign situation does not exactly help the Republicans now in power. The mess in which France finds herself in North Africa seems hardly soluble by offers of mediation. The combination of Middle Eastern nations into larger units seems to supersede the Eisenhower Doctrine and similar pieces of paper. Revolutions and counter-revolutions in Indonesia are another disturbing note and the proposed shake-up in the U.S. Department of Defence sounds an ominous note to the average man in the street.

The stock market has reflected this confusion and uncertainty. While the bear market of last year appears to have receded into memory, there has been no decided upsurge of confidence. Prices have moved sideways. It is an improvement, anyway.

A big fight is now going on in Congress over the extension of the Reciprocal Trade Act. Opposing forces are mobilising for another tariff rumble. Both sides admit the prospects for reciprocal agreements extension are very much touch-and-go at this stage.

Tariff Battle

In the last tariff battle, Clarance Randall, consultant to the President, declared that never in the recollection of the oldest members of Congress had there been anything like the pressures that were brought to bear on the law makers. The agreements barely made the grade in 1955. It is generally conceded that this year the pressures will be even greater owing to the recession. Hence, both the high tariff and the low tariff boys are grooming for another fight.

The high-sounding Nation-wide Committee of Industry, Agriculture and Labour on Export Import Policy is headed by O. R. Stackbein who is a spell-binder. The philosophy is simple. It is that high wages and profits are highly vulnerable to competition from abroad. Impressive segments of the textile, chemical and bicycle industries *plus* a smaller group of labour unions have enlisted under the Stackbein banner. They battle the reciprocal Tariff Bill. They take the view that the escape clause compromises in recent tariff Acts have been virtually nullified by the President's refusal to accept Tariff Commission recommendations. Most of the time, the President *has* followed the Commission's findings.

America's oldest protectionist group is the more moderate American Tariff League, headed by Richard H. Anthony. The League has come up with a new sliding-scale import scheme to supplant the inflexible trade agreements. It has the endorsement of some 200 leaders in business, labour and agriculture. Both protectionist groups would like to curb the President's power to act under the escape formulæ.

(*Continued on page 442*)

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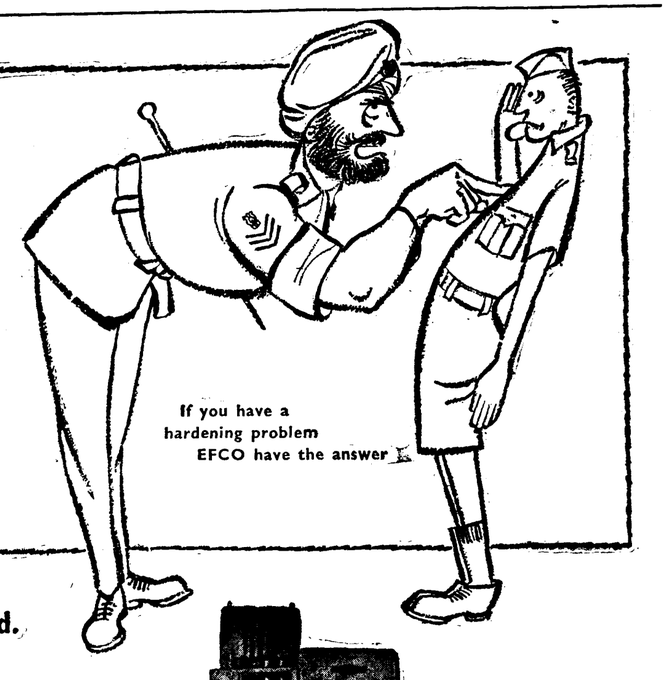

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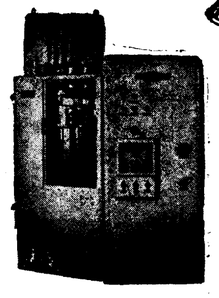

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INDO-U.S. LOAN AGREEMENT SIGNED

TOTAL FOREIGN AID IN 1958-59 ESTIMATED AT RS. 325 CRORES

THE details of the $225 million credit to India announced on the 16th ultimo have now been finalised and letters of commitment have been exchanged between the two countries. As already announced, the loan is to come from two sources, the Export-Import Bank of the U.S. and the Development Loan Fund. After four weeks of discussions with the authorities of the two credit institutions, the three-man Indian delegation, under the leadership of Mr. B. K. Nehru, Secretary of Economic Affairs, Union Ministry of Finance, exchanged on the 4th inst. the letter of commitment with Mr. Samuel Wagh, President of the Export-Import Bank, and Mr. Dempster MacIntosh, on behalf of the Development Loan Fund.

Out of the total credit of $225 million, the Export-Import Bank will provide $150 million and the U.S. Department Loan Fund $75 million, the proportion being more or less in line with that announced by the U.S. Ambassador at a Press Conference held in New Delhi last month. The terms of the loans are as follows:

"A credit of 150 million dollars from the Export-Import Bank will be utilised for the procurement in the United States of capital equipment, machinery and services needed by India in the next twelve months for the following programmes:

"Irrigation and reclamation, power, transport and communications, mining and certain selected industries like textiles, chemical industries, the fabrication of heavy structurals and electrical equipments and machine tools. Payment made in the United States after 28th February for goods under these programmes will be eligible to be paid from this credit. The credit will bear interest at 5¼ per cent. and the term will be 15 years. Repayment of principal will, however, start only on 15th January 1964.

"A credit of 75 million dollars from the Development Loan Fund will be utilised for the purchase of components for the manufacture of trucks, buses and jeeps needed for India's road transport development, purchase of structural steel and other steel products required by Indian railways and for the purchase of machinery for India's jute and cement industries. Repayment will start on 15th March 1959 and can be in rupees. The credit in respect of railway purchases will bear interest at 3½ per cent. and will be repaid in 40 semi-annual instalments. The other credits will bear interest at 5¼ per cent. and will be discharged in 30 semi-annual instalments.

"Both the credits will be from the respective institutions to the Government of India, hence purchasers in India, both in the public and private sectors, will have to follow the normal procedure for negotiation of purchases, etc."

In order to study the details of administrative arrangements in India for import licensing and for payment of foreign exchange and to acquaint themselves with various aspects of Indian economy, a five-man mission, led by Mr. Hawthorne Arey, Director of the Export-Import Bank, will have arrived in India (on the 7th inst.) by the time these lines appear in print. The other members of the mission are: Mr. Raymond L. Jones, Mr. Charles E. Honstan and Mr. Robert L. Moorman (all representing the Bank) and Mr. Edward S. Lynch of the Development Loan Fund. The mission is expected to be in India for three weeks, during which time the members will hold discussions with officials in New Delhi and will later tour the country.

There is no reason to believe that the terms are unsatisfactory or unduly stiff. They are more or less in line with those indicated in the course of the leading article, in our issue of 25th January 1958. May be that the period of repayment of the loans could have been longer than agreed upon, but some other concessions have been granted which will be beneficial to India. The rate of interest to be paid to the Export-Import Bank is ¼ to ½ per cent. less than that charged hitherto by the Bank, namely, 5½ to 5¾ per cent., a cut which is in line with the general fall in interest rates in the U.S. during the last one month. At the time of the announcement of the U.S. loan to India in January last, the Federal Reserve rate was 3 per cent. but this was subsequently reduced to 2¾ per cent. The maximum period for which the Bank usually lends is 18 years, but in the case of India it has fixed the period at 15 years. It may be argued that the term could have been extended to the maximum of 18 years. It must, however, be noted that the period of 15 years now agreed upon is longer than that (of 12 years) originally proposed by the Bank. To this extent it is a concession. The Bank has also granted another concession by allowing the repayment of the principal to commence six years from now, that is, in January 1964, instead of from next year. In other words, the repayment will start only almost at the end of the third year of the Third Plan.

The loan of $75 million to India from the Development Loan Fund is the first to be granted since the establishment of the Fund last year. It is more advantageous to get a loan from the Fund than from the Export-Import Bank, inasmuch as the period of repayment is longer than is the case with the Bank and the loan can be spent in any country in the world, unlike that from the Bank which can be used only in the U.S. On these two grounds, India would have benefited more if it had got a larger share of the total loan from the Fund than it has been granted. If it has not received more, it is due to the fact that the demand for loans from various countries is so large that the Fund's authorities cannot but ration its available resources. It is, therefore, gratifying to note that the Fund has given high priority to India.

Two rates of interest will apply for the loan from the Fund—3½ per cent. for non-profit-making projects and 5½ per cent. for profit-making projects. This is also in consonance with the general expectations. As regards the rate of interest on non-profit-making projects, it will be recalled that there was actually a move in the U.S. to make the Fund's rate competitive with those offered by Russia, and the Senate Foreign Relations Committee agreed that the Fund should be empowered to reduce the rate of interest below 3½ per cent. The reduction in rate, however requires the sanction of the Congress. The Congress is not in session and India cannot afford to wait till it meets to get the benefit of a lower rate of interest, if approved by it. The non-profit-making projects, namely, the railways, is more favourably placed in another respect also. The repayment of the loan it gets will be spread over 40 semi-annual instalments (that is, over 20 years), while the loan for other projects will have to be discharged within 30 semi-annual instalments or 15 years. In either case, the period of repayment is much less than the Fund's originally contemplated maximum time-limit of 40 years. It is even less than that of 25 years, to which Mr. MacIntosh, the Fund's Manager, wanted the repayment period to be reduced for all loans granted by the Fund. Another feature of the loan from the Fund is that the repayment can be made in rupees. This, indeed, is a welcome feature for India.

The availability of the loan assistance from the U.S. has already been taken into account by the Finance Minister in assessing the foreign assistance that may be available to India during 1958-59, when formulating his budget. He has estimated the total foreign assistance at Rs. 325 crores, which, according to him, would "materially help in the implementation of the Second Plan." Up to the end of March 1957, economic assistance to the extent of Rs. 463 crores had been made available to India by foreign countries, but of this only Rs. 219 crores had been utilised up to that date. The balance of about Rs. 244 crores has been mostly committed for the supply of equipment and commodities.

During the current financial year, the World Bank sanctioned loans aggregating Rs. 63 crores—Rs. 43 crores for railway development, Rs. 15 crores for the expansion of T.I.S.Co. and Rs. 5 crores for the construction of the Trombay thermal station. Negotiations are under way for obtaining loans from the Bank for the development of ports, the Koyna hydro-electric project, and the Damodar Valley Corporation. In addition to the $225-million (Rs. 107-crore) loan granted this week, the U.S. is considering, as a matter of high priority, further measures of assistance to India to tide over the present shortage of foodgrains. The Government of India has just concluded an agreement with West Germany for the postponement of certain payments which will fall due in the next three years or so, in respect of the Rourkela steel plant. The sum involved in the agreement is 660 million marks (or about Rs. 75 crores). Early last month, an agreement was signed with Japan for loans aggregating 18 billion yen (or about Rs. 24 crores) through the Export-Import Bank of Japan. This loan will be utilised for purchase of Japanese goods, mostly machinery and equipment. The loans will be repaid within a period of ten years and will bear interest at rates which will be decided on the basis of the rate charged by the World Bank. The U.S.S.R. has offered a credit of 500 million roubles (or about Rs. 60 crores) to be available in the form of technical assistance and equipment for setting up a heavy machine building plant, a plant for the manufacture of coal mining machinery, an optical factory and a thermal power station and for the development of the Korba coalfieds. This credit, like the one given for the Bhilai Steel Plant, carries interest at the rate of 2.5 per cent. and is repayable in twelve equal annual instalments. The U.K. Government has agreed to give in advance on 1st April 1958, three annual instalments of £4 million each due from it under the transfer of pension arrangements made in 1955. An agreement has also recently been concluded with France for economic and technical assistance. Under this agreement, France will finance up to a total of 25 billion francs (Rs. 28 crores) the manufacture and supply of capital goods for which orders are placed by Indian purchasers with French suppliers during the twelve months following the date of the agreement. During the year, Canada has authorised $21 million as assistance to this country under the Colombo Plan. It has also made a special grant of $7 million for the purchase of wheat and has agreed to supply an additional quantity of 400,000 tons of wheat. The Ford Foundation has continued its assistance with a further allocation of $6.2 million.

The various programmes of assistance already in operation or promised have all been taken into account by Mr. Nehru in arriving at the figure of Rs. 325 crores, the sum for which he has taken credit in the Budget. The corresponding figure budgeted for the current year was Rs. 150 crores, but the revised estimate is lower at Rs. 105 crores. The substantially larger credit taken into account for 1957-58 on the basis of the agreements concluded will provide a cover for a substantial part of our requirements. Such large assistance naturally involves large commitments by way of interest payments and capital repayments. The bulk of this burden will have to be met during the Third Plan period. Accordingly, the task before the country, as the Finance Minister has emphasised in his economic survey, is not one of earning foreign exchange to meet the immediate requirements alone but also to cover these future liabilities—not to mention the further requirements for the investment programmes in the coming years.

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UNION BANK MAKES GOOD PROGRESS

FRESH CAPITAL TO BE ISSUED

IN consonance with the general trend of banking business and earnings, the Union Bank of India Ltd. (General Manager: Mr. F. K. F. Nariman, Bombay) also has recorded a sizable expansion in its turnover and profit during the year ended 31st December 1957. There has been a marked increase in its deposit resources. The total deposits, as at the end of the year, show a rise of Rs. 7.46 crores (at Rs. 20.73 crores), probably the sharpest rise in any year in the history of the Bank. Advances also have risen by Rs. 1.70 crores, but the pace of increase is much less than that noted a year before, evidently due to the credit restrictions enforced during the year. This has enabled the Bank to strengthen its liquid assets substantially and also to place its large surplus resources with other banks. The gross income of the Bank has gone up by Rs. 35.27 lakhs to a high of Rs. 97.82 lakhs, but the profit shows a rise of only Rs. 3.57 lakhs to Rs. 14.71 lakhs.

With this rise during 1957, the Bank's profit has no doubt established a new high in absolute terms, but a closer scrutiny reveals that, as in the case of many other banks, and for reasons explained in these columns in our earlier issues, the rise in profit of the Bank is not commensurate with the expansion in business. Consequently, the profit margin, as indicated by the ratio of profit to gross income, has shrunk from 17.8 per cent. to 15.0 per cent. At the end of 1954, it was as high as 21.7 per cent.

The increase in profit has naturally meant a larger provision for taxation; this has been raised from Rs. 2.25 lakhs to Rs. 4 lakhs. The reserve fund gets the same amount as in the previous year, namely, Rs. 2.50 lakhs. A sum of Rs. 1.50 lakhs has been set aside for contingency account, which had not received anything last year. A sum of Rs. 1 lakh has been utilised to write off the Bank's premises account, as against *nil*. The Bank has a modern new building in Bombay, as anyone who goes to Dalal Street from Apollo Street can see. No allocation has been made to the investment account, which had received Rs. 1.25 lakh a year ago. The bonus to staff has been raised from Rs. 1.80 lakh to Rs. 2.50 lakhs, but the dividend is unchanged at 8¾ per cent. per annum, free of income-tax, to which level it had been stepped up last year from 7½ per cent.

The following table gives an idea of the Bank's progress in recent years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Gross income	97.82	62.55	40.53	31.07
Interest and discount earned	74.86	48.35	31.52	26.74
Exchange and commission	19.26	9.96	5.21	1.97
Interest paid	44.36	24.65	14.08	12.14
Expenses	37.87	26.20	16.57	12.00
Depreciation	0.88	0.55	0.43	0.17
Profit	14.71	11.14	9.45	6.76
To provision for taxation	4.00	2.25	1.75	1.15
,, reserves and contingencies	4.00	2.50	2.50	2.00
,, premises account	1.00	..	0.75	..
,, bonus to staff	2.50	1.80	1.25	0.90
,, investment account	..	1.25	..	..
Dividend	3.52 (8¾%)	3.50 (8¾%)	3.00 (7½%)	2.75 (6¾%)
Carry forward	1.50	1.81	1.96	1.76

	As on 31st December			
	1957	1956	1955	1954
Capital	40.00	40.00	40.00	40.00
Reserves	40.00	37.50	35.00	33.00
Deposits	20,73.19	13,27.58	9,10.74	5,88.66
Borrowings from other banks	..	..	..	40.00
Advances	10,40.37	8,70.52	5,50.26	3,88.75
Investments	5,00.94	3,48.69	2,94.90	2,34.31
Cash (including money at call and short notice)	5,96.93	1,76.66	1,40.42	74.38
Balance-sheet total	26,81.56	20,72.36	13,05.01	7,95.61
Ratio to deposit of—	%	%	%	%
Advances	50.1	65.8	60.4	65.2
Investments	24.2	26.3	32.4	34.5†
Cash	28.8	13.3	15.4	12.6

† Ratio arrived at after taking into account investments earmarked against borrowings from other banks.

Of the rise of Rs. 35.27 lakhs in gross income during 1957, interest and discount earned account for Rs. 26.51 lakhs and exchange and commission for Rs. 9.30 lakhs. The relatively sharper rise in exchange and commission earned is due to the marked expansion in the Bank's bills business. The bulk of the increase in income has been offset by the rise of Rs. 19.71 lakhs in interest paid and of Rs. 11.67 lakhs in expenses.

With the additions made year after year, the Bank's published reserves have been brought up to the level of its paid-up capital. The most outstanding feature disclosed by the Bank's latest balance-sheet is the rise of Rs. 7.46 crores in deposits. A break-up analysis of the deposits shows that time deposits have gone up from Rs. 3.09 crores to Rs. 5.59 crores, savings deposits from Rs. 77.98 lakhs to Rs. 90.34 lakhs and current and contingency accounts from Rs. 9.40 crores to Rs. 14.23 crores. On the assets side, advances are up by Rs. 1.70 crores, loans, cash credits and overdrafts having risen from Rs. 5.66 crores to Rs. 6.78 crores and bills purchased and discounted from Rs. 3.05 crores to Rs. 3.62 crores. The relatively smaller increase in advances accounts for the drop in credit ratio from 65.8 per cent. to 50.1 per cent. and the rise in the ratio of the liquid assets (investments and cash) to deposits from 39.6 per cent. to 53 per cent.

The Bank's bills business must have expanded substantially during the year, as witness the rise in bills for collection outstanding at the end of the year from Rs. 1.27 crores to Rs. 1.56 crores; two years before it was only Rs. 80 lakhs. Acceptances and endorsements, which had gone up from Rs. 2.18 crores to Rs. 5.23 crores a year ago, have, however, declined to Rs. 3.41 crores at the end of 1957.

Consequent on the sharp rise in deposits during the last few years, the ratio of capital and reserves to total deposits has declined from 12 per cent. in 1953 to less than 4 per cent. at the end of 1957. The Directors have, therefore, decided to increase the paid-up capital to Rs. 60 lakhs from the present level of Rs. 40 lakhs, by the issue of 400,000 new shares of Rs. 5 fully paid up at par to the existing shareholders in the ratio of one share for every two shares. The necessary application to the Controller of Capital Issues for this purpose has already been made.

DENA BANK'S PROFIT MOVES UP

DIVIDEND UNCHANGED

THE Directors' report and accounts of the Devkaran Nanjee Banking Company, Ltd. (Managing Director: Mr. Pravinchandra V. Gandhi, Bombay), for the year ended 31st December 1957 disclose that the commendable progress made by the Bank in the preceding years was well maintained during the year under review also in all directions. The pace of increase in profit, however, has slowed down, but this is due to higher cost of operation.

The Bank has increased its total working funds from Rs. 25.07 crores to Rs. 27.68 crores; its deposits have gone up from Rs. 19.50 crores to Rs. 23.32 crores; it has added six more offices to the list of branches; and the number of its accounts has increased from over 120,000 to more than 132,000. The profit, too, has recorded an increase of Rs. 2.30 lakhs to a record high of Rs. 17.17 lakhs, but this rise does not compare well with that of Rs. 3.76 lakhs noted in 1956.

Notwithstanding the rise in profit the provision for taxation is unchanged at Rs. 8 lakhs, while the reserve fund has been strengthened by the addition of Rs. 5 lakhs, as against Rs. 3 lakhs transferred from the profit for 1956. The allocation to the investment reserve is maintained at Rs. 50,000. The dividend is being repeated at 6 per cent. per annum, free of income-tax, after it had been successively raised from 4 per cent. paid for 1954 to 6 per cent. for 1956.

With the rise of Rs. 18.73 lakhs during 1957, the Bank's gross income has nearly doubled itself in the course of the last three years. Of the increase in 1957, interest and discount earned account for Rs. 13.19 lakhs and commission and exchange for Rs. 5.60 lakhs. As against this, the rise in interest paid is of the order of Rs. 11.77 lakhs and that in establishment and

(*Continued on page* 445)

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PROVISIONS OF GIFT-TAX BILL

REBATE ALLOWED FOR ADVANCE PAYMENT

WITH the proposal to tax gifts, announced by Mr. Jawaharlal Nehru, in his capacity of Finance Minister, the Government of India may be said to have put into effect practically all the fiscal measures suggested by Prof. Nicholas Kaldor, the British tax expert, in his report on Indian tax reform, submitted to the Government in March 1956. There are, however, substantial differences between Kaldor's conception of gift-tax and the Gift-Tax Bill introduced by the Government. For, while the former formed part of an integrated system of fiscal reform, and was intended to ensure that the tax was paid by the donee, the latter forms part of a hotchpotch tax system and fixes the responsibility for the payment of gift-tax on the donor, though any failure on his part to pay the tax would bring the donee into the picture and make the latter liable to tax.

Taxation Commission

The Taxation Enquiry Commission, it may be recalled, also discussed the levy of a tax on gifts. The Commission, however, was averse to imposition of the tax till the Government had acquired "considerable experience" in the operation of the estate duty. It said:

"The introduction of a tax on gifts has also been suggested by some witnesses as a means of preventing the evasion of death duties and incidentally also of income-tax. The present provisions regarding the taxation of gifts may be recounted briefly. All gifts *inter vivos* made within two years of the death of a person are chargeable to estate duty. Gifts for public charitable purposes are taxable, if they are made within six months of the death of a person. In both cases an exemption has been provided up to a maximum limit under Section 33 of the Estate Duty Act. Gifts made otherwise than under the above conditions are not chargeable to estate duty. The suggestion now made is that a small charge should be placed on such gifts as and when they are made. The analogy for this purpose is provided by the gift-tax in vogue in many countries, including the U.S.A.

"A gift-tax is theoretically an attractive proposition, but it requires considerable experience of the operation of estate duty before it can be introduced. One of the prerequisites for operating successfully a tax of this nature would be to introduce the submission by income-tax assessees of a statement of assets and liabilities. As more experience is gained of this type of work, the feasibility of introducing a gift-tax can be considered. Moreover, the rates of death duty are at present low. The value of a gift-tax as a second line of defence for estate duty is greater if the rates of the latter are steeply progressive. We are, therefore, not in favour of introducing the gift-tax at this stage."

Explaining the nature of the proposal to tax gifts—the Gift-tax Bill comes into force from 1st April 1958—Mr. Nehru stated that it would not only fill a gap in the scheme of direct taxation but also make evasion or avoidance of tax difficult. He added: "The transfer of properties through gifts to one's near relations or associates is one of the commonest forms of avoidance of not only the Estate Duty but also income-tax, wealth tax and even the expenditure tax. The only way of effectively checking this practice is to levy a tax on gifts. Such a tax is already being levied in other countries, for example, the U.S.A., Canada, Japan and Australia." A similar view is expressed in the Statement of Objects and Reasons, appended to the Bill, which also points out that "with the introduction of this tax, the integrated tax structure which the Government have been aiming at will be complete."

Exemptions

Gift-tax, as already stated, is payable by the donor. But, if the tax cannot be recovered from the donor, it may be recovered from the donee, provided that the amount of the tax which may be received from the donee shall not exceed that portion of the gift-tax which is attributable to the value of the gift made to the donee by the donor as at the date of the gift. All persons (individuals, Hindu undivided families, companies, firms and associations of persons) making gifts are taxable under the Act, except—(*a*) Government companies, (*b*) corporations established by a Central, State or Provincial Act, (*c*) public companies whose affairs are controlled by and a majority of the shares of which are held by six persons or more, (*d*) subsidiary companies of the companies referred to in (*c*), and (*e*) recognised charitable institutions or funds.

Gifts exempt from tax are:

(*a*) immovable property situated outside India; (*b*) movable property situated outside India, where the donor is not a citizen of India or where the donor, not being an individual, is a non-resident; (*c*) savings certificates declared gift-tax free; (*d*) gifts to Government or local authorities; (*e*) gifts to recognised charitable institutions or funds; (*f*) gifts for any charitable purpose up to Rs. 100 in respect of each gift; (*g*) gifts to female dependant members on the occasion of marriage, subject to a maximum of Rs. 10,000; (*h*) gifts to wife, subject to a maximum of Rs. 1,00,000; (*i*) gifts of policies of insurance or annuities to wife, children or dependants subject to a maximum of Rs. 10,000 in respect of each donee; (*j*) gifts under a will and (*k*) gifts in contemplation of death.

Without prejudice to these exemptions, no person need pay gift-tax if the gifts do not exceed Rs. 10,000 in one previous year. But, if the taxable gift to any individual donee exceeds Rs. 3,000 during the year, the donor will have to pay tax in respect of all gifts above Rs. 5,000.

The value of gifts made during a previous year (which is the same as for income-tax assessments) is the subject of charge; gifts are valued normally at the market value of the property as on the date of the gift. The taxable gifts made during five previous years immediately preceding the assessment year (excluding gifts made before the 1st day of April 1957) are aggregated and the rate applicable to the aggregated value is the rate at which tax is charged on the value of the gifts made during the previous year. The rates of tax are:

On the first Rs. 50,000—4 per cent., on the next Rs. 50,000—6 per cent., on the next Rs. 50,000—8 per cent., on the next Rs. 50,000—10 per cent., on the next Rs. 1,00,000—12 per cent., on the next Rs. 2,00,000—15 per cent., on the next Rs. 5,00,000—20 per cent., on the next Rs. 10,00,000—25 per cent., on the next Rs. 10,00,000—30 per cent., on the next Rs. 20,00,000—35 per cent. and on the balance—40 per cent.

Gifts by Wife

Since the liberal exemption given to gifts made to one's wife (Rs. 1 lakh) may lead to avoidance of tax by gifts being made through one's wife, an explanation to clause 3 of the Bill provides that "gifts made by the wife of any person out of any gifts made to her by her husband shall be deemed to be gifts made by the husband." Further, clause 4 seeks to plug other loopholes by which the gift-tax may be avoided. Thus, it brings to charge certain transfers of property which are made for nominal or inadequate consideration or for a consideration which, although it may be stipulated, is not meant to pass actually. Similarly, release or discharge from one's debts or liabilities, appropriations or withdrawals from joint accounts for the benefit of a person other than the person who made the original deposit or investment, are brought within the scope of gifts.

The authorities for assessing and collecting the tax on gifts are the income-tax officers. Persons who have made taxable gifts will have to make a return in a form which will be prescribed. Every person who, during the previous year, has made any taxable gifts should furnish the appropriate return to the gift-tax officer before 30th June of the corresponding assessment year. Broadly speaking, the procedure of assessment, appeals, revision and references are the same as in the Income-tax, Wealth-tax and Expenditure-tax Acts. Thus, the appointment of Appellate Assistant Commissioner of Gift-tax and Commissioner of Gift-tax is envisaged. Penalties are prescribed for non-submission of returns or for concealment and inaccurate submission of returns, the penalty (in addition to the tax) in the former case being 1½ times the amount of tax and in the latter case (in addition to the tax) 1½ times the amount of the tax which would have been avoided if the return had been accepted as correct. Wilful submission of false returns is punishable with simple imprisonment upto one year or fine upto Rs. 1,000 or both.

Appeal

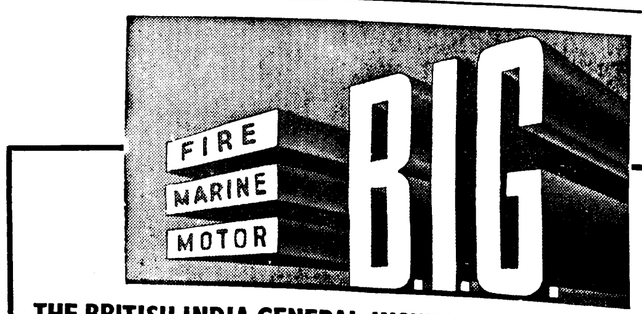
There is provision for appeal by an aggrieved assessee to the Appellate Assistant Commissioner and from the latter to the Appellate Tribunal. In the event of a dispute about the valuation of any gift, the Tribunal may refer the question to two valuers, representing the assessing authority and the assessee, and in the event of a difference of opinion among the valuers, the Tribunal may refer the dispute to a third valuer (nominated by agreement or failing agreement, by the Tribunal) whose decision will be final. The provisions relating to the reference of questions, which involve legal issues, to the High Courts and further appeal to the Supreme Court follow the lines laid down in the Income-tax, Wealth-tax and Expenditure-tax legislations.,

A novel feature of the Bill is the provision for a rebate on advance payments. This is intended to encourage prompt payments. Thus, if a person making a taxable gift of Rs. 10,000 or more pays within 15 days of his making the gift, an amount calculated in the manner indicated below, he will be given credit at the time of assessment, not only for the amount so paid, but for a further sum of 10 per cent. of the amount so paid:

(1) in cases where the value of the gift does not exceed Rs. 50,000—four per cent. of the value, (2) where the value of the gift exceeds Rs. 50,000 but does not exceed Rs. 2,00,000—eight per cent. of the value, (3) in any other case—15 per cent. of the value.

Revenue

The financial memorandum appended to the Bill states that, in the absence of reliable data regarding the number and value of gifts made every year, it is difficult to make even a rough estimate of the number of persons who would be liable to tax. As a rough guess, however, it has been estimated that the number of assessees may be about 10,000 in any one year. Mr. Nehru also pointed out that there was no reliable data for making an estimate of the yield and that, "on a rough guess the yield from the gift-tax has been placed at Rs. 3 crores." The tax, as already stated, will be administered by the Income-tax Department, which is also administering the two new taxes imposed last year, namely, the Wealth-tax and the Expenditure-tax. It is, however, averred that, in view of the fact that the pressure of work on the department has increased as a consequence of the lowering of minimum taxable limit under income-tax to Rs. 3,000, some expansion of staff will be necessary for administering gift-tax; this is provisionally estimated to cost Rs. 8 lakhs.



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SHORT-TIME WORKING ON THE INCREASE

U.K.'S FOREIGN TRADE IN TEXTILES—CHINA ADDS 1.2 MILLION SPINDLES

From A Special Correspondent

MANCHESTER, *25th February*

MANCHESTER LETTER

THE fear of widespread short-time working is looming large again among Lancashire textile workers. The chequered post-war fortunes of the cotton industry, so long influenced by factors outside the control of management and trade unions, have taken another turn for the worse in recent weeks. It has become the maxim of many responsible officials not to "talk down" the industry; doing so, they argue, only adds to uncertainty and discourages business. But the more forthright among them concede they can foresee no influence to stimulate a revival of the demand for cotton goods which has fallen off so sharply over recent months.

Latest official returns of unemployment do not give a true reflection of the proportions of short-time working in the mills, nor the extent to which mill order books have run down.

Cotton spinning, weaving and finishing workers unemployed totalled 2,700 when the Ministry of Labour last assessed the position in mid-January. Since then several mills have closed, others have reached the point where production has had to be curtailed and an unofficial estimate puts the effect of these measures at an increase of several thousand in the number of operatives on short time.

The future trend remains uncertain. "Some spinning and weaving mills are booked up until the end of September," said a spokesman for the industry. "Others have only two weeks' work on hand."

The credit squeeze is one of the influences said to be affecting turnover in textile goods. But the principal factor weakening the position of Lancashire mills is the flood of cheap foreign cloth arriving in Britain, principally from India and Hong Kong. Last year imports totalled 372,000,000 square yards and Lancashire's more pessimistic spokesmen fear that, if the Government continues to ignore the industry's pleas for controls to limit the flow, unemployment and short-time working may become more widespread later in the year.

Yarn Price Revisions

When the raw cotton basis, on which American yarn prices in Lancashire are established, was lowered earlier this month it represented the first reduction since December 1956. Easier rates for the United States staple, together with some sympathetic downward movements in similar growths, were responsible for the change, which did not take the market by surprise.

In the intervening 14 months or so, cotton yarn prices quoted by Lancashire spinners have shown some variations, so that the lower counts are now actually cheaper than at the end of 1956, while some of the finer qualities in the American range are several pence dearer. The following table indicates the position:

(In *d.* per lb.)

	Cop twist		Ring beams		Pin cop weft	
	16s	32s	20s	36s	16s	42s
1956						
Dec. 1 ..	43.81	53.76	50.26	61.24	43.41	58.64
1957						
Mar. 9 ..	43.94	53.99	50.43	61.41	43.54	58.92
May 29 ..	43.21	54.21	50.21	61.53	43.81	59.31
July 29 ..	43.71	54.91	50.93	62.55	43.31	60.26
Oct. 19 ..	43.66	54.63	51.42	63.48	43.26	60.04
Nov. 29 ..	44.27	56.29	52.38	65.01	43.87	61.53
1958						
Jan. 11 ..	43.82	56.35	52.33	65.19	43.42	61.55
Feb. 5 ..	42.99	55.52	51.49	64.33	42.59	60.82

Most of the revisions which have occurred in prices have been due to differential changes in the raw cotton basis, which have led to irregular movements in selling rates. In addition, the advance caused by the wage increase to the operatives last summer and a whole variety of rising overhead costs, had to be taken into account.

During the same period, the rise and fall of prices quoted in the Egyptian type yarn section has been pronounced. Reaching a peak around April last, the rates ruling for some of the finest qualities have been reduced by over 20*d.* per lb. In such standard counts as 60s cop twist, the fall has been in the region of 12*d.*

It is virtually impossible to make a completely accurate assessment of the balance of payments situation affecting cotton goods for the simple reason that there is no direct comparison between the appropriate earnings and costs in dealing with a commodity involving the use of a variety of processes. Only a guide can be obtained to the position through the figures issued by the Board of Trade covering overseas business in general.

These are given in broad terms indicating the value of exports and imports, with comparisons of previous years, as illustrated below:

(In £000's)

	1953	1954	1955	1956	1957
Exports—					
Raw cotton	1,748	2,608	2,894	2,148	1,780
Manufactures	117,063	112,051	97,673	88,683	88,500
Total ..	118,811	114,659	100,067	90,831	90,280
Imports—					
Raw cotton	107,159	125,897	98,584	104,196	108,481
Manufactures	10,983	21,647	23,894	25,771	33,455
Total ..	118,142	147,544	122,478	129,967	141,936
Balance	+669	-32,885	-22,411	-39,136	-51,656

The above table shows the bare outline and obviously does not include the numerous cases where overlapping occurs both in the cost of articles used in the distribution of textiles as well as certain processes which call for imported materials. Equally, it does not indicate the shipments of made-up garments or exports of a multitude of other articles which contain a proportion of cotton fibre. Even so, the position is disturbing, as it portrays a lack of balance in the main sources of trading in cotton textiles and particularly the rising cost of imports of foreign-made fabric.

Chiefly owing to the improvement in exports of yarns in the man-made fibres range last year, earnings from synthetics were over £1,000,000 higher at £32,989,000. This compared with the peak figure of £40,049,000 obtained from overseas trade in synthetic fibre yarns and woven fabrics in 1954. Unfortunately, the cost of imported yarn and cloth in this branch showed a marked increase in 1957, being £13,868,000 against £11,086,000 in the previous 12 months.

There was little change last year in the position of miscellaneous textile manufactures, other than synthetics, cotton and wool. Export earnings of £84,869,000 were £400,000 higher than in 1956, while the cost of imports was £30,874,000 against £29,995,000. In addition, £39,900,000 was paid for imports of textile fibres and waste, excluding cotton and wool.

Individual sections within the various branches of the textile trade have undoubtedly been able to balance their respective budgets, but, without delving very deeply into such matters, it is impossible to provide details. From the country's economic viewpoint, too, the employment offered to hundreds of thousands of workers, both in the production and distribution of textiles, is a very important factor.

Spinning Mill Changes

A chief feature of the current cotton spindleage statistics, published by the International Cotton Federation, is the inclusion of figures supplied by the Russian authorities. They show that the Soviet Union has the fourth largest spinning industry in the world, by volume of spindles, and the second largest by consumption of raw cotton.

Returns relating to July 1957 indicate a further contraction in European spindleage, although it still represents just about half the world total. Compared with the previous year, there was a fall of 1,500,000 spindles in Britain, but an increase of 700,000 spindles in France.

The net world gain in spindleage was 551,000—to a grand total of 129,422,000 spindles. Most of the expansion was in Asia, where Chinese mills added 1,200,000 spindles, India 300,000 and Japan 500,000.

Raw cotton consumption during the season to the end of July again established a record at 42,438,000 bales. This was due not only to the increase in spindles, but also to the increased average production per spindle, which rose from 302.91 bales per thousand spindles to 327.90 bales. This trend has been apparent throughout the past decade and is mainly due to the longer number of hours run in the coarser yarn mills and more shift working.

Even when idle spindles are omitted from the account, Britain's mills still worked fewer hours than any of their rivals. During the 12 months under review, the average spindle-hours operated in the United Kingdom were 2,124; in Hong Kong, they were 8,158; in India 5,932; in the United States 6,117; and in Japan 4,867.

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RAILWAY FREIGHT RATES ON COAL

RAMASWAMI MUDALIAR COMMITTEE RECOMMENDS UPWARD REVISION

THE Railway Freight Structure Enquiry Committee, under the chairmanship of Dr. A. Ramaswami Mudaliar, has, in its report, accepted in principle the present policy of quoting specially low railway freight rates for coal, which, it says, is in keeping with the treatment accorded to this commodity generally on railways the world over. Nevertheless, it is of the opinion that the existing scales of rates for coal ignores the "cost-of-service" principle and is not quite realistic under the present conditions. The Committee is, therefore, unanimously of the opinion that the freight rates for coal need an upward revision, with a view to making it more rational and realistic.

The coal industry has all along received most favourable treatment in respect of railway freight rates, and extremely low rates are being charged on the ground that coal is an important basic raw material for many industries. Another consideration for this special treatment is that coalfields are mainly concentrated in Bengal and Bihar and the coal from these fields has to be moved over long distances to Madras and beyond in the south and Bombay and beyond in the west. The specially low rates charged for coal have considerably helped the development of coal production in the country and the transformation of the country from an importing one to an exporting one. Almost from the very beginning, coal in wagon-loads from Bihar and West Bengal coalfields was charged according to a telescopic scale of rates on the through distances, while the scale of charges for other general merchandise was on a flat scale. Even with the introduction of the telescopic scale on the through distance for all commodities in the revised rates of structure of 1948, coal was differently treated and a separate scale was prescribed for coal. The old pattern of legs was continued, thereby deviating from the patterns adopted for general goods. The following is the scale of rates now applicable to coal:

Distance	*Rate per maund per mile* Pie
1 to 200 miles	0.30
201 to 400 miles	0.10
401 to 1,000 miles	0.08
Over 1,000 miles	0.07

The above rates are applicable to coal sent at owner's risk. For coal sent at railway's risk, the rate per maund is 20 per cent. more than the owner's risk rate, exclusive of terminal, transhipment and other extra charges, except for traffic in bulk, involving transhipment *en route* due to break-of-gauge or ferry, for which class I rate only is chargeable.

Till October 1956, the terminal charge for coal in wagon-loads was less than the standardised terminal charge for other general merchandise and no short-distance charge was levied. Since 15th October 1956, however, this position has been altered and coal in this respect is now treated in the same manner as other general merchandise.

Not Realistic

While the Railway Freight Structure Enquiry Committee accepts the principle of quoting specially low rates for coal, it is of the view that the existing coal scale, with a sudden and precipitate drop from 0.30 pie to 0.10 pie after 200 miles and a further decrease to 0.08 pie for the next 600 miles and down to 0.07 pie for distances beyond 600 miles, ignores the "cost of-service" principle and is not quite realistic under the present conditions. It is pointed out that, beyond 1,000 miles, coal at present pays only 7 pies per maund for every 100 miles of haul. While the price of coal has gone up by almost 400 per cent. as compared to 1939, the freight on coal is only 70 per cent. higher than that charged in 1938-39. "The low freight rates, particularly over longer distances," the Committee points out, "must be causing the railways increasing loss. Moreover, with the much steeper sea freight prevailing on coastal routes and with the rapidly increasing demand for coal movement, more and more coal has to be handled by railways over long distances and we consider that some at least of the transport capacity utilised for coal movements could be better used for other important traffic waiting to be lifted. It is, therefore, necessary that the coal rates are rational and realistic."

While the Committee is unanimously of the view that the coal rates should be modified, it has not made any definite suggestion in this connection. It has, however, forwarded to the Goverment, for its consideration, two alternative proposals regarding the manner in which the freight rates on coal may be modified. Evidently, opinion among the members of the Committee was sharply divided on either of the proposals; for the Committee has thought fit to forward both the proposals to the Government. The first proposal is: "In the context of the complete standardisation and rationalisation of the freight structure and the considerable degree of flexibility that has been secured in it, there is no justification for keeping coal out of the general rates structure and the time is opportune to assimilate coal into it and prescribe a suitable classification within this structure. With this assimilation in view, it is suggested that coal in wagon-loads may be classified 25 per cent. and 32.5 per cent. in smalls. This classification will apply at owner's risk. At railway risk, the rates will be 20 per cent. higher."

Second Proposal

The second proposal is: "Undue importance should not be given to the desirability of assimilation ignoring other considerations. Coal has always been treated differently in respect of freight rates and it should not necessarily be in accordance with the percentage scheme accepted for all other commodities. It is, therefore, suggested that it would be more realistic to fix the coal scale independently of the scheme of percentage rates." The following scales of rates are recommended under this proposal:

Distance Miles	*Rate per maund per mile* Pie
1-25	1.10
26-75	0.36
76-150	0.32
151-300	0.24
301-500	0.15
501-800	0.10
801-1,200	0.07
Over 1,200	0.05

The present and proposed freight rates for representative distances under each of these proposals are compared in the following table:

(Per ton)

Representative distances (in miles)	Existing rates: Prior to 15th Oct., 1956	Existing rates: From 15th Oct., 1956	Proposed rates: Under 25 per cent. class of general structure with ceiling at 800 miles	Proposed rates: Under the separate coal scale proposed
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
25	2 3	3 13	3 5	4 0
50	3 3	4 13	4 9	5 4
75	4 5	5 1	5 11	6 9
100	5 5	6 1	6 13	7 11
200	9 9	10 5	10 13	11 11
300	10 15	11 11	14 8	15 1
400	12 6	13 2	17 10	17 3
500	13 8	14 4	20 9	19 5
600	14 10	15 6	23 0	20 12
800	16 15	17 11	27 15	23 9
1,200	21 3	21 15	27 15	27 9
1,500	24 2	24 14	27 15	29 11

It will be seen from the above table that the freight rates under either of the proposals are higher than those which prevailed prior to 15th October 1956. As compared with the enhanced rates introduced on 15th October 1956, consequent on the adoption of the revised terminal charges and the new imposition of the short-distance charge, the rates under the first proposal will be slightly less for distances up to 50 miles. In the opinion of those members of the Committee who favour this proposal, there cannot be serious objection to the cut in rates for distances up to 50 miles. Justifying this reduction, they point out:

"The rates for coal have all along been held to be paying for the lower leads and the position before 15th October 1956 was considered satisfactory. For important industries, which are situated near the coalfields for the reason that they require very large quantities of coal, the burden of freight rates should not be enhanced further and might even be justifiably slightly lower than that imposed as a result of changes introduced on 15th October 1956, particularly as an additional freight burden is being imposed generally on all industries."

It will be noted that, under the first proposal, there will be sudden and sharp increases in rates for coal moving over long distances. It is, however, suggested that, as a first step towards complete rationalisation and integration of rates, a ceiling on rates for coal may be placed for the present at about 800 miles or even 1,000 miles, instead of the general ceiling of 1,500 miles.

It is feared that such a rise in rates, particularly for long distances, will adversely affect industries depending on coal fuel or thermal electricity. In reply to this point of view, the Committee points out:

"The percentage of cost of fuel, whether coal or thermal electricity, on the *ex*-factory cost of product has been worked out in respect of some 28 industries in the same manner as had been followed in working out such cost in the Report of the Sixth Census of Indian Manufactures, 1951, on the basis of coal freight rate of 1951 and the proposed freight rate. Both on the 1951 freight and on the proposed increased freight rate, the cost of coal entering into the *ex*-factory value of the product is comparatively very small, except in the case of certain industries, i.e., iron and steel, cement and ceramics. It was also pointed out to us at Kanpur that the increase in freight rates for hard coke would affect the iron foundries scattered throughout the country, but it is considered that the changes that are proposed are not likely to affect these industries also."

Rebate

If, however, there be a few industries in which the increased fuel costs affect them adversely and they are confronted with real difficulty as a result of the revision in the coal scale, the supporters of the first proposal suggest that suitable reduced rates in the shape of a rebate may be granted in such cases. They have, however, pointed out that the decision to grant such rebates must be taken by the Ministry of Railways and not by individual administrations.

Under the second proposal, there will be an all-round increase in rates for all distances (including short-distance traffic) and the rise will be sharper than that under the first proposal for all distances except for over 300 miles and up to 1,200 miles. Justifying the increase in rates for short distances, the supporters of this proposal point out that, "if the increase on the long-distance traffic on the basis of the percentage rate proposal can be considered insignificant, the increase on the short-distance traffic under this proposal cannot be considered as unduly burdensome to industries nearer the coalfields." They are also opposed to any rebate being given to any industry on the ground of undue hardship caused by the increased freight on coal and they point out that under their scheme there will be no need for giving any rebate.

Rail and Steamer Rates

Another problem concerning the coal freight rates, which the Committee examined, is the disparity between the freight costs for long-distance movements by rail and by coastal steamers. The difference in the rate per ton for movement of coal to Madras, Bombay, Ahmedabad, etc., from the coalfields is significant. The Committee, while emphasising the need for encouraging such movements by coastal steamer, suggests that rail freight rates from the collieries to Calcutta and from the receiving ports to centres of consumption should be calculated at the through telescopic basis. In this connection, the Coal Consumers' Association, Calcutta, submitted to the Committee the urgent need for equalising the freight burden on coal from the Bihar-Bengal Coalfields to places in western and southern India over the all-rail and rail-*cum*-sea routes by the grant of a suitable subsidy to those consumers who were obliged to avail of the dearer coastal route. The grant of a subsidy is, however, opposed by the Ramaswami Mudaliar Committee. Thus, it points out:

"At present the gap between the two rates is so high as to make the grant of a subsidy, not a practical proposition. The suggestion to calculate freight rates on the railway portions of the rail-*cum*-sea route on the basis of the combined distance from the collieries to the port and from the importing port to destination points narrows down the difference in the overall freight burden between the two routes. We have already referred to the fact that, with the rapidly increasing industrialisation of the country, the demand for coal movement over long distances by rail will increase and that it is desirable that as far as possible a good portion of this coal should go by the sea route and it is in the interest of the railways that such alternative route is availed of to the maximum extent possible."

If the concession recommended by the Committee is not found sufficient to bring about the desired result, the Committee suggests that the Government may consider the question of giving any other concession. The Committee has, however, made it clear that any financial burden of such a concession should be borne by the general revenues of the Government and not by the railway revenues.

Architects of India's steel industry: (from L to R) Jamsetji Tata, R. D. Tata, Ratan Tata and Dorabji Tata

The Spirit of Adventure

"Tatas represent the spirit of adventure."

—Mahatma Gandhi

"Jamshedji Tata laid the foundations of heavy industry in India by starting Steel and Iron Works in, what came to be known as, Jamshedpur... It had a precarious childhood but the war of 1914-18 came to its help. Again it languished and was in danger ... but nationalist pressure saved it."

—Jawaharlal Nehru
from The Discovery of India

"Be sure to lay wide streets planted with shady trees, every other of a quick growing variety. Be sure that there is plenty of space for lawns and gardens. Reserve large areas for football, hockey and parks. Earmark areas for Hindu temples, Mohammedan mosques and Christian churches."

—Jamsetji Tata to his son Dorabji, in 1902, six years before work started at Jamshedpur

"We are constantly accused by people ... of wasting money on the Town at Jamshedpur. We are asked why it should be necessary to spend so much on housing, on sanitation and water-works, on roads ... on hospitals and on welfare. People who ask these questions are sadly lacking in imagination. We are not putting up a row of workmen's huts at Jamshedpur; we are building a city..."

—R. D. Tata addressing Tata Steel shareholders on October 25, 1923

"So far we have but scratched the surface of this great land. Vast resources still remain unexploited and unused in the service of man. To think that hundreds of thousands of people should ever fall at the touch of famine, or die from disease aggravated by insufficient nourishment, while there is so much latent food and wealth in the country!... Is it not time to stir ourselves, to wake up to the great opportunity and the stern duty before us, the task of India's industrial regeneration?"

—Dorabji Tata addressing Tata Steel shareholders in 1918

"We are like men building a wall against the sea. It would be the height of folly on our part to give away any part of the cement that is required to make the wall secure for all time. That is why we and you have to use this money... to build up this great industry... And we should not think of dividends until we have done that...

"...Make no mistake about this point. We hold this money in trust for you. But you yourselves hold it in trust for the Indian Nation..."

—R. D. Tata addressing Tata Steel shareholders on June 4, 1925

The Indian Steel Industry celebrates its 50th Anniversary

THE TATA IRON AND STEEL COMPANY LIMITED

PROGRESS AND PROBLEMS OF VANASPATI INDUSTRY

WAYS AND MEANS OF ENCOURAGING COTTONSEED CRUSHING

DESPITE the fact that production of vanaspati (hydrogenated vegetable oil) in 1957 crossed the three-lakh-ton mark to reach an all-time peak of 300,400 tons, the vanaspati manufacturing industry is still beset with many problems. It is one of the few major consumer goods industries which have yet to achieve optimum use of its installed production capacity. Only 58 per cent. of the industry's capacity, it may be noted here, was put to use last year. The lack of adequate supplies of edible oils at economical prices, shortage of raw materials other than oil (such as coal and tinplate), transport difficulties, etc., continue to impede the development of the industry. The progress achieved so far, in spite of these difficulties, is, however, remarkable. This achievement itself indicates that, provided conditions conducive to its development are created, the industry could make a significant contribution to the economy of the country and the health of the people. The vanaspati industry can also help augment the foreign exchange receipts of the country. Vanaspati is a promising export item, particularly to countries in West Asia which, with annual consumption exceeding 25,000 tons, offer an excellent export market.

Record Production

According to the Annual Report for 1957 of the Vanaspati Manufacturers' Association of India, production of vanaspati last year, as noted earlier, reached a record figure of 300,400 tons. The high level of output was accompanied by an equally high level of demand. The low stocks of vanaspati at the end of 1956, a sufficient supply of edible oils, and a good marriage season contributed to this result. Consequently, the upward trend of production of vanaspati, which had received a setback in 1956 due to shortage of edible oils, was resumed last year. Production of vanaspati during the period 1951-57 increased by 73 per cent. from 172,320 tons in 1951 to 300,400 in 1957. As compared with this, production of sugar, cloth, soap and shoes increased, during the period, by 82 per cent., 43 per cent., 34 per cent. and 29 per cent. respectively. This indicates that vanaspati has obtained its due share of the additional purchasing power placed in the hands of the people as a result of economic development. The following table indicates the regional pattern of production and consumpton of vanaspati during the last three years.

(In tons)

Region	Production		Consumption	
	1956	1957*	1956	1957*
Andhra, Madras, Mysore and Kerala	22,025	28,350	17,035	19,400
Bombay, Madhya Pradesh and Rajasthan	101,791	117,400	64,928	81,000
Uttar Pradesh, Punjab and Delhi	78,055	94,980	98,006	116,300
West Bengal, Bihar, Assam and Orissa	53,275	59,670	56,393	66,000
Supplies to Defence Services	..	..	6,960	10,200
Exports	..	..	10,653	4,200
Total	255,146	300,400	235,975	297,100

* Estimated.

During the year under review, the Government showed active interest in promoting export of vanaspati as a means of increasing foreign exchange earnings. But export could not be maintained even at the level of the previous year. It declined from 10,653 tons in 1956 to a mere 4,200 tons in 1957. The primary cause for this sharp fall in export was that Indian vanaspati was dearer than that of its competitors. This in turn was the result of the relatively high prices of groundnut oil in India, as compared with the world prices of other edible oils. Until edible oil prices in India come down to parity with the prices of edible oils in Europe, it will be difficult to make any significant progress in exports. In order to make Indian vanaspati competitive with foreign products, the Association had made representation to the Government and the Export Promotion Committee to grant a rebate of excise duty paid on vegetable oils used in the manufacture of vanaspati for export and help reduce the packing cost. The Government has accepted the first suggestion, with effect from 1st October 1957 last, while the second is still under consideration.

Supply of Vegetable Oils

With the rapid rise in the production of vanaspati, the availability of edible oil at reasonable prices is becoming a matter of increasing concern to the manufacturers. The failure of oilseeds output to rise to the expected levels, owing to inadequate and untimely rains and the consequent rise in prices of seeds have compelled the Government to stop exports of edible oils. Greater attention has also come to be focussed on the question of increasing other edible oil supplies in India. Cottonseed, with an annual availability exceeding 1,500,000 tons, is a promising source of increased oil supply. But it still remains to be exploited fully. Only a beginning has been made in this direction. The Government has shown an active interest in the encouragement of cottonseed crushing by abolishing excise duty on cottonseed oil and export duty on cottonseed cake and continuing a liberal export policy in respect of these. The Government has also asked the vanaspati industry to play an active part in it by establishing cottonseed crushing units and using cottonseed oil in the manufacture of vanaspati in increasing proportions. As Mr. S. H. Turner, Chairman of the Vanaspati Manufacturers' Association of India pointed out, in his address to the twelfth annual general meeting of the Association, the fact that cottonseed crushing has hardly developed, despite the inducements given to it, suggests that this industry is faced with special technical and economic problems and that, unless these are satisfactorily solved, the prospects for cottonseed oil industry are none too bright. Mr. Turner, therefore, did well to highlight these problems and suggest solutions for them. These are reviewed in the following paragraphs.

Cottonseed Crushing Neglected

India has had a relative abundance of oilseeds with higher oil contents than cottonseed. These seeds are easy to crush and they yield oils which can be directly used for edible purposes. This is not the case with cottonseed and hence it has been neglected by the oil crushing industry and is being used as cattle-feed. This long-established practice has now become the chief impediment to the progress of the cottonseed crushing industry.

As the price of cottonseed is determined by its demand as cattle-feed, whereas prices of cottonseed oil and oilcakes are influenced by the relative prices of other oils and oilcakes, the crusher is frequently faced with lack of parities between these prices. Thus, the crushing of cottonseed is rendered uneconomical. Further, the marked preference for cottonseed as cattle-feed makes the sale of cottonseed cake and hulls difficult. Since cottonseed yields only 12 to 15 per cent. oil, the price of the oilcake, hull and linters, which constitute about 80 per cent. of the production, determine the profitability of cottonseed crushing. This, as Mr. Turner rightly pointed out, is the crux of the problem. Until farmers stop using cottonseed and take to its cakes and hulls as cattle-feed, cottonseed crushing could not be an economic proposition.

From this analysis flows the suggestion of Mr. Turner that, if cattle-owners can be persuaded to pay a fair price for the cake which, by reason of its higher protein content, is a more nutritious animal food than the whole cottonseed and use it, instead of cottonseed, as cattle-feed, then the cottonseed industry could progress and prosper. Prices of Indian cottonseed oil would then become more competitive both in the internal and export markets than they are now. Mr. Turner is convinced that, if this fundamental requirement is not met, the incurring of additional capital expenses on modern cottonseed pre-treatment and crushing equipment will be a waste. For, as he puts it, "as long as the crusher has to buy seed in competition with cattle-owners at high prices, sell his cake at low prices and compete with groundnut oil, his industry rests on economically insecure foundations."

The consumption of cottonseed oil by the vanaspati industry is of less fundamental importance to the development of the cottonseed crushing industry than the establishment of a growing and profitable market for its principal product, namely, oilcake. Nevertheless, the industry can play a significant role in encouraging cottonseed oil crushing. The Government is anxious to see that the vanaspati industry provides an outlet for cottonseed oil, in order to encourage the crushing of the latter. For this purpose a meeting was convened by Mr. Manubhai Shah, Union Minister for Industry, on 17th August 1957, and requested vanaspati manufacturers to agree to use cottonseed oil upto a certain percentage and gradually increase this percentage, so that 60,000 tons of cottonseed oil could be produced by 1960-61 for use by the vanaspati industry. The vanaspati industry is also willing to co-operate, in any reasonable manner it can, in the task of building up the cottonseed crushing industry. This is borne out by the fact that, despite the difficulties in obtaining good quality oil and the technical obstacles in processing it, vanaspati manufacturers have voluntarily agreed to use this oil to the extent of 2½ per cent. of their oil requirement during 1958. Some manufacturers have even ventured into the field of cottonseed crushing.

It is, however, an oversimplification of the problem to think, as some people do, that cottonseed crushing industry could be developed rapidly if only the vanaspati industry would use all the cottonseed oil produced in India. As the crushers themselves admit, disposal of oil is not difficult. The fact that substantial quantities of cottonseed oil have been exported and its internal price has remained above that for groundnut oil for long, clearly support this view. The basic problem, according to Mr. Turner, is to find remunerative outlets for other products of cottonseed and, obviously, in this, the vanaspati industry cannot help. The Cottonseed Oil Committee, appointed by the Government to recommend measures for rapid development of cottonseed crushing, is studying the entire problem and it may be able to suggest ways and means whereby prices of cottonseed and its products could be brought into parity.

Other Problems

Now to turn to the other problems of vanaspati industry. The supply of coal and tinplate caused considerable anxiety to most of the factories. Although the factories have been allotted sufficient coal quotas, they received only partial supplies owing to transport difficulties and, as the quotas were valid for only 45 days, the balance of the quotas not delivered within the period was cancelled. The Government did not accept the Association's suggestion to make a substantial part of the coal quotas non-lapsable but granted *ad hoc quotas* to factories whenever transport was available to enable them to build up buffer stocks.

Procurement of tinplate for containers for packing vanaspati was extremely difficult during the year, thanks to restrictions on import of tinplates and the decline in indigenous output. The quotas of indigenous tinplate allotted on the basis of 50 per cent. of capacity of tin fabricating plants of vanaspati factories, inadequate as they were, were further slashed to 30 per cent. of the basic quota for the first quarter of 1958. Factories which have no tin fabricating plants found it extremely difficult to procure sufficient number of containers even at very high prices. To meet the shortage in the supply of tinplates, the Association made a number of suggestions. They were: (1) as food packing industries require prime coke quality tinplates, which cost much more than that of electrolytic or waste quality and indigenous tinplate is of prime coke quality, the requirements of foodpackers should be met from the domestic output and imports of only thinly-coated, electrolytic quality or black sheets should be allowed for non-food industries, (2) non-food industries might be persuaded to use second-hand containers and (3) in order to check profiteering by some of the fabricators, tinplates should be allotted to users who may get their containers fabricated. The Government was not inclined to accept these suggestions. It, however, agreed to issue import licences to actual users, who had imported tinplates in the past, to meet their minimum requirements and also permitted the use of second-hand containers. But this did not serve to relieve the situation, as most of the vanaspati factories were used to relying on established importers to meet their requirements and the new arrangement caused hardship to them. The use of second-hand containers were

(*Continued on page 445*)

THE UNION BANK OF INDIA LIMITED

(REGISTERED 11TH NOVEMBER, 1919)

BALANCE SHEET AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.
1. Capital—				
AUTHORISED—				
20,00,000 Shares of Rs. 5 each	1,00,00,000	00		
ISSUED, SUBSCRIBED AND PAID-UP—				
8,00,000 Shares of Rs. 5 each, Fully Paid-up			40,00,000	00
2. Reserve Fund and Other Reserves			40,00,000	00
3. Deposits and Other Accounts—				
Short, Fixed and Cumulative Deposits and 3-Year Cash Certificates	5,50,47,307	01		
Savings Bank Deposits	90,34,067	55		
Current Accounts, Contingency Accounts, etc.	14,23,37,578	78	20,73,18,973	34
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	Nil			
(ii) Outside India	Nil			
PARTICULARS—			Nil	
(i) Secured	Nil			
(ii) Unsecured	Nil			
5. Bills Payable			14,72,036	71
6. Bills for Collection Being Bills Receivable as per contra—				
(i) Payable in India	85,40,833	21		
(ii) Payable outside India	70,56,367	82		
7. Other Liabilities			1,55,97,201	03
			11,18,126	37
8. Acceptances, Endorsements and Other Obligations per contra			3,41,47,770	05
9. Profit and Loss Account—				
Balance as per Balance Sheet as at 31st December, 1956	5,30,787	05		
LESS—Dividend at Annas seven per share for the year ended 31st December, 1956	3,50,000	00		
Balance brought forward	1,80,787	05		
Profit for the year ended 31st December, 1957, brought from the Profit and Loss Account	14,71,544	74		
	16,52,331	79		
LESS—	Rs.	nP.		
Amount transferred to Reserve Fund	2,50,000	00		
Amount transferred to Contingency Account	1,50,000	00		
Amount written off Premises Account	1,00,000	00		
Amount set apart towards payment of Taxation	4,00,000	00		
Amount provided for Bonus to Staff	2,50,000	00		
Amount transferred to Investment Account	Nil			
	11,50,000	00	5,02,331	79
10. Contingent Liabilities—	Rs.	nP.		
(a) On Investments in Shares of Joint Stock Companies	2,62,500	00		
(b) Claim against the Banking Company not acknowledged as debts	15,000	00		
(c) Money for which the Banking Company is contingently liable	Nil			
(d) Liability on account of outstanding Forward Exchange Contracts	2,61,69,965	24		
(e) Liability on Bills of Exchange re-discounted	Nil			
Total .. Rs.			26,81,56,439	29

PROPERTY AND ASSETS	Rs.	nP.	Rs.	nP.
1. Cash—				
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)			2,75,27,451	21
2. Balances with Other Banks in Current Account—				
(i) In India	12,60,091	10		
(ii) Outside India	36,34,151	76		
			48,94,242	86
3. Money at Call and Short Notice			2,73,31,597	26
4. Investments (at or under Market Value)—				
(i) Securities of the Central and State Governments and other Trustee Securities	4,81,97,115	87		
(ii) Shares—	Rs.	nP.		
(a) Preference Shares Fully Paid	6,95,822	50		
Preference Shares Partly Paid	1,38,000	00		
	8,33,822	50		
(b) Ordinary Shares Fully Paid	8,66,653	83		
Ordinary Shares Partly Paid	1,50,000	00		
	10,46,653	83		
(c) Deferred Shares Fully Paid	16,871	31		
(iii) Debentures	Nil			
(iv) Other Investments	Nil			
(v) Gold	Nil			
(Part of Investments lodged with other Banks for borrowings and other arrangements)			5,00,94,463	51
5. Advances—				
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)—				
(I) Loans, Cash Credits, Overdrafts, etc.	Rs.	nP.		
(i) In India	6,78,20,651	01		
(ii) Outside India	994	87		
	6,78,21,645	88		
(II) Bills Discounted and Purchased—				
(i) Payable in India	2,73,00,722	55		
(ii) Payable outside India	89,14,956	85		
	3,62,15,679	40		
(Particulars of Advances as per separate Schedule attached)			10,40,37,325	28
6. Bills Receivable Being Bills for Collection as per contra—				
(i) Payable in India	85,40,833	21		
(ii) Payable outside India	70,56,367	82		
			1,55,97,201	03
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra			3,41,47,770	05
8. Premises Less Depreciation—				
At Cost	11,15,907	73		
Additions during the year	8,36,999	48		
	19,52,907	21		
Deductions during the year	Nil			
	19,52,907	21		
LESS—Total amount written off for depreciation	1,75,000	00		
			17,77,907	21
9. Safe Deposit Vaults, Furniture and Fixtures Less Depreciation—	Rs.	nP.		
Safe Deposit Vaults	4,94,652	43		
Additions during the year	36,085	50		
	5,30,737	93		
Deductions during the year	Nil			
	5,30,737	93		
LESS—Total amount written off for depreciation	1,55,307	26		
			3,75,430	67
Office Furniture and Fittings	8,52,088	66		
Additions during the year	3,66,038	91		
	12,18,127	57		
Deductions during the year	17,616	78		
	12,00,510	79		
LESS—Total amount written off for depreciation	3,00,719	58		
			8,99,791	21
			12,75,221	88
10. Other Assets—				
(i) Property—Value of Land	1,18,761	03		
(ii) Interest accrued on Investments	3,74,362	86		
(iii) Tax deducted at Source on Interest on Investments	7,85,757	61		
(iv) Stock of Printing	2,40,345	25		
(v) Stamps and Library	14,032	25		
(vi) Silver	Nil			
			15,33,259	00
11. Non-Banking Assets Acquired in Satisfaction of Claims			Nil	
Total .. Rs.			26,81,56,439	29

Schedule of Particulars of Advances required by the Banking Companies Act, 1949 (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957.

	Loans, Cash Credits, Overdrafts, etc.	Bills Discounted and Purchased	Total Advances
	Rs. nP.	Rs. nP.	Rs. nP.
(i) Debts considered good in respect of which the Banking Company is fully secured	5,33,61,426 17	2,27,79,472 42	7,61,40,898 59
(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security	87,19,536 04	26,45,825 84	1,13,65,361 88
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	57,40,683 67	1,07,90,381 14	1,65,31,064 81
(iv) Debts considered doubtful or bad, not provided for	Nil	Nil	Nil
Total .. Rs.	6,78,21,645 88	3,62,15,679 40	10,40,37,325 28

	Loans, Cash Credits, Overdrafts, etc.	Bills Discounted and Purchased	Total Advances
	Rs. nP.	Rs. nP.	Rs. nP.
(v) Debts due by directors or officers of the Banking Company or any of them either severally or jointly with any other persons	1,20,992 83	Nil	1,20,992 83
(vi) Debts due by companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members	51,31,535 81	Nil	51,31,535 81
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Banking Company or any of them either severally or jointly with any other persons	1,23,006 49	Nil	1,23,006 49
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members	53,92,142 58	37,590 06	54,29,732 64
(ix) Due from Banking Companies	82 23	Nil	82 23

Profit and Loss Account for the year ended 31st December, 1957.

EXPENDITURE	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	44,35,995	84
2. Salaries and Allowances and Provident Fund—	Rs. nP.	
(i) To the General Manager	40,800 00	
(ii) To the Staff	24,06,850 97	
	24,47,650	97
3. Directors' and Local Committee Members' Fees and Allowances	13,150	00
4. Rent, Taxes, Insurance, Lighting, etc.	3,19,781	94
5. Law Charges	9,627	47
6. Postage, Telegrams and Stamps	1,20,811	65
7. Auditors' Fees	5,600	00
8. Depreciation on and Repairs to the Banking Company's Property	87,685	03
9. Stationery, Printing, Advertisement, etc.	4,97,518	09
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil	
11. Other Expenditure	3,72,925	58
12. Balance of Profit carried to Balance Sheet	14,71,544	74
Total .. Rs.	97,82,241	31

INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1. Interest and Discount	74,85,649	79
2. Commission, Exchange and Brokerage	19,25,870	92
3. Rents on Building	1,17,769	27
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	2,52,951	33
Total .. Rs.	97,82,241	31

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of the Union Bank of India, Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the audited Returns of Kalbadevi, Abdul Rehman Street, Mandvi, Bhat Bazar, Princess Street, Zaveri Bazar, Rajkot and Surat Branches and the unaudited Returns from fifteen other Branches, not visited by us for the purposes of this Report.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the Provisos to sub-sections (1) and (2) of section 211 and sub-sections (5) of sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be, and are not, drawn up in accordance with the Sixth Schedule of the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for Banking Companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

S. B. BILLIMORIA & CO.,
Chartered Accountants.

BOMBAY, 17th February, 1958.

J. R. NANAVUTY,
Chief Accountant.

D. A. BIJOOR,
Secretary.

F. K. F. NARIMAN,
General Manager.

LACHHMANDAS H. DAGA
K. R. P. SHROFF
DEVJI RATTANSEY
BALKRISHNA HARIVALLABHDAS
JAL HORMUSJI MEHTA
RATILAL NATHALAL
JAISINH VITHALDAS
} Directors.

MINIMUM PRICES FOR GUNNIES FIXED

I.J.M.A.'S BID TO CURB SPECULATIVE ACTIVITY

THE Committee of the Indian Jute Mills' Association has advised the member mills not to sell gunnies below certain specified minimum prices. These prices are based on Rs. 100 per 100 bags for B Twills, Rs. 39.50 per 100 yards for 40 in. 10 oz. hessian and Rs. 29.75 per 100 yards for 40 in. 7½ oz. hessian. The decision to this effect was taken by the Committee on the 26 ultimo as a measure to arrest the recent sharp recession in gunny prices, following the speculative activity in the *fatka* market. Explaining the reasons which compelled the Committee to take this step, the Indian Jute Mills' Association, in the course of a Press note, says:

"To avoid any possible misconceptions the Indian Jute Mills' Association thinks it desirable to explain briefly the impelling reasons which led to the recent decision not to sell jute manufactures at less than certain specified prices. For several weeks, gunny prices had been falling heavily, and in the week immediately preceding the decision the fall had been greatly accelerated. The decline in prices, which was quite unwarranted by the statistical position or prevailing market conditions, was a direct result of the activities of speculators in the *fatka* market and was having a most serious effect, not only on raw jute prices, with the danger of repercussions on India's drive towards self-sufficiency in jute, but also on the foreign exchange earnings of the country. The precipitated fall in prices was also causing grave embarrassment to genuine traders, whose position as holders of goods was being imperilled, and above all the confidence of overseas buyers in the Calcutta market was being completely undermined. In these circumstances, immediate action was clearly necessary to curb speculation and restore a measure of stability to the market, and the decision not to sell below the prices specified was taken by the Association in the knowledge that its anxiety over the situation was fully shared by the Government of India."

The jute mills in Calcutta are passing through one of the most depressing periods in many years. This has been due mainly to disappointing news from overseas consuming countries. The setback in business activity and the rising trend of unemployment in the U.S. during the last few months have had their impact on U.S. burlap consumption. There has been a sharp fall in the American cotton crop in the 1957-58 season which has meant a fall in consumption of cotton bagging. Enquiries from Australia have also slackened, consequent on the partial failure of the wheat crop in that country. Consequently, there has been a decline in exports of jute goods from India during the last few months. With no marked expansion in internal consumption also, the stocks of goods with mills have accumulated. Though the stocks are still lower than those a year ago, the uncertainty about the world business recession has been exploited by the speculators and prices have been depressed to unduly low levels, the downward trend having gathered momentum in the week prior to the announcement of minimum prices by the I.J.M.A. Thus, ready hessian 40 in. 10 oz. which had stood at a high of Rs. 43.25 per 100 yards in the middle of October last, slumped to a low of Rs. 38.15 just prior to the I.J.M.A. announcement and ready B. Twills were marked down from Rs. 121.60 per 100 bags to Rs. 94.60. These were, perhaps, the lowest levels to be seen in the last ten years. The decline in prices to attractively low levels has, instead of inducing overseas buyers to enter the market, kept them away, presumably in anticipation of further decline in prices. Some of the mills are said to have even tried to sell their goods at a discount, with a view to encouraging buyers, but the response is stated to have been very poor.

The fixation of minimum prices has, however, helped the market recover sizably, the latest quotation for ready hessian 40 in. 10 oz. being Rs. 39.40 per 100 yards and ready B. Twills Rs. 93.90 per 100 bags, but confidence has not been restored and prices are still below the minimum prices fixed by the I.J.M.A. The move to fix minimum prices, as is clear from the I.J.M.A.'s Press note, was to curb speculative activity in the *fatka* market, which has depressed prices to such unduly low levels as are not warranted either by the statistical position of mills or by the current market conditions. It was also intended to avert a threatened crisis on the settlement day (29th February). From this point of view, the I.J.M.A.'s decision is to be welcomed. It, however, remains to be seen how far it will restore confidence in the overseas markets. The fixation of minimum prices is not backed by any specific programme of support either by the industry as a whole or by the Government. At best, it can only be a palliative designed to defeat the efforts of speculators. But it must not be forgotten that, ultimately, market prices are determined by the demand and supply position. Unless overseas buyers are convinced that prices of Indian jute goods are competitive, any large expansion in offtake cannot be expected, more so in the present context of a business recession in some of the important importing countries. Then there is the allied question of raw jute prices. The present low prices of raw jute may be attractive to mills, but they are not so for jute growers. The sowing season will be in full swing shortly and, unless prices improve, cultivators will be tempted to divert their lands to growing more remunerative crops. A compromise solution, therefore, lies in assuring a fair return to jute growers and a remunerative raw jute price to manufacturers. This can be done only by increasing the yield per acre of the land under jute crop. Thus, one comes back to the age-old problem of improving the efficiency of agriculture.

IMPORTS OF HESSIAN BY PHILIPPINES

A proposal by the Philippine National Marketing Corporation to include hessian cloth in its importation programme has revived the controversy over the existing ban. A committee named by the Philippine Cabinet is at present studying the proposal. The Philippine Chamber of Industries has opposed the move by describing it as economically unsound and inconsistent with the administration's policy to encourage local industries. The Chamber has sent a protest note to the Cabinet Committee.

URUGUAY MANUFACTURES JUTE GOODS

Uruguay has commenced internal manufacturing of jute, according to the *Jute Bulletin* of the Indian Central Jute Committee, with a view to reducing the country's dependence on Indian supply of jute products and conserving foreign exchange. Uruguay is a leading wheat-producing country, its other main commercial crops are cotton and oilseeds. Requirements of hessian to handle these crops are at present obtained entirely from India at an annual cost of around $4 million. The first plant to produce hessian for bags, containers and general packing purposes was opened in Montevideo in November 1957. It has 200 looms with a daily capacity of 82,020 yards of hessian. The new plant when working at full capacity is expected to produce hessian valued at $2 million, thus enabling Uruguay to reduce imports to half and conserve valuable exchange. It is proposed to operate the plant in three shifts by 470 workers and also to grow the required raw material locally.

CUBA TO GROW KENAF

Another country which is keen on doing away its burlap imports is Cuba. This country's annual requirements are 45 million new bags to pack sugar and other agricultural products. It proposes to undertake shortly commercial production of kenaf, a soft tropical fibre widely used as a substitute for jute, not only to supply its own requirements but to export to the U.S. and other markets. The U.S. is viewed as a potential market for Cuban kenaf. That country imports 750 million lbs. of jute products every year. Europe's annual jute imports total 1.3 billion lbs. Much of this is resold in Western Hemisphere as burlap, sacking and twine. The Cuban Government is studying the possibility of mechanical harvesting, as well as de-fibering, spinning and weaving techniques. Initial experiments have been successful and commercial processes may be developed soon. High grade fibre will be cultivated for export to U.S. and other markets.

India purchased 600,000 bales of raw jute from Pakistan during 1956-57, out of the latter's total export of 4.6 million bales during the year, according to the Pakistani Government's White Paper on finance. This is less than India's purchases last year from Pakistan, which stood at 1.38 million bales. The White Paper attributes the fall in exports to "large-scale smuggling of raw jute" from Pakistan.

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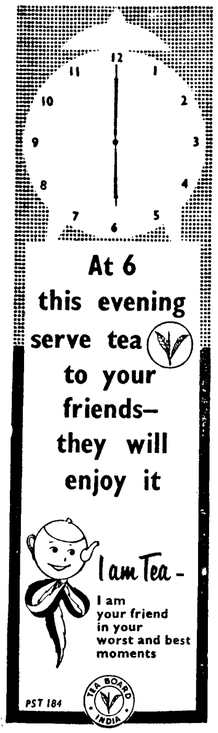

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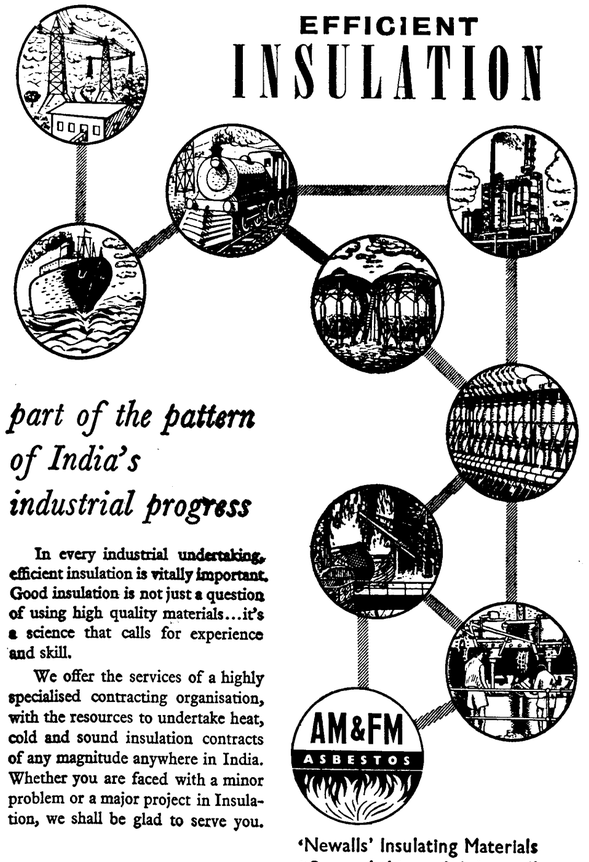

TATA STEEL COMPLETES FIFTY YEARS

REMARKABLE STORY OF ITS GROWTH

WHAT was fifty years ago a tiny village with a few mud huts—Sakchi, in the jungles of South-east Bihar—stands today as one of the best known cities in India. It is now Jamshedpur, the city where most of India's steel is produced. In this city is situated the Tata Iron and Steel Works, the largest single unit in the private sector and the biggest and most up-to-date, integrated manufacturer of steel in the whole of Asia. The working capital of the Company aggregates nearly Rs. 100 crores and the net sale of products is at an annual rate of over Rs. 40 crores. The Company gives direct employment to more than 60,000 persons and distributes to them by way of wages and salaries, as well as other provisions including profit-taking bonus, every year as much as Rs. 12—13 crores, which represents nearly 28 per cent. of the Company's total revenue. So remarkable has been the progress made by the Tata Iron and Steel Works that, on the occasion of its Golden Jubilee celebrations, inaugurated by the Prime Minister, Mr. Jawaharlal Nehru, on Saturday, the 1st inst., the Company could certainly look back upon its career with justifiable pride and satisfaction. The celebrations must be regarded as of national importance, because it is this Company which is the pioneer in the Indian iron and steel industry, although some stray attempts to produce steel were made before—Farquhar and Motte in 1775-95, the Porto Novo Steel and Iron Company in 1870-74 and the Bengal Iron and Steel Company, Ltd., in 1889-1905.

Establishment

Over half a century has elapsed since the Company was established; it was on 27th August 1907 that the founders of the Company issued a prospectus in Bombay to raise the capital requirements for erecting the steel plant. Within three weeks, the entire capital of Rs. 2.17 crores (£1.63 million) was secured, the number of persons contributing to it being about 8,000. The first steel product rolled out of the plant in February 1912. Since then, the Company has produced more than 22 million tons of steel that has helped India to advance on the path of industrialisation, on the one hand, and to save hundreds of crores of rupees in foreign exchange, on the other. It has paid Rs. 175 crores as wages and bonus, Rs. 45 crores as dividends, Rs. 70 crores as taxes and Rs. 40 crores as contribution to the Government's Price Equalisation Fund.

Behind the giant enterprise of Tata Steel stands the personality and genius of Jamsetji Nusserwanji Tata, that pioneer of modern Indian industrialisation from whose vision, faith and effort have flowed so many achievements in the industrial field. Jamsetji Tata cherished the desire to establish an iron and steel works in India probably before 1880. But there were many difficulties, one of them being the Government's refusal to grant prospecting licences for minerals to an Indian. There were also widespread doubts about India's resources and ability for making steel. Jamsetji first demolished these disbeliefs by setting in motion, despite onerous mining laws, a systematic search for iron ore and other raw materials. This adventure was quite successful, thanks to the solid work done by a band of energetic persons—Messrs. C. M. Weld, C. E. Perin, Dorab Tata, Ratan Tata, Shapurji Saklatvala, Srinivas Rao, B. J. Padshah—and the valuable clues provided by Mr. P. N. Bose, the noted geologist.

Before the construction of the Steel Works could begin, a huge amount of money had to be raised. Mr. Jamsetji Tata sent his sons to England in order to raise capital. But they came back empty-handed, as the finances in England "did not believe that India and Indians could make steel." A British capitalist was so amused at the move of Mr. Tata that he is reported to have jocularly said: "I would eat every pound of steel rails produced in India." All this did not, however, discourage the Tatas. In fact, they became more determined to go ahead with the venture. Meanwhile, Mr. Jamsetji Tata died (1904). His unfinished works was taken up by his sons, Mr. Dorab Tata and Mr. Ratan Tata, his nephew, Mr. R. D. Tata, and his loyal and trusted lieutenant, Mr. B. J. Padshah. The Company was registered on 26th August 1907 and, after the necessary amount was raised as share capital, the construction of the Steel Works began in 1908. Pig iron was first produced in December 1911 and the first steel was rolled on 16th February 1912, followed by the rolling of bar mill eight months later. Over the years, the Company had to pass through several vicissitudes till the late thirties when it was established on solid foundations. Credit for this goes both to the sagacity of the management and to the loyalty of the employees.

The original plant had an annual production capacity of about 120,000 tons of pig iron and 80,000 tons of rolled steel. The T.I.S.Co. has not stood still with the passing years. New refinements and improvements in line with the most up-to-date techniques known to the steel industry of the world have been systematically added, the plant expanded, and the range of products widened. The present output is running at an annual rate of 758,047 tons for pig iron, 575,780 tons for steel ingots and 449,588 tons for saleable steel. The items manufactured by the Tata Steel Works are sheets, plates, bars, structurals, rails, sleepers, fishplates, wheels, tyres and axles for railways, alloy tool and special steels and agricultural tools. Among the by-products are coal tar, sulphate of ammonia, benzol, zinc dross, flux skimmings, red oxide and ferro-sulphate. The companies located around the factory and associated with it manufacture, among other things, tin plates, rods, wire, wire nails, bolts and nuts, electric cables, steel mill rolls and castings, road-rollers and locomotive boilers. Incidentally, it will be interesting to note that the Company owns its own mines, quarries and collieries.

The following table will show the progress in production made by the factory since the commencement of its operations:

(In thousand tons)

	1911-12	1916-17	1926-27	1936-37	1946-47	1956-57
Ores and fluxes	..	306	1,355	1,366	1,769	2,093
Coal	..	299	569	442	873	1,504
Pig iron	36	147	613	827	1,075	1,151
Steel ingots	3	139	580	851	1,029	1,071
Rails and fishplates	..	59	161	94	109	69
Heavy structurals	1	10	31	78	54	53
Bars and light structurals	..	25	79	159	180	164
Plates	..	..	27	50	59	63
Sheets	..	..	24	121	150	158
Skelp and strip	..	..	..	..	..	35
Sleepers and sleeper bars	..	..	..	25	41	18
Wheels, tyres and axles	..	..	..	..	17	22
Semi-finishedsteel for sale	..	5	52	153	143	222
Total saleable steel	1	99	374	680	753	799

Two-million Ton Target

T.I.S.Co's expansion project, designed to double capacity to two-million ingots of steel, is now entering the final phase. This project, known as the T.M.P. programme, is estimated to cost Rs. 120 crores. It is the largest expansion job in the private sector, the investment being one-fifth of the total outlay by organised industries in the second Plan period. Started in December 1955, the project is scheduled to be completed by May 1958. The entire project has been grafted on to an earlier Rs. 25-crore project to raise the output of 800,000 tons of finished steel to 931,000 tons, launched in 1951; the Government granted Rs. 10 crores towards this project out of the Iron and Steel Controller's Price Equalisation Fund. The earlier project, known popularly as Modernisation and Expansion Programme (M.E.P.) included the building of a new 52-coke oven battery to replace an old one, the enlargement of the capacity of the blast furnaces, the setting up of steel melting facilities and the modernisation of the blooming mill as also the plate mill. A significant item in the programme was a 200,000-ton skelp and strip mill to provide the raw material for making tubes and cold rolled strip. Even while this programme was under way, the management undertook an ambitious project to expand its output to two million ingot tons (T.M.P. programme). In December 1955, the Company entered into a $130 million (Rs. 61-crore) contract with Kaiser Engineers Division of the Henry J. Kaiser Corporation of Oakland, California, entrusting them with the responsibility for all the engineering, procurement, construction and supervision services for this project.

The scope of the T.M.P. ranges all the way from the mining of ore and other raw materials to the finishing mills. It embraces practically every phase of production and also involves improvement and expansion in services such as electrical distribution, water, fuel, roads, sewers and transport. The principal items included in the programme are a battery of 26 coke ovens, a new blast furnace with a 28-ft. hearth designed for top pressure operations which will produce 1,650 tons of pig iron per day, a sintering plant of 5,000 tons a day capacity to use iron ore fines hitherto thrown away, a new steel melting shop with seven 200-ton open hearth furnaces and three 32-ton converters and three new rolling mills—a 46" blooming mill, a medium and light structural mill, and a sheet bar and billet mill.

Raw Materials

The T.M.P. will, of course, involve a large-scale stepping up of the raw material supply. T.I.S.Co. uses today 2 million tons of iron ore a year; it will need 3.4 million tons after expansion. This additional requirement will be met by the new mine at Joda (Orissa) and by stepping up production at Noamundi (near Jamshedpur), believed to be the largest mine in Asia. Again, the expanded plant will need some 3 million tons of coal, of which approximately a million tons will have to be purchased from the market, the balance being met by the Company's own collieries in the Jharia and Bokaro fields. For carrying out the programme, additional quantities of limestone (a million tons, as against the present 700,000 tons) and of dolomite (90,000 tons, as against the present 50,000 tons) are also needed. Available sources of supply are capable of meeting this demand. So far as manganese is concerned, low grades of manganese are used for the manufacture of pig iron and processed manganese—ferro-manganese—for the manufacture of steel. A Tata plant for the manufacture of ferro-manganese is being set up at Joda. It is also proposed to take up manufacture of other ferro-alloys like ferro-silicon, ferro-chrome and ferro-phosphorus at Joda when circumstances permit.

Under its current programme of expansion, modernisation and renewals, the Tata Steel Company has planned to incur over the five-year period 1955-60 a total capital expenditure of Rs. 118.7 crores (including interest during construction). For financing this expenditure, the Company has made the following arrangements:

	(Rs. crores)
World Bank Loan against the first mortgage of the company's properties	36.0
New share capital, including premium	13.5
Special advance from Government (unspent balance on 1st April 1955)	5.2
Bank borrowings	10.0
Retained earnings and sale of investments	37.0
Total ...	101.7

The balance still to be provided is Rs. 17 crores. The Company has initiated negotiations in the U.S. with a view to raising this amount.

It must be said to the credit of the Company that due attention has been paid to research. It has an extensive and modern research laboratory entrusted with the task of finding ways and means of improving manufacturing technique and developing new processes. The Company also administers the town of Jamshedpur, providing all municipal services, including a fully equipped hospital. For its employees, it has built 12,500 quarters. The total capital expenditure on the town so far comes to more than Rs. 7 crores and the annual cost of administration is put at about Rs. 1.30 crores.

With these splendid achievements, the Tata Iron and Steel Company has today carved for itself a prominent place in the industrial map of India. The Company can justly claim that it has "served the country consistently and well." With the combination of an expanded and renovated plant and a strong and mature organisation, the Company will, there is no doubt, give a good account of itself in the years to come, contributing to the economic development of the country to a greater and more significant extent.

A CHRONOLOGY OF INDIAN STEEL

About 400 B.C. ...	Porus presents Alexander with 30 lb. of Indian steel.
About 480 B.C. ...	Xerxes employs in his army Indian archers using arrows tipped with Indian steel in the battle of Thermopylae.
About A.D. 321 ...	Erection of 50-ft. long Iron Pillar at Dhar, ancient capital of Malwa, 33 miles, west of Indore.
About A.D. 400 ...	Erection of the famous Iron Pillar at Delhi, near Kutab Minar. The pillar is 23 ft. 8 in. long and weighs approximately 6 tons—the largest mass of iron to be cast in the ancient world.
13th Century A.D.	Iron beams and pieces used in the construction of the Sun temple at Konarak.

(Continued on page 442)

NEW PRODUCTS AND PROCESSES

Resins from Tar Oil Fractions

A PROCESS for making water soluble thermosetting resins by reacting crude tar acids obtained from carbonisation of coal or their alkali extracts with formaldehyde has been developed at the Central Fuel Research Institute, Jealgora. Tar acids obtained from coal and wood distillation are treated with caustic alkali to convert them into alkali salts. The alkali salts so obtained or the caustic extract of crude tar acids as such are reacted with formaldehyde under controlled conditions to yield a water soluble thermosetting resin. The production of the resin has been studied on a pilot plant scale to the extent of 5 gallons batches, and no difficulties are envisaged for large-scale production of the resin. The product is a water soluble resin obtained as an aqueous solution of a specified percentage which can be stored for 2 months, after which it tends to become very viscous. The process is simple. The equipment required can be fabricated indigenously. Except formaldehyde, which will have to be imported till indigenous product is established, all the other raw materials can be obtained locally. The resin so developed has been used in bonding of saw-dust, bagasse, asbestos, mica dust, jute fibre, paper pulp, etc. to produce hard boards and moulded articles. As the resin can be prepared in a conventional type of resin kettle, existing plants can well be utilised with minor modifications, if necessary, for its production. Regarding the utilisation of the resin for hard board manufacture, existing plants using thermosetting resins can well adopt this resin with small changes, depending on the filler material used.

Stretchable Paper

A stretchable paper with exceptional toughness is now in commercial production in the U.S. The new paper, which is said to be five times tougher than ordinary kraft paper, yet competitive in price, is to be used initially in the manufacture of grocery bags and sacks. Other applications are expected to include disposable articles of wearing apparel, disposable undersheeting for hospital beds, paper-metallic laminates for construction industry use, and masking, gummed and pressure-sensitive tapes. The greater toughness of the new paper is attributed to the fact that it can be stretched to an unusual extent. Although its intrinsic tensile strength, or tearing resistance, is reported to be lower than that of conventional paper, its ability to withstand stretching to about 20 per cent. more than other papers greatly increases, it is claimed, its impact-absorbing characteristics. The process for producing the new paper has been developed by Sanford Cluett, the inventor of the "Sanforising" process for shrinkage control in cotton fabrics.

Speedier Cargo Handling

A new cargo handling system which is designed to expedite ground handling of air cargo is said to permit the loading of 35,000 lbs. of cargo into a turbo-prop air freighter in 40 seconds and to permit equally rapid unloading. According to the Aircraft Industries Association of America, tests indicate that the new method can lead to 40 per cent. reduction in manpower needed to prepare and load freight and a 90 per cent. reduction in the idle ground time now necessary for transports while cargo is loaded and unloaded. The operation of the system depends on the use of pallets, on each of which loads of up to 3½ tons can be tied. The pallets rest on rollers at the dock, or warehouse, and can be moved on to trucks which have rollers on the truck-beds. An electric winch is then used to pull the pallets into the cargo hold of the aircraft, which is also equipped with rollers on the floor.

Sound Waves Improve Chromium Plating

Chromium plating, which is extensively used on metal parts for automobiles and in many other fields, is improved by sending sound waves through the plating solution, it has been reported by the National Carbon Company of Parma, Ohio, the United States. The sound waves make the chromium plating harder and brighter and make it adhere better to the base metal. In addition, it makes the plated surface less porous. Both sonic and ultrasonic sound waves have been used and both produced essentially the same effect. The Company believes that the sound wave vibrations have the effect of agitating, or stirring, the plating solution at the surface to be plated.

Plastic to Improve Crop Yields

Black plastic film can be used to improve crop yields, according to recent U.K. experiments. The film, it is claimed, increases the soil temperature by collecting heat from the sun, and forces seeds to germinate more readily than they would otherwise do. Although the black coloured film used in the experiments has a thickness of only 1.5 thousandths of an inch, the effect of its use is said to be such that it could considerably increase the yield and rate of growth of voting plants in the earliest stages of crop growth. During field experiments the film has been used in three-feet widths, which are unrolled over the ground and weighted down against the ground with soil.

Atoms for Heating Homes

Private homes of the future may have nuclear reactors in their basements where they now have furnaces, it was predicted recently by three nuclear chemical engineers of Alco Products, Inc., in the United States. These reactors would not only supply heat in winter, but would also provide power for air conditioning, electric lights and electric home appliances. Dr. A. Louis Medin, head of Alco's nuclear chemical technology division, said that the programme now under way in the United States to improve reactor technology would reduce present high costs.

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1901—the birth of Monsanto starting with practically sweet nothing—the manufacture of a *single* chemical—Saccharin. Today, Monsanto ranks among the greatest names in chemicals and plastics, serving industry which serves mankind. Today—hundreds of industries rely on Monsanto: Agriculture—Automotive—Aviation—Beverages—Ceramics—Chemical Processing—Cosmetics, Perfumes—Dental—Dyeing—Electrical—Foods—Insecticides—Leather Tanning—Lumber—Machinery—Mining—Packaging—Paint, Varnish, Lacquer—Petroleum—Pharmaceutical—Pulp, Paper—Plastics—Printing Ink—Radio—Rayon—Refrigeration—Rubber—Soaps and Detergents—Textiles.

To those of you who are concerned with any operation in any of these industries, we extend a personal invitation—"Come and consult us". We shall help you increase production... improve products... decrease operating costs... and increase your sales.

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YOGASANA MAP (Chart)

To be healthy and to keep fit, ask for our attractive Yogasana Chart showing Yogic Asanas, which will be sent on receipt of an M. O. for Rs. 2/- including postage. These Asanas can be easily performed at home.

SHRI RAMTIRTH YOGASHRAM, DADAR, BOMBAY 14.

DISCONTENTMENT AMONG LIFE INSURANCE FIELD OFFICERS

DIFFERENCES SHOULD BE SETTLED EARLY

THE non-co-operation movement launched, and now temporarily withdrawn, by the National Federation of Insurance Field Workers in furtherance of their demands in respect of the categorisation scheme of the Life Insurance Corporation has added another dimension to the complex problems of the young organisation. As a protest against what the Federation calls an unfair imposition of the categorisation scheme and the non-fulfilment of its basic demands in respect of remuneration and conditions of service, the Central Zone branch of the Federation called on the field officers of the zone to non-co-operate with the Corporation in the canvassing of new business. The movement was started on an all-India scale on 10th February under the direction of the central body of the Federation and suspended from 1st March 1958. An uneasy truce has for the moment been established by the assurance given by Prime Minister Nehru, who is also currently the Finance Minister, that he will meet the representatives of the field officers some time early this month and consider their demand.

The dispute centres round certain provisions of the categorisation scheme evolved for fitting in the field staff in the organisational set-up of the Corporation. The scheme, which was evolved in September last year, defines the position of the field workers, who are given a new designation "field officers," in the Corporation and the functions that are allotted to them, standardises their remuneration and lays down the conditions of service. The Corporation's conception of a field officer is different from the conventional idea of an inspector. Prior to September 1956, inspectors were in the main canvassers of business. Their main function was to sell life insurance, their remuneration and promotion or depromotion being determined by their selling ability. In contrast, the function of a field officer of the Corporation is not entirely to sell life insurance but to develop and increase the production of new business by activising existing agents, by recruiting, training and motivating new agents and by guiding, supervising and directing the activities of the agents under him. He will also be responsible for rendering after-sales service. The agents will, therefore, be the real salesman and field officers will only direct and supervise their work.

With their functions defined and with systematic training to enable them to guide, supervise and direct the activities of their agents, the field officers, it is expected, will be able to carry the benefit of insurance to every nook and corner of the country. The scale of pay for field officers is fixed at Rs. 125-500. In addition, dearness allowance on the same scale as that for other employees of the Corporation and conveyance allowance of a specified amount, varying according to the salary of the person concerned, are also payable. Field officers are also eligible for provident fund, gratuity, leave, etc., like any other employee of the Corporation.

Incentives

It is also realised that an essentially sales organisation like the Life Insurance Corporation must necessarily provide incentives for developing its sales. The Corporation proposes to provide two kinds of incentives to its field officers. First, a bonus commission of 5 per cent. to be paid on the excess of the first year's scheduled premium income over six times the total remuneration of the field officer. Secondly, two or three increments in the scale fixed for field officers, depending on his performance.

A revised quota of business in terms of the first year's income has also been fixed. In the case of field officers appointed after 31st August 1956 and in the case of field officers who were in the service of insurers on 31st August 1956 and who retained the whole of their direct organisation and were not allocated any additional agents by the Corporation, the quota has been fixed at six times the annual remuneration based on his monthly remuneration as on 30th September 1957 and 31st August 1956 respectively. In the case of all other field officers the quota has been fixed as the sum of (1) $2\frac{1}{2}$ times the annual remuneration of the field officer based on his monthly remuneration as on 31st August 1956 and (2) 4 per cent. of the sum of the average annual business secured during the years 1954 and 1955 by the agents allotted to the field officer. If the quota calculated in the above manner is less than Rs. 10,000 it will be deemed to be Rs. 10,000.

For the purpose of categorisation, the performance of a field officer will be determined from the statement of first year's premium income other than single premiums. The actual performance so determined will then be compared with the revised quota as calculated above. The field officer is given the option to have his performance, either for the thirteen months ended 30th September 1957 or for the twelve months ended 31st December 1957, whichever is more favourable to him, taken as the basis. If this performance of a field officer is equal to or comes within a margin of 10 per cent. either way of his quota, he is fitted at the lowest point in the new scale of Rs. 125-500 at which his total remuneration would not be less than the last remuneration he drew either from the insurer (in the case of employees whose services were transferred to the Corporation) or from the Corporation (in the case of new recruits.) Better standards of performance will be rewarded by one or more grade increments and poor performances get correspondingly lower starts.

Wage Bill To Go Up

The scheme proposes to do away with the uncertainties regarding the services of field officers and in respect of leave, gratuity, provident fund, etc., it is laid down that the field staff are to be treated on a par with the administrative staff. In cases where the application of the scheme would lead to hardship either by way of reduction in remuneration or liability to termination of service, they are to be reviewed by a special committee to see how they could be mitigated. The Corporation is now giving detailed shape to the scheme and working out its precise effects on all the field staff. According to a statement laid on the table of the Lok Sabha by Mr. B. R. Bhagat, Deputy Minister for Finance, as a result of the implementation of the scheme the wage bill of the Corporation in respect of the field staff will go up by Rs. 2 lakhs from Rs. 13 lakhs to Rs. 15 lakhs per month.

The National Federation of Insurance Field Workers, while agreeing with the scheme in its broad outline and appreciating the improvements effected therein as a result of the consultation which the Chairman of the Corporation had with the representatives of the field staff, has declined to associate itself wholeheartedly with the scheme. This is because the Corporation could not agree to concede some of its demands, especially the demand that under no circumstances should there be any reduction in the emoluments drawn by a field worker prior to the setting up of the Corporation and that no one's services should be terminated. According to the statement, noted above, the main demands of the Federation are: (1) a minimum basic salary of Rs. 150 per mensem for members of the field staff, (2) regular automatic increments, (3) there shall be no reduction in basic salary and total emoluments from those in force on 19-1-56 or 31-8-56 whichever is higher, (4) no one's services should be terminated without reason, (5) restoration of emoluments reduced and services terminated during the last two years, (6) special start for those who have done especially good business, (7) minimum commission for the agents should be 35 per cent., (8) rights and privileges of supervisory staff should be given due weightage, (9) recognition of National Federation at all levels, (10) appointment of joint committees for framing field staff regulations, (11) workers' participation in management.

Corporation's Stand

The Corporation's stand as far as the first demand is concerned is that the scale of pay of Rs. 125-500 fixed under the scheme will give a minimum remuneration of Rs. 235 per mensem inclusive of allowances. A basic minimum pay of Rs. 150 per mensem will give a total remuneration of Rs. 285 per mensem. The Corporation maintains that considering the qualifications possessed by the staff there is no justification for a minimum of Rs. 285. As regards increments, it is held that the scale prescribed provides for regular increments which are to be granted after considering (a) the volume and quality of business produced by the field officer, (b) the ratio of expenses of his organisation, (c) success in the organisation of agents, (d) services to policyholders. The Corporation is not willing to agree to the condition that there should be no reduction in basic salary and total emoluments as on 19th January 1956 or 31st August 1956 whichever is higher. The reason given is that basic salary or emoluments as on 19th January 1956 did not have any real significance as emoluments granted by private insurers were arbitrary and they cannot, therefore, be made an indisputable criterion. Nor is the Corporation prepared to concede the demand that no ones' services should be terminated without reason on the ground that power to terminate services in some cases without reason is essential as a residuary power. It is pointed out that the efforts of the Corporation is to see how many can be retained and not how many can be thrown out. As regards the plea that emoluments reduced and services terminated during the last two years should be restored, it is pointed out extreme action has been taken only where it could not be avoided. The Corporation, it is said, has been guided, during the transitional period, by the practices prevailing in pre-nationalisation days. Out of 449 field officers whose services have been terminated since September 1956 due to poor business results, 190 had failed to produce any business. 185 produced such a small volume of business that remuneration paid to them was more than the first year's premium income from business produced by them. In 74 cases, the remuneration paid to them was 50 per cent. or more of the first year's premium income on the business introduced by them. The Corporation will give special start for those who have done exceptionally good business and the categorisation scheme provides for special consideration of field officers whose performance has been outstanding. In respect of commission for agents, the scale prescribed is 25 per cent. to 35 per cent. It is pointed out that the Corporation has adopted scales similar to that which prevailed before nationalisation in spite of the fact that nationalisation has removed competition and made it easier for agents to procure business. The Federation had demanded that the rights and privileges of supervisory officers should be given due weightage. The Corporation, will appoint a committee to examine the case of all former supervisory officers.

Complex Problem

It is obvious that the Corporation is up against a complex problem in trying to bring about uniformity in the terms and conditions of services of field staff, who under private insurers, were working under varying conditions of employment. It is inevitable that such a sweeping change will result in hardships to some. Nevertheless, every effort should be made to minimise them as far as possible. The Corporation's stands is that no prior commitments can be made to concede the demands of any section of the staff without fully ascertaining their implications. It has shown its willingness to discuss cases of hardships with the representatives of the field officers. It is necessary that, in matters like categorisation, the points of differences between the Corporation and the staff should be resolved early by mutual negotiation and not by direct action. It should be borne in mind that the field staff is a vital section of the Corporation's employees. It is they who make or mark the future of life insurance. As the salesman of a business organisation, it is they who are primarily instrumental in popularising life insurance. Their role assumes an added significance and importance by virtue of the fact that insurance, unlike a public utility service, is never bought over a counter; it has to be sold. The fact that life insurance has been nationalised does not in any way minimise their importance. Every thing possible should, therefore, be done to secure the willing and active co-operation of the field staff. At the same time, it must be remembered that nationalisation of life insurance has virtually eliminated the competitive element in salesmanship; to this extent, the task of a salesman is easy. The Corporation is a business organisation and it has to be run on business principles. In the engagement of staff and their remuneration, it has to be guided by business considerations. Within this broad framework, it should be possible to arrive at a mutually satisfactory arrangement which would be fair and just to the staff and also does not involve an undue burden on the Corporation.

DEVKARAN NANJEE BANKING CO., LTD.

HEAD OFFICE: **Devkaran Nanjee Buildings, Horniman Circle, Fort, BOMBAY**

Balance Sheet as at 31st December 1957

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—		
AUTHORISED— 2,00,000 Ordinary Shares of Rs. 50 each	1,00,00,000.00	
SUBSCRIBED— 1,00,000 Ordinary Shares of Rs. 50 each fully paid		50,00,000.00
2. Reserve Fund and Other Reserves (Including Shares Premium a/c. Rs. 9,00,000)		40,00,000.00
3. Deposits and Other Accounts—		
Fixed Deposits	6,59,34,581.65	
Savings Bank Deposits	5,19,62,329.22	
Current Accounts, Contingency Accounts, etc.	11,53,25,555.90	23,32,12,466.77
4. Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	Nil	
(ii) Outside India	Nil	Nil
PARTICULARS—		
(i) Secured (against Government Securities)	Nil	
(ii) Unsecured	Nil	
5. Bills Payable		27,49,778.41
6. Bills for Collection being Bills Receivable as per contra—		
(i) Payable in India	92,90,920.52	
(ii) Payable outside India	1,03,089.06	93,94,009.58
7. Other Liabilities—		
(a) Branch Adjustments	42,33,309.40	
(b) Unclaimed Dividends	60,882.50	
(c) Rebate on Bills Discounted		
(d) Proposed Dividend	1,75,000.00	45,19,191.90
8. Acceptances, Endorsements and Other Obligations as per contra		1,76,73,905.84
9. Profit and Loss—		
Profit as per last Balance Sheet	2,13,141.28	
Less—Appropriation for Dividend		
ADD—Profit for the year as per the Profit and Loss Account	2,13,141.28 17,17,178.26	
	19,30,319.54	
LESS—Ad-interim dividend paid	1,25,000.00	
	18,05,319.54	
LESS—Transferred—		
1. To Reserve Fund under Section 17	5,00,000.00	
2. To Investment Reserve	50,000.00	
3. To Provision for Taxation	8,00,000.00	
4. To Proposed Dividend	1,75,000.00	
	15,25,000.00	2,80,319.54
10. Contingent Liabilities—	Rs. nP	
(i) Claims against the Banking Company not acknowledged as debts	2,475.00	
(ii) On Investments in shares of Joint Stock Companies and Banks	2,89,200.00	
(iii) On Letters of Guarantee on behalf of Constituents	29,53,608.00	
(iv) On account of outstanding Forward Exchange Contracts	1,75,23,452.11	
(v) On Bills of Exchange Rediscounted	Nil	
NOTE:—Liability for future payments for gratuity to staff not adjusted.		
Total .. Rs.		27,68,29,672.04

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash— In hand and with Reserve Bank and State Bank of India		2,39,29,119.85
2. Balances with Other Banks—		
(i) In India on Current Accounts	43,21,177.05	
(ii) Outside India on Current Accounts	20,56,002.96	
(iii) Outside India on Deposit Account	3,79,784.85	67,56,964.86
3. Money at Call and Short Notice		1,79,00,000.00
4. Investments (at Cost)		
(i) (a) Securities of the Central and State Governments (Maturing within next twelve years and repayable at par) (Face value .. Rs. 7,51,88,000) (Market value about.. Rs. 7,29,93,500)	7,45,69,177.51	
(b) Other Trustee Securities	1,22,72,117.00	
Market value of quoted securities costing Rs. 92,26,581.25 is about Rs. 91,22,000 (Municipal Debentures and shares of Government Financial Corporations, etc., all Government-guaranteed, not quoted, taken at cost.)	8,68,41,294.51	
(ii) Shares—		
(a) Fully paid Preference Shares	8,01,776.12	
(b) Fully paid Ordinary Shares	7,18,119.24	
(c) Partly paid Preference Shares	2,75,000.00	
(d) Partly paid Ordinary Shares (Market value about Rs. 17,32,000)	2,74,094.47	
	20,68,989.83	
(iii) Debentures or Bonds—		
(a) Municipal Debentures	16,04,622.50	
(b) Other Debentures (Market value of Municipal Debentures costing Rs. 20,89,622.50 is about Rs. 20,86,000. Others taken at cost.)	6,00,000.00 22,04,622.50	
(iv) Other Investments	Nil	
(v) Gold	Nil	9,11,14,906.84
5. Advances— (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
I. Loans, Cash Credits, Overdrafts, etc.—		
(i) In India	8,13,26,569.04	
(ii) Outside India	Nil	
	8,13,26,569.04	
II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
(i) Payable in India	2,33,83,224.43	
(ii) Payable outside India	5,51,104.25	
	2,39,34,328.68	10,52,60,897.72
PARTICULARS OF ADVANCES—		
(i) Debts considered good in respect of which the Banking Company is fully secured	9,26,19,952.36	
(ii) Debts considered good for which the Banking Company holds no other security than the debtor's personal security (the above includes Rs. 37,48,969.53 debts for which more than one person is liable on the pro-note)	91,92,293.35	
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	34,48,652.01	
(iv) Debts considered doubtful or bad, not provided for	Nil	10,52,60,897.72
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	Nil	
(vi) Debts due by the Companies or firms in which the Directors of the Banking Company are interested as directors, partners or managing agents or in the case of private companies, as members	98,42,480.07	
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors, or managers or officers of the Banking Company or any of them either severally or jointly with other persons	Nil	
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members	1,11,44,803.00	
(ix) Due from Banking Companies	1,10,320.14	
6. Bills Receivable being Bills for Collection as per contra—		
(i) Payable in India	92,90,920.52	
(ii) Payable outside India	1,03,089.06	93,94,009.58
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra		1,76,73,905.84
8. Bank Premises at Cost—		
As per last Balance Sheet	32,12,009.18	
Additions this year	22,908.25	
	32,34,917.43	
LESS—Depreciation to date	4,00,000.00	28,34,917.43
9. Furniture and Fixtures at Cost—		
As per last Balance Sheet	15,65,926.50	
Additions this year	1,37,525.68	
	17,03,452.18	
LESS—Sales during the year	6,573.58	
	16,96,878.60	
LESS—Depreciation to date	7,09,453.97	9,87,424.63
10. Other Assets including Silver—		
(a) Interest Accrued on Investments	7,16,525.58	
(b) Small Silver Bars	25,566.72	
(c) Stationery and Stamps	1,50,100.80	
(d) Sundry Deposits	85,332.19	9,77,525.29
11. Non-Banking Assets Acquired in Satisfaction of Claims		Nil
Total .. Rs.		27,68,29,672.04

Profit and Loss Account for the year ended 31st December 1957

EXPENDITURE	Rs. nP	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1. To Interest paid on Deposits, Borrowings, etc.	39,10,344.11	1. By Interest and Discount	75,53,429.19
2. ,, Salaries, Allowances and Provident Fund (Includes Salaries and Allowances of Managing Director Rs. 48,500)	28,63,471.47 25,170.00	2. ,, Commission, Exchange and Brokerage	18,83,501.73
3. ,, Directors' and Local Committee Members' Fees and Allowances	3,29,492.08	3. ,, Rents	1,02,778.08
4. ,, Rent, Taxes, Insurance, Lighting, etc.	37,891.93	4. ,, Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
5. ,, Law Charges	2,55,326.60	5. ,, Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. ,, Postage, Telegrams and Stamps	8,500.00	6. ,, Income from Non-banking Assets and Profit from sale of or dealing with such Assets	Nil
7. ,, Auditors' Fees	1,54,331.95	7. ,, Other Receipts	4,83,205.23
8. ,, Depreciation and Repairs to Banking Company's Property	4,73,960.66		
9. ,, Stationery, Printing, Advertisement, etc.	Nil		
10. ,, Loss from Sale of or Dealing with Non-banking Assets	2,47,747.17		
11. ,, Other Expenditure	17,17,178.26		
12. ,, Balance of Profit (Subject to Taxation)			
Total .. Rs.	1,00,22,914.23	Total .. Rs.	1,00,22,914.23

Note.—Remuneration received by two Directors for their own use from other companies by virtue of nomination by the Bank on the Board of other companies amounted to Rs. 1,680 during the year.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the foregoing Balance Sheet of the DEVKARAN NANJEE BANKING CO., LTD., as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the unaudited returns from all the Branches in India not visited by us for the purposes of this Report.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956, they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank ;

(c) in our opinion, proper books of accounts as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank ;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns ;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. S. AIYAR & CO., *Chartered Accountants.* DALAL & SHAH, *Chartered Accountants.*

HARIDAS K. SWALI, *Chief Superintendent.* RATILAL R. MERCHANT, *Superintendent of Advances.*
K. V. SUBRAMANIAM, *Chief Accountant.* B. RAGHAVENDRA BALIGA, *Chief Inspector.*

LALITCHANDRA C. D. MANJEE, *Chairman.*
UDAYBHAN NAVYARLAL S. CHOKSEY, JAYANTILAL B. TRIVEDI } *Directors.* { LAXMIKANT S. DARHOLKAR, M. A. MASTER, HARSHADRAI B. PARIKH
PRAVINCHANDRA V. GANDHI, *Managing Director.*

BOMBAY, 8th *February*, 1958.

THE BANK OF INDIA LIMITED

(ESTABLISHED 7TH SEPTEMBER, 1906.)

CAPITAL AUTHORISED .. .. **Rs. 5,50,00,000** **CAPITAL PAID-UP** .. .. **Rs. 3,00,00,000**
CAPITAL ISSUED & SUBSCRIBED .. .. **Rs. 5,50,00,000** **RESERVE FUND** .. .. **Rs. 3,10,00,000**

HEAD OFFICE—MAHATMA GANDHI ROAD, FORT, BOMBAY.

LOCAL BRANCHES: ANDHERI .. (GHODBUNDER ROAD (GREATER BOMBAY). BANDRA .. HILL ROAD (GREATER BOMBAY). BULLION EXCHANGE .. SHAIKH MEMON STREET. COLABA .. .. .. CUSROW BAUG. KALBADEVI .. PRINCESS STREET. MALABAR HILL .. HUGHES ROAD.

BRANCHES: AHMEDABAD. AHMEDABAD, ELLIS BRIDGE. AHMEDABAD, GANDHI ROAD. AHMEDABAD, MANEK CHOWK. AHMEDABAD, STATION BRANCH. AMRITSAR. BANGALORE.* BHUJ (KUTCH.) CALCUTTA. CALCUTTA, BARA BAZAR. CALCUTTA, CHOWRINGHEE SQUARE. COIMBATORE. DELHI. NEW DELHI. GANDHIDHAM (KUTCH). HYDERABAD (DECCAN). JAMSHEDPUR. JUNAGADH. KOZHIKODE (FORMERLY CALICUT). MADRAS. NAGPUR. NAGPUR CITY. PALANPUR. POONA. POONA CITY. RAJKOT. SHOLAPUR. SURAT. VERAVAL.

LOCAL COMMITTEES:

AHMEDABAD—
MR. NAROTTAM LALBHAI.
Committee of Directors:
MR. AMBALAL SARABHAI.
MR. MADANMOHAN MANGALDAS.

AMRITSAR—
LALA DEWAN CHAND MEHRA.

BANGALORE—
MR. JEHANGIR DAVIDOSS.

CALCUTTA—
MR. JUGMOHAN PRASAD GOENKA.
MR. N. B. ELIAS.

COIMBATORE—
MR. S. R. P. PONNUSWAMY CHETTIAR, M.L.C.
MR. R. VENKATASWAMY NAIDU.

DELHI—
LALA BHARAT RAM.

JAMSHEDPUR—
SARDAR AJAIB SINGH.
MR. RANGLAL AGARWALA.

MADRAS—
DEWAN BAHADUR SIR ARCOT LAKSHMANASWAMI MUDALIAR.
MR. S. LALCHAND DADHA.
MR. M. S. M. M. MEYYAPPA CHETTIAR.
MR. D. C. KOTHARI.

NAGPUR—
SETH RAMANLAL RATHI.

POONA—
KHAN BAHADUR SIR MANEKJI N. MEHTA, C.I.E., M.B.E.
MR. S. H. RATHI.

SURAT—
MR. LALUBHAI C. GANDHI, B.Sc., M.A., LL.B.
MR. MOIZ S. VAKIL.

†*FOREIGN BRANCHES:*

LONDON BRANCH:—17, MOORGATE, LONDON, E.C. 2. ADEN. DAR-ES-SALAAM. JINJA. KAMPALA. KARACHI. MOMBASA. NAIROBI. OSAKA. SINGAPORE. TOKYO.

†*AGENTS IN ALL THE PRINCIPAL COUNTRIES OF THE WORLD.*

ANNUAL REPORT

To be submitted to the Shareholders at the Fifty-Second Annual General Meeting to be held at the Registered Office of the Company at Mahatma Gandhi Road, Fort, Bombay, on Wednesday, the 12th day of March, 1958, at 4 o'clock in the afternoon.

Directors' Report for the year ended 31st December, 1957

The Directors submit to the Shareholders the Balance Sheet and Profit and Loss Account for the year ended 31st December, 1957. The Auditors' Report is also annexed.

	Rs.	nP.
The transactions for the past year, including the balance brought forward from the previous year, Rs. 15,54,924·45, have resulted in a profit of	1,09,02,381	34
An interim dividend was paid for the half-year ended 30th June, 1957, at the rate of 6 per cent. free of Income-tax on the Paid-up Capital of Rs. 3,00,00,000, which absorbed	18,00,000	00
Provision made for Income-tax and Super-tax for the year	30,00,000	00
Bonus to Staff	15,00,000	00
The Directors now propose :—		
To pay a final dividend for the half-year ended 31st December, 1957, at the rate of 10 per cent. free of Income-tax, making 16 per cent. for the year, on the Paid-up Capital of Rs. 3,00,00,000, which will absorb	30,00,000	00
To carry forward to the next account	16,02,381	34
Total .. Rs.	1,09,02,381	34

The Bank's business continued to function satisfactorily.

The official Bank Rate was raised from 3½ per cent. to 4 per cent. on 16th May, 1957. The Rate of 4 per cent. continued to the end of the year.

Mr. Dinsha R. Daji, who had been a Director of the Company for nearly 23 years, died on 8th July, 1957. Mr. Daji rendered great service to the Company. His mature counsel was greatly esteemed by the other members of the Board. The Directors deeply regret the loss of a valued colleague.

Under the provisions of Section 256 of the Companies Act, 1956, the following Directors of the Company retire by rotation, but are eligible and offer themselves for re-election :—

Sir Joseph Kay, K.B.E.,
Mr. Ramniwas Ramnarain,
Mr. Krishnaraj M. D. Thackersey.

The Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

COWASJEE JEHANGIR, *Chairman.*
AMBALAL SARABHAI,
JOSEPH KAY,
RAMNIWAS RAMNARAIN,
BHAGVANDAS C. MEHTA,
K. M. D. THACKERSEY, } *Directors.*
A. D. SHROFF,
MADANMOHAN MANGALDAS,
N. K. PETIGARA,
V. N. CHANDAVARKAR,

H. A. CURRIMBHOY, *Chief Accountant.*
T. R. LALWANI, *General Manager.*

BOMBAY, *6th February*, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES	Rs.	nP	Rs.	nP
1. Capital—				
AUTHORISED CAPITAL—				
(a) 5,00,000 Shares of Rs. 100 each	5,00,00,000	00		
(b) 1,00,000 "A" Shares of Rs. 50 each	50,00,000	00		
	5,50,00,000	00		
ISSUED AND SUBSCRIBED CAPITAL—				
(a) 5,00,000 Shares of Rs. 100 each paid for in cash ..	5,00,00,000	00		
(b) 1,00,000 "A" Shares of Rs. 50 each credited as fully paid bonus shares	50,00,000	00		
	5,50,00,000	00		
AMOUNT CALLED UP on 5,00,000 Shares of Rs. 100 each at Rs. 50 per share	2,50,00,000	00		
AMOUNT FULLY PAID UP on 1,00,000 "A" Shares of Rs. 50 each	50,00,000	00		
	3,00,00,000	00		
LESS—Calls unpaid	Nil			
	3,00,00,000	00		
ADD—Forfeited Shares	Nil			
			3,00,00,000	00
2. Reserve Fund and Other Reserves—				
Reserve Fund			3,10,00,000	00
(Includes Rs. 1,50,00,000 received as Premiums on Issues of Shares in past years)				
3. Deposits and Other Accounts—				
Fixed Deposits	30,93,99,316	87		
Savings Bank Deposits	10,18,33,010	01		
Current Accounts, Contingency Accounts, etc.	41,47,99,891	32		
			82,60,32,218	20
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	1,50,00,000	00		
(ii) Outside India	Nil			
			1,50,00,000	00
PARTICULARS—				
(i) (a) Secured by part of the Bank's Investments ..	Nil			
(b) Secured by Bills Discounted	1,50,00,000	00		
(ii) Unsecured	Nil			
5. Bills Payable			36,84,299	59
6. Bills for Collection Being Bills Receivable as per contra—				
(i) Payable in India	67,10,566	81		
(ii) Payable outside India	1,07,82,793	03		
			1,74,93,359	84
7. Other Liabilities—				
(i) Unexpired Discounts	1,78,426	31		
(ii) Branch Adjustments	65,11,896	05		
(iii) Unclaimed Dividends	3,41,509	19		
			70,31,831	55
8. Acceptances, Endorsements and Other Obligations per contra ..			4,99,18,210	23
9. Profit and Loss—				
Balance as per Balance Sheet as at 31st December, 1956 ..			48,54,924	45
LESS—Final Dividend at 10 per cent., making 16 per cent. for the year 1956, free of Income-tax ..	25,00,000	00		
Placed to the Bank's Landed Property Account	Nil			
Placed to the Bank's Reserve Fund	8,00,000	00		
	33,00,000	00		
ADD—Profit for the year ended 31st December, 1957 ..			15,54,924	45
			93,47,456	89
			1,09,02,381	34
LESS—Provision for Income-tax and Super-tax for the year ..	30,00,000	00		
Interim Dividend at 6 per cent. for the half-year ended 30th June, 1957	18,00,000	00		
Provision for Bonus to Staff for the year 1957	15,00,000	00		
	63,00,000	00		
			46,02,381	34
10. Contingent Liabilities—	Rs.	nP		
(i) On partly paid Shares	1,87,020	00		
(ii) Claims against the banking company not acknowledged as debts	85,236	00		
(iii) Guarantees given on behalf of customers	5,50,80,425	77		
(Includes Rs. 26,000 in respect of a guarantee given on behalf of a Director)				
(iv) Bills of Exchange Re-discounted :— U.S. Dollar Bills Re-discounted $92,397·58, of which $9,730·79 have run of as at 6th February, 1958. Sterling Bills Re-discounted Nil.				
(v) Outstanding Forward Exchange Contracts	21,43,36,701	75		

NOTES :—

Provision to the full extent for future gratuities to Staff has not been made, the liability for which has not been ascertained.

The Profit and Loss Account includes expenses of The Bank of India (U.K.) Nominees LImited, a subsidiary Company of this Bank.

PROPERTY AND ASSETS	Rs.	nP	Rs.	nP
1. Cash—				
In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)			9,32,60,793	09
2. Balances with Other Banks on Current Account—				
(i) In India	8,87,485	17		
(ii) Outside India	2,53,89,999	05		
			2,62,77,484	22
3. Money at Call and Short Notice			Nil	
4. Investments at Below Market Value—				
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	18,00,58,038	48		
(ii) Shares—				
(a) Fully paid Preference Shares	9,48,494	50		
(b) Fully paid Ordinary Shares	74,45,351	00		
(c) Partly paid Preference Shares	Nil			
(d) Partly paid Ordinary Shares	27,020	00		
(iii) Debentures or Bonds	61,34,763	75		
(iv) Other Investments— Pakistan Government and Trustee Securities	20,25,906	25		
(v) Gold	Nil			
			19,06,89,573	93
5. Advances—				
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)				
(I) Loans, Cash Credits, Overdrafts, etc.— Rs. nP.				
(i) In India 47,15,31,330 33				
(ii) Outside India 2,47,62,408 50				
	49,62,93,738	83		
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—				
(i) Payable in India .. 5,93,98,220 48				
(ii) Payable outside India .. 3,80,92,584 06				
	9,74,90,804	54		
			59,37,84,543	37
PARTICULARS OF ADVANCES—				
(i) Debts considered good in respect of which the banking company is fully secured	49,54,05,577	83		
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	1,38,61,483	47		
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	3,45,17,482	07		
(iv) Debts considered doubtful or bad, not provided for ..	Nil			
	59,37,84,543	37		
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	20,98,515	16		
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	13,84,35,463	64		
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	62,95,097	31		
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies.				
(ix) Due from banking companies	14,64,23,466	39		
	10,17,807	58		
6. Bills Receivable Being Bills for Collection as per contra—				
(i) Payable in India	67,10,566	81		
(ii) Payable outside India	1,07,82,793	03		
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra			1,74,93,359	84
			4,99,18,210	23
8. Premises, Less Depreciation—				
At cost as at 31st December, 1956	1,02,33,372	29		
Additions during this year	1,84,163	71		
	1,04,17,536	00		
LESS—Written off to 31st December, 1956	75,84,301	64		
9. Furniture and Fixtures, Less Depreciation			28,33,234	36
			Nil	
10. Other Assets—				
(I) Shares of The Bank of India (U.K.) Nominees Limited, at cost	1,335	65		
(II) Advance Payments of Tax	31,23,714	00		
(III) Stamps	20,519	60		
(IV) Interest accrued on Investments to 31st December, 1957	14,59,532	41		
(V) Silver	Nil			
			46,05,101	66
			Nil	
			98,47,62,300	75

STEEL INDUSTRY IN BRITAIN

PRODUCERS OPPOSE RE-NATIONALISATION—LABOUR PARTY'S DOCTRINAIRISM EXPOSED

IT will be recalled that the Labour Party in Britain declared, at a conference convened last autumn to frame its future economic policy, its intention to re-nationalise the iron and steel industry if and when the Party was returned to power. The Party made its policy known to the public through the issue of a pamphlet entitled *Industry and Society*. The industrialists in Britain have taken serious note of this determination of the Labour Party. For, as the Chairman of the United Steel Corporation pointed out early this year, it would be wrong to dismiss the Party's aims and ideas set forth in the pamphlet "as crazy or belonging to the distant future," in view of the fact that none can rule out the possibility of the Socialists coming back to power sooner or later. Of late, there has been a good deal of speculation as to which of the two parties will win the next elections. Till recently, there was no evidence of a definite swing in either direction. But the latest elections in Rochdale which favoured the Labourites and their demand for early general elections are factors indicative of the possibility of the Labour threat materialising sooner than expected.

Even before the Rochdale by-election, the steel producers in Britain had launched a countrywide campaign against re-nationalisation. The chairmen of all the leading steel companies in that country such as Stewarts and Lloyds, the United Steel Corporation, Dorman Long and Company and the Steel Company of Wales Limited, availed themselves of the opportunity offered by their annual meetings to educate public opinion against this issue. Consequently, a considerable portion of the chairmen's speeches at the annual meetings of these various companies is devoted to a presentation of the case against re-nationalisation of their industry.

The lead to this opposition was given by Mr. A. G. Stewart of Stewarts and Lloyds. Although he was aware that it was most inadvisable, under normal circumstances, for industry to enter into political controversy, he felt that it was necessary to fight nationalisation and that, if this meant meddling in politics, it was inevitable. He pointed out that there were no reasonable grounds on which nationalisation of the steel industry could be justified. Asserting that public opinion was definitely not in favour of such a move, he observed: "There is little confidence in nationalisation in this country. Many of the general public are thoroughly disillusioned with it: they have seen it in action, they have suffered its cost and witnessed its failures."

Case Weak

Continuing, he went on to show how the case for nationalisation was weak. He traced the massive development and expanson of steel in recent years and said:

"What has been achieved in the last few years in steel is a national triumph. By every reasonable test that even the most ardent nationaliser could apply, steel is serving the nation well. Prices are among the world's lowest; production has exceeded the most sanguine estimates; labour relations are a model for the rest of industry. Since the war, the industry has invested about £740,000,000 at current prices in one development after another. One result is that crude steel output has been increased from 12,700,000 tons in 1946 to approximately 21,600,000 tons in 1957. This has been achieved largely out of the industry's own resources with the help of the private investor. What more could nationalisation do—save to throw the burden of future investment on to the ordinary taxpayer?"

Answering the poser whether under a nationalised industry the workers would be better off, Mr. Stewart remarked:

"Wages in the steel industry, I am pleased to say, are above the national average, while strikes are almost unknown. There is harmony and contentment that just does not exist in State undertakings, where the workers find themselves checked and encumbered by red-tape. In the coal industry last year (1956), there were 3,771 separate disputes. That is how contented miners are?"

He then referred to the difficulties arising from the frequent talk of re-nationalisation in the following terms:

"The industry is tired of being treated like a shuttlecock. The threats to which it is subjected by the left wing are doing incalculable harm to the steel industry, both here at home and overseas. One immediate result of the threat of nationalisation is that capital for further expansion becomes more difficult to raise."

He added that, since 50 per cent. of Britain's total exports depended on steel, any setback to the progress and efficiency of steel industry would have disastrous repercussions on the economy of the whole nation. Apprehensive of the future for Stewarts and Lloyds, who rely so much on export trade, he spoke of the reluctance of foreign customers to negotiate with what would virtually be a Government Department. He grieved that the steel industry had to suffer due to political prejudices and held the view that "no responsible body has the right to play such a game of political spite and tit-for-tat with the prosperity of the nation."

Stewarts and Lloyds have taken active steps to oppose the Labour Party's resolution. An advertisement with the heading "Should steel be re-nationalised?" urging the public to consider the wisdom of such a step has been circulated in the vicinity of the steel works.

Threat to All

The Chairman of the United Steel Companies Ltd. also lodged a protest against the Labour Party's threat. He sounded a note of warning to the public of the danger of the socialist threat to re-nationalise steel. "Steel is only a beginning," he said. "The nationalisation programme of the Socialist Party is a threat to every industry and is already undermining confidence abroad." He asserted that the programme was "a threat to personal freedom." He emphasised the impropriety of such a decision in strong terms. He observed:

"On its merits, no one wants to nationalise steel. Neither the proprietors nor men employed in making it nor the people who buy it nor the men and women who elect members of Parliament,

THE BANK OF INDIA LIMITED—*(Continued)*

Profit and Loss Account for the year ended 31st December, 1957.

EXPENDITURE	Rs.	nP
1. Interest paid on Deposits, Borrowings, etc.	1,65,51,410	74
2. Salaries and Allowances and Provident Fund .. .. .. (Salary and Allowances to General Manager Rs. 80,250·00)	1,10,50,874	79
3. Directors' and Local Committee Members' Fees and Allowances	1,11,875	00
4. Rent, Taxes, Insurance, Lighting, etc.	15,71,388	58
5. Law Charges	69,758	11
6. Postage, Telegrams and Stamps	3,24,361	53
7. Auditors' Fees	40,000	00
8. Depreciation on and repairs to the Banking Company's Property	64,678	45
9. Stationery, Printing, Advertisement, etc.	7,94,484	88
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil	
11. Other Expenditure	11,68,628	62
12. Balance of Profit (subject to Taxation)	93,47,456	89
Total .. Rs.	4,10,94,912	59

INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP
1. Interest and Discount	3,35,31,823	92
2. Commission, Exchange and Brokerage	67,39,731	82
3. Rents	3,10,795	77
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	5,12,561	68
Total .. Rs.	4,10,94,912	59

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of The Bank of India Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated unaudited returns from all the Branches in India not visited by us for the purposes of this Report and the audited returns of all Branches outside India audited by other Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisos to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

A. F. FERGUSON & CO., *Chartered Accountants.*
S. B. BILLIMORIA & CO., *Chartered Accountants.*

BOMBAY, *6th February*, 1958.

Statement pursuant to Section 212 of the Companies Act, 1956

The Profit and Loss Account of The Bank of India Limited for the year ended 31st December, 1957, does not include any profit or loss of its subsidiary, The Bank of India (U.K.) Nominees Limited (a nominee company incorporated and operating in the United Kingdom), as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Limited. The shares of the subsidiary are wholly owned by the Bank.

Having regard to the fact that no Profit and Loss Account of the said subsidiary is prepared in the circumstances aforesaid and that its Balance Sheet and the Reports of its Board of Directors and Auditors are drawn up in accordance with the law in force in the United Kingdom, an application was made to the Central Government under sub-section (8) of Section 212 of the Companies Act, 1956, and, in exercise of the powers conferred by the said sub-section (8) of Section 212 of the Companies Act, 1956, the Central Government, being satisfied that it is necessary so to do, have directed that, in relation to The Bank of India (U.K.) Nominees Limited, a subsidiary of the Bank, the provisions of Section 212 of the said Act shall apply only to the extent that The Bank of India Limited, shall be required to attach to its Balance Sheets copies of the Balance Sheets and of the Reports of the Board of Directors and of the Auditors of the said subsidiary made out in accordance with the provisions of the English Companies Act for the time being in force in the United Kingdom and that The Bank of India Limited, is exempted from attaching to its Balance Sheets a copy of the Profit and Loss Account of the said subsidiary.

THE BANK OF INDIA (U. K.) NOMINEES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1957.

The Directors submit the Balance Sheet for the year ended 31st December, 1957. The Auditors' Report is also annexed.

No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Limited, of which the Company is a wholly-owned subsidiary.

J. DONALDSON,
S. H. BRADFORD, } *Directors.*

LONDON, *1st January*, 1958.

THE BANK OF INDIA (U. K.) NOMINEES LIMITED

Balance-Sheet, 31st December, 1957.

Capital Authorised and Fully Paid-up : 100 Ordinary Shares of £1 each	£100	Cash at Bankers	£100
	£100		£100

Signed on behalf of the Board,

J. DONALDSON,
S. H. BRADFORD, } *Directors.*

We have obtained all the information and explanations which we have required and which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. We have examined the above Balance-Sheet which is in agreement with the books of account. In our opinion such Balance-Sheet gives the information required by the Companies Act, 1948, in the manner so required and is properly drawn up so as to exhibit a true, correct and fair view of the state of the Company's affairs at 31st December, 1957, according to the best of our information and the explanations given to us and as shown by the books of the Company.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

27, Old Broad Street,
LONDON, E.C. 2.

FERGUSON, ROWLAND & DAVIES, *Chartered Accountants, Auditors.*

1st January, 1958.

COWASJEE JEHANGIR, *Chairman.*
AMBALAL SARABHAI,
JOSEPH KAY,
RAMNIWAS RAMNARAIN,
BHAGVANDAS C. MEHTA,
K. M. D. THACKERSEY, } *Directors.*
A. D. SHROFF,
MADANMOHAN MANGALDAS,
N. K. PETIGARA,
V. N. CHANDAVARKAR.

T. R. LALWANI, *General Manager.*
H. A. CURRIMBHOY, *Chief Accountant.*

BOMBAY, *6th February*, 1958.

although some of these might favour it for reasons which have nothing to do with merits. But, although nobody wants it, the attitude of the Socialist Party and the threat of re-nationalisation which it broadcasts, psychologically might well undermine the confidence so essential for regular development in all the long chain from the primary products to the infinite variety of intermediate and final products.

"If a finger is pointed to the nationalised industries, whether to have nationalised them has been a good thing or a bad thing may be still a matter of opinion. But, in the conduct of them since, it has been demonstrated that, when nationalised, they soon wear political clothes. The Acts by which they were nationalised provide management machinery which it was claimed would make them free of political interference, but, in practice, it has been found that what is their business becomes the business of Parliament."

After alluding to the political implications of nationalisation, he proceeded to point out the characteristics of the steel industry and showed how essentially different steel was from other basic industries. Replying to the poser "What is steel?" he said:

"Steel is a manufacturing and trading activity. It is not just the conversion of iron ore into something which the man in the street calls steel and which in its primary state he has never seen. The companies and persons who make steel work it up into innumerable things used for all kinds of purposes, the building of ships, railways, motor cars and even small things like pins and needles. Steel cannot be nationalised in isolation. In the nature of things, undertakings which make steel must fashion it into many finished or semi-finished things. Not all steel undertakings turn their steel into the same kind of finished things and the finished things in many cases are also made by people who do not make steel.

"These undertakings are competing against each other and against the steel industries of the world and their success depends upon flexibility of policy and speed of decision which can only be achieved if the men on the spot have both the responsibility and the authority. Nationalisation of them must inevitably involve centralisation of ultimate responsibility and loss of time. This must mean interference with the executive authority of the management of the industry and the growing reference of decisions to a central body—a central body which cannot be aware of local circumstances and which will, moreover, often operate with its head over its shoulder to observe parliamentary reactions to its operations."

Devotion to Doctrine

As there was thus no justifiable ground for re-nationalisation, the Chairman of United Steel felt that the only ground left to the Socialists was their devotion to the century-old Karl Marx doctrine, namely, to nationalise the "means of production, distribution and exchange." The ultimate outcome of pursuing this doctrine would be, in his opinion, "an end to private ownership of nearly every kind of property."

Proceeding, he recalled the remark of Sir Hartley Shawcross, once a Labourite now retired from politics, that "Industries should not be nationalised for the sake of nationalisation, but only if they were not being conducted efficiently." Stressing the point that the steel industry was already subject to Government control, he outlined the present relation of the industry to the State thus:

"The Act of Parliament, by which the steel industry was denationalised in 1953, was not a sale back to the actual parties from whom it had been compulsorily acquired in 1951. It is true that it provided for the sale back to private ownership. Much consideration had been given by Parliament in the form of management and control of the industry after denationalisation and the Act set up machinery for supervision which today may not be remembered by the man in the street. This machinery was a body called the Iron and Steel Board. It is composed largely of members independent of the industry (including the chairman and several steel consumers) and has other members drawn from the employers and the trade unions. The function of the Board is to take care that sufficient iron and steel is provided for the country's needs, that the industry's future plans are adequate, that sufficient raw materials and fuel should be made available, that prices should not be excessive, as well as encouraging research and safety, health and welfare and arranging for joint consultations. This Board has been in daily operation ever since the Act was passed and the industry works in co-operation with it. In this way, the State seems to have all the authority needed in the interest of the State and for the protection of the consumer."

He concluded by emphatically declaring that socialisation would lead to a restriction on personal liberty and that it was, therefore, a bad thing. Speaking almost in a prophetic vein, he sounded the following warning:

"It is the beginning of communism and logically in time it would convert our country into a State as completely communist as Russia and other eastern States which are either already communist or going that way.

"Industry and everybody who depends upon it in their daily lives should do a lot of hard thinking and should really try to understand where the policy of the Socialist Party may lead.

"It is dangerous for members of the community who are not particularly interested in the steel industry to think that the nationalisation of steel concerns only the proprietors, that is, the shareholders in steel undertakings. It concerns all, because it is a large step forward in a programme which sooner or later will make the State the proprietor of every kind of property and the employer of the whole population. In other words, it is a programme which leads to slavery, and we can become slaves without having chains round our necks and wrists and ankles.

"If this should seem an exaggeration, it is nevertheless a warning to all of us to think very hard about the Socialist aim to enlarge State ownership and State control and a warning to those who are strangers to steel to be as much concerned about what may happen to them as steel people are concerned to retain their property."

The Chairman of Dorman Long & Co. (Sir Elis Hunter), too, referred to the difficulty of securing additional capital for further modernisation and expansion following the uncertainty caused by the Labour Party's decision to take the industry back to the public sector. The Chairman of the Steel Company of Wales also expressed similar views. He saw no justification for re-nationalising steel. The industry possessed an exceptionally good record. Prices of British steel compared favourably with world prices. Labour relations were good. Wages in steel industry were amongst the highest in the country. The industry contributed considerably towards exports. Moreover, the steel industry made a large contribution in the form of taxation towards national expenditure. Further development and expansion programmes were being planned, but these would be hampered if confidence in the future of the industry were undermined. "No industry," he said, "can flourish in a state of uncertainty regarding its future and when dealing with iron and steel a vigorous and enlightened long-term policy is essential."

Ruinous Game

The *Financial Times*, London, has characterised the Labour Party's programme to re-nationalise the industry as a ruinous game of leapfrog. Condemning it in severe terms, this paper says:

"Perhaps there is no example of party conduct which causes more public contempt for politicians than the attitude of the Labour Party towards the steel industry. Already the industry has been nationalised once and denationalised once. The de-nationalisation statute itself provided for a substantial public control over the industry's investment and pricing policies. The Labour Party is still committed to another nationalisation when it is returned to power. Conservative opinion could well come to favour a second denationalisation in the event of a second nationalisation being accomplished. To any private citizen this must seem a deplorable prospect. If the two-party system involves a change in the basic structure of the steel industry twice in every decade, then there is something seriously wrong with the way the system is working. Yet there is no obvious way out. The steel industry has come to occupy a vital role in the emotional tradition of the Labour Party. It is remembered in terms of the armament makers of the First World War and of the unemployment of the 1930s. A Labour Party leadership which is retreating from old-type nationalisation might find itself overwhelmed if it tried to withdraw from its commitment on steel."

The *Financial Times* then continues to point out that Britain turned away from nationalisation, because the record of the public corporations was unsatisfactory. It regards the managerial efficiency of railways and coal mines as poor. It points out that the Labour Party itself is now dissatisfied with the results of the nationalisation of the Bank of England. Another difficulty which the *Financial Times* brings to light is the adjustment of the nationalised industry to the European Free Trade Area. To quote it: "A double pricing policy such as exists at present could not survive into a period of European Free Trade. That fact alone would remove any advantage from planning of prices which nationalisation might be alleged to provide." This paper, therefore, appeals for a compromise solution, which does not involve "the rigours and waste of full nationalisation," acceptable to both the Labour and Conservative parties.

Labour M.P.'s Reply

The publicity given by the steel industry to the case against nationalisation seems to have roused the ire of the Labour Party. Some say that it has only strengthened the determination of the party to implement its programme if it got an opportunity. Speaking at a Labour Party Conference, Mr. Alfred Robens, a Labour M.P. and a former Minister of Labour, for instance, asserted:

"I say quite emphatically and without any shadow of doubt that the first function of public ownership will be to re-nationalise the iron and steel industry. That is a pledge. I have noticed that the chairmen of steel companies have been saying that Labour should remove any doubt that there might be about the future of this industry. I therefore do that now. The nationalisation of the iron and steel industry has nothing whatever to do with its present efficiency. No one, in fact, is making a case for the public ownership on the basis that it is an inefficient industry. We have never said that. The public ownership of the iron and steel industry is vital to the economic planning of this nation's affairs."

It will be noted from the aforesaid quotation that Mr. Robens has been honest enough to admit that his party wants to re-nationalise the steel industry on sheer fanatical devotion to a socialist doctrine and nothing else. In doing so, they are going against the sound advice of Sir Hartley Shawcross. Be that as it may, the steel industry's public campaign is a success from two points of view. One, the Socialists have admitted that the industry in the hands of the private sector is neither inefficient nor lacking in foresight. And, secondly, it has exposed the fact that the Labour Party, or at least a section of it, has returned to pure doctrinairism.

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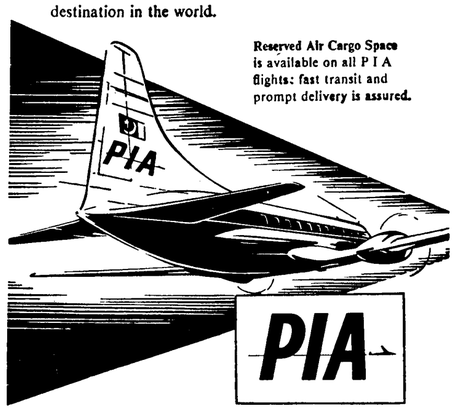

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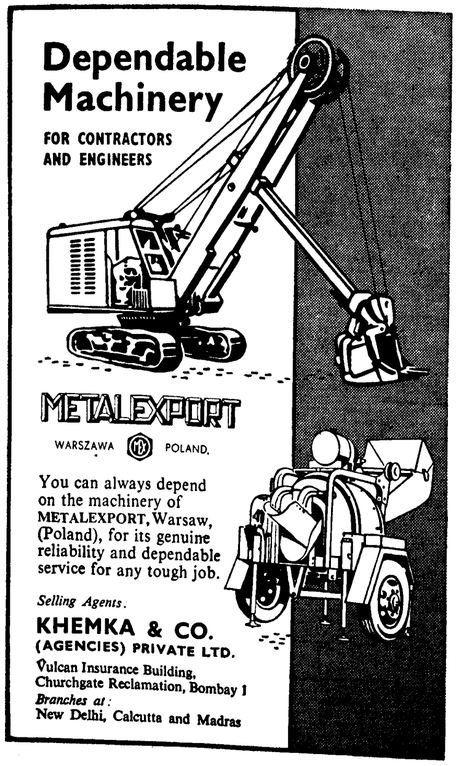

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TREND OF OIL PRICES DOWNWARD

REFINERS HAVING A VERY LEAN TIME

IN recent weeks, news items about cuts in oil prices have followed one another in rapid succession. The announcements have mentioned crude oil as well as products, consuming countries as well as exporting centres. In the circumstances, the superficial observer might be forgiven for supposing that the bottom had fallen out of the markets and that the oil industry was facing a serious slump. Fortunately, the position is by no means as bad as that. It is very easy for the layman to get an exaggerated impression of the decline, because what is essentially the same price movement may be reported separately for different products and by numerous companies—often from several different selling points.

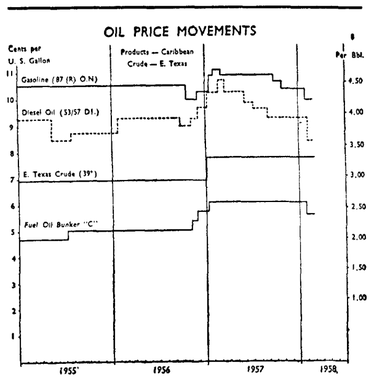
In fact, the past few weeks have seen a general reduction of f.o.b. prices in the U.S. Gulf/Caribbean area which has spread its influence eastwards across the world. Gasoline prices have been reduced in the Caribbean by half a U.S. cent per American gallon, light heating oils and kerosine by one-quarter, gas oil by five-eighths and heavy fuel oil by 30 cents a barrel, equivalent to about 0.75 cent a gallon. The chart puts these changes into perspective. (The chart does not take account of the latest reduction in fuel oil—10 cents a barrel on 24th February.) It shows that the fall from the peaks of a year ago has been most severe—14 to 17 per cent.—in middle distillates (represented by diesel oil on the chart). Motor gasolines are down by 8-11 per cent., as compared with February 1957, aviation gasolines by about 6 per cent. and heavy fuel oil by 12 per cent. Almost all distillate products are now below the levels ruling in October 1956, before the Suez emergency began. Heavy fuel oil, however, is still 15 cents a barrel above that level.

The reasons for the break are not unfamiliar. The price increases of a year ago were brought about more by the rise in crude oil costs than by the pressure of demand for products. And once the Suez emergency was over, demand proved disappointing. Domestic consumption in the U.S.A. was only fractionally higher in 1957 than in 1956, while in January 1958, it was 5 per cent. down on the corresponding month last year. The business recession and the unseasonably mild weather are responsible for the sluggishness of demand. But price cuts might have been avoided if refiners had restricted their operations sufficiently to avoid the accumulation of stocks which occurred in recent months. (Stocks of the main products on 14th February, at 397 million barrels, were nearly 13 per cent. above the level of a year ago.)

This fall in the Gulf/Caribbean area has affected the Persian Gulf market, though not to the same extent: demand in the Eastern Hemisphere has been holding up much better than in the west, and there is no surplus of products in the Persian Gulf. The fall there since product prices were first posted at Abadan at the end of May now amounts to about 6½ per cent., on average, for motor gasolines, 6 per cent. for kerosine and 5-5½ per cent. for middle distillates. Aviation gasoline is down by about 6 per cent. and heavy fuel oil by 9 per cent. Hence, while the relationship between Caribbean and Abadan prices is the same for aviation gasoline as it was last May, the other products are relatively higher at Abadan now than they were then. At Ras Tanura and Bahrein, prices are generally 0.175 to 0.25 cent. a gallon—fuel oil, 10 cents a barrel—above those at Abadan, reflecting the freight advantage. The latest reductions in the Persian Gulf have not yet spread to Far Eastern markets, where prices are normally appreciably above the Middle Eastern level because this is a deficit area, needing to draw in supplies from the Middle East.

The past months' reductions in export quotations have begun to benefit the consuming countries, where prices have been on the downgrade for some time as the result of earlier declines in oil prices and freight rates. Taking the U.K. as an example, the past month has seen reductions in wholesale prices ranging from ¼d. an Imperial gallon for heavy fuel oils to ¾d. a gallon for gasoline and 1d. a gallon for aviation turbine fuels. Since the peaks of last March, wholesale prices in the U.K. have been reduced as follows: gasoline by 4¾d. a gallon, burning oil by 4¼d., automotive gas oil by 4½d. and fuel oils by 4d. Except for black oils (mostly a farthing dearer) this brings wholesale prices to below those ruling in October 1956, before the closure of the Suez Canal and the consequent steep rise in transport costs.

The burning question exercising many minds is whether the fall in the price of products is likely to result in a general break in crude oil quotations. Since product prices in the Western Hemisphere are now no higher than before the Suez emergency—most are lower—whereas crude oils are, on average, about 25 cents a barrel dearer, it is obvious that refiners must be having a very lean time. However, the bulk of the refining is, of course, done by integrated concerns which produce much, or all, of the crude they handle; their position is naturally different from that of the non-integrated refiner. They argue that the crude oil price advance of January 1957 was no more than sufficient to cover the rise in the cost of labour and materials in the three and a half



years which had elapsed since the previous general increase. They point out, quite justifiably, that there is no present case for cutting posted crude oil prices on grounds of cost; and that a reduction now would do nothing to stimulate demand, but might easily result in a further shading of product prices. In the end, the question will be decided, not by argument, but by the forces of the market.

So far, no general break has occurred despite a series of local adjustments in the U.S.A. during the past two or three months. Though numerous—cuts of up to 15 cents a barrel have been made in the Illinois Basin, the Four Corners area, N. Dakota, Montana, Ohio, Michigan, and S. Texas—these reductions have affected only a small proportion of the country's crude oil production. Similarly, the past month's cuts (5 to 15 cents a barrel) in heavy Venezuelan crudes are a direct reflection of the fall in heavy fuel oil and do not necessarily presage a general decline. Again, the 10 cents reduction in the East Mediterranean, initiated by Esso on 31st January, reflects that company's assessment of the competitive advantage conferred upon Persian Gulf supplies by the decline in tanker freights; it does not, of itself, imply that any general downward move is in prospect.

Nevertheless, the weakness of products on the U.S. Gulf/Caribbean markets constitutes an undoubted threat to the North American and Venezuelan crude oil price structure. And, if this were to give way, it is difficult to see how Middle Eastern sellers could avoid reducing their own postings: indeed, the tendency of recent years has been for the differentials between Western Hemisphere and Middle Eastern crude oil prices (in favour of the former) to widen, as producers in the latter area have sought to extend their markets. In view of the stagnation of demand in the U.S.A., the only way of buttressing the price structure is by resolutely tackling the problem of over-supply from which the markets have been suffering for some months. The refiners are now moving in this direction and are imposing upon themselves the kind of discipline to which crude oil producers are subjected by the State regulatory authorities. It is not yet possible to say that they have acted in the nick of time. But the verdict of the markets cannot be long delayed.—*By Special Arrangement with* PETROLEUM PRESS SERVICE.

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Though the present capital cost of building a nuclear power station is three times that of building the most advanced conventional steam station, the "progressive lowering of nuclear generation cost to below that of steam plant can be confidently expected." This is stated by Lord Citrine, who was the Chairman of the British Central Electricity Authority till the end of 1957, when it was split into two bodies. Discussing future electricity charges for industrial and domestic use in the United Kingdom, Lord Citrine says that, already, the capital cost per kilowatt of nuclear plant is on the downgrade.

Even before the reduction of generating costs to below that of steam plant is achieved, the use of nuclear power generation should not result in making electricity dearer despite the present higher capital costs. The operating cost of the nuclear system is low, and the higher capital cost "is not of such significance that it cannot be spread over and offset by economies in the supply system as a whole without itself affecting the price of electricity to consumers."

Lord Citrine, writing on the Central Electricity Authority's programme for nuclear power, states in the *Fuel Economy Review* just published: "Britain leads the world in the practical application of nuclear power to electricity generation, and has good prospects of a healthy export market in this field." Lord Citrine tells of speedy implementation of the British Government's 10-year nuclear power programme. "In only one year and nine months," he says, "four groups of manufacturers were organised for the construction of nuclear power stations, personnel were trained in the know-how of reactor design and operation, initiating specifications were issued, tenders invited, received, examined and adjudicated upon, and firm contracts placed for the first two commercial-size nuclear power stations to be built in any country in the world."

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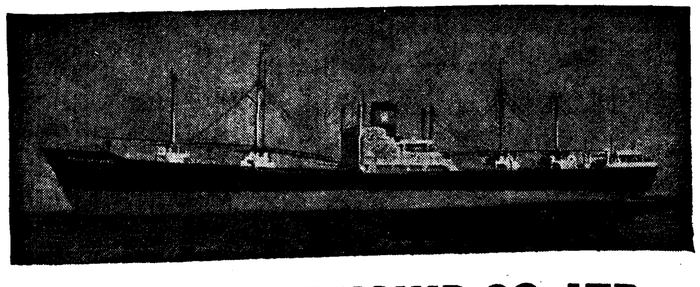

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ANNUAL MEETING OF SPENCER AND COMPANY, LIMITED

MR. Z. R. IRANI'S ADDRESS TO SHAREHOLDERS

SIZABLE INTEREST IN AMERICAN PROJECT FOR MANUFACTURE OF DRUGS SECURED

THE efforts of Spencer and Company, Ltd., to enter new fields of activities have made little progress, but the management has not given up its negotiations. Disclosing this at the Sixtieth Annual General Meeting of the Company held at Madras on 28th February 1958, Mr. Z. R. Irani, Chairman, clearly told the shareholders that the Company had acquired a sizable interest as the largest Indian investor in a comprehensive project finalised by one of the biggest and most reputed American concerns for the manufacture of drugs and pharmaceuticals in this country.

The following is the text of Mr. Irani's speech:

"GENTLEMEN,

"Our meeting today is the sixtieth annual general meeting of the Company, a landmark in its history. Perhaps, I should on this occasion give you a synopsis of the main happenings during the last sixty years, but even a brief report will take up time which will be more profitably spent in dealing with the present and, so far as I can reasonably prognosticate, the future.

"Eleven months ago, Mr. Edwards resigned his seat from the Board and your Directors elected me to the exalted office of Chairman. We have hard times before us and, I trust, I shall be worthy of the confidence reposed in me. Our thanks are due to Mr. Edwards, who was Chairman of the Company for seven years, for his able guidance of its affairs over that period.

Company's Activities

"You will have had ample opportunity to examine the accounts for the year ended 30th June 1957 and, with the help of the comparative figures of the previous year, to gauge the progress of the Company. I feel that you should be made aware of the activities of the Company and the extent of contribution each has effected towards the whole. In the main we trade as wholesalers and retailers of consumer goods throughout our various branches; we own three hotels and cater now in a very restricted manner on the Southern Railway; we manufacture and trade in drugs and pharmaceuticals, house furnishing and steel furniture, aerated waters and cigars; we grow and trade in tea; we trade in refrigeration and air-conditioning machinery, both domestic and commercial, and finally we have sundry smaller activities arising from or interconnected with the foregoing main ones. The wholesale and retail trade has contributed 55 per cent. towards the trading profit of the Company, hotels and catering 15 per cent., drugs and pharmaceuticals 8 per cent., house furnishing 5 per cent., aerated waters 3 per cent., cigars 1 per cent., tea 6 per cent., refrigeration and air-conditioning 4 per cent. and sundries 3 per cent. We have always been known as the 'suppliers of India's daily needs' and you will be able to appreciate how we stand in the context of current economic conditions.

"Within its present field, the Company has, if I may say so, done as well as can be expected in the year under review. Such activities as have not involved imports have shown, and will no doubt, with assiduous development, continue to show, progress. Even so, the relaxation of import policy in certain directions will be of considerable assistance, as, for instance, in the case of machinery for the manufacture of aerated waters and certain specialised provisions and foods which would conduce towards tourist satisfaction.

"Though we have managed to maintain turnover in the consumer goods trade, it is here that the Government's import control policy has a vital impact on the Company's business, particularly, as we have been and are predominantly a merchant house. From the commencement of 1957, the import of consumer goods has been severely cut. This, of course, is part of the larger 'lan policy and the paucity of foreign exchange esources needed for it dictates the practical toppage of licensing of consumer goods import. low serious the foreign exchange resources position is will be apparent from these basic facts. At the beginning of the Second Plan in April 1956, the sterling balances were of the value of Rs. 746 crores; nine months later, they had shrunk to Rs. 534 crores and at the end of last year they amounted only to about Rs. 300 crores.

"With a steadily expanding gap in trade balance of payments, the value of imports in recent years having been always much in excess of the value of exports, the Government finds itself driven to such expedients as rephasing the annual outlay on the Plan and the commitments position, arranging credit in the form of deferred payments for capital goods import, and, of course, the imposition of the most rigid control on consumer goods import. It is, however, gratifying to note that larger foreign aid will now be available. Against an estimated foreign aid requirement of about Rs. 700 crores for the Second Plan, a substantial part, in addition to the credits arranged earlier, seems to have been negotiated, such as the American loan of 225 million dollars. Japanese yen credit equivalent to Rs. 25 crores, West German deferred payments arrangement for 120 million marks and the Russian loan equal to Rs. 60 crores. It is to be hoped that an improvement in the position, coupled with an export drive resulting in larger earnings of foreign exchange, will make it possible to relax to some degree the present extreme rigidity of the import control policy so far as consumer goods are concerned.

"In a country based on a free social order, the production and trade of consumer goods play a vital part. Professor Erhard, in his book, *Prosperity Through Competition*, which analyses the great economic achievement in West Germany since the war, says:

> "'First consideration must be given to the freedom of every citizen to live his life according to his financial circumstances, personal desires and values. This basic principle of freedom for the consumer must logically be counterbalanced by freedom for the producer to make and sell what he believes to be marketable. Freedom for the consumer and freedom to work must be explicitly recognised as inviolable basic rights by every citizen. Democracy and a free economy are as logically linked as are dictatorship and State controls.'

And again,

> "'To maintain a competitive economy is, therefore, in every sense a social obligation. We can learn from our own past, but also in looking at countries beyond the Iron Curtain we can see that in the planned economy, and even more in the State-controlled economy, the proportion of wages in the national income is and has always been smaller than in the market economy. It would be remarkable if it were otherwise, for not only does the bulky bureaucratic machinery in the nature of things consume a large part of the national income but the composition of the national income also shows that it is not meant to satisfy human needs.'

Plan too Ambitious

"It is my sincere belief that, in furthering the economy of a country, the production of the heavy industries and consumer goods must march hand in hand and that the balance must not be untowardly disturbed. You will recall that, speaking last year on the Second Plan, I ventured to express my doubt whether outlay on the Plan on the scale contemplated was not somewhat too ambitious in relation to available and potential resources. Events have shown that that fear was not entirely groundless. In the assessment that I made, I was in good company, for Mr. Neogy, closely associated for long with the Planning Commission, also felt that 'the Second Plan is unrealistic and overambitious and its massive superstructure is raised on precarious foundations.' I must mention also that, in this view, I do not have the support of that expert academic body, the Panel of Economists, who consider that 'on the whole, a plan of Rs. 4,800 crores at present prices should be feasible, provided the effort to mobilise domestic resources in all forms is considerably increased and external assistance of Rs. 700 crores as envisaged is forthcoming.' As against this assessment, evidence is now available that this view of inadequacy of resources was not far wrong, because it has been admitted in official circles that, while some check on Plan tempo must be put, the hard core of the Plan will be adhered to. This realistic appraisal is all to the good and national economy will be spared any violent strains which a whole-hog programme, based on a misjudgment of capacity, may impose or precipitate. Making haste slowly is a wise dictum which can apply equally to revolutionary economic policies

Severe Regimentation Necessary

"I repeat what I said last year that an enforced economy to be effective must have severe regimentation. The objective of such an economy is to raise the *per capita* income with a view to bettering the living standard of the people. This objective, however, is frustrated, if, contemporaneous with an increase in *per capita* income, there is a corresponding increase in the cost of living. The *status quo* then remains unchanged, but there is the cheapening of money and an ever-mounting inflationary spiral to be contended with. This is the position today. Economists assert that such a stage is intermediary and is to be expected, but will undoubtedly lead to prosperity and contentment. However much this is emphasised, invariably an enforced economy, however utopian its objectives, has ended in tribulation. Progressive stability can only be achieved by the will and the work of a people. An increase in tempo towards that end is undoubtedly advisable, but it must be judicious and not overstrained and it must not make the amenities of an advanced world inaccessible, amenities which distinguish civilisation from primitiveness.

"Speaking on Budget day, but before we have heard what the new tax proposals are, I am at a slight disadvantage, but it requires no prophet to forecast that the gift tax will be one of them. In the integrated pattern of our new tax system, this is the one hole yet to be plugged and with the gift tax along with the wealth and expenditure taxes and with a further streamlined income-tax system, the revenue armoury is claimed to be now practically evasion-proof. Our tax policy is being brought into alignment more and more with the avowed objective of evolving a socialistic pattern of society, which incidentally has the immediate effect of augmenting revenue so necessary to finance the Plan. Our Prime Minister has even quite lately made it unmistakably clear that last year's new taxes were an approach to the solution of the problem of accumulation of wealth. The Finance Minister too has made it plain that there will be no retreat from the basic tax structure and that it will have to remain. These declarations must completely dispel any fond hopes that, on the completion of the Plans, a lightening of the tax load may be looked for. While this is the broad position in the Centre, the State pictures are equally bleak. To give effect to the Plan programmes for the year 1958-59 so far as the States' sector is concerned, States have to find additional resources of the order of Rs. 200 crores from further taxes, small savings, public loans, etc. The Centre will be in no position to dispense more aid in view of the new arrangements for distribution of revenues recommended by the Finance Commission. The State tax field has been fully exploited and taxes having reached a state of inelasticity, it is a matter of some concern to us what new devices will be adopted for raising more State revenues.

Not Opposed to Planning

"The foregoing opinions have not been expressed with any intention of opposing planning. On the contrary, it is for the Government to legislate and for us as educated, and responsible citizens to adhere to such legislation, with the right, as always, of free constructive criticism. My intention is to show you how Governmental policies are affecting and are likely to affect the business and, accordingly, the future earnings of your Company.

"Apart from our endeavours to find suitable lines to supplement our consumer goods trade, and we are doing this with fair success, your Board is ever on the look out to employ the Com-

(Continued on page 439)

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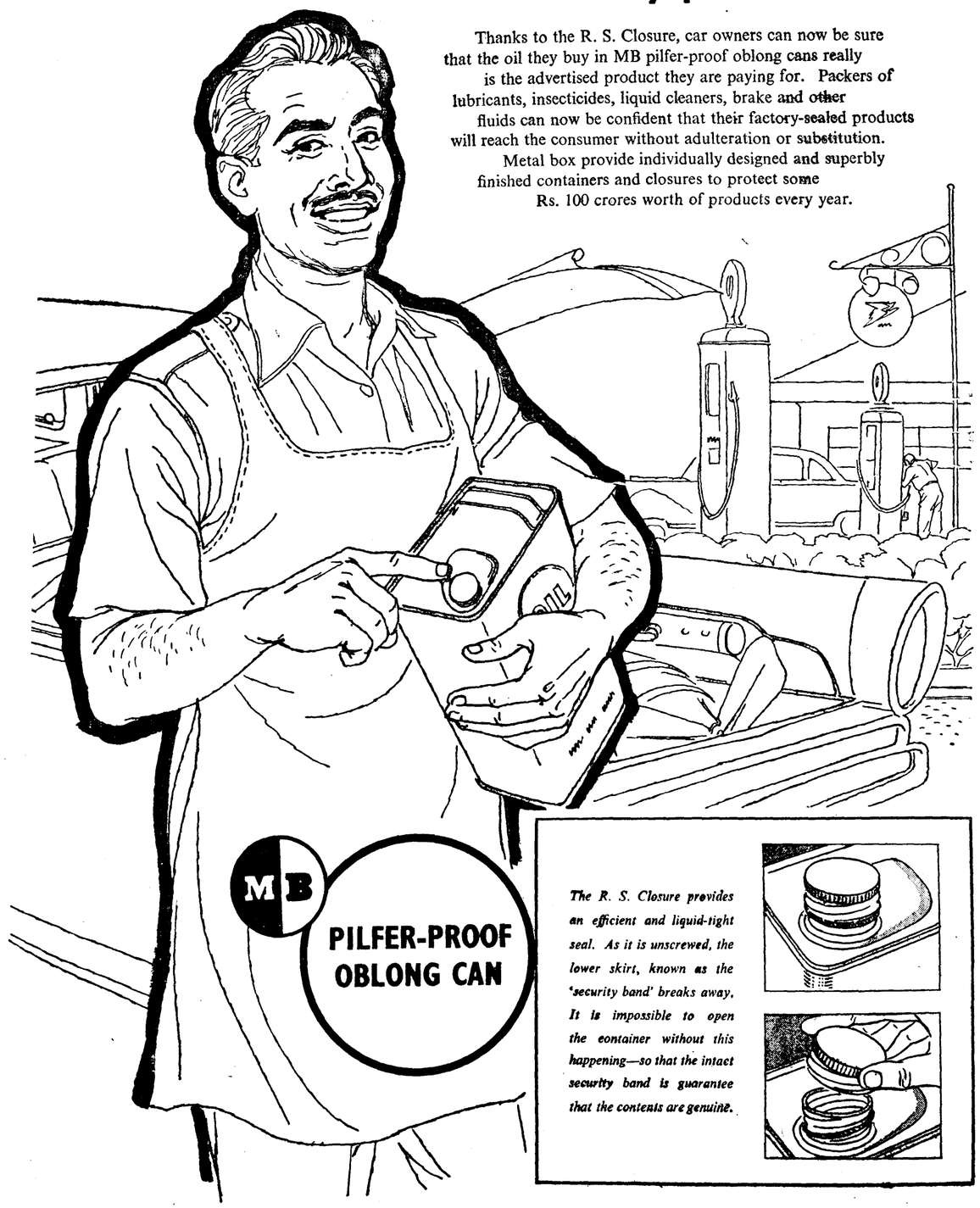

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REVENUE AND EXPENDITURE OF CENTRAL GOVERNMENT

OVERALL DEFICIT OF RS. 200 CRORES ENVISAGED

MR. Jawaharlal Nehru, India's Prime Minister and acting Finance Minister, presented the Government of India's budget for 1958-59 on the customary day, namely, the last day of February. The budget was devoid of any major surprises. The only new direct tax to be introduced was the one on gifts. This, however, had been expected as a natural outcome of the revamping of the tax structure made by Mr. T. T. Krishnamachari during his short regime as Finance Minister.

The budget of a modern government has many facets. On this page, it is proposed to recount briefly the revenue and capital sides thereof. The new tax proposals and the adjustments sought to be made in the existing ones are outlined on the next page. A statistical picture of the revenue budget is presented in Tables 1, 2 and 3 on this, as well as the next, page.

Revised Estimates for 1957-58

The final budget for the current year, that is 1957-58, as adopted by Parliament, placed the revenue at Rs. 708.03 crores and expenditure at Rs. 672.29 crores, leaving a revenue surplus of Rs. 35.74 crores. The revised estimates show that, as usual, the revenue had been underestimated, for they place them at Rs. 724.63 crores, an increase of Rs. 16.60 crores over the budget estimates. Expenditure, too, has gone up from the budgeted figure of Rs. 672.29 crores to Rs. 719.58 crores, due chiefly to an increase in defence expenditure and the additional transfer of Rs. 34.5 crores to the States as a result of the Finance Commission's recommendations, which have been accepted by the Government. Consequently, the surplus has shrunk from Rs. 35.74 crores to Rs. 5.05 crores.

Explaining the important variations in the revenue estimate, the Finance Minister observed as follows:

"The revenue from customs is now expected to be Rs. 183 crores, against the budget estimate of Rs. 167.6 crores. Excluding the additional duties levied on sugar, cloth and tobacco, which accrue to the States, Union Excise Duties are now expected to yield Rs. 252.45 crores, against the budget estimate of Rs. 259.57 crores. The decrease of Rs. 7.12 crores is mainly due to a fall in the revenue from cloth and motor spirit. This is partly counter-balanced by increased revenue from cement and diesel oils. No change is anticipated in the budget figure of Rs. 206.40 crores for Corporation Tax and income-tax, but the share of the States will increase from Rs. 65.98 crores to Rs. 73.43 crores, as a result of the Finance Commission's Award. The revenue from Wealth Tax this year is now put at Rs. 9 crores, a drop of Rs. 3.5 crores in the original estimate due to the time taken in obtaining necessary statements from assessees. The tax on Railway fares is now expected to yield Rs. 4.84 crores, against the original budget of Rs. 7 crores. The revenue from Posts and Telegraphs is likely to drop by Rs. 2.72 crores to Rs. 1.23 crores, due partly to a fall in traffic and partly to the interim relief to low paid employees granted recently. The dividend from Railways is now estimated at Rs. 44.24 crores, against the budget figure of Rs. 43.79 crores. Of this sum, Rs. 37.91 crores, representing the interest element, is taken in reduction of interest payments on the expenditure side and the balance credited as contribution to revenue."

On the expenditure side, the defence expenditure has moved up from Rs. 252.71 crores (budget estimate) to Rs. 266.05 crores. Of this addition, Air Force has accounted for Rs. 6.80 crores and the Army for Rs. 6.86 crores. Purchase of additional stores, rise in prices, grant of additional dearness allowance and certain other concessions to personnel have been the causes for the increase in the Army budget, while that in the Air Force expenditure is almost entirely due to the replacement of aircraft and equipment.

The variations in Civil expenditure are as follows:

"Civil expenditure shows an increase of Rs. 33.95 crores over the budget estimate of

TABLE 1

SUMMARY OF FINAL ESTIMATES
(In lakhs of rupees)

	Budget 1957-58	Revised 1957-58	Budget 1958-59
REVENUE			
Customs	167,60	183,00	170,00
Union Excise Duties	259,57	264,55	301,93 +2,83 *
Corporation Tax	50,50	50,50	55,50
Taxes on Income other than Corporation Tax	89,92	82,47	84,53
Estate Duty	9	12	12
Taxes on Wealth	12,50	9,00	12,50
Taxes on Railway Fares	..	3	7
Taxes on Expenditure	..	..	3,00 *
Taxes on Gift	..	..	3,00 *
Opium	2,50	3,28	2,37
Interest	4,90	6,15	6,60
Civil Administration	43,21	56,79	44,24
Currency and Mint	36,02	36,84	36,62
Civil Works	2,95	2,78	2,87
Other Sources of Revenue	27,65	21,56	32,93
Posts and Telegraphs—Net contribution to general revenues	3,95	1,23	2,34
Railways—Net contribution to general revenues	6,67	6,33	7,04
Total Revenue	708,03	724,63	763,16 +5,83 *
EXPENDITURE			
Direct Demands on Revenue	46,00	62,97	94,45
Irrigation	10	10	13
Debt Services	35,00	37,44	40,00
Civil Administration	191,02	194,71	200,44
Currency and Mint	6,72	7,35	8,50
Civil Works and Miscellaneous Public Improvements	15,93	16,23	18,71
Pensions	9,17	9,36	9,40
Miscellaneous:			
Expenditure on Displaced Persons	22,50	22,33	20,48
Other Expenditure	44,06	42,63	50,33
Grants to States, etc.	25,23	47,26	47,03
Extraordinary Items	23,86	13,15	29,40
Defence Services (Net)	252,70	266,05	278,14
Total Expenditure	672,29	719,58	796,01
Surplus (+) / Deficit (—)	+35,74	+5,05	—27,02

* Effect of budget proposals.

Rs. 419.58 crores. Payments to States on account of their share of Union Excise Duties and of grants under the substantive provision of Article 275(1) of the Constitution have increased by Rs. 39.90 crores, as a result of the Finance Commission's award and the levy of certain additional duties in replacement of sales tax. There is an increase of Rs. 1 crore on account of additional dearness allowance granted during the course of the year and an increase of Rs. 2½ crores in interest charges, due to larger expansion of Treasury Bill than anticipated in the budget. A provision of Rs. 3 crores has also been made for writeback to revenue of losses on the Food Trading Account. It will be recalled that a Food Subsidy Fund of Rs. 25 crores was intended to be built up from the additional taxation levied this year, which if unspent, would have been available for the current and future years. But since the revenue surplus this year has been more or less absorbed by the transfer of additional resources to the States under the Finance Commission's award, it has not been possible to meet the entire subsidy from revenue. The amount of this subsidy this year will be Rs. 30 crores and next year Rs. 20 crores and it is proposed to write this back to revenue over a period of 10 years. The increases I have mentioned amount in all to Rs. 46½ crores roundly but they have been offset by savings under other heads of Rs. 12½ crores. Thus there is a saving of Rs. 5 crores under Education; Rs. 1 crore under Community Development; Rs. 2 crores under Scientific Departments; Rs. 1 crore in the grant to States for development of backward classes and Rs. 2 crores in respect of grants to States towards expenditure necessitated by natural calamities. The balance of the savings is spread over a number of heads."

Budget for 1958-59

The position for the coming year, that is, 1958-59, is as follows:

"On the basis of existing taxation, the revenue is estimated at Rs. 763.18 crores and expenditure at Rs. 796.01 crores, leaving a deficit of Rs. 32.85 crores on revenue account. The revenue from Customs has been placed at Rs. 170 crores, the decrease of Rs. 13 crores as compared with this year's revised estimates reflecting the effect of the restrictions on imports. Excise duties are expected to yield Rs. 260.45 crores, excluding Rs. 41.48 crores from additional duties on sugar, cloth and tobacco which accrue in almost their entirety to the States. This is an improvement of Rs. 8 crores over the current year's revised estimate. Under income-tax, the revenue is placed at Rs. 217 crores, allowing for a normal expansion in revenue of Rs. 10½ crores over the current year's revised estimate. The Wealth Tax is expected to yield Rs. 12.5 crores, the tax on Railway fares Rs. 9.22 crores and the Expenditure Tax Rs. 3 crores. The revenue from Posts and Telegraphs is estimated at Rs. 2.34 crores, against Rs. 1.23 crores this year. The dividend payable by Railways next year is estimated at Rs. 49.58 crores of which Rs. 7.04 crores will be taken as contribution to revenue and the balance of Rs. 42.54 crores in reduction of interest payments on the expenditure sile. The surplus profits of the Reserve Bank next year have been placed at Rs. 30 crores, the same as in the current year. A credit of Rs. 7.34 crores has also been taken on account of the surplus of the cement account of the State Trading Corporation to be transferred to Government. This amount will be utilised on the development of national highways. The share of income-tax payable to States next year will be Rs. 76.97 crores, against the current year's revised estimate of Rs. 73.43 crores.

"Expenditure next year is estimated at Rs. 796.01 crores, of which Rs. 278.14 crores will be on Defence Services and Rs. 517.87 crores under the Civil heads. Estimates for Defence Services show an increase of Rs. 12.09 crores over the revised estimate for the current year. The increase is wholly in the Air Force estimates, mostly for the purchase of stores for replacement. The Navy estimates show an increase of Rs. 1.46 crores, but this is offset by a reduction in the provision for the Army.

"Civil expenditure next year shows an increase of Rs. 64.34 crores over the revised estimate. Of this increase, payments to States of the proceeds of the additional excise duties on sugar, cloth and tobacco account for Rs. 27.96 crores. The greater part of the balance is due to larger provision for nation-building, development and social services. The provision for expenditure on nation-building and development services under Civil Administration amounts to Rs. 130.09 crores, as compared with Rs. 109.62 crores during the current year. The provision for Education at Rs. 29.63 crores is higher by Rs. 5.48 crores and include Rs. 11.97 crores for grants to States, Rs. 2.51 crores for scholarships and Rs. 4.32 crores for grants to the University Grants Commission. For expenditure on Medical and Public Health, the provision has been increased from Rs. 10.43 crores this year to Rs. 16.03 crores next year and for Agriculture and Allied Services, the provision made next year is Rs. 17.64 crores, against the current year's revised estimate of Rs. 16.85 crores. The provision for Scientific Research has also been stepped up by

(Continued on page 448)

TABLE 2—DISTRIBUTION OF REVENUE AND EXPENDITURE

(In lakhs of rupees)

Year	Tax Revenue	Cost of Collection	Net Tax Revenue	Net Revenue from Commercial Departments	Opium (Receipts less Expenditure)	Currency and Mint (Receipts less Expenditure)	Interest Receipts	Extraordinary Receipts	Other Revenue	Total net Revenue	Interest on Debt	Reduction or avoidance of Debt	Extraordinary Items	Defence Expenditure (Net)	Other Expenditure	Net Capital Outlay of Commercial Department from Revenue	Total net Expenditure	Surplus + / Deficit —
1947-48	1,76,63	3,95	1,72,68	3,28	51	—43	60	..	9,04	1,85,68	33,31	5,00	1,12	77,57	24,20	..	1,41,20	+ 44,48
1948-49	3,17,28	7,37	3,09,91	9,66	35	10,50	1,61	14,37	12,52	3,58,92	37,53	5,00	19,45	1,46,06	1,00,03	1	3,08,08	+ 50,84
1949-50	3,09,33	11,71	2,97,62	9,32	—4	9,14	1,36	1,33	14,30	3,33,03	34,43	5,00	11,54	1,48,86	99,96	..	2,99,79	+ 33,24
1950-51	3,53,61	10,25	3,43,36	10,40	1,96	9,71	2,13	70	25,20	3,93,46	32,36	5,00	7,03	1,64,13	1,25,60	12	3,34,24	+ 59,22
1951-52	4,56,59	12,88	4,43,71	10,29	70	8,79	1,77	5,59	23,65	4,94,50	34,00	5,00	10,91	1,70,96	1,45,45	9	3,66,41	+ 1,28,09
1952-53	3,65,02	11,02	3,54,00	8,96	55	7,22	2,91	3,91	19,90	3,97,45	31,50	5,00	10,15	1,79,52	1,32,20	15	3,58,52	+ 38,93
1953-54	3,43,13	10,69	3,32,44	9,33	—62	13,14	2,91	2,51	20,22	3,79,93	35,82	5,00	11,78	1,86,30	1,32,46	7	3,71,43	+ 8,50
1954-55	3,79,75	11,33	3,68,42	9,25	58	17,42	3,86	46	20,21	4,20,20	34,72	5,00	15,25	1,86,66	1,45,02	4	3,86,69	+ 33,51
1955-56	4,06,97	12,50	3,94,47	9,24	54	19,75	2,84	11	38,89	4,65,84	38,14	5,00	10,49	1,72,23	1,99,49	4	4,25,39	+ 40,45
1956-57	4,89,75	14,45	4,75,30	12,15	68	19,44	5,65	1,08	32,59	5,46,89	34,06	5,00	10,40	1,92,15	2,15,88	..	4,57,49	+ 89,40
1957-58 (Budget) ..	5,59,84	16,95	5,42,89	10,53	39	29,31	4,90	10,54	56,23	6,54,79	30,00	5,00	23,86	2,52,71	3,07,48	..	6,1,905	+ 35,74
1957-58 (Revised) ..	5,53,85	17,34	5,36,51	7,47	1,23	29,49	6,15	..	72,97	6,53,82	32,44	5,00	13,15	2,66,05	3,32,13	..	6,48,77	+ 5,05
1958-59 (Budget) ..	5,62,51	18,98	5,43,53	9,26	45	28,13	6,60	14,00	58,19	6,60,16	35,00	5,00	28,40	2,78,14	3,46,47	..	6,93,01	— 32,85

Note 1.—Accounts from 1947-48 to 1956-57 have not been finally closed and the figures given here are only provisional.
Note 2.—Figures for 1947-48 are for the period from the 15th August 1947 to the 31st March 1948.

NEW TAXATION PROPOSALS

CHANGES IN EXISTING TAXES OUTLINED

THE new taxation proposals do not bring about any major change in the present structure and rates. The object of the few proposals that have been made is to make such improvements as are necessary to make the present pattern of taxation an integrated one and to plug the loopholes that now exist. The introduction of gift-tax and changes in estate duty are in keeping with this main objective. The particulars of gift-tax are explained in an earlier article. In this article, we propose to outline the changes that have been made in the existing taxes.

Indirect Taxes

Let us first refer to the few changes that have been made in the excise duties and customs duties. In the sphere of Central excise, only four changes have been made. These relate to tobacco, cement, cotton textiles and vegetable oil products. It may be recalled that the Central excise tariff relating to unmanufactured tobacco, other than flue cured, was amended during May 1957, on the recommendation of the Tobacco Expert Committee. Some doubts have since been expressed regarding the implication of the expression "1/16" square in size used in sub-item 1 (5) (iii) of item No. 9 of the Central Excise Tariff. The intention was that the size of granule of tobacco should not be larger than what could pass through a sieve of 16 uniform circular or square apertures per linear inch. To make this intention clear and to put the matter beyond doubt, the sub-item 1 (5) (iii) has been suitably amended and the existing explanation thereto is being omitted. This is essentially a drafting improvement and involves little financial implication.

As regards cement, the excise duty has been raised from Rs. 20 per ton to Rs. 24 per ton, raising the estimated revenue from this source from Rs. 11.20 crores to Rs. 13.44 crores, an increase of Rs. 2.24 crores. This will not, however, raise the price of cement to the consumer, as the surcharge at present collected by the State Trading Corporation has been withdrawn. The additional revenue consequent upon the increase in the duty is specifically earmarked for road development. As regards cotton textiles, the change affects only the powerlooms. It is proposed that the concession of paying duty at compounded rates should no longer be available to powerloom establishments having more than 100 looms. Simultaneously, the compounded rates applicable to units having 25 to 100 powerlooms are being suitably enhanced in two stages. This would bring in an additional revenue of Rs. 83 lakhs. The rate of duty on vegetable products is being lowered for the first 3,000 tons cleared by each factory. This would give substantial relief to the smaller producers and will cost the Exchequer Rs. 24 lakhs per annum.

Coming to Customs Duties, only a few minor adjustments and verbal changes are being made in the Tariff Schedule to remove some anomalies or doubts. The only change of any significance is the introduction of the alternative *ad valorem* rate of duty in respect of expensive varieties of artificial silk yarn like nylon, perlon, etc.; so far as the other yarns, such as viscose, are concerned, the rate of duty is being left unchanged. The financial effect of these changes will be negligible.

The changes proposed to be made in the sphere of direct taxation are best brought out by quoting from the official note explaining the relevant provisions of the Finance Bill and the Bill to amend the Estate Duty Act.

Income-tax

It is proposed that the rates of tax applicable for the current financial year 1957-58 be continued for the next financial year 1958-59 with one small modification as follows:

At present, all companies, including a company to which the provisions of Section 23A of the Income-tax Act are applicable, are subject to the graduated rate of super-tax on all dividends declared in excess of six per cent. of the paid-up capital. These rates are as under:

On that part of the said dividends which exceeds 6 per cent. but does not exceed 10 per cent. of the paid-up capital—at the rate of 10 per cent.

On that part of the said dividends which exceeds 10 per cent, but does not exceed 18 per cent. of the paid-up capital—at the rate of 20 per cent.

On that part of the said dividends which exceeds 18 per cent. of the paid-up capital—at the rate of 30 per cent.

It is now proposed to vary the slabs and the rates for excess dividend super-tax in the case of a Section 23A company, that is to say, a company in which the public are not substantially interested. The proposed slabs and rates are:—

On that part of the dividends which exceeds 6 per cent. but does not exceed 10 per cent. of the paid-up capital—at the rate of 10 per cent.

On that part of the dividends which exceeds 10 per cent. of the paid-up capital—at the rate of 20 per cent.

AMENDMENTS TO THE INCOME-TAX ACT

Proposals Which Have the Effect of Reducing the Tax Liability

I. *Exemption of the value of travel concessions received by employees on leave to their home-towns or villages in India*: At present, the value of free or concessional passages received by a non-Indian national from his Indian employer in connection with his proceeding on home leave out of India is exempt from tax under certain conditions. A similar concession is now proposed to be granted for Indian employees proceeding on home leave to their home town or village within India.

II. *Exemption of Investment income of registered trade unions*: A worker's trade union is essentially a welfare organisation for its members. It is therefore proposed to exempt such trade unions from income-tax on the income they derive from the investment of their surplus funds.

III. *Exemption of Scheduled Tribes who migrate to the Union territory of Manipur*: Members of the Assam Hill tribes are at present exempted from tax so long as they reside within the tribal areas. Some of these tribes have now migrated to or are resident in the adjacent Union territory of Manipur. It is therefore proposed to extend the exemption to cover such cases also.

IV. *Exemption of gratuities payable by local authorities to their employees*: At present, gratuity payments for past services paid to Government employees under the Pension Schemes of the Central or State Governments are exempted from tax. Similar schemes have been adopted by some municipal corporations, for their employees. It is, therefore, proposed to extend the exemption to employees of all local authorities and statutory corporations having similar death-*cum*-retirement gratuity schemes for their employees.

V. *Exemption of entertainment allowance received by Government employees*: At present, entertainment allowances received by all employees (including Government employees) from their employers are exempted from tax, upto the limit of one-fifth of salary or Rs. 7,500, whichever is less, provided the employees concerned were in receipt of such entertainment allowances before 1st April 1955. It is now proposed to exempt the entertainment allowances paid by Government even though the persons concerned were not in receipt of such allowances before 1st April 1955, but, at the same time, to restrict the exemption upto one-fifth of salary or Rs. 5,000, whichever is less. The existing provisions will continue to apply only in the case of non-Government employees.

Proposals Which Have the Effect of Increasing Tax Liability

VI. *Restriction of tax-free allowance for income earned abroad but not brought into India*: At present, an assessee who is resident in India is entitled to exemption from Indian income-tax on his foreign income retained or spent abroad, upto a maximum of Rs. 4,500. It is now proposed to restrict the exemption in the case of employees of Government, local authorities or statutory corporations, to a sum calculated at the rate of Rs. 1,000 for each month of service in respect of which the salary is received abroad.

VII. *Stricter definition of 'Technician' for purposes of income-tax exemption*: The law at present exempts the income of foreign technicians in India under certain circumstances. The present definition of "technician" has been found to be capable of a wider interpretation than was intended. It is, therefore, proposed to re-define the term so as to restrict the exemption to experts engaged in the fields of constructional or manufacturing operations or of mining, and generation or distribution of electricity or any other form of power. However, persons already exempted under the old definition will not be adversely affected.

VIII. *Allowance of development rebate made subject to certain conditions*: Under the existing law, an assessee carrying on a business is entitled to a development rebate at the rate of 25 per cent. of the actual cost of all new machinery or plant installed during the relevant previous year. It is proposed, firstly to increase the rate of allowance to 40 per cent. in the case of a new ship launched after the 31st day of December 1957. In the case of any other new machinery or plant, the rate shall continue to be 25 per cent.

Secondly, in order to secure that the development rebate is availed of for the development of the industry, and is not frittered away otherwise, it is proposed that the grant of this development rebate shall be subject to the following conditions:

(a) an amount equal to the development rebate is debited to the profit and loss account of the relevant previous year and credited to a reserve account;

(b) this amount is utilised by the assessee during a period of ten years next following only for the acquisition of assets for the purposes of the undertaking or for investment in the undertaking;

(c) the asset on which the development rebate is allowable shall not be sold or otherwise transferred by the assessee before the

(Continued on page 448)

TABLE 3—ANALYSIS OF TAX REVENUE INCLUDED IN TABLE 2

(In lakhs of rupees)

Year	Revenue from Customs	Revenue from Union Excise Duties	Cost of Collection	Revenue from Taxes on Income including Corporation Tax (excluding State's Share)	Cost of Collection	Revenue from Estate Duty (excluding State's Share)	Cost of Collection	Taxes on Wealth	Cost of Collection	Expenditure Tax	Cost of Collection	Other Tax Revenue	Cost of Collection	Total Gross Tax Revenue	Transfers to Central Road Fund	State's Share of divisible Excise Duty	Tax Revenue retained by Union Government	Total Cost of Collection	Total Net Tax Revenue
1947-48	72,74	24,38	1,44	78,11	95	..	..	..	..	..	..	2,27	1,52	1,77,50	87	..	1,76,63	3,95	1,72,68
1948-49	1,26,16	50 63	4,07	1,39,98	1,82	..	..	..	..	..	..	3,19	1,48	3,19,96	2,68	..	3,17,28	7,37	3,09,91
1949-50	1,24,71	67,85	8,15	1,15,37	2,01	..	..	..	..	..	..	3,60	1,55	3,11,53	2,20	..	3,09,33	11,71	2,97,62
1950-51	1,57,15	67,54	5,91	1,25,71	2,44	..	..	..	..	..	..	6,61	1,90	3,57,01	3,40	..	3,53,61	10,25	3,43,36
1951-52	2,31,69	85,78	8,35	1,34,74	2,70	..	..	..	..	..	..	7,78	1,83	4,59,99	3,40	..	4,56,59	12,88	4,43,71
1952-53	1,73,75	83,03	6,65	1,28,25	3,04	..	..	..	..	..	..	2,02	1,33	3,87,05	5,20	16,83	3,65,02	11,02	3,54,00
1953-54	1,58,71	94,98	6,11	1,07,08	3,24	..	..	..	..	..	..	2,51	1,34	3,63,28	4,60	15,55	3,43,13	10,66	3,32,44
1954-55	1,84,87	1,08,22	6,35	1,03,64	3,45	24	..	..	..	..	..	2,29	1,53	3,99,26	4,40	15,11	3,79,75	11,33	3,68,42
1955-56	1,66,70	1,45,25	6,76	1,13,24	3,81	—5	..	..	..	..	..	2,90	1,98	4,28,04	4,50	16,57	4,06,97	12,50	3,94,47
1956-57	1,73,23	1,90,43	7,91	1,44,17	4,26	—30	..	..	..	..	..	4,44	2,28	5,11,97	4,00	18,22	4,89,75	14,45	4,75,30
1957-58 (Budget) ..	1,67,60	2,59,57	9,43	1,40,42	4,60	9	9	12,50	..	..	..	7,03	2,83	5,87,21	4,00	22,37	5,59,84	16,95	5,42,89
1957-58 (Revised) ..	1,83,00	2,64,55	9,28	1,32,97	4,62	12	10	9,00	4	..	..	8,18	3,30	5,97,32	3,76	40,22	5,53,85	17,34	5,36,51
1958-59 (Budget) ..	1,70,00	3,01,93	9,84	1,40,03	5,11	12	10	12,50	14	3,00	3	7,90	3,76	6,35,40	4,00	68,97	5,62,51	18,98	[illegible]

PROTECTION FOR BICHROMATES

CONTINUANCE UNDER EXAMINATION

ALTHOUGH ten months still remain for the tariff protection to the bichromates industry to expire, the Tariff Commission has taken up for investigation the question of continuing protection to the industry. A public enquiry into the industry's case for protection was held in Bombay on 18th February, with Mr. K. R. Damle, I.C.S., Chairman of the Tariff Commission, presiding. The industry, we are told, has prayed for continuance of protection for a further period beyond 31st December next and also put forward four other measures of assistance. These are: (1) continued ban on imports of bichromates, (2) adequate relief from the high rate of taxation, (3) more rational system of freight rates covering transport of raw materials as well as by-products, and (4) proper railway priority for movement of raw materials.

The bichromates industry, it will be recalled, was one of those industries the establishment of which was considered essential by the Government of India under conditions created by the war. The first unit to manufacture bichromates was established in 1940. Early in that year, the Government gave an assurance that if the industry were conducted on sound business lines, it would protect it against unfair foreign competition after the war. Thanks to this assurance, more units were established during the war years.

The first tariff enquiry into the bichromates industry was undertaken by the former Tariff Board in 1946. The Board recommended protection for the period ended 31st March, 1949, by the conversion of the then existing revenue duty of 30 per cent. *ad valorem* into an equivalent protective duty made applicable to sodium bichromate, potassium bichromate and all chrome compounds. The Government accepted the recommendation but limited the period of protection to one year. In December 1948, the Board reviewed the case and suggested continuance of protection up to the end of March 1950. The second detailed enquiry was undertaken in 1949 and, on the basis of the Board's suggestion, the Government extended protection up to 31st March 1952. Subsequently, the rate of protective duty was raised to 31½ per cent. *ad valorem*. The period of protection was thereafter extended up to the end of 1954. The third enquiry was undertaken by the Tariff Commission in 1953-54 and protection was extended by a further period of four years ending December 1958. The duty was enhanced to 35 per cent. *ad valorem*, with effect from 16th May 1957.

When the first enquiry into the question of tariff protection for the bichromates industry was undertaken in 1946, there were 17 units engaged in production with a total annual rated capacity of 6,200 tons. Owing to decline in demand after the war and increased internal competition, several small units had to close down, thereby bringing the number of units to 11 with an aggregate capacity of 5,500 tons in 1949 (second enquiry). The number declined further to eight in 1953 (last enquiry), but the capacity was higher at 6,060 tons, as a result of expansion in the capacity of some units. Of these, four have since closed down, but, with the setting up of a new unit in Calcutta in 1953, there are at present five units engaged in the production of bichromates. Two of them are in Calcutta and one each in Bombay, Madras and Kanpur. The average number of workers employed in 1957 by three main producers in their bichromate plants was about 700. The overall annual capacity of all the five units is 4,548 tons of sodium and potassium bichromates.

The whole of the aforesaid capacity is, however, not being utilised. During 1957, for instance, the actual production was 3,623 tons, representing about 79 per cent. of the capacity; it was, of course, higher than what was produced in the previous years—3,262 tons in 1956, 2,934 tons in 1955, 3,207 tons in 1954 and 2,461 tons in 1953. The Tariff Commission will do well to find out the reasons for this under-utilisation of capacity and suggest measures for remedying the situation.

In the course of his speech, Mr. Damle indicated that the bichromates industry was now meeting the entire demand of the country. In 1954, the Tariff Commission had estimated the annual domestic demand at 2,400 tons for sodium bichromate and at 150 tons for potassium bichromate. The estimates relating to current demand show variations. The Development Wing of the Union Ministry of Commerce and Industry put it at 3,400 tons and 240 tons, respectively, while two of the main producers place the total demand at 3,800 tons and 280 tons, respectively. The actual sales of sodium bichromate by the three main producers amounted to 2,392 tons in 1955, 2,961 tons in 1956 and 3,330 tons in 1957; the corresponding figures for potassium bichromate are 166 tons, 188 tons and 204 tons. The chief consuming industries are textiles, leather tanning, wood preservation and match industries.

As regards the quality of bichromates, the manufacturers claim, according to Mr. Damle, that their products conform to Indian Standards Institution specifications. The Development Wing and the Central Leather Research Institute have endorsed this claim. Three of the important consuming industries—leather, textiles and matches—have expressed their satisfaction about the quality. There are, however, a few other consumers who have pointed out certain defects in the indigenous products. Mention, for instance, is made of the tendency of the indigenous product to become lumpy during the rainy season.

Imports of bichromates have been banned since 1953. Exports are freely allowed since 1955 and the Government has permitted, with effect from 26th August 1957, drawback of duty on imported raw materials used in bichromates for export. The rates of drawback (per cent.) are Rs. 3 for sodium bichromate dihydrate, Rs. 3.45 for anhydrous sodium bichromate, Rs. 3.10 for potassium bichromate, Rs. 3.60 for ammonium bichromate and Rs. 4.55 for chrome acid. None of the producers appears to have taken advantage of this concession and made any sizable exports. Referring to this, Mr. Damle stated that the Tariff Commission would like to know what stood in the way of the industry developing an export market.

If the bichromates industry has not been able to develop an export market despite the drawback of import duty on raw materials, it is probably because the cost of production is high. The latest figures relating to prices are not available. The comparison of the fair ex-works prices of indigenous products with the landed costs of imported products as made by the Tariff Commission in its last report (1954) reveals that the former are higher than the latter. The fair ex-works prices of indigenous sodium and potassium bichromates were Rs. 1,612 and Rs. 2,033 per ton. This compared unfavourably with the c.i.f. prices of imports from the U.K. (Rs. 1,225 and Rs. 1,470) and West Germany (Rs. 968 and Rs. 1,171).

The only by-product obtained in the production of bichromates is anhydrous sodium sulphate. The total production by the three main producers of bichromates was 2,100 tons in 1957, as against 1,840 tons in 1956, 1,870 tons in 1955, 1,920 tons in 1954 and 1,300 tons in 1953. There are also other sources of sodium sulphate. They are available as deposits in Jodhpur and as by-products in the rayon and hydrochloric acid industries. The Development Wing has estimated the current demand for sodium sulphate at 26,000 tons and the demand in 1960-61 at 65,000 tons. It is understood that the overall production of sodium sulphate at present falls short of the demand. The quality of sodium sulphate produced by the bichromate manufacturers is reported to be satisfactory. The bichromate industry has also found no difficulty in disposing of the by-product. Several derivatives of bichromates are made in the country by producers of bichromates and those of fine chemicals and paints. They are basic chrome tan, chromium sulphate, chromic acid and chrome salt, chrome oxide green, potash chrome alum, ammonium bichromate, sodium chromate and chromium pigments. The capacity of two main producers of bichromates for production of chromium compounds is 800 tons per annum. Their actual production was 38 tons in 1953, 18 tons in 1954, 195 tons in 1955, 300 tons in 1956 and 310 tons in 1957.

The raw materials required by the industry, namely, chrome ore, soda ash, sulphuric acid and lime and limestone are all available in the country. As the entire demand for soda ash could not be met from domestic production, it is also imported by the State Trading Corporation and the required quantities are released to the manufacturers on the recommendations of the Development Wing. The manufacturers of bichromates are at present using mostly imported Magadi ash, as it is cheaper than the light ash.

TRENDS IN ASIAN TRADE

ADVERSE BALANCE WIDENS

ONE of the notable subjects expected to be discussed at the annual meeting of the Economic Commission for Asia and the Far East (E.C.A.F.E.), which commenced at Kuala Lumpur on the 5th inst., relates to the Japanese proposal for intra-regional trade talks. The proposal was brought before the meeting of the E.C.A.F.E. Committee on Trade held at Bangkok from 20th to 27th January last, but was held over. For there was a split in the members' views on the scheme, with South Viet Nam, the Philippines and Pakistan against it and India and Indonesia in favour. Some delegates to the meeting felt that a majority of countries were against the scheme, while the Japanese sources said that support for the proposal was growing.

The deliberations of the Bangkok Conference of the E.C.A.F.E. Committee on trade and the speeches made by the representatives of member-countries strongly underlined the need for basing trade expansion on international co-operation which alone would lead to greater economic development and increased well-being for all. The Committee discussed in detail the several issues relating to trade such as status of import and export licensing systems, possible effects of the European Common Market, trade promotion talks and techniques, training of personnel to stimulate trade, and simplification of customs formalities. The discussions were in the light of current developments in Asian trade and trade policies highlighted in the report prepared by the E.C.A.F.E. Secretariat which was submitted to the Committee.

Although much of the statistics cited in the above report are old in that they relate to 1956, they will nevertheless give an idea of the trend of trade of E.C.A.F.E. countries. These countries are having an adverse balance of trade with the rest of the world; it was as much as $1,900 million in 1956, as against $350 million in 1955. The bulk of this deficit—amounting to $1,016 million—was accounted for by Japan, followed by India the deficit of which was $385 million, thanks to enlarged imports, on the one hand, and reduced earning from exports of jute and cotton, on the other. The marked increase in adverse balance of trade has been due to the heavy imports into many countries in the E.C.A.F.E. region, while exports have not registered any significant expansion. Imports reached a new high of $10,776 million in 1956, an advance of 18 per cent. over the previous year. Of the increase of about $1,640 million in imports the share of Japan alone was $760 million, that of India being $350 million, of Indonesia $250 million, of Hongkong $150 million and of Malaya $107 million. The export earnings of the region, excluding Japan, remained virtually at the same level as in 1955. The export earnings of Ceylon, Indonesia, Pakistan and Southern Viet Nam suffered a setback, while those of India, Malaya and Thailand remained more or less the same. Japan stepped up its exports from $2,000 million to $2,500 million. It was this improvement which was largely responsible for the increase of 6 per cent. in the total export earnings of the region as a whole which aggregated $8,860 million in 1956, as against $8,343 million in 1955.

The study of trade fluctuations in specific countries reveals that rice exports from the E.C.A.F.E. region during 1956 were not only maintained but increased, but a decline in prices reduced the earnings. Rice exports from Burma diminished slightly, while those from Thailand and Cambodia increased. There was a fall in both quantum and prices of rubber exports from Ceylon. Pakistan exported less jute and raw cotton; prices of the latter commodity declined. The fall in rubber prices also adversely affected Indonesia and Malaya. In general terms for the area, only export earnings from tea showed some increase, while those from rubber, rice, jute, raw cotton and sugar suffered a decline.

Commenting on the export trade, the E.C.A.F.E. report says that the decline in exports from the non-industrial countries in the region—from 10.4 per cent. of the world export total in 1950 to only 5.9 per cent. in 1956—was due to a significant world trend. It says: "This trend is the decline in the relative share of exports of non-industrial areas in world exports. The exports of the industrial areas have risen at a much faster rate than those of the non-industrial areas—of the total increase in the value of world exports by $9,300 million from 1955 to 1956, the exports of the industrial areas accounted for $7,500 million, whereas the exports of the non-industrial areas increased by only $1,800 million.

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ALKALI AND CHEMICAL'S RESULTS ENCOURAGING

GROSS PROFIT UP, BUT NET PROFIT DOWN DUE TO HEAVY TAXATION

ENCOURAGING are the results of the Alkali and Chemical Corporation of India Ltd. (Secretaries: Imperial Chemical Industries (India) Private Ltd., Calcutta) for the year ended 30th September 1957. Thanks to an increasing demand for the Company's products and efficient working of the manufacturing units, both production and sales touched new record levels. Although there was a substantial rise in manufacturing and other expenses, higher turnover has enabled the Company to report better profit. It will be gratifying to know that the earnings for 1956-57 represent a fresh record high. The gross profit at Rs. 48.46 lakhs has jumped up by Rs. 8.25 lakhs or over 20 per cent. as compared with that for the preceding year. This is the highest gross profit in the history of the Company. The profit for 1955-56 was itself a record, such having exceeded the previous best of Rs. 38.57 lakhs earned in 1950-51. With the improvement in the year under review, the gross profit has almost trebled that (Rs. 16.33 lakhs) in 1952-53.

Although the gross profit is significantly higher, the net profit is markedly down from Rs. 25.13 lakhs to Rs. 17.98 lakhs. The reason for this setback is the heavy burden of taxation. The provision for this purpose has been stepped up from a mere Rs. 4.67 lakhs to as much as Rs. 18.30 lakhs. Of the latter amount, Rs. 2 lakhs are on account of wealth tax (including Rs. 90.000 in respect of the previous year) alone. It will thus be noted that the tax provision has gone up fourfold. The rate of wealth tax is only at ½ per cent. of the net assets, but its incidence on the Company is pretty high, being about 6 per cent. of the net profit. The provision for depreciation has also been raised from Rs. 10.41 lakhs to Rs. 12.18 lakhs.

The heavy load of taxation has had its adverse effect on the Company in two ways. First, the Directors have not been able to plough back the same amount as they did in the previous year. Thus, a sum of only Rs. 13.84 lakhs has been allocated to the various reserves, as against Rs. 18.89 lakhs in the previous year. Secondly, despite higher turnover and better gross profit, the dividend to shareholders could only be maintained at 8 per cent., the rate for the previous two years. A breakdown of the allocation to reserves shows that the dividend equalisation reserve which was the recipient of Rs. 13.64 lakhs a year ago now gets only Rs. 6.20 lakhs. The transfer to general reserve has been reduced from Rs. 3 lakhs to Rs. 2 lakhs. The addition to the reserve for deferred income-tax liability due to initial allowances, however, has been raised from Rs. 2.25 lakhs to Rs. 5.64 lakhs.

The progress of the Company's working during the last four years is indicated in the following comparative table:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	2,25.46	1,88.31	1,55.10	1,17.69
Stocks	47.96	33.77	33.25	30.62
Manufacturing expenses	1,24.43	99.34	81.62	67.41
Other expenses	64.61	54.61	44.30	31.92
Loss on exchange	..	..	3.20	..
Gross profit	48.46	40.21	28.89	17.21
Provision for—				
Depreciation	12.18	10.41	9.49	8.84
Taxation	18.30	4.67	..	..
Net profit	17.98	25.13	19.40	8.37
Transfer from reserves	..	..	2.40	..
To reserves	13.84	18.89	15.23	3.00
Dividends—				
5 per cent. preference	1.55	1.55	1.55	1.55
Ordinary	4.96	4.96	4.96	3.72
	(8%)	(8%)	(8%)	(6%)
Carry forward	1.20	0.92	1.19	1.14

* Tax refund and provision no longer required.

Production in most units during the year surpassed all previous records. This is reflected in the rise of Rs. 37.15 lakhs, or 20 per cent., in sale proceeds, Rs. 9.19 lakhs in stocks of finished goods and those in process, Rs. 25.09 lakhs in manufacturing expenses and Rs. 10 lakhs in other expenses.

There was a record output of chlorine and caustic soda to meet the demand both for the purposes of sale in the market and for the Company's manufacture of chlorine derivatives. The Directors are giving consideration to extend this plant. The output of the hydrochloric acid plant kept pace with the demand and both production and sales increased during the year. A substantial increase in output and sales was recorded in "Gammexane" formulations of benzene hexachloride. The production of "Gammexane" Technical BHC was maintained at the previous year's level. In regard to paints, there was a steady expansion in the demand for the Company's well-known "Duco," "Dulux" and ancillaries and the plant has been working to capacity. Difficulties in obtaining imported raw materials and delays in deliveries after the Suez trouble affected production during the latter part of the year when the extensions went into operation. Sales of metal pretreatment products were very satisfactory and it is stated these are becoming increasingly popular. About the Company's new venture, namely, the manufacture of polythene, the Directors say that the contractors have been working on the site throughout the year. Site development is substantially complete; piling and foundation are sufficiently advanced, enabling the erection of structural steel. Delivery of plant and equipment from the United Kingdom has started and is reasonably in step with the programme.

The balance-sheet as at 30th September 1957 shows that the total assets of the Company amount to Rs. 502.19 lakhs, of which the net block accounts for Rs. 214.88 lakhs. The depreciation provided up to the end of the year on the block account aggregates Rs. 60.65 lakhs. The current assets amount to Rs. 287.31 lakhs, as against which the current liabilities and provision for taxation stand at only Rs. 118.63 lakhs. The excess of assets over current liabilities and provision for taxation, that is, the net assets, amounts to Rs. 383.56 lakhs, which is represented by paid-up capital amounting to Rs. 279.42 lakhs and reserves and surplus Rs. 104.13 lakhs. It may be remembered that, during the last financial year, the Company had issued 2,480,000 'A' ordinary shares of Rs. 10 each at par to the ordinary shareholders of the Company in the ratio of four shares for every one share held. The Directors state that despite the depressed state of the investment market at the time, only 6.5 per cent. of the issue was not subscribed. This balance, however, was taken up by I.C.I. (India) Private Ltd., in accordance with its undertaking. As at the close of 1956-57, a sum of about Rs. 62 lakhs, representing the final call, remained to be called up on the new shares. This was, however, called up on 12th November 1957, so that the paid-up capital in the next balance-sheet will be up by this amount.

An interesting chart included in the Directors' report and accounts for the year under review gives an indication of the Company's disbursements of earnings. It shows that materials and services took up 38 per cent., depreciation 5 per cent., other manufacturing and administrative expenses 6 per cent., freight and transport charges, etc., 5 per cent., selling expenses 16 per cent., interest 1 per cent., taxation 8 per cent., profit retained in business 6 per cent., shareholders' dividends 3 per cent., and wages, salaries and allied expenses 12 per cent.

The Rs. 10 fully paid-up shares of the Company, that is, the old ones, are being currently quoted at Rs. 13.50 *cum-div.* On an *ex-div.* basis, the yield on the shares works out to 6.3 per cent. per annum. The Rs. 10 fully paid new shares are standing at a little above Rs. 12. They rank for full dividend from the financial year beginning from 1st October 1957.

TURNER MORRISON & CO., LTD.

The Income-tax authorities at Calcutta have announced that all shares belonging to Mr. Haridas Mundhra in Turner, Morrison & Co., (Private) Ltd., whether standing in his own name or in the name of the British India Corporation Ltd., or in the name of Mr. W. H. J. Christie, have been attached under an order of the Certificate Officer and Additional District Magistrate, 24 Parganas. Accordingly, it is stated further, anyone making deals in these shares, will be doing so at his own risk and responsibility.

The Company has also announced the resignation of Mr. Haridas Mundhra from its directorate. Following this, the Company is said to have applied to the Government for permission to change its constitution.

It is stated that Mr. Haridas Mundhra, with a holding of 49 per cent. of the Turner Morrison shares, has never had any direct or active participation in the running of any company managed by Turner Morrison & Co. (Private) Ltd.

IMPRESSIVE RISE IN VOLTAS' EARNINGS

DIVIDEND MAINTAINED

VOLTAS Ltd. (Chairman: Mr. J. D. Choksi, Bombay) completed three years of useful existence on 31st August 1957. Promoted jointly under the stewardship of Messrs. Tata Sons Ltd. and Messrs. Volkart Brothers for the specific purpose of taking over the engineering and import divisions of the latter in India, the Company was formally incorporated on 6th September 1954. It took over the above divisions without any substantial changes in the organisational set-up. All agreements with regard to representation which existed with Volkart Brothers at that time were also taken over and, in addition, the new Company added to itself certain machinery and pharmaceutical lines. During the second year of its existence, that is, in 1955-56, the introduction of a machine tools department enlarged the Company's activities further. Representations of a number of first rate manufacturers were secured for which specialised staff were engaged. The Company, since incorporation, has thus been steadily increasing both its scope and volume of business. This is fully reflected in its accounts for the year ended 31st August 1957.

The gross profit at Rs. 82.65 lakhs is very nearly three times the sum of Rs. 28.71 lakhs earned in 1954-55 while, it is Rs. 34.80 lakhs better than in 1955-56. This is, indeed, highly encouraging. The heavy burden of taxation has, however, claimed the lion's share of the Company's gross profit. The tax provision has increased by 2½ times from Rs. 20.10 lakhs in 1955-56 to no less than Rs. 50 lakhs, which includes an additional provision of Rs. 5.25 lakhs for 1955-56. The provision for depreciation has increased from Rs. 3.57 lakhs to Rs. 4.70 lakhs. In view of these large provisions, the phenomenal rise in gross profit is not fully reflected in the net profit which at Rs. 27.95 lakhs is only slightly higher than the Rs. 24.18 lakhs for 1955-56. This is just sufficient for payment of the same dividend, namely, 9 per cent., as last year on shares of the first issue and *pro rata* for shares of the second issue, as also to make some additions to essential provisions. It may be noted, in this connection, that the Company's paid-up capital originally consisted of Rs. 150 lakhs in 15,000 shares of Rs. 1,000 each. After the close of 1955-56, the Company subdivided the shares of Rs. 1,000 each into ten shares of Rs. 100 each. Again, during the same period, in order to meet its increased financial requirements, the Company raised its capital by an issue of 105,000 ordinary shares of Rs. 100 each at par. The issue was fully subscribed. The allotment having taken effect on 1st January 1957 only, the dividend on shares of the second issue is equal to only two-thirds of the full dividend, that is, Rs. 6 per share. Reserves are provided with Rs. 11.46 lakhs, as against Rs. 10.75 lakhs allocated in the previous year. These are in the nature of Rs. 6.76 lakhs (Rs 7.14 lakhs) to provision for retiring gratuity, Rs. 3.25 lakhs (Rs. 3.25 lakhs) to general reserve, Rs. 1.24 lakhs (Rs. 24,663) to provision for doubtful debts, Rs. 17.000 (Rs. 7,000) to development reserve and Rs. 4,214 (Rs. 4,479) to capital reserve. The last item represents the surplus on sale of fixed assets. Figures in brackets refer to the previous year.

The following comparative table shows the Company's progress during the past three years:

(In lakhs of rupees)

	For the year ended 31st August		
	1957	1956	1955
Proceeds of sales and services	20,60.40	14,52.86	9,91.20
Other income	5.32	2.51	1.98
Closing stocks	7,59.90	7,07.18	3,85.36
Cost of sales and services	17,31.05	12,01.85	8,16.08
Selling expenditure	54.48	40.94	23.13
Other expenses	1,97.54	1,64.73	1,26.27
Gross profit	82.65	47.85	28.71
Depreciation	4.70	3.57	2.88
Taxation	50.00	20.10	11.41
Net profit	27.95	24.18	14.47
Transfer from reserves	3.60	0.99	..
To reserves	11.46	10.75	14.29
Dividends	19.80*	13.50	8.25
	(9%)	(9%)	(5.5%)
Carry forward	1.39	1.10	0.17

* Includes a *pro rata* dividend of Rs. 6 per share on the additional capital, raised by the issue of 105,000 shares of Rs. 100 each in December 1956.

It will be seen from the above table that the Company's proceeds from sales and services increased from Rs. 9.91 crores in 1954-55 to the impressive level of Rs. 20.60 crores in 1956-57. The improvement over 1955-56 was of the order of over Rs. 6 crores. It will also be no

this rapid growth in business is reflected in a sharp increase in all the various items of expenses.

Referring to the Company's working during the year and the progress achieved in its manufacturing programme, the Directors in their latest report observe:

"The total turnover, covering billings for sales and service, is over Rs. 6 crores higher than last year. This achievement reflects the Company's continued expansion, in spite of the adverse factors which prevailed during the year, such as import restrictions due to the shortage of foreign exchange, long delivery periods, etc. The demand for machinery and plant, as well as pharmaceuticals, vitamins and chemicals, has been well sustained throughout the year. Towards the end of 1956, Government made the issue of import licences for large orders covering plant and machinery (capital goods) conditional on the importer securing deferred terms of payment from suppliers abroad. While, generally speaking, suppliers abroad have shown a sympathetic understanding of the situation, stringent money conditions abroad have made the negotiation of transactions on deferred terms difficult, and the import trade is bound to be materially affected, so long as these conditions exist.

"Apart from the Crystal Air Conditioner, the Tushar water cooler is manufactured in the Company's own workshops. Arrangements have been made with foreign principals for local production of diesel engines, water meters and tool holder bits, tipped tools, etc. Agreements for manufacture of a number of other items have been finalised or are under discussion and the production of air-compressors, pharmaceutical products and vitamin A will start shortly. The change-over from imports to local production takes considerable time and involves substantial initial costs in each individual case. The Company has successfully pursued its policy of accepting selling agencies for high-quality goods produced by manufacturers in India. The increased sales have called for additional service facilities, resulting in several service establishments having been set up throughout the country at centres where equipment sold by Voltas is in operation."

As stated earlier, the Company's paid-up capital as at 31st August 1957 stands raised from Rs. 150 lakhs in 1955-56 to Rs. 255 lakhs, by the additional issue of 105,000 fully paid-up shares of Rs. 100 each in December 1956. Its reserves and surplus are, however, very small and need to be adequately built up. They aggregate only Rs. 30.14 lakhs. The gross block of the value of Rs. 66.55 lakhs stands written down at Rs. 55.59 lakhs. Capital works in progress at cost amounts to Rs. 1.45 lakhs. The current liabilities are of the order of Rs. 918.33 lakhs, of which secured bank loans amount to Rs. 379.85 lakhs. The current assets aggregate Rs. 11.46 crores. Of these, stocks account for Rs. 616.01 lakhs, debts, deposits and advances for Rs. 499.10 lakhs and cash balances for Rs. 26.29 lakhs. The current assets cover the current liabilities and the provision for taxation by a wide margin.

The Rs. 100 fully paid-up old shares of the Company are currently quoted at Rs. 115.50 *cum-div.* On an *ex-div.* basis, the yield is 8.45 per cent. per annum. The new shares are quoted at Rs. 110 *cum-div.*, the yield being 5.77 per cent. per annum.

WORKING OF COMPANIES ACT IN NORTHERN REGION

Thirty-nine private companies with a total authorised capital of over Rs. 1.21 crores were registered in the Northern Region under the Companies Act during the last quarter of 1957. In addition, one association, which is not for making profit, was registered under the Act in Uttar Pradesh. The Northern Region comprises Punjab and Himachal Pradesh, Delhi, Uttar Pradesh and Rajasthan. During the same period 29 companies went into liquidation in the region.

In the Punjab and Himachal Pradesh, six private limited companies were registered. Nine companies—three public and six private—went into liquidation. The number of companies finally dissolved was 15, while 89 companies were struck off the register under section 560 of the Companies Act. During the period, 14 cases involving default of provisions of the Companies Act were decided by the Courts and a total fine of Rs. 685 was imposed on the accused in those cases. A managing director of a public company was convicted under section 282 of the Indian Companies Act, 1913, for forging false audit certificates on balance-sheets of the company. He was sentenced to imprisonment till the rising of the Court with a fine of Rs. 1,000. Eight more fresh complaints were filed in Courts against different companies.

In Delhi, 23 private limited companies were registered, while one company went into liquidation. Fifty-six companies were struck off the register and four companies were finally dissolved. Twelve cases pending in the Courts against certain companies and their officers for technical defaults under the Companies Act were decided resulting in conviction. A total fine of Rs. 1,020 was imposed.

In Uttar Pradesh, seven private companies were registered during the period. While 14 companies went into liquidation, three companies were struck off the register. The number of companies finally dissolved was three.

In Rajasthan, three private limited companies were registered during the period under review. The number of companies that went into liquidation was five, of which four were public companies and one private. Three companies were finally dissolved during the quarter. Only one fresh prosecution was launched against a company for default under the Companies Act. The Court decided two pending cases during the period and imposed a fine of Rs. 375.

Points From The Chair

Enforced Economy

"AN enforced economy to be effective must have severe regimentation. The objective of such an economy is to raise the *per capita* income with a view to bettering the living standard of the people. This objective, however, is frustrated if contemporaneous with an increase in per capita income there is a corresponding increase in the cost of living. The *status quo* then remains unchanged, but there is the cheapening of money and an ever-mounting inflationary spiral to be contended with. This is the position today. Economists assert that such a stage is intermediary and is to be expected, but will undoubtedly lead to prosperity and contentment. However much this is emphasised, invariably an enforced economy, however utoplan its objectives, has ended in tribulation. Progressive stability can only be achieved by the will and the work of a people. An increase in tempo towards that end is undoubtedly advisable, but it must be judicious and not overstrained and it must not make the amenities of an advanced world inaccessible, amenities which distinguish civilisation from primitiveness."

Z. R. IRANI,
Spencer & Co. Ltd.

The International Sugar Agreement

"There is another factor regulating production in Jamaica. It is the International Sugar Agreement. All members of the Commonwealth Sugar Agreement are also members of the International Sugar Agreement under the terms of which the Commonwealth is collectively limited to exporting 2,500,000 tons in 1958. The annual consumption of Commonwealth importer members of the Agreement has increased by 800,000 tons since 1952. The United Kingdom and Commonwealth members, therefore, will be entirely justified, when the International Agreement comes up for re-negotiation this autumn, in insisting on an increase of at least 50,000 tons each year, that is to say, approximately 2 per cent. per annum. An expansion at this rate should be well within the capacity of the industry to maintain. It would secure for the Commonwealth about one-third of the expanding market that it is itself providing and leave two-thirds for other sugar exporting countries of the world."

PETER RUNGE,
West Indies Sugar Co., Ltd., London.

Outlook for Natural Rubber

"It is the opinion of many of the principal manufacturing concerns that for the next few years all the natural rubber that is likely to be produced will be required. This view has been expressed, despite the expansion of synthetic rubber producing facilities all over the world. These companies lay such store on the future availability of sufficient supplies of natural rubber that they are spending large sums on planting rubber on a considerable scale in Africa. I feel their action indicates confidence to the future of the natural rubber industry as well as a desire to insure against any serious effects from a possible worsening of the political situation in the Far East. During the next two or three years production capacity of synthetic rubber will increase substantially due to the completion of synthetic producing factories outside the United States. However, if the estimates of world expansion in the use of all rubbers prove correct, consumers must continue to use an ever-increasing percentage of synthetic. It would be dangerous, however, to adopt the attitude that, because all natural rubber is likely to be used, our market will automatically continue to merchandise the same tonnage which we have enjoyed in the past."

MAURICE SYMINGTON,
Rubber Trade Association of London, London.

Demand for Security

"The popular desire for large and better pensions is a natural outcome of the rising standard of living. The insurance offices are setting the pace and have done much to make the public pension-minded. Far from being enervating, security that is earned can make for peace of mind and better work—very often those who criticise the popular demand for security have never known insecurity themselves. But it needs to be more widely understood that a pension is a form of deferred pay and that it involves an immediate sacrifice in order that the future may be more secure. The crux of the matter is that pensions, as distinct from State benefits, must be properly related to the contributions paid. In everyday language, pensions must pay their way. Whether achieved by the life office practice of "funding" or by gradually increasing contributions over the years, as in America, sound finance must always be the basis of true insurance. If a Government should introduce a new pension scheme, this should be separate from, and not confused with, its primary duty to maintain a basic standard of living for old people."

SIR JOHN BENN, BT.,
United Kingdom Provident Institution, London.

COMPANY MEETINGS AND DIVIDENDS

NEW CITY OF BOMBAY MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 5.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

W. H. BRADY & CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 25.00 per share. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive

BRADY ENGINEERING CO., LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 3.00 per share, payable on and after 24th March 1958. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

INVESTMENT CORPORATION OF INDIA LTD. Annual General Meeting, Bombay, 10th March 1958. Dividend: Rs. 9.25 per share. Transfer books remain closed from 3rd to 10th March 1958, both days inclusive.

NEW GREAT EASTERN SPINNING & WEAVING CO., LTD. Annual General Meeting, Bombay, 11th March 1958. Dividend: *Nil*. Transfer books remain closed from 21st February to 14th March 1958, both days inclusive.

ANDHRA SUGARS LTD. Annual General Meeting, Venkatarayapuram, Mandapaka, Tanuku (Andhra Pradesh), 15th March 1958. Dividend: Re. 1.25 per share. Transfer books remain closed from 1st to 15th March 1958, both days inclusive.

UNITED MOTORS (INDIA) LTD. Annual General Meeting, Bombay, 17th March 1958. Dividend: Re. 1.20 per share, payable on and after 31st March 1958. Transfer books will remain closed from 10th to 24th March 1958, both days inclusive.

JHANSI ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Jhansi, 17th March 1958. Dividend: Re. 0.86 for the fifteen months ended 31st March 1957. Transfer books remain closed from 5th to 18th March 1958, both days inclusive.

ALKALI AND CHEMICAL CORPORATION OF INDIA LTD. Annual General Meeting, Calcutta, 19th March 1958. Dividend: Re. 0.80 per share, free of income-tax, payable on and after 19th March 1958. Transfer books will remain closed from 10th to 19th March 1958, both days inclusive.

GILLANDERS ARBUTHNOT AND CO., LTD. Annual General Meeting, Calcutta, 20th March 1958. Dividend: Re. 1.00 per share. Transfer books remain closed from 7th to 20th March 1958, both days inclusive.

KUMERGODE ESTATES LTD. Annual General Meeting, Mangalore, 22nd March 1958. Dividend: Re. 0.50 (25 per cent.) per share. Transfer books will remain closed from 14th to 22nd March 1958, both days inclusive.

MADURA MILLS CO., LTD. Annual General Meeting, Madurai, 24th March 1958. Dividend: Rs. 2.25 (15 per cent.) per share, free of tax. Transfer books remain closed from 4th to 24th March 1958, both days inclusive.

STANDARD BATTERIES LTD. Annual General Meeting, Bombay, 24th March 1958. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

VOLTAS LTD. Annual General Meeting, Bombay, 24th March 1958. Dividend: Rs. 9.00 per old share and Rs. 6.00 per new share, payable on and after 27th March 1958. Transfer books remain closed from 3rd to 24th March 1958, both days inclusive.

RAVALGAON SUGAR FARM LTD. Annual General Meeting, Bombay, 26th March 1958. Dividend: Rs. 12.00 per ordinary share, payable on and from 28th March 1958. Transfer books remain closed from 7th to 27th March 1958, both days inclusive.

RAZA BULUND SUGAR CO., LTD. Annual General Meeting, Rah-e-Raza, Rampur, 27th March 1958. Dividend: Re. 1.50 (15 per cent.) per share, free of income-tax, payable on and after 14th April 1958. Transfer books will remain closed from 17th March to 5th April 1958, both days inclusive.

RALLIS INDIA LTD. Annual General Meeting, Calcutta, 28th March 1958. Dividend: *Nil*. Transfer books will remain closed from 15th to 28th March 1958, both days inclusive.

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 31st March 1958. Transfer books will remain closed from 20th to 31st March 1958, both days inclusive.

DHANALAKSHMI MILLS LTD. Dividend of Rs. 10.00 per share, for the year ended 31st December 1957. Transfer books will remain closed from 18th to 31st March 1958, both days inclusive.

NELLITHANAM RUBBER AND PRODUCE CO., LTD. Dividend of Rs. 2.25 per share, for the year ended 31st March 1957. Transfer books remain closed from 8th to 15th March 1958, both days inclusive.

UNITED NILGIRI TEA ESTATES CO., LTD. Interim dividend of Re. 0.50 (5 per cent.) per share, for the year ending 31st March 1958. Transfer books will remain closed from 25th to 31st March 1958, both days inclusive.

ALUMINIUM INDUSTRIES LTD. Interim dividend of 6¼ per cent. on ordinary shares, for the year ending 31st March 1958. Transfer books will remain closed from 16th to 23rd March 1958, both days inclusive.

K.C.P. LTD. Dividend of Rs. 7.50 per ordinary share, free of tax and Rs. 10.00 per deferred share, free of tax, for the year ended 30th June 1957, the latter subject to the sanction of the Industrial Finance Corporation of India. Transfer books will remain closed from 13th to 27th March 1958, both days inclusive.

GILLANDERS ARBUTHNOTS EARN LESS

DISAPPOINTING YEAR FOR RALLIS INDIA

Gillanders Arbuthnot and Co., Ltd.

THE directors of the above Company (Managing Director: Mr. P. E. G. W. Parish, Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

The trading activities during the year, both in Calcutta and at the Branches in India and Burma, have recorded a substantial improvement resulting in a satisfactory increase in the gross trading profit. These results have been achieved largely by an expansion in business transacted on account of those agencies held by the Company for indigenous products. On the other hand the Company's import business during the year suffered to some extent as a result of import restrictions, and the additional and more drastic restrictions imposed in the months following the period under review will inevitably further curtail this aspect of the Company's activities.

Commissions and allowances earned record a considerable decrease which is attributable to the effect of the Companies Act, 1956, and to the cessation of income from those managing agencies for jute, tea and coal which were relinquished during the year under report and in the preceding year. These accounts cover only the first year of working under the Companies Act, 1956, and cannot, therefore, indicate the full effect of the restrictions imposed thereunder on managing agents and it appears inevitable that there will be further contractions in the earnings from these sources in future. The directors are fully conscious of this situation and while action has been taken to consolidate the Company's position in relation to its managed companies, active steps have also been taken to expand the Company's interests in other directions.

The income from investments is substantially lower than in the previous year, the decrease being principally traceable to the reduction in the dividends received from the tea companies under the Company's management. Last year benefited in this respect from the satisfactory conditions which prevailed in the tea industry in 1954 but that prosperity unfortunately has not been maintained and the outlook at present continues to give cause for some anxiety.

In their previous report the directors gave a full explanation of the circumstances which led up to the relinquishment of the managing agency of the Air Conditioning Corporation Private Ltd. and the loss which was suffered on the sale of the amount advanced to that Company. This matter has now been finalised and the total loss amounting to Rs. 25,63,690, has been written off in the profit and loss account for the year under review under the heads of brokerage, Rs. 2,50,000 being the sum paid as brokerage on the sale of advance, bad and doubtful debts written off, Rs. 21,96,390 being the difference between the amount advanced to the Air Conditioning Corporation Private Ltd. and the price realised on the sale of the advance, and loss on sale of investments, Rs. 1,17,300, being the loss incurred on the disposal of the Company's shareholding in the Corporation. The last mentioned amount has been partly offset by the profit realised on the sale of other investments and only the net loss features in the profit and loss account. As indicated last year, the directors consider that, while it is proper that these losses should be written off in full in the year under review, it would not be inappropriate to utilise past accumulations of profit to offset to some extent the very considerable debit and with this in view a sum of Rs. 21,96,390 equivalent to the actual amount of the advance written off as irrecoverable has been transferred from contingencies reserve and appropriated against bad and doubtful debts in the profit and loss account.

After making the above adjustments the profit and loss account records a credit balance of Rs. 24,05,483 which compares with Rs. 30,03,640 for the previous year. After providing for income-tax, super-tax and agricultural income-tax and adding the balance brought forward from the previous year, the amount available for disposal is Rs. 12,43,398 as against Rs. 18,71,841, arrived at as follows:—

The profit and loss account shows a balance of profit of Rs. 24,05,483 (Rs. 30,03,640) to which has to be added the balance brought forward from the previous year of Rs. 89,541 (Rs. 1,51,360) making a total of Rs. 24,95,024 (Rs. 31,55,000). The provision required for taxation is Rs. 12,51,626 (Rs. 12,83,159) leaving a balance for disposal of Rs. 12.43,398 (Rs. 18,71,841). Of this balance the following amounts have been utilised in paying in full the dividends for the year ended 31st March 1957, on the preference share capital:—On 1st October 1956 Rs. 62,500 (Rs. 62,500) and on 1st April 1957 Rs. 62,500 (Rs. 62,500). The directors now recommend that the remaining balance should be disposed of as follows:—

In paying a dividend on the 6,50,000 ordinary shares of Rs. 10 each at the rate of 10 (16) per cent. without any deduction in respect of income-tax payable by the Company Rs. 6,50,000 (Rs. 10,40,000) to transfer to general reserve Rs. 2,00,000 (*nil*) to transfer to superannuation fund Rs. 1,00,000 (*nil*) and leaving to be carried forward to next year of Rs. 1,68,398 (Rs. 89,541 after transferring Rs. 6,17,300 to contingencies reserve).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	90,00,000	Goodwill ...	23,00,000
Reserves ...	34,20,910	Block ...	18,58,585
Liabilities ...	2,12,14,518	Stock-in-trade	40,00,124
Profit and loss account ...	1,68,398	Stores, tools, etc. ...	1,83,116
Provision for taxation ...	2,11,759	Debts, deposits and advances ...	1,38,02,164
		Investments	1,01,79,802
		Cash ...	16,91,794
Rs.	3,40,15,585	Rs.	3,40,15,585

Rallis India Ltd.

The directors of the above Company (Managing Director and Chairman: Mr. M. P. A. Paspatti, Calcutta) submit the audited accounts of the Company for the year ended 31st August 1957

Disturbed trading conditions were experienced during the year under review, although there was some improvement towards the end of the period. The year's trading in gunnies and in oil and oilseeds resulted in losses, but profits were made in all other articles.

There was a further reduction in turnover of approximately Rs. 1 crore compared with the previous year. The departments mainly affected were oil and oilseeds and also cotton, owing to the smaller licensing of imports of foreign cotton, while there were substantial increases in the business done in fertilisers and steel.

The start of the Company's industrial activities showed satisfactory progress. The Wolf Electric Tools venture was able to earn a small profit in its first year. The manufacture of "Rallis" fans, while progressing, had not yet reached the profit earning stage at the close of the year.

Despite a careful watch on expenditure, it was not possible to avoid an increase in the total of establishment expenses. The main causes of this increase were rises in the cost of living index which automatically increase the dearness allowance payable; statutory compensation on retrenchment in certain departments; repairs and maintenance of buildings, and increased transportation and communication expenses.

Every endeavour is being made to effect further economies in expenditure; to withdraw from activities which have ceased to be remunerative, and to enter into new and profitable ventures.

The result of the year's working before, providing for depreciation, was a profit of Rs. 1,91,009. Depreciation at usual rates amounts to Rs. 7,54,541, and the arrears of depreciation, which have been mentioned in previous accounts by way of note and which now amount to Rs. 12,40,859, have also been provided for. For these purposes, the sum of Rs. 14,04,391 has been appropriated from the property reserve which now amounts to Rs. 4,83,498 and which is considered adequate.

Allocations to profit and loss account for the year are as follows:—Balance of loss brought forward from the last account Rs. 44,12,938 from which have to be deducted profit for the year before charging depreciation Rs. 1,91,009, part of provision for taxation and taxation contingencies no longer required Rs. 5,25,000 and transfer from property reserve of Rs. 14,04,391 leaving a debit of Rs. 22,92,538. To this amount has to be added depeciation for the year of Rs. 7,54,541, arrears of depreciation for two years of Rs. 12,40,859 and provision for wealth-tax Rs. 1,25,000 leaving a balance to the debit of profit and loss account to be carried forward to the next account Rs. 44,12,938. The directors regret that they are unable to recommend a dividend on either preference or ordinary shares for the year ended 31st August 1957.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,00,00,000	Block ...	62,18,009
Property reserve ...	4,83,498	Stock ...	2,61,84,541
Provision for taxation and wealth tax	1,36,695	Stores, spare parts, etc.	12,32,351
Liabilities ...	2,94,13,927	Work-in-progress ...	25,744
		Debts, deposits and advances ...	1,94,77,140
		Investments	11,27,643
		Cash ...	13,55,754
		Profit and loss account ...	44,12,938
Rs.	6,00,34,120	Rs.	6,00,34,120

Bharat Collieries Ltd.

The directors of the above Company (Managing Agents: Messrs. Sahu Jain Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th June, 1957.

The year's working after providing overhead and interest shows a surplus of Rs. 11,80,816 (Rs. 11,71,735) to which is added the balance brought forward from last year of Rs. 8,535 (Rs. 27,433) and the transfer from general reserve of Rs. 2,75,000 (*nil*), making a total of Rs. 14,64,351 (*Rs. 11,99,168*). The directors have made provisions and appropriations out of the same as under:—

To cess Rs. 50,261 (Rs. 1,36,003), to salary and wages as per Appellate Tribunal award Rs. 6,05,248 (Rs. 29,000), to depreciation (including fixed assets written off) Rs. 3,70,031 (Rs. 3,72,187) to wealth tax Rs. 41,000 (*nil*) and to charity and donation Rs. 37,491 (Rs. 1,838). The directors recommend payment of dividend for the year ended June, 1957 to the shareholders as on 8th March, 1958 as follows:—

On 30,000 5½ per cent. cumulative preference shares at Rs. 3.94 nP (after deduction of income-tax paid by the Company on its profits for assessment years 1952-53, 1949-50 and 1947-48) out of which accumulated reserve distribution is proposed) Rs. 1,18,200 (Rs. 1,65,000) and on 4,00,000 ordinary shares at 60 (62) nP per share Rs. 2,40,000 (Rs. 2,50,000) leaving a balance of Rs. 2,120 (Rs. 8,536) to be carried forward.

Coal raisings were 4,69,945 (5,25,865) tons and despatches were 4,61,657 tons as against 5,23,167 tons in the previous year.

An increase of Rs. 3 per ton in the selling price of coal was allowed by the Government of India with effect from 5th July, 1956, to cover the rise in the wage bill consequent upon the Award of All India Industrial Tribunal (Colliery Disputes) effective from 26th May, 1956. The Labour Appellate Tribunal in 1957 again enhanced the wages, etc., directing payment thereof retrospectively with effect from 26th May, 1956. As against the same, the Government of India increased the selling price of coal by Re. 1.50 per ton effective from 8th July, 1957 only. The accounts of the year under report include a provision of Rs. 6,05,248 towards arrear of wages, etc., upto June, 1957. This has required transfer of a sum of Rs. 2,75,000 from general reserve.

The sinking of pits Nos. 4 and 5 at Chapui Khas Colliery was completed during the year under report and work in connection with the layout is now in progress. Raisings on commercial sale from these pits will begin by the end of 1958 and increase gradually towards achieving the target of about half a million tons for this colliery under the second Five-year Plan. Mechanisation of this colliery is receiving the serious consideration of the management.

The directors are also considering sand stowing at Ekra Khas Colliery to increase the life of and raisings from this colliery. Negotiations are being carried on with the Coal Board for requisite financial assistance to install ropeway for sand transport.

The new Mines Regulations have also added to the cost of raisings. Working results for the first half of the current year are, however, satisfactory and it can reasonably be expected that the same will be maintained. The industry's prospects generally appear to be sound and satisfactory.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	70,00,000	Block ...	67,23,620
Debentures	30,00,000	Stock-in-trade	4,51,176
Reserves ...	10,28,269	Stores and spare parts	11,32,530
Provision for taxation ...	11,35,480	Loose tools	22,906
Liabilities ...	32,96,656	Work-in-progress ...	40,068
Profit and loss account ...	2,120	Debts, deposits and advances ...	49,72,149
		Investments ...	20,63,144
		Cash ...	56,932
Rs.	1,54,62,525	Rs.	1,54,62,525

New Savan Sugar and Gur Refining Co., Ltd.

The directors of the above Company (Secretaries: Messrs. Karam Chand Thapar and Bros. Private Ltd., Calcutta) submitted the audited accounts of the Company for the year ended 31st May 1957.

The lessees crushed a total quantity of 21,35,688 mds. of cane during the crushing season 1956-57 and produced 2,10,784 mds. of sugar and 70,403 mds. of molasses. The low crushing and consequently lower production of sugar is on account of heavy rains causing water logging in several areas as reported in the last report. The incidence of disease also increased and the lessees are making all-out efforts to eradicate the disease by replacing the entire diseased variety from the area.

It is, however, not possible to effect complete replacement of the infected variety in one year and the directors apprehend a further reduction in the quantity of cane crushed in next two years. They will, however, be able to expect improvement for the crushing season when most of the diseased cane would have been replaced with improved varieties.

The accounts for the year show a profit of Rs. 1,03,003 (Rs. 1,07,147). A sum of Rs. 68,000 (Rs. 55,000) has been set aside for taxation leaving a sum of Rs. 45,799 (Rs. 77,046), including last year's carry forward, which the directors propose to distribute as follows:—

To dividend at 3.75 (3.75) per cent. per share free of income-tax for the year ended 31st May, 1957 Rs. 41,250 (Rs. 41,250) and to carry forward Rs. 4,549 (Rs. 10,796 after placing Rs. 25,000 to reserves).

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	11,00,000	Block ...	19,26,645
Reserves ...	4,45,000	Debts, deposits and advances ...	30,181
Provision for taxation ...	1,26,659	Investments	58,294
Liabilities ...	3,63,732	Cash ...	24,820
Profit and loss account ...	4,549		
Rs.	20,39,940	Rs.	20,39,940

United Motors (India) Ltd.

The directors of the above Company (Chairman: Sir Joseph Kay, K.B.E., Bombay) submit the audited accounts of the Company for the year ended the 31st December, 1957.

The result of this year's working after charging Rs. 5,892 (*nil*) for depreciation and providing Rs. 64,584 (Rs. 6,000) for taxation is a profit of Rs. 56,397 (Rs. 74,142) which together with the amount of Rs. 7,356 (Rs. 10,335) brought forward from last year, makes a total of Rs. 63,753 (Rs. 1,09,476 including Rs. 24,999 transferred from reserves for miscellaneous contingencies). The directors propose to dispose of this amount as follows:—By payment of a dividend of Re. 1.20 (Rs. 2.00) per share free of income-tax absorbing Rs. 61,272 (Rs. 1,02,120) and leaving a balance to be carried forward to next year of Rs. 2,481 (Rs. 7,356).

The Company has shown an improvement of profit over the last year. This has been achieved by introducing certain economies in the working of the Company and better performance in the sale of spare parts and also in the workshops. It is expected that this performance will be maintained in the coming year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	10,21,200	Block ...	2,23,596
Reserves ...	4,83,147	Stock-in-trade	2,46,912
Provision for taxation ...	72,762	Work-in-progress ...	15,302
Liabilities ...	3,02,133	Stationery	1,062
Profit and loss account ...	2,481	Debts, deposits and advances ...	1,36,427
		Investments	48,019
		Cash ...	11,94,781
		Deferred revenue expenditure	15,624
Rs.	18,81,723	Rs.	18,81,723

Howrah-Sheakhalla Light Railway Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) submit the audited accounts of the Company for half-year ended 30th September 1956.

Gross earnings for the half-year were Rs. 3,41,685 which is Rs. 729 more than the earnings of the corresponding period ended 30th September 1955. There are decreases of Rs. 9,102 and Rs. 99 under goods and miscellaneous respectively and an increase of Rs. 9,930 under coaching.

Working expenses for the half-year were Rs. 3,08,805 plus Rs. 3,000 set aside to renewal reserve making a total of Rs. 3,11,805 which is Rs. 524 less than the figure for the half-year to 30th September 1955.

Net earnings for the half-year were Rs. 29,880 against Rs. 28,627 for the half-year to 30th September 1955, an increase of Rs. 1,253.

Comparative Statistics

Half-year ending	Gross earnings	Working expenses	Allocation to renewal reserve	Dividend per cent. per annum less tax
	Rs.	Rs.	Rs.	
30-9-1955 ..	14,43,481	12,62,630	62,500	6
31-3-1956 ..	14,25,119	12,40,041	62,500	6
30-9-1956 ..	14,95,546	12,43,257	62,500	4.425

The net profit for the half-year is Rs. 64,333 to which is added the balance brought forward of Rs. 54,334 making a total of Rs. 1,18,667. The preference dividend paid during the half-year ended 30th June 1956, absorbed Rs. 25,000 leaving a balance of Rs. 93,667. The directors recommend that this amount be disposed of as follows:—

By payment of a dividend for the half-year at the rate of 4.425 per cent. per annum without deduction of tax absorbing Rs. 35,399 and leaving a balance to be carried forward of Rs. 58,268.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	26,00,000	Block ...	49,29,738
Debentures	7,00,000	Stores, etc. ...	9,35,307
Reserves ...	17,16,850	Work in progress ...	1,46,189
Provision for taxation ...	1,69,729	Debts, deposits and advances ...	4,73,650
Liabilities	13,40,911	Investments	56,017
Revenue account ...	58,268	Cash ...	44,857
Rs.	65,85,758	Rs.	65,85,758

N.B.—Figures within brackets relate to the corresponding period of the previous year.

SPENCER AND COMPANY, LIMITED

(*Concluded from page 430*)

pany's working capital in as beneficial a way as is possible. The schemes being examined are naturally all connected with consumer goods, whether by way of manufacture, acquisition of like interests or expansion of trade. All this takes time for, whilst business risks must surely be taken, the new schemes must show reasonable prospects of fair returns on capital invested. I would mention also that when a modicum of foreign exchange is involved, a consumer goods project does not rank in Governmental policies and there lies the rub. What is even more, there must necessarily be a time lag before the benefits of new operations can come into the till.

"Last year, I informed you that I hoped to be able today to tell you about our progress in new fields. Much has been investigated, but little achieved for the foregoing reasons, but we press on and it is wise that I do not disclose what is afoot until negotiations are complete. However, I am at liberty to tell you that there has been finalised a comprehensive project for the manufacture of drugs and pharmaceuticals by one of the biggest and most reputed American concerns and in this we have secured a sizable interest as the largest Indian investor.

Labour Relations

"I do not propose to dwell on labour relations save again to quote Professor Erhard who says: 'Trade unions should ask themselves whether their pursuit of higher wages, if it leads to higher prices, does not put them on a par with irresponsible speculators.' In the dwindling consumer goods trade, I wonder if labour unions realise that retrenchment is unavoidable and that demands for increased benefits cannot but extend retrenchment. I emphatically state that no conscientious employer wishes to create unemployment unless forced so to do.

"Finally, in the light of the various trading difficulties confronting us, our staff has rendered yeoman service, for which we are grateful."

The balance-sheet as at 30th June 1957 was unanimously approved and adopted. A further and final dividend of 10 per cent., free of income-tax, on the ordinary shares as recommended by the Directors was declared, making in all a total dividend of 15 per cent., free of income-tax, for the year.

Note.—This does not purport to be a record of the proceedings of the annual general meeting which will be sent separately to shareholders.

Produce More and Serve A

Double Purpose

Produce more and save the monies now spent in importing the deficit in our food supply

Produce more manufactured goods and hasten the process of industrialisation which is the pivot of the FIVE YEAR PLAN

We in the Bank are fully equipped to advise and help in all matters connected with commerce and industry

THE INDIAN BANK LTD.

Head Office: North Beach Road, Madras-1

Branches throughout South India and in the major cities of India, Ceylon, Malaya and Singapore.

Correspondents in all parts of the world.

Secretary:
D. P. PARTHASARATHY

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Notices

THE AZAM JAHI MILLS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Twenty-seventh Annual General Meeting of the Shareholders of the Azam Jahi Mills Limited will be held at the Registered Office of the Company, 159, Gunfoundry Road, Hyderabad-Deccan, on Thursday the 27th day of March 1958, at 3.00 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 30th September, 1957, and to declare a dividend.

2. To elect a Director in place of Shri Nadirsha B. Chenoy, who retires by rotation under Clause No. 102 of the Company's Articles of Association and Section 256 of the Companies Act, 1956, but who offers himself for re-election and who has attained the age of 77 years and to consider and, if thought fit, to pass the following Ordinary Resolution of which special notice as required by Section 281 of the Companies Act, 1956 has been received by the Company and is hereby given.

Ordinary Resolution

"RESOLVED that Shri Nadirsha B. Chenoy, who has attained the age of 77 years and who retires by rotation under Clause No. 102 of the Articles of Association of the Company and Section 256 of the Companies Act, 1956, be and is hereby re-elected a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."

3. To elect a Director in place of Shri Pingle Venkatrama Reddy, who retires by rotation under Clause No. 102 of the Company's Articles of Association and Section 256 of the Companies Act, 1956, but who offers himself for re-election, and who has attained the age of 75 years and to consider and, if thought fit, to pass the following *Ordinary Resolution* of which special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and is hereby given.

Ordinary Resolution

"RESOLVED that Shri Pingle Venkatrama Reddy, who has attained the age of 75 years and who retires by rotation under Clause No. 102 of the Company's Articles of Association and Section 256 of the Companies Act, 1956, be and is hereby re-elected a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."

4. To appoint Shri K. I. Vidyasagar, an employee of the Government of Andhra Pradesh, who are the Secretaries, Treasurers and Agents of the Company in place of Shri C. Damodar Reddy, and to consider and, if thought fit, to pass the following Resolution as a Special Resolution of which special notice, as required by Section 261 of the Companies Act, 1956 has been received by the Company and is hereby given in as much as he is an employee of the Managing Agents of the Company.

Special Resolution

"RESOLVED that in view of the provisions of Section 261 of the Companies Act, 1956, Shri K. I. Vidyasagar, an employee of the Government of Andhra Pradesh, the Managing Agents of the Company, be and he is hereby appointed a Director of the Company."

5. (*a*) To appoint Khan Bahadur C. B. Taraporvala as a Director of the Company in respect of whose appointment notices have been received by the Company since Shri Jal Hormusji, an employee of this Company is a relative of his within the meaning of Section 6 of the Companies Act, 1956, and to consider and, if thought fit, to pass the following Resolution as a Special Resolution.

Special Resolution

"RESOLVED that Khan Bahadur C. B. Taraporvala be and is hereby appointed a Director of the Company."

5. (*b*) To accord consent, pursuant to Section 314 of the Companies Act, 1956, to Shri Jal Hormusji, who is a relative of Khan Bahadur C. B. Taraporvala, a proposed Director of the Company holding and continuing to hold an office or place of profit under the Company as an employee and, if thought fit, to pass the following Resolution as a Special Resolution of which notice as required by Section 314 of the Companies Act, 1956, has been received by the Company and is hereby given.

Special Resolution

"RESOLVED that the Company consents to Shri Jal Hormusji, who is a relative of Khan Bahadur C. B. Taraporvala, holding and continuing to hold an office or place of profit under the Company notwithstanding the appointment of Khan Bahadur C. B. Taraporvala as a Director of the Company."

6. To consider and, if thought, fit, to pass the following Resolution as an Ordinary Resolution as required by Section 294 of the Companies Act, 1956.

Ordinary Resolution

"RESOLVED that the appointment of Messrs. Madhav Surendra & Company as the Sole Selling Agents upto 22nd April, 1961, for the Cloth and Yarn produced by the Company as per Agreement dated 22nd January 1958 and executed between the Company of the one part and the said Messrs. Madhav Surendra and Company of the other part be and is hereby approved."

7. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution as required by Section 293 (1) (*e*) of the Companies Act, 1956.

Ordinary Resolution

"RESOLVED that the consent of the Company under the provisions of Section 293 (1) (*e*) of the Companies Act, 1956, be and it is hereby accorded to the Board of Directors of the Company endowing the Company's funds consisting of 2½ per cent. Tax-free N. G. P. Notes of the face value of O. S. Rs. 59,400 (costing I.G. Rs. 51,365) to and for the benefit of the Council of Scientific and Industrial Research, New Delhi."

8. To appoint Auditors for the current year and fix their remuneration.

The Transfer Books of the Company will be closed from 14th March 1958 to 28th March 1958, both the days inclusive.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Dividend, when sanctioned, will be made payable on and after Tuesday the 15th day of April, 1958, to those shareholders whose names stand on the Register on the 13th day of March 1958 and Dividend Warrants will be posted to each shareholder to his last given address.

By Order of the Board,

C. S. TYABJEE,
Managing Agent.

To The Industries (I. F.) Department,
Government of Andhra Pradesh,
Secretaries, Treasurers & Agents.

HYDERABAD-DECCAN,

Dated 10th February, 1958.

Note.—The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the above item of business will be posted to each Shareholder individually to his last given address.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

MODIFICATION TO TENDER NOTICE

IT IS HEREBY NOTIFIED THAT FOR electrification on 25 kV A.C. of sections Calcutta-Moghalsarai and Asansol-Rourkela on the Eastern and South Eastern Railways respectively, the dates previously notified for submission and opening of tenders have been extended to 1st April 1958 and 2nd April 1958, respectively.

L. N. MATHUR,
for *Secretary, Railway Board.*

VOLTAS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRD ANNUAL GENERAL MEETING of VOLTAS LIMITED will be held at the Taj Mahal Hotel, Apollo Bunder, Bombay, on Monday, the 24th March, 1958, at 4-30 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st August 1957.

2. To sanction the declaration of a dividend.

3. To appoint a Director in place of Mr. S. Moolgaokar who retires by rotation and is eligible for re-appointment.

4. To appoint a Director in place of Mr. K. C. Bakhle who retires by rotation and is eligible for re-appointment.

5. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 314 and other applicable provisions (if any) of the Companies Act, 1956, the Company hereby consents to Mr. P. Gregori, who is proposed to be appointed a Director at this Meeting, holding and continuing to hold an office or place of Profit under the Company as Deputy General Manager."

6. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that Mr. P. Gregori, in respect of whom the Company has received a Notice in writing proposing his candidature for the Office of Director, be appointed a Director of the Company."

7. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED that the Articles of Association of the Company be altered in the manner following:

(*a*) In Article 52, in the second line between The words "the" and "debts" the word "said" shall be inserted.

(*b*) In Article 56, in the second line, between the words "writing" and "in," the words "in the usual common form or" shall be inserted.

(*c*) In Article 60, the words "or whilst any member executing the transfer is either alone or jointly with any other person or persons indebted to the Company on any account whatsoever" shall be deleted.

(*d*) In Article 80, the proviso as under, namely:

"Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the consent of the Company in General Meeting"

shall be added at the end of this Article."

8. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board of Directors,

R. H. SCHUEPP,
Managing Director.

BOMBAY, 14*th February*, 1958.
19, GRAHAM ROAD,
BALLARD ESTATE,
BOMBAY 1.

Notes:—(*a*) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under items 5, 6 and 7 set out above is annexed to the Notice of the Annual General Meeting posted to all the Shareholders individually.

A copy of the existing Articles of Association may be inspected at the Registered Office of the Company between the hours of 11 a.m. and 1 p.m. and 3 p.m. and 5 p.m. on any working day except Saturday and between the hours of 11 a.m. and 1 p.m. on Saturday.

(*b*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(*c*) The Transfer Books of the Company will be closed from 3rd March 1958 to 24th March 1958, both days inclusive.

(*d*) If dividends on shares as recommended by the Directors are passed at the Meeting, the payments will be made to those shareholders whose names are on Company's Register on the 24th March 1958. The payments will me made on and after the 27th March 1958.

THE OSMANSHAHI MILLS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Thirty-fifth Annual General Meeting of the Shareholders of the Osmanshahi Mills Limited will be held at the Registered Office of the Company, 159, Gunfoundry Road, Hyderabad-Dn., on Friday the twenty-eighth day of March, 1958, at 3-30 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 30th September, 1957.

2. To elect a Director in place of Shri J. R. Motishaw, who was co-opted on the Board of Directors on 25th September, 1957, under Clause No. 93 of the Company's Articles of Association and whose term of office expires at this Annual General Meeting, and to consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution, as he being eligible, offers himself for re-election.

Ordinary Resolution

"RESOLVED that Shri J. R. Motishaw be and is hereby appointed a Director of the Company."

3. (*a*) To elect a Director in place of Shri Nadirsha B. Chenoy, who retires by rotation under Clause No. 101 of the Company's Articles of Association and Section 256 of the Companies Act, 1956 (but who offers himself for re-election) and who has attained the age of 77 years and to consider and, if thought fit, to pass the following Ordinary Resolution of which special notice as required by Section 281 of the Companies Act 1956, has been received by the Company and is hereby given.

Ordinary Resolution

"RESOLVED that Shri Nadirsha B. Chenoy, who has attained the age of 77 years and who retires by rotation under Clause No. 101 of the Company's Articles of Association and Section 256 of the Companies Act, 1956, be and is hereby re-elected a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."

(*b*) To elect Directors in place of—

(i) Rai Bahadur Srikishen Sukhdeve Malani and

(ii) Shri Goverdhanlal Bansilal Pitty.

who retire by rotation in accordance with Clause No. 101 of the Company's Articles of Association and Section 256 of the Companies Act, 1956, but being eligible, offer themselves for re-election.

4. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution as required by Section 293 (1) (*e*) of the Companies Act, 1956.

Ordinary Resolution

"RESOLVED that the consent of the Company under the provisions of Section 293 (1) (*e*) of the Companies Act, 1956 be and it is hereby accorded to the Board of Directors of the Company endowing the Company's funds consisting of 2½ per cent. tax-free N.G.P. Notes of the face-value of O.S. Rs. 39,600 (costing I.G. Rs. 34,243) to and for the benefit of the Council of Scientific and Industrial Research, New Delhi."

5. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution pursuant to Section 293 (1) (*d*) of the Companies Act, 1956:—

Ordinary Resolution

"RESOLVED that the consent of the Company is hereby accorded under the provisions of Section 293 (1) (*d*) of the Companies Act, 1956, to the Board of Directors borrowing moneys for the purposes of the Company, even if such borrowings (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), together with moneys already borrowed by the Company exceeds the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, Reserves not set apart for any specific purpose, but so that the total amount of such borrowings remaining undischarged for the time being shall not at any one time be more than Rs. 50,00,000 (Rupees fifty lakhs) in excess of the aggregate of the Paid-up Capital of the Company and its Free Reserves."

6. To appoint Auditors for the current year and fix their remuneration.

The Transfer Books of the Company will be closed from 14th March, 1958 to 28th March, 1958 both days inclusive.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

By Order of the Board,

C. B. TARAPORVALA,
K. B. DAGA,
C. S. TYABJEE,
Committee of Directors.

HYDERABAD-DECCAN,

Dated 7th February, 1958.

Note.—The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the above item of business will be posted to each Shareholder individually to his last given address.

THE CENTRAL BANK OF INDIA LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Forty-seventh Annual General Meeting of the Shareholders of The Central Bank of India, Limited, will be held at the Registered Office of the Company, in the Central Bank Building, Mahatma Gandhi Road, Fort, Bombay, on Friday, the 28th day of March 1958, at 4 p.m. (S.T.), to transact the following business:—

1. To receive and consider and adopt the Report of the Directors and the Audited Accounts for the period ended 31st December 1957.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. Cooverji H. Bhabha who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dharamsey M. Khatau who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.
5. To appoint a Director in place of Mr. Manmohandas M. Amersey who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and is eligible for re-appointment and to consider, and if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which is annexed hereto as required by Section 173 of the said Act:—

"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. Manmohandas M. Amersey who has attained the age of 67 years and who retires by rotation under Article 92 of the said Articles of Association read with Section 256 of the Companies Act, 1956, be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

6. To appoint Auditors and to fix their remuneration.

By Order of the Board,

N. K. KARANJIA,
General Manager.

BOMBAY, 3*rd March* 1958.

Note.—A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*a*) The Transfer Books of the Bank will be closed from Friday, the 7th day of March 1958, to Friday, the 28th day of March 1958 (both days inclusive).

(*b*) Dividend Warrants for the half-year ended 31st December 1957 will be posted to the Shareholders at their registered address on and after the 31st day of March 1958. Shareholders are requested to intimate the Bank their change of address, if any, immediately.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

To,

THE SHAREHOLDERS OF
THE CENTRAL BANK OF INDIA, LIMITED.

Dear Sir/Madam,

In conformity with the Companies Act, 1956, which came into force on 1st April 1956, the following Explanatory Statement, as required by Section 173 of the aforesaid Act, sets out all material facts relating to item 5 mentioned in the accompanying Notice dated the 3rd March, 1958.

2. In respect of item No. 5, it is notified that Mr. Manmohandas M. Amersey who retires by rotation and is eligible for re-appointment, has attained the age of 67 years and hence he cannot be re-appointed a Director of the Company except by a resolution in respect of which special notice has been given in accordance with the requirements of Section 190 and 281 of the Companies Act, 1956. The Company has received such a special notice from some members notifying their intention to move the resolution as set out in the said Item No. 5. Mr. Amersey has been a Director on the Board of this Company since 1947. As a businessman of wide experience, he has proved himself very useful on the Board and it is in the interest of the Company that the Board should continue to receive the benefit of his services.

By Order of the Board,

N. K. KARANJIA,
General Manager.

BOMBAY, 3*rd March* 1958.

THE RAYALASEEMA MILLS LIMITED
ADONI, KURNOOL DT.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWELFTH ANNUAL GENERAL MEETING of The Rayalaseema Mills Ltd. will be held at the Registered Office of the Company at Rayanagar, Adoni-Tungabhadra Road, Adoni P.O., on WEDNESDAY the 30th day of April, 1958 at 2 p.m. (S.T.), to transact the usual business and also special business, the details of which are contained in the Notice and the Explanatory Statement accompanying the Notice as separately posted to the members of the Company. The Share Transfer Books and the Register of Members of the Company shall remain closed from the 23rd April, 1958 to 7th May 1958, both days inclusive.

By Order of the Board,

FOR THE RAYALASEEMA DEVELOPMENT COMPANY,
H. NARAYANA REDDI,
Senior Partner,
Managing Agents.

ADONI, 25*th February*, 1958.

THE ANDHRA SUGARS LIMITED
TANUKU, ANDHRA PRADESH

NOTICE IS HEREBY GIVEN THAT THE 10th Annual General Meeting will be held on Saturday the 15th March 1958 at 3-00 p.m. at the Registered Office at Tanuku.

Notice is also hereby given that the Share Registers of the Company will be closed from 1st March 1958 to 15th March 1958, both days inclusive.

The Board of Directors recommend the payment of a dividend of 12½ per cent.

By Order of the Board,

For RANGA RAO & Co.,
(Sd.) M. HARISCHANDRA PRASAD,
Managing Partner
Managing Agents

ENGINEERING

(*Concluded from page* 420)

A.D. 1589	...	King Raghunath Nayak of Tanjore captures 'Adil Shahi' type of cannon from Penukonda.
1830	... ...	Suspension bridge thrown over the Bias river at Saugor. The iron used in making the bridge was smelted at Tendukhera, Madhya Pradesh. Josiah Marshall Heath erects iron smelter at Porto Novo.
1874	... ...	The Bengal Iron Works established at Kulti, near Asansol.
1882	... ...	Government takes over the Bengal Iron Works which comes to be known as the Barakar Iron Works.
1889	... ...	The Bengal Iron and Steel Company Limited acquires the Barakar Iron Works.
1907	... ...	The Tata Iron and Steel Company formed.
1908	... ...	Construction of the Tata Steel Works begins at Sakchi, 150 miles west of Calcutta. The first stake driven in on 27th February.
1911	... ...	Tata Steel Works produces the first cast of pig iron in December.
1912	... ...	Tata Steel Works rolls first steel on 16th February. Bar mill commences rolling in October. Eight-hour day introduced.
1915	... ...	Tata Steel Works produces ferro-manganese for the first time in India.
1917	... ...	Tata Steel launches greater extension schemes to raise capacity to 450,000 tons and diversify production.
1918	... ...	The Indian Iron and Steel Company Limited floated on 11th March. The Government of Mysore decides to start an iron works at Bhadravati.
1919	... ...	Construction begins of the Indian Iron and Steel Company's works at Hirapur (later renamed Burnpur), near Asansol. Sakchi renamed as Jamshedpur and Kalimati station as Tatanagar.
1921	... ...	Jamshedpur Technical Institute opened. The Agricultural Implement Company, Enamelled Ironware Company and Indian Steel Wire Products Company go into operation at Jamshedpur.
1922	... ...	First pig iron produced at the Indian Iron and Steel Company's Works at Burnpur.
1923	... ...	The Tinplate Company of India, Jamshedpur, commences manufacture. The Mysore Iron and Steel Works brings into operation its first blast furnace.
1923-24	... ...	Tata Steel commences manufacture of steel by the Duplex process.
1924	... ...	No. 2 blast furnace commences operation at the Indian Iron and Steel Company's Works at Burnpur.
1924-25	... ...	Tata Steel's greater extension schemes completed. New rail mill, merchant mill and sheet mill go into operation. Mahatma Gandhi, C. R. Das, and C. F. Andrews visit Jamshedpur to discuss labour problems with R. D. Tata. The Central Legislative Assembly agrees, at the instance of Pandit Motilal Nehru, to a Tariff Board enquiry which leads to grant of protection to the iron and steel industry for the first time.
1926-27	... ...	Second main report of the Tariff Board on protection to the iron and steel industry.
1928-29	... ...	Subhas Chandra Bose, President, Jamshedpur Labour Association, visits Jamshedpur to meet N. B. Saklatwala, Chairman of The Tata Iron and Steel Company, and signs agreement.
1934-35	... ...	Production of high tensile steel commences at Tata Steel Works.
1936	... ...	The Bengal Iron Works goes into voluntary liquidation and is merged with the Indian Iron and Steel Company Limited. The Mysore Iron and Steel Works adds plant for production of steel.
1937	... ...	The Steel Corporation of Bengal Limited floated.
1938-39	... ...	Bihar Labour Enquiry Committee under the chairmanship of Rajendra Prasad visits Jamshedpur.
1939	... ...	First steel made at the Steel Corporation of Bengal's Napuria Works, near Asansol. Blooming mill goes into operation at the Indian Iron and Steel Company's Works at Burnpur.
1941-42	... ...	Tata Steel's wheel, tyre and axle plant—the first of its kind in the country—goes into operation.
1945	...	The spun pipe foundry at the Indian Iron and Steel Company's Works at Kulti goes into operation.
1948	... ...	The Mysore Iron and Steel Works adds a plate sleeper foundry for the manufacture of metre-gauge sleepers.
1951	... ...	Tata Steel launches a modernisation and expansion programme.
1953	... ...	The Steel Corporation of Bengal is merged with the Indian Iron and Steel Company. The Mysore Iron and Steel Works' first electric pig iron smelter goes into production. The Government of India negotiates an agreement, in December, with Krupps and Demag of Germany to establish an integrated steel works of 500,000-ton ingot capacity at Rourkela.
1955	... ...	Tata Steel signs agreement in December with Kaiser Engineers of U.S.A. for its Two-million Ton Expansion Programme. Also signs agreement with Didier Werke A.G. of Germany for a refractory plant at Belpahar. The Government of India signs an agreement in February with the U.S.S.R. for a million-ton steel plant at Bhilai. Decision taken to increase capacity of the Rourkela plant to one million tons. Supplementary agreements signed in July.
1956	... ...	Final contract signed between the U.S.S.R. and the Government of India for the Bhilai steel plant in April. Tata Steel's skelp mill goes into production. Work on the Durgapur steel plant commences in September. Contract finalised in December between the Indian Steel Works Construction Company—a British consortium—and the Government of India for the supply, construction and erection of the steel plant.
1957	... ...	Cast iron spun pipe plant set up at the Mysore Iron and Steel Works.
1958	... ...	A new blast furnace is brought into operation, completing the first phase of the Indian Iron and Steel Company's 1953 extention programme. The ferro-manganese plant at Joda commences production.
1958 March	...	Jubilee of The Indian Steel Industry at Jamshedpur.

AMERICAN LETTER

(*Concluded from page* 409)

Other factions in the fight are chambers of commerce, headed by the Chamber of Commerce of the United States. Regional trade groups in the Mid-West and Far West are calling in some instances for as much as an 11-year extension of the Acts, instead of five years now contemplated. Groups in the Mississippi Valley also favour extension.

The League of Women Voters has staunchly supported reciprocal trade, not only by tuning in frequently on legislative ears in Washington, but also by holding meetings and clinics among its large membership. State Department officials admit privately that the League, more than any other group, can claim credit for renewal of the agreements every time they have come up since Cordell Hull sired them in 1934.

The Commerce and Industry Association of the New York and the National Council of American Importers have had a prominent role in the fray on the freer trade side. The National Foreign Trade Council has not yet taken a stand on this particular legislation, but it is traditionally in favour of lowering tariff barriers.

One of the newer and more vigorous trade groups is the Committee on Foreign Trade Education, younger men who insist that the Administration's proposals "could hardly have been worse." The Committee for a National Trade Policy headed by such prominent men as Charles P. Taft of Ohio and Harry A. Bullis, Chairman of General Mills Corporation, belong in the militant category, too, and in the broader field, there is the United States Associates of the International Chamber of Commerce whose spokesmen ardently seek the breakdown of world barriers with the U.S. taking the leadership in the struggle.

Otherwise, there are no momentous changes in the economy as a whole. Consumer buying is still at a high level and the early date of Easter is expected to be a further stimulant for retail trade.—*All Rights Reserved.*

Notices

THE GOKAK MILLS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Debenture Transfer Books of the Company will be closed from the 22nd March, 1958, to the 31st March, 1958, both days inclusive.

The interest will be paid to those Debentureholders whose names stand on the Register of the Company on the 31st March, 1958.

FOR THE GOKAK MILLS LIMITED,
FOR FORBES FORBES CAMPBELL & CO.
PRIVATE LTD.,
F. H. KEMPLE,
Director,
Managing Agents.

BOMBAY, *27th February,* 1958.

THE GOKAK MILLS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Transfer Books of the Company will be closed from the 22nd March, 1958 to the 11th April, 1958, both days inclusive.

The Dividend, if sanctioned, will be paid to those Shareholders whose names stand on the Register of the Company on the 11th April, 1958.

FOR THE GOKAK MILLS LIMITED,
FOR FORBES FORBES CAMPBELL & CO.
PRIVATE LTD.,
F. H. KEMPLE,
Director,
Managing Agents.

BOMBAY, *27th February,* 1958.

THE BORREA COAL COMPANY LIMITED

NOTICE OF INTERIM DIVIDEND

THE BOARD OF DIRECTORS OF THE ABOVE Company has sanctioned payment of the following Interim Dividend in respect of the year ending 31st December, 1957, without any deduction for Income-tax payable by the Company.

On Preference Shares for half-year at rate of 6½ per cent. per annum payable on or after 26th March, 1958, to those Preference shareholders (or their mandatees) whose names appear in the Company's books on 19th March, 1958, as the registered holders of the above shares.

The Preference Share Transfer Register of the Company will be closed from 12th to 19th March, 1958, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.
Managing Agents

CHARTERED BANK BUILDINGS,
CALCUTTA, *27th February,* 1958.

MONEY COMFORTABLE

(From Our Own Correspondent)

BOMBAY, *5th March*

Fairly comfortable conditions continued to prevail in the short-term money market during the week under review. Barring the demand for the usual month-end requirements earlier in the week and for payment of income-tax, there was no pull on the market, as the supplies were more than enough to meet the day-to-day requirements of borrowers. Though the upward trend in bank credit is being maintained, the pace of increase in deposit of banks is much sharper, with the result that banks are in a more comfortable position this season than in the previous season. Consequently, banks are not keen borrowers in the inter-bank call money section, where the rate of interest was unchanged during the week at 3 per cent. among the Exchange banks and bigger Indian banks and at 3½ per cent. among the smaller Indian banks. House money at call was placed at 4¼ to 4⅜ per cent. and short-term deposits at 4½ to 4⅝ per cent.

A fractional contraction of Rs. 74 lakhs in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 28th February 1958. Notes held in the Banking Department are higher by Rs. 95 lakhs and the consequent increase of Rs. 21 lakhs in total notes issued is covered by a similar rise in rupee coin. There has been an increase of Rs. 5.59 crores in deposits of the Central Government, but other Governments' deposits are lower by Rs. 1.06 crores and deposits of banks by Rs. 1.88 crores. Balances held abroad have gone up by Rs. 2.49 crores. Loans and advances to Governments show a fall of Rs. 1.46 crores, while other loans and advances have risen by Rs. 1.92 crores, in spite of a decline of Rs. 1.94 crores in advances to Scheduled banks against usance bills.

The Scheduled banks' statement for the week ended 21st February 1958 shows a sharp rise of Rs. 11.14 crores in demand deposits and of Rs. 3.00 crores in time deposits. Inter-bank borrowings are also higher by Rs. 1.83 crores, while borrowings from the Reserve Bank stand reduced by Rs. 4.41 crores. An increase of Rs. 1.23 crores is noted in advances and of Rs. 2.62 crores in bills purchased and discounted. Cash balances have improved by Rs. 1.18 crores and money at call and short notice by Rs. 2.52 crores.

The Gilt-edged market continued to rule steady during the week under review also, thanks to the sustained enquiry for selected short-dated and long-dated loans. There was good demand for State loans on the eve of the half-yearly interest payment. During the week, the Reserve Bank put up its selling rates for 3½ per cent. 1964, 3½ per cent. 1967, 3⅜ per cent. 1967 and 4 per cent. 1972 loans by 5 nP each to Rs. 97.80, Rs. 97.65, Rs. 99.65 and Rs. 100.05, respectively.

3 per cent. 1986 Conversion Loan was maintained at Rs. 71.05. 3 per cent. 1970-75 was marked by 30 nP to Rs. 86.10 on good enquiries. 3 per cent. 1968 gained 10 nP to Rs. 91.95 and 3 per cent. 1963-65 5 nP to Rs. 94.05. 2½ per cent. 1960 put on 5 nP to Rs. 97.50 and 2½ per cent. 1961 10 nP to Rs. 94.75. 3½ per cent. 1961 was unchanged at Rs. 99.65, while 3½ per cent. 1964, 3½ per cent. 1967 and 3⅜ per cent. 1967 all moved up to the Reserve Bank's selling rates. 3½ per cent. 1965 held its own at Rs. 97.55, while 4 per cent. 1972 rose by 5 nP to Rs. 100.05, following the increase in the Reserve Bank's selling price. Among the State loans, 4 per cent. 1967 and 1968 put on 15 nP each to Rs 97.85. Andhra 1967 rose by 20 nP to Rs. 97.80 and 1968 by 5 nP to Rs. 97.80. U.P. 1967 and 1968 gained 20 nP each to Rs. 97.85.

In the foreign exchange section, the rupee staged a recovery during the week, following the revival of sterling in terms of the U.S. dollar. Banks' selling rate for ready dollars, after an increase from Rs. 476 per $100 to Rs. 476.50, dropped to Rs. 475.50. Their buying rate moved up from Rs. 472.75 to Rs. 473, before declining to Rs. 472 per $100. At the close, there was again a rise to Rs. 472.25 per $100. In New York, spot sterling advanced from $2.81⅛-2.81¼ to $2.81-7/16-2.81-9/16 and three months' forward from $2.78⅛-2.78⅜ to $2.78-11/16-2.78-13/16. Transferable sterling also rose from 279.15-279.25 cents to 279.40-279.50 cents.

KANPUR HIDES MOVE UP

(From Our Own Correspondent)

KANPUR, *2nd March*

During the week under review the Kanpur hides and skins market ruled steady. The tendency of prices was upward, particularly in wet salted cow and buff. For a time, the upper grade buff looked scarce. The fresh supplies were not as large as in the previous year. The main purchasers were the local tanners and the Madras dealers. The country tanners evinced keen interest in lower grade cow. The latest quotations are as follows:—

Wet salted cow 1st grade Rs. 380; 2nd grade Rs. 340; and 3rd grade Rs. 240 per score; wet salted buff 1st grade 1 lb. 4 ozs. and 2nd grade 1 lb. 7 ozs. per rupee; goat 1st grade Rs. 325 and 2nd grade Rs. 350 per 100 pieces; sheep 1st grade Rs. 235 and 2nd grade Rs. 300 per 100 pieces.

LINSEED QUIETLY STEADY

(Messrs. A. Bradley and Co.)

CALCUTTA, *3rd March*

The market has remained quietly steady throughout the week and seeds prices have advanced slightly from Rs. 21-2 to Rs. 21-8, while oil prices have shown little change around Rs. 50-4. The prevailing firmness in mustard oil has helped to maintain the present price-level; otherwise, the general tone remains dull and trading has been limited with crushers more or less inactive. Shippers have withdrawn from the oil market and local buyers are scarce. A further decline has been recorded in linseed oil prices overseas with sellers offering afloat oil freely at £105 and buyers showing little interest above £102. The latest quotations are as follows:

Ready/March Rs. 21-8 and April/May Rs. 21-6 per maund.

BULLION STEADY

(From Our Own Correspondent)

BOMBAY, *5th March*

Contrary to the general expectations that the approach of festival would cause a shrinkage in demand for bullion and, consequently, a drop in prices, the bullion market ruled very steady during the week, with actually a rise in prices. The "bulls" continued to hold their grip in silver, as indicated by the high *budla* charges in their favour at Re. 1-12 to Re. 1-14 throughout the week. The larger arrivals in the spot section, without a corresponding rise in offtake, and reports of payment of large duty for import of Tibetan coins caused a slight setback yesterday morning, but the recession proved to be short-lived. Subsequently, there was a sharp recovery which more than made good the earlier loss and the white metal recorded a gain of nearly a rupee over the week.

The slackness in arrivals was the main factor which imparted strength to gold. There was good demand for the metal, but the actual offtake was restricted by the smaller arrivals. Consequently, the premium of the ready position over the forward (current settlement) widened from As. 2 to As. 6.

Forward silver (March settlement) advanced from Rs. 191-9 to Rs. 192-14 and, after a setback to Rs. 191-7, regained again to close at Rs. 192-8. The April settlement closed at Rs. 190-10 (as against Rs. 189-12 a week ago) after moving between Rs. 191-2 and Rs. 189-11.

Ready silver was marked up over the week from Rs. 191-9 to Rs. 192-8, the highest level touched during the week being Rs. 192-14. The floating stocks of silver are estimated at 700 bars. The daily average arrivals were 25 bars, while the offtake was lower at 15 bars per day.

Gold for forward delivery (March settlement) rallied from Rs. 111-8 to Rs. 112-8 earlier in the week. After a dip to Rs. 111-8 on Monday, there was a recovery to Rs. 112-5 at the close today. The next settlement moved up over the week from Rs. 111-8 to Rs. 112-7.

Ready gold appreciated from Rs. 111-10 to Rs. 112-11. The floating stocks of gold are reported to be 15,000 tolas. The daily average arrivals were 2,500 tolas, as against which the average offtake was 3,000 tolas per day.

In New York, silver was unchanged at 88⅝c. while in London it was marked up by ¼d. to 76⅞d. for spot and to 76¼d. for forward. Gold declined from 249*s.* 4½*d.* to 249*s.* 3½*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	5-3-58	Highest	Lowest	26-2-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 11	112 12	111 12	111 10
Forward*	112 5	112 8	111 8	111 8
Sovereign	71 8			71 4
SILVER				
Ready (.996 fine Mint) ..	192 8	192 14	191 0	191 9
Forward†	192 8	192 14	191 0	191 9
London Silver Ready ..	76¾*d.*	76⅞*d.*	76⅛*d.*	76⅛*d.*
London Forward	76¼*d.*	76⅜*d.*	76⅛*d.*	76⅛*d.*
London Gold	249*s.* 3½*d.*	249*s.* 4½*d.*	249*s.* 3½*d.*	249*s.* 4½*d.*
New York Silver	88⅛c.	—	—	88⅛c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

LIMITED DEMAND FOR TEA DUSTS

[*Messrs. Forbes, Ewart, and Figgis (Private) Ltd.*]

COCHIN, *27th February*

A little over 700,000 lbs. was on offer in Dust Sale 'E' which was held on Tuesday, 25th February. The sale opened to a good, although irregular, demand, but the enquiry appeared to be limited. Milled dusts were generally easier, but other types remained about steady. Best liquoring highgrown dusts sold well.

London Market—Sale of 24th February 1958.—Fully firm top and bottom little irregular in the middle.

Sale of 25th February 1958.—Fairly steady.

Colombo Market—Sale of 24th February 1958.—Best highgrowns strong; prices following improved quality. All others slightly less. Demand lower rates.

Sale of 25th February 1958.—Liquoring offgrades very strong fully 20c. dearer. Blackleaf kinds steady.

Export Quota.—The market is still depressed and business is being transacted at 5½ nP.

Forthcoming Auctions.—Dust Sale 'F' will be held on Tuesday, 11th March.

As we go to press, Messrs Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale* 6.—1,100,000 lbs. Strong general demand, particularly for medium quality and upwards. Low mediums about steady."

COTTON FUTURES LOOK UP

(From Our Own Correspondent)

BOMBAY, *5th March*

The cotton futures market, after having ruled easy during the first two days of the week, staged a smart rally on Saturday. The trend gathered further momentum in the subsequent two sessions. The market ruled fully steady today. The earlier easiness was mainly attributed to the disappointment caused by the absence of any relief in excise duty on cloth and no reduction in export duty on cotton in the budget presented to Parliament on Friday. This was indicated in the post-budget session of the market on Friday wherein the March contract declined by Rs. 8.75 from the pre-budget close and the May contract by Rs. 6.50. The subsequent improvement was mainly due to the fact that the volume of tenders on the first notice day, that is, 1st inst., was very small, only 660 bales, and that there was no tender at all on the 3rd inst., the second notice day. The earlier fear that on a large amount of unwanted cotton would be tendered against the maturing contract was thus removed. There was also renewed rumours that the Government was likely to provide some kind of relief in excise duty. A section of the trade was also hopeful about an export quota for ¾" cotton. These considerations led to short-covering and excellent bull support. Prices advanced as a consequence. The rise would have been more marked but for the absence of follow-up support. The none-too-happy textile situation, the upward revision of the cotton crop and slackness of export demand discouraged large-scale buying.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 667, the same as the previous day's closing, and declined to Rs. 663 on Friday and further to Rs. 658 on the same day in the post-budget session. Speculative support and short-covering pushed the contract to Rs. 667 yesterday. Opening at Rs. 673 today it improved to Rs. 675.50 and closed at that rate. The net gain over the week was Rs. 8.50 I.C.C. Moglai Jarilla (May 1958), after having commenced the week at Rs. 662, declined to Rs. 660.50 the same day. In the post-budget session on Friday the contract dropped further to Rs. 658. It again rallied to Rs. 674.25 yesterday on heavy short covering. The contract commenced today's session at Rs. 670, and after gaining Re. 1.50, closed one rupee lower. The net gain over the week was Rs. 8.50. The following table indicates the trend of the contract during the week:

(In rupees per candy of 784 lbs.)

	5-3-58	*High*	*Low*	26-2-58
I.C.C. Moglai Jarilla (March 1958) ...	675.50	677	658	667
I.C.C. Moglai Jarilla (May 1958) ...	670.50	674.25	656	662

The room-rates fixed for the March contract were a matter of controversy among traders. A section of the trade felt that the rates were low and preferred to go in appeal against the fixation of rates for some qualities. All the appeals were, however, rejected by the Board of the E.I.C.A.

The spot section was quiet. The general sentiment was subdued and volume of business small. Mill demand continued to be slack. Short staples were practically neglected although stray lots of quality cotton like Khandesh, Vijay, Laxmi, Jaydhar were still sought after and their prices were well maintained.

In the export section, enquiries were noted for Bengal. About 5,000-6,000 bales of Bengals were reported to have been sold to France during the last fortnight. Japan is said to have been interested in Wagad for which at present there is no export quota.

The most important development of the week, as far as the foreign section is concerned, was the announcement by the Government of India on Friday of its decision to permit 70,000 bales of East African cotton of stapling 1.1/16" and above for import by 31st July 1958. Not more than half of this quantity would be allowed for shipment before 31st March 1958. According to a Press Note issued by the Joint Chief Controller of Imports, Bombay, licences against this allocation would be issued to actual users, i.e., mills only. The latter should submit their applications, together with figures of consumption of East African and American cotton for the three cotton seasons, namely, 1954-55, 1955-56 and 1956-57, to the Textile Commissioner, who will issue quota letters to applicants eligible for licences. The varieties which qualify for import under this announcement are B.P. 52, West Nile, Masaka, Kenya, Bunyoro, Teso, Busoga, Lango, Budama, Acholi and Bukhedi.

The announcement has been welcomed by the trade which is now concerned over its impact on the ruling price structure of East African cotton. The quantity of East African cotton sold, subject to the availability of import licence, is around 110,000 bales. The announcement now made fails to cover up this entire quantity. The general impression is that this may, consequently, lead to the cancellation of the excess quantity sold to this country by East African shippers and thereby bring about a setback in prices of this cotton.

In anticipation of an import quota for Egyptian and Sudan cotton, mill interest in these varieties revived. Some business in Egyptian Karnak, Menoufi and Giza 30 is reported to have already been concluded subject to availability of import licences.

The following are the latest available spot rates —in rupees per candy of 784 lbs.—from Sewri, figures in brackets being last week-end quot[illegible]

890 (900); Hubli Laxmi 1,020 (1,020); Jaydhar 780 (780); *Delivery Contracts*: Vijay 910 (890); Bengal 555 (550).

Cotton futures values in the Karachi market made small gains during the week under review on fresh buying support which was attracted to the low rates. The improvement would have been more marked but for the selling prompted by the categorical refusal of the Government to reduce export duty on cotton and the continued slackness of foreign demand. N.T.R.G. March improved from Rs. 71-3 last week-end to Rs. 72-11. The May contract gained, over the week, As. 12 to Rs. 73-2. The spot section also ruled easy. The following are the latest available rates—in rupees per 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind *Deshi* 64; Punjab *Deshi* 62; 4F Punjab Roller 71-12; S.G. 76-11; L.S.S. Punjab Roller 74-15; S.G. 79-15; 289F Punjab Roller 81-11; S.G. 90-11; N.T. Roller 76-3; S.G. 83-15.

As a protest against the "indifference" of the Government in the face of the developing crisis in the cotton trade, the Karachi cotton market was closed on 26th February. It was pointed out by traders that the price of *Deshi* cotton had fallen steeply during the past few months from about Rs. 80 per maund to less than Rs. 65. The bulk of this year's crop was yet to be marketed while about 20,000 bales of last year's crop was still in the godowns. The Karachi Cotton Association had suggested heavy reduction in export duty or subsidy by the Government to facilitate exports. The Government, however, rejected the plea for incentives or aid as, in its view, there was no case for giving artificial relief.

The Alexandria cotton futures market ruled fully steady during the week. Although there was a considerable volume of professional and upcountry selling it was absorbed by trade buying based on the expectation of renewed foreign demand, especially from India. Values, as a result, were fully maintained. The latest available quotations—in tallaris per lb.—from Alexandria are given below:

Karnak: March 77.15; May 78.40. *Ashmouni*: April 66.80; June 67.25.

The Liverpool cotton futures market ruled distinctly easy during the week under review. There was a considerable volume of American liquidation and heavy hedge selling in both the American and American type contracts. Sudan contracts also met with hedge pressure and ruled easy. The following are the latest available rates—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 24.87; May-June 24.95; July-August 25.27; October-November 25.97. *American cotton mixed growth contract*: March-April 25.50; May-June 25.80; July-August 26.25; October-November 26.90. *Sudan*: May-June 32.65; July-August 32.85; September-October 33.10.

Sizable gains were recorded by the New York cotton market during the week. Earlier in the week, on active buying, stimulated by the House of Representatives' approval of a *rise of $250 million* for 1958 Soil Bank Programme, cotton values firmed up. Towards the close, however, values eased. The easiness was due to speculative selling touched off by the news that the Department of Agriculture had allowed five weeks more for farmers to cancel previous sign-ups to the Soil Bank. It was thought that the current attractive prices might stimulate withdrawals from the acreage retirement programme. Over the week, prices showed an improvement.

The total Government-controlled stocks at present aggregate about 4.5 million bales, comprising 3 million bales of the 1957 loan and about 1.5 million bales of 1956 and earlier crop stocks. It is reported that 3,361,108 cotton acres had already been signed up in the Soil Bank upto 21st February and that, in addition, 1,257,910 acres had been offered to the Bank.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(*In cents per* lb.)

	4-3-58	25-2-58	18-2-58
Spot	35.95	35.95	36.00
March	35.30	35.10	35.17
May	35.57	35.41	35.36
July	35.77	35.70	35.43

SUGAR QUIET

(*From Our Own Correspondent*)

BOMBAY, 5*th March*

Hopes of an additional levy of excise duty on sugar in the latest budget have been belied. At the same time, the Food Ministry has announced the usual monthly release of 1.72 lakh tons out of the current season's production for free sale. As a result, stocks which had been cornered by a few speculators have come out in the form of distress sales. Consequently, prices of both spot in the wholesale market and ex-mill prices have come down. The undertone of the market is distinctly quiet.

Small grain sugar has fallen from Rs. 106 a week ago to Rs. 104.75 per bag and medium grain from Rs. 107-109 to Rs. 105-107.50. There is, however, not much change in the price of large grain which at Rs. 110-112.50, compares with Rs. 110-113 a week ago.

Ex-mill quotations in the Bombay-Deccan area are down by about Rs. 2 per bag and in U.P. by Re. 1 to Re. 1-8 per bag.

Arrivals during the week amounted to about 17,700 bags, as against 21,300 bags in the preceding week.

YARNS FIRM

(*From Our Own Correspondent*)

BOMBAY, 5*th March*

The Union Budget which was presented last week did not contain any measures to raise import and export duties on rayon and staple fibre yarns; while this was encouraging, there was disappointment at the absence of any concrete steps for encouraging exports of cotton yarn. Thus, although the budget was featureless so far as the yarn market was concerned, the proposal to impose an *ad valorem* import duty of 50 per cent. on nylon yarn and perlon yarn had its repercussions on rayon and staple fibre yarns, the prices of which rose in sympathy with nylon yarns. Cotton yarns, however, remained dull. It was feared that the position, rendered difficult by the presence of large unsold stocks of yarn, would become more difficult by the levy of excise duty on cloth produced on powerlooms. The meeting convened last week by producers and consumers of indigenous art silk yarn to consider the question of internal distribution of the yarn which had been postponed, took place today. Although no final decision seems to have been taken yet, the general consensus of opinion would appear to be the maintenance of the *status quo*, with a slightly higher percentage of allocation to consumers direct. The percentages on which a decision has formally been arrived at is understood to be 70 for consumers and 30 for dealers.

Snia rayon yarn (120 dull cones) April delivery attracted attention and put on a rupee to Rs. 920. In the spot section, 120 Japan improved by 13 nP to Rs. 5.44. 150 Japan were fully maintained at Rs. 5.06. 120 Italy went up by 6 nP to Rs. 5.31. 150 Italy rallied 19 nP to Rs. 5.31. Among indigenous yarns, National Rayons 150 bright cones first grade spurted by 28 nP to Rs. 4.44 and 120 bright cones first grade by 25 nP to Rs. 4.94.

Staple fibre yarns (40×2) April delivery evoked good support of operators and climbed up by Rs. 5 to Rs. 592. Business in June delivery commenced on Monday and was quoted at Rs. 603. Spot (40×2) New Greats increased by 6 nP to Rs. 3.09. Citys were done at Rs. 3.19. Kohinoors, however, lost a naya paisa to Rs. 3.23. Among foreign yarns, Paramounts hardened by 10 nP to Rs. 6.50. Fujis were firm at Rs. 6.37.

Among cotton yarns, ten counts were neglected. Moderns at Rs. 14.50 and Podars at Rs. 13.87. Twenty counts Moderns were stagnant at Rs. 17.50. Among thirty counts, Indus were unchanged at Rs. 20.37. Forty counts Minaxis receded by 12 nP to Rs. 23.75. Moderns changed hands at Rs. 24.75, same as last week. Sixty counts were dull. Moderns at Rs. 59.50, Raghuvamshis at Rs. 52 and Finlays at Rs. 59. Eighty counts were on offer, Mahendras being quoted at Rs. 69.50, Moderns at Rs. 71 and Finlays at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	5-3-1958	26-2-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia February	—	925.00
120 dull Cones Snia April	920.00	919.00
120 Japan (per lb.)	5 44	5.31
150 Japan (per lb.)	5.06	5.06
120 Italy (per lb.)	5.31	5.25
150 Italy (per lb.)	5.31	5.12
Staple fibre yarn (per case of 200 lbs.)—		
40×2 February	—	572.00
40×2 April	592.00	587.00
40×2 June	603.00	—
40×2 New Great (per lb.)	3.09	3.03
40×2 City (per lb.)	3.19	—
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.87	13.87
20s Modern	17.50	17.50
30s Indu	20.37	20.37
40s Minaxi	23.75	23.87
60s Raghuvamshi	52.00	52.00
80s Modern	71.00	71.00

CASTORSEEDS FIRM

(*From Our Own Correspondent*)

BOMBAY, 5*th March*

The most notable feature of the working of the oilseeds market during the week under review was the spurt in the castorseed section of the market. Although the castorseed section experienced only narrow fluctuations in the earlier part of the week, thanks to the absence of any relief in export duty in the budget, it improved in the later part of the week on persistent support from local and Calcutta interests, induced by reports of small arrivals. Other sections, namely, groundnut and linseed, also advanced in sympathy with castorseed.

Traders were somewhat disappointed to find that the budget contained no fresh incentive for export trade in oilseeds. This led to some weakening of sentiment. Thus, castor May which was quoted at Rs. 136.87 in the pre-budget session declined to Rs. 136.00 the corresponding quotations for linseed May being Rs. 28.87 and Rs. 28.81 and for cottonseed May Rs. 102.50 and Rs. 102.00. Groundnut May, however, remained unchanged at Rs. 127.62.

In the groundnut section, groundnut May opened the week at Rs. 158.25 and declined to Rs. 158.12 on the following day and to Rs. 157.87 on Saturday. The market, however, improved on Monday so that groundnut May came to be quoted at Rs. 159.62. This trend was maintained on Tuesday also. Today, however, it receded to Rs. 159.25. Bold ready improved over the week from Rs. 31.50 to Rs. 31.94. Khandesh quality from Rs. 32.12 to Rs. 32.50 and Coromandel from Rs. 32.25 to Rs. 32.50. Groundnut oil was quoted at Rs. 17.50, as compared with Rs. 17.62 last week.

In the castorseed section, castor May commenced the week at Rs. 137.87. After receding to Rs. 137.37 on Saturday, it moved up to Rs. 140.75 on Monday and still further, to touch a high of Rs. 143.75 yesterday. Today, however, owing to some profit-taking at the close, it declined fractionally to close at Rs. 142.75. Castorseed Madras improved by Rs. 2 to Rs. 29.75. Castor oil commercial was quoted at Rs. 14.81 and B.S.S. at Rs. 16.50, as against Rs. 14.12 and Rs. 15.44 respectively last week.

The upward trend in linseed was less marked than in either of the other two sections. However, linseed May after opening at Rs. 29.12 moved up during the week to touch a high of Rs. 29.31 yesterday. It closed the week somewhat lower at Rs. 29.19. Linseed ready bold improved by 13 nP to Rs. 28.50 and small Satna by 13 nP to Rs. 27.50. Linseed oil, however, declined from Rs. 15.62 last week to Rs. 15.50.

Crushers evinced keen interest in cottonseed. Cottonseed May opened the week at Rs. 101.25 and moved up to Rs. 102.75 on the following day and still further to Rs. 103.50, thanks to consistent support. It touched a high of Rs. 106.75 yesterday, though it came to be quoted somewhat lower at Rs. 104.50 today.

Among other seeds, *kardi* seeds was quoted at Rs. 18.25 and *niger* seed at Rs. 27.12, as compared with Rs. 18.12 and Rs. 27.00 respectively early in the week.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	5-3-1958	26-2-1958	19-2-1958
	Rs.	Rs.	Rs.
Groundnut—			
February 1958	—	158.25	158.62
May 1958	159.25	158.25	158.62
Bold ready (per cwt.)	31.94	31.50	31.75
Khandesh quality	32.50	32.12	32.00
Linseed—			
May 1958	29.19	29.37	29.31
Bold ready (per cwt.)	28.50	28.37	29.69
Castorseed—			
May 1958	142.75	137.62	139.37
Madras (per cwt.)	29.75	27.75	28.37
Cottonseed—			
February 1958	—	101.75	100 50
May 1958	104.50	100.50	100.50
Groundnut oil *			
Ex-mill ready (per quarter)	17.50	17.62	17.62
Castor oil †			
Commercial (per quarter)	14 81	15.25	14.37
Linseed oil †			
Ready	15.50	15.62	15.69

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

PEPPER STEADY

(*Messrs. Parekh and Co.*)

BOMBAY, 5*th March*

Despite quietness at New York and Singapore, Malabar black pepper ruled fairly steady during the week, owing to continuous buying support by bulls and covering by shorts. In order to keep up the morale of the growers, speculators at all terminal centres remained buyers as soon as they saw any slight weakness in the trend.

Spot in New York, after touching $0.25½, came down to $0.24 for want of buying by grinders who preferred to hold off as there was lack of aggressive demand and the market failed to hold its recent rise. Dealers in U.S.A. marked down their bidding by ½ cent than what was offered from India. As a result, business during the week proved poor.

Singapore moved between Str. $62 and Str. $63 with undertone uncertain. Holders there preferred to give some concession to attract buyers, as they thought that the situation at Sumatra would improve, because Dr. Sukarno was reported negotiating with Central Sumatra for some kind of compromise through Dr. Hatta.

Alleppey moved from Rs. 550 to Rs. 757, and ready garbled from Rs. 94½ to Rs. 97. In forward trading, March and May deliveries improved to Rs. 98.75 and Rs. 100, respectively. Some weakness developed at Cochin when the Russian boat for February cargo was delayed. But it proved temporary, as exporters came in to buy. Calicut, which was until recently soft seller at round about Rs. 550, became reserved at Rs. 575, as holders and growers there thought that New York should sooner or later come in for Malabar black, if the present uncertainty in Indonesian situation continued and as soon as the present heavy stock of Lampong at Singapore was liquidated.

In the A.S.T.A. section, March-April-May remained steady at $0.24.

In delivery section, prices showed small improvement owing to resistance by sellers and buying by speculators.

The following are today's nominal quotations: Ready delivery Rs. 73 per Bengal maund and April Rs. 527.32 and May Rs. 533.38 per candy of 5½ cwts.

GOOD DEMAND FOR HIDES

(*From Our Own Correspondent*)

MADRAS, 3*rd March*

Arrivals of tanned hides and calves were restricted and met with ready clearance. Shippers were active buyers at unchanged prices, despite patchy U.K. demand. There were more enquiries from the U.K. for lower grade cow hides and calves, but stockists were not anxious to sell them if not combined with higher selections. Shipment business continued difficult. There was no change in the tanned skins section. Goat was steady and sheep weak. Shipments of tanned hides and calves to U.K. ports during February were more or less of the same volume as during January.

JUTE GOODS RECOVER

(*From Our Own Correspondent*)

CALCUTTA, 4*th March*

The feature in the jute markets during the week under review was the reversal of the downtrend in prices of both hessian and sacking constructions and the sharp rise in sacking prices from the lowest levels touched earlier in the week. This reaction followed the advice accorded to its member mills by the Indian Jute Mills Association not to sell their products below specified minimum prices based on: (1) hessian per 100 yards: (*a*) 40" 10 oz. Rs. 39.50, and (*b*) 40" 7½ oz. Rs. 29.75, and (2) B. twills per 100 bags Rs. 100. The I.J.M.A. considered this move essential, in order to arrest the down-trend, which caused prices to fall to distressingly low levels. The announcement of these minimum prices on Wednesday last had also their tonic effect in the burlap market in New York, where prices were firm. However, it was reported that much business did not take place in New York as buyers there desired to watch and see if the sharp rise in Calcutta after the decision of the I.J.M.A. would be maintained. This week's development has not so far attracted foreign buying in Calcutta also, but prices are steady. This has been a welcome feature, as prices must be stabilised for a time, in order to enable buyers to enter the market with confidence.

The movement to ships of gunnies that were bought for shipment was affected by the strike of the crews of launches towing gunnies for loading on to ships at the docks here. The striking crews were subsequently joined by port labourers and other employees. On Tuesday last, ready B. twills were as low as Rs. 94 with 40" 10 oz. hessian quoting at Rs. 38. On the next day, the fixation of minimum prices by I.J.M.A. not only arrested the decline but B. twills regained by three points to Rs. 97, with 40" 10 oz. hessian improving to Rs. 38.90. Bear-covering soon followed, and the prices advanced further to Rs. 98.80 and Rs. 39.45, respectively on Thursday. On Friday, on account of due date manipulations in the *fatka*, prices eased to Rs. 98.55 and Rs. 39.30, respectively, but recovered to Rs. 98.90 (B. twills) and to Rs. 39.40 (hessian 40" 10 oz.) over the week-end. However, only little fresh business with foreign buyers took place. For buyers desired to wait if the higher levels would be maintained. For the present, the fixation of minimum prices has proved a success; whether the success will be maintained remains to be seen. Unless minimum prices are backed by purchasing and holding power, or buyers support the market, the ceilings fixed would be difficult to be kept. Yesterday, prices improved further with B. twills being quoted at Rs. 99.50 and 40" 10 oz. hessian at Rs. 39.50.

Minimum prices for jute goods was followed by a sharp recovery in raw jute prices. It was feared that if cultivators did not get fair prices, the next crop would be affected as they would naturally grow more paddy than jute. Thereby, the jute acreage might suffer. Northern bottoms recovered to Rs. 24.50 from Rs. 22.75 and daissee bottoms to Rs. 28 from Rs. 27. Stockists here possess considerable quantities of jute purchased at higher prices at the beginning of the season. In addition, there is a fair quantity of jute in the interior too. When prices fell, many weak sellers came forward with offers and mills took advantage. In Pakistan, the recession in prices has been causing great anxiety to the authorities there.

FAIR DEMAND FOR TEAS

(*From Our Own Correspondent*)

CALCUTTA, 4*th March*

Fair demand was in evidence in tea auctions. More attention was shown to higher quality teas, but plain teas were quiet. Note was taken of the strong demand in last week's Mincing Lane sales, where the good varieties rose above valuations. There is no change in the existing rate of export duty of 38 nP per lb. for this month. The price of tea for determining the duty has been fixed at Rs. 2.87 per lb. as against Rs. 2.99 per lb. for the last month.

Mixed conditions were in evidence during yesterday's export sales. Offerings aggregated 10,287 packages, which met with fair demand. A strong feature of the sales was bright liquoring teas, prices of which rose. Prices of Plain B.Ps and fannings lost by 4 to 6 nP, but the clean black leaf grades met with keen buying and as a result prices rose. Fannings fell by 2 to 4 nP and medium BPs by 4 to 6 nP. Among C.T.Cs. the best lots realised slightly higher prices, but the poorer varieties were sold below valuations. Legg-cut teas tumbled by 4 to 8 nP. Whole leaf grades were fully steady with the more stylish teas receiving more attention. Darjeelings met with fair demand but at lower rates. The quotations were: Best Assam C.T.C. fannings Rs. 2.80 to Rs. 3.00, clean black pekoe Rs. 2.20 to Rs. 2.25, best Assam C.T.C. B.P. Rs. 2.70 to Rs. 2.90, medium fannings Re. 1.72 to Re. 1.76, plain B.P. Re. 1.44 to Re. 1.48, plain fannings Re. 1.52 to Re. 1.56, and medium B.P. Re. 152 to Re. 1.56.

Export quota changed hands at 5 nP. Subsequently it declined to 4¼ nP with buyers offerings 4 nP.

In the internal auctions held last week, dusts offered amounted to 19,663 chests. Demand was strong, and following competition, prices of all teas, with a few exceptions, were fully firm. Prices of orthodox teas from all districts possessing a clean black-leaf appearance gained. Good C.T.C. Assams were also noted for firmness. However, the plainer liquoring teas eased. The quotations were: best Assam C.T.C. Rs. 2.80 to Rs 3.10, medium Assam C.T.C. Re 1.75 to Re. 1.95, medium Assam grainy dust Re. 1.62, and medium Doars Re. 1.60.

Leaf on offer amounted to 3,332 chests. Despite better demand, prices were often easier.

BANKING

(*Concluded from page* 411)

other expenses is no less than Rs. 4.18 lakhs, mainly accounted for by the increase of Rs. 3.39 lakhs in salaries, allowances, etc.

The Bank's progress during the last three years is well illustrated by the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Gross income	1,00 23	81.50	64 30	50.30
Interest and discount earned	75.53	62.34	49.09	36.94
Commission and exchange	18.83	13.23	9.85	8.16
Interest paid	39.10	27.33	20.15	13.74
Expenses	42.42	38.24	31.89	27.65
Depreciation	1 54	1.06	1.15	0.96
Profit	17.17	14.87	11.11	7.94
Provision for taxation	8.00	8.00	5.60	3.75
To reserves	5.50	3.50	2.90	2.10
Dividend	3.00	3.00	2.50	2.00
	(6%)	(6%)	(5%)	(4%)
Carry forward	2.80	2.13	1.76	1.65

	As at 31st December			
	1957	1956	1955	1954
Capital	50.00	50.00	50.00	50.00
Reserves	40.00	34.50	31.00	28.10
Deposits	23,32.12	19,49.73	16,12.35	12,55.99
Borrowings from other banks	..	50.00	..	..
Advances	10,52.61	9,15.38	5,59.17	4,31.80
Investments	9,11.15	8,52.35	8,20.61	5,68.73
Cash (including money at call and short notice)	4,85.86	3,39.98	3,44.97	3,44.00
Balance-sheet total	27,68.30	25,07.16	20,16.01	15,36.07
Ratio to deposits of—	%	%	%	%
Advances	45.1	47.0	34.7	34.4
Investments	39.1	41.2*	50.9	45.3
Cash	20 8	17.4	21.4	27.3

* Ratio arrived at after taking into account investments earmarked against borrowings from other banks.

The latest balance-sheet shows that, as against a paid-up capital of Rs. 50 lakhs, the Bank's reserves aggregate Rs. 40 lakhs, having moved up by more than 50 per cent. in the course of the last four years alone. The reserves, however, include a sum of Rs. 9 lakhs being the premium on shares collected in 1944 when the Bank issued 60,000 shares of Rs. 50 each at a premium of Rs. 15 per share. The pace of expansion in the Bank's deposits noted in the previous two years has been well maintained with an increase of Rs. 3.82 crores during the year under review, thus raising them by more than 100 per cent. in four years (from Rs. 10.37 crores at the end of 1953). Fixed deposits have gone up during the year under review from Rs. 5.05 crores to Rs. 6.59 crores, savings bank deposits from Rs. 4.80 crores to Rs. 5.19 crores and current and contingency accounts from Rs. 9.64 crores to Rs. 11.53 crores. Thanks to the expansion in deposits, the Bank has been able to repay the outstanding borrowings from other banks which had stood at Rs. 50 lakhs at the end of 1956.

On the assets side, advances have risen by only Rs. 1.37 crores, as against an increase of Rs. 3.56 crores in the previous year. The slowing down of the pace of increase in advances is mainly due to the general credit restraint on banks enforced during the year. Of the total advances, loans, cash credits and overdrafts amount to Rs. 8.13 crores, having gone up from Rs. 6.59 crores at the end of 1956, while bills purchased and discounted have declined a little from Rs. 2.56 crores to Rs. 2.39 crores. The investments (at cost) are higher by Rs. 59 lakhs at Rs. 9.11 crores. Of these, the market value of investments costing Rs. 8.79 crores is Rs. 8.59 crores and the others are taken at cost. Cash balances (including money at call and short notice) have been considerably strengthened by Rs. 1.46 crores, money at call and short notice alone accounting for a rise of Rs. 1.74 crores to Rs. 1.79 crores.

VANASPATI INDUSTRY

(*Concluded from page* 416)

also not of much practical value because of the difficulties of collection, transport and cleaning of such containers.

The allocation of tank wagons to vanaspati factories for their exclusive use continued to be the subject of representations by the Association during the year under review. For several years, the Association has been pressing the Railway Board to increase the number of tank wagons available for vegetable oil traffic and also the number of such wagons allotted to the vanaspati industry in order to ensure regular movement of oil from the producing centres to vanaspati factories. While the number of tank wagons for vegetable oils has improved significantly, the Railway Board has not agreed to increase the number of tank wagons available for the exclusive use of the vanaspati industry. On the contrary, the Board seemed to be of the opinion that the facilities provided to vanaspati factories should be discontinued because of the general improvement in availability of tank wagons. The Vegetable Oil Products Controller of India convened a meeting of the representatives of the Railway Board and the industry to discuss this matter. It was agreed at this meeting that the Association should submit data regarding delays in movement of oil in common pool tank wagons in support of its contention that the allotment of tank wagons to the vanaspati factories is necessary for expeditious movement of vegetable oils. The necessary data were recently submitted to the Deputy Director (Vanaspati) and it is hoped that the Railway Board will agree to continue and increase the allotment of tank wagons to the vanaspati industry for its exclusive use.

The Government's fiscal measures have also caused some hardship to the industry. The enhancement of the excise duty on vegetable oil, produced with the aid of power, from Rs. 70 per ton to Rs. 112 with effect from 15th May 1957, has put up the raw material cost of the vanaspati industry. The increase in duty, however, applies to production by an oil mill in excess of 125 tons and the duty continues to be Rs. 70 per ton on production in excess of 70 tons but less than 125 tons. Cottonseed oil has been totally exempted from this duty in order to encourage cottonseed crushing.

The levy of inter-State sales tax, with effect from 1st July 1957, at the rate of one per cent. on sales between registered dealers and sales to unregistered dealers at the rate prevailing in the exporting State, while it removed the uncertainty regarding the liability of tax on inter-State sales, has failed to reduce the evasion of sales tax. On the other hand, with the increased burden of sales tax, the tendency to evade has been increasing, causing great inconvenience to vanaspati manufacturers desiring to distribute their production through organised channels. According to the Association, it is becoming increasingly obvious that replacement of sales tax by a surcharge on Central excise duty on products like vanaspati is in the best interest of the States as well as the industry since it will ensure larger revenue through the elimination of evasion and do away with the harassment caused to the vanaspati trade and industry in complying with the numerous sales tax regulations. Representations have been made by the Association to the Central Government for the inclusion of vanaspati in the list of commodities on which sales tax has been replaced by a surcharge on Central excise duty. If this suggestion should prove unacceptable to the State Governments, the Association has recommended, as an alternative, the collection of sales tax by the State Governments from manufacturers and traders at a uniform rate of 3 per cent. at the first point of sales within their territories.

As regards the prospects for the industry, the Association's Annual Report points out that the shortage of food and restrictions on community feasts, rising cost of living and the adverse effect of foreign exchange shortage on the tempo of economic development—all these do not make the immediate outlook for the industry very reassuring. Nevertheless, there is every reason to believe, it points out, that, with the growing acceptance of vanaspati as a wholesome and nutritious fat, the industry will continue to register steady progress.

Notice

JARDINE HENDERSON LIMITED

NOTICE IS HEREBY GIVEN THAT AN Interim Dividend at the rate of 2¾ per cent. less Indian Income-tax thereon, will be paid to the Registered holders as on the 7th April, 1958, of the 50,000 Cumulative Preference Shares of Rs. 100 each in the Company in respect of the year ending 31st March, 1958.

The Share Transfer Books of the Preference Shares will be closed from 31st March to 7th April, 1958, both days inclusive.

By Order of the Board,

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956		3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	8
Burma	Feb., 1948		3
Ceylon	14th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	13th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	9th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	10th Oct., 1956	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	5
Peru	13th Nov., 1947	5	6
Philippines	9th April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	13th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945		7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	23rd Jan., 1958	3	3½
West Germany	17th Jan., 1958	4	3½

CLEARING HOUSE RETURNS

Centre	Week ended 28th February, 1958		Week ended 21st February, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,08,852	70,58,52,000	3,21,001	67,96,51,000
Calcutta	1,76,000	65,93,00,000	1,74,000	67,42,00,000
Madras	89,075	10,53,88,416	88,370	10,21,45,694
All Centres—				
1955-56*			3,100,000	6,630,200,000
1956-57*			3,334,000	7,269,900,000
Oct., 1957			3,295,000	5,89,38,00,000
Nov., „			3,755,000	8,18,13,00,000
Dec., „			3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 28th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	56,60,15,000
(2) Other Governments	15,66,93,000
(b) Banks	75,45,85,000
(c) Others	112 84,42,000
Bills Payable	16,54,00,000
Other Liabilities	36,75,61,000
Rupees	420,36,96,000

ASSETS	Rs.
Notes	25,06,23,000
Rupee Coin	9,82,000
Subsidiary Coin	2,70,000
Bills Purchased and Discounted—	
(a) Internal	
(b) External	
(c) Government Treasury Bills	3,48,41,000
Balances held abroad*	34,24,62,000
Loans and Advances to Governments†	38,25,58,000
Other Loans and Advances	66,59,82,000
Investments	239,74,90,000
Other Assets	13,34,88,000
Rupees	420,36,96,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 22,16,66,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	25,06,23,000	
Notes in circulation	1545,26,06,000	
Total Notes issued		1570,32,29,000
Total Liabilities		1570,32,29,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,08,000	
(b) Held outside India		
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		130,20,17,000
Government of India Rupee Securities		1076,82,28,000
Internal Bills of Exchange and other commercial paper		
Total Assets		1570,32,29,000

Scheduled Banks*

Statement of Affairs for the week ended 21st Feb., 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	14,00,97,000
(ii) Other demand liabilities	715,61,20,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,85,00,000
(ii) Other time liabilities	709,11,84,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	7,78,70,000
(ii) Time liabilities	80,00,000
Borrowings in India from the Reserve Bank of India†	27,99,89,000 (24,10,27,000)
Cash in India	37,49,23,000
Balances with the Reserve Bank in India	69,27,75,000
Balances with other banks in current account in India	11,73,31,000
Money at call and short notice in India	39,89,04,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	433,37,32,000
Advances in India	774,35,38,000
Inland Bills purchased and discounted in India	110,58,22,000
Foreign Bills purchased and discounted in India	42,14,01,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		4th March, 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. Spot	s.	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	s.	1-5⅛	1-5⅛
Buyers T.T. spot to nine months	s.	1-6⅛	1-6⅛
Buyers T.T. 10 to 12 months	s.	1-6⅛	1-6⅛
Bombay on New York—			
Sellers T.T. D.D.	Rs.	476.00	475.00
Buyers T.T.	Rs.	472.75	471.75
London on New York	$	2.81⅛-2.81⅛	2.81⅛-2.81⅛
London on Paris	Fcs.	1,178⅛	1,178⅛
London on Berne	Sw. Fcs.	12.27⅛-12.27⅛	12.27⅛-12.27⅛
New York on London	$	2.81⅛-2.81⅛	2.81⅛-2.81⅛

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'55-'56	385.09	..	10,420	272
Pakistan††	'55-'56	82.24	..	1,952	237
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.00	Y. 7,427,000	9,283	1,031
Philippines	1955	21.85	Ps. 7,804	1,875	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,422
Australia	1956	9.40	£ (A.) 4,288	4,023	4,918
U.K.	1955	51.20	£ 10,465	21,953	4,287
U.S.A.	1956	168.09	$ 348,500	163,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,859	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Netherlands	1956	10.80	Gn. 20,990	1,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Switzerland	1956	5.06	Fr. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 21st Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	72,38,34,000
(b) Provincial Governments	2,15,37,000
(c) Banks	13,84,85,000
(d) Others	4,81,03,000
Bills Payable	42,12,000
Other Liabilities	10,04,83,000
Rupees	109,66,54,000

ASSETS	Rs.
Notes	13,84,14,000
Rupee Coin	84,000
Subsidiary Coin	22,000
Bills Purchased and Discounted:—	
(a) Internal	
(b) External	
(c) Government Treasury Bills	11,09,000
Loans and Advances to Governments	26,00,000
Provincial Governments' Debtor Balances	10,84,28,000
Other Loans and Advances	22,59,75,000
Investments	51,67,58,000
Other Assets	10,33,14,000
Rupees	109,66,54,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	13,84,14,000	
Notes in circulation	344,68,07,000	
Total Notes issued	....	358,52,21,000
Total Liabilities	....	358,52,21,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,36,60,000	
Silver Bullion	....	
Approved Foreign Exchange	79,16,55,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	133,55,45,000
B. Rupee Coin	4,26,04,000	
Government of Pakistan Securities	214,89,66,000	
Internal bills of exchange and other commercial paper	....	219,06,70,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	358,52,21,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 38.81 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	21st Feb., 1958	A week ago	A month ago	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1546.01	1557.65	1533.63	1506.25
Notes held in Banking Department	35.05	24.11	11.86	18.04	21.08
Foreign Securities	59.50	245.54	245.54	245.54	412.52
Rupee Securities	87.39	1076.82	1076.82	1056.82	875.09
Banking Department					
Deposits of:					
Government of India	14.89	51.01	51.82	62.43	53.98
Other Governments	..	16.73	24.88	23.85	11.24
Balances held abroad	10.08	31.75	33.61	39.89	106.35
SCHEDULED BANKS					
Demand Liabilities	134.86	729.62 (14.01)†	717.25 (12.78)†	736.01 (18.03)†	603.68 (7.17)†
Time Liabilities	102.24	724.97 (15.85)†	721.37 (15.25)†	696.47 (17.33)†	467.12 (1.09)†
Borrowings from Reserve Bank	..	27.10 (24.10)‡	31.51 (26.12)‡	23.42 (21.37)‡	84.65 (58.85)‡
Borrowings from State Bank	..	8.59	9.82	8.88	10.79
Cash in India	6.70	37.49	38.93	37.41	36.80
Balances with Reserve Bank	25.17	69.28	66.66	73.97	51.98
Excess over statutory limits	15.52	18.30	16.88	23.24	7.96
Balances with other banks in current account in India	..	11.73	11.82	11.63	9.88
Money at call and short notice in India	6.70	37.49	38.93	37.41	36.80
Investments (at book value)	25.17	69.28	66.66	73.97	51.98
Advances and bills	105.09	438.37	432.81	433.99	351.42
STATE BANK		927.08	923.22	901.86	856.76
Deposits	87.76	407.51	400.67	391.58	271.55
Investments	51.99	188.57	188.47	184.15	106.66
Advances	80.35	291.57	199.71	187.16	170.67
Cash	14.69	33.85	26.76	30.28	22.74

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	October,		Seven months, April to Oct.,	
	1956	1957	1956	1957
Import Duties:				
Revenue	10.57	11.25	70.94	66.00
Protective	1.13	0.75	7.13	6.61
On surplus disposals	..	—	0.03	0.08
Total import duties	11.70	12.04	78.15	92.69
Export Duties	2.80	2.23	15.26	12.94
Land Customs	0.27	0.41	1.40	1.83
*Air customs.**	..	0.11	..	1.52
Miscellaneous	0.12	0.13	0.63	0.82
Gross total customs	14.89	14.92	95.44	109.80
Refunds and drawbacks	0.15	0.32	1.35	2.35
Net Customs	14.74	14.60	94.09	107.45
Gross excise	16.15	21.26	102.08	144.82
Refunds	0.20	0.21	1.15	1.99
Net Excise	15.95	21.05	100.93	142.83
Net total of customs and excise†	30.69	35.65	195.02	250.28

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 21st Feb., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,00,000 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		407,51,18,000
Bills Payable		1,10,50,000
Bills for Collection being Bills Receivable as per contra		5,01,05,000
Acceptances, Endorsements and Other Obligations per contra		1,22,64,000
Other Liabilities (including Inter-Office Adjustments)		18,73,000
Total	Rs.	1,43,33,000
		428,72,43,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		30,90,23,000
Balances with other Banks		2,95,16,000
Money at Call and Short Notice		1,53,33,000
INVESTMENTS:	Rs.	
Government and other Trustee Securities	175,34,11,000	
Other Authorised Investments	10,23,07,000	188,57,18,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	180,72,24,000	
Bill Discounted and Purchased	20,84,90,000	201,57,14,000
Bills Receivable being Bills for Collection as per contra		1,22,64,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		18,73,000
Premises less Depreciation		1,10,68,000
Furniture and Fixtures less Depreciation		75,39,000
Other Assets (including Inter-Office Adjustments)		4,82,95,000
Total	Rs.	428,72,43,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A		7-Year B		12-Year B		12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% G		15-Year Annuity Certificates G		Total	
	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings		Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	145,25	168,37
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,84	..	..	..	..	146,89	211,03
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	55	54	177,35	302,29
1955-56	5,76	5,48	144,37	..	..	158,11	167,85	15,98	—37,68	41,25	..	..	45	95	203,33	380,04
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	..	43	1,32	225,88	440,17
1956																
November	3,23	5,67	157,64	..	..	12,70	186,88	22,75	—38,15	43,39	..	..	3	1,19	16,19	426,75
December	3,17	5,76	158,93	..	..	14,77	187,95	23,35	—38,23	43,58	..	..	3	1,22	18,45	423,96
1957																
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	456,50
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	38	2,39	4	1,46	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	12,51	202,83	24,61	—39,33	44,07	42	2,81	2	1,47	19,12	465,94
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	469,63
December	..	..	..	..	..	..	..	..	..	..	46	3,76	2	1,50	..	..

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 22nd Feb., 1958	15th Feb., 1958	25th Jan., 1958	23rd Feb., 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.2	89.2	89.2	89.8
1. Government of India	88.9	88.9	88.9	89.6
2. State Governments	96.5	96.5	96.5	96.6
3. Municipal Port Trust, etc.	90.0	90.1	90.1	90.6
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.3	99.0
1. Electricity	98.5	98.5	99.0	98.7
2. Jute	94.4	94.4	94.4	97.2
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.2	98.2	97.3	100.9
7. Shipping	98.6	98.6	98.6	101.8
8. Others	94.1	94.1	94.1	100.3
PREFERENCE SHARES	71.3	71.2	71.2	79.8
1. Electricity	84.9	84.6	83.9	88.3
2. Cotton	67.3	67.6	67.6	79.8
3. Jute	61.1	61.3	62.2	74.1
4. Coal	72.8	72.7	72.6	82.2
5. Iron and Steel	78.0	77.6	77.1	82.2
6. Sugar	70.8	71.0	71.0	80.2
7. Paper	74.2	74.2	74.2	79.7
8. Plantations	87.1	87.4	87.6	87.5
9. Miscellaneous	66.6	66.4	66.5	74.7
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.7	96.4	97.0	112.1
(a) Financial	99.1	99.6	97.2	93.7
1. Banks	99.3	99.6	100.4	95.9
2. Insurance	87.2	86.7	85.0	84.5
3. Investment Trust	64.5	64.7	73.3	80.7
(b) Public Utilities	104.3	104.0	103.6	109.4
1. Electricity	101.6	101.3	100.3	109.8
2. Shipping and other Transport	121.2	121.0	121.6	117.2
3. Railways	65.9	65.8	65.8	78.0
(c) Manufacturing Industries	97.5	98.7	99.7	118.2
1. Cotton, Woollen and Silk	93.9	94.9	96.8	124.2
2. Jute	48.3	48.8	48.2	61.9
3. Iron and Steel	119.9	120.9	122.1	124.7
4. Paper	187.2	186.8	204.4	251.0
5. Cement	192.7	140.3	138.4	155.9
6. General Engineering	144.2	144.3	141.1	167.3
7. Sugar and Breweries	97.0	97.1	94.9	99.4
8. Chemicals	126.3	127.5	130.5	136.4
(d) Non-Manufacturing Industries	108.9	108.7	108.8	138.1
1. Coal	66.2	65.9	64.8	74.5
2. Mining and Oil	147.3	148.8	146.7	189.1
3. Plantations	116.8	117.7	119.4	155.0
(e) Miscellaneous	69.7	69.9	69.8	80.2
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88.6	88.6	88.6	89.3
2. Calcutta	89.0	89.0	89.1	89.8
3. Madras	89.4	89.4	89.3	90.1
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.3	96.3	96.1	99.4
2. Calcutta	97.4	97.4	97.8	98.4
3. Madras	97.4	97.4	97.4	99.7
PREFERENCE SHARES:				
1. Bombay	79.4	79.1	78.6	84.2
2. Calcutta	63.6	63.6	64.0	73.4
3. Madras	83.8	83.7	83.5	94.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	109.6	111.0	112.2	121.5
2. Calcutta	82.9	83.2	83.3	99.0
3. Madras	109.7	109.8	110.7	125.2
4. Delhi	113.2	114.0	115.1	118.6

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,806.8	7,185.6
1956-57	769	9,877.8	8,103.1
September 1956	757	812.7	666.4
October „	753	824.1	670.1
November „	756	810.5	668.1
December „	757	881.5	715.0
January 1957	765	868.7	711.7
February „	767	811.0	677.7
March „	769	874.6	716.5
April „	770	901.4	734.5
May „	793	932.2	756.7
June „	799	898.4	726.1
July „	809	928.3	748.9
August „	811	923.0	731.0
September „	814	924.7	729.3
October „	822	917.5	731.3

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Oct., 1956	Sept., 1957	Oct., 1957
General Index	122.1	133.0	131.9	144.8	133.8
Coal	111.4	114.9	109.3	120.3	121.9
Sugar*	143.0	175.1	231.7	329.1	333.1
Tea*	106.2	106.0	105.5	113.1	111.4
Cotton textiles	111.9	117.5	122.0	118.3	107.4
Jute textiles	118.9	127.3	111.8	121.6	113.8
Paper and paperboards	140.2	146.6	143.4	143.7	168.2
Matches	106.6	106.6	94.7	97.1	85.7
Cement	149.4	154.5	188.1	163.3	188.0
Iron and steel	113.3	119.4	117.4	129.4	115.1
Non-ferrous metals	128.7	124.7	130.1	148.2	166.1
Rayon	280.2	355.8	346.7	525.7	479.4

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,372,630
1955	1,166	527,787	5,967,845
1956 R	1,203	715,190	9,092,040
October 1956	128	—	322,985
November „	127	—	512,589
December „	147	—	422,406
January 1957	154	—	295,419
February „	124	—	382,209
March „	114	40,811	283,791
April „	166	66,258	406,470
May „	154	64,577	440,640
June „	147	96,672	713,892
July „	178	83,727	723,854
August „	168	85,255	805,241
September „	220	139,576	806,889
October „	219	101,359(a)	517,837(a)
November „	156	50,391†	275,516†

(a) Not known in 8 cases. (†) Not known in 13 cases
‡ In progress during the month.

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	15th Feb., 1958	8th Feb., 1958	16th Feb., 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease (—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1956	1955
Food Articles	684	100.6	100.0 R	104.2	102.5 R	103.6	— 1.1	108.8	99.0
Cereals	192	94	95	101	97	97	—	102	92
Pulses	43	74	74	86	80	86	— 7.0	85	78
Fruits and Vegetables	23	93	94	110	94	108	—13.0	117	108
Milk and Ghee	84	100	101	96	99	96	+ 3.1	104	99
Edible Oils	47	117	110	129	119	131	— 9.2	138	117
Fish, Eggs and Meat	17	98	96	94	99	95	+ 4.2	97	97
Sugar and *Gur*	48	110	108*	95	110	97	+13.4	105	97
Others	50	128	128 R	134	138	141	— 5.7	132	125
Liquor and Tobacco	21	86.7	86.7	86.3	86.6	86.0	+ 0.5	91.8	82.3
Tobacco	—	95	95	84	95	87	+ 9.2	90	81
Fuel, Power, Light and Lubricants	30	114.5	114.5	106.7	114.0 R	105.8	+ 8.3	111.5	101.8
Industrial Raw Materials	166	113.1	113.5	118.5	113.6	120.3	— 5.9	118.1	113.2
Fibres	61	113	113 R	120	115	124	— 7.3	120	114
Oilseeds	60	112	109	117	114	124	— 8.1	122	115
Minerals	2	109	107*	109	107*	—	—	109	99
Others	32	110*	110*	107	110*	109	+ 0.9	107	110
Manufactures	290	107.5	107.1 R	107.3	107.1 R	108.4	— 0.6	107.8	104.9
Intermediate Products	41	105.8	105.5	110.0	106.7	113.0	— 5.6	108.6	110.6
Finished Products	249	107.8	107.4	108.9	107.8 R	107.7	+ 0.1	107.8	104.1
Textiles	147	106	106	108	106	110	— 3.6	108	106
Cotton	—	117	115	116	116	117	— 0.9	116	114
Jute	—	88	89	98	90	102	—11.8	98	95
Woollen	—	103	103	100	103	99	+ 4.0	102	97
Silk and Rayon	—	90*	90*	87*	90*	87*	—	85	89
Metal Products	12	142	142	131	142	131	+ 8.4	137	126
Chemicals	20	99	99 R	96	99	94	+ 5.3	98	92
Oil cakes	10	111	111	116	118	115	+ 2.6	115	103
Machinery and Transport Equipment	31	102	103	100	102	98	+ 2.0	101	93
Others	30	111	112	103	112	103	+ 8.7	108

REVENUE AND EXPENDITURE OF CENTRAL GOVERNMENT

(*Concluded from page 432*)

Rs. 3.7 crores and that for Industries and Supplies by Rs. 1.62 crores.

"Larger provision is also being made for Community Development and National Extension Service and for welfare of Scheduled Tribes and development of Backward Areas and for Employment Exchanges, the increase next year over the current year's revised estimates being Rs. 3.86 crores.

"The estimates also include a provision of Rs. 6 crores for grants to States to help them to raise the emoluments of their low-paid employees, the corresponding provision for 1957-58 being Rs. 5 crores. The newly constituted Naga Hills and Tuensang District will cost about Rs. 3.64 crores next year. Gross interest charges will increase by Rs. 17.60 crores, of which Rs. 15.04 crores will be recovered from the commercial departments and the State Governments."

The new taxes, referred to on page 433, will bring a total sum of Rs. 6.57 crores. Of this, Rs. 50 lakhs represent the share of States. The reduction on excise duty on vegetable products will involve a loss of Rs. 24 lakhs. The net additional revenue is, therefore, Rs. 5.83 crores. This will leave a final uncovered deficit of Rs. 27.02 crores.

Capital Budget

The Central Government had hoped to spend Rs. 455 crores on its own account by way of capital expenditure in 1957-58. It now thinks that this expenditure will be no more than Rs. 427 crores, a drop of Rs. 28 crores. This is the result of investments in steel projects falling short of expectations by Rs. 29 crores. The expenditure on railway development was better by Rs. 14 crores, but the amount required for food purchases was Rs. 11 crores less than expected.

The Centre's capital budget for 1957-58 included loans to State Governments of the order of Rs. 238 crores and to Port Trusts, Statutory Corporations, foreign Governments (Nepal, Burma, Sikkim), etc. Rs. 86 crores. They are now expected to be Rs. 288 crores and Rs. 71 crores, respectively. These changes are explained as follows:

"The increase in the loans to State Governments is largely due to ways and means advances and payments on account of their share of the net collections from small savings. In recent years, the State Governments have been receiving a portion of these collections in their States as loans from the Centre. This share was raised during the current year from about one-fourth of the net collections to two-thirds. Some arrears were also due to the States in respect of the previous year which have been paid to them. Savings of Rs. 15 crores are, however, expected in the provision for other loans, despite the fact that the Government of Burma are drawing an additional sum of Rs. 5 crores against the loan assistance of Rs. 20 crores promised to them some time back and an increase of Rs. 5 crores is also expected in the loans to the Industrial Finance Corporation. The provision of Rs. 15 crores made in the budget for loans to the Refinance Corporation is not likely to be required this year."

Capital expenditure on Centre's account in the coming year (1958-59) is estimated at Rs. 412 crores. The drop of Rs. 15 crores over the revised estimate for 1957-58 is due to a reduction of Rs. 38 crores in the net outlay on food purchases and the special receipt of Rs. 16 crores from the United Kingdom as advance payments on account of sterling pensions which is taken in reduction of expenditure, partly offset by increases under other heads. An increased provision of Rs. 31 crores has been made for the steel plants and Rs. 10 crores for industrial development. As regards loans to States and others, a total provision of Rs. 362 crores has been made, that is, Rs. 284 crores for States and Rs. 78 crores for Port Trusts, Public Corporations, etc.

The capital budget for 1958-59, according to the Finance Minister's speech, includes a total provision of Rs. 743 crores for the implementation of the Plan—Rs. 122 crores in the revenue budget and Rs. 621 crores in the capital budget. Out of this provision, Rs. 53 crores will be provided from the revenue budget and Rs. 178 crores from the capital budget for assistance to the States. In addition to this, the Railways will be spending Rs. 93 crores from their own resources on the Plan and the States Rs. 181 crores. The total Plan outlay in 1958-59, including interest on loans on river valley projects treated as capital outlay and short-term loans, will amount to Rs. 1,017 crores.

Overall Deficit

The overall deficit for the current year (1957-58) had been placed at Rs. 284 crores, but the revised estimate places the figure at Rs. 380 crores, the whole of which has been covered by the expansion of Treasury Bills, in other words, by inflation. For the coming year, an overall deficit of about Rs. 200 crores (after taking into account the new taxes) is estimated. But this has been arrived at on the assumption that Rs. 145 crores can be borrowed from the open market by way of long-term loans, Rs. 100 crores by way of small savings, Rs. 285 crores from foreign loans and Rs. 25 crores from miscellaneous sources. To the extent receipts from all these sources fail to materialise and assuming that the capital outlay will be incurred as planned, the overall deficit will widen as it has done in the current year.

NEW TAXATION PROPOSALS

(*Concluded from page 433*)

expiry of ten years from the end of the year in which the new asset was put to use.

By a consequential amendment to section 35 of the Act, it is proposed to secure that an infringement of any of the above-mentioned conditions will lead to the disallowance of the development rebate earlier granted by revision of the assessment of the year in which such allowance was originally given.

It is further proposed that no depreciation allowances shall be granted on buildings, plant, machinery, etc., in respect of the year in which such assets are sold, discarded, demolished or destroyed, because, in those circumstances, the necessary relief is secured by the provisions of section 10(2) (vii) of the Income-tax Act.

Miscellaneous

IX. *Amendment of the definition of a "resident company."*: At present, a company is resident in India in any year—(*a*) if the control and management of its affairs is situated wholly in India in that year; or (*b*) if its Indian income in that year exceeds its foreign income. It is now proposed to delete the condition (*b*) above, so that companies incorporated abroad will be resident in India only if the control and management is wholly in India. This is also the recommendation of the Taxation Enquiry Commission. At the same time, it is proposed to treat all companies incorporated in India as resident companies, even if in some cases the control and management is shifted outside India.

X. *Computation of income from property—deduction of municipal taxes—clarification of*: At present, one-half the total amount of municipal taxes levied on house properties is deductible in the computation of the taxable income from the property. The intention of the Government always was that all taxes levied by local authorities in relation to house properties, under whatever description, should be regarded as the property tax for this purpose. Recently, however, one High Court has held that certain kinds of taxes like water taxes, conservancy taxes, etc., which are "service taxes" cannot be included in municipal property tax and have therefore to be wholly deducted in the computation of income. It is now proposed to amend the law clarifying the original intention.

XI. *Amendment of Section 18(2) of the Income-tax Act*: The purpose of this amendment is to clarify beyond doubt that the rates of tax to be applied for purposes of deduction of tax at source on salary incomes shall be the rates in force for the financial year in which the employer is required to deduct the tax.

XII. *Inapplicability of Section 23A in cases which will not result in any benefit to revenue*: It is visualised that, in certain circumstances, the declaration of a dividend or a larger dividend than that declared will only result in a loss to revenue, e.g., a case in which most of the shares are held by charitable institutions which are exempt from tax. It would, therefore, be pointless, in such cases, to insist on Section 23A companies declaring larger dividends, under pain of imposition of a penal super-tax. It is, therefore, proposed that in such circumstances, the Income-tax Officer may refrain from applying the provisions of Section 23A.

XIII. *Clarification of liability to assessment in the case of a firm, or association of persons discontinued or dissolved*: Proceedings for assessment and levy of penalty have sometimes to be started against a partnership firm or association of persons after its discontinuance or dissolution. The existing provision in the law enabling these processes, as interpreted by some High Courts recently, are ineffective. It is, therefore, proposed to amend the law suitably.

XIV. *Power to Central Board of Revenue to make rules for determining the value of perquisites*: It is proposed to empower the Central Board of Revenue to make the rules for determining the value of perquisites chargeable to tax in the case of salaried employees.

Wealth Tax

In regard to Wealth Tax, the only change proposed is to exempt a foreign citizen from payment of the tax on his foreign wealth, even though he may be resident or ordinarily resident in India. This was the intention of the Select Committee when the provisions of the Bill were discussed by them, but the intention has not been secured by the language of the provision as it now stands.

A company as at present defined in the Wealth Tax Act will exclude a company formed and registered in the State of Jammu and Kashmir from the scope of this Act, as the Companies Act, 1956, does not extend to that State. It is, therefore, proposed to make it clear that companies formed and registered in that State also fall within the scope of the Wealth Tax Act.

It is proposed that the exemption from Wealth Tax be extended to the newly issued Post Office National Plan Certificates, which have the same characteristics as the Treasury Savings Deposit Certificates, etc., already exempted.

Estate Duty (Amendment) Bill

The main amendments proposed in the Estate Duty Act are:

(1) *Gifts inter vivos*: (*a*) At present, gifts *inter vivos* made during a period of two years before death are liable to estate duty. It is now proposed to increase this period from two years to five years; and (*b*) at present, relief is admissible to the extent of Rs. 5,000 in value in cases of gifts in consideration of marriage or of gifts which are part of the normal expenditure. It is proposed to increase the limit to Rs. 10,000 in either case.

(2) *Coparcenary property*: Under the Act as it stands now, if a member of a Hindu family governed by the Mitakshara, Marumakkattayam or Aliyasantana law dies, his share in the coparcenary property is subjected to estate duty only at the rates applicable to that share. Under the proposed amendment also only this share will be subjected to duty but at the rate applicable to the value arrived at by adding to the share of the deceased the shares of the lineal descendants of the deceased in the joint family property.

(3) *Rate of duty*: At present, the first slab of Rs. 50,000 of property consisting of a coparcenary interest in joint Hindu families governed by the Mitakshara, Marumakkattayam or Aliyasantana law, and the first Rs. 1,00,000 of other chargeable property is exempt from duty. On the balance of the estate, duty has to be paid at progressive rates under the 'slab system' which range from five per cent. to 40 per cent. It is now proposed to fix the exemption limit at Rs. 50,000 whether the estate consists of coparcenary property, or property of any other kind. The rate of duty for the first slab of Rs. 50,000 will be 6 per cent. The only other alteration in rates is the rounding off of the rates of 7½ per cent. and 12½ per cent. to 8 per cent. and 12 per cent. respectively.

(4) *Deduction on account of court fees, probate duty, etc.*: Under the existing provisions of the Act, the entire court fee paid is allowed as a deduction from the estate duty payable. It is proposed to restrict this deduction to one-half of such fee.

(5) *Relief for gift-tax*: As it is proposed to introduce a tax on gifts with effect from the 1st April 1958, provision has been made to ensure that the property on which gift-tax has been paid is not again subjected to estate duty.

(6) *Assessment and Appellate Procedure*: The procedure for 'provisional' and regular assessments is clearly specified. Provision has also been made for first appeal to be filed before the Appellate Controller of Estate Duty and for a second appeal to the Appellate Tribunal. The assessment and appellate procedure are broadly the same as those in force for income-tax, wealth-tax and expenditure-tax.

(7) *Transitional Provisions*: To facilitate the change-over to the new appellate procedure and to avoid any hardship in individual cases, it is provided that the procedures for appeal, reference to High Court, etc., under the existing Act in respect of assessments completed prior to the commencement of the Act shall not be affected by the proposed amendments.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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FUNDAMENTAL DIFFERENCES

THE basic conflict between the Government's and, what we venture to describe, the people's approach to economic problems is rapidly coming to the surface. Judging from Mr. Nehru's speech at the annual meeting of the Federation of Indian Chambers of Commerce and Industry and his reply to the budget debate in the Rajya Sabha, it seems clear that the Government is still obsessed with the view that it alone can deliver the economic goods. The essence of the Government's economic philosophy is that the private sector can do little by itself, unless it is aided substantially by the State, and that the State, on the other hand, both by its choice and by the compulsion of events, has necessarily to play a dominant role in economic development. The essence of the other approach—to give it a non-controversial epithet, the non-Governmental approach—is that things are best left to the people. "Fundamental effort," Mr. Babubhai Chinai, the outgoing President of the Federation, declared in the course of his address, "should come from people themselves." This, we have no hesitation in affirming, is the only sound, practical and correct approach to economic problems. It is also the most pertinent approach for a country which has chosen democracy as its way of life.

In his occasional, though fortunately rare, moods of weariness, apparently induced by the heavy burden of the high office he is carrying on his shoulders, Mr. Nehru has himself complained of the Indian tendency of looking to the Government for assistance and initiative. Evidently, it has not occurred to him that the pathetic dependence of the people on the Government does not stem from any inherent weakness in Indian character but is the logical result of the whole trend of Governmental policy which has sung the praises of the earthly paradise under a Socialist Welfare State, the immense good which could accrue to the people through the assumption by the State of increasingly larger powers to direct all activities. If this deification of the State has led, as was feared by us in the past, to the spiritual impoverishment of the people, nobody is more to blame than the Government itself. If the Government spokesmen just stopped saying to people, "we know we can serve you and nobody else can," they would be doing a very real service to the people.

The basic question is how best people's energies could be canalised into the whole complicated economic system, with a view to raising living standards. Here again, the Governmental approach is at variance with the non-Governmental approach. The State, according to the Government, should take upon itself larger and larger responsibilities for economic development. Only, the Government does not stop to think whether this State capitalism will not lead to the drying up of the springs of popular initiative. Obsessed by a sense of its own self-importance and being anxious to do all things under the sun, including such ill-assorted functions as diamond mining, distribution of cement and selling life insurance, the Government has been casting its fiscal net far and wide in order to gather the resources it needs for performing its self-imposed tasks. Enterprises in the non-Governmental sector, which too have been exhorted to make their contribution to the overall economic progress, now find that they have reached the very limit of their internal resources and borrowing capacity. And yet, the Government continues to monopolise and scrape to the bottom of the resources barrel common to both the sectors. Great deal of damage, as Mr. Chinai said, has been done by the view that there is no limit to the possibility of raising internal funds. Unconscious of the damage it is inflicting on the national economy, the Government has resorted to raising tax burdens and imposing a whole series of fiscal innovations, such as expenditure tax, wealth tax, gift tax, dividend tax, bonus tax and compulsory deposit scheme.

The net effect of the fiscal burdens was neatly summed up by Mr. Chinai when he declared that the country has reached a stage where "taxation is falling heavily on initiative and responsibility which are badly needed today." This has been painfully apparent for some time now. And the Federation has itself tried to educate public and Governmental opinion on the inhibiting character of the fiscal burdens. It recently organised a conference in which it tried to focus attention on the importance of tax relief and the savings to which it would lead. Earlier, its industrial delegation, after a tour of the West, where it said to an incredulous audience that, nearer home, all was nearly as well as it could be with free enterprise, reported that "action should be taken to promote savings both in the personal and corporate sectors." To its dismay, it now finds that all its appeal has been wasted on an unwilling Government which, besides not making any attempt at scaling down the burden, has added to it in the shape of a gift tax and a tightening of the conditions pertaining to development rebate. And the Prime Minister was loath to recognise the importance of tax relief beyond indicating that he would be prepared to consider slight modifications in the tax structure. In the Rajya Sabha, he was even more forthright. He said:

> "I do not think that the situation in India at the present moment is such that it does not offer enough incentive for people to save. I recognise we are heavily taxed. But that type of criticism about saving and capital formation through less taxation and the view that, in a Welfare State, we should not be unduly harsh on the private sector is wholly different from our approach, different from the Congress approach and the Government's approach."

After this statement, if anyone still pins his faith to tax relief, he is welcome to live in his paradise.

What Mr. Nehru has plainly ignored in his attempt at the rebuttal of the case for tax relief is that corporate savings are also a vital part of national savings. Whatever might be the political prejudice against millionaires and personal savings, is there any valid argument against corporate savings and their re-investment? Surely, it does not stand to reason that the large masses of shareholders in the corporate enterprises, most of whom are middle class people who have risked their meagre savings out of hard-earned income, should be denied the reward they so richly deserve. And what incentive and scope for increased income and ploughing back of reserves are there in a situation in which even modest dividends are heavily taxed, capital and bonus shares are subject to levy and deposits demanded of corporate reserves? Again, whatever might be the justification for the harsh treatment accorded to the idle rich, their income and their wealth, there can hardly be any for subjecting corporate enterprises to the same treatment. If the ostensible reason for denying tax relief is that the Government wants all the savings it can muster from the public for carrying out its own programmes, then there is no reason why it should not practise the economy which it preaches with such missionary zeal to the people. The dense growth of overlapping ministries and bureaucratic shrubs could be thinned with great advantage to the national economy and the saving so effected passed on to people in the shape of relief in taxation.

LIFE INSURANCE—I

TWO aspects of nationalised life insurance figured prominently in public discussions this week. A reference was made to them by Mr. B. M. Chinai, the retiring President of the Federation of Indian Chambers of Commerce and Industry, New Delhi, in his speech at the annual meeting of the Federation. It was also indirectly referred to in the Rajya Sabha when it generally considered the Budget for 1958-59. Naturally, Mr. Nehru replied to them at some length and clarified the Government's intentions and policies. One of the two aspects pertained to the very subject of nationalisation itself and the other to the investment policy of the Life Insurance Corporation.

Was the Government right in nationalising life insurance? Has nationalisation of this service become a failure? Must it be denationalised? The issues, of course, were not posed in such a clear cut fashion, but Mr. Nehru gave definite and forthright answers. He said that the Government was right in nationalising life insurance, that nationalisation had not proved a failure—"one swallow does not make a summer" was the reply to the argument based on the "disreputable" L.I.C.-Mundhra deal—and that there was no going back on nationalisation of life insurance. No other answers could have been expected from Mr. Nehru. He is very much unlike Gandhiji in these respects, for Gandhiji never hesitated to acknowledge Himalayan blunders, to learn from mistakes and to rectify them. Right from the beginning, this journal has held the view that nationalisation of life insurance was a hasty Himalayan blunder, that it was an unwarranted doctrinaire step to cover the failure of the Government to correct and eliminate the bad and the black sheep in the private sector operating life insurance, and that it might ultimately prove a menace to the freedom of man. The L.I.C.-Mundhra episode has unfortunately proved some of our misgivings. It has shown beyond doubt that corruption and disregard of public interest are failings common to both the sectors and that public ownership, far from being a cure, only tends to aggravate this blemish. The volume of life funds misused in one year after nationalisation, for instance, has been much more than what used to be the case when life cover was being provided by the private sector.

In making a reference to this subject, it is not our intention to run down either the public sector, in general, or the L.I.C., in particular. Our object is to place the lessons of nationalisation in their proper perspective and to correct some of the wrong impressions that may arise from Mr. Nehru's public statements. We do not see how nationalisation of life insurance has either added to the real wealth of the country or improved the lot of the poor man. The occupation of this strategic height by the State, as Mr. Nehru prefers to describe it, has only made the people to depend more on the Government, has put more power in the hands of political despots both in and out of Office, has brought about more of bureaucratism than socialism and has reduced the democratic content of this liberal State. Where there were about 150 employers, life insurers, investors and advertisers a little over two years ago, there is only one monolithic monopolistic corporation today. Those who want jobs, those newspapers which need advertisements, those people who want to cover their life, and those who want to sell their shares or buy them, all of them have now to go to one institution only instead of to 150 institutions. Before nationalisation, the fifty or sixty thousand employed in life insurance business had the right to criticise the Government through either the platforms or the Press. And, indeed, many of them did. But how many of them can do so now? Theoretically they may enjoy this right, but, in actual practice, they cannot exercise it boldly, except at the risk of losing their job. Is this state of affairs conducive to socialism and democracy? In our opinion, it is not.

Parliamentarians, Ministers and bureaucrats have stated time and again that, though there were all sorts of frauds in life insurance business when it was in the private sector, they were not effectively exposed or brought to the attention of the public in the same way as has been done in the case of the L.I.C. This is a misleading argument and we are sorry to find that even Mr. Nehru repeated it in the Lok Sabha on Tuesday this week. He said:

> "This particular instance (L.I.C.-Mundhra affair), I find, is now being used to run down the public sector and public enterprise and to praise private enterprise. I do not want to run down private enterprise, because I feel private enterprise is an essential part of the country's structure and it will be completely wrong for us to have it as a part of the structure and yet not help it. But this business of running down public corporations and the public sector, because of some mistake or error made in the Life Insurance Corporation, seems to me rather odd. As a matter of fact, the L.I.C. itself has done better in the last year than ever since life insurance came to India. It is making rapid progress and doing rather well. We have heard previously of quite big insurance companies going to pieces. In fact, there were all kinds of frauds in them. Still there are cases going on in courts. One of the reasons for the formation of the L.I.C. was that several life insurance companies were in a very, very bad way. But I do not remember such organised expression of opinion at that time that private enterprise was bad."

Let us first take the last point in the aforesaid quotation. It is not right to say that bad management in the private sector goes unnoticed and uncriticised by the Press. The law against libel and defamation is so strong that it is not easy to write about the bad deeds of business, whether they be in the private or the public sector, on slender evidence. But whenever sufficient evidence was forthcoming, public condemnation had not been any less severe. There are also other reasons why the misdeeds in the private sector receive less publicity than those in the public sector. In the first place, in reporting court proceedings of cases against companies or in commenting on them, one has to be extremely careful, lest one should run the risk of contempt of court. Secondly, the court proceedings are so long-drawn-out and cover technical points of law that their news value is less. And, thirdly, it is but natural that scandals in the public sector evoke greater attention than those in companies in the private sector, for the simple reason that, whereas the whole public is interested in the former as it is vitally affected by the incident, only a section of the public is interested in the latter.

The existence of a large number of laws governing the operations of the private sector is itself proof, in a way, of the fact that the misdeeds and mismanagement in that sector have had public exposure. The laws against joint-stock companies, banks and insurance companies are the result of discovery and exposure of the weaknesses and deficiencies of the private sector, and the agitation that was carried on against them in public. If only these laws had been effectively implemented by the authorities, with an eye on the need for healthy competition which automatically brings to light the corrupt and inefficient elements and finally eliminates them, the private sector today would be in a healthier and cleaner state of affairs than it actually is. If, for instance, the control on insurance companies had been strictly enforced and if no attempt had been made to suppress healthy competition under false notions of helping the smaller insurers, there would have been no need to nationalise life insurance. If the Company Law had been properly administered, without fear or favour, if the tax collectors had been efficient and honest, and if there had been co-operation among, and co-ordination of activities of, the various ministries concerned with the country's economic affairs, there would have been fewer opportunities for dubious adventurers like Mr. Mundhra to flourish. It is, therefore, no exaggeration to say that a large measure of blame for the existence of some bad characters in the private sector has to be attached to the Government (the public sector) itself.

While neither sector in the business world should be "run down", there should surely be healthy competition between the two in establishing standards of efficiency and morality. How is such competition to be ensured, except by exposing the bad points of both from time to time? Sound criticisms are always essential for keeping any organisation or individual on right lines and in good form. It will be a bad day for this country when the public and private sectors decide through mutual understanding not to criticise each other and expose their faults to the people. Mr. Nehru and his colleagues will be doing a real service to the nation, in general, and the business community, in particular, if they bring to light, from time to time, the specific mistakes and wrongdoings of the private sector.

While nationalisation of life insurance was neither right in principle nor necessary for practical reasons, it is too early to say that it has been a failure or to claim that it has been a success. The L.I.C. has been in existence for only a short period which is not sufficient to judge its performance impartially. Mr. Nehru is perfectly right in demanding that the L.I.C. should not be condemned merely on the ground of its bad investments in the Mundhra concerns. But he is not right in resenting the fierce light of publicity directed on the deal and on its implications. He is also not right in giving too much credit to the L.I.C. for what he considers to be its good record. It is true that the new business completed by the L.I.C., amounting to Rs. 250 crores, is a record, exceeding that of Rs. 236 crores and Rs. 238 crores done in 1954 and 1955, respectively, when life insurance was in the private sector. Commendable as this record is, what certainty is there that the private sector also would not have produced the same volume of business had it been allowed? May be, it might have fared even better. An important factor that determines the volume of life business is the rate of growth of national economy. As the economy expands, the new life business also will grow, assuming that effective promotional campaigns will be kept up. A better criterion for judging the efficiency of nationalised life insurance will be its performance in other directions, such as prevention of lapses, lower expense ratio, smaller claims, larger profits and bigger bonus to with-profit policyholders (which imply shrewd and successful investments), spreading of insurance habit amongst a wider section of population, and satisfaction among policyholders about the efficiency of the insurer's service. All these tests can be applied only after the Corporation has been in existence for at least a decade.

It has been suggested by some that the monolithic character of the monopolistic L.I.C. should be removed by breaking it up into four or five or six regional corporations, each competing with one another. There does not appear to be any tangible advantage in adopting this structure, if all the corporations are to be the monopoly of the public sector. It will lead to a lot of complications and aggravate the fissiparous tendencies that are already prevalent, instead of leading to healthy competition. Further, it would appear odd, if not politically unfeasible, for a State monopoly to have different sets of premium rates, bonuses, etc., and varying investment policies. The problem of management and control also will become difficult. The scope for political jobbery and for conferring special favours on those business men who are prepared to connive with influential public officials will widen. Indeed, there could easily be more Mundhra scandals than is likely under a monolithic structure.

It would appear that the Prime Minister is not opposed to this suggestion. He told the Federation of Indian Chambers of Commerce and Industry that he did not rule out the possibility of the Government considering whether the present monolithic structure of the Corporation should be continued or some other structure should be evolved. Apparently, Mr. Nehru, who is a true democrat at heart, does not like a monolithic organisation, though he is not averse to complete State monopoly. But he will be well advised to exercise caution for the reasons just mentioned. This suggestion, it may be noted, is not a new one. It was advocated immediately after nationalisation became a *fait accompli* and was rejected as unsound by the then Finance Minister, Mr. C. D. Deshmukh. The Government of India should, therefore, carefully consider the pros and cons of decentralisation of the monopoly of life insurance, before coming to a final decision. Nothing would be lost by referring the subject to an expert committee under the chairmanship of Mr. Deshmukh, who must have bestowed considerable thought on it when he piloted the legislation on nationalisation of this activity.

The best alternative to the present monopoly in life insurance is denationalisation. But Mr. Nehru has flatly turned it down. He has firmly stated that there is no going back on the step that has already been taken. A second best would be partial denationalisation, that is, to allow both Government-owned and private-owned (that is, joint-stock companies) corporations to operate side by side. This was what Mr. B. M. Chinai suggested in his speech, but it is too much to expect that the Government will agree even to this suggestion. Since Mr. Nehru has said that there can be no going back, it clearly means that he is against partial denationalisation also.

There now remains the other important issue pertaining to the investment policy of the L.I.C. For considerations of space, however, the examination of this question has to be deferred to our next issue.

WILL PRIVATE SECTOR FARE BETTER UNDER NEW FINANCE MINISTER?

DEVELOPMENT REBATE—U.S. BANK RATE—STERLING

THURSDAY, 5 P.M.

THE hesitant tone that has now come to prevail in the share markets confirms the earlier inference that the post-budget spurt in equities was chiefly due to technical factors. The improvement in values did not represent any satisfaction among investors with the budget for 1958-59, as some commentators have made it out to be. If it did so, the upward trend should have continued. What really happened was this. Some operators had gone long in the expectation that the budget would contain some reliefs. They hid their disappointment by buying a little more of the speculative scrips which in turn induced a certain amount of bear covering. This was apparently a manœuvre to prevent the bears from gaining an upper hand. In this attempt, they were helped by the absence of floating stocks, because the large majority of investors never pick up sufficient courage to cut their losses, unless they are forced by a pressing need for liquid funds. They always hope for the best and even a small rise strengthens it. Another factor that helped the bulls was the growing conviction that the Government was bound to come to the rescue of the cotton mill industry, as the depression in it is threatening to go too far. No relief has been announced till the time of writing, but the hope persists. And while it lasts, the bulls seem to be gradually booking their profit. It would not be surprising, therefore, if most of the equities were to retreat soon to the pre-budget levels.

MARKET GOSSIP

• • • •

The prospects of Mr. Morarji Desai becoming the Finance Minister seem to be very bright. All reports from New Delhi confirm this view. This possibility has raised hopes in the breasts of some that free enterprise will fare better under him than it did under Mr. T. T. Krishnamachari. Similar hopes were voiced when T.T.K. changed his rooms in the Central Secretariat at New Delhi on 1st September 1956, but they failed to materialise. Even a person brought up in the days and atmosphere of free enterprise, Mr. C. D. Deshmukh, changed his colour and convictions after he became the Finance Minister under the leadership of Mr. Nehru. Will Mr. Morarji Desai be different from his predecessors when he occupies the chair of finance?

During his brief regime as Commerce and Industry Minister, he did not go out of his way to do anything against or in favour of the private sector. It must also be said to his credit that he interfered with the private sector less than T.T.K. He left the futures market, for instance, severely alone, though he did warn some of them—and that rightly—against excessive speculation. In fact, the Forward Markets Commission has been told, so it would appear, not to bother about extending its domain. This is clear from the decisions he took recently in regard to futures trading in *gur* and bullion. Another good thing he has done is not to expand the tentacles of the State Trading Corporation too far. There are, of course, complaints even now from some quarters about the S.T.C., but the worst fears that one entertained shortly after it was ushered in have not materialised. The S.T.C. now looks less ferocious and considerably tamed. It would not be so today, if T.T.K., who brought it into existence, had been given a free hand and Mr. Morarji Desai not taken up the Commerce and Industry portfolio.

T.T.K. heralded his entry into the Finance Ministry, after laying the foundations for the forces which have practically exhausted India's foreign exchange reserves, by announcing a stiff increase in the excise duty on cloth. Mr. Morarji Desai may mark his entry by giving some fractional relief to the cotton mill industry. But this difference amounts to nothing. The industry has already suffered heavily and Mr. Desai mercilessly allowed it to suffer. He was unmoved by all the arguments and protestations of the millowners, who are all his friends. Either he did not believe them, or, if he did, he was reluctant to take the corrective step. Now the facts are there for all to see. The profits of many cotton mills have yielded place to losses or only to a nominal surplus. Production of cloth has been falling since the beginning of this year. Exports are shrinking. Quite a few units have closed down. A number of others are working short-time. Thousands of workers have lost their jobs. Those who are still working will get smaller sums, or none at all, by way of bonus for 1957. So pitiable is the position of the cotton mill industry today that even the Communists have started pleading for a relief in the tax burden recklessly imposed on the industry last year. Seeing that the Communists are trying to take advantage of the distress of the cotton mill industry in order to spread their hold over the workers employed in that industry, some of the Congress Party members also have now started pressing the Government to do something for the industry. How amusing! It seems that, with the Congress Party, persuasion from friends does not work, but it is only when its political opponents begin to say the same thing, its members sit up and take notice.

It is generally said that Mr. Morarji Desai has an advantage which neither T.T.K. nor Mr. Deshmukh has, that is, the qualification of being a full-fledged Congress man. The argument is that it is not necessary for Mr. Desai to demonstrate his loyalty to the Congress and its ideals by going out of his way and hitting at the "money bags." The way in which he has been quietly allowing the cotton mill industry to suffer shows that this belief has little validity. Has he become the victim of the complex that, if he were to do anything in favour of an industry or trade, he might be accused of possessing pro-capitalist leanings? It looks as though the popular belief that he is a rightist in the Congress Party and a friend of industrialists is more a handicap than an advantage to the private sector.

It seems to us that it is futile to hope that things will change for the better for the private sector after Mr. Morarji Desai becomes the Finance Minister. There is now no room for doubt that the real policy-maker is Mr. Nehru. His speech in the Rajya Sabha on Tuesday clearly shows that he is absolutely unconvinced of the need for giving incentives to this sector. In reply to Rajkumari Amrit Kaur, who made a fervent plea for the abolition of the novel taxes introduced last year and this year, Mr. Nehru teased her by saying that she was ignorant of the socialist philosophy of the Government, of which she was a distinguished member till not long ago. He dubbed her attitude as that of "petty capitalist, who owns a factory or two and who thinks that, by having more factories, he can cure the poverty of the people of India." He then went on to say that one could put up hundreds and thousands of factories and still one would not cure the poverty, unless one went about it the socialist way aimed at reducing economic disparities. Under such a leader, what can Mr. Morarji Desai, who has a high sense of discipline and of devotion and loyalty to his leader, do even if he feels that something requires to be done? He will not dare to go against a policy, once adumbrated, even occasionally, as was done by T.T.K. when he was the Commerce and Industry Minister. But for T.T.K's daring, for instance, Tatas would not have had licence for doubling the capacity of their steel works or for manufacturing diesel trucks at the T.E.L.Co. factory.

In any case, Mr. Morarji Desai is an evangelist and he expects everyone to be like him. He has always held the view that business men should not aim at making profit but work with a service-motive. That he is not an expert in economic and financial matters he will himself admit. The country badly needs foreign exchange. And his advice is that business men should sell for export even at a loss! It is reported that, some time ago, when some friends told him that the cotton mills were losing on account of heavy taxation, he remarked that, as the mills had made large profits for several years now, there was nothing wrong if they had to work at a loss for a year or two. Replying to the general criticism of heavy taxation, he told the members of the Federation of Indian Chambers of Commerce and Industry at New Delhi yesterday to reorientate their minds and observed: "If the Government helps you to save compulsorily through taxes, you ought to be thankful to the Government rather than be critical of it." In other words, the Government knows what is good not only for the common man but also for the business community. What relief in taxation can one expect from a person who thinks thus? And how will it mean a change for the better to the investment markets if he becomes the Finance Minister?

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Since the aforesaid account was prepared and just before going to press comes the official announcement of changes in the Union Cabinet. Mr. Morarji Desai has become the Finance Minister, his place as Commerce and Industry Minister being taken by Mr. Lal Bahadur Shastri. Mr. S. K. Patil has been transferred from Irrigation and Power to Transport and Communications. The Finance Minister of Uttar Pradesh, Mr. Hafiz Mohammed Ibrahim, has taken the place of Mr. Patil. The Finance Minister of Andhra Pradesh, Mr. B. Gopal Reddi, has become the Minister for Economic Affairs, who will be assisted by Mrs. Tarkeshwari Sinha as a Deputy Minister. Three more Deputy Ministers have been appointed. They are: Mr. S. V. Ramaswamy, Railways; Mr. Ahmed Mohiuddin, Civil Aviation; and Mr. P. S. Naskar, Rehabilitation.

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It is now becoming increasingly clear that, from the investors' point of view, the effect of the proposed restrictions on the grant of development rebate to companies is to reduce the disposable profit. Under the scheme of development rebate, a company is entitled to claim exemption from income-tax to the tune of 25 per cent. of the expenditure on new plant and equipment; the relevant percentage has now been increased to 40 per cent. for shipping companies acquiring new ships. It must be remembered that the ultimate benefit of the development rebate to a company is really to the extent of the tax on the amount of the rebate. What is saved by a company is the amount of tax on the development rebate, and not the full amount of the development rebate, as such. Even so, this has been a welcome concession, in that it offers a modest incentive for expansion of plant. The changes now introduced by the Budget are: (1) a company will get the benefit of the development rebate only if, at the end of the relevant year, it debits to its profit and loss account the amount of development rebate and sets it aside as a development reserve; (2) it does not sell or transfer to any person, other than the Government, the asset which has received the concession of a development rebate before the expiry of ten years.

Clearly, the effect of the new regulation, under which the development rebate is to be debited to the profit and loss account, is to reduce the disposable profit. For companies which embark on large expansion programmes, the new restriction would mean a serious drain on their profits. Two valid objections have been raised against the new regulation. In the first place, it is asked why the Government should reduce the incentive value of a development rebate by hedging its grant with a restriction which reduces the immediate profitability of the new investment. Secondly, it is rightly pointed out that the concept of the new restriction does not take into account the obvious fact in the business world, namely, that a new plant or machinery may not start earning in the very year of its installation. In other words, this condition can be met only by dipping into the profit made by the existing plant, over which the shareholders have a legitimate right to a reasonable return on their investment. The result will be that existing companies will find it extremely difficult to raise additional capital for expansion and those that have already found the necessary capital will find it hard to maintain their dividend levels.

As regards the other restriction, namely, the prohibition (for a ten-year period) of sale of the relevant asset to any person, other than the Government, it is wondered why the Government should compel the company to hang on to its asset for so long a period. If technological improvement within the ten-year period—technology moves very fast, indeed, these days—makes the original equipment obsolete, why should a company be compelled to maintain its equipment for fear that it may lose the benefit of the rebate if it sells it away?

The proposed restrictions obviously tend to reduce the value of the development rebate. Nevertheless, if they must be maintained, the least the Government should do is to relax them by spreading the amount of debit to the profit and loss account over a period of five years from the year in which the rebate is allowable. Such a provision will permit an equitable distribution of the burden to the profit and loss account of the company. Yet another suggestion is that the period governing the prohibition of the sale of the relevant asset should be reduced from 10 to 5 years. It is to be hoped that the Government will amend the relevant provisions along these lines.

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Three of the twelve U.S. Federal Reserve Banks, namely, those of New York, Philadelphia and Chicago, have reduced their discount rates from 2½ per cent. to 2¼ per cent. with effect from the 7th inst. The other Federal Reserve Banks are expected to follow suit. This is the third cut in the U.S. Bank rate within a short span of five months. The first reduction was made in November last, when the discount rate was brought down from 3½ to 3 per cent., followed by another cut in the fourth week of January to 2¾ per cent. With the latest cut of ¼ per cent., the discount rate in the U.S. stands reduced by 1¼ per cent. from the level ruling until November last and has been brought back to the level which prevailed in the third quarter of 1955.

The latest cut in the U.S. discount rate has not come as a surprise, for, ever since the last reduction, it has been widely expected that another downward move in the rate would follow. It is also in line with the fall in the U.S. Treasury Bill rate for 91-day bills, which declined in the closing week of February to 1.202 per cent., the lowest level seen in the last three years, from 2.587 per cent. in the closing week of January. The gradual fall in interest rates in the U.S. had already brought about a cut in deposits of leading banks in America. Thus, on the 26th ult., the First National City Bank of New York reduced its interest rates on foreign time deposits by ¼ per cent. and several other major banks followed suit. The rate on six-month deposits was reduced from 3 to 2¾ per cent. and that on three-month deposits from 2¾ to 2 per cent. Foreign time deposits are the dollar holdings of foreign Governments in the U.S. and, consequent on the sharp fall in Treasury Bill rates, the foreign Governments were seen switching over their holdings to banks.

While the general fall in interest rates has brought about a reduction in deposit rates of banks, there is as yet no move on the part of the commercial banks to reduce their prime rates, that is, their lending rates. In fact, the consensus of opinion is that no reduction in prime rate is warranted at present, since there will be heavy borrowings this week by corporations for income-tax payments due on the 15th inst. No doubt, the demand for bank credit has slackened of late, but, even so, the ratio of advances to deposits of banks is already high enough not to warrant any reduction in lending rates of banks. It may be recalled that, nearly four weeks ago, the Federal Reserve Bank made a cut of ½ per cent. (from 20 to 19.5 per cent.) in the reserve requirements of member banks, thus releasing about $500 million from the then reserves of banks. This addition of $500 million to the banks' resources was to enable them to lend and invest more and was part of the Government's measures to counter the business recession in the U.S.

Meanwhile, the U.S. President has announced his plans to stimulate the economy, which has somewhat worsened, as indicated by the sharp rise in unemployment during February. The number of persons unemployed at the end of last month was 5.17 million, the highest level in the last sixteen years. The President's measures to check unemployment are mainly two. First, he proposes to extend the unemployment compensation programme beyond the statutory 26 weeks—20 weeks in some States—where necessary. Unemployment compensation is being counted upon to provide larger consuming power during a recession, but how far the extension of the benefit, though necessary on social grounds, is going to

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EQUITIES HESITANT AT HIGHER LEVELS

UNDERTONE STEADY

(From Our Own Correspondents)

BOMBAY, *13th March*

AFTER an initial jump, in continuation of the upward trend noted in the immediate post-budget days, equities displayed considerable hesitancy during the week under review. The sharp rise in prices since the Budget session naturally attracted a mild corrective reaction. The Prime Minister's defence of the Government's tax policy in his speech at the annual meeting of the F.I.C.C.I. and in his reply to the debate on the budget in the Rajya Sabha, in the course of which he said that the broad approach to taxation, namely, that of obtaining larger resources, required for the economic growth of the country, from those who can afford to pay more, was inevitable and that there was no choice but to carry on a heavy load of taxation and to spread it out as far as one can, gave room for doubts in the minds of operators whether the Federation's plea for a revision of tax structure would bear any fruit. The serious labour situation in the works of the Indian Iron and Steel Company, where the workers are reported to have taken a violent attitude and the rivalry among the unions has worsened the situation, also restrained operators from enlarging their commitments. Settlement considerations and fears of heavy carry forward charges in view of the large bull position built in post-budget period induced some liquidation. The undertone, however, remained steady.

In the steel section, Tata Ordinaries advanced early in the week from Rs. 174.50 to Rs. 176.75, but slowly gave way to Rs. 173.50 yesterday. After a recovery to Rs. 175 this morning, the shares closed at Rs. 174. The new shares closed at Rs. 170, as against Rs. 170.25 a week ago. Indian Irons jumped from Rs. 20.52 to Rs. 20.84, but soon receded to Rs. 20.52. There was again an improvement to Rs. 20.84 on Tuesday, but the news of the labour situation at the Company's works caused a setback to Rs. 20.32 yesterday. Today, however, there was a partial rally to Rs. 20.68 before closing at Rs. 20.44.

Textile shares presented a mixed pattern. Despite the none too encouraging reports from the cloth market, there was no marked fall in this section. The decision of the Directors of the Kohinoor Mills Ltd. and the Bombay Dyeing and Manufacturing Company Ltd. to maintain the dividends for the year 1957 at 18 per cent. and 10 per cent., respectively, gave hopes that the dividends of other leading cotton textile mills would also be unchanged, contrary to earlier fears that mills would be forced to cut their distribution. Bombay Dyeings moved up from Rs. 52 to Rs. 52.80 early in the week. After a setback to Rs. 51.80 the shares gained to Rs. 52.20, but the recovery was not sustained and the closing was lower at Rs. 51.60. Centurys came in for some speculative activity and rallied from Rs. 389.25 to Rs. 398.50, but the higher level attracted heavy profit-taking, bringing the shares down to Rs. 393.25 at the close. Kohinoors gained over the week Rs. 5 at Rs. 272, the highest level touched during the week being Rs. 274.25. Central Indias gained 50 nP over the week to Rs. 82. Finlays were marked up by Rs. 5 to Rs. 265, while Gokaks were unchanged at Rs. 150. Indu Ordinaries rose by 32 nP to Rs. 9.40. Indore Malwas were steady at Rs. 107.50, while Khataus were lower by Re. 1.50 at Rs. 141. Morarjee Mills shed Rs. 3 to Rs. 205, New Greats Re. 1.50 to Rs. 212.50 and Shree Niwas Cottons Rs. 5 to Rs. 135. Simplex were dull at Rs. 159.50, while reports of bonus issue attracted support to Standards, which as a result recorded a gain of Rs. 12 at Rs. 418. Svadeshis put on Rs. 3 to Rs. 171.50, while Tata Mills were unchanged at Rs. 39.

Bank shares were quiet, with a fractional fall in prices. Barodas lost 50 nP to Rs. 115. While Centrals (old) were unchanged at Rs. 52.50, their new shares declined by 30 nP to Rs. 54. Bank of India's were lower by 75 nP at Rs. 134.75 and their new shares by 50 nP at Rs. 135.50. Dena Banks were done at Rs. 45.50 *ex-div.* at which rate they showed a fall of 75 nP. Union Banks changed hands 36 nP lower at Rs. 8.72. Punjab Nationals and United Commercials provided exceptions, with a rise of 30 nP to Rs. 52.80 in the former and of 50 nP to Rs. 60 in the latter.

A sharp rise of Re. 1.75 to Rs. 42.50 in New Indias was the only feature in the insurance section. The other scrips were inactive and prices were unchanged.

Electricity shares were quiet. Ahmedabad Electrics were lower by 50 nP at Rs. 94.50 and Bombay Suburbans by 25 nP at Rs. 103.25. Surat Electrics were a shade better at Rs. 105.50, while Tata Hydros shed 50 nP to Rs. 113.25. Tata Powers were marked down by Rs. 2.50 to Rs. 1,117.50. Andhra Valleys provided an exception with a rise of Rs. 10 to Rs. 1,077.50.

In the miscellaneous section, sugar shares showed no uniform trend. After an initial rise from Rs. 239 to Rs. 241.50, Belapurs suffered a sharp fall to Rs. 235.50. Bhopals gained over the week 76 nP to Rs. 21.52. Phaltans shed Rs. 2 to Rs. 150.50, while Walchandnagars rose by Re. 1 to Rs. 273.50. Kesar Sugars changed hands Re. 1.70 lower at Rs. 51.30, while Ravalgaon Sugars were done Re. 1.50 higher at Rs. 131.50. Cement shares recorded a general decline. Associated Cements moved down from Rs. 145.75 to Rs. 143 and their new shares shed 50 nP to Rs. 138.50. Digvijays lost Rs. 2.25 to Rs. 136.50 and Orissa Cements 12 nP to Rs. 12.32. In the engineering and mining group, Alcock Ashdowns shed Re. 1.25 to Rs. 216.25. Tata Locomotives improved early in the week from Rs. 145.50 to Rs. 149.25, but subsequently gave way to Rs. 145.75 at the close. Premier Constructions showed no change at Rs. 159.50. Shivrajpurs lost a rupee to Rs. 94. Indian Coppers were quiet at Rs. 2.86.

Among shipping and automobile shares, Scindias were erratic, moving between Rs. 17.16 and Rs. 16.72, before closing at Rs. 16.76, as against the previous week's close of Rs. 17.08. Great Easterns lost 72 nP over the week at Rs. 19.80. Premier Automobiles declined by 70 nP to Rs. 78.50 and Hindustan Motors were a shade quiet at Rs. 6.16.

In the miscellaneous group, Bombay Burmahs (old) rallied from Rs. 502 to Rs. 513, before reacting to Rs. 505.50. The partly paid-ups lost Re. 1.25 to Rs. 190. National Rayons moved up from Rs. 221.25 to Rs. 225, but reacted to close at Rs. 222.50. Gwalior Rayons were done 60 nP lower at Rs. 10.96. Tata Chemicals were a shade better at Rs. 13.12. Hindustan Levers attracted attention and gained 80 nP to Rs. 21.56. Tata Oils were quiet at Rs. 37.50. Voltas were unchanged at Rs. 120 and their new shares at Rs. 116. Wimcos had business Re. 1.50 higher at Rs. 173.

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Madras Stock Exchange

MADRAS, *11th March*

Barring textile shares which were depressed, the Madras Stock Exchange continued to rule steady during the week under review also. Plantation shares were generally well favoured, thanks to absence of any fresh taxes on plantation companies in the Kerala budget and the decision of the State Government to abandon the proposal to levy wealth tax on agricultural property. Hopes were also entertained that the Mysore budget, too, would not contain any new tax burdens on plantations. Banking, electricity, sugar and miscellaneous shares were more or less maintained at last week's price levels. Textiles, as already stated, were depressed, reflecting disappointment of operators over the Centre's refusal to lower excise duty on cloth. There were also persistent reports of heavy accumulations of yarn and cloth stocks with many mills, as well as of drop in yarn prices.

Among tea shares in the planting section, Kalasas rallied Re. 1.95 to Rs. 14.95 on special support. Peermades improved by 50 nP to Rs. 20.25. Chembras rose by 17 nP to Rs. 3.15. Coonoors gathered 15 nP to Rs. 18.75, Blue Mountains 7 nP to Rs. 31 and Chandramalais 5 nP to Rs. 2.95. Kil-Kotagiris were a shade better at Rs. 5.15. Devasholas, however, receded by 25 nP to Rs. 19.50. Coffee shares elicited good support. Coffee Lands advanced by a rupee to Rs. 30.50. Consolidated Coffees gained 30 nP to Rs. 22.70. Ouchterlonys put on 5 nP to Rs. 4.85. Among rubber shares, Cochin Malabars attracted attention and climbed up by 30 nP to Rs. 4.80. T.R.&Ts spurted by 22 nP to Rs. 6.25. Malankaras increased by 25 nP to Rs. 15.50 and Thirumbadis by 16 nP to Rs. 1.56. Midlands strengthened by 12 nP to Rs. 14.62. Nelliampathys were higher by 8 nP at Rs. 2.68 and Highlands by 15 nP at Rs. 12.25.

In the textile section, Coimbatore Pioneers declined by Rs. 4 to Rs. 226. Bangalore Woollens, Dhanalakshmis, Radhakrishnas and Rajalakshmis lost Rs. 2 each to Rs. 170, Rs. 185, Rs. 128 and Rs. 71, respectively. Coimbatore Spinnings and Ranga Vilas shed a rupee each, the former to Rs. 59 and the latter to Rs. 64. Cambodias eased by 20 nP to Rs. 9.40. Loyals softened by 15 nP to Rs. 37.10. Mettur Industries, however, met with excellent buying support and forged ahead by Rs. 36.50 to Rs. 400 induced by the announcement of 50 per cent. special dividend.

Among miscellaneous industrials, Mysore Chemicals and Fertilisers strengthened by 40 nP to Rs. 6.25. India Cements rose by a like amount to Rs. 27. F.A.C.Ts improved by 33 nP to Rs. 5.38. Ranes were higher by 25 nP at Rs. 5.75. Dalmia Cements gathered 7 nP to Rs. 10.20. Spencers, on the other hand, encountered selling and shed 15 nP to Rs. 16.60.

MERCANTILE BANK LTD.

The Directors of the Mercantile Bank Ltd. have recommended a final dividend of 6¼ per cent., less income-tax, for the year 1957 on the increased capital of £2.94 million raised in November last by the reorganisation of capital structure and issue of scrip bonus in the ratio of one for one. The Bank had paid in August last an interim dividend of 12½ per cent., less tax, for the year on the old capital of £1.47 million. The total dividend for the year thus comes to 12½ per cent. on the increased capital, as against 14 per cent. paid on the old capital for 1956.

The Federation of Malaya became a member of the International Monetary Fund and the International Bank for Reconstruction and Development on the 7th inst. The quota of Malaya in the International Monetary Fund is $25 million and its subscription to the capital stock of the Bank is 250 shares with a total par value of $25 million. This brings the total membership of the Fund and Bank to 65. Admission of Malaya brought the total of members' quotas in the Fund to $9,031,000,000. The total subscribed capital of the Bank is now $9,358,400,000.

BANK OF INDORE RAISES DIVIDEND AGAIN

PROFIT SLIGHTLY HIGHER

A SMALL rise of about Rs. 65,000 to Rs. 6.70 lakhs in profit is disclosed by the audited accounts of the Bank of Indore Ltd. (Manager: Mr. N. D. Joshi, Indore City) for the year ended 31st December 1957. Though this increase is in consonance with the general trend of bank profits, it does not compare well with that of Rs. 98,000 noted by the bank in 1956. This has, however, enabled the Bank to maintain more or less the allocations to the reserves, provide a larger sum for payment of bonus to staff and raise the dividend level.

The transfer to the reserve fund has been maintained at Rs. 1 lakh, while the allocation to the contingency fund is a shade lower at Rs. 1 lakh, as compared with Rs. 1.04 lakh provided last year. The bonus to staff has been raised from Rs. 79,400 to Rs. 2.09 lakhs, while the provision for gratuity has been lowered from Rs. 70,000 to Rs. 15,000. The dividend has been stepped up from 16 per cent. to 17 per cent. This is the third year in succession for which the dividend has been raised, that is, from 12 per cent. to 14 per cent. for 1955, and again to 16 per cent. for 1956.

The steady progress made by the Bank during the past three years is fully reflected in the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	37.82	31.14	27.11	25.16
Commission and exchange	4.71	3.78	3.02	2.55
Interest paid	20.33	15.20	12.78	11.66
Expenses	15.66	13.81	12.32	11.13
Depreciation	0.30	0.28	0.32	0.32
Profit	6.70	6.05	5.07	5.02
To reserves	2.00	2.04	2.00	2.00
„ gratuity fund	0.15	0.70	0.25	0.15
„ bonus to staff	2.09	0.79	0.71	1.01
Dividend	2.60	2.45	2.14	1.84
	(17%)	(16⅓)	(14⅔)	(12%)
Carry forward	0.52	0.87	0.61	0.65

	As on 31st December			
	1957	1956	1955	1954
Capital	15.30	15.30	15.30	15.30
Reserves	29.00	28.00	27.00	26.00
Deposits	7,98.13	7,38.81	6,72.87	6,05.24
Borrowings from banks	20.00	..	..	..
Advances	587.94	4,81.91	3,75.54	3,65.81
Investments	2,21.00	2,50.05	2,65.29	2,04.78
Cash (including money at call)	65.52	66.56	75.48	70.56
Balance-sheet total	9,41.27	8,48.87	7,66.19	6,82.63
Ratio to deposits of—	%	%	%	%
Advances	73.7	65.2	55.8	60.3
Investments	28.2	33.8	39.4	33.8
Cash	8.2	7.6	11.2	13.1

The Bank's gross income is up by Rs. 7.65 lakhs, the contribution of interest and discount earned being Rs. 6.68 lakhs. Income from commission and exchange has risen by Rs. 93,000.

As will be seen from the above table, the Bank's published reserves have steadily grown to a high of Rs. 29 lakhs, as against a paid-up capital of Rs. 15.30 lakhs. In addition, the Bank has built up a sizable inner reserve; during the last 10 years alone the Bank has set aside from the profits an aggregate sum of over Rs. 9 lakhs to the contingency fund. The most notable feature disclosed by the latest balance-sheet is that, while deposits have grown by only Rs. 59 lakhs over the year, advances are higher by Rs. 1.06 crore. This is in contrast to the general trend of bank deposits and advances. This is probably an indication of the difficulties of banks in small cities like Indore in attracting deposits, unlike those in big cities where, thanks to organised money markets, banks are in a more advantageous position in getting large deposits.

The Bank's fixed deposits are higher by Rs. 46 lakhs at Rs. 5.01 crores and savings bank deposits by Rs. 15 lakhs at Rs. 94 lakhs, while current and contingency accounts are a shade lower at Rs. 2.02 crores. The relatively smaller increase in deposits have necessitated larger borrowings from other banks, as witness the outstanding borrowings amounting to Rs. 20 lakhs at the end of the year, as against *nil* a year ago. On the assets side, loans, cash credits and overdrafts have gone up from Rs. 4.40 crores to Rs. 5.50 crores, while bills purchased and discounted have declined from Rs. 42 lakhs to Rs. 38 lakhs. Consequent on the sharp rise in total advances without a corresponding expansion in resources the investments have been reduced by Rs. 29 lakhs. Cash balances are, however, higher Rs. 9 lakhs, even so, the total of liquidity ratio stands reduced from 41.4 per cent. to 33.4 per cent.

NEWS IN BRIEF

THE Central Government has decided to allow full drawback, instead of seven-eighths as hitherto, of customs duty paid on imported ammonium nitrate used in the manufacture of nitrous oxide for export.

India's import restriction policy is stated to have resulted in the closure of the Calcutta branch of the 60-year old watch firm, the West End Watch Company, throwing 200 persons out of employment. The head office in Bombay continues to function as usual.

The Lok Sabha passed on the 10th inst. a Bill which seeks to extend the life of the control of Shipping Act by another two years. This extension is being given pending the passage of the Indian Merchant Shipping Bill, a comprehensive measure consolidating all the existing shipping laws in the country which is now before a joint committee of Parliament.

The production of copper ore in India during the quarter ended December 1957 was higher at 104,205 tons, as against 98,352 tons in the preceding quarter. The entire production was reported from Singhbhum district of Bihar. The total production of copper ore during 1957 was 403,929 tons, as compared with 386,196 tons in 1956, and that of copper metal was 7,848 tons, as against 7,628 tons.

The management of Sholapur Spinning and Weaving Mills has declared a lock-out on the ground that the mills are running into heavy losses. Nearly 6,400 workers are employed by the mills. It is said that the management has not paid to their employees their December, January and February wages and the pay-off compensation amounting to nearly Rs. 13 lakhs, due to financial difficulties.

An order valued at about Rs. 78 lakhs for certain types of railway equipment has been placed by the Railway Board with a firm in Poland. The firm, it is stated, has agreed to receive 50 per cent. of the payment in Indian rupees. The balance will be paid in pounds sterling. The order is for the supply of nearly 17,000 rolled steel tyres for broad gauge wheels and over 9,000 forged steel axles of various measurements.

Employment exchanges secured 17,042 placements during January 1958, as compared with 15,625 in the previous month. The increase in placements was mainly reported from Punjab, Bombay, West Bengal and Andhra. Of those placed during January, 4,324 were under the Central Government, 8,430 under State Governments, 2,131 under quasi-Government establishments and local bodies and the remaining 2,157 under other employers.

The Government of India has set up a Central Advisory Council for the Export Risks Insurance Corporation to make available to the Corporation the benefit of advice of experienced persons connected with the export trade on matters of interest to the Corporation. The Advisory Council consists of ten members with Mr. R. M. Ghandhi, Chairman of the Board of Directors of the Corporation, as its Chairman. The Corporation, it will be recalled, was set up on 30th July 1957.

With the concurrence of the Planning Commission, the Government of India has decided to set up a plant for manufacturing raw film and other photographic materials. The details are under examination and will be negotiated with a team of foreign experts who are expected to arrive in India in the next few months. No final decision, however, has yet been taken about the selection of a site for the proposed plant. Preliminary data relating to a site near Ootacamund were recently received and these are under examination.

The first annual meeting of the Mica Export Promotion Council was held in Calcutta on Friday last under the chairmanship of Mr. A. P. Mathur, Joint Chief Controller of Imports and Exports, Calcutta. In his opening remarks, the Chairman said that, though complete figures for 1957 were not available, the total export of mica during the year would be slightly more than that of the previous year. He pointed out that exports of mica to U.S.A. and the U.K. were maintaining the same level as during the previous year, while those to West Germany and Japan showed an upward trend.

The Government of India proposes to reorganise the Planning Commission with a view to meeting the requirements of the second Plan. The main features of the proposed reorganisation of the Commission are the creation of new divisions to deal with perspective planning, scientific and technical manpower, statistical surveys, and international trade and development. The reorganisation aims at rationalising the work of the Commission. It is not proposed to modify in any manner the Commission's constitution, functions or responsibilities. It is also proposed to strengthen some of the existing divisions, particularly those connected with the collection of economic and statistical intelligence.

* * * *

From Abroad

China has offered a loan of Rs. 5 crores to Ceylon to help the latter tide over the difficulties caused by the recent floods. The loan, if accepted, is repayable in four equal instalments within ten years and will carry interest at 2½ per cent.

Burma is expected to raise its rice export price by £4 per ton this year, following a drop in production of 1.2 million tons. It will export only 1.5 million tons of rice this year, as compared with 2 million tons last year.

The Japanese Ministry of Trade is shortly expected to impose restrictions on the output of steel mills. According to it, output of steel plates will be restricted by 33 per cent., medium-sized sections by 40 per cent., wire rods by 15 per cent. and round steel bars by 30 per cent.

The Egyptian Ministry of Industry has proposed East German participation in its industrialisation plans, chiefly in the establishment of a motor vehicles plant to the extent of about £E12 million. The proposal is in reply to an East German offer to provide capital goods as a loan.

A B.O.A.C. turbo-prop "Britannia" airliner set a new trans-Atlantic flight record on the 10th inst. when it flew from London to New York in 9 hours and 32 minutes. The plane was making a test flight and, despite the fact that one of its engines failed half an hour before landing, it was able to break the record.

A new factory for making Massey-Harris-Ferguson tractors, forming part of a £2-million programme for the enhancement of facilities in France, has been opened by the Standard Motors at Beauvais in France. The factory, which is managed by Standard-Hotchkiss, is working in collaboration with another plant in Paris to manufacture more than 100 tractors a day. It stands on a 50-acre site with a capacity to grow to eight times its present size.

Pakistan's first dry-dock was declared open by President Iskander Mirza in Karachi harbour on the 5th inst. The dock is 600 feet long and 90 feet wide and deep enough to take ships of 26-foot draft at high tide and of 16 ft. draft at low tide cargo ships of 18,000 d.wt. and passenger ships of 20,000 tons can be accommodated. Work on the dock, which was constructed by the Pakistan Industrial Development Corporation, started in 1953. It has cost Rs. 4.29 crores.

A Netherlands firm, Messrs. van Doorne of Eindhoven, has started production of a wholly Dutch-designed small motor car. The firm which is known for its manufacture of highly specialised transport vehicles has exhibited its "D.A.F.-car" on the Amsterdam motor show. The new car attracted considerable public attention. Among its many features are an automatic gearshift and an air-cooled engine. The price for the standard model is less than 4,000 Holland guilders or less than Rs. 5,000. The annual production is planned to reach 50,000 cars by 1960.

Increasing competition in foreign markets and growth of national industries in traditional markets have induced the Netherlands Trading Society of Amsterdam to stimulate the formation of Dutch export "Combines." The Bank has sought clarification from several enterprises whether they would be prepared to join similar interests in associations with a view to promoting exports. It is learnt that the Bank's proposal is having a favourable response and that the ultimate formation of export combines will, as far as possible, be left to the enterprises themselves.

The trade school in Karachi, run under Swedish auspices, was formally inaugurated on 16th February last. The school aims at training small industry enterprisers in two-year courses. There are also specialised courses in carpentry and joinery and in cotton-clothes manufacture. The school is headed by Mr. Max Leden, and four of the teachers are Swedes. It has at present 36 pupils, but this number is soon expected to be doubled. The Swedish Committee for Technical Assistance has supplied machinery and furniture for the buildings and also pays the Swedish teachers. Costs for the school buildings are being defrayed by the Pakistani Governments, which also pays the local teachers.

PERSONAL

MR. B. P. Singh Roy has been unanimously elected President of the Federation of Indian Chambers of Commerce and Industry for 1958-59.

Mr. Chivu Stoica, Prime Minister of Rumania, arrived in India on Friday last on a State visit.

Dr. Leopold Figl, Austrian Minister for Foreign Affairs, left Bombay for Karachi on Monday.

Mr. D. F. Macmillan of Messrs. Andrew Yule & Co., Ltd., and Mr. J. D. K. Brown of Messrs. Jardine Henderson Ltd., have been elected President and Vice-President, respectively, of the Committee of the Bengal Chamber of Commerce and Industry for the year 1958-59.

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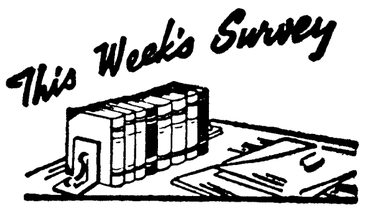

ASIAN ECONOMY

MOST countries of the Asian region are disclosing signs of what has been described as a "development crisis." Perhaps, it is not altogether correct to attribute all the ills to Asia's 'development' programme as such. For many of them stem from certain unrealistic policies adopted by the Governments. Be that as it may, it is clear that the two problems which face the countries are the rise in population which has synchronised with an inadequate rise in agricultural production and the shortage of capital in relation to the immense needs of this region which has embarked upon bold programmes of industrial development. The U.N.'s survey of Asian economy, which was presented to the annual conference of the Economic Commission for Asia and Far East (E.C.A.F.E.), which met last week at Kuala Lumpur, has spotlighted the essence of the Asian economic problem by calling attention to the steep rise in Asian population, the low level of capital formation and the importance of food production.

China and India, according to the U.N. survey, will by the year A.D. 2000 have a population as large as the present world total if present trends continue. Again, at the present rate of growth of population, the E.C.A.F.E. region alone will have by 1980 a population as large as the present world total. Since there was a "clear possibility" that the hopes of raising *per capita* incomes may be defeated if population growth continues unchecked, it rightly urges the need for plans to curb such growth. It, however, recognises that the region has great untapped assets, including hydro-electric potential and valuable mineral resources. Only, it feels that this advantage is likely to be nullified by the fact that the "ever-mounting number of the people themselves are creating in many countries an issue which is likely to prove still more decisive."

Reviewing the economic progress in the Asian region in 1957, the survey notes that the economic conditions were satisfactory in agriculture and industry but demand on the whole outran supply, bringing about inflationary pressures and adverse trade balances. It warns: "The present economic situation in the E.C.A.F.F. region is not one to make for complacency." The survey further notes that, although foreign aid continued to be available for the region on a large and sometimes rising scale, the flow of private capital from abroad was "less satisfactory." Referring to food, it says: "The outlook for the food situation is not bright for 1958 and bigger imports can be expected." Asian imports of rice in the current year, it is stated, are likely to be larger than those of 1957.

Against this background, it is hardly surprising that the delegates to the E.C.A.F.E. session tended to emphasise the importance of agricultural production. Thus, Mr. Manubhai Shah, the Indian delegate, pointed out that the one "cardinal" lesson the region must learn was that primary production could not be relegated to secondary place in favour of industrial expansion. A similar view was expressed by the U.N. official, Mr. Philippe de Seynes. It was worth emphasising again and again, Mr. de Seynes declared, that agriculture held the key to many of the problems, both internal and external, which beset underdeveloped countries attempting to accelerate the pace of economic progress. The importance of this observation will become clear when it is realised that inadequate agricultural production in an underdeveloped country exposes it to two dangers—the danger of increased dependence on imports and the consequent pressure on foreign exchange reserves, on the one hand, and the loss of foreign exchange which might have been earned through exports, on the other. The result is naturally a slower tempo of industrial development, because of the difficulties in importing capital goods which cannot be paid for.

Of considerable significance to the underdeveloped world is the course of American recession which must necessarily affect adversely the U.S.'s capacity to absorb imports from abroad. This certainly is not a matter of unconcern to the underdeveloped countries which naturally look to the U.S. for economic aid and supply of much essential equipment. In his analysis of the implications of recession in the U.S. and elsewhere, Mr. de Seynes pointed out that what was important for underdeveloped countries was that, in previous recessions the industrial countries were not all involved at one time. At the beginning of this year, on the other hand, there were important elements of similarity in the situation of most of the industrial countries of North America and Eastern Europe. As regards Western Europe, he said, it did not seem to promise an expansion in 1958 which would offset any significant drop in the demand from North America. After emphasising that the present situation constituted a "more serious challenge" to national and international economic statesmanship, he said: "It must regrettably be conceded that we have not yet found the right formula for international stabilisers to compare with the built-in and other stabilisers available within each of the developed countries."

From the point of view of underdeveloped countries, the situation created by the recession in the U.S. and absence of real and rapid improvement in other countries is difficult in all conscience. Nevertheless, it is not irretrievable. For one thing, the Asian countries could themselves pool their reserves, limited though they are, in order that they might jointly solve some of their common problems. In this connection, Mr. Dag Hammarskjoeld. U.N. Secretary-General, in the course of the address which he sent to the E.C.A.F.E. conference, did well to stress that the growing importance of intra-regional trade was perhaps a sign that the time might not be too far off when this type of integration might be extended to Asia and the Far East. Such integration could be of great benefit for the countries concerned. It must, however, be admitted that the scope for it is limited, in view of the fact that the economies of most Asian countries are not sufficiently complementary. Secondly, there is some further scope for generation of internal capital. Even now, in respect of many countries, notably India, the pursuit of sound policies could make all the difference to rapid capital formation. What is even more important is that such policies could also induce a greater inflow of foreign capital. This would also eliminate the need for cutting down consumption in an effort to build up capital. For, as Mr. Abdul Rahman, Malaya's Prime Minister, rightly observed, it will be "many years before Asian countries can generate enough capital to finance the expansion of their economies, without gravely penalising the consumption levels of the masses of their population."

The need for foreign capital is also matched by the scope for its profitable investment. Malaya's Finance Minister, Col. Shik Lee, said: "I would also suggest that it is a matter of enlightened self-interest that the more developed countries of the West should do all they can to help development in view of the enormous potential markets of the E.C.A.F.E. countries for manufactured goods." Foreign capital—especially capital from the free world which alone can and will offer its capital without political strings —would be willing to come only to countries which adopt appropriate economic policies. In this connection, these countries will do well to bear in mind the advice of Mr. Richard Casey, Australian External Affairs Minister, that they should continue to guide their economic development towards a goal in which the "individual is respected." If they base their economic policies on this sound advice, it may still be possible for the West to utilise its surplus capital for investment in the Asian countries.

The absence of uniform policy in Asian countries, or even within the same country, in respect of foreign capital is one of the factors which prevent a more rapid inflow of private foreign capital into these countries. From this point of view, it is noteworthy that the Malayan Prime Minister, Mr. Abdul Rahman, made a thought-provoking suggestion that the underdeveloped Asian countries should join together in drawing up an international charter "to regulate their treatment of foreign private capital." He said his suggested charter would be strictly voluntary, aimed at assuring potential lenders that their just rights and interests would be fully respected and protected. He further said that the charter, in order to attract private financial and technical assistance, should be routed through appropriate U.N. channels. This, he said, would indicate to foreign investors the part they are expected to play in promoting development in the receiving country and also remove any fears in the recipient countries that such investment might interfere with their sovereignty and national interests. There is no doubt that such a charter could go a long way in stimulating the flow of foreign private capital into Asian countries. Mr. Abdul Rahman's proposition, therefore, deserves to be pursued and given a practical shape.

LABOUR PROBLEMS

In the course of his brief, though comprehensive, speech, Mr. Homi Mody, President of the Employers' Federation of India, who was addressing its annual meeting, held this week at Calcutta, made some notable observations on a few of the most topical problems in the sphere of industrial relations. Mr. Mody welcomed the increasing recognition in labour circles of the fact that no benefit would accrue to the workers from a situation in which wages rose and production levels remained stagnant. Clearly, all rise in wages must be rooted in productivity increases which furnish the only reasonable ground for an upward revision of wages. To overlook this consideration is to invite a cost-inflation which must seriously jeopardise industrial growth and throw to the winds all chances of building up an industrial edifice which will stand the gusty storm of international competition. The wage boards, as well as labour leaders, as Mr. Mody himself suggested, will do well to appreciate the need for linking fair workloads with fair wages.

A topic which has attracted considerable discussion in recent months is the participation of workers in management. We have, in the past, appealed for caution in this experiment not because we are opposed to it but because we are genuinely interested in its success. Nothing is more detrimental to its success than haste. For, in the context of the political bias of trade unionism in this country and the admitted educational backwardness of our working class, there is a great deal to be said in favour of a cautious approach to the problem of workers' participation in management. Mr. Mody did well to warn against expecting "too much too soon" from this experiment. He rightly insisted that the whole experiment would require "not only right attitudes on the part of both employees and managements but also the right types of men to sit on the councils." Here is a sphere which offers a wide scope for constructive work by labour leaders. Workers, who have for long been exhorted to know only their side of industrial relations, should now be taught to learn to see the "other" side of every issue.

Yet another topic to which Mr. Mody made pointed reference was the implications of the Employees' State Insurance to employers. Although the scheme covers only about 50 per cent. of the labour ultimately to be covered by it, even the employers whose employees do not receive any benefit from the scheme have had to pay ¾ per cent. of the wage bill on the ground that the scheme would soon be extended to cover their establishment. This "anticipatory" levy, considered as wrong in equity and bad enough in all conscience, is now sought to be increased. The Government has notified its intention to raise the rate of contribution by employers from 1¼ per cent. to 3¼ per cent. of the wage bill in the areas where the scheme is in force and from ¾ per cent. to 1¾ per cent. where it is still to be extended. Whatever might be the justification for raising the rate of contribution by employers in areas to which the scheme applies, the continued retention of the levy, much less the attempt to raise it, can have neither legal nor economic validity. It is, as Mr. Mody pointed out, "grossly unfair" on the part of the authorities to ask the employers to make a larger contribution towards the cost of maintaining what, in reality, is an unrendered service.

CORE OF SECOND PLAN

At long last, the Government of India has come out with the definition of what constitutes the "core" of the second Five-year Plan. Replying to a series of questions in the Lok Sabha last week, Mr. B. R. Bhagat, Union Deputy Minister for Finance, presented a statement detailing the names of the projects included in the "core" for which foreign exchange had been wholly or at least partially arranged. The following are the projects:

Public sector: (1) *Steel*: Rourkela, Bhilai and Durgapur steel plants, as also Mysore Iron and Steel Works for ferro-silicon expansion only; (2) *coal*: The National Coal Development Corporation schemes covering Kathara, Korba (open cast), Korba (inclines), Gidi, Saunda, Korea and existing State collieries, as well as Singareni collieries; (3) coal washeries; (4) Neiveli lignite project (mining part only); (5) railway development programme, including the requirements of the Posts and Telegraphs Department in connection with the railway electrification programme; (6) ports development programme—only Bombay, Calcutta, Madras and Visakhapatnam; (7) *power projects*: (*a*) Korba thermal station (Madhya Pradesh); (*b*) Khapa Kheda Akola thermal station extensions (Bombay); (*c*) Hirakud project second stage (Orissa); (*d*) Lakkavalli (Bhadra) project (Mysore); (*e*) power transmission; distribution and extension schemes (sub-stations equipment, conductor, switch-gears, underground cables, steel for support, ground water meters, etc.); (*f*) Bhakra-Nangal hydro-electric project (Punjab and Rajasthan); (*g*) Chambal project first stage (Madhya Pradesh); (*h*) Rihand project (U.P.); (*i*) Tungabhadra hydro-electric scheme (Mysore); (*j*) Nariamangalam hydro-electric scheme (Kerala); (*k*) thermal stations in Saurashtra region (Bombay); and (*l*) Ganderbal and Mohra power stations (Jammu and Kashmir).

Private sector: (1) *Steel*: Tata Iron and Steel Works and Indian Iron and Steel Works; and (2) *coal*: All projects that have been licensed.

The total foreign exchange required for the "core" of the Plan is expected to be Rs. 967 crores, including a very small amount intended for the private sector. Two years of the Plan have already been gone through for which a payment of Rs. 375 crores is estimated to have been made and the rest of the amount—Rs. 592 crores—is intended for the remaining part of the Plan.

Disclosing the aforesaid information, Mr. Bhagat observed:

"It is impossible to supply a complete list of all projects in the public sector for which foreign exchange is being arranged, especially as many of them are still under negotiation. It may, however, be said that, apart from those projects which are already covered by foreign aid or for which foreign aid is being negotiated or proposed to be negotiated, foreign exchange is being allocated on the general principle that resources should be made available for the 'core' of the Plan and for completing projects that have already made considerable progress. These principles apply to all projects whether in the public or in the private sector, and foreign exchange is being made available to the utmost extent possible for all projects that satisfy the above criteria."

The aforesaid definition of the "core" of the second Plan, though it is an authoritative one, has nevertheless added more to the confusion already prevailing. It was only the other day that Mr. Jawaharlal Nehru, Prime Minister, declared at Jamshedpur that the "hard core" meant 90 to 95 per cent. of the Plan and it would be implemented, whatever might be the difficulties. Is this "core" the same as the one now defined in the latest official statement? It is to be hoped that the position will be made clear in the statement which the Prime Minister will make in Parliament on the latest foreign exchange position of the country next week. It is needless to say that definition of intentions, if it is vague and loose, will create uncertainties which result in a sense of frustration. Surely, there is, as Mr. A. D. Shroff aptly described some time ago, nothing so fatal to any plan for development as the state of mind in the country where the people are not definitely told "what next." Again, since agriculture is the hard core of the Plan, the non-inclusion of fertilisers in the "core" is a serious omission.

MADRAS BUDGET

The Madras budget for 1958-59, presented to the Legislative Assembly on 1st March by Mr. C. Subramaniam, Finance Minister, reflects a somewhat comfortable financial position for the Government in the coming year. The Finance Commission's award, which has added a net increase of Rs. 2 crores to the State's resources, has helped the budget to show a small overall surplus. In order to cover a revenue deficit of Rs. 1.05 crores, new taxation has been proposed which is expected to yield Rs. 1.20 crores. The deficit will thus be converted into a small surplus of about Rs. 15 lakhs.

The proposals for additional taxation are: (1) Enhancement of the tax on diesel oil from 10 nP per gallon to 35 nP per gallon. This is expected to yield Rs. 70 lakhs. (2) Raising of the rate of entertainment tax from 20 per cent. on the first slab to 25 per cent., from 25 per cent. on the second slab to 33⅓ per cent. and from 33⅓ per cent. on the third slab to 40 per cent. This is expected to give a revenue of Rs. 30 lakhs. (3) Levy of agricultural income-tax, in the place of the existing surcharge on land revenue, on all landholdings with an exemption limit of Rs. 3,000 and at rates and slabs now in force on plantation holdings. Although the actual revenue from this tax is difficult to estimate, it has been reckoned, for purposes of the budget, at Rs. 70 lakhs. These proposals together are expected to yield about Rs. 170 lakhs in a full year, but making allowance for the likely delay in getting through the necessary legislation, the yield has been estimated at Rs. 1.20 crores in the ensuing year.

The revenue deficit of Rs. 1.05 crores on the basis of the existing tax structure compares with the surplus of Rs. 4.83 lakhs in the revised estimate for the current year. The revised estimate shows a revenue of Rs. 60.41 crores and an expenditure of Rs. 60.36 crores, leaving a surplus of Rs. 5 lakhs. As against this, the budget estimate had placed the revenue at Rs. 57.98 crores and expenditure at Rs. 61.32 crores, leaving a deficit of Rs. 3.33 crores. This appreciable improvement in the revenue position during the current year has been mainly due to the Finance Commission's award which came into effect during the year. Under the award, the State got an additional Rs. 1.47 crores. There has also been a welcome upward trend in receipts from certain items of revenue such as tax on motor vehicles, land revenue, etc.

The budget estimates for the coming year (1958-59) anticipate a revenue of Rs. 62.70 crores and an expenditure of Rs. 63.75 crores, leaving a gap of Rs. 1.05 crores, which has been closed by additional taxation listed above.

Receipts under the capital budget for 1958-59 are expected to aggregate about Rs. 17.35 crores (as against the revised estimate of Rs. 22.11 crores for the current year) comprising Rs. 5.85 crores in open market loans (less repayments) and Rs. 10.75 crores in loans (less repayment) from the Government of India and certain autonomous bodies and Rs. 0.74 crore as contingency fund. As regards disbursements, capital expenditure (including State trading schemes) is fixed at Rs. 9.73 crores, as against Rs. 16.67 crores (revised) in the current year. It is made up of Rs. 2.39 crores on buildings, Rs. 1.69 crores on irrigation, Rs. 70 lakhs on minor irrigation, Rs. 1.43 crores on industrial development, Rs. 96 lakhs on roads; Rs. 35 lakhs on purchase of buses and the balance on miscellaneous items. Capital expenditure on electricity schemes has been placed at Rs. 11.94 crores but the outlay is now met by the Electricity Board and hence the details have been left out of the State Budget. Loans to local bodies, etc. (net disbursements) are estimated to aggregate Rs. 7.62 crores. Total disbursements thus aggregate Rs. 17.35 crores, as compared with Rs. 24.06 crores in the current year.

The budget for the current year had estimated the Plan outlay for the State at Rs. 31.79 crores. Appreciable shortfalls in implementation are expected on certain schemes due to the delay in their sanctioning, acquisition of land and scarcity of building materials. These shortfall are more than made up by a much larger outlay on irrigation and power. The revised estimate places the Plan outlay at Rs. 32.31 crores, an excess of Rs. 52 lakhs over the original provision. For the coming year, the Plan outlay has been fixed at Rs. 30.47 crores. Central assistance in loans and grants of a maximum of Rs. 18 crores has been assured and the balance of Rs. 12.47 crores should come out of the State resources.

The novel feature of the budget and in fact the most controversial, is the imposition of the agricultural income-tax in the place of the existing surcharge on land revenue. The *raison d'etre* for the tax, according to the Finance Minister, is that, in view of the decision to fix a ceiling on future acquisition of land, it is just and proper that those who hold land in excess of the ceiling at present should make a contribution to the common resources. The agricultural income-tax, with an exemption limit of Rs. 3,000 income, will be levied at rates and slabs now in force on plantation holdings. The non-agricultural income of the assessee will also be taken into consideration in reckoning his total income and the agricultural portion will be assessed at the higher rates applicable to top slabs. The agricultural income-tax, in addition to a fairly stiff land tax, will impose a heavy burden on landholders. And the burden will be heavier if the tax on agricultural income is levied, as is envisaged under the proposals, at higher rates applicable to top slabs arrived at after taking into account both agricultural and non-agricultural incomes. It is true that the Taxation Enquiry Committees envisaged the gradual integration of taxation of agricultural and non-agricultural incomes. It pointed out, however, that it can only be a long-term objective. The Commission had also expressed misgivings about the constitutional validity of any interim measure which took non-agricultural income of a land-owner into consideration for levying a surcharge on agricultural income-tax.

Be that as it may, it is true that the incidence of the agricultural income-tax will fall heavily on a class which has already been hit hard by a fall in incomes brought about by the Fair Rent Act and other measures of land legislation. Since the revenue effects of the tax, as the Finance Minister himself admitted, is not much, its only result would be to discourage development expenditure on land.

KERALA BUDGET

For the second year in succession the Communist Government of Kerala has budgeted for a surplus. In contrast to the rigorous tax measures introduced last year which were estimated to yield Rs. 2.33 crores, the new taxation proposals, expected to bring in only Rs. 66.78 lakhs, may be termed comparatively moderate. The revenue from these taxes is expected to convert the revenue deficit of Rs. 32.77 lakhs, into a surplus of Rs. 34.01 lakhs. The new taxes proposed are: an increase in the rate of tax on urban immovable property, a stamp duty on forward transactions in pepper and coconut oil, a single-point tax at purchase point on timber instead of the present multi-point sales tax, a surcharge of 10 per cent. on passenger fares in the State Transport Services, increase in electricity duty and its extension to bulk consumers other than licensees, an increase in sales tax on diesel oil from 8 nP to 20 nP.

The Finance Minister estimated the revenue receipts for the year 1958-59 at Rs. 33.62 crores and expenditure at Rs. 34.17 crores. After the budget estimates were finalised information was received from the Centre, as in the case of Madras, that assistance towards payment of special dearness allowance to Government employees would be raised. This entitles the Government to an additional grant of Rs. 22.06 lakhs. The revenue gap has thus been narrowed to Rs. 32.77 lakhs. The new taxation proposals, as noted, are estimated to bring in Rs. 67.78 lakhs. The revised estimates of revenue and expenditure for 1957-58 are put at Rs. 29.68 crores and Rs. 29.88 crores, respectively. The current year is thus expected to close with a small revenue deficit of Rs. 19.69 lakhs.

The Kerala Finance Minister pointed out that, for 1958-59, apart from the revenue deficit of Rs. 54.83 lakhs (before taxation and excluding the Central grant of Rs. 22.06 lakhs), funds had to be found for the capital expenditure of Rs. 7.88 crores. For these two items together resources to the extent of Rs. 8.43 crores have to be raised. Against this, there is an opening balance of Rs. 35.53 lakhs and a net accretion of Rs. 8.06 crores under debt heads. The surplus under the debt heads includes a sum of Rs. 3 crores proposed to be borrowed from the open market, a sum of Rs. 1 crore being the State's share of the proceeds of small savings and a sum of Rs. 2.20 crores to be realised by the sale of securities.

The Minister revealed that the expectation in regard to agricultural income-tax was not realised in the current year and super-tax on agricultural income was reduced owing to modification in the rates by the Assembly. A few weeks ago, the Government also decided to drop the wealth tax on land proposed in the last budget. This is a welcome decision, because wealth tax is an inequitous tax, especially when levied on agricultural land. The Kerala Government deserves to be complimented on rectifying a wrong action. The Communists have done what the Congress Party is unwilling to do.

Subsidies for food continues to be a heavy burden on the State. A sum of Rs. 50 lakhs has been provided in the budget for this purpose. The Government should encourage higher production of foodgrains and try to popularise other foodgrains such as wheat. It should also find out whether the proposed land reforms, fixing a very low ceiling of 15 acres, is really conducive to higher production. The Finance Minister admitted that his expectation, expressed in his last budget speech, that eight or ten industries would be started in the State during the current year had not fructified due to a number of reasons. The Government might do well to re-examine whether it has offered any new incentive to private *entrepreneurs* to establish industries within its borders.

LONDON LETTERS

OLD THINKING AND MODERN FACT

VERDICT OF THE THREE WISE MEN

From Our Own Correspondent

LONDON, *1st March*

WHEN the Government set up last year its special economic committee—the Council on Prices, Productivity and Incomes—the Opposition were critical that it would make policy pronouncements under a cloak of impartiality and the Trades Unions at one time threatened non-co-operation. Now the first report of the Council—the Cohen report, named after the Chairman, Lord Cohen—has appeared and justified the worst fears of the objectors. For the Three Wise Men—as the members of the Council are called—have not been content with setting out statements of the relevant economic facts necessary to form a judgment on policy, they have gone on to pronounce the policy. From the constitution of the Committee, it was inevitable that the analysis could only be on traditional lines and the Wise Men have earned the immediate dislike of the Trades Unions and of the Opposition. Hence any policy based on the report will be opposed from the outset, however much good it might contain.

The report stresses the need for the stability of sterling and for maintenance of internal purchasing power. This amounted precisely to what the Governor of the Bank of England declared was necessary in his speech to the Overseas Bankers' Club earlier in the week: the Governor said that that must be the policy come slump, come recovery. On wages, it boldly declares that, if increases have to be conceded this year they should be lower than those given in previous years on average. But this week, in the House of Commons in a debate on employment policy, evidence was given from all over these islands that unemployment is growing and slowly, slowly, public opinion is wakening to the fact that worse is coming round the corner and that the thinking which can only dwell on inflation is sadly behind the times.

In America, recession is sufficiently established to have induced the Federal Reserve System to lower its cash ratio requirements in an endeavour to make credit easier. In this country, the most dramatic evidence of the change in world climate are the lines of cargo vessels being laid up in the estuaries. For freight rates have been falling sharply for some months with European demand for coal and grain reduced (even Germany is showing signs of having passed the peak of prosperity with unemployment growing). A year ago, the total of British shipping laid up in the U.K. was 32,000 tons. Now it has passed 490,000 tons and a quarter of the increase dates from the New Year. A year ago, no foreign ships were laid up here at all—now the total is 290,000 tons and half of this increase is since the New Year.

And in the City these facts are noted and the Cohen report is read with them as background. Of course, the City likes the trend of the report as much as do the employers' organisations (the Federation of British Industries called the report "weighty, impartial and carefully considered") who are all for more deflation, but the City is good at doing addition of sums and it doesn't quite see how the report adds up in realistic terms. First of all, it knows that it is no use getting on the worst terms possible with the trades unions and, secondly, it knows that more recession is not going to do it any good. Thirdly, it is sadly aware that, at the moment, neither the Government nor they have the answer for restoring prosperity without inflation!

Besides, the Cohen report is firmly against what it calls premature *reflation* and faces with complete equanimity a check to production and a dampening down of demand. Such a dampening was expected, it has come, it must not be run away from. The Government may well find their new Council more of an embarrassment than an asset!

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ECONOMISTS LOOK AT PRICES

LONDON, *7th March*

In his last despatch (published above), your Correspondent pointed out the political reactions to the Report of the Cohen Council on prices, productivity and incomes. The comment was made that, because of the criticism of the Opposition and the Trade Unions to the broad findings of the Report, much that was good in the analysis would be lost. It is, therefore, worth looking at the Report of the Council objectively in rather more detail, separating out the analysis of the working of the economic system from the conclusions drawn.

It is true that the majority of statistics assembled in the Report are not new but to put them together in an overall survey of the economic picture of Britain from 1946 to the present day is a worthwhile task and, if the Council had been content with highlighting the picture instead of going on to indicate policy, their Report would have been better received. One tends, for instance, to forget that the rise in prices since 1946 is unparalleled in peace-time. "Many people," as the Report says, "tend to assume that price rises of this size are part of the natural order of things: that prices have always risen at the rate of 4 per cent. to 5 per cent. a year and are bound to go on doing so." Between 1946 and 1956, the annual supplies of goods and services in the United Kingdom increased by about a third. If there had been no rise in prices, the value of the national product would at 1946 prices have been £15,500 million in 1956. In actual fact, the value was £24,500 million. These rising prices cost the country £9,000 in those eleven years. It is not surprising that, practically half of this sum, went in paying extra wages and salaries, the rest went about 19 per cent. to extra profit income, 19 per cent. in paying for imports at higher prices and 13 per cent. in extra indirect taxes to the Government. Real wages rose nothing like as much, indeed between 1948 and 1952 real wages fell. In the last four years, they have risen about 6 per cent. On balance, wages have improved over the period in relation to all other sources of income, and dividends, in particular, are a much smaller share of profits than they were before the war. They have not even recovered their pre-war value in real terms, mainly because of the much larger share of profits now taken by taxation.

If we want to measure the sort of figure by which wages and salaries should have risen, it is worth noting that, over the whole period, production has increased only around 3 per cent. per annum, a figure which embraced an increase in productivity per man of 2¼% per annum.

So much for the analysis of what has been happening in prices. The terms of reference of the Report began with the words "having referred to the desirability of full employment and increasing standards of life based on expanding production, etc.," the Council should keep under review changes in prices, productivity and the level of incomes. The Government thought they were safeguarding themselves by that preamble of "having referred to the desirability of full employment," but the Council make short work of blowing the Government out of the water by telling them that the preamble is ambiguous and that not everything which is desirable is obtainable. That sets the tone for the Council's conclusions, which is more or less to say that the rise in prices should be stopped and that it is not possible to do so while maintaining full employment.

We are faced with the familiar complaint that the country has been trying to do too many things at once. This has resulted in an abnormal pressure of monetary demand for both consumer and capital goods and service which, in the view of the Council, has been the main cause of rising prices and incomes. The Economists forming the Council consider that the objective should be to stop and not merely to moderate this demand inflation. They do not consider that the change in the world atmosphere during the last few months should modify this view and they state frankly that production will have to be cut back—"such a check is to be expected and tolerated as indeed it was in 1956." Their principal weapon is monetary policy in which they have unlimited faith, they applaud the September measures of last year and criticise them only for being two years too late, and as for wage increases, they do not want any more of them. Finally, to make sure of earning the complete condemnation of the left, they declare they do not want to see any physical controls over investment, prices, subsidies, dividends or rents.—*All Rights Reserved.*

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STATEMENT OF CONDITION AS AT 31st DECEMBER, 1957.

LIABILITIES		Rs.	ASSETS	Rs.
Capital		10,00,000	Cash and Banks	53,08,112
Reserves		10,25,000		
Deposits		2,73,91,160	Investments	69,55,910
Bills, Acceptances, etc.		19,14,466		
Other Liabilities		13,42,788	Advances	1,72,24,099
Profit:	Rs.		Bills, Acceptances, etc.	19,14,466
1957	3,50,118			
B/F 1956	23,384		Furniture and Fixtures	3,15,200
	3,73,502		Other Assets	10,64,129
Less—Appropriations for Tax and Contingency Account	2,65,000			
		1,08,502		
Total	Rs.	3,27,81,916	Total Rs.	3,27,81,916

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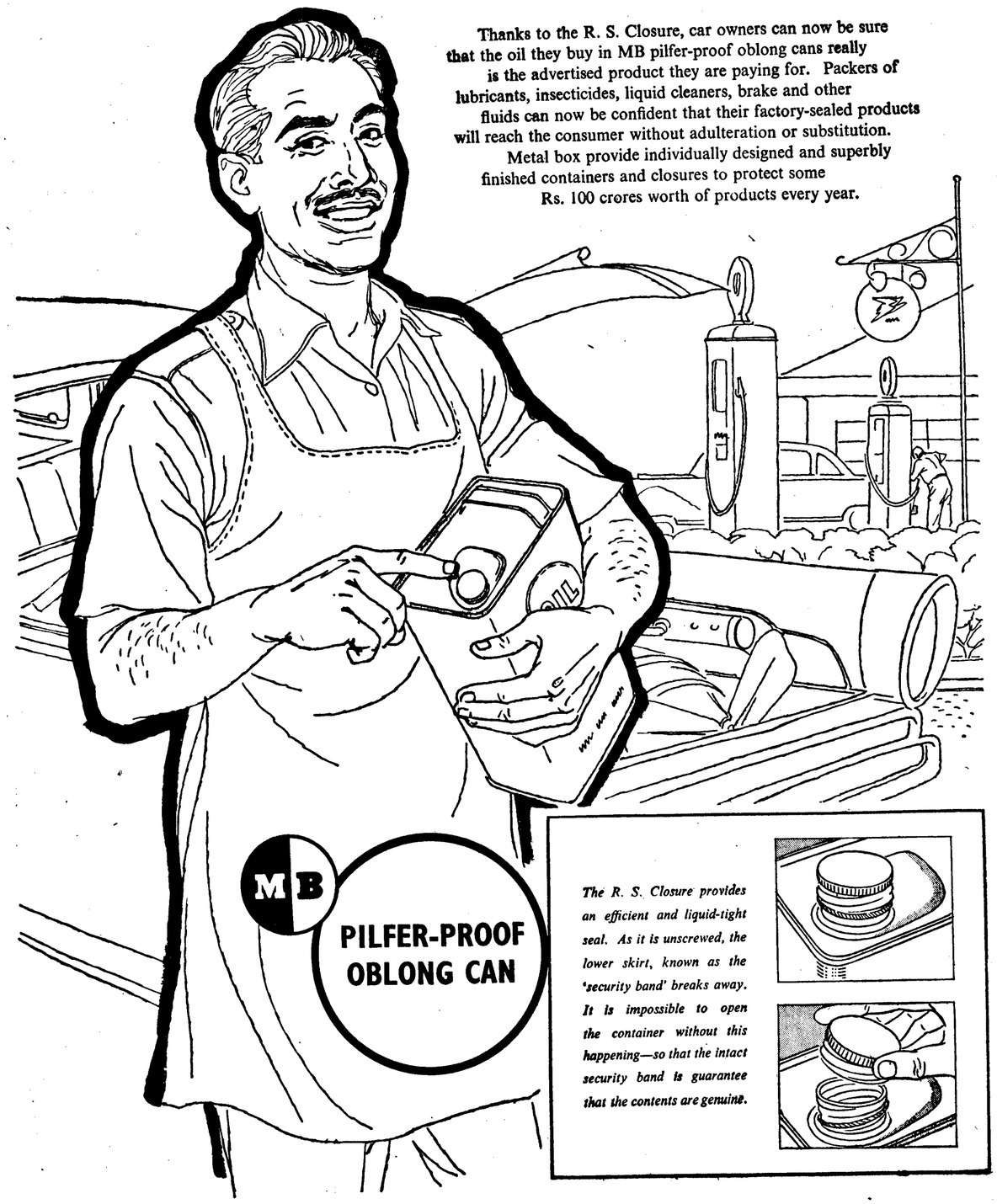

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I.C.I.C. BREAKS NEW GROUND

LOANS IN FOREIGN CURRENCY GRANTED

WITH the year ended 31st December 1957, the Industrial Credit and Investment Corporation of India Ltd. (General Manager: Mr. P. S. Beale, Bombay) has completed the third year of its operation. During this short period of its history, the Corporation has come to occupy a unique position in the field of industrial financing. While it is not the only source of rupee finance for industries, it has earned the distinction of being the only source within the country so far for loans in foreign currencies. The year 1957 was the first one when the Corporation had an opportunity for making use of the $10-million loan (or its equivalent in other currencies) made available by the World Bank in 1955 for the purpose of meeting the external costs of the industrial projects which the Corporation assists. The Corporation is also the only one of its kind in this country which provides permanent share capital for industrial development.

Apart from the fact that the pace of progress in the initial stages of a new enterprise cannot but be somewhat slow, the activities of the Corporation have been handicapped by the unfavourable investment climate which has developed during the past three years, more particularly during 1957. In such a climate, investors have been reluctant to enter into new commitments and their ability to do so has also been curtailed by the high level of taxation. Judged against the background of these conditions, the operations of the I.C.I.C. cannot be regarded as unimpressive. Up to the end of 1957, the Corporation had sanctioned financial assistance to the tune of Rs. 11.65 crores by way of loans, underwriting and direct participation in share capital, as against Rs. 6.01 crores up to the end of 1956, distributed as follows:

(Amount in lakhs of Rs.)

Method of assistance	1957		1956	
	No. of operations	Amount	No. of operations	Amount
Loans in rupees	9	323	10	295
Loans in foreign currency	5	221	..	..
Underwriting of issues	16	535	7	238
Direct subscriptions to share capital	11	86	8	68
Total Rs.		1,165		601

It will be seen from the above data that the total assistance sanctioned by the I.C.I.C. in 1957 is divided more or less equally between loan operations in rupee and foreign currencies, on the one hand, and underwriting operations, on the other. During the year under review, the Corporation received a large number of enquiries for financial assistance, and it broke new ground, as already said, by sanctioning loans in foreign currencies equivalent to $4.63 million or Rs. 2.21 crores. These loans in foreign currencies are yet to be approved of by the World Bank, as they are granted out of the loan received from the Bank, and, if approved, will result in the utilisation of nearly one half of the foreign currency resources at present available to the Corporation from the Bank. The I.C.I.C. proposes to approach the World Bank in due course for an additional line of credit for use, when the present one is exhausted.

The year 1957 has been one of steady progress both in the completion of transactions previously sanctioned and in the approval of new ones. An idea of the substantial disbursements made during the year in respect of rupee loans and other transactions sanctioned so far can be had from the following comparative figures of investments in and loans to industrial companies as at the end of the last two years:

(In lakhs of Rs.)

	As at the close of	
	1957	1956
Loans	195.05	53.56
Investments—		
Preference shares	66.36	38.06
Ordinary shares	142.52	77.82

The operations in the form of underwriting public issues of capital became more difficult during the year under review, due to the slump in share markets and the reluctance of investors to take on new commitments, particularly in new established companies. In the case of some issues underwritten by the Corporation during the year, the public response was negligible. Out of the five underwriting operations completed during 1957 covering in all about Rs. 93 lakhs, the I.C.I.C. had to take up no less than Rs. 58 lakhs, the balance having been taken up by other investors. The underwriting operations sanctioned so far since the inception of the Corporation aggregate 16, involving a total commitment of Rs. 5.35 crores, and, of these, nine were completed by the end of 1957 and two more have been completed since then.

The Chairman of the Corporation, Dr. A. Ramaswami Mudaliar, in the course of his statement circulated to the shareholders (the full text of which appears on page 472 of this issue), expresses his confidence that "with the traditions that are being established, it should be possible in the future to organise underwriting activities on a larger scale." He, however, hastens to qualify this remark by emphasising the fact that the "success in this field depends upon a suitable investment climate," and expresses the hope that the Government will give due regard to the necessity of doing its share "to bring about the right sentiment among potential investors without whose support we cannot do fully what we set out to achieve."

The high level of taxation, which has made the climate for investment cloudy, has also affected the Corporation's financial results. The gross profit has, no doubt, recorded an impressive rise from Rs. 36.90 lakhs to Rs. 48.17 lakhs, but the provision for taxation has taken a large slice of it, such being no less than Rs. 25.10 lakhs, as against Rs. 15.25 lakhs set aside last year. The result is that the net profit, at Rs. 23.07 lakhs, is only Rs. 1.42 lakhs higher. In addition, the Directors have had to make, out of the undistributed surplus of Rs. 6.31 lakhs brought in from 1956, an additional provision for taxation amounting to Rs. 2.83 lakhs in respect of the profit for 1956, consequent on the increase in taxation in the budget of May 1957, that is, long after the accounts for 1956 had been passed. The Directors have maintained the allocation to the general reserve at Rs. 5 lakhs, but have raised the dividend fractionally from 3½ per cent. to 4 per cent., absorbing Rs. 20 lakhs, as against Rs. 17.50 lakhs. The surplus left to be carried forward is no more than Rs. 1.55 lakhs.

The declaration of a higher dividend may seem anomalous in the context of the need for building up larger reserves. It must, however, be noted that even the enhanced dividend is a very modest one and, unless a reasonable return is assured to the investors in the I.C.I.C., its efforts to find additional resources within the country will prove to be a difficult task. The Directors are exploring how best additional funds can be raised and their success depends on the tax relief the Corporation gets from the Government. The Chairman's plea for tax concessions to companies such as the I.C.I.C., by virtue of their special functions, without any of the benefits of development rebate, additional depreciation, etc., which industrial enterprises are enjoying, deserves sympathetic consideration at the hands of the Government. The Corporation's ability to provide larger finances for industrial development in future, therefore, depends on the Government's response to this plea.

U.S. BANK RATE CUT AGAIN

Three of the member banks of U.S. Federal Reserve Board have reduced their discount (bank) rate from 2½ per cent. to 2¼ per cent. with effect from the 7th inst. The three banks are the New York, Philadelphia and Chicago Federal Reserve Banks. The discount rate is the interest charged to member banks when they borrow from the Federal Reserve system. A cut in this rate results in a reduction of interest rate generally which normally has the effect of stimulating borrowing and expanding business.

(*Concluded from next column*)

in this country, will, if it materialises, go a long way towards closing India's foreign exchange gap of the order of $1,400 million for the remaining period of the second Five-year Plan. The move of Mr. Humphrey and other American friends of India clearly indicates that the U.S. is fully seized of the magnitude of India's foreign exchange problem in the coming years of its development and that there is a large section of public opinion in the U.S. in favour of giving India much larger assistance than has been granted so far.

U.S. ECONOMIC AID TO INDIA

FRESH MOVE IN AMERICA FOR MASSIVE ASSISTANCE

AS was expected in these columns last week, a joint mission from the U.S. Export-Import Bank and Development Loan Fund, led by Mr. Hawthorne Arey, Director of the Bank, has arrived in India to discuss the details of the U.S. credits aggregating $225 million granted to India by a formal agreement signed on the 4th inst. The other members of the mission are: Mr. Raymond L. Jones, Chief of the Loans Division, Mr. Charles E. Houston, Economist, and Mr. Robert L. Moorman, Engineer, all representing the Bank, and Mr. Edward Lynch, acting Chief of the Loans Division of the Development Loan Fund. In the course of its three-week stay in India, the mission will study the detailed administrative arrangements necessary for drawal of the credits and will also acquaint itself with various aspects of India's economy. The mission is expected to meet the Planning Commission and officials of the Ministries of Finance, Commerce and Industry, as well as the other ministries concerned and to tour the country, visiting important centres of business and industry.

The quickness with which the U.S. Export-Import Bank and the Development Loan Fund have set upon their task indicates their earnestness in making available the promised credit as early as possible for the successful implementation of India's development plans. It is also an expression of the growing realisation in the U.S. about the imperative need for extending assistance to India for implementing the second Five-year Plan. In fact, the signing of the agreement between India and the representatives of the Bank and the Fund is being followed by fresh moves in the U.S. to give larger assistance to India.

A new joint move to give increased economic aid to India is expected to be made in the U.S. Congress shortly. A resolution to this effect, jointly sponsored by Senator John Kennedy (Democrat) and Mr. Sherman Cooper (Republican), former U.S. Ambassador to India, will have been introduced in the Congress by the time these lines appear in print. This resolution is closely on the heels of a similar one introduced on the 24th ult. by Senator Monroney (Democrat). Mr. Monroney's resolution had recommended the creation of an international development association in co-operation with the World Bank for providing long-term loans at low rates of interest and repayable in local currencies to supplement the World Bank loans and thereby help completion of worthwhile development projects which would not otherwise go ahead.

Mr. Monroney desired that the International Development Association should permit maximum use of foreign currencies available to the U.S. through the sale of agricultural surpluses and ensure that funds necessary for the international development could be made available by a process which eliminated any possible implications of interference with national sovereignty. In introducing his resolution, Mr. Monroney said that any residual funds from the Marshall Plan aid programme should be recycled for use again in world economic development. The most notable aspect of Mr. Monroney's proposal is that it envisages the International Development Association as a second mortgage operation which can help the World Bank give a loan of $400 million to India and Pakistan for harnessing the Indus river systems. "The International Development Association could," Mr. Monroney said, "perhaps take 50 per cent. of the $400 million loan, subordinating its loan to first claim of the World Bank." He added that the loan could be for a period of 40 years carrying interest at 2 per cent. per annum and repayable not in dollars or hard currencies, but in the local currencies of India and Pakistan.

The Kennedy-Cooper resolution, referred to above, will, it is stated, be more specific than the concept of an international development association put forward by Mr. Monroney.

Another proposal to give massive economic aid to India has been put forward by Senator Hubert Humphrey, a member of the Senate Foreign Relations Committee. Mr. Humphrey has proposed a "Marshall Plan" of $900 million aid to India, in addition to the $225 million loan granted recently. The nomenclature "Marshall Plan," it may be noted, is used to indicate the size of the aid rather than the purpose for which the original Marshall Plan was intended. The effort of Mr. Humphrey to get larger economic assistance for India, which is warmly appreciated

(*Continued in previous column*)

BARODA BANK'S PROFIT SLIGHTLY HIGHER

SHARP FALL IN CREDIT RATIO

THE audited accounts of the Bank of Baroda Ltd. (General Manager: Mr. N. M. Chokshi, Baroda) for the year ended 31st December 1957 fully reflect the effect of the substantial rise in the cost of borrowing from the money market and the increase in interest rates on deposits, as also of the higher establishment expenses. Thus, whereas the Bank's gross income for the year has recorded a rise of Rs. 55.63 lakhs, the outgo by way of interest paid has gone up by Rs. 37.52 lakhs and establishment and other expenses by Rs. 14.35 lakhs. The result is that the profit (at Rs. 43.85 lakhs) is up by no more than Rs. 3.95 lakhs. This rise in profit does not compare well with that of Rs. 10.25 lakhs noted a year ago. This feature, which is common to all banks, is explained by the fact that, while deposits, particularly the high-interest bearing fixed deposits, had continued to grow, advances had risen at a much slower pace, thanks to the enforcement of credit restrictions, with the result that profit-margin thinned down.

As against an increase of Rs. 3.95 lakhs in profit, the rise in provision for taxation (at Rs. 21 lakhs) is Rs. 5.25 lakhs. Presumably, the provision made last year has fallen short and this has been made good by a larger allocation from the profit of 1957. In the circumstances, the Directors' decision to maintain the dividend at 14 per cent. per annum, to which level it had been raised only last year from 12 per cent., is fully justified. It may be noted here that even this has been possible only by drawing a fractional sum from the previous year's undistributed surplus.

The progress of the Bank's working during the past three years is fully reflected in the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Gross income	285.28	229.65	180.04	152.52
Interest and discount earned	233.40	186.83	149.27	129.28
Commission and exchange	51.15	42.40	30.14	22.68
Interest paid	140.05	102.53	76.86	60.82
Expenses	99.47	85.12	71.95	62.35
Depreciation	1.91	2.10	1.58	1.32
Profit	43.85	39.90	29.65	28.02
Provision for taxation	21.00	15.75	9.00	8.00
Bonus to staff	9.50	8.75	8.00	7.65
Dividend	14.00 (14%)	14.00 (14%)	12.00 (12%)	12.00 (D. 10% +B. 2%)
Carry forward	4.11	4.76	3.36	2.70
	As on 31st December			
	1957	1956	1955	1954
Capital	1,00.00	1,00.00	1,00.00	1,00.00
Reserves	1,28.00	1,28.00	1,28.00	1,28.00
Deposits	52,82.81	45,13.85	40,51.62	34,85.38
Borrowings from banks	0.63	4,16.21	4,03.45	3,73.80
Advances (including bills purchased and discounted)	34,99.62	35,86.57	30,41.56	25,50.18
Investments	11,87.32	11,80.33	12,29.79	11,83.72
Cash (including money at call)	8,71.49	4,52.38	4,76.61	3,64.06
Balance-sheet total	64,32.58	63,08.59	56,29.03	46,65.94
Ratio to deposits of—	%	%	%	%
Advances	66.2	79.4	75.0	73.2
Investments	22.5	26.1	30.4	34.0
Cash	16.5	10.0	11.8	10.4

The rise of Rs. 55.63 lakhs in gross income of the Bank reflects the expansion in turnover and the rise in interest rates on advances, following the rise in the Bank rate. Of this rise, interest and discount earned account for Rs. 46.57 lakhs and commission and exchange for Rs. 8.75 lakhs. Consequent on the increased cost of borrowing and higher rate of interest paid on deposits, interest paid has gone up by Rs. 37.52 lakhs. The bulk of the rise in expenses is accounted for by salaries, allowances and provident fund, which have gone up by Rs. 8.56 lakhs to Rs. 71.41 lakhs.

The balance-sheet of the Bank as on 31st December 1957 discloses a rise of Rs. 7.69 crores in deposits and, with this expansion, the deposits have gone up by over 50 per cent. in the course of the last three years. A break-up analysis of total deposits shows that fixed deposits have risen by no less than Rs. 6.76 crores in 1957 to Rs. 31.56 crores. Savings bank deposits (at Rs. 8.53 crores) are up by only Rs. 87 lakhs and current and other accounts (at Rs. 12.73 crores) by a fraction of Rs. 6 lakhs. Consequent on the substantial expansion in deposit resources, the Bank has been able to repay almost entirely the borrowings from other banks aggregating Rs. 4.16 crores outstanding as at 31st December 1956. In distinct contrast to the rise of Rs. 5.45 crores in 1956, the Bank's advances as at the end of 1957 show a slight fall. While loans, cash credits and overdrafts have gone up from Rs. 25.86 crores to Rs. 30.65 crores, bills purchased and discounted have dropped from Rs. 10.01 crores to Rs. 4.35 crores. The slight decline in advances, in the face of a sharp rise in deposits, has brought down the credit ratio to a low of 66.2 per cent., the lowest since 1953. Investments are higher by Rs. 7 lakhs at Rs. 11.87 crores. Of these, investments in securities maturing in 1962 or earlier are shown at a book value of Rs. 6.81 crores, the market value of the same being Rs. 6.68 crores. This depreciation of Rs. 13 lakhs compares favourably with that of over Rs. 18 lakhs noted in the previous year. The Directors have, as in the past, followed the policy of making no transfer from reserve or other funds to cover this depreciation. All other investments are shown at or below market value. Cash balances have been considerably strengthened by Rs. 4.19 crores and this has pushed up the cash ratio from 10 per cent. to a high of 16.5 per cent., which compares well with the all-India average of 12.4 per cent.

PANDYAN BANK

The Pandyan Bank Ltd. (Managing Director: Mr. S. N. K. Sundaram, Madurai) has earned a profit of Rs. 3.50 lakhs during the year ended 31st December 1957. This compares favourably with that of Rs. 3.47 lakhs earned in the previous year and of Rs. 3.22 lakhs in 1955. If the extent of increase in profit, however, is not as large as in the previous year, it is because of the higher administrative expenses and the dearer money rates which necessitated larger interest payments on deposits and borrowings. The provision for taxation has been raised from Rs. 1.35 lakhs to Rs. 2.40 lakhs, of which a sum of Rs. 52,000 represents additional tax payable in respect of the year 1956 as a result of the Finance Act 1957. No allocation has been made to the general reserve, which had received Rs. 75,000 last year. The contingency reserve which was created last year with a transfer of Rs. 50,000 from the profit has been strengthened further by Rs. 25,000 this year. The dividend is unchanged at 7½ per cent., to which level it had been raised two years ago from 6½ per cent. (for 1954).

The Bank's gross income for the year amounts to Rs. 20.95 lakhs, representing an increase of Rs. 3.88 lakhs over the year. Income from interest and discount has gone up from Rs. 12.85 lakhs to Rs. 15.83 lakhs and commission and exchange from Rs. 2.97 lakhs to Rs. 3.48 lakhs.

The Bank's deposits (as at the end of 1957) have grown from Rs. 244.23 lakhs to Rs. 273.91 lakhs. Fixed deposits have gone up from Rs. 128.19 lakhs to Rs. 157.53 lakhs and savings bank deposits from Rs. 33.25 lakhs to Rs. 47.62 lakhs, while current and contingency accounts are marked down from Rs. 82.79 lakhs to Rs. 68.76 lakhs. Advances and bills have risen from Rs. 134.98 lakhs to Rs. 172.24 lakhs. Investments have, however, declined from Rs. 72.90 lakhs to Rs. 69.56 lakhs and cash balances from Rs. 54.78 lakhs to Rs. 53.08 lakhs. The investments are shown at cost, the market value of the same being Rs. 67.98 lakhs.

The Bank opened 12 new offices during the year, bringing the total number of offices to 55.

THE BANK OF INDIA, LTD.

ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

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BANGALORE
BOMBAY — Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA — 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
KOZHIKODE (Late Calicut)
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T. R. LALWANI, *General Manager.*

PROGRESS OF MYSORE BANK MAINTAINED

PROFIT AT A RECORD LEVEL

A RISE of Rs. 3.48 lakhs to Rs. 24.08 lakhs in profit is disclosed by the audited accounts of the Bank of Mysore Ltd. (General Manager: Mr. B. V. Narayana Reddy, Bangalore) for the year ended 31st December 1957. This is on top of an increase of Rs. 3.39 lakhs recorded in 1956 and has taken the Bank's profit to a fresh record level, exceeding the previous high of Rs. 21.85 lakhs earned in 1951. Notwithstanding this increase in profit, the provision for taxation has been pruned further from Rs. 5.50 lakhs to Rs. 4 lakhs, but a sum of Rs. 12.96 lakhs has been added to the various reserves, which had not received anything in the previous year.

The general reserve gets Rs. 7.96 lakhs, of which a sum of Rs. 3.55 lakhs is in respect of the year 1956 and Rs. 4.41 lakhs relates to 1957. A sum of Rs. 2 lakhs has been provided as reserve for contingencies and Rs. 3 lakhs for depreciation on investments. The bonus to staff has been raised slightly from Rs. 3 lakhs to Rs. 3.20 lakhs, but the distribution to the shareholders is unchanged at 16 per cent. per annum, a rate which the Bank had paid consistently on the present capital for the previous 10½ years. Until last year, the distribution was made up of a dividend of 12 per cent. and a bonus of 4 per cent., but, in respect of 1956, the dividend part was raised to 14 per cent., with a corresponding cut in the bonus. This year, there has been a further change in the method of distribution, in that the dividend and bonus parts have been consolidated. All these appropriations are not, however, covered by the year's profit and the Directors have had to draw on the undistributed surplus brought in from 1956. Consequently, the surplus carried forward to the current year stands reduced from Rs. 5.92 lakhs to Rs. 1.87 lakhs. It must, however, be remembered that this reduction is almost equal to the sum credited to general reserve in respect of 1956.

An idea of the Bank's progress during the last three years can be had from the following table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Gross income	82.78	68.74	60.73	56.80
Interest and discount earned	69.84	57.60	50.90	49.55
Commission and exchange	11.50	10.22	9.64	7.04
Interest paid	29.20	22.06	19.18	17.91
Expenses	28.04	24.76	23.53	20.58
Depreciation	1.42	1.32	0.81	0.67
Profit	24.08	20.60	17.21	17.64
Provision for taxation	4.00	5.50	6.00	7.00
To reserves	12.96	..	1.00	..
" bonus to staff	3.20	3.00	2.81	2.60
Dividend	8.00 (D. 16%)	8.00 (D. 14% + B. 2%)	8.00 (D. 12% + B. 4%)	8.00 (D. 12% + B. 4%)
Carry forward	1.87	5.92	1.82	2.42
	As on 31st December			
	1957	1956	1955	1954
Capital	50.00	50.00	50.00	50.00
Reserve fund	91.96	84.00	84.00	84.00
Deposits	12,88.92	11,19.17	10,55.86	9,98.86
Borrowings from banks	30.00	99.00	..	..
Advances (including bills purchased and discounted)	9,79.44	9,12.39	7,01.33	6,01.19
Investments	4,22.33	4,02.75	3,88.88	2,99.88
Cash (including money at call)	1,10.57	90.13	1,42.24	1,91.53
Balance-sheet total	17,00.40	16,03.17	13,45.76	13,05.03
Ratio to deposits of—	%	%	%	%
Advances	76.0	76.6	66.4	60.2
Investments	30.4*	25.5*	36.7	30.0
Cash	8.6	7.6	13.5	19.2

* Ratio arrived at after taking into account investments earmarked against borrowings from banks.

The Bank's published reserves stand at an impressive level of Rs. 91.96 lakhs, as against a paid-up capital of Rs. 50 lakhs. The deposits have grown by Rs. 1.70 crores. Unlike in the case of other banks, the bulk of the rise in Mysore Bank's deposits comes from current and contingency accounts which have gone up by Rs. 1.18 crores to Rs. 5.86 crores.

On the assets side, advances show a rise of only Rs. 67 lakhs (as against that of Rs. 2.11 crores noted at the end of 1956), the share of loans, cash credits and overdrafts being Rs. 48 lakhs (at Rs. 8.49 crores) and that of bills purchased and discounted Rs. 19 lakhs (at Rs. 1.30 crores). Investments stand strengthened by Rs. 19 lakhs at Rs. 4.22 crores. The market value of these investments is Rs. 4.14 crores and the depreciation, amounting to Rs. 8 lakhs, is more than adequately covered by a provision of over Rs. 10 lakhs. Cash balances have also gone up by Rs. 20 lakhs and with it the cash ratio has risen from 7.6 per cent. to 8.6 per cent. The total liquidity ratio, at 39 per cent., is, however, well below the all-India average of 44.2 per cent at the end of 1957.

IMPACT OF EXCISE DUTY ON COTTON CLOTH

RATIONALISATION OF STRUCTURE URGED

IT is deplorable that, although the cotton textile industry provides employment to hundreds of thousands and earns for the country a considerable amount of precious foreign exchange, the authorities continue to treat it as a milch-cow without caring very much for its health and future wellbeing. There is, therefore, a great danger of this highly useful animal becoming a dry and burdensome one. How else is one to explain the heavy burden of taxation—direct and indirect—imposed on this industry. Every year, the industry contributes as much as Rs. 132 crores as taxes to the Central and State Governments. The major portion of this contribution is accounted for by excise duty. The budget estimate of the total receipts from excise duty, including the additional excise levy, for the coming financial year (that is, 1958-59) is placed at Rs. 80.46 crores, representing 14.3 per cent. of the aggregate tax revenue of the Central Government.

The impact of the excise duty on cloth has been so heavy that, though the price of cloth today is less than that before the excise duties were enhanced in September 1956, the demand for cloth continues to be slack. This has resulted in heavy accumulations of stocks with mills, representing more than two months' output. The accumulations have caused untold hardship to mills, especially to the marginal units, inasmuch as the carrying of stocks entails a financial burden, not to speak of the pressure on their storage space. Nearly Rs. 60 crores of finance, it is said, has been locked up consequent on the heavy accumulations of stocks. It is not surprising, therefore, that some units have completely closed down and quite a few have resorted to short-time working, resulting in sizable unemployment.

Grave Crisis

The grave crisis confronting the cotton mill industry was impressively described by Mr. Ramnath A. Podar, Chairman, Millowners Association, Bombay, in a Press interview last week. Mr. Podar warned that, if no immediate steps were taken to reduce the burden on this premier national industry, about 40 to 50 more mills in the country would close down, throwing nearly 50,000 workers out of employment. He revealed that 25 mills had already been forced to close down, resulting in the enforced idleness of some 25,000 workers and more closures were in the offing. In Bombay City alone, we are told, about 6 to 8 mills are facing the prospect of being closed down. The present curtailment of shift working in the mills has already resulted in the unemployment of more than 12,000 workers and about 15,000 more workers are threatened with unemployment. There is likely to be a loss in output of about 150 million yards of cloth a year, consequent on more than 5,000 looms having been rendered idle. Mr. Podar urged the authorities to stop the present dangerous drift in the affairs of the textile industry by effecting a substantial reduction in the excise duty. He rightly said:

"Half-hearted concessions will not meet the requirements. The textile industry is on the horns of a dilemma. The running of mills has become uneconomic and unremunerative. How long will it continue to suffer losses? The fear of payment of heavy retrenchment compensation to workers is keeping the textile units working. The abnormal accumulation of stocks with the mills, coupled with the sharp increase in the excise duty and the rising costs, has crippled the industry. The recent budget proposals have sorely disappointed the industry which had expected to receive relief in the shape of a reduction in the excise duty. The industry has made drastic cuts in cloth prices which today are lower than those obtained even in December 1955. It is impossible for the mills to continue to make distress sales of their output for an indefinite period."

The burden of excise duty on the cotton mills is all the more heavy, because the structure of excise duty itself is inequitable, in that it is based only on counts of warp yarn used in weaving cloth irrespective of the value of cloth. This aspect has been well brought out by Mr. S. Jaipuria, a Director of the Swadeshi Cotton Mills Company Ltd., in the course of a memorandum prepared by him on the subject of classification of cotton fabrics for purposes of central excise. In this memorandum, Mr. Jaipuria has put forward a few suggestions for rationalising the structure of excise duty, so that it may become more fair and equitable.

Incidence Highest

The following table indicates how the incidence of excise duty on medium goods still remains the highest:

Description of cloth (average width: 45")	Gross selling price including excise, per linear yard (in annas)	Excise duty per square yard (in pies)	Excise duty per linear yard (in pies)	Net selling price per linear yard (in pies)	Percentage of excise duty to net selling price
Coarse *dhoti*	8	15	18.75	77.25	24.27
Coarse sheeting ..	10	27	33.75	86.25	39.13
Medium goods ..	11	35	43.75	88.25	49.57
Fine	20	55	67.75	172.25	39.33
Superfine	32	77	96.25	287.75	33.45

Mr. Jaipuria has sought to stress that the range of prices applicable to different varieties of cloth technically falling within any one of the four recognised categories, namely, coarse, medium, fine and superfine, is very wide and that the incidence of tax is proportionately much higher in the case of lower priced cloth than in higher priced cloth in the same category. According to him, it is well known that tapestry, a luxury item, which is sold, say, at Rs. 3.50 per yard but is technically classified as coarse cloth is subject to the same excise duty per square yard as ordinary sheeting, a utility variety, sold at 37 nP or 50 nP per yard. Similar differences are found to exist in respect of other categories—medium, fine and superfine—as well. If the replacement of the existing specific duties by *ad valorem* duties is ruled out on account of the alleged administrative difficulties, then the only rational thing, Mr. Jaipuria says, will be to formulate a tariff fixing rates of excise for different varieties of cloth, according to their use, in addition to the present tariff classes based on warp count alone. To quote him: "There is no doubt that experts must have tried to formulate a tariff on this nature and the fact that no concrete scheme has yet been drawn up need not deter us from pursuing the matter."

Wide and Varied

Incidentally, it may be noted that the varieties of cloth produced by mills are wide and varied as is shown below:

Wearable: *dhotis*, *saris*, mulls, voils and dorias, poplin, crepes, twills and haircords, longcloth, sheeting, leopard cloth and markin, shirtings and sucies, madapalam, cambrics and lawns, prints and chintz, coating, tussores, corduroy and beford corduroy, drills, jeans, satin drill and gabardine, and others.

Non-wearables: mosquito netting, canvas, ducks, filter cloth, flannelette, lint cloth, polishing cloth, umbrella cloth, table cloth and domestics, tapestry, furnishing fabrics and curtain cloth, chaddars, bedsheets, etc.

The above classifications more or less represent the different varieties of cloth packed by the Indian mills. Nevertheless, they still fail, as Mr. Jaipuria points out, to take into consideration the processes to which the different varieties have been subjected to. A poplin, for instance, may be bleached and may also be dyed. In fact, it is possible to produce poplin of four varieties, bleached, dyed, mercerised and sanforised. While poplin sanforised is subjected to the bleaching and mercerising processes, it may be both white or dyed. Naturally, the range of prices for these poplins differs according to the processes to which they have been subjected. It will, therefore, be necessary, as Mr. Jaipuria emphasises, to take into account these factors also while fixing specific rate of duty. If this is done, the incidence of duty expressed in terms of the percentage of cloth will vary within a much narrower range than at present. In order, however, to minimise the varieties, Mr. Jaipuria suggests the fixation of rates of excise duty for different processes to which a cloth has been subjected, in addition to the specific rate prescribed for that variety. In other words, this means that, while there will be only one rate fixed for fine poplin, the additional rates fixed on account of bleaching, dyeing, mercerising or sanforising may be added on as additionals. If the cloth is subjected to only two processes out of the four mentioned above, then the additional rates should be for two processes only.

Taking into consideration all these factors, Mr. Jaipuria has prepared a list of varieties into which the total production of the mills can be classified. The list divides the cloth into wearables and non-wearables which are sub-divided into coarse, medium, fine and superfine counts which are further sub-divided into grey, bleached, dyed, printed, mercerised and sanforised. This list is quite comprehensive and compact. If it is adopted, the present incidence of excise duty expressed in percentages of the different varieties of cloth, it is claimed, will narrow down and the burden on the different sections of the society will be equitable as far as practicable.

SIZE OF COTTON MILL INDUSTRY

The pace of expansion in the size of the Indian cotton mill industry noted during 1954-55 and 1955-56 was further accelerated in the cotton year ended 31st August 1957. The total number of mills existing as at the end of the year was 499, as against 465 on the corresponding date in 1955-56 and 449 two years before, according to the latest Mill Statement of the Millowners' Association, Bombay. The paid-up capital of the mills recorded an increase of Rs. 6.81 crores to Rs. 121.96 crores; the extent of the rise in the previous two years was much less, being Rs. 1.19 crore in 1955-56 and Rs. 1.07 crore in 1954-55. The average number of workers employed (all shifts) also rose from 789,024 to 798,599. The quantitative progress made by the mill sector in the past three years is indicated below:

	As on 31st August		
	1957	1956	1955
Number of mills	499	465	461
Number of mills registered and/or in course of erection	34	32	34
Number of mills idle	20	16	27
Paid-up capital (Rs. crores) ..	121.96	115.15	113.96
Spindles installed	12,906,622	12,375,805	12,068,544
Spindles working (first shift only) ..	11,027,944	10,723,608	10,423,075
Looms installed	206,126	206,580	207,847
Looms working (first shift only) ..	186,976	188,449	186,094
Cotton consumption (in bales of 392 lbs.)	5,204,600	4,979,890	4,797,084
Average number of workers employed (all shifts)	798,599	789,024	423,595*

* First shift only.

It will be seen from the foregoing table that the expansion in the cotton mill industry's size during the year under review was accounted for solely by the spinning side of the mills. The number of new spindles installed was 530,817 which compares favourably with 307,261 and 180,379 in the previous two years, respectively. In contrast, the weaving capacity of mills suffered a setback, the number of looms installed decreasing from 206,580 to 206,126 or a reduction of 454 looms; in the previous year, there was a fall of 767 looms. The continued decline in loomage thus reflects the scrapping of looms worn out without being replaced by an equal number. The Government's policy of "no expansion in weaving capacity" may have contributed to this net fall in the number of looms.

Side by side with the expansion of spinning capacity, the number of spindles actually working (first shift) also registered an improvement, from 10,723,608 during 1955-56 to 11,027,944 in 1956-57. The extent of actual utilisation of capacity (first shift only) was less as compared with that in the previous year, being 85.5 per cent. for spindles and 90.7 per cent. for looms, as against 86.7 per cent. and 91.2 per cent., respectively.

The Annual Mill Statement of the Millowners' Association, Bombay, also gives an idea of the progress made by the cotton mill industry in Pakistan during the year 1956-57. Over the year, four new mills were established, bringing the total number of mills existing to as many as 91. The number of spindles and looms installed also rose from 1,754,682 and 26,684 to 1,821,448 and 28,000, respectively. The average number of spindles working (first shift) during 1956-57 was higher at 1,702,430, as against 1,649,832 a year before, and of looms at 25,745, as against 23,815.

A new sheep-handling "cradle" has been invented by a New Zealand sawmiller, Mr. R. E. Burgess, of Tokanui, South Island. His device, claimed to save much labour, consists of an elevated pen which turns on axles and discharges the sheep, on their backs, down a chute. This is all done by pulling a lever. The sheep is confined to a tray at the base and work, such as paring of the feet and other handling jobs, can be done without struggling with the animal. After the pulling of another lever, the sheep is back on its feet, and running to the paddock. Mr. Burgess says his machine lightens considerably the strain on man and sheep during handling operations. When shown at a field day of the Invermay Agricultural Research Station in Otago, the invention appeared to find a good deal of favour among sheep farmers.

A sub-committee appointed by the Textile Commissioner is investigating the possibilities of using more indigenous wool in textile materials now containing imported wool. The terms of reference of the body are: (i) To explore the possibilities of producing from indigenous raw wools textile materials required by Government (both military and civil) either in entirety or in admixture with as little as possible of imported raw wools or with Indian cotton; and (ii) to review existing specifications for woollen materials required by the defence and other civil departments and effect suitable modifications/amendments, so as to permit greater utilisation of indigenous wools without unduly impairing the functional performance or durability.

CLOTH IMPORT POLICY SHARPLY CRITICISED

DECLINE IN MILL LABOUR FORCE

From A Special Correspondent

MANCHESTER, *4th March*

SHARP criticism of the Government's policy in permitting unrestricted duty-free imports of cotton goods to enter Britain in competition with Lancashire products is contained in the Annual Report of the Master Cotton Spinners' Federation. "The cotton industry does not ask for special protection, provided the competition from overseas is fair," says the Federation in a long statement dealing with the state of trade within the industry. "Government policies," it continues, "are endangering the very existence of the cotton industry, leading to the destruction of valuable capital investments and to unemployment in Lancashire."

MANCHESTER LETTER

Not only those directly employed in the cotton industry will suffer, warns the Federation. Also adversely affected will be people connected with it, such as the makers of bobbins, tubes and packing paper, suppliers of oils and accessories, as well as shopkeepers, tradespeoples and all ratepayers in the towns most concerned, including the owners of other industrial and business properties.

"The Government has failed to take any effective action whatsoever," asserts the Federation, which represents owners of 450 spinning mills throughout Lancashire and Cheshire. It then lists 17 points which have been brought to the notice of the Government by the Cotton Board and representatives of the various sections of the trade in the course of discussions between delegations from the industry and Government departments. These include statistics showing the substantial increase in imports from foreign countries and the quantity of cloth now being retained in the home market.

The survey points out that arrivals of cotton goods from India have risen from 76,500,000 yards in 1950 to 200,000,000 yards last year and Hong Kong has increased exports to the United Kingdom from 20,000,000 yards to 100,000,000 yards in the same period. The majority of mills in Hong Kong, the statement adds, are owned and run not by long-established British colonists but by mainland Chinese who have entered the Colony for political reasons since the war.

Labour Force

The labour force employed in cotton textiles in Britain has fallen in recent years by about 25 per cent. the Federation continues, and more than 250 mills have closed down, largely owing to unfairly aided imports and to embargoes or quotas placed by other Governments on British exports.

The volume of retained imports now represents nearly 20 per cent. of total consumption of cotton textiles in the home market, adds the report. In individual categories such as shirtings, shirts and towels where imports are concentrated, the percentage is very much higher and the damage done is correspondingly greater.

Attempts to reach voluntary agreements with India, Pakistan and Hong Kong on this question have so far failed due to the refusal of the Hong Kong millowners to accept any restriction on their exports to the United Kingdom. "It is now incumbent on the Government to ensure that a settlement is no longer held up by the unreasonable attitude of a third party," the report declares. "The industry is considering whether it is possible to take independent steps to help itself but it is too early yet to report further on the schemes which have been considered."

Union Plan Discussion

The Government is to be pressed to act on the Lancashire textile unions' new policy declaration, *Plan for Cotton*. The Legislative Council of the United Textile Factory Workers' Association is to travel to London on 12th March for a meeting with Sir David Eccles, President of the Board of Trade. Mr. Harold Bradley, the Association Secretary, disclosed that the deputation wanted to see whether the Government was prepared to implement the recommendations "in whole or in part."

Australia: New Setback

Any action threatening to curtail Lancashire's trade in cotton and rayon textiles with Australia strikes a blow at the very heart of local export activity. The importance of the market, despite the reduction in shipments over recent years, needs no over-elaboration, as it remains the largest single consuming area for British-made goods.

Openings provided for Japan under last year's trade pact were not kindly received in Lancashire, while from time to time restrictions have been placed on imports which have had unfortunate effects on Anglo-Australian trade. The latest development of this kind, involving a ban on printed cotton textiles pending the findings of a Tariff Board which has been considering a claim for protection submitted by the local industry, is another setback.

There is a reluctance in Lancashire to take the worst possible view of this action, as the embargo may well be short-lived. Trade amounting to some 20,000,000 yards of cloth a year is in jeopardy, but, in the long run, the decision may turn out to be only a temporary measure, dispersing current fears.

Overseas Trading

Some degree of satisfaction at the improvement in Lancashire's cotton cloth exports in January must be tempered by the realisation that imports showed an almost equivalent rise. Cloth shipments at 40,032,000 square yards were the highest since the previous May, but arrivals of foreign cloth amounted to 38,644,000 square yards, leaving the gap as narrow as it was during the final quarter of 1957.

Figures for a single month provide insufficient basis on which to gauge the prospects for the year as a whole, and there must inevitably be a backlog between the time when orders are booked and cargoes actually sail for abroad. Traders are now commenting on the slack trading period lately experienced, and forecasting that export returns in a few months' time will show a very different picture. On the other hand, the flow of foreign cloth into Britain has not diminished, as official statistics will indicate in due course.

As compared with January last year, takings of cotton goods by Australia improved fairly substantially and bigger shipments went to South Africa and Nigeria. On the inward journey, supplies from India remained predominant, amounting to 13,762,000 square yards of grey cloth, but Hong Kong stepped up shipments from 5,648,000 square yards last year to 8,682,000 square yards. Arrivals from Japan, however, declined from 5,792,000 yards to 2,830,000 yards.

For the first time figures are available for Chinese imports, which show a remarkable expansion. In January 1958, they amounted to 6,368,000 square yards, as against 1,243,000 yards in the same month last year.

Inter-Fibre Rivalry

Producers of rayon and other synthetic fibres in the United States have not been slow to "cash in" on the fact that this season's cotton crop is not only small in quantity but well below average grade in quality. American spinners are receiving circulars lauding the advantages of rayon and offering supplies for quick delivery. Exploiting the situation in a businesslike manner, these forward-looking manufacturers of synthetics are telling the mills: "High quality rayon, not subject to nature's whims, is steadily available."

Lancashire spinners, who for years have experimented with blends of the different fibres, hardly need such special pleading, and are well aware of the benefits which can be gained from the effective use of blending to produce fabrics to meet particular purposes. To the American firm relying almost exclusively on cotton, however, some of the claims made for synthetics must seem very attractive. The rayon suppliers stress the savings, range of types and improvements in finishing which can be obtained from their products. They list many advantages, offering "clean, dry fibre, in disposable containers," "style effects impossible to obtain with cotton alone," and finishing in which "blends retain a higher percentage of the fabrics' original strength and colour fastness is improved."

Millowners would, indeed, be hidebound by tradition, if they failed to react at least a little to such blandishments. Some, it must be supposed, will be tempted to try out blends as an experiment. While cotton remains by far the dominant textile fibre, its consumption is slipping by proportion, if not by volume. To the American cotton farmer and distributor, hampered by acreage restrictions and the ravages of the weather, the future looks still more doubtful.

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REPORT OF THE DIRECTORS TO BE PRESENTED TO SHAREHOLDERS AT THE FORTY-FIFTH ANNUAL GENERAL MEETING TO BE HELD AT THE REGISTERED OFFICE OF THE BANK IN BANGALORE CITY

The Directors have pleasure in submitting to the Shareholders the Balance Sheet and Profit and Loss Statement as at 31st December, 1957.

The result of the Bank's working for the year ended 31st December, 1957, is a surplus of Rs. 24,07,561.38 which sum, together with Rs. 5,95,136.54 brought forward from 31st December, 1956, aggregates to Rs. 30,02,697.92.

	Rs.	nP.
The following appropriations have been made :—		
Transferred to General Reserve Fund for the year 1956	3,55,000	00
An Interim Dividend at the rate of 16 per cent. per annum free of Income-tax, was paid for the half-year ended 30th June, 1957, which absorbed	4,00,000	00
Transferred to Reserve for Contingencies	2,00,000	00
Transferred to Reserve for Depreciation on Investments	3,00,000	00
Transferred to Reserve for Income-Tax and Super-Tax	2,00,000	00
The Directors now propose :		
To transfer to General Reserve Fund for the year 1957	4,40,613	00
To pay a final Dividend at the rate of 16 per cent. per annum for the year ended 31st December, 1957, free of Income-Tax, which will absorb	4,00,000	00
To provide for Income-Tax and Super-Tax	2,00,000	00
To pay a Bonus to Staff of three months' salary about	3,20,000	00
To carry forward to next account	1,87,084	92
Total .. Rs.	30,02,697	92

The Central and Head Office accounts, as at 30th June and 31st December, 1957, have been audited by Messrs. Fraser and Ross, Chartered Accountants, while the accounts of the Branches have been audited by Messrs. B. K. Ramadhyani and Co., Chartered Accountants, Brahmayya and Co., Chartered Accountants, Santhappa and Co., Chartered Accountants and Sri. S. R. Mandre, Chartered Accountant. Sri. S. P. Nanjundappa, Deputy Controller, has examined the accounts for the year on behalf of the Government of Mysore.

Under Section 256 of the Companies Act, Sri G. V. Rudrappa, Dharmaprakasa, Sri M. V. Veerappa and Sri K. Subba Rao Ramaswamy are the Directors due to retire on this occasion. They are eligible for re-election and offer themselves accordingly.

The Auditors, Messrs. Fraser and Ross, B. K. Ramadhyani and Co., Brahmayya and Co., Santhappa and Co., and Sri. S. R. Mandre, also retire and offer themselves for re-appointment.

The Dividend, when sanctioned, will be payable on and after 29th March, 1958, to those Shareholders whose names stand in the share registers of the Bank as on 26th March, 1958.

THE BANK OF MYSORE, LIMITED,
AVENUE ROAD, BANGALORE CITY,
15th February, 1958.

By Order of the Board,
B. V. NARAYANA REDDY,
General Manager.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.
1. Capital—				
AUTHORISED—1,00,000 shares of Rs. 100 each	1,00,00,000	00		
ISSUED, SUBSCRIBED AND PAID-UP IN CASH—50,000 shares of Rs. 100 each			50,00,000	00
2. Reserve Fund and Other Reserves—				
Reserve Fund	40,84,387	00		
Share Premium	46,70,613	00	87,55,000	00
3. Deposits and Other Accounts—				
Fixed Deposits	4,62,37,582	77		
Thrift and Savings Bank Deposits	2,40,47,326	19		
Current Accounts, Contingency Accounts, etc. (including provision for Depreciation on Investments Rs. 10,48,949.84)	5,86,07,472	60	12,88,92,381	56
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	30,00,000	00		
(ii) Outside India	Nil		30,00,000	00
PARTICULARS— Secured (Secured by part of investments in Central and State Government Securities per contra)	30,00,000	00		
5. Bills Payable			21,59,490	60
6. Bills for Collection being Bills Receivable as per contra—				
(i) Payable in India	1,04,03,065	77		
(ii) Payable outside India	94,178	12	1,04,97,243	89
7. Other Liabilities—				
Provision for Income-tax and Super-tax	16,93,935	11		
Staff Gratuity Fund	8,26,580	36		
Unclaimed Dividends	1,46,217	15		
Sundries Payable	3,68,258	60		
Rebate on Bills Discounted	38,631	30		
Branch Adjustments	24,62,545	76	65,36,068	78
8. Acceptances, Endorsements and Other Obligations per contra			30,52,377	82
9. Profit and Loss—				
Balance as per Balance Sheet as at 31st December, 1956			15,91,910	51
LESS—Appropriated to—	Rs.	nP.		
Dividend Account	4,00,000	00		
Provision for Income-tax and Super-tax	3,00,000	00		
Bonus to Staff	2,96,773	97	9,96,773	97
			5,95,136	54
ADD—Profit for the year brought from the Profit and Loss Account			24,07,561	38
			30,02,697	92
LESS—Appropriated during the year as follows—	Rs.	nP.		
General Reserve Fund for the year 1956	3,55,000	00		
Interim Dividend	4,00,000	00		
Reserve for Contingencies	2,00,000	00		
Reserve for Depreciation on Investments	3,00,000	00		
Reserve for Income-tax and Super-tax	2,00,000	00	14,55,000	00
			15,47,697	92
10. Contingent Liabilities—	Rs.	nP.		
(i) Claims against the Banking Company not acknowledged as debts	2,46,741	40		
(ii) Money for which the Banking Company is contingently liable showing separately the amount of any guarantee given by the Banking Company, on behalf of directors or officers—				
(a) Guarantee given on behalf of directors or officers	Nil			
(b) Guarantee given on behalf of others	47,000	00		
(iii) Arrears of cumulative preference dividends	Nil			
(iv) Liability on Bills of Exchange rediscounted	Nil			
(v) Liability on account of outstanding Forward Exchange Contracts	Nil			
Total .. Rs.			17,00,40,260	57

PROPERTY AND ASSETS	Rs.	nP.	P.	
1. Cash—				
In hand and with the Reserve Bank and State Bank (including Foreign Currency Notes)			91,06,868	46
2. Balances in Current Accounts with Other Banks—				
(i) In India	10,98,735	17		
(ii) Outside India	6,51,118	36	17,49,853	53
3. Money at Call and Short Notice			2,00,000	00
4. Investments (at or below cost)—				
Rs. 4,22,65,900 of the Central and State Government Bonds and other Trustee Securities (Market Value Rs. 4,14,10,726.75)			4,28,82,869	85
(Full provision for the difference between the market value and the cost of the Investments has been made as per contra.)				
(The above Investments include securities to the value of Rs. 8,27,000 held on behalf of the Staff Gratuity Fund)				
5. Advances (other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)—				
I. Loans, Cash Credits, Overdrafts, etc.—	Rs.	nP.		
(i) In India	8,49,03,374.16			
(ii) Outside India	Nil			
			8,49,03,374	16
II. Bills Discounted and Purchased—				
(i) Payable in India	1,23,52,732.17			
(ii) Payable outside India	6,87,653.96			
			1,30,40,386	13
			9,79,43,760	29
PARTICULARS OF ADVANCES—				
(i) Debts considered good in respect of which the Banking Company is fully secured			7,62,71,846	06
(ii) Debts considered good for which the Banking Company holds no other security than the Debtors' personal security (including Rs. 1,09,57,671.24 on joint and several signatures)			2,00,82,500	29
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the Debtors			15,89,413	94
(iv) Debts considered doubtful or bad, not provided for			Nil	
Total .. Rs.			9,79,43,760	29
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons (Fully Secured Rs. 11,91,174.95; Unsecured due by Officers Rs. 86,908.25)			12,78,083	20
(vi) Debts due by companies or firms in which the Directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members			63,51,414	24
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons (Fully Secured Rs. 14,36,819.21; Unsecured due by Officers Rs. 26,999.60)			14,63,818	81
(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the Directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members			63,51,414	24
(ix) Due from Banking Companies			7,32,863	47
6. Bills Receivable being Bills for Collection as per contra—				
(i) Payable in India	1,04,03,065	77		
(ii) Payable outside India	94,178	12	1,04,97,243	89
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra			3	8
8. Premises Less Depreciation—				
At cost as at 31st December, 1956	82,93,155	06		
Additions during the year	83,859	68		
	33,77,014	74		
LESS—Transferred to Furniture and Fixtures	9,214	77		
	33,67,799	97		
LESS—Depreciation to date	8,85,799	97	24,82,000	00
9. Furniture and Fixtures—				
At cost as at 31st December, 1956	8,37,678	03		
Additions during the year	81,453	46		
Transferred from Premises	9,214	77		
	9,28,346	26		
LESS—Deductions during the year	4,298	39		
	9,24,047	87		
LESS—Depreciation to date	4,41,047	87	4,83,000	00
10. Other Assets—				
Other Properties—	Rs.	nP.		
At cost as at 31st December, 1956	62,044	88		
Additions during the year	2,450	00		
			64,494	88
Balances with Mysore Government Treasuries			36,401	96
Advance Payment of Income-tax and Super-tax			11,10,672	38
Interest accrued on Investments and Commission			4,72,592	35
Deposit with Government Departments			7,125	66
11. Non-Banking Assets—				
Acquired in Satisfaction of Claims—			Nil	
Total .. Rs.			17,00,40,260	57

(Continued on next page)

DIRECT TAXATION MEASURES IN THE NEW BUDGET

By Dr. Rustom C. Cooper, M.Com., Ph.D. (Econ.), F.C.A., F.S.A.A. (Hons.)

THE "pedestrian" budget of the Prime *Minister-cum-Finance Minister* contains certain features which are worth a critical review. In this article an attempt is made to assess the implications of some of the more important proposals.

Service Taxes: The Finance Bill proposes an amendment to Section 9 of the Income-tax Act. The amendment seeks to negative the decision of the Bombay High Court in the Chitnavis case. It was only recently that the Bombay High Court held that, for the purpose of income-tax assessment, service taxes, such as water tax and conservancy tax, should be allowed to be deducted in full. It is, therefore, to be regretted that the Government should attempt to amend the law every time the Supreme Court or a High Court gives an adverse decision which results in loss of revenue.

Amendment of Section 23A: The same trend is also reflected in another proposal to amend Section 23A of the Indian Income-tax Act. This section deals with compulsory distribution of dividends by private companies. The present proposal seeks to give power to the income-tax authorities not to pass an order under Section 23A, where it is found that passing such an order would not be beneficial to revenue. This is clearly a case of "heads I win tails you lose" mentality.

Preference to Public Sector: Some of the proposed exemptions from income-tax are such that the Government could obviously be accused of being partial to the public sector. For instance, gratuities paid by local authorities and public statutory corporations started by both Central and State Governments will now be exempt from tax. The same concession, however, is not extended to the employees of private enterprises.

Similarly, entertainment allowances received by Government employees not exceeding one-fifth of salary or Rs. 5,000, whichever is less, will be exempt from tax. Again, this concession is also not available to employees of private business and industry. In fact, in 1955, the Government actually withdrew this concession for employees in the private sector who were not receiving entertainment allowance before 1st April 1955. This kind of discrimination is most unfair and unjust, to say the least. No reasons have been advanced by the Government to justify such a discrimination, especially at a time when the Government has universally recognised the important part which the private sector must play in the successful implementation of the second Five-year Plan.

Development Rebate: There is a proposal in the Finane Bill to impose certain restrictions regarding the grant of development rebate for income-tax purposes. At the outset, one must admit that development rebate is an important concession made to industry in recent years, but by making the conditions under which it is available stringent, the Government is adding to the hardships of the private sector. The present proposal contains the following three restrictions:

(a) The amount of development rebate must be debited to the profit and loss account and credited to a special reserve account in the balance-sheet;

(b) It must be utilised within the next ten years for acquisition of new assets or for investment in the undertaking;

(c) The assets on which development rebate is allowed should not be sold or transferred before the expiry of ten years.

Non-compliance with any one of these conditions would result in either non-allowance of the rebate or withdrawal of the same if already granted. It is conceded that the Government has a right to impose reasonable restriction to ensure that such an important concession is not frittered away by private *entrepreneurs*. Yet, there are certain inherent hardships involved in these proposals which require to be mitigated; for instance, the debit of the entire amount of the development rebate to the profit and loss account in the very first year of acquisition of new asset may result in denying to the shareholders even a modest dividend for that and also subsequent years. It is suggested that the Government might consider an alternative whereby the writing off to the profit and loss account could be allowed to be spread over a reasonable number of years. Again, the third condition preventing sale or transfer of assets before the expiry of ten years would cause considerable hardship, where it becomes necessary to effect a forced sale of assets, say, for instance, on account of obsolescence. Provision must be made to ensure against hardship in such cases.

Estate Duty: In the sphere of Estate Duty there are two important changes which deserve one's attention. The first is the proposal to reduce the non-taxable limit from Rs. 1,00,000 to Rs. 50,000. This is something which will directly hit even the lower middle-class person. It is common knowledge that, during the last few years, the price level has gone up by at least five times. If allowance is made for this, it will be seen that the limit of Rs. 50,000 means only Rs. 10,000 in terms of pre-war price level. It is open for serious consideration of the Government whether there is any justification for imposing Estate Duty at this low level. The Government has not made out any case at the present juncture for reducing the non-taxable limit to Rs. 50,000 and that too at the very time when it seeks to introduce Gift Tax through a separate statute.

Deduction of Probate Court Fees: Another unjustifiable proposal in the Finance Bill is to reduce the allowance against Estate Duty liability of court fees payable on grant of probate, letters of administration and succession certificates to half the actual figure. Under the 1953 Act, there was a provision for full deduction of court fees payable in these cases. There is no justification for denying this allowance to the extent of 50 per cent. of the actual payments made. Once again, the Government has not advanced any reason in support of this amendment. This step clearly leads to double taxation in respect of same property.

The combined effect of the proposal to reduce the non-taxable limit and denial of deduction of court fees paid, by 50 per cent., would be a serious blow on a large number of people falling within the lower middle-class group for whom the tax burden is already very high.

Gift-Tax: The Gift-Tax Bill provides for the valuation of the subject matter of gift being on the basis of its fair market value "in the opinion of the Gift-Tax Officer." The words within quotations are capable of considerable mischief as shown by the present working of the Wealth Tax legislation containing a similar provision. For instance, in many cases, the Wealth Tax Officers are known to disregard reports of expert architects on property valuations without assigning any reasons. These architects are members of a panel appointed by the Central Board of Revenue itself for Estate Duty purposes. The Gift-Tax Officers, who are at best administrators of fiscal laws, could not, by any stretch of imagination, be better judges of property values than the qualified architects. It is, therefore, most unfair that reports should be rejected by Wealth Tax Officers even though they are not able to find a single flaw in the report. The same thing also happens in case of valuation of life interest made by qualified actuaries for Wealth Tax purposes. In all such cases, the standard answer given by the Wealth Tax Officer is, "We have departmental instructions in this matter." It is true that the law provides for subsequent appellate machinery, which one can use when there is a difference of opinion between the officer and the assessee on the question of valuation. However, this does not help to mitigate the hardship caused to the public, because appeals have to be filed in almost every case, leading to considerable harassment and expense to the assessees. Where the stake involved is not large, the assessee may prefer not to go in appeal simply to save time, expenses and botheration. This, however, could be no justification for a department to act in an arbitrary manner, knowing as it does, that, because of the small stake, the assessee is not likely to go in appeal.

(*Continued on page 499*)

THE BANK OF MYSORE, LIMITED—*(Continued)*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

EXPENDITURE	Rs.	nP.	INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	29,19,636	77	1. Interest and Discount	69,84,168	02
2. Salaries and Allowances, Provident and Gratuity Fund Contributions (including Manager's Salary and Allowances Rs. 33,462.50)	22,33,354	79	2. Commission, Exchange and Brokerage	11,50,312	47
3. Directors' and Local Committee Members' Fees and Allowances	38,857	63	3. Rents	1,88,886	62
4. Rent, Taxes, Insurance, Lighting, etc.	2,83,498	30	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
5. Law Charges	18,777	67	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Postages, Telegrams and Stamps	50,038	58	6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil	
7. Auditors' Fees	14,000	00	7. Other Receipts	27	13
8. Depreciation on and Repairs to the Banking Company's Property	1,41,899	93			
9. Stationery, Printing, Advertisement, etc.	1,26,914	15			
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil				
11. Other Expenditure	43,915	04			
12. Balance of Profit before providing for Taxation carried to Balance Sheet	24,07,561	38			
Total .. Rs.	82,73,394	24	Total .. Rs.	82,73,394	24

P. N. SUBRAMANIA IYER, *Chief Accountant.*
B. V. NARAYANA REDDY, *General Manager.*

A. R. BADRINARAYAN,
V. H. CHANNABASAVIAH,
M. V. VEERAPPA,
L. S. VENKAJI RAO,
} *Directors.*
G. V. RUDRAPPA,
S. RAMANATHAN,
K. SUBBA RAO RAMASWAMY,
S. M. RAMAKRISHNA RAO,
D. M. SHANKARAPPA.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE BANK OF MYSORE, LIMITED.

We have audited the Balance Sheet of The Bank of Mysore, Limited, as at 31st December, 1957, and also the Profit and Loss Account of the Bank for the year ended on that date.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to Sub-sections (1) and (2) of Section 211 and Sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of account and the returns;

(e) In our opinion, and the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

BRAHMAYYA & CO.,
S. R. MANDRE,
B. K. RAMADHYANI & CO.,
} *Chartered Accountants.*
SANTHAPPA & CO.,
FRASER & ROSS.

BANGALORE, *15th February*, 1958.

OUTLOOK FOR SUGAR EXPORTS BLEAKER

CONTINUED FALL IN WORLD PRICES

MORE than six weeks have elapsed since the Union Minister for Food and Agriculture disclosed that the Government of India was expected to announce its decision on sugar exports "in a short time." But no announcement has been made up to the time of writing (Saturday, 8th March). Meanwhile, the chances of India exporting sugar appear to be bleaker than they were a couple of months ago. The world sugar market has suffered a marked setback in the past few weeks and, consequently, the gap between world prices and Indian prices has widened further against India. The latest available rate for Cuban raw sugar at New York is 3.37 cents per lb. (f.o.b. Cuba), as against 3.67 cents a month before. Refined sugar is now being sold in London at £30¼ per ton, as against £32 a month ago and £36 three months ago. As compared with the currently ruling world prices, the price of Indian sugar is higher by as much as Rs. 227-242 per ton, even after allowing for full remission of excise duty and cane cess.

The continued maintenance of low sugar prices the world over has been due to the substantial increase in stocks, thanks to the marked expansion in output, on the one hand, and the relatively low rate of rise in consumption, on the other. According to a recent study made by Mr. F. O. Licht, the German statistician, the aggregate world stocks of sugar have gone up by 15.27 per cent. over the previous year, whereas consumption has advanced by only 1.53 per cent. In Europe, the higher stocks of sugar are reflecting, first, the increased production of the campaign year 1957-58 and, secondly, the lower consumption due to hoarding purchases during the Suez crisis. There has also been an increase in sugar stocks in Cuba, Brazil and Australia. Dominican Republic and Taiwan, however, show a reduction in stocks.

The world sugar output, as already stated, has expanded markedly. The current sugar season (1957-58) is expected to witness an all-time peak level of output. The first estimate of the U.S. Department of Agriculture places the total world production of sugar at 43,263,176 metric tons (or 47,689,000 short tons), as against 41,261,000 metric tons in the previous season, representing a rise of over two million tons or 5 per cent. The anticipated increase is accounted for by all the continents, as is shown below:

(Thousand metric tons—raw value)

	1957-58	1956-57 †
Europe	14,307	13,784
Of which Russia	4,855	4,636
North and Central America	13,718	13,075
Asia	6,100	5,973
South America	5,073	4,804
Africa	2,823	2,263
Oceania	1,442	1,362
Total	43,263	41,261

It will be seen from the table above that the bulk of the improvement in world sugar production in the current season is accounted for by North and Central America and Europe, the actual increase being of the order of 643,000 tons and 523,000 tons. Among the countries of Europe, Russia has suffered a setback in production, the actual fall being 181,000 tons. As regards the rise in output in other continents, it is 427,000 tons in Asia, 271,000 tons in South America, 80,000 tons in Oceania and 60,000 tons in Africa. The rise in Asian sugar production has been shared by India, Indonesia, the Philippines, Formosa and China. Indonesia is expected to have a sugar production of 935,000 short tons (866,000 tons in 1956-57). The output in the Philippines, Formosa and China is estimated at 960,000 tons, 1,200,000 tons and 400,000 tons, as against 955,000 tons, 1,154,000 tons and 360,000 tons, respectively. The latest report from Indonesia is that smaller quantity may be available for export.

Mr. F. O. Licht's third estimate of the European beet sugar production for 1957-58 places the aggregate output higher than the first estimate of the U.S. Department of Agriculture at 15,885,847 tons. This figure shows an increase of 1.5 million tons as compared with 1956-57 and of 1.6 million tons over 1955-56. The countries which have shared in the increase are Western Germany, France, Yugoslavia, Poland and Czechoslovakia.

According to the Presidential decree, the Cuban sugar output for 1957-58 is fixed at 5.5 million tons. In addition, Cuba has previous season's carry-over of 680,000 tons of sugar. The allocation for the current season's output suggested by the Cuban Institute is as follows:

	Tons
U.S.A. free quota	1,872,690
U.S.A. retained quota	500,000
World free quota (held by producers)	1,500,000
World free quota sold and to be sold by I.C.E.A.	843,750
World obligatory reserve	234,375
Voluntary reserve	249,185
Local Cuban consumption	300,000
Total	5,500,000

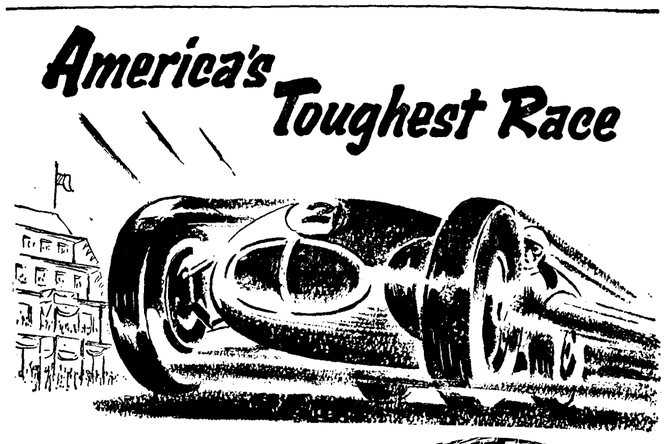
The above figures reveal that the total world market supply of Cuban sugar in the season comes to as much as 2,343,750 tons (excluding the carry-over stocks) which almost equals the initial quota established under the International Sugar Agreement.

It may be noted here that the International Sugar Agreement is due to come up for re-negotiation in the ensuing autumn. The U.K. and Commonwealth countries are likely to insist on an upward revision in the quota to the extent of at least 50,000 tons each year, that is, approximately 2 per cent. per annum. Such an upward revision, it is pointed out, will secure for the Commonwealth about one-third of the expanding sugar market which it is itself providing and leave two-thirds for other sugar exporting countries of the world. All the members of the Commonwealth Sugar Agreement (C.S.A.) are also members of the International Sugar Agreement, under which the Commonwealth is collectively limited to exporting 2.5 million tons of sugar in 1958.

Under the C.S.A., it will be recalled, the British Government negotiates every year with the Commonwealth exporting countries a fixed price for a portion of their sugar exports. This price is arrived at by applying a formula which takes account of cost factors involved in producing sugar. The price so arrived at is known as the "negotiated price." It is applied at present to about 1,535,000 tons of sugar for shipment to the U.K. at a price of £43 16s. 8d. per ton. This price is very much higher than the world price, so that the Sugar Board, which purchases sugar and sells it to importers at the world price, is making losses on its current transactions. Consequently, the Board has imposed, with effect from 20th February last, a surcharge equivalent to about 1.25d. per lb. on refined sugar on all imports. Despite this levy, the sugar prices in the U.K. have not only not increased but have actually fallen. The quotation as on the 4th inst. was £30½ per ton, as against £31-5/8 before the imposition of levy. For, since the retail section of the sugar trade is very competitive, the levy has not been passed on to consumers immediately, particularly because there are stocks in hand bought at previous prices.

Replying to a question in the Lok Sabha last week, Mr. A. M. Thomas, Union Deputy Minister for Food, said that the Government of India was not aware of any demand for Indian sugar in the United States. According to him, one of the members of the Indian Industrial Delegation which visited foreign countries recently stated that there was scope for exploring a market for Indian sugar in the United States. But the Government felt that this suggestion was not very practical. That was because the United States mainly imported sugar from Cuba, Mexico, Peru and the Philippines, and the interests producing sugar in these countries had connections with American interests.

According to the Directorate of Economics and Statistics, Union Ministry of Food and Agriculture (Department of Agriculture), the all-India first estimate of sugar produced directly from cane in vacuum pan factories puts the current season's production at 2,067,000 tons, as against the actual production of 2,029,000 tons during the previous season. This shows an increase of 38,000 tons or about 1.9 per cent. The rise in sugar production is expected to be shared mainly by Bombay (69,000 tons), the Punjab (24,000 tons) and Mysore (31,000 tons). The States of U.P. and Bihar, however, are expected to show a decline to the extent of 37,000 tons and 27,000 tons, respectively.



EUROPEAN COAL MINES FACE RECESSION

PITHEAD STOCKS MOUNTING

THE coal industry in the U.K. and the Continent is facing a recession. Thanks to a decline in consumption in domestic markets and a sharp rise in imports of coal, the collieries in these countries are now burdened with mounting stock at pithead. In Britain, the National Coal Board is faced with huge pithead and opencast stocks of "power station smalls." Despite the substantial cuts in export prices since the beginning of 1958, the Coal Board has not been able to increase its exports of "smalls," because in Europe no country seems to be in short supply of this variety of coal. This part of the season is usually a peak period for fuel consumption and, during the first six weeks of 1958, the temperature was well below that of the 1957 winter. Even so, the coal consumption in the U.K. so far has been running at a lower level than last year—the figure for the first five weeks being about 23.5 million tons, as against 23.95 million tons for the corresponding period of 1957. Exports of coal during this period have dropped by about 300,000 tons to 585,000 tons.

The output also has been running behind last year's rate, the production in the first six weeks aggregating 26.2 million tons, as compared with 27.3 million tons a year ago. This is due to larger absenteeism. Nevertheless, the stocks as at the end of January showed an increase at 25 million tons, as against 18.67 million tons a year ago. In these circumstances, it is not surprising that the National Union of Mineworkers in the U.K., which had put in a claim for a wage rise of 10s. per week to cover the rising cost of living, has been firmly told by the Coal Board that the demand could not be met. The situation in the U.K. coal industry is described by Lord Mills, Minister of Power, thus: "A need has now arisen in the coal industry for selectivity of output, instead of 'coal at any cost.' The price of coal has now gone so high that people are thinking before they buy and looking at the alternative." Strangely enough, the domestic solid fuel rationing in Britain has not been removed.

Ruhr Coal Mines

For the first time since 1954, six collieries in the Ruhr had to close down for a day on the 22nd ult. to reduce production, following a rise in pithead stocks of lean (non-coking) coal and domestic coke, and about 150,000 miners were rendered idle. Many collieries are thinking of introducing short-time working. The coal industry in the Ruhr has been affected by the heavy import of 35 million tons contracted in the U.S., the actual imports being staggered over the next three to four years. American coal is more competitive, in that the U.S. coal is available in the Ruhr even below the price of Ruhr coal, because of the decline in transatlantic freight rate. Very little U.S. coal is, however, being ordered by the Ruhr or by any other country in Europe now; most of the coal actually being imported from the U.S. into Europe represents the fulfilment of long-term contracts made at a time when freight rates were higher. Secondly, Ruhr coal is under a very strong competitive pressure from heavy fuel oil.

In Belgium, the Government has informed the European Coal and Steel Community High Authority of its decision to check imports of American coal into Belgium. Such imports have been placed under licence. Simultaneously, the Belgian Government has asked the E.C.S.C. countries to implement the 'mutual aid' clause in the Schuman Plan treaty. This clause is designed to enable ports in the other countries to refuse to discharge coal cargoes consigned to Belgium in circumstances like the present. Faced with the rapid accumulation of pithead stocks, the Belgian Government will license imports of coal under existing contracts, but licences for fresh imports will not be given. Since the old contracts are based on shipping agreements concluded when freight rates were much higher than at present, there is no fear of the U.S. coal being undersold in Belgium. Deliveries under new contracts made in recent months have, however, made U.S. coal cheaper than Belgian coal, on account of the fall in freight rates. During each of the last two years, Belgium has imported about 2 million tons of U.S. coal. In addition to restricting imports of coal from the U.S., the Belgian Government proposes to bring in legislation designed to render financial assistance to collieries.

the E.C.S.C. by three to four million tons this year. The large cut will be in imports of coal from the U.S. High stocks, consequent on lower domestic consumption without any drop in production, coupled with large deliveries from the other E.C.S.C. countries, are said to be the main reasons for France's decision to cut imports.

In this context, the data relating to production of hard coal in Europe during 1957 and imports of American coal, compiled by the Secretariat of the U.N. Economic Commission for Europe, may be read with interest. The output in Europe (other than U.S.S.R.) showed an increase of only one million tons during 1957, while imports of coal from the U.S. rose by 6.7 million tons to a record total of 45.1 million metric tons. In the U.S.S.R., output of hard coal and lignite increased by 34 million tons to 463 million tons.

Coal Output

The following table gives a country-wise break-up of coal production during the last three years, as compared with that in 1937:

(In million metric tons)

Country	1937	1955	1956	1957
Belgium	29.9	30.0	29.6	29.2
Czechoslovakia	16.8	22.1	23.4	24.2
France	44.3	55.3	55.1	56.8
Saar	13.4	17.3	17.1	16.4
Western Germany	137.6	130.7	134.4	133.2
Netherlands	14.3	11.0	12.0	11.7
Poland	66.0*	94.5	95.6	94.0
United Kingdom	244.3	225.2	225.6	227.0
Other European Countries (except U.S.S.R.)	12.9	27.9	28.6	29.0†
Total Europe (except U.S.S.R.)	579.5	614.9	621.4	622.4
U.S.S.R.‡	128.0	391.0	429.2	463.0

* Post-war territory. † Provisional. ‡ Including lignite.

The only major producing countries where output recorded increases are France (with a rise of 1.7 million tons), U.K. (1.4 million tons) and Czechoslovakia (0.8 million tons). The biggest absolute declines occurred in Poland (1.6 million tons) and in the Federal Republic of Germany (1.2 million tons). The reduction in West Germany and Poland is attributed to reductions in working time.

The principle importers of U.S. coal during 1957 were: West Germany with an import of 16 million tons (as against 11.5 million tons in 1956), Italy—8.1 million tons (6.6 million tons), France—6.9 million tons (6.1 million tons), Netherlands—4.5 million tons (4.0 million tons), the U.K.—2.1 million tons (3.2 million tons), Belgium—2.1 million tons (2.0 million tons) and Austria—2.0 million tons (1.9 million tons).

SAFETY IN COAL MINES

A representative conference comprising mine-owners, labour representatives, mining engineers from coalfields in India, the Chief Inspector of Mines and other Government officers concerned, is likely to be held in the course of this month at New Delhi to discuss problems relating to safety in coal mines and allied matters, with a view to evolving out measures offering maximum safety in the working of coal mines in India. The conference is being sponsored by the Union Ministry of Labour. It is reported that each party attending the conference has been asked to prepare a suitable memorandum and submit it to the Government, so that when the conference, the Steering Group, as it is called, meets, it will have before it a clear picture of the situation and what measures are necessary to offer maximum safety in the workings of coal mines. The views of the Steering Group, when formulated, will receive the attention of the Tripartite Industrial Committee on Coal Mining, when it meets some time in June or beginning of July this year.

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PROBLEMS FACING TEA INDUSTRY

INTERNATIONAL REGULATION OF SUPPLIES LONG OVERDUE

A COMPREHENSIVE and illuminating review of the problems facing the tea industry was provided by Mr. C. D. Wilson, Chairman of the Indian Tea Association, at the seventy-seventh annual general meeting of the Association held at Calcutta on the 7th inst. These ranged from the heavy burden of taxation to soil conservation and afforestation. His speech was indeed, a Marathon one, being not less than 7,500 words. His appraisal of the tea industry's position was well balanced and his criticisms of the Government's policy were mild and constructive. He endeavoured to see the Government's point of view and did not hesitate to give the authorities credit where it was due. If the Ministers and the officials concerned with this important industry, both at the Centre and the States, carefully read his speech with an open mind, they will, we have no doubt, concede the need for a suitable change in a number of their policies pertaining to tea. We suggest that the I.T.A. should send, if it has not already done so, a copy of Mr. Wilson's speech not only to the authorities concerned but also to members of the Rajya Sabha, the Lok Sabha and of the legislatures of States where tea is grown. In a democracy, it is always better to keep the Government and the people's representatives fully informed of the problems (as also of what appears to be the right solutions for them) facing each sector of this country's economy.

Tea's Importance

At the outset, Mr.Wilson did well to highlight the importance of the tea industry to Indian economy. This industry has an outstanding record to its credit in recent years, as will be seen from the following extract from Mr. Wilson's speech:

"We have earned by our sales of tea abroad, Rs. 499 crores of foreign exchange in the last four years, a sum greatly in excess of that earned by either of the other exporting giants, jute and cotton. In the same period, we have paid nearly Rs. 200 crores in direct and indirect taxes, and we have provided annual employment, shelter and medical care for a million workers and their families. Our members have built for our labourers 74,634 new houses, to approved dimensions, and the standard of medical attention is such that the death rate on tea gardens is as low as that of the United Kingdom, while the live birth rate is exceeded in only one country in the world. We have not merely controlled malaria, we have nearly conquered it, and the spleen rate, which in 1946 was seven hundred a thousand, today averages only fifteen a thousand, and in one district is as low as one. Statistics of labour relations show that, in 1957, we lost 189,578 man-days work through industrial disputes, representing only one hour a worker in the whole year. There have been fifty-two strikes, but twenty-nine finished on the first day, and only eleven lasted more than four days."

It is important to bear in mind here that all the aforesaid fine achievements were accomplished with no external aids and with none of those loans which refresh so many industries under the Plan. Tea, it may be further noted, is outside the Plan, save for a forecast of future production. Nevertheless, the contribution by tea for the success of the Plan is immeasurable. It is not suggested that the tea industry has not benefited by the Five-year Plans. Every conscious and devoted effort to raise the living standards of the masses helps tea, for, when people have more money in their pockets, they will drink more tea. The internal consumption of tea which was only 181 million lbs. in 1951 is now running at the rate of 220 million lbs. But that is no reason why the authorities should not take prompt steps to mitigate the problems facing this vital industry.

Overproduction

The first great problem facing the tea industry, according to Mr. Wilson, is overproduction of tea in the world as compared with the current demand for it. How serious is this problem? In Mr. Wilson's view, the overproduction is not so great as some buyers and statisticians would have us believe; nor are the stocks lying unsold large. But the trouble is buyers, in general, have not the funds to take up even this little extra supply of tea at prices which are remunerative to both producers and consumers. The I.T.A., which represents the vast majority of gardens in North-East India, has tried, on a voluntary scale, to reduce the crop grown in this area by laying the greatest emphasis on quality plucking and by mercilessly destroying in the gardens tea waste. Even for purposes of chemical manufacture or export such waste is not sent out of the gardens, on the ground that "it is bad business to sell a few million lbs. of rubbish for a few annas a pound and thereby run the triple risks of discrediting Indian teas both at home and abroad, of discouraging would-be consumers who may initially be tempted by cheapness, and of debasing the market value of the crop as a whole." Through these twin measures, the tea output in North-East India was kept down by about 19 million lbs. in 1957, as compared with 1956. However, in the absence of a corresponding restraint in production in other parts of the world, this cut in production was more than neutralised. In South India itself, the crop was up by 17 million lbs., mostly due to good weather, as opposed to the drought in North-East India which helped the I.T.A. to enforce a reduction in production. In Ceylon, there was a record production of nearly 400 million lbs. But for floods and dock strikes in Ceylon and political disturbances in Indonesia, the increase in world tea crop in 1957 would have probably occasioned a precipitous fall in the prices of this soft beverage. But, as Mr. Wilson rightly remarked, "It is a poor industry which must rely for its prosperity upon the activities and misfortunes of others."

World-wide Regulation

When viewed in this context the need for an international agreement for regulating supply of tea will be better appreciated. Mr. Wilson explained this need rather forcefully. He said:

"The production of tea in the African territories and elsewhere is rising, and I believe that when the troubles in Java have sorted themselves out, when Ceylon's exports resume their normal flow and when the new African teas, well packed and duty free, reach the London market, a recession in prices may have to be faced. There is still no international agreement, because there seems still to be in every producer's heart, and in the mind of every Government, the comforting belief that, if there is trouble, it is the other fellow who will go to the wall.

"The regulation of production—what is now known as 'planned production'—in such a way that plantations can pay good wages, can carry out their social obligations and can still give good value to the customers, seems a sensible and civilised way of doing business, and it is a pity that tea, which led the way in the international ordering of its affairs, should now seem so incapable of concerted action. Perhaps, if producers were able to discuss the matter informally amongst themselves, suggestions might be framed which would do justice to Pakistan, which now consumes most of her crop but which would like to retain her export rights under the old agreement, to Indonesia which must always remember that twenty years ago her production was twice what it is today, to Ceylon which depends entirely upon her foreign trade, and to the African territories, newcomers to the business but claiming their right to develop.

"Throughout the recent, rather frustrating, years, the Government of India has shown itself receptive to new proposals; it has endeavoured to negotiate with other Governments rather than wield the big stick which our commanding position as producers and as leading contributors to the costs of international propaganda affords us; and, despite the present discouraging position of negotiations, it is my belief that, eventually, corporate wisdom will prevail, and that a new agreement will come into being. When it does, the benefits to producer and to consumer will be such that all will regret that the agreement had been so long in coming. Whether the situation will deteriorate so badly in the meanwhile that the producers of this or of any other country will be obliged to regulate their crops 'unilaterally,' I cannot say, but I believe that few Governments would like to take the initiative in such a matter."

The predominance of common tea in the total of production is another problem. because in a situation such as the present, it fetches lower prices and reduces the producer's margin of profit. What is common tea? Who produces them? And how can the problem be mitigated? Replies to these posers can be found from the following quotation from Mr. Wilson's speech:

"It is, perhaps, not generally realised that every garden produces some common tea, the trouble starting when the proportion of such teas becomes too great. It is not easy to define common tea, for the market is fickle, and the neglected teas of one season often command a good price in the next, but, in general, one may say that a tea is likely to be common, if it comes from certain areas or if it fetches below a certain price. If that price is above the cost of production, the common tea producer rests modestly content, but, if a large portion of his crop is likely to sell below cost, he is immediately in difficulties.

"I believe that we have now reached a stage when much of India's common teas cannot be sold at a profit, unless there is, first, general disregard of legislative and welfare requirements, and, secondly, neglect of maintenance, a neglect which itself leads to further decline. World regulation of output would help, as will most certainly the ruthless destruction of tea waste and of residue teas. So, too, will an improvement in quality—if indeed soil and climatic conditions are such that improvement is possible—but too often the common tea producer is already in financial straits, and has not the surplus funds which are necessary if improvements are to be made and sustained. Quality is not merely an accident of location, but is the reward of long years of patient husbandry and constant attention to details in field and factory. It is never cheaply earned, nor can it be conjured up in a season by new machines or some extra sulphate of ammonia."

Differential Export Duty

It has been proposed by some that a differential export duty based on value will be of some help to those who produce common tea. Mr. Wilson seems to think that this solution is neither desirable nor feasible without doing grave injustice to producers of quality tea. He favours a straight reduction in the burden of taxation on tea, instead of a device like *ad valorem* differential export duty. Thus, he says:

"It has been suggested that an *ad valorem* export duty might help us, but we have so far not been able to see how the many difficulties attendant upon such a system could be overcome. First, export duties are only paid by a portion of the crop, and those producers who export least are often the ones in the greatest difficulty. Secondly, *ad valorem* duties are based on selling prices, and tend to ignore costs of production, as, for example, in Darjeeling. Thirdly, if we want to increase our exports, we are unlikely to do so by increasing the export duty on the teas which seems at the moment most popular with overseas buyers. And there are, of course, the problems of identification, of valuation of teas exported unsold, of assessment of duty on blended exports, and of bidding in the Calcutta and Cochin auctions when the duty to be paid will be dependent upon the bid. Perhaps, these difficulties are capable of a solution which avoids delays, and injustice, but so far the solution has eluded us, and we look for relief rather through the acceptance by Government of the recommendations of its Commissions and through the simplification of the now cruelly complicated tax structure upon tea."

Not all those who advocated lower export duty on common tea suggested that the loss of revenue to the Government should be met through an increase in the export duty on finer teas which fetch a higher price. In theory, at least, there seems to be nothing wrong in having different rates of export duty based on the prices obtained by the different varieties. This policy has been in vogue in regard to some other raw materials and manufactured goods. If, however, in actual practice, this will not be feasible, it is a different matter. That apart, it must be conceded that, if different rates of duty on exports of tea come to be adopted, the rates on superior varieties of tea should not be so high as to

(Continued on page 499)

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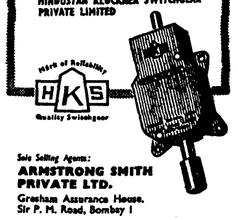

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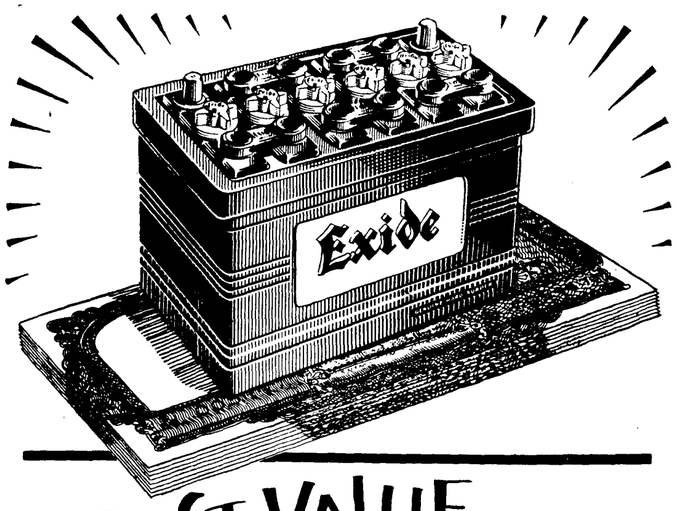

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DEBATE ON RAILWAY BUDGET

CONCERN EXPRESSED OVER GROWING EXPENSES AND ACCIDENTS

THE two targets of attack in the debate over the Railway Budget in the Lok Sabha and the Rajya Sabha were the increase in expenses of administration and in the number and gravity of the accidents on the railways. Many members, however, emphasised that the Administration should be enabled to augment the railways' capacity for lifting goods and carrying passengers. Some members were critical of the railways' labour policy, while others complained of "lack of discipline" among the ranks of the railway workers. The Union Minister for Railways, Mr. Jagjivan Ram, strongly defended the railways against many of the attacks, though he agreed that much remained to be done in the matter of ensuring greater efficiency in the running of the railways.

It should not occasion any surprise that the members of Parliament should express their concern over the increasing number of accidents on the railways. Indeed, one member averred that, if the averted accidents and engine failures were taken into account, it could be shown that the Railway Administration was even more negligent than was indicated by the published figures relating to actual accident. This argument, of course, is theoretical. Even so, it cannot be denied that the public is becoming more and more concerned over the fatal accidents on the railways. It is not as if the appropriate remedies are not known to the administrators. Only, it is not clear whether action is being taken to administer the remedies in as energetic a manner as the situation demands. Dr. Kunzru, speaking in the Rajya Sabha, stressed the importance of track renewals and increase in line capacity. It is not clear how many of the accidents are really due to the absence of attention to these considerations.

Human Element

In any case, the Minister's defence was hardly convincing. He attributed the accidents to the "human" element. This may be an explanation, but is hardly a defence. After all, all accidents, except those caused by what in legal parlance are known as "acts of God," are due to the human element. It should be the task of the Administration to improve the "human" element. In the Lok Sabha, Mr. A. E. T. Barrow attributed the accidents to the low level of training given to drivers. He declared: "The training which is being imparted to our drivers is ill-conceived, ill-planned, superficial and valueless." If this criticism is correct, it is a grave reflection on the technical education and training imparted by the authorities to a class of persons who, in the interests of safety, ought to be the best-educated of the men who man the railways. In this connection, the authorities will do well to implement the suggestion, made in the Lok Sabha, that the rules and regulations should be made available in regional languages and care should be taken to see that the employees understand and observe them. Nobody disputes that, with the best will in the world, accidents might occur. But the public should be assured that the Administration will take all reasonable precaution for the safety of passengers and goods they carry.

The increase in working expenses came in for much criticism. The point was made that the estimates were subject to wide variations. The Administration was criticised for presenting the budget in an "irresponsible and cavalier manner." Perhaps, this criticism is not altogether justified, considering that the estimates have had to be corrected from year to year in order to take into account the changes in coal prices, emoluments to staff and charges under repairs which became necessary. Even so, the Administration should be careful in preparing estimates and also give fuller explanation of changes in estimates. There is room for improvement in the matter of explanation of certain items, such as repairs and maintenance and miscellaneous expenses which absorb not an inconsiderable part of the total expenses. Further, little information is given about the number and cost of claims, including pending claims.

Above all, the fact remains that working expenses are going up year after year at a very steep rate. Working expenses in 1954-55 were Rs. 205.87 crores, in 1955-56 Rs. 252.86 crores, in 1956-57 Rs. 273.00 crores, in 1957-58 (revised estimate) Rs. 301.02 crores and in 1958-59 (budget estimate) Rs. 311.13 crores. Clearly, the need for utmost economy is more urgent than ever, if the increase in revenue is not to be frittered away in working expenses. A member in the Lok Sabha pointed out that in the Northern Railway there is more staff than the work warrants. It should be possible for the Administration to ensure that a scientific system of job analysis and time and motion studies is instituted and the strength and quality of the staff are in proportion to the nature and quantum of work to be carried out. There is also room for economy in the matter of construction. Some members were rightly indignant that, at a time when the authorities complained of insufficient finance for augmenting rolling stock and other essential equipment, they were wasting their resources on constructional activities.

Coal

Again, utmost efforts are needed to ensure maximum economy in the utilisation of coal, the bill for which is increasing year after year. For 1958-59, the fuel bill is estimated to account for Rs. 57.21 crores out of the total budget estimate of Rs. 311.13 crores for working expenses, as against Rs. 53.86 crores and Rs. 301.02 crores in 1957-58 (revised estimate). Even a small percentage reduction in coal bill would improve the railways' net earnings. Naturally enough, many members of both Houses of Parliament pressed for the practice of economy in fuel consumption, elimination of waste and prevention of pilferage of coal. It is to be hoped that the committee, which has been appointed to go into the question of economy in coal utilisation, will soon submit its report to the authorities, in order to enable the latter to take the necessary measures.

As regards the wide ramification of pilferage, it should be evident that, if it remains unchecked it is bound to swell the administration costs and also bring the railways into disrepute. Pilferage of railway stores is a direct loss to the railways, while pilferage of goods entrusted to their care would come to be reflected in the cost of claims. There is yet another aspect of the matter. All pilferage is a reflection on the standard of discipline in the Administration. If it is not checked in time, it might be difficult to check it later when the malady may become more chronic and widespread than now.

The two important subjects which came up for review were the amenities for passengers and the railways' labour policy. Overcrowding in trains is an evil which is likely to remain for a long time to come. Assuming that this is part of the larger question of the railway plan, there is no justification for the existence of complaints regarding sanitation in railways and stations. There is considerable truth in these complaints. Even in certain large stations and in the suburban stations in large cities like Bombay, the sanitary arrangements are a blot on the fair name of the railways. The number of closets is small and their upkeep leaves much to be desired. Indeed, if the railways were under a private agency, they would long ago have had to face prosecution by the Government or the Municipality for violation of the laws relating to public health. It is a pity that such conditions are allowed to continue, despite the fact that the appropriate measures for improvement do not involve any great expenditure. As regards the railways' labour policy, the criticism was that certain labour unions had been favoured by the authorities. While we would emphasise that the authorities should not favour one union as against another, it does not seem fair to suggest that they should give to unregistered unions the facilities which they give to registered unions.

The general consensus of opinion in both Houses was that the railways should be enabled to meet the growing demand for their services. It was suggested that the railways must provide for additional traffic to the tune of 80 million tons at the end of the second Plan. In his reply to the debate in the Lok Sabha, Mr. Jagjivan Ram stated that it was difficult to say whether the increase in traffic by the end of the second Plan would reach that level. Trends, he said, were being carefully watched and action would be taken at the appropriate stage to see that the necessary transport capacity was provided by the railways in order to cater to the requirements of the second Plan. He added: "The total volume of goods traffic that could be carried out of the funds provided for the railways under the second Five-year Plan is 162 million tons—an increase of 42 million tons over the first Plan. The inadequacy of this provision is appreciated in all quarters and increased line capacity is already being provided to cater for 181 million tons." While this is commendable in itself, it is to be hoped that the expansion programme will be kept sufficiently flexible in order to step up outlay as soon as acute shortages in transport capacity begin to be felt. Further, it cannot be too strongly stressed that the railways constitute only one means of transportation and that an integrated transport policy implies simultaneous emphasis on other forms of transport, including road, inland navigation and sea transport.

USE OF PLUTONIUM

A $10-million programme to convert the atomic explosive plutonium to peaceful use as a fuel for nuclear power reactors has been initiated by the United States. The Atomic Energy Commission authorised its Argonne National Laboratory near Chicago to construct a Fuels Technology Centre to conduct research on the project. The success of the programme, it is stated, would contribute greatly to peaceful use of atomic energy as it would lead to great demand for plutonium which is now used mostly in nuclear weapons and research. Most of today's nuclear reactors use a mixture of natural uranium and enriched uranium 235 as fuel to produce heat to generate electricity, producing plutonium as a by-product.

In another announcement from Washington, the commission said it has accepted as a basis for contract negotiations a proposal by two private firms to build a $108 million advanced nuclear power plant capable of producing new fuel while consuming original fuel. The proposal was made jointly by the Pennsylvania Power and Light Company and the Westinghouse Electric Corporation under the A.E.C's power demonstration reactor programme. The projected plant would be a reactor of the homogeneous type, producing a net electrical output of 70,000-150,000 kilowatts for the power company's system.

FUEL TANKER

The Aeronautical Research Laboratories in Melbourne have been carrying out exhaustive road tests with a 4,600 gallon aluminium semi-trailer tanker which, with the weight saved, will allow 600 gallons more pay-load to be carried under existing road legislation in Victoria. Designed and built by the Shell Co. of Australia Ltd., the unit is undergoing these tests hauled by a Leyland Beaver forward-controlled export type tractor, one of the many Leyland vehicles operated by the oil company. The particular model chosen for this work is a 12 ft. 6 in. wheelbase chassis normally used as a tipping vehicle and having a 4 ft. longer wheelbase than the usual tractor model.

Static and dynamic strain-gauge tests have been carried out, and actual road tests have been made with the tanker fully loaded with water. On one of the tests, the Beaver and tanker were driven over 3 in. raised billets and wooden blocks to stimulate bad road conditions. Stresses and reactions were then measured on a recording instrument connected to control and stress points on the tank.

Special features of the unit are Franklin air-bag suspension and glass-fibre mudguards. A Fowler oil-well turntable and aluminium sub-frame have been fitted. The aluminium tank was built by Engineering Products at Burnley, Victoria.

The concreting of the 207-foot high dam of the Koyna Hydro-electric project was inaugurated by the Chief Minister of Bombay, Mr. Y. B. Chavan, on the 1st inst. The work of excavation for the foundation of the dam has been completed. Actual construction of the dam is now taken in hand. The project, the first stage of which is estimated to cost Rs. 38.28 crores, has a power potential of about 500,000 kw. It will be completed in three stages. At the end of the first stage, which is expected to be completed in 1960-61, it will store 36,045 m.cft. of water and generate 240,000 kw. of electricity for supply to the Bombay area and to the districts of Satara, Kolhapur and Sholapur. The second stage, which is estimated to cost Rs. 8 to Rs. 10 crores envisages the increase in power supply to 410,000 kw. while the third stage is concerned mainly with exploiting the further power potential provided by the tail race water for a seasonal power house which is expected to have a capacity 60,000 kw.

The Norwegian concern, Borregaard A/S has reached an agreement with Unilever Ltd. for the sale of all the Unilever shares in the two concerns, namely, De Nordiske Fabriker De-No-Fa and Lilleborg Fabriker. Borregaard will pay £4.5 million in cash for the Unilever interests. De-No-Fa is one of the world's largest producers of hardened fats, and Lilleborg are manufacturers of oils and soaps. They both have factories in Norway.

Unilever and Borregaard have also agreed on a plan for future extensive mutual co-operation in the technical field.

NEW PRODUCTS AND PROCESSES

New Process for Canning Vegetables

A CANNING factory of the Netherlands has put on the market canned vegetables prepared by means of a new continuous process in which the vegetables do not lose colour and retain better their original nutritive value and taste. In the conventional method of blanching fresh vegetables the nutritive value, taste and flavour are partly lost as a result of the large quantity of water and the high temperature used. Preparation by the new method is by means of a continuous vacuum system. The equipment consists of two tanks filled with water at different levels. The open ends of the connecting tube in the shape of an inverted U are arranged in the water. A vacuum pumping installation connected to the horizontal part of this tube, which is 10.3m. (34 ft.) above the liquid level, draws the water containing the fresh vegetables from the tank with the highest level, which then flows into the tank with the lowest level. The process is continuous if care is taken that the level in the first tank is always higher than in the second. In this manner the vegetables pass a vacuum in the horizontal part of the tube, so that the air is sucked out of the vegetables. During the descent in the vertical tube the spaces which were first filled with air are now filled with water. During blanching this process took place at a high temperature, so that the nutrients were leached out. The vegetables prepared by the new method, it is claimed, retain a noticeably higher nutritive value; they have a better colour and taste and prevent the development of thermophilic bacteria. A patent for the new process is pending in many countries.

A New Protective Coating

A new protective coating for metal and concrete surfaces has been developed in the U.K. by Wailes Dove Bitumastic, London. It is said to combine the waterproofing properties of coal tar pitch with the resistance to chemical attack and corrosion of epoxy resins. The material is said to have excellent adhesion to both metal and concrete surfaces and to be able to withstand exposure to acids, alkalis, oils, fats and many other corrosive chemicals. At the same time, the coating, which is called Epimastic, has, it is claimed, excellent resistance to abrasion and other forms of mechanical wear, or shock. It can be applied to almost all types of industrial equipment where surface protection is desired, and retains its properties over long periods of time.

Wood Tar and Tinplating

Recent research into the use of wood tar as an additive for tinplating solutions has given promising results. Research by the Tin Research Institute, London, in conjunction with a number of U.K. companies has shown that wood tar as an additive leads to the production of a bright finish to the tin coating. With normal tinplating processes, on the other hand, a matt finish is produced. It is not known, however, at present which ingredients of the wood tar are the active agents in producing this result, and research is continuing to discover which constituent of the tar actually causes the bright finish. The experiments and trials carried out so far are said, however, to have shown sufficient promise to indicate that the process is one which is of practical industrial importance.

Corrosion—Resistant Wrought Iron

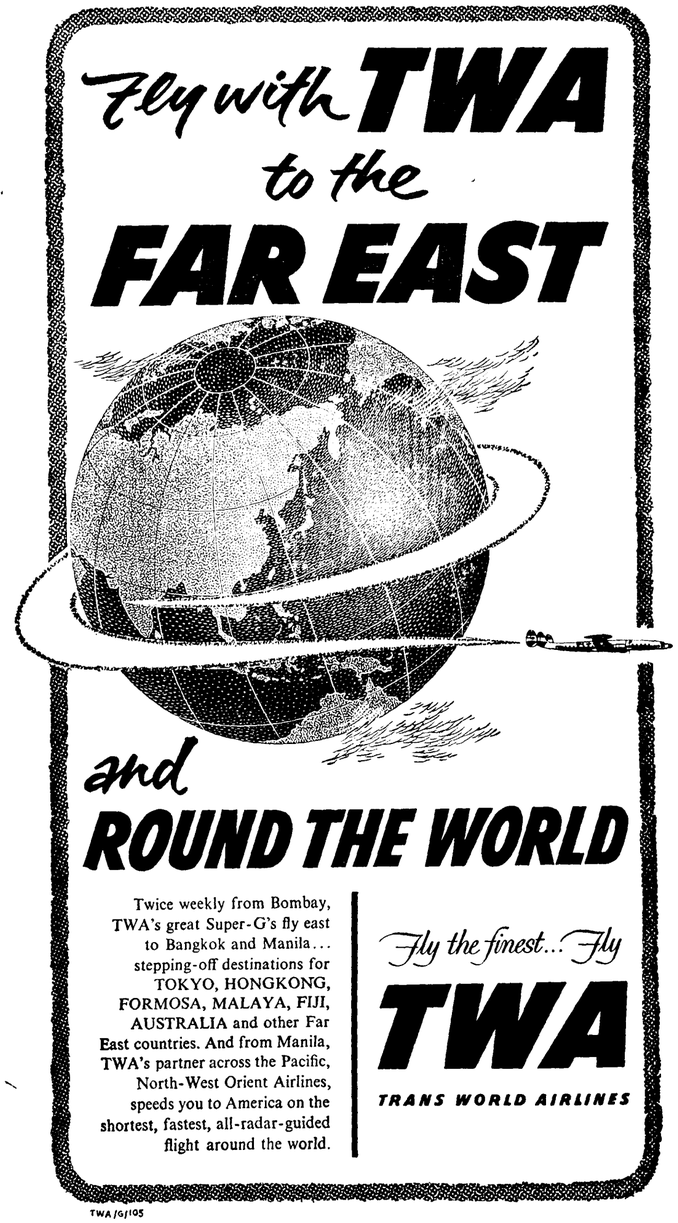
An improved U.S. wrought iron which is said to be at least 25 per cent. more corrosion-resistant than standard types and to possess greater uniformity and better physical and mechanical properties has been developed. The new wrought iron, which is to be known as 4-D and which will sell for the same price as standard types, is said to be the result of 17 years of research and development. Basically, the process by which it is produced is described as calling for removal of more oxygen from the base metal to leave it in purer state. At the same time, the phosphorous content is increased to provide added strength, and the silicate fibres are distributed throughout the iron.

Device Does Work of 3,000 Clerks

A new electronic typewriting device has been perfected in the United States, which can record enough data in 30 seconds to fill a 300-page book. It is made by the General Dynamics Corporation. Called the Computer Readout, the device is designed to record information provided by giant computers or "electronic brains." It can record in permanent, readable form the data output of computers at speeds 10 times as great as those of any other recording method. The General Dynamics Corporation says that the device is able to do as much work as 3,000 stenographers. It can record more than 259 million words a day or their equivalent in figures or diagrams.

Atomic Measuring Device

A new atomic measuring instrument is enabling a United States tile manufacturing company to achieve nearly exact uniformity in the thickness of its resilient tiles for use in floors. The instrument makes it possible to maintain within one per cent. the desired thicknesses of ashphalt and vinyl-asbestos tiles, the company says. The device, made by the Industrial Nucleonics Corporation, measures the density of tiles by sending beta rays through them. Electrical signals from a thickness-recording gauge are then translated into lines on a chart for analysis of the manufacturing process. The company that is using the instrument is the Mastic Tile Corporation of America, New York.



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LABOUR-MANAGEMENT RELATIONS IN THE U.S.

REPORT OF A TRIPARTITE TEAM

LABOUR-MANAGEMENT relations in the U.S. present a number of interesting contrasts to those in India or Britain. Many of its features, while bearing the impress of the distinctive traits of American genius, have evolved out of circumstances which were unique. Although the labour union movement in the U.S. is of comparatively recent origin, the American worker was fortunate enough to get certain political and social privileges such as adult suffrage and free education which had taken many years of intense struggle for workers in Europe to secure. These privileges served to make the American worker literate and more enlightened than his European confreres. Economic and social conditions, such as the abundance of land, the dependence on immigration for the necessary manpower, not only stimulated the inventive genius of the American people but also fostered outlook and work attitudes conducive to economic development and innovation. American labour, despite the fact that it was comparatively more educated, steered clear of the ideological cross-currents that swept over nineteenth century Europe. Nevertheless, it is true that the revolutionary philosophies of Marx and Engles and Sorel did exert their influence on the labour movement, but the latter was never attracted *en masse* by them nor taken in by the startling panaceas for the ills of society such as new economic and social orders offered by intellectuals. As Dr. Melder observes, "the rank-and-file members, as well as leaders, of American labour unions have no basic quarrel with capitalistic free enterprise as an economic system of allocating resources, distributing income and producing economic values, provided the institution of labour unionism is permitted to function on behalf of workers."

Labour unions in America, it must be borne in mind, grew round job interests. Although their purpose was to put labour in a position of strength so as to enable it to bring pressure on management to reduce the insecurities and burdens brought about by its continuous quest of management for efficiency and innovation, its aim was not to place a curb on innovation but to evolve a variety of new social and economic relations between workers and management, involving the sharing of or participation in regulation of innovation and the burdens and adjustments thereto. A new philosophy of industrial relations took shape. Its benefit to workers has been in the shape of an increasing share in the fruits of their labour and to the nation, in the form of higher production and productivity *plus* a long period of peaceful industrial development.

In order to study the mechanics of this dynamic system of employer-employee relations, the Government of India sent, in 1953, a tripartite team to the U.S. under the Point Four Programme. The team held discussions with Federal and State agencies, employers' and workers' organisations, visited a number of industrial establishments and trade schools, including the Tennessee Valley Authority and submitted a joint report to the Government of India. The report contains a number of useful suggestions as to how India can benefit from the American experience in the field of labour-management relations. A summary of the report, embodying the main findings and recommendations, contained in the January issue of the *Indian Labour Gazette* makes interesting reading.

Systems Dissimilar

The team observes, at the outset, that the basic characteristic of the American people, namely, their strong individualism and dislike of Government intervention beyond maintenance of law and order and provision of essential services, bears its imprint on all organisations and activities, including labour-management relations. It is clearly reflected in the constitution and mode of functioning of workers' as well as employers' organisations. To compare American practices and legislative provisions for the settlement of labour-management disputes with those obtaining in India, observes the team, is to draw parallels with two dissimilar experience. In the U.S., from the deliberate efforts on the part of the legislature to lend a helping hand to trade unions, the pendulum has swung back to the other side of curbing the strength of the union movement. In India, on the other hand, from a mere fact-finding enquiry which the Government had the power to order in earlier years, the country has moved to compulsory arbitration in order to maintain uninterrupted the flow of industrial production. Nevertheless, a comparative study of the experiences of both countries is useful for the lessons which it might offer.

The team points out that, in the U.S., there are no statutory Standing Orders. The collective bargaining contracts cover almost all items which form the subject matter of Standing Orders in this country. There is large diversity in the provisions on account of local conditions, including the strength and weakness of the labour organisation in the local area. While thus flexibility is a limited advantage, a definite disadvantage, according to the team, is the lack of even a minimum amount of statutory security in places where no contracts exist.

Nor are there in the U.S. any statutory works committees or production committees. Works committees, however, do function in places where, in practice, they are found beneficial to both workers and industries and do not jeopardise the interest of the trade union movement. Irrespective of whether there are formal works committees or not, complete co-operation exists between the parties in all matters relating to the improvement of working conditions. As regards production committees, there are various forms of consultation between employers and employees ranging from individual or group suggestion at the departmental level to consultation for the industry as a whole at the national level. Though in mass production processes of the assembly line type it is becoming increasingly difficult to assess the value of individual effort and offer commensurate reward to encourage better efficiency, the suggestion system with personal rewards does exist in the U.S. and is becoming more and more fashionable. Particular mention may be made in this connection of the "Scanlon Plan" which is an ingenius combination of a suggestion system, an incentive plan and profit-sharing with co-operation between management and workers at all times and at all levels.

Conciliation Procedure

The team points out that the conciliation procedure in industries which do not fall under the national emergency provisions in America is largely the same as that obtaining in non-public utility industries in India. The conciliation machinery has been found useful in both countries. In India, however, a time-limit is prescribed for the efforts of the conciliation machinery even in public utility industries. In the U.S. such efforts can go on endlessly. Boards of inquiry for fact-finding are provided for in both the countries, but, whereas they have to be used in America in national emergency disputes, their use in India is extremely rare in view of the provision for authorities with higher sanctions under the Industrial Disputes Act.

True to American tradition, there is a definite opposition in the U.S. on the side of both employers and workers to the idea of compulsory arbitration which does not at all exist there. The small element of compulsion introduced during the war through the War Labour Board and the Wage Stabilisation Board was only grudgingly accepted as an emergency measure.

As regards modification and rejection of awards, in India, this means the right of the Government to modify or reject an award of an adjudicator. In the U.S., however, though there can be modification or even rejection of an award by agreement between the parties themselves, any action by a third party in this respect is unknown.

In India, it is left to the Government to decide the cases in which the right to strike should be allowed free play and those in which it should not. But Americans consider restrictions on strikes as equivalent to restrictions on collective bargaining. As a result, there is, in the United States, an unrestricted right for direct action except where such right is circumscribed by contractual or statutory obligations. There are, however, about 85-90,000 voluntary labour-management contracts in America, providing for prohibition of strikes and lockouts. The team points out that what has been achieved in India by statute obtains in the U.S. as part of contractual obligations and healthy traditions. In both countries, strikes and lockouts receive undue publicity. In the U.S., to counteract this one-sided influence, the National Planning Association publishes a series of studies entitled *Factors in Successful Collective Bargaining*, in which an analytical study is made of establishments with a fairly long history of industrial peace. The team has suggested that this practice may be usefully copied in India also. It may be noted here that the results of a case study of labour-management co-operation and consultation in the Tata Iron and Steel Company, Jamshedpur, sponsored by the Union Ministry of Labour, have already been published.

Dismissal

The team points out that the only legal restrictions on the employers' right to discharge workers are the Federal and State Acts which prohibit discharges for union activity. The Selective Services Act also stipulates that veterans should not be discharged without cause within a year of their appointment. There are no statutory provisions governing retrenchment, seniority, etc. Such matters are settled by contract terms which vary widely. The procedure to be adopted by the employer in case of dismissals or discharges is laid down in contracts. The propriety of punishment can be questioned by the workers or the unions on his behalf. It can also form the subject matter for invoking the grievance procedure. Insistence on reinstatement is, however, rare because of the large possibilities for alternative employment. For the same reason, American trade unions have also never opposed technological changes leading to higher productivity.

The team points out that, due to the basic difference in approach, there are a variety of authorities under the Industrial Disputes Act in India, while the corresponding number in the U.S. is limited. In order to facilitate smooth implementation of the various legislations, it is necessary that the number of authorities should be reduced to a minimum. According to the team, there is a good deal which India can learn from the U.S. in the matter of the mode of selection of conciliation officers, their training, and the opportunities offered to them at regular intervals for refresher training. It attributes the success of conciliation system in the U.S. to the ample time allowed to the conciliation officers and the real desire of the parties to settle the differences instead of treating conciliation proceedings as a mere legal formality.

Summing up its impressions, the team observes that any comparison of labour legislation in India with that of the U.S. would be inappropriate, as, in the latter, voluntarism is the rule and administrative orders the exception. If any parallel should at all be drawn, it shou'd be done not between legislative provisions alone but between such provisions *plus* the contractual obligations as have sufficient sanctions for enforcement. The team urges that labour legislation in India should be simplified, so as to enable the parties to arrive at an early settlement of disputes. It refers, in this connection, to the fact that, in the U.S., even the comparatively simple machinery under the Taft Hartley Act has been blamed by American labour as leading to delay in the settlement of disputes. It is also suggested that active trade unionism should be encouraged, so as to secure a greater measure of responsive co-operation from unions.

Emphasising the importance of maintaining an atmosphere of mutual confidence, the team suggests that the Government should see to it that such a climate is maintained and legislation on industrial relations should be undertaken with this end in view. In the U.S., the Government has been playing this role very effectively, sometimes throwing the weight on the side of workers and at other times on the side of employers. The team recommends that the distinction between public utility industries and non-public utility industries, with the present scheme of arbitration in the former and collective bargaining in the latter, should be done away with and a uniform system, whereby collective bargaining could be given a fair trial, should be adopted.

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INDUSTRIAL CREDIT & INVESTMENT CORP. OF INDIA LTD.

DR. A. RAMASWAMI MUDALIAR'S REVIEW OF OPERATIONS

PLEA FOR TAX CONCESSIONS TO INDUSTRIAL FINANCING COMPANIES

THE Third Annual General Meeting of the Industrial Credit and Investment Corporation of India Ltd. will be held in Bombay on 7th April 1958. In the course of his statement circulated to the shareholders along with the Directors' report and accounts relating to the year ended 31st December 1957, Dr. A. Ramaswami Mudaliar, Chairman of the Corporation, draws the attention of the Government to the double taxation anomaly in respect of its investments in new ventures. The Directors have made a representation to the Government for some tax relief, without which, he says, it will be difficult for the Corporation to build up adequate reserves. The plea for tax relief, he adds, has considerable bearing on the Corporation's ability to raise additional funds for augmenting its resources.

The following is the full text of Dr. Ramaswami Mudaliar's statement:

"It will be seen from the Directors' report that by the end of 1957 your Company had agreed to give financial assistance in rupees for a total of Rs. 944 lakhs in respect of 31 projects. In addition, five loans in various foreign currencies had been sanctioned for a total of the equivalent of Rs. 221 lakhs.

"With the Directors' report and annual accounts for 1957, your Company completes the third year of operation and I take this opportunity to review the activities of this Company and to make a few observations of a general character. After allowance is made for the slow rate of progress inevitable in the initial stages of a new enterprise it may be stated that from the figures given above your Company's operations will not be regarded as unimpressive. In my previous remarks at general meetings I have referred to a number of measures in the field of taxation and elsewhere which have operated during the three years since this Corporation commenced business; collectively these measures have produced what is conveniently described as an unfavourable investment climate in which investors have been reluctant to take on new commitments and in which their ability to do so has been curtailed by high taxation. It is against the background of these conditions that the operations of this Corporation must be viewed.

Special Position

"From the information given in the Directors' report for 1957 it will be apparent that total assistance sanctioned by your Company can be divided more or less equally between loan operations in rupees and foreign exchange, on the one hand, and underwriting operations in respect of shares or debentures, on the other. In the provision of loans, while your Company is not the only source of rupee finance in India, it has come to occupy a special position by reason of its ability to grant loans in foreign currencies of moderate amounts in present times when the shortage of foreign exchange is holding up the development of many enterprises. Out of a line of credit of the equivalent in various currencies of U.S. $10 million available to your Company from the International Bank for Reconstruction and Development, loans have so far been sanctioned of an equivalent of $4.63 millions for five projects, and it may not be long before the entire amount is used up. It was hoped at the time when this Company was floated that further foreign exchange resources would be made available when the first line of credit became exhausted and I trust that your Company may be enabled to continue to render assistance in the form of foreign exchange loans in suitable cases and for suitable amounts through the grant of additional credit from the World Bank when this becomes necessary.

"As a financing institution which also takes care of providing permanent share capital for industrial development, your Company is the only one of its kind in this country and it is a matter of no small significance that within the short period of its existence it has been able to carry through substantial underwriting operations, in spite of the unfavourable investment climate. Out of 16 underwriting operations sanctioned involving a total commitment of Rs. 535 lakhs, nine operations had been completed by the end of 1957 and two more have been completed so far in this year. Of equal importance with the actual underwriting operations effected is the laying of the sound foundation for our future activities in this field. I am hopeful that with the traditions that are being established it should be possible in the future to organise underwriting activities on a larger scale. It has been our endeavour to interest institutions and firms of good standing to join us as underwriters or sub-underwriters, so as to be able to organise underwriting operations which are too large for your Company to carry through alone. I have emphasised before that success in this field depends upon a suitable investment climate and I trust that Government will give due regard to the necessity for doing their share to bring about the right sentiment among potential investors without whose support we cannot do fully what we set out to achieve.

Assistance Broadbased

"Generally, our approach is based on the idea of interesting other parties or agencies in our operations, so as to broaden their base. In this way we hope, as experience of our operations becomes more widely known, potential investors will learn to rely on the detailed examination of every project which we insist upon before providing financial assistance of any kind. It is to be noted that the World Bank in its operations is always looking for, and has achieved a substantial measure of success in obtaining, the support of other financial institutions and investors.

"I should like to mention one significant feature of the assistance so far sanctioned. Out of the 36 projects which we have agreed to help, 16 are new enterprises. It may also be noted that both in the matter of industries covered and their distribution over the country the assistance is broadbased. Special attention has been given to the needs of underdeveloped areas.

"It has become a matter of concern that, while your Company has been trying to fulfil the role for which it was set up by providing risk capital to new as well as existing enterprises, the discharge of that function has been rendered more difficult as a result of new factors which have come into operation during the last three years. On account of a considerable increase in income-tax and corporation tax rates and the levy of capital gains tax, the earnings of your Company after tax are so reduced that the sums remaining are insufficient to permit adequate allocation to reserves as well as a reasonable return to the shareholders. I need not repeat all the arguments which show the need for building up substantial reserves against the risks inherent in our operations—particularly in the financing of new ventures. In the case of new ventures, your Company may have to wait several years before it can receive any dividends on its investment and, when received, such dividends in common with all dividends received on investments in shares by your Company, will suffer corporation tax in the hands of your Company, despite the fact that the same earnings will already have suffered corporation tax in the hands of the company concerned. Investors in new projects who look to an appreciation in the value of their investments as some compensation for foregoing dividends in the earlier years now find that the capital gains will be taxed, admittedly at a lower rate than normal income-tax. This means that your Company will be taxed on capital gains when it realises investments, with the view to taking on new commitments. It will be recalled that it is the policy of this Company to revolve its investments in order to make its funds available for further industrial financing. Your Directors have represented to Government that consideration be given to the grant of tax concessions to companies, such as yours, which are engaged in industrial financing and do not have the benefits available to industrial enterprises in the way of development rebate, additional depreciation allowances and the like. Without some such concession your Directors feel that it will be difficult for them to recommend the setting aside of adequate amounts to reserve for possible capital losses on their operations and at the same time give a reasonable dividend to the shareholders.

Heavy Taxation

"It will be evident from the results of 1957 that, against operating profits of Rs. 48 lakhs, taxation takes Rs. 25 lakhs leaving only Rs. 23 lakhs for allocation to reserves and for dividends to the shareholders.

"You will see from the accounts that the meeting of the additional tax imposed in respect of 1956 and the allocation of Rs. 5 lakhs to reserve this year, together with the payment of a modest dividend of 4 per cent. tax-free on the paid-up capital, have involved a substantial reduction in the balance which stood to the credit of the revenue account after payment of the dividend last year. Unless we are able to step up our income during the current year and obtain some tax concessions, the payment of a dividend to shareholders at a reasonable rate commensurate with the risks which this business involves will be no easy matter. Your Company's present resources are likely to be fully utilised in the near future. How best additional funds can be raised is engaging our attention and my plea for tax relief has considerable bearing on our ability to do so.

"Turning now to the state of India's economy during 1957, I should like to refer to certain aspects of major importance. Early in the Second Plan both the private and the public sectors have met a severe shortage of internal and external capital for fulfilment of the production targets laid down. While I am far from happy at the apparent slowing down of the rate of progress as a result of such shortage, it looks to me that the country is now entering a more realistic phase of planning. I see in the country welcome signs of awareness of difficulties which lie in our path and a determination to grapple with those difficulties in a serious fashion.

Unsatisfactory Feature

"While special attention appears to have been given recently to the need for increasing exports, it does not appear to me very probable that substantial and early relief to our balance of overseas payments can come from this source. The unsatisfactory feature of our overseas payment situation is the dependence on imports of foodgrains. It appears that favourable harvests during the first Plan period have resulted in insufficient effort being directed towards the expansion of food production during the second Plan period, with the result that the partial failure of crops in some parts of the country have increased the dependence on imports at a time when this can ill be afforded. I am glad to note that this problem is now engaging the attention of Government. However, I believe it should be given a central place in all our planning, both present and future, because, with the population growing at a faster rate than ever before as the result of improved standards of living and health, our efforts in the direction of industrial or other development will remain at risk until we have built up a continuing overall surplus of foodgrains for domestic consumption.

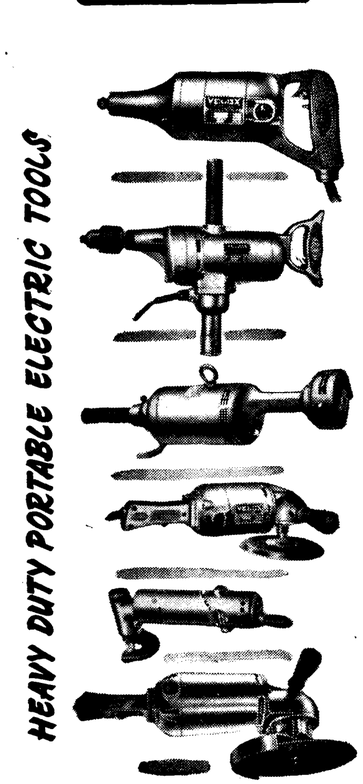
"I referred briefly to the need and the efforts which are being made to encourage exports and said that this was not likely to be an easy task. I feel bound to observe that, in my opinion, the channelling of exports through State Trading is not the only or the best way in which the most satisfactory results are likely to be achieved. The efforts of the Government could, I believe, be even more profitably directed towards the support of export promotion groups comprising those in the exporting industries to whom in any event the Government must look for the major efforts.

Must Rely on Our Own Efforts

"Any survey, such as I have attempted of the problems confronting our country at this important stage of the second Five-year Plan, would be incomplete, if I do not pay a tribute to all those overseas Governments, international agencies and other friends of India who have, during this period of exchange shortage, come forward with help in various forms. We must also remember the many overseas companies who have made new investments or increased existing ones in India thereby showing their confidence in our country. On the other hand, we must ourselves recognise that help from such sources can, at best, be only marginal in meeting our large-scale requirements. It is to our own efforts that we must look in the main for finding the resources to carry through our ambitious plan of social and industrial development whether they require finance in the form of rupees or foreign currencies. To this end it is necessary to recognise that it is the actions of individual persons which will determine whether we are able to find the resources we need or not and the task falling on the Government is primarily to bring about the conditions under which individuals will be able and willing to do their share.

"In the present and the immediate future I believe that the utmost attention should be given to the completion of those projects included within the second Five-year Plan which are already substantially advanced. This applies particularly to those which when in operation, will achieve early savings of foreign exchange. Concentration in this direction at this moment even at the cost of deferring the commencement of other attractive projects which may also eventually achieve exchange savings by avoidance of imports is the only way in which quick results can be counted upon. Coupled with a review designed to take advantage of progress already made, there should be, in my opinion, an early objective examination and rephasing of the remainder of the second Five-year Plan with due regard to the resources now available to us. The time for proceeding on the assumption that windfalls will come from some direction or other so as to enable us to avoid a crisis is, in my opinion, passed. At all costs, we must endeavour to avoid a reduction in economic activity as the result of a shortage of imported raw materials or semi-finished goods necessary to sustain the industries already started or far advanced in construction."

FIMET



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Fields swaying with golden corn, tall chimneys

spouting smoke, flowing waters generating power, and a network of roads, railways and airways linking remote distances are today creating new opportunities for a richer and fuller life for the Indian people. By the end of the Second Five Year Plan the total national income will have risen by 25% and the per capita income, by 18%. Textile Machinery Corporation Limited is proud to play its part in this mighty adventure of bringing plenty, prosperity and happiness to the people. A pioneer in many fields of engineering, it supplies industry, railways and river valley projects with a wide range of equipment.

TEXMACO geared to our better tomorrows

THE BANK OF BARODA, LIMITED

(ESTABLISHED: 20th July, 1908)

CAPITAL AUTHORISED	Rs. 2,40,00,000	CAPITAL CALLED UP	Rs. 1,00,00,000
CAPITAL ISSUED AND SUBSCRIBED	Rs. 2,00,00,000	CAPITAL PAID UP	Rs. 1,00,00,000
RESERVE FUND AND OTHER RESERVES	Rs. 1,23,00,000		

DIRECTORS:

SHRI TULSIDAS KILACHAND (Messrs. Kilachand Devchand & Co., Private Ltd., Bombay), Chairman.
SHRI DURGAPRASAD SHAMBHUPRASAD LASKARI (Mill Agent, Ahmedabad).
SHRI R. D. BIRLA (Messrs. Birla Bros. Private Ltd., Bombay).
SHRI KANTILAL NAHALCHAND (Messrs. Nahalchand Laloochand, Bombay).
SHRI NAVAL H. TATA (Messrs. Tata Sons, Private Ltd., Bombay).
SHRI ANANDLAL HIRALAL SHETH (Messrs. A. Sheth & Co., Baroda).
SHRI CHINUBHAI CHIMANBHAI (Messrs. Lalbhai Dalpatbhai & Co., Ahmedabad).
SHRI ARVIND NAVINCHANDRA MAFATLAL (Messrs. Mafatlal Gagalbhai & Co., Private Ltd., Bombay).
SHRI B. K. DAPHTARY (Messrs. Daphtary Ferreira & Divan, Solicitors, Bombay).
H. H. THE MAHARAJA FATEHSINH GAEKWAD OF BARODA.

GENERAL MANAGER: SHRI N. M. CHOKSHI.

BOMBAY MANAGER: SHRI M. G. PARIKH.

BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs.	np.	Rs.	np.
1. Capital—				
AUTHORISED CAPITAL— 2,40,000 shares of Rs. 100 each	2,40,00,000	00		
ISSUED CAPITAL— 2,00,000 shares of Rs. 100 each	2,00,00,000	00		
SUBSCRIBED CAPITAL— 2,00,000 shares of Rs. 100 each	2,00,00,000	00		
AMOUNT CALLED UP— At Rs. 50 per share			1,00,00,000	00
2. Reserve Fund and Other Reserves—				
Reserve Fund under Section 17 of the Banking Companies Act, 1949	1,00,00,000	00		
Share Premium Account (Balance) (including Share Premium Account Rs. 47 lacs)	23,00,000	00	1,23,00,000	00
3. Deposits and Other Accounts—				
Fixed Deposits	31,55,92,206	25		
Savings Bank Deposits	8,51,46,221	38		
Current Accounts, Contingency Accounts, etc.	12,73,42,189	75	52,32,80,617	38
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	Nil			
(ii) Outside India	62,632	83	62,632	83
PARTICULARS—				
(i) Secured	Nil			
(ii) Unsecured	62,632	83		
5. Bills Payable			39,82,994	59
6. Bills for Collection Being Bills Receivable as per contra—				
(i) Payable in India	2,38,57,046	45		
(ii) Payable outside India	1,99,26,756	05	4,37,83,802	50
7. Other Liabilities (Including Branch Adjustments Rs. 56,73,526.53 nP.)			84,69,887	45
8. Acceptances, Endorsements and Other Obligations per contra			3,46,97,319	10
9. Profit and Loss—				
Profit as per last Balance Sheet	12,75,752	34		
LESS—Appropriations	8,00,000	00		
	4,75,752	34		
ADD—Profit for the year brought from the Profit and Loss Account	43,84,978	35		
	48,60,730	69		
LESS—	Rs.	np.		
Ad-interim dividend paid @ 12 per cent. per annum for the half-year ended 30th June, 1957 (free of Income-tax)	6,00,000	00		
Provision for Taxation	21,00,000	00		
Bonus to Staff	9,50,000	00		
	36,50,000	00	12,10,730	69
10. Contingent Liabilities—	Rs.	np.		
(i) On partly paid shares of Joint Stock Companies and Foreign Government Securities	9,70,245	00		
(ii) Claims against the banking company not acknowledged as debts	6,93,151	59		
(iii) Money for which the banking company is contingently liable (including (a) Rs. 61,144.53 nP. for guarantees given on behalf of the officers of the Bank and (b) Rs. 3,100 for guarantees given in favour of Central and State Governments secured by part of Investments per contra)	2,42,96,324	38		
(iv) Liability on Bills of Exchange rediscounted	Nil			
(v) Liability on account of outstanding Forward Exchange Contracts	2,66,53,093	00		
TOTAL .. Rs.			64,32,57,964	54

NOTE:—Provision to the full extent for future gratuities to the staff has not been made—the liability for which has not been ascertained.

PROPERTY AND ASSETS	Rs.	np.	Rs.	np.
1. Cash—				
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)			4,51,17,747	15
2. Balances with Other Banks in Current Account—				
(i) In India	3,11,52,723	04		
(ii) Outside India	35,45,770	79	3,46,98,493	83
3. Money at Call and Short Notice			73,33,333	33
4. Investments—				
(i) Securities of the Central and State Governments and other Trustee Securities—				
(a) Securities maturing in 1962 or earlier at book value.. Face value .. Rs. 6,90,13,300 00 nP. Market value .. Rs. 6,67,65,996 50 nP.	6,80,84,150	84		
(b) Securities maturing in 1963 or later at or below market rate	3,55,17,658	65		
(c) Trustee Securities (for which there are no market quotations) at cost	16,70,000	00		
(ii) Shares at or below market rate—				
(a) Fully Paid Preference Shares	35,37,577	50		
(b) Fully Paid Ordinary Shares	24,31,231	25		
(c) Partly Paid Preference Shares	5,00,000	00		
(d) Partly Paid Ordinary Shares	2,66,096	07		
(iii) Debentures or Bonds at or below market rate	66,41,740	00		
(iv) Other Investments: Foreign Government Securities (Part amount paid on allotment)	33,333	33		
(v) Gold	Nil		11,87,31,337	04
5. Advances— (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)				
I. Loans, Cash Credits, Overdrafts, etc.—	Rs.	np.		
(i) In India	28,69,73,320	57		
(ii) Outside India	1,95,21,694	51	30,64,95,015	08
II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—				
(i) Payable in India	1,90,29,776	77		
(ii) Payable outside India	2,44,37,484	18	4,34,67,260	95
PARTICULARS OF ADVANCES—			34,99,62,276	03
(i) Debts considered good in respect of which the banking company is fully secured			28,61,09,723	49
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security			3,48,54,789	03
This includes—	Rs.	np.		
Advances under joint and several Promotes	3,15,32,542	52		
Advances to individual parties	33,22,246	51		
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors			2,89,97,758	51
(iv) Debts considered doubtful or bad, not provided for			Nil	
			34,99,62,276	03
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons			67,922	31
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members			9,02,99,773	49
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons			75,389	00
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members			9,38,13,093	70
(ix) Due from banking companies			13,09,203	71
6. Bills Receivable Being Bills for Collection as per contra—				
(i) Payable in India	2,38,57,046	45		
(ii) Payable outside India	1,99,26,756	05	4,37,83,802	50
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra			3,46,97,319	10
8. Premises Less Depreciation—				
Premises at cost to 31st December, 1956	37,75,453	81		
Additions during the year	7,23,331	83		
	44,98,785	64		
LESS—Sales during the year	Nil			
	44,98,785	64		
LESS—Total depreciation to date	9,40,000	00	35,58,785	64
9. Furniture and Fixtures Less Depreciation—				
Furniture and Fixtures at cost to 31st December, 1956	24,40,613	46		
Additions during the year	5,05,219	82		
	29,45,833	28		
LESS—Sales during the year	4,017	00		
	29,41,216	28		
LESS—Total depreciation to date	8,86,880	00	20,54,336	28
10. Other Assets—				
(i) Estimated amount of Double Taxation Relief due from Indian Union and Refund of Income-tax due from Baroda State Authorities	Nil			
(ii) Interest accrued on Investments	7,52,228	97		
(iii) Stamps and Stationery	5,42,436	08		
(iv) Advances recoverable in cash or in kind	19,94,788	05		
(v) Silver	Nil		33,30,053	10
11. Non-Banking Assets Acquired in Satisfaction of Claims			Nil	
TOTAL .. Rs.			64,32,57,964	54

Continued on next page

GIFT-TAX BILL

MAIN FEATURES REVIEWED

By Premjus Roy

THE Gift-Tax Bill, 1958 was introduced in the Lok Sabha along with the New Finance Bill on 28th February 1958. The object of the Bill is to levy a tax on gifts *in whatever form made* by one person to another, and thereby to fill a gap in the existing tax system which made it possible to avoid or reduce tax liability by gratuitous transfers of property. The question of a gift-tax was examined by the Taxation Enquiry Commission in 1954. The Commission had expressed the view that, although a gift-tax was "theoretically an attractive proposition," it required considerable experience of the operation of estate duty before it could be introduced, and it had finally expressed itself against introducing gift-tax at that stage. Prof. Nicholas Kaldor in his report, made in 1956, recommended the levy, in addition to the taxes on income which were already there, of taxes on capital gains, net wealth, personal expenditure, and gifts. Within a short space of less than two years, all these new taxes recommended by Prof. Kaldor will have come into full operation. Taxation of capital gains was reintroduced under the Finance (No. 3) Act of 1956, as part of the scheme of taxation of income, with effect from the assessment year 1957-58. Separate Acts for Wealth-Tax and Expenditure-Tax were passed in 1957, and we now have the Gifts-Tax Bill before the Lok Sabha which is to be brought into operation with effect from 1st April 1958.

A gift-tax on *inter vivos* transfers is levied in the U.S.A., Sweden, Canada, Australia, the Netherlands, and a few other countries, as a supplement to, and not in replacement of, death duties. Prof. Kaldor had recommended that the gift-tax should be levied uniformly on all transfers—whether made during lifetime or coming into operation after death, and that it should replace the present Estate Duty, but, under the Gift-tax Bill as now introduced, it is proposed to levy a tax on transfers as gifts during the lifetime, while the Estate Duty Act is retained to levy a duty on bequests and inheritances which come into operation after the death of a person.

Kaldor Modified

In two other important respects, Prof. Kaldor's recommendations have been modified in the Bill. He had recommended that the rate of gifts-tax should be double the present rates of Estate Duty, and also that the gifts-tax should be levied upon the donee, i.e., the person receiving the gift, at rates which should be progressively higher according to the total net wealth of the donee after the gift. In the Gift-Tax Bill, the rates of gift-tax follow the present rates of Estate Duty, and the liability for gift tax is imposed upon the donor, that is, the person making the gift, irrespective of the total wealth of the donee.

The important provisions of the Gift-Tax Bill may now be examined. The Act would apply to the whole of India, except Jammu and Kashmir State. It would apply to all classes of persons—individuals, Hindu undivided families, companies, firms and other association of persons. Certain companies and institutions are, however, totally exempted from the operation of the Act. These include a Government company, a corporation established by an Act, a public company, whose affairs or whose shares carrying more than 50 per cent. of the total voting power were not controlled or held by less than six persons, a subsidiary of such a public company, or any charitable institution or fund to which Section 15B of the Income-tax Act applies.

Assessment Year

The Act will come into force from 1st April, 1958, and hence the first year of assessment to gift-tax would be assessment year 1958-59, which would be based upon gifts made during the 'previous year.' Here, the 'previous year' would be the same as adopted for income-tax assessment, but, if for income-tax assessment, there are different previous years for different sources of income, the previous year which expired last would be the previous year for gift-tax assessment. Hence, except in the case of persons who keep their accounts to a different date, in the case of most persons such as salary earners, or persons having income from dividends, etc., the assessment would be made in respect of gifts made during the year ending 31st March. Thus, in the case of such salaried persons, etc., for gift-tax assessment for 1958-59, it is gifts made between 1st April 1957 and 31st March 1958 which will have to be taken into consideration.

What is chargeable to gift-tax is the total value of gifts made during the previous year: any gift made prior to 1st April 1957 (where previous year is the year ending 31st March) would thus be entirely ignored. 'Gift' is defined as "transfer by one person to another of any existing movable or immovable property made voluntarily and without consideration, and includes the transfer of any property deemed to be a gift under Section 4," and, under Section 4, certain transactions are to be treated as gifts, such as the difference between the full market value and the actual consideration paid where the transfer is for less than full consideration, the release, discharge or surrender of any debt or interest in property in favour of another person, etc. The taxable value of any property gifted is to be the estimated market price of the property on the date on which the gift is made. In the case of cash gifts, there is no difficulty of ascertainment of such market value. In the case of other kinds of property transferred by gift, however, market value will have to be ascertained, practically on the same lines as market value, has to be ascertained for the purpose of Wealth-Tax.

Exemptions

For calculating the taxable amount of gifts, there are certain important exemptions prescribed under the Gift-Tax Bill. There is a basic exemption for gifts upto Rs. 10,000, but, if the value of taxable gifts to any one donee during 'the previous year' exceeds Rs. 3,000, this basic exemption is reduced to Rs. 5,000. Hence, if the total value of chargeable gifts made by a person during a year is only Rs. 10,000, he will not have any liability for gift-tax for that year. If he makes gifts of Rs. 40,000, the first Rs. 10,000 will be exempt and he will have to pay tax on the balance of Rs. 30,000 at the prescribed rate of 4 per cent., that is, his liability would be Rs. 1,200. Suppose he makes a gift of Rs. 4,000 to one son and Rs. 2,000 to three daughters. In this case, he makes a gift of more than Rs. 3,000 to one donee, i.e., his son, and so the basic amount of exemption would be reduced to Rs. 5,000, and, therefore, he will have to pay gift-tax on the balance of Rs. 5,000 (gifts made Rs. 10,000 less exempt amount Rs. 5,000). Apart from this basic exemption, there are certain other exemptions prescribed. These include the following:—

(i) Gifts of immovable property outside India.

(ii) Gifts of movable property outside India, if made by an individual who is not a citizen of India, or by a Hindu undivided family, firm, company, or association which is not resident in India.

(iii) Gifts of Government Savings Certificates, which are specifically declared exempt from gift-tax.

(iv) Gifts to Government or any local authority such as a municipal corporation.

(v) Gifts to any charitable institution or fund to which Section 15B of the Income-tax Act applies.

(vi) Other charitable gifts, subject to a maximum of Rs. 100 in respect of each gift.

(vii) Gifts to any dependent female relative made by an individual on the occasion of her marriage, or gifts made by a Hindu undivided family to any female member of the family on her marriage, subject in either case to a maximum of Rs. 10,000 in respect of one female.

(viii) Gifts made by an individual to his wife, subject to a maximum of Rs. 1 lakh in the aggregate in one or more previous years.

(ix) Gifts of policies of insurance or annuities made by an individual to his wife or children or any other dependent person, subject to a maximum of Rs. 10,000 in the aggregate in one or more previous years of the benefits in respect of each donee.

(x) Gifts made under a will (as such gifts would be liable to Estate Duty), and

(xi) Gifts made in contemplation of death, as these also would be liable to Estate Duty.

It will be noted that the above exempted items are to be completely ignored from the

(*Continued on page 499*)

THE BANK OF BARODA, LIMITED—*(Continued)*

Profit and Loss Account for the year ended 31st December, 1957

EXPENDITURE	Rs.	np.	Rs.	np.
			1,40,05,526	23
1. Interest paid on Deposits, Borrowings, etc.	59,500	09		
2. Salaries and Allowances and Provident Fund—	70,81,882	01		
(i) To General Manager			71,41,382	10
(ii) To other members of the Staff			65,621	50
3. Directors' and Local Committee Members' Fees and Allowances			10,63,097	13
4. Rent, Taxes, Insurance, Lighting, etc.			51,266	07
(Including provision for Foreign Income Tax)			4,24,124	60
5. Law Charges			13,000	00
6. Postages, Telegrams and Stamps			1,91,165	51
7. Auditors' Fees			5,63,932	49
8. Depreciation on and Repairs to the Banking Company's Property			Nil	
9. Stationery, Printing, Advertisement, etc.			6,13,470	75
10. Loss from Sale of or Dealing with Non-banking Assets			43,34,978	35
11. Other Expenditure				
12. Balance of Profit (subject to Taxation)			2,85,28,014	83
Total .. Rs.				

INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	np.
1. Interest and Discount	2,33,40,196	26
2. Commission, Exchange and Brokerage	51,15,057	45
3. Rents	57,083	87
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets	Nil	
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets	Nil	
6. Income from Non-banking Assets and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	15,677	25
Total .. Rs.	2,85,28,014	83

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of The Bank of Baroda, Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the returns of 14 Branches audited by other auditors and the unaudited returns from other Branches not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profits for the year ended upon that date.

K. S. AIYAR & CO.,
H. M. BAIJI & CO.,
Chartered Accountants.

BOMBAY, 20th February, 1958.

TULSIDAS KILACHAND, *Chairman.*
DURGAPRASAD S. LASKARI,
KANTILAL NAHALCHAND,
ANANDLAL HIRALAL,
CHINUBHAI CHIMANBHAI,
ARVIND N. MAFATLAL,
B. K. DAPHTARY,
} *Directors.*

GOPAL CH. BASU, *Accountant.*

N. M. CHOKSHI, *General Manager.*

THE BANK OF INDORE, LIMITED

(INCORPORATED IN INDORE, 1920)

REPORT OF THE DIRECTORS TO BE SUBMITTED TO THE SHAREHOLDERS AT THE THIRTY-EIGHTH ANNUAL ORDINARY GENERAL MEETING

GENTLEMEN,

The Directors have the pleasure to lay before you the Balance Sheet and Profit and Loss Account of the Bank for the year ended 31st December, 1957, duly audited by Messrs. A. F. Ferguson & Co., Chartered Accountants.

	Rs.	nP.
The Net Profit for the year including the sum of Rs. 67,485.87 brought forward, amounts to	7,37,115	74
An ad-interim Dividend was paid for the half-year ended 30th June, 1957, at the rate of 16 per cent. per annum on 61,215 shares absorbing	1,22,430	00
Amount transferred to Reserve Fund (bringing that Fund upto Rs. 29,00,000)	1,00,000	00
Amount transferred to Contingency Fund	1,00,000	00
Bonus paid to the Bank's Staff	2,09,182	48
	5,31,612	48
Your Directors now recommend :—		
To pay a Final Dividend at the rate of 18 per cent. per annum on 61,215 Shares for the half-year ended 31st December, 1957, amounting to	1,37,733	75
To transfer to Gratuity Fund	15,000	00
To donate to the Indian Red Cross Society, Madhya Pradesh Branch	500	00
To carry forward to the next account	52,269	51
Rs.	7,37,115	74

Last year Branches of the Bank were opened at Bhopal and Shujalpur Mandi.

The Directors hope that you will find the progress of the Bank satisfactory.

S. M. BAPNA,
Chairman.

THE BANK OF INDORE, LTD.,
INDORE CITY, 14th February, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.
1. Capital—				
AUTHORISED—				
1,00,000 Shares of Rs. 50 each	50,00,000	00		
ISSUED—				
75,000 Shares of Rs. 50 each	37,50,000	00		
SUBSCRIBED—				
61,215 Shares of Rs. 50 each	30,60,750	00		
AMOUNT CALLED AND PAID-UP in cash at Rs. 25 per share			15,30,375	00
2. Reserve Fund and Other Reserves			23,00,000	00
(Includes Rs. 5,78,298 received as Premiums on issues of shares in past years)				
3. Deposits and Other Accounts—				
(i) Fixed Deposits	5,01,48,352	88		
(ii) Savings Bank Deposits	94,34,662	75		
(iii) Current Accounts, Contingency Accounts, etc.	2,02,29,348	71	7,98,12,864	34
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	20,00,000	00		
(ii) Outside India	Nil		20,00,000	00
PARTICULARS—	Rs.	nP.		
(i) Secured by part of the Bank's Investments	20,00,000	00		
(ii) Unsecured	Nil			
5. Bills Payable			4,48,876	55
6. Bills for Collection being Bills Receivable as per contra—				
(i) Payable in India	38,37,457	77		
(ii) Payable outside India	2,554	65	38,40,012	42
7. Other Liabilities—				
(i) Gratuity Fund	2,65,526			
(ii) Branch Adjustments	10,56,329	15		
(iii) Unclaimed Dividends	41,709	44	13,63,565	34
8. Acceptances, Endorsements and Other Obligations as per contra			18,36,114	00
9. Profit and Loss Account—				
Balance as per last Balance Sheet as at 31st December, 1956	5,04,075	75		
LESS—Appropriations—	Rs.	nP.		
Dividend @ 16 per cent. per annum for the half-year ended 31st December, 1956	1,22,430	00		
Transferred to Reserve Fund	1,00,000	00		
Transferred to Contingency Fund	1,03,754	25		
Transferred to Gratuity Fund	70,000	00		
Donation to Indian Red Cross Society, M. P. Branch	500	00		
Bonus to Staff	39,905	63	4,36,589	88
			67,485	87
ADD—Profit for the year ended 31st December, 1957			6,69,629	87
			7,37,115	74
LESS—	Rs.	nP.		
Interim Dividend @ 16 per cent. per annum for the half-year ended 30th June, 1957	1,22,430	00		
Bonus to Staff	1,19,871	07	2,42,301	07
				4,94,814 67
10. Contingent Liabilities—				
(1) Claims against the Banking Company not acknowledged as debts	20,160	00		
(2) Guarantees given on behalf of customers	18,00,449	00		
(Includes Rs. 11,47,943 in respect of guarantees given to Government Departments secured against Bank's Investments in Government securities of the face value of Rs. 5,25,000).				
Total .. Rs.			9,41,26,622	33

PROPERTY AND ASSETS	Rs.	nP.	Rs.	nP.
1. Cash—				
In Hand and with Reserve Bank of India and State Bank of India			59,21,933	96
2. Balances with Other Banks on Current Account—				
(i) In India	6,30,078	19		
(ii) Outside India	Nil		6,30,078	19
3. Money at Call and Short Notice			Nil	
4. Investments (at below Market Value)—				
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills (Rs. Nil) of the Central and State Governments	1,91,41,915	37		
(ii) Shares—	Rs.	nP.		
(i) Fully paid Preference Shares.	2,03,250	00		
(ii) Fully paid Ordinary Shares.	68,000	00		
	2,71,250	00		
(iii) Debentures or Bonds	26,87,020	00		
(iv) Other Investments	Nil			
(v) Gold	Nil			
5. Advances—			2,21,00,185	37
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)				
(1) Loans, Cash Credits, Overdrafts, etc.—	Rs.	nP.		
(i) In India	5,49,76,409	57		
(ii) Outside India	Nil		5,49,76,409	57
(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—				
(i) Payable in India	37,58,850	47		
(ii) Payable outside India	59,013	83	38,17,864	30
PARTICULARS OF ADVANCES—			5,87,94,273	87
(i) Debts considered good in respect of which the banking company is fully secured			5,75,87,089	77
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security			9,08,780	59
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors			2,98,403	51
(iv) Debts considered doubtful or bad, not provided for			Nil	
			5,87,94,273	87
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons			94,123	30
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members			24,11,559	05
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons			1,05,811	37
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners, or managing agents or, in the case of private companies, as members			30,19,399	62
(ix) Due from banking companies			54,483	61
6. Bills Receivable being Bills for Collection as per contra—				
(i) Payable in India	38,37,457	77		
(ii) Payable outside India	2,554	65	38,40,012	4
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra			18,36,114	00
8. Premises—				
At cost upto 31st December, 1956	3,50,869	85		
LESS—Depreciation written off to date	1,28,269	85	2,22,600	00
9. Furniture and Fixtures—				
At cost upto 31st December, 1956	4,32,652	32		
Additions during the year	93,288	92		
	5,25,941	24		
LESS—Cost of sales during the year	6,135	00		
LESS—Depreciation written-off to date after adjustments in respect of items sold, etc.	5,19,806	24		
	2,18,716	89	3,01,089	35
10. Other Assets—				
(i) Interest accrued on Investments	2,04,025	52		
(ii) Advance Payment of Income-tax	2,78,344	40		
(iii) Sundry Advances	2,470	24		
(iv) Silver	Nil		4,80,840	16
11. Non-Banking Assets Acquired in Satisfaction of Claims			Nil	
Total .. Rs.			9,41,26,622	33

Continued in next page

NEW PUBLICATIONS

Capital Taxation in a Developing Economy (India). By I. S. Gulati. Published by Orient Longmans (1957). Pages: 209. Price: Rs. 12.50.

THIS book is "a somewhat revised version" of the thesis submitted to the London University by Dr. Gulati for the Doctorate degree. The book is divided into three parts and a final postscript surveys the budget proposals presented by Mr. T. T. Krishnamachari, the then Union Minister of Finance, in May 1957.

The first part of the book deals with the theory of capital taxation. The author discusses the definition of a capital tax, the general nature of a capital tax, the economics of capital taxes and the different capital taxes—their economic effects and other problems. Much of the analysis in the first part of the book is theoretical and in parts most unrealistic. Even the theoretical analysis is based on implicit assumptions which are highly debatable. Thus Dr. Gulati's analysis of the effects of capital taxes on incentives is based on generalisations and subjective opinions which may appear theoretically plausible but which do not display familiarity on the part of the author with the practical working of modern industry and the capital markets of the world. Claims such as "investment ... depends not on the availability of savings but on the profitability of an enterprise" (p. 28) can hardly be proved by the facts of economic history of India and other countries of the world. Dr. Gulati argues that "capital taxes may ... encourage investment, in so far as they serve as a substitute for income and profits taxes which hit the investor's prospects directly" (p. 32). Whilst this may be true in theory, Dr. Gulati's long analysis based on this assumption is of little practical utility or interest because it is extremely unlikely that Governments will be able to reduce substantially the taxation of income and profits. Indeed, the temptation for Governments, especially those with leftist tendencies, in many of the underdeveloped countries of the world will be to impose a capital tax in addition to the existing high taxes on income and profits—as has been done in India.

The second part of the book deals with capital taxation and Indian economic development. The author first discusses the role of capital taxes and development finance. He makes a plea for using capital taxation as a tool for raising resources for development—especially in the so-called underdeveloped countries of the world. Dr. Gulati tries to define "the optimum tax system in a developing economy." Once again, his analysis is full of glib generalisations like "given a certain pattern of distribution of income and property in the economy, the revenue yield of the optimum tax system maximises itself at the cost of minimum loss of production in the private sector" (p. 66) and "the optimum tax system would be a combination of those taxes which, while yielding the maximum revenue, impinge the least on incentives" (p. 69). Dr. Gulati next surveys the plans proposed after 1944 for developing the economy of India. He deals with The Bombay Plan, the People's Plan and the First Five-year Plan. He concludes that "in the discussion on planning in India, taxation has not received the attention it deserves" (p. 94). This book was published in 1957. Yet it does not deal with the second Five-year Plan. One wonders in what respect the author could be said to have revised his thesis which was written presumably some years earlier. The facts and analysis in the book are largely out of date in the context of the economic developments in India in the last two years.

The final portion of the second part of the book contains Dr. Gulati's proposals for introducing capital taxes in India. The author is strongly in favour of an annual tax on capital "so long as a capital tax does not swamp the entire income." Dr. Gulati proposes that India should levy a capital or wealth tax on an annual basis at rates ranging from 0.20 per cent. upto 1.50 per cent. of the capital value in possession of individuals. The yield from such a tax is estimated at no less than Rs. 52 to Rs. 57 crores annually! We already know the havoc which the imposition of the wealth tax at rates estimated to yield Rs. 12½ crores annually has caused in the private sector of the Indian economy. Dr. Gulati's proposals would increase the burden of the wealth tax by more than four times its present level. Would it not be more fair to say that under such proposals the author is clearly wanting the demise of the private sector within the shortest possible time?

The third part of the book deals with the law and working of estate duty legislation in India. This is perhaps the most useful part of the book. Whilst some of the analysis in this part of the book displays Dr. Gulati's obsession for increasing the burden of taxation—almost irrespective of cost, it sometimes appears—the survey of facts of estate duty taxation in India is interesting and reasonably objective.

The postscript of the book deals with the Central Budget for 1957-58. Dr. Gulati compares the wealth and the expenditure taxes introduced by Mr. Krishnamachari with the proposals contained in the Kaldor Report—and, as can be expected, Dr. Gulati finds the new levies too light! He conveniently forgets to stress that the Kaldor Report was based on the important assumption that the maximum rate of income-tax and super-tax would be reduced to 45 per cent.—as compared with 84 per cent. as in the budget proposals. Dr. Gulati has failed to realise that in the upper slabs of wealth the total burden of income-tax, a super-tax and the wealth tax under the budget proposals will exceed 100 per cent. of the annual incomes of assessees. This completely vitiates his case for an annual tax on capital on the ground that such a tax would be paid out of income and would stimulate investment in more risky enterprises.

This book presents a one-sided picture of the case for capital taxation. The proposals of the Kaldor Report, which Dr. Gulati seems to accept fully, have been adversely criticised by many economists. The introduction of the wealth tax and the expenditure tax has been severely criticised and condemned on economic and administrative grounds by many leading thinkers in the field of taxation in India and abroad. Thus, economists like Dr. Lakdawala and Professor Taraporevala have published detailed arguments against the imposition of these taxes. Dr. Gulati should at least have taken notice of the arguments advanced by the critics of capital taxation and he should have tried to meet these arguments. But he has failed to do so. To ignore the case against capital taxation as advanced by leading economists, as Dr. Gulati has done, merely displays a biased attitude towards the subject and reveals an unscientific approach towards it.

Dr. Gulati appears to be unfamiliar with the wealth of good material on taxation which exists in Indian financial and economic journals and books. Thus, in his bibliography there are 53 books and articles mentioned. But of these only 14 items are of Indian origin and of these eight items are official or Government of India publications. The footnotes to the various chapters in the book also reveal the same defect. It would not be inappropriate to suggest that authors like Dr. Gulati should read articles and editorials on taxation in leading journals like *Commerce, Indian Finance, Capital, Eastern Economist*, etc., before rushing into print.

The book is shabbily printed. In the reviewer's copy there are pages in which the printing on one side of the paper has actually penetrated through the paper to become visible on the reverse side of the page. This makes the reading of the printed matter on such pages very difficult and irritating.

The style of the book is far from lucid—it is highly technical, laborious and confusing. This book will be understood only by persons with advanced formal training in economic analysis and terminology.—*V. V. K.*

A sum of Rs. 6,80,985 has so far been sanctioned to different State Governments during 1957-58 for family planning schemes. Besides, a sum of Rs. 15,48,033 has been sanctioned as grants to local bodies and voluntary organisations in different States during 1957-58. The State Governments have been asked to implement family planning programme.

About 88,290 lbs. of quinine sulphate were produced during 1956-57 and, during 1957-58, the output amounted to 41,853 lbs. upto the end of October 1957. It is not possible to estimate the exact annual requirement of quinine in the country. On the basis of data available, the annual demand for quinine is estimated to be about 20,000 lbs.

THE BANK OF INDORE, LIMITED—*Continued*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1957.

Dr. *Cr*

EXPENDITURE	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	20,32,765	82
2. Salaries and Allowances and Provident Fund (Salary and Allowances to the Manager Rs. 27,300, excluding Bonus Rs. 8,300)	8,17,742	83
3. Directors' Fees and Allowances	2,195	00
4. Rent, Taxes, Insurance, Lighting, etc. (including provision for taxes on income)	4,63,884	24
5. Law Charges	5,130	79
6. Postage, Telegrams and Telephones	57,447	64
7. Auditors' Fees	13,000	00
8. Depreciation on and Repairs to the Banking Company's Property	29,769	41
9. Stationery, Printing, Advertisement, etc.	1,45,196	07
10. Loss from Sale of or Dealing with Non-banking Assets	Nil	
11. Other Expenditure	61,967	27
12. Balance of Profit	6,69,629	87
Total .. Rs.	42,98,678	94

INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1. Interest and Discount	37,31,321	14
2. Commission, Exchange and Brokerage	4,70,716	50
3. Rents	2,866	50
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	3,643	50
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from Non-banking Assets and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	29,631	21
Total .. Rs.	42,98,678	94

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE BANK OF INDORE, LIMITED

We have audited the foregoing Balance Sheet of The Bank of Indore, Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the Proviso to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1949. Sheet and Profit and Loss Account Act, 1956; they are, therefore, drawn up in conformity with forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;

(e) in our opinion, and to the best of our information and, according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

BOMBAY, 25th February, 1958.

A. F. FERGUSON & CO.,
Chartered Accountants.

S. M. BAPNA, Chairman.

K. A. CHITALE,
L. O. JOSHI,
B. K. CHATTERJEE,
BHANWARLAL SETHI,
SUGANMAL BHANDARI,
BALKISHAN MUCHHAL,
SARDARMAL LALWANI,
MURLIDHAR MANSINGKA. } Directors.

K. G. PANDIT,
Chief Accountant.

N. D. JOSHI,
Manager.

MANAGEMENT OF STATE ENTERPRISES

PROBLEM OF BALANCING PUBLIC ACCOUNTABILITY WITH FREEDOM AND EFFICIENCY

By Prof. P. C. Jain

WHILE ensuring "public accountability" for their investments and outlays, the problem in the case of autonomous public corporations and State undertakings managed by public limited companies is to give the managing directors or chairmen of such corporations freedom, initiative and enterprise necessary for their efficient working. If adequate Parliamentary control is lacking, there might be a waste of public money and the consumer interests might not be served well. If, on the other hand, there is too much Government interference with the working of such corporations and the management does not have the necessary freedom, the public corporations might not be able to work in the best public interest. As the scope of the public sector increases in future and more public corporations are created, the problem of efficient management of public corporations will assume still greater significance. The serious risk which can arise, if the balance between "public accountability" and the consequent Government control and freedom of the persons in charge of such corporations is lost, is shown by the L.I.C. affair, the Chagla Commission's probe into it and the Parliamentary debate on the Commission's report.

Four Ways

There are four ways in which public enterprises might be run, namely, as a department of the Government, a private limited company, a public limited company and an autonomous public corporation. It is now generally recognised that departmental management and the private limited company are not suitable for State undertakings. India's first Comptroller and Auditor-General, Mr. Narhari Rao, rightly told the Public Accounts Committee of the Indian Parliament in December 1952 that private limited companies for managing State enterprises are "a fraud on the Companies Act and also on the Constitution" and "to convert a Government concern into a private company solely by executive action is unconstitutional." Parliamentary control in the case of private limited companies is not adequate and there is no satisfactory way of securing efficient working of such companies while ensuring at the same time the proper use of public money. So far as departmental management is concerned, Government's control and consequently public accountability is complete but balance is lacking as there is too much red-tape, lack of initiative and enterprise on the part of people who are called upon to run them, inflexibility and insensibility to consumer needs and, consequently, inefficient working. The railways, posts and telegraphs, the ordnance factories and the like are under departmental management and they have somehow adjusted themselves to this form of management but it would not be suitable in the case of industrial and other enterprises in the public sector which have to face competition from private enterprise in India and abroad.

Nothing Much to Choose

There is nothing much to choose between public limited companies and public corporations so far as the efficient working of public enterprises is concerned. In both these forms, it is perfectly possible to balance public accountability with freedom of management. But this is not an automatic process and the balance has to be achieved by a method of checks and balances. How this balance could be brought about is indicated by the Chagla Commission's report. It is necessary to secure public accountability, to which aspect of the matter we shall presently return, but it is equally necessary to secure independence of the management of such public enterprises. In the case of the L.I.C., the Chagla Commission found that (i) there was a tendency on the part of the Finance Ministry to look upon the Corporation as a wing or branch of that Ministry and to issue orders to it in the belief that the Corporation was bound to carry out those orders; and (ii) the Chairman of the L.I.C., who is a member of the Indian Civil Service, allowed himself to be cowed down by a senior member in the person of the Principal Finance Secretary and failed to take an independent decision which is necessary if independence of management is to be ensured.

The Chagla Commission was concerned only with the L.I.C. but the same sad state of affairs exists in the relations of the Finance Ministry with the Reserve Bank of India, the State Bank of India and the Industrial Finance Corporation of India. A Governor of the Reserve Bank of India and a Chairman of the Board of Directors of the State Bank of India resigned, because they did not see eye to eye with the Finance Ministry which has continued to regard these vital institutions, which are autonomous in theory, as "a wing or branch of that Ministry." An independent person might have the courage to resign but a civil servant who occupies the post of Governor, Chairman or Managing Director of such autonomous corporations might not have it.

The freedom and initiative of management of such corporations and institutions will be ensured if some method is devised for reducing the interference of the Finance Ministry in their day-to-day working. There can be no doubt that, in the case of all institutions in the public sector, Parliament and the Government frame the general policy but, if it were the intention of Parliament that the Finance Ministry or some other Ministry should control the day-to-day working of these institutions or the actual enforcement of the general policy, they would have been made departments of the Government. The very fact that these corporations and institutions are made 'autonomous' shows that they should have some freedom and independence of action. The vital problem is to ensure this freedom in actual practice.

Ideal Compromise

The Chagla Commission came to the conclusion that an "ideal compromise" was secured by section 21 of the L.I.C. Act which provides that Government control would be restricted to matters of policy involving public interest and such control would be exercised only through directives given in writing. But the sound principle laid down in section 21 has not been adhered to in the working of the Life Insurance Corporation. It is not only in the case of the L.I.C. but the other corporations and institutions as well that such a principle is of vital importance but this principle is not always adhered to. What really happens is that the persons in charge of such corporations and institutions meet the Secretary to the Government and the Minister concerned, discuss things in a general sort of way and carry out the 'advice' of the said Secretary and the Minister, without critical appraisal which is necessary if independence of judgment and freedom of action are to be maintained. So far as written directives are concerned, there is no difficulty as the Secretary and the Minister concerned take direct responsibility for them and they are open to discussion in Parliament and the Press. The problem is to prevent the persons in charge of such corporations from being cowed down by the 'advice' given to them by the Secretaries and the Ministers. In this connection, the Chagla Commission has suggested a sound principle, which unfortunately does not seem to find favour with the Government, if the observations which Mr. Jawaharlal Nehru made in the Lok Sabha are any indication of the Government's mind in this matter. The Commission's suggestion is that chairmen of corporations like the L.I.C. should be appointed from persons who have business and financial experience. Such persons would have the technical knowledge necessary for taking an independent decision and would not be easily cowed down by the Minister and the Secretary to the Government. The supply of such men is not unlimited but it is not as limited as the Prime Minister would have us believe.

It is also not a relevant consideration that such men should not be opposed to nationalisation and should, on the whole, agree with Government's policy. If a competent person with business experience or trained in economics takes up such a job, he would certainly strain all his energy to make it a success, for failure would cost his reputation. Where then is the question of his opposition to nationalisation, mixed economy and the Government's economic policy? The real point is that chances of his independence to the 'advice' and unwritten directives of the Minister and the Secretary would be greater. If civil servants are to be appointed to such posts, the least the Government should do is to adopt the Chagla Commission's sound recommendation that (i) appointments to important offices in the autonomous corporations should not be looked upon as merely the transfer of an officer from one

(Continued on page 486)

Proof of Stp project proofing . . .

. . . The play is on the word (p)roofing—for in supplying protective roofing materials for India's new Power Houses (SINDRI, BOKARO, TILAIYA, MAYURAKSHI, JAMSHEDPUR, HIRAKUD), administrative and residential buildings (SINDRI, CHITTARANJAN, JAMSHEDPUR), **Shalimar Tar Products** are project proofing, with roofing, in a big way!

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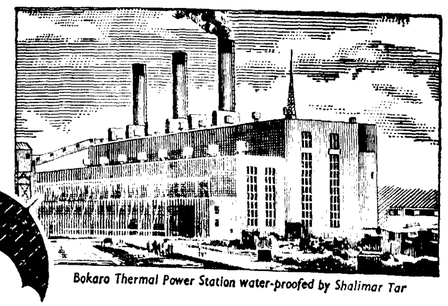

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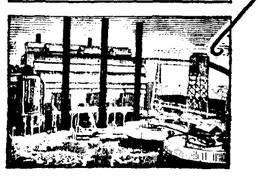

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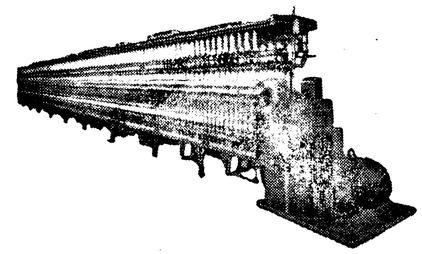

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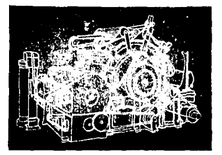

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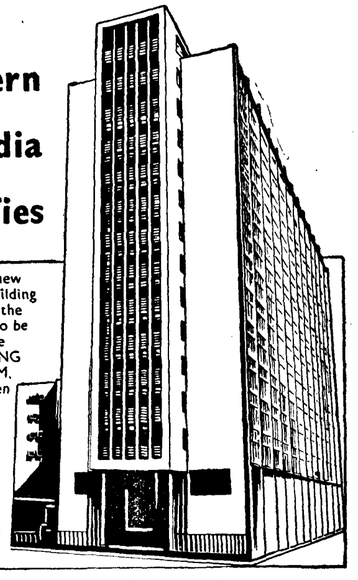

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MADURA MILLS FARE BADLY

STRIKES AND ADVERSE TRADING CONDITIONS ARE MAIN CAUSE

FOR the second year in succession, the Directors of the Madura Mills Company Ltd. (Managers: Messrs. A. & F. Harvey Ltd., Madurai) have cut the dividend, this time from 17½ per cent. to 15 per cent. for the year ended 31st December 1957. While in the previous year the cut in the dividend rate from 20 per cent. to 17½ per cent. came more or less as a shock to investors in the Company's shares, in view of the excellent performance of the Company in that year, the recent further reduction may, however, be received with sympathy for the management. Even in the previous year, the Directors' action in lowering the dividend was justified, for they were motivated by a desire to avoid the penal rate of dividend tax of As. 6 per rupee on dividend paid in excess of 18 per cent. Besides, they also wanted to conserve and add to the liquid resources of the Company in order to finance the large-scale scheme of modernisation and rehabilitation of the mills during the next few years. The reason for the latest cut is obviously different. Higher wages, consequent on the implementation of an award by a Special Industrial Tribunal, long-drawn-out strikes in almost all the Company's mills and the highly depressed trading conditions in the yarn market, all these were cumulatively responsible for a drastic reduction in the Company's earnings and profit for the year under review. The heavy load of taxation was another factor which made an already difficult situation definitely worse. Indeed, even the attenuated dividend of 15 per cent. declared for the year has to be paid out of the large undistributed surplus of the previous year.

The gross profit for 1957 at Rs. 68.63 lakhs represents a decline of Rs. 57.67 lakhs or 45.66 per cent. from Rs. 126.30 lakhs for the previous year. This is the lowest gross profit earned by the Company since 1950, in which latter year it was a mere Rs. 22.11 lakhs. The net profit at Rs. 73,610 shows to what distressing levels the earnings of a progressive and up-to-date mill can descend in times of serious adversity. It bears no comparison with the profit of Rs. 44.20 lakhs for 1956 and a like amount for 1955. Despite the sharp fall in gross profit, the provision for taxation at Rs. 42.15 lakhs is still not appreciably lower than Rs. 51.50 lakhs made a year ago. A breakdown of this provision shows that Rs. 26.19 lakhs are on account of tax on current profits, Rs. 1.37 lakhs, tax deducted at source on income from investments and securities, Rs. 3.32 lakhs, additional super-tax on dividend paid in 1957, Rs. 3 lakhs wealth tax and Rs. 8.26 lakhs under provision in the accounts upto 31st December 1956, arising mainly from the Finance Act, 1957. The rate of wealth tax, which is supposed to be only at ½ per cent. of the net assets, works out to 4.4 per cent. of the gross profit and slightly more than four times the net profit of the Company. The provision for depreciation has been raised from Rs. 18.79 lakhs to Rs. 19.67 lakhs.

The following comparative table shows at a glance the Company's progress during the last four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	18,09.22	15,63.67	14,82.85‡	16,01.79†
Other income	6.52	6.59	5.29	2.07
Closing stocks	2,15.42	41.71	35.94	2,89.44*
Raw materials consumed	9,64.14	9,96.54	9,48.18	10,35.08‡
Wages and other expenses	4,56.67	4,53.20	4,32.52	4,36.88
Gross profit	68.63	1,26.30	1,07.44	1,31.90
Managers' commission	6.07	11.81	9.73	12.30
Provision for—				
Depreciation	19.67	18.79	18.73	19.03
Taxation	42.15	51.50	34.78	45.25
Net profit	0.74	44.20	44.20	55.31
To reserves				20.00
Dividend	26.25 (15%)	30.63 (17½%)	35.00 (20%)	35.00 (20%)
Carry forward	6.92	32.44	18.87	9.67

* Include raw materials.
† Net sale proceeds.
‡ Only approximate.

Sale proceeds have fallen by no less than Rs. 2.55 crores to Rs. 13.09 crores. The decline of Rs. 32.40 lakhs in the cost of raw materials consumed apparently reflects the fall in output, resulting from the strikes in the mills, while the rise in the closing stocks from Rs. 41.71 lakhs to Rs. 215.42 lakhs points to the adverse conditions prevailing in the yarn market and the keen competition among yarn producers, following the addition of more spindles in the country.

Alluding to these conditions in their latest report, the Directors observe thus:

"The year 1957 has been a particularly difficult one for the Company and these difficulties have inevitably reflected themselves in the accounts for the year. As the result of the implementation of an award by a Special Industrial Tribunal, revised workloads and wages were introduced in June 1957. This was followed by strikes at several of the Company's mills; the Tuticorin Mill (approx. 60,000 spindles) was stopped for 46 days; the mills at Madurai (approx. 2,27,000 spindles) were stopped for 20 days and certain shifts in the Pandyan Mill (33,000 spindles), also at Madurai, were stopped for periods of five days. Prior and subsequent to these stoppages, all the Company's mills ran at efficiencies considerably below normal. After prolonged negotiations, in which the State Government also took part, the labour position has now almost returned to normal. It is hoped that, as efficiency and co-operation of the workers improve, the Company will be in a better position to face the future.

"In addition to the above, the yarn market has experienced a year of fluctuating fortunes. Business during the first part of 1957 was carried out at reasonable levels, but, from the second quarter onwards, the spinning industry shared in the general recession in the textile industry. Consumption of cloth, particularly of the handloom variety, has not reached the anticipated targets and this, coupled with the considerable expansion which has taken place in the spinning sector, has resulted in the Company carrying larger stocks of yarn at the end of the year than is normal."

An impressive financial position is disclosed by the Company's balance-sheet as at 31st December 1957. The reserves and surplus aggregate Rs. 4.31 crores, as against a paid-up capital of Rs. 1.75 crores, in ordinary shares of Rs. 15 each. Of these reserves, renewal and replacement reserve accounts for Rs. 2.44 crores, general reserve for Rs. 1.70 crores and provision for contingencies for Rs. 10.58 lakhs. The gross block of the value of Rs. 5.91 crores has been written down to Rs. 1.95 crores, the difference, namely, Rs. 3.96 crores being represented by the total depreciation provided up to the end of the accounting year. Additions to the gross block during the year were of the order of Rs. 9.13 lakhs. The current assets aggregate Rs. 7.32 crores, against which the current liabilities are of the order of only Rs. 3.21 crores. Of the current assets, Rs. 50.55 lakhs are represented by investments in shares and debentures (of which quoted investments are Rs. 17.09 lakhs with a market value of Rs. 22.80 lakhs), Rs. 79.55 lakhs by stores and spares, Rs. 512.35 lakhs by stock-in-trade, Rs. 82.23 lakhs by debts, deposits and advances and Rs. 6.93 lakhs by cash and bank balances.

The Rs. 15 fully paid-up shares of the Company are currently quoted at Rs. 35.25 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 6.82 per cent. per annum.

BHARAT SUGAR FARES BETTER

In contrast to the decline suffered in the previous year, the Bharat Sugar Mills Ltd. (Managing Agents: The Cotton Agents Private Ltd., Bombay) show an improvement in its profit for the year ended 30th June 1957. The gross profit for the year under review at Rs. 5.50 lakhs shows a rise of Rs. 2.48 lakhs from Rs. 3.02 lakhs for the previous year, to which level it had steadily receded from Rs. 8.94 lakhs for 1953-54 and Rs. 5.06 lakhs for 1954-55. The net profit, after providing Rs. 1.60 lakhs for taxation, as against only Rs. 12,000 in the previous year and Rs. 94,400 for depreciation as against Rs. 70,300, also stands higher at Rs. 2.47 lakhs, as compared with Rs. 1.83 lakhs in the previous year. It is, however, still lower than Rs. 4.11 lakhs earned in 1953-54, while it is only a shade better than Rs. 2.31 lakhs in 1954-55.

A gratifying feature of the Company's results under review is that the net profit is sufficient to maintain the dividend on the ordinary shares at the rate of 15 per cent. paid for the past few years. In the previous year, owing to the decline in the Company's gross as well as net profits, the Directors had to draw a sum of Rs. 50,000 from the dividend equalisation reserve to pay the dividends. No amount has been transferred to the reserves for the third year in succession. Indeed, the last occasion when the Company made any allocation to reserves was in 1953-54, when a sum of Rs. 1.50 lakhs was transferred to the dividend equalisation reserve.

The factory, which is situated at Sidhwalia, in the Saran District in Bihar State, and has a crushing capacity of 650 tons of cane per day, worked for 158 days during the year under review, as against 181 days in the preceding year. The quantity of sugarcane crushed at 2,256,545 maunds was also lower, as compared with 2,498,153 maunds a year ago. It is stated that the lower crush during the year was due to a fall in the area under sugarcane in the factory area and the infestation of the crop by red rot disease. A redeeming feature was the higher average recovery at 9.63 per cent., as compared with 9.48 per cent. in the previous year. Sales and despatches were also satisfactory. It is interesting to note that the Company was able to sell about 2,000 tons of sugar for export during the current year. The Directors state that, due to severe drought conditions and shrinkage in the area under sugarcane cultivation, consequent on the diversion to other food crops, a crushing of only about 1.8 million maunds of sugarcane is expected during the current year. The Company has some small farms of its own which yielded 48,000 maunds of sugarcane, as against only 42,000 maunds in the previous year.

The following comparative table brings out the Company's progress in working during the last four years:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds	73.32	60.29	25.86	60.95
Other income	2.30	1.09	1.36	1.95
Closing stock	32.33	39.27	30.05	0.20
Manufacturing and other expenses	52.12*	59.05*	42.86	30.58
Excise duty	11.06	8.53	3.15	7.19
Gross profit	5.60	3.02	5.06	8.94
Managing Agents' remuneration	0.49	0.37	0.61	1.00
Depreciation	0.94	0.70	0.40	0.48
Taxation	1.60	0.12	1.74	3.36
Net profit	2.47	1.83	2.31	4.11
Transfer from reserves	..	0.50	..	..
To reserves	..	..	..	1.50
Dividends—				
5% cum. red. preference	0.17	0.18	0.18	0.18
Ordinary	2.25	2.25	2.25	2.25
	(15%)	(15%)	(15%)	(15%)
Carry forward	0.08	0.02	0.13	0.26

* Approximate.

The latest balance-sheet of the Company shows the paid-up capital at Rs. 20 lakhs in 150,000 ordinary shares of Rs. 10 each and the balance in 5,000 five per cent. taxable cumulative preference shares of Rs. 100 each. These are supplemented by reserves and surplus aggregating Rs. 13.59 lakhs. The gross block of Rs. 19.29 lakhs stands well written down to Rs. 5.88 lakhs. The current liabilities amount to Rs. 31.47 lakhs, against which the current assets aggregate Rs. 59.17 lakhs. Of the current assets, the stock-in-trade alone, valued at Rs. 32.33 lakhs, more than covers the current liabilities, as also the provision for taxation.

The Rs. 10 fully paid-up ordinary shares are nominally quoted at Rs. 13.50 *ex-div.*, at which rate the yield is 11.11 per cent. per annum.

RAZA BULAND SUGAR COMPANY LTD.

The Raza Buland Sugar Company Ltd. [Managing Agents: Messrs. Govan Bros. (Rampur) Private Ltd., Rampur, U.P.] has earned a higher gross profit of Rs. 40.60 lakhs for the year ended 31st October 1956, as compared with Rs. 25.63 lakhs in the previous year. It has to be stated at the outset that the scheme of amalgamation of the Raza Sugar Company Ltd. with the Buland Sugar Company Ltd. was implemented with effect from 1st November 1955. The accounts for the year under review, therefore, relate to the working of the amalgamated company, while the accounts of the previous year represent the combined working of the two companies in their individual capacity. The net profit, after raising the provision for taxation from Rs. 7.35 lakhs to Rs. 17.50 lakhs and that for depreciation from Rs. 3.06 lakhs to Rs. 3.83 lakhs, also stands higher at Rs. 15.60 lakhs, as against Rs. 13.01 lakhs in the preceding year. Out of the net profit, general reserve has been provided with Rs. 6.50 lakhs. The allocation in the previous year consisted of Rs. 3.50 lakhs to general reserve and Rs. 89,008 to reserve for bad and doubtful debts. The dividend is proposed to be paid at 15 per cent., same as in the previous year. It must, however, be noted here that the dividend for 1955-56 is on a higher capital of Rs. 63.59 lakhs, following the creation of 299,400 fully paid-up ordinary shares of Rs. 10 each. The new shares are in exchange for 199,960 ordinary shares of Rs. 10 each fully paid-up of the Raza Sugar Company Ltd., in accordance with the scheme of amalgamation. These shares rank for dividend from the financial year commencing from 1st November 1955.

Sale proceeds for the year rose from Rs. 1.33 crores in 1954-55 to Rs. 2.95 crores. Both Raza and Buland factories commenced crushing operations early in December 1955. The number of days worked was 205 and 215 and the quantity of cane crushed was 5,533,418 and 5,522,667 maunds, as against 146 and 148 days and 3,580,597 and 3,507,290 maunds, respectively, in 1954-55.

The paid-up capital of the amalgamated Company stands at Rs. 63.59 lakhs. The reserves and surplus stand at Rs. 85.88 lakhs. The gross block of Rs. 67.03 lakhs has been written down to Rs. 41.35 lakhs. Besides, there is a sum of Rs. 1.09 lakhs by way of construction work in progress. As against current assets of the order of Rs. 183.64 lakhs, current liabilities stand at only Rs. 76.62 lakhs.

The success of the offer for sale of shares in Indian Oxygen Ltd. by the British Oxygen Company Ltd. has already been reported and details have now been received indicating the basis of acceptance. It will be recalled that after reserving 30,000 shares for employees, a balance of 570,000 were available for the public. It is learned that over 1,800,000 shares were applied for by the public and applications for the minimum quantity (50 shares) alone exceeded one million.

In order to achieve the broadest spread, the British Oxygen Company, Ltd. has given priority to the smaller applications on the following basis:

50 shares 40 per cent., 100 shares 25 per cent., 150 shares, 200 shares, 250 shares and 300 shares 20 per cent. Higher denominations have been accepted at a reducing percentage down to a minimum of approximately 7 per cent.

KUMERGODE'S PROFIT IMPROVES

DIVIDEND ALSO HIGHER

THE sharp recession in earnings and profit suffered by the Kumergode Estates Ltd. (Managing Agents: Messrs. Peirce, Leslie & Co., Ltd., Mangalore) in the year ended 31st October 1956 has been more than offset by the Company's highly encouraging working during the following year, that is, 1956-57. This was possible because of the sizable improvement in production of coffee. The price fetched by the crop was also satisfactory, having been fully maintained at the previous year's level. The year's coffee crop at 3,163 cwts. is substantially higher than 1,943 cwts. harvested in the previous year while, it is even slightly better than the erstwhile high of 3,021 cwts. in 1954-55. The value realised was unchanged at Rs. 2.50 per point.

The bumper crop and the consequent higher sale proceeds have naturally resulted in an impressive rise in the Company's gross profit. This has enabled the Company not only to enhance its distribution to the shareholders but also to conserve a larger sum for the rainy day than was possible in the previous year. The shareholders will be gratified that their dividend has been raised to 25 per cent. from 20 per cent. for 1955-56 and 1954-55. It may be noted here that the Company had declared a maiden dividend of 10 per cent. only in 1953-54.

The gross profit at Rs. 2.99 lakhs is more than three times the Rs. 95,347 earned in the previous year, and is comfortably higher than Rs. 2.29 lakhs for 1954-55. Indeed, the year's gross profit is a new peak in the Company's history. The net profit is fully in consonance with the rise in the gross profit. At Rs. 1.88 lakhs, it has more than quadrupled from Rs. 45,796 for the previous year. The allocation to reserves at Rs. 1.30 lakhs is also higher by Rs. 1 lakh. Thus, the general reserve has been provided with Rs. 1 lakh, as against *nil* in the previous year. The transfer to debenture redemption reserve has been maintained at Rs. 30,000. The latter item represents the value of debentures redeemed during the year.

The following comparative table brings out some of the salient features of the Company's working during the past four years:

(Value in rupees)

	For the year ended 31st October			
	1957	1956	1955	1954
Proceeds of coffee crop	5,50,558	4,88,387	5,70,218	3,75,002
Proceeds of other crop	3,866	2,749	2,628	2,402
Expenses	3,75,288	3,13,928	3,45,406	2,88,204
Gross profit	2,99,126	95,347	2,29,395	90,564
Managing Agents' remuneration	21,700	7,100	13,317	11,028
Depreciation	21,176	22,642	20,362	9,775
Taxation	67,873	19,800	33,705	..
Net profit	1,88,287	45,796	1,62,011	69,186
Preliminary expenses written off	..	..	..	24,380
To reserves	1,30,000	30,000	1,30,000	50,312
Dividend	50,000 (25%)	40,000 (20%)	40,000 (20%)	20,000 (10%)
Carry forward	45,670	37,383	61,687	69,675
Coffee crop (in cwts.)	3,163	1,943	3,021	1,880
Value of coffee per point (Rs.)	2.50	2.50	2.25	2.50

It is interesting to learn that the year's output of coffee has exceeded even the original estimate of 3,000 cwts. which was subsequently revised downwards to 2,800 cwts. The above table reveals that sale proceeds from the coffee crop for the year at Rs. 5,50,558 are better than those for 1955-56 and 1953-54 but slightly lower than that for 1954-55.

The Company's estate, consisting of 782.62 acres, is situated in Mysore State. Of this area, 572.47 acres are under mature coffee (Arabica 466.73 acres and Robusta 105.74 acres) and 38.26 acres under immature coffee (Arabica 27 acres and Robusta 11.26 acres). The area in reserve is 81.60 acres. The balance is devoted to cardamoms (2.06 acres), oranges (4.94 acres), paddy (59.02 acres) and sites, roads, etc., 24.27 acres.

The current season's (1957-58) crop is estimated at 3,540 cwts. The visiting agent's report indicates that the estate is being maintained in good order.

A satisfactory financial position is disclosed by the Company's latest balance-sheet. Its paid-up capital remains unchanged at Rs. 2 lakhs, all in ordinary shares of Rs. 2 each. This is supplemented by reserves and surplus aggregating Rs. 3.86 lakhs. The debenture liability on account of 7½ per cent. 1955-64 debentures has been reduced by Rs. 30,000 to Rs. 2.10 lakhs. The current liabilities amount to Rs. 2.16 lakhs. This is inclusive of a provision of Rs. 85,000 for taxation. The gross block of Rs. 7.68 lakhs stands depreciated at Rs. 6.86 lakhs. There have been additions during the year of a total value of Rs. 80,395 of which Rs. 34,532 on water-supply represents cost of constructing two more masonry tanks and extending the pipelines for both spraying and domestic use. The current assets at Rs. 3.25 lakhs, in which cash balances alone account for Rs. 1.15 lakhs, are enough to cover the current liabilities, as well as the provision for taxation.

The Rs. 2 fully paid-up shares of the Company are currently quoted at Rs. 7 *cum-div.* On an *ex-div.* basis, and on the basis of the latest dividend, the yield is 7.7 per cent. per annum.

Points From The Chair

Rephasing of Plan

"IN the present and the immediate future I believe that the utmost attention should be given to the completion of those projects included within the second Five-year Plan which are already substantially advanced. This applies particularly to those which, when in operation, will achieve early savings of foreign exchange. Concentration in this direction at this moment even at the cost of deferring the commencement of other attractive projects which may also eventually achieve exchange savings by avoidance of imports is the only way in which quick results can be counted upon. Coupled with a review designed to take advantage of progress already made there should be, in my opinion, an early objective examination and rephasing of the remainder of the second Five-year Plan with due regard to the resources now available to us. The time for proceeding on the assumption that windfalls will come from some direction or other, so as to enable us to avoid a crisis is, in my opinion, passed. At all costs, we must endeavour to avoid a reduction in economic activity as the result of a shortage of imported raw materials or semi-finished goods necessary to sustain the industries already started or far advanced in construction."

DR. A. RAMASWAMI MUDALIAR,
Industrial Credit and Investment Corporation of India Ltd.

Encouragement of Travel

"The importance of tourism as a major factor in the balance of international payments is being increasingly recognised all over the world. I should like to pay tribute to the value of the activities in this country of the British Travel and Holidays Association and in Australia by the Australian National Travel Association in attracting tourists from overseas. Each country that seeks to increase its revenue from overseas tourists must do everything possible to encourage the complete chain of the best possible transport by sea and air, the minimum of irksome and irritating Government inspections and formalities at its ports, and good hotel and sightseeing arrangements to ensure that tourists carry with them the best possible impression of the country when they go home. Such chains can only be as strong as their weaker links and I was glad to see how clearly this fact was realised by the representatives of all the Governments and industries concerned at the Pacific Area Travel Association Conference which I attended in Canberra last year. . . . Another important factor in encouraging people to travel—especially those with no previous experience of doing so—is the growing simplification of the facilities given them for making and paying for all their arrangements for transport, sightseeing and hotel accommodation before they leave their homes. In this field of what are sometimes known as "packaged tours" the travel agent as a creator of traffic plays an important part. We regard him as being just as much an integral part of our sales organisation as we do our own offices or general agents. Furthermore, we need and receive his help in offering our passengers facilities for easy sightseeing at our ports of call. About one-third of our total passage money comes through travel agents and we are convinced that we get good value for the commission we pay them in return."

SIR AUSTIN I. ANDERSON,
Orient Steam Navigation Co., Ltd., London.

International Tin Agreement

"At a meeting of the International Tin Council held early in December 1957, it was decided to restrict tin exports from those countries which ratified the International Tin Agreement by imposing a cut of 28½ per cent. in the annual rate of production for the period 15th December 1957 to 14th March 1958. The effect of this restriction varies considerably as between the producing countries and, for Malaya constitutes a reduction of approximately 34 per cent. of the average production during the years 1953-57, which, for the purpose of assessment, is taken as the 'base period.' Within six weeks of imposing its first restriction on tin exports, the International Tin Council has again considered the situation and at a recent meeting it agreed on quotas destined to reduce supplies from the six main producing countries under the Agreement, not by 28½ per cent. as before announced but by approximately 40 per cent. It is, therefore, thought probable that the Malayan output for the second quarter of the current year may be reduced by as much as 48 per cent. in order that exports of tin may be kept at the level authorised by the Tin Council. For the producers who have yet to pay to their Governments the second and third contributions each of 5,000 tons metal, or the cash equivalent, the cost, both in reduced output and in cash, of maintaining the scheme is considerable."

D. W. THOMAS,
Rambutan Ltd., Redruth.

COMPANY MEETINGS AND DIVIDENDS

LOYAL TEXTILE MILLS LTD. Annual General Meeting, Kovilpatti (South India), 20th March 1958. Dividend: Rs. 2.50 (5 per cent.) per share. Transfer books remain closed from 14th to 20th March 1958, both days inclusive.

STANDARD BATTERIES LTD. Annual General Meeting, Bombay, 24th March 1958. Dividend: Rs. 8.00 per share, payable on 26th March 1958. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

AZAM JAHI MILLS LTD. Annual General Meeting, Hyderabad-Deccan, 27th March 1958. Dividend: Rs. 3.50 per share, payable on and after 15th April 1958. Transfer books remain closed from 14th to 28th March 1958, both days inclusive.

OSMANSHAHI MILLS LTD. Annual General Meeting, Hyderabad, Deccan, 28th March 1958. Dividend: Nil. Transfer books remain closed from 14th to 28th March 1958, both days inclusive.

ANAPARAI ESTATES LTD. Annual General Meeting, Balehonnur, Mysore State, 29th March 1958. Dividend: Re. 0.80 per share. Transfer books will remain closed from 22nd to 29th March, 1958, both days inclusive.

SIRPUR MILLS LTD. Annual General Meeting, Somajguda, Hyderabad-Deccan, 31st March 1958. Dividend: Re. 0.50 per share. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

KELVIN JUTE CO., LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: Rs. 9.00 (includes interim dividend of Rs. 4.00 per share) per share, for the eleven months ended 31st May 1957. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

J. K. CHEMICALS LTD. Annual General Meeting, Bombay, 31st March 1958. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

INDOCO REMEDIES LTD. Annual General Meeting, Bombay, 31st March 1958. Transfer books remain closed from 14th to 31st March 1958, both days inclusive.

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: Re. 0.75 (7½ per cent.) per share. Transfer books will remain closed from 20th to 31st March 1958, both days inclusive.

HINDUSTAN LEVER LTD. Annual General Meeting, Bombay, 7th April 1958. Dividend: Re. 1.40 per share, payable on 8th April 1958. Transfer books will remain closed from 31st March to 7th April 1958, both days inclusive.

INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LTD. Annual General Meeting, Bombay, 7th April 1958. Transfer books remain closed from 15th March to 7th April 1958, both days inclusive.

INDUSTRIAL INVESTMENT TRUST LTD. Annual General Meeting, Bombay, 8th April 1958. Transfer books will remain closed from 24th March to 8th April 1958, both days inclusive.

SASSOON SPINNING AND WEAVING CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 2.00 per share, free of income-tax, payable on and after 5th May 1958. Transfer books will remain closed from 11th April to 2nd May 1958, both days inclusive.

RAYALASEEMA MILLS LTD. Annual General Meeting, Adoni-Tungabhadra Road, Adoni, Kurnool District, 30th April 1958. Transfer books will remain closed from 23rd April to 7th May 1958, both days inclusive.

STANDARD MILLS CO., LTD. Dividend: Rs. 22.50 per share (includes bonus of Rs. 2.50 per share), for the year ended 31st December 1957. Transfer books will remain closed from 7th to 28th April 1958, both days inclusive.

MAFATLAL FINE SPG. AND MFG. CO., LTD. Dividend of Rs. 15.00 per share, free of income-tax, for the year ended 31st December 1957. Transfer books will remain closed from 11th April to 2nd May 1958, both days inclusive.

KAMANI METALS AND ALLOYS LTD. Annual General Meeting, Bombay, 31st March 1958. Dividend: Nil. Transfer books will remain closed from 17th to 31st March 1958, both days inclusive.

IMPERIAL TOBACCO CO. OF INDIA LTD. Second interim dividend of Re. 0.20 (2 per cent.) per share, payable on or after 8th April 1958, for the year ending 31st March, 1958.

KOHINOOR MILLS CO., LTD. Final dividend of Rs. 12.00 per share, for the year ended 31st December 1957, payable on 11th April 1958. Transfer books will remain closed from 22nd March to 10th April 1958, both days inclusive.

KIL KOTAGIRI TEA AND COFFEE ESTATES CO., LTD. Final dividend of Re. 0.30 per share (15 per cent.), for the year ended 31st October 1957. Transfer books will remain closed from 1st to 12th April 1958, both days inclusive.

DEVASHOLA (NILGIRI) TEA ESTATES CO., LTD. Interim-dividend of Re. 0.75 per share, for the year ended 31st December 1957.

VIJAYESWARI TEXTILES LTD. Dividend of Rs. 3.00 per share, for the year ended 31st December 1957.

SIRPUR PAPER'S OUTPUT HIGHER

RAVALGAON SUGAR REPEATS DIVIDEND

Sirpur Paper Mills Ltd.

THE directors of the above Company (Managing Agents: Messrs. Birla Brothers Private Ltd., Somajiguda (Hyderabad-Deccan) submit the audited accounts of the Company for the year ended 30th June 1957.

The profit and loss account after providing Rs. 17,63,251 (Rs. 3,00,000) for depreciation, Rs. 1,343 (*nil*) for bad and doubtful debts and Rs. 82,000 (*nil*) for wealth tax, shows a profit on the year's working of Rs. 13,16,590 (Rs. 15,19,261) to which is added the balance brought forward from the previous year, of Rs. 17,813 (Rs. 13,708) making a total of Rs. 13,34,403 (Rs. 15,32,969). From this amount there has been paid for forfeited dividends Rs. 857 (*nil*) and for brokerage and commission on issue of shares Rs. 10,161 (Rs 1,13,622) leaving a balance available for disposal of Rs. 13,23,385 (Rs. 14,19,347). The directors recommend payment of dividends on 40,480 (36,480) cumulative redeemable preference shares of Rs. 100 each fully paid up at 6 per cent. per annum without any deduction of income-tax absorbing Rs. 2,25,126 (Rs. 2,09,772) and on 21,85,524 ordinary shares of Rs. 10 each fully paid up at Re. 0.50 (Re. 0.50) per share, without any deduction of income-tax Rs. 10.92.762 (Rs. 10,92,762) leaving a balance to be carried forward of Rs. 5,497 (Rs. 17,813).

During the year under report, the production of paper was about 17,405 tons as against 14,200 tons in the previous year and 13,700 tons in the year prior to that.

The results of the working of the Company, during the year under review, are considered satisfactory particularly in view of the fact that the cost of production was higher consequent to the all-round increase in the prices of raw materials, chemicals, railway freight and wages, and the prices of paper were maintained almost at the old rates.

The Government of India have, since 16th May 1957, increased the excise duty on the paper and board by about 60 per cent. to 92 per cent. on different categories of paper and board, while inter-State sales tax has also come into force with effect from 1st July 1957.

The disputes between the workmen and the management, reported in the previous year's report, have been amicably settled. All pending cases before the Industrial Tribunals and High Court, have been withdrawn. Consequently, the relationship between the workmen and management now continues to be quite satisfactory. The assurances of co-operation given by the workmen could reasonably expected to produce better results all-round and particularly, in stepping up production.

There has been delay in the arrival of extension machinery and the target date for completion of expansion had to be shifted a little further. As the machinery have already started arriving and the erection work is well in hand, it is expected that the different plants would start going into production in the next few months.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,59,52,530	Block ...	3,09,64,819
Share money suspense	117	Capital work-in-progress	25,14,134
Reserves ...	48,43,060	Machinery-in-transit	20,85,487
Liabilities ...	2,17,93,137	Extension machinery in stores	27,43,053
Profit and loss account ...	5,497	Stock-in-trade	7,34,679
		Stores, spare parts and loose tools	41,43,067
		Raw materials ...	7,22,402
		Investments	75,882
		Debts, deposits and advances ...	64,97,455
		Cash ...	21,13,363
Rs.	5,25,94,341	Rs.	5,25,94,341

Ravalgaon Sugar Farm Ltd.

The directors of the above Company (Managing Agents: Messrs. Walchand & Co. Private Ltd., Bombay) present the audited accounts of the Company for the year ended 30th September 1957.

The net profit for the year after providing Rs. 8,50,000 (Rs. 7,50,000) for taxation is Rs. 13,96,064 (Rs. 13,88,899) to which is added the amount brought forward from the previous year of Rs. 67,511 (Rs. 64,612) making a total of Rs. 14,63,575 (Rs. 14,53,511). From this amount the directors propose to transfer to reserve for special depreciation and development rebate Rs. 2,75,000 (Rs. 1,43,000), to general reserve Rs. 1,45,000 (Rs. 2,00,000), to dividend equalisation reserve Rs. 80,000 (*nil*), to debenture redemption reserve Rs. 2,00,000 (Rs. 3,00,000) and to reserve for contingencies including gratuity Rs. 75,000 (Rs. 1,25,000). The directors also recommended payment of dividends on preference shares at 5½ per cent. (less income-tax) Rs. 1,10,000 (Rs. 1,10,000), on ordinary shares at Rs. 12 (Rs. 12) per share without deducting income-tax) Rs. 4,80,000 (Rs. 4,80,000) and on deferred shares at 7 per cent. (less income-tax) Rs. 28,000 (Rs. 28,000) leaving a surplus to be carried forward Rs. 70,575 (Rs. 67,511).

The factory commenced crushing on 8th November 1956 and the same was stopped on 1st June 1957. Sugarcane crushed during the season was 1,48,249 (1,42,432) tons while sugar manufactured 1,69,202 (1,68,140) bags with a recovery of 11.53 (11.07) per cent.

During the year under report the confectionery plant at Ravalgaon produced about 794 (490) tons of confectionery and about 15,705 (Rs. 10,577) maunds of sugar-candy.

The factory continued to produce wax from cane mud. About 7,672 (11,131) lbs. of wax was produced during the year.

The area of land taken on lease by the Company is 2,370 acres and 15 gunthas, while the area of land owned by the Company is 6,511 acres and 15¾ gunthas.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	44,00,000	Block ...	45,49,203
Debentures ...	20,00,000	Stock-in-trade	52,33,834
Reserves ...	42,07,214	Stores ...	29,30,716
Provision for taxation ...	11,39,174	Crops in progress ...	18,58,950
Liabilities ...	51,56,074	Debts, deposits and advances ...	6,43,908
Profit and loss account ...	70,575	Investments	14,34,658
		Cash ...	3,21,768
Rs.	1,69,73,037	Rs.	1,69,73,037

Loyal Textile Mills, Ltd.

The directors of the above Company (Managing Agents: Messrs. Thiagaraja Chetty and Sons Private Ltd., Kovilpatti, South India) present the audited accounts of the Company for the year ended 30th June 1957.

The year's working has resulted in a profit of Rs. 8,57,168 (Rs. 10,31,019). After providing Rs. 2,37,710 (Rs. 1,75,777) for normal and special depreciation, Rs. 2,35,000 (Rs. 53,915), for development rebate, Rs. 2,00,000 (Rs. 4,00,000) for income-tax and Corporation tax and Rs. 22,500 (*nil*) for wealth tax, there is a balance of Rs. 1,61,958 (Rs. 4,01,327). This sum together with Rs. 75,058 (Rs. 1,94,590) brought forward from last year and amounting to Rs. 2,37,016 (Rs. 5,95,917) is available for distribution. An interim dividend of 2½ per per cent. (free of tax) has already been paid on preference shares. The directors recommend the following dividends out of the balance of Rs. 198,725 (Rs. 3,63,822).

A final dividend of 2½ per cent. tax free on preference shares absorbing Rs. 37,473 (Rs. 37,473) and a dividend of 5 (7½) per cent. tax free on equity shares of the Company absorbing Rs. 1,57,590 (Rs. 2,36,291) leaving a balance of Rs. 3,662 (Rs. 75,058 after providing Rs. 15,000 for dividend on deferred shares) to be carried forward to the next year's account.

The directors regret that they could not maintain the same dividend as last year, on account of adverse trading conditions prevailing during the year and the heavy incidence of excise duty. On the mills' products the Government has collected during the year Rs. 7,26,280 as excise duty and Rs. 2,27,557 as sales tax.

The directors are indeed pleased to state that since the last annual report 6,000 spindles out of 12,000 have been installed and commissioned during the year. They expect to install the balance of 6,000 spindles before the end of current year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	48,51 250	Block ...	45,80,743
Reserves ...	2,88,915	Stock-in-trade	28,63,059
Provision for taxation ...	11,89.964	Stores, spare parts and loose tools	7,92,647
Liabilities ...	33,61,086	Debts, deposits and advances ...	12,90.339
Profit and loss account ...	3,662	Investments	25,415
		Cash ...	1.42.674
Rs.	96,94,877	Rs.	96,94,877

Andhra Sugars Ltd.

The directors of the above Company (Managing Agents: Messrs. Ranga Rao & Co., Tanuku) submit the audited accounts of the Company for the year ended 30th September 1957.

THE
BANK OF JAIPUR
LIMITED
Treasurers to the Rajasthan Government
Chairman:
Shri G. D. SOMANI, M.P.

Authorised Capital - -	Rs. 2,00,00,000
Issued and Subscribed Capital - - -	Rs. 1,00,00,000
Paid-up Capital - -	Rs. 50,00,000
Reserve and other Funds	Rs. 25,00,000

Complete Banking Services inclusive of Foreign Exchange

S. L. KOTHARI,
General Manager.

The accounts show that a profit of Rs. 15,66,094 (Rs. 13,59,518) for the year 1956-57 after providing Rs. 51,000 for payment of bonus to staff and Rs. 2,14,155 extra price for cane. To this amount is to be added the balance of profit brought forward from 1955-56 account of Rs. 1,90,836 (Rs. 1,42,520), excess provision for bonus in 1955-56 Rs. 10,153 (Rs. 1,240) and subsidy from the Government of India for Industrial Housing Colony Rs. 29,700 (*nil*) making a total of Rs. 17,96,783 (Rs. 15,03,278). After deducting expenses not relating to the year of account and donations amounting to Rs. 6,704 (*nil*) leaving an available balance of Rs. 17,90,079 (Rs. 15,03,278). The directors have made the following appropriations:

Tax free dividend at 12½ per cent. on the paid-up capital Rs. 3,75,000 (Rs. 4,39,411 being dividends for two years, viz., 1954-55 and 1955-56. The dividend for 1954-55 was 6 per cent. and 10 per cent. for the year 1955-56) amount transferred to the general reserve Rs. 9,00,000 (Rs. 5,00,000), amount transferred to dividend equalisation reserve Rs. 2,50,000 (Rs. 3,00,000), to gratuity reserve Rs. 25,000 (*nil*) and to provision for taxes Rs. 2,25,000 (*nil*) leaving the balance of Rs. 15,079 (Rs. 1,90,837 after paying Rs. 67,068 being extra amount for purchase of cane, Rs. 600 towards donations and Rs. 5,632 as brokerage on shares) to be carried forward to next year's account.

During the year under report the Company's sugar factory commenced crushing on 12th December 1956, and closed it on 7th May 1957 during which period 1,07,078 (86,489) tons of sugarcane was crushed and 11,468 (9,375) tons of sugar was produced. The recovery of sugar for the season was 10.70 per cent. as against 10.84 per cent. for the previous season.

The directors are glad to report that the extension plant has worked successfully during the last season. It is expected that the factory will crush 1,000 to 1,200 tons per day during 1957-58 season. The factory has commenced production on 1st December 1957, for the 1957-58 season.

During the year under report the directors acquired for the Company shares in Shree Akkamamba Textiles Ltd., 17,500 fully paid-up shares of Rs. 10 each of the total value of Rs. 1,75,000.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	30,00,000	Block ...	3,09,64,819
Reserves ...	19,50,000	Stock-in-trade	27,68,024
Provision for taxation ...	2,25,000	Stores, spare parts and loose tools	9,92,224
Liabilities ...	51,47,274	Other assets	4,079
Profit and loss account ...	15,080	Loans and advances ...	5,68,353
		Investments	1,95,000
		Cash ...	79,555
Rs.	1,03,37,354	Rs.	1,03,37,354

Kelvin Jute Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the 11 months ended 31st May 1957.

The profit for the period, after providing for depreciation Rs. 3,57,878 and taxation Rs. 2,40,000 including wealth tax, amounts to Rs. 2,48,578, to which must be added the credit balance brought forward from the previous half-year of Rs. 91,333 making a total of Rs. 3,39,911. From this amount is deducted—dividends previously forfeited now paid Rs. 10 leaving a balance of Rs. 3,39,901. The interim dividends for the period ended 31st May 1957, declared by the directors on 12th December 1957: on 10,000 preference shares at Rs. 3 per share absorbed Rs. 30,000 and on 21,000 ordinary shares at Rs. 4 per share absorbed Rs. 84,000 leaving an available balance of Rs. 2,25,901 which the directors recommend should be distributed as follows:—

To final dividend on 10,000 preference shares at Rs. 3.42 nP per share for the period ended 31st May, 1957 absorbing Rs. 34,200 and final dividend on 21,000 ordinary shares at Rs. 5.00 per share for the period ended 31st May, 1957 absorbing Rs. 1,05,000 leaving to be carried forward Rs. 86,701.

Jute stocks are shown at cost. Sold stocks of goods have been calculated at contract sale price and goods unsold on 31st May, 1957, have been valued at market rates.

In accordance with the working time agreement of the Indian Jute Mills' Association, the mills continued to work 48 hours per week throughout the year with 5 per cent. of the total complement of the looms sealed until the 14th July, 1956, with 7½ per cent. sealed from 16th July to 15th September, 1956, and with 12½ per cent. sealed from the 17th September, 1956, to the end of the accounting period.

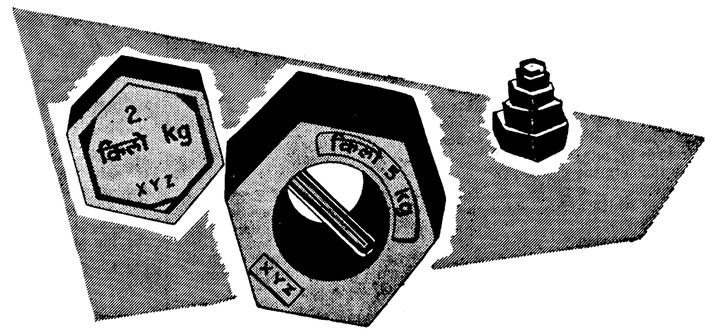
The year under review has been a difficult one as far as trading conditions were concerned and raw jute prices remained high in relation to the price of manufactured goods, and it was difficult to transact business at a profit.

Accounts in brief are as under:—

Liabilities	Rs	Assets	Rs.
Capital ...	31,00,000	Block ...	46,67,316
Reserves ...	53,00.000	Stock-in-trade	41,77,326
Provision for taxation ...	54.797	Stores and spare parts	11,47.977
Liabilities ...	38,94,327	Debts, deposits and advances ...	15,00.286
Profit and loss account ...	86.701	Investments	6,02.444
		Cash ...	3,34,396
Rs.	1,24,35,745	Rs.	1,24,35,745

N.B.—Figures within brackets relate to the corresponding period of the previous year.

CHANGING OVER TO
THE METRIC SYSTEM



India has at present no common system of weights and measures. There are not less than 143 systems in use. This multiplicity gives room for malpractices. The introduction of a uniform system throughout the country based on Metric Weights and Measures will be very convenient and make calculations extremely easy, especially because the country has already adopted the decimal coinage. The Standards of Weights and Measures Act, 1956 has laid down the basic units under the metric system. The reform will be gradual so as to cause minimum inconvenience to the people.

Even after its introduction in an area or a trade, the traditional weights and measures will be permitted to be used for a period of three years.

THE CHANGE-OVER TO THE METRIC SYSTEM OF WEIGHTS AND MEASURES BEGINS FROM OCTOBER, 1958

KNOW THE METRIC WEIGHTS

The basic unit of weight is the KILOGRAM= 1 seer 6 tolas (or 86 tolas.) or 2 lb. 3 ozs.

SUB-UNITS
10 milligrams = 1 centigram
10 centigrams = 1 decigram
10 decigrams = 1 gram
10 grams = 1 decagram
10 decagrams = 1 hectogram
10 hectograms = 1 kilogram

MULTIPLES
100 kilograms = 1 quintal
10 quintals or 1000 kilograms = 1 metric tonne

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Notices

INDUSTRIAL INVESTMENT TRUST LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Twenty-fifth Annual General Meeting of Industrial Investment Trust Ltd. will be held at the Registered Office of the Company, 61, Apollo Street, Fort, Bombay, on Tuesday the 8th April, 1958, at 4 p.m. (S.T.), to transact the following business:—

(1) To receive and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st December, 1957.

(2) To declare a Dividend.

(3) To appoint a Director in place of Sir Joseph Kay, K.B.E., who retires by rotation and is eligible for re-appointment and to consider, and if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company.

"Resolved that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir Joseph Kay, K.B.E., who has attained the age of 74 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him."

(4) To appoint a Director in place of Mr. Kishore M. Premchand who retires by rotation, in accordance with the Articles of Association of the Company, and being eligible offers himself for re-election.

(5) To appoint Auditors for the current year and to fix their remuneration.

NOTICE is also hereby given that the Transfer Books of the Company will remain closed from Monday the 24th March 1958 to Tuesday the 8th April 1958, both days inclusive.

By Order of the Board,
PREMCHAND ROYCHAND & SONS,
Secretaries and Treasurers.

BOMBAY, *5th March*, 1958.

Explanatory Statement as required under Section 173 of the Companies Act, 1956.

Item No. 3 of the Notice.—Sir Joseph Kay, K.B.E., who retires by rotation and is eligible for re-appointment, has attained the age of 74 years, he having been born on 20th January, 1884, and hence he cannot be appointed a Director of the Company except by a resolution in respect of which a special notice has been given in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. The Company has received such a notice from some members notifying their intention to move the resolution as set out in the said item. Sir Joseph Kay, K.B.E., has been a Director of the Company ever since its inception. As a business man of wide and varied experience closely associated for a long time with the Company, he has rendered very valuable services to the Company and it is in the interest of the Company that it should continue to receive the benefit of his services.

Notes.—(*a*) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

(*b*) The dividend when declared will be made payable at the Bank of India Ltd., Bombay, on and after the 30th day of April 1958. The Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 8th day of April, 1958.

Change of address, if any, should be notified to the Company immediately.

By Order of the Board,
PREMCHAND ROYCHAND & SONS,
Secretaries and Treasurers.

BOMBAY, *5th March*, 1958.

HINDUSTAN LEVER LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the Members of HINDUSTAN LEVER LIMITED will be held at the INDIAN MERCHANTS' CHAMBER HALL, Lalji Naranji Memorial Building, 76, Veer Nariman Road, BOMBAY-1, on Monday, 7th April 1958, at 4 p.m., for the following purposes, namely:

ORDINARY BUSINESS

1. To receive and consider the Accounts and Balance Sheet, and the Reports of the Directors and Auditors.
2. To declare a dividend for the year 1957.
3. To elect Directors.
4. To re-appoint the Auditors and fix their remuneration for the year ending 31st December 1958.

SPECIAL BUSINESS

5. To consider and if thought fit to pass the following resolution which will be proposed as a Special Resolution:

"That the Articles of Association of the Company be amended in the manner following, that is to say:—

"(1) the following shall be added to Clause 14:

'Provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.'

(2) The following shall be added to Clause 45:

'Provided that option or right to call of forfeited shares shall not be given to any person.'"

A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.

The Transfer Books of the Company will be closed from 10th March to 14th March 1958 (both days inclusive) and again from 31st March to 7th April 1958 (both days inclusive).

By Order of the Board,
K. T. CHANDY,
Secretary.

Dated the 10th day of March, 1958.
INDIA HOUSE, FORT STREET,
BOMBAY-1.

Statement pursuant to Section 173 of the Companies Act 1956 and Clause 77 of the Articles of Association in regard to Item No. 5 of the Agenda

The Securities Contracts (Regulation) Act, 1957, and the Rules made thereunder provide that option or right to call of shares shall not be given to any person except, in certain circumstances, with the sanction of the Company in General Meeting. The purpose of the proposed amendments is to comply with the above Act and Rules and the requirements of the Stock Exchanges on which the Company's shares are listed.

To all Shareholders of the Company and in particular Uniliver Limited, London.

TEEKOY RUBBERS (INDIA) LIMITED

NOTICE IS HEREBY GIVEN THAT THE Directors have decided on the payment of dividend at the rate of 6 per cent. per annum on Preference Shares for the half-year ending the 31st March 1958 and interest at 5½ per cent. per annum on the Debentures for the half-year ending the same date to the respective holders of the Shares and Debentures whose names stand on the Company's Registers on the 31st March 1958.

The Preference Share Transfer Books and the Debenture Transfer Books will be closed from the 24th March to the 31st March 1958, both days inclusive.

EAST INDIA AGENCIES PRIVATE LTD.,
Managing Agents.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

MODIFICATION TO TENDER NOTICE

IT IS HEREBY NOTIFIED THAT FOR electrification on 25 kV A.C. of sections Calcutta-Moghalsarai and Asansol-Rourkela on the Eastern and South Eastern Railways respectively, the dates previously notified for submission and opening of tenders have been extended to 1st April 1958 and 2nd April 1958, respectively.

L. N. MATHUR,
for *Secretary, Railway Board.*

CAREW AND COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company at 4, Fairlie Place, Calcutta, on Monday the 31st day of March 1958, at 10-30 a.m., for the purpose of:—

1. Receiving the Directors' Report and passing the Accounts for the year ended 30th June 1957.
2. Electing Auditors for the current year and fixing their remuneration.
3. Electing Directors.
4. Transacting such other business as may be brought before the Meeting.

The Transfer Books of the Company will be closed from the 21st March 1958 to the 31st March 1958, both days inclusive.

GLADSTONE LYALL & CO. LTD.,
S. DATTA,
Secretary,
Managing Agents.

4, FAIRLIE PLACE,
CALCUTTA, *4th March* 1958.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and a proxy need not be a member of the Company.

MARTIN BURN LIMITED

NOTICE IS HEREBY GIVEN THAT THE Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company at the rate of 5 per cent. per annum for the half year ending 31st March, 1958. The Preference Share Registers will be closed from the 1st April to the 16th April, 1958, both days inclusive. Payment will be made on or after 16th April, 1958, to those Preference Shareholders whose names appear on the Company's Registers on the 31st March, 1958, or in accordance with their instructions.

By Order of the Board,
A. G. GIDLEY,
Secretary.

12, MISSION ROW,
CALCUTTA-1, *10th March* 1958.

MARTIN BURN LIMITED

CONVERTIBLE NOTES

NOTICE IS HEREBY GIVEN THAT INTEREST for the half-year ending 31st March, 1958, will be paid on or after that date to those holders of Convertible Notes whose names appear on the Company's Register on the 31st March, 1958, or in accordance with their instructions.

A. G. GIDLEY,
Secretary.

12, MISSION ROW,

WALCHANDNAGAR INDUSTRIES LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Fiftieth Annual General Meeting of the Company will be held at Construction House, Ballard Estate, Fort, Bombay, on Friday the 11th April 1958, at 4-30 p.m. (S.T.), for the purpose of transacting the following business:—

1. To receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 30th September 1957.
2. To declare Dividends on Preference and Ordinary Shares.
3. To appoint a Director in place of Shri Jyotendra L. Mehta who retires by rotation and who is eligible for re-appointment.
4. To appoint a Director in place of Shri Tulsidas Kilachand who retires by rotation and who is eligible for re-appointment.
5. To appoint a Director in place of Shri Bahubali Gulabchand who retires by rotation and who is eligible for re-appointment.
6. To appoint a Director in place of Shri Phoolchand Ramchand Gandhi who was appointed an Additional Director of the Company and who ceases to hold office under Section 260 of the Companies Act, 1956, and who is eligible for re-appointment. The Company has received a notice in writing proposing his candidature for office of Director as required under Section 257 of the Companies Act, 1956.
7. To appoint and/or approve the appointment pursuant to Section 281 of the Companies Act, 1956, of Rao Bahadur Jivatlal Purtapshi who is a Debenture Director of the Company, and to consider and, if thought fit, to pass the following resolution of which a Special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company:—

"Resolved that pursuant to the provisions of Section 281 and other relevant provisions (if any) of the Companies Act, 1956, the appointment of Rao Bahadur Jivatlal Purtapshi who has attained the age of 70 years be and is hereby made and/or approved as Debenture Director and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

8. To appoint Auditors for the current year and to fix their remuneration.
9. To consider and, if thought fit, to pass the Special Resolutions contained in the notice posted to members.

The Transfer Books of the Company will remain closed as from Saturday the 22nd March 1958, to Monday the 14th April 1958 (both days inclusive).

By Order of the Board,
B. D. SARDESAI,
Secretary.

CONSTRUCTION HOUSE,
BALLARD ESTATE, FORT,
BOMBAY, *25th February* 1958.

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

(2) The Dividends, if sanctioned, will be paid at the Bank of India Ltd., Fort, Bombay, on and from Wednesday the 30th April 1958, to those Members whose names stand on the Company's Register as on Monday the 14th April 1958.

THE JAY SHREE TEA GARDENS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twelfth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at India Exchange (2nd Floor), India Exchange Place, Calcutta-1, on Wednesday the 23rd April 1958 at 3.00 p.m.

(1) To receive and consider the Directors' Report and pass the Audited Accounts for the year ended 31st December 1957.

(2) To declare dividend on Preference and Ordinary Shares.

(3) To elect a Director in place of Shri N. C. Mehta who retires by rotation and in respect of whose re-appointment, to consider and if thought fit to pass the following resolution of which a special notice has been received by the Company.

"RESOLVED that Shri N. C. Mehta, who has attained the age of 65 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him."

(4) To appoint Auditors for the current year and to fix their remuneration.

(5) To transact any other business that may be transacted at such meeting.

(6) As a special business to consider and if thought fit to pass the following special resolution with or without modification:

"RESOLVED that for a period of five years from 1st January 1957, payment of commission to the Directors upto a maximum of one per cent. to be decided by the Directors from year to year, on the nett profits of the Company in respect of each financial year, as determined in accordance with and subject to the provisions of the Companies Act 1956 be and is hereby sanctioned to all the Directors of the Company and that the same be distributed amongst such Directors and in such manner as may from time to time be thought fit by them."

The Share Transfer Registers will remain closed from 25th March 1958 to 23rd April 1958 both days inclusive.

By Order of the Board,
BIRLA BROTHERS PRIVATE LIMITED,
Managing Agents.

8, INDIA EXCHANGE PLACE,
CALCUTTA, *4th March* 1958.

Note.—1. A member entitled to attend and vote at the meeting may appoint a proxy in place of himself and that the proxy need not be a member.

The explanatory statement as required in pursuance of sub-section 2 of Section 173 of the Companies Act 1956 in respect of item Nos. 3 and 6 is given below.

Ordinary Resolution No. 3

Shri N. C. Mehta, I.C.S. (Retd.), Bar-at-Law, Director of the Company, retires by rotation. As he has attained the age of 65 years his re-appointment as a Director of the Company requires the resolution of shareholders specifically declaring that the age limit prescribed in Section 280 of the Companies Act 1956 shall not apply to him. The Company has received special notice from a member notifying his intention to move the resolution set out in the item. Shri N. C. Mehta has been a member of the Board of Directors of the Company since long and it is in the interest of the Company that he should continue to be a Director of the Company.

Special Resolution No. 6

Under Section 309 (4) of the Companies Act 1956, Special Resolution is required for the payment of Directors' Commission not exceeding one per cent. of the nett profits of the Company. The said resolution is to be for the period beginning from 1st January 1957 onwards and subject to its being passed the Directors' Commission at 1 per cent. of the nett profits of the Company for the year 1957 and subsequent years will become payable to the Directors.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN THAT THE Directors have decided to declare a second Interim Dividend on 24th March 1958 (additional to the Interim Dividend of 2%, free of income-tax, declared on 13th August 1957) in respect of the Company's financial year ending 31st March 1958, of 2%, free of income-tax, payable on or after 8th April 1958 to registered shareholders whose names appear in the Register on 24th March 1958 or to their mandatees.

Transfers received at the Company's Registered Office before 12-30 p.m. on 22nd March 1958, will, if in order, be registered in time for the transferees to receive the Dividend.

By Order of the Board,
J. R. BLAIKIE,
Secretary

VIRGINIA HOUSE,
37 CHOWRINGHEE,
CALCUTTA, *8th March* 1958.

N.B.—Shareholders should inform the Registrar of any changes in their registered addresses.

THE PULLANGODE RUBBER AND PRODUCE COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THIS Company will pay on the 31st March 1958 to the Registered holders as at that date, interest due on the Preference Shares for the year ended that date at the rate of 6 per cent. per annum.

Preference Share Transfer Register will be closed from 28th March 1958 to 31st March 1958, both days inclusive.

By Order of the Board,
ASPINWALL & CO., LTD.,
Managing Agents.

COCHIN, *3rd March* 1958.

THE UNITED COMMERCIAL BANK LIMITED

NOTICE

CLOSING OF SHARE REGISTER AND TRANSFER BOOKS

NOTICE IS HEREBY GIVEN THAT REGISter of Members and Transfer Books of The United Commercial Bank Limited will be closed from Monday, the 24th day of March to Wednesday, the 9th day of April 1958, both days inclusive.

By Order of the Board,
S. T. SADASIVAN,
General Manager.

CALCUTTA, *6th March* 1958.

SHIP-REPAIR FACILITIES

The Government of India has appointed a Committee, under the chairmanship of Mr. O. V. Alagesan, to investigate and report on the existing ship-repair facilities in India, with a view to effecting such improvements or expansion as may be called for, having regard to the country's requirements. The terms of reference of the Committee are:

(1) To enquire into and report on the existing ship-repair facilities in Calcutta, Bombay, Madras, Visakhapatnam, Cochin, Kandla and at such other places where, in the opinion of the Committee, the problem needs looking into; (2) to recommend what improvement and expansion is required in such facilities in order to meet adequately the requirements of the developing merchant shipping of India as well as of non-Indian shipping which may require repairing facilities at Indian ports; (3) to report particularly whether facilities for dry-docking available at present are adequate and if not, what improvement/additional facilities are required and at which places; (4) to report whether materials, stores, etc. required for ship repairing are available adequately within the country or whether the country is deficient in this respect. If the latter is the case, to recommend what steps should be taken for reaching self-sufficiency in this field as far as possible; and (5) to consider and recommend the steps which are to be taken (*a*) by the Government and (*b*) by the private sector for securing such improvement and/or expansion in the ship-repairing facilities as the Committee may recommend. The Committee has been asked to submit its report within a period of six months.

QUESTION HOUR IN PARLIAMENT

World Bank Loans

THE Government of India's request to the World Bank for loan assistance to the Koyna hydro-electric project in Bombay State and the two Damodar Valley Corporation expansion projects is under the active consideration of the Bank. The two D.V.C. expansion projects are the second Durgapur thermal power station and the fourth unit for the Bokaro thermal power station. The total foreign exchange component of the cost of projects amounting to Rs. 32.08 crores has been mentioned in the memorandum furnished to the World Bank. The mission, during its visit to India, had discussions on these projects. It will indicate their acceptance only when negotiations are completed and the terms and conditions of the loan assistance are gone into.

* * * *

Deferred Payments

India will be able to meet fully its commitments to foreign countries in respect of repayment of loans or deferred payment arrangements due for payment from 1961 to 1970 on an annual basis. Generally speaking, the burden arising out of these commitments will not be too much. The Government will be able to meet them mainly out of export surplus or the surplus generated by production under the second Five-year Plan. The loans that will fall due for payment by India to foreign countries from 1960-61 to 1970-71 will amount to Rs. 49.50 crores. The amount due for payment under deferred payment arrangements during the period on a yearly basis will be Rs. 16.97 crores in respect of the public sector and Rs. 29.55 crores for the private sector. These figures are approximate. The Government is undertaking an examination in the Ministry of Finance of the question of how far the repayments will affect our internal economy.

* * * *

Kerala Banks

Forty-one banking concerns are now under liquidation in Kerala. Th irregularities which led the banks into liquidation are generally the unsound policies followed in granting advances, frittering away of profits by declaration of high dividends, mismanagement or lack of proper control by directors and chief executive officers, borrowing by directors against inadequate securities, and indiscriminate opening of branches. Misfeasance proceedings against the directors who are responsible have been started in a few cases. Full details relating to all the banks are being collected and further necessary action will be considered when these details are available. I do not think that the funds of the State Bank of India should be utilised to take over these banks which have gone into liquidation. There is no question of reorganising these banks, as they have gone beyond the pale of reorganisation.

* * * *

Balance of Payments With U.S.S.R.

According to preliminary estimates, there was a current account deficit of Rs. 10.9 crores in India's balance of payments with the U.S.S.R. during April-September 1957, the latest period for which information is available. The current restrictions on imports from as well as increased exports to the U.S.S.R. are expected to reduce the gap in payments. The bulk of imports on Government account are for the Bhilai steel project and are financed by the U.S.S.R. credit for this purpose. For other transactions, the trade agreement with the U.S.S.R. provides for payment in rupees by both parties.

—*B. R. Bhagat*

Car Prices

The Government has agreed to an increase in the prices of cars, as it is found that producers are selling at a loss.

* * * *

Export of Edible Oils

The question of allowing free export of groundnut and other edible vegetable oils has been considered, but, in view of consumer demand in the country itself, there is no scope for such export at present.

—*Morarji Desai*

Iron Ore Export

There is no target as such fixed for the export of ore, although the Government is working on the basis that, ultimately, it will be able to export seven million tons of ore to Japan. Apart from the assistance which will be given to this project from the U.S. President's Asian Economic Development Fund, discussions with Japanese experts will indicate how much Japan is prepared to contribute in the way of technical know-how. It is not true that the Japanese experts who had visited the country earlier had recommended the development of the Karwar port for the export of the ore. Independently, however, the State Trading Corporation is considering the question of developing Karwar port. There is no truth in reports that the Japanese are planning to develop the Madras harbour for the purpose. Madras harbour is fully packed. The development of railways to ports with Japanese financial assistance is what they are going to negotiate for. As to which lines will be so developed will depend upon which particular mining areas will be chosen to supply the ore.

—*Nityanand Kanungo*

Companies Act

A Bill to amend the Companies Act in the light of the recommendations of the Companies Law Amendment Committee may be introduced in Parliament in the latter half of this year. The recommendations of the Committee are under the consideration of Government. Some of the changes suggested by the Committee may make compliance with the law easier for companies. Others will make the law more restrictive. I do not think prosecutions under the Act are on the increase. The administration has been generally following the practice of giving warnings, in view of the fact that the law itself is very complicated.

* * * *

Film Factory

Negotiations are going on with the Agfa Company in East Germany for the setting up of a raw film factory in India. The proposed factory will cost Rs. 7.5 crores and is designed to manufacture 500 million feet of raw films.

* * * *

Cement Factories

The two new cement factories to be set up in Madras State during the second Plan period will be located at Thiruvattiyur and Ramanathapuram. In addition to this, expansion of capacity of two existing units is also contemplated. By the end of the second Plan, the total capacity of all the cement factories in the State is estimated to be 1,369,500 tons per annum.

* * *

Self-sufficiency in Cement

It is difficult to say when exactly India will be self-sufficient in cement. If all the schemes licensed for implementation by the end of the second Plan period are to materialise according to original estimates, the internal demand for cement can be met. However, owing to foreign exchange difficulties, some of the schemes may not materialise. But the supply position of cement will considerably ease as internal production increases.

—*Satish Chandra*

Uneconomic Units

A working group of the Labour Ministry is at present studying the problem of uneconomic industrial units and the labour employed by them. The group is expected to make recommendations in the light of its study. [The Government has ordered investigation concerning a few mills under the Industries (Development and Regulation) Act. The National Industrial Development Corporation and the Industrial Finance Corporation provide loan finance to industry. The workmen affected by closures are also entitled to retrenchment compensation under the Industrial Disputes Act.—*L. N. Mishra.*]

—*G. L. Nanda*

Internal Resources

The State Governments are expected to find about Rs. 181 crores for financing their plans during 1958-59. This estimate falls short by about Rs. 7 crores of the amount initially calculated by the Planning Commission for financing of State plans during 1958-59. Estimates of resources for the Central Government have already been presented in the budget statement for 1958-59 which was laid before Parliament by the Prime Minister on 28th February 1958. It is proposed to review the progress made by States in raising resources in a memorandum on the appraisal and prospects of the second Five-year Plan which is under preparation and is to be presented to Parliament during the current session. The estimates of States' resources—in crores of rupees—for financing the Plan in 1958-59 are: Andhra Pradesh 12.0; Assam 6.2; Bihar 14.0; Bombay 48.0; Kerala 8.0; Madhya Pradesh 11.2; Madras 10.0; Mysore 9.9; Orissa 3.5; Punjab 17.8; Rajasthan 8.3; Uttar Pradesh 22.3; West Bengal 13.1; and Jammu and Kashmir 2.0. These estimates are worked out in consultation with State Governments between December 1957 and February 1958.

—*L. N. Mishra*

Oil Transportation

The Government of India is still considering the preliminary report of the U.S. pipeline consultants regarding the transportation of Assam oil from the sources to the sites of the two refineries to be set up.

—*K. D. Malaviya*

Bhilai Steel Plant

The Government of U.S.S.R. has agreed that, in addition to the cost of the main plant and equipment amounting to about Rs. 63.1 crores which is already being supplied under credit, the cost of training of engineers and technicians in the U.S.S.R. will also be included in the credit under the main agreement. The Secretary to the Department of Iron and Steel who visited the U.S.S.R., discussed the possibility of obtaining further relaxations in the terms of payment. Under the agreement of 2nd February 1955 with the Government of U.S.S.R., only the main plant and equipment was to be supplied on credit repayable in 12 equal annual instalments, interest being at 2½ per cent. Cost of training engineers and technicians and cost of a number of stores, other than the main plant and equipment were to be paid for in cash.

—*Sardar Swaran Singh*

MANAGEMENT OF STATE ENTERPRISES

(*Concluded from page 478*)

department to another, (ii) there should be some security of tenure and a fairly long duration of office, and (iii) it should be impressed upon those who are appointed to these posts that they have to discharge their duty to the corporation irrespective of whether their actions find favour with Government or not. It should be possible to find civil servants who would take this attitude if a proper selection is made. In order to make things quite clear both to the civil servants to be appointed to such posts and the Secretaries and Ministers, a written pledge should be taken from the former that they would abide by this principle. This will make the Secretaries and Ministers more careful in giving unwritten directives and in tendering bad 'advice' in the hope that it would be accepted without placing any responsibility upon them.

Parliamentary Control

So far as "public accountability" is concerned, the position in India is quite satisfactory, at least so far as the Centre is concerned. Parliament's control over public corporations and other companies in the public sector is secured by (i) answers given by Ministers to questions asked by members on the floor of the House, (ii) discussions on the annual reports of the Ministry concerned, and (iii) the watch which the Estimates Committee and the Public Accounts Committee of Parliament keep on such corporations. The Comptroller and Auditor-General is entitled to audit the accounts of such corporations and to bring the defects to the notice of the Public Accounts Committee. It has, however, not been possible in India to use two other devices for ensuring greater public accountability which have recently developed in the United Kingdom, namely, the practice of members of Parliament writing directly to the management of such corporations to get information with a view to seeking satisfaction of the grievances which their constituents might be having and the appointment of statutory Consumer Councils on the regional and local boards of State enterprises to safeguard the consumer interests. The object of both these devices is to keep a watch on the working of State enterprises and to ensure that, if there are malpractices, they are brought to the notice of Parliament through interpellations or otherwise. But there are certain practical difficulties in trying these methods in India.

British Example

A Select Committee of the House of Commons on Nationalised Industries recommended in 1953 that a Committee should be appointed by the House of Commons under the Standing Orders to keep a watch on such industries and to examine their accounts, reports, etc., but not in any way to control their working. The Lok Sabha should appoint such a Standing Committee with a person of the status of the Comptroller and Auditor-General, two accountants and an economist on its staff to keep a constant watch on public corporations by examining the published reports and accounts, by getting the other necessary information from the corporations concerned, and by examining persons in control and management of such corporations, if such a course is considered necessary. The Standing Committee would report to the Lok Sabha only those cases in which it is unable to get a satisfactory account or which it is unable to deal with itself. Such a Standing Committee would ensure greater public accountability, as it would have more time than the Estimates Committee and the Public Accounts Committee which are already overworked with Government accounts to look into the affairs of autonomous public corporations. The existence of such a Committee would also exercise a sobering influence on Secretaries to the Government and the Ministers and would make the freedom, initiative and enterprise of the persons in charge of autonomous corporations more effective.

So far as Ministerial responsibility to Parliament is concerned, the present practice in India is sound, under which a Minister is responsible to Parliament for the general policy and working of the autonomous corporations under his charge. It would introduce a dangerous principle if the suggestion which the Union Home Minister, Mr. G. B. Pant, made in the Rajya Sabha in the course of debate on the Chagla Commission report, were to be accepted. He said: "Except where a Minister is not concerned in any way with an act or with an omission which reflects on the administration, he should assume responsibility. The field of responsibility should be large. Responsibility should be interpreted not in strict but in liberal terms. It is necessary that Ministers should assume responsibility except where it is obvious that they are not in any way answerable directly or indirectly." If this principle were accepted, it would introduce too many 'ifs' and 'buts' and, in certain cases, Ministerial responsibility, which is the mainstay of Parliamentary control over public corporations, would be reduced to a farce. If it is found that the work of a Minister has become "too heavy," the right course would be not to dilute his responsibility to Parliament, but to appoint more Deputy Ministers or to reorganise it in such a way as to reduce the amount of routine work.—*All Rights Reserved.*

MORE DEMAND FOR MONEY

(*From Our Own Correspondent*)

BOMBAY, 12*th March*

The short-term money market experienced a slight pull during the week under review, consequent on an expansion in demand, which at times exceeded the available supplies and borrowers had to seek temporary accommodation from the Reserve Bank. Despite the fact that we are right in the midst of the traditional busy season, the stringency in the market is, however, not half as acute as in the corresponding period of last year. This is because of the sizable expansion in deposit resources of banks. Thus, demand deposits of Scheduled banks (as at the end of February) show a rise of Rs. 23.12 crores over the year and time deposits an increase of Rs. 246.84 crores or a rise of Rs. 269.96 crores in total deposits. As against this, total advances are higher by Rs. 69.30 crores only. Consequently, their total cash balances have swollen by Rs. 25.60 crores and money at call by Rs. 27.74 crores.

Interest rates were, however, unchanged during the week, inter-bank call money being quoted at 3 per cent. among the Exchange banks and large Indian banks and at 3½ per cent. among the smaller banks. These rates are lower as compared with the position a year ago, when inter-bank money among all banks was bid at 3½ per cent. House money at call was placed this week at 4½ to 4¾ per cent. and short-term deposits at 4½ to 4¾ per cent. for one to six months. A year ago the rate for House money at call and term deposits was common at 4 to 4½ per cent. Thus, despite the slackness in demand this season, the last mentioned rates have not shown any decline.

A marked expansion of Rs. 33.41 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 7th March 1958. Notes held in the Banking Department are lower by Rs. 16.09 crores and there is consequently an increase of Rs. 17.32 crores in total notes issued. This is covered by a rise of Rs. 19.94 crores in rupees securities and a contraction of Rs. 2.62 crores in rupee coin. There is no change in foreign securities, but balances held abroad (in the Banking Department) are a fraction lower. Deposits of the Central Government have declined by Rs. 3.14 crores and those of other Governments by Rs. 5.82 crores. Deposits of banks show a rise of Rs. 1.94 crores. Loans and advances to Governments have gone up by Rs. 5.66 crores and other loans and advances by Rs. 7.70 crores, of which advances to Scheduled banks against usance bills account for only a fraction. Investments have fallen by Rs. 10.37 crores, while Government Treasury bills purchased and discounted are higher by Rs. 4.90 crores.

The Scheduled banks' statement for the week ended 28th February 1958 disclose a small decline of Rs. 98 lakhs in demand deposits and of Rs. 1.14 crores in time deposits. Borrowings from the Reserve Bank are up by Rs. 1.76 crores and those from the State Bank by Rs. 1.03 crores. Advances have gone up by Rs. 4.50 crores, while bills purchased and discounted are almost unchanged. Cash balances have improved by Rs. 4.84 crores and money at call by Rs. 51 lakhs.

The Gilt-edged market ruled steady with a rise in prices of some of the short-dated and short-medium issues. The persistent demand for these securities and the Reserve Bank's action in putting up its selling rate of 3½ per cent. 1962 by 5 nP to Rs. 97.90, and of 3½ per cent. 1964 by a similar extent for the second week in succession to Rs. 97.85 kept up sentiment. The volume of business was, however, low. There was a slackening of the demand for State loans during the week.

3 per cent. Conversion Loan was stagnant at Rs. 71.05, while 3 per cent. 1970-75 moved up by 5 nP to Rs. 86.15. 3 per cent. 1966-68 staged a sharp rise of 20 nP to Rs. 92.15, due to scarcity of floating stocks. 3 per cent. 1964 held its own at Rs. 94.30, while 3 per cent. 1963-65 gathered 10 nP to Rs. 94.15. 3½ per cent. 1962 moved up to the Reserve Bank's selling rate of Rs. 97.90, as also 3½ per cent. 1964 to Rs. 97.85. 3¾ per cent. 1965 advanced by 10 nP to Rs. 97.65.

The further improvement in sterling abroad gave strength to the rupee in terms of the dollar, as witness the drop in banks' selling rate of ready dollars from Rs. 475.50 to Rs. 475.25 per $100. The buying rate also declined from Rs. 472.25 to Rs. 472 per $100. In New York, spot sterling advanced from $2.81-7/16-2.81-9/16 to $2.81-9/16-2.81-11/16 and three months' forward from $2.78-11/16-2.78-13/16 to $2.78¾-2.78¾. Transferable sterling moved up from 279.40-279.50 cents to 279.50-279.60 cents.

FOODGRAINS QUIETLY STEADY

(*From Our Own Correspondent*)

HAPUR, 10*th March*

Quietly easy conditions were witnessed in the foodgrains market during the last fortnight. The Government of India has expedited its import programme and a heavy quantity of wheat is expected from abroad in the coming months. Apart from this, the measures taken last year to bring down prices of foodgrains have also borne fruit. These include opening of fair-price shops, credit squeeze by banks against foodgrains stocks, assumption of powers to ask stockists to sell grains at the average price for three months, restrictions of movement within specified zones, and procurement of rice in Andhra and the Punjab.

Wheat here eased fractionally to be quoted at Rs. 15.62 per maund for average quality and at Rs. 17 for farm produce. Arrivals from producing areas were nominal and local wheat stock ran down by 3 *khaties* to 5 *khaties* during the fortnight. The corresponding figure last year was 8 *khaties* when wheat average was quoted at Rs. 16.87 per maund. Crop prospects are fairly good, but adverse cloudy weather towards the week-end is causing concern to producers.

Rice also ruled quietly steady. Although the local supply position was reported to be satisfactory, the overall shortage of rice in the country was the main steadying factor. Prevailing prices were: *Basmati* Rs. 28.50 to Rs. 31; *mainpuri* Rs. 24.50; coarse quality Rs. 21 per maund.

Gram ruled quiet. The local gram stock was put at 13 *khaties*, as against 21 *khaties* a month before, the corresponding figure last year being 3 *khaties* when the price stood at Rs. 13.87 per maund. Barley and *bejhar* eased slightly. Harvesting of these coarse grains is in full swing. *Jowar* was mostly unchanged, while *guwar* advanced due to poor local stocks. Latest prevailing prices (in rupees per maund) were: Gram 10.62 to 10.86; barley 6.25; *bejhar* 8.75; maize 11; *bajra* 11.56; *jowar* 9.50 to 10.75; *guwar* 11.75.

The harvesting of new peas is in full swing and arrivals of new peas is at an average of 75 maunds daily. Good outside demand and paucity of stocks of the old quality accounted for hardening in prices of peas during the fortnight. *Arhar* continued to be quiet, while other pulses recorded a hardening trend due to paucity of local stocks. Prevailing prices (in rupees per maund) on Monday were: Peas *dara* new 9; white 9.75; *arhar* 10.50; *urd* 17.25 to 18.50; *moong* 17 to 17.50; *massoor* 15 to 15.50.

Future pulses spurted to touch new heights on continued bull support. Jeth delivery was quoted today at Rs. 9.75 and *arhar jeth* at Rs. 11.62, as against Rs. 9.17 and Rs. 10.90, respectively, on 24th February.

SILVER SOARS

(*From Our Own Correspondent*)

BOMBAY, 12*th March*

A sharp rise in silver prices to new high levels for the last six years was the main feature of the trading in the bullion market during the week under review. Thanks to the aggressive speculative buying and heavy short-covering in a rising market after *Holi*, forward silver (April settlement) soared to a peak of Rs. 194, a level not seen since February 1952. Ready silver came to touch a high of Rs. 193-10. Gold ruled steady for the major part of the week, but towards the close it was a little subdued.

The scarcity of floating stocks, and the slackening in arrivals of Tibetan coins made the "bulls" more aggressive. They, however, shifted their interest from the March settlement which matured on the 8th inst. to the April settlement. Consequent on this switch-over, the price of silver for the March settlement slumped suddenly from Rs. 193-11 to Rs. 191-8 on Saturday last and the carry forward charges which were in favour of bulls at Re. 1-14 on Friday last turned against them at As. 5 at the close of the settlement. The bull grip in the April settlement is reflected in the *budla* of As. 11 to As. 12 quoted against sellers for carrying over the business from April to May settlement.

The slackening of the demand in gold towards the close was responsible for the slight setback in the yellow metal during the last two days.

Silver for forward delivery (March settlement) after moving up from Rs. 192-8 to Rs. 193-12 slumped to Rs. 191 before the settlement ran out at Rs. 191-8. The April settlement advanced from Rs. 190-10 to Rs. 194, but closed a shade lower, on profit-taking, at Rs. 193-11. The May settlement staged a sharp rally from Rs. 189-13 to Rs. 193-12.

Ready silver gained from Rs. 192-8 to Rs. 193-12 and after a setback to Rs. 190-14, staged a recovery to Rs. 193-5 at the close. The floating stocks of silver are estimated at 700 bars. The daily average arrivals were of the order of 30 bars, while the offtake was no more than 10 bars per day.

Forward gold (March settlement) moved up from Rs. 112-5 to Rs. 113 before the settlement ran out at Rs. 112-12. The April settlement gained from Rs. 112-7 to Rs. 113-2, but dipped today to Rs. 112-2. At the close, there was a minor recovery to Rs. 112-8.

Ready gold closed at Rs. 112-8, after touching a high of Rs. 113-4, as against last week's closing of Rs. 112-11. The floating stocks of gold are estimated at 15,000 tolas. The daily average arrivals were 3,500 tolas, while the offtake was lower at 3,000 tolas per day.

In New York, silver was unchanged at 88⅝c. while London prices, were a little erratic. After an early rise from 76⅞d. to 76¾d., the spot metal receded again to 76⅞d. Likewise, forward silver rose from 76½d. to 76⅝d., but again fell back to 76½d. Gold moved up from 249*s.* 3½*d.* to 249*s.* 5*d.*, before giving way to 249*s.* 2¾*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	12-3-58	Highest	Lowest	5-3-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint)	112 8	113 5	112 2	112 11
Forward*	112 8	113 2	112 2	112 5
Sovereign	72 7 0	72 0	71 14	71 8
SILVER				
Ready (.996 fine Mint) ..	193 5	193 12	190 14	192 8
Forward†	193 11	194 0	190 8	192 8
London Silver Ready ..	76¾d.	76¾d.	76⅜d.	76⅝d.
London Forward	76¾d.	76¾d.	76⅜d.	76⅝d.
London Gold	249*s.* 2¾*d.*	249*s.* 5*d.*	249*s.* 2½*d.*	249*s.* 3¼*d.*
New York Silver	88⅝c.	—	—	88⅝c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

COTTON FUTURES FIRM

(*From Our Own Correspondent*)

BOMBAY, 12*th March*

A distinctly firm trend was depicted by the cotton futures market during the week under review. The firmness was due to heavy short covering and renewed bull support, prompted by the hope, which persisted despite New Delhi's silence, that the Government would provide some relief in excise duty on cloth. This belief gained strength following the reported visit of some leading millowners to the capital presumably for discussions with the Government of India regarding the excise duty on cloth. Hopes were also being entertained that the Government would release an export quota for ¾" cotton and might possibly reduce the duty on Bengal *Deshi* by 25 per cent. Sentiment was also affected by the reports of serious damage to the cotton crop in the Surat tracts due to boll weevil attack. These factors, as noted, induced large scale upcountry covering and local bull support. Cotton futures as a result staged a smart rally.

I.C.C. Moglai Jarilla (March 1958) opened the week on Friday, the market having been closed on Thursday due to *Holi*, at Rs. 677.50, as against the previous close of Rs. 675.50 and improved to Rs. 685 the next day on good support. After easing to Rs. 680 on Monday, the contract again firmed up to Rs. 686 yesterday. Commencing today's session at Rs. 682, it gathered Rs. 5 before closing at Rs. 685. The net gain over the week was Rs. 9.50. Tenders against the contract on the 10th inst., the third notice day, aggregated 1,050 bales and the total to-date 1,650 bales.

I.C.C. Moglai Jarilla (May 1958) started the week at Rs. 1.50 higher at Rs. 672. The contract attracted excellent bull support and heavy upcountry buying and improved to Rs. 679.50 on Saturday. After declining to Rs. 677.50 on Monday it again firmed up to Rs. 683 yesterday on support by a leading Calcutta operator. The opening quotation today for the contract was Rs. 677.50. After gaining Rs. 4 it declined by Rs. 2 to close at Rs. 679.25. The net gain over the week was Rs. 8.75. The following table indicates the trend of prices of the contracts during the week:

(In rupees per candy of 784 lbs.)

	12-3-58	*High*	*Low*	5-3-58
I.C.C. Moglai Jarilla (March 1958) ...	685	687	675.50	675.50
I.C.C. Moglai Jarilla (May 1958) ...	679.25	683	670.50	670.50

Following the improvement in futures, better activity was noted in the spot section. There was a moderate improvement in mill inquiry, and prices also tended to look up. Spinner interest in short staple varieties was, however, subdued. Good quality cotton continued to receive attention. Good demand was noted for Berar Jarilla, Laxmi, Vijay, etc. The pressure of arrival would seem to have passed its peak. About 35 lakh bales have already reached the market.

In the export section, shippers interest in good quality lots of Bengals tended to revive. On strong rumours of a possible reduction in export duty on Bengals, shippers made purchases of superfine Bengals, against business concluded with France. Other varieties such as Kale Gin, Wagad and other *Deshi* styles were practically neglected.

Out of the total quota of one lakh bales of Bengal *Deshi* released for export, 34,700 bales have already been entered for shipment till 6th March. The first instalment of 50,000 bales has been more or less fully sold and out of the second instalment of 50,000 bales, which was released in the first week of February, about 15,000 bales are said to have been so far sold overseas.

The foreign section was featureless. Spinners were preoccupied with obtaining import licences against the 70,000 bales quota announced on the 1st inst. The trade is anxiously awaiting another quota for Sudan and Egyptian cotton.

The import allocation of 70,000 bales of East African cotton has failed to have any effect on prices in East Africa. This has largely been attributed to the fact that the entire quota has been fully covered by previous sales concluded, subject to the availability of import licence. Whilst the reserve prices of the Lint Marketing Board remain unchanged, there is a general belief that the Board would be willing to conclude private treaty sales at substantially reduced prices.

The Karachi cotton futures market ruled distinctly easy during the week under review. Due to the failure of export demand to revive and the continued slackness of domestic spinner interest, buying support was practically absent. The pressure of new crop arrivals and the large accumulation of stocks touched off a large volume of liquidation. Prices consequently declined. N.T.R.G. March eased from Rs. 72-11 last week-end to Rs. 71-15-6 and the May position dropped Rs. 2-6-6 to Rs. 70-11-6. The spot section was also easy. Values showed an all-round decline. The following are the latest available rates—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 70-6; S.G. 75-6; 4F Punjab Roller 73-6; S.G. 77-14; 289F N.T. Roller 74-14; S.G. 82-14; 289F Punjab Roller 80-6; S.G. 89.6.

Cotton futures values made small gains in the Alexandria market during the week on scattered buying based on the expectation of better foreign demand. It is reported that the Egyptian Government has decided to maintain the closing prices as on 25th February as the minimum prices. A new seasonal low was established for long staple contracts on 25th February when Karnak March reached a low of Rs. 76.80 tallaris and May 78.05 tallaris. The medium staple contract April closed on that day at Rs. 66.70 tallaris. It is also reported that representation has been made to the Government to declare itself receiver of all cotton at the closing prices on the 25th inst. The latest

available rates—in tallaris per lb.—from Alexandria are given below:

Karnak: March 78.40; May 79.10. *Ashmouni*: April 57.40; June 67.80.

Liverpool cotton futures market registered distinct improvement during the week under review. Both the American and American type contracts advanced on good trade buying and mill fixation. The market met with resistance at higher levels in view of the continued uncertainty regarding the new export policy of the U.S. and the large accumulation of unsold local stocks. Sudan contracts were, however, easy due to a fair volume of liquidation. The latest available rates—in pence per lb.—from Liverpool are as under:

American cotton one inch staple contract: March-April 25.42; May-June 25.37; July-August 25.65; October-November 26.20. *American cotton mixed growth contract*: March-April 25.75; May-June 26.19; July-August 26.52; October-November 27.05. *Sudan*: May-June 32; July-August 32.20; September-October 32.85.

New York cotton futures market ruled firm during the week. There was a general buying movement in the more forward positions which was prompted by the growing belief that the moves in the Congress to increase the cotton acreage will not be successful. The belief gained further strength from the reported observation of Mr. Benson, the Secretary of Agriculture that, although the "domestic pressures" were great, the Department was opposed to any increase in the present cotton acreage. There was, consequently, renewed Commission House and New Orleans buying and prices smartly rallied.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	11-3-58	4-3-58	25-2-58
Spot	36.10	35.95	35.95
March	35.65	35.30	35.10
May	35.82	35.57	35.41
July	36.12	35.77	35.70

YARNS ADVANCE

(From Our Own Correspondent)

BOMBAY, 12*th March*

The yarn market remained fully firm during the week under review also, with the exception of cotton yarns which continued to rule dull. There were enlarged enquiries for both art silk and staple fibre yarns and prices registered handsome improvement. The firmness of rayon yarn was aided by depleted stock position, thanks to restrictions on imports, and spurt in prices of nylon yarns, following upward revision in import duty on nylon yarn to 50 per cent. *ad valorem*. Staple fibre yarn evoked excellent demand from important consuming centres like Surat, Punjab, Bhagalpur and Calcutta. There were, besides, reports that, as the stocks of imported raw staple fibre were declining, the mills had been forced to pay higher prices for the indigenous material. Cotton yarns, however, continued to remain dull. The rise in the excise duty on cloth produced on powerlooms depressed the sentiment. There were fears that the impact of the enhanced levy would be so heavy that the powerloom factories might drastically curtail output and some might even close down.

Snia rayon yarn (120 dull cones) April delivery advanced by Rs. 5 to Rs. 925, which is the ceiling fixed by the Yarn Merchants' Association and Exchange Ltd. In the spot section, 120 Japan rallied 37 nP to Rs. 5.81. 150 Japan climbed up by 56 nP to Rs. 5.62 and 120 Italy by 44 nP to Rs. 5.75. 150 Italy spurted by 22 nP to Rs. 5.53. Among indigenous yarns, National Rayons 150 bright cones first grade strengthened by 62 nP to Rs. 5.06. 120 bright cones first grade were better by 22 nP at Rs 5.16.

Staple fibre yarns (40×2) April delivery attracted excellent attention of operators and forged ahead by Rs. 25 to Rs. 617. June delivery moved up by Rs. 21 to Rs. 624. Spot (40×2) Citys hardened by 11 nP to Rs. 3.30. Kohinoors increased by 13 nP to Rs. 3.36. Centurys were quoted at Rs. 3.31. Among foreign yarns, Paramounts strengthened by 50 nP to Rs. 7. Fujis were quoted higher by 41 nP at Rs. 6.78.

Among cotton yarns, ten counts Moderns were neglected at Rs. 14.50. Podars receded by 12 nP to Rs. 13.75. Twenty counts Indus dropped Re. 1.06 to Rs. 16.75. Moderns declined by 13 nP to Rs. 17.37. Among thirty counts, Indus were stagnant at Rs 20.37. Forty counts Moderns were dull at Rs. 24.75. Minaxis, however, improved by 37 nP to Rs. 24.12, on special buying support. Sixty counts Moderns were quiet at Rs. 59.50, Raghuvamshis at Rs. 52, and Finlays at Rs. 59. Among eighty counts, Moderns shed 50 nP to Rs. 70.50. Mahendras changed hands at Rs. 69.50, same as last week. Finlays were on offer at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	12-3-1958	5-3-1958
Art silk yarn (per case of 200 lbs.)—	Rs.	Rs.
120 dull Cones Snia April	925.00	920.00
120 Japan (per lb.)	5.81	5 44
150 Japan (per lb.)	5.62	5.06
120 Italy (per lb.)	5.75	5.31
150 Italy (per lb.)	5.53	5.31
Staple fibre yarn (per case of 200 lbs.)—		
40×2 April	617.00	592.00
40×2 June	624.00	603.00
40×2 New Great (per lb.)	—	3.09
40×2 City (per lb.)	3.30	3.19
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.75	18.87
20s Modern	17.37	17.50
30s Indu	20.37	20.37
40s Minaxi	24.12	23.75
60s Raghuvamshi	52.00	52.00
80s Modern	70.50	71.00

OILSEEDS FIRM

(From Our Own Correspondent)

BOMBAY, 12*th March*

The oilseeds market presented a distinctly firm trend during the major part of the week under review. Support from bulls was quite sustained, while shorts were busy covering their positions. Consequently, prices recorded handsome improvement. There was, of course, some setback yesterday and today, but this was purely technical, being due to profit-taking. The castorseed section ruled strong, thanks to fears of markedly reduced production in the current season. Arrivals of castor oil into the local market have been low. During February, only 567 tons arrived, as against 1,050 tons in the previous month. Even the continued slackness in demand for Indian castor oil from overseas countries failed to affect the sentiment of operators. It was reported that the U.K. had purchased a fairly large quantity of Brazilian oil at £102 (Rs. 1,360) per ton for B.S.S. and £99 (Rs. 1,320) for commercial quality. The currently ruling prices for these varieties in India, it may be noted, are Rs. 1,332 and Rs. 1,290 per ton, respectively (excluding export duty). Groundnuts elicited good support induced by shortage of contracts in the futures market and enlarged demand for oil from *vanaspati* manufacturers. Linseeds was subjected to nervous short-covering. Although no fresh export business was done in oil, foreign advices were somewhat better, the U.K. quotation being Rs. 1,373 per ton. Cottonseeds were strong, due to firmness of raw cotton prices. In sympathy with the general trend, *kardi* seed and *niger* seed registered a rise in prices.

Replying to a question in Parliament this week, the Union Minister for Commerce and Industry stated that the question of allowing free export of groundnut and other edible vegetable oils had been considered, but, in view of consumer demand in the country itself, there was no scope for such export at present.

Groundnut May contract which stood at Rs. 159.25 at the close of last week came in for enquiries and gradually moved up to touch Rs. 163 on Monday. Thereafter, it tended to decline owing to profit-taking, today's closing rate being Rs. 160.62. The net gain over the week was Re. 1.37. Bold ready advanced by 25 nP to Rs. 32.12. Coramandel recorded a rise of 12 nP to Rs. 32.62. Groundnut oil ex-mill spurted from Rs. 17.75 to Rs. 18.25 before finishing at Rs. 17.75. Railway Receipt, after increasing from Rs. 17.43 to Rs. 17.87, finished at Rs. 17.62.

Castorseeds May contract encountered good buying support throughout the week, the rate ralling from Rs. 142.75 last week-end to Rs. 145.75 *on the 10th inst.* At higher levels, profit-taking set in and the value came down to Rs. 143.87 today. Over the week, the rate was still higher by Re. 1.60. Ready Kanpur hardened by 40 nP to Rs. 28.37. Madras put on 12 nP to Rs. 29.62. Castor oil B.S.S. strengthened from Rs. 16.37 to Rs. 17 before winding up the week at Rs. 16.65. Commercial quality gathered 38 nP to Rs. 15.

Linseed May contract was well supported in the earlier sessions of the week, the rate rising from Rs. 29.12 to Rs. 30.56 on Monday but receded to Rs. 29.44 today. Bold ready picked up Re. 1.12 to Rs. 29.62. Kanpur quality was done at Rs. 28.62. Linseed oil improved by 31 nP to Rs. 15.87.

Cottonseed May contract met with good buying support and climbed up by Rs. 2 to Rs. 106 on Monday since when it has stood at this level.

Among other seeds, *kardi* seed bold ready increased from Rs. 18.25 to Rs. 18.50 *on the 10th inst.* before easing to Rs. 18.25. Niger Madras had good enquiries and advanced by 63 nP to Rs. 27.75; yesterday, it was still higher at Rs. 28.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	12-3-1958	5-3-1958	26-2-1958
Groundnut—	Rs.	Rs.	Rs.
May 1958	160.62	159.25	158.25
Bold ready (per cwt.) ..	32.12	31.94	31.50
Khandesh quality ..	32.50	32.50	32.12
Linseed—			
May 1958	29 44	29.19	29.37
Bold ready (per cwt.) ..	29 62	28.50	28.37
Castorseed—			
May 1958	143 87	142.75	137.62
Madras (per cwt.) ..	29.62	29.50	27.75
Cottonseed—			
May 1958	106 00	104.50	100.50
Groundnut oil *			
Ex-mill ready (per quarter) ..	17.75	17 50	17.62
Castor oil †			
Commercial (per quarter) ..	15.00	14 81	15.25
Linseed oil †			
Ready	15.87	15.50	15.62

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR MOVES UP

(From Our Own Correspondent)

BOMBAY, 12*th March*

Despite the recent monthly release of 172,000 tons of sugar for free sale, firm conditions prevailed in the sugar market. For, although the sugar mills received their release orders on the 3rd inst., they could not move out sugar from their godowns until the 10th inst., as the excise inspectors had not received the copies of such orders. This is one of the standing difficulties confronting the mills. The Deccan Sugar Factories Association has brought this to the notice of the authorities time and again, but no effort has been made to remove the handicap.

The delay of nearly a week in the excise inspectors permitting the mills to deliver sugar against the release orders created a sort of an artificial scarcity in the Bombay-Deccan region, resulting in a rise of about Re. 1 per bag in ex-mill quotations of sugar. This rise, together with the bullish advices from the northern markets, imparted much strength to the local sugar market and prices moved up. The sugar millowners in the north are reported to fear that the current season's production will be only about 1.8 million tons, consequent on the substantial diversion of cane supplies to the manufacture of *gur* and *khandsari*. Knowledgeable quarters, however, consider that the first production estimate of about 2.1 million tons made by the Union Food Ministry is reasonable and accurate.

Over the week, medium grain sugar spurted by Re. 1.50 to Rs. 109 per bag. Small grain advanced by 50 nP to Rs. 105.25. Large grain was fully maintained at Rs. 110-Rs. 112.50.

The arrivals of sugar into the market aggregated only 10,900 bags this week, as against 17,700 bags in the previous week and 21,300 bags two weeks before.

* * * *

HAPUR, 10*th March*

Hopes of an increase in excise duty on sugar having been belied in the budget proposals, stocks cornered by some speculators came out in the market, with the result that sugar prices were depressed during the week. The release of a monthly quota of 172,000 tons for sale in the free market also eased the supply position and good business was reported towards the week-end. Supplies of cane to factories are now gradually declining, but it is hoped that sugar production in the country will touch last year's level.

Ruling quiet during the major part of the week, sugar improved slightly towards the week-end, thanks to local and outside buying, in the Muzaffarnagar markets. Free sale business in substantial quantity was done in the later session of the week and business in bulk quantity of Khatauli D-29 was at Rs. 35.62 and C-29 at Rs. 36.56. Prices on the whole advanced by 12 nP to 25 nP per maund.

Ready *gur* spurted to touch new heights induced by brisk buying support following strident advance in futures prices. Daily arrivals increased with the increase in prices. The producers of *gur* are now finding the manufacture of *gur* profitable, as against supplying cane to factories. The daily arrivals average 1,500 to 2,000 maunds and local stock is now put at 140,000 maunds, the corresponding figure last year being 94,000 maunds. The total arrivals from the beginning of the season were put at 360,000 maunds, as against 425,000 maunds in the corresponding period last year. The prevailing prices of *pansera* quality were upto Rs. 15 per maund. Ready *gur* also recorded an advance of about Re. 1 per maund during the week in the Muzaffarnagar market on brisk demand, coupled with appreciable advance in futures prices. Total arrivals there since the beginning of the season are put at 750,000 maunds and local stock was put at 295,000 maunds.

Future *gur* recorded a strident advance during the week on vigorous support by a bull syndicate. *Baisakh* opened at Rs. 13.87 on Monday last and was quoted today at the highest level of the season at Rs. 15.11.

Sowings for the next season is in full swing. As *gur* prices this season have been fairly high, an increased sowing acreage is predicted.

BLACK PEPPER EASES AT CLOSE

(Messrs. Parekh and Co.)

BOMBAY, 12*th March*

In the earlier part of the week, a further spurt in price was witnessed in Malabar black pepper, following manipulations by speculators who wanted to squeeze some of the exporters who sold short to Russia. As the Russian steamer was reported due this week for lifting cargo for the U.S.S.R., short sellers had to cover. As a consequence, there was a scramble for buying. Ready garbled shot up to Rs. 101½, March to Rs. 103¾ and May to Rs. 105½. In order to frighten shorts, the bulls spread various rumours of further sales at inflated price to communist countries. These rumours, however, have remained unconfirmed so far. In the later part, short-covering having been finished, the market eased and ready came down to Rs. 96¾, March to Rs. 98¾ and May to Rs. 101¼.

As New York remained very much below the replacing parity, no business was reported done except small purchases by a London house at 190*s.* A.S.T.A. terms. Spot in New York is steady at $0.24. Dealers there are reported to have bought a sizable quantity of Lampong at prices ranging from $0.23 to $0.23½, since India continued to quote high.

Alleppey moved between Rs. 562½ and Rs. 575 and Calicut from Rs. 570 to Rs. 600.

In A.S.T.A. section, after a small business for April-May-June at $0.25, there were sellers at $0.24½, but no business was listed.

In delivery section, price for April moved between Rs. 526 and Rs. 541. After the shipment to Russia, if the U.S.A. or other foreign buyers remain conspicuous by their absence, the market is likely to go down, as growers generally reappear as sellers on slight weakness in the trend. At the time of writing, the market looks improved at Cochin where ready garbled is quoted at Rs. 98, March at Rs. 99 and May at Rs. 103. Latest news from Indonesia are reassuring.

Today's nominal quotations are: Ready Rs. 76 per Bengal maund, April Rs. 536-Rs. 541 and May Rs. 543-Rs. 548 per candy of 5¼ cwts.

TEA DEARER

[*Messrs. Forbes, Ewart and Figgis (Private) Ltd.*]

COCHIN, 6*th March*

Offerings amounted to 1,100,000 lbs. in Sale No. 6 which was held on Tuesday, 4th March. Quality showed a further improvement and there was a very useful all round selection on offer. The sale opened to a strong general demand and exporters were active. Common and low medium teas were about steady, but medium teas, and in particular improved invoices, sold well at dearer rates. There was some competition for good medium teas and best liquoring highgrowns were well supported at dearer rates. There was rather more enquiry for fannings grades including highgrown fannings. The whole leaf teas met keen competition and prices were 10 to 15 nP dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.48
Low medium	1.65 to 1.80
Medium	1.90 to 2.25
Good medium	2.35 to 2.70
Quality	3.00 to 5.75

The average price realised in Sale No. 6 was Rs. 2.54 per lb., as compared with Rs. 2.35 per lb. in the previous sale and Rs. 2.43 per lb. in the corresponding sale of 1957.

London Market—Sale of 3rd March 1958.—Medium and better Assams 2*d.* to 6*d.* dearer. Others fully firm with dearer tendency.

Sale of 4th March 1958.—Plainest firm. Better dearer.

Colombo Market—Sale of 3rd March 1958.—Fair demand. Generally lower, except best quality brokens liquoring fannings firm to dearer.

Sale of 4th March 1958.—Best liquoring strong. Others barely steady.

Calcutta Market—Export.—Market followed recent pattern of selective buying. Commoner again easier to buy. Better teas well supported.

Internal.—Quite good general demand at easier rates. Reduced Middle East enquiry orthodox up to 10 nP easier. Best C.T.Cs opened firm, but at the close 20 nP easier. Internal leaf 4,000. Quite good general demand C.T.Cs fairly firm.

Export Duty.—The Government of India has announced that the "price of tea" for the purpose of determining the export duty for the month of March is Rs. 2.87 per lb., as compared with Rs. 2.99 for the previous month. The duty remains unchanged at 38 nP.

Export Quota.—The market has again declined and there are now sellers at 4 nP.

Forthcoming Auctions.—Sale No. 7 will be held on Tuesday, 18th March.

As we go to Press, Messrs. Forbes, Ewart and Figgis Private Ltd., wire:

"*Dust Sale F.*—600,000 lbs. Strong general demand. *Medium and good medium* 10 to 15 nP, others irregularly 5 to 10 nP dearer."

TEA IN GOOD DEMAND

(From Our Own Correspondent)

CALCUTTA, 11*th March*

More demand was in evidence in the export auctions held yesterday and in the internal sales of last week; but prices eased.

One question that is being so often asked in tea trade and industry circles is how long the industry should continue to be handicapped by the absence of planned international production. This subject was naturally raised by Mr. C. D. Wilson in his speech as the retiring President of the Indian Tea Association at its annual meeting held here on Friday last. He said that, while members of the I.T.A. were exercising restraint in production by destroying tea waste and selling teas *ex*-factory only if their quality would be acceptable at Calcutta auctions, he could not say if there had been a corresponding restraint in other parts of the world. One thing is, however, clear; that is, the restraint in North Indian output has not had any effect on reducing world supply. For the output in South India during 1957 was higher at 144.5 million lbs., as against 126.9 million lbs. in 1956. In Ceylon, the crop last year reached a record of 400 million lbs., and it is common knowledge that in East Africa production is increasing at a rapid rate aided by the availability of cheap labour and by the absence of export duty. Mr. Wilson thought that if producing countries could discuss among themselves these problems, a solution was possible.

There was good general demand during yesterday's export sales. The price trend was, however, mixed. Offerings aggregated 59,625 packages. Fannings were sold at higher prices, while plain liquoring teas eased by 4 to 6 nP. Opening at firm rates, clean black leafy common brokens advanced. Another strong feature was the bright liquoring non-wither Dooars, but the more ordinary types fell 4 to 8 nP below valuations. Medium C.T.C. fanning grades were about steady at previous rates, but brokens gave way. C.T.Cs showing autumnal characteristics were, however, sold at higher rates. Whole leaf grades were about steady, the cleaner and more stylish teas advancing. Darjeelings met with good demand, with the lots having autumnal flavour being in the forefront. The quotations were: Best Assam C.T.C. fannings Rs. 2.70 to Rs. 2.90 (as against Rs. 2.80 to Rs. 3.00 last week), clean black pekoe Rs. 2.20 (Rs. 2.20 to Rs. 2.25), best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80 (Rs. 2.70 to Rs. 2.90), plain B.P. Rs. 1.42 to Rs. 1.46 (Rs. 1.44 to Rs. 1.48), medium fannings Re. 1.72 to Re. 1.76 (same), medium B.P. Re. 1.52 to Re. 1.56 (Re. 1.72 to Re. 1.76), and plain fannings Re. 1.56 to Re. 1.60 (Re. 1.52 to Re. 1.56).

In the internal auctions held last week, dusts on offer amounted to 18,942 chests. There was a good general demand, but prices eased. The largest decline, i.e., by 20 nP, was recorded in the better liquoring C.T.C. Assams. The plainer and medium teas and middle East and orthodox teas were lower by 10 nP. However, Darjeelings with flavour sold well. The quotations were: Best Assam C.T.C. Rs. 2.80 to Rs. 3.10, medium Assam C.T.C. Re. 1.75 to Re. 1.95, medium Assam grainy dust Re. 1.56, and medium Dooars Re. 1.54.

Leaf offered amounted to 3,753 chests. General demand for C.T.C. Assams was good. However, orthodox descriptions tended easier.

JUTE GOODS QUIET

(From Our Own Correspondent)

CALCUTTA, 11*th March*

In the absence of any large overseas interest, prices of jute goods were a shade lower during the week under review. Mills were anxious to sell, and this also brought down quotations fractionally. However, the announcement of the minimum prices by the Indian Jute Mills Association a fortnight back was helpful in arresting a heavy recession and infuse confidence among stockists and businessmen. Thus, the immediate objective of minimum prices was achieved, and the fact that prices tended to stabilise, albeit at levels slightly lower than the minimum prices, encouraged the hope in the market that more foreign buying would follow. However, it could not be said if American buyers would show interest for substantial quantities, in view of the persistent reports of American economic recession and growing unemployment there. Activity in the *fatka* market was keen, and was responsible for the steadiness. Reports coming from Dundee indicated that mills there were jubilant over the introduction of minimum prices here, as the low levels which the Calcutta goods touched a couple of weeks ago had naturally depressed Dundee and Continental quotations.

During the week, there was some speculative buying. However, the fact that shippers were not yet fully reconciled with the minimum prices was noted with some disappointment. Shipment figures for the month of February were available during the week, and caused satisfaction, since they were higher than in January. Sacking shipments amounted to 32,600 tons and hessian 31,000 tons, representing increases of 3,800 and 7,400 tons, respectively. These increases are reflected in a slight decline in stocks. That the decline in stocks has been insignificant compared to the increase in shipment figures is taken to indicate that purchases for internal consumption in the month fell. The total stocks of all constructions amounted to 95,100 tons showing a reduction of 1,500 tons. Constructionwise, hessian, at 27,300 tons, recorded a fall of 2,400 tons. Sacking, at 53,400 tons, was lower by only 300 tons. Miscellaneous goods, on the other hand, increased by 1,200 tons to 14,400 tons. The statistical position having thus improved, it was expected that prices would improve further. The resistance of mills to sell below the minimum prices, which are Rs. 100 for B. twills and Rs. 39.50 for hessian 40" 10 oz., it was thought, would bridge the small gap soon between the current levels and the minimum prices.

On Tuesday last, ready B. twills declined to Rs. 99 from Rs. 99.30 and ready 40" 10 oz. hessian to Rs. 39.35 from Rs. 39.45. At these levels some business was also done. The market was closed on Wednesday on account of *Holi*. Although the market was open on Thursday, not much activity was in evidence. B. twills recorded a small increase to Rs. 99.30, while 40" 10 oz. hessian was unchanged at Rs. 39.35. Business was done, and shippers evinced some interest in both near and forward goods. The fact that mills were also eager to sell reduced the rates to Rs. 98.50 and Rs. 39.50, respectively. Over the week-end, the quotations at Rs. 98.40 and Rs. 39.20 recorded a further fractional recession and this recession continued yesterday also. Thus, B. twills closed at Rs. 97.75 and hessian 40" 10 oz. at Rs. 38.90.

In line with the trend in the goods market, raw jute prices also fell fractionally. Sellers were keen for business. Mills purchased sparingly. The recent black-listing of four member firms of the London Jute Association by the Pakistani Government for having purchased Pakistani jute *via* Calcutta has resulted in the members of the L.J.A. and the Dundee Jute Importers Association agreeing to purchase Pakistani jute direct from shippers in Pakistan. The black-listing would, therefore, be soon cancelled.

Latest quotations for the different varieties of jute offering in Calcutta, March-April delivery are given below:

	Middles Rs.	*Bottoms* Rs.
Pakistani:		
District	30.50	27.50
Northern	30.00	27.00
Indian:		
Northern	26.50	24.00
Assam	26.50	24.00
Orissa	28.50	26.00
Desal	24.75	22.25
Murshidabad	24.00	21.50
Jungli	—	20.00
Daissee	30.00	27.50
Uttar Pradesh ...	—	20.00
Daissee mesta ...	24.50	22.00
Bimli f.a.q.		Rs. 19.00
Pucca bales 1st marks Rs.	157.50	(ready)

SHARP RISE IN COPPER

(From Our Own Correspondent)

CALCUTTA, 11*th March*

A substantial rise in the price of copper following the prevalence of acute scarcity was the main feature in the metal market during the week under review. Other base metals also rose. It was hoped that the Government would permit unrestricted imports at least in respect of copper in the next licensing period commencing from 1st April. The Government is aware of the poor stock position, both among importers and consumers, and the anticipated requirements for the next few months, for which information was earlier called for from all concerned. In view of this, the trade and industry are anxiously waiting for the new import policy that will be announced towards the end of this month. Another factor which encouraged the trade to hope for import relaxation in regard to base metals, particularly copper, was the grant of loans by several foreign countries and the possibility of further substantial aid from the United States.

Consuming industries are keenly waiting to receive the 7,500 tons of copper which Canada is shipping to India under the Colombo Plan. It is stated that the Government has completed allotment of this quantity to the consuming industries. However, this quantity would begin arriving only after three months and until then the scarcity would continue. During the week, electrolytic copper was fully steady at Rs. 175, as against Rs. 170 in the previous week. Tin was at one time as high as Rs. 519, but since the price was lower in Bombay, business continued to be diverted to that centre. The local quotation soon fell to Rs. 511, but again recovered to Rs. 513 at the close. Lead was fractionally higher at Rs. 58 and zinc at Rs. 53, but business was restricted.

LINSEED FIRM

(Messrs. A. Bradley and Co.)

CALCUTTA, 10*th March*

The general tone of the linseed market remained firm during the week. Prices advanced further by As. 4 per maund to Rs. 21-12, with supplies rather scarce. With one or two exceptions, crushers were virtually out of the market, owing to lack of parity. Oil prices rose by about Re. 1 per maund to Rs. 51-4, but demand was negligible and local buyers showed little interest in sympathy with a quieter trend in mustard oil. There was no change in overseas markets and the prospect of fresh export business continues to be poor.

The latest available quotation for both Ready March and April-May is Rs. 21-12 per maund.

CLEARANCE IN KIPS GOOD

(From Our Own Correspondent)

MADRAS, 10*th March*

There was no change in the kip market during the week. Arrivals were small and clearance was good. Stockists held firm to their prices, because, at current prices in the U.K., they were not able to replace their stocks without loss. U.K. buyers were not able to improve their ideas, since leather dressers were finding that imported full chrome leather was cheaper than kip leather. Arrivals of tanned buff hides and calves and cow calves met with good clearance at firm prices. Local demand for lower grade cow hides and calves was brisk and sales to the U.K. were negligible.

In the skins section, prices of goat were steady, while those of sheep weak. There were several overseas enquiries which looked more like feelers than for booking business. In the London tanned skins public auctions, 460,000 goat and 950,000 sheep will be offered for sale next ▼

"Little drops of water
Little grains of sand"...

So would small coins when saved regularly grow into a sizeable sum of money.

Save regularly and free yourself from anxiety in an emergency.

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IN ACCOUNT WITH THE UCOBANK

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RESERVE FUND ... Rs. 1,34,00,000

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★ Agents throughout the world.

Chairman G. D. BIRLA
General Manager S. T. SADASIVAN

UCO-7/58

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956	4½	3½
Austria	17th Nov., 1954	5	6
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	6	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	5th March, 1958	2½	3½‡
West Germany	17th Jan., 1958	4	5½

‡ Three Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 7th March, 1958		Week ended 28th February, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,81,675	59,29,21,000	3,08,652	70,55,52,000
Calcutta	1,43,000	57,74,00,000	1,76,000	65,93,00,000
Madras	89,260	10,39,64,054	89,075	10,53,88,416
All Centres—				
1955-56*	..	..	3,100,000	6,630,200,000
1956-57*	..	..	3,334,000	7,269,900,000
Oct., 1957	..	..	3,295,000	5,89,38,00,000
Nov., ,,	..	..	3,755,000	8,18,13,90,000
Dec., ,,	..	..	3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 7th Mar., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	83,45,90,000
(2) Other Governments	9,85,30,000
(b) Banks	77,40,13,000
(c) Others	113 27,82,000
Bills Payable	14,48,90,000
Other Liabilities	36,54,90,000
Rupees	412,02,95,000

ASSETS	Rs.
Notes	8,97,54,000
Rupee Coin	4,17,000
Subsidiary Coin	2,68,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,38,93,000
Balances held abroad*	33,48,33,000
Loans and Advances to Governments†	43,91,30,000
Other Loans and Advances	74,30,29,000
Investments	229,37,92,000
Other Assets	13,51,79,000
Rupees	412,02,95,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 22,52,16,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	8,97,54,000	
Notes in circulation	1578,66,99,000	
Total Notes issued		1587,64,53,000
Total Liabilities		1587,64,53,000

ASSETS	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		127,58,66,000
Government of India Rupee Securities		1096,76,03,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1587,64,53,000

Scheduled Banks*

Statement of Affairs for the week ended 28th Feb., 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	13,15,93,000
(ii) Other demand liabilities	714,62,81,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,65,00,000
(ii) Other time liabilities	707,97,74,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	8,77,38,000
(ii) Time liabilities	85,00,000
Borrowings in India from the Reserve Bank of India‡	28,86,41,000
Cash in India	(22,16,66,000)
Balances with the Reserve Bank in India	38,48,00,000
Balances with other banks in current account in India	73,12,93,000
Money at call and short notice in India	11,64,09,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	40,39,71,000
Advances in India	433,44,52,000
Inland Bills purchased and discounted in India	778,85,42,000
Foreign Bills purchased and discounted in India	111,65,46,000
	41,05,27,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		12th March, 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. Spot	₰	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	₰	1-5⅛	1-5⅛
Buyers T.T. spot to nine months	₰	1-6⅛	1-6⅛
Buyers T.T. 10 to 12 months	₰	1-6⅜	1-6⅜
Bombay on New York—			
Sellers T.T. D.D.	Rs.	475.50	476.00
Buyers T.T.	Rs.	472.00	472.75
London on New York	$	2.81¼-2.81⅜	2.81¼-2.81⅜
London on Paris	Fcs.	1,178½	1,178½
London on Berne	Sw. Fcs.	12.26 12.26¼	12.27¼-12.27½
New York on London	$	2.81¼-2.81⅜	2.81⅞ 2.81½

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita Income (Rs.)
India†	'55-'56	383 09	..	10,420	272
Pakistan††	'55-'56	82 24	..	1,952	237
Burma	1955	19 43	Kyats 4,087	409	210
Ceylon	1955	8 35	..	475	567
Japan	1956	90 00	Y. 7,427,000	9,283	1,031
Philippines	1955	21 85	Ps. 7,804	1,873	857
New Zealand	1956	2 17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9 40	£ (A.) 4,238	4,623	4,918
U.K.	1956	51 20	£ 16,465	21,953	4,287
U.S.A.	1956	168 09	$ 843,600	163,554	9,731
Canada	1956	16 00	$ 22,710	10,787	6,742
France	1956	43 60	F.Fr. 13,900,000	17,640	4,046
W. Germany	1956	51 50	Dm. 147,000	16,880	3,279
Italy	1956	48 10	Lr. 11,476,000	9,760	1,821
Norway	1956	3 46	Kr. 20,990	1,408	4,358
Sweden	1956	7 30	Kr. 44,580	4,127	5,658
Netherlands	1956	10 80	Grs. 25,400	3,215	2,977
Denmark	1956	4 46	Kr. 24,950	1,690	3,789
Switzerland	1956	5 00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† *Report on Currency and Finance*, 1956-57—State Bank of Pakistan.

State Bank of Pakistan

Statement of Affairs for the week ended 28th Feb., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	70,39,43,000
(b) Provincial Governments	63,47,000
(c) Banks	16,12,40,000
(d) Others	4,89,35,000
Bills Payable	17,07,000
Other Liabilities	10,02,11,000
Rupees	108,23,83,000

ASSETS	Rs.
Notes	14,28,78,000
Rupee Coin	35,000
Subsidiary Coin	23,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	2,56,000
(c) Government Treasury Bills	26,00,000
Loans and Advances to Governments	11,05,30,000
Provincial Governments' Debtor Balances	17,98,50,000
Other Loans and Advances	54,10,92,000
Investments	10,56,10,000
Other Assets	108,23,83,000
Rupees	

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	14,28,78,000	
Notes in circulation	341,38,04,000	
Total Notes issued		355,61,82,000
Total Liabilities		355,61,82,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	78,64,19,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		133,07,42,000
B. Rupee Coin	4,31,32,000	
Government of Pakistan Securities	212,33,02,000	
Internal bills of exchange and other commercial paper	....	
		216,64,34,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,99,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets		355,61,82,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 39.00 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	28th Feb. 1958	A week ago	A month ago	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1545.26	1546.01	1531.20	1510.96
Notes held in Banking Department	35.05	25.06	24.11	20.72	15.5
Foreign Securities	37.39	1076.82	1076.82	1056.82	875.03
Banking Department					
Deposits of:					
Government of India	14.89	56.60	51.01	58.13	55.10
Other Governments	..	15.67	16.73	27.34	3.70
Balances held abroad	10.08	1076.82	31.75	37.75	102.88
SCHEDULED BANKS					
Demand Liabilities	134.36	727.79	729.62	737.48	700.76
		(13.10)†	(14.01)†	(17.89)†	(9.24)†
Time Liabilities	102.24	724.62	724.97	701.21	462.57
		(16.65)†	(15.85)†	(16.38)†	(1.62)†
Borrowings from Reserve Bank	..	28.86	27.10	27.12	81.31
		(22.17)‡	(24.10)‡	(24.21)‡	(56.84)‡
Borrowings from State Bank	..	9.62	8.59	9.17	10.15
Cash in India	6.70	38.48	37.49	37.60	38.03
Balances with Reserve Bank	25.17	73.13	69.28	73.54	50.15
Excess over statutory limits	15.52	22.25	18.30	22.66	5.86
Balances with other banks in current account in India	..	11.64	11.73	11.43	9.46
Money at call and short notice in India	..	40.40	39.89	46.23	12.68
Investments at book value)	..	433.45	433.37	432.55	350.32
Advances and bills	105.09	931.56	927.08	907.38	862.48
STATE BANK					
Deposits	..	87.76	407.87	407.51	394.65	276.01
Investments	..	51.99	183.68	183.57	183.48	106.82
Advances	..	80.35	205.22	201.57	192.37	172.66
Cash	..	14.69	32.34	33.85	32.31	17.32

† Borrowings from Banks excluding the Reserve Bank and the State Bank.
* Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	October,		Seven months, April to Oct.,	
	1956	1957	1956	1957
Import Duties:				
Revenue	10.57	11.25	70.94	86.00
Protective	1.13	0.75	7.18	6.61
On surplus disposals	..	..	0.03	0.08
Total import duties	11.70	12.04	78.15	92.69
Export Duties	2.80	2.23	15.26	12.94
Land Customs	0.27	0.41	1.40	1.83
*Air customs.**	..	0.11	—	1.52
Miscellaneous	0.12	0.13	0.93	0.82
Gross total customs	14.89	14.92	95.44	109.80
Refunds and drawbacks	0.15	0.32	1.35	2.35
Net Customs	14.74	14.60	94.09	107.45
Gross excise	16.15	21.26	102.08	144.82
Refunds	0.20	0.21	1.15	1.99
Net Excise	15.95	21.05	100.93	142.83
Net total of customs and excise†	30.69	35.65	195.02	250.28

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 7th Mar., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL:—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts	..	6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.	..	412,61,76,000
Bills Payable	..	13,00,000
Bills for Collection being Bills Receivable as per contra	..	5,76,48,000
Acceptances, Endorsements and Other Obligations per contra	..	1,16,28,000
Other Liabilities (including Inter-Office Adjustments)	..	20,38,000
Total	.. Rs.	1,85,65,000
		433,98,55,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank	..	31,15,84,000
Balances with other Banks	..	2,61,99,000
Money at Call and Short Notice	..	1,20,40,000
INVESTMENTS:	Rs.	
Government and other Trustee Securities	178,44,70,000	
Other Authorised Investments	10,33,09,000	
		188,77,79,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	186,11,75,000	
Bill Discounted and Purchased	21,39,63,000	
		207,51,38,000
Bills Receivable being Bills for Collection as per contra		1,16,28,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	..	20,38,000
Premises less Depreciation	..	1,19,74,000
Furniture and Fixtures less Depreciation	..	76,86,000
Other Assets (including Inter-Office Adjustments)	..	4,38,29,000
Total	.. Rs.	433,98,55,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A		7-Year B		12-Year B		12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total	
	Out-standings		Out-standings		Out-standings		Receipts	Out-standings	Receipts	Out-standings	Out-standings		Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings H
1951-52	6,07	2,91	66,80	..	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	..	..	145,25	166,37
1952-53	6,83	3,26	94,17	..	..	..	113,35	32,03	..	—31,07	25,84	..	..	..	..	..	..	146,68	211,93
1953-54	5,91	4,26	104,38	..	..	..	117,37	106,32	..	—34,20	32,11	..	..	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	..	134,94	130,38	7,38	—36,35	37,16	..	..	..	..	..	..	171,91	298,06
1955-56	3,76	5,48	144,37	..	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	55	54	..	..	177,35	310,29
1956-57	3,00	6,01	163,68	..	..	..	176,97	196,50	25,38	—38,32	44,28	..	..	45	95	..	..	208,53	380,04
1957	..	..	..	..	..	..	..	..	..	..	..	..	..	43	1,82	..	..	225,88	440,17
January	3,12	5,79	159,95	..	..	..	13,46	188,09	24,10	—38,64	43,89	..	..	6	1,27	..	..	17,71	426,21
July	2,74	5,61	162,36	5,20	6,28	..	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	..	..	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	..	12,64	201,48	25,61	—39,18	44,27	52	1,76	3	1,42	..	..	17,91	456,66
September	2,60	5,39	158,23	6,86	20,17	..	14,05	203,17	25,17	—39,26	44,14	63	2,39	4	1,46	..	..	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	..	12,51	202,83	24,81	—39,33	44,07	42	2,81	2	1,47	..	..	19,12	465,94
November	2,48	5,14	153,40	5,48	32,82	..	13,25	202,58	24,47	—39,38	43,96	49	3,25	2	1,49	..	..	20,24	469,58
December	2,43	5,06	151,07	6,41	39,23	..	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	..	..	19,90	473,69
1958 January	..	..	..	..	..	..	..	..	..	..	43,80	68	4,44	18	1,68	..	..	..	..

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemain column 9 marked '3' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 1st Mar., 1958	22nd Feb., 1958	1st Feb., 1958	2nd Mar., 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.2	89.2	89.2	89.9
1. Government of India	89.0	88.9	88.9	89.7
2. State Governments	96.5	96.5	96.5	96.6
3. Municipal Port Trust, etc.	90.0	90.0	90.1	90.6
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	98.9
1. Electricity	98.5	98.5	98.6	98.7
2. Jute	94.4	94.4	94.4	97.2
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	99.6
6. General Engineering	98.0	98.2	98.2	100.9
7. Shipping	98.6	98.6	98.6	101.8
Others	94.1	94.1	94.1	100.3
PREFERENCE SHARES	71.2	71.3	71.3	79.8
1. Electricity	84.8	84.9	83.6	88.2
2. Cotton	67.1	67.3	67.8	79.7
3. Jute	61.0	61.1	62.2	74.0
4. Coal	72.8	72.8	72.5	82.1
5. Iron and Steel	78.2	78.0	77.5	82.8
6. Sugar	69.7	70.8	71.0	80.5
7. Paper	74.2	74.2	74.2	79.7
8. Plantations	87.9	87.1	87.6	99.3
9. Miscellaneous	66.7	66.6	66.6	74.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	95.4	95.7	97.3	110 9
(a) Financial	97.2	96.1	97.3	93.4
1. Banks	100.6	99.3	100.5	95.5
2. Insurance	87.2	87.2	85.2	84.3
3. Investment Trust	64.2	64.5	73.5	80.1
(b) Public Utilities	104.3	104.3	103 4	109 1
1. Electricity	101.3	101.6	100.2	109.7
2. Shipping and other Transport	121.9	121.2	121.3	116.5
3. Railways	66.1	65.9	65.9	77.9
(c) Manufacturing Industries	97.0	97.5	100.0	116.4
1. Cotton, Woollen and Silk	92.8	93.9	96.5	123.4
2. Jute	48.1	48.3	48.7	68.7
3. Iron and Steel	120.1	119.9	124.9	118.7
4. Paper	186.7	187.2	191.3	247.8
5. Cement	132.1	132.7	140.5	155.2
6. General Engineering	144.5	144.2	142.7	164.5
7. Sugar and Breweries	97.4	97.0	96.0	99.0
8. Chemicals	126.4	126.3	130.2	135.4
(d) Non-Manufacturing industries	107.2	108.0	109.5	137.5
1. Coal	65.9	66.2	65.7	74.0
2. Mining and Oil	146.2	147.3	149.4	185.5
3. Plantations	115.7	116.8	119 2	155.7
(e) Miscellaneous	88.6	89.7	70.2	89.1
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88.7	88.6	88.6	89.4
2. Calcutta	89.1	89.0	89.1	89.8
3. Madras	89.4	89.4	89.4	90.1
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.3	96.3	96.3	99.4
2. Calcutta	97.4	97.4	97.5	98.4
3. Madras	97.4	97.4	97.4	99.6
PREFERENCE SHARES:				
1. Bombay	79.5	79.4	78.8	84.7
2. Calcutta	63.4	63.6	64.0	73.4
3. Madras	83.7	83.8	83.7	94.5
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	110.0	109.6	112.7	120.2
2. Calcutta	82.4	82.9	83.5	97.8
3. Madras	109.3	109.7	111.3	125.3
4. Delhi	113.6	113.2	115.8	114.6

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760 9	6,319.2
1955-56	715	8,606.8	7,185.8
1956-57	769	9,877.6	8,198.1
October 1956	753	824.1	670.1
November ,,	756	810.6	666.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716 5
April ,,	770	901.4	734 5
May ,,	793	933.2	765.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.9
September ,,	814	924.7	729.3
October ,,	822	917.5	731.3
November ,,	822	930.2	740.5

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Oct., 1956	Sept., 1957	Oct., 1957
General Index	128.1	133 0	131.9	144.8	133.8
Coal	111.4	114.9	109.3	129.3	121.9
Sugar*	143.0	175 1	231.7	329.1	333.1
Tea*	106.2	106.0	105.5	113.1	111.4
Cotton textiles	111 3	117.5	122.0	118.3	107.4
Jute textiles	118 9	127.3	111.8	121.6	113.8
Paper and paperboards	140 2	146.6	143.4	143.7	163.2
Matches	106.6	106.6	94.7	97.1	95.7
Cement	140.4	154.2	188.1	168.3	188.0
Iron and steel	113.3	119.4	117.4	120.4	115.1
Non-ferrous metals	123.7	124.7	130.1	148.2	166.1
Rayon	280 2	355.8	346.7	525.7	479.4

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,875,680
1955	1,166	527,767	5,997,545
1956 E	1,203	715,130	6,992,040
October 1956	138	—	532,905
November ,,	157	—	513,899
December ,,	147	—	422,406
January 1957	154	—	295,419
February ,,	194	—	1,353,209
March ,,	214	40,511	282,791
April ,,	166	60,258	406,470
May ,,	164	64,877	446,640
June ,,	147	99,572	713,892
July ,,	178	33,737	722,854
August ,,	163	95,255	563,941
September ,,	229	199,275	806,850
October ,,	219	101,359(a)	517,887(a)
November ,,	156	50,991†	275,516†

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	15th Feb., 1958	8th Feb., 1958	16th Feb., 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease(—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1957	Annual Average 1956
Food Articles	504	100.6	100.0 R	104.2	102.5 R	103.6	— 1.1	106.8	99.0
Cereals	192	94	95	101	97	97	—	102	93
Pulses	43	74	74	86	80	86	— 7.0	85	78
Fruits and Vegetables	23	93	94	110	94	105	— 13.0	117	108
Milk and Ghee	84	109	101	96	99	96	+ 3.1	104	99
Edible Oils	47	117	110	94	129	119	+ 8.4	131	117
Fish, Eggs and Meat	17	98	96	94	99	97	+ 2.1	105	97
Sugar and Gur	48	110	108*	95	110	97	+13.4	103	97
Others	50	128	128 R	134	133	141	— 5.7	132	125
Liquor and Tobacco	21	86.7	86.7	86.3	86.4	88.0	+ 9.5	91.8	82.3
Tobacco	—	95	95	84	95	87	+ 9.2	90	81
Fuel, Power, Light and Lubricants	36	114.5	114 5	106.7	114 8 R	103 8	+ 8.3	111.5	101.6
Industrial Raw Materials	155	112.1	110.5 R	118.5	113.6	120 3	— 5.6	118 1	113 2
Fibres	61	113	113 R	120	115	124	— 7.3	120	114
Oilseeds	60	112	109	117	114	124	— 8.1	122	115
Minerals	2	109	107*	109	110*	107	—	109	99
Others	32	110*	110*	107	110*	109	+ 0.9	107	110
Manufactures	290	107.5	107.1 R	107.3	107 7 R	108 4	— 0.6	107 9	104 9
Intermediate Products	41	105.8	105 5	110 0	106 7	113 0	— 5.6	108 8	110.0
Oil cakes	249	107.8	107.4	106.9	107.8 R	107.7	+ 0.1	107.5	104.1
Finished Products	147	106	106	108	106	110	— 3.6	108	106
Textiles	—	117	115	116	116	117	— 0.9	115	114
Cotton	—	88	89	93	102	90	—11.8	98	95
Jute	—	103	103	100	103	99	+ 4.0	102	97
Woollen	—	90*	90*	87*	87	87*	—	85	89
Silk and Rayon	—	142	142	131	142	131

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)			(In thousand tons)	
		Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—						
Rice	..	final	78,174	76,864	28,142	26,846
Wheat	..	final	32,891	30,386	9,068	8,569
Jowar	..	final	41,814	43,904	7,427	6,602
Bajra	..	final	27,542	28,024	2,226	2,379
Barley	..	final	8,594	8,382	2,744	2,749
Maize	..	final	9,244	9,116	3,020	2,554
Ragi	..	final	5,674	5,693	1,914	1,830
Small millets	..	final	13,209	13,713	3,910	1,927
Total cereals	..	final	215,642	214,082	57,251	54,456
Pulses—						
Gram	..	final	23,990	24,157	5,930	5,331
Tur	..	final	5,696	5,637	2,047	1,830
Other Kharif pulses †	..	final	16,166	15,567	1,664	1,682
Rabi pulses†	..	final	11,443	11,708	1,794	2,088
Total pulses	..	final	57,295	57,064	11,435	10,881
Total foodgrains	..		272,937	271,146	68,686	65,287
Oilseeds—						
Groundnut	..	final	12,518†	11,421††	3,651†	3,570††
Castorseed	..	final	1,403	1,405	129	124
Sesamum	..	final	3,433	3,653	451	457
Rape and Mustard	..	final	6,311	6,317	1,017	848
Linseed	..	final	3,748	3,781	349	414
Total oilseeds	..	final	29,906	29,848	6,032	5,705
Fibres—						
Cotton*	..	final	19,843	19,978	4,723	4,001
Jute A.	..	final	1,754†	1,908††	4,038†	4,288††
Mesta A.	..	final	738	672	1,474	1,159
Other crops—						
Potato	..	final	702	691	1,674	1,830
Sugarcane	..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	..	final	40	40	15	15
Pepper (Black)	..	final	234	233	32	32
Chillies (Dry)	..	final	1,450	1,490	354	355
Tobacco	..	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During January, 1958	98.3
	Corresponding month, 1957	88.8
	Seven months ended Jan., 1958	620.3
	Corresponding period, 1957	606.1
Stocks	At the end of Feb., 1958	95.1
	Corresponding month, 1957	97.4
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	3.57.2
	1956-57	3.53.9
	Jan., 1957	64.1
	Jan., 1958	55.6
For Internal Consumption	1955-56	1.90.0
	1956-57	1.79.0
	Jan., 1957	14.7
	Jan., 1958	19.9
	RAW JUTE	(In lakh bales)
Consumption by Mills	January, 1958	5.70
	Corresponding month, 1957	5.15
	Seven months ended Jan., 1958	35.97
	Corresponding period, 1957	35.19

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	11,34,400	10,42,900	7,81,300
Do.	31st March, 1956	11,55,900	10,62,100	7,97,800
Do.	31st March, 1957	11,58,500	10,78,600	7,97,500
Dec.,	1956	1,01,500	93,300	66,900
Jan.,	1957	97,400	94,300	70,500
Feb.,	..	90,000	81,300	63,400
Dec.,	1957	95,100	100,500	74,200
Jan.,	1958	97,600	105,800	70,600
Feb.,	..	87,100	89,200	64,500
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955	7,15,949	5,22,240	4,59,093
Do.	31st March, 1956	7,06,986	5,31,505	4,50,607
Do.	31st March, 1957	6,95,156	5,32,315	4,41,488
Three months ended	Dec., 1956	1,88,546	1,41,450	1,14,703
.. ..	Mar., 1957	1,83,887	1,29,880	1,20,678
.. ..	June, 1957	1,72,225	1,29,651	1,05,096
.. ..	Sept., 1957	1,71,197	1,19,173	96,815
.. ..	Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	August		Jan. to August	
	1957	1956	1957	1956
Exports	59,87	49,47	426,88	372,99
Re-exports	33	41	2,89	6,49
Total Exports	60,25	49,88	429,77	379,48
Imports	80,98	66,55	659,11	519,85
Overall Balance of Trade	—20,73	—16,67	—229,34	—140,37
Exports—				
Tea	12,71	13,73	71,65	75,47
Jute yarns and manufactures	5,12	11,55	52,27	72,77
Cotton yarns and manufactures	5,18†	4,76†	28,99†	25,84†
Metallic ores and scrap iron or steel for re-manufacture	4,59	2,27	24,78†	10,74†
Cotton, raw and waste	67	1,07	15,97	17,90
Oils—vegetable, mineral and animal	2,43	93	17,54	19,62
Fruits and vegetables	1,44	1,74	11,24	12,12
Tobacco	83	2,51	10,95	8,23
Mica	71‡	68‡	5,24†	4,95†
Wool—Raw	1,06‡	76‡	7,41†	6,27†
Gums, resins and lac	60‡	1,01‡	5,33†	5,81†
Spices	55	70	6,06	6,60
Hides and skins, raw	59	25	5,88	4,02
Imports—				
Machinery of all kinds	17,89	13,15	144,71	97,32
Metals, iron and steel and manufactures thereof	12,50	10,88	107,81	77,44
Oils—vegetable, mineral and animal	8,56	5,78	70,10	40,44
Cotton, raw and waste	2,48	1,80	37,80	39,46
Chemicals, drugs and medicines	4,20	2,98	31,89	27,68
Copper	1,68	1,50	13,47	8,67
Electrical goods and apparatus	5,21	1,44	37,75	12,96
Paper, pasteboard, etc.	1,80	1,52	9,27	11,24
Vehicles (excluding aircraft, ships and boats)	4,49	4,95	45,82	41,23
Fruits and vegetables	1,17	19	15,10	9,15
Spices	32	81	2,04	4,99
Dyes and colours	84	1,20	9,77	11,14
Woollen and worsted fabrics	11‡	20‡	74†	1,22†
Cotton fabrics	20	14	1,65	1,64

† Upto July only. ‡ During July.

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,762	974	213	111	67	149	29	517	412	41	330	48	146
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ..	12,280	2,634	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ..	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,, ..	1,245	263	103	22	10	6	16	2	76	39	3	34	2	16
May ,, ..	2,468	522	219	48	21	13	34	4	129	77	6	69	4	33
June ,, ..	3,502	756	334	57	30	18	48	6	164	109	9	101	7	46
July ,, ..	4,663	1,010	488	72	35	21	58	7	182	145	11	138	13	62
August ,, ..	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September ,, ..	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,, ..	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,, ..	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,, ..	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.–2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 6th Mar., 1958	25,000(J)
	Corresponding week, 1957	33,083(J)
	1st Sept. to 6th Mar., 1957-58	847,835*
	Corresponding period, 1956-57	946,201*
Cotton Exports	Week ended 6th Mar., 1958	1,493
	Corresponding week, 1957	4,848
	1st Sept. to 6th Mar., 1957-58	87,194
	Corresponding period, 1956-57	163,979
Mill Consumption (Estimated)	1st Sept. to 6th Mar., 1957-58	669,232
	Corresponding period, 1956-57	678,504
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 6th Mar., 1958	656,659
	Corresponding date, 1957	581,134
Cotton Exports from Bombay (by sea)	During December, 1957	8,229‡
	During December, 1956	30,973
	1st Sept., 57 to 31st Dec., 1957†	17,407
	1st Sept., 56 to 31st Dec., 1956	58,271
Karachi (Pakistan)—		
Receipts	1st Sept., to 27th Feb., 1957-58	879,183
	Corresponding period, 1956-57	984,062
Exports	1st Sept., to 27th Feb., 1957-58	307,035
	Corresponding period, 1956-57	511,773

Particulars	From 1st September to 10th Mar., 1957-58 Bales	From 1st September to 10th Mar., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	1,535	17,103
Continent	4,465	14,979
Hongkong	2,837	19,915
China	—	3,437
Japan	39,457	89,184
U.S.A.	3,178	1,274
Other Countries	691	556
Total to all foreign countries	52,163	146,958
Coastal Ports	36,515‡	18,571**
Total	88,678	165,520

Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	December, 1957	391,490
Foreign		51,858
Indian	Four months ended Dec., 1957	1,554,180
Foreign		200,614
Indian	Same Period 1956	1,525,011
Foreign		201,257
Stocks (Mills and Elsewhere)—		
Indian	As on 30th Dec., 1957	825,350
Foreign		171,663
Indian	As on 30th Dec., 1956	1,072,674
Foreign		176,63
Cotton Pressed in India† (In running bales)	Week ended 28th Feb., 1958	—
	Corresponding week, 1957	68,860
	1st Sept., to 28th Feb., 1957-58	1,035,209
	Corresponding period, 1956-57	1,588,784

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Dec., 1957. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 28th Feb., 1957.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-28	68,36,36,000	1966-70	100.60
3 % Loan	1938-49	116,17,46,000	1968-65	94.20
3 % Loan	1946	20,33,16,000	1964	94.10
3 % Yg. Loan	1948	1,19,11,75,000	1966-68	92.15
3 % Dev. Loan	1945	1,15,05,85,000	1970-75	86.10
3 % 2nd V. Loan	1945	1,13,85,64,000	1959-61	99.05
3 % Loan	1951	1,05,85,60,000	1958	99.75
2½ % Loan	1946	45,58,07,000	1966	97.50
2½ % Loan	1946	67,09,69,000	1961	94.80
2½ % Loan	1946	14,17,45,000	1976	88.10
2½ % Loan	1947	75,00,72,000	1962	94.85
2½ % N.P. Bonds	1952	75,29,90,000	1961	99.65
2½ % N.P. Loan	1954	1,68,17,90,000	1964	97.85
2½ % N.P. Bonds (2nd Series)	1955	1,05,67,92,000	1965	97.65
2½ % Loan	1956	57,27,56,000	1962†	97.90
2½ % N.P. Bonds	1956	1,18,81,83,000	1967	97.65
2½ % N.P. Bonds (4th Series)	1956	56,61,95,000	1974	98.20
4 % Loan	1957	56,92,00,000	1967	99.65
	1957	46,05,00,000	1972	100.05
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,84,000	At option of Government after three months notice. On September, 1986 or later at option of Government after three months' notice.	71.10
3 % Loan	1946	2,48,91,41,000		71.05
REPATRIATE STERLING LOANS				
4½ % Loan	1928	5,86,75,000	1958-68***	100.40
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.60
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.80
3 % Bombay	1944	5,04,13,000	19th Aug. 1958	99.35
3 % Bombay	1945	5,16,74,000	1st Aug. 1962	94.10
3 % Bombay	1950	2,33,70,000	31st July 1960	97.00
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1952	5,25,90,000	15th July 1963	99.25
4 % Bombay	1953	4,48,98,000	1st Aug. 1964	99.10
4 % Bombay	1955	6,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	8,07,08,000	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,50,00,000	16th Sept. 1969	100.10
3 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.25
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.15
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Howrah Bridge (New)	1926-27	1,91,96,700	1956-66	94.12
4 % Hyderabad	1955	2,13,45,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	5,15,02,000	3rd Sept. 1968	97.25
3 % Madras	1939	1,25,96,000	21st June 1959	98.50
3 % Madras	1945	1,97,93,000	16th Aug. 1958	99.25
3 % Madras	1946	3,78,47,000	14th Sept. 1960	96.90
3½ % Madras	1946	3,61,77,200	1st Sept. 1961	93.65
3 % Madras	1950	4,58,28,400	31st July 1966	97.00
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.40
4 % Madras	1952	10,32,71,000	15th July 1963	98.30
4 % Madras	1955	5,24,81,200	1st Aug. 1964	98.45
4 % Madras	1956	10,47,17,000	1st Sept. 1967	97.70
4 % Madras	1956	13,12,54,000	3rd Sept. 1968	97.80
3 % Mysore(J)	1938	2,95,85,200	1st Dec. 1948-68	100.75
3 % Mysore(J)	1938	5,99,75,000	30th Apr. 1956-61	99.00
4 % Mysore	1952	3,23,47,000	15th July 1963	98.00
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.50
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.60
4½ % Mysore	1957	5,06,00,000	16th Sept. 1969	99.25
4 % M.P.	1944	25,06,800	15th Aug. 1958	99.30
3 % M.P.	1950	2,92,25,000	31st July 1964	98.00
3 % M.P.	1950	1,01,45,000	31st July 1966	97.50
3½ % M.P.	1951	1,09,18,100	17th Sept. 1962	97.75
4 % M.P.	1952	1,10,12,200	15th July 1963	98.30
4 % M.P.	1955	1,83,13,000	1st Sept. 1967	97.15
4 % M.P.	1956	1,55,42,000	3rd Sept. 1968	97.25
3 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,85,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1952	3,25,61,000	15th July 1963	97.50
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	98.20
2½ % U.P.S.A.	1952	41,44,79000Z		47.30
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	96.85
3 % U.P.	1944	3,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,32,000	14th Sept. 1960	99.75
3 % U.P.	1946	2,16,32,000	1st Sept. 1961	93.65
3½ % U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.20
4 % U.P.	1953	5,65,16,000	15th July 1963	98.10
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.85
4 % Rajasthan	1956	3,16,19,000	3rd Sept. 1968	97.25
4 % Orissa	1956	3,05,96,000	3rd Sept. 1968	97.45
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.25
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.00

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
		BOMBAY		Rs.
Rs.				
24,54,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.00N
40,00,000	4	1909	1970	
55,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1913	1973	
14,35,574	4	1913*	1960	D
80,00,000	4	1913	1974	96.00N
58,25,000	4	1914	1975	96.00N
10,00,000	4	1914*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1923*	1960	
1,81,000	4	1924*	1960	
10,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
15,00,000	3½	1930*	1960	D
13,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,55,000	3½	1933*	1975	
15,00,000	3½	1936*	1965	
48,04,000	3½	1938*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
		CALCUTTA		
Rs.				Rs.
80,24,306	4	1914	1974	97.75
76,90,190	4	1915	1975	97.75
50,00,000C	4††	1921	1981	82.00
68,02,500C	4††	1922	1981	144.00N
1,49,30,000	5	1923	1965-68	101.00
80,00,000	4‡	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
25,00,000	3	1935	1965-68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.00
50,00,000	3	1948	1978	88.75
50,00,000	3	1948	1988	68.25
2,00,00,000	3	1949	1989	68.25
50,00,000C	3	1950	1990	68.00
1,00,00,000	3	1950	1990	97.00
2,00,00,000	3	1950	1990	97.00
50,00,000	3	1951	1991	81.75
50,00,000	2½	1951	1961	96.50
50,00,000	4	1953	1983	100.00
50,00,000	4	1954	1984	97.50
90,00,000	4	1955	1985	97.25
77,90,900C	4	1956	1986	97.25
78,00,000C	4	1956	1986	97.25
24,90,000	4½	1957	1987	99.50
		STERLING LOANS		
£592,600	5	1922	1952-82	£80.00
£901,000	5	1924	1954-84	£80.35
£385,106	5½	1932	1962	£91.00
		MADRAS		
Rs.				Rs.
31,47,169	3½	1947	1977	
9,85,000C	3	1947	1977	A
5,00,000C	3	1949	1979	
45,00,000H	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
		BOMBAY		Rs.
Rs.				
50,00,000	4	1899	1959	100.00
30,00,000C	4	1900	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
30,00,000	4	1904	1964	
30,00,000	4	1906	1966	97.75
20,00,000	4	1906	1966	M
30,00,000	4	1907	1967	
25,00,000	4	1908	1968	
18,00,000	4	1912	1972	
60,00,000	4	1913	1973	
25,00,000	4	1914	1974	97.50
40,00,000	5	1915	1975-79	118.00N
60,00,000	5	1920	1955-80	
25,00,000	5	1924	1956-85	115.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	3	1934	1966	
		STERLING LOAN		
£556,600		1909	1969	95.50N
£338,000		1910	1970	£95.50N
		CALCUTTA		Rs.
25,00,000	5½	1919	1959	104.00
50,00,000	4	1924	1964	99.00
35,00,000	5½	1925	1965	94.00
30,00,000	3	1926	1966	90.00
50,00,000	3	1927	1967	91.00
20,00,000	3	1928	1968	91.00
30,00,000	3	1928	1968-68	90.00
80,00,000	4	1952	1962	99.25
1,00,00,000	4	1955	1985	97.75
50,00,000	4½	1958	1968	99.50

MUNICIPAL LOANS

Rs.		BOMBAY		Rs.
2,60,000	4	1913-14	1974	97.00
10,00,000	5	1920	1960	101.00
25,00,000	5	1923	1953	100.00
25,00,000	5	1924	1958	100.00
56,31,000	5	1949	1959	100.00
2,50,00,000	2½	1949	1977	84.00
2,50,00,000	2½	1949	1979	84.00
2,50,00,000	2½	1950	1980	84.00
2,50,00,000	3	1951	1981	87.75
2,00,00,000	3	1952	1982	87.75
1,00,00,000	3	1953	1983	87.75
1,00,00,000†	4	1954	1984	87.75
1,00,00,000†	4	1955	1985	87.75
2,50,00,000	4	1956	1986	87.75
1,50,00,000	4	1956	1988	87.25
Rs.		CALCUTTA		Rs.
86,00,000	5	1922	1952	100.00
25,00,000	5	1929	1959	100.00
10,00,000	5	1932	1962	100.00
33,91,000	5	1935	1965	94.00
40,00,000	3	1936	1966	90.00
47,50,000	3	1938	1968	90.00
16,58,000	4	1940	1957	99.75
17,84,000	2½	1940	1960	97.00
31,10,000	3	1941	1961	97.00
18,49,000	3½	1951	1966	97.00
14,33,000	3½	1951	1967	97.00
56,32,000	4	1952	1962	97.50
37,34,000	4	1952	1968	99.25
72,50,000	4½	1954	1978	100.00
Rs.		MADRAS		Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.80
4 % W. Bengal	1953	3,60,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.05

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. N—Nominal.
(f) Income-tax free. * Loans held entirely by the Trustees. C—Held by Commissioners. D—Domestic Loan not marketable.
** Bombay State Transport. *** Rupee Counterparts.
† Rate of interest reduced from 4½ to 4 per cent. with effect from 1st June 1944.
†† Rate of interest reduced from 6½ to 4 per cent. with effect from 1st April, 1955. ‡—Interest free in first 12 years.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.37	100
Cawnpore Sugar Works T.F.C. ..	10,00,000	1905-24	8	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C. ..	7,00,000	1920	7	July Apr.	5.07	5
¶ East India Distilleries T.F.C. ..	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	58.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58.00	100
Parlabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.37	10
Ramnagger Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	97.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	85.00N	100
South Behar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	100.25	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.50	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	89.00	100½
††Jampura Collieries T.C. ..

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.—Accounts published yearly. H.—Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
80,00,000	5,87,500	1,01,25,505	44,03,846	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.74	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,33,52,907	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	24.50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,98,000	3,12,58,951	5,98,22,946	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd. ..	2,23,480	3,646	Bombay Dyeing & Mfg. Co. ..	51.70	25	20.00	25.00*	25.00	0.75‡	12	Y.
10,00,000	43,63,860	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	155.00	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,42,800	2,85,31,299	6,06,66,976	2,32,91,693	7,61,731	Birla Brothers Private Ltd. ..	1,26,752	2,698	Century Spg. & Mfg.	394.75	100	22.00	22.00	22.00	8.00‡	12	Y.
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pitani (Chairman and Managing Director) ..											
26,00,000	13,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	50,596	698	Colaba Land & Mill	51.00	100	*Nil*	*Nil*			12	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Kamnarain Sons Private Ltd. ..	30,984	680	Coorla Spg. & Wvg.	106.25	100	7.50	7.50	12.50*		3	Y.
24,00,000	40,00,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	41,328	..	Dawn Mills	77.00	50	6.00	15.00			12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	46,668	928	Edward Textiles	220.00	200	15.00	18.00	15.00		12	Y.
50,00,000	67,54,875	1,41,78,000	82,93,207	79,257	James Finlay & Co., Ltd. ..	45,396	886	Elphinstone Spg. & Wvg. ..	48.00	50	3.00	5.00	15.00		12	Y.P.
50,00,000	46,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	265.00	100	16.00	20.00	29.00		12	Y.
11,84,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,768	1,018	Gold Mohur Mills Ltd. ..	182.50	100	12.50	15.00	15.00		12	Y.
16,000						43,080	1,020	Hindoostan Spg. & Wvg. Mills..	4,500.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	992.50	250	56.25	75.00	81.25	87.50*	12	Y.
									9.40	0 100.	*Nil*	0.94	0.92			
3,65,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	1.22	0 1D.	*Nil*	0.19	0.18			
35,000									4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,140	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg. ..	——	500	112.50	150.00	150.00	162.50*	3	Y.P.
1,00,00,000	1,23,00,000	3,59,04,591	2,78,94,101	1,62,802	Killick Industries Ltd.	272.00	100	12.25	12.00	10.00	10.00(c)	6	Y.P.
22,13,050	43,06,720	1,22,08,423	64,68,440	55,109	N. Sirur & Co. Private Ltd. ..	1,20,504	1,800	Kohinoor Mills	770.00N	100	18.00	18.00	18.00	6.00‡	12	Y.
51,75,000	38,44,612	2,64,74,625	1,83,16,328	23,320	Piramal Sons Private Ltd. ..	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*		10	Y.
1,60,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,034	Chinai & Co. Private Ltd. ..	71,604	1,652	Morarjee Goculdas Spg. & Wvg.	260.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,944	432	National Rayon Corporation ..	221.75	100	10.00	12.00	14.00*		12	Y.P.
30,00,000	11,72,134	101,83,602	63,37,034	....	W. H. Brady & Co., Ltd. ..	49,012	1,018	New City of Bombay Mfg. ..	125.00	100	10.00	10.00	10.00	5.00	12	Y.
48,00,000	54,20,707	1,61,28,302	72,32,941	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	New Great Spg. & Wvg.	210.00	100	7.50	10.00	10.00	*Nil*	12	Y.P.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,883	Podar Sons Private Ltd.	43,335	930	Phoenix Mills	120.00	100	8.00	10.00	....	12.50F	3	Y.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.	6.24	10	Sassoon & Alliance Silk Mill	100.00	100	10.00	12.00*	12.00*	4.00‡	12	Y.P.
37,70,100	1,18,54,792	1,98,85,583	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	29.75	10	1.75	2.00	2.00		12	Y.
80,00,000	48,20,061	3,12,05,799	61,47,202	6,90,705	Marwar Textiles (Agency Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	135.00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	83,02,179	98,78,309	78,68,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	159.50	50	11.00	10.00	12.00		3	Y.
87,80,000	2,50,82,705	2,77,88,979	1,62,08,915	2,93,059	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	419.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,08,485	2,51,02,681	1,53,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	169.75	100	8.00	12.00	14.00*		12	Y.P.
35,00,000	65,13,465	1,37,20,460	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	224.00	100	20.00	25.00	25.00		12	Y.
65,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Tata Mills	88.50	25	2.50	4.00	3.50*		12	Y.T.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93,935	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

AHMEDABAD

40,00,000	81,81,087	1,78,25,924	68,65,246	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	118.00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
10,00,000	94,55,068	94,37,398	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Aruna Mills	535.00	100	20.00	30.00			12	Y.P.
40,00,000	2,97,53,861	1,95,82,179	97,29,203	16,274	Narotam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,074.00	100	25.00	35.00*	35.00*		12	Y.P.
30,00,000	81,75,000	96,54,884	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,008	892	Arvindaya Ginning & Mfg. ..	420.00	200	15.00	25.00*			12	Y.P.
12,00,000	1,43,05,808	95,70,783	63,81,739	17,257	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	935.00	100	22.50	30.00	30.00		12	Y.P.
1,37,50,000	3,49,64,519	5,14,69,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	659.00	125	18.00	30.00	30.00	80.00	12	Y.P.
62,91,000	82,38,059	1,26,33,243	95,76,363	3,458	Tricumlal Bhoglial & Co., Ltd. ..	45,836	866	New Commercial Mills	430.00	250	70.00	80.00	100.00*		12	Y.P.
89,00,000	72,52,483	1,33,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd. ..	51,100	907	New Shorrock Spg. & Wvg. ..	675.00	125	35.00	35.00	..		12	Y.
15,00,000	67,78,770	57,78,441	32,49,912	21,803	Jagabhai Bhoglial Nanavaty & Co., Ltd.	24,840	572	Nutan Mills	355.00	100	30.00*	20.00	20.00		12	Y.P.
80,00,000	1,10,62,006	99,61,103	62,28,955	1,77,073	Lalbhai Dalpatbhai & Co. ..	31,120	636	Raipur Mfg.	810.00	100	25.00	35.00*	35.00*		12	Y.P.
42,50,000	48,20,061	1,12,05,799	61,47,202	6,90,705	Marwar Textiles (Agency Pvt. Ltd.	77,160	1640	Raipur Mfg.	135.00	100	14.00	12.00	12.00		12	Y.P.
87,80,000	2,50,82,705	2,77,88,979	1,62,08,915	2,93,059	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	419.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,08,485	2,51,02,681	1,53,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	169.75	100	8.00	12.00	14.00*		12	Y.P.
35,00,000	65,13,465	1,37,20,460	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	224.00	100	20.00	25.00	25.00		12	Y.
65,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Tata Mills	88.50	25	2.50	4.00	3.50*		12	Y.T.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93,935	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

WEST BENGAL

15,00,000	2,82,500	35,86,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	5.50	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill ..	85.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
24,00,000	1,80,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	105.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
19,00,000	26,17,431	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd. ..	42,144	823	Dunbar Mills	117.00	100	*Nil*	2.50	6.00		12	Y.
60,08,000	....	60,03,197	15,03,197	2,632	Birla Brothers Private Ltd. ..	4,852	206	Jay Shree Textiles Ltd. ..	....	10	*Nil*	*Nil*	0.37		12	Y.P.
1,60,00,000	2,29,43,320	3,76,19,833	1,31,26,833	1,88,672	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	9.90	10	0.87	0.87	1.00		12	Y.P.
19,47,7000	7,45,000	4 84,571	26 70,548	3,936	Hazareemul Heerala, ...	23,036	795	Rampoorla Cotton Mills ..	15.00N	10	0.62	1.00	1.00		3	Y.
5,00,0000									4.00N	1D	*Nil*	0.34	0.26		6	Y.

SOUTH INDIA AND OTHER CENTRES

1,98,600	5,57,619	89,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	58.50	100	*Nil*	3.50(c)	5.00	3.50	9	Y.
1,21,50,000	2,50,15,667	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	170.00cd	100	30.00	30.00	30.00	4.00‡	12	Y.P.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	1.50	1.50	3	Y.P.
1,78,47,800	2,77,73,212	6,69,41,316	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic	160.00cd	100	10.00	10.00	10.00	4.00‡	12	Y.P.T.
20,00,000	20,00,000	42,33,535	23,99,012	53,534	Petrie, Leslie & Co., Ltd. ..	17,556	4	Cambodia Mills	9.40	10	*Nil*	0.50	0.50		12	Y.
5,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg.	156.00	100	20.00	12.00	15.00	20.00	3	Y.
30,00,000	82,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,024	591	Cawnpore Textiles	4.25	5	0.50	*Nil*	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12.00	10	*Nil*	*Nil*	0.75	0.90	3	Y.P.
36,00,000	19,01,056	41,97,854	30,65,709	10,889	R. Bheema Naidu & Co.	22,964	..	Coimbatore Cotton Mills ..	162.50cd	100	25.00	25.00	25.00		12	Y.
18,15,000	7,25,195	39,16,552	24,29,633	....	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Pioneer Mills ..	125.00	100	17.50	20.00	12.00		12	Y.P.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	..	Coimbatore Spg. & Wvg.	226.00	100	20.00	20.00	20.00		12	Y.P.
20,76,900	2,95,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	59.00	50	6.00	8.00	10.00		12	Y.P.
46,87,500	27,23,725	2,41,10,703	1,54,80,354	....	Tata Industries Private Ltd. ..	67,452	1,620	Central India Spg. & Wvg. ..	81.00	100	2.00	3.00	*Nil*		6	Y.
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,816	300	Davangere Cotton Mills	112.00	100	12.00	9.00	9.00	*Nil*	6	Y.
3,38,36,225	3,10,24,830	11,79,09,463	6,78,07,135	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	29.00	100	2.50	3.00	9.00	9.00	3	Y.
1,00,563										{ 25	0.50	2.25	2.50	2.00‡	6	Y.P.T.
48,69,000	22,25,000	66,71,865	46,12,585	....	M. N. Chettiar & Sons	38,884	201	Dhanalakshmi Mills	185.00	100	0.28	3.25	3.50	0.20‡		
63,00,000	93,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13.25	10	30.00	30.00	25.00		12	Y.
48,81,000	37,59,771	1,06,45,241	73,45,088	8,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	150.00	100	1.00	1.00	1.25		9	Y.P.
2,50,00,000	2,25,000	4,52,35,735	1,82,00,000	72,17,274	Birla Gwalior Private Ltd. ..	....	....	Gwalior Rayon	11.00	10	13.00	15.00	13.00	12.50F	12	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman) ..	51,180	1,356	Indore Malwa United	11.00	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
8,90,000	10,65,883	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd.	23,784	..	Janardhana Mills	107.00	100	6.00	9.00	11.00		12	Y.
15,54,000	18,24,703	45,22,234	33,88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	79.00	50	5.00	10.00	10.00		12	Y.
4,63,65,300	8,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	1,450.00	1,000	20.00	50.00	60.00	6.00	6	Y.
42,00,000	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	9.60	10	4.00‡	4.00‡	0.55	0.85	3	Y.P.
82,00,000	67,91,510	1,09,01,585	1,26,19,465	20,376	M.	50,452	1,219	Lakhshmi Cotton Mfg.	10.35	10	0.50	1.00	1.00	1.00	6	Y.P.
71,28,000									412.50	250	33.75	42.50	42.50	7.50‡	12	Y.
35,64,100	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakahmi Mills	112.00	50	10.00	12.50	12.50	10.00	3	Y.
1,75,02,480	4,24,40,278	5,96,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,53,000	....	Madura Mills	56.50	25	5.00	6.25	6.25	5.00‡	3	Y.
12,00,000	3,67,383	29,03,552	15,76,700	213	V. K. Eradi (Chairman)	15,592	100	Malabar Spg. & Wvg.	35.37cd	15	3.00	3.00	2.62	2.25	12	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	99.00	200	*Nil*	6.00	6.00		12	Y.
29,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	400.00	100	22.50*	35.00	42.50	20.00	3	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85,008	M.	52,408	952	Model Mills (Nasgpur)	71.30	100	5.00(c)	6.00	6.00		12	Y.
24,38,500	48,52,478	1,13,48,711	71,02,473	95,327	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	171.25	250	5.00(c)	7.50(c)	7.50		6	Y.P.
18,61,780	....	29,12,641	17,83,314	3,966	K. Tipperudriah (Chairman) ..	6,000	....	Mysore Spun Silk Mills	96.50	50	8.00*	6.00(c)	9.00*	9.00*	6	Y.P.
87,23,200	39,29,981	1,73,83,244	67,86,683	....	M.	87,788	902	Osmanshahi Mills	6.25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
4,00,000 A	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600	..	Palani Andavar Mills	46.50	100	*Nil*	2.50(c)	3.00(c)	*Nil*	9	Y.
6,00,000 B									135.00	50A	12.00	12.00	15.00		12	Y.P.
15,00,000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980	..	Pankaja Mills Ltd.	197.50	75B	18.00	18.00	22.50		12	Y.
10,00,000 A	29,95,000	1,00,48,582	54,00,059	8,882	A. G. Gurusamy Naidu & Co. ..	59,264	300	Radhakrishna Mills	46.50	100	*Nil*	4.00(c)	*Nil*		12	Y.
8,40,000 B									236.00	100A	16.00	20.00	20.00		12	Y.
15,00,000	29,20,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	37,096	..	Rajalakshmi Mills	128.00	50B	8.00	10.00	10.00		12	Y.
16,14,300	12,00,000	72,92,216	17,41,434	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	71.00	50	10.00	10.00	7.50		12	Y.P.
22,31,750	12,40,000	49,64,423	21,20,815	32,012	Rayalaseema Development Co. ..	15,600	..	Rayalaseema Mills	133.50	100	6.00	10.00	10.00		3	Y.
15,00,000	1,60,55,917	3,13,49,081	2,05,07,227	—1,65,20,796	Morarka & Co.	95,232	2,282	Sholapoor Spg. & Wvg. ..	111.25	100	9.00	10.00	10.00		12	Y.P.
10,000									375.00	1,000	*Nil*	*Nil*	*Nil*		3	Y.P.
36,69,700	20,26,385	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills ..	——	500	*Nil*	*Nil*	*Nil*			
15,00,000	8,43,80,155	99,62,153	79,53,780	30,60,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	82.00	50	4.50	5.00	7.00	7.00	3	Y.
17,50,0000	2,36,28,081	5,13,52,120	1,81,38,924	8,35,712	Jaipuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur) ..	90.00N	10	5.00	6.00	6.00		3	Y.
1,57,50,000 PO									10.50	100.	0.75	0.75	0.75			
1,00,26,205	50,06,584	3,85,56,288	1,62,42,715	2,03,690	Emcete & Sons (Travancore), Ltd..	....	..	Travancore Rayons	9.31	10P.O.	1.15	1.15	1.15		12	Y.P.T.
13,98,670	9,50,000	17,49,881	12,41,858	62,837	Mooljl Ramjee & Sons	18,000	..	Trichinopoly Mills	12.65	10	0.62	0.75	1.00		12	Y.
21,00,000	38,50,000	80,72,634	47,22,519	44,000	E. K. Chetty & Brothers	44,424	270	Vasanta Mills	12.55	10	0.89	0.89	1.12		12	Y.P.
82,00,000	31,89,009	1,74,27,020	1,17,94,860	15,922	M.	47,240	1,356	Vishnu Cotton	250.00	100	15.00	20.00	20.00		12	Y.P.
									97.50	100	4.00	8.00	8.00		12	Y.

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March, 1957.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957.
‡ Made up of 4,854 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
89,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.15	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.25	5	0.50	0.50	0.50		8	Y.
£549,950	£1,149,466	£1,757,928	£811,807	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	£9.25

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,38,493	1,56,73,314	4,805	M.	Bengal Paper Mills	58.00	25	3·12	4.69	2.50		12	Y.P.T.
63,00,000	63,91,258	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	19.37	10	14·00	1·30 2/5	1·30 2/5	1.40	3	Y.
25,00,000	25,12,500	1,48,27,889	77,57,946	47,098	T. Shamanna Esq. (Chairman)	Mysore Paper Mills	15.15	10	0·75*	0·75*	1·00*	1·00*	3	Y.
1,48,82,500	2,46,75,045	9,04,16,627	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	26.40	10	0·94	1·12	0·62	1.50	3	Y.P.T.
1,25,49,070	67,75,503	1,56,40,302	1,00,79,701	3,18,038	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills ..	14.12	10	1·50	1.25	1.25		6,12	H.P.T.
40,00,000	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	11.25	O. 10	0·75	1.25	1.05		3,9	H.P.T.
20,00,000A.							11.25	A. 10	0·75	1.25	1.05			
2,18,85,240	49,18,060	3,75,66,264	57,92,879	17,813	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	8.60	10	Nil	5·00‡	0.50	0.50	6	Y.P.
56,00,000A.							34.25	A. 10	1·50	2·00*	1·12*	2·37*		
56,04,800B.	3,70,50,474	6,78,46,967	3,51,66,038	92,528	F. W. Heilgers & Co. Private Ltd.	Titaghur Paper Mills Co., Ltd.	34.25	B. 10	1·50	2·00*	1·12*	2·37*	3	Y.P.
4,87,500P.O.							3.90	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
8,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,48,622	6,98,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
16,80,7800.	7,30,843	43,74,650	23,83,280	96,047	M.	Humayun Properties	10.75N	O. 10	0·60	0.60	0.60		9	Y.P.
2,00,000D.							2.15N	D. 1	Nil	Nil	0.05			
94,00,000	25,32,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.50	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
12,99,998	22,83,429	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.69	3	Nil	Nil	Nil		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	507.00xd	Old125	20·00	37.50	40.00	40.00	5	Y.
42,00,000							188.75xd	New50	8·00	15.00	15.75	16.00		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products..	43.50	10	2.75	3.00	3.00	1.00‡	0	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	6.06	5	0.75	0.06	Nil		6	½
15,00,000A.	29,80,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd.	Basti Sugar	120.00N	A. 100	10·00	10.00	10.00		4	Y.T.
3,00,000B.							11.50N	B. 10	1·00	1.00	1.00			
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	10·12	7½	0.75	0.75	1.00		9	Y.
15,00,000	13,51,518	18,12,168	12,47,841	2,330	Cotton Agents Private Ltd. ..	Bharat Sugar	13.50N	10	1·50	1.50	1.50		6	Y.P.
32,00,000	27,44,459	1,40,84,581	95,71,755	20,716	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6.00	10	0·75	0.75	0.75		6	Y.P.T.
30,00,000	65,63,722	1,63,27,308	86,27,332	91,901	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12.00	10	1·00	1.50	1.00		10	Y.
18,00,000	39,72,380	81,58,085	55,46,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	22.19	10	0·75	0.50	0.50		6	Y.
9,58,252	2,59,762	25,14,152	16,98,388	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	0·75	0.50	0.50		8	Y.T.
60,00,000A.	44,95,000	1,02,71,005	67,56,074	33,123	Bachhraj & Co. Private Ltd. ..	Hindustan Sugar Mills	275.00	A. 100	15·00*	15.00*	15.00		6	Y.P.
10,00,0000.							100.00	O. 100	15·00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	51.00	40	Nil	2.25	4.00	7.00	7	Y.P.
7,89,100	22,50,288	48,59,619	26,90,926	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills	24.75	10	2·50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	23,66,316	3,549	1,92,961	K. C. Thapar & Bros Private Ltd.	New Savan	4.50	10	0·25	0.25	0.37	0.37	5	Y.
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	200.00N	100	5·00	5.00	5.00	5.00	6	Y.
38,275							50.00N	25	5·00	5.00	5.00			
77,48,500	64,48,618	2,15,99,028	1,18,25,000	85,816	Cotton Agents Private Ltd. ..	Oudh Sugar	128.50	100	11·00	11.00	11.00	12.50	7	Y.P.
12,00,000	12,69,374	31,06,494	21,49,450	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75.00N	100	10·00	6.00			10	Y.
9,00,000	10,64,817	43,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puritahpore Co.	10.25	10	0·75	0.75	0.75		10	Y.P.
8,00,000	6,10,793	28,74,028	22,66,790	13,204	M.	Rjam Sugar	19.75N	10	0·50	Nil	1.75		6	Y.
11,99,000	10,38,520	45,20,102	34,12,129	3,654	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	12.25	10	0·50	Nil	1.75		6	Y.P.T.
39,70,525	22,68,460	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.68	10	1·50	1.75	1.00		8	
99,99,950	26,825	28,20,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	4.75	10	Nil	Nil	Nil		6	Y.
						Shri Sitaram Sugar	11.62	10	1·50*	1.00	1.00		8	Y.T.
15,89,962	13,10,901	33,44,287	18,97,008	88,761	M.	South Behar Sugar	12.12N	O. 10	Nil	Nil			10	Y.P.T.
9,15,0000.	46,462	29,66,360	11,46,770	—16,87,907	M.		0.31N	D. 2½	Nil	Nil				
4,40,000D.						Upper Ganges Sugar	35.00N	10	2·50	2.50	3.00	5.00	6	Y.P.
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	United Provinces Sugar	13.50	10	1·25	1.50	0.60		9	Y.
16,00,000	7,66,389	23,17,959	27,09,205	32,042	M.									
Other Centres														
80,00,000	8,00,000	48,07,304	14,62,228	1,90,837	Rangarao & Co.	Andhra Sugars Ltd.	17.75cd	10	Nil	0.60	1.60		9	Y.
70,49,650	1,18,42,608	1,50,47,792	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	236.00	50	16·00	10.00	10.00	18.00	9	Y.
17,50,000	12,58,285	41,35,701	23,96,315	30,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	21.52	10	1·00	1.00	1.50	2.00	9	Y.P.
15,00,000	37,08,165	92,39,314	3,14,398	33,344		Shree Chandgee Sugar ..	1.00	1	0·20	0.20	5.00		9	Y.
15,93,900	12,63,972	40,71,311	23,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	10.00N	100	Nil	Nil	6.00		6	Y.
55,94,920	14,89,827	23,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	13.00xd	10	1·00	1.00	0.60		6	Y.P.
20,62,558	12,13,785	46,34,173	13,11,505	32,569	R. B. Ind. Corpn. Private Ltd.	Jeypore Sugar	14.00	10	1·00	1.50	1.50Q		10	Y.
68,58,400	85,59,866	67,02,760	25,07,388	27,711	Govan Bros. (Rampur), Private Ltd...	Buland Sugar	124.00cd	O.100	7·50	7.50	7.50			
10,52,2000.	79,50,000	1,79,08,447	35,20,265	20,868	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	132.00xd	D. 10	10·00	10.00	10.00		6	Y.P.
2,87,100D.							37.00	10	2·00	2.00	2.00			
21,70,280	86,24,818	1,29,89,142	82,31,723	2,63,107	S. Muninanjappa, Esq. (Mg. Director)	Mysore Sugar	8.00	10	8·00	8.00	9.00	12.00*	9	Y.
50,00,000	53,21,430	1,16,88,154	67,80,841	1,47,289	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	9.00	10	1·50	2.00	2.00		8	Y.
16,59,820	41,20,000	58,54,984	31,76,680	1,25,739	Anderson Wright.	Ramnagar, Cane and Sugar ..	24.00	10	1·50	2.00	2.25		8	Y.P.T.
6,00,0000.							133.00	O. 50	2·50	9.00	12.00		9	Y.P.T.
4,00,000D.	35,02,395	95,61,317	56,00,576	67,511	Walchand & Co. Private Ltd.	Ravalgaon Sugar Farm	33.00N	D. 10	Nil	0.07	0.70			
						Raza Sugar	30.00	10	0·75	1.50	3.00Q		10	Y.
63,59,400	85,50,866	67,02,760	25,07,388	27,711	Govan Bros. (Rampur), Private Ltd...	Travancore Sugars	10.10	10	Nil	0.75	1.00	1.00	7	Y.P.
80,00,000	23,40,000	62,19,329	24,74,579	1,75,353	Parry Co., Ltd.	Walchandnagar Industries ..	273.75	100	16·00	18.00	21.00		9	Y.P.T.
1,01,00,000	1,08,46,268	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd.									
TRANSPORT														
20,00,000	1,00,69,622	1,24,00,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	104.00	100	7·50	7.50	7.50		10	Y.P.
1,00,00,000	82,00,000	4,21,63,842	1,45,20,689	1,25,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5·00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,00,84,346	86,21,345	1,83,530	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19.84	10	1·00	Nil	1.00	1.50	6	Y.P.
				—£106,393	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co...	58.00	£10	Sh. 10	Sh. 10	Nil		12	Y.P.
5555,550	£907,729	£5,665,854	£8,428,088	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	12·12	10	Nil	Nil	1.00	1.00	3	Y.P.
2,25,00,000	1,74,74,232	12,78,96,545	2,65,26,760	5,84,102	M.	Scindia Steam Navigation Co. ..	16.88	20	0·50	0.50	1.00	1.25	6	Y.T.
9,40,19,373	10,85,51,342	27,66,48,271	5,78,99,812				1.60	O. 1	0·12	0.14	0.14			
8,40,80000.				1,66,813	R. R. Alyer, Esq. (Manager)	Walfort Transport Ltd.	1.60	P.O. 1	0·11	0.12	0.12		12	Y.
2,10,200P.O.	18,26,615	12,00,284	7,86,760											
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
15,98,860	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4·50	Nil			12	Y.
25,00,000	1,00,000	26,18,548‡‡		58,589†		Devkaran Nanji Investment Co. ..	11.52	25	0·75	0.75	0.81	0.81	3	Y.
5,57,00,000	1,03,98,754	4,55,59,017	1,03,65,563	94,16,788	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	21.48	10			1.25		12	Y.
31,07,000	16,29,510	1,09,45,989	67,14,407	14,986	Birla Brothers Private Ltd. ..	Bind Cycles	117.50	100	10·00	10.00		12.50F.	12	Y.P.T.
14,98,140	8,01,500	28,61,284	19,40,702	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	36.50	50	3·00	2.00	3.00		3	Y.P.
99,99,250	20,12,980	1,32,60,052‡‡		8,28,878	Premchand Roychand & Sons ..	Industrial Investment Trust ..	75.50	100	4·50	4.50	5.00		12	Y.
1,00,00,000	25,08,446	88,35,170	11,25,784	2,77,158	K. G. Milne, Esq. (Mg. Director)	Killick Industries	151.00	100	11·00	11.00	11.00	11.00	6	Y.
2,20,25,3254.O.		3,42,78,324	1,59,98,078	6,31,752	Aero-Auto Private Ltd.	Premier Automobiles	78.26xd	100	Nil	Nil	6.00	6.00	6	Y.T.
10,21,200	5,05,419	8,09,102	5,79,614	7,356	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	2·00	2.00	2.00		12	Y.
2,75,00,000	1,85,45,829	3,14,84,161	1,59,08,876	5,92,254	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co. Ltd. ..	175.00	100	11·00*	11.00*	11.00*	11.00*	12	Y.
48,00,000	60,62,390	8,64,935	5,24,966	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	285.00	150	20·00	20.00	22.50	25.00	12	Y.
Other Centres														
57,50,000	1,99,56,718	3,81,21,462	86,96,321	2,33,789	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	9.66	O. 10	Nil	Nil	.50	0.09	3	Y.P.T.
2,50,000							4.75N	D. 2½	Nil	Nil	Nil	Nil		
46,00,000	82,25,000	68,17,870	28,12,985	66,589	Seshasayee Bros. (Trav.) Prv. Ltd. ..	Aluminium Industries Ltd.	14.10cd	10	1·25	1.25*	1.25	1.25	3	Y.
30,00,000	36,20,717	34,97,377	23,80,332	3,61,289	Turner Morrison & Co. Private Ltd...	Angelo Bros., Ltd.	18.12	10	1·25	2.00*	2.00*	1.80*	3	Y.
30,00,000	15,70,000	39,82,721	21,20,441	1,78,878	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.50	10	1·25*	1.25*	1.00		9	Y.
20,00,000	25,47,883	1,02,58,021	36,57,850	2,46,122	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India	4.50	10	0·20	0.40	1.30		3	Y.P.T.
90,01,400	98,61,293	69,82,106	27,03,106	5,08,878	M.	Balmer Lawrie & Co., Ltd.	146.00	100	13·00	12.50	15.00		12	Y.
12,00,000	13,56,000	33,83,256	25,71,886	90,879	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	27.25	10	2·50	2.25	2.50		12	Y.
30,00,000	5,05,715	62,28,492‡‡		27,612	Lovelock & Lawis	Birds Investment Ltd.	12.69	10	1·25	1.25	1.00		9	Y.
48,97,020	84,61,814	1,14,21,095	37,07,455	1,84,668	K. Julius Seth, Esq. (Mg. Director)	Britannia Biscuits	12.50	10	1·00	1.00	1.00	1.00	3	Y.P.T.
2,25,00,000	1,55,35,571	3,06,98,577	2,22,80,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	3.94	5	0·06	Nil	0.10		12	Y.P.
1,35,50,000	1,79,84,264	2,06,96,940‡‡		8,16,584	Andrew Yule & Co. Ltd.	Clive Row Investment	8.94	10	0·20	0.56	1.25	0.75	12	Y.P.T.
1,60,00,000	2,40,86,174	5,55,01,695	2,43,71,167	12,24,598	John Leakham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd.	22.69	10	1·50	1.50	1.50		12	Y.P.T.
51,26,000	54,81,685	1,04,12,908‡‡		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	104.50	100	9·00	9.00	9.00	9.00	12	Y.P.
14,00,000	9,85,000	34,03,184	19,99,239	34,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	120.50	100	15·00	15.00	4.00	12.50	3	Y.
65,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq. ..	Gillanders Arbuthnot & Co., Ltd.	12.25	10	0·75	1.40	1.50	1.50	3	Y.
30,00,000	15,17,354	88,08,851	36,24,664	74,215	R. P. K. Syndicate	Great Eastern Hotel	240.00	250	6·25	6.25	15.00	15.00	3	Y.P.
4,08,05,700	10,00,000	4,37,25,577	1,61,86,541	7,95,908	Birla Brothers Private Ltd. ..	Hindustan Motors	6.16	10	Nil	Nil	Nil		3	Y.P.
8,01,10,000	66,56,143	4,80,45,268	1,96,84,142	7,97,410	B. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd.	12.87	10	Nil	Nil	Nil		3	Y.P.
1,52,89,220	1,46,00,000	2,26,86,031	86,85,092	41,81,853	B. J. Woodley, Esq. (Mg. Director)..	Indian Cables	29.00	10	1·00*	1.25*	1.50*	1.50*	3	Y.P.T.
8,27,976	6,08,000	15,74,908	9,50,806	52,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	14.87 N	10	0·50	0.50	0.62		3	Y.P.
15,16,00,000	24,02,21,864	9,85,79,293	1,02,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.50	10	0·60	0.80	0.80	0.70	3	Y.P.
2,00,00,000	76,37,015	89,02,897	12,08,952	4,71,170	J. D. K. Brown, Esq. (Mg. Director)..	Jardine Henderson	55.00	100	7·50	7.50	7.50	2.50	3	Y.P.
40,00,000O.	82,86,900	48,58,407	10,43,712	2,57,163	M.	McLeod & Co.	202.00	O.100	17·00	22.50	8.00		12	Y.P.
5,00,000D.								D.O.10	1·20	1.75	0.30			
1,45,23,500	90,58,531	25,54,434	14,97,382	2,35,812	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	28.50	10	1·38	1.81*	2.12*	2.12*	9	Y.P.
1,15,00,000	1,17,06,151	2,62,26,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	26.00	10	1·00	1.38	1.62	1.75	3	Y.P.
6,35,585	1,821	7,68,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	8.75N	10	Nil	Nil	Nil		3	Y.P.
6,56,250	6,92,500	11,29,680	5,97,362	8,942	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	15.00	10	1·00	0.75	0.90	1.25	3	Y.
10,00,000	3,70,000	15,47,599	10,18,120	48,554	M. Malleshayya, Esq. (Chairman)	Mysore Tobacco Co.	12.25	10	1·25	1.00	1.50	1.50	3	Y.
2,66,00,000	78,15,508	1,50,50,462	50,50,695	21,19,752	J. E. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24.94	10	0·40	0.32	1.50	0.75‡	12	Y.
40,00,000	74,71,172	63,86,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	24.12	10	1·00	1.50*	2.00*		3	Y.P.
						National Rolling & Steel Ropes	11.25	10	0·50	0.50	0.50		3	Y.P.
40,00,000	15,00,000	93,19,395	21,17,403	75,726	Do.	National Tobacco Co.	9.06	10	0·50	0.50	0.75		3	Y.P.T.
79,97,000	88,12,466	1,20,51,899	61,75,106	9,02,640	B. N. Elias & Co. Private Ltd. ..	Rallis (India) Ltd.	26.50	100	Nil	Nil	0.70		3	Y.P.T.
2,25,00,000	8,71,248	1,45,28,415	44,23,274	—44,12,938	M. P. A. Pespetti, Esq.	Rohtas Industries	16.00	10	1·50	1.50	1.50		10	Y.P.
2,25,00,000	1,87,70,200	10,60,39,211	3,06,22,768	49,402	Sahu Jain Ltd.									
4,75,200	51,886	81,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd..	100.00N	100	..	..	5.00	6.00	3	Y.P.
5,13,400							50.00N	50	..	..	2.50	2.50		
40,00,000	88,41,162	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	16.60xd	10	1·50	1.50	1.50	1.50	6	Y.P.
75,00,0000.	17,19,008	57,32,585	7,05,723	3,54,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	9.94	10	1·25	1.00	1.00		12	Y.
9,98,250		14,51,909	4,52,782	—47,988	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.40	10	Nil	Nil	Nil	Nil	12	Y.

M. Managed by Board of Directors. Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months endeed 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares[Rs. of 10(each which subsequently were divided into shares of Rs, 10 each. ‡‡ Investments at cost. * Includes bonus. † Calcid capital. § Exceeding Rs. 1,49 02 000 which represent share in the firm of Shaw, Wallace & Co., Ltd.

Q.—The latest dividend relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25.00	10	72.00	19.00	5.00		12	Y.P.
2,76,500	4,71,500	11,19,537	3,89,763	22,139	M.	512	Ananda (Assam) Tea	18.44	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,392	49,669	Gillanders Arbuthnot & Co., Ltd...	440	Ananda Bag	21.00	10	8.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	17.31	10	3.50	1.00	2.00		12	Y.
5,10,000	9,85,000	12,96,911	5,32,732	33,592	Andrew Yule & Co., Ltd.	378	Banmatia	21.75	10	5.00	1.50	2.00		12	Y.
3,30,600	5,10,000	12,75,996	3,38,524	1,30,178	National Tea Corporation	570	Bateli	18.50	5	4.00	2.50	3.00		12	Y.
6,40,000	7,40,000	11,16,644	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd...	612	Baijan	23.75	10	10.00*	2.00	2.50		12	Y.
85,00,000	13,83,333

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	References
PLANTING; PRODUCE AND RUBBER														
3,00,000	2,10,000	3,92,505	84,197	15,099	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	3.20	2	0.25	0.30	0.21	0.45	5	Y.P.
26,91,909	24,50,000	52,61,468	5,50,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.35	5	0.75	0.45	0.75	0.52	2	Y.P.
18,00,000	31,00,000	39,79,846	8,06,541	1,21,826	Bos. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	28.65	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,59,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	22.85	10	1.75	2.25	2.00	4.00	3	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Cottanad Plantations	12.25	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	87,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	12.35	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	13,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	20.25	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	15.25	10	2.25	2.25	3.25	2.25	3	Y.
27,00,000	28,79,387	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	14.43	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,886	2,00,733	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	14.25	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd. ..	Nilambur Rubber Co.	12.50	10	1.00	1.50	1.50		12	Y.P.T.
19,45,980	21,29,615	48,87,395	14,23,968	*Nil*	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates ..	4.85	2	0.61	0.40	0.21		10	Y.P.T.
13,50,000	8,60,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	14.30	10	1.75*	2.00	2.50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4.05	2	2.50	1.00	1.50		11	Y.
10,00,000	3,01,500	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.40	10	0.75	0.00	0.00	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	84,741	33,968	A. V. George & Co., Ltd. ..	Thamaraiyali Rubber	20.85	10	3.00	3.00	3.00		12	Y.P.
9,15,300	4,00,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.50	1	0.10	0.12½	0.12½	0.05	9	Y.T.
6,00,000	32,566	7,71,251	1,36,210	2,287	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber	13.50	10	2.00	3.00	2.00		12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6.25	10	1.50	1.25	0.75		12	Y.P.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Vaikundam (Travancore) Rubber ..	19.47	10	2.25	2.50	3.50	2.00‡	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.88	10	1.50	2.00	1.25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	No. of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	References
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	7.19	10	0.62	0.62	0.25	0.25	3	Y.T.
6,00,000	10,25,000	56,62,953	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100.00	100	7.50	10.00	10.00		6.12	H.P.T.
80,00,000	5,25,000	1,17,51,827	94,41,069	24,402	McLeod & Co., Ltd.	1,264	Alliance	56.50	100	12.00	6.00	*Nil*		6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,551	Anglo-India	133.00	100	7.50	8.50	8.50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,985	55,84,728	—8,79,016	Bird & Co. Private Ltd.	810	Auckland	85.00	100	8.50	0.00	1.00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	55,55,024	55,302	Birla Brothers Private Ltd. ..	959	Bally	131.00	100	*Nil*	8.50	*Nil*		3.9	H.P.
275,000	5,474,807	21,628,482	9,03,169	1,330	Sir John H. Burder (Chairman) ..	1,889	Barnagore	81.00	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
28,00,000	26,56,123	94,67,700	51,49,231	2,05,100	Andrew Yule & Co., Ltd.	820	Belvedere	68.00	100	10.00	7.50	*Nil*		12	Y.P.
45,00,000	38,45,000	57,05,172	31,28,574	4,87,393	Sooramull Nagarmull	600	Bengal	13.94	10	1.12	1.12			6	Y.P.T.
91,26,000	2,17,48,383	3,34,10,402	1,45,35,551	4,154	Birla Brothers Private Ltd. ..	1,373	Birla	18.87	10	1.00	1.00	1.00		3	Y.P.
80,00,000	21,09,926	1,17,00,893	72,35,319	—3,31,470	Andrew Yule & Co., Ltd.	991	Budge-Budge	66.50	100	9.00	7.50	*Nil*		10	Y.P.
7,47,380	3,09,640	42,13,704	31,62,683	—94,879	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7.00	10	0.75	*Nil*		7.50	6.12	H.P.T.
18,00,000	26,46,234	87,43,998	45,04,058	—7,24,043	Andrew Yule & Co., Ltd.	616	Caledonian	85.50	100	9.00	6.50	*Nil*		11	Y.P.
59,18,400	76,49,289	2,25,54,628	1,19,60,843	5,665	James Finlay & Co., Ltd.	600	Champdany	94.00	100	3.00	10.00	2.00	*Nil*	3	Y.
15,95,000	23,29,282	82,73,766	57,70,175	8,665	Andrew Yule & Co., Ltd.	580	Chengail	112.00	100	14.00	10.00	2.00		11	Y.
30,15,000	32,00,000	66,68,762	48,43,666	1,01,027	McLeod & Co., Ltd.	500	Chittavalsah	11.25	10	1.12	1.37	0.621		6.12	H.P.T.
24,00,000	9,00,000	61,05,335	67,18,837	25,985	Shree Krishna Investment Co., Ltd	969	Clive	18.12	10	*Nil*	1.25‡	0.50		3	Y.P.
31,49,200	44,50,392	1,35,02,698	51,19,167	—8,75,631	Bird & Co. Private Ltd.	765	Dalhousie	60.00	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	40,51,679	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd.	779	Delta	92.50	100	12.00	10.00	5.00		11	Y.P.
15,00,000	34,50,000	83,93,104	60,80,660	76,491	McLeod & Co., Ltd.	500	Empire	14.50	10	1.25	1.25	0.50‡		6.12	H.T.P.
21,00,000	62,40,686	2,41,58,650	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	280.00	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.19	10	20.00	20.00	0.75‡	1.50	3	Y.P.T.
64,32,100		2,11,07,224	1,32,88,825	—2,07,452	M.	1,709	Ganges Mfg.	48.50	100	0.60	2.50	*Nil*		3.9	H.P.
10,80,000	28,68,948	76,08,097	50,72,167	11,510	M.	607	Gondalpara	550.00	500	*Nil*	*Nil*	*Nil*	50.00	12	Y.T.
24,00,000	24,50,000	2,22,46,948	1,58,81,965	45,248	Macneill & Barry Ltd.	1,394	Gourepore	210.00	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	60,68,233	1,29,36,137	58,68,659	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	5.00		3	Y.P.
40,00,000	16,61,969	66,47,731	47,79,916	—2,95,253	Birla Brothers Private Ltd. ..	720	Hooghly	60.00	100	*Nil*	1.25	*Nil*		8.9	H.
15,80,000	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.69	10	1.25	0.87	*Nil*		3	Y.P.T.
65,62,500	28,87,124	2,93,21,907	1,57,21,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	16.62	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907		2,57,287	M.	1,076	India	90.50	O. 125	3.12	4.69	4.69		3	Y.
87,00,000	17,20,650	1,27,01,698	80,28,070					76.00	100	8.00	2.50	*Nil*		6.12	H.P.T.
30,000								76.00	'B' 100	8.00	2.50	*Nil*			
24,00,000	20,90,135	1,92,31,843	1,19,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	49.50	100	6.50	1.00	*Nil*		6.12	H.P.T.
30,00,000								49.50	'B' 100	6.50	1.00	*Nil*			
19,20,000 'B'	9,78,967	1,77,78,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanrrah							6.12	H.P.T.
30,00,000															
84,00,000	91,00,000	1,85,18,975	86,26,121	91,333	McLeod & Co., Ltd.	703	Kelvin	160.00	100	20.00	17.50	5.00‡		6.12	H.P.
21,00,000	53,00,000	1,96,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,530	Khardah	125.00	100	12.50	11.00	5.00	8.00	3	Y.P.
54,00,000	23,33,375	2,36,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	111.00	100	7.00	12.00	6.00	*Nil*	3	Y.P.T.
46,00,000	61,53,808	1,26,71,981	58,10,244	—9,08,449	Bird & Co. Private Ltd.	921	Lansdowne	66.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
24,48,000	28,41,335	1,41,78,943	85,10,975	—7,72,860	Bird & Co. Private Ltd.	840	Lawrence	75.00	100	6.00	6.00	*Nil*	*Nil*	3	Y.P.T.
28,00,000	45,53,647	1,41,78,943	1,26,97,809	1,64,942	M.	1,283	Megna	79.00	100	2.50	9.75	8.75		8.9	H.
81,05,200	56,35,046	1,29,36,137	86,70,690	—13,06,719	F. W. Heilgers & Co. Private Ltd.	815	Naihati	60.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
29,98,900	34,62,195	1,65,70,565	18,21,709	17,819	Bowrah Trading Co., Ltd. ..	425	Naskarpara	13.60	10	1.12	1.25			3	Y.P.
20,00,000	15,55,000	29,01,563	10,66,470	17,339	Andrew Yule & Co., Ltd.	852	National	23.00	10	2.00	1.75	0.75		4.10	H.T.
35,00,000	41,29,326	81,71,348	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	10.25	10	0.75	1.00	0.50‡		3	Y.P.
26,25,000	27,00,000	28,31,475	2,00,733	5,35,601	Sahu Jain Ltd.	1,765	New Centralia	13.06	10	17.00	1.50	1.50		6.12	H.P.T.
85,50,000	2,86,31,171	4,68,82,342	1,06,43,534	9,227	Bird & Co. Private Ltd.	587	Northbrook	14.87	10	1.25	1.50	1.50		12	Y.P.
16,79,880	46,58,882	1,28,64,122	56,38,490	20,195	Macneill & Barry Ltd.	1,092	Nuddea	32.00	50	0.50	1.00	*Nil*	*Nil*	3	Y.P.T.
66,79,500	23,76,049	12,74,961	1,39,16,557	11,098	Andrew Yule & Co., Ltd.	601	Orient	75.00	100	10.00	9.00	2.00		11	Y.
24,81,000	25,00,000	75,85,619	51,45,690	1,09,929	McLeod & Co., Ltd.	400	Presidency	3.12	5	0.31				6.12	H.T.
25,00,000	6,28,490	80,86,437	66,32,166	—8,81,539	Birla Brothers Private Ltd. ..	805	Rameshwara	4.25	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
20,00,000	10,32,825	27,95,784	8,39,130	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	6.06	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
49,50,000	4,80,552	1,24,76,806	64,70,616	£58,994	Thomas Duff & Co. (India) Ltd. ..	2,013	Samnuggur	8.12	£1	10%	8%‡			10	Y.P.
£669,000	£1,093,715	£1,245,244		7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica	10.50N	10	1.00	0.50			12	Y.
30,00,000	13,14,910	1,15,50,877	79,96,145	3,156	Hindustan Investment Corporation	401	Soorah	13.50	10	1.00	1.50			3.9	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	9,227	Bird & Co. Private Ltd.	550	Standard	70.00	100	2.00	1.00	*Nil*	*Nil*	3	Y.P.T.
25,19,000	31,10,501	1,26,68,701	57,29,512	—8,76,083	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	8.12	£1	10%	8%‡			3	Y.P.T.
£600,000	£925,119	£1,137,660		£88,540	Bird & Co. Private Ltd.	1,326	Union	106.00	100	6.00	10.00			12	Y.P.
85,98,600	68,80,143	2,01,42,357	89,47,895	—13,51,940	Thomas Duff & Co. (India) Ltd. ..	1,331	Victoria	8.12	£1	10%	8%‡	1.00	*Nil*	3	Y.P.T.
£400,000	£688,035	£1,124,819	....	£80,501	McLeod & Co., Ltd.	457	Waverley	2.69	1	0.50	0.37	*Nil*		12	Y.P.
2,50,000	6,35,000	56,01,062	40,78,991	11,327										12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	References
25,50,000	25,26,630	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15.50	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	31.31	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,350	1,00,000	9,25,911	6,54,575	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.37N	10	0.25	0.62	0.75		6.12	H.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,73,935	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	212.00	100	30.00*	35.00*P	17.50	7.50	6.12	H.T.
2,25,000	4,13,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	Bhatter's Agency Ltd.	Bhalgora	6.50	10	*Nil*	*Nil*			13	Y.
40,00,000	8,00,000	1,39,05,992	71,05,188	27,433	Sahu Jain Ltd.	Bharat Collieries	6.50cd	10	0.62	0.00			9	Y.
7,15,000	10,15,172	49,80,946	24,84,101	—4,92,536	M.	Bhulanbararee	12.00N	10	*Nil*	*Nil*	*Nil*		6	Y.T.
7,50,000	24,15,419	45,67,885	27,10,503	19,558	F. W. Heilgers & Co. Private Ltd.	Borrea	17.62	10	2.00	2.00	1.50		12	Y.T.
90,92,480	69,04,448	4,25,18,901	1,95,93,458	92,891	Bird & Co. Private Ltd.	Burrakur	22.75	10	0.56	0.62	0.68		6.12	H.T.
49,97,750		46,39,014	12,80,014	8,401	Hindustan Investment Corpn. Ltd.	Central India	6.75	10	0.25	0.25	0.50		6.12	H.P.T.
8,00,000	13,30,590	49,11,827	33,03,469	69,099	M.	Central Kurkend	11.00N	10	0.25	0.50	0.50	0.50	3	Y.
6,00,000	1,43,986	7,30,051(k)	4,240	2,90,240	F. W. Heilgers & Co. Private Ltd.	Churlia	2.00	4	0.12	0.06	0.50‡		12	Y.
16,00,000	....	54,02,810	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7.15	10	*Nil*	*Nil*	0.06		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	20.12	£1	2.50	3.00	*Nil*		12	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	25.25	10	1.50	1.50	2.50	1.50	4	Y.P.T.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Mualia	6.00N	10	0.50	0.25	1.50		12	Y.
12,00,000	1,17,699	42,34,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	30.75	50	*Nil*	2.25	2.25	*Nil*	3	Y.P.
8,00,000	7,25,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	20.00	10	1.75	2.50	1.50		6	Y.
3,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahar	17.00N	10	*Nil*	*Nil*		*Nil*	3	Y.
20,00,000	2,21,575	33,57,578	5,71,179	962	Bird & Co. Private Ltd.	Karanpura Collieries ..	92.00	100	*Nil*	2.50	5.00		12	Y.
5,00,000	15,90,898	47,65,511	37,70,923	1,35,336	Andrew Yule & Co., Ltd.	Katras Jherriah	55.00	10	4.00	4.50	6.50		11	Y.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Beriwala & Co.	Khas Kajora	2.50N	10	*Nil*	*Nil*			3	Y.
11,00,240	64,314	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd. ..	Kuardi	2.25N	10	*Nil*	0.12			1	H.P.
9,00,000	11,11,906	28,58,749	22,35,193	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	9.00N	10	0.25	0.12			6.12	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nazira	6.37	10	0.50	0.50			4	Y.
7,00,000	26,617	10,83,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd.	New Bandeopur	9.00N	10	1.25				12	H.
17,76,230	19,51,814	1,24,49,315	91,72,491	83,598	Andrew Yule & Co., Ltd.	New Beerbhoom	18.00	10	1.12	1.00	0.75		3.9	Y.
6,00,000	75,000	83,35,331	22,38,312	1,48,499	Octavius Steel & Co., Ltd.	New Mahabboom	12.50	10	*Nil*	*Nil*	*Nil*		10	Y.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	19.12	10	1.00	1.87	1.50	0.50	3	Y.
1,57,500							18.00	7.50	*Nil*	1.87	1.50			
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.00	10	1.00	1.00	1.12		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.50N	10	0.50	0.25	0.75		12	Y.T.
8,34,000	20,000	23,40,367	9,36,591	3,080	Deepchand Kishenlal	Parasea	12.00	10	0.75	1.00			12	Y.P.
15,75,000	16,30,000	55,17,410	39,02,410	46,388	Shaw Wallace & Co., Ltd.	Pench Valley	18.00	10	1.62	1.50	0.50		12	Y.
23,99,500	25,66,361	1,37,28,021	91,88,862	20,060	B. N. Elias & Co. Private Ltd. ..	Raneegunge	11.00	10	0.50	0.62	0.70	2.00	3	Y.
13,50,000	10,48,118	39,59,255	29,71,854	18,614	Shaw Wallace & Co., Ltd.	Sewa	14.75	10	1.87	0.87	0.37	0.75	3	H.
28,00,000	37,12,000	85,58,756	52,17,867	9,297	M.	Samla Collieries	10.50N	10	0.75	1.00	0.75‡		6.12	Y.
2,50,000	1,95,802	13,78,480	12,21,287	21,070	M.	Searsole	4.75xdN	2.50	0.62	0.75	1.25		12	Y.
2,80,000	9,11,592	29,92,167	19,75,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	23.31	7	2.00	2.50	2.25		12	Y.P.
3,00,000	5,09,218	52,491	25,867	8,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0.12	0.25	0.25		12	H.T.
93,21,450	94,58,538	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Government of Andhra Pradesh)								6.12	
17,50,000	10,89,602	28,95,664	16,16,484	10,407	Bird & Co. Private Ltd.	Singareni	11.25	10	0.70	0.75	1.00		12	Y.T.
5,00,000	14,01,083	1,89,57,570	87,510	17,411	F. W. Heilgers & Co. Private Ltd.	South Karanpura	8.94	10	0.12	0.12	0.25		3.9	H.
10,00,000		31,92,694	15,45,502	—5,62,907	M.	Standard	13.75	10	1.50	1.00	1.00		12	Y.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Talcher	1.60	2.50	*Nil*	*Nil*	*Nil*		9	Y.
40,96,000	66,784	55,72,806	24,15,306	11,543	Hindustan Investment Corpn. Ltd.	Union	14.00	10	0.75	*Nil*	*Nil*		12	Y.
7,00,000	....	87,45,960	25,79,008	—3,20,068	Macneill & Barry Ltd.	Western Bengal	5.31	10	0.37	0.50	0.50	0.50	3	Y.
						West Jamuria	5.50	10	*Nil*	*Nil*	*Nil*		12	Y.

DIRECT TAXATION MEASURES

(*Concluded from page 463*)

Gifts to Wife: The Gift-Tax Bill contains an important concession exempting gifts upto Rs. 1,00,000 made to one's wife. The Bill also provides that "the gifts made by the wife of any person out of any gifts made to her by her husband, shall be deemed to be the gift made by the husband." The object obviously is to prevent avoidance of tax. It, however, involves a vicarious liability on the husband. This measure, therefore, requires to be considerably modified.

The Gift-Tax Bill provides for exemption of gifts made by public companies but not by private companies. It has also been given a retrospective effect in so far as it applies to the year previous to the assessment year 1958-59. The previous year was an election year and a large number of private companies are known to have made substantial contributions to the funds of the Congress Party for election purposes in deference to the wishes of prominent Congress leaders. The effect of the present provision will, therefore, be to impose a tax on such contributions made to the Congress Party for election purposes. This is just one instance of the hardship arising out of the retrospective character of the Gift-Tax Bill. There are various other cases in which the retrospectiveness of this legislation would hit people.

Public Expectations not Fulfilled: The most disturbing feature of the present budget proposals is what may be called its negative character, namely, the Government's failure to realise its mistakes and remove inequities arising out of such measures as the compulsory deposit scheme, wealth tax on companies and the unduly heavy tax on bonus shares which has been universally condemned by the Taxation Enquiry Commission, the Roy

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,08,00,000	12,42,652	Allahabad Bank	360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
1,01,000	16,48,000	2,93,939	Andhra Bank	111.00	100	7.50	6.50	8.00	4.00‡	6,12	H.
40,88,840				87.00	25	3.75	4.54	5.59	3.40‡		
1,00,00,000	1,25,00,000	4,10,731	Bank of Baroda	115.00	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	62,50,000	2,700	Bank of Bikaner	23.24	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	16,02,881	Bank of India	134.75	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000 'A'				135.75	50'A'	..	..	..	8.00		
15,30,375	28,00,000	52,270	Bank of Indore	68.00N	25	2.00	2.50	4.00	4.25	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	38.00	50	2.00	2.00	2.50		12	Y.
50,00,000	91,95,613	1,87,085	Bank of Mysore	251.00cd	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	22,00,000	25,502	Canara Bank Ltd.	66.00	10	4.50	5.00	5.00		12	P.Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	80.00cd	50	6.00	5.50‡	5.00‡		12	Y.P.
5,72,320 'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	185.00cd	100'A'	12.50	12.50	15.00		12	Y.
25,787 'C'				1.85cd	1'C'	12½%	12½%	15%			
2,52,11,875	4,03,60,821	18,44,046	Central Bank of India Ltd.	62.70	25	3.00	3.00	3.50	3.50	12	R.L.Y.
52,42,375				54.00	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	45.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	26.37	5	0.81	0.87	1.87	1.06	12	Y.
50,00,000	50,75,000	1,61,944	Hind Bank	47.50	50	1.50	2.00	3.00		12	Y.
1,25,00,000	15,45,000	16,919	Hindustan Commercial Bank	10.25	50	*Nil*	*Nil*	..		12	Y.
50,00,000	1,57,00,000	2,771	Hindustan Mercantile Bank	11.75	50	*Nil*	*Nil*	..		12	Y.
44,00,000	90,50,200	6,15,491	Indian Bank	212.00cd	100	12.00‡	12.00‡	18.00	6.50‡	6,12	R.L.H.
21,82,618				182.00cd	50	7.50‡	7.75	9.75	5.20‡		
56,33,350	46,36,300	2,32,067	Indian Overseas Bank	148.00xd	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	87.50cd	25	1.56	1.87	1.87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	63.00	25	3.00	3.50	4.00	2.50‡	12	Y.
1,00,00,000	20,17,000	5,623	Travancore Bank	18.50cd	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8.72	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	60.00	50	2.50	2.75	3.50		12	H.
PRINCIPAL EXCHANGE BANKS						Dividend (per cent.)					
£3,500,000	£5,000,000	£409,308	Chartered Bank	£1-17-9	£1	15†	15†	15†		12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,059,578	Hongkong and Shanghai Banking Corporation	£42½	H.K. $125	5*	5*	5*		12	Y.
£13,565,070	£17,500,000	£712,060	Lloyds Bank	£2-5-0	£1	15†	12†	12†		12	Y.
£375,000 'A'	£2,800,000	£324,521	Mercantile Bank Ltd.	£1-10-3	A £2½	14†	14†	14†		12	Y.
£375,000 'B'				£1-10-3	B £2½	14†	14†	14†			
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£384,046	National Overseas and Grindlays Bank Ltd.	£1-0-6	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. B. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92.00	1st June 1963
4,00,000	5½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November 1960-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November 1960-64
COAL						
20,00,000	4½	20th April and 21st October	Bharat Collieries	1944	90.00	20th June 1964
20,00,000	4½	20th June and 21st December	Barrakur Coal Co.	1947	87.00	20th June 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December 1969 (a)‡
COTTON						
2,50,000	5½	20th June and 21st December	Basanti Cotton Mills Ltd.	1942	85.00	20th April 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1937	99.00	15th November 1966 (b)
79,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March 1972 (c)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.25	1st April 1967-72
19,71,000	5½	20th June and 21st December	Jaywhee Textiles	1949	90.00N	1st January 1956-59
99,00,000	5	1st June	Tata Mills	1951	98.50	15th November 196
ELECTRICS						
10,00,000	4½	21st March and 20th September	Agra Electric Supply Co., Ltd.	1950	90.00	21st March 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.		97.00	14th June 1966
99,53,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1949	97.00	1st October 1966
12,00,000	4½	20th June and 21st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	21st December 1964 (a)
£4,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January 1970 (a)
25,00,000	4	20th June and 21st December	Gouripore Electric Supply Co., Ltd.	1946	84.00	21st December 1970
12,50,000	5	1st January and 1st July	Sirsa (Iberian) Electric Supply Co., Ltd.	1951	91.00	20th June 1970 (a)
2,00,000	5½	21st March and 20th September	South Madras Electric Supply	1939	95.00	1st April 1959-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	95.50	20th September 1965-66
47,79,000	5	1st April and 1st October	Tata Power	1940	99.00	1st July 1970
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September 1966-70
ENGINEERING						
5,00,000	5½	20th June and 21st December	Britannia Engineering	1945	94.00	21st December 1960
2,00,000	5	20th June and 21st December	Bridge and Roof (India), Ltd.	1928	98.00	20th June 1958
30,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bonds)	1943	97.00	1st July 1967-68
10,00,000	4	21st May and 20th November	Kumardhubi Engineering Works Ltd.	1946	80.00	21st May 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.25	1st October 1960-65
40,00,000	6	21st December	Textile Machinery Corporation Ltd	1950	97.00	21st December 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	21st March 1960
2,00,000	5½	20th June and 21st December	Alexandra	1939	91.00	20th June 1960
12,00,000	4	21st December and 20th June	Auckland Jute Co., Ltd.	1945	77.00	21st December 1964
16,00,000	4½	20th June and 21st December	Bengal Jute Mill Co., Ltd.	1946	90.00	20th June 1966
9,00,000	5	21st January and 21st July	Calcutta	1949	88.00	21st July 1959
10,00,000	5	20th June and 21st December	Chitavalsah Jute Mills	1951	89.00	20th June 1968
29,48,000	5½	21st March and 20th September	Dalhousie Jute Co.	1954	90.00	21st March 1969 (a)
8,86,000	5	15th January and 15th July	Empire	1951	90.00	15th July 1968 (a)
30,00,000	5½	21st March and 20th September	Howrah Mills Co., Ltd.	1953	94.00	21st March 1970
25,00,000	5	20th June and 21st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	21st December 1964 (a)
25,00,000	5½	20th June and 21st December	Naihati	1952	90.00	21st March 1967 (a)
8,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co. Ltd.	1939	88.00	14th May 1959
20,00,000	4	20th June and 21st December	Northbrook Jute Co., Ltd.	1945	80.00	21st November 1964
8,00,000	4	20th June and 21st December	Presidency	1948	85.00	20th June 1968
25,00,000	5	21st March and 20th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September 1965 (a)
8,00,000	4½	14th March and 14th September	Rossra Jute	1937	97.00	14th September 1957
15,00,000	5½	20th June and 21st December	Upleta	1937	90.00	20th June 1967
10,00,000	5½	21st January and 21st July	Waverly	1936	90.00	21st July 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£850,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,368	5	1st April and 1st October		1923	£74.10N	1st October 1974
6,50,000	5½	20th June and 21st December	Kalabhai-Lalabazar Railway	1945	85.00	21st December 1959 (a)
£200,000	4½	20th June and 21st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,19,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	93.25	1st September 1966
PLANTING						
12,50,000	6	21st March and 20th September	Nilgiri Tea		99.00	1st April 1958-62
1,56,500	5½	21st March and 20th September	Teaboy	1944	100.00	21st March 1960-80†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1946	92.00	21st December 1965
26,50,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December 1962
2,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	97.00	1st September 1964-69 (a)‡
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July 1966
30,00,000	4	15th March and 18th September	Dalhousie Properties	1946	78.00	15th September 1960
1,00,00,000	4	21st March and 20th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	1960
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January 1971 (a)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1944	101.00N	20th June 1964 (a)‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	83.00	1964
13,07,000	4	21st March and 20th September	Martin Burn Ltd. (Convertible Notes)	1946	810.00	20th September 1976 (a)
45,00,000	4	20th June and 21st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	21st December 1972 (a)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	20th June and 21st December	National Rayon	1955	98.00	20th June 1965-70
1,00,00,000	5½	21st March	Orient Paper Mills Ltd.	1951	91.50	21st March 1961 (a)
1,00,00,000	4	20th June and 21st December	Rohtas Industries Ltd.	1946	91.00	21st December 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May 1968 (a)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 12 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debentures outstanding on 1-8-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1968 on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

MARKET GOSSIP

(*Concluded from page 451*)

bring about the desired result remains to be seen. It is stated that, up to the end of February, about 3.25 million workers, or 62 per cent. of the unemployed, had exhausted the unemployment benefits. The second proposal of Mr. Eisenhower is to release $2,786 million for speeding up the public works programme. The President has expressed his hope that there will be an improvement in the economy during the current month. It is generally expected that there will be a rise in employment during March, but this will be only of a seasonal nature. Unless the expected recovery materialises, the Administration will be forced to take more serious measures. One of these measures which is being widely advocated is a drastic cut in taxes. In fact, the President is already thinking on these lines.

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After a setback in the closing week of February, the £ sterling has once again staged a recovery in the last two weeks. The spot sterling in New York, which had dipped from $2.81⅞-2.81¼ on the 18th ult. to $2.80.11/16-2.80.13/16 on the 26th—that is a drop of over 1c. in the course of a week—has improved substantially since then to stand at $2.81.9/16-2.81.11/16. Three factors have been responsible for this recovery. First, there has been a distinct improvement in the demand for sterling as a result of the inflow of short-term funds into London, though there is still some hesitancy for funds from North America to move into Britain on account of fears that one day £ sterling may be devalued. This lack of confidence accounts for the fact that the purchase of spot sterling is invariably accompanied by a sale in forward, thereby widening the discount at which the forward rates are quoted under spot. Thus, three months' forward rate, which was quoted at a discount of 2.7/16c. on the 19th ult., is now at a discount of 2.13/16c.

The second reason for the recovery of £ sterling is the British Government's recent decision to allow repatriation of all British bank notes held abroad. This has been interpreted by some as evidence of the British Government's confidence in its ability to hold the present par value of the £. The third factor is the substantial improvement in the sterling area's gold and dollar reserves during February. These reserves rose last month by no less than $135 million to $2,539 million, the highest level since July 1955, when they stood at $2,544 million. This rise compares with that of $131 million in January. A more impressive result of Britain's commercial and trading activity during February is the surplus of £45 million with the European Payments Union, the biggest monthly surplus earned during the last eight years, the corresponding figure for January being £10.5 million. Several factors contributed to this big E.P.U. surplus, the most notable one was the buying of sterling by the Royal Dutch-Shell Company with the foreign currency proceeds of its recent issue. The second important factor was the relaxation by France of its measures taken in earlier months to ease its balance of payments difficulties by repatriating overseas working balances every month-end.

The sterling area's reserves amounting to $2,539 million include the $561 million drawn from the I.M.F. in December 1956 and the $250 million loan taken from the U.S. Export-Import Bank last October. It will be recalled that Britain was granted a credit of $500 million by the Export-Import Bank in February 1957, out of which $250 million remain unutilised. The term of this unutilised credit expired on 28th February this year and the U.K. Government has renewed this credit for another year without drawing it. The extension has been agreed on a payment of a commitment fee of ¼ per cent., which will be deducted from the interest payable on any future drawing.

EXPORT OF SUGAR

Apropos our recent article on export of sugar, Mr. P. Hadfield, Managing Director of Messrs. Parry & Co., Ltd., Madras, writes as follows:

"May I have the privilege of space in your columns to correct statements contained in your issue of the 15th February, in the article on page 268, under the heading, 'Prospects for Large Sugar Exports are not Bright.'

"You accuse the Indian Sugar Mills Association of 'wasting time and energy on debating the question of the agency which should handle the export business.' No one in the know will attempt to deny that much time has been spent on this question, but this has not been time that could have been employed exporting sugar, and, if this could have been done, a solution would have been found very early on. Sugar cannot be sold abroad, except at a loss, and G.A.T.T. agreements prohibit any direct subsidy from Government funds. The Association has made many approaches to the Ministry of Food and Agriculture for the acceptance of proposals to spread this loss equitably over all factories.

"Each scheme submitted has been criticised on the grounds that its implementation requires action by Government of a nature deemed to be illegal under the Constitution. Until this difficulty is solved, no harm, nor delay in effecting export sales, can come from discussion as to what agency should be employed.

"There is no body of opinion favouring control of internal sales. Your statement to the contrary is almost certainly based on one of the schemes that was debated for collecting the subsidy necessary to finance export sales. A proposal was made, aimed solely at avoiding contravention of the Constitution, that a body should be formed to act as selling agents for all sugar and to receive a 'commission' for so acting; the commission to provide the money to finance exports. It was quite clear in the minds of all that mills would sell their own sugar, but would be obliged to pay the commission."

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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FISCAL PROBLEMS

JUDGING by the continuing references to taxation—too often pointed to be ignored and too weighty to be brushed aside—at the meetings of the trade and commercial bodies, it is clear that fiscal issues are a source of much real and genuine grievance to those who pay taxes. And yet the fact remains that these observations do not receive the attention they deserve at the hands of the authorities. This may be attributed partly to the Government's ideological pre-occupations. More specifically, it could be traced to the fact that taxpayers—the assessees to direct tax—in this country are unfortunately in a numerical minority. Even political minorities have never received a square deal through the ages. It is hardly to be expected that an economic minority should fare any better. Small wonder, the views of the taxpaying minority, lacking as it does political pull, exert little influence on policies. Only, few stop to think whether it is at all times right to judge the validity of the views by a reference wholly to the number of those who hold them. After all, economic issues, in a complex modern society, are bound to be beyond the pale of popular comprehension so that a standard, other than a mere reference to popular backing, deserves to be applied for evaluating the validity of economic pronouncements.

The fact is that complaints against tax burden serve only to evoke cold indifference from the Government until the danger, of which the complainants themselves have all along been warning the authorities, stares everybody in the face. The case in instance is the excise duty on cloth. It never required much economic prescience to see its danger. But no relief came until its effect on mills was too patent to be ignored. If this sad story of prolonged neglect is not to be repeated in other sectors of the economy, the authorities will do well to heed in time the clearest possible warnings by those who know precisely where and how the ill-effects of high tax burdens will manifest themselves. To the long line of thoughtful men, who have felt it their duty to point to the danger ahead of the fast-moving fiscal machine, belongs Mr. E. Parker, President, Bombay Chamber of Commerce and Industry, who devoted a large part of his critical address, at the annual meeting of the Chamber held this week, to the country's taxation problems. He was, however, at some pains to explain that his observations were not meant to be "destructively critical." Indeed, they were not. But it would be folly not to heed them on the mere ground that they are at variance with those who see little or no danger in the present fiscal trends. Mr. Parker's description of the tax picture is worth being quoted here:

"Just consider, for a moment, what is the effect of the many aspects of taxation in existence today in the country. If one possesses capital, Government takes part of it; if one earns an income, Government takes a substantial part of it; if you spend money you have to pay Government for the privilege of doing so; and now, even if you give it away, Government wants a share in it. And finally, as if not content with all that, when you die, Government wants a cut out of what is left! And meanwhile, Government goes on spending what it hasn't got!! It is an astonishing situation. There must surely be something wrong in a country's tax structure where it is possible for an individual to have to pay to Government in any one year a sum greater than the amount of his total income for that year.

"And yet, one hears regularly, all over the country, Government spokesmen, whether Central or State, exhorting business men and industrialists to 'see the light,' to realise that times have changed, even, as the Prime Minister himself said in Bombay recently, to appreciate that nineteenth century capitalism is dead. And really what they are saying is pay up, pay up, pay up!!! There is one light which I would like Government to shine. Their spokesmen are obviously of the view that the business man's and industrialist's pockets are a bottomless pit. If only Government would shine the light in that pocket, they would see that it is far from bottomless; in fact, the bottom is now very near the top."

Mr. Parker deplored that, though the Kaldorian theory, on which the country's tax system was based, envisaged a reduction of taxation on incomes, no attempt had been made to effect such reduction. He rightly suggested that industry could not "expand in fetters." There is now no gainsaying the fact that taxation has reached a stage at which no expansion seems worthwhile even for those who have surplus resources for investment. These resources are also being fast eroded. Foreign capital could, of course, go a long way towards restoring the balance. But the taxes which fetter domestic enterprise act also as a bar to the inflow of foreign capital. At any rate, even foreign capital, as Mr. Parker pertinently pointed out, would not be available without the "essential counterpart" of rupee capital. He rightly insisted that "that portion of industry that relies on capital formation within the private sector must be put in a position where at least the wheels can turn round."

If the private sector is to operate and expand successfully, it must be permitted to retain a reasonable share of its earnings which it can utilise for its own development. If it is not allowed to do so, the inevitable result will be its slow decay and its ultimate extinction. Alluding to the Prime Minister's well-known contention that there is only one sector, namely, the national sector, of which the public and the private sectors are the components, Mr. Parker wondered whether this was "a case of wishful thinking or a case of events casting their shadows before them." He pointed out how present taxation would leave the private sector high and dry. He said: "If taxation in its present varied forms is to continue for long, then the Prime Minister will surely be right—there will be only one sector, the public sector, for the private one will have dropped by the wayside." That this may not be the Government's intention—at least not the Government's expressed intention—is no consolation to the private sector, if the fiscal policies generally tend towards its virtual disappearance.

Defending the Government's economic policy, which has resulted in the increasing importance of the public sector, Mr. Y. B. Chavan, Chief Minister of Bombay, in the course of his reply to Mr. Parker, pointed out that "quick and self-sustaining industrial expansion requires key and basic industries, and these cannot be built up by private enterprise, because of the large investments necessary for those capital goods industries and because quick profits do not accrue from such industries until the demand for machinery has grown sufficiently." He went on to observe:

"Public utilities and basic industries have, therefore, to be under the control or ownership of the Government not for profit but for ensuring their proper functioning and development. Even a big concern like the Tatas which is in the basic steel industry has to depend considerably on Government help. But what are all these basic and key industries for? Are they not intended to provide the necessary momentum and equipment for a rapid growth of industries? With the development of basic industries, several categories of domestic capital goods will become available and there will be increasingly better and larger opportunities for private investment without having to depend on foreign equipment which eats up our foreign exchange. The growth of industries in the public and private sectors is thus complementary and not opposed to each other. In a very large measure, they are inter-connected, the one thriving better on the growth of the other."

Mr. Chavan's exposition of the Government's economic policy, despite its commendably conciliatory tone, does not square with the facts of the existing situation. He no doubt did well to emphasise the "complementary" aspect of the public and private sectors. This is a restatement of Mr. Nehru's analogy of two men in the same boat who must both be concerned that the boat does not sink. But, apart from the fact that this is an over-simplification of a complicated issue, it is the private sector's contention that its fellow-traveller is engaged in a ideological scuffle with it and does not even care if the boat capsises in the struggle. The public sector is in no mood to give any quarter to the "other man" in the boat. If it were a mere question of co-existence, it might mean only some painful readjustment. But there is a steady expansion of the public sector at the expense of the other sector. It is not true that the public sector is interested in owning only the "key" and "basic" industries, for, by no stretch of imagination could cement distribution or export trade in ores, or selling life insurance be termed "basic" to the economy.

Above all, the argument that some economic impotence is implied in the private sector's dependence on Government loans overlooks the fact that it is the Government which has brought the private sector to such straits by first preventing, through taxation and unwise pricing policies, the industrial units from accumulating reserves and next by siphoning off all available savings from the capital market, so that there is little surplus left for the private sector to draw upon. In this context, to cite the private sector's forced dependence on resources outside itself as an argument against it is certainly to add verbal insult to an already deep and painful economic injury.

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LIFE INSURANCE—II

AFTER we wrote on nationalisation of life insurance in these columns last week, we received the full text of Mr. Nehru's speech in the Rajya Sabha. On the question of denationalisation, what we read there is even more categorical than what was reported in the daily Press. He said: "Now it is suggested by some people, 'Oh because of this (the L.I.C.'s bungling in the Mundhra deal), we hope you will denationalise life insurance or a part of it.' .... I think it would be wrong to leave any doubt about our intentions and I say that we do not propose to do so, now or hereafter. There is no going back, if I may say so." Last week, we only inferred that Mr. Nehru was opposed to even partial denationalisation, as was suggested by Mr. B. M. Chinai, the erstwhile President of the Federation of Indian Chambers of Commerce and Industry. But it is now quite clear that Mr. Nehru is definitely opposed to it. So when he said at the Federation's meeting that he would consider the question of splitting up the L.I.C. into a number of units, all that he had in mind was that they would all be owned and manned by the Government. In fine, life insurance would continue to be a State monopoly. Only, instead of one L.I.C., there would be a number of them. If this remedy were tried, it would prove to be worse than the disease for reasons stated in these columns last week.

Mr. Nehru is also wrong in thinking that those who favour denationalisation do so simply because of the L.I.C's mistake in investing in the shares of Mundhra concerns. Their demand is based on the more solid ground of principle, namely, that it is not conducive to, nor consistent with, a free, democratic society. One of the reasons for the increasing dependence of the private sector for financial support from the Government, a development strongly resented by Mr. Nehru, is nationalisation of life insurance. What else are people to do but to depend on the Government for their needs if the State goes on encroaching upon the sphere of free enterprise?

Now to take up the subject of investment policy of the Life Insurance Corporation. The ideal thing for the L.I.C. to do would be to continue the policy that had been laid down for the life insurers in the private sector. This policy was evolved on the basis of trial and error over a period of years and fulfils the sound criterion that investment of life funds should bring a fair and steady return to policyholders consistent with safety. There should be no element of unhealthy speculation in such investments. Some risk, of course, may have to be taken, for there can be no investment in equities if no risk at all is to be incurred. The degree and the quantum of such risks, however, should be clearly laid down, in order to prevent any possible misuse of funds by the authorities in charge of the Corporation. Some may say that this is a rigid approach and that there should be some flexibility to suit the needs of a planned economy of the type India is having at present. The only flexibility that can be imparted to this rule is that it could be reviewed from time to time, say, every five years, with the consent of Parliament, the body that represents the real owners of the Corporation.

If the aforesaid criterion is conceded, it naturally follows that the extent to which the L.I.C. can help in the establishment of new industrial concerns through direct participation is very limited. It will be highly desirable for the L.I.C. not to invest in shares of new concerns—it is immaterial whether they are ordinary or preference shares—for there is no guarantee of a return on these shares for some years to come. The only way in which the L.I.C. can help, without jeopardising the interests of its policyholders, the coming into existence of new industrial concerns is by participating, to a limited extent, in the formation of such credit institutions as the I.C.I.C. and the Industrial Finance Corporation specifically meant for meeting the long-term capital needs of industries. The L.I.C., however, can subscribe to the debentures of existing industries and the new capital of existing concerns, subject to certain well defined conditions designed to ensure the safety of its funds. It has been suggested by some that there is no harm in the L.I.C. investing in the equity capital of new companies with promising industrial projects, for, though there will be no yield on them for some years, the resulting loss will be more than compensated by large capital appreciation in the long run. But this amounts to taking a view of the future and assuming a larger degree of risk than is prudent for investing life funds. A life insurance company should think more in terms of a steady, fair yield and safety of capital than in terms of capital appreciation. Such risks should be left to individuals and institutional investors specially meant for playing that role.

In order to appreciate this point and also the others that will follow presently, it must be borne in mind that the funds of the L.I.C. should be treated as those of a trust. They are the savings of millions of small people given to the L.I.C. to be returned when their policies mature or when the risk covered materialises. It is nonsense to say, as some politicians do, that it is a myth to call the L.I.C.'s funds as belonging to a sacred trust. It is true that, so far as their capital is concerned, the policyholders have the guarantee of the Government of India, since the L.I.C. is owned by the latter. But that does not necessarily mean that the Government or the Corporation can do what it likes with the life funds. The L.I.C.'s funds are meant for a specific purpose and their disposition must be consistent with that purpose. If this principle is to be ignored, then why have a separate autonomous Corporation at all? Why not provide life insurance as a departmental service, as the postal, telephones and telegraphic services are?

Again, if the trusteeship character of the L.I.C funds is to be denied, the Government should be honest enough to abolish the system of with-profit policies and provide cover at a low rate of premium for whole life. The with-profit policyholders expect not only the amount for which they have insured their lives but also decent bonuses. How could these bonuses be ensured, unless the funds of the L.I.C. are invested in a sound and safe manner? Surely, the with-profit policyholders can legitimately expect a better deal in this respect from the L.I.C., as it is now owned by the Government, than they have had under private insurers. It must be remembered, in this connection, that, when life insurance was in the hands of free enterprise, the Government framed, quite rightly, of course, rules and regulations to ensure that the with-profit policyholders got a proper return for the extra premium they paid for this benefit. And any company which did not declare decent bonuses was looked down upon. The Government itself used to remind the private insurers repeatedly that they should regard themselves as the trustees of their policyholders. It does not now lie in the mouths of politicians to contend that this standard should not be applied to the L.I.C., just because life insurance is the monopoly of the public sector, which has the privilege of printing currency notes. It is necessary to warn the public that, if the trusteeship character of the life funds is to be disregarded, the L.I.C. will become a tool in the hands of politicians who will not hesitate to use its funds for the interests of their party. The risk is all the greater in a country like India, where there is a strong tendency for the party in power to equate itself with the country as a whole.

It is certainly no part of the function of the L.I.C. to act as a stabiliser of values on the stock exchanges. It is no argument at all to say that, just because it holds a large block of shares quoted on the stock exchanges, it must operate in these markets in order to protect the value of its holdings. It will be beyond the capacity of the L.I.C. to do so and the function involves a risk which no life insurer in the world regards as legitimate. If there are excessive fluctuations in the share markets, brought about by unhealthy speculation, the remedy lies in controlling speculation and not in asking the L.I.C. to counter the speculators. If stock market values go down as a result of the adoption of fiscal and monetary policies unfavourable to investors, the remedy lies in suitably amending these policies in good time. If these policies are regarded as inevitable and necessary, then it follows that their adverse repercussions on shares and stocks must also be regarded in the same spirit and allowed to take their course. There is clearly no sense in imposing heavy loads of taxation and allowing interest rates to go up and in simultaneously asking the L.I.C. to enter the share markets with a view to beating back the bearish waves generated by these policies. Surely, the L.I.C. is not a jobber on the stock exchange. The former Finance Minister, Mr. T. T. Krishnamachari, is not such a simpleton as not to realise the absurdity of such a proposition. Yet, if he had directed the L.I.C. to act as a stabiliser of the share markets, he must have done so with two objects in view; one, to cover the adverse effects of his new incentive-killing taxes on equities, so that popular opposition to them might not gather heavy momentum and, two, it was an opportunity to gain sufficiently effective control over the major industrial undertakings in the country at a relatively modest price. In fine, he decided to use the L.I.C. to further the ends of his party, namely, to establish a socialist pattern of society. But, unfortunately, his scheme misfired to some extent. He himself became a victim of this misfiring. The Congress Party has lost the services of an able administrator and is about to lose those of a few competent and experienced officials, of whom there are not many left now.

It would appear that the second objective referred to above appeals to Mr. Nehru, the Prime Minister. Even the first one does not seem to have evoked his disapproval. In his extempore speech at the last annual meeting of the Federation, he remarked that, while he could understand the criticism that the investment policy of the L.I.C. should not result in nationalisation of companies the shares of which were acquired by it, he could not accept the proposition that the Corporation should not invest in certain companies essential to the economy of the country and prevent their collapse through the activities of speculators. He then went on to say that, if there were dangerous symptoms in the share market and if the future of some important and vital undertakings was jeopardised, then the Government had every intention of seeing that these undertakings did not fail. He further said that, while it was natural that the L.I.C. funds must be invested in safe concerns, it would not be correct to say that safety should be the only factor to be taken into account. It must be noted that, when Mr. Nehru made these remarks, he was in charge of the Finance Ministry also.

If the investment policy of the L.I.C. were to be based on the aforesaid objectives, it would not be a very sound one. While Mr. Nehru has stated, on more than one occasion in recent weeks, that he did not believe in nationalisation through the backdoor, he has not disowned the theory of the State operating from strategic heights in order to shepherd the private sector through the so-called socialist road. And the L.I.C. is one of the strategic hills. This policy is full of risks, for the conception of national interests will differ not only from party to party but also from minister to minister belonging to the same party. Again, it is, of course, necessary to prevent speculators and anti-social elements from wrecking industrial concerns and thereby causing misery to investors, workers and consumers. But why should the L.I.C. be asked to perform this function? It is obvious that the L.I.C. can enter the scene only after much damage has already been done to such concerns. The lessons of the Mundhra episode are crystal clear on this point. One has only to reflect calmly to realise that it will take years to salvage such concerns as Jessops, Richardson & Cruddas, the B.I.C. and Osler Electric. So the policy for handling commercial adventurers and pirates should be based on the sound principle that prevention is better than cure. This means that the Government should be vigilant and effectively exercise its vast powers under the Company Law and the Industrial Development and Regulation Act against the anti-social elements. If, for instance, the Government's object was to force Mr. Mundhra and his "friends" out of any one of the concerns the shares of which the L.I.C. has bought, it could have been easily achieved by directing the banks which have given credit to him—the State Bank of India is prominent among them—to play the game which they have now done or even by asking the Company Law Authorities to act promptly against the various breaches of law committed by him. The Government could have acted against him even through the Income-tax Department. In fact, when one comes to think of it carefully, one will realise that the L.I.C. was actually trying to save Mr. Mundhra and help him to retain his newly won industrial empire. But for Mr. Feroze Gandhi and certain other interests, the whole deal would have gone unnoticed, with Mr. Mundhra continuing to reign over his empire. Thus, most of the considerations urged by Mr. Nehru are irrelevant to the investment policy of the L.I.C.

The fundamental business of the L.I.C. is to sell life insurance and promote savings among the people. If it is to succeed in this business, its investments must be safe and sound, earning a reasonable rate of return. It must not be made the handmaid of politicians. It is, of course, true that life funds should be available for promoting industrial development. But this objective must be sought to be achieved in a manner consistent with the principles of safety, quite a feasible criterion, provided the job is entrusted to those who are competent enough to handle it.

SHARE MARKETS IN CHEERFUL MOOD

CABINET RESHUFFLE—TREND OF MONEY

THURSDAY, 5 P.M.

THE sentiment in share markets has definitely changed for the better. The appointment of Mr. Morarji Desai as Finance Minister has been viewed by market circles in a favourable light. They consider that there will be at least no vindictive attitude on his part towards the private sector, though they realise that, at least for some considerable time to come, he will not be in a position to render any positive assistance by way of relief in direct taxation, in view of the fact that Mr. Nehru has firmly strengthened the new tax pattern drawn up and put into effect by T.T.K. There is, of course, considerable force in this line of thinking. It will be recalled that T.T.K. did a lot of loud thinking and upset the confidence of investors by his unsavoury, if not rude, remarks about the private sector. Even friends of T.T.K. used to feel that he ought to be a little discreet and dignified in his statements on free enterprise. One can be sure that Mr. Morarji Desai does not suffer from this weakness of T.T.K. He will not, for instance, say, as T.T.K. did in December 1956, that there will be a budget every alternate month or that the Indian bankers are clerical-minded. Nor will he try to get rid of any high officials he does not like by following such undignified method as the one adopted by T.T.K. for removing Mr. B. Rama Rau from the Governorship of the Reserve Bank. Mr. Morarji Desai is too perfect a gentleman to resort to such cheap tactics. He is, of course, a firm administrator. Though he was once regarded as a man of inflexible views, he is now a mellowed person. He is also more tolerant of criticism than he was before. A Finance Minister should speak less frequently than the other Ministers on economic matters. Silence is a much more golden virtue for him than for his colleagues in the Cabinet. It is a safe bet that Mr. Desai will follow this principle scrupulously.

MARKET GOSSIP

Everyone admits that Mr. Morarji Desai is a competent administrator, a loyal Congress man and a devoted worker. But he is not an expert either in finance or economics. Finance Ministership is a skilled job. The fact that Mr. Nehru could find no one else to take this post is, however, a reflection on the Congress Party. It only shows that this ruling party, for which no alternative is in sight, is lacking in specialists. If it has failed to attract such specialists from the community or even to retain the services of those few independents who came forward to serve the country in their own light, it is because of its peculiar economic philosophy. This philosophy does not sound practical to those who believe in tackling the economic poblems of the country with their feet on the ground. There are, of course, quite a few industrialists who are members of the Congress Party, but, unfortunately, they are regarded as capitalists and not socialists.

Although Mr. Morarji Desai is not an expert in financial matters, he has all the qualities of a leader. He is fortunate enough to have a strong Secretariat and can depend on his experts to find the right approach to the complex problems that come up to him. Besides, Mr. Gopal Reddi, Minister for Economic Affairs, has been in charge of Finance in Madras and Andhra for several years now and knows his job. Mrs. Tarakeshwari Sinha has been a keen student of economic matters. Then, there is Mr. Bhagat who has been in the Finance Ministry as a Deputy Minister for some time. With the help of these colleagues, Mr. Desai may well belie the misgivings of those who attach great importance to expert knowledge of economics and finance as one of the fundamental qualifications for Finance Ministership.

There are two more factors in favour of Mr. Morarji Desai. As a respected Congress leader, he can command the confidence and co-operation of the State Governments which are essential for the success of the Plan. Secondly, his appointment has been greatly welcomed by business men. They know him. He, too, knows and understands them well. Since the private sector has still a large role to play in the drive for the economic uplift of the masses, the mutual understanding that exists between Mr. Desai and business men may make their respective tasks easier. The transfer of Mr. Lal Bahadur Shastri from Transport and Communications to Commerce and Industry also augurs well for the future. Mr. Shastri has proved in his previous offices that he is not a doctrinaire but a pragmatic person, who is amenable to reason. And, if Mr. S. K. Patil could carry a little further the good beginning which Mr. Shastri has made in easing the burdens on transport and communications other than the Railways and in solving their problems, the economic progress of the country would definitely gain fresh momentum. It is to be hoped that the reshuffled Union Cabinet will take a more realistic view of the problems ahead than its predecessor.

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The relief given in the excise duty on cotton textiles and the suspension of the compulsory deposit scheme for 1958-59 have also gone a long way towards changing the sentiment of share markets on more cheerful lines. These measures, of course, do not go far enough. The Government could have abolished the compulsory deposit scheme altogether instead of merely suspending it for a year. It would have lost nothing thereby. Similarly, it could have reduced the excise duty on cloth to the extent it was increased on 1st September 1956, so that the cotton mill industry could raise its contribution to the national income substantially and compete effectively in the export markets based on the strength of its domestic base. Nevertheless, these two concessions have to be welcomed in the spirit of something being better than nothing. They have revived hopes that, at the Select Committee stage, the Government would consider favourably the demands for reducing the rigour of the conditions pertaining to the development rebate and for cutting the rate of taxation on dividends and bonus shares at least. Be that as it may, knowledgeable brokers in the share market are of the view that the present bullish fervour will last for some time. This is based on the theory that a bull market feeds on itself. Some speculators have already made sizable profits after a long interval and this will encourage them to take further risks as bulls. The reduction in the British Bank rate from 7 per cent. to 6 per cent., news of which has just come, will also strengthen their hands. Again, yields on equities in India have been standing at high levels for want of confidence. Now that there are signs of revival of confidence, yield ideas also may change in a downward direction.

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For the third week in succession, the Reserve Bank of India has stepped up its selling rate for some of the Central Government loans. This week it pushed up the rate by 5 nP for both 3½ per cent. 1965 and 3¾ per cent. 1967 and by 10 nP for 3½ per cent. 1964. Over the three weeks since the Union budget was announced, the Bank's selling rates have been raised as follows:

Name of the Loan	*Increase*	*Latest price*
	nP	Rs.
3½% 1962	5	97.90
3½% 1964	20	97.95
3½% 1965	5	97.70
3¾% 1967	5	97.65
3¾% 1967	10	97.70
4% 1972	5	100.05

The Reserve Bank's object in pulling up the Gilt-edged market thus is to prepare it for the successful implementation of the borrowing programmes of both the Central and State Governments in the coming months. Some regard these preparations as rather too early, because there is no prospect of even the Central Government coming to the market before the middle of May, the earliest. They point out that the demand for money for trade purposes is still good and that the banks are finding their resources quite usable. They feel that, if the Centre were to enter the market before the slack season definitely sets in and all the banks are saturated with surplus funds, the response would not be satisfactory, let alone impressive.

In this context, a few facts about the present state of the money market will be interesting. So far during the current busy season (from 25th October 1957 to 7th March 1958), notes in circulation have gone up by only Rs. 92.5 crores, as compared with Rs. 107 crores in the corresponding period of 1956-57 busy season, the actual notes in circulation being Rs. 1,578.7 crores, as against Rs. 1,525.9 crores a year before. Foreign assets of the Reserve Bank have gone down by Rs. 48.1 crores, as against Rs. 70.8 crores. The cash balances of both Central and State Governments are actually higher, but their borrowings from the Reserve Bank are also higher by nearly four times at about Rs. 44 crores. There has been a rise of Rs. 67.6 crores in the (net) deposits of scheduled banks. In the corresponding period of the 1956-57 season, the rise was larger at Rs. 72.1 crores, but that was on a relatively lower base. At the close of the first week of this month, total (net) deposits stood at Rs. 1,426.8 crores, as compared with Rs. 1,159.5 crores a year earlier. There has, however, been a change in the composition of deposits. As on 8th March 1957, of the total deposits, Rs. 696.8 crores were demand nature and Rs. 462.7 crores time nature. A year later, their respective totals were Rs. 716.2 crores and Rs. 710.6 crores. It will thus be seen that both demand and time deposits are almost at equal levels now. This unique feature is due, to a great extent, to the system of call deposits on which the rate of interest is almost equal to that on term deposits, which in turn is the result of keen competition for funds not only between banks, but also between banks and the Government. Even industrial concerns have begun to revert to the old system of taking fixed deposits.

A good part of the increase in deposits of banks has occurred in those of the State Bank which is handling the growing Government and semi-Government accounts. Of the increase of Rs. 267.3 crores in the deposits of scheduled banks over the year, the share of the State Bank of India alone is Rs. 137 crores, or more than half. A big part of this growth in the funds of the State Bank is attributed to the sale proceeds of wheat and cotton obtained from the U.S. under P.L. 480. Naturally, the other scheduled banks, especially the bigger ones, are envious of the State Bank.

It is now common knowledge that, owing to restrictions by the Reserve Bank on advances against certain commodities, the curtailment of imports, lower level of production in some industries, and fall in food and a few other agricultural crops, the demand for credit has been relatively slack as compared with this time last year. This is reflected in scheduled banks' advances which have gone up so far in the current busy season by only Rs. 68.5 crores to Rs. 936.4 crores, as against by Rs. 105.3 crores in the same period of last busy season. It is true that, a year ago, the total of advances was only Rs. 866 crores, but, in view of the rise in deposits as noted above, the credit ratio to deposits is actually lower now at 65.6 per cent., as against 74.6 per cent. in the first week of March 1957. For the same reason, the scheduled banks' borrowings from the Reserve Bank have also been lower, the latest outstanding of such borrowings being only Rs. 36.9 crores, as against Rs. 79.1 crores a year before.

The lower credit ratio of scheduled banks as a whole is also influenced by the surfeit of funds with the State Bank of India, the credit ratio of which is only 50.3 per cent., as compared with 63.5 per cent. in March last. If this Bank is excluded, the credit ratio of the rest of the scheduled banks is still high at 71.9 per cent., though not as high as it was a year ago when it stood at 78.2 per cent. This figure gives one an idea of the extent to which scheduled banks other than the State Bank are preoccupied with financing trade and industry.

The Reserve Bank, of course, must be aware of all this. And yet if it has already started toning up the Gilt-edged market, it must be because of its view that the busy season will come to an end earlier than usual and also because it wants to bring about a proper realignment of the yields on the existing loans in accordance with their maturities. The yield on 3¾ per cent. and 3½ per cent. 1967 loans, for instance, is 3.80 per cent. whereas that on 3½ per cent. 1964 loan, a shorter maturity, is higher at 3.97 per cent. Similarly, 3½ per cent. 1965 loan is giving a return of 3.87 per cent. If the authorities are thinking in terms of floating a medium dated loans among others and also a short-dated loan at a favourable rate, they have to see that such anomalies in the pattern of yields are corrected in good time and not just on the eve of new loan flotation. It will now be clear as to why the rate for 3½ per cent. 1964 has already been put up by 20 nP.

It is, of course, quite premature to talk of the terms and types of the new loans that are due to be issued by the Central Government. But the way in which the Reserve Bank has been pulling up the market during the last few days suggests that it must be thinking in terms of three types, short-, medium- and long-dated loans.

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The U.S. economic recession, as is only to be expected, continues to attract world-wide attention. In view of the importance of U.S.'s role to the world economy, which arises partly from its being a sizable importer and exporter of goods, and partly from its being a generous donor and lender, there is widespread anxiety over the fact that the recession shows no signs of halting. Last week, we referred to the fact that the number of unemployed has crossed the five-million mark to stand at 5.2 million. The increase in February alone was 1.1 million, while in January it was 700,000. The index of industrial production (Base 1947-49=100) was 130 in February, as against 130 in January; it has now reached the lowest point since late 1954. An official announcement, made on the basis of a survey of plans for installation of new plant and equipment, states that the present investment programmes signal the "end of the recent boom in capital investment." Business men plan to spend $32,047 million in 1958, as compared with $36,962 million in 1957. Outlays are due to fall to a yearly rate of $34,050 million in the first quarter and then to $32.550 million in the second quarter. Further declines are expected in the following six months. Manufacturing companies plan to cut their investments one-sixth while commercial companies plan a reduction of one-eighth. Railroads, mining and non-rail transportation are expected to reduce their investments by 33⅓ per cent., 15 per cent. and 19 per cent., respectively.

Although the recession continues to be somewhat disturbing, it is gratifying to note that it has not so far led to serious disturbances elsewhere. At any rate, the conclusion reached by a *Reuter's* survey of the economies of several countries is that the recession has failed to justify fears of a severe "chain reaction." The survey, however, notes that many countries, including Britain, Canada, India, West Germany and Holland, record rising unemployment figures. But apart from Canada, which particularly feels the rise and fall of the economic tides of the U.S.A., American recession is not the dominating cause for this. According to Mr. Sydney Campell, *Reuter's* Financial Editor, "world prosperity has taken a knock, but so far there has been no rot." He adds: "There may be many repercussions still to come, but by then a turn in the American tide is probable." Canada's case, however, appears to be different, for it seems to trace its present setback in employment situation to U.S. recession, though there are other factors such as heavy immigration last year and the tight money policy of the former Liberal Government. West Germany has reported a cut in export orders as a result of U.S. recession. The official British view, it is stated, is that there is no reason why a worsening of the depression in the U.S. should affect the U.K. economy in a general way, but that there are bound to be "black spots" in industry. There has been no slow-down in Italy, nor in France which has been cushioned by foreign loans and the fall in international commodity prices. Australia has reported a slight fall in unemployment. As regards India, the recession, according to the survey, is affecting it mainly through a worsening of the terms of trade which has led to its products fetching lower prices in world markets.

Being fully aware of the gravity of the situation, the U.S. Government has already taken, as we indicated last week, quite a few measures designed to inject more money into the economy. What is now both vigorously demanded and confidently anticipated is a sizable cut in taxation. Last week, President Eisenhower is reported to have discussed the economic issues with Republican Party leaders. After the meeting, Mr. Joseph Martin, Republican Leader in the House of Representatives, revealed that it had been agreed that a decision on cut in taxes could be delayed by another month. But according to Mr. James Michell, the Secretary of Labour, a "major" tax cut is the "next big step" towards halting the recession. It would appear that the leaders of the leading trade union organisation,

(*Continued on page 555*)

SHARE MARKETS BULLISH

FAVOURABLE REACTION TO CUT IN CLOTH EXCISE DUTIES

(From Our Own Correspondents)

BOMBAY, *20th March*

THE share market shook off its hesitancy and struck a buoyant note during the week under review. The long-awaited relief to cotton textile mills by way of reduction in excise duties was granted by the Government, when the Prime Minister (in his capacity as Finance Minister) announced on Tuesday this week, in the course of his reply to the Budget debate in the Lok Sabha, a cut in basic excise duties on all varieties of cloth. Though this relief was well anticipated by the market, as witness the rally in prices prior to the actual announcement, the cut in duties was much less than asked for by the industry. Nevertheless, the market greeted the announcement with a further jump in prices and welcomed it more as a gesture on the part of the Government in realising the serious position of the textile industry.

Another welcome relief granted to industries in general was that the compulsory deposit scheme would not be in force during the year 1958-59. Announcing this, Mr. Nehru said that withdrawal of the scheme was not being done now, as it would necessitate bringing an amending Bill. He, however, told the House that when the time came for amending the Income-tax Act, that would be done. It is, therefore, taken for granted that the scheme would not be enforced even after 1958-59, because of the difficulties involved in collecting the deposits. According to Mr. Nehru, a sum of Rs. 3.61 crores only was realised from the deposits and this was a comparatively small sum involving an enormous amount of work. Moreover, the strict regulation of the development rebate allowance would serve the purpose of the compulsory deposit scheme. The relaxation of deferred payment condition for the import of essential goods from the U.S. which would be financed out of the $150-million loan from the Export-Import Bank, announced by the Government of India yesterday, also aided sentiment. Only projects of sufficient importance in the engineering, chemicals, cotton textiles, automobiles and coal mining industries would be eligible for this concession. These favourable developments brought about a complete change in the market sentiment and lifted up prices to levels not seen for some months past.

In the steels section, Tata Ordinaries jumped from Rs. 174 to Rs. 178.25 and, after a short-lived setback to Rs. 175.75, forged ahead to close at Rs. 180.25. The new shares gained over the week Rs. 5.50 to Rs. 175.50. The withdrawal of the strike at Indian Iron and Steel Company's works gave additional strength to the scrips, which advanced from Rs. 20.44 to Rs. 21.36 at the close today.

Textiles gave the lead to the whole market. Bombay Dyeings picked up no less than Rs. 3.80 over the week to Rs. 55.40. Century's staged an impressive rise from Rs. 393.25 to Rs. 425. Kohinoors moved up from Rs. 272 to Rs. 285 before closing at Rs. 283. Central Indias recorded a gain of Rs. 8.50 to Rs. 90.50, Finlays Rs. 18 to Rs. 283 and Gold Mohurs Rs. 20 to Rs. 202.50. Khataus were marked up by Rs. 13 to Rs. 154, while New Greats lost Rs. 3.50 to Rs. 209 and New City Mills were done Rs. 25 lower at Rs. 100. Shree Niwas Cottons hardened by Rs. 13 to Rs. 148, Simplex by Rs. 2 to Rs. 161.50 and Standards Rs. 14 to Rs. 432. Svadeshis gathered Rs. 12 to Rs. 183.50 and Tata Mills Rs. 2 to Rs. 41.

Expectations of an increase in cement prices accounted for a brisk activity in cement shares. Associated Cements rallied from Rs. 143 to Rs. 150 and their new shares from Rs. 138.50 to Rs. 141. Digvijays gained Re. 1.75 to Rs. 138.25 and Orissa Cements 16 nP to Rs. 12.48. Sugar shares participated in the general rise, Belapurs changing hands Rs. 3.50 higher at Rs. 239. Phaltans were done Rs. 140.50 *ex-div.*, as against Rs. 150.50 *cum-div.* a week ago. Walchandnagars gained ground from Rs. 273.50 to Rs. 278.75. In the engineering and mining group, Alcock Ashdowns rallied by Rs. 11.25 to Rs. 227.50 and Tata Locomotives by as much as Rs. 7.25 to Rs. 153. Premier Constructions picked up Rs. 8 to Rs. 167.50. Larsen and Toubros rose by 44 nP to Rs. 13.80 and Mahindras were done 76 nP higher at Rs. 18.12. Shivrajpurs rose by Rs. 3 to Rs. 97. Shipping shares were relatively less active, but the undertone was steady. Scindias gained 8 nP to Rs. 16.84 and Great Easterns 16 nP to Rs. 19.96. Premier Automobiles were taken Re. 1 higher at Rs. 79.50 and Hindustan Motors 16 nP better at Rs. 6.32. Among miscellaneous shares, Bombay Burmahs (old) firmed up from Rs. 505.50 to Rs. 530. National Rayons staged a rise from Rs. 222.50 to Rs. 243.25. Tata Chemicals gained 40 nP to Rs. 13.52 and Tata Oils Re. 1 to Rs. 38.50. Hindustan Levers changed hands 96 nP higher at Rs. 22.52.

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Calcutta Stock Exchange

CALCUTTA, *19th March*

Opening on a firm note under the stimulus of improved economic situation as pictured by Mr. Nehru, the Calcutta Stock Exchange gathered a steadier trend as the week progressed. Closing levels, as a result, were higher on balance. There were hopes of a reduction in excise duty on cloth, which was, in fact, announced yesterday. The Prime Minister's assurance to the Congress Parliamentary Party regarding review of export duty on inferior teas contributed to fair gains in the tea section; this was interpreted as the beginning of a change in official attitude to the various problems confronting the tea industry.

The impressive rise in Indian Irons followed the end of labour strike in the Company's smelting shop, the continued expectations of a bonus issue, and hopes of 10 per cent. dividend on increased capital. Although prices did not vary in a noticeable way, more jute shares changed hands, thanks to improvement in jute goods prices and reduction in output during February. Encouragement was also derived from reports that recognised legal futures trading in jute goods and raw jute would soon be resumed. In accordance with the general trend, miscellaneous industrials gathered strength. The possibility of any major relief in taxation was ruled out but hopes were lingering that, the Finance Minister, in the course of his reply to the Budget debate in the Lok Sabha, would announce small concessions directly aimed at more industrial activity. The suspension of the compulsory reserve deposit scheme now announced boosted activity yesterday.

Among textiles, Kesorams hardened from Rs. 9.90 to Rs. 10, and Jayshrees from Rs. 6.19 to Rs. 6.62. Basantis were earlier better at Rs. 6.03, but Cawnpore Textiles declined to Rs. 4 from Rs. 4.44.

Coals were quiet, although more business was put through this week. The suspension of work in some collieries in Jharia following apprehensions of accident by the Mines Inspector was a factor which kept back enthusiasm. After being better at Rs. 213, Bengals receded to Rs. 208, with Burrakurs easing from Rs. 22.75 to Rs. 22.60. Pench Valleys were unchanged at Rs. 18.

More interest was shown in engineering shares. On interested support, Indian Irons touched a high of Rs. 22.18, after opening at Rs. 20.39. Guest, Keen Williams at Rs. 29.75 added a fractional gain, and Texmacos put on 70 nP to Rs. 18.05. Jessops opened at Rs. 22.62 and rose to Rs. 22.87 before losing to Rs. 22.19. Burn & Cos. at Rs. 326 picked up Rs. 6. The higher trend in metal prices contributed to the smart rise in Indian Coppers from Rs. 2.84 to Rs. 2.97.

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Madras Stock Exchange

MADRAS, *18th March*

An irregular trend was in evidence on the Madras Stock Exchange during the week under review. Plantation shares met with sustained buying support, induced by hopes of a reduction in export duty on tea following the Prime Minister's statement to the Congress Parliamentary Party, firmness of tea prices and absence of any new proposals of tax on plantation companies in the Mysore budget. But textiles encountered selling, thanks to mounting stocks with mills and continued decline in prices. The reduction in the excise duty on cloth announced by the Prime Minister today had no effect on the market, since most of the textile mills in South India are predominantly spinning units. Electricity and sugar shares were dull, in the absence of any encouraging development. In the miscellaneous section, buying was of a selective nature. The market received with satisfaction Mr. Nehru's announcement today of the suspension of the compulsory deposit scheme. This, however, did not lead to any improvement in enquiries, as operators preferred to await the exact details of the announcement.

Among tea shares in the planting section, Haileyburias spurted by 65 nP to Rs. 17.25. Kalasas improved by 15 nP to Rs. 15.10. Kil Kotagiris rallied 31 nP to Rs. 5.46. Twyfords picked up 10 nP to Rs. 12.50. Coonoors and Waterfalls added 5 nP each, the former to Rs. 18.80 and the latter to Rs. 3.35. Chembras gathered 2 nP to Rs. 3.17. Coffee shares were in the limelight. Coffee Lands forged ahead by 75 nP to Rs. 31.25. Anaparais were marked up by 65 nP to Rs. 5.80 *cum-div.*, induced by the announcement of a final dividend of 25 per cent., making a total of 40 per cent. for the year ended 30th June 1957, as against 25 per cent. in the previous year. Consolidated Coffees and Badras rose by 15 nP each to Rs. 22.95 and Rs. 3.30, respectively. Bababudins increased by 12 nP to Rs. 10.37. Mysore Coffees put on a like amount to Rs. 3.10 Sangameshwars strengthened by 9 nP to Rs. 2.72. Savamalais gathered 3 nP to Rs. 4.03. Among rubber shares, Thamarapallys were well favoured, the quotation rising by 90 nP to Rs. 21.75. Travancore Rubbers were quoted 25 nP higher at Rs. 13.75. Cochin Malabars and Highlands hardened by 20 nP each to Rs. 5 and Rs. 12.50 respectively.

In the textile section, Radhakrishnas slumped by Rs. 8 to Rs. 120. Rajapalayams dropped Rs. 3.50 to Rs. 130. Metturs declined by Rs. 2.50 to Rs. 397.50 *cum-div.* Coimbatore Pioneers and Ranga Vilas lost Re. 1.50 each, the former to Rs. 225 and the latter to Rs. 62.50. Cannanores receded by Rs. 3 to Rs. 153. Bangalore Woollens shed a rupee to Rs. 169.

TRAVANCORE BANK LTD.

PROFIT MORE THAN DOUBLES IN THREE YEARS

THE Travancore Bank Ltd. (General Manager: Mr. D. R. Vedamuthu, Trivandrum) has had another year of successful working during 1957. In consonance with the development of the country's economy and in tune with the general trend of banking business during the year, there was a sizable expansion in the business of the Bank, as witness the rise in the total working capital from Rs. 8.02 crores to Rs. 9.05 crores. The profit has moved up by Rs. 2.91 lakhs to Rs. 14.82 lakhs, thus maintaining the upward trend noted in the previous years. It will be recalled that the Bank's profit, which had suffered a slight setback in 1954 from Rs. 8.05 lakhs to Rs. 7.36 lakhs, staged a good recovery in subsequent years and has now reached a peak of Rs. 14.82 lakhs in the year under review. With this improvement, the profit has more than doubled itself in the last three years.

The bulk of the rise in profit for the year under review has, however, been eaten up by the provision for taxation which has risen from Rs. 4.90 lakhs to Rs. 7 lakhs. The transfer to the reserve fund has also been stepped up, but only slightly, from Rs. 2.40 lakhs to Rs. 2.97 lakhs. As in the previous year, a sum of Rs. 20,000 has been provided for depreciation on investments. The dividend has been raised to 5 per cent. from 4 per cent., to which level it had been stepped up two years ago from 3 per cent.

The following comparative table brings out clearly the progress of the Bank in the last three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	32.06	25.79	23.81	21.16
Commission and exchange	7.09	5.15	4.64	3.92
Interest paid	13.51	9.80	8.82	8.76
Expenses	10.53	8.96	9.22	8.63
Depreciation	0.21	0.29	0.35	0.35
Profit	14.82	11.91	10.20	7.36
Provision for taxation	7.00	4.90	4.00	1.25
To reserves	2.97	2.40	2.05	2.00
,, depreciation on investments	0.20	0.20	0.25	0.50
,, bonus to staff and gratuity fund	0.05	0.40	0.40	0.60
Dividend	5.00 (5%)	4.00 (4%)	4.00 (4%)	3.00 (3%)
Carry forward	0.06	0.45	0.44	0.94

	As on 31st December			
	1957	1956	1955	1954
Capital	1,00.00	1,00.00	1,00.00	1,00.00
Reserves	29.17	26.20	23.80	21.75
Deposits	6,05.48	4,65.54	4,76.70	4,39.09
Borrowings from other banks	..	10.00	..	..
Advances	3,33.60	2,63.81	2,51.57	2,21.57
Investments	2,44.12	2,60.32	2,55.09	2,55.50
Cash (including money at call)	1,75.28	97.25	1,10.44	98.00
Balance-sheet total	9,05.12	8,01.66	7,40.81	7,32.20
Ratio to deposits of—	%	%	%	%
Advances	55.1	56.7	52.8	50.5
Investments	40.3	53.8	53.6	58.2
Cash	28.9	20.9	23.2	22.5

As will be seen from the above table, the Bank's income from interest and discount has recorded a rise of Rs. 6.27 lakhs during the year under review, as against the aggregate increase Rs. 4.63 lakhs in the previous two years. Income from commission and exchange has gone up by Rs. 1.85 lakhs in 1957, as against Rs. 1.23 lakhs in 1955 and 1956. On the expenditure side also, a similar feature is disclosed. The rise in interest paid is of the order of Rs. 3.71 lakhs, which is more than three times the increase (Rs. 1.04 lakh) in the previous two years.

The Bank's reserves stand considerably strengthened at Rs. 29.17 lakhs and these are made up of a general reserve aggregating Rs. 22.92 lakhs and a contingency reserve of Rs. 6.25 lakhs. The expansion of Rs. 1.40 crores in deposits during the year under review is in refreshing contrast to the decline of Rs. 11 lakhs noted in 1956 and is shared by all classes of deposits. Thus, fixed and thrift deposits have gone up from Rs. 1.88 crores to Rs. 2.38 crores, savings bank deposits from Rs. 34 lakhs to Rs. 43 lakhs and current and contingency accounts from Rs. 2.43 crores to Rs. 3.24 crores. The pace of increase in advances has not slowed down during the year, as is the case with most other banks. On the contrary, the rise in advances has been much more than that noted in the previous year. Loans, cash credits and overdrafts have risen from Rs. 2.24 crores to Rs. 2.87 crores and bills purchased and discounted from Rs. 39 lakhs to Rs. 47 lakhs. Investments are lower by Rs. 16 lakhs, but cash balances (including money at call and short notice) stand strengthened by Rs. 78 lakhs.

NEWS IN BRIEF

THE Madras Legislative Assembly passed on the 14th inst. a Bill empowering the Government to enhance the sales tax on diesel oil from 10 nP to 35 nP a gallon. The increase will come into force from 1st April and is estimated to yield an additional revenue of Rs. 30 lakhs a year.

A new post-graduate course in tea will be introduced in the Assam Agricultural College for which a syllabus is now under preparation by Gauhati University.

The Department of Atomic Energy has decided to set up a plant for the production of uranium metal at Trombay, near Bombay. The Indian Rare Earths (Private) Limited, which has been entrusted with the task of erecting this plant, has started work on the project and it is expected that the plant will be ready by the end of 1958.

An agreement between India and the Lebanon for air services was signed in New Delhi on the 13th inst. Under this agreement, the airline designated by the Government of India will be entitled to touch the Lebanon at Beirut, and if desired, beyond, except points in Egypt. Similarly, the airline designated by the Lebanese Government is entitled to touch India at Bombay and proceed, if desired, beyond.

The manufacture of radial drills of ten different types is expected to be undertaken shortly by the State-owned Hindustan Machine Tools, Limited, Bangalore. This will further diversify the manufacturing programme of the factory which is already turning out two types of precision lathes and six types of milling machines. The Hindustan Machine Tools manufactured more than 300 machines in 1957. Its output was valued at Rs. 1.24 crores, representing more than half of the total output of machine tools in India which was of the order of slightly over Rs. 2 crores.

The National Productivity Council, which aims at launching a campaign for increase of productivity in the country has been constituted. The Council consists of 11 representatives each of Government departments, employers' associations and labour organisations. The Minister for Industry, Mr. Manubhai Shah, is President of the Council, and Dr. P. S. Lokanathan is the Chairman. Representatives of other interests like technicians, consultants, consumers and small-scale industries will be co-opted to the Council at the meeting. The total membership will be about 60. It will also consider a programme of productivity drive.

India and Poland have entered into a new trade development agreement under which payments for imports will be made in rupees. Under the agreement, the Narodowy Bank Polski will open a special trade development account. Contracts for the import of essential machinery from Poland will be registered with the State Trading Corporation and rupee proceeds will be credited to the special account and utilised only for payments for exports from India of specific commodities. This arrangement is in addition to the trade agreement concluded in April 1956, and will remain valid till the end of 1959. It is expected to lead to a substantial development of trade between the two countries.

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From Abroad

Belgian steel output in February was 482,434 tons, as compared with 549,210 tons in January and 508,378 tons in February last year. The daily average output at 20,101 tons was also lower, as against 21,123 tons in January.

At a meeting scheduled to be held in London this week, shipowners representing Greek interests in the U.S. and Britain, are expected to finalise details of a scheme for a controlled lay-up of tonnage designed to limit the fall in tramp freight rates.

A cess of four cents, equivalent to approximately 0.72*d.* per lb., designed to finance a seven-year scheme to rehabilitate and develop the Ceylonese tea industry, is expected to be imposed by the Ceylon Government on exports of all tea from 1st April next. It is stated that no relief will be given on current purchases of tea not shipped by 1st April.

Orders with West German steel mills in January last amounted to 5.16 million tons, as compared with 5.42 million tons at the end of December 1957, and 5.62 million tons at the end of November 1957. It is stated that the orders are sufficient to keep the mills busy for hardly 3½ months, while a year ago, they were enough for almost six months.

The total ban on the issue of import licences for printed cotton textiles will be partially lifted by the Australian Government in the next licensing period commencing from 1st April. Indications are that for the April-July period licences will be issued equal to the square yardage imported by a "holder in the corresponding period last year." Not more than half of this quota can, however, be imported before 1st July.

The War Risks Rating Committee of the Institute of London Underwriters has announced that war and strike, riot and civil commotion risks on cargoes going to from or between ports in Indonesia and/or Dutch New Guinea are "held covered." By this, it is meant that cargoes can be insured, but that there is no fixed rate. The rate prevailing formerly for these voyages was 5*s.* per £100, which was fixed on 23rd December last year.

A trade mission, aimed at promoting Australian exports, will make a four-week tour of South-East Asian countries. It will be led by Mr. Swartz, Parliamentary Secretary to the Australian Trade Ministry. The mission, which is expected to leave on 15th April, will include twenty members, representing bankers, manufacturers and business men. It is learnt that Singapore, Malaya and Thailand will be offered goods and services ranging from breakfast foods to the erection of concrete buildings.

A new push button telephone system, with 800 internal connections will shortly be installed in a new factory now being built at Strijp in the Netherlands. The major advantage in this new service, as against the dialling, is that it takes considerably less time to push a number than to dial it. It is calculated that the introduction of this push button telephone in a factory or office with up to a thousand extensions would save annually about Rs. 18,000 as "dial time wages."

Britain's overseas trade gap in February 1958 narrowed down to £11 million. Barring October 1954, when there was a national dock strike and July 1946, this is said to be the lowest figure for any month since World War II. Exports in February were valued at £265.4 million or £12 million less than in January. Re-exports aggregated £12 million or slightly less than in January. Imports amounted to £288.7 million. This was £36 million less than in January and the lowest figure since the autumn of 1954.

The British consortium of Rustyfa Ltd. formed last summer for the purpose of supplying plant and equipment for a tyre factory under construction in Russia has secured orders worth more than £5 million for this factory. Members of the consortium are: David Bridge & Co., Crompton Parkinson, Lancashire Dynamo Holdings, Mather and Platt and Francis Shaw & Co. The factory, scheduled for completion by 1959, is expected to be one of the biggest outside the U.S., with an estimated annual output of 2 million tyres.

The 42nd Swiss Industries Fair is scheduled to take place in Basle from 12th to 22nd April 1958. More than 2,300 exhibitors will take part spread over 17 professional groups. The exhibition area will be increased to 1,375,000 sq. ft. by the addition of a new machinery hall. There will be a particularly well-assembled display, with an appeal to all the markets of the world, of those goods produced by the groups covering machine-tools and tools for the metal-working industry, the electrical industry, the watchmaking fair and textiles.

PERSONAL

DR. S. Radhakrishnan, the Union Vice-President, left Bombay for London *en route* to the U.S. last Friday on a four-week tour.

Mr. A. C. Gazdar, Technical Director, Air-India International, has been elected President of the Bombay branch of the Aeronautical Society of India. Mr. M. J. B. Maneckji has been elected Vice-President.

Mr. B. K. Nehru, Secretary, Economic Affairs Department, Union Ministry of Finance, arrived in Bombay from London on Thursday last, after completing his work in connection with the dollar loan in the U.S.

Mr. Walter Nash, Prime Minister of New Zealand, arrived in New Delhi on the 18th inst. He was accompanied by Mr. A. D. McIntosh, Secretary of the Department of External Affairs, New Zealand.

ACC HONOURS THE CODE

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". . . . . reserves must be created for expansion and modernisation of the plant and machinery and in their utilisation the Management remains accountable to the investor. Money must also be provided for research."

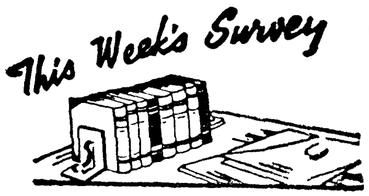
Code of conduct — FORUM OF FREE ENTERPRISE

To ensure a continuous and growing supply of quality Portland cement to its customers, the ACC "ploughs back" every year a substantial portion of its earnings, to rehabilitate, expand and modernise its existing plants; to make its business grow and so to provide the country with the much-needed cement which goes into all types of construction, from the modest needs of the small village to the hungry demands of gigantic power and river valley projects, industrial development, housing schemes, hospitals, schools and the like.

This "ploughing back" of a portion of the ACC's earnings — though reduced last year owing to lower profits, resulting from higher costs and increased taxation — remains a vital factor in the production and supply of quality cement in increasing quantities to millions of satisfied users throughout India who have learned to depend on — ACC CEMENT.

THE ASSOCIATED CEMENT COMPANIES LIMITED

THE CEMENT MARKETING CO. OF INDIA PRIVATE LIMITED



PORT DEVELOPMENT

THE importance of transport, in general, and port development, in particular, to India's economy was emphasised by Mr. H. L. Murray, Vice-President, Bombay Chamber of Commerce and Industry, at the annual general meeting of the Chamber, held this week in Bombay. Mr. Murray prefaced his remark with the observation that, if he dealt particularly with ports and transport, he certainly did not do so in a spirit of "carping criticism" but with a view to demonstrating their vital importance in the context of the Plan. Although he paid a tribute to Government for its efficient handling of the congestion in ports, which had developed last year, he rightly suggested that the fact that the congestion occurred at all must serve as an "unpleasant reminder" of the inadequacy of our ports. He made the point that port development should be initiated "with an eye not merely to the present or the immediate future but to the far future, to, say, the fourth and fifth Five-year Plans." Work undertaken on the basis of long-term planning of the kind, as suggested by Mr. Murray, will certainly eliminate periodical crises on the port front and also reduce the overall outlay on port development. It is to be hoped that the authorities will realise the importance of allotting high priority to the development of ports, for which Mr. Murray made a special plea in his address.

The fact must be squarely faced that Indian ports are being called upon to handle an increasingly larger volume of traffic. Mr. Murray cited the case of the Bombay Port which handled in 1956-57 about 11.9 million tons, as against 10.3 million tons in 1955-56 or a mere 5.2 million tons in 1953-54. In this connection, he noted that the world's major ports are "developing new and highly technical systems of control, cargo working and management." Surely, Indian ports cannot altogether isolate themselves from the modern movement towards increasing mechanisation, if they are to discharge their responsibility towards the export and import trade. Two related issues, to which Mr. Murray drew pointed attention, are dredging equipment and ship repair facilities. He said that the harbour was silting at an alarming rate and the present antiquated dredgers could not cope with the task of maintaining sufficient water at the dock berths. He insisted that adequate repair facilities for ships were a "must" for a port of the size of Bombay. It would appear that the lack of repair berths in Bombay has compelled shipping companies to effect repairs at ports outside India. It should thus be clear that the setting up of additional repair facilities in Bombay would not only arrest the drain on foreign exchange involved in getting Indian ships repaired abroad, but also enable India to earn a modest amount of foreign exchange through the repairs to foreign ships which might be effected here. The report of the Committee, which the Union Government has appointed to investigate the whole problem, will, therefore, be awaited with interest.

As regards transport in general, Mr. Murray referred to the additional traffic which was bound to develop as the industrial programmes were executed. He, too, reiterated the widely-held view that "it may not be possible, with the present restricted resources, to expand the railways at the rate which would keep pace with the increasing demand." Road development could certainly take the burden off the railways. But it implies the adoption of constructive policies by the Union Government. Indicating, in broad outline, the measures which would be necessary, Mr. Murray said: "To develop road transport, the first prerequisite is, of course, the improvement of the highways. The second is to remove the various difficulties in the way of the operators, such as legislative restrictions on movement, lack of credit facilities for the purchase of commercial vehicles and the high and varying rates of taxation on vehicles in different States." The amendment to the Motor Vehicles Act has removed some of these handicaps. But the most important of them, namely, high tax burden and divergent rates of taxation, still remain. Mr. Murray suggested the centralisation of road taxes and the distribution of the revenue among the States. We commend this suggestion at least in so far as taxes on vehicles functioning in the inter-State sphere are concerned, for its acceptance will give the much needed fillip to long-distance movement of goods and passengers.

ATOMIC ENERGY

A reference to the possibility of India undertaking to build two or three atomic power plants made by President Rajendra Prasad, in his address to the Houses of Parliament last month, serves to emphasise that the Government is fully alive to the importance of peaceful uses of atomic energy. Indeed, among South-East Asian countries, India, as is well known, has made the most notable progress in the field of nuclear investigations. The research work which is being done in this country under the inspiring leadership of the great Indian scientist, Dr. H. J. Bhabha, Secretary of the Atomic Energy Department, has been commended by leading scientists abroad. Clearly, there is scope for extending and improving the work in this sphere. After all, nuclear science, both in its fundamental and applied aspects, is making rapid strides. And, if India is not to lose the atomic race, it has to step up the tempo of research work.

Against this background, it is gratifying to note that the Government of India has decided to invest the Atomic Energy Commission with additional powers and to make the Commission a more effective body than at present. Explaining the significance of this decision, the official announcement about the Commission says:

"Since the establishment of the Department of Atomic Energy in August 1954, research and development in the peaceful uses of the atomic programme is envisaged for the future, in the course of which India should be able to produce all the basic materials required for the utilisation of atomic energy and build a series of atomic power stations which will contribute increasingly to the production of electric power in the country. These developments call for an organisation with full authority to plan and implement the various measures on sound technical and economic principles and free from all non-essential restrictions or needlessly inelastic rules. The special requirements of atomic energy, the newness of the field, the strategic nature of its activities and its international and political significance have been taken into consideration in setting up the Atomic Energy Commission which will replace the one set up in 1948."

What is now attempted is to make the Commission a more active body, capable of taking and implementing prompt decisions. The Commission will consist of full-time and part-time members; the total number will be not less than three but not more than seven. At present, it will consist of three members. Dr. Bhabha will be the Chairman, in his capacity as the Secretary of the Atomic Energy Department, while another full-time member of the Commission will be the Member for Finance and Administration, who will also be the Secretary to the Department in financial matters. The Director of the Atomic Energy Establishment will be the third ex-officio full-time member in charge of research and development. The Commission will be responsible for formulating the policy of the Atomic Energy Department and for preparation of the budget for approval by the Government. All recommendations of the Commission on policy and allied matters will be put up to the Prime Minister through the Chairman. The Chairman will have the power to override the other members of the Commission, except that the Member for Finance and Administration will have the right to ask that any financial matter, in which he does not agree with the Chairman, be referred to the Prime Minister and the Finance Minister.

The whole object of setting up the Commission, according to Dr. Bhabha, who explained the nature and purpose of the Commission at a Press conference held in Bombay last week, is to expand the atomic energy programme. With this end in view, it is being modelled to a certain extent on the U.K. Atomic Energy Commission. Clearly, the work of the Department has increased both qualitatively and quantitatively. The latest addition to the activities of the Atomic Energy Department is the radio chemistry laboratory where research has been initiated into various processes, including separation of fission products from thorium. The expanding nature of the work of the Department and the fact that in a rapidly developing scientific field, it is of the utmost importance that red-tape should be kept to the minimum, if not altogether eliminated, imply that all research and expansion programme should be directed by a high-power body. This is precisely what has now been done. Now that the Commission has been invested with all necessary powers, it is to be hoped that it will initiate bold programmes which will increase the pace of nuclear development in India.

F.I.C.C.I. ON SALES TAX

There is a national aspect to sales tax in that it affects industries, dealers and consumers in States other than the one in which it is levied and also the country's import and export trade. This implies that the problems faced by trade and industry due to the lack of uniformity of the systems prevailing in the various States should be viewed from a national standpoint and corrective measures devised accordingly. The enactment of the Central Sales Tax Act, the amalgamation of sales tax on articles like cloth, sugar and tobacco with the excise duty levied thereon, etc., are steps in the right direction. But these measures by themselves are not sufficient to improve the situation materially. The wide disparities in the sales tax policies pursued by the State Governments continue to present difficulties to trade and industry. The Federation of Indian Chambers of Commerce and Industry has, therefore, done well to emphasise, in a resolution on sales tax, the need for more intensive efforts to bring about co-ordination of the sales tax policies of the State Governments.

The Federation has made a number of useful suggestions. In the first place, it suggests that the scheme of collection of sales tax, along with other levies implemented in respect of three articles, namely, mill-made textiles, sugar and tobacco, should be extended to as many articles as possible, particularly to those on which at present Central excise duty or customs duty is levied, except on those which are mainly used as raw materials. Secondly, the Centre should enact a model Sales Tax Act for the guidance of States. Varying definitions given to basic concepts like "dealer," "sales," etc., in State enactments cause much hardships to traders. The enactment of a model Sales Tax Act by the Centre, laying down the turnover limits, registration procedure, returns and forms, procedure for revision and appeals, etc., will be of great help in imparting a certain degree of uniformity to sales tax legislation. Within the broad features given in the model Sales Tax Act, the States should be free to adjust the rates and conditions according to the conditions obtaining in each. Thirdly, inter-State sales tax should be levied only once, though the goods may pass through dealers in two or three States. Fourthly, the Central Sales Tax Act should be so modified as to make export transactions cover not only transactions which themselves occasion export but also goods meant for export. It should not be difficult, the Federation points out, to give refund of sales tax collected on goods exported on irrefutable proof of such export. Finally, the inter-State Taxation Council, recommended by the Taxation Inquiry Commission, should be set up as early as possible in order to undertake the task of introducing as much uniformity as possible in the administration of sales tax.

The Madras Government has already introduced in the State Assembly a comprehensive Bill on sales tax. Many other State Governments may, following the example of Madras, enact fresh legislation overhauling the existing sales tax structure. It is necessary for the Centre to give a correct lead, on the lines suggested by the Federation, so that wide differences in the method and levy of sales tax in the States may be avoided.

MADRAS SALES TAX BILL

The General Sales Tax Bill, 1958, introduced in the Madras State Assembly by Mr. R. Venkataraman, Minister for Industries, on the 8th inst. has been referred to a Select Committee, after some preliminary discussions. The Bill envisages a comprehensive reform of the sales tax structure in the State on the lines suggested by Dr. P. S. Lokanathan, Director-General of the National Council of Applied Economic Research, who had been invited by the Government of Madras in May last for examining the scope and working of the sales tax law in the State, with a view to simplifying its structure and administration. In his report, submitted in December last, Dr. Lokanathan made a number of recommendations for the simplification and improvement of the sales tax system. The Government examined the various proposals and, in order to give effect to the decisions taken thereon, it was found necessary to replace the existing General Sales Tax Act, 1939, by a comprehensive enactment. The present Bill seeks to achieve this object.

Dr. Lokanathan had suggested a system of single-point tax on a wide range of commodities, together with a multi-point tax, at the rate of one per cent., on a residuary list. In addition, it was also recommended that, on certain essential commodities such as foodgrains, cereals, pulses and milk, the multi-point levy should be at a lower rate of half per cent. He also recommended the levy of slab rates on small dealers having a turnover of Rs. 25,000 and below.

The Government has accepted the suggestion to levy a single-point tax on a number of commodities. The rates of tax and the point of taxation in respect of goods recommended for single-point levy has also been accepted with minor changes and embodied in the Bill. The Government, however, did not favour Dr. Lokanathan's recommendation to reduce the general rate of multi-point tax from the prevailing two per cent. to one per cent., because of the uncertainty over its revenue effects. No reliable estimate has been made of the revenue from the proposed reduced rate of one per cent. Since the Government could not afford to experiment by reducing the rates when there was no guarantee that the yield from the reduction would not be below the present yield, it was decided not to reduce the rate. The principle of levying slab rates of tax on dealers having a turnover of Rs. 25,000 and less has also been accepted but the rates of tax for the various slabs has been so modified as to conform to the general multi-point tax of two per cent. Necessary provisions in that regard have been made in the Bill. The rate on cereals, pulses, milk and vegetables are correlated to the general multi-point levy and, as the recommendation for reducing the general multi-point levy has not been accepted, the lower rate recommended for these items have also not been accepted. But, as recommended by Dr. Lokanathan, the Government has decided to withdraw exemptions granted to vegetables and to tax them at one per cent. as against half per cent. recommended by him. However, merchants dealing exclusively in vegetable with a turnover of Rs. 25,000 and below would be exempt from the tax.

The Bill also seeks to reduce the taxable limit from Rs. 10,000 to Rs. 5,000 as recommended by the Taxation Enquiry Commission. Provision has been made to levy a tax of Rs. 5 per month for dealers with a turnover of between Rs. 5,000 and Rs. 10,000. Thus, sales tax will be levied on a turnover above Rs. 25,000, and between Rs. 5,000 and Rs. 25,000 it would be only a sort of compounded tax.

The Bill, in accordance with the recommendations made by Dr. Lokanathan, seeks to empower departmental officials to check the movement of goods by boats, lorries, to inspect, search and seize accounts. The object of this provision is to check evasion of taxes. It also contains provisions for the separation of appellate functions from the executive and proposes to appoint four Appellate Assistant Commissioners for dealing with appeals.

COTTON MILLS' FEDERATION

With the inauguration of the Indian Cotton Mills' Federation on Tuesday this week, a new and significant chapter has been added to the story of the cotton textile industry in this country. The Federation consists of all the mill-owners' associations, with the exception of the South Indian Millowners' Association; these include the associations of Bombay, Ahmedabad, West Bengal, Indore, Baroda, Nagpur, Saurashtra, Rajasthan, and the two organisations in Kanpur. The South Indian Millowners' Association, it is understood, has asked for some time to join the Federation. This seems to suggest that there are differences of opinion on a few issues between the Association and the other bodies. One such issue is that the South Indian mills, being mainly spinning units, want all possible active encouragement and assistance to the handloom industry, while the North Indian mills are opposed to such active assistance. Efforts are being made to straighten out the differences.

The proposal for establishing an apex body representing all the millowners was first mooted as early as in 1950, that is, after the Textile Control Board was wound up following the abolition of controls. A draft constitution of the proposed body was drawn up and circulated in February 1951 to the different associations in the country. Despite these efforts, no fruitful results emerged, thanks to power politics and group rivalries. Many years elapsed and the cotton textile industry found itself in the midst of stresses and strains on account of the unhelpful official policies, several of which were, and still are, based on ideological considerations. The industry came fully to realise that unless it approached the powers-that-be with one voice, there was no hope of a more helpful official treatment. It is this realisation and also the suggestion of Mr. Morarji Desai that prompted the renewed move of the different millowners' associations to form themselves into a central organisation. The scheme was actively taken up in November last and it is gratifying to note that the Indian Cotton Mills' Federation has now come into being.

The need for a central body clothed with the authority and prestige befitting an organisation representing the entire cotton mill industry is particularly urgent in the present context. With the rapid economic progress of the country, the opportunities and responsibilities of the textile industry have increased enormously. Since the last war, the industry has had to face many serious problems. Modernisation and rehabilitation of the productive equipment, promotion of exports on the scale prescribed by planners, and standardisation of wages, as Mr. Ramnath A. Podar, Chairman, Millowners' Association, Bombay, pertinently remarked in the course of his speech at the inaugural meeting of the Committee of the Federation, are some of the problems that have become highly complicated, demanding the collective wisdom and concerted action on the part of the various associations in the country for their solution. Mr. Podar did well to emphasise that the burden of presenting the textile industry's case and of seeking redress of its grievances would have to be borne increasingly by the Federation. "One of the most important functions of the Federation," to quote him, "would be seriously to consider a programmme of judicious publicity and propaganda, with a view to dispelling the prevailing misconceptions about the industry."

Considering the magnitude of the problems confronting the cotton mill industry, the responsibility placed on the Federation is, indeed, very vast. This aspect was impressively brought out by Mr. Kasturbhai Lalbhai, Chairman of the Federation, in his speech on the occasion of the Federation's inauguration. Here are a few extracts from his speech:

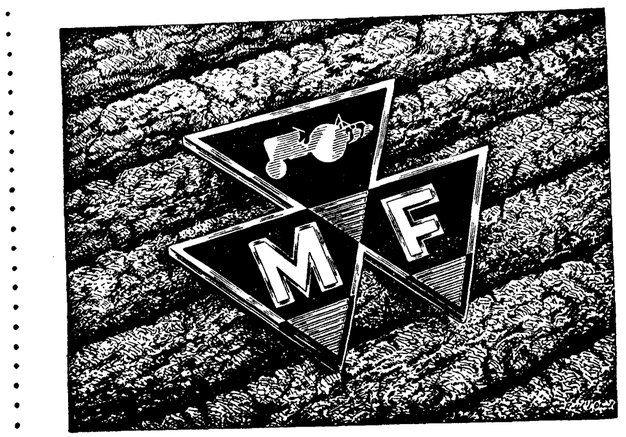
"The expansion of the industry under the impact of decentralisation policy of the Government of India has taken place in what were known as the deficit areas, and industrial units in these areas have assumed economic significance. In the conditions of a growing economy which our country is facing, the problems of the industry assume an all-India character.

"Our industry has to grow with the changing times . . . the interests of each sector of the community will have to be critically analysed by keeping in view the social philosophy of the day.

"The Federation will have to deal collectively with problems which may affect labour. The degree of recognition that it will obtain from various parties will depend upon the statesmanlike way in which the association and its staff handles its problems and the confidence it inspires in its dealings with others.

"A central association has also to develop and promote other activities, such as organisation of exhibitions, press and public relations, publications, international conferences, research and productivity studies, collection of industrial statistics, and promotion of commercial and training interests. In the matter of public relations, we have still to adopt the skilled techniques of the western countries. We should drop once for all ideas of keeping our operations behind a screen. Perseverance of this archaic attitude is potentially dangerous."

This is certainly a realistic appraisal of the task that lies before the Federation. If this task is to be tackled successfully, two things are imperative. First, the Federation must find men of sufficient ability and integrity who can, as Mr. Kasturbhai Lalbhai rightly mentioned, cope successfully with any situation or problem facing them in these difficult days. Secondly, the persons representing big, medium and small units or persons representing the different zones of the country should "work together with mutual respect and consideration and find the capacity to discharge their responsibilities for the common good."



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NO RELIEF IN DIRECT TAXATION LIKELY

FEDERATION'S PLEA BASICALLY WEAK

From Our Own Correspondent

NEW DELHI, 18*th March*

DELHI LETTER

THE Federation of Indian Chambers of Commerce and Industry's annual session which concluded here last week must be deemed unsuccessful in one crucial respect: its plea for a reorientation of the Government's fiscal policy has already been rejected by the Prime Minister. This should have been expected in the light of the statement of objects and reasons of the Gift-tax Bill. This statement has laid down that "with the introduction of this tax, the integrated tax structure which the Government have been aiming at will be completed." To all intents and purposes, therefore, "the integrated tax structure" has come to stay and the new Finance Minister, Mr. Morarji Desai, will be operating within the four corners of this structure.

The Federation's plea for a drastic revision of tax policy is basically weak in the sense that it (the Federation) has approvingly stated that the second Five-year Plan's public sector outlay of Rs. 4,800 crores cannot be deemed to be over-ambitious, and has also, by implication, supported deficit financing on a considerable scale. As deficit financing does have, to some extent or other, inflationary effects and as it is axiomatic that inflation is liable to make the rich richer, there is here provided some moral (and even pragmatic) justification for more direct taxation to get at the "accumulating personal incomes and wealth" and for more of the so-called anti-inflationary taxation to mop up "surplus purchasing power." To plead for a lower level of taxation and, at the same time, to support inflationary deficit financing seem to be mutually contradictory. The standing obsession of the larger section of Indian business men that created money can work wonders in an underdeveloped economy is a measure of the financial *malaise* (or vicious circle?) in which the country finds itself today.

Be that as it may, the only relevant question now is whether any tax relief is possible within the limitations of the integrated tax structure that has been evolved. It appears to be theoretically possible, because, with the implementation of Mr. Kaldor's scheme of integrated taxation, his interrelated proposal for limiting the rates of income-tax and super-tax to a maximum of 45 per cent. would have to be logically implemented. Even here the prospects are not very promising, for, in spite of the fact that the Kaldorian scheme of taxation has been implemented fully in the 1957-58 and 1958-59 Budgets, the maximum rates of personal income taxation in this year's budget continue to be 76.1 per cent. of total income in the case of wholly earned incomes and 83.2 per cent. of total income in the case of wholly unearned incomes—the same percentages as in last year's budget. While in the 1957-58 budget, the maximum rate of 90.6 per cent. (in the case of both earned and unearned incomes) was reduced to the above rates (76.1 per cent. in the case of earned incomes and 83.2 per cent. in the case of unearned incomes), it is, indeed, surprising that no further reduction is made in this year's budget although corporate taxes, personal income-tax and wealth, expenditure and gift taxes this year will bring in Rs. 158.5 crores, as against Rs. 142.0 crores in 1957-58 (Revised).

The Federation has rightly demanded the reduction of income and super-tax rates to 45 per cent., now that the Kaldorian tax devices have been brought into operation. But here, too, there is a snag and it should be very relevant to recall here the Central Board of Revenue's note on Kaldor's estimate of tax evasion—a note which, for some mysterious reason, did not form part of the printed version of Kaldor's report on Indian Tax Reform. Mr. Kaldor estimated the incomes evading tax in India at Rs. 576 crores in all sectors other than agriculture and the income-tax lost through such evasion at anything from Rs. 200 crores to Rs. 300 crores. The Central Board of Revenue, on the other hand, made two different estimates of incomes evading tax. According to one estimate which used Kaldor's own method of analysis of profits and taxable incomes by economic sectors, only Rs. 214 crores of income evaded tax. The Central Board of Revenue pointed out that Mr. Kaldor had assumed a very high proportion of taxable income to total income and that large depreciation concessions and various exemptions on account of charities, new industries, etc., which were not covered by the Income-Tax Act definition of "income" might have been incorrectly classified as income by Mr. Kaldor. The Board of Revenue thought that even the figure of Rs. 214 crores of income evading tax was on the high side.

Applying the Pareto Law to the distribution of income in India, the Board made the second estimate that the income evading tax should be of the order of only Rs. 160-170 crores. According to this law, "if the logarithms of the numbers of persons enjoying a certain income, and the incomes, are plotted on a graph the line joining the points will be a straight line." The Board found that their data fitted in almost perfectly with a straight line with only two points of deviation at the top and the bottom. From this, it was deduced that there were about 210,000 possible assessees escaping altogether at the margin, while there were about Rs. 25 crores of tax evasion in the highest slabs. The Board's estimate of tax lost annually through evasion was Rs. 35-40 crores only and this loss, in its opinion, could be largely made good with the help of more adequate and trained staff which was becoming available.

Mr. Kaldor's thesis, in short, was that large-scale evasion was a rather inescapable result of very high rates of income-tax while the Board of Revenue's thesis, in effect, was that there was not much evasion even under high rates of income-tax. Mr. Kaldor's thesis led to the twin conclusion that the high rates of income and super taxes should be lowered to minimise evasion and the tax structure be variegated to catch such evading incomes as still there were at some point or other by one or other of his new tax devices. The Board of Revenue had unwittingly played into the hands of political leaders of administration who thought in terms of safely retaining the high rates of income-taxation and benefiting the Exchequer thereby; at the same time, Mr. Kaldor had also played into their hands by proposing a whole series of redistributive tax devices designed to secure "a more equitable distribution of wealth in the country." In relying on both Mr. Kaldor and the Central Board of Revenue, the political leaders of the Government have got the best of both worlds—securing more revenue as well as imparting a more egalitarian bias to taxation. It is doubtful if the Nehru Government will at any time agree to lose this double advantage.

There is, however, another direction in which tax relief is again theoretically possible and that is by effecting savings in administrative costs. How the wages and salaries component of the current expenditure of Cen-

(*Continued on page 555*)

EXPORTS TO CANADA

COMPANIES interested in exporting to Canada are invited to contact Agent proceeding from India to the Canadian Territories in May 1958. Prior commitments in Great Britain will determine final schedule dates for this tour. Expected arrival in Canada early July with visits following to almost all Provinces. Exploratory business undertaken to establish continuing and regular trading between Canada and India.

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THE UNCERTAIN RECESSION

BUT NO REPETITION OF THE THIRTIES

From Our Own Correspondent

LONDON, 14*th March*

LONDON LETTER

THE American recession has become the most talked of thing in all financial and commercial circles; every economic index shows the transatlantic economy sliding downwards—yet so far this is a recession without depression. American unemployment exceeds 5¼ million equivalent to nearly 8 per cent. of the labour force, as compared with a proportion of under 5 per cent. a year ago. And, in Canada, the unemployment percentages are rather greater. Industrial production a month ago was, in the States, 9 per cent. lower than a year earlier. Financial policy is now reflecting these movements and discount rates have been cut—the American Treasury Bill rate, for instance, being 1½ per cent. against 3 per cent. last year.

What is happening in America has its counterpart in Europe to a limited extent so far. U.K. unemployment only shows a fractional increase, Germany shows no increase as compared with last year, although the indications are that a downward trend is developing, and Belgium shows an increase of nearly 2 per cent. In Belgium also production is 5 per cent. under last year's level but in other countries, including the U.K., production is actually higher than a year ago. However, Germany for one has suffered a reversal in its hitherto uninterrupted upward surge in production and, the U.K. apart, the general Continental indications are that the highly industrialised countries are beginning to reflect the transatlantic pattern.

It is the feeling that the reflection will become more and more faithful that concentrates general attention on the North American trend so that the question is asked whether this trend is going to repeat the history of thirty years ago.

So far as the stock markets are concerned, although these have plunged so low over recent months, the New York indices show a 4 per cent. rise in the past fortnight and there is no real *sense* of depression, while the behaviour of American financial institutions does not suggest a panic-stricken economy running to ground. On the other hand, the Administration is getting ready for offensive measures against the recession; there is talk of tax cuts to increase consumer purchasing power and the President, though not in favour of an extensive public works programme, has proposed a limited one of $2,000 million. Moreover, defence economies have been revised and increased weapon orders placed to keep the flow of money going into industry. On the social side, steps are being taken to increase spending on unemployment relief and Congress is treading hard on the heels of the Administration to make sure that the purchasing power of their constituents is not further diminished.

Although a good deal of surprise is expressed on this side about the absence of an air of depression in American thinking and parallels are being sought in vain with the depression of the Thirties, there are solid reasons why there should be a difference.

First of all, of course, the fact that remedial measures have already been taken or are being talked of indicates the awareness of the economy to the possibility of attack and the will of the economy to cope with that attack. In short, the capitalist system of America has a great deal for which to thank socialist thinking. They have, of course, the experience of the effective New Deal spending which helped to overcome the depression of the Thirties but, above all, there is the new concept of full employment—however this may be criticised by economists from time to time, and the realisation that the problems of the lack of purchasing power can be solved as can problems of a lack of productive power. In short, in spite of the cynicism of the Communist economies, Capitalist economies do possess the power in greater or less degree—and in the case of America in greater degree—to cope with the ills they create. There may be wasted productive power, as there is, right through, the capitalist world at present; there may be growing unemployment; but it is very difficult to imagine the onset of a crisis anything like as deep as that of thirty years ago in the light of modern knowledge and understanding.—*All Rights Reserved.*

AMERICAN LETTER

UNCERTAINTY ABOUT FUTURE PERSISTS

STRIKE IN AUTO INDUSTRY NOT RULED OUT

From Our Special Correspondent

NEW YORK, 12*th March*

THE U.S. recession, Presidential disability and the "summit talks" with Moscow are the three topics overshadowing all others in the minds of the United States.

The recession, to take first things first, has led to a host of demands for higher Government spending, following the pattern of the first Administration of Franklin Delano Roosevelt. The Eisenhower Administration takes the view that projects for which money has been appropriated will be sufficient to get the U.S. economy back on an upswing.

The opponents hold that this is insufficient. They propose a spending orgy which, inevitably, would lead to another dose of creeping inflation. The alternatives are quite simple. The United States cannot afford a serious recession, affecting its allies and the Western hemisphere.

So far, the effects of the recession have been limited. Tourist spending in both Canada and Mexico has declined to a moderate extent, but not alarmingly so. Britain, on the other hand, has been amazingly successful in attracting foreign capital with her anti-inflationary measures of high money rates.

Value of Dollar

Americans do not quite understand this psychology. Perhaps Britons do not comprehend it fully either. In the U.S., figures have to be larger every year in every category. In my judgment, nobody really cares whether the dollar is debased, up to a point, as long as sales and profit statistics show a so-called improvement over preceding periods. Very little can be done about such a state of mind.

The discussion of Presidential disability stems, of course, from Mr. Eisenhower's previous heart attack and a possible repetition. The President, it was announced, made an agreement with Vice-President Richard Nixon to take over in the event of the Chief Executive being incapacitated. Short of an outright resignation, such a solution is not ideal, everyone seems agreed.

The Vice-President, as acting President, under such conditions would have to work with assistants whom he may like or dislike, but these people, essentially, are the choice of the sick President and not his own men. Thus, there may be a lag in decisions, or simply indecision in crucial times such as the present.

"Summit" Talks

The "summit" talks with Russia would seem to be lost in a maze of technicalities, even though the Soviet leaders appear willing to come to Washington to spare President Eisenhower's health. Washington seems intent on involving the re-unification of Germany in these discussions. My own observation is that a large sector of West German opinion is not very much concerned with unification. There are only 15 million East Germans left, against 55 million West Germans and many, it seems, would be willing to write off the East, for the time being, in exchange for the assurance of not becoming the battlefield again.

Beyond that, American public opinion is utterly confused about what the fusion of Arab nations means. Everyone is concerned chiefly with his own pocket-book. Since the lush days of overtime and high incomes are over, there is a tendency to look askance at almost anything which is being proposed by those in power. Nobody is quite certain of the future.

The opposing camp among the Democrats are equally uncertain of their stand. They insist that the present anti-recession measures are not enough, but they do not dare to advocate too radical measures for recovery, because they are not quite sure the economy will not recover by itself and that they will be blamed later for irresponsible actions.

Former President Harry S. Truman is still the champion in the opposing camp. As before, he is against Adlai Stevenson, twice defeated Presidential candidate, to make a third try, but few other contestants are in view. If the recession does not subside before the elections next November, there is no doubt that the present Republican Administration will be voted out of office.

At present, about 62.5 million people are gainfully employed. The unemployed, reportedly, exceed 5 million. Some of these are unemployable in any but abnormal times. The record is not too bad by any standard.

Retail buying has been lagging, however, partly because of caution on the part of the public, partly because of the worst winter the U.S. has had in half a century.

Steel production, at present, is slightly above 50 per cent. of capacity. Heretofore, the automobile industry was the largest consumer of steel and retail sales in this area have been lagging. But the national highway programme has been absorbing an ever-increasing share of structural steel for bridges and other construction and the accelerated pace of this phase of U.S. national activity makes it look as though public demand for steel may outpace the automobile industry in short order. Also, the big question at the moment is: Will there be a strike in the auto industry this year?"

Walter Reuther, President of the United Automobile Workers of America, is determined to get additional benefits for his members. The automobile industry is equally determined to plead poverty, owing to reduced popular demand for cars.

If labour wins, which is a foregone conclusion, it would set the pattern for steel and all other industries in the U.S. Prices would go up again and the spiral would go up another notch. It is almost inevitable. In the process of the auto strike, however, it would be possible to clean up some inventories held by dealers, so that, after the final settlement, the industry would be in a little better shape than it is now.

Recession Relative

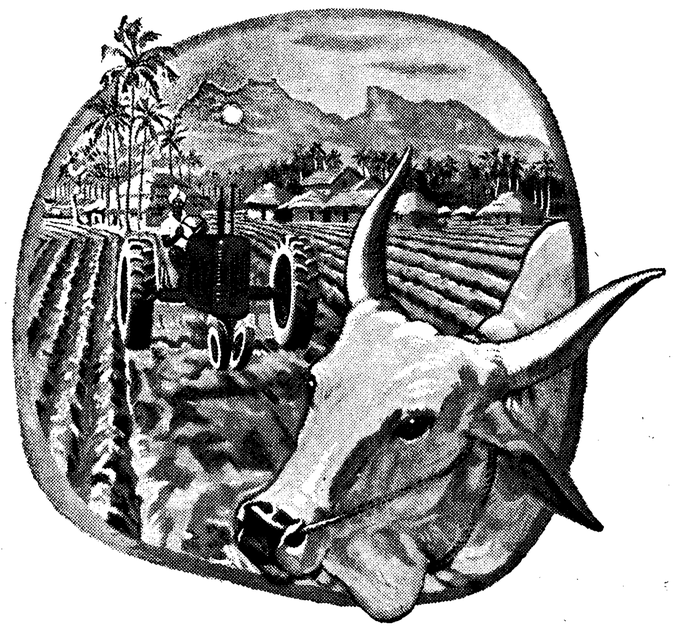
The present, widely advertised, U.S. recession is strictly relative. Some sections are, of course, hit harder than others, but there is an absence of hardships, except in very few isolated cases. There are now talks of extending unemployment benefits with Federal funds beyond the prevailing state limitations and of wholesale tax cuts to make more consumer buying possible.

Instalment debt (hire-purchase obligations) have been declining in recent months. Yet, such indebtedness is still some $2,000 million above last year's levels. Most of the reduction has occurred in debts for the purchase of automobiles.

Foreign cars still enjoy a fabulous market and U.S. manufacturers are planning to introduce smaller vehicles to stem the congestion in city streets.

The investment markets have shown considerable strength recently, possibly discounting an arrest of the recession and return to the previous inflationary trend of the U.S. economy.—*All Rights Reserved.*

The U.S. imports in the calendar year 1957 increased by three per cent. above the preceding year to reach a new all-time record high of $12,978.1 million. Imports for 1956 stood at $12,615 million. Bulk of the increase in general imports last year was due to sizable gains in imports of machinery and vehicles (from $634.9 million to $862.3 million); non-metallic minerals ($1,874.9 million to $2,090.7 million); edible oils and animal products ($433.8 million to $540.9 million); and miscellaneous imports ($491.4 million to $583.3 million). Declines were recorded in imports of wood and paper (from $1,587.8 million to $1,466.5 million); metals and manufactures, except machinery and vehicles (from $2,412 million to $2,322.9 million); and textile fibres and manufactures (from $1,045.7 million to $1,006.9 million). Imports for fourth quarter 1957 were valued at $3,332.2 million—about five per cent. above the corresponding period of 1956. During the 10-year period, beginning from 1948, general imports rose from $7,100 million to nearly $13,000 million in 1957.



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STATE BANK MAKES GOOD PROGRESS

ALL-ROUND IMPROVEMENT IN BUSINESS

THE second full year of working of the State Bank of India, namely, the one ended 31st December 1957, proved to be one of marked expansion in the Bank's business, as witness the jump of Rs. 125 crores in the total working capital as at the end of the year, thanks to a significant enlargement in the deposits to the tune of over Rs. 124 crores. There was a further progress in the Bank's foreign exchange business, as well as in its developmental activities. An intensified effort in its branch expansion programme was made during the year and no less than 91 branches were opened, as against 46 in 1956. The pilot scheme for financing small-scale industries, which was initiated in 1956, was extended further. Another notable development of the year was the Directors' decision to finance co-operative marketing and processing societies, in accordance with the recommendations of the Rural Credit Survey Committee.

From the point of view of earnings, too, the year was a most prosperous one for the Bank, in that the gross income jumped up from Rs. 8.66 crores in 1956 to Rs. 11.82 crores; in 1955 it amounted to Rs. 8.16 crores. The bulk of the increase in income was from interest and discount earned which rose by Rs. 2.06 crores, that is, from Rs. 6.19 crores to Rs. 8.25 crores. In the previous year, there was an increase of only Rs. 28 lakhs in this main item of income. The sharper rise in interest and discount is the result of a bigger turnover of advances and a higher rate of interest, the increase being ½ per cent. Commission and exchange earned went up by Rs. 1.10 crores to Rs. 3.54 crores. On the expenditure side, interest paid on deposits and borrowings more than doubled itself from Rs. 1.59 crores to Rs. 3.40 crores. In the previous year, this item of outgo recorded an increase of only Rs. 22 lakhs. It must be noted, in this context, that the relatively sharp rise in interest payment is mainly due to the expansion in deposits and the increase in the Reserve Bank's lending rate. For the Directors observe in their report that there was no increase during the year in the interest rates offered by the Bank on its deposits. It is difficult to estimate how much the rise in the Reserve Bank's lending rate cost the State Bank on its borrowings, although the borrowings were less than in the previous year. Other expenses, too, rose from Rs. 5.51 crores to Rs. 6.39 crores, of which salaries and allowances to staff alone accounted for an increase of Rs. 77 lakhs to Rs. 5.15 crores. The rise in establishment expenses is explained partly by the employment of new staff and partly by increases in the emoluments of certain categories of employees.

The profit, at Rs. 1.87 crores, shows a rise of Rs. 31 lakhs, as against Rs. 20 lakhs recorded in 1956. This increase in profit has been utilised to step up the transfer to the reserve fund from Rs. 2.50 lakhs to Rs. 25 lakhs and to provide more for staff amenities. While bonus to staff has been cut from Rs. 40 lakhs to Rs. 32 lakhs and the allocation to the staff welfare fund has been maintained at Rs. 10 lakhs, the Directors have created a staff co-operative housing fund with an initial allocation of Rs. 10 lakhs, for the purpose of giving loans to staff co-operative housing societies. The loans, most of which will be advanced to the lower income group, will carry a concessional rate of interest. The provision for pension fund has been slightly raised from Rs. 6.14 lakhs to Rs. 6.37 lakhs. The dividend is, however, unchanged at Rs. 16 per cent. per annum, absorbing Rs. 90 lakhs. The appropriations leave a surplus of Rs. 55.99 lakhs to be carried over, as against Rs. 41.91 lakhs brought in.

The following comparative table shows the progress of the Bank's financial position during the last three years:

(In lakhs of rupees)

	As on 31st December			
	1957	1956	1955	1954
Capital	5,62.50	5,62.50	5,62.50	5,62.50
Reserves	6,62.50	6,37.50	6,35.00	6,35.00
Deposits	366,51.89	242,12.31	225,99.28	231,35.57
Of which—				
Fixed	139,36.49	87,15.70	33,90.64	34,23.81
Savings bank	32,95.51	31,04.63	27,92.80	27,49.05
Current, contingency accounts, etc.	194,19.90	173,91.97	164,15.84	169,62.71
Borrowings from other banks	16,50.50	17,27.00	5,00.00	..
Advances	173,47.74	140,16.00	105,81.25	100,82.28
Of which—				
Loans, cash credits and overdrafts	154,60.78	107,41.58	89,01.44	94,64.86
Bills purchased and discounted	18,86.96	32,74.42	16,79.81	6,17.42
Investments	183,43.34	106,87.78	116,97.39	108,71.93
Cash (including money at call)	41,51.93	28,84.54	30,91.40	37,87.02
Balance-sheet total	405,12.01	280,28.34	257,60.85	251,06.70
Ratio to deposits of—	%	%	%	%
Advances	47.3	57.9	46.8	43.6
Investments	50.0	44.1	51.7	47.0
Cash	11.3	11.9	13.7	16.4

The significant change disclosed by the latest balance-sheet is a rise of over Rs. 124 crores in deposits. A contributory factor to this exceptional rise was the deposit of counterpart funds in respect of imports of commodities from the U.S. under P.L. 480. No indication is, however, available of the quantum of these funds lodged with the Bank. It is also not known whether these funds are kept as demand deposits or time deposits. However, as will be seen from the table above, the fixed deposits of the Bank account for the bulk of the rise in total deposits, the increase being more than Rs. 102 crores. Current and contingency accounts show a rise Rs. 20 crores only and savings bank deposits nearly Rs. 2 crores.

As against the rise of Rs. 124 crores in total deposits of the State Bank, the increase in the case of other Scheduled banks was Rs. 144 crores, the share of time and demand deposits being Rs. 107 crores and Rs. 37 crores, respectively. In other words, the State Bank accounts for the bulk of the expansion in the deposits of all Scheduled Banks, thanks to the deposits of the U.S. counterpart funds under P.L. 480. Though the Bank's chairman stated at a Press Conference held last week that the role of the Bank was to act as a stabilising influence and not to compete with other commercial banks, it cannot be denied that, with the availability of huge counterpart funds, the Bank is certainly in a more advantageous position than the other commercial banks.

On the assets side, advances show an increase of only Rs. 33 crores (as against a rise of Rs. 124 crores in deposits), the corresponding rise in 1956 being Rs. 34 crores. In other words, the pace of increase in advances did not slacken very much as in the case of other banks. Of these advances, while loans, cash credits and overdrafts have gone up by over Rs. 47 crores, bills purchased and discounted have shrunk by Rs. 14 crores. With the faster growth in deposits than in credit, the Bank was able to strengthen its investments by no less than Rs. 76.5 crores and cash balances by Rs. 12.6 crores.

With the opening of 91 branches during 1957, the total number of branches opened since the inception of the Bank on 1st July 1955 till the end of 1957 was 137. In view of the rate of progress attained during the last year in branch expansion, the Directors are confident of discharging the statutory obligation of opening the remaining 243 branches within the prescribed period.

(Concluded from next column)

It will be interesting to note that the rise of Rs. 1.25 crores in gross income during 1957 was much more than the cumulative increase (Rs. 1.14 crores) in the previous two years. To the rise recorded during the year under review, the earnings by way of interest and discount have contributed no less than Rs. 1.09 crores, as against Rs. 89.5 lakhs in the aggregate during 1955 and 1956. Income from commission and exchange is up by Rs. 16 lakhs, the corresponding rise in 1956 being of the order of Rs. 20 lakhs. The pace of increase in expenses (other than interest paid) which tended to slow down in 1956—the rise in expenses in that year was no more than Rs. 2 lakhs, as against Rs. 24 lakhs in 1955—has, however, gathered momentum in the year under review with an increase of Rs. 22 lakhs. Of this rise, salaries and allowances alone accounted for Rs. 15 lakhs.

The most notable feature disclosed by the Bank's balance-sheet is the sharp increase of over Rs. 16 crores in deposits during the year under review, as against an aggregate rise of Rs. 15 crores in the previous two years. Barring a rise of a little over Rs. 1 crore in current accounts, call deposits, etc., almost the entire expansion in deposits is accounted for fixed deposits and cash certificates, which have gone up from Rs. 42.34 crores at the end of 1956 to Rs. 57.52 crores. Savings Bank deposits have suffered a slight setback from Rs. 28.66 crores to Rs. 28.59 crores. Current accounts, call deposits. etc. have risen from Rs. 67.71 crores to Rs. 68.76 crores.

As against an increase of Rs. 16 crores in deposits during 1957, advances of the Bank have gone up by only Rs. 10.73 crores. It may be of interest to note that, in the preceding two years, the rise in advances had been much sharper than that in deposits. Thus, between 1954 and 1956, while deposits had gone up by Rs. 14.75 crores, advances had moved up by no less than Rs. 30.69 crores. The relatively slower pace of increase in advances during 1957, in the face of a sharp rise in deposits, reflects the effect of credit restriction enforced during the year. The ratio of total advances to deposits is, however, unchanged at 65.5 per cent. Investments stand reduced by Rs. 3.51 crores. The market value of the investments shows a depreciation of Rs. 2.54 crores, the whole of which is accounted for by gilt-edged securities.

CENTRAL BANK'S PROFIT SLIGHTLY HIGHER

SHARP JUMP IN DEPOSITS

THE analysis of the audited accounts of banks for the year 1957 published so far has shown that, with the present pace of expansion in time deposits, the high level of interest rates, the continued credit restriction and the substantial rise in establishment expenses, banks have been able to maintain their profit levels—actually, however, the profit-margins of banks for the past year turned out to be slightly lower than those for 1956—only through some expansion in their business. The accounts of the Central Bank of India Ltd. (Manager: Mr. N. K. Karanjia, Bombay), the largest commercial bank in the private sector, for the year ended 31st December, 1957, are in keeping with this trend. Thus, the Bank's profit for the year has recorded a rise of only Rs. 4.44 lakhs to Rs. 109.76 lakhs, as against an increase of as much as Rs. 26.65 lakhs in 1956. This small rise of Rs. 4.44 lakhs is but a fraction of the rise of Rs. 1.25 crores in the gross income of the Bank for 1957 which in the previous year had gone up by Rs. 86 lakhs. This is due to the fact that bulk of the expansion in gross earnings has been offset by a sharp rise of Rs. 98 lakhs in outgo by way of interest paid and of Rs. 22 lakhs in expenses. In other words, inflation has eaten up a very large part of the rise in income.

Unlike many other banks, the profit of the Central Bank for the year under review is not a record one. It is Rs. 16.37 lakhs below the peak of Rs. 126.13 lakhs touched in 1951. From this record level, the profit had dropped precipitously to Rs. 77.37 lakhs in 1953. Since then there has been a sizable recovery, but the pace of expansion has slowed down considerably. The ratio of profit to gross income, which was as high as 24.6 per cent. in 1951, shrunk to 16.1 per cent. in 1956 and still further to 14.1 per cent. in 1957. Even in 1953, when the profit was at a low of Rs. 77.37 lakhs, the profit-margin was 15.1 per cent. of the gross income.

In view of the small rise in profit, presumably, the Directors have not found it necessary to raise the provision for taxation; this is kept at Rs. 13 lakhs. The allocation to the investment account is also unchanged at Rs. 15 lakhs. The dividend is being repeated for the second year in succession at 14 per cent. per annum, to which level it had been raised last year from 12 per cent. paid for the three consecutive years 1953 to 1955. The only beneficiary of the slightly higher profit is the staff; they receive Rs. 2.50 lakhs more (at Rs. 30 lakhs) by way of bonus.

A bird's eye-view of the Bank's progress in the last three years is given in the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Gross income	7,80.12	6,65.15	5,69.44	5,41.05
Interest and discount earned	6,41.33	5,32.64	4,52.42	4,43.12
Commission and exchange	1,30.14	1,13.61	93.59	85.04
Interest paid	3,25.01	2,26.69	1,69.52	1,65.28
Expenses	3,42.28	3,20.25	3,18.38	2,94.02
Depreciation	3.07	2.89	2.87	3.00
Profit	1,09.76	1,05.32	78.67	78.75
Provision for taxation	13.00	13.00	5.50	5.75
To sinking fund on property	1.02	0.96	0.91	0.87
,, investment account	15.00	15.00	15.00	15.00
,, bonus to staff	30.00	27.50	13.50	13.00
,, staff gratuity fund	6.50	5.00	5.50	5.00
Dividend	44.04 (14%)	44.04 (14%)	37.74 (12%)	37.74 (12%)
Carry forward	18.44	18.23	18.40	17.89

	As on 31st December			
	1957	1956	1955	1954
Capital	3,14.55	3,14.55	3,14.55	3,14.55
Reserves	4,03.61	4,02.77	4,01.81	4,00.56
Deposits	154,86.73	138,72.15	128,66.32	123,97.06
Borrowings from other banks	1,98.02	9,21.55	4,54.28	20.79
Advances	101,49.39	90,76.23	72,20.70	60,07.14
Investments	49,46.97	52,97.99	56,71.95	57,33.53
Cash (including money at call)	18,39.27	16,81.26	15,59.77	17,28.42
Balance-sheet total	191,90.56	180,59.70	158,09.31	144,92.26
Ratio to deposits of—	%	%	%	%
Advances	65.5	65.4	56.1	48.4
Investments	31.9	38.2	44.1	46.2
Cash	11.9	12.1	12.1	13.9

FOREIGN INVESTMENT IN INDIA

By Mr. Manubhai Shah
UNION MINISTER FOR INDUSTRY

FOREIGN capital, technical know-how and enterprise make a threefold contribution to the industrial progress of an underdeveloped country. Such capital provides (i) the savings necessary for the large investments required for industrialisation, making good, in some measure, the inadequacy of domestic savings to finance the necessary investments; (ii) by bringing in technical expertise and technical know-how; foreign capital also bridges the gap in the supply of technical knowledge, as well as in the supply of trained personnel needed to carry through the vast programme of industrialisation; and (iii) an underdeveloped country seeking to industrialise itself rapidly has necessarily to import most of the machinery, capital goods and equipment, as well as many semi-processed or processed raw materials not required hitherto.

Pending the development of domestic heavy machine building industry to supply all these products, a country with a large programme of development must run into balance of payments difficulties which reflect against a shortage of domestic savings. Foreign capital here helps to improve the ways and means position in regard to external payments and thus, quite apart from the direct impetus to industrialisation imparted by foreign investment, it makes possible a larger programme of development than would be feasible in the absence of foreign capital.

India has a long history of foreign capital inflow, but not until recent years has the role of foreign capital in this country been so dynamic and of such vital importance. Indeed, the tremendous upsurge in industrial expansion that is now to be seen, and the solid foundations that have been laid for the future industrial expansion of this country, are due in no small measure to the interest evinced and the assistance rendered by friendly Governments and by private foreign enterprise both through technical and financial collaborations.

Although in the early years after independence there was some hesitation on the part of foreign capital to come into this country freely, more recently there has been a significant inflow of foreign capital and foreign business enterprise, especially in new fields of development. Foreign business investment, the value of which stood at some Rs. 288 crores in the middle of 1948, had increased to Rs. 420 crores by the end of 1953, that is, an increase of some Rs. 132 crores in 4½ years. In the next two years, there was a further increase of Rs. 61 crores in the value of foreign business investment in India, and, as at the end of December 1955, the value of foreign business investment has been estimated at Rs. 481 crores. Although the above figures incorporate some increase owing to valuation changes, especially in the plantations industries, by and large, the increase in the value of foreign business investment in India over the 6½ years under reference was the net result of an inflow of fresh foreign capital, as well as of re-investment of profits earned by foreign companies in India. Thus, allowing for changes in valuation—estimated at some Rs. 35 crores over the 6½ years—and after allowing for some repatriation of foreign capital which has taken place, there has been a net inflow of foreign capital (*including profits ploughed back by foreign enterprise*) to the extent of some Rs. 23 crores annually.

One can see the pattern of foreign business investment in India as at the end of June 1948, December 1953 and December 1955 from the following comparative table:

Valuation of foreign business investments in India

(Rs. crores)

	June, 1948	December, 1953	December, 1955
Manufacturing	72.0	135.7	163.3
Trading	64.4	94.8	102.3
Utilities and transport	31.2	50.5	53.1
Mining	11.5	8.4	9.6
Financial—			
(a) Banking	31.7	16.2	20.2
(b) Others	6.9	14.7	19.1
Plantations	52.3	71.5	87.2
Miscellaneous	17.7	27.7	25.9
Total	287.7	419.5	480.7

Of the above, the investment in entirely *new* companies—i.e., in companies formed after the 1948—was some Rs. 36 crores. It is significant that, over the period from June 1948 to December 1955, retained and ploughed back profits of foreign undertakings in India contributed some Rs. 93 crores to the increase in the value of foreign business investments in India. The value of investments received in kind over this period—through import of plant and machinery, etc., against foreign investment—is estimated at Rs. 104 crores, quite a significant amount indeed.

Thus even allowing for valuation changes, the net increase in foreign private investment in India since 1948 has been of the order of Rs. 23 crores annually. Small though the amount is, it has over the years meant a sizable increase in the savings available for investment. Secondly, the value of this investment to the country is far greater than the value of external Governmental financial assistance of this magnitude. Quite apart from direct foreign investment in a number of new directions, over the years since 1948, there has been more than 300 cases of foreign technical collaboration with Indian enterprise, in setting up new units or in organising the production of new products and new lines. Thus, foreign technical know-how and technical assistance have made possible the starting of a large number of new industries which it would otherwise have been difficult to establish expeditiously.

Indeed, it can be stated that the rapid expansion of the engineering and of the chemical industries since independence has to no small extent been due to foreign collaboration with Indian industry and to the availability of foreign technical know-how. Such assistance has been available to Government projects and to private industry. By way of illustration, mention may be made of the generous assistance received by the Union Government from Germany, the U.K. and the U.S.S.R.—both in terms of finance and by way of technical help—for the three new steel plants in the public sector. A French firm has assisted in setting up of the electronics factory at Bangalore, while the Hindustan Machine Tools at Bangalore has been helped by the Swiss and the Germans. The fertiliser plant at Nangal and the expansion of the plant at Sindri are both being assisted by the Italians. The Heavy Electricals Project at Bhopal is being undertaken with the help of the British. Technical investigation has already been completed with the help of the Soviet Union and the U.K. on the establishment of a series of heavy engineering plants, for which the stage is now set for a Central Heavy Machine Building plant with the collaboration of U.S.S.R. and the heavy Foundry-Forge Plant in collaboration with Czechoslovakia.

Negotiations are also being conducted for the establishment of some important items of basic drugs and intermediates with Russian, German and American assistance. Russian assistance has also enabled work to be commenced on the manufacture of heavy mining machinery and of ophthalmic and optical glass.

India has also been receiving assistance for the implementation of her development programmes under various other schemes such as the Colombo Plan, the Indo-U.S. Technical Co-operation Programme and PL 480 Arrangements and from International Institutions like the International Bank for Reconstruction and Development, the International Monetary Fund as well as organisations like the Ford Foundation. Economic assistance received under these schemes is in the form of equipment, commodities and in the shape of services of experts and training facilities. The total assistance available for the second Plan period received from the international institutions as well as under the special schemes and arrangements such as Colombo Plan, PL 480 Arrangements and Technical Co-operation Mission amounts to about Rs. 610 crores. The major portion of this assistance was received under T.C.M. Programme and PL 480 Arrangements. The assistance received under T.C.M. amounted to Rs. 112 crores and that under PL 480 Arrangements Rs. 137 crores. The loans sanctioned by the World Bank amounted to Rs. 170 crores of which loans of Rs. 136 crores were sanctioned after the commencement of the second Five-year Plan. Of this sum, Rs. 49 crores were for the public sector and Rs. 87 crores for the private sector. The loans for the public sector are mostly for the development of Indian railways and those in the private sector cover the expansion of the steel plants of the Tata Iron and Steel Company and the Indian Iron and Steel Company. The assistance received from the Ford Foundation is about Rs. 7 crores and is mainly being utilised for rural development, industrial and business development, education and public administration and other projects.

The contribution of foreign capital and technical collaboration and participation to the growth of private industry—though not as spectacular—is, perhaps, even more significant. There are financial or technical co-operation arrangements between firms in different foreign countries and all automobile maufacturers in India; while the same is true of a number of the newer engineering and chemicals industries. While oil refining has so far been based on direct foreign investment by the U.S.A. and U.K. firms, firms from a large number of countries, especially from Europe, America as well as from Japan have assisted, through technical as well as financial collaboration, in the manufacture of such vitally important new industries as electrical equipment, a variety of chemicals and dyestuffs, drugs and medicines, plastics, industrial gases, aluminium, machine tools, industrial machinery such as textile and cement machinery, sugar mill machinery, paper mill machinery and a wide range of other products. The stage has also been set for making necessary arrangements for the establishment of two new aluminium plants and a few big fertiliser plants in the private sector by foreign financial and technical participation.

The above would serve to demonstrate that *contrary to some misconceptions, India has over* the past few years, attracted foreign capital and foreign investment over a wide field of industry. With some 400 million potential buyers and the great consumption propensity of a vast population on the road to economic and industrial development and expansion of the general levels of income, and with the availability of both tapped and untapped resources of raw materials and of relatively cheap and ready-to-learn labour, India undoubtedly offers excellent opportunities for industrial investment.

It is for these reasons that the policy of the Government is to encourage foreign capital investment in all desirable fields of new development. As early as 1949, the Prime Minister stated in Parliament:

> "Indian capital needs to be supplemented by foreign capital not only because our national savings will not be enough for the rapid development of the country on the scale we wish but also because in many cases scientific, technical and industrial knowledge and capital equipment can best be secured along with foreign capital. . . "

Even in the most difficult hour of the foreign exchange situation, India has freely permitted not only the transfer of profits and income on foreign capital but also capital repatriation facilities within the framework of existing rules and regulations.

The need for foreign capital and for the inflow of technical expertise in a developing country is not temporary; it is a continuous and long-term need, and indeed, increases as the industrial and economic base of the country expands. Correspondingly, with the growing tempo of industrialisation, there is need for an increasing variety of processed and semi-processed raw materials, for which internal production becomes both necessary and profitable. Foreign investment can not only bring in the necessary technical expertise and technical know-how, but can also bridge the gap between the investment needs of a growing economy and the supply of domestic savings.

The needs of India for such foreign capital are large, and, in comparison, the inflow of foreign capital hitherto, valuable as it has been, has been rather small. The Planning Commission had envisaged a new inflow of Rs. 100 crores of foreign capital during the second Plan period, to cover a part of the foreign exchange gap during the Plan period. This gap, as is generally known, has now widened and of all sources of foreign exchange to meet this increased gap, the inflow of foreign private capital is at once the most unobstructive and at the same time the most useful source, bringing as it does not only the requisite supply of foreign exchange but also savings, and the technical expertise required in the country. Such capital is not only welcome to the country and the Government but also welcome to private industry, in so far as foreign capital enters into collaboration or participation arrangements with indigenous industry, thus serving the threefold requirements of the economy outlined at the outset, namely, the supply of savings, of foreign exchange and of technical know-how. Our policy is to make foreign capital advantageous and profitable both to the investing and collaborating countries and to India.

EXCISE DUTY ON MILL CLOTH REDUCED

RELIEF OF RS. 15 CRORES TO INDUSTRY

THE sense of realism displayed by Prime Minister Mr. Jawaharlal Nehru in conceding the cotton mill industry's demand for a reduction in excise duty on piecegoods, albeit partially, is, indeed, commendable. The reduction was announced in the Lok Sabha on Tuesday this week. The following are the revised rates of excise duty (excluding the additional excise duty and the handloom cess):

(In nP per square yard)

	Revised	Before revision
Coarse		
Dhotis and *saris*	3	3.125
Other sorts	6	9.375
Medium		
Dhotis and *saries*	7	9.375
Other sorts	9	9.375
Fine	17	18.750
Superfine	22	25.000

It will thus be seen that the excise duty on all categories has been reduced to some extent. As a result of the cut, the relief to the cotton mills is expected to be of the order of Rs. 15 crores per annum.

The reduction in excise duty on cloth was long overdue. When the duty was enhanced in September 1956, it will be recalled, Mr. T. T. Krishnamachari, the then Union Finance Minister, had stated that the upward revision was effected merely to reduce the volume of consumption and to mop up extra profits accruing to the industry and trade. The events in the past few months have proved beyond doubt that these conditions, even if they had existed at that time—a doubtful point—ceased to exist long back. The domestic offtake has continued to be very slack, resulting in heavy accumulations of stocks with mills, despite reduced output, which entail a heavy financial burden. The industry has thus been compelled to make drastic cuts in cloth prices which today are lower than those obtaining even in December 1955. The mills cannot certainly be expected to continue to make distress sales of their output for an indefinite period. Many mills which have published their accounts for the past year have shown either a sizable loss or only a small profit. If some units have been able to pay a dividend to their shareholders, it is only by drawing on their reserves built out of past profits.

How heavy was the impact of excise duty on mill-made piecegoods was discussed at some length in these columns last week. There was a special reference to the deepening crisis in the textile industry as described by Mr. Ramnath A. Podar, Chairman, Millowners' Association, Bombay, in a Press interview. The effect of such a crisis is clearly reflected in the distinct setback to production of cloth and yarn in the first two months of the current calendar year. The aggregate quantity of cloth that actually came off the looms of mills in this period was 825 million yards, which compares very unfavourably with 870 million yards in the previous two months (November-December 1957) and 929 million yards in the corresponding period of 1957. The production in February 1958 was as low as 392 million yards, as against 433 million yards in January 1958 and 436 million yards in February 1957. The drop in cloth output has followed a fall in yarn production which amounted to 280 million lbs. in the first two months of 1958, as against 302 million lbs. during November-December 1957 and 300 million lbs. a year before. The actual output in February 1958 was 133 million lbs., that in the previous month and the corresponding month of 1957 being 147 million lbs. and 143 million lbs., respectively.

The continued downward trend in textile production is the result of the closure of several mills and curtailment of production by many others. There would have been a more drastic decline in production but for the fact that the fear of payment of heavy retrenchment compensation to workers is keeping several textile units working. Surely, there is no exaggeration whatever in the statement of Mr. A. D. Shroff, Chairman of the Central India Spinning, Weaving and Manufacturing Company, Ltd., that the economic conditions of the textile industry had become so perilous that many mills, even well-established units, are seriously considering reducing normal production by closing down one shift or part of their plant, with a view to cutting down losses. Addressing the annual meeting of the Company in Bombay on Friday last week, Mr. Shroff said:

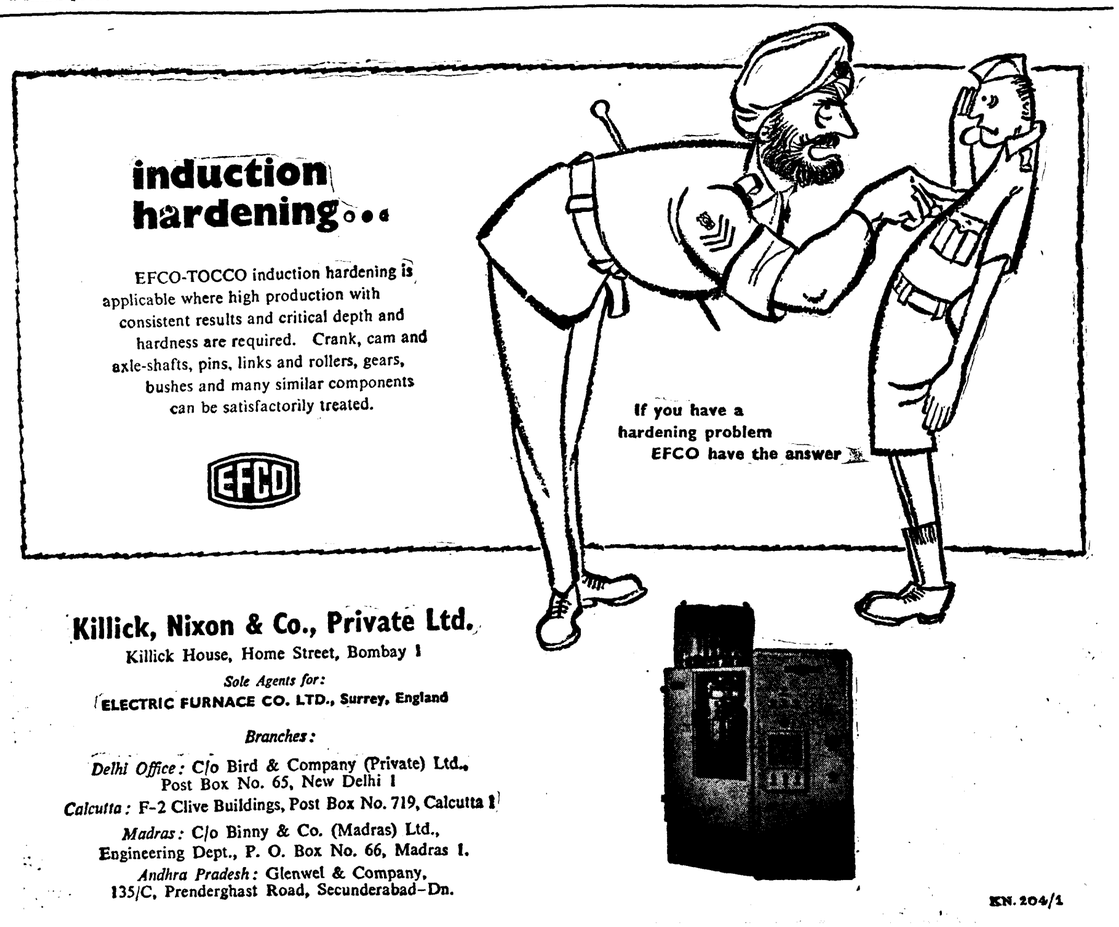
"The relief in the calamitous burden of excise duties on cloth, which we had prayed for, has not materialised in the Budget for 1958-59. I wonder what has compelled the Prime Minister to maintain the *status quo* in respect of excise duties on cloth which have done such untold harm to the economic condition of the textile industry. I cannot comprehend the working of the mind of the Central Government when they fail to realise that daily more and more mills are not only reducing production but are actually planning to cut down shifts in order to lessen the operating losses which they are incurring. This is too well known to Government, and the only palliative that can restore confidence in the textile industry is a substantial reduction in excise duties to make cloth move. I take this opportunity of urging upon the Prime Minister, before his budget proposals become law, to reduce excise duties to at least the pre-September 1956 level in order to revitalise the working of the cotton textile industry."

The mounting stocks of cloth with mills are due as much to the poor domestic offtake as to the slackness in demand from overseas countries. Although we are in the midst of the buying season, enquiries even from the traditional customers have not revived markedly. Consequently, exports of cloth from India have suffered a setback. The total quantity of cloth passed for shipment during the first two months of 1958 was only 111.67 million yards, a drop of nearly 50 million yards as compared with that in the corresponding months of 1957. The figures below show the position at a glance:

(In million yards)

	Coarse	Medium	Fine	Superfine	Total
January 1957 ..	24.98	65.62	2.92	1.62	95.14
February 1957 ..	18.54	54.36	1.60	1.66	76.16
Total ..	43.52	119.98	4.52	3.28	171.30
January 1958 ..	19.66	42.06	0.44	1.79	63.95
February 1958 ..	15.04	30.27	0.65	1.76	47.72
Total ..	34.70	72.33	1.09	3.55	111.67

The above table clearly indicates that there was a substantial fall in cloth exports during February 1958. The actual extent of the fall as compared with the previous month and the same month last year was 16.23 million yards and 28.44 million yards, respectively.



"SUMMIT" TALKS ON CLOTH IMPORTS WITH PRIME MINISTER

LITTLE HOPE OF IMMEDIATE ACTION

From A Special Correspondent

MANCHESTER, 11*th March*

MANCHESTER LETTER

ACCORDING to one commentator in a recent survey of the textile situation in Lancashire, one of the most outstanding characteristics of the industry has been the tendency over the past thirty years or more towards a regular cycle of expansion and decline. This, it is contended, takes place irrespective of conditions in the rest of the country's economy.

In the productive field, the mood is frequently governed by the availability of labour and, after each recession, the number of workers employed inevitably declines. As the impetus of demand strengthens, the call for supplies is often in excess of the capacity of the industry and order books lengthen until there is a reaction among customers and the slow downward trend of deterioration starts again.

Much can be gained from studying the outline of the broad aspect of available supplies, as shown in the table below, which indicates the variations which have taken place in recent years:

(In million yards)

Year	Output	Imports	Total	Exports	Balance for home trade
1937 ..	4,122	75	4,197	2,001	2,196
1947 ..	2,012	174	2,186	639	1,547
1948 ..	2,440	248	2,688	906	1,782
1949 ..	2,592	400	2,992	1,078	1,914
1950 ..	2,840	342	3,182	1,017	2,165
1951 ..	2,960	476	3,436	1,105	2,331
1952 ..	2,192	210	2,402	871	1,531
1953 ..	2,632	143	2,775	895	1,880
1954 ..	2,775	335	3,110	812	2,298
1955 ..	2,479	365	2,844	688	2,156
1956 ..	2,314	380	2,694	595	2,099
1957 ..	2,287	490	2,777	567	2,210

Only in 1947, when the industry was recovering from its wartime concentration, and in 1952, during a year of sharp depression, was output lower than in 1957. The shrinkage in productive capacity, brought about by reorganisation in individual cases and elimination in others, reduced the quantity of goods provided by the mills, but this was more than counterbalanced by the large increase in arrivals of foreign cloth, which were higher than ever before. It is perhaps significant that the previous peak of imports was in 1951—immediately prior to the first big post-war setback in Lancashire.

As a result of the inroads made by foreign competitors, the amount of cloth available last year was almost identical with the 1953 total, but, at that time, exports were nearly 330,000,000 yards higher than in 1957, creating an entirely different situation. The balance available for the home trade has, therefore, risen to compensate for these "lost" exports and the large supplies on the market present sufficient pressure to cause a definite squeeze on the manufacturer and merchant.

Hesitation to Forecast

Conditions in the industry during the past few months have been depressing enough, with the length of order lists continually slipping away, but pointers towards further contraction are certainly evident from the figures already quoted. Traders are distinctly reluctant to forecast prospects at the moment.

Not only are the normal consuming outlets keeping their commitments strictly at a minimum, but the tendency is now becoming widespread for specialised users in the industrial field to adopt a similar attitude. The tight money policy so effectively pursued by the Government is clearly having an influence on industry, in general, and those which require textiles as an integral part of their products may well restrict their purchases in the same way.

While some recent reports announced by Lancashire textile firms have indicated an encouraging upward trend in profit-earning capacity, most chairmen, in their annual statements, have advised caution in being too optimistic about the future. Some, indeed, have restrained their natural readiness to increase dividends and have gone to the other extreme of reducing their distributions on the grounds that the outlook is far from rosy.

Two-sided Argument

It was a closely-guarded secret that a small delegation was to hold "summit" talks with the Prime Minister on the No. 1 topic involving Lancashire-retained cloth imports. From the official reports given out afterwards, however, traders have derived little hope that immediate action can be expected. The most that can be said is that the Government, at the highest level, has an up-to-date picture of the industry's plight.

No comment could be obtained from the Cotton Board and, clearly, the members of the delegation had been told to keep their counsel and say nothing for the time being. It is understood, however, that, at the last meeting with the President of the Board of Trade, the attitude of the Government was regarded as so unsatisfactory that an approach at an even higher level was contemplated and the Prime Minister agreed to see the deputation.

There is no need to reiterate once more the tendency towards deterioration in the conditions affecting Lancashire trade in textiles. Many reasons have been quoted to indicate the downward movement and, only last week, the Master Spinners' Federation, in its annual report, issued a long array of points which emphasised the seriousness of the position. Over the last few years at least, 250 mills have shut down and the owners contend that the impact of the unrestricted entry of foreign cloth is the main reason for this falling off in trade. Short-time working in the mills is now affecting about 6,000 operatives.

New Loom Shown

A new precision belt high speed loom for weaving silk and rayon fabrics, designed to compete with Continental looms, was shown at Keighley last week by Messrs. George Hattersley and Sons. The loom is the latest version of a complete range of looms built by the firm to cover every weaving requirement from shuttle changing to pirn changing.

The latest model is intended to produce rayon fabrics of high quality and at a high rate of production. One of the main features of the design is the absence of overhead structure which prevents oil damaging the fabric and particular care has been taken to eliminate working parts near the cloth, so ensuring clean fabric.

Many Continental features have been included in the loom and Swiss technicians have co-operated with the firm in its design. There has been a persistent demand in Lancashire for a precision-built loom to take the place of expensive Continental models; the firm claims that this new loom, which normally runs at 200 picks a minute, will meet the need. The cost is between £500 and £600, regarded as a low price for a precision loom.

Forward-Looking Ventures

Whatever the future may hold for the rank and file of textile traders in this country, the experience of the past has not completely eliminated the belief that, by keeping pace with machinery modifications and spending money on re-equipment, progress can be made. Variations in profits must be anticipated during good times and bad, but, in the long run, the progressive concern should be able to outlive and outwit its less venturesome competitor.

It is not entirely by coincidence that reports of textile firms covering the trading year of 1957, now speeding from the presses, tend to stress this vital factor in forecasting their future earnings. Within the past week, several have emphasised this very point.

Looking back on ten years of amalgamation between two old-established firms, the joint venture of Clegg and Orr Ltd. has shown a total net profit of almost £1,000,000, whereas nearly £1,500,000 have been paid in taxation to the Government in the same period. Sir Cuthbert Clegg, the Chairman, points out that £950,000 has been spent on new buildings and machinery and £690,000 provided for depreciation.

In the case of this company, nearly all the machinery operated works double shifts and the likelihood that this plant will wear out sooner is apparent. Buildings and machinery in the accounts are only valued at £478,000, but a recent revaluation has put these assets at over £3,500,000.

From Sir Thomas D. Barlow, Chairman of Barlow and Jones Ltd., comes the comment: "Some of the equipment of the industry is old and, though large sums have been spent on new machinery in the last ten years, the cost is inordinately high. The only effective manner in which it can be amortised is by multi-shift working, a satisfactory basis for which must b

(*Continued on page* 555)

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EXPORT DUTY ON BENGAL DESHI CUT

PAKISTAN ALSO MAY FOLLOW SUIT

THE announcement made by the Commerce and Industry Ministry on the 13th inst. releasing 50,000 bales of Bengal *Deshi* (not above "fine" in grade) for export and simultaneously reducing, with effect from 14th March, the export duty on them by 50 per cent. to Rs. 50 per bale was an agreeable surprise to the trade. Although a reduction in export duty was not only expected but had almost been taken for granted by a section of the trade, the actual cut was more than what was generally anticipated. A fresh quota for Bengal *Deshi* also came as a surprise, because what the trade was expecting was a quota for cotton of stapling ¾" and below. With this quota, the aggregate quantity permitted for export so far in the season is 150,000 bales, consisting exclusively of Bengal *Deshi*. The reduction in export duty and a fresh quota, at a time when foreign demand is tending to revive, would make Bengal *Deshi* attractive to foreign buyers. With the 50 per cent. cut in duty, Bengal *Deshi* cotton is cheaper than Pakistani *Deshi* styles by about 3 cents per lb. Out of the 100,000 bales released for export earlier, export commitments made thus far are reported to be round 65,000-75,000 bales. The balance of 30,000 bales, together with the 50,000 bales now permitted, leaves 80,000 bales in which business has yet to be concluded. Exporters are confident of exhausting this entire quantity by the end of the June next.

It is expected that, following the reduction in duty, France and the United Kingdom will renew their purchases. Germany, Belgium and Italy may enter the market and take substantial quantities. It is also anticipated that Japan, the largest customer, will also increase its offtake. But that country does not at present seem to be in a position to book larger business, as its textile industry has been adversely affected by the world-wide economic recession.

Now that the duty has been cut in India, there is a fear in the minds of exporters that Pakistan may also follow suit. It may be noted, in this connection, that recently a move was afoot in Pakistan for the total abolition or a drastic reduction of the export duty on cotton. The efforts proved abortive, as the Government of Pakistan refused to make any reduction, because, in its view, there was no justification for giving artificial relief of any kind. The Government maintained that, if foreign buyers were reluctant to enter the market, it was mainly because of the expectation created in their minds by the repeated request of the trade for reduction in duty and that it was, therefore, all the more necessary to remove the uncertainty. Although this is a clear statement of the attitude of the Government, it is nevertheless thought that, since India has cut the duty, traders in Pakistan will press their Government to do likewise and the latter may give some relief in duty. If Pakistan also reduces the export duty, it will, indeed, affect India's export prospects. But to what extent depends, of course, upon how much the duty is cut. If it is by a like amount, Indian cotton would still be cheaper, because the current duty on Pakistani *Deshi* styles is Rs. 115 per bale. Even if such a reduction comes about, established shippers in this country are confident of their being able to sell their quotas. Those who suffer probably are the small quota holders, who, for lack of adequate business connection, may find it difficult to dispose of their share. Anyway, now that the Government has done what was required of it, it is for the trade to exploit the opportunity afforded by the liberal policy and utilise the quota as quickly and fully as possible before fresh competition emerges.

Although trade quarters believe that the reduction in duty and a fresh quota are an indication of the Government being alive to the problems of the cotton trade, there is disappointment that it has not found it necessary to permit exports of ¾" cotton which has of late been facing a bad situation. There has been a sharp fall in the prices of such varieties as C.P. *Deshi*, Dholleras, Kala, etc., because domestic mill demand is practically absent. Export inquiries are, however, very encouraging, but, in view of the absence of export quota, it is not possible to export these cotton at present. Knowledgeable quarters point out that a quota for this cotton will not affect the domestic price level, because there is a comfortable surplus of this type of cotton. Indian mills will not go in for this cotton in any significant measure, as they consider their prices uneconomical. But foreign demand, it is pointed out, is good even at the ruling prices. Some even suggest that the Government could increase the export duty on these varieties while allowing its export and make good the loss in revenue occasioned by the cut in duty on Bengals. The Government would do well to review the supply position of this type of cotton and examine whether a quota for old crop cotton of ¾" and below style is feasible at present

The Government has also modified the procedure to be followed in issuing export licences. A new system has been introduced, under which export licences will be issued on a "first-come-first-served basis," subject to a maximum quantity of 5,000 bales for each individual shipper. Licensing will be stopped as soon as the ceiling is reached. If, on any particular day, applications are received for a quantity exceeding the ceiling, then licensing will be done on a *pro-rata* basis.

This procedure is a distinct departure from that hitherto followed. In the past, export licences used to be issued on the basis of individual quotas to shippers, taking into account their past performance. This system gave rise to many malpractices in addition to encouraging outsiders to enter the picture merely for obtaining export licences and sell them for a premium. The object of the new system is to encourage the entry of new blood into the field by providing opportunities not only to established shippers but also to those who are already having foreign connection but who had no past performance to claim licences.

NEW EGYPTIAN PAYMENTS ARRANGEMENT

A new payments system has been worked out by the Egyptian Government for its cotton under which a discount of 23 per cent. will be offered on cotton sold for hard currencies, including sterling. Exporters who offer their cotton at 23 per cent. discount will sell their hard currencies to the National Bank of Egypt at a premium of 30 per cent. on the official exchange rate of the Egyptian pound. The new regulation replaces the practice of giving discounts which vary with the need for the currency in which payment is made. The object of the new system is to ensure equal prices to the buying countries, to facilitate more normal trade with the West in terms of currencies which can be freely spent, to reduce barter deals with communist countries and to bring cotton prices more in parity with world market levels. The new arrangement is applicable to exports of the 1957-58 crop.

COTTON CROP IN M.P.

The total estimated area under cotton in Madhya Pradesh is placed at 19,59,400 acres according to the third forecast of the cotton crop of Madhya Pradesh for 1957-58. The weather was clear and cool with scanty to light, isolated showers in a few districts. The crop was adversely affected to some extent in Hoshangabad district owing to heavy rains at sowing time and in Chhindwara district by *dahia* disease. Due to prolonged drought since middle of September 1957, the crop was adversely affected to a varying extent in all the important cotton-growing districts, except Ujjain.

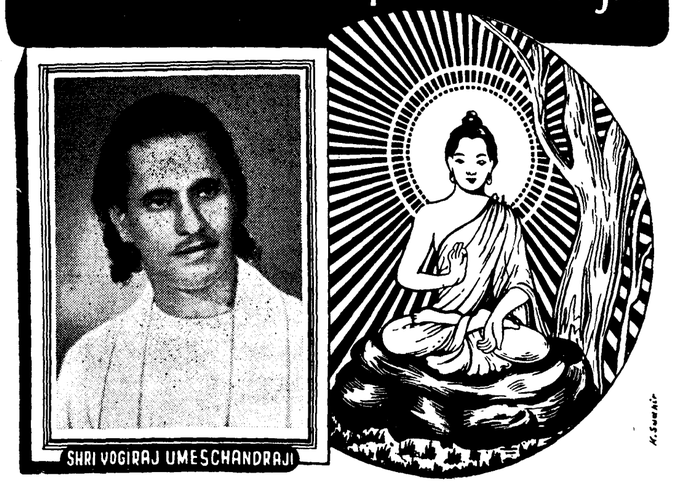
Total production is estimated at 4,23,800 bales (of 392 lbs. each) as against the corresponding estimates of 6,25,900 bales in the previous year. The estimated average yield per acre is 85 lbs. against the corresponding average of 110 lbs. last year.

TEXTILE OUTPUT IN JAPAN TO BE CUT

The cotton textile industry in Japan is apprehensive of a possible recession in the textile trade. With a view to overcoming such a recession, the Japan Cotton Spinners' Association has decided to curtail the production of yarn to about 182,000 bales per month in the coming quarter, that is, April-June 1958. The actual output is expected to be below 180,000 bales per month, as one of the mills is out of operation at present. The Association has requested the Ministry of Trade to issue an official recommendation for sealing 30 per cent. of the existing nine million spindles.

Following the proposed cut in yarn production, the total imports of raw cotton into Japan in the next financial year beginning from 1st April 1958 will be lower than the quota of 2.2 million bales previously requested by the Ministry. They are not, however, expected to be below the current year's imports of about 1.91 million bales.

LECTURES are held on various subjects like Physical Health Mental Peace and Spiritual Strength



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THE TRAVANCORE BANK, LIMITED

(INCORPORATED IN 1945)

BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.
1. Capital—				
AUTHORISED CAPITAL—8,00,000 Shares of Rs. 25 each	2,00,00,000	00		
ISSUED AND SUBSCRIBED CAPITAL—4,00,000 Shares of Rs. 25 each fully paid			1,00,00,000	00
2. Reserve Fund and Other Reserves—				
General Reserve	22,92,000	90		
Contingent Reserve	6,25,000	00		
			29,17,000	00
3. Deposits and Other Accounts—				
Fixed Deposits and Thrift Deposits	2,37,81,466	98		
Savings Bank Deposits	43,43,354	24		
Current Accounts, Contingency Accounts, etc.	3,24,19,928	79		
			6,05,47,750	01
4. Borrowings from Other Banking Companies, Agents, etc.—				
(i) In India	Nil			
(ii) Outside India	Nil			
			Nil	
PARTICULARS—				
(i) Secured by part of Investments per contra	Nil			
(ii) Unsecured	Nil			
5. Bills Payable			4,83,762	83
6. Bills for Collection being Bills Receivable as per contra—				
(i) Payable in India	19,46,476	86		
(ii) Payable outside India	5,63,236	55		
			25,09,713	41
7. Other Liabilities—				
Reserve for Taxes	6,66,017	73		
Staff Security Deposit	42,000	00		
Interest on Inoperative Accounts	546	04		
Unpaid Dividends	40,793	35		
Branch Adjustments	8,50,038	02		
Provision for Bonus to Staff	1,373	68		
Provision towards Gratuity	35,107	72		
Sundries	19,364	38		
			16,55,740	92
8. Acceptances, Endorsements and Other Obligations as per contra			1,18,72,764	72
9. Profit and Loss—				
Balance as per Balance Sheet as at 31st December, 1956			4,65,060	24
LESS—Appropriations— Rs. nP.				
Transfer to Depreciation Reserve on Investments 20,000 00				
Payment of dividend at the rate of 4 per cent. free of income-tax 4,00,000 00				
	4,20,000	00		
	45,060	24		
ADD—Profit for the year ended 31st December, 1957, brought from Profit and Loss Account	14,82,568	02		
	15,27,628	26		
LESS—Provided for by the Directors towards— Rs. nP.				
Taxation 7,00,000 00				
General Reserve 2,97,000 00				
Gratuity 5,000 00				
	10,02,000	00		
			5,25,628	26
10. Contingent Liabilities—				
(a) Claims against the Banking Company not acknowledged as debts	79,863	94		
(b) Money for which the Banking Company is contingently liable— Rs. nP.				
Guarantees given by the Banking Company on behalf of Directors or Officers Nil				
Others Nil				
(c) Arrears of cumulative preference dividends	Nil			
(d) Liability on Bills of Exchange re-discounted	Nil			
(e) Liability on account of outstanding Forward Exchange Contracts	31,06,482	35		
	31,86,346	29		
Total .. Rs.			9,05,12,360	15

PROPERTY AND ASSETS	Rs.	nP.	Rs.	nP.
1. Cash—				
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes—Nil)			61,07,140	41
2. Balances with Other Banks—				
On Current Accounts—				
(i) In India	2,27,624	55		
(ii) Outside India	11,51,615	07		
	13,79,239	62		
On Deposit Accounts—				
(i) In India (on account of Staff Security Deposits)	42,000	00		
(ii) Outside India	Nil			
3. Money at Call and Short Notice			14,21,239	62
			1,00,00,000	00
4. Investments at or below cost—				
(i) Securities of the Central and State Governments and other Trustee Securities (Treasury Bills of the Central and State Governments—Nil)	2,50,56,754	86		
(ii) Shares	Nil			
(iii) Debentures or Bonds	Nil			
(iv) Other Investments	Nil			
(v) Gold	Nil			
	2,50,56,754	86		
LESS—Depreciation Reserve on Investments	6,45,000	00		
			2,44,11,754	86
(Securities for the face value of Rs. 37,91,800 are encumbered)				
5. Advances—				
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)				
I. Loans, Cash Credits, Overdrafts, etc.— Rs. nP.				
(i) In India 2,86,73,296 44				
(ii) Outside India Nil				
	2,86,73,296	44		
II. Bills Discounted and Purchased— (Excluding Treasury Bills of the Central and State Governments)				
(i) Payable in India 44,07,493 57				
(ii) Payable outside India 2,79,040 05				
	46,86,533	62		
			3,33,59,830	06
PARTICULARS OF ADVANCES—				
(i) Debts considered good in respect of which the Banking Company is fully secured	2,99,19,010	24		
(ii) Debts considered good for which the Banking Company holds no other security than the Debtors' personal security	12,05,594	23		
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	22,35,225	59		
(iv) Debts considered doubtful or bad, not provided for	Nil			
	3,33,59,830	06		
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	1,13,780	05		
(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as members	1,29,68,365	81		
(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	1,29,142	16		
(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as members	1,68,65,292	61		
(ix) Due from Banking Companies	3,42,726	66		
6. Bills Receivable being Bills for Collection as per contra—				
(i) Payable in India	19,46,476	86		
(ii) Payable outside India	5,63,236	55		
			25,09,713	41
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra			1,18,72,764	72
8. Premises, Less Depreciation			Nil	
9. Furniture and Fixtures, Less Depreciation—				
At cost as per Balance Sheet as at 31st December, 1956	2,76,422	04		
Additions during the year	38,995	05		
	3,15,417	09		
LESS—Sales and Adjustments during the year	1,719	50		
	3,13,697	59		
LESS—Depreciation written off to date	2,36,826	72		
			76,870	87
10. Other Assets including Silver—				
Motor Car at cost as at 31st December, 1956	14,533	75		
LESS—Depreciation written off to date	13,968	67		
	565	08		
Balances with Government Treasuries	1,865	14		
Interest accrued on Investments	2,37,907	35		
Books, Stationery and Stamps	67,574	67		
Advance payment of Income-tax (including Income-tax and super-tax deducted at source)	3,78,430	46		
Sundries	66,403	50		
			7,53,046	20
11. Non-Banking Assets Acquired in Satisfaction of Claims			Nil	
Total .. Rs.			9,05,12,360	15

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1957

EXPENDITURE	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	13,50,680	76
2. Salaries and Allowances and Provident Fund paid to the General Manager for the year ended 31st December, 1957, Rs. 28,200 and also bonus (This includes Salaries, Allowances and Provident Fund paid to the payable to him for the year 1957 Rs. 2,250. He has also been paid a bonus of Rs. 1,500 for 1956 out of the provisions made that year)	7,68,389	53
3. Directors' and Local Committee Members' Fees and Allowances	7,300	00
4. Rent, Taxes, Insurance, Lighting, etc.	89,588	17
5. Law Charges	7,371	52
6. Postages, Telegrams and Stamps	44,481	25
7. Auditors' Fees	4,250	00
8. Depreciation on and Repairs to the Banking Company's Property	21,392	24
9. Stationery, Printing, Advertisements, etc.	57,676	18
10. Loss from Sale of, or Dealing with, Non-banking Assets	Nil	
11. Other Expenditure	73,347	31
12. Balance of Profit	14,82,568	02
Total .. Rs.	39,07,444	98

INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1. Interest and Discount	32,06,454	00
2. Commission, Exchange and Brokerage	7,00,081	01
3. Rents	Nil	
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	121	82
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from Non-banking Assets and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	788	15
8. Loss (if any)	Nil	
Total .. Rs.	39,07,444	98

AUDITORS' REPORT TO THE SHAREHOLDERS OF THE TRAVANCORE BANK, LIMITED

We have audited the annexed Balance Sheet of the Travancore Bank, Ltd., as on 31st December, 1957, and also the annexed Profit and Loss Account of the Bank for the year ended that date in which are incorporated the returns of all branches audited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions of sub-sections (1), (2) and (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) The transactions of the bank which have come to our notice, have been within the powers of the Bank;

(c) In our opinion, proper books of account as required by law have been kept by the bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) In our opinion, and to the best of our information and, according to the explanations given to us the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the Profit for the year ended upon that date.

(Sd.) K. VENKATACHALAM AIYER & CO.,
(Sd.) MENON & AYYAR,
(Sd.) VARMA & VARMA,
Chartered Accountants.

TRIVANDRUM,
8th February, 1958.

(Sd.) K. SREENIVASA KARAYALAR,
(Sd.) P. R. RAMAN MENON,
(Sd.) CHAKOLA LONAPPEN PALU,
(Sd.) S. VAIDYANATHA AIYAR,
(Sd.) K. N. SANKUNNI PILLAY.
Directors

(Sd.) P. NINAN KOSHI, *Chief Accountant.*
(Sd.) K. C. KURUVILLA, *Assistant General Manager.*
(Sd.) D. R. VEDAMUTHU, *General Manager.*

GROWING CANE ON SCIENTIFIC LINES

LESSONS FROM OTHER COUNTRIES

FOURTEEN years have elapsed since the Indian Central Sugarcane Committee was established. Several schemes of cane research have been completed, while many others are still in progress. The Sugarcane Breeding Institute at Coimbatore, its sub-station at Karnal, a network of research stations and the Indian Institute of Sugarcane Research (opened at Lucknow in February 1952) have all been carrying on research work on almost every aspect of sugarcane. Nevertheless, the progress achieved in terms of actual field results has not been quite encouraging. Barring a few selected areas here and there, where striking improvement is noticeable, both the yield of cane per acre and the sucrose-content in cane have not only not increased but have actually tended to decline over the past fourteen years. The all-India average per-acre yield of sugarcane is at present not more than 13.27 tons (second estimate for 1957-58), as against 14.50 tons in 1942-43. Similarly, the average recovery per cent. of sugar in cane is low at 9.76 per cent. (1956-57), which compares unfavourably with 10.28 in 1942-43.

The continued low level of per-acre yield and sucrose-content is certainly disquieting, especially considering the crores of rupees spent in the name of sugarcane development programmes; a large part of this amount, it may be noted here, is raised by the levy of a heavy cess on cane crushed in the sugar mills. What is this state of affairs due to? The answer to the poser is not far to seek. The efforts of the cane research stations in improving cultivation of cane have been neutralised to a great extent by the lethargy of State Agricultural Departments. Not much has been done by the State Governments to carry successfully to farmers and fields the results of scientific research. This is one of the greatest, though less talked of, failures of the public sector in the past decade. Another factor responsible for the lack of improvement in the quality of cane-growing is the defective system of pricing cane. Under the system, the cultivators are paid for their supplies of cane according to weight, irrespective of quality considerations. What incentive does such a system give to the cultivators to endeavour to grow better quality cane? Since the cultivators are assured of a minimum price for their cane in terms of weights, they simply do not care to put forth any efforts for planting improved types of cane with higher sucrose-content.

Viewed thus, it is gratifying that the Government of India has accepted in principle the scheme for linking the cane price to its quality as well as weight, instead of to weight alone. And over a year has passed since this principle was accepted and yet its translation into actual practice has not been carried out. While the adoption of this system will induce quality-consciousness among the agriculturists, the efforts to improve cultivation must be intensified with all vigour. Better irrigation facilities must be provided, seed nurseries established, disease-free and improved varieties of seeds distributed, manures and fertilisers supplied, pests and diseases controlled, and demonstrations and crop competitions organised. Indeed, the entire cane agriculture should be modernised on scientific lines, if the present high cost of sugar production is to be reduced. How important this aspect is has been very well brought out by Mr. V. P. Timoshenko and Mr. B. C. Swerling, in the course of an interesting study—*The World's Sugar—Progress and Policy*—published by the Food Research Institute of Stanford University, Stanford, California (price: $6.50). Reviewing the developments in the sphere of world cane cultivation during the decades since the end of the First World War, the authors observe:

"Cane agriculture was in ferment everywhere. Newly bred varieties of cane sharply raised the level of per-acre yields. The gradual adoption of the tractor (and the truck) brought important changes in preparation of the soil, in planting, in cultivation, and in the organisation of the harvest. In those regions where labour shortage was a factor to be contended with, increased attention came to be paid to mechanical handling of cane and of sugar. A fully mechanised harvest has been accomplished in Louisiana and on some Hawaiian plantations, and is regarded with favour in Queensland. This process of modernisation, by which cane has incidentally been a major carrier of agricultural science to tropical regions, warrants serious attention."

According to the authors, the development and transmission of new cane varieties have displayed highly dramatic features in the cane regions of the world. Improved varieties, it is common knowledge, mean higher sugar yields per acre, greater resistance to disease, better adaptability to natural hazards like drought or frost, and more response to fertiliser applications. Indeed, we are told that, among the countries that stand in the scientific vanguard, better varieties have been *the most important single factor* responsible for higher sugar yields during the past four decades. To quote Messrs. Timoshenko and Swerling further:

"To the extent that breeding succeeds in lowering fibre content and reducing impurities, the efficiency of factory operations is improved. Combinations of early and late maturing varieties perpetuate high sucrose results over a longer grinding season and spread overhead factory costs at the same time that they increase yields. Good ratooning qualities cut the heavy expense of replanting; self-trashing canes reduce the costs of the harvest; erect canes lend themselves more readily to mechanical cutting than do those that lodge heavily. A modern cane economy marshals its frontline and reserve varieties much as a general calls up his troops."

The progress achieved in varietal improvement has been so marked that, by 1950, as much as 85 per cent. of all cane harvested throughout the world was grown from improved plant stock developed by experiment stations. Even in India where the inertia and poverty of the peasant is considered a strong barrier against better agricultural practices, nearly 90 per cent. of the cane acreage was planted with improved varieties by 1950-51. Further, no other tropical crop has witnessed a more rapid introduction of the tractor and mechanical farm equipment as sugarcane, though the hoe, the wooden plough, the matchete and the ox cart are still to be found in the cane fields of the world.

In cane agriculture even more than in sugar making, advance has come as a result of enlightened and organised research. The experiment station of the Hawaiian Sugar Planters' Association is spending over one million dollars every year, but this amount is very much more than compensated. It is estimated that the extra yield from POJ 2878 in a single year repaid all the funds invested in the Java sugar experiment station over a period of forty years. As the authors rightly point out, research organisations sponsored by the sugar industry "may run the risk of putting too high a premium on short-term results, but the liaison they provide between research workers and growers speeds the field testing and application of laboratory results."

The processes which have resisted mechanisation in Hawaii are the harvesting and cutting of seed cane. Recently, however, the need for planting larger acreages has tended to alter the practices. Machines have been developed to cut cane to length and the system of supplying the mechanical planters improved. Despite the progress achieved, the problems of adopting machines to cutting (and to planting) cane in Hawaii have not as yet been fully overcome. In almost every other cane region, however, the shift to tractors for cane land preparations has been proceeding rapidly. The tractor, it is said, is not only a labour-saving device but a mobile power unit that, by permitting speedier work and improved cultural practices, ranks, along with new cane varieties, as promoter of increases in cane yields. In Florida, Peru, South Africa and Australia, the tractor is entrenched. So rapidly has the process been advancing in the West Indies that the value of tractor imports into Jamaica was more than double that of all sugar factory machinery during 1951-53, without, taking into account the increase in supplementary agricultural equipment.

A brief reference may be made here of the peculiar system of harvesting adopted in Fiji. In this country, cane farms are 10 to 12 acres in size, individual output aggregating 120-180 tons a year. Steady supplies of quality cane are obtained by gangs of neighbours harvesting each other's cane, under the general supervision of a field officer supplied by the mill. Each grower is expected to supply man-hours equivalent to the time necessary for harvesting his own cane.

Notable progress has been achieved in the

(*Continued on page 542*)

LABOUR WELFARE IN COAL MINES

POOR PROGRESS IN HOUSING

WELFARE measures for coal miners in India started as an offshoot of a war-time necessity to maintain the productive efficiency of the industry by keeping up the morale of workers. Accordingly, a Labour Welfare Adviser was appointed in 1942 and a Coal Mines Welfare Fund was instituted in 1944. The Fund has since grown considerably in size and developed into a well-organised welfare State enterprise. In order to put the organisation on a sound footing, the Government of India passed, in 1947, the Coal Mines Labour Welfare Fund Act, which came into force on 14th June 1947. The Act provides for the setting up of a fund, to be called "The Coal Mine Labour Housing and General Welfare Fund," to be maintained under two separate heads—the housing account and the general welfare account.

The Fund is derived from the levy of a cess on all coal and coke despatched from the collieries at a rate not less than As. 4 and not more than As. 8 per ton fixed by the Central Government. At present, the cess is being levied at As. 6 per ton. The proceeds of the levy are divided between the general welfare account and the housing account in the ratio of 7 : 2.

The latest annual report on the activities of the Coal Mines Labour Welfare Fund for 1956-57 shows that, on the basis of the cess of As. 6 per ton levied on despatches by rail, the collections to the Fund during the year under review aggregated Rs. 99.33 lakhs. On despatches by means other than rail, the collections amounted to Rs. 5.99 lakhs. Other receipts to the Fund aggregated Rs. 8.49 lakhs, bringing the total receipts to the Fund during the year to Rs. 113.81 lakhs, as against Rs. 138.43 lakhs in 1955-56. The figures relating to 1956-57 are provisional, as the account for the year has not yet been closed. Out of the aggregate sum of Rs 113.81 lakhs received during 1956-57, the share relating to general welfare account was Rs. 83.73 lakhs and that to the housing account Rs. 30.08 lakhs. These bring the total receipts, since the inception of the Fund, to the general welfare account to Rs. 879.56 lakhs and to the housing account to Rs. 388.27 lakhs. As against these, the expenditure incurred during 1956-57 on the general welfare account is Rs. 56.06 lakhs and that on housing account Rs. 3.29 lakhs, the total sum spent so far being Rs. 535.99 lakhs and Rs. 123.05 lakhs, respectively. The closing balance as on 31st March 1957, in the general welfare account is Rs. 343.57 lakhs and that in the housing account Rs. 265.22 lakhs.

The following are the receipts and expenditure on the general welfare and housing accounts for the last five years:

(In lakhs of rupees)

Year	General Welfare		Housing	
	Receipts	Expenditure	Receipts	Expenditure
1952-53 ..	107.98	46.04	28.82	9.63
1953-54 ..	111.12	45.81	33.61	7.62
1954-55 ..	71.50	57.15	25.35	11.43
1955-56 ..	103.90	56.83	34.53	9.64
1956-57 ..	83.73	56.06	30.08	3.29

It will be seen from the table that there was a sharp fall in receipts during the year under review, though they were higher than those for 1954-55. On the other side of the accounts, the expenditure on general welfare was more or less on the same scale as in the previous year, while that on housing declined substantially. A sum of Rs. 19.70 lakhs was spent during the year on medical facilities and Rs. 5.96 lakhs on anti-malaria operations. The provision of adequate medical facilities is considered important by the Welfare Fund organisation which is giving a subsidy of 8 pies per ton of coal or coke despatched to colliery owners who maintain dispensaries to a prescribed standard.

From the inception of the Labour Welfare Fund, much importance has been attached to housing in coalfields, but the progress has been slow. In the earlier years, the idea regarding housing was that construction of houses should be concentrated in one place, so that the cost of amenities might be low. Experience, however, showed that the scheme was not popular, owing to the distance of the place of work from the site of a township. A scheme was, therefore, introduced for decentralisation of construction, under which colliery owners were entitled to a subsidy not exceeding Rs. 600 per house. This rate was subsequently raised to 25 per cent. of the cost, subject to a maximum of Rs. 750, in cases where construction was completed before 31st December 1953. Under this scheme, the construction of 2,805 houses was sanctioned.

Despite the offer of subsidy, the progress of this scheme was slow. Out of the 2,805 houses sanctioned, the actual number of houses constructed up to the end of March 1957 was only 1,623, while 24 were under construction. Applications in respect of 926 houses were withdrawn. Out of the 1,623 houses completed, claims for subsidy amounting to Rs. 11.02 lakhs were received up to the end of the year, and payment of subsidy in respect of 1,587 houses amounting to Rs. 10.79 lakhs was made.

In view of the slow progress, the terms were made more attractive to mine owners. Under the revised scheme, colliery owners were offered a subsidy of 25 per cent. up to Rs. 735 and a loan of 37.5 per cent. subject to a ceiling of 1,102-8 per house. The construction of 3,062 houses was sanctioned under the revised scheme up to the end of the year. Applications in respect of 411 houses were withdrawn. Construction of 948 houses was completed and 820 houses were under construction at the end of 1956-57.

The Coal Mines Labour Housing Board has constructed in all 1,566 houses at Bhuli (in Jharia coalfield), 48 at Bijaynagar (in the Raniganj coalfield), 219 at Bokaro, 180 at Kargali, 50 at Giridih, 50 at Bhurkunda and 40 at Kurasia (Korea coalfield). The new housing scheme for construction of miners' houses direct by the Coal Mines Labour Welfare Fund was sanctioned by the Government during the year and applications for the construction of 32,172 houses were received from the collieries up to the end of January 1957.

SAFETY IN COAL MINES

The Government of India has set up a fifteen-member Steering Group to prepare the ground for a conference which will consider the question of safety in mines in relation to management practices, workers' training, arrangements for check and inspection and measures designed to prevent accidents in mines. The Steering Group, which consists of representatives of employers, workers and mining experts and three Members of Parliament, met at New Delhi on 17th March. The constitution of the Steering Group is in pursuance of the announcement made in Parliament by the Union Minister for Labour and Employment, Mr. Gulzarilal Nanda, following the accidents in the Chinakuri and the Central Bhowra Collieries on 19th and 20th February. The main conference, which will follow the meeting of the Steering Group, will be attended by representatives of mine workers, employers, mining engineers and the Inspectorate of Mining.

The Steering Group consists of the following persons: *Employers' representatives*: (1) Mr. B. Hogg, Chairman, Indian Mining Association; (2) Mr. Inder Mohan Thappar, Calcutta; and (3) Mr. D. K. Samanta, Agent, Pathavdih Sudamdih Colliery, Pathendih P.O. *Workers' representatives*: (1) Mr. Kanti Mehta, Secretary, Indian National Mine Workers' Federation; (2) Mr. Mahesh Desai, General Secretary, Koyala Mazdoor Panchayat; (3) Mr. Kalyan Roy, Secretary, Indian Mines Workers' Federation; and (4) Mr. V. R. Acharjar, General Secretary, Hindustan Khan Mazdoor Sangh. *Representatives of Colliery Managers*: (1) Mr. A. Wright, Agent, Lodna Colliery Company, Dhanbad and (2) Mr. T. B. Malhotra, Agent, Ranipur Colliery, West Bengal. *Members of Parliament*: (1) Mr. T. B. Vittal Rao; (2) Mr. Ram Subhag Singh; and (3) Mr. Rajinder Singh. *Others*: (1) Mr. S. K. Nargundkar, General Manager, Singhareni Collieries, Kothagudium; (2) Mr. A. B. Guha, Mining Adviser, Ministry of Steel, Mines and Fuel; and (3) Mr. S. S. Grewal, Chief Inspector of Mines in India, Dhanbad.

COAL MINES PROVIDENT FUND

The Coal Mines Provident Fund Scheme has been modified to provide for a uniform rate of contribution for all categories of colliery workers. The rate has been fixed at 6¼ per cent. of the total emoluments of workers, which include cash payments, overtime compensation for guaranteed wages, additional payments for different and arduous work, remuneration for paid holidays, etc. Hitherto, the contributions to the Fund were recovered at different rates for different categories of workers. The need for a uniform rate for all categories of workers was felt following the enforcement of the revised wage structure in the coal industry in pursuance of the award of the All-India Industrial Tribunal (Colliery Disputes) in May 1956.

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EXPORTS OF INDIAN JUTE GOODS

I.J.M.A. CHAIRMAN URGES NEED FOR INTENSIVE PROMOTIONAL WORK

THE main characteristics, or rather the weakness, of the Indian jute industry, by virtue of its position as an export industry, is its sensitiveness to the changes in the general economic and trading conditions in various parts of the world. To see the industry in its proper perspective, therefore, one must view it against the background of world trading conditions. To take the year 1957. Early in the year, it looked as though the industry was recovering from the difficulties of over-production during 1956 and it was expected that a substantial improvement in the state of the industry would result. This expectation did not, however, materialise, thanks to the change in world economic climate. Trading conditions continued to be unfavourable and jute mills never had an opportunity to unseal the additional looms that had been closed in 1956 following a glut of stocks of jute goods.

In judging the industry's performance during the past year and comparing it with that in the preceding years, one must bear in mind that, for the first time in many years, the Indian jute mills were not operating in a rapidly expanding world economy. On the contrary, signs of business recession came to be felt more and more as the year passed. There was, no doubt, a fall in production and, in the prevailing state of the world trade, exports were maintained at a reasonably satisfactory level. Mills were able to sell more goods than they produced, with the result that stocks with mills had fallen substantially. Statistically, the position of industry improved. But, financially, the past year was far from satisfactory one, as the prices of jute goods were hardly remunerative. In 1955, the entire industry is estimated to have suffered a net loss of less than Rs. 25 lakhs. The complete figure for 1956 are not yet available, but the accounts of companies representing 90 per cent. of the industry showed a net loss of more than Rs. 2.5 crores. As for 1957, it is too early to get the relevant data. It is, however, estimated that the loss in 1957 may not be as large as in the preceding year; it is nevertheless sizable. In any case, the cumulative effect of the losses in the last two years on the mills must be quite depressing.

Year of Consolidation

The leaders of jute industry, however, are inclined to take a hopeful view of the outlook for the industry. Thus, Mr. D. P. Goenka, Chairman of the Indian Jute Mills' Association affirmed, in the course of his speech at the annual meeting of the Association held in Calcutta on the 14th inst., that the mills were statistically in a better position than they were a year ago and said that, given a reasonable degree of market stability, they should be able "to recover a modicum of that prosperity which has recently proved so elusive." He based this subdued optimism on the following grounds:

(1) 1957 was a year of consolidation for the jute mills. (2) The statistical position of jute goods has improved. (3) The industry's dependence on Pakistan for raw jute has been greatly reduced. (4) Its efficiency has improved, thanks to further modernisation and rationalisation. (5) Despite adverse factors in some of the principal consuming markets, the mills have been able to make some progress in other markets.

Referring to the outlook for the current year in particular, Mr. Goenka struck a note of cautious optimism. He said:

"This year, I feel, there are more imponderables than usual. The general economic outlook is uncertain, and, in particular, it is difficult at this stage to foresee what will happen in the U.S.A. our principal market for hessian. The one certainty is that trading conditions are not going to be easy, and I do not think we can expect any material expansion of our export trade, except perhaps through the development of new uses for jute fabrics. Nevertheless, as I said at the outset, the past year has been one of consolidation. The competitive position of the Indian jute industry is now stronger than it was a year ago; and barring some unforeseen calamity, we should fare better in 1958 than we did last year."

The main theme of Mr. Goenka's address was the importance of export promotion work. The trend of export of jute goods in 1957, he observed, underlined the need to continue, and if possible extend, this side of the Association's activities. The experience of 1957 showed that strenuous efforts would be needed to maintain the old established markets and develop them in the face of keen competition from other methods of packaging and transport. During the past year, the exports to large traditional markets fell, but the losses were compensated by larger shipments elsewhere.

The two largest markets for Indian hessian are the U.S. and the U.K. and the exports to them dropped by 5 per cent. and 50 per cent. respectively. Examining the causes of such a decline, the I.J.M.A. Chairman said:

"Although the fall in exports to the U.S. reflected to some extent a reduction in the stocks of burlap held by the trade in North America, this is not a complete explanation. Of more significance is the fact that there was also a fall of about 12 per cent. in the U.S. consumption of burlap last year. This fall in the total consumption was due to a reduction in the use of burlap for the manufacture of bags and it is at least satisfactory that the consumption of burlap for industrial and other purposes continued to rise. In the U.K., the very heavy fall in consumption was a direct result of the operation of the U.K. Jute Control. . . . The situation in the U.K. market is most unsatisfactory and would have led to a substantial drop in our total hessian exports last year, if there had not been an appreciable increase in shipments to Argentine."

The principal market for Indian sacking is Australia, the offtake of which during 1957 suffered a substantial fall. This was largely due to the serious drought in the wheat-growing areas last year. Mr. Goenka, however, hoped that the lower offtake from Australia would be only temporary. The fall in exports to this continent was fortunately more than made good by larger shipments to other markets, particularly to Egypt and the underdeveloped countries in Africa and the Far East, so that the overall exports of sacking was higher, thus maintaining the upward trend. The Chairman of the I.J.M.A. regarded the emergence of these new markets for heavy goods as a "most encouraging sign." Though there were no orders from China for Indian sacking during 1957, Mr. Goenka considered the future prospects as reasonably bright.

The most disappointing feature of the past year was the decline in internal consumption. Since 1954, the internal offtake had been steadily rising and, with the rapid development of agricultural and industrial activities under the second Five-year Plan, it had been expected that the internal consumption would increase substantially in 1957. This expectation did not materialise; on the contrary, there was a fall of about 14,000 tons in domestic offtake. Though the consumption was higher than in 1955, the position is not considered as satisfactory.

Jute Control in Britain

Mr. Goenka examined the position of Indian jute goods in Europe and North America, in the light of his study of these markets in the course of his tour as a member of the Indian trade mission. In Europe, though exports during 1957 showed an appreciable increase, he saw little prospect of any substantial increase in trade, as most of the Continent's requirements of jute goods were being supplied by indigenous jute manufacturing industries, strongly protected by high import tariffs. In the U.K., the exports would show a marked rise, if India is not "so severely handicapped by the operation of the U.K. Jute Control," under which Indian jute goods imported in the U.K. are purchased by the Jute Controller and sold at no less than 30 per cent. above (this percentage was 40 per cent. till last July) the landed cost in order to bring the selling prices in line with those of Dundee. Mr. Goenka considered this as a "most short-sighted policy," because it gave room for paper sacks to gain ground at the expense of jute. The reduction in mark-up prices from 40 to 30 per cent. in July last, he said, was not sufficient to arrest the trend towards paper bags. In U.K. itself, there is a lot of controversy going on about the jute control; many consumers consider the system of marking up prices as penalising them.

The reason given by the U.K. authorities for not reducing the mark-up prices still further was the adverse effect which it would have on employment in Dundee. Mr. Goenka was not impressed by this argument, because only a small part of the Dundee's output was being affected, since the production of the types of cloth which India produces was found unremunerative and a great bulk of Dundee's production was in speciality goods. "This suggests," Mr. Goenka went on to say, "that the mark-up merely benefits jute's competitors, particularly the paper industry, and I am confident that, if the Government of India continues to press the U.K. authorities, the mark-up can be reduced to a level at which jute can compete with paper and recover much of the lost ground." In the meantime, the I.J.M.A. is continuing its efforts to promote consumption of jute sacks not only by advertising but also by direct personal contact with the farming community.

U.S. Market

In the U.S., where Indian jute goods are not subject to any artificial increase in price, as in the U.K., there was a further rise last year in the consumption of burlap for industrial purposes, but a decline in its use for the manufacture of bags. The three main reasons for this fall in use of burlap for bag manufacturing given by Mr. Goenka are: (1) the competition from paper sack in smaller packages, though the introduction of 50 lb.-light weight burlap bag has resulted in some return from burlap to paper; (2) the success of the "return-bag" programme which has slowed down the replacement of bags, and (3) the steady growth of bulk handling. In these circumstances, Mr. Goenka did not see how any material increase in bag business in the U.S. could be expected. The alternative is, therefore, to concentrate our efforts on encouraging industrial consumption and evolving new uses for burlap, while maintaining our position in the packaging field. Carpet backing, furnishings and a new type of cotton bale cover are some of the examples of industrial uses that the I.J.M.A. is trying to develop. The use of burlap as an irrigation canal liner is another project which offers a large potential market, if it can be exploited. Mr. Goenka is, however, convinced that the American market offers a serious challenge and that there is need for an intensification of the promotional activities there. Thus, he said:

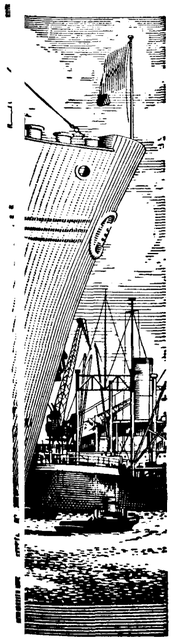
"We are now considering how best to counter the threat of bulk handling, and if I tell you that our friends in the American burlap trade have suggested a campaign to 'Stem the Tide of Bulk.' I hope you will not think that we are trying to emulate King Canute. The advance of bulk handling may be inexorable; but that does not mean that we are powerless to prevent it from encroaching too far on our territory. The success of our efforts to increase exports to the U.S.A. will, of course, depend to a considerable extent on the general level of business activity in that country. While the U.S. administration still seems to be optimistic about the future, I notice that in recent economic reports from America it is now apparently a depression, rather than a recession, which is not going to take place. Whatever the future may hold, there is no doubt that the American market presents a serious challenge, and my visit convinced me of the need for an intensification of our promotional activities there."

Limiting Factor

There is, however, one limiting factor in the export promotion work, that is, paucity of finance. The industry is no doubt grateful to the Government of India for the grants it has given for publicity purposes; last year, a sum of Rs. 2.5 lakhs was given as grant. However, the foreign exchange difficulties and world conditions both demand an all-out effort and the industry, therefore, requires a substantial help. In addition to the grants for export promotion, the Central Government allowed last year a drawback of import duty on batching oil used in the manufacture of goods for export. Though no device has been evolved whereby this refund can be passed on to the manufacturers, instead of to the shippers as exporters, it is nevertheless of considerable assistance to the export trade, since in a buyers' market the benefit will inevitably pass on to the overseas customers. The benefit of this drawback has, however, been more than offset by the increased electricity duties imposed on the Calcutta mills by the recent West Bengal Electricity Duty (Amendment) Act. The new duties are expected to add at least Rs. 45 lakhs per annum to the manufacturing costs of mills. For an export industry which is in serious financial difficulties and facing serious competition in overseas markets, this burden is "an intolerable burden" and it is to be hoped that the West Bengal Government will accede to the plea of the jute mills and give them relief.

While advocating the need for promotional efforts in export markets, Mr. Goenka was not unmindful of the importance of quality for maintaining the sales. He averred that the industry was sparing no efforts to maintain the standard of the jute products. Another factor which has an important bearing on sales abroad is the price of jute goods. In theory, lower gunny prices are good, in that they help facing competition from substitutes and from new manufactures. From the practical point of

(Continued on page 555)



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PROMOTION OF INTER-STATE MOTOR TRANSPORT
A NEW BODY SET UP

FEW developments are of greater importance to the progress of inter-State motor transport than the setting up of the Inter-State Transport Commission. Although the establishment of the Commission formed part of the reform of the motor vehicles legislation carried out in 1956 by the Government through the Motor Vehicles (Amendment) Act, the Government had not taken a decision on this important subject for more than a year. It is, therefore, gratifying to note that the Government has at last decided to set up the Commission.

The Commission, according to an official announcement made last week, consists of Dr. Nagendra Singh, Joint Secretary, Union Transport Department, as Chairman, and two other members, Mr. D. D. Suri, Deputy Secretary, Union Transport Department, and Mr. Jagdesh Prasad, Area Manager, Airlines Corporation. It is not clear why the Government has restricted the Commission to officials only, though it is true that the members chosen have a distinguished background and acquaintance with transport problems. The Government could have included some non-official members with intimate knowledge of road transport problems. The Act only lays down that the Government may constitute a Commission consisting of "a chairman and such other members, not being less than two, as it thinks fit" for the purpose of developing, co-ordinating and regulating the operation of transport vehicles in the inter-State region. Thus, the Act neither lays down that the Commission should consist of officials only nor prescribes that there should be only three members. The Government would have been well advised to include a few non-officials, and also a person with judicial experience who would be of assistance in dealing with certain legal aspects of inter-State disputes.

Powers

Under section 63A of the Motor Vehicles (Amendment) Act, the Commission has wide powers of control and direction. What is now attempted is to invest the Commission with only a few of the more important powers contemplated by the section. Thus, its functions are: (1) to prepare schemes for the development, co-ordination or regulation of the operation of transport vehicles and, in particular, of goods vehicles in an inter-State region; (2) to settle all disputes and decide all matters on which differences of opinion arise in connecton with the development, co-ordination or regulation of the operation of transport vehicles in an inter-State region and (3) to issue directions to the State Transport Authorities or Regional Transport Authorities interested regarding the grant, revocation and suspension of permits for the operation of transport vehicles in respect of any route or area common to two or more States.

The Commission has not been invested with powers to perform the further function, contemplated by the section, namely, to grant, revoke or suspend any permit or countersign any permit for the operation of any transport vehicle in respect of such route or area common to two or more States as may be specified in this behalf by the Central Government. This power will also be given to the Commission, if necessary, according to the statement made by the Union Minister of State for Transport, Mr. Raj Bahadur, in the course of a Press conference held in New Delhi, last week.

Explaining the object of appointing the Commission, Mr. Raj Bahadur said that, at present, there was no proper regulation of inter-State road transport services. On many inter-State routes, passengers and goods had to be transferred to other vehicles at the borders. The Central Government, he added, had been persuading the various State Governments to conclude agreements with the neighbouring States for the operation of transport vehicles. It would appear that, although the State Governments had agreed to the principle of free movement, in actual practice, they had failed to come to any satisfactory arrangement.

The setting up of the Commission is a step in the right direction. It meets a long-felt need. It may be recalled that the Estimates Committee, in its report on motor transport, had indicated that "prompt steps should be taken for the setting up of the Inter-State Transport Commission, so that it may start playing a useful role in developing motor transport in the country to relieve the existing transport bottleneck." Now that the Commission has been established, it is to be hoped that problems of inter-State road transport will receive the necessary attention and steps will be taken to make motor transpoft a more dynamic factor in transport economy.

There is no doubt that there is great scope for the expansion of motor transport in the intra-State and inter-State spheres. It had been formerly estimated that the overall traffic at the end of the second Five-year Plan would amount to 270 million tons. Since then, the revision of the targets for foodgrains and cement and the Government's decision to step up exports of mineral ores are among the factors which are likely to increase the overall traffic. In the course of his speech at the Transport Users' Conference, held recently in New Delhi, Mr. L. P. Misra, Chairman of the Reception Committee, estimated that "whatever developments may take place in the three types of transport—railways, coastal routes and inland waterways—there will be a deficit in the list targeted of at least 50 million tons and this will have to be thrown on the roads."

Advantages

Road transport, as is well known, has certain inherent advantages. It is more flexible than any of the other means of transport, the railways or waterways, in that it can cover a wider area, needs less equipment and gives door-to-door individualised service. Any stimulus given to inter-State road transport will significantly reduce transport bottlenecks in the country. In this connection, it is interesting to note that Mr. Raj Bahadur disclosed that there were now 120,000 goods vehicles and 50,000 passenger vehicles on roads, as against 90,000 and 35,000 respectively, at the beginning of the first Five-year Plan; goods vehicles carried about eight to ten million tons of goods at present. He hoped that the number of goods vehicles would increase to 240,000 and carry about 20 million tons by the end of the second Plan. The Minister placed the country's requirements at 300,000 vehicles with a carrying capacity of 70 million tons; he estimated the expenditure on the project at Rs. 1,000 crores.

Taxation

The figures, cited above, must serve to show the magnitude of the investment which would be necessary in order to make road transport contribute its full share to the national economy. But such investment cannot take place without substantial reduction in the present admittedly heavy burden of taxation on road transport. It has been computed that, in India, the taxation per motor vehicle per year is about Rs. 2,070, as against Rs. 800 in France, Rs. 950 in Austria, Rs. 1,300 in the U.K., Rs. 1,500 in Italy and Rs. 1,200 in Germany. A sizable reduction in tax burden would stimulate the growth of road transport, remove transport bottlenecks, increase employment opportunities and also improve the revenue which the Central and State Governments derive from the operation of motor transport services.

CHEAP RADIO SETS

The Ministry of Information and Broadcasting has for some time been discussing the production of radio sets at a low price with the radio manufacturers in the country. This was disclosed by Mr. R. K. Ramadhyani, Secretary to the Ministry, in the course of a Press interview, at Bangalore. The specifications of radio sets, he said, had been discussed and approved by the National Physical Laboratory and the manufacturers. It was expected that the orders placed for community listening sets would result in lower prices for radio sets on account of larger production. These measures, he said, had probably had some effect but the price of sets remained high. The community receiving sets cost about Rs. 205. Less expensive sets, he said, were possible but the manufacturers had yet to show adequate initiative in this direction. At a meeting of the Liaison Committee, held in September 1957, the representatives of the manufacturers were invited to send a memorandum showing the direction in which Government could help the industry but nothing had developed so far.

The Government of India, he said, was exploring the possibilities of cheap radio listening in various ways. One of these could be by providing a system of local transmitters which would enable good reception with crystal or small valve sets; the local transmitters would relay the programmes of Central station. Extension of radio reception could also be effected by providing in towns the facilities of what was known as "wired wireless." Under the system, a subscriber could get a connection or a loudspeaker or earphones; he would not need a receiving set at all. The Government had to study these proposals and decide upon the most practical and effective means or combination of means. In this connection, it was trying to get the services of a foreign technical expert to assist the A.I.R. to make a detailed technical study of its system with a view to making a large expansion in radio receivers possible. It is also considering a detailed investigation of the problems of radio manufacture in the country. Perhaps, this could be done with the aid of radio industrialists in foreign countries who might be willing to send a delegation to India. Such a delegation, he said, might be able to assist the radio manufacturers in the country.

There was, according to Mr. Ramadhyani, the possibility that the introduction of the new "transistor" type of radio sets would enable radio listening in the rural areas to make enormous strides. The main interest of this type of receiver was that it required very little current from batteries. The cost was, however, high. The electronics factory in Bangalore had the potential to manufacture radio components. The Ministry was interested in arranging for the production of transmitters for A.I.R. in this factory. These and other questions of radio manufacture, he said, would be studied with the management.

ROAD DEVELOPMENT

Some light on the development of roads in the last official year is thrown by the report of the Ministry of Transport and Communications for the year 1957-58. According to this report, a sum of Rs. 8.6 crores is expected to be spent on the development of National Highways during 1957-58, as against Rs. 9.25 crores in 1956-57: the total provision for National Highways in the second Plan is Rs. 55 crores. Physical achievements during the period 1st April 1957 to 15th January 1958 include the construction of about 110 miles of missing links and by-passes and 12 major and 10 minor bridges and improvement of 775 miles of existing sections. As regards roads, other than National Highways, a total provision amounting to Rs. 14.32 crores has been included in the second Five-year Plan, of which Rs. 2.35 crores is expected to be spent in 1957-58. The total expenditure on roads of economic or inter-State importance was Rs. 2.90 crores. About 135 miles of new roads were constructed and 275 miles of existing roads were improved. A sum of Rs. 16 crores was spent during the first Plan period out of the Central Road Fund. During the year under review, Rs. 1.46 crores was sanctioned out of the allocations made to the States. In addition, grants aggregating Rs. 21.12 lakhs were sanctioned from the Central Road Fund (ordinary) reserve for specific projects in various States.

SECONDHAND TONNAGE PRICES DECLINE FURTHER

With the continued depression in freight rates, secondhand tonnage prices have recorded a fresh decline, with the reported sale last week of a "Liberty" for £135,000 (about Rs. 18 lakhs), which compares with the price of $425,000 (about Rs. 21 lakhs) paid two weeks ago and of £225,000 (about Rs. 33 lakhs) paid in February last. There was, however, one sale during February in which a Liberty was purchased at an "as is where is" basis, delivery Japan, at $340,000 (about Rs. 16 lakhs). Only 15 months ago (December 1956), a Liberty was sold for £670,000 (about Rs. 89 lakhs), the highest price ever paid for a ship of this type. The maximum paid during the boom period of Korea was about £600,000 (Rs. 80 lakhs). Most of these war-time built vessels were sold by the Maritime Administration of the United States to American and foreign buyers between 1946 and 1951. The price at which the U.S. Government sold a few Liberty vessels to Indian owners was about Rs. 22-24 lakhs each.

Six thousand passenger aircraft are in use by airlines of the world, and nearly 1,500 additional passenger aircraft are on order, according to a study recently completed by the Boeing Airplane Company Transport Division market research group. Results of the study, just made public, show that late last year the total number of airliners known to be in use was 5,994; 1,433 were known to be on order. Of these totals, 99 were in use by Indian airlines and 19 were on order. Included in the total on order are the three Boeing 707 Inter-continentals Jet Stratoliners ordered by Air-India International and scheduled to enter service in 1960.

The study also shows that 757 all-cargo aircraft were in use by airlines throughout the world and 25 were on order. Of these totals, six were in use by Indian airlines. Boeing Airplane Company, which conducted the study, is manufacturer of Boeing 707 long-range jet airliners and Boeing 720's for intermediate-range use. Fourteen leading world airlines have ordered a total of 162 of the 600 mile-per-hour aircraft.

The booklet *Roads and Road Transport in India*, issued by the Indian Roads and Transport Development Association, Bombay, is a reprint of the articles contributed to the *Yojana* by Mr. B. V. Vagh, the well-known authority on road problems. The pamphlet is divided into three parts. The first part gives the basic facts about roads, the second examines the present position of roads and the resources aspect of road development while the third discusses the future of road transport. As might be expected of an author of Mr. Vagh's expert knowledge of road problems, his pamphlet is a mine of useful information about roads which has been very ably presented.

NEW PRODUCTS AND PROCESSES

Electrical Heating Mantles

IN foreign countries, an electrical appliance, known as "Heating Mantle" is generally used for heating round bottom glass equipment. In India the manufacture of such devices has not so far been undertaken because of the non-availability of technical skill and know-how. Local demands though limited are being met from imports. The price of imported articles too is high and once the appliance goes out of order, repair is not easily possible. A device similar to the imported mantles has been successfully developed at the Shri Ram Institute for Industries Research, Delhi. It consists of a highly efficient coiled coil heating element, insulated by a knitted layer of glass fabric, housed in a metallic container. The coils are arranged to form a basket like hemispherical surface which imparts uniform, controllable heat all round the bottom of the flask. Temperatures up to 400° C. can be easily attained. A metallic barrier protects the element from incidental overflows. Depending upon the requirement the heat output can be easily controlled.

The device can be manufactured to suit any flask size from 50 ml. to 20 litres. Damaged parts can be easily replaced. Prototype heating mantles made by the inventors have been in actual use for quite a long time and have given satisfactory service. The manufacture of these mantles can be taken up by firms engaged in the manufacture of electrical goods and other similar equipment. Production on small scale is also possible provided ordinary workshop facilities are easily available. Parties desirous of undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, Mandi House, Lytton Road, New Delhi-1.

Paper Made from Fungi

Research conducted by the Institute of Paper Chemistry at Appleton, Wisconsin, in the United States has shown that it is feasible to make paper and paper products from the filaments of fungi. The paper is made by using that part of the fungus known as the mycelium, which is thread-like in character. Relatively pure filaments of fungi are prepared and disintegrated in much the same way as in usual paper manufacture, when wood pulp is used. The disintegrated fungi can then be suspended in water and made into a sheet. Sheets of mycelia alone, the Institute says, tend to become brittle. But the addition of as little as 10 per cent. by weight of cellulose fibres produces sheets of paper with much the same characteristics as normal paper, although with somewhat less strength.

Rust-eating Paint

A new type of paint that attacks rust, combines with it chemically to form an impermeable film, and thus forms a protective coating for the material on which it is applied, has been developed in Australia by Davidson Paints, Ltd., and Gordon Abbots Industries, Ltd., manufacturers of the paint. The paint acts as a primer-surfacer, resisting acids, alkalis and weather reactions and prevents the reformation of rust. Previous methods of rust removal concentrated on chemical and mechanical which were more elaborate and costly. The new paint can be applied by brushing, spraying or dipping and dries completely in a day. Normal undercoat and paint may be applied over the "rust-eater."

New Green Pigments for Rubber

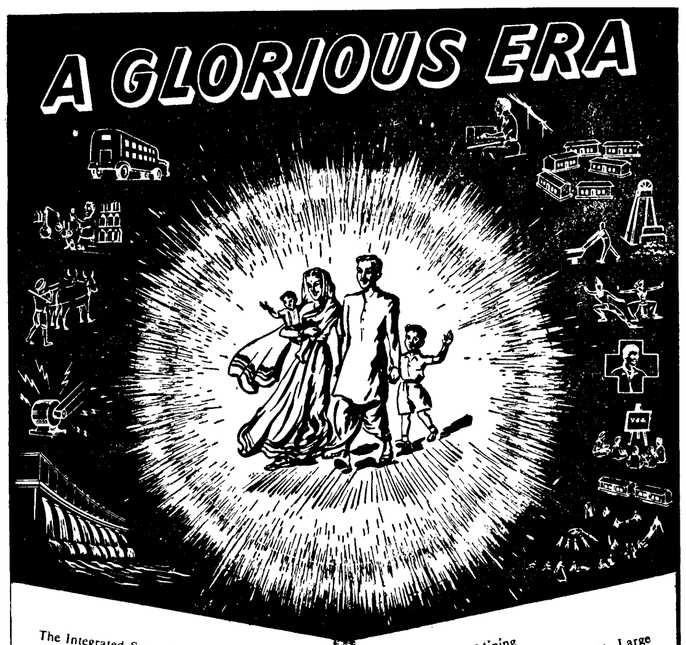
Two new green pigments for use in colouring rubber and polyvinylchloride plastics have been developed by Imperial Chemical Industries. In both cases the pigments produce a bright yellow-green colour. The rubber colouring compound, which is known as Vulcafor Fast Green 5GS, is said to possess excellent stability under all methods of vulcanisation. It will, for example, withstand high-temperature continuous vulcanisation processes. The plastics colouring compound, which is called Vynamon Green 5GS, is likewise said to have good stability. It can be used for both opaque and transparent polyvinylchloride compositions and is stated to have excellent light fastness.

Chemical Increases Rubber Yield

A weed-killing chemical developed in the United States is increasing the yield of rubber trees in the Far East. It is called 2-4-D, and is normally used by gardeners to kill dandelions and other broadleafed weeds. During the last five years the United States Rubber Company has been testing the chemical as a growth stimulant on rubber trees in Malaya and Indonesia. The company reports that the chemical has increased latex yields by as much as 25 to 40 per cent., and has rejuvenated older trees, adding years to their productive lives. Less than an ounce of the chemical is used on a tree. Mixed with palm oil, it is painted on a narrow section of the tree trunk from which the bark has been removed.

Unmined Coal Turned Into Gas

By using a new process the U.S. Bureau of Mines is turning underground coal into fuel gases without first mining the coal. This is done by passing heat created by high-voltage electrical currents through the coal and thus carbonising it. After carbonisation, the coal is porous enough to permit the passage through it of air, pure oxygen or steam. A chemical reaction then takes place which turns the coal into combustible gases and these are piped to the surface for use. There they may be used to provide power for electrical generators or in the production of synthetic liquid fuels or chemicals. The Bureau of Mines has made a considerable quantity of gas in this way and is now endeavouring to make the process cheap enough for routine commercial use.



The Integrated Second Five-Year Plan of the new State of Bombay which combines the schemes and provisions in the Second Five-Year Plans of the old Bombay State (Minus transferred territories), Vidarbha, Marathwada, Saurashtra and Kutch is of the order of Rs. 350.28 crores. The allocation of outlay among the various heads of development is as follows:-

Agriculture & Community Development
which includes Animal Husbandry, Dairying and Milk Supply, Forests, Fisheries, Co-operation and Community Development Projects, etc. ..... Rs. 8,675.22 lakhs

Irrigation and Power
which includes Multipurpose Projects, Major and Medium Irrigation Projects and Power Projects ..... Rs. 13,659.17 lakhs

Industry and Mining
which includes Mineral Development, Large and Medium Industry and Village & Small-Scale Industries .... Rs.1,318.97 lakhs

Transport & Communications
which includes Roads Development, Road Transport, Ports & Harbours ..... Rs. 2,924.41 lakhs

Social Services
which includes Education, Health, Housing, Welfare of Backward Classes & Social and Labour Welfare ..... Rs. 7,610.96 lakhs

Miscellaneous
Development of National and Regional Languages, Encouragement to Arts and Culture, etc. ..... Rs. 881.20 lakhs

Graphic B/12.

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ABRIDGED BALANCE SHEET AS AT 31st DECEMBER 1957.

	Rs.	nP.
Paid-up Capital	10,74,320	00
Reserves	6,36,919	19
Deposits	3,67,00,883	32
Bills for collection as per contra	12,64,054	27
Acceptances, Endorsements etc. as per contra	42,20,439	92
Other Liabilities	9,22,578	42
Profit and Loss Account ..	3,25,596	00
Rs. ..	4,51,44,791	12

	Rs.	nI
Cash	46,99,524	8
Investments	1,23,90,468	9
Advances	2,13,58,869	0
Bills Receivable as per contra	12,64,054	2
Constituents' Liabilities for Acceptances etc. as per contra..	42,20,439	9
Premises, Furniture and Other Fixed Assets	7,53,283	1
Other Assets	4,58,151	0
Rs. ..	4,51,44,791	1

LIFE INSURANCE BUSINESS IN 1957

SIZABLE IMPROVEMENT RECORDED

NOW that the excitement over the L.I.C.-Mundhra deal has waned, public attention is again tending to focus itself on the trend of new business of the Life Insurance Corporation. It is now almost 19 months since the Corporation was established. An interim report on its activities was published in August last which covered the period up to 30th June 1957. The statutory report for the first accounting period, which has been fixed as 1st September 1956 to 31st December 1957, is yet to be published. Meanwhile, figures of new business done in 1957, made available by the Corporation, make interesting reading.

Total business done in 1957 aggregated Rs. 281.38 crores, comprising Rs. 275.98 crores written in India and Rs. 5.40 crores written abroad, as compared with Rs. 200.28 crores in 1956. The target of new business laid down by the Corporation for the year was Rs. 250 crores. The actual business has thus exceeded the target by Rs. 31.38 crores. Whereas the total business, both foreign and Indian, has gone up by as much as Rs. 23 crores above the 1955 figure, the peak year of business when life insurance was under private management, business written in India alone shows an advance of as much as Rs. 38 crores over the 1955 figure. Foreign business, however, has fallen sharply to Rs. 5.40 crores, as compared with Rs. 12.59 in 1956 and 20.33 crores in 1955 (under private management). This fall is attributed to the fact that the Corporation no longer writes new business in Pakistan, Burma and Ceylon. It expects the foreign business to stabilise gradually at Rs. 10 to Rs. 15 crores. The following table gives the trend of life business in 1956 and 1957, as compared with the previous three years under private management:

(Sum assured in crores of rupees)

Year	In India	Outside India	Total
1957	275.98	5.40	281.38
1956	187.69	12.59	200.28
1955	238.30	20.33	258.63
1954	236.34	17.65	253.99
1953	155.20	14.66	169.86

The monthly break-up of the business figures reveals an interesting picture. During the first six months of the year, namely, from 1st January to 30th June 1957, business done aggregated Rs. 75 crores only. During the following three months an additional Rs. 73 crores of business was introduced. The balance of Rs. 133 crores was done during the last quarter of the year. Whereas the average business introduced during the months of October and November was over Rs. 21 crores, there was a spectacular rise in December. New business introduced during the first week of December was Rs. 7 crores. It increased to Rs. 9 crores in the second week, Rs. 11 crores in the third and Rs. 38 crores in the last week, thus making an aggregate of Rs. 65 crores during the month, which is only Rs. 10 crores less than the new business written during the entire first half of the year. This suggests that business activity was done during the last quarter of the year, even allowing for the fact that there is always a rush of business towards the close of the year. Perhaps, the Corporation will do well to bring home to the agents the importance of steady, rather than spasmodic, methods of doing business. "Rush" business, however impressive, is bound to end in serious lapses.

An analysis of the figures shows that the Southern Zone comprising Andhra Pradesh, Mysore, Madras and Kerala wrote the highest amount of business, followed by the Eastern and Western Zones with substantial business, thus indicating that the people in the South are more insurance minded than in any other region. The Northern and Central Zones have brought in the lowest amount of business. One wonders whether these regions received the attention they deserved. There is considerable scope for expansion in these areas. The following table gives the region-wise breakdown of the new business figures:

(Sum assured figures in crores of rupees)

Zones	No. of policies	Sum assured	Average amount of policy Rs.
Northern	74 738	33.90	4,500
Central	86,166	35.70	4,100
Eastern	192,159	67.62	3,500
Southern	269,508	74.14	2,700
Western	165,542	64.63	3,900
Foreign	5,055	5.40	10,700

The Corporation seems to be anxious to compare its performance with that of private insurers in pre-nationalisation days. It is true that the new business in 1957 was more than that written by private insurers two years back. It would not, however, be correct to conclude from this that the Corporation has outshone private insurers. 1955, despite the fact that business in that year was a record, was not a very bright year for insurance under private management, because the entire atmosphere was clouded by the threat of nationalisation which must surely have put a curb on the enthusiasm to canvass new business. A more appropriate method would be to compare the expansion of business in 1957 not with what was achieved in 1955 but with what it might have been had life insurance been left in private hands. The increase in population, in national income and the standards of living, all exert their influence on insurance. There are also other factors which contributed to an expansion of life insurance in the last year. The reduction of premium rates by Re. 1 in 1956 was an incentive for more people to go in for insurance. Further, the categorisation scheme, which took into account the production of completed business by a field officer during the thirteen months ended 30th November 1957 or 31st December 1957 for the purpose of fitting him into the new pay scales, was an additional inducement for expanding business.

There has been, as noted above, a fall in foreign business due to the very valid reason that the Corporation has ceased writing new business in Pakistan, Burma and Ceylon. But this does not in the least affect the validity of the contention that nationalisation has involved a loss of foreign exchange to the country in the form of a reduction in its invisible exports.

Be that as it may, judging from the aforesaid figures, the Corporation's performance is good. But, in view of the absence of any information regarding the expense and lapse ratio, it is not possible at present to judge the quality of business done.

ATOMIC INSURANCE

New and unfamiliar risks of colossal magnitude inherent in the erection and operation of atomic reactors offer a formidable challenge to the ingenuity of insurers. Insurers throughout the world are bestowing considerable thought on the problems of extending their protective hand to this young and promising industry. In the field of atomic energy development, Britain stands ahead of other countries, and in insuring atomic risks too that country is taking the lead. About two years ago, British insurance companies and Lloyds together established the British Insurance (Atomic Energy) Committee for the purpose of insuring atomic risks. The insurance interests of America have already formed syndicates for the purpose. An atomic insurance pool has been formed by a group of property insurance companies in the U.S. for insuring atomic property risks up to $1 million each. Many European countries have made, or are making, similar moves.

It is becoming increasingly evident that, in view of the huge financial commitments involved in providing cover for larger atomic reactors and power stations, insurers must co-operate not only on a national level but also on an international basis. In February 1957, British insurers convened an informal conference of European insurances for discussing the problems of atomic insurance. About a fortnight ago, at a three-day international Atomic Energy Insurance Conference, delegates representing insurers from fifteen European countries reached an agreement on the broad approach to the insurance of atomic risks. The principles agreed upon are more or less the same as worked out and practised by prominent British insurers. The Conference was sponsored by the British Insurance (Atomic Energy) Committee. Its object was to suggest how the European insurance markets could work in a more integrated manner, so as to provide insurance on a comprehensive basis for the many reactor installations now under construction or contemplated.

There was general agreement among the delegates regarding the form national pool arrangements should take. The pool arrangement, it may be noted, enables individual insurers to bind themselves together to act as an insurance pool. Material damage risks to atomic installations which should be pooled, it was decided, should be the

(Continued on page 540)

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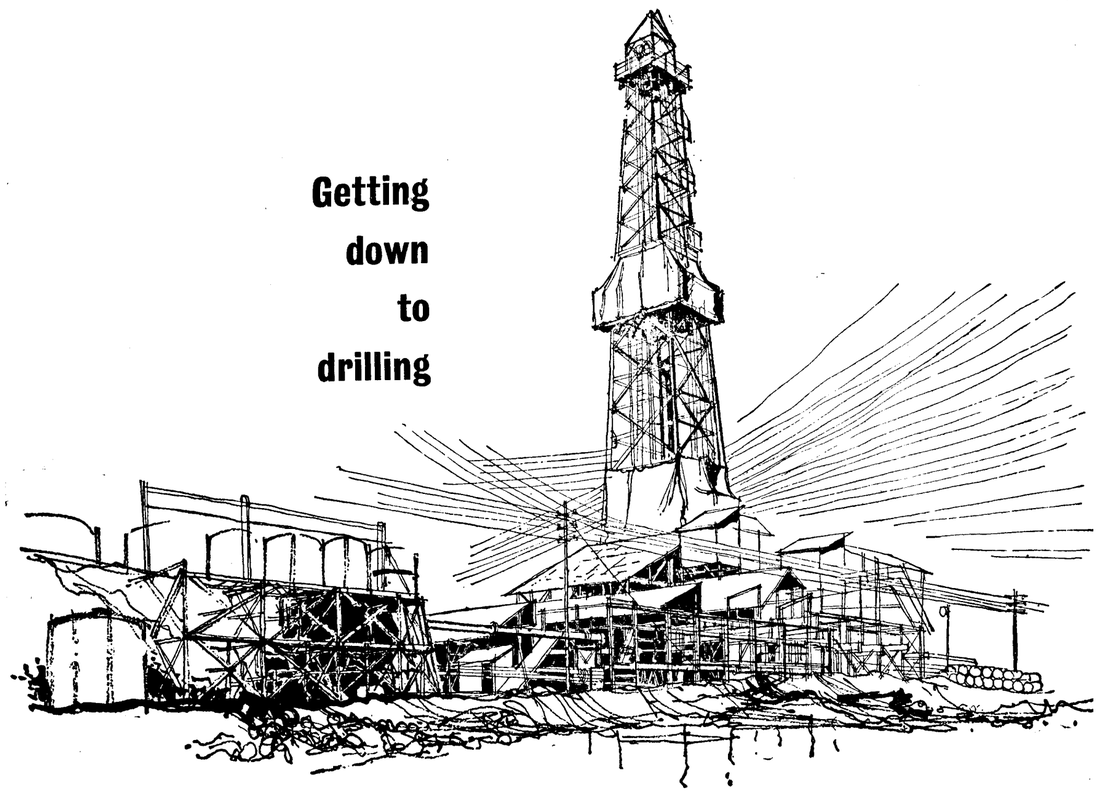
8136

The Story of Oil—7

Getting down to drilling



The oil driller's derrick looks imposing and strange as it stands silhouetted against the sky, but it is merely a sturdy steel support for lowering and raising jointed lengths of heavy pipe into and out of the well during the drilling operations.

In modern drilling, a sharp-toothed bit is first attached to a length of steel pipe called the drill pipe. The drill pipe, held vertical by a giant block and tackle system in the derrick, is lowered into a pilot hole and revolved by means of a turntable on the derrick floor. The turntable is rotated by powerful engines behind the derrick. As the pipe is turned, the bit cuts a hole in the earth's rocks and lengths of drill pipe are added as the hole becomes deeper.

When the bit becomes worn the entire length of drill pipe must be removed, unjointed, and stacked in the derrick. After the new bit is attached the pipe is joined together and drilling begins again.

All during drilling, specially-prepared mud is pumped down inside the drill pipe. It passes through perforations in the bit and is forced back to the surface outside the drill pipe. This mud has many useful functions. It flushes rock cuttings back to the surface for examination, cools the bit and plasters the walls of the hole to prevent them from caving in. As drilling progresses the hole is lined with successive lengths of steel pipe called casing.

An oil well has been drilled to a depth of four miles, but a 10,000 foot well is still considered deep. Drilling at such depths is an extremely delicate operation, requiring great skill and long experience. Only by drilling, however, can the oil prospector prove the presence of mineral oil.

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THE BANK OF INDIA LIMITED

CHAIRMAN, SIR COWASJEE JEHANGIR'S SPEECH AT ANNUAL MEETING

SPEAKING to the shareholders of the Bank of India Ltd. at their Fifty-second Annual General Meeting held in Bombay on 12th March 1958, Sir Cowasjee Jehangir, Bart., Chairman of the Bank, was strongly critical of the proposal to acquire control by the Government over joint-stock companies by purchasing sufficient number of shares. To him such a proposal savoured very much of confiscation and was as objectionable as outright nationalisation. Although the Prime Minister realised the necessity for a cautious and anxious examination of its repercussion, Sir Cowasjee suggested that there should be official unequivocal disapproval of any such intention.

The following are extracts from Sir Cowasjee Jehangir's speech:

LADIES AND GENTLEMEN,

"With your permission the balance-sheet may be taken as read.

"At the time of our annual general meeting in 1957 the currency in circulation was Rs. 1,515 crores, whilst at the corresponding time in 1956 it was Rs. 1,406 crores. This year it is Rs. 1,546 crores. The increase on last year's figure is Rs. 31 crores. This limited increase, viewed in relation to the requirements of the second Five-year Plan, is an indication of attempt at control of inflation.

"In present times, each year seems to witness substantial changes. The year 1956 saw the nationalisation of life assurance business and the formation of the Life Insurance Corporation of India. That year also saw that major enactment, the Companies Act, 1956.

"The year 1957 has seen the adoption of decimal currency. It has seen revolutionary taxation changes.

"Decimal currency is, I think, for the benefit of the country generally. The change-over appears to have been made smoothly. We are now quite used to naye paise in accounts and in our everyday dealings.

Taxation

"The major tax legislation changes during the year 1957 were contained in the following Acts:

The Finance (No. 2) Act, 1957.
The Wealth-tax Act, 1957.
The Expenditure-tax Act, 1957.

The picture for 1957 was an increased tax burden by enhancement of old taxes and the levy of new taxes.

"In the Finance (No. 2) Act, 1957, the rates of income-tax and super-tax were appreciably increased for companies. The increased rates come into force in respect of the Bank's income for the year 1956. These tax increases and the ever-present rise in expenses, not only in the principal item of salaries but in sundry overheads, will, I fear, add to our problems. It may not be easy in the future to maintain our net profits after tax.

"Taxpayers have to cope with the Wealth-tax Act from 1st April 1957, and the Expenditure-tax Act from 1st April 1958. These two new taxes are novel. I believe the Expenditure-tax has not been tried out in any other country. These levies may cause much apprehension. Apart from the doubt whether the yield from either tax will be substantial, the taxpayer will be obliged to furnish extensive information. He will, naturally, regard this as an inquisition. He will have misgivings as to how the new taxes will operate. They are likely, I think, to engender a sense of uncertainty and resentment to a much greater degree than other forms of direct taxation.

"The Wealth-tax is objectionable as being a capital levy. Though it does not apply to banking companies, because of an exception made by section 45 (a) of the Act, the tax applies to companies generally and is bound to affect their working and financial position. It has a double effect in that it also applies to the shareholders of companies.

"The commercial and industrial community were hoping for some relief in taxation in the present budget recently presented, but this has not materialised. Taxation has, in fact, become more severe and the Government are expecting to take five crores of rupees more from the people. A major portion of this comes from the Gift-tax, which replaces death duties in cases where donors are in a position to make gifts. Taxation on death also becomes more severe as, not only is the exemption limit for estate duty reduced from Rs. 1,00,000 to Rs. 50,000 but the exemption limit is increased from two years to five years in the case of *bona fide* gifts made before death, as if the Government were ashamed for being even less severe than England in any one direction. In no part of the world would such heavy taxation be tolerated without very severe agitation, but in India, we are a long-suffering people and the time is bound to come when the Government will have to retrace their steps from heavy taxation, as they will find that the result will be much worse for the country.

Stringency in Money

"During 1957, banks have continued to contend with a persistent tightness of money. This is so stubborn that it almost seems as if it has come to stay. We know, of course, that this is not so. Conditions sooner or later change, often turning completely round. I have seen many examples of this in my time. Even so, there is no sign of any early relaxation in the present scarcity of funds. These tight money conditions and the existence of various restrictions and legislative enactments affecting money and banking can hardly have made 1957 other than difficult for the business of banking. Banks depend upon deposits. In times of tight money the funds available for deposit with banks are restricted. Competition between banks for deposits increases. Higher rates of interest must be offered and paid.

"The funds of the Government and of semi-Government bodies are, generally, lodged with the Government banks. These banks also receive the rupee counterpart proceeds of surplus agricultural commodities of the United States of America under that country's Public Law 480. The two main Government banks are the Reserve Bank of India and the State Bank of India. As the central bank of the country, the Reserve Bank of India does not compete for business with the commercial banks, but I must make an allusion to the competition that banks like ours encounter from the State Bank of India which has a monopoly in several directions.

"The amount available with ordinary banks for advances to customers does not satisfy the demand. For a considerable time we have been obliged, much to our regret, to restrict or to decline to give credit facilities to many creditworthy customers. The pressure tends to become intensified at the present period of the year when the tax-gathering season is in full swing.

"We have heard a great deal about the Small Savings Scheme, but I would like to know which class of people are in a position to effect small savings. The Government and the public are well aware of the very heavy taxation we have to bear. It is said that India is the most heavily taxed country in the world. How can the Government expect to have anything like a substantial amount from a Small Savings Scheme when they take away everything they possibly can by taxation?

Controlling Interest in Companies

"As an alternative to direct nationalisation and State ownership, suggestions were recently made in the Legislature for the Government to obtain a controlling interest in important concerns. The method proposed, it seems, would be for the Government to buy enough shares in companies to secure control and, notwithstanding that the amounts required would be large, they are apparently expected to be provided from the funds at the disposal of nationalised institutions like the Life Insurance Corporation of India. A reason given for the proposal seems to be that it would be cheaper to buy a percentage of shares and gain control over a company than to compensate all the owners of or shareholders in a fully-nationalised institution. The repercussions of the idea call for cautious and anxious examination. The Prime Minister, in the course of his address two days ago to the Federation of Indian Chambers of Commerce and Industry, appears to have realised the necessity for such examination. I venture to suggest that there should be official unequivocal disapproval of any such intention. While the Government are not generous in their compensation to owners of nationalised concerns—one school of thought is that they are not even fair—it falls to be considered whether the proposal of divesting existing shareholders of companies of control over their own concerns without paying any compensation on the basis of wholesale nationalisation is fair and justified. To me it savours very much of confiscation and is as objectionable as outright nationalisation, if not more so. Both the Insurance Act and the Companies Act regulate the acquisition of control by companies in other companies, but, when it comes to applying salutary principles like these to themselves, the Government appear to be quite reluctant to adopt them. Such methods if adopted, would certaintly sap the foundations of private corporate enterprise on which the prosperity of the country depends.

"The Reserve Bank of India rate was raised from 3½ per cent. to 4 per cent. on 16th May 1957. In our case, any additional income due to the rise in the Bank rate and higher rates of interest on advances tends to be cancelled out by the increased interest paid to our depositor-customers and the upward pressure of operating costs.

"I would now refer you, ladies and gentlemen, to the balance-sheet and accounts.

"The total at foot of the balance-sheet is over Rs. 98 crores. This is an increase of Rs. 2 crores over the figure of Rs. 96 crores of the prevous year.

"The profit figure for 1957 is about Rs. 93½ lakhs. This is an increase of about Rs. 1½ lakhs over the previous year's profit of about Rs. 92 lakhs. The increase is not great but, at least, there is no recession in the face of increasing costs and difficult trading. Before the profit figure has been arrived at, usual appropriate and prudent provisions have been made.

"The provision for taxation absorbs Rs. 30 lakhs, as against Rs. 28 lakhs for the previous year.

"A final dividend of 10 per cent. free of income-tax, is proposed, absorbing Rs. 30 lakhs. This, with the interim dividend of 6 per cent. paid last August, makes the total distribution 16 per cent. per annum, or Rs. 48 lakhs for the year free of income-tax, on the present paid-up capital of Rs. 3 crores. The proposed carry forward is Rs. 16 lakhs, as against Rs. 15½ lakhs the previous year.

Satisfactory Results

"I think we have real cause for satisfaction in the result of the year's trading, having regard to all the circumstances in which our operations have been conducted.

"Mr. Dinsha K. Daji, who had been a Director of the Bank for 23 years, died on 8th July 1957. Mr. Daji was a solicitor of great experience, the benefit of which he ungrudgingly gave to the Bank at all times. My colleagues on the Board and I greatly miss Mr. Daji's wise counsel at our deliberations.

"Five days after the death of Mr. Daji, the General Manager, Mr. D. R. Thom, died on 13th July 1957, following an operation. Mr. Thom served the Bank for 28 years, the last three of them as General Manager. He had the respect and confidence of the Board and, by his death, the Bank has lost an officer of the highest calibre. He was at all times courteous and was popular with both customers and staff.

"Mr. T. R. Lalwani, who held the post of Deputy General Manager, has been appointed General Manager. Mr. Lalwani is our first Indian General Manager and is an officer of much experience. He has served the Bank at Head Office and at various branches.

"I have the pleasure to record the Board's appreciation of the help rendered during 1957 by our Local Committees at various centres.

"I would also express the thanks of the Board, in which I am sure shareholders will join, for the efficient service rendered during the year by the General Manager and the staff of the Bank at Head Office and branches. Their ability and continued hard work in carrying out the directions of the Board are a material contribution to the results of the year's trading which I have placed before you."

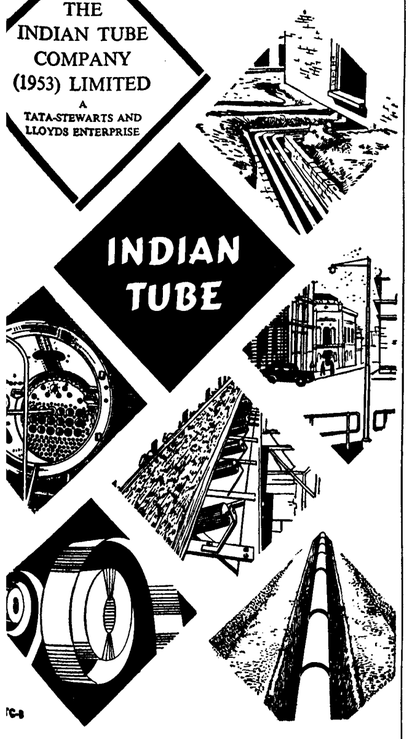
Note:—This does not purport to be a report of the proceedings of the annual general meeting which will be sent separately to shareholders.

GENERAL SERVICES Screwed and Socketed Tubes, Class 'A', 'B' and 'C' (Galvanised and Black) to B.S. 1387 upto and including 6" n.b. and Pipe Fittings. **POWER** Cold drawn, Hot finished and Electric Resistance Weld Boiler Tubes. **POLES** Tramway, Transmission and Lighting. **PUBLIC SERVICES** Air, Gas, Water and Sewage Mains. **INDUSTRIAL** Seamless and Electric Resistance Weld Tubes for Rollers, Conveyors and other industrial purposes. **STEEL STRIP** High Tensile Steel Box Strapping and Cold Rolled Steel Strip for manufacturing purposes.

Enquiries and Orders for Screwed and Socketed Tubes and Fittings ex-stock should be addressed direct to our Warehouse Offices.
Head Office: 41, Chowringhee Road, P.O. Box 270, Calcutta. Telephone: 44-5224 (5 lines)
Branch Offices and Warehouses:
18, Fosberry Road Sewree, BOMBAY 15 Telephone: 76121 & 22
39, Hide Road, Kidderpore, CALCUTTA 23 Telephone: 45-3515 & 16
WORKS: JAMSHEDPUR, BIHAR

THE INDIAN TUBE COMPANY (1953) LIMITED
A TATA-STEWARTS AND LLOYDS ENTERPRISE

INDIAN TUBE



THE UNITED COMMERCIAL BANK LIMITED

Head Office : CALCUTTA

SUBSCRIBED CAPITAL Rs. 4,00,00,000
PAID-UP CAPITAL ... Rs. 2,00,00,000
RESERVE FUND ... Rs. 1,34,00,000

Chairman
G. D. BIRLA

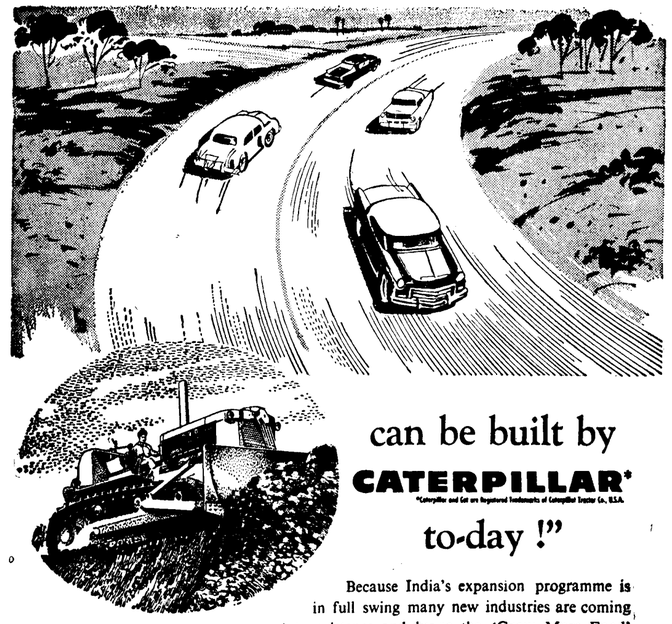
- Short and Long-Term Deposits Received at Attractive Rates.
- Savings Accounts Welcomed.
- Every description of Domestic & Foreign Banking Business transacted.

Branches all over India & Abroad.
Agents throughout the world.

General Manager
S. T. SADASIVAN
Manager, Bombay Branch: S. J. UTAMSING

UCO-5/58

"Our highways of to-morrow...



can be built by CATERPILLAR*
*Caterpillar and Cat are Registered Trademarks of Caterpillar Tractor Co., U.S.A.
to-day !"

Because India's expansion programme is in full swing many new industries are coming into existence and due to the 'Grow More Food' campaign more food is being produced. More and more goods are being carried by road transport.

To open up new areas, to take care of the increasing traffic, new roads must be built and old roads have to be improved.

Better roads can be built with Caterpillar equipment. You do not save time by stopping the clock. Neither do you save money by buying cheap equipment. Caterpillar equipment will save you both time and money by giving you better output with less downtime and more economical operating costs.

Invariably a first choice among Government engineers and leading contractors, CATERPILLAR will, no doubt, play a leading part in building India's future Highways.

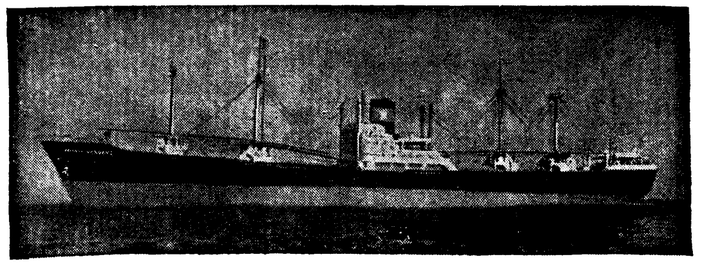
CATERPILLAR* *Paving the way to India's progress*
*Caterpillar and Cat are Registered Trademarks of Caterpillar Tractor Co., U.S.A.

TRACTORS (INDIA) LIMITED
Post Box 323, Calcutta
Post Box 66, Lucknow
TII/P/41

LARSEN & TOUBRO LIMITED
Post Box 278, Bombay
Post Box 5247, Madras

WILLCOX (BUCKWELL-INDIA) PRIVATE LIMITED
Post Box 289, New Delhi
New Colony, Jaipur

TRACTOR & EQUIPMENT CORPORATION (PRIVATE) LIMITED
P.O. Box 279, New Delhi



INDIA STEAMSHIP CO., LTD.

Fleet
S. S. INDIAN TRADER
S. S. INDIAN PIONEER
S. S. INDIAN SHIPPER
S. S. INDIAN EXPORTER
S. S. INDIAN ENDEAVOUR
S. S. INDIAN COMMERCE
S. S. INDIAN SPLENDOUR
S. S. INDIAN NAVIGATOR
S. S. INDIAN MERCHANT
S. S. INDIAN RELIANCE
S. S. INDIAN RENOWN
S. S. INDIAN RESOURCE
S. S. INDIAN RESOLVE

Calling at:-
PORT SUDAN, PORT SAID, ALEXANDRIA, LONDON, LIVERPOOL, DUNDEE, ANTWERP, ROTTERDAM, HAMBURG, BREMEN and other ports.

Regular cargo service between INDIA-U.K.-CONTINENT *and also* INDIAN COASTAL *service*

LIONEL EDWARDS (PRIVATE) LIMITED.

THE CENTRAL BANK OF INDIA, LIMITED.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES

	Rs.	nP.	Rs.	nP.
1. CAPITAL :—				
AUTHORISED CAPITAL :—				
(a) 10,50,000 Ordinary Shares of Rs. 50 each			5,25,00,000	00
(b) 4,20,000 Ordinary 'A' Shares of Rs. 25 each			1,05,00,000	00
			6,30,00,000	00
ISSUED CAPITAL :—				
(a) (i) 4,72,528 Ordinary Shares of Rs. 50 each issued as paid up to the extent of Rs. 25 without payment in cash in exchange for 9,45,056 shares of the Tata Industrial Bank Ltd.	2,36,26,400	00		
(ii) 5,77,472 Ordinary Shares of Rs. 50 each issued for payment in cash	2,88,73,600	00		
10,50,000 Ordinary Shares of Rs. 50 each			5,25,00,000	00
(b) 2,10,000 Ordinary 'A' Shares of Rs. 25 each fully paid up issued as bonus shares for consideration other than cash			52,50,000	00
			5,77,50,000	00
SUBSCRIBED CAPITAL :—				
(a) 10,48,475 Ordinary Shares of Rs. 50 each				
Amount called up at Rs. 25 per Share	5,24,23,750	00	2,62,11,875	00
Note :—1. The above number includes 342 Ordinary Shares of the Central Bank of India, Ltd. which remain to be given against 684 coupons issued by the Central Bank of India, Ltd., for a like number of shares of the Tata Industrial Bank, Ltd., which have not yet been submitted for conversion.				
2. 33 Ordinary Shares of the Central Bank of India, Ltd., which remain to be given against 66 coupons issued by the Bank, but not yet submitted for conversion.				
(b) 2,09,605 Ordinary 'A' Shares of Rs. 25 each	52,42,375	00		
Amount fully paid up			52,42,375	00
	5,76,66,125	00	3,14,54,250	00
Note :—477 Ordinary 'A' Shares remain to be given against 2,385 coupons issued but not yet submitted for conversion.				
AMOUNT RECEIVED on 31 Shares Forfeited			530	00
RESERVE LIABILITY OF SHAREHOLDERS :—				
Rs. 25 per Share on 10,48,475 Shares Subscribed upto 31-12-1957			2,62,11,875	00
				3,14,54,780 00
2. RESERVE FUND AND OTHER RESERVES :—				
Reserve Fund (Includes Rs. 1,13,78,375 being balance of Premiums on issues of Shares in past years)			3,16,28,500	00
Contingency Fund			42,00,000	00
Sinking Fund in respect of Lands and Buildings			45,32,320	50
				4,03,60,820 50
3. DEPOSITS AND OTHER ACCOUNTS :—				
Fixed Deposits and Cash Certificates			57,52,01,062	46
Savings Bank Deposits			28,58,69,942	66
Current Accounts, Call Deposits, Contingency Accounts, etc.			68,76,02,819	53
				1,54,86,72,924 65
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC. :—				
(1) In India :—				
(i) Secured by part of Investments per Contra	97,00,000	00		
(ii) Unsecured	75,00,000	00		
			1,72,00,000	00
(2) Outside India :—				
(i) Secured by part of Investments and Bills Discounted as per contra	26,02,199	36		
(ii) Unsecured	....			
			26,02,199	36
				1,98,02,199 36
5. BILLS PAYABLE				1,91,29,406 20
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra :—				
(i) Payable in India			7,48,18,199	22
(ii) Payable outside India			2,20,52,108	55
				9,68,70,307 77
7. OTHER LIABILITIES :—				
Branch Adjustments			4,55,68,176	37
Amounts owing to Subsidiary Company			24,77,739	41
Unclaimed Dividends			9,72,045	01
Rebate on Bills Discounted			1,91,267	70
				4,92,09,229 09
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra (Include Rs. 4,120-00 in respect of Guarantees given to Government Departments secured against part of the Bank's investments)				10,91,96,251 07
9. PROFIT AND LOSS ACCOUNT :—				
Balance as per Balance Sheet as at 31st December, 1956			43,39,888	49
Less—Final Dividend at the rate of 8 per cent. paid for the half-year ended 31st December, 1956			25,16,340	00
			18,23,048	49
Profit for the year 1957			1,08,74,592	56
			1,26,97,641	05
Less—Ad-interim Dividend paid for the half-year ended 30th June, 1957, at the rate of 6 per cent., i.e., Rs. 1.50 per Share	18,87,255	00		
Amount transferred to Bank's Investments	15,00,000	00		
Amount provided for Taxation	13,00,000	00		
Amount transferred to Staff Gratuity Fund	6,50,000	00		
Amount provided for Bonus to Staff	30,00,000	00		
			83,37,255	00
10. CONTINGENT LIABILITIES :—				
(i) Claims against the Banking Company not acknowledged as debts	60,85,009	07		
(ii) On Investments in shares of Joint Stock Companies and Banks	25,69,367	50		
(iii) On Letters of Guarantee on behalf of constituents (including Rs. 21,011·75 in respect of guarantees given on behalf of Directors)	4,36,32,033	13		
(iv) Liability on account of outstanding Forward Exchange Contracts	2,21,86,236	95		
(v) Liability on Bills of Exchange Rediscounted :—				
(i) On Inland Bills of Exchange	52,593	89		
The liability has fully run off as at 15th February, 1958.				
(ii) On Foreign Bills of Exchange	....			
				43,60,386 05
Note :—The actual amount of the liability arising from future gratuities payable to staff has not been ascertained but is greater than the amount provided.				
Total .. Rs.				1,91,90,56,304 69

STATEMENT OF PROFIT AND LOSS ACCOUNT

EXPENDITURE

	Rs.	nP.	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.			3,25,01,101	03
2. Salaries and Allowances at Head Office and Local Branches	60,92,098	64		
Salary and Allowances to General Manager Rs. 60,000·00				
Salaries and Allowances at Up-country Branches	2,00,38,042	57		
Contributions to Provident Fund	14,85,513	87		
3. Directors' Fees and Allowances	48,015	00	2,76,15,655	08
Committee Members' Fees and Allowances	8,612	90		
4. Rent, Taxes, Insurance, Lighting, etc.			56,527	90
5. Law Charges			27,62,360	52
6. Postage, Telegrams and Stamps			76,763	85
7. Auditors' Fees			11,60,303	27
8. Amount transferred to Sinking Fund on Banking Company's Property			76,000	00
Repairs to Banking Company's Property	1,01,852	55		
Other Charges on Banking Company's Property	92,140	55		
Depreciation on Furniture, etc.	3,39,806	17		
	3,07,247	94		
9. Stationery, Printing and Advertisement, etc.			8,41,047	21
10. Loss from Sale of or Dealing with Non-Banking Assets			15,27,253	29
11. Other Expenditure			....	
12. Balance (Net Profit) subject to Taxation			75,20,836	62
			1,08,74,592	56
Total .. Rs.			7,80,12,241	33

Note—Remuneration received by Directors for their own use from other Companies by virtue of nomination by the Bank on the Board of other Companies amounted to Rs. Nil during the year.

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the annexed Balance Sheet of the Central Bank of India, Ltd., as at the 31st December, 1957 and also the annexed Profit and Loss Account of the Bank for the year ended on that date in which are incorporated the returns of 51 branches audited by us, 21 branches audited by other auditors and the unaudited returns from 95 other branches and 118 Pay Offices not visited by us.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisos to sub-sections (1) and (2) of section 211 and sub-section (5) of section 211 and section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank;
(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank;
(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
(e) In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet, read along with the notes appearing thereon, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

A. F. FERGUSON & CO., *Chartered Accountants.*

S. B. BILLIMORIA & CO., *Chartered Accountants.*

PROPERTY AND ASSETS

	Rs.	nP.	Rs.	nP.
1. CASH :— Cash in hand and with Reserve Bank and State Bank (including Foreign Currency Notes)			13,89,41,459	64
2. BALANCES WITH OTHER BANKS :—				
On Current Accounts—(i) In India			20,04,293	70
(ii) Outside India			1,82,64,965	56
On Deposit			....	
			2,02,69,259	26
3. MONEY AT CALL AND SHORT NOTICE			2,47,16,666	65
4. INVESTMENTS (at Book Value) :—				
(i) Securities of the Central and State Governments and other Trustee Securities — Face Value Rs. 43,34,96,070 63 — Market Value Rs. 39,26,78,709 96			41,81,13,920	50
Treasury Bills of the Central and State Governments			....	
	Fully Paid Rs. nP.	Partly Paid Rs. nP.		
(ii) Shares :				
(a) Preference	87,55,863 73	6,00,000 00		
(b) Ordinary	1,65,25,096 15	26,65,120 92		
(c) Deferred	59,406 87	....		
(d) Other Classes	67,798 75	....		
	2,54,08,165 55	32,71,120 92		
	Market Value Rs. 2,87,11,247 36			
(iii) Debentures or Bonds — Face Value Rs. 91,21,600 00 — Market Value Rs. 87,20,601 00			2,86,79,286	47
(iv) Other Investments :			87,14,745	76
(a) Pakistan Loans	2,05,70,275	00		
(b) Foreign Securities including Treasury Bills	1,57,60,230	23		
(c) Other Municipal Debentures	28,59,035	05		
Face Value Rs. 3,98,31,768 80 — Market Value Rs. 3,92,05,511	97		3,91,89,540	28
(v) Gold			....	
			49,46,97,493	01
5. ADVANCES :— (Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)	Rs.	nP.		
(I) Loans, Cash Credits, Overdrafts, etc. :—				
(i) In India	80,50,30,904	40		
(ii) Outside India	3,98,33,407	24		
			84,48,64,311	64
(II) Bills Discounted and Purchased :—				
(i) Payable in India	14,33,76,765	94		
(ii) Payable outside India	2,66,98,103	19		
			17,00,74,869	13
	Rs.	nP.		
(i) Debts considered good in respect of which the banking company is fully secured	85,03,33,638	61		
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	9,04,11,373	49		
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	7,41,74,168	67		
(iv) Debts considered doubtful or bad, not provided for	....			
Total .. Rs.	1,01,49,39,180	77	1,01,49,39,180	77
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	10,09,591	29		
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	8,08,32,088	03		
(vii) Maximum total amount of advances including temporary advances, made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	10,09,591	29		
(viii) Maximum total amount of advances including temporary advances, granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	8,08,32,088	03		
(ix) Due from banking companies	59,39,972	42		
6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION AS PER CONTRA :—				
(i) Payable in India			7,48,18,199	22
(ii) Payable outside India			2,20,52,108	55
			9,68,70,307	77
7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS PER CONTRA			10,91,96,251	07

8. LANDS AND BUILDINGS :—

	Bank Premises Rs. nP.	Investment in Properties Rs. nP.	Non-Banking Assets acquired in satisfaction of claims Rs. nP.	
Cost as per last Balance Sheet	87,65,630 44	38,75,392 19	9,39,486 20	
Less—Cost of Properties sold during the year	....	....	37,100 00	
	87,65,630 44	38,75,392 19	8,83,386 20	
Add—Cost of Additions made during the year	15,880 88	....	15,079 00	
Cost of Properties purchased or taken over during the year	....	....	....	
	87,81,511 32	38,75,392 19	8,98,465 20	
Less—Amount written off	10,00,000 00	15,00,000 00	2,08,624 98	
	*77,81,511 32	123,75,392 19	16,89,840 22	1,08,46,743 73
(Further Provision in Sinking Fund as per contra)				
9. FURNITURE AND FIXTURES : as per last Balance Sheet			76,32,464 87	
Add—Additions less Sales made during the year			5,75,527 93	
			82,07,992 80	
Less—Amount written off to date for Depreciation			49,28,240 88	32,79,751 92
10. OTHER ASSETS :—				
Shares of the Central Bank Executor and Trustee Co., Private Ltd., at Cost			9,99,000 00	
Interest accrued on Investments			25,42,796 10	
Silver			....	
Stamps, Stationery, Stock of Home Savings Safes and Safe Deposit Boxes			17,57,394 77	52,99,190 87
Total .. Rs.				1,91,90,56,304 69

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

INCOME (less Provision made during the year for bad and doubtful debts and other usual or necessary provisions).

	Rs.	nP.
1. Interest and Discount	6,41,32,766	7
2. Commission, Exchange and Brokerage	1,30,14,479	1
3. Rent on Bank's Premises (excluding Rent on Premises used by the Bank)	5,87,316	4
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	....	
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserve or any particular Fund or Account)	....	
6. Income from non-Banking Assets and Profit from Sale of or Dealing with such Assets	2,68,467	7
7. Transfer Fees	9,211	3
Total .. Rs.	7,80,12,241	3

H. P. MODY, *Chairman.*
C. H. BHABHA, *Vice-Chairman.*
DINSHAW D. ROMER, D. M. KHATAU, M. M. AMERSEY, C. P. WADIA, CHIMANLAL B. PARIKH, F. J. GUZDAR, JAMSETJEE JEEJEEBHOY, J. M. SCINDIA, *Directors.*

N. K. KARANJIA, *General Manager.*
F. C. COOPER, *Deputy Manager.*
V. C. PATEL, *Chief Accountant.*

STATE BANK

(SUCCESSORS TO THE IMPERIAL

Incorporated in India under the State Bank of India Act, 1955.

BALANCE SHEET OF THE STATE BANK

As at 31st December 1956		CAPITAL AND LIABILITIES	As at 31st December 1957	
Rs. nP.	Rs. nP.		Rs. nP.	Rs. nP.
	20,00,00,000 00	**1. Capital**— AUTHORISED CAPITAL— 20,00,000 Shares of Rs. 100 each	20,00,00,000 00	
5,62,50,000 00		ISSUED, SUBSCRIBED AND PAID-UP CAPITAL— (Pursuant to Section 5 (1) of the State Bank of India Act, 1955)— 5,62,500 Shares of Rs. 100 each		5,62,50,000 00
6,37,50,000 00		**2. Reserve Fund and Other Reserves**		6,62,50,000 00
24,75,000 00		**2A. Integration and Development Fund** (maintained under Section 36 of the State Bank of India Act, 1955)		74,25,000 00
	37,15,69,789 47	**3. Deposits and Other Accounts**— Fixed Deposits	139,36,49,041 18	
	31,04,63,523 31	Savings Bank Deposits	32,55,50,683 55	
	173,91,97,484 58	Current Accounts, Contingency Accounts, etc.	194,19,89,714 49	
242,12,30,797 36				366,51,89,439 22
	16,00,00,000 00	**4. Borrowings from Other Banking Companies, Agents, etc.**— (i) In India	15,00,00,000 00	
	1,27,00,000 00	(ii) Outside India	1,50,50,000 00	
17,27,00,000 00				16,50,50,000 00
	17,27,00,000 00	PARTICULARS— (i) Secured by Government Securities and Bills Discounted per contra	16,50,50,000 00	
		(ii) Unsecured		
	17,27,00,000 00		16,50,50,000 00	
4,59,11,751 91		**5. Bills Payable**		5,11,49,642 23
	38,88,005 56	**6. Bills for Collection Being Bills Receivable** as per contra (i) Payable in India	71,19,489 34	
65,31,366 41	26,43,360 85	(ii) Payable outside India	28,97,164 89	1,00,16,654 23
	90,00,000 00	**7. Other Liabilities**— *Dividend for the current year	90,00,000 00	
	1,972 19	Unclaimed Dividends	6,112 13	
	1,99,69,832 61	Inter-Office Adjustments (including Rs. 3,36,009.35 due to Imperial Bank of India)	1,32,23,652 44	
2,89,71,804 80				2,22,29,764 57
8,21,822 21		**8. Acceptances, Endorsements and Other Obligations** per contra		20,41,114 95
	34,37,334 92	**9. Profit and Loss**— Balance brought forward from last year	41,91,361 65	
	1,56,18,326 73	Profit for the year	1,87,45,808 89	
	1,90,55,661 65		2,29,36,670 54	
	90,00,000 00	Amount set aside for payment of Dividend	90,00,000 00	
	2,50,000 00	Amount transferred to Reserve Fund	25,00,000 00	
	6,14,300 00	Amount transferred to Pension Funds	6,37,500 00	
	40,00,000 00	Bonus to Staff	32,00,000 00	
	10,00,000 00	Amount transferred to Staff Welfare Fund	10,00,000 00	
		Amount transferred to Staff Co-operative Housing Fund	10,00,000 00	
41,91,361 65				55,99,170 54
		10. Contingent Liabilities—	Rs. nP.	
		Claims against the Bank not acknowledged as debts	5,67,260 95	
		Bills of Exchange re-discounted	2,45,440 94	
		Outstanding Forward Exchange Contracts	42,45,90,528 89	
		Guarantees given on behalf of Directors, Local Board Members or Officers of the Bank	14,16,506 61	
		Guarantees given on behalf of others	20,31,04,655 90	
280,28,33,904 34		Total .. Rs.		405,12,00,785 74

* Of which Rs. 49,50,000 is to be credited to the Integration and Development Fund (item 2A above) bringing the amount in the said Fund to Rs. 1,23,75,000.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

Year ended 31-12-1956		EXPENDITURE	Year ended 31-12-1957	
Rs. nP.			Rs. nP.	
1,58,87,349 61	1.	Interest paid on Deposits, Borrowings, etc.	3,39,68,958 69	
4,38,16,064 62	2.	Salaries and Allowances and Provident Fund (including Salaries and Allowances of Chairman Rs. 60,268.00 and Managing Directors Rs. 97,361.13 for the year)	5,15,04,813 46	
96,320 00	3.	Directors' and Local Board Members' Fees and Allowances	99,540 00	
23,84,490 58	4.	Rent, Taxes, Insurance, Lighting, etc.	27,86,528 57	
1,14,996 34	5.	Law Charges	98,529 14	
18,58,426 46	6.	Postage, Telegrams and Stamps	23,15,299 39	
50,000 00	7.	Auditors' Fees	50,000 00	
14,35,780 18	8.	Depreciation on and Repairs to the Bank's Property	16,40,541 67	
25,20,581 82	9.	Stationery, Printing, Advertisement, etc.	33,72,626 79	
....	10.	Loss from Sale of or Dealing with Non-banking Assets	....	
28,71,125 60	11.	Other Expenditure	36,58,403 68	
1,56,18,326 73	12.	Balance of Profit	1,87,45,308 89	
8,66,52,561 94		Total .. Rs.	11,82,40,550 28	

Year ended 31-12-1956		INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Year ended 31-12-1957	
Rs. nP.			Rs. nP.	
6,19,35,417 92	1.	Interest and Discount	8,24,88,049 53	
2,43,82,560 31	2.	Commission Exchange and Brokerage	3,54,21,066 94	
3,34,583 71	3.	Rents	3,31,433 81	
....	4.	Net Profit on Sale of Investments, Gold and Silver, Land, Premises and other Assets	....	
....	5.	Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and other Assets	....	
....	6.	Income from Non-banking Assets, and Profit from Sale of or Dealing with such Assets	....	
....	7.	Other Receipts	....	
....	8.	Loss	....	
8,66,52,561 94		Total .. Rs.	11,82,40,550 28	

REPORT OF THE AUDITORS

TO THE PRESIDENT OF INDIA,

We, the undersigned Auditors of the State Bank of India, appointed under Section 41 (1) of the State Bank of India Act, 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1957.

We have examined the above Balance Sheet and the Profit and Loss Account and the Accounts relating thereto of the Central Office and the Local Head Offices at Bombay and Calcutta and the Returns submitted and certified by the Secretary and Treasurer of the Local Head Office at Madras and by Branch Agents, which Returns have been incorporated in the above Balance Sheet and Accounts, and report (i) that, in our opinion, the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank; (ii) that where we have called for any explanation or information such explanation and information have been given to us and have been satisfactory; (iii) that the transactions of the Bank which have come to our notice have been within the powers of the Bank; (iv) that the Returns received from the Local Head Office at Madras and from the Branches of the Bank have been found adequate for the purpose of our audit; (v) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (vi) that, in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law; and (vii) that, in our opinion, Books of Account have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray and Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs. S. B. Billimoria & Co. and at Calcutta by Messrs. Ray and Ray.

6th February, 1958.

S. B. BILLIMORIA & CO.,
RAY AND RAY. } *Auditors.*

OF INDIA

BANK OF INDIA)

The Liability of the Members is Limited.

OF INDIA AS AT 31st DECEMBER, 1957

As at 31st December 1956		PROPERTY AND ASSETS	As at 31st December 1957	
Rs. nP.	Rs. nP.		Rs. nP.	Rs. nP.
24,52,12,098 64		**1. Cash**— In hand and with Reserve Bank (including Foreign Currency Notes)		36,52,51,726 02
		2. Balances with Other Banks—	On Current Account Rs. nP. / On Deposit Rs. nP.	
		(i) In India	.... /	
	3,25,75,749 56	(ii) Outside India	2,99,41,288 90 /	2,99,41,288 90
3,25,75,749 56				2,99,41,288 90
1,06,66,666 67		**3. Money at Call and Short Notice**		2,00,00,000 00
		4. ‡Investments (Securities valued in accordance with Regulation 73; shares, debentures or bonds at or below cost)—		
	93,80,71,576 62	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	171,39,21,576 97	
	61,75,618 44	(ii) Shares authorised under the State Bank of India Act, 1955	69,24,993 43	
	1,00,83,750 00	(iii) Debentures or Bonds	1,35,69,525 00	
	11,35,47,330 33	(iv) Other Investments—Pakistan and other Government Securities, etc.	9,99,17,860 48	
106,87,78,275 39				183,43,33,955 83
		‡ Of which investments of the face value of India Rs. 18,45,00,000 and Pakistan Rs. 2,57,10,900 are pledged against borrowings from other Banks, Agents, etc., per contra.		
		5. Advances—	Rs. nP.	
		(I) Loans, Cash Credits, Overdrafts, etc.— (i) In India	151,03,81,182 53	
		(ii) Outside India	3,50,97,328 12	
	107,41,58,031 55			154,60,78,510 65
		¶(II) Bills Discounted and Purchased— (i) Payable in India	14,29,88,269 36	
	32,74,41,746 93	(ii) Payable outside India	4,57,02,679 33	18,86,95,948 69
140,15,99,778 48				173,47,74,459 34
		¶ Of which bills of the value of India Rs. 7,00,00,000 are held by the Reserve Bank of India and Pakistan Rs. 1,50,00,000 are held by the State Bank of Pakistan as security against borrowings as per contra.		
		PARTICULARS OF ADVANCES: See separate Statement appended.		
	38,88,005 56	**6. Bills Receivable Being Bills for Collection** as per contra— (i) Payable in India	71,19,489 34	
65,31,366 41	26,43,360 85	(ii) Payable outside India	28,97,164 89	1,00,16,654 23
8,21,822 21		**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		20,41,114 95
		8. *Premises less Depreciation—		
	1,16,99,825 36	Total Cost upto the 31st December 1956	1,24,27,824 18	
	3,29,642 45	Additions (Rs. 2,69,191.43) less Deductions (Rs. 9,654.78) during the year	2,69,536 65	
	1,13,70,182 91		1,26,87,360 83	
	10,57,641 27	Amount transferred from the Imperial Bank of India during the year	6,923 37	
	1,24,27,824 18	Depreciation written off up to the 31st December 1957 less depreciation previously provided on property which has passed out of the Bank's possession	1,26,94,284 20 / 7,37,060 00	
	4,40,678 00			1,19,57,224 20
1,19,87,146 18				
		9. *Furniture and Fixtures less Depreciation—		
	50,37,487 22	Total Cost up to the 31st December 1956	68,98,645 49	
	13,77,178 17	Additions (Rs. 21,64,692.41) less Deductions (Rs. 18,820.20) during the year	21,45,872 21	
	64,14,665 39		90,44,517 70	
	4,83,980 10	Amount transferred from the Imperial Bank of India during the year	37,865 51	
	68,98,645 49		90,82,383 21	
	9,40,700 48	Depreciation written off up to the 31st December 1957 less depreciation previously provided on property which has passed out of the Bank's possession	17,28,219 96	73,54,163 25
59,57,945 01				
....		**10. Other Assets, including Gold and Silver**—	....	
	1,18,08,047 62	Bullion	1,96,84,953 23	
	68,95,008 17	Adjusting Account of Interest, Commission, etc.	1,58,45,245 74	
1,87,03,055 79		Stationery, Stamps, Suspense, etc.		3,55,30,198 97
....		**11. Non-Banking Assets Acquired in Satisfaction of Claims**		....
....		**12. Profit and Loss**		....
		* NOTE.—Includes Rs. 1,30,705.53 (against which a sum of Rs. 46,231.00 is still to be received) being written down value of certain Pakistan assets sold, pending completion of formalities.		
280,28,33,904 34		Total .. Rs.		405,12,00,785 74

PARTICULARS OF ADVANCES

As at 31st Dec., 1956			As at 31st Dec., 1957	As at 31st Dec., 1956		As at 31st Dec., 1957
Rs. nP.			Rs. nP.	Rs. nP.		Rs. nP.
129,31,08,891 72	(i)	Debts considered good in respect of which the Bank is fully secured	156,76,21,076 13	3,53,554 40	(v) Debts due by Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons	6,89,374 64
1,23,40,112 06	(ii)	Debts considered good for which the Bank holds no other security than the debtors' personal security	1,72,76,592 66	20,84,65,752 79	(vi) Debts due by companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	39,44,23,809 91
9,61,51,274 70	(iii)	Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	14,98,76,790 55	3,71,004 88	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons.	6,96,281 01
....	(iv)	Debts considered doubtful or bad, not provided for	....	20,99,17,974 71	(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members.	39,72,65,110 49
			173,47,74,459 34	8,54,92,061 09	(ix) Due from banking companies	9,16,87,225 14
140,15,99,778 48						

P. C. BHATTACHARYYA, Chairman.

N. V. GADGIL, Vice-Chairman.

B. P. PATEL, S. P. PURI. } Managing Directors.

J. D. CHOKSI, PRATAPSINH MATHURADAS, M. H. HASHAM PREMJI, RAMNATH A. PODAR, D. R. GADGIL, B. VENKATAPPIAH, SACHINDRA CHAUDHURI, D. P. GOENKA, TRIGUNA SEN. } Directors.

THE BANK OF MAHARASHTRA LTD.

RESULTS FOR 1957 QUITE IMPRESSIVE

MR. VARDE DEPRECATES GOVERNMENT'S COMPETITION WITH BANKS FOR FUNDS

THE Twenty-third Annual General Meeting of the Bank of Maharashtra Ltd. was held at Poona on 8th March, 1958. Addressing the shareholders, Mr. V. P. Varde, Chairman of the Bank, clearly brought out the steady progress made by the Bank during 1957 against the background of India's economic trends. He was rather critical of some of the efforts of the Government to garner the savings of the people which amounted to an unjustifiable competition with banks, especially small banks and thrift societies. He reiterated his plea to the Reserve Bank to take appropriate steps to prevent concentration of banking resources in bigger institutions, so that sound regional banks could play their part effectively in the economic development of the country.

The following is the full text of Mr. Varde's speech:

"GENTLEMEN,

"I have the greatest pleasure in extending to you a cordial welcome to the annual meeting of our Bank this afternoon. The Directors' report and the audited statements of accounts for the year 1957 have been in your hands for the past few days and, as is customary with us, I shall take them as read.

"The year was notable for a sharp increase in the developmental expenditure which, in turn, aggravated the problem of mobilising the resources for the purpose. The major part of the year was, therefore, marked by strains in the Indian economy, caused mainly by the sharp decline in the foreign exchange reserves, the almost continuous rise in commodity prices and living costs and the continuous stringency in the money market. Although the pace of the annual increase in national output was maintained at approximately 5 per cent. as visualised in the Plan and a large import surplus accrued in the year, inflationary pressures persisted owing mainly to the inability of the country to mobilise savings at a level adequate to the task of development.

"The corrective measures were initiated in the second quarter of the year and were intensified after the Bank rate was raised from 3½ per cent. to 4 per cent. on 16th May 1957. The Budget for 1957-58, together with dearer money and credit restraints, partially helped in curbing the expenditure in the private sector and, although the trend of public investment was upward, the overall expenditure was less than what was anticipated under the Plan for the year. As a result, inflationary pressures abated in the last quarter of the year and the price rise was halted. On balance, the wholesale price index at the close of the year was only slightly higher than that of what it was a year ago; but the living costs were substantially high and the economic situation continued to be under a constant threat of inflation. No wonder that the middle class, which is the mainstay of your Bank, in particular, was badly hit during the year.

Monetary Trends

"In the monetary field, the economic situation produced a paradox. In spite of the Government effort to curb the expenditure and squeeze the public savings, the demand for investment was far in excess of the supply and the competition for acquiring funds was intense among all types of borrowers including Government and the banking system. During the year under report, the Government raised the rates of interest on the various types of its small savings schemes. For instance, the rate on 15-year annuity certificates was raised from 3.50 per cent. to 4.5 per cent. and on treasury savings deposit certificates from 3½ per cent. to 4 per cent. while post-office savings bank deposits were able to realise 2½ per cent. as against 2 per cent.

"The anxiety of the Government for attracting savings to the public sector can be well understood. I also concede that the depositors should be offered a fair rate of interest. But I wonder whether the Government is justified in entering into a direct competition with banks by offering higher rates of interest. From this point, the decision of the Government to introduce in a few months a new scheme entitled "cumulative time deposit scheme" with a view to attracting recurring deposits on the basis of a monthly payment of fixed sums over a period will be viewed with concern. It will affect particularly the small banks and thrift societies which have successfully attempted during the past few years to inculcate the habit of thrift amongst the low income groups. Whereas these institutions prepared the ground for promoting such savings, a part of the fruit will now be reaped by the Government. In such a situation, the banks were obliged to revise upward their interest rates on deposits even though the credit restraint imposed by the central banking authority prevented them from making full use of the additional deposits thus secured.

Highly Satisfactory

"Your Bank had to operate during the year in such a complex situation. Considering the difficulties, I am sure you will consider the results as highly satisfactory. During 1957, the Bank opened four new branches, one in Bombay and three in Marathwada, bringing the total to 38. The patronage extended by the public to these branches was gratifying. The Bank's deposits rose during the year by a little over 26 per cent. as against 23 per cent. in the preceding year and stood at the close of 1957 at Rs. 786 lakhs, as compared with Rs. 626 lakhs a year ago. True, the increase in the deposits of the scheduled banks over the year was almost of the same order, but the increase is inclusive of the deposits representing the counterpart funds of the U.S. Loan. The interest paid on deposits by the Bank, however, rose from 1.6 per cent. in 1956 to about 2 per cent. in the following year. This was primarily due to the fact that the bulk of the deposits with this Bank are either time deposits or savings deposits on which the interest rates during the year were stepped up by all banks.

"For a banking institution, the safety of funds is the prime consideration and this Bank continues to maintain its tradition for the liquidity of funds at its disposal. Out of total deposits of Rs. 786 lakhs, advances made, including bills purchased and discounted, amounted to Rs. 379 lakhs, as against Rs. 296 lakhs at the close of the previous year. Although the proportion of deposits employed in advances went up slightly, it might be noted that the percentage worked out at 48 per cent. as against 65 per cent. in the case of scheduled banks. I had told you last year that our policy in this respect was being termed as ultra-conservative, but I repeat that it would pay us in the long run. Indeed, the year's working has demonstrated its efficacy.

Expenses High

"The interest earned from advances was higher at Rs. 30 lakhs as compared with Rs. 23 lakhs in 1956. In effect, therefore, we had to pay Rs. 5 lakhs more for attracting additional deposits of Rs. 159 lakhs and were able to earn Rs. 7 lakhs more after making a better use of the additional deposits. Our income from commission, exchange and brokerage, however, reported a substantial rise from Rs. 2.52 lakhs to Rs. 3.87 lakhs. The salary bill rose from Rs. 7.76 lakhs to Rs. 9.41 lakhs for reasons which are too well known to you. The addition of new branches and the broadening of the Bank's activity were also responsible for higher expenses under rent, taxes, etc., and postage and other communications. Against this background, an increase of Rs. 0.68 lakh in the net profit subject to taxation is significant. Your Board has proposed to maintain the dividend at 6 per cent. to which level it was raised last year. Your Directors have, with your co-operation and support, always given a priority to the strengthening of the reserves over the quantum of the dividend. As a result, the Bank has been able to build up sizable reserves which now amount to Rs. 11.50 lakhs as compared with Rs. 10 lakhs a year ago. I am confident that this policy of building the strength of the institution will ever continue to receive your approval.

"I had dwelt exhaustively last year on your Board's decision to call the unpaid money on the present shares in order to strengthen the capital resources of the Bank and equip it for the greater task of playing the role, which its name signified. During the year under review, the paid-up capital of the Bank increased by Rs. 3.08 lakhs to Rs. 19.08 lakhs and the calls received in advance amounted to Rs. 3.86 lakhs.

Confidence In Mr. Nehru

"The Budget for 1958-59 is based on the view that the economic policies that had already been initiated have to be continued. It also indicates that the trend of public investment will continue to be upward—in the next financial year the outlay on the Plan will be of approximately Rs. 1,000 crores—but private investment may decline somewhat owing to paucity of funds in the capital market and lack of foreign exchange. It also assumes that the increase in the national output might be somewhat smaller than in the current year owing to a shortfall in the rice crop and the slowing down of the industrial output. The impact of overseas recession might be adverse on our terms of trade. But the Prime Minister has assured that there is no danger of the domestic demand, income and employment being curtailed, although the situation requires to be watched.

"In effect, an earnest effort is to be made in the coming year to achieve economic stability by avoiding the extremes of inflation and deflation. Should it prove successful, the economic health of the country is bound to improve. In this task, we have to collaborate with the Government by imposing restraints on our spending and by squeezing the savings. I believe that spending in excess of the resources, even as a temporary expedient or out of necessity, is as much dangerous to a nation and its Government as to the individual citizen. This has been brought home by the experience of the past one year and I hope that the lesson will not soon be forgotten. In this task, the banking system has an important part to play and it is to be hoped that it will not be found wanting.

Bank's Role In Maharashtra

"The Bank of Maharashtra was established in 1935, with the avowed object of assisting the people in the economic development of the region. Following the reorganisation of the Bombay State, Vidarbha and Marathwada have been unified with the districts in Maharashtra in the old Bombay State, although we regret the severance of Belgaum. The past few months have impressed the urgency of economic development of Maharashtra and a programme for setting up a network of new industries in the various districts has been chalked out. It is equally heartening to note that the Planning Commission has advised the State Governments to strengthen their plans for agricultural development further and to intensify their efforts in organising small industries. Maharashtra which primarily depends on agriculture and small industries can, therefore, legitimately look forward to a better deal at the hands of the Government. The economic face of Maharashtra is being rapidly changed and we can look forward to the day when the anxiety to have two square meals will give place to a decent living standard. This change has to be brought about by hard work and sacrifice. In providing financial wherewithals, the Bank of Maharashtra has rendered useful service in the past and, given the opportunity and support, it can be relied upon to extend its service in future. I have no doubt that the people of Maharashtra will continue to support this institution, so that the savings of the region can be mobilised fully and utilised in productive channels.

Decentralisation

"In giving you the assurance that the Bank of Maharashtra will not be found wanting in playing its legitimate role as the banker for the economic development of the region, I must frankly admit my disappointment at the lack of appreciation on the part of the authorities of the useful role which the regional banks of this type have been playing in the economic development of the country. It has been my lot to demand in my annual address to you for a due

(Continued on page 556)

THE BANK OF INDIA, LTD.
ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. Rs. 5,50,00,000
CAPITAL PAID-UP .. Rs. 3,00,00,000
RESERVE FUND .. Rs. 3,10,00,000

Head Office:
MAHATMA GANDHI ROAD, FORT, BOMBAY

BRANCHES IN INDIA:
AHMEDABAD, Bhadra (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch
AMRITSAR
BANGALORE
BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
KOZHIKODE (Late Calicut)
MADRAS
NAGPUR, Kingsway, Itwari Bazar
NEW DELHI
PALANPUR
POONA, POONA CITY
RAJKOT
SURAT
SHOLAPUR
VERAVAL

BRANCHES OUTSIDE INDIA:
LONDON—17, Moorgate, London, E.C. 2.
ADEN, DAR-ES-SALAAM, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI OSAKA, SINGAPORE, TOKYO.

DIRECTORS
SIR COWASJEE JEHANGIR, Baronet, G.B.E., K.C.I.E. (Chairman).
Mr. AMBALAL SARABHAI.
SIR JOSEPH KAY, K.B.E.
Mr. RAMNIWAS RAHNARAIN.
Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
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Current Deposit Accounts.—Except at certain places Interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Rs. 5 per half-year.

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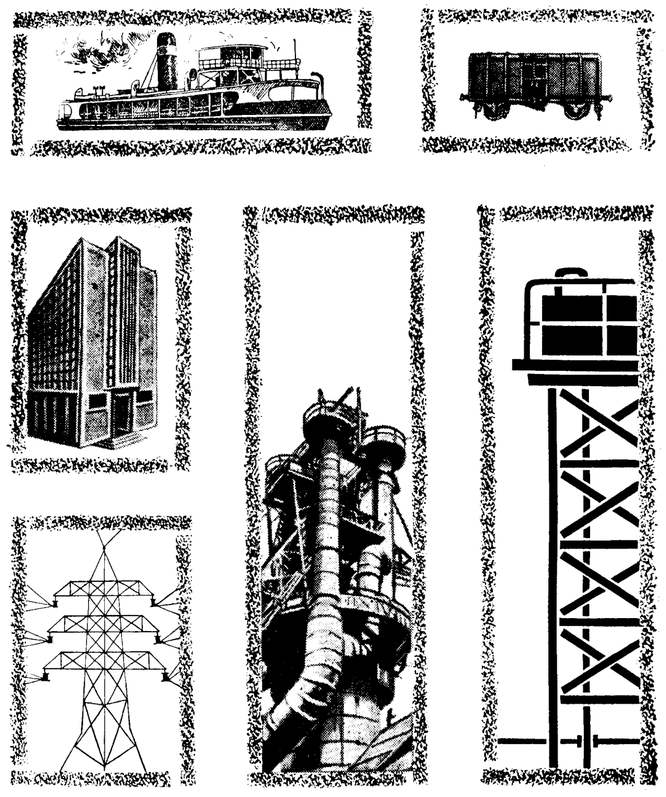

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AMBAR CHARKHA PROGRAMME

A REPLY TO ITS CRITICS

By C. K. Narayanswami

CRITICS of Ambar Charkha, it is unfortunate, are never prone to look at this improved cottage spinning unit objectively and assess its potentialities to promote productive employment among large numbers of people in the countryside realistically. Every time they speak about the Ambar Charkha, they do so with the power-operated mill spindle at the back of their minds. In their assessment of the productive efficiency and the economics of this hand-operated spinning unit, they are invariably inclined to draw comparisons with those of the mill spindle. *Commerce*, too, is not an exception.

In the article published in *Commerce* on 18th January, there is reference to "an expert committee" which is supposed to have reviewed the working of the Ambar Charkha Programme. "This Committee," you say, "was appointed in May 1957, by the Khadi and Village Industries Commission itself with Mr. A. Zaman, I.C.S., one of the Joint Secretaries, Ministry of Commerce and Industry, Government of India, as Chairman. In its report, the Committee stated that it would be more reasonable to expect an output of not more than 150 million yards by the last year of the second Plan by means of the Ambar Charkha."

This "expert Committee" had nothing to do either with the targets of the Ambar Charkha Programme or with their revision. The Zaman Committee was appointed by the Commission to go into the organisational aspects of the Ambar Charkha Programme. For your information, I may point out that the causes for the revision of the targets were not due to either the technical or the economic efficiency of the Ambar Charkha.

Experimental Programme

The Ambar Charkha Programme, as you might be aware, was treated more as an experimental programme than a developmental one. It was subject to close periodic reviews. It should be evident that in such conditions it was not possible either to plan or complete preliminary arrangements for the execution of a programme capable of producing 300 million yards of cloth at the end of the second Plan period. Consequently, the so-called targets were not targets in the usual sense. They were, rather, expectations based on certain assumptions.

You contend that the technical and economic efficiency of the Ambar Charkha has not been proved to the satisfaction of all. The answer to the contention is already provided at the commencement of this reply. However, I may repeat that the Khadi Commission has never claimed that a hand-operated charkha is an effective competitor of the spindle in the mill either as regards its productivity or its economic efficiency. To judge the Ambar Charkha by such comparative standards will be absurd. If the technical and economic efficiency of the Ambar Charkha is interpreted to mean that an average spinner, after due training and practice, can produce one hand per hour or eight hanks per working day, then the criterion for judgment is its performance in the field.

Field Enquiry

The Khadi Commission recently instituted a field enquiry on its own for such an assessment. This enquiry has shown that the efficiency of the Ambar Charkha has, indeed, been grossly underestimated. Where the charkha is plied by trained spinners for eight hours a day, productivity is found to be as high as 18 to 20 hanks in some areas, 16 to 18 hanks in other areas and 10 and more in yet several others. Productivity per hour almost everywhere where the charkha has been distributed for independent operation, has been found to be one hand per hour.

You say that Rs. 30 to Rs. 40 crores per annum would be required as subsidy to sell yarn and cloth produced with the aid of this "crude" and hand-operated spindle. In the absence of any mention of the source of your information, I can only say that it is fallacious. The subsidy required each year to market the cloth—sale of yarn is not contemplated at all as the production centres themselves arrange to have the yarn woven—depends entirely on the quantity of the cloth produced. If production of cloth goes up to 300 million yards in 1960-61 as originally planned, the subsidy likely to be required that year will not exceed Rs. 10 crores. Estimates such as the one presented in your article are likely to mislead the reader.

Another question which your article poses is whether Ambar yarn production will be adequate to manufacture 300 million yards and as to who will weave this yarn. That you should have posed these questions again after two years only shows that you are not in touch with the working of the Ambar Charkha scheme or its progress about which information is readily available with the Khadi and Village Industries Commission. Wherever Ambar Charkha yarn has been distributed to weavers habituated to weave only mill yarn, their performance has been satisfactory. In fact, groups of handloom weavers of mill yarn in several parts of the country have requested the khadi production centres to supply them Ambar yarn regularly. While there is likely to be some difficulty in arranging for weaving of yarn produced in areas which do not have concentration of weavers, yarn is not likely to accumulate beyond reasonable levels for want of weaving facilities.

No Compulsion

A curious point that you seek to make is that "there is no certainty that people will take to it (Ambar Charkha) easily, unless they are compelled or are on the verge of starvation." There is no compulsion of any kind exercised by anyone. Throughout the country the demand for the Ambar Charkha is far in excess of the supply. The reason for this is simple. Anyone who looks at the tables showing pressure of population on land and the size of the holdings on which it subsists, can see what poverty there is in the countryside, its acuteness and the need to find work for very large numbers. To say that this population lives on the verge of starvation may not be a gross exaggeration. To put it mildly, it exists on a sub-marginal level. A visit to some of the backward areas in the Punjab, Uttar Pradesh, Bihar, Rajasthan and Madras will bear out my statement.

Now for the earnings of spinners on the Ambar Charkhas. They are not as bad as you suggest. In fact, the progressively increasing demand for the Ambar Charkha throughout the country proves that the Ambar Charkha is becoming the principal source of livelihood to those who take up the work seriously. The educated lower middle class in several areas have taken to the Ambar Charkha and today are earning Rs. 60 and more per month. The maximum so far earned by a spinner is very much higher and is well over Rs. 100 per month.

Quality of Yarn

Your observation about the quality of the Ambar yarn is misleading. The quality of this yarn is, in several respects, superior to the reeled mill yarn supplied to handloom weavers in the country. For your information, I reproduce below the findings of the A.T.I.R.A. (Ahmedabad Textile Industries Research Association) after a series of comparative weaving tests with Ambar yarn and reeled mill yarn:

Particulars	Breakage in one hank of Ambar yarn	Breakage in one hank of mill yarn
Unwinding of yarn	1.71	0.95
Preparing the warp	0.66	0.52
Sizing	0.20	0.21
	Breakage per hour (in yards)	Breakage per hour (in yards)
In weaving	14.0	18.5
	Production per hour (in yards)	Production per hour (in yards)
Only weaving	0.63	0.68
Weaving including all processes.	0.30	0.31

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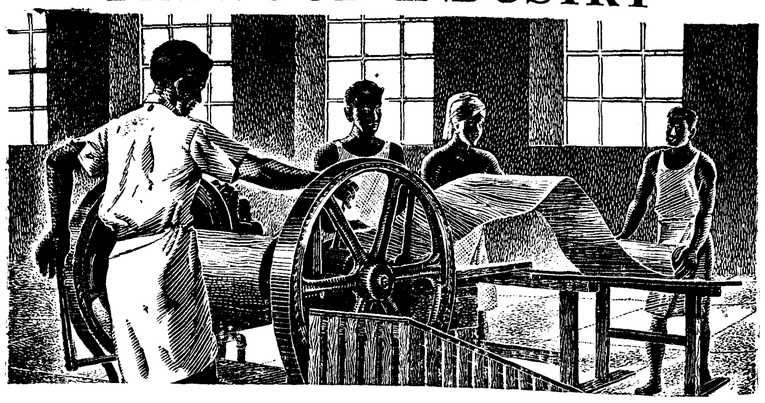

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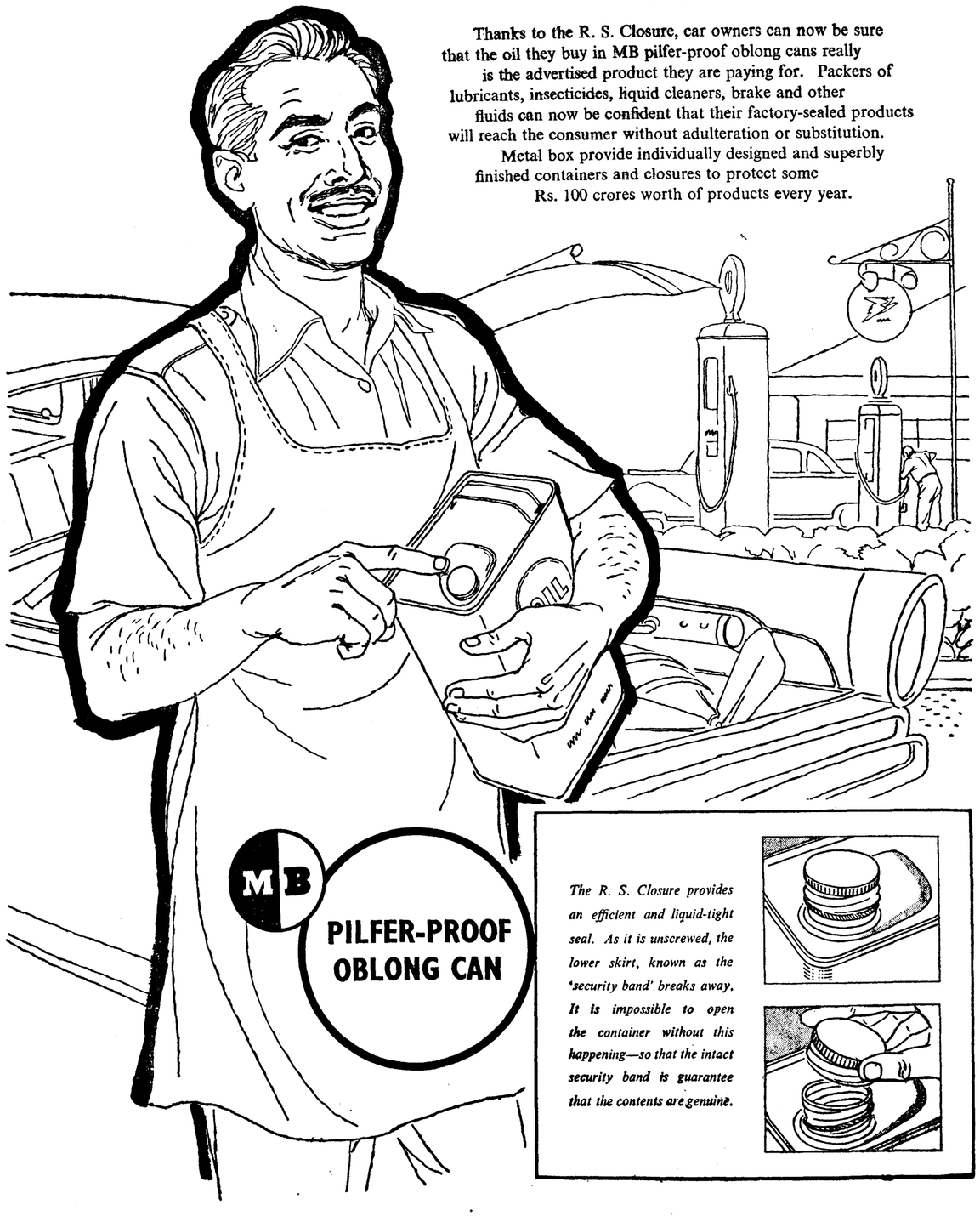

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While such are the facts about the Ambar Charkha Programmes and the Ambar Charkha itself, it is astonishing that you should return to the charge again in *Commerce* of 15th February. You state that "further details confirming its (Ambar Charkha Programme) poor progress are now available. These reveal that the programme has been scaled down by nearly one-half. Thus, as against the target of 1 80.000 charkhas fixed for the year 1957-58, the actual number distributed is expected to be not more than 1,15,000. It will be, we are told, still less at 1.00 000 in 1958-59. The budget allocation, it is gratifying to find, has been similarly halved from Rs. 10 crores originally provided to Rs. 5 crores which is all the provision for the next year." The point is who scaled down the programme and why. It will be news to you to be told that the initiative in this direction came from the Khadi and Village Industries Commission itself. As has been stated earlier, the Commission instituted a field enquiry on its own. This enquiry revealed certain inadequacies of organisation for executing its Ambar Charkha Programme and felt that, unless these inadequacies are removed and a more efficient organisational pattern is developed, it would be unreasonable to take up a large programme with no prospect of efficient implementation. The Commission, therefore, told the Government that it would take up only 85 000 Ambar Charkhas—not 1,15,000 as you say—for distribution to spinners. Another 30.000 would be used for training in its *Vidyalayas* and *Parishramalayas*.

Zaman Committee

In order to find out how the Ambar Charkha Programme can be more efficiently organised, the Commission appointed the Zaman Committee. The recommendations of this Committee are now being examined with a view to evolving appropriate executive organisations at various levels. Thus, it will be clear to all concerned that the exponents of the Ambar Charkha are honest enough to admit shortcomings wherever they are found and advise modification of their programme to match with realities so that scarce resources, namely, finances are efficiently utilised. The very fact that 1.00,000 more Ambar Charkhas will be introduced in the next financial year provides positive proof of the popularity of the Ambar Charkha, and not its inefficiency.

Your reference to the upgrading of the price of Ambar cloth to Re. 1.62 per sq. yd., or a rise of 37 naye paise over that originally envisaged, needs some explanation. Let me assure you at the outset that this has nothing to do with the productive capacity or efficiency of the Ambar Charkha. At a conference of constructive workers and khadi institutions, the whole Ambar Charkha Programme and its impact on traditional khadi producers was reviewed. There are already some 12 lakhs of traditional spinners producing yarn for nearly 50 million yards of cloth. If the Ambar Charkha were to be established among them, as the Khera Committee appointed by the Government of India early in 1956 recommended, the switch-over could be only gradual and according to a phased programme. This will be facilitated if the transition from the traditional charkha to the Ambar Charkha is smooth. The conference, therefore, came to the conclusion that there should be a pool-price between traditional khadi and Ambar khadi. Marketing of Ambar khadi at a considerably cheaper price would be, in the opinion of that conference, disastrous to the khadi movement. What the predecessor of the Khadi Commission—the All-India Khadi and Village Industries Board—had stated about the price of Ambar khadi was based not on the pool-price of khadi, but on costs worked out for production of Ambar khadi alone. If, therefore, the Khadi Commission found it necessary to upgrade the original cost by 37 nP per yard the decision is in conformity with the needs of the khadi movement in the country. A more compelling circumstance, however, is the rise in the price of cotton and a general increase in the general price level of all essential commodities since then, which entailed payment of slightly higher wages both for spinning and for weaving.

Why Mainly Women?

Why should it be surprising if the response to the Ambar Charkha has been mainly from womenfolk? Should it not be a welcome feature of the programme? Be that as it may, the execution of the Ambar Charkha Programme was taken up by khadi institutions which were already engaged in the promotion of khadi production in the country. The bulk of the hand spinners, on the traditional charkha on their rolls are women. Naturally, these institutions tried to introduce the Ambar Charkha Programme among them. There need be no surprise if the response from them has been large. But the number of women who have taken to the Ambar Charkha are not all traditional spinners. In fact, over 65 per cent. are new to spinning. It is also not true to say that men have not been attracted to the Ambar Charkha. It may again be news to you that large numbers of men have found in the Ambar charkha an instrument of gainful employment. The field enquiry into the working of the Ambar Charkha Programme has shown that "of the male spinners who constitute 35 per cent. of the total number admitted, as much as 65.4 per cent. were altogether new to handspinning. The almost identical percentage distribution of both men and women among the new entrants to handspinning confirms further the conclusion that the Ambar charka has really proved attractive to both men and women in the prime of their lives in the areas where it has been introduced."

It is immaterial whether an Ambar charka gives employment to one person or two at the same time. According to the programme of training, two persons are trained on one Ambar charkha. A spinner is expected to carry out all the processes from the opening of cotton to the spinning and winding of the yarn. Thus the Ambar unit can employ only one spinner at a time; but, when distributed for independent operation, it was expected that other members of the spinner's family would lend a helping hand. This expectation has been justified from actual evidence obtainable from areas where large numbers of Ambar charkhas are in operation.

[The author of the aforesaid article is the well-known Director of Publicity of Khadi and Village Industries Commission, Bombay. While we welcome his correction of one or two factual errors and clarification of moot points contained in our articles, he has not put forward, in our view, any convincing arguments to prove that our main conclusion, namely, that Ambar Charkha will not be able to meet, to any significant extent, India's requirements of cloth in the coming years, is wrong. Concluding our second article (vide *page 258 of* Commerce *dated 15th February), we ourselves pointed out that Ambar Charkha and traditional charkha did have a place in the country's economy. At the same time, we sought to show that these means of production were being given too much importance in our plans for economic development. Despite all that Mr. Narayanaswamy has been saying all along, not only this journal but also a large section of competent observers is of the view that the amount of money and effort that are being expended on the Ambar Charkha programme could very well be utilised for more productive purposes. We have no hesitation in reiterating our stand that the place for Ambar Charkha is a limited one and that its use should be confined only to regions where other opportunities of gainful employment are either totally absent or cannot be provided at a reasonable cost. Even for this purpose, Ambar Charkha, or the ordinary charkha, should be relied upon only till such time as the benefits of modern industrialisation are not available to all parts of the country. Ambar Charkha can thus be only a passing phase and the aim should be to reduce the duration of this phase as quickly as possible. What is more important, whatever we do to support Ambar Charkha should not be at the expense of the more efficient means of production. It will be suicidal for a country like India, with its rapidly expanding population, to ignore this vital consideration. It will be pertinent to recall, in this context, the observations of Mr. T. V. Smith, one of America's leading philosophers and teachers, author of a new book entitled* Live Without Fear. *In an article on "People's Capitalism" contributed to an American periodical,* House Beautiful, *he observes, on the subject of large-scale production versus small-scale, thus: "A productive system ... where one does everything, or most things, by hand, is much simpler. Such machinery as there is among many backward peoples is made by hand and is operated by hand, with hardly more product than two hands can wrest for hungry mouth from reluctant soil. If mouths come too fast, as they often do, the hands cannot keep up with hunger; and famine or war takes off the surplus of bodies which the productive system could not sustain." Here is a clear warning, given in simple but telling language. If India is to remain a democratic and peaceful country, there should be economic contentment. Ambar Charkha, we are convinced, cannot fulfil this condition.*—EDITOR.]

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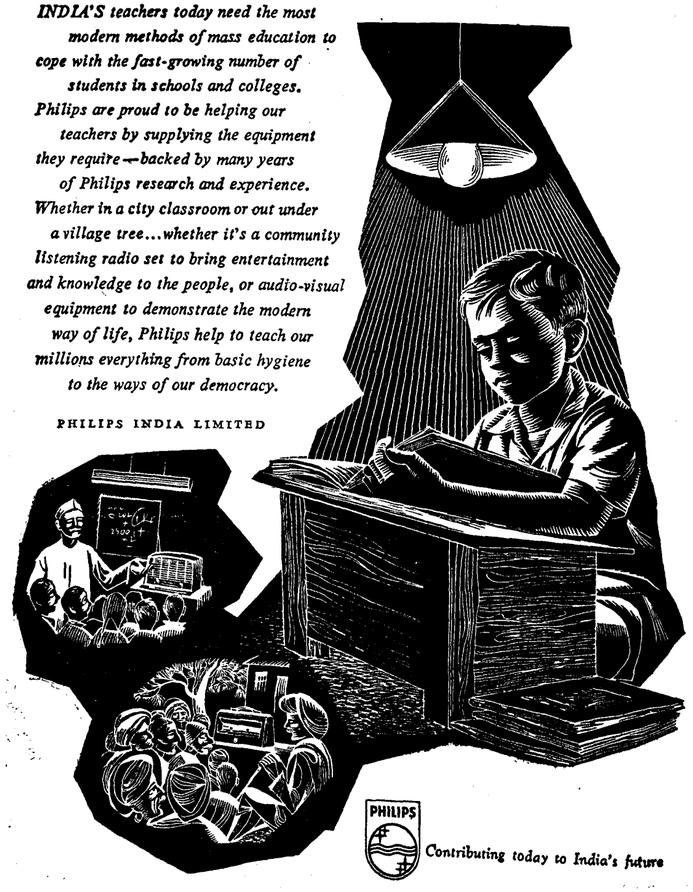

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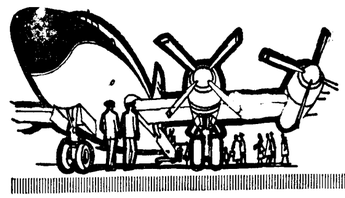

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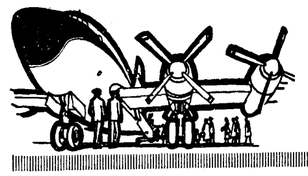

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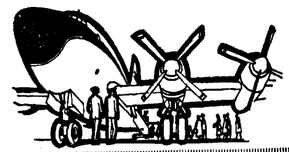

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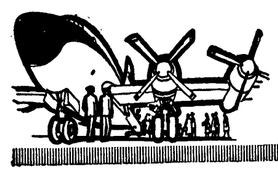

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FREE TRADE AREA NEGOTIATIONS

ITALY PUTS FORWARD A COMPROMISE PLAN

NINE days from now—on the 31st inst. to be precise—the seventeen-member O.E.E.C. Inter-ministerial Committee (Chairman: Mr. Maudling of the U.K.) will be meeting at Paris to continue discussions on the establishment of free trade area. The discussions will centre round the recommendations of a group of experts on the Italian compromise plan between the British concept of a free trade zone and the French counter-proposals. The compromise plan was put forward by Signor Carli, Italian Minister for Foreign Trade, at the meeting of the Committee held in Paris last week.

There are two main points in the Plan. First, the 17 members should agree on a maximum and minimum external tariff, so that the members will have a certain flexibility and be able to adjust them within these ranges. Secondly, if a member-nation chooses to lower its external tariff for any particular product below the floor of the common range, that nation should then be prepared to face compensation duties on this product imposed by other members. The countervailing duty which can be applied by the country applying the higher tariffs will be equal to the difference between the external tariff applied to the product by the importing country and that applied to the same product by the exporting country. The basic duties used to compare and contrast the tariffs of any two countries will be those in force in January 1957. Commending the plan for acceptance, Signor Carli observed:

"I see my plan entirely as an attempt to find a way between the complete harmonisation of tariffs that will apply eventually to the six countries of the Common Market and will dispense with the problems of certificates of origin, and the complete freedom of the free trade area. It is an attempt to harmonise tariffs within certain limits with the outside world, as well as to obviate the necessity for certificates of origin.

"Inside the Common Market, some members will, of course, be at a temporary disadvantage when all tariff barriers are lowered; we are prepared to accept that, for the long-term benefit of the scheme. But, as far as the larger free trade area is concerned, I feel there must be some slight compensation for those whose tariffs to the outside world are lower than those of the importing countries. We will make no difference between raw materials and manufactured goods in my plan."

When the above plan was unfolded before the last week's meeting of the Committee, the delegates generally did not wish to comment on it; only they all agreed that the plan sounded simple. For they preferred to await the publication of the revised French proposals for the Union of European Economic Co-operation. The proposals are expected to be submitted at the ensuing meeting of the O.E.E.C. Ministerial Committee, although there seems to be some doubt about this. Incidentally, Mr. Faure, the French delegate, is understood to have expressed his "full and immediate support" for Signor Carli's plan.

Revised French Proposals

While the details of the revised French proposals are not revealed, there are reports in the Press indicating the broad features of the plan. The plan envisages that the lowering of trade barriers will depend on the extent to which competitive conditions between European industries can be equalised. Thus, in the case of Britain, trade liberalisation will depend on whether and to what degree the Continental producers can enjoy some of the benefits of Imperial Preference in overseas markets and on the elimination of the advantages which British industry derives from its duty-free Commonwealth imports of raw materials and semi-manufactures. France will also expect a bigger share of the British market for agricultural produce. The other aspects of the French plan are as follows:

Tariff reductions in a free trade area should lag behind those in the Common Market and—in contrast to the Common Market arrangement—will at all times require the unanimous consent of all member-countries.

Definition of origin rules will be very strict and be supplemented by special regulations covering a number of industrial sectors. Examples given include electrical engineering and chemical products, as well as non-ferrous metals and ferro-alloys. The latter items will either be excluded from free trade altogether or else be subject to countervailing duties which will also apply to manufactures produced from them.

Social charges will have to be harmonised at the same rate as in the Common Market, while escape clauses will give individual countries far wider latitude than in the Common Market in the application of import restrictions.

The revised French plan, it would appear, has been prompted by the growing public opinion in France showing its disapproval of the free trade area project. The free trade area is regarded as a British plan. In the words of M. Georges Villiers, President of the Patronat—the organisation of French industrialists—"contrary to the Treaty of Rome, the British idea of a free trade area does not foreshadow any economic integration. In fact, harmonisation of social and tax charges is not mentioned in it. Instead, the schedule of tariffs advocated is similar to that of the Common Market. It is necessary to find another system which will lead to better relations among the "Six" and the remaining 11 O.E.E.C. members, but we shall sink into quicksands, if we persist in continuing the discussion of tariffs."

Unacceptable

The revised French Plan is stated to be unacceptable to the other O.E.E.C. countries, including the U.K. "The Plan," to quote a report, "goes beyond the demands which France made at the beginning of the negotiations on the Common Market." The opposition to the Plan is mainly on four grounds. First, it reverses the sequence of abolition of duties and quotas and the harmonisation of certain social costs of production. Secondly, it comes near demanding equality of production costs when, in connection with the certificates of origin scheme, it asks for restriction on such goods as are not too different in price from those manufactured in the area of the "Six." Thirdly, by asking for negotiations industry by industry, the original idea of free trade may be distorted into a system of bureaucratic cartels. Finally, the demand for equal access to raw materials and equal start in export markets amount to a request for a share in Commonwealth preferences.

Differences

It is thus evident that France's counter-proposals are for a more restricted—and restrictive—union for European Economic Co-operation. Naturally, the proposals have served to bring into the open the differences among the countries concerned, both within and outside the Common Market. So far as the Common Market countries are concerned, it does not at present seem likely that they will either try to force France to accept a free trade area or succeed if they do try. Expressing this view, the *Financial Times*, London, observes: "Italian opinion has always been more concerned with the achievement of federal institutions for Europe than with expanding the area of trade. In Germany, there is a division of opinion, but a strong section would welcome a small Common Market in which Germany would be the dominant partner. The Benelux powers would prefer to see a free trade area established, but are not strong enough to impose it."

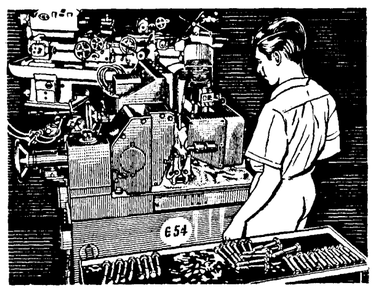
Outside the Common Market, the reaction of the Scandinavian countries to the French proposals is worth noting. The Norwegian Trade Minister, Mr. Arne Skaug, is reported to have pointed out that the restrictions on trade in aluminium and ferro-alloys as proposed by the French will constitute a particularly heavy handicap for Norway. In the absence of a free trade area, the Scandinavian countries will, he says, prefer a closer association with Britain and the sterling area.

The British View

Having regard to the radical nature of French counter-proposals, it looks as though negotiations for a free trade area may not be completed this summer. London observers, however, do not agree with this view. Thus, according to a London report, both British and other members of O.E.E.C. are well aware of the nature of the French objections to the free-trade area proposals as originally drafted, and the work of the Ministerial Committee throughout has been to reconcile, as far as possible, what France wants with what other European countries want. The British Government sees no reason why this should not be successfully achieved. Indeed, the whole object of the work at the Paris meeting (held last week) and of the many other recent exchanges is to give the negotiations sufficient impetus to ensure that they reach fruition at, or near, the time that the first tariff and quota cuts are due to come into effect in the common market. The British view, as Ministers have repeatedly said, is that it is essential to bring the free trade area into being in step with the introduction of the Common Market, to avert the serious economic and political stresses which might otherwise arise.

The anxiety of Britain over the question of establishing a free trade area is understandable. If such an area were not set up in time, there would be the inevitable danger of the Common Market countries adopting a protectionist policy. A clear indication to this effect has, in fact, been given by Prof. Walter Hallstein, President of the Commission of the European Economic Co-operation. Addressing the foreign Press at Bonn the other day, Prof. Hallstein said: "The Common Market will flourish even if the idea of a free trade area fails to be realised. The free trade area will be a healthy and good feature, but, if it were not realised, there would be a danger of the six Common Market countries adopting a protectionist policy." In conclusion, it must be emphasised that the Common Market in its present form and without a free trade area is bound to "re-divide," as the *Financial Times* rightly opines, "an already divided Europe; it offers every opportunity for Russia to use trade to play off the Common Market against the other powers of N.A.T.O." The Common Market countries will do well to ponder this statement. After all, they must realise that the Common Market, if it is an exclusive trading system, can also be excluded against by others.

Canada has offered to supply non-ferrous metals of the value of 10 million dollars as assistance to India under the Colombo Plan. It has been agreed with the Canadian Government that imports of aluminium, copper and nickel will be financed from this aid. The arrangement, broadly, will be that consumers in India will place orders on firms in India who have normally been acting as agents of Canadian manufacturers and suppliers of these metals. The Government will thereafter approach the Canadian Government for necessary allocations to cover the orders.



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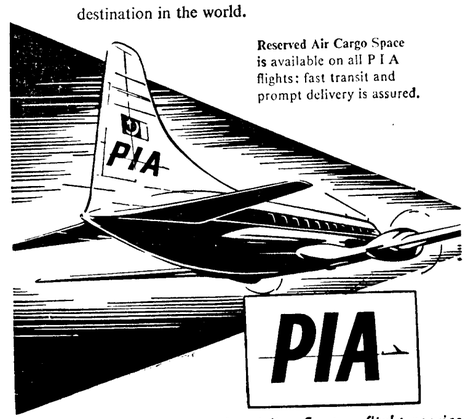

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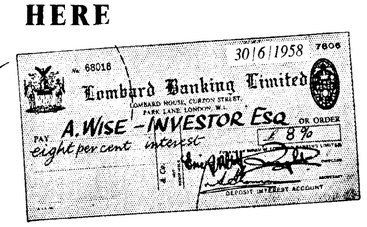

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JAY SHREE TEA'S PROFIT LOWER

BUT DIVIDEND MAINTAINED

HIGHER production costs at home and growing competition in world markets for Indian common teas have together adversely affected the profit margins of several tea companies during 1957. The Jay Shree Tea Gardens Ltd. (Managing Agents: Messrs. Birla Brothers Private Ltd., Calcutta), which has estates both in North East India and Nilgiris in South India, fall into this category. The audited statement of accounts of the Company for the year ended 31st December 1957 show that, though the Company's income by way of sale proceeds was appreciably higher than those in preceding years, such has been more than neutralised by an almost proportionate increase in expenses. Consequently, the gross profit at Rs. 29.21 lakhs has declined by Rs. 2.48 lakhs from Rs. 31 69 lakhs for the previous year, to which level it had smartly risen from Rs. 24.87 lakhs for 1955. Even the previous year's profit was far short of the record profit of 1954 at Rs. 49.05 lakhs.

After the provision for taxation which at Rs. 9 lakhs is the same as that for 1956 and after that for depreciation, which has gone up from Rs. 7.88 lakhs to Rs. 8.72 lakhs, the net profit also stands lower at Rs. 9 23 lakhs, as compared with Rs. 12.54 lakhs for 1956. To this has been added a sum of Rs. 1.33 lakhs, representing excess provisions made in previous years no longer required. The Directors have then transferred from the disposable amount a sum of Rs. 3 lakhs to general reserve and of Rs. 1.70 lakhs to development rebate reserve, as against a total allocation of Rs. 8.50 lakhs. all to general reserve, in the preceding year. They have also proposed to maintain the dividend at 10 per cent. per annum, for the fourth year in succession. This return for a plantation company, it will be conceded, is a modest one.

The following comparative table discloses the progress of the Company's working during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	1,78 95	1,62 24	1,07 66	1,30 41
Stocks	30 38	35 96	32 82	25 24
Other income	1 85	1 46	1 09	1 03
Expenses	1,46 01	1,32 76	91 46	89 85
Gross profit	29 21	31 69	24 87	49 05
Managing Agents' commission..	2 91	2 27	1 58	4 95
Depreciation	8 72	7 88	7 90	5 89
Taxation	9 00	9 00	6 50	16 50
Net profit	9 23	12 54	8 89	21 70
Transfer from reserves and provisions written back ..	1 33	2 75	..	0 25
To reserves	4 70	8 50	2 50	15 52
To dividends—				
6% cum. red. preference ..	0 07	..	..	..
Ordinary	5 86 (10%)	5 86 (10%)	5 86* (10%)	5 86* (10%)
Carry forward	0 93	0 99	0 73	0 55

* On the increased capital of Rs. 58 57 lakhs, raised by the capitalisation of Rs. 19 52 lakhs in March 1954.

It will be observed that the Company's sale proceeds rose by Rs. 16.71 lakhs to Rs. 1.79 crores, touching the highest level for the four-year period under review. At the same time, expenses, too, have risen by Rs. 13.25 lakhs to Rs. 1.46 crores. They are also the highest for the aforesaid period.

The following observation of the Directors on the trend of tea market during 1957 will enable one to appreciate the satisfactory nature of the Company's results better:

"As compared with the previous year, 1957 realisations for majority of producers in North India can only be considered disappointing. Even though the price fluctuations have been very frequent, yet the average level of the market has left a meagre margin of profit for the bulk of the tea sold in Calcutta. The prices realised in South Indian auctions have also followed a similar pattern. The Indian common teas have had to face serious competition in the world markets. The producers of quality tea, however, were slightly better off as quality teas have throughout continued to be in better demand. The concertina between prices of quality and ordinary teas still continues to be high.

"The export duty was 50 nP for the month of January to April 1957, 25 nP for the months of May, June and July and 38 nP per lb. for the rest of the year.

"The rates of taxation directly on tea, and also generally on incomes and agricultural incomes have been raised during the year. New taxations like wealth tax and the current profit compulsory deposit scheme have also come into force during the year. The Central excise duty, the Assam road tax and the West Bengal entry tax remained unchanged, except for a brief period of 15 days when excise duty was increased to 10 nP."

Referring to the Company's other activities, namely, import of iron and steel and manufacture of sulphuric acid and superphosphate, the Directors say that, in view of the drastic curtailment of imports enforced during the year, there was not much activity in the import of iron and steel. Prospects for further activity are also not promising. As regards superphosphate, the order for the superphosphate plant could not be placed on account of the restriction on imports and the need to obtain deferred credit terms for payment. Efforts are, however, being made to obtain the necessary import licence for the essential plant and machinery.

The Company's additions to its fixed assets during the year were of the order of Rs. 10.79 lakhs. A breakdown of this total shows that Rs. 5.23 lakhs were expended on machinery, Rs. 4.50 lakhs on buildings and Rs. 68.000 on land and plantation. This capital expenditure covered (1) installation of a new 4-ft. drier at Risheehat tea estate in Darjeeling and rearrangement of the existing machinery, (2) provision of a fully equipped workshop, including a precision lathe and a milling machine at its Towkok tea estate in Assam, (3) installation of additional C.T.C. machines in its Assam gardens, (4) completion of the drum withering scheme in its Kallyar tea estate in Nilgiris, (5) construction of a tea warehouse in the Port Commissioner's area at Calcutta for warehousing of teas and (6) additions and alterations to the machineries and buildings in all the estates.

The Company has received permission to issue bonus shares in the ratio of one bonus share for every three existing shares, a scheme submitted to the Government last year. But, in view of the very high incidence of taxation on bonus issues, the Directors have proposed that, for the present, the scheme be kept in abeyance.

It may be remembered that, during the previous year, the Company issued 29,285 six per cent. tax-free, redeemable cumulative preference shares of the face value of Rs. 100 each to the existing shareholders in the first instance, the balance, if any, being kept for offer to the public. Of this, 1,953 shares were fully subscribed. The paid-up capital as at 31st December 1957 stands at Rs. 60.52 lakhs. in which the share of the ordinary capital is Rs. 58.57 lakhs. This is supplemented by reserves and surplus aggregating Rs. 50.97 lakhs. The gross block of Rs. 155 03 lakhs stands written down at Rs. 110 lakhs. The current liabilities, including a provision of Rs. 13.74 lakhs for taxation, amount to Rs. 64.50 lakhs. These are fully covered by current assets aggregating Rs. 65.99 lakhs.

It is gratifying to note from the Directors' report that the Company's properties, especially the tea factories, are now well equipped and modernised and that a fair measure of success has been achieved in its efforts to produce teas of high quality. The Company's teas, we are told, have become popular with the buyers both in India and abroad. The Directors are confident that, in the coming years, it should be possible for their gardens to manufacture quality teas.

Commenting on the outlook for tea, the Directors observe:

"Looking to the fluctuations in tea markets during the last few years, it is early to predict the future prospects of the industry for the current year. At present, world production of tea is considered to be ahead of world consumption. There is a likelihood of further increase in the North Indian crop, if better climatic conditions prevail in North India this year. Except for a possible slight increase in the internal demand for Indian consumption or a large-scale buying by the Iron Curtain countries, there is hardly any prospect of an increase in world demand for Indian tea. The efforts towards greater exports of Indian tea by the trade and the Tea Board, however, continue. There is every likelihood of Indian common teas facing a still keener competition during this year except for brief spells of better prices due to abnormal conditions which may create spot shortage of tea in the U.K. which is the biggest consumer. The cost of production of Indian teas has been on the increase during the last few years and the tendency still continues to be the same. It is, therefore, difficult to predict future prospects with a certainty. Considering the increased demands on the industry's resources from all sides, namely, duties, taxes, compulsory deposits, labour welfare measures, wealth tax and shortage of liquid finance in the domestic market, as well as expected acute competition at lower price levels by teas produced by other countries where the cost of production and incidence of taxes on tea are lower, the prospects for the industry can hardly be termed promising.

The Rs. 10 paid-up ordinary shares are currently quoted at Rs. 10.62 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 10.4 per cent. per annum.

HINDUSTAN LEVER'S TURNOVER LARGER

WEALTH TAX TELLS ON NET PROFIT

THE performance of Hindustan Lever Ltd. (Chairman: Mr. S. H. Turner) during 1957 is in refreshing contrast to that of a large number of industrial units in the country which have published their results for that year in recent weeks. The past year, as readers are aware, was one of unfavourable trading conditions to the majority of major industries, with the exception of sugar. The results of the Hindustan Lever Ltd. for 1957 show that the vegetable oil and soap industry has managed to fare somewhat better than in 1956. The Company's results show an all-round improvement and the dividend has been stepped up from 12½ per cent. to 14 per cent. It will be recalled that, in October 1956, the old firm of Messrs. Lever Brothers (India) Ltd. was converted from a private to a public limited company under the new title of Hindustan Lever Ltd. Even before this new set-up, the Company had established for itself a sound reputation as the leading manufacturers of soaps, cosmetics and *vanaspati*, etc., in this country. It is not, therefore, a matter for surprise if the Company's turnover shows a steady rise from year to year. But what is really surprising is the marked rise in its business during 1957 from Rs. 27.40 crores to Rs. 33.19 crores. A large part of this growth, however, seems to reflect the inflationary forces that prevailed in the country, for the rise in gross profit is only modest, the major portion of the expansion in sale proceeds having been offset by an equally steep rise in the cost of raw materials and heavier expenses.

Whereas the turnover rose by Rs. 5.79 crores or by a little over 21 per cent., the gross profit has gone up by only six per cent., that is, from Rs. 264.48 lakhs to Rs. 280.63 lakhs. The net profit, however, is actually a shade lower at Rs. 115.54 lakhs, as against Rs. 116.28 lakhs, a drop of about Rs. 74,000. It would appear that, but for wealth tax, the upward trend in the net profit, too, would have been kept up, nominally at least. This will be clear from the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December		
	1957	1956	1955
Sale proceeds	33,19 24	27,40 44	12,11 06
Other income	10 02	14 45	30 16
Consumption of materials ..	21,97 23	17,72 81	6,71 18
General expenditure	8,51 39	7,17 60	3,56 24
Gross profit	2,80 63	2,64 48	2,13 81
Depreciation	42 17	28 32	12 71
Provision for income-tax ..	1,18 52	1,19 88	1,05 29
Provision for wealth tax ..	4 40	..	..
Net profit	1,15 54	1,16 28	95 81
Provision for provident fund and retirement gratuity	15 32	12 29	6 16
Dividend	77 08 (14%)	60 62† (12½%)	75 00 (37½%)
Retained in business	22 24	34 36	14 65

† On the increased capital of Rs. 557 lakhs.

As will be seen from the said table, of the increase of Rs. 16.15 lakhs in the gross profit, the provision for depreciation alone has absorbed nearly Rs. 14 lakhs. The provision for income-tax is lower by Rs. 1.36 lakhs, but the wealth tax has taken up no less than Rs. 4.40 lakhs, as against *nil* for 1956. The higher incidence of taxation, coupled with a slightly bigger distribution to shareholders and increased provision for provident fund and retirement gratuity, has naturally reduced the amount retained in business. Thus, as against Rs. 34.36 lakhs conserved in 1956, only Rs. 22.24 lakhs could be retained in 1957. The Directors say that the 1956 accounts were published before the 1957 budget was presented. Consequently and as a result of the Finance (No. 2) Act, 1957, and the Wealth Tax Act, 1957, an additional Rs. 42.53 lakhs for taxation had to be provided for in respect of 1956, making the total provision for the year at Rs. 162.42 lakhs. Of this, they say, Rs. 47.10 lakhs was on account of the issue of Rs. 157 lakhs of bonus shares on 11th October 1956. After charging this additional taxation of Rs. 42.53 lakhs, the 1956 net profit was actually only Rs. 61.45 lakhs. These additional tax liabilities, aggregating Rs. 45 lakhs in all, have been met out of the undistributed surplus standing to the credit of the profit and loss account at the close of 1956.

As already said, sale proceeds in 1957 amounted to Rs. 33.19 crores. A breakdown of this turnover shows that soap and other detergents accounted for (64,775 tons) Rs. 14.31 crores, *vanaspati*, margarine and other edible fats for (69,672 tons) Rs. 16.50 crores, toilet preparations

(*Continued on page 539 col 2*)

KOHINOOR MILLS' PROFIT DOWN BY NEARLY TWO-THIRDS

DIVIDEND MAINTAINED WITH HELP OF RESERVES

THE results of the Kohinoor Mills Company Ltd. (Managing Agents: Killick Industries Ltd., Bombay) for the year ended 31st December 1957 provide yet another instance showing how even a modern and up-to-date textile mill has suffered heavily from the continued man-made depression in the cloth and yarn markets in the face of rising cost of production. The profit of the Company for 1957 is so low that even the maintenance of the dividend has been possible only by withdrawing a sizable sum from the reserves. The gross profit at Rs. 24.08 lakhs represents a fall of no less than Rs. 35.90 lakhs or as much as 60 per cent. from that (at Rs. 59.98 lakhs) for the previous year. It is the lowest to be witnessed since 1952 when the textile industry was badly hit by the post-Korean recession. The gross profit of the Company in that year was Rs. 23.16 lakhs.

The net profit at Rs. 6.65 lakhs is less than one-third of Rs. 22.29 lakhs earned in 1956. The provision made for depreciation at Rs. 6.13 lakhs and that for taxation at Rs. 9.50 lakhs are both lower than the corresponding appropriations of Rs. 11.21 lakhs and Rs. 20.50 lakhs, respectively, in the previous year. The latest provision for taxation is inclusive of Rs. 66,718 for the previous year and also for wealth tax amounting to Rs. 1.29 lakhs and Rs. 1.24 lakhs, respectively, for the assessment years 1957-58 and 1958-59. It is stated that the assessment of the Company's profit for the year ended 31st December 1956 is not yet over. In order to meet the extra tax liability, the Directors have transferred to the appropriation account Rs. 5 lakhs from the general reserve. It will be seen that the iniquitous wealth tax, supposed to be at only ½ per cent. of the net assets, works out to 5.35 per cent. of the gross profit and as much as 19.4 per cent. of the net profit for 1957. The corresponding percentage on the gross and net profits for 1956 is 2.1 and 6, respectively. Thus, as the level of profit goes down, the incidence of wealth tax goes up and becomes very onerous. The Law Makers of this country have unfortunately failed to recognise the injustice of a fixed rate of capital levy on the profit of a productive asset.

As stated at the outset, the dividend is proposed to be repeated at 18 per cent. per annum for the fourth year in succession. In order to do so, the Directors have withdrawn a sum of Rs. 5 lakhs from the dividend equalisation reserve. Thus, the net outcome of the Company's working during 1957 is not only a steep fall in profit but also depletion of the Company's reserves by no less than Rs. 10.25 lakhs.

The following comparative table reflects the Company's progress in the last four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	6,18.35	6,75.32	6,69.76	6,79.25
Closing stocks	1,36.87	91.09	80.42	84.08
Cotton and fibre consumed ..	3,30 04	3,18 43	3,10.74	3,24 11
Silk and yarn consumed ..	14 34	16.56	15.39	15.96
Other expenses	2,97 09	2,94.65	2,98.64	3,01.06
Gross profit	24.08	59.98	41.74	40.86
Managing Agents' commission..	1.80	5.98	4.19	4.04
Provision for—				
Depreciation	6.13	11.21	6.33	17.76
Taxation	9.50	20.50	8.50	5.55
Net profit	6.65	22.29	22.72	18.51
Transfer from reserves ..	10.25	..	..	2.50
To reserves	..	3.00	4.50	..
Dividend	18.00 (18%)	18.00 (18%)	18.00 (18%)	18.00 (18%)
Carry forward	0.53	1.63	0.34	0.12

N.B.—Expenses include excise duty paid for which separate figures are not available for all the four years.

The cloth and yarn markets were dull during 1957 and this is reflected in the lower prices realised for the Company's products as well as in the higher stocks of finished cloth and yarn carried at the close of the year. It will be seen from the table that, while sale proceeds have declined from Rs. 6.75 crores in 1956 to Rs. 6.18 crores, stocks of finished goods have risen by Rs. 45.78 lakhs to Rs. 1.37 crores. The Company had to pay a sum of no less than Rs. 38 lakhs by way of excise duty alone in 1957 and this has again proved to be a heavy drain on its resources. The Directors say that the amalgamation of excise duty and sales tax on cloth has brought no financial relief but they hope that this measure will remove some of the uncertainty that has been hanging over the market for some time now. On the supply of cotton in 1957, the Directors say that the cotton season commenced with hopes of a larger crop, but, due to untimely late rains, several varieties of Indian cotton were available only at ceiling prices. As regards availability of foreign cotton, they add that the policy followed by the Government, namely, of issuing licences to mills and the trade on a piecemeal basis, made planning most difficult for mills using imported cotton.

The Company's paid-up capital of Rs. 100 lakhs is supplemented by reserves and surplus aggregating Rs. 113.28 lakhs. These are exclusive of employees' pension and gratuity reserve of Rs. 14 lakhs. The current liabilities and provision for taxation stand at Rs. 212.70 lakhs. Of these liabilities, loans from banks secured by stocks and stores account for Rs. 97.74 lakhs, having gone up from Rs. 86.57 lakhs a year before. The gross block of the value of Rs. 367.76 lakhs stands written down at Rs. 82.82 lakhs. The current assets aggregate Rs. 343.16 lakhs, of which the stock-in-trade alone, amounting to Rs. 246.50 lakhs more than adequately cover the current liabilities and the provision for taxation.

The Rs. 100 fully paid-up shares of the Company are being currently quoted at Rs. 276 *cum-div.* (final dividend Rs. 12 per share). On an *ex-div.* basis, the shares provide a yield of 6.82 per cent. per annum, free of income-tax.

(*Concluded from previous page*)

for Rs. 63.63 lakhs and glycerine and groundnut cake for Rs. 1.74 crores.

In a review of the Company's working during the year under review, the Chairman, Mr. Turner, observes as follows:

"Although competition remained severe, sales of the Company's soap products continued to make steady progress, particularly in the rural areas, where consumption is still relatively low. Sales of *vanaspati* were well up on 1956. Dalda did particularly well. There was a pronounced increase in the turnover of toilet preparations, talcum and toilet powders making particularly good progress. Prices of oils and fats were higher in 1957 than in the previous year and were subject to marked fluctuations, particularly in coconut and sesame oils. In the early part of the year, the price of groundnut oil, our main raw material, increased mostly, because of good demand, supported by an increase in the excise duty in May, the higher price level held fairly steadily until December.

"At one time, the Company relied primarily on the railways for the carriage of its products to its customers throughout India. In the last few years, growing use has been made of road transport owing to the increasing burden on railways in 1957, road transport was employed whenever suitable facilities at economic cost could be found. The Company has been very eager to increase its exports to help earn the foreign exchange the country so badly needs. Exports of *vanaspati* were somewhat hampered by the high price for much of the year of the main raw material, groundnut oil. Nevertheless, by making selling prices as competitive as possible, the Company succeeded in increasing exports of *vanaspati* from 1,188 tons valued at Rs. 28 lakhs in 1956 to 1,324 tons valued at Rs. 32½ lakhs in 1957. In 1957, the Company's export tonnage of glycerine, a by-product of soap manufacture, was the highest ever—2,703 tons, as compared with 2,496 tons in 1956. Selling prices were lower, however, in 1957 than in 1956 and the turnover value dropped from Rs. 45 lakhs to a little over Rs. 43 lakhs."

The following synopsis of the Company's latest balance-sheet gives an idea of its impressive financial position:

Liabilities	Rs.	Assets	Rs.
Capital	5,57,00,000	Gross block ..	4,73,36,554
Reserves and surplus ..	2,01,70,510	*Less*—Depreciation .	1,35,62,169
Provision for taxation ..	1,27,71,963	Net block	3,37,74,385
Liabilities	3,44,21,935	Trade marks and goodwill ..	6,23,264
		Stores, tools, stock-in-trade, etc. ..	7,04,65,468
		Sundry debtors ..	78,12,878
		Loans and advances.	61,74,782
		Investments ..	1,03,000
		Cash	41,10,631
Rs.	12,30,64,408	Rs.	12,30,64,408

The Rs. 10 fully paid-up shares are currently quoted at Rs. 21.75 *cum-div.* On an *ex-div.* basis, the yield is 6.88 per cent. per annum.

JESSOP AND CO., LTD.

A four-man committee to make a full and complete investigation into the working of Messrs. Jessop & Co., Ltd., one of the Mundhra Concerns which figured prominently in the Chagla Commission's enquiry into the L.I.C. investments, has been appointed by the Government of India in exercise of the powers conferred by Section 15 of the Industries (Development and Regulation) Act, 1951. The Committee consists of Mr. S. Moolgaokar, Director, Tata Industries, Bombay, as Chairman Mr. D. N. Mitra, Industrialist, Calcutta, and Mr. Guru Govinda Basu, Chartered Accountant, Calcutta, as member-Secretary.

Announcing the appointment of the Committee, the Union Ministry of Commerce and Industry, in the course of a Press note, says:

"The Government of India is of the opinion that the industrial undertaking of Messrs. Jessop & Co., Ltd., is being managed in a manner highly detrimental to the scheduled industries in which it is engaged and to public interest. There is likely to be a substantial fall in the volume of production of the articles manufactured by the undertaking, such as iron and steel structurals, other products of iron and steel and various items of transportation and industrial machinery, for which, having regard to the economic conditions prevailing there is no justification."

Points From The Chair

Tightness of Money

"DURING 1957, banks have continued to contend with a persistent tightness of money. This is so stubborn that it almost seems as if it has come to stay. We know, of course, that this is not so. Conditions sooner or later change, often turning completely round. I have seen many examples of this in my time. Even so, there is no sign of any early relaxation in the present scarcity of funds. These tight money conditions and the existence of various restrictions and legislative enactments affecting money and banking can hardly have made 1957 other than difficult for the business of banking. Banks depend upon deposits. In times of tight money the funds available for deposit with banks are restricted. Competition between banks for deposits increases. Higher rates of interest must be offered and paid. The funds of the Government and of semi-Government bodies are, generally, lodged with the Government banks. These banks also receive the rupee counterpart proceeds of surplus agricultural commodities of the United States of America under that country's Public Law 480. The two main Government banks are the Reserve Bank of India and the State Bank of India. As the central bank of the country, the Reserve Bank of India does not compete for business with the commercial banks, but I must make an allusion to the competition that banks like ours encounter from the State Bank of India which has a monopoly in several directions."

SIR COWASJEE JEHANGIR, BART.,
Bank of India Ltd.

Sterling Area and U.K. Economy

"The appointment of a committee under the chairmanship of Lord Radcliffe to enquire into the working of the monetary system has evoked a good deal of discussion among economists concerning the merits of the sterling area system and the position of this country as its banker. Widely divergent estimates have been made of the extent to which foreign currency accrues to the United Kingdom Control from the operations of oversea banks based upon or represented in London and it has been argued that the advantages of those operations to the United Kingdom economy are more apparent than real. The effectiveness of organisations like the Chartered Bank in sustaining the external economic defences of the United Kingdom cannot be in doubt. The Bank finances a very large proportion of the trade in primary products between the Eastern countries and the rest of the world and it is a considerable earner of U.S. dollars and other scarce currencies in its own right; moreover the Bank is enabled by means of its already extensive and growing oversea establishment to play an important part in the promotion of the export trade of the United Kingdom. To impose restraint upon the activities of the British oversea banks would be the last resort of the destitute and it is reassuring to know that changes in currency management and exchange control which might prejudice the unique position of the City of London in international commerce will not be made without the most searching enquiry."

V. A. GRANTHAM,
Chartered Bank, London.

Concentration of Banking Resources

"In giving you the assurance that the Bank of Maharashtra will not be found wanting in playing its legitimate role as the banker for the economic development of the region, I must frankly admit my disappointment at the lack of appreciation on the part of the authorities of the useful role which the regional banks of this type have been playing in the economic development of the country. It has been my lot to demand in my annual address to you for a due recognition of well organised regional banks, knowing the local conditions, appreciating the needs of the people and, while pursuing a sound banking policy, trying to strengthen the economy. But so far, at any rate, the legitimate request for a fair deal has fallen on deaf ears. Of late, much is being heard of decentralisation and local initiative as the essential aid for planned development on sound lines. May I, therefore, appeal to the Reserve Bank to revise its attitude and take timely steps, so that the concentration of banking resources in bigger institutions which has been in evidence in the past decade is arrested, if not prevented altogether, and the country is provided with a banking system robust in health and capable of meeting its financial needs in a fashion which is in conformity with the accepted canon of socialistic economy."

V. P. VARDE,
Bank of Maharashtra Ltd.

QUESTION HOUR IN PARLIAMENT

Thorium Export

INDIA has told the International Atomic Energy Agency that it will be prepared to supply thorium in the form of a suitable compound. The supplies to the Agency will have to be made from current production and not from any stockpile already in existence. The quantities to be supplied and the schedule of delivery will be determined only after the requirements of the Agency are known.

—Jawaharlal Nehru

Tax on Grains

Andhra Pradesh, Madras and Bihar which levy sales tax on foodgrains and Uttar Pradesh which levies a graduated fee on dealers in grains have not responded favourably to the Central Government's suggestion to exempt foodgrains completely from tax or fee.

—B. R. Bhagat

Diesel Locomotives

The Tata Locomotive and Engineering Works at Jamshedpur is not equipped to manufacture diesel locomotives. Orders have been invited for the supply of diesel locomotives to India. In these tenders, the terms and conditions on which foreign manufacturers will collaborate either with the Government or with the private firms for the manufacture of diesel locomotives in India have also been invited. After the replies to the tenders are received, the Government will decide whether the manufacture of diesel locomotives should be undertaken by the public or the private sector.

• • • •

Railway Freight

The Government's decisions on the recommendations of the Railway Freight Structure Inquiry Committee will be announced in the House during its current session. The Railway Board and the Railway Ministry are examining the Committee's report. Some delay in reaching decisions is inevitable, as the matter is of an important nature and any violent changes in the freight structure may adversely affect the railway earnings.

—Jagjivan Ram

"T.E.L.C.O." Locomotives

The price of locomotives to be supplied by the T.E.L.C.O. to the railways during 1958-59 is still under negotiation. The T.E.L.C.O. has quoted the price of each locomotive as Rs. 4.19 lakhs. The new price is to come into force from the first of next month and the matter is still under negotiation. (India has not imported in recent years locomotives from abroad. Therefore, there are no reliable data to compare the present price of T.E.L.C.O. locomotives with foreign prices. The T.E.L.C.O. has offered to supply the locomotives much below the figure of Rs. 4.19 lakhs quoted by it earlier. It will not be in public interest to go into details when the negotiations are on. Till the negotiations are finalised, I will not like to compare the T.E.L.C.O. price with that of Chittaranjan.—*Jagjivan Ram.*)

—Shaw Nawaz Khan

Second Shipyard

Since the second shipyard will take a pretty long time to come into being and there is financial stringency at the moment, the Government of India will be prepared to accept offers of co-operation from the private sector. In pursuance of the Industrial Policy Resolution, the initiative will lie with the Government and, wherever financial co-operation is forthcoming from the private sector, the controlling interest will always be with the State. (There is no question of reconsideration of the policy. Any requests received from the private sector will have to be considered in the light of the criteria laid down in the Resolution for securing the co-operation of private enterprise, namely, that the Government should be satisfied that the participation of private enterprise is necessary in the national interest and that it ensures the requisite power to the Government to guide the policy and control the operations of the undertaking.

—Raj Bahadur

Visakhapatnam Dock

The proposal to construct a dry dock at Visakhapatnam has been put off for the present. The reason for this is the non-availability of foreign exchange.

—Lal Bahadur Shastry

Port Facilities

A survey team of harbour experts from Japan recently visited some parts in India for studying the port facilities required for export of iron ore to Japan.

• • • •

Post Office Savings Bank Account

The cheque system introduced in post office savings bank accounts will be extended to Calcutta, Madras, Delhi and New Delhi, Nagpur, Ambala, Patna, Lucknow, Jaipur and Ahmedabad with effect from 1st April 1958. In Bombay where the scheme is launched on an experimental basis, the facility is availed of by only 449 depositors out of 9,698. The scheme will ultimately be extended to all postal head offices and permanent sub-offices.

• • • •

State Transport

In December 1957, the Centre informed all the State Governments that no assistance, whether by loans or by grants, will be available to transport undertakings owned or managed by them if they are run departmentally.

—Raj Bahadur

Iron Ore Deposits

A joint request by the Japanese and Indian Governments is proposed to be submitted to the U.S. before 31st March 1958 for a loan to the joint Indo-Japanese project to develop iron ore deposits in eastern India and improve railway and port facilities. The details are yet to be worked out. The American President's Fund can be utilised to finance schemes of help to more than one country.

—Nityanand Kanungo

Tea-plucking Machine

An engineering firm in Calcutta is now trying to design a tea plucking machine on the same lines as in the Soviet Union. Details of operating the machine have been asked for from the Soviet Union. It is understood that the use of the machine will require replanting of the tea bushes and hedges. The Government will have to see how the use of the machine affected the employment in tea gardens.

—Satish Chandra

Inland Water Transport

The Inland Water Transport Enquiry Committee has submitted an interim report recommending the urgent undertaking of a traffic survey in Bihar region. The Committee has recommended that, pending the completion of this survey, the Ganga-Brahmaputra Water Transport Board should endeavour to maintain the triangular service between Calcutta-Bihar, Bihar-Assam and Assam-Calcutta through a private agency, if necessary, and give that agency appropriate assistance. The other recommendations made by the committee are: (1) Until the triangular service is re-established, the inland water transport services between Buxar and Rajmahal on the Ganga and Patna and Darauli on the Gogra should be maintained; (2) South Bihar-Assam traffic should move by the rail-*cum*-steamer route *via* Calcutta as long as it is not possible to move the entire traffic by the Assam rail link; (3) Calcutta-Bihar (river stations) traffic should move by the rail-*cum*-river route *via* Rajmahal; (4) North Bihar-Assam traffic may move by the all-rail route as at present; and (5) the restricted inland water transport service in Bihar should be operated by the Ganga-Brahmaputra Water Transport Board through a suitable private agency, if necessary.

—Humayun Kabir

Oil Wells

Out of the seven oil wells drilled in the Moran area (Assam), four are productive. Good commercial production is expected from these wells.

—K. D. Malaviya

SUGAR

(Concluded from page 516)

field of transport. Rail transport facilities, provided mostly by the mills themselves, have laid the basis for the modern cane factory by expanding the area from which a single mill can speedily obtain its sugarcane. Cuba has experimented with what is called the "Portacana" system, employing portable cane baskets which may be removed from the truck bed, spotted around the field for filling, reeled back on to the individual truck and delivered to the mill. A wide variety of self-propelled equipment for loading cane provides a mechanical means of sharing available labour for cane cutting. In Louisiana, there are in use several models of mobile grab loaders. Florida has developed continuous cane loaders of a slanting platform type, presumably on the model of some Hawaiian harvesters. So simple a device as a wire rope sling facilitates unloading of trucks or rail cars by stationary canes. It is to techniques such as these that Puerto Rico has recently been turning in order to overcome a serious drain of labour to cities and to the mainland.

While the progress in cane transport in various regions has thus been swift and varied, India continues to be backward. Barring the case of sugar mills having their own cane plantations which have invested quite a lot of money on ensuring efficient transport facilities, the movement of cane from fields to factories continued to be confined to the century-old bullock carts. To the extent transport of cane is mechanised through introduction of motor trucks or such devices as are in use in other countries, the cost of sugar production can be lowered, with all its attendant benefits. Lower cost of production, it is needless to add, will mean lower price for sugar, larger consumption, and better prospects of successfully exporting sugar.

The twenty-fifth annual general meeting of the Indian Sugar Mills' Association will be held at New Delhi on Thursday, 3rd April 1958, Mr. Balmokand Shah Sawhney, President of the Association, presiding. The meeting will be inaugurated by Mr. Ajit Prasad Jain, Minister for Food and Agriculture, Government of India.

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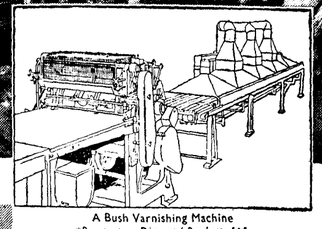

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DEMAND FOR MONEY RISES

(From Our Own Correspondent)

BOMBAY, 19th *March*

There was a further increase in the pressure of demand for funds in the short-term money market during the week under review. As the available funds fell short of the borrowers' requirements, banks had to draw on their balances with the Reserve Bank or seek temporary accommodation from it. There was, however, no change in interest rates. Exchange banks and big Indian banks continued to bid inter-bank call money at 3 per cent., the corresponding rate among the smaller banks being kept at 3½ per cent. House money at call was offered 4¼ to 4⅜ per cent. and short-term deposits at 4¼ to 4⅜ per cent. for one to six months.

A fractional contraction of Rs. 41 lakhs in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 14th March 1958. Notes held in the Banking Department are higher by Rs. 63 lakhs. Rupee securities and foreign securities are unchanged, but foreign balances (in the Banking Department) have recorded an increase of Rs. 3.14 crores. Central Government's deposits are lower by Rs. 3.14 crores, but other Governments' deposits show a rise of Rs. 11.82 crores. Deposits of banks have gone down by Rs. 9.47 crores. Loans and advances other than to Governments have declined by Rs. 1.19 crores, of which advances to Scheduled banks against usance bills account for Rs. 77 lakhs. Investments have risen by Rs. 6.44 crores and Government Treasury bills purchased and discounted by Rs. 1.87 crores.

The Scheduled banks' statement for the week ended 7th March 1958 discloses an increase of Rs. 1.53 crores in demand deposits and of Rs. 2.65 crores in time deposits. Inter-bank borrowings have gone down by Rs. 2.14 crores, while borrowings from the Reserve Bank have risen by Rs. 8.05 crores and those from the State Bank by Rs. 1.10 crores. A rise of Rs. 4.19 crores is noted in advances and of Rs. 68 lakhs in bills purchased and discounted. Investments show no notable variation, but cash balances have risen by Rs. 6.41 crores.

The Gilt-edged market maintained a steady tone during the week under review, thanks to the persistent demand for the short-dated issues. Some of the medium and long-dated loans also came in for enquiry. 4 per cent. State loans of nearer dated maturities were also in demand. During the week the Reserve Bank put up its selling rates of 3½ per cent. 1964 by 10 nP to Rs. 97.95, 3½ per cent. 1965 by 5 nP to Rs. 97.70 and 3¾ per cent. 1967 by 5 nP to Rs. 99.70. 3 per cent. 1986 Conversion Loan met with keen buying on the eve of half-yearly interest payment for the benefit of tax-voucher, and, even after payment of interest, the quotation showed no change at Rs. 71.05. 3 per cent. 1970-75 attracted buyers 5 nP higher at Rs. 86.20. 3 per cent. 1966-68 was wanted at Rs. 92.30, as against Rs. 92.15 a week ago. 3 per cent. 1964 gained 5 nP to Rs. 94.35 and 3 per cent. 1963-1965 advanced by 20 nP to Rs. 94.35 on keen enquiries. 3½ per cent. 1962 had sellers at Rs. 97.90, 3½ per cent. 1961 at Rs. 99.65 and 3½ per cent. 1964 10 nP higher at Rs. 97.95. 3½ per cent. 1965 gathered 5 nP before being on offer at Rs. 97.70. 3½ per cent. 1967 had sellers at Rs. 97.65 and 3¾ per cent. 1967 5 nP higher at Rs. 99.70. Among State loans, 4½ per cent. 1969 Bombay was placed at Rs. 100.10 ex-voucher, as against the same quotation before payment of half-yearly interest payment. 4 per cent. 1963 and 1964 Madras gained 5 nP and 10 nP, respectively, to Rs. 93.45, while 1967 and 1968 shed 5 nP each to Rs. 97.80. U.P. 1964 was marked up by 10 nP to Rs. 98.30, while 1967 and 1968 declined by 5 nP each to Rs. 97.80.

In the foreign exchange market the rupee was featureless, but steady, in terms of the U.S. dollar, in consonance with a similar trend in sterling. Banks' selling rate for ready dollar was unchanged at Rs. 475.25 per $100 and their buying rate at Rs. 472 per $100. In New York, spot sterling showed no change over the week at $2.81.9/16-2.81.11/16. Three months' forward, however, gained from $2.78½-2.78¾ to $2.78¾-2.79. Transferable sterling closed at 279.50-279.60 cents, after moving up to 279.60-279.65 cents.

LINSEED ADVANCES

(Messrs. A. Bradley & Co.)

CALCUTTA, 17th *March*

A generally firmer tendency prevailed in the linseed market during the week under review. There was an all-round advance in the prices of seeds, oil and cake. This, however, did not affect the existing lack of parity and, with crushers still showing a very meagre interest, trading was rather dull on the whole. Seeds advanced by more than As. 8 per maund to Rs. 22-6, with new crop offerings just beginning to make an appearance at a nominal discount. There was good demand for oilcake which improved to Rs. 11-8 per maund.

In the oil section, despite a proportionately small advance to Rs. 52, offtake continued to be very dull and sellers were hesitant. A slight improvement to £106 in the U.K. oil market did not disturb local prices which still remained out of parity.

The latest available quotations are: Ready March Rs. 22-6 and April-May Rs. 22-4 per maund.

HIDES STEADY

(From Our Own Correspondent)

KANPUR, 16th *March*

During the week under review, the conditions of the hides and skins market were stable. Demand for wet salted buff was particularly keen. There was scarcity of upper grade buff which was reflected in the upward trend in price. The Madras dealers were a bit lukewarm during the week. The main purchasers were the local tanners.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 350 and 3rd grade Rs. 210 per score; wet salted buff 1st grade 1 lb. 5 ozs., 2nd grade 1 lb. 8 ozs. and 3rd grade 1 lb. 10 ozs. per rupee; Goat 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces; Sheep 1st grade Rs. 300 and 2nd grade Rs. 275 per 100 pieces.

BEARS PROTEST AGAINST BULL SQEEZE IN SILVER

(From Our Own Correspondent)

BOMBAY, 19th *March*

Futures trading in bullion remained suspended unofficially for three days of the week under review, that is, 15th, 17th and 18th inst., as the bears, who are in a numerical majority, refrained from doing business as a protest against the persistent bull squeeze in silver and the sharp rise in the price of the white metal. The stalemate ended today and the dissenting speculators reentered the ring, following a decline in prices in private trading yesterday and on reports that the Board of the Bombay Bullion Association would meet today to discuss the situation. The decision of the Board is not known up to the time of writing.

Earlier in the week, silver made a further headway on reports that the payment of import duty on Tibetan coins was considerably small, thereby suggesting that arrivals in future would be small. There was also scarcity of floating stocks in the market. These bullish factors were fully exploited by the longs who pushed up the price of the white metal to a high of Rs. 195-6 (for forward delivery in the current settlement) and Rs. 195 in the ready, a level not seen since July 1951. The protest by bears was of no avail, as prices in private continued to move up to touch Rs. 196-1 on Monday. The fear of operation of margin, however, brought down the prices subsequently.

Gold was quietly steady with a decline in prices earlier in the week, on a slackening of demand. Subsequently, there was a recovery consequent on a fall in arrivals.

Forward silver (April settlement) advanced from Rs. 193-11 to Rs. 196-1 (nominal) on Monday before reacting to a low of Rs. 194-7. The relaxation of the bull grip was also reflected in the fall in *budla* charges in their favour from As. 14 on Wednesday last week to As. 7 today. The May settlement closed today at Rs. 194, as against Rs. 192-13 a week ago.

Ready silver moved up from Rs. 193-5 to Rs. 195-13, but reacted to close at Rs. 194-3. The floating stocks of silver are estimated at 600 bars. The daily average arrivals were of the order of 15 bars, while the offtake was 10 bars per day.

Gold for forward delivery (April settlement) dipped from Rs. 112-8 to Rs. 111-12, but soon gained ground to Rs. 112-5 at the close. Business in May settlement commenced on Thursday last week at Rs. 112-8 and, after being nominally quoted at Rs. 111-12, moved up to Rs. 112-7.

Ready gold fell over the week from Rs. 112-8 to Rs. 112-3, the lowest level touched during the week being Rs. 111-9. The floating stocks of gold have gone up from 15,000 tolas to 20,000 tolas and this is reflected in the discount of As. 2 at which the ready metal is quoted below the current settlement. The daily average arrivals were 2,500 tolas, while the offtake was no more than 2,000 tolas on an average per day.

In New York, silver continued to be maintained at 88.5/8c., while London prices suffered a further fall this week. Spot silver declined from 76⅞d. to 76.1/8d. and forward from 76½d. to 75.7/8d. Gold was a shade quiet at 249*s.* 2½d.

The following comparative table shows at a glance the trend of the market during the week under review:

	19-3-58	Highest	Lowest	12-3-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 3	112 12	111 9	112 8
Forward*	112 5	112 12	111 12	112 8
Sovereign	72 4	72 4	72 0	72 0
SILVER				
Ready (.996 fine Mint) ..	194 3	195 13	193 12	193 5
Forward†	194 7	196 1	194 2	193 11
London Silver Ready ..	76½d.	76⅞d.	76½d.	76⅞d.
London Forward	75⅝d.	76⅛d.	75⅝d.	76⅛d.
London Gold	249*s.* 2½d.	249*s.* 3½d.	249*s.* 2½d.	249*s.* 2½d.
New York Silver	88½c.	—	—	88½c.

* 5th March settlement.
† 6th March settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

KIPS EVOKE STRONG PRICE RESISTANCE

(From Our Own Correspondent)

MADRAS, 17th *March*

Trading in kips with the U.K. has been selective, price resistance being strong. Importers feel that there is no profit in dressing kip leather and prefer to switch on to imported chrome leather. Tanners find that raw markets rule firm, due to chrome tanners' competitive buying, and are slowly reducing their tannery output.

Arrivals of tanned hides and calves are small and shippers have been active at unchanged prices. There is good call for lower grades for inland trade.

In the tanned skins market, there is no noticeable change. Shipment business is negligible, due to the proximity of the London public sales which is due to commence today.

COTTON FUTURES RALLY

(From Our Own Correspondent)

BOMBAY, 19th *March*

The cotton futures market ruled distinctly firm during the week under review. The announcement of an export quota for 50,000 bales of Bengal *Deshi* and the reduction in export duty by half to Rs. 50 per bale made on the 13th inst. induced a general buying movement earlier in the week which pushed rates to higher levels. The upswing was also aided by the bullish implications of a private crop estimate made by a leading cotton firm which placed the season's crop at 4.85 million bales which was about 100,000 bales lower than earlier estimates. Profit-taking attracted by the higher rates and selling induced by the continued delay on the part of the Government in announcing some relief in excise duty on cloth led to a mild recession. But this trend proved short-lived as the market again firmed up yesterday following reduction in excise duty on cloth, thereby providing relief to the industry to the extent of Rs. 15 crores. The expectation that, with this fairly substantial reduction in excise duty, the offtake of cloth would improve and would in turn lead to better demand for cotton prompted fresh support. Consequently, cotton futures values again firmed up.

I.C.C. Moglai Jarilla (March 1958) opened the week at Rs. 689, as against the previous day's close of Rs. 685 and moved higher to Rs. 689 the same day. After declining to Rs. 683 on Monday, the market again spurted to Rs. 688.50 yesterday. Opening at Rs. 691 today, the contract gathered Rs. 3 before closing at Rs. 691. Total tenders issued against the contract on the 17th aggregated 350 bales, bringing the total issued till that date to 2,150, comprising 1,650 bales of Vijay, 300 bales of Jarilla, 100 bales of Gaorani and 100 bales of Punjab American.

I.C.C. Moglai Jarilla (May 1958) followed more or less the same trend. Opening the week Rs. 3.25 higher at Rs. 682.50, the contract firmed up to Rs. 687 the next day. After easing to Rs. 681 on Monday, it again rallied to Rs. 686 yesterday and further to Rs. 690.50 today. The contract, however, closed a shade lower at Rs. 688.50.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	19-3-58	*High*	*Low*	12-3-58
I.C.C. Moglai Jarilla (March 1958) ..	691	694	683	685
I.C.C. Moglai Jarilla (May 1958) ..	688.50	690.50	681	679.25

Influenced by the strength of the futures section, the spot market also ruled firm. There was an all-round improvement in prices. Sustained demand was noted for Jayadhar and Laxmi. Vijay, Berar Jarilla, and Khamgaon also evoked good attention. Even short-staples, which were of late virtually neglected, registered a notable increase in prices. Mill demand is expected to improve further as a result of the reduction in excise duty on cloth.

Crop movement in Northern India is reported to have almost come to an end. About 97 per cent. of the Vijay crop has already come to the market. In Gujerat, Saurashtra and Kutch crop movement is in full swing. Arrivals in the Western region has been rapidly increasing since the middle of last month, while they are expected to gather strength in the South.

In the export section, following the reduction in duty and a fresh quota, prices rallied although they tended to ease later, reflecting the fear in the minds of exporters that Pakistan may also cut its export duty. Nevertheless, there was brisk activity and a sizable business was reported. Most of the recent sales were to France for April shipment. Inquiries were noted from the U.K. for superfine Bengals. The Government has modified the procedure for issuing export licences details of which are given elsewhere in this issue.

In the foreign section, barring some stray business in Californians, trading interest was subdued. It is reported that, following representations made by the mill interests, the Government of India has decided to take only the consumption as the basis for allocating East African cotton out of the recent allocation of 70,000 bales. It may be called, in this connection, that earlier it had been decided to take into account not only the consumption of both East African and American cottons but also stocks and licences held by mills as on 31st January 1958. It is learnt that licences would now be issued to mills on the basis of quota, taking into account only the consumption of East African and American cottons in the past three seasons.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri, the figures in brackets being last week's closing rates:

Bengal *Deshi* 600 (575); Berar Jarilla 775 (760); Khandesh 810 (790); Oomra *Deshi* 650 (620); Vijay 930 (900); Hubli Laxmi 1,040 (1,040); Jayadhar 895 (885). *Delivery contracts*: Vijay 930 (920); Bengal 595 (560).

Cotton futures values in the Karachi cotton market made handsome gains during the week under review. On speculative buying based on the expectation of a probable cut in export duty following the reduction in duty on Bengal *Deshi* by the Government of India, values moved higher. Better inquiries were noted from abroad. Reduced pressure of new crop arrivals also helped to impart strength to the market. N.T.R.G. March improved from Rs. 71-15-6 last week-end to Rs. 72-13 yesterday. The May contract firmed up by Re. 1-6 to Rs. 72-1-6. The spot section also put on a better appearance. Sind *Deshi* and Punjab *Deshi* were quoted at Rs. 64-4 and Rs. 63-8 at close yesterday. The following are the latest available rates—in rupees per 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 71-10; S.G. 76-2; 4F Punjab Roller

74-14; S.G. 78-2; 289F N.T. Roller 76-10; 289F Punjab Roller 81-2; S.G. 91-2.

Alexandria cotton futures market ruled easy during the week. The easiness was mainly due to the slackness of export inquiries and the weakness of domestic spinner demand. Under pressure of hedge selling both the long staple Karnak and the medium staple Ashmouni contracts receded. The new payments arrangement worked out by Egyptian Government under which a discount of 23 per cent. will be offered for payments in hard currencies, including sterling, is expected to result in a revival of demand from foreign countries; but so far no marked improvement in demand has been noted. The latest available quotation—in tallaris per lb.—from Alexandria are:

Karnak: March 77.15; May 78.05. *Ashmouni*: April 66.75; January 67.25.

Liverpool cotton futures market ruled distinctly easy during the week reflecting the depressed condition of the yarn and cloth markets. Even reports that the U.S. Senate had rejected the proposals for increasing the cotton acreage and had voted additional funds for Soil Bank and the firm New York advices failed to lift values. Trading interest was subdued and prices eased on hedge selling and occasional profit-realisation. Sudan contracts were, however, maintained. The following are the latest available quotations—in pence per lb.—from Liverpool, the figures in brackets being last week's closing rates:

American cotton one inch staple contract: March-April 25.29 (25.42); May-June 25.23 (25.37); July-August 25.51 (25.65); October-November 25.98 (26.20). *American cotton mixed growth contract*: March-April 25.73 (25.75); May-June 26.00 (26.19); July-August 26.33 (26.52); October-November 26.83 (27.05). *Sudan*: May-June 32.00 (32.00); July-August 32.20 (32.20); September-October 32.85 (32.85).

New York cotton futures market ruled firm during the week. The Senate's rejection of the proposals for an increase in the cotton acreage and its approval of larger funds for Soil Bank programme touched off a general buying movement which carried prices to new seasonal highs. These factors were interpreted as foreshadowing a tighter supply position in the next season than hitherto anticipated. Some quarters were inclined to believe that the crop would be as low as 10.50 million bales as a result of larger entry into the Soil Bank. The firmness of the market was also aided by the expectation of a higher loan rate for the current crop than the interim rate of 81 per cent. of parity announced earlier.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	18-3-58	11-3-58	4-3-58
Spot	36.00	36.10	35.95
March	35.72	35.65	35.30
May	35.95	35.82	35.57
July	36.31	36.12	35.77

SUGAR DECLINES

(From Our Own Correspondents)

BOMBAY, 19*th March*

In contrast to the firm trend noted last week, the sugar market presents distinctly easy conditions and values have tended to move down. Local offtake is poor, such being confined only to demand from small grocers. Purchases by the various suburbs are negligible, thanks to the trucking of sugar into these areas direct from the Bombay-Deccan factory areas. What is more, arrivals of sugar into the market this week have been considerable; they aggregated 23,100 bags, as against 10,900 bags in the previous week. The increased arrivals must be attributed to the continued fortnightly releases granted to the co-operative factories. Even firm advices from the North and reports of recovery in sugar prices from the markets in South India have failed to enliven sentiment.

Medium grain sugar has receded from Rs. 109 to Rs. 106-Rs. 107.50 per bag. Large grain has declined by a rupee to Rs. 109-Rs. 112.50. Small grain is quoted at Rs. 105, as against Rs. 105.25 last week.

The production and despatches of indigenous sugar up to the end of February 1958 amounted to 1,336,000 tons and 636,000 tons, as against 1,169,000 tons and 635.000 tons, respectively, in the corresponding period of last year. The stocks with factories on 28th February 1958 stood at 1.128,000 tons, as compared with 1,061,000 tons a year before.

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HAPUR, 17*th March*

Steady conditions were witnessed in the sugar market during the past week. Good business was done for different consuming areas. The factories are reported to be drawing sufficient cane to work with maximum capacity. Crystal sugar prices recorded an advance of 6 nP to 31 nP per maund for ex-mill delivery in the Muzaffarnagar market where good business was reported during the week. The rise in prices was specially marked in the case of small grain. Amroha D-29 and Bijnore E-29 which rose from Rs. 35.12 and Rs. 34.81 to Rs. 35.37 and Rs. 35.12 per maund, respectively. Business for Saurashtra was done at a premium of 19 nP per maund. The latest ex-mill delivery prices were: Mansurpur B-29 Rs. 37.84; C-29 Rs. 36.81; Rohana B-29 Rs. 37.50; Lakhskar C-29 Rs. 36.44; Amroha D-29 Rs. 35.37; Seohara D-29 Rs. 35.44; Meerut D-28 Rs. 35.87; and Simbhauli E-29 Rs. 36.

Sugar prices ruled quietly steady in the Kanpur market. Demand from consuming centres was fairly good.

The production of *khandsari* in the country is expected to touch new heights this year. The industry, it is said, is flourishing on the artificial advantage due to heavy fiscal burden on crystal sugar. Demand is reported to be fairly brisk from consuming areas. The latest prevailing prices are Rs. 27 to Rs. 32.50. Due to very faulty arrangements for the supply of cane to factories through co-operative societies and eagerness on the part of cultivators to dispose of their cane at the fag end of the season, the *khandsari* producers are in a position to buy cane below the fixed price to be paid by the mills.

Ready *gur* recorded a strident advance, due to brisk buying by bulls at higher prices. Arrivals averaged 1,500 maunds and local stocks were put at about 145,000 maunds, the corresponding figure last year being 97,000 maunds. Crushing for *gur* will finish after about a fortnight's time. The prevailing price of *gur pansera* is Rs. 14.75 to Rs. 15.25 per maund.

Ready *gur* also recorded good gains in the Muzaffarnagar market, where arrivals averaged 4,000 maunds daily. The latest prevailing prices are: *Chaku* Rs. 17.75 to Rs. 18.25; rusket mixed Rs. 16 to Rs. 16.50; *ladu* rusket Rs. 11 to Rs. 12, *shakker dara* Rs. 17.50 to Rs. 19; *masala* upto Rs. 21.

Gur futures spurted to touch new heights on vigorous bull support. In view of the continued bullish tendency, the local Chamber increased the margin on all *gur baisakh* delivery purchases from Rs. 100 per unit to Rs. 250 and also fixed the ceiling and floor prices upto 20th March at Rs. 15.50 and Rs. 14, respectively, for *baisakh* delivery. This had a sobering effect and *baisakh* was today quoted at Rs. 15.37. The undertone is still bullish.

Sowings of cane for the next season is in full swing. Owing to fairly good prices of *gur* this season, an increased acreage is predicted.

YARNS RECEDE

(From Our Own Correspondent)

BOMBAY, 19*th March*

The yarn market exhibited a firm trend till today when it staged a relapse. The earlier firmness was aided by fears of growing shortage in supplies of foreign qualities and enhanced prices demanded by stockists. There were reports of speculative transactions among dealers and importers *inter se*. Turnover among dealers themselves rose considerably on hopes of still higher prices and expectations of the continued restricted import policy in the first half of the coming financial year. Today, however, art silk yarns encountered heavy selling, induced by apprehensions of slackness in demand from consuming centres, as a result of the diversion of consumer demand from rayon piecegoods to cotton cloth, following the reduction in excise duty on mill-made cloth. Staple fibre yarns ruled strong during the major part of the week. The producers raised their prices by an anna to two per lb., following the increase in prices of staple fibre. The stocks of imported fibre were reported to have declined, compelling the cotton mills to look to indigenous raw material for spinning staple fibre yarns. Cotton yarns continued to rule depressed, despite firmness of raw cotton prices. Demand from powerlooms was at a low ebb. It was stated that the impact of the recently enhanced excise duty on powerlooms had been so severe that many units had either curtailed output or closed down. Overseas enquiries for Indian cotton yarn continued to be slack, owing to the growing competition from other countries, particularly Pakistan.

Snia rayon yarns (120 dull cones) remained quiet at Rs. 925. In the spot section, 120 Japan receded by 6 nP to Rs. 5.75. 150 Japan declined by 12 nP to Rs. 5.50. 120 Italy dropped 13 nP to Rs. 5.62 and 150 Italy 16 nP to Rs. 5.37. Among indigenous yarns, National Rayons 120 bright cones first grade shed 4 nP to Rs. 5.12. But 150 bright cones first grade rallied 16 nP to Rs. 5.22 on special support.

Staple fibre yarns (40×2) April delivery encountered selling and climbed down by Rs. 13 to Rs. 604. June delivery fell by Rs. 10 to Rs. 614. Spot (40×2) Citys eased by 8 nP to Rs. 3.22 and Kohinoors by 11 nP to Rs. 3.25. Centurys were neglected at Rs 3.31 and New Greats at Rs. 3.14. Among foreign yarns, Paramounts retreated by 13 nP to Rs. 6.87. Fujis lost 9 nP to Rs. 6.69.

Among cotton yarns, ten counts Moderns were dull at Rs. 14.50 and Podars at Rs. 13.75. Twenty counts Indus were quoted at Rs. 16.75 and Moderns at Rs. 17.37, same as last week. Thirty counts Indus dropped 37 nP to Rs. 20. Among forty counts, Minaxis softened by 12 nP to Rs. 24. Moderns declined by 25 nP to Rs. 24.50. Sixty counts Moderns climbed down by 50 nP to Rs. 59. Raghuvamshis were quiet at Rs. 52, as also Finlays at Rs. 59. Among eighty counts, Moderns receded by 50 nP to Rs. 70. Mahendras changed hands at Rs. 69.50, same as last week. Finlays were on offer at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	19-3-1958	12-3-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia April	925.00	925.00
120 Japan (per lb.)	5.75	5.81
150 Japan (per lb.)	5.50	5.62
120 Italy (per lb.)	5.62	5.75
150 Italy (per lb.)	5.37	5.53
Staple fibre yarn (per case of 200 lbs.)—		
40×2 April	604.00	617.00
40×2 June	614.00	624.00
40×2 New Great (per lb.)	3.14	—
40×2 City (per lb.)	3.22	3.30
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.75	13.75
20s Modern	17.37	17.37
30s Indu	20.00	20.37
40s Minaxi	24.00	24.12
60s Raghuvamshi	52.00	52.00
80s Modern	70.00	70.50

OILSEEDS FIRM AGAIN

(From Our Own Correspondent)

BOMBAY, 19*th March*

Barring a slight setback to prices on the 15th and 17th inst., the oilseeds market ruled firm during the week under review. In particular, castorseeds attracted very good attention of operators, thanks to renewed hopes of a cut in export duty on castor oil from Rs. 150 to Rs. 75 per ton. The hopes received further strength from the reduction in excise duty on cloth announced by the Prime Minister yesterday. There would have been a more marked rise in prices but for offerings from some local houses which thought that, even with the reduced export duty, no large export business in castor oil would be possible, since the foreign interests were not disposed to make commitments. Linseeds met with enlarged buying enquiries induced by encouraging upcountry advices. Support from shippers was confined to purchases against previous orders. Cottonseeds showed strength on firmness of raw cotton prices. In sympathy with the general trend, kardi and niger seeds registered some gains. Groundnuts which ruled strong on Friday staged a retreat in the subsequent two sessions. Although there was some recovery today, they once again turned easy towards the close. The sentiment of traders was adversely affected by weaker advices from upcountry centres. There were reports of a move in certain markets to fix ceiling prices for sarson. Groundnut oil met pressure from local crushers.

The all-India final estimate of groundnut for 1957-58 puts the current year's area and production at 14,457,000 acres and 4,271,000 tons of nuts in shell, as against the partially revised estimate of 13,450,000 acres and 4,200,000 tons of nuts in shell for 1956-57, respectively. This shows an increase of 1,007,008 acres or 7.5 per cent. in area and 71,000 tons or 1.7 per cent. in production during the current year as compared with last year.

The Government of India has decided to allow export of de-oiled cottonseed meal (solvent extraction variety having less than 1.5 per cent. oil content) without any quantitative restrictions to all possible destinations up to the end of September next. Licensing will be done on shipping bills supported by evidence of valid firm sale contracts, together with an application in the prescribed form and challan for appropriate value.

Groundnut May contract advanced from Rs. 160.62 last week-end to Rs. 161.37 on Friday. After receding to Rs. 159.50 on the 17th inst., it recovered gradually to Rs. 161.12 before finishing lower at Rs. 160.75. Over the week, bold ready and Coramandal declined by 12 nP each to Rs. 32 and Rs. 32.50, respectively. Khandesh quality which had improved from Rs. 32.50 to Rs. 32.75 early in the week relapsed to Rs. 32.50 yesterday; this rate was maintained today also. Groundnut oil ex-mill, after rising from Rs. 17.75 to Rs. 18.12 on Friday, moved down to Rs. 17.75 today. Railway Receipt fluctuated between Rs. 17.75 and Rs. 17.50 before winding up the week at Rs. 17.62.

There was a buying spree in castorseeds May delivery which climbed up from Rs. 143.87 to Rs. 147.62 today; towards the close, however, the rate was a shade easy at Rs. 147.25. Ready Madras was firm at Rs. 29.62 and Kanpur quality at Rs. 28.37. Castor oil commercial received good support and advanced by 19 nP to Rs. 15.19. B.S.S., however, encountered selling and fell from Rs. 16.65 to Rs. 16.31 yesterday; today, however, it recovered to Rs. 16.44.

Linseed May contract was in good form, the rate spurting by Re. 1.31 to Rs. 30.75. Bold ready strengthened by 75 nP to Rs. 30.37. April-May rose by 38 nP to Rs. 16.25.

Buying was quite sustained in the cottonseed May contract. It was quoted today at Rs. 110, as against Rs. 106 last week-end.

Kardi seed bold ready evoked enlarged buying enquiries and put on 37 nP to Rs. 18.62. Niger Madras gathered 12 nP to Rs. 27.87.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	19-3-1958	12-3-1958	5-3-1958
Groundnut—			
May 1958	Rs. 160.75	Rs. 160.62	Rs. 159.25
Bold ready (per cwt.)	32.00	32.12	31.94
Khandesh quality	32.50	32.50	32.50
Linseed—			
May 1958	30.75	29.44	29.19
Bold ready (per cwt.)	30.37	29.62	28.50
Castorseed—			
May 1958	147.25	143.87	142.75
Madras (per cwt.)	29.62	29.62	29.50
Cottonseed—			
May 1958	110.00	106.00	104.50
*Groundnut oil**			
Ex-mill ready (per quarter) ..	17.75	17.75	17.50
Castor oil †			
Commercial (per quarter) ..	15.19	15.00	14.81
Linseed oil †			
Ready	16.25	15.87	15.50

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

BLACK PEPPER RALLIES

(Messrs. Parekh and Co.)

BOMBAY, 19*th March*

Following purchases by New York at advanced prices and in sympathy with Singapore which rose from Str.$65 to Str.$68, Malabar black pepper showed hectic fluctuations during the week, the highest and the lowest in ready garbled being Rs. 103.75 and Rs. 101.25, respectively.

Speculators were very active. They tried to boost prices. In the rising market, the growers became reserved sellers. They brought down limited quantity in the primary markets, thus creating [illegible]gical scarcity. Some among the trade interpreted smaller arrivals as an indication for a final smaller production. But analysts were reported sticking to their former estimate and saw no reason for reducing it. The bears in the market were estimating the final production at 27,000 tons, while the bulls at 22,000 tons.

Alleppey and Cochin on the whole maintained firm undertone with temporary reaction under technical correction. Ready garbled at Cochin, after touching Rs. 103.75, is now quoted at Rs. 101.25 while May shot up to Rs. 108.75 to react to Rs. 107.50. Calicut remained firm at Rs. 600.

In A.S.T.A. section, April was done at $0.25¼, while there were buyers for April-May-June at $0.25¼ without sellers. New York is reported to have bought nearby shipment up to $0.24½. Most of the Bombay traders, being bearishly inclined, are reported to be trying to keep down the market irrespective of the rise on the Coast.

In delivery section, prices moved between Rs. 541 and Rs. 554 for April and from Rs. 548 to Rs. 564 for May.

Today's nominal quotations are: Ready Jelivery Rs. 78 per Bengal maund, April Rs. 554-Rs. 559 and May Rs. 564-Rs. 569 per candy of 5½ cwts.

DUST TEAS DEARER

[*Messrs. Forbes, Ewart & Figgis (Private) Ltd.*]

COCHIN, 13*th March*

A total of 600,000 lbs. was offered in Sale 'F' which was held on 11th March 1958. The sale opened to a strong general demand and medium and good medium teas sold at 10 to 15 nP dearer. The other descriptions advanced in price irregularly from 5 to 10 nP.

The average price realised in Dust Sale 'F' was Re. 1.56 per lb., as against Re. 1.49 in the previous sale and Re. 1.90 in the corresponding sale of 1957.

London Market—Sale of 10th March 1958.—Bottom fully firm. Top about 6d. dearer.

Sale of 11th March 1958.—Stronger, except plainest.

Colombo Market—Sale of 10th March 1958.—Strong demand. High and medium brokens dearer, following quality. All fannings firm. Gulf types firm to dearer.

Sale of 11th March 1958.—Active demand. Liquoring sorts often 20c. up. Others firm to dearer.

Calcutta Market—Export.—Good general demand at easier rates. Clean black fannings and bright liquoring kinds fully firm to dearer. Common and mediums 2 to 4 nP easier. Whole leaf weakest feature.

Internal.—20,000 dust. Good general demand. Slightly easier. Black leafy Middle East firm. C.T.Cs easier, except powdery types. 5,000 internal leaf. Quite good demand for few bright leafy. C.T.Cs orthodox irregularly easier.

Export Quota.—The market is still very depressed and business is being transacted at 4 nP.

Forthcoming Auctions.—Dust Sale 'G' will be held on Tuesday, 25th March.

As we go to Press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale 7:*—1,350,000 lbs. Strong general demand. Improved quality Niligiris irregularly 20 to 25 nP dearer. Mediums 10 to 15 nP dearer. Low medium and commons 5 to 10 nP easier."

GOOD DEMAND FOR TEA

(From Our Own Correspondent)

CALCUTTA, 18*th March*

There was good demand during yesterday's export sales in tea. Had it not been for the expectations entertained by buyers that Government would reduce the export duty on inferior quality of teas, the demand would have been greater. For they noted the assurance given by the Prime Minister that the matter would be reviewed following severe criticism of the duty at the meeting of the Congress Parliamentary meeting. However, the good qualities experienced keen bidding and it looked as though that there would be only little of the current season's teas to be carried forward to 1958-59.

It was noted that stocks of tea in the United Kingdom for the week ended 7th March were only 116 million lbs., as against 119 million lbs. in the previous week. This explained why British buyers showed keen interest in bidding during recent weeks. Another cause had been the labour troubles in Colombo port, delaying shipments considerably. The same cause should be attributed to more interest being shown by Russian buyers in the Calcutta auctions.

The Prime Minister's assurance for a review of the duty on inferior tea was particularly welcome to trade circles. For, unless cost of production is reduced, it is difficult to meet the competition being offered by other producing countries, especially Africa, in foreign markets. Regarding good quality teas, trade circles saw no difficulties in foreign markets, since it was not expected that their availability in the next season would surpass demand. Nevertheless, the margin of profit has been reduced considerably.

The Ceylon Government's proposal to levy a duty of four cents a lb. on all tea exports, which would be credited to a cess fund to finance a seven-year scheme for rehabilitation and development, was viewed here as a measure indirectly contributing to the competitive strength of Indian teas in foreign markets. However, by way of comment, trade circles stated that the duty would hit Ceylon's exports.

At the recent meeting of the Indian Tea Asso[illegible] Mr. C. D. Wilson stated that China was anxious to again export tea. His impression is amply confirmed now by a news report from Hong Kong, according to which China planned to become the world's biggest tea producer by 1962.

At present, India's exports of tea to Saudi Arabia is approximately 50 per cent. of total imports of tea into that country. That there was scope for increasing this share was indicated by Mr. Alireza, the Saudi Arabian Commerce Minister, who was here last week, if only quality could be improved and prices could be more competitive. He said that Indian tea should certainly be more popular in his country. What the Minister said can generally be applied to all foreign markets where Indian tea is being consumed. The need for gardens to show greater attention to improving quality was never greater than today. To enable the industry to do so, it must be spared at least a portion of the taxes, so that it would have sufficient funds to carry out improvements to existing standards.

There was good general demand in export offerings aggregating 60,788 chests. Prices of the good quality teas improved. Medium B.O.Ps and O.Fs registered an improvement in quality and were taken at higher rates. Clean black grades were fully steady, the fanning grades among them moving up by 4 nP. Plain and ordinary medium broken pekoes gave way by 4 to 6 nP, and the commonest teas by 2 nP. C.T.Cs, although irregular, maintained the last rate, while legg-cut teas, in irregular trend, turned in buyers' favour. Clean well-made whole leaf grades added 10 nP, while the most stalky and inferior lots gave way to rates below valuations. Flavoury Darjeelings and tippy teas met with good demand. The quotations were: best Assam C.T.C. fannings Rs. 2.70 to Rs. 2.90, clean black pekoe Rs. 2.25 to Rs. 2.30, best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80, plain B.P. Re. 1.38 to Re. 1.42, medium fannings Re. 1.72 to Rs. 1.76, plain fannings Re. 1.56 to Re. 1.60, and medium B.P. Re. 1.50 to Re. 1.54.

Export quota changed hands at 3¼ nP.

During the internal sales last week, dusts on offer amounted to 20,282 chests. Demand was good, but prices realised were lower. Prices of orthodox teas gave way by 6 nP, although Middle East buyers showed more interest. C.T.Cs recorded an irregular trend although the best powdery lots tended firm to dearer. Prices of medium and plain liquoring teas eased, although demand tended to improve. Best liquoring teas also recorded a downtrend. The quotations were: best Assam C.T.C. Rs. 2.80 to Rs. 3.10 (nominal), medium Assam C.T.C Re. 1.75 to Re. 1.95, medium Assam grainy dust Re. 1.54 to Re. 1.56, and medium Dooars Re. 1.52 to Re. 1.54.

Leaf offerings amounted to 5,402 chests. A mixed trend was in evidence. The orthodox teas eased, and the brighter liquoring C.T.C. Assams gained. The plainer teas were bid at lower prices.

JUTE GOODS RECOVER

(From Our Own Correspondent)

CALCUTTA, 18*th March*

Prices of jute goods recorded a recovery during the week under review, following interested support. Both B. twills and 40" 10 oz. hessian reached very near the maximum prices. Sentiment was cheered when the Government called for tenders for 12.000 bales of B. twills and actually purchased double this quantity. Another factor was the announcement of production figures for the month of February. The total output of all goods is placed at 85,300 tons, 13.000 tons lower than in January. The lower figure was the result of shorter working month. The largest decrease was naturally recorded in sacking, which at 49,300 tons represented a fall of 8.000 tons. The production of hessian dropped from 34.000 tons to 30.100 tons and that of miscellaneous goods from 6,600 tons to 5.900 tons. Stocks at the end of January being 96.600 tons, the total availability of goods in the month was 181,900 tons. The closing stocks at the end of February were 95.100 tons; the total sales in the month thus aggregated 86,800 tons or slightly above production.

On Tuesday last, there was a measure of speculative support which raised ready B. twills from Rs. 97.80 to Rs. 98.20. On the other hand, ready hessian 40" 10 oz. gave way from Rs. 38.90 to Rs. 38 80. Business passing was dull, but mills were eager to sell only at the minimum prices which were above the market rates. This imparted a small recovery, B. twills being quoted at Rs. 98.60 and hessian 40" 10 oz. at Rs. 38.85. It was at this stage that the Government called for tenders for 12.000 bales and, in fact, purchased much more than this quantity. This support pushed the rate for B twills to Rs. 99, which was still lower by a rupee as compared with the minimum price. In sympathy, 40" 10 oz. hessian improved to Rs. 39.15. On Friday, a steadier trend prevailed and, despite fair quantities being unloaded by mills, prices gained further. B. twills rose to Rs. 99.50 and hessian 40" 10 oz. to Rs. 39.20. The sentiment was assisted by the announcement of reduced output for February. Over the week-end, B. twills at Rs. 99.60 added 10 nP, and yesterday at Rs. 99.62 showed further improvement. On Saturday, ready 40" 10 oz. hessian was maintained at Rs. 39.20, the rate yesterday being the same.

Mills showed only limited interest in raw jute. Despite this, prices improved following better trend in the goods market. The latest quotations for the different varieties for March-April delivery are:

	Middles	*Bottoms*
	Rs.	Rs.
Pakistani:		
District	30.50	27.50
Northern	30.00	27.00
Indian:		
Northern	26.75	24.25
Assam	26.75	24.25
Orissa	28.75	26.25
Desal	25.25	22.75
Murshidabad	24.25	21.75
Jungli	—	20.25
Daissee	30.00	27.50
Uttar Pradesh	—	20.25
Daissee mesta	25.00	22.50
Bimli f.a.q.		Rs. 19.00
Pucca bales 1st marks		Rs. 155.00 ready.

METALS STEADY

(From Our Own Correspondent)

CALCUTTA, 18*th March*

Prices of base metals remained fully steady during the week under review. Electrolytic copper was maintained at Rs. 176. There was hardly any material arriving without being sold in advance. This caused an increase in the rigours of scarcity. Even June shipments have already been booked. Market circles felt that, until more imports were permitted prices would only tend to harden. An uptrend was also reported from foreign markets. From Rs. 512, tin shot up to Rs. 518 here following higher advices from both London and Singapore. From Rs. 53, electrolytic zinc rose to Rs. 53.75 before closing at Rs. 53.50. Arrivals were reported, but demand was also high. Virgin lead closed steady at Rs. 58 after being lower at Rs. 57.50. A big Government order for antimonial lead cheered up sentiment.

FOODGRAINS QUIET

(From Our Own Correspondent)

HAPUR, 17*th March*

Quiet conditions prevailed in the foodgrains market during the week under review. The trend of prices, was downward, thanks to heavy arrivals from abroad. About 15 lakh tons of wheat and 5 lakh tons of rice have been programmed to be imported this year. But, as there has been an international shortage of rice, only two lakh tons are expected to be available from Burma. The Central stocks of foodgrains at present aggregate about 9 lakh tons, out of which 225,000 tons consist of rice and the rest wheat. Additional import of wheat on a loan or barter basis is, however, expected from the U.S.

Wheat prices here ruled quiet at Rs. 15.50 per maund for average quality and upto Rs. 17 per maund for the farm produce. Arrivals from the producing areas being nominal and demand being met from stocks, local wheat stock ran down further by one *khati* to five *khatties*. Imported wheat on Government account, however, is being stocked here in large quantity. While harvesting of coarse grains is in full swing, wheat harvesting will begin only after about two weeks. Rice prices recorded further slight advance and rice was reaching here from Mainpuri. The week-end prevailing prices were: *Basmati* Rs. 28 to Rs. 31.25; *mainpuri* Rs. 24.62; coarse quality Rs. 21 per maund.

Influenced by adverse crop reports from the main gram producing areas of the Punjab, gram prices recorded some advance during the week. Local gram stock, mostly on State Government account was put at 12 *khatties* and price at Rs. 10.82 to Rs. 11.12, as against the corresponding last year's stock at one *khati* and price at Rs. 14.25 per maund.

ANDHRA BANK'S

THREE YEAR CASH CERTIFICATES

OFFER THE BEST RETURN FOR INVESTMENT

ISSUE PRICE AT 88%

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Favourable Terms For Interim Withdrawals

Rs. 88 now invested will give you Rs. 100 after 3 years

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MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936		3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	" 1948		3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	9	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	2	3
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	16th May, 1957	1½	2½
Thailand	Feb., 1945		7
Turkey	6th June, 1956	4½	6
United Kingdom	19th Sept., 1957	5	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	8th March, 1958	2½	2½‡
West Germany	17th Jan., 1958	4	3½

‡ Three Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 14th March, 1958		Week ended 7th March, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,45,775	75,20,16,000	2,81,675	59,20,21,000
Calcutta	1,82,000	75,32,32,000	1,43,000	57,74,00,000
Madras	94,211	10,58,62,902	89,260	10,39,64,054
All Centres—				
1955-56*			3,100,000	6,630,200,000
1956-57*			3,334,000	7,269,900,000
Oct., 1957			3,295,000	5,89,38,00,000
Nov., "			3,755,000	8,18,13,00,000
Dec., "			3,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 14th Mar., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	50,31,49,000
(2) Other Governments	21,67,29,000
(b) Banks	67,92,19,000
(c) Others	117,98,84,000
Bills Payable	22,10,99,000
Other Liabilities	37,04,43,000
Rupees	424,06,23,000

ASSETS	Rs.
Notes	9,60,85,000
Rupee Coin	10,49,000
Subsidiary Coin	2,54,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	10,25,68,000
Balances held abroad*	36,62,48,000
Loans and Advances to Governments†	44,84,34,000
Other Loans and Advances	73,11,11,000
Investments	223,82,34,000
Other Assets	13,66,70,000
Rupees	424,06,23,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 21,75,16,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,60,85,000	
Notes in circulation	1578,25,55,000	
Total Notes issued		1587,86,40,000
Total Liabilities		1587,86,40,000

ASSETS	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India		
Foreign Securities	245,53,81,000	
Total of A		363,29,84,000
B. Rupee Coin		127,80,53,000
Government of India Rupee Securities		1096,76,03,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1587,86,40,000

Scheduled Banks*

Statement of Affairs for the week ended 7th Mar., 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	11,82,17,000
(ii) Other demand liabilities	716,15,49,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,85,00,000
(ii) Other time liabilities	710,62,52,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	9,87,95,000
(ii) Time liabilities	85,00,000
Borrowings in India from the Reserve Bank of India†	36,91,93,000 / (22,52,16,000)
Cash in India	40,38,44,000
Balances with the Reserve Bank in India	77,63,17,000
Balances with other banks in current account in India	11,11,00,000
Money at call and short notice in India	36,31,87,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	493,29,29,000
Advances in India	783,04,59,000
Inland Bills purchased and discounted in India	112,59,39,000
Foreign Bills purchased and discounted in India	40,79,69,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		19th March, 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. Spot	£.	1-5 11/32	1-5 11/32
Sellers T.T. D.D. upto six months	£.	1-5 11/32	1-5 11/32
Buyers T.T. spot to nine months	£.	1-6 1/32	1-6 1/32
Buyers T.T. 10 to 12 months	£.	1-6 1/32	1-6 1/32
Bombay on New York—			
Sellers T.T. D.D.	Rs.	475.25	475.50
Buyers T.T.	Rs.	472.00	472.00
London on New York	$	2.81 1/2-2.81 1/2	2.81 3/32-2.81 1/2
London on Paris	Fcs.	1.1788	1.1788
London on Berne	Sw. Fcs.	12.26 1/2-12.26 1/2	12.26-12.26 1/2
New York on London	$	2.81 1/2-2.81 1/2	2.81 1/2-2.81 1/2

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	55-56	383.09	..	10,420	272
Pakistan††	56-57	83.50	..	2,079	249
Burma	1955	19 43	Kyats 4,087	409	210
Ceylon	1955	8 38	..	475	567
Japan	1956	90 00	Y. 7,427,000	9,283	1,051
Philippines	1955	21 85	Ps. 7,804	1,873	857
New Zealand	1956	2 17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9 40	£ (A.) 4,238	4,023	4,918
U.K.	1956	51 20	£ 10,465	21,953	4,287
U.S.A.	1956	168 09	$ 348,600	163,554	9,731
Canada	1956	16 09	$ 25,710	10,787	6,742
France	1956	43 60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51 50	Dm. 147,000	16,889	3,279
Italy	1956	48 10	Lr. 11,475,000	8,760	1,821
Norway	1956	3 46	Kr. 20,990	1,408	4,358
Sweden	1956	7 30	Kr. 44,680	4,127	5,653
Netherlands	1956	10 80	Grs. 25,400	3,215	2,977
Denmark	1956	4 46	Kr. 24,950	1,690	3,789
Switzerland	1956	5 00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad
Source : *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 7th Mar., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	66,05,13,000
(b) Provincial Governments	50,17,000
(c) Banks	15,97,56,000
(d) Others	4,81,75,000
Bills Payable	17,26,000
Other Liabilities	10,50,37,000
Rupees	104,02,24,000

ASSETS	Rs.
Notes	12,02,44,000
Rupee Coin	33,000
Subsidiary Coin	23,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	2,56,000
Loans and Advances to Governments	95,00,000
Provincial Governments' Debtor Balances	11,64,16,000
Other Loans and Advances	14,07,40,000
Investments	54,65,18,000
Other Assets	10,64,94,000
Rupees	104,02,24,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	12,02,44,000	
Notes in circulation	343,21,87,000	
Total Notes issued	....	355,24,31,000
Total Liabilities	....	355,24,31,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,03,000	
Silver Bullion		
Approved Foreign Exchange	79,14,90,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	133,58,13,000
B. Rupee Coin	3,93,80,000	
Government of Pakistan Securities	211,82,32,000	
Internal bills of exchange and other commercial paper	....	215,76,12,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	355,24,31,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 39.18 per cent.

COMPARATIVE BANKING STATISTICS *

(In crores of rupees)

	1st Sept., 1939 (pre-war)	7th Mar., 1958	A week ago	A month ago	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1578.67	1545.26	1558.63	1,525.91
Notes held in Banking Department	35.05	8.98	25.06	11.01	9.55
Foreign Securities	59.50	245.54	245.54	245.54	412.52
Rupee Securities	37.30	1096.76	1076.82	1076.82	884.97
Banking Department					
Deposits of :					
Government of India	14.89	83.46	56.60	57.52	51.88
Other Governments	..	9.85	15.67	13.12	2.75
Balances held abroad	10.08	33.48	34.25	35.42	98.89
SCHEDULED BANKS					
Demand Liabilities	134.36	727.97 (11.82)†	727.79 (13.16)†	709.52 (13.23)†	705.80 (8.98)†
Time Liabilities	102.24	726.48 (15.85)†	724.62 (16.65)†	719.81 (16.08)†	164.29 (1.72)†
Borrowings from Reserve Bank	..	36.92 (22.52)†	28.86 (22.17)†	31.00 (26.05)†	79.68 (55.92)†
Borrowings from State Bank	..	10.73	9.62	9.96	9.17
Cash in hand	6.70	48.38	38.48	38.20	36.83
Balances with Reserve Bank	25.17	77.63	73.13	74.12	50.55
Excess over statutory limits	15.52	26.70	22.25	21.25	5.97
Balances with other banks in current account in India	..	11.11	11.64	11.39	10.56
Money at call and short notice in India	..	36.32	40.40	39.78	14.92
Investments at book value)	..	433.29	433.45	431.95	319.21
Advances and bills	105.09	936.44	931.56	918.65	865.57
STATE BANK					
Deposits	87.76	412.62	407.87	393.44	275.66
Investments	51.99	188.78	183.68	183.46	106.56
Advances	30.35	297.51	295.22	295.77	174.09
Cash	14.69	33.78	32.34	29.15	14.12

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	October,		Seven months, April to Oct.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	10.57	11.25	70.94	86.00
Protective	0.13	0.75	7.18	6.61
On surplus disposals	—	—	0.03	0.08
Total Import duties	11.70	12.04	78.15	92.69
Export Duties	2.80	2.23	15.26	12.94
Land Customs	0.27	0.41	1.40	1.83
*Air customs.**	—	0.11	—	1.52
Miscellaneous	0.12	0.13	0.63	0.82
Gross total customs	14.89	14.92	95.44	109.80
Refunds and drawbacks	0.15	0.32	1.35	2.35
Net Customs	14.74	14.60	94.09	107.45
Gross excise	16.15	21.26	102.08	144.82
Refunds	0.20	0.21	1.15	1.99
Net Excise	15.95	21.05	100.93	142.83
Net total of customs and excise†	30.69	35.65	195.02	250.28

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 14th Mar., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Agents, etc.	Companies,	416,13,62,000
Bills Payable		18,00,000
Bills for Collection being Bills Receivable as per contra		5,28,63,000
Acceptances, Endorsements and Other Obligations per contra		1,06,09,000
Other Liabilities (including Inter-Office Adjustments)		35,66,000
Total	Rs.	1,93,29,000
		437,20,29,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		22,06,53,000
Balances with other Banks		2,64,30,000
Money at Call and Short Notice		1,66,66,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	180,35,71,000	
Other Authorised Investments†	10,33,09,000	
		190,68,80,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	186,75,24,000	
Bill Discounted and Purchased	21,56,41,000	
		208,31,65,000
Bills Receivable being Bills for Collection as per contra		1,06,09,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		35,66 000
Premises less Depreciation		1,10,78,000
Furniture and Fixtures less Depreciation		77,02,000
Other Assets (including Inter-Office Adjustments)		8,43,86,000
Total	Rs.	437,20,29,000

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
@ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	133.0	148.1	134.4	142.3
Coal	111.4	114.9	139.3	121.9	118.2
Sugar*	143.0	175.1	398.7	333.1	369.5
Tea*	106.2	106.0	96.4	11.4	96.1
Cotton textiles	111.9	117.5	115.4	107.4	115.1
Jute textiles	118 9	127.3	120.0	113.8	120.4
Paper and paperboards	140.2	140.6	177.1	163.2	148.0
Matches	106.6	106.6	99.0	88.7	101.7
Cement	140.4	154.2	194.1	188.0	157.3
Iron and steel	113.3	119.4	125.5	115.1	124.0
Non-ferrous metals	123.7	124.7	146.9	136.1	137.7
Rayon	280.2	355.8	516.8	479.4	341.5

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,135	3,272,630
1955	1,166	527,767	5,697,843
1956 R	1,203	715,190	9,692,040
October 1956..	133	—	822,965
November " "	137	—	513,389
December " "	147	—	422,406
January 1957 ..	154	—	395,419
February "	134	—	262,209
March "	114	40,811	283,791
April "	166	60,388	406,479
May "	164	64,877	446,040
June "	147	96,072	713,992
July "	178	82,787	723,554
August "	163	86,255	566,341
September "	220	139,875	906,859
October "	219	101,250(a)	517,337(a)
November "	154	50,361†	275,516†

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.3
1955-56	715	8,806.8	7,185.5
1956-57	769	9,877.8	8,103.1
October 1956..	753	824.1	670.1
November " "	756	810.5	668.1
December " "	757	881.5	715.0
January 1957..	765	868.7	711.7
February " "	767	811.0	677.7
March " "	769	874.6	716.5
April " "	770	901.4	734.5
May " "	793	932.2	756.7
June " "	799	898.4	726.1
July " "	809	928.3	743.9
August " "	811	923.0	731.0
September " "	814	924.7	739.3
October " "	822	917.5	731.3
November " "	822	930.2	740.5

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
@ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	133.0	148.1	134.4	142.3
Coal	111.4	114.9	139.3	121.9	118.2
Sugar*	143.0	175.1	398.7	333.1	369.5
Tea*	106.2	106.0	96.4	11.4	96.1
Cotton textiles	111.9	117.5	115.4	107.4	115.1
Jute textiles	118 9	127.3	120.0	113.8	120.4
Paper and paperboards	140.2	140.6	177.1	163.2	148.0
Matches	106.6	106.6	99.0	88.7	101.7
Cement	140.4	154.2	194.1	188.0	157.3
Iron and steel	113.3	119.4	125.5	115.1	124.0
Non-ferrous metals	123.7	124.7	146.9	136.1	137.7
Rayon	280.2	355.8	516.8	479.4	341.5

*Adjusted for seasonal fluctuations.

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% G		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,29	..	—27,55	18,39	..	..	..	..	146,25	168,37
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,54	..	..	..	..	146,88	211,93
1953-54	5,91	4,28	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	55	54	177,35	310,29
1955-56	3,76	5,48	144,37	..	..	155,11	167,95	16,38	—37,68	41,25	..	..	45	95	205,53	380,04
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,92	44,28	..	..	43	1,32	225,88	440,17
1957 January	3,12	5,79	159,95	..	..	13,46	188,09	24,10	—38,64	43,89	..	..	6	1,27	17,71	426,21
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	456,60
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	63	2,39	3	1,46	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	12,51	202,85	24,81	—39,33	44,07	42	2,81	2	1,47	19,12	466,94
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	40	3,29	2	1,49	20,24	469,63
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	19,90	473,63
1958 January	..	..	..	..	..	..	..	..	..	43,80	68	4,44	18	1,68	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities.: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked '@' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 8th Mar., 1958	1st Mar., 1958	8th Feb., 1958	9th Mar., 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	**89.3**	**89.2**	**89.2**	**90.0**
1. Government of India	89.0	89.0	88.9	89.7
2. State Governments	96.5	96.5	96.5	96.5
3. Municipal Port Trust, etc.	90.0	90.0	90.1	90.6
DEBENTURES OF INDUSTRIAL CONCERNS	**97.2**	**97.2**	**97.2**	**98.9**
1. Electricity	98.5	98.5	98.5	98.7
2. Jute	94.4	94.4	94.4	97.1
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.0	98.0	98.2	100.9
7. Shipping	99.1	98.6	98.6	101.8
Others	94.1	94.1	94.1	100.3
PREFERENCE SHARES	**71.2**	**71.3**	**71.3**	**80.0**
1. Electricity	84.6	84.8	84.0	88.2
2. Cotton	67.0	67.1	67.7	79.5
3. Jute	61.0	62.0	62.9	74.0
4. Coal	72.8	72.8	72.6	82.1
5. Iron and Steel	78.4	78.2	77.6	83.2
6. Sugar	69.5	69.7	71.9	80.5
7. Paper	74.2	74.2	74.2	79.7
8. Plantations	86.9	87.0	87.5	99.2
9. Miscellaneous	66.8	66.7	66.3	74.9
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	**96.1**	**95.4**	**96.6**	**111 9**
(a) Financial	**97.9**	**97.2**	**98.7**	**93.4**
1. Banks	100.5	100.6	100.9	95.7
2. Insurance	87.0	87.2	86.1	83.8
3. Investment Trust	64.0	64.2	66.6	79.9
(b) Public Utilities	**104.1**	**104.3**	**103.6**	**110.6**
1. Electricity	101.6	101.3	100.6	109.8
2. Shipping and other Transport	120.4	121.9	121.1	121.5
3. Railways	67.7	66.1	65.9	79.1
(c) Manufacturing Industries	**98.2**	**97.0**	**99.1**	**117.7**
1. Cotton, Woollen and Silk	93.1	92.8	95.7	124.3
2. Jute	48.4	48.1	49.1	80.0
3. Iron and Steel	125.2	120.1	121.2	125.5
4. Paper	187.3	186.5	187.0	233.3
5. Cement	133.5	132.1	140.3	157.4
6. General Engineering	145.6	144.5	143.5	168.5
7. Sugar and Breweries	98.2	97.4	96.4	100.2
8. Chemicals	127.9	126.4	129.9	133.4
(d) Non-Manufacturing Industries	**68.0**	**68.6**	**69.8**	**89.5**
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :	**107.9**	**107.2**	**109.1**	**138.9**
1. Bombay	88.7	88.7	88.6	89.4
2. Calcutta	89.1	89.1	89.1	89.8
3. Madras	89.4	89.4	89.4	90.2
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.5	96.3	96.3	99.4
2. Calcutta	97.4	97.4	97.4	98.4
3. Madras	97.4	97.4	97.4	99.7
PREFERENCE SHARES :				
1. Bombay	79.6	79.5	78.9	84.9
2. Calcutta	63.3	63.4	63.8	73.8
3. Madras	83.9	83.7	83.8	94.5
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	112.0	110.0	111.4	122.7
2. Calcutta	82.5	82.4	83.3	97.7
3. Madras	116.4	113.6	114.0	126.5
4. Delhi				118.1

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	1st March, 1958	22nd Feb., 1958	2nd March, 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease(—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1957	Annual Average 1956
Food Articles	**504**	**101.5**	**101.4 R**	**102.1**	**102.5 R**	**103.6**	**— 1.1**	**100.8**	**99.0**
Cereals	192	95	95 R	98	97	97	—	102	98
Pulses	43	77	76	84	80	86	— 7.0	85	78
Fruits and Vegetables	23	97	97	108	94	108	—13.0	117	108
Milk and Ghee	84	102	102	96	99	96	+ 3.1	104	99
Edible Oils	47	117	117	124	119	131	— 9.2	128	117
Fish, Eggs and Meat	17	103	104	93	99	95	+ 4.2	97	97
Sugar and *Gur*	48	108*	108*	96	110	97	+13.4	105	97
Others	50	129	129	133	141	147	— 5.7	122	125
Liquor and Tobacco	**21**	**95.2**	**98.7**	**86.3**	**98.4**	**88.0**	**+ 9.6**	**91.8**	**82.3**
Tobacco	—	94	95	87	94	87	+ 9.2	90	81
Fuel, Power, Light and Lubricants	**30**	**114.8**	**114 8**	**108 5**	**114 6 R**	**105 8**	**+ 8.3**	**111.5**	**101.6**
Industrial Raw Materials	**155**	**109.9**	**110.8**	**116.6**	**113.6**	**120.3**	**— 5.6**	**118.1**	**113.2**
Fibres	61	109	110	115	114	124	— 7.3	120	114
Oilseeds	60	111	112	119	114	124	— 8.1	122	115
Minerals	—	108*	108	108*	107*	107	—	109	99
Others	32	110	110	108	110*	103	+ 0.9	107	110
Manufactures	**290**	**107 4**	**107 5**	**106 5**	**107 7 R**	**108.4**	**— 0.6**	**107.9**	**104.9**
Intermediate Products	**41**	**105 9**	**106 3**	**109 0**	**108 7**	**113 0**	**— 5.6**	**108.6**	**110.9**
Finished Products	**249**	**107 6**	**107 7**	**108 1**	**107 8 R**	**107 7**	**+ 0.1**	**107.8**	**104.1**
Textiles	147	106	106	107	106

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,814	42,904	7,427	6,802
Bajra	final	27,542	28,024	2,926	3,379
Barley	final	8,594	8,368	2,744	2,749
Maize	final	9,244	9,116	3,029	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets	final	12,200	12,713	2,010	1,937
Total cereals	final	216,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,900	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses ‡	final	16,166	15,567	1,664	1,632
Rabi pulses‡	final	11,443	11,708	1,794	2,088
Total pulses	final	57,205	57,064	11,435	10,881
Total foodgrains		272,987	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Gingelly	final	1,403	1,405	129	124
Sesamum	final	5,488	5,653	451	457
Rape and Mustard	final	6,211	6,817	1,017	848
Linseed	final	3,768	3,781	349	414
Total oilseeds	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton*	final	12,943	12,978	4,723	4,001
Jute A.	final	1,754†	1,908††	4,084†	4,282††
Mesta A.	final	736	672	1,474	1,159
Other crops—					
Potato	final	702	691	1,674	1,880
Sugarcane	2nd	4,784†	4,475††	65,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	238	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During February, 1958	85 3
	Corresponding month, 1957	80 2
	Eight months ended Feb. 1958	705 6
	Corresponding period 1957	686 3
Stocks	At the end of Feb. 1958	95 1
	Corresponding month, 1957	97 4
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	8,57 2
	1956-57	8,62 9
	Jan., 1957	64 1
	Jan., 1958	65 6
For Internal Consumption	1955-56	1,90 0
	1956-57	1,79 0
	Jan., 1957	14 7
	Jan., 1958	19 9
	RAW JUTE	(In lakh bales)
Consumption by Mills	February, 1958	4 95
	Corresponding month 1957	4 65
	Eight months ended Feb., 1958	40 92
	Corresponding period, 1957	39 84

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,34,400	10,42,900	7,81,200
Do. 31st March, 1956	11,55,900	10,65,100	7,97,500
Do. 31st March, 1957	11,55,500	10,73,500	7,97,500
Dec., 1956	1,01,500	95,300	66,900
Jan., 1957	97,400	94,300	70,500
Feb., ,,	90,000	81,300	63,400
Dec., 1956	95,100	100,500	74,200
Jan., 1958	97,900	105,800	70,600
Feb., ,,	87,100	89,200	64,500
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1955	7,18,949	5,28,240	4,59,068
Do. 31st March, 1956	7,06,966	5,31,506	4,50,607
Do. 31st March, 1957	6,95,158	5,32,315	4,41,483
Three months ended Dec., 1956	1,88,548	1,41,450	1,14,702
,, ,, ,, Mar., 1957	1,88,857	1,89,380	1,20,578
,, ,, ,, June, 1957	1,72,298	1,39,651	1,08,066
,, ,, ,, Sept., 1957	1,71,397	1,19,172	98,815
,, ,, ,, Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	September		Jan. to Sept.	
	1957	1956	1957	1956
Exports	61 16	49 25	488 03	422 24
Re-exports	39	36	3 28	6 85
Total Exports	61,55	49,61	491,31	429 09
Imports	83,29	76,70	744,58	596 55
Overall Balance of Trade	−21,74	−27,09	−253,27	−167,46
Exports—				
Tea	13 54	16,37	85,19	90,84
Jute yarns and manufactures	6,50	7,96	46,83	80,73
Cotton yarns and manufactures	5,81	5,03	52,78	45,18
Metallic ores and scrap iron or steel (or re-manufacture	3,79	2,19	38,67	15,20
Cotton, raw and waste	72	1,02	16,68	18,92
Oils—vegetable, mineral and animal	2,87	89	20,38	20,51
Fruits and vegetables	1,44	1,84	13,72	14,06
Tobacco	78	1,10	11,72	9,33
Mica	72	74	6,67	6,37
Wool—Raw	1,49	1,29	9,63	7,99
Gums, resins and lac	70	68	6,72	7,86
Spices	76	53	6,73	7,13
Hides and skins, raw	39	22	6,77	4,24
Imports—				
Machinery of all kinds	19,30	14,49	164,89	111,81
Metals, iron and steel and manufactures thereof	11,07	11,26	118,33	88,70
Oils—vegetable, mineral and animal	10,04	11,66	80,23	52,10
Cotton, raw and waste	5,89	8,22	43,69	42,68
Chemicals, drugs and medicines	6,75	4,82	60,52	32,50
Electrical goods and apparatus	5,19	1,78	42,98	14,74
Paper, pasteboard, etc.	1,13	1,22	10,40	12,46
Vehicles (excluding aircraft, ships and boats)	5,88	7,34	51,84	48,57
Fruits and vegetables	1,45	85	14,85	9,45
Spices	19	1,00	2,23	5,99
Dyes and colours	1,82	1,32	11,10	12,49
Woollen and worsted fabrics	14	32	98	1,78
Cotton fabrics	20	14	1,97	1,6

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	173	84	47	172	20	432	351	25	317	50	144
February ,,	12,240	2,684	929	107	96	52	190	22	520	398	27	350	51	159
March ,,	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,,	1,245	285	105	22	10	6	16	2	76	39	3	34	2	18
May ,,	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June ,,	3,562	756	334	57	30	18	48	5	161	109	9	101	7	46
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,,	5,781	1,179	559	84	39	25	67	8	208	183	13	177	19	81
September ,,	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	734	107	46	34	109	13	241	263	19	261	31	120
November ,,	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,,	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M. G.) and incorporate revision in respect of earlier months. *Source* :—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 13th Mar., 1958	20,635(J)
	Corresponding week, 1957	39,839(J)
	1st Sept. to 13th Mar., 1957-58	883,739*
	Corresponding period,1956-57	987,010*
Cotton Exports	Week ended 13th Mar., 1958	2,554
	Corresponding week, 1957	2,635
	1st Sept. to 13th Mar., 1957-58	97,532
	Corresponding period, 1956-57	100,614
Mill Consumption (Estimated)	1st Sept. to 13th Mar., 1957-58	602,100
	Corresponding period, 1956-57	704,929
Stock (with exporters dealers and mills) in Bombay (Estimated)	On 13th Mar., 1958	628,691
	Corresponding date, 1957	587,577
Cotton Exports from Bombay (by sea)	During December, 1957	8,229§
	During December, 1956	30,973
	1st Sept., 57 to 31st Dec., 1957§	17,407
	1st Sept., 56 to 31st Dec., 1956	68,271
Karachi (Pakistan)—		
Receipts	1st Sept. to 27th Feb., 1957-58	870,183
	Corresponding period, 1956-57	984,062
Exports	1st Sept., to 27th Feb., 1957-58	307,035
	Corresponding period, 1956-57	511,773

J by Rail and Sea. § Incomplete. * By Rail, Sea and Road. † From 1st Sept. to 31st Dec., 1957. A. = Adjusted.

Particulars	From 1st September to 10th Mar., 1957-58 Bales	From 1st September to 10th Mar., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	1,535	17,163
Continent	4,465	14,970
Hongkong	2,837	19,915
China	—	3,437
Japan	39,457	89,184
U.S.A.	3,178	1,274
Other Countries	691	1,256
Total to all foreign countries	52,163	146,958
Coastal Ports	36,515§	18,571**
Total	88,678	165,529

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian	
Foreign	
December, 1957	391,400
Indian	51,858
Foreign	Four months ended Dec., 1957	1,554,140
Indian	200,614
Foreign	Same Period 1956	1,525,011
Stocks (Mills and Elsewhere)—		201,267
Indian	
Foreign	As on 30th Dec., 1957	825,850
Indian		171,663
Foreign	As on 30th Dec., 1956	1,072,674
	Week ended 28th Feb., 1958	176,63
Cotton Pressed in India (In running bales)	Corresponding week 1957	—
	1st Sept., to 28th Feb., 1957-58	68,860
	Corresponding period 1956-57	1,035,209
		1,588,784

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1926-31	63,36,26,000	1960-70	100 60
2½ % Loan	1938-39	114,17,46,900	1963-65	94 40
3 % Loan	1950	80,33,10,000	1964	94 10
3 % Fg. Loan	1943	1,10,11,78,000	1956-68	92 30
3 % Rev. Loan	1948	1,18,05,83,000	1970-75	89 25
2½ % 2nd V. Loan	1946	1,13,64,54,000	1956-61	99 05
3 % Loan	1951	50,38,43,000	1958	99 75
2½ % Loan	1946	45,84,07,000	1962	97 60
2½ % Loan	1946	57,09,49,800	1961	94 80
2½ % Loan	1946	14,77,45,000	1976	88 10
2½ % Loan	1947	75,84,72,000	1963	94 85
3½ % N.P. Bonds	1953	76,29,00,000	1981	99 65
3½ % N.P. Loan	1954	1,58,17,90,000	1964	97 95
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97 70
3½ % Loan	1956	57,27,16,000	1969	97 00
3½ % N.P. Bonds	1956	33,81,83,000	1967	97 65
3½ % Loan	1956	66,61,95,000	1974	98 20
3½ % N.P. Bonds (4th Series)	1957	56,92,00,000	1967	97 70
4 % Loan	1957	49,05,00,000	1972	100 05
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice.	71 10
3 % Loan	1946	2,46,91,41,000	On September, 1986 or later at option of Government after three months' notice.	71 00
REPATRIATE STERLING LOANS				
4½ % Loan	1928	5,85,73,000	1958-68***	100 40
STATE LOANS				
4 % Andhra	1955	5,40,16,000	1st Sept. 1967	97 75
4 % Andhra	1956	6,58,15,000	3rd Sept. 1968	97 85
3 % Bombay	1944	3,01,12,000	15th Aug. 1958	99 50
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94 15
3 % Bombay	1950	2,89,70,000	31st July 1960	97 00
3 % Bombay	1951	2,90,58,000	17th Sept. 1962	94 10
3½ % Bombay	1953	2,25,90,000	15th July 1962	92 50
4 % Bombay	1952	3,45,95,000	1st Aug. 1964	99 10
4 % Bombay	1955	2,87,51,000	1st Sept. 1967	98 25
4 % Bombay	1956	6,03,07,000	3rd Sept. 1970	98 00
4½ % Bombay	1957	2,00,00,000	16th Sept. 1968	100 50
4 % Bihar	1955	1,44,02,000	1st Sept. 1967	97 35
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97 35
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98 00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97 75
3½ % Hewrah Bridge (New)	1936-37	1,95,96,700	1956-66	94 12
4 % Hyderabad	1956	2,12,46,000	1st Sept. 1967	97 75
3 % Hyderabad	1958	2,18,02,000	3rd Sept. 1958	97 25
3 % Madras	1939	1,23,96,000	31st June 1959	98 50
3 % Madras	1941	1,07,99,000	15th Aug. 1958	99 25
3 % Madras	1941	2,74,47,000	14th Sept. 1960	96 00
2½ % Madras	1946	2,81,77,200	1st Sept. 1961	94 00
3 % Madras	1950	4,88,78,400	31st July 1960	96 90
3½ % Madras	1951	10,41,49,200	17th Sept. 1962	97 60
3 % Madras	1953	10,23,71,000	15th July 1962	98 55
4 % Madras	1952	8,24,81,300	1st Aug. 1964	98 50
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97 80
4 % Madras	1956	12,83,27,000	3rd Sept. 1968	97 75
4½ % Mysore (1923	1936	2,96,88,200	1st Dec. 1958-63	100 75
3 % Mysore (1936	1936	5,99,75,000	30th Apr. 1956-61	99 00
3 % Mysore	1953	3,82,47,000	15th July 1962	98 20
4 % Mysore	1954	5,84,41,000	1st Sept. 1967	97 60
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97 60
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	99 25
3 % M.P.	1944	1,01,47,000	15th Aug. 1958	99 30
3 % M.P.	1949	2,03,29,800	15th Sept. 1964	92 50
3 % M.P.	1949	1,01,46,000	31st July 1960	96 50
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97 75
3 % M.P.	1953	1,10,18,000	15th July 1962	98 40
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	97 60
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	97 60
4 % Saurashtra	1953	2,01,44,000	1st Sept. 1967	98 25
4 % Saurashtra	1956	1,71,64,000	3rd Sept. 1968	98 10
4 % Trav. Cochin	1953	2,28,61,000	15th July 1963	97 50
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	98 20
2½ % U.P.S.A.	1952	41,44,79,000‡		48 00
3 % U.P.	1936	1,56,23,000	15th Sept. 1961-66	90 85
3 % U.P.	1944	2,67,01,000	15th Aug. 1958	99 15
3 % U.P.	1948	3,17,22,000	14th Sept. 1960	97 00
3 % U.P.	1946	2,16,39,000	31st Sept. 1961	94 00
2½ % U.P.	1951	1,87,96,000	17th Sept. 1962	97 75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98 30
4 % U.P.	1953	6,65,16,000	15th July 1963	98 40
4 % U.P.	1955	9,82,54,000	1st Sept. 1967	97 80
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97 80
4 % Rajasthan	1956	3,11,19,000	3rd Sept. 1968	97 25
4 % Orissa	1956	3,08,99,000	3rd Sept. 1968	97 35
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98 40
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97 30

PORT TRUST LOANS

Amount	Interest payable	Year of issue	Repayable	Market quotation
		BOMBAY		Rs.
Rs.				
86,56,000	4	1904	1964	
85,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1958	96.00H
40,00,000	4	1909	1970	
66,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
50,00,000	4	1914	1974	94.00N
68,25,000	4	1914	1975	96.00N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
18,24,000	3½	1926*	1960	
25,50,000	3½	1930*	1960	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
14,53,000	3½	1934*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
		CALCUTTA		
Rs.				Rs.
90,24,200	4	1914	1974	97 75
78,00,100	4	1915	1975	97 75
50,00,000C	3½†	1921	1961	82 00
66,02,200C	6‡	1921	1981	144.00N
1,49,30,000	5	1928	1958-88	101 00
50,00,000	4½	1931	1961	96 00
80,00,000	4½	1936	1966	96 00
25,00,000	3	1938	1963-68	90 00
50,00,000	3	1946	2006	74 00
50,00,000	3	1946	1976	88 00
50,00,000	3	1946	84 76	
50,00,000	3	1946	2006	74 00
50,00,000	2½	1947	1977	79 50
50,00,000	3	1948	1978	83 75
50,00,000	3	1949	1959	96 25
1,00,00,000	3	1949	1959	96 25
50,00,000	3	1950	1960	97 00
1,00,00,000	3	1950	1960	97 00
1,00,00,000	3	1951	1961	81 75
50,00,000	3	1951	1961	96 50
50,00,000	3	1952	1962	96 50
50,00,000	3	1953	1963	97 50
50,00,000	3	1955	1965	97 25
50,00,000	3	1956	1966	97 25
78,00,000C	4	1956	1958	97 25
4,24,00,000	4½	1957	1987	99 50
		STERLING LOANS		
£995,600	5	1923	1953-63	£100.00
£901,000	5	1924	1954-64	£100.25
£835,100	5½	1932	1962	£91.00
		MADRAS		
Rs.				Rs.
81,47,100	3½	1947	1977	A
9,58,000	3	1947	1977	
8,00,000(	3	1940	1979	
48,00,000(	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest pay'ble	Year of Issue	Repayable	Market quotation
Rs.		*BOMBAY*		Rs.
50,00,606	4	1899	1939	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
30,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	
30,00,000	4	1906	1966	97.75
15,00,000	4	1907	1967	M
30,00,000	4	1908	1968	
28,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	4	1916	1976	N
50,00,000	5	1918	1957-79	118.00N
60,00,000	5	1918	1958-80	
50,00,000	5	1918	1958-88	118.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	4	1928	1968	
		STERLING LOAN		
£566,600		1909	1969	96.50N
£338,000		1910	1970	96.50N
		CALCUTTA		
Rs.				Rs.
25,00,000	5½	1929	1959	104 00
50,00,000	5	1934	1964	99 00
35,00,000	3½	1935	1965	94 00
30,00,000	3	1936	1966	90 00
50,00,000	3	1937	1967	91 00
20,00,000	3	1938	1963-68	90 00
80,00,000	4	1962	1982	99 25
1,00,00,000	4	1946	1966	99 00
50,00,000	4½	1958	1968	99 50

MUNICIPAL LOANS

Rs.				Rs.
		BOMBAY		
20,00,000	4	1913-14	1974	97 00
10,00,000	4	1918	1978	113.00N
25,00,000	5	1928	1958	101.50
16,31,500	5	1929	1959	101.50
8,25,00,000	3½	1947	1977	84 00
2,50,00,000	3½	1947	1977	84 00
4,00,00,000	3½	1948	1978	84 00
2,50,00,000	3½	1949	1979	84 00
2,00,00,000	3½	1951	1981	97 75
1,50,00,000	4	1952	1982	97 75
1,00,00,000C	4	1953	1983	97 75
1,00,00,000C	4	1954	1984	97 75
1,00,00,000	4	1955	1985	97 75
1,50,00,000	4	1956	1986	97.25
		CALCUTTA		
90,00,000	5	1928	1958	100.00
25,00,000	5	1929	1959	104 00
10,00,000	5½	1932	1962	108 00
25,91,000	3½	1933	1965	94.00
50,00,000	3	1936	1966	90 00
50,00,000	3	1938	1963	90 00
50,00,000	4	1949	1967	99 75
17,64,400	3½	1942	1959	96 50
11,10,000	3½	1942	1962	97 00
15,49,000	3½	1942	1967	97 00
16,23,800	3½	1951	1981	97 50
66,58,000	3½	1951	1966	97 50
37,50,000	4½	1952	1982	99 25
72,50,000	4½	1954	1978	100.00
		MADRAS		
Rs.				Rs.
15,00,000	3½	1941	1961	107.00B
16,00,000	3½	1942	1962	107.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
2½ % W. Bengal	1941	1,75,96,000	17th Sept. 1962	98 10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99 80
4 % W. Bengal	1953	2,40,23,000	15th July 1963	99 25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98 25
4 % W. Bengal	1956	7,11,40,000	3rd Sept. 1968	98 05

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable.
(J) Income-tax free. * Loans held entirely by the Trustees. N—Nominal.
Bombay Place Transport. [illegible]

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	105.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1921	5	Dec.	70.00	100
Dever & Co. T.F.R.C.	5,00,000	1876	6½	Mar. Sep.	80 37	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	110.00	100
Deoran Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	6.67	5
‡East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	15.95	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec.	58.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec.	58.00	100
Partabpore Co. T.C.	6,00,000	1922	10	Oct.	13.37	10
Ramnagar Cane T.F.C.	4,00,000	1935-36	6	Aug. Apr.	97.00	100
Ravalgaon Sugar	20,00,000	1943	6½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1926	7	Oct.	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec.	6.95	10
Upper Ganges T.F.C.	12,00,000	1922	5	Dec.	90.00N	100
Do. T.C.B.O.	15,00,000	1946	5	Dec.	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borsra T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-10	7	Apr. Oct.	100.00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	8.50	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	89.00	100‡
Karanpura Collieries T.C.	9,89,500	1946	6½	.. ..	47.00	75p.
††Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	3.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
Ondal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	5	Apr. Oct.	78.70	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	117.00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Bowreah 'A'	6,00,000	1900	8	Feb. Aug.	122.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	64.00	100

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.80	2	0.12(c)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	24 50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,98,000	3,12,58,951	5,98,22,046	3,51,00,992	2,41,366	Nowrosjee Wadia & Sons, Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Co.	155 00	25	20 00	25 00*	25 00	0.75‡	12	Y.
10,00,000	43,53,866	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	150.50	50	75 00†	12 50	20 00	15 00	3	Y.P.
1,00,42,800	2,85,31,200	6,06,66,976	3,22,91,693	7,61,731	Birla Brothers Private Ltd. ..	1,26,752	2,698	Century Spg. & Mfg.	416 00	100	22 00	22 00	22 00	8 00‡	12	Y..
25,00,000	13,03,380	90,15,997	57,80,041	17,916	Managing Director) ..	50,596	698	Colaba Land & Mill	45 00	100	*Nil*	*Nil*			12	Y.
16,00,000	24,86,896	60,10,861	54,66,041	2,17,076	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	106 25	100	7 50	7 50	12 50*		3	Y.
34,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Ramnarain Sons Private Ltd. ..	11,376	..	Dawn Mills	77 00	50	6 00	15 00			12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	Puranmal Bubna Sons	46,668	928	Edward Textiles	220.00	200	15 00	18 00	15 00		12	Y.
50,00,000	67,54,675	1,41,78,000	82,93,207	79,257	M.	45,996	886	Elphinstone Spg. & Wvg. ..	48 00	50	3 00	5 00	15 00		12	Y.
50,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd. ..	45,768	1,018	Gold Mohur Mills Ltd.	105 00	100	12 50	15 00	15 00		12	Y.
11,84,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills..	4,500 00	1,000	225 00	300 00	325 00*	350 00*	3	Y.P.
10,000									902 50	250	56 25	75 00	81 25	87.50*		
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,963	Agarwal & Co.	2,44,150	6,278	India United Mills	9.92	0 10	*Nil*	0 94	0 93		12	Y.
									1 30	0 1D.	*Nil*	0 19	0 18			
8,65,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	4,900 00	1,000	225 00	300 00	300 00	325 00*	3	Y.P.
35,000																
59,85,000	46,10,421	3,18,61,666	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	148 00	100	12 25	12 00	10 00	10 00(c)	6	Y.P.
1,00,00,000	1,23,00,000	3,59,04,591	2,78,94,101	1,62,802	Killick Industries Ltd.	1,20,594	1,860	Kohinoor Mills	280 00	100	18 00	18 00	18 00	6 00‡	12	Y.
22,13,050	43,06,720	1,22,08,423	64,68,440	55,109	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70 00N	50	5 00	8 00*	8 00*		12	Y.
51,75,000	38,44,612	2,64,74,825	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	71,604	1,652	Morarjee Goculdas Spg. & Wvg.	205 00	100	14 00	14 00	15 00	14 00(c)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,004	Chimal & Co. Private Ltd. ..			National Rayon Corporation ..	237 00	100	10 00	12 00	14 00*	12 00*	12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,044	432	New City of Bombay Mfg. ..	100 00	100	10 00	10 00	10 00		12	Y.
30,00,000	11,72,134	101,83,102	63,37,034	....	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	211 00	100	7 50	10 00	10 00	*Nil*	12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,288	1,190	Phoenix Mills	120 00	100	8 00	10 00	10 00	12 50‡	3	Y.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	140 00	100	10 00	12 00	12 00*	4.00‡	3	Y.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.			Sassoon & Alliance Silk Mill	6 24	10	0 50	0 50	0 25(c)		12	Y.P.
87,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,307	M. O. Investment Corp. Private Ltd	94,884	2,127	Sassoon Spg. & Wvg.	32 25	10	1 75	2 00	2 00		12	Y.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles Agency Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	145 00	100	14 00	12 00	12 00		12	Y.
42,00,000	33,02,179	98,78,300	78,68,752	96,017	Forbes, Forbes Campbell & Co., Ltd	34,840	1,276	Simplex Mills	161 00	50	11 00	10 00	12 00		12	Y.P.
87,50,000	2,50,82,705	2,77,88,979	1,62,98,915	2,93,059	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	433 00	100	20 00	20 00	22 50*		12	Y.
1,00,00,000	98,08,485	2,61,02,081	1,33,02,736	29,124	Tata Industries Private Ltd.	72,236	2,600	Swadeshi Mills	282 00	100	8 00	12 00	14 00*		12	Y.P.
36,00,000	65,13,465	1,37,20,469	92,02,715	1,01,175	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	305 00	100	20 00	25 00	25 00		12	Y.P.
66,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Tata Mills	40 75	25	2 50	4 00	3 50*		12	Y.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93,938	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
AHMEDABAD																
40,00,000	31,31,987															
	96,58,008	94,37,398	76,10,164	27,288	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	118.00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
40,00,000	2,97,83,861	1,95,82,179	97,29,203	15,274	P. M. Ruthnesing & Co., Ltd. ..	42,768	912	Aruna Mills	532 50	100	20 00	30 00			12	Y.P.
20,00,000	81,75,000	96,54,384	72,25,000	17,267	Narottam Lalbhai & Co.	62,148	1,216	Arvind Mills	1,103 00	100	25 00	35 00*	35 00*		12	Y.P.
12,00,000	1,43,05,805	95,70,753	63,81,739	17,267	Mangaldas & Bros., Ltd. ..	37,368	892	Aryavarta Ginning & Mfg. ..	439 00	200	15 00	25 00*			12	Y.P.
1,37,50,000	3,49,64,519	5,14,69,792	2,56,08,256	1,18,338	Kasturchand Premchand Pvt. Ltd.	39,120	2,400	Calico	673 00	125	18 00	30 00	30 00	30.00	12	Y.P.
62 01,000	32,38,059	1,26,33,243	95 76,063	3,458	Tricumlal Bhoolia & Co., Ltd.	45,836	866	New Commercial Mills	440 00	250	70 00	80 00	100.00*		12	Y.P.
89 00,000	72,52,436	1,32,09,232	96,26,962	19 221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	696 00	125	35 00	35 00			12	Y.
15 00,000	67,78,770	57 78 441	82,40,912	21,403	Jagabhai Bhoglal Nanavaty & Co., Ltd.	24,840	572	Nutan Mills	355 00	100	30 00*	20 00	20 00		12	Y.P
20,00,000	1 10 62,006	99,01,103	62 28,955	1,77 073	Lalbhai Dalpatbhai & Co. ..	31,120	636	Raipur Mfg.	860 00	100	25 00	35 00*	35 00*		12	Y.P.
32,50,000	14,78,207	1,07,01,460	71,42,606	17,24,749	Lalbhai Dalpatbhai & Co. ..	33,156	648	Rohit Mills	141 25	100	9 00	*Nil*			12	Y.P.
57 96,300	2,75,84,105	1,92,47,863	1,05,24,666	2,63,336	HariyaLabhdas Kalidas & Co.	93,226	1,729	Shri Ambica Mills	610 50	50	29.00	27.00*	30.00*		12	Y.P.
19,52,500	62,31,263	78,06,018	66,84,701	15 592	Mafatlal Chandulal & Co. (Ahmedabad). Ltd.	36,648	720	Shorrock Spg. & Mfg.	452 50	100	25 00*	25 00			12	Y.
35,00,000	37,34,108	19,54,140	83,17,270	59,446	Haridas Achratlal & Co., Ltd.	40,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	25,86,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	5.94	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280	10,08,207	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill ..	35 00N	40	4.00	4.00	4.00	4.00	3	Y.P.
8,00,620																
24 00 000	1,50,000	1,08,25,544	51,27 758	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	105 00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
19 00,000	26,17,431	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd.	42,944	523	Dunbar Mills	117 50	100	*Nil*	2 50	6 00		12	Y.
40,08,000		60,02,176	15 03,197	2,632	Birla Brothers Private Ltd. ..	6,852	206	Jay Shree Textiles Ltd. ..	6 50	10	*Nil*	*Nil*	0 37		12	Y.T.
1,60,00,000	2,29,43,320	3,76,10,833	1,31,26,833	1,88,672	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	10 12	10	0 87	0 87	1 00		3	Y.P.
19 47 700	7,45,000	4 84,571	26 70,548	3,936	Hazareemul Heerala, ..	23,036	795	Rampooria Cotton Mills ..	15 00N	10	0.62	1 00	1 00		3	Y.P.
5,00,000									4.00N	1D	*Nil*	0.34	0.26		6	Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	30,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217 00N	100	*Nil*	*Nil*	12 50	15 00	12 50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	58 50	100	*Nil*	3 50(c)	5 00	3 50	9	Y.
1,21,50,000	2,50,15,667	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd. ..	40,250	1,157	Bangalore Woollen, Cotton and Silk Mills	169.00cd	100	30 00	30.00	30 00	4 00‡	12	Y.P.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,61,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31 00N	10	3 00	3 00	3 00	1 00	12	Y.
1,78,47,800	2,77,73,212	6,09,41,316	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic	164 00cd	100	3 00	3 00	1 50	1 50	3	Y.
20,00,000	20,00,000	42,33,535	23,99,912	53,534	Peirce, Leslie & Co., Ltd. ..	17,536	4	Cambodia Mills	0 30	10	*Nil*	0 50	10 00	4.00‡	12	Y.P.T.
5,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	29,000	..	Carnatic Spg. & Wvg.	153 00	100	20 00	12 00	15 00		12	Y.P.
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,024	591	Cawnpore Textiles	4 00	5	0 50	*Nil*	0 25	20 00	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,650	C. R. Srinivasan, Esq. (Chairman)	31 200	..	Cauvery Spg. & Wvg. Mills Ltd.	12 50	10	*Nil*	*Nil*	0 25	0 25	3	Y.
30,00,000	19,01,056	1,47,97,903	80,85,799	10,889	R. Bheema Naidu & Co. ..	29,564	..	Coimbatore Cotton Mills ..	162 50cd	100	25 00	25 00	25 00	0 75	3	Y.P.
18,15,000	7,25,195	39,16,552	24,29,033	....	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Textiles Ltd. ..	125 00	100	17 50	20 00	20 00	0 90	3	Y.P.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	..	Coimbatore Pioneer Mills ..	225 00	100	20 00	20 00	12 00		12	Y.P.
20,76,900	2,05,076	1,24,00,676	88,06,970	10,415	R. G. S. Naidu & Co.	72,188	407	Coimatore Spg. & Wvg. ..	59 25	50	6 00	20 00	20 00		12	Y.
40,87,500	27,24,715	2,42,10,763	1,54,86,354	....	Tata Industries Private Ltd. ..	67,432	1,629	Central India	87 00	100	2 00	3 00	10 00		12	Y.
24,44,011	15,50,000	62,90,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,816	300	Davangere Cotton Mills ..	112 50	100	12 00	9 00	*Nil*	*Nil*	6	Y.
3,38,36,225	3,10,24,830	11,79,09,463	6,78,07,135	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	28 91	25	2 25	2 25	2 50	2 00	3	Y.P.
1,00,563										2½	0 28	0 28	0 28	0 20		
48,00,000	22,25,000	66,71,665	46,12,585	....	M. N. Chettiar & Sons	38,884	201	Dhanalakshmi Mills	185 00cd	100	30 00	30 00	25 00	0 20	6	Y.P.T.
63,00,000	93,47,056	1,54,57,568	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13 00	10	1 00	1 00	1 25		12	Y.
48,81,000	37,59,771	1,06,45,241	73,45,088	9,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	151 00	100	1 00	1 00	1 25		9	Y.P.
2,50,00,000	2,25,000	4,52,38,735	1,32,00,000	72,12,274	Birla Gwalior Private Ltd. ..			Gwalior Rayon	12 00	100	13 00	15 00	13 00		12	Y.
50,00,000	27,27,755	2,42,10,763	1,54,86,354	1,356	K. L. Seksaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	113 00	10	*Nil*	*Nil*		*Nil*	3	Y.P.
8,00,000	10,65,683	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd. ..	23,784	..	Janardhana Mills	113 00	100	6 00	9 00	11 00	*Nil*	3	Y.P.
15,54,000	18,24,703	45,22,214	33,88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji ..	78 00	50	5 00	10 00	10 00		12	Y.
4,63,65,300	3,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,680	Jiyajeerao Cotton	1,450 00	1,000	20 00	50 00	60 00		6	Y.
42,00,000	19 25 000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41 040	300	Kothari Textiles	9 00	10	1 00‡	4 00‡	0 55	0 35	6	Y.P.
82,00,000	67,91,510	1,69,61,585	1,26,19,465	20,376	M.	50,452	1,219	Lakshmi Cotton Mfg.	10 35	10	0 90	1 00	1 00	1 00	6	Y.P.
71,28,200									415 00	250	33 75	45 00	45 00	45 00	12	Y.P.
35 64 100	66,35,980	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,800	201	Lakshmi Mills	111 50	50	10 00	12 50	12 50	7 50		
1,75,02,480	4,24,40,278	5,90,80,121	3,06,10,817	6,92,368	A. & F. Harvey Ltd.	4,53 000	..	Madura Mills	54 50	25	5 00	6 25	6 25	5 00	12	Y.
12,00,000	3,67,363	29,93,352	15,76,709	213	V. K. Erudi (Chairman) ..	22 592	100	Malalur Spg. & Wvg.	35 12cd	15	3 00	3 00	2 62	2 25	12	Y.
60,00,000	69 14,000	85,94,131	45,89,145	5,157	W. A Beardsell & Co. (Private) Ltd.	25 656	603	Mettur Industries Ltd. ..	99 00	200	*Nil*	*Nil*	8 00		12	Y.
29,80,884	19,58,081	92,42,488	53,37 735	19 662	N. Sirur & Co. Private Ltd ..	39 896	704	Minerva Mills	397 50cd	100	22 50*	35 00	42 50	20.00	12	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85 009	M.	52 408	952	Model Mills (Nagpur)	171 00	250	5 00(c)	6 00	6 00		12	Y.
54,83,840	48 52,478	1,13,48 711	71,30,778	35,937	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	170 00	250	5 00(c)	7 50(c)	7 50		6	Y.
19 61 780		29,12,641	17,83,314	3,966	K. Tipperudriah (Chairman)	6,000	..	Mysore Spn Silk Mills	96 50	50	8 00*	6 00(c)	9 00*	9 00*	6	Y.
87,23,200	39,29,981	1,73,83,244	67,86,683	....	M.	87,788	902	Osmanshahi Mills	6 25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
4,00,000									46 50	100	*Nil*	2 50(c)	3 00(c)	*Nil*	3	Y.
6,00,000	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co. ..	45,600	..	Palani Andavar Mills	135 00	50A	12 00	12 00	15 00		12	Y.
15 00 000	....	34,19,570	18,82,524	—9,80,216	C. S. R. Mudaliar & Sons ..	27 980	..	Pankaja Mills Ltd.	197 50	75B	18 00	18 00	22 50		12	Y.P.
16,31,200	29,96,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	59,284	300	Radhakrishna Mills	46 00	100	*Nil*	4 00(c)	*Nil*		12	Y.
8,40 000									120 00	100A	16 00	20 00	20 00			
15,00,000	29,10 000	54 56,520	29 01,441	5,070	B. R. Naidu & Sons	37,098	..	Rajalakshmi Mills	60 00	50B	8 00	10 00	10 00		12	Y.
16,14,300	12 00 000	32 92 216	17 41,434	10 510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	72 00	50	10 00	10 00	10 00		12	Y.
22,31 750	12,40,000	49 64,423	21 20 815	32,012	Rayalaseema Development Co.	15,600	..	Rayalaseema Mills	130 00	100	6 00	10 00	7 50	12 50	12	Y.P.
16,30,000									113 00cd	100	9 00	10 00	10 00	10 00	3	Y.
40 000	1,60,55,017	3,13 49 081	2,05,07,227	—1,65,20,795	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	375 00	1,000	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
90 00 700	20,26 385	96,26,665	70,67,094	19 542	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills ..	500	500	*Nil*	*Nil*	*Nil*		3	Y.P.
15 00 000	3,48 80,155	99 62,153	79,53,780	20,60,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	80 00	50	4 50	5 00	7 00	7.00	3	Y.P.
17,50 0000	2,36,28 081	5,13,52,120	1,81,83,924	8,35,712	Jaipuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur) ..	80 00N	10	5 00	5 00	6 00		3	Y.
1,57,50 000									10 50	100	0 75	0 75	0 75			
1,00 00 295	50,06,584	3,85,56,298	1,62,42,715	2,23,690	Emcete & Sons (Travancore), Ltd.		..	Travancore Rayons	9 31	10P.O.	1 15	1 15	1 15		12	Y.P.
13 96 670	9,50,000	17 49,881	12,41 858	62,837	Moolji Ramjee & Sons	13 25	10	Trichinopoly Mills	12 00	10	0 62	0 75	1 00		12	Y.P.
21 00 000	88 50 000	80,72,634	47 22 519	44,098	R. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	12 00	100	0 80	0 80	1 12		12	Y.
32,00 000	31,89,000	1,74,27,020	1,17,94,880	16,922	M.	47,240	1,565	Vishnu Cotton	250 00	100	15 00	20 00	20 00		12	Y.P.
									97 50	100	4 00	8 00	8 00		12	Y.P.

* Includes bonus. M—Managed by Board or Directors. X.R.—Ex-Right. (c) Paid out of Reserves. F—For fifteen months ended 31st March, 1957.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957.
‡ Made up of 4,384 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8 15	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	0.25	5	0.50	0.56	0.56		8	Y.
£549,950	£1,149,466	£1,757,928	£441,807	£59,449	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	29 00sd	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	180.00sd	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd. ..	Andhra Cement Co.	11 90	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,600	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	3 94	O. 10	0.50	0.56	*Nil*		3	Y.P.T.
14,70,976							0 87	D. 1						
12,71,80,070	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd. ..	Associated Cement Companies ..	149.00	100	8.50	10.00	10.00	9.00	7	Y.T.
3,07

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	25,91,841	2,13,33,493	1,56,78,314	4,805	M.	Bengal Paper Mills	68.00	25	3.12	4.69	2.50		12	Y.P.I
65,00,000	65,91,258	1,24,92,173	88,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp †‡	19.50	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,590	1,48,27,689	77,57,946	47,608	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	15.75	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,45,32,500	2,46,75,045	6,04,16,607	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	28.25	10	0.94	1.12	0.62	1.50	3	Y.P.I
1,25,49,070	67,75,593	1,56,40,302	1,00,79,701	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills	14.44	10	1.50	1.25	1.25		6,12	H.P.I
40,00,000														
90,00,000A.	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	11.06	O. 10	0.75	1.25	1.05		3,9	H.P.I
2,18,55,240	48,43,660	3,85,20,940	75,56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	11.06	A. 10	0.75	1.25	1.05			
56,00,000A.							9.00	10	*Nil*	5.00‡	0.50	0.50	6	Y.P.
56,04,300B.	3,70,50,474	6,78,46,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	34.25	A. 10	1.50	2.00*	1.12*	2.37*		
4,37,500P.O.							34.25	B. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
							3.90	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
8,00,000	3,28,572	13,081	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
10,99,730O.	7,30,843	43,74,650	23,83,280	96,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60			
2,99,990D.							2.50N	D. 1	*Nil*	*Nil*	0.05		9	Y.P.
94,90,990	25,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.50	100	4.00	2.00	*Nil*	*Nil*	4	Y.P
SAW MILLS AND TIMBER														
12,99,998	22,83,439	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.56	3	*Nil*	*Nil*	*Nil*		9	Y.
90,00,000	3,31,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	526.60	Old125	20.00	37.50	40.00	40.00	5	Y*
20,00,000	20,40,000	19,48,737	15,96,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products..	191.25	New50	8.00	15.00	13.75	16.00		
							43.50	10	2.75	3.00	3.00	1.00‡	0	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,462	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Balrampur Sugar	6.00	5	0.75	0.06	*Nil*		6	Y.
13,00,000A.	29,80,260	55,40,831	26,32,435	12,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00			
8,00,000B.							11.50N	B. 10	1.00	1.00	1.00		4	Y.T.
19,49,056	8,25,000	33,76,107	25,31,560	73,488	Bangur Bros., Ltd.	Belsund Sugar	10.37	7½	0.75	0.75	1.00		9	Y.
15,00,000	13,51,513	19,25,777	13,40,810	7,663	Cotton Agents Private Ltd.	Bharat Sugar	12.37	10	1.50	1.50	1.50	1.50	6	Y.P.
33,00,000	25,22,515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd.	Carew & Co.	5.25	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.T
30,00,000	65,63,722	1,63,27,898	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	12.00	10	0.75	0.75	0.75		6	Y.P.
18,00,000	39,72,389	81,58,085	45,40,244	29,503	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	22.19	10	1.00	1.50	1.00		10	Y.P.
9,88,252	2,59,762	25,14,152	15,98,383	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T.
50,00,000A.	44,95,000	1,02,71,005	67,56,074	83,123	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	275.00	A. 100	15.60*	15.00*	15.00		6	Y.P.
10,00,000O.							100.00	O. 100	15.60*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	51.00	40	*Nil*	2.25	4.00	7.00	7	Y.P.
7,89,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	24.75	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100							200.00N	100	20.00	20.00	20.00	20.00		
38,275	49,91,797	78,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	50.00N	25	5.00	5.00	5.00	5.00	6	Y.
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd.	Oudh Sugar	128.50	100	11.00	11.00	11.00	12.50	7	Y.P.
13,50,000	12,69,374	31,98,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	6.00			10	Y.
9,00,000	19,04,817	48,99,855	31,54,228	20,795	Begg, Sutherland & Co. Private Ltd.	Puritahpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
5,90,000	6,10,793	28,74,023	22,66,790	13,204	M.	Ryam Sugar	10.75N	10	0.50	*Nil*	*Nil*		6	Y.P.
11,99,960	19,38,520	45,30,102	24,12,125	3,154	Begg, Sutherland & Co. Private Ltd.	Samastipur Central Sugar ..	12.25	10	0.50	*Nil*	1.75		6	Y.
39,76,525	22,58,460	1,40,84,561	68,35,007	16,851	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar ..	9.25	10	1.50	1.75	1.00		8	Y.P.T.
9,90,980	26,825	28,20,774	13,51,547	—4,25,477	H. K. Ghosh, Esq., and B. N. Datta, Esq. (Managing Directors)									
15,89,962	18,10,901	33,44,287	18,97,008	88,761	M.	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*		6	Y.
9,15,000O.	46,462	29,66,860	11,46,770	—16,37,907	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.T.
4,40,000D.						South Bihar Sugar	1.12N	O. 10	*Nil*	*Nil*				Y.P.T.
8,00,000	34,74,848	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.		0.50N	D. 2½	*Nil*	*Nil*			10	
16,66,000	7,66,589	23,17,969	27,09,205	32,042	M.	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
						United Provinces Sugar	18.50	10	1.25	1.50	0.60		9	Y.5
Other Centres														
38,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50xd	10	*Nil*	0.60	1.00	1.25	9	Y.
70,49,850	1,18,43,668	1,50,47,702	1,08,77,187	3,00,268	W. H. Brady & Co., Ltd.	Belapur Company	239.00	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,58,285	41,35,701	23,96,315	30,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	31.62	10	1.00	1.00	1.00	2.00	9	Y.P.
15,00,000	37,08,165	32,89,314	3,24,398	33,344		Shree Chunglee Sugar	28.75	12-8	1.00	2.00	0.50		9	Y.P.
12,93,760	12,85,973	40,71,311	23,64,505	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70.00N	100	*Nil*	*Nil*	6.00		6	Y.P.
55,94,920	14,89,627	33,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	18.00	10	1.75	1.40	1.12		9	Y.P.
20,62,558	12,13,785	46,34,178	11,11,505	32,589	B. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	18.25xd	10	1.00	1.00	0.60		6	Y.P.
39,50,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14.00	10	1.00	1.50	1.50Q		10	Y.
19,82,200O.							120.00xd	O.100	7.50	7.50	7.50			
2,87,100D.	79,50,000	1,79,03,447	35,20,265	26,868	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	132.00xd	D. 10	10.00	10.00	10.00		6	Y.P.
81,79,280	86,24,818	1,29,89,142	82,81,728	2,63,107	S. Muninanjappa, Esq. (Mg. Director)		36.25xd	10	2.00	2.00	2.00			
30,00,000	53,31,430	1,16,88,181	67,30,941	1,47,239	Matalal, Apte and Kantilal Pvt. Ltd.	Mysore Sugar	389.75xd	50	8.00	8.00	8.00	12.00*	6	Y.
16,59,820	41,20,000	58,54,984	31,76,689	1,25,789	Anderson Wright Ltd.	Phaltan Sugar	24.00	10	1.50	2.00	2.00		6	Y.
20,00,000O.	42,07,214	1,04,79,940	59,30,737	70,575		Ramnugger, Cane and Sugar ..	2.50	O. 50	0.50	0.00	12.00	12.00	8	Y.P.T.
4,00,000D.					Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	30.00N	D. 10	*Nil*	*Nil*	0.97	0.70	9	Y.P.T.
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	14.00	10	0.75	1.50	1.50Q	3.75	10	Y.
80,00,000	23,40,000	62,19,329	24,74,579	77,853	Parry Co., Ltd.	Travancore Sugars	10.10	10	*Nil*	0.75	1.00	1.00	7	Y.P.
1,01,00,000	1,09,46,263	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	278.00	100	16.00	18.00	21.00		9	Y.P.T.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship[Co. ..	104.00	100	7.50	7.50	7.50		10	Y.P.
1,90,00,000	82,00,000	4,21,63,342	1,45,20,689	1,28,612	Dhanbaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,90,84,346	86,21,345	1,83,630	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.									
4655,580	£997,739	£5,665,834	£3,428,088	—£106,393	Kilburn & Co. Private Ltd. ..	Great Eastern Shipping Co. ..	20.00	10	1.00	*Nil*	1.00	1.50	6	Y.P.
2,25,00,000	1,74,74,232	12,78,96,545	2,63,36,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India General Navigation & Rly. Co...	58.00	£10	Sh. 10	Sh. 10	*Nil*		12	Y.P.
9,40,19,673	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	India Steamship Co.	12.50	10	*Nil*	*Nil*	1.00	1.00	3	Y.P.
3,40,000O.						Scindia Steam Navigation[Co. ..	16.84	20	0.50	0.50	1.00	1.25	6	Y.P.
2,10,200P.O.	18,26,615	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager)	Walford Transport Ltd.	1.75	O. 1	0.12	0.16	0.14		12	Y.
							1.50	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
15,98,866	3,04,172	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4.00	*Nil*	1.00		12	Y.
25,00,000	1,00,000	25,18,54811		58,5884	M.	Devkaran Nanji Investment Co. ..	11.52	25	0.75	0.75	0.81	0.81	12	Y.
5,57,00,000	2,01,70,510	4,79,50,818	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	22.24	10			1.25	1.40	12	Y.
21,07,000	16,29,510	1,09,45,989	67,14,407	14,986	Birla Brothers Private Ltd.	Hind Cycles	117.50	100	10.00	10.00		12.50F.	3	Y.P.T.
14,95,840	8,91,500	28,61,284	19,40,792	22,010	Choomilal Manilal Private Ltd. ..	Estrela Batteries	36.50	50	3.00	2.00	2.00		3	Y.P.
99,90,250	30,13,147	1,25,01,13088		1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	76.50	100	4.50	4.50	5.00	5.50	12	Y.P.
1,00,00,000	28,08,446	38,85,170	11,25,784	2,753	K. G. Milne, Esq. (Mg. Director) ..	Killick Nixon Ltd.	160.50	100	11.00	11.00	11.00	11.00	6	Y.
2,20,25,325A.O.	63,14,265	3,42,78,324	1,69,93,078	6,31,752	Asiatic Petroleum (India) Ltd. ..	Premier Automobiles	75.50	100	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
10,31,200	4,83,147	8,09,102	5,85,506	2,481	Sir Joseph Kay (Chairman)	United Motors (India) Ltd.	19.00	20	2.00	2.00	6.00	6.00	6	Y.
2,75,00,000	1,38,45,829	3,14,34,161	1,59,08,276	5,02,233	Mr. A. Hydari & Mr. S. Gothberg ..	Western India Match Co., Ltd. ..	172.50	100	11.00*	11.00*	11.00*	11.00*	12	Y.
45,00,000	60,62,390	8,64,935	5,24,966	75,664	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	285.00	150	20.00	20.00	22.50	25.00	12	Y.
Other Centres														
87,50,000	1,99,86,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium[Corporation of India Ltd.	9.87	O. 10	*Nil*	*Nil*	*Nil*	0.09		
2,50,000							3.75N	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
40,00,000	23,25,000	68,17,870	23,12,885	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd. ..	Aluminium Industries Ltd.	14.15xd	10	1.25	1.25*	1.25	1.25	3	Y.
20,00,000	36,20,717	34,97,377	23,60,332	6,61,289	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	17.00	10	1.25	2.00*	2.00*		3	Y.
30,00,000	13,70,000	39,82,781	21,20,441	1,72,873	M. A. Hydari & Mr. S. Gothberg ..	Assam Match Co., Ltd.	15.50	10	1.25*	1.25*	1.25*	1.80*	3	Y.
12,00,000	34,87,883	1,02,58,992	56,87,850	2,45,122	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India ..	4.50	10	0.20	0.40	1.20		12	Y.P.T.
80,01,400	98,61,293	69,52,106	37,02,186	5,08,378	M.	Balmer Lawrie & Co., Ltd.	145.00	100	13.50	12.50	15.00		12	Y.
12,50,000	13,55,000	33,20,286	25,71,286	39,579	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	27.25	10	2.50	2.25	2.50		12	Y.
20,00,000	8,05,715	62,28,49211		37,612	Lovelock & Lewis	Birds Investment Ltd.	12.69	10	1.25	1.50	1.50	1.00	12	Y.
48,97,028	34,61,814	1,14,31,095	37,07,455	1,84,685	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	12.50	10	1.00	1.00	1.00	1.00	9	Y.P.
3,25,00,000	1,55,55,571	3,06,98,577	2,33,50,121	1,22,981	W. H. J. Charlesis, Esq. (Mg. Director)	British India Corporation Ltd. ..	3.00	5	0.06	*Nil*	0.10	0.12	12	Y.P.T.
3,85,80,000	17,34,254	2,05,95,04011		3,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.69	10	0.20	0.50	0.50	0.75	12	Y.P.
1,60,00,000	3,49,86,174	5,58,01,995	2,48,71,167	12,24,595	John Leakham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd.	22.75	10	1.50	1.50	1.88		3	Y.
81,26,000	54,81,635	1,04,12,09811		2,42,272	Eliot & Co. Private Ltd.	Eastern Investments Ltd.	95.00	100	9.00	9.00	9.00	9.00	12	Y.P.T.
14,00,000	9,85,000	34,02,164		34,584	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	110.00	100	15.00	15.00	4.00	12.50	3	Y.
65,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq. ..	Gillanders Arbuthnot & Co., Ltd.	11.81	10	0.75	1.40	1.60	1.00	3	Y.
30,00,000	16,17,854	83,08,821	36,24,683	74,215	R. P. R. Syndicate	Great Eastern Hotel	240.00	250	6.25	6.25	15.00	15.00	3	Y.P.
4,95,05,700	10,00,000	4,87,95,077	61,58,544	7,92,993	Birla Brothers Private Ltd.	Hindustan Motors Ltd.	6.32	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
2,01,10,000	35,56,843	4,80,45,268	1,96,84,142	7,97,410	B. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd.	19.62	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
1,52,80,220	1,46,00,000	2,26,86,021	86,85,092	41,81,853	B. J. Woodley, Esq. (Mg. Director)..	Indian Cables	9.00	10	*Nil*	0.90	1.80	1.80	12	Y.P.
47,87,976	6,03,000	15,74,903	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	14.87 N	10	1.00*	1.25*	1.50*	1.50*	3	Y.P.T.
15,16,80,000	24,92,01,694	9,85,79,293	1,02,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.56	10	0.56	0.62	0.62		3	Y.P.T.
2,00,50,000	76,27,615	39,02,897	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director)..	Jardine Henderson	55.50	100	0.60	0.80	0.80	0.70	3	Y.
48,00,000O.							202.00	O.100	7.50	7.50	7.50	2.50	3	Y.P.
5,00,000D.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	—	D.O.10	17.90	22.50	8.00		12	Y.P.
1,45,23,500	90,58,531	25,54,434	14,97,882	2,35,312	H. Lealle Martin, Esq. (Mg. Director)	Martin Burn Ltd.	23.75	10	1.10	1.75	0.80		3	Y.P.
1,15,00,000	1,17,00,151	2,62,16,089	69,09,793	16,35,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	38.00	10	1.38	1.81*	2.12*	2.12*	9	Y.P.
6,35,585	1,821	7,05,650	2,60,987	—1,52,645	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	16.00	10	1.00	1.25	1.62	1.75	3	Y.
5,00,000	6,92,508	11,29,888	5,97,382	3,349	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	8.76N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
19,00,000	3,70,000	15,47,595	10,18,129	43,854	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco	15.00	10	1.00	0.75	0.90	1.25	3	Y.
2,80,00,000	76,15,505	1,50,98,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director)..	National Carbon Co. (India) Ltd.	12.75	10	1.25	1.00	1.50	1.50	3	Y.
48,00,000	74,71,172	62,89,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.		24.87	10	0.40	0.82	1.50	0.75‡	12	Y.
40,00,000	15,00,000	92,19,395	21,17,403	75,726	Do.	National Insulated Cable Co. ..	23.93	10	1.00	1.50*	2.00*		3	Y.T.
79,97,000	38,12,466	1,95,21,890	61,75,168	9,03,649	B. N. Elliss & Co. Private Ltd. ..	National Rolling & Steel Ropes ..	10.25	10	0.50	0.50	0.50		6	Y.P.
2,25,00,000		2,33,498	1,22,26,543	60,08,534	—44,12,938	National Tobacco Co.	8.50	10	0.50	0.50	0.70	12	3	Y.P.
2,00,00,000	1,87,70,209	10,00,39,311	3,90,22,768	49,402	M. A. Papatli, Esq.	Rallis (India) Ltd.	26.50	100	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.P.
4,75,350					Sahu Jain Ltd.	Rohtas Industries	16.06	10	1.50	1.50	*Nil*		8	Y.P.
5,15,480	51,836	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100	..	..	5.00	6.00	12	Y.P.T.
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.		50.00N	50	..	..	2.50	2.00	3	Y.P.
75,00,000O.	17,19,008	37,25,035	7,05,723	2,54,554	S. M. Smith, Esq. (Mg. Director) ..	Spencer & Co., Ltd.	16.60	10	1.50	1.50	1.80	1.50	6	Y.P.
9,95,880	....	14,51,909	4,58,782	47,988	M.	Shaw Wallace & Co., Ltd.	10.12	10	1.25	1.00	1.00		12	Y.P.
						Travancore Ogale Glass	2.20	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

M. Managed by Board of Directors

† Subject to taxation.

Y.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. subsequently were divided into shares of Re. 10 each.

‡‡ Investments at cost.

* Includes bonus.

‡ On old capital.

§ Excluding Rs. 1,49 02,000 which represent share in the firm of Shaw[Wallace& Co., Ltd.

‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares[Rs. of 10/- each which

Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Ref en
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,058	....	McLeod & Co., Ltd.	225	Amlokie	25.00	10	72.00	19.00	5.00		12	Y.
2,76,500	5,71,590	11,19,537	3,89,703	23,139	M.	312	Ananda (Assam) Tea	18.44	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,332	49,689	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21.00	10	8.00*	1.00	1.25		12	Y.
5,50,000	12,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	575	Baghm

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
8,00,000	8,10,000	8,92,505	84,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	3.20	2	0.25	0.30	0.21	0.45	5	Y.P.
26,91,909	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	5.00	5	0.75	0.45	0.75	0.82	2	Y.P.
18,00,000	31,00,000	39,79,846	3,00,541	1,21,826	Cons. Coffee Estates (Secretaries)	Consolidated Coffee	21.25	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,19,026	1,22,54,765	20,59,076	1,13,211	R. C. Paterson, Esq.	Cottanad Plantations	22.95	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Highland Produce	12.25	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,81,442	37,148	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	12.50	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	15,91,139	2,53,016	15,055	A. V. Thomas & Co., Ltd. ..	Malankara Rubber	20.25	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	8,71,449	19,82,918	3,00,273	6,847	K. T. Thomas Kathanar, Esq. ..	Midland Rubber	15.50	10	2.25	2.25	2.25	2.25	3	Y.
37,00,000	28,79,387	80,92,726	9,49,414	1,45,976	A. V. Thomas & Co., Ltd. ..	Nenmeny Rubber	14.62	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,886	2,09,785	25,171	A. V. George & Co. Ltd. ..	Nilambur Rubber Co.	14.75	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,80,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Oachterloney Valley Estates ..	12.50	10	1.50	1.50	1.50		12	Y.P.T.
19,45,980	21,29,615	43,87,395	14,23,965	*Nil*	Peirce, Leslie & Co., Ltd. ..	Rajagiri Rubber	4.50cd	2	0.61	0.40	0.21		10	Y.P.T.
12,50,000	8,60,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Sayamala Estates Ltd.	14.18	10	1.75*	2.00	2.50	2.00	6	Y.P.
3,66,780	3,50,000	7,77,412	1,59,659	9,940	Peirce, Leslie & Co., Ltd. ..	Teekoy Rubber (India) Ltd. ..	4.63	2	2.50	1.00	1.50		11	Y.
10,00,000	3,01,500	22,44,525	84,741	33,968	East India Agencies Private Ltd.	Thamaraipally Rubber	6.46	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd. ..	Thirumalai Rubber Co., Ltd. ..	21.76	10	3.00	3.00	3.00		12	Y.P.
9,15,300	4,00,000	22,40,057	1,37,485	28,927	Peirce, Leslie & Co., Ltd. ..	Travancore Rubber	1.67	1	0.10	0.12½	0.12½	0.05	9	Y.T.
9,00,000	32,586	7,71,251	1,35,210	2,257	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber & Tea Co., Ltd..	18.75	10	2.00	3.00	2.00		12	Y.
41,00,000	18,01,221	81,07,222	12,64,246	2,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Tea Estates Ltd. ..	6.30	10	1.50	1.25	0.75		12	Y.P.
20,00,000	....	29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00		11	Y.
6,38,580	5,40,670	9,17,582	21,770	21,911	Harrisons & Crossfield Ltd. ..	Valkendam (Travancore) Rubber ..	19.47	10	2.25	2.50	3.50	2.00	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	6.88	10	1.50	2.00	1.25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	870	Agarpara	7.69	10	0.62	0.62	0.25	0.25	3	Y.H.
5,00,000	10,25,000	55,02,958	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100.00	100	7.50	10.00	10.00		3	H.P.
20,00,000	5,25,000	1,17,51,527	94,41,069	24,402	McLeod & Co., Ltd.	1,264	Alliance	55.00	100	12.00	6.00	*Nil*		6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	133.00	100	7.50	8.50	8.50	7.00	3	Y.P.
48,00,000	29,54,500	1,49,09,985	55,84,728	—3,79,016	Bird & Co. Private Ltd.	810	Auckland	85.00	100	8.50	9.00	1.00	*Nil*	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,65,094	65,302	Birla Brothers Private Ltd. ..	1,589	Bally	131.00	100	*Nil*	3.50	*Nil*	*Nil*	3.9	H.P.
£275,000	£474,807	£1,625,482	£9,28,159	....	Sir John H. Burder (Chairman) ..	1,889	Barnagore	81.00	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.P.
26,00,000	25,56,128	94,67,700	51,49,281	1,330	Andrew Yule & Co., Ltd.	820	Belvedere	64.50	100	10.00	7.50	*Nil*		12	Y.P.
45,00,000	86,45,000	57,08,178	31,28,574	2,66,100	Soorajmull Nagarmull	600	Bengal	18.94	10	1.12	1.12			6	Y.P.T.
91,26,000	2,17,45,858	3,34,10,402	1,49,33,551	4,87,393	Birla Brothers Private Ltd. ..	1,378	Birla	14.00	10	1.00	1.00	1.00		6, 12	Y.
80,00,000	21,09,225	1,17,00,893	72,35,819	4,154	Andrew Yule & Co., Ltd.	991	Budge-Budge	65.00	100	9.00	7.50	*Nil*		10	Y.P.
7,47,880	3,09,540	43,15,704	31,62,686	—8,31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7.00	10	0.75	*Nil*			6.12	H.P.T.
18,00,000	26,46,284	87,43,998	46,04,058	20,580	Andrew Yule & Co., Ltd.	616	Caledonian	95.00	100	9.00	6.50	*Nil*		11	Y.P.
59,16,400	76,49,289	2,25,54,022	1,19,60,848	—7,24,048	Hamee Finlay & Co., Ltd.	600	Champdany	94.00	100	8.00	10.00	2.00	*Nil*	3	Y.
15,00,000	23,39,282	82,78,766	57,70,175	3,665	Andrew Yule & Co., Ltd.	580	Cheviot	102.00	100	14.00	10.00	2.00		11	Y.P.
20,15,000	32,00,000	66,66,702	48,48,666	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	140.94	10	1.12	1.37	1.37½		6.12	H.P.T.
24,00,000	9,00,000	81,06,855	67,18,287	25,925	Shree Krishna Investment Co., Ltd	969	Clive	18.12	10	*Nil*	1.25z	0.50		12	Y.
21,42,500	44,80,893	1,35,22,698	51,19,167	—8,75,881	Bird & Co. Private Ltd.	766	Dalhousie	63.50	100	2.50	4.00	*Nil*	*Nil*	3	Y.P.T.
23,00,000	40,51,679	77,35,542	47,08,110	4,547	Andrew Yule & Co., Ltd.	779	Delta	93.50	100	12.00	10.00	5.00		11	Y.P.
15,00,000	24,50,000	53,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	14.50	10	1.25	1.25	0.50†		6.12	H.P.
21,00,000	62,40,686	2,41,58,550	1,09,02,109	2,46,418	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	280.00	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,846	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17.10	10	20.00	20.00	0.75K	1.50	3.9	Y.P.T.
24,82,100	....	2,11,07,224	1,32,88,525	—2,67,452	M.	1,709	Ganges Mfg.	47.00	100	0.50	2.50	*Nil*		3.9	H.P.
10,80,000	29,68,948	70,06,097	50,72,167	11,510	M.	607	Gondalpara	550.00	500	*Nil*	*Nil*	50.00		12	Y.T.
24,00,000	24,50,000	2,22,45,948	1,58,81,965	45,248	Macneill & Barry Ltd.	1,304	Gourepore	210.00	100	10.00	15.00	2.50	2.50	3	Y.P.
40,00,000	60,68,282	1,28,86,187	58,68,589	3,00,036	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	6.00		3	Y.P.
15,00,000	18,91,969	66,47,751	47,79,916	—2,95,253	Jardine Henderson Ltd.	720	Hooghly	11.87	10	0.50	1.25	*Nil*		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	2,272	Howrah	18.69	10	1.25	0.87	0.25	*Nil*	3	Y.P.T.
32,50,000	23,87,124	2,03,21,907	1,57,51,907	1,14,896	Ramdutt Ramkissendas	1,276	Ichapur	15.81	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
57,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	94.00	O. 125	8.12	4.69	4.69		3	Y.
50,000								73.00	100	8.00	2.50	*Nil*			
24,00,000	29,90,185	1,02,31,843	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	72.00	'B' 100	8.00	2.50	*Nil*		6.12	H.P.T.
19,20,000'B'								43.00	100	6.50	1.00	*Nil*			
30,00,000	9,73,967	1,77,73,751	87,49,860	—21,87,149	Jardine Henderson Ltd.	1,527	Kankinarrah	41.00	'B' 100	4.00	1.00	*Nil*		6.12	H.P.T.
21,00,000	83,00,000	1,35,45,032	88,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	161.00	100	20.00	17.50	5.00‡	9.00	5	Y.P.
54,00,000	33,33,375	1,96,60,902	1,22,08,770	37,087	Anderson Wright Ltd.	1,530	Khardah	125.00	100	12.50	11.00	5.00	5.00	3	Y.P.
48,00,000	31,58,908	3,35,30,709	98,60,479	58,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	107.00	100	7.00	18.00	6.00	*Nil*	3	Y.P.T.
24,48,000	28,41,888	1,25,71,981	52,10,844	—9,06,440	Bird & Co. Private Ltd.	921	Lanadowne	66.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.P.T.
24,00,000	45,53,547	1,41,73,943	66,14,075	—7,79,950	Bird & Co. Private Ltd.	840	Lawrence	72.50	100	6.00	6.00	*Nil*	*Nil*	3	Y.P.T.
31,05,200	26,86,048	2,04,13,849	1,26,97,809	—13,08,719	M.	1,283	Megna	75.50	100	2.50	9.75	3.75		3.9	H.
99,98,980	44,99,145	1,85,15,565	86,70,690	*Nil*	Howrah Trading Co., Ltd. ..	625	Nahatpur	60.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
20,00,000	15,55,000	29,01,568	18,21,709	17,816	Andrew Yule & Co., Ltd.	435	Nalkarpara	13.00	10	1.12	1.25			4.10	H.T.
25,00,000	41,89,826	51,71,846	10,66,670	17,589	McLeod & Co., Ltd.	852	National	22.00	10	2.00	1.75	0.75		10	Y.P.
26,25,000	27,00,000	77,70,355	20,77,258	1,29,411	Sahu Jain Ltd.	816	Nellimarla Jute	10.25	10	0.75	1.00	0.50†		6.12	H.P.T.
85,50,000	2,86,81,171	4,68,82,848	1,06,42,564	3,85,601	Sahu Jain Ltd.	1,765	New Central†	18.00	10	17.00	1.50	1.50		12	Y.P.
16,79,880	40,88,888	1,38,84,122	56,86,490	9,287	Bird & Co. Private Ltd.	867	Northbrook	14.75	10	1.25	1.50	1.50	*Nil*	3	Y.P.T.
66,79,500	19,74,261	2,24,42,585	1,39,10,857	20,195	Macneill & Barry Ltd.	1,092	Nuddea	31.25	50	0.50	1.00	*Nil*	*Nil*	3	Y.P.T.
24,91,000	28,76,049	....	51,45,099	11,098	Andrew Yule & Co., Ltd.	601	Orient	73.50	100	10.00	9.00	2.00		11	Y.
25,00,000	6,25,490	80,86,437	65,22,166	51,595	McLeod & Co., Ltd.	400	Presidency	8.25	5	0.31				6.12	H.
20,00,000	10,328	27,95,784	8,39,180	—8,81,589	Birla Brothers Private Ltd. ..	305	Rameshwara	4.25	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
40,00,000	21,29,615	43,87,395	14,23,965	—38,95,290	Jardine Henderson Ltd.	1,276	Reliance	5.87	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
40,00,000	1,80,655	1,24,75,605	....	458,994	Thomas Duff & Co. (India) Ltd. ..	2,018	Samnuggur	8.12	£1	10%	8%£1			12	Y.P.
£569,000	£1,093,718	£1,245,844	7,972	....	Bagaria More & Co., Ltd.	911	Shree Ambica	10.50N	10	1.00	0.50			3.9	H.P.
30,00,000	19,14,910	1,15,50,877	79,95,145	7,979	Hindustan Investment Corporation	401	Soorah	18.50	10	1.00	1.50			3.9	H.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,186	Bird & Co. Private Ltd.	660	Standard	77.50	100	2.00	1.00	*Nil*	*Nil*	12	Y.P.T.
25,19,800	21,10,501	1,26,66,701	57,29,512	—8,76,068	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	8.12	£1	10%	8%£1			3	Y.P.T.
£600,000	£925,119	£1,187,660	....	£88,548	Bird & Co. Private Ltd.	1,826	Union	110.50	100	6.00	10.00	1.00	*Nil*	12	Y.P.
35,98,900	68,80,148	£1,01,42,857	89,47,895	—18,51,940	Thomas Duff & Co. (India) Ltd. ..	1,331	Victoria	8.12	£1	10%	8%£1			3	Y.P.T.
£400,000	£688,085	£1,154,519	....	£60,501	McLeod & Co., Ltd.	457	Waverley	2.47	1	0.50	0.37	*Nil*		12	Y.P.
2,50,000	6,85,000	56,01,062	40,78,091	11,827										12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
23,50,000	25,26,650	99,36,489	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields	18.75	10	1.81	1.87	0.50	1.25	3	Y.
12,00,000	8,49,800	37,46,575	35,36,182	70,013	Jardine Henderson Ltd.	Bararee Coke	10.81	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,150	1,05,000	9,25,911	7,41,578	90,870	Mayanji Mayji & Co.	Bengal-Bhatdee	5.87N	10	0.25	0.62	0.75		6.12	H.P.
1,00,00,000	1,00,28,785	6,10,16,949	4,19,75,285	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	210.00	100	30.00*	$5.00+P	17.50	7.50	3	Y.P.
2,25,000	4,18,782	24,88,157	22,48,080	....	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	F. W. Low & Co. (Private) Ltd. ..	Bhalgora	6.00	10	*Nil*	*Nil*			12	Y.P.
40,00,000	10,25,000	1,11,53,027	7,53,107	3,120	Sahu Jain Ltd.	Bharat Collieries	5.50	10	0.62	0.62	0.62	0.60	9	Y.
7,15,000	10,16,172	49,80,946	34,86,101	—4,93,536	M.	Bhulanbararee	10.75	10	*Nil*	*Nil*	*Nil*		6	Y.P.T.
7,50,000	24,16,419	45,67,883	27,10,503	19,883	F. W. Heilgers & Co. Private Ltd.	Borrea	16.69	10	2.00	2.00	1.50		12	Y.P.
90,92,480	69,04,448	4,25,18,901	1,95,33,453	92,991	Birla Brothers Private Ltd. ..	Burrakur	22.00	10	0.56	0.62	0.68		6, 12	Y.
49,97,750	....	60,59,014	12,80,014	5,401	Hindustan Investment Corpn. Ltd.	Central India	6.87	10	0.25	0.25	0.06	0.50	6, 12	H.P.T.
8,00,000	13,80,590	49,11,827	33,08,469	69,000	M. W. Heilgers & Co. Private Ltd.	Central Kurkend	11.00N	10	0.25	0.50	0.50		3	Y.
6,00,000	1,45,986	7,30,051(k)	....	4,240	Macneill & Barry Ltd.	Churia	2.00	4	0.12	0.06	0.06		12	Y.
16,00,000	....	54,02,810	30,95,160	—2,85,508	Jardine Henderson, Ltd.	Dhemo Main	7.25	10	*Nil*	*Nil*	*Nil*		12	Y.
£240,000	£352,875	£1,001,816	£764,050	£26,677	Macneill & Barry Ltd.	East Indian	20.00	£1	2.50	3.00	2.50	1.50	4	Y.
29,63,760	92,06,405	4,16,92,545	3,00,75,857	41,725	Macneill & Barry Ltd.	Equitable	25.25	10	1.50	1.50	1.50		3	Y.P.T.
10,00,000	1,40,000	13,81,144	4,28,567	23,858	Shakir's Fancy Ltd.	Ghusick and Musilia	16.00N	10	0.50	0.25			12	Y.
12,00,000	1,17,500	42,54,400	25,30,973	....	Killick Industries Ltd.	Hingir-Rampur	80.75	50	*Nil*	2.25			3	Y.
8,00,000	7,25,000	22,40,856	19,21,695	45,210	Macneill & Barry Ltd.	Hurriladih	16.00	10	1.75	2.50	2.25	*Nil*	6	Y.P.
3,50,000	2,48,905	14,13,052	7,89,171	....	Andrew Yule & Co., Ltd.	Kalapahar	17.00N	10	*Nil*	*Nil*	*Nil*		12	Y.
20,00,000	2,21,575	33,37,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries	28.00	100	*Nil*	2.50	5.00	*Nil*	3	Y.
5,00,000	13,90,998	47,95,911	37,70,923	1,35,886	Andrew Yule & Co., Ltd.	Katras Jherriah	54.25	10	4.00	4.50	6.50	6.50	3	Y.P.
1,88,400	5,72,960	12,85,941	5,73,960	—2,60,286	Beriwala & Co.	Khas Kajora	2.50N	10	*Nil*	*Nil*			1	Y.
11,00,240	64,314	16,80,329	10,68,699	10,611	H. V. Low & Co. (Private) Ltd. ..	Kusrdi	2.75N	10	*Nil*	0.12			6, 12	H.P.
9,00,000	11,11,000	26,58,749	22,85,749	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	10.00N	10	0.25	0.12			4	Y.
7,48,240	2,00,000	13,18,208	9,66,219	81,201	Tantia Brothers Ltd.	Nasira	6.87	10	0.50	0.50			4	Y.
7,00,000	26,617	10,88,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd.	New Banadeopur	9.00N	10	1.25				12	Y.
17,76,280	19,51,814	1,24,49,215	91,72,491	82,598	Andrew Yule & Co., Ltd.	New Beerbhoom	18.00	10	1.12	1.00	0.75		3.9	H.
6,00,000	75,000	83,85,381	82,85,923	1,48,499	Dehavtia Steel & Co., Ltd.	New Maubhoom	12.00	10	*Nil*	*Nil*	*Nil*		10	Y.P.
1,15,000				17,516	Andrew Yule & Co., Ltd.	North West	19.12	10	*Nil*	*Nil*	0.50		3	Y.
1,57,500	3,47,692	13,06,689	8,96,110				18.00	7.50	*Nil*	1.08	1.50		3	Y.
7,50,000	15,59,447	3,97,666	2,77,666	37,344	F. W. Heilgers & Co. Private Ltd.	Ondal	18.00	10	1.00	1.00	0.75		12	Y.P.
10,00,000	1,10,000	41,24,513	19,79,271	24,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.50N	10	0.50	0.25			12	Y.T.
5,24,000	20,000	23,40,367	9,36,591	3,080	Deepchand Kishenlal	Parasea	12.00	10	0.75	1.00			12	Y.P.T.
15,75,000	16,30,000	55,17,410	29,02,410	46,388	Shaw Wallace & Co., Ltd.	Pench Valley	18.00	10	1.62	1.80	0.50		12	Y.
25,99,500	25,66,361	1,37,28,021	91,98,862	29,060	B. N. Ellias & Co. Private Ltd. ..	Rancegunge	11.00	10	0.40	0.62	0.37	3.00	3	Y.
12,50,000	10,45,118	38,59,355	30,71,844	15,614	Shaw Wallace & Co., Ltd.	Sewa	14.50	10	1.87	0.87	0.75	0.75	3	Y.
20,00,000	97,12,000	55,58,756	22,17,867	2,297	M.	Samla Collieries	10.50N	10	0.75	1.00	1.25		6, 12	H.
3,50,000	1,95,502	13,78,480	12,21,287	21,070	M.	Searsole	4.75xdN	2.50	0.62	0.75			12	Y.
2,80,000	9,11,596	29,02,167	19,78,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	23.81	7	2.00	2.50	2.25		1	Y.
3,00,000	5,09,216	9,61,457	52,401	25,857	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0.12	0.25	0.25		12	Y.P.
63,21,480	94,58,536	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Governament of Andhra Pradesh)	Singareni	11.25	10	0.70	0.75	1.00		6, 12	H.T.
17,50,000	10,89,502	38,95,864	16,16,484	10,407	Bird & Co. Private Ltd.	South Karanpura	9.19	10	0.12	0.12	0.25		12	Y.T.
5,00,000	14,01,083	1,69,57,370	87,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	13.75	10	1.50	1.50	1.00		3.9	H.
10,00,000	....	31,02,694	15,45,502	—5,82,907	M.	Talcher	1.50	2.50	*Nil*	*Nil*	1.00		12	Y.
3,50,000	3,35,000	18,97,584	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Union	14.00	10	0.75	*Nil*	*Nil*		9	Y.T.
40,96,000	66,784	55,72,306	24,15,826	11,548	Hindustan Investment Corpn. Ltd.	Western Bengal	5.22	10	0.37	0.50	0.50	0.50	12	Y.
7,00,000	....	57,46,960	35,79,008	—8,20,058	Macneill & Barry Ltd.	West Jamuria	5.50	10	*Nil*	*Nil*	*Nil*		12	Y.

M—Managed by the Board of Directors. † Less income-tax. (c) Clive Mills have paid dividend at Rs. 10/- on bonus shares, for the year 1955. * Including bonus. (k) Investments.
‡ New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Port William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-5 includes an interim dividend of Rs. 7-5 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 503*)

American Federation of Labour-Congress of Industrial Organisations (A.F.L.-C.I.O.), have already indicated their acceptance of the need for tax cuts, including cuts in income-tax. Generally speaking, democratic leaders are opposed to tax reductions, for they believe that other methods would create more opportunities of employment. The view of trade union leaders, who are Democrats, is therefore significant. It remains to be seen what decision on taxation the Administration takes, in order to stem the recession which, from all accounts, has caused a sizable setback to American economy.

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It has been reported in a section of the Press that

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,08,80,000	12,42,852	Allahabad Bank	350.00	100	18.00†	18.00	18.00	9.00†	12	Y.P.
14,80,000				180.00	50	9.00†	9.00	9.00	4.50†		
1,01,000				111.00	100	7.50	6.50	5.00	4.00†	6, 12	H.
40,88,840	16,68,000	2,98,939	Andhra Bank	87.00	25	3.75	4.54	5.59	3.40†		
1,00,00,000	1,28,00,000	4,10,731	Bank of Baroda	118.00	50	6.00†	6.00†	7.00	7.00	12	Y.
50,00,000	22,50,000	2,709	Bank of Bikaner	23.24	25	0.75	0.87	1.12		12	Y.
2,50,00,000				130.00xd	50	7.00	8.00	8.00	8.00	6, 12	R.L.Y.
50,00,000 'A'	3,10,00,000	16,62,381	Bank of India	125.50	50 'A'	..	..	..	8.00		
15,30,375	28,00,000	52,270	Bank of Indore	63.00N	25	3.00	3.50	4.00	4.25	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	38.00	50	2.00	2.00	2.50		12	Y.
50,00,000	91,05,613	1,87,085	Bank of Mysore	252.00cd	100	16.00†	16.00†	16.00†	16.00	12	Y.
15,00,000	32,00,000	38,502	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00		12	P.Y.
7,50,000	12,75,000	3,902	Canara Banking Corporation Ltd.	75.00xd	50	5.00	5.50†	6.00†		12	Y.P.
5,73,220 'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	185.00cd	100 'A'	12.50	12.50	15.00		12	Y.
22,787 'C'				1.86cd	1 'C'	12½%	12½%	15%			
2,62,11,875	4,03,60,321	18,44,046	Central Bank of India Ltd. ..	52.50	25	3.00	3.00	3.50	3.50	12	R.L.Y.
55,43,375				54.00	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co. ..	45.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	20.87	5	0.81	0.87	1.87	1.06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	47.50	50	1.50	2.00	3.00		12	Y.
1,25,00,000	12,45,000	16,919	Hindustan Commercial Bank ..	10.25	50	Nil	Nil	..	..	12	Y.
50,00,000	1,37,00,000	2,771	Hindustan Mercantile Bank ..	11.75	50	Nil	Nil	..	..	12	Y.
44,00,000	90,50,200	8,13,491	Indian Bank	212.75cd	100	12.00†	12.00†	13.00	6.50†	6, 12	R.L.H.
21,82,510				192.50cd	80	7.20†	7.75	9.75	5.20†		
56,23,350	46,36,300	2,32,067	Indian Overseas Bank	150.75cd	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	23,384	Pandyan Bank Ltd.	35.62xd	25	1.56	1.87	1.87		12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	53.50	25	3.00	3.50	4.00	2.50†	12	Y.
1,00,00,000	29,17,000	5,623	Travancore Bank	19.00cd	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8.76	5	0.24	0.87	0.44	0.44	12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank ..	60.00	50	2.50	2.75	3.50		12	H.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.)					
£3,500,000	£5,000,000	£409,308	Chartered Bank	£1-17-9	£1	15†	15†	15†		12	Y.
H.K. $25,000,000	H.K. $128,000,000	H.K. $11,039,578	Hongkong and Shanghai Banking Corporation	£42½	H.K. $125	5*	5*	5*		12	Y.
£18,555,070	£17,500,000	£712,060	Lloyds Bank	£2-1-6	£1	15†	12†	13†		12	Y.
£375,000 'A'	£2,800,000	£224,521	Mercantile Bank Ltd.	£1-10-3	A £2½	14†	14†	14†		12	Y.
£375,000 'B'				£1-10-3	B £2½	14†	14†	14†			
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£1-0-6	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Carew & Co.	1938	92.00	1st June 1963
4,00,000	8½	1st March and 15th September..	Carew & Co. (2nd mortgage) ..	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November ..	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November ..	Walchandnagar Industries (New)..	1944	92.00N	1st November .. 1959-64
COAL						
50,00,000	4½	30th April and 31st October ..	Bharat Collieries	1944	90.00	30th June .. 1964
50,00,000	4½	30th June and 31st December ..	Bharkuni Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December..	Equitable Coal Co.	1952	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December ..	Basanti Cotton Mills Ltd.	1942	85.00	30th April.. .. 1964
4,00,000	6	15th May and 15th November ..	Bengal-Nagpur	1897	89.00	15th November .. 1966 (b)
75,00,000	6	1st April and 1st October ..	Buckingham and Carnatic	1952	99.00	1st March .. 1973 (a)
40,00,000	6	1st April and 1st October ..	Gokak Mills	1957	100.25	1st April .. 1967-72
13,71,000	5½	30th June and 31st December ..	Jaysinrao Textiles	1949	90.00N	1st January .. 1956-59
89,00,000	5	1st June	Tata Mills	1951	93.50	15th November .. 196[illegible]
ELECTRICS						
10,00,000	4½	31st March and 30th September..	Agra Electric Supply Co., Ltd. ..	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December..	Ahmedabad Electric Co. Ltd. ..		97.00	14th June .. 1960
98,28,000	4	1st April and 1st October ..	Andhra Valley Power Supply Co. ..	1940	97.00	1st October .. 1959
13,00,000	4½	30th June and 31st December ..	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (a)
£4,048,914	5	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1956	97.50	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December ..	Gaekwar Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
13,80,000	5	1st January and 1st July ..	Sijua (Dherrian) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1974 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply ..	1939	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply ..	1940	93.50	30th September .. 1958-68
47,78,000	5	1st April and 1st October ..	Tata Power		99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October ..	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December ..	Britannia Engineering	1945	94.00	31st December .. 1960
2,00,000	5	30th June and 31st December ..	Bridge and Roof (India) Ltd. ..	1928	96.00	30th June .. 1958
50,00,000	5½	15th September and 15th March .	Indian Hume Pipe (Bearer) ..	1942	97.00	1st July .. 1957-62
10,00,000	4	31st May and 30th November ..	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	95.25	1st October .. 1965-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1969 (a)
JUTE						
13,00,000	5½	1st October and 1st April ..	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December ..	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June ..	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mill Co., Ltd. ..	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July ..	Calcutta	1949	86.00	31st July .. 1969
10,69,000	5	30th June and 31st December ..	Chitavalsah Jute Mills	1951	89.00	30th June .. 1966
20,48,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,56,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1966 (a)
30,00,000	5½	31st March and 30th September..	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December ..	Kinnison Jute Mills Co., Ltd. ..	1949	90.00	31st December .. 1964 (a)
25,00,000	6½	30th June and 31st December ..	Nuddiah	1952	90.50	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd. ..	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December ..	Northbrook Jute Co., Ltd. ..	1948	80.00	31st December .. 1964
5,00,000	4	30th June and 31st December ..	Presidency	1948	88.00	30th June .. 1968
25,00,000	5	31st March and 30th September..	Ralliaes Jute Mills Co., Ltd. ..	1950	95.00	5th September .. 1965 (a)
9,00,000	4½	14th March and 14th September.	Soorah Jute	1937	91.00	14th September .. 1967
12,00,000	5½	30th June and 31st December ..	Union	1937	90.00	30th June .. 1967
10,00,000	5½	31st January and 31st July ..	Waverly	1952	90.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter 1st October .. 1974
£189,363	5	1st April and 1st October ..		1933	£74.10N	
6,50,000	5½	30th June and 31st December ..	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (a)
£200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	93.25	1st September .. 1968
PLANTING						
12,50,000	6	31st March and 30th September..	Nilgiri Tea	..	99.00	1st April .. 1958-66
1,56,500	5½	31st March and 30th September..	Teakoy	1944	100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1943	82.00	31st December .. 1963
35,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1943	85.00	31st December .. 1963
2,00,00,000	5	1st March and 1st September ..	Burmah-Shell	1954	97.00	1st September .. 1964-69 (a)‡
2,00,00,000	5½	1st April and 1st October ..	Celtex Oil Refining (India) Ltd. ..	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1916	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd. ..	1936	83.00	1st July .. 1966
30,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78.00	15th September .. 1969
1,50,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1969
1,50,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd. ..	1950	98.00	1st January .. 1971 (c)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡
18,75,000	5	2nd January and 2nd July ..	Mettur Chemical Industries	1949	85.00	 1969
12,07,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes)	1946	810.00	30th September .. 1976 (c)
45,00,000	4	30th June and 31st December ..	McLeod & Co., Ltd. (Convertible Notes).	1947	870.00 (per note)	31st December .. 1972 (c)
75,00,000	5	1st April and 1st October ..	Mesneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December ..	National Bayon	1955	98.00	30th June .. 1965-70
1,50,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (a)
1,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1969
1,50,00,000	5½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1958	97.25	1st May .. .. 1968 (c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium.
(c) Rs. 100-8 per cent. after 18 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. ‡ Any debentures outstanding on 1-6-1968 will be redeemed on that date with option to [illegible] debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a [illegible]
[illegible] notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1963.

WEEK'S STOCK EXCHANGE TREN

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 20th March, 1958.

	Closing quotations 13-3-1958	High	Low	Closing quotations 20-3-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	118.00	—	—	118.00
Apollo (2)	1.71	1.86	1.74	1.84
Bombay Dyeing (25)	51.60	55.50	51.90	55.40
Bradbury (50)	155.00	151.00	150.00	150.50
Central India (100)	82.00	90.50	82.50	90.50
Century Mills (100)	391.00	425.00	395.00	425.00
Colaba (100)	51.00	45.00	44.75	44.75
Edward Textile (200)	220.00	—	—	220.00
Elphinstone (50)	48.00	—	—	48.00
Finlay (100)	285.00	283.00	270.00	283.00
Gokak (100)	150.00	152.00	149.00	151.00
Ind. Untd. Defd. (1)	1.21	1.34	1.24	1.30
Ind. Untd. Ord. (10)	9.40	10.04	9.60	9.96
Indore Malwa (100)	107.50	113.00	108.00	112.50
Khatau (100)	141.00	155.00	141.00	154.00
Kohinoor (100)	272.00	285.00	273.50	283.00
Lakshmi (250)	407.50	415.00	407.50	415.00
Minerva Mills (100)	71.30	71.50	70.50	71.00
Model Nagpur (250)	171.25	170.00	167.50	169.00
Morarji (100)	205.00	207.00	205.00	205.00
Mysore (50)	99.50	—	—	99.50
National Rayons (100)	222.50	243.25	222.00	243.25
New City (100)	125.00	125.00	100.00	100.00
New Great (100)	212.50	214.00	209.00	209.00
Phoenix (100)	120.00	—	—	120.00
Podar Mills (100)	145.00	140.00	137.00	140.00
Sassoon Silk (10)	6.24	—	—	6.24
Sassoon Spg. (10)	29.75	32.25	32.00	32.25
Sholapur (1,000)	375.00	425.00	375.00	425.00
Shrinivas (100)	135.00	148.00	140.00	148.00
Simplex (50)	159.50	162.00	160.00	161.50
Standard (100)	418.00	435.00	418.00	432.00
Svadeshi (100)	171.50	183.00	171.50	183.50
Swan (100)	324.50	325.00	322.50	325.00
Tata Mill (25)	39.00	41.50	39.00	41.00
Vishnu (100)	98.00	105.00	95.00	105.00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	134.75	135.25	129.50	130.00xd
Do. (New) (50)	135.50	135.50	130.50	130.50xd
Bank of Baroda (50)	115.00	115.50	113.75	115.00
Central (25)	52.50	52.50	52.20	52.20
Central 'A' (25)	54.00	54.50	54.00	54.00
Dena Bank (50)	45.50xd	—	—	45.50
Punjab National (25)	52.80	53.50	52.80	53.20
Union Bank (5)	8.72	8.80	8.72	8.76
United Com. (50)	60.00	60.00	59.70	59.70
ELECTRIC COS.				
Ahmedabad (100)	94.50	95.00	94.60	94.80
Amalgamated (10)	10.16	10.16	10.08	10.08
Andhra Valley (1,000)	1,077.50	1,081.25	1,072.50	1,080.00
Bom. Sub-El. (100)	102.25	104.00	103.25	104.00
Surat (100-50)	105.50	—	—	105.50
Tata Hydro (100)	113.25	114.00	113.50	113.75
Tata Power (1,000)	1,217.50	1,127.50	1,120.00	1,121.25
INSURANCE COS.				
British India (10)	12.44	12.76	12.44	12.72
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	43.00	47.50	43.00	47.50
Jupiter (15)	8.44	8.44	8.08	8.08
New India (15)	42.50	44.75	42.50	44.00
Oriental (200)	3,980.00	—	—	3,980.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	16.52	—	—	16.52
STEEL COS.				
Ind. Iron (10)	20.44	21.36	20.64	21.36
Tata Steel Ord. (75)	174.00	180.25	174.50	180.25
SUGAR COS.				
Belapur (50)	235.50	240.50	235.50	239.00
Bhopal (10)	21.52	21.52	21.48	21.48
Phaltan (50)	150.50	151.00	139.00	140.50xd
Walchand Ind. (100)	273.50	280.00	273.50	278.75
CEMENT COS.				
Associated Cts. (100)	143.00	150.00	143.50	150.00
Digvijay (100)	136.50	138.50	136.25	138.25
MISCELLANEOUS				
Alcock Ashdown (100)	216.25	227.50	216.25	227.50
Bom. Burmah (125)	565.50	580.00	566.00	580.00
Do. (New) (50)	190.00	191.25	190.00	191.25
Br. B. Petrol (4 sh.)	1.68	1.70	1.64	1.68
Br. Ind. Corpn. (5)	3.94	3.94	3.90	3.90
C. P. Ely. (100)	57.50	—	—	57.50
Hindusthan Motors (10)	6.16	6.32	6.16	6.32
Indian Copper (2 sh.)	2.86	3.00	2.86	3.00
Ind. Inv. Tr. (100)	75.50	76.50	75.50	76.50
Kilnicks (100)	151.00	151.25	150.50	150.50
Polson (100)	180.00	—	—	180.00
Pre. Automobiles (100)	78.50	80.00	78.50	79.50
Premier Con. (30)	159.50	169.25	160.25	167.50
Scindia (20)	16.70	17.08	16.72	16.84
G. E. Shipping (10)	19.80	20.04	19.80	19.96
Shivrajpur (10)	94.00	97.00	93.50	97.00
Tata Chemicals (10)	13.12	13.64	13.16	13.52
Tata Locomotive (100)	145.75	153.50	145.75	153.00
Tata Oil (25)	37.50	38.50	37.50	38.50
W. I. Match (100)	173.00	—	—	172.50

GOVERNMENT SECURITIES	13-3-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	20-3-1958
	Rs. nP			Rs. nP
2½% 1961	94.80	—	4.10	94.80
2½% 1962	97.50	—	3.83	97.60
2½% 1962	94.85	—	3.95	94.85
2½% 1976	88.10	—	4.08	88.10
3% 1948	99.75	—	3.69	99.75
3% 1960-61	99.05	3.66	3.29	99.05
3% 1964	94.40	—	3.94	94.50
3% 1965-66	94.20	4.14	3.94	94.40
3% 1966-68	92.20	4.10	3.90	92.30
3% 1970-75	86.15	4.46	4.14	86.00
3% 1986 Con. Loan	71.05	—	4.22#	71.00
4% 1960-70	100.60	3.77	3.94	100.60
4½% 1958-68	100.40	—	2.31	100.40
2½% 1961 N.P. Bonds	99.65	—	3.60	99.65
2½% 1964 N.P. Loan	97.85	—	3.81	97.95
2½% 1965 N.P. Bonds	97.65	—	3.85	97.70
2½% 1965	97.90	—	3.79	97.95
2½% 1967 N.P. Bonds	97.65	—	3.79	97.65
2½% 1974	98.20	—	3.90	98.20
2½% 1967 N.P. Bonds	99.61	—	3.79	99.70
4% 1972 Loan	100.05	—	4.00	100.05

BRITISH GOVERNMENT SECURITIES

	Closing quotations 10-3-1958 £	High £	Low £	Closing quotations 18-3-1958 £
2½% Brit. Consols	48 ¼xd	—	—	48 ¼
3% Savings Bonds 1965-75	70‡	—	—	70‡
3% War Loan 1955-59	97‡xd	—	—	97‡
3½% War Loan	65	—	—	64‡
4% Victory Bonds 1976	89‡	—	—	88 ½
4% Funding 1960-90	91‡	—	—	91‡

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts
x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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POST-MORTEM ON FOREIGN EXCHANGE POSITION

THE Planning Commission's post-mortem of the debacle on the foreign exchange front for the benefit of Parliament is more candid than one might have expected, but it is not as frank as it should have been. The examination was undertaken in response to the repeated demand from Parliament that the causes that have brought the country to the brink of external insolvency should be thoroughly investigated. The idea behind this demand was evidently that those who were responsible for the bungling could at least be exposed to the public gaze, so that, in future, they dare not aspire for positions of public responsibility and that the people, too, would be careful in selecting leaders for running the administration of the country. The Government has turned down the demand for apportioning blame, but has at the same time sought to assuage public opinion by conducting an objective analysis of the reasons for the foreign exchange crisis. Even this factual note is sufficiently uncomplimentary to the Government. It clearly confirms the distressing fact that the Government has been lacking in economic prescience of high order, an important prerequisite for successful planning.

One of the basic causes of India's foreign exchange difficulties lies in the overambitious character of the second Plan which in turn was born of overoptimism. This overoptimism itself was the result of an exaggerated view of the success of the first Plan, especially in the agricultural sector. It had been naively assumed that India had attained self-sufficiency in food and that its agriculture had made remarkable progress. What was worse, more credit than due was given to man than to nature and this fact was reluctantly conceded only when it was obvious and not when the critics of the planners wrote or spoke about it. An equally important cause for the Plan going awry is the unrealistic ideological predilections of the powers-that-be. The desire to present the people with a spectacular plan on the eve of the second general elections must be put down as the third cause. Soon after the second Plan was finalised, this journal said that the Plan looked more like an election manifesto than an economic plan. In fine, the domination of politics overwhelmed and overruled what little economic prescience there was in the Secretariat of the Planning Commission. Those who advised caution and dared to point out the shortcomings in the Plan were dubbed as defeatists, detractors and visionless people. The foreign exchange crisis would have been neither so sudden nor of such large magnitude as it has turned out to be if the politicians in the Planning Commission had listened to their experts. Further, the politicians, having overruled the expert opinion, should have at least taken vigorous steps promptly to get foreign capital and foreign assistance. This, too, they failed to do. On the contrary, they continued to follow a foreign policy in which economic considerations were subordinated to political considerations. It was not until July 1957, when it became crystal clear that the country was rapidly running into bankruptcy of foreign exchange, that political wisdom began to change. It is, of course, too much to expect the Planning Commission to be candid enough to admit these defects in policy-making, even though they are the basic causes of the foreign exchange problem.

The Planning Commission, however, could have referred at least to such factors as the failure of the Government to encourage the setting up of fertiliser plants by the private sector and the rapid development of known petroleum resources in Assam by that sector. More than two years were wasted in arriving at a decision about the development of oil in Assam and the country has as a result lost several crores worth of foreign exchange. India would have lost nothing but gained everything had it allowed the Assam Oil Company to go ahead full steam with the production of crude oil and its refining. Even the latest settlement on this subject is so unsatisfactory that progress in production of oil is not going to be as rapid as it could be. Why is the Government running after the Russians and the Rumanians after turning down the offer of co-operation and investment made by the British-owned Burmah Oil Company? Are foreign capital and technical know-how from the private sector of a free country inferior to those from totalitarian countries? We are told that considerations of ideology are responsible for this decision. But we fail to see the significance of this ideology, unless it be that the ultimate object of the Government is to impose State capitalism and totalitarianism on this country. Whatever be the reason, the result of this policy is considerable delay in creating the means which would lead to conservation and saving of large sums of foreign exchange.

The same result follows from the Government's refusal, well over two years ago, to Burmah-Shell which was prepared to put up a large fertiliser factory in the Trombay area of Bombay City, where it has its two-million ton oil refinery. By trying to split hairs with the Company on the margin of profit and deciding to have all the new fertiliser factories in the public sector, the Government has put the country to a heavy loss of foreign exchange, besides handicapping the plans for raising agricultural production. If only the Government had the foresight which its critics had and been less pusillanimous in allowing participation of foreign private capital in the development of these basic industries, India's economic progress would have been faster and on sounder footing. Today we are told that it is prepared to allow the private sector to put up fertiliser factories. But wisdom seems to have arrived a little too late, for even the biggest industrial houses in this country will find it difficult to raise the necessary rupee, as well as foreign, capital, unless adequate relief is given in the fiscal burdens imposed upon the private sector. Anyway, the loss suffered by the country as a result of lack of wisdom in the past is immeasurable and cannot be made good.

The foregoing are but two instances of the chances missed by the Government to augment and conserve the foreign exchange resources. Quite a few more instances of this nature can be quoted. But the two are sufficient to show how the pursuit of ideological considerations of dubious value has aggravated the foreign exchange problem and delayed the growth of valuable employment opportunities. And those ministries which have been pursuing these policies are as much responsible for the foreign exchange debacle as the one which liberalised the import restrictions in 1955 and 1956 and issued large licences for a variety of merchandise. It is a pity that neither the Planning Commission nor Parliament has cared to view the problem in its wider perspective and has instead confined its attention to a single track, namely, imports. Such a narrow view is not conducive to learning all the lessons from past experience.

The lack of co-ordination (of policies) and co-operation (in their administration) among the various ministries, as well as between the Government as a whole and the Planning Commission, in regard to imports is clearly established by the Planning Commission's note to Parliament. Otherwise, it is difficult to understand why the Finance Ministry remained silent when heavy import licensing was going on and why the Planning Commission did not act promptly in warning the public and the authorities. It is common knowledge that the then Commerce and Industry Minister and the then Finance Minister were at loggerheads and did not see eye to eye on many economic issues. When Mr. T. T. Krishnamachari said that the agricultural surpluses that arose towards the close of the first Plan period should be conserved within the country by open market purchases for meeting future contingencies, Mr. C. D. Deshmukh refused to concur with him on the ground that such would lead to inflationary consequences. Similarly, when Mr. Deshmukh supported the second Plan—he was one of its authors, as he was then a member of the Planning Commission—Mr. Krishnamachari denounced it as being too large and beyond the readily available resources, though he turned a somersault after he became the Finance Minister and ex-officio member of the Planning Commission, and maintained, even when the ground had become patently untenable, that the whole Plan must be implemented. Last year, when he was charged with having squandered away the foreign exchange resources, he frankly explained that, in 1955 and 1956—the years when import licensing was liberalised—he was not asked to legislate for the second Plan. A pet line of reasoning adopted by Mr. Krishnamachari for allowing large imports of steel, cement, plant and machinery,

credit that, at that time, there were more admirers than critics of this policy.

An important factor that encouraged the Government to permit large imports was the absence of confidence in the future of sterling. No mention of this is made in the Planning Commission's note and the reason for it is obvious. The Suez crisis, which began in the latter half of 1956, the possibility of a third world war, Britain's freezing of sterling balances belonging to Egypt, the serious divergence of opinion between Britain and India and fears of a devaluation of sterling—all these induced many people in this country, including those in authority, to think that it would be better to stockpile basic metals and convert sterling balances into goods. Even at this distance of time, it cannot be convincingly contended, by Indians at any rate, that the attitude then taken was a wrong one. We feel that one ought to make sufficient allowance for this legitimate action before condemning the large imports that were licensed in recent years. The Government's failure to maintain a proper account of the licences issued was, however, an inexcusable lapse, especially for a Government committed to planning. Equally inexcusable was the failure of the Government to take prompt steps for freezing all outstanding licences and reissuing only those considered as absolutely essential. If only the Government had taken this step immediately after it realised that the foreign exchange situation was tending to get out of control, several crores worth of foreign exchange could have been saved. It is, of course, too late to take any such step now, as almost all the outstanding commitments must have become *pucca* contracts, confirmed by payment of margins. The first quarter of 1957 might have been an ideal time for taking this drastic step.

While the Planning Commission admits apologetically, though reluctantly, the charge of overoptimism, it does not carry conviction when it remarks that "over-liberal" imports of consumer goods have had only a relatively small effect on the foreign exchange position. Between 1954-55 and 1956-57, consumer goods imports advanced from Rs. 75.09 crores to Rs. 95.01 crores, a rise of Rs. 20 crores. The real point is that, if the authorities have now found that the country could do with very little imports of consumer goods, they could have as well followed the present policy of austerity in the past. To some extent, this is also true of imports of producer goods. This would have enabled the country to conserve at least Rs. 50 crores per year which could have been more usefully expended on imports of raw materials, vehicles and ships.

COAL INDUSTRY

THE coal industry is among the first victims of the ideological warfare in which the Government has been engaged for some time now. Not content with the system of control which makes it the virtual owner of the industry, the Government has set before itself the onerous target of a significant share in the coal output. If there is no slip between now and 1960-61, the Government will increase its share of the coal output from about 4 million tons to 16.5 million tons. The private sector of the coal industry—there is little "private" about it, considering that its wages, prices, sales and powers of expansion are all controlled by the Government—is expected to reach a target of 43.5 million tons by 1960-61, which, together with the increased output by Government collieries, will make in all 60 million tons. Given the encouragement to which it is fully entitled by reason of its performance hitherto, the private sector in the industry could make a much larger contribution to the total output. But the Government is so obsessed with ideas of State-ownership that it looks askance at any suggestion for reducing its share in the total target for coal production.

In actual practice, the Government's policy has meant both slower utilisation and some misdirection of resources. The private sector increased its coal output from 35.3 million tons in 1955 to 36.4 million tons in 1956 and still further to 40.1 million tons in 1957. Thus, it has accomplished 50 per cent. of its target of 10-million ton increase in output. The Government sector, which has increased its output from 2.8 million tons in 1955 to 2.9 million tons in 1956 and to 3.4 million tons in 1957, has still a long way to go before it reaches the 16.5-million ton target set for it. Hypothetical reasoning is particularly fallacious. Even so, it is undeniable that, if the private sector had been given the green light and the facilities it needed, it would have exceeded its own brilliant record. The misdirection of resources which stems from the Government's ideological predilections was neatly brought out by Mr. Inder Mohan Thapar, in his address to the annual meeting of the Indian Mining Federation, last week. Illustrating his point by a reference to the Government's coking coal programme, he pointed out that, although all the present and future requirements for this variety of coal could be easily met from the existing public and private collieries or from a suitable extension of these collieries, the Government had decided to open a new area—the Kathara field—where one million tons of coking coal per year would be raised by open cast mining. He added: "The point I wish to make is that, in view of our reserves of metallurgical coal being comparatively limited, resources in such areas could be held in reserves for emergencies, and the meagre resources of foreign exchange that are now being utilised for these mines could easily be diverted to more fruitful purposes. In course of time, when India started manufacturing its own heavy machinery, these areas could be exploited with advantage with our own indigenous machinery, without imposing any drain on our foreign exchange resources." Here is a point of view which is so eminently sensible. And if it has nevertheless been overlooked, such neglect could be attributed only to the ideological consideration by which the Government's coal policy is governed.

The dichotomy of the industry into private and public sectors has led to a certain undesirable result. Complaints continue to be made of the Government's prejudice against the private sector, or—if that is too strong an allegation—at least, a certain excessive consideration for the public sector. It certainly does not augur well for the future of mixed economy that the Government should adopt a policy which implies discrimination against the private sector. Allegations of discrimination have been made in respect of both transport and allotment of materials. Mr. Thapar deplored that the requirements of transport of the State collieries came first and only the "left overs" are passed on to private collieries. He revealed that the Planning Commission had recently issued a directive to the Steel Controller to the effect that priority in respect of allotment of steel should be given to State collieries over the private collieries. Mr. D. Hogg, Chairman of the Indian Mining Association, another body representing coal producers, was equally vehement. Addressing the annual meeting of the Association, he said: "Facts must be faced. Why are heavy stocks held by one sector and not by the other? Should greater priority be given to the movement of coal to burn bricks for Government staff quarters in preference to industrial housing or a housing estate?" We know that the Government has, in the past, denied that it discriminates against the private sector. But the fact that allegations of such discrimination continue to be made by responsible and competent persons suggests that there is need for an impartial examination of the whole issue. Of what avail is it to the nation at large when one sector gains at the expense of the other if the total gain is less than what it could be under a system of economic justice? It is to be hoped that the Government will modify its policies, so that there is no ground for the criticism that it regards the private collieries as an unwanted child in the national family.

The creditable record of performance by the private sector of the coal industry has turned out to be a liability rather than an asset. It has apparently induced among the authorities a feeling of complacency. It would, however, be a dangerous illusion to think that, because it has done well so far, it could continue to do well in the future whatever happened. There are limitations to what could be achieved by the ingenuity and the initiative of this sector, unsupported by positive incentives to effort and facilities for undertaking an expansion programme. From this point of view, Mr. Hogg did well to list a few of the more important of the basic needs of the industry. He called attention to the need for (1) a realistic price structure, (2) security of tenure for leaseholders, (3) adequate transport, (4) facilities for the installation of required plant and machinery, and (5) a realistic approach to both the controls which bind the industry and the labour problems with which it is constantly faced. These may well be regarded as the "must" for the progress of the industry.

Appropriately enough, Mr. Hogg has placed the price issue first in the list he drew up. No issue has been more debated in recent years and yielded less result than coal prices. It is a long story of neglected opportunities, of economic higgling, of needless procrastination and belated action. At no time has the Government succeeded in giving a convincing answer to its critics. It is always a question of "too little and too late." If the Government concedes Mr. Thapar's legitimate contention that "coal must pay its way," it will be easy for it to find an acceptable solution. It is true that coal is a basic industry. Coal is an element of cost for other industries. But this consideration can be easily exaggerated. It accounts for only 1 to 5 per cent. of the production costs in most industries. Again, coal prices have almost stood like a rock against all the inflationary winds. Mr. Thapar quoted some illuminating statistics. As compared with 1947, wages in collieries are up by 54 per cent.—wages constitute some 60 to 70 per cent. of the production cost—and the cost of stores by about 50 per cent., whereas the increase in coal prices has been of the order of only 26 per cent. But wages and stores are not the only items to go up. Heavier depreciation has had to be provided; electrical charges, cesses, freights and building material prices have all moved up. The plain fact is that, since coal is a wasting asset, the price should carry an element which would help recover the original capital over a period of years. Further, the industry should earn a sufficiently large profit which would help it in carrying out its expansion programmes. For, as Mr. Hogg said, "there must be an adequate margin of profit to enable money to be ploughed back into the industry for future development, since, in mining, development is a continuous process which requires continued expenditure of a capital nature."

All these factors deserve to be taken into account by the Coal Prices Revision Committee which is engaged in the task of assessing the production costs in the industry as a prelude to recommending the necessary increase in coal prices. It would appear that the Committee has collected data relating to production costs for the years 1955 and 1956. In this connection, Mr. Hogg pointed out that the "information collected is now completely out of date," inasmuch as costs have risen since the data were collected. The increases in costs have been occasioned by the implementation of the Appellate Tribunal's award for workers, annual increments in wages, certain additional welfare amenities and the cost of implementing the new Coal Mines Regulations which involve the appointment of additional staff. The Committee will, therefore, do well to take all these factors into account before it submits its recommendations to the Government. Again, the soft coke producers have been particularly badly treated in the past. In June last, when the Government allowed an increase of Re. 1-8 per ton, it did not extend the increase in prices to soft coke producers. Mr. Thapar said: "I feel that a grave injustice has been done to the producers of soft coke by denying them their legitimate share in the recent price increases." He rightly urged that, in the interest of preventing deforestation and promoting the use of cowdung as manure, the production of soft coke must be encouraged. This can be done only by fixing soft coke prices at an economic level.

Finally, there is the all-important question of safety in the mines. It has acquired a new importance by reason of the recent disastrous accident in one of the best-equipped mines in India. It should serve to show that no one could be too safety-conscious. Here is a sphere in which labour leaders could do a great deal to supplement what the employers do on their own and are compelled by law to do. Statutory regulations have their place. But, as Mr. Hogg emphasised, "a most fundamental point is that education of our miners will require to be undertaken vigorously in order to achieve results and greater safety." Adult literacy, with special emphasis on the elementary knowledge of combustion in a coal mine and a wider diffusion of safety-consciousness among all ranks of workers, are absolutely necessary in order to prevent accidents. The union leaders owe it to the miners whom they serve to co-operate continuously with the management in inculcating a sense of safety-awareness in the workers.

ONE FETTER REPLACED BY ANOTHER

NEW LOAN PROSPECTS—U.K. BANK RATE—SUGAR AND 'KHANDSARI'—EGYPTIAN COTTON

THURSDAY, 5 P.M.

THERE have been no outstanding developments in the share markets this week. Although there was some profit-taking by bulls and the closing rates of today are well below the highest levels touched earlier in the week, sentiment remains unchanged. The profit-taking that emanated at the higher levels was of pre-settlement character. It is only but natural that some speculators should have decided to book their profit when the going is good. Further, there is a growing realisation that, unless the restrictions placed on the use of development rebate under the new Finance Bill are suitably modified, they will adversely affect the dividend-paying capacity of companies which have undertaken large development programmes. This view is mainly responsible for some of the scrips such as T.I.S.Co., I.I.S.Co., and National Rayons not being able to retain the entire gain they had made last week. It will, therefore, be important to wait and see what happens to these new restrictions in the Select Committee. If the amendments suggested by the spokesmen of industrialists and investors are not accepted, it will mean a distinct hardship to all those companies which have taken on hand substantial capital investment either on modernisation or on new lines of manufacture.

MARKET GOSSIP

There are, however, some who feel that it is not necessary to take an unduly pessimistic view of the consequences even if the Select Committee refuses to concede the industrialists' point of view. They point to the experience of the Bombay Dyeing Company which had spent in 1957 large sums of money on the installation of automatic looms. Although this Company had to debit its profit and loss account with as much as Rs. 45.80 lakhs by way of development rebate, it has managed to maintain the dividend at 10 per cent. But, in order to do so, it has had to withdraw from the dividend equalisation reserve no less than Rs. 23 lakhs. Not all companies, however, will be in a position to follow this practice. Take, for instance, the Tata Iron and Steel Company, Ltd. The aggregate cost of the expansion programme of this Company is put at Rs. 100 crores, of which the bulk, estimated at Rs. 75 crores, will be completed in 1958-59. If the new provisions pertaining to development rebate were to be enforced as they are, it would mean that the Company would have to debit the profit and loss account for that year with as much as Rs. 19 crores. The Company's capital expenditure in 1957-58 is said to be about Rs. 9 crores, so that Rs. 2.25 crores will have to be set apart from the profit for the year just closing. This amount is equal to a little more than one-third of the net profit for 1956-57. How can this Company, which requires well over Rs. 2 crores to pay its normal dividends, afford to remunerate its shareholders by drawing upon its past reserves, as the Bombay Dyeing has done? The position is similar with the A.C.C., Indian Irons and many other companies.

It may be argued that, as a result of the new proposals, only that portion of the profit that is required to pay dividends will be affected and that the companies themselves do not lose anything, for the development rebate will be held as a reserve. This is true enough, but are not shareholders to get a decent return on their investments in these days of high cost of living? And, if they do not, the market value of their investments also will go down. They will thus be subjected to an additional hardship.

It is noteworthy that a part of the explanation given by Mr. Nehru, in his capacity as the Finance Minister, for suspending the operation of compulsory deposit liability is the tightening of the conditions pertaining to the development rebate. In other words, one fetter on the private sector has been replaced by another.

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Conditions in the money market are still the same as those described in these columns last week. The demand for bank credit continues to be good and sizable. The Reserve Bank has pushed up its selling rates further for some of the Central Government loans, thereby indicating that it is quite earnest about preparing the market for this year's borrowing of the Central and State Governments. In view of the relatively larger deposit resources with banks now as compared with what they were a year ago, the chances of the Governments' success in raising the amounts they require are better. The Central Government at least can put through its borrowing programme with smaller support from the Reserve Bank. The State Bank of India alone can take up a very big block of the new loans, with the help of rupee counterpart funds of the U.S. and other foreign Governments.

As the commercial banks will constitute an important prop for the new loans, the Government will probably think it wise to rely on the type of borrowing programme followed in 1956, instead of on last year's pattern of only two loans, namely, a medium and a long-dated. Thus, it may issue, as was briefly hinted at in these columns last week, a short-dated loan, a medium-dated loan and a long-dated loan. The precise years of maturity will be fixed by taking into account the repayment position of the existing loans. A glance at them shows that the Government may as well issue a five-year loan, a ten-year loan and a fifteen-year loan. In view of the fact that, between 1959 and 1964, the maturities amount to Rs. 822.71 crores, the issue of a short-dated loan sounds a difficult proposition if one is to worry about the problem of repaying the outstanding loans now. But the authorities may not do so, as their present needs are urgent. The only loan that matures in 1963 is the 3 per cent. 1963-65, with an outstanding of Rs. 115.17 crores. This may not appear to be a very large amount five years hence, by which time the resources of the money market may expand enormously. The authorities, therefore, can justifiably proceed on the assumption that they can easily add at least Rs. 50 crores to the liability falling due in 1963. If this assumption is correct, then one can expect them to offer a 3½ per cent. 1963, the issue price depending upon the ruling yields on comparable loans.

Since the amount of outstanding loans to be repaid this year is no more than Rs. 21 crores and as the 3 per cent. 1959-61 carries the option to be repaid after 1959 but by 1961, it is unlikely that there will be any offer of conversion by the Central Government this year. The entire new issue will be offered for cash only. As the 1959-61 loan carries an interest rate of only 3 per cent.—a rate well below the current rate of interest even for three months' money—the Government can conveniently exercise its option, when the time comes, to repay after 1959.

To sum up, the forthcoming borrowing programme of the Central Government will, in all probability, consist of a 3½ per cent. 1963, 3½ per cent. 1968 (in which year there are no loans to be repaid) and 4 per cent. 1973, also a blank year. It is significant, in this connection, that the Reserve Bank has already pushed up the selling rate for the 4 per cent. 1972 loan to a premium of 10 naye paise.

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There is an understandable note of warning in the official explanation in the U.K. for the decision to cut the Bank of England rate to 6 per cent. from 7 per cent., to which level it had been raised 27 weeks ago from the 5 per cent. level. In effect, the explanation insists that the cut should not be interpreted as a green light for inflationary expansion. The abnormal rise in the Bank rate from 5 to 7 per cent., according to a statement by the Bank of England, was required both to defend sterling against the marked lack of confidence in the exchange market of the world and also to support Government measures to maintain the real value of the pound. It adds: "While there is still a need to strengthen further the overseas monetary position, the speculative pressure against sterling has ceased and such an exceptionally high level of short-term interest rates in London is no longer justified. But at home, although inflationary pressures are moderating, the reduction in Bank rate does not imply any general relaxation in monetary policy."

Even without this explanation, it should be evident that the authorities are not inclined to regard the cut as a reflationary measure. For the Bank rate in the U.K., even at its present reduced level, is much higher than not only that in the U.S. (2½ per cent.) but also that in Continental countries such as Germany (3½ per cent.), France (5 per cent.), Italy (4 per cent.), Belgium (4½ per cent.) and the Netherlands (4½ per cent.). Be that as it may, the cut in Bank rate, which came as a pleasant surprise to City circles, was followed by a reduction in other interest rates and a smart rise in equities and Gilt-edged. The interest rate for 7-days' notice deposits declined from 5 to 4 per cent. and that for overdrafts to first class borrowers from 7½ per cent. to 6½ per cent. The Government could borrow on Treasury Bills at cheaper rates—at 5 9/16 per cent., as against 5⅝ per cent. earlier. The *Financial Times* Industrial Ordinary Index moved up from 160.2 to 164.5 and of Government securities from 80.87 to 81.26. Perhaps, the equities would have made an even better showing in the absence of the Government's re-affirmation of the broad lines of its anti-inflationary policy. Generally speaking, the U.K. Government's decision to cut the Bank rate reflects the improved external position of the pound. Nearer home, the Government apparently feels that there can be no relaxation of effort on its anti-inflationary front where credit curbs and control on capital issues continue to be in operation. Emphasising that too much should not be read into the Bank rate decision, the *Financial Times* says:

"The most important event of the week for stock markets was undoubtedly the reduction of Bank rate. It led to an improvement in the Gilt-edged market and to a sharp rally in industrials. Yesterday, the rally was satisfactorily maintained, and the bill rate was reduced, though not perhaps by quite as much as might have been expected. The cut in Bank rate was, of course, in itself an encouraging event, but it was not one on which too great an emphasis should be placed. After all, 6 per cent. is itself still a high Bank rate, and until a few months ago would have been thought of as an exceptionally high one.

"It is also true that the authorities were anxious to discourage any overoptimistic interpretation of their move. They found themselves with sufficient free play to be able to make this reduction, but they are still careful not to encourage any return to inflationary conditions. For the industrial market at any rate there is the rather depressing reflection that the hope of lower interest rates depends mainly on the development of a more serious degree of recession. In short, falling yields would be the accompaniment of falling profits."

Was the timing of the step correct? On this question, there is a section of opinion which feels that the decision could have been taken later. Discussing the merits of the decision, Mr. Oscar Hobson, the well-known commentator in the *News Chronicle*, observes:

"And on the merits of the Bank rate decision itself, what should the judgment be? In the City there are, as always, two schools—one which would have waited awhile before making the change, the other lot for the immediate plunge. Temperamentally I am with the former. Had the choice been with me, I should have waited another month or so. Nevertheless, I make no complaint. I hold, as I have already indicated here, that the essential work of the Bank rate has been done.

"The differentials between London rates and those in other centres, such as New York or Frankfurt, are now at least as much in favour of London (owing to reduction in other Bank rates) as they were six months ago. So there was no reason for maintaining our rates to attract or retain foreign funds. Sterling exchange rates wavered yesterday only by insignificant fractions, indicating that so far overseas opinion is unperturbed.

"One might indeed have kept the Bank rate at 7 per cent. a little longer for the sake of the influence it might have on the wages situation. I have some sympathy with that view, though, for reasons I indicated yesterday. I think there are more powerful forces than the Bank rate now in charge. And if need be, the Bank rate can, of course, be raised again. Since 1951, much lip service, but little observance, has been given to the doctrine of 'flexibility'."

An echo of the U.K. Bank rate decision was heard in the Lok Sabha. Replying to a question on the impact of the decision on the deferred payment arrangements which India has concluded with Britain, the Union Deputy Minister for Finance, Mr. B. R. Bhagat, revealed that, during the period upto 19th September 1957, imports of a total value of about Rs. 885.26 lakhs were approved in 16 cases from the U.K. on deferred payment basis. Of these, only in three cases of imports of goods, valued at about Rs. 435.59 lakhs in all, was the rate of interest specified, namely, 6 per cent. In none of these cases, involving a total import of Rs. 885.26 lakhs, was the rate of interest expressed as being linked with the Bank rate and hence the cost of these deferred payment arrangements was in no way affected by the subsequent rise in Bank rate. From 20th September 1957, the date of rise in the U.K. Bank rate to 7 per cent. up-to-date, imports of a total value of about Rs. 434.21 lakhs were allowed in 15 cases from the U.K. Of these, only in four cases of imports of a total value of Rs. 251.00 lakhs were interest rates specified.

The rate of interest specified was 7 per cent. in respect of imports of goods valued at Rs. 74.63 lakhs; 9 per cent. in respect of goods valued at Rs. 135 lakhs; 8 per cent. on goods valued at Rs. 6.67 lakhs and another 7 per cent. for a batch of goods valued at Rs. 34.70 lakhs. Mr. Bhagat said: "It will be observed that the rates of interest in the cases for which interest rates are separately available are higher during the period after 20th September 1957. In the other cases, the deferred payment arrangements specify only the gross instalments payable and no particular rate of interest is specified. It is, therefore, not possible to specify exactly what the impact of the rise in the Bank rate has been on the cost of the deferred payment arrangements in these cases."

Whether actually specified or not, there is no doubt that deferred payment arrangements from the British end will be influenced by the level of interest rates in that country. To the extent the Bank rate has been reduced in the U.K., deferred payment arrangements, concluded hereafter, may turn out to be less unfavourable to this country. But, since the reduction has been only marginal, it is unlikely that the relief will be substantial. Deferred payments arrangements, concluded with a country with high interest rate structure, imply two disadvantages. They are bound to be costly to the borrowing country at the time they are concluded. And once they have been concluded they cannot also be suitably modified when interest rates fall in the creditor country, unless, of course, they are linked to the Bank rate.

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The protracted delay in the announcement of sugar export policy is not surprising. The world sugar markets continue to rule depressed and the Government of India has not been able to find how best the heavy loss arising from sugar exports can be met even after allowing full remission of excise duty and cane cess. The Indian Sugar Mills Association is said to be firmly in favour of its proposal for the imposition of an extra levy on sugar used domestically in order to meet the loss on export. But this proposal has evoked very strong protest at the hands of not only a section of sugar millowners but also the trade, in general. Speaking at the thirteenth annual general meeting of the Bombay Sugar Merchants' Association held in the City day before yesterday, Mr. Maneklal Ujamshi, the President, declared that the proposed levy was unjustified, as the sugar industry had up to now prospered entirely at the cost of the consuming public. Proceeding, Mr. Ujamshi observed:

"In the early months of 1948-49, sugar mills collected from merchants a large sum of over Rs. 50 lakhs in the name of subsidy at the rate of As. 4 per maund. This amount with interest will be over Rs. 1 crore. Many of the mills have not even paid the amount to the Sugar Syndicate and have preserved the same with them on one excuse or another. This amount should be utilised in the initial stage to meet the loss on exports. The matter is known well to the Government, but it is regrettable that the amount has not been realised from the mills."

This is, indeed, an interesting point. It will be recalled that, in December 1948, as a result of the

(*Continued on page 616*)

EQUITIES REACT AT CLOSE

END-OF-ACCOUNT SELLING

(From Our Own Correspondents)

BOMBAY, *27th March*

AFTER maintaining a steady note for the major part of the week under review and a further gain in values, equities suffered a sizable setback on the Stock Exchange today. End-of-account profit-taking, fears of higher *badla* charges on account of the fact that the next settlement would be a prolonged one extending over three weeks, and baseless rumours about levy of excise duties on steel, rayon, paper, etc., all brought prices down at the close well below the week's best levels. While some of the counters, such as steels and rayons, showed losses over the week, the majority managed to finish with small gains.

Earlier in the week, sentiment was kept intact and the sharp gains recorded in the previous week were well consolidated. The Union Commerce and Industry Minister's speech in the Lok Sabha, in reply to the debate on his Ministry's demand, clarifying the State Trading Corporation's policy, good corporate results and hopes of more liberal U.S. aid provided the main helpful factors.

In the steel section, Tata Ordinaries crept up from Rs. 180.25 to Rs. 181.75, but suffered a setback today to Rs. 178.50. The new shares lost over the week Rs. 1.25 to Rs. 174.25. Indian Irons improved from Rs. 21.36 to Rs. 21.60 before reacting to Rs. 21.08 at the close.

Despite the setback today, textiles recorded moderate gains over the week. Bombay Dyeings moved up from Rs. 55.40 to Rs. 56.40, but drifted today to Rs. 55.60. Centurys gained from Rs. 425 to Rs. 434, before reacting to Rs. 424.50 today. The closing was a shade better at Rs. 426. Kohinoors moved irregularly and rose from Rs. 283 to Rs. 286, but in the reactionary trend which developed today, they dropped to Rs. 281.50. Central Indias lost Re. 1 to Rs. 89.50 and Finlays Rs. 2 to Rs. 281. Gokaks were marked up by Rs. 2 Rs. 153, while Indu Ordinaries were unchanged over the week at Rs. 9.96. Khataus gained Rs. 6.50 to Rs. 160.50. New Greats changed hands Re. 1.50 lower at Rs. 207.50, but Podars were picked up Rs. 5 higher at Rs. 145. Sassoon Silks rose by Re 1.76 to Rs. 8 and Sassoon Spinnings by Rs. 2.75 to Rs. 35. Shree Niwas Cottons showed no change over the week at Rs. 148, while Simplex shed Rs. 2 to Rs. 159.50. Standards were higher by Rs. 4 at Rs. 436 and Svadeshis by Re. 1.50 at Rs. 185. Swans changed hands Rs. 35 higher at Rs. 360. Tata Mills were, however, unchanged at Rs. 41.

Bank and insurance shares were steady with business done at higher levels. In the electricity section, Ahmedabad Electrics were a fraction lower at Rs. 94.70. Bombay Suburbans were maintained at Rs. 104 and Surat Electrics at Rs. 105.50, while Tata Hydros moved up by Re. 1.50 to Rs. 115.25. Andhra Valleys were done Rs. 10 higher at Rs. 1,090 and Tata Powers Rs. 11.25 better at Rs. 1,132.50.

Sugar shares were steady. Belapurs came up to Rs. 242 from the previous week's close of Rs. 239, but finished lower at Rs. 240. Phaltans shed Re. 1 to Rs. 139.50, while Walchandnagars gained over the week Rs. 4.25 to Rs. 283. In the cement group, Associated Cements moved between Rs. 152.50 and Rs. 149.25 and closed at Rs. 150.50 with a fractional gain over the week. The new shares gathered Rs. 3.50 to Rs. 144.50. Digvijays recorded a gain of Rs. 4.75 to Rs. 143. Despite the sharp reaction today, Alcock Ashdowns, in the engineering group, showed a gain of Rs. 25 over the week at Rs. 252.50. Tata Locomotives rallied from Rs. 153 to Rs. 160, before slipping down to Rs. 156.50. Premier Constructions improved by Re. 1.75 to Rs. 169.25. Larsen and Toubros rose by 40 nP to Rs. 14.20 and Mahindras provided a feature with a rise of Re. 1.12 to Rs. 19.24. Among mining shares, Shivrajpurs showed no change at Rs. 97. The Company has maintained the distribution to the shareholders at Rs. 8 per share (made up of a dividend of Rs. 5 and a bonus of Rs. 3) for the year ended 30th November 1957. Indian Coppers were 20 nP higher at Rs. 3.20.

Automobile shares provided a good feature on keen enquiries from interested quarters. Premier Automobiles shot up from Rs. 79.50 to Rs. 87.50 before closing at Rs. 84.50. Hindustan Motors changed hands 80 nP higher at Rs. 7.12. In the shipping group, Scindias moved up from Rs. 16.84 to Rs. 17.36 before closing at Rs. 16.96. Great Easterns finished 24 nP higher at Rs. 20.20. Among miscellaneous industrials, Bombay Burmahs (old) jumped from Rs. 530 to Rs. 550.50, but reacted to Rs. 539.50 at the close. National Rayons suffered a reaction from Rs. 243.25 to Rs. 236.50, while Gwalior Rayons stood 64 nP higher at Rs. 12. Tata Chemicals were steady at Rs. 13.64 and Tata Oils at Rs. 39. Hindustan Levers were done 86 nP higher at Rs. 23.28.

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Calcutta Stock Exchange

CALCUTTA, *26th March*

Expectations of higher retention prices for steel, increased prices for coal and cement, and improved prospects for sugar industry were the main factors which imparted strength to the Calcutta Stock Exchange during the week under review. The reduction in excise duty on cloth and the suspension of the much-vexed company reserve deposit scheme also continued to attract more buyers. The assumption of office as Finance Minister by Mr. Morarji Desai, too, was looked forward as a favourable factor, since it was thought that Mr. Desai was more practical than his predecessors. His announcement in Parliament that the State Trading Corporation would not step into the tea trade was greeted with cheer. The report that the House of Birla would be starting some industries in Kerala in agreement with the Communist Government there was considered as significant, as it was expected that the attitude of the Communist Members in Parliament towards the private sector as a whole would undergo a radical change and this should be reflected in less labour troubles in industrial areas, where union activity is in the hands of the Communist Party.

The absence of an announcement so far of a cut in export duty on inferior teas had been a disappointment, but Mr. Desai's earlier announcement in his capacity as Minister for Commerce and Industry that a scheme was being evolved was noted. It was hoped that no undue delay would be caused in according the expected relief. Earlier in the week, more jute shares changed hands with the rise in prices of jute goods. The recovery, however, was not maintained, as demand for jute goods from foreign countries petered out towards the end of the week and prices of goods gave way.

Coals received fair attention, as it was thought an increase in coal prices would soon be announced. Central Indias were raised from Rs. 7.06 to Rs. 7.12. Burrakurs jumped from Rs. 22.60 to Rs. 23.25. Equitables were fractionally higher at Rs. 25.87. Another feature was Western Bengals which hardened from Rs. 5.25 to Rs. 5.56. Bengals were, however, unchanged at Rs. 208.

Although there were more enquiries and more business in jutes, recovery was confined to selected counters. Later in the week, there, in fact, was a sagging tendency. Thus, Nationals, after changing hands at Rs. 22.20, as against Rs. 22 earlier, closed lower at Rs. 22.15. Champadanies were unchanged at Rs. 94, while New Centrals moved up from Rs. 13 to Rs. 13.50, and Chitavalsahs from Rs. 10.94 to Rs. 11.31.

Prospects for higher steel retention prices assisted sentiment in speculative Indian Irons. They opened at Rs. 21.33, rose to Rs. 21.43 and closed at Rs. 21.38. Texmacos at Rs. 18.35 were fractionally higher, while Burn and Cos. were fractionally lower at Rs. 325.50. From Rs. 22.25 Jessop and Cos. sagged to Rs. 21.19.

Teas showed small changes. Bishnaths changed hands at Rs. 19.87, as against Rs. 20.50 earlier. Rydaks declined to Rs. 26.87 from Rs. 27.25, but Huldibaris strengthened to Rs. 20.87 from Rs. 19.25 and Patrakolas to Rs. 128 from Rs. 125.

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Madras Stock Exchange

MADRAS, *25th March,*

The Madras Stock Exchange ruled distinctly steady during the week under review. The sentiment of operators was influenced favourably by the recent grant of a sizable loan by the U.S. Export-Import Bank and reduction in British Bank rate. These developments led to expectations of improvement in credit facilities available to the industries. There was widespread buying in plantation shares at markedly higher prices. The buying was induced by the assurance of the Union Minister for Commerce and Industry that measures designed to give relief to exporters of common teas would be expedited. Textiles were also well supported at higher levels. Following the reduction in excise duty on mill-made cloth, there were hopes of the Government taking steps to relieve the distress caused by the slump in yarn market.

Among tea shares in the planting section, Peermades evoked excellent support and advanced by Re. 1.50 to Rs. 21.50. Coonoors rose by Re. 1.35 to Rs. 20.15, Twyfords rallied a rupee to Rs. 13.50, Talayars gained 80 nP to Rs. 9 and Nonsuch Teas 88 nP to Rs. 21.50 *cum-div.* Parksides and Haileyburias put on 50 nP each to Rs 17.25 and Rs. 17.75, respectively. Among coffee shares, Coffee Lands were in the limelight, their quotation spurting by Rs. 1.25 at Rs. 32.50. Consolidated Coffees went up by a rupee to Rs. 23.95. Rajendras strengthened by 78 nP to Rs. 9.90. Savamalais were 32 nP higher at Rs. 4.35. Rubber shares also attracted good attention. Anandams rose by 90 nP to Rs. 15.40. Malabar Industrials improved by 75 nP to Rs. 14.50. T.R & Ts and Highlands climbed up by 60 nP each, the former to Rs. 6.90 and the latter to Rs. 13.10.

In the textile section, Metturs were well supported, the quotation being marked up by Rs. 6.50 to Rs. 404 *cum-div.* Bangalore Woollens increased by Rs. 4 to Rs. 173 *cum-div.* and Buckinghams by Rs. 3 to Rs. 167 *cum-div.* Ranga Vilas improved by Rs. 2.50 to Rs. 65, Lakshmis by Rs. 3.50 to Rs. 115, Rajalakshmis by Rs. 2 to Rs. 74 and Coimbatore Spinnings by Re. 1.75 to Rs. 61. R.C. Ambikais, however, were quiet at Rs. 153 *cum-div.*, reflecting disappointment of operators over the cut in dividend to only 7 per cent. for the year ended 31st December 1957, as against 20 per cent. in the previous year.

Among miscellaneous industrials, Hindustan Levers were higher by Re. 1.37 at Rs 22.87 *cum-div.* Spencers hardened by 40 nP to Rs 17. A. V. Thomas were better by 30 nP at Rs. 16.30. India Cements rose by 27 nP to Rs. 27.12 and Radio and Electricals by 25 nP to Rs. 6.

STATE BANK OF HYDERABAD

PROFIT IMPROVES SIZABLY

THE twelve months ended 31st December 1957 represent the first full year of working of the State Bank of Hyderabad (Managing Director: Mr. Balwant Singh, Hyderabad) after it was reconstituted and taken over by the Reserve Bank of India in October 1956 under an Act of Parliament, known as the State Bank of Hyderabad Act 1956. The working results of the Bank for the year under review are not strictly comparable with those for the previous accounting period, because the latter related to the fifteen months ended December 1956, following the change in the Bank's financial year-end from September to December. That the Bank has done well during 1957, despite the higher establishment costs, is evident from the fact that the profit, after providing for taxation, amounts to Rs. 5.29 lakhs, as compared with Rs. 4.43 lakhs (also after providing for taxation for the previous fifteen months. The profit for the corresponding twelve months of 1956 was Rs. 4.02 lakhs (subject to provision for taxation).

Out of the profit for the year under review, the Directors have transferred Rs. 2.94 lakhs to the reserve fund (as against Rs. 1.35 lakhs set aside from the previous fifteen months' profit) and have maintained the allocation to the pension fund at Rs. 75,000. The provision for gratuity fund has been doubled from Rs. 25,000 to Rs. 50,000 and a sum of Rs. 1.10 lakhs has been provided for bonus to staff as against Rs. 1.35 lakhs paid for the previous fifteen months. No allocation has been made to contingency fund, for which a sum of Rs. 1.62 lakhs had been provided a year ago.

The paid-up capital of the Bank is unchanged at Rs. 50 lakhs. With the transfer of Rs. 2.94 lakhs from the year's profit, the reserve fund has been brought up to 50 per cent. of the paid-up capital. The deposits as on 31st December 1957, at Rs. 13.78 crores, show a slight fall from Rs. 14.60 crores a year ago. Though the decline in deposits is small, it is in distinct contrast to the general trend of deposits of commercial banks. The Directors, however, attribute this fall partly to the repayment of Government deposits in accordance with the arrangements entered into with the erstwhile Government of Hyderabad and the Reserve Bank of India at the time of the appointment of the Bank as the agent of the Reserve Bank for the conduct of Government business in Hyderabad. There has also been some loss of deposits at the branches of the Bank in Bombay, as a result of the Bank's decision, as part of its revised policy, to restrict certain types of facilities previously made available at the Bombay branches, and its decision not to offer high rates of interest. Of the deposits, fixed deposits have declined from Rs. 6.38 crores to Rs. 5.74 crores and current and other accounts from Rs. 6.96 crores to Rs. 6.54 crores, while savings bank deposits have gone up from Rs. 1.26 crores to Rs. 1.49 crores.

On the assets side, advances have recorded a marked fall from Rs. 9.72 crores to Rs. 7.42 crores. Loans, cash credits and overdrafts have declined from Rs 7.84 crores to Rs. 6.03 crores and bills purchased and discounted from Rs. 1.88 crore to Rs. 1.39 crore. The fall in total advances is "accounted for partly by a delay in the momentum of seasonal advances and partly by the more cautious policy followed by the Bank in the matter of granting advances." The relatively sharper fall in advances as compared with that in deposits has brought down the credit ratio from 66.6 per cent. to 53.9 per cent. Investments are slightly higher at Rs. 3.11 crores (as against Rs. 3.03 crores a year ago), at which level they bear a ratio of 22.6 per cent. to deposits, the corresponding ratio at the end of 1956 being 20.8 per cent. Cash balances (including money at call and short notice) have been considerably enlarged from Rs. 2.48 crores to Rs. 3.76 crores, of which money at call and short notice alone accounts for Rs. 2.67 crores, having gone up from a mere Rs. 3 lakhs, while other cash balances have dwindled from Rs. 2.45 crores to Rs. 1.09 crore. The cash ratio has gone up from 17.1 per cent. to 27.3 per cent., and, together with investments, the total liquid assets as at the end of the year constitute 49.7 per cent., having been strengthened from 37.7 per cent. at the end of 1956.

The Bank continued to function as the agent of the Reserve Bank of India for the management of Government transactions and the custody of the currency chests of the Issue Department of the Reserve Bank of India at the centres where it was handling this work prior to the reorganisation of States.

NEWS IN BRIEF

A CENTRAL Government Press will be located at Mettupalayam in Coimbatore district, according to a proposal received by the State Government from the Centre. The acquisition of land for the Press has already been completed.

A preliminary survey in connection with the conversion of the Miraj-Pandharpur-Kurduvadi line into broad gauge has just been completed. Preliminary reports after its examination from the commercial and accounts points of view will be submitted to the Railway Board in about a month. The scheme is estimated to cost Rs. 10 crores.

The joint steamer companies of Gauhati have announced an increase in all freight rates by approximately 10 per cent., from 1st April. The enhancement of rates is said to have been necessitated by the continued increase in all overhead costs, while the revenue did not rise to the expected level owing to unfavourable river channels in Assam and Cachar.

The Union Government is expected shortly to approve schemes formulated by State Governments for the institution of apprenticeship courses for skilled and semi-skilled workers to undergo training in automobile and other industries. The schemes will commence working from next academic year. A sum of Rs. 34.76 lakhs has been allocated for next year for expanding industrial training institutes in Madras State.

India is expected to buy Thai rice again after a lapse of several years. The Indian Ambassador to Thailand, Mr. Mohan Sahay will make an offer for Thai rice after his return from leave soon. India is planning to increase her industrial goods exports to Thailand. It had suspended rice purchases from Thailand after a dispute over a rice shipment some years ago.

A limited company with a capital of Rs. 1 crore has been formed at Tiruchi in Madras State for manufacturing insulators and for producing malleable and non malleable castings and non-ferrous castings. The factory, which will be started shortly in Vadalur near Neiveli, is expected to commence production by July next year. It will have a production capacity of 1,200 tons of insulators, 2,000 tons of castings and about 120 tons of nonferrous alloys a year.

Negotiations with a U.S. firm for setting up a streptomycin plant at the penicillin factory at Pimpri near Poona have been practically finalised. The project will cost about Rs. 1.5 crores. The plant is likely to go into production in about two years. It will produce streptomycin and dihydrostreptomycin. The annual production is expected to be in the neighbourhood of 45,000 kilograms of these anti-tuberculous drugs. When in full production, the factory, it is stated, will be able to meet the entire requirements of the country in these drugs.

The Government of Bombay has appointed a study group of experts, with the Secretary to the Public Works Department as Chairman, to examine and propose specific measures for solving a number of problems arising mainly from over concentration of industry in the suburban and metropolitan areas of the Bombay City. The problems relate to overcrowding, shortage of housing accommodation, lack of open spaces and playing fields, and congestion of traffic. The study group will consider the possibilities of dispersing industry over a wider area by regulating location of new industrial units.

A decision to equip Dum Dum airport at Calcutta with a runway adequate for jet operation is expected to be taken by the Government shortly. Without such a runway, it is stated, the airport will not be able to handle the heavy volume of international traffic it now receives, when airlines switch over to jet aircraft. At present, Dum Dum receives four times the international traffic handled by Santa Cruz at Bombay. Construction of a jet runway for Santa Cruz has already been sanctioned, presumably because it is Air India International's base and A.I.I. is planning to operate jet airliners.

The U.P. Government has enforced the U.P. Foodgrain Dealers Licensing Order and U.P. Rice Mills (Licensing and Control) Order 1958, throughout the State with immediate effect. Accordingly, all dealers in foodgrains within the State, having stocks of 100 maunds or more of wheat, barley, bajra, jowar, rice, paddy, maize or products thereof, and owners, having a rice mill in which paddy is hulled and processed for conversion into rice by power, are required to obtain licences from the Regional Food Controllers who are the licensing authority for the purpose. The orders have been issued with a view to maintaining and increasing supplies of essential commodities and for securing their equitable distribution and availability at fair prices.

The Central Board of Trustees of the Employees' Provident Fund has decided to recommend to the Central Government that interest at 3¾ per cent. per annum be credited to subscribers' accounts for 1958-59; the same rate of interest was declared for 1957-58. The total amount of provident fund contributions for 1958-59 on which the rate of interest has to be declared is estimated at over Rs. 46.46 crores and the net amount available as interest is Rs. 1.76 crores. The rate of interest has thus been worked out at 3¾ per cent. The Employees' Provident Fund scheme, which was introduced in six industries in November 1952, now covers 37 industries, including plantations and mines. The total number of establishments brought under the purview of the scheme till the end of December 1957 was 6,272, with an aggregate 2,895,000 employees. Of these, 2,367,000 employees or about 82 per cent. are receiving the benefits of provident fund.

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From Abroad

The forty-second Swiss Industries Fair will be held at Basle from 12th to 22nd April next. Exhibitors numbering more than 2,300 and divided into 17 business groups will give an almost complete survey of Swiss industrial production.

The Ceylon Government is expected to introduce shortly legislation to restrict foreign capital investments in local industries. This, according to Mr. William de Silva, the Industries Minister, is due to the fact that certain domestic industries are being threatened with closure by unhampered foreign investments.

The Japanese Ministry of Trade has proposed to "normalise" import financing to some extent so as to increase imports for sterling payment. The proposal was made in connection with the compilation of the import budget for April-September. It is stated that Japan's sterling balances have increased and are likely to grow further.

The Malayan tin industry may have to lay off up to 7,000 workers if the price of tin and the production quota continue to remain at the existing level, according to the Minister of Labour. Of this number, a vast majority would be from Chinese mines. Already up to the 1st inst., 4,203 workers had been retrenched. The total number of workers in the industry is estimated at 40,000.

The introduction of a tea export duty on an *ad valorem* basis in place of the flat rate of 65 cents per lb., is contemplated by the Ceylon Government. The measure is designed to give relief to medium tea growers and small holders who have been adversely hit by the flat rate of export duty. The scheme will, in all probability, be put into effect before the end of April.

A new commercial air record has been set by a Trans World Airlines "Jetstream" airliner by flying non-stop from London to San Francisco via the Polar route in 19 hours 5 minutes. The previous record time for the 5,500-mile flight was 19 hours 26 minutes. It is stated that the airliner made the trans-Polar crossing non-stop flight despite the prevailing head winds usually encountered between London and California.

The Ceylon Government proposes to introduce an *ad valorem* export duty on tea, in place of the present flat rate of duty of 65 cents per lb. The new rate of duty is likely to come into effect before the end of April. The details of the scheme have not yet been disclosed, but it is expected that the duties will be in the form of excise levies collected at the weekly auctions. A statutory Tea Board will also be set up to supervise the scheme.

The President of Mexico has authorised a cut of 43 centavos per kilo in taxes on the export of coffee. An *ad valorem* tax of 25 per cent. will now be levied on a price of 9.75 pesos a kilo. The decline in prices of coffee in the U.S. market in recent months has adversely affected growers in Mexico who made a representation to the President for an export tax relief. Mexico has fixed the export quota of coffee for the quarter ended June 1958 at 283,551 bags.

The New South Wales University of Technology in Australia hopes to complete in about six months a solar furnace which can vaporise metals within seconds. The furnace, one of the biggest of its kind in the world, will concentrate the sun's rays by means of mirrors and produce temperatures up to 7,000 degrees Fahrenheit, which means only 3,500 degrees less than the sun's surface heat. It has been designed to help test materials capable of withstanding extremely high temperatures, urgently needed for the construction of rockets.

The Austrian Government's investment programme for the current year will consist of an issue for an investment loan of 600 million Austrian schillings. Of this, 150 million schillings will be taken up by the banks, the entire balance being issued to the public. A special characteristic of the loan is that the investor will be able to choose between two types of bond—a 6 per cent. bond with a bonus or a 7 per cent. bond without bonus. The price of issue is 98 per cent.

The U.S. State Department has announced that it is expanding its programme of assistance so as to meet the demand for highly trained scientists from non-Communist countries. Accordingly, the National Academy of Science will administer the project, under which 150 scientists will be brought to the U.S. from non-Communist countries for two years of advanced scientific training and research. It is stated that, out of the 150 scientists, 60 will come from Europe and Africa, and 30 each from the Far East, Near East and Latin America.

The New Zealand Government holds the view that its case for anti-dumping duties has had lukewarm response from Britain. Revealing this at Auckland recently, Mr. Philip Hollaway, New Zealand Minister for Industries and Commerce, said that Britain was at least dangerously slow in making up its mind. He questioned whether this hesitancy implied that the U.K. was turning its back on the difficulties of a loyal member of the Commonwealth in favour of "flirtation" with doubtful European markets and added that, the sooner Britain was frank about it, the better.

American technicians have developed a machine which can read an article or scientific paper and then write a condensed version of it. The machine is called "Auto Extract." The article to be condensed is first transcribed in a code on a paper tape which is fed into the machine. The machine analyses the test for frequency and distribution of words, determines the relative degree of the significance of the words, and grades each sentence according to importance. Then it automatically extracts and prints the most important sentences.

PERSONAL

MR. Hans Olav has been appointed Ambassador Extraordinary and Plenipotentiary of Norway to India.

Mr. Morarji Desai, Minister of Finance, has been appointed a member of the Planning Commission.

Mr. D. Hogg has been elected Chairman and Mr. R. Maulik, Vice-Chairman of the Indian Mining Association for the year 1958-59.

Mr. A. L. Corke has been elected Chairman and Mr. Mohammed Yaqub Vice-Chairman of the Tanners' Federation of India, Kanpur, for the year 1958.

Messrs. Hiralal L. Shah and B. M. Ghia have been elected President and Vice-President, respectively, of the Association of Merchants and Manufacturers of Textile Stores and Machinery, India, for the year 1958.

Mr. A. St. John Shuttleworth, Branch Manager of the Federation of British Industries in India, left India this week for Rangoon *en route* to London where he will join the Commonwealth and East Asian Department of the Federation. Mr. Shuttleworth has been succeeded by Mr. G. P. Brownie.

Mr. N. V. Ullal, Manager, Khatau Mills, has been unanimously elected Chairman of the Bombay Section of the Textile Institute, Manchester, for the year 1958. Mr. J. G. Parikh, Secretary, Silk and Art Silk Mills' Research Association, has been unanimously re-elected Honorary Secretary of the Bombay Section of the Textile Institute for the year 1958. The other members of the Committee elected for the Bombay Section for the year 1958 are Dr. C. E. Salkeld, Prof. R. K. Mody, Mr. J. J. Master, Mr. D. P. Ketkar, Mr. B. V. Dalke and Prof. T. V. Ananthan.

Mr. C. H. Bhabha (Central Bank of India), Mr. N. M. Chokshi (Bank of Baroda) and Mr. S. L. Kothari (Bank of Jaipur) have been re-elected Chairman, Deputy Chairman and Honorary Secretary, respectively, of the Indian Banks' Association for the current year. The other members of the Committee are:

Mr. T. R. Lalwani (Bank of India), Mr. M. R. Ruia (United Commercial Bank), Mr. Kamalnayan Bajaj (Punjab National Bank), Mr. S. Krishnaswamy Iyengar (Indian Bank), Mr. Sanjiban Banerji (United Bank of India), Mr. P. V. Gandhi (Devkaran Nanjee Banking Company), Mr. F. K. F. Nariman (Union Bank of India), Mr. N. K. Karanjia (Central Bank of India) and Mr. C. Eknath Kamath (Canara Bank).

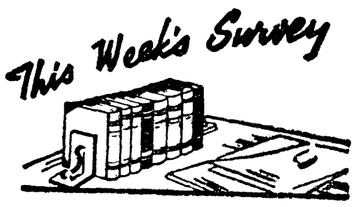
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *1st April*

The Road-Rail Controversy

We cannot, we regret, compliment the Select Committee upon the report they have issued on the Bill to amend the Railway Act. The first and primary task which the members of the Committee were called upon to perform was to consider the possible co-ordination of the rail and road services, and to see whether new powers can judiciously be extended to the railway companies for running their own motor services without unduly interfering with private enterprise. But their findings, if not *ultra vires*, are remarkably wide of the mark in many instances. They have gone far out of their way in order, apparently, to check the possible development by the railway companies of canal traffic and aerial transport; but the use, or non-use, of the waterways by the railways is a matter of little consequence; and the same may be said of the possible extension by the railway companies of commercial aviation; although, to be sure, it seems grossly improper that any restriction should be placed upon the development of these public utility services. When the members of the Committee turn to the legitimate portion of their task they again confuse the issues in a perfunctory, haphazard, and deprecatory manner.



PRODUCTIVITY IMPROVEMENT

ANY programme of productivity improvement, if it should succeed, must be recognised by all sections of people as an instrument of national economic betterment. It also needs to be developed as a national movement with the full understanding and support of employers, labour and technical experts within industry. With the establishment of the National Productivity Council at New Delhi under the presidentship of Mr. Manubhai Shah, Union Minister for Industry, with Dr. P. S. Lokanathan as Chairman, it should now be possible to give the movement proper direction and perspective. The movement is of comparatively recent origin in India, having had its start only in 1952 when an I.L.O. productivity mission arrived in India for work in the field of productivity improvement. The Council was established in pursuance of the recommendations of the Indian Productivity Delegation which visited Japan in 1956 under the leadership of Dr. Vikram A. Sarabhai.

At its first meeting held in New Delhi on the 22nd inst., the Council has drawn up an eight-point programme for launching a vigorous productivity drive. The main features of the programme are dissemination of information relating to productivity, training in productivity techniques, organisation of productivity services at important industrial centres, promoting inter-plant visits, sponsoring of productivity delegations to advanced countries, training of personnel abroad and inviting foreign technicians and specialists. The Council's decision to confine its activities and those of the proposed Local Councils to the field of industry initially is a wise one as it is not advisable to seek to cover too many fields in the first instance.

Under the programme approved by the Council, a technical inquiry service and a technical digest service are proposed to be organised to answer technical inquiries from industries and to disseminate information collected from different sources. The aim is to propagate productivity-consciousness among the people. This aspect, it must be emphasised, is very important for the success of the drive, as the experience of Israel has shown. In that country, the concept of productivity has penetrated almost every aspect of life—industry, agriculture, the armed forces, transport and administration and has been responsible in no small measure for the success of its productivity improvement programme. The Israel Institute of Productivity, which is a statutory body, has been mainly instrumental in inculcating productivity-consciousness among the people. There is also the need in India to educate workers of the exact significance of the term productivity improvement, for there is a danger of its being regarded as a synonym for rationalisation and provoking the opposition of labour.

The Council proposes to organise training of management at all levels in the techniques and process of productivity, including scientific management, human relations, job evaluation, wage incentives, industrial designs, work measurement and methods analysis. The productivity service will be organised through regional productivity units. About 15 Local Productivity Councils are proposed to be established in 1958-59 which will be the main instruments for propagating productivity concepts.

PLANNING COMMISSION

In the course of his second Laski Memorial Lecture at the Laski Institute of Political Science at Ahmedabad, Professor D. R. Gadgil, the well-known economist, permitted himself to indulge in some forthright criticism of the Planning Commission. He said that the Commission had proved impotent and failed in almost every aspect. It had failed to put together detailed and meaningful projects after technical and other examination; it had not produced objective criteria relating to programmes and allocations; it had failed to produce annual plans with appropriate breakdowns or to watch the progress of the Plan even in its broadest elements; it had failed to insist on right policies being followed and at times even participated in the adoption of wrong and inappropriate ones. All this failure, he felt, could be traced to the fact that the Commission, which was essentially an advisory body, had come to mix itself with the actual processes of deciding public policies even in matters other than development. He added: "It is the 'power complex' of the Planning Commission and its non-ministerial members—which prompted them to exercise patronage and power like ministers—that has led to the Commission's neglect of its main functions and extension of its activities to many irrelevant fields." He observed that the second Plan was a sizable step towards a planned economy but the authorities had failed to execute it in a planned manner. This failure was evident from the non-adoption of such elementary policies as those relating to price stabilisation and absence of precautions for the conservation of agriculture, food and foreign exchange reserves.

It is not clear why Prof. Gadgil did not express such strong views all these years or even at the time the Panel of Economists met at New Delhi early this year. But the more important question is: How far is his criticism correct? For one thing, Mr. Gadgil cannot denounce the Commission for its failure to insist on adoption of right policies and at the same time blame the Commission for mixing itself with the process of formulation of policies. We do not know how far his allegation of "power complex" in the Commission is correct. But it is true that some observers have felt that the Commission was becoming something of a super-cabinet. If that is true, it is perhaps part of the price for a regimented economy to which both the Government and the Commission are committed. Finally, Prof. Gadgil deplores the absence of precautions for the conservation of agriculture, food and foreign exchange resources. May it not be that these defects arise from the nature of the second Plan itself? And yet, Prof. Gadgil has had no criticism to offer on the size of the Plan in relation to the resources in sight. Nevertheless, if the general sense of his criticism is taken to mean an insistence on greater drive and vigour in administration, in all its aspects, it is all to the good.

EXCHANGE GAP AND INDUSTRIAL PROGRESS

The official apologists generally explain the foreign exchange crisis as being due to large imports of capital, rather than consumer, goods and also insist that, as against the debit factor of the reduction in foreign exchange reserves, there is a sizable credit factor in the shape of increased and more diversified industrial production. In the course of his recent reply to the debate in the Lok Sabha on the demands of grants for the Ministry of Commerce and Industry, Mr. Manubhai Shah, the Union Minister for Industry, was at some pains to emphasise that the entire trend of the import of different types of goods had been "one of promotion of industrial development in this country." He pointed out that the imports of goods not vital to the national economy, particularly consumer goods, were being gradually "tapered off." Imports of consumer goods which were valued at Rs. 214 crores in 1955 and Rs. 216 crores in 1956 declined to Rs. 163 crores in 1957. On the other hand, the import of machinery had risen from Rs. 55 crores in July-December 1955 to Rs. 66 crores in January-June 1956 and still further to Rs. 74 crores and Rs. 84 crores in July-December 1956 and January-June 1957 periods respectively. Again imports of producer goods or what Mr. Shah called "industrial goods," increased from Rs. 177 crores in the first half of 1955 to Rs. 196 crores in July-December 1955 and still further to Rs. 229 crores in January-June 1956 and Rs. 252 crores in July-December 1956; it was Rs. 292 crores in January-June 1957.

Mr. Shah contended that it was not correct to say that industrial production had gone down as a result of exchange restrictions. The fact was that, except the cotton textile industry, all other industries had recorded increase in production. The general index of industrial production (Base: 1951=100) rose from 122 in 1955 to 133 in 1956 and still further to 147.2 in 1957. Again, the country's industrial base had been strengthened by the development of machine-building industry. In this connection, he drew attention to the increase in production in several old industries and the establishment of new industries. India had no industry for the production of industrial machinery in 1947. In 1957, it produced Rs. 36 crores worth of heavy machinery; this level was bound to increase with the passage of time. The Government had decided to set up, with Russian collaboration, a central heavy machine building plant at Ranchi at a cost of Rs. 80 crores in the first stage and Rs. 160 crores in the second stage. This plant, he claimed, would be one of the biggest steel machinery manufacturing plants in the world. Other significant increases in industrial output to which he called attention include: (1) the Hindustan Machine Tools factory has already crossed the target meant to be reached in 1960-61, (2) Hindustan Cables has also crossed the 1960-61 target by producing 650 miles of cable; India—will soon be self-sufficient in cables, and (3) Hindustan Antibiotics has produced 26 million mega units of antibiotics, as against the 1960-61 target of 24 million mega units.

Although this survey of industrial production is impressive in its own way, it must be admitted that it refers to a period in which the import restrictions had not yet begun to be felt. It remains to be seen whether this trend will be maintained in the current year and the next. Further, the fact that drastic restrictions on imports became necessary so soon after a period of liberal imports suggests that the earlier optimism was unwarranted. The Government's failure to make a careful appraisal of foreign exchange earnings and expenditure is perhaps the most deplorable episode in recent economic history.

IRON ORE TO JAPAN

Agreement has at last been reached between India and Japan on the project for the development of iron ore potential of this country and its export to Japan. The project covers three schemes—exploitation of ore deposits in the Rourkela area, construction of a railway link from the mines to the Visakhapatnam port through Sambalpur and Titalgarh, and development of the port. The last-mentioned scheme envisages setting up of two berths (with appropriate machinery) for handling ore-loading exclusively. The whole project is expected to be completed by 1964, the year from which India will supply to Japan annually two million tons of ore for an initial period of ten years. The price of ore payable by Japan will be determined from year to year, depending on the average of the export price for countries other than Japan minus a small rebate.

The aggregate capital outlay of the project is estimated at Rs. 40 crores ($84 million), including the foreign exchange requirement of about Rs. 14.76 crores ($31 million). Of the foreign exchange requirement, Japan will contribute Rs. 3.81 crores ($8 million) in the form of equipment and machinery on long-term deferred payment basis. The balance of Rs. 10.95 crores ($23 million) is expected to be secured from the U.S. The Government of India is making an application to the U.S. Government for assistance from the President's Asian Economic Development Fund; the application will be supported by the Japanese Government.

By a separate exchange of letters between Mr. K. B. Lall, Joint Secretary to the Union Ministry of Commerce and Industry, and Mr. S. Nagano, President of the Fuji Iron and Steel Mills of Japan and leader of the Japanese steel mission, it has been agreed that the possibility of India supplying to Japan every year 250,000 to 450,000 tons of iron ore from the Sukinda area through the port of Paradip in Orissa should also be explored. The proposed quantity is in addition to the 7.2 million tons of ore India has agreed to sell during the five years ending 1962 under the contract between the State Trading Corporation and the Japanese steel makers.

Negotiations for the long-term programme of Indian iron ore development and its shipment to Japan, it will be recalled, commenced some months ago. A Japanese technical survey mission, headed by Mr. C. Asada, submitted its report to the Government of India in January last. In this report, the mission expressed its preference for developing in the first instance of the Bailadila mines in the Bastar district of Madhya Pradesh rather than the Kiriburu deposits of the Rourkela region on the Orissa-Bihar border. This view was based on three considerations. First, the Bailadila mines are very near to Visakhapatnam, the distance being only 189 miles by one route and 292 miles by an alternative route, while the distance between the Rourkela site to Visakhapatnam is as much as 463 miles. Secondly, the construction of railway line will be quicker and movement of ore to the port speedier. Thirdly, the cost of constructing railway line will be less; it will be

only about Rs. 19 crores from Bailadila to Visakhapatnam (alternative route), as against Rs. 23.3 crores from Rourkela to Visakhapatnam.

The aforesaid recommendation was stoutly supported by the Japanese steel industry mission during its recent discussions with the representatives of the Government of India, held at New Delhi. The latter, however, insisted on the exploitation of Rourkela mines in the first instance. Apart from the known desire of the Orissa Government, the Railway Ministry was reported to prefer a railway line between Rourkela and Visakhapatnam to that between Bailadila and Visakhapatnam. For it was suggested that the former line could be used for moving a considerable volume of general goods traffic besides iron ore, whereas the Bailadila-Visakhapatnam line would be overwhelmingly an ore-carrying line. After protracted negotiations, agreement has now been reached incorporating the Indian point of view, although the Government of India has agreed to the Japanese proposal for exploring the possibility of supplying an additional quantity of about 250,000-450,000 tons of iron ore a year from the Sukinda area through the port of Paradip in Orissa.

Thanks to the aforesaid agreement and with the gradual development of mining areas in India, exports of iron ore to Japan may be expected to be of the order of four to five million tons per annum. The current ruling price of iron ore (Fe 60 per cent.) is about Rs. 45 per ton. On this basis and taking the quantum of shipment as 4.5 million tons, the foreign exchange earned will work out to over Rs. 20 crores annually. While the export of iron ore helps India, it will also assist Japan greatly in the development of its steel industry. Viewed thus, the understanding reached between the two countries must be widely welcomed as a landmark in the history of Indo-Japanese economic relations.

AGRICULTURAL PRICES

How best can agricultural prices and incomes be stabilised in the countries of Asia and the Far East? Although this problem is by no means a new one, it has assumed special importance in recent years. The economy of these countries is predominantly agricultural and their prosperity depends to a large extent on the export earnings of farm products. A disquieting trend of late is that trade in farm products has failed to keep pace with the expansion in world trade, following reduction in the dependence of the industrially advanced western nations on raw materials. This aspect was well brought out by Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, when he inaugurated the two-week Food and Agriculture Organisation seminar on policies to support and stabilise agricultural prices in Asia at New Delhi last week. As Mr. Jain rightly declared, as long as the Asian region continues to derive its foreign exchange largely from agricultural products, the aforesaid trend "is far from agreeable." Mention must be made here to the fear of possible adverse repercussions of the formation of the European Common Market with overseas territories associated with it on the export trade of Asian countries in agricultural commodities.

In this content, the F.A.O. has certainly done well to convene a special seminar to discuss the various aspects of farm economy in the Asian region. The success of the seminar will, of course, depend on whether it will be able to discover what Mr. Jain aptly described "the most acceptable and the least expensive measures to support and stabilise agricultural prices and incomes and to control consumer prices." The seminar should also point to solutions to some of the specific questions referred to by Mr. Jain such as the methods of price and income support suitable for each country, the statistical problems involved in assessing costs, the incentive effect of guaranteed prices, the response of farmers to indirect measures of assistance, and the impact of support and stabilisation measures on particular economics.

While examining the question of stabilising prices of agricultural commodities, due consideration must be paid to the need for safeguarding the interests of consumers, on the one hand, and avoiding the creation of any imbalance in the agricultural economy, on the other. This point must be specially stressed in India where the powers-that-be have made use of guaranteed minimum prices in respect of a few important commodities, particularly sugarcane, guided by purely political and ideological considerations. As Mr. Jain himself frankly admitted, guaranteed minimum prices have resulted in creating an imbalance in the output of different competing crops; sometimes, in periods of acute scarcity of foodgrains, the cultivators change over to the production of sugarcane or some other commercial crop which is financially more attractive. The authorities, according to Mr. Jain, are, therefore, feeling their way to a more comprehensive objective, namely, price stabilisation, rather than mere price support for individual commodities considered in isolation. But one may wonder whether overall price stabilisation is not a more difficult task than price support, depending for its success on the control of a large number of factors in the national and international spheres.

CEILING ON LAND HOLDINGS

It is a misnomer to call the land legislation proposed by many State Governments as "land reforms," because what they seek to achieve is not reform of the existing tenure patterns but a revolution of the whole concept of property ownership in land. How else could one look at measures which translate into practice the spirit of such predatory slogans as "Land to the landless" and "Tiller should be the owner of the land." Land reform enthusiasts do not seem to bother much about the wider implications of the policy they seek to implement. If the ownership of land should vest with the tiller, it is only logical that the ownership of factories should also remain with workers. What is really amusing is that the avowed aim of the reforms is to ensure social justice and higher production. It is hard to understand how the Government's taking over of land in excess of a fixed ceiling in return for an arbitrarily fixed quantum of compensation and distributing it among landless labourers who have neither the capacity nor the means to cultivate them efficiently could serve the ends of justice and result in enhanced production. But this is exactly what is envisaged in the various Land Reforms Bills currently on the legislative anvil in many States. The Kerala Agrarian Relations Bill, now before the State Assembly, proposes to fix the ceiling on land holding at as low as 15 acres of double-crop land for a family of five members. The Government of Andhra Pradesh has proposed to fix ceiling on the basis of an annual net income of Rs. 5,400. Under the proposed measures, future acquisition of land will also be covered by a ceiling.

In view of these and other similar developments, the All-India Agriculturists' Federation has done well to urge, in a memorandum submitted to the Government of India and the Planning Commission, that, pending a reappraisal of the land reforms policy by the Government and the Commission after consultation with agriculturists and those conversant with all aspects of agriculture, the State Governments should be directed not to rush with the proposed reforms. The memorandum has also requested the Prime Minister to meet a deputation of members of the Federation so as to enable them to explain their viewpoint regarding the contemplated enactments. According to the memorandum, there are many "blind spots" in the land reforms proposals, many of which, if carried out, will not only cause social injustice on a large scale but will also result in a disastrous decline in agricultural production and standards of cultivation. The memorandum deals at length with the question of ceiling on holdings and redistribution of land and points out that fixation of low ceilings will inevitably lead to further fragmentation of holdings and result in the break-up of some of the efficient commercial farms in the country. It will also replace the well-to-do farmers, who have the means to improve the productivity of the soil, by those who are neither acquainted with modern methods of agriculture nor have the means to introduce them without the help of the Government. Experience in all countries has shown, the memorandum points out, that fragmentation of large farms into small holdings will inevitably result in lowering the standards of cultivation and reducing the crop yield. Economic studies have also established that small-scale farming is a subsistence occupation and that the small farmer is no better off than a village cobbler or weaver.

The memorandum rightly draws attention to the assistance that will be required by those newly settled on land for purchasing bullocks, farm implements, etc. It points out that the total credit the Indian agriculturist now receives from all sources does not exceed 10.3 per cent. of the total expenditure, as against 60 per cent. in the U.S. Hence it will be beyond the capacity of even a rich government to undertake the huge commitment of financing millions of landless families to be settled on land, not to speak of a Government which is already in financial straitjacket. The curse of Indian agriculture is its primitive condition and this will be perpetuated by the proposals to impose a low ceiling on agricultural income and agricultural holdings. Too low a ceiling would also not permit mechanisation of farms. It is for this reason, the memorandum points out, that wherever ceilings are imposed, including some of the Eastern European countries, they have been fixed at fairly high levels.

The correct approach in carrying out land reforms will certainly be to treat agriculture on a par with industry. In the latter, it is not necessary that workers of a factory should be its owners. The guiding motives of agricultural policy, as the memorandum itself points out, should be increased production and equitable distribution of profits.

PALAI CENTRAL BANK LIMITED

NOTICE IS HEREBY GIVEN THAT THE 30th Annual General Meeting of the above Company will be held at the Registered Office of the Company at Palai on Thursday, the 24th April 1958, at 3.30 p.m., to transact the following business:—

1. To consider the audited Balance Sheet as at and Profit and Loss Account for the year ended 31st December 1957 and the reports of the Directors and Auditors.
2. To declare a Dividend.
3. To elect Directors in place of retiring Directors.
4. To consider and if thought fit to pass the following resolution of which special notice has been received by the Company:—

   "RESOLVED that the age limit of 65 years prescribed under Section 280 of the Companies Act shall not apply to Sri K. Joseph Augusti and that he be allowed to continue to hold the office of the Managing Director of the Company even after the conclusion of the 3rd Annual General Meeting held after the commencement of the Act."

5. To appoint an Auditor or Auditors and to fix his or their remuneration. The retiring Auditors, Messrs. Srinivasan & Co., Chartered Accountants, are eligible for re-appointment.
6. To transact any other business that can be transacted at the meeting.

The Explanatory Statement under Section 173 of the Companies Act is annexed hereto.

A member who is unable to attend in person is entitled to appoint another (whether a member or not) as his proxy to attend and vote instead of himself subject to section 176 of the Act. Such proxy should reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting.

The register of shareholders and the Transfer Books of the Company will be closed from 25th March 1958 to 23rd April 1958, both days inclusive.

By Order of the Board,
K. JOSEPH AUGUSTI,
Managing Director.

PALAI, *17th March*, 1958.

ONLY A SMALL PART OF ADDITIONAL TAXATION USED FOR THE PLAN

DEFICIT FINANCING CONTINUES TO BE THE SHEET ANCHOR

From A Special Correspondent

NEW DELHI, *25th March*

IT is, indeed, amazing that the heavy additional taxation imposed in the name of the Plan since the Budget of 1956-57 has *virtually* not been available for financing it to a greater extent than in 1955-56.

DELHI LETTER

In my letter last week, it was stated that practically no portion—the word "practically" is now added by way of correction—of this revenue increase (of about Rs. 180 crores in the 1957-58 budget over the 1956-57 budget) was *really* available for the Plan and the small current saving (Rs. 61.5 crores) available for the capital budget in 1957-58 was practically what was available for the purpose at the 1955-56 level of revenue itself. The position was not materially different in the case of revenue expenditure on Plan schemes which was not covered in last week's letter.

The revenue expenditure on the Plan in 1957-58 (revised) was Rs. 98 crores which was about the same as in 1956-57 and a little more than in 1955-56; such expenditure proposed in 1958-59 is Rs. 122 crores which, in the light of the trend of reduction in the revised estimates from the budget estimates on this account in 1957-58, is not likely to be more than Rs. 100 crores ultimately. It would thus appear that additional taxation has not financed either the capital or the revenue schemes of the Plan to any significantly greater extent than what was possible at the 1955-56 level of revenue itself.

It might be said that additional taxation at the Centre has contributed, to some extent, to the financing of State Plans. Even this contention cannot easily be sustained, because, for one thing, the aforesaid figures of revenue expenditure on the Plan already include revenue grants to State Governments on account of some Plan schemes and, for another, the progressive increase in the States' shares of income-tax and some Union excise duties appear to have been matched, in their turn, by increases in their own security and administrative costs. This much at least can be safely inferred; Central contribution in the form of grants and loans, aggregating Rs. 720 crores, to the State Plans in the first two years of the second Plan has represented, in the last analysis, deficit-financing of about Rs. 600 crores at the Centre. *Prima facie*, there is warrant for the impression that additional taxation has almost entirely financed, whether at the Union or the States' level, only the expansion in security services and the increase in administrative costs of developmental and social services which, too, do not appear to have expanded at a faster rate than the growth of population.

No Consolation to Tax-payer

If it is obstinately contended that no significant economy in security and administrative costs is possible, it has to be examined whether the revenue and capital expenditure proposed in the 1958-59 budget on the Plan schemes can be pruned to any extent. The actual accounts for the year may well reveal ultimately that some pruning has taken place without anybody's prodding even as it has happened in the first two years of the second Plan. But this can be no consolation for the taxpayer who is initially confronted with a bigger budget provision every year for the Plan and forced to pay taxes for the the year may well reveal ultimately that some sort of dishonesty about the thing when the actual Plan expenditure is quietly allowed in a budget year to fall short of the original budget provision. For example, the actual outlay on account of the Central and State Plans together in 1956-57 was Rs. 670 crores, as against the budgeted provision of Rs. *830* crores and in 1957-58 was Rs. 845 crores as against the budgeted provision of Rs. 965 crores, while in the two years together the actual outlay involved deficit financing, by the Centre and the States, of about Rs. 700 crores which was more than what was originally contemplated for those two years.

Incidentally, this higher deficit financing was bad for the consumer who was forced, through a higher level of prices, to restrict even essential consumption and was thus stealthily deprived of a part of his real income. If the anxiety to reach the impossibly high targets of budgeted Plan expenditure in the first two years was responsible for a heavier dose of inflationary deficit financing than what was initially contemplated for those years, it may be that, in 1958-59, also a like attempt will be made to reach an impossibly high target of Plan expenditure (by the Centre and the States) of about Rs. 1,000 crores by a heavier dose of deficit financing than the Rs 205 crores now contemplated for the year. This danger is real, particularly because heavy food imports are to take place and these imports will be expected (wrongly perhaps) to cushion off the inflationary impact of larger deficit financing. It is in this context that the need for pruning the budgeted Plan expenditure here and now for the year becomes apparent.

The Possible Lines

The possible lines in which pruning could well take place are broadly indicated here in respect of the Centre's Plan schemes for 1958-59. On the revenue side, the budget provision of Rs. 8.32 crores in all for the handloom and *khadi* industries and for the Ambar Charkha programme should have been reduced by 50 per cent, in order not to queer the pitch, at a time of accumulation of cloth stocks, for the cotton mill industry which any day is vastly more important than the handloom sector if only for the reason that it clothes three-fourths of India's population. In the same way the provision of Rs. 6.93 crores for such largely experimental schemes as those covering pre-primary elementary and basic education, basic women education, audio-visual aid to education, etc., should have been reduced by half. The project for ground water exploration (for tube-well construction), costing Rs. 0.75 crore, could well have been deferred in view of the comparative failure of medium (tube-well) projects to provide cheap and dependable irrigation. Similarly, the provision of Rs. 0.5 crore for agro-economic research could well have waited for a later year. At least, one of the non-Plan schemes on the revenue side, namely, assistance to States for raising the emoluments of low-paid officers, costing Rs. 6 crores, should have been dropped on the ground that it is the States' responsibility to find the resources for raising the level of remuneration for their low-paid employees. In all, therefore, an economy of about Rs. 15 crores on both Plan and non-Plan schemes included in the revenue budget should have been possible.

On the capital side, the provision for purchase, to the tune of Rs. 2.5 crores, of shares of the State Trading Corporation should have been deferred. Similarly the proposed development of broadcasting, costing Rs. 2.2 crores, could well have waited for a later year. The provision of Rs. 12.2 crores in all for the Delhi capital outlay on the civil works programme and for the capital outlay on buildings should have been reduced by two-thirds on the ground that a number of Central Government offices which are needlessly concentrated in Delhi could be shifted to available accommodation in other cities of the country. The provision on account of civil aviation, costing Rs. 6.3 crores, should also have been reduced by half. In all, therefore, an economy of about Rs. 15 crores on the Plan schemes included in the capital budget could well be effected.

Pruning of State Plans

Similar pruning of the State Plans for 1958-59, expected to cost Rs. 562 crores in all, might conceivably reduce the proposed expenditures by Rs. 70 crores. It may be that even, with a possible reduction of about Rs. 100 crores in the planned outlay for the year, the likely resources will be sufficient for a total outlay (by the Centre and the States together) of, say, Rs. 800 crores only. The one certain advantage of timely pruning of the planned outlay for the year will be that it will restrain the temptation to resort to a larger dose of deficit financing.

The chances of this taking place are, of course, slender, and the voice of Dr. B. R. Shenoy himself is a voice in the wilderness. It is, indeed, a distressing state of affairs where, without giving substantial tax relief which is certainly possible and without even making the larger part of additional taxation available for the Plan, the Government continue to resort, almost deliberately, to the technique of inflation for taxing away stealthily a part of the real incomes of fixed income groups. And this in spite of the polite warning given here well before the budget by Mr. Per Jacobsson of the International Monetary Fund against the pitfalls of continued deficit financing! The smug answer that any inflationary pressures generated by deficit financing will be counterbalanced by increase in production ignores two relevant considerations. One is that the Plan schemes are largely of a kind that will not bring about an early and commensurate increase in production to absorb wholly the inflationary impact. The other consideration is that there is always a considerable time-lag between an initial spurt in prices and the effective operation of price restraints—a time-lag during which the mischief is already done. There seems to be no alternative to the sound financial advice of Mr. Per Jacobsson, however conservative it may appear.

Central Loans to States

The Government of India has turned down the second Finance Commission's scheme of consolidation governing repayment of loans made to various States, except in regard to loans given for rehabilitation of displaced persons and interest-free loans. This decision is contained in the explanatory memorandum on the action taken by the Government on the recommendations of the Finance Commission which Mr. B. R. Bhagat, Union Deputy Minister for Finance, placed in the Lok Sabha on the 14th inst. The four-tier scheme of consolidation for repayment of balances of all outstanding loans due from the States to the Centre as formulated by the Commission was as follows:

Rate of Interest %	When repayable	Consolidation
3 or more ..	On or after 1st April 1977	Single loan at 3 per cent. repayable on 31st March 1987.
Do. ..	On or before 31st March 1977	Single loan at 3 per cent. repayable on 31st March 1972.
Less than 3..	On or after 1st April 1977	Single loan at 2½ per cent. repayable on 31st March 1987.
Do. ..	On or before 31st March 1977	Single loan at 2½ per cent. repayable on 31st March 1972.

The main consideration which has weighed with the Central Government in rejecting the aforesaid scheme is that its implementation would affect the ways and means position of the Centre, since it would have the effect of postponing the repayment of loans normally due during the next 15 years. Consequently, there will be a reduction in the resources available for the Centre to assist the State Governments by way of fresh loans either for plan projects or for projects outside the Plan. The Government has also rejected the suggestion of the Commission for the fixation of a uniform rate of interest for all States irrespective of the purposes for which the loans have been taken. For, in its opinion, the rates of interest should have some relevance to the purpose of the loan. It has, however, conceded that the scheme of consolidation must be left for discussion with individual State Governments. It has accordingly laid down and communicated to the State Governments the following basis for calculation of interest rates on loans granted to States:

Industrial and commercial enterprises and industrial housing: The rate of interest should remain unaltered.

Electricity undertakings and extension of power facilities: The rate of interest should be refixed at 4 per cent. for all loans.

Multi-purpose river valley projects: The loans for each project should be broken up into two parts—one for power and the other for irrigation and other purposes. The loans allocated for power should bear interest at 4 per cent. Where such an allocation is not possible, an *ad hoc* rate should be settled for the composite loans in consultation with the State Government concerned and the Planning Commission.

Other loans (excluding loans for rehabilitation of displaced persons and interest-free loans): The rate of interest should be refixed at 3 per cent., except that, where the rate now applicable is less than 3 per cent., the lower rate shall continue to apply.

The Government of India has, however, accepted the Finance Commission's recommendations pertaining to loans for rehabilitation of displaced persons. Accordingly, with effect from 1st April 1957, the States should pay to the Union only the amounts of principal and interest they collect on account of these loans, including the arrears, if any, outstanding on that date.

While this concession is quite welcome, it must be emphasised that the State Governments should not relax their efforts to recover these loans. The Centre has also accepted the Commission's view that the terms of repayment of all interest-free loans—that is, loans given mostly for the construction of educational buildings, assistance to handloom and cottage industries, industrial or other housing, etc.—must remain unaltered.

The Government of India proposes that the revised arrangements should apply to outstandings of loans sanctioned during 1956-57 and 1957-58 and take effect in the case of all loans other than those for rehabilitation from 1st April 1958. The effect of the proposed revision is expected to be a reduction on the whole of about Rs. 4 crores per annum in the interest burden on States on account of loans taken between 15th August 1947 and 31st March 1958. The reduction would have been more by a crore of rupees if the Finance Commission's scheme of consolidation had been accepted. It may be noted here that the past ten years have witnessed an appreciable increase in the amount of loans given by the Central Government to the States. The total outstanding debt of the States to the Centre as at 31st March 1956 was as much as Rs. 900 crores, as against Rs. 195.41 crores before the first Five-year Plan commenced (31st March 1951) and Rs. 43.97 crores on 15th August 1947. The total amount of loans granted by the Centre to the States in the first two years of the second Plan (that is, for 1956-57 and 1957-58) is about Rs. 497.38 crores. The budget provision for 1958-59 is put at Rs. 284.51 crores; this raises the total for the three years of the second Plan to Rs. 781.89 crores.

U.K. INVESTMENTS IN INDIA

Foreign business investments in India from the United Kingdom as on 31st December 1955 were of the order of Rs. 391.99 crores, as compared with Rs. 347.28 crores on 31st December 1953 and Rs. 209.95 crores on 30th June 1948. This information was given in the Lok Sabha on Tuesday by Mr. B. R. Bhagat, Deputy Minister for Finance, in a written reply to Mr. D. C. Sharma. The Deputy Minister added that figures relating to such investments were collected only periodically and not annually. Hence figures for each year or for later years were not available.

LONDON LETTER

ON NOT SEEING THE WOOD FOR THE TREES

From Our Own Correspondent

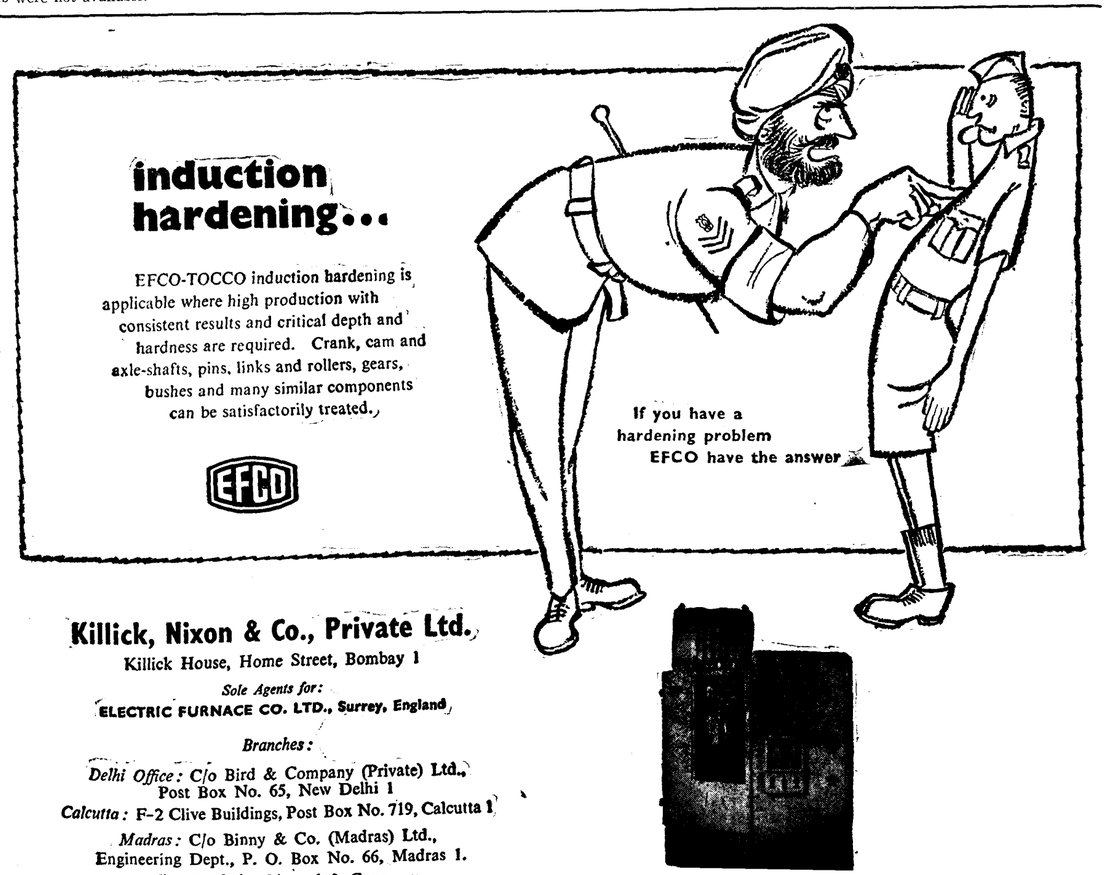
LONDON, *21st March*

ONE can quite see the outlook of the Bank of England sitting daily in the money market obsessed by the high level of money rates and the low price of Gilts; one can also see the point of view of the Treasury obsessed first by the high rate being paid for Treasury bills and next by the mounting flow of hot money into this country. But both could surely have remembered that Bank rate has a broad economic and psychological significance quite apart from its immediate impact on money rates and foreign funds. If this broader significance had been given due weight, would the Bank rate have been taken down now?

The official explanation of course is that 7 per cent. was a crisis rate. And the crisis was over; so it became pointless to maintain the rate, especially as it was inviting an embarrassing inflow of hot money which would make the gold reserves look fictitiously robust. But this is a very odd argument and, although some people in the City find it understandable, the retort is that the crisis has been over for some months and that the 7 per cent. could have been brought back to 6 per cent. certainly not later than the turn of the year. The reason why it was maintained has been underlined by every Government spokesman since the crisis: it was to emphasise the need to keep down bank credit, discourage borrowing and encourage saving. It was frankly disinflationary; many people have thought it masochistic—but however, one might quarrel with it, it was a logical part of a *financial* technique for combating inflation.

It is fully expected that the budget statement in two or three weeks will present a full analysis of the country's economic path—especially since the preparation of the budget has involved the resignation of a Chancellor of the Exchequer. If the weapons against inflation were to be altered, would not that have been the time to lower Bank rate—and so announce the result as part of the budget measures? But the fact that the Government have announced that the reduction of Bank rate does not mean any encouragement to either borrowing or reflation suggests that they do not want the Bank rate to be looked on as a monetary measure. This is what makes the whole policy so incomprehensible. From the crisis onwards, the Bank rate was a symbol of monetary severity—now apparently the more mundane considerations of the effect of a high Bank rate on money market rates in general and on Gilt-edged predominate. In other words, the Bank and Treasury officials closest to the problem can no longer see the economic and psychological arguments, because of the immediate fiscal disadvantages. But the fact that their view has prevailed suggests that the Government no more understood their own Bank rate policy than a baby understands a new toy. It finds it attractive, it plays with it, it gets tired of it and throws it away!

One would like to think that the Government are aware of the need for them to take some steps to avoid recession in this country following the American path. And they could take many steps without cheapening credit or they could cheapen credit along with the other steps, but to cheapen credit by itself looks like an error in timing, unless, of course, the Chancellor of the Exchequer and the Governor of the Bank thought it would be a good idea to move Bank rate when, as it were, nobody was looking and avoid any anticipation on the eve of the budget. Indeed peering behind the scenes at all the embarrassments which the Government has had to suffer in recent weeks, one can quite see this step as an anxious measure against an accusation of a further Bank rate leak! And, if so, one is fully entitled to take the Government's assurance that the step has no economic significance, at its face value!—*All Rights Reserved.*



CONTRIBUTION OF BANKING TO NATION'S ECONOMY

REVISION OF OFFICIAL ATTITUDE AND POLICIES STRESSED

JUDGED from all angles, the banking system in India has given a good account of itself during the past year. The banks, Indian and foreign alike, have done a great deal in channelising the savings of a large number of citizens, as witness the growth in the deposits of banks, have spared no efforts in serving the ever-increasing needs of the nation's trade, commerce and industry and have maintained their capacity to produce satisfactory results. In short, the banks in India have played a great part in assisting the authorities in the general economic uplift of the nation. There is, however, a feeling in banking circles that this contribution of banks to the economic well-being of the country is not being evaluated fairly and sincerely by a section of politicians. It is also felt that, with better encouragement and support from the Reserve Bank, Indian banking would be able to carry forward its mission with greater zeal than heretofore.

The view that the present time is more opportune than ever before for a review of the attitude and policies of the central banking authority towards the Indian banking system and that it would serve a very useful purpose in the present difficulties of our economy was expressed by Mr. C. H. Bhabha, Chairman of the Indian Banks' Association, at the annual general meeting of the Association held in Bombay, on the 24th inst. He felt, and very rightly in our view, that, instead of thinking in terms of more controlling legislation and wider powers, cultivation of more cordial and intimate relations and establishment of mutual trust and confidence would go a great way in quickening the progress of banking in this country. At a time when there is need for more banking facilities in this country, it is disquieting to hear from the Chairman of the Indian Banks' Association that the scope for establishing new banking institutions has been reduced "on account of conditions, factors and regulations which are known to those in charge of our monetary, credit and fiscal destinies." The authorities concerned will, perhaps, take a more helpful atitude towards commercial banks if they realise that their present stand harms the public to a greater extent than the banks themselves. For, if the banks forge ahead with their plans and programmes to spread banking habit, it will lead to a speedy expansion of the monetised sector, bring more money into the system, help the implementation of development schemes, and thereby accelerate the economic growth of the country as a whole. If the powers-that-be are unable to see this simple point, it is evidently because their vision is clouded by the socialist fervour which dominates their mind.

Rise in Deposits

An indication of the Scheduled banks' success in attracting more money into the banking system is provided by the rise of Rs. 293 crores (to a peak of Rs. 1,405 crores at the end of 1957) in their deposits, as against an expansion of Rs. 40.72 crores in note circulation. Of this rise in deposits, the State Bank of India alone accounted for Rs. 123 crores, over 70 per cent. of which is said to be due to the rupee counterpart belonging to the U.S. funds, compulsory rupee accounts opened by certain countries as a result of several bilateral trade agreements and "extra pressure exerted on certain classes of organisations having direct or indirect connection with the Government." Despite the curbs and restrictions by the Reserve Bank, advances of Scheduled banks reached a peak of Rs. 750 crores, inland bills purchased and discounted Rs. 132 crores and foreign bills Rs. 65 crores. In this connection, Mr. Bhabha expressed a sense of confusion over the steps taken in the name of selective credit control. As an instance in point, he drew attention to the withdrawal of the directive in respect of advances against sugar within a week of its issue. Another instance is "the random cancellation," in recent months, of the limits under the bill market scheme. Expressing the Scheduled banks' reaction to this cancellation, Mr. Bhabha said:

"Scheduled banks feel somewhat perplexed at random cancellation of limits under the bill market scheme. This scheme, which had to be initiated with some efforts, seems to be becoming rather unpopular both from the banker's as well as the customer's point of view for reasons not unknown to the authorities concerned. In India, where at present there is no properly organised bill market and a long way has to be traversed to increase the velocity of circulation of money through such instruments, it is unfortunate that the good beginning that was made in this direction in the money market of the country seems to be losing ground now."

Control on Branch Banking

Another direction in which Indian banking has progressed with unshaken faith and zeal is in respect of branch banking inside and outside the country, despite all the difficulties referred to above. Mr. Bhabha conceded that a proper and regulated policy of expansion of banking needed every encouragement from the Central Banking authority. Nevertheless, he was constrained to remark that the method and manner of granting permission for opening new branches left much to be desired. He, therefore, made a plea for relaxation of the rigidity with which branch banking was being controlled. Thus he said:

"For the pursuit of this beneficial ideal of expanding banking services in India, it may be suggested that the rigidity of control exercised should be reconsidered and greater freedom should be ensured to banking institutions in India to enlarge their activities in centres considered to be suitable on their merits. One must not overlook the various difficulties that have to be solved and the measures that have to be planned in advance, such as ensuring proper premises, selecting suitable staff, arranging for various facilities, etc. In view of all that, any delay or unwarranted interference not only causes dislocation but also leads to the abandonment of the idea of starting branches in suitable centres."

Alluding to expansion activities outside the country also, Mr. Bhabha observed that the larger interest of the nation would be served, if the curbs on such activities of Indian banks were minimised and greater freedom was granted to them in the matter of opening foreign branches. Mr. Bhabha even suggested that an indirect subsidy be given to banks for their spirit of venture. Elaborating his point, the Chairman observed:

"It should not be overlooked that such activities, at the present juncture, not only help the trade, commerce and economic progress of India but also constitute a source of direct benefit in the shape of foreign exchange earnings for the nation. I would, therefore, suggest that the farsightedness of Indian banks in this respect should be supported by evolving a scheme of guaranteeing or insuring in some form or other the deposits that may be placed with Indian banks in foreign countries. Such an experiment would bring large benefits to the country in various ways."

Mr. Bhabha deprecated, very legitimately, of course, the unwarranted criticism of banks and bankers in India by those in authority. Instead of praising the laudable service rendered by banks, it was surprising, he said, that they were being dubbed as having clerical mentality and narrow outlook. Without any exaggeration, Mr. Bhabha claimed, Indian bankers had not only shown wonderful adjustability and resilience to changing concepts and conditions in the country but also stood solidly in times of difficulty and established for Indian banking a very high and honourable place in the sphere of international banking.

Reserve Bank's Role

Mr. Bhabha availed himself of the opportunity to refer to the role of the Reserve Bank in the nation's economy and the need for maintaining the sturdy independence of this key institution. Despite all official and ministerial assurances of non-interference, Mr. Bhabha said, there was a general impression that there was a certain amount of subservience of the Reserve Bank to the Finance Ministry. Such subservience was, in the opinion of Mr. Bhabha, not conducive either to the great stature associated with such an organisation or to the worthy role to be played by it in matters of currency and economy of the nation. Proceeding, the Chairman of the Indian Banks' Association observed:

"The Government is no doubt vested with statutory powers to give directives to the Reserve Bank and the exercise of these powers may strip this great organisation of its much-desired role of an independent apex body. A few correctives in its organisational set-up regarding the composition and appointment of its Board of Directors and a

(*Continued on page* 615)

INDIAN OVERSEAS BANK

DIVIDEND MAINTAINED ON HIGHER CAPITAL

AN increase of Rs. 3.84 lakhs to Rs. 32.49 lakhs is disclosed in the profit of the Indian Overseas Bank Ltd. (General Manager: Mr. C. P. Doraikannu, Madras) for the year ended 31st December 1957. This rise does not compare well with that of Rs. 12.09 lakhs recorded a year ago, when the profit jumped up from Rs. 16.56 lakhs (earned in 1955) to Rs. 28.65 lakhs in 1956, but it has helped the Bank not only to nearly double its profit in two years but set up a fresh record in its history. In consonance with this rise in profit, the provision for taxation has been stepped up from Rs. 14 lakhs to Rs. 16 lakhs. The transfer to the reserve fund has also been raised from Rs. 6 lakhs to Rs. 7.32 lakhs and the bonus to staff, too, from Rs. 3.50 lakhs to Rs. 3.75 lakhs.

The dividend is unchanged at 10 per cent. per annum, to which level it had been successively raised from 6 per cent. paid for 1954. The latest dividend is, however, on an increased capital of Rs. 56.23 lakhs raised during the year by the issue of Rs. 25,000 new shares of Rs. 100 each, at a premium of Rs. 10 per share.

The gross income of the Bank for the year under review amounts to Rs. 132.28 lakhs, having gone up from Rs. 114.67 lakhs earned in 1956. This increase of Rs. 17.61 lakhs in income, which compares with Rs. 29.81 lakhs recorded in the previous year, is mainly accounted for by the rise of Rs. 19.08 lakhs to Rs. 85.38 lakhs in interest and discount earned. Income from commission and exchange, which had gone up by Rs. 9.36 lakhs to Rs. 48.16 lakhs in 1956, has suffered a slight decline to Rs. 46.82 lakhs in the year under review. On the expenditure side, interest paid has risen by Rs. 10.03 lakhs to Rs. 40.65 lakhs. Other expenses also have maintained the upward trend, but the pace of increase (Rs. 3.51 lakhs) is much less than that (Rs. 8.71 lakhs) in the previous year. Even this rise is mainly due to the increase of Rs. 3.70 lakhs in salaries, allowances, bonus, etc., to staff.

Progress

The progress of the Bank during the last three years is well brought out by the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	85.38	66.30	45.91	38.64
Commission and exchange	46.82	48.16	38.80	30.38
Interest paid	40.65	30.62	21.81	16.96
Expenses	56.69	53.18	44.47	36.66
Depreciation	2.44	2.22	2.01	2.12
Profit*	32.49	28.65	16.56	13.35
Provision for taxation	16.00	14.00	7.50	7.00
To reserve fund	7.32	6.00	4.00	3.50
„ bonus to staff	3.75	3.50	1.25	..
Dividend	5.62	4.91	3.68	2.94
	(10%)	(10%)	(7½%)	(6%)
Carry forward	2.32	2.52	2.28	2.16

	As on 31st December			
	1957	1956	1955	1954
Capital	56.23	49.20	49.20	49.20
Reserves	46.36	36.00	39.00	28.00
Deposits	19,84.41	16,48.81	14,42.90	11,28.91
Borrowings from other banks	5.96	47.29	90.18	2.31
Advances	11,29.63	10,81.19	9,05.14	5,48.33
Investments	6,62.56	5,16.18	4,84.07	4,08.99
Cash	3,52.39	2,60.61	2,78.17	2,89.22
Balance-sheet total	29,01.41	28,73.04	25,72.80	18,47.59
Ratio to deposits of—	%	%	%	%
Advances	56.9	65.5	62.8	48.5
Investments	33.3†	28.6†	27.8†	36.2
Cash	17.7	15.8	19.3	25.4‡

* After providing for depreciation on investments.

† After taking into account investments earmarked against borrowings from other banks.

‡ After taking into account foreign balances earmarked against borrowings from other banks.

In September last, the Bank issued 25,000 new shares of Rs. 100 each at a premium of Rs. 10 per share in the proportion of one share for every two shares. The number of shares taken up to the end of the year was 24,964, on which a sum of Rs. 35 per share, including the premium of Rs. 10, has been called up. The previous occasion on which the Bank issued fresh capital was in September 1941, when a like number of shares (namely 25,000) of Rs. 100 each were issued. The shares were, however, issued then at a premium of Rs. 20 per share and were called up in six instalments spread over a period of over 10 years. The reserves, including the share premium collected on these two occasions, aggregate Rs. 46.36 lakhs.

CHARTERED BANK MAKES GOOD PROGRESS

CHAIRMAN VIEWS FUTURE WITH CONFIDENCE

THE year 1957 was one of consolidation and good progress for The Chartered Bank, formerly Chartered Bank of India, Australia and China (Chief General Manager: Mr. H. F. Morford, London), in that it acquired during the year the whole of the issued share capital of the Eastern Bank Ltd., thus adding as many as 20 offices to its own list of branches. It also acquired two branches in Pakistan, following the taking over of the business of the Allahabad Bank Ltd., and six branches of the Ionian Bank Ltd. in Cyprus. It expanded its own branch organisation in Borneo by opening an office at Sarikei and proposes to open two more. With the aforesaid acquisition of two more offices in Pakistan, The Chartered Bank has been able to participate to a much fuller extent than was possible before in financing the upcountry trade and industry of Western Pakistan. The foothold which the Bank has secured in the Eastern Mediterranean with the acquisition of the Ionian Bank's business in Cyprus is expected to be of great value to the Bank and this move is part of its policy to widen its sphere of activity in the Middle East.

The broadening of the Bank's activity and the expansion of its business are duly reflected in the rise of the group profit from £804,641 to £100,890. The profit, as usual, has been arrived at after providing for taxation and after making allocations to inner reserves, out of which full provision has been made for diminution in value of assets. Together with the surplus of £432,068 (of which £409,308 relate to The Chartered Bank and £22,760 represent the amounts retained in subsidiary companies' accounts) brought in from 1956, the profit available for appropriation is £1,432,958, as against £1,228,943 in the previous year. The Directors have maintained the allocation to the officers' pension fund and widows and orphans fund at £125,000 and £20,000, respectively. The amount to be utilised for writing off Bank premises has been raised from £200,000 to £250,000 and the allocation to the contingency reserve from £150,000 to £220,000. The dividend is being repeated at 15 per cent. less income-tax, but this is on the increased capital of £4.4 million raised by the issue of £900,000 new stocks to the shareholders of the Eastern Bank Ltd. The dividend for 1957 makes an effective rate of 18.9 per cent. on the old capital and absorbs a larger sum of £379,500, as against £301,875 a year ago, leaving to be carried forward £438,458.

The following synopses of the parent Bank's balance-sheets as at the close of the past four years provide an idea of its recent progress:

(In thousands of £'s sterling)

	As on 31st December			
	1957	1956	1955	1954
LIABILITIES (Main)				
Capital	4,400	3,500	3,500	3,500
Reserve fund	5,700	5,000	5,000	5,000
Undistributed surplus	412	400	405	393
Current and other accounts	178,329	175,370	172,434	159,651
Fixed deposits	26,843	22,344	30,658	20,483
Notes in circulation	3,731	3,267	2,906	2,902
Bills payable	1,810	1,817	1,705	1,220
Acceptances (contra item)	10,143	10,983	7,109	10,391
ASSETS (Main)				
Cash	47,458	36,056	40,207	33,616
Investments—				
Government and other securities	47,454	48,590	58,411	62,309
Securities lodged against note issue	3,876	3,428	2,684	2,889
Advances	97,784	103,950	91,871	74,737
Bills of exchange	18,282	13,785	17,086	14,646
Bank premises	2,621	2,303	2,180	2,166
Remittances in transit	1,113	1,704	3,140	2,148
Balance-sheet total	231,623	222,988	223,969	203,636

The Bank's balance-sheet total at the end of 1957 shows an increase of £8.63 million to a fresh record of £231.62 million. This is in refreshing contrast to the slight decline of about £1 million noted at the end of 1956 and reflects the very useful role, which The Chartered Bank, as the largest and oldest of the British foreign exchange banks serving the East, continues to play in "sustaining the economic defences" of the underdeveloped countries. The increase of £700,000 in the reserve fund represents the share premium on the £900,000 stock in The Chartered Bank issued in exchange for the issued share capital of the Eastern Bank Ltd. The Bank's deposit resources show a sizable enlargement, current and other accounts recording an increase nearly £3 million.

On the assets side, the most notable change is the fall of £6.17 million in advances, which, at £97.78 million, are still higher than those at the end of any of the years preceding 1956. This contraction is, however, partially offset by the increase of £4.5 million in bills of exchange. The expansion in resources, accompanied by a fall in credit, has strengthened the Bank's liquid assets. Investments in Government and other securities (other than those lodged against note issue) are no doubt slightly lower, but cash balances have gone up by no less than £10.5 million to £47.46 million, at which they bear a ratio of 23.1 per cent. to the total demand and time liabilities, as against 18.7 per cent. a year before.

The Chartered Bank's acquisition of new interest in the Middle East does not mean that it takes a dim view of the scope for British exchange banks in the Asian countries where these banks have served for so long. Though the primary function of the Bank has been that of an exchange bank, it has, as Mr. V. A. Grantham, Chairman of the Bank, points out in his statement (published on pages 586-591 of this issue), operated during the past 20 years to an increasing extent within the domestic economies of the countries in which the Bank operates. "These credit operations," Mr. Grantham adds, "are financed by local money market facilities. In proportion to the extent to which the Bank is permitted to attract deposits, it can, of course, engage in the financing of sound business activities, but there are signs in many countries of a disposition to restrict deposit banking to the indigenous banks." The dependency of exchange banks on local deposits and money market facilities grew substantially last year, as a result of the sharp rise in money rates in London and the consequent high cost of getting funds from that Centre. It is well within the normal course of business, if, in such circumstances, the exchange banks offer keener competition in attracting funds in the local markets.

Mr. Grantham also makes a reference to the appointment of a Committee under the chairmanship of Lord Radcliffe to enquire into the working of the monetary system, with particular reference to the usefulness of British overseas banks to the U.K. economy in adding to the country's foreign currency reserves. It is argued by some that the advantages of these operations to the U.K. economy are more apparent than real. Dispelling any misconception in this regard, Mr. Grantham says:

"The effectiveness of organisations like The Chartered Bank in sustaining the external economic defences of the United Kingdom cannot be in doubt. The Bank finances a very large proportion of the trade in primary products between the Eastern countries and the rest of the world and it is a considerable earner of U.S. dollars and other scarce currencies in its own right; moreover, the Bank is enabled by means of its already extensive and growing overseas establishment to play an important part in the promotion of the export trade of the United Kingdom. To impose restraint upon the activities of the British overseas banks would be the last resort of the destitute and it is reassuring to know that changes in currency management and exchange control which might prejudice the unique position of the City of London in international commerce will not be made without the most searching enquiry."

Despite the marked changes in the economic situation and the political upheavals which have taken place in the various countries in which The Chartered Bank operates, the technique of management which the Bank has adapted to meet the changed situations, encourages Mr. Grantham to view the future of British banking in the East with confidence.

(*Concluded from next column*)

H.K.$303.09 million, while other investments are higher by H.K.$694 million at H.K.$38.96 million. Despite the fall in investments in Government securities, the liquidity ratio is higher, the ratio of readily realisable assets to the total liabilities having gone up by 4 per cent. to just under 49 per cent.

Despite the unfavourable economic conditions, the Bank has had a satisfactory year, but the immediate outlook is regarded by the Chairman as uncertain. It remains to be seen, he says, whether the current year will prove as profitable as the last one, but he regards it reasonable to hope that it may not be necessary to allocate any further sums for the purpose of writing down the Bank's investments in British Government securities, which has been such a disturbing feature of the last few years. That he is justified in hoping thus is evident from the reduction in the British Bank rate last Thursday from 7 to 6 per cent.

FURTHER RISE IN PROFIT OF HONGKONG BANK

LIQUID ASSETS STRENGTHENED

THE working of the Hongkong and Shanghai Banking Corporation (Chief Manager: Mr. Michael W. Turner, Hong Kong) during the year ended 31st December 1957 has proved to be satisfactory, in spite of the unfavourable economic conditions which prevailed in many of the Eastern countries where the Bank operates. There has been a sizable expansion in the Bank's deposit resources, but this has not been utilised to enlarge the Bank's credit portfolio; in fact the advances at the end of the year are slightly lower. The bulk of the increased deposits has been utilised to strengthen the liquid assets. Nevertheless, the Bank's profit has recorded a notable increase of H.K.$400.122 to H.K.$21.03 more at H.K.$17.01 million.

With this rise, the profit has established a fresh record, exceeding the previous high of H.K.$20.68 million established in 1930. With the undistributed surplus of H.K.$11.04 million brought in from 1956, the distributable sum, at H.K.$32.07 million, is H.K.$0.83 million more than that available a year ago. The Directors have during the year under review transferred a sum of H.K.$9 million to the reserve fund from the undistributed surplus of the previous year. As in the previous year, a sum of H.K.$4 million has been utilised from the year's profit to write off Bank premises. The interim dividend of £2 per share (same as that for 1956) paid in August last was on the old capital of H.K.$25 million, while the final one of £1 12s. 6d. per share is on the increased capital doubled during the year by the capitalisation of a sum of H.K.$25 million. Accordingly, the total dividend distribution requires H.K.$0.81 million more at H.K$17.01 million, leaving a surplus of H.K.$2.06 million to be carried forward to 1958.

The following comparative table, giving the synopses of the Bank's balance-sheets as at the close of the last four years, provides an idea of the Bank's progress:

(In thousands of H.K. $)

	As on 31st December			
	1957	1956	1955	1954
Capital	50,000	25,000	25,000	25,000
Reserve fund	128,000	128,000	128,000	128,000
Undistributed surplus	2,062	11,040	10,607	10,215
Note issue	691,742	675,742	675,742	675,742
Current, deposit and other accounts	2,695,185	2,564,288	2,557,376	2,672,641
Acceptances	21,860	16,130	20,356	56,521
Cash and money at call and short notice	430,345	350,953	450,048	907,645
Securities against excess note issue	661,883	645,883	645,883	645,883
Investments—				
In Government and other securities	342,049	349,084	415,347	406,760
In subsidiary and associated company	14,841	10,867	9,264	2,136
Advances	1,186,038	1,213,502	1,069,660	829,455
Trade bills discounted	490,219	600,015	560,740	494,655
British and other Government treasury bills	425,027	220,746	227,066	208,216
Balance-sheet total	3,599,794	3,430,300	3,427,200	3,571,195

The Bank's capital was doubled to H.K.$50 million in August last by the capitalisation of H.K.$25 million. This was the second occasion within the last three years that the Bank had capitalised a part of its reserves, the previous one being in March 1955 when the capital was raised by H.K.$5 million by such a process. The reserves have, however, been replenished by the transfer of H.K.$9 million from the previous year's undistributed surplus and of H.K.$16 million from the inner reserves. Consequent on this replenishment, the published reserve fund stands unchanged at H.K.$128 million.

The current deposit and other accounts show an expansion of H.K.$131 million and this is mainly due to the increase in fixed deposits. This follows the rise of H.K.$6.91 million noted in 1956. Acceptances on behalf of customers have gone up by H.K.$5.73 million, in contrast to the successive decline in the previous two years, and are at the highest level since 1954. The generally lower commodity prices and a slackening of trade in the areas in which the Bank operates are reflected in the decline of H.K.$27 million in advances and of H.K.$110 million in trade bills discounted. The enlargement in the resources accompanied by a fall in advances and trade bills discounted, has enabled the Bank to strengthen its liquid assets. Cash and money at call and short notice are higher by over H.K.$79 million and British and other Government Treasury Bills have risen by H.K.$204 million. Investments in Government securities have declined by H.K.$14 million to

(*Continued in previous column*)

PACKINGS OF MILL PIECEGOODS IN 1957

WEARABLES SHOW MARKED RISE

THE packings of mill-made piecegoods registered a substantial improvement during 1957, the aggregate quantity involved being nearly 5,377 million yards as against 5,197 million yards in the previous year. The improvement was shared by both wearables and non-wearables. It was particularly marked in the case of the former; the total packings during the year amounted to 5,173 million yards, a rise of as much as 163 million yards as compared with 1956. Packings of non-wearables were higher by 17 million yards at 203 million yards.

The rise of 163 million yards in the packings of wearable cloth during 1957 was accounted for chiefly by *saris, dhotis,* and prints (and chintz), the actual extent of increase being 68.98 million yards, 56.18 million, yards and 45.72 million yards, respectively. The packings of drills, jeans, satin drill and gaberdine were also higher by 30.48 million yards and of longcloth, sheeting, leopard cloth and markin by 26.67 million yards. There was also some rise in the packings of poplin, crepes, twills and haircords. The packings of shirtings and sucies, coating, tussores, etc., madapalam, cambrics and lawns, dupattas, etc., and other items, however, suffered a setback. Among non-wearables, except flannelette, lint cloth and polishing cloth and chaddars bedsheets, etc. which showed a decline, all the other varieties recorded an improvement.

Varieties Packed

The following table indicates the different varieties of mill cloth packed during the year 1957 as compared with 1956:

	1957	1956
Wearables:		
Longcloth, sheeting, leopard cloth and markin	1,678.69	1,652.02
Saris	633.47	564.49
Dhotis	584.62	528.44
Shirtings and sucies	595.54	589.23
Prints and chintz	496.20	450.48
Poplin, crepes, twills and haircords	317.45	308.99
Mulls, voiles and dorias	311.03	339.23
Drills, jeans, satin drill and gaberdine	244.70	214.22
Coating, tussores, corduroy and bedford corduroy	127.44	136.81
Madapalam, cambrics and lawns	24.35	32.04
Dupattas, khes, chola and uparana	7.85	8.24
Other items	181.93	195.41
Total	5,173.27	5,010.60
Non-wearables:		
Mosquito netting	13.31	11.28
Canvas, duck, filter cloth	30.38	25.38
Flannelette, lint cloth, polishing cloth	25.92	26.66
Umbrella cloth	8.46	5.66
Table cloth and domestics	9.95	4.24
Tapestry, furnishing fabrics and curtain cloth	11.42	8.05
Chaddars, bedsheets, etc.	103.94	105.35
Total	203.38	186.57
Grand Total	5,376.65	5,197.17

The substantial increase in the packings of mill-made piecegoods noted last year followed the maintenance of a high level of cloth production. The quantity of cloth that actually came off the looms of mills aggregated 5,317.42 million yards—an all-time record—as against 5,306.58 million yards in 1956. The high cloth output was rendered possible by expansion in yarn production which aggregated 1,780.10 million lbs., as against 1,671.20 million lbs. The rise in yarn output *is reflected in the increase in cotton* consumption, from 4,990,827 bales (of 400 lbs.) in 1956 to 5,261,930 bales in 1957. The increase was entirely accounted for by Indian cotton, the consumption of which rose from 4,371,762 bales to 4,694,750 bales. Consumption of foreign cotton, however, was lower at 567,180 bales in 1957, as against 618,865 bales in 1956. An abstract of statistics relating to cotton consumption, production and deliveries of textiles—yarn and cloth—capacity of mills utilised during the years 1956 and 1957 is given below:

	1957	1956
Raw cotton consumption (bales of 400 lbs.)	5,261,930	4,990,827
Cotton yarn (million lbs.)—		
Production	1,780.10	1,671.20
Consumed in mills for cloth production	1,222.98	1,191.55
Export	17.60	12.90
Delivered for other purposes	514.08	472.72
Stocks lying unsold*	43.38	10.98†
Cloth (million yards)—		
Production	5,317.42	5,306.58
Civil consumption	4,083.77	4,175.72
Export	915.68	801.60
Used for other purposes	25.37	26.65
Stocks*	676.05	411.89†
Workers on list (daily average)‡ —		
Spinning mills	102,669	92,265
Composite mills	840,723	840,598
Spindles run (daily average)‡—		
1st shift	10,931,286	10,634,134
2nd shift	10,508,915	10,204,903
3rd shift	4,807,527	4,908,029
Looms run (daily average)‡—		
1st shift	180,886	184,091
2nd shift	171,306	172,507
3rd shift	49,528	50,779

* End of December. † January 1957 ‡Monthly average.

It will be seen from the above table that the quantity of cloth delivered for "civil consumption" accounted for 4,083.77 million yards, which was lower by 91.95 million yards as compared with the figure of 4,175.72 million yards for 1956. The quantity of cloth used for other purposes was also less at 25.37 million yards, as against 26.65 million yards. Delivery of cloth for export, however, registered a noticeable expansion, from 801.50 million yards in 1956 to 915.68 million yards in 1957. The total stocks of cloth lying unsold with mills at the end of December 1957 amounted to 676.05 million yards, as against 411.89 million yards in the beginning of the year.

Thanks to the marked rise of nearly 109 million lbs. to 1,780.10 million lbs. in the production of yarn in 1957 as compared with 1956 the supply of yarn available for consumption by the decentralised sector of the textile industry—handlooms and powerlooms—was very comfortable. Excluding the larger quantity consumed in mills for weaving cloth and exported abroad, the delivery of yarn for 'other' purposes was higher at 514.08 million lbs., as against 472.72 million lbs. Nevertheless, the stocks lying unsold with mills at the end of 1957 were quite heavy, being 43.38 million lbs., those for January 1957 being only 10.98 million lbs.

Utilisation of Capacity

A striking feature revealed by the above table is that the year 1957 witnessed a more intensive utilisation of the spinning capacity, while the utilisation of weaving capacity was comparatively less intensive. Thus, the daily average number of spindles run in the first and second shifts during 1957 was 10.93 million and 10.51 million, as against 10.63 million and 10.20 million, respectively, in 1956. The daily average of spindles run in the third shift, however, was lower at 4.81 million, as against 4.91 million. In the case of looms, all the three shifts accounted for a decline in the daily average looms run which amounted to 180,886, 171,306 and 49,528 in the first, second and third shifts, respectively; the corresponding figures for 1956 were 184,091, 172,507 and 50,779 looms.

Consequent on the rise in spindles worked, the daily average number of workers employed in the spinning mills recorded an increase, from 92,265 in 1956 to 102,669 in 1957. Despite the reduction in the looms run, there was a slight rise in the daily average workers on list, the figure for 1957 being 840,723, as against 840,598 in 1956.

"SILK AND RAYON INDUSTRIES OF INDIA"

The silk and rayon industries are coming to play a more and more important part in the country's economy. They not only provide employment to quite a large number of persons but also meet the growing clothing requirements of the expanding population, not to speak of the importance of earning foreign exchange through exports. Viewed thus, the Silk and Art Silk Mills Research Association has, indeed, done well to bring out a journal, entitled *Silk and Rayon Industries of India* (Editor: Miss C. C. Ferreira), devoted to the study of man-made fibres and their uses. The February issue of this journal contains four interesting articles—"Hungary's Contribution to Textile Technology" by Dr. V. Dischka, "Rayon Yarn Manufacture in India" by J. G. Parikh, "Standardisation" by Prabhu V. Mehta, and "Nylon—Its impact on Modern Industrial Life" by J. M. Page. The utility of the publication is enhanced by the inclusion of who is who in silk and art silk industries, representations made by the industries on export and import policy, employee-employer relations, market reports, textile labelling and statistical survey.

In the course of an editorial on the task ahead, the Editor rightly emphasises the need for increased and better production, on the one hand, and improved marketing of wares, on the other. Another editorial is devoted to the study of rayon yarn situation. Referring to the continuously upward trend in yarn prices, the Editor urges the revision of import policy in such a way as not to "frustrate the progress of the industry or hamper economic production and full employment."

"SILK NEWSLETTER"

The Central Silk Board has brought out a neatly printed and well got-up *Newsletter*. The issue consists of two parts. The first part is devoted to the review of the trends in the Indian silk industry, the second part dealing with the world silk situation. The review contains, among others, a survey of the silk industry's performance during the year 1957, assessment of the progress made in the first Five-year Plan period, and a note on the steps now being considered to stimulate exports of silk fabrics. Also included in the *Newsletter* is a review of the trend of prices in the Bangalore silk market during 1957, as well as statistics relating to production of spun silk yarn and noil yarn and consumption of silk waste.

RESERVE PRICES OF SUDAN COTTON

DRASTIC CUT EFFECTED

THE drastic reduction in the reserve prices of the Sudan Gezira Board by one to six pence per pound and the slash in export duty by as much as 33 per cent. are welcome news to spinners of Sudan cotton in this country, especially because it comes on the eve of the Government of India's import policy announcement in respect of Sudan and Egyptian cotton. According to an announcement made by the Government of Sudan, the duty on 'S' and 'L' varieties of Sudan cotton has been reduced from 3.75*d.* per lb. (about Rs. 165 per candy) to 2.50*d.* per lb. (about Rs. 110 per candy) with effect from 19th March. The reserve prices of the Sudan Gezira Board, that is, the lowest prices at which the Board is willing to sell its cotton, have also been reduced, the reduction varying from 1*d.* to 6*d.* per lb. (Rs. 44 to Rs. 264 per candy). These are the latest of a series of steps taken by the Government of Sudan to boost its cotton sales for export. The marketing policy for the 1957-58 crop has not been announced till the time of writing. It is obvious that, following the reduction in duty and reserve prices, Sudan has emerged as a very serious competitor to Egypt. The full reaction of the world's spinners to this move is not yet known, but a revival of demand is quite probable, now that Sudan cotton has become an attractive buying proposition.

Although the 1957-58 Sudan crop is expected to be very much smaller than that of the previous season, due to the serious damage from pests in both the Gezira and private estates, the overall supply position would appear to be comfortable. This is because of the substantial unsold balance of the 1956-57 crop which is estimated at about 205,616 bales. This, together with the estimated crop of about 300,400 bales (of 420 lbs.), would give an aggregate supply of 506,016 bales. This compares with a crop of 675,674 bales harvested in the previous season. The following table gives the latest supply position of Sudan cotton.

(In bales of 420 lbs.)

Varieties	Unsold balance of 1956-57 crop	1957-58 crop (estimated)	Total supply
Gezira "S"	85,157	46,600	131,757
Gezira "L"	82,224	87,300	169,524
Private Estates	15,000	135,000	150,000
Gash "S" and "L"	4,167	14,000	18,167
AL/WL	19,068	10,000	29,068
Tokar	..	7,500	7,500
Total	205,616	300,400	506,016

Export sales so far in the season has been poor as foreign demand is weak. Interest has been mainly confined to 'S' and 'L' varieties. The quality of the new crop is also reported to be poor. These factors would appear to have been mainly responsible for the decision to cut the export duty and reduce the reserve prices.

Another welcome news is that the Sudan Gezira Board proposes to open a sales office in India, on the lines of the one which exists in London. The office will show samples of Gezira cotton, undertake market analysis and help in the solution of any difficulties which may arise in transactions with Indian firms. It may be noted here that the idea of opening a sales office in India was first mooted by the Sudanese Economic Mission which visited India last year. This is also an indication of the prominent place which India occupies among Sudan's customers. In the 1955-56 season, Indian mills consumed as much as 182,883 bales of Sudan cotton out of a total foreign cotton consumption of 603,251 bales. In the last season, namely, 1956-57, Sudan cotton consumption showed a decline to 84,063 bales, out of a total of 567,468 bales of foreign cotton consumed. In the first five months of the current season, that is, from 1st September 1956 to 31st January 1958, Indian mills consumed 31,597 bales of Sudan cotton, as compared with 42,636 bales during the corresponding period of last season.

Importers in India are anxious to see that the Government of India gives permission for import of Sudan cotton as early as possible, so as to take advantage of the attractive price of Sudan cotton. It may be mentioned here that stocks of Sudanese cotton with Indian mills as on 31st January last were 27,743 bales, as against 28,768 bales on the corresponding date a year before. Mill interests would seem to have already drawn the attention of the Government to the rapid depletion of stocks with them of both Sudanese and Egyptian styles.

COTTON INDUSTRY IN DIFFICULTIES

TENDENCY TOWARDS SMALLER MANPOWER CONTINUES UNABATED

From A Special Correspondent

MANCHESTER, *18th March*

OUTPUT of single yarn in Lancashire mills during the first five weeks of the year averaged 17,230,000 lbs., as against 15,820,000 lbs. in December and 17,540,000 lbs. in January last year. Contrary to recent trends, a gain was made in the quantity of man-made staple yarns produced, the weekly figure being 3,050,000 lbs., as against 2,800,000 lbs. in December and 3,040,000 lbs. in January 1957.

MANCHESTER LETTER

Although the quantity of cloth woven in January exceeded the December weekly average by more than 3,000,000 yards, the total of 44,070,000 yards a week, as compared with 45,460,000 yards in January last year. Similar falls in output were recorded in both cotton cloth and in goods from the man-made fibres section.

The decline in the number of operatives on the books of employers, which has been persistent since August last, continued during the first month of the year, the total at the end of January being 240,790, as against 241,160 in December. Once again, the chief drop came in the weaving branch where a net loss of 570 workers was recorded. In contrast, spinning mills actually gained more workers, the total increasing by 470 to 99,220.

Likely To Continue

This tendency towards a smaller manpower seems likely to continue unabated, as the number of mills in operation declines. Rarely a week goes by without some indication of firms deciding to close down or curtail output. Much discussion has been aroused by the decision of the directors of Atherton Mills Ltd. to shut two of their four mills, while the future of the remaining two is in the balance.

Although a move on such a scale is unusual, it demonstrates the attitude of some traders when important decisions of this kind have to be taken. There are those who believe in continuing the fight against very considerable obstacles to the bitter end, while some contend that the best policy is to shut down while still relatively prosperous and distribute the assets to shareholders. Firms such as Atherton Mills, whose spinning machinery is largely composed of mules, obviously face an uncertain future, and a wholesale transfer to ring spindles would be exceedingly costly. Under existing conditions it would be some considerable time before such expenditure could be recouped, if at all.

Publicity Campaign

Over and above the steady stream of advertisements and the publicity attached to the industry's participation in various trade fairs and exhibitions, the Cotton Board is carrying out a regular week-by-week plan of campaign to keep the assets of the trade in the public eye. The 'scheme aims at persuading the younger generation to make cotton their career.

One of the features of this continuing drive for recruits was the publication late last year of a revised version of the booklet *Processing Britain's Cottons.* This formed part of a set of teaching aids for schools, comprising boxes of cotton samples, charts, film-strips and films, all of which help to provide a picture for the student of what happens to cotton from field to fabric. As well as serving an educational function, these teaching aids keep the industry in the minds of the pupils as a possible source of their future livelihood. Also widely used as a promotional force are the five films sponsored by the Cotton Board, of which nearly a hundred copies are constantly in use. Already over thirty tours, each lasting a week, have been booked for the current year, covering all parts of the country.

Recognising the importance of keeping cotton's merits as a fibre always before their best customers, the organisers of these film tours aim at presenting about ten shows a week to audiences composed entirely of women who buy 75 per cent. of the cotton goods used as garments or in the home. Two new films of special interest to women will be ready for display by the autumn.

Last year, the Board's films were shown on 545 occasions to audiences of over 40,000. This year 569 shows, including 172 lectures, have already been booked and at least 250 more bookings are expected before the end of the year. A new development is a service of talks and film shows to large retail stores, both in London and the provinces.

From Excess To Shortage

Among the many disconcerting factors which persist in narrowing the offtake in cotton textile goods at the moment is the situation arising from the setback in the current Sudan cotton crop. Although Lancashire spinners have learned to do without supplies, which at one time were thought essential, and a wide variety of substitution has been encouraged by force of circumstances, the sharp change from a record output of Sudan cotton to a partial crop disaster must be a disturbing influence.

Already rumours are about that the cut in the export tax on Sudanese cotton may be reimposed due to the smaller revenue anticipated from the crop. If this action is taken, users will be back where they were, restricting their purchases because they consider prices for these growths too high. Meanwhile, no supplies are being received from Egypt, although quantities of the Egyptian staple are circulating in a number of European countries, often at uneconomic prices, having been released from the stocks held by Iron Curtain areas.

The annual report of the British Cotton Growing Association, dealing with the 1956-57 season, devotes much space to the record growth achieved in the Sudan, where output of 705,000 bales, almost entirely Sakel types, was 177,000 bales above the previous peak. If the Sudan is included in these "Empire" totals, excluding India and Pakistan, the aggregate output was nearly 1,500,000 bales, an expansion of almost 200,000 bales on the previous season. East Africa recorded a rise of 34,000 bales, due entirely to the record crop in Tanganyika, and hopes are expressed that the current growth in Nigeria will exceed the 1955 record of 188,000 bales by at least 40,000 bales.

Cotton Talks

Leaders of the textile workers' unions last week urged the President of the Board of Trade, Sir David Eccles, to implement the recommendations of the policy manifesto, *Plan for Cotton,* drawn up by Mr. Harold Wilson, "Shadow Chancellor." The discussion appears to have centred mainly on the problem of duty-free imports, and Sir David is understood to have expressed optimism about the prospect of reaching some agreement with Pakistan, India and Hong Kong.

The British Rainwear Manufacturers' Federation, representing 34 companies in the Manchester area, has offered a wage increase of 2*d.* an hour to men and 1½*d.* to women. The application by the National Union of Tailors and Garment Workers asked that the increase should be paid irrespective of earnings. This has been rejected.—*All Rights Reserved.*

NEW RECORD FOR WOOL

World wool consumption during 1957 is estimated by the Commonwealth Economic Committee at 2,855 million lbs. (clean weight), as compared with 2,853 million lbs. in 1956. This is an increase of 1 per cent. and sets up a new record for wool.

While the United Kingdom continues to use far more wool than any other country—its total for last year was 481 million lbs. (clean)—the estimates of the Committee show that the most outstanding increase last year was that of 27 per cent. achieved by Italy. A further substantial improvement of 9 per cent. was recorded by Japan and it is possible that final figures will show that country to have replaced Western Germany as fourth largest consumer in the non-communist world after the U.K., U.S.A. and France.

In France and the United Kingdom, usage last year rose by 7 and one per cent., respectively, but, in the U.S.A., there was a fall of 15 per cent. to the lowest annual total since 1938. There were reductions also in Belgium and the Netherlands amounting to one and seven per cent., respectively.

The 1957 totals for France, Japan and possibly Western Germany set up new records in each case. Consumption in the rest of the world in 1957 is tentatively estimated to have risen by about one per cent., as compared with 1956.

On the basis of available supplies of raw wool, consumption in the Soviet Union, China and Eastern Europe increased by less than one per cent., a rise in domestic wool production offsetting a decline in imports.

The Committee points out that the rate of increase in world wool consumption was slowing down during the first three quarters of 1957 and that, during the final quarter, aggregate consumption by the 11 major manufacturing countries of the non-Communist world was 10 per cent. lower than a year earlier.

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GIFT TAX LEGISLATION ANALYSED

SOME CONSTRUCTIVE SUGGESTIONS FOR MAKING IT EQUITABLE

By Professor Russi Jal Taraporevala

A GIFT tax has been proposed by the Finance Minister in the budget of the Government of India for the year 1957-58, i.e., the assessment year 1958-59. The Finance Minister justified the introduction of this new tax as being necessary for plugging an important loophole in the structure of direct taxation in India. He claimed in his budget speech that "the transfer of properties through gifts to one's near relations or associates is one of the commonest forms of avoidance of not only the Estate Duty but also of Income-tax, Wealth Tax and even the Expenditure Tax. The only way of effectively checking this practice is to levy a tax on gifts." This argument may be logically correct. But "gifts from one person to another provide a convenient means of avoiding or reducing liability to Estate Duty, Income-tax, Wealth Tax, and Expenditure Tax" and have become specially attractive because of the sharply progressive rates at which the Government has levied the various direct taxes, resulting in a crushing and an unbearable burden of taxation being imposed on the middle and richer classes.

A gift tax exists in a few countries of the world like the U.S.A., Canada, Japan, Australia and New Zealand. The provisions of the Gift Tax Bill (1958) can now be analysed in relation to the existing legal framework and economic conditions in India and the experience of foreign countries in the working of gifts taxes.

Under the Gift Tax Bill, a tax on the value of gifts made after 1st April 1957 is to be imposed in India. The tax is payable by individuals, Hindu undivided families, firms, associations of persons, public limited companies of which the affairs and the majority of shares are controlled by less than six persons, the subsidiaries of such public limited companies, all private limited companies and charitable institutions or funds which are not covered by section 15B of the Indian Income-tax Act.

The tax is payable on the market value of the gift as on the date of the gift. The determination of such market value is left entirely to the discretion of the gift tax officials. Thus, the Bill provides that "the value of any property other than cash transferred by way of gift shall ... be estimated to be the price *which in the opinion of the Gift-tax Officer* it would fetch if sold in the open market on the date on which the gift was made."

Definition of Gift

According to the Gift Tax Bill, a gift is defined as "the transfer by one person to another of any existing movable or immovable property made voluntarily and without consideration." A special section provides for artificially including within this definition the gift element in four special types of transfers of property. These are: first, transfers of property made for nominal or inadequate consideration; second, transfers of property for consideration which although stipulated is not meant or likely to pass from the transferee to the transferor; third, release or discharge from one's debts or liabilities, and fourth, withdrawals or appropriations from property owned jointly by a joint-holder other than the one who made the original investment or deposit. Further, in order to make the application of the Bill as wide as possible, transfer of property is defined to include "any transaction entered into by any person with *intent thereby to diminish directly or indirectly* the value of his own property and to increase the value of the property of any other person." These excessively wide and sweeping provisions will enable gift tax officers to include every conceivable transfer of property within the definition of the term gift for the purposes of the Bill.

The various problems which this definition of gifts will give rise to will now be analysed. They can be divided into two parts. First, there are the problems connected with the subject matter of the gift. Second, there are the problems of consideration.

The main problems connected with the subject matter of the gift relate to forgiveness of indebtedness and joint ownership.

Under the Gift Tax Bill "where there is a release, discharge, surrender, forfeiture or abandonment of any debt, contract, or other actionable claim or of any interest in property by any person in favour of another, the value of the release, discharge, surrender, forfeiture or abandonment shall be deemed to be a gift made by the person responsible for the release, discharge, surrender, forfeiture or abandonment." It is provided that this clause shall not apply to "any debt which is proved to the satisfaction of the Gift-tax Officer to have become irrecoverable." These provisions will almost force creditors to take full legal remedies against their debtors. If a creditor settles or compromises a debt, he will run the risk of being forced to pay gift tax on the amount which he has forgone. This will happen if the tax officer is of the opinion that the amount forgone could, perhaps, have been recovered by the creditor through further steps and litigation against the debtor. Further, persons possessing rights under contract and actionable claims under law will be forced to indulge in litigation to the fullest possible extent to enforce their rights and claims. If they fail to do so, they may be deemed to have abandoned their rights and claims and, therefore, be liable to pay gift tax on the value of these rights and claims.

Great Hardship

These provisions of the Gift Tax Bill are likely to cause great hardship without any justification. They will tend to disrupt the normal relationship between debtors and creditors and between parties to contracts. Creditors and owners of rights under contracts or actionable claims will have an unpleasant choice before them: either to incur substantial costs of litigation, often with very little chance of success, or to abandon their claims and further pay gift tax on them. Commenting on these provisions, the editorial of *The Hindu* rightly stated that "anyone who generously forgoes his claim to principal or interest ... should be penalised for it seems to be obviously unfair."

It is recommended that these provisions of the Bill should be altered. They may perhaps be made applicable to such transactions as take place between relatives—in which cases the absence of such provisions may provide a loophole for avoidance of the tax. But these provisions should not apply to such transactions which take place between persons who are in no way related or to "arm's length business transactions" unless the tax authorities can prove that, in the particular case, there was a deliberate *intention of making a gift as shown by* special circumstantial evidence. The opinion of two famous American jurists, Professors Lowndes and Kramer, *on this point may be* noted. They correctly point out that:

> "Where a creditor as part of an arm's length business transaction forgives a debt, it seems clear that he does not intend to make a gift of any part of the debt for which he fails to receive consideration, but that he is really exchanging the debt on what appear to him to be the most advantageous terms possible under the circumstances. If a man forgives a debt with the intention of making a gift to the debtor, there is no reason why this should not be treated as a taxable gift. But to tell a man who has lost a substantial sum in an unhappy business deal that he must pay a gift tax upon the loss would be an absurdity..."

Joint Tenancies and Bank Accounts

Under the Gift Tax Bill, where a person who is absolutely entitled to property, has it vested in his own name and the name of another person jointly, any withdrawals or appropriations made by the other person out of such property for his own benefit would be deemed to be a gift from the person owning the property to the other person in whom it was jointly vested. This provision is likely to cause some grave administrative difficulties in relation to discovering the purpose for which such withdrawals or appropriations were made, especially from joint bank accounts. A simple example will illustrate the difficulties likely to arise here. If a man "A" deposits money into a joint account for himself and his wife "B," any withdrawals from such account made by "B" for her own use or benefit would be deemed to be gifts from "A" to "B." But if "B" withdraws from the account amounts required to pay the household expenses, such withdrawals would not constitute a gift from "A" to "B," because "A" is bound to maintain and support his wife. Payments made by "A" to "B" for running the household or withdrawals made by "B" from their joint account in lieu of such payments would, therefore, not be taxable gifts. In such a joint account, the administrative problems will be to discover which of the parties drew the various cheques out of the account and then to find out the purpose for which such withdrawals were utilised. In most cases, it will be extremely difficult and even impossible for an assessee to prove conclusively that a particular withdrawal from a joint account was used for a particular purpose. Thus, unless a husband and wife keep detailed records of their expenditure down to the last rupee and also preserve all bills and vouchers to support such records—and such cases must be most rare—how can a wife prove conclusively that a particular withdrawal from their joint bank account owned by her husband was used for the household expenses and not by her for her own pleasures or benefit?

The effect of these provisions will be that persons who may have maintained joint bank accounts purely for the sake of convenience and without any idea of making gifts through such accounts will find themselves in difficulty with the tax officials. They may be called upon to produce detailed records of the purpose for which each cheque drawn from such joint accounts by the joint-holder other than the original owner of the money was utilised. *It is most* unlikely that many persons will have kept such records for withdrawals made by them from joint accounts after 1st April 1957. Hence they may be called upon to pay gift tax on amounts which were not really given as gifts but of which they are unable to prove the purpose or use. This will be unfair. It is recommended that the Bill should be amended so as to make these particular provisions applicable from 1st April 1958, so that persons having property vested in joint names can at least take steps to meet the requirements of these provisions. For the future, persons having joint bank accounts for the sake of convenience would be well advised to dissolve such accounts and to hold the money in their individual names separately, in order to escape from the possibilities of considerable harassment from the tax officers in respect of these provisions of the Gift Tax Bill.

CONSIDERATION

The special problems arising out of the definition and nature of consideration may be analysed next. Under the Gift Tax Bill, a gift is made when property is transferred from one person to another voluntarily and without consideration or for inadequate consideration or for consideration which is not likely to pass from the transferee to the transferor. Hence transfers of property which are made involuntarily or for adequate consideration cannot be treated as gifts. The Bill does not define the term consideration. Therefore, the definition of consideration under the Indian Contract Act must be taken as applicable to the Gift Tax Bill. Under the Contract Act, the essence of consideration is that the promisee (or the transferee) takes upon himself some kind of burden or detriment which may consist in parting with something of value or in undertaking a legal responsibility or in forgoing the exercise of a legal right. That which is given up must be something which the law can regard as having some value, so that the giving of it effects a real, though it may be a very small, change in the promisee's position—this is good, sufficient or valuable consideration. Even compromise of a doubtful claim is valid consideration. Past consideration is also valid consideration under Indian law. However, the adequacy of consideration is not necessary for the purposes of the Indian Contract Act.

The problems likely to arise will relate to the determination of adequacy of consideration. Where the consideration takes the form of personal services rendered or the forsaking of a legal right or the settlement of a doubtful claim, it will be extremely difficult to prove that the consideration was adequate. It has been pointed out that valuation is left entirely to the discretion of the gift tax officers. It is possible and likely that the tendency of the officers will be to argue that the consideration paid was inadequate and to assess many transfers of *property to gift* tax—even in cases where there was in fact no gift made. Some particular problems of special importance are outlined below.

If a person enters into a business transaction, which later on appears to have been a bad bargain, he will run the further risk of being asked to pay gift tax on it. The gift tax officer will have the right to examine all business bargains and transactions. If the officer feels that an assessee did not get for a transfer of property what in the officer's opinion would have been adequate consideration, he may assess the party to gift tax on the difference between what he thinks would have been adequate consideration and the price actually realised. Thus, the provisions of the Gift Tax Bill may result in a gift tax being levied on business transactions and bargains which may, in retrospect, appear to have been bad but which were made without the slightest idea of making a gift. The Bill should provide for the exclusion of such transactions from its scope. It should be provided that there will not be a taxable transfer even though a transfer is made for what appears to be inadequate consideration when there is a sale, exchange or transfer of property in the ordinary course of business (*i.e.*, a transaction which is *bona fide*, at arm's length and free from donative intent). Such a provision exists in the American gift tax law.

Partnerships

There are many instances in which a person is admitted into partnership by an existing firm without paying any consideration in money terms. For example, many professional firms of lawyers, accountants and architects, admit into partnership men possessing the necessary professional qualifications and ability, whose services would be valuable to the firm, without charging the new entrant for goodwill or for the other assets of the firm. Under the Gift Tax Bill, the existing partners of such firms may be deemed to have made a gift of the share in the partnership to the new entrant. They may be charged a gift tax on it. Of course, it may be argued that the value of the services of the new entrant to the firm constitutes adequate consideration for giving him a share in the partnership. But it will be extremely difficult to assess the value of the personal services of the new partner in money terms. The tendency of some tax officers may be to put a low value on such services. Thus, the partners of the firm will be deemed to have made a taxable gift if the share of partnership earnings assigned to the newly created partner is in excess of the value of his services (*in the opinion of the gift tax officer*) to the firm and such surplus comes from some assets of the firm including goodwill.

The effect of these provisions will be that entry into partnership firms will have to be paid for by investing capital. Young men with talent but without financial resources will not be admitted into partnerships free, because, then, the existing partners may have to pay a gift tax. The setting up of this artificial barrier to the progress of young and enterprising men, especially professional men, who do not possess initial capital cannot be justified in the socialistic pattern of society in which it is sought by the Government to reduce the disadvantages arising out of inequality of wealth. The Bill should be suitably amended to remove from its scope entry into partnership firms—except in those cases, perhaps, where the gift tax officer can *prove conclusively* by circumstantial evidence that there was an effort on the part of the assessee to make a gift through admitting his relatives or associates into partnership without charging any consideration.

Bonus and Gratuity Payments

Bonus and gratuity or retirement benefit payments given by employers to their employees may be treated as gifts and taxed under certain circumstances where consideration appears to be lacking or inadequate. The position of workers drawing less than Rs. 500 per month can be considered first. These workers are covered by the laws relating to industrial disputes. They can press their demands for payment of bonus out of profits and gratuity or retirement benefits against their employers by raising industrial disputes which can be entered into official conciliation proceedings and thereafter be decided by industrial tribunals. If an employer pays bonus or gratuity to such workmen under an award of a labour court or an industrial tribunal or in settlement of their claims to receive such payments or under the provisions of any contract of service, there will be no question of including such payments under the definition of gift. But it is possible that an employer will be deemed to have made a gift if he voluntarily pays his workmen a bonus or gratuity or retirement benefits without receiving any demand for such payments from the workers. Of course, it may be argued that, under the existing labour laws and practices, the workmen have almost got rights to such payments under certain circumstances and so the satisfaction of such rights by the employer should not be treated as a gift. But such an argument may not be accepted by the gift tax officers.

In the case of executive or supervisory staff drawing over Rs. 500 per month, the payment of a bonus or gratuity or retirement benefit would not constitute a taxable gift only if it is made under the terms of a contract of service or employment. But voluntary payment of bonus or gratuity to executives by an employer will be treated as gifts under the Gift Tax Bill, because executive staff is not covered by industrial disputes and labour laws and they cannot demand bonus or gratuity as a right nor can they press any such demands before labour courts or industrial tribunals.

The provisions of the Gift Tax Bill are unfair and undesirable in so far as they will enable tax officers to tax as gifts normal and voluntary payments for bonus and gratuity by employers to their workers and executive staff—even though such payments cannot be looked upon as gifts in the usual sense. If the present provisions of the Bill are enacted, they will make employers extremely hesitant to pay bonuses and gratuity to their employees voluntarily. They will make it necessary for the employees to make repeated formal demands for the payment of bonuses and gratuity. This will increase industrial strife and strain labour relations. It is, therefore, recommended that payments of bonus, gratuity and other retirement benefits by employers to all employees should be specifically exempted from the scope of the Gift Tax Bill. It must, of course, be borne in mind that the provisions of this legislation apply only to public limited companies which are closely controlled, as stated at the outset. And there is a large number of them in this country.

EXEMPTIONS

Under the Gift Tax Bill, the tax is not to be charged on certain exempted items. Gifts of immovable property outside India and gifts of movable property outside India where the donor is not a citizen of India or where the donor, not being an individual, is a non-resident of this country are exempted from the gift tax. Gifts made under a will or in contemplation of death are also exempted from the tax, presumably because they would be covered by estate duties.

Gifts of savings certificates which are declared by the Government to be gift-tax free, gifts to Government or any local authority and gifts of policies of insurance or annuities to the assessee's wife, children or other dependants (subject to a maximum of Rs. 10,000 value of such policies for each donee) are exempted from the gift tax. This merely amounts to favoured treatment for the Government, its savings certificates and to its Life Insurance Corporation.

Charitable Gifts

The exemptions contained in the Gift Tax Bill for charitable gifts or donations are too narrow, inadequate and definitely niggardly. Gifts to charitable institutions and funds recognised under section 15B of the Indian Income-tax Act and gifts for other charitable purposes upto a maximum of Rs. 100 in respect of each gift are exempted from the payment of gift tax. There are many charitable institutions and funds in the country which are not covered by section 15B of the Income-tax Act. Thus, all communal or religious charities, i.e., institutions or funds "expressed to be for the benefit of any particular religious community" are excluded from section 15B of the Income-tax Act. There are thousands of such institutions and funds throughout the country which are doing excellent work in the relief of poor and destitute persons of various communities. It is not right to penalise gifts to such institutions and funds by imposing the gift tax on them. Indeed, as the Bill stands today, such charitable and religious institutions will not even be exempt from the gift tax in respect of amounts and benefits handed out by them for charity (except on amounts of less than Rs. 100). It is recommended that the discrimination against such institutions and funds—i.e., those not covered by section 15B of the Indian Income-tax Act—which exists in the Gift Tax Bill should be removed. The Bill should exempt from the tax all gifts made by an assessee for any charitable or religious purpose.

The value of gifts which can be made for charitable purposes direct to needy individuals by an assessee without attracting the gift tax is restricted to Rs. 100 per such gift. It is surely not correct to limit personal charity to such a low sum. Today Rs. 100 will not even pay the college fees of a poor student for one year—and there are many generous persons even today who help poor students to get their education by contributing their college fees on a personal basis. It is, therefore, necessary that the exemption for gifts made to individuals for charity be raised to Rs. 500 per gift if not a higher figure.

Marriage Gifts

The exemptions contained in the Gift Tax Bill for gifts made on the occasion of marriage are most inadequate. Gifts made by an individual only to a "female relative dependent upon him for the necessaries of life on the occasion of her marriage" are exempt from the tax upto a maximum of Rs. 10,000 in respect of each such relative. Gifts made by a Hindu undivided family only "to any female member of the family who under any law, order or decree of a court is entitled to maintenance from the joint family property on the occasion of her marriage" are exempt from the tax upto a maximum of Rs. 10,000 in respect of each such relative. These exemptions must be broadened considerably. Gifts made to both male and female relatives, whether dependent or not, on the occasion of their marriage should be exempt from the gift tax. To penalise gifts made to male relatives and to female relatives who earn their livelihood and so are not dependent on the occasion of their marriage as is done by the Gift Tax Bill is to offend against our age-old social customs and is a violation of social decency.

Gifts to a Wife

Gifts made by a husband to his wife upto a maximum of Rs. 1 lakh are exempt from the gift tax. This is a fair and proper exemption.

Basic Exemption Allowance

There is a basic allowance from the gift tax under which gifts upto Rs. 10,000 made in any one year are exempted. But this exemption is reduced arbitrarily to Rs. 5,000 if the taxable gifts made to any one donee in the year exceeds Rs. 3,000. The exemption of Rs. 10,000 per year can hardly be called generous in these days when the value of money has shrunk to a fraction of what it was 10 or 15 years ago. At best, this exemption gives a little relief from the burden of the new tax. But there is absolutely not the slightest justification for arbitrarily reducing this exemption to Rs. 5,000, merely because gifts to an individual exceed Rs. 3,000 in the year. The official notes on clauses of the Gift Tax Bill claim that "this reduction of basic exemption is meant to discourage large gifts being made to the same individual." Gifts of between Rs. 3,000 and Rs. 10,000 today would amount in terms of real purchasing power to gifts of between Rs. 600 and Rs. 2,000 under pre-war conditions. It is difficult to understand how such gifts can be termed as "large." It would have been more discreet for the Government not to have given this ridiculous explanation of this provision for the reduction of the basic exemption allowance. The provision for reducing the basic exemption allowance to Rs. 5,000 is completely arbitrary, without justification and must be removed from the Bill before it is passed.

Small Gifts Must be Exempted

Under the Gift Tax Bill, every rupee given away by an individual in excess of the exemptions outlined so far will have to be declared a gift and the tax will have to be paid thereon. It is surely not proper that the law should require citizens of this country to keep detailed records of and to declare small and petty amounts which they may give away generously during the year. It is most degrading that the small generosities of human beings should be brought under the detailed scrutiny of the State. It is, therefore, recommended that the Bill should exempt very small gifts—say of less than Rs. 100 per gift—made by an assessee.

To sum up, the exemptions provided under the Gift Tax Bill are far from adequate. The scope must be extended considerably.

CHARGE OF THE TAX

Under the Gift Tax Bill, the donor of the gift is liable to pay the tax. However, if the tax cannot be recovered from the donor, it may be recovered from the donee. Under this harsh provision, the donee will have to pay the tax attributable to the gift received by him but at the rates of tax applicable to the donor. The tax is to be charged on the value of gifts made by the donor.

The basis of charging the gift tax is wrong and inequitable. The liability for the gift tax, as also for the estate duty, should be placed on the donee and not on the donor. The ultimate incidence or burden of the tax falls on the donee or the person receiving the gift. To the extent that there is a tax on gifts the donee receives less than he would have received in the absence of such a tax. Today, the estate duty is wrongly levied on the donor on the false notion that the burden or incidence of the duty falls on the deceased person. But the true burden of estate duty falls on the heirs and surely not on the dead man. If a man's property is reduced after his death by the death duties, his economic power during his lifetime is not affected. Death duties only reduce the economic power and wealth of the heirs and so should be levied on the heirs.

The gift tax and estate duty must be levied on the persons who receive the gifts or the legacies. The rate of the gift tax and of estate duty should depend not on the size of the gift or legacy or on the wealth of the donor. The rates of tax should depend on the wealth possessed by the person receiving the gift or legacy. Thus, if a poor man receives a gift or legacy, he should pay tax on it at a much lower rate than if the same gift is received by a very rich man. This would be the ideal solution, because the tax would thus be related to the ability to pay the tax (as measured by his total wealth) of the person on whom the burden of the tax falls, namely, the donee or the person receiving the gift or legacy.

Method Unfair

The method of charging the tax on the donor as proposed in the Gift Tax Bill is inequitable and unfair. Since the ultimate burden of the tax falls on the donee, the present tax proposals will mean that the tax will fall equally on all persons receiving gifts from the same donor, irrespective of whether the donees are rich or poor. Thus, if a man gives away Rs. 5 lakhs as gifts, the tax will be the same whether the gifts are made to one rich person or to 50 poor persons. The donees who are poor will have to bear the same incidence of the tax as the donees who are rich. This is clearly inequitable. A gift tax on the donee in relation to his total wealth is the only fair solution. Such a method of charging the gift tax was recommended by the Kaldor Report. This is another important recommendation of Mr. Kaldor which the Government of India has conveniently ignored whilst it has put into effect many of his other recommendations which suited the purposes of the Government.

A method of charging the gift tax on the donee according to his total wealth may even encourage a more even distribution of wealth. Today a donor will have to pay the same gift tax whether the gifts are given to one rich man or to 50 poor persons. But, if the tax is assessed on the persons receiving the gifts in relation to their wealth, the total tax payable may be substantially less if the gifts are distributed amongst 50 poor persons than if it is given to one rich man. The idea that less of his gifts will be taken away by the Government through the gift tax if the gifts are made to more and poorer persons may encourage donors to distribute their gifts more evenly and preferably to poorer persons. Such a gift tax may, therefore, encourage a reduction in the inequalities of wealth and income in the country which should suit the present socialistic goals of the Government ideally.

RATES OF TAX

Under the Gift Tax Bill, the tax is to be levied on a sharply progressive scale in which the rates of tax rise from 4 per cent. to 40 per cent. of the value of the gifts. The rate of tax is to be determined by the total value of all taxable gifts made by the assessee during the preceding five years. However, gifts made before 1st April 1957, even though within the five-year period, are not to be taken into account for the purposes of the Bill and so are excluded from the gift tax.

The rates of tax appear to be not excessive at the moment. But it must not be forgotten that whenever a new tax is introduced its rates are always kept at reasonable levels initially, in order to secure the acceptance of the tax. Thereafter, the tendency of the Government will be to raise the rates of the tax, in order to increase its revenues. Thus, for example, when the income-tax was first introduced in various countries, it was levied at rates which may appear to be nominal by today's standards. The rate of income-tax was initially often less than 5 per cent. But, over the years, Governments of all countries have slowly raised the rate at which the tax is payable until today the maximum rate of income-tax is more than 60 per cent. in most countries and in India it is 84 per cent. The danger of the rates of gift tax being increased over the years to come is there and is great.

CONFLICT OF LAWS AND DOUBLE TAXATION

In the Statement of Objects and Reasons of the Gift Tax Bill, the Finance Minister claimed that "with the introduction of this tax, the integrated tax structure which the Government have been aiming at will be complete." But the present structure of direct taxation can hardly be called 'integrated' in the true sense of that term. The various tax statutes contain many conflicting provisions and display considerable confusion in their principles. Indeed, such is the lack of integration between the various tax laws that many items may be taxed twice and even thrice in the same year and in the hands of the same taxpayer.

Income-tax and Gift Tax

The Indian Income-tax Act and the Gift Tax Bill (when passed) will impose double taxation on a number of items. Thus, there may be a number of items like secret commissions paid, bonus and gratuity, a portion of travelling and entertainment expenses and even contributions to political parties, all of which may be disallowed as deductions in computing the profits of a business for income-tax purposes. Such items may also fall within the definition of a gift under the new Bill. Hence such items will first be treated as income or profit of the business and subjected to the income-tax. Simultaneously, they may be deemed to be gifts made by the business and be subjected to the gift tax in the same year and in the hands of the same assessee, i.e., the business. Such double taxation is manifestly unfair and probably not even intended by the Government. The Gift Tax Bill should be amended suitably to remove from its scope such cases in which double taxation may be imposed.

Expenditure Tax and Gift Tax

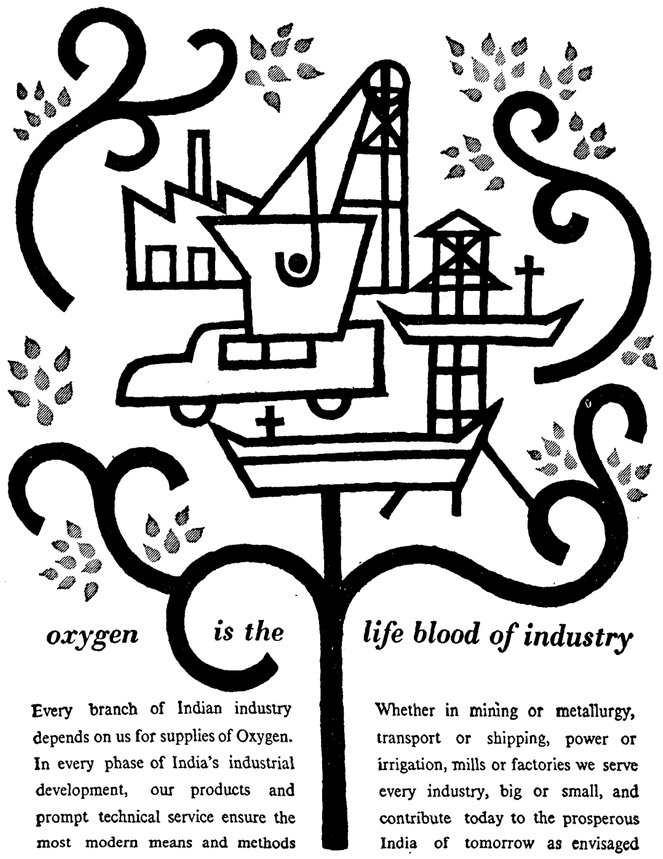
A comparison between the Expenditure Tax Act and the proposed Gift Tax Bill reveals many discrepancies and much confusion in relation to the exemptions granted under the two laws. Under the Expenditure Tax Act, premiums paid by an assessee on insurance policies for his dependants are exempt from the expenditure tax presumably because the maintenance of such policies is considered to be fair personal consumption expenditure which should be allowed to a person—and there is no limit to the amount of such premiums. But the Gift Tax Bill exempts such policies only upto the maximum value of Rs. 10,000 per dependant from the gift tax. This exemption limit should be removed from the Bill.

The Expenditure Tax Act exempts from the tax all expenditure incurred by an assessee "for any public purpose of a charitable or religious nature." A similar exemption for gifts made for such purposes should be introduced into the Gift Tax Bill in place of the proposed narrow and inadequate exemptions contained in the Bill. The Expenditure Tax Act exempts from the tax "any expenditure incurred by the assessee on the maintenance of his parents subject to a maximum of Rs. 4,000." The Gift Tax Bill has no such exemption. But such an exemption must be introduced into the Gift Tax Bill because in the context of our social conditions and customs, the maintenance of aged, old, unemployed or needy parents is a duty. It will offend social decency and values to treat such expenditure on the same footing as other voluntary gifts and to levy a gift tax on it.

Estate Duty and Gift Tax

The provisions of the Estate Duty Act and its amendments proposed in the budget overlap the provisions of the Gift Tax Bill in a manner

(*Continued on page 602*)



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CANE PRICE FORMULA FOR COMING SEASON

GROWERS ASSURED OF A SHARE IN SUGAR PROFITS

THE Government of India has announced the policy governing payment of cane prices by sugar mills during the ensuing season, that is, 1958-59 (commencing from 1st November next). Under the policy, the basic minimum price for sugarcane is fixed at Re. 1.44 per maund for delivery at the gates of factories and at Re. 1.31 per maund for delivery at rail centres. There should be a deferred payment of an amount which may be found due under the formula prescribed by the Government for linking the price of cane with that of sugar realised by the factories concerned. Announcing the above policy, the Union Ministry of Food and Agriculture observes:

"The basic minimum prices are the same as have been in force during the last five years. An expert committee under the chairmanship of Mr. P. A. Gopalakrishnan, appointed to examine the price-linking formula adopted in the 1953-54 season and suggest modifications if any for its improvement, considered the formula sound in principle and recommended its application with certain modifications on a compulsory basis. The formula as recommended by the Committee has been accepted by the Government for adoption on an all-India basis unless any alternative scheme is applied in a State or region by the State Government concerned with the previous approval of the Central Government."

While the details of the formula suggested by the Gopalakrishnan Committee are not available—we are told that the formula is being published in the *Gazette of India*—this much can be said, namely, that the Government has gone out of its way to link the price of cane, not to the quality of cane, but to the price of sugar realised by mills. In other words, the cane growers are assured of a share in the so-called excess profit of sugar mills. This decision is very regrettable, considering that the growers are not at all under the obligation either to share the loss incurred by the sugar mills or to assure adequate and regular supplies of cane to the mills. This aspect must be specially stressed because the minimum price has been fixed for sugarcane at a level at which the grower is assured of a good return, though those who claim to speak for farmers may not concede this point.

More Rational Course

The Government's anxiety to better the lot of agriculturists is understandable. But could not the Government find a better and more rational course? It could have, for instance, fixed a minimum price for sugarcane at a level sufficient to ensure an economic return to the grower, leaving the maximum price to fluctuate in accordance with the law of supply and demand. The chief merit of this course will be to introduce an element of competition among cane growers and sugar factories. The absence of such competition is one of the factors responsible for the continued poor quality of cane grown, particularly in the States of Uttar Pradesh and Bihar.

By linking the cane price to the price of sugar the Government has only introduced more complications in the sugar economy, for the working of the formula will present some practical difficulties. As this journal pointed out when the formula was first adopted in the 1953-54 season, the scheme may lead to a conflict between cane growers and factories over the selling price for sugar realised by the latter. The growers may insist on examining the books of accounts of the factories, in order to know the exact price at which sugar has been sold by them in the market. Again, it provides scope for malpractices among sugar factory owners. It may tempt the not-so-scrupulous millowners to show in their books a lower realisation on the sale of their sugar than they actually got. The result of this will be that even the Government may lose a part of its tax revenue which it would have otherwise received.

Two Other Defects

Apart from these difficulties, the scheme suffers from two defects. First, it does not provide any incentive to sugar factories to raise their efficiency. Secondly, it does not impose any obligations on cane growers to increase the quality of their cane.

An even more regrettable aspect of the Government's decision is that the new formula should be applied on a compulsory basis, in contrast to the application on a voluntary basis during 1953-54. As a result of such compulsion, most of the sugar factories which depend entirely on the agriculturists for supplies of cane will be at the mercy of growers. The growers will thus be in a much stronger position than they are today.

There is, however, one good feature in an otherwise bad policy, namely, the formula will not be adopted in a State or region where the State Government concerned applies an alternative scheme with the approval of the Centre. In areas such as Bombay-Deccan where the sugar factories themselves grow practically all the cane needed by them in their estates, they need not follow the scheme, if they so desire. In the case of factories which buy some cane from outside their estates, the tendency will be to expand their own estates, in order to reduce the necessity of having to buy outside cane. This is a good thing, for cane growing by factories yields better results than that by individuals who do not have the resources to command all the facilities necessary for scientific farming.

Incidentally, it may be noted that, for some time, the Government of Bombay has been following a policy of fixing, with the consent of the factories, a higher minimum price for sugarcane supplied to mills by private cultivators. The price fixed for the 1957-58 season is Re. 1.69 per maund (Rs. 46 per ton), as against the all-India minimum price of Re. 1.44 (about Rs. 37 per ton). In return for this understanding, the factories are not asked to pay to cane growers additional amounts by way of a share in the profits of industry.

In the Madras and Andhra States, the payment for cane is based on the "SISMA" formula, evolved by the South Indian Sugar Mills' Association, a formula which has the approval of the Governments of both the States. The formula provides for payment of cane not only on the basis of weight but also by taking into account the sucrose content of cane. Accordingly, the price payable by factories for cane supplied to them is calculated on the net amount realised by individual factories from the sale of sugar and on the average recovery obtained by individual factories of the whole crop for the whole season.

It is thus seen that there are alternative schemes for paying for sugarcane in the States of Bombay, Madras and Andhra. The latest formula of the Central Government will, therefore, be applicable to all the States except these three States.

The Government's decision to continue the present high minimum price of Re. 1.44 per maund for sugarcane and to link the price to that of sugar realised by mills is also deplorable, especially as it will make the task of building up an export trade in sugar extremely difficult. With the exception of Japan, the price of sugarcane in India is the highest in the world. Indeed, one wonders if any other agricultural commodity pays the cultivator as much as sugarcane does. As was pointed out in these columns only recently—*vide* page 268 of *Commerce* dated 15th February 1958—the continued high prices of cane have resulted in a substantial rise in the production of cane, particularly in areas supplying cane to the sugar mills. The all-India second estimate of cane (1957-58) puts the aggregate yield at 63.50 million tons and area at 4,784,000 acres, as against the adjusted second estimate of 58.99 million tons and 4,475,000 acres, respectively, in 1956-57. Surely, if the price offered for cane had not been very profitable, the growers would not have devoted a larger area to the cultivation of sugarcane.

Pressure Tactics

In conclusion, it must be said that, when the prices of all agricultural commodities are allowed to fluctuate according to the free play of market forces, there is no reason why sugarcane growers alone should be given most favoured treatment, as though they are the pets of the powers-that-be. It is true that sugarcane is a perishable crop, that, unless it is quickly crushed after it becomes ripe, it will become worthless even as firewood, and that, therefore, those who cultivate it deserve some protection against exploitation by sugar millowners. But what has been done for cane growers is much more than is necessary for this purpose. And the latest step to ensure a still higher price for cane irrespective of its quality is tantamount to placing a further premium on inefficiency. It looks as though the Central Government has, once again, allowed itself to be a victim of pressure tactics adopted by a section of politicians in U.P. and Bihar. It will be recalled, in this connection, that, quite recently, the Bihar Legislative Assembly unanimously adopted a resolution favouring a straight increase in the price fixed for sugarcane. This move was followed up later by a large number of Members of Parliament representing U.P. and Bihar by extending strong support to the demand.

It would appear that the Government's object in reviving a four-year-old formula, which had been tried for only a short period and given up as unsatisfactory, is to satisfy the unwise agitation for a higher price by a section of politicians who try to keep their hold over sugarcane growers through such tactics. For reasons already mentioned, the latest step for appeasing the politicians will only land the Government in fresh difficulties and aggravate the anomalies that already abound in its agricultural policies. The Government's objective in these matters should be, not price support but price stabilisation. As the Union Food and Agriculture Minister, Mr. Ajit Prasad Jain, himself frankly admitted while inaugurating the F.A.O. Centre on policies to support and stabilise agricultural prices and incomes in Asia and the Far East at New Delhi last week, price support policies have resulted in creating an imbalance among the output of different competing crops; sometimes, in periods of acute scarcity of foodgrains, "the cultivators change over to the production of sugarcane or some other commercial crop which is more attractive." Viewed thus, it will be appreciated that, in fixing the price of sugarcane at a high level—it accounts for as much as 60 per cent. of the cost of sugar production—and, what is more, in allowing cane growers to get a share in the profits of sugar factories on top of it, the Government has provided an excellent instance of saying one thing and doing another which runs quite contrary to what it says.

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SUGAR PRODUCTION AND STOCKS

The sugar production during the month of February 1958 was 414,000 tons, bringing the total production up to 28th February 1958 to 1,336,000 tons. The corresponding figures for the 1956-57 season were 356,000 tons and 1,169,000 tons, respectively.

The offtake of sugar from factories during February was 195,000 tons, as against 176,000 tons a year before. This brings the total despatches up to 28th February 1958, including despatches for exports, to 636,000 tons, as against 635,000 tons on the same date last season.

The total closing stocks of sugar with factories as on 28th February 1958 was 1,129,000 tons, as against 1,061,000 tons a year before.

The twelfth annual general meeting of the Indian Confectionery Manufacturers' Association, Calcutta, will be held at New Delhi on 4th April 1958. Mr. Khanchand J. Pamnani, President of the Association, presiding. Besides a review of developments in confectionery industry in the past year, the meeting will consider certain important resolutions which have a vital bearing on the future development of the industry.

EXPORTS OF INDIAN TEA

S.T.C. NOT TO TAKE OVER—CUT IN EXPORT DUTY ON COMMON TEA LIKELY

THE reply of the Union Minister, Mr. Morarji Desai, to the debate in the Lok Sabha on the demands for grants for the Ministry of Commerce and Industry provided an occasion for the enunciation of the Government's policy towards the tea industry. As the main foreign exchange earner, it is but natural that the tea industry should have figured prominently in the debate. Some members of Parliament wanted the Government to exercise greater control over the industry in order to improve the exports of tea. One of the Congress members, Mr. H. C. Dasappa of Mysore, wanted the Government to take over the manufacturing side of tea business, leaving the plantation side to the private sector. A few other Congress, Communist and Socialist members went so far as to suggest that the State Trading Corporation should take up the business of tea export. This demand was rejected by Mr. Morarji Desai, who realistically admitted that the business was a complicated one requiring considerable experience and, if it was taken over by the S.T.C., it would "lead to a disaster." Another welcome feature of Mr. Desai's reply was that the Government had at long last realised the burden of export duty on common tea and that it was examining the question as to how best it could be reduced. Thirdly, Mr. Desai made a firm statement that the Union Government was not in favour of taking over the tea estates.

Declaring that the Government had not remained idle but introduced a number of measures to step up exports, Mr. Desai pointed out that the total value of exports during 1957 was expected to be of the order of Rs. 660 crores, representing an increase of Rs. 41 crores over those of 1956. The figures of tea exports during the last three years given by the Union Minister are as follows:

Year	*Quantity* (In million lbs.)	*Value* (In crores of Rs.)
1955	367	113.5
1956	523	143.3
1957	447	107.0

The sharp rise in exports of tea during 1956 was due to an "unusual combination of circumstances," which was not in evidence during 1957, and hence the fall in exports in that year. The quantity of tea exported during 1957 was, however, higher than that in 1955, though the value thereof was lower. Evidently, it was this setback to our foreign exchange earnings through tea which brought about a demand from a section of the House that the export trade in this commodity should be taken over by the State Trading Corporation. Some of the members, however, favoured the S.T.C. entering this trade on the ground that certain foreign firms had a virtual monopoly in the export of tea. Mr. Desai, in his reply, said that there might be monopolies, but they could not be avoided. Anyway, it was clear that he was against State trading in tea and categorically rejected the suggestion that the S.T.C. should take over export of tea. He added that, if it had been possible, the S.T.C. would have done it already. He had no doubt that, if the S.T.C. took up the export of tea, not only the organisation would have to be wound-up but also the whole Government would be in danger. Giving his reasons for the State not entering the tea export business, Mr. Desai said:

"There are certain situations in which only some people can do something. Export of tea is a highly expert business. It is also a delicate question. It is easy for members to say that this should be done or that should be done. But I am quite sure they will admit that we should not do anything which will reduce our export of tea and dislocate our business with various countries. If there are foreigners in this business, they are the pioneers and they are there. If they exploit us, there will be reason for us to take action. But, they are not exploiting us. They are helping us. Therefore, it is no use suggesting something on mere ideological grounds. I am glad that after getting responsibility in one quarter (State), they (the Communists) have given up the cry of nationalisation of the tea industry. I am glad to see they are wise."

It is gratifying that Mr. Desai has not minced words on this subject and has been bold enough to tell the opposition the limitations of the State to do everything. The stand taken by him is undoubtedly the correct one, as it is calculated to serve the larger interests of the public better. Mr. Desai's reply convincingly shows that he has a good understanding of the position of the plantation industry.

One of the factors which stand in the way of larger exports of tea is that the bulk of the tea output comprises common tea, the price of which in export markets is not found competitive with similar teas from other countries. This is because of the high level of export duty which the common teas have to bear on par with the quality teas. Representations had been made by the industry to the Government on this anomalous position, but the latter appeared to have turned a deaf ear to this plea. Even the Export Promotion Committee, in its report submitted to the Government of India in November last, had drawn attention to the keen competition which Indian common teas were facing from East African teas, the landed cost of which was somewhat below the cost of producton of many estates in North India. The main difficulty in fixing the export duty on variety-wise basis is that of fixing the correct value of each grade of tea. So far as common tea is concerned, there is no accepted definition of "common" tea. The Export Promotion Committee, however, suggested that, common tea being inferior tea, it should be possible to define it in terms of price. The Committee was given to understand that all teas selling below Re. 1.50 per lb. could be regarded as "common" teas. Accordingly, the Committee recommended that all teas sold in the Calcutta auctions below Re. 1.50 per lb. should benefit from a reduction in export duty to the extent of 12 nP per lb. The Government of India has not so far taken any decision on this recommendation of the Export Promotion Committee.

It is against this background that one must view the statement of Mr. Desai in the Lok Sabha on the 20th inst. It shows that the Government is really anxious to do something for "common" teas, though it has not yet come to any decision. Explaining the Government's stand on this question, the Commerce and Industry Minister observed as follows:

"We have been examining this question for the last two months, but we are finding it difficult to find out some way which will benefit common tea. We do not want common tea to lose the advantage given to it by this advantage being taken by the better teas. It has been suggested that the duty may be fixed regionwise. But there is no region where only common teas are produced and there is no region where only superior teas are produced. If the duty is to be levied on the price of the tea, that will require segregation of the common teas from the very first process to the stage of auctions and the point of export. This is not an easy matter. If any action is taken to segregate them, it may even clog the flow of trade. We have, therefore, to face these different difficulties and find out which way will help the common teas. I can assure the House that Government are trying to find a way out. We are hopeful that it will be found. If any time is taken over it, may I assure the House that it is not because of want of regard for it, but because of the inability to find out a suitable way to do it. But I am quite sure that too much time will not be taken over the question and a decision will be soon taken."

This is a reassuring statement. It is to be hoped that the experts engaged in tea industry will join hands and help the Government to arrive at a workable solution.

The Minister also made a reference to the possibility of the closure of some tea gardens in Assam. He disclosed that the Government of Assam was considering the question whether it could take up and manage some of these gardens. Mr. Desai was conscious of the various difficulties in taking over and running a tea estate. Thus, he said:

"It is easy to say that Government should take some of these estates and work them. But when Government takes them up and loses money, I do not know what will happen to the Minister who will be in charge of them. He will certainly have to go. I do not think any Minister will hesitate to go if he fails to do his duty. He will go. But I am quite sure that the House does not expect a Minister to take deliberately a wrong step from the very beginning. If that is expected the whole House will be responsible for the wrong step and there will be none to call the House to account."

The foregoing enunciation of the Union Government's policy indicates that the Government is well disposed towards the tea industry, that it is not allowing ideological considerations to stand in the way of tea industry's progress and that one can confidently expect that one of Mr. Morarjee Desai's first tasks as the new Finance Minister would be to give relief to the common teas.

SHARP FALL IN OUTPUT OF JUTE GOODS

DESPATCHES IMPROVE SIZABLY

THE jute goods market has been ruling steady, though business passing is dull, thanks to the fixation of minimum prices towards the close of last month and the announcement of lower production figures for the month of February. Despite the sizable fall in output during the month and larger despatches by mills, the stocks at the end of the month show only a slight decline. The aggregate production for the month of February shows a fall of 13,000 tons at 85,300 tons. With this decline, the upward trend in production noted during the previous three months has been reversed and the output has been brought to the lowest level since October 1957.

The decline in output has been shared by all varieties of jute goods, as will be seen from the following comparative table:

Production
(In tons)

	February, 1958	January, 1958	December, 1957	February, 1957
Hessian	30,100	34,400	32,100	35,000
Sacking	49,300	57,300	54,700	39,600
Others	5,900	6,600	6,000	5,600
Total ..	85,300	98,300	92,800	80,200

The sharpest fall is noted in sacking, the output of which, at 49,300 tons, shows a decline of 8,000 tons over the month and is the lowest in the last four months. Despite this decline, the production of sacking is 9,700 tons more than that in the corresponding month of 1957. There has been a shrinkage of 4,300 tons in the cutput of hessian too, which, at 30,100 tons, is the lowest for many months. This is in contrast to the rise of 2,300 tons recorded in January last. As against an increase of 600 tons in the previous month, the production of "other manufactures" has suffered a decline of 700 tons during the month under review.

The aggregate fall in production of all varieties is partly due to the shorter working period during the month, the number of hours worked being 192, as against 217.5 in the previous month.

The stocks of manufactured goods at the end of the month aggregated 95,100 tons, representing a fall of only 1,500 tons over the month. Nevertheless, it is in refreshing contrast to the substantial rise of 21,600 tons (that is, from 75,000 tons to 96,600 tons) noted at the end of the previous month. Barring the January figure, the latest stocks represent the highest level since the end of July 1957. The decline in total stocks during February occurred mainly under hessians which fell by 2,400 tons to 27,300 tons. Sacking stocks were also lower, but only by 300 tons, at 53,400 tons.

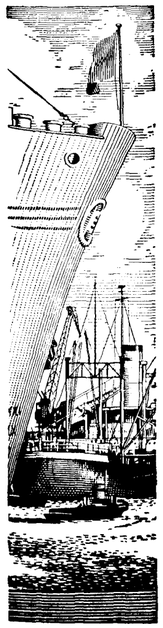
The comparative statement of stocks of the three main categories given below, shows that the stocks as a whole have declined over the year by 2,300 tons:

Stocks
(In tons)

	As on 28th Feb., 1958	As on 31st Jan., 1958	As on 31st Dec., 1957	As on 28th Feb., 1957
Hessian	27,300	29,700	25,200	25,200
Sacking	53,400	53,700	38,400	61,600
Others	14,400	13,200	11,400	10,600
Total ..	95,100	96,600	75,000	97,400

The despatches of manufactured goods by mills during the month under review have been encouraging, in that they show an increase of over 10,300 tons to 85,800 tons. The rise in despatches is mainly accounted for by goods for export purposes, particularly sacking, while those for internal consumption have suffered a slight setback. Despatches for export purposes amount to 67,400 tons, having gone up from 55,600 tons in January 1958. This increase of 11,800 tons is in refreshing contrast to the almost successive decline noted in the previous five months when the despatches fell from 87,600 tons in August 1957 to 55,600 tons in January this year. A break-up analysis of the despatches according to the three main varieties of goods shows that the offtake of hessian has gone up from 28,100 tons to 30,800 tons, sacking from 26,200 tons to 35,200 tons and other manufactures from 1,300 tons to 1,400 tons.

The despatches for internal consumption have declined from 19,900 tons to 18,400 tons and is in distinct contrast to the slight increase of 800 tons noted in January. Despatches of hessian have gone down from 1,900 tons to 1,600 tons, sacking from 15,300 tons to 14,600 tons and "other manufactures" from 2,600 tons to 2,100 tons.



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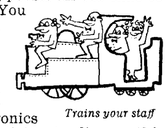
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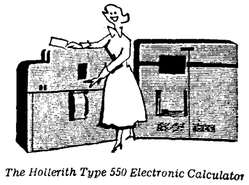
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RECESSION IN WORLD STEEL MARKET

LONG-TERM OUTLOOK BOUND TO REMAIN BRIGHT

A SOMEWHAT disturbing trend in the world steel market is the slight fall in demand and the consequent recession in prices. It is, of course, too early to say how long this trend will persist. But it is noteworthy that world steel industry, after having been continuously exhorted to produce more and more steel, should now find that surpluses are developing in certain varieties. It is true that there are still shortages in respect of many kinds and varieties of steel. The slight fall in demand, which has manifested itself in recent weeks, is perhaps only a temporary phase which must sooner or later come to an end. How soon this trend will cease depends upon the reversal of the deflationary policies which some countries like Britain have been compelled to follow and the success of the anti-recessionist measures which are now being adopted by the U.S. So far as the immediate future is concerned, it seems certain that international competition in steel will become keener than ever, leading to at least modest, if not sizable, decline in prices.

Increase in Output

A notable feature of post-war economy is the almost continuous increase in world steel output. Since 1946, world steel output has more than doubled. World steel production (in million tons) in each of the ten years ended 1956 was: 1946—109.54; 1947—133.80; 1948—153.30; 1949—157.86; 1950—186.45; 1951—206.68; 1952—208.06; 1953—230.85; 1954—219.83; 1955—265.01 and 1956—278.48. Crude steel production during 1957 in Europe, including the U.S.S.R., broke all previous records, rising to 157 million tons from 149 million tons in 1956. The rate of increase was, however, less than that in previous years. Thus, the 5 per cent. increase in 1957 compares with 7 per cent. attained in 1956 and 13 per cent. in 1955. The figures for the main producing countries with percentage increases in brackets are: U.S.S.R. 51.0 million tons (5); W. Germany 24.5 million tons (6); U.K. 22.0 million tons (5); France 14.1 million tons (5); Italy 6.8 million tons (5); Poland 5.3 million tons (6); Czechoslovakia 5.2 million tons (7); Luxemburg 3.5 million tons (1); Saar 3.5 million tons (3); E. Germany 3.3 million tons (6); Sweden 2.5 million tons (3); Austria 2.5 million tons (20). Belgium's production fell by 2 per cent. to 6.3 million tons, due to the steel strike in July. Steel production in the U.S. was 2 per cent. lower than in 1956, while in Japan, production reached a new record of 12.6 million tons, as compared with 11.1 million tons in 1956.

Reviewing the recent trends in the world iron and steel market, the *Index*, the monthly economic review of the Swedish Bank, *Svenska Hadelsbanken*, calls attention to the fact that "competition has hardened and prices have shown a weakening tendency." A paradoxical feature in the situation, according to the review, is that, while export prices have been reduced, domestic prices in a number of countries have been raised. Because of the setback in the demand for steel, the U.S. industry is running at only 60 per cent. capacity, as compared with 100 per cent. at the beginning of 1957. In the U.K. too, the latter half of 1957 was characterised by a "marked" stagnation in demand. British domestic consumption of iron and steel during the first six months of 1958, it is stated, will be some 5 per cent. less than last year. In the case of the countries forming the European Coal and Steel Community, the worsened conditions in the export markets, it is stated, have by and large been offset by a brisk demand in domestic markets. Nevertheless, signs of overproduction have become evident in these countries too.

Discussing the nature and extent of the recession in the world steel market, the *Index* observes:

"This recession in the steel industry is not surprising since it is known from experience that the trade is especially prone to changing business conditions. Every deterioration in building activity and the engineering industry has a direct effect on the sales of iron and steel. Consequently, a stagnation on the market for capital goods or for consumer goods is almost immediately followed by repercussions in the steel trade. The fact that the American recession has had such a marked effect on the steel market is due to the simultaneous fall-off in demand from both the investment and consumer side. At the same time as building work has slackened and the demand for machine tools has declined, requirements of durable consumer goods have tapered off. For example, motor car sales have not been as high as was expected and this has had an immediate effect on the steel industry since the American motor industry consumes about one-fifth of the steel produced in the U.S.A.

"The difficulties encourage self-criticism and it is quite natural that the steel industry the world over should reconsider its position. The crucial question is whether or not the industry has been extended too quickly in recent years so that there is now a danger of more permanent overproduction. However, the consensus of opinion in both America and Western Europe seems to be that the present marketing difficulties are of a temporary nature, and that a recovery in demand can be expected during the latter half of 1958. It is not considered that the industry has too great a capacity viewed on a long-term basis. On the contrary, the opinion in all the important steel-producing countries seems to be that the capacity of the steel industry must be further extended if the general rate of economic expansion maintained hitherto is to be continued."

Long-term Outlook

To India, the recession in steel prices is not an unwelcome development, for it is likely to remain an importer of steel and steel products at least till its own programmes for increase in steel production have been executed. So far as the domestic industry is concerned, Indian steel prices, as is well known, are well below world parity so that a slight decline in world prices might serve only to narrow the gap which may not, however, disappear entirely. As regards the long-term outlook, there is little basis for fearing an excessive glut in steel and a steep fall in prices. Defence and transport industries, not to mention other industries, are likely to remain large consumers of steel. Being a basic industry, steel industry is dependent for its fortunes on all other industries. And nothing short of a major trade depression, as the British journal *Iron and Coal* pointed out recently, can effectively reduce the need for steel. Nobody fears such a depression now, notwithstanding the world-wide concern over the continuing recession in the U.S. Further, as the pace of industrialisation in underdeveloped countries gains momentum, the demand for steel is bound to move up. To the world steel industry, therefore, the progress of development programmes in the underdeveloped parts of the world is a matter of utmost significance.

U.K. NUCLEAR POWER

The output of electricity from Britain's nuclear power plants in 1966, according to Sir John Cockcroft, member for scientific research of the United Kingdom Atomic Energy Authority, will be three times the amount originally anticipated for 1965. Sir John recalled that a Government White Paper three years ago looked forward to the development by 1965 of some 2,000 megawatts of electricity from the original plans for nuclear power plants in the United Kingdom. Since then, technical progress had overtaken estimates by a handsome margin. It had been possible so to modify the overall programme as to permit an output of up to 6,000 megawatts by 1966.

The improvement was due in the first instance to an increase of output from individual nuclear stations by straightforward engineering developments. This had affected the size of the reactor and the amount of uranium fuel, and had approximately doubled the volume of heat extracted from each ton of uranium. One result of this had been progressively to decrease capital costs per kilowatt. Even allowing for the expected increase in the price of fuels, overall expenditure on fuel would remain the same as it was for first-generation reactors, namely, about 0.16d. per unit. Sir John endorsed Sir Christopher Hinton's prophecy that by the late 1960s the total cost of nuclear-produced electricity should come down to less than a halfpenny a unit. That, anyhow, would be the target.

Because of the cost of deriving power from water-moderated reactors using enriched uranium fuel, the Atomic Energy Authority was now investigating two other lines of development, Sir John added. These were the gas-cooled graphite-moderated reactor and the possibility of changing to heavy water as the moderator. Sir John concluded that in the long-run fusion reactors might replace fission reactors, and that the final objective should be to use energy available from fusion reactions in deuterium. He said: "This, after all, has been a very satisfactory energy source for the sun and the stars for thousands of millions of years, and if we can emulate their performance on earth we shall not only have an inexhaustible supply of very cheap fuel, but should also have the satisfaction of solving one of the most fascinating scientific problems of our time. Towards this, ZETA is only a first step, though a most encouraging one."

• • • •

Nuclear power will be cheaper than "conventionally produced" power by 1962, and by 1982 it will cost only half as much, if the development of nuclear-power stations can be continued at its present pace and present trends in coal costs continue. This forecast was made by Sir Christopher Hinton, Chairman of Britain's Central Electricity Generating Board, in a recent lecture to the Royal Society of Arts, London. "If this can be achieved," he said, "not only shall we have made a great contribution to industry generally, but we shall induce a change of practice in domestic heating, and shall find that heat from nuclear energy will be used in the home." "It should not be imagined," he said, "that such a development will lead to a reduction in the overall demand for coal. This demand is rising far more rapidly than supplies are expanding, and the report of an O.E.E.C. committee which studied this problem showed that there would be a large and growing gap that could only be met by a growing use of oil and nuclear power." He added: "If in the long run there was a drop in the demand for coal as a fuel, this might be fortunate, for it is an important raw material in the chemical industry and it may be that we are wrong to use it simply as fuel."

ROAD TRAFFIC

Various solutions designed to ensure road safety were proposed by the United Nations Economic Commission for Europe's (E.C.E's) Working Party on the Prevention of Road Traffic Accidents during its ninth session, held last month at Geneva. These proposals, many of which were included in recommendations made to the E.C.E. Sub-committee on road transport, relate to level crossings, the signposting of roads, road markings; the marking of vehicles in general, the marking of special vehicles, traffic problems and the information centres established by the World Touring and Automobile Association (O.T.A.). The Working Party also studied the compilation of accident statistics.

The Working Party recommended several signs for signposting of roads, but emphasised that their number should not be proliferated. It examined the signposting of motor roads, roads reserved for automobile traffic, minimum speed-limits on sections of road, "end of prohibition" signs, reflex reflectors marking the edge of carriageways and traffic light signals. It also considered signal systems to be used for indicating alternating one-way traffic, transport cafes, motels and camping sites.

It should be pointed out that the Working Party, after noting that proliferation of signs should be avoided in the interest of safety, nevertheless suggested certain new signs to adapt the existing signposting system to new conditions. For example, owing to the increased popularity of camping and caravanning, it felt that advance and direction signs should be used to indicate certain camping and caravan sites. In this connection, particular attention should be drawn to the Working Party's adoption of a general "end of prohibition" sign, especially for stretches with a speed limit or a ban on overtaking.

MAMMOTH TYRES

The production of large earthmover tyres suitable for the heavier types of machines has now been undertaken by the Dunlop Factory at Sahaganj (near Calcutta). Earthmoving machines are coming into greater use in India, thanks to the large multi-purpose river valley projects included in the first and the second Five-year Plans. It is estimated that, since 1950, approximately Rs. 20-25 crores have been spent in the import of such machines, of which about 1,500 are in use in different parts of India. A Government-sponsored committee recently recommended a phased programme of manufacture of such machines in India in collaboration with foreign experts.

The steel moulds required for earthmover tyres, it is stated, are enormous, each of them weighing over six tons. The tyre itself—taking the 21.00-25 size as an example—weighs over nine maunds, uses up 400 lbs. of tough rubber compound as compared with 11 lbs. in the average car tyre and has 68 miles of special reinforced tyre cord. The load capacity of the tyre is 36 tons. Before designing this new pattern earthmover tyre, Dunlop engineers made on-the-spot surveys of tyre behaviour at project sites in many parts of the world. The particular conditions in India, such as terrain, the need to operate under very high temperatures as well as conditions of humidity, were taken into account. The resultant tyre pattern is stated to be completely new; the directional tread bars are designed for greater traction and to reduce power loss caused by wheel spin. The tread bars are of a self-cleaning pattern and have additional load-carrying areas in the centre for longer life.

From April, the B.O.A.C. will operate two of its Britannia services to London via Teheran, the capital of Iran. Subject to Government approval, one of these flights will provide a direct air link between Delhi and Teheran. The other service will connect the Iranian capital with Calcutta. In both cases, Karachi will be the only intermediate stop. The overall journey time to Teheran will be six hours from Delhi and nine hours from Calcutta. Other countries served by the Britannia services via Teheran will be the Lebanon and Germany in the West, and Burma, Thailand, Malaya, Hong Kong and Japan in the East.

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NEW PRODUCTS AND PROCESSES

Portable Automatic Welding Machine

A PORTABLE, electric motor-driven, track-guided machine that can be equipped to do automatic welding, cutting and heat treating is to be produced on a commercial scale in the U.S. following the successful use of prototype models in defence work. It is said to be capable of handling most requirements of metal-working shops and of supplementing welding and cutting equipment in large fabrication plants. The new machine including the electric motor, controls an heavy aluminium housing, weighs 47 lbs. and can carry 750 lbs. of welding or cutting equipment. It is to be available in two speed ranges to handle the general run of welding and cutting assignments and is said to facilitate such jobs as the automatic welding, or cutting of steel plates; the cutting of steel billets, or "blooms" to length; the automatic welding of longitudinal tank and pipe joints, railroad car sidings and long sections of sheet steel; and the cutting of heavy scrap and heavy plate steel into scrips of specific sizes. The basic carriages can be equipped to do straight-line, level, and heavy-duty cutting and also "dual shield," argon arc and gas arc welding, as well as flame-hardening, flame-softening, flame-straightening and stress-relieving. One model travels at welding speeds of 9 to 127 inches per minute; the other at from 1 to 14½ inches per minute for cutting.

Aircraft Warning

An experimental commercial device, called an Aero-Warn, which warns a pilot of an approaching plane by detecting infra-red heat rays from the latter's engines and exhaust, is under test and may, it is hoped, prove helpful in solving the air collision menace for high-speed aircraft in increasingly heavy traffic. The new device which weighs about 30 lbs. is described as consisting of an infra-red scanner mounted on the aircraft's tail fin. Incorporated in it is a spinning mirror capable of detecting infra-red rays and deflecting them into an optical system which is connected to a dial on the aircraft's instrument panel. The device is said to be designed so that it can detect a plane up to eight miles away and can indicate, by means of a small flashing arrow on the dial, the direction from which it is approaching, thereby permitting the pilot to bank away in time. The extension of the range of the device beyond eight miles is said to be feasible. Testing of the unit in operational aircraft is currently under way.

Mobile Unit for Oil Processing

A mobile unit for oil processing and laboratory testing has been developed by the Manchester Oil Refinery. The unit is designed to process the oil used in electrical transformers on site. It can, for example, fill large transformers, which have been delivered to the site filled with gas, or under vacuum, with new oil, carrying out all the necessary de-gassing, dehydration and filtration operations. It can also be used to dehydrate and refilter the oil in existing transformers when the condition of the oil makes this necessary. Large transformers can also be dried out by circulating the insulating oil under conditions of high temperature and high vacuum. The processing unit contains a series of pumping units for circulating the oil, vacuum treatment and oil delivery, a coarse filter and a filter press and an oil heater. The filter units are designed to operate over a wide range of temperatures. A laboratory is built into the vehicle used to tow the processing unit.

New British High-speed Loom

A new precision belt high-speed loom for weaving silk and rayon fabrics, designed to compete with continental looms, was shown recently by George Hattersley and Sons of the U.K. This latest model is intended to produce a rayon fabric of high quality and at a higher rate of production. One of the main features of the design is the absence of overhead structure which prevents oil damaging the fabric, and particular care has been taken to eliminate working parts near the cloth, so ensuring clean fabric. There has been a persistent demand in Lancashire for a precision-built loom to take the place of expensive continental models; the firm claims that this new loom, which normally runs at 200 picks a minute will meet the need. The cost is between £500 and £600, regarded as a low price for a precision loom.

New Electric Cooker

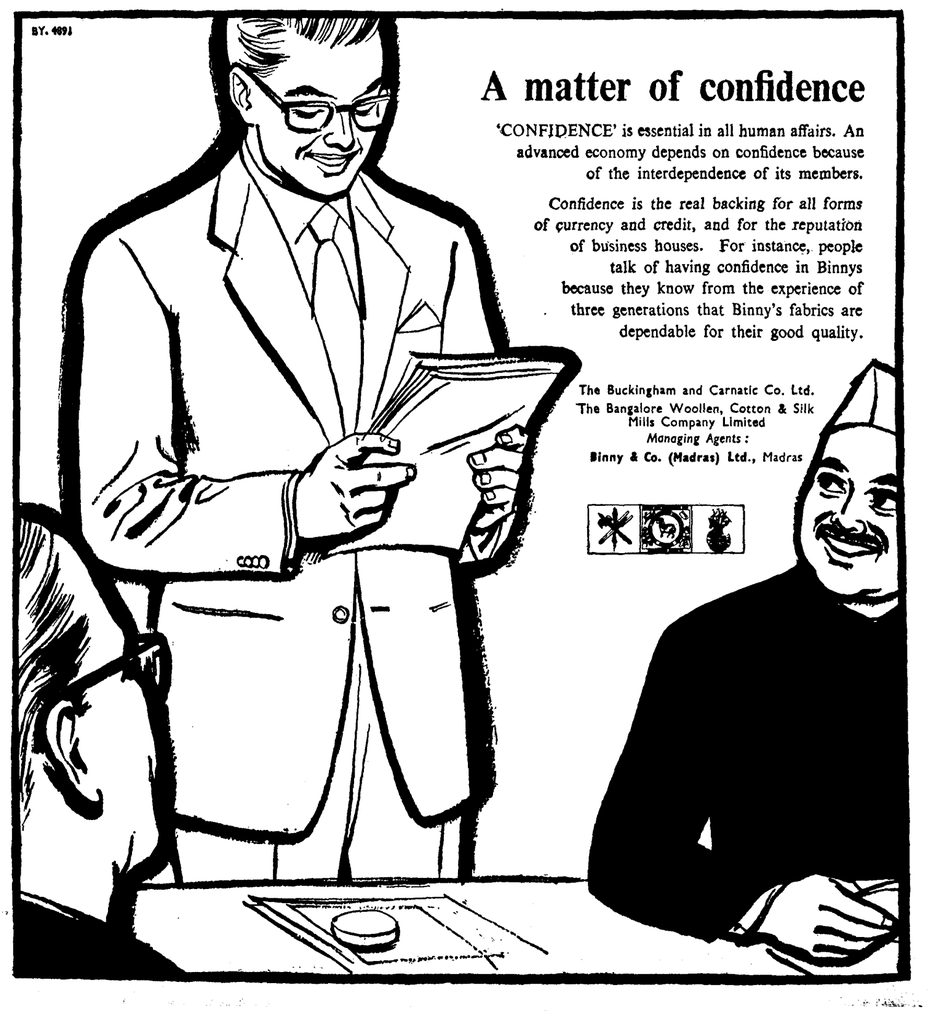
The company supplying the main cooking apparatus for the Britannia Inn at the Brussels Universal and International Exhibition this summer will also be exhibiting its latest domestic cooker on the British Electrical and Allied Manufacturers Association stand at the exhibition. The cooker is being made available for export soon. It is modelled on the manufacturers' current design series, but there are certain additional features. An eye-level electric grill, controlled by a three-heat switch has been included for the first time. Using aluminium foil, the manufacturers have devised a protection for the oven roof. They state that the most difficult part of any oven to clean is the roof, and the aluminium is removable and replaceable. The cooker incorporates six six-heat control plates.

Plastic-coated Steel

An entirely new and revolutionary material, produced by a well-known British steel company, is in the form of a plastic-coated steel, which, it is stated, will have numerous applications in engineering and industry generally. One of the main features of this material is that it can be worked and treated as ordinary steel sheet, while its outer surface retains all the characteristics of P.V.C. plastic, produced in a varied range of colours and embossed patterns. The outer plastic surface is a permanent, complete finish in itself, being extremely easy to clean and maintain. It is suitable for the manufacture of furniture, motor cars, building materials, electrical goods, and many types of domestic and industrial items, combining the strength and durability of steel with the finish and texture of plastic. An important point is that there is no need for surface finishing treatments, while the product is cheaper than stainless steel. Essentially the material is strip mill cold reduced steel with a specially formulated Velbex P.V.C. coating, and the reverse side of the sheet can be either a bonderised steel or electro-zinc-coated surface. It can be bent, formed, seamed, deep drawn, joined and welded without damaging the coating; it is warm and pleasant to the touch and has excellent electrical insulating properties, being resistant also to acids, alkalis, greases, detergents, weather, humidity and to abrasion. It does not support combustion, and is stable at higher temperatures than P.V.C. alone. The product is available in steel gauges from 26G (0.196″) to 16G (0.0625″), and in sheet lengths and widths of up to 144″ and 48″, respectively, the P.V.C. coating being 0.014″ thick. It can be supplied in almost any colour, in the firm's standard range of embossings.

Rubber Strips for Expansion Joints

Joints in concrete structures have often to be made watertight, and permanent watertightness must be guaranteed should any setting occur. The copper strings with filling material and profiled rubber strips hitherto used have not given complete satisfaction in this respect. For this reason a Netherlands rubber factory has, in co-operation with the Netherlands Administration of Waterways, developed a special jointing strip which has meanwhile been extensively used in the construction of an automobile and railway tunnel under the North Sea Canal. This jointing strip consists of a profiled rubber strip with sheet steel strips vulcanised into both sides to ensure firm adhesion to the concrete. They also enable the strips to be suspended in a simple manner from the reinforcement, so that the strips can also be incorporated in a bent state. Moreover, the steel strips can be welded together to make various special joints, e.g., angular joints, Tee joints, etc. The jointing strips can be supplied in eight standardised profiles and in various sizes, dependent on the purpose for which they are to be used. The rubber profiles can also be supplied without steel strips.



WEAKNESS OF TRADE UNION MOVEMENT

FACTORY-WISE UNIONS SUGGESTED

IT is common knowledge that one of the essential factors necessary for the development of a sufficiently comprehensive and efficient system of industrial relations is the establishment of strong trade unions. Despite the fact that the trade union movement in India has a record of more than half a century of existence, it has not yet grown into a dynamic and powerful movement fully representing the interest of labour and capable of bargaining with the employers for the legitimate rights of labour on a level of equality. Instead, labour unions continue to depend on the Government for protection and derive their sustenance and strength from political incitement of workers rather than on their informed and responsible support. The weakness of the movement is attributed to a variety of factors such as multiplicity of unions, political rivalries, lack of resources, disunity in the ranks of labour and the domination of outsiders. There is a large section of opinion in this country to the effect that the system of compulsory adjudication has cut at the root of the trade union movement and that the former should, therefore, be abolished so as to stimulate the growth of healthy trade unionism. These quarters point out that so long as workers find that there is a machinery for the settlement of disputes other than their unions they would hardly realise the necessity for strong unions or have faith in them. There are, however, others who point out that trade unions, in spite of the prevalence of adjudication, is growing stronger and that the latter could not be abolished until the movement is strong enough to bargain with the employer on equal terms.

While there might be differences of opinion on this point, it should not be difficult to single out the basic defects of the trade union movement. A correct diagnosis of the ills of the movement was made by Mr E. Parker in his presidential address to the annual meeting of the Bombay Chamber of Commerce and Industry, held in Bombay on the 18th inst. Mr. Parker laid his finger on the most important cause when he said that the main weakness was the prevalence of too many different types of trade union organisation, vying with one another for the loyalty of workers. Unless and until party politics are kept out of the trade union movement, there is little hope, according to him, of sound unions which would fight and work for the interest of the workers. This criticism applies as much to the Congress trade unions like the I.N.T.U.C. as to the Socialist and Communist unions. Lack of proper leadership, according to Mr. Parker, is another defect of the movement. Leaders from outside the ranks of workers tend to become political agitators with interest more concerned with themselves than the workers they claim to represent.

One-sided Legislation

The present unhealthy trend in the trade union movement is further supported and encouraged by what Mr. Parker calls "ambiguous and one-sided" labour legislation. The Industrial Disputes Act, according to him, is loaded with so many ambiguities and different interpretations of sections that whatever the employer does is likely to be considered illegal or unfair. The indiscriminate reference to adjudication courts of impossible demands put up by trade unions with small membership in the undertakings concerned, Mr. Parker added, had created unnecessary unpleasantness in employer-employee relations.

He, therefore, suggested that for the healthy growth of trade union movement in India, unions should be organised on a factory-wise basis. Factory-wise unions could devote their time and energy to the grievances of the workers of the factory. They could also develop their leadership from among their own workers and, since they have no political axes to grind, they could promote better understanding between workers and the management. A sound trade union movement should not be confined merely to asking for more wages, less hours of work, less workload and more bonus. It must promote co-operation and cordial relations between management and workers. A prerequisite for the success of trade unionism, Mr. Parker pointed out, was that the employers should be anxious and willing to deal with good, representative unions. The old idea of opposing and disregarding trade unions was happily becoming a thing of the past and it was indeed a healthy sign in industry, he added, that employers took a more friendly and correct view of collective organisation by labour.

Union Leadership

Mr. Y. B. Chavan, Chief Minister of Bombay, in the course of his reply, answered some of the points raised by Mr. Parker. He agreed with Mr. Parker that the trade union movement was weak. But he could not see eye to eye with him in respect of the reasons for such weakness. Nevertheless, he admitted that political affiliations might have influenced the outlook and development of unions but he added that it was not possible to keep politics out of trade unionism altogether. In the present-day conditions in India, it was difficult, he pointed out, to find trade union leaders from among the ranks of labour. Political leadership of unions, according to the Chief Minister, was not in itself a defect, provided the leaders worked for the welfare of the workers they represented. He cited, in this connection, the Ahmedabad Textile Labour Association as a model trade union and said that it was doing all that a good union should do, though its leaders were not drawn from the working class.

He added that workers in this country could not at present match the employers either in ability or in the material wherewith they could argue and negotiate. If, therefore, they took the help of others for bargaining with the employers, it was a reflection, according to Mr. Chavan, of the present state of education of workers. He, however, hoped that it would be a passing phase. He referred, in this connection, to the growth of trade unions in England where unions formed an integral part of the Labour Party. British labour unions, he pointed out, had their own political funds which were used for election propaganda.

Mr. Chavan also denied the charge of indiscriminate reference of disputes to adjudication courts. He maintained that, so far as Bombay was concerned, care was taken to see that every demand was fully examined and only those in which workers had an arguable case were referred to adjudication. He advised employers not to resist every demand of labour or be annoyed at some which they considered unreasonable, but to negotiate and concede those which were fair and reasonable. According to him, the lack of such an attitude on the part of employers was one of the reasons why an atmosphere of unrest still persisted in industry.

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TRADE UNIONS IN BOMBAY

The steady increase in the number of trade unions registered in the State during the previous years continued to show further increase during the year 1955-56, according to the Annual Report on the Working of the Indian Trade Union Act, 1926, in Bombay State for the year. The number of trade unions registered during the year was 270, which was the highest, as compared with the corresponding figure for any other year, since 1945-46. The registration of 97 unions was cancelled during the year for non-submission of their annual returns for the year 1955-56. As a result, the number of trade unions rose from 912 to 1,068 at the end of the year. The increase in the number of trade unions is mainly due to a greater consciousness among the workers to organise themselves for improving their conditions of living and also due to the efforts made by the central organisations of labour.

Out of the 270 unions registered during the year, 84 unions were from the "manufacturing" group, 52 from the "services" group, 62 from the "miscellaneous" group, 24 from each of the "transport, storage communications" groups, and the "commerce" group, nine from the "electricity, gas, water and sanitary services" group, six from the "agriculture and allied activities" group and two unions from "mining and quarrying" group and seven from "construction" group.

Out of the 97 unions whose registration was cancelled for failure to submit their annual returns for the year 1955-56, 39 were registered during the year under report, 24 unions were registered during the year 1954-55, 11 during the year 1953-54 and 23 had more than three years' standing. It would thus appear that a large number of unions whose registration was cancelled for failure to submit their annual returns for the year 1955-56 were formed mainly for securing certain temporary advantages only and they were not interested in the continuance of their registration once their purpose was served. Of the 1,068 unions on register at the end of the year under report, 1,018 were State unions, including one federation, and 50 central unions, including five federations. Central unions are those whose activities are not confined to this State.

The total membership as reported by 607 unions (excluding six federations), included in the report was 404,568 at the beginning of the year 1955-56 and 404,072 at the close of the year. As many as 157,044 members joined and 157,540 members left the unions, during the year. The average membership of the unions included in the report, which stood at 2,602 in 1945-46, considerably declined during the last few years and was only 666 at the end of 1955-56. The total approximate membership of all the 1,068 unions (excluding six federations) at the end of 1955-56 was 773,460, as against 789,672 of 907 unions (excluding five federations) at the end of 1954-55. The total income of the 607 unions (excluding six federations) during the year under report was Rs. 20,11,719, with a balance of Rs. 16,37,295 at the beginning of the year while their total expenditure for the same period was Rs. 17,79,559 with a balance of Rs. 18,69,455 at the end of the year. The six federations (one State and five Central) had a total income of Rs. 3,32,134 during the year, with an opening balance of Rs. 2,91,348 while their expenditure during the same period was Rs. 3,33,334 with a closing balance of Rs. 2,90,148.

CODE FOR INDUSTRIAL DISCIPLINE RATIFIED

The ratification of the code for industrial discipline, evolved by a tripartite committee appointed by the Indian Labour Conference last year, by representatives of both employers and employees is a major step forward towards putting employer-employee relations on a strong and stable footing. The code has been adopted by three Central organisations of employers—the Employers' Federation of India, the All-India Manufacturers' Organisation and the All-India Organisation of Industrial Employers. On behalf of labour, four central trade union organisations, the I.N.T.U.C. (Congress), the A.I.T.U.C. (Communist), the Hind Mazdoor Sabha (P.S.P.) and the United Trade Union Congress (Leftist) have ratified the code. The four trade union bodies represent in all more than two million workers—I.N.T.U.C. 1,000,000, A.I.T.U.C. 700,000, Hind Mazdoor Sabha 250,000 and U.T.U.C. 100,000.

The code enjoins both parties to settle disputes and grievances through negotiation, conciliation and arbitration. It bans coercion, intimidation, victimisation, go-slow tactics, strikes or lock-outs. It provides that no unilateral action shall be taken by either of the parties in any industrial matter and that disputes shall be settled at the appropriate level through machinery provided for the purpose. Management also undertakes to respect recognised trade union activity among employees.

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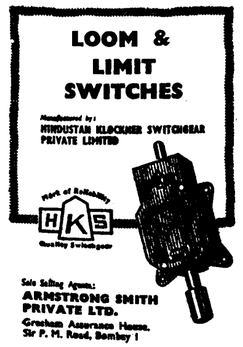

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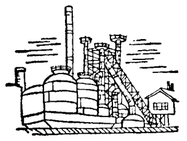

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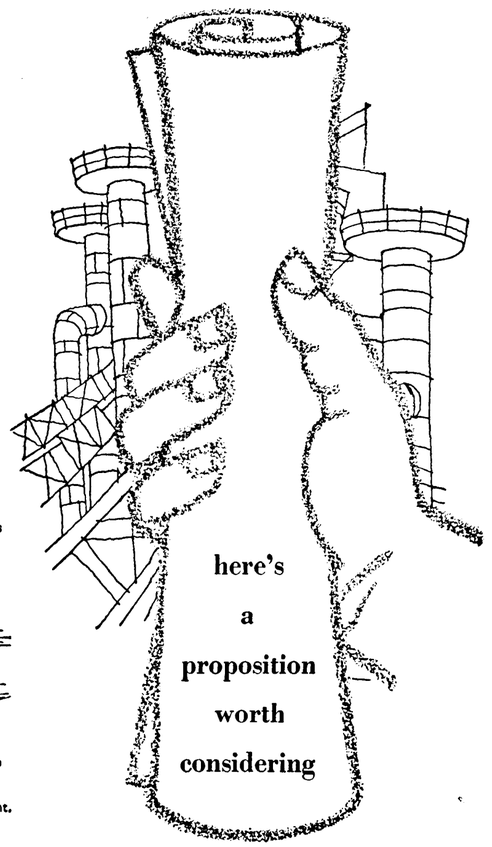

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BHOPAL SUGAR INDUSTRIES LIMITED

MR. M. M. AMERSEY'S REVIEW

SUGGESTIONS FOR STIMULATING EXPORTS OF SUGAR

THE problem of export of sugar is not being tackled in a manner and from an angle in which it should be done. This was the view expressed by Mr. M. M. Amersey, Chairman of the Bhopal Sugar Industries Ltd., in the course of his speech at the Fourteenth Annual Meeting of the Company held at Sehore on 22nd March 1958. In this connection, he suggested several positive measures which could be adopted to reduce the manufacturing costs of the factories, so that sugar could be produced at a lower cost and exported more.

The following is a summary of Mr. Amersey's speech.

Mr. M. M. Amersey welcomed the shareholders to the fourteenth annual general meeting of the Company, and, after the preliminary remarks, proceeded to say that production during 1956-57 had reached the peak figure of 2,026,000 tons—a level that had never been touched before in the annals of the industry. This was encouraging indeed, and something of which the industry could justly be proud.

Exports and Likely Burden on Consumer

Discussing the export problem which faced the industry, Mr. Amersey stated that the Government of India, finding itself confronted with a depletion in its foreign exchange resources and problem of overproduction in the industry, on account of consumption remaining steady near the level of 1.9 million tons, permitted exports of 150,000 tons of sugar during the year 1956-57. Out of this quantity, business could then be only placed through in the international markets for approximately 130,000 tons at prices profitable to the country, mainly due to the Suez crisis and other international political complications; the balance of about 20,000 tons was sold at a loss. The Indian Sugar Mills' Association, which was the sole monopolistic body for exports, made a profit of approximately Rs. 50 lakhs by the sale of 130,000 tons, but it was wiped off by the sale of even a lesser quantity than that of the 20,000 tons which were sold at a loss. The foreign exchange earned as a result of these transactions was no doubt considerable; however, he regretted that the problem of export was not being tackled in a manner and from an angle in which it should be done. It was clear to the industry that the production cost of sugar was extremely on the high side, as compared to that of other countries. This was mainly because of the heavy import of taxes, Central as well as local, which the industry was being burdened with from year to year, and to some extent due to the control over the price of sugarcane.

During the year under review, there was a straight increase in the excise duty from Rs. 5.62 to Rs. 11.25 per cwt. The sales tax on sugar was also replaced by an additional excise duty of Rs. 3.31 per cwt., bringing the total excise duty to Rs. 14.56 per cwt. This high excise duty of Rs. 10.75 per maund, together with the local taxes, such as octroi, etc., accounted for as much as 34 per cent. of the selling price of sugar, and he estimated that, out of the As. 7½ the consumer pays for a pound of sugar, nearly As. 2½ was paid by him to the Central and State Governments in the form of various taxes. Moreover, the cultivator was still being paid a fixed price of Re. 1-7 per maund of sugarcane grown by him, irrespective of quality considerations, due to a system evolved which, to say the least, was both illogical and irrational, inasmuch as it absolutely left the cultivator complacent and without any initiative to produce better quality of sugarcane, as he was assured of a fixed price for his produce, whatever the quality.

Export of Sugar

Looking to our high production cost and the present world sugar prices which were at a low ebb, due to an increase in the European and the Cuban crops, Indian sugar could not be exported, Mr. Amersey cautioned, without the country losing approximately £25 per ton. In order to find out how this huge deficit could be met, the authorities would be treating the consumer very unfairly, if they were, going to call upon him to pay more than what he was doing today. Statistics proved that there had been no increase in consumption worth the name during the past months. All the same, the remedy had to be sought and it lay elsewhere. He also urged that positive steps be taken to reduce the manufacturing cost of the factories and that linking of the price of sugarcane with its quality must be insisted upon, in spite of the initial difficulties being faced in that direction. Government should also remit a part of the huge taxes collected from the industry; and concession in railway freights should be given when goods were being moved out of the country. As all communities of the country were interested in exporting sugar, it was but fair that all of them, viz., the Government, the industry, the cultivators and the consumers be called upon to make some sacrifices to that end. He further stated that the Government must realise that the consumer of today was in no mood to pay more for sugar, burdened as he already was with the high cost of living and a steep fall in his purchasing power.

Dwelling on the problems relating to the industry in Madhya Pradesh, Mr. Amersey desired to focus once again the attention of the authorities to some of the problems which affected his factory alone, namely: (*a*) agricultural income-tax and (*b*) higher rate of octroi levied by the municipality of Sehore.

As regards the agricultural income-tax, he regretted that, though the previous Bhopal State had been merged with the new enlarged State of Madhya Pradesh, this inequitable tax, which was payable at the rate of As. 5 in a rupee on the agricultural income of his Company, and which was introduced about four years ago, still continued in force only in the Bhopal region. It was beyond one's reasoning as to why even after the merger his factory alone was being called upon to pay this tax, whilst there was no agricultural income-tax on any of the other sugar factories in the new Madhya Pradesh State. Moreover, in that taxing statute, there was no provision for carry forward of losses and for depreciation of farm assets, such as tractors, etc., always required for cultivation of sugarcane. The municipality of Sehore levied an octroi duty of 3 pies per maund on sugarcane which was purchased, or brought from the Company's farms, from outside its limits, whilst other municipalities in the Madhya Pradesh State levy a duty of only 1½ pies per maund. He strongly urged the Government of Madhya Pradesh to abolish the agricultural income-tax, and the municipality of Sehore to bring the octroi duty levied by them on sugarcane in line with that of other municipalities in the State.

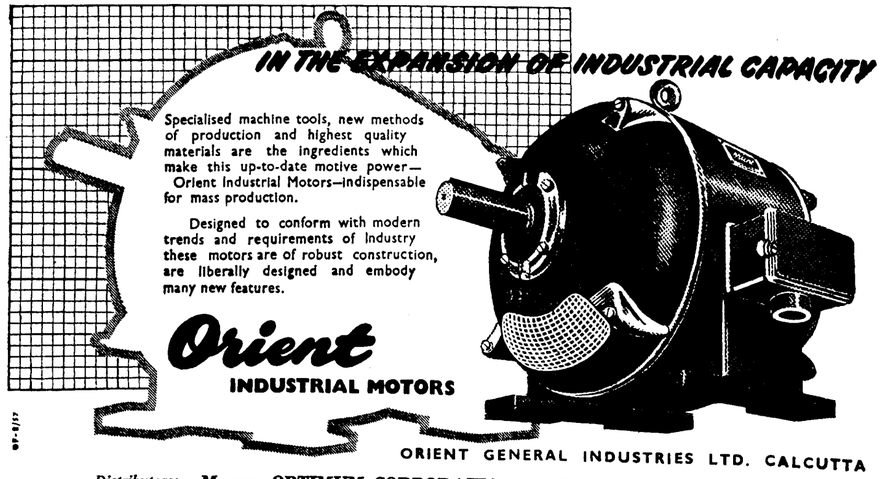
Mr. Amersey expressed his deep gratitude to the Government of Madhya Pradesh for their promptness in assuring that the Sugarcane Bill (Regulation of Supply and Purchase) which they wanted to introduce in their last session, would be postponed, on a suggestion from the industry that there should be a committee formed by each factory, representative of all parties concerned, to enable equitable supply of sugarcane to the factory.

Company's Results

He was glad to inform the shareholders that the Company had produced 95,491 bags of sugar, as against 68,581 bags of the previous year (1955-56). This was the highest figure of production by the factory since its inception. The profit and loss account showed a net profit of Rs. 14,58,568 after providing for Managing Agents' commission of Rs. 1,60,264 and depreciation and development rebate at Rs. 2,27,804. After adding to this amount, Rs. 33,609 brought from the previous years and Rs. 6,150 being the amount of provision made in previous years no longer required, the amount available for appropriation amounted to Rs. 14,98,327. Provision for taxation including liability under the Wealth Tax Act was made at Rs. 7,55,000. The Directors had recommended a dividend on preference shares at 5 per cent., free of tax, and a dividend on ordinary shares at Rs. 2 per share, free of tax, and that an amount of Rs. 3 lakhs be taken to the general reserve and the balance of Rs. 30,827 be carried over to next year's account.

Labour relations continued to be very satisfactory, Mr. Amersey observed. For the year, three months' basic wages was paid as bonus to

(*Continued on page 582*)



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THE HONGKONG AND SHANGHAI BANKING CORPORATION

CHAIRMAN, THE HON. C. BLAKER'S SPEECH

THE Annual General Meeting of the Hongkong and Shanghai Banking Corporation was held in Hong Kong on Friday, 14th March 1958.

The Hon. C. Blaker, M.C., E.D., Chairman, addressed the meeting as follows:

"LADIES AND GENTLEMEN,

"As you will see from the accounts before you, the profit for the year amounts to $21,035,543, which is an increase of $400,000 over last year's figure. In accordance with our normal practice, this profit has been arrived at after making transfers to the credit of our Inner Reserves, out of which full provision has been made for the depreciation in value of our investments and all known doubtful debts and contingencies.

"It is proposed that a sum of $4,000,000 should again be written off Bank Premises and, after allowing for this transfer and the interim dividend of £2 per share, the Directors recommend the payment of a final dividend of £1 12*s.* 6*d.* per share, leaving a balance of just over $2,000,000 to be carried forward to next year. As approved by shareholders at the Extraordinary General Meeting held in August, the capital of the Bank was increased from $25,000,000 to $50,000,000 by the distribution to shareholders of 200,000 new shares of $125 each, credited as fully paid-up. This final dividend is, of course, payable on the increased capital and the actual amount which it is proposed to distribute by way of dividend is increased by $800,000 over the previous year. The reduction in the carry forward is due to the transfer during the year of $9,000,000 to the Reserve Fund as part of the operation to capitalise part of the Reserve Fund in connection with the new issue of capital.

"Turning to the Balance-Sheet, the Capital Account shows the increase which I have just mentioned, but the Reserve Fund remains unchanged at $128,000,000 due to the transfer of $9,000,000 from the Profit and Loss Account and $16,000,000 from Inner Reserves. Hong Kong currency notes in circulation show an increase of $16,000,000, due to a rise in the Excess Note Issue and this increase is reflected on the other side of the Balance-Sheet by a similar increase in Hong Kong Government Certificates of Indebtedness. Current, Deposit and Other Accounts show a rise of $131,000,000, mainly due to higher Fixed Deposits. Acceptances on behalf of Customers show an increase and the total has now exceeded the figure of two years ago.

"When we turn to the Assets side of the Balance-Sheet, we find the ratio of readily realisable assets to the total liabilities has risen by 4 per cent. to just under 49 per cent. Both Cash in Hand and Money at Call and Short Notice are higher than last year, but the main changes are to be observed in the British and other Government Treasury Bills and Trade Bills Discounted, the former increasing by $204,000,000, while the latter decreased by $110,000,000. Advances also show a slight decrease and it can be seen that a large part of our increased deposits have been utilised in Treasury Bills as opposed to the financing of trade. This is unfortunately a sign of the generally lower commodity prices and a slackening of trade in the areas in which we operate.

"On the whole, we can look back on a satisfactory year, but as shareholders will see from the printed statement, economic conditions in many of these eastern territories have been unfavourable and the immediate outlook can only be regarded as uncertain. It remains to be seen whether the coming year will prove as profitable as the last, but it would be reasonable to hope that we may not find it necessary to allocate any further sums for the purpose of writing down our British Government Securities, which has been such a disturbing feature of the last few years. Before I leave the Balance-Sheet I should like to say how pleased your Directors are that the arrangements for the abolition of the contingent liability of shareholders were satisfactorily concluded during the year. Due to the fact that the Bank is incorporated under a special Hong Kong ordinance and we are responsible for issuing such a large part of the Colony's currency, the necessary steps to abolish the contingent liability required authorisation by the Hong Kong Government and the Secretary of State for the Colonies. I should like to thank the various officials, who were concerned in these negotiations, for the ready response they gave to our application which resulted in the satisfactory conclusion of the operation, entailing as it did a certain degree of delicate timing.

"Our Californian subsidiary shows signs of steady growth and the new office in Los Angeles got off to a good start.

"During the year we opened a new office in Seria, in Brunei, and arrangements are being made to open an office in Kuching, in Sarawak. In view of the disturbed conditions in Indonesia, we have decided to close our office in Surabaja. Although this office was opened in 1896 and for a time, previous to the last war, was a valuable connection, business recently has been falling off.

"Ladies and Gentlemen,

"The Report and the Statement of Accounts having been in your hands for the required period I will now formally propose their adoption as presented."

THE HONGKONG AND SHANGHAI BANKING CORPORATION

(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)

BALANCE SHEET AT 31st DECEMBER, 1957

1956 Hong Kong Dollars		Hong Kong Dollars	Sterling Equivalent	1956 Hong Kong Dollars		Hong Kong Dollars	Sterling Equivalent
	SHARE CAPITAL—			$ 200,966,730	CASH IN HAND AND BALANCES WITH OTHER BANKS ..	$ 266,561,910	£ 16,660,119
	Authorised and Issued—			149,986,529	MONEY AT CALL AND SHORT NOTICE	163,783,496	10,236,469
$ 25,000,000	400,000 Shares of HK$125 each, fully paid	$ 50,000,000	£ 3,125,000	220,746,319	BRITISH AND OTHER GOVERNMENT TREASURY BILLS ..	425,026,644	26,564,165
128,000,000	RESERVE FUND	128,000,000	8,000,000	600,015,157	TRADE BILLS DISCOUNTED	490,218,844	30,638,678
11,039,578	PROFIT AND LOSS ACCOUNT	2,062,463	128,904				
$ 164,039,578		$ 180,062,463	£ 11,253,904				
	HONG KONG CURRENCY NOTES IN CIRCULATION—				HONG KONG GOVERNMENT CERTIFICATES OF INDEBTEDNESS issued in respect of funds deposited as security for the Excess Note Issue	661,883,047	41,367,690
30,000,000	Authorised Note Issue .. .. $ 30,000,000			645,883,047			
645,742,000	Excess Note Issue 661,742,000				INVESTMENTS, at under market values:		
		691,742,000	43,233,875		British, Colonial and Other Government Securities:		
	CURRENT, DEPOSIT AND OTHER ACCOUNTS, including Reserves and Provisions for Contingencies and Taxation .. .. $ 2,695,184,683			211,303,280	Quoted in Great Britain .. .. $ 100,857,723		
2,564,287,832				105,741,011	Quoted outside Great Britain .. 112,433,262		
				18,096,610	Other Investments:		
	AMOUNTS DUE TO SUBSIDIARY COMPANIES 413,060			13,944,029	Quoted in Great Britain 27,154,144		
378,395					Quoted outside Great Britain .. 11,808,800		
	ACCEPTANCES ON BEHALF OF CUSTOMERS 21,859,997					342,048,934	21,378,059
16,130,379				1,213,501,940	ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS, less Provision for Bad and Doubtful Debts	1,186,038,421	74,127,401
	PROPOSED FINAL DIVIDENDS in respect of the year ended 31st December, 1957 10,531,645			5,497,165	AMOUNTS DUE BY SUBSIDIARY COMPANIES	8,203,416	512,714
9,721,519				16,130,379	LIABILITIES OF CUSTOMERS FOR ACCEPTANCES, per contra ..	21,859,997	1,366,250
		2,727,989,385	170,499,337	$3,401,812,205		$3,565,624,709	£222,851,545
	Notes —				FIXED ASSETS—		
	1. Confirmed Credits, Guarantees and Endorsements amount to HK$438,186,404 (HK$582,971,778) in addition to which there are commitments in respect of outstanding Forward Exchange Contracts.			9,263,842	Investments in Subsidiary Companies, at cost .. .. .. $ 12,837,159		
	2. Foreign Currency Balances have been converted into Hong Kong Dollars at approximately the rates ruling at 31st December, 1957. The Sterling equivalents of the figures shown in the above Balance-Sheet have been converted at the rate of HK$1 = 1/3*d.*			1,603,499	Investment in Associated Company, at cost 2,003,499		
	3. Investments having a market value of HK$30,894,496 are deposited with The Crown Agents to cover the liability in respect of the Authorised Note Issue.			17,620,157	Bank Premises at cost, less amounts written off 19,328,481		
						34,169,139	2,135,571
$3,430,299,703		$3,599,793,848	£224,987,116	$3,430,299,703		$3,599,793,848	£224,987,116

MICHAEL W. TURNER, *Chief Manager.* J. A. H. SAUNDERS, *Chief Accountant.* C. BLAKER, L. KADOORIE, L. B. STONE, *Directors.*

REPORT OF THE AUDITORS TO THE MEMBERS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION

We have examined the above Balance-Sheet with the books of the Corporation kept in Hong Kong, with the audited Accounts of the London Office and with the Returns received from the other Offices. We have obtained all the information and explanations we have required for the purposes of our examination. The above Balance-Sheet gives the information required by the United Kingdom Companies Act 1948 in the manner prescribed for a Banking Company and on that basis, in our opinion, is a full and fair Balance-Sheet properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs at 31st December, 1957, according to the best of our information and the explanations given to us and as shown by the books kept in Hong Kong and the Returns received from the other Offices.

LOWE, BINGHAM & MATTHEWS
PEAT, MARWICK, MITCHELL & CO. } *Chartered Accountants Auditors.*

HONG KONG, *26th February*, 1958.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

1956 Hong Kong Dollars		Hong Kong Dollars	1956 Hong Kong Dollars		Hong Kong Dollars
$ 4,000,000	Amount to be written off Bank Premises	$ 4,000,000	$ 10,606,689	Balance brought forward from 31st December, 1956 .. $ 11,039,578	
6,481,013	Interim Dividend of $2 per share on 200,000 shares paid 10th August, 1957, £400,000 at 1/2-18/16 .. $ 6,481,013		....	*Less*—Amount transferred to Reserve Fund .. 9,000,000	
9,721,519	Proposed Final Dividend of £1-12-6 per share on 400,000 shares, £660,000 at 1/2-18/16 10,531,645		20,635,421	Profit for the year, after providing for taxation on profits earned to date and after making transfers to the credit of Reserves for Contingencies, out of which provision for diminution in value of assets has been made..	$ 2,039,578 / 21,035,543
11,039,578	Balance carried forward to next year	17,012,658 / 2,062,463			
	Special Administrative Expenses, including Chief Manager's emoluments, Directors' Fees and London Committee Fees amounted to HK$975,221				

ALKALI AND CHEMICAL CORPORATION OF INDIA LIMITED

ALL-ROUND IMPROVEMENT IN RESULTS

MR. N. D. HARRIS, CHAIRMAN, ON ADDITIONAL REQUIREMENTS OF CAPITAL

ADDRESSING the Twenty-first Ordinary General Meeting of the Alkali and Chemical Corporation of India, Ltd., held in Calcutta on 19th March 1958, Mr. N. D. Harris, Chairman of the Company, referred to the success of the Company's recent rights issue, of which all but 6.5 per cent. was taken up by the shareholders. He added that the Company must find more money, as its requirements were not yet fully met. While the immediate needs would be met from bank loans, the Directors, he said, were giving much thought to this problem.

The following is the full text of Mr. N. D. Harris's speech:

"GENTLEMEN,

"The audited accounts and Directors' report for the year ended 30th September 1957 have been in your hands for some time. With your permission, I propose to take them as read.

"But I should draw your attention to the new form of our annual report. Its photographs and diagrammatic representation in the centre pages showing your Company's income and distribution of expenditure will, I believe, be of informative interest to all shareholders.

Accounts

"I do not propose to comment in particular on the balance-sheet as the main points of interest are dealt with in the Directors' report. Suffice it to say that your Company's financial position is sound and that the continued increase in turnover and net profit is satisfactory.

"A significant point is that the dividend equalisation reserve now stands at Rs. 24.8 lakhs. You will appreciate that this is a substantial sum which should enable the Company to maintain a satisfactory rate of dividend for many years.

Trading Results

"Once again we have had a most successful year and record levels of production and sales were attained. Sales increased from Rs. 192 lakhs in 1956 to Rs. 230 lakhs. It is of interest to note that since 1954, which was the first full trading year after the sale of the Khewra factory in Pakistan, the Company's turnover has nearly doubled.

"These results have been achieved by intense and loyal efforts on the part of all your Company's staff which are gratefully acknowledged. I should like also to record our appreciation of the good work done by our selling agents, Imperial Chemical Industries (India) Private Limited, whose staff of trained salesmen and technicians have been of invaluable service in expanding and developing the range of sales of your Company's products in the face of keen competition. We are glad to know that they will be handling our sales of Polythene when production starts next year.

"I think, it is my duty to make it clear at this stage that your Board view with concern the rising cost of raw materials and stores caused no doubt by the inflationary pressure now becoming evident in the country. While we recognise the realistic efforts which Government are now making to check this pressure, we do not believe that there will be any significant fall in these costs for some considerable time. We have given some assurance to Government that we shall endeavour to avoid increasing selling prices, but the time has come when we shall have to consider informing Government that price increases are necessary and, in fact, reasonable in fairness to our shareholders. This is particularly true for the chlorine plant where the return is uneconomic.

Production

"This has been a very busy year in the Rishra factory and record outputs have been achieved in almost every unit, paints and chlorine/caustic soda showing, in particular, gratifying increases. Extensions to our paints plant were completed in the latter part of the year enabling us to meet the increasing demand for our well-known range of 'Duco' and 'Dulux' products. At the same time, production of our metal pre-treatment products showed a substantial increase.

"Our 'Gammexane' formulations of benzene hexachloride also registered a satisfactory increase.

"I have seen our latest production figures which encourage me to predict that in the current year all previous records will be beaten.

Extensions and New Projects

"We are well ahead with our plans for extending our chlorine and caustic soda plant and arrangements have been made with Imperial Chemical Industries Limited for the sterling finance required.

Polythene

"I have little to add to what has been already said in the Directors' report. The plant will begin production early in 1959 provided nothing unforeseen occurs.

'Alfloc' Products

"A range of products under this well-known mark has been sold by Imperial Chemical Industries (India) Private Limited for many years for the treatment of industrial and locomotive boiler waters. There is, therefore, an established market and we have recently been licensed under favourable terms to manufacture them at Rishra.

Foreign Exchange

"Your Company has felt keenly the difficulties in obtaining foreign exchange both for essential imported plant and engineering stores for construction and maintenance, and for raw materials for production.

"Government's policy in present circumstances is naturally to restrict such imports to the minimum and, in order to play a full part in assisting the country's present foreign exchange difficulties, your Company has paid, and is continuing to pay, great attention to the use of locally manufactured plant and indigenous raw materials.

Productivity

"Your Company has recently set up a work study section under an experienced work study practitioner with the object of increasing productivity and thereby the effective use of capital employed on our plants. Already promising results have been achieved.

Finance

"Contrary to the pessimistic view taken by a shareholder at the last meeting our recent rights issue of Rs. 248 lakhs was a success in the market conditions prevailing at the time and a reflection of the confidence in the Company's future and its management. Only 6.5 per cent. of the issue was not taken up by shareholders. This represents in value Rs. 16 lakhs which Imperial Chemical Industries (India) Private Limited were called upon to pay —an additional British investment in India over and above the figure of Rs. 175 lakhs I gave you last year.

"I would like to repeat, for the information of those shareholders concerned, that Section 56A of the Indian Income-tax Act applies to this issue and companies are exempt from super-tax on the dividends received by them on the new shares.

"The Company must find more money, as its requirements of capital are not yet fully filled. Our internal resources which we hope will increase over the next few years will not suffice, and so your Directors are giving much thought to this problem. All I can say at the moment is that our immediate requirements will be met from loans from banks, including a loan of Rs. 100 lakhs already negotiated for the Polythene project.

Personnel

"Our relations with our employees have been maintained on a cordial basis. Recently, we have arrived at an amicable settlement with two unions operating in our factory on questions relating to wages, bonus, promotions and other terms. The Company has agreed to meet as reasonable a bonus liability for past years involving an additional amount of Rs. 74,000 and an increase in wages of Rs. 1,60,000. Negotiations took place in a friendly atmosphere and the eventual agreement reached is significant. There is encouraging evidence that workers and their representatives share the feeling that such differences as may arise are capable of solution by direct negotiation with management.

"Last year, I mentioned that we were endeavouring to introduce improved terms of service based on job appraisement. I am glad to say that despite initial scepticism we have been able to introduce the scheme with workers' approval.

"To meet a long-felt want a training school for tradesmen has been started. This will go some way to meeting the shortage of skilled men in our factory and particularly for the Polythene unit.

"In line with the Company's policy more and more Indians are participating at all levels. Several promising young Indians have already been sent to the United Kingdom for training in the factories of Imperial Chemical Industries Limited and more are to follow.

"In an industry so highly technical as ours it is essential that we attract the best men from the universities. A system of recruitment by a panel of judges including a representative from a university has assisted in the selection of suitable technical staff.

"I am happy to announce that your factory was recently visited by Sir Alexander Fleck, F.R.S., the Chairman of Imperial Chemical Industries Limited, London, and Mr. S. P. Chambers, the Deputy Chairman of that Company. They both expressed appreciation of the fine work being done by the staff and workers at the factory.

New Chairman

"This will be my last address to you as Chairman of this Company, as I shall soon be leaving India on retirement. I would like to take this opportunity of introducing to you my successor, Mr. J. M. Lall, who will be your future Chairman. In Mr. Lall, I am sure, you will have a very able and efficient executive who will steer the Company through the difficult years ahead to even greater prosperity. I have every confidence that this Company will prosper under his guidance.

"The Directors retiring by rotation are myself and Mr. B. R. Goodfellow. Mr. Lall who was appointed during the year as an additional Director vacates office. His election comes up as special business and Mr. Goodfellow and I offer ourselves for re-election in the ordinary way.

"The auditors also retire and you are asked to re-appoint them at a fee of Rs. 7,500, the same as that of the previous year."

Note:—*This document does not purport to be a report of the proceedings of the general meeting.*

BHOPAL SUGAR INDUSTRIES LTD.

(*Concluded from page* 580)

the workers and members of the staff, after mutual negotiations. He congratulated the labour leaders on realising that it was only with improved relations with the Management that the operations of the factory could run smoothly, resulting in great benefit to all concerned.

Regarding prospects for the current season, he stated that, though the rainfall during the season was far below normal, the condition of the crop was satisfactory and in all probability last year's production would be maintained.

Before concluding his speech, Mr. M. M. Amersey expressed his sincere appreciation for the co-operation of the staff, both at the factory and the office at Bombay, and also to the Government of Madhya Pradesh for their sympathetic consideration of the problems facing the industry, both of which had contributed in no small measure to the phenomenal progress the Company had made during the year under review.

Note.—This does not purport to be a record of the proceedings of the annual general meeting.

THE
HONGKONG AND SHANGHAI
BANKING CORPORATION
(Incorporated in Hong Kong with limited Liability)
HEAD OFFICE: HONG KONG
Capital Authorised .. .. Hk. $50,000,000 (Rs. 4,16,66,667)
Capital Issued and Fully Paid-up .. Hk. $50,000,000 (Rs. 4,16,66,667)
Reserve Funds .. .. .. Stg. £ 8,000,000 (Rs. 10,66,66,667)

BRANCHES

BORNEO
Colony of North Borneo
Jesselton
Labuan
Sandakan
Tawau
State of Brunei
Brunei Town
Kuala Belait
Seria
BURMA
Rangoon
CAMBODIA
Phnom-Penh
CEYLON
Colombo
CHINA
Shanghai
DJAWA
Djakarta
Surabaja
EUROPE
Hamburg
Paris

HONG KONG
Hong Kong
Kowloon
Mongkok
North Point
INDIA
Bombay
Calcutta
JAPAN
Kobe
Osaka
Tokyo
Yokohama
MALAYA
Colony of Singapore
Collyer Quay
Orchard Road
Federation of Malaya
Cameron Highlands
Ipoh

MALAYA—contd.
Johore Bahru
Kuala Lumpur
Malacca
Muar
Penang
Sungei Patani
Teluk Anson
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NEW YORK OFFICE: 72, Wall Street

CALCUTTA OFFICE: 31, Dalhousie Square.
D. L. MILNE-DAY, Manager.

BOMBAY OFFICE: 16, Veer Nariman Road
F. R. BURCH, Manager.

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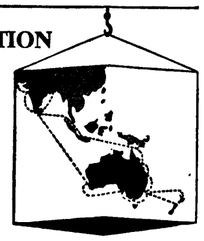

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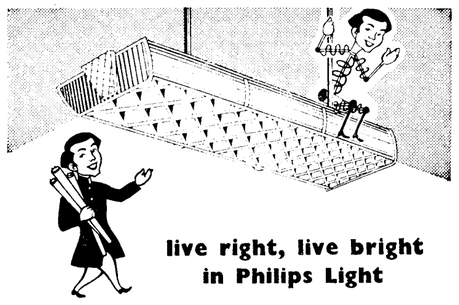

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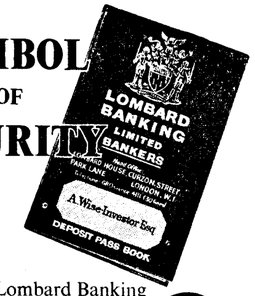

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Balance Sheet of the State Bank of Hyderabad as at 31st December 1957

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—		
Authorised Capital	1,00,00,000·00	
Issued Capital (pursuant to Section 10 (1) (a) of the State Bank of Hyderabad Act, 1956)		50,00,000·00
2. Reserve Fund and Other Reserves—		
As per last Balance Sheet	22,06,000·00	
ADD—Amount transferred from the Profit for the current year	2,94,000·00	
		25,00,000·00
3. Deposits and Other Accounts—		
Fixed Deposits	5,74,45,892·70	
Savings Bank Deposits	1,49,06,888·35	
Current Accounts, Contingency Accounts, etc.	6,54,02,436·61	13,77,55,217·66
4. Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	Nil	
(ii) Outside India	Nil	Nil
PARTICULARS—		
(i) Secured	Nil	
(ii) Unsecured	Nil	
5. Bills Payable		56,61,288·07
6. Bills for Collection Being Bills Receivable as per contra—		
(i) Payable in India	50,39,938·39	
(ii) Payable outside India	1,28,638·90	51,68,577·29
7. Other Liabilities—		
Rebate on Bills Discounted	8,489·28	8,489·28
8. Acceptances, Endorsements and Other Obligations per contra		18,31,969·91
9. Profit and Loss—		
Balance of Profit as per last Balance Sheet	Nil	
ADD—Profit for the year ended 31st December, 1957	5,29,000·00	
	5,29,000·00	
LESS—Appropriations thereof— Rs. nP		
Amount transferred to Reserve Fund 2,94,000·00		
Amount transferred to Pension Fund 75,000·00		
Amount transferred to Gratuity Fund 50,000·00		
Bonus to Staff 1,10,000·00		
Surplus Balance transferred to Reserve Bank of India Nil	5,29,000·00	Nil
10. Contingent Liabilities—		
Claims against the Bank not acknowledged as debts	Nil	
Bills of Exchange re-discounted (The liability has fully run off as at the 10th February, 1958)	2,67,151·82	
Outstanding Forward Exchange Contracts	11,08,348·73	
Guarantees given on behalf of Directors or employees of the Bank	Nil	
Guarantees given on behalf of others	2,72,958·75	
Total .. Rs.		15,79,25,542·21

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash—		
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)		1,05,97,628·15
2. Balances with Other Banks—	Current Account	
(i) In India	30,759·75	
(ii) Outside India	2,37,050·87	2,67,810·62
3. Money at Call and Short Notice		2,67,25,000·00
4. Investments—		
(i) (a) Securities of the Central and State Governments (at below market value)	2,95,60,557·34	
(b) Other Trustee Securities—		
(1) Municipal Loans (at market value)	3,65,625·00	
(2) Corporation Shares (at cost—for which there are no market quotations)	9,00,000·00	
(3) Land Mortgage Bank Debentures (at cost—for which there are no market quotations)	1,00,000·00	
(ii) Shares (at cost—of State Bank of Pakistan—Fully paid)	50,000·00	
(iii) Debentures or Bonds (at cost—for which there are no market quotations)	1,00,000·00	
(iv) Other Investments	Nil	
(v) Gold	Nil	3,10,76,182·84
5. Advances (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)—		
(i) Loans, Cash Credits, Overdrafts, etc. Rs. nP		
(I) In India 6,02,86,131·54		
(ii) Outside India Nil	6,02,86,131·54	
(ii) Bills Discounted and Purchased—		
(i) Payable in India 1,38,48,495·10		
(ii) Payable outside India 61,830·09	1,39,10,325·19	
Particulars of Advances : See separate statement appended.		7,41,96,456·73
6. Bills Receivable Being Bills for Collection as per contra—		
(i) Payable in India	50,39,938·39	
(ii) Payable outside India	1,28,638·90	51,68,577·29
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		18,31,969·91
8. Premises Less Depreciation—		
Total Cost upto 31st December, 1956	28,66,372·16	
Additions during the year	24,584·20	
	28,90,956·36	
LESS—Sales during the year	233·94	
	28,90,722·42	
Total Depreciation written off upto 31st December, 1957	1,95,735·40	26,94,987·02
9. Furniture and Fixtures Less Depreciation—		
Total Cost upto 31st December, 1956	24,45,265·74	
Additions during the year	53,235·69	
	24,98,501·43	
LESS—Sales during the year	6,464·40	
	24,92,037·03	
Total Depreciation written off upto 31st December, 1957	12,95,094·81	11,96,942·22
10. Other Assets including Silver—		
Silver	4,98,944·11	
Adjusting Account of Interest, Commission, etc.	9,42,806·31	
Stationery, Stamps and Suspense	6,48,394·96	
Advance Payment of Income-tax	20,79,842·55	41,69,987·93
11. Non-Banking Assets Acquired in Satisfaction of Claims		Nil
Total .. Rs.		15,79,25,542·21

Particulars of Advances

PARTICULARS

	Rs. nP
(i) Debts considered good in respect of which the Bank is fully secured	5,32,61,873·32
(ii) Debts considered good for which the Bank holds no other security than the debtors' personal security	54,07,171·26
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	1,55,27,412·15
(iv) Debts considered doubtful or bad, not provided for	Nil
Total .. Rs.	7,41,96,456·73

	Rs. nP
(v) Debts due by directors or officers of the Bank or any of them either severally or jointly with any other persons	73,948·93
(vi) Debts due by companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members (including Rs. 1,18,67,046·56 on account of advances made to companies, which are guaranteed by the Government of Andhra Pradesh)	2,00,85,274·07
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the Bank or any of them either severally or jointly with any other persons	1,22,651·91
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members (including Rs. 1,94,17,070·46 on account of advances made to companies, which are guaranteed by the Government of Andhra Pradesh)	3,48,02,324·93
(ix) Due from banking companies	8,18,184·82

(Continued in next page)

WORLD ECONOMIC ACTIVITY IN 1956 REVIEWED

SIZABLE INCREASE IN INDUSTRIAL PRODUCTION

IN 1956, world economic activity was greater than in any previous post-war year and vastly greater than in the years immediately preceding World War II. In 1956, the world's* factories and mines produced about 2¼ times as much as in the last pre-war year 1938, the world's railways hauled nearly 2½ times as much freight; the world's ships carried almost twice as much cargo; the world's† commercial airlines flew more than eight times as many miles (kilometres); on the world's* roads there were nearly 2½ times as many motor vehicles and the volume of world's* exports was 80 per cent. greater; and in mid-1956 the entire world had 20 per cent. more people than in 1940. This is the story of world progress told in figures by the 1957 issue of the United Nations *Statistical Yearbook*. This ninth issue of the U.N's *Yearbook* was prepared by the Statistical Office of the United Nations with the active co-operation of the statistical authorities of more than 150 countries and territories and with the assistance of the United Nations' specialised agencies and other intergovernmental bodies. The 191 tables of this 674-page bilingual (English and French) volume present authoritative international statistics on demographic, economic, financial, social and cultural subjects and generally cover a 20-year period ending 1956 or mid-1957.

World Population

The population of the entire world was estimated to have been about 2,737 millions in mid-1956, as compared with 2,495 millions in 1950, 2,246 millions in 1940 and 1,810 millions in 1920. Asia (excluding the U.S.S.R.) is the continent with the largest population, rather more than half the world total, while Europe (excluding the U.S.S.R.) is the most densely populated continent and Oceania the least densely populated continent. Over the period 1950-56, world population has increased at the annual rate of 1.6 per cent. The annual rate of increase was highest in Oceania (2.3 per cent.) and lowest in Europe (0.8 per cent.); for Asia, the rate was the same as the world rate. Only a few areas have experienced a decline in population in recent years (1953-56), notably East Germany at an annual average rate of—0.8 per cent., East Berlin —1.4 per cent. and Ireland—0.5 per cent. The continental distribution of the estimated mid-1956 population and the corresponding population density and annual rates of increase were as follows:

	Population in millions	*Density per sq. km. (a)*	*Annual rate of increase 1950-56*
World	2,737	20	1.6
Africa	220	7	1.7
America (North and South)	374	9	2.1
Asia (b)	1,514	56	1.6
Europe (b)	412	84	0.8
Oceania	15	2	2.3
U.S.S.R.	200	9	N.A.

(a) 1 square kilometre=0.386 square mile.
(b) Excluding U.S.S.R.
N.A.=Not available.

*"World" here excludes the U.S.S.R., Eastern Europe and mainland China.
†"World" excluding U.S.S.R. and mainland China.

According to the comprehensive indexes recently computed by the United Nations Statistical Office, world (excluding the U.S.S.R., Eastern Europe and mainland China) industrial production in 1956 was 4½ per cent. greater than in the previous year, 40 per cent. greater than in 1950 and no less than 127 per cent. greater than in the last pre-war year (1938); and in the second quarter of 1957 it increased further by about 3½ per cent. over the average level in 1956.

For the U.S.S.R. and Eastern European countries (not included in the "world" index), the *Statistical Yearbook* gives the official industrial production indexes published by those countries. From these indexes, it appears that industrial production in 1956 in the U.S.S.R. and Poland was about twice as great as in 1950 and around five times as great as pre-war, in Bulgaria more than twice as great as in 1950, in Czechoslovakia 87 per cent. greater than in 1950 and 2½ times as great as pre-war, and in Rumania more than twice as great as in 1950 and more than three times as great as pre-war. Due to the events in the latter part of 1956, the Hungarian industrial production index recorded a 10 per cent. drop in 1956, but it was still nearly 80 per cent. higher than in 1950 and exceeded the 1938 level by nearly 200 per cent.

The following table shows the percentage increases in world production of some of the more important industrial commodities between 1950 and 1956 and also between 1938—the last pre-war year—and 1956:

Major Industrial Commodities
Percentage increase in world production

		1950 to 1956	*1938 to 1956*
Coal (a)	A	13	34
	B	6	20
Crude petroleum	A	61	207
	B	56	211
Electricity	A	75	266
	B	72	254
Cement	A	72	169
	B	67	158
Sulphuric Acid	B	38	135
Steel	A	47	154
	B	42	151
Ships (b)	B	91	124
Motor vehicles (c)	A	10	186

A—Including U.S.S.R. B—Excluding U.S.S.R.
(a) Excluding mainland China, where production of coal is reported to have risen from 62 million tons in 1942 to 106 million tons in 1956.
(b) Tonnage launched.
(c) Passenger cars and commercial vehicles.

The two leading industrial countries, the United States and the U.S.S.R., accounted respectively for the following percentages of world production in 1956:

Coal, 30 and 19 per cent.; crude petroleum, 42 and 10 per cent.; electricity, 41 and 11 per cent.; cement, 25 and 11 per cent.; steel, 37½ and 17½ per cent.; and motor vehicles, 60 and 4 per cent.

Agricultural Production

The post-war gains in world agricultural production, while not so spectacular as those in world industrial production, have nevertheless not been negligible. Compared with the 1950 crops (with the average 1934-38 crops in parentheses), the world (excluding the U.S.S.R.) produced in 1956 (or crop year 1956-57) 16 (23) per cent. more wheat, 22 (48) per cent. more maize (corn), 42 (80) per cent. more barley, 4 (16) per cent. more oats, 32 (40) per cent. more rice, 6 (16) per cent. more potatoes, 31 (18) per cent. more cotton and 33 (26) per cent. more tobacco. While the 1956 world (excluding the U.S.S.R.) rye crop was 2 per cent. greater than the 1950 crop, it nevertheless fell 4 per cent. short of the average pre-war crop. The 1956-57 world (including the U.S.S.R.) wool clip surpassed the 1950-51 clip by 24 per cent. and the pre-war average clip by 33 per cent. The world (excluding the U.S.S.R.) in 1956 produced 11 per cent. more milk than in 1950 and 18 per cent. more than pre-war and 22 per cent. more meat than in 1952 and 45 per cent. more than pre-war.

For the U.S.S.R., the *Statistical Yearbook* provides little information on agricultural production other than that the 1956 output of tea was about five times, and that of raw wool 2½ times, as great as the pre-war average (1934-38). However, for the first time the *Yearbook* gives up-to-date data on the cereal and potato crops in all the Eastern European countries (included in the "world excluding the U.S.S.R." percentages cited above), namely, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland and Rumania. In these countries taken together, the average 1954-56 cereal and potato crops ranged from 20 per cent. more than the pre-war average, for maize (corn), down to about 20 per cent. less than the pre-war average for oats; in the rest of the world (excluding the U.S.S.R.) the corresponding 1954-56 average crops ranged from 79 per cent. more than the pre-war average, in the case of barley, down to 2 per cent. more for rye.

Of the 1956 (1956-57) world (excluding the U.S.S.R.) agricultural production, the United States accounted for 54 per cent. of the maize (corn), 41 per cent. of the cotton, 32 per cent. of the oats, 29 per cent. of the tobacco, 26 per cent. of the meat, 22 per cent. of the milk, 17 per cent. of the wheat, 6 per cent. of the potatoes and 1 per cent. of the rice; and for 6 per cent. of the world (including the U.S.S.R.) wool clip.

World Trade

The value of world trade (exports)—"world" throughout this section on trade excludes the trade of the U.S.S.R., Eastern European countries and mainland China—as measured in U.S. dollars, reached in 1956 a new record high level, 11 per cent. above 1955, 74 per cent. above 1948 and was close on 4½ times as great as in the last pre-war year 1938. The volume of world trade (exports), which is not influenced by price changes, was also of record size in 1956, 9 per cent. greater than in 1955, and nearly 80 per cent. greater than in both 1948 and 1938. World export prices (using dollar unit values) in 1956 were about 2 per cent. higher than in 1955, 7 per cent. lower than the peak in 1951 and 2 per cent. lower than in 1948, but 2½ times as great as those prevailing in 1938 (almost 4½ times as great using sterling values).

The dollar area countries (United States, Canada, Central America and some South American countries) accounted for over 31 per cent. of world exports (valued in U.S. dollars) in 1956 against less than 30 per cent. in 1955, 35 per cent. in 1948 and 22 per cent before the war (1938); their share in world imports was more modest, around 25-26 per cent. in 1955 and 1956 against only 16 per cent. in 1938. The United States' share of total dollar area imports has dropped from 58 per cent. in 1938 to 51 per cent. in 1956 while its share in the area's total exports in 1956 was about the same —66 per cent.—as in 1938.

In recent years, the countries of continental Western Europe (including Turkey, but excluding Finland, Spain and Yugoslavia) have succeeded in regaining their pre-war position, accounting in 1956 for 32 per cent. of the value of world's imports against 31 per cent. in 1938 and maintaining their share of world exports at the pre-war level of 29 per cent. The share of the sterling area countries (United Kingdom, dependencies, Commonwealth except Canada, and certain other countries) in world exports declined from 26 per cent. in 1938 to 24 per cent. in 1955 and to 23 per cent. in 1956, while its share in world imports declined drastically, from over 32 per cent. in 1938 to 26 per cent.

(Continued on page 615)

State Bank of Hyderabad—*Continued.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1957.

EXPENDITURE	Rs. nP
1. Interest paid on Deposits, Borrowings, etc.	23,51,226·63
2. Salaries and Allowances and Pension and Provident Funds (including Salary and Pension and Provident Funds' Contributions of the Managing Director Rs. 32,700)	29,61,715·63
3. Directors' Fees and Allowances	7,169·54
4. Rent, Taxes Insurance, Lighting, etc.	2,21,937·40
5. Law Charges	13,946·77
6. Postage, Telegrams and Stamps	1,66,106·55
7. Auditors' Fees	4,000·00
8. Depreciation on and Repairs and other Charges to the Bank's Property	2,89,779·94
9. Stationery, Printing Advertisement, etc.	1,49,013·78
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil
11. Other Expenditure	1,90,407·43
12. Balance of Profit	5,29,000·00
Total .. Rs.	68,84,303·67

INCOME (Less provisions made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1. Interest and Discount	51,64,484·29
2. Commission, Exchange and Brokerage	16,71,183·85
3. Rents	47,194·72
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	24·41
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	1,416·40
Total .. Rs.	68,84,303·67

NOTE :—Osmania Sicca Currency has been converted into Indian Government Currency at the Government Standard Rate (O.S. Rs. 116-10-8=I.G. Rs. 100).

REPORT OF THE AUDITORS

TO THE RESERVE BANK OF INDIA.

We, the undersigned Auditors of the State Bank of Hyderabad, appointed under Section 30 (1) of the State Bank of Hyderabad Act, 1956, report on the Balance Sheet and Accounts of the Bank as at the 31st December, 1957.

We have examined the above Balance Sheet of the State Bank of Hyderabad as at the 31st December, 1957, and the Profit and Loss Account for the year ended upon that date with the Accounts and Vouchers relating thereto of Head Office and with the Returns submitted and certified by the Branch Managers, which Returns have been incorporated in the above Balance Sheet and Accounts, and report :

(i) that, in our opinion the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank ;
(ii) that, where we have called for any explanation or information such explanation and information have been given to us and have been satisfactory ;
(iii) that the transactions of the Bank which have come to our notice have been within the powers of the Bank ;
(iv) that, the Returns received from the Branches of the Bank have been found adequate for the purpose of our audit ;
(v) that, the Profit and Loss Account shows a true balance of profit for the year covered by such Account ;
(vi) that, in our opinion the Balance Sheet and the Profit and Loss Account are drawn up in conformity with the law and
(vii) that, in our opinion Books of Account have been kept by the Bank as required by law.

S. B. BILLIMORIA & CO.,
Chartered Accountants.

HYDERABAD (A.P.),
Dated, 24th February, 1958.

P. C. BHATTACHARYYA, Chairman.
N. D. NANGIA,
N. S. RAGHAVAN,
A. BARSI } Directors.
PANNALAL,

B. GERSAPPE,
Superintendent,
Advances and Investments.

H. MEHDI,
Secretary.

BALWANT SINGH,
Managing Director

THE CHARTERED BANK

STATEMENT OF CHAIRMAN, MR. V. A. GRANTHAM

"INDIA HAS A DIFFICULT ROAD TO TRAVEL"

THE One Hundred and Fourth Annual General Meeting of the Chartered Bank will be held in London on 2nd April 1958. In the course of his customary statement circulated to the stockholders along with the Directors' report and accounts for the year ended 31st December 1957, Mr. Vincent Alpe Grantham, Chairman of the Bank, says that, though the completion of the most essential part of India's Second Plan will in time effect a saving in the import bill, India has a difficult road to travel, despite the assistance promised by the American and West German Governments.

The following is the full text of Mr. Grantham's statement:

The Court of Directors

"Since my last statement was made there have been a number of changes in the Court of Directors.

"With great sorrow I have to record the death in July last of Mr. Archibald Orr Lang, our senior Director, who joined the Court in 1939 when the P. & O. Banking Corporation was absorbed.

"Early in September we were deeply grieved to learn of the sudden death of Sir William Cockburn, who joined the Court in 1955 on his retirement from the post of Chief General Manager. I have already recorded the gratitude and admiration felt by the Court for the highly distinguished and professionally competent services rendered by Sir William during his tenure of the chief executive office over a period which extended to 15 years.

"In July last, Mr. Clifford Waite, Chairman of Consolidated Tin Smelters Ltd., accepted our invitation to join the Court. His wide knowledge of the tin industry will be of great help to us.

"During 1957 The Borneo Company Ltd., with which the Bank has always had the happiest of business relations, commemorated the centenary of its incorporation and in September last I had the pleasure of moving the election to the Court of Mr. Ian Lilburn MacEwen, a Director of the Company.

"As part of our plans to co-ordinate the operations of The Chartered Bank and The Eastern Bank Ltd. we invited Sir Evan Jenkins, G.C.I.E., K.C.S.I., the Chairman of The Eastern Bank Ltd., to join the Court.

"Towards the end of the year Sir Kenneth Harper relinquished his directorship upon retiring from business in the City and to fill the vacancy in the Court we elected Mr. W. E. Eadie, C.A., who has succeeded Sir Kenneth as Chairman of The Burmah Oil Company Ltd.

"The Bank's new interest in the commerce and industry of the Middle East is reflected in the election to the Court of Sir Stephen Gibson, C.B.E., who was, until last year, Managing Director of the Iraq Petroleum Company Ltd.

"On 1st January 1958 Mr. E. J. Pakes, C.B.E., a Managing Director of British India Steam Navigation Company Ltd., joined the Court.

"At the approaching annual general meeting I shall invite the stockholders to confirm the election to the Court of Mr. Clifford Waite, Mr. I. L. MacEwen, Sir Evan Jenkins, Mr. W. E. Eadie, Sir Stephen Gibson and Mr. E. J. Pakes.

"For some time past it has been clear that the expansion of the Bank's activities and the growing complexity of its affairs have necessitated an enlargement of the Court. There are now fourteen Directors, three more than a year ago, and it is consequently easier to organise the work delegated by the Court to its committees. As a result of the absorption of The Eastern Bank Ltd. it may prove to be necessary to enlarge the Court still further and so that we may be in a position to do this it is proposed to seek the consent of stockholders to an increase in the appropriation to Directors' fees from £30,000 to £50,000. We have no present intention of increasing the fees paid to individual Directors.

The General Management and Staff

"In June last Mr. L. J. Blanchard, the senior General Manager, retired and Mr. David Beath and Mr. Stafford Northcote were promoted to be Joint General Managers. At the same time Mr. John Shewan, who has served the Bank with distinction in the Far East, was appointed an Assistant General Manager.

"The continued prosperity of the Bank reflects the highest credit upon the general management at head office, the branch managers and the staff at home and abroad. We are indebted to Mr. Morford for his help and leadership. In August last I visited Malaya, accompanied by the Chief General Manager, to attend the Merdeka celebrations, and I took the opportunity of making the acquaintance of a large number of members of the staff at all levels working in the Malayan circle of branches. It was a heartening experience and I was sorry that time did not permit my visiting other equally important spheres of activity.

"I take this opportunity of acknowledging with gratitude not only the professional skill displayed by the staff in preserving and extending the prosperity of the Bank but those personal qualities of toleration, forbearance and helpfulness which contribute so much to the survival of the historic links, forged under conditions very different from those which now exist, between Asia and the West. Three months ago Mr. W. G. Pullen undertook with Mr. Barden, General Manager of The Eastern Bank Ltd., a tour of the Middle East. At the same time Mr. David Beath visited the branches of the two banks in India, Pakistan, Burma and Ceylon.

The C.B.I. Development Corporation

"Credit restrictions imposed by the Capital Issues Committee of Her Majesty's Treasury have retarded the progress expected of The C.B.I. Development Corporation but it has been possible during the past twelve months to grant loans of relatively small amounts to finance promising development projects in India, Malaya and Borneo. The Corporation returned a satisfactory profit in 1957 and when conditions more favourable to the undertaking of medium-term credit operations obtain, our new organisation should rapidly expand.

"Mr. David Stewart, a former General Manager of the Bank who was elected a Director of the Corporation a year ago, has been appointed its Managing Director.

The Eastern Bank Ltd.

"On 12th July last I communicated to the stockholders the terms and conditions of an offer made by The Chartered Bank to acquire the whole of the issued share capital of The Eastern Bank Ltd. To enable The Chartered Bank to issue nine one pound units of its own stock in exchange for two £10 (each £5 paid) shares of The Eastern Bank Ltd. our authorised capital was raised from £3,500,000 to £4,400,000 by a special resolution passed at an extraordinary general meeting of the stockholders held on 7th August 1957. The response to the offer was highly satisfactory and the holders of approximately 96 per cent. of the share capital of The Eastern Bank Ltd. accepted our proposals. Early in December we invoked the provisions of Section 209 of the Companies Act 1948 to acquire the unassented shares and we now own the whole of the issued capital of The Eastern Bank Ltd. To complete the operation we issued as fully paid, new stock in The Chartered Bank to the extent of £900,000 and thereby increased our paid-up capital to £4,400,000. Since the offer closed on 21st August last the operations of the two banks have been progressively co-ordinated. To facilitate this Mr. H. F. Morford and I joined the Board of The Eastern Bank Ltd. and as I have previously mentioned, Sir Evan Jenkins was elected to the Court of The Chartered Bank.

New Branches

"A year ago I stated that The Chartered Bank had acquired by purchase the banking business transacted in Pakistan by the Allahabad Bank Ltd. The former offices of the Allahabad Bank Ltd. at Lahore and Lyallpur have now been fully incorporated within our branch establishment and The Chartered Bank has been enabled thereby to participate to a much fuller extent than was possible previously in financing the upcountry trade and industry of Western Pakistan.

"To our expanding branch organisation in Borneo there was added in April last an office at Sarikei and we are planning to open in the near future branches at Brunei Town and Kuala Belait. In order to enlarge further the services we extend to our numerous customers in Singapore a new branch has been opened at Bukit Timah, a thriving industrial suburb of the city, and we have lately leased premises for a new branch in the residential suburb of Tanglin.

Cyprus

"Stockholders will have learned from the Press that on 1st November 1957 The Chartered Bank acquired the goodwill of the banking business conducted by the Ionian Bank Ltd., at Nicosia, Famagusta, Kyrenia, Larnaca, Limassol and Paphos in the Colony of Cyprus. The customers of the Ionian Bank Ltd. readily agreed to entrust their business to us and the transfer was conducted very smoothly indeed. We are grateful for the co-operation and assistance received from the former staff of the Ionian Bank Ltd., all of whom seem to have been happy to join our service.

"We have succeeded to an excellent business with the merchant community of Cyprus, a form of banking activity with which we have been familiar throughout our history.

"A foothold in the Eastern Mediterranean should ultimately prove to be of great value and this move may be regarded as part of the policy which prompted us to widen our sphere by interesting ourselves in the Middle East.

The Bank's Balance Sheet

"During the year we acquired by an exchange of shares the entire share capital of The Eastern Bank Ltd., and for cash, the business which the Ionian Bank Ltd. conducted in Cyprus and there are consequential changes both in our balance-sheet and in the consolidated balance-sheet.

"Our own balance-sheet indicates the continued expansion of the Bank's business and reveals a high degree of liquidity. The total at £231,622,655 is the highest we have ever recorded, being some £8,600,000 up on last year's figure.

"Current and other accounts and fixed deposits show increases of £2,958,494 and £4,499,423 respectively. Our acceptances are again in excess of £10 million.

"On the assets side cash in hand at call and at bankers shows the substantial increase of £10,501,948 the ratio to our demand and time liabilities, excluding the notes in circulation against which security has been lodged, being 22.9 per cent. against 18.5 per cent. last year. Our investments in Government and other securities are slightly lower and, you will note, have again been brought in at market value. Advances and other accounts show a contraction of £6,165,632 which is partially offset by our increased holdings of bills of exchange amounting to £4,496,736. Our programme of expansion and modernisation of offices and houses in the East has given rise to an increase in the net figure for bank premises and furniture.

"The consolidated balance-sheet includes the figures of all our wholly owned subsidiaries and the inclusion of The Eastern Bank Ltd.'s figures brings the total to £271,898,015.

"For the information of stockholders a copy of The Eastern Bank Ltd.'s balance-sheet is appended to my statement.

Consolidated Profit and Loss Account

"I am glad to say that our earnings have improved. The results of The Eastern Bank Ltd., and of our new acquisitions in Cyprus and Pakistan, are included for the first time in our figures.

"The Bank paid an interim dividend in September last of 7½ per cent. less income-tax, absorbing £189,750, and it is now proposed that out of the balance available a final dividend of 7½ per cent. be paid, costing £189,750, making a total distribution of 15 per cent.

"The dividends cost more because of the new issue of capital we made last year but are more than compensated for by the increase in profits.

"We have allocated £250,000 to bank premises and furniture and £125,000 and £20,000 respectively to the Pension Fund and Widows' and Orphans' Fund. We have transferred £220,000 to reserves for contingencies and the balance carried forward is £438,458.

"Transfers to bank premises and contingencies include this year those made in connection with The Eastern Bank Ltd.

"For us, this year is one of consolidation and in view of the unsettled condition of the world in general, I am sure you will agree that it is wise that we should continue to build up the strength of the Bank.

Oversea Survey

"During 1957 there was no important change in what may be called the strategic disposition of the countries served by the Bank. Pakistan and Iraq continued to adhere to the Baghdad Pact while India remained the leader of the neutralist powers. The Peoples' Republic of China pursued a policy of non-intervention in the Far East and its leaders appeared to be preoccupied with domestic affairs, notably in the fields of industrial development and social reform. All the uncommitted Asian countries are clearly anxious to avoid embroilment with either of the two major power blocks based upon Washington and Moscow and it is evident that throughout the continent nationalism remains the most powerful political force.

"I am indebted to Sir Evan Jenkins for his assistance in the preparation of those sections of my statement which refer to economic and political conditions in the Middle Eastern countries served by The Eastern Bank Ltd.

Lebanon

"At the general election in June the Government of M. Sami Bey Solh was returned to office with an overwhelming majority. Threats to internal security have been firmly dealt with, and Beirut has recovered from the shock of the Suez crisis which continued to affect business during the early months of the year. A five-year development plan has been adopted, including projects for the improvement of agriculture, industry, communications and town planning. In particular the port and international airport of Beirut are also to be expanded and modernised.

"Inflationary conditions persist, with a fairly sharp rise in the cost-of-living and bank credit running at a high level. The Eastern Bank branch at Beirut is making satisfactory progress in a highly competitive market.

Iraq

"The Government of His Excellency Saiyid Nuri es Said resigned in June and a new Government was formed by His Excellency Saiyid Ali Jowdat. Some six months later this Government also resigned and at the end of the year His Excellency Saiyid Abdul Wahab Mirjan was Prime Minister. These cabinet changes involved no major changes of Government policy.

"Iraq surmounted the economic difficulties arising from the Suez crisis with great determination. The severance of the pipe-line in Syrian territory halted the pumping of oil from Kirkuk on 2nd November 1956. Repairs enabled pumping to be resumed on 11th March 1957, at the reduced flow of 7½ million tons per annum, since increased progressively to about 17½ million tons, against the pre-Suez rate of about 25 million tons. The pre-Suez rate is expected to be restored by April, 1958 and thereafter Kirkuk production will be gradually increased to 34 million tons per annum. Apart from the loss of production in 1956-57 and 1957-58, the stoppage involved a deficit of about I.D. 10 million in the budget for 1956-57 and a total loss to Iraq which has been officially estimated at as much as I.D. 56 million. The Iraq Government were determined not to interrupt their development programme. The temporary shortfall in oil revenue was made good by an arrangement with the Iraq Petroleum Company. A deficit of about I.D. 2 million in the budget for 1957-58 was covered by new taxation and a deficit of about I.D.3.25 million in the budget for 1958-59 will be covered by previous surpluses partly due to improved yields from taxation.

"In the meantime, development continues undisturbed. The second annual 'Development Week' last March marked the completion of projects costing about I.D. 26 million. The most notable of these projects were the two new bridges at Baghdad, the cement factory at Sarchinar and the cotton textiles factory at Mosul. The third annual 'Development Week' will be held this spring. Many large contracts were awarded in 1957 for a wide variety of works, including electric power generation and distribution, irrigation, roads and bridges, and housing; also a large grain silo at Basra. Two large projects shortly to be undertaken are a sewerage scheme for Baghdad (I.D.6 million) and a land reclamation scheme (I.D.4 million). As the major basic projects for flood control, irrigation and communications are completed there will be increased development of hospitals and housing. A six-year plan for industry agreed upon with the International Co-operation Administration will provide factories for the manufacture of textiles, paper, fertilisers and building materials. The total cost of this plan is estimated at I.D.40 million.

"Grain harvests were exceptionally good. There is an exportable surplus of wheat and an embarrassingly large surplus of barley, the disposal of which is proving difficult. The date crop was again small. Business was again reasonably good—surprisingly so in view of the strains of the Suez crisis—but a heavy fall in the price of sugar (from a peak of I.D.101 to I.D.78 per ton) caused losses, and in other lines there seems to have been some overstocking. Money was tighter than usual towards the end of the year and in December the Governor of the Central Bank of Iraq informed the banks that the permissible proportion of assets held abroad to deposits in Iraq will with effect from 21st February 1958 be reduced from 50 to 30 per cent.

"A new Companies Law was passed during the year.

Persian Gulf

Bahrain.—Bahrain had a quiet year, with no repetition of the disturbances of 1956. The Suez crisis had little effect on business, though the stoppage of Arabian crude oil reduced the output of the refinery. Import restrictions in Saudi Arabia, designed to conserve foreign exchange, caused some overstocking in the bazzaar, but business was on the whole quite good.

"Work continues on the new deep water jetty at Jufair—a project estimated to cost £2,866,000 and due for completion in 1960. Another important development is the construction of six new customs sheds at the Manama jetty. These sheds have a storage capacity of 60,000 cubic tons and open storage space is also available for a further 5,000 tons. This expansion has been made in preparation for the declaration of Bahrain as a 'free transit area'.

"Doha.—Doha had a peaceful year. Revenue seems buoyant and development continues. Merchant business continues to grow, though more slowly than could be wished. Public works completed during the year include several major roads. The machinery for the new power station has been installed and is expected to be operating by next summer. The bazaar recovered quickly from the Suez crisis but appeared to be somewhat overstocked in the middle of the year. Towards the end of the year there were signs of renewed activity and business on the whole was satisfactory.

"Sharjah.—During the year a new office of The Eastern Bank was under construction at Sharjah. This office was opened on the 15th January 1958.

Aden

"Our new building at Crater was opened for business in November and during the course of the year we occupied new premises at Steamer Point.

"The temporary closing of the Suez Canal subjected the colony to fewer stresses than might have been expected but during the first four months of 1957 foreign trade was drastically curtailed. After the reopening of the Canal, incoming cargoes were extremely heavy and there was considerable congestion in the port. The abnormal accumulation of imported goods coincided with a temporary contraction of exports to adjacent territories and in consequence importers suffered some inconvenience. Later in the year an improvement in trade with the countries surrounding the Red Sea and the running down of stocks restored commercial conditions to a more normal and sounder basis. This improvement was accelerated by the freedom from strikes and labour unrest which the colony has enjoyed in recent months.

"In November proposals for constitutional reform in Aden Colony were announced; if adopted they will come into force in 1959. It is proposed that the elected members of the Legislative Council shall be in a majority exercising supervision over the principal public services. These proposals, which are necessarily experimental, will offer to the people of Aden an opportunity to participate in the government of the colony.

India

"Last year, when discussing India's second Five-year Plan, I suggested that it was possible that the planners had set their sights too high. Vital and urgent as it undoubtedly was, to provide for a steadily increasing population and to achieve an all-round rise in the standard of living, it seemed that the Plan was being allowed to dominate the Indian economy almost to the extent of threatening it. The Plan's excessive dependence on deficit financing and foreign aid, gave rise to the assumption that it had been drawn up rather in the light of India's needs than on the basis of a realistic assessment of the country's available financial resources.

"Unfortunately the ensuing months have shown that there were grounds for these misgivings for the Indian exchange reserves fell from Rs. 529 crores at the end of 1956 to Rs. 297 crores a year later. The latter figure includes a drawing during the year of U.S. $200 million (Rs. 95 crores) from the International Monetary Fund to be repaid within three to five years. When it is remembered that India initiated the second Five-year Plan in April 1956, with exchange reserves equivalent to some Rs. 750 crores and that under the Plan it was intended to run these balances down by some Rs. 200 crores over a period of five years, it is possible to gauge the extent to which the position has got out of hand.

"The Prime Minister has continued to stress the need for the complete Plan and the Government's intention to complete it but there is now an awareness of the immediate dangers of the situation. A series of measures designed to arrest the progressive reduction of the exchange reserves have consequently been introduced. The official import list for the first half of 1957 was drastically pruned and these restrictions were intensified in July. At present there are no open general licences and imports of capital equipment are permitted only when they can be shown eventually to effect savings of foreign exchange or when the importer can persuade his oversea supplier to defer payment, a proceeding which, if agreed to, will conserve foreign exchange in the immediate future, but must substantially increase the ultimate cost of the goods supplied.

"In his supplementary budget after the elections the Finance Minister sought to lessen dependence on deficit financing by increasing taxation. The proposed fiscal measures included the lowering of the income levels at which liability to tax arises, the introduction of new taxes on wealth and expenditure and the raising of a wide range of excise duties. To some degree these new taxes are a deterrent to potential foreign investors of capital in India and they may well affect the competitiveness of India's exports. It is the intention of the supplementary budget to reduce the deficit during the current fiscal year to Rs. 275 crores. There has been a general rise in the cost of living recently and this rise has been aggravated by food scarcities in several areas. The contemplated deficit in the budget may accentuate this.

"In an endeavour to check the inflationary rise in prices the Reserve Bank followed up the raising of Bank rate to 4 per cent. last May with a request to the scheduled banks at the end of June to effect a considerable reduction in their advances within the following three months but without diminishing the assistance given to essential industries. Advances had expanded to the point where by normal commercial banking standards the banks had become heavily over-lent but were able to keep the wheels turning by using the discount facilities made available by the Reserve Bank. The banks will no longer be able to rely on an automatic and regular renewal of these facilities and it must be assumed that for an indefinite period credit stringency is in prospect. This stringency may be alleviated by the Government-sponsored Refinance Corporation, which is being set up to extend through the banks medium-term finance to smaller borrowers in the private sector. Part of the Corporation's capital has been subscribed by the commercial banks and its resources will be supplemented by American counterpart funds. It is of course desirable that medium-term credit should be afforded by special institutions of this type, rather than by the commercial banks.

"These matters, important as they are to us in our own business, are subsidiary to the country's main problem, the shortage of foreign exchange. Following the Finance Minister's autumn visit to North America and Europe, it has evidently been decided to concentrate on completing what are considered the essential features of the second Five-year Plan—the expansion of the steel and coal industries, railway and port development, certain power projects and in the agricultural sector, irrigation—and to modify or postpone other schemes. Nevertheless, after reducing the Plan to more manageable proportions and allowing for the country's normal export earnings of foreign exchange and for promised foreign aid and World Bank loans, the official estimate is that additional external assistance amounting to some Rs. 700 crores will be required before 1961 and mostly in 1958-59

"Part of the extra foreign exchange required is to be found by running down the exchange reserves and the Reserve Bank Act has been amended for this purpose. Apart from its exchange reserves the country has a gold reserve, which is to be left intact, but even if it is conceded that the essentials of the Five-year Plan should be preserved there is a limit to the extent to which the reserves can safely be reduced, for shortage of exchange might well prove calamitous if a monsoon failure were to necessitate large-scale imports of food. Certainly the completion of the most essential part of the Plan will in time effect a saving in the import bill, but despite the assistance which in response to the Indian request for help has been promised by the American and West German Governments, India clearly has a difficult road to travel.

Pakistan

"The past year has been one of difficulty for the Pakistan economy. Unfortunately the balance of payments, which must be regarded as the most reliable indicator of a country's external economic situation, has again been under pressure. This has disappointed the hope that the devaluation of the Pakistan rupee to parity with the Indian rupee in August 1955 followed by an increased payments surplus for the year 1955-56 would have restored a large measure of economic stability enabling Pakistan to begin to enjoy the benefit of the industrial development which had for some years imposed a heavy strain on the country's exchange reserves.

"The severe food crisis which developed towards the end of 1956 owing to deficiencies in both the rice and wheat crops necessitated the importation of about 1½ million tons of foodgrains into East and West Pakistan. Although part of these supplies was financed by assistance from abroad, the balance had to be purchased out of Pakistan's own exchange resources and this unexpected expenditure was a major cause of the payments deficit during the year ended in June 1957, the largest since 1952-53.

"Fluctuations in the volume of agricultural production are inevitable in the monsoon countries but whereas the territories which now comprise Pakistan formerly produced a surplus of foodgrains, the production of wheat and rice has hardly altered during the past decade despite official effort and expenditure upon schemes to expand cultivation. It is obviously important for Pakistan to match its growing population with a steady expansion of food production, if recurrent shortages and the consequent draining away of the exchange reserves are to be avoided in future years. For this reason it is fitting that priority should be given in the Five-year Plan (*1955-60*) to agriculture, irrigation, drainage and flood control, instead of an emphasis on industrialisation as in the past. In addition to stimulating food production the Plan will presumably encourage increased output of the cash crops, cotton and jute which as raw materials with good markets abroad, accounted for some two-thirds of the country's exchange earnings during 1956-57, although shipped in substantially lower volume than in the previous year. An increasing proportion of the output of cotton and jute is being utilised in Pakistan's own mills and these new industries are now gaining a foothold in oversea markets; exports of cotton yarn and manufactures in particular have risen substantially.

"Although industrial production has continued to expand, the rate of increase has slowed down, mainly because shortage of foreign exchange has necessitated restricted imports of spare parts and raw materials. An increase in the supply of goods from the new industries could assist greatly in checking the need to provide foreign exchange for imports. Industrial development in the private sector is likely to be stimulated by the new Pakistan Industrial Credit and Investment Corporation, to the capital of which The Chartered Bank has contributed. The Corporation is to receive assistance from the World Bank and from counterpart funds derived from the sale of commodities, such as wheat, received under American aid.

"The continued expansion of the money supply and the rise in the general level of prices are evidence of inflation arising in its turn from deficit financing but the present pause in the tempo of industrial development will provide opportunities to stabilise the monetary situation and consolidate the considerable progress which Pakistan has achieved in the face of immense difficulties during recent years.

Burma

"In the economic sphere 1957 was a disappointing year for Burma. Rice exports according to the latest figures available have been running at much the same level as in 1956 and the greater part of the rice shipped has gone to countries or buyers in the free world, where payment is made for these supplies in currencies which can be used to purchase much needed imports of industrial equipment. Unfortunately lack of internal security continues to impede the rehabilitation of the timber and mining industries, which under happier circumstances could make valuable contributions to the national export earnings, but the opening last March of the new refinery at Syriam will assure the country of a large measure of self-sufficiency in petroleum products and eventually effect an appreciable saving of foreign currency.

"Seeing that the value of rice shipped out of Burma provides three-quarters or more of total export earnings it seemed reasonable to assume that oversea sales would be sufficient to maintain the exchange reserves at much the same level as a year ago. The reserves have in fact declined substantially despite a loan from the Government of India and assistance from the United States and the World Bank. The payments deficit and the loss of reserves appear to have been due to a partial relaxation of import restrictions, for imports, although partly financed under Japanese reparations and United States Public Law 480, have still been substantially higher than in 1956. Measures now being taken to reduce imports have become the more necessary as the latest official forecast of the new season's paddy crop indicates the prospect of a material reduction in the harvest from that of last season, due to drought. If this expectation materialises, the exportable surplus, a proportion of which is already committed under barter arrangements with the Soviet bloc, will be correspondingly diminished. Seeing that Burmese rice prices for the new season have been fixed at their lowest post-war rates, there can be little scope at present for a significant increase in the country's export earnings.

"In the budget for the fiscal year 1957-58 the Government has given priority to an expansion of the police and the armed forces in an endeavour finally to eradicate the lawlessness and banditry which have threatened the security of the State for more than a decade. New development schemes will therefore be postponed and only essential projects completed to ensure that the maximum resources can be devoted to the restoration of law and order, without which further economic progress will be jeopardised.

"In common with other countries, Burma has found it expedient to establish a special institution to raise funds for economic development. The Government-sponsored Union Development Bank will be concerned with the promotion, expansion, and modernisation of industry, mining, transport and related enterprises and it will also provide the private sector of the economy with managerial and technical assistance. Its capital will be raised from Government and public sources, the Government's investment being provided out of United States loan funds.

Ceylon

"The recent disastrous floods have caused widespread distress among the people of Ceylon and have evoked world-wide sympathy and many offers of assistance from within the Commonwealth and elsewhere. It is tragic that in the country's hour of need the landing of food and other essential supplies required in the inundated areas has been seriously impeded by labour disputes in the port of Colombo. Indeed, strikes and go-slow movements in recent months have so deranged the normal working of the port that Ceylon's oversea trade has been badly affected and labour unrest has been by no means confined to the docks.

"Under these circumstances and in view of the fall in the prices paid for tea at the local auctions and of the rise in imports, particularly of rice and manufactured goods, it was inevitable that the country's balance of trade would be unfavourable. The deficit was doubled during the last two months of 1957, when stocks of tea awaiting shipment accumulated to such an extent that the authorities found it necessary to make bank credit more readily available to the industry. Earlier in the year export earnings had been fairly well maintained and reduced shipments of coconut products had been compensated by an increase in the volume of tea exported at the lower prices.

"The progressive fall in the exchange reserves which had continued since November 1956 was checked last July and resumed in the last two months of the year but, despite this, reserves remain at a level well above the low point to which they declined a few years ago. The bulk of these reserves is held in sterling and the authorities have introduced a number of measures designed to conserve them; in particular, a suspension for one year from last September of the release of exchange for buying sterling securities. This was intended to curb the purchase of foreign-owned companies and estates and at the same time the banks were directed not to grant credit facilities to finance such transactions. There was no suggestion of any restrictions on the remittance of profits or dividends from Ceylon, and indeed this has since been emphasised officially in an endeavour to attract foreign capital for development projects. The proposal to nationalise foreign-owned tea plantations to which I referred last year has apparently been postponed indefinitely and to rehabilitate the industry a five-year programme, financed by a levy on producers, has been initiated. The task of drawing up a new plan for economic development to replace the six-year investment programme devised by the previous Government, has been entrusted to the National Planning Council which was appointed in 1956. Meanwhile the Government has based its budgetary policy on a recommendation by the Council that preference be given to directly productive projects connected with agriculture, industry and land development, rather than to extensions of the social services. The Government intends to establish State-owned corporations in certain sectors of industry but private industrial development will be encouraged by tax reliefs to approved projects.

"In 1958 considerable Government expenditure will be necessary to repair the damage caused by the floods last December and unless a large measure of foreign assistance, financial and technical, is forthcoming there will be little possibility of making progress with development schemes. Paddy production has been seriously affected by the floods, so that substantial rice imports are likely to be necessary.

Singapore

"Sir William Goode, who has succeeded Sir Robert Black as Governor of Singapore, has already given many years of distinguished service in Malaya and Singapore. His appointment as Governor comes at a decisive time for the colony, because as a result of negotiations in London early last year, Singapore is to become a self-governing State within the Commonwealth and a new Constitution will come into effect after the beginning of 1958 as soon as new electoral rolls have been prepared. The Citizenship Bill which was passed by the Legislative Assembly during the latter part of the year has conferred voting rights on probably as many as 300,000 additional electors. The choice of representatives made by this enlarged body of voters at the General Election to be held next September may well prove crucial for Singapore's future and it is to be hoped that party controversy will not obscure from the electorate the hard facts of Singapore's unique economic situation. Only by virtue of the prosperity which its international status as an entrepôt and a commercial and financial centre has brought to it, has Singapore been able to develop in recent years an impressive range of services and amenities for the benefit of its population, who enjoy standards of housing, medical services and education that compare favourably with any to be found in South-East Asia today.

"The total trade of Singapore and the Federation taken together has again risen in value to a level only previously exceeded in 1951; this encouraging result owes much to the resilience and energy of the commercial community and also to a government which is and must remain alive to the importance of using its influence to create favourable conditions in which commerce and industry may thrive. The Singapore Industrial Promotion Board Bill which was passed during the year and provides for the establishment of an industrial credit corporation is an indication of the government's interest in fostering secondary industry in order to render the colony less exclusively dependent on its entrepôt trade.

"In his budget speech the Financial Secretary suggested that conditions for Singapore's trade in 1958 might be less favourable than in recent years and he anticipated some reduction in the level of profits generally as compared with the past two years. While some additional taxation has been levied in order to meet in part an estimated budgetary deficit of M$27 million during the coming year, the increases were smaller than might have been expected, a benefit which will assist the commercial community in the more competitive conditions which the authorities anticipate. Nevertheless it has been pointed out officially that in future years adjustments within the present fiscal pattern are not likely to yield sufficient revenue to finance the increasing cost of government services to the public, so that it will be necessary to find new sources of taxation.

"Notwithstanding the uncertainty which has been engendered by the impending constitutional changes, Singapore continues to prosper and the fact that there is no sign of a slackening in the extensive building programmes, both public and private, may be taken as an indication that whatever difficulties may confront the territory in the near future, there remains a reasonable prospect that conditions favourable to business activity will continue.

Federation of Malaya

"The outstanding event during the past year, and one which has been widely welcomed, was the achievement by the Federation of Malaya of its independence within the Commonwealth on the 31st August, an occasion which was marked by an impressive ceremony at Kuala Lumpur, which, as previously mentioned, I had the pleasure of attending. During the course of the ceremony which was conducted with great dignity, H.R.H. the Duke of Gloucester, on behalf of H.M. the Queen and in the presence of H.M. the Yang di-Pertuan Agong, handed over to the Prime Minister, Tunku Abdul Rahman, the constitutional instruments embodying the Federation's independence. Before the formal granting of independence, the Prime Minister and his government had shown a statesmanlike approach to the country's problems and a wise comprehension of their new responsibilities. The Federation is now joining such international organisations as G.A.T.T., the World Bank, the International Monetary Fund and the International Finance Corporation. The choice of Kuala Lumpur as the venue for the 14th session of the Economic Commission for Asia and the Far East held in March of this year is an indication of the enhanced status of the city as the capital of an independent State.

"Conditions surrounding the country's oversea trade were not quite so favourable last year as in 1956; increased imports and lower export earnings reduced the favourable trade balance. Some 85 per cent. of the Federation's export earnings are contributed by the rubber and tin industries and last year rubber shipments exceeded one million tons, the highest since 1951. This was particularly encouraging because for most of the year rubber prices tended to be weak owing to a variety of factors influencing the international market and the Singapore market in particular was depressed in the latter part of the year by unusually large shipments of rubber which were made from Indonesia against purchases of rice.

"As the prosperity of the Federation depends to such a large extent on the rubber industry, the Government is intensifying its efforts to encourage replanting with high yielding stock and, while progress in this direction is somewhat slow among the smallholders, a considerable acreage has been replanted on the larger estates. The sale and resulting fragmentation of rubber estates has caused sufficient concern for the Government to sponsor an enquiry into the probable consequences.

"Tin exports from Malaya last year were the lowest for three years, marked decreases being shown in shipments to the United States and to continental countries. Throughout the year the trend of tin prices was downwards towards the floor price fixed by the International Tin Agreement, at £730 a ton, to which figure it had been raised last March from the original fixing at £640. Since under the terms of the Agreement the buffer stock manager was compelled to buy all tin offered at the floor price, the provision of additional finance became necessary late in the year and further contributions to the buffer stock were levied on producers. Eventually the rise in the buffer stock holdings of the metal became so marked that in December the International Tin Council decided to restrict the export of tin from producing countries. The quotas fixed involve a reduction of 28½ per cent., subsequently raised to 40 per cent., in shipments and are in force until June 1958. A number of the Chinese mines operating on a marginal basis have been compelled to close down and a proportion of the labour employed in the industry has become redundant.

"The budgetary deficits which were anticipated during the fiscal years 1956 and 1957 have not in fact materialised because expenditure has been running at a lower level than originally estimated. This year the Finance Minister after allowing for a revenue contribution to the capital development programme and for slightly reduced expenditure on the emergency, has budgeted for a deficit of M$199 million but it has been decided that no increases in taxation are necessary for the time being.

"The capital development programme is being curtailed because the Government takes the realistic view that for the time being it would be unwise to run down reserves; nevertheless plans for the construction of the new wharves in the North Klang Straits are going ahead and the existing facilities at Port Swettenham are being improved and extended.

"The Federation embarks on its career as an independent State with substantial external assets and an economy which though mainly dependent on the rubber and tin industries, is sound and progressive. As the Finance Minister pointed out in his budget speech in December, the general level of wages and the standard of living in the Federation is probably the highest in South-East Asia. On the other hand, the emergency which still continues remains a drain on the country's resources. The Government is doing all that it prudently can to end the emergency and it is to be hoped that efforts in this direction will prove successful and so enable the country to finance larger expenditure on economic and social development.

North Borneo

"The latest figures available show that North Borneo's oversea trade last year may well have reached a record level, although the trade surplus for the year as a whole is likely to be less than in 1956. The expansion of imports is again to be attributed partly to the purchase abroad of capital equipment required in connection with the colony's development schemes. It is encouraging that on the other side of the account a wider range of export commodities is making a significantly increased contribution to North Borneo's earnings of foreign currency.

"Rubber continues to be the major export and the tonnage shipped during 1957 has been much the same as in the year before, but owing to reduced prices in the international market, aggregate export earnings from this source have been lower. Copra exports have increased in volume but more than half of the copra shipped from North Borneo is now derived from neighbouring territories.

"Timber exports have increased in volume and value but large shipments to Hong Kong made early in the year caused a temporary fall in prices there. Hemp exports have shown a marked increase, largely owing to improved methods of production and the fact that a virus disease which was reducing output has now been brought under control.

"Government finances in North Borneo are on a sound basis. After meeting all ordinary expenditure and devoting M$6 million of the revenue to development schemes, the general revenue balance in hand is estimated to have increased over the year 1957. Allowing for a further estimated budgetary surplus in the present year, this balance should reach a level at the end of 1958 which will constitute a satisfactory reserve for the general purposes. A further M$6 million from revenue is to be devoted to development in 1958, making the total M$44 million thus appropriated over a period of five years.

Sarawak

"Sarawak is progressing slowly but steadily towards self-government and last May there took place the first meeting of the Council Negri since the introduction of a new constitution providing for an unofficial majority. Following successful municipal elections in Kuching and Sibu, it is the Government's intention to hold similar elections at Miri during the course of the coming year.

"Again last year two of the colony's principal exports, rubber and pepper, fetched lower prices in the international market, with a consequent fall in export earnings. The pepper industry had a particularly unfortunate year, but on the other hand the fixing of export quotas controlling the production of timber, had a favourable effect on ramin prices. Although total imports are estimated to have been slightly lower, the reduction in export earnings has increased the trade deficit of the previous year.

"So far no new oil deposits of any size have been discovered in Sarawak, although prospecting still continues. However, the shipment of bauxite, which it is planned to commence this year, is a new and promising development. These deposits were discovered some years ago by the Government and have not previously been developed. The ore which is reported to be of good grade will go mainly to Japan and the royalties on the industry will be a valuable source of revenue.

"Considering the fall in the colony's exports, the Government's revenue has been satisfactorily maintained last year but it has been necessary to impose increased taxation in order to balance the budget. The estimates for 1958 provide for the spending of some M$42 million on development schemes and other capital works.

"Two constructive measures have been introduced during the year with a view to attracting capital and new industry to the colony. The Pioneer Industries (Encouragement) Bill allows to new industrial concerns which are officially recognised as pioneer industries, some measure of relief from income-tax and customs duty on imported equipment. The Sarawak Development Finance Corporation, a Government-sponsored credit institution, will undertake the financing of projects designed to accelerate economic development.

Indonesia

"No good purpose would be served by my attempting here to review the present economic situation in Indonesia and its kaleidoscopic political *miseen-scène*. It is difficult to discover in the political crisis which threatens the unity of the country whether the opposing factions are contending for different forms of Government or defending incompatible economic interests. Manifestly the situation is one of grave danger to the young republic but it can be resolved only by the Indonesian people and their leaders without interference, however well-meaning or gratuitous advice, from abroad.

"The constructive work in which the Indonesian branches of the Bank engage has necessarily been hindered by the political ferment which has now issued in a conjuncture the outcome of which cannot be foreseen. The situation and its uncertainties are causing us a good deal of anxiety but we can do no more than join with other friends of Indonesia in hoping that a peaceful way out of the present impasse may soon be found and that the Indonesian people may attain the higher standards of living that would accrue to all of them from the restoration of political stability, administrative probity and labour responsibility; a state of affairs which is indispensable to the effective development and economic deployment of the enormous natural riches with which the country is endowed.

Thailand

"Although the unsettled political situation has had a disturbing effect on trade, particularly since September, Thailand has again enjoyed a relatively prosperous year. The country enjoys a measure of economic stability, which is denied to many of its neighbours in South-East Asia, because of its self-sufficiency in rice, and of the consequent well-being and contentment of its peasantry. Rice normally accounts for approximately one-half of the country's export earnings; shipments which last year showed a substantial increase over those in 1956 and reached their highest level since 1952, contributed to the rise which took place in the exchange reserves.

"During the early part of the year owing to shortage of shipping space, exports of timber and rubber were on a much reduced scale. Later after the re-opening of the Suez Canal the situation improved and from the latest figures available it appears that rubber shipments for the year will have been much the same as in 1956. Export earnings from tin on the other hand are likely to have suffered some contraction owing to the steady fall in prices in the international market during the year. Inevitably in the coming months tin exports will suffer reduction owing to the quota restrictions imposed by the International Tin Council.

"Despite an expansion of the currency there has been a shortage of money in the market throughout the year, a situation which has caused particular difficulty in the import trades. Markets became substantially overstocked following the Suez crisis and slackening of consumer demand has caused some failures.

"Although Thailand has not formulated a national plan for economic development, several schemes are being undertaken under official

direction with financial and technical assistance from the United States and the World Bank. Much of the American aid provided is devoted to railway development and the construction of roads and airfields, while the World Bank has recently made available a loan to finance a hydro-electrical project and flood control in Central and Southern Thailand. If aid from abroad continues on the present scale and political stability is assured, steady progress can reasonably be expected during the coming year.

Vietnam

"There have been no major political developments in Vietnam during the past year and the country has therefore been able to consolidate to some extent the economic progress which has been made since President Ngo Dinh Diem succeeded in restoring law and order in territory which had been ravaged by many years of war. The fact that the President found it possible during the latter part of the year to visit a number of friendly States in Asia and elsewhere is an indication of the strength of his regime and of the improvement in the political stability of the country.

"The country continues to be largely dependent on American aid to pay for the bulk of its imports. Although there was a modest, but nevertheless welcome, revival of the export trade in rice last year and a higher tonnage of rubber was shipped abroad, export earnings amounted to only 28 per cent. of the value of imports.

"An excessive issue of import licences in the first half of the year caused the overstocking of markets and this, coinciding with the tight money conditions instituted by the financial authorities, made conditions difficult for importers to dispose of surplus stocks. Although the release of commercial bank funds deposited with the central bank has assisted in financing these stocks and in ameliorating the position to a certain extent, some time must elapse before stocks can be reduced to normal proportions.

Cambodia

"Cambodia is almost unique among the countries of South-East Asia in having a surplus of agricultural land and thus an abundance of staple foodstuffs for the whole population. A good harvest last year allowed of greatly increased exports of rice and other cereals, and since rice accounts for some 42 per cent. of the country's total exports, the trade balance, which had been substantially in deficit in 1956, yielded a surplus last year. Most of the country's imports continue to be financed by American Aid and although there is a danger that subsidised imports from China will lead to overstocking of the market with certain commodities, import control has worked satisfactorily. While the official system of permitting holders of foreign currency balances abroad to use them for financing imports has tended to encourage the purchase of foreign luxury goods at high prices, it has also permitted a wide range of consumer goods to enter the country without depleting the exchange reserves. In consequence of an increase in the value of exports and a reduction in imports exchange reserves have risen during the course of the year.

"The Government by accepting aid from China and the Soviet bloc, as well as from the United States and under the Colombo Plan, shows a firm intention of remaining independent of either political grouping and free to welcome investment and aid from any foreign source, if offered without political conditions. Most of the projects which are being considered in connexion with the country's projected five-year plan appear to be dependent, in varying degrees, on foreign aid, and the ambitious scheme which has been the subject of a recent study by E.C.A.F.E., for the harnessing of the waters of the lower Mekong river for the benefit of Cambodia and its neighbours will clearly require substantial foreign finance if it is to be successful. Meanwhile Cambodia has plans to develop light industries and a number of companies have been formed, in most of which foreign participation to the legal maximum of 49 per cent. of the capital has been backed by expert assistance from abroad.

"The future prospects of Cambodia, given peace and political stability, are favourable and the sound financial policy followed by the authorities augurs well for the progressive development of the country.

The Philippines

"Last March the Republic suffered a tragic loss in the death of President Magsaysay, whose great popularity enabled him to exercise a stabilising influence in political and economic affairs. The accession to power of his successor, President Carlos P. Garcia, was confirmed by the November elections and now that he is assured of office for a period of years, the new President will have an opportunity of tackling the serious problems which confront the country at the present time.

"A year ago it appeared that determination and realism on the part of the authorities had succeeded in adjusting the balance of trade and in defending the exchange value of the peso. The fall which had taken place in the international reserves during 1955 had been checked and it seemed that if it proved possible to modify the capital development programme by postponing some of the less essential projects and to reduce deficit financing, 1956 might well prove to be the turning point in the long struggle to put the economy of the Philippines on a sound and stable basis.

"In the event the past year has seen a serious reduction of the foreign exchange reserves and an increase in the money supply accompanied by the all too familiar and disturbing symptoms of inflation. This deterioration in the Republic's economic position has been due to a variety of causes. Although last year's budget was imaginatively conceived and visualised some limitation of the further expansion of the public debt, the estimates provided for increased bond issues to finance economic and social development schemes, a method of raising funds, which by expanding the money supply was inevitably inflationary. The excess purchasing power created within the country has caused a substantial increase in imports and the consequent adverse trade balance has seriously depleted the exchange reserves. As Central Bank spokesmen have pointed out, the situation has been aggravated by barter transactions and by such expedients as the overshipment and underpricing of exports and the overpricing of imports.

"In December, in an effort to check the loss of foreign exchange and to absorb part of the excess money supply, the Central Bank compelled commercial banks to exact large margins against the opening of letters of credit and to deposit those funds with the Central Bank. In addition the foreign exchange allocations for imports have been reduced and it is possible that quotas permitting what are considered inessential imports will be cancelled. Further measures may be necessary finally to arrest the deterioration in the Republic's payments position.

"There can be little doubt that the natural resources of the Philippines if efficiently developed and administered could within a relatively short period strengthen the national economy and assure the population of a reasonable standard of living. Investment from abroad can be of assistance in this direction and the Government proposes to introduce legislation to attract such investment. Foreign investors have hitherto been discouraged by the restrictions on profit, dividend and interest remittances and by claims for additional taxation. Although the bulk of the external trade of the Philippines is still conducted with the United States, trade with the United Kingdom and with Western Europe is increasing, a trend which I mentioned last year and which may be expected to continue now that under the terms of the Laurel-Langley Agreement tariff preferences favouring American goods imported into the Philippines are to be progressively reduced. Negotiations have been taking place during the course of the year with a view to facilitating the use of sterling by the Philippines, which, if accomplished would facilitate a further expansion of trade with the United Kingdom and the sterling area.

Hong Kong

"At the end of last year Sir Alexander Grantham retired after ten years of distinguished service as Governor of Hong Kong. Since he was first appointed Governor, Hong Kong has had to face fundamental political and economic problems arising from events of international moment involving its powerful neighbour, China, not the least of which has been the task of providing for the vast influx of refugees from the mainland. He has been succeeded as Governor by Sir Robert Black, who has already had experience of Hong Kong, where he is held in high esteem.

"Hong Kong's total trade increased last year with imports expanding and exports falling in aggregate value. Shortage of foreign exchange caused a considerable reduction in Indonesian purchases of Hong Kong goods, but on the other hand substantial increases were recorded in exports to the United States, particularly of locally manufactured garments, and to the United Kingdom which remains Hong Kong's principal customer. Rather more than a quarter of Hong Kong's exports are locally manufactured and the local industries in general have had a fairly good year, their sales oversea having been stimulated as a result of the colony's participation in trade fairs abroad. It is clear, however, in view of trade restrictions and shortage of foreign exchange in South-East Asia particularly, that the future success of Hong Kong's industries will depend to an increasing extent on their ability to sell their products in more distant markets, such as Europe and North America, where competition will be more severe. Efforts in this direction should be assisted by the trend which is apparent in many branches of local industry, towards producing and shipping finished goods, rather than semi-manufactured products. Progress in applying advanced industrial processes is necessarily dependent on the availability of skilled labour, and the new technical college should help to meet this pressing need.

"The pace of industrial expansion in recent years has intensified the problem of finding space for further development, as nearly all available factory sites have now been filled. Several new areas are being surveyed by the Government as sites for new towns and large-scale industrial development. Work on the expansion of Hong Kong Airport continues and the extended runway should be ready to receive increased and heavier traffic next year. The building and reconstruction which have been so much in evidence in recent years and which have caused land values throughout the colony to rise to ever higher levels, have continued unabated and many of the old landmarks of Hong Kong have now disappeared. Work on our own new building has progressed satisfactorily and it is hoped that it will be ready for formal opening next year.

"The resilience and adaptability of the business community in Hong Kong have been demonstrated with striking effect in recent years, when the handicaps imposed on the colony's entrepôt trade, hitherto its main source of income, have been largely offset by the rapid development of new manufacturing industries. The extreme flexibility of Hong Kong's economy owes much to the Government's sound policy of fostering conditions favourable to free and competitive business enterprise and of refraining from the imposition of vexatious and unnecessary controls. In the coming year it is likely that the colony's exports will encounter intensified competition, particularly from China, but I am confident that the Hong Kong mercantile community will continue to demonstrate its ability to overcome any temporary difficulties.

China

"The end of last year saw the conclusion of China's first Five-year Plan, which is reported to have been fulfilled according to schedule, despite revisions necessitated during the course of the year by a deficit in the State budget. Although, during the period of the plan more than three-quarters of China's total foreign trade has been conducted with the Soviet bloc, there are signs that the authorities are moving towards a multilateral trading policy and are showing a growing interest in a wider range of markets.

"Following the British Government's decision to relax restrictions which were imposed for strategic reasons, Anglo-Chinese trade has increased during the year. While the prospects should not be exaggerated, further expansion is probable. Commercial relations between China and the United Kingdom have benefited from the visit to this country of the Chinese economic and technical mission led by Doctor Ch'i Chao-ting and from the tour of China undertaken by the Parliamentary Secretary to the Board of Trade.

"Last year I mentioned that the authorities in Peking evidently considered it useful to have banking connexions throughout the world to supplement those afforded by the Bank of China and that with official encouragement The Chartered Bank was again participating, if only to a small extent, in the financing of China's oversea trade. The business suits us very well and there are good prospects of its continuing.

Japan

"The return of Japan to a position of authority in international affairs was signalised by its admission in 1956 to membership of the United Nations; this position was further advanced by its election for a term of two years to a seat on the Security Council.

"The successful negotiation of a reparations agreement with Indonesia has resulted from the Prime Minister's goodwill tour of South-East Asia. Japan by virtue of its geographical position and its high degree of industrialisation is favourably placed to assist the economic development of South-East Asia and this factor has featured prominently in the various reparations agreements which have been negotiated with countries in that area.

"The economic expansion which made 1956 Japan's most successful post-war year, continued unabated well into last year, but subsequently increased imports began to impose a serious strain on the country's balance of payments. Industrial and mining production continued to rise, but to sustain their expansion it was necessary to purchase increased quantities of raw materials from abroad. The monthly deficit on the country's balance of payments reached its peak in the middle of the year and was on such a scale that it was necessary for the Government to seek assistance from the International Monetary Fund and to introduce measures designed to restrict imports and to curtail domestic credit. It was expected that the raising of interest rates in March and again in May, would take some time to have effect, but by the end of the year it became apparent that equilibrium had been largely restored and in October Japan's balance of payments showed a surplus. The remedies applied have inevitably caused an increase in unemployment, and the problem of expanding exports sufficiently to ensure reasonable living standards for an expanding population persists. Nevertheless Japan is fortunate in possessing an industrious population and in remaining relatively free from labour unrest, despite the growing strength of the trades unions. The difficulties of the past year have been allayed to a significant extent by a good rice crop and the fact that there are no serious signs of inflation is evidence of the efficient administration of the country's monetary system, which is sustained by the capable management and the growing strength of the Japanese banks with whom we maintain friendly relations.

New York

"Our New York agency is an important link in our interregional organisation since many of the principal exports of the Asian countries in which we have branches find remunerative markets in the United States. We have many business connexions of long standing among exporters and importers in the United States and our relations with the American banks have always been cordial.

Hamburg

"Our Hamburg agency fulfils an important function in our organisation in acting as a link between our branch system in the East and merchants and manufacturers in West Germany, whose trade with Asian countries has continued to expand in recent years. The trade agreement between the Federal Republic and China, which was signed last September, provides for trade to be conducted on a Deutschmark basis and this may lead to the resuscitation of the extensive trade conducted before the Second World War by German firms with interests in China and in the financing of which this Bank participated to a large extent.

Manchester and Liverpool

"Our branches in Manchester and Liverpool continue to sustain the long-standing connexions which merchants and manufacturers in Lancashire and the North of England have developed with Asian markets. Our manager in Liverpool has been honoured by his appointment as Honorary Consul in the North of England for the Republic of the Philippines.

West End, London

"An increasing number of visitors who come to London from the East avail themselves of the services available at this conveniently situated branch, whose business has now expanded to the point where we are finding it necessary to move to new and more extensive premises nearby.

The Sterling Area and the United Kingdom Economy

"The appointment of a committee under the chairmanship of Lord Radcliffe to enquire into the working of the monetary system has evoked a good deal of discussion among economists concerning the merits of the sterling area system and the position of this country as its banker.

"Widely divergent estimates have been made of the extent to which foreign currency accrues to the United Kingdom Control from the operations of oversea banks based upon or represented in London and it has been argued that the advantages of those operations to the United Kingdom economy are more apparent than real. The effectiveness of organisations like The Chartered Bank in sustaining the external economic defences of the United Kingdom cannot be in doubt. The Bank finances a very large proportion of the trade in primary products between the Eastern countries and the rest of the world and it is a considerable earner of U.S. dollars and other scarce currencies in its own right; moreover the Bank is enabled by means of its already extensive and growing oversea establishment to play an important part in the promotion of the export trade of the United Kingdom.

"To impose restraint upon the activities of the British oversea banks would be the last resort of the destitute and it is reassuring to know that changes in currency management and exchange control which might prejudice the unique position of the City of London in international commerce will not be made without the most searching enquiry.

Conclusion

"The superficial observer of the contemporary international scene might suppose that few, if any, of the Asian countries hold opportunities for the British banks. There have been reactions against what is loosely and often mistakenly termed 'financial imperialism' but most Asian countries realise that an efficient international banking service can play a powerful part in sustaining the economic defences of an undeveloped country struggling to be free and prosperous and that foreigners practising banking in their territories can be trusted by their hosts.

"While our primary function is that of an exchange bank we have, during the past twenty years, operated to an increasing extent within the domestic economies of the countries to which our organisation extends. These credit operations are financed by local deposits and, where they exist, local money market facilities. In proportion to the extent to which the Bank is permitted to attract deposits it can, of course, engage in the financing of sound business activities but there are signs in many countries of a disposition to restrict deposit banking to the indigenous banks.

"One of the most striking features that has emerged during the year has been the extent to which the holdings of foreign exchange of so many of the Eastern countries have seriously deteriorated. Attention has been focused on India's position because of the extent to which she has drawn on her sterling balances but it is clear that her problem is common to other Asian countries. In nearly all of them there has been the urge towards rapid industrialisation which has caused excessive imports of capital goods and imposed further strain upon dwindling resources of foreign exchange.

"It is too soon to anticipate what may be the consequences to the Bank of the impending liberalisation of trade within the Western European community but the pursuit of such a policy would widen markets for the agricultural produce and raw materials which are still of vital importance to most of the Asian national economies. The Bank has a thriving agency in Hamburg and it enjoys mutually satisfactory correspondent relations with an extensive range of banks established on the European continent. Our international organisation is well equipped to take advantage of changes in the direction of trade which are likely to result from tariff revision in the United Kingdom and Western Europe.

"When addressing the stockholders in past years I have remarked more than once that The Chartered Bank has given many hostages to fortune but the success with which the affairs of the Bank have been conducted since the end of the war and the way in which the technique of management has been adapted to meet revolutionised economic situations resulting from changes of sovereignty and other political upheavals encourage me to continue to view with confidence the future of British banking in the East."

THE INDIAN MINING ASSOCIATION

SPEECH OF THE CHAIRMAN, MR. D. HOGG

FUTURE OF THE INDUSTRY RESTS WITH THE COAL PRICES REVISION COMMITTEE

THE following is the speech of Mr. D. Hogg, Chairman of The Indian Mining Association, delivered at the Sixty-sixth Annual General Meeting of the Association held in Calcutta on 20th March 1958.

"GENTLEMEN,

"The most outstanding feature of the year has been the fact that coal production has increased from 39.43 million tons in 1956 to 43.50 million tons in 1957. Of this increase of just over 4 million tons, 3.1 million tons were produced by the private sector. The year 1957 may be regarded, therefore, as the first year of achievement after the private sector of the coal industry had been given the 'green light' to go ahead to produce its additional 10 million tons of coal during the second Five-year Plan period.

"It has always been said that the goal of an additional 10 million tons in five years was well within the ability of the industry, provided that there was sufficient inducement, and incentive and various handicaps were removed. Last year has proved that the private sector has not been found to be lacking in its desire to achieve its objective. But is sufficient inducement and incentive present for progress to continue at this rate and have many of our handicaps been removed? The industry has tackled its problems realistically in an effort to produce the goods, but I would venture to say that our progress, in view of certain deficiencies, can only be regarded as 'short term.' There is, therefore, no room for a feeling of complacency on the part of Government and the many authorities to which the coal industry is subjected that this progress can be maintained unless urgent action is taken to remove many of the difficulties which stand in the way of long-term planning and security for the industry.

"It is tedious to recount our difficulties yet again, as these have been publicised over the past decade on so many occasions and voluminous memoranda have been prepared at various times by the Association on these subjects. However, I feel I must enumerate the more important items again. Briefly they are:—

1. A realistic price structure.
2. Security of tenure for leaseholders.
3. Adequate transport to remove coal from where it is raised, throughout the year.
4. Facilities for the provision of the required plant and machinery.
5. A little relaxation from the spate of legislation which has been imposed on this industry constantly throughout the last few years.
6. A realistic approach to both the controls which bind the industry and the labour problems with which it is constantly faced.

Price Structure

"With regard to a revision in the price structure, Government wisely appointed a Coal Prices Revision Committee about a year ago to examine and report upon the costs of production of coal and coke and to take into account all relevant factors which have a bearing on the coal production programme envisaged in the second Five-year Plan and to recommend whether any changes and, if so, what changes were necessary in the present price structures. The Committee is eminently composed but it is constituted of Government officials only, who are mostly concerned with consumers' interests rather than those of the producers. This Committee, therefore, may not hold such impartial views as are so necessary when consideration is being given to such a complex problem as the fixation of prices for a wasting asset where both technical and commercial problems are involved. However, this Association has extended its fullest co-operation by providing the Committee with various information and has had the privilege of formally meeting the Committee on one occasion, shortly after its formation. It is to be hoped that the industry will have another opportunity to participate in a joint consultation before the Committee makes its final recommendations or draws any conclusions. The complexity of the problem under investigation makes it desirable, if not essential, for further meetings to take place.

"In the meantime, the Coal Prices Revision Committee has investigated the production costs of selected collieries and has made a comparison of the costs obtaining during the second half-year of 1955 with the second half-year of 1956. While this will no doubt serve as a basis for their deliberations, it is considered that the information collected is now completely out of date as costs have risen considerably subsequently and other elements must now be taken into account. To mention a few, they are, increases in labour costs on account of implementing the Appellate Tribunal's decision, recurring increases due to annual increments which have to be introduced, the cost of issuing clothing and boots to workmen at concession rates, which are 50 per cent. of the cost, the supply of free rations to workers' children in the creches, the provision of canteens and many other welfare amenities and last but by no means least, the cost of implementing the new Coal Mines Regulations, necessitating the appointment of additional staff and other statutory obligations which result in a never ending increase in production costs.

Unfair Treatment

"The fate of the coal industry rests, no doubt, at present, with the Coal Prices Revision Committee and it is to be hoped that they will take into consideration the fact that credit facilities for future expansion are strained and large capital investments are required in mining to achieve the target. There must be an adequate margin of profit, therefore, to enable money to be ploughed back into the industry for future development since in mining, development is a continuous process which requires continual expenditure of a capital nature. The maintenance of coal prices at an absolute minimum really means that the coal industry is being utilised to subsidise manufacturing industries and national transport—the railways. Should a wasting national asset like coal be treated in this way to subsidise other industries, particularly when the nation's industrial future, steel production, is inextricably linked with the future of the coal industry? Should not others help to subsidise our future expansion?—particularly when the country's fuel research experts tell us that there is a terrific wastage in the utilisation of coal in industry in India, and when there is a need to make them feel efficiency minded. In other words, an increase in coal prices should not affect the general economy of other industries, but should help them to achieve greater efficiency and at the same time provide the necessary funds for capital investment in the coal industry where it is urgently required to provide the necessary resources for increased production.

Financial Position

"An analysis of the financial accounts of 19 coal producing companies of this Association which, between them, raise about one-third of the total output of the country, reveals some very interesting information. The profit remaining after providing for taxation averaged Rs. 1.21 per ton. Out of this, the shareholders were paid in dividends of Rs. 0.54 per ton. This represents return of 6.3 per cent. on the paid-up capital involved. It will be seen, therefore, that the share of profit distributed to shareholders was low compared with the general level existing for other industries, and this despite the additional risk involved in investing in mining enterprises. Now, the real value of the shareholders' investment must include amounts which are available for distribution but which are shown in balance-sheets under the heading 'Reserves and surplus.' In this analysis, the total dividends paid to shareholder are found to be 3.4 per cent. on the total value of the investment.

"It is the complaint of the industry that there are insufficient profits available to meet current needs and the analysis of these 19 companies' accounts certainly illustrates that this is true. It is found, after providing for taxation and distributing dividends to shareholders, the balance remaining is Rs. 57 lakhs, out of which, amounts have to be set aside for depreciation. Against this total retention, there was spent on capital expenditure a sum of Rs. 88 lakhs. It will be seen, therefore, that the financial resources of the 19 companies were depleted to the extent of Rs. 31 lakhs in one year only. Taking this to be the average for the remaining producers, the total for the industry is in the region of Rs. 1 crore—a staggering figure. Investigation also shows that this trend has existed for many years. It will be obvious that no industry can continue to suffer this serious depletion of its resources in this way. The coal industry is one which has to meet regular demands for capital expenditure due to its very nature. Underground plant and equipment require continual repairs and replacement and it is a fact that capital expenditure becomes heavier after complete development to the boundary. Then comes the additional capital costs for pumping and stowing operations.

"While, in theory, the amounts set aside for depreciation are intended to equal the original cost of an asset and to be available to meet the cost of replacement, it is well known that present-day costs for replacing identical assets are very much higher than the original cost. It was argued before the Tariff Board on behalf of several important industries that the cost of replacement was three to four times greater in 1948 than in 1939 and it is common knowledge how much prices have risen in the last decade. This deficiency in funds has, therefore, to be made up in some way out of the Companies' own resources. It is true that the Finance Act of 1955 recognised this need and with the object of providing funds to be retained in the business, reduced the liability for taxation by providing a free allowance of 25 per cent. of the cost of the new assets (development rebate). It would be interesting to consider an example of the position on the basis that a new and identical asset will cost four times more than the one replaced and taking into account the development rebate.

Selling Prices

"As the selling prices for coal are controlled, the onus is clearly on Government to fix these at such a level as to ensure that sufficient nett earnings, to meet present-day requirements, will be available for ploughing back. It is hoped that the Coal Prices Revision Committee will take this realistic view as a basis for its recommendations.

"To revert to the year's working, credit must be given to the railways for their increased wagon offerings. Unfortunately, however, wagon availability has not kept pace with production and coal stocks in Bengal and Bihar at the end of 1957 stood at over 3 million tons and were over a million tons higher than at the end of the previous year. While the railways' performance improved considerably during the year (an average movement of 3,667 wagons per day with coal from Bengal and Bihar compared with 3,405 wagons per day in 1956), they have a colossal task ahead of them if they are to move over 5,000 wagons per day from Bengal and Bihar by 1961. The industry's fears over sufficient improvement not being achieved by the South Eastern Railway during the second Five-year Plan period, appear now to be confirmed by the Railway Board themselves. Unfortunately, the South Eastern Railway system appears to have been strained to the extreme already in its efforts to meet its commitments under the second Five-year Plan. These are extremely heavy as it serves Bhilai, Rourkela and Tatas and is responsible for almost all the ore traffic both for export and internal consumption and serves a large percentage of the coking coal collieries and selected grade high volatile coal collieries from where expansion is required. The South Eastern Railway also service all collieries in Central India. There have been rumours that coal targets for the second Five-year Plan are to be revised and the private sector welcomes the thought that a larger share may be allotted to it. However, rumours that this increase is to be given to collieries in Central India cannot be received with much enthusiasm as production there is already much in excess of the railways' capacity. In fact, there was no increase in wagon availability in the Central India and Talcher fields in 1957.

Wagon Supply

"The minimum guaranteed supply of wagons for the movement of coal by the South Eastern Railway in 1957 was 950 wagons per day. The coal industry maintained that the figure should have been 1,050 wagons but even the lower target set was not achieved. Further increases in wagon offerings are required in 1958 and in the years to follow. An increase in coal production in the collieries served by the South Eastern Railway is now vitally required. With the present strain on its resources, it appears to be impossible for this railway to move the number of wagons required. I would, therefore, emphasise the necessity for a regrouping of certain sections of the railways to relieve this strain. The Eastern Railway appear to have the capacity to operate adjoining sections of the South Eastern Railway (some of which they already operated in the past) and I would humbly suggest that they should now take over these sections with the least possible delay.

"Another feature regarding transport which gives cause for great concern is the discrimination which is shown over the allotment of wagons between the public and private sectors. The industry has drawn Government's attention to this on many occasions during the year but controls are still being used to the advantage of one sector. While it may be expected that Government will wish to purchase its coal requirements from the N.C.D.C. as far as possible, it does not appear to be in keeping with equity that controls should so be used that in effect priority which is given to one sector of the industry is not shown to the other. The replies from the Secretariat on this vexed question of discrimination cannot be considered as satisfactory and there would appear to be a need for an impartial committee to enquire into this matter. Facts must be faced—why are heavy stocks held by one sector and not by the other?—should greater priority be given to the movement of coal to burn bricks for Government staff quarters in preference to industrial housing or a housing estate?

Benefits To Workmen

"The implementation of the Appellate Tribunal's decision in June last year has brought greater benefits to our workmen. In fact, they have probably received greater benefits in the last two years than workmen in any other industry. I have used the term workmen which also covers our female workers who are now in receipt of equal pay. We welcome these improvements, if they result in increased production, a more contented labour force and better relations. But, so far, there have not been noticeable changes in these directions and there is great scope and need for improvement. In fact, absenteeism has tended to increase since the All-India Industrial Tribunal's Award and the Appellate Tribunal's decision were implemented. One of the greatest problems which has faced the nationalised coal industry in the U.K. since wages increased so considerably there, has been absenteeism. It has been estimated that a reduction of 1 per cent. in absenteeism in the U.K. would probably result in an additional 2 million tons of deep-mined coal per year being produced. It is interesting, also, that a solution has been offered by the Lancashire mineworkers who have agreed, under the auspices of their local area National Union of Mineworkers, to set up 'Attendance Committees' to scrutinise attendances and ultimately withdraw protection from a consistent offender if the management were to resolve, after warning, to sack him. Their Area Secretary has said that 'there is no room in the industry' for a man who will not put in a full week's work.

"Our industry is by no means backward in its structure. Our workmen have their own bonus scheme. They have their own provident fund and welfare organisation with separate commissioners to look after their interests. We have our pithead baths, our creches where food and other facilities are provided for children—clothing and boots are to be provided to workmen at concession rates and canteens are being introduced on an increased scale. The welfare organisation has built hospitals. In addition, it has built multi-purpose institutes and miners institutes and while more could be built and are being built, in keeping with the availability of materials their construction is, unfortunately, in excess of our workers' ability to utilise these facilities to the full. We, for our part, wish them to be utilised to the full because we realise that they should bring about greater happiness and contentment, I cannot help but think sometimes that union leaders would be doing a great service to those whose interests they claim to represent and to the country as a whole if they were to concentrate more of their attention on encouraging and influencing their members to use the facilities which are offered at present and educating them for better things to come. It might be asking too much to expect union leaders to be social workers but surely we can expect them to have a more active social conscience. How many do we see encouraging such activities as sports or even attending sports meetings?

"Unfortunately, our workmen are divided by a multiplicity of unions which vie with each other for their support and which all claim, in their dealings with employers, to represent the workers' interests. Many union field workers are divided by differences in political ideology and, in many cases, self-interest. In order to gain popularity and even maintain their position, these union officials organise demonstrations to attract support which leads to indiscipline within the industry. The present activity of these leaders is not only destroying good relations between employers and employees but also between supervisory staff and workers and is also making the formation of responsible and properly constituted trade unions virtually impossible. In view of the unruly elements present, few collieries can afford to organise pit committees and sometimes the formation of such committees is even opposed by unions.

Steering Group

"While the Association welcomes the formation of a steering group to consider the question of safety in mines, the irresponsible nature of some union leaders, on occasions, must not be lost sight of. Mining is a hazardous occupation and while a miner is constantly faced with the immediate perils of nature, good leadership and discipline is essential. Where the safety of the miner is involved there is no conflict of interests between the unions, the employers and the employees. Petty difference of opinion or of viewpoint must be subordinated to the overriding interests of providing safe conditions for mine workers.

"I sincerely hope that the steering group will bring to light defects, if any exist, but our new Mines Regulations, based on past experience in India and the regulations existing in other countries, appear to be exhaustive and comprehensive. A most fundamental point is that education of our miners will require to be undertaken vigorously in order to achieve results and greater safety. Constructive help from the unions is necessary to achieve this. This Association is at present bringing out a series of safety posters but it is difficult to make them sufficiently simple for illiterate labour to understand. Unfortunately, the required standard of education cannot be achieved in one generation but I am pleased to be able to say that there has been a revitalisation of our labour welfare fund organisation and the appointment of a new commissioner has brought about greater interest in multi-purpose institutes where, among many other activities, adult literacy classes are held. It is hoped that our posters will be utilised to serve the dual purpose of teaching literacy and safety at the same time, at these multi-purpose institutes. In addition, several of our members have made their own safety slides which are shown at cinema performances in their collieries. I would emphasise the greater need for such activities and request Government to produce suitable safety films. Their Films Division are producing some very excellent films on other subjects and might well devote a few films to the subject of safety in mines. Such films would earn their real reward in the form of a reduction in the number of accidents in mines in India.

Rate of Accident Lowest

"Mines in India have recorded one of the lowest fatal accident rates in the world in recent years, but the recent disasters of Chinakuri and Central Bhowrah have brought home to us all once again the stark realities of mining. While we express our sincerest sympathy to the relatives of the victims and sufferers of these recent disasters, we must also record our appreciation of the very high standard achieved by our rescue station organisation which compares favourably with similar organisations in other countries. It is only at times like this that the public hears of their existence. They were present at Chinakuri and I understand did an excellent job of work. They are a brave band of citizens, largely voluntary, who turn out unfailingly, on such occasions not only to assist in rescue operations in emergencies but in mine recovery also.

"The spate of legislation, not only concerning mining, but seriously affecting the stability of the industry appears to be unending. I see from the Ministry of Labour and Employment's latest report that they had a total of only nine enactments under consideration during the year and five of them specifically concerned the mining industry and another one affected us. In addition, we are constantly affected by legislation brought out by other Ministries, not to mention the controls and regulations which are imposed upon us by our own Ministry.

"During the year, the Draft Mines and Minerals (Regulation and Development) Bill, 1957, was considered by the Lok Sabha and was then referred to a Joint Committee of both Houses. The Bill had been discussed with the industry at the Mineral Advisory Board meetings held since 1956 but, without reference to the industry, the Joint Committee made far-reaching amendments to the Bill, which was passed at the end of December last year. The most important amendment was that royalty would have to be paid at 5 per cent. of the f.o.r. value of coal, subject to a minimum of 8 annas per ton, immediately the Act became law. Also, the rights of intermediaries appeared to be liquidated without payment of compensation. The amendment concerning royalty rates meant that on an average collieries in Bengal and Bihar would immediately have to bear an increase of 12 annas per ton in the royalty payable and in some cases the increase would be as much as almost Re. 1 per ton. Royalties in Bengal and Bihar at present range from zero in some cases to about Re. 1 per ton and average about As. 4 per ton. It will be appreciated that royalty is a fixed charge for the privilege of exploiting natural resources and is an item in the cost of production. If the rate of royalty is increased by Statute, a Court of Equity, I would expect, would consider that selling prices, should be increased correspondingly. The industry has taken the opportunity of explaining to Government the far-reaching effects which the Mines and Minerals (Regulation and Development) Act, 1957, will have and it is to be hoped that amendments will be made to this Act before the effective date from which it will come into force, is gazetted.

"Under the Coal Bearing Areas (Acquisition and Development) Act, 1957, the State has been empowered to take over unworked land containing or likely to contain coal deposits. Although the Bill in draft form was never placed before the coal industry for comments, the industry has taken the opportunity to point out the difficulties with which it is now faced as a result of this Act. These are only two of the cases where drastic changes have been made affecting the industry without reference to or discussion with them. In addition to the many Advisory Committees on which the coal industry is represented, we have our own Coal Controller and also the Coal Council which has recently been formed to act as the future policy makers for the coal industry. I would strongly urge Government to make the fullest use of these various Advisory Committees and the Coal Council before formulating policies or amending legislation, in future.

Foreign Exchange

"The foreign exchange shortage which has hit all industries throughout the country has also been acutely felt by the mining industry as a large percentage of mining equipment and machinery has to be imported from abroad. I would, however, express our grateful thanks to our Coal Controller, who, at the end of 1956, started what is known as the Progress Review Committee, which has achieved results in some directions. This Committee held monthly meetings throughout last year and as a result of the presence of representatives from the Joint Chief Controller of Imports and Exports, the Regional Honorary Cement Adviser, the Iron and Steel Controller and other officials, a few of our shortages have been eased and we have at least had the opportunity of explaining our difficulties to the different representatives concerned. This has given the various Government Departments a greater insight into the problems which confront us. As far as the import of mining equipment and machinery is concerned, we have been allowed more scope to obtain essential items under Actual Users' Licences but we have lost or have had curtailed many facilities which existed previously, such as drawing our requirements through established importers. In many cases this has resulted in a loss of efficiency in those collieries which are no longer able to draw their requirements from established importers, who previously handled the items required, or from the stocks of spares normally held by them.

"There is, no doubt, particularly as far as spares are concerned, that the present import policy results in a wastage of foreign exchan

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HOW TO GET AHEAD IN THE WORLD?

THROUGH SOCIALISM OR FREE ENTERPRISE?

CASE STUDY OF TWO COUNTRIES

[It is often emphasised by the powers-that-be that socialist pattern of society is the right road for speedy fulfilment of India's economic aspirations. A large section of the business community, however, feels that socialism as is now being preached and practised will retard the pace of economic growth rather than accelerate it. In the context o this controversy, the article on this page, taken from the March 1958 issue of **Monthly Bank Letter,** *the well-known publication of the* **First National City Bank of New York,** *is quite topical and revealing. It gives a case history of what has happened in two free countries in Western Europe—Britain, which took the Socialist road, and West Germany, which followed the path of free enterprise. It is common knowledge that, in many respects, the free enterprise economy of West Germany is well ahead of the socialist style Britain. It is true that this article was prepared a little before some of the latest economic troubles of West Germany, such as a rise in unemployment, fall in rate of production and labour unrest. But this does not vitiate the conclusion of the article, as Britain, too, is suffering from similar afflictions, perhaps of a greater order. A point which is not made in the article but which is quite relevant is that, if the Conservatives had not returned to power in 1952 and reversed some of the socialist policies pursued by the Labourites, Britain's comparison with West Germany would be far more unfavourable than is brought out by the study under reference.—*ED.*]*

CAPITALISM, according to its opponents, exploits the many to pile up wealth and income for the few. Socialism, according to its proponents, redistributes the wealth and income among the masses of the population and brings about "social justice and equality."

Of course, the highest form of generosity is to give willingly. Modern socialism denies this opportunity: stirring the lust of the poor for the property of the rich, and doubting the charitable instincts of the individual, it redistributes forcibly through the tax system. Loss of opportunity takes the zest out of life for those who, in other circumstances, might have built great enterprises and made great gifts. Government meanwhile accumulates more and more dependents, removed from the labour force. The growing tax burdens shift inexorably toward the same masses whom the Socialist State is intended to help. In the end, everyone is poorer than he would have been, if rare and gifted individuals had been stimulated to go ahead and seek out new and better ways to produce and satisfy human wants.

There are sufficient differences in social arrangements in various countries, so that it is possible, out of the post-war experience, to test the principles of real progress. If, as some say, Russia is moving ahead of us in science, it may be that our system of taxation, and liberal social benefits, have some responsibility. Paradoxically, the Soviets give greater financial incentives to rarely gifted individuals than we do.

Professor David McCord Wright, of McGill University, has made a close study of comparative polices and results in West Germany and the United Kingdom since the war. In a pamphlet published in December by the American Enterprise Association, he notes:

"... We have a most interesting test case of the effect upon the condition of the poor of a relatively free market economy as against one heavily paternalistic, controlled and subsidised. . . .

"... Offhand, the deeper concern of labour socialists and to some extent of the present U.K. economy with the condition of the poor would seem to be the fastest way to raise the income level of the lower income groups. But it hasn't worked out that way!"

The "German Miracle"

The economic choice faced by West Germany, after the currency reform and granting of substantial autonomy in 1948, was a basic one. According to Professor Wright:

"Had she followed the prevalent European and U.K. labour pattern, she would have gone in for heavy control, rationing, State-directed investment, sharply progressive taxation, tremendous emphasis on equality.

"Instead, her policies were entirely different. Emphasis was placed upon incentive rather than literal equality, upon a free market rather than planning, upon modernisation rather than routine . . . ."

The decision to adopt the *Marktwirtschaft*—the free-market economy—has paid off handsomely. West Germany, phœnix-like, has risen from the rubble of World War II to economic and financial pre-eminence in Western Europe—a rise that has been aptly called the "German miracle."

This particular "miracle" lends itself to statistical measurement. West German workers' real wages (adjusted for price increases) advanced 99 per cent. between 1948 and 1957. In Britain, real wages went up only 11 per cent. measured from 1946, two years earlier, when its post-war expansion began. Industrial production in Germany in 1948-57 soared 254 per cent., while in the U.K. (1946-57) it went up only 70 per cent. *Per capita* output of goods and services (1949-57), in constant prices, rose 115 per cent. in Germany as against 15 per cent. in the U.K. In the early post-war years, of course, West Germany's level of production was small in relation to Britain's so its percentage increases would naturally be larger. But it is significant that Germany has kept right on progressing at a more rapid rate. Between 1954 and 1957, gross national product, in real terms, rose more than 25 per cent. in Germany—as against only 4 per cent. in the U.K.

Houses, Cars, and Ships

In the field of particular industries, there has been similar dramatic improvement. West Germany in the past seven years, has built more housing than the U.K. built in eleven. Since the population in both countries is the same—about 51,000,000—*per capita* housing output in Germany has also run well ahead. Starting from scratch in 1948, West Germany last year had moved up to third place among the world's shipbuilders. In 1948, some 328,000 autos rolled off assembly lines of British factories, while only 30,000 were produced in West Germany. Last year, German auto output amounted to 950,000 cars—some 100,000 above the U.K.'s.

In the field of world trade, German exporters, combining high quality with attractive prices, have been able to acquire a growing share of world commerce. While the U.K.'s share of world exports slipped from 12 per cent. in 1949 to 10 per cent. in 1956, Germany's share advanced from 2 per cent. to 8 per cent. The success of Germany's export drive enabled it to nearly triple its imports between 1950 and 1957 and still make solid additions to its gold and foreign exchange holdings. Starting from practically nothing in 1948, these reserves at latest count amounted to $5.7 billion—well over double those of the U.K.

The German mark has become one of the world's most respected currencies. An important reason for this has been Germany's application over the post-war period of orthodox financial policies to contain inflation—i.e., restraint on Government spending to produce an over-balanced budget and tight credit policies to limit borrowing and encourage saving. Moreover, German labour leaders, unlike their British counterparts, have exercised restraint in wage demands. Thus, while the cost of living has gone up 44 per cent. in the U.K. since 1950, it has increased only 18 per cent. in Germany.

Lower Tax Rates Speed Expansion

What made this economic "miracle" possible? Professor Wright gives a major share of the credit to a sharp reduction in West German personal income-tax rates.

In 1948, West German tax rates went as high as 95 per cent. However, an elaborate system of special exemptions for saved and invested income largely nullified the impact of these high rates. Beginning in 1950, the rates themselves were gradually revised downward until now the top rate is 55 per cent. This compares with a maximum rate of 92½ per cent. or higher maintained in Great Britain over this period.

Capital investment is the *sine qua non* of economic expansion. The amount of investment, in turn, depends on incentives and savings—both of which are heavily influenced by the tax system. High tax rates not only blunt the desire to work and to take risks for profit, but they siphon off funds that could otherwise be available to launch new ventures. The figures tell the story: investment in West Germany, in constant prices, nearly tripled between 1949 and 1956. In the U.K. in the same period, it increased only about one half.

Dr. Robert G. Wertheimer, of Babson Institute, recently completed a five-year study of the post-war German tax structure. His statement recently before the House Ways and Means Committee concisely spells out what was accomplished by the German tax reforms:

"Not only did the economy grow more rapidly than ever in a climate of stable prices but total public revenues also expanded and secured a balanced budget. Income-tax reductions set free entrepreneurial initiative which created a flexible economy providing full employment (in spite of the influx of ten million destitute persons), steadily rising standards of living and a rapidly growing domestic and foreign investment.

"Taxpayers again could show their incomes and profits without the fear of seeing most of them taxed away. The lowering of the tax rates rapidly increased the ability of all classes to save. Institutionalised saving, for example, increased from 4 per cent. of the disposable income in 1950 to 8 per cent. in 1955. Business saving in the form of retained profits and depreciation allowances rose even more rapidly. These savings made possible the financing of the German reconstruction without inflation. . . .

"The lesser dependence of the Federal Government on personal income taxation as source of tax revenues also solved the plight of the small businessman by permitting him to keep most of his gross profits as seed capital for expansion. The lower income-tax burden stimulated the general willingness and ability of people to take risks and to establish new business or to expand existing ones. Wage earners and the professions also became more productive and were eager to work longer hours, overtime, and on outside projects to expand incomes that would accrue to themselves."

Output and "Labour Attitudes"

The huge sums poured into new factories, machines, equipment, and processes (gross investment of $50 billion in Germany between 1949 and 1956, as against $43 billion in Britain) played a big role in the phenomenal increase in German worker productivity. Output per man-hour in Germany between 1948 and 1957 increased 116 per cent.—as against only 37 per cent. in Britain between 1946 and 1957.

Increases in worker productivity, while heavily influenced by the flow of investment, also depend on other factors—e.g., the rate of modernisation of tools and equipment and the general attitude of labour.

Professor Wright found sharp differences in worker attitudes towards modernisation and strikes in the two countries:

"With a few exceptions, union sabotage of new methods has been at a minimum in West Germany—in startling contrast with the frantic job consciousness and routine-mindedness of labour in the U.K."

Noting that West Germany has suffered but a fraction of the time lost from trade disputes that the British economy has since 1949, he added:

"The sense of crisis felt by the whole of West Germany and the intense desire of all classes to rebuild the country created a public opinion, both inside and outside the unions, that would not have tolerated anything like the degree of slackness . . . put up with in the U.K."

Armament Burdens

One objection often made to the comparison of West Germany and the U.K. is the presence for the U.K. of a great armaments burden. It should be noted, however, that Germany had more reconstruction to do, relatively speaking, than the U.K. Professor Wright's assessment of these burdens is closely tied in with the different labour attitudes in the two countries:

"While the presence of an armament burden would have made the West German economy start from a lower level, a nation whose labour force was so much more co-operative . . . and so much more willing to accept change would have had about an equally rapid *rate* of increase of output.

"Had the unions of the U.K. followed the behaviour pattern of those in Germany, the U.K. would have borne its arms burden and continued to expand relatively easily."

Peter Thorneycroft, who resigned in January as Chancellor of the Exchequer in a dispute over a continued rise in Government spending, lists the defence burden as only one of the reasons for Britain's financial troubles. The *New York Times* of 24th January 1958 carried this account of Mr Thorneycroft's penetrating analysis:

"First we have sought to be a nuclear power, matching missile with missile, anti-missile with anti-missile and with large conventional forces in the Far East, Middle East and Atlantic.

"At the same time, we have sought to maintain a Welfare State at as high a level, sometimes even at a higher level than the United States. We have been trying to do these things against a background of having to repay debts abroad during the next eight years at a total equal to the whole of our existing reserves.

"It was not a mean thing to have attempted these things but no politician should be under any illusions as to what it has meant.

"It has meant that for 12 years we have slithered from one crisis to another—sometimes a balance of payments crisis, sometimes an exchange

(Continued on page 615)

THE INDIAN OVERSEAS BANK, LTD.

MADRAS

BALANCE SHEET AS AT 31st DECEMBER, 1957.

Corresponding figures for 1947 Rs.	Corresponding figures for 1956 Rs.	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.
		1. Capital—		
		AUTHORISED CAPITAL— 1,00,000 Shares of Rs. 100 each ..	1,00,00,000.00	
		ISSUED AND SUBSCRIBED CAPITAL— 75,000 Shares of Rs. 100 each ..	75,00,000.00	
		AMOUNT CALLED UP: 50,000 Shares of Rs. 100 per share ..	50,00,000.00	
		24,964 Shares of Rs. 25 per share ..	6,24,100.00	
			56,24,100.00	
		LESS—Calls unpaid	750.00	
37,04,105	49,20,375			56,23,350.00
		2. Reserve Fund and Other Reserves—		
		Reserve Fund .. .. .. As per last Balance Sheet .. Rs. nP. 31,00,000.00		
		Add: Amount received on forfeited shares .. 17,800.00		
		Transfer from Profit and Loss Account 7,32,200.00		
			38,50,000.00	
		Share Premium: As per last Balance Sheet .. 5,00,000.00		
		Premium on issue of shares during the year .. 2,49,640.00		
		Profit on forfeited shares 36,659.50		
			7,86,299.50	
				46,36,299.50
9,00,000	36,00,000	**3. Deposits and Other Accounts—**		
		Fixed, Time and Staff Security Deposits	7,99,45,277.60	
	6,11,94,046	Savings Bank Deposits	3,44,72,567.37	
	2,09,10,479	Current Accounts, Contingency Accounts, etc.	8,40,22,922.03	
6,67,75,776	7,67,76,510			19,84,40,767.00
	16,48,81,035			
		4. Borrowings from Other Banking Companies, Agents, etc.—		
		(i) In India	Nil	
		(ii) Outside India	5,96,340.50	
72,49,027	47,28,589			5,96,340.50
		PARTICULARS—		
		(i) Secured by part of Investments per contra	2,08,809.79	
		(ii) Unsecured	3,87,530.71	
			5,96,340.50	
				41,50,677.50
	38,06,609	**5. Bills Payable**		
		6. Bills for Collection being Bills Receivable as per contra—		
		(i) Payable in India	41,47,703.87	
		(ii) Payable outside India	2,95,61,545.61	
	3,58,47,407			3,37,09,249.48
		7. Other Liabilities—		
		(a) Pension and Gratuity Funds ..	6,60,375.12	
		(b) Unclaimed Dividends	64,634.28	
		(c) Unexpired Discounts	3,184.18	
		(d) Sundries	8,96,186.71	
		(e) Branch Adjustments	37,92,093.13	
				54,16,473.42
9,58,512	73,51,427			
		8. Acceptances, Endorsements and Other Obligations per contra		3,67,73,224.16
30,09,144	6,14,24,817			
		9. Profit and Loss Account—		
		Profit as per Balance Sheet as at 31st December, 1956	7,43,306.41	
		LESS—Appropriations— Dividends Declared	4,91,020.00	
			2,52,286.41	
		ADD—Profit for the year brought from the Profit and Loss Account..	32,49,462.73	
			35,01,749.14	
		LESS—Appropriations— Provision for bonus to staff.. Rs. nP. 3,75,000.00		
		Provision for Taxation .. 16,00,000.00		
		Transfer to Reserve Fund .. 7,32,200.00		
			27,07,200.00	
				7,94,549.14
1,01,343	7,43,306	**10. Contingent Liabilities—**		
		(i) Claims against the Banking Company not acknowledged as debts..	2,20,998.44	
		(ii) Money for which the Banking Company is contingently liable (guarantees issued by the Banking Company)	76,31,520.94	
		(iii) Liability on Bills of Exchange re-discounted	Nil	
		(iv) Liability on account of outstanding Forward Exchange Contracts..	5,17,01,644.82	
		(v) Liability on account of Documentary Bills for collection released on Trust Receipts	2,48,470.57	
		Total Rs. ..	5,98,02,634.77	29,01,40,930.79
8,26,97,997	28,73,03,565			

Corresponding figures for 1947 Rs.	Corresponding figures for 1956 Rs.	PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
55,94,763	1,27,74,620	**1. Cash—** In hand and with Reserve Bank of India and State Bank (including Foreign Currency Notes)		1,55,72,681.69
		2. Balances with Other Banks—		
		In Deposit Account— (i) In India	Nil	
		(ii) Outside India	Nil	
		In Current Account— (i) In India	7,14,002.43	
1,05,01,588	1,32,85,087	(ii) Outside India	1,76,52,981.64	1,83,66,984.07
		3. Money at Call and Short Notice		13,00,000.00
		4. Investments at or below market value—		
		(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments	5,55,09,602.81	
		(ii) Shares—fully paid ordinary shares..	11,85,570.00	
		(iii) Debentures or Bonds	Nil	
		(iv) Other Investments— Rs. nP.		
		(a) Ceylon Government Securities .. 18,24,800.00		
		(b) United Kingdom Government Securities .. 33,21,166.66		
		(c) Federation of Malaya Security Loan .. 4,14,466.00		
		(d) Treasury Bills of the Government of Burma 40,00,000.00	95,60,432.66	
		(v) Gold	Nil	6,62,55,805.47
3,12,12,125	5,16,17,655	**5. Advances—** (Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of Auditors)		
		I. Loans, Cash Credits, Overdrafts, etc.— (i) In India	3,77,17,766.76	
		(ii) Outside India.	97,19,141.58	
			4,74,36,908.34	
		II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)— Rs. nP.		
		(i) Payable in India .. 1,67,89,922.91		
		(ii) Payable outside India .. 4,87,36,034.62	6,55,25,957.53	11,29,62,865.87
3,06,98,226	10,81,19,096	**6. Bills Receivable being Bills for Collection** as per contra—		
		(i) Payable in India	41,47,703.87	
		(ii) Payable outside India	2,95,61,545.61	3,37,09,249.48
	3,58,47,407			
		7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		3,67,73,224.16
30,09,144	6,14,24,817			
		8. Premises Less Depreciation—		
		At cost as at 31st December, 1956 ..	11,51,775.62	
		Additions during the year	9,990.38	
			11,61,766.00	
		LESS: Depreciation to date	1,45,452.63	
	10,34,044			10,16,313.37
		9. Furniture and Fixtures Less Depreciation—		
		At cost as at 31st December, 1956 ..	18,23,809.01	
		Additions during the year	1,89,413.69	
			20,13,222.70	
		LESS—Deductions during the year ..	33.90	
			20,13,188.80	
		LESS—Depreciation to date	12,46,212.18	
2,54,663	7,51,919			7,66,976.62
		10. Other Assets, including Silver—		
		(a) Interest, etc., receivable on Investments and Bills	10,53,062.51	
		(b) Books, Stationery and Stamps ..	3,99,370.79	
		(c) Income-tax Account	9,11,354.74	
		(d) Buildings under construction, and moneys paid for purchase of properties	6,49,460.36	
		(e) Sundries	4,04,381.66	
14,27,488	24,48,020			34,17,630.06
		11. Non-Banking Assets Acquired in Satisfaction of Claims		Nil
		12. Profit and Loss Account		Nil
8,26,97,997	28,73,03,565	Total .. Rs.		29,01,40,930.79

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

Corresponding figures for 1947 Rs.	Corresponding figures for 1956 Rs.	EXPENDITURE	Rs. nP.
11,24,765	30,61,707	1. Interest paid on Deposits, Borrowings, etc.	40,65,425.59
10,34,027	38,81,679	2. Salaries and Allowances, Bonus and Provident Fund and Provision for Gratuity (Salaries and Allowances paid to General Manager Rs. 44,811.28)	42,51,963.77
8,600	20,980	3. Directors' and Local Committee Members' Fees and Allowances	23,420.00
1,44,509	6,17,922	4. Rent, Taxes, Insurance, Lighting, etc.	5,57,474.89
4,720	14,124	5. Law Charges	14,837.70
76,044	89,748	6. Postages, Telegrams and Stamps	1,14,843.11
7,729	11,490	7. Auditors' Fees and Expenses	13,617.00
35,774	2,22,863	8. Depreciation on and Repairs to the Banking Company's Properties	2,44,051.29
1,01,355	2,83,964	9. Stationery, Printing, Advertisement, etc.	3,29,248.24
Nil	Nil	10. Loss from Sale of or Dealing with Non-Banking Assets ..	Nil
1,26,221	3,97,944	11. Other Expenditure	3,63,378.00
6,29,421	28,65,007	12. Balance of Profit, subject to Income-tax	32,49,462.73
38,48,765	1,14,66,928	Total .. Rs.	1,32,27,722.32

Corresponding figures for 1947 Rs.	Corresponding figures for 1956 Rs.	INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP.
25,61,015	66,30,362	1. Interest and Discount	85,37,982.86
7,58,705	48,16,193	2. Commission, Exchange and Brokerage	46,81,648.44
....	....	3. Rents	Nil
27,545	19,452	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserve or any particular Fund or Account)	5,582.99
....	....	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserve or any particular Fund or Account)	Nil
....	171	6. Income from Non-Banking Assets or Profit from Sale of or Dealing with Non-Banking Assets	Nil
1,500	750	7. Other Receipts	2,508.03
....	....	8. Loss (if any)	Nil
33,48,765	1,14,66,928	Total .. Rs.	1,32,27,722.32

CEMENT DISTRIBUTION AND MANGANESE ORE EXPORTS

S.T.C. FAILS TO ACHIEVE ENDS

THE State Trading Corporation of India will be completing full two years of its existence in a few weeks—it was established in May 1956—and it is appropriate to assess the progress made during these years. Such an assessment will reveal that the Corporation has expanded its activities considerably but that such expansion has been at the cost of heavy sacrifice on the part of a section of industry and trade as well as the consuming public at large. That there is no exaggeration whatever in this statement is clearly evident from the observations made by Mr. E. Parker, O.B.E., the erstwhile President of the Bombay Chamber of Commerce and Industry, in the course of his speech at the last annual general meeting of the Chamber. Citing the examples of the Corporation's activities in cement and manganese ore, Mr. Parker showed how, on both these counts, the Corporation had not only failed in achieving the ends which it promulgated but "is, in fact, no longer acting on the principles for which it was claimed to have been formed."

When the S.T.C. took over the distribution of cement about two years ago—with effect from 1st July 1956, to be precise—it will be recalled, the reason adduced was that, as cement had to be imported to meet the current shortage, it was necessary to equalise the selling prices of indigenous and foreign cement by fixing a higher selling price for indigenous cement to subsidise an equivalent price of cement imported at a considerably higher cost. The industry proposed various alternatives to State Trading which, if accepted, would have served the purpose of selling indigenous cement at a price just high enough to subsidise the sale of imported cement at the same equalised price. The Government, however, turned down every one of the alternatives and issued a notification requiring all cement manufacturers to sell their entire production to the S.T.C. with effect from 1st July 1956. The existing sales organisation of producers was, of course, appointed agents of the S.T.C., but this was inevitable, since the S.T.C. had no selling organisation.

Price Goes Up Markedly

Apart from the basic objection to State Trading in cement, the price payable by the consumer has gone up markedly. According to Mr. Parker's calculations, within a year of the entry of the S.T.C. into the business of cement distribution, the price has increased by Rs. 27.50 to Rs. 117.50 per ton (excluding sales tax). The price included prior to 1st March 1958 an excise duty of Rs. 20 per ton. The disclosed profits of the S.T.C. of its first year's operations is Rs. 5.01 crores. At present, cement is not imported, but the selling price has not been reduced. Instead, the excise duty has been stepped up to Rs. 24 per ton, which is "not far short of 50 per cent. of the cost of manufacture." Drawing attention to this aspect, Mr. Parker observed:

> What, therefore, is the *raison d'etre* of the State Trading Corporation as far as cement is concerned from now on. The switch from profits of the Corporation to excise duty and the fact that it has been publicly stated that the profits on cement would be allocated to the cost of building roads would indicate that it is merely another tax-collecting agency. It is not surprising that the costs of project being built or to be built are increasing when one of the basic commodities such as cement is treated in this fashion."

It is thus evident that, in the sphere of cement distribution, the S.T.C. has made excessive profits in return for absolutely no new service it has rendered to the consumer. Another aspect of the S.T.C.'s activities which has come in for much criticism relates to export of manganese ore. Referring to this, Mr. Parker made the following remarks:

> "The recent decision of the Corporation to enlist the co-operation of several hundred private concerns to act as its associates is seemingly an admission of failure on its part in meeting the exacting demands of a ruthlessly competitive world market. This is also evident from the reported transactions entered into with foreign powers from which the Corporation has emerged second best, if not a loser. In 1953, India exported nearly 1.6 million tons of manganese ore, but in 1957, despite the entry of the Corporation into the trade, one of whose objects was to augment and expand the country's ore export trade, the figure dropped by nearly 25 per cent."

In the light of these remarks, a reference may be made to the assessment of the outlook for manganese ore exports as made by the Advisory Committee on Manganese Ores appointed by the Government. The Committee is reported to have drawn a rather gloomy picture. The prospects for the immediate future, it says, are none too bright and demand for low-grade ores in any case is almost non-existent, a situation which is likely to continue for some time to come. "The slackness in demand," to quote the Committee, "is apparent from the accumulation of stocks (approximately 500,000 tons) at the different ports, mostly of low grades, and the bulk of the quota for low-grade ores has remained unsold, and it is not unlikely that some shippers have not been able to utilise their quota for high grades also fully."

The aforesaid assessment would appear to be correct. The total quantity of manganese ore exported in the second half of last year (1957) was 431,952 tons (valued at Rs. 9.80 crores), which compares unfavourably with 522,880 tons (Rs. 9.45 crores) in the previous half year. The decline would have been more marked but for the improvement in export prices of manganese ore; the average value per ton of ore exported was Rs. 227, as against about Rs. 181. Taking the whole of 1957, the exports were, of course, higher than in 1956, being 954,832 tons (Rs. 19.25 crores), as against 700,922 tons (Rs. 10.93 crores), the average export price being as low as Rs. 202 per ton, as against Rs. 156.

Views of Bharat Chamber

The setback in the quantum of manganese ore exports during the second half of 1957 would appear to have persisted in the current calendar year also. The blame for it must lie more with the Government itself than with the trade. As readers are aware, the State Trading Corporation (S.T.C.) handles no less than 40 per cent. of the total manganese ore exports. The entry of the S.T.C. has prompted, as the Bharat Chamber of Commerce, Calcutta, rightly points out in the course of a statement issued to the Press, the foreign buyers unused to buy from State monopolies to look more and more to other sources of supply. The apprehensions among foreign buyers is that the S.T.C. may take over the entire export trade in manganese ore as in respect of iron ore. According to the Chamber, the principal buyers of Indian manganese ore are already looking more and more to other sources of supply—the U.S. to Brazil, France and the U.K. to Ghana and Belgian Congo, and Japan to China.

It is these factors which are standing in the way of an expanding export trade in manganese ore. Also, the failure on the part of some shippers to utilise their quota for high-grade ores has been due not to world situation but to lack of transport facilities and preferential treatment accorded to movement of iron ore exported by the S.T.C. It must be noted here that the performance of the private sector on the manganese ore export front has been quite satisfactory. During 1953-54, for instance, the exports aggregated as much as 1,568,000 tons. Even in the slump years of 1954-55 and 1955-56, exports did not fall below 900,000 tons. When such is the position and considering the harmful effects of the entry of the S.T.C. into the sphere of export trade in manganese ore, the plea for resuming complete freedom of export to the private sector, is, indeed, fully justified. The Bharat Chamber has done well to warn that, if once the traditional customers for India's manganese ore get used to the ores of competing countries, it may not be possible at any future time for India to enter these markets again. In its opinion, the trends in manganese ore exports from India and the reports about the diversion of buyers to other sources of supply should warrant a more concerted action by the experienced mineowners, shippers and the Government than what may be expected to be secured by placing reliance on the S.T.C. and the Advisory Committee like the one presently constituted.

The Bharat Chamber has criticised the reported suggestion of the Advisory Committee that the larger established shippers and mineowners, exporters whose numbers shall not exceed 20, must be given allotments based on their exports during 1955 or 1956, those not falling under this category being advised to group together into legal entities such as a co-operative society or a limited company to which quotas should be allotted. The Chamber states that the two years taken were lean years for exports of manganese ore and it is not clear why these years have been selected. It also states that the Advisory Committee has not taken into consideration the fate of small mineowners. Indeed, it apprehends that, unless specific provision is made for the disposal of ores produced by small mines, the establishments will have to be closed down.

There thus seems to exist a need for a thorough reassessment of the manganese ore export policy. It must be remembered that manganese ore is one of the staple earners of foreign exchange. Assuming that the export target of 1.5 to 2.0 million tons per annum fixed by the Export Promotion Committee were fulfilled, the total foreign exchange earned would be of the order of Rs. 30 to 40 crores every year. The export policy should be so designed as to give full freedom to the private sector which alone is the best agency for selling manganese ore most effectively, especially when there is growing competition from Ghana, Belgian Congo, Brazil, the U.S.S.R. and Chile. No less imperative is the need for reducing the transport cost of Indian manganese ore by beneficiating it as much as possible within the country before exporting. Incidentally, such beneficiation will solve, to a great extent, the problem presented by low-grade ores which are difficult to sell.

SYMPOSIUM ON VEGETABLE OILS

A symposium on vegetable oils and their products will be held at New Delhi sometime in October next under the auspices of the National Institute of Sciences of India. The scope and subject for discussion are expected to be quite broad, so that all those who are interested in the science and technology of vegetable oils may contribute to the success of the symposium. The symposium will cover the following subjects.

Importance of vegetable oils in Indian economy; general survey on the occurrence, production, distribution and consumption of vegetable oils;

application of edible as well as non-edible oils —soap, other detergents and emulsifiers, protective coating (raw materials and products), resins and lubricants, fatty acids and derivatives, by-products —oilcake, glycerin, and miscellaneous;

scope for newer and better utilisation of non-edible oils and their products;

improvement in production methods—milling, solvent extraction, refining, bleaching, hydrogenation, etc.;

physiology and biochemistry—fat in nutrition, absorption, metabolism;

chemistry of fats and oils—physical and chemical properties, deterioration, polymerisation, and hydrolysis, esterification, interesterification;

testing and analysis of oils and oil products; and

equipment and mechanical devices.

The forthcoming symposium would undoubtedly be of real benefit, if it were to give a lead in focussing attention on the immediate problems confronting the vegetable oils (and their products) industry and the general lines along which solutions could be found. There are many vegetable oils in India the exact potentiality of which has not yet been fully explored. Mention, for instance, may be made of finding new uses of tobacco seed oil and mowra oil, utilisation of cotton-seed oil as an edible oil, use of kardi oil in high grade paints, and putting of *neem* oil to a number of economic uses if methods can be found for its deodorisation. Further, the present method of oil milling by the *ghanny* or the expeller leaves much to be desired. Better and more efficient methods of extraction are also needed, so that the quantity of oil left in the cake may be considerably reduced. Again, solvent extraction will be greatly facilitated if some cheap non-petroleum solvent available in India can be worked out.

The Publications Division of the Government of India has brought out a journal of weights and measures, entitled *Metric Measures* (Editor: V. B. Mainkar, price: annual subscription: Rs. 2; single copy: 40 nP). The journal is published every two months. It provides information to the general public on the administrative, commercial, educational, industrial, historical and other aspects of weights and measures, with particular reference to the introduction of metric system in India.

The British Government has set up an Advisory Council on Middle East Trade with Mr. John Vaughan-Morgan, Minister of State, Board of Trade, as Chairman. The Council, which consists of the representatives of industry and commerce, will advise the Government on the steps to be taken to promote trade in the markets of the Middle East.

THE BANK OF INDIA, LTD.
ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

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4

". . . . . reserves must be created for expansion and modernisation of the plant and machinery and in their utilisation the Management remains accountable to the investor. Money must also be provided for research."

Code of conduct — FORUM OF FREE ENTERPRISE

To ensure a continuous and growing supply of quality Portland cement to its customers, the ACC "ploughs back" every year a substantial portion of its earnings, to rehabilitate, expand and modernise its existing plants; to make its business grow and so to provide the country with the much-needed cement which goes into all types of construction, from the modest needs of the small village to the hungry demands of gigantic power and river valley projects, industrial development, housing schemes, hospitals, schools and the like.

This "ploughing back" of a portion of the ACC's earnings — though reduced last year owing to lower profits, resulting from higher costs and increased taxation — remains a vital factor in the production and supply of quality cement in increasing quantities to millions of satisfied users throughout India who have learned to depend on — ACC CEMENT.

THE ASSOCIATED CEMENT COMPANIES LIMITED
THE CEMENT MARKETING CO. OF INDIA PRIVATE LIMITED

OUR SAFE DEPOSIT LOCKERS
OFFER MAXIMUM SECURITY
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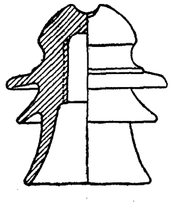

HIGH AND LOW TENSION INSULATORS WITH FITTINGS AND ALL ELECTRIC TRANSMISSION LINE MATERIALS
ORIENT TEXTILE ENGINEERS LIMITED
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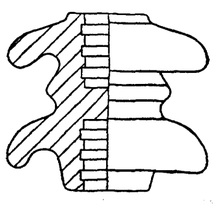
CALCUTTA-1



BRAITHWAITE'S EARNINGS HIGHER

BUT TAXATION TELLS ON NET PROFIT

IT is gratifying to find that the results of Braithwaite & Co. [India] Ltd. (Chairman: Mr. J. D. K. Brown, Calcutta) for the year ended 31st December 1957 are encouraging. They show that the Company has fully maintained during that year the upward trend that was seen in its earnings as well as profit in the past few years. The value of contracts booked was substantially higher than in the previous year, having shot up from Rs. 2.22 crores in 1955-56 to as much as Rs. 3.32 crores. The enlarged volume of business reflects in part India's progress with its development projects, in which this Company, as one of the leading engineering firms, is having a substantial part. Both the structural and wagon shops achieved, we are told, record outputs during 1957, with capacity remaining at full load even at the year-end. Although, as is expected in such circumstances, there has been a further improvement in the Company's gross profit, the rise is not proportionate to the growth in the volume of orders transacted. This is obviously due to the higher expenditure involved. While this is the position in regard to gross profit, the heavy load of taxation has further narrowed down the net profit to a level even slightly lower than that in the preceding year. Nevertheless, it is sufficient to maintain the dividend to its shareholders at 20 per cent. per annum, that is, the same as that for the previous year, besides setting aside a modest allocation to the reserves.

The gross profit at Rs. 43.88 lakhs represents a rise of Rs. 8.12 lakhs over Rs. 35.76 lakhs for the previous year. It is also twice as much as that (at Rs. 21.81 lakhs) for 1954. The net profit amounts to only Rs. 14.02 lakhs, as compared with Rs. 14.38 lakhs in 1956 and Rs. 15.46 lakhs in 1955. A large part of the decline, as stated earlier, has been brought about by the heavier provision for taxation which has increased from Rs. 17.82 lakhs in 1956 to Rs. 25.55 lakhs. The latter amount covers the liability in respect of wealth tax, too, the exact incidence of which is not shown separately. It also includes Rs. 4.30 lakhs in order to meet the retrospective effect of the new and increased taxation imposed as part of the 1957-58 budget. The provision for depreciation has also been slightly raised from Rs. 3.56 lakhs to Rs. 4.31 lakhs.

In view of the decline in net profit, the transfers to reserves have had to be cut from as much as Rs. 13.70 lakhs to Rs. 2.87 lakhs. It must, however, be noted that, of the sum transferred last year, no less than Rs. 7.04 lakhs represent the sum brought to the surface from the secret reserves built up in the previous years. This had to be done in accordance with the provisions of the new Companies Act.

The following comparative table gives an idea of the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Contracts invoiced	3,32 29	2,22 54	2,15 06	1,79 64
Other income ..	7 32	5 36	3 91	3 71
Contracts-in-progress at year end	3,96 14	3,56 66	2,58 11	2,28 37
Expenses	3,25 21	2,90 69	2,18 26	1,72 37
Gross profit	43 88	35 76	30 47	21 81
Provision for—				
Depreciation	4 31	3 56	2 01	1 87
Taxation	25 55	17 82	13 00	9 00
Net profit	14 02	14 38	15 46	10 94
Excess provisions written back	..	7 04	1 50	..
Transfer to reserves	2 87	13 70	1 43	4 00
Dividend	11 22 (20%)	11 32* (20%)	12 03† (30-5/14 %)	6 37 (16-1/14 %)
Carry forward	1 82	1 99	5 60	2 10

* On the increased capital of Rs. 56.60 lakhs.
† Includes an additional dividend of six annas per share.

It will be seen from the table above that the value of contracts in progress at the year-end shows a steady rise for each year of working.

Referring to the Company's working during the year and its outlook for the current year, the Directors observe, in their latest report, as follows:

"Both the structural and wagon shops achieved record outputs during 1957 and capacity remains fully booked. Orders on hand are principally for the Company's largest customer, the Government of India, which, in the past, has imported raw steel in large quantities to meet the shortfall from indigenous mills. The present shortage of foreign exchange which has received much publicity has restricted the import programme and the industry, as a whole, is faced with a shortage of raw material which may adversely affect your Company's production. It is fortunate that being engaged on work of national importance carrying high priority, the Company may reasonably expect Government's support to maintain output at as high a level as possible."

During the year under review, Messrs. Jardine Henderson Ltd., who have been appointed the Company's registrars and share transfer agents from 15th January 1958, acquired from the original holding company, Messrs. Braithwaite & Co. Engineers Ltd., London, a major block of shares in this Company and, as such, the Company is no longer a subsidiary of the British Company, which, however, retains a substantial interest. The Directors report that, subject to the approval of the Reserve Bank of India, arrangements have been completed for Braithwaite & Co. Engineers Ltd. to be appointed as technical consultants to the Company for a period of 15 years. This arrangement will ensure for the Company continuity of benefits of technical advice and new developments made by the British Company in the field of modern engineering.

The Company's balance-sheet as at 31st December 1957 discloses a sound financial position. Its reserves and surplus at Rs. 63.24 lakhs are larger than the paid-up capital of Rs. 56.60 lakhs. The current liabilities amount to Rs. 106.64 lakhs. The gross block, as per revaluation on 31st December 1955 and thereafter at cost, stands at Rs. 59.79 lakhs and this has been written down to Rs. 52.77 lakhs. The net block includes capital work in progress of Rs. 1.27 lakhs. The current assets aggregate Rs. 173.71 lakhs and cover the current liabilities and provision for taxation by a large margin.

It may be pertinent to recall here the recent changes in the capital structure of the Company. As at the close of 1955, its paid-up capital was Rs. 39.62 lakhs, in 565,979 ordinary shares of Rs. 7 each. In December, 1956, the Company subdivided each of the 434,021 unissued ordinary shares as also of 565,979 issued ordinary shares of Rs. 7 each into seven ordinary shares of Re. 1 each. It then capitalised a sum of Rs. 16.98 lakhs out of its reserves by the issue of 1,697,937 new ordinary shares of Re. 1 each to the existing shareholders in the ratio of three new shares for every seven issued ordinary shares held. After this, the Company consolidated every ten ordinary shares of Re. 1 each into one ordinary share of Rs. 10 each.

These ten-rupee shares are currently quoted at Rs. 27.06 *ex-div.*, at which rate and on the basis of the latest dividend the yield works out to 7.39 per cent. per annum.

OSMANSHAHI MILLS SUFFER LOSS

The Osmanshahi Mills Ltd. (Chairman: Khan Bahadur C. B. Taraporvala, Hyderabad, Dn.) witnessed unsatisfactory working conditions during the year ended 30th September 1957. For, apart from the general depression in the cloth and yarn markets which has adversely affected the vast majority of mills in India, this mill had the misfortune of having to stop its boiler plant for some time for repairs, etc., and also of unsatisfactory labour relations. Consequently, the Company has sustained a trading loss of Rs. 8.46 lakhs for the year under review, in contrast to a gross profit of Rs. 5.68 lakhs in the previous year. After making allowance for Managing Agents' remuneration, the loss is enhanced to Rs. 8.55 lakhs. No provision for depreciation has been made this year.

The aforesaid loss has been squared up by transferring a sum of Rs. 8.42 lakhs from the general reserve and by adding to it the small amount of Rs. 12.593 brought in from 1955-56 accounts. The dividend for the year under review has been skipped over.

Lest the reader should form the impression that the Company's working in 1955-56 was encouraging, it has to be stated that the Company's performance during that year was equally unsatisfactory. For, after providing Rs. 30,000 for Managing Agents' remuneration and Rs. 6 lakhs for depreciation, there was a net loss of Rs. 62,129. The loss was, however, wiped out by the surplus of Rs. 74,722 brought forward from the preceding year. A sum of Rs. 2.62 lakhs was then drawn from the dividend equalisation fund to pay a modest dividend of 3 per cent. In the year 1954-55 also, the Company had to draw Rs. 2.19 lakhs from its dividend equalisation fund to pay a dividend of 2½ per cent. while, in 1953-54, the dividend had to be passed over. It will thus be seen that the Company has not been faring well for some time now.

The Company's sale proceeds during the year under review declined from Rs. 174.44 lakhs in 1955-56 to Rs. 141.07 lakhs. The cost of cotton consumed during the same period rose from Rs. 91.96 lakhs to Rs. 99 25 lakhs as also other expenses from Rs. 86.28 lakhs to Rs. 92.56 lakhs. The Directors report that, from 1st November to 25th November 1956, the mill was compelled to stop the Babcock and Wilcox boiler for cleaning and inspection purposes with consequent shortage of power. Again, in July 1957, the management was obliged to declare a lockout of the mill from the 15th to the 29th due to slow down tactics and stay-in-strike of the workers.

The Company's balance-sheet as at 30th September 1957 shows that its reserves and surplus aggregate Rs. 39.30 lakhs, as against a paid-up capital of Rs. 87.23 lakhs, all of which are in ordinary shares of Rs. 100 each. The gross block of Rs. 173.83 lakhs has been written down by depreciation provisions aggregating Rs. 67.87 lakhs, leaving a net block of Rs. 105.97 lakhs. The footnotes to the balance-sheet state that the estimated depreciation up to 30th September 1957 written off the fixed assets is inadequate to the extent of about Rs. 60.64 lakhs, excluding initial depreciation amounting to about Rs. 19.40 lakhs. The current assets aggregate Rs. 116.90 lakhs, against which there are current liabilities amounting to Rs. 96.33 lakhs. Of the latter, as much as Rs. 77.42 lakhs represent secured loans from banks.

AZAM JAHI MILLS' PROFIT DOWN

The unsatisfactory trading conditions in the cloth and yarn markets have adversely affected the trading results of the Azam Jahi Mills Ltd. (Secretaries, Treasurers and Agents: Industries (I.F.) Department, Government of Andhra Pradesh, Hyderabad-Dn.) for the year ended 30th September 1957. The gross profit at Rs. 8.33 lakhs is just half of that (at Rs. 16.10 lakhs) for the previous year. It is even slightly lower than that (Rs. 9.12 lakhs) for 1954-55. In view of the fall in the Company's profit, the Directors have been constrained to lower the dividend. Thus, they have proposed a dividend of only 3½ per cent., as against 5 per cent. in the previous year, to which level it had been stepped up from the same rate, namely, 3½ per cent. for 1954-55.

A sum of Rs. 5.82 lakhs has been provided for depreciation, as against Rs. 11.93 lakhs in the previous year. In fact, the Directors say that the year's provision on this account has fallen short of what must be set apart by about Rs. 5.90 lakhs. If this factor is taken into account, it will be seen that the profit for the year under review would be still lower. A sum of Rs. 47,000 has been provided for wealth tax, in addition to transferring Rs. 15,000 to reserve for investments.

Sale proceeds during the year fell from Rs. 209.07 lakhs to Rs. 166.98 lakhs. Stocks of cloth, yarn and waste shot up from Rs. 16.87 lakhs to Rs. 67.27 lakhs. Cost of cotton consumed went up from Rs. 107.85 lakhs to Rs. 118.02 lakhs and other expenses from Rs. 91.26 lakhs to Rs. 95.85 lakhs. The Directors say that the year under review "witnessed on one side poor demand at rapidly lowering prices and mounting stocks, and, on the other, upward cotton prices due to failure of cotton crop in the season."

The paid-up capital of the Company as at 30th September 1957 stands unchanged at Rs. 72 lakhs, all in ordinary shares of Rs. 100 each. As against this, its reserves and surplus are very small and aggregate only Rs. 17.89 lakhs. The gross block of Rs. 187.65 lakhs has been written down by Rs. 68.46 lakhs to a book value of Rs. 119.19 lakhs. The current assets aggregate Rs. 141.68 lakhs and are smaller than the current liabilities amounting to Rs. 170.97 lakhs.

The Rs. 100 fully paid-up shares of the Company are currently quoted at Rs. 58.50 *cum-div.* On an *ex-div.* basis, the yield amounts to 6.36 per cent. per annum.

NO CALL FOR DEPOSITS BY COMPANIES THIS YEAR

The Government of India has decided that for the financial year 1958-59, no deposits may be called for from companies either in respect of accumulated profits and reserves or of the current profits. This announcement was made in the Lok Sabha on 18th March, 1958 by the Finance Minister, Mr. Jawaharlal Nehru, in the course of his reply to the general debate on the budget.

Explaining the decision, Mr. Nehru said, the general object of the deposit scheme was to ensure that surplus money by corporate enterprise arising mainly from out of the liberal depreciation allowances and development rebates were utilised for purposes conducive to the industrial development of the country consistently with the objective of the Plan and were not frittered away in other ways. The experience of Government in the administration of this scheme during the last one year had been that, in actual practice, the bulk of the financial resources of companies were, in fact, being utilised in approved directions. Further in the Finance Bill 1958, which was at present before the House, the Finance Minister said a provision had been introduced for the regulation of development rebate allowance for its being utilised for the legitimate maintenance, development and expansion of the business and to prevent it from being frittered away. As development rebate constituted the major component of the tax free allowances granted to industries, the Finance Minister said this new provision would substantially serve the objective underlying the deposit scheme.

It will be recalled that, under an amendment to the Income-tax Act introduced in December 1956, a Company which claims depreciation allowance and development rebate in its income-tax assessment is required to deposit with the Union Government a certain portion of its accumulated profits and reserves and of its current available profits in accordance with the percentages to be notified by Government for each year.

The scheme came into effect from the financial year 1957-58. So far as the accumulated profits and reserves were concerned, no deposit was called for. In regard to the current profits, however, a deposit of 50 per cent. of the amount of available surplus was required to be made in that year.

During the current year, a sum of Rs. 3.638 crores was deposited by companies. This amount is exclusive of deposits deemed to have been made and refund granted to companies.

KIL KOTAGIRI'S PROFIT DECLINES

DIVIDEND ALSO LOWER

A SIZABLE diminution in production of coffee, accompanied by a sharp rise in the cost of production, has brought about a decline in the earnings of the Kil Kotagiri Tea and Coffee Estates Company, Ltd. (Managing Agents: Messrs. Peirce Leslie & Co., Ltd., Kozhikode, Kerala), for the year ended 31st October 1957. The output of coffee, which had recorded a sharp rise to 4,469 cwts. in 1955-56 from only 38 cwts. in 1954-55, declined to 1,555 cwts. in the year under review. Indeed, had it not been for a substantial rise in the tea crop, the financial results would have proved far worse. While the proceeds from sale of tea improved, those from coffee suffered a decline. The net result is a reduction in earnings and, therefore, a lower dividend distribution to shareholders.

The gross profit at Rs. 7.88 lakhs compares unfavourably with Rs. 9.62 lakhs for the previous year. The net profit, too, has fallen from Rs. 5.23 lakhs to Rs. 3.47 lakhs. The amount available for distribution has, however, been strengthened by the addition of Rs. 1 lakh, being the estimated surplus provision for taxation made in previous years. The dividend, as stated earlier, has been lowered to 15 per cent. from 20 per cent. for the previous two years. The transfer to general reserve has also been pruned to Rs. 3 lakhs from Rs. 3.25 lakhs in 1955-56.

The main features of the Company's results are given in the comparative table below:

	For the year ended 31st October			
	1957	1956	1955	1954
Sale proceeds of—	Rs.	Rs.	Rs.	Rs.
Tea	18,87 077	15,85,066	8,09,975	8,90,047
Coffee	5 16 254	7,22,534	25,342	1,42 062
Stocks of tea	2 33,363	1,45 748	1,42,780	1,14,378
Expenses	16,33,606	15,45,014	5 65,434	5,23,073
Gross profit	7,87,682	9,61,792	4,30,506	6,38 929
Managing Agents' remuneration	55,128	41,136	23 203	33,191
Depreciation	53,208	49,490	28,293	46,971
Taxation	3,32,000	3,48,000	1,47,000	2,14,000
Net profit	3,47,346	5,23,160	2,32,010	3,44,767
Excess provisions written back	1,00,000	..	..	..
To reserves	3,00,000	3,25,000	1,00,000	1,25,000
Dividends—				
6 per cent. preference ..	15,000	15,000	15,000	15,000
Ordinary	1,28,780 (15%)	1,71,708 (20%)	1,71,708 (20%)*	2,25,000 (30%)†
Carry forward	30,738	27,172	15,720	70,418
Tea crop (in lbs.)	760,044	342,560	374,800	302,400
Cost per lb. (in cents)	147.00 Rs.	144.30 Cents	129.29 Cents	114.64 Cents
Average price realised per lb. ..	2.42	262.69	252.08	261.19
Coffee crop (in cwts.)	1,555	4,469	38	701
Cost per cwt. (in Rs.)	228.50	122.92	1,840.07	137.77
Value per cwt. (in Rs.)	190.51	192.31	176.18	192.09

* On the further increased capital as a result of the issue of shares to the shareholders of Nilairi Neerugundi Estate, following the amalgamation of the two companies.
† On the increased capital of Rs. 7.50 lakhs raised by the capitalisation of Rs. 2.50 lakhs.

The crop of brown tea harvested from the Kil Kotagiri Estates during the year at 760,044 lbs. was up by 417,484 lbs., as compared with 342,560 lbs. in the previous year. In fact, the year's crop is a new record, having substantially exceeded the previous best of 374,800 lbs. secured in 1954-55. Despite the higher output, the cost of production was higher at 147 cents, as against 144.30 cents in 1955-56. The average price realised was Rs. 2.42, as compared with 262.69 cents in 1955-56. Thus, the profit margin was reduced by two influences, namely, a higher production cost and a lower price realisation.

From the Nilgiri Neerugundi Estate, 222,669 lbs. of green leaf tea were sold at an average price of 37 cents. per lb. This fetched a sum of Rs. 84,805 to the sale proceeds during 1956-57.

The Company's estate consists of 2,153.06 acres. Of these, 739.37 acres are under tea (mature 705.97 acres and immature 33.40 acres) and 761.44 acres under coffee (mature 732.62 acres and immature 28.82 acres). The area in reserve is 510.20 acres. The balance consists of fuel clearings (53.77 acres), nurseries (2.30 acres) and buildings, roads, etc. (85.98 acres).

The current season's (1957-58) tea crop is estimated at 800,000 lbs. of made tea to be harvested at an f.o.b cost of 136.19 cents per lb. and the coffee crop at 90 tons at a cost of Rs. 216.28 per cwt. The Company's estates are situated in the Nilgiris in Madras State.

The paid-up capital of the Company as at 31st October 1957 stands at Rs. 11.08 lakhs of which six per cent. cumulative preference shares account for Rs. 2.50 lakhs The balance represents ordinary capital in shares of Rs. 2 each. The reserves and surplus aggregate Rs. 14.04 lakhs. The gross block of the value of Rs. 28.33 lakhs has been written down to Rs 24.65 lakhs.

Points From The Chair

Transport of Coal

"THE minimum guaranteed supply of wagons for the movement of coal by the South Eastern Railway in 1957 was 950 wagons per day. The coal industry maintained that the figure should have been 1,050 wagons but even the lower target set was not achieved. Further increases in wagon offerings are required in 1958 and in the years to follow. An increase in coal production in the collieries served by the South Eastern Railway is now vitally required. With the present strain on its resources, it appears to be impossible for this railway to move the number of wagons required. I would, therefore, emphasise the necessity for a regrouping of certain sections of the railways to relieve this strain. The Eastern Railway appear to have the capacity to operate adjoining sections of the South Eastern Railway (some of which they already operated in the past) and I would humbly suggest that they should now take over these sections with the least possible delay. Another feature regarding transport which gives cause for great concern is the discrimination which is shown over the allotment of wagons between the public and private sectors. The industry has drawn Government's attention to this on many occasions during the year but controls are still being used to the advantage of one sector. While it may be expected that Government will wish to purchase its coal requirements from the N.C.D.C. as far as possible, it does not appear to be in keeping with equity that controls should so be used that in effect priority which is given to one sector of the industry is not shown to the other. The replies from the Secretariat on this vexed question of discrimination cannot be considered as satisfactory and there would appear to be a need for an impartial committee to enquire into this matter. Facts must be faced—why are heavy stocks held by one sector and not by the other?—should greater priority be given to the movement of coal to burn bricks for Government staff quarters in preference to industrial housing or a housing estate?"

D. HOGG,
Indian Mining Association

Trend of Prices

"Price stability is an important factor in attracting investment in Government and industrial securities and small savings schemes. The lack of such stability has inhibited productive investment in the country. During the first two years of the Plan ending in March 1958, small savings schemes yielded only Rs. 120 crores, as against the expectation of Rs. 200 crores, and Government loans yielded Rs. 213 crores, as against the expectation of Rs. 280 crores. Industrialists are experiencing considerable difficulty in issuing shares and debentures, especially for new projects. The threat of inflation and consequent depreciation in the real value of investments deters people from investing their savings in securities and small savings schemes. Heavy taxation makes investment in equity shares unattractive. The flight of savings away from such productive investment is indicated in the fall in the index of the prices of variable yield securities from 125.1 in June 1956 to 97.2 in February 1958. The rise in gold prices from Rs. 104 per tola in June 1956 to over Rs. 113 per tola in recent weeks is indicative of the lack of public confidence in the stability of the rupee. Official quarters are said to have become concerned about the inability of individual and corporate savings to keep pace with the economy. It must be realised that the extreme egalitarian bias in our fiscal system reduces the saving capacity of individuals in the higher income brackets. Individuals in the lower income brackets who receive a lift from planning policies tend to use their additional income for consumption purposes in order to satisfy their pent up urge to raise their sub-marginal living standards. Therefore, the shift in income from the higher to lower income brackets does not lead to an increase in the potential of individual savings."

TULSIDAS KILACHAND,
Bank of Baroda Ltd.

Additions during the year were of the order of Rs. 3.07 lakhs. Of the additions, the sum of Rs. 90,627 spent on plant and machinery represents the cost of machinery purchased during the year to deal with larger crops, following the amalgamation with the Nilgiris Neerugundi Estates. The current liabilities amount to Rs. 7.39 lakhs, as against which the current assets stand at Rs. 7.87 lakhs.

The Rs. 2 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 5.56 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 5.7 per cent. per annum.

BURMA MINES LIMITED

The accounts of the Burma Mines Ltd. for the year ended 31st December 1957 show a lower profit of £129,459, as compared with £240,725 for the previous year.

The Board has recommended that a dividend of 1⅓*d.* per share, free of income-tax, (equal to 3.0434*d.* per share subject to income-tax at 8*s.* 6*d.* in the £), be declared at the annual general meeting of the Company to be held on 7th May 1958, payable on 14th May 1958 to shareholders registered as at close of business on 28th March 1958. The net U.K. rate applicable to the dividend is provisionally calculated at 2*d.* in the £. After making provision for estimated taxation and the recommended dividend, £25,967 is carried to the balance-sheet, increasing the revenue reserves to £137,475.

COMPANY MEETINGS AND DIVIDENDS

T. STANES & Co., LTD. Annual General Meeting, Coimbatore, 29th March 1958. Dividend: Rs. 2.00 per share or 20 per cent. (includes interim dividend of Re. 0.80 per share). Transfer books remain closed from 15th to 29th March 1958, both days inclusive.

BRAITHWAITE & Co. (INDIA) LTD. Annual General Meeting, Calcutta, 29th March 1958. Dividend: Rs. 2.00 per share. Transfer books remain closed from 17th to 29th March 1958, both days inclusive.

SITALPORE SUGAR WORKS LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: *Nil.* Transfer books remain closed from 17th to 31st March 1958, both days inclusive.

MERCARA RUBBERS LTD. Annual General Meeting, Tamaracherry, Pudupadi P.O., Kerala State, 31st March 1958. Dividend: Re. 0.75 per share or 15 per cent. Transfer books remain closed from 23rd to 31st March 1958, both days inclusive.

RAMPOORIA COTTON MILLS LTD. Annual General Meeting, Calcutta, 31st March 1958. Transfer books remain closed from 17th to 31st March 1958, both days inclusive.

TIRRIHANNAH Co., LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: Rs. 2.50 per share (being interim dividend). Transfer books remain closed from 17th to 31st March 1958, both days inclusive.

CAREW & Co., LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: *Nil.* Transfer books remain closed from 21st to 31st March 1958, both days inclusive.

SIJUA (JHERRIAH) ELECTRIC SUPPLY Co., LTD. Annual General Meeting, Calcutta, 31st March 1958. Dividend: Re. 0.94 (7½ per cent.) per share. Transfer books remain closed from 20th to 31st March 1958, both days inclusive.

HINDUSTAN LEVER LTD. Annual General Meeting, Bombay, 7th April 1958. Dividend: Re. 1.40 per share, payable on 8th April 1958. Transfer books will remain closed from 31st March to 7th April 1958, both days inclusive.

INDUSTRIAL INVESTMENT TRUST LTD. Annual General Meeting, Bombay, 8th April 1958. Dividend: Rs. 5.50 per share. Transfer books remain closed from 24th March to 8th April 1958, both days inclusive.

KOHINOOR MILLS COMPANY, LTD. Annual General Meeting, Bombay, 10th April 1958. Dividend: Rs. 12.00 per share (final), payable on and after 11th April 1958. Transfer books remain closed from 22nd March to 10th April 1958, both days inclusive.

RYAM SUGAR Co., LTD. Annual General Meeting, Calcutta, 10th April 1958. Dividend: Re. 1.50 per share or 15 per cent., free of income-tax. Transfer books remain closed from 29th March to 10th April 1958, both days inclusive.

WALCHANDNAGAR INDUSTRIES LTD. Annual General Meeting, Bombay, 11th April 1958. Dividend: Rs. 21.00 per share, without deduction of income-tax, payable on and from 30th April 1958. Transfer books remain closed from 22nd March to 14th April 1958, both days inclusive.

CHAMPURAN SUGAR Co., LTD. Annual General Meeting, Kanpur, U.P., 15th April 1958. Dividend: *Nil.*

BOMBAY DYEING AND MANUFACTURING Co., LTD. Annual General Meeting, Bombay, 17th April 1958. Dividend: Re. 1.75 per share (final), payable on or after 28th April 1958. Transfer books remain closed from 25th March to 17th April 1958, both days inclusive.

JAY SHREE TEA GARDENS LTD. Annual General Meeting, Calcutta, 23rd April 1958. Dividend: Re. 1.00 per share. Transfer books remain closed from 25th March to 23rd April 1958, both days inclusive.

MYSORE CHEMICALS AND FERTILISERS LTD. Annual General Meeting, Mysore, 25th April 1958. Dividend: Re. 0.50 per share. Transfer books will remain closed from 10th to 25th April 1958, both days inclusive.

INDIAN ALUMINIUM COMPANY, LTD. Annual General Meeting, Calcutta, 28th April 1958. Transfer books will remain closed from 5th to 28th April 1958, both days inclusive.

BRITANNIA ENGINEERING COMPANY, LTD. Dividend of Re. 0.60 per share or 6 per cent. for the year ended 31st December 1956.

KATRAS JHERRIAH COAL COMPANY, LTD. Interim dividend of Rs. 3.00 per share, for the year ended 31st January 1958.

UNITED BREWERIES LTD. Interim dividend of Rs. 7.50 per share or 10 per cent. for the year ending 31st March 1958. Transfer books remain closed from 24th to 31st March 1958, both days inclusive.

EAST INDIA DISTILLERIES AND SUGAR FACTORIES LTD. Second interim dividend of 10 per cent., i.e., 2s. per share for the year ended 30th September 1957 (making a total 15 per cent. or 3s. per share). The Directors do not recommend payment of any further dividend on ordinary shares, for the year. Transfer books remain closed from 19th to 29th March 1958, both days inclusive.

METTUR INDUSTRIES LTD. Special dividend of 50 per cent. or Rs. 50 00 per share, free of tax, out of the accumulated profits of the Company, payable on 11th April 1958. Transfer books remain closed from 28th March to 11th April 1958, both days inclusive.

INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LTD. Dividend: Rs. 4.00 per share. Annual General Meeting, Bombay, 7th April 1958. Transfer books remain closed from 15th March to 7th April 1958, both days inclusive.

BRITANNIA ENGINEERING'S PROFIT LOWER

STANDARD BATTERIES MAKES PROGRESS

Britannia Engineering Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1956.

Trading.—The results of the Works Department show a profit of Rs. 13,05,959 compared with Rs. 17,72,755 for the preceding twelve months. The agency department shows a profit of Rs. 2,587 against Rs. 13,294 for 1955.

After charging interest, debenture interest, commissions, depreciation and taking into account the carry forward from 1955, there remains at credit of profit and loss account a balance of Rs. 6,63,199 (Rs. 9,45,762) from which there has been transferred to machinery reserve Rs. 3,00,000 (Rs. 4,00,000) and to provision for wealth tax Rs. 38,350 (*nil*) leaving a balance of Rs. 3,24,849 (Rs. 5,45,762). The directors recommend payment of dividend on 4,00,000 (1,00,000) ordinary shares, at 6 (15) per cent. per annum for the year, which absorbs Rs. 2,40,000 (Rs. 1,50,000) leaving Rs. 84,849 (Rs. 1,28,179 after transferring Rs. 16,73,675 to depreciation reserve, Rs. 1,00,000 to reserve for doubtful debts and Rs. 213 being forfeited dividends paid) to be carried forward.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	40,00,000	Block ...	44,18,171
Debentures	5,00,000	Stores-in-trade	5,21,872
Reserves ...	39,42,365	Stores and loose tools	45,15,603
Provision for taxation ...	7,33,919	Work-in-progress ...	38,12,777
Liabilities ...	1,26,70,127	Debts, deposits and advances ...	82,15,500
Profit and loss account ...	84,849	Investments	2,300
		Cash ...	1,91,263
		Miscellaneous expenditure and losses	2,53,774
Rs.	2,19,31,260	Rs.	2,19,31,260

Standard Batteries Ltd.

The directors of the above Company (Managing Agents: The Industrial Enterprises Private Ltd., Bombay) submitted the audited accounts of the Company for the year ending 30th June 1957.

The profits after providing for all expenses and depreciation amounted to Rs. 6,87,817 (Rs. 5,14,322) after adding amount brought forward from last year's accounts of Rs. 1,807 (Rs. 1,485), there is a total of Rs. 6,89,624 (Rs. 5,15,807). The directors recommend this amount to be utilised as under:—

To payment of dividend on 20,000 ordinary shares of Rs. 100 each at Rs. 8 (Rs. 8) per share, tax-free Rs. 1,60,000 (Rs. 1,60,000), to payment of dividend on 5,000 new ordinary shares of Rs. 100 each at Rs. 8 (*nil*) per share, tax-free for the period 1st September 1956 to 30th June 1957 Rs. 33,334 (*nil*), to provision for taxation Rs. 2,65,000 (Rs. 1,17,000), to payment of bonus to staff and operatives equivalent to one-fourth of their basic earnings for the year ended 30th June 1957 exclusive of dearness allowance and other allowances Rs. 135,000 (Rs. 98,500), to provision for re-payment of loan instalments on two loans availed from the Industrial Finance Corporation of India Rs. 45,000 (Rs. 75,000) and to gratuities reserve Rs. 50,000 (Rs. 63,500) leaving an amount to be carried forward of Rs. 1,290 (Rs. 1,807).

During the financial year under report, orders were placed for latest type of plant and machinery and equipment for re-placement of some of the existing ten year old machinery and balancing units for rationalising and improving production.

The plant for the manufacture of microporous rubber separators under our trade name "MITEX" was put into commission. The laboratory and testing department was thoroughly reorganised and latest testing equipments have been installed for testing, control and development.

During the year under report, the Company took up the manufacture of STANDARD "Spg" stationary batteries for telephones, telegraphs and carrier systems, power houses and receiving stations, switchgear control, etc., and Standard "Tpg" traction batteries for buses, flat trucks, fortlift trucks, electric cars and for starting of diesel motors, etc., under technical advice from Messrs. A. B. Tudor of Sweden. The prospects for marketing these types of special batteries are very bright and the Company hopes to secure bulk business for these types.

The Company has also introduced into the market for the first time in this country "Instant Power" dry-charged and reduced charge batteries for automobiles. These batteries have been received well by the trade and are in good demand.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	25,00,000	Block ...	27,46,580
Reserves ...	10,02,788	Stock-in-trade	20,99,786
Provision for taxation ...	6,71,958	Work-in-progress ...	3,66,653
Liabilities ...	30,35,116	Stores and spare parts	1,30,704
Profit and loss account ...	1,290	Other assets	364
		Debts, deposits and advances ...	18,47,818
		Investments	2,534
		Cash ...	16,713
Rs.	72,11,152	Rs.	72,11,152

Sitalpore Sugar Works, Ltd.

The directors of the above Company (Managing Directors: Mr. R. N. Datta and Mr. D. P. Ghosh, Calcutta) submit the audited accounts of the Company for the year ended 30th June 1957.

The result for the period shows a gross profit of Rs. 2,57,089 from which has to be deducted depreciation amounting to Rs. 83,854 and bonus Rs. 64,306 leaving a balance to be set off against the debit balance in the profit and loss account of Rs. 1,08,929. The directors report that the Company has made a net profit of Rs. 1,08,929 after providing for depreciation, bonus and arrear contribution to employees provident fund under a mutual agreement between labour, management and the Government. This profit will reduce the previous debit balance in the profit and loss account to Rs. 3,16,557.

The Company had a good supply of cane and crushed 24,33,200 maunds and produced 2,34,688 maunds of sugar with a recovery of 9.65 per cent. The quality of cane was poor and was mostly affected by pests and diseases prevalent in the zone. The working, however, of the Factory was satisfactory and there had been a marked improvement in the quality of sugar produced. As a result the Company was able to export 3,000 tons of sugar.

Since the daily crushing capacity of the Factory is one of the lowest in the State of Bihar, the directors have undertaken a five-year plan for thorough rehabilitation and extension of crushing capacity of the Factory. With this end in view a loan of Rs. 5 lakhs has been obtained from the Bihar State Financial Corporation.

Cane price during the year remained the same as that of last year but the sugar excise duty was increased by 100 per cent. to Rs. 8-4-4 per maund of sugar from 16th May 1957. Sales tax was abolished from 14th December 1957 and was replaced by an additional excise duty at Rs. 2-7-0 per maund of sugar which is much higher than the prevalent sales tax applicable in the State of Bihar. As a result of these taxes sugar price has gone up but the present level of price does not cover the above increase in taxes.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	10,02,115	Block ...	15,13,199
Reserves ...	24,660	Plant and machinery suspense ...	73,228
Liabilities ...	41,68,512	Stock-in-trade	24,41,792
		Stores, etc. ...	2,65,518
		Debts, deposits and advances ...	5,32,602
		Cash ...	24,684
		Investments	27,707
		Profit and loss account ...	3,16,557
Rs.	51,95,287	Rs.	51,95,287

Kolhapur Sugar Mills Ltd.

The directors of the above Company (Managing Agents: The United Agencies Private Ltd., Kolhapur) submitted the audited accounts of the Company for the year ended 30th June 1957.

The accounts show a net profit of Rs. 9,11,565 (Rs. 11,17,385) after providing for depreciation of Rs. 5,50,137 (Rs. 3,85,342) managing agency commission Rs. 2,85,147 (Rs. 2,74,154) and Rs. 16,00,000 (Rs. 13,50,000) as provision for taxation including that for wealth tax. To this is added the balance brought forward from last year of Rs. 24,648 (Rs. 33,830) making a total of Rs. 9,36,213 (Rs. 11,51,215). The directors have transferred to reserve fund Rs. 2,50,000 (Rs. 3,75,000) leaving a balance of Rs. 6,86,213 (Rs. 7,76,215). From this amount the directors recommend payment of dividends on ordinary shares at Rs. 18 (Rs. 18) per share (free of tax) on shares of Rs. 100 each Rs. 5,08,410 (Rs. 5,08,410) and on deferred shares of Rs. 100 each at Rs. 599 (Rs. 589-2-0) per share free of tax Rs. 1,45,557 (Rs. 1,43,157) leaving a balance to be carried forward to the next year of Rs. 32,246 (Rs. 24,648 after providing Rs. 1,00,000 for reserve for charities, etc.).

During the period under report the total cane crushed was 1,13,141 (1,19,455) tons and 1,41,372 (1,50,780) bags of sugar were produced with a recovery of 12.61 (12.77) per cent.

The directors state that the Company has been able to obtain the necessary import licence for the machinery required for the substantial extension of the factory. Due to the difficult situation in respect of foreign exchange the Company had to accept the terms of deferred payment for the machinery as directed by the Central Government as a result of which there has been an increase of Rs. 25,00,000 approximately in the machinery prices. The directors also inform that after installation of the new machinery the daily crushing capacity of the factory will be increased to 1,700 tons.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	28,56,765	Block ...	60,97,162
Reserves ...	46,32,082	Stock-in-trade	58,68,684
Provision for taxation ...	40,65,095	Raw materials ...	2,23,025
Liabilities ...	53,66,657	Stores, spare gear, etc.	11,60,925
Profit and loss account ...	32,246	Growing crops	12,84,572
		Debts, deposits and advances ...	14,90,571
		Investments	5,35,913
		Cash ...	2,91,993
Rs.	1,69,52,845	Rs.	1,69,52,845

Mercara Rubbers, Ltd.

The directors of the above Company (Managing Agents: The Associated Planters Private Ltd., Mysore) present the audited accounts of the Company for the year ended 30th June 1957.

The result of the Company's working for the period under review shows a profit of Rs. 64,748 (Rs. 1,18,654). Depreciation written off on buildings, machinery, etc., of Rs. 4,194 (Rs. 4,284) and Company's contribution to provident fund of Rs. 2,316 (Rs. 1,828) absorbed Rs. 6,510 (Rs. 6,112) leaving a net profit of Rs. 58,238 (Rs. 1,12,542). Adding to this the amount brought forward from last year of Rs. 21,967 (Rs. 20,550), there is a total of Rs. 80,205 (Rs. 1,33,092). Provision for agricultural income-tax and Central income-tax absorbs Rs. 12,800 (Rs. 22,000). Out of the balance of Rs. 67,405 (Rs. 1,10,092) the directors recommend payment of a dividend of 15 (22½) per cent. free of tax on ordinary shares absorbing Rs. 48,750 (Rs. 73,125) and 6 per cent. dividend on preference shares free of tax Rs. 15,000 (Rs. 15,000) leaving a balance of Rs. 3,655 to be carried forward to next year.

Working.—Mainly due to serious labour strikes and general go-slow policy adopted by the labourers in the estates of the Company, the crop for the year is the lowest on record. As expressed by the Chairman of the Rubber Board at the meeting of the Rubber Board held on 14th February 1958 the general average of crop also has come down due to climatic condition. The directors consider that taking into account the difficulties the Company had to face during the year as stated above, the working results of the Company for the year ended 30th June 1957, are satisfactory.

Cost.—Estate delivery per lb.

	Cents
1956	68.80
1957	79.51
Estimated cost for 1958	85.16

Rubber crop realised in 1957 was 1,94,754 (2,32,178) lbs. The average price realised for 1957 rubber is 155.57 (149.45) cents. The estimate for 1957-58 is 2,50,000 lbs.

As per the Central Government notification, the employers have to contribute 6¼ per cent. of the average daily earnings of the labourers to the Central Government provident fund scheme together with the administrative charges.

During the year under review, the labourers were adopting go-slow-tactics in the estates of the Company. The serious unrest in the estates led to two serious strikes in the estates. The climatic condition also was not conducive to the high yield of rubber. Due to these factors, the crop of the estate for the year under review is the lowest on record.

The cost of production will be going up due to increase in labour wages. The other amenities to labourers, which the estates have implemented according to the provisions of the Plantation Labour Act, etc., have also increased the cost of production.

The prospects of the 1957-58 season looks better as the Company has realised 1,43,405 lbs. of rubber upto 31st January 1958 as against 1,09,217 lbs. realised for the same period last year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	5,75,000	Block ...	7,23,604
Reserves ...	2,50,000	Stock of rubber ...	1,47,209
Provision for agricultural income-tax	49,024	Stores, spares and tools, etc. ...	36,915
Liabilities ...	1,18,044	Debts, deposits and advances ...	60,688
Profit and loss account ...	3,655	Cash ...	27,307
Rs.	9,95,723	Rs.	9,95,723

Palamalai Ranganathar Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. S. K. Rangaswamy Naidu & Co., Periyanaickenpalayam) submitted the audited accounts of the Company for the year ended 31st March 1957.

The year's working after deducting all expenses and interest and providing Rs. 65,704 (Rs. 10,223) for depreciation, has resulted in a net profit of Rs. 82,512 (Rs. 1,65,628). The directors have transferred the sum of Rs. 45,153 (*nil*) from general reserve, Rs. 35,000 (*nil*) from machinery replacement reserve and Rs. 6,008 (*nil*) from provision for taxes, to profit and loss account. The credit to profit and loss account after these transfers will be Rs. 1,68,673 (Rs. 1,65,628). Out of this, the directors have paid Rs. 591 (Rs. 3,350) by way of donations, and written off Rs. 1,46,000 as depreciation to make up short provision of depreciation on fixed assets in previous years, leaving a balance of Rs. 22,082 (Rs. 1,62,278) to the credit of profit and loss account. The directors recommend that this amount may be appropriated as follows:—

To pay a tax-free dividend of 6 per cent. for one year for the amounts paid up on shares upto 31st March, 196 and a tax-free dividend of 6 per cent. per annum for the amounts paid between 1st April 1956 to 31st March, 1957 from the dates of payments of the respective amounts till 31st March, 1957, to those persons whose names are registered as shareholders of the Company on 21st February, 1958 absorbing Rs. 20,743 (Rs. 19,492) and to carry forward to next year Rs. 1,339 (Rs. 1,42,786 which was adjusted against the debit balance of Rs. 3,92,483 as at 31st March, 1955 together with a transfer from general reserve account of Rs. 2,49,697).

The results of the year would have been better if the condition in the yarn market, especially at the close of the year, were not unsteady. During

ie year of account, the directors have installed additional 720 spindles and the installed capacity the mills at the end of the year was 10,736 pindles.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
apital ...	3,46,475	Block ...	9,52,415
iabilities ...	18,66,353	Stock-in-trade	11,11,123
rofit and loss account ...	1,339	Stores, etc.	55,541
		Debts, deposits and advances ...	69,443
		Investments	150
		Cash ...	5,495
Rs.	22,14,167	Rs.	22,14,167

utwah-Islampur Light Railway Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) ubmit the audited accounts of the Company for ne half-year ended 30th September 1956.

Gross earnings for the half-year were s. 3,01,302 which is Rs. 41,412 more than the arnings of the corresponding period ended 30th eptember 1955. There is an increase of Rs. 51,052 nder coaching and are decreases of Rs. 8,903 and s. 737 under goods and miscellaneous.

The working expenses for the half-year were s. 2,59,813 which is Rs. 33,093 less than the figure or the corresponding period ended 30th September 955. The net earnings for this half-year were s. 18,947.

Comparative Statistics—

Half-year ending	Gross earnings	Working expenses	Dividend per share
	Rs.	Rs.	Rs. a. p.
31-3-1955	2,45,251	3,47,862	1 0 0
30-9-1955	2,59,890	2,92,906	1 0 0
31-3-1956	2,74,542	4,13,277	1 0 0
30-9-1956	3,01,302	2,59,813	1 0 0

The net profit for the half-year is Rs. 8,990 to which is added the balance brought forward of Rs. 4,802 making a total of Rs. 13,792. The directors recommend that this amount be disposed of as follows:—

By payment of a dividend for the half-year at the rate of Re. 1 per share without deduction of tax absorbing Rs. 11,497 and leaving a balance to be carried forward of Rs. 2,295.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	11,49,900	Block ...	15,85,943
Reserves ...	8,500	Stores, etc. ...	8,958
Provision for taxation ...	28,554	Debts, deposits and advances ...	2,23,444
Liabilities ...	13,08,028	Investments	1,59,815
Revenue account ...	2,295	Cash ...	94,217
		Miscellaneous expenditure	4,24,900
Rs.	24,97,277	Rs.	24,97,277

Bhulanbararee Coal Co., Ltd.

The directors of the above Company (Calcutta) submitted the audited accounts of the Company for the year ended 31st December 1956.

The accounts have been drawn up in conformity with the requirements of Schedule VI of the Companies Act, 1956. The profit and loss account after providing Rs. 45,601 (Rs. 66,510) for depreciation, Rs. 83,000 (*nil*) for payments under Appellate Tribunal Award and including the debit balance of Rs. 1,87,446 brought forward from the previous year shows a debit balance of Rs. 4,92,536.

Raisings and despatches.—1,35,587 tons of coal were raised and 1,47,078 tons were despatched during the year. The figures for the previous year were 1,67,833 tons and 1,58,412 tons, respectively.

The colliery is capable of higher output, but on account of the sand stowing difficulties and closure of some of the working faces, it has not been possible to develop the potentialities of the colliery to the extent desirable. However, new development schemes have been undertaken now and signs of improvements are already noted and hence a bright future for this colliery is expected.

In comparison to previous year there was no improvement in the overall wagon supply. The relation with workmen of our colliery are still unsatisfactory, which, as well as, rivalry between their unions affect the progress of the raising.

Messrs. F. W. Heilgers & Co. (P.) Ltd. relinquished their managing agency of this Company with effect from 31st December 1956 and since that date the Company is managed by the directors. Resignation of the managing agents is to be considered by the shareholders at this meeting as set out in the accompanying notice. The accounts submitted with this report are also up to the date of their resignation.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	7,15,000	Block ...	14,96,845
Reserves ...	10,15,172	Stock-in-trade	41,998
Liabilities ...	9,96,527	Stores, spare parts and loose tools	1,24,249
		Debts, deposits and advances ...	9,99,278
		Investments	64,149
		Cash ...	180
Rs.	27,26,699	Rs.	27,26,699

N.B.—Figures within brackets relate to the corresponding period of the previous year.

QUESTION HOUR IN PARLIAMENT

Uranium Processing Plant

THE proposed uranium processing plant is likely to go into operation by the end of this year. The approximate expenditure to be incurred on this plant is Rs. 27 lakhs. It will be located at the Atomic Energy Establishment, Trombay.

—Jawaharlal Nehru

Banking in Rural Areas

There has been an appreciable improvement in recent years in banking facilities in rural and semi-rural areas as a result of a number of steps taken by the Government. The steps are the opening of more branches by the State Bank of India, development of co-operative banking in accordance with the recommendation of the All-India Rural Credit Survey Committee, increase in the number of post office saving banks, and granting of licences liberally by the Reserve Bank to commercial banks for opening branches in rural and semi-rural areas. The State Bank of India is making rapid progress this year in the opening of branches. Last year, one branch was opened every week. This year, two branches are being opened every week. The State Bank is optimistic that it will open all the 400 branches programmed for by 1960.

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Compensation to Life Insurance Companies

Acquisition compensation has been offered to 18 insurance companies falling under Part B of the first schedule to the Life Insurance Corporation Act, 1956. While compensation has already been paid or settled in respect of 11 of these insurers, intimation of acceptance of the amounts of compensation offered is still awaited from the remaining seven insurers. The amounts of compensation to these seven insurers will be paid on receipt of their acceptance. Acquisition compensation in respect of the remaining Part B insurers is under calculation and will be offered as soon as the amounts are determined.

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Foreign Travel

It is a fact that surplus in foreign travel account occurred for the first time in 1956. The continuance of the favourable position on travel account will depend on a number of factors, among other things, such as the level of exchange restrictions affecting foreign travel in India and in foreign countries and the results flowing from the measures taken by the Government for attracting tourists to the country. Assuming that the number of tourists to India will continue to show a steady increase and that the restrictions on travel payments imposed by India in 1957 will continue in their present form, India's travel account should also show a surplus in subsequent years.

—B. R. Bhagat

Nangal Fertiliser Factory

The Nangal fertiliser-*cum*-heavy-water project is likely to go into production in 1960. The project is expected to cost about Rs. 30 crores. Three major orders for plant and equipment for the project on deferred payment terms have been placed with reputed foreign firms. Global tenders have been invited for the heavy water plant and order for its supply is expected to be placed shortly. Land for the factory and its associated township has been acquired. Development work on the factory site and the township is in progress. A construction colony has been established on the factory estate. Tenders for the execution of civil works inside the factory area have been invited. Work on laying the railway track for the siding of the factory has started. The railway authorities have also commenced the erection of girder spans over the Nangal dam bridge.

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Paper Factories

Twenty-two new paper factories have been licensed, the aggregate capacity involved being 600,000 tons. The construction of the proposed paper mill at Kesinga in Orissa has not yet been completed. The firm in question is facing difficulties in getting foreign credit for the purchase of machinery according to deferred payment terms approved by Government. It is, however, understood that negotiations in this behalf are about to be finalised.

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Ford Foundation Grant

The Ford Foundation has given $4,285,178 for the development of small-scale industries in India. There are offers of assistance from the Technical Co-operation Mission (U.S.) and the Government of W. Germany for two prototype workships and from the Japanese Government for an institute of small-scale industries.

—Manubhai Shah

Stainless Steel Plant

It is proposed to call for detailed project reports from some foreign firms who are willing and capable of rendering assistance to India for the setting up of a plant for the manufacture of alloy and special steels, including stainless steel. Preliminary reports received from certain foreign firms for the setting up of such a plant have been examined. A suggestion that a stainless steel plant should be located near the Bhadravati Iron and Steel Works has been made. But the facilities available at one of the integrated steel plants for the proposed factory appear to be better as compared to Bhadravati. The National Metallurgical Laboratory at Jamshedpur has evolved a process for the production of stainless steel. If this process is good for manufacturing stainless steel on a commercial scale, the Government will not hesitate to adopt it in the proposed factory.

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Amalgamation of Collieries

No final decision has yet been taken by the Government over the detailed recommendations of the expert committee on the amalgamation of small collieries.

—Sardar Swaran Singh

Ships from Japan

India may be able to get three ships from Japan out of the yen credit offered by this country and accepted by India. The cost of these three ships may be about £3 million. The terms on which the ships are to be purchased have not yet been finalised.

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Hindustan Shipyard

The French consultants of the Hindustan Shipyard had been served with a six-month notice terminating their services on 2nd January 1958. The question of replacing them is under the consideration of the Board of Directors. India will need the services of experts from outside who know the technical know-how. The French consultants had manufactured as many as 10 ships during the period 1952-57 and all the vessels are found suitable and in use. Apart from this, the consultants have done quite a good deal in regard to development and organisation of the shipyard. The question about the *Andaman*—one of the ships built at the shipyard which has been found to be defective —is separate. (The Government is in touch with two or three countries, including Japan, on this point, but I will not like to indicate just now whom we would choose ultimately.—Lal Bahadur Shastri)

—Raj Bahadur

Oil Drilling in Bombay

Drilling for oil near Cambay in Bombay State will commence next month, if a drilling party arrives from the Soviet Union, as is expected. Organisational and preliminary work is in progress. Pinpointing the drill site has been done and foundation work for installing the rig is progressing.

—K. D. Malaviya

Rice from Burma

The Burmese Government has expressed its inability to supply more than 250,000 tons of rice in 1958, in view of the shortfall in production.

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Minor Irrigation

A target of nine million acres have been fixed for the area to be brought under irrigation from minor irrigation schemes during the second Plan period. Of this, about half will be under agricultural development schemes and the other half under the National Extension and Community Development Programme.

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Jute Production

The average increases in jute production since 1947 in the different States has been 118,000 bales of 400 lbs. each in West Bengal, 55,800 bales in Assam, 37,500 bales in Bihar, 16,400 bales in Orissa, 12,400 bales in U.P. and 2,900 bales in Tripura.

—A. P. Jain

Sale of Burma Rice

Government loss incurred by subsidised sale of rice imported from Burma aggregates Rs. 8 crores. Out of a total of 827,000 tons imported in 1956-57 and 1957-58, about 685,000 tons have already been sold. (The arrangement is to import two million tons of rice from Burma during a five-year period.—A. P. Jain.)

—A. M. Thomas

Irrigation Schemes in Bombay

The additional irrigation schemes proposed by the Government of Bombay for inclusion in the second Five-year Plan, with the estimated cost in lakhs of rupees, are: Bagh river project 320.40; Dinanadi 113.00; Katepurna 180.00; Itiadoh 91.00; Pindrabodi Tank—not available; Ekburj Tank—not available; and Sabarmati 1,300.00. The inclusion of the first six projects will be considered after the examination of their project reports. The Sabarmati scheme is not being considered for inclusion, as it will add to the large spill-over that is going to occur in the third Plan on account of big irrigation schemes included in the current Plan.

—S. N. Mishra

Low-Income Group Housing

There is no bar to the grant of loans under the Low-Income Group Housing Scheme to people in the rural areas. With a view, however, to ensuring better utilisation of funds, loans are given for construction of houses in developed areas in Delhi, where essential services such as water-supply, street lighting, drainage, sewerage, roads, etc., are expected to be available. A proposal for acquisition and development of certain land in the rural areas of Delhi is, however, under Government's consideration in connection with the shifting to safer sites of some villages exposed to recurrent Yamuna floods.

—A. K. Chanda

Trade Unions

There is no proposal to enact any legislation regarding the recognition of trade unions. ....

GIFT-TAX LEGISLATION ANALYSED

(*Concluded from page 572*)

which will cause considerable uncertainty, anxiety and unjustified hardship to many assessees. Under the provisions of the Estate Duty (Amendment) Bill, 1958, gifts *inter vivos* or gifts made by a person in his lifetime during a period of five years before his death will be liable to estate duty. If a person makes gifts which are governed by the various exemptions contained in the Gift Tax Bill such gifts will be liable to estate duty if the person dies within five years after making the gifts. Thus, the provisions of the Gift Tax Bill in respect of the exemptions will provide only partial relief from taxation. In the interest of equity and in order to remove uncertainty in respect of the tax liability on such gifts, gifts exempted from the gift tax should be totally excluded from the provisions of the Estate Duty law.

Under a proposed amendment to the Estate Duty Act, no estate duty will be payable on property on which the gift tax has been paid if such property is also included in the estate of the deceased for estate duty purposes presumably by the assessee's death within five years of making such gifts. However, such property, on which the gift tax has already been paid, will be taken into account for aggregation purposes for determining the rate of estate duty payable. This is a rather harsh and unfair provision. It should be provided that gifts on which the gift tax has been paid should be totally excluded from the scope of the estate duty law.

If the Government wishes to have a proper integrated structure of taxation, it should take steps to remove the conflict in the provisions of the various tax laws on the line suggested.

ADMINISTRATION

The administrative procedure prescribed by the Gift Tax Bill is the same as that used for the other direct taxes like Income-tax, Wealth Tax and Expenditure Tax. The administrative machinery to be used for gathering the gift tax is the existing one used for collecting the other direct taxes.

The Gift Tax Bill contains an interesting provision for encouraging prompt payment of the tax. The Bill provides for a rebate of 10 per cent. on advance payments towards tax liability made within 15 days of making the gift. A rebate of 10 per cent. on moneys paid in advance would be an attractive advantage for the assessees provided it related to a period of a year or so. However, it may take the tax officials much more than a year to complete the assessments. The tendency may be to take three to four years to complete the assessments, especially of those cases in which advance payments have been made—as is often done in the case of the other direct taxes. Under such circumstances, a rebate of 10 per cent. on amounts paid in advance towards tax liability would cease to be attractive. It would amount to a return of about 2½ per cent. to 3 per cent. on the moneys paid in advance and this would be far from attractive for the assessees. It is, therefore, recommended that the Bill should provide for a rebate of 10 per cent. *per annum* on advance payments made towards the tax. Such a provision will encourage the tax officers to complete assessments quickly and will also provide a definite attraction for assessees to make advance payments.

The discretionary powers vested in the tax officials by the Gift Tax Bill are enormous and excessively wide. Indeed, today tax officials in India enjoy powers under the various tax laws which are far wider and in excess of the powers vested in the tax officials of any other free country of the world. If the Government wants these powers of the officials to be used in a fair and efficient manner, it should take immediate steps to improve the morale and the working conditions of the officials. It should attract into the administration of the tax laws persons with first class ability, integrity and character. The most important and effective step to achieve this is to the raise the salaries of the tax officials, in order to make them commensurate with the greatly increased burden of responsibility and work which has been imposed upon them since May 1957 due to the introduction of various new direct taxes. The tax officials should be paid at least Rs. 1,000 per month. Their grades of salary should enable them to rise to at least Rs. 2,000 per month after some years. The salaries of senior tax officials should also be proportionately upgraded. This was recommended by the Kaldor Report which had noted that "if an extra crore of rupees were spent on raising the standard of salaries in the Revenue Department... the return to the State in terms of additional revenue collected is bound to be many times the additional cost." This is one of the important recommendations of the Kaldor Report which has so far been conveniently and unfortunately not implemented by the Government of India.

In the budget speech, the Finance Minister claimed that "the Taxation Enquiry Commission also had accepted the gift tax as theoretically an attractive proposition." But the Commission had in fact opposed the introduction of the gift tax on administrative grounds, which would appear to be valid even today. The wealth tax has been introduced only a few months ago. The tax officials have hardly any experience in handling the statements of assets and liabilities submitted by assessees for the wealth tax. The experience of administering the estate duty is also not sufficient for the officials to ensure a proper handling of the gift tax by them. The present administrative machinery appears to be inadequate for handling the gift tax and imposing it properly and efficiently.

As against an expected yield of Rs. 3 crores annually from the gift tax, the budget provides for an additional expenditure of only Rs. 8 lakhs for expansion of the staff at various levels in the administrative machinery, in order to handle the additional burden of work. But this provision for the expansion of the administrative machinery appears to be extremely inadequate. It will imply a further overloading of the present tax officials with the administrative burdens of the gift tax—with a probable decrease in their efficiency.

The provisions of the Gift Tax Bill as of the other tax statutes introduced recently, are excessively wide, harsh and inequitable. It is possible that the Government has deliberately taken vast powers with the intention of administering the laws leniently thereafter. This approach to taxation is not commendable. Bad laws which are leniently administered give rise to many injustices and hardships being imposed on some taxpayers whilst giving scope for favoured or preferential treatment being given to other taxpayers. It is far more desirable to enact good laws of taxation which are reasonable and properly drafted and then to administer such laws efficiently and fairly, so that all taxpayers are treated equally.

THE INDIAN MINING ASSOCIATION

(*Concluded from page 593*)

as it is abundantly obvious that it is preferable for spares to be canalised through one source, or a restricted number, rather than for each actual user to have to import his own requirements. Our grateful thanks are also due to the Deputy Coal Controller (Production) who is the sponsoring authority for licences required by the coal industry. Unfortunately, however, a sponsored application does not always mean that a licence will be issued in due course. In the case of certain items, there appears to be no provision in the present import policy. Also, our requirements so often are far in excess of foreign exchange allocations. Collieries have continued to experience serious shortages of iron and steel materials, particularly rails which are of such vital importance to the coal industry, but at least we have the consolation of knowing that while there is an acute shortage of both indigenously manufactured iron and steel materials and foreign exchange to import them, at least we have had an opportunity of bringing our shortages to the notice of the authorities on one occasion each month."

Notices

THE STANDARD-VACUUM REFINING COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN THAT THE Register of the Company's 5¼ per cent. Debentures 1964-68 will be closed for transfers from 16th April 1958 to 30th April 1958 both days inclusive.

P. A. ENGINEER,
Secretary and Treasurer,
State Bank of India
Agents for the Standard-Vacuum Refining Co. of India Ltd., for the management of the Debentures.

STATE BANK OF INDIA,
MUNICIPAL LOANS SECTION,
APOLLO STREET, FORT,
BOMBAY, *29th March* 1958.

THE DUNLOP RUBBER COMPANY (INDIA) LIMITED

NOTICE IS HEREBY GIVEN THAT THE 32nd Annual General Meeting of the Company will be held at the Registered Office at "Dunlop House," 57B, Free School Street, Calcutta, on Friday the 18th day of April, 1958, at 11 a.m., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1957, the Balance Sheet as at that date and the Reports of the Directors and Auditors of the Company.
2. To declare Dividends.
3. To appoint Directors in place of those who retire by rotation.
4. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution, namely:

"That Mr. Eric Henry Morris be and is hereby appointed a Director and Deputy Managing Director of the Company with effect from 18th April, 1958, upon the terms and conditions presently governing his employment and that he will continue to be entitled to the remuneration presently paid or authorised to be paid to him."

By Order of the Board,
P. B. SEN GUPTA,
Secretary.

DUNLOP HOUSE,
57B, FREE SCHOOL STREET,
CALCUTTA, *24th March*, 1958.

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

In terms of Article 4 of the Company's Articles of Association no Preference Shareholder as such is entitled to attend the meeting. A Debenture Stockholder as such is also not entitled to attend the meeting.

The Transfer Books and Registers of Members in respect of the Ordinary and Second Preference Shares of the Company will be closed from 7th April, 1958 to 27th April, 1958, both days inclusive. As any dividends that may be declared will be paid only to shareholders registered in the Company's Registers of Members, those holding shares on blank transfers are advised to register the transfers prior to 7th April, 1958.

THE MILLOWNERS' ASSOCIATION BOMBAY

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of the MEMBERS of the MILLOWNERS' ASSOCIATION, BOMBAY, will be held in the rooms of the Association (Second Floor, Elphinstone Building, Veer Nariman Road, Fort) at 10-45 a.m. (S.T.) on Thursday, the 10th April 1958, to transact the following business:—

(1) To receive and adopt the Committee's Report and Statement of Accounts for the year 1957;

(2) To appoint Auditors of the Association's Accounts for the current year and to fix their remuneration;

AND any other business that may be brought forward.

By Order of the Committee,
B. G. KAKATKAR,
Secretary.

BOMBAY, *31st March* 1958.

MONEY STRINGENT

(From Our Own Correspondent)

BOMBAY, *26th March*

The short-term money market continued to rule stringent during the week under review also, thanks to the growing demand for funds, in the face of an attenuated supply. Banks were keen borrowers in the market and could not get their requirements in full, without seeking temporary accommodation from the Reserve Bank. The cut of one per cent. to 6 per cent. in the British Bank rate on Thursday last week did not have any effect on the market. Though this makes borrowing in the London market a little cheaper than before, it does not make any difference so far as India is concerned as interest rates in India are still well below those in London.

Inter-bank call money continued to be bid at 3 per cent. among the Exchange banks and big Indian banks and at 3¼ per cent. among the smaller banks. House money at call was offered 4½ to 4¾ per cent. and short-term deposits 4⅝ to 4¾ per cent. for one to six months.

A contraction of Rs. 6.43 crores in notes in circulation is disclosed by the Reserve Bank of India's statement for the week ended 21st March 1958. Notes held in the Banking Department are higher by Rs. 7.36 crores, so that the total notes issued shows an increase of Rs. 93 lakhs. This is covered by a similar rise in rupee coin. There has been a sharp fall of Rs. 74.34 crores in foreign securities and a corresponding increase in rupee securities. In the Banking Department balances held abroad have gone up by no less than Rs. 66.38 crores, but the total foreign assets are nevertheless lower by Rs. 7.96 crores. The Central Government's deposits show a decline of Rs. 61 lakhs, while deposits of other Governments have gone up by as much as Rs. 55.91 crores. Loans and advances to Governments show a fall of Rs. 20.64 crores, while other loans and advances are higher by Rs. 1.45 crores, mainly due to the rise of Rs. 1.77 crores in advances to Scheduled banks against usance bills. There has been an increase of Rs. 4.42 crores in investments.

The Scheduled banks' statement for the week ended 14th March 1958 discloses a rise of Rs. 9.84 crores in demand deposits of banks and a contraction of Rs. 3.10 crores in their time deposits. Inter-bank borrowings also have gone up by Rs. 1.44 crores, while borrowings from the Reserve Bank have declined by Rs. 63 lakhs and those from the State Bank of Rs. 20 lakhs. A rise of Rs. 4.89 crores is noted in advances, but bills purchased and discounted are lower by Rs. 1.22 crores. Investments have been enlarged by Rs. 6.79 crores and money at call and short notice by Rs. 2.55 crores. Cash balances are, however, lower by no less than Rs. 16.49 crores.

The Gilt-edged market continued to rule steady, with demand confined to short and short-medium dated issues. The official gearing up of the market was continued, with a further rise in Reserve Bank's selling rate of some of the securities. For the fourth week in succession 3½ per cent. 1964 has been pushed up, the latest increase being 5 nP to Rs. 98.00. After a break of two weeks, the selling rate of 4 per cent. 1972 has been stepped up by 5 nP to Rs. 100.10.

3 per cent. 1986 Conversion was dull at Rs. 71 ex-voucher. 3 per cent. 1970-75 was steady at Rs. 86.20, while 3 per cent. 1966-68 gained strength by a further 5 nP to Rs. 92.35. 3 per cent. 1964 and 1963-65 moved up by 5 nP each to Rs. 94.40. 2½ per cent. 1962 moved up by 5 nP to Rs. 94.90 and 2¾ per cent. 1960 by 10 nP to Rs. 97.60. 2½ per cent. 1961 rallied by 10 nP to Rs. 94.90. 3½ per cent. 1961 was stagnant at Rs. 99.65, while 3½ per cent. 1964 moved up to the Reserve Bank's rate of Rs. 98. 3½ per cent. 1965 was unchanged at Rs. 97.70 and 3½ per cent. 1967 at Rs. 97.65. 4 per cent. 1972 rose to Rs. 100.10 following the increase in Reserve Bank's selling price.

The rupee ruled easy in the earlier part of the week under review, in consonance with the slight weakness developed by sterling abroad, but soon regained the lost ground, following sterling's recovery. After an increase from Rs. 475.25 to Rs. 475.50 per $100, banks' selling rate for ready dollars was restored back to Rs. 475.25 per $100. Likewise, their buying rate rose from Rs. 472.00 to Rs. 472.25, but declined to Rs. 472.00 per $100. In New York, spot sterling was marked down from $2.81.9/10-2.81.11/16 to $2.81.5/16-2.81-11/16. Three months' forward, however, gained over the week from $2.78⅞-2.79 to $2.79⅛-2.79⅛, while transferable sterling dipped from 279.50-279.60 cents to 279.35-279.45 cents.

HIDES ARRIVALS SMALL

(From Our Own Correspondent)

MADRAS, *24th March*

Arrivals of E.I. tanned cow hides and calves were small and shippers were slowly buying them, as U.K. response for shipment business was poor. Prices paid for 8/8½ lbs. and 10-12 lbs. cow hides were lower, while lighter weights ruled steady. As U.K. importers are unable to obtain increased prices for dressed kip leather, it is not likely that active trading will be resumed unless prices decline by 2*d.* or 3*d.* per lb. There was patchy demand for cow calf and buff calf skins.

Prices of tanned goat skins (commons) were lower by two annas per lb. and those of sheep skins (commons) were unchanged, while better classes ruled weak.

In the (March) London tanned skins public sales, prices of goat skins declined by 3*d.* to 9*d.* per lb. occasionally 1*s.* Demand from home trade was steady for better qualities and selections, but adulterated parcels realised poor prices. One-third of the offerings remained unsold, due to price limits imposed by consignors or lack of interest.

CURBS ON BULL SQUEEZE IN SILVER

(From Our Own Correspondent)

BOMBAY, *26th March*

The two sections of the bullion market showed divergent trends during the week under review. Despite the imposition of heavier penalties by way of margins on smaller outstanding purchases and smaller backwardation charges, silver moved ahead further, though the day-to-day trend was somewhat erratic, while gold ruled quiet on larger arrivals without any corresponding expansion in offtake.

At its meeting held on the 20th inst., the Board of the Bullion Association amended two of its by-laws, 33A and 33D, with a view to curbing excessive "bull" activity, by imposing heavier burden of margins on outstanding purchases in excess of the prescribed limit, the limit itself having been considerably reduced, and on *budla* charges in excess of half the present exemption limit. Under the amended by-law 33A, a buyer who has outstanding purchases in excess of 40 bars (instead of 200 bars as hitherto) in each of the two settlements running at present will have to pay a margin of Rs. 500 per bar. Under the amended by-law 33D, a margin of Rs. 500 per bar will be imposed on the buyer if the *budla* charges in his favour exceeds Re. 1, instead of Rs. 2 hitherto. The margin will be increased to Rs. 2,500 per bar, if the *budla* charges in his favour widens to Rs. 2, instead of Rs. 3 till now.

The decisions of the Board did not have any bearish effect on the market. On the contrary, forward silver (April settlement) rebounded to cross Rs. 196 on Saturday, as the Board's decisions had to be approved by the Bombay Government before being enforced. The sanction was, however, received on Monday and this had a sobering effect on silver prices and it was announced that the changes in by-laws would come into effect only today. Despite the coming into force of the heavier penalties, silver staged a recovery and finished well above the previous week's closing levels.

Forward silver (April settlement) advanced from Rs. 194-7 to Rs. 196-2 before declining to Rs. 194-11 on Monday. Towards the close, however, it again moved up to Rs. 195-4. The May settlement rose from Rs. 194 to Rs. 195-6. After a temporary setback to Rs. 194-4 it closed today higher at Rs. 194-9. The *budla* charges (from April to May settlement) fluctuated between As. 6 and As. 13, but over the week they have widened from As. 7 to As. 11.

Ready silver gained strength from Rs. 194-3 to Rs. 195-14, before closing at Rs. 195-8. The floating stocks of silver are estimated at 500 bars. The daily average arrivals were 20 bars, while the offtake was 10 bars on an average.

Gold for forward delivery (April settlement) gained from Rs. 112-5 to Rs. 112-10, but soon lost ground to Rs. 111 today. The closing was a fraction better at Rs. 111-3. The May settlement closed at Rs. 111-8, after touching a high of Rs. 112-12 during the week.

Ready gold declined over the week from Rs. 112-3 to Rs. 110-15. The floating stocks of gold are reported to be 20,000 tolas. The daily average arrivals were 4,000 tolas, while the offtake was no more than 3,000 tolas on an average.

In New York, silver was unchanged at 88.5/8c., while in London, there was a slight recovery in prices. Spot silver, after a decline from 76.1/8*d.* to 76*d.* improved to 76¼*d.* and the forward metal closed at 76*d.* after shading off from 75.7/8*d.* to 75⅞*d.* Gold rallied from 249*s.* 2¼*d.* to 249*s.* 4¼*d.*, but shed a part of the earlier gain yesterday, when it closed at 249*s.* 3*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	26-3-58	Highest	Lowest	19-3-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	110 15	112 7	110 12	112 3
Forward*	111 3	112 10	111 0	112 6
Sovereign	71 8	72 4	71 8	72 4
SILVER				
Ready (.996 fine Mint) ..	195 8	195 14	193 12	194 3
Forward†	195 4	196 2	194 0	194 7
London Silver Ready ..	76¼*d.*	76¼*d.*	76*d.*	76¼*d.*
London Forward	76*d.*	76*d.*	75½*d.*	75⅝*d.*
London Gold	249*s.* 3*d.*	249*s.* 4¼*d.*	249*s.* 2*d.*	249*s.* 2¼*d.*
New York Silver	88¼c.	—	—	88¼c.

* 5th April settlement.
† 7th April settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

LINSEED RALLIES FURTHER

(Messrs. A. Bradley & Co.)

CALCUTTA, *24th March*

A very firm tendency prevails in the linseed market, with a further rise in prices in all sections. The main causes are shortage of supplies and firmness in mustards as well as groundnuts. Movement of new crop seeds has been very slow in centres and local offerings are very meagre, while ready supplies are negligible. An advance of about a rupee in the price of seeds has resulted in a disproportionate rise of only As. 8 in the price of oil thereby upsetting crushers' parities. Some interest has been shown in linseed oil by local shippers, but sellers are very reserved and only small business has resulted. Linseed oil overseas has improved slightly to £107, with Indian shippers coming nearer into line now.

The latest available quotations are: Ready-March Rs. 23-4 and April-May Rs. 23-2 per maund.

COTTON FUTURES EASY AT CLOSE

(From Our Own Correspondent)

BOMBAY, *26th March*

Although the cotton futures market ruled distinctly firm during the earlier part of the week under review towards the close values eased. The firmness was particularly evident in the Jarilla March contract prior to its expiry. The contract spurted to a high of Rs. 708 on Monday, the last day for squaring up transactions, and dipped to Rs. 688 the next day at which rate it went off the Board. The firmness of the Jarilla May contract was mainly influenced by the expectation of an export quota for ¾" cotton. The reduction in the excise duty on cloth, announced last week, the anticipation of encouraging news from the yarn and cloth market, the downward revision of the crop and the scarcity of quality cotton were other factors which imparted strength to the market. However, when the export quota announcement actually came late on Monday the trade found to its disappointment that it did not cover ¾" cotton but only those varieties of stapling 23/32" and below. This disappointment was reflected in heavy bull liquidation yesterday which resulted in a sharp break in values. The easy trend persisted today also.

On the opening day of the week, that is Thursday, there was practically no business in the Jarilla March contract. The market remained closed on Friday due to *Jamshedi Navroz*. The contract opened at Rs. 693.50 on Saturday and, on large scale short-covering, rallied to Rs. 708. The contract went off the Board on Tuesday at Rs. 688. Total tenders against the contract aggregated 4,200 bales comprising 2,150 bales of Vijay, 900 bales of M.P. Jarilla, 200 bales of Cambodia, 150 bales of Laxmi A, 150 bales of 320F, 250 bales of Gaorani, 200 bales of Buri American, 100 bales of Khandesh, 50 bales of M.B. Jarilla and 50 bales of Rajasthan American. It may be noted here that the contract started its career on 23rd June 1957 at Rs. 690 and after rising to Rs. 723.50, the highest level on record declined to Rs. 652, the lowest on 26th December 1957. It again recovered subsequently to Rs. 708 prior to expiry at Rs. 688.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 689.50, as against the previous day's close of Rs. 688.50, and improved, on speculative support, to Rs. 694 on Monday, before closing at Rs. 683.75 yesterday. Commencing today's session at Rs. 681, the contract gathered Rs. 2.25 before finishing lower at Rs. 679.75. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	26-3-58	*High*	*Low*	19-3-58
I.C.C. Moglai Jarilla (March 1958) ...	*688	708	693	691
I.C.C. Moglai Jarilla (May 1958) ...	679.75	694	682.75	688.50

* on 25-3-58.

The spot section ruled firm during the earlier part of the week, but towards the close, influenced by the easy trend of the forward section, values declined. Nevertheless, good quality cotton continued to meet with sustained demand. Due to the deterioration in the quality of Vijay and Surti styles, Jaydhar and Laxmi varieties were the centre of attraction. Spinner interest was also noted for Khandesh, Jarilla and Co. 2. Kala and Wagad also attracted the attention of mills.

The most important development of the week as far as the export section was concerned was the announcement by the Government of India on Monday of an export quota for 50,000 bales of cotton (other than Bengal *Deshi*) not above 23/32" in staple of any crop. Although the trade welcomed the quota, its enthusiasm was dampened by the exclusion of ¾" cotton from exportable varieties. Export inquiry was noted mainly for Bengal fine and below fine qualities. Prices of Kala and Wagad, after improving early in the week on expectation of a quota declined, following the quota announcement which did not include ¾" cotton. Although export demand is dull at present, the trade is confident of disposing of the low grade cotton, permitted for export in the next few months.

In the foreign section inquiries was noted for East African, Jinja and some business was reported to have been put through by a leading Ahmedabad mill group. Following the downward revision the Sudan Gezira Board's reserve prices and the cut in export duty Sudan cotton has become an attractive buying proposition. An import quota for this cotton and Egyptian styles is awaited at any moment.

Meanwhile, it has been officially announced that an agreement, which provides for import of Egyptian cotton by India in exchange for import of tea and jute goods by Egypt against payment in Egyptian pounds, has been signed by the two countries on the 25th inst. The announcement states that export and import of goods other than tea, jute goods and cotton would continue to be paid for in Indian rupees, and that the State Bank of India will open with the National Bank of Egypt an export account in Egyptian pounds to provide banking facilities to Indian exporters of tea and jute goods and importers of Egyptian cotton.

The Joint Chief Controller of Imports has notified that, as result of non-utilisation by importers of full amounts allocated to them by sub-authorisation issued so far for the import of American cotton under P.L. 665, some balances are available for re-distribution. The notification says that it proposed to cancel such balances from the respective sub-authorisation and reallocate them to certain specified categories of importers. Application for this purpose should reach the Joint Chief Controller of Imports on or before 7th April.

The latest available spot quotations—in rupees per candy of 784 lbs.—are given below:

Bengal *Deshi* 580; Berar Jarilla 765; Khandesh 800; Oomra *Deshi* 665; Vijay 920; Hubli Laxmi 1,030; Jaydhar 890. *Delivery Contracts*: Vijay 925; Bengal 575.

In the absence of any new development, Karachi cotton futures market ruled subdued. Values were generally easy. The March contract, however, spurted towards the maturity date and went off the Board on the 25th inst. at Rs. 73. The May position declined from Rs. 72-1-6 last week-end to Rs. 71-3. The spot section was also listless. Sind Deshi made a small gain of As. 4 to Rs. 64-8 while Punjab *Deshi* shed one rupee to Rs. 62-8.

Alexandria cotton futures market depicted an irregular trend during the week under review. While the long-staple Karnak contracts ruled easy the medium-staple Ashmouni contracts registered an improvement. The weakness of the former was due to selling based on the anticipation of keen competition from comparable Sudan cotton, following the cut in export duty and reduction in reserve prices of the Gezira Board. The following are the latest available quotations—in tallaris per lb.—from Alexandria:

Karnak: March 76.95; May 78.00; July 78.85. *Ashmouni*: April 66.80; June 67.40.

A firm trend was witnessed on the Liverpool cotton exchange during the week under review. The firmness was mainly due to sustained American buying in both the contracts, which, consequently, registered handsome gains. The firmness of the New York market was the main influencing factor. Trading in Sudan contracts was, however, inactive and values remained nominally unchanged. The reduction in Sudan Gezira Board's reserve prices and the cut in export duty did not stimulate fresh business. The following are the latest available quotation—in pence per lb.—from Liverpool:

American cotton one inch staple contract: March-April 25.30; May-June 25.23; July-August 25.63; October-November 26.25. *American cotton mixed growth contract*: March-April 25.59; May-June 26.26; July-August 26.53; October-November 27.05. *Sudan*: May-June 32; July-August 32.20; September-October 32.85.

New York cotton futures market ruled bullish during the week. The expectation of no increase in acreage, the approval by the Senate of larger funds for the Soil Bank programme and anticipation of higher loan rate for the current crop were the factors responsible for the strength of the market. The improvement would have been more marked but for the uncertainty in the minds of traders whether the proposed export subsidy scheme, in place of the two-price system of exports on competitive bid basis, would materialise.

It is reported that the U.S. Agriculture Department is considering establishing a system of direct export subsidy for cotton. The scheme, if materialised, would replace the Department's present policy of selling the cotton for export by competitive bidding. No change-over is, however, contemplated for the current season, but the Department is looking to Congress for a directive on how it should conduct the cotton sales in the next season beginning on 1st August 1958. The Department is also considering for cotton "a payment in kind" scheme, such as is now used to stimulate export sales of U.S. wheat.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	25-3-58	18-3-58	11-3-58
Spot	36.20	36.00	36.10
March	36.17	35.72	35.65
May	36.41	35.95	35.82
July	36.84	36.31	36.12

YARNS FIRM

(From Our Own Correspondent)

BOMBAY, 26*th March*

The easy trend noted in the yarn market towards the close of last week proved short-lived and the market picked up strength once again during the week under review. Cotton yarns, of course, continued to rule dull. The firmness of rayon yarn was aided by growing scarcity of imported yarn and expectations that the import policy for the ensuing half-year (to be announced by the end of this month) might not contain any measure of relaxation in import restrictions. In sympathy with rayon yarn and following better enquiries from important consuming centres, staple fibre yarn met with good buying support. There were reports of seasonal improvement in demand for staple fibre cloth. Taking advantage of this, several spinning units, including some in South India, were said to have put up prices of yarn. Cotton yarns were neglected, despite firmness of raw cotton prices, induced by further export quota for raw cotton and reduction in excise duty on cloth. For demand from consuming centres was none too encouraging, nor were export prospects bright. Even reports of an upward revision in prices of ten, twelve, and fourteen counts yarns to the extent of 2 nP to 37 nP per bundle effected by a few up-country mills, particularly in Delhi and the Punjab, failed to have any effect.

In the rayon yarn section, spot 120 Japan rallied 16 nP to Rs. 5.91. 150 Japan advanced by 12 nP to Rs. 5.62. 120 Italy increased by 7 nP to Rs. 5.69. 150 Italy spurted by 25 nP to Rs. 5.62. Indigenous yarns also rose in sympathy. National Rayons 150 bright cones first grade were marked up by 53 nP to Rs. 5.75. 120 bright cones first grade rose by 25 nP to Rs. 5.37. Snia rayon yarns (120 dull cones) April delivery was fully firm at Rs. 925.

Staple fibre yarns (40x2) June delivery elicited good support and advanced by Rs. 4 to Rs. 618. April delivery gathered Rs. 2 to Rs. 606. Spot (40×2) Citys gained 4 nP to Rs. 3.26 and Kohinoors 6 nP to Rs. 3.31. Centurys were fully steady at Rs. 3.31. New Greats, however, lost 2 nP to Rs. 3.12. Foreign sections, however, lacked support; Paramounts receding by 6 nP to Rs. 6.81 and Fujis by 3 nP to Rs. 6.66.

Among cotton yarns, ten counts Moderns were dull at Rs. 14.50 and Podars at Rs. 13.75. Twenty counts Indus were neglected at Rs 16.75, as also Moderns at Rs. 17.37. Among thirty counts, Indus were stagnant at Rs. 20. Forty counts Minaxis dropped 38 nP to Rs. 23.62. Moderns were unchanged at Rs. 24.50. Sixty counts were quiet. Moderns being quoted at Rs. 59, Raghuvamshis at Rs. 52 and Finlays at Rs. 59. Eighty counts Mahendras changed hands at Rs. 69.50, same as last week. Finlays were on offer at Rs. 75. Moderns, however, put on 50 nP to Rs. 70.50.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	26-3-1958	19-3-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Suja April	925·00	925·00
120 Japan (per lb.)	5·91	5·75
150 Japan (per lb.)	5·62	5·50
120 Italy (per lb.)	5·69	5·62
150 Italy (per lb.)	5·62	5·37
Staple fibre yarn (per case of 200 lbs.)—		
40×2 April	606·00	604·00
40×2 June	618·00	614·00
40×2 New Great (per lb.)	3·12	3·14
40×2 City (per lb.)	3·26	3·22
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13·75	13·75
20s Modern	17·37	17·37
30s Indu	20·00	20·00
40s Minaxi	23·62	24·00
60s Raghuvamshi	52·00	52·00
80s Modern	70·50	70·00

PLEA FOR GROUNDNUT OIL EXPORT QUOTA

(From Our Own Correspondent)

BOMBAY, 26*th March*

The firmness of oilseeds and oils noted in the past two weeks continued unabated during the week under review. In fact, there was a fresh bout of buying induced by renewed hopes of reduction in export duty (of Rs. 175 per ton) on castor oil and expectations of groundnut oil export quota, following the recommendations of the Central Oilseeds Committee. The castorseeds section ruled particularly active, with enlarged purchases at higher prices. Today, there were rumours that the Government might soon announce complete abolition of the export duty on castor oil. Support was also lent by reports that enquiries for Indian castor oil from the U.S. would broaden as a result of the measures taken by the Government there to revive business and industrial activities. Groundnuts met with good demand in the wake of poor fresh offerings. Traders welcomed the Government of India's decision to allow established exporters to export groundnut oilcake (expeller variety) up to 20 per cent. of their basic year exports during any of the three calendar years from 1955 to 1957, subject to a maximum of 400 tons per shipper from all the ports. Linseed reacted favourably to reports that a leading export house had chartered a ship for exporting 2,000 tons of linseed oil to the U.K. next month. Slackness in arrivals in Hyderabad and low arrivals in the U.P. also imparted strength. In sympathy with the general trend, *kardi* seed and *niger* seed tended to move up. Cottonseed, however, ruled irregular. Thus, it was firm on Thursday and Saturday but reacted on Monday following decline in cotton prices. After recovering yesterday, it again eased today.

At its annual general meeting held at Hyderabad on the 20th inst., the Indian Central Oilseeds Committee requested the Government of India to allow export of groundnut oil and to reduce the export duty on castor oil, if it could not be abolished altogether. The Committee also put forward three other suggestions. These related to replacement of the existing sales tax or purchase tax on vegetable oils by an additional excise duty, as in the case of sugar, cloth and tobacco, to be collected at the source, exemption of vegetable oils and oilcakes exported from payment of sales tax, and levy of inter-State sales tax on oils and oilcakes at one point only.

Groundnut May contract opened the week firm at Rs. 160.50 and moved up to Rs. 162.37 on Saturday. There was some reaction on Monday following bearish advices from Saurashtra and the contract declined to Rs. 161.25. Subsequently, however, recovery set in, the price advancing to Rs. 162.62 today before finishing at Rs. 162. Over the week, bold ready hardened by 50 nP to Rs. 32.50. Coromandel and Khandesh quality both spurted by 75 nP to Rs. 33.25. Groundnut oil registered a gain of 25 nP to Rs. 18. Railway receipt gathered a like amount to Rs. 17.87.

Induced by strong buying support, castorseeds May contract firmed up from Rs. 147.25 last week-end to Rs. 150.25 today; at the close, however, it was lower at Rs. 149.37. Ready Madras rallied 50 nP to Rs. 30.12. Kanpur quality strengthened by 25 nP to Rs. 28.62. Castor oil B.S.S. put on 31 nP to Rs. 16.75 and Commercial 18 nP to Rs. 15.37.

Linseed May contract which stood at Rs. 30.75 last week-end evoked good support and improved to Rs. 31.37 on the 22nd inst. After easing to Rs. 31 the following day, it recovered to Rs. 31.50 today before finishing at Rs. 31.25. Bold ready picked up 75 nP to Rs. 31.25. April-May rose by a similar amount to Rs. 31.25. Linseed oil increased by 12 nP to Rs. 16.37.

Cottonseed May delivery began the week fully steady at Rs. 110 and moved up on good support to Rs. 111.25 on Saturday. It dropped to Rs. 108.25 on Monday following bearish advices from the cotton market. Recovery, however, set in yesterday when the price stood at Rs. 109.50. It rose further to Rs. 110.25 today before closing lower at Rs. 109.

Kardi seed bold ready had buyers and advanced by 38 nP to Rs. 19. *Niger* Madras improved by 37 nP to Rs. 23.25.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	26-3-1958	19-3-1958	12-3-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	162·00	160·75	160·62
Bold ready (per cwt.)	32·50	32·00	32·12
Khandesh quality	33·25	32·50	32·50
Linseed—			
May 1958	31·37	30·75	29·44
Bold ready (per cwt.)	31·12	30·37	29·62
Cottonseed—			
May 1958	149·37	147·25	143·87
Madras (per cwt.)	30·12	29·62	29·62
Cottonseed—			
May 1958	109·00	110·00	106·00
*Groundnut oil**			
Ex-mill ready (per quarter) ..	18·00	17·75	17·75
Castor oil†			
Commercial (per quarter) ..	15·37	15·19	15·00
Linseed oil†			
Ready	16·37	16·25	15·87

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR DULL

(From Our Own Correspondents)

BOMBAY, 26*th March*

Dull conditions prevailed in the sugar market during the week under review. Demand from adjoining suburbs was slack, as there was continued trucking of large quantities of sugar there. The co-operative sugar mills in the Ahmednagar district were reported to be making distress sales at more frequent intervals. Meanwhile, the local sugar traders are awaiting the normal monthly release of sugar for sale in free market, expected to be announced early next week.

Arrivals of sugar into the market were very much lower than those in the previous week; they aggregated 10,900 bags, as against 23,100 bags.

Large grain sugar declined from Rs. 109-Rs. 112.50 to Rs. 109-Rs. 112 per bag. Small grain was unchanged at Rs. 105. Medium grain was done at Rs. 106-Rs. 108, as against Rs. 106-Rs. 107.50 last week-end.

* * * *

HAPUR, 24*th March*

Quietly steady conditions were witnessed in the sugar market during the week. There was a fall in demand from consuming centres. According to the latest Government estimates, the production of sugar in the current season would exceed the record of 2,029,000 tons attained in 1956-57. Cane supplies to factories were reported to be adequate. Ex-mill delivery prices were quoted slightly lower than previous week's levels.

Lack of buying interest from consuming areas accounted for a decline of 6 nP to 13 nP per maund in ex-mill delivery prices in the Muzaffarnagar market. Limited business was done for Punjab, Gujerat, Saurashtra and southern destinations. The latest ex-mill delivery prices are: Meerut (D-28) Rs. 35.69; Iqbalpur (C-29) Rs. 36.62; Rampur (A-29) Rs. 37.87; Mawana (B-29) Rs. 37.25; Amroha (D-29) Rs. 35.12; Bijnore (E-29) Rs. 34.87; Shamli (B-29) Rs. 37.37.

Sugar prices did not show any appreciable change in the Kanpur markets. Outside demand was on the wane, buyers from consuming centres were inclined to withhold their purchases, as an early announcement of a fresh quota was expected. Most of the U.P. factories were expected to cease crushing by the end of April.

After an early sharp gain to Rs. 15.75 per maund for best quality in mid-session, ready *gur* prices sought lower levels towards the week-end, following slack outside support and fall in prices in the future section. They were quoted today at Rs. 15.25 to Rs. 14.50 per maund for *pansera* quality. Arrivals averaged 1,000 maunds and local stock was about 140,000 maunds. The crushing season for *gur* is almost coming to a close.

Ready *gur* prices continued to rule steady in the Muzaffarnagar markets. There was good demand for *shakker* from Rajasthan side, resulting in an advance of Re. 1.25 per maund in prices.

Khandsari was reported to be in good demand from all over the country. Prices ranged from Rs. 27 to Rs. 33 per maund, according to quality.

BLACK PEPPER FORGES AHEAD

(Messrs. Parekh and Co.)

BOMBAY, 26*th March*

Malabar black pepper continued to forge ahead during the week, in sympathy with Singapore where black pepper shot up from Str.$63 to Str.$82, owing to covering by dealers who sold short for March shipment to the U.S.A. and white from Str.$110 to Str.$142 under pressure of aggressive European buying and following sizable purchases by the U.S.A. at rising prices. New York dealers paid for Malabar black as high as $0.27½ for nearby shipment, as spot there rose to $0.29.

A veritable boom after a long spell of dullness was noticed in Bombay, as well as in other primary markets like Cochin, Alleppey and Calicut. The forward trading ring at Cochin became a hub of activity and hundreds of tons changed hands alerratic. Prices fluctuated rapidly with alternate bouts of selling and buying. Ready moved from Rs. 103.75 to Rs. 115, while May from Rs. 107.50 to Rs. 124 and July from Rs. 108.75 to Rs. 125. Speculators were very active. The rise and fall of

Rs. 5 to Rs. 7 was the order of the day. Short positions created during a dull period in New York, London, Hamburg and Amsterdam were reported to be responsible for such a rapid rise.

Alleppey rose from Rs. 580 to Rs. 662½, while Calicut from Rs. 600 to Rs. 710. At the time of writing, the market is quiet and prices for ready garbled has reacted to Rs. 107½, May to Rs. 113.75 and July to Rs. 115. Ungarbled at Cochin went down to Rs. 637½ and Calicut to Rs. 680. Most of the short covering having been finished, the market now seems to be taking a pause and is awaiting new incentive.

Spice mills in Europe and grinders in the U.S.A. are reported to have refused to follow the rise, while speculators and dealers are buying heavily paying fancy prices for both nearby and forward. They are exploiting the present situation in Indonesia to their own advantage.

The future of the market appears uncertain, as, with the advance in prices, demand from consumers is shrinking. Proximity of Sarawak new crop is acting as a restraining factor. News of political situation in Indonesia are conflicting, but, so far, the white and black pepper growing areas in the islands are immuned from the present internal strife. Trade generally expects normal crop of Muntok and Lampong, though it is too early to forecast anything definitely. Nobody, however, knows what will happen next when conditions in Indonesia are so fluid.

In A.S.T.A. section, business for April was done up to $0.27½ and May-June at $0.27¾. At the time of writing, there are sellers for May-June at $0.27 but without buyers.

In delivery section, the highest price touched during the week for April and May was Rs. 645 and Rs. 650, respectively. There was lot of short buying by bears locally in both A.S.T.A. and delivery sections. The market at the moment is a bit quiet and is waiting for a new development.

Today's nominal quotations are: Ready delivery Rs. 92 per Bengal maund. April Rs. 615-Rs. 625 and May Rs. 625-Rs. 635 per candy of 5¼ cwts.

TEA PRICES IMPROVE

[Messrs. Forbes, Ewart & Figgis (Private) Ltd.]

COCHIN, 18*th March*

The offerings in Sale No. 7, which was held on Tuesday, 18th March aggregated 1,345,548 lbs. Quality continued to show an improvement, and there was a very useful all-round selection on offer. The sale opened to a strong general demand for all descriptions, except low medium fannings which was the weakest feature of the sale. Commons and low mediums declined 5 to 10 nP. Mediums were 10 to 15 nP dearer, but good mediums were 5 nP up on last week's quotation. The improved quality teas from the Nilgiris district advanced irregularly 20 to 25 nP. Whole leaf teas met less competition, and were generally easier. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.50 to 1.55
Low medium	1.60 to 1.95
Medium	2.00 to 2.30
Good medium	2.40 to 2.85
Quality	3.00 to 5.50

The average price realised in Sale No. 7 was Rs. 2.56 per lb., as against Rs. 2.54 in the previous sale and Re. 1.92 in the corresponding sale of 1957.

London Market—Sale of 17th March 1958.—Better Assams dearer. Plainest steady.

Sale of 18th March 1958.—Fully firm.

Colombo Market—Sale of 17th March 1958.—Quality maintained. Good quality and coloury mediums firm to dearer. Plainer sorts occasionally easier. Low grown declined 5c. Price tea firm.

Sale of 18th March 1958.—Strong demand. Dearer, particularly for useful quality fannings and dusts.

Calcutta Market—Export.—Fair general demand. Commons and medium 4 to 6 nP lower. Whole leaf and good liquoring sorts dearer. C.T.Cs declined 10 to 20 nP.

Internal.—20,200 packages dust. Met strong general demand. Improved as sale progressed. Prices generally dearer, except poor liquoring C.T.C. and dull plain types. Darjeelings irregular. 5,500 packages internal. Met good general demand at irregular and easier rates.

Export Quota.—There has been an easier tendency and business has been going through at 4 nP.

Forthcoming Auctions.—Sale No. 8 will be held on Tuesday, 1st April 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd., wire:

"*Dust Sale G.*—525,000 lbs. Strong general demand. Prices have advanced irregularly 5 to 10 nP for everything."

FAIR DEMAND FOR EXPORT TEAS

(From Our Own Correspondent)

CALCUTTA, 25*th March*

There was a measure of disappointment in the market, when, contrary to earlier expectations, the tax concessions announced on Tuesday last did not include a reduction of export duty on inferior teas. It was, however, realised that, since Government's intention was to accord relief to only gardens producing common teas, it would take some time for the Government to find out an effective method, by which teas of inferior quality could be separated and the relief granted. This market view was subsequently duly confirmed by Mr. Morarji Desai in Parliament on Thursday last. The market also welcomed Mr. Desai's categorical rejection of the demand that the State Trading Corporation should take over the tea trade. The Minister's fear that, if the Corporation took over tea trade it would have to be wound up and that the Government would be in danger, was taken here as denoting official admission that the tea trade is a highly specialised business which should be left in experienced hands.

The keen demand in export auctions continues, and it is now more than likely that there would be nothing left of the 1957 crop when the auctions for the current season come to a close by the end of April. Offerings during yesterday's export sales aggregated 58,418 packages, which met with fair demand at irregular prices. Teas for price rose above valuations, stylish B.P.Ss were keenly sought, and keen competition was offered to bright liquoring mediums, B.O.Ps and O.Fs. Plain B.Ps were firm, as also mediums and fanning grades advanced. A steady trend was in evidence in best C.T.C. teas and brighter medium teas. However, the cheaper teas declined by 10 nP. The price for the plainer liquoring legg-cut Dooars gave way by 2 to 6 nP, although the brighter liquoring teas were sold above valuations. Among whole-leaf grades, the brighter and stylish lots were fully steady and rose. Flavoury Darjeelings met with good demand as did tippy teas. The quotations were: Best Assam fannings Rs. 2.70 to Rs. 2.90, best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80, clean black pekoe Rs. 2.25 to Rs. 2.30, medium fannings Re. 1.74 to Re. 1.78, plain B.P. Re. 1.38 to Re. 1.42, medium B.P. Re. 1.52 to Re. 1.56, and plain fannings Re. 1.58 to Re. 1.62.

Export quota was done at Rs. 2.75. Sellers soon raised the rate to Rs. 3.50, but buyers offered only Rs. 2.50.

Dusts amounting to 20,229 chests met with a strong general demand at the internal auctions held last week. Middle East types were a particularly strong feature. Prices of all orthodox teas showing a clean black leafy appearance rose by 2 nP to 4 nP. A firm trend was in evidence in the best C.T.Cs and the better liquoring medium C.T.C. Assams having bright liquors, but the plainer and fibrous teas tended easy. The poorer liquoring teas were also easy. Darjeelings were irregular. The quotations were: Best Assam C.T.C. Rs. 2.85 to Rs. 3.15, medium Assam C.T.C. Re. 1.85 to Re. 2.05, medium Dooars Re. 1.54 to Re. 1.56, and medium Assam grainy dust Re. 1.56 to Re. 1.58.

The market for leaf grades amounting to 5,478 chests was irregular.

JUTE GOODS DECLINE

(From Our Own Correspondent)

CALCUTTA, 25*th March*

Earlier in the week under review, there was keen speculative activity in sacking goods, and for the first time since the introduction of minimum prices, B. twills not only touched the minimum rate of Rs. 100 on Tuesday last but reached a high of Rs. 100.85. However, the higher level could not be maintained, in view of the substantial offerings by mills. Also, manipulations in the *fatka* caused a depression in prices. The closing level for the week was, therefore, much lower on balance, and below the minimum rate. The movements in hessian prices were, however, very narrow, the price for hessian 40" 10 ozs. being below the minimum level throughout the week, and receding fractionally in sympathy with sacking goods as the week progressed and closed. Although a fair quantity in both the chief constructions changed hands, business with genuine buyers was considerably below levels as not to sustain the earlier uptrend. This coupled with mills' eagerness to take advantage of the rising prices cooled down sentiment of buyers. As already announced the futures market would officially commence on 29th March, and this was the main cause for the earlier uptrend.

The inauguration of futures trading, it was hoped, would put an end to the various malpractices and speculative manipulations which have come to stay in the last few years in the absence of a well-regulated futures trading. These have caused several headaches to the industry and trade, inasmuch as in an uptrend, following genuine buying, prices are taken to very high levels, which topple within a short time. In the result, prices are pushed down to such low levels as to make operation by mills in the market far from economic. A cause of great concern now, however, is the simultaneous prohibition of forward trading in jute goods and raw jute in other parts of the country according to the provisions of the Forward Contracts (Regulation) Act. If this were so, mills would no longer be able to put through specific delivery contracts between them and their recognised brokers. It is hoped here that these contracts, which are put through under the auspices of the I.J.M.A., would not be affected by the coming into being of the official futures market from Saturday next. Representations to Government in this regard have already been made, and it is hoped here that an official announcement would be made in line with the trade's expectations and freeing specific delivery contracts from prohibition.

On Tuesday last, ready B. twills rose to quote as high as Rs. 100.85, as against the minimum rate of Rs. 100. There was not only good bear-covering but genuine buyers also accorded their support. Ready hessian 40" 10 oz. was also fully firm at Rs. 39.35, although this was lower by 15 nP than the minimum rate specified by the I.J.M.A. Mills were keen sellers at the higher levels, and speculators also took fair quantities. However, follow-up business from genuine buyers was lacking, and this caused nervousness to speculators. In the selling that followed on Wednesday, B. twills receded to Rs. 100.40 and hessian 40" 10 oz. to Rs. 39.35. On the next day, the weak trend continued and took down prices to Rs. 99.40 and Rs. 39.05, respectively. On Friday, B. twills lost further to Rs. 99.20, while hessian received fair support to push up the rate of the 40" 10 oz. to Rs. 39.25. However, over the week-end, prices for both the constructions declined to Rs. 98.60 and Rs. 39, respectively, following bear selling. A similar trend was also in evidence yesterday when B. twills reached as low as Rs. 98.25, while the 40" 10 oz. hessian was slightly better at Rs. 39.05.

Earlier in the week raw jute prices rose. But mills were disinclined to support the rise, and as a result prices soon fell. Latest quotations for March-April delivery for the different varieties are:

	Middles Rs.	*Bottoms* Rs.
Pakistan:		
District	31.00	28.00
Northern	30.50	27.50
Indian:		
Northern	27.00	24.50
Assam	27.00	24.50
Orissa	29.00	26.50
Desal	25.75	23.25
Murshidabad	25.00	22.50
Jungli	—	20.50
Daissee	30.50	28.00
Daissee mesta	25.25	22.75
Bimli f.a.q.	Rs. 20.00	
Pucca bales 1st marks	Rs. 157.50 ready.	

METALS STEADY

(From Our Own Correspondent)

CALCUTTA, 25*th March*

Prices of base metals were steady during the week under review. Trade and consumer demand was fair, but consumers preferred to go in for small quantities only in anticipation of a fall in prices. It was noted that Mr. Nehru stated recently that the foreign position having improved, the import policy might be revised. The announcement that the State Trading Corporation would import copper is viewed with concern by market circles, who feel that there is no justification for permitting the S.T.C. to enter the copper trade. There are established importers of copper, who by virtue of their experience are in a position to import copper at competitive prices. It is, however, hoped that larger quotas of base metals would be accorded for import by private traders. Electrolytic copper was quoted at Rs. 175 during the week. Whereas on the London Metal Exchange the forward quotation was higher than the ready, here it was just the reverse, the April shipment being priced at Rs. 152. This feature was due to expectations of a liberal import policy, effective from 1st April. There was only little demand for tin, and the ready metal, at Rs. 515, was lower than in Bombay. Electrolytic zinc was quoted at Rs. 53.75 and lead at Rs. 57.50, with small quantities changing hands in both the metals.

HIDES MOVE UP

(From Our Own Correspondent)

KANPUR, 24*th March*

There was keen demand for upper grade cow and buff during the week under review. In both cases, prices moved upwards. The main purchasers were the local tanners. The country tanners, too, were in the market. The Madras dealers were interested in lighter cow and buff goat. The supply position was easy.

The latest available quotations are: Wet salted cow 1st grade Rs. 385, 2nd grade Rs. 350 and 3rd grade Rs. 300 per score; wet salted buff 1st grade 1 lb. 5 ozs. and 2nd grade 1 lb. 8 ozs. per rupee; goat 1st grade Rs. 350 and 2nd grade Rs. 325 per 100 pieces; sheep 1st grade Rs. 325 and 2nd grade Rs. 300 per 100 pieces.

MIXED TREND IN FOODGRAINS

(From Our Own Correspondent)

HAPUR, 24*th March*

Wheat and coarse grains ruled quiet during the week, while pulses (including gram), peas and others recorded a hardening trend. The Union Food and Agriculture Ministry has claimed that, following various corrective measures taken by the Government, foodgrain prices have recorded a fall since July 1957. Import of foodgrains during 1957 amounted to 3.58 million tons, consisting of 2.84 million tons of wheat and 740,000 tons of rice. Of this, the quantity of wheat received from the U.S.A. was 2.67 million tons and that of rice received from Burma was 476,000 tons.

Wheat at Hapur registered a slight fall to be quoted at Rs. 15.37 per maund for average quality and at Rs. 17 for farm produce. Local stocks with trade are now left at two *khatties* only. The only depressing factor is that large stocks of imported wheat on Government account is being stored here for emergency. Harvesting of wheat here will begin after a week or so.

Rice recorded a steady trend. Prices were: *Basmati* Rs. 28.50 to Rs. 31.75; *mainpuri* Rs. 25; coarse Rs. 21 per maund. The State Government has enforced the U.P. Foodgrain Dealers Licensing Order by virtue of which all dealers having stocks of 100 maunds or more of wheat, barley, *bajra*, *jowar*, rice, paddy, maize or products thereof and all owners having rice mills are required to obtain licences.

Influenced by slightly adverse crop reports from Punjab, gram here recorded an advance of about 25 nP per maund during the week. Maize and *bajra* improved slightly, despite fall in seasonal consumer demand, while good gains were recorded in the prices of *jowar* and *guwar*, due to good demand. The prevailing rates on Monday (in rupees per maund) were: Gram 11 to 11.25; barley 9; *bejhar* 8.75; maize 11.25; *bajra* 11.62; *jowar* 10 to 10.75; *guwar* 14.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	1st May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1955	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	4th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	5
Peru	15th Nov., 1947	5	6
Philippines	1st July, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	14th March, 1958	2½	2½‡
West Germany	17th Jan., 1958	4	3½

‡ Three Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 21st March, 1958		Week ended 14th March, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,83,230	69,33,55,000	3,45,775	75,20,16,000
Calcutta	1,88,000	88,45,00,000	1,82,000	75,32,32,000
Madras	79,325	30,95,64,845	94,211	10,58,62,902
All Centres—				
1955-56*	..	..	5,100,000	6,680,200,000
1956-57*	..	..	5,334,000	7,269,900,000
Oct., 1957	..	..	5,295,000	5,89,35,00,000
Nov., ,,	..	..	5,755,000	5,18,13,00,000
Dec., ,,	..	..	5,514,000	7,74,84,00,000

* Average of months.

Reserve Bank of India

Statement of Affairs for the week ended 21st Mar., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.	Rs.
Capital paid-up		5,00,00,000
Reserve Fund		80,00,00,000
National Agricultural Credit (Long-term Operations) Fund		20,00,00,000
National Agricultural Credit (Stabilisation) Fund		2,00,00,000
Deposits:—		
(a) Government—		
(1) Central Government		49,70,80,000
(2) Other Governments		77,58,43,000
(b) Banks		67,88,85,000
(c) Others		118,86,99,000
Bills Payable		22,76,82,000
Other Liabilities		39,28,22,000
	Rupees	483,10,11,000

ASSETS	Rs.	Rs.
Notes		16,97,93,000
Rupee Coin		10,55,000
Subsidiary Coin		2,81,000
Bills Purchased and Discounted—		
(a) Internal		....
(b) External		10,24,67,000
(c) Government Treasury Bills		103,00,12,000
Balances held abroad*		23,20,41,000
Loans and Advances to Governments†		74,55,84,000
Other Loans and Advances		244,24,55,000
Investments		13,70,13,000
Other Assets		33,10,11,000
	Rupees	483,10,11,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 23,52,66,000/- advanced to Scheduled banks against ssance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	16,97,93,000	
Notes in circulation	1571,82,69,000	
Total Notes issued		1588,79,72,000
Total Liabilities		1588,79,72,000

ASSETS	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	171,19,43,000	
Total of A		288,95,46,000
B. Rupee Coin		128,73,85,000
Government o India Rupee Securities		1171,10,41,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1588,79,72,000

Scheduled Banks*

Statement of Affairs for the week ended 14th Mar., 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	13,65,56,000
(ii) Other demand liabilities	725,99,30,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,45,50,000
(ii) Other time liabilities	707,52,83,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	9,68,27,000
(ii) Time liabilities	85,00,000
Borrowings in India from the Reserve Bank of India‡	86,91,93,000
Cash in India	(21,75,16,000)
Balances with the Reserve Bank in India	38,36,00,000
Balances with other banks in current account in India	63,16,41,000
Money at call and short notice in India	11,52,14,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	38,86,86,000
Advances in India	440,08,72,000
Inland Bills purchased and discounted in India	787,93,91,000
Foreign Bills purchased and discounted in India	112,10,41,000
	40,66,66,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against ssance bills and/or promissory notes.

EXCHANGE RATES

	26th March, 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5	1-5
Sellers T.T. D.D. upto six months	1-5	1-5
Buyers T.T. spot to nine months	1-6	1-6
Buyers T.T. 10 to 12 months	1-6	1-6
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.25	475.25
Buyers T.T. Rs.	472.60	472.60
London on New York $	2.81½-2.81¾	2.81½-2.81¼
London on Paris Frs.	1.1784	1.1784
London on Berne Sw. Frs.	12.266-12.295	12.266-12.295
New York on London $	2.81¼-2.81⅜	2.81½-2.81¼

NATIONAL INCOME*

Country	Year	Population (in millions)	National Income (In millions)	In terms of rupees (Crores)	Per capita income (Rs.)
India†	'55-'56	385 09	..	10,420	272
Pakistan††	'56-'57	85.50	..	2,079	249
Burma	1955	19 48	Kyats 4,087	409	210
Ceylon	1955	8.35	Y. 7,427,000	9,283	857
Japan	1956	90 00	£ 7,804	1,873	1,021
Philippines	1955	21.85	£ (N.Z.) 884	1,178	5,428
New Zealand	1956	2 17	£ (A.) 4,238	4,023	4,918
Australia	1956	9 40	£ 16,465	21,953	4,287
U.K.	1956	51 20	£ 348,600	163,554	9,731
U.S.A.	1956	168 09	$ 22,710	10,787	6,742
Canada	1956	16 00	$ 17,640	17,640	4,044
France	1956	45 60	F.Frs. 18,990,000	10,889	3,279
W. Germany	1956	51 60	Dm. 147,000	14,700	4,556
Italy	1956	48.10	Lr. 11,476,000	3,760	1,821
Norway	1956	3 46	Kr. 20,990	1,408	4,358
Sweden	1956	7 30	Kr. 44,580	4,127	5,653
Netherlands	1956	10 80	Grs. 25,400	3,215	2,977
Denmark	1956	4 45	Kr. 24,950	1,690	3,789
Switzerland	1956	5 00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Estimates (at 1948-49 prices) are based on the fourth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 14th Mar., 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	69,01,21,000
(b) Provincial Governments	51,04,000
(c) Banks	16,25,77,000
(d) Others	4,05,55,000
Bills Payable	16,91,000
Other Liabilities	11,34,01,000
Rupees	108,24,49,000

ASSETS	Rs.
Notes	13,94,22,000
Rupee Coin	30,000
Subsidiary Coin	25,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	2,85,000
(c) Government Treasury Bills	1,94,00,000
Loans and Advances to Governments	11,54,61,000
Provincial Governments' Debtor Balances	14,76,10,000
Other Loans and Advances	54,49,68,000
Investments	11,52,48,000
Other Assets	108,24,49,000
Rupees	

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	13,94,22,000	
Notes in circulation	341,32,32,000	
Total Notes issued		355,26,54,000
Total Liabilities		355,26,54,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	79,25,90,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
	3,96,03,000	133,69,13,000
B. Rupee Coin		
Government of Pakistan Securities	211,71,32,000	
Internal bills of exchange and other commercial paper	....	
		215,67,35,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	20,51,000	
		5,90,06,000
Total Assets		355,26,54,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 39.21 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	14th Mar., 1958	A week ago	A month ago	A year ago
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1577.26	1579.67	1557.65	1,621.71
Notes held in Banking Department	35.05	9.61	8.98	11.33	11.11
Foreign Securities	59 50	545 54	545.54	545.54	412.92
Rupee Securities	37.39	1096.76	1096.76	1076.82	884.97
Banking Department					
Deposits of:					
Government of India	14.89	50.31	83.46	51.82	51.87
Other Governments	....	21.67	9.85	21.83	22.78
Balances held abroad	10.08	36.62	33.48	33.61	130.23*
SCHEDULED BANKS					
Demand Liabilities	134.80	739.65	727.97	717.25	706.67
		(13.60)†	(11.82)†	(12.78)†	(10.61)†
Time Liabilities	102.24	722.98	726.18	721.27	467.29
		(15.46)†	(15.35)†	(15.23)†	(2.09)†
Borrowings from Reserve Bank	..	36.29	36.92	31.51	81.60
		(21.75)‡	(22.52)‡	(26 12)‡	(60.18)‡
Borrowings from State Bank	..	10.53	10.72	9.32	9.35
Cash in India	6.70	38.36	40.38	38.93	35.63
Balances with Reserve Bank	25.17	63.16	77.63	66.66	51.56
Excess over statutory limits	15.52	11.72	26.70	16.38	6.88
Balances with other banks in current account in India	..	11.52	11.11	11.82	9.53
Money at call and short notice in India	..	38.87	36.32	37.37	16.56
Investments at book value)	..	440.09	433.29	432.81	348.93
Advances and bills	105.09	940.11	936.44	923.22	874.92
STATE BANK					
Deposits	87.76	416.14	412.62	400.67	277.58
Investments	51.99	190.69	187.78	183.47	106.60
Advances	13.85	288.32	287.51	309.71	179.14
Cash	14.69	24.71	33.78	26.76	12.30

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	October,		Seven months, April to Oct.,	
	1956	1957	1956	1957
Import Duties:				
Revenue	10.57	11.25	70.94	86.00
Protective	1.13	0.75	7.18	6.61
On surplus disposals	—	—	0.03	0.08
Total (import duties	11.70	12.04	78.15	92.69
Export Duties	2.80	2.23	15.26	12.94
Land Customs	0.27	0.41	1.40	1.83
*Air customs.**	—	0.11	—	1.52
Miscellaneous	0.12	0.13	0.63	0.82
Gross total customs	14.89	14.92	95.44	109.80
Refunds and drawbacks	0.15	0.32	1.35	2.35
Net Customs	14.74	14.60	94.09	107.45
Gross excise	16.15	21.26	102.08	144.82
Refunds	0.20	0.21	1.15	1.99
Net Excise	15.95	21.05	100.93	142.83
Net total of customs and excise†	30.69	35.65	195.02	250.28

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 21st Mar., 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL:—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		414,17,56,000
Bills Payable		5,87,30,000
Bills for Collection being Bills Receivable as per contra		94,87,000
Acceptances, Endorsements and Other Obligations per contra		35,66,000
Other Liabilities (including Inter-Office Adjustments)		1,98,32,000
Total	Rs.	435,58,71,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		20,49,82,000
Balances with other Banks		3,15,53,000
Money at Call and Short Notice		80,00,000
INVESTMENTS:	Rs.	
Government and other Trustee Securities	180,37,03,000	
Other Authorised Investments	10,33,09,000	
		190,70,12,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	190,07,32,000	
Bill Discounted and Purchased	21,71,26,000	
		211,78,58,000
Bills Receivable being Bills for Collection as per contra		94,87,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		35,66,000
Premises less Depreciation		1,19,78,000
Furniture and Fixtures less Depreciation		78,79,000
Other Assets (including Inter-Office Adjustments)		5,35,56,000
Total	Rs.	435,58,71,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 6-Year A	7-Year B	12-Year E	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F	4% C		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1951-52	6.07	2,91	66.80	..	..	107.56	74.20	..	—27.55	18.39	..	..	..	..	145.25	168.37
1952-53	6.88	3.26	84.17	..	..	113.35	32.03	..	—31.07	25.64	..	..	..	..	146.83	211.93
1953-54	5.91	4.26	104.38	..	..	117.37	106.29	..	—34.20	32.11	..	..	1.76	3	142.92	254.60
1954-55	4.70	5.39	124.64	..	..	134.98	230.88	7.38	—36.35	37.16	..	..	1.42	4	157.71	456.60
1955-56	3.76	5.48	144.37	..	..	158.11	167.85	16.38	—37.66	41.25	..	..	55	54	177.35	310.29
1956-57	3.00	6.01	163.68	..	..	176.97	196.50	25.38	—38.82	44.28	..	..	45	95	203.53	380.04
													63	1,32	225.88	440.17
1957																
January	3.12	5.79	159.95	..	..	13.46	188.09	24.10	—38.64	43.89	..	..	6	1.27	17.71	426.21
July	2.74	5.61	162.36	5.20	8.28	15.03	200.57	26.16	—39.11	44.42	62	1.24	4	1.39	20.72	452.77
August	2.68	5.49	160.38	5.03	13.31	12.64	201.68	25.61	—39.18	44.27	52	1.76	3	1.42	17.91	454.60
September	2.60	5.39	158.23	6.86	20.17	14.05	203.17	25.17	—39.26	44.14	63	2.39	4	1.46	21.54	462.72
October	2.54	5.26	155.82	6.17	26.33	12.51	202.83	24.81	—39.33	44.07	42	2.81	2	1.47	19.12	465.94
November	2.48	5.14	153.40	6.48	32.82	13.25	202.58	24.47	—39.38	43.96	49	3.29	2	1.49	20.24	469.63
December	2.43	5.06	151.07	6.41	39.23	13.00	202.55	24.14	—39.47	43.89	46	3.76	2	1.50	19.90	473.63
1958																
January	..	..	..	..	..	..	..	..	..	43.80	68	4.44	18	1.68	..	..

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemain column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 15th Mar., 1958	8th Mar., 1958	15th Feb., 1958	16th Mar., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.3	89.3	89.2	90.0
1. Government of India	89.0	89.0	88.9	89.7
2. State Governments	96.5	96.5	96.5	96.5
3. Municipal Port Trust, etc.	90.0	90.0	90.1	90.5
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	99.0
1. Electricity	98.5	98.5	98.5	98.8
2. Jute	95.1	94.4	94.4	97.9
3. Plantations	97.8	97.8	97.8	98.5
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.0	98.0	98.2	100.9
7. Shipping	99.1	99.1	98.6	101.8
Others	94.1	94.1	94.1	100.1
PREFERENCE SHARES	71.0	71.2	71.2	80.1
1. Electricity	84.3	84.6	84.6	88.1
2. Cotton	67.0	67.0	67.6	79.3
3. Jute	60.0	61.0	61.3	74.1
4. Coal	72.8	72.8	72.7	83.1
5. Iron and Steel	78.3	78.4	77.6	85.2
6. Sugar	69.5	69.5	71.0	89.7
7. Paper	74.2	74.2	74.2	79.6
8. Plantations	86.9	86.9	87.4	92.2
9. Miscellaneous	66.8	66.8	66.4	75.1
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	96.2	96.1	96.4	111.9
(a) Financial	98.1	97.9	98.3	93.0
1. Banks	101.5	100.5	99.6	95.4
2. Insurance	88.0	87.9	86.7	85.3
3. Investment Trust	64.7	64.0	64.7	79.5
(b) Public Utilities	103.9	104.1	104.0	110.2
1. Electricity	101.6	101.6	101.3	109.8
2. Shipping and other Transport	119.7	120.4	121.0	113.9
3. Railways	67.6	67.7	65.8	79.0
(c) Manufacturing industries	98.1	98.2	98.7	117.9
1. Cotton, Woollen and Silk	93.0	93.1	94.9	124.7
2. Jute	48.5	48.4	48.8	50.6
3. Iron and Steel	124.9	125.2	120.3	125.6
4. Paper	189.4	187.3	186.5	246.8
5. Cement	132.3	133.5	140.3	155.9
6. General Engineering	145.6	145.6	144.3	168.6
7. Sugar and Distilleries	97.2	98.2	97.1	180.4
8. Chemicals	129.2	127.9	127.1	133.0
(d) Non-Manufacturing Industries	108.0	107.9	108.7	139.5
1. Coal	66.4	66.0	65.7	72.6
2. Minning and Oil	148.4	148.9	148.8	187.4
3. Plantations	116.9	116.2	117.7	159.0
(e) Miscellaneous	68.9	68.0	69.9	89.1
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88.7	88.7	88.6	89.4
2. Calcutta	89.2	89.2	89.0	89.8
3. Madras	89.5	89.4	89.4	90.2
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.5	96.5	96.3	99.2
2. Calcutta	97.3	97.4	97.4	98.6
3. Madras	97.4	97.4	97.4	99.6
PREFERENCE SHARES:				
1. Bombay	79.5	79.6	79.1	84.8
2. Calcutta	63.0	63.3	63.6	73.8
3. Madras	84.0	83.9	83.7	94.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	111.8	112.0	111.0	122.6
2. Calcutta	82.7	82.5	83.2	97.8
3. Madras	109.1	109.4	109.8	126.6
4. Delhi	116.6	116.4	114.0	117.5

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,806.8	7,185.8
1956-57	769	9,877.8	8,108.1
October 1956	753	824.1	670.1
November ,,	755	810.5	668.1
December ,,	757	881.5	715.0
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	952.2	786.7
June ,,	799	898.4	726.1
July ,,	809	928.2	748.9
August ,,	811	928.0	781.0
September ,,	814	924.7	738.3
October ,,	822	917.5	731.3
November ,,	822	930.2	740.5

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	133.8	148.1	136.4	142.3
Coal	111.4	114.9	139.3	121.9	118.2
Sugar*	143.9	175.1	398.7	333.1	369.5
Tea*	104.2	106.0	96.4	11.4	96.1
Cotton textiles	111.9	117.5	115.4	107.4	115.1
Jute textiles	118.9	127.3	129.0	113.8	120.4
Paper and paperboards	140.2	146.6	177.1	163.2	148.0
Matches	120.6	120.6	99.0	88.7	101.7
Cement	140.4	154.2	194.1	188.0	167.3
Iron and steel	113.3	119.4	125.5	115.1	124.6
Non-ferrous metals	125.7	124.7	146.9	166.1	137.7
Rayon	250.2	355.8	516.8	479.4	341.5

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,872,630
1955	1,106	527,767	5,897,848
1956 R	1,208	715,130	9,602,040
November 1956	137	—	513,889
December ,,	147	—	422,406
January 1957	154	—	....
February ,,	134	—	395,419
March ,,	114	40,811	282,209
April ,,	166	69,358	458,470
May ,,	164	64,877	440,640
June ,,	147	90,673	715,992
July ,,	178	89,727	732,854
August ,,	188	85,255	668,341
September ,,	220	139,575	806,856
October ,,	219	101,359	517,397
November ,,	173	54,294(a)	331,921(a)

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	5th March, 1958	1st March, 1958	9th March, 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease(—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1957	Annual Average 1956
Food Articles	504	101.6	101.4 R	102.0	102.5 R	103.6	— 1.1	103.3	99.9
Cereals	192	95	95	99	97	97	—	102	93
Pulses	43	76	77	85	80	86	— 7.0	85	78
Fruits and Vegetables	33	98	97	105	94	108	—13.0	117	108
Milk and Ghee	84	102	102	101	99	96	+ 3.1	104	99
Edible Oils	47	117	117	124	119	131	— 9.2	128	117
Fish, Eggs and Meat	17	107	103	96	99	95	+ 4.2	97	97
Sugar and *Gur*	48	111*	105*	99	110	97	+ 13.4	103	97
Others	50	126	129	127*	133	141	— 5.7	132	125
Liquor and Tobacco	21	95.2	95.2	86.3	98.4	88.0	+ 9.8	91.8	82.3
Tobacco	—	94	94	81	95	87	+ 9.2	90	81
Fuel, Power, Light and Lubricants	39	114.8	114.8	106.5	114.6 R	105.8	+ 8.3	111.6	101.6
Industrial Raw Materials	155	110.4	109.8 R	117.9	113.6	120.3	— 5.6	118.1	113.8
Fibres	61	110	109	122	115	124	— 7.3	120	114
Oilseeds	20	111	111	109	111	123	— 8.1	122	115
Minerals	2	105*	105*	107	107*	107	—	109	99
Others	32	106*	110	108	110*	109	+ 0.9	107	110
Manufactures	280	107.7	107.4	106.4	107.7 R	108.4	— 0.6	107.9	104.8
Intermediate Products	41	106.4	106.0 R	108.6	108.7	113.0	— 3.8	108.6	110.9
Finished Products	249	107.9	107.6	106.1	107.8 R	107.7	+ 0.1	107.8	104.1
Textiles	147	107	106	107	106	110	— 3.6	108	106
Cotton	—	117	117	116	116	117	— 0.9	116	114
Jute	—	94	94	90	102	113	—11.8	98	93
Woollen	—	103	103	100	103	99	+ 4.0	102	97
Silk and Rayon	—	93*	93*	87*	87	87*		85	89
Metal Products	12	142	142	131	142	131	+ 8.4	137	128
Chemicals	20	99	100	97	99	94	+ 5.3	98	92
Oil cakes	10	110	111	111	118	115	+ 2.6	115	103
Machinery and Transport Equipment	31	102	102	102	102	102	+

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		Forecast	(In thousand acres) 1956–57	1955–56	(In thousand tons) 1956–57	1955–56
Cereals—						
Rice	..	final	78,174	76,364	28,142	26,846
Wheat	..	final	32,391	30,336	9,068	8,569
Jowar	..	final	41,314	42,904	7,427	8,002
Bajra	..	final	27,542	28,024	2,226	2,379
Barley	..	final	8,504	8,392	2,744	2,749
Maize	..	final	9,244	9,116	3,020	2,544
Ragi	..	final	5,674	5,603	1,014	1,520
Small millets	..	final	12,209	12,713	2,910	1,937
Total cereals	..	final	215,642	214,082	57,251	54,466
Pulses—						
Gram	..	final	23,990	24,157	5,930	5,331
Tur	..	final	5,696	5,637	2,047	1,830
Other Kharif pulses	§	final	16,166	15,567	1,664	1,682
Rabi pulses	†	final	11,443	11,703	1,794	2,038
Total pulses	..	final	57,295	57,064	11,435	10,831
Total foodgrains	..		272,937	271,146	68,686	65,287
Oilseeds—						
Groundnut	..	final	14,457†	13,450††	4,271†	4,090††
Castorseed	..	final	1,103	1,405	120	124
Sesamum	..	final	5,423	5,653	451	457
Rape and Mustard	..	final	6,311	6,317	1,017	848
Linseed	..	final	3,758	3,781	349	414
Total oilseeds	..	final	29,906	29,848	6,032	5,705
Fibres—						
Cotton*	..	final	19,843	19,978	4,723	4,001
Jute A.	..	final	1,754†	1,908††	4,088†	4,288††
Mesta A.	..	final	738	572	1,474	1,159
Other crops—						
Potato	..	final	702	691	1,674	1,830
Sugarcane	..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	..	final	40	40	15	15
Pepper (Black)	..	final	234	233	32	32
Chillies (Dry)	..	final	1,450	1,490	354	355
Tobacco	..	final	1,022	1,013	806	395

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During February, 1958 ..	85.3
	Corresponding month, 1957 ..	80.2
	Eight months ended Feb., 1958 ..	705.6
	Corresponding period, 1957 ..	686.3
Stocks	At the end of Feb., 1958 ..	95.1
	Corresponding month, 1957 ..	97.4
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose ..	1955-56 ..	8.57.2
	1956-57 ..	8.52.9
	Jan., 1957 ..	64.1
	Jan., 1958 ..	55.6
For Internal Consumption ..	1955-56 ..	1,80.0
	1956-57 ..	1 79.0
	Jan., 1957 ..	14.7
	Jan., 1958 ..	19.9
	RAW JUTE	(In lakh bales)
Consumption by Mills ..	February, 1958 ..	4.95
	Corresponding month, 1957 ..	4.65
	Eight months ended Feb., 1958 ..	40.92
	Corresponding period, 1957 ..	39.84

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1955 ..	11,24,400	10,42,900	7,81,200
Do.	31st March, 1956 ..	11,55,800	10,42,100	7,97,800
Do.	31st March, 1957 ..	11,65,500	10,73,600	7,97,500
Dec.,	1956	1,01,500	93,300	66,900
Jan.,	1957	97,400	94,300	70,500
Feb.,	.. .. ..	90,000	81,300	65,100
Dec.,	.. .. ..	95,100	100,500	74,300
Jan.,	1958	97,000	105,800	70,600
Feb.,	.. .. ..	87,100	80,200	64,500
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1955 ..	7,15,949	5,23,240	4,59,092
Do.	31st March, 1956 ..	7,06,988	5,31,505	4,56,607
Do.	31st March, 1957 ..	6,95,156	5,38,315	4,41,482
Three months ended	Dec., 1956	1,88,546	1,41,450	1,14,703
.. ..	Mar., 1957	1,82,857	1,39,320	1,20,578
.. ..	June, 1957	1,72,225	1,29,651	1,05,086
.. ..	Sept., 1957	1,71,397	1,19,172	96,815
.. ..	Dec., 1957	1,90,484	1,25,194	10,2146

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	September 1957	September 1956	Jan. to Sept. 1957	Jan. to Sept. 1956
Exports	61 16	49 25	488,03	422,24
Re-exports	39	36	3,28	6,85
Total Exports ..	61,55	49,61	491,31	429,09
Imports	83,29	76,70	744,58	596,55
Overall Balance of Trade ..	—21,74	—27,09	—253,27	—167,46
Exports—				
Tea	13.54	16,37	85,19	90,84
Jute yarns and manufactures	6,50	7,06	46,83	80,73
Cotton yarns and manufactures	5,81	5,03	52,78	45,18
Metallic ores and scrap Iron or steel for re-manufacture	3,79	2,19	38,57	15,20
Cotton, raw and waste ..	72	1,02	16,68	18,92
Oils—vegetable, mineral and animal ..	2,87	89	20,38	20,51
Fruits and vegetables ..	1,44	1,44	13,72	14,06
Tobacco	78	1,10	11,72	9,33
Mica	72	74	6,67	6,37
Wool—Raw	1,49	1,29	9,63	7,99
Gums, resins and lac ..	70	68	6,72	7,86
Spices	76	53	6,73	7,13
Hides and skins, raw ..	39	22	5,77	4,24
Imports—				
Machinery of all kinds ..	19,30	14,49	164,89	111,81
Metals, iron and steel and manufactures thereof ..	11,07	11,26	118,33	88,70
Oils—vegetable, mineral and animal ..	10,04	11,66	80,23	52,10
Cotton, raw and waste ..	5,89	3,22	43,69	42,68
Chemicals, drugs and medicines ..	6,75	4,82	60,52	32,50
Electrical goods and apparatus ..	5,19	1,78	42,98	14,74
Paper, pasteboard, etc. ..	1,13	1,22	10,40	12,46
Vehicles (excluding aircraft, ships and boats) ..	5,33	7,34	51,84	48,57
Fruits and vegetables ..	1,45	35	14,85	9,45
Spices	19	1,00	2,23	5,99
Dyes and colours	1,32	1,32	11,10	12,49
Woollen and worsted fabrics	14	32	98	1,78
Cotton fabrics	20	14	1,07	1,82

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,753	974	213	111	67	149	29	517	412	11	330	48	148
1956-57	13,545	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957 ..	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ..	12,230	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ..	13,545	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,, ..	1,245	268	102	22	10	6	16	2	76	39	3	34	2	18
May ,, ..	2,468	532	219	43	21	13	34	4	129	77	6	69	4	33
June ,, ..	3,592	750	334	57	30	18	48	5	164	109	9	101	7	48
July ,, ..	4,063	1,010	428	72	35	21	58	7	183	145	11	128	13	62
August ,, ..	5,781	1,270	530	84	39	25	67	8	208	183	13	177	19	81
September ,, ..	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,, ..	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,, ..	240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,, ..	10,50	2,351	941	152	64	40	162	18	354	366	28	350	42	146

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
Source:—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 20th Mar., 1958 ..	21,265(f)
	Corresponding week, 1957 ..	45,920(f)
	1st Sept. to 20th Mar., 1957-58 ..	999,704*
	Corresponding period, 1956-57 ..	1,041,270*
Cotton Exports ..	Week ended 20th Mar., 1958 ..	1,454
	Corresponding week, 1957 ..	10,639
	1st Sept. to 20th Mar., 1957-58 ..	99,236
	Corresponding period, 1956-57 ..	177,253
Mill Consumption (Estimated) ..	1st Sept. to 20th Mar., 1957-58 ..	723,100A.
	Corresponding period, 1956-57 ..	736,814
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 20th Mar., 1958 ..	603,424
	Corresponding date, 1957 ..	595,210
Cotton Exports from Bombay (by sea)	During January, 1958 ..	15,691§
	During January, 1957 ..	42,391
	1st Sept., 57 to 31st Jan., 1958 ..	93,188
	1st Sept., 56 to 31st Jan., 1957 ..	100,662
Karachi (Pakistan)—		
Receipts	1st Sept. to 13th Mar., 1957-58 ..	939,043
	Corresponding period, 1956-57 ..	1,041,118
Exports	1st Sept., to 13th Mar., 1957-58 ..	353,509
	Corresponding period, 1956-57 ..	538,948

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Jan., 1958. A.—Adjusted. § Includes Zoda and Yellow Pickings, etc.
** From 1st Sept., 1956 to 28th Feb., 1957.

Particulars	From 1st September to 24th Mar., 1957-58 Bales	From 1st September to 24th Mar., 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	1,935	18,951
Continent ..	5,305	15,876
Hongkong ..	3,046	22,271
China	—	3,437
Japan	40,714	99,392
U.S.A. ..	3,308	1,674
Other Countries ..	691	556
Total to all foreign countries ..	54,999	161,067
Coastal Ports ..	44,549‡	18,571**
Total ..	99,548	179,638

Particulars	Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—		
Indian	January, 1958	392,007
Foreign		48,804
Indian	Five months ended Jan., 1957-58.	1,946,187
Foreign		249,418
Indian	Same Period 1956-57	1,941,293
Foreign		248,655
Stocks (Mills and Elsewhere)—		
Indian	As on 31st Jan., 1958	1,020,022
Foreign		169,241
Indian	As on 31st Jan., 1957	1,126,458
Foreign		171,396
Cotton Pressed in India (in running bales) ..	1st Sept., to 14th Mar., 1957-58 ..	78,229
	Corresponding period, 1956-57 ..	1,360,904
	Corresponding period, 1955-56 ..	1,748,400

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,39,26,000	1969–70	100.60
3 % Loan	1938–48	116,17,46,000	1968–65	94.55
3 % Loan	1950	80,32,10,000	1964	94.50
2 % Pg. Loan	1948	1,10,11,75,000	1966–68	92.50
2 % Def. Loan	1948	1,15,05,83,000	1970–75	86.25
3 % 2nd V. Loan	1945	1,13,65,64,000	1959–61	99.05
3 % Loan	1951	50,35,68,000	1958	99.75
2½ % Loan	1946	45,65,07,000	1960	97.65
2½ % Loan	1946	57,99,69,000	1961	94.85
2½ % Loan	1948	14,77,45,000	1976	88 10
2½ % Loan	1947	75,86,72,000	1962	94.95
2½ % N.P. Bonds	1954	75,39,29,000	1961	99.65
3½ % N.P. Loan	1954	1,58,17,90,000	1964	98.00
3½ % N.P. Bonds (2nd Series)	1956	1,03,67,92,000	1965	97.70
3½ % Loan	1956	57,27,36,000	1962	97.90
3½ % N. P. Bonds	1956	33,81,83,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	98.20
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.70
4 % Loan	1957	49,05,00,000	1972	100.10
NON-TERMINABLE LOANS				
3 % Loan	1896–97	8,93,34,000	At option or Government after three months notice. On 30th September, 1986 or later at option of Government after three months' notice.	71.15
3 % Loan	1946	2,48,91,41,000		71.00
REPATRIATE STERLING LOANS				
4½% Loan	1928	5,86,73,000	1958–68***	100.40
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.75
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.80
4 % Bombay	1944	3,04,12,000	15th Aug. 1958	99.95
3 % Bombay	1949	5,48,76,000	1st Aug. 1962	94.15
3 % Bombay	1950	2,83,70,000	31st July 1960	97.00
3½ % Bombay	1951	2,90,05,000	17th Sept. 1963	98.10
4 % Bombay	1951	5,25,90,000	15th July 1963	99.25
4 % Bombay	1952	3,45,95,000	1st Aug. 1964	99.10
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	3,07,06,000	3rd Sept. 1970	98.00
4 % Bombay	1957	6,00,00,000	16th Sept. 1969	100.10
4 % Bihar	1955	1,54,06,000	1st Sept. 1967	97.35
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.35
4 % Cochin	1945	1,00,00,000	16th Dec. 1955–58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956–61	97.75
3½ % Mewrah Bridge (New)	1926–27	1,95,96,700	1956–66	94.12
4 % Hyderabad	1955	5,12,46,000	1st Sept. 1967	97.25
4 % Hyderabad	1956	5,18,02,000	3rd Sept. 1968	97.25
3 % Madras	1939	1,23,94,000	21st June 1959	98.50
3 % Madras	1944	1,97,34,000	15th Aug. 1958	99.95
3 % Madras	1946	2,76,44,000	14th Sept. 1960	97.00
3½ % Madras	1946	3,81,77,200	1st Sept. 1961	94.00
3 % Madras	1950	4,88,25,400	31st July 1960	97.00
3½ % Madras	1951	3,21,27,000	17th Sept. 1963	97.60
4 % Madras	1952	10,28,71,000	15th July 1963	98.55
4 % Madras	1952	5,24,81,200	1st Aug. 1964	98.50
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.75
4 % Madras	1956	13,13,27,000	3rd Sept. 1968	97.75
4 % Mysore(f)	1922	2,95,35,200	1st Dec. 1955–68	100 75
4 % Mysore(f)	1936	5,00,73,000	30th Apr. 1956–61	99.00
4 % Mysore	1937	3,23,47,000	15th July 1958	98.20
4 % Mysore	1945	5,54,94,000	1st Sept. 1967	97.60
4 % Mysore	1946	4,11,11,000	3rd Sept. 1968	97.60
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	99.25
3 % M.P.	1944	2,74,85,800	14th Aug. 1958	99.30
3 % M.P.	1948	2,08,28,800	15th Sept. 1964	98.00
3 % M.P.	1950	1,01,45,000	21st July 1960	96.50
3 % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
3½ % M.P.	1953	1,10,75,000	15th July 1963	98.40
3½ % M.P.	1953	1,53,13,000	1st Sept. 1967	97.60
4 % M.P.	1956	1,56,42,000	3rd Sept. 1968	97.60
4 % M.P.	1956	3,61,46,000	1st Sept. 1967	98.25
4 % Saurashtra	1955	2,74,85,800	3rd Sept. 1968	98.10
4 % Saurashtra	1956	3,25,61,000	15th July 1963	97.60
4½% Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96 22
2½% U.P.E.A.	1952	41,44,790002		48 00
3 % U.P.	1936	1,58,25,000	15th Sept. 1961–66	96.50
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.00
2½ % U.P.	1946	2,19,39,000	1st Sept. 1961	94.00
3½ % U.P.	1951	1,87,96,300	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.40
4 % U.P.	1952	5,65,16,000	15th July 1963	98.50
4 % U.P.	1955	9,56,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.25
4 % Orissa	1956	3,08,99,000	3rd Sept. 1968	97.35
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.40
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.30

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
34,64,000	4	1904	1954	
55,00,000	4	1905	1955	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	98.00N
40,00,000	4	1909	1976	
85,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,85,876	4	1912*	1980	D
80,00,000	4	1913	1974	96.00N
28,15,000	4	1914	1975	96.00N
10,00,000	4	1915*	1980	
55,00,000	4	1915*	1975	
15,00,000	3½	1922*	1960	
41,61,000	4	1922*	1959	
11,51,000	4½	1922*	1960	D
19,25,000	2½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
12,80,000	3½	1931*	1961	
13,80,000	3½	1932*	1962	
24,58,000	2½	1936*	1975	
15,00,000	3½	1936*	1956	
43,84,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
99,34,895	4	1914	1974	97.75
76,98,100	4	1916	1975	97.75
50,00,000C	4½	1917	1981	82.00
68,02,300C	4½	1921	1981	144.00N
48,30,000	5	1923	1953–88	101.00
80,00,000	3½	1925	1961	96.00
80,00,000	3½	1925	1965	97.50
80,00,000	3	1927	1968–98	98.00
23,00,000	3	1945	2004	74.00
50,00,000	3	1945	1975	97.75
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	3½	1946	1977	79.50
50,00,000	3	1947	1978	83.75
50,00,000	3	1948	1966	98.25
50,00,000	3	1948	1968	98.25
1,00,00,000†	3	1950	1980	82.00
1,00,00,000†	4	1952	1964	97.75
1,00,00,000	4	1952	1966	97.75
1,50,00,000	4	1955	1967	97.25
	4	1956	1968	97.25
CALCUTTA				
Rs.				Rs.
36,00,000	5	1923	1948	102.00
25,00,000	5	1926	1956	102.00
10,00,000	5½	1926	1956	108.00
33,91,000	5	1925	1965	94.00
47,50,000	4	1926	1966	90.00
15,56,300	4	1940	1972	90.00
17,44,400	3½	1942	1959	90.75
21,10,000	3½	1942	1972	90.00
15,49,000	3½	1951	1967	97.00
16,32,000	3½	1951	1968	97.00
66,88,000	3½	1951	1961	97.50
72,50,000	4½	1954	1972	99.25
	4½	1954	1973	100.00
MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	A
9,88,000‡	3	1947	1977	
3,00,000‡	3	1949	1979	
45,00,800‡	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
60,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
30,00,000	4	1904	1964	
30,00,000	4	1905	1965	
20,00,000	4	1906	1966	97.75 M
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
40,00,000	4	1914	1974	
25,00,000	4	1916	1976	97.50 M
40,00,000	5	1919	1957–79	118.00N
60,00,000	5	1920	1958–80	
25,00,000	5	1926	1956–86	115.00N
25,00,000	5	1927	1961–70	98.00N
10,00,000	3	1956	1966	
STERLING LOAN				
£5,66,600		1909	1960	95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				
Rs.				Rs.
25,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1984	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1946	90.00
20,00,000	3	1937	1978	91.00
20,00,000	3	1938	1968–98	90.00
50,00,000	4	1952	1962	99.25
1,00,00,000	4	1953	1968	99.00
50,00,000	4½	1953	1968	99.50

MUNICIPAL LOANS

Amount		Year of Issue	Repayable	Latest Available Quotation Rs.
BOMBAY				
Rs.				Rs.
29,80,000	4	1912–16	1974	97.00
10,00,000	5	1918	1948	113.00N
25,00,000	5	1918	1958	101.50
25,51,500	5	1919	1959	101.50
3,35,00,000	3½	1947	1977	84.00
2,56,00,000	3½	1948	1978	84.00
4,00,00,000	3½	1950	1980	82.25
2,00,00,000	4	1952	1964	97.75
1,00,00,000	4	1952	1966	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,00,000	4	1952	1966	97.75
1,50,00,000	4	1955	1967	97.25
	4	1956	1968	97.25
CALCUTTA				
Rs.				Rs.
36,00,000	5	1923	1948	102.00
25,00,000	5	1926	1956	102.00
10,00,000	5½	1926	1956	108.00
33,91,000	5	1925	1965	94.00
47,50,000	4	1926	1966	90.00
15,56,300	4	1940	1972	90.00
17,44,400	3½	1942	1959	90.75
21,10,000	3½	1942	1972	90.00
15,49,000	3½	1951	1967	97.00
16,32,000	3½	1951	1968	97.00
66,88,000	3½	1951	1961	97.50
72,50,000	4½	1954	1972	99.25
	4½	1954	1973	100.00
MADRAS				
Rs.				Rs.
15,00,000	3½	1901	1961	107.00N
15,00,000	3½	1905	1965	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.30
4 % W. Bengal	1953	3,00,33,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.05

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	106.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70 00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80 37	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905–24	8	Feb. Aug.	110 00	100
Deccan Sugar & Abkhari 'A' T.F.C.	7,00,000	1920	7	July Apr.	5 67	5
¶ East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16-15	£1
Gwalior Sugar T.R.O. ..	6,75,000	1940	7	Dec. ..	58 00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58 00	100
Purtabjore Co. T.C.	6,00,000	1922	10	Oct. ..	97 00	100
Ramnagar Cane T.F.C.	4,00,000	1933–36	6	Aug. ..	40 00N	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65 00N	100
South Behar Sugar T... ..	5,00,000	1936	7	Oct. ..	20 00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.85	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.R.O... ..	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87 00	100
Berora T.F.C.	4,00,000	1896–97	6½	Oct. Apr.	90 00	100
Burrakur (1st) T.F.C.	22,99,800	1901–19

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. H. = Accounts published half-yearly. P. = Company has Preference shares. T. = Company has Debentures N. = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
58,00,000	5,87,600	1,61,25,505	44,05,340	4,88,856	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	893	Apollo Mills	1.81	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,58,52,307	17,25,555	—77,157	M.	51,384	1,021	B. R. Cotton Mills	24.50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,00,000	8,12,88,981	5,98,22,946	3,81,00,982	2,41,366	Mowrojee Wadia & Sons, Ltd.	2,23,480	3,046	Bombay Dyeing & Mfg. Z	56.00	25	20.00	25.00*	25.00	0.751	12	Y.
10,00,000	42,52,860	64,14,209	42,32,976	63,119	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	157.50	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,42,800	2,85,31,209	6,06,66,976	2,22,91,693	7,61,731	Birla Brothers Private Ltd.	1,26,752	2,098	Century Spg. & Mfg.	429.00	100	22.00	22.00	22.00	8.001	12	Y.
49,00,000	25,42,226	1,19,99,766	65,07,035	—33,06,097	Y. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	45.00	100	*Nil*	*Nil*			12	Y.
36,00,000	18,03,890	80,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	106.25	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,56,986	69,10,851	54,05,041	2,17,076	Ramnarain Sons Private Ltd.	41,328		Dawn Mills	82.00	50	6.00	15.00			12	Y.
54,00,000	40,06,485	1,13,54,400	62,28,676	2,23,479	Purannal Bubna Sons	46,068	928	Edward Textiles	250.00	200	15.00	18.00	15.00		12	Y.
30,00,000	16,71,233	1,20,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	47.50	50	3.00	5.00	15.00		12	Y.P.
50,00,000	67,54,375	1,41,78,009	82,98,207	79,257	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	283.00	100	16.00	20.00	20.00		12	Y.
50,00,000	48,95,022	90,86,646	59,17,387	1,67,789	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd.	205.00	100	12.50	15.00	15.00		12	Y.
11,84,000									4,500.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
16,000	1,81,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills	992.50	250	56.25	75.00	81.25	87.50*		
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,069	Agarwal & Co.	2,44,150	6,278	India United Mills	10.00	0 100.	*Nil*	0.94	0.92		12	Y.
3,66,000									1.30	0 1D.	*Nil*	0.19	0.18			
25,000	1,12,81,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
59,85,000	46,10,421	3,18,61,880	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	159.00	100	12.25	12.00	10.00	10.00(c)	6	Y.
1,00,00,000	1,13,27,791	3,67,76,376	2,84,94,794	52,791	Killick Industries Ltd.	1,29,564	1,846	Kohinoor Mills	284.00	100	18.00	18.00	18.00	18.00	12	Y.
22,12,840	43,06,720	1,22,08,423	64,68,440	55,109	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00		10	Y.T.
51,74,000	25,44,612	2,64,74,625	1,83,16,328	23,220	Piramal Sons Private Ltd.	71,604	1,652	Morarjee Goculdas Spg. & Wvg.	206.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
1,00,74,400	1,19,15,819	2,46,21,101	2,05,00,000	5,52,264	Chinai & Co. Private Ltd.			National Rayon Corporation	240.50	100	10.00	12.00	14.00*		12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	100.00	100	10.00	10.00	10.00	5.00	12	Y.
30,00,000	11,72,134	101,83,002	63,37,034		W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	208.00	100	7.50	10.00	10.00	*Nil*	12	Y.P.
48,00,000	54,20,707	1,51,25,502	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	127.50	100	8.00	10.00		12.50F	3	Y.
10,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	980	Podar Mills	145.00	100	10.00	12.00*	12.00*	4.001	12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783		M.			Sassoon & Alliance Silk Mill	6.25	10	0.50	0.50	0.25(c)		12	Y.
37,70,100	1,18,54,702	1,98,85,583	1,20,28,815	1,66,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	35.00	10	1.75	2.00	2.00		12	Y.
48,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency Pvt. Ltd.	77,160	1640	Shree Niwan Cotton Mills	149.50	100	14.00	12.00	12.00		12	Y.P.
43,00,000	23,02,179	98,78,309	78,68,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,275	Simplex Mills	161.50	50	11.00	10.00	12.00		3	Y.
37,50,000	2,50,82,705	2,77,88,979	1,62,08,915	2,93,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	438.00	100	20.00	20.00	22.50*		12	Y.P.
1,00,00,000	98,08,685	2,51,02,081	1,32,05,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	187.25	100	8.00	12.00	14.00*		12	Y.P.
30,00,000	65,18,465	1,87,20,469	92,05,715	1,01,175	James Finlay & Co., Ltd.	40,328	549	Swan Mills	299.00	100	20.00	25.00	25.00		12	Y.
66,87,875	56,74,500	2,01,67,222	80,31,256	17,025	Tata Industries Private Ltd.	69,040	1,800	Tata Mills	41.75	25	2.50	4.00	3.50*		12	Y.T.
12,00 000	1,21 85 655	1 46 81 207	95,78,967	93 935	M	54,136	1,212	Western India Spg. & Mfg.	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P
AHMEDABAD																
48,00,000	21,81,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	118.00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
19,00,000	94,55,068	94,37,398	76,10,164	27,288	P. M. Ruthneeing & Co., Ltd.	42,768	912	Aruna Mills	537.50	100	20.00	30.00			12	Y.P.
40,00,000	2,07,35,261	1,96,32,179	97,29,208	15,274	Narotam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,122.00	100	25.00	25.00*	35.00*		12	Y.P.
20,00,000	81,75,000	90,84,884	72,25,000	2,66,389	Mangaldas & Bros., Ltd.	35,908	892	Aryodaya Ginning & Mfg.	420.00	200	15.00	25.00*			12	Y.P.
13,00,0000	1,48,05,803	95,70,783	63,81,789	17,257	Lalbhai Dalpatbhai & Co.	37,358	914	Asoka Mills	970.00	100	22.00	30.00	30.00		12	Y.P.
1,37,50,000	3,49,64,519	5,14,69,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	697.00	125	18.00	30.00	30.00	30.00	3	Y.P.
66,81,000	22,82,059	1,26,32,243	95,76,065	3,488	Trikumlal Bhoglal & Co., Ltd.	45,836	866	New Commercial Mills	444.00	250	70.00	80.00	100.00*		12	Y.P
30,00,000	73,52,436	1,32,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	700.00	125	35.00	35.00			12	Y.
15,00,000	67,78,770	57,78,441	32,49,912	21,803	Jagabhai Bhoglal Nanavaty & Co., Ltd.											
20,00,000	1,10,62,006	99,61,103	62,28,955	1,27,073	Lalbhai Dalpatbhai & Co.	24,840	572	Nutan Mills	355.00	100	30.00*	20.00	20.00		12	Y.P
32,40,000	14,78,207	1,07,01,469	71,42,808	17,34,749	Lalbhai Dalpatbhai & Co.	31,120	636	Raipur Mfg.	855.00	100	25.00	35.00*	35.00*		12	Y.P.
57,96,800	2,75,84,105	1,92,47,853	1,05,24,569	2,63,336	Harivallabhdas Kalidas & Co.	98,226	1,729	Shri Ambica Mills	630.00	50	20.00	27.00*	30.00*		12	Y.P.
19,52,800	65,31,263	78,06,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg.	470.00	100	25.00*	25.00			12	Y.
35,00,000	37,34,105	19,54,140	33,17,279	59,446	Haridas Achratlal & Co., Ltd.	40,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	35,86,098	2,89,703	60,222	Calcutta Ageney Private Ltd.	13,044	356	Basanti Cotton Mills	6.19	10	0.50	0.50	0.60		12	Y.P.T.
7,11,880									35.00N	40	4.00	4.00	4.00	4.00		
3,00,4301	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill	100.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
24,00,000	1,50,000	1,98,25,544	51,27,788	743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	127.00	100	*Nil*	*Nil*	*Nil*		12	Y.
18,00,000	26,17,481	1,15,16,776	74,67,979	3,50,235	Kettlewell Bullen & Co., Ltd.	42,944	523	Dunbar Mills	42.50	25	2.50	6.00			12	Y.
30,08,000		69,03,197	15 08,197	2,632	Birla Brothers Private Ltd.	43,852	206	Jay Shree Textiles Ltd.	6.87	10	*Nil*	*Nil*	0.37		12	Y.
1,00,00,000	2,29,45,320	3,76,19,883	1,31,26,883	1,88,672	Birla Brothers Private Ltd.	75,040	1,992	Kesoram Cotton Mills	11.81	10	0.87	0.87	1.00		3	Y.P.
19,47,7000									15.00N	10	0.62	1.00	1.00			
5,99,6001	7,45,000	4 84,871	28 70,548	3,936	Hazaremmi Heerala,	23,036	795	Rampooria Cotton Mills	4.00N	1D	*Nil*	0.34	0.26		6	Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800		Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,05,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Amam Jahi Mills	55.00	100	*Nil*	3.50(e)	5.00	3.50	9	Y.
1,21,50,000	2,50,15,567	3,39,77,494	2,50,70,021	2,82,947	Binny & Co. (Madras), Ltd.	40,250	1,187	Bangalore Woolen, Cotton and Silk Mills	173.00cd	100	30.00	30.00	30.00	4.001	12	Y.P.
25,00,000	99,61,544	1,35,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	1.50	1.50	3	Y.P.
1,78,47,800	2,77,72,212	6,69,41,816	3,97,01,813	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	167.00cd	100	10.00	10.00	10.00	4.001	3	Y.
20,00,000	20,00,000	42,85,535	22,99,012	53,584	Peirce, Leslie & Co., Ltd.	37,556	4	Cambodia Mills	9.50	10	*Nil*	0.50	0.50		12	Y.P.T.
10,00,000	5,11,500	53,32,411	37,35,937	1,92,792	K. Damodaran, Esq.	20,600		Cannanore Spg. & Wvg.	153.00	100	20.00	12.50	15.00		12	Y.P.
30,00,000	32,35,551	70,25,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Textiles	4.87	5	0.50	*Nil*	0.25	20.00	3	Y.
9,37,470	5,00,000	55,16,220	21,35,420	96,659	C. R. Srinivasan, Esq. (Chairman)	23,864		Coimbatore Cotton Mills	12.00	10	*Nil*	0.62	0.75	0.90	3	Y.
35,00,000	19,01,056	41,97,884	30,65,709	10,889	R. Bheema Naick & Co.	25,340	100	Coimbatore Murugan Mills	163.00cd	100	25.00	25.00	25.00		12	Y.P.
18,15,000	7,25,195	39,16,552	24,59,623		T. A. R. Chettiar Sons & Co.	38,226		Coimbatore Pioneer Mills	120.00	100	17.50	20.00	12.00		12	Y.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg.	227.00	100	20.00	20.00	20.00		12	Y.
20,76,900	2,05,076	1,24,06,676	83,06,979	10,415	R. G. S. Naidu & Co.	61,050	784	Finlay Mills	91.00	50	6.00	8.00	10.00		12	Y.
46,87,500	27,24,735	2,42,10,703	1,54,86,354		Tata Industries Private Ltd.	67,452	1,620	Central India	91.00	100	8.00	10.00	*Nil*		12	Y.
24,45,911	15,80,000	92,00,552	40,27,014	15,780	R. Hanumanthappa & Son	28,816	300	Davangere Cotton Mills	112.00	100	10.00	12.00	*Nil*		6	Y.P.
3,38,36,225									28.91	25	2.25	2.25	2.25	2.50	3	Y.
1,00,658	3,10,24,830	11,79,09,468	6,78,07,135	77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills		25	2.25	2.25	2.50	2.90	3	Y.
48,69,666	22,25,000	66,71,865	46,12,585		M. N. Chettiar & Sons	38,884	201	Dhanalakshmi Mills	187.00cd	100	30.00	12.00	0.25	0.20	6	Y.P.T.
63,00,000	98,47,056	1,84,67,668	1,35,57,642	78,754	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13.25	10	1.00	1.00	1.00		12	Y.
40,81,000	37,59,771	1,06,45,241	73,46,083	3,155	Forbes, Forbes Campbell & Co., Ltd.	72,904	6	Gokak Mills	183.00	100	13.00	15.00	15.00		9	Y.P.
2,50,00,000	2,25,000	1,42,38,788	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	11.61	10	*Nil*	*Nil*	*Nil*		3	Y.P.
50,00,000	21,27,574	1,48,16,139	1,16,80,154	5,716	K. L. Seksaria, Esq. (Chairman)	61,180	1,356	Indore Malwa United	111.00	100	6.00	*Nil*	*Nil*	*Nil*	3	Y.P
3,90,000	10,05,683	81,40,455	19,97,477		G. V. Naidu & Co., Ltd.	23,784		Janardhana Mills	80.00	50	5.00	10.00	11.00		12	Y.
15,54,000	18,24,703	45,22,234	33,88,095	7,012	Mr. Bhanjuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00		12	Y.
4,05,55,800	3,24,05,304	4,84,59,294	3,18,54,020	2,48,717	Birla Gwalior Private Ltd.	84,876	1,680	Jiyajeerao Cotton	9.60	10	4.00§	4.00§	0.55	0.35	6	Y.P.
42,00,000	19,28,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	51,040	800	Kothari Textiles	10.50	10	0.50	1.00	1.00	0.85	6	Y.P.
32,00,000	67,91,510	1,09,51,585	1,26,19,455	20,376	M.	50,452	1,219	Lakhamni Cotton Mfg.	435.00	250	35.00	42.50	42.50	1.00	6	Y.P.
71,28,200	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	115.00	50	10.00	12.50	42.50	7.501	12	Y.P.
35,64,100									57.00	25	5.00	6.25	12.50	10.00		
1,75,02,484	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,53,000		Madura Mills	83.37xd	15	3.00	3.00	6.25	5.00	3	Y.
12,00,000	3,67,868	29,03,352	18,76,700	213	V. K. Eradi (Chairman)	22,692	100	Malabar Spg. & Wvg.	90.00	200	3.00	3.00	2.62	2.25	12	Y.
60,00,000	69,14,000	45,94,131	45,99,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	404.00cd	100	22.50*	35.00	8.00		12	Y.
29,80,884	19,58,081	92,42,488	58,37,735	19,502	N. Sirur & Co. Private Ltd.	29,896	704	Minerva Mills	72.00	100	5.00(c)	6.00	6.25	20.00	3	Y.
24,00,950	21,54,146	1,71,94,763	1,35,08,908	M.		52,408	952	Model Mills (Nagpur)	99.00	250	6.00(c)	6.00	6.00		12	Y.
24,83,500	48,62,479	1,13,48,711	71,02,473	25,937	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	96.50	50	8.00	7.50(c)	7.50		12	Y.
18,61,780		29,12,641	17,83,314	3,966	K. Tipperudrish (Chairman)	6,060		Mysore Spun Silk Mills	6.25N	10	*Nil*	*Nil*	9.00*	9.00*	2	Y.P.
87,23,200	39,29,981	1,73,83,244	67,86,083		M.	46,400	902	Osmanabad Mills	135.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
4,00,000A	13,60,000	65,46,779	25,36,447	3,530	Bhaghyalakshmi & Co.	45,600		Palani Andavar Mills	197.50	50A	12.00	12.00	2.50(e)	3.00(c)	9	Y.
6,00,000B									27.980	75B	18.00	18.00	15.00			
15,00,000		34,19,570	18,82,524	—9,80,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	45.00	100	*Nil*	4.00	22.50		12	Y.P.
16,51,200A	29,95,000	1,00,48,552	54,00,059	3,382	A. G. Gurusamy Naidu & Co.	59,264	800	Radhakrishna Mills	120.00	100A	16.00	20.00	20.00		12	Y.
5,40,000B									60.00	50B	8.00	10.00	10.00			
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	37,096		Rajalakshmi Mills	74.00	50	10.00	10.00	10.00		12	Y.
16,14,300	12,00,000	32,92,210	17,41,434	10,510	Ramco Agencies Ltd.	24,996		Rajapalayam Mills	130.00	100	6.00	10.00	7.50		12	Y.P
22,51,750	12,40,000	49,54,289	21,20,815	32,012	Rayalaseema Development Co.	15,600		Rayalaseema Mills	115.00cd	100	9.00	10.00	10.00		3	Y.
15,00,000	1,80,55,917	3,13,49 081	2,05,07,327	—1,65,20,796	Morarka & Co.	95,232	2,222	Sholapoor Spg. & Wvg.	425.00	1,000	*Nil*	*Nil*	*Nil*		12	Y.
10,000										500	*Nil*	*Nil*	*Nil*			
36,69,700	20,26,385	96,26,655	70,67,094	19,543	H. N. Pallegar, Esq.	50,744	292	Sri Krishnarajendra Mills	70.50	50	4.50	5.00	7.00		3	Y.P.
15,00,000	2,43,80,155	99,62,153	79,53,790	30,00,553	Birla Brothers Private Ltd.	56,212	1,244	Sutlej Cotton Mills	80.00N	10	5.00	6.00	6.00	7.00	3	Y.
17,50,000	2,26,25,081	5,13,52,120	1,81,83,924	8,35,712	Jaipuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur)	10.00	10O.	0.75	0.75	0.75		3	Y.
1,57,50,000P.O									9.31	10P.O.	1.15	1.15	1.15			
1,00,08,206	50,06,584	3,85,56,288	1,62,42,715	2,03,690	Emcete & Sons (Travancore), Ltd.			Travancore Rayons	13.70	10	0.62	0.75	1.15		12	Y.P.
12,06,670	9,60,000	17,49,881	12,41,868	62,837	Mooljl Ramjee & Sons	18,000		Trichinopoly Mills	12.60	10	0.62	0.75	1.00		12	Y.
21,00,000	35,50,000	80,72,634	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	251.00	100	15.00	20.00	20.00		12	Y.P.T.
32,00,000	31,89,009	1,74,27,020	1,17,94,860	16,922	M.	47,240	1,355	Vishnu Cotton	105.00	100	4.00	8.00	8.00		12	Y.P.

* Includes bonus.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953.
‡ Made up of 4,354 shares of Rs. 40 each—Rs. 20 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up.
M—Managed by Board of Directors. X.R.—Ex-Right.
(e) Paid out of Reserves. F—For fifteen months ended 31st March, 1955.
Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1957.
§ On old capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.25	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	10.50	5	0.50	0.56	0.56		6	Y.
£549,950	£1,149,466	£1,757,928	£841,807	£59,449	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	29.00cd	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	185.00cd	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,50,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.90	B. 10	1.00	1.00*	1.00		12	Y.P.
14,6000	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	3.94	O. 10	*Nil*	*Nil*			3	Y.P.T.
70,976D.							0.87	D. 1						
71,90,070	0,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	152.00	100	8.50	10.00	10.00	9.00	7	Y.T.
07,44,575														
5,00,0000.	60,69,469	1,08,99,911	39,54,983	2,84,693	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.00	O. 10	1.00	1.25	1.25		12	Y.P.
5,00,000D.							2.87	D. 1	0.10	0.12	0.12			
2,09,4500.	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27.12	O. 25	1.25	1.87	2.06	2.06	3	Y.P.
7,50,000D.							5.35	D. 5	*Nil*	0.37	0.41	0.41		
50,00,000	4,00,000	4,72,60,133	89,09,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	11.80	10		0.75	1.25	*Nil*	3	Y.P.
00,00,000	31,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	10.50	10	0.75	1.25	1.25		12	Y.P.
09,67,600	48,70,330	3,18,39,387	1,02,54,174	3,37,111	Shree Laxmi Agents Private Ltd.	Shree Digvijay Cement	141.00	100	8.50	8.50	9.00		12	Y.P.
75,00,000	17,70,000	2,09,86,577	1,50,04,018	4,287	M.

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,38,493	1,56,73,214	4,805	M.	Bengal Paper Mills	58 00	25	3 12	4 69	2 50		12	Y.P.T.
62,00,000	63,91,253	1,21,92,179	83,76,687	33,244	Andrew Yule & Co., Ltd. ..	India Paper Pulp	19 44	10	14 00	1 39 2/5	1 39 2/5	1 40	3	Y.
25,00,000	25,12,500	1,48,27,882	77,57,946	47,098	T. Shanmuga Reg. (Chairman)	Mysore Paper Mills	15 75	10	0 75*	0 75*	1 00*	1 00*	3	Y.
1,16,82,500	2,46,25,015	6,04,16,697	1,27,55,912	2,63,477	Birla Brothers Private Ltd.	Orient Paper	28 60	10	0 94	1 12	0 62	1 50	3	Y.P.T.
1,25,13,970	67,75,503	1,56,40,502	1,00,79,701	3,19,038	K. C. Thapar & Bros. Private Ltd.	Shree Gopal Paper Mills ..	14 50	10	1 50	1 25	1 25		6,12	B.P.T.
40,00,000 } 20,00,000 A. }	6,50,000	95,82,644	61,01,926	13,795	Baleria & Co.	Star Paper Mills	{ 11 06	O. 10	0 75	1 25	1 05		} 3,9	B.P.T.
2,18,50,230	48,42,980	3,85,20,949	75,56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	{ 11 06	A. 10	0 75	1 25	1 05			
56,30,000 A. } 56,30,000 B. }							9 11	B. 10	Nil	5 00*	0 50	0 50	6	Y.P.
4,37,50,000 O. }	3,70,50,474	6,78,46,067	3,51,06,038	92,528	F. W. Heilkers & Co. Private Ltd.	Titaghur Paper Mills Co., Ltd.	{ 34 56	A. 10	1 50	2 00*	1 12*	2 37*	} 3	Y.P.
							{ 34 56	B. 10	1 50	2 00*	1 12*	2 37*		
							{ 4 03	P.O. 2½	0 25	0 25	0 12	0 25		
PRESSING														
8,00,000	3,26,572	13,981	13,958	28,272	Andrew Yule & Co. Ltd. ..	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,60,000	2,47,132	8,43,622	6,08,409	35,418	Andrew Yule & Co. Ltd. ..	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,7800. } 2,00,000 D. }	7,30,843	43,74,650	23,83,280	66,047	M.	Humayun Properties	{ 10.75N	O. 10	0.60	0.60	0.60		} 9	Y.P.
94,00,000	25,22,460	7,33,363	62,546	—10,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	{ 2.10N	D. 1	Nil	Nil	0.05			
							22.50	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
13,00,008	22,83,439	32,33,742	11,06,031	....	Bird & Co. (Private) Ltd. ..	Assam Saw Mills	1.56	3	Nil	Nil	Nil		9	Y.
50,00,000 } 42,00,000 }	3,81,14,271	4,60,47,879	1,88,08,404	1,63,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	{ 544 50	Old125	20 00	37 50	40 00	40 00	} 5	Y.
20,00,000	20,10,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	{ 207 50	New50	8 00	15 00	13 75	16 00		
							43 50	10	2 75	3 00	3 00	1 00‡	0	Y.
SUGAR (U.P. and Bihar)														
14,00,000	12,32,202	42,04,482	29,87,602	—48,371	Begg, Sutherland & Co. Private Ltd.	Bahraigpur Sugar	6.35	5	0 75	0 06	Nil		6	Y.
12,00,000 A. } 3,00,000 B. }	29,89,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd.	Tasti Sugar	{ 120 00N	A. 100	10 00	10 00	10 00			
							{ 11 50N	B. 10	1 00	1 00	1 00		} 4	Y.T.
19,40,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	10 37	7½	0 75	0 75	1 00		9	Y.
15,60,000	13,51,513	19,26,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	12 37	10	1 50	1 50	1 50	1 50	9	Y.P.
82,00,000	25,22,515	1,45,76,627	98,90,338	—2,25,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	6 62	10	0 75	0 25	Nil	Nil	6	Y.P.T.
30,00,000	65,84,722	1,63,27,398	86,27,362	91,991	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	12 00	10	0 75	0 75	0 75		12	Y.P.
18,00,000	34,56,103	84,72,100	59,12,695	—3,42,163	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	22 37	10	1 00	1 50	1 00	Nil	6	Y.
9,58,252	2,99,762	25,14,152	16,98,383	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10 00N	10	0 75	0 50	0 50		8	Y.T.
50,00,000 A. } 10,00,0000. }	44,95,000	1,02,71,005	67,56,074	33,123	Bachhraj & Co. Private Ltd. ..	Hindustan Sugar Mills	{ 75 00	A. 100	15 00*	15 00*	15 00*		} 6	Y.P.
							{ 100 00	O. 100	15 00*	15 00*	15 00			
18,00,000	12,51,626	79,38,731	49,80,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	51.00	40	Nil	2 25	4 00	7.00	7	Y.P.
7 80,100	22,50,288	48,60,619	26,90,926	79 525	Cotton Agents Private Ltd. ..	New India Sugar Mills	24 75	10	2 50	2.50	2 50	2 50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4 50	10	0 25	0 25	0 37	0 37	5	Y.
13,21,100 } 38,275 }	49,01,797	73,75,775	27,92,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	{ 200 00N	100	20 00	20 00	20 00	20 00	} 6	Y.
							{ 50 00N	25	5 00	5 00	5 00	5 00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	128 50	100	11 00	11 00	11 00	12.50	7	Y.P.
12,00,000	12,69,374	31,96,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75 00N	100	10 00	6 00	11 00		7	Y.
9,00,000	19,04,817	43,09,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puraiapore Co.	10 25	10	0 75	0 75			10	Y.P.
8,00,000	6,21,932	28,74,393	23,31,931	2,175	M.	Ryam Sugar	10 75N	10	0 50	Nil	0 75		10	Y.P.
11,99,000	16,33,214	47,23,583	25,13,422	—2,26,853	M.	Samastipur Central Sugar ..	12 25	10	0 50	Nil	Nil	1 50	6	Y.
89,70,525	22,68,560	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9 62	10	1 50	1 75	1 00	Nil	8	Y.P.T.
10,02,115	24,660	29,48,009	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2.37	10	Nil	Nil	Nil	Nil	6	Y.
15,89,962	13,10,901	33,44,287	18,97,008	88,761	M.	Shri Sitaram Sugar	11 62	10	1 50*	1 00	1 00		8	Y.T.
9,15,0000 } 4,40,0000. }	46,462	29,66,360	11,46,770	—16,37,907	M.	South Behar Sugar	{ 1 12N	O. 10	Nil	Nil				Y.P.T.
							{ 0 50N	D. 2½	Nil	Nil			10	
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35.00N	10	2.50	2 50	3.00	5.00	6	Y.P.
16,00,000	7,60,589	83,17,959	27,09,205	82,042	M.	United Provinces Sugar ..	13.50	10	1.25	1.50	0.60		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,070	Rangarao & Co.	Andhra Sugars Ltd.	16.50xd	10	Nil	0 60	1 00	1.25	9	Y.
70,49,650	1,18,43,008	1,50,47,792	1,08,77,197	8,00,263	W. H. Brady & Co., Ltd. ..	Belsund Company	241 00	50	16 00	16 00	16 00	18 00	9	Y.
17,50,000	12,58,222	41,35,701	25,90,319	20,827	A. H. Bhowandiwalla & Co. (Bombay) Private Ltd.	{ Bhopal Sugar Industries Ltd. { Shree Chandpur Sugar ..	21.75	10	1 00	1 50	2 00	2.00	9	Y.P.
15,00,000	37,08,165	32,89,314	3,24,308	33,344			28.75	12.50	1 00	2 00	5 00		9	Y.
15,93,900	12,03,973	40,71,311	23,64,596	14,709	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70 00N	100	Nil	Nil	6 00		9	Y.P.
55,94,920	19,89,827	82,70,027	19,25,945	6,96,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	13 00	10	1 75	1 40	1 12		9	Y.P.
29,82,558	12,13,785	46,34,173	11,11,505	32,569	R. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13 50xd	10	1 00	1 00	0 60		9	Y.P.
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd..	Buland Sugar	14 00	10	1 00	1 50	1.50Q		10	Y.
10,52,2000. } 2,87,1900. }	79,50,000	1,70,03,447	85,20,265	26,868	V. Ramakrishna Sons (Private) Ltd..	K. C. P. Ltd.	{ 120 00xd	O.100	7 50	7 50	7 50		} 6	Y.P.
							{ 132 00xd	D. 10	10 00	10 00	10 00			
21,79,280	86,24,818	1,29,89,142	82,31,728	2,63,107	S. Muniranjappa, Esq. (Mg. Director)	Mysore Sugar	36 25xd	10	2 00	2 00	2 00		9	Y.
50,00,000	53,21,430	1,16,88,154	67,30,841	1,47,239	Mahavir, Ajeto and Kantilal Pvt. Ltd.	Phaltan Sugar	140 50	50	8 00	8 00	9 00	12.00*	6	Y.
16,50,820	41,20,000	58,54,984	31,76,089	1,25,739	Anderson Wright Ltd.	Ramnagar, Cane and Sugar ..	52 50	10	1 50	2 00	2 00		8	Y.P.T.
20,00,0000. } 4,00,0000. }	42,07,214	1,04,79,040	59,30,737	70,575	Walchand & Co. Private Ltd. ..	Ravalnoan Sugar Farm	{ 133 00	O. 50	2 50	2 50	2 00	12 00		
							{ 30 00N	D. 10	Nil	0 07	0 70	3.75	} 9	Y.P.T.
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd..	Raza Sugar	14 00	10	0 75	1 50	1.50Q		10	Y.
50,00,000	23,40,000	62,19,329	24,74,579	77,353	Parry Co., Ltd.	Travancore Sugars	10 95	10	1 00	1 00	1 00	1.00	7	Y.P.
1,01,60,000	1,08,46,263	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	283.50	100	16.00	18.00	21.00		9	Y.P.T.
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		10	Y.P.
1,00,00,000	82,00,000	4,21,63,342	1,45,20,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,088	4,90,84,346	86,21,345	1,83,530	A. H. Bhowandiwalla & Co. (Bombay) Private Ltd. ..	Great Eastern Shipping Co. ..	20.68	10	1.00	Nil	1.00	1.50	6	Y.P.
£655,580	£907,739	£5,665,834	£3,428,088	—£106,393	Killburn & Co. Private Ltd. ..	India General Navigation & Rly. Co.	56 00	£10	Sh. 10	Sh. 10	Nil	12	12	Y.P.
3,25,00,000	1,74,74,229	12,96,06,515	2,63,26,759	2,70,984	Binnel Edwards (Private) Ltd.	India Steamship Co.	12 00xR	10	Nil	Nil	1 00	1.00	3	Y.P.
9,40,19,673	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	17.16	20	0 50	0 50	1 00	1.25	6	Y.P.
8,40,8000. } 2,10,200P.O. }	18,26,615	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager) ..	Wallord Transport Ltd.	{ 1.87	O. 1	0 12	0 14	0 14		} 12	Y.
							{ 1.50	P.O. 1	0 11	0 12	0 12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
15,08,800	2,04,173	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4.00	Nil			12	Y.
25,00,000	1,00,000	26,18,545§§		58,580†	M.	Dekkaran Nanji Investment Co.	11.52	25	0.75	0.75	0.81	0.81	3	Y.
5,57,00,000	2,01,70,510	4,79,59,818	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	23.12	10			1.25	1.40	3	Y.
81,07,000	16,29,510	1,09,45,989	67,14,407	14,7966	Birla Brothers Private Ltd. ..	Hind Cycles	118.75	100	10 00	10 00		12 50F.	3	Y.P.T.
14,98,840	3,01,500	28,61,284	19,40,703	22,010	Choonilal Manilal Private Ltd. ..	Estrela Patteries	36 50	50	3 00	2 00	3 00		3	Y.P.
99,99,250	20,13,147	1,25,61,398§§	1,74,633	Premchand Roychand & Sons ..	Industrial Investment Trust ..	79 20	100	4 50	4 50	5 00	5.50	12	Y.	
1,00,00,000	28,08,444	98,85,170	11,25,734	2,758	K. G. Milne, Esq. (Mg. Director)	Kilburn Industries	151 00	100	11 00	11 00	11 00	11.00	12	Y.
2,20,35,325 A. O.	63,14,295	3,42,78,324	1,69,93,078	6,31,752	Kemp-Auto Private Ltd. ..	Premier Automobiles	87.50	100	Nil	Nil	6 00	11.00	12	Y.
10,21,200	4,83,147	8,09,102	5,85,506	2,481	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	10 00	20	2 00	2 00	2 00	6.00	6	Y.T.
2,75,00,000	1,35,45,829	3,14,34,161	1,59,08,376	5,02,238	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	172 50	100	11.00*	11.00*	11.00*	11.00*	12	Y.
45,00,000	60,62,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	273.50	150	20.00	20.00	22.50	25.00	12	Y.
Other Centres														
87,50,000 } 2,50,000 }	1,99,56,718	8,81,21,462	86,06,321	2,33,759	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	{ 9.81	O. 10	Nil	Nil	0.50	0.90	} 8	Y.P.T.
							{ 3.75N	D. 2½	Nil	Nil	Nil			
40,00,000	32,25,000	68,17,879	28,12,985	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd..	Aluminium Industries Ltd. ..	13.75xd	10	1.25	1.25*	1.25			
80,00,000	80,20,717	94,97,377	23,61,232	3,61,289	Harrison Horrocks & Co. Private Ltd.	Angelo Bros. Ltd.	1 00	10	1 25	2 00*	2 00*	1 25	8	Y.
80,00,000	15,70,000	39,82,721	21,20,441	1,72,873	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.50	10	1 25	2 00*	2 00*	1 80*	8	Y.
20,00,000	32,47,883	1,02,58,021	36,87,850	2,45,122	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	4 50	10	0 20	0 40	1 20		12	Y.
80,01,400	98,61,293	69,52,106	37,02,106	5,03,375	M.	Palmer Lawrie & Co., Ltd. ..	147.00	100	18 00	12 50	15 00		8	Y.P.T.
12,00,000	12,56,003	33,30,388	25,71,386	90,879	Palmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	27 00	10	2 50	2 25	2 50		12	Y.
20,00,000	8,05,715	62,28,492§§		37,612	Lovelock & Lewis	Birds Investment Ltd.	12 60	10	1 00	1 00	1 00		12	Y.
45,97,020	34,61,814	1,14,31,005	87,07,455	1,84,683	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	12 50	10	1 00	1 00	1 00		9	Y.P.
3,25,00,000	1,55,55,571	3,06,98,577	2,33,80,121	1,22,221	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.81	5	0 06	Nil	0 10	1.00	3	Y.P.T.
1,88,80,000	17,34,264	2,05,95,940§§		8,16,584	Andrew Yule & Co., Ltd. ..	Clive Row Investment	8 87	10	0 20	0 55	1 38	0.75	3	Y.P.
1,60,00,000	3,40,86,174	5,55,01,695	2,48,71,167	13,24,595	John Luckham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	22 94	10	1 00	1 50	1 50		3	Y.
51,26,000	54,81,635	1,64,12,908§§		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	66 00	100	9 00	9 00	9 00		12	Y.P.T.
14,00,000	9,55,000	34,02,184	19,69,339	34,834	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	125 00	100	15 00	15 00	4 00	9.00	12	Y.P.
65,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	11.10xd	10	0 75	1 40	1 60	12 50	3	Y.P.
30,00,000	15,17,354	83,08,821	38,24,683	74,215	B. F. R. Syndicate	Great Eastern Hotel	240 00	250	6.25	1 40	1 60	1.00	6	Y.P.
4,98,05,700	10,00,000	4,87,26,577	1,61,88,451	7,02,903	Birla Brothers Private Ltd. ..	Hindustan Motors	2 28	10	Nil	Nil	1 25	15.00	3	Y.
2,01,10,000	56,56,543	4,80,45,268	1,06,84,142	7,97,410	E. S. Greenwood (Mg. Director) ..	Indian Aluminium Co., Ltd. ..	15 75	10	Nil	Nil	Nil	15.00	3	Y.
1,52,80,220	1,46,00,000	2,26,86,031	86,85,093	41,81,853	B. J. Woodley, Esq. (Mg. Director).	Indian Cables	29.16	10	Nil	0 90	1 00	Nil	3	Y.P.
8,27,976	6,03,000	16,74,908	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	13 12N	10	0 50	1 25*	1 50*	1.50*	3	Y.P.T.
15,16,00,700	24,02,01,604	9,85,79,203	1,62,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	42 00	10	0 60	0 80	0 62		3	Y.P.
2,00,00,000	76,27,615	39,02,397	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	65 50	100	7 50	7 50	7 50	0.70	3	Y.
40,00 0000. } 5,00 0000. }	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	0.100	17.00	22.50	8.00	2.50	3	Y.P.
							—	D.0.10	1.20	1.75	0.30			
1,45,23,500	90,58,531	25,54,424	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	23.87	10	1 38	1 81*	0 80		12	Y.P.
1,50,00,000	1,17,00,151	2,62,36,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	26 50	10	1 00	1 25	1 62	2.12*	9	Y.P.
6,33,886	1,821	7,68,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq. ..	Mysore Glass and Enamel Works	3.75N	10	Nil	Nil	Nil	Nil	3	Y.
6,56,256	6,92,506	11,29,630	5,97,382	8,349	Mr. J. L. D'Sa (Chairman) ..	Mysore Lamp Works	15.00	10	1 00	Nil	Nil	Nil	3	Y.
10,00,000	3,70,000	16,47,599	10,18,129	43,554	M. Hallebarys, Esq. (Chairman)	Mysore Tobacco	12.75	10	1 25	1 00	0 90	1.25	3	Y.P.
2,90,00,000	78 15,509	1,50,08,462	50,60,695	21,19,752	J. R. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	23.75	10	0 40	0 32	1 50	1.50	12	Y.
40,00,000	74,71,172	63,80,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	23 87	10	1 00	1 50*	2 00*		8	Y.P.
40,00,000	15,00,000	93,19,395	21,17,403	75,726	Do.	National Rolling & Steel Ropes	10 25	10	0 50	0 50	0 50		3	Y.P.
79,97,000	98 12,466	1,20,51,899	61,75,108	9,02,640	B. N. Elias & Co. Private Ltd.	National Tobacco Co.	8 66	10	0 50	0 60	0 70	0.70	12	Y.P.
2,25,00,000	4 83,498	1,22,26,543	60,08,534	—44,12,938	M. P. A. Paspatti, Esq.	Rallis (India) Ltd.	26 50	100	Nil	Nil	0 80	0.70	12	Y.P.
2,25,00,000	1,37,70,209	10,60,39,211	3,96,22,768	49,402	Sahu Jain Ltd.	Rohtas Industries	16.75	10	1 50	Nil	Nil	Nil	8	Y.P.
4,73,200 } 5,13,400 }	51,836	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	{ 100 00N	100	1 50	1 50	1 50		} 10	Y.P.T.
							{ 50 00N	50	..	..	5 00	6.00		
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17.00	10	1 50	1 50	2 50	3.00	3	Y.P.
75,00,0000. } 9,98,880 }	17,19,008	37,03,035	7,05,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd. ..	10 12	10	1 25	1 50	1 50	1.50	4	Y.
		14,51,506	4,53,782	—47,988	Ogale Bros. (Private) Ltd. ..	Travancore Ogale Glass	2 20	10	Nil	Nil	1 00		12	Y.P.

M. Managed by Board of Directors
† Subject to taxation.
§§ Investments at cost.
F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957.
* Includes bonus.
‡ On old capital.
§ Excluding Rs. 1,49 02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.
†† India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each.
Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,89,019	15,95,483	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25 00	10	72 00	19 00	5 00		12	Y.P.
2,76,500	5,71,590	11,19,537	3,89,763	22,129	M.	312	Ananda (Assam) Tea	18 44	10	7 50	1 00	2 00		12	Y.
7,00,000	9,48,250	12,23,233	3,31,993	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21 00	10	3 00*	1 00	2 50		12	Y.
5,50,000	13,21,541	18,70,239	7,47,902	42,752	McLeod & Co., Ltd.	573	Bachmari	18 75	10	3 50	1 00	2 50		12	Y.
5,10,000	9,85,080	12,96,911	5,32,732	53,593	Andrew Yule & Co., Ltd. ..	378	Baamadia	21 75	10	3 00	1 50	3 00		12	Y.
3,30,000	5,10,000	12,75,998	8,14,524	1,30,178	National Tea Corporation ..	570	Bateli	23 62	5	4 00	2 50	3 00		12	Y.
5,40,000	7,40,000	11,16,644	3,51,823	61,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23 75	10	10 00*	2 00	2 50		12	Y.
89,00,000	13,53,234	63,55,222	23,40,322	3,16,326	Williamson Magor & Co., Ltd.	3,967

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
8,00,000	2,10,000	3,02,505	34,197	15,099	Planting Agencies (Private) Ltd. ..	Palmadies Plantations	3.20	2	0 25	0 30	0 21	0 45	5	Y.P.
26,31,300	24,50,000	52,81,468	6,60,575	71,705	Peirce, Leslie & Co., Ltd. ..	Corbin Malabar	5 15	3	0 75	0 45	0 75	0 52	2	Y.P.
18,00,000	21,00,000	39,70,846	8,86,541	1,21,806	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	22 50	10	2 50	1 50	2 50	4 00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,69,076	1,13,211	E. C. Paterson, Esq.	Consolidated Coffee	22 75	10	1 75	2 25	3 00	4 00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	50,961	6,831	M.	Cottanad Plantations	42 50	10	1 50	1 75•	1 50	1 75	3	Y.P.
18,00,000	9,05,543	25,86,700	5,31,442	57,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13 50	10	2 50	2 00	2 00		12	Y.P.
4,00,000	10,22,800	15,84,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kaliyetta Estates	30 25	10	2 00	2 75	2 00	2 00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Mahankara Rubber	16 00	10	2 25	2 25	3 25	2 25	3	Y.
27,00,000	28,70,387	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	35 00	10	1 75•	2 50	2 00	2 00	3	Y.P.T.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Neeramvy Rubber	15 50	10	1 50	1 50	1 50		12	Y.P.T.
2,00,000	2,00,000	8,49,417	58,785	4,271	Associated Planters Private Ltd..	Nilamoor Rubber Co.	12 50	10	1 00	1 50	1 50		12	Y.P.T.
19,45,980	23,79,615	45,25,932	14,74,565	53,878	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates • ..	4 62½	2	0 00	0 40	0 20	0 00	10	Y.
13,50,000	8,60,000	45,05,578	3,05,003	12,209	A. V. Thomas & Co., Ltd. ..	Rajapuri Rubber	14 50	10	1 25•	2 00	2 50	2 00	6	Y.P.
8,06,780	8,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savannah Estates Ltd.	4 25	2	2 50	1 00	1 50		11	Y.
10,00,000	3,01,600	22,44,528	1,59,659	9,040	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6 46	10	0 75	0 00	0 50	0 50	3	Y.P.T.
2,50,000	1,40,000	5,58,440	34,741	33,968	A. V. George & Co., Ltd. ..	Thannippally Rubber	22 00	10	3 00	3 00	3 00		12	Y.P.
9,15,000	4,10,000	22,40,057	1,37,485	22,927	Peirce, Leslie & Co., Ltd. ..	Thirumuladi Rubber Co., Ltd. ..	1 58	1	0 10	0 12½	0 12½	0 05	12	Y.
6,00,000	32,500	7,71,251	1,36,210	2,287	Espen Thomas, Esq. (Mg. Director)	Travancore Rubber	14 50	10	2 00	3 00	2 00		12	Y.
41,00,000	13,61,221	81,07,222	12,64,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6 90	10	1 50	1 25	0 75		12	Y.P.
20,00,000		29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25 65	25	5 00	4 00	3 00		12	Y.
6,28,580	6,40,670	9,17,682	21,270	21,911	Harrisons & Crosfield Ltd. ..	Vaikundam (Travancore) Rubber ..	20 00xd	10	2 25	2 50	3 50	2 00‡	12	Y.
6,05,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7 00	10	1 50	2 00	1 25	1 00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	6.87	10	0 62	0 62	0 25	0.25	3	Y.T.
6,00,000	10,25,000	56,02,953	38,46,803	1,70,200	McLeod & Co., Ltd.	446	Alexandra	100 00	100	7 50	10 00	10.00		6.12	H.P.T.
80,00,000	5,25,000	1,17,81,827	94,41,069	34,402	McLeod & Co., Ltd.	1,264	Alliance	69 50	100	12 00	6 00	Nil		6.12	H.P.
49,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,821	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	133 00	100	7 50	9 50	7.50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,985	55,34,728	—3,79,016	Bird & Co. Private Ltd.	810	Auckland	77 50	100	3 50	0 00	1.00	Nil	3	Y.P.T.
20,00,000	23,80,918	66,65,194	24,22,200	65,302	Birla Brothers Private Ltd. ..	959	Bally	131 00	100	Nil	3 50	Nil	Nil	3	H.P.
2,75,000	4,74,867	11,68,482	10,23,159	..	Sir John R. Purder (Chairman) ..	1,889	Barnagore	74 00	25	sh. 15	sh. 15	Nil		3	Y.P.
28,00,000	26,56,123	94,67,000	51,49,231	1,330	Andrew Yule & Co., Ltd.	820	Belvedere	70 00	100	10 00	7 50	Nil		12	Y.P.
45,00,000	38,45,000	57,68,172	31,28,874	2,65,100	Soorajmull Nagarmull	600	Bengal	13 94	10	1 12	1 12			6	Y.P.T.
91,26,000	2,17,48,383	3,34,10,402	1,43,32,651	4,37,393	Birla Brothers Private Ltd. ..	1,373	Birla	13 75	10	1 00	1 00	1.00		3	Y.P.
36,00,000	21,09,926	1,17,00,893	72,35,319	4,154	Andrew Yule & Co., Ltd.	991	Budge-Budge	98 00	100	9 00	7 50	Nil		10	Y.P.
7,47,380	3,00,040	42,13,704	31,62,683	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7 00	10	0 75	Nil			6.12	H.P.T.
18,00,000	26,46,234	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd.	616	Caledonian	96 50	100	9 00	6 50	Nil		11	Y.P.
59,16,400	29,40,239	2,28,64,628	1,19,60,843	—7,24,123	James Finlay & Co., Ltd.	600	Champdany	94 50	100	3 00	10 00	2.00	Nil	3	Y.
15,95,000	23,29,282	82,73,766	55,70,175	8,665	Andrew Yule & Co., Ltd.	530	Chevlot	101 00	100	14 00	10 00	2.00		11	Y.P.
30,15,000	82,00,000	66,68,762	48,43,666	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	11 12	10	1.12	1 37	0 621		6.12	H.P.T.
24,00,000	9,00,000	81,65,335	67,13,337	25,935	Shree Krishna Investment Co., Ltd	969	Clive	18 12	10	Nil	1 25x	0 50		3	Y.P.T.
31,49,200	44,50,392	1,35,02,698	61,19,167	—8,75,531	Bird & Co. Private Ltd.	1,000	Dalhousie	62 50	100	2 50	6 00	Nil	Nil	3	Y.P.
28,00,000	40,51,679	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd.	779	Delta	93.00	100	12 00	10 00	5.00		11	Y.P.
15,00,000	84,50,000	82,03,104	60,85,660	76,401	McLeod & Co., Ltd.	500	Empire	14.50	10	1 25	1 25	0.50		6.12	H.T.P.
21,00,000	62,40,086	2,41,58,550	1,09,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries (Ltd.	280 00	100	5.00	15.00	10.00	10.00	3,9	B.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,782	1,70,022	Rangur Bros., Ltd.	1,014	Fort William	17 10	10	20 00	20 00	0.75K	1.50	3	Y.P.T.
84,32,100		2,11,07,224	1,32,88,825	—2,07,452	M.	1,749	Ganges Mfg.	43 10	100	0.50	2.50	Nil		3,9	H.P.
30,80,000	28,68,943	79,00,997	50,72,167	11,510	M.	607	Gondalpara	550 00	500	Nil	Nil	50 00		12	Y.T.
24,00,000	24,50,000	2,22,46,943	1,58,81,065	45,248	Macneill & Barry Ltd.	1,394	Gourepore	200 00	100	10 00	15 00	2.50	2.50	3	Y.P.
40,00,000	60,68,233	1,28,36,137	58,68,639	3,00,026	Thomas Duff & Co. (India) Ltd. ..	1,078	Hastings	104.00N	100	10 00	11 50	5.00		3	Y.P.
16,80,000	18,81,969	66,47,731	47,79,916	—2,05,253	Rajkanti Rajoria	720	Howrah	11 87	10	0 50	1 25	Nil		3	Y.P.
65,62,500	23,68,428	2,34,21,655	1,11,50,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.75	10	1 25	0 87	0.25	Nil	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	15 37	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	96.50	O. 125	3.12	4.69	4.69		3	Y.
30,000								77.00	100	8 00	2.50	Nil		6.12	H.P.T.
24,00,000	20,90,135	1,02,31,843	1,13,40,211	—8,79,007	Jardine Henderson Ltd.	1,707	Kamarhatty	71.00	'B' 100	6 00	2.50	Nil			
19,20,000								46.00	100	6.50	1.00	Nil		6.12	H.P.T.
30,00,000								41.00	'B' 100	6.50	1.00	Nil			
24,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah								
21,00,000	53,00,000	1,35,45,052	58,77,726	86,701	McLeod & Co., Ltd.	703	Kelvin	161.00	100	20 00	17 50	5.00	0.00	5	Y.P.
54,00,000	23,33,375	1,96,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,530	Khardah	125.00	100	12 50	11 00	5.00	5.00	3	Y.P.
48,00,000	81,58,048	2,26,31,774	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	106.00	100	7 00	13 00	6.00	Nil	3	Y.T.
24,48,000	28,41,335	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	66 00	100	2 00	7 00	Nil	Nil	3	Y.P.T.
28,00,000	45,53,647	1,41,73,043	65,14,075	—7,73,368	Bird & Co. Private Ltd.	840	Lawrence	72 50	100	6 00	6 00	Nil	Nil	3	Y.P.T.
81,65,200	26,36,645	2,64,13,349	1,26,97,300	1,64,942	M.	1,278	Lilooa	96 00	100	2 50	3 75	3.75		2,9	H.
89,00,000	84,00,195	86,70,195	66,70,000	—13,08,719	M.	1,005	Nail atl	100 00	100	Nil	Nil	Nil	Nil	3	Y.P.T.
20,00,000	15,55,000	29,01,563	18,21,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	13 00	10	1 12	1 25			4.10	H.T.
35,00,000	41,20,326	81,71,346	10,66,470	17,339	Andrew Yule & Co., Ltd.	852	National	22 15	10	2 00	1 75	0 75		10	Y.P.
26,25,000	37,00,000	1,29,41,575	29,23,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	10 25	10	0 75	1 00	0 50‡		6.12	H.P.T.
85,50,000	2,96,51,171	4,68,82,343	1,06,43,534	3,35,601	Saito Jain Ltd.	1,765	New Central†	13 37	10	17 00	1 50	1.50		12	Y.P.
16,79,850	46,58,882	1,28,54,122	56,38,400	9,227	Bird & Co. Private Ltd.	567	Northbrook	14 87	10	1 25	1 50	1.50	Nil	3	Y.P.T.
66,79,500	12,74,961	2,24,62,238	1,39,16,557	20,195	Macneill & Barry Ltd.	1,492	Nuddea	82.50	50	0 00	0 00	Nil	Nil	3	Y.P.T.
24,91,000	23,76,049	75,56,719	51,45,600	11,098	Andrew Yule & Co., Ltd.	601	Orient	74 10	100	10 00	9.00	2.00		11	Y.
25,00,000	6,28,490	80,86,437	65,22,166	51,595	McLeod & Co., Ltd.	400	Presidency	8.25	5	0 81				6.12	H.T.
20,00,000	10,325	27,05,784	8,39,130	—8,81,539	Jardine Henderson Ltd.	505	Rameshwara	8 81	10	Nil	Nil	Nil	Nil	3	Y.P.
49,50,000	4,80,552	1,25,75,600	64,70,616	—38,96,200	Jardine Henderson Ltd.	1,256	Reliance	5.81	10	Nil	Nil	Nil	Nil	3	Y.T.
£60,000	£1,003,713	£1,245,244		£58,004	Thomas Duff & Co. (India) Ltd..	2,013	Samnagore	8 12	£1	10%	8% tt			12	Y.P.
30,10,000	13,14,910	1,15,50,877	79,96,145	7,972	Tacarin Mote & Co., Ltd. ..	911	Shree Ambica	10.50N	10	1 00	0 50			3,9	H.P.
14,00,000	11,25,000	66,11,704	38,79,204	3,156	Hindustan Investment Corporation	401	Seoraii	13 50	10	1 00	1 50			12	Y.P.T.
25,19,000	31,10,501	1,26,66,701	57,55,512	—8,76,083	Bird & Co. Private Ltd.	650	Standard	79.00	100	2 00	1 00	Nil	Nil	3	Y.P.T.
£600,000	£925,119	£1,137,660		£83,548	Thomas Duff & Co. (India) Ltd. ..	1,704	Titaghur	8 12	£1	10%	8% tt			12	Y.P.
85,98,600	68,80,143	2,01,42,357	80,47,895	—13,51,940	Bird & Co. Private Ltd.	1,328	Union	135.00	100	6 00	10 00	1.00	Ni	3	Y.P.T.
£400,000	£688,035	£1,151,819		£80,580	Thomas Duff & Co. (India) Ltd. ..	1,331	Victoria	8 12	£1	10%	8% tt			12	Y.P.
2,50,000	6,35,000	56,01,062	40,73,991	11,327	McLeod & Co., Ltd.	457	Waverley	2.25	1	0.50	0.37	Nil		12	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,36,489	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15 75	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 75	10	1.46	1.46	1.10	0.37	3,9	H.
4,49,350	1,05,000	9,25,911	94,41,069	34,402	Kalyanji Mavji & Co.	Bengal-Bhatdee	0.25	10	Nil	0 62	0 75		6.12	H.P.
1,00,00,000	1,60,28,785	6,10,16,849	4,10,73,935	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	208 00	100	30.00•P	35.00•P	17.50	7.50	10	Y.P.
2,25,000	4,13,782	24,88,157	22,43,080	..	Andrew Yule & Co., Ltd.	Bengal-Nagpur	14 00	10	Nil	Nil	Nil		10	Y.P.
15,97,000	4,88,558	48,14,600	24,22,200	—94,879	H. V. Low & Co. (Private) Ltd..	Bhalgora	5 50	10	Nil	3 50	Nil	Nil	12	Y.P.
40,00,000	10 28,269	1,44,35,927	77,70,407	3,2129	Saw Jain Ltd.	Bharat Collieries	5 84	10	0 62	0 62	0 62	0 00	9	Y.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,536	M.	Bhulabhararee	10 75	10	Nil	Nil	Nil		6	Y.P.T.
7,50,000	24,16,419	45,67,883	27,10,503	19,553	F. W. Heilgers & Co. Private Ltd.	Borrea	17 00	10	2.00	2.00	1.50		12	Y.T.
90,92,480	69,04,448	4,25,18,001	1,95,93,456	92,891	Bird & Co. Private Ltd.	Burrakur	22 25	10	0.66	0.62	0.68		6.12	H.T.
49,97,750		1,42,50,014	12,80,014	8,401	Hindustan Investment Corpn.Ltd.	Central India	7 12	10	0.50	0.25	0.50	0.50	6.12	H.P.T.
8,00,000	13,30,590	49,11,827	33,03,469	69,099	M.	Central Kurkend	11 00N	10	0.25	0.50	0.50		3	Y.
6,00,000	1,43,986	7,30,051(k)		4,240	F. W. Heilgers & Co. Private Ltd.	Chutia	1 50	4	0.12	0.06	0.06		12	Y.
16,00,000		54,02,810	30,05,100	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	7 25	10	Nil	Nil	Nil		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	20.25	£1	2.00	2.00	2.00		12	Y.
29,63,760	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	25 87	10	1.50	1.50	1.50		4	Y.
10,00,000	1,40,099	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Mualia ..	16.00N	10	0.50	0.25	1.50		12	Y.P.T.
12,00,000	1,17,609	42,34,409	25,20,972	..	Killick Industries Ltd.	Hingu-Rampur	80 75	50	Nil	2.25			3	Y.
8,00,000	2,21,575	33,57,576	5,71,179	1,962	Macneill & Barry Ltd.	Hurriladih	16 00	10	1.75	2.50	2.25	Nil	6	Y.P.
5,00,000	13,90,898	47,65,511	27,70,923	1,38,336	Andrew Yule & Co., Ltd.	Kalmadar	17 00N	10	Nil	Nil	Nil		12	Y.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	Periwala & Co.	Karanpura Collieries ..	78 00	100	Nil	2.50	5.00	Ni	3	Y.P.
11,00,240	64,314	16,80,329	10,66,899	10,611	H. V. Low & Co. (Private) Ltd..	Katras Jherriah	54 25	10	4.00	4.50	6.50	6.50	2	Y.P.
9,60,000	11,11,956	38,58,749	22,36,193	4,708	H. V. Low & Co. (Private) Ltd..	Khas Kajora	2 50N	10	Nil	Nil			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Kusedi	2 75N	10	Nil	0.12			4	Y.
7,00,000	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	Lakurka	9 00N	10	1.25				12	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	53,508	Andrew Yule & Co., Ltd.	Nazira	6.37	10	0.00	0.50			6	Y.
6,00,000	75,000	33,35,331	22,38,923	1,43,499	Shaw Wallace & Co., Ltd.	New Bansdeopur ..	9 00N	10	1.25				12	Y.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	New Beerbhoom ..	13.00	10	1.12	1.00	0.75		3,9	H.
1,57,500						New Mashbhoom ..	10 50	10	Nil	Nil	Nil	0.50	10	Y.P.
7,50,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	North West	19.12	10	Nil	1.87	Nil		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Ondal	18 00	7.50	Nil	1.03	1.12			
8,34,000	30,000	23,49,367	9,36,591	8,080	Deepchand Kishenlal	Oriental Coal	13 00	10	1.00	1.00	0.75		3	Y.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd.	Parasea	4 50N	10	0.50	0.25			12	Y.P.
23,99,500	25,56,361	1,37,26,021	91,88,862	20,060	B. N. Elias & Co. Private Ltd. ..	Peench Valley	12 00	10	0.75	1.00	0.50		12	Y.T.
13,50,000	10,45,115	58,59,365	29,21,564	15,614	Shaw Wallace & Co., Ltd.	Rameegunge	18.00	10	1.62	1.50	0.50		12	Y.P.T.
20,00,000	37,12,000	85,58,756	22,17,867	9,287	M.	Rewa	11.00	10	0.50	0.62	0.37	2.00	3	Y.
2,50,000	1,95,802	13,78,480	12,21,287	21,070	M.	Sanila Collieries	14 50	10	1.87	0.87	0.75	0.75	3	Y.
2,80,000	9,11,598	29,02,167	19,75,253	82,200	Andrew Yule & Co., Ltd.	Searsole	10 50N	10	0.75	1.00	1.25		6,12	H.
5,00,000	3,89,216	66,47,731	47,79,916	5,186	F. W. Heilgers & Co. Private Ltd.	Seebpore	4 75xdN	2.50	0.62	0.75			12	Y.
69,21,450	94,58,536	5,19,41,849	2,78,46,629	20,557	Industrial Trust Fund (Governing Body of Andhra Pradesh) ..	Sendra	23 31	7	2.00	2.50	2.25		1	Y.
							7.25N	10	0.12	0.25	0.25		12	Y.P.
17,50,000	10,89,693	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	Sincarenl	11 25	10	0.70	0.75	1.00		6,12	H.T.
5,00,000	14,01,068	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	South Karanpura ..	9 50	10	0.12	0.12	0.35		12	Y.
10,00,000		31,92,694	15,43,502	—5,62,907	M.	Standard	13.75	10	1.00	1.00	1.00		2,6	H.
3,50,000	3,35,000	18,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Talcher	1 50	2.50	Nil	Nil	Nil		12	Y.
40,98,000	66,784	65,72,808	24,15,398	11,543	Hindustan Investment Corpn.,Ltd.	Union	14 00	10	0.75	Nil	Nil		9	Y.
7,00,000	....	57,45,660	25,70,008	—3,20,058	Macneill & Barry Ltd.	Western Bengal	5.53	10	0.37	0.50	0.50	0.50	12	Y.
						West Jamuria	5.50	10	Nil	Nil	Nil		3	Y.
													12	Y.

M—Managed by the Board of Directors. † Less income-tax. (z) Clive Mills have paid dividend at Rs. 104 on bonus shares for the year 1955. * Including bonus. (k) Investments.
‡ New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
X—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. ‡'—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

BANKING

(*Concluded from page 566*)

re-enunciation of its autonomy would prove of immense value in ensuring a free and frank expression of thought and suggestion from this controlling institution. With the trends prevailing today, one feels a great need for the same effectual and highly critical review of economic conditions and policies from an august body like the Reserve Bank as used to be forthcoming and so anxiously looked forward to, before the Reserve Bank became a State-owned organisation. What is necessary is the establishment of sound and healthy conventions and assertion of authority by a privileged organisation like the Reserve Bank of India, particularly because, in recent times, through the amendments to the Reserve Bank of India Act and the Banking Companies Act, various wide powers have been vested in this authority. It may be noted, in this connection, that in its review of the *Trend and Progress of Banking in India*, the Reserve Bank remains silent about the policies of the Government as well as the extent to which it was necessary for it to invoke the various wide powers vested in it. The psychological and other effects of these extensive powers and restrictive weapons on the economy of the country deserve to be fairly and impartially brought out in a valuable publication of the Reserve Bank of this nature."

In the light of Mr. Bhabha's observations and with the change in the Union Finance Minister, it is to be hoped that there will be a change for the better in the official attitude towards the central banking institution and that it will be allowed to enjoy, once again, such autonomy as will enable it to guide the Government rather than be guided by the latter.

One of the instances in which the Reserve Bank has failed to exercise its functions properly is, according to Mr.

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,08,00,000	12,42,552	Allahabad Bank	360.00	100	18 00	18 00	18 00	9 00	12	Y.P.
14,50,000				180 00	50	9 00	9 00	9 00	4 50		
1,01,000				111.00xd	100	7 50	6 50	8 00	4 00		
40,85,540	18,63,000	2,03,939	Andhra Bank	87.00xd	100	3 75	4 54	5 59	3 46	6,12	H.
1,00,00,000	1,28,00,000	4,10,731	Bank of Baroda	115 50	85	6 00	6 00	7 00	7 00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	23 24	50	0 75	0 87	1 12		12	Y.
2,50,00,000				131 00	25	7 00	8 00	8 00	8 00	6,12	R.L.Y.
50,00,000 'A'	3,10,00,000	16,02,381	Bank of India	130 50	50				8 00		
15,30,375	28,00,000	52,270	Bank of Indore	53 00N	50'A'	3 00	3 50	4 00	4 25	12	Y.
50,00,000	22,35,000	23,734	Bank of Jaipur	38 00	25	2 00	2 00	2 50		12	Y.
50,00,000	91,35,613	1,37,082	Bank of Mysore	252 00xd	50	16 00	16 00	16 00	16 00	12	Y.
15,00,000	32,00,000	38,592	Canara Bank Ltd.	86 00	100	4 50	5 00	5 00		12	Y.
7,50,000	12,75,000	3,992	Canara Banking Corporation Ltd.	75.00xd	50	5 00	5 50	5 00		12	P.Y.
5,72,220'A'	18,00,000	16,676	Canara Ind. & Bkg. Syndicate Ltd.	170.00xd	100'A'	12 50	12 50	15 00		12	Y.P.
28,787'C'				1.71xd	1'C'	12½	12½	15%		12	Y.
2,62,11,375	4,03,60,821	18,44,046	Central Bank of India Ltd.	92.80	25	3 00	3 00	3 50	3 50	12	R.L.Y.
52,42,375				54.50	25	3 00	3 00	3 50	3 50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co. ..	46 00	50	2 00	2 50	3 00	3 00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36 37	5	0 81	0 87	1 37	1 06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	47 50	50	1 50	3 00	3 00		12	Y.
1,25,00,000	6,92,000	18,443	Hindustan Commercial Bank ..	10 25	50	Nil	Nil			12	Y.
50,00,000	1,77,500	3,649	Hindustan Mercantile Bank ..	11 75	50	Nil	Nil	Nil		12	Y.
44,00,000	90,50,200	8,13,491	Indian Bank	212 75xd	100	12 00	12 00	13 00	6 50	6,12	R.L.H.
21,82,815				182 00xd	80	7 20	7 75	9 75	5 20		
56,23,350	46,36,200	2,32,067	Indian Overseas Bank	151.50xd	100	6 00	7 50	10 00	10 00	12	Y.
10,00,000	10,25,000	25,502	Pandyan Bank Ltd.	35 62xd	25	1 56	1 87	1 87	1 87	12	Y.
87,50,000	1,25,00,000	6,20,272	Punjab National Bank	53 00	25	3 00	3 50	4 00	2 50	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	17.75xd	25	0 75	1 00	1 50	1 25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8 22xd	5	0 24	0 37	0 44	0 44	12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank ..	60.50	50	2 50	2 75	3 50		12	H.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.)					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£1-15-9	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£42	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£18,565,070	£18,000,000	£826,712	Lloyds Bank	£2-3-9	£1	15†	12†	13†	13†	12	Y.
£375,000 'A'	£2,000,000	£224,521	Mercantile Bank Ltd.	£1-9-6	A £2½	14†	14†	14†		12	Y.
£375,000 'B'				£1-9-6	B £2½	14†	14†	14†			
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,565	£5,104,687	£354,046	National Overseas and Grindlays Bank Ltd.	£1-0-9	sh. 12½	15†	15†	15†		12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Carew & Co.	1933	92.00	1st June 1963
4,00,000	5½	1st March and 18th September..	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November ..	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November ..	Walchandnagar Industries (New).. ..	1944	92.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October ..	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December..	Barrakur Coal Co	1947	87.00	30th June .. 1967 (e)
50,00,000	5½	15th June and 15th December..	Equitable Coal Co.	1953	97.00	14th December .. 1969 (e)‡
COTTON						
2,50,000	5½	30th June and 31st December ..	Basanti Cotton Mills Ltd.	1942	85.00	30th April.. .. 1964
4,00,000	6	10th May and 10th November ..	Bengal-Nagpur	1897	89.00	15th November .. 1966 (b)
78,00,000	5	1st April and 1st October ..	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (e)
40,00,000	6	1st April and 1st October ..	Gokak Mills	1957	100.25	1st April .. 1967-72
18,71,000	5½	30th June and 31st December ..	Jaykrishna Textiles	1949	90.00N	1st January .. 1956-59
89,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1967
ELECTRICS						
10,00,000	4½	31st March and 30th September..	Agra Electric Supply Co., Ltd.	1950	99.00	31st March .. 1965 (e)
1,25,00,000	4½	15th June and 15th December ..	Ahmedabad Electric Co. Ltd.		97.00	14th June .. 1960
98,28,000	4	1st April and 1st October ..	Andhra Valley Power Supply Co. ..	1940	97.00	1st October .. 1959
2,00,00,000	5½	30th June and 31st December ..	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1959
£4,048,914	5	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (e)
25,00,000	4	30th June and 31st December ..	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
13,80,000	5	1st January and 1st July ..	Sijua (Dhanbad) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1974 (e)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply	1949	93.50	30th September .. 1953-63
47,73,000	5	1st April and 1st October ..	Tata Power	1940	99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October ..	Tata Power	..	85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December ..	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December ..	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
30,00,000	5½	15th September and 15th March .	Indian Hume Pipe (Bearer)	1942	97.00	1st July .. 1957-62
10,00,000	4	31st May and 30th November ..	Kumardhubi Engineering Works Ltd. ..	1946	80.00	31st May .. 1957-62
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	96.25	1st October .. 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd ..	1950	97.00	31st December .. 1960 (e)
JUTE						
12,00,000	5½	1st October and 1st April ..	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December ..	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June ..	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1964
9,00,000	5	31st January and 31st July ..	Calcutta	1949	86 00	31st July .. 1959
10,69,000	5	30th June and 31st December ..	Chitavalaah Jute Mills	1951	89 00	30th June .. 1966
20,48,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1937	90 00	31st March .. 1969 (e)
8,86,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1966 (e)
30,00,000	5½	31st March and 30th September..	Howrah Mills Co., Ltd.	1955	94.00	31st December .. 1964 (e)
25,00,000	5	30th June and 31st December ..	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (e)
25,00,000	5½	30th June and 31st December ..	Naihati	1952	90.00	31st March .. 1967 (e)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December ..	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December ..	Presidency	1943	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September.	Reliance Jute Mills Co., Ltd.	1950	85.00	15th September .. 1965 (a)
5,00,000	4½	14th March and 14th September.	Soorah Jute	1937	91.00	14th September .. 1957
12,00,000	5½	30th June and 31st December ..	Union	1937	90 00	30th June .. 1957
10,00,000	5½	31st January and 31st July ..	Waverly	1925	80.00	31st July 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October ..		1933	£74.10N	
6,50,000	5½	30th June and 31st December ..	Katakhal-Lalabazar Railway	1945	85.00	1st October .. 1974 31st December .. 1959 (a)
£200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway ..	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	93.25	1st September .. 1963
PLANTING						
12,50,000	6	31st March and 30th September..	Nilgiri Tea	..	99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September.	Teekoy	1944	100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1948	92.00	31st December .. 1963
25,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1948	85.00	31st December .. 1963
3,00,00,000	5½	1st March and 1st September ..	Burmah-Shell	1954	97.00	1st September .. 1964-69 (e)‡
2,00,00,000	5½	1st April and 1st October ..	Caltex Oil Refining (India) Ltd.	1945	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78 00	15th September .. 1980
1,00,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1960
1,20,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971 (e)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (e)‡
18,75,000	5	2nd January and 2nd July ..	Metur Chemical Industries	1949	88 00	 1964
12,07,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes) ..	1949	610 00	30th September .. 1976 (e)
45,00,000	4	30th June and 31st December ..	McLeod & Co., Ltd. (Convertible Notes).	1947	470.00 (per note)	31st December .. 1972 (e)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December ..	National Rayon	1955	98.00	30th June .. 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (e)
1,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1964 (e)
4,00,00,000	5½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. .. 1966 (e)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years on at Rs. 100-8 per cent. after 15 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1965, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

MARKET GOSSIP

(Concluded from page 559)

negotiations between the Central Government, the Governments of U.P. and Bihar, and the Sugar Syndicate, the price of sugar (D24 quality) agreed to by the Syndicate was Rs. 28-8 per maund, but the price actually adopted by the Syndicate in its price chart was Rs. 28-12 and this was done without the previous sanction of the Sugar Commissioner. The extra As. 4 per maund was charged, according to the explanation given by the Syndicate to the former Tariff Board, with a view to collecting a fund for subsidising exports. A proposal for export of sugar was mooted as late as in June 1949, but it was not found feasible and was consequently dropped. The Syndicate had collected about Rs. 50 lakhs through the extra charge. A reference to this was made by the former Tariff Board in its report on the sugar industry submitted to the Government as early as in January 1950. More than eight years have elapsed since then and it is not known what has happened to the amount of Rs. 50 lakhs and the interest earned thereon. Mr. Maneklal Ujamshi has certainly done well in drawing the attention of the public to this amount. It will be interesting to know as to what the authorities have to say on this point.

In the course of his address, Mr. Ujamshi stated that, in view of increasing production, India could easily export a quantity of about 200,000 tons every year, provided, of course, the heavy loss on exports was shared by the mills, the cane growers and the Government. Incidentally, he estimated the current season's sugar output at less than two million tons. The sugar millowners in the North fear that the output will be lower still, at about 1.8 million tons. This fear is clearly exaggerated. It is true that there has been a large diversion of cane supplies to the manufacture of *khandsari* (and *gur*) following the rise in the prices of this commodity. But the diversion has not been so marked as to result in the production of *khandsari* to aggregate as much as 500,000 tons—the estimate made by some in the U.P. and Bihar—as against the average annual output of 100,000 tons in recent years. Knowledgeable quarters consider that the production of *khandsari* may not be more than 300,000 tons.

It is not correct to say that the crushing operations of sugar mills in U.P. and Bihar have been adversely affected by the upward trend in *khandsari* production. The figures relating to white sugar production in these two States during the first four months of the season reveal that the quantity actually produced was higher as compared with the corresponding period of the previous season, being 659,090 tons in U.P. and 207,642 tons in Bihar, as against 608,525 tons and 203,362 tons, respectively. There is, of course, some force in the sugar millowners' contention that, while crystal sugar is subjected to heavy fiscal burdens amounting to about Rs. 13.19 per maund and high cane price at Re. 1-7 per maund, the *khandsari* sector enjoys the advantage of exemption from payment of taxes and low cane prices, said to be no more than Re. 1 per maund. But this advantage is neutralised to a considerable extent by the highly uneconomic nature of production. As against the average recovery of 10 per cent. obtained by the white sugar factories, the recovery of marketable sugar in the *khandsari* sector is a bare 5 to 5.5 per cent. and, even with improved process of manufacture, the recovery is said to be not more than 7.72 per cent. Despite this wasteful process of sugar manufacture, there is no denying the fact that a large number of cultivators and middlemen, especially in U.P., derive their maintenance from this industry in certain rural areas which are far remote from factories and whose surplus cane finds an outlet in this industry. It is for this reason that the authorities consider that the *khandsari* industry deserves special treatment in so far as taxation is concerned.

In conclusion, it must be said that the apprehension of the *khandsari* factories jeopardising the whole programme of development of white sugar industry seems to be unjustified, or at least quite premature. Surely, *khandsari* production will not touch a level that will offer stiff competition to white sugar, especially when the sugar consuming capacity of the country is expanding. Moreover, the consumption of *khandsari* sugar is rather limited and, although it is available at lower prices than white sugar, the consumer preference is and will always be for white sugar. In view of this fact, as also of the uneconomic and wasteful nature of production, even the Karve Committee on Small-scale and Village Industries has not viewed with favour the development of the *khandsari* industry. The situation, however, needs to be carefully watched. If, on an impartial examination of the position, it is found that the growth of *khandsari* industry is at the expense of white sugar industry, suitable steps must be taken to remedy the situation, for none can deny that, as compared with *khandsari*, conversion of cane into white sugar is a more economic process.

* * * *

In what appears to be an attempt to outbid Sudan, which only a few days ago had cut the export duty on cotton by 33⅓ per cent. and drastically reduced its reserve prices, Egypt has decided to reduce the export duty on its cotton by 1.25*d.* per lb. The revised duty, which came into effect yesterday, is 5.65*d.* per lb. on Karnak and Menoufi and 2.20*d.* per lb. on Giza 30, Ashmouni, etc.

Importers in India have welcomed the news as there is now more scope for them to choose between Sudan and Egypt. Nevertheless, Sudan cotton is still considered cheaper. It is suggested that Egyptian cotton could be made more attractive to Indian buyers, if the 12½ per cent. discount offered to India by Egypt is made applicable to cotton imported under the Indo-Egyptian Agreement signed in New Delhi on the 25th inst. The agreement provides for import of Egyptian cotton for payment in Egyptian pounds, which does not carry any discount.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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TAXATION OF MOTOR VEHICLES

THE essential justice of the motor transport operators' case for tax relief has at last won recognition from the Government at its highest level. For a long time now, nobody has been in any doubt about the need for fiscal relief for road transport. Only, it has taken years of patient and persistent effort on the part of road transport interests to convince the Government and the public that the present level of taxation is too high to permit even a modest expansion in road transport. It is also a tribute to the intellectual honesty of the Ministry of Transport and Communications, headed by Mr. Lal Bahadur Shastri, that the authorities have now conceded the need for an appropriate relief in taxation. Speaking in the Lok Sabha last week, Mr. Raj Bahadur, the Union Minister for Shipping, said: "I think it is high time—I think rather it is already late—that we should consider somehow or other to relieve the burden of taxation on motor vehicles." The level of taxation, he said, *had gone up to this pitch* because the motor vehicles came to be regarded as the "one cow from which we can get as much milk as we could." There *is no denying the fact that the* State Governments have been most unwise in subjecting motor vehicles to a level of taxation which has killed much of the incentive for further development of motor transport. This is true as much of passenger transport as of goods transport.

The root of all trouble with motor transport in this country could be traced to the fact that nothing has been done to correct a climate of opinion in which the lay public as well as certain sections of political opinion have come to regard a motor vehicle as a symbol of luxury. Unless the sociological implications of motor transport are brought home to the people, with particular emphasis on its efficacy as a means of national integration and employment potential, it is extremely unlikely that this climate of opinion will change in favour of either the automobile industry or the operators of road and passenger transport. It is, however, comforting to note that all bodies which set out impartially to investigate the causes of the relatively slow progress of motor transport in this country have inevitably arrived at the conclusion that it is high taxation and the threat of nationalisation that stand in the way of a more rapid development of vehicular transport. Anxious as the State Governments have always been to secure maximum revenue from politically less powerful interests, they have seen in motor vehicles the proverbial milch cow. The result has not been good, whether for the State Governments or for motor transport. In so far as high levels of taxation have impeded rapid development of motor transport, it has meant considerable national setback in the shape of bottlenecks in transport and loss of potential revenue.

There are two aspects to motor vehicle taxation in India. In the first place, it is very high, especially when it is compared with that in countries which could possibly afford a higher level of taxation. Thus, the taxation on a motor vehicle in India is about Rs. 2.070 per motor vehicle per year, as against Rs. 800 in France, Rs. 950 in Austria, Rs. 1,300 in the U.K., Rs. 1,500 in Italy and Rs. 1,200 in West Germany. Secondly, the burden of taxation has increased at a rapid pace in recent years. In 1944-45, it was no more than Rs. 611 per vehicle (including motor cycles). It increased to Rs. 1,115 in 1949-50, and in 1954-55 it rose further to Rs. 1,906. The present rate is perhaps even higher than Rs. 2,070, considering that additional levies have been imposed in some States. The subject of motor vehicles taxation has been studied by many bodies so far—the Motor Vehicles Taxation Enquiry Commission, the Taxation Enquiry Commission and the Study Group of the Planning Commission. All these bodies have felt that the level of taxation should be reduced. The Transport Advisory Council and the conferences of Transport Controllers from the States have also repeatedly stressed that not only the level of taxation should be reduced but a ceiling imposed on this level. The Estimates Committee of Parliament also recommended that efforts should be made to import uniformity into the taxes levied by the States and to bring down the incidence of taxation on motor vehicles. It added: "Now that the States have been reorganised into bigger units, there are more chances of their agreeing to a uniform rate of motor taxation and its realisation by the Centre through a single levy and its distribution to the States in an agreed ratio as in the case of inter-State sales tax."

Massive support to the case for relief in motor vehicles taxation was given by the Tariff Commission when it said: "We recommend that the attention of the State Governments should be drawn to the fact that the degree of expansion in road transport capacity which is essential for the effectual implementation of the second Five-year Plan will not take place unless they co-operate in removing the various factors which are today hampering the demand for commercial vehicles, in particular, the following: (1) inadequate road development and bad conditions of roads; (2) heavy and varying rates of taxation of commercial vehicles; and (3) restrictions on inter-State movement of commercial vehicles." It is noteworthy that Mr. Raj Bahadur, besides emphasising the need for lowering the tax burdens on motor vehicles, indicated that the remedy for the problem of taxation lay in the centralisation of the system and distribution of the tax revenue among the States on the basis of the revenue derived by them at present. It is to be hoped that the State Governments will, in the larger interests of national economy, accept a decision which will help centralise the tax on motor transport and also reduce the burden on it. In the long run, as and when motor transport develops as a result of lower taxation, the States will be enabled to participate in the larger revenue which must accrue from the development of road transport. Any slight loss in revenue from motor taxation which might take place as a result of reduction in tax levels would be a wise investment which would yield rich dividends for the States in future.

The present system of taxation comprises three types: (1) Central tax which consists of customs and excise duties on motor vehicles, tyres, tubes and accessories and on motor spirit, (2) State taxes which consist of a large variety of taxes such as the vehicle tax on passengers and goods, permit fees, cesses on routes, sales tax on motor spirit, motor vehicles, their parts and accessories, and (3) local taxes which consist of wheel tax, tolls and terminal taxes. The general level of all these taxes, it has been computed, amounts to about 20 per cent. of the cost of operation, rising to about 30 per cent. in one or two States. Without commiting himself to any specific quantum of relief in these taxes, Mr. Lal Bahadur Shastri averred: "I cannot conceive any State would, in the present context, think of raising it (the level of taxation) above the Madras ceilings. I also hope before long the principle of double taxation will be completely eliminated between one State and another." It would appear that all the States have now agreed to the principle of elimination of double taxation, except the States of Bombay, Madras and the U.P. It is not clear on what grounds these three States support the principle of double taxation which goes against all accepted canons of taxation.

In any case, without a sizable reduction in taxation, it will be extremely difficult for road transport to fill completely the gap beween the available supply of transport facilities and the demand for such facilities which is bound to develop at an increasingly faster pace in the next few years. It is of the utmost importance that the general principles of inland transport policy which have been accepted by the International Chamber of Commerce should be applied to the transport situation in this country. Among these principles, there is one to which attention needs particularly to be drawn. It is that the user should enjoy unrestricted freedom of choice among the means of transport. This may well be called the charter of rights for those who use transport, an important economic counterpart of the democratic way of life. Indeed, this is the only basis on which a sound transport system in a country can develop. The acceptance of this principle implies that no particular form of transport should be singled out for such penal taxation as will make it difficult for that system to exist and serve the public. Once this principle is accepted, it should be clear that road transport will come into its own, for we have no doubt that, if the road transport is freed from inhibiting restrictions, it will be able to make an effective contribution to India's transport economy.

Estimates about the quantum of vehicular transport that will be needed in this country vary among themselves. Mr. Raj Bahadur stated that, as against the estimated requirement of 120,000 goods vehicles during the remaining three years of the Plan, it had been planned to produce 136,000 vehicles up to the end of 1960-61. Irrespective of whether this is or is not an underestimate, it is noteworthy that the absorption of 120,000 goods vehicles would mean an investment of some Rs. 250 crores. One wonders whether an investment of this magnitude will be possible in the absence of a sizable reduction in taxation. And yet, the fact remains that, in the absence of such investment, road transport would not be able to meet all the demand for it. It is gratifying to note that, as a result of measures adopted recently by the Government, the

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credit needs of transport operators are likely to receive the support of financial institutions.

The recent amendments to the Motor Vehicles Act and the setting up of the Inter-State Transport Commission are all steps in the right direction. The threat of nationalisation of goods transport which has hitherto prevented its more rapid development has been temporarily withdrawn. This is due to the farsightedness of Mr. Shastri, who, after emphasising that those who are engaged in goods traffic should know what the Government's policy is going to be in the near future so that the expansion of goods services would not be retarded in any manner, declared that he would like to tell the House that, "with the concurrence of the Planning Commission, it has been decided that the moratorium on nationalisation of goods transport should be extended till the end of the third Five-year Plan period." This announcement will be widely welcomed. Although it is true that the eight-year period which the announcement covers is by no means an unduly long period from the point of view of road transport operators, it should be sufficiently long to make those who are sitting on the fence to come down into the road transport field.

IMPORTANCE OF ENGLISH

WITH every passing day, the demand for the continuance of English is gaining more and more support. Besides being an international language and possessing a rich literature, the English language holds the key to vast stores of technical knowledge. It is this factor which makes it imperative that India should not give up English, which it has learnt for decades, in favour of any other comparatively underdeveloped Indian language. The demand for the retention of English as the Union official language deserves utmost consideration by the Government of India on grounds of both convenience and national necessity. It seems vital that this country should continue to use English at the highest levels of education, administration and the judiciary. It is deplorable that, at a time when most countries in the world are beginning to appreciate the value of English, both as a language and as a literature, India alone should allow its standards of English education to decline. There is no doubt that such a decline has taken place. That it has taken place without any corresponding increase in other spheres of educational attainments is a matter which must cause much concern to all sections of opinion.

There is a widespread feeling in this country that, in matters of language policy and educational administration, the Government is trying to do too much in too short a time. The replacement of English as a language of administration in the States, the unwise, however understandable, efforts at the substitution of regional languages in place of English as a medium of instruction in schools and colleges, and the institution of the basic system of education at the elementary school level are only a few of the experiments which are being tried without realising what each such transformation will mean to the pupils and the people at large. If these experiments are pushed through regardless of consequences, there is no doubt that the country will be in for a period of educational and administrative anarchy. It must cost the country heavily in the shape of all-round decline in national standards. There is nothing derogatory to India's national dignity that some of our languages are underdeveloped as compared with the languages of the West. Just as an underdeveloped economy has potentialities for development so the underdeveloped languages also have the potential for development. Only it takes many more years to develop a nation's language than to develop its economy. Historically, the English language came to this country at the instance of Indians themselves. Many eminent Indian leaders saw in English a language which would bring the benefit of science and technology to this country and help break up the medieval complex in which India then found itself. This historical process has not yet been completed. It will, therefore, be good for this country to retain English for a much longer period than is conceded by the Constitution. It may be remembered that it took decades for English to become part of India's intellectual apparatus. The question is whether it is right that English should be replaced at a time when other important questions demand the country's serious attention.

Those who think that the replacement of English could be accomplished overnight are inviting serious disappointment which must cause widespread resentment and despair. The replacement of English is bound to give rise to needless irritation, throw the executive and the judicial machinery into disrepair, and ultimately strengthen the already strong fissiparous tendencies in this country. English has served the country well in times of its deepest crises. There is no reason why it should fail us in the years to come. To relegate all other important national issues to the background and concentrate on the dislodging of English argues a peculiar want of wisdom, a disproportionate emphasis on false national pride. It is the height of folly to throw away a rich language in favour of a language of untested possibilities like Hindi. The best course is to allow the use of English beyond the period now stipulated by the Constitution. Mr. C. Rajagopalachari who has been campaigning for the retention of English as the Union language has rightly warned that its replacement will endanger the unity of this country. The West Bengal Chief Minister, Dr. B. C. Roy, declared the other day that, even if Hindi was to be accepted as the official language of the Union, it should be adequately developed and, until such time as this was done, Parliament should by law provide for the continuance of English as the official language; there should be no fixed time limit in this regard. This seems to be a sensible decision to adopt.

The case for the retention of English in higher education is even stronger than the case for its retention as a language of administration. Speaking on the importance of English, Mr. C. D. Deshmukh, the Chairman of the University Grants Commission, had some sage observations to make. Mr. Deshmukh who has imbibed, as is well known, all that is best in Indian thought and tradition cannot certainly be accused of any want of sympathy for the cause of an Indian language. Inaugurating a conference on "Problems of Teaching English" at New Delhi, Mr. Deshmukh said: "The development of our minds will be impossible without extensive and reinforced resort to one of the most advanced languages of the world, namely, English which opens the door to us of at least two-thirds of the current scientific and technical literature and *belles-lettres*. In this rapidly shrinking world of ours, intellectual and spiritual development must increasingly be a co-operative endeavour from which no nation, however gifted it fancies itself to be, can afford to remain aloof." The point which seems to have been overlooked in the present tirade against English is that it could play a special role in linguistic training. The genius of Indian languages consists in a certain ornateness, a certain over-elaboration. English, by its very nature, could be a valuable corrective to any lopsided intellectual development which must take place through excessive reliance on Indian languages.

Further, the fact that Indian languages do not at present possess adequate text-books in advanced subjects has not been given the consideration which it deserves. It is true that dictionaries are being compiled in order that this basic deficiency in Indian languages could be made up through translation of foreign words into appropriate Indian equivalents. We are afraid that this experiment does not take into account the fact that a language cannot be made to order. It cannot be produced in a philological factory. No amount of ingenuity on the part of lexicographers can create a language. A word, like a coin, acquires value through usage. And usage cannot be enforced by coining words. By striving to stimulate linguistic development through philological experiments, the Government is trying to achieve a result which is without any significant parallel or a precedent in world linguistic history.

IRRIGATION WATER

THE Union Minister for Irrigation and Power, Mr. S. K. Patil, revealed in Parliament last week that, although his Ministry had created additional irrigational potential to the tune of 6.5 million acres, actual utilisation of irrigation water was confined only to 4 million acres. It had been known for some time past that the utilisation of irrigation water was not keeping pace with the implementation of irrigation projects. Even so, not many may have realised how large was the gap between the irrigation potential created and its utilisation. Mr. Patil, in the course of a characteristically fighting speech, full of punch, humour and some bitter irony, hit out at the lapses on the part of the Ministries and Departments. He called attention to the fact that as many as five authorities are concerned in irrigation of land—the Planning Commission, the Ministry of Irrigation and Power, the Ministry of Food and Agriculture, State Agricultural Ministries and the Community Project Administration. He said: "Between all these five, sometimes there are lapses, there are omissions and sometimes loose ends are not tied together. ... For the larger good of agricultural production and food production, we must streamline and co-ordinate the activities of these five Ministries and authorities so that they will work like one machine and ultimately produce results."

Clearly, there is need for co-ordinated direction at the top. But it would be somewhat of an oversimplification of an admittedly complex problem to argue that mere co-ordination could immediately produce results. There must be a healthy awareness on the part of the authorities and at all levels of administration of the utter futility and waste involved in any delay in the utilisation of irrigation water. For such delay means not only that the huge capital investment in irrigation works remains idle but also a consequent loss of agricultural production which compels the country to import additional foodgrains at a heavy cost. In recent months, Mr. Nehru has repeatedly stressed that it is wasteful to spend large sums of money and fail to derive full benefit from such expenditure. It is perhaps no minor agricultural tragedy that the major irrigation works which are large consumers of domestic resources and foreign exchange reserves should have failed to make a significant difference to India's agricultural economy.

The complex issues which are involved in the utilisation of irrigation water were neatly summed up by the Foodgrains Enquiry Committee. Briefly, irrigation water is not utilised as fully as it should be, because water rates are high. Secondly, even if the major irrigation works are completed, subsidiary channels are not always ready to take the new supply of water. Thirdly, the conversion of dry to wet land cannot be attempted without fresh investments which the farmers are not always capable of undertaking on their own. It is not known whether the Committee's suggestion for appropriate reliefs in water rates has been considered by the State Governments. Some relief in the early years following the construction of a major irrigation project will go a long way towards inducing the farmers to use the water made available. Again, credit needs of the farmers in regions covered by the major irrigation projects must claim the special attention of the credit authorities. A far more intractable issue would appear to be waterlogging. How immense this problem is will be clear from the fact that, in Punjab alone, waterlogging has rendered some two million acres of irrigated land unsuitable for cultivation. This is a challenge to the country's agricultural engineers.

Efforts should, therefore, be made to see how best the demand for irrigation water can be stimulated as soon as the necessary supply has been created. At the same time, the authorities cannot afford to relax their efforts on the minor irrigation front. It has become abundantly clear that minor irrigation works yield quicker results. They are also less heavy consumers of foreign exchange resources. Indeed, the Foodgrains Enquiry Committee has estimated that, whereas only 50 per cent. of the additional production target of 3.02 million tons set under the second Plan as a result of major irrigation schemes will be achieved, it will be possible to achieve nearly 95 per cent. of the production target of 1.89 million tons from minor irrigation schemes. The Committee says: "While we do not advocate any diminution in the allocation to major irrigation, we recommend that a careful examination should be made of all major irrigation schemes and, if there is likely to be a shortfall for any region from the target of expenditure on them, the funds that may remain unspent should be reallocated to minor irrigation which promises quicker results." This is a suggestion which is well worth study by the Central and State Governments.

SHARE MARKET PICKS UP STRENGTH

COMPANY REGISTRATIONS—SPURT IN COPPER—A NEW ISSUE

WEDNESDAY, 5 P.M.

THE share market is in a cheerful mood. Almost all counters have staged a rise in values. The gain is quite substantial especially in scrips of companies which either depend largely on imports of raw materials for manufacturing purposes or deal in distributing the same to indigenous industries. Operators have welcomed New Delhi's move to ease the bottleneck of raw materials shortage which is impeding production. The latest import policy—that covering the six months ending September 1958—announced the other day, provides for some additional foreign exchange ceiling for industrial raw materials, other accessories and textile spare parts. The liberalisation of imports, albeit limited, relaxation of deferred payment conditions for purchases of essential goods from the U.S. to be financed out of the $150-million loan from the Export-Import Bank, and hopes of fresh American aid based on the efforts of some U.S. Senators to urge the Government to make a long-term economic aid pledge to India brought about a change in the market sentiment and lifted up prices.

MARKET GOSSIP

It is, of course, difficult to say as to how long the present upward trend of the market will continue. For this depends on the hold of the bulls who now seem to be sitting rather tight. Meanwhile, the attention of operators is focussed on the possible changes in new restrictions on the use of development rebate in the Select Committee.

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Do the commendable measures adopted recently by the Government, like the suspension of the compulsory deposit scheme, the reduction in excise duty on cloth and the extension of the period of moratorium on nationalisation of goods transport add up to a significant change in Government's economic policy? Do they imply that the Government is willing to see the economic reason in the many ably argued memoranda on fiscal and economic issues submitted by trade bodies? It is very much to be hoped that the Government is becoming slowly—even if painfully slowly—aware of the genuine stresses and strains to which the economy has become subject, not as a result of any international recession, but as a consequence of the Government's own unhelpful measures. In any case, from two entirely unrelated sources came, last week, a genuine reference to the Government's flexible economic thinking. Addressing the annual meeting of the Central Bank of India Ltd., the Chairman, Mr. H. P. Mody, pointed out that, in the last few months, there had been, on the Government's part, a "greater responsiveness to informed criticism" and went on to emphasise that he would earnestly urge the need for a closer understanding between the Government and the business community. Again, the Governor of the Reserve Bank, Mr. H. V. R. Iengar, although he was understandably neutral on the fiscal issues raised by the Chairman of the Madras Chamber of Commerce which he addressed, pointed to the need on the part of the authorities for "a flexible rather than a rigid or doctrinaire approach." He added: "I think signs of such flexibility are not wanting."

Mr. Iengar felt that there was no justification for taking a gloomy view of India's economic performance. In this connection, he called attention to two salient features of India's economy. In the first place, since 1952-53, although the money supply with the public increased by over 30 per cent., the wholesale price level has shown an increase of only about 5 per cent. He said: "This is a performance which I know several other countries would regard with a certain degree of envy and it has happened in spite of the fact that increase in money supply has to a considerable extent been caused by the central bank credit to the Government." Secondly, there has been a sizable increase in industrial production and also many new lines of manufacture have been established. Despite these two welcome manifestations of what may well be a genuine vigour in the body-economic, it cannot be disputed that there are unmistakable signs of weakness in several sectors of our economy. As against the increase in industrial production must be set down the depressing state of our markets. Over the year ended 15th March 1958, the index number of wholesale prices (base 1952-53=100) has no doubt been well held at 105.5. But, over the same period, the index number of security prices (base 1949-50=100) has declined from 111.5 to 96.8. Again, as Mr. Iengar himself recognised, the rate of increase in industrial production has declined perceptibly. Thus, such increase was only of the order of 3.2 per cent. in 1957, as against an increase of 8.6 per cent. in 1956, 8.1 per cent. in 1955 and 6.7 per cent. in 1954. Is the economy showing signs of exhaustion? If the answer is "yes," what will happen to the country before it passes the next three milestones of the second Five-year Plan?

Mr. Iengar, the able diagnostician, placed his finger on the right spot when he referred to the continuing race between the growth in population and economic development. He pointed out how India's birth rate had fallen from 33.7 per thousand during the decade 1929-30 to 25.7 per thousand and death rate had fallen still faster from 25.3 to 13.1. Recent statistical examination, he said, showed that the rate of growth of population would be as much as 1.75 per cent. or even 2 per cent., as against 1.25 per cent. assumed by the Planning Commission. The estimated population of the country by 1960-61 is likely to be over 408 million. Referring to this prospect, he said: "An extra 50 million in the period of one decade, almost the whole population of Great Britain or Western Germany; that is the magnitude of the demographic pressure operating on the country's economy." The impact of this pressure is becoming more and more evident with every passing year. For one thing, the targets of food production have had to be continuously raised and, in the event of any failure to touch the targets, imports have had to be arranged. In this race, it looks as though it is the population that has won. Clearly, if the country must leave its population behind in its race for prosperity, it must double up its speed.

Nevertheless, one may doubt whether it is necessary for the Government to engage itself in a different kind of race which is likely to prove too strenuous an exercise. Nobody disputes that the country's economy must run faster. But there is a limit beyond which it is unsafe to increase the speed. As Mr. Mody put it, "it is simply not possible to run too far ahead of the resources of the nation." He rightly suggested that "those who are confronted with the task of transforming our age-old economy cannot brush aside financial considerations and cannot go on indefinitely imposing a strain on the economy which it cannot bear." Surely, in the economic, as in the physical sphere, it is folly not to know how fast or how far one may run without inviting breakdown.

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A fairly reliable index of an economy in the process of growth and development is the number of new corporate enterprises that come into existence year after year. When this standard is applied, it is deplorable, though not perhaps surprising, to note that there has been a decline in company registrations in recent years. According to the *Annual Report on the Working and Administration of the Companies Act*, issued by the Department of Company Law Administration, Ministry of Commerce and Industry, Government of India, the number of public companies registered in 1953-54 was 204 with an authorised capital of Rs. 22.9 crores. The number increased to 211 in 1954-55 with an authorised capital of Rs. 169.5 crores. In 1955-56, the number declined to 186, the total authorised capital being Rs. 67.9 crores. In 1956-57, the number declined by more than 50 per cent. to 84, the authorised capital being Rs. 54.1 crores. The picture is somewhat different if one considers the growth of private companies. In 1953-54, 939 private companies were registered with an authorised capital of Rs. 132.4 crores. In 1954-55, 992 private companies were registered with a total authorised capital of Rs. 56.4 crores. In the following two years, viz., 1956 and 1957, the number of private companies was 1,262, and 764 and the total authorised capital Rs. 89.12 crores and Rs. 156.5 crores, respectively. Explaining the decline in the number of companies registered, the report observes:

"Exaggerated apprehensions about the provisions of the new Companies Act may have led to a rush of registrations during the last quarter of 1955-56, just before the enforcement of the new Companies Act. This naturally affected the number of subsequent registrations. Company promoters and others interested in corporate activities may have also wanted fully to understand the ramifications and implications of the new Company Law before forming companies under the present Act. Further, the limit set on the number of companies with which a managing agent or a director could remain associated may have also partially encouraged the recent tendency to set up new departments of existing companies rather than incorporate new companies."

These factors may have had their shares in the decline in the number of public companies registered in 1957. But the most important factor is undoubtedly the unfavourable, if not positively hostile, economic climate which has come to prevail in the last two or three years It has served to dry up savings, dampened initiative and prevented prospective sponsors of corporate enterprises from coming to the market with proposals for public participation in their ventures.

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The copper market has reacted bullishly to the import policy for the current half-year (April-September 1958) announced on Monday this week. The policy imposes a total ban on imports of copper scrap by established traders; only actual users will be given licences. The ban has given rise to apprehensions of shortage in supplies of copper which are already said to be scarce. Even the Government's disclosure that a small foreign exchange provision has been made for the issue of a few additional licences for import of non-ferrous metals in view of the reported shortages and the assurance that the question of granting advance actual user licences for the ensuing half-year (October 1958-March 1959) will be considered to enable them to make advance purchases and arrange shipment during the beginning of this period would appear to have had no effect. This is presumably because the quantity of copper scrap actually available for consumption will influence greatly the overall supply position of copper and, since the import of scrap by established traders is prohibited, it is felt that the rate of arrivals of scrap from abroad will be very much lower than that hitherto, namely, about 43,000 tons yearly. This view is based on the fact that, as many actual users are small-scale manufacturers, imports of copper scrap in small lots are somewhat difficult.

The restrictions on imports of copper scrap, coupled with strong advices from London which suggested a rise in copper prices on the Metal Exchange induced by replacement purchases following cut in Bank rate and upward revision in price by 0.5 cent to 23.50 cent per lb. by custom smelters in the local market. Consequently, prices have recorded a sharp advance. Electrolytic copper (ingots) for April shipment has spurted from Rs. 162 per cwt. before the import policy was announced to Rs. 168.50 after the announcement. March shipment has risen by Rs. 5.50 to Rs. 172.50 and ready delivery from Rs. 176 to Rs. 177. There would have been a more marked rise in prices but for two important factors. First, there are rumours of the Government of India contemplating to take some measures designed to ensure supplies of copper to utensils manufacturers at reasonable prices. It is, for instance, considered very likely that the State Trading Corporation which has recently been granted licences for the import of copper will be permitted to distribute the same among consumers. Secondly, a number of steamers carrying fire refined copper are expected in the next two weeks.

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India's engineering industry has a bright future before it, considering that it can count upon not only a growing domestic demand for its products but also a ready market for them in neighbouring countries. Among the engineering firms which have established a reputation for quality goods is Greaves Cotton and Company Ltd., which has now decided to invite fresh capital from the public. Twelve days from now—on Monday the 14th inst. —will open the subscription list of the new issue of the Company, the details of which are given on pages 646-648. It will be seen therefrom that the issue will consist of 46,600 equity shares of Rs. 100 each fully paid at par, Rs. 50 payable on application and Rs. 50 on allotment. Of these, the existing shareholders have agreed to take up 11,600 shares at par, the balance of 35,000 shares being offered for public subscription. Applications for shares must be for a minimum of five shares or for multiples of five shares.

The object of the new issue is to enable the Company to participate in the expansion programme of its associated company, Crompton Parkinson (Works) Private Ltd., by making a further investment of Rs. 50 lakhs. The latter Company, as is well known, is one of the leading firms manufacturing electrical equipment in India which includes fans, motors, transformers and switchgears. With the investment of Rs. 50 lakhs by Greaves Cotton and Company, its holding in the aforesaid associated Company will increase to 50 per cent., thereby achieving parity with Crompton Parkinson Ltd., London, and will finance the expansion of the second new factory at Kanjur, Greater Bombay. The additional investment by the British Company has served to cover the foreign exchange necessary for all the new machinery and import licences already received. The construction of the factory is already nearing completion and it is expected to commence effective operation before the end of this year. With the substantial rise in the Works' production resulting from the new factory, the turnover of Greaves Cotton and Company Ltd. will expand markedly in the next few years. In the meantime, the Company has negotiated substantial orders for heavy machinery on deferred-term basis on lines approved by the Government, as also enlarged distribution in lines manufactured in India both by its subsidiary and associated companies and by independent manufacturing firms with which connections have been established. In view of all these, one can hope for larger yield on the Company's investment.

The paid-up capital of Greaves Cotton and Company Ltd. is Rs. 138.40 lakhs. Of this, 5 per cent. cumulative preference shares of Rs. 100 each account for Rs. 25 lakhs, 6 per cent. cumulative redeemable second preference shares of Rs. 100 each for Rs. 25 lakhs and equity shares of Rs. 100 each for Rs. 88.40 lakhs. The Company has no debentures or other loan capital outstanding. The turnover of the Company during the year ended March 1957 aggregated over Rs. 3.65 crores. The profit after charging normal depreciation but before providing for taxation was Rs. 21.86 lakhs. A dividend of 7 per cent. was paid on ordinary shares in that year. The net assets of the Company as at 31st March 1957 amounted to Rs. 1,75,22,264.

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In the context of the serious foreign exchange position confronting the country, the accent of trade policy should naturally be on the need for stepping up exports. Although this aspect has been repeatedly stressed as the one positive solution to the problem of adverse balance of payments, the action actually taken in the field of export promotion is limited. As we had occasion to point out recently, the measures so far adopted have been of a halting nature and, what is worse, not all of them of the right type. This is, indeed, unfortunate, considering that many countries in the world, especially on the Continent, have spared no efforts to stimulate the export trade. It will be interesting to note here a new scheme for augmenting exports evolved by the West German Government. The Ministry of Federal Property has drafted a Bill which seeks to set up an additional revolving fund of DM. 250 million (about £21.25 million) for the long-term financing of German export orders. Credit will in the main be for periods of two to four years and they will combine with the credit facilities of the Frankfurt Export Credit Bank in order to lengthen the credit terms from the present 4-5 years up to 8-10 years. The fund will be constituted out of the money made available from interest and amortisation accruing from the counterpart funds of the former Marshall Aid.

EQUITIES RULE FIRM

SPURT IN TEXTILES

(From Our Own Correspondents)

BOMBAY, *2nd April*

THE Stock Exchange had only three trading sessions during the week under review, since it was closed on two days. This brief period witnessed handsome gains in equities. The main influencing factor was the import policy for the current half-year, announced by the Government of India on Monday. Liberalisation of imports of raw materials for industries and other accessories, enhanced quotas for textile spare parts and further restrictions on imports of several consumer goods were all interpreted very favourably. It was felt that the indigenous industries would be able to maintain higher levels of output, thereby increasing their earnings. Another helpful factor was that the rumour of a levy of fresh excise duties on steel, rayon, paper, etc., did not materialise. Prospects of further aid from the U.S. and encouraging advices from Calcutta also imparted strength. There were, of course, occasional profit-taking sales which erased a part of the gains. Nevertheless, the closing rates yesterday were substantially higher than those at the end of Thursday last.

In the steel section, Tata Ordinaries opened the week firm at Rs. 179, as against Rs. 178.50 and improved to touch a high of Rs. 183 yesterday. At the close, however, it was a shade lower at Rs. 182.50. Indian Irons opened at Rs. 21.16 and, after advancing to Rs. 21.68 yesterday, finished a shade easy at Rs. 21.56.

The textile section provided a bright spot, with a spurt in prices. Centurys firmed up by Rs. 12.00 to Rs. 438. Kohinoors advanced by Rs. 4.50 to Rs. 286 and Central Indias by Rs. 3.50 to Rs. 93. Bombay Dyeings improved from Rs. 55.60 last week-end to Rs. 57.00 yesterday before closing a shade lower at Rs. 56.40. Gokaks were marked up by Rs. 5 at Rs. 158. Finlays changed hands at Rs. 282.50, as against Rs. 281.00 on Thursday. Morarjis strengthened by Rs. 6.50 to Rs. 212.50. Sreenivas were bought a rupee higher at Rs. 149. Tata Mills were a shade better at Rs. 42.50. Simplex were fully maintained at Rs. 159.50. Swans, however, came in for selling and shed Rs. 7 to Rs. 353. Khataus eased by Re. 1.50 to Rs. 159 and New Greats by Rs. 2.50 to Rs. 205.

In the bank section, Barodas were higher by 25 nP at Rs. 111.50, Centrals advanced by Re. 1.00 to Rs. 52.00, Centrals (New) rose by a like amount to Rs. 53.50. Punjab Nationals improved by 70 nP to Rs. 53, Unions by 12 nP to Rs. 8.48 (*ex-div.*) and United Commercials by 80 nP to Rs. 61.00.

Among insurance shares, New Indias and New Greats received good investment support. The former hardened by Re. 1.50 to Rs. 44 and the latter by Re. 1.44 to Rs. 18.88. Jupiters, however, encountered selling and declined by 52 nP to Rs. 7.56.

Sugar shares were well favoured. Belapurs opened the week at Rs. 240 and increased to Rs. 241.50 but wound up the week lower at Rs. 240.50. Bhopals gathered 20 nP to Rs. 22. Phaltans rallied by Rs. 2 to Rs. 141.50. Walchandnagars spurted by Rs. 8.25 to Rs. 291.25.

In the electricity section, Ahmedabad Electrics elicited good enquiries and hardened by Re. 1.60 to Rs. 96.30. Bombay Suburbans fetched Rs. 4 more, yesterday's closing rate being Rs. 108. Tata Hydros moved up from Rs. 115.25 to Rs. 117.00. Tata Powers forged ahead by Rs. 47.75 to Rs. 1,181.25. Surat Electrics found buyers 50 nP higher at Rs. 106. Broach Electrics were maintained at Rs. 7.52. Poona Electrics, however, eased by 50 nP to Rs. 119.50.

Cement shares were better. Associated Cements crept up from Rs. 150.50 to Rs. 152.75, although it closed fractionally lower at Rs. 152.25. Digvijays were higher by 75 nP at Rs. 143.75 and Orissas by 4 nP at Rs. 12.52.

In the engineering section, Alcock Ashdowns made a strident advance of Rs. 30 to Rs. 282.50 on expectations that, in view of the good performance of the Company, last year's cut in dividend from 17.5 per cent. to 15 per cent. would be restored this year. Tata Locomotives made a further gain of Rs. 2.75 to Rs. 159.25. Premier Constructions changed hands Rs. 5 higher at Rs. 174.25. Mahindras gathered 3 nP to close at Rs. 19.32. Larsen and Toubros were fully steady at Rs. 14.20. Among mining shares, Shivrajpurs improved by Rs. 2.50 to Rs. 99.50 and Indian Coppers by 12 nP to Rs. 3.32.

Automobile shares recorded modest gains. Premier Automobiles put on Rs. 2 to Rs. 86.50 and Hindustan Motors 20 nP to Rs. 7.32. In the shipping group, Scindias and Great Easterns rose by 20 nP and 8 nP to Rs. 17.16 and Rs. 20.28 respectively. India Steamships were quoted 24 nP higher at Rs. 11.08.

Among miscellaneous industrials, Bombay Burmahs firmed up from Rs. 539.50 on Thursday last to Rs. 555 yesterday, but the closing was a shade easy at Rs. 552, showing a net gain of Rs. 12.50 over the week. Tata Chemicals improved by 72 nP to Rs. 14.36 and Tata Oils by Re. 1.25 to Rs. 40.25. Hindustan Levers gathered 20 nP to Rs. 23.48.

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Madras Stock Exchange

MADRAS, *1st April*

Barring textile shares which ruled easy, a steady trend prevailed on the Madras Stock Exchange during the week under review. There was continued support for plantation shares, although in the closing sessions of the week, higher price levels attracted some profit-taking which led to a slight decline. Rubber shares were specially well favoured, thanks to expectations of an early upward revision in the controlled price of rubber. Textiles, as already stated, ruled easy. Buying enthusiasm was at a low ebb, owing to persistent disquieting reports of heavy accumulations of yarn stocks with several mills and cut of 25 per cent. in power supply in the South Madras area with effect from today.

Among rubber shares in the planting section, Midlands attracted good attention of operators and rallied Re. 1.12 to Rs. 16.12. Rajagiris spurted by a rupee to Rs. 15.50 and Highlands by 40 nP to Rs. 13.50. T.R. & Ts and Malankaras improved by 25 nP each to Rs. 7.15 and Rs. 16.25, respectively. Nenmenys gained a like amount to Rs. 15.75. Nelliampathys and Kailas rose by 15 nP each, the former to Rs. 3 and the latter to Rs. 4.20. Pullangodes were better by 10 nP at Rs. 1.80. Despite the cut in dividend to 6 per cent. for the year ended 31st December 1957, as against 7½ per cent. in the previous year, Gokul Rubbers put on 5 nP to Re. 1.60. Puthutottams were a shade better at Rs. 2.85. Mercaras, however, dropped 55 nP to Rs. 6.70. Among coffee shares, Coffee Lands gained 15 nP to Rs. 32.65. But Consolidated Coffees lost 20 nP to Rs. 23.75. Among tea shares, Peermades improved by 50 nP to Rs. 22. Neelamalais increased by 12 nP to Rs. 4.97. Blue Mountains gathered 5 nP to Rs. 3.20. Devasholas, however, declined by 75 nP to Rs. 18.40. Parksides receded by 45 nP to Rs. 16.80. Chembras eased by 7 nP to Rs. 3.63. Periakaramalais were a shade quiet at Rs. 4.08.

In the textile section, Ramakrishnas were hammered down by Rs. 15 to Rs. 175. Coimbatore Cottons slumped by Rs. 10 to Rs. 153. Dhanalakshmis dropped a like amount to Rs. 177 and Coimbatore Spinnings Rs. 3 to Rs. 58. Lakshmis eased by Rs. 2.25 to Rs. 112.75, Bangalore Woollens by Rs. 2 to Rs. 171, Rajalakshmis by Re. 1.50 to Rs. 72.50 and Ranga Vilas by a rupee to Rs. 64. Travancore Rayons shed 25 nP to Rs. 13.45, reflecting traders' disappointment over the continuation of the dividend at 10 per cent. for the year ended 31st December 1957, same as last year. Radhakrishnas, on the other hand, evoked special support and went up by Rs. 4 to Rs. 124. Buckinghams were higher by Re. 1.25 at Rs. 168.25.

U.S. AID TO PRIVATE SECTOR PROJECTS

The Export-Import Bank of the United States has agreed to make available to the Government of India a credit in dollars for purchases to be made in the U.S.A. for industrial projects in the private sector. These include engineering industry, chemical industry, cotton textile industry, automobile industry, and coal mining industry. As a result, it will now be possible for the Government of India to issue import licences without any conditions regarding deferred payments for projects which the Government of India consider to be of sufficient importance for financing out of this credit. In order to obtain Government's approval in principle to the inclusion of any project under this credit, the parties concerned should apply to the following authorities respectively, for the industrial groups named above.

Industrial Adviser (Engineering), Development Wing, Udyog Bhavan, New Delhi.

Industrial Adviser (Chemicals), Development Wing, Udyog Bhavan, New Delhi.

Textile Commissioner, Bombay.

Industrial Adviser (Engineering), Development Wing, Udyog Bhavan, New Delhi.

The Coal Commissioner, Calcutta.

In each case, a copy of the communication should be sent to the Deputy Economic Adviser in the Ministry of Commerce and Industry, New Delhi. The applicants should give (*a*) details of Industries Act licences held by the party, or of any other authorisation given by Government; (*b*) the total estimated f.o.b. value of the equipment to be purchased in the U.S.A. and the estimated cost of insurance and freight separately; (*c*) whether any part of the equipment for the completion of the project has already been installed or covered by import licence; and/or has to be purchased outside the U.S.A.; (details, particularly values, should be given); (*d*) date by which shipments are expected to be completed; (*e*) the value of output to be achieved from the project and the annual value of raw materials and/or components to be imported; and (*f*) whether arrangements for rupee finance not only to meet the cost of the imported equipment but also for local expenditure have been made.

The equipment referred to above includes not only the plant and machinery but also any constructional material required for completing the project including steel for structures, earthmoving equipment, electric fittings, essential supplies of spares that may be necessary as an initial reserve to start the operations, etc., which may need to be imported. In other words, the picture should be as complete as possible and include all items that would need to be imported in order to start production other than raw materials with an indication of the likely source of supply in each case. It should be understood that, in all cases, normal import licensing restrictions will be applicable and goods and equipment indigenously available in adequate quantities will not be allowed for importation.

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NEWS IN BRIEF

THE Indian Airlines Corporation resumed the Srinagar-Pathankot and Srinagar-Leh services on the 1st inst. and 3rd inst., respectively.

A proposal for the bulk sale of manganese ore to the United States against import of wheat is under the consideration of the Government of India.

Canada has offered to India wheat worth $8 million under the $15-million programme of wheat gift to three Colombo Plan countries, India, Pakistan and Ceylon.

The Government of India has decided to allow drawback of duty paid on the imported silver used in the manufacture of silver jewellery or silverware exported. The drawback will be at the rate of 50 nP per ounce of on silver contained in the goods for export.

A Bill seeking to exempt the mining leases for coal granted before 25th October 1949 from certain provisions of the Mines and Minerals (Regulation and Development) Act 1957 was introduced in the Lok Sabha on 29th March by the Minister for Steel, Mines and Fuel.

The Union Government has decided to continue the rate of interest payable during the financial year 1958-59 on deposits and balances to the credit of subscribers to the general provident fund and other similar fourteen funds at 3.75 per cent.

The Central Ministry of Rehabilitation paid a sum of Rs. 28.35 crores as compensation to displaced claimants from West Pakistan during 1957. Of this sum, Rs. 14.70 crores were paid in cash, over Rs. 9 crores by transfer of property and Rs. 4.58 crores by adjustment of public dues.

An agreement is reported to have been reached between the Kerala Government and the Gwalior Rayon Silk Manufacturing (Weaving) Co., Ltd. for the establishment of a wood-pulp (rayon grade) plant in the Nilambur Baipur area of the State. The proposed plant will entail an outlay of Rs. 9 crores and will be set up in collaboration with a German firm which will act as technical consultants.

A Bill seeking to enact a comprehensive law on the subject of trade and merchandise marks was introduced in the Lok Sabha by the Union Finance Minister on 28th March. The Bill will amend the Trade Marks Act (1940) and the Merchandise Marks Act (1889), besides incorporating provisions relating to trade marks contained in the Indian Penal Code.

The newly constructed Rs. 18-lakh industrial estate at Indore to house small-scale industries was declared open by Mr. Morarji Desai, Union Finance Minister, on 30th March. This is the first to be constructed under a scheme of establishing 16 industrial estates in Madhya Pradesh envisaged in the second Five-year Plan at a total cost of Rs. 85 lakhs.

The Government of India has under consideration a scheme to establish a dredger-*cum*-survey launch pool consisting of two cutter-section dredgers, one ladder-bucket dredger, 15 survey launches and attendant craft. It is estimated that the total cost mainly for outer harbour dredging of minor ports will amount to Rs. 214 lakhs. The dredgers are to be based at Kandla, Bombay and Visakhapatnam.

Negotiations are in progress with certain countries for the sale of further substantial quanties of 58/60 and 60/62 grades of iron-ore, according to the Union Minister for Commerce. Substantial quantities of low grade iron ore are reported to be available near the Redi Port in Bombay State. Between June 1957 and April 1958, the State Trading Corporation has sold 120,000 tons of 60/62 grade ore for shipment from Redi Port to Japan.

Under the Indo-Egyptian Trade Pact signed between the representatives of the two countries, export and imports of goods other than tea, jute and cotton will continue to be paid for in Indian rupees. In order to provide banking facilities to Indian exporters of tea and jute goods and to Indian importers of Egyptian cotton, the State Bank of India will open an export account in Egyptian pounds with the National Bank of Egypt.

The Union Government has under consideration a series of schemes for the expansion of the telegraph services with other countries. The schemes include establishment of direct wireless telegraph services to Czechoslovakia, Ethiopia, Germany, Saudi Arabia and Iraq, direct radio phone services to Afghanistan and Czechoslovakia, a leased teleprinter radio-telegraph channel between Bombay and Paris, and a direct radio-photo service to Czechoslovakia.

The Government of India has granted recognition to the East India Jute and Hessian Exchange Ltd., Calcutta, under the Forward Contracts (Regulation) Act, 1952, for conducting futures trading in jute and jute goods for a period of three years. Forward trading in jute and jute goods except to the extent and in the manner specified above will accordingly be illegal. These arrangements have been brought into effect from 25th March 1958 and necessary notifications in this regard have been issued in the *Gazette of India*.

The rules governing grant of exemption from payment of income-tax to non-Indian nationals in respect of home leave passages have been withdrawn with effect from the 1st inst. The exemptions had been given subject to certain conditions and its operation was found to have increased unduly the administrative work. The free or concessional passages which can qualify for exemption under the statutory provisions are only those given by an employer in India to his foreign employee, his wife and children in connection with the employee's home leave outside India.

The Union Government has set up a Wage Board for the cement industry with Mr. M. R. Meher, I.C.S., President of the Industrial Court, Bombay, as Chairman. The other members of the Board are: Sardar Jogendra Singh, M.P. and Dr. D. T. Lakdawala (independent members), Messrs. P. K. Mistry and U. H. Dalmia (members representing employers), and Messrs. S. P. Dave, M.P. and Mr. I. N. Moinudeen (workers' representatives). The functions of the Board are to work out an appropriate wage structure and to lay down the principles for grant of bonus.

In pursuance of the Union Government's textile policy which envisages the setting up of automatic looms for production of cloth meant entirely for export, the Government of Bombay has decided to set up 500 powerlooms in the first instance. Under the scheme, loans and grants will be sanctioned to co-operative societies of handloom weavers for purchase and installation of powerlooms and accessories, as also for working and share capital. The terms and conditions governing the grant of loans stipulate, among other things, that the loan, which will be disbursed to members by the society in the form of powerlooms beams, flanges, motors, switches, and other accessories, will be limited to Rs. 2,900 per loom. They also lay down that the co-operative units of the looms to be formed should be small in size, located in rural areas, that is, at places having a population of 30,000 or less, and have their headquarters at places where electricity is available.

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From Abroad

Thailand is expected to make a second request to the International Tin Council for a bigger tin export quota. Its request, made earlier, for a quota of 8.62 per cent. had been rejected.

The aluminium industry of West Germany has reduced the current output of its metal. Monthly production was cut from last year's monthly average of 13,000 tons to about 10,500 tons this year.

Production of crude oil in Canada in December last showed a drop of 20 per cent. to 13.37 million barrels from 16.66 million barrels in the corresponding month in 1956. Total 1957 production, however, rose by 5.7 per cent. to a record level of 181.84 million barrels, that is, from 171.98 million barrels in 1956.

The International Tin Council has fixed the permissible exports of tin metal from Malaya for the second quota period commencing from 1st April to 30th June at 8,625 tons. This is equivalent to 192,686 piculs of tin concentrates, representing 58.19 per cent. of the 1957 quarterly average production of 14,823 tons of metal content.

Crude oil production in the Consortium Agreement Area of Iran in 1957 at 34.8 million tons was a new all-time record, exceeding the 1956 output by one-third. The corresponding payments to Iran aggregated £76 million ($21.3 million). Refinery throughout at Abadan increased from 11.2 million tons in 1956 to 15.2 million tons in 1957.

The setting up of a Jute Marketing Expansion Board, designed to regularise all foreign sales, is under consideration by the East Pakistan Government. It is also learnt that the introduction of regulated markets in specified places in the province to ensure fair prices and a ready market to jute growers is under contemplation.

The execution of a comprehensive water-supply and sewage scheme at an aggregate cost of Rs. 64 million over a period of five years has been agreed to between the U.S. International Co-operation Administration and Pakistan. It is learnt that, by another agreement, I.C.A. has also agreed to participate in water-supply schemes, costing about Rs. 77 million for East Pakistan.

Further economic assistance to the tune of $15 million has been made available to Spain by the United States, bringing the total amount under the defence support programme to $356 million since conclusion of the Spanish-U.S. pact of 1953. The latest aid, it is learnt, will be utilised primarily for the financing of imports of industrial raw materials. It is stated that Spain will shortly purchase an additional $4 million worth of short-staple cotton (about 23,800 bales).

Promise of support to interests of British woollen manufacturers in the current Anglo-Japanese trade negotiations has been assured by Lord Mancroft, Minister without portfolio. The promise was a sequel to anxiety expressed over the possible trade bargains Japan might seek. It is said there is grave concern in Yorkshire among woollen piecegoods manufacturers over the Japanese threat to reduce the import licence allocation if the U.K. did not increase its imports of canned foods.

PERSONAL

MR. Lal Bahadur Shastri assumed the office of the Union Minister for Commerce and Industry on 28th March.

Mr. Madanmohan R. Ruia was re-elected President of the East India Cotton Association for the second year in succession.

Mr. George Wright, London Manager of the Incandescent Group of Furnace Engineers, Smethwick, is arriving in India shortly for an extended market investigation.

Mr. S. V. Rayan, Editor, *Commerce*, has left Bombay for the U.S. for studying the latest economic developments in that country. He will be away for a period of ten weeks.

Mr. N. D. Harris, Chairman of Imperial Chemical Industries (India) Private Ltd., left for the United Kingdom last week after his retirement from the Company. Mr. Harris has been succeeded by Mr. J. M. Lall.

Mr. V. Viswanathan, until recently Joint Secretary in the Union Ministry of Home Affairs, has taken over charge as the Special Secretary in the Ministry to deal exclusively with the problems of the Central Government services personnel.

Mr. S. B. Bapat, Joint Secretary in charge of the Vigilance and O and M. Divisions, Central Home Ministry, has been appointed Director of Public Administration in the United States Technical Assistance Administration. His services have been lent for a period of three years.

Mr. L. K. Jha, Special Secretary in the Ministry of Commerce and Industry, left New Delhi for Europe on the 1st inst. He will visit London, West Germany and Geneva. While in London, he will finalise arrangements in regard to the heavy electricals factory at Bhopal.

The Dunlop Rubber Company has developed a new type of synthetic foam. The new product claims to be the most rubber-like yet evolved. It is derived essentially from polyether and other raw materials, obtainable from the oil and coal tar industries and will serve as a complementary to latex foam and existing synthetic foams. The Company anticipates that the new product will have many applications, chiefly in the upholstery trade. It is said that, weight for weight, it will support a greater load than latex foam which is an important characteristic for the aircraft and transport industries.

The Chinese Manufacturers' Association in Hong Kong has declared its firm opposition to any form of quota restrictions on its textile exports to Britain. This was contained in a statement which was issued on the eve of the crucial meeting on the 31st ultimo between local textile interests and Sir Frank Lee, Permanent Secretary to the Board of Trade, who is trying to persuade them to accept a voluntary quota system. The manufacturers' statement said that the British Labour Party, India or Ceylon has not sufficient reason for Hong Kong accepting voluntary or any other type of limitation. It added that Hong Kong had also the question of unemployment like Lancashire and that the Labour Party, like the Conservative Party, should consider Commonwealth links.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *8th April*

Dollar Wheat and the Rupee

Britain's contribution towards "dollar wheat" would be her readiness to lay in a store of wheat at a price something under a dollar a bushel. Her most effective contribution towards "dollar silver" would be her readiness to receive rupees or their silver content as a reserve against the currency, simultaneously with the reopening of the Indian mints to the unlimited coinage of silver. This in itself would not raise silver to a dollar an ounce, but it would raise it to over 70 cents. To give us "dollar silver" either the gold value of sterling would have to be raised or that of the U.S.A. dollar lowered. Then the rupee or its silver content could be received not only at the Bank of England but at the Treasury of the United States as well. In continuation of his argument Mr. Darling says: "I was a young man engaged in banking in India when the Indian mints were closed to silver in 1893. I protested against it in the leading columns of more than one newspaper. Up till then, practically the whole of Asia, containing more than half the population of the globe, measured values by silver which also was their principal medium of exchange. To compel Asia—for that was what the closure of the Indian mints meant—to seek, though as it turns out not to obtain, another standard of value has been terribly upsetting to both East and West. And now the gold standard itself has failed and the whole world is groping for something reasonably stable whereby values can be measured, contracts made equitable, and buying and selling encouraged. Give the Orient back its silver standard through the Occident accepting silver freely as money or as a basis for its money. It answered well enough for centuries and is well worth trying again."

ALCOHOL INDUSTRY

IT is regrettable that the Government of India should have taken as many as 16 months to release for publication the recommendations of the Committee on Alcohol Industry and the decisions thereon. The Committee, it will be recalled, was set up on 11th October 1955 with Dr. A. Nagaraja Rao, Chief Industrial Adviser to the Government of India, as Chairman, to study and examine the state of the alcohol industry and to make recommendations for improving and developing it. The Committee submitted its report in December 1956. Apart from the protracted delay in publishing the findings of the Committee, the Government has also not announced its decision on all the suggestions made by the Committee. The omission includes the more important subjects such as those relating to price, distribution, taxation, freight rates and rail transport facilities.

The Government has accepted four notable recommendations put forward by the Committee. First, the development of alcohol-based industries like synthetic rubber, acetate rayon/cellulose acetate, pharmaceutical products, D.D.T., and other organic chemicals and solvents such as acetone, ether and butanol, should be encouraged on a priority basis. On the basis of expected developments in certain alcohol-based industries and targets therefore by the end of the second Five-year Plan, the Committee has estimated that the annual industrial requirements of alcohol will increase from 3-4 million gallons at present to 31 million gallons. Secondly, even when alcohol-based industries develop, power alcohol should continue to be used in admixture with petrol so as to provide a flexible demand to cover any imbalance between anticipated production and gradual development of industrial demand for alcohol. In the opinion of the Committee, it will be necessary for several years to come to arrange for the utilisation of about 12 million gallons per year as power alcohol, although the areas under alcohol-petrol blend may vary from time to time, depending on the progress of other industries based on alcohol. Thirdly, suitable assistance should be given to prospective exporters in regard to excise procedure and availability of tank wagons as well as storage facilities at ports. It may be possible, we are told, to build up an export market for over a few million gallons of alcohol every year, provided the basic ex-distillery price is pegged at the level urged by the Committee, that is, As. 14 (87 nP) per gallon, as at present. Fourthly, a development council must be constituted for the fermentation industries, including alcohol and products based on it.

The Government has not, as already stated, announced its decision on the more important recommendations of the Committee. Among these, one stands out most prominently, namely, that pertaining to the price of alcohol and molasses. According to the Committee, in order to encourage the use of alcohol as a raw material for industries, the basic ex-distillery price of alcohol should not be higher than As. 14 (87 nP) per gallon, as at present. Since, however, the distilleries are not adjacent to sugar mills and may have to transport a part or the whole of their molasses requirement, the actual ceiling prices per gallon suggested are As. 12-9 (80 nP) for alcohol (99.5 per cent. strength) and As. 12-6 (78 nP) for alcohol (96 per cent. strength) plus an additional charge up to a maximum of As. 6 (37 nP) per gallon on account of the actual average transport charges incurred on molasses.

The Committee points out that, as molasses have been, and will continue to be, the principal raw material for producing alcohol, control over its price and distribution is essential, if the price of alcohol is to be maintained at a low level. While few would dispute the need for some controls, the point is that, in some States, especially in Bombay, the controls have been so vexatious and harsh as to put the sugar mills into utmost hardship and inconvenience. Consequently, huge stocks of molasses accumulate with mills year after year and their storage has been a standing problem to the mills ever since the Prohibition Act came into force. When faced with such excess stocks of molasses, the factories try to solve the problem by destroying them or by using them as manure wherever they are found suitable. Even for this, they have to take the permission of the Government. The fulfilment of this condition involves considerable delay and expenditure. Viewed thus, it will be interesting to know the details of the Committee's recommendations covering the following matters and the decision the Government will take thereon:

Mechanism of control over price and distribution of molasses;

mechanism of control over price and distribution of industrial alcohol;

tax structure and agency for taxation of industrial alcohol;

revision of excise laws for the control of distilleries and factories using alcohol in their manufacturing operations;

definition and scope of the terms "alcohol" and "spirit" for purposes of control;

collection of detailed statistics relating to industry-wise consumption of alcohol;

freight rates on various grades of alcohol; and

rail transport facilities for the movement of molasses and alcohol.

It is rather unfair on the part of the Committee to have recommended as reasonable the low price of As. 4 per maund for molasses containing not less than 50 per cent. total sugars. Considering the rigid cost structure from which the sugar industry is suffering at present, thanks to the heavy impact of taxes and high price of sugarcane, the need for raising the price of molasses cannot be stressed too strongly. Such an upward revision will not only enable the sugar mills to lower the price of sugar to some extent but also ensure adequate and regular supplies of molasses to the alcohol distilleries.

Be that as it may, the Nagaraja Rao Committee estimates that, after meeting the requirements of others, over 900,000 tons of molasses will become available for the manufacture of alcohol per year from 1959-60 onwards. The total production of alcohol from all the available molasses, including 1 million gallons produced from Mahua flowers, is expected to be of the order of 46.8 million gallons per year (100 per cent. by volume). In order to attain this level of production, distillery capacity of the order of 52 million gallons per year is necessary. The Committee has done well to indicate suitable locations for new distilleries and expansion of existing units. It is said that, in the present circumstances in India, the minimum capacity for a distillery of economic size is 1 million gallons per year. In special circumstances, the economics of production in units of smaller capacities may, of course, not be too disadvantageous.

The distillery capacity of 52 million gallons suggested by the Committee for the alcohol industry represents a rise of as much as 16 million gallons as compared with the target fixed for 1960-61 by the Planning Commission. It also represents an increase of 22 million gallons as compared with the anticipated requirements during the Plan period. Even so, the Committee feels that it will be advantageous to build up alcohol capacity somewhat ahead of the growth of industrial demand to the extent that it is facilitated by the availability of molasses, in view of export possibilities and alternative outlets for its use as motor fuel.

EXPORT OF ENGINEERING GOODS

A study of the South-East Asian markets for engineering goods undertaken by the engineering trade delegation which visited the countries of this region early this year has underlined the vast potentialities of the region as an export market for engineering goods. All the countries of this region are keen to industrialise themselves and the process has already started, but it will take some time before they will be in a position to meet their own requirements. Till then, they will have to continue importing engineering goods from abroad and India, according to the delegation, is in a position to supply a large part of the requirements. It is true that in certain countries of the region like South Viet Nam and the Philippines which depend heavily on the U.S., the latter exerts a powerful influence in economic matters. For instance, the import tariff on American goods is only 25 per cent. of those charged on foreign goods. In spite of this, the prices of Indian articles like diesel engines, electric fans, sewing machines, small tools, etc., are stated to be competitive with those of other countries and good business could be done, says the delegation, if licences were available to the parties for import from India.

Indian goods have nevertheless to face severe competition from Japan which, owing to a number of favourable factors, is able to offer very competitive rates for its goods. Despite heavy odds, India has been exporting quite a number of engineering goods such as electric fans, sewing machines, diesel engines, oil mill machinery and automobile parts. But in order to place Indian exporters on a basis of equality with their competitors, principally Japan, the delegation has suggested certain measures.

Engineering goods manufacturers in Japan enjoy several advantages. In that country, a significant role is played by small-scale units which supply standard parts which are only assembled in big workshops. Most of the engineering goods are entirely exported by small units, having low establishment costs. There is no difficulty in securing the necessary raw materials. Exporters get credit facilities—both short and long-term—from foreign exchange banks or export-import banks at rates normally three per cent. below the usual rate. Exporters have facilities for insuring their exports and investments abroad under the export-cum-investment risk insurance schemes. Manufacturers and exporters are given a rebate of income-tax on their total export turnover. Considerable help is extended by the Japan External Trade Recovery Organisation to exporters for conducting market research and surveys through its network of offices, centres, and representatives throughout the world free of cost or at very nominal charges. Further, Japanese exporters have no shipping problem at all since there are, besides regular lines, trampers which are available at very competitive rates. The Ministry of International Trade and Industry co-ordinates the various activities of the export promotion organisations and lays down the general policy.

With a view to expanding exports of goods from India, the delegation has suggested trade agreements or barter arrangement between India and countries of the region. According to it, most of the countries of the region will welcome such agreements for mutual exchange of goods. Due to the adverse balance of trade, which many of the countries have with India, they want that India should think of exporting engineering goods for things which they can offer in exchange.

The delegation has suggested that Indian exporters should be given all those facilities which their counterpart in Japan are at present having. It has also urged that steel and pig iron should be made available at concessional rates and that regular supplies should be ensured. Indian exporters should also be given shipping facilities at freight rates comparable with those paid by Japanese exporters. It is to be hoped that Government will consider how best these suggestions could be implemented.

RAJASTHAN CANAL PROJECT

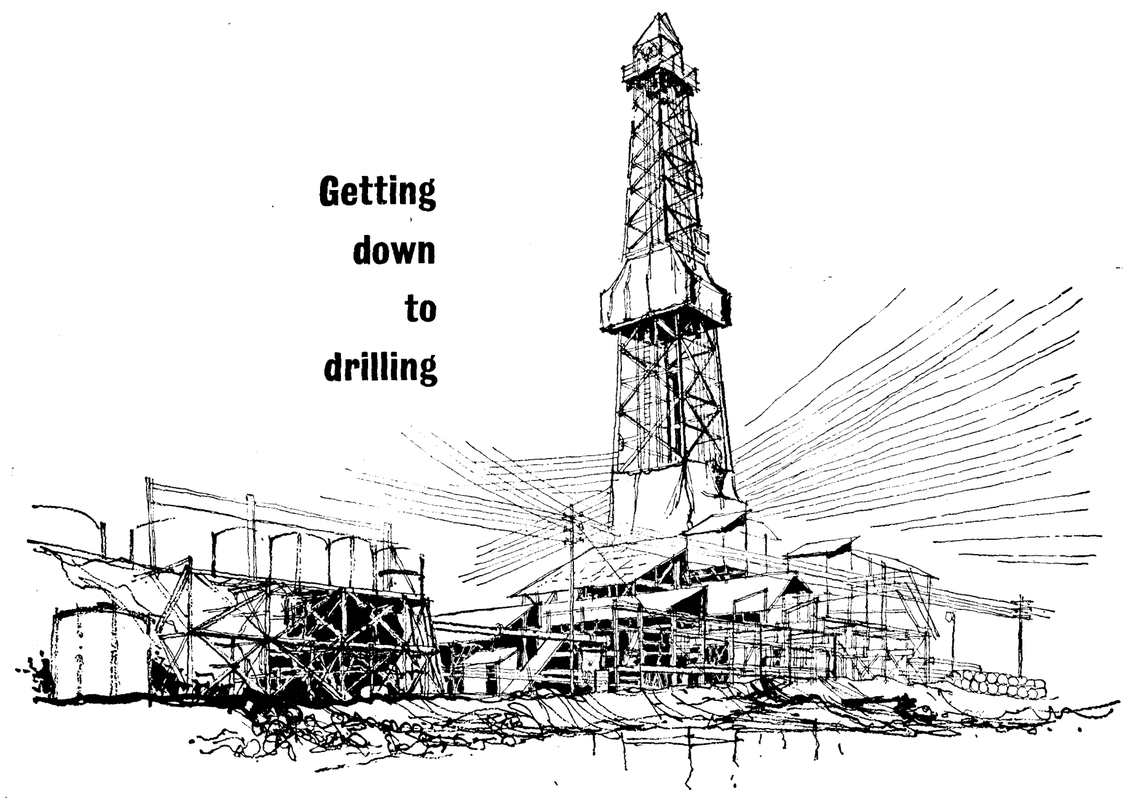
The Rajasthan Canal Project, excavations work on which was inaugurated by Mr. G. B. Pant the Union Home Minister, on 30th March, is a major milestone in the States' road to prosperity. The project, comprising the construction of a 426-mile-long canal with a head discharge of 18,500 cusecs taking off from Harike Barrage across the Sutlej, when completed, will constitute one of the biggest single irrigation projects in the world. It covers a gross commanded area of 5.1 million acres with a total culturable commanded area of 3.36 million acres (by flow). The total cost is estimated at Rs. 66.5 crores, excluding the expenditure on storage dams. On completion, the project is expected to produce about one million tons of crops annually, valued at about Rs. 30 crores.

The main canal consists of two parts, the Rajasthan Feeder which is 134.2 miles long (110.8 miles in Punjab and 23.4 miles in Rajasthan) and Rajasthan Canal, 291.6 miles long, lying entirely in Rajasthan territory. It will be the longest in India and Asia. Its construction would require 6,700 million cubic feet of earthwork and 180 million sq. feet of lining and will create employment for over 50,000 people during construction period.

In addition to bringing under irrigation a large desert area and producing additional crop of one million tons, the project is expected to yield other benefits also. Apart from job opportunities during construction, employment facilities in agriculture will be available to over a half a million families on full development of the project. A large number of people will also find employment in other spheres such as railways, roads, social services, business and industry.

(Continued on page 667)

The Story of Oil—9



Getting down to drilling

The oil driller's derrick looks imposing and strange as it stands silhouetted against the sky, but it is merely a sturdy steel support for lowering and raising jointed lengths of heavy pipe into and out of the well during the drilling operations.

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When the bit becomes worn the entire length of drill pipe must be removed, unjointed, and stacked in the derrick. After the new bit is attached the pipe is joined together and drilling begins again.

All during drilling, specially-prepared mud is pumped down inside the drill pipe. It passes through perforations in the bit and is forced back to the surface outside the drill pipe. This mud has many useful functions. It flushes rock cuttings back to the surface for examination, cools the bit and plasters the walls of the hole to prevent them from caving in. As drilling progresses the hole is lined with successive lengths of steel pipe called casing.

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GOVERNMENT'S NEW IMPORT POLICY

MARGINAL ADJUSTMENTS MADE

From Our Own Correspondent

NEW DELHI, 1st *April*

DELHI LETTER

THE Government of India has just announced its import policy for the April-September period this year. The policy involves no more than a modest liberalisation of imports in a few lines in view of the continuing need "to conserve foreign exchange resources." Such concessions (by way of increased quotas for some items) as are now given are intended "to overcome the shortages which were beginning to impede production." Broadly speaking, they are in the nature of marginal adjustments. According to a Press note on the schedules of commodities affected, quotas are now increased mainly for items required for industries; these are textile chemicals and accessories, component parts of taper roller bearings, spare parts for machinery, chemicals not otherwise specified, industrial gums and resins, and certain abrasives. New quotas are given for printing machinery and agricultural tractors. Quotas are increased for a few essential consumer goods like photographic sensitised material and paper items. But quotas are reduced in respect of coal-tar dyes, some types of motor vehicle parts. P.V.C. compound, steel files, etc.; the shortages in these items are expected to be made good by indigenous industry. Quotas are also reduced in respect of such food items as fish, fruits and milk food. In the case of items like studio lamps, copra and selenium, the quotas have been withdrawn or drastically reduced; but here, there is a provision for the grant of licences to actual users.

There are eight schedules of commodities: (1) items for which quotas for established importers are enhanced; (2) items for which applications from actual users will be considered; (3) items for which face value provisions are liberalised; (4) items for which quotas for established importers are reduced or banned; (5) items for which face value restrictions are imposed or variations made in the existing face value restrictions; (6) new items brought under the Export Promotion Scheme; (7) items for which the basic period has been extended upto and including 1956-57; and (8) items for which licences within the group would be interchangeable during the period. In these schedules, (4) contains the largest number of items covering a wide range of metal manufactures, some types of centrifugal pumps and pumping sets, chemicals, some food items, drugs and medicines, etc. In schedule (6), the new items brought under the Export Promotion Scheme are boot and shoe grinders (for *chappals* and sandals) and asbestos (raw).

Raw Materials

Although a somewhat higher foreign exchange ceiling is now allocated for industrial raw materials (producer goods), it is stated that the additional foreign exchange expenditure as compared to the previous half-year may not be more than Rs. 10 crores. But it is also stated that this may not actually take place in the light of the circumstance that there is no upward revision of their targets of consumption but only a readjustment to make good the deficiencies shown up by the previous half-year's policy. The saving in foreign exchange that would result from the reduction or banning of quotas for a large number of items under Schedule (4) may mean that the new import policy will, in actual practice, continue to be one of severe austerity. But there are at least two major groups of imports—one on account of Defence and the other on account of foodgrains—which will continue to be outside import control, and the upsets these may cause in the foreign exchange sector can only be dimly visualised at this stage. It is not improbable that conservation of foreign exchange through austerity in imports is largely intended for imports of defence stores and armaments and of foodgrains inasmuch as capital goods imports and foreign exchange requirements of the hard core projects are largely covered by deferred payment credits and foreign loans.

Planning Commission's Note

It is in this context that the Planning Commission's recent note on the foreign exchange crisis acquires some special importance. The Commission has admitted that "the rise in imports and consequent drain on foreign exchange resources is itself attributable mainly to the attempt to carry out the second Five-year Plan." The factors which aggravated and hastened the crisis, according to the Commission, were: the heavy demands of defence; the need to import more foodgrains than was originally anticipated; the increased requirements of raw materials, components, spares, replacements, etc., for matching the higher levels of industrial production reached in 1955 and 1956; rather higher imports of consumer goods in the year 1955-56 and 1956-57 compared with earlier years; and increase in prices and in freight rates. The Commission has given, in an annexure to its note, supporting figures first regarding these aggrevating factors and then figures showing that the increase in imports and the heavy outstanding foreign exchange commitments have been the result mainly of the attempt to carry out the Plan. From the apologetic manner in which the Commission has referred to "the attempt to carry out the second Five-year Plan" the overambitious character of the Plan in terms of foreign resources required for it could also be inferred.

Five Factors

The Commission's comments on the five aggravating factors are interesting though they are not quite revealing in at least two respects. Regarding the first factor, that is, Defence, the Commission says that the annual average of foreign exchange expenditure on it during the first two years of the second Plan is about Rs. 30 crores higher than the average of the preceding three years and that the outstanding commitments are exceedingly heavy. But nowhere in the note is it even roughly indicated what the outstanding commitments on account of Defence are. It is just stated that "other Ministries (which include the Defence Ministry) and State Governments" have, as of 30th September, 1957, outstanding foreign exchange commitments of the value of Rs. 211.65 crores. A breakdown of this amount, it is surprising to note, is not given; where the total is available, it passes one's comprehension why the Commission has not tried to get the detailed figures comprising the total. The inference can only be that the Defence commitments are so heavy that there is no disposition to reveal them fully.

As regards the second factor, the Commission has given figures of imports of grain, pulse and flour in the first two years of the second Plan. In the first year such imports were valued at Rs. 102 crores of which only Rs. 35 crores was covered by foreign aid; in the second year the value of such imports was Rs. 150 crores of which a considerable part is covered by P.L. 480. The Commission admits that its assumption of Rs. 48 crores worth of foodgrain imports, on an average, per annum in the second Plan period has proved so far to be wide of the mark. As foodgrain imports in 1958-59 also will continue to be equally heavy, the likely upset by way of a drain on foreign exchange would have to be more precisely calculated. But the Commission has not done this even in respect of 1957-58 after allowing for the P.L. 480 wheat which involves no current or future foreign exchange commitment.

In a more or less precise calculation of how much foreign exchange expenditure there was actually in 1957-58 on account of foodgrain imports and how much there will be in 1958-59, three major items have to be taken into account. They are: India's share, in foreign exchange, of Ocean shipping costs on account of P.L. 480 wheat; foreign exchange expenditure on account of the purchase value and ocean shipping costs on acount of certain quantities of wheat which have been and will have to be imported, in terms of the P.L. 480 Agreement, from normal exporting countries like Australia, Argentina, etc.; and foreign exchange expenditure on account of rice imports which can not be had to any significant extent under P.L. 480. The latest agreement with Canada for the supply of four lakh tons of wheat will also involve some expenditure of foreign exchange on ocean freight although the loan, which is to be repaid in dollars, will involve no foreign exchange commitment in the near future. The vague public impression that because large quantities of foodgrains can be got on credit from the U.S.A. and Canada, there will be no substantial expenditure of foreign exchange in the years immediately ahead, is patently wrong.

ELECTORAL DEFEATS

From Our Own Correspondent

LONDON, 28*th March*

LONDON LETTER

A STRONG financial position and a recession in production are a traditional combination, and no one can complain of the trend in Britain's external fisc at present. The next gold reserve statement will undoubtedly show an improvement and, meanwhile, the pound stands at a substantial premium over the dollar, in spite of the cut in Bank rate. This week has also seen the price of gold at its peak level in the London market and the interesting suggestion is put forward that the strength of sterling against the dollar and the high gold price are closely connected through the policies of European central banks. These, like the Bank of England, keep their reserves in both gold and dollars and switch from one to the other according to the sentiment of the time. They are thought to be unloading dollars at present against gold purchases on a limited scale.

But the general interest in this country is concentrated on the internal repercussions of recession and the Government, which has been applying a disinflationary policy for a long time and is now meeting with success, has to put up with the blame for the attendant unpleasantness. This accounts for their reverses in a number of recent by-elections, including the dramatic one this week which resulted in a Liberal candidate beating his Conservative opponent and the Labour candidate at Torrington in the West Country. The Government also shares the odium for the Report of the Council of Prices, Productivity and Incomes. The Chairman, Lord Cohen, whose name is often pronounced Khan, is now being called Lord Genghiz Cohen and his two public appearances to justify his Report have in no way reduced the criticism given to it by the man in the street. Lord Cohen's most recent justification was made this week in the University of London to economists who were mostly in sympathy with him. The trouble is that, whereas the Government talk about a disinflationary policy in order to reduce prices and maintain the value of money, the "three wise men" of the Cohen Council went further and pointed out that this was going to mean unemployment. Of course, the Government's economic surveys have also forecasted from time to time given levels of unemployment, but their figures have not spoken with the same bluntness as the words of the Council.

Lord Cohen will have to put up with criticism, because his Council's attitude, however right it might be in assessing the results of the policy of disinflation, is indeed to approve that policy. Academically, however, desirable it may be to prevent a rise in prices and to maintain stable money, the public, particularly those affected by it, do resent unemployment. And the economist has not got the facility of the politician who would be quite happy to talk about disinflation in one breath and the maintenance of full employment in the other. Lord Cohen is too honest, he knows that the two things do not go together and says so, but, since he also goes on to advocate disinflation, he gets tarred with the brush of an advocate of unemployment!

The Government's electoral defeats are very hard on their new publicity activator Lord Hailsham who, however, not content with his political preoccupations, is now resenting last year's Cheques Act which is provoking quite a revolution in business methods in this country. The normal technique of settling accounts here has been for statements of accounts to be returned to the creditor with a cheque which the creditor endorsed and paid into his bank, returning the statement receipted to the debtor; or alternatively a receipt was provided on the back of the cheque. The Cheques Act made it unnecessary for creditors to endorse cheques made out to them before paying into their banks and by the same token made it unnecessary to give a receipt on a cheque. Thus, while a debtor is still entitled to insist upon a receipt if he wishes to, the business community have been quick to take advantage of the new provision and creditors are ceasing to give and debtors to demand receipts.

The saving to business of this simplification is immense and, in spite of the dissident voices there is no doubt that the reform has come to stay.—*All Rights Reserved.*

AMERICAN LETTER

CONFUSION OVER BUSINESS RECESSION

CONSUMER SPENDING DROPS SHARPLY

From Our Special Correspondent

NEW YORK, 25*th March*

THERE is a good deal of confusion in the United States about the actual state of the current business recession. There are two raging in this land, a statistical one and a psychological and emotional one. One supplements the other and the politicians have seized upon both to push through their local pet projects to increase employment through Government spending.

In the background, the monster of inflation is lurking. Unemployment is the most frequently cited figure. It is now about 8 per cent. of the labour force, as compared with more than 25 per cent. during the famous depression of the 1930s. Unemployment insurance, is a matter of State legislation. As an example, a fund was created in New York State, as in others, many years ago out of employer-employee contributions. It pays up to $36 a week for 26 weeks to any unemployed who applies for benefits.

Here as well as elsewhere, many have exhausted their 26 weeks. That is why there are discussions for the Federal Government to extend the benefits beyond these 26 weeks on a temporary basis. Practically all unemployment is centred in the manufacturing sector of the economy. In some service industries, there has been an actual gain in employment. Also, savings are still increasing quite satisfactorily, much to the dismay of the banking fraternity, while consumer spending has dropped sharply ever since October 1957.

Dismay of Bankers

The dismay of bankers is quite understandable. The rising curve of interests rates last year prompted commercial banks as late as 1st October 1957 to boost the rates paid to savings depositors to 3 per cent., the permissible maximum. Savings banks pay 3½ per cent. and some savings and loan associations even more.

These rates are still being paid and nobody dares be the first one to reduce them. But in the meantime, the rate charged for commercial loans to prime borrowers has dropped to 4 per cent. That 1 per cent. spread is very thin. However, the prime rate defies definition, except to say that it applies to such prime borrowers as U.S. Steel, General Motors and General Electric.

Concern over economic conditions in the U.S. is evidenced by the successive reductions by the Federal Reserve banks of reserve requirements and of the discount rate. This has accomplished very little in the way of creating new lendable funds, but it has created a better atmosphere. The bond markets, naturally, responded with higher prices in the face of declining yields. Even the stock markets have shown a better trend in recent weeks, perhaps in anticipation of an upturn, since, indeed, the rate of decline of some economic indicators has slackened. It all depends now on the March figures. If they show a continued downturn, a reduction in Federal taxes is likely to be enacted by the Congress in a hurry. That, too, would be strictly psychological. It would provide more money to spend, but there is no certainty that the consumer will spend it and create demand. Perhaps, he will still be inclined to save it and spend only a small portion.

There is no question that the average wage earner in the U.S. is over-extended. His future income is mortgaged for his home, his automobile and his electric appliances. So long as there was overtime work and several members of the family worked, this was no particular problem. To meet these weekly or monthly payments now, requires retrenchment somewhere along the line. This is precisely what is happening in a mild sort of way.

Recent stock market reaction was influenced by two developments which stirred the financial community. One was the report of a short position in stocks of 4,460,660 shares at mid-March, as reported by the New York Stock Exchange. It was the highest figure in 27 years. On the surface, it would seem to reflect quite a bearish attitude. But, since short sellers must eventually buy stock to cover their positions, more often than not, a short position is a cushion under the market. The other development was a proposal by the New York Stock Exchange to raise brokers' commission by an average of 13 per cent., effective from 1st May. There is going to be a membership poll to be completed on 3rd April. The proposal requires membership approval to become effective. There is strong opposition among the larger firms to this proposed boost, even though fees have not been increased since 1953, despite the sharp rise in costs. It is felt that, in times of recession, such a move could do more harm than good, since everybody is cost- and rate-conscious.

Even the British decided not to push their luck too hard and reduced the bank rate to 6 per cent. It's still more than double that of the U.S. An anomaly under the circumstances is that the consumer price index continues its fractional upward trend. It advanced in February to 122.5 per cent. of the 1947-49 average to a new high.

Price Structure

In other words, this is one recession when the price structure has not been downward. Also, there is little likelihood of such a downturn in prices. Wage negotiations are under way between the United Automobile Workers and the industry. If the past is any criterion, labour will certainly get additional benefits either in higher wages or fringe benefits. That will, as usual, establish a new pattern to follow for other industries.

The general business picture was not helped by a devastating snowstorm which hit the Eastern seaboard in the second half of March, just as spring was about to make its entry, calendarwise. Rivers are swollen to such an extent that there are flood dangers in many of the great industrial areas of the East. In other words, the weather kept people out of the stores which are anxiously awaiting the usual Easter shopping spree. Indeed, areas not hit by unfavourable weather have already shown a marked upturn.

The recession and the weather have overshadowed everything now that there are two U.S. satellites in orbit and there are still quite a few business sectors doing all right. Bituminous coal output hit its highest mark in six weeks. Freight carloadings in the week of 1st March were the highest in six weeks. Heavy construction awards are up for the first time in 14 weeks. Food sales are up and the beauty parlour business marched along prettily. International Nickel which has slashed output by about 10 per cent. is betting, nevertheless, $60 million in a new expansion programme.

Events in Indonesia have been disturbing to public opinion and the wrangling over a possible East-West summit meeting has reached the point where the entire subject matter borders on the ridiculous. The Democrats in Congress are just as uncertain of what should be done as the Republicans. Lacking strong central leadership, Washington is now government by committees debating an issue and finding ever so many more reasons for not doing something which is the safest way rather than doing something. Perhaps, it is the democratic way of procedure, but it is not very reassuring in turbulent times.—*All Rights Reserved.*

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R. ANANTARAMAN, *President.*

PLIGHT OF SMALL INVESTORS IN PORT CANNING

A CASE OF GRAVE INJUSTICE TO SHAREHOLDERS OF A COMPANY ACQUIRED BY STATE

By Dr. Rustom C. Cooper

AS readers are well aware, the Constitution (Fourth Amendment) Bill led to terrific public controversy. This Bill dealt with the subject of payment of adequate compensation to persons whose properties are acquired by the State for a public purpose. A large section of public opinion felt that, in the long run, this amendment would be used to the detriment of the average citizen of India. At that time, an important point was stressed by our Prime Minister during the debates in Parliament on this Bill. The Prime Minister made it clear that full compensation should be paid to small owners whose properties are acquired by the State for a public purpose. He said, "if we are to acquire property, I think we should pay just and equitable compensation. I am talking about individual properties. Normally, there may be a number of rich men interested—there are here and there—but many of these properties, big properties, are limited liability companies with a large number of small shareholders. We do not wish to deprive them. . . full compensation should be paid to small owners whose properties are acquired by the State for public purpose."

The extract quoted above and similar assurances given by other spokesmen of the Government, led the public to believe that in spite of the amendment of the Constitution, the Government will on the whole honour its assurances. It is, therefore, rather unfortunate that within a short spell of a few years we should come across a case of blatant disregard of solemn assurances made on the floor of the House of the People by no less a personality than the Prime Minister of India. The case in question is that of the Port Canning and Land Improvement Company, Limited, whose assets, namely, the *zamindari* properties, have been acquired under the West Bengal Estates Acquisition Act of 1953.

Gross Injustice

The salient features of this case when closely examined lead one to believe that it is a case of gross injustice not to the rich but to the average lower middle-class person. It appears that the Government is inclined to interpret the concept of socialist pattern of society, as meaning thereby a process of making the poor poorer. The way the Government has been tackling problems of nationalisation would lead one to believe that the Government is working for the distribution of poverty in the country, rather than improving the lot of the people. This Company was registered in 1873 and is, therefore, nearly 85 years old. It has a share capital of Rs. 60,00,000 divided into 60,000 shares of Rs. 100 each. On the day on which the Company went into liquidation some time in the middle of last year, it had on its register 1,947 shareholders of whom 1,028, that is, more than 50 per cent. held less than 10 shares of the Company and 1,353, that is, 75 per cent. held less than 20 shares. There could, therefore, be no doubt that the bulk of the investment in the Company came from people belonging to the lower middle-class as also poor office clerks, retired persons, widows and other old and disabled persons who have nothing else to fall back upon but their poor savings.

Port Canning and Land Improvement Company, Limited, was a *zamindari* company, having all its lands in West Bengal which have been acquired by the Government of West Bengal under its Estates Acquisition Act of 1953. Till today, no compensation has been received by the Company and its shareholders, although the law itself provided for payment of interim compensation. For the last three years, therefore, the shareholders have received no income on their investments nor any return of capital and they will perhaps have to wait for many more years before they can get even a small fraction of their original investment.

Ordinarily there is always a certain stigma attached to *zamindari* and the abolition of *zamindari* forms a very important item of the election manifesto of most political parties today. However, certain facts and the past record of the Company would be sufficient to convince anyone that merely because it was a *zamindari* company it should not be regarded as something to be despised. The Company was incorporated in 1873 by acquiring lands at the cost of Rs. 58,00,000. At that time, the area under cultivation was 97,934 *bighas* only. During the past 83 years the Company spent a further sum of Rs. 32,00,000 on development works *out of its annual net earnings*. On the date of acquisition, the land under cultivation was 3,14,472 *bighas*. Thus, it would be realised that the shareholders have put in nearly Rs. 90 lakhs into the Company during the past 85 years for which they now stand to get only about Rs. 6 lakhs or Rs. 7 lakhs.

No Capitalist Exploitation

Let us now examine what the shareholders have precisely received during the 85 years as dividends on their investment. This record is sufficient to refute the charge that *zamindari* would always result in exploitation of the ryot. Over a period of 85 years, the Company reinvested a major portion of its earnings in further development and distributed very small amounts by way of dividends to shareholders. During the entire history of the Company, the average dividend declared works upto only 2.84 per cent. per annum. At no time during the 85 years, the dividend exceeded 5 per cent. of the paid-up capital; even in periods when the Bank rate continued to be above 6 per cent. It would be further interesting to note that the maximum dividend of 5 per cent. on paid-up capital was paid by the Company only six times in 85 years. It, therefore, cannot be denied that although this was a *zamindari* company, it never exploited its position in order to distribute exorbitant dividends to the shareholders.

Real Injustice

The real injustice to the Company comes in when one considers the quantum of compensation and the method of the discharge. Practically all the lands and estates of the Company were acquired by the State of West Bengal on 15th April 1955. On the day of acquisition, at a price of only Rs. 125 per *bigha*, assuming the good land to be only about 300,000 *bighas*, the market price of lands acquired by the Government would be Rs. 3¾ crores. On that date, the book value of the lands as shown by the Company's balance-sheet was Rs. 68 lakhs. However, under the Estates Acquisition Act 1953, the Government of West Bengal would pay a compensation of only Rs. 6 lakhs to Rs. 7 lakhs. This compensation would be equal to about one year's revenue which the Government would receive from the lands acquired from this Company. On the basis of this compensation, the loss to the shareholder on his investment through nationalisation would be nearly 8/9ths of his original investment.

The hardship is even greater when one considers the mode of settlement of compensation. The compensation will be paid in non-negotiable bonds, bearing interest at only 3 per cent.; the prevailing rate of interest in the market today is much higher. The major portion of the compensation will be paid in non-negotiable bonds to be issued to the Company by the West Bengal Government repayable equally over a period of 20 years. This would mean that the shareholders will have to wait for 20 years in order to receive even 1/10th of their original investment. It also means that the liquidation proceedings will have to be continued over a period of 20 years incurring considerable further expenses.

Compensation

The appropriate law also provides for payment of interim compensation. Such interim compensation already became due for payment in the past two or three years but no part of it has so far been paid to the Company by the Government of West Bengal. In spite of repeated reminders, the Government has not done anything in the matter. Although the assets of the Company were taken over by the Government on 15th April 1955 even the settlement of compensation rules has not been completed till today, with the result that the Company is required to incur a considerable amount of expenditure every year on maintenance of skeleton staff, both at Bombay and in Canning, for the purpose of dealing with correspondence with the Government in this matter. There appears to be no provision in the Act for the Company to claim from the Government the expenditure which it will inevitably incur on account of delays on the part of the West Bengal Government.

Share Value

Even before the Estates Acquisition Act 1953 was passed, representations were made to the West Bengal Government pointing out the considerable inequity arising out of the compensation clause of this Bill. Besides the Company, such representations were also made to the Government by the Federation of Indian Chambers of Commerce and Industry, the Bombay Shareholders' Association, the Midnapur Zamindari Co., Ltd., and various other bodies and interests concerned. The Government seems to have taken no notice whatsoever of these appeals. Not long ago another attempt was made to persuade the Government of West Bengal to change its attitude in this matter. This was after the Company went into liquidation. It was pointed out to the Government that since the shares of the Company were always considered as good as gilt-edged securities, in spite of the low dividend yield, they were often quoted in the market above par. It was also pointed out that the large proportion of the shareholders happen to be widows, office clerks and other lower middle-class persons and retired persons. It was mentioned to the Government that some cases have come to light in which people put in their provident fund moneys into the shares of the Company at Rs. 100 or above for which they now stand to receive only Rs. 6 to Rs. 7. On 30th April 1944, the shares of the Company were being quoted in the market at Rs. 108-12, on 29th April 1945 at Rs. 103-8 and on 30th April 1946 at Rs. 110, as against Rs. 6 on 30th April 1957 and Rs. 4-8 in the beginning of 1957.

The Government's attention was drawn to the fact that those who bought these shares on the stock exchange at Rs. 110 in 1946 stood to lose 94.5 per cent. of their investment as a result of Government action. As a result of the interviews which the Company's officials had with the Chief Minister, other Ministers and officials of the West Bengal Government, the Government's attitude is reported to be that it is amply empowered by the Constitution to carry through any such measure, irrespective of the quantum of hardship caused to the public. When the Government's attention was drawn to the assurances made by the Prime Minister of India and others on the floor of the House, the brief reply was: "If the Prime Minister has given any assurances, you should approach him and not the West Bengal Government." It is hardly proper for responsible Ministers to take shelter under the letter of the law in complete disregard of the solemn assurances made by the Prime Minister and other spokesmen of the Government of India. It is a matter of regret that even the Ministry of Home Affairs, Government of India, to which the matter was referred by the Federation of Indian Chambers of Commerce and Industry as early as June 1955, has failed to take any action so far. The Federation rightly felt at that time that this was an important principle of all-India significance regarding the grant of compensation to small owners of properties.

Basis of Compensation

The real hardship in this case arises from the working of section 17 of the Estates Acquisition Act which provides for the method of computing the compensation. In computing the compensation payable to the Company under section 17, the development expenditure incurred by the Company to the tune of Rs. 32 lakhs is not taken into account at all. This section provides for the amount of compensation being worked out on a graded scale merely depending upon the net income of the estates acquired. The section does not take into consideration also the original capital investment of the Company of about Rs. 58 lakhs. Under the section the entire Company is treated as one entity. The scale of compensation is laid down as under:—

Net income	*Amount of compensation payable*
For the first Rs. 500 or less of net income.	Twenty times of such net income.
For the next Rs. 500 or less of net income.	Eighteen times of such net income.
For the next Rs. 1,000 or less of net income.	Seventeen times of such net income.
For the next Rs. 2,000 or less of net income.	Twelve times of such net income.
For the next Rs. 1,000 or less of net income.	Ten times of such net income.
For the next Rs. 15,000 or less of net income.	Six times of such net income.
For the next Rs. 80,000 or less of net income.	Three times of such net income.
For the balance of the net income.	Twice of such balance of net income

(Continued on page 667)

NATIONAL BANK'S PROFIT NEARLY MAINTAINED

DEPOSITS SHRINK FURTHER

THE 12 months ended 31st December 1957 constituted the last year of working for the National Bank of India Ltd. (General Manager: Mr. W. Kerr, London) under this old familiar name. With effect from 1st January 1958 its name has been changed to National Overseas and Grindlays Bank Ltd., consequent on the amalgamation of the National Bank of India and its wholly-owned subsidiary, Grindlays Bank Ltd., with effect from that date. All the assets and liabilities of the latter as on 31st December 1957 were taken over by virtue of the scheme of arrangement dated 8th July 1957 and by the order of Court dated 7th November 1957.

The past year proved to be a difficult one for the Bank as to any other British overseas bank, with a wide disparity in interest rates between London and other countries where the Bank operates. While, on the one hand, there was a keen competition for deposits, there was, on the other, a tendency for industries and commerce to borrow as much as possible where money was cheap and as little as possible when it is considerably more expensive and much harder to obtain. Despite these difficult conditions, the National Bank of India Ltd. has had a satisfactory year of working. Its consolidated profit (including its subsidiaries) for the year shows only a fractional setback from £432 835 to £427,490. Though the decline is negligible, it reverses the upward trend noted in the previous two years. As usual, this profit has been arrived at after making full provisions for taxation, bad and doubtful debts and other necessary reservations. After bringing in a sum of £354,046 from the previous year, the Directors have set aside, as in the previous year, a sum of £100,000 for premises account and have raised the provision for contingency reserve from £75,000 to £80,000. The distribution to the shareholders is unchanged at 15 per cent., after deduction of income-tax, absorbing £245,947.

The progress of the parent Bank can be judged from the following synopses of its balance-sheets as at the close of the last four years:

(In thousands of £'s sterling)

	As on 31st December			
	1957	1956	1955	1954
LIABILITIES (MAIN)				
Capital	2,852	2,852	2,852	2,852
Reserve fund	3,105	3,105	3,105	3,105
Unappropriated surplus	272	275	275	273
Current and other accounts	94,179	101,488	100,831	97,214
Fixed and short deposits	31,920	27,040	29,203	31,110
Bills payable	2,076	2,833	2,141	1,722
Loans payable			4,000	
Acceptances for customers	897	447	904	1,032
ASSETS (MAIN)				
Cash balances	18,349	16,547	16,844	15,756
Investments	22,105	23,716	27,091	25,348
Bills of Exchange (including Treasury Bills)	21,461	28,853	29,747	30,077
Advances and loans	73,304	65,583	66,439	63,626
Fixed assets	2,904	2,679	2,375	2,131
Balance-sheet total	141,297	140,129	145,529	139,845

The most notable change on the liabilities side of the latest balance-sheet is the drop of £7.31 million in the current and other accounts to £94.18 million, thus reversing the upward trend noted in the previous three years, when they rose from £80.63 million at the end of 1953 to £101.49 million at the close of 1956. It must, however, be noted that the pace of expansion had slowed down considerably in 1956. The shrinkage in 1957 has, no doubt, been offset to some extent by the rise of £4.88 million in fixed and short deposits to £31.92 million.

The Bank's advances and loans show a sharp rise of £7.72 million to £73.30 million, at which level they constitute 58.1 per cent. of the total current accounts and deposits, the ratio having gone up from 51 per cent. at the end of 1956. As against this rise in advances, bills of exchange (including Treasury Bills) have suffered a sharp drop of £7.39 million to £21.46 million, the lowest level since 1951. Investments (which, as usual, are shown at under market value) are lower by £1.61 million. The market value of Government securities fell considerably during the year, but the depreciation has been fully covered by the inner reserves. Cash balances have been enlarged by £1.80 million to £18.35 million, which together with the investments and bills of exchange represent 49.1 per cent. of the total current accounts and deposits, the corresponding ratio for 1956 being 53.8 per cent.

CANARA BANK LTD.

PROFIT AT ALL-TIME RECORD LEVEL

THE Canara Bank Ltd. (General Manager: Mr. P. S. Nayak, Bombay) continued to fare quite well during the year 1957. The profit of the Bank registered an expansion of Rs. 2.98 lakhs to touch an all-time record of Rs. 15.29 lakhs, thus maintaining the upward trend noted in the past nine years. The improvement in profit followed an impressive increase in the Bank's business, the total working capital rising from Rs. 20.55 crores in 1956 to Rs. 23.97 crores in 1957. Thanks to this increase, interest and discount earned were higher by Rs. 12.52 lakhs and commission and exchange by Rs. 3.65 lakhs, or a total rise of Rs. 16.17 lakhs. A good part of this rise—Rs. 13.88 lakhs, to be precise—was, of course, offset by enhanced interest charges and expenses, to the extent of Rs. 10.61 lakhs and Rs. 3.27 lakhs, respectively.

Despite the expansion of Rs. 2.98 lakhs in profit earned during 1957, the dividend has been maintained at the last year's level of 10 per cent (excluding the special dividend of 5 per cent paid on the occasion of the Golden Jubilee of the Bank in 1956). For the bulk of the rise in profit, amounting to as much as Rs. 2.70 lakhs, has been taken up by the provision for taxation which for 1957 stands at Rs. 7.30 lakhs as against Rs. 4.60 lakhs in 1956. A larger sum of Rs. 4.00 lakhs has been allocated to reserves, that for the previous year being Rs. 3.00 lakhs.

The following comparative table shows the progress made by the Bank in the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	62.06	49.54	36.34	30.09
Commission and exchange	23.78	20.13	15.92	13.47
Interest paid	37.34	28.73	17.67	12.92
Expenses	37.43	34.16	26.46	22.21
Depreciation	1.55	1.24	0.93	0.87
Profit	15.29	12.31	10.01	9.20
Provision for taxation	7.30	4.60	3.75	3.75
To reserves	4.00	3.00	3.00	2.50
,, bonus to staff	1.90	2.05*	1.25	1.01
Dividends—				
5 per cent. preference	0.52	0.52	0.52	0.52
Ordinary	1.50 (10%)	2.25† (15%)†	1.50 (10%)	1.35 (9%)
	As on 31st December			
	1957	1956	1955	1954
Capital	29.00	29.00	29.00	29.00
Reserves	40.00	32.00	29.00	26.00
Deposits	17,84.40	14,32.08	11,95.57	8,91.80
Acceptances	2,36.91	2,41.28	2,52.08	1,15.81
Advances (including bills discounted and purchased)	8,79.37	7,73.43	6,08.66	4,32.13
Investments	5,45.60	5,12.92	3,88.64	3,33.32
Cash	4,60.52	2,24.30	2,83.17	2,34.15
Balance-sheet total	23,96.71	20,54.60	17,65.73	12,65.17
Ratio to deposits of—	%	%	%	%
Advances	49.3	54.0	50.9	48.4
Investments	30.6	35.8	32.5	37.4
Cash	25.8	16.8	23.7	26.2

* Including Golden Jubilee bonus Rs. 65,000.
† Including 5 per cent. interim paid on the occasion of Golden Jubilee.

The above table reveals that the reserve fund of the Bank has been strengthened by Rs. 8 lakhs to Rs. 40 lakhs. Of this rise, transfer from the current year's (1957) profits accounts for Rs. 4 lakhs and that from contingency account for the balance of Rs. 4 lakhs. There has been an appreciable increase of Rs. 3.52 crores in deposits which during the year under review aggregated over Rs. 17.84 crores, as against Rs. 14.32 crores in 1956 when the increase was only of the order of Rs. 2.37 crores. The improvement was shared by all the constituents, fixed deposits having gone up by Rs. 187.41 lakhs, current accounts, contingency accounts, etc., by Rs. 139.54 lakhs, and savings bank deposits by Rs. 25.38 lakhs. The pace of rise in advances accelerated further during 1957, although the actual expansion was less than in the previous year, being Rs. 105.94 lakhs, as against Rs. 164.77 lakhs. The expansion of Rs. 105 94 lakhs in advances is shared by both loans, overdrafts, cash credits, etc., and bills purchased and discounted, the respective increases being Rs. 58.48 lakhs and Rs. 47.46 lakhs. Investments are also higher by Rs. 32.68 lakhs. Cash stands considerably strengthened by Rs. 236.22 lakhs.

The Bank recently issued 42,000 equity shares of the face value of Rs. 50 each aggregating Rs. 21 lakhs at a premium of Rs. 15 each. Of this issue, 34,800 shares were offered to the existing shareholders of the Bank and 7,200 shares to the confirmed employees of the Bank, thereby giving an opportunity for the employees to participate in the capital of the Bank. The issue has been oversubscribed.

CANARA BANKING CORPORATION

PROFIT SLIGHTLY HIGHER

TYPICAL of the several medium-sized scheduled banks which have been rendering a useful service to the economy of the country by garnering the savings of small industrial enterprises and individuals in and around the not-so-big towns and putting such savings to useful work is the Canara Banking Corporation Ltd. (General Manager: Mr. V. R. Kamath, Udipi), which experienced yet another year of all-round improvement during 1957 in its business activities. Started 52 years ago in the out-of-way town, Udipi, the Bank has slowly but steadily expanded its operations with the result that it can now boast of as many as 49 branch offices in the Deccan and a balance-sheet total running to Rs. 7.50 crores compared with Rs. 4.36 crores four years ago. That the progress of the Bank has been all round is indicated by the fact that during 1957, income, profit, deposits and advances have all increased, compared with the previous year. The profit, at Rs. 3.75 lakhs, is a fresh record for the Corporation. Because of the higher profit, the provision for taxation has also been higher. The Directors have also stepped up, albeit slightly, to Rs. 80,000 the transfer to the reserves of the Bank and also paid a bonus to staff amounting to Rs. 23,000. The return on the ordinary capital has been maintained at the usual level of 10 per cent., comprising 8 per cent. dividend and 2 per cent. bonus. It may be mentioned here that for the year 1955, shareholders had an extra one per cent. as cash bonus to commemorate the Golden Jubilee.

The following comparative table shows clearly the steady progress made by the Bank during the last four years:

(In lakhs of rupees)

	For the year ended December			
	1957	1956	1955	1954
Interest and discount	28.38	23.18	18.05	15.99
Commission, exchange and brokerage	6.66	5.71	4.57	4.32
Interest paid	17.46	13.28	9.70	8.39
Expenses	13.58	11.81	9.46	8.47
Depreciation	0.37	0.40	0.33	0.33
Profit	3.75	3.55	3.34	3.29
Provision for taxation	1.60	1.47	1.00	1.25
To reserves	0.80	0.73	0.94	0.75
,, bonus to staff	0.23	0.72	..	..
Dividends—				
Preference	0.58	0.58	0.58	0.58
Ordinary	0.75 (D. 8% +B. 2%)	0.75 (D. 8% +B. 2%)	0.82 (D. 8% +B. 3%)	0.75 (D. 8% +B. 2%)
Carry forward	0.06	0.04	0.02	0.02
	As on 31st December			
	1957	1956	1955	1954
Capital	20.00	20.00	20.00	20.00
Reserves	13.55	12.75	12.00	11.25
Deposits	5,85.76	5,18.20	4,23.51	3,42.79
Borrowings from other banks	35.47	74.22	25.73	0.37
Advances	3,43.48	3,07.76	2,23.27	1,57.79
Investments	2,29.55	2,55.35	1,75.46	1,60.62
Cash	94.03	76.63	93.67	71.46
Balance-sheet total	7,49.53	7,04.25	5,45.09	4,36.38
Ratio to deposits of—	%	%	%	%
Advances	58.6	59.4	52.5	46.0
Investments	39.2	49.2	41.4	46.8
Cash	16.1	14.8	22.1	20.8

A study of the statement of accounts of the Bank shows that as far as the income of the Bank is concerned, the improved rate of progress established in 1956 has been fairly well maintained in 1957. Thus, gross income has increased from Rs. 29.04 lakhs in 1956 to Rs. 35.16 lakhs in 1957—a rise of Rs. 6.12 lakhs which compares with the rise of Rs. 6.21 lakhs in the previous year. Again, as in the previous year, the increase is shared by the two main sources of income of the Bank, namely, interest and discount and commission, exchange and brokerage.

The balance-sheet of the Bank shows a satisfactory position. Deposits have increased by Rs. 67.5 lakhs to Rs. 585.76 lakhs and borrowings from banks have been reduced by nearly half to Rs. 35.47 lakhs. As against this, the increase in advances has been to the extent of Rs. 36 lakhs, which, at Rs. 343.48 lakhs, works out to 58.6 per cent. of the deposits. Further, 78.5 per cent. of the total advances are fully secured. Investments and cash total Rs. 323.58 lakhs or 55.3 per cent. of the deposits, as compared with Rs. 331.98 lakhs a year before, the ratio showing a decline of 8.7 per cent. compared with the previous year.

The Corporation opened three new branches during the year under review and proposes to open shortly four new branches, one of which will be in Calcutta.

WORLD COTTON SPINDLEAGE EXPANDS

CHINA ACCOUNTS FOR A BIG SLICE

THE cotton year ended July 1957 witnessed a notable rise in the world cotton spinning capacity, the net addition to the spindleage in that year being 551,000. The aggregate number of spindles in place as at 31st July 1957 was 129,422,000, as against the revised figure of 128,871,000 on the corresponding date in 1956, according to the latest issue of *International Cotton Statistics*, published by the International Federation of Cotton and Allied Textile Industries, Manchester. Besides this net addition, as many as 3,069,000 spindles were in course of erection during the year, as against 2,825,000 in the previous year. The bulk of this, numbering 2,299,000, represented an increase and the balance of 770,000 was replacement to existing machinery. Assuming that the entire erection has now been completed and excluding the spindles lately being installed, the total number of spindles in place stands at present at 132,491,000.

The expansion in the world spinning capacity during the cotton year 1956-57 was accounted for, as in previous years, by the Asian, Oceanic, South American and African Continents, while the declining trend in Europe and North America continued unabated. The cotton mills in Asia and Oceania added more than 2.34 million spindles (mostly ring spindles) to their existing plant, the total number of spindles rising to 31,347,000 at the end of July 1957. In addition, a further 2,893,000 spindles were in course of erection. The increase in the number of spindles installed was higher as compared with the previous year by 208,000 at 1,248,000 in Africa and by 148,000 at 5,584,000 in South America. The persistent expansion in the cotton spindleage in these regions indicates the renewed efforts on their part to develop the cotton textile industry with the twin objects of providing more employment opportunities to people and of reducing dependence on foreign textiles. There was, however, a reduction in spindleage from 66.75 million to 65.28 million in Europe and from 24.30 million to 23.62 million in North America. The fall in Europe was due, to a large extent, to the scrapping of over 1.72 million mule spindles; the loss was not offset by an increase in ring spindles which was of the order of only 252,000.

Spindles in Place

The estimated total world cotton spinning spindles actually in place at the close of the cotton years 1956 and 1957 are given below:

(In millions)

	For the year ended July	
	1957	1956
U.K.	22.49	23.97
U.S.A.	21.20	21.90
India	12.38	12.07
U.S.S.R.	10.15	10.10
Japan	9.02	8.50
France	6.26	5.55
W. Germany	5.86	5.95
Italy	5.57	5.73
China	7.50	6.29
Brazil	3.45	3.39
Czechoslovakia	1.89	2.48
Spain	2.36	2.36
Belgium	1.60	1.66
Pakistan	1.73	1.68
Other countries	17.96	17.24
Total	129.42	128.87

It will be seen from the above table that there was a remarkable expansion in the spinning capacity in China during 1956-57, the number of spindles in existence being 7.50 million, representing a rise of as many as 1.21 million as compared with the previous year. The other countries where the spinning capacity also registered a handsome improvement were France and Japan, the number of spindles increasing from 5.55 million and 8.50 million to 6.26 million and 9.02 million, respectively. The number of spindles in India, too, rose from 12.07 million to 12.38 million. This negligible improvement must be attributed to the restrictive official policy based on the consideration of giving encouragement to the less efficient decentralised sector. In contrast, there was a drop in the number of spindles in the U.K., the U.S.A., West Germany, Italy and Czechoslovakia.

The net addition to the world cotton spindleage during the year under review was, as already stated, 551,000. The figure would have been very much higher but for the scrapping of over 1.7 million mule spindles in several countries of Europe. The scrapping was more than counterbalanced by a marked rise of 2.29 million in ring spindles. Consequently, the percentage share of ring spindles in the world total improved from 88.33 in 1955-56 to 89.78 in 1956-57, whereas that of mule spindles declined from 11.62 to 10.22. The change in the character of spindles thus indicates that, as the outmoded mule spindles are being scrapped, the world today has more modern spindles than before. The number of spindles spinning Egyptian type cottons suffered a fall, the total at the end of 1956-57 being 15,696,000, as against 16,806,000 a year before, but that of spindles spinning rayon staple fibre was higher at 3,964,000, as against 3,255,000.

Distribution of Spindles

Ring spindles constitute the major portion of the spindleage of practically all countries, barring the U.K., as is evident from the following table which gives the distribution of the different kinds of spindles in various countries as at 31st July 1957:

(In thousands)

	Ring spindles	Mule spindles	Spindles spinning Egyptian cotton	Spindles spinning rayon staple
India	12,206	170	1,511	1,002
U.K.	10,310	12,177	7,631	2,323
U.S.A.	21,196	..	500	1,271
U.S.S.R.	10,147	..	N.A.	N.A.
Japan	9,018	..	..	0
France	5,961	296	749	460
W. Germany	5,851	4	N.A.	N.Al
Italy	5,566	8	950	550
China	7,500	..	600	..
Brazil	3,453	..	..	4
Czechoslovakia	1,693	200	800	N.A.
Spain	2,259	105	300	N.A.
Belgium	1,690	1	N.A.	..
Pakistan	1,731	..	3	64
Other countries	17,698	272	2,654	1,636
Total	116,189	13,233	15,698	7,219

N.A.—Not available.

The expansion in the world cotton spinning capacity during 1956-57 as noted above was accompanied by a striking improvement in the utilisation of capacity. This is indicated by the appreciable rise in the quantity of cotton consumed which aggregated 42,438,000 running bales (of 478 lbs. each) in 1956-57, as against 38,937,000 bales in the previous year. Expressed in percentage, the rise comes to nearly 9 per cent., as against the increase of only 0.5 per cent. in the number of spindles installed. Cotton consumption per 1,000 spindles, therefore, increased from 302 bales to 328 bales. This means that there was a more intensive utilisation of spinning capacity in several countries through increased shift-working. Consumption of American cotton during the year under review shows a considerable increase over the previous year, being 14,394,000 bales, as against 11,552,000 bales.

The statistics relating to the number of spindle-hours worked during the 12 months ended 31st July 1957 show that the spindles in Hong Kong were working at an average of 6,158 hours. The average number of spindle-hours worked was 5,932 in India, 6,468 in Pakistan, 4,867 in Japan, and 2,124 in the U.K.

(*Concluded from next column*)

very cautious in permitting imports in view of the foreign exchange difficulties. In deciding upon a policy it should be borne in mind, Mr. Ruia added, that the textile industry, which is not passing through a good period, should be able to meet its raw cotton requirements at reasonable prices so that its finished product could compete in world markets. It was also necessary to see that the growers got a reasonable price for their produce so that they might be induced to produce more cotton. Mr. Ruia welcomed the recent reduction in export duty on Bengal *Deshi* cotton from Rs. 100 per bale to Rs. 50 per bale. It was, according to him, an indication of the changing export outlook.

A mission from the International Federation of Cotton and Allied Textile Industries will visit Egypt shortly in order to discuss current problems regarding raw cotton exports with Egyptian Government officials and industry representatives. The mission will be composed of two cotton spinners, Herr Hans Otto from Germany and Signor Tomaso Piccardo from Italy, and of Mr. Mario Ludwig, Director of the International Cotton Federation, who will act as *rapporteur*. The mission will pay particular attention to the new administrative set-up at the Egyptian Testing House and the new Spinning Test Mill at Alexandria, two testing establishments under international management for the testing of moisture content and spinning properties of exported Egyptian raw cotton. The members of the mission will also be received in audience by the Minister of Agriculture and the Minister of Commerce and Industry in Cairo, and pay an official visit to the International Fair for Egyptian Cotton, which is to be held at Cairo.

COTTON TRADE IN THE PAST TWO SEASONS

E.I.C.A CHIEF REVIEWS DEVELOPMENTS

THE major developments affecting the cotton trade during the last two seasons were briefly reviewed by Mr. Madanmohan Ruia, President of the East India Cotton Association (E.I.C.A.), in his presidential address to the 35th annual general meeting of the Association, held in Bombay on 27th March. Mr. Ruia referred in particular to the termination of Mr. Purshotamdas Thakurdas' association with the E.I.C.A. and expressed the deep gratitude of the trade for the invaluable services done by him as the President of the Association since its inception until his resignation in April 1956.

In view of the peculiar circumstances under which the Association had to complete arrangements for complying with the various mandatory provisions of the Companies Act, which came into effect on 1st April 1956, a considerable time elapsed between the present annual general meeting and the previous one which was held in 1955. Necessary provision in the Articles of Association had to be adopted and approved by Government. The question of re-election of Directors of the E.I.C.A. strictly in consonance with the provisions of the Companies Act presented practical difficulties. In view of the unsuitability of certain provisions of the Act to commercial bodies like the E.I.C.A., it was necessary to have the Forward Contracts (Regulation) Act 1952 suitably amended so that the franchise for election to the Board might not militate against the relevant pattern of the Companies Act.

Mr. Ruia characterised the year 1955-56 as the most eventful year in the history of cotton trade as it witnessed many developments of far-reaching consequences. In the last season, that is 1956-57, the most notable development was the introduction of the system of two hedge contracts, namely, Fine M.G. Jarilla Contract 25/32" staple and Fine M.G. Vijay Contract 27/32" staple. The working of the two contracts under various forms of control to which trading therein was subjected, was fully examined by a special sub-committee and, in the context of the circumstances under which hedge trading had to be carried on, the Board decided to revert to one contract, the Indian Cotton Contract with Fine M.G. Moglai Jarilla 25/32" staple as the basis, for the current season (1957-58). In the light of past experience and with a view to working this contract smoothly, certain safeguards have been provided. Mr. Ruia said that, for the next season also the Association would watch the working of the present system of hedging and try to make, if necessary, further changes to improve the contract so that it might satisfy all sections of trade and be a true hedging medium.

Another development of major importance to the trade, Mr. Ruia said, was regulation of trading in delivery contracts for permitted descriptions, stipulating clearance of differences through Settlement Clearings as in the case of hedge contract, but on fortnightly basis instead of weekly. The introduction of the system of certification of cotton tendered against the hedge contract according to the final award in arbitration was, he added, a further measure of improvement towards better regulation of the trade.

Mr. Ruia also referred to the progress of cotton production in the country. The attainment of the target of 6.5 million bales of cotton fixed under the second Plan, according to Mr. Ruia, was hedged in with uncertainties and difficulties to which Indian agriculture were traditionally subject. He noted, however, that the necessary measures were being taken by the Indian Central Cotton Committee for improving production with the help of research and extension schemes.

Reviewing the supply position of cotton during the current season, the President of the Association said that the season's crop estimate was scaled down from 5.3 million bales to 4.9 million bales. The quality and quantity of the crop, especially in North Gujerat, Vijay and Surat crop, was adversely affected by the irregular trend of monsoon and untimely rains. Mill consumption of raw cotton, which was about 5.2 million bales last season, comprising 4.66 million bales of Indian cotton and 568,000 bales of foreign cotton, was expected to be higher this season but, due to adverse conditions, it is now expected to be more or less in line with last season.

As regards the foreign trade in cotton, Mr. Ruia observed that the Government had to be

(*Continued in previous column*)

REDUNDANCY PROGRAMME IN MILLS

BOARD OF TRADE SECRETARY TO VISIT HONG KONG FOR CLOTH IMPORT TALKS

From A Special Correspondent

MANCHESTER, *25th March*

MANCHESTER LETTER

TRADING conditions in the Lancashire textile industry may be extremely slack, but there is no shortage of topics of conversation wherever business men gather. Most of the subjects for discussion have a direct bearing on the industry and their influence may be highly important in the months ahead. In the past week, the headlines have included the decision to send a leading civil servant to Hong Kong to confer on the cloth import problem, cut in Bank rate, indications that the American cotton surplus has now been reduced to manageable proportions, further cuts in export tax on Sudanese cotton, and renewed pressure from the Master Spinners' Federation for a complete overhaul of Government policy on behalf of the trade.

Nor was this all; a new and vital phase in the industry's attempt to bring productive capacity more into line with current demand has been taken by the weaving section. Proposals have been put forward to establish a redundancy programme sponsored by the chief trade organisations concerned to assist in the voluntary closing down of mills. All these important matters must be considered in their context and their possible implications before decisions can be taken to enable forward trading to be carried out. No wonder the average trader is perplexed about his individual position in the industry and his future status.

Redundancy in Weaving

Criticism has frequently been aimed at the weaving section of the industry for what many people have regarded as lack of enterprise in organising the affairs of this branch in relation to other sections. Manufacturers have faced a more uncertain future, due to their awkward position between the effective price regulation schemes of spinners and doublers and the finishing trades. Within recent years, however, signs have been evident that the position has not been overlooked by those in control; the first move in this direction was the abortive cloth price maintenance scheme, which failed through lack of support among the general body of weavers.

Now a new attempt is being made to create order out of semi-chaos. The establishment of Weaving Reorganisation Limited offers the opportunity to those owners of weaving sheds who wish to quit the industry to reduce the existing surplus capacity under supervision and in an orderly manner. Details of the arrangements have not yet been published, but it has been stated that the terms on which the Company proposes to take over firms which may volunteer to close down are designed to appeal mainly to those which have not re-equipped. The chief object is to assist the industry rather than make a profit.

The whole scheme will be conducted in strict confidence and any companies interested will deal with a Manchester firm of solicitors which has for many years been at the heart of cotton trade affairs. The sponsors of the plan stress the essential necessity of finding means of putting the industry on a sound footing by reducing its equipment in quantity and improving its quality. In the belief that there are a number of firms which would be ready to close down if they could do so on reasonably advantageous terms, the Company has been formed with this object. It is significant that the Chairman and Managing Director of the organisation will not themselves be directly engaged in the industry.

A Move At Last

If at first sight the Government's intervention in the hotly-contested arena of cloth imports struck traders as being somewhat tardy in appearance and insignificant in conception, second thoughts brought a slightly more favourable attitude. The Permanent Secretary to the Board of Trade has had his critics in the industry in the past, but few would deny his strength of purpose when engaged in a mission.

That the Government has seen fit to send such a representative to Hong Kong at this time seems to herald the onset of a fresh series of inter-industry talks, with perhaps a different background. In the light of past experience, a journey of this kind would be entirely fruitless unless the millowners at Hong Kong are told that their long campaign against Lancashire will no longer be assisted by Government inaction.

Whatever the outcome of the initial talks, further negotiations must follow, if any settlement is to be reached. In the meantime, uncertainty as to the details of such a pact, if any, must continue to play its harassing role in curbing activity throughout the market. The sooner all the trade leaders involved can get to grips, the better for all concerned.

The disclosure of the new Eastern journey coincided with some straight talking by Mr. S. S. Hammersley, of the Cotton and Rayon Spinners group, a chairman who is never afraid of speaking his mind. "It seems clear that exports of cotton cloth will, in the future, play a much diminished part in the country's balance of payments," he said bluntly in his annual report. "The textile industry is ceasing to be as important to Britain as it was, because not all the re-equipment in the world will make Lancashire's single-shift working other than non-competitive."

Sequel to Imports

As if to add point to the continued agitation by the industry on the imported cloth situation reports of more big mill closures have been confirmed. Following quickly on the decision of the Directors of Atherton Mills Ltd. to close two of their four spinning units, the Ocean spinning mill at Bolton is the latest casualty. The Board attributes its action entirely to the ruinous arrivals of foreign yarn and cloth and their threat to the future. Another Bolton mill, the Grecian, owned by a branch of the Fine Spinners and Doublers group, is also shutting in a reorganisation scheme.

Presiding over the annual meeting of the Master Spinners' Federation, Mr. Ernest Hirst recounted the history of recent contraction and the efforts made to fight the menace of foreign competition. Modernisation, which had been proceeding at a faster rate than in any other established cotton industry had, he contended, been slowed down by the threat of increasing and unlimited duty-free imports from Commonwealth areas.

No one has yet disputed the accuracy of the Federation's 17 points, on which Lancashire's case against imports is based. It must be stressed again that the industry is not calling for complete exclusion of these goods, but only a reasonable ceiling, after which it will be possible for producers in this country to plan their future programme on the assumption that a certain quantity of foreign goods will be purchased for distribution at home each year.

Bank Rate Cut

Financial *pundits* have spent quite a few Wednesdays lately writing articles which they hoped would coincide with a change in the Bank rate on the following morning. Last week, their predictions were rewarded. The cut of one per cent. was perhaps larger than expected and marks the end of the current period of extremely dear money. Whether it will be necessary to reinstate such a high rate in the future can only be the subject of speculation but for the moment traders must be thankful for small mercies.

It is still too early to assess the full reaction to this development, but it can hardly help but assist the freer movement of goods after the natural hesitation among distributors, which has been prevalent ever since the sharp rise in the rate last year. Holders of goods at all stages of production have been loth to keep stocks of any weight for any longer than necessary and hand-to-mouth purchasing became inevitable. Time will show whether the trend has now been sufficiently reversed to bring increased trading in textiles, no less than other products.

According to the latest quarterly analysis of advances issued by the British Bankers' Association, the situation was just about being held in February this year. Total borrowings then amounted to £1,940,850,000, an increase of less than £10,000,000 on the November figure, but £60,000,000 below the advances made a year ago. Cotton's share in this indebtedness was almost identical over the quarter, being £26,376,000, as against £26,384,000. The comparative total in February 1957 was £24,129,000. Very little variation occurred in the borrowings of other industries, although advances to the woollen trade dropped from £44,331,000 to £39,955,000, while other textiles were indebted to the bankers to the extent of £45,970,000, as against £40,852,000 in November.—*All Rights Reserved.*

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INDIAN OVERSEAS BANK LIMITED

SPEECH OF MR. M. CT. MUTHIAH, CHAIRMAN, AT ANNUAL MEETING

IMPLICATIONS OF SECOND PLAN TO BANKING

ADDRESSING the Annual General Meeting of the shareholders of the Indian Overseas Bank Ltd., held in Madras on Monday the 31st March, 1958, the Chairman of the Bank, Mr. M. Ct. Muthiah, emphasised that if Indian banking has to take its rightful place in the context of the implementation of the second Five-year Plan, it must be actuated by a "measure of dynamism and refreshing thought." He added: "While the moorings of sound banking should remain, a re-orientation of approach with accent on a positive role of accelerating productive growth will greatly raise the stature of the banking system."

The following are extracts from Mr. M. Ct. Muthiah's speech:

"GENTLEMEN,

The Year's Operations

"You will see from the comparative statement that the Bank has made all-round progress during the year. Deposits have gone up by about Rs. 335 lakhs, while advances and investments in Government securities show an increase of Rs. 62 lakhs and Rs. 147 lakhs respectively. Gross earnings at Rs. 132 lakhs represent an increase of 16 per cent. over the previous year. The net profit amounted to Rs. 32 lakhs, as against Rs. 29 lakhs in 1956 and your Directors recommend a dividend of 10 per cent., the same as last year.

Capital Structure and Reserves

"With our increased business activities at the various centres and our expansion programme well under way, your Directors have felt the need for increasing the share capital of the Bank and have accordingly called up, as a first step, further share capital of Rs. 25 lakhs which when fully realised, will raise the paid-up capital to Rs. 75 lakhs by next year. Simultaneously, the reserve fund is being augmented at a fair pace, and inclusive of the share premium, it now stands at over Rs. 46 lakhs.

Employment of Resources

"We continue to maintain a high degree of liquidity in the employment of our resources as disclosed by the following figures:

		Lakhs of rupees	*Percentage to total deposits*
A.	Cash and balance with banks	339	17.1
B.	Bills	655	33.1
		994	50.2
C.	Investments (against which no borrowings have been made)	661	33.3
	Total of A to C	1,655	83.5
D.	Advances	488	24.6

Opening of New Branches

"Under our scheme of planned expansion, we opened four branches last year at Mylapore, Puraswalkam, Karur and Munnar. This year, we have opened so far three branches, at Matunga, Kottayam and Klang (Malaya).

Overseas Branches

"All our overseas branches continue to progress satisfactorily.

Banking, Monetary and Economic Trends

"The year 1957 was a study in contrast to that of 1956 as far as banking trends were concerned. Owing to accelerated tempo of industrial activity, there was considerable expansion of credit in 1956, total advances of Scheduled banks rising from about Rs. 615 crores in December 1955 to about Rs. 780 crores in December 1956 and deposits recording a modest rise of only Rs. 77 crores. On the other hand, the resources of Scheduled banks shot up by about Rs. 267 crores to Rs. 1,367 crores over the year 1957 while advances stages a small rise of about Rs. 70 crores only, thus affording a large flow of funds into the banking system. This enabled banks to scale down borrowings from the Reserve Bank of India, augment their investment portfolio, strengthen their cash reserves and bring down the percentage of advances to deposits from 71.63 per cent. to 62.74 per cent.

"The Reserve Bank of India rate was raised from 3½ per cent. to 4 per cent. on 16th May 1957 in keeping with the tight money policy pursued. The volume of funds available to the public was also kept fairly under check, the total of the note issue rising from about Rs. 1,475 crores at the end of 1956 to about Rs. 1,523 crores only at the end of 1957.

Industrial Production

"Industrial production continued to expand, though at a more modest rate than in the previous year. The index of industrial production for the ten months ending October 1957 was higher at 149, as compared to 144.9 for the corresponding period of the previous year. Agricultural production increased by 6.1 per cent. over the previous year.

"The general index number of wholesale prices (Base year 1952-53—100) in December 1957 was 106.3, as against 106.9 a year before. The price index for food articles at 102.9, however, recorded no change. This is due to the policy of selective credit control followed by the Reserve Bank of India by the imposition of a ceiling on aggregate advances of each bank against foodgrains and to the prompt action taken by the Government to eliminate the tendency on part of some dealers to hoard foodgrains. The 'Essential Commodities Act' was amended in order to enable the Government to requisition food stocks of the country not at the prevailing price but at an average price prevailing at the area for the previous three months.

Major Crisis

"The major crisis in the economy was, however, the threatened collapse of the second Five-year Plan, which from all accounts was considered an over-ambitious one, particularly in relation to the country's available resources, both internal and external, though not in relation to the needs of the people. The planners were banking on many assumptions including a substantial increase in the country's savings and the stability of the world prices to meet fully the requirements of the Plan but subsequent events had belied their expectations. Bad monsoons at certain areas necessitated heavier import of foodgrains, prices of machinery for the various development programmes had risen in foreign countries and the closure of the Suez had in its wake necessitated increased expenditure of foreign exchange.

"The volume and the value of foreign trade were bigger, with imports being heavier than exports, leading to a deficit in the country's balance of payments. At the beginning of 1957, the foreign assets of the Reserve Bank of India stood at Rs. 530 crores but at the end of the year they had fallen to Rs. 297 crores, thus recording a drop of Rs. 233 crores. As the Government was forced to draw on that part of the reserves which had traditionally come to be held as backing to the currency, an ordinance was issued in October 1957, empowering the Reserve Bank to reduce the minimum currency reserve from Rs. 400 crores to Rs. 200 crores, with a stipulation that the gold holding should not be less than Rs. 115 crores. This was subsequently incorporated in the Reserve Bank Act by an amending Bill in November last.

Curb on Imports

"Thanks to the foresight and the alacrity of our financial authorities who noticed the red light even at the commencement of the year, unwanted imports were ruthlessly slashed, foreign exchange allowances to Indian nationals were strictly rationed and all forms of foreign exchange expenditure came under very close scrutiny. The import of capital goods, wherever possible, came to be negotiated on the basis of long-term credits. As no underdeveloped country could ever raise itself by its own bootstraps, the Finance Minister, along with the various trade missions, travelled abroad and quickly tapped the world's markets for trade credits.

"We have since reassuring news of generous loan aid from several friendly countries such as the U.S.A. (Rs. 107 crores), West Germany (Rs. 75 crores), U.S.S.R. (Rs. 60 crores), France (Rs. 28 crores), Japan (Rs. 24 crores) and the continuation of the generous assistance from Canada. This is apart from the valuable assistance we continue to receive from the International Bank for Reconstruction and Development, with whom India is the largest borrower. What is noteworthy is the reported decision, in principle, by the U.S. Government to support the second Plan, and what has been obtained is but the first instalment.

"The Government have been making a determined bid to check inflationary pressures and to restrict deficit financing to the lowest possible level both by increased taxation and a sustained savings drive. Last year's budget introduced two new taxation measures, the Wealth Tax and the Expenditure Tax. The 1958-59 budget provides a total Plan outlay of Rs. 1,017 crores which would leave, on current assessment, an overall deficit of Rs. 205 crores after reckoning foreign loans of Rs. 285 crores.

Size of Plan

"The size of the Plan itself, as anticipated by me in my last report, has been revised downwards and a strict order of priorities is being evolved based on the urgency and the availability of resources. New commitments, outside the 'hard core' which comprises improvement of transportation facilities, the three new steel works, mining projects and to some extent ancillary power, are to be undertaken only with external assistance in the form either of foreign investments and/or deferred payment schemes. This slow-down in the tempo of the implementation of the Five-year Plan is indeed heartening and is expected to ease to some extent the 'crisis of development,' in which both the Government and the country have been caught up.

"The long-awaited currency reform, namely, decimal coinage, was introduced in April 1957.

Staff Training

"As indicated in my last report, a Staff Training School for the Bank's clerical staff was inaugurated in April last at Madras, providing for intensive theoretical and practical training over a period of three months. To foster community life, the trainees are provided free lodging and boarding in the school campus and they are encouraged to have discourses in general subjects. Quiz programmes and lectures by prominent men in different walks of life are being arranged. So far, three batches of trainees have completed their courses and the fourth batch has just commenced taking the training.

"Two officers were deputed to the Midland Bank Ltd., London, last year for training and they have returned greatly benefited by this special study. We also deputed several officers to the Bankers' Training College, Bombay, and I would like to avail myself of this opportunity to thank the Midland Bank and the Reserve Bank of India for the facility they have given us in this regard. Arrangements are on hand for starting a refresher course for senior officers and this will greatly help to improve their competence to meet the demands of a growing bank.

Role of Banking in the Second Plan

"Before concluding, I like to share with you my thoughts on one aspect which I regard as of utmost importance to Indian banking. In the past decade the groundwork for a broad-based economy has been laid in India, and our second Five-year Plan holds out considerable promise. The implementation of the Plan will release powerful stimulus to the various segments of our economic life. The impact on banking will be of magnitude and presents both an opportunity and a challenge. Economic activity of such dimensions has created vastly differing financial climate, and if Indian banking is to take its rightful place, it has firstly to be actuated by a measure of dynamism and refreshing thought. While the moorings of sound banking should remain, a reorientation of approach with accent on a positive role of accelerating productive growth will greatly raise the stature of the banking system. The standards applicable to a well developed economy may not fully meet the creative requirements of a country which is on the threshold of a gigantic economic uplift. The banking system has to irrigate pastures anew and has to so direct its policies as to promote the overall pattern of rapid development. This way Indian banking will facilitate and be facilitated by the planned progress."

NOTE.—This does not purport to be a record of the proceedings of the annual general meeting which will be sent separately to shareholders.

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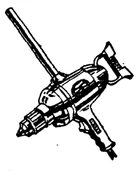

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DECCAN SUGAR MILLS AND LEASE LANDS

CONDITIONS GOVERNING EXEMPTION FROM TENANCY ACT EXPLAINED

THE Government of Bombay has clarified the position with regard to the exemption granted to sugar factories in the Deccan under section 43A of the Tenancy Act. The exemption, it will be recalled, relates to the duration of tenancy, fixation of rent, ceilings on acquisition of land, compulsory purchase, restrictions on transfer of lands to agriculturists and non-agriculturists, and maximum price to be charged on such transfers. Recently, the Government issued a notification prescribing the conditions subject to which the sugar factories enjoy such exemption. The notification would appear to have created certain apprehensions in the minds of landlords who have leased their lands to the sugar factories. Since the apprehensions are based on a misconception of the intentions underlying the original exemption and misconstruction of the notification issued, the Bombay Government has now come out with a clarification. The Government hopes that "those who have misunderstood or misapprehended the intentions of the notification will, in the light of this clarification, realise the necessity of these regulations and the fact that the interests of the parties are fully safeguarded on considerations of fairness, equity and justice."

The exemption of lands held by the sugar factories under section 43A of the Tenancy Act is, indeed, a gratifying feature of an otherwise unhelpful policy adopted by the authorities. Thanks to the exemption, the limitations imposed by the provisions of the Tenancy Act have not affected the production operations of sugar factories. But for the exemption, there might have been dislocation or uncertainties created by disputes relating to the renewal of leases, by the maximum limit of rent prescribed under the Act, or by the landlord resuming the lands for cultivation from the sugar factories, and by restrictions on transfer of lands and the price prescribed in the Act for such transfers. The Government has, of course, not left the exemption unregulated, for it has prescribed the conditions governing it. Explaining this aspect, the latest Press note of the Government says: ".... if the exemption remained unregulated, the position would have been even worse, because the transfer of lands could have been regulated by negotiations and agreement between the parties and, the position of tenancies and rents would have been in a state of flux. It was, therefore, incumbent on Government to frame regulations which would secure the main objective and, at the same time, safeguard the legitimate interests of both the parties, namely, the landlords and the sugar factories."

Two Important Regulations

There are two important regulations. First, the *mamlatdar* fixes the reasonable rent for the lands leased to sugar mills without reference to any maximum at all and having regard to the various factors, including the profits earned by the factories from the manufacture or sale of articles made out of sugarcane. Secondly, the leases are for a fixed period; if no exemption had been given, these leases would have been of an indefinite duration. Under the notification issued by the Government, it will be open to the sugar mills and the landlords to settle the duration through negotiations. Where, however, there is any divergence of opinion, the Collector can intervene in order to secure a fair and equitable adjustment. Surely, such adjustment is as much in the interests of sugar mills as in that of the landlords and the community at large. As the Press note rightly points out, "it is clear that, in a case like this, the intervention of the Collector is intended to secure the interests of both parties with due regard to the necessity of safeguarding the working of these factories in the wider national interests. It can hardly be ignored that such working is essential even in the interests of prosperity of the population in the area covered by these factories and in the interests of landlords themselves whose land would not otherwise fetch the income which they would do under these leases."

The Government of Bombay has made it clear that the sugar factories cannot be allowed to enjoy exemption in respect of lands the retention of which with them is not necessary for their *bona fide* requirements. A provision has accordingly been made in the notification for the resumption of such lands as are held in excess by the sugar mills and for their disposal by the Collector. Similarly, it has been provided that, for default of sugar factories, a lease can, in certain circumstances, be terminated. It is, however, not known what these circumstances are.

While few would dispute the need for, the aforesaid regulations, one will ask: Why should the Government stipulate the condition that the sugar factories cannot purchase, without the permission of the Collector, any land through either negotiations with the landlords or mediation of the *mamlatdar*? The reasons adduced by the Government for imposing this restriction are as follows:

The intention is to prevent sugar factories from utilising the provisions relating to exemption from ceilings for the purpose of enlarging their holdings held as owners by unrestricted purchases from landlords whom they might be able to win over by attractive offers. It is also the intention to ensure that purchases are made only for the *bona fide* needs of the sugar factories; it is obvious that such needs cannot include a mere acquisition of occupancy in place of the present tenancy.

Reasons Not Convincing

The aforesaid reasons are not convincing. No sugar factory will be interested in the purchase of lands which are not useful to it in any way. Even for purchasing land for such *bona fide* needs as construction of additional buildings, installation of plants, etc., provision of amenities to labourers, storage and godown facilities, installation of waterworks, etc., and construction of canals, the factories have first to obtain the permission from the Collectors. The imposition of such restriction entails a lot of delay. This is especially so when the Collectors have been asked to make a reference to the Government where a factory needs more than ten acres of land. Further, it is somewhat difficult to understand as to why, when the Tenancy Act has fixed the maximum price for the transfers of lands, there is need for a separate provision which requires that such transfers should be not on the basis of maximum price but "on the basis of a reasonable price which would take into account the market value." Since the concept of the word "reasonable" is very wide, much time will be wasted on discussions over prices with the landlords who will try their best to pitch the value of their lands unduly high. It is also difficult to understand as to why the Government has assumed powers to enforce any award on continuance of lease made by the competent authority either in the past or in future. For the question should be left to mutual settlement between the parties concerned, that is, the sugar factories and the landlords. And if no agreed solution is arrived at and if any recalcitant party—whether sugar factory or landlord—deliberately fails to comply with the award, there is, after all, the judiciary to which the issue can be referred.

SUGAR EXPORTS

Apropos our references to exports of sugar and Mr. P. Hadfield's observations in *Commerce* dated 15th March 1958 (*vide* page 500), a "Small Industrialist" from Poona writes as follows:

"It is a well-known fact that there is surplus production of sugar in the country. The surplus would increase in the years to come when additional sugar factories which have been licensed start crushing. If this surplus is exported, we can get fairly large foreign exchange, which is so badly needed. The only handicap is that there is a wide gap between the world price of sugar and the price of Indian sugar. The question as to how to narrow the price disparity is being hotly considered.

"This problem, however, should not be considered insurmountable. A review of the balance-sheets of most of the sugar factories having a crushing capacity of over 1,000 tons will disclose that these factories are showing huge profits as compared with other industries. Such a happy position is the result of the artificial scarcity of sugar in the market created by Government policy governing release of quota for internal consumption. If the Government removes all the restrictions and if sugar is made a free trading commodity as in pre-war days, the price of sugar is bound to come down considerably, resulting in the cutting down of profits of factories. Realising this, would it be going out of the way to suggest that all the sugar factories having a crushing capacity of over 1,000 tons should voluntarily come forward to export at least 10 per cent. of their production

(*Continued on page 671*)

TRANSPORT OF COAL

NEED FOR MASTER PLAN

THE Government's awareness of the importance of increasing coal output became clear when it decided, in November last, to investigate India's requirements of coal in the third Plan period 1961-65. It is not known whether any exhaustive survey has been undertaken in pursuance of that decision. If it has not already been taken up it is necessary that the Government should immediately undertake such a survey. It should arrive at a realistic estimate not only of the total requirements of coal but also of a division of the total output between the public and private collieries. Besides investigating the ways and means of increasing the output of coal, it is of the utmost importance that the Government should simultaneously examine the transport requirements for the coal industry so that before the blue-print for the overall transport programme is drawn up the planning authorities could have an estimate of the wagons which the coal industry would need. It cannot be too strongly emphasised that transport is vital to the development of the coal industry.

Although the spokesmen for the coal industry have been unanimous in recognising the improvement in the allotment of wagons made by the Railway Administration to the coalfields, the fact remains that such allotment falls short of what the industry needs today. Thus, in the course of his speech at the recent annual meeting of the Indian Colliery Owners' Association, Mr. D. Samanta, the Chairman of the Association, said: "I admit that the railways can claim some credit for having increased the daily average of coal loading in West Bengal and Bihar fields in 1957 by about 270 wagons over the average of 1956 and for having despatched 2.7 million tons more coal in 1957 but there is nevertheless no getting away from the fact that the improvement is not commensurate with the increase in coal output, and the pit-head stocks still remain at 3 million tons, having increased by about a million tons in 1957 over those in 1956." Mr. Samanta computed that, in order to clear the stocks, an additional 375 wagons a day would be needed. He warned that if this were not done, the stocks would increase further this year which was bound to have adverse effect on production. In view of the great importance of transport to the coal industry and of the danger that in the absence of a specific programme, the transport requirements of the coal industry might not receive the attention they deserve, it seems imperative that the authorities should implement Mr. Samanta's suggestion for a Master Plan for coal transport. In this connection, he observed:

"To reach the final output target of 60 million tons by 1960-61 coal working will receive increasing momentum from this year, when some of the public sector mines are expected to be ready to go into operation. Coal loading in the various fields must keep pace with this increased output at an accelerated rate from year to year. Requiring a great deal more of coal during the second Plan period, the railways themselves will absorb a large part of the transport available. The task is colossal and in this context, the present performance of the railways, in respect of keeping coal transport hard on the heels of the overall demand, is certainly disappointing and leaves, I feel, much room for further improvement."

Two issues relating to the problems of transport for the coal industry are the provision of sidings to collieries and increase in road transport facilities. Mr. Samanta deplored that railways policy towards the grant of loading and siding accommodation to collieries continued to be "rigid and illiberal." He added: "Unless collieries are granted siding and loading accommodation, in accordance with their respective requirements for enhanced outlet of their increased output, it would not be possible for them to go ahead with their development programmes." Emphasising that "sidings are almost the life-lines of collieries," he urged that immediate steps should be taken for a more liberal grant of such facilities to the coalfields. Referring to transport of coal by road, he recalled that the whole issue was a subject of discussion between the Minister for Steel, Mines and Fuel and the representatives of the coal industry which was followed by a liberalisation of the existing system. Since the problem of mounting pit-head stocks persisted, he emphasised the need for "complete relaxation of restriction on movement of coal by road in respect of all classes of priorities." There is no doubt that road transport could be a valuable adjunct to railway transport in reducing the pit-head stocks which are a continuing threat to the coal industry.

CANARA INDUSTRIAL AND BANKING SYNDICATE LIMITED

CHAIRMAN, DR. T. M. A. PAI'S SPEECH

NEED FOR ELIMINATING WASTEFUL COMPETITION FOR DEPOSITS

EMPHASISING that foreign loans and aid, though they were of considerable assistance to the country, were no substitute for a national effort and sacrifice, Dr. T. M. A. Pai, M.B., B.S., Chairman of the Canara Industrial and Banking Syndicate Ltd., in the course of his speech at the Thirty-second Annual General Meeting, held at Udipi (South India), on Wednesday, 19th March 1958, observed that the only way that the loans could be repaid was by stepping up exports. Referring to the progress of the Bank, of which he is the Chairman, Dr. Pai quoted statistics to show how deposits, advances and the number of branches have all increased in the past year.

The following is the full text of Dr. Pai's speech:

"LADIES AND GENTLEMEN,

"I am glad to place before you the results of further progress that the Bank has been able to achieve during the year 1957. This progress has been all round and has added to the strength and continued stability of the institution improving the size and utility of its resources.

Capital Structure

"The paid-up capital of the Bank increased from Rs. 27,80,579 as on 31st December 1956 to Rs. 28,47,071, as on 31st December 1957 and the uncalled capital is Rs. 3,63,916 and in my expectations, with all the advance calls coming in during the year, it should be possible for the entire subscribed capital of Rs. 32,10,987 to be fully paid-up shortly. A proposal to increase the capital of the Bank is under the consideration of your Directors. With the transfer of Rs. 4 lakhs from the current year's profits to the reserve fund, the reserves have improved from Rs. 18 lakhs to Rs. 22 lakhs. The total figure of capital and reserves stands at Rs. 50,47,071, as on 31st December 1957. There has been a further rise in the deposits from Rs. 8,46,17,907 to Rs. 10,31,06,670 during the year. The following table will indicate the progress that the Bank has made in the last three years:—

	31-12-1955	31-12-1956	31-12-1957
	Rs.	Rs.	Rs.
Paid-up capital	26,75,668	27,80,579	28,47,071
Reserves	15,00,000	18,00,000	22,00,000
Total of paid-up capital and reserves	41,75,668	45,80,579	50,47,071
Total deposits	6,67,03,420	8,46,17,907	10,31,06,670

"The interest rates on bank deposits have shown a tendency of hardening up. There has been progressive competition among banking institutions for these funds, but with limitations on the profitable utilisation of the funds, and the increasing expense ratio. I have been often wondering whether a voluntary restraint on the part of all of us would not be conducive to the healthy development of our activities. After all, as I pointed out last year, this avoidable and wasteful competition would not add to the resources available to the banking system, but would only mean a transfer of funds from one institution to another and will not add to the national objective of tapping the savings of the community, particularly at a period when this habit should be allowed to develop and all available resources are harnessed and canalised towards the economic progress of the country. It would be well worthwhile therefore for the banking institutions to have a voluntary restraint on the deposit rates by agreement, but continue to attract all types of people who do not ordinarily have much to do with the modern bank today. Considering the size of the country and its potential, the scope here seems to be considerable and we have been trying our utmost through our various schemes of deposits and advances to achieve this objective in all places where we are now functioning.

"The total number of deposit accounts have improved from 1,71,811 to 1,80,229 last year and the total number of borrowing accounts have increased from 68,199 to 77,784 and the total advances inclusive of bills discounted have increased from Rs. 5,11,91,988 to Rs. 6,34,40,707 which represents 60 per cent. of the total deposit liability, out of which 82 per cent. was fully secured. 36 per cent. of the deposits were held invested in Government securities and shares of the Investment Corporation and National Savings Certificates. The bills for collection and acceptance and endorsements for customers improved from Rs. 75,24,877 to Rs. 1,00,92,322 and the total resources of the Bank which stood at Rs. 10,64,10,312 on 31st December 1956 increased to Rs. 12,81,65,913 on 31st December 1957, with over 2,58,013 customers. As against the gross income of Rs. 49,38,581 in 1956, the gross income of the Bank increased to Rs. 63,21,392 while the net profits increased from Rs. 9,14,031 to Rs. 10,78,676.

New Branches

"During the year, branches were opened at Manipal, Sringeri, Badami, Guledgud, Ilkal, Jamkhandi, Kopbal and Guntakal. Most of these places did not have banking facilities. It has been the endeavour of this Bank to reach a larger section of the public through a conscious effort to reach all classes both in respect of their savings as well as other banking needs.

"You are well aware of the hard times that we were up against during the year in this country with the falling foreign exchange balances. Adversity has its own rewards and the complacent attitude that we had in our international trade was rudely shaken and the need to make a conscious and persistent effort in developing a market abroad for the produce of this country has come to be recognised and the steps that have been taken by the Government in this direction, if supplemented by our leaders in trade and industry, should enable us to achieve a position of stability and progress in this direction. Undoubtedly, considerable assistance by way of loans and gifts from other countries have gone a long way in saving at least the hard core of the Plan and bridge the gulf which looked bleak and wide even a couple of months ago. But it is necessary to realise that the only way that the loans taken from abroad can be repaid is by stepping up our exports, and foreign loans are no substitute for a national effort and sacrifice.

"The gifts received from other countries represent the sacrifices that the nationals of those countries are making because, after all, those respective Governments could give these away to us only by raising taxation in those countries. But it is only a nation that makes a conscious effort to deserve these and only a nation which is willing to work hard enough to pull itself up by its shoe-strings that will continue to deserve this external assistance. The gifts and loans that have come timely to us, therefore, should act as a spur for greater activity and drive us to achieve the great objectives that have been placed before us rather than make us feel that our difficulties are over and induce us to inactivity. No nation on earth has been able to get the goodwill and assistance from all the countries of the world irrespective of the conflicting camps to which they might belong, as India has been, and with universal goodwill towards us, thanks to our Prime Minister; if we fail to make good with this assistance, it will indeed be a tragedy.

"In spite of a very heavy programme of industrial development, the country cannot possibly alter its very basis of existence. For generations together, India continued to be an agricultural country. Its importance and greatness lies in its continuing to be so. No doubt, it has to make every effort to raise its standard of life and solve its problems by an ever-growing and expanding industrial programmes; but if the basis of economy is to disappear, it would be tragic if we should think of importing foodstuffs and raw materials. While proper appreciation of industrial development is necessary, the importance of agricultural development and particularly food self-sufficiency cannot possibly be minimised. Considered from this aspect, the improvement in the food sector has been disappointing. Undoubtedly, great capital construction has gone on by way of putting up of dams across huge rivers. But a conscious effort on the part of the farmer to make use of every possible avenue of water sources and improve his own field has been impeded for various reasons. A great national movement in this decentralised field of activity appealing to millions of our countrymen engaged in agriculture cannot possibly be motivated by the frequent and repeated appeals to grow more food. A time has come to call for greater attention to the thought that our efforts towards food sufficiency has not succeeded. A sense of urgency has got to be instilled and an increasing and stable price level which would make agriculture a profitable business for the farmer, perhaps, is the only incentive that would be sustaining.

Governmental Expenditure

"So far as expenditure is concerned, expenditure on State and Central Government level is continuing on a level unprecedented and our planners, if they are to be satisfied with how much money has been spent without the qualitative and quantitative assessment of the work in terms of the real welfare of the people and improvement in the standards of employment and earnings of individual families, it would be only taking a shortsighted view of the success achieved. Compared with the problems solved, it has to be remembered that the problems yet to be solved are of a far greater magnitude and a nation cannot be asked to continuously sacrifice itself without the people feeling that these sacrifices have some meaning. A strict check on the Governmental expenditure by an educated public opinion is called for because, in a poor country, we have to try to achieve the maximum results with limited resources in the limited time. Most of the Governmental expenditure will have to come through taxation and loans. While taxation is legitimate for this purpose, unless the return to the people in terms of economic welfare is real, it will become harassing and heavy in its incidence. The Government will have to come out into the market for raising loans. It has been possible in the past to raise these loans mostly through financial institutions. It is regrettable indeed that no conscious effort has been made to broad-base the investing habits of the people by making investments in Government securities attractive. Many of the small investors who under pressure from the State Governments made these investments, had to lose on account of the depreciation that took place in the securities in the market and this might have induced the Government to feel that they have to rely heavily on National Savings Certificates and other schemes of savings which will ensure a stable return and would not be liable for depreciation. And yet, the need for a stable Government security market, particularly to the small investor, continues, as otherwise, only the financial institutions would be able to raise these loans.

"The setbacks and the shortcomings in the national economy have shown the long way that the country has to plod on. No nation has made any progress without sacrifices and hard work. The progress achieved so far, should spur us on to greater efforts and every individual and institution will have to play its part in this great task.

"Our General Manager, Mr. T. A. Pai, was deputed to the Tenth International Banking Summer School, held in Germany, and had an opportunity to go round visiting and establishing contacts and studying at first-hand the various methods of operation and working of big banking institutions on the Continent and England. It has been decided to send some of our officers for training abroad during the year. A Staff Training College has been established to train up the staff. Efforts have been made to provide some kind of training or other covering, in due course, the entire staff which numbers about 1,200 at present. All this, I trust, will lead to the increased efficiency of the staff and better service to the clientele. I must express our sense of thanks to our General Manager and the staff for the way that they worked during the year and I have no hesitation that this tradition of service and efficiency will be maintained. With their co-operation and yours, and the growing clientele at all our branches and with the progressive policies our Directors have been pursuing, I trust, your Bank will make a further landmark during the current year. Jai Hind."

GOVERNMENT'S DECISIONS ON COFFEE AND RUBBER INDUSTRIES

SOME SUGGESTIONS OF PLANTATION COMMISSION ACCEPTED

THE assumption of greater control by the Coffee Board in respect of extension of area under coffee and the institution of stricter regulations for replanting of rubber are some of the decisions which the Government of India has reached on the basis of the report of the Plantation Enquiry Commission. Before reaching these decisions, which were announced last week, the Government, it is stated, held consultations with the State Governments concerned, the Coffee and Rubber Boards and the representatives of industry and trade. The Government's decisions on the tea report have already been announced.

It may be recalled that the Plantation Enquiry Commission was asked to make a comprehensive enquiry into the economic conditions and the problems of tea, coffee and rubber plantation industries and to recommend measures regarding fair price, marketing, finance and development of these three industries. The Government has accepted the Commission's recommendation that the extent of area under coffee cultivation should be regulated by the Coffee Board in the interests of the orderly development of the industry. All new planting and replanting of coffee in future will be done only after taking out licences from the Coffee Board. This, it is stated, will ensure that only suitable areas are taken up for plantation and that approved planting materials would be used.

Export Trade in Coffee

The Commission had proposed that the export trade in coffee should be undertaken directly by the Coffee Board as the number of registered dealers in export sales is too small to enable the Board to get the best possible price. It has been decided that the Coffee Board will modify the system of export sales to allow the foreign importers also to participate in these sales along with the registered dealers in the country. As an experimental measure, it has also been decided that the Board should arrange to dispose of a portion of the exportable surplus by direct sales to foreign purchasers. To promote the export of coffee powder, the premium collected by the Board on the export of roasted and ground coffee has been suitably scaled down, as proposed by the Commission.

As regards the question of the release of coffee to co-operative societies, the Government does not propose to discontinue the supplies to these societies at a concessional price. The Commission's recommendation was that coffee should be sold to co-operatives at the pool-auction price which is generally higher than the release price. As the price at which coffee is available to the domestic consumer is far below the world price of coffee, the Government does not consider it necessary to create a separate consumers' subsidy fund. The Commission's proposal to create a price assistance fund has not found favour with the growers. The Commission had suggested that these two funds should be created from out of the excess price realised in the export auction and the sale proceeds of coffee represented by the gain in weight due to absorption of moisture while in storage.

The arrangements instituted by the Coffee Board for processing and sale of coffee powder at several centres will be continued and enlarged to the extent possible. It is, therefore, not necessary to start a separate organisation under the Coffee Board for the manufacture and sale of coffee powder, as suggested by the Commission. As recommended by the Commission, the co-operative societies will be utilised to the fullest possible extent for internal distribution of additional production of coffee.

Propaganda

The Coffee Board has already taken suitable measures to reorient propaganda activities on the lines recommended by the Commission. The Commission had observed that there was no need for the continuance of coffee houses in the coffee-growing areas. Propaganda through mobile vans and cinema shows, visiting rural areas, advertising campaign in urban areas and industrial communities and participation in fairs and exhibitions, the Commission had suggested, would fulfil the needs better than running coffee houses. The Government has decided that, as recommended by the Commission, a committee should be appointed to examine the existing rate of curing charges for coffee and of the commission paid to pool agents. The committee will recommend, where necessary, reasonable rates of remuneration. It would not be advisable to separate the curing and pool agency function.

Levy of Duties

The Commission had recommended that an export duty equal to the Central excise duty should be levied on coffee. At present, there is no duty on exported coffee. In the Government's view, the export duty is levied on considerations which do not apply to the levy of excise duty. It will consider the levy of an export duty when circumstances warrant such a course of action. The Commission's suggestion that the excise duty on coffee should be levied at a different rate for arabica and robusta has not been found practicable.

Rubber

The Commission's recommendation that the replanting and new planting of rubber should be allowed only with high yielding seeds approved by the Rubber Board has been accepted by the Government. On the subject of extension of rubber cultivation, the Commission's recommendation was that small growers, having individual holdings of 50 acres and less, should be permitted to extend the area of cultivation by 25,000 acres and the Estate group by another 25,000 acres. Already, the Rubber Board has issued licences for new planting to small holders covering an area of over 46,000 acres. There has been little expansion of rubber cultivation by the Estate group. It does not seem necessary to lay down any fixed proportion between small and big growers.

It is not also considered feasible by the Government to allocate rigidly the proportion of the area to be replanted by the small growers and large growers. The Rubber Board is trying to carry out the replanting programme in a phased manner and there is no need at present to introduce an element of compulsion in the scheme. The small holders, it is stated, are taking advantage of the scheme of assistance for replanting in an adequate measure.

The Commission had observed that the scheme for the production of synthetic rubber should be co-ordinated with that for natural rubber. The Government has given the assurance that it will take adequate care to ensure that, in developing the production of synthetic rubber, the legitimate interests of the plantation industry are not adversely affected.

Co-operatives

The Government has accepted the Commission's recommendation that special officers should be appointed by the Coffee and Rubber Boards for encouraging the setting up of multipurpose co-operative societies to help particularly the small growers. The Commission had recommended the setting up of a co-operative supply organisation, each for the rubber and coffee plantation industries, under the ægis of the respective Boards, for distributing chemical fertilisers and mixtures to the growers, particularly the small growers. In the Government's view, co-operative organisations being set up by the State Governments under the Community Development and National Extension Programmes can be expected to look after the needs of coffee and rubber growers also. The State Governments concerned are being requested that in setting up co-operative organisations for agriculturists the needs of the coffee and rubber growers should also be borne in mind. There would be no particular advantage in giving a monopoly right of sale to one organisation, as the object is to increase existing facilities for the supply of manure.

The Government does not consider that there is any necessity for setting up a separate body to advise it on matters concerning the tea, coffee and rubber industries, as recommended by the Commission. The control over these three industries is at present exercised by the Ministry of Commerce and Industry, in the interests of their development as well as of the workers, growers and consumers. This ensures co-ordination in the working of the three statutory Boards, namely, the Tea, Coffee and Rubber Boards. A few of the recommendations of the Commission including the one relating to the creation of a replanting fund for coffee and rubber, it is announced, are still under consideration. Some of the recommendations have been brought to the notice of the State Governments concerned.

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RUBBERISED BITUMEN

A report received from Australia states that Western Junction Airport, at Launceston, Tasmania, is the latest Australian airport to adopt rubberised bitumen for sealing airstrips. This follows the successful use of this material at Melbourne Airport, at Sale, Essendon and elsewhere. The decision to seal the surface was made by the Australian Government, which controls all Australian airports. The surface was in a bad condition before treatment. Both latex and a fast dissolving rubber powder were used. The mixture used at Melbourne consisted of 80/100 bitumen cutback with asphaltic oil, together with 1½ per cent. and 2½ per cent. of rubber powder, used in two separate experiments. The work was carried out by the Victorian Country Roads Board on behalf of the Commonwealth Department of Works. Sections of the strip were resealed with ordinary bitumen for comparison. Two years later, the rubberised bitumen sections were still in excellent condition whereas those without rubber had badly cracked, allowing water to penetrate and weaken the underlying pavement.

After two years the Commonwealth Department of Works publicly stated its satisfaction with the work, and commented with interest on the way the rubberised mixture had stretched across previous cracks whereas the plain bitumen had cracked again.

Additional sections of the 79 degrees airstrips and aprons at Melbourne Airport were resealed with rubberised bitumen to protect them against the heavy stresses caused by hundreds of Australian and international aircraft arriving and departing with visitors and competitors to the Olympic Games in 1956. The use of rubberised bitumen for airstrips and roads in Australia is comparatively new. First experiments on roads began in 1951 when sections of State highways and suburban roads in Victoria, New South Wales, Queensland, South Australia and West Australia were laid down with the new mixture. More than 60 of these types of roads throughout the Commonwealth have since been made or repaired with natural rubber, either in latex or powder form.

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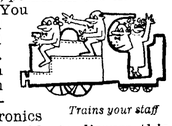
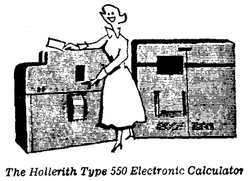
Savings Bank :—Accounts are opened and interest allowed at the rate of 2½ per cent. per annum on monthly minimum balances up to Rs. 50,000.
Loans and Cash Credits :—Are granted on Government and other approved securities.
EVERY KIND OF BANKING BUSINESS UNDERTAKEN.
M. A. ALEEM, *Manager,* Bombay Branch.
B. V. NARAYANA REDDY, *General Manager.*

THE BOMBAY STATE CO-OPERATIVE BANK LIMITED
9, BAKEHOUSE LANE, FORT, BOMBAY-1.
(ESTABLISHED IN 1911)
Chairman: SHRI RAMANLAL G. SARAIYA, O.B.E.
Money deposited with this Bank helps the Indian Agriculturists and Co-operatives.
PAID-UP SHARE CAPITAL: Rs.
Subscribed by the Shareholders Rs. 42,08,000
Subscribed by the Government of Bombay .. Rs. 66,00,000 1,08,08,000
RESERVE AND OTHER FUNDS .. 60,76,000
TOTAL DEPOSITS .. 11,00,26,000
WORKING CAPITAL .. 20,50,00,000
BRANCHES 60 IN 11 DISTRICTS
Collection arrangements in all the important cities of the Indian Union. Banking business of every description transacted.
Deposits of all kinds accepted. Terms on application.
G. M. LAUD, *Managing Director.*

Estd. 1906 H.O. : UDIPI, S. INDIA
THE CANARA BANKING CORPORATION LIMITED
(A Scheduled Bank)
For attractive rates of interest on Deposits, please consult our branch nearest to you.
Banking business of every description transacted
Our Fort-Bombay Branch :
'Lentin Chambers', Ground Floor, Dalal Street
Our Mandvi-Bombay Branch :
First Floor, 209-211, Narsi Natha Street

NATIONAL OVERSEAS AND GRINDLAYS BANK LIMITED
(Amalgamating National Bank of India Ltd. and Grindlays Bank Ltd.)
Incorporated in the United Kingdom. The Liability of Members is Limited.
Bankers to the Government in Aden, Kenya Colony, Zanzibar, Uganda and Somaliland Protectorate.
Subscribed Capital £4,562,500
Paid-up Capital £2,851,563
Reserve Funds £3,104,687
Head Office : 26, Bishopsgate, London, E.C. 2.
London Branches : 54, Parliament Street, S.W. 1. 13, St. James's Square, S.W. 1.
Shipping, Travel and Insurance Departments : 9, Tufton Street, S.W. 1.
BRANCHES :
INDIA— Amritsar, Bangalore, Bombay— Mahatma Gandhi Rd., Mint Road, Calcutta— Netaji Subhas Road, Brabourne Rd., Chowringhee Road, Church Lane, Cochin, Delhi, Kanpur, Madras— North Beach Road, Armenian St., Mount Road, New Delhi— Connaught Circus, Connaught Place, Simla, Tuticorin
PAKISTAN— Chittagong— Sadarghat Rd., Agrabad Branch, Karachi— McLeod Road, Bunder Road, Dundas Street, Saddar Branch, Khulna, Lahore— Bank Square, The Mall, Narayanganj, Peshawar, Quetta
CEYLON— Colombo— 37/30 York St., 11 York St., Kandy, Nuwara Eliya
BURMA— Rangoon
ADEN— Aden, Little Aden (Sub-Branch to Aden), Steamer Point, Aden
SOMALILAND PROTECTORATE— Berbera, Hargeisa
ZANZIBAR ISLAND— Zanzibar
KENYA— Eldoret, Embu (Sub-Branch to Fort Hall), Fort Hall, Kakamega (Sub-Branch to Kisumu), Karatina (Sub-Branch to Fort Hall), Karicho, Kiambu (Sub-Branch to Nairobi), Kisumu, Mombasa— Treasury Sq., Kilindini Rd., Nairobi— Government Rd., Delamere Ave., Industrial Area, River Road, Naivasha (Sub-Branch to Nakuru), Nakuru, Nyeri, Sotik (Sub-Branch to Karicho), Thika
UGANDA— Entebbe, Port Portal, Gulu, Jinja, Kampala, Kamuli (Sub-Branch to Jinja), Masaka, Mbale, Mbarara, Soroti, Tororo
TANGANYIKA TERRITORY— Bukoba, Daressalaam, Lindi, Mbeya, Mikindani (Sub-Branch to Mtwara), Moshi, Mtwara, Mwanza, Tanga
NORTHERN RHODESIA— Lusaka, Ndola
SOUTHERN RHODESIA— Bulawayo, Gwelo, Makokoba (Sub-Branch to Bulawayo), Salisbury, Umtali
Current Deposit Accounts are opened and Fixed Deposits received on terms which may be ascertained on application.
The Bank issues Letters of Credit and Travellers' Cheques and it offers every facility for the conduct of all classes of Banking and Exchange business with the principal commercial centres throughout the world.
The Bank's Head Office undertakes to act as Executor and Trustee in approved cases.
Savings Bank Accounts are opened.
Bombay Offices : Main Office: 90, Mahatma Gandhi Road, Fort, Bombay 1.
Mint Road Branch: Corner of Mint Road and Sir P. M. Road, Bombay 1.
D. G. MOORE, *Manager.*

Resident Field Engineer
The unique
HOLLERITH SERVICE
The accountant's visitor had come to see what sort of job Hollerith punched card machines were doing. "Tell me," he asked, "what sort of service did Hollerith give you?" This time the accountant looked surprised. "Did?" he queried, "Surely you know that one of the big things about Hollerith is the *continuous service.*"
The two reports
In Hollerith installations your equipment is, as it were, 'hand-tailored'. Your problems are very fully studied before the first careful report is presented to you. No fee is charged for this service. The second report is a detailed working plan in which the flow of work—every facet of the operation—is set out in full.

First careful report
Consultant, guide and friend
The Technical Service Man sees your installation in. Trains your staff. Stays with you till you are absolutely at home with your mechanised office. The maintenance of your machines is now in the hands of the Field Engineer who is always very quickly available.
Responsible advice
Modern business, because its control is based on figures, points all the time to mechanisation. You may only need simple punched card equipment. You might even be ready for an electronic computer. An electronics specialist is available to discuss this with you. Why not send for him? No fee is charged.

Trains your staff

The Hollerith Type 550 Electronic Calculator
Footnote
Hollerith is a vast organisation with immense research facilities, a network of offices throughout India, and a very long experience of Indian business needs.
HOLLERITH ELECTRONICS
Hollerith (India) (Private) Limited
HEAD OFFICE : Fazalbhoy Bldg., Mahatma Gandhi Rd., Bombay 1. *Tel. 252248/4.* REGIONAL OFFICES : BOMBAY 1 : Liberty House, New Marine Lines. *Tel. 241982.* CALCUTTA 1 : 107 Stephen House, Dalhousie Sq. DISTRICT OFFICES : BOMBAY 1 : Mistry Bhavan, Dinsha Wachha Rd. (P.O. Box 516). *Tel. 35085.* CALCUTTA 13 : 17 Chittaranjan Ave. (P.O. Box 616). *Tel. City 23-3954/5.* NEW DELHI 1 : 83 N Block, Connaught Circus (P.O. Box 76). *Tel. 48146 & 48448.* MADRAS 6 : 38 Mount Rd. (P.O. Box 704). *Tel. 85438.* SERVICE BUREAUX : Bombay, Calcutta, Madras and New Delhi.

PROGRESS OF ENGINEERING INDUSTRY

MR. K. J. CLEETUS ON IMPORTANCE OF TECHNOLOGY

THE overall picture of the healthy progress of the engineering industry during 1957 concealed "certain dangers and weak points in particular sectors" which might, if unchecked, easily lead to serious dislocation in production and unemployment, according to Mr. K. J. Cleetus, President of the Indian Engineering Association. In his presidential address to the 47th annual general meeting of the Association held at Calcutta last week, he pointed to the decline in production of electric motors, automobiles, bicycles and other items in the latter half of 1957. According to him, the fall in the level of bank advances to the iron and steel, and engineering industries from October 1957 onwards provided confirmation that production was slowing down as a consequence of acute raw material shortages. The fall in advances, he added, was in marked contrast to the progressive increase from 1953 to 1956, extending even up to the first half of 1957.

Proceeding, Mr. Cleetus observed that the outlook for raw materials, particularly steel, during 1958 was causing grave concern and the partial closure of many engineering works was becoming "inevitable and imminent." One hesitates, he said, to contemplate the serious consequences that the shortage of steel would produce in the Calcutta area, where the employment situation in the engineering industry was deteriorating slowly and steadily. Drawing the attention of the West Bengal and Union Governments to the warning signals, he urged them to take timely action so that the unpleasant consequences of partial and even complete closure of engineering establishments may be avoided. Describing West Bengal as a particularly vulnerable State, Mr. Cleetus regretted that the extent to which its prosperity and unemployment depended upon heavy, medium and light engineering industries was not often realised. Reiterating that the principal reason for the decline in production was the shortage of raw materials, Mr. Cleetus cited the examples of two major firms which had been granted import licences covering in one case only 25 per cent. and in the other 13 per cent. of their requirements of steel. At the same time, it was surprising to note that the licensing components, consumable stores and other raw materials continued on the anomalous basis of a much higher level of production than the allotments of steel warranted. Another factor contributing to the decline was increasing consumer resistance to high prices. "Indian cost of production," he said, "has been going up due to factors beyond the control of the manufacturers." The consumer's ability to buy had not, however, kept pace with these rising costs.

Very Satisfactory

The engineering industries, taken as a whole, Mr. Cleetus observed, had made very satisfactory progress during 1957 with the index of production for the first ten months rising to 236.5 against 219.0 in 1956 and 183.3 in 1955, assuming 1951 as the base. He pointed out that the general and electrical engineering industries had more than doubled their output since 1953. These were, indeed, encouraging figures, and would give an indication of the tremendous effort that was being made by the private sector in increasing industrial production.

Referring to the problem of modernisation and rationalisation, he felt that that there was no economic future for India if the country hung on to outmoded techniques and methods of production. Although mechanisation and rationalisation might result in temporary dislocations here and there, he described these as inescapable growing pains. "Did we hesitate to build railways because they were likely to replace bullock carts," he asked. It was only by increased production through more and better machinery that costs could be brought down and consumption increased. That was the only way to ensure increased employment, and more of the good things of life to every citizen.

While many firms had succeeded in removing the heavy backlog of renewals and replacement of machinery, the high costs obtaining at present were thwarting all efforts to keep abreast of technological progress. The industry realised that only the best machinery and equipment would suit in the years to come; yet, the Government's taxation policies, Mr. Cleetus pointed out, had deprived it of the ability to finance expansion and modernisation out of internal resources. If, as a result of efficient management and careful husbanding of resources, reserves have been built up from past profits to provide for expansion, "we are required to pay a stiff tax when we take money out for actual utilisation." Stating that, the industry felt like a nut caught in the jaws of a nut-cracker, Mr. Cleetus said that a series of Government enactments had been doing their best to convince the prudent businessmen who conserved his resources that he was a "social pest and not an asset to a community that is woefully deficient in capital."

Straight Jacket

Mr. Cleetus felt that some at least of the Government's policies had the effect of putting industry in a straight jacket. Straight jackets, he added, were not comfortable wear for a growing and healthy child like the engineering industry. He regretted the fact that although official Government pronouncements had assured private enterprise of an important role in the economy, there were often intemperate outbursts from certain quarters in obvious contradiction to official policies. Mr. Cleetus urged that the irresponsible sniping, sometimes indulged in by political leaders, must stop. The private sector, the President of the Association added, sought only the assurance of that amount of initiative and freedom of planning which was essential to progress.

As regards the labour situation, Mr. Cleetus attributed the improvement in 1957 to the helpful measure of firmness towards labour shown by Government, making a significant departure from the traditional, politically motivated policy of weakness and appeasement. Another healthy development was an increasing appreciation on the part of labour that higher and better production alone could bring about an improvement in living standards. There was also a heartening tendency on the part of organised labour to settle disputed issues by direct negotiation.

Workers' Participation

Mr. Cleetus welcomed the concept of workers' participation in management, and suggested that form of participation should be kept flexible so that joint consultation could grow from within. He said that the true object of the joint councils should be to provide a healthy channel of communication and to build up the feeling that both parties were engaged in a common endeavour. To ensure the success of workers' participation, Mr. Cleetus felt that "the first essential was to banish politics from industrial relationship." He also welcomed the launching of the productivity movement and the setting up of a National Productivity Council and added that it would be wrong and unfair to assume that the drive for productivity was designed to intensify the burdens of labour for the benefit of employers.

The rail transport position, Mr. Cleetus said, had improved but there was acute shortage of special types of wagons to move awkwardly-shaped plant and equipment, long-length materials, oils and acids. "We know efforts are being made to remedy the situation but the general belief is that railways will not be able to catch up with the increasing traffic that is being offered," he added. At the Calcutta port, there was a similar lack of facilities for the handling of heavy and awkwardly-shaped cargo in which the engineering industry was interested.

NON-FERROUS METALWARE

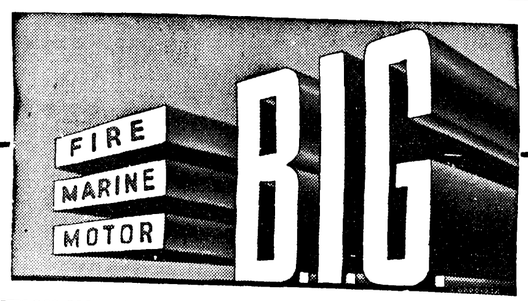
Inadequacy of indigenous production of non-ferrous metals and Government's restrictions on imports are among the major problems faced by the manufacturers of non-ferrous metalwares in India. The shortage of supplies of such metals as copper, zinc, lead and tin and the consequent spurt in the prices of the available limited supplies have made the question of proper distribution of supplies an urgent one. Mr. Vithaldas H. Shah, President of the All-India Non-Ferrous Metalware Manufacturers Association, in his presidential address to the twelfth annual general meeting of the Association has, therefore, urged the Government to take immediate steps to control and distribute equitably the available supplies of non-ferrous metals and to keep down their prices. The chief metals affected by the severe import restrictions, according to Mr. Shah, are copper, zinc, lead, and tin. Up to 30th June 1957 these metals were on Open General Licences (O.G.L.) but from 1st July 1957 they were removed from the O.G.L. and placed among licensable articles and established importers were granted licences on a restricted quota basis. Prior to 1st July 1957, the majority of actual users were able to get all their requirements from established traders at reasonable prices and, therefore, the actual users did not find any necessity to resort to imports. Owing to the imposition of restrictions on import, the supply position worsened with the result that prices rose by as much as 15 to 30 per cent. over the actual landed cost.

The Government introduced a system by which actual users could be placed on a priority basis for getting their supplies from established importers at reasonable prices. Except that certain actual users were placed on such a priority list, nothing further resulted out of this. Further, the Government, it is said, is now trying to introduce a well chalked-out scheme for the distribution of non-ferrous metals to all actual users at reasonable prices, allowing a profit margin of not more than 3½ per cent. In the meantime, the high prices are expected to continue; sales of metals due to arrive in April-May 1958, according to Mr. Shah, have already been completed at high rates.

Regulation of supplies can, however, be only a temporary expedient. The long-term solution is, of course, higher indigenous production. The annual requirements of some of the important non-ferrous metals are: aluminium, 40,000 tons; copper: 45,000 tons; zinc: 50,000 tons; lead: 20,000 tons. As against this, the indigenous production of aluminium is 7,500 tons only, although it is expected to go up to 17,500 tons. Production of zinc, copper and lead is expected to rise in the near future to 10,000 tons, and 6,000 tons respectively. This indicates that the country will have to depend on imports for the major portion of its requirements of copper, zinc and lead for many years to come.

Mr. Shah referred, in this connection, to the proposal for setting up a large aluminium plant with an annual capacity of 20,000 tons at Kholapur in Bombay State where, the existence of large deposits of high grade bauxite has been reported by geological experts. He observed that, as the Government might not undertake the venture, it was a splendid opportunity for the private sector to consider the scheme. The Government of Bombay is stated to be willing to extend every possible help to private *entrepreneurs* to start the scheme. According to Mr. Shah, it is an attractive proposition, especially because aluminium is a key metal, having manifold uses.

During the year 1957 the Industries (Development and Regulation) Act, 1951, was made applicable to the manufacture of utensils from non-ferrous metals, thus placing the metalware industry among the essential industries of the country. The industries will, therefore, receive special attention and care from the Government. The Tariff Commission investigated the question of reimposition of duty on imports of aluminium scrap and the continuance of protection to non-ferrous metals industry. As a result of the recommendation of the Commission, the Government imposed a customs duty of 15 per cent. on aluminium scrap and extended the period of protection on certain non-ferrous metals such as lead, zinc strips, copper and brass sheets, tubes and pipes up to 31st December 1959.



THE BRITISH INDIA GENERAL INSURANCE COMPANY, LIMITED
(INCORPORATED IN INDIA)
HEAD OFFICE:—MEHTA HOUSE, APOLLO STREET, BOMBAY
Chairman: JAL H. MEHTA General Manager: M. S. DASTUR

NEW PRODUCTS AND PROCESSES

Fire-proof Hose for Aircraft

THE successful development of a new fireproof flexible metallic hose, said to meet the stringent requirements of the British Air Registration Board and the American Civil Aeronautics Authority, has been announced by a British firm. The hose has been designed to ensure reliability of fire extinguisher systems in civil and military aircraft and is claimed to offer a considerable saving in costs as the necessity for frequent replacements will no longer arise. Its development has resulted from exhaustive experiments with various combinations of materials and examination of different methods of fixing unions and other fittings to the end of the hose. Among tests carried out was subjection of the hose for 15 minutes to the blast of three gas burners at a temperature of 2,200 degrees F. During this period the hose, which was also subjected to vibration, was empty and had no cooling fluid flowing through it. A fire extinguisher was then discharged through the hose and, despite the thermal shock of a sudden flow of cooling fluid, it remained intact. Later tests showed the hose to be fully fit for further service and able to withstand an air pressure of 1,000 lbs. per square inch.

A New Baby Car

What materials are the best to be used in building a baby car? This problem haunts all car builders engaged in the production of low-powered car. Soviet car designers face it, too. Several years ago they developed the "Belka," a midget made of wood and steel. The "Belka" was followed by a bantam car with a thin metal body. And quite recently a car with a plastic body reinforced with thin but highly durable glass-fibre veinlets has been built at the wheeled vehicles chair of the Bauman Higher Technical School of Moscow. The length of the car is a little over two metres, the height, 135 centimetres and the weight, only 350 kilograms. The car is claimed to be comfortable, reliable and cheap. The 11 h.p. car "Chaika" ("Sea-Gull") develops a speed of 75 km. per hour on a highway. The car's engine is in the back and its small wheels have independent suspension. The broad windows afford a good view. The rear window, slanted inwards, will remain dry even in strongest rain. The doors open upwards, lifting with a part of the top. When opened, they resemble the wings of a sea-gull. Hence the car's name.

Free Flowing Table Salt

A process for producing high grade table salt has been developed at the Central Salt Research Institute, Bhavnagar. Sambhar or marine salt is refined to a purity of 99 per cent. or above by one of the conventional methods, fractional crysallisation, chemical treatment or centrifugal washing. The purified brine is crystallised under controlled conditions in a specially designed evaporator. The crystals after centrifuging are dried in a rotary drier at 110°C and given a thin coating of paraffin wax followed by a fine coating of basic magnesium carbonate. The mass is then sieved and oversizes and fines are reprocessed. The proper sized material is packed in polythene lined bags for storage. The novelty of the process consists in producing round shaped crystals which minimises the caking tendency and enables the crystals to be uniformly coated. Absorption of moisture is negligible as shown by tests at high humidity. The product compares well with the imported material in all respects. Machinery required consists of a boiler, filter press, centrifuge, rotary drier, stainless steel tanks, double jacketted vessels and a sieving set. The process is simple and is equally applicable to lake and marine salts. Parties interested in undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, New Delhi.

Hardware from Aluminium-Magnesium Alloy

A British firm is producing quality hardware from an aluminium-magnesium alloy combining strength and durability. The alloy is a non-corrosive compound suitable for tropical conditions and has already been used in the buildings of Malta airport and certain fittings in the hall of residence of the new university at Kingston, Jamaica. The compound contains between 10 and 12 per cent. magnesium, which produces hard-wearing robust alloy suitable for all marine and tropical conditions. Successful tests have been made on the metal by aircraft companies, shipyards, and universities. The company produces a wide range of hardware from the alloy, including coat hooks, door handles, hinges, handrail brackets, and bathroom fittings. The metal weight is approximately one-third of brass. It is immune to oxidization, and the silver anodized finish is a permanently lasting colour.

Better Flash Bulbs

Smaller and better flash bulbs for photographic purposes can be produced, it is claimed, as the result of substituting zirconium metal in place of other metals as the filling material. Zirconium has previously been used almost solely for atomic energy purposes. The shredded zirconium is said to produce considerably greater quantities of light per cubic inch than other materials. Indeed, it is claimed that this enables flash bulbs using the zirconium filling to produce the same light output as conventional flash bulbs four times their size. Despite the relatively high cost of zirconium metal, the cost of using the shredded zirconium will be, it is expected, cheaper in terms of flash bulb light output than that of using more conventional materials.

T. STANES & COMPANY LIMITED

AND

WHOLLY OWNED SUBSIDIARIES

THE UNITED COFFEE SUPPLY CO., LTD., AND STANES MOTORS (SOUTH INDIA) LTD.

WITH the Directors' 47th Report, and in addition to separate Statutory Balance Sheets and the various Account Statements which go with it, the Company has published a condensed Group Consolidated Balance Sheet and Trading Account as at 30-9-1957 of the Parent Company, combined with its subsidiaries and adjusted for different closing dates, which is a very revealing statement, and is to be commended.

The Trading Turnover for the Group has exceeded Rs. 200 lakhs (Rs. 170.66 lakhs). After providing for all usual working charges and Depreciation the Group Profit is Rs. 11,99,742 (Rs. 9,52,472). The Provision for Taxation is higher at Rs. 6.35 lakhs (Rs. 5.87 lakhs). The dividend on Ordinary Shares has been stepped up to 20 per cent (17½ per cent.) absorbing Rs. 2.41 lakhs while Reserves are strengthened further by Rs. 4.24 lakhs (Rs. 2.76 lakhs). The figures in brackets represent corresponding figures of the previous year.

A summary of the combined Balance Sheet of the Group as at 30-9-1957 and a consolidated Profit and Loss Account for the year ended that date is given below:

(In lakhs of rupees)

CAPITAL, LIABILITIES AND RESERVES	As on 30th September 1956	1957
Capital:		
Preference	1.50	1.50
Ordinary	11.56	11.56
Capital Reserves	4.21	4.70
Revenue Reserves including Surplus in Profit and Loss Account	28.65	33.70
	45.92	51.46
Minority Interest	0.44	0.28
Liabilities	38.54	40.89
Difference in consolidation	1.14	0.87
	86.04	93.50

ASSETS	As on 30th September 1956	1957
Fixed Capital Expenditure	29.63	33.06
Less Depreciation to-date	15.18	17.20
	14.45	15.86
Investments	7.88	7.98
Current Assets	57.70	63.94
Cash and Bank Balances	6.01	5.72
	86.04	93.50

PROFIT AND LOSS ACCOUNT	For the year ended 30th September 1956	1957
By Sales	170.66	202.79
Miscellaneous Income	9.36	10.60
Closing Stock	24.23	35.60
	204.25	248.99
To Opening Stock	23.00	32.53
Purchases	132.96	161.27
Administrative Charges, Directors' Fee, Working Expenses and Provisions	36.75	40.84
Depreciation	2.02	2.35
Group Profit for the year carried down	9.52	12.00
	204.25	248.99
Group Profit for the year brought down	9.52	12.00
Less difference in consolidation due to variation in dates of subsidiaries	0.24	0.09
	9.28	11.91
Balance brought forward from last year	0.76	0.76
Provisions withdrawn	1.47	1.44
	11.51	14.11
Less:		
Provision for Taxation	5.87	6.35
Other Provisions	..	0.29
Transfer to Reserves	2.76	4.24
Dividends	2.12	2.41
Carried forward	0.76	0.82

A strong financial position is revealed by the Group Balance Sheet as at 30-9-1957. The Reserves and Surplus aggregate to Rs. 38.40 lakhs excluding Minority Interests as against a Paid-up Ordinary Capital of the Parent Company Rs. 11.56 lakhs. The Investments in subsidiary companies stand at Rs. 10.25 lakhs while the Issued Paid-up Capital of the subsidiaries is Rs. 12.91 lakhs and the difference is credited in the Consolidated Reserves shown above. The Investments in other Companies stand at cost Rs. 7.98 lakhs, the market value of which on the date of the Balance Sheet is considerably higher. The current liabilities including taxation stand at Rs. 40.89 lakhs while the current assets aggregate to Rs. 69.66 lakhs. The Gross Block of the value of Rs. 33.06 lakhs has been written down to Rs. 15.86 lakhs.

The various Directors' Reports appended show an expanding business. The Assets backing to Rs. 10 Ordinary Shares of the Parent Company have increased to Rs. 43.60 per share, the current market quotation being Rs. 19.50 C.D. to yield on the 20 per cent. dividend to be paid, a return of over 10.9 per cent. Free of Income-tax on an ex-dividend basis. Share quotations on the Madras Stock Exchange in 1957 have been Rs. 25.00 High and Rs. 19.20 Low.

The Trading Business of the Company, with headquarters at Coimbatore, covers through the United Coffee Supply Co., Ltd., the manufacture and sale of Stanes Coffee and Tea, a Brand well known throughout India. To this has recently been added a Plant for the manufacture of Stanes Instant Soluble Coffee, the plant being the only one in India producing this commodity, which has already a wide distribution, backed by the expert experience of the company in the production of quality coffee over the past 50 years.

The second wholly owned subsidiary, Stanes Motors (South India) Ltd., are dealers in Hindustan Cars and Studebaker Trucks in Coimbatore, Standard Cars in Kerala and for Ferguson Tractors over the same areas, with their head office in Coimbatore and 3 branches. In addition they operate 5 factories in South India and one in Calcutta for what is probably the best known tyre retreading process of "TyresoleS". A recent addition in the factory in Coimbatore is the "Vaculug" process for the reconditioning of Tractor and Earthmover tyres and is the only factory dealing with the reconditioning of this class of tyre in India and for which there is a largely increasing potential demand in the present Five-year Plan. Stanes Motors also operate a Town Bus Service in Coimbatore through Stanes Transports (Private) Ltd.

The Parent Company operates two Fertilizer factories, a Coffee Curing Factory and a general business largely connected with the Southern India Plantation Industry. The two well-known Rupee Planting Companies, started by T. Stanes & Co., Ltd., and under their Managing Agency are Messrs. United Nilgiri Tea Estates Co., Ltd., and Stanes Amalgamated Estates Ltd., which together last year produced over 20,00,000 lbs. of Tea, as well as some 54 Tons of Coffee. With development and expansion the Tea crops have doubled over the past 10 years. The Parent Company and subsidiaries own together 43.4 per cent. of the Share Capital of Stanes Amalgamated Estates Ltd. The Estates are all in the Nilgiri District of South India.

It is of interest to note that the Founder of the business in Coimbatore, Mr. (later Sir Robert) Stanes left the U.K. for India in March, 1858, a 100 years ago. He died in Coonoor in 1936, age 96, having spent nearly all his life in India; and was always intimately connected with the Plantation Industry in the South. His son, Mr. F. J. Stanes, who retired in 1939, is now on a visit to India. The present Managing Director, Mr. E. H. Stanes, as also the Visiting Agent for the Estates, Mr. N. J. Stanes, are grand-nephews of the Founder, Sir Robert Stanes.

The Company became a Public Company in 1956, when also, on re-organisation, Messrs. The United Coffee Supply Co., Ltd., and Stanes Motors (South India) Ltd., became wholly Owned Subsidiaries. The Directors are Mr. E. H. Stanes, M.C., Mr. C. E. Wootton, B.Sc., F.R.I.C., Mr. M. S. Ramaswamy, B.A., G.D.A., A.C.A., and Mr. N. J. Stanes.

EXPORT RISKS INSURANCE CORPORATION

PRELIMINARY BUSINESS FIGURES ANALYSED

THE establishment of the Export Risks Insurance Corporation (Private) Ltd. was one of the series of measures taken by the Government of India last year to promote exports. The Corporation came into existence on 4th October 1957 and actual business commenced on the 14th inst. Although six months (approximately) is too short a period to judge the performance of the Corporation, especially because export credit insurance is an entirely unchartered field as far as this country is concerned, it may be useful to have a look at what is being done by the Corporation which is generally considered as capable of playing a significant role in the export trade of the country.

It may be recalled in this connection that the Corporation is a private limited company wholly owned by the Government. Its authorised capital is Rs. 5 crores, entirely subscribed by the Government. The Corporation has a Board of Directors of seven members with Mr. R. M. Gandhi as the Chairman and T. C. Kapur as the Managing Director. Its sole object is to help exporters to increase their exports by guaranteeing the creditworthiness of foreign importers. The Corporation works on a "no-profit no-loss basis" and covers all risks involved in exports on credit terms, the only exception being risks which are normally covered by general insurers. The Corporation, in other words, keeps itself out of the field of general insurers and is meant as complementary and supplementary to them. Under the Government resolution, the Corporation is permitted to issue policies to those who insure all their shipments of commodities of allied nature to all destinations. Exporters are not allowed to pick and choose the transactions they will insure.

Proposals and Policies

Since the commencement of business on 14th October 1957, the Corporation has received so far 165 proposals of the face value of Rs. 11,23,73,000 for covering anticipated exports of Rs. 46,20,49,000. Out of these, 78 proposals have resulted in policies and 27 proposals have been dropped because the proponents did not pay the initial premium and the remaining proposals are pending either because the initial premiums have not been paid or the acceptance letters could not be issued because of incomplete information in the proposals. The seventy-eight policies issued are of the face value of Rs. 3,83,95,000 and will cover anticipated exports of Rs. 17,34.01,800. The twenty-seven proposals that have been dropped were for Rs. 4,62,40,000 for covering anticipated exports of Rs. 17,61.68,000.

Out of the 78 policies, 30 are for amounts not exceeding Rs. 1 lakh, 15 are for amounts exceeding Rs. 1 lakh but not exceeding Rs. 2 lakhs, 21 are for amounts exceeding Rs. 2 lakhs but not exceeding Rs. 5 lakhs. Only 12 policies are for amounts exceeding Rs. 5 lakhs. The smallest amount for which policies have been issued is Rs. 10,000. There are three such policies. These figures show that the services of the Corporation are currently being utilised mainly by small and medium-sized exporters. It is indeed for helping the small and medium-sized exporters, who do not possess the business contacts and credit arrangements which a big, established exporter has, that the Corporation was set up. But large exporters also stand to benefit by insuring with the Corporation because, howsoever established and vast their connections abroad, it is not possible to cover adequately the political risks, such as transfer risks, war and civil war risks, import control risks, diversion risks, repudiation of contract by Government buyers etc., insurance against which is possible with the Corporation. In fact, some big exporters also sent in their proposals to the Corporation. Three of such proposals were for Rs. 1 crore each and another proposal for Rs. 55 lakhs. These proposals have, however, not resulted into policies. One of the main reasons for dropping them is the complaint by the proponents that the premiums quoted by the Corporation were on the high side.

According to the Corporation's Managing Director, Mr. Kapur, those who consider the Corporation's premium rates high judge the premiums not on the basis of the risks involved but from the point of view of the profit margin they expect on the exports. If the profit anticipated is high they won't mind paying a higher premium but if it is low they consider the premiums too high. The Corporation, in quoting the premium for a particular proposal, does not take into account the profit that might be earned by the goods insured. The only relevant factor is the risks involved and the premium varies according as the risks, in the Corporation's estimate, is high or low. In view of the fact that the Corporation has been in existence for only a very short period and also because of the difficulty of obtaining information regarding the premium rates and other conditions fixed by export credit institutions in other countries, it is difficult to say whether the premium rates charged by the Corporation is low or high. In the absence of any statistical data on which to fix the premium rates, the rates are fixed for the present purely on *ad hoc* basis. Experience alone can reveal whether they are high or low. Nevertheless, the Corporation has drawn the attention of the Government to the complaint of exporters that the premiums are high. Some arrangement by which the premium rate could be made more attractive should be considered. The question of a subsidy to the Corporation by the Government to bring down the premium or make good the loss that might arise should premiums be reduced seems out of question, because the Government, it is said, would not accept the suggestion on the ground that it contravenes the provisions of the G.A.T.T. of which India is signatory. Another possible alternative is the provision of a rebate which, in effect, means a reduction of premiums. Any decision on this question, however, can probably await until a clear picture of financial results of the working of the Corporation on the present premium rates can be had. It may be noted here that the Corporation is already in for its first claim.

In view of the fact that export credit insurance is new to this country and there is no past experience to go by, the Corporation's performance can be termed satisfactory. Its success will, however, ultimately depend equally on the co-operation of exporters and on its working on sound lines.

UNEMPLOYMENT INSURANCE IN THE U.S.

President Eisenhower last week called on Congress for prompt action to extend weekly unemployment payments until such time as business recovers from the current recession. His proposal, according to Mr. John Kerigan, amounts to a temporary but nevertheless important improvement of the social security system which since the mid-1930s has been a proven bulwark, for individuals as well as for the economy as a whole, against protracted decline. And Congress responded by scheduling immediate consideration of the President's plan.

While longer-range projects are being developed and work on federally-sponsored construction projects are being accelerated, the President evidently wanted first of all to take care of the human problem that is the product of diminished employment. Under the President's plan each State would temporarily extend by one-half the number of weeks during which unemployment compensation is now being paid. In most States, this would mean 39 rather than, as at present, 26 weekly payments. Congressional action is necessary because unemployment insurance is jointly administered by the States and the national Government. The Federal Government (under the Social Security Act) also contributes funds to the operation of each State's unemployment compensation system. The funds—State, as well as Federal—are raised through payments, on a payroll basis, by employers (and in two States also by workers). Immediate beneficiaries of Mr. Eisenhower's proposal would be individuals who have exhausted their benefits. "I believe," the President told Congress, "that these workers and their families should be enabled to receive weekly benefits for a longer period than is now in effect so that in the current economic situation they and their families can obtain a greater measure of security."

Unemployment benefits vary from State to State between $25 and $31 maximum per week for anywhere from 16 weeks (Florida) to 30 weeks (Pennsylvania) with most States paying compensation for half a year. Under Mr. Eisenhower's proposal, the dollar rate of benefits would remain the same, but the number of weekly payments would be increased. Thus, an individual in New York State, for instance, who now receives the maximum of $32 a week for the maximum duration of 26 weeks, would receive $32 for an additional 13 weeks, should he fail to find employment. About 43 million of the nation's civilian labour force of 67 million are covered by the unemployment compensation systems.

The amount of weekly benefits paid is determined on the basis of the worker's past earning. With wages sharply increased over the past decade, a great many unemployed today receive the maximum rate. The average weekly pay cheque comes to about $30. The States maintain reciprocal arrangements, which permit unemployed persons to move freely about the nation and to receive payments practically in whatever State they happen to be.

Mr. Eisenhower's proposal provides for federal advances to States for financing the extended benefits until 1st April 1959. But there is actually no financial problem before the States now. Their reserve funds, built up since the mid-1930s, today aggregate close to $8,500 million. Payments into the pool continue monthly at such a rate that even in February, when compensation to unemployed workers amounted to $320 million, the net decrease of the collective fund was only $173 million. Under the new plan, individual States would therefore remain free to decide whether they want to borrow from the Federal Government, use their own reserve funds, or make a direct State appropriation. The temporary extension of benefits, it is said, in no way affects the President's plans for a lasting improvement of the unemployment system. His present proposal is in no sense a substitute for extending the coverage of unemployment compensation (or for) extending the duration of benefits and increasing benefit amounts which he has previously urged.

ANDHRA PRADESH LIFE INSURANCE FUND

As a result of the actual valuation of the Andhra Pradesh Life Insurance Fund for the period of three years from 1st April 1951 to 31st March 1954, the State Government has sanctioned the declaration of bonus to the policyholders at the following rates: (1) A bonus at the rate of Rs. 10 per thousand sum assured for every policy year entered upon during the valuation period from 1st April 1951 to 31st March 1954 to policies in force on 31st March 1954, the date of valuation. (2) An interim bonus at the same rate will also be paid on the policies which have gone off the books during the period from 1st April 1954 to 31st March 1957 on account of death or maturity. (3) Bonus for the period from 1st April 1951 to 31st March 1954 will be paid on all policies which have gone off the books by way of P.V. or S.V. during the triennium 1st April 1954 to 31st March 1957. (4) Bonus certificates in cases of current policies for the two valuation periods from 1st October 1947 to 31st March 1951 and from 1st April 1951 to 31st March 1954 will be issued in due course.

GROUP INSURANCE FOR RAILWAYMEN

Replying to questions in the Lok Sabha, Mr. Jagjivan Ram, Minister for Railways, disclosed that his Ministry was examining the feasibility of a group insurance scheme for railway employees out of contribution from the provident fund so that, in case of their premature death, they would leave a reasonable amount for their family. A proposal to pay a portion of the pension of deceased railway employees to their dependents for a specified period was also under consideration. Some M.Ps. stressed the desirability of instituting some social security measures under which monetary assistance could be given to dependents of railway employees who had very short service to their credit and who died suddenly without providing for their dependents. The Minister said that he had suggested to the Federation of Railwaymen certain proposals for its consideration. He was of the view that, with the introduction of the pension scheme, the families of employees who had rendered service for a specified number of years should be entitled to a portion of the pension. He also proposed to make it compulsory for employees to contribute to the provident fund irrespective of the pension scheme.

PENSION SCHEMES IN BRITAIN

The effects of an extension of national pensions on all types of private pension schemes in Britain were discussed recently by Mr. G. V. Bayley at the Institute of Actuaries, London. Mr. Bayley stressed the fundamental differences between a State pension scheme providing benefits up to a level of "basic need" and one going beyond that level into the realm of "private saving." If in the latter case, according to him, there was going to be material subsidisation of one set of individuals by another, or automatic adjustments to State pensions with rising price levels, then the whole structure of private savings would be undermined. In financing for a State scheme, Mr. Bayley thought the country should either provide adequately in real terms for any prospective substantial growth in State pension commitments, or should keep future commitments within the level of what the present generation themselves were willing to pay. This, he said, had an important bearing not only on the size but also on the shape of any extended State scheme and on the extent to which present pensioners and older workers should receive pensions beyond what they had paid for.

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NATIONAL OVERSEAS AND GRINDLAYS BANK LIMITED

AMALGAMATING

NATIONAL BANK OF INDIA LIMITED AND GRINDLAYS BANK LIMITED

Established 1863 *Established* 1828

REGISTERED IN LONDON UNDER THE COMPANIES ACT OF 1862 ON THE 23RD MARCH, 1866

(THE LIABILITY OF MEMBERS IS LIMITED)

SUBSCRIBED CAPITAL	£4,562,500	RESERVE FUNDS	£3,168,579
PAID-UP CAPITAL	£2,851,563	NUMBER OF SHAREHOLDERS	3,427

NATIONAL BANK OF INDIA LIMITED *BALANCE SHEET 31st DECEMBER 1957*

(See Note 1)

1956 £		£	1957 £	1956 £		£	1957 £
	Capital—				**Current Assets—**		
4,562,500	AUTHORISED AND SUBSCRIBED— 4,562,600 Shares of £1 each	4,562,500		16,546,982	Cash on Hand, at Call and Short Notice at Bankers		18,349,503
2,851,563	Paid-up 12/6d. per Share		2,851,563	8,132,734	Investments at under Market Value— British Government and other Securities quoted on the London Stock Exchange	7,916,405	
	Reserve Funds—						
3,104,687	Including Share Premium Account £1,128,750 (*1956—£1,128,750*).		3,104,687	14,932,240	Indian, Pakistan, Ceylon and East African Government and other Securities quoted on Overseas Stock Exchanges	13,832,546	
	Profit and Loss Account—			650,461	Unquoted Investments	355,603	
275,369	Profit unappropriated		272,534	28,852,613	Bills of Exchange, including Treasury Bills		22,104,554
				65,583,017	Advances, Loans Receivable and other sums due to the Bank		21,460,809
				446,601	Customers for Acceptances per Contra		73,304,345
6,231,619			6,228,784	135,144,648	Total Current Assets		897,352
							136,116,563
	Current Liabilities, Provisions and Other Accounts—				**Subsidiary Companies—**		
101,487,587	Current and other Accounts, including provision for diminution in value of assets, taxation on profits to date and reserves for contingencies	94,179,245		1,700,000	Shares at cost less amounts written off	1,700,000	
27,040,533	Fixed and Short Deposits	31,920,007		605,555	Amounts due	576,160	
1,966,721	Amounts due to Subsidiary Companies	5,873,484					2,276,160
2,833,436	Bills Payable	2,075,398			**Fixed Assets—**		
446,601	Acceptances for Customers	897,352		2,679,268	Bank Premises, Property and Furniture at cost, less amounts written off		2,904,521
122,974	Second Interim Dividend less Income Tax for the year ended 31st December, 1957	122,974					
			135,068,460				
£140,129,471			£141,297,244	£140,129,471			£141,297,244

NOTES:

1. The Balance Sheet shows the position of the Bank immediately prior to amalgamation with Grindlays Bank Limited and the transfer therefrom of all assets and liabilities as at the close of business on 31st December, 1957, by virtue of the Scheme of Arrangement dated 8th July, 1957, and by the Order of Court dated 7th November, 1957, under Section 208 of the Companies Act, 1948. Consequent upon the amalgamation the name of the Bank was changed as from 1st January, 1958, to National Overseas and Grindlays Bank Limited.
2. There are commitments in respect of Confirmed Credits, Forward Exchange Contracts and Guarantees, including Guarantees to the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the above Balance Sheet which is in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet gives the information required by the Companies Act, 1948, in the manner thereby authorised for Banking Companies and, on such basis, the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957.
3. Liabilities have been incurred in respect of building contracts for new premises amounting to approximately £275,000 (*1956—£265,000*).
4. The rupee in India, Pakistan and Ceylon and the kyat in Burma have been converted into sterling at 1/6d. and the East African shilling at par. Other currencies have been converted at the rates of exchange ruling on 31st December, 1957.

G. T. GILLESPIE, Deputy General Manager.
D. A. DEELEY, Chief Accountant.

J. K. MICHIE
E. J. MACKENZIE HAY COLGRAIN } Directors.

REPORT OF THE AUDITORS TO THE MEMBERS

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the above Balance Sheet which is in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet gives the information required by the Companies Act, 1948, in the manner thereby authorised for Banking Companies and, on such basis, the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957.

We have also examined the annexed Consolidated Balance Sheet and Consolidated Profit and Loss Account of the Bank and its Subsidiaries dealt with thereby with the audited accounts of those Companies. In our opinion such Consolidated Balance Sheet and Consolidated Profit and Loss Account have been properly prepared from such accounts in accordance with the provisions of the Companies Act, 1948, in the manner thereby authorised for Banking Companies and, on this basis, give a true and fair view of the state of affairs and of the profit ascertained in the manner therein indicated of the Bank and its Subsidiaries so far as concerns members of the National Overseas and Grindlays Bank Limited.

LONDON, 3rd March, 1958.

COOPER BROTHERS & CO.
W. A. BROWNE & CO. } Chartered Accountants.

GRINDLAYS BANK LIMITED *BALANCE SHEET 31st DECEMBER 1957*

(See Note 1)

1956 £		£	1957 £	1956 £		£	1957 £
	Capital—				**Current Assets—**		
500,000	AUTHORISED AND ISSUED— 100,000 Shares of £5 each, fully paid		500,000		Cash—		
350,000	**Reserve Fund** (including Share Premium Account £150,000)		350,000	1,752,693	In Hand and at Bankers	2,183,210	
	Profit and Loss Account—			487,300	Money at Call and Short Notice	150,000	
30,064	Unappropriated Balance		29,963	67,500	Balances with Holding Company (National Bank of India, Ltd.)	4,175,461	
880,064			879,963	2,307,693			6,508,671
	Current Liabilities, Provisions and Other Accounts—			3,775,951	Bills of Exchange (*1956—including Treasury Bills*)		2,175,821
16,886,363	Current and other Accounts, including Taxation based on profits to date, Contingencies Account and other Reserves and Provisions	17,270,805		3,090,070	Investments at less than Market Value (Note 2)— Securities of or guaranteed by the British Government	2,727,068	
8,756,024	Fixed and Short Deposits	9,545,643					
78,878	Bills Payable	111,034		4,044,257	Securities of or guaranteed by the Governments of India, Pakistan, Ceylon and Rhodesia (Quoted on Overseas Stock Exchanges)	3,560,497	
3,403	Acceptances for Customers	1,893					
7,188	*Proposed Final Dividend, less Income Tax*				Other Investments—		
25,731,858			26,929,375	294,694	Quoted on London Stock Exchange	199,729	
				18,225	Quoted on Overseas Stock Exchange	6,075	
				105,000	Unquoted Investments	80,000	
				7,552,246			6,573,369
				10,825,698	Advances to Customers and Other Accounts, less Provision for Doubtful Debts	10,442,274	
				1,899,221	Amount due from Holding Company	1,698,023	
				12,724,919			12,140,297
				3,405	Customers for Acceptances, per Contra		1,893
				26,364,214			27,399,851
					Fixed Assets at cost less amounts written off— Subsidiary Companies (written down to Nil)		
				247,708	Bank Premises, Property and Furniture		409,487
£26,611,922			£27,809,338	£26,611,922			£27,809,338

NOTES:

1. The Balance Sheet shows the position of the Bank immediately prior to amalgamation with the Holding Company and the transfer thereto of all assets and liabilities as at the close of business on 31st December, 1957, by virtue of the Scheme of Arrangement dated 8th July, 1957, and by the Order of Court dated 7th November, 1957, under Section 208 of the Companies Act, 1948.
2. Investments to the nominal value of £88,770 (*1956—£100,063*) in Indian and Pakistan Government Securities have been lodged as security for special accounts.
3. There are commitments in respect of Confirmed Credits, Forward Exchange Contracts and Guarantees. There are also contingent liabilities in respect of Bills re-discounted by Holding Company and by other Banks amounting to £126,287 (*1956—£223,178*) and £8,486 (*1956—£24,036*) respectively.
4. The Subsidiary Companies, being for Nominee holding purposes only, do not trade and have, therefore neither profit nor loss. In view of the insignificant amounts involved, group accounts have not been prepared.
5. Contracts for Capital Expenditure in respect of Premises amounted to approximately £852,000 (*1956—£7,850*).
6. The rupee in India, Pakistan and Ceylon and the kyat in Burma have been converted into sterling at 1/6d. and the Rhodesian pound at par. Other foreign currency balances have been converted at the rate of exchange ruling at 31st December, 1957.

COLGRAIN
O. J. AUCHINLECK
T. A. R. W. LOW } Directors.

B. R. H. PRICE, Secretary.

NATIONAL OVERSEAS AND GRINDLAYS BANK LIMITED

STATEMENT BY THE CHAIRMAN

MR. J. K. MICHIE FORESEES ANOTHER DIFFICULT YEAR FOR BANKING

THE Annual General Meeting of the National Overseas and Grindlays Bank Ltd. was held in London on 1st April 1958. The following is the statement of the Chairman, Mr. J. K. Michie, relating to the accounts of the Bank for the year ended 31st December 1957, submitted at the meeting:

"The physical amalgamation of the National Bank of India Ltd. and Grindlays Bank Ltd. into the National Overseas and Grindlays Bank Ltd. took effect from 1st January 1958. So while this is the first report to the shareholders under the new name, the Accounts for 1957 perforce are presented in the previous form.

"Despite the enormous amount of detailed work involved, thanks to the organising ability of those specially seconded to the task and to the co-operation of the staffs of both Banks, the fusion was accomplished with remarkable smoothness and I hope without inconvenience to our customers. In a complex operation of this kind, to foresee and anticipate every difficulty would be superhuman, but I am satisfied that any outstanding problems will be disposed of with the sympathy and understanding which were the keynotes of the whole operation.

"We have established a 54 Parliament Street Committee of five members, all of whom were on the Board of Grindlays Bank Ltd. This Committee will assist the Management to deal expeditiously with the large number of accounts which they hold and so maintain the very high standard of service associated with the name Grindlays.

"I have to report a change in your Board since our last meeting. Sir Robert Reid, who had been a member since 1943, retired on 31st December last. Sir Robert had a distinguished career in the Indian Civil Service, finally as Governor of Assam, and his intimate knowledge of the sub-Continent was of great value to us. Incidentally, his father was a member of the Board for 31 years, from 1878 until 1909.

"To fill the vacancy we invited Mr. E. H. Owen to join us, which he did early in January. Mr. Owen had been a member of the Board of Grindlays Bank Ltd. since October, 1955, so already had knowledge of our business. He also has wide interests in the City and I recommend him to you with every confidence.

"I also have an impending loss to report. Mr. W. H. Miles, who has very special knowledge of Ceylon and who has been on the Board since April, 1946, has intimated that he wishes to reduce his business commitments and his resignation will take effect after the annual general meeting. We accept his decision with much regret and shall miss his wise advice not only on matters concerning Ceylon but on the wider aspects of our business.

"Before leaving the subject of the Board I am sure you would wish to join in congratulating Sir Toby Low, K.C.M.G., C.B.E., D.S.O., M.P., on the honour of Knighthood conferred on him by Her Majesty the Queen in the 1957 Birthday Honours List for his distinguished services as a Minister of the Crown over a period of six years.

"Turning to figures, the total of our consolidated balance sheet, at £162,105,220, shows a small reduction and our net profit is £5,345 lower at £427,490. As usual this figure is arrived at after full provisions for taxation, for bad and doubtful debts and other necessary reservations. Two interim dividends each of 7½ per cent. have been declared, making a total unchanged distribution of 15 per cent.

"During 1957, Government securities again fell considerably in value—a process which fortunately has recently been reversed—but I am glad to be able to report that these temporary reductions in value as in the past have been provided against internally.

India

"1957 was a difficult year and at the moment prospects for 1958 promise little, if any, alleviation of her financial problems; in fact, due to a poor monsoon, the food situation is less favourable than in recent years and that means more imports and a greater drain on monetary reserves.

"When a country is in process of an industrial expansion at a rate far in excess of its own savings, this, combined with a fall in the values of its basic exports, i.e., jute products, tea and cotton goods, is doubly hurtful. The new investments absorb sterling balances which previously yielded interest; alternatively, they are being built with the help of borrowed money on which in some form, or other and at some time or other interest will have to be paid. Therefore, temporarily there is a large element of inflation in the phase through which India is passing.

"Internally money is tight and too cheap and Government has asked banks to reduce their lendings. This process would be easier, if Government itself paid its dues somewhat more promptly and recognised that money, too, is a commodity which should only be cheap if it is plentiful.

"Another major aggravation of India's difficulties has been the lack of public confidence as evidenced by a continued fall in Stock Exchange values, accentuated, of course, by the Mundhra incident. In view of the wide publicity being given to this affair you will be glad to know that our Bank is involved only to a limited extent and full provision has been made in these accounts for any possible loss. It is most regrettable that the involvement of the Life Insurance Corporation in the Mundhra affair has led to the resignation of India's able Finance Minister, Mr. T. T. Krishnamachari.

"At this stage it is impossible to avoid comment on India's immediate economic difficulties, but on the other side of the picture there is no question of the energy and realism with which she is now facing them. Imports are being cut, long credit is to some extent being arranged and a certain success is being achieved in raising further loans and aid. Equally, there is no doubt of the goodwill towards India of the countries and organisations from which funds and other assistance may be secured and I am certain they will strain themselves to help India over her difficulties.

Pakistan

"The economy of Pakistan is also under strain. The year 1957 ended with a deficit of over £19,000,000 in the balance of payments, as compared with £675,000 in 1956.

"There have been falls in both prices and production of tea and jute, the cotton crop yield was about the same as the previous one, but exports are running at a much lower level.

"The food situation in East Pakistan has recently improved considerably and prices have fallen to reasonable levels. In October Mr. Suhrawady resigned the Premiership and after a short period under Mr. Chundrigar was replaced by Malik Firoz Khan Noon, who has previously held office in a variety of capacities.

"Internally, money is in fair supply in Pakistan but, as is now much more generally realised, it is trade balances and external reserves that really matter and Pakistan has a stern fight ahead of her. Nevertheless, prospects for 1958 are more favourable, but much depends on food production and the slowing down of purchases of capital goods from overseas. The Sui Gas Scheme is also increasingly helpful by saving imports of fuel.

Ceylon

"Last year, I was able to report a buoyant economy; good prices for tea and an increased balance of trade, the only clouds being labour relations, particularly in the port of Colombo, and the continued talk of nationalisation of tea estates.

"Since then, tea prices have been volatile and generally lower and rubber prices also are lower, while recently conditions in the port of Colombo have been chaotic and have caused a severe and crippling hold-up of exports.

"It has been stated officially that tea estates in Ceylon would be nationalised only when it became necessary in the interests of the country's economy and that time has not yet arrived.

"To add to the troubles there was a disastrous flood up-country in December which has disrupted communications and slowed down exports even further. The country's most immediate problem is port labour and how it is to be handled. At the moment it seems to be largely out of hand. Other labour is also restless and widespread strikes are threatened. Whatever the causes of this unrest the results are certainly embarrassing and extremely damaging to the economy of the country.

Burma

"Last year, rice exports reached a post-war record of over 2,000,000 tons, timber exports were maintained and with the coming into operation of the new oil refinery, imports of oil were reduced. There was, too, an encouraging improvement in what is called 'law and order.' In fact, portents were distinctly encouraging.

"Unfortunately, 1957 brought the poorest monsoon since 1920 and Burma's rice crop will thrash out 30 per cent. short of the previous year, which means the exportable surplus of around 1,000,000 tons only and a loss of foreign exchange of nearly £30,000,000. Foreign exchange reserves are already falling and economies will have to be the order of the year. There is a regrettable movement afoot to restrict and even ban internal overdraft facilities to foreign or foreign-controlled companies and firms and this will affect many of our constituents. It is also very doubtful if it will benefit Burma's trade. The difficulties over remittances, both personal and of accumulated profits, I regret, continue.

East Africa

"During the past year, branches were opened at River Road, Nairobi, and at Gulu in Uganda.

"In Kenya, Fort Hall, which had formerly been a sub-branch to Thika, became a full-time branch on 1st July 1957, and on that date a sub-branch to Fort Hall was opened at Embu. In the same month a sub-branch to Nyeri was opened at Karatina.

Kenya

"Grain crops were reasonably good, while the coffee crop reached an unexpectedly high figure of 22,000 tons and fetched quite good prices. Tea production continues to expand, although prices were not as good as in 1956.

"The resettlement of Kikuyu and Meru tribesmen involved in 'Mau Mau' continues and during a brief visit to Kenya in November I was able to see a part of what is being done.

"From my observations the building boom in Nairobi and elsewhere is over, and particularly as the flow of capital into East Africa is declining it would be a good thing if less money were now to be put into bricks and mortar and more devoted to increasing liquidity.

The Government and other public bodies are finding it increasingly difficult to raise loans either in London or locally and this both has an effect on and is a reflection of the availability of money generally.

Uganda

"The two main cash crops, cotton and coffee gave average to good yields last year, although neither reached the figures hoped for. Due to a prolonged drought in August-November prospects for this year are far from good and will mean a great deal less spending power in the Protectorate. The cotton crop, which partly because of better agricultural methods was at one time expected to reach a record yield of 450,000 bales, is now estimated at 310,000, the one satisfactory feature being that but for the improved methods adopted the yield would have been even lower. There is, therefore, good hope for future years. The yield of clean coffee is now estimated to be 45,000 tons, as against 67,000 tons last year. Uganda suffers less variation in her rainfall than do her immediate neighbours and given reasonably peaceful political conditions her economy will undoubtedly continue to expand.

Tanganyika

"Sisal prices continue depressed and during 1957 went as low as £69 per ton. A satisfactory feature of the industry and a proof of its vitality is that yield is being maintained in spite of the low price.

"Tanganyika's cotton crop in the Mwanza area is steadily growing in importance and value and in 1957 150,000 bales were marketed, as against 120,000 bales in 1956. In 1951, the crop was 41,000 bales only.

"Coffee yields in the Kilimanjaro area continue good and acreage is expanding.

Zanzibar

"Zanzibar and cloves are automatically associated in one's mind and last year's crop of 21,500 tons was an all-time record. Coinciding with the troubles in Indonesia, which is one of the major markets, this vast crop is proving something of an embarrassment as the carrying of a large part of it is falling on the Clove Growers' Association, a quasi-Government body created to assist in the financing, storing and orderly marketing of cloves. Madagascar also has a large crop and is marketing actively with a naturally depressing effect on prices. It is most unlikely that there can be two exceptional crops in succession, so it is hoped the situation will be adjusted.

"The Federation of Rhodesia and Nyasaland features in our survey for the first time. We now have six branches in Southern and Northern Rhodesia and one agency in Bulawayo. Two further offices, one in Salisbury, and one in Belmont, Bulawayo, are in train.

"During 1957, we were well pleased with our progress, despite the fact that certain credit restrictions were placed upon banks when it was seen that copper prices were still on the way down.

"Since the close of the year, because of a large reduction in the sterling balances of the Federation and the continued depression in the price of copper—the price has fallen by over £100 per ton since 1st January 1957—further restrictions on lending have been imposed on the banks and generally we must expect a period of relative stagnation.

"Tobacco did well in 1957, but because of unseasonable rains prospects for this crop are not so good.

"Last October, accompanied by Sir Toby Low, I made a fairly extensive tour of Southern and Northern Rhodesia to inform ourselves at first-hand about these, to us, new territories and about our business there. In spite of the difficulties I have already mentioned, we brought away an impression of a young and virile country which is determined to develop a part of the world in which there is not only plenty of room but also great possibilities of agricultural and industrial expansion.

"At time of writing, the Deputy Chairman, Mr. Stuart, and Mr. Kerr, our General Manager, are visiting our Rhodesian branches and this additional first-hand experience will be of undoubted benefit to our local management and to the Board.

"On the assumption, which I think is a reasonable one, that the present recession in copper and other prices is temporary and that a somewhat higher plane can be expected, there is no reason to be pessimistic of the economic future of the Federation.

Aden

"The reopening of the Suez Canal gave the trade of Aden a very definite fillip and it has remained on a fairly high level of activity, although there are now signs of overstocking.

Somaliland Protectorate

"Rainfall has been plentiful this season and exports of livestock, which is the territory's chief product, have been running at a high level.

"A considerable expansion of the harbour facilities at the port of Berbera is now under way.

Grindlays Bank Ltd.

"The last year of the Bank as a separate unit was a successful one and the volume of deposits again showed an increase.

Finance and Development Corporation

"The year's operations again showed a profit, which is being retained in the business.

"The reduction of the Bank of England rate to 5 per cent. in February 1957 proved to be an overoptimistic step and on 19th September last circumstances demanded that it be again raised, this time drastically to 7 per cent. This unpalatable medicine seems to be working, although the Governor of the Bank of England has just warned us against being too complacent about our progress. There is indeed no panacea in monetary policies by themselves. If they have the desired effects of making us as a country not only tighten our belts but also gird up our loins then all will be well—otherwise no.

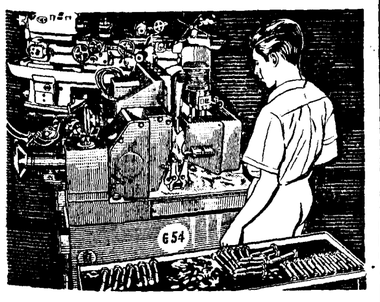
"I have commented in each of my last two statements on the disparity between money rates in countries where it is certainly as scarce as it is here and those prevailing in London.

"One result of this disparity is a very natural one—for industries and businesses to endeavour to borrow as largely as possible where money is 'cheap' and as little as possible when it is not only considerably more expensive but much harder to come by. This fact is not making our role as overseas bankers any easier, particularly as competition for deposits is growing in every sphere of our activities. It is, therefore, with interested sincerity that I hope for an easier money market in this country and its reopening on a larger scale to overseas borrowers."

"It is impossible to foresee other than a difficult year for commerce, industry and their handmaiden, banking, but that is no justification for pessimism and I look forward, albeit not immediately, to a resumption of progress.

Staff

"As always, we are beholden to our staff, and I wish to thank an enthusiastic and able body of men and women for their loyal service."



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THE CANARA BANKING CORPORATION LIMITED

(INCORPORATED IN INDIA WITH LIMITED LIABILITY)

(ESTABLISHED 1906)

BALANCE SHEET AS AT 31st DECEMBER, 1957.

Corresponding figures 31-12-1956 Rs. nP.	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.
25,00,000 00	**1. Capital—**		
	AUTHORISED CAPITAL		25,00,000 00
	(a) 25,000 Ordinary Shares of Rs. 50 each	12,50,000 00	
	(b) 7,000—5% First Preference Shares of Rs. 50 each	3,50,000 00	
	(c) 18,000—4½% First Preference Shares of Rs. 50 each	9,00,000 00	
20,00,000 00	ISSUED, SUBSCRIBED, CALLED AND PAID-UP CAPITAL		20,00,000 00
	(a) 15,000—Ordinary Shares of Rs. 50 each	7,50,000 00	
	(b) 7,000—5% First Preference Shares of Rs. 50 each	3,50,000 00	
	(c) 18,000—4½% First Preference Shares of Rs. 50 each	9,00,000 00	
12,75,000 00	**2. Reserve Fund and Other Reserves**		13,55,000 00
	Reserve Fund	9,35,000 00	
	Share Premium	4,20,000 00	
5,18,20,911 30	**3. Deposits and Other Accounts**		5,35,75,577 66
	Fixed, Short Notice, Cumulative and Golden Jubilee Deposits	3,77,09,390 47	
	Savings Bank Deposits	1,04,63,487 66	
	Current Accounts, Contingency Accounts, etc...	1,04,02,699 53	
74,21,864 13	**4. Borrowings from Other Banking Companies, Agents, etc.**		35,47,321 98
	(i) In India	35,47,321 98	
	(ii) Outside India	Nil	
	PARTICULARS— Rs. nP.		
	(i) Secured by lodging part of Government Securities held under investments as per contra 34,35,217 05		
	(ii) Unsecured 1,12,104 93		
8,15,427 62	**5. Bills Payable**		7,34,896 38
36,59,558 59	**6. Bills for Collection Being Bills Receivable** as per contra		41,33,839 11
	(i) Payable in India	41,07,599 11	
	(ii) Payable outside India	26,240 00	
30,76,020 36	**7. Other Liabilities**		39,01,298 51
	Branch Adjustments	31,67,575 56	
	Liability for Expenses	28,784 95	
	Unclaimed Dividends	21,367 75	
	Unexpired Discounts	11,750 62	
	Sundries including interest accrued or due on deposits, etc.	7,61,819 63	
78,490 11	**8. Acceptances, Endorsements and Other Obligations** per contra		3,16,300 00
	9. Profit and Loss—		
	Profit as per last Balance Sheet .. .. LESS—Appropriations— Rs. nP.	2,83,991 82	
	(i) Provision for Taxation .. 1,47,000 00		
	(ii) Dividends 1,33,000 00		
		2,80,000 00	
	Balance	3,991 82	
	ADD—Profit for the year brought from Profit and Loss Account	3,74,678 20	
	Total	3,78,670 02	
	LESS—Placed to— Statutory Reserve Fund under Section 17 of the Banking Companies Act	80,000 00	
2,83,991 82			2,98,670 02
	10. Contingent Liabilities—		
	(i) Claims against the Banking Company not acknowledged as debts	655 57	
	(ii) Money for which the Banking Company is contingently liable—		
	(a) On account of guarantees to customers— Fully secured	5,217 11	
	On personal guarantee	16,000 00	
	(b) On account of guarantees on behalf of Directors or Officers	Nil	
	(iii) Arrears of Cumulative Preference Dividends	Nil	
	(iv) Liability on Bills of Exchange re-discounted	Nil	
	(v) Liability on account of outstanding Forward Exchange Contracts	Nil	
7,04,25,363 93	Total .. Rs.		7,49,52,903 66

Corresponding figures 31-12-1956 Rs. nP.	PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
66,62,500 87	**1. Cash** In hand and with the Reserve Bank and the State Bank of India.		65,95,103 00
16,00,326 27	**2. Balances with Other Banks**		28,07,467 09
	In Current Accounts Rs. nP. / In Deposit Accounts Rs. nP.		
	(i) In India .. 8,07,467 09 / 20,00,000 00	28,07,467 09	
	(ii) Outside India .. Nil / Nil	Nil	
Nil	**3. Money at Call and Short Notice**		3,00,000 00
2,55,35,350 78	**4. Investments** at cost		2,29,55,110 82
	(i) Securities of the Central and State Governments and other Trustee Securities of the face value of Rs. 2,30,74,000.00	2,29,30,110 82	
	(ii) Shares—		
	Fully paid Ordinary Shares of the Madras Industrial Investment Corporation Ltd.	25,000 00	
	(iii) Debentures or Bonds	Nil	
	(iv) Other Investments	Nil	
	(v) Gold	Nil	
3,07,76,257 83	**5. Advances**		3,43,47,939 91
	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditor)		
	(i) Loans, Cash Credits, Overdrafts, etc.— Rs. nP.		
	(a) In India 2,56,34,395 05		
	(b) Outside India .. Nil	2,56,34,395 05	
	(ii) Bills Discounted and Purchased—		
	(a) Payable in India.. 86,87,399 85		
	(b) Payable outside India 26,145 00	87,13,544 85	
36,59,558 59	**6. Bills Receivable Being Bills for Collection** as per contra		41,33,839 11
	(i) Payable in India	41,07,599 11	
	(ii) Payable outside India	26,240 00	
73,490 11	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra ..		3,16,300 00
	8. Premises at Cost	2,44,710 21	
	LESS—Depreciation to date	70,010 21	
1,83,000 00			1,74,700 00
	9. (a) Furniture and Fixtures at cost .. Additions during the year (Net)	3,25,957 98 / 48,864 03	
	LESS—Depreciation to date	3,74,822 01 / 1,30,422 01	
2,12,400 00	(b) **Electric Fittings at Cost** .. .. Additions during the year (Net)	33,957 27 / 5,373 68	2,44,400 00
	LESS—Depreciation to date	39,330 95 / 21,730 95	
16,000 00			17,600 00
22,73,760 62	**10. Other Assets**		30,34,787 62
	Motor Car and Accessories at cost (less depreciation)	13,800 00	
	Library at cost (less depreciation)	5,600 00	
	Interest accrued or due on Investments and advances but not collected	4,18,444 18	
	Tax deducted at source	3,63,472 52	
	Bills realised by Bankers and D.D's, etc., issued pending adjustments	15,21,525 30	
	Sundries including Prepaid Charges, Stamps, Suspense Accounts, etc.	5,38,392 05	
	Books, Forms and Stationery in stock	1,23,061 22	
	Insurance Policies Acquired in Satisfaction of Claims at book value	49,891 86	
	Ordinary Shares of a Joint Bank (in liquidation) of the Paid-up Value of Rs. 740.00	Nil	
32,718 86	**11. Non-Banking Assets Acquired in Satisfaction of Claims at Book Value** (Landed Property)		25,65,000 00
7,04,25,363 93	Total .. Rs.		7,49,52,903 66

Schedule of Particulars Required by the Banking Companies Act 1949, (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957.

Corresponding figures 31-12-1956 Rs. nP.	PARTICULARS OF ADVANCES	Rs. nP.	Rs. nP.
2,39,03,965 55	(i) Debts considered good in respect of which the Banking Company is fully secured	2,69,86,721 40	
68,72,292 28	(ii) Debts considered good for which the Banking Company holds no other security than debtors' personal security	73,61,218 51	
Nil	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors.	Nil	
Nil	(iv) Debts considered doubtful or bad not provided for	Nil	
			1,44,388 52
			4,21,945 69
			1,85,215 79
3,07,76,257 83	Total .. Rs.	3,43,47,939 91	4,21,945 69

Corresponding figures 31-12-1956 Rs. nP.	PARTICULARS OF ADVANCES	Rs. nP.	Rs. nP.
1,44,388 52	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ..		88,741
4,21,945 69	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members		4,14,061
1,44,388 52	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons		1,43,625
	(viii) Maximum total amount of advances, including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members		4,91,722
	(ix) Due from Banking Companies		3,11,821

(Continued on next page)

NEW PUBLICATIONS

India's Economic Relations with the Far Eastern and Pacific Countries in the Present Century. By Dr. B. N. Ganguli. Published by Orient Longmans, Bombay. Pages 348. Price: Rs. 9.50.

INDIA is certainly behind other countries in developing and encouraging bodies which undertake research projects. The Indian Council of World Affairs is, therefore, to be congratulated on its having taken the initiative to complete and publish, in collaboration with the Institute of Pacific Relations, a valuable study, *India's Economic Relations with the Far Eastern and Pacific Countries*. The study has been completed by Dr. Birendranath Ganguli of the Delhi School of Economics who, by reason of his wide and varied knowledge of international trade and his experience as a representative of this country in international conferences like the Conference on World Trade and Employment, held in London, Geneva and Havana (1946 and 1947), is eminently qualified to deal with the subject.

The subject has been dealt with in six parts, apart from the introduction which gives the background and also contains a good statistical perspective. The countries comprehended in this survey are not only India's traditional and immediate neighbours, but also countries in the peripheral region which have been playing a dominant role in the post-war economic readjustments in the Far East. For the purpose of the study which is with special reference to India's trade, the countries have been grouped into five categories, namely, Burma, Ceylon, Malaya and Hong Kong (Part I); Thailand and non-British colonies of South-East Asia (Indo-China, Indonesia), Japan, China and the Philippines (Part II); the British Dominions of New Zealand, Australia and Pakistan (Part III), and other Pacific countries, namely, Canada and the U.S.A. (Part IV).

Dr. Ganguli points out that powerful reagents of the historical process in the Far East have been drawing together not only these countries, but also countries which form the core of the Far Eastern region. He says: "Mere space relations have become static, and, therefore, irrelevant in the new context: the frontiers of natural regions recognised by geography have become blurred and indistinguishable in the rapidly developing dynamic situation on which the hopes and fears of teeming millions in Asia are centred today." Historically, the economic development in the area was articulated by the pull of rival imperialist regimes, each having its own characteristics. Again, it is pointed out that apart from the basically competitive character of the colonial economies, a major cause which has hampered intra-regional trade in the past has been the pull exerted by the trade of this region through their shipping lines.

With the resurgence of nationalism, all these countries no longer prefer to remain at the level of primitive self-sufficiency. The Japanese economic penetration and export drive in the Far Eastern countries assisted the incipient process of industrialisation in the Far East. In this process, owing to lack of local capitalistic enterprise and capital formation, Governments have been resorting to economic planning for the purpose of development of capital resources and modern economic organisation. In this context, the author points out that "to the extent that private enterprise is either absent or cannot grow, Governments in the Far East are bound to develop a collectivist trend. The stronger the opposition that they face from vested interests, both internal and external, and the more violent the stresses and strains of the difficult economic transition in these countries, the more pronounced will be the trend towards collectivism."

As regards India, he points out that "the character of India's exports to the Far Eastern countries has not been the same as it was before the war." He adds: "Even after the war, the variety and resourcefulness of supply of India's exports have ensured adaptation of exports to changing requirements in the markets of the neighbouring countries." Since the process of industrialisation is gaining momentum and there is the imperative necessity to earn foreign exchange, there is need for nursing the neighbouring markets.

Dr. Ganguli rightly emphasises the economic importance of the region which forms the subject of his study. He says: "We are very much in the region of conjecture when we try to appraise the fluid situation in the Far Eastern and Pacific countries. Nevertheless, whatever happens in this part of the world, its large rice supplies and its vast market for low-income consumer goods are bound to make it a vital centre of world trade." Dr. Ganguli concludes his study with the following observations: "In 1950, the total turnover of the trade of this region was of the order of $15,000 million. Shipping and commercial services involved in such a large volume of trade must be considerable. It would be clearly wrong to assume that South-East Asia will always remain a region divided against itself, the rival colonies will merely make room for rival nationalisms and that instead of only colonial powers sharing the vast market of this region, countries of Europe, America and Oceania together with India, China and Japan will share this market on an equal footing. India has no interests in this region except those which are concerned in the best interests of the poverty-stricken disillusioned masses."

This is an interesting and specialised contribution to the literature on the economics of a region to which has attracted considerable international attention in recent years.

The Economic Weekly—Annual Number. Editor: Sachin Chaudhuri, 104, Apollo Street, Fort, Bombay, 1. Price: Rs. 2.50.

The *Economic Weekly* Annual Number contains several interesting articles of topical economic importance written by experts. Special mention must be made of the articles on income elasticity of demand by Dr. K. N. Ranj, working capital and the rate of surplus by Mr. Amartya Kumar Sen, pricing of industrial goods and the Plan by M. George Rosen, and energy in national economy by Mr. Jaywant Dubashi. Also included in the Number are articles on other subjects like what is caste? and inter-caste marriage in Maharashtra.

There are three editorials—focus on social change, state of the Republic and narrowing exchange gap. In the course of the last-mentioned editorial, the Editor has sought to emphasise that depleted reserves have robbed us of the cushion which could absorb the pressures and ensure smooth day-to-day operations. In his opinion, it is this difficulty of synchronising expenditure with the availability of foreign exchange which has demoralised the Government and undermined all our development efforts. He also emphasises that the problem is further aggravated by the heavy commitments outstanding about which the Finance Ministry, for reasons of its own, is reluctant or unable to take the public into its confidence.

Economic Review—Gauhati Session Number. Chief Editor: Shriman Narayan. All-India Congress Committee, 7, Jantar Mantar Road, New Delhi. Price: Rs. 2.

The factors influencing the progress on the social and economic sides of the country are well brought out in the course of a series of articles contributed to this special issue. Mr. Morarji Desai has made an interesting study of the resilient nature of the Indian economy in which he claims that the economy is essentially sound, despite the current stresses and strains felt in certain directions. Mr. Sunil Guha has analysed credit control in retrospect. The other important articles cover development of water and power resources, integrated scheme of credit and marketing, iron and steel industry, ports and shipping, road development, and industrial discipline in plantations. The utility of the issue is enhanced by the inclusion of a statistical supplement relating to trend of agricultural and industrial production, foreign trade, transport, finance and revenue, etc.

DIRECTORY OF FRENCH FOREIGN TRADE

With the establishment of the European Common Market, 1958 will be the turning point in the economic life of the member nations. It is but fitting that the *Repertoire National Du Commerce Exterieur*, the Directory of French Foreign Trade, which has just brought out its 1958 edition, should devote a great deal of space to the Common Market. A special section has been added to it. Under a preface by Mr. Maurice Faure, State Secretary for Foreign Affairs, it includes articles on West Germany, Belgium, Italy, Luxemburg and the Netherlands signed by the most competent authorities. All these writers underscore the new possibilities that are now open for French products in Community countries.

In their introductory articles, Mr. Emile Roche, President of the French Economic Council, and Mr. Emile Hugues, State Secretary for Economic Affairs, also underline the absolute need for France to export. It is also the subject matter of all the texts submitted by French industries. And this need prompted M. Bourges Maunoury to write in his introduction: "More than ever, maintaining our position depends, to a large extent, upon the will and the success of our exporters for whom this Foreign Trade Directory is to be an essential tool."

Classified by trade as before, the lists of leading export firms in French industry have been brought up-to-date by the trade organisations. Some chapters have been completed or rewritten, so that they will be more readily understood by foreign buyers. The subject index has been simplified, so that products looked for can be found more practically and rapidly.

THE CANARA BANKING CORPORATION LIMITED—*Continued.*

Dr. ***PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.*** **Cr.**

Corresponding figures 31-12-1956 Rs. nP.	EXPENDITURE	Rs. nP.	Rs. nP.
13,27,776 86	To 1. Interest paid on Deposits, Borrowings, etc.	17,46,143 25	
	2. Salaries and Allowances and Provident Fund (including Salary and Allowances of Rs. 13,500.00 paid to General Manager and Rs. 500.00 payable to him subject to the approval of the Reserve Bank)	9,46,909 61	
8,06,156 44	3. Directors' and Local Committee Members' Fees and Allowances.	9,183 79	
8,004 94	4. Rent, Taxes, Lighting, Insurance, etc.	1,10,521 04	
86,771 21	5. Law Charges	1,112 12	
684 19	6. Postage, Telegrams and Stamps	1,09,621 26	
96,065 08	7. Auditors' Fees	2,500 00	
2,500 00	8. Depreciation on and Repairs to the Banking Company's Property	36,897 62	
40,242 13	9. Stationery, Printing, Advertisements, etc.	79,175 82	
84,864 73	10. Loss from Sale of or Dealing with Non-banking Assets ..	Nil	
Nil	11. Other Expenditure	98,921 08	
96,507 41	12. Balance of Profit	3,74,678 20	
3,54,777 69			
29,03,750 71	Total .. Rs.	35,15,663 79	

Corresponding figures 31-12-1956 Rs. nP.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP.	Rs. nP.
23,17,640 62	By 1. Interest and Discount		28,27,813 25
5,70,786 35	2. Commission, Exchange and Brokerage		6,65,673 16
4,019 01	3. Rents		4,578 57
	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
	6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	10,061 69	
1,243 04	7. Other Receipts	1,243 04	
29,03,750 71	Total .. Rs.		35,15,663 79

AUDITOR'S REPORT.

I have audited the foregoing Balance Sheet of The Canara Banking Corporation Limited, as at 31st December 1957 and also the Profit and Loss Account of the Bank for the year ended on that date with the Books of Accounts and certified returns from Branches and visited some of the major Branches of the Bank during the year and examined the books of accounts and cash and securities as at the time of my visit and report that:

(a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
(b) Such information and explanations have been found to be satisfactory;
(c) The returns received from the branches have been found adequate for the purpose of my audit;
(d) The transactions of the Bank as have come to my notice have been, in my opinion, within the powers of the Bank;
(e) In my opinion, and to the best of my information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required;
(f) In my opinion,
(i) the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957;
(ii) the Profit and Loss Account gives a true and fair view of the Profit or Loss for the year ended that date and shows a true balance of profit for the period covered by the audit; and
(iii) proper books of accounts as required by law have been kept by the Bank so far as appears from my examination of those books; and
(g) The Bank's Balance Sheet and the Profit and Loss Account dealt with by the Report are in agreement with the books of accounts and Returns.

UDIPI, 26th January, 1958.

U. VARADARAJ NAYAK, *Chartered Accountant.* } Auditor.

U. SUNDER RAM PAI, *Chairman.*
V. R. KAMATH, *General Manager.*

U. GOPALAKRISHNA NAYAK
U. PADMANABHA MALLYA
K. PADMANABHA PAI
M. GOPALAKRISHNA KAMATH
K. RAMA RAO
F. X. D. PINTO } Directors.

CENTRAL BANK OF INDIA LIMITED

CHAIRMAN, MR. H. P. MODY'S ADDRESS TO SHAREHOLDERS

PLEA FOR CLOSER UNDERSTANDING BETWEEN GOVERNMENT AND BUSINESS MEN

ADDRESSING the shareholders of the Central Bank of India Ltd., at their Forty-seventh Annual General Meeting held on 28th March 1958, Mr. H. P. Mody, Chairman of the Bank, welcomed the greater responsiveness on the part of the Government to informed criticism in the last few months, and urged the need for a closer understanding between the Government and the business community.

The following is the full text of Mr. Mody's speech:

"LADIES AND GENTLEMEN,

"I have pleasure in presenting to you once again the annual statement of accounts and the Directors' report.

"The year under review was marked by increased economic activity in India. Both agricultural and industrial production was generally on the upgrade. At the same time, serious difficulties were experienced in the implementation of the second Five-year Plan. The growth of inflationary pressure, the shrinkage of internal resources, the depletion of foreign exchange reserves and the continuing increase in Government's non-developmental expenditure brought about a serious strain on the economy and threw out of gear the programmes of development in the public and private sectors.

"In my speech last year, I referred to the rapid deterioration that had taken place in our foreign exchange resources. The situation became particularly acute during the year under review. It compelled Government to adopt stringent measures of import control which, whatever their justification, were bound to cause a great deal of hardship and dislocation. The Plan estimated that the total foreign exchange requirements over the five-year period would amount to Rs. 1,120 crores; it is now calculated that the actual amount needed would be of the order of Rs. 1,600 crores. Owing to the gaping deficit in the balance of payments, India had to draw heavily on her foreign balances and borrow substantial amounts from the International Monetary Fund. Even after taking credit for the loan of Rs. 95 crores from the Fund, the foreign assets of the Reserve Bank of India declined from Rs. 749 crores at the beginning of the Plan to Rs. 280 crores at the end of February 1958. After taking into account the external assistance promised so far, including the American aid recently announced, the gap yet to be bridged is estimated to be in the neighbourhood of Rs. 600 crores.

No Short Cuts to Foreign Exchange

"The full extent of the difficulties can be appreciated from the figures which Pandit Jawaharlal Nehru, as Finance Minister, placed before Parliament in the course of the Budget debate. They relate only to loans already taken, and when we take into consideration the heavy demands which the future is going to make upon us, we have to be prepared to face, as far ahead as we can see, conditions of acute stringency and ever-increasing controls. There are no short cuts to foreign exchange; it has to be earned by hard work, enterprise and efficiency.

"There are other aspects of the economic situation, of equal concern to the public. One of them is the alarming growth in the revenue expenditure of Government. In the ten-year period ending with the Budget estimates for 1958-59, there has been a rise in such expenditure from Rs. 317 crores to Rs. 796 crores, of which the allocation for defence is Rs. 278 crores. Civil expenditure as such amounts to Rs. 517 crores, as against Rs. 168 crores in 1949-50. Not all of this can be called unproductive, but the rate of increase in non-developmental expenditure is sufficiently high to cause concern. As the Chairman of Barclays Bank has observed, 'little babies have a way of growing into ugly old men.' We are aware that modern Governments with their greatly expanded sphere of activities are costly affairs, but it is a question for serious consideration whether India can afford to step up her non-developmental expenditure at such a rapid pace. In a growing economy many things are urgent, and in a Welfare State there is bound to be a gathering momentum for all manner of nation-building activities, but ultimately it must all come down to a question of resources and priorities. Those who are confronted with the task of transforming our age-old economy cannot brush aside financial considerations and cannot go on indefinitely imposing a strain on the economy which it cannot bear. It is simply not possible to run too far ahead of the resources of the nation.

Taxes Exceed Income

"Already, in these ten years, in the range and incidence of direct taxation, we have achieved the unenviable distinction of being among the most heavily taxed countries in the world. We are the only country in which there is a direct tax on personal expenditure and where the combined rate of taxes on individual earnings and wealth can exceed 100 per cent. of income. So far as individuals, firms and companies are concerned, nowhere else are people called upon to bear so many different taxes and imposts. Can India, in her present stage of development, afford the pace which is being forced upon her, without gravely imperilling her capacity for the production of goods and services? No one can possibly question the concept of social justice and the compelling necessity of a wider diffusion of well-being throughout the community. But it is axiomatic that wealth has to be produced before it can be distributed. If the incentive to earn, to save and to spend is increasingly to be denied, where is it ultimately going to end up? If the answer is that, whatever happens, there can be no retreat from the Plan, it may well be asked whether the Plan is to be the master or the servant of the economy? In these last few months, there has been a greater responsiveness to informed criticism, and I would earnestly urge the need for a closer understanding between Government and the business community. The so-called vested interests may be conservative and their outlook may sometimes be suspect, but they have learnt a great deal in the last few years and have a real desire to employ their experience and resources for the general good; and they can inject a sense of realism into our planning which is sorely needed.

"Turning to events in the field of banking, the Reserve Bank adopted, during the year, a series of measures in order to keep under control the inflationary pressure generated by the heavy capital outlay and by the large volume of deficit financing, which was expected to increase from Rs. 250 crores in 1956-57 to Rs. 366 crores in 1957-58. The technique of 'selective control' introduced in the previous year was continued and reinforced by other steps. In February 1957, the stamp duty on usance bills was drastically stepped up so as to raise the effective cost of borrowing under the bill market scheme to 4 per cent. Lending rates against Government and other securities were also brought into line. Finally, in May 1957, the Bank rate itself was raised to 4 per cent. In addition the Reserve Bank issued a directive to the Scheduled banks to cancel the unutilised portion of their overdraft advances, so as to bring down the level of bank credit to Rs. 800 crores before the start of the busy season. The volume of advances and bills dropped accordingly from a peak of Rs. 933 crores in May 1957 to Rs. 858 crores in the last week of December.

Credit from Non-banking Sources

In spite of these measures against inflationary trends, economic activity in the country remained brisk throughout the year and the demand for credit was pressing. When bank credit is controlled, customers are to some extent compelled to obtain credit from non-banking sources at a higher cost. This trend is noticeable even in countries where the money market is well organised. Referring to the credit squeeze in the U.K., the Chairman of Martin's Bank at its annual meeting observed: 'This has caused the determined borrower to go outside his normal banking sources, often paying a high rate of interest, but still obtaining the funds he required.' Whether or not customers of Indian banks are in a position to resort to non-banking sources of credit, the pressure of the demand was fully reflected in the operations of Scheduled banks. The Economic Survey, issued along with the Budget, admits that the high level of investment in the economy and the large step-up in imports have strained the resources of the banking system.

"The deposit liabilities of Scheduled banks at the end of 1957 reached an all-time high of Rs. 1,406 crores, as compared with Rs. 1,114 crores in the previous year, the increase in time deposits being more marked than in demand deposits. The rupee counterpart funds and the compulsory rupee accounts with the State Bank of India contributed not a little to this upward swing. Notwithstanding an increase in the volume of advances, the rise in deposits brought down the ratio of advances from 71 per cent. to 61 per cent. towards the end of 1957.

Borrowings from Reserve Bank

"This sharp increase in deposits considerably altered the structure of the Scheduled banks' liabilities and assets. In 1956, banks had to approach the Reserve Bank for increased accommodation, liquefy their gilt-edged portfolio and draw upon their till money. By contrast, the increase in advances in 1957 was less than the expansion of deposits. While the latter increased by Rs. 292 crores, advances went up by only Rs. 70 crores. The Scheduled banks were, therefore, able to reduce their indebtedness to the Reserve Bank from Rs. 79 crores to Rs. 24 crores. Simultaneously, they were able to increase their investment portfolio from Rs. 365 crores to Rs. 433 crores. The proportion of investments to deposits, however, went down from 33 per cent. to 31 per cent.

"The reduction announced last week in the Bank of England discount rate is welcome as indicating a lessening of the pressure against sterling and a general easing of money rates. It should not affect the discount rate in our country, but it might have some effect on our economy in the field of export trade. However that may be, a high Bank rate is generally restrictive in character, and the recent change, which may possibly be followed by further reductions, can be taken as signifying a return to a healthier economic climate.

Balance-sheet

"I shall now turn to the balance-sheet and the statement of accounts presented to you. There has been a further growth in our earnings and resources as a result of larger deposits and more active conditions in trade and industry. Gross earnings at Rs. 780 lakhs recorded an increase of about 19 per cent., but with the rising cost of working funds, the increase in gross profits was only a little over 6 per cent.

"With the rise in the Bank rate from 3½ per cent. to 4 per cent. during the first half of the year, there was a general stepping up of our rates of interest on advances, but the advantage gained thereby was to a large extent nullified by the higher rates that had to be paid for deposits. In the result, the net earnings under interest and discount increased by only Rs. 10.36 lakhs over the previous year. In consonance with the rise in the rates paid by other banks and the suggestions made by our shareholders at the last meeting, we put up our rate of interest on savings deposits accounts. Even though the increase ranged from ½ to 1 per cent. only, it added substantially to the cost of our working funds, in view of the fact that the average amount held in this account throughout the year was over Rs. 28 crores.

Shift in Deposits

"Apart from the rise in the Bank rate and the expanding demand for money, higher rates for deposits were also due to Governments, both Central and State, coming into the market for large borrowings at 4 to 4½ per cent. and for small savings on still more attractive terms. This helped to accentuate the shift from demand to time deposits, that is, from low interest to high interest bearing deposits, and that, without an all-round corresponding increase in the rates for advances, resulted in reducing the margin of profits of banks.

"There was a further increase of Rs. 16.72 lakhs in establishment charges. These charges stand at a very high figure, and their adverse effects on our working can be minimised only if the staff at some of the centres were to show a greater awareness of their responsibilities and a greater devotion to the interests of the Bank. In this connection, I would particularly refer to a disturbing factor in our working, namely, overtime. Despite increases in staff, payments under this heading have been mounting up and they nearly doubled themselves during the year. They amounted to over Rs. 8 lakhs. I appeal to our staff for its co-operation in cutting down establishment charges, which already account for as much as 61 per cent. of our gross profits.

"By reason of the rise in salaries and allowances, the figure of bonus to staff has also appreciably gone up and amounted to Rs. 30 lakhs, showing an increase of Rs. 2½ lakhs over the previous year.

Labour Relations

"The Industrial Dispute (Banking Companies) Decision Act, 1955, imposed a heavy burden on most of the banks, but it was hoped there would be some return for it in happier relations with the staff and more efficient working. It is extremely unfortunate that that expectation has not materialised, and pen-down strikes and go-slow tactics are still in evidence. It is time the staffs of banks realised that their interests were bound up with those of the institutions they were serving, and that increases in their emoluments and amenities could only come from greater stability and higher profits. There should be no room for any antagonism between staffs and managements, which can only result in impairing the fortunes of both.

"I must make special mention of the increase in our resources which took place during the year. Shareholders will have been gratified to note that, for the first time, our total deposits crossed the Rs. 150-crore mark. They recorded a significant increase of Rs. 16 crores, the highest rise in any one year, and this, in spite of the fact that our rates were often somewhat lower than those offered by other banks. Increased resources arising out of this growth in deposits, coupled with the liquidation effected in our investments, and the comparatively easy money conditions towards the close of the year, made it possible, despite an increase in advances, to keep down our borrowings from banks, which at the end of the year stood at Rs. 7 crores less.

"On the assets side, despite an expansion in business, the ratio of liquid resources to deposits was maintained at the level of 42 per cent.

"In view of the higher cost of working funds and the more remunerative rates obtainable for advances, our investments in Government and other securities were further liquidated, and in spite of the support we continued to extend to the new loans floated by the Central and State Governments, we could reduce our holdings by Rs. 3.5 crores during the year. Owing to a further setback in values, the gap between the book and market values of securities unfortunately widened further and stood at the close of the year at the figure of Rs. 254 lakhs. There has, however, since been a fairly substantial narrowing down as values have been rising.

Advances

"The higher price levels arising from the expanding economy of the country, the sluggish conditions in the trade in piecegoods and some other commodities, and the demand for working capital needs, all created conditions which kept up a sustained demand for advances throughout the year, which at one time, reached a peak of Rs. 115 crores, representing a ratio of 78 per cent. to total deposits. At the close of the year, though the busy season had not set in, advances recorded an increase of Rs. 10.73 crores over the figure of the previous year.

"In pursuance of our policy in respect of non-remunerative offices, eight of those showing consistently poor results were closed down during the year. In the past two years, as many as 30 such offices have been discontinued, and though new offices have been opened in centres considered more promising, the total number has gone down and stood at the end of the year at 286.

"It is now my pleasant duty to make the customary acknowledgments. Our Vice-Chairman, Mr. C. H. Bhabha, has continued to devote himself to the interests of the Bank with a single-minded zeal. His knowledge and experience have been of inestimable value, and I am sure shareholders will join me in conveying to him our warmest appreciation of all he has been doing for the Bank. We are fortunate, also, in having as our General Manager Mr. N. K. Karanjia. His long association with the Bank, his ability and his thorough knowledge of every aspect of banking have been not a little responsible for the progress maintained by the Bank in spite of some adverse factors, and I hope we may look forward to having him with us for many more years. To Mr. F. C. Cooper, the Deputy Manager, to members of the staff at the head office and the branches, and to the Local Advisory Committees at the various centres, I would also like to convey our grateful thanks. Ours is a vast and widely spread business, and it is not possible to maintain the close personal contacts which are so essential to the success of an organisation, but I have every hope that, more and more, in the years to come, from the General Manager down to the humblest member of the staff, everyone may come to feel a sense of pride in his work and satisfaction in seeing it well done."

THE BANK OF BARODA LIMITED

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N. M. CHOKSHI,
General Manager.

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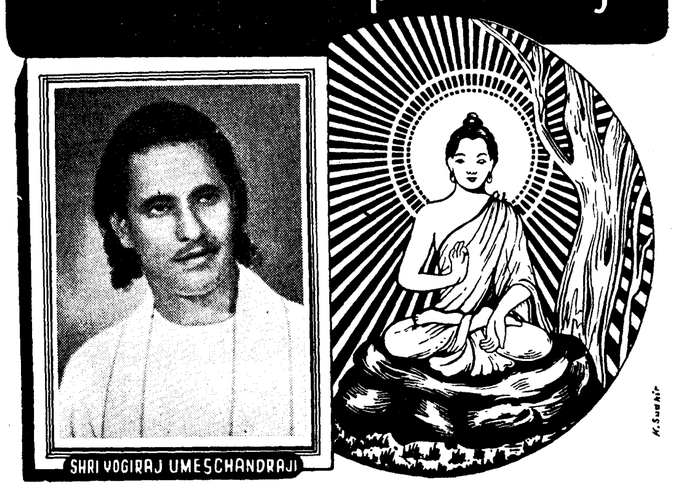

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THIS NOTICE IS NOT AN INVITATION TO SUBSCRIBE FOR SHARES BUT IS ISSUED FOR THE PURPOSE OF GIVING INFORMATION TO THE PUBLIC CONCERNING THE COMPANY. A FORMAL PROSPECTUS DATED 28TH MARCH, 1958, HAS BEEN DELIVERED TO THE REGISTRAR OF COMPANIES, BOMBAY, FOR REGISTRATION AND COPIES THEREOF ARE OBTAINABLE FROM THE BANKERS AND BROKERS NAMED BELOW.

The consent of the Government of India has been obtained to this issue by an order, a complete copy of which is available for public inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.

Application has been made to the Bombay Stock Exchange for permission to deal in and for an official quotation of the Equity Shares of the Company.

The subscription list will open at 10-30 a.m. on Monday, the 14th day of April, 1958, and will close at 3 p.m. on Wednesday, the 16th day of April, 1958, or later at the discretion of the Directors.

GREAVES COTTON & COMPANY, LIMITED

(INCORPORATED ON THE 29TH DAY OF MARCH, 1922, UNDER THE INDIAN COMPANIES ACT, 1913.)

SHARE CAPITAL

AUTHORISED

	Rs.	Rs.
Rs. 2,00,00,000 divided into :		
25,000 5% cumulative preference shares of Rs. 100 each	25,00,000	
25,000 6% cumulative redeemable second preference shares of Rs. 100 each (redeemable at 6 months' notice at the option of the Company at any time after 31st March, 1960)	25,00,000	
1,50,000 equity shares of Rs. 100 each	1,50,00,000	
		2,00,00,000

ISSUED, SUBSCRIBED AND FULLY PAID-UP

Rs. 1,38,40,000 divided into :		
25,000 5% cumulative preference shares of Rs. 100 each	25,00,000	
25,000 6% cumulative redeemable second preference shares of Rs. 100 each	25,00,000	
88,400 equity shares of Rs. 100 each	88,40,000	
		1,38,40,000

LOAN CAPITAL

The Company has no debentures or other loan capital outstanding but has bank loans and overdrafts secured by lien on shipments and their proceeds and by hypothecation of stock-in-trade or by pledge of Indian Government bonds and shares in subsidiaries and other companies ; the Company has also unsecured loans and advances from banks.

ISSUE OF

46,600 Equity Shares of Rs. 100 each fully paid at par.
PAYABLE Rs. 50 on Application and Rs. 50 on Allotment.

Applications for Shares by members of the public must be for a minimum of 5 shares or for multiples of 5 shares.

The Shares now being offered will confer the right to any dividend declared on the equity shares in respect of the Company's financial year ending 31st March 1959.

Of the Shares now being issued, the existing shareholders have agreed to take up 11,600 shares at par ; the remaining 35,000 shares are offered at par for public subscription.

Directors :

MR. KARAM CHAND THAPAR, 12, India Exchange Place, Calcutta, Company Director (*Chairman*).

MR. HARI DATTA VARMA, 12, India Exchange Place, Calcutta, Company Director.

MR. NITYANAND MANGESH WAGLE, 1, Forbes Street, Bombay, Company Director (*Managing Director*).

KHAN BAHADUR COOVERJI BHIMJIBHOY TARAPORVALA, King Kothi, Hyderabad Dn., Financial Adviser to H.E.H. the Nizam.

MR. LALIT MOHAN THAPAR, 12, India Exchange Place, Calcutta, Company Director (*Joint Managing Director*).

MR. JOHN HAYWARD LANGDON, 1, Forbes Street, Bombay, Company Director (*Executive Director*).

MR. SURENDR LALL, Indian Trade and General Insurance Co., Ltd., Jehangir Building, Mahatma Gandhi Road, Bombay 1, Company Director.

Bankers :

LLOYDS BANK LIMITED, Dadabhoy Naoroji Road, Fort, Bombay 1.

Solicitors :

CRAWFORD BAYLEY & CO., State Bank Buildings, Bank Street, Bombay 1.

Auditors :

SHARP AND TANNAN, Chartered Accountants, Bank of Baroda Building, Apollo Street, Bombay 1.

Managing Brokers :

BATLIVALA AND KARANI, Union Bank Building, Dalal Street, Fort, Bombay 1.

Brokers :

CALCUTTA : PLACE, SIDDONS & GOUGH, 6 Lyons Range, Calcutta 1.

NEW DELHI : HARBANS SINGH MEHTA & CO., 33, Regal Buildings, Parliament Street, P. O. Box 300, New Delhi 1.

MADRAS : PATERSON & CO., 22 Errabalu Chetty Street, P. O. Box 48, Madras 1.

Registered Office:

1, FORBES STREET, BOMBAY 1.

HISTORY AND DEVELOPMENT OF BUSINESS

(*a*) GREAVES COTTON & CO., LTD.

The firm of Greaves Cotton & Co. was founded in India in 1859 and handled a wide range of business interests, viz., export of cotton, establishment of Ginning and Pressing Factories in Western India and operation and management of Cotton Mills in Bombay ; after the first World War and by 1922, when the firm was converted into a private Limited Company, the Company mainly concentrated on the sale, erection and servicing of engineering equipment of all types. The Company has been carrying on business continuously since the date of its incorporation on 29th March 1922. The Company was converted into a public company on 8th May 1950.

Even before World War II the Company explored the possibilities of indigenous manufacture of some of the imported machinery and equipment. From the beginning it has been the Company's policy to make the fullest possible use of experience and technical knowledge acquired over generations by manufacturers abroad. About 20 years ago the Company entered into arrangements with two leading manufacturers in the U.K. to experiment with the manufacture of their equipment in India.—Messrs. Ruston & Hornsby Limited of Lincoln joined the Company in establishing a pilot plant in 1939 for the manufacture of diesel oil engines and pumps, and Messrs. Crompton Parkinson Limited of London set up a Works in 1937 for the manufacture of electrical motors and fans. Appreciating that the Company's strength lay in its knowledge of the Indian markets and in the sales and service organisation built up in India, the Company was more interested in rapid development of manufacture than in acquiring control of the manufacturing units. However, with the growth of these units beyond the initial experimental stage, it has been necessary to undertake substantial investments in order to equip them to meet the growing demand for their products. This additional finance had to be raised mainly by the Company, and on this account the Company's financial interest in the manufacturing concerns increased very substantially.

The Company did not expect the new ventures to produce any immediate substantial return on its investments and in the initial stages of development of each manufacturing unit, the Company had to rely largely on the profits made by it from its trading in imported machinery and equipment. The soundness of the Company's policy has been proved by events, and today the Company is in the fortunate position of not only obtaining a reasonable return on its investments in the manufacturing units but of being able to rely on those manufacturing units for a substantial portion of its trading turnover. Similarly, the Company's Associated Company, Greaves Cotton & Crompton Parkinson Private Ltd., is able to rely on the Crompton Parkinson Works for the major portion of its trading turnover.

In addition to supplies of horizontal oil engines and pumps available from Ruston & Hornsby (India) Private Ltd., the Company is able to obtain Inter-Stranded Ropes and Bandings from Kenyon Greaves Private Ltd., and Paper Cones and Tubes from its own plant. Further, arrangements have been made for the manufacture of Foundry Fluxes in association with Foundry Services International Ltd., of Birmingham, Emery Fillet in association with Dronsfield Brothers Ltd., of Oldham, and Worm Reduction Gears in association with David Brown Corporation Ltd. of Huddersfield. Negotiations are in progress in respect of the manufacture of several other lines successfully handled by the Company for the past many years.

In addition to the manufacturing projects initiated by itself, the Company is fortunate in securing selling agencies for other essential products like Road Rollers, Woven and Leather Belting, etc., now manufactured by other Companies in India.

The availability of these indigenous manufactures should serve substantially to maintain the Company's trading through the difficult period ahead during which imports must necessarily be restricted in order to conserve foreign exchange. In addition, the very substantial investments made by the Company in its associated and subsidiary Companies are, as has been stated, now beginning to show satisfactory returns and the Company expects that the improvement in its investment income coupled with the advantage of growing supplies of indigenous products will compensate for the inevitable reduction in its import trading.

The authorised capital of the Company was increased from Rs. 25 lacs to Rs. 1.25 crore in 1950 and was further increased to Rs. 1,50,00,000 in 1953. These additions in capital were for the purpose of financing the Company's investments in the manufacturing projects established or expanded during the last ten years.

As against Rs. 7,94,650 invested by 1947 in associated and subsidiary Companies, all concerned with the manufacture or sale of products already handled by the Company, investments have today increased to Rs. 1,06,03,388 at cost. The present issue is being made in order to enable the Company to make a further investment of Rs. 50,00,000 in its associated company, Crompton Parkinson (Works) Private Ltd., which has been very successful in establishing the manufacture of fans, motors, transformers and switchgears and is today the leading manufacturer of electrical equipment in India. This investment will serve to raise the Company's holding in this associated company to 50 per cent. thereby achieving parity with Crompton Parkinson Ltd., London, who first commenced manufacture in India in 1937 and it will further serve to finance the expansion of the Works at their second, new factory, at present nearing completion, at Kanjur, Greater Bombay. In this context it is worthy of note that additional investment by the British Company has served to cover the foreign exchange necessary for all the new machinery and import licences already received would ensure early installation of the plant and effective operation of the new works well before the end of this year.

(*b*) SUBSIDIARIES

(1) RUSTON & HORNSBY (INDIA) PRIVATE LTD.—was incorporated in 1939 with a paid-up capital of Rs. 1,50,000 which has now increased to Rs. 50,00,000 divided into 50,000 shares of Rs. 100 each. 74 per cent. of the capital is held by Greaves Cotton & Company Ltd. referred to under this heading as the holding company and the balance of 26 per cent. by the English Company, Messrs. Ruston & Hornsby Ltd., Lincoln.

This subsidiary was formed in the pre-war period as a pilot plant to develop indigenous manufacture of 'Ruston' Diesel Oil Engines and Centrifugal Pumps which were then imported from U.K. This plant was formerly located in a small workshop at Sayani Road, Bombay. After the war, demand for these products steadily increased and to meet this increased demand it was considered necessary to expand the production capacity of the plant by housing it in a more suitable location and equipping it with modern machinery and appliances. Accordingly, a site at Chinchwad near Poona was selected and a new Factory put up there by 1955. Chinchwad is in an area selected by the Bombay Government for industrial development and the land was acquired with the assistance of Government.

During 1955, when the Plant moved into the new factory at Chinchwad and during 1956 when the initial difficulties inevitable to the establishment of a new Works had to be faced, production suffered considerably resulting in a loss in 1955 and a small profit in 1956. These initial difficulties have been successfully overcome and during 1957 it was possible to step up production considerably. The demand for the Subsidiary's products continues to increase and as a result the turnover has been more than doubled during 1957. With this subsidiary now on its feet to meet the increase in demand there is every reason to expect that its operation will contribute substantially to the profits of the holding company in the future both by way of return on the investment as well by the contribution to the turnover of the Mechanical Engineering department of the Company.

(2) GREAVES COTTON & CO. (PAKISTAN) LTD.—was incorporated in 1947 after partition with a paid-up capital of Rs. 2,50,000 which has now increased to Rs. 13,00,000 divided into 1,300 shares of Rs. 1,000 each. 76 per cent. of the capital is held by the holding company and the balance by the residents in Pakistan.

The subsidiary was formed with the principal object of dealing in lines formerly handled by the holding company for the whole undivided India. Except during 1954-55 when the Pak rupee was devalued the subsidiary has maintained satisfactory progress and has paid a dividend of 10 per cent. for the last two years. There is every indication of the growing demand in Pakistan for the goods handled by the subsidiary and in consequence of a substantial improvement in the subsidiary's trading results in the future.

(3) KENYON GREAVES PRIVATE LIMITED—was incorporated in 1950 with a paid-up capital of Rs. 2,00,000. 74 per cent. of the capital is held by the holding company and the balance 26 per cent. by the English Company Messrs. William Kenyon & Sons Ltd., England.

The subsidiary was formed with the principal object of indigenous manufacture of interstranded ropes of different sizes used mainly in the Textile Industry and imported and sold by the holding company for over 60 years. The subsidiary has since its inception maintained satisfactory progress and has paid a dividend of 22.50 per cent., 17 per cent. and 18 per cent. for the years ended 31-3-1955, 31-3-1956 and 31-3-1957 respectively, free of income-tax.

(*c*) ASSOCIATED COMPANIES

(1) GREAVES COTTON & CROMPTON PARKINSON (PRIVATE) LIMITED—was incorporated in 1937 with a paid-up capital of Rs. 11,00,000 which has now increased to Rs. 50,00,000 divided into 3,000 6 per cent. cumulative preference shares of Rs. 100 each and 47,000 equity shares of Rs. 100 each. 100 per cent. of the preference capital and 50 per cent. of the equity capital is held by Greaves Cotton & Company Ltd., and the balance of the equity capital is held by the English Company, Messrs. Crompton Parkinson Ltd.

Greaves Cotton & Crompton Parkinson Private Ltd. was formed with the object of taking over and developing the business of distribution of electrical equipment handled by a department of Greaves Cotton & Company Ltd., until 1937. The Company's turnover position has been extremely satisfactory in recent years and with the proposed expansion of Crompton Parkinson (Works) Private Ltd., Worli, (to which a reference has been made below in detail) for whom this Company acts as sole distributors of its products in Northern, Western and Eastern India, it should be possible not only to maintain but considerably improve the turnover position with sales of indigenously manufactured products despite restriction in imports. The rate of dividend paid by the Company during the last three years ended 31-12-1956 was 3½ per cent., 8 per cent. and 11 per cent. respectively, free of income-tax.

(2) CROMPTON PARKINSON (WORKS) PRIVATE LTD.—was incorporated in 1937 with a paid-up capital of Rs. 3,85,000 which has now increased to Rs. 60,00,000 divided into 60,000 shares of Rs. 100 each. The Company has obtained permission of the Controller of Capital Issues for a further issue of shares amounting to Rs. 65,00,000 to finance its expansion programme. Originally this associated company was a wholly owned subsidiary of the English Company, Messrs. Crompton Parkinson Ltd., England. In 1947, Greaves Cotton & Company, Ltd., acquired 26 per cent. interest by purchasing the necessary shares from the English Company. Greaves Cotton & Company, Ltd.'s participation was increased to 50 per cent. as from 1st July 1955 in keeping with the Government's general policy of parity of Indian capital in joint ventures aimed at industrial development of the country.

It is anticipated that as a result of considerable expansion in the associated company's manufacturing programme its products will serve within next few years to increase substantially the present turnover resulting in larger yield on Greaves Cotton & Co., Ltd.'s investment.

The rate of dividend paid by the associated company during the years ended 30th June 1955, 30th June 1956 and 30th June 1957 was 7 per cent., 6.50 per cent. and 7.25 per cent. respectively, free of income-tax, and with the substantial improvements in its profit earning capacity, as a result of the proposed expansion, there is every reason to expect that the rate of dividend will show a marked improvement.

LAND, PREMISES AND PLANT

The Company has its main office at Bombay and offices at Calcutta, Madras, New Delhi, Ahmedabad, Kanpur, Bangalore, Coimbatore and at Manchester, England, and manufacturing plant at Sayani Road, Bombay.

The premises of the Head Office at Bombay and of the Branch Offices at Calcutta, New Delhi, and Madras are held on lease. The other office premises are held under tenancy agreement on reasonable terms.

The Company's subsidiary Messrs. Ruston & Hornsby (India) Private Ltd. has a large and modern factory on its own land at Chinchwad near Poona.

The Subsidiary, Messrs. Kenyon Greaves Private Ltd., have their works at Sayani Road, Bombay, in the same premises as the manufacturing plant of Greaves Cotton & Co., Ltd.

The associated company, Messrs. Greaves Cotton & Crompton Parkinson (Private) Ltd., has its main office at Bombay and branch offices at Calcutta, Madras, New Delhi and Ahmedabad. It also has large workshops at Bombay and Calcutta.

The Associated Company, Messrs. Crompton Parkinson (Works) Private Ltd., has its office and Works at Haines Road, Worli. It is erecting a second large plant at Kanjur near Bhandup, Greater Bombay, to supplement the production of the present factory at Haines Road in view of the growing demand for its products.

MANAGEMENT AND STAFF

The business of the Company is administered by the Managing Director, the Joint Managing Director and a third full-time Director who have been associated with the Company for very many years ; the working directors are ably assisted by well qualified technical and commercial executives, both Indian and European, carefully selected for their special knowledge and qualifications, most of whom have spent their entire working career in the Company. It has always been the policy of the Company to arrange for its officers to pay frequent visits to the various manufacturers overseas with whom it is associated so that they may at all times be right up to date with all the latest developments. All the European and most of the Indian Officers have received their initial training with the manufacturers in both Europe and America whose products they are handling in India.

The total number of employees of the Company including the management, staff and operatives employed at Bombay is approximately 536. The efficiency and continuity of management at all levels are maintained by the Company's longstanding practices of promotion wherever possible from within the organisation. Labour relations have, in general, been satisfactory and there is reason to hope that they will continue to be so.

The Subsidiaries, Messrs. Ruston & Hornsby (India) Private Ltd. and Messrs. Kenyon Greaves Private Ltd., are managed by the Company as their Secretaries and Treasurers, the Associated Company Messrs. Greaves Cotton & Crompton Parkinson Private Ltd. is managed by the Company as their Managers. All these Companies have on their board qualified Technical Directors associated with the Company for many years.

OBJECTS OF ISSUE.

The object of this Issue is to enable the Company to participate in the expansion of its Associated Company, Crompton Parkinson (Works) Private Ltd., to which detailed reference has been made under paragraph "History and Development of Business."

FINANCIAL INFORMATION

The following is a condensation of the Auditors' Report by the Company's Auditors, Messrs. Sharp & Tannan, as published in the Prospectus.

Greaves Cotton & Company Limited

Year to 31st March	*Turnover*	*Profits after charging normal depreciation but before taxation*	*Dividends (Equity)*
	Rs.	Rs.	
1953	2,85,94,137	23,37,270	11%
1954	2,39,34,832	18,15,566	7%
1955	2,51,95,932	15,95,435	6%
1956	3,16,38,064	18,78,691	7%
1957	3,65,17,560	21,86,227	7%

Ruston & Hornsby (India) Private Limited (Subsidiary)

Year to 31st December	*Turnover*	*Profits after charging normal depreciation but before taxation*	*The Company's Share in the equity*	*Dividends (Equity)*
	Rs.	Rs.		
1952	18,92,631	1,52,409	74%	4%
1953	27,76,477	3,04,390	74%	2½%
1954	31,46,059	4,50,686	74%	4½%
1955	14,58,933 loss	3,25,204	74%	—
1956	40,08,357	1,34,308	74%	—

Kenyon Greaves Private Limited (Subsidiary)

Year to 31st March				
1953	4,58,271	55,565	74%	10%
1954	4,71,663	78,109	74%	14%
1955	4,73,486	1,10,331	74%	22½%
1956	4,98,701	1,01,120	74%	17%
1957	5,45,677	1,08,536	74%	18%

Greaves Cotton & Co. (Pakistan) Limited (Subsidiary)

Year to 31st March	Pak. Rs.	Pak. Rs.		
1953	74,80,868	3,58,588	100%	25%
1954	55,07,290	2,27,871	86 .36%	9%
1955	60,93,274 loss	65,684	76%	—
1956	52,81,724	3,47,344	76%	10%
1957	48,30,687	3,53,702	76%	10%

Greaves Cotton & Crompton Parkinson Private Limited (Associated Company)

Year to 31st December	*Turnover*	*Profits after charging normal depreciation but before taxation*	*The Company's share in the equity*	*Dividends (Equity)*
	Rs.	Rs.		
1952	2,04,43,624	2,57,386	50%	8%
1953	2,27,06,914	4,14,987	50%	2.9/10%
1954	2,22,67,181	4,46,812	50%	3½%
1955	2,57,13,855	9,86,113	50%	8%
1956	3,10,92,554	17,12,740	50%	11%

Crompton Parkinson (Works) Private Limited (Associated Company)

Year to 30th June	Rs.	Rs.		
1953	1,16,93,650	11,54,817	26%	6½%
1954	1,15,63,532	15,11,967	26%	8½%
1955	1,53,50,858	11,84,576	26%	7%
1956	2,00,32,005	17,62,891	26%	6½%
1957	2,17,31,158	19,65,736	50%	7½%

ASSETS AND LIABILITIES

	Greaves Cotton & Company Limited	*Ruston & Hornsby (India) Private Limited*	*Kenyon Greaves Private Limited*	*Greaves Cotton & Company (Pakistan) Limited*
	As at 31st March 1957	*As at 31st December 1956*	*As at 31st March 1957*	*As at 31st March 1957*
	Rs.	Rs.	Rs.	Rs.
Fixed assets at original cost less depreciation	8,35,574	28,31,886	1,09,345	3,81,813
Investments at cost	1,13,44,577	454	1,154	3,57,900
Current assets	2,55,37,158	25,97,483	2,81,973	34,39,329
	3,77,17,309	54,29,823	3,92,472	41,79,042
Less :—Liabilities and provisions for taxation and dividends ..	2,01,95,045	3,45,034	1,19,745	24,06,831
Net Assets	1,75,22,264	50,84,789	2,72,727	17,72,211
Proportion of members other than Greaves Cotton & Co. Ltd. is	—	26%	26%	24%

FUTURE PROSPECTS AND DIVIDENDS

While the Company has been taking an increasing interest in indigenous manufacture, the Company's main interest continues to be the import, sale and servicing of a wide range of machinery, mostly heavy machinery. In the past during the initial establishment of the manufacturing projects, the return from these investments was naturally small. Nevertheless, the Company has been able to maintain a consistent reasonable dividend out of its very substantial trading profits. With the progress of the subsidiary companies beyond the initial stages, investments in them are beginning to yield better returns. This, together with the maintenance of a substantial proportion of the Company's trading, of which the Company is confident in spite of restrictions in imports, should ensure a healthy dividend position for the future. The Company has counteracted import restrictions by negotiating substantial orders for heavy machinery on deferred-term basis on lines approved by Government, as well as by increasing its turnover in lines manufactured in India, both by its subsidiary and associated companies, as well as independent manufacturers with whom connections have been established.

As indicated earlier, the object of this issue is to enable the Company to participate in the expansion programme of Crompton Parkinson (Works) Private Ltd. which as will be seen from the financial statements of this Company is already showing good progress at its present level of production ; with the substantial increase in the Works' production resulting from the second plant construction of which is nearing completion at Kanjur, near Bhandup, Greater Bombay, the Works may reasonably be expected to be able to pay larger dividends than has been the case so far. This should serve to raise the investment income of Greaves Cotton & Co. Ltd. thereby ensuring, in the absence of circumstances beyond their control, their capacity to maintain the dividend at the current rate of 7½ per cent on the increased capital with prospects of further improvement once the second plant at Kanjur attains maximum productivity.

GENERAL INFORMATION

MINIMUM SUBSCRIPTION

(*a*) The minimum amount which in the opinion of the Director is required to be provided in respect of each of the matters mentioned in clause 5, Part I of Schedule II of the Companies Act, 1956 is Rs. 46,60,000 made up as follows :—

(i) Cash purchase price of property purchased or to be purchased	Rs. 45,60,000
(ii) Expenses of this Issue	„ 1,00,000
(iii) Re-payment of monies borrowed in respect of the foregoing matters	NIL
(iv) Additional Working Capital (being the balance)	NIL

(*b*) The amounts to be provided in respect of the matters aforesaid otherwise than out of the proceeds of this Issue is Rs. 4,40,000 and has been already provided out of such facilities as were available to the Company.

EXPENSES OF ISSUE

The expenses of this Issue including brokerage are estimated to amount to Rs. 1 lac and are payable by the Company.

UNDERWRITING

The shares now intended to be issued have not been underwritten but the Company will pay brokerage as indicated below.

OTHER PREVIOUS ISSUES

No shares or debentures have been issued or agreed to be issued within the two years preceding the date hereof either for cash or as fully or partly paid-up otherwise than in cash. No amount has been paid to the Company by way of premium on any shares within the two years preceding the date hereof.

COMMISSION

No sums have been paid within the two years preceding the date hereof or are payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or as discount in respect of shares issued.

PAYMENT TO PROMOTER

No amount or benefit has been paid or given within the two years preceding the date hereof or is intended to be paid or given to any promoter or to any officer of the Company apart from normal remuneration and reimbursement paid to such officers.

OPTION TO SUBSCRIBE

Apart from shares to the value of Rs. 11,60,000 which the existing shareholders propose to take up in exercise of their rights, the Company has not entered into any contract or arrangement and does not at present propose to enter into any contract or arrangement whereby any option or preferential right of any kind has been or is proposed to be given to any person to subscribe for any shares in the Company.

INTEREST OF DIRECTORS

Mr. N. M. Wagle is the Managing Director of the Company and receives remuneration for his services as such.

Mr. L. M. Thapar was appointed Joint Managing Director of this Company with effect from 1st April 1957. He will be entitled to receive remuneration for his services as such on his executing a Service Agreement with the Company.

Mr. J. H. Langdon is an Executive Director of the Company and receives remuneration for his services as such.

Mr. Karam Chand Thapar, Mr. H. D. Varma, Khan Bahadur C. B. Taraporvala and Mr. S. Lall together share commission totalling 1 per cent of the net profits of the Company.

No Director has any financial or other interest in any of the property acquired by the Company within the two years preceding the date hereof or proposed to be acquired by it.

BROKERAGE

Brokerage at the rate of rupee one per Equity Share will be paid by the Company on allotments made in respect of applications bearing the stamp of a member broker of a recognised Stock Exchange. In addition a brokerage of 50 nP. per Equity Share will be paid by the Company to the Managing Brokers in respect of all acceptances of applications for the 35,000 shares offered to the Public.

PROSPECTUS AND FORMS OF APPLICATION

Copies of the Prospectus and Forms of Application may be obtained from the Brokers at the addresses given above and from the Bankers named above at any of their Branches in India.

QUESTION HOUR IN PARLIAMENT

Foreign Loan Repayment

REPAYMENTS made so far on loans received specifically for the first and second Five-year Plan schemes amount approximately to Rs. 1.27 crore to foreign countries and Rs. 4.93 crores to the World Bank.

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Small Savings

Collections under the Small Savings Scheme have shown an upward trend in the first two months of 1958 as a result of the number of measures taken by the Government. During January and February this year, Rs. 5.6 crores and Rs. 7.3 crores were collected, respectively, as against Rs. 1.8 crore and Rs. 2.5 crores during the corresponding months of the previous year. Among the measures taken by the Government to accelerate small savings are increase in the rate of interest on 15-year annuity certificates, permitting of pledging of National Savings Certificate with Scheduled banks and co-operative societies, sale of treasury savings deposit certificates through authorised agents on commission, and celebration of savings, fortnights by conducting a special drive.

—*B. R. Bhagat*

T.E.L.Co.

The Automobile Division of T.E.L.Co. may get the benefit of the financial credit assistance recently extended to India by the U.S.A. along with other automobile manufacturers in the country. The Automobile Division of T.E.L.Co. was licensed for the manufacture of trucks and bus chassis only. The indigenous content of the vehicle manufactured by T.E.L.Co. forms about 47 per cent. of the c.i.f. value of the complete unit. The production of the Division is now 7,417—more than 20 per cent. of the target. The Company has submitted a programme for increased production of 12,000 annually. When production goes up, prices are likely to come down. The truck manufactured by T.E.L.Co. is the only diesel truck in the country and another is being licensed through Hindustan Motors. Other trucks in the country are run on petrol.

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Steel Position

The steel position in the country is expected to improve considerably by 1959. The steel position during the current year will be difficult. The Centre has urged the State Governments to release more quotas of steel for the small-scale industries. There is dissatisfaction in regard to the supply of steel, because there is a great demand for it as a result of rapid increase in the production of Indian engineering industries. But supply does not keep pace with demand, because of foreign exchange shortage and limited internal production of steel.

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Aluminium Plants

Two private parties have offered to establish aluminium plants, one at Mettur (Madras) and the other at the Rihand Dam site (U.P.). The matter is under consideration.

—*Manubhai Shah*

Shipping Co-ordination Committee

A Shipping Co-ordination Committee has already been set up in January. Two liaison officers, one representing the Indian shipping companies in the private sector and the other representing those in the public sector, have been appointed to assist the Committee in finalising arrangements for booking shipping space on Indian vessels for import and export cargoes moving on Government account. The Committee does not deal with shipping problems connected with trade moving on private account.

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Freight Payment

I am not aware of any negotiations with foreign shipping companies to accept payment of freight in Indian rupees.

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Masulipatam Port

The quantity of iron ore exported from Masulipatam port during 1957-58 was 235,549 tons till the end of February, as against 270,817 tons during the previous year. The port has been used to full capacity. If the development schemes relating to Masulipatam port in the second Plan are fully executed, the maximum capacity of the port will increase by over 50 per cent.

—*Raj Bahadur*

Sirhind and Rajasthan Canals

No loan has been sanctioned for the Sirhind Feeder Project for 1957-58. For the Rajasthan Canal Project, a loan of Rs. 25 lakhs had been sanctioned in 1957-58. The question of sanctioning a loan for 1958-59 does not arise at this stage. Provision in the second Five-year Plan for the Sirhind Canal Project was Rs. 5.50 crores and for the Rajasthan Canal Project Rs. 22 crores.

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Kosi Barrage

The construction of the Kosi barrage has been finally approved by the Planning Commission. There is no change in the site or height of the barrage. In the design, the diversion sluices intended to divert 50,000 cusecs of the Kosi waters into the old eastern *dhars* have been omitted. The project authorities are planning to complete the barrage in all respects by June 1962. Details of the programme of construction are yet to be approved by the Kosi Control Board. There has been an increase in the estimated expenditure. The total revised estimate of the Kosi project, as now approved by the Planning Commission, is Rs. 44.76 crores.

—*S. K. Patil*

Import of Tractors

Representations for the liberalisation of the import policy with regard to tractors are under consideration. They will be kept in view while framing the policy for the next licensing period

—*Satish Chandra*

Foodgrains Enquiry Committee

The Government has not taken any firm decision in regard to the recommendations of the Foodgrains Enquiry Committee on imports from abroad in the next two years. However, the Government is keeping in view the recommendations while arranging for imports from abroad.

—*A. P. Jain*

Foodgrains Imports

The Government proposes to import two million tons of wheat and 500,000 tons of rice during the financial year 1958. The two million tons of wheat are estimated to cost about Rs. 77 crores, of which about Rs. 13 crores may have to be incurred in foreign exchange. Excepting Canada and the United States, India is not negotiating with any other country at present for the import of foodgrains. Out of the current agreements with the United States and Canada, about 500,000 tons of wheat may remain to be shipped at the beginning of the next financial year. The foreign exchange requirements mainly on freight for shipping them to India may be approximately Rs. 2 crores.

—*A. M. Thomas*

Mechanical Engineering Institute

The Mechanical Engineering Research Institute is likely to be located at Durgapur in West Bengal. The Council of Scientific and Industrial Research has decided to establish a Central Public Health Engineering Research Institute, but the place where it is to be located is still to be decided.

—*Dr. M. M. Das*

Aid for Oil Refinery

The offer of the Rumanian Prime Minister to help India in setting up an oil refinery in India is still under consideration.

—*K. D. Malaviya*

Labour Demands

An inter-departmental committee has been set up to facilitate consultation among the Ministries concerned on questions regarding labour demands in undertakings in the public sector. The Committee consists of representatives of the Ministries of Labour and Employment and Finance and of the employing Ministries.

—*Abid Ali*

Textile Mill in Pondicherry

The Bharathi Textile Mill in Pondicherry, which is partly closed, has approached the Government for a loan, but it is not thought advisable to grant it. The reasons for the partial closure are mainly economic. The number of workers on the rolls is 1,050, of whom about 100 are employed now. Shortly about 100 looms are expected to start working, thus absorbing about 300 more workers. As the closure of the mill is not due to any labour or industrial dispute, the Pondicherry Administration has not been able to intervene. The management has been advised either to try to raise a loan privately to run the mill or to allow the workers to draw their retrenchment compensation and seek employment elsewhere.

—*Lakshmi Menon*

CANARA BANK LIMITED

(INCORPORATED IN INDIA. LIABILITY OF MEMBERS IS LIMITED)
(ESTABLISHED 1906)

Registered Office: MANGALORE | *Administrative Office:* BANGALORE | *Foreign Departments:* BOMBAY & MADRAS

BOARD OF DIRECTORS:

MR. A. DAMODAR PAI, B.A., B.L., Bangalore (Chairman and Supervising Director).
MR. H. LAXMINARAYANA KAMATH, Merchant, Ganguli, South Kanara.
MR. C. SHRINIVASA RAO, Savkar, Nagar, Mysore State.
MR. S. PUNDLIK NAYAK, Merchant, Bombay.
MR. K. P. J. PRABHU, B.A., Mangalore.
MR. K. BHUJANGA RAO, J.P., Bombay.
MR. U. SRINIVASA MALLIAH, Member of Parliament, New Delhi.
MR. A. NARAYANA PAI, B.A., B.L., Advocate, Bangalore.

GENERAL MANAGER: MR. P. S. NAYAK, B.A., B.L., Fellow of the Indian Institute of Bankers.
AUDITOR: MR. A. UMANATH RAO, B.A., F.C.A., Chartered Accountant.
LEGAL ADVISERS { MR. M. MADHAVA RAO, B.A., B.L., MR. A. RANGANATHA RAO, M.A., B.L., MR. A. V. SHANKAR RAO, B.A., B.L.

DEPUTY GENERAL MANAGERS:

MR. A. G. PAI, *Co-ordination & Development Department.*
MR. C. G. KINI, *Advances Department.*
MR. B. V. BHANDARY, *Establishment Department.*
MR. C. E. KAMATH, *Foreign Department.*

BALANCE SHEET AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.
1. Capital—				
AUTHORISED CAPITAL—				
1,72,000 Equity Shares of Rs. 50 each	86,00,000	00		
28,000—5 per cent. Cumulative Preference Shares of Rs. 50 each	14,00,000	00		
			1,00,00,000	00
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL—				
30,000—Equity Shares of Rs. 50 each	15,00,000	00		
28,000—5 per cent. Cumulative Preference Shares of Rs. 50 each	14,00,000	00		
			29,00,000	00
2. Reserve Fund and Other Reserves—				
Reserve Fund—				
Reserve Fund as at 31st December, 1956	32,00,000	00		
ADD—(i) Transfer from Current Year's Profits	4,00,000	00		
(ii) Transfer from Contingency Account	4,00,000	00		
			40,00,000	00
3. Deposits and Other Accounts—				
Fixed Deposits	7,74,29,850	05		
Savings Bank Deposits	2,23,50,047	59		
Current Accounts, Contingency Accounts, etc.	7,26,60,234	48		
			17,24,40,172	42
4. Borrowings from Other Banking Companies, Agents, etc.			Nil	
5. Bills Payable			19,85,017	87
6. Bills for Collection being Bills Receivable as per contra—				
(i) Payable in India	1,91,05,134	10		
(ii) Payable outside India	28,31,003	30		
			2,19,34,137	40
7. Other Liabilities—				
(i) Rebate on Bills	7,117	00		
(ii) Unclaimed Dividends	39,267	74		
(iii) Branch Adjustments	50,21,177	55		
(iv) Provision for Taxes	4,14,651	69		
(v) Outstanding Charges and Sundries	71,359	29		
			55,53,573	27
8. Acceptances, Endorsements and Other Obligations as per contra			2,36,90,937	40
9. Profit and Loss—				
Profit as per last Balance Sheet	8,41,002	08		
LESS—Appropriations— Rs. nP.				
To Provision for Income-tax 4,60,000 00				
,, Bonus to Staff 1,40,000 00				
,, Dividends 2,02,500 00				
	8,02,500	00		
	38,502	08		
ADD—Profit for the year brought from Profit and Loss Account	15,28,765	58		
	15,67,267	66		
LESS—(3) Transfer to Reserve Fund	4,00,000	00	11,67,267	66
10. Contingent Liabilities—				
(i) Liability on account of Letters of Guarantee given on behalf of Constituents	30,50,564	41		
(ii) Liability on Account of Outstanding Forward Exchange Contracts	4,09,16,283	89		
(iii) Claims against the Bank not acknowledged as debts	38,824	69		
Total .. Rs.			23,96,71,106	11

PROPERTY AND ASSETS	Rs.	nP.	Rs.	nP.
1. Cash—				
In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)			1,96,56,379	85
2. Balance with Other Banks—				
(a) In Current Account—				
(1) In India	16,75,510	22		
(2) Outside India	57,64,331	81		
(b) In Deposit Account—				
Deposits with Banks in India (maturing by 11-2-1958)	1,34,40,325	00		
			2,08,80,167	03
3. Money at Call and Short Notice—				
(1) In India	45,00,000	00		
(2) Outside India	10,00,000	00		
			55,00,000	00
4. Investments—				
(i) Securities of the Central and State Governments and other Trustee Securities of the face value of Rs. 5,21,32,450 at cost of which 97% mature by 1963 (Approximate Market Value as on 31-12-1957 Rs. 5,10,68,090)	5,09,82,544	05		
(ii) Shares of the Bombay State Financial Corporation and the Madras Industrial Investment Corporation Ltd. (fully paid) at cost	1,24,875	00		
(iii) Municipal Debentures and Loans at cost (Approximate Market Value as on 31-12-1957 Rs. 29,80,871)	29,53,740	21		
(iv) Securities of the Pakistan Central and State Governments, of the face value of Rs. 5,00,000, held at Karachi at cost. (Approximate Market Value as on 31-12-1957 Rs. 5,01,812)	4,99,339	47		
(v) Gold	Nil			
			5,45,60,498	73
5. Advances— (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditor)				
(i) Loans, Cash Credits, Overdrafts, etc.— Rs. nP.				
(1) In India 5,32,52,133 42				
(2) Outside India 68,292 49	5,33,20,425	91		
(ii) Bills Discounted and Purchased—				
(1) Payable in India 2,75,80,718 38				
(2) Payable outside India 70,27,128 31	3,46,16,846	69		
			8,79,37,272	60
6. Bills Receivable being Bills for Collection as per contra—				
(i) Payable in India	1,91,03,134	10		
(ii) Payable outside India	28,31,003	30		
			2,19,34,137	40
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra			2,36,90,937	40
8. Premises at Cost	5,28,770	58		
ADD—Additions during the year	1,612	81		
	5,30,383	39		
LESS—Depreciation to date	75,491	85		
	8,16,006	98	4,54,891	54
9. Furniture and Fixtures at Cost	3,32,430	89		
ADD—Additions during the year	11,48,437	87		
LESS—Cost of Articles sold or fully written off	59,638	94		
	10,88,798	93		
LESS—Depreciation to date	3,47,560	33	7,41,238	60
10. Other Assets—				
(i) Interest accrued on Investments	5,94,469	01		
(ii) Stock, Stationery and Library	3,45,448	36		
(iii) Branch demand drafts paid, bills realised by Agent Banks pending adjustment, cheques pending collection and clearing vouchers received	24,70,624	12		
(iv) Prepaid Expenses and Sundries	3,54,891	38		
(v) Taxes paid in advance and Income-tax deducted at source	5,34,909	99		
			43,00,282	86
11. Non-Banking Assets Acquired in Satisfaction of Claims — Land and Buildings at or below cost			300	00
Total .. Rs.			23,96,71,106	11

Schedule of Particulars required by the Banking Companies Act, 1949 (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957.

PARTICULARS OF ADVANCES	Rs.	nP.
(i) Debts considered good in respect of which the Banking Company is fully secured	6,96,18,151	78
(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security (inclusive of advances on joint and several promotes)	1,01,43,693	34
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	81,75,427	48
(iv) Debts considered doubtful or bad not provided for	Nil	
Total .. Rs.	8,79,37,272	60

PARTICULARS OF ADVANCES	Rs.	nP.
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	59,196	16
(vi) Debts due by Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members	28,72,562	71
(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	66,644	01
(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners, or Managing Agents, or in the case of private companies, as members	61,01,468	86
(ix) Due from Banking Companies	3,61,241	41

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

EXPENDITURE	Rs.	nP.
1. Interest paid on Deposits, Borrowings, etc.	37,34,219	00
2. Salaries and Allowances and Provident Fund (inclusive of salary and allowances of the General Manager Rs. 30,718.78)	26,25,554	40
3. Directors' and Local Committee Members' Fees and Allowances (inclusive of the remuneration to Supervising Director Rs. 18,000 and rent-free quarters Rs. 3,070)	43,715	14
4. Rent, Taxes, Insurance, Lighting, etc.	2,95,695	75
5. Law Charges	7,283	06
6. Postage, Telegrams and Stamps	2,23,705	20
7. Auditor's Fees and Travelling Expenses	4,000	00
8. Depreciation on and repairs to the Banking Company's property	1,55,402	94
9. Stationery, Printing, Advertisement, etc.	3,15,170	55
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil	
11. Other Expenditure	2,22,838	93
12. Balance of Profit	15,28,765	58
Total .. Rs.	91,61,410	64

NOTE:—The balance of profit in the Profit and Loss Account of Karachi Branch has not been incorporated in the Profit and Loss Account.

INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs.	nP.
1. Interest and Discount	62,06,233	45
2. Commission, Exchange and Brokerage	23,78,204	26
3. Rents	9,231	75
4. Net Profits on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any other particular Fund or Account)	Nil	
5. Net Profits on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil	
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil	
7. Other Receipts	5,67,741	18
Total .. Rs.	91,61,410	64

AUDITOR'S REPORT.

I beg to report that I have audited the above Balance Sheet of the Canara Bank Limited as at 31st December, 1957, and also the above Profit and Loss Account of the Bank for the year ended that date with the Books of Account and certified Returns from the Branches and that I have visited some major branches of the Bank during the year and have examined the books of account and cash and securities as at the time of my visit and report that:

(a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of the audit.
(b) Such information and explanations have been found to be satisfactory.
(c) Transactions of the Bank as have come to my notice have been, in my opinion, within the powers of the Bank.
(d) The Returns received from the Branches have been found adequate for the purposes of my audit.
(e) The Bank's Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the Books of Account and the Returns.
(f) In my opinion and to the best of my information and according to the explanations given to me the said accounts give the information required by the Companies Act, 1956, and the Banking Companies Act, 1949, in the manner so required and the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st December, 1957.
(g) In my opinion proper books of account as required by law have been kept by the Bank so far as appears from my examination of those books.

BANGALORE, 14th January, 1958.

A. UMANATH RAO, B.A., F.C.A., Chartered Accountant. } Auditor.

P. SARVOTHUM NAYAK, General Manager.

A. DAMODAR PAI, Chairman.
H. LAXMINARAYANA KAMATH, K. P. J. PRABHU, A. NARAYANA PAI, } Directors.

THE BANK OF INDIA, LTD.
ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

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BRANCHES IN INDIA:

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AMRITSAR
BANGALORE
BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
KOZHIKODE (Late Calicut)
MADRAS
NAGPUR, Kingsway, Itwari Bazar
NEW DELHI
PALANPUR
POONA, POONA CITY
RAJKOT
SURAT
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SIR JOSEPH KAY, K.B.E.
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Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
SIR VITHAL N. CHANDAVARKAR.

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T. R. LALWANI, *General Manager.*

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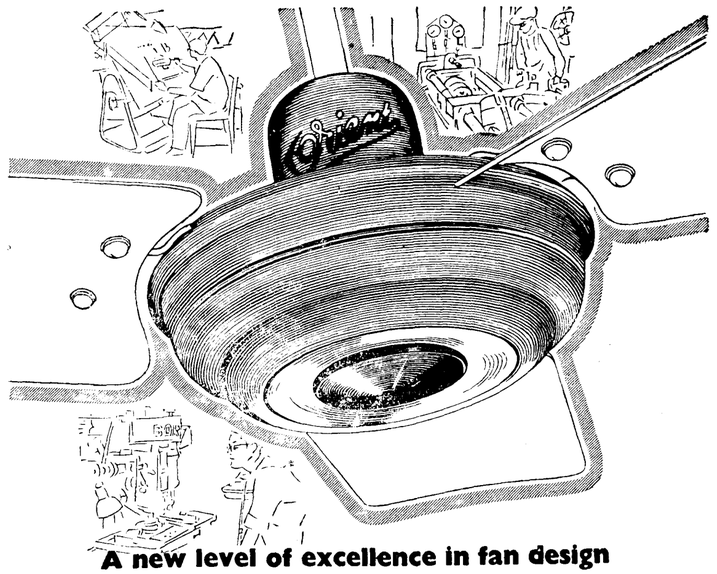

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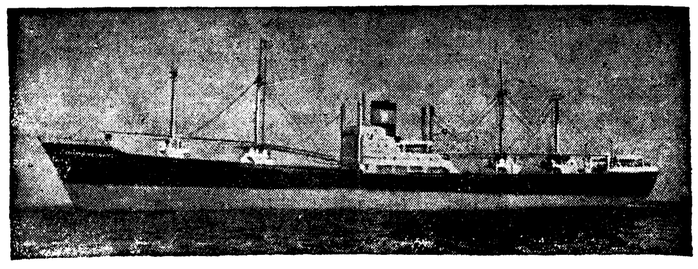

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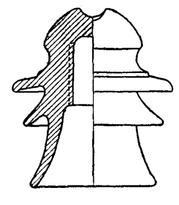

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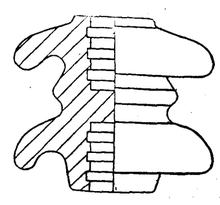

FALL IN FOREIGN EXCHANGE RESERVES

PLANNING COMMISSION'S NOTE ANALYSED

THE Planning Commission's note on foreign exchange position, as we pointed out in our leading article last week, has clearly confirmed the distressing fact that the Government has been lacking in economic prescience of high order, an important pre-requisite for successful planning. That there is no exaggeration whatever in this statement will be evident from a careful perusal of the details furnished in the note. Such a perusal will reveal that, from the very beginning of the second Five-year Plan, *the authorities have until recently not only failed to recognise the importance of planned imports but actually encouraged heavy import licensing. This is very regrettable, considering* the special stress laid by the Planning Commission in the chapter on Finance and Foreign Exchange that "the accent of policy (trade) must necessarily be on maximising export earnings and economising to the utmost on imports." Indeed, no other aspect of economic policy has been so miserably handled as the one relating to foreign trade. How else can one explain the fact that, while exports from India have not risen much beyond the Rs. 600-crore mark, imports into the country have been considerably higher than the anticipated levels for the first two years (1956-57 and 1957-58), as also the assumed average for the whole of the Plan period.

The following table indicates the trend of foreign trade during the first two years of the second Plan as compared with that assumed in the Plan:

(In crores of rupees)

	1957-58		1956-57		Average annual rate
	Actual*	Anticipated	Actual	Anticipated	
Imports c.i.f. ..	1,244	886	1,077	783	868
Exports f.o.b. ..	683	583	637	573	593
Balance of trade ..	—561	—303	—440	—210	—275

* Based on the actuals for the first six months (April-September 957) only.

It will be seen from the above figures that the deterioration in the adverse balance of payments set in in the first year. This occurred despite the rise in exports. For the rise was more than offset by the substantial increase in imports, which continued unabated in the year just ended (1957-58) also, notwithstanding the severe restrictions imposed in the past six months. This was because there was a heavy load of past commitments—amounting to as much as Rs. 990 crores in September 1957—which reflected itself in actual imports during the year.

Outstanding Commitments

Out of the outstanding foreign exchange commitments of Rs. 990 crores in September 1957, about Rs. 590 crores were on Government account and Rs. 400 crores on private sector account. It is now estimated that, at the end of March 1958, the commitments amounted to Rs. 864 crores. The bulk of this sum—Rs. 523 crores, to be precise—is accounted for by Government, the share of the private sector being Rs. 300 crores, and the balance of Rs. 41 crores represents commitments for import of steel entered into mainly by the Iron and Steel Controller. Of the Rs. 300 crores of outstanding commitments of the private sector, approximately, Rs. 200 crores, represent "normal or perhaps rather less than normal outstandings"—since import licensing has been strict in the past year—and only about Rs. 100 crores represent a bunching of commitments on account of capital goods for the Plan. A breakdown of imports (c.i.f.) on Government and private accounts is given below:

(In crores of rupees)

	April-Sept. 1957	1956-57	1955-56
Private	383	661	540
Government*	239	416	205
Total ..	622	1,077	751

* Including iron and steel controller.

The above figures show that although the rise in imports has been appreciable in both cases, it is proportionately higher in the case of Government imports. Thanks to the continued appreciable rise in imports thus without a corresponding improvement in exports, the drain on India's foreign exchange reserves which began in April 1956 has continued uninterruptedly ever since. By the end of March 1957, despite a credit of Rs. 61 crores from the International Monetary Fund, the reserves had fallen to Rs. 219 crores. The sterling balances as on that date stood at Rs. 527 crores. Further losses since then reduced them to Rs. 360 crores by the fourth week of September 1957, and it is estimated that they might have fallen to about Rs. 280 crores by April 1958.

Explaining the drain, the Planning Commission's note gives the following details:

The rise in imports and the consequent drain on foreign exchange resources is itself attributable mainly to the attempt to carry out the second Five-year Plan. But the shortage has been to some extent aggravated and hastened by factors like the heavy demands of defence; the need to import more foodgrains than was originally anticipated; the increased requirements of raw materials, components, spares, replacements, etc., for matching the higher levels of industrial production reached in 1955 and 1956 for which some allowance was made in the Plan estimates but has proved to be inadequate; higher imports of consumer goods in the years 1955-56 and 1956-57 as compared with earlier years; and increase in prices and in freight rates. Dealing with these factors, the note observes:

"The foreign exchange expenditure on defence has risen during the past few years and it seems likely that its annual average during the first two years of the second Plan will be about Rs. 30 crores higher than the average of the preceding three years. Furthermore, the outstanding commitments are exceedingly heavy.

". . . during the last three years of the first Plan, imports of foodgrains, etc., had substantially fallen, but, in the first year of the second Plan, they have risen sharply to Rs. 102 crores. This compares with an average annual import of Rs. 48 crores worth of foodgrains assumed in the second Five-year Plan. This assumption has proved so far to be wide of the mark, but it may be recalled that, at the time it was made, it appeared reasonable. Right up till July 1955, the Food Ministry was burdened with stocks of foodgrains which it was finding some difficulty in disposing of. Even as late as the early part of 1956, it was contemplated that the foodgrains which at that time it was agreed to take under P.L. 480, would be used to build up a reserve and would not have to be issued straight to the public for consumption.

"The index of industrial production (base 1951=100) rose from 113 in 1954 to 122 in 1955, 133 in 1956 and about 140 in the early months of 1957. The higher levels of industrial production achieved year after year involved considerably higher imports of raw materials and producer goods. To a considerable extent, this was foreseen and allowed for in preparing the second Five-year Plan. It seems, however, that there was some underestimation of the higher requirements, though it is difficult to say in precise detail where the underestimates lay."

Giving the break-up figures relating to the principal imports in the year 1956-57 as compared with 1955-56, the Planning Commission's note says that the increase in imports under chemicals, drugs and medicines is mainly accounted for by chemicals, a direct reflection of the higher levels of industrial production in the country. The increase under cutlery, hardware and electrical goods is also largely a reflection of higher industrial activity, since about half of the increase is accounted for by electrical goods. The main increase is under the omnibus item 'others.' This item covers, besides a number of consumer goods, several articles required for the maintenance of industrial production. A few illustrations are given. As compared with 1954-55, imports of rayon yarn have increased by about Rs. 4 crores, staple fibre by about Rs. 1.25 crore, raw wool and wool tops by about Rs. 2.5 crores, raw rubber and rubber motor covers by about Rs. 3.25 crores, parts of cycles by about Rs. 70 lakhs, and electric motors by about Rs. 50 lakhs. It is probable that, in these and other instances, there was some under-estimate in the Plan of the requirements for "maintaining" the economy at the higher levels it has reached.

Consumer Goods

Referring to the "widespread impression" that excessive imports of consumer goods in the past two years had seriously aggravated the foreign exchange difficulties, the note says that the available data hardly confirm this impression. While there has been a rise in imports of a few items, it would seem that over-liberal import of consumer goods could have had only a relatively small effect. The total value of imports of commodities under the principal heads of consumer goods for the years 1954-55, 1955-56 and 1956-57 was Rs. 61.80 crores, Rs. 74.89 crores and Rs. 80.83 crores, respectively.

The Planning Commission's note alludes next to the increase in freight rates and prices and observes:

"The large increase in the value of imports between 1955-56 and 1956-57 was due mainly to an increase in their volume and only to a relatively small degree to an increase in their unit cost arising from higher prices abroad or from higher freight rates. As regards freight rates, it has been estimated by the Reserve Bank that their rise resulting from the Suez episode accounted for about Rs. 15 to Rs. 20 crores of the increase in the total value of imports. As regards the effects of higher prices of commodities abroad, *no precise calculations are possible, but some general idea of the extent of the increase can be obtained from the trend of export prices between 1954 and 1956 in the United Kingdom—the principal source of India's imports. While the price index of all export commodities rose by only 6 per* cent. between 1954 and 1956, the price of metals and engineering products, which bulk largely in our imports in 1956-57, rose by 12 and 7 per cent., respectively. *These figures give some general idea* of the extent to which our import bills in 1956-57 for machinery (Rs. 211 crores) and for metals (iron and steel Rs. 133 crores—other metals Rs. 37 crores) may have been swollen."

Apart from the aforesaid factors, the largest single items of increase other than foodgrains during 1956-57 were iron and steel and machinery of all kinds, which together accounted for Rs. 344 crores, as against Rs. 208 crores in the previous year. The increase of Rs. 136 crores thus represented more than one-third of the total rise in imports. The increased imports were in the main due to the requirements of the Plan.

Government Commitments

The outstanding foreign exchange commitments on Government account at the end of September 1957, as already stated, stood at Rs. 590 crores, representing nearly 60 per cent. of the total of Rs. 990 crores. The break-up of these commitments is: Ministry of Steel, Mines and Fuel: Rs. 236.37 crores; Ministry of Railways: Rs. 96 crores; Ministry of Transport and Communications: Rs. 19.01 crores; Ministry of Irrigation and Power: Rs. 18 crores; Ministry of Food and Agriculture: Rs. 10.69 crores; and other Ministries and State Governments: Rs. 211.65 crores. Alluding to this, the note states:

"Apart from Defence, the Ministries making the heaviest drawals on foreign exchange resources are the Ministries of Railways, Iron and Steel, Irrigation and Power, Transport and Communications." According to the Planning Commission, all these Ministries have definite programmes of work designed to produce certain results and none of these Ministries has made commitments precipitately so as to run ahead of their time schedules. As regards steel projects, the payments and commitments made so far amounting to Rs. 298.5 crores were unavoidable, if these steel plants are to be completed according to schedule. "In neither of these cases," the Commission opines, "can it be said that commitments have been entered into prematurely. On the other hand, in some cases, as, for example, coal, there may have been undue delay in placing orders for equipment if the target envisaged in the Plan for 1960-61 is to be reached by then. In may be true that foreign exchange resources were not carefully husbanded; delegations may have been sent abroad too freely and the construction of too many large buildings undertaken requiring foreign exchange for steel, lifts and for electrical and air-conditioning equipment. But these extravagances have involved lakhs rather than crores. There is no evidence that excessive or premature commitments for Plan projects were made by any Ministry on a large scale."

Private Commitments

As regards the commitments of the private sector (Rs. 400 crores), a great part represents outstanding licences for import of raw materials, producer goods and consumer goods. About 40 per cent., according to provisional figures, is accounted for by purchase of capital and producer goods for carrying out development projects. In regard to purchases, the private sector, we are told, has not gone beyond what was laid down in the Plan, nor has it gone ahead too fast towards the attainment of Plan targets.

In the last two years, there has been a great increase in the imports of both capital and producer goods and a smaller increase in the import of consumer goods. The imports of capital goods increased from Rs. 135.07 crores in 1954-55 and Rs. 194.47 crores in 1955-56 to Rs. 253.17 crores in 1956-57, while those of producer goods increased from Rs. 304.27 crores and Rs. 329.22 crores to Rs. 433.68 crores. Consumer goods im-

(*Continued on page 671*)

BOMBAY DYEING'S PROFIT LOWER

EXPANSION SCHEMES PROGRESSING

AGAINST the background of the serious general setback to the cotton textile industry in the year 1957, the performance of the Bombay Dyeing and Manufacturing Company, Ltd. (Managing Agents: Messrs. Nowrosjee Wadia and Sons (Private) Ltd., Bombay), during the year ended 31st December 1957, is perhaps somewhat encouraging. It is true that the Company's profit has suffered a recession. But the setback is less severe than in respect of many other units in the industry. It is, however, noteworthy that the Company's turnover has moved up sharply. And viewed in the context of a substantial decline in profits shown by other units in the industry, the Company's results must be deemed satisfactory in that the gross profit for the year under review at Rs. 110.31 lakhs shows a drop of only Rs. 15.49 lakhs or 12.31 per cent. from Rs. 125.80 lakhs for the previous year.

In consonance with the decline in the gross profit, the net profit at Rs. 39.69 lakhs also stands lower, as compared with Rs. 54.16 lakhs in 1956 and Rs. 49.52 lakhs in 1955. The provision for depreciation has been raised substantially from Rs. 26.46 lakhs to Rs 48.12 lakhs. The provision for taxation takes up Rs. 14.32 lakhs, as against Rs. 33 lakhs in the previous year. This is, however, inclusive of a provision of Rs. 3.40 lakhs as wealth tax, Rs. 4.84 lakhs as additional liability for taxation for previous year and Rs. 3.08 lakhs as liability for wealth tax for previous year. Although the wealth tax constitutes only ½ per cent. of the net assets, it works out to 3.08 per cent. of the gross profit and as much as 8.5 per cent. of the net profit for 1957. The corresponding percentages on the gross and net profits for 1956 is 2.4 and 5.7 respectively. Thus, as the profit margin goes down, the incidence of wealth tax goes up.

The bulk of the appropriations from the year's gross profit is taken up by depreciation as stated above and by development rebate amounting to Rs. 45.80 lakhs. The amount set apart to the latter account in the previous year was Rs. 13.14 lakhs. In view of these large provisions, the Directors have been constrained to withdraw a sum of Rs. 23 lakhs from the dividend equalisation reserve for payment of the dividend. The profit has been strengthened by the addition of Rs. 6.65 lakhs, representing accumulated net profit of previous years on sales of Government securities. The dividend has been maintained at the rate of 10 per cent. for the previous year. The distribution is in the shape of an interim dividend of Rs. 7.50 per share on its original shares of Rs. 250 each and a final one of Re. 1 75 per share of Rs. 25 each, subsequently sub-divided.

The following comparative table discloses the progress of the Company's working during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	8,02.22	7,47.15	7,23.34	7,26.42
Other income	15 48	15 41	10 08	7.65
Closing stocks	2,42 45	1,92.69	1,67.45	2,23.45
Expenses	7,43 60	6,43 89	6,20 99	6,56 61*
Gross profit	1,10 31	1,25.80	1,18 20	74 04
Managing Agents' remuneration	8.18	12.18	12.31	7.75
Provision for—				
Depreciation	48.12	26.46	26.87	14.62
Taxation	14.32	33.00	29.50	18.50
Net profit	39 69	54.16	49.52	33.17
Transfer from reserves, etc.	29.65	..	..	..
Loss on "Neville House" ..	..	..	..	4.21
To reserves and other provisions	45 80	27.38	24 21	11.78
To dividend	25 10 (10%)	25 10 (10%)	25 10 (D. 8% +B. 2%)	20 08 (D. 8%)
Carry forward	0.86	2.41	0.73	0.52

* Not actual but only approximate.

It will be noted from the table above that sale proceeds have gone up sizably from Rs. 7.47 crores in 1956 to Rs. 8.02 crores during the year under review, although the year under review, as the Directors themselves point out, was a most difficult one for the textile industry in general. It is noteworthy that the Company increased its exports of cloth from 50.5 million yards in 1956 to approximately 62.8 million yards in 1957, and the value of foreign exchange earned rose from Rs. 3.95 crores to Rs. 5.03 crores. India's total exports of cloth in 1957 were 854 million yards, as against 744 million yards in 1956. It is thus significant that one out of every nine yards of the increase in exports in 1957 came from the Company's mills. Due to the increase in the production of Indian mill yarn, prices were lower during the year by about 7 to 8 per cent. Exports of yarn were, however, higher in 1957 than in the previous year. Free yarn sales by the Company in 1957 amounted to 5.06 million lbs., including exports based on the quotas allowed by Government. The Company's exports of yarn earned Rs. 15.72 lakhs.

Manufacturing and other expenses during the year rose sharply from Rs. 6.44 crores in 1956 to Rs. 7.44 crores, reflecting the larger volume of turnover in the Company's activities and also the increase in other heads of expenditure. Of this, stores and spare parts consumed accounted for a rise from Rs. 41.90 lakhs to Rs. 57.50 lakhs, salaries and wages and bonus from Rs. 94.29 lakhs to Rs. 102.71 lakhs and dearness allowance from Rs. 83.41 lakhs to Rs. 97.94 lakhs.

Referring to the progress made in the Company's schemes of expansion, the Directors in their latest report observe:

"In 1957, the new machinery received amounted to Rs. 1.64 crores and Rs. 37.44 lakhs was spent on construction of new buildings. By the end of December 1957, 904 automatic looms had been installed at the Spring Mills out of the 1,206 ordered. Seven out of the eight new hot air sizing machines received at the Spring Mills have already gone into production. New automatic pirn winders and bobbin stripping machines were also put into operation during the year. The construction of the building of the new bleach works at the Textile Mills was completed, and the erection of the bleaching, dyeing and finishing machinery was taken in hand. The continuous peroxide bleaching range has since commenced working. The entire erection of the new machinery and the transfer of some of the old machinery from the old bleach and dye house to the new bleach works is expected to be completed during the course of the current year."

The Directors state further that exemption has been granted to the Company from making the compulsory deposit with Government for the year 1956 under the Income-tax Allowances (Current Deposit) Rules 1957, as the financial resources of the Company had been utilised in large-scale renovation and reorganisation of the mills.

An impressive financial position is disclosed by the Company's balance-sheet as at 31st December 1957. The paid-up capital of the Company, all in ordinary shares, now sub-divided into Rs. 25 each, remains unchanged at Rs. 2.51 crores. The reserves and surplus aggregate Rs. 3.44 crores, of which general reserve accounts for Rs. 57.50 lakhs and rehabilitation and development reserve for Rs. 2.22 crores. Current liabilities aggregate Rs. 2.48 crores. The gross block of Rs. 7.95 crores stands well written down at Rs. 4.02 crores. Additions during the year were of the order of Rs. 2.03 crores. The current assets aggregate Rs. 4.41 crores and include, among other items, investments in Government securities and shares of companies Rs. 38.47 lakhs, stores and spare parts Rs. 19 71 lakhs, stock-in-trade Rs. 2.42 crores, sundry debtors Rs. 24.32 lakhs, loans and advances Rs. 1.02 crores and cash and bank balances Rs. 13.71 lakhs. The cash and bank balances have actually dropped from Rs. 1.29 crores as at the end of 1956, evidently due to the large additions to fixed assets.

The Rs. 25 fully paid-up ordinary shares are currently quoted at Rs. 56.40 *cum-div.* (final div. Re. 1-75). On an *ex-div.* basis, the shares provide a yield of 4.57 per cent. per annum.

(*Concluded from next column*)

acres. The balance consists of fuel clearings (16 acres), roads and buildings (156 62 acres) and streams and swamps (297.99 acres) The current season's (1957-58) tea crop is estimated at 1,130.000 lbs. to be harvested at an f.o.b. cost of 148.10 nP per lb. The coffee crop is estimated at 477 tons.

The Company's financial position, as disclosed by its latest balance-sheet, is quite sound. Its reserves and surplus aggregate Rs. 24 33 lakhs, as against a paid-up capital of Rs. 19 46 lakhs, all in ordinary shares of Rs. 2 each. The gross block of Rs. 45.26 lakhs stands written down to Rs. 30 51 lakhs. Additions to the gross block during the year accounted for Rs. 1.78 lakhs. The current liabilities of Rs. 19.47 lakhs include a provision for taxation of Rs. 7.92 lakhs. The current assets aggregate Rs. 32.76 lakhs, of which cash balance alone, amounting to Rs. 12.25 lakhs, provide sufficient cover to the current liabilities and provision for taxation.

The Rs. 2 fully paid-up ordinary shares are currently quoted at Rs. 4.85 *cum-div.* (final div. Re. 0.20 nP). On an *ex-div.* basis and on the basis of the latest dividend, the yield is 12.9 per cent. per annum.

O.V. ESTATES' RESULTS ENCOURAGING

RECORD PRODUCTION AND HIGHER DIVIDEND

THE working of the Ouchterloney Valley Estates (1938) Ltd. (Managing Agents: Messrs. Peirce Leslie & Co., Ltd., Kozhikode, Kerala) during the year ended 31st October 1957 is highly encouraging both in regard to production of tea and coffee as well as earnings. The distinctly improved results for the year under review are significant inasmuch as they are in refreshing contrast to the Company's disappointing performance in the previous year. The chief factors which reversed the downward trend noted in the Company's profits since 1953-54 were the substantial improvement in production of both tea and coffee and the higher prices realised for coffee. In fact, the year's output of both tea and coffee constitutes a record in the Company's history. The better results have brought some encouraging news to the shareholders as well, for the dividend, which had been cut consecutively for the past two years, that is, from 30 per cent. in 1953-54 to 20 per cent. in 1954-55 and further down to 10 per cent. in 1955-56, has once again been restored to 30 per cent. Another gratifying feature is that the year's profit is fully sufficient to meet the enhanced distribution, while in the previous year, even the modest dividend of 10 per cent. was made possible only by utilising a part of the reserves built up in previous years.

The gross profit for the year under review at Rs. 14.53 lakhs compares favourably with a mere Rs. 1.58 lakhs for the previous year and Rs. 10.77 lakhs for 1954-55. After raising the provision for taxation from Rs. 60.000 to as much as Rs. 6.30 lakhs but lowering that for depreciation from Rs. 2.24 lakhs to Rs. 97,303, the net profit amounts to Rs. 6 18 lakhs, as compared with a net loss of Rs. 1.16 lakhs in the previous year. The year's net profit is again Rs. 2.58 lakhs higher than the Rs. 3.60 lakhs earned in 1954-55. The Directors have written back a sum of Rs. 2.70 lakhs, being the estimated surplus provision for taxation made in previous years and have transferred Rs. 2.50 lakhs to the general reserve. It may be stated here that the Directors had not made any allocation to the reserves in the previous two years.

The following comparative table, presenting the salient features of the Company's results for the past four years, gives an idea of its progress since 1953-54:

	For the year ended 31st October			
	1957	1956	1955	1954
	Rs.	Rs.	Rs.	Rs.
Sale proceeds of tea ..	19,98,825	19,93,952	16,93,362	16,61,898
Stocks of tea ..	3,82,839	4,65,202	3,64,579	5,03,030
Proceeds of coffee crop.	31,39,300	16,91,327	16,72,672	27,77,171
Stocks of coffee ..	11,46,985	2,54,140	5,70,842	
Other income ..	80,028	52,455	46,372	24,550
Expenses	45,75,657	33,63,946	32,70,591	29,84,500
Gross profit	14,52,778	1,57,708	10,77,235	18,49,600
Managing Agents' remuneration ..	1,07,813	50,135	69,869	81,750
Provision for—				
Depreciation ..	97,303	2,23,759	2,07,105	2,02,040
Taxation	6,30,000	60,000*	4,40,000	5,60,000
Net profit (+) or loss (—)	+6,17,662	—1,16,186	+3,60,261	+10,05,811
Transfer from reserves and excess provisions written back..	2,70,000	2,54,598	..	..
To reserves	2,50,000	..	..	4,51,084
Dividend	5,83,794 (30%)	1,94,598 (10%)	3,89,196 (20%)	5,83,794 (30%)
Carry forward ..	53,868	—75,787†	40,399	69,334
Tea crop (in lbs.) ..	1,053,521	987,979	934,600	934,600
Cost of production ..	nP. 160 31	Cents 158.91	Cents 139.63	Cents 129 96
Average price realised ..	182 39	212 36	207.67	231 37
Coffee crop (in cwts.).	19,554	6,309	10,707	13,826
Payment received from Board (Rs. per cwt.).	196	185.92	150.25	191.96

* Provided out of excess provision written back.
† Transferred to general reserve.

The tea crop for the year at 1,053,521 lbs. is a new record for the Company, having exceeded the previous best of 987,979 lbs. secured in 1954-55 by as much as 65,542 lbs. Despite this bumper crop, the upward trend in the cost of production has not been reversed. The average price realised is also lower. The coffee crop of 19,554 cwts. is more than thrice the crop of cwts. in the previous year. It is also a record, the previous peak being 17,060 in 1950-51. The improvement in production aided further by the higher price realised; in fact, it is the coffee crop which has contributed more to the highly successful working of the year under review.

The Company's estate, which consists of Outcherloney village, Gudalur consists of 19.674.49 acres. Of these acres are under tea (mature and immature 46.45 acres) under coffee (mature 2,715.2 205.25 acres). The area

	12,60,440
...	24,00,598
ents	36,600
...	2,37,194
	Rs. 1,57,16,547

Brackets relate to the previous year.

(Continued in pr

MYSORE CHEMICALS AND FERTILISERS

DIVIDEND MAINTAINED

THE results of the Mysore Chemicals and Fertilisers Ltd. (Chairman and Managing Director: Mr. K. Narayanaswamy, Mysore) for the year ended 31st March 1957 show that the Company's working during that year was better than that in the preceding year. Sale proceeds show a sizable improvement and along with them the profit also has gone up. The gross profit for the year under review at Rs. 4.51 lakhs has advanced by Rs. 1.41 lakhs from Rs. 3.10 lakhs for the previous year, to which level it had modestly receded from Rs. 3.87 lakhs earned two years earlier. Despite this mild decline, it can be fairly stated that the Company has maintained a somewhat steady progress. The net profit at Rs. 1.43 lakhs also stands slightly higher, as compared with Rs. 1.28 lakhs in the previous year. This has been arrived at after raising the provision for depreciation from Rs. 1.27 lakhs to Rs. 1.62 lakhs and that for taxation from Rs. 54,801 to Rs. 1.46 lakhs, including a sum of Rs. 15,000 as provision for wealth tax. No amount has been transferred to the reserves except the usual contribution of Rs. 12,000 to employees' retiring gratuity fund. The dividend has been maintained at the rate of 5 per cent. for the past few years.

The table given hereunder will give some idea of the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st March			
	1957	1956	1955	1954
Sale proceeds	26.76	19.77	N.A.	N.A.
Closing stock of finished goods..	1.70	5.25	N.A.	N.A.
Raw materials consumed ..	7.35	6.38	N.A.	N.A.
Other expenses	13.63	10.91	1.16*	1.30*
Gross profit	4.51	3.10	3.87	2.89
Depreciation	1.62	1.27	1.20	1.65
Taxation	1.46	0.55	1.18	..
Net profit	1.43	1.28	1.49	1.24
To reserves	0.12	0.12	0.12	..
Dividends	1.24	1.24	1.24	1.24
	(5%)	(5%)	(5%)	(5%)
Carry forward	0.12	0.05	0.14	0.01

N.A.—Not available. * Incomplete.

Sale proceeds during the year have increased by Rs. 6.99 lakhs to Rs. 26.76 lakhs. Cost of raw materials consumed has increased from Rs. 6.38 lakhs to Rs. 7.35 lakhs and other expenses from Rs. 10.91 lakhs to Rs. 13.63 lakhs. The fall in the closing stock of finished goods from Rs. 5.25 lakhs to Rs. 1.70 lakhs indicates that the Company's products are having a good demand.

The Directors report that the factory worked satisfactorily during the year under review. Despite dislocations and the fact that the Company had to pay heavily for the raw materials due to the crisis in the Middle East, it continued to maintain the normal flow of supplies to meet the agricultural needs of the country. Sales continued to show an improvement to the extent of the demand from the surrounding districts. The stock position in respect of essential raw materials and important spare parts was also satisfactory. As regards plant and equipment in the factory, the Directors state that a new motor generator set has been erected successfully and the trial runs have been completed. The new cell plant is under completion and further steps will be taken as soon as satisfactory decisions are arrived at in regard to power supply.

The Company was formed for the purpose of manufacturing and dealing in sulphuric and other acids, ammonia, ammonium sulphate and other salts of ammonia and such other chemicals as can be produced with the help of sulphuric acid, ammonia, etc. The Company meets many of the requirements of chemicals of the Government of Mysore. The factory is situated at Belaguli on the Mysore-Arsikere railway in Mysore District.

Private Government Company has a paid-up capital of Rs. 10 lakhs in ordinary shares of Rs. 10 each, reserves and surplus aggregate Rs. 6.82 lakhs. * Including bilities stand at Rs. 18.37 lakhs.

The above stock of a value of Rs. 54.30 lakhs rise in import aggregate Rs. 28.86 lakhs and cases, it is prop t liabilities and provision for of Government h e enough margin. ed appreciable ri corresponding imp paid-up shares are being drain on India's fore Rs. 6.85 *cum-div.* On an began in April 1956 ha works out to 7.87 per cent.

Points From The Chair

Taxation Policy

"ALREADY, in these ten years, in the range and incidence of direct taxation, we have achieved the unenviable distinction of being among the most heavily taxed countries in the world. We are the only country in which there is a direct tax on personal expenditure and where the combined rate of taxes on individual earnings and wealth can exceed 100 per cent. of income. So far as individuals, firms and companies are concerned, nowhere else are people called upon to bear so many different taxes and imposts. Can India, in her present stage of development, afford the pace which is being forced upon her, without gravely imperilling her capacity for the production of goods and services? No one can possibly question the concept of social justice and the compelling necessity of a wider diffusion of well-being throughout the community. But it is axiomatic that wealth has to be produced before it can be distributed. If the incentive to earn, to save and to spend is increasingly to be denied, where is it ultimately going to end up? If the answer is that, whatever happens, there can be no retreat from the Plan, it may well be asked whether the Plan is to be the master or the servant of the economy? In these last few months, there has been a greater responsiveness to informed criticism, and I would earnestly urge the need for a closer understanding between Government and the business community. The so-called vested interests may be conservative and their outlook may sometimes be suspect, but they have learnt a great deal in the last few years and have a real desire to employ their experience and resources for the general good; and they can inject a sense of realism into our planning which is sorely needed."

SIR HOMI MODY,
Central Bank of India Ltd.

Inflation

"While it is agreed that the credit restriction and tight money policy of the Government was necessary to combat inflation and protect the £, it nevertheless brought difficulties to manufacturers such as ourselves. It is hoped that the Chancellor will soon find it possible to ease this policy and reduce the burden of taxation to some extent. It must also be quite apparent to all that this is no time for general increases in wages or reduction of the working week to 40 hours. Every effort is being made by your Board to increase productivity and reduce costs which, in the long run, will benefit shareholders, employees and all connected with our company. The country's economy continues to be beset by so many uncertainties that no reliable forecast of what the future may hold for us is possible. So much will depend on whether inflation is definitely halted or not."

SIR M. GEORGE NAIRN, BT.,
Michael Nairn & Greenwich Ltd., Kirkcaldy

Wool Prices

"At this time a year ago I referred to the quite substantial advance in wool prices which, with occasional setbacks, had been going on since April 1956. This hardening tendency continued until May 1957. Between then and the end of our financial year, there was quite a recession. Although it is always difficult to pass on advancing raw material prices to customers, and then only after a considerable time lag, we derived some benefit from the general course of wool values during the first nine months of our year. This went some way to offset the otherwise narrowing margins of profit obtainable in the face of continued increases in production costs of every kind and severe competition for the business available, largely due, I think, to the generally accepted policy of keeping plants running. Otherwise, two things in particular adversely affected the past year's result. They were, first, the fall in values between the end of the Merino wool buying season and our stocktaking date, and, second, the Suez crisis which involved us in substantial additional charges for transport, power and other items in addition to difficulties and losses arising from delays in the shipment of wool from Australia and New Zealand."

SIR JOHN KEELING,
West Riding Worsted and Woollen Mills Ltd., Bradford

Nationalisation of Steel Industry

"The Socialists have now definitely reaffirmed their intention to renationalise this great basic industry (steel industry). It is very difficult to understand why the steel industry which has made such outstanding progress should be made a political cock-pit for the second time. Surely our record convinces every thinking person that it is not only being managed efficiently, but that our output is increasing adequately to meet the requirements of our home consumers, as well as simultaneously stepping up our exports. We are producing steel at a price which is highly competitive, and the labour in our industry is happily and contentedly employed. We are told that the largest factor in a disappointing year as regards our nationalised coal industry was absenteeism and that, in spite of more mechanisation, production does not improve but still tends to fall. We have never yet had to say that absenteeism in the steel industry has had any adverse effect upon output since, apart from genuine illness, it is completely unknown. It may well be that this is largely due to every man having a real interest in his job and accepting responsibility for preserving the standard of efficiency in the steel industry which has long been acknowledged."

G. H. LATHAM,
The Whitehead Iron and Steel Co., Ltd., Newport, Mon.

COMPANY MEETINGS AND DIVIDENDS

HINDUSTAN LEVER LTD. Annual General Meeting, Bombay, 7th April 1958. Dividend: Re. 1.40 per share, payable on 8th April 1958. Transfer books remain closed from 31st March to 7th April 1958, both days inclusive.

INDUSTRIAL INVESTMENT TRUST LTD. Annual General Meeting, Bombay, 8th April 1958. Dividend: Rs. 5.50 per share. Transfer books remain closed from 24th March to 8th April 1958, both days inclusive.

KOHINOOR MILLS COMPANY, LTD. Annual General Meeting, Bombay, 10th April 1958. Dividend: Rs. 12.00 per share (final), payable on and after 11th April 1958. Transfer books remain closed from 22nd March to 10th April 1958, both days inclusive.

RYAM SUGAR CO., LTD. Annual General Meeting, Calcutta, 10th April 1958. Dividend: Re. 1.50 per share or 15 per cent., free of income-tax. Transfer books remain closed from 29th March to 10th April 1958, both days inclusive.

WALCHANDNAGAR INDUSTRIES LTD. Annual General Meeting, Bombay, 11th April 1958. Dividend: Rs. 21.00 per share, without deduction of income-tax, payable on and from 30th April 1958. Transfer books remain closed from 22nd March to 14th April 1958, both days inclusive.

GODAVARI SUGAR MILLS LTD. Annual General Meeting, Bombay, 14th April 1958. Dividend: Rs. 20.00 per share. Transfer books remain closed from 1st to 14th April 1958, both days inclusive.

BOMBAY DYEING AND MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 17th April 1958. Dividend: Re. 1.75 per share (final), payable on or after 28th April 1958. Transfer books remain closed from 25th March to 17th April 1958, both days inclusive.

STANDARD MILLS CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 22.50 per share (includes bonus), payable from 12th May to 31st July 1958. Transfer books will remain closed from 7th to 28th April 1958, both days inclusive.

DUNLOP RUBBER CO. (INDIA) LTD. Annual General Meeting, Calcutta, 18th April 1958. Dividend: Re. 1.62 (16¼ per cent.) per share. Transfer books will remain closed from 7th to 27th April 1958, both days inclusive.

JAY SHREE TEXTILES LTD. Annual General Meeting, Rishra, Dist. Hooghly, West Bengal, 22nd April 1958. Dividend: Re. 0.50 per share. Transfer books will remain closed from 9th to 22nd April 1958, both days inclusive.

SWAN MILLS LTD. Annual General Meeting, Bombay, 23rd April 1958. Dividend: Rs. 25.00 per share, payable on and after 24th April 1958. Transfer books remain closed from 28th March to 23rd April 1958, both days inclusive.

GOLD MOHUR MILLS LTD. Annual General Meeting, Bombay, 24th April 1958. Dividend: Rs. 15.00 per share, payable on and after 25th April 1958. Transfer books remain closed from 28th March to 24th April 1958, both days inclusive.

FINLAY MILLS LTD. Annual General Meeting, Bombay, 25th April 1958. Dividend: Rs. 20.00 per share, payable on and after 26th April 1958. Transfer books remain closed from 28th March to 25th April 1958, both days inclusive.

MYSORE CHEMICALS AND FERTILISERS LTD. Annual General Meeting, Mysore, 25th April 1958. Dividend: Re. 0.50 per share. Transfer books will remain closed from 10th to 25th April 1958, both days inclusive.

MAFATLAL FINE SPG. AND MFG. CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 15.00 per share, payable from 5th May 1958 to 31st July 1958. Transfer books will remain closed from 11th April to 2nd May 1958, both days inclusive.

INDIAN ALUMINIUM COMPANY, LTD. Annual General Meeting, Calcutta, 28th April 1958. Dividend: Re. 0.60 per share. Transfer books remain closed from 5th to 28th April 1958, both days inclusive.

INDIA PAPER PULP CO., LTD. Interim dividend of Re. 0.50 (5 per cent.) per share, for the year ended 31st March 1958. Transfer books will remain closed from 8th to 17th April 1958, both days inclusive.

BINNY AND CO. (MADRAS) LTD. Final dividend of Rs. 6.00 per share, (making a total of Rs. 10.00 for the year) for the year ended 31st December 1957. Transfer books will remain closed from 11th to 25th April 1958, both days inclusive.

BUCKINGHAM AND CARNATIC CO., LTD. Final dividend of Rs. 6.00 per share (making a total of Rs. 10.00 for the year), for the year ended 31st December 1957. Transfer books remain closed from 3rd to 25th April 1958, both days inclusive.

BANGALORE WOOLLEN, COTTON AND SILK MILLS LTD. Final dividend of Rs. 6.00 per share (making a total of Rs. 10.00 for the year), for the year ended 31st December 1957.

VAIKUNDAM (TRAVANCORE) RUBBER CO., LTD. Final dividend of Re. 1.50 (15 per cent.) per share, on the increased capital of Rs. 8,80,010, for the year ended 31st December 1957. Transfer books will remain closed from 8th to 12th April 1958, both days inclusive.

TRAVANCORE RAYONS LTD. Dividend of Re. 1.00 per share or 10 per cent. for the year ended 31st December 1957.

JAWAHAR MILLS LTD. Dividend of Re. 0.75 (15 per cent.) per share, for the year ended 31st December 1957. Transfer books will remain closed from 17th to 30th April 1958, both days inclusive.

GOKUL RUBBER AND TEA PLANTATIONS LTD. Dividend of 6 per cent. for the year ended 31st December 1957. Transfer books remain closed from 5th to 15th April 1958, both days inclusive.

RESULTS OF BALRAMPUR SUGAR BETTER

INDUSTRIAL INVESTMENT TRUST RAISES DIVIDEND

Balrampur Sugar Co., Ltd.

THE directors of the above Company (Chairman: Mr. P. L. Saraogi, Kanpur, U.P.) submit the audited accounts of the Company for the year ended 30th June 1957.

The results for the period, after providing for all charges including provisions for taxation and taking into account earlier provisions no longer required, show a profit of Rs. 4,76,073 (loss of Rs. 69,251 after providing Rs. 70,000 for reserve for stock realisation and also depreciation of Rs. 1,35,000). From this amount has been deducted the carry forward loss from the previous year of Rs. 48,371 (credit of Rs. 20,880) leaving a balance of Rs. 4,27,702 (debit of Rs. 48,371). From the above balance has been deducted depreciation amounting to Rs. 1,30,000 and transfer to rehabilitation reserve of Rs. 1,70,000 (*nil*) leaving to credit of profit and loss account Rs. 1,27,702 (debit of Rs. 48,371). Out of this amount the directors recommend payment of a dividend of 25 nP (*nil*) per share free of income-tax, for the year ended 30th June 1957 Rs. 70,000 (*nil*) and carry forward to next account Rs. 57,702 (debit of Rs. 48,371).

The directors report that both the factories during the season 1956-57 had a record crop and the cane crushed was the highest recorded so far. Balrampur factory crushed 29,98,215 (18,65,905) lakh mds. with an extraction of 8.93 (9.57) per cent., while Tulsipur factory crushed 39,66,299 (22,00,961) lakh mds. with an extraction of 9.19 (9.97) per cent. The extraction on the low side can be partly attributed to the early start and late closure of the factories and the lower average sugar content.

Balrampur factory commenced crushing on 12th November, 1956 and finished on 24th April, 1957. Tulsipur factory commenced crushing on 12th November, 1956 and finished on 22nd June, 1957.

The cane price remained at the same rate of Re. 1-7-0 at the factory gate and Re. 1-5-0 at outstation, and these favourable prices and good crops due to early and timely rainfall resulted in availability of more cane. Sales and despatches were satisfactory. About 7,000 tons of sugar were sold for export during the current year. The sugar produced in India during the period was the highest recorded at 20.29 lakh tons.

The Government of India increased excise duty on sugar from Rs. 5.62 per cwt. to Rs. 11.25 per cwt. with effect from 16th May, 1957. Further an additional excise duty of Rs. 3.31 per cwt. in lieu of Central and State sales tax has been imposed with effect from 14th December, 1957.

While the efficiency of both factory operations continued at a high level, the directors feel that both the factories require extensions and reconstructions of some of their machines in order to increase their efficiency and show better result. The matter is still under investigation and proper steps shall be taken after full report is received.

Due to severe drought the directors regret to report that the crop expected to be crushed during the next season in Balrampur shall be about 26 lakh maunds and in Tulsipur about 30 lakh maunds.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	14,00,000	Block ...	11,80,146
Reserves ...	15,30,406	Stock-in-trade	81,72,135
Provision for taxation ...	2,15,797	Stores, spare parts and loose tools	9,66,261
Liabilities ...	88,24,477	Debts, deposits and advances ...	13,09,549
Profit and loss account ...	57,702	Cash ...	4,00,291
	Rs. 1,20,28,382		Rs. 1,20,28,382

Industrial Investment Trust Ltd.

The directors of the above Company (Secretaries and Treasurers: Messrs. Premchand Roychand and Sons, Bombay) present the audited accounts of the Company for the year ended 31st December 1957.

The net revenue for the year amounted to Rs. 5,92,898 (Rs. 5,99,628) to which is added the amount transferred from capital reserve (net loss on sale or redemption of investments) Rs. 15,922 (*nil*), tax assessed on "capital gains" for the year ended 31st December 1956, transferred from capital reserve Rs. 4,912 (*nil*), refund of income-tax adjusted during the year in respect of assessment years 1949-50 and 1950-51 Rs. 23,116 (U.K. income-tax Rs. 2,621) and the amount brought forward from the previous year of Rs. 3,23,874 (Rs. 7,33,137) making a total of Rs. 9,60,722 (Rs. 13,35,386). From this amount the directors have set aside towards tax assessed for the assessment years 1954-55 to 1957-58 a sum of Rs. 2,30,123 (*nil*) and wealth tax assessed for 1957-58 Rs. 5,916 (*nil*) leaving a balance to be dealt with of Rs. 7,24,683 (Rs. 13,35,386). The directors recommend the payment of a dividend at the rate of 5½ per cent. per annum, i.e., Rs. 5.50 (Rs. 5.00) per share, free of income-tax, which will absorb Rs. 5,50,000 (Rs. 5,00,000) leaving a balance to be carried forward of Rs. 1,74,683 (Rs. 3,23,875 after paying Rs. 4,50,000 as dividend for the year ended 31st December 1955 at the rate of Rs. 4.50 per share, free of income-tax and after transferring Rs. 11,511 to capital reserve and Rs. 50,000 to investment reserve) subject to provision for taxation for the year ended 31st December, 1957.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	99,99,250	Block ...	3,507
Reserves ...	20,13,147	Investments	1,26,47,492
Provision for taxation ...	1,41,786	Loans and advances ...	76,974
Liabilities ...	7,11,328	Cash ...	3,12,221
Profit and loss account†	1,74,683		
	Rs. 1,30,40,194		Rs. 1,30,40,194

†Subject to taxation for the year ended 31st December 1957.

Ryam Sugar Co., Ltd.

The directors of the above Company (Registered Office, Calcutta) submit the audited accounts of the Company for the year ended 30th June 1957.

The profit and loss account reveals a net profit of Rs. 1,64,412 (Rs. 1,99,788) after providing Rs. 65,141 (Rs. 96,266) for depreciation and Rs. 2,44,000 (Rs. 2,07,000) for taxation. An amount of Rs. 2,559 has been written back from the provisions made during the previous year for administration charges under the Employees Provident Funds Act, 1952. There was also a carry forward of Rs. 13,204 (Rs. 5,264) from the previous year's profit and loss account. Including these two amounts, the credit balance in the profit and loss account is Rs. 1,80,175 (Rs. 3,76,204 after adjustment) and the directors recommend that this amount be appropriated as under:—

In payment of dividend on preference shares at 6 per cent. (free of income-tax) for the year ended 30th June 1957 Rs. 48,000 (Rs. 48,000), in payment of dividend on the ordinary shares at 15 (17½) per cent. (free of income-tax) for the year ended 30th June 1957 Rs. 1,20,000 (Rs. 1,40,000) and to transfer to development reserve Rs. 10,000 (Rs. 1,25,000 to general reserve and Rs. 50,000 to rehabilitation reserve) leaving a balance to be carried forward to the next account of Rs. 2,175 (Rs. 13,204).

The factory commenced crushing operations on 22nd November 1956 and closed on 17th June 1957. The cane crushed amounted to 32,32,812 (25,77,959) mds. which was the highest crush recorded in the past 16 years. The factory had to run a longer season than was desirable, as cane supply from the area allotted to the factory, which the factory was obliged to take up, continued up to the closing date mentioned. Recovery during the latter part of the season went down as low as 3.23 per cent. but the directors were still able to obtain an average of 9.14 (10.44) per cent. As a compensation for the loss suffered by us through low recovery, during the prolonged crushing season, the Government of Bihar has agreed to pay a cane cess rebate of Rs. 78,660. The amount of compensation is not adequate in the directors' opinion and necessary representations have been made to the said Government.

Cane prices continued at Re. 1-7-0 per md. at the factory gate and Re. 1-5-0 per md. at outstations. These price levels kept up the incentive to growers referred to in the directors' last report and cane cultivation in the area had increased considerably over the previous year.

The Company sold 34,494 bags of sugar for export through Indian Sugar Mills' Association whom the Government of India had entrusted with export of sugar in accordance with its export programme.

It is considered that it will be in the interests of the Company and also cane growers of the area to expand the factory. With a higher crushing capacity, the factory will be able to take up the cane from the area allotted to it in a shorter time and can thereby avoid loss to the growers through driage and loss to the factory through low recovery. There have also been requests from the growers of the area for expanding the factory so that they may increase cultivation and be able to dispose of their cane in time. The Company considers that expansion of the factory will be to its advantage under the present conditions, but inadequacy of transport facilities is being a great impediment to any scheme of expansion. The nearest railway station, Tarsarai, is about 7½ miles from the factory and is now linked with a narrow-gauge tram line. This line is not capable of taking up any additional traffic load. Expansion of the factory will mean considerable increase in the outward and in-ward traffic and unless the Company has sufficient traffic facilities to cope with the additional traffic load no scheme of expansion can be taken up. The directors have requested the North Eastern Railway to construct a metre-gauge railway line from Tarsarai to the factory and to provide with a railway siding. This request which has also been recommended by the State Government of Bihar, is under consideration of the railway administration. If the railways provide the Company with the facilities requested for, it will be able to implement schemes of expansion and thereby be able to increase the output of the factory.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	16,00,000	Block ...	5,42,46[illegible]
Reserves ...	6,21,932	Stock-in-trade	48,14,99[illegible]
Provision for taxation ...	5,88,363	Stores, spare parts and loose tools	7,30,57[illegible]
Liabilities ...	45,47,989	Debts, deposits and advances ...	7,39,27[illegible]
Profit and loss account ...	2,175	Investments	2,10,00[illegible]
		Cash ...	3,23,15[illegible]
	Rs. 73,60,459		Rs. 73,60,45[illegible]

Champarun Sugar Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Begg, Sutherland & Co. Private Ltd., Kanpur, U.P.) submit the audited accounts of the Company for the year ended 30th June 1957.

The results for the year, after making the usual provisions for taxation, depreciation and adjustments, show a loss of Rs. 3,72,666 (profit of Rs. 5,50,484) from which has been deducted the debit balance brought forward from the previous year of Rs. 29,503 (Rs. 24,019) leaving at debit of Rs. 3,43,163 (credit of Rs. 5,74,503 from which was transferred Rs. 1,10,000 to contingency reserve; Rs. 2,55,000 to rehabilitation reserve and Rs. 1,80,000 was paid as dividend at the rate of Re. 1.00 per share, leaving to be carried forward Rs. 29,503).

The adverse trading results during the year have been almost entirely due to the very poor quality of sugarcane supplied to the factories. The quality of cane crushed at both factories is the worst recorded in the past 20 years. The relative figures for crush and extraction are given in the following table:

		Barrah	*Champatia*
Cane crushed (Mds.)—			
1955-56		35,52,767	20,69,019
1956-57		35,32,463	27,60,361
Yield of sugar % cane—			
1955-56	per cent.	9.54	9.89
1956-57		8.57	9.31
Starting date		10th Nov., 1956	20th Nov., 1956
Finishing date		12th May, 1957	17th April, 1957

While the directors continue to make every effort to develop and improve the supplies of sugarcane to the factories, the abnormal climatic conditions together with an adverse varietal position obtaining in Champaran District in 1956 produced a very poor quality of cane throughout the district. The industry has referred the matter of poor cane quality to the Government of Bihar on many occasions and has recently reinforced its arguments by pointing to the results of the year's working. It is to be hoped that Government, both of the State and at the Centre, will renew their efforts to improve cane quality and so avoid such disastrous trading conditions.

The cane price remained at the previous rate of Re. 1-7-0 per maund at the factory gate and Re. 1-5-0 per maund at outstations and these prices had to be paid irrespective of the quality of the cane supplied. While it is understood that increasing attention is being given in Government circles to the possibility of relating cane prices to quality, the results of the Company for the year under review afford a striking example of the consequences of paying for cane on the basis of its weight only.

During the year the Government increased the excise duty on sugar by 100 per cent. to increase the price of sugar to the consumer without in any way increasing the profits to the manufacturer. Indeed for some period after the increase in excise duty a part of it had to be borne by the Company as the market would not absorb the extra price. The stocks of sugar remaining as at 30th of June 1957 have been valued taking into consideration the new excise duty and accordingly it is not necessary to make provisions for a fall in the value of stocks.

The efficiency of both factories continued at a high level despite the poor quality of raw material crushed. The sugar produced was in good demand in the sugar market.

For the current season the prospects appear somewhat brighter, in that the very dry conditions have assisted in improving the quality of the cane which may increase its sugar yield.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	18,00,000	Block ...	25,50,7[illegible]
Reserves ...	34,56,103	Stock-in-trade	82,22,[illegible]
Provision for taxation ..	1,12,422	Stores, spare parts and loose tools	[illegible]
Liabilities ...	1,03,48,022	Debts, deposits and advances	during September,
		Investm	1958.
		Cash	Board,
	Rs. 1,57,16,547		ERI & Co., C. JAVERI, Partner, Managing Agents.

N.B.—Figures within corresponding period of t

Notices

THE VISHNU COTTON MILL LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Fifty-first Annual General Meeting of the above Company will be held at the Registered Office of the Company, No. 9, Wallace Street, Fort, Bombay, on Wednesday the 23rd day of April 1958, at 4-30 p.m. (S.T.), for the purpose of transacting the following business:—

(1) To receive and adopt the Directors' Report and the audited statement of accounts for the year ended 31st December 1957.

(2) To sanction the declaration of a dividend on the Preference Shares.

(3) To elect a Director in place of Mr. C. M. Khatau, who retires by rotation, but being eligible offers himself for re-election.

(4) To elect a Director in place of Mr. M. H. Phillips, who retires by rotation, but being eligible offers himself for re-election.

(5) To appoint Auditors for the current year and to fix their remuneration.

(6) To consider and if thought fit to pass the following resolution as a Special Resolution in respect of which a special notice as required by Section 261 of the Companies Act, 1956, has been received by the Company.

"RESOLVED that Mr. Jaisinh Vithaldas, who is a member and a Director of Messrs. Vissanji Sons & Co. (Private) Ltd., who are the owners of the firm of Mathuradas Vissanji & Co., which holds an office or place of profit under the Company as its Cotton Buying Agents, be and is hereby appointed a Director of the Company."

To consider and if thought fit to pass the following Resolutions as Special Resolutions:—

(7) That pursuant to Section 369 of the Companies Act, 1956, The Bombay Company (Private) Limited, the Managing Agents of the Company, be and they are hereby authorised to retain all commission or other remuneration earned or to be earned by them at any time as representatives of Messrs. Sociedad Mercantil (Exportacion) S. A. Lima (Peru) on any sales to the Company by the said Messrs. Sociedad Mercantil (Exportacion) S. A. and which are required to be purchased by the Company in the normal course of business from Messrs. Sociedad Mercantil (Exportacion) S. A. and provided that the prices charged to the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable.

(8) That pursuant to Section 359 of the Companies Act, 1956, The Bombay Company (Private) Limited, the Managing Agents of the Company, be and they are hereby authorised to retain all commission or other remuneration earned or to be earned by them at any time as representatives of Messrs. H. Kupper & Co., Alexandria (United Arab Republic), on any sales to the Company by the said Messrs. H. Kupper & Co. and which are required to be purchased by the Company in the normal course of business from Messrs. H. Kupper & Co. provided that the prices charged to the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable.

(9) That the Articles of Association shall be altered in manner following:—

The following Article shall be substituted for Article 94, namely:—

94. Each Director shall be paid out of the funds of the Company by way of remuneration for his services a sum not exceeding Rs. 100 for each Meeting of the Board attended by him. The Company may from time to time by Ordinary Resolution, increase the remuneration to be paid to the Directors."

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:—

(10) That the Company hereby approves of the appointment and consents to the continuation of the appointment of the following firms as Selling Agents of the Company's products in the respective areas mentioned against them for a period of five years from 1st January 1958 with a proviso that the arrangement may be terminated by six months' notice by the Board or by the Selling Agents.

Name of Agents	*Area or Place*
Messrs. Jwalaprasad Radhakrishna.	Markets of Uttar Pradesh State
Messrs. Dwarkaprasad Chiranjee Lal.	Markets of Bihar State
Messrs. Sohanlal Mehra & Brothers.	Markets of Jamma & Kashmir State
Messrs. Jagdishprasad Dulichand.	Markets of Assam State
Shri Bholanath Sen as sales representative.	Markets of West Bengal and Orissa

By Order of the Board.

THE VISHNU COTTON MILL LIMITED,
For THE BOMBAY COMPANY (PRIVATE) LIMITED,
E. S. VERNON-JONES,
Managing Director,
Managing Agents.

9, WALLACE STREET,
BOMBAY, *25th March* 1958.

Note.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Company.

Warrants for the Preference dividend, if declared, will be posted to shareholders on 19th May 1958 and will be payable on and from that date.

The Transfer Books of the Company will be closed from 1st May 1958 to 15th May 1958 both days inclusive.

Shareholders are requested to notify to the Company any change of address, failing which their dividend warrants will be posted to the addresses as registered with the Company.

Explanatory Statement as Required by Section 173(2) of the Companies Act, 1956.

(1) Mr. E. S. Vernon-Jones is interested in the Special Resolutions Nos. 7 and 8 in that he is a Managing Director and shareholder of The Bombay Company (Private) Limited, the Managing Agents of the Company.

(2) The Bombay Company (Private) Limited, the Managing Agents of the Company, are interested in Special Resolutions Nos. 7 and 8.

Special Resolution under item 6

Mr. Jaisinh Vithaldas has been a Director of your Company and in view of his long experience of the textile industry, the Board consider it most desirable that the Company should once again be in a position to avail itself of his invaluable services.

Mr. Jaisinh Vithaldas is a Director and member of Vissanji Sons & Co. (Private) Ltd. which company owns the firm of Messrs. Mathuradas Vissanji & Co. who are the Company's Cotton Buying Agents. By a Special Resolution passed at an Extraordinary General Meeting of the Company held on 13th April 1956, the Company accorded its consent to the firm of Mathuradas Vissanji holding the office or place of profit as Cotton Buying Agents under the Company within the meaning of Section 314 of the Companies Act, 1956.

The appointment of Mr. Jaisinh Vithaldas requires a Special Resolution of the members of the Company.

Special Resolutions Items 7 and 8.

Messrs. Sociedad Mercantil (Exportacion) S. A. Lima (Peru) and Messrs. H. Kupper & Co. Alexandria (United Arab Republic), from whom the Company purchases respectively Peruvian and Egyptian cotton, are both represented in India by The Bombay Company, (Private) Limited, Managing Agents of the Company, who were authorised to retain commission earned on such purchases by special resolutions passed on 30th June 1956 in accordance with the provisions of Section 359 of the Companies Act, 1956. The present resolutions therefore only seek renewal of the authority previously given.

Special Resolution Item 9.

The Directors are prepared as a temporary measure, to act for reduced remuneration. The Company is advised that this proposal should be effected by the substitution of a new Article for Article 94 which alteration requires a special resolution of the members. In terms of the proposed new Article the remuneration of the Directors may be fixed at a lesser rate than that laid down.

Ordinary Resolution Item 10.

Your confirmation in accordance with Section 294 of the Companies Act, 1956, is sought for these appointments of Selling Agents in the territories mentioned in the resolution. Copies of the respective Agreements (for the sake of identity initialled by the Chairman) may be inspected at the Registered Office of the Company during business hours.

By Order of the Board,

THE VISHNU COTTON MILL LIMITED,
For THE BOMBAY COMPANY (PRIVATE) LIMITED,
E. S. VERNON-JONES,
Managing Director,
Managing Agents.

9, WALLACE STREET,
BOMBAY, *25th March* 1958.

THE LAKHSHMI COTTON MANUFACTURING COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Sixty-third Annual General Meeting of the above Company will be held at the Registered Office of the Company, No. 9, Wallace Street, Fort, Bombay, on Thursday the 24th day of April 1958, at 4-30 p.m. (S.T.), for the purpose of transacting the following business:—

(1) To receive and adopt the Directors' Report and the audited statement of accounts for the year ended 31st December 1957.

(2) To sanction the declaration of a Dividend.

(3) To elect a Director in the place of Sir Vithal N. Chandavarkar, who retires by rotation and is eligible for re-election and to consider and, if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company.

"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Sir Vithal N. Chandavarkar who has attained the age of 70 years and who retires by rotation be and is hereby re-elected a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

(4) To appoint a Director in place of Mr. Pratapsinh Mathuradas, who retires by rotation, but who is eligible for re-election, and to consider and, if thought fit, to pass the following resolution as a Special Resolution.

"RESOLVED that Mr. Pratapsinh Mathuradas who is a member and a Director of Messrs. Vissanji Khimji & Co. Private Ltd. which holds an office or place of profit under the Company as its Cotton Buying Agents, be and is hereby re-elected a Director of the Company."

(5) To appoint Auditors for the current year and to fix their remuneration.

Special Business:

To consider, and if thought fit to pass the following Resolution as an Ordinary Resolution:—

(6) That the Company hereby approves of the appointment and consents to the continuation of the appointment of the following firms as Selling Agents of the Company's products in the respective areas mentioned against them for a period of five years from 1st January 1958 with a proviso that the arrangements may be terminated by six months' notice by the Board or by the Selling Agents.

Name of Agents	*Area or Place*
Messrs. Jwalaprasad Radhakrishna.	Markets of Uttar Pradesh State
Messrs. Dwarkaprasad Chiranjee Lal.	Markets of Bihar State
Messrs. Sohanlal Mehra & Brothers.	Markets of Jammu & Kashmir
Messrs. Jagdishprasad Dulichand.	Markets of Assam State
Shri Bholanath Sen as sales representative.	Markets of West Bengal and Orissa

To consider, and if thought fit to pass the following Resolution as a Special Resolution:—

(7) That the Articles of Association shall be altered in manner following:

The following Article shall be substituted for Article 86, namely:—

"86. Every Director shall at the time of his appointment and thenceforth during his continuance in office hold in his own name shares in the Company of the nominal value of Rs. 5,000 at the least. Each Director shall be paid out of the funds of the Company by way of remuneration for his services a sum not exceeding Rs. 100 for each Meeting of the Board attended by him. The Company may from time to time in General Meeting, by ordinary resolution, increase the remuneration to be paid to the Directors."

By Order of the Board.

For THE LAKHSHMI COTTON MANUFACTURING COMPANY LIMITED,
E. S. VERNON-JONES,
Chairman.

Note.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Company.

Warrants for the Dividends, if declared, will be posted to shareholders on 29th April 1958 and will be payable on and from that date.

The Transfer Books of the Company will be closed from 11th April 1958 to 25th April 1958 both days inclusive.

Shareholders are requested to notify to the Company any change of address, failing which their dividend warrants will be posted to the addresses as registered with the Company.

Explanatory Statement as Required by Section 173(2) of the Companies Act, 1956.

Resolution under item 3.

Sir Vithal N. Chandavarkar, a Director of the Company, who retires by rotation and is eligible for re-election, has attained the age of 70 years and he cannot, therefore, be appointed a Director of the Company except by a Resolution in respect of which a special notice has been given in accordance with sections 190 and 281 of the Companies Act, 1956. The Company has received such a special notice from some members notifying their intention to move the resolution as set out under item 3. It is in the interests of the Company that the experience and valuable services of Sir Vithal N. Chandavarkar should continue to be made available and accordingly the resolution is commended for acceptance.

Special Resolution under Item 4

Mr. Pratapsinh Mathuradas is a Director and member of Vissanji Khimji & Co. (Private) Limited who are the Company's Cotton Buying Agents. By a Special Resolution passed at an Extraordinary General Meeting of the Company held on 13th April 1956 the Company accorded its consent to Vissanji Khimji & Company (Private) Limited holding the office or place of profit as Cotton Buying Agents under the Company within the meaning of section 314 of the Companies Act, 1956. It is most desirable that the Company continues to receive the benefit of Mr. Pratapsinh Mathuradas' experience acquired over many years, of the textile industry in this country.

Ordinary Resolution No. 6.

Your confirmation in accordance with section 294 of the Companies Act, 1956, is sought for these appointments of Selling Agents in the territories mentioned in the resolution. Copies of the respective Agreements (for the sake of identity initialled by the Chairman) may be inspected at the Registered Office of the Company during business hours.

Special Resolution Item 7.

The Directors are prepared, as a temporary measure, to act for reduced remuneration. The Company is advised that this proposal should be effected by the substitution of a new Article for Article 86 which alteration requires a special resolution of the members. In terms of the proposed new Article the remuneration of the Directors may be fixed at a lesser rate than that laid down.

By Order of the Board,

For THE LAKHSHMI COTTON MANUFACTURING COMPANY LIMITED,
E. S. VERNON-JONES,
Chairman.

9, WALLACE STREET,
BOMBAY, *26th March* 1958.

THE SASSOON SPINNING AND WEAVING COMPANY, LIMITED

THE EIGHTY-FIFTH ANNUAL GENERAL Meeting of The Sassoon Spinning and Weaving Company, Ltd., will be held at the Registered Office of the Company, Mafatlal House, Backbay Reclamation, Bombay-1, on Monday, the 28th April, 1958, at 3 p.m. (S.T.), to transact the business as per Notice circulated to the Shareholders along with the Explanatory Note pertaining thereto.

By Order of the Board of Directors,
M. G. INVESTMENT CORPORATION PRIVATE LIMITED,
ARVIND N. MAFATLAL,
Director,
Managing Agents.

MAFATLAL HOUSE,
BACKBAY RECLAMATION,
BOMBAY-1, *8th March*, 1958.

N.B.—(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(2) The Transfer Books of the Company will be closed from Friday, the 11th April, 1958, to Friday, the 2nd May, 1958 both days inclusive.

(3) Dividend as recommended by the Directors, when sanctioned at the General Meeting, will be paid from Monday, the 5th May, 1958, to Thursday, the 31st July, 1958, at the United Commercial Bank Limited, Reclamation Branch, Bombay-1, during business hours, and thereafter at the Registered Office of the Company during office hours, excepting on Saturdays, to those Shareholders whose names are on the Company's Register on Friday, the 2nd May, 1958.

THE MAFATLAL FINE SPINNING AND MANUFACTURING COMPANY, LTD.

THE TWENTY-SEVENTH ANNUAL GENERAL Meeting of The Mafatlal Fine Spinning and Manufacturing Company, Ltd., will be held at the Registered Office of the Company at Mafatlal House, Backbay Reclamation, Bombay 1, on Monday, the 28th April 1958, at 2.30 p.m., (S.T.), to transact the business as per Notice circulated to the Shareholders along with the Explanatory Note pertaining thereto.

By Order of the Board of Directors.
NAVINCHANDRA PURSHOTAMDAS & Co., LTD.,
YOGINDRA N. MAFATLAL,
Director,
Managing Agents.

MAFATLAL HOUSE,
BACKBAY RECLAMATION,
BOMBAY-1, *8th March*, 1958.

N.B.—(*a*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*b*) The Transfer Books of the Company will be closed from Friday, the 11th April 1958, to Friday, the 2nd May, 1958—both days inclusive.

(*c*) The Dividends as recommended by the Directors when sanctioned by the Shareholders will be paid at The Bank of Baroda Ltd., Reclamation Branch, Bombay 1, from 5th May 1958 to 31st July 1958, during business hours and thereafter at the Registered Office of the Company during Office hours, excepting Saturdays, to those Shareholders whose names are on the Company's Register on 2nd May, 1958.

Shareholders are requested to intimate to the Company immediately any change in their Registered address.

THE STANDARD MILLS COMPANY LIMITED

THE SIXTY-THIRD ANNUAL GENERAL Meeting of The Standard Mills Company, Ltd., will be held at the Registered Office of the Company at Mafatlal House, Backbay Reclamation, Bombay-1, on Monday, the 28th April 1958, at 4 p.m. (S.T.), to transact the business as per notice circulated to the Shareholders along with the Explanatory Note pertaining thereto.

By Order of the Board of Directors.
For THE STANDARD MILLS CO., LTD.,
MAFATLAL GAGALBHAI & SONS,
Managing Agents.

MAFATLAL HOUSE,
BACKBAY RECLAMATION,
BOMBAY, 1, *8th March* 1958.

N.B.—(1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(2) (*a*) The Transfer Books of the Company will remain closed for the purpose of payment of Dividends from Monday, 7th April 1958, to Monday, 28th April 1958 (both days inclusive).

(*b*) The Transfer Books of the Company will remain closed for the purpose of issue of Ordinary Bonus Shares, from Monday, 19th May 1958, to Monday, 26th May, 1958 (both days inclusive).

(3) The Dividends when sanctioned will be made payable from Monday, 12th May 1958 to Thursday, 31st July 1958, at the Bank of Baroda Ltd., Reclamation Branch, Bombay, during banking hours and thereafter at the Registered Office of the Company during office hours on all week days to those shareholders whose names stand on the Register on Monday, 28th April 1958. The shareholders are requested to intimate immediately any change in their registered address to the Company.

THE TITAGHUR PAPER MILLS COMPANY, LIMITED

NOTICE OF INTERIM DIVIDENDS

THE BOARD OF DIRECTORS OF THE above Company has sanctioned payment of the following Interim Dividends in respect of the Company's Financial year ending 31st March, 1958, without any deduction for Income-tax payable by the Company:—

	Per share Rs. nP.
On 8 per cent. First Cumulative Preference Shares	4.00
On 4½ per cent. Second Cumulative Preference Shares	2.25
On Preferred Ordinary Shares ...	0.12
On "A" and "B" Ordinary Shares—Dividend	0.88
and Bonus	0.25

These Dividends will be payable on or after 5th May 1958, to those Shareholders (or their Mandatees) whose names appear in the Company's books on 22nd April, 1958, as the Registered holders of the above Shares.

The Share Transfer Registers of the Company will be closed from 8th to 22nd April, 1958, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agents.

CHARTERED BANK BUILDINGS,
CALCUTTA, *26th March*, 1958.

THE AMALGAMATED ELECTRICITY COMPANY, LIMITED

THE REGISTERS OF MEMBERS AND Transfer Books of the Company will be closed from 14th to 22nd April, 1958, both days inclusive, in connection with *Ad-interim* dividend for the half-year ended 30th September, 1957, payable on or after 23rd April, 1958.

By Order of the Board,
For N. C. JAVERI & Co.,
N. C. JAVERI,
Partner,
Managing Agents.

BOMBAY, 31st *March*, 1958.

GILT-EDGED FIRM

(From Our Own Correspondent)

BOMBAY, 1st *April*

The short-term money market ruled fairly steady during the week under review. With the financial year-end requirements having been satisfied, the demand for funds was confined only to trade and crop movement. The credit requirements for these purposes nevertheless exceeded the available supplies in the market and interest rates were, therefore, well held at the previous week's levels. Inter-bank call money continued to be bid at 3 per cent. among the Exchange banks and big Indian banks and at 3¼ per cent. among the smaller banks. House money at call was offered 4¼ to 4⅜ per cent. and short-term deposits at 4⅛ to 4¼ per cent. for one to six months.

An expansion of Rs. 7.31 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 28th March 1958. Notes held in the Banking Department are lower by Rs. 6.76 crores and the fractional change in total notes is covered by a corresponding increase in rupee coin. There is no change in rupee securities or foreign securities, but balances held abroad (in the Banking Department) have suffered a fall of Rs. 7.19 crores. There has been a decline of Rs. 1.37 crores in deposits of the Central Government and of Rs. 22.73 crores in deposits of other Governments. Deposits of banks show no notable variation. Loans and advances to Governments have fallen by Rs. 2.97 crores, while other loans and advances have gone up by Rs. 3.84 crores, of which advances to Scheduled banks against usance bills account for Rs. 3.05 crores.

The Scheduled banks statement for the week ended 21st March 1958 discloses a rise of Rs. 2.74 crores in demand deposits and of Rs. 92 lakhs in time deposits. Borrowings from the Reserve Bank have also gone up by Rs. 1.49 crores. There has been an increase of Rs. 8.40 crores in advances and of Rs. 3.40 crores in bills purchased and discounted. Cash balances and money at call show no notable variations.

The Gilt-edged market ruled firm during the week under review. There was good demand for short and long-dated issues, which together with the scarcity of stocks and the further increase in the selling prices of some of the securities by the Reserve Bank lifted up prices. The Reserve Bank put up its price of 3½ per cent. 1964 by a further 10 nP to Rs. 98.10. 3¾ per cent. 1967 by 5 nP to Rs. 99.75 and 4 per cent. 1972 by 5 nP to Rs. 100.60. In the State loans section also, short-dated issues were in good demand, while long-dateds were steady but dull.

3 per cent. 1986 Conversion Loan was featureless and attracted sellers at Rs. 71. 3 per cent. 1970-75 had buyers 10 nP higher at Rs. 86.30. 3 per cent. 1966-68 attracted attention and gained 10 nP to Rs. 92.45. 3 per cent. 1964 was marked up by 10 nP to Rs. 94.50 and 3 per cent. 1963-65 by 15 nP to Rs. 94.55. 3½ per cent. 1962 had sellers at Rs. 97.90 and 3½ per cent. 1961 at Rs. 99.65. 3½ per cent. 1965 was on offer at Rs. 97.70 and 3½ per cent 1967 at Rs. 97.65. 3¾ per cent. 1974 had sellers at Rs. 98.20.

HIDES DECLINE

(From Our Own Correspondent)

MADRAS, 31*st March*

Trading in kips with the U.K. has been negligible, as importers have kept out of the market. It is reported that business will be resumed, if prices decline by 8 to 10 per cent. on January levels. E. I. tanners will be hard hit, as their inventories cost them more. Arrivals of tanned hides and calves are small, clearance fair sized, and prices have declined by one anna per lb. further.

There has been no change in the tanned skins market and shipment business in this section also has been poor.

In the March London auctions, tanned sheep skins good qualities maintained January levels at the close, though, on the opening, prices were weak. Other sorts declined 6*d.* to 1*s.* per lb. and old parcels 1*s.* to 2*s.* less on January rates were sold.

LINSEED RISES

(Messrs. A. Bradley and Co.)

CALCUTTA, 31*st March*

Firm conditions continued to prevail in the linseed market during the week under review. Although there was no further rise, price levels were well maintained. Shortage of supplies was the main feature again, and there were virtually no offers of new crop seeds from upcountry centres. The price of oil advanced slightly, more as a result of scarce supplies than increased demand. Enquiries from shippers were negligible. Despite an increase in U.K. prices to £110, fresh business was unworkable, except from Bombay where cheap charter freight was reported to be available.

The latest available quotations are: Ready Rs. 23-6 and April-May Rs. 23-4 per maund.

HIDES WELL MAINTAINED

(From Our Own Correspondent)

KANPUR, 31*st March*

During the week under review, the hides and skins market was firm. In relation to the fresh supplies, demand was quite strong and the accumulated stocks were cleared straightaway. The chief purchasers were the local tanners led by Messrs. Cooper Allens. The Madras dealers and the country tanners were keen buyers of the lighter variety of cow as well as goat and sheep.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 340, and 3rd grade Rs. 210 per score; wet salted buff 1st grade Rs. 210 per score and grade 1 lb. 12 ozs. per rupee; 1 lb. 6 ozs. and 2nd grade 1 lb. 12 ozs. per rupee; goat 1st grade Rs. 310 and 2nd grade Rs. 285 per 100 pieces; sheep 1st grade Rs. 335 and 2nd grade Rs. 280 per 100 pieces.

SILVER MOVES UP

(From Our Own Correspondent)

BOMBAY, 1*st April*

The imposition of heavy margins on daily outstanding purchases of over 40 bars of silver and *on budla charges above* Re. 1 in favour of bulls did not have any adverse effect on prices during the week under review. *On the contrary*, silver made a further small headway but at higher levels, there was a hesitancy. The prospect of having to pay a margin of Rs. 500 per bar on all outstanding purchases in the current settlement if the price crossed Rs. 196, that is, Rs. 7 above the starting rate, kept the forward rate well within this limit. The *budla* charges in favour of buyers in silver at one time touched Re. 1 early in the week, but subsequently narrowed down to As. 8 to As. 9, in view of the deterrent penalties. The total amount of margins paid by the "bulls" up to yesterday on their outstanding purchases in silver under the amended by-laws enforced last week is said to be to the tune of Rs. 9.40 lakhs.

After an initial spell of steadiness, gold ruled quiet with a minor setback in prices due to a contraction in demand in the ready section. Reports of inflow of smuggled metal also damped sentiment.

Silver for forward delivery (April settlement) moved up from Rs. 195-4 to Rs. 195-14 before reacting to Rs. 195 on Friday last. There was, however, a revival to Rs. 196 yesterday before giving way to Rs. 195-12 at the close of business today. The May settlement came up to Rs. 195-7, from last week's closing of Rs. 194-9, but closed at Rs. 195-3.

Ready silver finished at Rs. 196-3, as against Rs. 195-8 a week ago. The floating stocks of silver are estimated at 500 bars. The daily average arrivals were of the order of 25 bars, including unrefined metals amounting to 15 bars, while the offtake was 12 bars per day on an average.

Forward gold (April settlement), after moving up from Rs. 111-3 to Rs. 111-11, gave way to Rs. 111-2 at the close today. The May settlement closed unchanged over the week at Rs. 111-8, the highest level touched during the week being Rs. 112.

Ready gold was marked up from Rs. 110-15 to Rs. 111-3. The floating stocks of gold are reported to be 20,000 tolas. The daily average arrivals were 4,500 tolas, while the offtake was lower at 3,000 tolas per day.

In New York, silver was unchanged at 88⅝c. In London also, silver prices were maintained at 76½d. for spot and at 76*d.* for forward. Gold, on the other hand, gained from 249*s.* 3*d.* to 249*s.* 4*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	1-4-58	Highest	Lowest	26-3-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	111 3	111 11	110 15	110 15
Forward*	111 3	111 10	111 3	111 3
Sovereign	71 0	—	—	71 8
SILVER				
Ready (.996 fine Mint) ..	196 3	196 7	195 6	195 8
Forward†	195 12	196 0	194 13	195 4
London Silver Ready ..	76½d.	—	—	76¼d.
London Forward	76*d.*	—	—	76¼d.
London Gold	249*s.* 4*d.*	249*s.* 4*d.*	249*s.* 3*d.*	249*s.*3*d.*
New York Silver	88⅛c.	—	—	88⅛c.

* 5th April settlement.
† 7th April settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

STRONG GENERAL DEMAND FOR TEA DUSTS

[Messrs. Forbes, Ewart & Figgis (Private) Ltd.]

COCHIN, 27*th March*

A total quantity of 525,000 lbs. was offered in sale 'G' which was held on Tuesday, 25th March 1958. There was a strong general demand at dearer rates. All descriptions advanced in price irregularly 5 nP to 10 nP.

London Market—Sale of 24th March 1958.—Quality improving prices for better Assams and Doaars were again higher. Plain liquoring and stalky teas irregular and somewhat easier.

Sale of 25*th March* 1958.—Irregular, though generally firm to dearer, except for poorest sorts.

Colombo Market—Sale of 24*th March* 1958.—Good demand. Highgrowns irregularly lower, following quality. Good mediums firm low. Mediums dearer. Low-grown declined 5c.

Sale of 25*th March* 1958.—Active and dearer, except rubbish. Export duty raised 5c. Rebate on duty up to maximum of 50c. Teas under Re. 1.50 announced last night.

Calcutta Market—Export.—More general demand at irregularly easier rates, except for good liquoring teas which were steady. C.T.Cs. firm, but poorer kinds unwanted.

Internal.—Good general demand which improved as sale progressed. Orthodox grades from all districts with clean black appearance were frequently up to 6 nP dearer. Poorer sorts weak feature. C.T.C. not so well supported. Medium C.T.C. irregularly easier.

Export Quota.—There is very little activity in the export quota market, particularly because the books of the Joint Controller have been closed from 20th March until 1st April 1958. The quotation is 3 nP nominal.

Forthcoming Auctions.—Dust sale 'H' will be held on Tuesday, 8th April.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:—

"*Sale* 8.—1,450,000 lbs. Good, but irregular demand. Best quality 25 nP to 50 nP easier. Good medium strong and dearer. Medium sorts barely steady. Low medium brokens easier, but low medium fannings with colour dearer."

COTTON FUTURES EASY

(From Our Own Correspondent)

BOMBAY, 2*nd April*

There were only three trading days for the cotton market during the week, since the market remained closed on 28th and 29th March, as well as today. The earlier part of this brief period witnessed steady conditions which, however, gave way to an easy trend towards the close. The initial steadiness was due to strong rumours of an export quota for ¾" cotton. But as the expectation failed to materialise, the market turned easy. The delay caused disappointment among operators and those who had built up long positions in anticipation of a quota were inclined to liquidate. There was also a considerable volume of profit-taking sales prompted by the consideration that, until a clearer picture of the textile situation emerged, cotton prices would be subdued. Another factor which adversely affected sentiment was the failure of mill demand to revive to the extent anticipated. Some mills were said to be still burdened with heavy stocks of unsold yarn and cloth which prevented them from buying large quantities of cotton. All these factors let lose a wave of selling and prices suffered a setback.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 680, fractionally higher than the previous close and after improving to Rs. 682.25, declined to Rs. 673.75 yesterday. The net loss over the week was Rs. 8. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	1-4-58	*High*	*Low*	26-3-58
I.C.C. Moglai Jarilla (May 1958) ...	673.75	682.25	671.75	681.75

In the spot section, however, values of most varieties were maintained. Good demand was noted for quality cotton like Laxmi, Jaydhar, and Khandesh. Among exportable styles, Oomra *Deshi* and Bengals met with large enquiries from the U.K. and Japan. C.P. and Berar *Deshi* also attracted attention. The total quantity passed for shipment till 27th March out of the recent quota for 50,000 bales of Bengals is about 4,269 bales. The shippers are optimistic about exhausting the entire quota by the end of next month. The chances of selling the 50,000 bales quota for 23/32" cotton, announced a week ago, are also considered to be quite bright.

In the foreign section, demand was noted for Sudan cotton. Sizable business was concluded for May-June shipment subject to the availability of import licence. There were renewed interest in Egyptian cotton. Egypt is reported to have agreed to extend its newly instituted export account system to its cotton sales to India and allow a price discount of 21 per cent.

It had hitherto been known that Egypt was willing to give a discount of 12½ per cent. on sales of its cotton to India. The latest decision to raise this discount substantially would appear to have been prompted by recent reductions in Sudan prices. It remains to be seen how the Sudan Government is going to react to the latest Egyptian move. A rumour is already current that in order to outbid Egypt, the Sudan Government might even go to the extent of removing the present export duty on its cotton altogether. The present Sudan export duty, it may be noted, is 2.50*d.* per lb. or Rs. 110 per candy. With the latest Egyptian announcement, prices of Egyptian cotton have tended to be very attractive to the mill buyers in this country and have pushed the Sudan cotton out of parity.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal Deshi 600; Berar Jarilla 750; Khandesh 800; Oomra *Deshi* 680; Vijay 900; Hubli Laxmi 1,040; Jaydhar 890; *Delivery contracts*: Vijay 920; Bengals 585.

The Karachi cotton futures market continued to rule easy during the week under review also. The easiness was due mainly to absence of any revival in foreign demand and slackness in domestic spinner interest. Fears of competition from Indian cotton following the recent reduction in export duty would also appear to have adversely affected sentiment of operators. N.T.R.G. May, which had closed at Rs. 71-3 last week-end, declined to Rs. 70-10-6. July position shed As. 2-6 to Rs. 71-4-6. The spot section, however, ruled steady with values more or less maintained. Sind *Deshi* was done at Rs. 64-8. Punjab *Deshi* gathered As. 8 to Rs. 63. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 70-8; S.G. 75; Punjab Roller 73-8; S.G. 77; 289F N.T. Roller 75-4; S.G. 83-8; 289F Punjab Roller 80-8; S.G. 90-12.

The Alexandria cotton futures market ruled firm during the week. The reduction in export duty and offer of discounts of as much as 23 per cent. if payments were made in hard currencies, including sterling, led to an improvement in foreign demand. There was large-scale speculative buying induced by anticipation of better demand, especially from India. Consequently, values moved higher. The Karnak March contract went off the board on the 26th inst. at 68.00 tallaris. The following are the latest available quotations—in tallaris per lb.—from Alexandria, the figures in brackets being last week's closing rates:

Karnak: May 79.30 (78.00); July 80.20 (78.85).
Ashmouni: April 67.10 (66.80); June 67.95 (67.40).

The Sudan Gezira Board has announced that the policy for 1958 is to offer the cotton crops of the Gezira, Alternative Livelihood Schemes, Gash, and Nuba Mountains for sale by free and frequent public auctions which will be open to all buyers without discrimination. While there is cotton to be sold, auctions will be held on Tuesdays, Wednesdays, Thursdays and Fridays every week except on the occasions of public holidays, and the procedure at these auctions will be as in 1957. While the Sudan Gezira Board reserves the right to change its system of sale, it has no intention, it is stated, of doing so unless there is an appreciable change in circumstances.

An easy trend was witnessed on the Liverpool Cotton Exchange during the week under review. Advices from New York were weak and they touched off a fair volume of liquidation. The slow movement of yarn and cloth also imparted weakness to the market. The *main reason for the* decline in Sudan cotton futures was the heavy speculative selling by a leading mill group in anticipation of a further fall in Sudan cotton prices and a probable removal of export duty on Sudan cotton. The following are the latest available quotations—in pence per lb.—from Liverpool:

American Cotton One Inch Staple Contract: March-April 25.00; May-June 24.90; July-August 25.40; October-November 26.08. *American Cotton Mixed Growth Contract*: March-April 25.82; May-June 25.90; July-August 26.30; October-November 26.88. *Sudan*: May-June 31.50; July-August 31.70; September-October 32.35.

Despite the fact that the mid-March parity price announced by the Department of Agriculture on 28th March was higher than the mid-January price, the New York cotton futures market ruled easy. This was due to profit-taking sales by Commission Houses and liquidation by local and New Orleans interests which came as a natural reaction to the recent strident advance in prices. The drop in prices would have been more marked but for expectations of a record low crop and a sharp reduction in stocks, particularly of good quality cotton.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	31-3-58	25-3-58	18-3-58
Spot	36.10	36.20	36.00
March	35.98	36.17	35.72
May	36.23	36.41	35.95
July	36.72	36.84	36.31

YARN IMPORT POLICY

(From Our Own Correspondent)

BOMBAY, 1*st April*

The important event of the week under review in so far as the yarn market is concerned is the announcement of import policy for the April-September licensing period. Under the policy, no licences will be issued, as in the previous half-year, to established importers of art silk yarn. Only actual users will be given licences, subject, of course, to a ceiling; in the previous half-year, a quota of Rs. 2 per loom per shift had been granted. The face value provision in respect of art silk yarn has been liberalised. As regards cotton yarn, the import quota has been slashed from 40 per cent. to 25 per cent. The Press version of the import policy does not mention anything about staple fibre or staple fibre yarn. As regards nylon yarns, import licences will be granted to actual users up to not more than 15 per cent. of the value. Requests for import against these licences will, however, be considered only on an *ad hoc* basis in consultation with the Textile Commissioner. Meanwhile, the Government of India has decided to allow imports of acetate yarn of 120 and 150 deniers against actual user licences to the extent of 10 per cent. of the face value of licences, including additional licences issued in the period.

The continued drastic cut in import of art silk yarn has caused great disappointment among traders who were expecting at least a quota of 5 to 10 per cent. for established importers. It is feared that the restrictions in the face of an already acute shortage of supplies will result in considerable hardship to small consumers and handloom weavers. The Bombay Yarn Merchants' Association and Exchange Ltd. has sent a telegram to the Union Minister for Commerce and Industry urging him to reconsider the issue and to grant an interim allocation of some quota for import of rayon yarn to established importers.

Immediately after the announcement of the import policy, both rayon and staple fibre yarns staged a smart rise in prices. Reports from Punjab indicated that large business had been arranged by several mills, particularly in Gujerat and Coimbatore, in 20s dull hanks and cones. In view of the unsatisfactory demand for cotton yarns, several mills were reported to have switched over to the production of staple fibre yarns.

In the rayon yarn section, spot 120 Japan advanced by 9 nP to Rs. 6. 150 Japan rallied 32 nP to Rs. 5.94. 120 Italy spurted by 31 nP to Rs. 6. 150 Italy were marked up by 25 nP to Rs. 5.87. Indigenous yarns also showed improvement. National Rayons 150 bright cones first grade gained 6 nP to Rs. 5.81 and 120 bright cones first grade 19 nP to Rs. 5.56. Snia rayon yarns (120 dull cones) April delivery was fully steady at Rs. 925.

Staple fibre yarns (40's×2) June delivery evoked good support and advanced by Rs. 6 to Rs. 624. April delivery spurted by Rs. 4 to Rs. 610. Spot (40's×2) Kohinoors and Citys gained 5 nP each to Rs. 3.36 and Rs. 3.31, respectively. Centurys put on 3 nP to Rs. 3.34. Foreign yarns were fully firm, Paramounts being quoted at Rs. 6.81 and Fujis at Rs. 6.66.

Among cotton yarns, ten counts Moderns were neglected at Rs. 14.50 and Podars at Rs. 13.75. Twenty counts Indus receded by 13 nP to Rs. 16.62. Moderns were dull at Rs. 17.37. Among thirty counts, Indus were unchanged at Rs. 20. Forty counts Moderns were stagnant at Rs. 24.50. But Minaxis rose by 25 nP to Rs. 23.87. Among sixty counts, Raghuvamshis shed 25 nP to Rs. 51.75. Moderns and Finlays were both on offer at Rs. 59. Eighty counts Mahendras were dull at Rs. 69.50, as also Moderns at Rs. 70.50 and Finlays at Rs. 75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those seven days before:

	1-4-1958	26-3-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia April	925 00	929 00
120 Japan (per lb.)	6 00	5 91
150 Japan (per lb.)	5 94	5 62
120 Italy (per lb.)	6 00	5 99
150 Italy (per lb.)	5.87	5.62
Staple fibre yarn (per case of 200 lbs.)—		
40's×2 April	610 00	606 00
40's×2 June	624 00	618 00
40's×2 New Great (per lb.)	—	3.12
40's×2 City (per lb.)	3.31	3.26
Cotton yarn (per bundle of 10 lbs.)—		
10s Four	13.75	13.75
20s Modern	17.37	17.37
30s Indu	20 00	20 00
40s Minaxi	23 87	23 62
60s Raghuvamshi	51 75	52 00
80s Modern	70.50	70.50

OILSEEDS DULL

(From Our Own Correspondent)

BOMBAY, 2*nd April*

The week under review was a short one for the oilseeds market, owing to holidays on Saturday and today. During this brief session, the market presented dull conditions. In the absence of any fresh encouraging development, operators were not inclined to extend their commitments either way. Consequently, turnover was restricted and values moved narrowly. The market ruled steady in the first two sessions of the week, thanks to persistent rumours of the complete abolition of export duty on castor oil and expectations of buying by some Communist countries. On Monday, however, the market turned slightly easy. There were reports that there would not be any revision in export duty on castor oil in the near future. Overseas enquiries for linseed oil were not encouraging. Prices, as a result, tended to move down. The trend more or less continued yesterday also.

Groundnut May contract advanced from Rs. 162 to Rs. 162.75 on the 28th March, but receded to Rs. 162.50 on Monday. After recovering to Rs. 162.75 yesterday, it finished lower at Rs. 162.50. Over the week, Bold ready improved by 12 nP to Rs. 32.62. Coromandel was fully maintained at Rs. 33.25. Khandesh quality, after rising by 12 nP to Rs. 33.37, declined to Rs. 33.25. Groundnut oil ex-mill dropped 13 nP to Rs. 17.87. Railway receipt which was quiet at Rs. 17.75 till Monday tvoked some support yesterday and rose by 12 nP to Rs. 17.87.

Castorseed May contract opened the week firm at Rs. 149.62, as against Rs. 149.37 last week-end. Induced by good buying support, it rallied to Rs. 151.87 on Friday but fell to Rs. 149.25 on Monday. Today, it again improved to Rs. 149.75. Ready Madras encountered selling and dropped 50 nP to Rs. 29.62. Kanpur decreased by 37 nP to Rs. 28.25. Castor oil B.S.S. declined by 6 nP to Rs. 16.69. Commercial quality was quiet at Rs. 15.37.

Linseed May moved down from Rs. 31.37 to Rs. 31.12 yesterday. Bold ready fell by 68 nP to Rs. 30.44. Linseed oil ready shed 12 nP to Rs. 16.25.

Cottonseed May contract improved from Rs. 109 last week-end to Rs. 109.25 on Friday, but eased thereafter, yesterday's closing rate being Rs. 108.

Among others, niger seed Madras quality was fully steady at Rs. 28.25 till the close on Friday. After improving to Rs. 28.75 on Monday, it again relapsed to Rs. 28.25, yesterday. Kardi seed Bold ready evoked good enquiries and hardened by 50 nP to Rs. 19.50.

The following table shows the closing prices of oilseeds and oils yesterday as compared with those a week and two weeks before:

	1-4-1958	26-3-1958	19-3-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	162 50	162.00	160.75
Bold ready (per cwt.)	32 62	32 50	32.00
Khandesh quality	33.25	33.25	32.50
Linseed—			
May 1958	31.12	31.37	30.75
Bold ready (per cwt.)	30.44	31.12	30.37
Castorseed—			
May 1958	149.75	149 37	147.25
Madras (per cwt.)	29.62	30.12	29.62
Cottonseed—			
May 1958	108.00	109.00	110.00
*Groundnut oil**			
Ex-mill ready (per quarter) ..	17.87	18.00	17.75
Castor oil †			
Commercial (per quarter) ..	15.37	15.37	15.19
Linseed oil †			
Ready	16.25	16.37	16.25

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

JUTE GOODS GIVE WAY

(From Our Own Correspondent)

CALCUTTA, 1*st April*

The outstanding event of the week under review was the opening of the East India Jute and Hessian Exchange here on Saturday last for forward trading in raw jute and jute goods by the Union Commerce Minister, Mr. Nityananda Kanungo. This, however, did not prevent prices of jute goods from giving way. For genuine buyers accorded only meagre support. The announcement of stock figures was awaited. It was feared that they would show an increase as at the end of March, since shipments had been below expectations. For instance, hessian shipped between 1st and 20th March was only 16,500 tons, as against 21,200 tons in the first 20 days of February. Sacking shipments aggregated only 16,500 tons, as against 20,000 tons. In contrast with the trend in jute goods, raw jute was steady and rose fractionally. This followed fair interest shown by mills. Fair business was also done. Arrivals were on the decline, and the addition to prices in the mofussil centres was a factor for steadiness here. Lack of rains so far for preparing land for sowing was also a factor for this week's higher trend in raw jute, despite recession in jute goods.

Some business was also done in the futures market on Saturday as well as yesterday. It was, however, felt that some time would elapse before prices were stabilised at the I.J.M.A. levels. Current quotations for both B. twills and hessian 40" 10 oz. are far below the minimum rates. The one notable feature of the rules and regulations governing futures trading is that, at the weekly clearing, members would be obliged to pay the differences in the week. This, it was hoped, would prevent over-trading. On the Exchange, the minimum quantity that can be dealt with is 50,000 yards in respect of hessian, 15,000 bags (50 bales of 300 bags each) in respect of B. twills, and 500 maunds in respect of raw jute. Each member must deposit for the commencement of trading Rs. 10,000 in respect of raw jute and a similar amount for gunnies. Outstanding business can be up to 15,000 maunds of raw jute, 1·5 million yards of hessian, and 2,500 bales of B. twills. For trading over and above these qantities, additional margin deposits have been fixed, but no member will be permitted outstanding business exceeding 50,000 maunds of raw jute, 10 million yards of hessian, and 10,000 bales of B. twills. These rules and regulations are directly aimed at ensuring stability in prices and keeping off mere speculators.

Opening the Exchange, the Minister declared that it would regulate only three-month futures contracts for the present. The transferable specific delivery contracts will continue as at present, but the question whether these should be dealt with by the Exchange will be considered after a year. This, however, will depend on as to how the Exchange shapes itself in the meantime and to what extent it is able to stabilise prices. This means that the I.J.M.A. mills can continue to put through contracts for specific delivery with their recognised brokers in the usual way. This clarification has put an end to the uncertainty when the decision for inaugurating the Exchange was announced a fortnight back.

On Tuesday last, ready B. twills were better at Rs. 98.70 and ready 40" 10 oz. hessian at Rs. 39.10, following support from speculators. Genuine business, however, was not much. At the rise, more genuine business soon followed and, on Wednesday, the prices for the above representative constructions reached Rs. 98.90 and Rs. 39.25, respectively. Further improvement to Rs. 99.05 and Rs. 39.25 was recorded on Thursday. Selling pressure followed and, on the next day, the rate for B. twills fell to Rs. 98.60 and that for hessian 40" 10 oz. to Rs. 39.15. Over the week-end, hessian 40" 10 oz. improved further to Rs. 39.40. Some encouragement was derived in that burlap consumption in the United States during January and February amounted to 141 million yards, representing an increase of 4 million yards over the figure for the corresponding period in 1957. On the other hand, B. twills sagged to Rs. 98.30. The recession was due to the opening of the official futures market, as *fatka* operators were obliged to depress prices for settlement in *fatka*. Yesterday, the rate was a little better at Rs. 98.50, with the 8 oz. hessian being quoted at Rs. 31.75 and the 10 oz. at Rs. 39.20.

Mills accorded fair support to raw jute. Sellers were reserved, as the lack of rains so far was put to good use by them. Prices in the mofussil markets hardened, and this strengthened the reserve of sellers. Arrivals were meagre. The latest quotations for the 1957-58 crop April-May delivery are:

	Middles	*Bottoms*
	Rs.	Rs.
Pakistan:		
District	31.50	28.50
Northern	31.00	28.00
Indian:		
Northern	28.00	25.00
Assam	28.00	25.00
Desal	27.00	24.00
Murshidabad ..	25.50	22.50
Jungli	—	21.25
Daissee	31.50	29.00
Uttar Pradesh ..	—	21.25
Daissee mesta ..	26.00	22.00
Bimli f.a.q.	..	Rs. 20.25
Pucca bales 1st marks (per bale ready)	..	Rs. 160.00

SUGAR FULLY STEADY

(From Our Own Correspondents)

BOMBAY, 1*st April*

The sugar market presents a fully steady trend. The normal monthly release of sugar for sale in the free market which was expected early this week has still not been announced. Owing to this delay and on account of the shortage of small grain sugars, prices have tended to look up.

Medium grain sugar has risen by 50 nP to Rs. 106-108 per bag. Small grains has put on a like amount to Rs. 105.50. Bold grain is done at Rs. 109-112.25, as against Rs. 109-112.

Arrivals of sugar into market during the six days ended today aggregated 12,800 bags, as against 10,900 bags in the previous week.

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HAPUR, 31*st March*

The sugar markets ruled quietly steady during the week. Although ready demand from some of the consuming centres was slack, Saurashtra, Rajasthan and Punjab were the main buyers. A few factories have closed their crushing season and

more are likely to close soon. An overall increase in production of indigenous sugar is expected; sugar output up to 15th March amounted to 15.23 lakh tons, as against 13.59 lakh tons in the corresponding period of last year. Despatches were 7.16 lakh tons, as against 7.40 lakh tons last year. Stocks with factories on this date stood at 12.36 lakh tons, as compared with 11.46 lakh tons a year before.

The ex-mill delivery prices of sugar in the Muzaffarnagar market eased slightly towards the week-end for want of ready "challans" and, as the date for placing the indents with the railways expired, the market became quiet. Crushing in the Iqbalpur and Deoband factories has been closed. The latest ex-mill delivery prices were: Meerut (D-28) Rs. 35.75; Khatauli (C-29) Rs. 36.62; Deoband (B-29) Rs. 37.37; Iqbalpur (D-28) Rs. 36.25; Muzaffarnagar (B-29) Rs. 37.81; Rampur (B-29) Rs. 36.87; Mawana (B-29) Rs. 37.75; Modinagar (B-29) Rs. 36.87; Bijnore (E-29) Rs. 34.94; Shamli (B-29) Rs. 36.81.

The Kanpur sugar market witnessed a lull in buying activity. The past release had been sold out and a new quota had not yet been announced. Local stocks mounted to about 50,000 bags. The week-end marked brisk inquiry from Madhya Pradesh and the next quota was quoted 25 nP a maund above parity with the ruling prices. Cane supplies to some of the factories was now reported scarce and suspension of crushing season in some of the factories will begin soon.

Good demand from consuming centres accounted for steady conditions in the *khandsari* prices, but production is gradually declining, due to fall in arrivals of cane with crushers. Prevailing prices were: Rs. 27 to Rs. 33 per maund according to quality.

Good spot demand mainly from Punjab, despatches being mostly by trucks, accounted for the revival of firm conditions in ready *gur* prices during the week. Fall in daily arrivals to an average of 750 maunds also acted as a bullish factor. Local stock is put at 1.40 lakh maunds which is greater than the corresponding figure last year at 95,000 maunds. The total arrivals from the beginning of the season amounted to 3.80 lakh maunds, as against 4.45 lakh maunds a year before.

Sowings of cane for the next season are also nearing completion and, as *gur* prices this year have been better than previous years, an increased cane acreage in the next season is expected. The cane prices for the next season for delivery to factories have been announced by the Government and will be the same as in previous years barring a deferred payment prescribed by the Government for linking the price of cane with that of sugar. The prevailing price of *gur pansera* quality was Rs. 15.75 to Rs. 16.25 per maund.

Gur futures moved both ways with depressed undertone during the week, due to restrictions imposed by local Chamber on forward trading in *baisakh* delivery, but these restrictions were waived now as market conditions became quiet. *Gur baisakh* and *fagun* opened at Rs. 14.78 and Rs. 13.36 last Monday and are quoted today at Rs. 14.94 and Rs. 13.25, respectively.

FOODGRAINS QUIETLY STEADY

(From Our Own Correspondent)

HAPUR, 31*st March*

Quietly steady conditions were witnessed in the foodgrain market during the past week. Harvesting of wheat crop has also begun and, although coarse grain harvesting was completed a week before, arrivals of new grains into the markets have as yet been very poor. Wheat prices were almost unchanged during the week to be quoted at Rs. 15.37 per maund for average quality and up to Rs. 17 for farm produce. Although local wheat stock with the trade was very small, the presence of a heavy quantity of imported wheat as Government reserve was the main quietening factor. New wheat arrivals would begin in the market after about a week's time.

Despite satisfactory supply position, rice continued to rule steady, due to reports of overshortage of supplies. The week-end prices were: Basmati Rs. 29 to Rs. 31.75, mainpuri Rs. 25.19; coarse Rs. 21 per maund.

Gram recorded some gains during the week on firm Punjab advices. The local gram stocks at 12 *khatties* were mostly State Government owned. Harvesting of gram has also begun. Barley and *bejhar* stayed steady, due to paucity of local stocks and increasing consumer demand. Firm trend in *jowar* and *guwar* continued during the week also. The week-end prices (in rupees per maund) were: Gram 11.12 to 11.37; barley 9.25; *bejhar* 9; maize 11.25; *bajra* 12; *jowar* 10.50 to 11.25; *guwar* 13.50 to 14.75.

Vigorous support from stockists accounted for steady conditions in ready peas prices. Peas arrivals mounted to an average of 3,000 maunds daily, which included the quantity brought here by trucks from east U.P. for storage and local stocks swelled to 48 *khatties*, as against 20 *khatties* last week-end. While *dara* quality ruled steady, farm quality registered a slight fall during the week. *Arhar* and other pulses were mostly unchanged, barring *moong* which recorded gains on advices from the South. Prevailing prices (in rupees per maund) were: Peas *dara* 10.19; farm 11.75; *arhar* 11.75; *urd* 17 to 18; *moong* 20; *massor* 16.

After an early fall on bear pressure, pulses futures registered gains towards the week-end. Peas *jeth* and *arhar jeth* opened at Rs. 10.59 and Rs. 12.59 last Monday and touched the lowest of the week at Rs. 10.12 and Rs. 12.12, respectively. They were quoted at Rs. 10.46 and Rs. 12.84.

KEEN DEMAND FOR TEA

(From Our Own Correspondent)

CALCUTTA, 1*st April*

There was keen demand for yesterday's tea export offerings, as well as last week's internal sales. The very satisfactory increase in price at the auctions in Mincing Lane—the average price realised was 54.86*d.* as against 52.34*d.* in the previous week and 45.60*d.* in the corresponding period last year—and the high demand for quality North Indian teas there, particularly for good Assams, were encouraging factors, despite the increase in United Kingdom stocks to 119 million lbs. in the week ended 21st March from 117.5 million lbs.

Relief to common teas, already promised, has not so far been announced. The delay is causing disappointment. The subject matter was discussed by the Committee of the Tea Association of India with Mr. Nityananda Kanungo, the Union Commerce Minister, here on Saturday last.

In the internal auctions held last week, offerings of dust teas aggregated 18.896 chests. Prices of all orthodox grades rose by 6 nP, while those of poorer lots of this category eased. C.T.C. Assams received less support. The best liquoring lots gave way by 20 nP, and the medium kinds also eased in an irregular trend. The quotations were: Best Assam C.T.C. Rs. 2.75 to Rs. 3.00; best Assam C.T.C. Re. 1.85 to Rs. 2.05, medium Dooars Re. 1.58 to Re. 1.60; and medium Assam grainy dust Re. 1.60 to Re. 1.62.

Leaf offerings amounted to 4,780 chests. Prices improved with C.T.C. Assams being a strong feature.

During yesterday's export sales, offerings aggregated 52,047 packages. Demand was good, although irregular. Prices improved. A firm tendency was recorded in medium B.O.Ps and O.Fs showing an improvement in quality, while P.Fs and B.Ps in this category rose irregularly. But prices for the more ordinary mediums eased. Prices for "teas for price" and the commonest kinds gained. The plain B.Ps hardened by 4 nP to 6 nP. Plain fannings rose above valuations, but black leafy Dooars eased in an irregular trend. A few lots of good C.T.Cs rose to realise as high as 20 nP above valuations, other lots were firm at about last rates. Legg-cut teas were in good demand, while the poorer liquorings eased. Whole leaf grades as well as the tippy teas were steady. The quotations were: Best Assam C.T.C. fannings Rs. 2.70 to Rs. 2.90; clean black pekoe Rs. 2.25 to Rs. 2.30, best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80; plain B.P. Re. 1.44 to Re. 1.48; medium fannings Re. 1.74 to Re. 1.78, plain fannings Re. 1.60 to Re. 1.64, and medium B.P. Re. 1.56 to Re. 1.60.

Export quota (transferable) changed hands at 3 nP. Sellers demanded 3½ nP subsequently.

BLACK PEPPER TOPPLES DOWN

(Messrs. Parekh and Co.)

BOMBAY, 1*st April*

Last week's weakness in Malabar black pepper gathered further momentum during the week, following the topple-down of prices in Singapore where white broke from Str.$148 to Str.$120 and black from Str.$84 to Str.$71. Contrary to the general expectation of bulls, spot in New York came down to $0.26 from the highest of $0.29. Aggressive buying in Singapore by Europe in white pepper having subsided, Singapore speculators became friendless. They scrambled for liquidating their last week's purchases with loss.

After the lowering of the Bank rate in England from 7 to 6 per cent., one of the London operators foresaw a boomlet and bought scale-up a sizable quantity from $0.23 to $0.27 A.S.T.A. terms, from both India and Singapore. But when they saw that there was no follow through by genuine consumers either on the Continent or in the U.S.A., they began to press sales in New York. The tables turned. Buyers withdrew. New York came down casting its reflection on India as well as on Singapore.

News that the Central Government of Indonesia gave special sanction to South Sumatra for bartering coffee and pepper with Singapore proved the last straw on the back of Singapore speculators.

Alleppey receded from Rs. 662½ to Rs. 587½, while garbled at Cochin in ready went down from Rs. 107½ to Rs. 103¾, May delivery from Rs. 113¾ to Rs. 107½ and July from Rs. 115 to Rs. 109. Calicut climbed down to Rs. 635 without business. Most of the Calicut growers being Mahomedans, sales during the Ramzan month were reported to be small, but growers in the area, having larger unsold stock, were anxious sellers, in view of the proximity of monsoon and higher production. Recession in all the primary markets was so rapid that buyers preferred to remain out of the picture.

At the time of writing, the future of the market is uncertain. If New York dealers do not come out to make fresh purchases for a fortnight or so which appears very likely, as they have already made heavy purchases from both India and Singapore during the last boom, prices may go down to the former low level, particularly in view of the proximity of monsoon in India, new harvesting in Sarawak and the availability of sufficient stock of Lampong in Singapore.

In the A.S.T.A. section there were sellers for April at $0.24½ but without buyers. May-June changed hands at prices ranging from $0.26 to $0.25. In the delivery section, prices for May broke to Rs. 580 with undertone weak.

Today's nominal quotations are: Ready delivery Rs. 85 per Bengal maund and May Rs. 575-Rs. 580 per candy of 5¼ cwts.

Notices

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

Requirement of Roller Bearings with Axle Boxes

THE RAILWAY BOARD, GOVERNMENT OF India, propose to obtain from established and reliable manufacturers 14,000 Nos. of Roller Bearings with Axle Boxes to R.D.S.O. Sketch No. 58-W-038 for Bogie open Wagons Type Box Mark I. These are required for delivery in India from September, 1958, at the rate of 250 wagon sets per month.

The drawing referred to above is obtainable from the Research Design and Standardization Organisation, Baroda House, New Delhi, and the Director General, Indian Store Department, Government Building, Bromyard Avenue, Acton, London-W/3, on payment.

Quotations should reach the undersigned by 6th May 1958, the latest.

Firms may obtain copies of the tender from the Office of the Research Design and Standardisation Organisation, Baroda House, New Delhi, on payment of Rs. 2 each.

The quotations will be opened in public on 7th May, 1958, at 11 hours in the Committee Room, Railway Board's Office, State Entry Road, New Delhi.

H. D. SINGH,
Director, Railway Stores,
Railway Board, State Entry Road,
New Delhi.

W. H. BRADY AND COMPANY LIMITED

NOTICE

MR. R. S. SMITH HAVING RETIRED, HIS connections with us as a Technical Adviser and Senior Assistant, ceases from the 31st March, 1958.

W. H. BRADY & Co., LTD.,
JOSEPH KAY,
Managing Director.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	106.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep	80 37	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	110 00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5 67	5
† East India Distilleries T.F.C.	4,00,000	1897	7	Jan. July	16.15	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	58 00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58.00	100
Purtabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13 37	10
Rammuggar Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	97 00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65 00N	100
South Behar Sugar T.	5,00,000	1938	7	Oct. ..	20 00	100
Travancore C.T.F.	15,00,000	1940	5	Dec. ..	6.85	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.B.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90 00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	101 50	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.50	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	89 00	100½
Karanpura Collieries T.C.	9,89,500	1946	5½	.. ..	47 00	75p.
‡ Khas Kajora C.	1,05,000	1931	5	Mar. Sept.	3 00N	10
New Beerbhoom T.F.C.	2,00,000	1919	7	Jan. July	10.00	10
Oadal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	5	Apr. Oct.	80.50	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	117 00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Bowreah 'A'	6,00,000	1900	8	Feb. Aug.	122 00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	64 00	100
Bradbury T.F.	14,75,000	1919	7	June Dec.	58 50	50
Buckingham & Carnatic C.T.F.	21,30,200	1920	7¼	Jan. July	135 25	100
Cambodias C.T.F.	1,00,000	1928	7	Apr. ..	108 00	100
Central India T.F.	50,00,000	1912	5	Apr. Oct.	336 25	495
Coimbatore Pioneer C.T.F.	1,00,000	1935	6½	June ..	92 25	100
Elgin	11,00,000	1913	8	May. Nov.	110.00	100
Do. 'B' Pref.	4,20,000	1943	5	July Jan.	7.00	10
Elphinstone T.	25,00,000	1919	7	May Nov.	71.30	100
Kesoram	20,00,000	1919	7	June Dec.	93 00	100
Khatau Makanji (2nd) T.F.	20,92,500	1947	4	Nov. ..	72 30	100
Kothari C.T.F.	18,00,000	1937	6	Dec. ..	8.40	10
Kothari 'B' (Pref.)	6,00,000		6	.. ..	10 00N	5
Lakshmi Cotton (Bombay) T.	15,00,000	1896	5	.. ..	190 00	250
Morarjee Goculdas Spg. & Wvg.	17,25,000	1947	4½	Jan. ..	85 00	100
Mysore Spg.	7,45,050	1944	4½	.. ..	28 50	50
National Rayon T.	1,74,64,700	1947	5	.. ..	72 00	100
New Great T.	8,00,000	1913	5½	Mar. ..	145 00	200
Podar Mills	10,00,000	1943	4	Feb. ..	72 00	100
Rajlakshmi C.T.F.	2,00,000	1932	6½	Apr. ..	53 00	50
Shree Niwas Cotton	4,80,000	1944	4	.. ..	68 00	100
Sholapoor R.	52,00,000	1943	8	.. ..	78 25	100
Swadeshi T.F.	15,00,000	1935	5	Apr. Oct.	92.00N	100
Swadeshi (Kanpur)	25,00,000	1927	6	June ..	80 00	100
Travancore Rayon C.T.F.	50,00,000		5	May ..	7.05	10
Vasanta (1st) C.T.F.	3,00,000	1931	6½	Apr. Oct.	104 00xd	100
Do (2nd) C.T.F.	1,50,000	1938	6	.. ..	92 00xd	100
Vishnu T.	15,60,500	1908	7	Apr. ..	520.00	500
ELECTRICS						
Andhra Valley Power Supply T.	49,34,000	1917	7	May Nov.	1,025.00	1,000
Amalgamated Electric T.F.	24,15,000		5½	.. ..	90 00	100
Calcutta Electric	1,900,000	1909-11	5(t)	June Dec.	10.50	£1
Poona Electric T.	4,00 000	1935	7	June Dec.	103 00	100
South Madras (1st) C.T.F.	22,00 000	1940	5½	Sept. Dec.	9 45	100
Do. (2nd) C.T.F.	8,00,000	1940	5½		9 47	10
Surat Electric Co. T.F.	5,00 000	1930	6½	Apr. ..	112 50	100
Tata Hydro Electric Power T.	89,28,000	1907	7	May Nov.	105 00	100
Tata Power T.	86,97,000	1919	7½	May Nov.	1,121 25	1,000
Vellore C.T.	1,25,000	1928	6	Dec. ..	7.55	10
ENGINEERING						
Arthur Butler (Muzaffarpore)	1,30,000	1919	7	Mar. ..	7.00	10
Burn & Co. Ltd. (1st)	13,00,000	1895-98	7	Feb. Aug.	111.00	100
Do. (2nd)	15,00,000	1902	6	Feb. Aug.	105.50	101
Indian Iron and Steel Co., Ltd. T.F.	2,69,95,400	1950	5	Dec. ..	99 30	100
Indian Standard Wagon	19,66,500	1918	7	June ..	115 00	100
Jessop	20,00,000	1941	5	May Nov.	84 00	100
†† Kumardhubi Engineering	12,00,000	1915	4	June Dec.	81.00	100
Larsen and Toubro Ltd. T.F.	13,00 000	1946-47-51	5	.. ..	84 00	100
McKenzies (1st)	5,50,000	1907	5½	.. ..	80 00	100
Premier-Construction (1st) T.	10,00,000		6½	.. ..	80 00	100
Do. do. (2nd) T.	15,00,000	1936	6½	.. ..	79 80	100
do. do. (3rd) T.	56,25,000	1947	4½	.. ..	5.44	10
Tata Iron and Steel (1st) T.	75,00 000	1908	6	Nov ..	150 00	150
Do. do. (2nd) T.	6,98,81 900	1908	7½	May ..	111.25	100
JUTE						
Asparpara	10,00,000	1927	7	Jan. July	90.00	100
Alexandra	9,00,000	1905	7	Feb. Aug.	75 00	100
Alliance	15,00,000	1895	6	Mar. Sept.	70 00	100
Anglo-India	40,00,000	1917	7	May Nov.	83 50	100
Auckland	10,00,000	1909	5½	May Nov.	67 00	100
Do. (2nd)(j)	15,00,000	1945	4½	June Dec.	50 00	100
Bally	20,00,000	1918	7	Apr. Oct.	89 50	100
Barnagore T.	2,00,000	1896	5	May Nov.	84 50	5
Belvedere	7,00,000	1906	7	Jan. July	91 00	100
Birla T.	23,64,200	1919	7½	June Dec.	75 50	100
Budge-Budge	9,00 000	1894	7	May Nov.	88 00	100
Calcutta	10,00,000	1934	6½	Jan. July	75 00	100
Caledonian	10,00 000	1915	7	June Dec.	91.00	100
Cheviot	10,00,000	1919	7	June. Dec.	91.00	100
Chitavalsah	5,00,000	1923	7	Mar. Sept.	90.00	100
Clive (1st Pref.)	8,00 000	1900	6	May Nov.	65 00	100
Do. (A) (2nd Pref.)	8,00,000	1905	7	May Nov.	73 50	100
Dalhousie	15,00 000	1903-13	7	May Nov.	72 00	100
Delta	2,00 000	1897	5	June Dec.	59 53	100
Empire	10,00,000	1912	7	Feb. Aug.	81 50	100
Fort Gloster	14,00,000	1890-98	7	May Nov.	100 00	100
Do. (2nd Pref.)	7,00,000		5	.. ..	80.00	100
Fort William	10,00 000	1911	7	May Nov.	95.00xd	100
Ganges	6,00,000	1916	8	June Dec.	110 00	100
Gourepore	26,50 000	1895-04	6	May Nov.	69 00	100
Hastings	25,00 000	1935	6	Mar. Sept.	80.00xd	100
Howrah	11,76,000	1913	10	May Nov.	7.44	10
Do. (A)	8,75 000	1890	7	May Nov.	85 00	100
Hukumchand	17,50,000	1903-6	7	May Nov.	81 00	100
Kamarhatty	40,00 000	1919	7	June Dec.	85 75	100
Kankinarrah	16,00,000	1898-04	6	Feb. Aug.	78 00	100
	10,00,000	1900	6	Feb. Aug.	75 00	100
JUTE—*Continued.*						
Kelvin	10,00 000	1907	7	Mar. Sept.	85.50	100
Khardah	9,00,000	1895-09	6	May Nov.	77 00	100
Khulsee	15,00,000	1900-13	7	May Nov.	80 25	100
Lansdowne	15,00,000	1905	7	May Nov.	89 00	100
Lawrence (A)	5,00 000	1907	7	May Nov.	90 00	100
Do. (B)	10,00,000		5½	Dec. ..	67 00	100
Naihati	7,50,000	1905	7	May Nov.	87 00	100
Do. (2nd)	10,00,000		6½	June Dec.	69.00	100
National	5,00 000	1917	7	May Nov.	98 00	100
Nellimarla	5,00,000	1939	6	Apr. Oct.	80 00	100
New Central	83,00 000	1915	7	Jan. July	99 00	100
Northbrook	15,00,000	1900	5½	May Nov.	60 00	100
Reliance	20,00,000	1905-12	7	May Nov.	55 00	100
Sammuggur	£150,000	1901	6	Feb. Aug.	Sh.21 50N	£1
Seoraki	10,00 000	1920	7	Feb. Aug.	92 00	100
Standard	9,00 000	1895-01	6	May Nov.	102 00	100
Shree Ambica	11,70,000		7½	Mar. Sept.	81.00	100
Titachur	£150,000	1897	6	Feb. Aug.	Sh.21 50	£1
Union	£150,000	1901-02	6	May Nov.	20 50	100
Victoria	£150,000	1898	6	Feb. Aug.	Sh.21 50	£1
Waverly	7,50,000	1918	7	Mar. Sept.	28.50	50
OIL; PETROL						
Indo-Burma Petroleum	50,00,000	1921		Jan. July	84.00	83.00
RAILWAYS; STEAMSHIP AND TRAMWAYS						
Bengal-Assam Steamship	3,00,000	1895	7	Nov. ..	60.00	66
Calcutta Tramway. T.	£250,000	1906	5	Apr. Oct.	6.75	£1
Indian General Nav. & Rly. T.	6,00,000	1906	6	Mar. Nov.	64.00	£10
India Steamship (w)	25,00,000	1923	5	.. ..	82.00	100
TEA						
§Amluckie Tea	75,000	1902-03	7	May Nov	30.00xd	10
††† Banarhat Tea	4,00,000	1900-02	6½	Jan. July	114 00	100
Birpara	1,00,000	1900-03	8	Jan. ..	115.00	100
Choonabhutil	2,00,000	1914	8	Jan. July	114 00	100
Glelle	2,00,000	1894	6	Sept. ..	60 00	100
Hantapara	50,000	1901	8	Jan. ..	120.00	100
Hasimara	2,00,000	1904	7	Mar. ..	115.00	100
Kinzsley Golaghat	2,40 000	1897	6	Dec. ..	98 00	100
Moheema	3,20,000	1929	6	May Nov.	7.75	10
††† New Dooars	2,00,000	1907	6	Jan. July	112 00	100
†† New Samanbagh	1,00 000	1903	8	Nov. ..	100 00	100
††† Okavii	50,000	1888	7	Dec. ..	98 00	100
Passimbing	2,05,000	1913	7	Jan. ..	81 00	100
Sonai River	1,00,000	1909	8	May ..	101.00	100
***Tezpore	2,05 000	1932	8	Jan. ..	11.00	100
Tirribannah	1,00,000	1922	10	May Nov.	14.00xd	100
PLANTING						
Be Be Rubber N.R.C.T.	1,43,005	1944	6½	.. ..	3 13	5
Do. R.C.T.	2,58,450	1944	6½	.. ..	6 64	10
Cochin Malabar C.T.F.	1,13,300	1932	7	June ..	49.75	50
Coffee Lands C.T.F.	10,40,600		5	.. ..	82.50	100
Coonoor Tea C.T.	1,50,000	1926	6	Apr. ..	103 87	100
Cottanad C.T.F.P.	3,00,000	1937	7½	Nov. ..	10 55	10
Devon Tea C.T.F.	2,00,000	1936	7½	July ..	104 00xd	100
Highland Produce C.T.F.	3,00,000		6	July Jan.	9 27	10
Neelamalai C.T.F.	18,00,000	1943	5	Jan. July	6.25	10
Nilgiri Tea C.T.F.	2,81,250	1942	6½	July ..	4.25	5
Pullangode C.T.F.	1,50,000	1943	6	Mar. ..	9.25xd	10
Teckoy Rubber C.T.F.	6,00,000	..	6	Mar. Sept.	8.25xd	10
T. R. & T. Co. C.T.F.	10,00,000		6	June Dec.	7.65	10
Waterfalls R.C.T.F.	5,00,000	1943	6	Nov. ..	8.75	10
MISCELLANEOUS						
Alembic Chemicals (1st) T.	5 00,000	..	6½	June ..	85 00	100
Do. do (2nd)	5,00,000	..	5	June ..	95 00N	100
Alkali & Chemicals	21,00,000	1937	5	Apr. ..	98 00	100
Aluminium Corpn. (1st)	20,00,000	1938	6(f)	.. ..	86 00	100
Andhra Cement C.T.F.	2,48,800	1937	6	Feb. June	106 00	100
Associated Hotels of India T.	21,57,000	1916	7	Mar. Sept.	60.50cd	100
Bengal Chemicals	9,00,000	1925	7½	Aug. ..	12 00	10
Bengal Paper Mill	2,00,000	1902	7	Mar. Sept.	53 00	50
Do. "A"	4,00,000	1928	7	Mar. Sept.	103 00	100
Do. "B" T.	20,00,000		6	.. ..	62 00	100
Bengal Timber Trading	3,00,000	1896	8	Aug. ..	25.00	100
Britannia Biscuit	15,450	1921	8	Feb. Aug.	11.00	10
British Ceylon Corporation	17,50,000	1918	6	Feb. Aug.	9 00	5
British India Corporation	10,00,000	1920	8	.. ..	103 00	100
Dalmia Cement (Bharat)	35,00,000	1937	6(k)	Sept. ..	81.00	100
Do.	23,75,000	1945	6(k)	Sept. ..	30.25	40
Dhrangadhra Chemical Works Ltd.	31,01,700	1956	6	.. ..	83 00	100
Dunlop Rubber Co. (India), Ltd. (1st)	30,00,000	1925	6	Apr. ..	114 50	100
Do. do. (2nd)	40,00,000	1936	6T.	Jan. July	80.00	100
General Investment Trust (1st)	1,00,000	1946	5	Feb. Aug.	66 00	100
Do. do. (2nd) T.	1,00,000	..	6	Feb. Aug.	57.00	100
Gillanders Arbuthnot (f) T.	5,00,000	..	5	Apr. Oct.	57 00	100
Humayan Properties	12,00,000	1933	6	.. ..	7.81	10
India Cement T.	20,86,825	1946	7½	Oct. ..	84.70	100
Indian Aluminium (g) T.	40,00,000	1945	5	June ..	65 00	100
Indian Cable (m)	12,87,750	1923	6	June Dec.	27 00	10
India Rubber Mfrs. (n)	8,28,000		5	Apr. ..	85.00	100
Jardine Henderson T.	50,00,000	1946	5½	Dec. ..	51.50	100
Kashiwell and Bullen (1st) T.	20,00,000	..	5½	Apr. ..	60.00	100
Do. do. (2nd)	10,00,000	..	4	May ..	58 00	100
Kumardhubi Fireclay & Silica	2,00,000	1915	7	June Dec.	66 00N	100
Martin Burn (k)	30,00,000	1916	5	Apr. Oct.	92.00	100
McLeod and Co. (1st) T.	10,00,000	1930	5	July Jan.	50.00	100
Do. (2nd)	40,00,000	1936	5	July Jan.	64.00	100
Metal Box Co.	20,00,000		6	.. ..	85.00	100
Mettur Chemicals (Old) C.T.F.	20,00,000	1903-18	6	Feb. Sept.	87.00	100
Mysore Chemicals Mfrs. C.T.F.	2,00,000	1930	6	June ..	8.78	10
Mysore Lamps R. C.T.F.	2,50,000	..	4	Aug. ..	5.60	10
National Tobacco (Old) (p)	25,00,000	..	5	Mar. Sept.	60.00	100
Do. do. (New) (q)	19,98,000	..	6½	Mar. Sept.	57.00	100
Orient Paper	69,88,900	1936	5½	Jan. ..	80.00	100
Do. (2nd) (r) T.	60,00,000	..	5½	Apr. Oct.	57.00	100
Rohtas Industries (Old) T.	20,00,000	1936	7	Apr. ..	107.00	100
Do. do. (New)	85,04,700		6½	Apr. ..	57.00	100
†Smith Stanistreet & Co.	5,00,000	1920	10	Feb. Aug.	63.00	50
Spencer & Co. "A" C.T.	23,20,000	1898	6½	Jan. July	7.75	10
Do. "B" C.T.	36 80,000	1922	8½	Jan. July	10.35	10
Star Paper	10,00,000	..	5	Mar. Sept.	65.00	100
Tata Chemicals T.F.	59,97 000	..	5	June ..	91.50	100
Titaghur Paper Mills	11,50,000	1899	8	Jan. June	129 00	100
Do. do. (2nd)	15,00,000	1934	4½	Jan. July	79.50	100

**These shares carry the right of a preferential dividend at the rate of 8 per cent. (of which only 5 per cent. cumulative) per annum. In the event of a winding-up these shares have a preferential claim to repayment of capital.

†Only 7 per cent. out of the 10 per cent. dividend is cumulative.

††In addition to the fixed cumulative dividend of 5 per cent. these shares carry the right to receive a non-cumulative

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown asamount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. n.P.	Rs. n.P.	Rs. n.P.	Rs. n.P.		
50,00,000	5,37,500	1,01,25,506	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	50,468	898	Apollo Mills	1.86	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,88,52,007	72,25,055	—6,97,129	M.	51,384	1,021	B. B. Cotton Mills	24.50	100	Nil	Nil	Nil		3	Y.P.T.
2,50,18,000	3,42,88,183	7,95,70,051	3,39,39,519	89,708	Mowroolee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Z	56.10	25	20.00	2.50*	2.50	2.50	12	Y.
10,00,000	48,58,860	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	162.50	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,00,48,500	2,85,31,209	6,06,66,976	2,38,91,693	7,61,731	Birla Brothers Private Ltd.	1,26,752	2,698	Century Spg. & Mfg.	438.00	100	22.00	22.00	22.00	8.001	12	Y.
40,00,000	25,42,326	1,19,99,766	65,07,095	—32,08,097	V. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	40.00	100	Nil	Nil			12	Y.
26,00,000	13,08,280	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	108.25	100	7.50	7.50	12.50*		3	Y.
1,00,000	24,66,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	41,328		Dawn Mills	86.00	50	6.00	15.00			12	Y.
1,00,000	40,06,485	1,18,54,400	65,28,676	2,83,479	Paramnal Bubna Sons	46,068	928	Edward Textiles	250.00	200	15.00	18.00	15.00		12	Y.P.
1,96,080	16,71,228	1,20,97,050	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	48.00	50	5.00	5.00	15.00		12	Y.
1,00,000	67,54,875	1,41,78,009	82,93,207	79,257	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	282.50	100	16.00	20.00	20.00		12	Y.
1,00,000	48,98,022	90,86,646	59,17,387	1,57,789	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd.	205.00	100	12.50	15.00	15.00		12	Y.
1,84,000	1,81,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills.	4,500.00	1,000	225.00	300.00	325.00*	350.00*	3	Y.P.
10,000									992.50	250	56.25	75.00	81.25	87.50*		
1,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	9.96	0 100.	Nil	0.94	0.92		12	Y.
									1.92	0 1D.	Nil	0.19	0.18			
1,65,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
25,000									—	500	112.50	150.00	150.00	162.50*		
9,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,846	Khatau Makanji Spg. & Wvg.	159.00	100	12.25	12.00	10.00	10.00(c)	6	Y.
3,00,000	1,13,27,791	3,67,75,276	2,84,94,794	52,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	286.00	100	18.00	18.00	18.00	18.00	12	Y.
3,19,050	43,06,720	1,22,06,423	64,68,440	55,109	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*		10	Y.T.
1,75,060	38,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd.	71,604	1,652	Morarjee Goculdas Spg. & Wvg.	212.50	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
0,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,084	Chinai & Co. Private Ltd.			National Rayon Corporation	219.00XR	100	10.00	12.00	14.00*		12	Y.P.
4,00,000	25,62,456	82,11,723	45,70,075	1,495	W. H. Brady & Co., Ltd.	45,044	432	New City of Bombay Mfg.	100.00	100	10.00	10.00	10.00	5.00	12	Y.
0,00,000	11,72,134	101,83,002	63,37,034		W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	205.00	100	7.50	10.00	10.00	Nil	12	Y.P.
8,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	150.00	100	8.00	10.00		12.50F	3	Y.
0,00,000	45,64,554	48,89,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	149.00	100	10.00	12.00*	12.00*	4.001	12	Y.P.
0,00,000	1,78,222	24,10,104	18,80,783		M.			Sassoon & Alliance Silk Mill	8.00	10	0.50	0.50	0.25(c)		12	Y.
0,00,000	1,18,54,702	1,98,86,583	1,20,28,815	1,60,307	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	35.75	10	1.75	2.00	2.00		12	Y.
7,70,100	48,20,061	1,12,05,799	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills	149.00	100	14.00	12.00	12.00		12	Y.P.
2,00,000	33,09,179	98,78,309	78,88,752	96,017	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,276	Simplex Mills	159.50	50	11.00	10.00	12.00		3	Y.
7,80,000	2,50,82,705	2,77,88,979	1,62,08,915	2,93,059	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	447.50	100	20.00	20.00	22.50*		12	Y.P.
0,00,000	98,08,485	2,51,02,081	1,35,02,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	196.25	100	8.00	12.00	14.00*		12	Y.
6,00,000	65,13,485	1,27,20,469	92,02,715	1,01,173	James Finlay & Co., Ltd.	40,328	549	Swan Mills	253.00	100	20.00	25.00	25.00		12	Y.
5,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd.	69,040	1,800	Tata Mills	42.50	25	2.50	4.00	3.50*		12	Y.T.
2,00,000	1,21,85,655	1,45,81,207	95,78,967	99,955	M.	54,136	1,212	Western India Spg. & Mfg.	4,520.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P

AHMEDABAD

0,00,000	21,31,987	1,73,25,924	68,65,244	11,159	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	126.00	100	5.00	7.00	12.00	5.00	6	Y.P.T
0,00,000	94,58,068	94,37,898	76,10,164	27,288	P. M. Huthoesing & Co., Ltd.	42,768	912	Aruna Mills	537.50	100	20.00	30.00			12	Y.P.
0,00,000	24,07,056	1,95,87,179	97,29,208	15,274	Narottam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,145.00	100	25.00	35.00*	35.00*		12	Y.P.
0,00,000	2,97,88,561		72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,908	892	Aryodaya Ginning & Mfg.	240.00	200	15.00	25.00*			12	Y.P.
0,00,000	31,75,000	96,84,284		17,257	Lalbhai Dalpatbhai & Co.	37,365	914	Asoka Mills	955.00	100	22.00	30.00	30.00		12	Y.P.
5,00,000	1,42,05,808	2,10,70,783	63,81,739	1,18,338	Kasturchand Premchand Pvt. Ltd.	1,39,120	2,496	Calico	402.00XR	125	18.00		30.00	30.00	3	Y.P.
7,50,000	3,49,64,519	5,14,69,792	2,56,08,226	3,458	Triumal Bhoglal & Co., Ltd.	45,836	866	New Commercial Mills	650.00	250	70.00	80.00	100.00*		12	Y.P.
6,91,000	32,35,059	1,20,38,242	95,76,068	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	705.00	125	35.00	35.00			12	Y.
0,00,000	73,52,436	1,32,09,233	96,26,962	21,806	Jagabhai Bhoglal Nanavaty & Co., Ltd.	24,840	572	Nutan Mills	355.00	100	30.00*	20.00	20.00		12	Y.P.
5,00,000	67,78,770	57,78,441	32,40,918			51,120	636	Raipur Mfg.	855.00	100	25.00	35.00*	35.00*		12	Y.P.
0,00,000	1,10,62,006	99,61,103	62,28,955	1,73,073	Lalbhai Dalpatbhai & Co.	31,120	636	Rajpur Mfg.	855.00	100	25.00	35.00*	35.00*		12	Y.P.
8,50,000	14,78,207	1,07,01,469	71,42,808	2,63,336	Lalbhai Gordhandas Ltd.	17,34,740	648	Rohit Mills	141.25	100	9.00	12.00	12.00		12	Y.P.
7,96,800	2,75,84,105	1,92,47,853	1,05,54,559	15,592	Harivallabhdas Kalidas & Co.	93,226	1,729	Shri Ambica Mills	637.00	50	20.00	27.00*	30.00*		12	Y.P.
9,52,500	63,81,368	78,09,018	66,84,701		Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg.	470.00	100	25.00*	25.00			12	Y.
5,00,000	37,34,108	19,54,140	83,17,279	59,440	Haridas Achratlal & Co., Ltd.	40,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.P.

WEST BENGAL

15,00,000	2,82,800	25,86,098	2,89,708	66,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	6.19	10	0.50	0.50	0.60		12	Y.P.
7,11,260	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Managing Director)	33,336	935	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
5,00,000				743	Kettlewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	106.00	100	Nil	Nil	Nil		3	Y.P.
24,00,000	1,50,000	1,09,25,544	51,27,788	3,50,335	Kettlewell Bullen & Co., Ltd.	42,944	523	Dunbar Mills	127.00	100	Nil	2.50	6.00		12	Y.
19,00,000	26,17,481	1,15,16,740	74,67,879			4,852	206	Jay Shree Textiles Ltd.	7.12	10	Nil	Nil	Nil		12	Y.
12,00,000	85,968	76,15,325	31,97,225	82,081	Birla Brothers Private Ltd.	75,040	1,992	Kesoram Cotton Mills	11.50	10	0.87	0.87	1.00	0.50	12	Y.P.
80,00,000	2,39,48,2203	8,76,19,3223	1,31,26,8833	1,88,072	Birla Brothers Private Ltd.				4.00N	10	0.62	1.00	1.00		6	Y.
5,47,7003	7,45,000	4 84,571	26 70,548	3,936	Hazaremul Heerala,	23,036	795	Rampooria Cotton Mills		1D	Nil	0.34	0.26			
5,00,900D																

SOUTH INDIA AND OTHER CENTRES

1,88,600	5,57,619	29,87,104	19,12,220	16,013	Setna & Co.	24,800	716	Asher Textiles Ltd.	217.00N	100	Nil	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,85,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	1,157	Asmn Jahi Mills	57.00	100	Nil	3.50(c)	5.00	3.50	9	Y.
21,40,000	2,50,15,987	3,39,77,494	2,60,70,021	2,82,947	Binny & Co. (Madras), Ltd.	49,250	1,187	Bangalore Woollen, Cotton and Silk Mills	172.50cd	100	30.00	30.00	30.00		12	Y.P.
25,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	31.00N	10	3.00	3.00	3.00	4.001	12	Y.P.
79,47,850	2,77,78,212	6,69,41,816	3,97,01,818	2,28,220	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	183.25cd	100	10.00	10.00	10.00	1.50	3	Y.
20,00,000	20,00,000	42,25,535	22,99,012	52,534	Pairee, Leslie & Co., Ltd.	37,586	4	Cambodia Mills	9.50	10	Nil	0.50	0.50	4.001	12	Y.P.
15,00,000	5,11,500	33,25,411	25,98,496	1,92,792	K. Damodaran, Esq.	20,600	591	Cannanore Spg. & Wvg.	153.00	100	20.00	12.00	15.00	20.00	12	Y.P.
30,00,000	82,85,551	1,25,40,496	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,624		Cawnpore Textiles	4.06	5	0.50	Nil	0.25	0.25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,650	C. R. Srinivasan, Esq. (Chairman)	21,200		Cauvery Spg. & Wvg. Mills Ltd.	12.00	10	Nil	0.62	0.75	0.90	3	Y.P.
35,00,000	19,01,056	41,97,524	30,65,709	10,389	R. Dhanna Naidu & Co.	28,864	100	Coimbatore Murugan Mills	120.00	100	25.00	25.00	25.00		12	Y.
18,15,000	7,25,196	39,16,555	24,29,582		T. A. R. Chettiar Sons & Co.	25,340		Coimbatore Pioneer Mills	240.00	100	17.50	20.00	12.00		12	Y.P.
20,00,000	19,20,000	73,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	407	Coimbatore Spg. & Wvg.	229.00	100	20.00	20.00	20.00		12	Y.P.
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188		Central India	58.00	50	6.00	8.00	10.00		12	Y.
45,87,500	27,24,735	2,42,10,703	1,54,86,854		Tata Industries Private Ltd.	67,452	1,620	Davangere Cotton Mills	205.00	100	12.50	15.00	15.00		12	Y.
24,48,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son	28,816	300	Delhi Cloth & General Mills	112.00	100	10.00	10.00	Nil		6	Y.
38,30,725	8,10,24,880	11,79,00,488	6,78,07,135	77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	29.12	25	2.25	2.25	2.25	2.50	3	Y.P.
1,00,563					M. N. Chettiar & Sons	38,884	201	Dhanalakshmi Mills	187.00cd	10	30.00	30.00	25.00	0.20	6	Y.
45,69,000	22,25,000	66,71,865	45,12,585		Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	13.25	10	0.50	1.00	1.00		12	Y.
63,00,000	82,07,056	1,54,57,568	1,35,57,643	78,754	Forbes, Forbes Campbell & Co., Ltd.	72,904	5	Gokak Mills	158.00	100	1.00	1.00	1.25		9	Y.
48,81,000	37,59,771	1,06,45,241	78,45,088	8,155	Birla Gwalior Private Ltd.			Gwalior Rayon	12.06	10	Nil	15.00	13.00		12	Y.
2,25,000	4,53,38,795	1,82,00,000	72,12,274	1,16,670	K. L. Seksaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	115.00	100	Nil	Nil	Nil		3	Y.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	G. V. Naidu & Co., Ltd.	23,784		Janardhana Mills	80.00	50	5.00	9.00	11.00	Nil	3	Y.
8,90,000	10,55,583	31,40,455	19,97,477		Mr. Bhairuratan Damani (Managing Director)		902	Jam Shri Ranjitsinghji	10.00	10	1.00	1.00	10.00		12	Y.
15,54,000	15,62,599	57,13,937	33 88,095	7,012		20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00	40.00	6	Y.
	3,24,05,304	4,34,59,294	3,18,54,080	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	9.60	10	4.00§	4.00§	0.55	0.35	3	Y.
68,65,800	19,25,000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41,040	300	Kothari Textiles	10.50	10	0.50	1.00	1.00	1.00	6	Y.
42,00,000	67,91,510	1,69,61,585	1,26,19,405	20,376	M.	50,452	1,219	Lakshmi Cotton Mfg.	440.00	250	33.75	42.50	42.50	7.501	12	Y.
52,00,000						1,06,600	201	Lakshmi Mills	112.75	50	10.00	12.50	12.50	10.00§	3	Y
71,28,300	60,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	4,53,000		Madura Mills	67.00	25	5.00	12.50	12.50	10.00§		
35,64,100				6,92,268	A. & F. Harry Ltd.	22,592	106	Malabar Spg. & Wvg.	13.50	25	3.00	3.00	2.25	5.00	12	Y
75,02,480	4,24,40,278	5,90,89,121	3,96,10,817	213	V. K. Eradi (Chairman)	90,000	300	Mettur Industries Ltd.	30.00	10	2.50	3.00	2.62	2.25	12	Y
12,00,000	3,67,303	29,05,852	18,76,700	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	602	Minerva Mills	404.00cd	100	Nil	Nil	8.00		12	Y
66,00,000	69,14,000	65,94,131	48,89,145	19,662	N. Sirur & Co. Private Ltd.	39,936	704	Mysore Cotton Mills	72.00	100	22.50*	35.00	42.50	20.00	3	Y
29,80,884	19,58,000	92,42,488	53,37,735	1,85,008	M.	58,408	952	Model Mills (Nagpur)	170.00	100	5.00(e)	6.00	6.00		12	Y
94,91,850	21,56,146	1,71,94,769	78,81,523	35,937	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	59.50	50	5.00(c)	7.50(e)	7.50		6	Y
24,83,500	48,52,478	1,18,48,711	71,02,473	3,966	K. Tipperudriah (Chairman)	6,000		Mysore Spun Silk Mills	6.25N	10	8.00*	6.00(e)	9.00*	9.00*	2	Y
17,61,780					M.	39,128	902	Ramanalakshmi Mills	45.00	100	Nil	Nil	Nil	Nil	3	Y
87,23,293	39,29,981	1,73,83,244	67,86,683			45,600		Palani Andavar Mills	135.00	50A	12.00	12.00	15.00		12	Y
4,00,000A	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.				197.50	75B	18.00	18.00	22.50			
4,00,000B		84,19,570	18,82,524	—9,80,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	45.00	100	Nil	Nil	Nil		12	Y
14,00,000		1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co.	59,264	300	Radhakrishna Mills	124.00	100A	16.00	20.00	Nil		12	Y
1,84,200A	29,95,000			5,070	B. R. Naidu & Sons	37,096		Rajalakshmi Mills	60.00	50B	8.00	10.00	10.00		12	Y
3,46,600B	29,10,000	54,56,520	29,01,441	10,510	Ramco Agencies Ltd.	24,996		Rajapalayam Mills	73.00	50	10.00	10.00	10.00		12	Y
15,20,000	12,00,000	32,92,216	17,41,434	32,012	Rayalaseema Development Co.	15,600		Rayalaseema Mills	130.00	100	6.00	10.00	7.50		12	Y
12,84,800	12,40,000	49,64,422	21,20,815			95,232	2,232	Sholapoor Spg. & Wvg.	115.00cd	100	9.00	10.00	10.00		3	Y
15,36,260	1,60,55,917	3,13,49,081	2,05,07,227	—1,65,30,796	Morarka & Co.				425.00	100A	Nil	Nil	Nil		12	Y
10,00,000				19,543	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills	79.50	50B					3	Y
30,00,000	20,26,385	96,26,665	79,53,780	30,60,553	Birla Brothers Private Ltd.	86,212	1,244	Sutlej Cotton Mills	70.00N	50	4.50	5.00	7.00	7.00	3	Y
15,00,000		99,02,155				1,12,216	2,098	Swadeshi Cotton (Kanpur)	10.50	10	5.00	6.00	7.00		3	Y
17,50,000	3,43,80,155		1,81,83,024	8,35,712	Jaipuria Brothers				9.25	100	0.75	0.75	0.75			
57,50,000		5,13,52,120						Travancore Rayons	102.00	10	1.15	1.15	1.15		12	Y
1,00,00,200	2,36,28,081		1,62,42,715	2,03,990	Emcete & Sons (Travancore), Ltd.			Trichinopoly Mills	13.45	10	0.62	0.75	1.12		12	Y
12,00,000		3,85,56,288		62,337	Mooljl Ramjee & Sons	18,000	270	Vasanta Mills	12.60	10	0.89	0.89	1.00		12	Y
12,96,670	50,06,584	17,49,881	12,41,858	44,000	E. K. Chetty & Brothers	44,424	1,355	Vishnu Cotton	251.00	100	15.00	20.00	20.00		12	Y
21,00,000	9,50,000	47,22,519	30,75,634	15,922	M.	47,240			105.00	100	4.00	8.00	8.00		12	Y
32,00,000	35,50,000	1,74,27,020	1,17,94,860													
	31,80,000															

† Includes bonus.
‡ The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953.
§ Made up of 4,354 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up.

M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves.
Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1
1 On old capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. n.P.	Rs. n.P.	Rs. n.P.	Rs. n.P.		
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.25	5	Nil	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.00	5	0.50	0.56	0.56		6	Y.
£549,950	£1,149,466	£1,757,923	£841,407	£59,149	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	27.42sd	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 11	9	Y.P.
6,00,000	9,60,000	24,49,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	185.00cd	75	15.00	15.00	15.00	15 00	3	Y.

CEMENT

72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	12.00	B. 10	1.00	1.00*	1.00		12	Y.P.
45,14,6000							3.87	O. 10						
14,70,9760	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	0.87	D. 1	Nil	Nil			3	Y.P.T.
15,71,80,070	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	152.25	100	8.50	10.00	10.00	9.00	7	Y.T.
2,07,44,575														
1,66,00,0000	60,09,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.05	O. 10	1.00	1.25	1.25		12	Y.P.
5,00,0000							2.87	D. 1	0.10	0.12	0.12			
02,09,4500							27.00	O. 25	1.25	1.87	2.06	2.06	3	Y.P.
7,50,0000	26,00,000	2,09,03,054	61,98,184	1,80,704	Escen Private Ltd.	India Cements Ltd.	5.35	D. 5	Nil	0.37	0.41	0.41		
1,50,00,000	4,00,000	4,72,60,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	11.75	10	0.75	0.75	1.25	Nil	3	Y.P.
1,00,00,000	31,40,712	2,43,40,188	98,88,535	11,92,997	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12.25	10	0.75	1.25	1.25	1.25

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,38,403	1,56,73,314	4,805	M.	Bengal Paper Mills	58·00	25	3·12	4·69	2·50		12	Y.P.T.
63,00,000	63,91,258	1,24,02,173	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	19·00	10	14·00	1·30 2/5	1·30 2/5	1·40	3	Y.
25,00,000	25,12,500	1,48,27,689	77,57,046	47,698	T. Shamanna Esq. (Chairman)	Mysore Paper Mills	15·75	10	0·75*	0·75*	1·00*	1·00*	3	Y.
25,00,000	25,12,500	6,04,16,697	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	27·90	10	0·94	1·12	0·62	1·50	3	Y.P.T.
1,46,82,500	2,46,75,045	6,04,16,697	1,37,53,042	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14·50	10	1·50	1·25	1·25		6,12	H.P.T.
1,25,49,070	67,75,503	1,56,40,302	1,00,79,701											
40,00,000	6,50,000	95,83,644	61,01,926	13,705	Baloria & Co.	Star Paper Mills	11·25	O. 10	0·75	1·25	1·05		3,9	H.P.T.
20,00,000A.					Birla Brothers Private Ltd. ..	Sirpur Paper Mills	11·25	A. 10	0·75	1·25	1·05			
2,18,55,240	48,43,000	3,85,20,949	75,56,130	5,497			9·48		*Nil*	5·00‡	0·50	0·50	6	Y.P.
56,00,000A.					F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	34·62	A. 10	1·50	2·00*	1·12*	2·37*	3	Y.P.
58,44,800B.	3,70,50,474	6,78,46,967	3,51,66,938	92,528			34·62	B. 10	1·50	2·00*	1·12*	2·37*		
4,37,500P.O.							4·03	P.O. 2½	0·25	0·25	0·12	0·25		
PRESSING														
8,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62·00xd	100	4·00	*Nil*	*Nil*	3·00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90·00	100	5·00	5·00	6·00	10·00*	6	Y.
PROPERTY AND LAND														
19,60,7800.	7,80,842	43,74,650	23,83,280	96,047	M.	Humayun Properties	10·75N	O. 10	0·60	0·60	0·60		9	Y.P.
2,00,000D.							2·50N	D. 1	*Nil*	*Nil*	0·05			
94,00,000	25,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	22·50	100	4·00	3·00	*Nil*	*Nil*	4	Y.P.
SAW MILLS AND TIMBER														
13,99,998	22,83,439	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1·81	2	*Nil*	*Nil*	*Nil*		9	Y
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	552·00	Old125	20·00	37·50	40·00	40·00	5	Y.
42,00,000							207·50	New50	8·00	15·00	13·75	16·00		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products.. ..	44·62	10	2·75	3·00	3·00	1·00‡	0	Y.
SUGAR (U.P. and Bihar)														
						Palrampur Sugar	6·12	5	0·75	0·06	*Nil*	0·25	6	Y.
14,00,000	15,30,406	42,92,220	31,12,074	57,702	M.	Basti Sugar	120·00N	A. 100	10·00	10·00	10·00		4	Y.T.
12,00,000A.	29,80,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd. ..	Belsund Sugar	11·50N	B. 10	1·00	1·00	1·00			
8,00,000B.					Bangur Bros., Ltd.		11·00	7½	0·75	0·75	1·00		9	Y.
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Cotton Agents Private Ltd. ..	Bharat Sugar	12·37	10	1·50	1·50	1·50	1·50	6	Y.P.
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Gladstone Lyall & Co., Ltd. ..	Catew & Co.	7·62	10	0·75	0·25	*Nil*	*Nil*	6	Y.P.T.
22,00,000	22,22,515	1,45,76,657	98,94,338	—2,23,014	Cawnpore Sugar	Champarun Sugar	12·00	10	0·75	0·75	0·75		10	Y.P.
30,00,000	65,63,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Dcoria Sugar	20·50	10	1·00	1·50	1·00	*Nil*	6	Y.
18,00,000	34,56,103	84,72,400	59,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd. ..		19·00N	10	0·75	0·50	0·50		8	Y.T.
9,58,252	2,59,762	25,14,152	16,08,383	5,464	K. C. Thapar & Bros. Private Ltd. ..	Hindustan Sugar Mills ..	275·00	A. 100	15·00*	15·00*	15·00		6	Y.P.
50,00,000A.	44,95,000	1,02,71,005	67,56,074	33,123	Bachhraj & Co. Private Ltd.		100·00	O. 100	15·00*	15·00*	15·00			
10,00,0000.					Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	51·00	40	*Nil*	2·25	4·00	7·00	7	Y.P.
18,00,000	12,51,026	79,38,731	49,86,047	1,05,664		New India Sugar Mills ..	24·75	10	2·50	2·50	2·50	2·50	6	Y.P.
7,89,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New Savan	4·50	10	0·25	0·25	0·37	0·37	5	Y.
11,00,000	4,45,000	47,92,961	28,86,310	4,549	K. C. Thapar & Bros Private Ltd. ..		200·00N	100	20·00	20·00	20·00	20·00		
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill ..	50·00N	25	5·00	5·00	5·00	6·00	6	Y.
38,275					Cotton Agents Private Ltd.	Oudh Sugar	128·50	100	11·00	11·00	11·00	12·50	7	Y.P.
77,48,500	64,48,618	2,15,99,028	1,18,25,000	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75·00N	100	10·00	6·00			10	Y.
13,00,000	12,69,374	31,96,404	21,40,459	20,705	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10·25	10	0·75	0·75	0·75		10	Y.P.
9,00,000	19,54,817	43,99,385	31,54,228	20,705		Ryam Sugar	19·75N	10	0·50	*Nil*	*Nil*	1·50	6	Y.P.
8,00,000	6 21 932	28,74,393	23,31,931	2,175	M.	Samastipur Central Sugar ..	11·25	10	0·50	*Nil*	1·75	*Nil*	6	Y.
11,99,000	16,33,214	47,23,583	25,13,422	—2,20,833	M.	Shree Krishna Gyanoday Sugar	10·19	10	1·50	1·75	1·00		8	Y.P.T.
29,79,525	22,68,160	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.									
10,02,115	24,660	29,48,000	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2·37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
						Shri Sitaram Sugar	11 62	10	1·50*	1·00	1·00		8	Y.T.
15,89,962	13,10,901	33,44,287	18,97,008	88,761	M.		11 12N	O. 10	*Nil*	*Nil*				Y.P.T.
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.	South Behar Sugar	0 50N	D. 2½	*Nil*	*Nil*			10	
4,40,000D.						Upper Ganges Sugar	35 00N	10	2·50	2·50	3·00	5·00	6	Y.P.
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	United Provinces Sugar ..	13·50	10	1·25	1·50	0·50		9	Y.
16,00,000	7,66,589	33,17,959	27,99,205	32,042	M.									
Other Centres														
						Andhra Sugars Ltd.	16·50xd	10	*Nil*	0·60	1·00	1·25	9	Y.
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Belapur Company	240 50	50	16·00	16·00	16·00	18·00	9	Y.
70,49,650	1,18,43,608	1,50,47,792	1,08,77,187	3,00,223	W. H. Brady & Co., Ltd.	Bhopal Sugar Industries Ltd.	22·00	10	1·00	1·00	1·50	2·00	9	Y.P.
17,50,000	12,58,285	41,18,701	23,96,319	20,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Shree Chamgidee Sugar ..	22·75	12·50	1·00	2·00	5·00		9	Y.
15,00,000	87,08,195	46,71,311	32,89,314	3,24,398	Sir J. P. Srivastava & Sons (M.R.) Ltd.	Gwalior Sugar	70·00N	100	*Nil*	*Nil*	6·00		9	Y.P.
15,93,900	12,63,973	40,71,311	23,64,606	14,799	India Sugar and Refineries ..	Jeypore Sugar	13 00	10	1·75	1·40	1·12		6	Y.P.
55,94,920	14,89,827	33,70,627	19,25,045	6,70,986	R. S. Ind. Corpn. Private Ltd. ..	Buland Sugar	13 50cd	10	1·00	1·00	0·50		6	Y.P.
20,62,558	12,13,785	46,34,172	11,11,505	32,569	Govan Bros. (Rampur), Private Ltd...		14 13	10	1·00	1·50	1·50Q		6	
63,50,400	85,59,866	67,02,760	25,67,388	27,711		K. C. P. Ltd.	120·00cd	O.100	7·50	7·50	7·50		10,	Y.
10,52,2000.	79,80,000	1,79,03,447	35,20,265	26,863	V. Ramakrishna Sons (Private) Ltd...		132 00cd	D. 10	10·00	10·00	10·00		6	Y.P.
2,87,190D.						Mysore Sugar	35 25cd	10	2·00	2·00	2·00		6	Y.
21,79,280	86,24,818	1,20,89,142	82,31,728	2,63,107	B. M. Krishnan, Esq. (Mg. Director).	Phaltan Sugar	141·50	50	8·00	8·00	9·00	12·00*	9	Y.
50,00,000	53,21,430	1,16,88,154	67,30,841	1,47,239	Mahalal, Amrit and Kantilal Pvt. Ltd.	Rajnnugger, Cane and Sugar ..	22 50	10	1·50	2·00	9·00		8	Y.P.T.
16,59,820	41,20,000	58,54,984	31,76,680	1,25,738	Anderson Wright Ltd.		134 50	O. 50	2·50	9·00	12·00	12·00	9	
20,00,0000.	42,07,214	1,04,79,940	59,30,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	134 50	D. 10	*Nil*	0·07	0·70	3·75		Y.P.T.
4,00,0000.						Raza Sugar	14 13	10	0·75	*Nil*	1·50Q		10	Y.
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Travancore Sugars	10·10	10	*Nil*	0·75	1·00	1·00	7	Y.P.
80,00,000	23,40,000	62,19,329	24,74,579	77,355	Parry Co., Ltd.	Walchandnagar Industries ..	291·25	100	16·00	18·00	21·00		9	Y.P.T.
1,01,00,000	1,08,46,263	2,28,80,653	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..									
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	104·00	100	7·50	7·50	7·50		10	Y.P.
1,80,00,000	82,00,000	4,21,63,342	1,45,39,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80·00N	100	5·00	5·00	6·00		12	Y.
90,00,000	1,42,35,068	4,90,84,546	$6,21,345	1,83,530	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.									
						Great Eastern Shipping Co. ..	20 28	10	1·00	*Nil*	1·00	1·50	6	Y.P.
£655,580	£997,759	£5,665,884	£3,428,088	—£106,393	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co...	55 50	£10	Sh. 10	Sh. 10	*Nil*		12	Y.P.
2,25,00,000	1,74,74,232	15,90,56,515	5,78,99,812	5,84,102	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11 08	10	*Nil*	*Nil*	1·00	1·00	12	Y.P.
9,40,19,673	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co.	17 50	20	0·50	0·50	1·00	1·25	6	Y.T.
8,40,8000.	18,26,615	12,00,284	7,86,760	1,66,813	R. R. Alyer, Esq. (Manager) ..	Walford Transport Ltd. ..	2 03	2·03	0·12	0·12	0·14		12	Y.
2,10,200P.O.							1·62	P.O. 1	0·11	0·12	0·12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500·00N	200	32·00	32·00	30·00	26·00	9	Y.
15,98,880	2,04,173	2,26,474	90,000	1,99,851	M.	Bombay-Uranoda	47·00	50	4·50	*Nil*			12	Y.
25,00,000	1,00,000	26,18,548‡‡		58,680†	A. J. C. Hoskyns-Abrahall (Chairman)	Dewan Kanji Investment Co.	11·52	25	0·75	0·75	0·81	0·81	3	Y.
5,57,00,000	2,01,70,510	4,79,59,318	1,35,62,169	89,94,000	Birla Brothers Private Ltd. ..	Hindustan Lever	23·48	10	*Nil*	*Nil*	1·00	1·25	12	Y.
31,07,990	16,29,510	1,09,45,989	67,14,407	14,986	Choonilal Manilal Private Ltd. ..	Hind Cycles	132 50	100	10·00	10·00	10·00	12 50F.	3	Y.P.
14,98,840	3,01,500	28,01,284	19,40,793	22,010	Premchand Roychand & Sons ..	Kirloskar Batteries	78 00	100	3·00	2·00	3·00		3	Y.
99,99,250	20,13,147	1,25,61,398‡‡		1,74,033	K. G. Milne, Esq. (Mg. Director)	Industrial Investment Trust ..	79·00	100	4·50	4·00	5·00	5·50	12	Y.
1,00,00,000	28,08,445	38,85,170	11,25,734	2,758	Aero-Auto Private Ltd.	Killick Industries	151·00	100	11·00	11·00	11·00	11·00	6	Y.
2,20,25,325A.O.	63,14,265	3,27,78,324	1,69,93,078	6,31,752	Sir Joseph Kay (Chairman) ..	Premier Automobiles	86 50	100	*Nil*	*Nil*	6·00	6·00	6	Y.
10,21,200	4,83,147	8,09,102	5,85,506	2,481	Sir Joseph Kay, K.B.E. (Mg. Director)	United Motors (India) Ltd. ..	180 00	100	2·00	2·00	2·00	1·20	12	Y.
2,75,00,000	1,35,45,829	2,14,34,161	1,59,08,376	5,02,238	Mr. A. Bydarl & Mr. S. Gothberg	Western India Match Co., Ltd.	273·00	100	11·00*	11·00*	11·00*	11·00*	12	Y.
45,00,000	60,62,390	8,61,935	5,24,956	75,054	Mr. A. Bydarl & Mr. S. Gothberg	W. H. Brady & Co., Ltd. ..		150	20·00	20·00	22·50	25·00	12	Y.
					Sir Joseph Kay, K.B.E. (Mg. Director)									
Other Centres														
87,50,000	1,09,56,718	8,81,21,462	86,06,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	9·75	O. 10	*Nil*	*Nil*	*Nil*	0·50	0·90	8	Y.P.
2,50,000							3·75N	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	32,25,000	68,17,870	28,12,085	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	13·75xd	10	1·25	1·25*	1·25	1·25	4	Y.T.
30,00,000	36,20,717	34,97,377	23,09,332	3,61,289	Turner Morrison & Co. Private Ltd...	Anglo Bros., Ltd.	18·50	10	1·25	2·00*	2·00*	1·25	3	Y.
30,00,000	15,70,000	33,91,721	21,20,441	1,72,873	Mr. A. Hydari & Mr. S. Gothberg ..	Associated Hotels of India ..	15·50	10	1·25*	1·25*	1·25*	1·25*	3	Y.
30,00,000	32,47,883	1,02,58,021	36,87,830	2,45,122	Oberoi Hotels (India) Private Ltd. ..	Palmer Lawrie & Co., Ltd. ..	5·19	10	0·20	0·40	1·20		3	Y.
20,00,000	98,61,203	69,52,105	37,02,106	6,03,373	M.	Bengal Flour Mills Co., Ltd. ..	147·00	100	13·00	12·50	15·00		3	Y.
80,01,100	12,56,000	33,30,346	25,71,386	90,379	Balmer Lawrie & Co., Ltd.	Birla Investment Ltd.	27 00	10	2·50	2·25	2·50		12	Y.
12,00,000	8,05,715	62,28,492‡‡		37,612	Lovelock & Lewis	Britannia Biscuits	12 50	10	1·25	1·25	1·00		12	Y.
20,00,000	34,61,814	1,14,31,095	37,07,455	1,84,983	K. Julian Scott, Esq. (Mg. Director)	British India Corporation Ltd. ..	27 00	10	1·00	1·00	1·00	1·00	3	Y.
45,97,720	1,55,55,571	3,06,98,577	2,33,80,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	Clive Row Investment	24 87	10	0·06	*Nil*	0·10	0·10	12	Y.
2,25,00,000	17,34,264	2,05,95,940‡‡		8,16,584	Andrew Yule & Co., Ltd.	Dunlop Rubber (India) Ltd. ..	24 25	10	0·20	0·56	1·38	0·75	3	Y.P.
1,88,30,000	4,40,29,666	6,50,49,175	2,08,24,548	22,22,643	John Lorkham, Esq. (Mg. Director)	Eastern Investments Ltd.	96·00	100	9·00	1·50	1·50	1·62	12	Y.
3,00,00,000	54,81,635	1,64,12,008‡‡		2,42,272	Bird & Co. Private Ltd.	Ganges Rope Co., Ltd.	121·00	100	15·00	15·00	9·00	9·00	12	Y.
51,25,000	9,35,000	34,02,164	19,69,339	84,634	MacNeill & Barry Ltd.	Gillanders Arbuthnot & Co., Ltd.	12·50xd	10	0·75	1·40	1·40	1·00	3	Y.
14,00,000	34,20,000	29,25,473	10,66,888	1,68,398	P. E. G. Woodhire Parish, Esq. ..	Great Eastern Hotel	240 00	250	6·25	6·25	15·00	15·00	3	Y.
65,00,000	15,17,354	83,08,821	36,24,653	74,215	W. H. Syndicate	Hindustan Motors	7 32	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
30,00,000	10,00,000	4,37,26,577	1,61,77,541	7,09,103	Birla Brothers Private Ltd.	Indian Aluminium Co., Ltd. ..	12 75	10	*Nil*	0·90	*Nil*	*Nil*	3	Y.
24,00,000	1,17,58,800	2,27,43,912	2,21,77,728	7,20,182	K. C. Mahindra, Esq. (Chairman) ..	Indian Cables	29 37	10	1·00	1·00	1·00	1·25	3	Y.
24,58,900	1,49,00,000	2,26,86,031	86,85,043	41,81,853	B. J. Woodley, Esq. (Mg. Director).	Indian Rubber Manufacturers ..	15 60	10	1·00*	1·25*	1·50*	1·50*	3	Y.
32,29,220	6,03,000	16,74,905	9,50,396	62,722	G. S. Moulton & Co. (India) Ltd. ..	Imperial Tobacco Co. of India Ltd.	11 31	10	0·60	0·50	0·62		3	Y.
6,67,57,5	24,02,01,624	9,85,79,203	1,62,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Jardine Henderson	53·50	100	7·50	7·50	0·80	0·70	3	Y.
14,00,000	76,27,615	89,02,397	12,08,032	4,71,170	J. D. K. Brown, Esq. (Mg. Director).		202 00	O.100	17·00	22·50	8·00	2·50	3	Y.P.
2,50,00,000						McLeod & Co.	23 75	D.10	1·20	1·75	0·80		12	
40,00,000	82,86,900	48,53,407	10,48,712	2,57,153	M.	Martin Burn Ltd.	23 75	10	1·35	1·35*	1·35*	2·12*	9	Y.
1,00,00,000						Metal Box Co. of India, Ltd. ..	28 25	10	1·00	1·25	1·50	1·75	3	Y.
1,45,29,900	90,58,531	25,54,434	14,07,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Mysore Glass and Enamel Works ..	27 75N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
1,14,30,900	1,17,00,151	2,62,36,099	89,00,793	16,33,569	H. Chiswell Jones, Esq. (Chairman)	Mysore Lamp Works	15 60	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
1,00,00,000	1,821	7,68,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Tobacco	12 75	10	1·00	0·75	0·90	1·25	3	Y.
8,34,345	6,92,500	11,29,680	5,97,362	8,349	Mr. J. L. D'Sa (Chairman)	National Carbon Co. (India) Ltd.	24 75	10	1·25	1·00	1·50	1·50	3	Y.
6,66,285	3,70,000	16,47,599	10,18,129	43,554	M. Mallesheyya, Esq. (Chairman) ..				0·40	0·32	1·50	0·75‡	12	
10,00,000	19,54,817	43,99,385	31,54,228	20,705	J. R. Galloway, Esq. (Mg. Director).									
2,00,00,000	75 15,605	1,50,98,462	50,60,695	21,19,752	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	24 00	10	1·00	1·50*	2·00*		6	
11,99,000	74,71,173	63,80,914	41,52,961	1,44,443	M.	National Rolling & Steel Ropes	9·75	10	0·50	0·50	0·50		6	
29,79,525	22,68,160	1,40,84,561	68,35,007	16,381	Do.	National Tobacco Co.	9 50	10	0·50	0·80	0·00		6	
10,02,115	24,660	29,48,000	14,35,401	—3,16,557	B. N. Ellias & Co. Private Ltd. ..	Rallis (India) Ltd.	27 50	100	*Nil*	*Nil*	*Nil*	*Nil*	12	
					M. P. A. Paspatti, Esq.	Rohtas Industries	16·69	100	*Nil*	*Nil*	*Nil*	*Nil*	8	
15,89,962	13,10,901	33,44,287	18,97,008	88,761	Sahu Jain Ltd.		17·40	10	1·50	1·50	1·50	1·50	6	Y.T.
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.	Sathe Biscuit and Chocolate Co., Ltd...	100·00N	100			5·00	6·00	10	Y.P.T.
4,40,000D.							50·00N	50			2·50	3·00	6	Y.P.
8,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Spencer & Co., Ltd.	17·40	10	1·50	1·50	1·50	1·50	6	Y.
16,00,000	7,66,589	33,17,959	27,99,205	32,042	M.	Shaw Wallace & Co., Ltd.	10 12	10	1·25	1·00	1·00		12	Y.
						Travancore Ogale Glass	2 20	10	*Nil*	*Nil*	1·00	*Nil*	12	Y.

‡ Investments at cost. • Includes bonus. ‡ On old capital. § Exceeding Rs. 1,49 02 000 which represent share in the firm of Shaw Wallace & Co., Ltd.

‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which were sub-divided into shares of Rs. 10 each.

F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957.

Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies to shares of Rs. 10 each.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,69,019	15,95,482	5,76,658	....	McLeod & Co., Ltd.	325	Amluckie	25·00	10	72·00	19·00	5·00		12	Y.P.
3,76,500	5,71,590	11,19,537	3,80,763	22,129	M.	315	Ananda (Assam) Tea ..	18 44	10	7 50	1·00	2·00		12	Y.
7,00,000	9,43,250	12,23,333	3,34,302	49,059	Gillanders Arbuthnot & Co., Ltd...	440	Ananda Bag	21·00	10	3 00*	1·00	1·25		12	Y.
5,50,000	13,21,541	18,70,359	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	18 75	10	3 50	1·00	2·50		12	Y.
5,10,000	9,85,000	12,96,911	5,32,732	53,593	Andrew Yule & Co., Ltd.	370	Baomaria	21 75	10	3 00	1·50	3·00		12	Y.
3,30,000	5,10,000	12,75,996	5,08,524	1,30,178	National Tea Corporation ..	370	Bateli	18·50	10

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
8,00,000	2,10,000	2,82,505	84,197	15,099	Planting Agencies (Private) Ltd..	Balmadies Plantations	3·25	2	0 25	0 30	0 21	0 45	5	Y.E.
26,91,900	4,50,000	52,01,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	5·15	3	0 75	0 45	0 75	0 52	2	Y.E.
18,00,000	11,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	26 25	10	1 75	2 25	2 00	4 00	6	Y.P.T.
71,55,000	56,13,036	1,25,54,765	26,69,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	23 85	10	1 75	2 25	2 00	4 00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	60,961	6,851	M.	Cottanad Plantations	13 10	10	1 50	1 75*	1 50	1 75	3	Y.E.
18,00,000	9,95,543	23,86,790	5,31,442	87,145	A. V. Thomas & Co., Ltd. ..	Bichland Produce	13 10	10	2 50	2 00	2 00		12	Y.E.
4,00,000	10,92,899	18,91,159	2,63,016	18,068	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	20 25	10	2 00	2 75	2 00	2 00	4	Y.
18,50,000	8,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16 00	10	2 25	2 25	3 25	2 25	3	Y.
27,00,000	28,79,287	59,92,725	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	15 00	10	1 75*	2 50	2 00	2 00	3	Y.E.
3,25,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Nedumbur Rubber Co.	15 50	10	1 50	1 50	1 50		12	Y.P.T.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd...	Nilambur Rubber Co.	12 50	10	1 00	1 50	1 50		12	Y.P.T.
2,00,000	2,79,615	45,35,952	14,74,505	52,868	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates ..	4 82xd	2	0 60	0 40	0 20	0 60	10	Y.
12,50,000	8,60,000	45,07,576	9,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	15 50	10	1 75*	2 00	2 50	2 00	6	Y.E.
13,50,000	5,66,780	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savannah Estates Ltd.	4 85	2	2 50	1 00	1 50		11	Y.
10,00,000	3,01,500	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6 46	10	0 75	0 90	0 90	0 60	3	Y.P.T.
5,50,000	1,40,000	5,58,440	84,741	33,968	A. V. George & Co., Ltd. ..	Thamaraiyally Rubber	22 50	10	3 00	3 00	3 00		12	Y.E.
9,15,300	4,00,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1 62	1	0 10	0 12½	0 12½	0 05	9	Y.T.
6,00,000	2,566	7,71,251	1,36,210	2,287	Kajen Thomas, Esq. (Mg. Director)	Travancore Rubber	14 00	10	2 00	3 00	2 00		12	Y.
41,00,000	18,61,221	81,07,222	12,64,246	8,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	7 15	10	1 50	1 25	0 75		12	Y.P.
80,00,000		29,29,288	7,04,419	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co. ..	25 65	25	5 00	4 00	3 00		12	Y.
6,25,000	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Valkundam (Travancore) Rubber ..	20 00xd	10	2 25	2 50	3 50	2 00‡	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7 40	10	1 50	2 00	1 25	1 00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	7 25	10	0 62	0 62	0 25	0.25	3	Y.E.
6,00,000	10,25,000	56,02,958	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100 00	100	7 50	10 00	10.00		6 12	H.P.T.
30,00,000	5,25,000	1,17,61,827	94,41,069	84,402	McLeod & Co., Ltd.	1,264	Alliance	58 00	100	12 00	6 00	Nil		6 12	H.P.
49,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	137 00	100	7 50	8 50	3 50	7.00	3	Y.P.
40,00,000	29,54,500	1,49,09,985	55,34,728	—8,79,016.	Bird & Co. Private Ltd.	959	Auckland	82 50	100	3 50	0 00	1.00	Nil	3	Y.P.T.
20,00,000	23,80,918	96,91,416	65,65,094	66,302	Birla Brothers Private Ltd. ..	1,889	Baily	135 00	100	Nil	3 50	Nil		3.9	H.P.
275,000	474,807	61,628,482	29,23,169	...	Sir John R. Jardine (Chairman) ..		Barnagore	82 00	25	sh. 15	sh. 15	Nil	Nil	3	Y.P.
58,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd.	820	Belvedere	78 00	100	10 00	7 50	Nil		12	Y.P.
45,00,000	58,45,000	57,08,172	31,28,574	2,65,100	Soorajmull Nagarmull	600	Bengal	13 94	10	1 12	1 12			6	Y.P.T.
91,26,500	2,17,48,383	3,34,10,402	1,45,32,651	4,37,393	Birla Brothers Private Ltd. ..	1,373	Birla	14 00	10	1 00	1 00	1.00		3	Y.P.
56,00,000	21,09,926	1,17,00,893	72,35,319	4,116	Andrew Yule & Co., Ltd.	991	Budge-Budge	80 00	100	9 00	7 50	Nil		12	Y.P.
7,47,380	3,09,510	42,13,704	31,62,683	—8,31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7 00	10	0 75	Nil			6.12	H.P.T.
18,00,000	26,46,224	87,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd.	616	Caledonian	96 50	100	9 00	6 50	Nil		11	Y.P.
59,16,400	76,49,239	2,28,64,628	1,19,60,843	—7,24,043	Andrew Yule & Co., Ltd.	600	Champdany	95 50	100	3 00	10 00	2 00	Nil	3	Y.
15,95,600	23,29,282	$2,73,766	48,43,666	1,01,027	McLeod & Co., Ltd.	530	Cheviot	101 00	100	14 00	10 00	2 00		11	Y.P.
30,15,000	32,00,000	66,68,762	48,43,666	1,01,027	Shree Krishna Investment Co., Ltd	909	Clive	13 12	10	Nil	1 25x	0 50		3	Y.P.
24,00,000	9,00,000	81,05,335	67,13,337	25,985	Bird & Co. Private Ltd.	766	Dalhousie	68 00	100	2 50	4 00	Nil	Nil	3	Y.P.T.
31,42,200	44,50,392	1,35,02,608	53,10,167	—8,75,831	Andrew Yule & Co., Ltd.	770	Delta	93 00	100	12 00	10 00	5 00		11	Y.P.
28,00,000	40,51,679	77,35,542	47,66,110	4,547	McLeod & Co., Ltd.	500	Elmore	14.62	10	1 25	1 25	0 50		6.12	H.T.P.
15,00,000	34,50,000	83,93,104	60,85,660	76,491	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	287 00	100	5 00	15 00	10 00	10 00	3.9	H.P.T.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413			Fort William	17 19	10	20 00	20 00	0 75K	1.50	3	Y.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Ganges Mfg.	43 00	100	0 50	2 50	Nil		3.9	H.P.
84,32,100		2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Gondalpara	550 00	300	Nil	Nil	50 00		12	Y.P.
10,80,000	25,68,945	76,08,097	50,72,167	1,11,510	M.	607	Gouripore	216 00	100	10 00	15 00	2 50	2.50	3	Y.P.
24,00,000	24,50,000	2,22,39,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,894	Hastings	104 00S	100	10 00	11 25	5 00		12	Y.P.
40,00,000	60,68,233	1,28,36,137	58,68,639	8,00,036	Bangur Bros., Ltd.	1,078	Hooghly	11 87	10	0 50	1 25	Nil		3	Y.P.
16,80,000	18,61,969	66,47,731	47,79,915	—2,95,253	Bajhadi Hajelu	720	Howrah	13 81	10	1 25	0 87	0 25	Nil	3	Y.P.T.
65,62,500	23,68,428	2,34,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Hukumchand	15 37	7.50	2 00	2 00	2 00	1.50	3	Y.P.T.
52,50,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	India	103 00	O. 125	3 12	4 69	4.69		3	Y.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076		80 50	100	5 00	2 50	Nil			
30,000								78 50	'B' 100	5 00	2 50	Nil		6.12	H.P.T.
24,29,000	20,90,135	1,02,31,843	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	48 00	100	6 00	1 00	Nil			
19,20,000								43 50	'B' 100	6 00	1 00	Nil		6.12	H.P.T.
30,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah	172 00	100	20 00	17 50	5 00	9 00	3	Y.P.
24,00,000								125 00	100	12 50	11 00	5 00	3.00	3	Y.P.
31,00,000	53,00,000	1,35,45,052	68,77,736	86,701	McLeod & Co., Ltd.	703	Kelvin	117 00	100	7 00	13 00	6 00	Nil	3	Y.P.T.
54,00,000	23,33,375	1,96,60,992	1,22,03,779	27,927	Anderson Wright Ltd.	1,250	Khardah	45 00	100	2 00	7 00	Nil	Nil	3	Y.P.T.
48,00,000	31,58,500	2,35,57,708	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	931	Khardaha	78 50	100	2 00	7 00	Nil	Nil	3	Y.P.T.
24,48,000	28,41,335	1,28,71,981	53,10,244	—9,08,440	Bird & Co. Private Ltd.	810	Lawrence	97 00	100	6 00	6 00	Nil	Nil	3	Y.P.T.
24,00,000	45,55,647	1,41,73,943	65,14,075	—7,73,368	Bird & Co. Private Ltd.	1,288	Magna	50 00	100	3 00	3 00	Nil	Nil	3	Y.P.T.
28,00,000	26,36,645	2,64,13,349	1,64,942	1,26,97,309	M.	815	Naihati	80 00	100	Nil	Nil	Nil	Nil	3	Y.P.T.
31,65,200	26,36,645	1,65,70,565	86,70,690	—13,08,719	M.	425	Nakarpara	13 00	10	1 12	1 25			4.10	B.T.
29,98,000	14,62,105	29,01,563	18,21,709	17,816	Howrah Trading Co., Ltd. ..	852	National	21 00	10	2 00	1 75	0.75		10	Y.P.
20,00,000	15,55,000	31,71,346	10,66,470	17,356	Andrew Yule & Co., Ltd.	816	Nellimarla Jute	11 87	10	0 75	1 00	0 50		6.12	H.P.T.
35,00,000	41,29,326	1,71,41,346	1,29,411	20,72,256	McLeod & Co., Ltd.	1,765	New Central	13 19	10	17 00	1 50	1 50		12	Y.P.
26,25,000	27,00,000	28,31,475	3,36,601	1,06,43,534	Sahu Jain Ltd.	567	Northbrook	14 10	10	1 25	1 50	1 50	Nil	3	Y.P.T.
55,50,000	2,66,31,171	4,68,82,343	66,38,490	9,827	Bird & Co. Private Ltd.	1,092	Nuddea	36 50	50	0 50	1 00	Nil	Nil	3	Y.P.T.
16,79,850	46,58,882	1,28,54,152	89,16,557	20,195	Macneill & Barry Ltd.	601	Orient	81 10	100	10 00	9 00	2.00		3	Y.P.T.
60,79,500	12,74,961	2,24,62,235	51,45,690	11,098	Andrew Yule & Co., Ltd.	1,326	Presidency	8 50	10	Nil				11	Y.
24,91,000	23,76,049	75,56,819	80,86,437	65,22,166	McLeod & Co., Ltd.	305	Rameshwara	5 00	10	Nil	Nil	Nil	Nil	6.12	B.T.
20,00,000	6,28,490	27,95,784	8,39,150	—8,81,589	Birla Brothers Private Ltd. ..	1,276	Reliance	4 85	2	2 50	1 00	Nil	Nil	3	Y.P.
20,00,000	10,325	1,84,75,806	64,70,616	—88,95,290	Jardine Henderson Ltd.	2,013	Samnuggur	8 12	10	10%	8% 11			10	Y.P.T.
49,50,000	4,80,552	61,245,244		458,994	Thomas Duff & Co. (India) Ltd...	911	Shree Ambica	10 50N	10	1 00	0 50			12	Y.P.
5,000,000	41,093,713	1,15,50,877	79,96,145	7,975	Bazaria More & Co., Ltd. ..	401	Soorah	13 50	10	1 00	1.50			3.9	H.P.
80,00,000	13,14,910	66,11,704	38,79,294	3,156	Hindustan Investment Corporation	650	Standard...	79 00	100	2.00	1.00	Nil	Nil	12	Y.P.T.
14,00,000	11,25,000	1,26,68,701	57,29,512	—8,76,083	Bird & Co. Private Ltd.	1,794	Tribeni	8 12	51	10%	8% 11			3	Y.P.T.
25,19,600	1,10,501	61,137,660		488,548	Thomas Duff & Co. (India) Ltd...	1,326	Union	108 50	100	6 00	10 00	1.00	Nil	12	Y.P.
4,00,000	6925,119	2,01,42,357	89,47,895	—13,51,940	Bird & Co. Private Ltd.	1,331	Victoria	8 12	51	10%	8% 11			3	Y.P.T.
85,98,600	68,80,143	61,124,819		480,501	Thomas Duff & Co. (India) Ltd...	457	Waverley	2.75	1	0 50	0.37	Nil		12	Y.P.
400,000	6688,035	56,01,062	40,73,991	11,327	McLeod & Co., Ltd.									12	Y.P.T.
2,50,000	6,35,000														

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,650	99,36,489	49,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	15 87	10	1 81	1 37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	25,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 75	10	1 12	1 46	1 10	0.37	3.9	H.
3,00,000	1,05,000	9,25,811	6,64,874	90,370	Kalyanji Mavji & Co.	Bengal-Bhatdee	0 37N	10	0 25	0 62	0 75		6.12	H.
4,49,350	1,60,28,785	6,10,19,849	4,19,73,935	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	210 00	100	30 00*	25 00*P	17.50	7.50	6.12	H.
1,00,00,000	43,782	24,88,157	22,43,080	—94,879	Andrew Yule & Co. (Private) Ltd...	Bhalgora	6 44	10	Nil	Nil	Nil		12	Y.P.
2,25,000	4,88,558	48,14,600	24,22,200	2,120	H. V. Low & Co. (Private) Ltd...	Bharat Collieries	5 87	10	0 62	0 62	0 62	0.60	9	Y.
18,97,000	10,28,269	49,41,927	77,09,407	—4,92,536	Sahu Jain Ltd.	Bhulanbararee	10 75	10	Nil	Nil	Nil		6	Y.P.T.
40,00,000	10,15,172	49,80,946	34,84,101	19,858	M.	Borren	17 00	10	2 00	2 00	1 50		12	Y.T.
7,15,000	24,16,419	45,67,883	27,10,503	92,861	H. W. Heilgers & Co. Private Ltd.	Burrakur	23 25	10	0 56	0 62	0 68	0.56	6.12	H.T.
7,50,000	99,04,448	4,25,18,901	1,93,03,458	5,401	Bird & Co. Private Ltd.	Central India	6 94	10	0 25	0 25	0 50	0.50	6.12	H.P.T.
90,92,480		40,39,014	12,80,014	69,009	Hindustan Investment Corpn.Ltd.	Central Kurkend	11 00N	10	0 25	0 50	0 50		3	Y.
49,97,750	13,30,590	49,11,827	33,03,469	4,240	M.	Churlia	1 50	10	0 25	0 50	0 50	0.50	12	Y.
8,00,000	1,43,986	7,30,051(k)	.....	.....	F. W. Heilgers & Co. Private Ltd.	Dhemo Main	7 25	10	Nil	0 06	0 06		12	Y.
6,00,000	.....	84,02,810	80,95,160	—3,36,508	Macneill & Barry Ltd.	East Indian	20 00	51	2 50	3 00	2 50		12	Y.
16,00,000	£302,875	£1,00,31,810	£764,050	426,677	Jardine Henderson, Ltd.	Equitable	26 87	10	1 50	1 25	0 75	1.50	4	Y.
£240,000	92,06,405	4,16,92,345	3,00,75,857	41,728	Macneill & Barry Ltd.	Ghusick and Mualia	16 00N	10	0 50	0 75	1 50		12	Y.P.T.
89,48,760	1,40,999	13,81,144	4,26,587	23,353	Bhaiatee's Agency Ltd.	Hingir-Rampur	30 75	50	Nil	2 25	2.25	Nil	3	Y.
10,00,000	1,17,009	42,34,400	29,20,972	.....	Killick Industries Ltd.	Ilarriladih	15 00	10	1 75	2 50	1.50		4	Y.P.
12,00,000	7,25,000	22,40,856	19,21,805	45,210	Macneill & Barry Ltd.	Kalapahar	17 00N	10	Nil	Nil	Nil		12	Y.
8,00,000	2,48,905	14,13,052	7,93,171	.....	Andrew Yule & Co., Ltd... ..	Karanpura Collieries ..	89 00	100	Nil	2 50	5.00	Nil	2	Y.
3,50,000	2,21,578	23,57,576	15,71,179	1,062	Bird & Co. Private Ltd.	Katras Jherriah... ..	54 25	10	4.00	4 50	5.00	Nil	2	Y.P.
20,00,000	16,90,908	47,65,511	37,70,923	1,88,336	Andrew Yule & Co., Ltd... ..	Khas Kajora	2 50N	10	Nil	Nil	0.50	0.50	1	H.P.
5,00,000	5,72,960	12,85,941	5,72,960	—2,60,236	Periwala & Co.	Kuardi	2 75N	10	Nil	Nil			3	Y.
1,58,400	64,314	16,80,329	10,61,611	10,611	H. V. Low & Co. (Private) Ltd...	Lakurka	9 00N	10	0 25	0 12			6.12	Y.
11,00,340	11,31,925	25,35,749	22,36,193	4,706	H. V. Low & Co. (Private) Ltd...	Nazira	6 87	10	0 50	0 25			6	Y.
9,00,000	2,00,000	13,13,208	9,66,219	81,201	Tantia Brothers Ltd.	New Bansdeopur	9 00N	10	0 50	0 50			4	Y.
7,48,240	26,617	10,33,740	5,20,295	4,560	Amritlal Ojha & Co.	New Beerbhoom	13 00	10	1 25				12	H.
7,00,000	19,51,814	1,24,49,315	91,72,491	53,595	Andrew Yule & Co., Ltd... ..	New Manbhoom	13 12	10	1 12	1 00	0.75		3.9	H.P.
17,76,230	75,000	33,35,331	22,35,923	1,43,499	Octavius Steel & Co., Ltd. ..		10 50	10	Nil	Nil	Nil		10	Y.
5,00,000						North West	18 37	10	Nil	1 37	1 50	0.50	3	Y.
1,15,000	8,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd... ..		18 00	7.50	Nil	1 03	1 12		3	Y.
1,87,500						Ondal	13 00	10	1 00	1 06	0.75			
7,50,000	15,69,447	3,97,666	2,77,666	87,244	F. W. Heilgers & Co. Private Ltd.	Oriental Coal	4 50N	10	0 50	0 75			12	Y.P.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Parasea	12 00	10	0 75	1 00	0.50		12	Y.P.
8,34,000	20,000	28,49,367	9,36,591	3,080	Deepchand Kishenlal	Pench Valley	19 31	10	1 62	1 50	0 75	0.75	12	Y.P.T.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd.	Raneegunge	11 00	10	0 50	0 37	0 70	2.00	3	Y.
23,99,800	25,66,361	1,37,28,021	91,88,882	39,060	D. N. Ellias & Co. Private Ltd. ..	Rewa	14 50	10	1 37	0 87	0 87	0.75	3	Y.
13,50,000	10,46,116	38,59,556	27,79,864	9,297	Shaw Wallace & Co., Ltd.	Samla Collieries... ..	10 50N	10	0 75	1 00	0 75		6.12	Y.
98,00,000	87,12,000	85,58,756	22,17,867	21,070	M.	Searsole	4 75xd N	2.50	0 62	0 75	1.25		12	Y.
2,50,000	1,95,802	13,78,480	12,21,287	52,200	Andrew Yule & Co., Ltd... ..	Seebpore	23 25	7	2 00	2 50			12	Y.
2,80,000	9,11,598	29,92,167	19,75,253	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0 12	0 25	2.25		12	Y.P.
3,00,000	5,09,216	57,491	23,867	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)						0.25		6.12	H.P.
66,21,450	94,58,536	5,19,41,849	2,73,46,629			Singareni	11 25	10	0 70	0 75	1.00		12	Y.E.
17,50,000	10,89,602	38,95,664	18,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	9 50	10	0 12	0 12	0.25		12	B.
8,00,000	14,01,062	1,69,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard...	13 75	10	1 50	1 00	0.25		2.8	H.
16,00,000		31,92,894	15,43,502	—5,62,907	M.	Talcher	5 81	2.50	Nil	Nil	1.00		12	Y.
3,50,000	3,35,000	18,97,634	14,54,334	77,105	Williamson Magor & Co., Ltd. ..	Union	14 00	10	0 75	Nil	Nil		12	Y.
60,00,000	66,764	72,72,308	24,15,308	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal	5 44	10	0 37	0 50	0.50		12	Y.
7,80,000	.....	57,45,660	25,79,008	—8,20,058	Macneill & Barry Ltd.	West Jamuria	5.50	10	Nil	Nil	Nil	0.50	3	Y.
													12	Y.

M—Managed by the Board of Directors. † Less income-tax. (x) Clive Mills have paid dividend at As. 10| on bonus shares for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian Jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954. ‡ Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Dividend for 1956 is on shares of Rs. 10 each. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.
Also 1954 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share.

SURVEY

(*Concluded from page 622*)

Direct revenue from this project, after full development of the area, will be to the tune of about Rs. 1 crore by way of water rates only. Betterment levy will bring to the exchequer Rs. 45 crores and sale of Government waste land another Rs. 67 crores. Indirect revenue from income-tax, excise, post and telegraph and railway is also expected to be considerable.

The canal will develop a waste desert tract about 400 miles long and 40 miles wide and bring civilisation to an area where life is at present practically non-existent. There are no roads or railways and the only means of communication are camel paths. Drinking water is scarce and its supply is a serious problem. The development of this area will provide an opportunity for the rehabilitation of landless displaced persons from East and West Pakistan and for settling people migrating from the overcrowded parts of the country. But, unlike other projects, the problem in this region is not merely one of providing water, but of all-round development, namely, building up of villages, construction of roads, electrical installations, post and telegraph offices, schools, hospitals, etc. This requires co-ordinated planning of work and execution. Since the probl

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
25,00,000				650 00	100	18 00‡	18.00	18 00	9 00‡		
14,50,000	1,08,00,000	12,42,652	Allahabad Bank	180 00	50	9 00‡	9 00	9 00	4 50‡	12	Y.P.
1,91,000				111 00cd	100	7 50	6 50	8 00	4 00‡		
40,38,540	16,62,000	2,98,939	Andhra Bank	87 00cd	85	3 75	4 54	5 59	3 40‡	6,12	H.
1,00,00,000	1,25,00,000	4,10,731	Bank of Baroda	111 50	50	6 00‡	6 00‡	7 00	7 00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	23 00	25	0 75	0 87	1 12		12	Y.
2,50,00,000				131 00	50	7 00	8.00	8.00	8 00		
50,00,000 'A'	3,10,00,000	16,02,381	Bank of India	133 50	50 'A'				8 00	6,12	R.L.Y.
16,30,375	28,00,000	52,270	Bank of Indore	63 00N	25	3 00	3 50	4 00	4 25	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	38 00	50	2 00	2 00	2 50		12	Y.
80,00,000	91,95,512	1,57,085	Bank of Mysore	252 00cd	100	16 00‡	16 00‡	16.00‡	16 00	12	Y.
15,00,000	40,00,000	44,768	Canara Bank Ltd.	86 00	50	4 50	5.00	5.00	5 00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75 00cd	50	5 00	5.50‡	5 00‡	5.00‡	12	Y.F
5,82,930 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170 00cd	100 'A'	12 50	12 50	15.00	15.00	12	Y.
28,787 'C'				1 71xd	1'C'	12½	12½	15%	15%		
1,66,11,875	4,03,60,821	18,44,046	Central Bank of India Ltd. ..	52 00	25	3 00	3 00	3 50	3 50	12	R.L.Y.
52,12,375				53 50	25	3 00	3 00	3 50	3 50		
50,00,000	40,00,000	2,80,329	Devkaran Nanjee Banking Co. ..	46 00	50	2 00	2 50	3 00	3 00	12	Y.
3,00,00,000	2,00,00,000	10,43,442	Habib Bank (P)	36 37	5	0 81	0 87	1 37	1.06	12	Y.
80,00,000	29,75,000	1,61,946	Hind Bank	52 50	50	1 50	3.00	3.00		12	Y.
1,25,00,000	6,03,000	18,443	Hindustan Commercial Bank ..	10 12	50	Nil	Nil			12	Y.
50,00,000	1,77,500	3,649	Hindustan Mercantile Bank ..	3 75	50	Nil	Nil	Nil		12	Y.
44,00,000	90,80,200	6,13,491	Indian Bank	211 00cd	100	12 00‡	12 00‡	13 00	6 50‡	6,12	R.L.H.
21,82,615				182 00cd	80	7 20‡	7.75	9 75	5 20‡		
56,23,850	46,26,200	2,32,667	Indian Overseas Bank	150 50cd	100	6 00	7 50	10 00	10 00	12	Y.
10,00,000	10,25,000	33,502	Pandyan Bank Ltd.	63 62xd	25	1 56	1.87	1 87	1.87	12	Y.
87,50,000	1,25,99,000	6,20,272	Punjab National Bank	53 00	25	3 00	3 50	4 00	2 50‡	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	17 40	25	0 75	1 00	1 00	1 25	12	Y.
40,00,000	40,00,000	1,10,332	Union Bank of India	8 48xd	5	0 24	0 37	0 44	0.44	12	Y.
2,00,00,000	1,15,00,000	29,420	United Commercial Bank	61 00	50	2.50	2.75	3.50		12	H.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.					
£4,400,000	£5,700,000	£412.542	Chartered Bank	£1-15-9	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£4[illegible]	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£18,565,070	£18,000,000	£826,712	Lloyds Bank	£2-2-6	£1	15†	12†	13†	13†	12	Y.
£375,000 'A'				£1-8-9	A £2½	14†	14†	14†			
£375,000 'B'	£2,000,000	£224,521	Mercantile Bank Ltd.	£1-8-9	B £2½	14†	14†	14†		12	Y.
£720,000 'C'				—	C £1	14†	14†	14†			
£2,851,563	£3,104,687	£365,589	National Overseas and Grindlays Bank Ltd.	£1-0-8	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (F) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Carew & Co.	1938	92.00	1st June .. 1968
4,00,000	5½	1st March and 15th September..	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4½	1st May and 1st November ..	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November ..	Walchandnagar Industries (New)..	1944	92.00N	1st November .. 1959-64
COAL						
20,00,000	4½	30th April and 31st October ..	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December..	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December..	Equitable Coal Co.'.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December ..	Basanti Cotton Mills Ltd.	1942	85.00	30th April.. .. 1964
4,00,000	6	10th May and 10th November ..	Bengal-Nagpur	1897	89.00	15th November .. 1966 (b)
78,00,000	5	1st April and 1st October ..	Buckingham and Carnatic	1952	90.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October ..	Gokak Mills	1957	100.25	1st April .. 1967-72
13,71,000	5½	30th June and 31st December ..	Jaykisre Textiles	1949	90.00N	1st January .. 1956-59
99,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 196[illegible]
ELECTRICS						
10,00,000	4½	31st March and 30th September..	Agra Electric Supply Co., Ltd.	1950	90.00	30th March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December ..	Ahmedabad Electric Co. Ltd.		97.00	14th June .. 1960
98,28,000	4	1st April and 1st October ..	Andhra Valley Power Supply Co. ..	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December ..	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (a)
£4,048,914	4	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December ..	Gouripore Electric Supply Co., Ltd. ..	1945	84.00	30th June .. 1970
15,80,000	5	1st January and 1st July ..	Sijua (Dherriah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	99.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply	1940	93.50	30th September .. 1963-65
47,78,000	5	1st April and 1st October ..	Tata Power	1940	99.00	1st July .. 1970
8,50,00,000	4	1st April and 1st October ..	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December ..	Britannia Engineering	1945	94.00	31st December .. 1969
2,50,000	5	30th June and 31st December ..	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
80,00,000	5½	15th November and 15th March..	Indian Hume Pipe (Hearer)	1942	97.00	1st July .. 1957-62
10,00,000	4	31st May and 30th November ..	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	95.25	1st October .. 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April ..	Asiatara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December ..	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	30th June and 31st December ..	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mill Co., Ltd...	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July ..	Calcutta	1949	86.00	31st July .. 1959
10,69,000	5	30th June and 31st December ..	Chitavalsah Jute Mills	1951	90.00	30th June .. 1966
20,48,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
8,86,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1966 (a)
20,00,000	5½	31st March and 30th September..	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December..	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (a)
5,00,000	5½	30th June and 31st December..	Naihati	1952	90.00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December ..	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December ..	Presidency	1943	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September..	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (a)
8,00,000	4½	14th March and 14th September.	Soorah Jute	1937	91.00	14th September .. 1957
12,00,000	5½	30th June and 31st December ..	Union	1937	90.00	30th June .. 1957
10,00,000	9½	31st January and 31st July ..	Waverly	1925	80.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October ..		1933	£74.10N	1st October .. 1974
6,50,000	2½	30th June and 31st December ..	Katakhal-Lalabazar Railway ..	1945	85.00	31st December .. 1959 (a)
£200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway ..	1905	£84	Anytime on six months' notice (a)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	93.25	1st September .. 1963
PLANTING						
12,50,000	6	31st March and 30th September.	Nilgiri Tea	...	99.00	1st April .. 1958-88
1,56,500	5½	31st March and 30th September.	Teekoy	1944	100.00	31st March .. 1949-89†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1948	92.00	31st December .. 1968
20,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1948	85.00	31st December .. 1962
2,00,00,000	5½	1st March and 1st September ..	Burmah-Shell	1954	97.00	1st September .. 1964-89 (c)‡
2,00,00,000	5½	1st April and 1st October ..	Calsex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1958
20,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78.00	15th September .. 1966
1,00,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	.... 1966‡
1,20,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971(c)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡
18,75,000	5	2nd January and 2nd July ..	Mettur Chemical Industries	1949	83.00	 1964
12,57,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes) ..		510.00	30th September .. 1976 (c)
45,00,000	4	30th June and 31st December ..	McLeod & Co., Ltd. (Convertible Notes)..	1947	470.00 (per note)	31st December .. 1972 (c)
75,00,000	5	1st April and 1st October ..	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December ..	National Nayon	1955	98.00	30th June .. 1975-76
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1965-76
2,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1961 (c)
4,00,00,000	5½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. .. 1965(c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1960 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 1st April, 1958.

	Closing quotations 27-3-1958	High	Low	Closing quotations 1-4-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	118.00	126.00	118.00	126.00
Apollo (2)	1.84	1.80	1.85	1.86
Bombay Dyeing (25)	55.00	57.00	55.00	56.40
Bradbury (50)	160.00	162.50	160.00	162.00
Central India (100)	89.50	95.00	90.00	93.00
Century Mills (100)	426.00	442.00	426.25	438.00
Colaba (100)	44.75	44.75	40.00	40.00
Edward Textile (200)	250.00	—	—	250.00
Elphinstone (50)	47.50	48.00	47.50	48.00
Finlay (100)	281.00	284.00	280.00	282.50
Gokak (100)	153.00	160.00	152.75	158.00
Ind. Unit. Defd. (1)	1.30	1.32	1.28	1.32
Ind. Unit. Ord. (10)	9.96	10.12	9.92	9.96
Indore Malwa (100)	112.50	116.00	112.50	115.00
Khatau (100)	160.50	160.00	157.00	159.00
Kohinoor (100)	281.50	289.00	282.50	286.00
Lakshmi (250)	435.00	447.50	437.50	440.00
Minerva Mills (100)	72.00	—	—	72.00
Model Nagpur (250)	169.00	170.00	165.00	170.00
Morarji (100)	206.00	212.50	205.00	212.50
Mysore (10)	99.50	99.00	87.50	89.50
National Rayons (100)	236.50	240.00	210.00	219.00xr
New City (100)	100.00	—	—	100.00
New Great (100)	207.50	207.00	205.00	205.00
Phoenix (100)	127.50	130.00	127.50	130.00
Podar Mills (100)	145.00	—	—	145.00
Sassoon Silk (10)	8.00	—	—	8.00
Sassoon Spg. (10)	35.00	35.75	35.00	35.75
Sholapur (1,000)	425.00	—	—	425.00
Shrinivas (100)	148.00	150.00	148.00	149.00
Simplex (50)	159.50	161.00	159.50	159.50
Standard (100)	436.00	449.50	435.00	447.00
Svadeshi (100)	185.00	189.50	185.00	186.25
Swan (100)	360.00	361.50	353.00	353.00
Tata Mill (25)	41.00	43.25	40.50	42.50
Vishnu (100)	105.00	—	—	105.00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	130.75	131.00	130.50	131.00
Do. (New) (50)	131.00	133.50	133.30	133.50
Bank of Baroda (50)	115.25	115.25	111.00	111.50xr
Central (25)	53.00	53.30	51.20	52.00xr
Central 'A' (25)	54.50	54.50	53.00	53.50xr
Dena Bank (50)	46.00	—	—	46.00
Punjab National (25)	53.30	53.30	53.00	53.00
Union Bank (5)	8.36xd	8.52	8.48	8.48
United Com. (50)	60.20	61.00	60.20	61.00
ELECTRIC COS.				
Ahmedabad (100)	94.70	96.30	94.60	96.30
Amalgamated (10)	10.36	10.56	10.36	10.56
Andhra Valley (1,000)	1,000.00	—	—	1,000.00
Bom. Sub-El. (100)	104.00	108.00	103.50	103.00
Surat (100)	105.50	106.00	105.50	106.00
Tata Hydro (100)	115.25	117.50	115.25	117.00
Tata Power (1,000)	1,192.50	1,192.50	1,135.00	1,181.25
INSURANCE COS.				
British India (10)	12.76	—	—	12.76
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	49.00	—	—	49.00
Jupiter (15)	8.08	8.08	7.56	7.56
New India (15)	42.50	44.00	42.50	44.00
Oriental (200)	3,980.00	—	—	3,980.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	16.76	—	—	16.76
STEEL COS.				
Ind. Iron (10)	21.08	21.68	21.12	21.56
Tata Steel Ord. (75)	178.50	183.00	178.50	182.50
SUGAR COS.				
Belapur (50)	240.00	241.50	240.00	240.50
Bhopal (10)	21.80	22.00	21.80	22.00
Phaltan (50)	139.50	142.00	139.50	141.50
Walchand Ind. (100)	288.00	291.25	288.00	291.25
CEMENT COS.				
Associated Cts. (100)	150.50	152.75	150.00	152.25
Digvijay (100)	148.50	144.00	142.50	143.75
MISCELLANEOUS				
Alcock Ashdown (100)	252.50	286.25	247.50	282.50
Bom. Burmah (125)	539.50	552.00	538.00	552.50
Do. (New) (50)	206.25	207.50	206.25	207.50
Br. B. Petrol (4 sh.)	1.96	2.38	1.88	2.00
Br. I. Corpn. (5)	3.84	—	—	3.88
C. P. Rly. (100)	57.50	—	—	57.50
Hindusthan Motors(10)	7.12	7.40	7.12	7.32
Indian Copper (2 sh.)	3.20	3.34	3.22	3.32
Ind. Inv. Tr. (100)	79.00	—	—	79.00
Killicks (100)	150.50	151.00	150.50	151.00
Polson (100)	180.00	—	—	180.00
Pre. Automobiles (100)	84.50	87.00	84.00	86.50
Premier Con. (80)	169.25	174.75	169.00	174.25
Scindia (20)	16.96	17.32	16.96	17.16
G. E. Shipping (10)	20.20	20.25	20.04	20.20
Shivrajpur (10)	97.00	99.50	97.50	99.50
Tata Chemicals (10)	13.64	14.52	13.60	14.26
Tata Locomotive (100)	156.50	160.50	156.00	159.25
Tata Oil (25)	39.00	40.25	39.00	40.25
W. I. Match (100)	172.70	180.00	171.00	180.00

GOVERNMENT SECURITIES	24-3-1958 Rs. nP	Gross Yield Earlier Redemption	Later Redemption	31-3-1958 Rs. nP
2½% 1961	94.80	—	4.12	95.00
2½% 1960	97.60	—	3.82	97.70
2½% 1962	94.85	—	3.92	94.95
2½% 1976	83.10	—	3.99	83.10
3% 1988	99.75	—	4.03	99.75
3 % 1969-61	99.05	3.66	3.73	99.05
3 % 1964	94.50	—	3.29	94.50
3 % 1963-65	94.40	4.12	3.94	94.60
3 % 1966-68	87.30	4.08	3.82	93.25
3 % 1970-75	86.25	4.44	3.88	86.25
3 % 1986 Con. Loan	71.00	—	4.11	71.00
4 % 1960-70	100.60	3.77	4.22*	100.65
4½% 1988 65**	100.40	—	3.95	100.65
2½% 1961 N.P. Bonds	99.65	—	2.07	99.65
2½% 1964 N.P. Loan	98.90	—	3.60	98.10
2½% 1965 N.P. Bonds	97.70	—	3.83	97.70
2½% 1962	97.90	—	3.85	97.90
2½% 1967 N.P. Bonds	97.85	—	3.79	97.85
2½% 1974	98.20	—	3.79	98.20
2½% 1967 N.P. Bonds	99.70	—	3.90	99.75
4 % 1972 Loan	100.10	—	3.78	100.10

BRITISH GOVERNMENT SECURITIES

	Closing quotations 21-3-1958 £			Closing quotations 28-3-1958 £
2½% Brit. Consols	49½	—	—	49½
3 % Savings Bonds 1965-75	70⅜	—	—	70⅜
2½% War Loan 1955-59	97⅛	—	—	97⅛
2½% War Loan	65⅛	—	—	64⅝
4% Victory Bonds 1976	91⅛	—	—	91⅛
4% Funding 1960-90	88⅛	—	—	86⅝xd

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts. x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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TAXING GIFTS

INDIA is unenviably engaging itself in erecting all ill-assorted structure of taxation. Having borrowed its fiscal ideas from many quarters, in addition to possessing some of its own, and unwilling to stick to any one system, India now finds itself confronted by a fiscal architecture which must be forbidding to any spectator. That the whole edifice may some day fall apart through sheer lack of coherence does not seem to worry its builders. All that they are now concerned with is how best they can raise large resources. In their anxiety to find new sources of revenue, they would leave no fiscal stone unturned. A new stone in the fiscal architecture is the gift tax. It has been very pertinently pointed out that it does not fit into the fiscal structure. But the Government does not seem to be in any mood to listen to reason.

Gift tax owes its birth to Prof. Kaldor's report, though we are sure that the learned Professor himself would be the first to disown its parenthood, considering how greatly the tax he proposed has been changed into the one now sought to be imposed. What the Government has done is to take his idea and then to misshape it. It will be recalled that Prof. Kaldor proposed gift tax as part of an integrated system of taxation he outlined. But the Government, anxious as it has been to borrow only such isolated concepts as will suit its revenue purposes, has changed Prof. Kaldor's original concept. To mention only two ways in which the present tax differs from Prof. Kaldor's proposal, Prof. Kaldor wanted it to replace estate duty. But gift tax is sought to be imposed while estate duty is being continued. Again, while Prof. Kaldor would have imposed the gift tax on the fortunate recipients, the Government would penalise the charitable donor.

At the last annual session of the Federation of Indian Chambers of Commerce and Industry, Mr. G. P. Kapadia, President of the Indian Merchants' Chamber, was at some pains to point out how "on a scientific consideration the combination of all the three measures, namely, the estate duty, the gift tax and the wealth tax, cannot be justified at all." Mr. Kapadia then proceeded to reinforce his point by a reference to the tax systems of the countries where gift tax has been imposed. In the U.S., Canada, Japan and Australia which have a gift tax, there is no levy on wealth. The provisions for exemption of gift tax are more liberal in the U.S. than in India. So far as Canada is concerned, Mr. Kapadia pointed out how the low rate for gift tax, the high exemption limit for succession duty and the absence of wealth tax in that country show an equitable pattern of taxation. Again, in Australia, the rates for gift tax are quite low. He also cited the practical approach which Japan has made to its tax system. Although gift tax has been imposed in that country, the rates for income-tax are quite low. Thus, the present rates of income-tax range from 10 per cent. on 5,000 yen to 65 per cent. on 800,00 yen; these rates may be compared with the tax rate of 77 per cent. for earned income and 85 per cent. for unearned income in the highest slab of income in India. Clearly, gift tax is an exotic plant on the Indian soil for the simple reason that this country does not possess the climate which has made its cultivation possible in other countries.

Together with wealth tax, gift tax now enters the sacred precincts of family life. No longer is a man free to give away as gift what is his own without subjecting himself to the curious scrutiny of an external authority. With his gift for apt illustrations, Mr. A. D. Shroff brought out the essence of the Gift-tax Bill when he said recently: "When you study some of the implications of the Bill you will appreciate that gift tax is not something to be ignored. If you own a house and if you wish to give a flat to your son that will be considered a gift. If you have given the use of a flat in your building to your parent or your relative it will be treated as a gift and if I admit a partner in the firm and because of the consideration that he is going to put in extra work and help me in the business, and if I agree to concede a certain part of my share in the profit of the firm to the new partner that will be considered a gift." He went on to say how individuals and firms who make contributions to political parties would also be taxed for the gifts they make.

Nevertheless, if the gift tax must be enforced, the present Bill must be drastically altered. It should be modified in a way which will take into account at least the beneficial features which are to be found in this tax in other countries. There are, of course, two welcome features in the Gift-tax Bill. There is, for instance, the liberal allowance for a gift made to one's wife. Again, the rebate of 10 per cent. of the tax liability which is allowed for the prompt payment of the tax is to be welcomed. The value of the provision will, however, rest on how promptly the taxation authorities complete their assessment proceedings. In order that the tax may really be acceptable, it would have been far wiser for the authorities to have related the tax to the ability of the man to pay it. In its present form, the tax is payable by the donor irrespective of the net wealth of the man who receives the gift. Also, the way in which gift is defined needs to be changed. As Prof. R. J. Taraporevala has so ably argued in his article (vide Commerce dated 29th March 1958), there is little justification for bringing voluntary forgiveness of indebtedness within the ambit of a gift tax. Surely, it is not right that the practice of the Christian virtue of forgiving a man his debts should be penalised by the imposition of tax. It seems odd that the leaders of a party which has continuously agitated for scaling down agricultural indebtedness and urged the creditors to forgo their claims, should now think in terms of subjecting a man's act of forgiveness of his debtor to a tax. Fiscal onslaught could not have been more unhappily directed.

Clearly, there is both need and scope for extending as well as widening the list of exemptions. The basic tax-free allowance of Rs. 10,000 takes little account of the continuing inflationary conditions under which Rs. 10,000 is hardly equivalent to Rs. 3,000 in pre-war years. This is also true of the permissible tax-free gift of Rs. 10,000 to a female dependent at the time of her marriage. There is also no reason why all insurance policies should not be completely exempted. And if such exemption stimulates the growth of life insurance it is all to the good both for the State and for the community. It seems particularly unwise to limit the exemption from gift tax only to the gifts made to a charitable institution to which section 15B of the Income-tax Act applies. Whatever might be said against communal or religious charities, there is no doubt whatever that such institutions have done a great deal of good. So long as the State does not eliminate the need for such institutions it is best that they should be encouraged to function.

Many difficult issues will arise in the actual administration of the gift tax legislation. In the course of his admirably analytical study of the provisions of the Gift-tax Bill, Prof. Taraporevala has called attention to some of these issues. Whichever way the matter is looked at, it looks as though these issues cannot be avoided. It seems necessary to point at least to one such issue, namely, the problem of determining the adequacy of consideration. In terms of the Bill, a transfer of property made without consideration, or for inadequate consideration, will be regarded as a gift. Prof. Taraporevala rightly argues that where the consideration takes the form of personal services rendered or the forsaking of

penalise him for not possessing economic foresight if some of his transactions turn out to be wrong. We commend Prof. Taraporevala's suggestion that no tax should be imposed on a transfer of property in the ordinary course of business—that is a transaction which is "bona fide at arm's length and free from donative intent." Another aspect of the problem is that gift tax legislation might unwittingly penalise a firm for taking into partnership a man with special abilities. As Prof. Taraporevala points out, many professional firms of lawyers, accountants and architects admit into partnership men possessing the necessary qualifications and ability whose services would be valuable to the firm without charging the new entrant for goodwill or for the other assets of the firm. And yet, under the Gift-tax Bill, the existing partners of such firms may be deemed to have made a gift of the share in the partnership to the new entrant. This cannot be the intention of the legislature.

Finally, it seems necessary to reiterate the obvious point that the very idea that gifts could be made subject to tax is foreign, if not also repugnant, to Indian thought and tradition. Nevertheless, if the tax must be imposed, it must be in a form and operate in a manner which will not appear excessively harsh. Again, in the administration of the tax, the authorities must be prepared to display some charity in judgment—the quality from which all gifts flow, thereby making their taxation possible for the State.

COMPANY LAW

THE Companies Act 1956 has earned the reputation of being the most voluminous Act of its kind. With its 658 clauses, the Act covers, as is well known, a great deal of fresh corporate ground. Indeed, it is in the nature of a re-enactment rather than a mere amendment of the original Act. Nevertheless, the fact that so soon after the Act was placed on the Statute Book it has been found necessary to build new amendments into the Act shows how the authorities cannot be too careful in drafting corporate legislation. Complicated as this legislation has been, it is gratifying to note that while the authorities have been able to set up a competent machinery to administer the Act, company managements on their part have shown great abilities for adjustment to the conditions created by the new legislation.

The administrative set-up of the Company Law Department consists of a Secretariat at New Delhi with four regional offices in Bombay, Madras, Calcutta and Kanpur and offices under the control of full-time Registrars of Joint-Stock Companies in all the States of the Indian Union. An Advisory Commission, consisting of a full-time Chairman and four part-time members representing trade and industry, the accountancy profession, shareholders and labour, has been appointed to enquire into and advise the Central Government in regard to matters arising out of certain aspects of the administration of the Act. Although it is not mandatory on the part of the Government to accept the advice of the Commission, the Central Government, according to the annual report on the working and administration of the Companies Act for the year ended 31st March 1957, issued by the Department of Company Law Administration, has generally accepted the Commission's views in regard to the cases referred to them and has "so far had not to differ from the Commission on any major issue of policy." This augurs well for the future administration of the Act. It is to be hoped that this tradition will be maintained.

There has been, as we pointed out in our last week's issue, a fall in the total number of companies registered in 1956-57. The number was 848 with a total authorised capital of Rs. 210.6 crores, consisting of 84 public companies and 764 private companies with an authorised capital of Rs. 54.1 crores and Rs. 156.5 crores respectively; the corresponding figures for 1955-56 are: 1,448 companies with a total authorised capital of Rs 156.9 crores distributed between 186 public companies with an authorised capital of Rs. 67.8 crores and 1,262 private companies with an authorised capital of Rs. 89.1 crores. The fall in the number of companies has been attributed to exaggerated apprehensions about the provisions of the new Companies Act. There may be some element of truth in this, but the fall could be traced to the fact that the climate for capital investment in 1956-57 was not generally conducive to fresh corporate enterprises.

The total number of companies, as on 31st March 1957, was 29,951, with a total paid-up capital of Rs. 1,058 crores—20,311 private companies with a paid-up capital of Rs. 334.0 crores and 9,640 public companies with a paid-up capital of Rs. 724.0 crores—as compared with 30,331 companies with a capital of Rs. 1,019 crores a year ago—20,427 private companies with a paid-up capital of Rs. 335.1 crores and 9,954 public companies with a total capital of Rs. 684.2 crores. A size-wise analysis of the new enterprises, registered in 1956-57, shows that a large number of them—about 46 public companies and 561 private companies—falls within the Rs. 1 to Rs. 25 lakh group. The number of giant incorporations having an authorised capital of Rs. 1 crore and more in 1956-57 was 38, as against 42 in 1954-55. In the group with an authorised capital of more than Rs. 5 crores, except for India Rayon Corporation, India Reinsurance Corporation and the Saurashtra Cement and Chemical Industries Ltd. all are "Government" companies, the more important of them being the National Coal Development Corporation Private Ltd., Heavy Electricals Private Ltd., Neyveli Lignite Corporation Private Ltd. and Western India Shipping Corporation Private Ltd.

There are two features of the working of companies to which the report draws special attention. The report points out that there has been a tendency for managing agencies to surrender their offices and get themselves appointed as selling agents to the companies they had managed before. This is a tendency which naturally offends against the spirit of the Companies Act. Secondly, it would appear that several public companies—227 of them—have converted themselves into private companies presumably in order to escape some of the restrictive provisions of the Act applicable only to public companies. This trend is particularly surprising, considering that there is a definite fiscal disincentive for private companies. Perhaps, when this factor begins to be realised by the managements there will be no positive trend towards the conversion of public into private companies. If, in spite of the existing fiscal differentiation, the trend towards the formation of private companies continues, it must obviously be because many of the clauses in the Companies Act are unduly harsh on public companies. Again, the reversal of this trend could be easily accelerated by appropriate fiscal reliefs which would encourage the formation of public companies and render the conversion of private into public companies, a most desirable form of corporate metamorphosis.

A somewhat irksome feature of the new Companies Act has been the obligation imposed on managements to discover and report the relations of the directors who are employed in the companies concerned. This provision has perhaps more a sociological than economic significance. It is at all times difficult for directors, especially of large companies, to find out which relations of theirs are employed in their concerns. The statistics quoted in the report show that the evil of nepotism is less widespread than what many quarters had believed. There are 6,000 persons related to 2,600 directors in respect of whom special resolutions had to be passed. About 55 per cent. of the relatives of directors draw a salary of less than Rs. 250 per month. Only 15 per cent. of the relatives of directors have an emolument of Rs. 500 and above. To turn to another aspect of Company Law. Altogether 3,650 special resolutions under the section relating to the offices held by directors have been passed; these covered about 16.5 per cent. of the companies actually at work, the total number of directors concerned being 5,250. Nearly 3,000 directors, it is stated, held offices of profit, ranging from part-time posts carrying a relatively small remuneration to posts of executive directors with substantial emoluments. The study has further disclosed that about 50 per cent. of the directors held places of profit carrying a monthly pay of less than Rs. 500.

The new Company Law is designed to prevent loans being given by companies to their directors and also some undesirable forms of inter-company investment. These two evils do not appear to be as widespread as many had been led to think at one time. The report points out that during the year under review the number of applications for the regularisation of the existing loans and the approval of new ones made to the Government under section 295 of the Act was 77, of which 34 involving an amount of Rs. 3.54 crores were approved, while 32 involving Rs. 1.37 crores were rejected. The rest of the applications were either withdrawn or pending consideration. The Government received 62 applications under sections 372 and 373 of the Act relating to inter-company investments and accorded sanctions in 42 cases involving a total amount of Rs. 3.29 crores and turned down eight applications carrying a total amount of Rs. 16 lakhs. A curious fact which has emerged from the investigation into inter-corporate investments is that, in some instances, insolvent or nearly insolvent companies wanted to invest in associated companies and in a few others the investments proposed were in disregard of the interest of the shareholders. Clearly, this is a trend which has to be curbed in the interests of the lending companies themselves.

A whole bunch of provisions in the Companies Act is designed to prevent unwholesome cornering of shares and to protect minority shareholders. In this connection, it is interesting to note that the Central Government passed an order for investigation into the beneficial ownership of shares of a company where it was alleged that some 95,000 shares had been cornered by a small group of persons with a view to acquiring, in a surreptitious manner, control over a long established company. The investigation, it is stated, has brought to light the mechanics by which large blocks of shares were cornered, the sources which provided the funds needed for these operations, and the motives of the persons really interested in these operations. It is not clear whether any action followed this investigation. But such investigations deserve to be commended in so far as they may prepare the ground for future action by the Government which could forestall the nefarious tactics of industrial adventurers. So far as the administration of safeguards provided in the Act for the benefit of the shareholders against mismanagement, oppression or excesses likely to be committed by company managements is concerned, the Central Government, it is stated, received 77 appeals relating to 32 companies. Of these, 15 were rejected and, in 14 cases, companies were directed to register the shares in the names of transferees; at the end of the year, 44 cases were pending for consideration by the Government.

A valid criticism against the Companies Act has always been that it has been one of the most under-administered pieces of legislation. It is, therefore, gratifying to note that the Company Law Administration is now trying to remedy this obvious defect in the administration of the Act. During the year under review, 47 cases were considered by the Central Government for the appointment of inspectors under sections 235 and 237 of the Act. In 25 cases, it was considered unnecessary to appoint inspectors, while investigations were ordered in nine cases. The report reveals that the Government has been handicapped in dealing with the investigation of companies because of difficulties in getting suitable personnel, deliberate withholding of relevant books by company managements and lack of regular arrangements with the police in the States for purposes of ensuring continuous support to investigating authorities. Fraudulent mismanagement of corporate finances by managements deserves to be investigated and ruthlessly punished, because it constitutes a violation of the sacred trust which shareholders have reposed in the companies. At the same time, the authorities, on their part, will do well to ensure that genuine cases of hardship which arise from developments beyond the control of the managements receive the consideration they deserve.

In terms of the provisions of the Companies Act 1956, foreign companies—that is, companies incorporated in countries outside India and having places of business in this country—are governed by sections 591 to 608 of the Companies Act. These sections are similar to those of the English Companies Act. The report points out that there is no discrimination in any of the provisions against the foreign companies and, in fact, the accounts provisions are decidedly in their favour as compared with the corresponding provisions applicable to Indian companies. It would appear that, in the course of working of the new Act, the attention of the Department was drawn to a number of difficulties about the preparation and presentation of the annual accounts of foreign companies. The Government, therefore, modified some of the provisions relating to foreign companies; presumably, this has been well received by the foreign concerns. At the same time, it is gratifying to be told that, "by and large, the provisions of the new Act relating to foreign companies have worked smoothly." This is as much a tribute to the foreign companies as to the sense of sympathetic understanding on the part of the Company Law Administration.

SHARE MARKET TURNS A LITTLE QUIET

OUTLOOK FOR TEXTILES—COPPER UNDER CONTROL—EGYPTIAN COTTON

THURSDAY, 5 P.M.

THE share market has turned a little quiet this week. Barring a few counters, the list shows minor losses over the week. There has been no change in sentiment, but operators would appear to be a little cautious and have preferred to book their profit. Operators were disappointed by the announcement made by the Century Mills and the Shivrajpur Syndicate to the effect that they have withdrawn their earlier proposal to capitalise a part of their reserves and issue bonus shares, because of the heavy incidence of bonus tax at the rate of 30 per cent. Some of the companies had kept the proposal to issue bonus shares in abeyance in anticipation of a reduction in bonus tax in the current year's budget. But this expectation, as is well known, has not materialised.

MARKET GOSSIP

A typical instance of a company which has been deterred from issuing bonus shares because of the heavy incidence of the tax on such shares is the Bombay Burmah Trading Corporation. The shareholders of the Corporation, it may be remembered, had been insisting on the management to issue bonus shares. In reply to this demand, the Chairman of the Company drew their attention at the last annual meeting to the heavy incidence of bonus tax and asked them whether it was prudent to issue bonus shares at such a heavy cost. Though he did not anticipate any revision of the bonus tax in the current year's budget, he preferred to await the budget proposals. As there has been no change in the tax in the latest budget and in view of the decision taken by the Century Mills and the Shivrajpur Syndicate, it is rather doubtful whether the management of the Bombay Burmah would yield to the shareholders' demand for a bonus issue. It is perhaps this factor that has caused a setback in Bombay Burmah shares from Rs. 558.50 (touched on Monday) to Rs. 546 at the close today.

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In an otherwise quiet market, the ordinary shares of the National Rayon Corporation have been somewhat active. They came up to Rs. 227 today from Rs. 216 touched on Thursday last in anticipation of a higher dividend, though at the close they shaded off to Rs. 223.50. This expectation has now been belied by the Directors' decision taken this evening to maintain the distribution for the year 1957 at the previous year's level of Rs. 14 per share. There is, however, one difference. While last year, they had paid a dividend of Rs. 12 and a cash bonus of Rs. 2 per share, they have now consolidated this distribution to a dividend of Rs. 14 per share. The Directors' decision is explained by the lower profit earned by the Company. Despite an increase of Rs. 1.15 crores to Rs. 5.37 crores in sales, the gross profit has declined by over Rs. 5 lakhs to Rs. 1.39 crores, due to a sharp rise in operating expenses and high incidence of excise duty. The net profit has declined from Rs. 58.33 lakhs to Rs. 52.59 lakhs.

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Investors in textile shares have watched with great dismay the gradual shrinking in the values of their investments. It is true that most share values have receded in recent months. Even so, the fall in textile scrips, despite some improvement in the last few weeks, has been particularly disturbing. Over the year ended 29th March 1958, the index number of cotton, woollen and silk shares (Base 1949-50=100) has fallen from 121.6 to 96.0; over the same period the fall in industrial securities in general has been less steep—from 109.2 to 97.9. The fall in textile scrips reflects the great financial strain to which cotton mill companies have been subjected. Having been compelled to work under conditions of mounting cloth stocks, high taxation and inflated wage bill, the cotton mill industry now finds that it has to dip into its past reserves in order to maintain the dividend to shareholders. Indeed, many mills have had actually to close down. It has been computed that at least 26 mills have ceased to exist, thereby throwing 25,000 workers out of employment. The reports and accounts of even the best managed mills show that they have been unable to arrest the decline in their profits. Addressing the annual meeting of the Kohinoor Mills Company, Ltd., its Chairman, Mr. E. D. Sheppard, summed up the conditions witnessed in the year 1957 when he said that it was a "year of hard work and frustration." Referring to the impact of taxation on their own company, he said: "A significant comment on the new pattern of taxation is that your company at this moment is called upon to pay taxes equal to 114 per cent. of its assessable profit for the year." Further comment on the burden of taxation on the textile industry is needless. Is there any prospect for the lifting of the cloud which overhangs the textile industry? Clearly, the cloud will not lift unless the real income of the large masses of India's consumers goes up. In any case, so long as foodgrains prices remain what they are, it is difficult for the consumer to divert a larger proportion of his income towards the cloth market. For, as Mr. Ramnath A. Podar, Chairman of the Millowners' Association, Bombay, pointed out in the course of his speech at the annual general meeting of the Association, held in Bombay, today, "the inflationary pressures and the increase in the cost of living resulting primarily from dearer food that accompanied the second Plan have had a depressing effect on the demand for cloth." Fortunes of the cloth mill industry are thus tied up with the progress of the Government's programmes designed to increase agricultural production. Unfortunately, these programmes, as was brought out in the recent Parliamentary debate on food, have not made any significant progress. As a direct consequence of the poor offtake of cloth, mills' stocks have mounted. Mr. Podar was at some pains to emphasise that the view held in certain quarters that industry could lightly carry two months' stocks with it was not correct. He calculated that at present prices, two months' stocks would amount to Rs. 66 crores. Surely, the industry cannot be expected to lock up in idle stocks finances of this magnitude.

The industry has a cast-iron case for relief in taxation. The burden of excise duty alone is very high. It is true that the Government, having realised that the levy weighed too heavily on the industry, has reduced it. But, as Mr. Podar pointed out, the incidence of the duty (except in the case of coarse varieties), despite its downward revision, remains higher than what it was prior to September 1956 when it was raised. Mr. Podar said: "Attention is drawn to this fact because cloth prices today are actually lower than those of December 1955 in spite of the load of the increased excise duty while the cost of production has increased enormously during this period. Cotton and wages account for nearly 80 per cent. of the manufacturing charges and in both these respects the producer has to pay heavily."

An uncertain factor from the industry's point of view is the future trend of textile wages. A Central Wage Board is now engaged in sifting evidence with a view to determining the wage levels in the industry. The report of the Wage Board will naturally enough be awaited with interest. But there is one general consideration which the Wage Board cannot possibly ignore. It is the need for maintaining a certain relationship between the wages and the workload. Mr. Podar pointed out that since the Labour Appellate Tribunal's award of 1955 there had been an enormous increase in the incidence of taxation. In addition, the Bombay mills had been called upon to pay a heavy dearness allowance and gratuity to their workers. It has been computed that the increase in dearness allowance payable by the cotton mills of Bombay City alone amount to Rs. 3.42 crores per annum since 1955. After referring to these developments, Mr. Podar said: "The industry's capacity to pay, having thus gone down, one may well ask whether the present wage bill can at all be sustained, especially on the basis of the present workloads." This indeed is the crux of the problem for the textile industry. He, therefore, rightly suggested that if the workers' emoluments had to be increased, it could be done only through rationalisation and modernisation of the industry. He felt that it was in the best interests of the labour itself that it should co-operate with the industry in hastening the modernisation of the present plant and machinery inasmuch as it would greatly improve the opportunities for increased income through higher productivity.

There are two silver linings to the grey, if not altogether dark, textile cloud. One is the Government's decision not to yield to the demands for a blanket increase of 25 per cent. in wages. The other is the evidence of some change in workers' attitude towards rationalisation and modernisation in industry. These two developments are of utmost interest to Indian industry, in general, and to the textile industry, in particular. The Union Minister for Labour and Employment, Mr. G. L. Nanda, rejected in the Lok Sabha this week the recent demand by certain sections of labour for an immediate 25 per cent. increase in the wages of workers in organised industry. He said that the demand, though spectacular, was unreasonable, even by the yardstick applied by the trade unions. The national income had no doubt gone up by 18 per cent., but the real wage of a worker had increased by 20 per cent. since 1947. He was, of course, opposed to wage freeze as such. But it is significant that he has turned down the unreasonable demand for a straight 25 per cent. increase in wages which would cause irreparable damage to industry, besides increasing the inflationary pressures on our economy. The other notable development is the change in the workers' attitude towards rationalisation. This is indicated in the statement, made by the former Union Labour Minister, Mr. Khandubai Desai who tendered evidence before the Wage Board, at Ahmedabad. Mr. Desai said: "As responsible citizens, workers will respond to any reasonable scheme of rationalisation." He, however, felt that such scheme should come through co-operation and agreement with the working classes and this should not prove difficult as they had given a very good account of themselves in the past. India's industrial progress would be quickened, if the workers realised that, in the long run, modernisation is their best ally.

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Much confusion and no little resentment prevails in the non-ferrous section of the metal market. There is considerable disappointment over the latest move of the Central Government to regulate distribution of non-ferrous metals (copper, lead, tin and zinc). A special order to this effect was issued by the Union Ministry of Commerce and Industry on the 2nd inst. The order is applied in the first instance only to imported copper; it may be extended to cover any other imported non-ferrous metal by another notification. In terms of this order, the purchase and sale of imported copper in different forms must be at a price not exceeding 3½ per cent. above the landed cost. No person shall acquire or agree to acquire copper except under and in accordance with a permit issued in this behalf by the Controller. Importers of copper are further required to notify the Controller of any quantity of copper imported or cleared on or after the 1st inst.

The aforesaid order has brought to a standstill business not only in copper but also in lead, tin and zinc. Doubts are expressed as to whether the regulation now envisaged is applicable to sales of copper—they are said to be quite substantial—on forward shipment basis effected by importers and dealers. This question and the other implications of the order are being studied carefully by the trade. The Committee of the Bombay Metal Exchange is expected to meet on Wednesday or Thursday next to discuss the whole issue and to decide the future course of action.

The clamping down of control on imported copper has caused great disappointment to the metal traders. The high level of copper prices, it is pointed out, was due not to the unwillingness of established importers to part with stocks except at high prices but to the fact that the quantity allowed to be imported was far short of the requirements and actual users were bidding higher and higher prices for limited supplies. The annual requirements of copper to be met from imports (in addition to the domestic output of about 8,000 tons) are estimated at 50,000 tons. As against this quantity, the imports permitted on the basis of quotas established by the end of December 1957 aggregate only 27,000 tons and another 7,500 tons are made available by Canada under the Colombo Plan for shipment in the current year. The total of imports thus comes to 34,500 tons, that is, about 15,500 tons less than what is actually required. It is the shortfall in imports in relation to current consumption that is said to be primarily responsible for the chaotic and confused situation in the market. To quote a prominent metal trader:

"The fact that the Government has recently given licences to the State Trading Corporation for a couple of thousand tons of copper clearly shows that the Government knows that quantities it had originally licensed are far short of the current requirements. It is, therefore, ununderstandable as to why, in the first instance, it should have cut the established importers' quotas by 20 per cent. It is very clear that, even after the issuance of the above licences to the State Trading Corporation, the total tonnages permitted to be imported are much short of actual requirements and, unless certain priority is decided with regard to consumption, the present scramble for supplies will continue. The method of trying to regulate supplies by means of price controls, etc., is a negative approach and shows utter lack of understanding on the part of the Government of the basic malady. The present control order only limits the margins of profit of the established importers and, to that extent, it is an arbitrary measure which will very definitely fail to benefit the general public."

Another arbitrary feature of the current import control order, it is pointed out, is that it tends to override the commitments already made by established importers against incoming parcels. Particular objection has been taken to the way in which the Government has sought to perpetuate shortages and bring in the State Trading Corporation into the field, thereby eliminating established traders.

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Egypt's offer of a discount of 21 per cent. on cotton sold to India has brightened the prospects for larger imports of Egyptian cotton by this country. The discount, which is about eight per cent. higher than the earlier offer of about 12½ per cent., will go a long way towards making Egyptian cotton an attractive buying proposition. In fact, the recent cut in export duty and the higher discounts now given have made Egyptian cotton a good bargain vis-a-vis Sudanese styles. The latest quotation for Karnak T154, after deducting the discount of 21 per cent., is Rs. 1,725 while the equivalent Sudan cotton is quoted at Rs. 1,710. Since Indian buyers have a preference for the former its price is still considered favourable.

With the announcement by the Government of India on the 6th inst., of an import quota for 30,000 bales of cotton stapling 1.3/16" from soft currency areas, Indian buyers are in a position to enter the market for Egyptian cotton in a sizable way, although not to the extent anticipated earlier as the quota is far below expectations. The trade was expecting an allocation of 90,000 to 100,000 bales of cotton. A snag, however, appears to be the uncertainty regarding the exact payments procedure. The Indo-Egyptian barter agreement signed on 25th March last provides for the import of Egyptian cotton by India in exchange for export of tea and jute goods. Under the agreement, accounts for these three main items of trade between the two countries will be maintained in Egyptian pounds. It may be noted here that this is in contrast to the payments agreement entered into between the two countries last year which stipulated payments in rupees. However, goods other than the aforesaid items will continue to be paid for in rupees.

After the signing of the agreement last month it was announced that the State Bank of India would open an export account in Egyptian pounds with the National Bank of Egypt to provide remittance facilities to Indian exporters of tea and jute goods and importers of Egyptian cotton. But how exactly payments are to be made and other related questions have not so far been clearly specified. This ambiguity, it is needless to add, will, if not cleared as early as possible, prejudice business prospects.

Against this background, it is of interest to note that Sudan, on its part, is leaving no stone unturned to push up its export of cotton. The recent reduction in reserve prices of the Gezira Board and the slash in export duty are part of an overall drive to attract foreign buyers. The latest

(Continued on page 724)

EQUITIES REACT

PROFIT-TAKING ERASES EARLIER GAINS

(From Our Own Correspondents)

BOMBAY, *10th April*

AFTER an earlier improvement, in extension of the previous week's upward trend, equities made a mild retreat during the week under review. While the underlying sentiment was still one of confidence, in anticipation that favourable changes might be made by the Select Committee in respect of the development rebate to companies, the provisions regarding which were made more stringent in the latest Budget, operators preferred to book their profits. The announcement of lower production by T.I.S.Co. and I.I.S.Co. for the year ended March 1958, the dropping of the proposals to issue bonus shares by the Century Mills and Shivrajpur Syndicate —this gave rise to fears that more companies which were expected to capitalise their reserves would also follow suit—and rumours that the stamp duty on forward transactions would be raised, induced the "bulls" to liquidate a part of their holdings. On balance, the majority of the scrips in the list showed small losses. The notable exceptions to the general trend were electricity shares, Belapurs, Premier Constructions and National Rayons, which recorded sizable gains.

In the steel section, Tata Ordinaries moved up from Rs. 182.50 to Rs. 183.75 before reacting to Rs. 180.75 at the close today. The new shares dropped Re. 1.50 to Rs. 176.50. Indian Irons made a small gain from Rs. 21.56 to Rs. 21.60, but this was more than wiped out when the shares dipped to Rs. 21.28 today.

Textile shares were generally quiet, on uninspiring advices from the cloth market. Bombay Dyeings gave way from Rs. 56.40 to Rs. 55.70. On reports that the bonus issue proposal had been given up, Centurys declined from Rs. 438 to Rs. 430. Kohinoors were lower by Rs. 5 at Rs. 281. Central Indias lost Rs. 4 to Rs. 89, Finlays Rs. 7.50 to Rs. 275 and Indu Ordinaries 32 nP to Rs. 9.64. New Greats declined by Rs. 10 to Rs. 195, while New City Mills put on Rs. 10.50 to Rs. 110.50. Shree Niwas Cottons shed Rs. 2.50 to Rs. 146.50 and Simplex Rs. 3.50 to Rs. 156. Svadeshis fell by Rs. 6.50 to Rs. 179.75 and Tata Mills by Rs. 3.25 to Rs. 39.25.

As stated already, electricity shares attracted good attention, the main bullish factor being that from the current financial year the return to these companies would be higher. Ahmedabad Electrics scored a gain of Re. 1.40 to Rs. 97.70. Bombay Suburbans were up by 75 nP at Rs. 108.75 and Surat Electrics by Re. 1.50 at Rs. 107.50. Tata Hydros improved by Re. 1.50 to Rs. 118.50. Tata Powers by Rs. 25 to Rs. 1,206.25 and Andhra Valleys by Rs. 52.50 to Rs. 1,142.50.

In the sugar group, Belapurs were prominent with a gain of Rs. 6.50 at Rs. 247. Phaltans were, however, lower by Re. 1.50 at Rs. 140 and Walchandnagars by Rs. 2.50 to Rs. 288.75. Cement shares were quiet in tune with the general trend. Associated Cements shed over the week Re.1.75 to Rs. 150.50 and Digvijays Re. 1.25 to Rs. 142.50. In the engineering section, Alcocks suffered a heavy drop today to a low of Rs. 267.50, as against the previous week's closing of Rs. 282.50, but gained a fraction to Rs. 270 at the close. Tata Locomotives improved from Rs. 159.25 to Rs. 163.25, but gave way to Rs. 160 at the close. Premier Constructions received good support and rose by Rs. 8 to Rs. 182.25. Among mining shares, Shivrajpurs lost Rs. 4 to Rs. 95.50, following reports that the bonus issue had been dropped. Indian Coppers shed 12 nP to Rs. 3.20.

In the shipping group, Scindias rallied from Rs. 17.16 to Rs. 17.88, before giving way to Rs. 17.36. Great Easterns lost 24 nP over the week to Rs. 20.04. Among miscellaneous industrials, Bombay Burmahs were conspicuous with the drop today to Rs. 546, after an earlier rise from Rs. 552 to Rs. 558.50. The fall was presumably due to fears about bonus shares. National Rayons came up to Rs. 227 from Rs. 219, on expectations of higher dividend, but dipped just at the close to Rs. 223.50. Tata Chemicals were lower by 20 nP at Rs. 14.16 and Tata Oils by 75 nP at Rs. 39.50. Wimcos changed hands Rs. 2.50 lower at Rs. 177.50.

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Calcutta Stock Exchange

CALCUTTA, *9th April*

Steady conditions prevailed on the Calcutta Stock Exchange during the week under review and despite the profit-taking on Monday closing levels were higher on balance and gains were widespread. Prospects of a reduction in export duty on tea, including the good quality varieties, attracted attention in tea shares. In jute goods, foreign business done was substantial, and it was expected that stocks of goods with mills would decline from now on. This brought fair support to jute shares.

Indian Irons received fair attention. The Company's output during the year ended March 1958 was considered satisfactory, despite the interruption in production by the expansion plans. Pig Iron produced increased to 733,945 tons from 695,156 tons, representing an increase of 38,789 tons, while saleable steel fell by 33,163 tons to 410,558 tons, and steel ingots by 24,735 tons to 507,580 tons. It is generally expected that a dividend of 10 per cent. might be announced on the increased capital. Further, the anticipation of a bonus issue by capitalising the share premiums reserve enlivened activity.

Coal shares were active and the royalty concession accorded to the West Bengal and Bihar collieries continued to keep up enthusiasm. Burrakurs were maintained at Rs. 23.25. For the half-year ended December 1957 the Company's profit increased by Rs. 5.26 lakhs to Rs. 7.24 lakhs, despite a greater provision for taxation, and a new provision of Rs. 2.80 lakhs for wealth tax. The dividend has been maintained at 3¾ per cent. Amalgamateds had buyers at Rs. 17, as against Rs. 18.50 earlier and Karanpura Collieries at Rs. 91.50, as against Rs. 91.00. Central Indias improved to Rs. 7.69 from Rs. 7.28 on interested buying. Western Bengals scored to Rs. 5.87 from Rs. 5.12 and East Indias to Rs. 21.81 from Rs. 21.56.

An increase in the volume of business in jutes was recorded following interested buying in selected counters in anticipation of better dividends for the last accounting period. In addition, the opening of the official futures market and the smooth working there lent support to jute goods prices. Agarparas were taken to Rs. 8.18 from Rs. 7.87 and Chitavalsahs to Rs. 13.00 from Rs. 12.75. Indias hardened to Rs. 109 from Rs. 106, while Ganges, after moving to Rs. 49 from Rs. 48, closed lower at Rs. 47. Birlas firmed to Rs. 15.37 from Rs. 15.06. Nellimarlas were raised to Rs. 12.31 from Rs. 11.87 to close at Rs. 12.12.

Indian Irons opened at Rs. 21.61 and closed at Rs. 21.41 on profit-taking. Kumardhubis were higher at Rs. 8.56, as were Burn & Cos. at Rs. 334 before closing at Rs. 328. Indian Galvanisings were supported at Rs. 14.31, as against Rs. 14.12 earlier, while Jessop & Cos. gave way to Rs. 20.31 from Rs. 21.19 and Texmacos to Rs. 18.15 from Rs. 18.25.

Among miscellaneous industrials, Dunlop Rubbers rose to Rs. 25.12 from Rs. 24.75. Hindustan Levers were steady at Rs. 22.87. From Rs. 17.50 Indian Oxygens rose to Rs. 18.31 before giving way to Rs. 17.69. Hindusthan Motors were dealt with at Rs. 7.37, as against Rs. 7.19 earlier. Indian Cables sagged to Rs. 29.06 from Rs. 29.25, and India Steamships to Rs. 10.94 from Rs. 11.12. Orient Papers were better at Rs. 28.75 as were Aluminium Corporations at Rs. 10.31.

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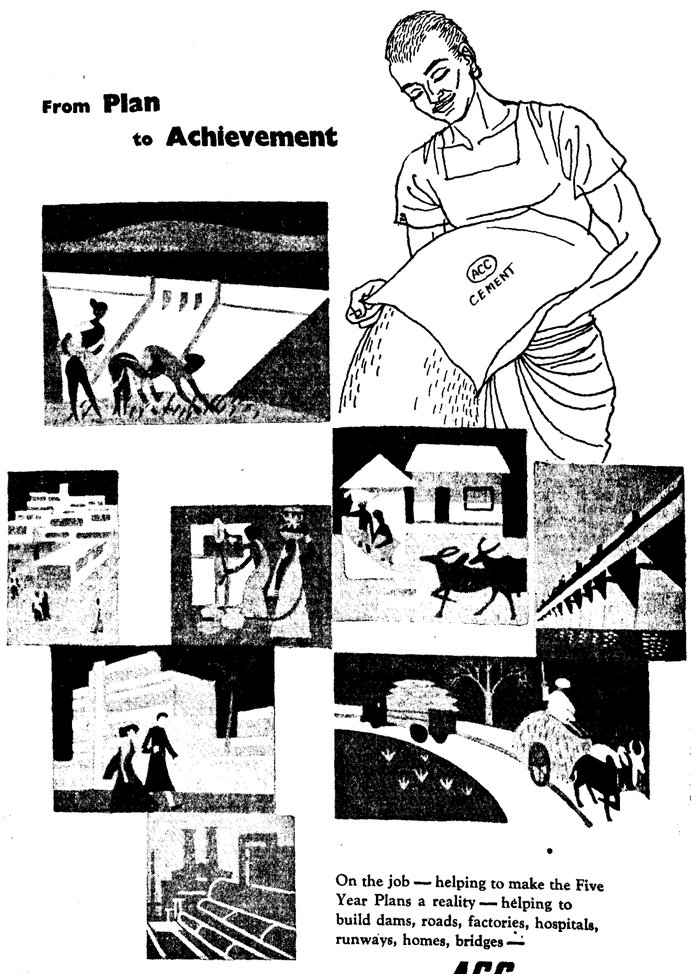
Madras Stock Exchange

MADRAS, *8th April*

The Madras Stock Exchange continued to rule steady during the week under review. Plantation shares elicited renewed buying support. Tea shares were in good form, thanks to hopes of an early announcement of cut in export duty on common teas. Rubber shares reacted favourably to persistent expectations of an upward revision in rubber prices. Several miscellaneous industrials changed hands at higher prices. Sugar, bank and electricity shares were fully maintained at last week's levels. Textiles, however, were distinctly dull.

Among tea shares in the planting section, Balanoors advanced by 50 nP to Rs. 16. Peermades put on 12 nP to Rs. 22.12. Alageswars were better by 10 nP at Rs. 2.60. Haileyburias gained a like amount to Rs. 18.50. Kalasas gathered 3 nP to Rs. 15.25. Blue Mountains were a shade better at Rs. 3.22. Chembras picked up 2 nP to Rs. 3.65. But Twyfords and Parksides shed 10 nP each to Rs. 13.50 and Rs. 16.70, respectively. Chandramalais eased by 8 nP to Rs. 3.17. Among coffee shares, Coffee Lands went up by 20 nP to Rs. 32.85. Savamalais were marked up by 35 nP to Rs. 4.65. Badras strengthened by 25 nP to Rs. 3.75. Consolidated Coffees, on the other hand, receded by 20 nP to Rs. 23.55. Anaparais retreated by 10 nP to Rs. 4.90. Among rubber shares, Cowcoodys evoked good support and firmed up by 90 nP to Rs. 9. Kalpettas rose by 50 nP to Rs. 21. Nilamburs and Nenmenys gained 25 nP each, the former to Rs. 12.75 and the latter to Rs. 16. Thirumbadis gathered 3 nP to Re. 1.53. Midlands, however, eased by 12 nP to Rs. 16.



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NEWS IN BRIEF

A CENTRE for giving specialised training to marketing secretaries, under a scheme sponsored by the Union Government, was declared open at Hyderabad recently.

The Government of India is exploring the possibilities of manufacturing important chemicals such as carbon black, accelerators and anti-oxidents used in the rubber industry.

The production of biscuits in India during 1957 amounted to 17,328 tons, a level which exceeded the target of 15,000 tons fixed for 1960-61 by the Planning Commission.

The total production of fish in India in 1956 is estimated at 1,012,250 metric tons. Out of the total catch, marine fish accounted for 7,18,697 tons and fresh-water fish for 2,93,553 tons.

The Union Government has withdrawn the restriction on free export of manganese ore. Accordingly, the shippers and mine owners are now allowed to utilise their quotas freely for export.

The total number of radio licences of all types in force in India on 31st December 1957 was 1,347,216. It represents an increase of over 150,000 as compared with the corresponding date of the previous year.

The Hindustan Machine Tool Factory maintained a record production of 402 machines valued at Rs. 1.6 crore, during the financial year ended 31st March 1958, as against the target of 131 machines set for the year.

Canada has agreed to supply India metals worth Rs. 5.75 crores as assistance under the Colombo Plan. These include 10,000 tons of aluminium, 7,500 tons of copper and 500 tons of nickel.

A Japanese radio company has installed the most modern meteorological radar at Dum Dum airport, Calcutta. It is designed to ensure safe and smooth flight by enabling the jet aircraft to descend away from storm centres and turbulent clouds.

Orders have been placed with a German firm for the supply and erection of a pilot plant to conduct experiments whether steel can be manufactured from iron ore with coal other than metallurgical coal.

The Agra Merchants' Chamber has, in consultation with the Forward Markets Commission, fixed ceiling and floor prices for rape seed *jeth* delivery at Rs. 28 and Rs. 20, respectively, in order to prevent unhealthy speculative tendency on the part of operators.

Imperial Chemical Industries (India) has launched a scheme to award two scholarships annually for post-graduate technical education in the next five years. Besides the scholarships, each of the value of £650, the selected candidates will also be given travelling expenses.

An offer for practical training of an Indian national in Paper Pulp Technology has been received from Finland under the auspices of the International Association for the Exchange of Students for Technical Experience. The duration of the training will be six months.

The total number of conciliation proceedings held by officers of the Central Government in respect of disputes arising in undertakings in the Central sphere during 1957-58 was 2,299. During the same period, the number of settlements brought about was 1,372 and the number of disputes referred for adjudication was 58.

With a view to giving some relief in excise duty on cotton fabrics produced by powerlooms, the Union Government has decided to treat those powerlooms employing more than 300 looms, on a par with composite mills. Those units which employ over 100 powerlooms but not more than 300 powerlooms have been included in the purview of the compounded levy system, as a temporary measure. The compound rate prescribed for the latter group is Rs. 90 per loom per shift per month. The revised rate came into force with effect from 1st inst.

The Government of India, having permitted State Governments to continue to levy sales tax on the sales and purchases of non-dutiable stocks of cloth, sugar, tobacco and its products, for a further period of three months, the scheme of voluntary compounding of sales tax formulated at the instance of the trade will continue to be in operation with the added benefit of the restrictions contained in section 15 of the Central Sales Tax Act, as these commodities become goods of "special importance" with effect from the 1st inst. The rate of compounding has been reduced to 2 per cent. where it was more at present, on stocks lying on hand as at the close of 31st March 1958. As a further incentive compounding at a rate of 1 per cent. only will be allowed in the case of medium cloth. The Government has also reduced the rate of composition on stock of goods intended for inter-State sales to ½ per cent. on the condition that the dealers furnish proof of inter-State sales of such goods later on.

From Abroad

The West German Shipowners' Association announced on the 1st inst. that 100 sea-going ships with a total cargo capacity of 333,000 tons, were laid up in West German harbours. Low freight rates are stated to be the cause for the increase in the number of ships laid up. At the beginning of the year, it is stated, 20 ships were involved.

An international convention to set up a new U.N. specialised agency for shipping has come into effect. It will be the Inter-Governmental Maritime Consultative Organisation (I.M.C.O.), established in accordance with a convention drawn up at the U.N. Maritime Conference in Geneva in 1948. A 12-member preparatory group will meet at U.N. headquarters later this spring to arrange the first session of the organisation's assembly.

World production of refined copper during February this year declined to 247,746 tons from 261,853 tons in the previous month. Output of crude copper also recorded a similar decline from 264,819 tons in January 1958 to 237,277 tons during the month under review. Deliveries to fabricators during February 1958 aggregated 224,176 tons as compared with 259,878 tons in the previous month. Stocks of refined copper at the end of February 1958 amounted to 470,464 tons, as against 448,900 tons at the end of January.

The current economic slump in the United States has led several major American firms to effect measures of economy in their organisations. Accordingly, the Frigidaire Division of the General Motors Company discharged 1,100 workers from its Dayton Ohio, factory. The Westinghouse Electric Company is expected to lay off 4,000 workers in the near future at its Columbus, Ohio, factory. Again, the General Electric Company has announced that 1,900 workers would be laid off for a week at its Louisville, Kentucky washing machine factory. However, 3,300 workers at its refrigerator factory have been told to return work.

PERSONAL

MR. Ali Yavar Jung, India's Ambassador to Egypt, left Bombay for Cairo last Friday.

Mr. Madanmohan Mangaldas has been elected President of the Ahmedabad Millowners' Association for 1958-59.

Mr. D. Samanta has been re-elected President and Mr. M. L. Agarwala, Vice-President of the Indian Colliery Owners Association for the year 1958-59.

Mr. W. R. Davis, M.B.E., Technical Director and Chief Engineer of the Metal Box Company of India Ltd., retires this month after 25 years' service.

Mr. P. A. Gopalakrishna, Joint Secretary, Union Cabinet, has been appointed Chairman of the Life Insurance Corporation in place of Mr. G. R. Kamat.

Mr. I. S. Chopra, at present Ambassador of India to Sweden, has been appointed Ambassador of India to Baghdad. He is expected to take up his new assignment in July.

Mr. H. V. R. Iengar, Governor of the Reserve Bank of India, left Bombay for London *en route* to Bonn (West Germany) to finalise deferred payment arrangements with West Germany for financing certain projects included in the second Five-year Plan.

Mr. Bijoy Prasad Singh Roy and Mr. P. Lakshmipathy Naidu, representatives of the Indian National Steamship Owners' Association, have been elected as Commissioner of the Port of Calcutta and Trustee of the Madras Port Trust, respectively, for a period of two years from 1st April 1958.

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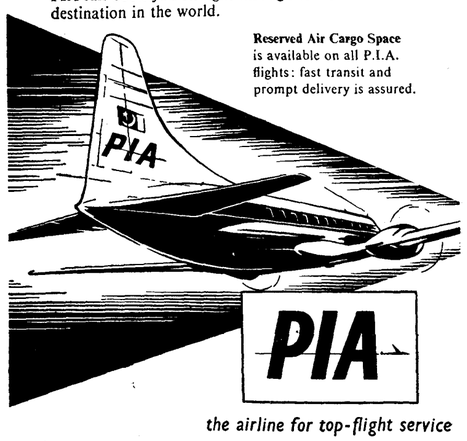

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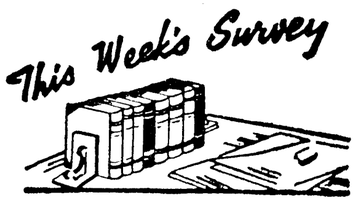

AGRICULTURAL PRICES AND INCOMES

A DEGREE of stability in agricultural prices is generally recognised as a *sine qua non* for ensuring a stable level of income to farmers. While the provision of facilities for agricultural improvement and promotion of credit and marketing arrangement will help improve productivity and raise farm incomes, they are obviously not a guarantee against fluctuation in farm incomes brought about by variations in agricultural prices. Additional measures are, therefore, called for to stabilise or support agricultural prices at levels which will ensure to the cultivators a reasonable return and to the consumer a fair price. But agricultural price support policy is a question requiring careful thought and study, because its influence and impact extend far beyond the confines of the agricultural sector. Agricultural prices are not only the determinant of the level of incomes of the agricultural population; they form the base of the entire cost structure of the country. The problem of the price-stabilising authority is, therefore, to strike a delicate balance between the interest of the producers and consumers. Due to a variety of reasons, it is difficult to work out any rigid formula which could serve as a guide for all times and all countries.

The F.A.O. Seminar on policies to support and stabilise agricultural prices in Asia and the Far East, which concluded its session on the 3rd inst. at New Delhi, has, therefore, done well to envisage only "limited objectives" for price stabilisation policies in the region. Large, sustained transfer payments for the purpose of agricultural price support from other sectors of the economy—such as is common in Western industrialised countries like the U.S.A.—were ruled out in view of the general low level of income and the dominance of the agricultural sector. In these circumstances, it was generally agreed, the aims of support and stabilisation policies should be the following: (1) To eliminate large fluctuation in agricultural prices which are harmful to both producer and consumer, and to contain them within a fairly narrow range which does not involve large and continuing transfer payments between agricultural and other sectors. Excessive price rigidity, it was felt, should be avoided in order to allow production to be adjusted gradually to changes in demand; (2) to improve marketing facilities and practices so that cultivators could be sure of equitable treatment and a larger share of the price paid by the consumer than what they obtain at present; (3) to provide a favourable economic and social climate for the expansion of agricultural production.

It was also felt that, in most countries, the use of a single formula to establish the desirable level at which agricultural prices should be stabilised, was inadequate and might lead to undue scarcity. On the other hand, it was recognised that purely *ad hoc* decisions were liable to be insufficiently based and, sometimes, unduly biased by one particular set of considerations. It was emphasised that many factors such as changes in production cost, prices of things farmers buy and sell, price of competing crops, trends in general wholesale price, cost of living and nature of demand should be taken into consideration. The seminar suggested that a systematised procedure should be established to provide reliable indicators for such factors and that, in fixing the price, the views of experts and representatives of all interests concerned should be sought. A decision on domestic price level for the main agricultural products arrived at by these procedures, it was felt, would have taken into account almost all the relevant factors.

The experts were of the view that in many Asian countries the most suitable method of implementing the price stabilisation policies for basic foods was probably by Government market operations, combined with the maintenance of a reserve or buffer stock and the regulation of imports and exports. A major difficulty in the region for effectively holding agricultural prices at the level desired by Government was the lack of liquid resources and the weak bargaining position of most producers. Government stabilisation operations would go far to cure this malady, particularly if the main procurement operations were undertaken at the minimum stipulated prices during the post-harvest slump.

It is difficult to evaluate the influence of price support and stabilisation measures on production. In most countries of the region, price policies for foodgrains have been aimed primarily at protecting the consumers and curbing inflation, sometimes at the expense of the producers. They cannot be said to have acted as an incentive to production. They might, on the other hand, have had the opposite effect. In few countries, according to the seminar, where incentive price policies have been tried, there were indications of a positive response. As regards cash crops, however, there was general agreement that production responded remarkably to price assurances and changes in price level. Price factors would have their greatest influence on medium and large farmers, producing largely for the market, although price stabilisation and support schemes may be expected to have an even greater effect on the marketed surplus than on total food production.

MARKET RESEARCH

Even those who are inclined to consider advertising of the kind common in western countries as mere industrial frivolity will readily concede that market research has a more constructive and useful role to play in modern commerce. In a highly competitive world, where consumer habits and preferences are ever changing, motivation research, which supplements intuition with scientific enquiry, enables one to establish why people buy or do not buy a particular product and what influences them in their choice. This in turn makes it easy for the producers to fashion the product according to the preferences of the consumers. Besides, market research provides valuable guidance for the splitting of advertisements among the different regions and the direction of sales and distribution efforts.

The role of market research in industrial production was lucidly outlined by Mr. S. H. Turner, Chairman of Hindustan Lever Limited, in his address to the annual general meeting of the Company held in Bombay on Monday. Illustrating his points from the experience of his Company, Mr. Turner pointed out that market research was a very important activity, having wide influence on the development of business. It involves a study of consumer preferences, habits and attitudes and helps one to decide how the immediate market operations are to be directed. It also involves an examination of market trends which indicates the future pattern of the market and assists in shaping future policies. The decisions on the improvement of the existing product or the development of new ones, the adoption of new selling methods and the application of new advertisement techniques, will be more effective if taken in the full and intimate knowledge of the market which continuous research is designed to provide. The *raison d'etre* of market research for large manufacturers of consumer goods, as Mr. Turner pointed out, is that economies come largely from mass production and mass selling of standardised products. This standardisation is successful only if the resultant product appeals in properties and performance to the largest number of people. The products must be such as will appeal to the millions of customers conditioned by different social, cultural and religious background. For this, a continuous study of consumer habits and preferences is essential.

Market research, through personal contact with and query of selected samples of consumers, enables the manufacturers to discover the variegated pattern of consumer preferences. The combined opinions and attitudes of the individuals composing the sample will with a slight margin of error, be representative of the entire range of consumers. Once a clear idea of the market is obtained it is also possible, as noted earlier, to split advertisement and distribution between the different regions in a judicious manner.

Besides the study of the peoples' current habits and preferences, a growing and important use of market research, according to Mr. Turner, is the study of possible modifications and changes in product so as to keep pace with shifts and changes in consumer requirements and habits. Consumers preference in a free economy are never static. This is particularly true of a country like India where society is changing fast and is likely to change even faster in future. Emphasising the value of market research, Mr. Turner observed:

"Our functions as a Company is to try and give the consumer products which he will like and which will do the job he wants them to do. Before we can do that we must find out what the consumer will like, what is the job he wants them to do, as distinct perhaps from the job we think he ought to want them to do, whether the products we can make come near enough his ideal, whether our methods of telling him about them are adequate. For all these purposes there is no tool more valuable than market research."

It is to be hoped that other manufacturers of consumer goods in this country will show a better awareness of the value of such research.

NATIONAL INCOME

There are no two opinions on the need for an effective curb on population growth as an important condition for rapid improvement in incomes and in levels of living. For, under the conditions prevailing in India, a high rate of population growth, as the Planning Commission very pertinently stressed in the second Five-year Plan, is bound to affect adversely the pace of economic advance and living standards *per capita*. Viewed thus, it is, indeed, gratifying to note that the rate of increase in India's population has slowed down of late. The actual population growth rate during the first year of the second Plan—that is, 1956-57—was lower at 1.21 per cent., as compared with that in the previous two years (1.31 per cent. in 1955-56 and 1.28 per cent. in 1954-55) and also with the assumed average annual rate of 1.25 per cent. in the Plan. The net addition to the population in that year was 4.64 million, as against 4.96 million in 1955-56 and 4.80 million in 1954-55. The total population was 387.68 million, that for the two previous years being 383.04 million and 378.08 million, respectively. These estimates are based on the figures relating to the national income of India and *per capita* income furnished in the fifth issue of the annual paper on national income released recently by the Central Statistical Organisation.

Thanks to the reduction in the rate of population growth thus and to the development in the different sectors of the country's economy as a result of the implementation of the Plan, the national income of India in real terms has gone up markedly, the actual extent of the rise in 1956-57 being as much as 5.1 per cent. (or Rs. 530 crores), the total national income at 1948-49 prices being Rs. 11,010 crores, as against Rs. 10,480 crores in 1955-56. The rise in national income was accounted for by both agricultural and non-agricultural sectors, the improvement at 1948-49 prices being Rs. 240 crores and Rs. 290 crores, respectively. In 1955-56, it will be recalled, there was a slight decline in agricultural output. The increase in the rate of national income was greater than that of population growth, so that the *per capita* income has increased from Rs. 273.6 in 1955-56 to Rs. 284.0 in 1956-57. The estimates for 1956-57, it is stated, are based on partial material and are subject to revision, while those for the previous year are based on the detailed method of estimation followed for the earlier years and show a slight increase over the preliminary estimates published last year.

The table below indicates the trend of population, national income and *per capita* income:

Year	Population (in millions)	National income (or net national output) at 1948-49 prices (Rs. crores)	*Per capita* income (or net output) at 1948-49 prices (Rs.)
1948-49	350.34	8,650	246.9
1949-50	354.99	8,820	248.6
1950-51	359.32	8,850	246.3
1951-52	363.85	9,100	250.1
1952-53	368.66	9,460	256.6
1953-54	373.28	10,030	268.7
1954-55	378.08	10,280	271.9
1955-56	383.04	10,480	273.6
1956-57*	387.68	11,010	284.0

* Preliminary.

It will be seen from the foregoing table that national income in real terms advanced by 18.4 per cent. during the first Plan period (1951-52 to 1955-56) and by 5.1 per cent. during 1956-57, the first year of the second Plan. The corresponding rise in *per capita* income was 11.1 per cent. and 3.8 per cent., respectively. Expressed at current prices, the national income stood at Rs. 11,410 crores in 1956-57 and Rs. 9,990 crores in 1955-56, or Rs. 1,800 crores and Rs. 380 crores higher than the 1954-55 level. The *per capita* income at current prices correspondingly rose from Rs. 254.2 in 1954-55 to Rs. 260.8 in 1955-56 and Rs. 294.3 in 1956-57. The larger increase at current prices than at constant prices was due to price changes.

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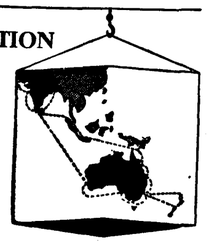

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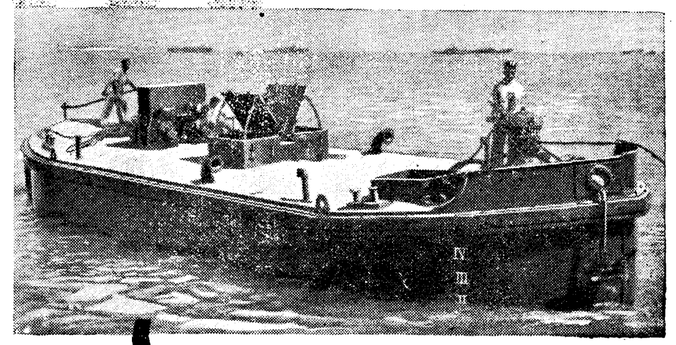

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IMPLICATIONS OF FOOD SHORTAGE

NEED FOR REMOVING SENSE OF INSECURITY AMONG LANDOWNERS

From Our Own Correspondent

NEW DELHI, *8th April*

DELHI LETTER

NO apology is required for reverting to the subject of food which, in some ways, is the most crucial but, at the same time, the most intractable problem of the second Plan, and for which the occasion is provided by the miserable performance of the Food Minister in the Lok Sabha last week. The crucial character of the problem is easily described. In the context of a foreign exchange situation which, according to the Planning Commission itself, is going to be difficult throughout the Plan period on account of the attempt to carry out a Plan of the dimensions proposed, an increase in food imports, as now planned, will involve an estimated net foreign exchange expenditure of about Rs. 200 crores in the remaining three years including the current year. If large-scale food imports are considered inevitable, that much drain on the country's foreign exchange resources will also be inevitable. For, as stated at the end of my last letter, "the vague public impression that because large quantities of foodgrains can be got on credit from the U.S.A. and Canada, there will be no substantial expenditure of foreign exchange in the years immediately ahead, is patently wrong."

As nearly two-thirds of Indian people are rice-eaters and the problem of shortage and prices has always been more acute in the case of rice than in the case of wheat, any amount of wheat imports is not going to counter the inflationary pressures generated by "development" expenditure financed by created money (which, according to latest information, has reached a record level of Rs. 400 crores in 1957-58 at the Centre alone) in rice-eating States unless, of course, habitual rice-eaters can be compelled to eat some quantity of wheat, whether they like it or not, under a system of statutory rationing. As compulsory rationing is not generally wanted, it is easy to see how foodgrain imports which will largely consist of wheat will not wholly absorb the inflationary impact of continued deficit financing unless, of course, domestic rice production is increased, by a concerted effort, in the remaining three years of the Plan to a level at which supply can match demand.

Likely Danger

If no such effort is made to increase rice production in the short run and if its shortage is allowed to become more acute in terms of both prices and supplies, there is the danger that the Kerala Chief Minister's expectation of Communist majorities in the next General Elections in Kerala, Andhra Pradesh and West Bengal may even be fulfilled. As public memory is proverbially short, it has to be recalled that the American Wheat Loan in 1951 mitigated the then serious food situation in the predominantly wheat-eating areas but had no effect on the predominantly rice-eating areas where Communists made some serious headway in the General Elections of early 1952 by exploiting the unrelieved food shortage which was reflected in a very low rice ration at the time. People's traditional eating habits are not so easily changed as some politicians and even some economists think they can be. The habitual wheat-eater's dislike for rice and the habitual rice-eater's dislike for wheat are matters of general observation, individual exceptions notwithstanding.

The will to bring about a substantial short-term increase in food production in general and in rice production in particular is virtually lacking in the Food and Agriculture Ministry, however hoarse the Prime Minister may cry in this regard. The pessimistic and defeatist approach of the Food and Agriculture Ministry is of a piece with its lack of interest in liquidating the food shortage problem in the short run. If anything, the Food section of that Ministry appears to be more interested in keeping that problem alive, for the very name of the "Food and Agriculture Ministry" suggests to one's mind that "Food" as a problem of shortage, imports and licensed distribution is accorded primacy over the more important "Agriculture" which is a problem of production. That the Food Minister, Mr. Ajit Prasad Jain, appears to think that food shortage is inevitable, that more food cannot be produced within the country on a large scale without chemical fertilisers and without completing major irrigation projects or utilising fully the irrigation potential already created, has always been known here. It is, therefore, not surprising that he propounded a novel economic theory in his reply to the Lok Sabha debate on the Budget demand for his Ministry:

> "Mr. Asoka Mehta in his speech has said that self-sufficiency in food in an expanding economy is illusive; the need for food depends upon the tempo of development. If I can use Browning's simile of ever-receding ideals to mundane economy, I would say that in a developing economy, self-sufficiency becomes an ever-receding ideal, because the demand for food depends upon the tempo of development, and if we are to increase the tempo of development, there is likely to be a lag between our production and our demands."

Defeatist Bias

This is a strange theory. It is all the more strange because it passes one's comprehension how an expanding economy, if it is really expanding, cannot involve an adequate expansion in food production. Where a high tempo of development is being financed by a large dose of "created money" the need is all the greater for expanding food production if only to absorb the inflationary impact of such deficit-financed development. This, of course, is ignored by Mr. Jain and the result is that his entire approach to "food" as a problem of production is vitiated by his theoretical defeatist bias. Throughout his speech he dealt with food as a problem of shortage, imports and distribution in the "short run" (that is, according to his own definition, "the rest of the Plan Period") though he conceded, probably to satisfy the Prime Minister, that the real solution lay in increasing production in the long run. And he also added, again in deference to the Prime Minister's wishes:

> "The other day, the Prime Minister said that he was confident we would be able to show better results than what the Foodgrains Enquiry Committee expected. I join my humble voice to that statement and I am sure that we will give a better performance."

One wonders if this parenthetical statement of the "humble voice" can be taken too seriously in the context of what it has authoritatively said at the very outset in support of Mr. Asoka Mehta's thesis about food production.

The Lok Sabha debate, like the Food Minister's speech, was barren of constructive and workable suggestions for dealing with food as a short-term problem of production. Where almost everybody is obsessed with the problem of food distribution and with the idea of doing big things like major irrigation projects and fertiliser factories, it is not surprising there is no realisation that the key to maximisation of production is in the hands of substantial landowners (with 30 acres and more each) who have, under their own personal cultivation, as much as 110 million acres out of a total of 132 million acres of cultivation-land owned by them in the country as a whole.

These landowners are patently unwilling to make any substantial re-investment in their lands by way of better soil management through proper manuring, land improvement and provision of well-irrigation, pump sets, etc., out of a sense of fear and insecurity engendered by the standing threat of dispossession through ceilings on landholdings. If, in terms of the Planning Commission's own land reform policy which has laid down that efficiently-managed forms with considerable permanent investments in them should be exempted from the operation of land ceilings, all these substantial owners are registered and given a three-year chance to acquit themselves creditably, a tremendous incentive will begin to operate and produce results by way of increased production on at least 75 per cent. of their lands. It would be a safe estimate that at least three out of every four substantial landowners would readily take advantage of the chance offered to them by way of a possible exemption from land ceilings and, without waiting for State help, deliver the goods.

CREDIT POLICY IN U.K.

RETURN TO EASY MONEY UNLIKELY

By Paul Bareau

AFTER exactly six months at the abnormally high level of 7 per cent., the Bank of England rate was reduced to 6 per cent. on 20th March. Some such move had been widely expected, but its exact timing took most people by surprise. The surprise was due to the fact that, given the crucial stage at which a number of important wage negotiations now stand, many people felt that no hint of relaxation should be given by the Government and the Bank of England on the all-important credit front.

This problem of timing, however, is relatively unimportant. The expectation of a downward move in the Bank rate was based on the wide recognition that 7 per cent. was a crisis rate, and that the crisis in which it was introduced and with which it was called upon to deal has disappeared.

The Bank rate was raised from 5 to 7 per cent. last September at a time when sterling was under severe speculative attack and the gold and dollar reserves were being emptied at ominous speed. The attack on sterling was halted on the very day after the Bank rate was increased. Over the ensuing six months, the gold and dollar reserves rose from £660,000,000 to £907,000,000 (including a drawing on the extra line of credit from the Export-Import Bank) and seem bound for higher levels still.

Deflation of Demand

In the domestic economy, the high Bank rate and the other measures of restriction that were applied with it have been eminently successful in damping down the fires of inflation. The cost of living has been virtually stabilised and there is less inflation in the market for labour. In the more difficult conditions that have obtained in the domestic market, British exporters have found a keener edge in their appetite for exports. The very satisfactory level at which British exports have been maintained during the past six months—a period during which world prices have been falling—must, in part, be attributed to the credit "squeeze," of which a high Bank rate has been an essential part and to the consequent deflation of demand at home.

This deflation of demand has not led to a recession in the true sense of the word. On the contrary, industrial production has been well maintained over a period when it has been falling in the United States and Canada, and unemployment in Britain is still around 2 per cent. of the labour force at a time when the proportion has reached several times that figure in North America and many countries of Western Europe. The high Bank rate during its six months of existence performed very well—far better, indeed, than its critics were prepared to anticipate when it was imposed.

There is a more profound reason why, now that the critical period is over, the Bank rate should have been brought below its 7 per cent. level. It is the unmistakable evidence of deepening economic recession in the United States and in a number of primary producing countries. The free world is now facing the prospect of modest deflation. In response to this change in the prevailing economic climate, interest rates are coming down. The crest of the "dear money" wave was passed some months ago in the United States, Germany and other countries.

There has inevitably been some delay in Britain's adherence to this trend. The initiative had to come from the countries which were not only creditors in their current balance of payments but had accumulated ample gold reserves. Before Britain could join the movement towards lower interest rates, foreign confidence in sterling had to be restored. It can be claimed that this has now been achieved.

Disparity in Interest Rates

This justifiable delay in joining the downward trend of international interest rates had, however, opened up an abnormal and undesirable gap between short-term interest rates in London and those prevailing in other international financial centres. This, in its turn, led to a considerable flow of foreign short-term capital seeking employment in the London market. This so-called "hot money" is of no particular use to the country. It seeks the shortest of short-term employment in such assets as Treasury bills on which a high rate of interest has been paid. It, therefore, burdens the current

(*Continued on page 723*)

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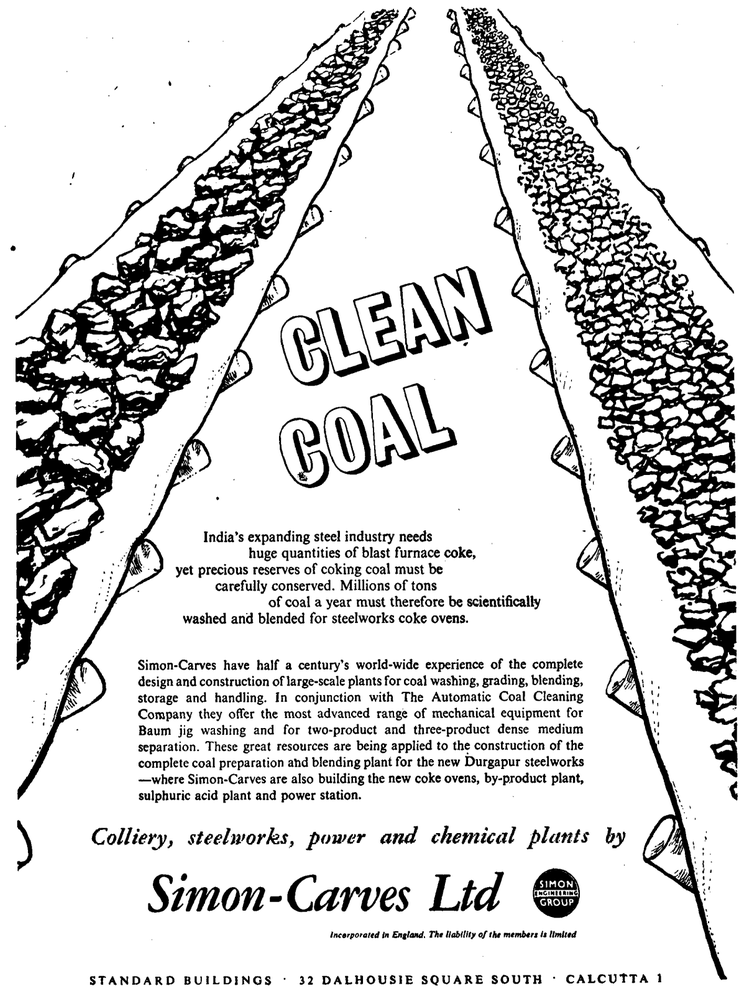

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SUSTAINING THE STERLING AREA

U.K. WILL HAVE TO PLAY A LARGER PART

HOW to sustain the sterling area as a whole in a situation of increasingly keen export competition? This is the question confronting the United Kingdom at present. The latest *Economic Survey* (for 1958), prepared by the British Treasury, points out that, while the U.K. is expected to earn a substantial current balance of payments surplus in 1958 with some improvement in invisible earnings, the export earnings of the rest of the sterling area are likely to remain depressed. The *Survey* has drawn special attention to three main factors causing anxiety in relation to the U.S. recession. First, the rest of the world (except Germany) has been losing gold and dollars in the past year, so that it is not well placed now to ride out a period of difficulty. Secondly, the fall in commodity prices is already affecting the economies of primary producing countries, both inside and outside the sterling area. Thirdly, world industrial production is likely to be lower in the first half of 1958 than in the corresponding period of 1957, since there is no prospect of the expansion in Europe offsetting the efforts of U.S. recession, as it did in the year 1953-54.

In view of these factors, the U.K., the *Survey* emphasises, will have to play a larger part in sustaining the sterling area as a whole. An important point stressed here is that, in the context of the increasingly keen export competition, the British exporters will be able to hold their own only if they can keep prices down. The *Survey* would appear to feel that prospects of keeping down prices are quite bright, as witness its remarks reproduced below:

"Fortunately, there is some scope for price reductions in U.K. manufactures, following the 8 per cent. drop in the cost of imported raw materials last year. The long upward movement of U.K. export prices has been checked and some reductions are likely. The economic climate in the U.K. itself is now less inflationary than it has been for several years, and this has been reflected in increased confidence in sterling. These trends are likely to continue in 1958. The fall in demand in relation to capacity, which took place last year, will probably continue this year. In real terms, Government spending on goods and services will be almost unchanged, and the rise in public investment which was rapid in the second half of last year, is being checked. Private fixed investment will slow down and there is likely to be less investment in stocks this year than last."

The *Survey* points out that many oversea sterling area countries have already begun to draw heavily on their accumulated sterling holdings. In the second half of 1958, the total of these holdings declined by £226 million, after a rise of £69 million in the first half. From one point of view, these drawings, it is said, are helpful to the U.K. and other countries, since the process maintains exports and helps in the defence of the U.K. and the world against a deflationary spiral. The *Survey* is confident that, because the United Kingdom's current trading position should be favourable this year, the rest of the sterling area will be able to draw on its sterling balances without imposing too great a strain on the gold and dollar reserves; sterling is strengthened by such a reduction of liabilities as well as by an increase in reserves.

Reserves Rise Markedly

That the aforesaid note of confidence is quite justified is clearly borne out by the highly satisfactory figures relating to the sterling area's gold and dollar reserves. The month of March 1958 witnessed a marked rise of $231 million in these reserves, the total of which at the end of the month stood at $2,770 million. The reserves have thus now climbed back to the level they were at in December 1954. The rise of $231 million in March was more appreciable than that in the preceding two months; the actual increase was of the order of only $135 million in February and $131 million in January. The total expansion in reserves for the whole of the first quarter of 1958 comes to $497 million.

The *Economic Survey* takes a reasonably optimistic view of the prospects for U.K. economy in the current year, while, at the same time pointing out that Britain's economic prosperity is inevitably bound up with the course of world economic developments. International trade, of course, vital to the U.K. economy. Britain's ability to influence world economy positively depends on its own economy. The economy of Britain, it is said, is well poised for an expansion of output, the considerable reserves of productive capacity which have been built up. If these reserves are fully employed, they can well be a useful factor in checking a world deflationary trend.

Latest Trends

The following table gives an idea of the latest trends in Britain's economy:

	1957	1956	1955
Company Finance and Investment (In £ million)—			
Gross trading profits of companies operating in U.K.	3,294	3,134	2,986
Non-trading income plus trading profits earned abroad	425	380	389
Total	3,719	3,514	3,375
Gross fixed capital formation at home	1,262	1,149	983
Gross Fixed Investment (£ million, 1948 prices)—			
Vehicles, ships and aircraft	352	321	290
Plant and machinery	840	778	769
Dwellings	439	448	459
Other new buildings and works	692	661	598
Total	2,323	2,208	2,116
Balance of Payments on Current Account (In £ million)—			
Imports	3,605	3,475	3,442
Exports	3,508	3,414	3,076
Visible balance	—97	—61	—366
Government (net)	—143	—167	—136
Other invisibles (net)	+477	+494	+433
Current balance	+237	+266	—69

The U.K.'s domestic product—that is, the money value of output, including services produced at home—rose by £1,046 million, or 6 per cent., in 1957, according to the White Paper on national income and expenditure published in London the other day. Adding in the net income from abroad, the gross national product rose by £1,069 million to £19,188 million—a rise of nearly 6 per cent. The total compares with £18,119 million in 1956 and £16,834 million in 1955. Personal savings increased both absolutely and as a proportion of disposable income in 1957, reaching a record level of over £1,600 million. This sum represents about 10-11 per cent. of personal income after tax and equals nearly two-fifths of the total savings. Gross fixed investment increased by £273 million, or 9 per cent., and investment in plant, machinery and vehicles, and new constructional building increased by £278 million, or 11 per cent. In 1957, gross fixed investment took 18 per cent. of gross national product, as compared with 15 per cent. in 1951, 14 per cent. in 1948, and 13 per cent. in 1938. In all, gross investment in fixed assets and stocks at home plus net investment abroad increased in 1957 to £4,050 million, and took 21 per cent. of gross national product, as compared with 17 per cent. in both 1948 and 1951.

Two important facts emerge from these estimates of national income and expenditure. They are the striking rise in personal saving and the material increase in gross fixed investment, particularly investment in the manufacturing sector. The steady rise in the gross national product continued in 1957 and, although given in current money terms, reflects a real rate of growth. With such a high rate of personal saving and a satisfactory increase in the rate of investment, the prospects for economic expansion seem favourable so far as domestic economic circumstances are concerned.

The U.K. had a current surplus of £122 million in its balance of payments during the six months ended December 1957, according to the White Paper on balance of payments 1955-57. This compares with a surplus of £98 million for the corresponding half of 1956. The improvement was entirely in the current surplus with oversea sterling countries, which rose to £228 million. The present estimate for 1957 as a whole shows a surplus of £237 million—£29 million less than the revised figure of £266 million for 1956.

Long-term capital transactions show a marked change between the two halves of 1957 on both Government and private account, making in total a reduction in the net capital debit from the unusually high figure of £168 million in January-June to the extremely low figure of £21 million in July-December. The fall on private account was the result of the steps taken in July to end the flow of capital into dollar securities through sterling area free markets, which had previously been abnormally large. The Government account benefited from a drawing on the Export-Import Bank line of credit as well as from arrangements made to defer payment on the U.S. and Canadian loans. The balance of current and long-term capital transactions showed a total surplus of £48 million, as compared with £35 million in 1956.

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The working results of the South Indian Bank Ltd. (H.O.: Trichur, Kerala, General Manager: Mr. M. V. John) for the year ended 31st December 1957 disclose that the Bank has made commendable progress during the year. It has enlarged its deposit resources by Rs. 60 lakhs, its advances have gone up by about Rs. 33 lakhs and its liquid assets stand strengthened by Rs. 7 lakhs. The profit, too, has risen by Rs. 65,000 to a record level of Rs. 3.24 lakhs. With this rise, the upward trend in the profit has been maintained for the third year in succession and has enabled the Bank to more than make good the shrinkage in profit suffered in the two years 1953 and 1954, when it fell from Rs. 2.70 lakhs to Rs. 2.12 lakhs. What is more, the profit has been doubled in the course of the last seven years.

Consequent on the improvement in profit, the Directors have increased the provision for taxation from Rs. 1.20 lakh to Rs. 1.50 lakh and have raised the allocation to the reserve fund from Rs. 55,000 to Rs. 70,000. A sum of Rs. 10,000 has been set aside to the contingency fund, which did not receive anything in the previous year. The distribution to the shareholders has been maintained at 9 per cent. per annum, free of income-tax, but this is on a higher capital of Rs. 10.74 lakhs.

Reflecting the expansion in the Bank's business is the rise in gross income from Rs. 17.82 lakhs to Rs. 22 lakhs. Interest and discount earned has gone up from Rs. 15.11 lakhs to Rs. 19 lakhs and commission and exchange from Rs. 1.88 lakh to Rs. 2.24 lakhs. On the expenditure side, interest paid is higher at Rs. 12.62 lakhs, as against Rs. 10.07 lakhs, and expenses have crept up from Rs. 4.91 lakhs to Rs. 5.87 lakhs.

Established in 1929 in Trichur as a private limited company with an initial authorised capital of Rs. 1.25 lakh and a paid-up capital of Rs. 22,000, the South Indian Bank was converted into a public limited company in 1939 and, in 1946, it became a Scheduled bank. During these 28 years of its history, the Bank has been able to overcome successfully many tribulations and expand its business. It has now 24 branches. In the very first year of its working, the Bank earned a profit of Rs. 3,700 and the profit has now grown to Rs. 3.24 lakhs. It has maintained an unbroken dividend record, having made respectable distributions from the very start. Commensurate with the growth of its business, the Bank has increased its paid-up capital several times and it stands as at the close of 1957 at Rs. 10.74 lakhs. Its reserves, including the addition made from the profit of 1957, aggregate Rs. 7.07 lakhs.

The progress of the Bank's financial position in recent years is indicated by the following comparative table:

(In lakhs of rupees)

	As on 31st December			
	1957	1956	1955	1954
Paid-up capital	10.74	9.40	8.75	8.75
Reserves	7.07	6.49	5.94	5.53
Deposits	3,67.01	3,07.10	2,58.63	2,04.88
Borrowings from banks	4.01	25.45	0.07	0.41
Acceptances (*contra* item)	42.20	37.83	34.59	31.00
Advances	2,13.59	1,80.97	1,59.75	1,17.77
Investments	1,23.90	1,20.70	68.30	42.01
Cash	46.99	43.19	42.16	56.46
Balance-sheet total	4,51.45	4,04.08	3,21.60	2,60.24

The Bank's deposits have grown three times in the course of the last seven years. Of the total deposits, at Rs. 3.67 crores on 31st December 1957, as much as Rs. 2.69 crores or about 80 per cent. constitute time deposits. This is not a peculiar feature of the South Indian Bank only; it is a common feature of banks in Kerala. Savings bank deposits amount to Rs. 39 lakhs and current and contingency accounts aggregate Rs. 59 lakhs. Advances, at Rs. 2.14 crores, constitute 58.2 per cent. of the deposits. The Bank is also maintaining a fairly high level of liquidity, the ratio of investments and cash to deposits at the end of 1957 being 46.6 per cent.

U. CO. BANK STEPS UP DIVIDEND LEVEL

PROFIT ALSO RISES

TO the small group of Scheduled banks which have raised their dividend levels for 1957 belongs the United Commercial Bank Ltd. (General Manager: Mr. S. T. Sadasivan, Calcutta). Many of the banks have had to toe a cautious line in respect of their distributions and maintain the dividends, after having raised them last year, on account of the fact that the pace of increase in their profits has considerably slowed down. The profit of the United Commercial Bank for 1957, no doubt, follows the general trend. Nevertheless, if the Directors have recommended an increase in the distribution, it is because the Bank's dividend record has all along been moderate. Further, the dividend is being raised by only ½ per cent. to 7½ per cent., after having been stepped up by 1½ per cent. last year. With this increase, the dividend has been raised successively in the course of the last four years from 4 per cent. paid for 1953.

The small increase in dividend is only in consonance with the smaller increase in the Bank's profit for the year. Thus, the Bank's profit for 1957, at Rs. 59.70 lakhs, represents an increase of only Rs. 3.18 lakhs over the year, while in the previous year it had recorded a rise of no less than Rs. 19.83 lakhs to Rs. 56.52 lakhs. The gross income has, no doubt, gone up by as much as Rs. 62.83 lakhs to Rs. 366.19 lakhs. The rise would have been much sharper but for the fall of Rs. 12.47 lakhs to Rs. 107.67 lakhs in income from commission and exchange. Income from interest and discount has risen by Rs. 75.26 lakhs to Rs. 257.24 lakhs. As against this, interest paid on deposits and borrowings has increased by Rs. 45.31 lakhs to Rs. 163.12 lakhs and other expenses by Rs. 14.45 lakhs to Rs. 136.72 lakhs.

The progress of the Bank's working during the last three years is well illustrated by the following table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	2,57.24	1,81.98	1,63.90	1,42.42
Commission and exchange	1,07.67	1,20.14	78.53	73.17
Interest paid	1,63.12	1,17.81	86.29	76.48
Expenses	1,36.72	1,22.27	1,13.65	1,03.33
Depreciation and repairs	6.65	6.76	7.07	6.44
Profit	59.70	56.52	36.69	31.06
Provision for taxation	18.50	16.00	14.00	12.50
To reserve fund	19.00	20.00	8.50	6.50
„ bonus to staff	7.00	6.50	4.00	2.50
Dividend	15.00 (7½%)	14.00 (7%)	11.00 (5½%)	10.00 (5%)
Carry forward	0.49	0.29	0.28	1.09

	As on 31st December			
	1957	1956	1955	1954
Capital	2,00.00	2,00.00	2,00.00	2,00.00
Reserves	1,34.00	1,15.00	95.00	86.50
Deposits	61,07.45	52,14.76	47,69.24	40,42.18
Borrowings from other banks	34.05	8,50.12	4,25.56	3,92.30
Acceptances (*contra* item)	15,76.10	18,17.30	19,03.53	8,89.44
Advances (including bills purchased and discounted)	37,69.09	38,45.32	27,59.19	24,64.50
Investments	19,94.21	19,43.17	22,16.73	17,15.78
Cash	8,28.40	7,50.88	6,21.16	6,07.72
Balance-sheet total	90,22.61	91,51.42	81,68.74	62,16.20
Ratio to deposits of—	%	%	%	%
Advances*	61.7	73.7	57.8	60.9
Investments*	32.1	27.8	37.6	33.6
Cash	13.5	14.4	13.0	15.0

* Ratio arrived at after taking into account the securities earmarked against borrowing from other banks.

It will be observed that the Bank's reserve fund stands considerably strengthened, thanks to the addition of no less than Rs. 47.50 lakhs from the earnings in the last three years alone. The upward trend in deposits has been maintained with a further increase of Rs. 8.93 crores during the year under review. As in the case of most other banks, the bulk of this expansion had occurred in high interest-bearing fixed deposits, which have gone up from Rs. 22.58 crores to Rs. 29.48 crores. Savings bank deposits are higher at Rs. 5.81 crores, as against Rs. 5.22 crores. Current and contingency accounts have risen from Rs. 24.35 crores to Rs. 25.78 crores.

Another notable feature disclosed by the Bank's latest balance-sheet is that the advances are a shade lower than those at the close of 1956. This is mainly due to the fall in bills purchased and discounted from Rs. 15.92 crores to Rs. 13 crores. Loans, cash credits and overdrafts have, however, gone up from Rs. 22.53 crores to Rs. 24.69 crores. The decline in total advances, albeit small, together with the rise in deposits, has brought down the credit ratio considerably.

SHARP RISE IN PROFIT OF MERCANTILE BANK

DIVIDEND RAISED

THE year 1957 proved to be a difficult one for foreign banks operating in India and other Eastern countries. Foreign exchange shortages and restrictions on imports, and on exports in some of the countries, tended to restrict business activity and made trading conditions none too easy. It is heartening to note that, despite the difficult conditions, the Mercantile Bank Ltd., which was named till the end of last year as the Mercantile Bank of India Ltd., has earned a substantially higher profit. The profit (after providing for taxation and after making allocations to contingency accounts, out of which full provision has been made for bad and doubtful debts and any other diminution in the value of assets) has jumped by £94,759 to £331,243. This is probably the first time that the Bank's published profit has crossed the £300,000-mark.

The Directors are satisfied that the Bank's inner reserves are adequate enough to cover every likely contingency and that it is no longer necessary to build up these reserves at the same rate as before. Accordingly, they have not made any additional allocation to the contingency account which had received £50,000 in the previous year. No allocation has been made to write off freehold banking premises and property, for which purpose a sum of £50,000 was used last year. The saving on these two accounts has, however, been used to strengthen the reserve fund, which has thus received £100,000, as against *nil* a year ago. The officers' pension fund receives, as in the previous year, £13,000. In short, the total amount of appropriations, other than the dividend, is unchanged. The larger profit, therefore, permits of a larger distribution to the shareholders. The Directors had declared, in August last, an interim dividend of 12½ per cent. on the then paid-up capital of £1.47 million. They have now recommended a final dividend of 6¼ per cent. on a capital doubled subsequently by the capitalisation of £1.47 million, following the reorganisation of the Bank's capital structure. On the old capital the final distribution also represents a dividend of 12½ per cent., thus making a total dividend of 25 per cent., as against 14 per cent. paid for each of the previous three years on the same capital. These appropriations leave a surplus of £231,452 to be carried forward, including £224,521 brought in from 1956.

The Bank's progress during the past three years is fully reflected in the following comparative table:

(In thousands of £'s sterling)

	As on 31st December			
	1957	1956	1955	1954
LIABILITIES (Main)				
Capital	2,940	1,470	1,470	1,470
Reserves	2,100	2,000	1,750	1,750
Unappropriated surplus	231	224	219	200
Notes in circulation	219	219	259	278
Deposits and other accounts	66,885	69,440	66,084	63,210
Bills payable	1,118	1,317	1,085	1,137
Acceptances (*contra* item)	1,190	124	195	445
ASSETS (Main)				
Cash	14,969	9,778	10,043	14,013
Investments	14,995	17,916	20,877	16,180
Securities against note issue	371	371	371	371
Bills receivable	14,988	17,281	16,509	15,815
Loans and advances	28,986	28,756	23,362	21,068
Fixed assets	718	617	652	652
Balance-sheet total	76,273	74,897	72,055	68,504

The capital of the Bank stands doubled to £2.94 million, made up of 2.94 million shares of £1 each, consequent on the capitalisation of a sum of £1.47 million from the reserves, as stated above. Formerly, the Bank's capital comprised 150,000 'A' shares and 150,000 'B' shares of £5 each, on each class of which a sum of £2 10s. per share was paid up and 720,000 "C" shares of £1 each fully paid up. In November last, the uncalled liability on the "A" and "B" shares was abolished, the rights attached to these two classes of shares were modified and the whole of the issued capital was converted into one uniform class of shares of £1 each fully paid-up. Accordingly, the reorganised capital structure stood at £1.47 million, made up of 1.47 million shares of £1 each. Following this, a sum of £1.47 million was capitalised and issued as capital bonus in the ratio of one share for every one held. The reorganisation of capital became effective on 31st December 1957. The Directors replenished, the reserve fund by transferring £1.47 million from the inner reserves, thus restoring the reserve fund to the level prior to the reorganisation of the capital. With the transfer of £100,000 from the profit for 1957, the reserve fund stands now at £2.10 million.

The Bank's deposits as at the end of the year are lower by £1.11 million, thus reversing the upward trend noted in the previous three years. Acceptances on behalf of customers have, however, risen sharply. On the assets side, loans and advances are only a shade higher, while bills receivable have declined by £2.30 million and investments (other than securities lodged against note issue) by £2.92 million. Cash balances have been strengthened by £5.19 million thus more than making good the shrinkage suffered in the previous two years.

PUNJAB NATIONAL FARES WELL

PROFIT CROSSES ONE-CRORE MARK

REFLECTING the generally improved conditions that prevailed during 1957 in trade and industry, the Punjab National Bank Ltd. (General Manager: A. M. Walker, Delhi), the oldest name in Indian national banking and one of the biggest Scheduled banks in India, has shown a remarkable expansion in all its operations during 1957. As is graphically represented in the Directors' report and statement of accounts for the year, the index of deposits (1950=100) has jumped from 241 at the end of 1956 to 282 at the end of 1957, the increase being the highest in the last seven years. Over the year, the deposits have expanded by Rs. 18.23 crores to Rs. 124.61 crores, a record figure for the Bank; considering the fact that, during the year, there was keen competition among banks to attract deposits, the expansion noted can be considered a notable achievement. As is well known, during the year, the Central Government as well as the State Governments came into the money market for large borrowings at attractive rates of interests, which had the effect of channelling the flow of funds to time deposits rather than to demand deposits. This trend is reflected in the fixed deposits of the Punjab National Bank going up by about Rs. 12 crores during the year to Rs. 60.06 crores, while demand deposits have gone up by only Rs. 3.47 crores to Rs. 33.28 crores. Despite keen competition, the Bank has been successful in attracting higher savings bank deposits which stood at Rs. 30.87 crores at the end of 1957 compared with Rs. 28.12 crores at the close of the previous year.

The following comparative table summarises the progress made by the Bank during the last three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	5,18.45	4,01.62	3,43.20	2,75.64
Commission and exchange	1,06.42	89.30	69.54	61.38
Other income	45.40	36.45	37.06	37.10
Interest paid	2,66.72	1,92.09	1,61.30	1,24.72
Expenses	2,88.99	2,39.10	2,17.42	1,89.68
Depreciation and repairs	8.49	7.40	6.67	5.94
Profit	1,11.07	87.85	64.41	53.76
Provision for taxation	50.00	27.50	11.00	16.00
To reserves	22.50	27.50	29.00	14.97
„ bonus to staff	18.00	18.00	13.50	9.50
„ other appropriations	1.00	2.00	1.30	0.90
Dividend	21.25 (20%)*	14.00 (16%)	12.25 (14%)	10.50 (12%)
Carry forward	4.52	6.20	2.85	4.99

	As on 31st December			
	1957	1956	1955	1954
Capital	1,25.00	87.50	87.50	87.50
Reserves	1,10.00	1,25.00	97.50	92.50
Deposits	124,60.96	106,38.58	90,12.26	75,63.84
Borrowings from other banks	16.22	2,36.51	1,29.47	0.47
Bill payable	7,35.68	7,41.13	5,99.65	4,17.52
Bills for collection (*contra*)	9,72.72	9,15.82	6,97.91	5,84.18
Acceptances (*contra*)	7,59.66	13,48.91	6,53.54	3,57.33
Advances	67,95.89	54,86.00	42,02.21	32,40.40
Investments	38,83.15	48,30.10	45,64.58	35,37.50
Cash (including money at call and short notice)	24,48.48	12,39.24	9,28.12	11,26.23
Balance-sheet total	151,98.42	141,03.20	112,88.79	91,16.27
Ratio to deposits of—	%	%	%	%
Advances	54.5	51.6	46.6	42.8
Investments	31.1	45.4	50.6	46.8
Cash	19.6	11.6	10.3	14.9

* The final dividend of Rs. 2.50 is on the increased capital.

As there was also heavy demand for funds during the year, advances have shown a substantial increase of Rs. 13 crores to Rs. 67.96 crores over the year. Presumably, in anticipation of further expansion in the demand for funds, investments have been liquidated to the extent of about Rs. 10 crores and the cash position strengthened by about Rs. 12 crores. The overall improvement in the resources of the Bank has also enabled the Bank to reduce its borrowings from other banks to a considerable extent.

The expansion in the demand for funds and the higher interest rates that prevailed during the year have meant a sharp increase in the earnings of the Bank, though to some extent, the benefit of higher earnings has been reduced by the higher rates which the Bank has had to pay on its deposits. Thus, interest and discount earned have gone up by about Rs. 117 lakhs to Rs. 518 lakhs during the year, an increase of about 29 per cent., while interest paid has also gone up by about Rs. 74 lakhs to Rs. 267 lakhs, an increase of about 38 per cent. Expenses have also increased, a substantial part of it being in

salaries, etc. Nevertheless, it is gratifying to note that the Bank has been able to earn a substantially higher profit, which has crossed, for the first time in the Bank's history, the Rs. 1-crore mark. At Rs. 111.07 lakhs, the profit exceeds the previous year's record (of Rs. 87.85 lakhs) by Rs. 23.22 lakhs. As will be seen from the table above, the Bank's profit has more than doubled itself in three years.

The provision for taxation has been raised from Rs. 27.50 lakhs to Rs. 50 lakhs. The bonus to staff has claimed a higher amount than before and there has been slightly reduced allocation to reserves. The Directors have, however, been able to recommend the stepping up of the dividend from 16 per cent. to 20 per cent. by raising the interim as well as the final distribution from Rs. 2 to Rs. 2.50 per share of Rs. 25. The final dividend of Rs. 2.50 per share is, however, on the increased capital, which was brought to the present figure of Rs. 125 lakhs during the year by the capitalisation of the share premium amount of Rs. 37.50 lakhs from the reserves. The dividend record of the Bank is excellent. For the years 1950 and 1951, the Bank paid 4 per cent. The rate was raised to 6 per cent. for 1952 and has been steadily stepped up since then. Thus, for 1953, it was raised to 8 per cent. and further to 12 per cent. for 1954, 14 per cent. for 1955 and 16 per cent. for 1956. Now, for 1957, it has been increased further to 20 per cent.

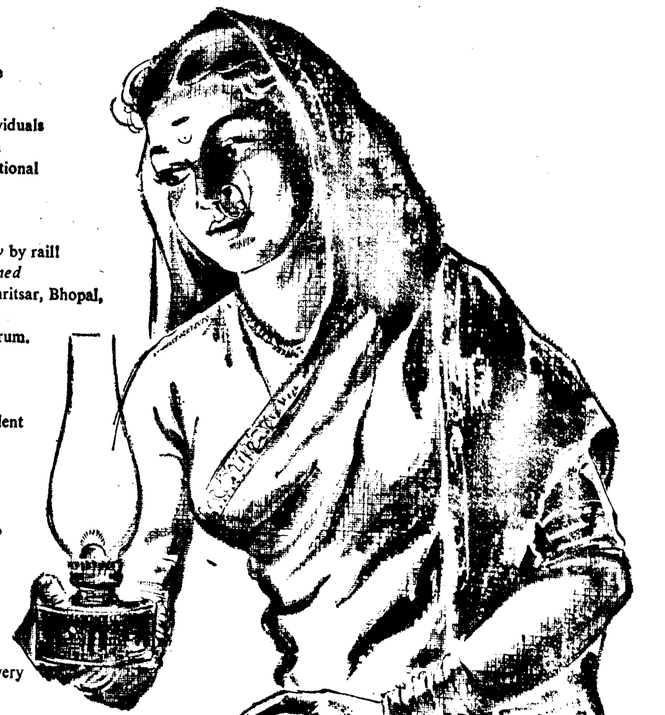
PRODUCTIVE INVESTMENT IN INDIA

The proportion of productive investment (that is, expenditure leading to formation of fixed capital assets) to the total outlay of Rs. 1,960 crores in the public sector during the first Five-year Plan period was about 75 per cent., the sum actually spent being Rs. 1,500 crores. This was revealed by Mr. S. N. Mishra, Union Deputy Minister for Planning in his reply to a question in the Lok Sabha on the 3rd inst. According to Mr. Mishra, the net capital formation in and through the Central Government during the first year of the second Plan is estimated at Rs. 511 crores and for 1957-58 at Rs. 722 crores. Estimates of net capital formation financed from the States' own resources are not available. It is not possible to calculate the net return on productive investment so far per annum. But investment in dams, power houses, factories, railways, etc., add to the productive capacity of the country and is reflected in the growth of the economy. Referring to the total amounts so far raised by way of loans in respect of these productive investments and how these loans were proposed to be paid back, the Minister observed:

"The borrowing operations of Government have to be linked not to productive investment as such but to the total public expenditure relatively to receipts. Over the five years of the first Plan, net market borrowings amounted to Rs. 204 crores and small savings to Rs. 237 crores. Foreign loans utilised aggregated Rs. 102 crores. Over the two years of the second Plan, receipts from net market borrowings and small savings have been Rs. 213 and Rs. 129 crores, respectively. The foreign loans as shown in the budget amounted to Rs. 89 crores. These loans have, in the last analysis, to be repaid out of the increases in production arising from the investments undertaken.

The Australian Government proposes to raise $25 million on the New York market in the week after next. This will be its first approach to New York for a loan wholly of new money, as against conversions, during the last 30 years. The proceeds of the loan will be applied towards Commonwealth and State borrowing programmes for the current financial year. Australia has had several refinancing issues in New York since the war and, in the past eight years, has obtained loans amounting to $318 million from the World Bank. In March last year, Australia obtained a loan of $20 million in New York most of which was required for conversions and two-thirds of the $25 million loan of the previous June was used to retire maturing bonds.

SITA HAS NEVER SEEN A TRAIN!



True! Sita has never seen a train! Yet she knows that a train brought the oil that burns in her humble lamp in the far off village where she lives!

Yes, Indian Railways serve Sita and 38 crores of other individuals like her in their daily lives—intimately yet unobtrusively, in a multitude of ways. They serve, too, every sector of the national economy, for which movement is life.

We Carry 15 Cities Daily!

Think of it! One per cent of India's population travels *daily* by rail! About 3,800,000 passengers *daily*—equivalent to the *combined* population of these 15 Indian cities: Ajmer, Allahabad, Amritsar, Bhopal, Cuttack, Gwalior, Howrah, Jabalpur, Jaipur, Mysore, Patna, Poona, Rajkot, Tiruchirapalli, and Trivandrum.

We Carry Over One Crore Maunds Daily!

The Indian Railways also carry over 360,000 tons (more than one crore maunds) of vital supplies *daily*—the equivalent in weight of foodgrains which all the people living in the 15 cities named above normally consume in 200 days! Besides life-giving food for the people, they carry precious coal and other raw materials for industry, finished goods for far-flung markets and a countless variety of other cargo which helps to maintain the country's trade and commerce, imports and exports in good shape.

Over the past 105 years, wherever the Indian Railways have gone, prosperity has followed in close step. Daily, they run nearly 7,000 passenger and goods trains. Without them, today, the Nation's throbbing economy, its very heartbeat, would come to a breathless standstill!

INDIAN RAILWAYS

Serve the Individual and Build the Nation

105 YEARS OF NATIONAL SERVICE

18-39-1

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS

(INDIAN BRANCHES)

(Incorporated in France with Limited Liability)

BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—Deposited with Reserve Bank of India under Section 11 (2) of the Banking Companies Act, 1949, Government Securities of the face value of Rs. 21,19,400 included in investments on the opposite side		Not applicable
2. Reserve Fund and Other Reserves		Not applicable
3. Deposits and Other Accounts—		
Fixed Deposits	1,76,10,682.78	
Saving Bank Deposits	Nil	
Current Accounts, Call Deposits, Contingency Accounts, etc.	2,23,20,191.04	
		3,99,30,873.82
4. Borrowings from Other Banking Companies, Agents, etc.—		
(1) In India	Nil	
(2) Outside India	91,460.52	
		91,460.52
PARTICULARS—		
(1) Secured	Nil	
(2) Unsecured	91,460.52	
5. Bills Payable		3,01,782.13
6. Bills for Collection Being Bills Receivable as per contra—		
(1) Payable in India	63,47,632.22	
(2) Payable outside India	20,82,080.95	
		84,29,713.17
7. Other Liabilities—		
Branch Adjustments (In India)	92,982.66	
Head Office and Balances of Foreign Branches	70,62,906.09	
Unexpired Discounts	50,869.57	
Pension and Provident Funds	3,68,086.18	
		75,74,844.50
8. Acceptances, Endorsements and Other Obligations per contra		68,96,425.23
9. Profit and Loss—		
Profit for the year 1957 brought from the Profit and Loss Account	2,35,237.44	
LESS—Merged with Head Office and Inter-Branch Balances	2,35,237.44	Nil
10. Contingent Liabilities—		
(i) For outstanding Forward Exchange Contracts (net)	91,75,061.00	
(ii) Guarantees given on behalf of— Rs. nP		
Head Office in Paris and French Correspondents 4,67,66,212.35		
Others 28,92,037.07	4,96,58,249.42	
(iii) On Partly-paid Shares of a Joint Stock Company	5,500.00	
NOTE:—Provision for future gratuities to staff has not been made, the liability for which has not been ascertained.		
Total .. Rs.		6,32,25,049.35

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash—		
In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		28,88,107.73
2. Balances with Other Banks on Current Account—		
(1) In India	67,587.06	
(2) Outside India	5,04,821.43	5,72,408.49
3. Money at Call and Short Notice		68,00,000.00
4. Investments (at cost or market value whichever is lower)—		
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	50,01,148.40	
(ii) Shares—Partly-paid Shares—unquoted. Written-off	Nil	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	50,01,148.40
(Securities of the face value of Rs. 21,19,400 deposited with Reserve Bank of India under Section 11 (2) of the Banking Companies Act, 1949, and of Rs. 4,500 as deposit with Post and Telegraph Offices)		
5. Advances—		
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
(I) Loans, Cash Credits, Overdrafts, etc.— Rs. nP		
(i) In India 1,77,43,605.31		
(ii) Outside India 1,16,382.49	1,78,59,987.80	
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
(i) Payable in India 21,11,316.05		
(ii) Payable outside India 89,06,546.60	1,10,17,862.65	
(Particulars of Advances—as per attached Schedule)		2,88,77,850.45
6. Bills Receivable Being Bills for Collection as per contra—		
(i) Payable in India	63,47,632.22	
(ii) Payable outside India	20,82,080.95	84,29,713.17
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		68,96,425.23
8. Premises, Less Depreciation (Transferred to Head Office Account)		Nil
9. Furniture and Fixtures, Less Depreciation		Written-off
10. Other Assets—		
Head Office and Balances of or with Foreign Branches	22,80,878.60	
Interest accrued on Investments	55,153.41	
Other Interest Receivable	59,154.76	
Advance Payment of Income-tax and tax deducted at source	12,93,407.63	
Stamps	5,372.54	
Prepaid Expenses and Amounts receivable	61,497.70	
Deposits	3,931.25	37,59,395.89
11. Non-Banking Assets Acquired in Satisfaction of Claims		Nil
Total .. Rs.		6,32,25,049.35

Schedule of Particulars of Advances required by the Banking Companies Act, 1949 (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957

PARTICULARS	Rs. nP
(i) Debts considered good in respect of which the banking company is fully secured	1,72,58,286.88
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	81,68,283.78
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	34,51,329.84
(iv) Debts considered doubtful or bad, not provided for	Nil
Total .. Rs.	2,88,77,850.45

PARTICULARS	Rs. nP
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other person	7,848.01
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	Nil
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the company or any of them either severally or jointly with any other persons	14,967.27
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	Nil
(ix) Due from banking companies	11,61,702.13

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

EXPENDITURE	Rs. nP
1. Interest paid on Deposits, Borrowings, Head Office and Foreign Branches Accounts, etc.	11,07,212.17
2. Salaries and Allowances and Provident and Pension Funds (Salaries and Allowances to Manager of Principal Office in India, including Bonus, Rs. 63,963.27)	9,78,600.67
3. Directors' and Local Committee Members' Fees and Allowances	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	1,52,517.76
5. Law Charges	747.30
6. Postages, Telegrams and Stamps	49,806.20
7. Auditors' Fees	7,000.00
8. Depreciation on and Repairs to the Banking Company's Property	Nil
9. Stationery, Printing, Advertisements, etc.	45,876.20
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil
11. Other Expenditure (including Income-tax provision and Head Office Supervision Charges)	6,10,515.60
12. Balance of Profit	2,35,237.44
Total .. Rs.	31,87,515.34

INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP
1. Interest and Discount including from Head Office and Foreign Branches	19,69,211.57
2. Commission, Exchange and Brokerage	10,97,306.44
3. Rents	1,02,930.00
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	18,067.33
Total .. Rs.	31,87,515.34

(Sd.) J. LAMY,
Acting Manager,
Bombay Branch.

REPORT OF THE AUDITORS

We have audited the foregoing Balance Sheet of the Indian Branches of Comptoir National D'Escompte de Paris, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Indian Branches of the Bank for the year ended on that date in which are incorporated the returns of the Calcutta Branch of the Bank audited by other Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books, and proper returns adequate for the purpose of our audit have been received from the Calcutta Branch;

(c) the Balance Sheet and Profit and Loss Account of the Indian Branches of the Bank dealt with by this report are in agreement with the books of account and the returns;

(d) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis and read with the notes appearing thereon, the said Balance Sheet gives a true and fair view of the state of the affairs of the Indian Branches of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit of the Indian Branches for the year ended upon that date.

(Sd.) A. F. FERGUSON & CO.,
Chartered Accountants.

BOMBAY, 28th March, 1958.

SWITCH TO SHIFT WORKING IN MILLS

PLANS UNDER WAY TO STREAMLINE COTTON AND RAYON WEAVING

From A Special Correspondent

MANCHESTER, 1st *April*

MANCHESTER LETTER

REASONS of space prevented more than a brief summary being made last week of the lengthy survey of current conditions in the industry presented by Mr. Ernest Hirst as President of the Master Spinners' Federation. Such palpable distortions of the truth as stories of a dwindling intake of juveniles and failure of the trade to re-equip suitably need constant denial, if they are to be finally disregarded by outsiders. Pay and conditions for youngsters in the mills are better than ever before and recruitment has been well maintained. As for modernisation, Lancashire has not lagged behind, but has streamlined its industry, as Mr. Hirst declared. Concentration in the future is clearly to be on the more effective units.

Shift work is bound to be a bone of contention between its advocates and those who believe it to be impracticable in an industry so largely staffed by women. Probably more mills will go over to shifts in the future, as productive capacity is reduced. But, as Mr. Hirst said, modernisation and increased shift working will tend to go hand in hand. One of the objects of the weaving redundancy plan is to stimulate shift work by eliminating surplus plant.

In this connection, it is as well to stress the fact once more than an immediate switch to shift working would not greatly reduce costs, enabling Lancashire to compete with Eastern producers. Nor does the price regulation scheme now in force in spinning and doubling lead to "feather-bedding"—as recent mill closures have amply borne out.

Lack of an aggressive selling policy has been blamed for the virtual disintegration of Lancashire's once-renowned export empire. In reply, Mr. Hirst took pains to show conclusively that Britain's overseas trade in cotton goods has been lost either through cheap Japanese production or through development of indigenous industries in such territories as India, South Africa, South America and Australia, where a high level of protection has been given to local mills by luty or quota.

Still Great

Reiterating Lancashire's case against unrestricted imports of duty-free Commonwealth cloth, Mr. Hirst continued: "Even on present figures, we are still a great exporting industry and we can continue to be so, if we are not denied the spring-board of a healthy home market. On the other hand, it cannot be expected that the whole of our great industry can turn to specialities overnight or that the potential sales of these can or should replace bulk industrial, household and clothing textiles of good quality."

At a time when politics are making news, Mr. Hirst made no secret of his belief that the Rochdale by-election was no flash-in-the-pan result. "In an area which knows, as Rochdale knows, and as many other Lancashire towns know, what tremendous efforts have been made by the cotton industry since the war," he continued, "it is not only those directly employed in the mills but also a great slice of the other electors who will not vote for a Conservative unless he is prepared to stand up for our industry in deed as well as word."

Details of the "Crossley Plan" for limiting imports by voluntary restriction among the merchants have not yet been published, but Mr. Hirst revealed that the Federation has given support in principle to the scheme. In his view, the producers and finishers will back the system, if it should be needed. Much will depend on the outcome of the present mission to Hong Kong, and there success or failure hangs in the balance.

Surplus Looms Plan

Lancashire textile union leaders have given a qualified welcome to the surprise news that cotton and rayon weaving employers are planning to streamline their industry. A new company, Weaving Reorganisation Ltd., has been set up in Manchester. Its sponsors, the Cotton Spinners' and Manufacturers' Association and the Rayon Weaving Association, say that it is well known that the industry has a surplus of looms.

Mr. Lewis Wright, General Secretary of the 75,000-strong Weavers' Amalgamation, the main union involved, said that 200 Lancashire mills had closed down in the past three years. If the new scheme resulted in the closing down of mills which had not re-equipped with modern machinery, "good could come of it." Mr. Wright added: "But the operatives' reaction to the scheme will depend on what is meant in the employers' announcement about 'provision for redundant workers.' The trade unions are about to put before the employers a detailed claim for compensation for redundant workers. Only if labour gets as much consideration as capital are the trade unions likely to look upon the scheme with any favour."

Lancashire mills which consider selling out to the new company have been given a pledge of secrecy in negotiations.

In a statement, the company said that surplus looms meant a constant risk of overproduction in the industry. "Some of the machinery is out of date, but, in present conditions, there is little or no incentive to undertake the heavy financial risk of re-equipment. Yet it is essential to find means for putting the industry on a sound footing for the future by reducing its equipment in quantity and improving quality."

Subsequently, the Executive Committee of the Weavers' Amalgamation criticised weaving industry employers for not telling them of their surprise move to buy mills and scrap them. In a statement, they said: "It is very much to be regretted that the union representing the majority of the workers should be kept so much in the dark." Even if joint consultation had not been desirable the Weavers' Amalgamation could have been informed, "a little more fully as to the nature and purpose of the new company." Mr. Lewis Wright, Amalgamation General Secretary, said that no sound conclusions could be reached until the union knew more about how the new company—Weaving Reorganisation—could operate.

Higher Wage Levels

The Government's campaign against inflation had not really been set in motion last October and so the statistics relating to earnings of workers in British manufacturing industries at that time, now released by the Ministry of Labour, do not show any evidence of the subsequent economic pressure. In the six months from April to October last year, the average wages of the 7,000,000 workers included in the survey increased by nearly 8*s.* per week to a new record of £10 12*s.* 5*d.*

Cotton operatives received their last wage advance in August when an increase of 5 per cent. was conceded after short negotiations between the employers and the trade unions. As a result the average earnings, as shown in the table below, moved upward yet again:

	Men (over 21)	Youths (under 21)	Women (over 18)	Girls (under 18)	All workers
	s. d.	*s. d.*	*s. d.*	*s. d.*	*s. d.*
Cotton spinning—					
April 1956	194 3	116 7	119 10	96 5	142 9
October 1956	205 3	126 3	126 11	102 7	151 6
April 1957	208 6	126 4	129 4	104 10	154 1
October 1957	210 9	129 2	136 0	109 4	162 2
Cotton weaving—					
April 1956	196 7	104 5	126 0	94 1	147 11
October 1956	206 8	112 7	133 3	99 1	156 1
April 1957	210 1	112 1	135 11	102 10	159 5
October 1957	220 7	119 4	142 6	103 5	167 5
Total cotton—					
April 1956	195 3	112 7	122 6	95 6	145 0
October 1956	205 10	121 9	129 7	101 3	153 5
April 1957	209 5	121 10	132 2	104 2	156 4
October 1957	220 1	126 0	138 9	107 3	164 5
Rayon weaving—					
April 1956	212 3	102 1	130 0	90 4	159 6
October 1956	219 3	104 10	134 3	95 11	165 5
April 1957	222 9	104 9	137 4	95 10	169 1
October 1957	235 2	110 10	144 0	99 6	178 11
Textile finishing—					
April 1956	209 8	102 5	110 10	80 10	175 10
October 1956	220 1	107 3	114 11	83 6	183 8
April 1957	227 7	111 8	118 11	86 1	191 2
October 1957	231 9	113 6	120 5	89 9	193 11

The average number of hours worked in the mill towns remained identical with those operated six months previously, the weaving figure being 43.9 hours, spinning 44.3 and the average for all cotton firms 44.1 hours. In textile finishing, the average was again lower at 47.7 hours against 48.2 in April, 1957.

Lancashire mills have lost 67,000 workers in six years, union leader Mr. Charles Schofield, said in his annual report as General Secretary of the Operative Spinners' Amalgamation. He accused the Government of being "prepared to sacrifice the industry rather than face an unpopular issue with other members of the Commonwealth."

Attacking the Government's refusal to limit the flood of cut-price cloth from Far East mills, he said: "Just what sort of a case is likely to persuade the Government that the Lancashire cotton industry is being bled to death, after the representations which have been made during the past three and a half years, is difficult to imagine."—*All Rights Reserved.*

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THE FIRST NATIONAL CITY BANK OF NEW YORK

(INCORPORATED WITH LIMITED LIABILITY IN THE U.S.A.)

BALANCE SHEET OF INDIAN BRANCHES AS AT CLOSE OF BUSINESS, DECEMBER 30, 1957.

CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.
1. **Capital**— 3% 1958 Government of India Bonds face value Rs. 20,25,000 market value as of date Rs. 20,19,937.50	20,19,937.50	
2. **Reserve Fund and Other Reserves**		Nil
3. **Deposits and Other Accounts**— Fixed Deposits	6,65,39,280.48	
Savings Bank Deposits	15,77,116.71	
Current Accounts, Contingency Accounts, etc.	11,45,36,085.53	
		18,26,52,482.72
4. **Borrowings from Other Banking Companies, Agents, etc.**— (i) In India	Nil	
(ii) Outside India	Nil	
		Nil
PARTICULARS— (i) Secured	Nil	
(ii) Unsecured	Nil	
5. **Bills Payable**		9,65,229.14
6. **Bills for Collection being Bills Receivable** as per contra— (i) Payable in India	1,33,83,028.07	
(ii) Payable outside India	55,68,656.96	
		1,89,51,685.03
7. **Other Liabilities**— (i) Unexpired Discount	214.87	
(ii) Reserve for Interest Payable	3,83,046.42	
(iii) Reserve for Taxes	13,55,334.64	
(iv) Reserve for Other Expenses	16,393.56	
(v) Sundry Accounts	5,33,385.43	
		22,86,364.92
8. **Acceptances, Endorsements and Other Obligations** per contra		Nil
9. **Profit and Loss**— Profit for the year ended December 23, 1957 brought from the Profit and Loss Account (includes Rs 17,740.79 profit for the period December 24, 1956 to December 29, 1956 shown in the last Balance Sheet)	34,02,446.86	
LESS— Reserve for Taxes	Rs. nP. 21,04,468.00	
Amount remitted to Head Office	12,97,978.86	
	34,02,446.86	
	Nil	
ADD—Profit for the period from December 24, 1957 to December 30, 1957	8,339.53	
		8,339.53
10. **Contingent Liabilities**— (i) Outstanding Credits Unused	1,79,04,633.00	
(ii) Outstanding Forward Exchange Contracts	6,65,89,001.93	
(iii) Bills of Exchange Re-discounted	4,700.41	
(iv) Collection documents released on our responsibility	2,46,786.00	
(v) Claims against the Bank not acknowledged as debts	36,306.00	
Total .. Rs.		20,48,64,101.34

PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
1. **Cash**— In hand and with Reserve Bank and State Bank (including Foreign Currency Notes)		1,32,48,462.62
2. **Balances with Other Banks** (in Current Account)— (i) In India	6,46,218.01	
(ii) Outside India	5,07,720.56	
		11,53,938.57
3. **Money at Call and Short Notice**		6,59,00,000.00
4. **Investments** at book value— (i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	2,49,00,784.16	
(ii) Shares	Nil	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	
		2,49,00,784.16
5. **Advances** (other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)— (I) Loans, Cash Credits, Overdrafts, etc.— Rs. nP. (i) In India 5,66,37,573.44; (ii) Outside India 32,851.33	5,66,70,424.77	
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)— (i) Payable in India 38,18,817.30; (ii) Payable outside India 40,86,893.59	79,05,710.89	
		6,45,76,135.66
PARTICULARS OF ADVANCES— (i) Debts considered good in respect of which the banking company is fully secured	3,11,24,739.87	
(ii) Debts considered good for which the banking company holds no other security than the debtor's personal security	2,68,37,585.36	
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	65,20,728.86	
(iv) Debts considered doubtful or bad, not provided for	93,081.57	
		6,45,76,135.66
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	Nil	
(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	Nil	
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	Nil	
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	Nil	
(ix) Due from banking companies	32,851.33	
6. **Bills Receivable being Bills for collection** as per contra— (i) Payable in India	1,33,83,028.07	
(ii) Payable outside India	55,68,656.96	
		1,89,51,685.03
7. **Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		Nil
8. **Premises Less Depreciation**		Nil
9. **Furniture and Fixtures**— At cost as of December 29, 1956	4,94,177.59	
Additions during the year	2,43,651.30	
	7,37,828.89	
LESS—Deductions during the year	98,399.00	
	6,39,429.89	
LESS—Depreciation written off upto December 23, 1957	2,66,631.00	
		3,72,798.89
10. **Other Assets**— (i) Accounts Receivable	95,482.42	
(ii) Interest Earned Not Collected	7,49,671.79	
(iii) Due from H. O. and Brs.	1,48,64,038.09	
(iv) Revenue Stamps	5,235.00	
(v) Prepaid Expenses	45,869.10	
		1,57,60,296.40
11. **Non-Banking Assets Acquired in Satisfaction of Claims**		Nil
12. **Profit and Loss**		Nil
Total .. Rs.		20,48,64,101.34

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED DECEMBER 23, 1957.

EXPENDITURE	Rs. nP.
1. Interest paid on Deposits, Borrowings, etc.	31,33,302.67
2. Salaries and Allowances and Provident Fund (including Salaries and Allowances to Manager Rs. 74,188.44)	17,50,157.19
3. Directors' and Local Committee Members' Fees and Allowances	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	1,65,496.91
5. Law Charges	16,190.23
6. Postage, Telegrams and Stamps	1,09,589.69
7. Auditors' Fees	Nil
8. Depreciation on and Repairs to the Banking Company's Property	84,511.78
9. Stationery, Printing, Advertisement, etc.	81,503.36
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil
11. Other Expenditure	5,09,965.37
12. Balance of Profit	34,02,446.86
Total .. Rs.	92,50,164.06

INCOME (Less Provision made during the year for Bad and Doubtful Debts and other Usual or Necessary Provisions)	Rs. nP.
1. Interest and Discount	67,75,525.57
2. Commission, Exchange and Brokerage	24,24,212.50
3. Rents	Nil
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	3,309.25
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	47,116.74
8. Loss	Nil
Total .. Rs.	92,50,164.06

I, C. A. Dunham, having been appointed by the Comptroller of the Currency, and, therefore, being qualified under the Federal Reserve Act of the United States of America to examine and audit National Banks and their foreign branches, hereby certify that I have verified the attached statements to my satisfaction.

March 6, 1958. (Sd.) C. A. DUNHAM, National Bank Examiner.

(Sd.) R. E. GRANT, Sub-Manager. (Sd.) F. de C. MATTHEWS, Manager.

STATEMENT OF CONDITION OF THE FIRST NATIONAL CITY BANK OF NEW YORK.

ASSETS	Dec. 31, 1957 $	Dec. 31, 1956 $
Cash and Due from Banks	1,899,087,995	1,859,987,444
United States Government Obligations	1,156,472,300	1,184,240,523
State and Municipal Securities	388,845,587	393,110,101
Other Securities	110,759,623	103,286,313
Loans	3,867,671,355	3,738,458,383
Customers' Acceptance Liability	122,334,561	76,872,228
Federal Reserve Bank Stock	18,600,000	15,000,000
International Banking Corporation	7,000,000	7,000,000
Bank Premises, Furniture and Equipment	40,847,145	40,861,540
Items in Transit with Branches	15,495,482	
Other Assets	9,636,833	8,162,508
Total .. $	7,636,750,881	7,426,979,040

LIABILITIES	Dec. 31, 1957 $		Dec. 31, 1956 $
Deposits	6,692,688,345		6,679,390,362
Liability on Acceptances and Bills	129,641,006		79,686,371
Due to Foreign Central Banks	6,292,900		26,774,500
Items in Transit with Branches	....		7,064,915
Reserves—			
Unearned Income	32,873,784		27,512,039
Taxes, and Accrued Expenses	64,675,406		37,769,767
Dividend	8,250,000		6,400,000
Capital (12,000,000 Shares since July 26, 1957 $20 Par)	240,000,000	$ 200,000,000	
Surplus	380,000,000	300,000,000	
Undivided Profits	82,299,440	69,381,186	
Shareholders' Equity	702,299,440		569,381,186
Total $	7,636,750,881		7,426,979,040

Figures of Overseas Branches are as of December 23.

1957, $387,489,791 ($435,076,964 in 1956) of United States Government Obligations and $7,795,200 ($23,136,600 in 1956) of other assets are pledged to secure Public and Trust Deposits and for other purposes required or permitted by law.

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SUITABLE LEGISLATION FOR SUGAR EXPORTS TO BE ENACTED

MR. A. P. JAIN'S DISCLOSURE AT I.S.M.A. MEETING

THE question of enacting suitable legislation governing sugar exports is receiving the Government's consideration and a scheme for export will soon be finalised. This was revealed by Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, while inaugurating the twenty-fifth annual general meeting of the Indian Sugar Mills' Association (I.S.M.A.), held at New Delhi last week. On the basis of prevailing prices, sugar, Mr. Jain said, could be sold abroad at a loss of about £20 (Rs. 267) per ton. He added: "The two schemes submitted by the Association for exporting sugar at a loss have been carefully considered by the Government. It is not possible to allot quotas for export under the existing laws."

The loss on sugar exports, as Mr. Jain indicated, is, indeed, very considerable, being as much as Rs. 267 per ton, even after allowing for a full remission of excise duty and cane cess. On this basis and taking the export target at 200,000 tons, the total loss on overseas sugar sales works out to Rs. 6.34 crores. This amount, together with the loss of Rs. 5.32 crores by way of Union excise duty remission and Rs. 1.02 crore by way of cane cess remission, will come to Rs. 13.18 crores, as against the foreign exchange amounting to about Rs. 8.80 crores earned on sugar exports. It is thus evident that the sacrifice involved in sugar export business far outweighs the foreign exchange earned.

Cost of Production

Be that as it may, considering the huge loss arising from export of sugar, it will certainly be interesting to know how the Government proposes to meet such loss. Whatever may be the nature of the scheme, the fact remains that, if Indian sugar is to compete effectively in the world market, the cost of production must be reduced. Speaking of high sugar prices, Mr. Balmokand Shah Sawhney, the erstwhile President of the I.S.M.A., made a few interesting observations. He pointed out that the rise in prices was due to the high tax burden levied by Government, the same being 38 per cent. of the total cost of production. Even a cursory glance at the cost structure of Indian sugar as adopted by the Government, he observed, would at once convince anybody of the fact that neither was the sugar mill industry responsible for the present level of prices nor did it benefit from them. Comparing last year's cost of sugar production with that of 1946-47, Mr. Sawhney said: "While the Government levies show a phenomenal increase of 344 per cent., the cost of cane has also gone up by 14 per cent. Similarly, other items of cost have also gone up, reflecting the higher prices of raw materials and increased labour charges. In sharp contrast to the increases on all these items, the single item which has shown a decline and that too by a fair percentage of 17 per cent. is in respect of overheads and the gross profit margin allowed to the industry. It is, therefore, not understood how, in the face of these facts, allegations against the industry of high prices or high profits can be sustained."

Tax Relief Urgent

There is considerable force in these observations. There is an urgent need for granting appropriate tax relief to the sugar industry. As Mr. Sawhney rightly remarked, disproportionately high rate of taxation on this industry is bound to stifle its future development. Admittedly, if the industry has to fulfil the Plan targets and also maintain increased exports, it is necessary that a rising tempo of production and consumption of sugar within the country is maintained; these are like the two hands of a clock and should function in close harmony.

The high cost of sugar production can be reduced, apart from lowering the burden of taxation—direct and indirect—by reducing the incidence of heavy sugarcane price which at present accounts for nearly 60 per cent. of the total cost. This can be brought about through [illegible]ortion of a more rational system of fixing [illegible]or cane, in the place of the present [illegible]aying for cane only on the basis of [illegible]ective of quality considerations. [illegible]he imperative need for simplify-[illegible]alities and granting concessions [illegible] exportable sugar. No less im- [illegible] for manufacturing sugar the quality of which compares favourably with that produced in other countries. Mr. Jain did well to emphasise this aspect. Referring to the competition of Indian sugar with the well-known British refined and Formosan sugars, Mr. Jain disclosed that, last year, Indian sales had generally been made at prices £4—£6 per ton lower than the then prevailing prices of the latter. He saw no reason why Indian sugar should sell at such a heavy discount. Urging the sugar manufacturers to produce sugar which would equal in quality British or Formosan sugar, he said: "It would appear very important not only for getting higher prices but also for establishing a permanent market for our product abroad that all sugar exported from this country is of the desired standard quality."

Importance of Exports

The importance of sugar exports was stressed well by Mr. Sawhney. He said:

"The country's growing needs for foreign exchange necessary for importing heavy machinery, etc., for rapid industrialisation makes it incumbent on us to explore all avenues of furthering exports to earn more foreign exchange. In fact, as the Prime Minister said in the course of his budget speech last February, 'we must try to produce more, export more and save more to find the resources for implementing the Plan.' Already, last year, we earned over Rs. 12 crores of foreign exchange by export of sugar.

"Apart from the undoubtedly urgent need of foreign exchange, export of sugar is also necessary for continued health and development of the industry and welfare of the cane growers. For sugar industry, in common with all other industries based on agriculture and, therefore, on the vagaries of nature, cannot plan its production within narrow limits. A plan for exports will alone be able to insure against periodical plenty and scarcity. Fortunately, because of our geographical position, we have an easy access to a number of sugar importing countries which are in our neighbourhood."

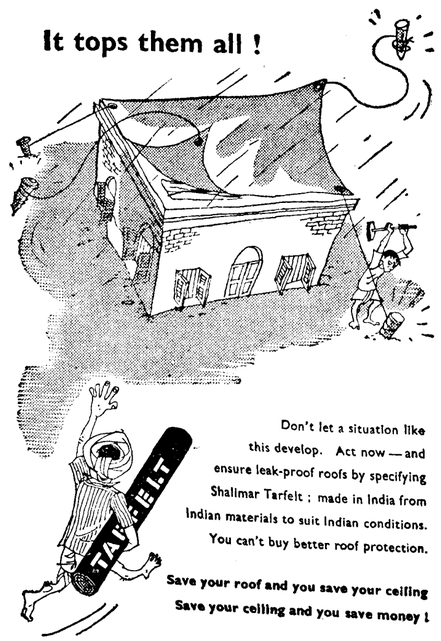
Mr. Sawhney dealt at length on the sugar industry's anxiety over competition from the *khandsari* sector. Alluding to the reports of large-scale diversion of cane supplies from sugar mills to *khandsari* production, he observed:

"I hope Government will appreciate the industry's anxiety. In fact, it had expected that Government would at the last budget time announce some steps in the form of suitable excise duty on *khandsari* sugar to curb the unplanned growth of this wasteful industry. But the absence of any such proposals in the budget has been a great disappointment. If I have dealt at length with the threat from *khandsari*, it is because I feel the seriousness of this development has not yet been fully appreciated. If timely action is not taken now, more and more *khandsari* units will crop up. And once these units come up in large numbers, the problem will only become more difficult. It may be that, at present, this problem is confined to U.P. only. But, if the disparity in prices continues, the *khandsari* factories will spread in other areas also and pervade the sugar industry in the whole country. We are witnessing the difficulties encountered by the textile industry as a result of undue encouragement given to the powerlooms. A similar situation is bound to develop in case of sugar industry also, if timely steps to avert such a situation are not taken. I would, therefore, urge, with all the emphasis at my command, for speedy and effective action in this behalf, in any case, well in advance of the next crushing season."

It is unnecessary to discuss this issue again, since it was referred to in some detail in *Commerce* only two weeks ago (*vide* page 559). Suffice it to say that the apprehensions of the *khandsari* sector jeopardising the development of white sugar industry seems to be unjustified, or at least quite premature. *Khandsari* production will not touch a level that will offer stiff competition to white sugar, for two reasons. First, the consumption of *khandsari* sugar is limited, although it is available at lower prices than white sugar, consumer preference is and will always be for white sugar. Now that *khandsari* prices have gone up markedly, the price advantage it enjoys *vis-a-vis* white sugar has been reduced to a great extent. Secondly, the sugar consuming capacity of the country itself is expanding, what with the rise in population and improvement in the standard of living. It must, of course, be stressed that suitable steps should be taken to remedy a situation when it is found, on an impartial examination of the position, that the growth of the *khandsari* sector is at the expense of the white sugar industry. It is gratifying to be told by the Union Food and Agriculture Minister that a special committee has been set up to examine the question in detail. To quote the Minister: "While I agree that there should be no diversion of cane

(*Continued on page 713*)

It tops them all !



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STP 14

The British Bank of the Middle East

(INCORPORATED IN ENGLAND BY ROYAL CHARTER, 1889 WITH LIMITED LIABILITY)

BALANCE SHEET OF INDIAN BRANCHES AS AT 31st DECEMBER, 1957.

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—		
Deposit with Reserve Bank of India under Section 11 (2) of the Banking Companies Act, 1949	20,53,236.75	
2. Reserve Fund and Other Reserves		Nil
3. Deposits and Other Accounts—		
Fixed Deposits	21,63,090.36	
Savings Bank Deposits	95,495.83	
Current Accounts, Contingency Accounts, etc.	1,44,47,772.80	
		1,67,06,358.99
4. Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	71,00,000.00	
(ii) Outside India	Nil	
		71,00,000.00
PARTICULARS—		
(i) Secured	Nil	
(ii) Unsecured	71,00,000.00	
5. Bills Payable		6,95,662.21
6. Bills for Collection Being Bills Receivable as per contra—		
(i) Payable in India	70,98,074.56	
(ii) Payable outside India	75,70,116.41	
		1,46,68,190.97
7. Other Liabilities—		
(i) Head Office and Branches outside India	1,72,71,393.81	
(ii) Inter-Branch Adjustment	1,43,580.00	
(iii) Staff Provident Fund	1,55,471.68	
		1,75,70,445.49
8. Acceptances, Endorsements and Other Obligations as per contra		1,91,26,726.84
(Including Rs. 9,62,038.00 in respect of Guarantees given to Government Departments, secured against part of the Bank's Investments)		
9. Profit and Loss—		
Balance of Profit Brought Forward	17,752.05	
Profit for the year	11,16,542.35	
	11,34,294.40	
LESS—Provision for Taxation Rs. nP 5,82,393.37		
Remitted to London Office Net 23,764.07		
	6,06,157.44	
		5,28,136.96
10. Contingent Liabilities in respect of—		
(i) Outstanding Forward Exchange Contracts	17,85,91,893.36	
(ii) Bills Re-discounted	3,69,040.92	
(iii) Uncalled liability on partly paid ordinary shares held as investments	4,000.00	
(iv) Claim against the Bank not acknowledged as debt	5,000.00	
Total .. Rs.		7,63,95,521.46

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash—		
In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		25,68,574.30
2. Balances with Other Banks on Current Accounts—		
(i) In India	Nil	
(ii) Outside India	8,50,212.15	
		8,50,212.15
3. Money at Call and Short Notice		Nil
4. Investments (At Book Value)—		
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments. (Market Value Rs. 38,41,027.80)	38,17,794.87	
(ii) Shares—		
Fully paid Ordinary Shares. (Market Value Rs. 1,74,500.00)	2,50,000.00	
Partly paid Ordinary Shares (Not quoted)	2,00,000.00	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	
		43,27,794.87
5. Advances (Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)—		
(1) Loans, Cash Credits, Overdrafts, etc.— Rs. nP		
(i) In India 1,80,37,362.94		
(ii) Outside India Nil		
	1,80,37,362.94	
(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
(i) Payable in India 29,99,939.61		
(ii) Payable outside India 1,35,33,187.26		
	1,65,33,126.87	
		3,45,70,489.81
PARTICULARS OF ADVANCES—		
(i) Debts considered good in respect of which the Banking Company is fully secured	1,57,75,921.46	
(ii) Debts considered good for which the Banking Company holds no other security than the Debtors' personal security	1,16,80,632.63	
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	71,13,935.72	
(iv) Debts considered doubtful or bad, not provided for	Nil	
	3,45,70,489.81	
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	15,181.14	
(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents, or, in the case of Private Companies, as members	Nil	
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	21,634.42	
(viii) Maximum total amount of advances, including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents, or, in the case of Private Companies, as members	Nil	
(ix) Due from Banking Companies	5,997.00	
6. Bills Receivable Being Bills for Collection as per contra—		
(i) Payable in India	70,98,074.56	
(ii) Payable outside India	75,70,116.41	
		1,46,68,190.97
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra		1,91,26,726.84
8. Premises, Less Depreciation		Nil
9. Furniture and Fixtures, Less Depreciation		Nil
10. Other Assets—		
Stamps, Sundry Deposits, Prepaid Expenses and Charges Recoverable	58,802.89	
Adjusting Account	2,24,729.63	
		2,83,532.52
11. Non-Banking Assets Acquired in Satisfaction of Claims		Nil
Total .. Rs.		7,63,95,521.46

PROFIT AND LOSS ACCOUNT OF INDIAN BRANCHES FOR THE YEAR ENDED 31st DECEMBER, 1957.

EXPENDITURE	Rs. nP
1. Interest paid on deposits, borrowings, etc.	4,96,510.96
2. Salaries and Allowances and Provident Fund (including Salary and Allowances to Manager of Principal Office in India Rs. 70,000.88)	12,44,942.63
3. Directors' and Local Committee Members' Fees and Allowances	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	1,21,992.98
5. Law Charges	48,032.31
6. Postage, Telegrams and Stamps	30,181.48
7. Auditors' Fees (including Rs. 925.00 for previous year)	2,725.00
8. Depreciation on and Repairs to Banking Company's Property	19,862.69
9. Stationery, Printing, Advertisement, etc.	59,284.60
10. Loss from sale of or dealing with Non-Banking Assets	Nil
11. Other Expenditure including proportion of London Office Administration Charges	4,58,959.49
12. Balance of Profit (subject to taxation)	11,16,542.35
Total .. Rs.	36,02,034.49

INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP
1. Interest and Discount	24,15,611.50
2. Commission, Exchange and Brokerage	11,67,253.82
3. Rents	Nil
4. Net Profit on Sale, Conversion of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)	19,169.08
5. Net Profit on revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	Nil
Total .. Rs.	36,02,03

We have audited the foregoing Balance Sheet of the Indian Branches of The British Bank of the Middle East, as at the 31st day of December, 1957, and also the foregoing Profit and Loss Account of the Indian Branches of the Bank for the year ended on that date, in which are incorporated the unaudited returns of Calcutta Branch not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions of Sub-Sections (1) and (2) of Section 211 and Sub-Section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Indian Branches of the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branch of the Bank not visited by us;

P. L. SANDEM
Mar

(c) the Balance Sheet and Profit and Loss Account of the Indian Branches of the Bank d by this report are in agreement with the books of account and the returns;

(d) In our opinion, and to the best of our information and according to the explanations the said accounts give the information required by the Companies Act, 1956, in th required for banking companies, and on such basis the said Balance Sheet gives a view of the state of the affairs of the Indian Branches of the Bank as at 31st D and the Profit and Loss Account gives a true and fair view of the profit Branches for the year ended upon that date.

(Sd.) A. F. FERG
Ch

BOMBAY, 26th March 1958.

EXPORTS OF INDIAN COFFEE

GROWERS' SUGGESTION FOR RECAPTURING OVERSEAS MARKETS

THE outstanding characteristic of coffee as a commodity in world trade is that the market for it has, and is capable of being, expanded under a wide range of world conditions. A study of world coffee trade over the last few decades has shown that between 1914 and 1950 world exports of this commodity have expanded on an average by half a million bags per year and since 1950 the rate of increase has gone up by one million bags per annum. Such a marked increase has occurred through cycles of overproduction and underproduction of coffee and despite erratic price fluctuations, as well as in periods of relative stability in prices. This expansion in world marketing of coffee has been brought about mainly by the promotional efforts of both producing and consuming countries.

The coffee trade has not, however, grown uniformly in all countries which supply to the world market. Since 1950, while the total world exports have increased by 21 per cent., South America's share has declined by a little less than 10 per cent., African countries have expanded their exports from 15 per cent. to 23 per cent.. North America and Asia have also made slight overall gains. Along with the shifts in exports, there have also been changes in production, as will be seen from the following table:

*Green Coffee: World Production**

(Million bags of 132 276 lbs.)

	Average 1945–46 to 1949–50	1953–54	1954–55	1955–56	1956–57	1957–58 (estimated)
Central America ..	5.3	7.1	7.5	7.8	8.1	8.3
Brazil	25.3	19.7	18.1	25.5	18.0	22.0
Colombia	4.5	7.1	6.4	6.8	7.5	7.1
Rest of S. America	1.3	1.2	1.5	1.2	1.6	1.5
Africa	2.6	6.8	7.1	8.7	8.6	9.1
Asia, Oceania ..	2.5	2.1	1.6	2.3	2.6	2.6
Total ..	41.6	44.0	42.2	50.4	46.1	50.5

* Years beginning in the second half of the calendar year, in some countries like Brazil as early as July 1, in others about October 1.

While production has gone up by 8.9 million bags or 21.4 per cent. from the pre-war average level, the exportable production has risen during this period by 7 million bags or 20 per cent. to 42 million bags. Of this exportable quantity of 42 million bags in 1957-58, Brazil, Colombia and other South American countries account for 60 per cent., as against 77 per cent. in the pre-war years and the share of North America, Asia and African countries has gone up from 23 per cent. to 40 per cent. The total world exportable production of 42 million bags during 1957-58 is expected to be in excess of the annual world exports by 2 to 3 million bags.

One of the important factors which have enabled the orderly marketing of coffee is that it is a storable commodity. This quality can be utilised by either the producing countries or the consuming countries for purposes of storing coffee. It is this characteristic, (which enables the producers to take the load of surplus coffee off the market) which induced the Latin American countries to come to an agreement recently in Mexico City to build up stocks and withhold supplies from the world market, thus avoiding a depression in coffee prices. Despite this agreement, coffee prices have shown a downward trend during the last few months. This is because of the growing supplies from African countries. The efforts of the Latin American producers to bring Africa also within the Mexico City agreement have so far failed, but they have not given up their efforts to bring about an international agreement.

In India, too, the coffee industry has made rapid strides. During the past ten years, the acreage under coffee in this country has expanded by 30 per cent. and production has gone up by 151 per cent. to a record level of 42,000 tons in 1956-57. In the current year, the production is estimated to be less at 37,000 tons, while the next crop is expected to be another bumper one, exceeding the previous record of 42,000 tons achieved in 1956-57. Though the Indian coffee production is not on such a scale as to influence world market, its quality is liked by many overseas consumers. At one time, Indian coffee had an extensive and stable market abroad, but the hold is now lost, thanks to the uncertain export policy of the Government of India. With the growing internal production, the coffee planters are naturally worried about the export prospects for Indian coffee, particularly because the trend of world prices have once again turned against them. During the current year, for instance, there will not only be a smaller surplus available for export but the earnings on exports will be very much less, as a result of the sharp fall in prices during the last few months.

The anxiety of the coffee growers over the dim export prospects was expressed by Mr. U. K. Laxman Gowda, the outgoing Chairman of the Mysore Planters' Association, at the ninety-fourth annual meeting of the Association, held at Chickmagalur a few days ago. Mr. Gowda who laid the blame for the loss of world markets for Indian coffee on the shoulders of the Government, explained the growers' attitude to marketing of coffee and made some useful suggestions for recapturing the markets for Indian coffee. Thus, Mr. Gowda observed:

"The coffee market has been undergoing some very rapid changes; so has been official policy, although they are not related. From 1948 to 1952, the Central Government was eager to export as much as possible and it was even prepared to insist on exports, even if that led to a possible shortage in the home market. In 1953, there was a reversal of this policy. After about five years of concentrating on an effort to feed the internal market, there has suddenly come a switch in the policy of the Government. The industry is now asked to export all it can. By the time this swing in Government opinion has taken place, the foreign market has gone against us and the position might be far worse before the end of this year, unless the recent international negotiations for a world coffee agreement is successfully concluded. Our own attitude to coffee marketing is that the internal market should be adequately supplied and encouraged to consume more at a reasonably-held price. At the same time, a vigorous campaign for increased production and export should be continued.

"The coffee growers of India may indeed surprise the nation next year with a bumper crop which may well exceed the quantity produced by them last year. This result is being achieved by the past attention devoted to coffee by the growers and further increases in production would call for a continuing policy of fostering the coffee industry by encouraging the growers. An emergent point arising from the fall in world coffee prices is of considerable importance to growers and consumers alike. For the past ten years it was generally possible to hold down internal prices well below the world level. It was made possible by the extra earnings from the exports of our surplus. Now we have ever-increasing surplus with the margin vanishing, as a result of the steep fall in world prices. The subsidy so far given to internal consumers cannot long be continued without injuring the industry.

"With an ever-increasing surplus appearing in the world market the chances of Indian coffee establishing a foothold in the export market depends on quality, regularity of supply, competitive prices and good trade connections. After a long period of exit from the overseas markets, India's traditional hold in those markets have disappeared and need fresh building up. The Chairman of the Coffee Board is aware of this need and the Board has decided upon a quality scheme. If I may say so, the Board might consider using the trade, which has the necessary experience, in its marketing operation. A matter that requires emphasis is the role of the curers. It has to be recognised that it is only with their active co-operation quality coffees can be placed on the market. Some form of incentive to produce quality coffees at the curing stage must be actively considered."

Mr. Gowda's implied suggestion for an increase in internal prices may not be acceptable to the Government and may even meet with consumer resistance. The only other courses open to the Government for capturing world markets are, therefore, to leave the coffee marketing to the regular trade channels and to provide an incentive to production of quality coffee at the curing stage. In fact, the marked expansion in world exports of coffee since 1950 has been made possible by the acceptable changes in the form and blends of coffee developed during this period. The Government would, therefore, do well to pay urgent attention to this problem of exports and work out a solution in consultation with the growers.

EXPORT OF DUST TEAS

The Government of India has allowed the export of dust teas to all destinations under licence without being required to be covered by export quota rights. A Press note issued by the Tea Board says that applications for such licence should reach the Tea Board's office in Calcutta or Cochin as the case may be before 30th September and the licences will be valid up to 31st October.

The Government of India has announced, by a notification in the *Gazette of India Extraordinary* that the operation of sections 19, 20 and 21 of the Tea Act 1955 will continue to be relaxed in the case of export licences for dust teas applied for before 30th September and available up to 31st October 1958.

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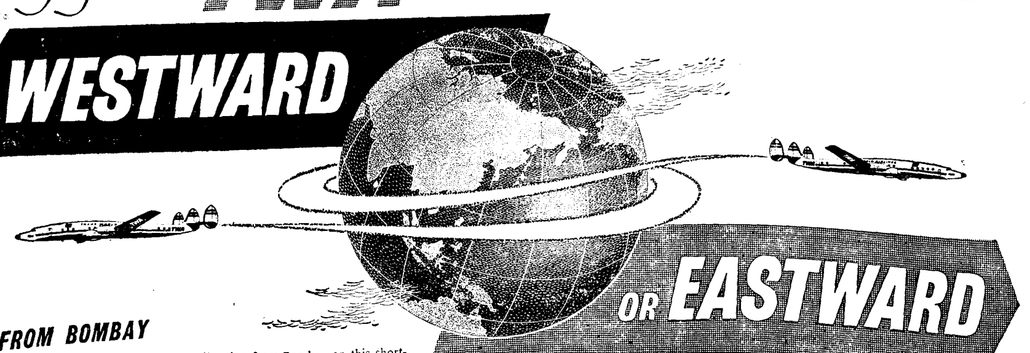

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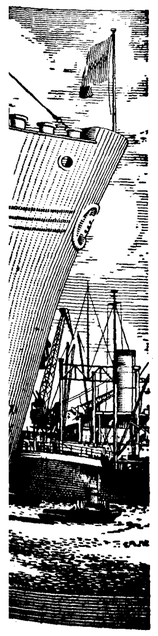

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Current Deposit Accounts are opened and Fixed Deposits received on terms which may be ascertained on application.

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D. G. MOORE,
Manager.

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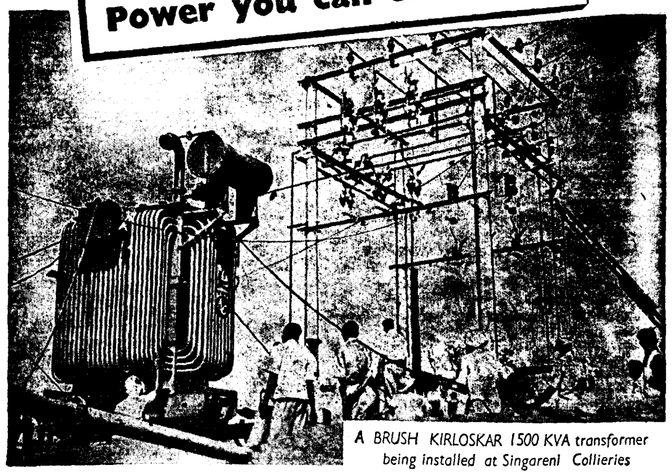

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CALCUTTA
NEW DELHI

ELECTRIC FANS INDUSTRY

REMARKABLE PROGRESS ACHIEVED—UPWARD REVISION OF PLAN TARGET

IF the performance of the electric fans industry during 1957 is any indication, the target of expansion for the industry fixed under the second Plan will not only be reached but exceeded much earlier than 1961. The total production of electric fans in 1957, which aggregated 520,000, falls short of the 1961 target by only 80,000. Thus, by the end of the second year of the Plan, the second Plan target has almost been achieved.

The progress of the industry during 1957, according to Mr. I. Sukumar, President of the Fan Makers' Association of India, has been "most phenomenal." The production of 520,000 electric fans during the year represents a 54 per cent. increase over the previous year's figure of 338,000 fans. Mr. Sukumar observed, during the course of his presidential address to the tenth annual general meeting of the Fan Makers' Association of India, held on 29th March at Calcutta, that not only was the industry making rapid progress in production, but tremendous improvements were also being made in the quality and design of the product. This had enabled Indian fans to capture a sizable foreign market. During 1957, for instance, electric fans and parts worth Rs. 18.12 lakhs were exported to 35 countries, as compared with Rs. 12.7 lakhs in 1956, representing an increase of 42.5 per cent.

There is no doubt that there will be an expanding demand in the country for electric fans as a result of the availability of electricity in new areas, more electricity in old electrified areas, improvement in the standard of living, increase in the tempo of industrial activity and construction of more residential houses. Fans will in due course be considered more a necessity than a luxury item. Exports are also expanding fast. Mr. Sukumar pointed out that the target fixed under the second Plan would have to be revised from 600,000 to one million which, he felt, could be reached by the existing units by working additional shifts, if necessary.

Export

There is also considerable scope for export of fans. According to Mr. Sukumar, the country has already the distinction of producing some of the finest ceiling fans in the world and it is competing with established brands on the basis of quality and performance. Despite certain difficulties, exports of fans from India during 1957 showed an improvement of 42.5 per cent., as compared with 1956. Indian fans are at present being exported to 35 countries, mostly in West Asia, Africa and South-East Asia. These markets could be developed further provided more determined efforts are made. The publicity given to the Indian product is inadequate and contact with foreign markets, so essential to export trade, is poor. Mr. Sukumar is confident that given good publicity and agency in competent hands, the export target of 40,000-50,000 fans per year could easily be achieved.

The question of adequate export incentives, Mr. Sukumar added, could not be overlooked. There is a big demand for fans within the country itself. So, unless adequate incentives are provided, exports will suffer. At present, due to the shortage of raw materials, the high price of certain types of imported raw material, higher labour cost, etc., the manufacturing costs have gone up considerably. Foreign competition is severe and if the Indian products are to find their way to foreign markets they should be offered at competitive prices which may often be well below cost.

The Government, Mr. Sukumar said, had, no doubt, been helpful and had taken various steps such as allotment of advance quota for raw materials, replenishment and drawback of duty on *ad hoc* basis, to promote exports. He felt, however, that these measures, in themselves, were not sufficient to boost exports. According to him, additional measures such as survey of foreign markets, foreign publicity, stationing of officers in important foreign centres by the Engineering Export Promotion Council, assisted by the Government, were called for. If the country were to face boldly the competition from rival countries like Japan, he added, something more should be done. A Japanese exporter or manufacturer, Mr. Sukumar pointed out, was given a rebate of 3 per cent. of total exports in income-tax. He had no difficulty in getting raw materials and no export problems. The Japanese Government provided assistance in publicity programmes and market surveys. The Indian producer/exporter also required such help if he were to compete successfully. For effective competition, quality of the product should also be improved. Mr. Sukumar pointed out that modern designs of foreign products were based mainly on high-standard plastic moulding, perfected sheet-metal fabrication, intricate pressure die-casting and recent development in finishing process. Indian manufacturers had not so far adopted these branches of techniques because of lack of equipment and facilities to import them. He, therefore, urged the Government to permit and encourage imports of such manufacturing equipment as would improve the quality of product and enable larger and cheaper production.

Problems of the Industry

Mr. Sukumar referred to some of the major problems of the industry. The most pressing one, according to him, was the inadequate and sometimes irregular supplies of essential raw materials like electrical steel sheets, pig iron, steel and ball bearings, etc. The changeover to condenser type fans, he said, had made the condenser an important component. Self-lubricating bearing, a product of powder metallurgy, was also an important component and was getting more and more popular as it was indispensable for table fans. Mr. Sukumar urged that the Government should permit more imports of these condensers and grant licences to parties interested in undertaking their manufacture with foreign collaboration. He regretted that the Indian Telephone Industries had not been able to help the fan makers in the matter.

Mr. Sukumar dealt with another industry, namely, electrical stampings, which is basic to the manufacture of fans and other electrical machinery. He pleaded that manufacturers of stampings, who were catering to the needs of a major portion of the fan industry, should bring down their prices. Unless the price was brought down, he pointed out, electric fan manufacturers would not be able to reduce their cost. He also urged that the ball bearing industry should give adequate supplies of ball bearings to the fan industry.

(*Concluded from next column*)

greatest increases percentage-wise in the production of electric energy were registered in the small, less developed areas. In 1956, world consumption is estimated to have been the equivalent of nearly 3.7 thousand million metric tons of coal, about 7½ per cent. more than in 1955 and almost twice as much as in 1937. In the world outside the U.S.S.R., mainland China and Eastern Europe, energy consumption in 1956 was 7 per cent. greater than in 1955 and 80 per cent. greater than in 1937.

Owing to the substantial increase in population, world *per capita* energy consumption, does not display quite such a rapid rise since pre-war; in 1956 it is shown as the equivalent of 1.35 metric tons of coal, as against 1.27 in 1955 and 0.94 tons in 1937. The corresponding *per capita* figures for the world excluding the U.S.S.R., mainland China and Eastern Europe are somewhat higher: 1.57 metric tons in 1956, 1.49 in 1955 and 1.14 in 1937.

North America accounted for nearly 44 per cent. of the 1956 world consumption, Western Europe for 23 per cent., Asia (excluding mainland China) for nearly 5½ per cent., South America for 2 per cent., Africa for 1.7 per cent., and Oceania for around 1 per cent. The combined share of the U.S.S.R., mainland China and Eastern Europe was 23 per cent.

Between 1937 and 1956, energy consumption increased by 252 per cent. in South America, by 182 per cent. in Africa, by 128 per cent. in Oceania, by 95 per cent. in North America, by 85 per cent. in Asia (excluding mainland China) and by 45 per cent. in Western Europe. The U.S.S.R., mainland China and Eastern Europe together consumed about 180 per cent. more energy in 1956 than in 1937.

The United States consumed 39 per cent. of the total world consumption, almost three times as great as consumption in the U.S.S.R., the second largest consuming country. The next largest consuming countries were the United Kingdom, West Germany, Canada and France.

WORLD FUELS AND ENERGY

PRODUCTION AND CONSUMPTION PATTERN

IN 1956, according to the latest issue of the *U.N. Statistical Yearbook*, the world (including U.S.S.R. but excluding mainland China) mined more coal—nearly 1,580 million metric tons—than in any year during the preceding two decades. The 1956 production was five per cent. more than the 1955 output and 25 per cent. more than the pre-war peak year of 1937. Out of this, the U.S. accounted for 30 per cent., U.S.S.R. 19 per cent., the U.K. 14 per cent. and West Germany 8½ per cent. In the world outside the U.S.S.R. and mainland China, coal production in 1956 was nearly 4 per cent. greater than in 1955 and exceeded the 1957 output by only 10½ per cent.

The *Yearbook* puts world production of crude petroleum in 1956 at 839.8 million metric tons, nine per cent. more than in 1955, 60 per cent. more than in 1950 and about three times the 1937 production.

The U.S. accounted for 42 per cent. of the world's crude petroleum production in 1956, four Middle Eastern countries (Iraq, Kuwait, Qatar and Saudi Arabia) for nearly 17 per cent., Venezuela for nearly 16 per cent. and the U.S.S.R. for 10 per cent. These four areas, producing around 85 per cent. of the 1956 world's oil output, are mainly responsible for the phenomenal increase in production over the past two decades, their combined output rising from 233 million metric tons in 1937 to 709 million tons in 1956.

Among the other producing countries, crude oil output in 1956 amounted to 26.4 million metric tons in Iran, 12.9 million in Mexico, 12.7 million in Indonesia and 10.9 million in Romania. In the post-war period, striking gains have been achieved by the smaller producers; between 1948 and 1956, crude petroleum output has risen from 2,687,000 metric tons to 5,616,000 in Brunei, from 635,000 to 3,506,000 in West Germany, from 950,000 to 3,427,000 in Austria, from 70,000 to 1,264,000 in France, from 480,000 to 1,202,000 in Hungary, from 496,000 to 1,097,000 in the Netherlands, from 9,000 to 567,000 in Italy, from 7,000 (1949) to 462,000 in Chile, from 60,000 to 417,000 in Bolivia and from 36,000 to 294,000 in Yugoslavia. In Burma, oil production fell from 1,049,000 metric tons in 1937 to 231,000 tons in 1956.

Petroleum

World (excluding U.S.S.R., mainland China, Albania, Czechoslovakia, and India) output of refined petroleum products in 1956 as compared with output in 1950 (with 1937 in brackets) shows an increase of 49 (171) per cent. for motor spirit (gasoline, petrol), of 80 (250) per cent. for kerosene, of 87 (409) per cent. for distillate fuel oils and of 39 (168) per cent. for residual fuel oil. Europe's share of world output of motor spirit rose from 7 per cent. in 1937 and 1950 to 12 per cent. in 1956, and of residual fuel oil from 6 per cent. in 1937 to 22 per cent. in 1956. Meanwhile, North America's share of world output of motor spirit declined from 84 per cent. in 1937 to 76 per cent. in 1956, and its share in world output of residual fuel oil dropped from 81 per cent. in 1937 to 50 per cent. in 1956.

The data for some 150 countries bears witness to the widespread growth in the generation of electric energy during the past three decades. In 1956, the world (excluding a few small producing countries) is estimated to have generated nearly 1,678 thousand million kilowatts, 9 per cent. more than in 1955, 75 per cent. more than in 1950, and almost six times as much as in 1929.

Of the 1956 world total, North America accounted for 46½ per cent. (the United States alone for 41 per cent.), Europe for 30 per cent., the U.S.S.R. for 11½ per cent., Asia for nearly 7 per cent., South America for nearly 2 per cent., and Africa and Oceania for more than 1½ per cent. each.

The principal producing countries in 1956 were the United States (684 thousand million kilowatts; 76 per cent. more than in 1950), the U.S.S.R. (192 thousand million kw.h.; 110 per cent. more than in 1950), the United Kingdom (101.2 thousand million kilowatts; 39 per cent. more than in 1951), West Germany (85.1 thousand million kw.h.; 91 per cent. more than in 1950), Canada (82.8 thousand million kw.h. in 1955; 50 per cent. more than in 1950), Japan (73.6 thousand million kw.h.; 64 per cent. more than in 1950) and France (53.8 thousand million kw.h., 63 per cent. more than in 1950). The

(*Continued in previous column*)

NEW PRODUCTS AND PROCESSES

Long-range Radar Techniques

MARCONI'S Wireless Telegraph Company announced the development and pilot production of a device which, when incorporated into 10 cm. and 25 cm. radars, can increase the effective range by as much as 25 per cent. Designed around a new travelling wave tube developed and produced by the English Electric Valve Company, it is claimed to be one of the most significant contributions to radar engineering since the war-time introduction of the cavity magnetron. The device —known as a travelling wave tube amplifier— makes it possible for the first time directly to amplify the very weak radar signals which return from the target aircraft. The travelling wave tube operates on an entirely different principle from that of the thermionic valve and produces effective amplification of extremely high radio frequencies. Marconi's has pioneered the use of these devices in point-to-point telecommunication equipment with great success, and the principle has now been extended to the field of radar. In addition to extending range, the new technique improves reliability.

High-speed Grinding Machine

A Vienna firm, Harald Burkert, has developed an economical high-speed shearing and grinding machine which operates with extremely little waste. Even the last third of elastic plastic grinding discs of a high speed, so-called angle grinder, only two-thirds of which can be used economically, may be used with the new high speed shearing and grinding device. Further advantages are its low weight, its handiness and the clear sight of the grinding disc. The high efficiency and r.p.m. make it possible to utilise the grinding disc down to a very small diameter. The device has no parts that wear quickly. The economic grinder is being used in the metal processing industry for all types of grinding operations and has given equally good results in the workshops and on the building site. Especially difficult filing and finishing operations can be carried out within a very short time and with only small power consumption. Owing to its low weight, the grinder will often be preferred to the so-called "angle-grinder." The push button built into the handle is easy to be operated and can be fixed, if required. The maximum diameter of the grinding disc is 115 mm., the highest circumferential speed 80m./sec., and the net weight 3.5 kgs.

New Triple Microscope

A microscope permitting focusing, observation and photography at the same time is not new in itself. It has already been built in the U.S. with dimensions of 9.8 by 13 by 6.5 feet and at a price of about £10,000. But Herr Hans Georg van Ooyen, of Homberg, Lower Rhine, was recently granted a patent for a three-way microscope no bigger than two cigar boxes and costing about £500. He called it the "mirror microscope." Its main part is a system of prisms splitting the light into three instead of two rays, as by a conventional microscope. One ray is directed toward the lens and permits the observer to focus the object. The second ray is projected towards a screen on which the object can be observed, and the third ray goes into a camera. A ray filter renders harmless the heat waves which otherwise might destroy the object. In the American construction a complicated fan system cools the entire microscope, but hampers observations by causing marked vibrations.

Measuring Thickness of Metal Coatings

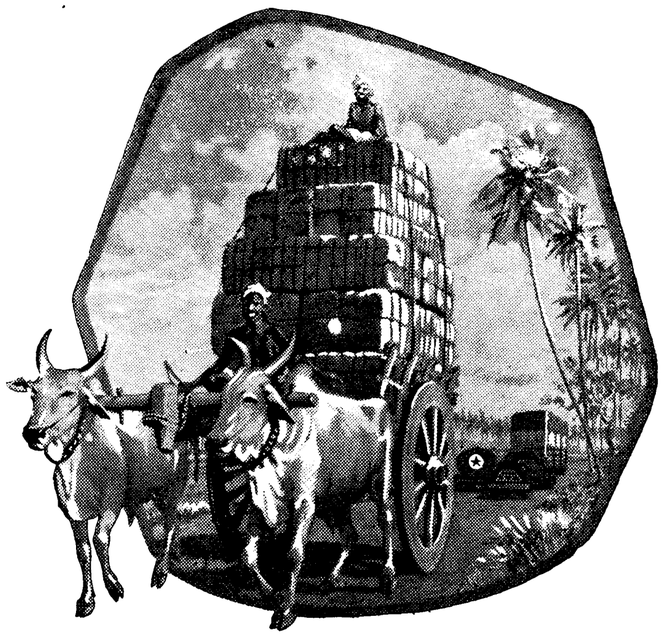
The thickness of coatings, or thin films of metal, bonded to the surface of different types of base metals can be measured with the aid of a new thickness meter developed by Nash and Thompson of Surrey, England. The device measures the thickness of the coatings non-destructively—that is without harming the coating, or coatings—and operates independently of the magnetic properties of the base metal on which the coatings are deposited. The instrument can measure the thickness of both very thin and quite thick coatings. In the case of nickel coatings deposited on steel, coatings ranging in thickness from 0.0001 inch up to 0.005 inch can be measured within an accuracy of 10 per cent. when only a single measurement is made.

Portable Cardiograph

A portable cardiograph, or device for recording the behaviour of the heart, has been developed in the U.K. The complete instrument weighs only 19 lbs. and can easily be carried by a single individual. Conventional cardiographs, on the other hand, are large and bulky devices. The operation of the new portable machine, which has been developed by Siemens Edison Swan, depends on the use of transistor crystal valves in place of conventional thermionic valves. Despite its small size and light weight the machine includes a recording unit, which writes out the results on paper in the form of a black trace, and a series of nine lead connections. A battery-operated motor is used to drive the recording unit and the equipment can be operated without being connected to a mains electricity supply.

New Rubber

A new type of synthetic rubber that is said to have excellent resistance to high temperatures has been developed. Tests carried out on the new material are said to have shown that it can stand up to exposure to temperatures of 600 degrees Fahrenheit for periods of up to 25 hours and can withstand temperatures of the order of 400 degrees Fahrenheit for more than 100 days. It is also, its developers claim, resistant to most corrosive chemicals and solvents and is thus suitable for use in mechanical equipment used in chemical plants, or guided missiles where such strongly chemically active materials are used.



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PRODUCTIVITY AS A DETERMINANT OF WAGES

SOME COMMON MISCONCEPTIONS

[Productivity is a concept having wide significance for economic progress and the raising of the levels of living. The spectacular rise in productivity of the manufacturing industries of the United States and Western Europe in the past decade not only opened up new vistas for social and economic progress but produced far-reaching repercussions on labour and industrial policy in these countries. The term has, however, so far eluded attempts at precise measurement because it represents a complex, overall relationship between the total input of the various factors of production and the aggregate output. Further, the methods and statistics for its measurement, though highly developed in Western countries, are still imperfect as they have to rely, in large measure, on crude comparisons between production and employment. Nevertheless, productivity concepts have played, and continues to play, a dominant role in discussions and negotiations relating to wages. But there are, however, certain widely held misconceptions as to what exactly the term connotes and on what level improvements in productivity can be advanced as an argument for higher wages. For instance, a dangerous misconception regarding the relationship between wages and productivity is that increases in productivity can and should be matched by increases in money wages, industry by industry or even plant by plant. The following article, taken from the February issue of the Guaranty Survey, which serves to dispel some of the common misconceptions, may be of interest to readers. The analysis of implications of the relationship between productivity and wages is of practical interest to this country. As the current efforts at productivity improvement begin to bear fruit, they may give rise to demands having the same repercussions detailed in this article. It is pointed out that the relationship between real wages and productivity applies only to average real wages and average productivity for the economy as a whole and that wage differentials corresponding to different levels of productivity in different plants or industries would be both grossly unfair and economically impossible. The essential point, it is stressed, is that an attempt to match gains in productivity in specific industries or plants with wage increases in those industries or plants is futile as well as inflationary.—ED.]

IT has become a commonplace of current economic discussion to say that, if chronic price inflation is to be avoided, increases in money wages must not exceed gains in productivity. If they do, unit labour costs rise, and employers must recover the higher costs by raising prices in order to maintain profitable operations. If competitive conditions make it impossible to raise prices sufficiently, production becomes unprofitable, and the balance is restored by the painful process of business recession and unemployment.

This principle appeals so strongly to commonsense and the historical evidence for it is so overwhelming, that it has gained general acceptance. Even economic spokesmen for labour organisations agree to it, although it is usually difficult to detect any sign of such agreement in the actual behaviour of union representatives at the bargaining table. Unfortunately, as acceptance has grown, misunderstanding seems to have increased likewise. Whatever hope there may be of preventing the constant upward push of labour costs from causing inflation, unemployment, or both must depend, in part at least, upon a realistic conception of the relationship between wages and productivity.

One of the commonest sources of misunderstanding is the customary practice of expressing productivity in terms of output per man-hour of labour. This leads to the unconscious assumption that productivity, the power to produce, is an exclusive attribute of labour and that changes in output per man-hour are due primarily to alterations in the character or quality of workers.

Complex Relation

Actually, productivity, as it affects business operations and costs, is an over-all relationship between output of product and aggregate "input" of labour time, capital equipment, managerial effort and other factors of production which represent cost to business enterprises. Ideally, productivity should be measured in terms of all factors. In practice, because of the ready availability of labour statistics and the overwhelming importance of labour as an ultimate component of total cost, it has been found convenient and approximately accurate to express productivity as a ratio between physical units of output and man-hours of labour. It is a fundamental error, however, to regard this ratio as a measure of the specific productivity of labour.

This error leads to another, namely, that productivity establishes some sort of measurable ethical standard for wages. There is no valid basis for such a conclusion. Average output per man-hour of labour is calculated to have approximately tripled in the last half century, not because the typical worker of today is stronger, more skilful, or more diligent than the worker of 50 years ago, but because he uses better methods, more and better tools and machines and, above all, vastly more mechanical power.

As a matter of strict ethics, it would perhaps be easier to argue that the benefits of rising productivity should go to the inventors, investors and managers who, by great effort, cost and risk, have made available these methods, tools, machines, and sources of power, than to the workers who use them. Yet this also would be a wrong conclusion, for the improved equipment has increased productivity so greatly that it has become possible for employers to pay the much higher wages that prevail today and at the same time pay the suppliers of the equipment at rates sufficient to keep capital flowing into industry.

A closely related error is that wage rates, if they are to keep pace with increases in productivity, must be made to do so by collective bargaining, legislative authority, or other conscious and centralised planning. All the historical evidence is on the other side. As far back as the statistical information goes, real wages and productivity have moved together. This relationship prevailed long before collective bargaining became the usual practice in industry and it has continued to prevail to the present day without essential alteration. This means that the rise in real wages has been due to the spontaneous and natural operation of free markets, not to strike threats or governmental compulsion. It means that the worker is not a passive beneficiary of coercion or recipient of largess. He is the free and independent owner of a marketable commodity or service which others buy and pay for at an almost constantly rising price, not because any human authority forces them to do so but because it is economically possible and worth while for them to do so.

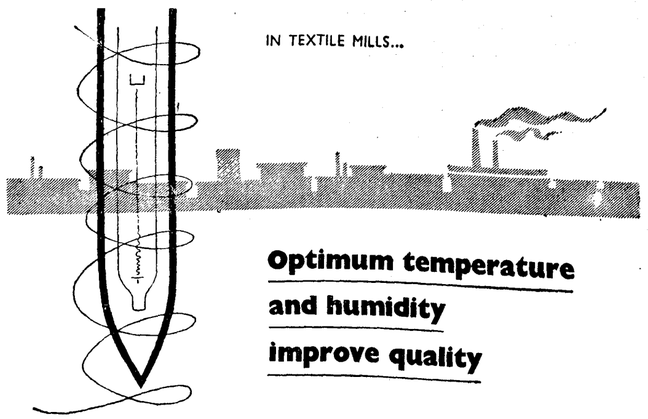
Specific *vs.* General Wage

A widely held and potentially dangerous misconception concerning the relationship between wages and productivity is that increases in productivity can and should be matched by increases in money wages, industry by industry or even plant by plant. Both labour and management have fallen into this error. Spokesmen for management have proposed that changes in productivity be accepted by both sides as the decisive factor in wage negotiations with a view to avoiding industrial strife, stabilising the price of the product, and giving workers an incentive to increase their output. Labour spokesmen have contended that wage increases in certain industries could not have been inflationary because they were matched or even exceeded by gains in productivity in those same industries.

Actually, wage differentials corresponding to different levels of productivity in different plants or industries would be both grossly unfair and economically impossible. The relationship between real wages and productivity applies only to average real wages and average productivity for the economy as a whole. Within this all-inclusive framework, wage-productivity ratios for particular plants and particular industries not only can vary but must be allowed to vary if any semblance of economic freedom, maximum industrial efficiency, price stability, and fair distribution of income is to be maintained.

A realistic analysis begins with the elementary fact that any increase in the total real income of the economy is limited to the increase in total output—is, in fact, identical with it. Such an increase never takes place uniformly in

(*Continued on page 723*)



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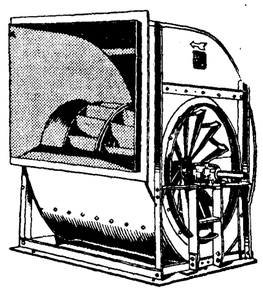

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Subscribed Capital - - - - - - -	**£2,940,000**	**Reserve Fund** - - - - - - -	**£2,100,000**

Head Office : **15, GRACECHURCH STREET, LONDON, E.C.3.**

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SIR CYRIL E. JONES, K.C.I.E., C.S.I., *Deputy Chairman.*
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SIXTY-FIFTH ANNUAL REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

The Directors submit to the Shareholders of the Bank the General Balance Sheet and Statement of Profit and Loss Account for the year ended 31st December, 1957.

The Balance of Profit and Loss Account for the year, after providing for Taxation and after Allocations to Contingency Accounts out of which full provision has been made for Bad and Doubtful Debts and any other diminution in the value of Assets amounts to £331,243
making the amount available .. £555,764
to which has to be added the balance brought forward from last account 224,521

out of which the following appropriations have been made :—

To Interim Dividend of 12½ per cent. on the "A," "B" and "C" shares, less Income Tax at 8s. 6d. in the £, paid on 20th August, 1957, on the then paid-up capital of £1,470,000	£105,656	
To Officers' Pension Fund	13,000	
To Amount transferred to Reserve Fund	100,000	
		218,656
leaving a sum of ..		£337,108

from which the Directors recommend :—

A Final Dividend of 6¼ per cent., less Income Tax at 8s. 6d. in the £, payable on 1st April, 1958, on the increased paid-up capital of £2,940,000	105,656
Balance to be carried forward to next account	£231,452

An explanation of the increase in the Balance of the Profit and Loss Account for 1957 is set out in the Chairman's Statement to Members.

The following Directors retire by rotation under Articles 120 and 121 of the Articles of Association :—
Lord Bicester.
Mr. J. B. Crichton.
Mr. R. W. B. Dunlop.

To the Board's regret Lord Bicester and Mr. J. B. Crichton have decided not to offer themselves for re-election. The Board wishes to record its great appreciation of their valued services to the Bank.

Mr. R. W. B. Dunlop, being eligible, offers himself for re-election.

Under Articles 122 and 123 of the Articles of Association the Board recommends the election of the Hon. S. G. Catto and Mr. R. N. Drake as Directors. Resolutions to that effect will be proposed at the Meeting.

An Agency of the Bank was opened at Rajawongse Road, Bangkok, on the 14th November, 1957.

At the Extraordinary General Meeting following Class Meetings held on the 25th November, 1957, the Directors' proposals for the reorganization of the Share Capital of the Bank were approved. The reduction of capital involved in the proposals was confirmed by the High Court and became effective on the 31st December, 1957, when the capital assumed its new form as shown in the Balance Sheet attached to this Report.

On the reorganization becoming effective, the Directors transferred from Contingency Reserves to the Reserve Fund the sum of £1,470,000 to bring the Reserve Fund up to the same figure as that prior to the reorganization.

At the same Extraordinary General Meeting the Members approved of the change in the name of the Company to "Mercantile Bank Limited."

Messrs. Cooper Brothers & Co. and Messrs. W. A. Browne & Co., the present Auditors, will continue in office pursuant to Section 159 (2) of the Companies Act, 1948.

By Order of the Board,
R. N. DRAKE,
Chief Manager.

LONDON, *4th March*, 1958.

BALANCE SHEET, 31st DECEMBER, 1957.

1956 £		£	£
	Capital Authorised—		
750,000	150,000 "A" shares of £5 each	—	
750,000	150,000 "B" shares of £5 each	—	
1,500,000	1,500,000 "C" shares of £1 each	£4,000,000	
—	4,000,000 shares of £1 each		
£3,000,000			
	Capital Issued—		
375,000	150,000 "A" shares £2 10s. paid	—	
375,000	150,000 "B" shares £2 10s. paid	—	
720,000	720,000 "C" shares £1 paid		
—	2,940,000 shares of £1 each fully paid		2,940,000
1,470,000			
2,000,000	**Reserve Fund**	2,100,000	
224,521	**Balance of Profit** unappropriated carried forward to 1958 ..	231,452	
2,224,521			2,331,452
3,694,521			5,271,452
	Current Liabilities, Provisions and Other Accounts—		
219,013	**Notes in Circulation** against security per contra	213,284	
	Current and Fixed Deposit and Other Accounts including Provisions for Taxation on Profits to date, Doubtful Debts and Reserves for Contingencies	68,334,824	
69,440,154		1,117,055	
1,316,893	**Bills Payable**	1,189,935	
124,167	**Acceptances on Account of Customers** per contra	40,302	
43,470	**Balances due to Subsidiary Companies**	105,656	
59,167	**Proposed Final Dividend,** less Income Tax		
71,202,864			71,001,656
£74,897,385			£76,273,108

1956 £		£	£
	Current Assets—		
9,777,682	**Cash in Hand, at Call and at Bankers**		14,969,190
	Investments (Quoted Investments at or under market value; unquoted Investments at or under cost)—		
	British, Dominion and Colonial Government and Other Securities (including £265,000 British Government Securities deposited against Note Issue) :		
10,866,211	Quoted in Great Britain	8,445,807	
6,048,130	Quoted elsewhere than in Great Britain	5,574,826	
16,914,341		14,020,633	
1,266,418	Unquoted (including Federation of Malaya Treasury Deposit Receipts, £1,050,000)	1,239,869	
18,180,759			15,260,502
105,605	**Hong Kong Government Certificates of Indebtedness** deposited against Note Issue	105,605	
17,281,329	**Bills Receivable**	14,988,129	
28,755,859	**Loans Receivable, Advances** and Other Accounts including Amounts due by Agents	28,985,868	
124,167	**Liability of Customers for Acceptances** per contra	1,189,935	
46,266,960			45,269,537
74,225,401			75,499,229
55,237	**Shares in Subsidiary Companies** at cost		55,37
	Fixed Assets—		
616,747	**Freehold Banking Premises and Property** at Cost less Amounts Written off		718,50
£74,897,385			£76,273,10

NOTES.

1. Currency Assets and Liabilities have been converted into Sterling at the following rates :—1s. 6d. per Indian, Pakistan and Ceylon Rupee and Burma Kyat, 2s. 4d. per Straits Dollar, 1s. 3d. per Hong Kong Dollar, 7s. per United States Dollar, 4d. per Baht, Yen 1,600=£1.

2. Group Accounts are not prepared as the Directors consider they would be of no real value to members in view of the insignificant amounts involved in the accounts of the Subsidiary Companies.

3. Contracts for outstanding capital expenditure £48,378 (1956, £40,358).

4. There are Contingent Liabilities in respect of the following :—
Bills Receivable re-discounted *Nil* (1956, £2,258,147).
Outstanding Forward Exchange Contracts.
Confirmed Credits and Guarantees entered into in the ordinary course of business, including Guarantees to Government Departments in India amounting to £8,666 (1956, £75,890) for which security has been deposited with the Reserve Bank of India.
Uncalled Capital amounting to £54,963 (1956, £54,963) in respect of partly paid shares in Subsidiary Companies.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

1956 £		£	£
13,000	**Amount transferred to Officers' Pension Fund**		13,000
—	**Amount transferred to Reserve Fund**		100,000
50,000	*Amount written off Freehold Banking Premises and Property* ..		—
50,000	*Additional Allocation to Contingencies Account*		—
	Dividends—		
59,168	Interim Dividend of 12½ per cent., less Income Tax at 8/6 in the £	105,656	
59,167	Proposed Final Dividend of 6¼ per cent., less Income Tax at 8/6 in the £	105,656	
224,521	**Balance of Profit** unappropriated carried forward to 1958 ..	231,452	
		211,312	
£455,856			£555,764

1956 £		£
219,372	**Balance brought forward** from 31st December, 1956	224,52
	Profit for the year ended 31st December, 1957, after providing for Taxation thereon, and after allocations to Contingency Accounts, out of which full provision has been made for Bad and Doubtful Debts and any other diminution in the value of Assets	331,24
236,484		
	NOTE.—DIRECTORS' REMUNERATION.—The aggregate amount of the Directors' Fees was £11,400 (*1956, £11,400*).	
£455,856		£555,76

B. N. DRAKE, Chief Manager.
F. N. WITHERS, Accountant.

K. W. MEALING,
C. R. JONES,
C. D. MILLER,
} Directors.

REPORT OF THE AUDITORS TO THE MEMBERS.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the Balance Sheet and Profit and Loss Account which are in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1948, in the manner thereby authorised for Banking Companies and on such basis the Balance Sheet gives a true and fair view of the state of the Bank affairs as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit ascertained in the manner therein indicated for the year ended on that date.

W. A. BROWNE & CO.,
COOPER BROTHERS & CO.
} *Chartered Accountants*

LONDON, *4th March*, 1958.

MERCANTILE BANK LIMITED

HIGHER PROFIT DESPITE DIFFICULT TRADING CONDITIONS

SIR KENNETH W. MEALING SURVEYS WORLD ECONOMIC TRENDS

THE Annual General Meeting of the Mercantile Bank Limited was held in London on Tuesday, 1st April, 1958. The Chairman, Sir Kenneth W. Mealing, in the course of his statement accompanying the Directors' Report and audited accounts for the year ended 31st December 1957, observed that, although trading conditions were rendered difficult by reason of foreign exchange shortages and restrictions on imports and exports in some of the countries where the Bank operates, the trading profit in 1957 was larger than in the previous year. Referring to India, he stated that this country was "struggling with and through its high Five-year Plan target to improve the standard of living of its vast population and there is no doubt this endeavour is meeting with some success."

The following is the full text of Sir Kenneth's statement:

"There was no change in the Directorate during the year. Lord Bicester, who has served on the Board for twenty years, has indicated that, owing to the pressure of other commitments, he cannot offer himself for re-election at the forthcoming Annual General Meeting. Mr. J. B. Crichton, who retired as Chief Manager in 1947 after 46 years' service with the Bank, and who has been a Director since 1945, has also decided not to offer himself for re-election owing to advancing years.

"The long and valuable services to the Bank of these two gentlemen is greatly appreciated by their colleagues. To fill the vacancies thus created the Hon'ble S. G. Catto and Mr. R. N. Drake will be proposed for election to the Board at the forthcoming meeting.

"The Board's proposals detailed in their circular letter of the 30th October, 1957, to shareholders for the cancellation of the uncalled liability on the 'A' and 'B' shares in the capital of the Bank, the modification of the class rights attached to the 'A' and 'B' shares, the conversion of the whole of the issued share capital into a single uniform class of shares of £1 fully paid up and the capitalisation of the sum of £1,470,000 out of the reserve fund were duly approved at the separate class meetings and at an extraordinary general meeting of the members held on the 25th November, 1957. The reduction of capital involved was confirmed by the High Court and became effective on the 31st December 1957, and the capital assumed its new form on the same day. On the reorganisation becoming effective the Directors transferred from contingencies reserves to the reserve fund the sum of £1,470,000 to bring the reserve fund up to the same figure as that prior to the reorganisation.

"At the same extraordinary general meeting the members approved of the change of the name of the Company to 'Mercantile Bank Limited.'

Balance-sheet

"Foreign exchange shortages, restrictions on imports and exports in some territories where the Bank operates have tended to restrict business, and made trading conditions difficult, but nevertheless, the trading profit was larger than the previous year. The balance-sheet total excluding the capitalisation of reserves mentioned above is unchanged at £75 million. Deposits are lower by £1 million whilst, on the assets side, there is an increase of over £5 million in cash. Investments are lower by nearly £3 million, bills receivable by over £2 million and loans and advances are practically unchanged. The Board is satisfied that our inner reserves more than cover every likely contingency and that it is no longer necessary to build up these Reserves at the same rate as previously. Consequently, the profit for the year 1957 is shown at £331,243, after making transfers to the inner reserves, which permits a larger distribution to members. In August, 1957, your Directors declared an interim dividend of 12½ per cent. on the then paid-up capital and they recommend a final dividend of 6¼ per cent. on the increased capital referred to above. From the balance the usual allocation has been made to the officers' pension fund whilst the sum of £100,000 has been transferred to the reserve fund which now stands at £2,100,000 leaving the balance carried forward at £231,452 against £224,521 brought forward from the previous year.

"In the United Kingdom Mr. Harold Macmillan became Prime Minister on 13th January, 1957, with a reconstituted Cabinet. Full employment, a high rate of capital investment and a rising wage-spiral continued with its inevitable inflationary effect. Gold and dollar reserves fell at an accelerated speed in the second half of the year and this together with the hardening of the West German mark resulted in speculation against and a serious weakening of the pound sterling. To counter this adverse trend Bank Rate was raised in September to 7 per cent. and steps taken further to restrict credit. By the end of the year sterling had regained its position but unless restraint is used in capital investment, Government spending, wage demands and in pressure upon sterling by other members of the sterling area, the permanent solution of the crisis of September 1957 will not readily be found.

Recession

"In America fears of a recession in economic progress became apparent towards the end of the year. Unemployment began to rise and there was a decline in business activity, so that some loss of confidence in the prosperity curve was evinced although it is generally hoped and believed that the steps which the American Government can take if necessary should avert any danger of a serious slump developing although some leading business men and economists there apparently do not fully share these hopes.

"In the international field the year was undistinguished. The new technique of sending frequent open letters from the Kremlin to Heads of States requesting 'summit meetings' which, whether successful or not can be used to make pro-communist propaganda throughout the 'uncommitted' world, seems to show that the Kremlin's underlying objectives are unchanged. Nevertheless the year was notable for the absence of armed conflict other than border incidents, and for the success of the United Nations Emergency Force in maintaining peace between Israel and Egypt. It is to be hoped that the successful establishment of this principle may enable similar action to be taken in future should the occasion unfortunately arise. If so, it may well prove to be one of the beneficial results of the Suez Canal incident, for political conditions in the Middle East cannot be regarded as by any means settled or satisfactory yet.

India

"The outstanding political event in India in 1957 was the general election which began on the 24th February, in which 193 million adult voters chose 494 members of the Lok Sabha (Central Parliament) and 3,102 members of State Legislative Assemblies. The Congress Party was returned with a comfortable majority at the Centre and in the States with the exception of Kerala State in Southern India where a Communist Government was returned with a small majority. In Kerala, conditions, particularly law and order, have deteriorated to a degree which inspires the hope that the voters in Kerala will give a different verdict when they get the opportunity.

"The year was an important one for India. Progress in the second Five-year Plan was made in many directions, but the vast financial implications, and the difficulty in obtaining overseas aid to fill the gap between India's external financial resources and the necessary expenditure, became evident. Mr. Krishnamachari's Budgets on 19th March and 15th May with their steep new taxation, direct and indirect, resulted in heavy falls on the Stock Exchanges, the siphoning off of investment capital and loss of confidence by the private sector and foreign investors in India. The resultant loss of expansion in the private sector may well be greater, and more lasting, than the immediate gain in revenue towards financing the public sector of the Five-year Plan. It is now generally recognised that the latter must be re-phased as finance will only be available for the 'hard core' of the Plan: steel, coal, railway, major ports and ancillary power. Whether sufficient emphasis is laid upon increasing food production is a matter of doubt—especially as it seems certain that between two and three million tons of foodgrains will have to be imported annually for the next few years, at a time when the foreign exchange reserves of the country are so greatly depleted. To check the drain a very stringent import policy was adopted and still continues. The overall minimum external reserve to back the Rs. 2,250 crores of currency is now reduced to the equivalent of Rs. 200 crores, of which Rs. 115 crores is to be in gold coin and bullion. There has been a further measure of inflation, inevitable in the circumstances, and, in the second half of the year, a good deal of industrial labour unrest.

"Nevertheless, India is struggling, with and through its high Five-year Plan target, to improve the standard of living of its vast population and there is no doubt this endeavour is meeting with some success. The general election confirmed India's adherence to democracy for the ensuing five years under the guidance of Prime Minister Pandit Jawaharlal Nehru, and the influence of this throughout the whole of South East Asia is of primary importance to the entire free world.

Pakistan

"Mr. H. S. Suhrawardy continued as Prime Minister until October 1957 when Mr. I. I. Chundrigar, leader of the Muslim League, took over the Premiership. This Government was, however, short lived, and in December resigned, to be succeeded by Malik Firoz Khan Noon with a Cabinet of eight members of whom seven are members of the Republican Party. This Government relies on the support of the Awami League, National Awami Party and National Congress Party. Two main issues continue to bedevil Pakistan politics: the question of separate or joint electorates and the continuance of the one-unit constitution in West Pakistan. Opinion is so divided on these two issues that political stability still seems some way off. Pakistan's foreign policy continues to be firmly pro-Western and her overseas prestige was undoubtedly enhanced by Mr. Suhrawardy's visits, when he was Prime Minister, to the Far East, the United Kingdom, the U.S.A. and other countries.

"The industrialisation of Pakistan continues to expand; the Industrial Development Corporation provided Rs. 12 crores to finance industrial projects, including sugar and jute factories, newsprint, pharmaceutical products and dyestuffs, and fuel and power. The Pakistan Industrial Credit and Investment Corporation was established in October with a capital of Rs. 2 crores and loans from Government (Rs. 3 crores) and the International Bank (Rs. 2 crores) making a total of Rs. 7 crores to assist in the expansion and modernisation of industrial enterprises in the private sector, particularly small and medium sized concerns engaged in the processing of indigenous raw materials. On the other hand, agricultural development is not receiving the expansion essential to the country and Pakistan continues to be dependent on large food imports: in 1958 it is estimated that 700,000 tons of rice and not less than 600,000 tons of wheat will have to be imported, whilst the adverse balance of trade for the ten months ending October 1957 was Rs. 22.54 crores.

"Heavy Governmental expenditure resulting in excessive monetary demand brought about inflationary tendencies during the year, and credit restrictions were accordingly imposed to meet this trend. It is to be hoped that profitable revenue from the many industrial enterprises created in recent years will soon come to the assistance of the economy which at present is so largely dependent on foreign aid.

"Severe drought adversely affected the tea crop in 1957 and there was a marked decline in world demand for jute goods, the two main industries of East Pakistan. Further progress was made in the industrialisation of Khulna and the opening of the new shipyard was an important event, but much remains to be done if local amenities such as roads and housing drainage and water supply are to keep pace with the industrial development of Khulna.

Ceylon

"Mr. S. W. R. D. Bandaranaike's Government continued in power throughout the year and has had considerable difficulties to contend with. Tact and skill were displayed in settling the Tamil problem and this language is now recognised as the language of the Tamil minority and as the administrative language of the Northern and Eastern Provinces.

"Economically, Ceylon has been adversely affected during 1957 by several factors; and the balance of trade for the first eleven months was unfavourable by Rs. 82 million compared with a favourable balance of Rs. 102 million for the same period in 1956 and a favourable balance of Rs. 480 million in 1955. Her Budget estimated for a deficit of Rs. 199.6 million but this is likely to be greatly exceeded by the great increase in cost of wages in the Public Sector which must throw a considerable strain on the economy. Labour unrest, strikes, and delays in clearance of goods in Colombo Harbour are all contributing to a serious economic decline.

"Ceylon's economy is based on three commodities: tea, rubber and coconuts: the world prices of which declined during the year. She is a nett importer of foodstuffs and for the first eleven months of 1957 it is estimated that the cost of this has increased by some Rs. 92 million. Apart from transport there has been no nationalisation of privately owned industry although fears of this have not been allayed. The Paddy Lands Bill which should shortly become law is a measure of agrarian reform designed to increase rice supplies and reduce the nation's bill for imported foodstuffs.

"Tea had a record crop with average prices fluctuating between Rs. 1.48 and Rs. 2.18 per lb. Rubber also produced a record crop and is now a creditor of Communist China to the extent of Rs. 120 million under the 5-year barter agreement which has now expired. Under a new agreement 30,000 tons of rubber a year will be sold at Singapore prices in exchange for 200,000 tons of rice at Burmese prices.

Burma

"Early in 1957 the Premier, U Ba Swe, was replaced by his predecessor, U Nu, as I forecast last year. Second thoughts about nationalisation seem to be taking place and it is believed that a Bill will soon be passed by the Government to provide incentives to foreign investors to introduce capital into the country by reliefs in taxation and customs and guarantees against nationalisation for ten years with guaranteed repatriation of profits, dividends and capital. This welcome change in outlook would, and may, have beneficial effects provided greater progress can be made in dealing with the problem of the insurgents and banditry still unfortunately rife in many districts in spite of the surrenders which have so far taken place.

"The Four-year Plan has been scrapped and the Prime Minister has stated that in future planning will be a continuous process, revisions taking place in the light of experience. A recent development is the setting up of joint venture corporations to handle the import of consumer goods and industrial requirements. These, having a monopoly, operate profitably.

"The country's economy is largely dependent on the export of rice, of which before the War, Burma was the largest exporter. Although production is still some 20 per cent. below the pre-war figure, exports for the year ended 30th September 1957, were estimated at no less than 2,017,000 tons and earned K.87 crores in foreign exchange. The carry-over from 1957 is only estimated at 250,000 tons of rice and rice products. The third crop forecast for 1958 estimates and exportable surplus of 1.3 million tons. Long-term commitments include, to India 500,000 tons, Ceylon 200,000 tons and Pakistan 100,000 tons.

Federation of Malaya

"An historic event took place on 31st August 1957, when the Federation of Malaya became an independent sovereign nation within the Commonwealth under the able Chief Ministership of Tengku Abdul Rahim. On the 17th September the Federation was admitted as a member of the United Nations Organisation and diplomatic relations have been and are being entered into with many countries. The change to independence was effected calmly and in a friendly atmosphere and Ministers have made a special point of reassuring investors concerning their stake in the country.

"The rubber and tin industries continue to be the main support of the national economy. Rubber cultivation covers 3½ million acres or some 65 per cent. of the total cultivated area, the export earnings of rubber produce 60 per cent. of total earnings and 25 per cent. of the employment of the people. The tin industry provides some 20 per cent. to 25 per cent. of export earnings. The price of both these products had declined substantially during 1957, and it is important that the development of other industrial and agricultural projects should take place to render the economy more viable. Indeed, many new industries are coming into existence: ten large factories are to be constructed to produce chemicals, cables, rubber-products, tobacco and matches, and many smaller factories are also under consideration.

"The estimates for 1958 budget for a deficit of $119.2 million, but as the estimated general revenue surplus brought forward at end 1957 is $494 million, the estimated deficit for 1958 will reduce this general surplus to $375 million. Britain agreed in January 1957 to provide Malaya with financial aid amounting to £38,700,000 over the first five years of independence.

Singapore

"Further progress in the policy of political advancement was made in 1957. In March the Chief Minister, Mr. Lim Yew Hock, led an All-Party delegation to London and agreement was reached in April on a new constitution designed to confer full internal self-government on Singapore. External affairs and defence will remain the responsibility of H.M. Government, and reserve powers are retained for emergency use. Elections are to take place in August 1958, but the results of the first fully-elected City Council were disappointing as only 30 per cent. of the electorate voted and this resulted in a decisive swing to the left, which may not bode well for the elections to the new 51-member Assembly and the inauguration of the new Constitution next August.

"Economically 1957 was a prosperous year for Singapore and there appears to be no reason why 1958 should not also be prosperous, but I must mention some of the factors which may bear upon this prosperity. The confused political situation and uncertain outlook in Indonesia may affect both Malaya and Singapore, over 17½ per cent. of whose external trade is with Indonesia. A trend to the left in Singapore is unlikely to expedite favourable consideration by the Federation of Malaya of union with Singapore, and indeed is likely to result in the speeding up of the modernisation of Malaya's ports and tightening of her tariff policy to Singapore's disadvantage. A third factor is the rapid increase of population, which is rising by 50,000 a year, and must result in unemployment unless new industries are developed to provide employment and homes. This requires capital for both public and private development and the annual amount of new capital formation has not increased over recent years.

"Rubber prices fluctuated throughout 1957, from $1.11¾ per lb. for R.S.S 1 at the commencement of the year to 82½ cents at the end of the year, with a 'low' at 74 cents in November. Washington statistics estimated World output of natural rubber in 1957 at 2,930,000 long tons with consumption at 30,000 tons less, and synthetic output at 1,255,000 tons and consumption 5,000 tons less. United States consumed 560,000 long tons of natural and 930,000 tons of synthetic rubber, a total of rather under 50 per cent. of aggregate world consumption of both products.

"Trade with Japan, both export and import, showed a substantial increase. Imports from West Germany increased by 26.8 per cent. to $97.9 million.

"The Port of Singapore at present handles approximately two-thirds of Pan-Malayan trade estimated to be in the region of $8,400 million a year, only equalled by the record year 1951 when the balance of trade was favourable to the extent of $1,270 million, whereas for 1957 it is estimated the balance will be unfavourable to the extent of some $200 million.

Thailand

"The peaceful and prosperous progress of Thailand was disturbed by political upheaval resulting in the departure of Field Marshal Pibulsonggram and his co-adjutor, General Phao Sriyanond and eventually the appointment as Prime Minister of Lt.-Gen. Tanom Kittikachorn, close friend of Field Marshal Sarit, following elections held on 15th December 1957.

"Industrial development has not made great progress during the year but 1,566,699 metric tons of rice were exported, having a value of £54,707,536 and U.S. $29,409,338, representing an increase of some 25 per cent. over the previous year, but it is believed that the exportable surplus in 1958 will not greatly exceed 1 million tons.

"Trading conditions have become more difficult, due to overstocking in 1956-57, shortage of money which is to some extent siphoned off by a plethora of lotteries, drawings for which take place seven times a month, tightening of credit and also uncertainty which necessarily accompanies political changes. It is to be hoped that Lt.-Gen. Tanom Kittikachorn's Government will become firmly and satisfactorily established, maintaining the pro-Western foreign policy of its predecessors whilst securing the goodwill of the people by enlightened internal administration. Should this prove to be so, there seems to be no reason why Thailand's economic progress should not continue.

"A sub-branch of the Bank was opened in the Rajawongse Road on 14th November 1957, for the convenience of our clients in that area of Bangkok.

Hong Kong

"The value of imports into Hong Kong increased by 12.8 per cent. over 1956 at $5,149 million of which $1,131 million came from China, $667.3 million from the U.K. and $539 million from the U.S.A. From Malaya and Japan imports declined. Exports declined in total by 6 per cent. compared with 1956 and although increases in exports to the U.K. and U.S.A. occurred, they could not counterbalance the serious and continuous fall in exports to Indonesia, Thailand, Japan and South Korea. Exports to China, which have steadily declined since 1951, reached a new low in 1957 at $123.4 million.

"Great progress has been made in establishing Hong Kong as a manufacturing centre, both as to quantity and quality of goods, and exports of Hong Kong products reached a value of nearly $794 million in 1957. There has been a boom in building development with consequent high prices for land, but money has become dear as a result of the raising of Bank rate and this has been reflected in depressed prices on the Stock Exchange.

"Sir Alexander Grantham, who has been Governor for ten years, retired at the end of 1957. There can be little doubt that the peace and prosperity which this colony has enjoyed since the war has been largely due to his wise Governorship.

Mauritius

"Notwithstanding early drought, the sugar crop at 561,800 metric tons was only 10,000 tons lower than the previous year's all time record. Under the terms of the International Sugar Agreement, the export quota for Mauritius remains the same at 470,000 long tons, of which 335,000 will go to the British Ministry of Food and the balance of 135,000 long tons will be offered in the Preferential markets of the United Kingdom and Canada. The Cyclone and Drought Insurance Fund is now estimated to exceed Rs. 110 million, but there will be some claims from Estates affected by the drought in the north of the Island.

"In general, trading conditions in the Island were satisfactory in 1957, but exports and imports show a substantial increase over 1956. Tea output reached 1½ million lbs. and is increasing. It is hoped, with Government assistance, to have 5,000 acres under tea by 1960.

"Passenger transport by railway has ceased and road traffic consequently increased. An ambitious road building programme is under way and three new hydro-electric power projects are being developed.

"A Commission headed by Sir Malcolm Eve, Q.C., was appointed by the Secretary of State to make recommendations on the demarcation of boundaries and the electoral system in implementation of the new Constitution. This Report is not yet ready, but in the meantime the new Ministerial system appears to be working very satisfactorily.

Japan

"The prosperity and expansion which Japan enjoyed in 1956 received a severe check in 1957. The pace of expansion had become too great and the cost of imports rose out of proportion to the value of exports, so that an adverse balance of trade and shrinkage of foreign exchange began to put a severe strain on the country's economy. In an endeavour to improve matters the Bank

(Continued on page 699)

HINDUSTAN LEVER LIMITED

SPEECH OF CHAIRMAN, MR. S. H. TURNER, AT ANNUAL GENERAL MEETING

"THERE IS NO TOOL MORE VALUABLE THAN MARKET RESEARCH"

THE Annual General Meeting of Hindustan Lever Limited was held in Bombay on 7th April 1958. The following is the text of the speech made at the meeting by the Chairman, Mr. S. H. Turner:

"I have great pleasure in welcoming you to this annual general meeting of the Company.

"The annual report and accounts have been with you for some time and I shall take them as read. As I have also circulated to you my review of their salient features, I do not wish to dwell on them further in my speech today.

"I would like to tell you about a particular activity of our Company which has an important influence on the development of our business, that is, marketing research. Marketing research involves a study of consumer preferences, habits and attitudes. Thus it helps us to decide how our immediate market operations should be directed. It also involves an examination of trends, so that its findings indicate the future pattern of the market and assist us in shaping our forward policies. All our decisions on the improvement of existing products or the development of new ones, the adoption of new selling methods and the application of new advertising techniques are the more effective for being taken in the full and intimate knowledge of our markets, which continuous research into these markets is designed to provide.

"To large manufacturers of consumer goods —and we must rank among the largest in India— economies come largely from mass production and mass selling of standardised lines. This standardisation is only successful, if the resultant products appeal in properties and performance to the greatest number of people. We have many millions of customers. They vary widely in their tastes. They are conditioned by different social, cultural and religious background. We must have products which are acceptable alike to the rich and the poor, to the educated and the uneducated, to the Punjabi and the Tamil.

Choosing A Sample

"To discover what preferences are most general in this variegated pattern of consumers, we choose a representative sample of them and find out what their opinions are by questioning them. The result is intended to reflect the opinion of our universe of potential customers. The size of this sample is determined mathematically once we have postulated the number of categories of people it shall contain to fulfil the particular purpose in view. The combined opinions and attitudes of the individuals composing this sample will be representative of our universe within a calculable margin of error, provided the questions we put to them are so phrased as to evoke the respondent's true opinion and not an opinion adapted to please the questioner or to express what the respondent thinks it is respectable to say rather than what he really thinks.

"The framing of our questions to ensure that the respondent is not tempted to disguise his true feelings calls for great skill. For example, people who believe that good form requires them to have a bath every day sometimes sincerely think they have a bath every day, whereas, in fact, they only have a bath four times a week when the weather is cold. In a foreign country, it was once found that, if everyone cleaned his teeth as frequently as was claimed, the toothpaste manufacturers would be unable to supply the total demand. Similarly, we find that, in Kerala, people are inclined to say they take a bath four times a week, and some may even claim to do so twice a day, whereas, in Saurashtra, nobody minds confessing to washing himself and his clothes only once a week or even much less frequently. The mental attitude to washing in Kerala is conditioned by an abundant supply of water. The habits in Saurashtra have been formed by a geography in which water is scarce and precious. In Northern India, there are still women to be found who will not admit to eating *vanaspati*, because it is socially more estimable to eat ghee. And in most U.P. households, both the wife and the husband will treat the choosing of anything, whether cooking fat or soap, as the prerogative of the male, despite the fact that the investigator may often have an uncomfortable suspicion that, when it comes to the point, the wife makes the husband's choice for him.

Many Techniques

"These shynesses, reticenses, resistances, subconscious blocks, or what you wish to call them, run through the whole of our work. Nowadays, therefore, in addition to the straightforward technique of so phrasing the questions that they are completely neutral, a great many techniques have been devised to set people's subconscious at ease, to get at the facts below their lapses of memory and to allow for their desire to conform to convention. We may, for instance, ask a group of housewives in for a cup of tea and get them sufficiently relaxed so that they will talk freely and even admit the prejudices which, in answer to formal questions, they might feel were too ridiculous to mention. These are obvious examples. Beyond them lie the more surprising discoveries that have been brought out by touching the deeper layers of the mind. Women are, for instance, quite often allergic to advertising that suggests that some new product will save them a lot of time in the kitchen, because they feel that it is their capacity as homemakers that gives them their prestige in the family; if making a home is made too easy, what will happen to the respect their husband and children feel for them? Or, again, we have done some investigations which suggest very strongly that many of the prejudices people have about Dalda do not really have anything to do with Dalda at all but are only a way of venting their resentment against a world which, for many professional class people, is narrower and more difficult than it was before the war. Buying Dalda instead of ghee is a very good way of economising, so they transfer to Dalda the resentment they feel that the world has now become a place where they have to watch every rupee.

"Another technique is to try simply to get the housewife to talk freely, with the investigator doing no more than listen sympathetically, prompting only when the flow stops. In that way we can sometimes discover what the associations are which really matter in people's minds. These are not always either predictable or logical; for instance, it is not necessarily the rich woman who buys Sunlight; it may be the poor woman who values its lather and the ease with which she can do her washing with it; the rich woman whose washing is done for her by servants quite often feels that they are so wasteful of soap anyway that it is best to buy for them the cheapest brand on the market.

Research Results

"I have not attempted to describe marketing research techniques in detail, or with the accuracy of a textbook. I have only been trying to give you some idea of the principles on which a marketing research department works. I would now like to try and tell you something of how we use the results of marketing research in order to influence the decisions we have to make from day to day in the running of our business; and nowadays, there are hardly any decisions on the marketing side which we can make without taking into account our research results.

"We begin with a picture of our market. Who is it who buys our products? We know they are not bought equally over the country. Dalda, for instance, is bought far more in the hard fat areas of the North than in the oil areas of the South. Sunlight is specially strong in Eastern India. We have to find out exactly what the map is like for each product and whether the reason for its strength or weakness in particular areas is due to the habits of the local people or to something in the product. For instance, Dalda sells well both in Maharashtra and in the Punjab, but that in itself gives no guidance on how we should split our advertising between the two. Marketing research shows that we have a much lower percentage of the total hard fat market in the Punjab and that, therefore, the Punjab is much more likely to reward a major advertising effort than Maharashtra. Again, Sunlight sells quite satisfactorily in the Punjab, but marketing research shows that, whereas in Eastern India it is used largely as a general laundry soap, in the way we hope it will be used, in the Punjab, it is used mainly for washing particularly good clothes. The Punjab, therefore, offers an immense opportunity for the expansion of Sunlight's use into general washing.

Shape of Market

"Until we know the shape of the market, we do not know where to strengthen our distribution or how to split up our advertising. We may even find sometimes that we have reached saturation point, that any further consumption of our products can be only attained by a quite disproportionate expenditure, and we might then even slacken our advertising or make our distribution less intensive. And, of course, if marketing research shows that our product is bought only by the professional class, because it is suitable only for the educated, we would not spend a lot of money advertising it in publications read only by farmers or industrial workers.

"We not only have to find out who buys our products and where. We have also to find out what they think of them. We have a very clear idea in our own minds of what our products can and cannot be expected to do, and the temptation is always to think that our image of them is so based upon technical fact that the public must think of them in exactly the same way. Sometimes this is not so. It is no consolation that we are right and the public are wrong. The public's beliefs are a fact. We do not expect the mountain of public opinion to go to the Mohamed of our knowledge. On the contrary, I hope you have all noticed we are at pains to bring the Mohamed of our knowledge to the mountain of consumer opinion.

Cross-check

"With a product we have had on the market for a long time, marketing research is only one of several ways of knowledge. We can, for instance, cross-check a great deal of what marketing research tells us from our sales figures, which tell us quite as clearly as marketing research can whether we sell more in U.P. than in Mysore or in Malabar Hill than in Parel; and, though the figures themselves will not tell us why, sometimes we can find that out too from what our dealers and our shopkeepers and our salesmen tell us; or sometimes we can guess what is giving us our sales from the laboratory's reports on the performance and quality of the product. We know that the law does not permit Dalda to have the taste of ghee and are not surprised when we find that Dalda is not used for those purposes where it is the ghee taste which is essential.

Not A Panacea

"Marketing research is not a panacea. It does not provide an answer to every question. Sometimes, people find it so difficult to define what they mean that we are driven back on our own personal judgment.

"For instance, it was discovered a long time ago that when people buy a toilet soap they look at almost anything except its capacity to clean— the luxury of its appearance, the purity of its colour and, above all, the pleasantness of its perfume. The reason is obvious. Every toilet soap will wash the dirt off one's face. Thus far marketing research gave a perfectly clear answer, but, when we then tried to find out which colour or perfume or wrapper people like, we very rapidly got frustrated. One cannot get adequate explanations out of most people for why they like the perfume or colour they like; their reasons are too intangible, too indefinable, perhaps too deep in the subconscious. The standard way of praising a perfume is to say that it is nice and, since different people call perfumes of almost every note and composition nice, that is very little help. If one presses them, they may say 'strong' or 'weak.' But since different people have different definitions of 'strong' and 'weak,' one tends to find that the same perfume is being praised for both qualities. Equally, people will talk of the purity of a colour or of its whiteness. 'Pure' is a word of clear meaning when applied to ghee or to morals; but what is a pure as against an impure blue? And white is a colour or infinite shades. One has to use one's judgment of which shade of colours or perfumes the public would probably like, and then, within the narrow range thus selected, make a final choice by asking people their preferences as between, at the most, three or four blank tablets, the only difference between which is the perfume or colour or whatever the variable is one is testing. Moreover, as people's preferences are usually accurate only between two products at a time, even to test four is a pretty elaborate business. To test the whole possible range is simply impossible.

Rinso

"Thus a large part of our marketing research effort is product testing. Recently we were faced with a problem in marketing Rinso. We had to decide whether we should choose for the powder a soap base which would give a superlative lather provided warm water was used, or an alternative base which, though giving a less spectacular lather, would dissolve well in cold water. We prepared experimental powders with the alternative bases and gave trial packets of both to a selected sample of housewives. The majority preference was in favour of the cold water-soluble product and, as a result of this, we were able to formulate Rinso to be most suitable for a country where the water is rarely heated for washing.

"In the spring of 1957, we introduced our lather shaving cream—Erasmic. Before launching this product, we carried out widespread product tests, and the results were measured by marketing research to ascertain that the product was of sufficiently high quality.

"Social and economic changes have the most important bearing on our business. For example, the development of new industrial colonies like Chittaranjan and Sindri where the habits of the villagers living on a subsistence level change quickly when they become industrial workers with regular pay and modern amenities. Their standard of living rises suddenly and they begin to consume products which they could not afford before. A study of these new dynamic townships that are growing up shows that they are likely to create a strong demand not only for our main products but also for our special lines and toilet preparations.

Consumers' Wishes

"Besides research into our current products and people's existing habits and preferences, a growing and important use of our research is looking into the future to study possible modifications and changes in products to make sure that we keep pace with shifts in consumer requirements and habits. It is as much our responsibility to investigate future demands of consumers as to satisfy their present demands. In a free economy, consumers' wishes are never static, and it is for us to look ahead and find out what consumers are likely to want in the future. This is particularly important in a country like India where society is changing fast and will change perhaps even faster in the future.

"In recent years, we have applied marketing research techniques to estimating the size of the groundnut crop. The official figures do not come out until the end of February and, since the heaviest buying season of the year is in December, January and February, we must form our own assessment of the crop to guide our buying policy of groundnut oil and seed. We take a very rough sample of roadside farmers and confine ourselves to a few simple questions. The margin of error with such a technique is obviously considerable, but we have found that we get an answer which is reasonably near the final official answer, and also that we get an idea, which the official figures give only months later, of where the crop has been good and where the crop has been bad, which has a very considerable influence on the relative prices our different factories will have to pay.

Advertising

"When we are satisfied that we are making the right product, a product which will both do a good technical job and will also satisfy the desires or prides which the public wants it to satisfy, there still remains the question of how to tell the public that this desirable product is there to be bought. The answer is advertising and, therefore, all consumer goods manufacturers must spend a lot of money on advertising—particularly India, where advertising has not only the task of trying to sell a particular brand of product against its competitors, but may often be required to introduce the product-type as one which is a necessary part of a higher standard of living.

"We should naturally like to find out whether our advertising money is being spent to the best effect. That is not easy. When people buy something they very rarely remember why they first bought it. Very few people ever say that they first bought Sunlight Soap because they read in a newspaper on the 15th January that it washes white and bright. Partly this is because they do not know that that is what happened. Advertising comes to them from many angles—shop displays, cinemas, press, posters—and it is hard to identify just what sparked the final decision to buy. Partly it is because people like to think they make their minds up for themselves and resent the idea that they were moved by the pretty girl in the advertisement.

Not Easy to Test

"Because of all this, it is not easy to test how effective advertising is in making people buy. What we can test is whether people have seen our advertisements and whether they remember what the advertisements said. In these respects, the results of the tests we have done on our own advertising are generally satisfying. Lifebuoy advertisements, for instance, have been seen and remembered by about half the people we have asked. Cinema-goers seem to be receptive to advertising films and ours have normally been well remembered. In a recent enquiry, Rexona shop display material was recalled by a high proportion of respondents.

"Though it may be difficult to assess how effective any particular advertising campaign or subject has been in creating a sale, nevertheless, we have constantly to develop our judgment in them. Motivation research attempts to supplement intuition with scientific enquiry. It involves investigation of consumer attitudes and behaviour and particularly of the reasons why people buy. We feel that, if we can establish the reasons (whether they be conscious or unconscious) why people buy and what influences them in their choice, then we will be in a better position both to give them the products they want and also to present and advertise them in a convincing way.

"Our function as a Company is to try and give the consumer products which he will like and which will do the job he wants them to do. Before we can do that, we must find out what the consumer will like, what is the job he wants them to do, as distinct perhaps from the job we think he ought to want them to do, whether the products we can make come near enough his ideal—one never achieves perfection—and whether our methods of telling him about them are adequate. For all these purposes, there is no tool more valuable than marketing research."

Note:—This does not purport to be a record of the proceedings of the annual general meeting.

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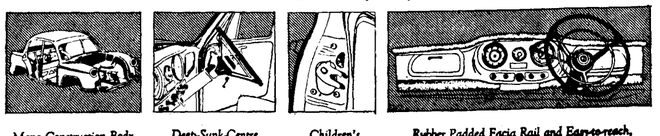

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THE UNITED COMMERCIAL BANK, LIMITED

(INCORPORATED ON 6TH JANUARY 1943)

BALANCE SHEET AS AT 31st DECEMBER 1957

31-12-1956 Rs.	Rs.	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.
3,00,00,000		**1. Capital—**		
		AUTHORISED CAPITAL—		
		8,00,000 shares of Rs. 100 each ..	8,00,00,000 00	
4,00,00,000		ISSUED AND SUBSCRIBED CAPITAL—		
		4,00,000 shares of Rs. 100 each ..	4,00,00,000 00	
		AMOUNT CALLED UP—		
	2,00,00,000	4,00,000 shares at Rs. 50 per share.		2,00,00,000 00
		2. Reserve Fund and Other Reserves—		
	1,15,00,000	Reserve Fund (including that under Section 17 of the Banking Companies Act)		1,34,00,000 00
22,57,81,483		**3. Deposits and Other Accounts—**		
5,22,24,626		Fixed Deposits	29,47,89,454 87	
24,34,69,479		Savings Bank Deposits	5,81,28,236 10	
	52,14,75,588	Current Accounts, Contingency Accounts, etc.	25,78,26,964 18	61,07,44,655 15
8,49,00,000		**4. Borrowings from Other Banking Companies, Agents, etc.—**		
1,11,857		(i) In India	17,00,000 00	
	8,50,11,857	(ii) Outside India	17,05,556 17	34,05,556 17
		PARTICULARS— Rs. nP.		
		(I) Secured—		
4,91,20,000		(a) By part of Investments per contra 30,20,658 94		
		(b) By part of Bills Discounted and Purchased per contra. Nil		
3,57,80,000			30,20,658 94	
1,11,857		(II) Unsecured	3,84,897 23	
8,50,11,857			34,05,556 17	
	1,50,33,073	**5. Bills Payable**		1,09,51,098 10
		6. Bills for Collection being Bills Receivable as per contra—		
3,25,36,141		(i) Payable in India	3,62,57,387 99	
3,36,41,643		(ii) Payable outside India	3,42,87,779 62	
	6,61,77,784			7,05,45,167 61
		7. Other Liabilities—		
1,25,76,358		(i) Branch Adjustments	1,37,41,484 58	
2,08,368		(ii) Unclaimed Dividends, etc. ..	4,13,983 54	
	1,27,84,726			1,41,55,468 12
		8. Acceptances, Endorsements and Other Obligations per contra		15,75,09,621 58
	18,17,29,613			
		9. Profit and Loss—		
11,27,761		Profit as per last Balance Sheet ..	14,29,419 68	
11,00,000		Less—Dividend	14,00,000 00	
27,761			29,419 68	
56,51,658		ADD—Profit for the year	59,70,012 50	
56,79,419			59,99,432 18	
		Less—Appropriations made— Rs. nP.		
20,00,000		To Reserve Fund . 19,00,000 00		
16,00,000		To Provision for Taxes 18,50,000 00		
6,50,000		To Bonus to Staff. 7,00,000 00		
	14,29,419		44,50,000 00	15,49,432 18
		10. Contingent Liabilities—		
		(i) On Partly Paid shares	3,95,000 00	
		(ii) Claims against the banking company not acknowledged as debts..	3,02,781 36	
		(iii) Guarantees given on behalf of customers and Correspondent Banks	6,45,20,829 57	
		(iv) On Foreign Bills Re-discounted.. all of which have run off by 1st March, 1958.	66,140 65	
		(v) Forward Exchange Contracts outstanding for the purchase and sale of Bills and Telegraphic Transfers of which upto 1st March, 1958, Rs. 14,36,77,672.24 have been delivered.	29,89,38,195 21	
		(vi) Bonus claims by employees for 1950, 1951 and 1952 not acknowledged as debts and disputed by the Bank before the respective Tribunals.		
		(vii) There is a liability for outstanding bills, not certified by the architects, in respect of construction of the Bank's building at New Delhi.		
		(viii) A demand of Rs. 26,13,502.81 has been made for assessment year 1952-53 by the Income-tax Officer assessing the Bank in India by adopting a totally new method. The Bank has appealed against the assessment disputing the very basis of assessment and contending that there is no liability whatsoever. No provision has, therefore, been made for this demand. Accordingly, provision for later years has been made on the basis adopted all along in the past and accepted by the Department.		
91,51,42,060		Total .. Rs.		90,22,60,998 91

31-12-1956 Rs.	Rs.	PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
	4,45,98,494	**1. Cash—** In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes).		4,53,77,791 01
18,67,061		**2. Balances with Other Banks** (including Foreign Government Treasuries)—		
2,79,42,530		On Current Account— Rs. nP.		
	2,98,09,591	(i) In India .. 33,74,708 84		
Nil	6,80,000	(ii) Outside India 1,86,90,421 06	2,20,65,129 90	
	Nil	On Deposit Account— In India (Staff Security)	6,80,000 00	2,27,45,129 90
	7,50,88,085	**3. Money at Call and Short Notice**		1,47,16,666 67
				8,28,39,587 58
17,22,85,839		**4. Investments** (at below market value)—		
4,18,212		(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	17,86,24,313 67	
5,08,400		(ii) Shares—		
32,05,325		(a) Fully Paid Preference Shares.	7,89,462 50	
9,50,000		(b) Partly Paid Preference Shares.	3,77,150 00	
		(c) Fully Paid Ordinary Shares..	30,05,325 00	
		(III) Debentures or Bonds ..	8,50,000 00	
1,69,09,374		(iv) Securities of the U.S.A., Burma, Malaya and Pakistan Governments and Foreign Trustee Securities ..	1,57,74,612 83	
..		(v) Gold	....	
	19,43,17,150			19,94,20,864 00
		5. Advances (other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)—		
19,03,16,638		(I) Loans, Cash Credits, Overdrafts, etc.— Rs. nP.		
3,50,34,589		(i) In India .. 20,81,73,864 10		
		(ii) Outside India .. 3,87,67,587 13	24,69,41,451 23	
9,01,22,991		(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
6,90,57,911		(i) Payable in India .. Rs. nP.		
	38,45,32,129	4,67,82,881 64		
		(ii) Payable outside India .. 8,31,84,518 04	12,99,67,400 58	
				37,69,08,851 81
		PARTICULARS OF ADVANCES—		
31,08,22,116		(i) Debts considered good in respect of which the banking company is fully secured	28,38,28,459 53	
		(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ..	4,16,75,987 82	
3,55,21,181		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	5,14,04,404 46	
		(iv) Debts considered doubtful or bad, not provided for ..	Nil	
3,81,88,832			37,69,08,851 81	
Nil		(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	30,828 74	
38,45,32,129		(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	4,80,75,136 70	
1,28,910		(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ..	1,29,501 75	
2,83,79,002		(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	5,40,26,516 92	
2,01,824		(ix) Due from banking companies ..	61,34,559 55	
2,92,54,701				
14,41,455		**6. Bills Receivable being Bills for Collection** as per contra—		
3,25,36,141		(i) Payable in India	3,62,57,387 99	
3,36,41,643		(ii) Payable outside India ..	3,42,87,779 62	
	6,61,77,784			7,05,45,167 61
	18,17,29,613	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		15,75,09,621 58
18,27,189		**8. Premises Less Depreciation—**		
		Cost as per last Balance Sheet	23,41,099 94	
5,13,821		Additions (Rs. 1,35,972.99) *Less* deductions (Rs. Nil) during the year	1,35,972 99	
23,41,010			24,76,982 93	
3,94,699		Less—Depreciation written off to date.	5,23,145 58	
	19,46,311			19,53,837 35
59,55,994		**9. Furniture and Fixtures Less Depreciation** (including vehicles and equipment)		
		Cost as per last Balance Sheet ..	62,99,881 06	
3,44,787		Additions (Rs. 7,68,401.11) *Less* deductions (Rs. 2,17,810.80) during the year	5,50,590 31	
62,99,881			68,50,561 37	
39,23,931		Less—Depreciation written off to date.	43,41,714 46	
	23,75,950			25,08,846 91
		10. Other Assets, including Silver—		
21,53,125		(i) Land and Buildings— Rs. nP.		
		Cost as per last Balance Sheet .. 30,10,345 34		
8,57,220		Additions during the Year (Premises under construction) .. 18,30,058 48		
30,10,345			48,40,403 82	
1,81,089		Less—Depreciation written off to date. 1,98,527 48		
28,29,256			46,50,876 39	
16,30,127		(ii) Interest accrued on Investments ..	14,15,093 58	
37,35,655		(iii) Estimated amount of refund of Income-tax and Advance Payment of Tax	40,23,126 25	
7,80,000		(Income-tax assessment for six years 1952 to 1957 not yet completed)		
..	89,75,038	(iv) Stamps and Stationery	4,85,125 90	
..		(v) Silver	....	
..		**11. Non-Banking Assets Acquired in Satisfaction of Claims**		1,05,74,222 07
..		**12. Profit and Loss**		....
97,51,42,060		Total .. Rs.		....
				90,22,60,998 91

(Continued on next page)

WORLD SOCIAL STATISTICS

FALL IN MORTALITY RATE—INCREASE IN FOOD SUPPLY

THE data on the number of physicians, dentists, midwives and pharmacists in more than 180 countries and territories, contained in the 1957 issue of the *U.N. Statistical Yearbook*, shows that in more advanced countries, there is generally one physician for every 1,000 inhabitants; in the least advanced countries, perhaps only one physician for every 50,000 inhabitants. The *Yearbook* points out that differences in national definitions and methods of enumeration make it difficult to obtain a close comparison between countries of similar standards. However, the number of inhabitants per physician provides a convenient yardstick for measuring medical care.

Among the more advanced countries, for example, the number of inhabitants per physician was only 610 in Austria; around 700 in Czechoslovakia, Hungary, New Zealand, Switzerland and West Germany; and less than 800 in the United States. Among the less advanced countries, there was only one physician for 71,000 inhabitants in Indonesia (1954), for 58,000 in Nigeria (1954), for 29,000 in French West Africa, for 22,000 in Ghana, for 20,000 in the Belgian Congo and Liberia, for 9,300 in Kenya and for 8,200 in Madagascar. Between these extremes, with one physician for 4,000 to 6,000 inhabitants, are such countries as (in alphabetical order): Algeria, British Honduras, Ceylon, El Salvador, Honduras, India, Iraq, Leeward Islands, Mauritius, Reunion and the Republic of Korea. In South America, the number of inhabitants per physician ranged from 760 in Argentina and 860 in Uruguay (1957), up to 3,300 in British Guiana and 4,000 in Bolivia.

Infant Mortality

For purposes of international comparability, the table on infant mortality rates (i.e., number of deaths of infants under one year per 1,000 live births) is limited to countries for which complete or virtually complete registration data exists. These rates, which largely reflect levels of health and living conditions, point to a worldwide and substantial reduction over the past two decades in the proportion of infants dying within a year of birth. Among the countries shown with the highest pre-war rates, the infant mortality rate in 1956 (compared with the average 1930-34 rate) shows a drop from 278.8 to 42.6 in Malta, from 244 to 112.3 in Chile, from 242.4 to 96.7 in Barbados, from 185 to 42.5 in Singapore, from 165.1 to 66.5 in Ceylon, from 163.1 to 66 in Mauritius, from 156.7 to 58.6 in Hungary, from 154.9 to 98 in Yugoslavia, from 144.7 to 87.8 in Portugal and from 143.7 to 53.1 in Jamaica.

Over the same period, Czechoslovakia brought down its infant mortality rate from 128 5 to 31.5, Japan from 124.2 to 40.7, Spain from 118 (1932-34) to 51.7 and Italy from 105.6 to 48.4. Among the new record low rates in 1956 (1930-34 average in parantheses) were: Sweden 17 (51.9), Netherlands 19 (46.7), New Zealand (Europeans) 19.4 (32.4), Australia 21.7 (42.9), United Kingdom 24.5 (65.5), Denmark 25 (73.1), Finland 25.4 (73.9), Switzerland 25.8 (49) and the United States 26 (60.4). The rate for Hawaii in 1956 (22.1) was slightly higher than in 1955 (20.6) but only a fraction of the average 1930-34 rate of 76.5. The latest data (1955) for Norway (20.6) was also a record low for that country.

Expectation of Life

The *Statistical Yearbook* contains data for some 65 countries on the expectation of life (average number of years of life remaining at age specified, if subject to mortality conditions of period indicated) at birth and at ages 20, 40 and 60 years. A baby girl at birth may expect to live longer—up to nearly six years longer in some countries—than a baby boy, except in Ceylon, India, among the Asian population of the Union of South Africa and among the Indian population of Guatemala; and a woman 60 years old may expect to live longer—up to about four years longer in certain countries—than a man of the same age, except among the Guatemalan Indians.

According to the latest data, the Netherlands is the country where the expectation of life at birth is longest both for females (73.9 years) and for males (71 years). The countries showing the next longest expectation of life at birth were, for females: United States (whites), 73.6 years; Sweden, 75.43 years; England and Wales, 72.99 years; Norway, 72.65 years; and New Zealand (European population), 72.43 years. For males: Sweden, 70.49 years; Norway, 69.25 years; Israel, 68.3 years; New Zealand (European population), 68.29 years; and Denmark, 67.8 years. The United States (whites) which ranked second for female life expectancy fell to eighth place for male life expectancy at birth (67.3 years).

At the age of 60 years, a woman might look forward to another 19.6 years in Iceland, 19.45 years in Norway, 19.3 years in the United States (whites), 18.9 years in the Netherlands, 18.64 years in Canada and 18.61 years in Sweden; and a man of 60 to another 18.39 years in Norway, 18.2 years in Iceland, 17.8 years in the Netherlands, 17.38 years in Sweden, 17.1 years in Denmark and 16.9 years in Israel. On the other hand, the expectation of life at 60 years was only 2.1 years for men and 3.5 years for women in Greenland (1946-51).

Man's life span has been substantially lengthened since the 1920s. For example, the life expectancy of a male baby at birth has been extended by 27.6 years in Ceylon (1920-22 to 1954), by 22.2 years in Trinidad (1920-22 to 1954-56), by 12.9 years in Scotland (1920-22 to 1956) by 12.4 years in Finland (1921-30 to 1951-55) and by 11.9 years in England and Wales (1920-22 to 1955) and in Switzerland (1920-21 to 1948-53).

International Levels of Food Supplies

The *Yearbook* provides data, at the retail level, on *per capita* supplies of foodstuffs, protein and calories in some 40 countries. The latest data given (generally for the split year 1955-56 or 1956-57 shows that over 3,000 calories *per capita* were available daily in 12 countries (arranged in alphabetical order), namely, Australia, Canada, Denmark, Finland, Iceland (1950-51), Ireland, New Zealand, Norway, Switzerland, United Kingdom, United States and the German Federal Republic. Other countries having between 3,000 and 2,800 calories were Belgium, Luxembourg, Sweden, Argentina, Austria, the Netherlands, France, Israel and Uruguay. At the other end of the scale, there were less than 2,000 calories available daily *per capita* in Burma (1947-48), Ceylon, India, Pakistan and the Philippines, and less than 2,300 in Honduras, Japan and Venezuela (1951).

In Europe, annual *per capita* meat supplies have steadily recovered from the low levels of the early post-war years and in 1956-57 (or 1955-56) exceeded the pre-war average (generally 1934-38) in Belgium, Luxembourg, Finland, France, Iceland (1950-51), Netherlands, Portugal, Sweden and the United Kingdom; stood at or close to the pre-war level in Ireland and Switzerland but fell short of the pre-war level by 15 per cent. in Denmark (the largest European pre-war *per capita* consumer). By 1955-56, France had become the largest *per capita* meat consumer in Europe, with 78 kilos against an average of 61 kilos in 1934-38. Milk supplies (measured in fat and protein contents) *per capita* in 1956-57 (or 1955-56) were higher than the pre-war average in Belgium, Luxembourg, Finland, Iceland (1950-51), Ireland, Italy, Norway and the United Kingdom, and about the same in the other nine European countries listed except for a slight decline in Sweden and Switzerland.

Annual *per capita* supplies of meat in recent years were around 100 kilos or more in Argentina, Australia, New Zealand and Uruguay, but they amounted to only one kilo in India, three

THE UNITED COMMERCIAL BANK, LIMITED—*Continued.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

31-12-1956 Rs.	EXPENDITURE	Rs. nP.	31-12-1956 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP.
1,17,81,166	1. Interest paid on Deposits, Borrowings, etc.	1,63,11,971 86	1,31,98,309	1. Interest and Discount	2,57,24,445 74
55,84,702	2. Salaries and Allowances and Provident Fund .. .. .. (Salary, Allowances and Bonus of General Manager Rs. 93,000.00)	96,11,067 08	1,20,13,920	2. Commission, Exchange and Brokerage	1,01,66,671 23
47,712	3. Directors' (Rs. 37,300) and Local Committee Members' Fees and Allowances	44,560 00	1,20,320	3. Rents	1,26,262 33
12,99,893	4. Rent, Taxes, Insurance, Lighting, etc.	12,88,254 36	..	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	....
50,724	5. Law Charges	56,550 23	..	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	....
5,49,187	6. Postage, Telegrams and Stamps	6,41,410 00	..	6. Income from Non-Banking Assets, and Profit from Sale of, or Dealing with, such Assets	....
95,420	7. Auditors' Fees for Statutory and Periodical Audits	1,00,274 61	3,624	7. Other Receipts	2,085 99
6,75,845	8. Depreciation on, and Repairs to, the Banking Company's Property ..	6,64,804 64	..	8. Loss	....
7,99,106	9. Stationery, Printing, Advertisement, etc.	10,84,328 74			
..	10. Loss from Sale of, or Dealing with, Non-Banking Assets	....			
8,07,827	11. Other Expenditure	8,45,721 28			
56,51,658	12. Balance of Profit (subject to Taxation)	59,70,012 50			
	The above expenditure includes, besides leave salary of Rs. 96,000, a sum of Rs. 50,856.02, being *ex-gratia* payments by way of allowances for ex-General Manager.				
3,03,36,173	Total .. Rs.	3,66,19,464 30	3,03,36,173	Total .. Rs.	3,66,19,464 30

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of The United Commercial Bank Limited, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the Branch returns audited by the Statutory or other Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of Section 211 and sub-section (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

G. P. KAPADIA & CO.,
K. N. GUTGUTIA & CO.,
RAY & RAY,— *Chartered Accountants.*

CALCUTTA, *4th March*, 1958.

S. T. SADASIVAN,
General Manager.

G. D. BIRLA, *Chairman.*

I. P. GOENKA,
A. C. LAW,
G. L. BANGUR,
P. D. HIMATSINGKA,
R. L. NOPANY,
M. L. SHAH,
M. R. RUIA,
M. L. DAHANUKAR,
M. L. TAPURIAH,
Y. N. MAFATLAL,
G. D. KOTHARI,
T. S. RAJAM, } *Directors.*

P. R. SESHAN,
Chief Accountant.

THE PUNJAB NATIONAL BANK LIMITED

HEAD OFFICE "SHREE NIWAS," 8, UNDERHILL ROAD, DELHI.

(Established in 1895)

DIRECTORS' 111th REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 31st DECEMBER, 1957

The General Board of Directors begs to submit to the Shareholders the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1957.

The transactions for the year under report have resulted in a profit of Rs. 1,17,26,903.52 (including Rs. 6,20,272.48 brought forward from the previous year's account) after contribution of Rs. 9,31,930.00 to Gratuity Fund Trust. The following amounts have been appropriated for the under-mentioned purposes:—

		Rs.
1.	Transferred to Income-tax Provision	50,00,000.00
2.	Transferred to Reserve Fund	22,50,000.00
3.	Transferred to Bonus to Staff Account	18,00,000.00
4.	Transferred to Charity Account	1,00,000.00
5.	Ad-interim Dividend at Rs. 2·50 per share free of Income-tax paid	8,75,000.00
	Total .. Rs.	1,00,25,000.00

The Directors recommend that the balance of Rs. 17,01,903.52 be disposed of as follows:—

	Rs.
(a) Dividend at Rs. 2·50 per share free of income-tax on the increased capital as on 31st December, 1957	12,50,000.00
(b) Carry forward to the next year's account	4,51,903.52

The Directors consider that the working of the Bank has been satisfactory.

By Order of the General Board of Directors,

S. P. JAIN,
Chairman.

7th March, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957

1956 Rs.	CAPITAL AND LIABILITIES	Amount Rs.	Total Rs.	1956 Rs.	PROPERTY AND ASSETS	Amount Rs.	Total Rs.
	1. Capital—				**1. Cash—**		
2,00,00,000	AUTHORISED CAPITAL—8,00,000 Shares of Rs. 25 each		2,00,00,000·00	9,37,36,082	In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)		11,05,52,633·93
87,50,000	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL—5,00,000 Shares of Rs. 25 each		1,25,00,000·00		**2. Balances with Other Banks—**		
	Of the above shares 1,50,000 shares are issued as fully paid-up by way of bonus shares which include 927 shares pending export to non-resident Shareholders.			20,17,746	(i) In India. Current Account Rs. 20,93,962·63; Deposit Account Rs. 8,00,00,000·00		
				85,52,885	(ii) Outside India . 1,99,81,466·84; Nil		
				1,05,70,631			10,20,75,429·47
					(Includes Rs. 3,75,761·77 with State Bank of Pakistan)		
	2. Reserve Fund and Other Reserves—						
60,00,000	(i) Reserve Fund as on 1st January, 1957 ..	87,50,000·00		1,95,66,898	**3. Money at Call and Short Notice**		3,22,20,102·33
27,50,000	ADD—Amount transferred from Profit and Loss Account	22,50,000·00			**4. *Investments* at or below Cost—**		
87,50,000		1,10,00,000·00		45,68,05,816	(i) (a) Securities of the Central and State Governments	36,47,87,476·22	
	Rs.			1,21,60,855	(b) Other Trustee Securities	1,08,89,020·00	
37,50,000	(ii) Share Premium Account as on 1st January, 1957 37,50,000·00			46,89,66,671		37,56,76,496·22	
	Less—Amount utilised for issue of bonus shares 37,50,000·00	Nil	1,10,00,000·00		(Estimated Market Value Rs. 37,49,34,185·20) Fully Paid-up Rs. Partly Paid-up Rs.		
1,25,00,000				4,000	(ii) Shares— Preference . 3,000·00 Nil		
48,06,76,084	**3. Deposits and Other Accounts—** Fixed Deposits	60,05,79,657·36		33,86,265	Ordinary . 34,81,265·10 1,25,000·00		
28,14,78,207	Savings Bank Deposits	30,86,75,297·29		33,90,265		36,09,265·10	
29,81,27,653	Current Accounts, Contingency Accounts, etc. ..	33,28,02,018·21		55,42,965	(Estimated Market Value Rs. 26,51,383·60)		
	Employees' Security Deposits (held by the Bank itself)	40,41,485·28			(iii) Debentures of Indian Joint Stock Companies (Estimated Market Value Rs. 51,03,050·00)	54,36,758·41	
38,66,257			1,24,60,98,458·14		(iv) Other Investments— Rs.		
1,06,38,58,201				6,75,000	Pre-partition Punjab Bonds held in India. 6,75,000·00		
	4. Borrowings from Other Banking Companies, Agents, etc.—				Pre-partition Punjab Bonds and other Pakistan Government Securities held in Pakistan .. 12,37,280·62		
2,36,51,111	(i) In India	16,21,553·30		12,54,650	Burma Government Securities held in Burma .. 15,00,000·00		
Nil	(ii) Outside India	Nil	16,21,553·30	30,00,000	Rangoon Municipal Debentures held in Burma .. 1,80,110·00		
2,36,51,111	PARTICULARS—			1,80,110			
	(i) Secured by part of Government Securities lodged	16,21,553·30		51,09,760	(Estimated Market Value Rs. 35,97,691·95)	35,92,390·62	
2,36,51,111	(ii) Unsecured	Nil		Nil	(v) Gold	Nil	
Nil				48,30,09,661			38,83,14,910·35
7,41,12,809	**5. Bills Payable**		7,35,67,960·46		**5. Advances—** (Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)		
	6. Bills for Collection being Bills Receivable as per contra—				(1) Loans, Cash Credits, Overdrafts, etc.— Rs.		
8,33,31,939	(i) Payable in India	9,20,83,289·85		45,80,83,305	(i) In India .. 59,42,34,747·14		
32,50,454	(ii) Payable outside India	51,33,417·59	9,72,71,707·44	27,47,688	(ii) Outside India .. 28,84,131·82		
9,15,82,393				46,08,35,993		59,71,18,878·96	
	7. Other Liabilities—				(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
1,47,814	Dividend and Interest on Advance Calls unclaimed	1,06,058·51			(i) Payable in India.. 7,30,62,214·92		
5,993	Rebate on Bills Discounted	8,381·46	1,14,439·97		(ii) Payable outside India .. 94,07,818·25		
1,53,807							
	8. Acceptances, Endorsements and Other Obligations as per contra		7,59,65,662·52	7,49,84,016			
13,43,90,970				1,27,80,517			
	9. Profit and Loss Account—			8,77,64,533			
9,35,103	Profit as per last Balance Sheet	13,20,272·48		54,86,00,526	(Particulars of Advances—As per Schedule attached)	8,24,70,033·17	67,95,88,912·13
7,00,000	LESS—Final Dividend at Rs. 2 per share free of income-tax for the year 1956	7,00,000·00					
2,35,103		6,20,272·48			**6. Bills Receivable being Bills for Collection** as per contra—		
87,85,165	ADD—Profit for the year brought from the Profit and Loss Account	1,11,06,631·04		8,33,31,939	(i) Payable in India	9,20,83,289·85	
				32,50,454	(ii) Payable outside India	51,33,417·59	
90,20,273		1,17,26,903·52		9,15,82,393			9,72,71,707·44
	LESS— Rs.			13,43,90,970	**7. Constituents' Liability for Acceptances, Endorsements and Other Obligations** as per contra		7,59,65,662·52
	Ad-interim Dividend at Rs. 2·50 per share free of income-tax paid .. 8,75,000·00			39,63,998	**8. Premises Less Depreciation—** Balance on 1st January, 1957 (at cost)		
7,00,000	Transferred to Provision for Income-tax .. 50,00,000·00			1,800	Additions and transfers during the year ..	36,49,856·69	
27,50,000	Transferred to Charity Account .. 1,00,000·00			39,65,798		3,25,680·19	
1,00,000	Transferred to Bonus to Staff Account .. 18,00,000·00			3,15,942	LESS—Transferred to Property not used as Bank premises Rs. Nil	39,75,536·88	
13,00,000	Transferred to Gratuity to Staff Account			36,49,856			
1,00,000	Transferred to Reserve Fund .. .. .. 22,50,000·00			4,29,792	LESS—Depreciation written off to date .. .. 4,88,958·40		
27,50,000				32,20,064		4,88,958·40	
77,00,000		1,00,25,000·00	17,01,903·52	80,42,809	**9. Furniture and Fixture at Cost Less Depreciation—** As per last Balance Sheet		34,86,578·48
13,20,273				10,39,903	Additions and adjustments during the year including transfers from Branches ..	88,21,710·07	
				90,82,712		10,34,191·22	
				2,61,002	LESS—Sales, write offs and adjustments during the year including transfers to Branches	93,55,901·29	
				88,21,710		2,33,641·31	
				40,88,246	LESS—Depreciation written off to date	96,22,259·98	
				47,33,464		45,91,660·87	
	10. Contingent Liabilities—				**10. Other Assets—**		
31,56,365	(i) Claims against the Bank not acknowledged as debts	50,80,273·29		50,21,537	(a) Interest accrued and outstanding and dividends due on investments ..		50,30,599·11
Nil	(ii) Guarantees given on behalf of Directors or Officers	Nil		16,14,530	(b) Prepaid expenses, advance payments and amounts recoverable ..	45,43,189·07	
87,17,928	(iii) Guarantees given on behalf of others ..	1,81,99,027·79		9,44,806	(c) Property not used as Bank premises less depreciation	29,20,941·32	
3,50,316	(iv) Bills of Exchange re-discounted	2,34,691·12		4,74,426	(d) Land purchased for constructing Bank premises	20,37,268·39	
11,02,084	(v) Outstanding Forward Exchange Contracts	3,98,304·76		4,25,527	(e) Library, Motor Cars, Cycles and other Vehicles less depreciation	4,23,530·10	
	(vi) Liability for calls on partly paid Shares of Rehabilitation Housing Corporation Ltd., and Central Warehousing Corporation	6,00,000·00		9,76,047	(f) Stationery and Stamps	5,04,590·83	
3,75,000				35,082	(g) Deposits with Electric Supply Companies and Government Departments ..	11,46,392·90	
	NOTE:—Contingent liability exists in respect of—			1,97,500	(h) Amount remitted for purchase of Trustee Securities	36,218·88	
	Contracts for the construction of Bank's premises and agreement to purchase building for Bank's use.			50,81,000	(i) Remittances in transit (since received) ..	49,50,000·00	
					(j) Amount paid towards purchase of 2½% U.P.Z.A.C. Bonds and fully paid shares of Companies in liquidation	56,06,573·06	
				77,165	(k) Income-tax deducted at source on yield of investments .. Rs. 1,19,69,006·10	Nil	
				59,06,150	LESS—Provision for Taxation Account .. 89,07,646·09		
				2,07,53,770		30,61,360·01	2,52,30,064·65
					11. Non-Banking Assets Acquired in Satisfaction of Claims—		
				1,05,105	Balance as per last Balance Sheet LESS—Depreciation	1,05,104·69 19·75	
					(The book value is less than the realisable value)		
	Total .. Rs.		1,51,98,41,385·35	1,41,03,19,564	Total .. Rs.		1,51,98,41,685·35

kilos in Ceylon and Japan, 10 in the Philippines, 12 in Egypt, and 21 kilos in Italy and Yugoslavia.

Among the low-meat consuming countries, *per capita* annual supplies of cereals (flour and milled rice equivalents) were high, attaining 185 to 200 kilos in Egypt, Turkey and Yugoslavia, around 150 kilos—about double the corresponding figures for Canada and the United States—in Greece, Italy, Japan and Pakistan, and 125 to 130 kilos in Ceylon, India, Philippines and Portugal. Calories derived from foodstuffs of animal origin (defined as meat, eggs, fish, milk, cheese, butter, etc.) accounted in Japan for only 5 per cent. of the total daily *per capita* supplies of calories, for 7 to 8 per cent. in Egypt and Turkey, for 13 to 18 per cent. in Greece, Portugal, Israel, Italy and Yugoslavia; but in New Zealand they represented 50 per cent. of the total, 43 to 44 per cent. in Australia and Canada, and 38 to 40 per cent. in Ireland, United Kingdom, Uruguay, Iceland, Norway, Sweden and the United States.

Housing Conditions

From the latest post-war census data given, the commonest type of dwelling in the less developed countries is composed of one to two rooms (including kitchen). In British Guiana, 90 per cent. of the dwellings were composed of one or two rooms, 56 per cent. in Egypt, 57 per cent. in Finland and, not counting the kitchen as a room, 80 per cent. in Yugoslavia (urban areas). On the other hand, dwellings of five to six rooms constituted half or more of all dwellings in Australia, New Zealand and the Netherlands, and also constituted the largest group in the United Kingdom (44 per cent.), Canada (39 per cent.) and the United States (38 per cent). Dwellings of three to four rooms predominated in most other European countries and also in Brazil, Costa Rica (urban areas), Japan, Puerto Rico and Southern Rhodesia (municipalities only).

Overcrowding is measured by the density of occupation (number of persons per room), and it is stated that dwellings are generally considered overcrowded when there are more than 1.5 persons (United States) or two persons (Europe) per room. For example, the census data shows that there were two or more persons per room in over 93 per cent. of the dwellings in Paraguay, in 78 per cent. of the dwellings in British Guiana, in 56 per cent. of the urban dwellings in Ceylon. At the other end of the scale, in Australia, Canada, Denmark, the Netherlands, New Zealand, Switzerland, the United Kingdom and the United States, the proportion of dwellings with 1.5 or less persons per room ranged from 90 per cent. in Canada and the Netherlands up to 96 per cent. in the urban areas of Australia and Denmark.

Consumption Expenditure

Expenditure for food constitutes the largest item of consumers' private expenditure in all the 27 countries listed in this table. In the less advanced countries covered, it accounted for roughly half of the total expenditure in the latest year shown (generally 1956 or 1955)—54 per cent. in Ghana, 53 per cent. in Yugoslavia, 50 per cent. in Honduras, 46 per cent. in the Republic of Korea, 44 per cent. in Panama. The combined expenditure on food and the item "tobacco and beverages" represented 71 per cent. of total private consumption in Nigeria (1950), 55 per cent. in Japan, 50 per cent. in the Dominican Republic and 45 per cent. in Puerto Rico.

Among European countries, expenditure on food ranged from 30 to 34 per cent. in Sweden, Norway, Belgium, the United Kingdom and Luxembourg; it was somewhat higher, 36 to 37 per cent., in Austria, Finland, Ireland and the Netherlands and it reached 39 per cent. in France (1951) and 46 per cent. in Italy. Expenditure on food averaged around a quarter of total private consumption expenditure in the three largely self-sufficient food-producing countries listed: 21 per cent. in Canada, 26 per cent. in Australia, 27 per cent. in the United States.

Rent

Due to rent control, the proportion of private consumption expenditure devoted to rent has been drastically reduced in many countries since pre-war (1938): for example, it has fallen by about three-fourths in Italy, about a half in Australia, Ireland and Norway, and a quarter to a third in Sweden and the United Kingdom; in the latest year shown it ranged from only 3 to 6 per cent. of total private consumption expenditure in France, Austria and Denmark.

In most countries, clothing is the item accounting for the major expenditure after food; it exceeded rent in all countries listed except Belgium, Canada, the Dominican Republic, Panama and the United States, and tobacco and beverages in all except Ireland, Panama and the United Kingdom. Expenditure on tobacco and beverages is shown as exceeding or equalling expenditure on rent in all countries listed except Belgium, Canada, Chile, Ecuador, Israel, South Korea, Panama and the United States.

THE MERCANTILE BANK LIMITED

(*Concluded from page* 693)

of Japan raised its rediscount rate in March and again in May to 8.395 per cent. In addition to this tight-money policy, the Government issued directives to private enterprise to restrict non-urgent investment such as house building, and took steps to curb imports. As a result, cuts in production are the order of the day until the Government considers that the situation justifies an easing of the present tight-money policy. There are indications that these steps are taking effect and improving the balance of payments equilibrium.

"Japan had another favourable rice crop in 1957, estimated at 350 million bushels, 5.3 per cent. higher than in the previous year. Population is now estimated at 91 million and may rise to 100 million by 1970. Strikes occurred in the shipping and steel industries, both detrimental to the country's export trade. In shipbuilding Japan now ranks first in the World having launched 2,424,000 tons in 1957. This industry is now Japan's biggest dollar earner and one of the best sources of foreign exchange income for the nation.

"Mr. Ishibashi, who became Premier in December 1956, resigned owing to ill-health on the 23rd February, 1957, and Mr. Nobusuke Kishi was nominated Premier in his place.

"The life-line of trade, both national and international, is through the facilities made available by the banking system and the friendly co-operation between those responsible for commerce, industry and trade and the banks through which their financial business is transacted. Fortunately, this is well recognised by the Governments of the countries in which we have branches and, although legislative controls are increasing and thus adding to the burdens of our Managers and staff, the banking service we are able to provide is of considerable value to the national and international trade of these countries. The skilled work and friendly relations between our Managers and staff and the customers and other nationals of the countries in which they work is a principal cause of the continued prosperity of the Bank. Our gratitude is due to them.

"Mr. R. N. Drake has been Chief Manager since 1950. During this period we have made great progress. He will be retiring from the onerous position of Chief Executive and merits our thanks for his long years of service with the Bank, Mr. C. R. Wardle will be appointed Chief Manager in his place."

THE PUNJAB NATIONAL BANK LIMITED DELHI—*Contd.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

1956 Rs.	EXPENDITURE	Amount Rs.	1956 Rs.	INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Amount Rs.
1,92,99,544	1. Interest paid on Deposits, Borrowings, etc.	2,66,71,836·63			
	2. Salaries and Allowances and Provident Fund (includes Rs. 66,774·12 paid to the General Manager, besides payment of bonus amounting to Rs. 6,236·50 and use of Bank's car; includes Rs. 9,31,930 being Contribution to Gratuity Fund Trust)		4,01,61,733	1. Interest and Discount	5,18,45,096·49
1,79,95,854			89,29,934	2. Commission, Exchange and Brokerage	1,06,42,096·32
18,470	3. Directors' and Local Committee Members' Fees and Allowances	19,453·50	10,24,645	3. Rents	11,22,712·65
12,78,781	4. Rent, Taxes, Insurance, Lighting, etc.	14,12,121·86		4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
2,11,575	5. Law Charges	1,37,137·26	Nil		
15,84,066	6. Postage, Telegrams and Stamps	18,74,627·32		5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
8,000	7. Auditors' Fees	12,000·00	Nil		
7,40,057	8. Depreciation on and Repairs to the Banking Company's Property ..	8,49,019·12		6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil
10,56,357	9. Stationery, Printing, Advertisement, etc.	12,49,202·19	Nil		
Nil	10. Loss from Sale of or Dealing with Non-Banking Assets	Nil	26,17,818	7. Other Receipts	Nil
17,46,231	11. Other Expenditure	26,23,984·55			34,17,393·03
87,85,165	12. Balance of Profit (subject to Taxation)	1,11,06,631·04			
5,27,34,130	Total .. Rs.	6,70,27,298·49	5,27,34,130	Total .. Rs.	6,70,27,298·49

Schedule of Particulars required by the Banking Companies Act, 1949, (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December, 1957.

1956 Rs.	PARTICULARS OF ADVANCES	Rs.	1956 Rs.	PARTICULARS OF ADVANCES	Rs.
51,73,58,002	(i) Debts considered good in respect of which the banking company is fully secured	63,15,72,423·12		(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons—	
			Nil	Directors .. .. Rs. Nil	
2,21,18,189	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	2,94,78,240·50	3,23,153	Officers .. .. 3,77,109·21	
			3,23,153		3,77,109·21
91,24,335	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	1,85,38,248·51		(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members	3,32,93,841·68
Nil	(iv) Debts considered doubtful or bad, not provided for	Nil	1,46,77,289	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons	3,86,394·79
			3,61,004	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members ..	3,37,52,514·14
54,86,00,526			1,74,10,499	(ix) Due from banking companies	24,05,780·68
		67,95,88,912·13	32,07,522		

AUDITORS' REPORT TO THE SHAREHOLDERS, THE PUNJAB NATIONAL BANK LIMITED, DELHI.

We have audited the annexed Balance Sheet of the Punjab National Bank Ltd., as at 31st December, 1957, and also the annexed Profit and Loss Account of the Bank for the year ended on that date, with the books and accounts kept at the Head Office in Delhi, in which are incorporated the unaudited returns of the Bank's Branches in Indian Union, Pakistan and Burma none of which were visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of Section 211 and sub-section (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are, therefore, drawn up in conformity with forms 'A' and 'B' of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) in our opinion, proper books of accounts as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Branches of the Bank;

(c) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

(d) the Bank's Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our knowledge and information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet, read along with the notes appearing thereon, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

NEW DELHI, 7th March, 1958.

V. SANKAR AIYAR & CO.,
Chartered Accountants.

R. K. CHAWLA, Chief Accountant.
MOHAN SINGH, Deputy General Manager.
S. P. JAIN, C. L. BAJORIA, SHITAL PRASAD, MAHARAJ KRISHNA KAPUR, J. N. BHAN, KAMALNAYAN BAJAJ, D. D. PURI, MOHAN SINGH, Directors. Chairman.
S. L. VERMA, Assistant Secretary, Accounts.
A. M. WALKER, General Manager.
R. L. TULI, Secretary and Deputy General Manager.

THE INDIAN BANK LIMITED, MADRAS

(ESTABLISHED 1907)

DIRECTORS' ONE HUNDRED AND FIRST REPORT

The Directors have the pleasure to submit a statement of Assets and Liabilities and of Profit and Loss Account of the Bank for the year ended 31st December 1957. The Auditors' Report is also annexed.

2. The Net Profit of the Bank for the year amounts to Rs. 32,01,184.42 and together with the sum of Rs. 8,13,491.40 carried from the previous year's account, makes a total of Rs. 40,14,675.82.

3. Out of this sum, the Directors have made the following *interim appropriations*:

	Rs.	nP
An *ad interim* dividend at the rate of 5 per cent. and a Bonus of 1½ per cent. (both free of Income-tax) was paid which absorbed	4,22,500	00

The Directors now recommend that the following further appropriations may be made:

To pay a *final dividend* of 5 per cent. and a *Bonus of* 1½ per cent. (both free of Income-tax) thereby making the dividend and bonus for the year amount to 12 per cent.	4,30,000	00
To pay a Golden Jubilee dividend of 2 per cent. (free of Income-tax)	1,32,800	00
To provision for Taxes	15,00,000	00
To transfer to Reserve Fund under Section 17 of the Banking Companies Act, 1949	10,50,000	00
To transfer to Sinking Fund	1,50,000	00
To transfer to Development Fund	50,000	00
To transfer to Gratuity Fund	50,000	00
To transfer to Bank's Buildings account	25,000	00
To carry forward	2,04,375	82
Total .. Rs.	40,14,675	82

4. The Bank rate which stood at 3½ per cent. at the *beginning* of this year was *raised* to 4 *per cent.* from 16th May 1957 and remains unchanged.

5. Offices of the Bank were opened during the year at Ayanavaram (Madras), Mint Street (Madras), Rajah Annamalaipuram (Madras), Saidapet (Madras), Thousand Lights (Madras), Brodipet (Guntur), Eluru, Nagercoil, Srirangam, Tennur (Tiruchirapalli), Tiruchirapalli Cantonment, Tallakulam (Madurai).

6. In accordance with Articles 95 and 96 of the Articles of Association of the Bank read with Section 259, of the Companies Act, 1956 four Directors, Messrs. Kumararajah M. A. M. Muthiah Chettiar of Chettinad, R. K. Venkatachalam, R. Sundram Iyer and Rao Bahadur T. S. *Kachapikesa Mudaliar retire this year by* rotation and they, being eligible, offer themselves for re-election.

7. The Directors regret to report the sad demise of Mr. C. Krishnamoorthy Mudaliar, Director of the Bank, on 21st December 1957. Mr. C. Ramanadha Mudaliar, who was co-opted in his place died on 14th February 1958. The Directors desire to record their great appreciation of their valuable services to the Bank.

INDIAN BANK BUILDINGS,
MADRAS, *12th March* 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

Corresponding figures 31st Dec., 1956 Rs. nP	CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
	1. Capital—		
	AUTHORISED CAPITAL— 1,00,000 Shares of Rs. 100 each ..	1,00,00,000 00	
	ISSUED CAPITAL FOR PAYMENT IN CASH— 72,000 Shares of Rs. 100 each.. ..	72,00,000 00	
	SUBSCRIBED CAPITAL— 72,000 Shares of Rs. 100 each.. ..	72,00,000 00	
	AMOUNT CALLED UP— 44,000 Shares of Rs. 100 each .. On 28,000 Shares at Rs. 80 per share..	44,00,000 00 22,40,000 00	
		66,40,000 00	
	LESS—Calls unpaid	24,555 00	
		66,15,445 00	
	ADD—Forfeited Shares	Nil	
68,33,180 00			66,15,445 00
31,17,300 00	SHARE PREMIUM ACCOUNT		31,17,300 00
	2. Reserve Fund and Other Reserves—		
	(i) Reserve Fund under Section 17 of the Banking Companies Act 1949 ..	41,32,900 00	
	(ii) Reserve Fund other than that under Section 17 of the Banking Companies Act 1949	10,00,000 00	
	(iii) Sinking Fund	5,00,160 03	
48,37,900 00			56,33,060 03
	3. Deposits and Other Accounts—		
	Fixed Deposits	12,39,48,455 92	
	Season and Short-Term Deposits ..	4,63,07,074 53	
	Savings Bank Deposits	6,93,42,710 56	
	Current Accounts, Contingency Accounts, etc.	11,24,43,124 48	
32,56,44,260 84			35,21,01,965 49
	4. Borrowings from Other Banking Companies, Agents, etc.—		
	(i) In India	Nil	
	(ii) Outside India	Nil	
1,93,00,000 00			Nil
	PARTICULARS—		
	(i) Secured (Secured by part of investments in Central and State Government securities as per contra) Rs. Nil		
	(ii) Unsecured Rs. Nil		
1,01,25,403 29	**5. Bills Payable**		88,00,515 44
	6. Bills for Collection being Bills Receivable as per contra—		
	(i) Payable in India	3,17,41,167 77	
	(ii) Payable outside India	92,39,300 22	
5,77,79,510 62			4,09,80,467 99
	7. Other Liabilities—		
	(i) Rebate on Bills	21,411 27	
	(ii) Unclaimed Dividends	1,03,425 00	
	(iii) T.Ts. Payable	2,78,227 84	
	(iv) Sundries Payable	7,44,221 31	
	(v) Provision for Taxes	11,62,108 89	
	(vi) Branch Adjustment	50,87,258 49	
	(vii) Interest Realisable	20,413 15	
85,18,027 33			74,23,065 95
	8. Acceptances, Endorsements and Other Obligations per contra		
3,99,96,691 21			1,86,41,240 55
	9. Profit and Loss—		
	Profit as per Balance Sheet as at 31st December 1956	43,24,491 40	
	LESS—Appropriations—		
	(i) Final dividend of 5 per cent. and a bonus of 1½ per cent. (both free of income-tax) .. Rs. 4,06,000 nP 00		
	(ii) Provision for taxes .. 18,50,000 00		
	(iii) Reserve fund under Section 17 of B.C. Act 1949 .. 10,00,000 00		
	(iv) Sinking fund . 75,000 00		
	(v) Depreciation on Bank's Premises .. 30,000 00		
	(vi) Special Gratuity Fund .. 1,50,000 00		
43,24,491 40		35,11,000 00	
	ADD—Profit for the year brought from the Profit and Loss Account	8,13,491 40	
		32,01,184 42	
	LESS—Interim Appropriation— Ad-Interim Dividend at the rate of 5 per cent. and a Bonus of 1½ per cent. (both free of income-tax) ..	40,14,675 82 4,22,500 00	
			35,92,175 82
	10. Contingent Liabilities—		
	(1) On partly paid-up shares of Banks Rs. 30,675.00.		
	(2) Claims against the Bank not acknowledged as debts—		
	(a) Rs. 25,000.00 falling which Rs. 670.69.		
	(b) Rs. 54,489.81.		
	(3) On guarantees given on behalf of constituents Rs. 96,34,264.20.		
	(4) On Forward Exchange contracts Rs. 3,61,10,934.41.		
48,09,46,714 69	Total .. Rs.		44,69,05,236 27

Corresponding figures 31st Dec., 1956 Rs. nP	PROPERTY AND ASSETS	Rs. nP	Rs. nP
2,91,93,694 81	**1. Cash—** In hand and with Reserve Bank and State Bank (including Foreign Currency Notes)		3,44,50,611 64
	2. Balances with Other Banks*—		
	(i) In India— Rs. nP		
	On Deposit .. Nil		
	In Current Account 31,44,920 05	31,44,920 05	
	(ii) Outside India—		
	On Deposit .. Nil		
	In Current Account 60,52,434 47	60,52,434 47	
95,00,667 03			91,97,354 52
Nil	**3. Money at Call and Short Notice**		3,81,88,758 54
	4. Investments (at-cost)*—		
	(i) Securities of the Central and State Governments (Terminable loans) and other Trustee Securities, including Treasury Bills of the Central and State Governments— Face Value Rs. nP / Market Value Rs. nP		
	Quoted 9,49,68,100 00 / 9,06,21,208 15		
	Unquoted 14,50,000 00 ..	9,68,71,566 53	
	(ii) Shares (Quoted)— Rs. nP		
	Preference (other than Banking Companies)— Fully paid .. 66,900 00		
	Ordinary (Banking and other Companies)— Fully paid .. 6,92,410 00		
	Partly paid .. 1,18,019 50		
	(Market Value Rs. 8,02,650.50)	8,77,329 50	
	(iii) Debentures: Face Value (Unquoted) Rs. 3,87,000 ..	3,87,000 00	
	(iv) Other Investments—(Quoted)—		
	Malayan and F.M.S. Terminable loans Face Value St. $550,500 .. (Market Value Rs. 7,36,374.12)	8,50,423 67	
	British 3 per cent. 1955-59 War Loan Face Value £12,212-10-4 .. (Market Value Rs. 1,56,417.02)	1,59,143 68	
	Ceylon Government Terminable Loan Face Value Rs. 11,50,000 .. (Market Value Rs. 11,56,026.25)	11,58,336 00	
	Ceylon Development Finance Corporation Shares Paid up Value Rs. 50,000.00 (Market Value Rs. 40,000.00)	50,000 00	
	(v) Gold .. .. .. (Provision in Sinking fund and non-statutory Reserve Fund as per contra Rs. 15,00,160.03 towards depreciation on investments.)	Nil	
9,98,70,581 82			10,08,59,799 36
	5. Advances— (Other than bad and doubtful debts for which provision has been made to the satisfaction of auditors).		
	(1) Loans, Cash Credits, Overdrafts, etc.— Rs. nP		
	(i) In India .. 15,13,23,327 01		
	(ii) Outside India 1,06,62,025 89		
	(2) Bills Discounted and Purchased (excluding *Treasury Bills* of the Central and State Governments)— Rs. nP	16,19,85,352 90	
	(i) Payable in India .. 2,41,67,478 50		
	(ii) Payable outside India 1,36,01,121 72		
23,69,29,277 58	(Particulars as per separate *statement*)	3,77,68,600 22	19,97,53,953 12
	6. Bills Receivable Being Bills for Collection as per contra—		
	(i) Payable in India	3,17,41,167 77	
5,77,79,510 62	(ii) Payable outside India	92,39,300 22	
	7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		4,09,80,467 99
3,99,96,691 21			1,86,41,240 55
	8. Premises— Rs. nP		
	At cost as at 31st December 1956 .. 8,18,729 06		
	Additions during the year .. 2,43,220 07		
	LESS—Depreciation written off to date..	10,61,949 13 5,28,609 54	
3,24,509 32			5,33,339 59
	9. Safes, Furniture, Fixtures, etc.— Rs. nP		
	At cost as at 31st December 1956 .. 13,22,666 32		
	Additions during the year .. 3,07,606 62		
	LESS—Deductions in the year	16,30,272 94 65,814 70	
	LESS—Depreciation written off to date..	15,64,458 24 7,00,668 06	
7,03,974 86			8,63,800 18
	10. Other Assets, including Silver— Books and Stationery .. .. Sundries Receivable (including advance Income-tax amounting to Rs. 17,54,301.08) .. .. Interest Accrued on Investments .. Stamps and Drafts .. .. Silver	5,37,209 34 22,37,463 54 9,08,138 82 26,714 71 Nil	
55,54,021 94			37,09,526 41
1,93,785 00	**11. Non-Banking Assets Acquired in Satisfaction of Claims—** (At cost—Either reserve price fixed by Court or purchase price paid at public auction)		2,31,785 00
48,09,46,714 69	* Includes investment of staff security deposits. Total .. Rs.		44,69,05,236 27

(Continued on next page)

NEW PUBLICATIONS

Taxation of Companies. By Girish C. Sharma. Published by "Taxation," 3, Daryaganj, Delhi-7. Pages : 716. Price : Rs. 25.

THE author of the book, Mr. G. C. Sharma, is an officer of the Central Board of Revenue. Because of his intimate contact with the work of assessment of companies, Mr. Sharma is particularly well equipped to write on the subject of taxation of companies. Since the book deals exclusively with the taxation of companies, it is bound to be a desk reference book for all those who are connected with company administration. Of the eleven chapters in the book, attention deserves to be drawn to the author's special treatment of Section 23A companies, of assessment of foreign companies and depreciation and other allowances. Carefully worked out examples serve to make each problem in the computation of income and taxes thereon clear to the reader. The author's practical approach deserves to be highly commended.

Economic and Commercial Conditions in Nigeria. Published by Her Majesty's Stationery Office, London. Price : 10s.

A detailed description of Nigeria as a market for British exports is given in a new survey, *Economic and Commercial Conditions in Nigeria*, prepared by the United Kingdom Trade Commissioners in Lagos and published for the Board of Trade by H.M. Stationery Office. Nigeria is the United Kingdom's largest dependency, with a population of 33 million, and this survey describes its vast development plans and gives much useful information about other aspects of Nigeria's economy. According to the survey, current public and private development plans are expected to maintain a strong demand for constructional material in particular, such as building materials and components, structural iron and steel parts, pipes, tubes, fittings and hand tools. Extensions to the road system of the country have brought about a greatly increased use of road transport but there is an intense competition in the motor vehicle market, especially from Western Germany. Cycles and powered cycles are wanted in increasing numbers. Nigeria provides a large market for a very wide range of articles manufactured in the United Kingdom. Specially important lines are indicated by the survey and statistics given. A particularly interesting feature of Nigerian trade is the local market. The Nigerian climate is so mild that it is possible to trade in the open air all the year round and this is one of the major factors that determines the method and cost of distribution of consumer goods. A considerable and increasing number of African concerns engage in the import trade, placing their orders in some cases directly with manufacturers but more often through the intermediary of confirming houses.

Indian Economics. General Editor : Kastur Chand Lalwani. Published by Artha Vanijya Gabesana Mandir, 12, Duff Street, Calcutta-6. Pages : 256. Price : Rs. 6-4.

Textbooks on Indian Economics are fast becoming out of date. The rapidity with which radical changes are brought about in the economic life of the post-Independence India makes most of the stuff in the traditional textbooks on Indian Economics beginning with nineteenth century, more or less of academic interest only. This calls for a reorientation of the methods and techniques of writing books on Indian Economics. The emphasis laid by the book under review on the current economic problems, no doubt, shows that the author is aware of this vital need.

The book begins with a bird's-eye view of the economic development during the eventful period of the last decade, beginning from the measures undertaken for post-war reconstruction. It is followed by an analytical study of a dozen of the burning economic problems of the day, ranging from the pressure of population, to planning and progress. The author might have done well to include more recent data. The chapter on industries is less informative than the one on agriculture. Nevertheless, it will prove useful both to students of Indian Economics and general readers.

Facts About Germany. Published by the Press and Information Office of the Federal German Government. Pages : 196.

Within the short compass of this publication of hardly 200 pages has been compressed a mass of information about the social, economic and cultural aspects of present-day Germany (West). The various topics are conveniently arranged and appropriately classified to facilitate easy reference. The first section contains a succinct account of the political and administrative set-up of the Republic and its historical evolution. The second, dealing with the economy and containing detailed information about such vital aspects as national product, pattern of consumption and employment, trade, currency and credit, public administration and taxation, industrial production and power generation is of particular interest to business men as it gives an idea of the vast dimensions of Western Europe's most efficient industrial economy. The social structure of Germany, labour and public welfare measures obtaining in the country, etc., form the subject matter of the third. The last section gives a bird's-eye view of the cultural aspects of the life of the German people.

Textile Industry in South India. Compiled by Messrs. Dalal & Co., Madras-1. Pages : 249. Price : Rs. 5.

This is the eighth edition of the *Textile Industry in South India* brought out by Messrs. Dalal & Co., stock and share brokers of Madras. The edition discusses the Indian cotton textile industry, in general, and in South India, in particular. Much information is thrown on production and export of textiles in South India, rationalisation of the industry, labour problems and Government policy. The aspect relating to handloom industry have also been dealt with. As many mills spin staple fibre yarn and as the shares of the silk and rayon industries are listed under "Textiles" on stock exchanges, the publishers have done well to include brief comments on staple fibre, spinning and silk and rayon industries. A special feature of this publication is the review of the financial conditions up to date of as many as 78 textile mills in South India.

THE INDIAN BANK LIMITED, MADRAS—*(Continued)*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1957.

Corresponding Figures 31st Dec., 1956 Rs. nP	EXPENDITURE	Rs. nP	Rs. nP
77,20,328 85	1. Interest paid on Deposits, Borrowings, etc.	83,81,317 46	
57,70,318 22	2. Salaries and Allowances, Provident Fund, Bonus, Golden Jubilee Bonus and Gratuity, excluding Rs. 75,000 paid to Ex-Secretary to the debit of Special Gratuity Fund .. .. .. (Salary and Allowances paid to Ex-Secretary till date of retirement Rs. 6,820.16 ; Secretary Rs. 54,232.04)	68,35,797 41	
1,12,962 96	3. Directors' and Local Committee Members' Fees and Allowances ..	1,07,121 00	
5,55,943 57	4. Rent, Taxes, Insurance, Lighting, etc.	5,90,219 57	
8,273 03	5. Law Charges	25,900 62	
4,24,286 54	6. Postage, Telegrams and Stamps	4,80,744 36	
20,720 72	7. Auditors' Fees	20,909 00	
1,39,244 13	8. Depreciation on and Repairs to the Banking Company's Property ..	1,50,560 15	
4,63,759 87	9. Stationery, Printing, Advertisement, etc.	4,77,854 74	
Nil	10a. Loss from Sale of or Dealing with Non-Banking Assets	Nil	
5,001 53	10b. Net loss on Sale of Investments	Nil	
6,51,049 08	11. Other Expenditure (including Golden Jubilee Expenses)	8,04,616 78	
45,70,651 70	12. Balance of Profit	32,01,184 42	
2,04,32,629 70	Total .. Rs.	2,10,76,174 51	

Corresponding Figures 31st Dec., 1956 Rs. nP	INCOME (Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP
1,25,76,365 42	1. Interest and Discount	1,43,16,637 60
75,46,218 74	2. Commission, Exchange and Brokerage	64,27,567 17
1,06,150 96	3. Rents	91,822 46
Nil	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets. (Not credited to Reserves or any particular Fund or Account)	Nil
Nil	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets. (Not credited to Reserves or any particular Fund or Account)	Nil
Nil	6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	3,969 25
2,03,394 58	7. Other Receipts	2,35,878 03
2,04,32,629 70	Total .. Rs.	2,10,76,174 51

PARTICULARS OF ADVANCES REFERRED TO ON THE ASSETS SIDE OF THE BALANCE SHEET AS AT 31st DECEMBER, 1957.

PARTICULARS OF ADVANCES	Amount Rs. nP
(i) Debts considered good in respect of which the Banking Company is fully secured ..	16,16,14,787 42
(ii) Debts considered good for which the Banking Company holds no other security than the debtor's personal security	3,11,02,791 00
Advances under Joint and several Promotes including Bills Discounted and Purchased .. Rs. nP 2,02,76,801 90	
Advances to individual parties including Bills Discounted and Purchased 1,08,25,899 10	
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	62,29,478 92
(iv) Debts due on temporary overdrafts and other advances	8,06,895 78
(v) Debts considered doubtful or bad not provided for	Nil
Total .. Rs.	19,97,53,953 12

PARTICULARS OF ADVANCES	Amount Rs. nP
(vi) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons (of which Rs. 2,36,749.35 is fully secured)	2,44,849 05
(vii) Debts due by companies or firms in which the Directors of the Banking Company are interested as directors, partners or managing agents or, in the case of private companies, as members [of which (a) Rs. 46,97,223.80 is fully secured and (b) Rs. 60,39,327.05 is due by a company where a director of the Banking Company is an ex-officio director and the advance is guaranteed by a State Government] ..	1,15,96,242 46
(viii) Maximum total amount of advances, including temporary advances, made at any time during the year to Directors or Managers or officers of the Banking Company or any of them either severally or jointly with any other persons (of which Rs. 2,96,888.47 is fully secured)	3,08,622 51
(ix) Maximum total amount of advances, including temporary advances granted during the year to companies or firms in which the directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members [of which (a) Rs. 41,03,213.03 is fully secured and (b) Rs. 82,96,756.24 is due by a company where a director of the Banking Company is an ex-officio director and the advance is guaranteed by a State Government] ..	1,32,20,371 12
(x) Due from Banking Companies	14,37,378 51

We have audited the above Balance Sheet of the Indian Bank, Limited, as at 31st December 1957 and also the above Profit and Loss Account of the Bank for the year ended on that date with the books of account of Head Office and Branches, other than those in Malaya, and with certified returns from Malayan Branches and report that :—

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;

(b) Such information and explanations have been found to be satisfactory ;

(c) The returns received from the branches have been found adequate for the purpose of our audit ;

(d) The transactions of the Bank as have come to our notice have been, in our opinion, within the powers of the Bank ;

(e) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required ;

(f) In our opinion,

(i) the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December 1957 ;

(ii) the Profit and Loss Account gives a true and fair view of the Profit or Loss for the year ended that date and shows a true balance of profit for the period covered by the audit ; and

(iii) proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books ; and

(g) The Bank's Balance Sheet and the Profit and Loss Account dealt with by the Report are in agreement with the books of account and Returns.

V. SOUNDARARAJAN & CO.,
KARRA DAKSHINAMURTHY,
BRAHMAYYA & CO.,
B. PURUSHOTTAM & CO.,
SUNDARAM & SRINIVASAN,
Chartered Accountants. } Auditors,

MADRAS, Dated 13th March 1958.

M. A. M. MUTHIAH CHETTIAR,
R. K. VENKATACHALAM,
R. SUNDRAM IYER,
T. S. KACHAPIKESA MUDALIYAR,
O. M. SP. L. M. MEYYAPPA CHETTIAR,
M. A. MUTHIAH CHETTIAR, } Directors.

M. R. GURUSWAMI MUDALIAR,
K. ARUNACHALA MUDALIAR,
L. ALAGUSUNDARAM CHETTIAR,
P. V. RM. KULANDAYAN CHETTIAR,
K. BALASUBRAMANIA IYER,
E. M. MUTHAPPA CHETTIAR,

S. MUTHUSWAMI, Ag. Chief Accountant.
A. K. PRABHU, Deputy Secretary.
D. P. PARTHASARATHY, Secretary.

HABIB BANK LIMITED

Head Office : KARACHI (Pakistan)

CONDENSED BALANCE SHEET AS AT 31st DECEMBER, 1957.

LIABILITIES	Pak. Rupees
Capital	20,000,000
Reserve Funds	20,000,000
Deposits	597,064,511
Amounts in Transit	43,769,105
Bills for Collection	28,828,220
Liability for Letters of Credit, etc.	116,616,001
Total	826,277,837

ASSETS	Pak. Rupees
Cash and Bank Balances	157,676,119
Government Securities and Bullion	336,950,175
Loans and Advances	173,011,342
Bills lodged for Collection	28,828,220
Customers' Liability on Letters of Credit, etc.	116,616,001
Other Assets	13,195,980
Total	826,277,837

76 BRANCHES THROUGHOUT EAST AND WEST PAKISTAN.

Bombay Branch : Mahomedali Road, Bombay.

Habib Bank (Overseas) Limited

HEAD OFFICE: KARACHI (Pakistan)

Branches : 1. ADEN. 2. COLOMBO. 3. MOMBASA. 4. RANGOON.

Habib Bank Limited

(Incorporated in Pakistan—Members Liabilities Limited)

BOMBAY BRANCH

BALANCE SHEET AS ON 31st DECEMBER 1957. (IN INDIAN RUPEES)

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—		
AUTHORISED CAPITAL—		
Shares of Rs. each		Nil
ISSUED CAPITAL—		
Shares of Rs. each		Nil
SUBSCRIBED CAPITAL—		
Shares of Rs. each	....	
Amount called up at Rs. per share	....	
Less—Calls unpaid	....	
Add—Forfeited shares	....	
		Nil
1. (a) Bank Deposit of Investments in Government Securities with the Reserve Bank of India under Section 11 (2)	20,30,800 00	
		Nil
2. Reserve Fund		
3. Deposits and Other Accounts—		
Fixed Deposits	11,48,691 28	
Savings Bank Deposits	2,39,482 40	
Current Accounts, Contingency Accounts, etc.	81,13,396 67	95,01,570 35
4. Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	Nil	
(ii) Outside India	Nil	Nil
PARTICULARS—		
(i) Secured	Nil	
(ii) Unsecured	Nil	Nil
5. Bills Payable		2,94,193 50
6. Bills for Collection being Bills Receivable as per contra—		
(i) Payable in India	75,181 23	
(ii) Payable outside India	14,75,350 03	15,50,531 26
7. Other Liabilities—		
Branch Adjustments	8,61,097 28	
Rebate on Bills Discounted	6,770 46	8,67,867 74
8. Acceptances, Endorsements and Other Obligations per contra		29,08,131 05
9. Profit and Loss Account—		
Profit for the year		2,43,181 90
10. Contingent Liabilities—		
(i) Claims against the banking company not acknowledged as debts	Nil	
(ii) Money for which the bank is contingently liable	Nil	
(iii) Arrears of cumulative preference dividends	Nil	
(iv) Liability on Bills of Exchange re-discounted	Nil	
(v) Liability on account of outstanding Forward Exchange Contracts	11,60,484 33	
(vi) Liability in respect of amounts uncalled on partly paid shares held by the Banking Company	Nil	
Total Rs.		1,53,55,475 80

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash— In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		8,10,195 69
2. Balance with Other Banks in Current Account— (i) In India	16,009 11	
(ii) Outside India	81,559 79	97,568 90
3. Money at Call and Short Notice		19,00,000 00
4. Investments (at cost or market value whichever is lower)— (i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of Central and State Governments	29,67,019 40	
(ii) Shares— Rs. nP (a) Fully Paid Ordinary Shares .. Nil (b) Fully Paid Preference Shares .. Nil	Nil	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	29,67,019 40
5. Advances (other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)— I. Loans, Cash Credits, Overdrafts, etc. Rs. nP (i) In India 29,09,877 88 (ii) Outside India Nil	29,09,877 88	
II. Bills Discounted and Purchased— (i) Payable in India 13,11,314 31 (ii) Payable outside India 6,30,966 74	19,42,281 05	49,12,158 93
PARTICULARS—	Loans, Cash Credits, Overdrafts, etc. Rs. nP / Bills Discounted and Purchased Rs. nP	
(i) Debts considered good in respect of which the banking company is fully secured	8,42,645 86 / 9,01,464 00	
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	4,20,913 72 / 90,044 80	
(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	17,06,318 30 / 9,50,772 25	
(iv) Debts considered doubtful or bad, not provided for	Nil / Nil	
	29,69,877 88 / 19,42,281 05	
(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	Nil / Nil	
(vi) Debts due by companies or firms in which the directors of the banking companies are interested as directors, partners or managing agents or, in the case of private companies, as members	2,35,352 64 / Nil	
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	Nil / Nil	
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	3,19,353 20 / Nil	
(ix) Due from Banking Companies	18,447 34 / Nil	
6. Bills for Collection being Bills Receivable as per contra— (i) Payable in India	75,181 23	
(ii) Payable outside India	14,75,350 03	15,50,531 26
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		29,08,131 05
8. Furniture and Fixtures (less depreciation)— Furniture and Fixtures at cost as on 31st December, 1956	2,81,214 85	
Additions during the year	4,422 69	
	2,85,637 54	
Less—Sales during the year	3,180 94	
	2,82,456 60	
Less—Depreciation— Rs. nP Upto 31st December, 1956 .. 2,33,751 08 For the year 1957 .. 4,608 00	2,38,359 08	44,097 52
9. Other Assets— (i) Advance Payments for Tax	92,799 31	
(ii) Interest accrued on Investments	23,886 55	
(iii) Silver	Nil	
(iv) Stamps	712 41	
(v) Stationery on hand	16,671 68	
(vi) Suspense Account and other sums receivable	41,753 10	1,75,773 05
10. Non-Banking Assets (Immoveable Property less Depreciation)		Nil
11. Profit and Loss Account— Loss for the year		....
Total Rs.		1,53,55,475 80

QUESTION HOUR IN PARLIAMENT

Atomic Fuel Fabrication Plant

AN atomic fuel fabrication plant is proposed to be established at the Atomic Energy Establishment, Trombay.

—Jawaharlal Nehru

Foreign Investments

Foreign capital investments in India at the end of 1955, the period for which latest information is available, was Rs. 63 lakhs in the public sector and Rs. 480.01 crores in the private sector.

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Bonus Shares

The tax demand on bonus issues for the fiscal year 1956-57 was Rs. 26.5 lakhs. For 1957-58, the tax demanded up to February 1958 was Rs. 164.4 lakhs. For the financial year 1958-59, the revenue expectation is Rs. 150 lakhs.

• • • •

Foreign Exchange for Ships Purchase

Expenditure in foreign exchange aggregating about Rs. 654 lakhs and Rs. 14,03 lakhs was allowed during the years 1955-56 and 1956-57, respectively, in connection with the purchase of ships and spares, including delivery charges.

—Morarji Desai

Small Savings

The net receipts under the Small Savings Scheme, taking all the saving certificates together, are larger this year than in the previous year. The total deposits are Rs. 174 crores and total withdrawals Rs. 156 crores, leaving a net deposit of Rs. 18 crores.

• • • •

Commonwealth Bank

The question of setting up a commonwealth bank to assist the underdeveloped Commonwealth countries in developing their economy is still in an exploratory stage. The U.K. Government initiated the question of setting up such a bank. The matter was discussed at various times at various levels including the Commonwealth Conferences and the Commonwealth Finance Ministers' Conference. But due to some difficulties, it has not taken any concrete shape, the main difficulty being the question of funds and who will contribute. The Government of India has not taken any initiative in the setting up of this bank.

• • • •

Insurance Companies

There is a proposal under consideration of the Government to transfer the controlled business of the Bharat Insurance Company and the Jupiter General Insurance Company to the Life Insurance Corporation. It is the Government's intention that the employees of these two companies should get benefits identical to those enjoyed by the Life Insurance Corporation employees.

• • • •

Repayment to U.S.A.

India has paid $2.26 million on account of principal and $25.98 million as interest charges on the $190-million U.S. wheat loan given to India sometime ago. No fresh loan has been taken to effect these repayments.

—B. R. Bhagat

Coal Machinery Plant

The plant for the manufacture of machinery and other equipment for coal industry with the assistance of the Soviet Union will be located at Durgapur in West Bengal. The plant will cost about Rs. 15 crores in the early stages according to the preliminary estimate of the Soviet experts given in their 1957 report. The detailed project report which is due to be received in the middle of 1959 will give closer and detailed estimates. The Soviet experts selected Durgapur for locating the factory after taking into consideration various factors such as the availability of coal, iron and steel nearby. The factory will produce equipment annually of about 30,000 tons. It will produce coal mining equipment such as coal cutters and, later on, if there is surplus capacity, it will produce heavier coal mining equipment, as also equipment for all types of mines. The country will save about Rs. 15-20 crores in foreign exchange after the factory starts production.

• • • •

New Drug Factory

The Government intends to set up, possibly during the second Plan period, a drug factory in the public sector which will cater for all the basic drugs needed by the country. It is a fact that the West Bengal Government has approached the Centre for permission to put up a chemical plant near the Durgapur steel plant site, but it has not specified what drugs it is going to manufacture there. This permission has not been granted, in view of Government's intentions regarding the establishment of a plant in the public sector. Permission has, however, been given to some of the private companies to expand their existing production capacity. Some negotiations are going on with the Soviet Union for assistance in the setting up of the drug plant.

• • • •

Insulating Paper Manufacture

India requires insulating paper worth about Rs. 10 lakhs per year. All the raw materials for production of this type of paper are available in the country. The desirability of manufacturing insulating paper was impressed last year on all leading paper mills. Besides Shrigopal Paper Mills which has been trying to develop this item for some years, the Trident Tissue Ltd., Calcutta and the Paper Pulp Conversions Ltd., Poona, evince interest in this line. Samples sent by these mills are under examination. It is not possible to establish a commercial manufacture of this kind of paper successfully in the immediate future.

• • • •

Cycle Parts Imports

The National Small-scale Industries Corporation is now importing cycle parts for issue to the small-scale cycle industry. Individual import licences are no longer being issued. As a result, these small-scale industrialists are now in a better position than previously. The step has been taken at their specific request and it is felt that the Corporation should come to their aid. The prices at which the components will be supplied by the Corporation during the current financial year will not be higher than what the units have been paying for them so far. There has not been any complaint of hardship by these units.

• • • •

Coir Industry

The Reserve Bank has been requested to inquire into the coir and leather industries for determining whether there is a case for financial assistance to these industries under the approved small-scale and cottage industries scheme. The report on the coir industry is now under examination. The inquiry into the leather industry will be instituted shortly.

—M. M. Shah

Purchase of Ships

The Great Eastern Shipping Company, Limited, Bombay, has recently acquired a second-hand vessel, *Durham Trader*, at a cost of £200,000. The Company has paid in full the price of the vessel by taking a foreign exchange loan from a London bank. The vessel will be employed on the coast and the foreign exchange loan will be repaid out of the net foreign exchange earnings of one of the Company's existing vessels which has been diverted from coastal to overseas trade. The Scindia Steam Navigation Company is also going to acquire a ship and negotiations are in progress for the purpose.

—Raj Bahadur

Assam Oil Refinery

The Assam Government delegation to consult oil experts on the question of the location of new oil refineries in the State visited the United Kingdom, France, Holland, West Germany, Switzerland, Italy and U.S.A. and consulted technical experts. Some offers of assistance have been received from one or two of the countries which the delegation visited. It is a fact that Mr. Tripathi, Assam Minister, had suggested the setting up of a multi-purpose pipeline to carry crude oil to the refinery. The Government is getting the whole question examined and will not like to commit itself this way or that. Finally, of course, it is for the Centre to take a decision.

• • • •

Production of Petrol

The production of petrol in the oil refineries in the country is more than the country's consumption. The surplus quantity of petrol is exported to neighbouring countries and there has been no temporary stoppages in the refineries as a result of their surplus production. I cannot say whether the surplus petrol produced by the Caltex refinery is exported at a far less price than that in India. The surplus production of motor spirit is exported. I think, subject to correction, at competitive prices. The surplus production is disposed of by the owners of the refineries. The Government does not come into the picture.

—K. D. Malaviya

Provident Fund

A decision on increasing the rate of contribution to employees' provident fund from 6¼ per cent. to 8⅓ per cent. will be taken very shortly. There are various factors which have held up a decision till now requiring further consideration. One reason is that the proposed increase will add to the burden of industry. Another more important consideration is the fact that the Act has not yet been made applicable to all the industries which can be covered by it. The number of workers not covered by the scheme is not just 30,000 compared to the 15 lakhs of workers already covered by it. The number in the former category is much larger. The Government has consulted employers' representatives in the matter, but they are generally reluctant to accept the enhanced rates. The increased rate will be a very useful addition to the resources for the Plan.

—G. L. Nanda

HABIB BANK LIMITED—*(Continued)*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31st DECEMBER 1957.

EXPENDITURE	Rs. nP
1. Interest paid on Deposits, Borrowings, etc.	45,512 66
2. Salaries, Allowances and Provident Fund, etc. (This includes Salaries and Allowances, etc., paid to the Principal Officer—Rs. 32,249·28)	1,85,364 89
3. Directors' and Local Committee Members' Fees and Allowances	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	14,092 78
5. Law Charges	7,205 59
6. Postages, Telegrams and Stamps	7,165 01
7. Auditors' Fees	2,000 00
8. Depreciation on and Repairs to the Banking Company's Property	4,608 00
9. Stationery, Printing, Advertisement, etc.	18,430 30
10. Loss from Sale of or Dealing with Banking Assets	Nil
11. Depreciation on Investments in Government Securities and shares of limited companies	7,419 22
12. Other Expenditure	24,748 73
13. Provision for Taxation	25,000 00
14. Balance (Net Profit)	2,43,181 90
Total Rs.	5,84,729 08

INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1. Interest and Discount	3,22,960 96
2. Commission, Exchange and Brokerage	2,49,483 84
3. Rents	Nil
4. Net Profit made on Sale of Investments, Gold and Silver, Land, Premises and Other Assets	819 06
5. Net Profit made on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets	Nil
6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	11,465 22
Total Rs.	5,84,729 08

We have audited the foregoing Balance Sheet of the Habib Bank Limited Indian Union Branch as at 31st December 1957 and also the above Profit and Loss Account of the Bank for the year ended upon that date.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949, read with the provisos to sub-sections (1) and (2) of section 211 and sub-section (5) of sections 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank, so far as appears from our examination of those books;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for Banking Companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December 1957 and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

20th March, 1958.

(Sd.) R. S. BHARUCHA AND CO.,
Chartered Accountants.

(Sd.) SHAH AND CO.,
Chartered Accountants.

For HABIB BANK LIMITED.

H. S. JAMANI,
Principal Officer.

S. G. CURRIM,
Agent.

BALANCE OF PAYMENTS CRISIS AND THE SECOND PLAN

HOW TO RAISE FOREIGN EXCHANGE RESOURCES?

THE factors responsible for the debacle on the foreign exchange front were dealt with at some length in these columns last week. Concluding the review, we said that the central problem before the country was how to salvage as much of the Plan as was practicable in the context of the foreign exchange difficulties. Posing this question, the National Council of Applied Economic Research, New Delhi, has sought to emphasise that every attempt ought to be made to sustain, to the extent it is possible, the original size of the Plan and to resist attempts to whittle down the physical targets attached to it. Initial attempts should, it says, be directed to examine the possibilities of obtaining additional exchange up to the limit necessary to maintain the Plan's original allocations.

The Council has suggested two broad ways for raising the supply of foreign exchange. First, efforts may be made to maintain from now on a continuously favourable merchandise balance of trade of an appreciable magnitude during the remaining years of the Plan; this implies that the volume of current imports should be reduced to a minimum and that current exports have to be increased in substantial proportions. Secondly, alternative and supplementary possibilities of augmenting the supply of long-term and medium-term credit through agreements of different types with various countries and international agencies may be explored. Alluding, in particular, to merchandise imports, the Council stresses the need for cutting down all imports for consumption purposes and also to reduce the imports of intermediate goods which are intended to be processed into consumer goods internally.

Although there is nothing new or novel in these suggestions, the Council has certainly done well to draw special attention to them. As we pointed out in the course of an editorial two weeks ago, the Planning Commission's latest note on foreign exchange clearly establishes the lack of co-ordination (of policies) and co-operation (in their administration) among the various Ministries, as well as between the Government as a whole and the Planning Commission, in regard to imports. It is, however, gratifying to note that the Government has recently taken measures to economise on imports. The import policy for the half-year ended March last was one of severe austerity. The same policy has been continued in the current licensing period also, that is, April-September 1958, as witness the reduction or banning of quotas for a large number of items under Schedule (4). Despite the adoption of such austere import policy, the foreign exchange position may not ease in the coming months. For the total outstanding commitments are still very large; they aggregated as much as Rs. 864 crores at the end of March 1958. These, together with the large fresh commitments that will be entered into as the implementation of the second Plan gathers momentum, may be expected to accelerate the rate of depletion of foreign assets in the coming months, unless, of course, export earnings improve markedly.

What is the Remedy?

What then is the remedy? The council wants a temporary freezing of all outstanding licences already issued for imports of consumer and intermediate goods but have not yet been utilised. In this connection, it observes:

"In case effort is successful in curbing the supply of intermediate goods for consumer industries, there will also be a secondary advantage accruing, since imports of capital goods which are essentially for the manufacture of consumer articles as well as related spare parts need not also be imported any longer. One can presume that quite a bit of saving can be accounted for under the catch-all heads such as cutlery and hardware and electrical appliances, which conceal a whole group of consumer goods, including such items as wrist watches, cinematographic films, radios, refrigerators, kitchenware, household gadgets and mechanical toys. The total volume of imports anticipated under these categories in the foreign exchange budget of the Plan is of the order of Rs. 270 crores over the five years. Given the present emergency, the Government should have no hesitation to decide—at least for a period of 18 months or two years—on a drastic reduction of such imports to the extent of even 50 per cent. It is true that the consequent shortage will lead to a certain rise in prices for these articles. But these price rises will, in any case, be of the type of once-over increases and will, therefore, not lead to any spiral effect. Besides, the impact of such price rises will broadly be felt only by the upper income brackets, and there can be little ground, from the point of view of equity, to object to a cut in such imports. ... Other items on which it should be possible to ensure some saving in foreign exchange include raw jute, oils, paste-board and stationery and a whole range of miscellaneous items."

With regard to exports, the Council is doubtful whether the excises levied on a number of consumer articles will by themselves be able to curtail consumption and divert a part of the total output for export purposes. "Purely fiscal measures," to quote it, "are unlikely to be sufficient instruments for export promotion." In its opinion, the proceeds of excises can perhaps be used to give subsidies in order to encourage export trade. These subsidies may assume various forms including grant of short-period credits, initiation of export risk insurance scheme (this has already been done), special rail freight rates, shipping, freight rebates, etc.

Only A Palliative

In the present context of the critical foreign exchange situation confronting the country, the grant of subsidy to encourage export trade in some commodities may no doubt be necessary. But the question is: Why should it be met from out of the excises on domestic consumption, instead of from the general revenues? Further, there is no denying the fact that subsidy on exports is only a palliative and not a permanent, effective solution to the problem of maintaining sound and secure export trade. The key to export promotion lies in the Governments—Central and State—adopting measures designed to help the industries enhance their competitive capacity in world markets. Special mention may be made of extension of liberal tax concessions and depreciation allowances and a generally more constructive policy free from ideological considerations. The Council rightly points out that, whenever called for, reduction of export duties and other types of direct encouragement to export may be experimented with; the loss of revenue from such gestures is likely to be overwhelmingly compensated where exports really catch on.

External Sources

The Council has also suggested the possibilities of augmenting the supply for foreign exchange from external sources, including international agencies, foreign Governments and private foreign investors. Among these, the Council has made special mention of the following:

The question of requesting revolving credit from countries of friendly persuasion may be explored in some greater detail and with greater assiduity. The crucial period for India will be the next two years, and the situation is likely to look up after that period. If appropriately approached, quite a number of countries may be receptive to the idea of according India accommodation in foreign currency for these two years.

Assistance for specific projects, as in the case of loans from agencies such as the International Bank, will, of course, be welcome. But, generally, in entering agreements with foreign Governments and private investors, the accent should be to

(*Continued on page 723*)

Your Income tax affairs need not worry you

Preparation of Income tax returns is a complicated matter these days. This need not, however, worry you.

You will find it to your advantage to place your Income tax affairs in the hands of your bank.

The State Bank of India will be pleased to undertake the preparation of returns, the checking of assessments and the submission of claims for refund of tax at moderate charges. The Bank will ensure that you obtain all the refunds to which you are entitled.

Why not talk things over with your nearest Bank Agent or write for information?

The State Bank's local head office at Bombay, one of more than 555 offices waiting to serve you throughout India.

STATE BANK OF INDIA

Largest of the Indian Joint Stock Banks

SISTA'S-SB-9

ALLAHABAD BANK

LIMITED

ESTABLISHED 1865

HEAD OFFICE: CALCUTTA

14, India Exchange Place.

★

The Bank through its system of Branches and Correspondents places at the disposal of constituents an extensive and complete Banking service.

★

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ALEX. IZAT, *General Manager.*

A.B. 12

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Complete Banking Services inclusive of Foreign Exchange

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General Manager.

THE BANK OF INDORE LIMITED

(Incorporated in Indore 1920)

Authorised Capital	.. ..	**Rs. 50,00,000**
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Paid-up Capital	.. ..	**,, 15,30,375**
Reserve Fund	.. ..	**,, 25,00,000**

Head Offices:

1, Prince Yeshwant Road, Indore City

Bombay Offices: 44, Hamam Street, Fort and Jal Hind Estate, Bhuleshwar.

Branch Offices: Cloth Market, Siyaganj and Sanyogitaganj (Indore City).

Branches: Anjad, Bhopal, Dhar, Khargone, Mhow, Ratlam, Sanawad, Shujalpur Mandi, Tarana and Ujjain.

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IIX 48

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A. 4 RAMTIRTH

INDIAN ALUMINIUM COMPANY'S PERFORMANCE IMPRESSIVE

TAXATION, HOWEVER, AFFECTS NET PROFIT

THE year ended 31st December 1957 adds one more year of highly successful working to the Indian Aluminium Company Ltd. (Managing Director: Mr. H. Vance Echols, Calcutta). The Company's production and sales substantially exceeded the levels attained in 1956, thereby establishing a new record of achievement. Sales rose by 28 per cent. to Rs. 544 lakhs from Rs. 425 lakhs for 1956. Shipments of the Company's aluminium and fabricated products increased to 8,221 tons in 1957 from 7,064 tons in 1956. In addition, 848 tons of agency and distributor products were sold in 1957, as compared with 631 tons in the preceding year. The gross profit at Rs. 91.65 lakhs has sharply risen by Rs. 26.06 lakhs from Rs. 65.59 lakhs for the previous year, while it is almost double that (at Rs. 48.64 lakhs) two years earlier. The year's profit is thus a new record in the Company's history. The position in regard to net profit, however, is not quite so favourable. For, after raising the provision for taxation from Rs. 7 lakhs to as high as Rs. 38.97 lakhs, including Rs. 4.50 lakhs being the provision for wealth tax in respect of 1956 and 1957 and that for depreciation from Rs. 22.80 lakhs to Rs. 26.30 lakhs, the net profit at Rs. 26.38 lakhs stands actually lower, as compared with Rs. 35.79 lakhs in the previous year.

It may be remembered that in 1956 the Directors had made a provision of Rs. 30.16 lakhs for payment of ordinary dividend at the rate of 10 per cent. which included a provision of Rs. 10.05 lakhs on the assumption that the entire convertible loan stock will have been converted into ordinary shares. From this amount, they have paid the ordinary dividend for 1956 amounting to Rs. 27.07 lakhs, and have written back Rs. 3.09 lakhs. They have also written off Rs. 4.81 lakhs, being the expenses incurred in connection with issue of convertible loan stock. The Directors have declared a dividend of only 6 per cent. for the year under review but, it must be noted, this is on a higher capital of Rs. 384.59 lakhs raised by the conversion of Rs. 244.65 lakhs of loan stock into 1,834,890 ordinary shares of Rs. 10 each. As in the previous year, the provision for dividends has been made on the assumption that the entire amount of Rs. 23.48 lakhs 5 per cent. convertible loan stock outstanding at the end of December 1957 will have been converted into ordinary shares and will, in accordance with the conditions of the Deed Poll dated 17th December 1956, rank *pari passu* with the existing ordinary shares.

The comparative table given below provides an idea of the Company's progress in recent years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	544.39	424.97	365.67	237.68
Other income	4.06	2.08	2.32	2.85
Manufacturing, administrative and other expenses	456.81	361.46	319.34	226.02
Gross profit	91.65	65.59	48.64	13.41
Provision for—				
Depreciation	26.30	22.80	21.55	18.64
Taxation	38.97	7.00	...	...
Net profit (+) or loss (—)	+26.38	+35.79	+27.09	—4.18
To reserves	..	..	10.00	..
Convertible loan stock issue expenses written off	4.81	..	..	..
Dividends—				
5 per cent. preference	1.37	1.83	2.00	1.47
Ordinary	24.06* (6%)	27.07 (10%)	14.40 (9%)	..
Carry forward	7.20	11.06	4.18	3.49

* Provision for dividend on ordinary shares has been made on the assumption that the entire convertible loan stock outstanding as on 31st December 1957 will have been converted into ordinary shares.

The outstanding performance of the Company during the year was due to several favourable factors. The Company's alumina plant at Muri worked to capacity and some increase in production was achieved by an improvement in operating practice. Bauxite mining operations were also conducted on a scale commensurate with the requirements of the alumina plant. Production of ingot and fabricated products at the Company's plants was at levels significantly higher than those attained in 1956. Thanks to regular power supply, the operation from April 1957 of three additional pots installed at the Alupuram smelter, resulted in a record production of 5,448 tons of aluminium. The Company's continued effort towards improving production technique, with a view to diversifying its range of products and developing markets, contributed to the increased output in all its fabricating plants. At the Belur rolling mill, an increased proportion of the production comprised medium and high-strength alloy products, slugs for containers and roofing sheet. The output of extensions at Alupuram was almost double that in 1956 and the products were made to exacting customer specifications. The aluminium paste plant at Kalwa operated to capacity to meet the increasing market demand.

Of the sale proceeds for the year under review, the Company's own products accounted for Rs. 430 lakhs and agency and distributor products for Rs. 114 lakhs, having gone up from Rs. 345 lakhs and Rs. 80 lakhs, respectively in 1956. During the year, sales of all the principal products of the Company, with the exception of circles, increased but, of these, the most significant advances were made in flat sheet and plate and extrusions, reflecting the further progress in the Company's development efforts, chiefly in the transportation field. Shipments to the road and rail transport industries increased to 3,061 tons from 1,985 tons for the previous year, accounting for more than two-thirds of the total increase during the year in shipments of the Company's products, excluding circles.

To surmount the difficulties caused by restrictions on imports and in order to finance the import of capital equipment essential to the implementation of its expansion plans, the Company negotiated for a loan of one million Canadian dollar from Aluminium Ltd., Canada. It is hoped that the Company will make at least partial use of this facility during 1958. Referring to its expansionist activities, the Directors, in their last report observe thus:

"Work on the expansion programme made considerable progress during the year under review, although the scarcity of construction materials, the congestion at Calcutta port and a severe shortage of railway wagons continued to cause difficulties and delays. It is hoped, nevertheless, that construction of the Company's new reduction plant at Hirakud in Orissa will be completed on schedule, and that the 10,000 tons annual production capacity being installed will come into operation early in 1959. The expansion simultaneously under way of the existing alumina plant at Muri to 18,000 tons of annual production capacity is also expected to be completed during 1958, and further expansion to 30,000 tons of alumina capacity will be thereafter taken in hand for completion by 1961. The Directors have concluded that early expansion of the Hirakud smelter from 10,000 tons to 20,000 tons ingot production capacity per annum is desirable in view of the demand for aluminium in the country and the drain on foreign exchange involved in satisfying this demand by way of imports. In order to facilitate this expansion, the Company's Canadian shareholder, Aluminium Limited, has expressed its willingness, upon satisfaction of certain conditions, to make to the Company a loan of up to five million dollars which is approximately equivalent to the foreign exchange required to expand the Hirakud smelter from 10,000 tons to 20,000 tons and the Muri alumina plant from 30,000 tons to 40,000 tons annual production capacity. An application for a licence under the Industries (Development and Regulation) Act, 1951, to proceed with this expansion has accordingly been made to the Government."

The paid-up capital of the Company as at 31st December 1957 stands raised from Rs. 241.10 lakhs in 1956 to Rs. 424.59 lakhs by the conversion, as stated above, of Rs. 244.65 lakhs loan stock into 1,834,890 ordinary shares of Rs. 10 each by the close of December 1957. The reserves and surplus aggregate Rs. 124.79 lakhs. The gross block of Rs. 718.90 lakhs, including an addition of Rs. 260.19 lakhs during the year has been written down to Rs. 497.12 lakhs. The current assets amount to Rs. 362.04 lakhs, as against current liabilities aggregating Rs. 309.79 lakhs, including a provision for taxation of Rs. 45.50 lakhs.

The Rs. 10 fully paid-up ordinary shares of the Company are being currently quoted on the Calcutta Stock Exchange at Rs. 12.87 *ex-div.* On this basis, the dividend for 1957 provides a yield of 4.66 per cent. per annum.

(Concluded from next column)

vision for taxation by a wide margin of Rs. 19.45 lakhs. Of these current assets, cash balances account for Rs. 11.16 lakhs, having risen from Rs. 8.01 lakhs at the end of 1956.

The Rs. 100 fully paid-up shares are being currently quoted at Rs. 153 *ex-div.* at which rate and on the basis of the dividend for 1957, the yield works out to 5.88 per cent. per annum, free of income-tax.

COIMBATORE COTTON'S PROFIT LOWER

EXPANSION SCHEME PROGRESSING WELL

THE report and audited accounts of the Coimbatore Cotton Mills Ltd. (Managing Agents: Messrs. R. Bheema Naidu & Co., Singanallur, Coimbatore District), for the year ended 31st December 1957, disclose a fall in the Company's earnings and profit for the year under review. This is not surprising, for the continued slump in the yarn market throughout the nine months ended December 1957 has adversely affected the working of this mill as it has affected every other unit in the industry. Describing the conditions under which the Company had to work, the Directors observe that, while the prices of cotton were steady at high levels, the prices of yarn went down day by day. Even at the lower price levels, the offtake remained anything but satisfactory.

Against this background, it is hardly surprising that the Company should show a slight recession in profit. The gross profit at Rs. 12.11 lakhs compares with Rs. 16.10 lakhs for 1956 and Rs. 14.88 lakhs for 1955. It is even a shade lower than Rs. 12.84 lakhs for 1954. It may be of interest to know that the previous year's profit, namely, Rs. 16.10 lakhs, was the highest earned by the Company since 1951. The net profit at Rs. 5.74 lakhs, however, stands slightly higher, as compared with Rs. 5.57 lakhs a year ago. This is due to the lower provisions made for both depreciation and taxation. Despite this modest improvement in net profit, the dividend has been drastically cut to 9 per cent. from 25 per cent. for the past three years in succession, to which level it had been stepped up from 20 per cent. for 1953. This is because the Directors have transferred Rs. 3.09 lakhs as provision for machinery replacement reserve, representing the total of the special depreciation and development rebate which the Company is entitled to claim for income-tax assessment. Such claim, in the previous year, had been included in the provision for depreciation.

The following table will bring out clearly the state of working of the Company for the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	78.83	83.67	73.21	N.A.
Closing stocks	3.53	3.31	2.75	N.A.
Raw materials and stores consumed	53.37	55.08	46.89	N.A.
Gross profit	16.42	14.83	12.46	N.A.
Managing Agents' remuneration	1.02	1.96	1.91	1.67
Provision for—				
Depreciation	1.35	3.07	3.51	3.08
Taxation	4.00	5.50	5.68	4.20
Net profit	5.74	5.57	3.78	3.89
To reserves	3.09	..	..	0.84
„ bonus to staff	..	1.80	..	..
„ gratuity fund	0.27	0.50	..	..
„ charity trust	0.50	0.50	0.48	..
Dividend	1.08 (9%)	3.00 (25%)	3.00 (25%)	3.00 (25%)
Carry forward	0.01	0.11	0.34	0.05

N.A.=Not available.

As regards the Company's programme of expansion referred to in the previous year's report, the Directors state that the necessary buildings in respect of the installation of an additional 12,800 spindles have been completed and almost all the preparatory machinery and 13 ring frames, constituting 5,200 spindles, have been received. Of these, 2,000 spindles were erected and these went into production about the end of the year. It is also proposed to install a further 12,800 spindles. Accordingly, orders have been placed for the purchase of necessary preparatory machinery.

In order to finance the above schemes of expansion, it may be remembered, the subscribed capital of the Company was increased from Rs. 12 lakhs to Rs. 35.39 lakhs by the issue, in the year under review, of 23,388 shares of Rs. 100 each. Accordingly, the paid-up capital as at 31st December 1957, after deducting calls in arrears, stands at Rs. 35.21 lakhs. As against this, the reserves and surplus aggregate Rs. 22.10 lakhs. The current liabilities amount to Rs. 24.32 lakhs and include a provision of Rs. 10.78 lakhs for taxation. The gross block of the value of Rs. 69.79 lakhs stands depreciated at Rs. 37.87 lakhs. Additions to fixed assets during the year were of the order of Rs. 27.96 lakhs, of which as much as Rs. 20.32 lakhs were on account of machinery. The current assets aggregate Rs. 43.77 lakhs and exceed the current liabilities and pro-

(Continued in previous column)

DUNLOP'S RESULTS EXCELLENT

DIVIDEND ALSO HIGHER

THE Dunlop Rubber Company (India) Ltd. (Managing Director: Mr. John Luckham, Calcutta) has disclosed excellent results in its working during the year ended 31st December 1957. Both sales and earnings show an impressive rise over the previous year which was, in itself, a period of highly successful working. Total sales for the year amounted to about Rs. 20 crores, representing an increase of nearly Rs. 3 crores or 17½ per cent. over the sales in 1956. The gross profit (before providing for depreciation and taxation) at Rs. 195.17 lakhs has spurted by Rs. 61.89 lakhs or 46.43 per cent. from Rs. 133.28 lakhs for the previous year. The Company's outstanding performance in the past two years, thus, makes a sharp and welcome contrast to the decline of Rs. 7.35 lakhs suffered in 1955. Indeed, the gross profit for the year under review is a new record, having substantially exceeded the previous record of Rs. 146.54 lakhs earned in 1951.

The net profit has increased by only Rs. 25.57 lakhs; that is, from Rs. 55.10 lakhs to Rs. 80.67 lakhs. The relatively lower improvement in net profit is due to the substantially higher provision for taxation which, at Rs. 86.52 lakhs, is Rs. 39.18 lakhs more than that (at Rs. 47.34 lakhs) provided in the previous year. It is again Rs. 5.85 lakhs higher than the net profit itself. The year's tax provision includes the additional liability incurred in respect of the year 1956 as a consequence of the introduction of wealth tax and the increase in the rates of income and super-tax under the Finance (No. 2) Act, 1957. The provision for depreciation at Rs. 27.68 lakhs is, however, slightly lower than Rs. 30.54 lakhs provided a year ago. The Directors observe that the margin of net profit as a percentage of sales improved to 4.0 per cent., as compared with 3.2 per cent. in 1956, 3.6 per cent. in 1955 and 4.3 per cent. in 1954. In accordance with the Company's policy of ploughing back substantial sums year after year, the Directors have transferred this year also a sum of no less than Rs. 30 lakhs to the general reserve and this represents an increase of Rs. 4 lakhs over that provided a year ago.

The higher profit is not without interest to the shareholders also, for their dividend has been raised to 16½ per cent. from 15 per cent. which was the rate paid for the previous six years in succession. It should, however, be noted here that the Company made a fresh issue of 1,400,000 ordinary shares of Rs. 10 each at a premium of Rs. 5 in July 1957 in order to finance the Company's large schemes of expansion. To facilitate the ordinary share issue, the Directors declared an interim dividend of 7½ per cent. on the ordinary shares existing in June 1957. While the interim dividend of 7½ per cent. was on the old capital, the final dividend of 8¾ per cent. now proposed is on the increased capital.

The progress of the Company during the past three years can be gauged from the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	1,97.00	1,69.60	1,51.60	1,30.34
Other income	4.67	4.28	3.45	3.26
Manufacturing, selling and other expenses	18,00.77	15,64.11	13,89.03	12,40.22
Debenture interest	5.73	6.50	6.50	6.50
Gross profit	1,95.17	1,33.28	1,19.53	1,26.88
Provision for—				
Bad debts	0.30	0.30	0.30	0.30
Depreciation	27.68	30.54	27.51	30.29
Taxation	86.52	47.34	42.32	37.75
Net profit	80.67	55.10	49.40	58.63
To reserves	30.00	26.00	22.00	30.00
Dividends—				
6% preference (tax-free)	1.80	1.80	1.80	1.80
6% II preference (less tax)	1.64	1.77	1.77	1.77
Ordinary	38.25 (16¼%)*	24.00 (15%)	24.00 (15%)	24.00 (15%)
Carry forward	22.23	13.25	11.72	11.89

* Includes a final dividend of 8¾ per cent. on the increased capital, raised by the issue of 1,400,000 ordinary shares of Rs. 10 each.

The sale proceeds, as stated earlier, show a marked rise over the year. The higher expenses reflect the enlarged volume on the production side. The major expansion of the Company's Sahaganj factory, it is stated, progressed considerably by the end of 1957. The shortage in indigenous production of tyres and tubes, in relation to demand, and the anticipated increase in motor and cycle traffic as a result of the Five-year Plans, prompted a decision on the part of the Directors to open a new Dunlop factory in Ambattur, near Madras. The new factory will initially manufacture truck, bus and cycle tyres, principally for the needs of the South Indian market. Construction of the Ambattur factory commenced in the latter half of the year and progress is made according to schedule. It is expected that the factory will go into production towards the end of this year.

The paid-up capital of the Company as at 31st December 1957 stands raised from Rs. 230 lakhs to Rs. 370 lakhs. This, as already stated, is due to the issue of 1,400,000 ordinary shares of Rs. 10 each made during the year under review. Of this capital, Rs. 70 lakhs are represented by two categories of 6 per cent. tax-free and taxable cumulative preference shares of Rs. 100 each and the balance by ordinary shares. This is supplemented by reserves and surplus aggregating Rs. 462.52 lakhs, which include a special depreciation reserve of Rs. 120.46 lakhs and a capital reserve of Rs. 70 lakhs, representing the share premium secured on the ordinary shares issued during the year under review. The 5 per cent. debenture stock stands reduced from Rs. 130 lakhs to Rs. 105.21 lakhs. Against this, there is a debenture-stock redemption fund of Rs. 4.31 lakhs. Including additions during the year amounting to Rs. 97.04 lakhs, the gross block aggregates Rs. 650.49 lakhs. This has been written down to a book value of Rs. 382.25 lakhs. The current assets amount to Rs. 823.73 lakhs, of which stock inventories (at cost or market value) alone account for Rs. 486.84 lakhs and cash balances for Rs. 5.44 lakhs, and exceed the current liabilities and provision for taxation, at Rs. 272.56 lakhs, by a substantial margin of Rs. 551.17 lakhs. Of the current liabilities, the bank overdraft and usance promissory notes deposited with banks stand reduced from Rs. 115.71 lakhs to Rs. 72.92 lakhs, while the unsecured loans amounting to Rs. 76.07 lakhs have been completely wiped out.

The Rs. 10 fully paid-up ordinary shares of the Company are currently quoted at Rs. 24.75 *ex-div.*, at which rate and on the basis of the latest dividend, the yield on the shares works out to 6.54 per cent. per annum, free of income-tax.

GREAVES COTTON AND COMPANY LTD.

The dividend on the equity shares of Greaves Cotton and Company, Ltd., paid during the years ended 31st March 1954, 1956 and 1957, was shown as 7 per cent. in each such year in our reference to the new issue of the Company (*vide* page 619) and also in the prospectus (*vide* pages 646-648) of our last week's issue. This is wrong. The correct figure is 7½ per cent.

Points From The Chair

Mass Output

"TO large manufacturers of consumer goods—and we must rank among the largest in India—economies come largely from mass production and mass selling of standardised lines. This standardisation is only successful if the resultant products appeal in properties and performance to the greatest number of people. We have many millions of customers. They vary widely in their tastes. They are conditioned by different social, cultural and religious background. We must have products which are acceptable alike to the rich and the poor, to the educated and the uneducated, to the Punjabi and the Tamil. To discover what preferences are most general in this variegated pattern of consumers, we choose a representative sample of them and find out what their opinions are by questioning them. The result is intended to reflect the opinion of our universe of potential customers. The size of this sample is determined mathematically once we have postulated the number of categories of people it shall contain to fulfil the particular purpose in view. The combined opinions and attitudes of the individuals composing this sample will be representative of our universe within a calculable margin of error, provided the questions we put to them are so phrased as to evoke the respondent's true opinion and not an opinion adapted to please the questioner or to express what the respondent thinks it is respectable to say rather than what he really thinks."

S. H. TURNER,
Hindustan Lever Ltd.

Stepping up Exports

"You are well aware of the hard times that we were up against during the year in this country with the falling foreign exchange balances. Adversity has its own rewards and the complacent attitude that we had in our international trade was rudely shaken and the need to make a conscious and persistent effort in developing a market abroad for the produce of this country has come to be recognised and the steps that have been taken by the Government in this direction, if supplemented by our leaders in trade and industry, should enable us to achieve a position of stability and progress in this direction. Undoubtedly, considerable assistance by way of loans and gifts from other countries have gone a long way in saving at least the hard core of the Plan and bridge the gulf which looked bleak and wide even a couple of months ago. But it is necessary to realise that the only way that the loans taken from abroad can be repaid is by stepping up our exports, and foreign loans are no substitute for a national effort and sacrifice."

DR. T. M. A. PAI,
Canara Industrial and Banking Syndicate Ltd.

COMPANY MEETINGS AND DIVIDENDS

GOKAK MILLS LTD. Annual General Meeting, Bombay, 18th April 1958. Dividend: Rs. 8.00 per share. Transfer books remain closed from 22nd March to 11th April 1958, both days inclusive.

DUNLOP RUBBER CO. (INDIA) LTD. Annual General Meeting, Calcutta, 18th April 1958. Dividend: Re. 1.62 (16¼ per cent.) per share. Transfer books remain closed from 7th to 27th April 1958, both days inclusive.

VISHNU COTTON MILL LTD. Annual General Meeting, Bombay, 23rd April 1958. Dividend: *Nil*. Transfer books will remain closed from 1st to 15th May 1958, both days inclusive.

SWAN MILLS LTD. Annual General Meeting, Bombay, 23rd April 1958. Dividend: Rs. 25.00 per share, payable on and after 24th April 1958. Transfer books remain closed from 28th March to 23rd April 1958, both days inclusive.

LAKSHMI COTTON MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 24th April 1958. Dividend: Rs. 15.00 per share, payable on and from 29th April 1958. Transfer books will remain closed from 11th to 25th April 1958, both days inclusive.

GOLD MOHUR MILLS LTD. Annual General Meeting, Bombay, 24th April 1958. Dividend: Rs. 15.00 per share, payable on and after 25th April 1958. Transfer books remain closed from 28th March to 24th April 1958, both days inclusive.

BUCKINGHAM AND CARNATIC CO., LTD. Annual General Meeting, Madras, 25th April 1958. Dividend: Rs. 10.00 per share. Transfer books remain closed from 3rd to 25th April 1958, both days inclusive.

FINLAY MILLS LTD. Annual General Meeting, Bombay, 25th April 1958. Dividend: Rs. 20.00 per share, payable on and after 26th April 1958. Transfer books remain closed from 28th March to 25th April 1958, both days inclusive.

EAST INDIA DISTILLERIES AND SUGAR FACTORIES LTD. Annual General Meeting, Madras, 25th April 1958. Dividend: 15 per cent. or 3s. per share, for the year ended 30th September 1957.

NATIONAL CARBON CO. (INDIA) LTD. Annual General Meeting, Calcutta, 25th April 1958. Dividend: Re. 1.40 per share. Transfer books remain closed from 5th to 25th April 1958, both days inclusive.

BANGALORE WOOLLEN, COTTON AND SILK MILLS CO., LTD. Annual General Meeting, Bangalore City, 26th April 1958. Dividend: Rs. 10.00 per share. Transfer books remain closed from 3rd to 26th April 1958, both days inclusive.

PREMIER CONSTRUCTION CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 10.00 per ordinary share, payable on and from 19th May 1958. Transfer books remain closed from 7th to 28th April 1958, both days inclusive.

STANDARD MILLS CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 22.50 per share (includes bonus), payable from 12th May to 31st July 1958. Transfer books remain closed from 7th to 28th April 1958, both days inclusive.

MAFATLAL FINE SPG. AND MFG. CO., LTD. Annual General Meeting, Bombay, 28th April 1958. Dividend: Rs. 15.00 per share, payable from 5th May 1958 to 31st July 1958. Transfer books remain closed from 11th April to 2nd May 1958, both days inclusive.

INDIAN ALUMINIUM COMPANY, LTD. Annual General Meeting, Calcutta, 28th April 1958. Dividend: Re. 0.60 per share. Transfer books remain closed from 5th to 28th April 1958, both days inclusive.

SHIVRAJPUR SYNDICATE LTD. Annual General Meeting, Bombay, 29th April 1958. Dividend: Rs. 8.00 per share (includes bonus of Rs. 3.00 per share), payable on and after 6th May 1958. Transfer books remain closed from 7th to 25th April 1958, both days inclusive.

CENTURY SPINNING AND MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 29th April 1958. Dividend: Rs. 22.00 per share, for the year 1957. Transfer books remain closed from 11th to 28th April 1958, both days inclusive.

RAYALASEEMA MILLS LTD. Annual General Meeting, Rayanagar, Adoni, 30th April 1958. Dividend: Rs. 10.00 per share. Transfer books will remain closed from 23rd April to 7th May 1958, both days inclusive.

GANESH FLOUR MILLS CO., LTD. Annual General Meeting, Delhi, 30th April 1958.

EAST INDIAN COAL CO., LTD. Interim dividend of Re. 0.40 per share, for the year ending 30th April 1958. Transfer books remain closed from 12th to 25th April 1958, both days inclusive.

TITAGHUR PAPER MILLS CO., LTD. Interim dividends of Re. 1.13 per share, on "A" and "B" ordinary shares (includes bonus of Re. 0.25 per share) and Re. 0.12 per share, on preferred ordinary shares, for the year ended 31st March 1958, payable on or after 5th May 1958. Transfer books remain closed from 8th to 22nd April 1958, both days inclusive.

TRICHINOPOLY MILLS LTD. Dividend: 9 per cent. or Re. 0.90 per share, for the year ended 31st December 1957. Transfer books will remain closed from 16th to 30th April 1958, both days inclusive.

PROFIT OF SASSOON SPINNING AND WEAVING COMPANY LOWER

ORISSA MINERALS REPEAT DIVIDEND

Sassoon Spinning and Weaving Co., Ltd.

THE directors of the above Company (Managing Agents: M.G. Investment Corporation Private Ltd., Bombay) present the audited accounts of the Company for the year ended 31st December, 1957.

The net profit for the year after providing an amount of Rs. 2,33,499 (Rs. 3,29,166) for managing agents' commission, Rs. 18,44,976 (Rs. 15,09,052) for depreciation, Rs. 9,97,000 (Rs. 6,15,000) for provision for taxation and Rs. 3,24,202 (Rs. 9,57,995) for development rebate reserve amounts to Rs. 4,05,895 (Rs. 9,08,759) to which is added balance profit of Rs. 1956 Rs. 1,66,307 (Rs. 11,568) making a total of Rs. 5,72,202 (Rs. 9,20,327). Out of this balance, additional provision made for taxation for 1956 amounts to Rs. 1,31,000 (*nil*) leaving a balance of Rs. 4,41,202 (Rs. 9,20,327). To this amount is added the amount transferred from general reserve of Rs. 3,25,000 (*nil*) making an available balance of Rs. 7,66,202 (Rs. 9,20,327). Out of this amount the directors recommend payment of 60th dividend of Rs. 2 (Rs. 2.00) per share (free of income-tax) amounting to Rs. 7,54,020 (Rs. 7,54,020) leaving a surplus to be carried to 1958 account of Rs. 12,181 (Rs. 1,66,307).

The scheme of modernisation of the mills continues. An amount of Rs. 31,052 has been spent on construction of new buildings and Rs. 15,21,799 on installation of machinery, major portion of which has been installed and is working satisfactorily.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	37,70,100	Block ...	74,47,266
Reserves ...	1,19,98,715	Machinery awaiting installation	1,55,947
Provision for taxation ...	16,63,117	Stock-in-trade	98,20,443
Liabilities ...	68,78,443	Stores and spare parts	14,98,437
Profit and loss account ...	12,182	Other assets	18,734
		Debts, deposits and advances ...	46,56,048
		Investments	1,90,324
		Cash ...	5,35,358
	Rs. 2,43,22,557		Rs. 2,43,22,557

Orissa Minerals Development Co., Ltd.

The directors of the above Company [Managing Agents: Messrs. Bird & Co. (Private) Ltd., Calcutta] submit the audited accounts of the Company for the year ended 30th June 1957. As pointed out in the last report, these accounts have been closed on an annual basis, in conformity with the provisions of the Companies Act, 1956.

Iron Ore.—Raisings increased from 3,39,722 tons to 4,11,993 tons compared to the previous year. Despatches also improved from 3,58,250 tons in the previous year to 4,11,767 tons in the year under review. The steel works order was increased from 40,000 tons to 50,000 tons per month from February, 1957.

Manganese Ore.—Raisings fell from 42,671 tons to 34,700 tons in this year. Sales, however, increased from 36,132 tons to 43,477 tons.

Manganese Dioxide.—Raisings were *nil* compared to 1,195 tons in the previous year. Sales fell from 3,196 tons to 2,951 tons in this year. Prospecting operations to prove the deposit are continuing and the indications are so far favourable.

Market.—The market continued to improve and good prices were recorded during the later half of the year. Unfortunately full advantage of this could not be taken due to shortage of wagons. The market has since shown a considerable decline.

Transport.—The transport position showed slight improvement towards the end of the year but as stated above, is still far from satisfactory.

Labour.—Labour relations continued to improve during the year under review. As stated in the last report the issues concerning the strike and resultant lockout have been referred to an Industrial Tribunal before which proceedings are now taking place.

Bolani Area.—In the previous reports the directors stated that the managing agents were in discussion with the Central Government regarding the formation of a new Company to develop and exploit the large deposits of ore in the Bolani area. They are now pleased to report that the new Company, Bolani Ores (Private) Ltd., was incorporated on the 5th June, 1957, with an authorised capital of Rs. 1,00,00,000 divided into 1,00,000 equity shares of Rs. 100 each. The Central Government and the Company participate in the capital of Bolani Ores (Private) Ltd., in the ratio of 50.5 per cent. and 49.5 per cent., respectively. The managing agents have been appointed secretaries and treasurers of Bolani Ores (Private) Ltd., for a period of 15 years.

The Eastern Shipping Syndicate.—During the year, the share of profit from the syndicate amounts to Rs. 31,556 and this has been included in the accounts.

The profit and loss account after providing for all charges and making provision of Rs. 10,90,000 (Rs. 2,80,000) for taxation and Rs. 1,85,100 (Rs. 1,71,128) for depreciation shows a profit of Rs. 4,74,480 (Rs. 5,57,498) to which is added the balance brought forward from the previous half-year of Rs. 1,00,667 (Rs. 1,05,053) making a total of Rs. 5,75,147 (Rs. 6,62,551). From this is deducted the amounts transferred to general reserve Rs. 315 (Rs. 232), to tax contingency reserve Rs. 24,000 (Rs. 74,200), to development rebate reserve Rs. 5,300 (Rs. 12,340) and to staff and workmen's accident and compensation reserve Rs. 29,824 (Rs. 15,112) leaving a balance of Rs. 5,15,703 (Rs. 5,00,667 after placing Rs. 60,000 to mechanisation reserve). The interim dividend declared on 5th September, 1957 on the ordinary shares at 20 (20) per cent. per annum without any deduction for income-tax payable by the Company absorbed Rs. 2,00,000 (Rs. 2,00,000) leaving a balance available of Rs. 3,15,708 (Rs. 3,00,667). The directors propose to dispose of this amount by payment of a final dividend on the ordinary shares at 20 (20) per cent. per annum without any deduction for income-tax payable by the Company Rs. 2,00,000 (Rs. 2,00,000) and by carrying forward Rs. 1,15,708 (Rs. 1,00,667).

The directors regret that in spite of the considerable improvement shown in the trading results it has not been possible to make the normal transfers to reserves for the future development of the Company's properties, nor to consider increasing the distribution to shareholders. This result has come about purely owing to the imposition of cesses by the State of Orissa amounting to Rs. 1,47,166, by export duties on manganese ore by the Central Government amounting to Rs. 1,64,749, not recoverable from buyers, both compared with *nil* previously. Also by the rise in provision for taxes amounting to Rs. 7,84,110 for income and Corporation tax and Rs. 25,890 for wealth tax.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	20,00,000	Block ...	21,23,061
Reserves ...	36,50,291	Capital work-in-progress	3,58,064
Provision for taxation ...	9,66,681	Stock-in-trade	13,05,358
Liabilities ...	43,55,342	Stores and spare parts	8,46,492
Profit and loss account ...	1,15,708	Debts, deposits and advances ...	31,91,086
		Investments	25,39,939
		Cash ...	7,24,022
	Rs. 1,10,88,022		Rs. 1,10,88,022

Vishnu Cotton Mill Ltd.

The directors of the above Company (Managing Agents: The Bombay Co. (Private) Ltd., Bombay) submit the audited accounts of the Company for the year ended 31st December 1957.

The accounts show a loss for the year of Rs. 9,54,275 (profit of Rs. 12,90,479) to which must be added the provision to gratuity fund of Rs. 34,603 (Rs. 45,000) and provision for balance of wealth tax Rs. 18,500 (*nil*) making a total debit of Rs. 10,07,378 (credit of Rs. 12,45,479). Deducting from this the credit balance brought forward from the previous year of Rs. 16,922 (Rs. 23,125) there is left a debit balance of Rs. 9,90,456 (credit of Rs. 12,68,604). In view of the loss sustained, the directors are unable to recommend the declaration of any dividend on ordinary shares, but they recommend that a dividend of Rs. 35 per share less income-tax on the 3,133 preference shares be paid absorbing Rs. 75,114 (Rs. 80,870). To meet this payment a transfer from reserve fund has been made of Rs. 80,000 (Rs. 2,19,000). There will be a final debit balance of Rs. 9,85,569 (credit of Rs. 19,33,322 including Rs. 2,19,000 transferred from dividend fund and Rs. 4,45,718 from depreciation renewal and extension fund. Out of this the directors placed to depreciation Rs. 14,45,782 and to debenture redemption fund Rs. 1,33,747. The ordinary dividend at Rs. 8 per share absorbed Rs. 2,56,000. Preference dividend absorbed Rs. 80,870. The balance carried forward was Rs. 16,922) which the directors recommend to be carried forward.

It has not been possible in view of the heavy working loss to make any provision for depreciation or development rebate, which amount to Rs. 11,84,277 and Rs. 2,98,461 respectively, nor for arrears of depreciation amounting to Rs. 3,93,345. Rs. 13,739.25 being refund of customs duty charged in excess on imported machinery has been reduced from the block. Forfeited dividends amounting to Rs. 2,214 have been added to reserve fund.

Trading Conditions.—The year was disastrous for an upcountry coarse-count mill committed to bulk production of goods for which demand, both internal and abroad, had been expected and indeed officially planned to increase. The sweeping reversal of this by heavy indirect taxation and the reduction of personal purchasing power through rising cost of foodgrains, made it clear to the management by the middle of the year that serious overproduction of cloth was imminent, though this fact was not generally recognised till much later. Accordingly, energetic steps were taken both to reduce production by the closure of third shift spinning and a comparable number of looms from 1st October, and to sell at the best prices obtainable, the heavy accumulation of cloth. However depressing the results of this policy may now seem, they undoubtedly averted disaster (stocks at the end of 1957) being 37.5 per cent lower than a year earlier) though heavy monthly losses continued, in spite of every attempt to reduce manufacturing costs by better productivity.

Absenteeism remained very high, and was indeed accentuated by the almost complete closure of two other mills in the city and the pressure of surplus labour.

Additions to buildings during the year cost Rs. 35,290, and to machinery Rs. 11,93,846. The main items were the installation of 12 northrop automatic looms, 6 twist ring frames, 1 dry ring doubling frame, a water-softening plant and 3 bowl friction calendars, and the conversion of 6 ring frames and 9 weft frames to E-10-B and Casablanca high-draft respectively. Needless to say, these are in respect of expenditure sanctioned, and commitments made, in earlier years.

The Managing Agents have agreed to accept a reduction in their minimum remuneration and it has been clear that only sacrifices on all sides can ensure the continued working of the mill under conditions possibly worse than the industry has ever known. The Company's cotton buying agents have agreed to accept a similar cut in their commission.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	47,66,500	Block ...	68,51,391
Debentures	30,00,000	Buildings and machinery under erection ...	26,138
Reserves* ...	18,73,706	Machinery received but uninstalled	8,87,630
Provision for taxation ...	37,900	Stock-in-trade	59,22,730
Liabilities ...	89,30,694	Stores, spare parts, etc.	14,61,461
		Debts, deposits and advances ...	26,09,888
		Investments	7,73,695
		Cash ...	25,967
		Miscellaneous expenses and losses	49,964
	Rs. 1,86,08,864		Rs. 1,86,08,864

*Reserves are shown after deducting the debit balance of Rs. 9,85,569 in the profit and loss account.

Jay Shree Textiles Ltd.

The directors of the above Company (Managing Agents: Messrs. Birla Brothers Private Ltd., Calcutta) present the audited accounts of the Company for the year ended 31st December 1957.

The profit and loss account after providing for all working expenses and after providing sum of Rs. 6,94,123 (Rs. 5,67,169) for depreciation, Rs. 45,000 for wealth tax for 1956 and 1957, Rs. 85,968 (*nil*) for development rebate reserve, Rs. 7,423 (Rs. 32,412) for doubtful debts and after making sundry adjustments shows a profit of Rs. 3,25,254 (Rs. 4,69,630). To this is added the last year's balance brought forward of Rs. 2,632 (debit of Rs. 2,82,610) making a total amount for disposal of Rs. 3,27,886 (Rs. 1,87,020). The directors recommend a payment of dividend on 4,91,700 equity shares of Rs. 10 each at the rate of Re. 0.50 (Re. 0.37) per share, which will absorb Rs. 2,45,850 (Rs. 1,84,388) leaving a balance to be carried forward to next year's account of Rs. 82,036 (Rs. 2,632).

On the basis of Company's calculations, according to Income-tax Act, the approximate amount of unabsorbed depreciation, as on 31st December 1957 amounted to Rs. 38,07,313.

Working and Programmes.—The directors have pleasure to record that the steady improvement in the working of the Company has not only been maintained but has shown further improvement. As a result of this, it has been possible to increase this year's dividend to the level of Re. 0.50 per share from As. 6 per share, declared in the year before. There has been an increase in the sales (including processing charges) from Rs. 62.30 lakhs in 1956 to Rs. 88.33 lakhs during the year.

The Company's contribution, in the matter of saving foreign exchange for the country by cutting imports of essential goods like flax fire hoses, linen twines and belting yarns, has further continued to grow. The Company's manufactures are also helping indirectly in the export field, as leather industry, sports goods industry, cigarette tape industry and others, who are using the Company's products as raw materials in their manufactures have been helped to increase their exports.

The licence granted to the Company to establish a new staple fibre spinning mill was returned to the Government as the directors did not think it suitable to establish such a plant at the present moment.

The Company is negotiating with a foreign firm for technical collaboration with a view to start a new line of manufacture. The Government of India has approved of the new project in principle.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	50,08,000	Block ...	55,00,000
Debentures	13,71,000	Subsidised housing scheme account ...	23,854
Development reserve	85,968	Stock-in-trade	23,68,491
Provision for income-tax and wealth tax ...	46,451	Stores and spare parts	6,95,472
Liabilities ...	35,71,577	Raw materials ...	2,20,162
Profit and loss account ...	82,036	Debts, deposits and advances ...	12,78,976
		Investments	14,307
		Cash ...	63,770
	Rs. 1,01,65,032		Rs. 1,01,65,032

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

MAHINDRA & MAHINDRA LIMITED

NOTICE

THE 12TH ANNUAL GENERAL MEETING of the Shareholders of MAHINDRA & MAHINDRA LIMITED will be held at the Taj Mahal Hotel, Apollo Bunder, Bombay 1, on Monday, the 12th May, 1958, at 4 p.m., to transact the following business:—

(1) To receive and adopt the Directors' Report, the audited Balance-sheet and Profit and Loss Account for the year ended 31st October, 1957.

(2) To declare dividend on Preference and Ordinary Shares.

(3) To appoint a Director in place of Sir Dhiren Mitra who retires by rotation under Article 110 of the Articles of Association and who, being eligible, offers himself for re-election.

(4) To appoint a Director in place of Mr. H. C. Mahindra who retires by rotation under Article 110 of the Articles of Association and who, being eligible, offers himself for re-election.

(5) To appoint a Director in place of Sardar H. S. Malik who ceases to hold office by virtue of Article 116 of the Articles of Association and who, being eligible, offers himself for re-election.

(6) To appoint a Director in place of Mr. Stephen A. Girard who ceases to hold office by virtue of Article 116 of the Articles of Association and who, being eligible, offers himself for re-election.

(7) To appoint Auditors for the current year and to fix their remuneration.

(8) To consider and if thought fit to pass the following resolution with such modification, if any, as may be agreed upon at the Meeting—the relative explanatory note as required by Section 173 of the Companies Act, 1956, is annexed hereto:—

"RESOLVED that the Company's Authorised Share Capital be increased by Rs. 3,50,00,000 and that Clause 5 of the Memorandum of Association be altered so as to change "Rs. 1,50,00,000 (Rupees One crore and fifty lacs) divided into 12,50,000 shares of Rs. 10 each and 25,000 shares of Rs. 100 each" into "Rs. 5,00,00,000 (Rupees Five crores) divided into 40,00,000 shares of Rs. 10 each and 1,00,000 shares of Rs. 100 each."

(9) To consider and if thought fit to pass the following as a special resolution with such modification, if any, as may be agreed upon at the Meeting:—

"RESOLVED that Article 3 of the Articles of Association of the Company be deleted and the following substituted therefor.

"*Article* 3: The Capital of the Company is Rs. 5,00,00,000 (Rupees five crores) divided into 40,00,000 Ordinary Shares of Rs. 10 each, 75,000 Preference Shares of Rs. 100 each and 25,000 Redeemable Cumulative Preference Shares of Rs. 100 each.

The said 75,000 Preference Shares of Rs. 100 each shall have such preferential rights privileges and other conditions attached thereto as may be determined by the Board at the time of the issue of this capital.

The said 25,000 Redeemable Cumulative Preference Shares shall confer the right to a fixed cumulative preferential dividend at the rate of 6 per cent. per annum without deduction of Income-tax on the capital for the time being paid up thereon, and the right in a winding-up to payment off of capital and arrears of such fixed dividend, whether declared or earned or not, accrued up to the commencement of the winding-up in priority to the Ordinary Shares, but shall not confer any right to participate in profits or assets. The Company shall be entitled on or at any time after the 1st day of November 1965 to redeem the whole or any part of the said Redeemable Cumulative Preference Shares for the time being issued and outstanding out of any moneys which may lawfully be applied for the purpose at par plus a premium of Rs. 5 per share upon giving to the holder of the shares to be redeemed not less than three months' previous notice in writing. In the event of the Company determining to redeem a part only of the said Redeemable Cumulative Preference Shares for the time being outstanding, the particular shares to be redeemed shall be selected by a drawing which the Company shall cause to be made by one of its officers at its registered office in the presence of a representative of the auditors of the Company for the time being.

Every such drawing shall be made in such a manner as the Company shall (subject to the approval of the auditors) determine as convenient for selecting the number of shares required to be drawn. The said Redeemable Cumulative Preference Shares shall confer the right to attend and speak at General Meetings of the Company but shall not confer any right to vote except when—

(i) the cumulative preference dividend is passed over in any year or has remained in arrears for more than six months from the date it is declared; or

(ii) any resolution affecting the rights, privileges or interests of the holders of the said Redeemable Cumulative Preference Shares is proposed; or

(iii) any resolution for the winding up of the Company is proposed.

None of the funds of the Company shall directly or indirectly be employed in the purchase of, or lent on the security of shares of the Company."

Notes:—(a) The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the special business under items 8 and 9 set out above is annexed hereto.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.

(c) The Transfer books of the Company will be closed from 28th April, 1958, to 12th May, 1958, both days inclusive.

(d) Dividends, if sanctioned at the Meeting, will be made payable to those Shareholders whose names are on the Company's Register on the 12th May, 1958, and the dividend warrants will be despatched to them on and after the 19th May, 1958.

By Order of the Board,
KESHUB MAHINDRA,
Director.

GATEWAY BUILDING,
APOLLO BUNDER,
BOMBAY 1, 19*th March*, 1958.

THE WESTERN INDIA MATCH COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Thirty-fifth Annual General Meeting of the Shareholders of the abovenamed Company will be held at the Registered Office of the Company at Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay, at 4 p.m. on Wednesday the 7th day of May 1958, to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December 1957.
2. To declare a Dividend and a Bonus.
3. To elect a Director in the place of Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution, of which special notice as required by section 281 of the Companies Act 1956 has been received by the Company:

"RESOLVED that Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., who has attained the age of 79 years and who retires by rotation, be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit of 65 years prescribed by section 280 of the Companies Act 1956 shall not apply to him."

4. To elect a Director in the place of Mr. Maneklal Premchand, who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution, of which special notice as required by section 281 of the Companies Act 1956 has been received by the Company:

"RESOLVED that Mr. Maneklal Premchand, who has attained the age of 69 years and who retires by rotation, be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit of 65 years prescribed by section 280 of the Companies Act 1956 shall not apply to him."

5. To elect a Director in the place of Mr. Dharamsey, M. Khatau, who retires under section 260 of the Companies Act 1956 and is eligible for re-election and offers himself accordingly.
6. To appoint Auditors for the ensuing year and to fix their remuneration.
7. To consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED that the Company hereby sanctions the borrowing of an aggregate sum of Rs. 110 lakhs on Cash Credit account from the Bank of India Ltd. and the Central Bank of India Ltd. (to the extent of Rs. 55 lakhs from each Bank) and as security for the said borrowing the Directors be and they are hereby authorised to hypothecate and charge all the movable property and assets of whatsoever nature of the Company so as to create a floating security and charge on all such property and

To All Shareholders of the Company and in particular Mr. B. B. Auty, Ethiopia; Mr. Mangalbhai Nathabhai Patel, Tanganyika; and Mr. M. V. Shirodkar, Baltimore, U.S.A.

ANNEXURE TO THE NOTICE

Explanatory Statements as required by Section 173 of the Companies Act, 1956

Items No. 8 *and* 9.—The Company's original programme for manufacture of Jeeps was limited to a volume of 2,500 units a year. The Tariff Commission reporting in 1956 forecasted a progressively increasing demand for Jeeps reaching to 5,000 units by 1960-61. Government in accepting the recommendations of the Tariff Commission called upon the manufacturers to elaborate and adjust their respective programme in accordance with the conclusions indicated by the Tariff Commission. The Company accordingly presented an application for the doubling of its programme of production and preliminary approval of Government has been received. This will necessitate a considerable expansion of Company's manufacturing operations, and of the assembly facilities.

The Trailer Division of the Company is also being expanded, and it is hoped that the Tractor manufacturing proposals will receive Government approval shortly.

It is anticipated that substantial additional capital will be required for these various expansion schemes. As a first step, it is proposed to increase the authorised capital of the Company from Rs. 1,50,00,000 to Rs. 5,00,00,000 as set forth in the Resolution. The alterations of clause 5 of the Memorandum of Association and of Article 3 of the Articles of Association are therefore proposed for Shareholders' approval as required by Section 31 and 94 of the Companies Act, 1956, and Article 50 of the Company's Articles of Association.

By Order of the Board,
KESHUB MAHINDRA,
Director.

BOMBAY, 19*th March*, 1958.

assets and to execute all such documents as may be required by the said Banks in connection therewith."

The Transfer Books of the Company will be closed from the 23rd day of April 1958 to the 10th day of May 1958 both days inclusive.

By Order of the Board,

A. HYDARI.
Executive Director.

INDIAN MERCANTILE CHAMBERS,
NICOL ROAD, BALLARD ESTATE,
BOMBAY, 28*th March* 1958.

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The dividend and bonus when sanctioned will be payable at par at all Indian offices of the Central Bank of India Ltd. on and after the 14th day of May 1958 to those shareholders whose names stand on the Register on the 10th day of May 1958 and warrants will be posted in due course to each shareholder at his registered address. Shareholders are kindly requested to notify immediately any change of address.

Explanatory Statement issued under section 173 *of the Companies Act* 1956 *in connection with the items of special business to be transacted at the Thirty-fifth Annual General Meeting to be held on the* 7*th day of May* 1958.

As required by section 173 of the Companies Act 1956 the following explanatory statement is issued with the Notice of the Thirty-fifth Annual General Meeting of the Company and sets out all material facts relevant to items 3, 4, 5 and 7 in the Notice.

Item 3: Your Director, Sir Cowasjee Jehangir, is retiring by rotation. He has attained the age of 79 years and as such he cannot be reappointed unless the shareholders pass a resolution specifically declaring that the age limit of 65 years prescribed under section 280 of the Companies Act 1956 shall not apply to him. As required by section 281 of the Act a special notice has been received by the Company proposing that Sir Cowasjee Jehangir be reappointed a Director of the Company and that the age limit of 65 years prescribed under section 280 of the Act shall not apply to him.

Sir Cowasjee Jehangir is a business man of long and varied experience and during the period of his association with the Company since 1939 he has rendered valuable services to it. As it is in the interest of the Company that your Board should continue to receive the benefit of his advice, it is desirable that he should be reappointed a Director.

Item 4: Your Director, Mr. Maneklal Premchand, is retiring by rotation. He has attained the age of 69 years. He cannot be re-appointed unless the shareholders pass a resolution specifically declaring that the age limit of 65 years laid down by section 280 of the Companies Act 1956 shall not apply to him. As required by section 281 of the Act a special notice has been received by the Company proposing that Mr. Maneklal Premchand be re-appointed a Director of the Company and that the age limit of 65 years prescribed under section 280 of the Act shall not apply to him.

Mr. Maneklal Premchand is a well known businessman, being a Director of several leading companies. He has been a Director of the Company since 1948 and has rendered valuable services. It is in the interest of the Company that he should be re-appointed a Director.

Item 5: Mr. Dharamsey Mr. Khatau was appointed an additional Director on 25th June 1957 by the Board of Directors. He retires under section 260 of the Companies Act 1956.

Mr. Khatau is one of the leading businessmen in the country and is a Director of several companies. His wide and diverse experience will prove very useful and his re-appointment is in the interest of the Company.

Item 7: Since September 1938 your Company has had a Cash Credit arrangement with the Bank of India Ltd. and the Central Bank of India Ltd., originally for Rs. 20 lakhs (Rs. 10 lakhs from each of the said Banks), which in 1957 was increased to Rs. 60 lakhs (Rs. 30 lakhs from each of the said Banks) against hypothecation of all the movable property and assets of the Company. Now on account of increased taxes, the steep rise in excise duty, the increased cost of manufacture and the requirements of the new paper mill the Company needs more working capital. The aforesaid Banks have agreed to grant a total Cash Credit loan of Rs. 110 lakhs against the same security, namely, hypothecation and charge of all the movable property and assets of whatsoever nature of the Company. Each of the aforesaid Banks will allow Cash Credit to the extent of Rs. 55 lakhs. The terms on which the loan is offered by the Banks are fair and reasonable. Your Directors therefore recommend to the shareholders to sanction the necessary borrowing. Shareholders' sanction is required under Article 67 of the Company's Articles of Association.

The following Directors are interested in item No. 7:

Sir Cowasjee Jehangir as a Director and shareholder of the Bank of India Ltd.

Mr. Dinshaw D. Romer as a Director and shareholder of the Central Bank of India Ltd.

Mr. Dharamsey M. Khatau as a Director and shareholder of the Central Bank of India Ltd. and as a shareholder of the Bank of India Ltd.

Sir Chunilal V. Mehta and Mr. Maneklal Premchand as shareholders of both the Bank of India Ltd. and the Central Bank of India Ltd.

By Order of the Board,

A. HYDARI,
Executive Director.

WAVERLEY JUTE MILLS COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Seventy-ninth Annual General Meeting of the Members of WAVERLEY JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Wednesday, the 30th day of April, 1958, at 3 o'clock in the afternoon, for the following purposes:—

1. To receive and consider the Profit and Loss Account for the eleven months ended 31st May, 1957, the Balance-Sheet as at that date and Reports of the Directors and Auditors.
2. To appoint Directors in place of Messrs. D. P. Goenka and B. L. Bajoria, the Directors retiring by rotation at the Meeting.

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

   (i) "That Mr. D. P. Goenka be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

   (ii) "That Mr. B. L. Bajoria be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

   Special Notice of the intention to propose the foregoing resolutions as Special Resolutions in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Messrs. D. P. Goenka and B. L. Bajoria are "associates" of the Managing Agents within the meaning of the Act and that, therefore, they can only be reappointed by special resolutions as Directors of the Company liable to retirement by rotation.
3. To appoint Auditors and fix their remuneration.

As Special Business

4. To appoint a Director in place of Mr. R. G. Edwards who resigned from the Board in March, 1958, and in this connection, to consider, and if thought fit, to pass the following Resolution which will be proposed as a Special Resolution of which Special Notice as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which, as required by Section 173 of the said Act, is annexed hereto:—

   "That Mr. D. N. Kapur be and is hereby appointed a Director of the Company liable to retirement by rotation in place of Mr. R. G. Edwards."

The Share Transfer Books of the Company will be closed from 16th to 30th April, 1958, both days inclusive.

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

By Order of the Board,
McLEOD & Co., LTD.,

C. HOCKLEY,
Secretary,
Managing Agents.

3, NETAJI SUBHAS ROAD,
CALCUTTA, 3*rd April*, 1958

Explanatory Statement in Respect of Special Business

Mr. R. G. Edwards resigned from the Board at the end of March, 1958 and a Special Notice has been received from a member of the Company notifying his intention to propose a special resolution as set out in item 4 of the above notice appointing Mr. D. N. Kapur as a Director of the Company liable to retirement by rotation, in the place of Mr. R. G. Edwards. In the said Special Notice it has been pointed out that Mr. D. N. Kapur is an "associate" of the Managing Agents within the meaning of the Companies Act, 1956, and that, in view thereof, it will be necessary for the members to pass a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956, if they decide to appoint him as a Director of the Company liable to retirement by rotation since McLeod & Co. Ltd., the Managing Agents of the Company are authorised by the Articles to appoint a Director or Directors on the Board of the Company.

THE BELSUND SUGAR COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the members of the abovenamed Company will be held at the Registered Office, No. 14, Netaji Subhas Road, Calcutta, on Tuesday the 6th May, 1958 at 11-30 a.m., to transact the following business:—

1. To receive and consider the Directors' and Auditors' Report and to adopt the Audited Accounts of the Company for the year ended 30th September, 1957.
2. To declare dividend.
3. To elect Directors in place of those retiring.
4. To appoint Auditors for the current year and to fix their remuneration.
5. To transact any other ordinary business of the Annual General Meeting.

The Share Transfer Books and Register of Members of the Company will be closed from 24th April, 1958, to 6th May, 1958, both days inclusive.

By Order of the Board,
Per Pro. BANGUR BROTHERS LIMITED,

B. D. BANGUR,
Managing Agents.

14, NETAJI SUBHAS ROAD,
CALCUTTA, 1*st April*, 1958.

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

THE ELGIN MILLS COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Share Transfer Books of the Company will be closed from 19th April to 6th May, 1958, both days inclusive.

By Order of the Board,
Per Pro BEGG, SUTHERLAND & Co. PRIVATE LTD.,

R. P. MATHUR,
Secretary,
Managing Agents.

KANPUR, U.P. 3*rd April*, 1958.

ACTIVE NOTES CROSS RS. 1,600-CRORE MARK

(From Our Own Correspondent)

BOMBAY, 9*th April*

With only a few weeks to go for the end of the traditional busy season, the short-term money market has already started showing signs of slackening demand for funds. During the week under review, fairly comfortable conditions came to prevail in the market and banks were reported to have a surplus of money, as witness the rise in their deposits with the Reserve Bank to the tune of over Rs. 13 crores during the week ended 4th April. They were also able to reduce their borrowings from the Reserve Bank. These conditions did not, however, affect the interest rates which were firmly held at the previous week's levels.

Inter-bank call money was unchanged at 3 per cent. among the Exchange banks and big Indian banks and at 3½ per cent. among the smaller banks. House money at call continued to be offered at 4½ to 4⅝ per cent. and short-term deposits fetched 4½ to 4⅝ per cent. for one to six months.

A sharp rise of Rs. 40.55 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 4th April 1958. This is perhaps the sharpest expansion in any week and with this, notes in circulation have crossed, for the first time, the Rs. 1,600-crore mark, to stand at Rs. 1,619.69 crores. Last year, the peak level touched was Rs. 1,595.36 crores. In the week under review, notes held in the Banking Department have declined by Rs. 2.27 crores, so that the net increase in total notes issued was Rs. 38.29 crores. This is covered by a significant addition of Rs. 44.87 crores in foreign securities, while rupee securities and rupee coin have dwindled by Rs. 4.87 crores and Rs. 1.71 crores, respectively. The increase in foreign securities is, however, offset to a large extent by the decline of Rs. 27.47 crores in balances held abroad (in the Banking Department), so that the net addition to the foreign assets is only Rs. 17.40 crores. Central Government's deposits have gone up by Rs. 6.94 crores, while those of other Governments have dropped by as much as Rs. 47.61 crores, reflecting the withdrawal to meet the financial year-end requirements. As already stated, deposits of banks have improved by Rs. 13.22 crores. Loans and advances to Governments have gone up by Rs. 16.40 crores, while other loans and advances have declined by Rs. 4.48 crores of which advances to Scheduled banks account for a drop of Rs. 2.39 crores. Investments stand reduced by Rs. 20.33 crores.

The Scheduled banks' statement for the week ended 28th March, 1958 discloses a sizable expansion in bank deposits, demand deposits rising by Rs. 1.25 crores and time deposits by Rs. 11.19 crores. Borrowings from banks are higher by Rs. 1.92 crores and borrowings from the Reserve Bank by Rs. 4.25 crores. Advances (other than bills purchased and discounted) have crossed, for the first time, the Rs. 800-crore mark to Rs. 805.89 crores, representing a rise of Rs. 9.55 crores over the week. Bills purchased and discounted are higher by only Rs. 87 lakhs, but the total advances have reached a new peak of Rs. 962.33 crores. Investments are almost unchanged, but cash balances have gone up by Rs. 4.23 crores and money at call by Rs. 2.71 crores.

The most important development of the week in the gilt-edged market was the suspension of sale by the Reserve Bank of 3½ per cent. 1964 National Plan Loan and some of the State Loans which the Bank had been offering. There was no further increase in its selling price or any of the securities. This is taken as an indication in the market that the Central Government's new loan is round the corner. The market in general ruled firm with a further rise in prices of many issues, though activity was somewhat restricted. There was a sudden spurt in 3 per cent. 1986 Conversion loan on short covering and it rose by 20 nP. to Rs. 71.20. There were good enquiries for 3 per cent. 1970-75 and 3 per cent. 1966-68. The former had buyers 5 nP higher at Rs. 86.35 and the latter hardened by 10 nP to Rs. 92.55. 3 per cent. 1964 spurted by 20 nP to Rs. 94.70 and 3 per cent. 1963-65 by a like amount to Rs. 94.75. 2¾ per cent. 1962 gained 5 nP to Rs. 95.05 and 2¾ per cent. 1960 was marked up by 15 nP to Rs. 97.80. 2½ per cent. 1961 put on 5 nP to Rs. 95.05. 3½ per cent. 1964 gained 5 nP to Rs. 98.15 on good enquiries. 3½ per cent. 1965 was unchanged at Rs. 97.70, 3½ per cent. 1967 at Rs. 97.65 and 3¾ per cent. 1967 at Rs. 99.75. 4 per cent. 1972 was maintained at Rs. 100.15.

There was a slight hardening of the rupee in terms of the U.S. dollar during the week, in consonance with the improvement in sterling. Bank's selling rate of ready dollars declined from Rs. 475.25 to Rs. 475 per $100 and their buying rate from Rs. 472 to Rs. 471.75 per $100. In New York, spot sterling advanced from $2.81½-2.81⅝ to $2.81-11/16-2.81-13/16 and three months forward from $2.78¾-2.78⅞ to $2.78⅞-2.79. Transferable sterling also moved up from 279.25-279.35 cents to 279.50-279.60 cents.

LINSEED REACTS

(Messrs. A. Bradley and Co.)

CALCUTTA, 7*th April*

Increased movements of new linseed crop upcountry and appearance of new crop seeds on a small-scale locally, with better offerings from sellers generally, caused a slight reaction in the local market. Linseed prices dropped by about As. 12 to Rs. 22-10. Daily turnover was still small, with crushers trading cautiously. The oil market declined by Re. 1-8 per maund to Rs. 51-8. Business was negligible, as buyers showed very little interest. The overseas market was also quieter, with sellers quoting nominally around £106.

The latest available quotations are: Ready Rs. 22-10 and April-May Rs. 22-8 per maund.

BULLION FIRM

(From Our Own Correspondent)

BOMBAY, 9*th April*

The bullion market ruled firm during the week under review, both silver and gold making sizable gains. Silver was again in the limelight, touching new high levels not seen since 1951.

Undeterred by the heavy penalty imposed under by-law 33C, which requires the purchasers to pay a margin of Rs. 500 per bar of silver on all their outstanding commitments, if the closing price of any forward contract on any particular day stood Rs. 7 above the starting rate for that settlement, the "bulls" in silver tightened their hold as the April settlement drew to a close and pushed up the price for that settlement above the margin level of Rs. 196. On the last day of the settlement, that is, on the 7th inst. forward silver (April settlement) rose to a peak of Rs. 197-14, though the closing rate for that settlement was a shade lower at Rs. 197-1. With the coming into force of the by-law 33C, the exemption limit of 40 bars permitted under by-law 33A amended recently became inoperative. The *budla* charges for transferring commitments from April to May settlement widened to a high of Re. 1-6 against sellers on the last day of the April settlement, but just at the close it again narrowed down to Re. 1, and the purchasers were thus able to avoid the margin of Rs. 500 per bar under by-law 33D, if the *budla* exceeded Re. 1.

Following the expiry of the April settlement, forward silver tended to decline on reports of large arrivals of Tibetan coins, but the good offtake in the ready section reversed the trend again today. Ready gold touched today Rs. 198, the highest level seen since June 1951, the scarcity of floating stocks being the main bullish factor.

Gold maintained a firm tone almost throughout the week, on reports of good offtake, particularly from Madras. The reopening of the Goa borders did not have any effect on gold prices.

Forward silver (April settlement) declined early in the week from Rs. 194-14 to Rs. 194-7, but it soon spurted to Rs. 197-14 on Monday last, before the settlement ran out at Rs. 197-1. The May settlement, after an initial drop from Rs. 194-7 to Rs. 194, gathered strength to Rs. 196-9 on Monday. On profit-taking, it reacted to Rs. 195-2 yesterday, but revived to close at Rs. 196-1 today.

Ready silver shot up from Rs. 195-7 to Rs. 198 before closing at Rs. 197-13. The floating stocks of silver are estimated at no more than 400 bars. The daily average arrivals were 20 bars, while the offtake was 15 bars on an average.

Forward gold (April settlement) shaded off from Rs. 110-11 to Rs. 110 early in the week, but gathered strength before the settlement ran out at Rs. 110-14. The May settlement fell from Rs. 111-1 to Rs. 110-7, before appreciating to Rs. 112-1. The closing was, however, done at Rs. 111-13.

Ready gold moved up from Rs. 110-13 to Rs. 112-4. The floating stocks of gold are estimated at 30,000 tolas. The daily average arrivals were 3,000 tolas, while the offtake was higher at 4,000 tolas.

New York silver was unchanged at 58.5/8c., while in London silver was erratic. After declining from 76*d.* to 75.5/8*d.*, spot silver improved to 76*d.* Forward silver fell from 75⅞*d.* to 75.5/8*d.* before being restored to 75⅞*d.* Gold moved up from 249*s.* 3⅞*d.* to 249*s.* 6*d.* but reacted to close at 249*s.* 3⅞*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	9-4-58	Highest	Lowest	1-4-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 4	112 5	110 8	110 13
Forward*	111 13	112 1	110 7	111 1
Sovereign	70 8	71 8	70 8	71 0
SILVER				
Ready (.996 fine Mint) ..	197 13	198 0	195 0	195 7
Forward†	196 1	196 9	194 0	194 7
London Silver Ready ..	76*d.*	76*d.*	75⅛*d.*	76*d.*
London Forward	75⅞*d.*	75⅞*d.*	75⅛*d.*	75⅛*d.*
London Gold	249*s.*3⅛*d.*	249*s.* 6*d.*	249*s.* 3⅛*d.*	249*s.*3⅞*d.*
New York Silver	—	—	—	—

* 3rd May settlement.
† 5th May settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

KIPS' ARRIVALS SMALL

(From Our Own Correspondent)

MADRAS, 7*th April*

There was no improvement in demand either for kips or for finished leather in the U.K. The leather dressers were following hand-to-mouth policy, buying only for their immediate requirements. Though spot stocks were small, they were not keen to buy. Some were reported to have retrenched their labour. Consequently, shipment business was at a low ebb, and E.I. tanners here were not happy over the situation. Arrivals from tanneries were small, and exporters who had earlier orders to execute were taking up the arrivals slowly, making a profit. Enquiries for cow calf and buff calf were received at lower prices and only a few lots were sold.

In the tanned skins section, prices of common tannages were weak, while better classes ruled steady.

Shipments during March 1958 were (in bales):—To the U.K. 2,145 tanned cow hides, 155 tanned cow calf, 35 tanned buff hides, 689 tanned buff calf, 977 tanned goat, 407 tanned sheep; to the Continent: 4 tanned cow hides, 10 tanned cow calf, 1 tanned buff calf, 1,033 tanned goat, 181 tanned sheep; to the U.S.A. 59 tanned buff hides, 182 tanned buff calf and 45 tanned goat; to Japan: 79 tanned sheep skins.

COTTON FUTURES WEAK

(From Our Own Correspondent)

BOMBAY, 9*th April*

The cotton futures market staged a brisk recovery in the earlier part of the week under review, but developed weakness on Monday which persisted yesterday and today too. The initial recovery in values was aided by persistent rumours of the release of an export quota for ⅜" cotton and expectations of enlarged domestic demand for cotton, following the likelihood of the Government liberalising its policy in respect of the installation of automatic looms. The recovery, however, was short-lived. On Monday, there was heavy liquidation by parties who had made purchases earlier in anticipation of an export quota. The continued low level of cloth offtake, despite the recent reductions in excise duty, the weakness of spot cotton consequent on the fall in prices in Southern markets owing to larger arrivals of new crop there and the disappointment over the delay in the release of a quota for ⅜" cotton, also imparted weakness to the market. Under pressure of persistent selling by Calcutta and Delhi operators, as well as by local speculative interests, cotton futures suffered a sharp setback. The previous gains were completely erased. In fact, today's closing rates were substantially lower than those on Tuesday last week.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 670 and, after improving to Rs. 677.75 on the 5th inst., slumped to Rs. 662.75 yesterday. Commencing today's sessions at Rs. 665.50, the contract gathered Rs. 2.25 to Rs. 667.75 but dropped to Rs. 661.25 at the close. The net loss over the week was Rs. 12.50. Trading in I.C.C. Moglai Jarilla August delivery commenced on the 3rd inst. The contract opened at Rs. 672.50 and, after making a handsome gain of Rs. 11 to Rs. 683.50 on Saturday, declined to Rs. 671 yesterday. The contract opened today at Rs. 674.50 and crept upto Rs. 676 before reacting to Rs. 670.50. The following table indicates the trend of prices of the contracts during the week.

(In rupees per candy of 784 lbs.)

	9-4-1958	*High*	*Low*	1-4-1958
I.C.C. Moglai Jarilla May 1958	661.25	677.50	661	673.75
I.C.C. Moglai Jarilla August 1958	670.50	683.50	670	678.50*

*On 3rd April 1958.

In the spot sections, most varieties showed a downward trend; only staple varieties were more or less steady. Activity was mostly confined to good quality cotton such as Laxmi 0394, Co2, the prices of which were maintained. The season is gradually coming to a close in many parts of the country. Arrivals in Gujerat and Saurashtra are still good, but those in Madhya Pradesh, Rajasthan, the Punjab and Berar, Khandesh and Gaoranj areas of the Bombay State have considerably declined. The season has started in the South and arrivals in principal markets are increasing.

In the export sections, renewed interest was noted for Bengal *Desi* from Japan and the U.S.A. Stray inquiries was also reported from West Germany. Demand for 23/32" cotton, however, was most encouraging.

The most important development of the week in so far as the foreign sections is concerned was the announcement of import allocations for 30,000 bales of cotton 13/16" and above from soft currency areas. The varieties eligible for import are: all Karnak and Menoufi; Giza 30—fully good and better; Dandara (Giza 31) fully good and better; Ashmouni fully good and better. G.S. down to G6S; GL down to G6L: Private Estate Sudans down to grade IV. Tanguis and Pima cottons. B.P.52m, Grade UNUG and over upto UNWE and Abyan cotton.

As regards payment procedure, while Sudan and other cottons are to be paid for in sterling, a special procedure for payment for Egyptian cotton is being worked out at present and will be announced very shortly. It is understood that such payment will be in Egyptian pounds. As hitherto, licences would be issued on quota basis to actual users, that is, mills, taking into account their consumption of both Sudan and Egyptian cottons in the past three sessions. It is also gathered that mills who did not use these cottons in the basic period but who now wish to use them would be provided with an opportunity to participate in the allocation on an *ad hoc* basis.

The mills and trade quarters are very much disappointed over the allocation, as it is much smaller than was expected. As almost half the quantity (about 15,000 bales) is already booked subject to import licences, it is thought that the allocations will enable the mills to cover only a negligible part of their requirements.

The following are the latest available quotations—in rupees per candy of 784 lbs.—from Sewri, the figures in brackets being last week's closing rates:

Bengal *deshi* 610 (600); Berar Jarilla 750 (750); Khandesh 790 (800); Oomra *Deshi* 675 (680); Vijay 900 (900); Hubli Laxmi 1,040 (1,040); Jaydhar 870 (890). *Delivery contracts*: Bengal 578 (585).

In contrast to the easy trend noted last week, the Karachi cotton futures market ruled fully steady during the week under review. The steadiness was influenced by the expectation of the removal of export duty (Rs. 80 per bale) on *Deshi* styles following the recommendation of the Pakistan Central Cotton Committee. The expectations induced good buying support and cotton futures registered a modest rise. The rise would have been more marked but for the continued slackness of foreign demand. N.T.R.G. May improved from Rs. 70-10-6 last week-end to Rs. 71-10. July contract gathered As. 7½ to Rs. 71-12. In the spot section, barring *Deshi* styles, which were neglected, values of most other varieties tended to move up. Sind *Deshi* was unchanged at Rs. 64-8, while Punjab

Deshi shed As. 8 to Rs. 62-8. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi.

4F Punjab Roller 71-12; S.G. 77; L.S.S. Punjab Roller 75-4; S.G. 79-4. N.T. Roller 77-4; S.G. 86-4; 289F Punjab Roller 82-12; S.G. 93-4.

Quiet conditions prevailed in the Alexandria cotton futures market during the week. Despite the recent reduction in export duty and the offer of attractive discounts, foreign demand had not revived to the extent desired. Keen competitions from Sudan and rumours of a further cut in export duty by that country, which might force Egypt also to follow suit, induced a cautious attitude among operators. They were, therefore, not inclined to enter into large commitments. The following are the latest available quotations—in tallaris per lb.—from Alexandria.

Karnak: May 79.85; July 80.75. *Ashmouni*: April 67.60; June 68.70.

Cotton values on the Liverpool cottons exchange followed a downward course during the week, following heavy liquidation and hedge selling. It was reported that the U.S. Department of Agriculture had refused extension of shipment period under the 1957-58 programme. This implied that all purchases from C.C.C. of last season's crop must be exported before 31st July next. Besides, easy advices from New York, the news from the yarn and cloth markets was uninspiring. Consequently, values moved down. Sudan contracts also were easy.

The following are the latest available quotations—in pence per lb.—from Liverpool. The figures in brackets are last week's closing rates:

American cotton one inch staple contract: May-June 24.35 (24.90), July-August 24.70 (25.40), October-November 25.40 (26.08).

American Cotton Mixed Growth Contract: May-June 25.20 (25.90), July-August 25.72 (26.30), October-November 26.30 (26.88).

Sudan: May-June 31.00 (31.50), July-August 31.70 (31.20), September-October 31.85.

The New York cotton futures market presented easy conditions during the week. The easiness was due to scattered liquidation and hedge selling. The refusal of the Department of Agriculture to extend the deadline for export beyond 31st July was an unsettling feature. Traders were inclined to await a clearer picture of new crop situation and more definite information regarding the exports subsidy proposed for the next season. Prices, of course, were prevented from falling further by occasional trade covering and New Orleans buying on expectation of a higher final loan rate for 1958 crop.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	8-4-58	31-3-58	25-3-58
Spot	35.95	36.10	36.20
March	35.81	35.98	36.17
May	36.04	36.23	36.41
July	36.53	36.72	36.84

ART SILK YARN FORGES AHEAD

(From Our Own Correspondent)

BOMBAY, *9th April*

The firmness of rayon and staple fibre yarns which followed the announcement of the continued restrictive import policy for April-September licensing period gathered further momentum during the week under review. In fact, the market was in the grip of bulls. The persistent denial of art silk yarn import quota to established traders—these traders have not been given any licences for the past fifteen months—at a time when there is already an acute shortage of supplies induced a buying spree. The sentiment of operators was also aided favourably by expectations of increased pressure of demand for art silk yarn from those weaving mills which had switched over to some extent to the consumption of nylon yarn in preference to art silk yarn. The expectations followed the marked rise of Rs. 4.50-Rs. 5 per lb. in the prices of nylon yarn, thanks to the imposition of restrictions on import of this yarn; acual users are allowed to import nylon and other synthetic yarns only upto 15 per cent. and that too subject to certain conditions. Traders noted the slackness in arrivals of imported art silk yarn, the total quantity actually arriving in Bombay port during the month of March 1958 being just 1.13 million lbs., as against 1.96 million lbs. in February and 1.62 million lbs. in January. Both dealers and consumers were busy making purchases of art silk yarn on fears of more acute shortage of supplies. Prices, as a result, forged ahead. In sympathy with art silk yarn and owing to denial of import quota to established traders, staple fibre yarns also evoked a buying spree, although, towards the closing sessions, there was a reaction. Cotton yarns, however, continued to rule dull in the absence of buying support. Even rumours of a reduction of 25 per cent. in output of South Indian mills failed to have any effect.

In the rayon yarn section, spot 120 Japan rallied 69 nP to Rs. 6.69. 150 Japan climbed up by 72 nP to Rs. 6.66. 120 Italy spurted by 50 nP to Rs. 6.50. 150 Italy strengthened by 75 nP to Rs. 6.62. Indigenous yarn prices also advanced further. National Rayons 150 bright cones first grade hardened by 25 nP to Rs. 6.06. 120 bright cones first grade improved by 44 nP to Rs. 6. Snia rayon yarns (120 dull cones) April delivery was knocking at the ceiling of Rs. 925, fixed by the Bombay Yarn Market Association and Exchange Ltd.

Staple fibre yarns (40×2) June delivery evoked excellent support and shot up from Rs. 624 last week to as high as Rs. 646 on Monday. At higher levels, profit-taking set in and the rate declined to Rs. 632 today. April delivery spurted from Rs. 610 to Rs 635 before closing at Rs. 623. Spot (40×2) Centurys and Citys were fully steady at Rs. 3.34 and Rs. 3.31 respectively. New Greats were done at Rs. 3.25. Kohinoors, however, eased by 3 nP to Rs. 3.33. Foreign yarns were also well supported. Paramounts rose by 31 nP to Rs. 7.12. Fujis firmed up by 40 nP to Rs. 7.06.

Among cotton yarns, ten counts Podars declined by 25 nP to Rs. 13.50. Moderns were neglected at Rs. 14.50. Among twenty counts, Moderns and Indus shed 12 nP each to Rs. 17.25 and Rs. 16.50 respectively. Gokaks were quoted at Rs. 17.25. Thirty counts Indus were unchanged at Rs. 20. Forty counts were dull, Minervas being quoted at Rs. 23.87 and Moderns at Rs. 24.50. Among sixty counts, Raghuvamshis fell by a rupee to Rs. 50.75, while Moderns gained a rupee to Rs. 60. Eighty counts Moderns receded by 25 nP to Rs. 70.25. Mahendras were on offer at Rs. 69.50.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those eight days before:

	9-4-1958	1-4-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia April	925.00	925.00
120 Japan (per lb.)	6.69	6.00
150 Japan (per lb.)	6.66	5.94
120 Italy (per lb.)	6.50	6.00
150 Italy (per lb.)	6.62	5.87
Staple fibre yarn (per case of 200 lbs.)—		
40×2 April	623.00	610.00
40×2 June	632.00	624.00
40×2 New Great (per lb.)	3.25	—
40×2 City (per lb.)	3.31	3.31
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.50	13.75
20s Modern	17.25	17.37
36s Indu	20.00	20.00
40s Minaxi	23.87	23.87
60s Raghuvamshi	50.75	51.75
80s Modern	70.25	70.50

EXPORT DUTY ON CASTOR OIL REDUCED

(From Our Own Correspondent)

BOMBAY, *9th April*

Speculations over the revision in export duty on castor oil have at last been ended. Yesterday, the Government of India announced reduction in export duty from Rs. 175 to Rs. 100 per ton. The duty on nigerseed has also been cut from Rs. 150 to Rs. 50. The oilseeds trade is disappointed at the announcement. It was hoping for a complete abolition of duty on castor oil. Even with the latest cut in duty, prospects of India exporting large quantities of castor oil either to the U.K. or the U.S. are considered to be bleak. The currently ruling rate (including the revised export duty of Rs. 100) of B.S.S. quality in India is about £129 per ton (c.i.f. London), as against £122-14 quoted for Brazilian oil; the latter rate is inclusive of the import duty of £10-14 and the difference of £5 on account of quality variation. The disparity between Indian shippers' quotation and London price thus comes to £6-6 per ton. The price of Indian oil will be very much higher—by over £16—as compared with the ruling price of about £112-14 in the U.S., where there is no import duty. It is not surprising, therefore, that the castorseeds section has not only reacted bullishly to the reduction in export duty but has actually suffered a setback. Those who had gone long on hopes of complete abolition of duty have turned out to be sellers. If the prices have not recorded a more marked fall, it is perhaps because of a feeling that the Government may reconsider the question and abolish the duty completely.

The groundnut section ruled strong, thanks to buying orders in groundnut oil from *vanaspati* manufacturers and reluctance of upcountry dealers to supply goods at current rates. The linseed section, however, is distinctly easy. Trade houses fear that delivery orders in May contract may be heavy this time, as floating stock in the city is estimated at about 6,000 tons. In sympathy with castorseeds and linseed and following weak advices from the cotton market, cottonseed is also easy. Kardiseed is dull. But nigerseed is somewhat well supported, induced by the cut in export duty.

Castorseeds May contract opened the week firm at Rs. 150.12, as against Rs. 149.75 last week-end, and, on persistent full support induced by anticipations of abolition of export duty on castor oil, jumped up to Rs. 154.62 on the 7th inst. Subsequently, however, the bulls came out to book their profits, as it was thought that the Government might lower the duty only to some extent. The tendency gathered momentum after the duty cut was announced and the rate dropped to Rs. 149 today. Ready Madras, after rising from Rs. 29.62 to Rs. 30.12, fell to Rs. 29.75. Kanpur quality advanced from Rs. 28.25 to Rs. 29.12 before finishing at Rs. 28.25. Castor oil B.S.S. which stood at Rs. 16.69 last week-end gradually improved to touch Rs. 17.25 on Monday. Thereafter, it declined, today's closing rate being Rs. 16.75. Commercial quality spurted from Rs. 15.37 to Rs. 16.00 but relapsed to Rs. 15.50 today.

Over the week, Groundnut May contract registered a rise of Re. 1.12 to Rs. 163.62; at one time today, it was quoted at Rs. 164.75, that is, just 25 nP below the rate at which margin comes into effect. Bold ready strengthened by 88 nP to Rs. 33.50. Coromandal hardened by 87 nP to Rs. 34.12. Khandesh quality gathered 75 nP to Rs. 34. Groundnut oil ex-mill met with good buying enquiries and spurted by 37 nP to Rs. 18.25. Railway receipt put on 25 nP to Rs. 18.12.

Linseed May was well supported in the earlier sessions, the rate moving up from Rs. 31.00 on Thursday to Rs. 31.31 on Monday. It, however, declined to Rs. 30.62 yesterday and further to Rs. 30.50 today. Over the week, Bold ready shed 44 nP to Rs. 30. Linseed oil encountered selling and receded from Rs. 16.37 on Thursday to Rs. 15.87 today.

Cottonseed May contract was distinctly firm during the first part of the week but developed a sagging tendency yesterday which persisted today also. The contract moved up from Rs. 108 to Rs. 109.50 on Monday, but eased to Rs. 107.50 today.

Among other seeds, kardiseed bold ready which had gone down from Rs. 19.50 last week-end to Rs. 19.75 on the 3rd and 4th inst., recovered to Rs. 19.50. This rate was maintained today also. Nigerseed Madras elicited good support and advanced by 50 nP to Rs. 28.75.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	9-4-1958	1-4-1958	26-3-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	163.62	162.50	162.00
Bold ready (per cwt.)	33.50	32.62	32.50
Khandesh quality	34.00	33.25	33.25
Linseed—			
May 1958	30.50	31.12	31.37
Bold ready (per cwt.)	30.00	30.44	31.12
Castorseed—			
May 1958	149.00	149.75	149.37
Madras (per cwt.)	29.75	29.62	30.12
Cottonseed—			
May 1958	107.50	108.00	109.00
*Groundnut oil**			
Ex-mill ready (per quarter) ..	18.25	17.87	18.00
Castor oil†			
Commercial (per quarter) ..	15.50	15.37	15.37
Linseed oil†			
Ready	15.87	16.25	16.37

* Rates include excise duty but exclude sales tax.
†Rates exclude both excise duty and sales tax.

SUGAR DULL

(From Our Own Correspondents)

BOMBAY, *9th April*

Dull conditions prevail in the sugar market. Reports from U.P. side indicate that the sugar mills and jobbers there are scaling down their quotations in order to unload a part of the substantial stocks which they had held previously in expectation of a rise in prices following the finalisation of export scheme. The ex-mill quotations for sugar in the Bombay-Deccan and Southern India, however, remain unchanged.

Small grain and medium grain sugars are quoted at Rs. 105.50 and Rs. 106-108 per bag, respectively, same as last week. Bold grain is done at Rs. 112, as against Rs. 109-112.25.

Arrivals of sugar by rail into the market during the week aggregated 10,500 bags. This quantity excludes arrivals by trucks which cannot be accurately ascertained.

* * * *

HAPUR, *7th April*

Sugar prices ruled quiet during the week, owing to absence of buying enquiry from consuming centres. The production of sugar in the country upto 22nd March amounted to 16.11 lakh tons. Cane supplies to factories were reported to be gradually declining, some factories stopped crushing for the season and the rest were expected to finish by the end of the current month at the latest. Ex-mill delivery prices moved down.

The week-end witnessed lively conditions in the Muzaffarnagar sugar market. Business in bulk quantity was done for Punjab and Delhi for Khatauli, Deoband, Daurala, Mawana and Shamli sugar factories. Limited business was also done for Gujerat, while demand from other consuming centres was dormant. The latest mill delivery prices were: Deoband (C-28) Rs. 35.87; Khatauli (C-29) Rs. 36.56; Iqbalpur (E-29) Rs. 35.50; Rampur (B-29) Rs. 36.75; Mansurpur (B-29) Rs. 37.81; Daurala (B-29) Rs. 37.12; Amroha (D-29) Rs. 35; Meerut (D-28) Rs. 35.69.

Good demand from consuming centres accounted for steady conditions in *khandsari* during the week. Production was gradually declining, due to fall in supplies of cane to crushers. Prices were around Rs. 27 to Rs. 33 per maund according to quality.

After the recent spurt, ready *gur* reacted towards the week-end for want of buying support. Dry quality eased from Rs. 16.75 in mid-session to Rs. 16 on Monday.

BLACK PEPPER QUIET

(Messrs. Parekh and Co.)

BOMBAY, *9th April*

Two-sided movements in prices of Malabar black pepper were noticed during the week, following prolonged holidays in Singapore and London. Bulls in the trade tried to manipulate the market during Easter, but, there being no support from New York, prices on balance at the time of writing showed small advance with undertone quiet. Ready garbled at Cochin improved from Rs. 101 to Rs. 110 to come down to Rs. 105. May delivery on the Exchange fluctuated between Rs. 105 and Rs. 116 to mark down to Rs. 107. Cochin showed hectic fluctuations in the wake of selling and buying bouts by speculators. May contract at Cochin seemed to be under the grip of speculators. Daily turnover of more than a couple of hundred tons were noticed even when ready was neglected. The spread between Ready and May delivery was once as high as Rs. 8 which showed how the market was technically far from healthy.

New York is reported to be showing very little buying interest, as most of its requirements are fulfilled by Lampong which is underselling Malabar. Further, sizable unsold consignments from India as well as from Singapore are reported to be on the way and consequently, New York market, except during the last week's boomlet, is always ruling below the replacing parity.

Singapore opened quiet after Easter, white and black pepper quoting at Str.$128 and Str.$72 respectively.

Alleppey ruled between Rs. 625 and Rs. 637, while Calicut from Rs. 680 to Rs. 700. Recent reduction in the coastal freight from Rs. 99 to Rs. 66 will make cost of pepper cheaper in Bombay.

Control of pepper market seems to have shifted to Singapore and the Malabar prices are shaping themselves reflecting changes in Singapore.

In A.S.T.A. section, April changed hands from $0.24½ to $0.26, while May-June from $0.25 to $0.27.

In delivery section, May delivery, after improving to Rs. 660 under pressure of buying by bulls, came down to Rs. 600 under short selling and liquidation by bulls.

Today's nominal quotations are: Ready delivery Rs. 88 per Bengal maund; May Rs. 620-Rs. 630 and June Rs. 635-Rs. 645 per candy of 5¼ cwts.

IRREGULAR DEMAND FOR TEA

(Messrs. Forbes, Ewart & Figgis (Private) Ltd.)

COCHIN, *3rd April*

Approximately 1,450,000 lbs. were on offer in Sale No. 8 which was held on Tuesday, 1st April. Quality still continued to be very useful, and there was a large quantity of Nilgiri teas on offer. The sale opened to a good but irregular demand. With the absence of the Russian buyer operating, best quality declined by 25 to 50 nP. Good mediums were strong and also dearer. Medium descriptions met with less competition and were barely steady. Low medium brokens were easier but similar coloury fannings were dearer. Whole leaf types were difficult to sell. The following are the quotations:—

	1958
	Rs.
Plain B.P.	1.45
Low medium	1.55 to 1.90
Medium	1.90 to 2.20
Good medium	2.40 to 2.90
Quality	2.80 to 6.00

London Market—Sale of 31st March 1958.—Irregularly firm.

Sale of 1st April 1958.—Market steady.

Colombo Market—Sale of 31st March 1958.—Good demand. Best irregular, following quality. Coloury mediums slightly dearer. Low grown Middle East weak considerably easier.

Sale of 1st April 1958.—Strong demand. Fully firm.

Export Quota.—There has been some business transacted over the week and today's quotation is sellers 4 nP and buyers 3 nP.

Forthcoming Auctions.—Sale No. 9 will be held on Tuesday, 15th April.

As we go to Press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Dust Sale H.*—650,000 lbs. Fair demand. Market irregularly 10 to 15 nP easier, except better types 5 to 10 nP lower."

TEA PRICES IMPROVE

(From Our Own Correspondent)

CALCUTTA, *8th April*

The market was in the grip of strong rumours that an announcement from New Delhi reducing the export duty on all kinds of teas by 12 nP per lb. was imminent. Originally, the authorities desired that only common teas should get the relief. They were, therefore, believed to be working out a scheme, which would give the benefit to inferior teas only. Apparently, on second thoughts, Government should have found a scheme reducing the duty on common teas alone would open up practical difficulties in implementation, and hence the extension of the proposed benefit to all teas.

In the meantime, Government has announced that the export of dust teas to all destinations will be allowed under licence without being required to be covered by export quota rights. Such licences will be issued in cases of applications submitted to the Tea Board up to 30th September and available up to 31st October. This means that dusts tea can be exported without ceilings, and is aimed at clearing the balance of the last crop by as much as possible.

Export offerings yesterday amounting to 58,325 packages met with strong and general demand. Prices of plain and medium brokens rose by 4 to 6 nP, and those of the commonest teas by 6 to 10 nP. C.T.C. teas were paid keen attention, and in the competition that ensued the mediums gained by 20 nP. Medium O.Fs were fully steady as were B.O.P's showing improvement in quality. However, low medium B.O.Ps were quiet and eased. Legg-cut teas lost 5 to 10 nP below valuations. Whole leaf grades recorded an addition by 10 nP. However, tippy teas were easier. The quotations were: best Assam C.T.C. fannings Rs. 2.80 to Rs. 3.00, clean black pekoe Rs. 2.30 to Rs. 2.35, best Assam C.T.C. B.P. Rs. 2.60 to Rs. 2.80, medium fannings Re. 1.78 to Re. 1.82, medium B.P. Re. 1.62 to Re. 1.66, plain B.P. Re. 1.50 to Re. 1.54, and plain fannings Re. 1.64 to Re. 1.68.

Export quota changed hands at 4 nP. Subsequently, the price rose to 4½ nP.

In the internal sales held last week, there was good demand at lower rates. Dusts on offer aggregated 20,417 chests. Orthodox teas gave way by 6 nP, the smaller powdery teas recording a greater decline. The best liquoring C.T.C. Assams representing an improvement in quality realised higher prices following keen competition, while the plainer kinds fell by 10 nP. Darjeelings with flavour were steady. The quotations were: best Assam C.T.C. Rs. 2.75 to Rs. 3.05, medium Assam C.T.C. Re. 1.85 to Rs. 2.05, medium grainy dust Re. 1.56, and medium Dooars Re. 1.54.

JUTE GOODS ACTIVE

(From Our Own Correspondent)

CALCUTTA, *8th April*

There was an impressive rise in business done in jute goods with foreign buyers during the week under review. Enquiries were also keen, and it looked as though foreign buyers would be lifting substantial quantities. During recent weeks, there was a conspicuous decline in activity on foreign account as shippers were putting off their purchases on the belief that prices would come down. However, with the fixing of minimum prices and, what was more important, with the opening of the official futures market, prices became steady. Naturally, foreign buyers whose stocks had already declined in view of lower purchases, might have apparently thought that chances of a further decline in prices were poor. On the other hand, prices began to stabilise at around the minimum prices. So, they began lending their support to the market, and during the week under review, prices moved up towards the minimum levels.

The first impression of the working of the futures market is that it has started working well, and those who drafted the rules and regulations can take pride in the fact that there have so far been no instances of over-trading. This circumstance has lent considerable support to the genuine buyers' market, where forward quotations for goods compare well with those of the official futures. This contributed to an increase in the specific delivery contracts with mills. The close relationship in prices between the futures and the genuine buyers' market has been achieved by the satisfactory system of tender and delivery. Basis exists for quality as well as price on tenders put forward on the Exchange.

In the hessian section, the market sentiment was cheered by the interest shown by American buyers for the 7½ oz. construction. Particularly interesting was the call for tenders for 20,000 bales of cornsacks by Australia. Buying was subsequently done with buyers for Australia, the United States, the United Kingdom, and the Argentine. Business was substantial. This was the first major enquiry received from Australia after reports of failure in grain crop, and buyers expected more business. On Tuesday last, ready 40" 10 oz. hessian rose to Rs. 39.50 from Rs. 39.20. The highest and lowest rates in the futures market were Rs. 40.18 and Rs. 39.48 for 40" 10 oz. hessian, and Rs. 101.00 and Rs. 99.40 for B. twills. Follow-up business in the genuine market was lacking, and as such ready B. twills gave way to Rs. 98.80 on Wednesday. On the other hand, ready hessian 40" 10 oz. scored further to Rs. 39.60 on keen enquiries. In particular, the enquiry from Australia boosted sentiment, and the steady prices in the New York market also pushed up local sentiment. On Thursday last, ready B. twills improved to Rs. 99.00, while ready 40" 10 oz. hessian was quiet at Rs. 39.55. The market was closed on Friday and Saturday on account of Easter. Yesterday, sentiment improved with B. twills rising to Rs. 99.87 and 40" 10 oz. hessian to Rs. 39.70. Forward quotations in the genuine market were higher on balance for the week. July-September 40" 10 oz. hessian scored to Rs. 40.05 from Rs. 39.70, and July-September B. twills to Rs. 100.85 from Rs. 100.25. April-June deliveries in both the constructions moved to Rs. 39.90 and Rs. 100.25 from Rs. 39.50 and Rs. 99.50, respectively.

Although quotations for goods in the genuine market and in the official futures compared well, raw jute prices differed. The quotations in the futures market for June delivery contract of Assam bottoms was Rs. 26.40, as against Rs. 25.25 April-May delivery in the real market. The difference was believed to have been due to drought conditions in the jute growing areas and the delay in preparing the soil for sowing. However, it should be noted that there was rain during the week in some areas in Assam, and this led to a decline in prices subsequently. Arrivals did not show any increase and were below demand.

METALS FIRM

(From Our Own Correspondent)

CALCUTTA, *8th April*

Fair demand, coupled with reports of firmer trend in overseas markets, lent strength to the metal market during the week under report. In view, however, of the Control Order and the time needed to understand its full import and implications, business at least in copper, which is the only metal to go under control for the present, was at a standstill. It had been believed earlier that in view of the actual shortage and consequent rise in prices the import policy for copper would be relaxed. This expectation has not materialised, but it is simultaneously stated in the policy announcement that additional import licences for non-ferrous metals would be issued. Since the State Trading Corporation has already been granted a licence for importing 2,400 tons of copper—the S.T.C. is likely to import this from Rhodesia—the trade fears that the S.T.C. might be granted most of the additional licences for import of non-ferrous metals. At the same time, purchase and sale of copper has been controlled as from 3rd April, and the official *communique* indicates the possibility of tin, zinc and lead also going into control. This would virtually keep away all middlemen from the importers to consumers, and to that extent is aimed at cutting down prices. Moreover, the Control Order stipulates that sales should not be priced 3½ per cent. above the landed cost. It was noted that Canada would be supplying non-ferrous metals (10,000 tons of aluminium, 7,500 tons of copper, and 500 tons of nickel) valued at $10 million under the Colombo Plan.

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KEEN DEMAND FOR HIDES

(From Our Own Correspondent)

KANPUR, *7th April*

Fresh arrivals of goat and sheep during the week fell slightly. Demand for these and also for upper grade buff was keen. The main parties behind the transactions were the Madras dealers and the local tanners. Prices maintained the levels of the previous week.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 340 and 3rd grade Rs. 210 per score; wet salted buff 1st grade 1 lb. 6 ozs. and 2nd grade 1 lb. 10 ozs. per rupee; goat 1st grade Rs. 310 and 2nd grade Rs. 280 per 100 pieces; sheep 1st grade Rs. 335 and 2nd grade Rs. 260 per 100 pieces.

FOODGRAINS STEADY

(From Our Own Correspondent)

HAPUR, *7th April*

Despite arrivals of new crop grains in the market, the foodgrains market continued to rule steady during the week, as daily arrivals were still small. A heavy quantity of foodgrains is reaching the country from abroad and it is expected that, by the end of July 1958, India will have imported all the 33 lakh tons of wheat to be supplied by the U.S. under the existing P.L. 480 Agreement. The first gift grant of 1.15 lakh tons of wheat given in November last has already been received and India is to receive a second gift of 1.3 lakh tons from Canada under the Colombo Plan. In addition, India is also purchasing 4 lakh tons of wheat from Canada on deferred payment basis.

Wheat at Hapur ruled steady during the week. Average quality was quoted at Rs. 16 per maund and farm produce at Rs. 17. New crop arrivals today were put at 250 maunds and local stock continued unchanged at one *khatti*.

Rice continued to be steady at Rs. 29 to Rs. 31.50 per maund for *basmati* quality and Rs. 25.25 for *mainpuri*. Harvesting of coarse grains having finished about a week ago, arrivals of gram and other coarse grains had begun in small quantities here, but prices continued to rule steady, due to poor arrivals in the face of increasing consumer demand. The latest prices on Monday (in rupees per maund) were: Gram 11 to 11.25; barley 9.50; *bejhar* 9.25; *jowar* 10.50 to 11.75; *guwar* 13.81 to 14.75.

SUGAR

(*Concluded from page* 684)

in factory zones to the manufacture of *khandsari* sugar, it has to be considered how this can be prevented."

In the course of his speech, Mr. Sawhney made special mention of the licensing policy governing the expansion of the sugar industry. He stated that, in the matter of licensing additional capacity, the Government should first meet the requirements of the existing units. For, in his opinion, it would cost less in terms of both money and time, if preference was given to the expansion of the existing units wherever cane availability and other facilities permit the same. In this connection, he put forward two suggestions. First, wherever the units already licensed had not come up according to programme, the capacity thus released should be redistributed among the existing factories depending on the scope of expanding such units. Secondly, the restriction of allowing expansion only up to a maximum of 1,000 tons imposed mainly on the plea of non-availability of further capacity should be done away with. These are, indeed, pertinent suggestions which deserve the sympathetic consideration of the Government. In the course of his reply, Mr. Jain rejected the criticism that the Government had not given preference to expansion of the existing units over installation of new ones. He declared that applications for expansion had been approved in all cases except a few where expansions had been sought without completing expansions sanctioned earlier. Mr. Jain also rejected the suggestion that licences for such new factories as had not been able to establish themselves should be revoked in order to make room for more expansions.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	4½	3½
Austria	17th Nov., 1955	5	4½
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	4½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1947	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	Nov., 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	Dec., 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	5
Japan	8th May, 1957	7·67	8·40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	6th April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	20th April, 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1957	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1956	3	4
U.S.A.	8th March, 1958	2½	2½‡
West Germany	17th Jan., 1958	4	3½

‡ Three Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 3rd April, 1958		Week ended 28th March 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,05,832	51,83,98,000	3,63,645	97,46,70,000
Calcutta	..	..	1,85,000	71,74,00,000
Madras	82,274	11,23,42,484	1,07,766	13,45,70,000
All Centres—				
1955-56	..	..	37,19,9000	79,56,21,00,000
1956-57	..	..	40,993,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,704,000	8,31,64,00,000
Feb., ,,	..	..	3,335,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 4th April, 1958

BANKING DEPARTMENT

Liabilities	Rs.	Rs.
Capital paid-up		5,00,00,000
Reserve Fund		80,00,00,000
National Agricultural Credit (Long-term Operations) Fund		20,00,00,000
National Agricultural Credit (Stabilisation) Fund		2,00,00,000
Deposits:—		
(a) Government—		
(1) Central Government		55,27,22,000
(2) Other Governments		7,28,89,000
(b) Banks		81,05,86,000
(c) Others		116,32,46,000
Bills Payable		25,66,09,000
Other Liabilities		40,37,06,000
	Rupees	432,92,58,000

Assets	Rs.
Notes	7,94,43,000
Rupee Coin	8,85,000
Subsidiary Coin	2,73,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	12,71,74,000
Balances held abroad*	68,34,29,000
Loans and Advances to Governments†	37,63,35,000
Other Loans and Advances	73,92,35,000
Investments	218,11,09,000
Other Assets	14,18,89,000
Rupees	482,92,58,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 24,19,00,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	7,94,43,000	
Notes in circulation	1619,68,82,000	
Total Notes issued		1627,63,25,000
Total Liabilities		1627,63,25,000

Assets	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	216,06,93,000	
Total of A		333,82,96,000
B. Rupee Coin		127,57,38,000
Government of India Rupee Securities		1166,22,91,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1627,63,25,000

Scheduled Banks*

Statement of Affairs for the week ended 28th Mar., 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,26,18,000
(ii) Other demand liabilities	729,99,00,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	14,85,50,000
(ii) Other time liabilities	719,64,22,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	10,77,54,000
(ii) Time liabilities	90,00,00,000
Borrowings in India from the Reserve Bank of India†	42,00,26,000 (26,58,10,000)
Cash in India	37,20,92,000
Balances with the Reserve Bank in India	67,78,10,000
Balances with other banks in current account in India	11,16,70,000
Money at call and short notice in India	41,68,26,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	440,35,92,000
Advances in India	805,88,93,000
Inland Bills purchased and discounted in India	116,59,60,000
Inland Bills purchased and discounted in India	39,84,40,000
Foreign Bills purchased and discounted in India	....

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	9th April 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot s.	1-5⅜	1-5⅜
Sellers T.T. D.D. upto six months s.	1-5⅜	1-5⅜
Buyers T.T. spot to nine months s.	1-6¼	1-6¼
Buyers T.T. 10 to 12 months s.	1-6¼	1-6¼
Bombay on New York—		
Sellers T.T. D.D. .. Rs.	475·25	475·25
Buyers T.T. .. Rs.	471·75	472·00
London on New York.. $	2·81⅛ 2·81⅜	2·81⅛ 2·81⅜
London on Paris .. Frs.	1,176¼	1,176¼
London on Berne Sw. Fes.	12·25¾ 12·25¾	12·26 12·26¼
New York on London.. $	2·81⅛ 2·81⅜	2·81¼ 2·81⅜

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	*Per capita* income (Rs.)
India†	1956-57	387·68	..	11,010	284
Pakistan††	1956-57	83·50	..	2,079	249
Burma	1955	19·43	Kyats 4,087	409	210
Ceylon	1955	8·38	..	475	567
Japan	1956	90·00	Y. 7,427,000	9,283	1,031
Philippines	1955	21·85	Ps. 7,804	1,873	857
New Zealand	1956	2·17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9·40	£ (A.) 4,238	4,623	4,918
U.K.	1956	51·20	£ 16,465	21,953	4,287
U.S.A.	1956	168·09	$ 343,600	163,554	9,731
Canada	1956	16·00	$ 22,710	10,787	6,742
France	1956	43·60	Fr. Fr. 15,500,000	15,640	4,005
W. Germany	1956	51·50	Dm. 147,000	19,880	3,279
Italy	1956	48·10	Lr. 11,476,000	5,760	1,221
Norway	1956	3·46	Kr. 20,960	1,408	4,358
Sweden	1956	7·30	Kr. 44,580	4,127	5,655
Netherlands	1956	10·90	Kr. 25,400	3,215	2,927
Denmark	1956	4·46	Kr. 24,950	1,690	3,789
Switzerland	1956	5·00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 28th Mar., 1958

BANKING DEPARTMENT

Liabilities	Rs.	Rs.
Capital paid-up		3,00,00,000
Reserve Fund		3,00,00,000
Deposits:—		
(a) Central Government		75,84,55,000
(b) Provincial Governments		....
(c) Banks		16,27,12,000
(d) Others		5,08,38,000
Bills Payable		54,78,000
Other Liabilities		10,55,39,000
	Rupees	114,30,22,000

Assets	Rs.	Rs.
Notes		12,66,18,000
Rupee Coin		33,000
Subsidiary Coin		28,000
Bills Purchased and Discounted:—		
(a) Internal	....	
(b) External	....	
(c) Government Treasury Bills	2,15,000	
Loans and Advances to Governments	3,16,00,000	
Provincial Governments' Debtor Balances	12,32,75,000	
Other Loans and Advances	13,11,98,000	
Investments	59,33,18,000	
Other Assets	13,67,37,000	
	Rupees	114,30,22,000

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	12,66,18,000	
Notes in circulation	336,86,57,000	
Total Notes issued		349,52,75,000
Total Liabilities		349,52,75,000

Assets	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	78,54,98,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,80,000	
		132,98,21,000
B. Rupee Coin	4,22,25,000	
Government of Pakistan Securities	206,42,23,000	
Internal bills of exchange and other commercial paper	....	
		210,64,48,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	349,52,75,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 39·65 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	28th Mar., 1958	A week ago	A month ago	A year ago
RESERVE BANK *Issue Department*					
Notes in circulation	172.87	1575.13	1571.83	1545.26	1,526.00
Notes held in Banking Department	85.05	10.21	16.97	25.06	11.77
Foreign Securities	59.50	171.19	171.19	45.54	412.52
Rupee Securities	57.89	1171.10	1171.10	1076.82	884.97
Banking Department					
Deposits of:					
Government of India	14.89	48.33	49.71	56.60	64.57
Other Governments	....	54.85	77.68	15.67	31.95
Balances held abroad	10.08	98.81	103.00	1076.82	114.31
SCHEDULED BANKS					
Demand Liabilities	134.36	742.25 (15.26%)	740.88 (12.14%)	727.79 (13.16%)	711.88 (8.27%)
Time Liabilities	102.24	734.50 (14.86%)	724.51 (16.06%)	724.62 (16.65%)	473.66 (1.97%)
Borrowings from Reserve Bank	..	42.00 (26.58%)	37.76 (23.53%)	28.86 (22.17%)	103.16 (71.54%)
Borrowings from State Bank	..	11.68	10.71	9.62	11.60
Cash in India	6.70	37.21	36.90	38.48	33.98
Balances with Reserve Bank	25.17	67.78	63.86	73.13	54.28
Excess over statutory limits	15.52	15.83	12.33	22.25	9.22
Balances with other banks in current account in India	..	11.17	11.30	11.64	11.31
Money at call and short notice in India	..	41.68	38.97	40.40	10.62
Investments at book value)	..†	440.36	440.26	433.45	347.18
Advances and bills	105.09	962.33	951.90	931.56	900.04
STATE BANK					
Deposits	87.76	418.52	414.18	407.87	299.90
Investments	51.99	190.70	190.70	183.68	105.72
Advances	30.35	210.51	211.79	205.22	185.14
Cash	14.69	21.41	23.65	32.34	21.43

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	November,		Eight months, April to Nov.,	
	1956	1957	1956	1957
Import Duties:				
Revenue	11 07	11 86	82 01	97 86
Protective	1 21	0 80	8 39	7 41
On surplus disposals	—	—	0 82	0 09
Total import duties	12 28	12 66	90 42	105 36
Export Duties	2 67	2 58	18 28	15 82
Land Customs	0 22	0 44	1 62	2 27
*Air customs.**	—	0 10	—	1 62
Miscellaneous	0 11	0 16	0 74	0 98
Gross total customs	15 28	15 94	111 06	126 05
Refunds and drawbacks	0 22	0 41	1 57	2 76
Net Customs	15 06	15 53	109 49	123 29
Gross excise	16 23	24 24	117 97	168 75
Refunds	0 17	0 22	1 32	2 21
Net Excise	16 06	24 02	116 65	166 54
Net total of customs and excise†	31 12	39 55	226 14	289 83

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 4th April 1958

Capital and Liabilities	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		434,25,03,000
Bills Payable		....
Bills for Collection being Bills Receivable as per contra		7,29,02,000
Acceptances, Endorsements and Other Obligations per contra		80,41,000
Other Liabilities (including Inter-Office Adjustments)		70,10,000
Total	Rs.	2,95,35,000
		458,33,91,000

Property and Assets	Rs.	Rs.
Cash in hand and with Reserve Bank		29,44,27,000
Balances with other Banks		2,78,03,000
Money at Call and Short Notice		1,73,33,000
INVESTMENTS:		
Government and other Trustee Securities	Rs.	
Other Authorised Investments	180,37,27,000 10,38,84,000	190,75,61,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	187,94,42,000	
Bills Discounted and Purchased	21,04,91,000	208,99,33,000
Bills Receivable being Bills for Collection as per contra		80,41,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		70,10,000
Premises less Depreciation		1,19,79,000
Furniture and Fixtures less Depreciation		80,12,000
Other Assets (including Inter-Office Adjustments)		21,08,32,000
Total	Rs.	458,33,91,000

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional.
‡ Borrowings against usance bills and promissory notes.

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	145,25	168,97	145,25	168,97
1952-53	6,93	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,64	..	..	..	146,83	211,03	146,83	211,03
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	152,71	255,98	152,71	255,98
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	..	177,35	310,29	177,35	310,29
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	55	54	203,53	386,04	203,53	386,04
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	45	95	225,88	446,17	225,88	446,17
1957												43	1,32				
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	455,77	455,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	466,96	466,96
September	2,60	5,39	158,23	6,86	20,17	14,05	202,17	25,17	—39,26	44,14	63	2,39	4	1,46	21,54	469,96	469,96
October	2,54	5,26	155,82	6,17	26,33	12,51	202,83	24,81	—39,33	44,07	42	2,81	2	1,47	19,12	470,06	470,06
November	2,48	5,14	153,49	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	472,32	472,32
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	1,90	479,81	479,81
1958																	
January	2,37	4,94	148,57	7,95	47,18	13,88	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,68	479,81	479,81
February	..	..	..	..	..	..	..	..	..	43,69	74	5,18	9	1,75	..	..	..

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from May 10, 1954 to May 30, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 1957. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of items column 9 marked 'H' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 20th Mar., 1958	27th ,, 1958	1st Mar., 1958	30th Mar., 1957
ALL-INDIA				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89 4	89 4	89 2	90 0
1. Government of India	89 1	89 1	89 0	89 7
2. State Governments	96 6	96 5	96 5	96 5
3. Municipal Port Trust, etc.	90 0	90 0	90 0	99 4
DEBENTURES OF INDUSTRIAL CONCERNS	97 2	97 2	97 2	98 9
1. Electricity	98 5	98 5	98 5	98 8
2. Jute	92 2	92 2	94 4	97 0
3. Plantations	97 8	97 8	97 8	98 4
4. Sugar	96 4	96 4	96 4	98 5
5. Coal	84 8	84 8	84 8	90 6
6. General Engineering	98 0	98 0	98 0	100 0
7. Shipping	99 1	99 1	99 6	101 8
8. Others	94 1	94 1	94 1	100 1
PREFERENCE SHARES	70 6	70 9	71 2	79 3
1. Electricity	84 7	84 4	84 8	87 5
2. Cotton	67 7	67 2	67 1	78 9
3. Jute	58 5	59 3	61 0	73 2
4. Coal	72 2	72 7	72 3	82 0
5. Iron and Steel	78 3	78 3	78 2	81 5
6. Sugar	69 5	69 5	69 7	79 6
7. Paper	74 2	74 2	74 2	79 6
8. Plantations	86 8	86 9	87 0	98 6
9. Miscellaneous	65 0	66 9	66 7	74 9
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	97 9	98 8	95 4	109 2
(a) Financial	97 8	97 9	97 2	91 3
1. Banks	100 7	101 0	100 6	93 4
2. Insurance	90 8	90 1	87 2	82 2
3. Investment Trust	65 3	65 0	64 2	78 2
(b) Public Utilities	104 1	103 9	104 3	109 2
1. Electricity	101 4	101 4	101 3	108 1
2. Shipping and other Transport	120 5	119 9	121 9	120 9
3. Railways	68 4	67 8	66 1	76 9
(c) Manufacturing industries	100 9	99 4	97 0	114 8
1. Cotton, Woollen and Silk	96 0	94 1	92 8	121 6
2. Jute	49 0	48 1	48 1	57 6
3. Iron and Steel	129 1	128 1	120 1	130 9
4. Paper	190 8	190 0	186 5	237 6
5. Cement	137 1	135 9	132 1	150 6
6. General Engineering	150 9	148 8	144 5	163 8
7. Sugar and Breweries	99 2	97 6	97 4	98 9
8. Chemicals	130 7	130 3	126 4	134 3
(d) Non-Manufacturing Industries	111 2	108 2	107 2	134 8
1. Coal	65 3	65 0	65 2	99 6
2. Minning and Oil	156 3	149 7	146 2	179 0
3. Plantations	120 2	117 0	115 7	155 5
(e) Miscellaneous	69 2	68 4	68 6	86 9
REGIONAL				
GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88 8	88 8	88 7	89 3
2. Calcutta	89 0	89 0	89 0	89 9
3. Madras	89 6	89 6	89 4	90 2
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96 5	96 5	96 3	99 0
2. Calcutta	97 3	97 3	97 4	98 6
3. Madras	97 4	97 4	97 4	99 5
PREFERENCE SHARES:				
1. Bombay	79 6	79 5	79 5	83 4
2. Calcutta	61 9	62 8	63 4	73 4
3. Madras	83 7	84 0	83 7	93 8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	114 4	113 1	110 0	119 1
2. Calcutta	83 4	82 7	82 4	95 8
3. Madras	110 2	109 2	109 3	122 5
4. Delhi	119 5	118 1	113 6	115 2

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,605.8	7,185.8
1956-57	769	9,677.8	8,103.1
October 1956..	753	824.1	670.1
November ,, ..	756	810.5	668.1
December ,, ..	757	861.5	715.0
January 1957..	765	868.7	711.7
February ,, ..	767	811.0	677.7
March ,, ..	769	874.6	716.5
April ,, ..	770	901.4	734.5
May ,, ..	793	932.2	755.7
June ,, ..	799	898.4	726.1
July ,, ..	809	928.8	745.9
August ,, ..	811	923.0	751.0
September ,, ..	814	924.7	729.3
October ,, ..	822	917.5	731.8
November ,, ..	822	930.2	740.5

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At close of month/of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	132 9	142 1	134 4	142 3
Coal	111 4	114 9	130 3	121 9	118 2
Sugar*	143 0	175 1	398 7	333 1	369 5
Tea*	106 2	106 0	96 4	11 4	96 1
Cotton textiles	111 9	117 5	115 4	107 4	115 1
Jute textiles	118 9	127 3	129 0	113 8	120 4
Paper and paperboards	140 2	146 6	177 1	163 2	148 0
Cement	106 6	106 6	99 0	88 7	101 7
Iron and steel	140 4	154 2	194 1	188 0	157 3
Non-ferrous metals	113 3	119 4	125 5	115 1	124 6
Rayon	122 7	124 7	146 9	166 1	137 7
	280 2	355 8	516 8	479 4	341 5

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,630
1955	1,166	527,767	3,697,548
1956 R	1,203	715,130	9,602,040
November 1956..	137	—	513,350
December ,, ..	147	—	422,606
January 1957 ..	154	—	395,419
February ,, ..	134	—	342,709
March ,, ..	114	40,811	283,791
April ,, ..	166	60,358	466,470
May ,, ..	154	64,877	446,640
June ,, ..	147	95,673	713,992
July ,, ..	178	83,727	723,554
August ,, ..	163	86,256	565,541
September ,, ..	230	139,875	809,889
October ,, ..	219	101,350	517,837
November ,, ..	173	54,294(a)	331,921(a)
December ,, ..	114	59,971†	419,824†

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	15th March 1958	8th March, 1958	16th March 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease (—) in Jan., 1958 as Compared with Jan., 1957	Annual Average 1957	Annual Average 1956
Food Articles	504	102 4	101 7 R	102 6	102 5 R	103 6	— 1.1	100 8	98 6
Cereals	192	95	94 R	100	97	97	—	102	93
Pulses	43	78	76	86	80	86	— 7 0	85	78
Fruits and Vegetables	53	99	99 R	111	94	108	— 13 0	117	108
Milk and Ghee	84	105	103	98	99	96	+ 3.1	104	99
Edible Oils	47	118	117	134	119	131	— 9 2	128	117
Fish, Eggs and Meat	17	104	103	99	99	95	+ 4.2	97	97
Sugar and Gur	48	112*	111*	93	110	97	+13.4	105	97
Others	50	126	126	124	133	141	— 5.7	132	125
Liquor and Tobacco	21	95 2	95 2	87 8	88 0	84	+ 9 5	91 8	82 3
Tobacco	..	94	94	85	87	83	+ 0 2	90	81
Fuel, Power, Light and Lubricants	30	114 8	114 3	106 5	114 8 R	105 8	+ 8 3	111 5	101 9
Industrial Raw Materials	155	111 2	110 4 R	117 8	113 6	120 3	— 5 6	118 1	113 2
Fibres	61	110	110	122	115	124	— 7 3	120	114
Oilseeds	60	113	111	119	114	124	— 8.1	122	115
Minerals	2	108*	108*	107*	107	..	..	109	99
Others	32	110*	109*	107	110*	103	+ 0 9	107	110
Manufactures	290	107 7	107 7	108 2	107 7 R	108 4	— 0 6	107 9	104 8
Intermediate Products	41	107 4	106 4	109 1	106 7	113 0	— 5 6	108 8	110 9
Finished Products	249	107 7	107 9	105.7	107.8 R	107 7	+ 0.1	107 8	104.1
Textiles	147	106	107	107	106	110	— 3.6	108	106
Cotton	..	—	117	117	115	116	— 0.9	116	114
Jute	..	—	86	87	90	102	—11.8	98	95
Woollen	..	—	103	103	103	99	+ 4.0	102	97
Silk and Rayon	..	—	87*	87*	87*	—

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Forecast	(In thousand acres) 1956–57	1955–56	(In thousand tons) 1956–57	1955–56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,314	42,904	7,427	8,502
Bajra	final	27,542	28,024	2,926	2,879
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets	final	12,209	12,713	2,810	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses ‡	final	16,166	15,567	1,664	1,632
Rabi pulses‡	final	11,443	11,703	1,794	2,038
Total pulses	final	57,295	57,064	11,435	10,831
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Castorseed	final	1,403	1,405	129	124
Sesamum	final	5,433	5,653	451	457
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,758	3,781	349	414
Total oilseeds	final	29,906	29,848	6,038	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,722	4,061
Jute A.	final	1,754†	1,908††	4,083†	4,283††
Mesta A.	final	788	572	1,474	1,169
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	final	4,784†	4,475††	63,501†	58,935††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During February, 1958	85.3
	Corresponding month, 1957	80.2
	Eight months ended Feb., 1958	705.6
	Corresponding period, 1957	686.3
Stocks	At the end of Feb., 1958	95.1
	Corresponding month, 1957	97.4
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	Feb., 1957	71.5
	Feb., 1958	67.4
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	Jan., 1957	14.5
	Jan., 1958	18.4
	RAW JUTE	(In lakh bales)
Consumption by Mills	February, 1958	4.95
	Corresponding month, 1957	4.65
	Eight months ended Feb., 1958	40 92
	Corresponding period, 1957	39 84

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,73,400	7,97,500
Do. 31st March, 1958	10,98,900	11,06,800	7,86,900
Jan., 1957	97,600	94,300	70,500
Feb., "	90,000	81,300	63,400
Mar., "	95,100	93,200	73,600
Jan., 1958	97,600	105,800	70,000
Feb., "	87,100	89,200	64,500
Mar., "	94,800	100,200	71,300
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,158	5,32,315	4,41,482
Do. 31st March, 1958	7,33,915	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,830	1,20,578
" " " June, 1957	1,72,225	1,29,651	1,08,096
" " " Sept., 1957	1,79,177	1,19,178	98,816
" " " Dec., 1957	1,90,484	1,25,194	1,02,146
" " " Mar., 1958	1,99,439	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	September 1957	September 1956	Jan. to Sept. 1957	Jan. to Sept. 1956
Exports	61 16	49.25	488.03	422.24
Re-exports	39	36	3.28	6.85
Total Exports	61,55	49.61	491,31	429.09
Imports	83,29	76.70	744,58	596.55
Overall Balance of Trade	—21.74	—27.09	—253,27	—167.46
Exports—				
Tea	13 54	16,37	85,19	90,84
Jute yarns and manufactures	6,50	7,96	46,83	80,73
Cotton yarns and manufactures	5,81	5,93	52,78	45,18
Metallic ores and scrap iron or steel for re-manufacture	3,79	2,19	38,57	15,20
Cotton, raw and waste	72	1,02	16,68	18,92
Oils—vegetable, mineral and animal	2,87	89	20,38	20,51
Fruits and vegetables	1,44	1,44	13,72	14,06
Tobacco	78	1,10	11,72	9,33
Mica	1,49	74	6,67	6,37
Wool—Raw	1,49	1,29	9,63	7,99
Gums, resins and lac	70	68	6,72	7,86
Spices	76	53	6,73	7,13
Hides and skins, raw	39	22	5,77	4,24
Imports—				
Machinery of all kinds	19,30	14,49	164,89	111,81
Metals, iron and steel and manufactures thereof	11,07	11,26	118,33	88,70
Oils—vegetable, mineral and animal	10,04	11,66	80,23	52,10
Cotton, raw and waste	5,89	3,22	43,69	42,68
Chemicals, drugs and medicines	6,75	4,82	60,52	32,50
Electrical goods and apparatus	5,19	1,78	42,98	14,74
Paper, pasteboard, etc.	1,13	1,22	10,40	12,46
Vehicles (excluding aircraft, ships and boats)	5,33	7,34	51,84	48,57
Fruits and vegetables	1,45	35	14,85	9,45
Spices	19	1,00	2,23	5,99
Dyes and colours	1,32	1,32	11,10	12,49
Woollen and worsted fabrics	14	32	98	1,78
Cotton fabrics	20	14	1,97	1,82

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,762	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,,	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,,	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,,	1,245	263	103	22	10	6	16	2	76	39	3	34	2	13
May ,,	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June ,,	3,562	756	334	67	30	18	48	5	164	109	9	101	7	48
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,,	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September ,,	6,893	1,542	625	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	130
November ,,	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	154
December ,,	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source:*—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 3rd April, 1958	38,888(J)
	Corresponding week, 1957	45,669(J)
	1st Sept. to 3rd April, 1957-58	987,313*
	Corresponding period, 1956-57	1,145,361*
Cotton Exports	Week ended 3rd April, 1958	4,915
	Corresponding week, 1957	5,307
	1st Sept. to 3rd April, 1957-58	107,250
	Corresponding period, 1956-57	105,126
Mill Consumption (Estimated)	1st Sept. to 3rd April, 1957-58	776,350
	Corresponding period, 1956-57	790,164
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 3rd April, 1958	606,769
	Corresponding date, 1957	579,493
Cotton Exports from Bombay (by sea)	During February, 1958	15,998§
	During February, 1957	40,544
	1st Sept., 57 to 28th Feb, 1958	49,186
	1st Sept., 56 to 28th Feb., 1957	141,206
Karachi (Pakistan)—		
Receipts	1st Sept. to 20th Mar., 1957-58	966,008
	Corresponding period, 1956-57	1,065,659
Exports	1st Sept., to 20th Mar., 1957-58	383,702
	Corresponding period, 1956-57	552,054

Particulars	From 1st September to 31st Mar., 1957-58 Bales	From 1st September to 31st Mar., 1956-57 Bales
From Bombay		
Cotton Shipments to—United Kingdom	3,803	18,962
Continent	5,751	16,520A.
Hongkong	3,046	23,087
China	—	3,437
Japan	43,000	104,795
U.S.A.	3,333	2,074
Other Countries	691	462A.
Total to all foreign countries	59 624	169,937
Coastal Ports	44,549‡	24,194**
Total	104,173	194,131

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian—January, 1958	392,007
Foreign—January, 1958	48,804
Indian—Five months ended Jan., 1957-58	1 946,187
Foreign—Five months ended Jan., 1957-58	249,418
Indian—Same Period 1956-57	1,941,293
Foreign—Same Period 1956-57	248 635
Stocks (Mills and Elsewhere)—	
Indian—As on 31st Jan., 1958	1,020,022
Foreign—As on 31st Jan., 1958	169,241
Indian—As on 31st Jan., 1957	1,126,458
Foreign—As on 31st Jan., 1957	171,396
Indian—Week ended 21st Mar., 1958	1,589
Corresponding week, 1957	79,973
Cotton Pressed in India† (In running bales)—1st Sept., to 21st Mar., 1957-58	1,509,233
Corresponding period, 1956-57	1,828,480

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Jan., 1958. A. —Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 31st Mar., 1957.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-27	62,39,28,000	1960–70	100.55
3 % Loan	1938-39	116,17,46,000	1966–65	94.85
3 % Loan	1950	30,33,10,000	1964	94.00
3 % Fg. Loan	1942	1,10,11,78,000	1966–68	92.60
3 % Dev. Loan	1945	1,15,05,83,000	1970–75	86 30
2½ % 2nd V. Loan	1945	1,13,45,54,000	1959–61	99.05
3 % Loan	1951	56,35,63,000	1958	99.75
2½ % Loan	1946	48,83,07,000	1960	97.70
2½ % Loan	1945	57,99,89,000	1961	95.05
2½ % Loan	1946	14,77,48,000	1974	83.10
2½ % Loan	1947	75,86,72,000	1962	95.05
3 % N.P. Bonds	1953	75,29,00,000	1961	99.65
2½ % N.P. Loan	1954	1,58,17,90,000	1964	98.25
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.70
3½ % Loan	1956	57,27,36,000	1962	97.90
3½ % N.P. Bonds	1956	33,51,82,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	98.20
3½ % N.P. Bonds (4th Series)	1957	56,92,00,000	1967	99 75
4 % Loan	1957	49,08,00,000	1972	100.15
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,34,000	At option of Government after three months notice.	71.15
3 % Loan	1946	2,48,91,41,000	On September, 1986 or later at option of Government after three months notice.	71.20
REPATRIATE STERLING LOANS				
4½ % Loan	1923	5,85,73,000	1958–68***	100.40
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.82
4 % Andhra	1956	6,54,15,000	3rd Sept. 1968	97.75
3 % Bombay	1944	3,04,13,000	15th Aug. 1956	99.35
3 % Bombay	1947	4,48,76,000	15th Aug. 1962	94.10
3 % Bombay	1950	2,83,70,000	31st July 1960	97.30
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1952	5,15,96,000	15th July 1963	99.50
4 % Bombay	1953	3,46,95,000	1st Aug. 1964	99.25
4 % Bombay	1954	3,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	3,07,08,000	3rd Sept. 1979	98.00
4½ % Bombay	1957	5,00,00,000	16th Sept. 1969	100 15
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97 60
4 % Coochin	1945	1,00,00,000	15th Dec. 1955-58	98.00
2½ % Coochin	1936	70,09,000	1st June 1956-61	97.75
3½ % Mewrah Bridge (New)	1936-37	1,92,96,700	1956–66	94 12
4 % Hyderabad	1955	8,15,44,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	3,18,02,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,33,94,000	21st June 1959	98 50
3 % Madras	1944	1,97,99,000	15th Aug. 1958	99.25
3 % Madras	1945	2,77,44,000	14th Sept. 1960	97 00
2½ % Madras	1946	3,81,77,000	1st Sept. 1961	94.32
3 % Madras	1949	4,88,26,000	31st July 1956	97.00
3½ % Madras	1951	3,01,49,100	17th Sept. 1962	97.60
4 % Madras	1953	10,32,71,000	15th July 1963	98.00
4 % Madras	1952	5,24,81,200	1st Aug. 1964	98.50
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.80
4 % Madras	1956	12,33,85,000	3rd Sept. 1968	97.75
4 % Mysore(f)	1922	2,96,85,200	1st Dec. 1953-68	100 75
3 % Mysore(f)	1926	5,99,73,000	30th Apr. 1956-61	99.00
4 % Mysore	1951	3,33,47,000	15th July 1963	98.40
4 % Mysore	1955	5,54,84,000	1st Sept. 1967	97.70
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.70
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	99.50
3 % M.P.	1944	1,14,88,000	15th Aug. 1958	99.30
3 % M.P.	1948	2,03,28,800	15th Sept. 1956	98.00
3 % M.P.	1949	1,01,48,000	31st July 1960	97.00
3½ % M.P.	1951	1,05,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	98.40
4 % M.P.	1955	1,83,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	97.65
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,54,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1953	2,25,61,000	15th July 1963	97.60
4 % Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96 22
2½ % U.P.S.A.	1952	41,44,79000‡		47.25
4 % U.P.	1954	1,56,85,000	15th Sept. 1961–66	90.85
4 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.25
2½ % U.P.	1946	2,18,38,000	1st Sept. 1961	94.80
3½ % U.P.	1951	1,67,86,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.40
4 % U.P.	1953	5,66,16,000	15th July 1963	98.50
4 % U.P.	1956	5,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	5,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	2,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	97.50
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.50
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.50

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs. 25,50,000	4	1904	1964	Rs.
25,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.00M
40,00,000	4	1909	1970	
55,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1912*	1960	D
80,00,000	4	1913	1974	96.00N
58,25,000	4	1914	1975	96.00N
10,00,000	4	1915*	1950	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1968	
12,50,000	4	1924*	1960	
13,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	D
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,38,000	3½	1935*	1975	
15,00,000	3½	1936*	1956	
48,04,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs. 99,24,896	4	1914	1974	Rs. 97.75
75,90,100	4	1915	1975	97.75
50,00,000C	2½†	1921	1951	82 00
66,02,300C	3½	1921	1951	144.00N
1,49,30,000	5	1923	1953–58	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
50,00,000	3	1936	1961–68	90.00
70,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	82.75
50,00,000	3	1949	1979	82.25
1,00,00,000	3	1949	1959	98.25
50,00,000C	3	1950	1960	97.50
1,00,00,000	3	1950	1980	82.00
1,00,00,000	3	1950	1980	97.00
50,00,000	3	1951	1981	97.00
1,50,00,000	3½	1951	1981	81.75
50,00,000	3	1951	1981	96.50
50,00,000	4	1953	1983	100.00
50,00,000	4	1953	1983	97.50
99,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
78,00,000C	4	1956	1986	97.25
2,24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£892,680	5	1923	1953–58	£80 00
£ 85,000†	3	1924	1954–64	£80 25
£335,108	5½	1942	1962	£91 00
MADRAS				
Rs. 31,47,189	2½	1947	1977	Rs. A
5,85,000†	3	1947	1977	
5,00,000†	3	1949	1979	
45,00,800†	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.		**BOMBAY**		Rs.
50 00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
40,00,000	4	1903	1963	
40,00,000	4	1904	1964	
50,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	M
15,00,000	4	1907	1967	
50,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	4	1914	1974	M
40,00,000	5	1919	1957–79	118.00
66,00,000	5	1920	1955–80	
25,00,000	5	1926	1956–86	115.00
25,00,000	4	1927	1957–87	98.00
10,00,000	3	1938	1988	
STERLING LOAN				
£566,600		1909	1964	95.00
£388,000		1910	1978	105.00
CALCUTTA				Rs.
35,00,000	5½	1929	1989	104.00
80,00,000	4	1924	1964	99 00
35,00,000	5	1925	1965	94.00
30,00,000	3	1926	1966	90.00
40,00,000	3	1927	1982	91.00
20,00,000	3	1928	1968–88	90.00
80,00,000	4	1955	1985	99.25
1,02,00,000	4	1955	1985	99.00
50,00,000	4½	1958	1988	99.50

MUNICIPAL LOANS

Rs.		BOMBAY		Rs.
20,00,000	4	1912–16	1974	97.00
10,00,000	5	1928	1988	113.00
25 00,000	5	1928	1988	101.50
26,21,800	5	1928	1988	101.50
5,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1949	1979	84.00
4,00,00,000	3½	1948	1978	82.25
2,50,00,000	4	1948	1988	97.75
2,00,00,000	3½	1951	1966	97.00
1,50,00,000	4	1953	1983	97.25
1,00,00,000†	4	1954	1984	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1986	97.25
CALCUTTA				
95,00,000	3	1928	1944	100.00
25,00,000	5	1928	1958	106.00
10,00,000	5½	1928	1962	106.00
23,21,000	3½	1925	1965	94.00
80,00,000	3	1926	1966	90.00
47,50,000	3	1927	1967	90.00
15,86,800	4	1948	1988	99.75
17,64,400	3½	1948	1959	96.50
21,10,000	3½	1948	1973	97.00
15,49,000	3½	1948	1968	97.00
16,23,000	3½	1951	1961	97.50
66,88,000	3½	1951	1968	97.50
22,96,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	108.00
MADRAS				Rs.
15,00,000	3½	1901	1951	107.00
15,00 00/	3½	1905	1962	107.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.80
4 % W. Bengal	1953	3,60,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72 000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.05

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	106.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Canwe & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.37	100
Cawapore Sugar Works T.F.C.	10,00,000	1905–24	8	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.67	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.15	51
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	58.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	58.00	100
Parbhpore Co. T.C.	6,00,000	1922	10	Oct. ..	97.00	100
Ramnagger Cane T.F.C.	4,00,000	1933–36	6	Aug. ..	90.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1926	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	9.85	10
Upper Ganges T.F.C.	15,00,000	1922	5	Dec. ..	90.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1906	7	Jan. July	87.00	100
Borsen T.F.C.	4,00,000	1896–97	6½	Oct. Apr.	99.00	100
Burrakur (1st) T.F.C.	22,99,800	1901–19	7	Apr. Oct.	101.50	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.50	10
Bonitable T.F.	4,00,000	1898	6	Mar. Sept.	99.00	100½
Karanpura Collieries T.C.	9,39,000	1946	8½	.. ..	47.00	75p.
Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	2.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
Oudal T.F.C.	2,00,000	1898–99	6	Apr. Oct.	94.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1929	7	.. Apr. Oct.	79.50	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	117.00	100
Basanti Cotton	5,00,000	1928	6½	.. Nov. ..	7.75	10
Bowrah 'A'	6,00,000	1900	8	Feb. Aug.	122.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	64.00	100

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown asamount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1·84	2	0·12(c)	0·19	0·19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	24·50	100	*Nil*	*Nil*	*Nil*		3	Y.P.T
2,50,98,000	3,42,88,483	7,95,30,951	3,03,39,819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,846	Bombay Dyeing & Mfg. Co.	56·20	25	2·00	2·50*	2·50	2·50	12	Y.
1,00,00,000	63,53,860	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	163·00	50	75·00*	12·50	20·00	15·00	3	Y.P.
1,00,42,800	2,79,59,276	7,45,32,162	2,69,68,324	9,27,648	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg. ..	434·00	100	22·00	22·50	22·00	22·00	12	Y.
40,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director) ..	50,596	608	Colaba Land & Mill	39·75	100	*Nil*	*Nil*	*Nil*		12	Y.
26,00,000	13,03,380	90,15,997	57,80,041	17,016	Cowasjee Jehangir & Co., Ltd. ..	36,984	680	Coorla Spg. & Wvg.	117·50	100	7·50	7·50	12·50*		12	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd. ..	41,328	..	Dawn Mills	90·00	50	6·00	15·00	..		3	Y.
34,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Edward Textiles	40,668	928	Elphinstone Spg. & Wvg. ..	250·00	200	15·00	18·00	15·00		12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,800	95,787	M.	45,996	886	Elphinstone Spg. & Wvg. ..	250·00	200	15·00	18·00	15·00		12	Y.
50,00,000	65,54,875	1,67,31,054	89,66,207	87,155	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	47·50	50	3·00	5·00	15·00		12	Y.P.
50,00,000	48,98,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd. ..	205·00	100	12·50	15·00	15·00	15·00	12	Y.
11,84,900 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,980	1,020	Hindoostan Spg. & Wvg. Mills..	4,500·00 / 992·50	1,000 / 250	225·00 / 56·25	300·00 / 75·00	325·00 / 81·25	350·00* / 87·50*	12	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	9·72 / 4,900·00 / 1·28	0 10D. / 1,000 / 0 1D.	*Nil* / 225·00 / *Nil*	0 94 / 300·00 / 0 19	0 92 / 300·00 / 0 18	325·00*	12	Y.
3,65,000 / 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	—	500	112·50	150·00	150·00	162·50*	3	Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	159·00	100	12·25	12·00	10·00	10·00(c)	6	Y.P.
1,00,00,000	1,13,27,791	3,67,76,376	2,83,94,794	52,791	Kilachand Industries Ltd.	1,20,504	1,846	Kohinoor Mills	283·50	100	18·00	18·00	18·00	18·00	12	Y.
22,13,050	43,06,720	1,22,08,423	64,88,440	55,107	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70·00N	50	5·00	8·00*	8·00*		12	Y.
51,75,000	38,44,612	2,64,74,025	1,83,16,328	23,520	Piramal Sons Private Ltd.	71,604	1,652	Morarjee Goculdas Spg.& Wvg.	212·50	100	14·00	14·00	15·00	14·00(c)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,034	Chinai & Co. Private Ltd.			National Rayon Corporation	224·75XR	100	10·00	12·00	14·00*		12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg. ..	111·00	100	10·00	10·00	10·00	5·00	12	Y.
30,00,000	11,72,134	101,83,602	63,37,034	..	W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg. ..	109·00	100	7·50	10·00	10·00	*Nil*	12	Y.
40,00,000	54,20,707	1,61,28,302	1,02,32,641	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	Phoenix Mills	130·00	100	8·00	10·00	..	12·50F	3	Y.
40,00,000	45,64,554	48,89,067	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	145·00	100	10·00	12·00*	12·00*		12	Y.
10,00,000	1,78,222	24,10,164	18,80,783	..	M.			Sassoon & Alliance Silk Mill	8·00	10	0·50	0·50	0·25(c)	4·00	12	Y.P.
87,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	35·75	10	1·75	2·00	2·00		12	Y.
80,00,000	48,20,061	1,12,05,700	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	143·00	100	14·00	12·00	12·00	2·00	12	Y.
42,00,000	31,94,178	1,26,04,700	76,42,961	8,089	Forbes, Forbes Campbell & Co., Ltd.	84,840	1,274	Simplex Mills	158·50	50	11·00	10·00	12·00		12	Y.P.
87,50,000	2,50,26,722	2,96,16,751	1,87,60,217	1,55,812	Mafatlal Gagalbhai & Sons ..	97,588	2,400	Standard Mills	451·00	100	20·00	20·00	22·50*	22·50*	3	Y.
1,00,00,000	86,08,485	2,51,02,681	1,33,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	181·75	100	8·00	12·00	14·00*		12	Y.P.
36,00,000	65,13,485	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd.	40,328	549	Swan Mills	347·00	100	20·00	25·00	25·00		12	Y.
65,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Tata Mills	40·50	25	2·50	4·00	3·50*	25·00	12	Y.
12,00,000	1,21,85,655	1,45,81,207	93,93,5	M.		54,136	1,212	Western India Spg. & Mfg. ..	4,525·00	1,000	225·00	300·00	300·00	325·00*	3	Y.P.
AHMEDABAD																
40,00,000	31,31,087	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	126·00	100	5·00	7·00	12·00	5·00	6	Y.P.T
10,00,000	94,68,068	94,37,399	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Aruna Mills	540·00	100	20·00	30·00	..		12	Y.P.
40,00,000	2,97,82,651	1,95,82,179	97,29,503	15,274	Narotam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,152·00	100	25·00	35·00*	35·00*		12	Y.P.
20,00,000	81,75,000	96,34,584	72,25,000	2,46,880	Manaklas & Bros., Ltd.	35,908	892	Aryodaya Ginning & Mfg. ..	540·00	100	25·00	35·00*	35·00*		12	Y.P.
12,00,000	1,43,05,808	95,70,788	63,81,739	12,257	Lalbhai Dalpatbhai & Co.	37,366	914	Asoka Mills	955·00	100	22·00	25·00*	..		12	Y.P.
1,37,50,000	9,49,64,179	5,14,69,736	2,56,98,256	1,18,336	Karamchand Premchand Pvt. Ltd.	1,19,120	2,400	Calico	484·00XR	125	18·00	..	30·00	30·00	12	Y.P.
62,91,000	32,38,059	1,26,38,243	95,76,063	8,458	Tricumlal Bhogilal & Co., Ltd. ..	45,836	866	New Commercial Mills	459·00	250	70·00	80·00	100·00*	30·00	3	Y.P.
39,00,000	72,52,436	1,32,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	702·00	125	35·00	35·00	..		12	Y.P
15,00,000	67,78,770	57 78 441	32,49,912	21,808	Jagabhai Bhoglal Nanavaty & Co., Ltd.	24,840	572	Nutan Mills	380·00	100	30·00*	20·00	20·00		12	Y.P
7,11,280 / 8,00,620	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill ..	35·00N	40	4·00	4·00	4·00	4·00	3	Y.P.
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	130·00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
19,00,000	26,17,431	1,15,16,740	74,67,379	3,50,335	Kettlewell Bullen & Co., Ltd. ..	42,944	523	Dunbar Mills	139·00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
50,08,000	85,068	76,07,325	21,97,925	82,656	Birla Brothers Private Ltd. ..	41,452	206	Jay Shree Textiles Ltd. ..	4·62	10	*Nil*	2·50	6·00		12	Y.P.
16,00,000	2,29,43,328	3,76,19,833	1,81,26,833	1,88,672	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	7·13	10	*Nil*	*Nil*	0·37	0·50	12	Y.P.
19,47,7000 / 5,00,0000	7,45,000	4 84,571	26 70,548	3,936	Hazaremull Heerala, ...	23,036	795	Rampooria Cotton Mills ..	11·00 / 15·12 / 4·66	10 / 10 / 1D	0 87 / 0 82 / *Nil*	0 87 / 1 00 / 0 34	1 00 / 1 00 / 0 26		3 / 6	Y.P. / Y.
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	20,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217·00N	100	*Nil*	12·50	15 00	12·50	6	Y.
72,00,000	17,82,554	1,87,05,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	58·00	100	*Nil*	*Nil*	3·50(c)	5·00	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,43,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	171·00	100	30 00	30·00	1 50	30 00	12	Y.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	27·00N	10	3 00	3 00	1 50	10·00*c*	12	Y.P.T
1,78,47,800	2,99,20,000	6,93,67,943	4,19,07,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic	168·25xd	100	10·00	10 00	10 00	1 50	3	Y.
20,00,000	20,00,000	42,33,535	22,99,012	53,534	Peirce, Leslie & Co., Ltd.	37,586	4	Cambodia Mills	9·20	10	*Nil*	0 50	0 50	10·00	12	Y.P.T
5,11,500	5,11,500	63,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,000	..	Cannanore Spg. & Wvg. ..	153·00	100	20·00	15 00	15 00	20 00	3	Y.
30,00,000	82,35,551	70,25,496	56,32,016	48,856	Begg, Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Textiles	3·78	5	0 50	*Nil*	0 50	0 25	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman) .	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12·15	10	*Nil*	0 62	0 75	0 25	3	Y.
35,21,362	22,09,767	69,79,000	31,91,699	698	K. Dhenuka Naik & Co.	39,000	..	Coimbatore Cotton Mills ..	153·00xd	10	25 00	25 00	25 00	30 00	12	Y.P.
18,15,000	7,25,195	39,16,552	21,97,925	2,49,633	T. A. R. Chettiar Sona & Co. ..	25,340	100	Coimbatore Murugan Mills ..	120·00	100	17 50	25 00	25 00	9·00*c*	12	Y.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	..	Coimbatore Spinneer Mills ..	229·00	100	20 00	20 00	20 00		12	Y.P.
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	55·00	50	6 00	8 00	10 00		12	Y.P.
46,87,500	27,24,735	2,42,10,703	1,54,56,354	..	Tata Industries Private Ltd. ..	67,452	1,520	Central India	90·00	100	8 00	10 00	..		12	Y.
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son	28,816	300	Davangere Cotton Mills	112·00	100	10 00	8 00	*Nil*		6	Y.
3,38,36,225 / 1,00,583	3,10,24,830	11,79,09,463	6,78,07,135	,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	29·00	10 / 25	12 00 / 2·25	9 00 / 2 25	9 00 / 2 50	9 00 / 2 50	3	Y.P.
47,98,296	20,25,000	84,28,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills	24	25	0 28	0 32	0 25	2 00	6	Y.P.T
63,00,000	1,05,56,192	1,69,12,424	1,41,03,830	75,531	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	177·00xd	100	30 00	30 00	30 00	30 00	3	Y.P
48,81,000	43,55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286	..	Gokak Mills	13·12	10	1 00	1 00	1 25	10·00(c)	12	Y.
2,50,00,000	2,25,000	4,52,34,745	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	138·00	100	13 00	15 00	13 00	1 00	9	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman) .	51,180	1,356	Indore Malwa United	12·16	10	*Nil*	*Nil*	*Nil*	8 00	12	Y.
8,00,000	10,65,683	31,40,455	19,97,477	..	G. V. Naidu & Co., Ltd.	23,784	..	Janardhana Mills	112·50	100	6 00	*Nil*	*Nil*	*Nil*	3	Y.P
15,54,000	15,92,599	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	30,210	512	Jam Shri Ranjitsinghji	80·00	50	5·00	10·00	10 00		12	Y.
4,63,65,300	2,24,06,304	4,84,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jiyajeerao Cotton	1,450·00	1,000	20 00	50 00	60 00	40 00	6	Y.
42,00,000	19,25 000	1,05,81,557	38,28,078	91,772	Kothari & Sons	41,040	300	Kothari Textiles	9·60	10	4 00§	4 00§	0 55	0 35	3	Y.P.
32,00,000	03,39,487	1,84,50,574	1,25,78,015	2,294	M.	51,093	1,243	Lakshmi Cotton Mfg.	10·50	10	0 50	1 00	1 00	0 50	3	Y.P.
71,28,200 / 35 64 100	56,35,960	2,12,83,707	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	440·00 / 112·00	100 / 50	40 00 / 10 00	50 00 / 12 50	42 50 / 15 00	15·00	6 / 12	Y.P.
1,75,02,480	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,58,000	..	Madura Mills	56·00	25	5 00	6 25	6 25	10 00	3	Y.
12,00,000	3,67,363	29,08,353	18,76,700	213	V. K. Ersdi (Chairman)	33,500xd	100	Malabar Spg. & Wvg.	127·00	15	3 00	3 00	6 00	5 00	12	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Metlur Industries Ltd.	89·00	200	*Nil*	2 62	2 62	2 25	12	Y.
29,80,884	19,58,081	92,42,488	58,87,725	19 662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	401·50xd	100	22·50*	35 00	8 00		12	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85,008	M.	70,550	952	Model Mills (Nagpur)	70·50	100	5 00(c)	6 00	42 50	20.00	3	Y.
24,83,500	48,52,479	1,13,48,711	71,72,473	85,937	N. Sirur & Co. Private Ltd. ..	170·00	250	Mysore Spg. & Mfg.	170·00	250	5 00(c)	7 50(c)	6 00		12	Y.
13 61,780	....	29,12,641	17,83,314	3,966	K. Tipperudriah (Chairman) ..	6,000	..	Mysore Spun Silk Mills	91·00	50	8 00*	6 00(c)	7 50		6	Y.
87,23,200	39,29,981	1,73,33,244	67,86,683	.....	M.	87,788	902	Osmanshahi Mills	6·25N	10	*Nil*	*Nil*	9 00*	9·00*	2	Y.P.
4,00,000A / 6,00,000B	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600	..	Palani Andavar Mills	48·00	100	*Nil*	2 50(c)	3 00(c)	*Nil*	3	Y.
15,00,000	.....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	185·00	50A	12 00	12 00	15 00	*Nil*	9	Y.
16,81,200A / 8,40,600B	29,95,000	1,00,48,582	54,00,059	8,882	A. G. Gurusamy Naidu & Co. ..	59,264	300	Radhakrishna Mills	197·50	75B	18 00	12 00	22 50		12	Y.P.
16,00,000	29,10,000	54 56,520	29,01,441	5,076	B. R. Naidu & Sons	37,096	..	Rajalakshmi Mills	45·00	100	*Nil*	4 00(c)	*Nil*		12	Y.
10,14,800	12,00,000	32,92,216	17,41,434	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	62·00	50B	8 00	10 00	20 00 / 10 00		12	Y.
22,32,050	11,50,000	53,72,976	23,15,892	5,286	Rayalaseema Development Co. ..	21,200	..	Rayalaseema Mills	72·00	50	10 00	10 00	10 00		12	Y.
16,00,000	1,60,55,917	3,13,49 081	2,05,07,227	—1,65,20,798	Monarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg.	130·00	100	6 00	7 50	12		12	Y.P.
10,000	20,26,385	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	30,744	292	Srt. Krishnarajendra Mills ..	425·00	1,000	9 00	10 00	10 00	10.00	12	Y.P.
19,00,000	3,48,80,155	99,62,153	79,58,780	80,60,553	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	—	500	*Nil*	*Nil*	*Nil*		3	Y.P.
17,50,0000	2,36,28,081	5,13,52,120	1,81,33,924	8,35,712	Jalpuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur) ..	79·50	50	4 50	5 00	7 00	7.00	3	Y.
1,57,50,000	5,48,50,155	9,99,62,153	80,60,553	..	Kmcete & Sons (Travancore), Ltd..	..	..	Travancore Rayons	70·00N	10	5 00	6 00	6 00		3	Y.
1,00,08,205	50,06,584	3,85,56,288	1,62,42,715	2,03,690	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	10·25 / 9·81	10 / 10P.O.	0 75 / 1 15	0 75 / 1 15	0 75 / 1 15		12	Y.P.
19,98,670	9,50,000	17,49,381	12,41,388	62,337	R. K. Chetty & Brothers	13,456xd	10	Vasanta Mills	12·60xd	10	0 62	0 75	1 15		12	Y.P.T.
21,00,000	38,50,000	80,72,634	47,25,519	44,000	The Bombay Co. (Private) Ltd. ..	44,424	270	Vishnu Cotton	12·60xd	10	0 89	0 89	1 12		12	Y.P.
32,00,000	18,73,770	1,85,96,083	1,17,44,692	—9,85,569		49,660	1,375		251·00xd	100	15 00	20 00	20 00		12	Y.
									102·50	100	4 00	8 00	8 00	*Nil*	12	Y.P.

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. ‡ Made up of 4,364 shares of Rs. 40 each—Rs. 30 per share called up and 5,500 shares of Rs. 40 each—Rs. 20 per share called up.

(c) Paid out of Reserves. F—For fifteen months ended 31st March, 1957. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.

§ On old capital. 'C'—On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
89,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8·20	5	*Nil*	0·50	0·75	0·85	6	Y.H
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9 90	5	0 50	0 56	0 56	0 50	6	Y.
£549,950	£1,195,464	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27·40xd	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.H
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	130·50xd	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	12·00	B. 10	1.00	1.00*	1.00		12	Y.H
43,14,6000	13,13,132	1,44,65,792	53,48,079	4,50,343	Eastern Corporation Ltd.	Assam Bengal Cement	3 87	O. 10	*Nil*	*Nil*			3	Y.P.
14,70,976D							0 84	D. 1						
12,71,80,070														
3,07,44,575	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd. ..	Associated Cement Companies ..	152.50	100	8.50	10.00	10.00	9.00	7	Y.T
1,66,00,000D / 5,00,000D	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10·20	O. 10	1 00	1 25	1 25		12	Y.H
02,09 450D							2 87	D. 1	0 10	0 12	0 12			
7,50,000D	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27·25	O. 25	1.25	1 87	2 06	2.06	3	Y.H
1,50,00,000							5 35	D. 5	*Nil*	0 37	0 41	0.41		
1,00,00,000	4,00,000	4,72,60,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	12·00	10	..	0 75	1 25	*Nil*	3	Y.H
1,06,67,500	31,40,712

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
46,00,000	35,01,841	2,13,35,402	1,56,73,314	4,805	M.	Bengal Paper Mills	60.00	25	3.12	4.69	2.50		12	Y.P.T.
62,50,000	63,91,255	1,24,92,173	52,76,657	53,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp †‡	19.00	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,46,27,689	77,57,946	47,698	T. Shamanna Esq. (Chairman)	Mysore Paper Mills	16.25	10	0.75*	0.75*	1.00*	1.00*	3	Y.
46,25,000	2,46,75,045	6,04,16,697	1,27,58,042	2,62,477	Birla Brothers Private Ltd. ..	Orient Paper	28.60	10	0.94	1.12	0.62	1.50	3	Y.P.T.
25,49,970	67,75,593	1,56,40,302	1,00,70,791	2,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills	15.00	10	1.50	1.25	1.25		6,12	H.P.T.
40,00,000 } 3,00,000A. } 13,55,340	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	{ 10.75	O. 10	0.75	1.25	1.05		} 3,9	H.P.T.
5,00,000A. } 3,04,300B. } 7,850F.O. }	3,70,50,474	6,78,46,967	3,51,66,038	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ⌂	{ 10.75	A. 10	0.75	1.25	1.05		} 3	Y.P.
							4.03	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd. ..	Calcutta Hydraulic	62.00xd	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,182	5,43,622	6,98,409	35,418	Andrew Yule & Co. Ltd. ..	Central Hydraulic	90.00	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
6,00,7850. } 2,00,000D. }	7,36,345	43,74,650	22,83,230	96,047	M.	Humayun Properties	{ 10.75N	O. 10	0.60	0.60	0.60		} 9	Y.P.
24,00,000	25,22,469	7,33,263	52,546	—16,87,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	2.50N	D. 1	*Nil*	*Nil*	0.05		4	Y.P.
							25.50	100	4.00	3.00	*Nil*	*Nil*		
SAW MILLS AND TIMBER														
12,00,000	22,83,429	22,33,742	11,96,651	.....	Bird & Co. (Private) Ltd.	Assam Saw Mills	2.00	2	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000 }	3,81,14,271	4,00,47,879	1,88,08,404	1,88,542	Wallace &Co.	Bombay-Burmah Trading Corpn.	{ 554.50	Old125	20.00	37.50	40.00	40.00	} 5	Y.
42,00,000 }	29,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products..	207.00	New50	8.00	15.00	13.75	16.00		Y.
92,00,000							44.62	10	2.75	3.00	3.00	1.00	6	
SUGAR (U.P. and Bihar)														
14,00,000	15,30,466	42,92,220	31,12,074	57,702	M.	Balrampur Sugar	6.00	5	0.75	0.06	*Nil*		6	Y.
2,00,000A. } 2,00,000B. }	29,80,250	55,40,531	26,32,435	13,12,006	Narang Bros. & Co., Private Ltd.	Basti Sugar	{ 120.00N	A. 100	19.00	10.00	19.00	0.25	} 4	Y.T.
19,49,050	8,25,000	23,76,107	23,21,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	11.50N	B. 10	1.00	1.00	1.00		3	Y.
18,00,000	18,51,515	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	11.00	7½	0.75	0.75	1.00		9	Y.
25,00,000	25,22,515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	12.37	10	1.50	1.50	1.50	1.50	6	Y.P.
30,00,000	68,63,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	7.81	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.T.
18,00,000	34,56,103	84,72,400	50,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	10.62	10	0.75	0.75	0.75		10	Y.P.
9,88,252	2,59,762	25,14,152	16,98,252	5,404	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	20.37	10	1.00	1.00	1.00		6	Y.
50,00,000A. } 10,00,000O. }	44,95,000	1,02,71,005	67,56,074	33,123	Bashbraj & Co. Private Ltd.	Hindustan Sugar Mills	10.00N	10	0.50	0.50	0.50		8	Y.
							{ 275.00	A. 100	15.00*	15.00*	15.00		} 6	Y.P.
							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,781	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	51.00	40	*Nil*	2.25	4.00	7.00	7	Y.P.
7,89,100	22,50,283	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	24.75	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,649	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
18,21,100 } 38,275 }	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	{ 200.00N	100	20.00	20.00	20.00	20.00	} 6	Y.
							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,090	55,816	Cotton Agents Private Ltd.	Oudh Sugar	130.00	100	11.00	11.00	11.00	12.50	7	Y.P.
15,00,000	12,59,374	31,96,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	6.00			10	Y.
5,00,000	19,64,817	43,99,385	31,54,223	20,705	Begg, Sutherland & Co. Private Ltd.	Puritabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
8,00,000	6,21,932	28,74,393	23,31,931	2,175	M.	Ryam Sugar	19.75N	10	0.50	*Nil*	*Nil*	1.50	6	Y.P.
11,99,000	18,32,214	47,23,583	25,19,822	—2,20,863	M.	Samastipur Central Sugar ..	11.25	10	0.50	*Nil*	1.75	*Nil*	6	Y.
39,70,535	12,13,785	46,34,178	11,11,505	52,569	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.94	10	1.50	1.75	1.00		8	Y.P.T.
53,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...									Y.
58,00,000	25,40,000	24,74,979	14,19,529	77,953	Parry Co., Ltd.	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	10	Y.P.
1,01,00,000	1,09,46,263	2,28,80,653	99,17,710	1,75,789	Walchand & Co. Private Ltd.)	Shri Sitaram Sugar	11.62	10	1.50*	1.00			8	Y.T.
						South Behar Sugar	{ 1.15N	O. 10	*Nil*	*Nil*	1.00		} 6	Y.P.
							0.50N	D. 2½	*Nil*	*Nil*				
						Upper Ganges Sugar	25.00N	10	2.50	2.50	3.00	5.00	} 6	Y.P.
						United Provinces Sugar	13.50	10	1.25	1.50	0.60		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.60	1.60	1.25	9	Y.
79,49,650	1,18,43,698	1,50,47,792	1,05,77,187	3,00,262	W. H. Brady & Co., Ltd. ..	Belagrur Company	246.00	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,58,385	41,25,701	23,96,313	30,827	A. H. Bhiwandiwalla & Co. (Bombay)	{ Bhopal Sugar Industries Ltd.	22.25	10	1.00	1.00	1.50	2.00	9	Y.P.
15,00,000	37,08,165	82,89,314	3,24,398	23,344	Private Ltd.	{ Shree Changdeo Sugar ..	28.75	12.50	1.00	2.00	2.00		9	Y.P.
15,93,000	12,63,973	40,71,811	23,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70.00N	100	*Nil*	*Nil*	6.00		9	Y.
35,94,920	14,89,837	33,70,627	19,25,345	6,75,993	Shree Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	13.00	10	1.75	1.40	1.12		9	Y.P.
30,62,558	12,13,785	46,34,178	11,11,505	52,569	R. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.30xd	10	1.00	1.00	0.50		9	Y.P.
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Buland Sugar	13.69xd	10	1.00	1.00	0.50		10	Y.
10,58,2000. } 2,57,100D. }	79,80,000	1,79,03,447	85,20,265	26,868	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	{ 120.00xd	0.100	7.50	7.50	7.50		} 6	Y.
							32.00xd	D. 10	10.00	10.00	10.00			
31,79,280	86,24,818	1,29,89,142	82,81,723	2,63,107	B. M. Krishnan, Esq. (Mg. Director).	Mysore Sugar	34.25xd	10	2.00	2.00	2.00		6	Y.
50,00,000	53,21,430	1,16,88,154	67,80,341	1,47,239	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	141.50	50	8.00	8.00	8.00		6	Y.
19,59,820	41,20,000	68,54,084	21,76,689	1,25,789	Anderson Wright Ltd.	Ramnugger, Cane and Sugar ..	22.12	10	1.50	2.00	2.00	12.00*	8	Y.P.T.
20,00,000O. } 4,00,000D. }	42,07,214	1,04,79,940	59,30,737	70,575	Walchand & Co. Private Ltd.	Ravalgaon Sugar Farm	122.50	O. 50	2.50	9.00	12.00	12.00	} 9	Y.P.T.
							30.00N	D. 10	*Nil*	0.07	0.70	3.75		
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	13.69xd	10	0.75	1.50	1.00		10	Y.
58,00,000	25,40,000	24,74,979	14,19,529	77,953	Parry Co., Ltd.	Travancore Sugars	19.00	10	*Nil*	0.75	1.00	1.00	7	Y.P.
1,01,00,000	1,09,46,263	2,28,80,653	99,17,710	1,75,789	Walchand & Co. Private Ltd.)	Walchandnagar Industries ..	288.75	100	16.00	18.00	21.00		9	Y.P.T.
TRANSPORT														
20,00,000	1,06,69,622	1,24,09,186	18,29,251	1,16,026	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		10	Y.P.
1,00,00,000	82,00,000	4,21,63,342	1,45,20,585	1,25,612	Dhalaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
98,00,000	1,43,85,058	4,00,84,846	96,21,845	1,83,539	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	20.16	10	1.00	*Nil*	1.00	1.50	6	Y.P.
6555,550	2997,739	45,665,834	23,428,088	—4106,393	Kilburn & Co. Private Ltd.	India General Navigation & Rly. Co...	56.50	£10	Sh. 10	Sh. 10	1.00	1.50	6	Y.P.
2,25,00,000	1,74,74,232	13,19,06,545	2,63,12,759	2,70,094	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.08	10	*Nil*	*Nil*	1.00	1.00	12	Y.P.
9,40,19,675	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	11.56	20	0.50	0.50	1.00	1.00	3	Y.P.
3,40,3800. } 3,10,250F.O. }	18,26,615	12,00,284	7,86,760	1,66,813	R. B. Alyer, Esq. (Manager) ..	Walford Transport Ltd.	{ 2.06	O. 2	0.12	0.14	0.14	1.25	} 12	Y.
							1.71	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
3,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	} 9	Y.
15,98,866	3,94,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	20	4.50	*Nil*			12	Y.
25,90,000	1,00,000	26,18,548‡‡		58,589‡		Devkaran Nanji Investment Co. ..	10.62	25	0.75	0.75	0.81	0.81	3	Y.
5,87,80,000	2,01,70,510	4,94,59,318	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	22.00xd	10			1.25	1.40	12	Y.P.
31,07,000	16,29,510	1,99,45,989	87,14,497	14,986	Birla Brothers Private Ltd. ..	Hind Cycles	135.00	100	10.00	10.00		12.50F.	3	Y.P.T.
14,98,840	2,01,500	28,61,884	19,40,792	22,010	Choonilal Manilal Private Ltd.	Estrela Batteries	17.50	10	2.00	2.00	2.00		12	Y.P.
99,99,350	20,13,147	1,26,61,398‡‡		1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	78.50	100	4.50	5.00	5.50		3	Y.P.
1,00,00,000	28,06,446	88,85,170	11,25,784	2,712	K. G. Milne, Esq. (Mg. Director)	Killick Industries	151.00	100	11.00	11.00	11.00		6	Y.
30,25,325A.O.	63,14,265	3,42,78,824	1,59,98,078	6,81,752	Aero-Auto Private Ltd.	Premier Automobiles	178.00	20	2.00	2.00	2.00	1.20	12	Y.
10,21,200	4,83,147	8,09,102	5,85,506	2,481	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd.	19.00	100	*Nil*	*Nil*	6.00	6.00	6	Y.
2,75,00,000	1,85,45,829	3,14,84,151	1,59,98,978	8,92,288	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd. ..	280.00	100	11.00*	11.00*	11.00*	11.00*	12	Y.
48,00,000	60,62,390	8,64,935	5,24,956	76,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.			20.00	20.00	22.50	25.00	12	
Other Centres														
37,50,000 } 2,50,000 }	1,09,56,718	3,81,21,462	84,96,321	2,32,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 10.75	O. 10	*Nil*	*Nil*	0.50	0.90	} 3	Y.P.T.
40,00,000	32,25,000	68,17,870	28,12,286	66,539	Sashasaye Bros. (Trav.) Pvt. Ltd.		8.75N	D. ½	*Nil*	*Nil*	*Nil*	*Nil*		
50,00,000	36,30,717	93,97,377	23,02,325	3,61,239	Turner Morrison & Co. Private Ltd...	Aluminium Industries Ltd.	18.50xd	10	*Nil*	*Nil*	*Nil*		3	Y.
30,00,000	15,70,000	32,82,731	21,20,441	1,75,875	Mr. A. Hydari & Mr. S. Gothberg	Angelo Bros., Ltd.	18.50	10	1.25	1.25*	1.25	1.25	3	Y.
20,00,000	32,47,882	1,02,58,091	26,57,650	2,46,122	Oberoi Hotels (India) Private Ltd.	Assam Match Co., Ltd.	15.00	10	1.25	1.25	1.25	1.80*	6	Y.
26,91,400	28,81,293	69,52,196	27,52,106	5,03,375	M.	Associated Hotels of India ..	5.19	10	0.20	0.40	1.20		2	Y.P.T.
15,00,000	13,56,000	33,93,856	23,71,286	90,870	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	146.00	100	18.50	12.50	15.00		2	Y.
20,00,000	9,05,715	62,25,492‡‡		37,012	Lovelock & Lewis	Birds Investment Ltd.	27.00	10	2.50	2.25	2.50	12.50	3	Y.
48,97,052	24,61,814	1,14,51,095	37,07,455	1,84,563	K. Julius Scott, Esq. (Mg. Director) ..	Britannia Biscuits	12.69	10	1.25	1.25	1.00		3	Y.
2,25,00,000	1,55,55,571	2,06,38,577	2,33,60,121	1,23,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	12.75	10	1.25	1.25	1.00	1.00	3	Y.P.T.
1,50,00,000	17,54,264	2,66,96,044‡‡		3,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	3.88	5	0.06	1.00	1.00		3	Y.
3,00,00,000	4,40,29,606	6,50,49,175	2,68,24,548	22,22,643	John Leakman, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	9.75	10	0.20	0.80	0.10		3	Y.
51,20,000	54,81,685	1,04,12,906‡‡		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	24.75	10	1.50	1.50	1.38	0.75	3	Y.P.
14,00,000	9,85,000	34,03,105	19,09,239	84,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	129.00	100	9.00	8.50	1.50	1.62	12	Y.P.
65,00,000	84,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	129.00	100	15.00	9.00	9.00	9.00	12	Y.
30,00,000	18,17,354	83,06,851	36,24,652	74,215	B. P. E. Syndicate	Great Eastern Hotel	11.12xd	10	0.75	1.50	4.00	12.50	3	Y.
4,98,05,700	10,00,000	1,00,61,577	7,95,908	1,01,776	Birla Brothers Private Ltd. ..	Hindusthan Motors	153.00	250	0.62	1.40	1.50	1.50	3	Y.
3,84,53,900	1,17,55,400	2,26,86,031	86,85,092	41,81,653	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	7.22	10	*Nil*	6.25	15.00	15.00	3	Y.
1,52,50,220	1,46,00,000	16,74,908	9,50,306	62,722	B. J. Woodley, Esq. (Mg. Director).	Indian Cables	13.50	10	*Nil*	*Nil*	*Nil*		3	Y.
3,27,975	6,03,000	16,74,908	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	15.00	10	1.00*	1.00	0.60		12	Y.
15,10,00,000	24,92,01,894	9,75,79,298	1,03,23,899	25,94,159	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	11.62	10	0.50	1.50*	1.50*	1.50*	3	Y.
2,00,00,000	76,27,615	89,02,897	12,08,982	4,71,179	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	11.62	10	0.50	0.50	0.62		3	Y.
40,00,000O. } 5,00,000D. }	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	{ 202.00	O.100	7.50	3.50	3.50	0.70	} 3	Y.
1,45,23,500	90,58,531	23,54,434	14,97,832	2,35,812	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.		D.0.10	17.00	2.50	2.50	2.50		Y.
1,16,80,000	1,17,00,151	2,65,36,089	2,60,987	—1,52,648	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	28.87	10	1.20	1.20	1.20		12	Y.
9,55,585	821	7,68,660	5,97,862	8,249	Shankar Rao P. Ogale, Esq. ..	Mysore Glass and Enamel Works	22.62	10	1.33	1.75	0.30		3	Y.
2,44,250	6,92,800	11,29,686	5,97,862	8,249	M.	Mysore Lamp Works	9.75N	10	*Nil*	2.12*	2.12*	2.12*	9	Y.
19,00,000	2,..,.88	16,47,599	10,13,179	43,582	M. Mallesharya, Esq. (Chairman)	Mysore Tobacco	15.00cd	10	1.00	0.75	1.00	1.25	3	Y.
2,00,00,000	78,15,585	1,50,92,462	50,60,698	21,19,752	J. B. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	12.70	10	1.25	0.75	0.90	1.25	3	Y.
40,00,000	74,71,172	63,86,914	41,82,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.		25.25	10	0.40	0.90	1.80	1.80	3	Y.
										2.50	1.50	0.75‡	12	Y.P.
						National Insulated Cable Co. ..	23.62	10	1.00	1.00	1.00		3	Y.
						National Rolling & Steel Ropes ..	9.75	10	0.50				3	Y.
48,00,000	15,00,000	23,19,295	21,17,408	75,726	B. N. Elliss & Co. Private Ltd.	National Tobacco Co.	10.31	10	0.50	0.56*	2.00*		3	Y.
79,97,000	38,12,466	1,20,51,899	61,78,165	—44,12,938	M. P. A. Paspatti, Esq.	Ballis (India) Ltd.	28.00	10	0.50	0.50	0.70	1.00	3	Y.
2,25,00,000	4,83,498	1,22,26,543	60,08,534	49,402	Sahu Jain Ltd.	Rohtas Industries	17.06	10	1.50	*Nil*	*Nil*	*Nil*	3	Y.
2,25,00,000	1,87,70,309	10,00,89,311	3,96,22,765	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	{ 100.00N	100		1.50	1.50	1.50	3	Y.P.
4,73,200 }	51,586	51,11,687	6,29,199	19,106			50.00N	50			5.00	6.00	} 3	Y.P.
5,13,400 }					C. W. Stephenson, Esq. ..	Spencer & Co., Ltd.	17.25	10	1.50		2.50	2.00		Y.
40,00,000	88,41,163	1,21,80,272	72,08,599	9,02,978	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10.19	10	1.25	1.25	1.25	1.00	3	Y.P.
75,00,000O.	17,19,008	14,51,809	4,58,782	—47,988	Travancore Ogale Glass	Travancore Ogale Glass	2.20	10	*Nil*	1.00	1.00		12	Y.
9,98,880	.....	.....	.....	.....					*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

M. Managed by Board of Directors. ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent shares of the firm of Shaw Wallace & Co., Ltd.

† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. †‡ India Paper Pulp—The dividends paid upto 1956 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,48,700	9,09,019	15,95,483	5,76,088	.....	McLeod & Co., Ltd.	336	Amlekhi	25.00	10	72.00	19.00	5.00		12	Y.P.
2,76,500	5,71,980	11,19,537	3,89,703	22,139	M.	212	Ananda (Assam) Tea ..	18.44	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,230	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21.00	10	8.00*	1.00	1.25		12	Y.
5,00,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	19.00	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,96,911	3,52,732	53,593	Andrew Yule & Co., Ltd.	378	Banmatia	21.69	10	8.00	1.50	2.00		12	Y.
3,30,500	8,19,000	12,75,998	8,03,524	1,30,178	National Tea Corporation	570	Bateli	18.50	5	4.00	2.50	2.00		12	Y.
3,40,000	7,49,000	11,16,644	3,51,828	49,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23.75	10	10.00*	2.00	2.50		12	Y.
23,90,000	18,33,332	63,88,222	28,40,322	3,16,226	Williamson Magor & Co., Ltd.	2,067	Bhamanth	19.81	10	5.50	2.00	2.00		12	Y.
6,00,000	2,50,000	11,47,111	2,50,937	38,921	Octavius Steel & Co., Ltd...	435	Bokakhat .. ..

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
PLANTING; PRODUCE AND RUBBER														
9,90,000	8,10,990	3,92,505	84,197	15,099	Planting Agencies (Private) Ltd..	Palmadies Plantations	8.35	2	0.25	0.30	0.21	0.45	5	Y.P.
96,91,909	24,80,060	52,61,458	5,69,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	5.06	1	0.75	0.45	0.75	0.52	2	Y.P.
19,00,008	11,00,000	39,79,845	8,06,541	1,21,825	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	22.85	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,14,000	54,13,036	1,25,54,705	26,09,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	23.55	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,725	9,11,782	50,961	6,851	M.	Cottanad Plantations	12.25	10	1.50	1.75*	1.50	1.75	3	Y.P.
12,00,000	9,95,543	25,56,780	5,31,442	87,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	12.50	10	2.50	2.00	2.00		12	Y.P.
4,00,000	19,22,899	18,91,159	2,63,016	18,068	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	21.00	10	2.00	2.75	2.00		12	Y.P.
18,50,000	6,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16.25	10	2.25	2.75	2.00	2.00	4	Y.
27,00,000	28,79,857	30,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16.00	10	1.75*	2.50	2.00	2.00	3	Y.
9,15,000	8,81,000	14,62,586	2,09,783	25,171	A. V. George & Co. Ltd. ..	Neeravy Rubber	16.00	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,90,000	5,40,417	58,785	4,271	Associated Planters Private Ltd..	Nilambur Rubber Co.	12.75	10	1.00	1.50	1.50		12	Y.P.T.
19,45,940	23,79,615	45,25,962	14,74,565	53,868	Peirce, Leslie & Co., Ltd. ..	Onchterlony Valley Estates ..	5.06d	2	0.60	0.40	0.20	0.60	12	Y.P.T.
18,50,000	8,50,000	49,07,576	9,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	15.50	10	1.75*	2.00	2.50	2.00	12	Y.
8,66,750	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4.65	2	2.50	1.00	1.50		11	Y.
10,00,000	3,01,600	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.40	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,80,000	1,40,000	3,58,449	24,741	23,968	A. V. George & Co. Ltd. ..	Thamarapally Rubber	22.50	10	3.00	3.00	3.00		12	Y.P.
9,15,800	4,90,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.53	1	0.10	0.12½	0.12½	0.05	9	Y.
6,00,000	32,566	7,71,251	1,36,210	2,257	Kapen Thomas, Esq. (Mg. Director)	Travancore Rubber	14.00	10	2.00	3.00	2.00		12	Y.
41,00,000	18,61,221	81,07,222	12,64,246	3,46,623	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	7.05	10	1.50	1.25	0.75		12	Y.P.
20,00,000		29,25,736	7,04,419	60,257	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.65	25	5.00	4.00	3.00		12	Y.
2,88,880	6,40,670	9,17,682	21,770	21,911	Harrisons & Crosfield Ltd. ..	Valkundam (Travancore) Rubber ..	21.75cd	10	2.25	2.50	2.50	2.00	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.30	10	1.50	2.00	1.25	1.00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,30,25,991	53,25,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	8.18	10	0.62	0.62	0.25	0.25	3	Y.
6,00,000	10,25,000	56,02,958	38,46,893	1,70,290	McLeod & Co., Ltd. ..	446	Alexandra	100.00	100	7.50	10.00	10.00		3	Y.
30,00,000	5,25,000	1,17,61,827	84,401,069	84,402	McLeod & Co., Ltd. ..	1,264	Alliance	65.00	100	12.00	6.00	Nil		6.12	H.P.T.
49,20,700	67,00,000	3,11,92,070	2,08,15,000	1,77,921	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	149.00	100	7.50	8.50	8.50	7.00	3	H.P.
40,00,000	29,44,408	1,49,09,985	85,84,728	—3,79,016	Bird & Co. Private Ltd.	810	Auckland	80.50	100	3.50	0.00	1.00	Nil	3	Y.P.
20,00,000	22,80,918	96,91,416	65,65,094	65,802	Birla Brothers Private Ltd. ..	959	Bally	140.00	100	Nil	5.50	Nil	Nil	3	Y.P.T.
4375,000	4474,807	61,028,482	50,28,189	....	Sir John H. Burdar (Chairman) ..	1,889	Barnagore	82.50	55	sh. 15	sh. 15	Nil	Nil	3.9	H.P.
48,00,000	25,66,123	94,87,709	61,49,781	1,880	Andrew Yule & Co., Ltd. ..	3230	Belvedere	81.00	100	10.00	7.50	Nil		3	Y.P.
45,00,000	38,45,000	87,98,172	31,28,674	2,65,100	Sooraimull Nagarmull	600	Bengal	13.94	10	1.12	1.12			12	Y.P.
91,26,900	2,17,48,858	2,84,10,402	1,45,82,651	4,87,898	Birla Brothers Private Ltd. ..	1,373	Birla	15.25	10	1.00	1.00	1.00		6	Y.P.T.
88,00,000	21,09,926	1,17,00,892	72,35,319	4,164	Andrew Yule & Co., Ltd. ..	991	Bridge-Budge	79.00	100	9.00	7.50	Nil		3	Y.P.
7,47,180	3,09,540	42,18,704	31,82,983	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7.00	10	0.75	Nil			10	Y.P.
18,00,000	26,46,234	87,43,898	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	119.00	100	9.00	6.50	Nil		6.12	H.P.
20,00,000	76,49,239	2,28,54,628	1,19,50,848	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	97.00	100	3.00	10.00	2.00	Nil	11	Y.P.
15,95,000	23,29,252	82,72,766	67,70,175	8,666	Andrew Yule & Co., Ltd. ..	530	Cheviot	131.00	100	14.00	10.00	2.00		3	Y.
30,15,000	32,00,000	65,65,762	48,43,566	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	13.00	10	1.12	1.87	0.621		11	Y.P.
24,00,000	9,00,000	81,05,836	67,13,537	25,935	Shree Krishna Investment Co.,Ltd	969	Clive	18.12	10	Nil	1.25x	0.50		6.12	H.P.T.
31,49,200	44,50,392	1,35,02,598	51,19,167	—6,75,851	Bird & Co. Private Ltd.	766	Dalhousie	68.00	100	2.50	4.00	Nil	Nil	3	H.P.
23,00,000	40,51,579	77,35,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	118.00	100	12.00	10.00	5.00		3	Y.P.T.
15,00,000	24,50,000	88,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	14.50	10	1.25	1.25	0.50		11	Y.P.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	317.00	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,20,16,348	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17 19	10	20.00	20.00	10.00	10.00	3.9	H.P.T.
24,32,100		2,11,07,224	1,82,89,825	—2,67,452	M.	1,709	Ganges Mfg.	47.00	100	0.50	2.50	Nil	1.50	3	Y.P.T.
10,80,000	25,68,948	76,08,997	50,72,167	11,510	Deepchand Kishenlal	607	Gondalpara	650.00	100	Nil	Nil	50.00		3.9	H.P.
24,00,000	24,50,000	2,22,46,943	1,58,81,965	45,248	Macneill & Barry Ltd.	1,394	Gouripore	220.00	100	10.00	18.00	2.50		12	Y.T.
40,00,000	60,68,228	1,28,36,137	58,66,589	3,00,386	Bangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	11.50	2.50	2.50	3	Y.P.
16,80,000	15,51,909	1,05,47,721	87,58,258	1,09,253	Shaw Wallace & Co., Ltd.	720	Hooghly	11.80	10	0.50	1.25	0.50		3	Y.P.
68,62,500	23,65,428	2,34,21,655	1,11,49,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.31	10	1.25	0.87	0.25	Nil	3	Y.P.
25,40,000	28,87,124	2,93,21,907	1,57,51,907	1,14,896	Ramdutt Ramkissendas	2,272	Hukumchand	17.25	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,257	M.	1,076	India	112.00	0.125	3.12	4.69	4.69		3.9	Y.P.T.
30,950								82.50	100	8.00	2.50	Nil		3	Y.
24,00,000	26,90,185	1,92,81,848	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	80.50	'B' 100	8.00	2.50	Nil			
19,20,000 'B'								49.00	100	6.50	2.50	Nil		6.12	H.P.T.
30,00,000	9,78,967	1,77,78,751	87,49,850	—21,37,149	Jardine Henderson Ltd.	1,527	Kankanrrah	46.50	'B' 100	6.50	1.00	Nil			
24,00,000														6.12	H.P.T.
21,00,000	32,00,000	1,85,45,052	88,77,736	86,701	McLeod & Co., Ltd.	703	Kelvin	172.00	100	20.00	17.50	5.00			
54,00,000	23,38,375	1,96,60,992	1,22,08,770	27,027	Anderson Wright Ltd.	1,530	Khardah	119.00	100	12.50	11.00	5.00	9.00	5	Y.P.
48,00,000	31,53,808	2,35,20,709	98,50,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	134.50	100	7.00	13.00	6.00	8.00	3	Y.P.
24,48,000	29,41,338	1,28,71,981	83,10,544	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	65.00	100	2.00	7.00	Nil	Nil	3	Y.P.T.
28,00,000	45,13,647	1,51,13,975	85,11,075	—7,32,253	Bird & Co. Private Ltd.	840	Lawrence	77.00	100	6.00	6.00	Nil	Nil	3	Y.P.T.
21,65,200	26,36,648	2,64,18,349	1,26,97,308	1,64,942	M.	1,283	Mercia	97.00	100	2.50	9.75	3.75	Nil	3	Y.P.T.
29,98,900	84,62,195	1,65,70,565	86,70,690	—18,08,718	M.	815	Naihati	60.00	100	Nil	Nil			3.9	H.
20,00,000	15,35,000	29,01,568	18,21,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	13.00	10	1.12	1.25	Nil	Nil	3	Y.P.T.
15,00,000	41,29,224	81,71,346	10,05,470	17,839	Andrew Yule & Co., Ltd. ..	852	National	22.25	10	2.00	1.75			6.12	H.T.
26,25,000	27,00,000	28,51,475	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	12.00	10	0.75	1.00	0.75		6	Y.P.
55,50,000	2,86,31,171	4,68,52,348	1,06,43,534	2,85,601	Sahu Jain Ltd.	1,765	New Centralf	13.19	10	17.00	1.00	0.501		6.12	H.P.T.
16,79,850	46,88,885	1,25,54,122	80,38,490	9,227	Bird & Co. Private Ltd.	567	Northbrook	15.56	10	1.25	1.50	1.50		12	Y.P.
96,79,500	12,74,961	2,14,62,333	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	35.00	50	0.50	1.00	Nil	Nil	3	Y.P.T.
24,91,000	23,76,049	75,85,619	51,45,600	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	84.00	100	10.00	3.00	Nil	Nil	3	Y.P.T.
25,00,000	6,28,490	80,86,487	68,22,166	81,593	McLeod & Co., Ltd.	400	Prinsep	9.75	5	0.31	9.00	2.00		11	Y.
30,00,000	1,90,225	27,95,784	8,39,130	—8,31,589	Birla Brothers Private Ltd. ..	805	Rameshwara	3.87	10	Nil				6.12	H.T.
49,50,000	4,80,552	1,24,75,806	64,70,616	—88,05,290	Jardine Henderson Ltd.	1,276	Reliance	6.25	10	Nil	Nil	Nil	Nil	3	Y.
4669,000	41,098,718	81,245,244	....	458,994	Thomas Duff & Co. (India) Ltd...	2,013	Samnuggur	8.12	61	Nil	Nil	Nil	Nil	3	Y.P.T.
30,00,000	18,14,910	1,15,50,577	79,96,145	7,875	Bagaria Mors & Co., Ltd. ..	911	Shree Ambica	10.50N	10	10%	5%21			3	Y.P.
14,00,000	11,25,000	66,11,794	38,79,294	3,156	Hindustan Investment Corporation	401	Soorah	14.50	10	1.00	0.50			12	Y.P.
25,19,600	31,10,501	1,26,58,701	57,29,512	—8,76,088	Bird & Co. Private Ltd.	850	Standard	79.75	100	2.00	1.50			3.9	H.P.
4600,000	4925,118	61,157,660	....	433,848	Thomas Duff & Co. (India) Ltd. ..	1,794	Tribhuvan	8.12	61	10%	3%21	Nil	Nil	12	Y.P.T.
25,98,600	55,80,143	2,01,42,857	89,47,895	—13,51,940	Bird & Co. Private Ltd.	1,326	Union	122.00	100	6.00	10.00	1.00	Nil	3	Y.P.
4400,000	4688,035	61,124,819	....	480,501	Thomas Duff & Co. (India) Ltd. ..	1,831	Victoria	8.12	61	10%	3%21			12	Y.P.
2,50,000	6,35,000	56,01,062	40,75,991	11,827	McLeod & Co., Ltd.	457	Waverley	2.75	1	0.50	0.37	Nil		12	Y.P.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
25,20,000	25,26,630	99,35,489	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields	17.00	10	1.31	1.37	0.50	1.25	3	Y.
12,00,000	8,49,890	37,46,675	35,26,185	70,817	Jardine Henderson Ltd.	Bengal-Bhatdee	5.37N	10	1.46	1.46	1.10	0.37	3.9	H.
4,50,000	3,00,000	11,75,911	8,64,876	90,270	McLeod & Co., Ltd.	Bengal Coal	221.00	100	$0.00*	$5.00*p	17.50	7.50	6.12	H.
1,00,00,000	1,60,58,785	6,10,16,849	4,19,72,925	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13.50	10	Nil	Nil	Nil		6.12	H.
2,25,000	4,13,783	24,88,167	22,43,060	....	H. V. Low & Co. (Private) Ltd...	Bhalgora	4.40	10	Nil	Nil	Nil		10	Y.P.
15,97,000	4,88,500	48,16,500	24,22,200	—84,879	Sahu Jain Ltd.	Bharat Collieries	5.93	10	0.65				12	Y.P.
40,00,000	10,24,969	1,44,43,027	77,50,407	2,120	M.	Bhulanbararee	10.75	10	Nil	0.62	0.62		3	Y.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,836	F. W. Heilgers & Co. Private Ltd	Borree	17.00	10	Nil	Nil	Nil	0.60	3	Y.P.T.
7,80,000	24,18,419	45,67,883	27,10,808	19,515	Bird & Co. Private Ltd.	Burrakur	22.87	10	2.00	2.00	1.50		12	Y.T.
90,52,450	89,04,448	4,25,18,901	1,96,92,458	92,881	Hindustan Investment Corpn.Ltd.	Central India	7.50	10	0.55	0.62	0.68		6.12	H.T.
49,97,750		46,89,014	12,80,014	8,401	M.	Central Kurkend	11.00N	10	0.25	0.25	0.50	0.50	6.12	H.P.T.
8,00,000	13,30,590	49,11,827	33,08,469	69,009	F. W. Heilgers & Co. Private Ltd.	Churlia	3.67	10	0.25	0.50	0.501		12	Y.
6,00,000	1,43,986	7,30,051(k)	....	4,240	Macneill & Barry Ltd.	Dhemo Main	7.25	4	0.12	0.06	0.06		12	Y.
16,00,000	....	54,02,810	30,05,160	—3,36,508	Jardine Henderson, Ltd.	East Indian	23.87	61	Nil	Nil	Nil		12	Y.
4240,000	4262,875	41,901,816	4764,050	426,677	Macneill & Barry Ltd.	Equitable	26.87	61	2.50	3.00	2.00		12	Y.
29,68,760	92,06,405	4,16,92,845	3,00,78,857	41,728	Bhatter's Agency Ltd.	Ghusiek and Mualia	16.00N	10	1.50	1.50	2.50	1.50	4	Y.
10,00,000	1,40,999	18,95,144	4,25,557	23,353	Killick Industries Ltd.	Hingir-Rampur	80.75	50	0.50	0.25	1.50		12	Y.P.T.
12,00,000	1,17,609	42,34,400	29,20,972	....	Macneill & Barry Ltd.	Jharriadih	17.00	10	Nil	2.25	Nil		3	Y.
5,00,000	7,25,000	22,40,856	19,21,898	45,210	Andrew Yule & Co., Ltd...	Kalapahar	1.75	1	2.25	2.25	Nil		3	Y.P.
5,80,000	2,48,908	14,15,055	7,85,171	....	Bird & Co. Private Ltd.	Karanpura Collieries ..	89.00	10	Nil	2.50	1.50		6	Y.P.
20,00,000	2,21,576	33,57,576	5,71,179	1,962	Andrew Yule & Co., Ltd...	Katras Jharriah.. ..	54.25	10	Nil	2.50	5.00		12	Y.
5,00,000	18,90,893	47,65,511	37,70,923	1,35,336	Khas Kajora	Kesai	2.60N	10	4.00	4.50	6.50	Nil	2	Y.P.
1,38,400	5,72,960	12,85,941	5,72,960	—2,60,236	H. V. Low & Co. (Private) Ltd..	Kuardi	2.60N	10	Nil	4.50	6.50	6.50	1	Y.
11,00,240	64,5■ 1	16,58,339	10,68,899	10,611	H. V. Low & Co. (Private) Ltd..	Lakurka	9.00N	10	Nil	0.12			6.12	H.P.
8,00,000	11,11,926	25,38,749	22,36,198	4,708	Macneill & Barry Ltd.	Maxira	6.44	10	0.25	0.12			6	Y.
7,48,240	2,00,000	13,13,208	9,66,819	81,201	Tantia Brothers Ltd.	Nawadeopur	11.50	10	0.50	0.50			3	Y.
7,00,000	1,25,617	8,25,295	5,29,295	4,650	Tantia Ojha & Co. Ltd.	New Beerbhoom	9.00N	10	1.25				12	Y.
17,74,220	19,51,814	1,24,49,315	91,72,491	52,598	Andrew Yule & Co., Ltd...	New Manbhoom	18.00	10	1.12	1.00	0.75		3.9	H.
6,00,000	75,000	33,35,331	22,38,922	1,42,409	Octavius Steel & Co., Ltd. ..	North West	11.50	10	Nil	Nil	Nil	0.50	10	Y.P.
1,15,000	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd...		18.37	10	Nil	1.37	1.50	0.50	3	Y.
1,57,500							13.50	7.50	Nil					
7,50,000	15,69,447	3,07,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	18.00	10	1.00	1.03	1.12		3	Y.
16,00,000	1,10,000	41,24,518	19,79,271	26,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.50N	10	1.00	1.00	0.75			
10,80,000	20,000	22,40,367	9,36,591	3,080	Deepchand Kishenlal	Parasea	12.97	10	0.50	0.25			12	Y.P.
24,00,000	24,50,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd. ..	Pench Valley	19.31	10	0.75	1.00	0.50		12	Y.T.
40,00,000	60,68,228	1,28,36,137	58,66,589	3,00,386	Bangur Bros., Ltd.	Raneegunge	11.56	10	1.62	1.50	0.50	2.50	3	Y.P.
16,80,000	15,51,909	1,05,47,721	87,58,258	1,09,253	Shaw Wallace & Co., Ltd.	Rewa	14.50	10	0.50	0.62	0.70	2.00	3	Y.P.
68,62,500	23,65,428	2,34,21,655	1,11,49,561	—24,66,402	Jardine Henderson Ltd.	Samla Collieries.. ..	10.50N	10	0.75	0.87	0.75	0.75	3	Y.
1,50,000	1,93,802	13,78,480	12,21,237	21,070	M.	Searsole	4.75cdN	10	0.75	1.00	0.751		6.12	H.
3,80,000	9,11,598	29,02,167	19,75,253	52,200	Andrew Yule & Co., Ltd...	Seebpore	23.19	7	2.50	0.62	0.75	1.25	12	Y.
5,00,000	5,00,216	52,491	33,667	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.00	10	2.00	2.50			1	Y.
66,21,480	54,83,536	5,19,41,849	2,73,46,029	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)		0.12	10	0.12	0.25	2.25		12	Y.P.
						Singareni	11.25				0.25		12	H.T.
17,50,000	10,89,693	28,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	10.06	10	0.70	0.75	1.00		6.12	
3,00,000	14,01,062	1,09,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	0.12	10	0.12	0.12	0.85		12	Y.
10,00,000		81,92,694	15,48,802	—5,62,907	M.	Talcher	13.75	10	1.50	1.00	1.00		3	H.
3,80,000	3,25,000	18,97,634	14,84,234	77,105	Williamson Magor & Co., Ltd. ..	Union	1.31	2.50	Nil	Nil	1.00		2.3	Y.
49,88,800	66,784	65,72,308	24,15,808	11,543	Hindustan Investment Corpn.,Ltd.	Western Bengal	14.00	10	0.75	Nil	Nil		12	Y.
7,00,000	....	57,46,660	25,79,008	—8,20,058	Macneill & Barry Ltd.	West Jamuria	5.44	10	0.37	0.50	Nil		9	Y.
							5.75	10	Nil	Nil	0.50	0.50	12	Y.
											Nil	Nil	3	Y.
													12	Y.

M—Managed by the Board of Directors. † Less income-tax. (x) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investment in † New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954. K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. F—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 500 each. For 1954 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 500 were split into shares of Rs. 100 each.

COMMERCE AND INDUSTRY

(*Concluded from page 704*)

arrange for accommodations which are not tied-in to particular projects, since such arrangements generally reduce the flexibility of the operational programming of the Plan.

We need not always shy away from long- and medium-term deferred credit arrangements which involve payment of high interest charges. If agreement can be entered to spread out these interest charges evenly, the burden in the immediate period is unlikely to be very high, and it can be hoped that the country will be able to acquire sufficient wherewithal after a while to be able to honour these obligations.

Parallel to arrangements involving deferred credit, the Government may solicit from foreign investors within the country their attitude to a proposal for deferred remittances for a temporary period. There can be no question of freezing investment income of foreigners being remitted abroad. But it is possible that, given a certain amount of goodwill, foreign concerns may view favourably the suggestion to curtail the quantum of remittances for the next two years, and thus contribute toward the Government's efforts to tide over the exchange crisis.

While the aforesaid measures will go a long way towards easing the foreign exchange situation, it will be realistic, as the Council pertinently states, to examine

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Remarks
10,00,000	1,00,00,000	12,42,652	Allahabad Bank	{260.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				{180.00	50	9.00‡	9.00	9.00	4.50‡		
1,91,000	16,63,000	2,93,939	Andhra Bank	{111.00xd	100	7.50	6.50	8.00	4.00‡	6,12	H.
42,85,540				{87.00xd	25	3.75	4.54	5.59	3.40‡		
1,80,00,000	1,28,00,000	4,10,731	Bank of Baroda	111 50	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	23 00	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	16,02,881	Bank of India	{150.50	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000 'A'				133.50	50 'A'	..	..	..	8.00		
15,20,375	23,00,000	52,270	Bank of Indore	33 00N	25	2.00	2.50	4.00	4.25	12	Y.
50,00,000	22,15,000	22,734	Bank of Jaipur	38 75	50	2.00	2.00	2.50		12	Y.
80,00,000	91,95,612	1,37,085	Bank of Mysore	244 00xd	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	40,00,000	44,788	Canara Bank Ltd.	86 00	50	4.50	5.00	5.00	5.00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75.00xd	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P.
5,82,930 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	{170.00xd	100 'A'	12.50	12.50	15.00	15.00	12	Y.
22,787 'C'				1.71xd	1'C'	12½%	12½%	15%	15%		
2,62,11,875	4,03,60,321	18,44,046	Central Bank of India Ltd.	{52.50	25	3.00	3.00	3.50	3.50	12	R.L.Y.
52,42,375				54.00	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	46.00	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,80,00,000	10,45,442	Habib Bank (P)	36.37	5	0.81	0.87	1.87	1.06	12	Y.
50,00,000	29,75,000	1,61,948	Hind Bank	50 25	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,25,000	18,443	Hindustan Commercial Bank	10 13	50	Nil	Nil	Nil		12	Y.
50,00,000	1,77,500	3 649	Hindustan Mercantile Bank	11.75	50	Nil	Nil	Nil		12	
44,00,000	87,50,360	2,04,376	Indian Bank	{212 00xd	100	12.00‡	12.00‡	15.00	15.00‡	6,12	R.L.H.
22,40,000				179.50xd	50	7.20‡	7.75	9.75	12.00‡		
56,23,250	46,36,300	2,32,067	Indian Overseas Bank	140.00xd	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	33,502	Pandyan Bank Ltd.	35.62	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,904	Punjab National Bank	58.38	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	29,17,000	5,928	Travancore Bank	17.75xd	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,532	Union Bank of India	8.36	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,34,00,000	49,432	United Commercial Bank	63.50	50	2.50	2.75	3.50	3.75	12	M.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£1-16-0	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£4¼	H.K.$125	5*	5*	5*	$ 12½*	12	Y.
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-5-9	£1	15†	12†	12†	13†	12	Y.
£2,940,000	£3,100,000	£231,452	Mercantile Bank Ltd.	£1-11-0	£1	14†	14†	14†	18‡†	12	Y.
£2,851,563	£3,104,667	£365,589	National Overseas and Grindlays Bank Ltd.	£1-0-9	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xd—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June .. 1962
4,00,000	5½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	90.00	18th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1943	100.00	27th December .. 1962-63
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
80,00,000	4½	20th April and 21st October	Bharat Collieries	1944	90.00	20thJune .. 1964
20,00,000	4½	20th June and 21st December	Burrakur Coal Co.	1947	87.00	20th June .. 1967 (o)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1951	97.00	14th December .. 1969 (o)‡
COTTON						
2,50,000	5½	20th June and 21st December	Basauli Cotton Mills Ltd.	1942	85.00	20th April .. 1964¶
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	80.00	15th November .. 1966 (o)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	90.00	1st March .. 1973 (o)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.25	1st March .. 1967-72
13,71,000	5½	20th June and 21st December	Jayshree Textiles	1949	90.00N	1st January .. 1956-59
99,99,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	21st March and 20th September	Agra Electric Supply Co., Ltd.	1950	99.50	21st March .. 1965 (o)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.	1949	97.00	14th June .. 1969
93,25,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1949	97.00	1st October .. 1969
12,00,000	4½	20th June and 21st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	21st December .. 1964 (o)
84,045,814	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (o)
25,00,000	4	20th June and 21st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	21st December .. 1978
13,50,000	5	1st January and 1st July	Sijua (Jherriah) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1974 (o)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1960-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September .. 1965-66
47,75,000	5	1st April and 1st October	Tata Power	1940	99.00	1st July .. 1970
2,50,00,000	4	1st April and 1st October	Tata Power	..	85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	20th June and 21st December	Britannia Engineering	1945	94.00	21st December .. 1969
2,80,000	5	20th June and 21st December	Bridge and Roof (India) Ltd.	1922	98.00	20th June .. 1958
80,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.00	1st July .. 1967-68
10,00,000	4	21st May and 20th November	Kumardhubi Engineering Works Ltd.	1946	80.00	21st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.40	1st October .. 1966-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1968 (o)
JUTE						
12,60,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1960
6,00,000	5½	20th June and 21st December	Alexandra	1939	91.00	20th June .. 1960
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1945	97.00	31st December .. 1964
10,00,000	4½	20th June and 21st December	Bengal Jute Mill Co., Ltd.	1945	90.00	20th June .. 1966
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1959
10,69,500	5	20th June and 21st December	Chitavalsah Jute Mills	1951	90.00	20th June .. 1966
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (o)
5,84,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (o)
30,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1953	94.00	31st March .. 1970
25,00,000	5	20th June and 21st December	Khardah Jute Mills Co., Ltd.	1949	90.00	21st December .. 1964 (o)
25,00,000	5½	20th June and 21st December	Naihati	1952	90.00	31st March .. 1967 (o)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	20th June and 21st December	Northbrook Jute Co., Ltd.	1946	90.00	21st December .. 1964
5,00,000	5	20th June and 21st December	Prasiderey	1948	85.00	20th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (o)
5,00,000	4½	14th March and 14th September	Soorah Jute	1937	91.00	21st December .. 1957
12,00,000	5½	20th June and 21st December	Union	1927	90.00	20th June .. 1957
10,00,000	6½	31st January and 31st July	Waverly	1935	90.00	31st July .. 1960
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	466.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£100,363	5	1st April and 1st October		1933	474.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Kalakhal-Lalabasar Railway	1945	85.00	31st December .. 1959 (o)
£300,000	4½	20th June and 21st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (o)
4,14,12,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	93.25	1st September .. 1968
PLANTING						
12,50,000	6	31st March and 30th September	Kilgiri Tea	..¶	99.00	1st April .. 1962-66
1,56,500	5½	31st March and 30th September	Teokoy	1944	100.00	31st March .. 1963-80†
MISCELLANEOUS						
18,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1945	85.00	31st December .. 1965
2,00,00,000	5½	1st March and 1st September	Burmah-Shell	1934	96.90	1st September .. 1964-69 (o)§
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1958	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
29,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1968
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1968
1,00,00,000	4	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971(o)††
1,80,00,000	5	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (o)‡
1,00,00,000	5½	1st January and 1st July	Mettur Chemical Industries	1949	83.00	 1964
18,75,000	5	2nd January and 2nd July	Martin Burn Ltd. (Convertible Notes)	1946	810.00	30th September .. 1976 (o)
12,07,000	4	31st March and 30th September	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1973 (o)
45,00,000	4	20th June and 21st December			84.00N	1st April .. 1971
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	98.00	30th June .. 1968-78
1,50,00,000	5½	20th June and 21st December	National Rayon	1951	91.50	31st March .. 1961 (o)
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1946	91.00	31st December .. 1966
1,00,00,000	4	20th June and 21st December	Rohtas Industries Ltd.	1946	97.25	1st May .. 1966(o)‡‡
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953		

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ¶ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

MARKET GOSSIP

(Concluded from page 671)

move to encourage exports is the reported approval by the Sudan Government of the proposal for the establishment of a "Sudan Cotton Exporters' Association." Its object, it is stated, is, among others, to maintain and extend existing markets for Sudan cotton, explore new ones and foster, promote and develop the sale of Sudan cotton in world markets. Meanwhile, there is also a rumour that Sudan is contemplating total abolition of export duty on its cotton.

* * * *

The most objectionable feature of the tax on wealth is its extension to pure investment trust companies. The tax on such companies tantamounts to double taxation, because the companies' property is truly the collective wealth of shareholders in whose hands the value of their shares in the companies is in any case treated as part of the chargeable property. In other words, the investment trust companies have to pay tax not only on the dividends they receive from the companies in which they have invested funds but also on the property built out of such dividends. Mr. Maneklal Premchand, Chairman of the Industrial Investment Trust Ltd., is perfectly justified in urging exemption of investment trust companies from the provisions of wealth tax. Addressing the twenty-fifth annual general meeting of the Company held in the City on Tuesday this week, Mr. Maneklal Premchand rightly declared that banks and insurance companies were exempted from payment of wealth tax and such exemption ought to have been extended also to investment trust companies "which come for any financial consideration under the category of banks and insurance companies." The tax actually payable by these companies may be small—it is Rs. 5,915.98 in the case of the Industrial Investment Trust Ltd.—but this is no criterion for judging the soundness of the levy. Indeed, the objection to the levy is fundamental.

In the course of his general review of the recent economic trends, Mr. Maneklal Premchand pointed out how the country continued to groan under the heavy tax burden. "The last budget," to quote him, "brought no relief to the citizen who is asked continuously to pay even after his death!" He no doubt admitted that some relief had been given to cotton mills by reduction in excise duty and that some attempt was made to curtail the huge spending programme of the Government. Nevertheless, as he himself recognised, with all the taxes loaded, there is nothing left for an individual to invest in industrial enterprise or securities.

SALES TAX

The State Governments have agreed in principle to levy sales tax on a uniform rate on certain special goods. The rate of tax will be 7 per cent. and be levied at a single point to be selected by the State. Any State which now levies a higher rate than 7 per cent. will be free to retain it. The special goods on which uniform rates of sales tax will be levied by States are: motor vehicles, including chassis of motor vehicles, motor tyres and tubes and spare parts of motor vehicles; motor cycles and cycle combinations, motor-scooters, motorettes and tyres, tubes and spare parts of motor cycles, motor-scooters, motorettes; refrigerators and air-conditioning plants and component parts thereof; wireless reception instruments and apparatus, radios and radio gramophones, electrical valves, accumulators, amplifiers and loudspeakers and spare parts and accessories thereof; cinematographic equipment including cameras, projectors and sound recording and producing equipment; lenses, films and parts and accessories required for use therewith; photographic and other cameras and enlargers, lenses, films and plates, paper and cloth and other parts and accessories required for use therewith; all clocks, time-pieces, and watches and parts thereof; iron and steel safes and almirahs; all arms including rifles, revolvers, pistols, and ammunition for the same; cigarette cases and lighters; dictaphone and other similar apparatus for recording sound and spare parts thereof; sound transmitting equipment including telephones and loudspeakers and spare parts thereof; typewriters, tabulating machines, calculating machines and duplicating machines and parts thereof; binoculars, telescopes and operaglasses; and gramophones and component parts thereof and records.

RADIO AND TELEVISION

The *U.N. Statistical Yearbook* estimates that in 1956 there were 315 million radio (wireless) sets in use in the world, including loudspeakers attached to a radio redistribution system, and of these more than half—160 million—were in North America (150 million in the United States alone). Rather more than a quarter—82 million—were in Europe (excluding U.S.S.R.). The U.S.S.R. is credited with 29.6 million sets, of which 22.2 million were radio redistribution (wired) loudspeakers. The *Yearbook* puts the number of television sets in the world at 56 million at the end of 1956, of which 42 million were in the United States and 6.57 million (licences issued) in the United Kingdom. Countries possessing the next largest number of television receivers at the end of 1956 were Canada (2,450,000), U.S.S.R. (1,324,000) West Germany (703,500), France (442,000), Italy (367,000) and Japan (328,000).

The Soviet Union is prepared to increase deliveries of coal and oil to European countries in order to reduce the deficit in the fuel and power balance of these countries, especially of West Europe. The offer was made by the Soviet delegation at a Conference of Government experts of Europe and the U.S.A. on the power situation in Europe.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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STATE AND CO-OPERATION

THE classic controversy over the role of State in Co-operation found its echo at the third All-India Co-operative Congress, held last week in New Delhi. Both the Prime Minister, Mr. Nehru, and the President of the All-India Co-operative Union, Mr. K. D. Malaviya, were emphatic that Government participation in the co-operative movement must be severely restricted. Genuine co-operators will naturally be happy over this development, although they might fear that a large-scale withdrawal of Government support would mean a slower pace of progress for Co-operation. Much store is set by Co-operation in the second Plan. Briefly, the supply of credit is to be increased from Rs. 43 crores to Rs. 225 crores, over 2,200 marketing and processing societies, including 160 ginning and sugar factories, are to be formed, 5,500 godowns and 350 warehouses are to be built, and the number of members of societies raised from 5 million to 15 million. It now looks as though the choice before the country is between a slow and steady pace of growth of true Co-operation and its speedy development with a pull exercised by the State from above.

By and large, Mr. Nehru has cast his weight in favour of Co-operation, free from official control and supervision. He said that State-sponsored co-operatives did infinite harm, as they did not allow people to develop the "spirit of self-reliance and self-dependence." On the contrary, they encouraged the tendency to look up to Government for everything. He said: "You know I am part of the Government. Even so, I feel that this looking up to Government or any policy which encourages people to look to Government to help them at every stage is wrong, because the biggest thing we want in India is the spirit of self-reliance and self-dependence. Of course, Government's business is to help. I do not deny that. But it is one thing to help and it is quite another thing to boss." He felt that the Government was "quite wrong" in accepting some of the recommendations of the Rural Credit Survey which tended to push the co-operative movement in this country in a "wrong" direction. He particularly criticised the tendency to have large co-operatives and Government participation and control in such co-operatives. He stressed that the Government should revise its earlier policy in relation to Co-operation and aim at small co-operatives without official interference. Mr. Malaviya was equally emphatic in his denunciation of any attempt at governmental participation in the co-operative movement. He said: "A co-operative that is dependent on someone else, be it Government or any other agency, and cannot manage its own affairs, is no longer a co-operative. It can under no circumstances fulfil the basic objectives which Co-operation cherishes and stands for." He deplored that, instead of making the movement free from official control, such control was being intensified today. He urged that efforts at organising co-operatives should be directed to persuading and convincing the people about the need for a co-operative and creating the proper atmosphere. He added: "The progress of organising societies, let me repeat, is that of educating and rousing the spirit and not just registration."

These pronouncements are bound to cause much flutter in co-operative dovecots. There is no doubt that there has in recent years been far too much of State guidance in the co-operative movement. It is true that such guidance existed before. But, with the increase in financial assistance for the movement by the State, there has been an increasing control by the State Co-operative Departments. The Rural Credit Survey which has been mainly responsible for giving this twist to governmental policy advocated increasing State participation in the co-operative movement. It must, however, be admitted that the Survey was confronted by a very difficult situation. It found that Co-operation, despite the fact that it had been nursed for several decades now, had been a virtual failure. It noted that co-operative credit agencies accounted for no more than 3.1 per cent. of the farmers' credit needs, as against 69.7 per cent. provided by agricultural and professional moneylenders. It felt that the co-operative spirit had been overwhelmed by vested interests opposed to it and that State aid was insufficient. Accordingly, it insisted that Co-operation must be strengthened against both competition and opposition. For this purpose, the "prior requirement," so far as credit by itself is concerned, may be said to be the strengthening of the upper levels of the structure, that is, those above the primary societies, by such measures of State participation, and for so long as necessary, in order that a powerful helping hand may be held out, capable of guarding the primary structure against the dangers and weaknesses inherent in the present functioning of the co-operative credit system as a whole."

There can be no two opinions about the failure of the co-operative movement. Its successes are limited and by no means very inspiring. Sir Malcolm Darling who reported last year on certain aspects of Co-operation in India felt compelled to draw the attention of the authorities to several weak spots in the movement. He deplored that in every State the "path of Co-operation was strewn with wreckage." Normally one would expect a higher degree of co-operative effort in National Extension Service Blocks, considering that much time, energy and money have been devoted to these blocks as a means of raising their social and material levels. Sir Malcolm's verdict on the progress of Co-operation in these Blocks is by no means encouraging. He said: "On the whole, I was far from impressed with the progress of Co-operation in the Blocks I visited." If Co-operation has not made headway in these Blocks where it has the best chance of succeeding, it naturally calls for a great deal of searching of hearts on the part of the leaders of the co-operative movement in this country.

The weakness of official policy in relation to Co-operation seems to be that it tends to look upon the problem of stimulating the co-operative movement in terms of purely financial considerations. It is not money alone that matters, although it matters a great deal. What is necessary is to foster the spirit of Co-operation. Where this is absent, money can do little good but much harm. In any case, it seems wise to restrict governmental direction to a minimum and to allow the co-operative movement to progress by its own inner strength. The failure of a co-operative institution must be investigated fully, promptly and in an unprejudiced manner. Such investigation would reveal lessons for guidance. Again, there is no reason why the Government should not adopt, towards the whole movement, an experimental approach of a kind which was suggested by Sir Malcolm Darling in a restricted context. Referring to the question whether a large or a small society should be allowed to come into existence, Sir Malcolm suggested that experiments should be made in three forms: (1) with Government participation in shares and membership; (2) with Government participation in shares but not in membership; and (3) without participation in either membership or shares. He further suggested that all the three types should receive help on the same lines and the results should be judged after three or four years. Perhaps, a pragmatic approach on these lines towards the whole co-operative movement would yield results which could form a basis of a sound governmental policy towards Co-operation.

Co-operators, on their part, have left nobody in any doubt about their attitude towards governmental participation in their movement. The All-India Co-operative Congress has urged that State participation in the management of societies should not extend to day-to-day administrative matters and that representation of the State or the higher co-operative institutions on the board of management of partnered institutions should be confined to not more than three members. The Congress also recommended that, where societies were asked to carry out a policy at the behest of the State, although in its opinion it was not sound, the losses and gains arising therefrom should be the responsibility of the State. In another resolution, the Congress noted "the growing inroads being made

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by the Governments into the independent working of co-operative institutions" and recommended that the All-India Co-operative Union should appoint a small team to examine the legislative and administrative provisions governing the working of co-operative societies in the different States and advise on how far and in what stages and manner official control could be progressively replaced by suitable arrangement by co-operative bodies themselves. It also recommended that the State Governments should proceed immediately to give up their present practice of placing officials at the head of apex and district banks and other organisations and allow them to elect their presidents.

It should thus be clear that co-operators are generally apprehensive about the growing interference by the State in their movement. It would be the height of folly for the Government to thrust itself into a movement, the leaders of which not merely dislike but even resent such interference. Presumably, co-operators feel that, even if State participation is prompted by paternal motives, it is fraught with a grave danger to their movement.

ATOMIC POWER

BOTH inside and outside Parliament, there is an ever-increasing interest in Government's atomic programme. Recent debates in the Lok Sabha on the grant for the Department of Atomic Energy showed how members were even willing to learn the mysteries of nuclear physics in order to be able to contribute to the discussion. If Mr. Nehru, for understandable reasons, could not satisfy the curiosity of all members, he at least did well to give the House a broad idea of the Government's atomic programme. Again, with his characteristic historical sense by which he often lifts a debate to a higher level, he tried to place India's atomic experiments against a global perspective. For reasons which are only too well known to need reiteration, India is now paying a heavy price for its having missed the bus of Industrial Revolution. It is now compelled to compress into a few five-year plans a progress which the West could cover in the more spacious days of the last century. Naturally enough, it is of the utmost importance that India should not miss the bus of atomic revolution. The country owes the commendable beginning which it has made in nuclear experiments to Mr. Nehru's farsightedness and to the devoted labours of a band of distinguished scientists, headed by Dr. H. J. Bhabha. The recent changes in the constitution of the Atomic Energy Commission are an indication of the Government's concern to see that the programme is not hampered by unnecessary red-tape.

India's attempts in the atomic field are particularly noteworthy, considering that, even in the advanced West, it was only two years ago that any significant steps were taken in harnessing the atomic energy to peaceful purposes. In this connection, the report of the activities of the Department of Atomic Energy for the year 1957-58 throws some light on the progress of the various schemes undertaken by the Department. *Apsara*, India's first reactor, is now in its second year of operation. With the setting up of this reactor, it has become possible, according to the report, to produce isotopes and give irradiation facilities to different scientific institutions. Small quantities of radio-sulphur, radio-phosphorus, radio-cobalt and radio-iodine, it is stated, have been produced. The reactor has also been used for activation analysis in chemical studies. The work on the Canada-India reactor is in progress. It is now expected to be completed towards the end of 1959. The work on Zerlina, the zero energy reactor, was commenced in March 1957; it is expected to go into operation towards the end of the year. Among other projects undertaken by the Department, mention must be made of the setting up of a small uranium plant which will turn uranium concentrates into reactor-grade uranium metal; the plant is expected to be in operation by the end of the year. A small plant for the fabrication of fuel elements has also been designed and is expected to be ready during the course of the year. A radio chemistry laboratory has already been set up. A large pilot plant for producing atomically pure beryllium oxide and sintering it into bricks is being designed. The construction of a pilot plant for extracting uranium from copper tailings has been completed. Investigations are being carried out for developing a process for the production of atomically pure graphite from the petroleum coke and coal-tar pitch produced in India.

The Department's Atomic Minerals Division is engaged in surveying and prospecting atomic minerals. A notable feature of the Division is that it has set up a section exclusively meant for rendering prompt assistance to private prospectors and mining concerns in the search for and development of uranium ore and other atomic minerals. It is to be hoped that this facility will be availed of by private prospectors who can thus make an effective contribution to the prospecting and development of atomic minerals. The Department's industrial operations are growing steadily. The aim of the Department, it is stated, is to produce all the materials required for a full atomic power programme. A monazite processing plant owned by Indian Rare Earths (Private) Ltd. has been set up at Alwaye, while a thorium-uranium plant has been in operation since 1955 at Trombay. The Department has now under consideration a proposal to set up a crude uranium plant to mill and process about 500 tons of uranium ore per day. The Travancore Minerals (Private) Ltd., owned jointly by the Government of India and the former Government of Travancore-Cochin, is engaged in extracting ilmenite, monazite and rutile and other mineral values from the sands. The Department is engaged in implementing the Government's decision to produce heavy water at the proposed fertiliser plant at Nangal. Working in close co-operation with the Atomic Energy Establishment at Trombay is the Tata Institute of Fundamental Research which is the national centre for advanced study and fundamental research in nuclear science and mathematics.

Impatient laymen are naturally interested in inducing the Government to devote more and more attention to applied, as distinguished from pure, science. While this distinction is largely correct, Mr. Nehru was certainly right in emphasising that one cannot always divide science into two water-type compartments. Much scientific truth has emerged from work in the sphere of applied science and applied science has, of course, gained much from experiments in the sphere of pure science. All this does not mean that the Government should not devote additional attention to applied research. Obviously, the whole matter should be left to technical experts to decide how much attention and money should be devoted to different aspects of scientific development.

There is certainly scope for the development of atomic power in India. In the first place, coalfields are not uniformly distributed all over the country. Coal has to be transported across 1,500 miles to important centres of coal consumption. Secondly, the railway system is already heavily loaded and has little spare capacity. If nuclear power were generated, it could relieve the railways of the burden of having to carry coal over long distances. Thirdly, the hydro-electric power resources are themselves not uniformly distributed. On the other hand, power in the industrial area is so short that the grid system, as a whole, has a very high load factor, a situation which is necessary and favourable for the economic operation of atomic power station. India's energy consumption is only ⅛th or 1/12th of that in highly industrialised countries. If India continues to consume power at the present rate, its coal resources may last the country some 200 or 300 years. If the rate of consumption were to rise to the American level, all potential power will last the country only some 30 years. On the other hand, it has been computed that India's reserves of atomic minerals are comparatively large. India is estimated to possess some 500 tons of thorium and 30,000 tons of uranium. In terms of energy, these reserves are equivalent to more than 30 times our reserves of coal.

No firm opinion can obviously be expressed on the economics of nuclear power. Even in the West, the whole subject is under continuous study. Available indications are that, with the progress of research, it will be possible to generate nuclear power at lower and lower costs. It is interesting to recall here what Sir Christopher Hinton, Chairman of Britain's Central Electricity Generating Board, had to say on this subject in a recent lecture to the Royal Society of Arts, London. He felt that nuclear power will be cheaper than conventionally produced power by 1962 and, by 1982, it will cost only half as much, if the development of nuclear power stations can be continued at its present pace and present trends in coal costs continue. Dr. Bhabha himself cited recently some interesting statistics. According to him, the capital cost of a 60-m.w. station might cost Rs. 2,000 per kw. of net electrical capacity and of a 150-m.w. station between Rs. 1,600 and Rs. 1,730 per kw. He also felt it was safe to assume that power would be available at 4.4 nP to 5 nP per kw.h. The day may not be far distant when India will not only be able to produce nuclear power but also produce it at a comparatively low price. If such development were to result in a reduced demand for coal, it might be all to the good, considering that coal is a vital raw material for a large number of chemicals and it is, therefore, unwise to burn it as a mere fuel. Only, this prospect calls for a certain change in the Government's present policy in relation to the conservation of certain varieties of coal.

BUSINESS MEN'S ROLE

WHAT is the role of business men in democratic India? Having lost their special representation in legislatures which at least gave them an opportunity to present their case before the Government, business men, always outnumbered by the rest of the community, face the additional danger of being not only outvoted but also outstripped in the democratic race to gain a public hearing. In the Government's political march to the Left—by any reckoning, this march has been incredibly rapid—it is the business community that will be left behind—and left far behind indeed. Since India does not have well-directed and well-shaped Rightist traditions which in other countries provide the chief leavening influence in political affairs, any failure on the part of business men to place their views before the Government and the public could do considerable damage to the cause of the country's economic well-being. "We represent a section of society," declared Mr. Homi Mody, in his address to the Federation of Indian Chambers of Commerce and Industry, this week in Bombay, "which fills an important place in the economic and social, if not the political, life of the country and it is our duty to place our views fearlessly before the Government and the public."

Here is the snag. Functioning in a sphere of his own, far from the rough and tumble of politics, the average business man, both by training and by habit, may be deemed to be an extremely shy creature. Despite all the good work he does and is capable of doing, he shuns publicity, lest he should unwittingly offend somebody that may really matter. Perhaps this is an unconscious, and if so, certainly an unwise, extension of the business principle that the customer is always right. The result is a strange reluctance, not far removed from intellectual timidity, to give free expression to his thoughts. The Government too is partly to blame for this. It is apt to ignore, sometimes even resent, sound but unpalatable advice. However, more recently, the authorities, as Mr. Mody himself recognises, have shown a "greater awareness of the realities of the situation and a greater responsiveness to informed and responsible criticism." This sought to encourage business men to span the gulf that separates them from the Government. We commend to them Mr. Mody's sage counsel that they should demonstrate by their actions that, "in the great task of transforming the age-old economy of the country, the Government can always count on the knowledge, experience and co-operation of the commercial and industrial community." This is at once a challenge and an opportunity to the community to show that, if it is critical, it is so only in a constructive way. The Government on its part will do well to realise that, if the community tends to be critical of official measures, it is by that token not to be accused of ignoble intentions. For does not a well-worn maxim warn us that a pleasant friend is not necessarily a candid one? If it is the misfortune of the candid to be misunderstood for a while, it is his solace to know that he is doing his duty and it may well be his ultimate reward to be both understood and appreciated. It is in that spirit that the business community has to exert itself in a land where it is perhaps yet to come into its own.

BOOM IN BULLION MARKET

BOMBAY BURMAH—FOREIGN EXCHANGE—CLOTH EXPORTS TO U.K.—PLEA FOR TAX RELIEF

THURSDAY, 5 P.M.

THE bullish trend in the bullion market continues unabated. This week, ready silver earned the distinction of piercing, for the first time in the last seven years, the Rs. 200-mark and touching Rs. 202-8 today. The closing was, however, lower at Rs. 201-11, representing a rise of Rs. 3-12 over the week. Forward silver (May settlement) went up to Rs. 200, but fears of enforcement of special clearing at Rs. 199-12 brought it down to Rs. 199-3 at the close, an increase of Rs. 3 over the week. Ready gold touched a peak of Rs. 114-3 before closing at Rs. 113-14 and forward gold finished at Rs. 112-10, after having been raised up to Rs. 113-2. The rise in gold over the week is Re. 1-4 for ready and Re. 1 for forward. The peak levels touched this week in the ready section fall short of the record levels touched so far in the history of the Bombay bullion market—that was in 1951—by only Rs. 5-4 in silver and Rs. 4-10 in gold. Under the present inflationary conditions, it will not be surprising if the precious metals were soon to make good this shortfall and surpass the 1951 levels.

MARKET GOSSIP

Though both the metals have participated in the rise, it is only silver which is in the limelight, being under the grip of the bulls. With a stock of hardly 400 bars in the City, the resourceful bulls have gained a supreme control over the market in the white metal and are relentlessly dictating terms to the now more docile "bears." All efforts of the bullion authorities to check speculation by imposing penalties by way of heavy margins have proved to be of no avail. It was only four weeks ago, when the price of the white metal was less than Rs. 195, that, in response to the protest of the sellers, the bullion authorities amended the by-laws by imposing heavier burden of margins on a lower limit of outstanding purchases in the forward section and on lower *budla* charges. In spite of this, even at the risk of losing the exemptions granted, the bulls have continued their gains. They paid a heavy margin in the last settlement and are paying in the current settlement also for having pushed up the forward prices in these settlements over Rs. 7 above their starting rates. The penalty of having to pay a margin of Rs. 500 per bar, if the *budla* charge in their favour exceeds Re. 1 (as against the former limit of Rs. 2), does not also seem to deter them. They even face the risk of having to pay a margin of Rs. 2,500 per bar, for today the *budla* in their favour is only As. 3 below the level at which this heavier margin is applicable.

There are only a few weeks to go before the traditional busy season comes to an end, but the chances of silver prices coming down seem remote. For there has been a considerable slackening in the influx of Tibetan coins in recent weeks. This and also the scarcity of stocks within the country and the inflationary pressures which have pumped in more money into the hands of the agriculturists, have provided the chief inspiring factors for the boom in silver. As the development programme under the second Five-year Plan gathers momentum in the coming years and the Government levies more and more penal taxes to pump out the extra income of the people, the chances are that the craze for the precious metals will grow, rather than diminish.

It is also believed that the influx of Tibetan coins will dwindle considerably, as the Indian exports to Tibet, against which import of silver coins is being permitted, are said to have slackened by a marked extent. During the last two years, there has been a heavy import of silver from Tibet and this has all been absorbed. Despite this, the silver price has gone up by Rs. 22 per 100 tolas in these two years. The stoppage of arrivals from Tibet will, therefore, serve only to strengthen the hands of bulls.

The following table gives an idea of the trend of bullion prices (for the ready metals) in Bombay from 1951 onwards:

	Silver (Per 100 tolas)		Gold Per tola	
	High	Low	High	Low
	Rs.	Rs.	Rs.	Rs.
1951	207-12	183- 8	118-12	104- 1
1952	193-11	140-12	106-12	77- 4
1953	172- 0	147- 4	93-10	79- 7
1954	174- 9	148- 4	96- 4	81-13
1955	176- 9	153- 2	99- 4	88- 2
1956	184- 0	168- 8	107- 4	94- 7
1957	191- 0	174- 2	112- 8	103-13
1958	202- 8	186- 3	114- 2	107-14

It will be noted that, ever since the debacle which occurred in 1952, the "bulls" have been trying to make good the loss suffered in that year and they have been nearly successful in their attempt, with each year witnessing fresh high levels. During the last three years, the pace of increase in prices has gathered momentum.

* * * *

The long-awaited gift of a bonus issue to the shareholders of the Bombay Burmah Trading Corporation has been announced this week. Coming close on the heels of the decision by two other companies, namely, the Century Mills and the Shivrajpur Syndicate, to shelve their proposal to capitalise a part of their reserves and issue bonus shares, in view of the heavy tax burden, Bombay Burmah's decision comes as a pleasant surprise to the shareholders, the doubts expressed in these columns last week having thus not materialised. Though the terms of the bonus issue suggested by them originally have been considerably watered down, the market has greeted the proposal with a sharp jump in the shares from Rs. 545 just before the announcement yesterday to Rs. 564 at the close today.

Subject to the approval of the Controller of Capital Issues, to whom an application is being made by the Company, the Directors have now decided to issue one fully paid-up share of Rs. 125 for every four fully paid-up shares of Rs. 125 each held and one fully paid-up share for every ten partly paid-up shares held. The Company's paid-up capital as on 31st May 1957 stood at Rs. 94.50 lakhs, made up of 100 ordinary shares of Rs. 2,500 each, 40,000 old ordinary shares of Rs. 125 each fully paid-up and 84,000 new ordinary shares of Rs. 125 each on which Rs. 50 per share has been paid up. Subsequently, the Company issued 10,000 ordinary shares of Rs. 125 each fully paid-up to the holders of the founder shares in consideration for the extinguishment of the special rights attached to them, so that the present ordinary capital which is entitled for the bonus issue is Rs. 104.50 lakhs. On the basis of the above rate, the amount required to issue bonus shares is Rs. 26.12 lakhs. There is already a sum of Rs. 21.23 lakhs in the share premium account which can be utilised for the purpose without attracting the penal bonus tax. The uncovered gap is only Rs. 4.89 lakhs, which has to be drawn from the general reserve, and the bonus tax is payable only on this small amount.

The aforesaid terms of bonus issue represent a substantial revision of the proposal submitted by the Action Committee of the Bombay Shareholders' Association, suggesting that the Company should issue bonus shares in the ratio of three shares for every two shares. On this basis, even after drawing the share premium amount of Rs. 21.23 lakhs, the tax liability would have amounted to Rs. 27 lakhs. The Directors did not think it prudent to make a gift of this sum from the shareholders' money. At the same time, they fully sympathised with the shareholders' demand for a bonus issue. Their latest proposal, therefore, is a happy compromise and brings a substantial saving for the Company. That the investors are pleased with this proposal is reflected in the rise in the value of shares as noted above.

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It looks as though the foreign exchange position of India is getting tighter and tighter, notwithstanding the continued restrictive import policy. The foreign balances to the credit of India at present are no more than Rs. 277.89 crores (as on 11th April 1958), even after taking into account the receipt of Rs. 21.33 crores (£16 million) by way of sterling pensions from the U.K. on the 1st inst. This amount represents a drop of as much as Rs. 238.83 crores as compared with last year when the balances stood at Rs. 516.72 crores (12th April 1957). It is too early to say as to what would be the level of these balances at the end of the current financial year, for much will depend on factors such as trend of export trade, availability of foreign assistance (especially from the U.S.) and extent of food imports. Even so, the depletion of foreign balances will be quite marked, considering the estimated huge net gap in foreign exchange of Rs. 160 crores in 1958-59. Assuming that no financial aid other than what has so far been negotiated will be forthcoming and assuming that there will not be any need for purchasing additional foodgrains abroad, the foreign exchange gap will have to be covered by drawing on the sterling balances. Consequently, the total of these balances at the end of March 1957 will be just Rs. 138 crores, that is, a little over Rs. 50 crores higher than the statutory minimum of Rs. 85 crores. In other words, this means that the amount of sterling balances available for utilisation in the last two years of the second Five-year Plan will be only about Rs. 50 crores, unless the authorities make use of the emergency provision for reducing the foreign securities to zero.

The critical foreign exchange situation confronting the country is clearly borne out by the statement indicating the latest position in respect of the exchange requirements of the "core" projects which the Union Finance Minister laid on the table of the Lok Sabha on Tuesday this week. According to the statement, the foreign exchange gap relating to the "core" projects that still remains to be covered in the coming three years amounts to as much as Rs. 341.87 crores, or more than 35 per cent. of the aggregate foreign exchange cost of Rs. 971.99 crores during the entire second Plan period. The bulk of this gap—Rs. 333.69 crores, to be precise—is accounted for by the public sector projects, the share of the projects in the private sector being only Rs. 8.18 crores, as the following figures show:

(In crores of rupees)

	Public sector	Private sector	Total
Total foreign exchange cost of "core" projects during the second Plan period	875.64	96.35	971.99*
Foreign exchange payments estimated to have been made up to 31st March 1958	322.83	59.58	382.41
Payments to be made between 1st April 1958 to 31st March 1961	552.81	36.77	589.58
Payments covered by foreign loans, credit, aid, etc., so far negotiated ..	219.12	28.59	247.71
Balance still to be met	333.69	8.18	341.87

* The earlier figure of Rs. 967 crores has been revised to Rs. 972 crores in the light of further information since received.

It will be seen from the table that the shortfall in the foreign exchange requirements of "core" projects in the public sector comes to over 38 per cent., while the same in the case of the private sector is only 8.5 per cent. Apart from doubts as to whether this huge shortfall will be made good in the remaining period of the Plan, it must be noted that the large external assistance already received has involved sizable commitments by way of interest charges and repayment of capital in the coming years. These, together with the further additions that may be made, will, as the Government of India *Economic Survey* 1957-58 itself candidly admits, throw a heavy burden on the country's balance of payments in the period of the third Plan.

In view of these considerations, the authorities will do well to consider how best the Plan could be rephased. The Central and State Departments should be told as to how far they can go. Unless this is done, there will be both drift and waste. Efforts should also be made to pave the way for the inflow of external resources. There are still many aspects of the Plan which, as we have pointed out ere now, are best left to the private sector. Surely, given the necessary climate for raising fresh capital, the private sector can very well implement several programmes now included in the public sector more speedily and at smaller cost and, what is more, with less stress and strain on the country's foreign exchange economy.

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The cotton textile interests of both India and Britain will watch with great interest the ensuing discussions in London between the representatives of the cotton industry and trade of the two countries on the question of cloth exports from India to the U.K. India will be represented by Mr. Kasturbhai Lalbhai, Chairman of the Indian Cotton Mills' Federation, and Mr. Neville N. Wadia, Chairman of the Cotton Textiles Export Promotion Council, who will be leaving for London next week. It will be recalled that, for quite a long time now, Lancashire has been persistently agitating against the duty-free imports of cotton textiles from India and other Commonwealth countries. In January 1957, a British textile delegation headed by Sir Cuthbert Clegg visited India and its negotiations with millowners had led to a tentative agreement envisaging the imposition of a ceiling on imports of Indian cloth into Britain. That, however, could not be put into effect, as similar agreements could not be reached with Pakistan and Hong Kong.

A fresh move was made by Britain recently. The Permanent Secretary to the Board of Trade went to Hong Kong to renew discussions. His mission, however, was not successful, as the millowners of Hong Kong refused to agree to restrictions on their exports. In the context of the refusal by Hong Kong thus, it remains to be seen whether any useful purpose will be served by the visit of the Indian millowners' representatives to the U.K. There may be justification in the claim of Lancashire that there has been a trend recently to retain a good deal of Indian cloth for home consumption which offers competition to the U.K. mills. But should India agree to a ceiling on exports? For any such move will adversely affect India's interests. This is especially so in the present context of things. The country is suffering from unemployment and underemployment. Further, it badly needs foreign exchange for implementing the second Five-year Plan and cotton textiles constitute one of the principal exchange earners. The Indian delegation will do well to bring all this to the attention of British cotton textile interests. They will also do well to impress upon them the fact that the Indian cotton mill industry is not only not enjoying any special favours from its Government, as is clear from the heavy burden of taxation to which it has been subjected and its adverse financial results for 1957, but is actually suffering from several handicaps arising from the unrealistic economic policy of the Government.

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The sluggishness of the share and capital markets and the inhibiting effects of high taxation are the themes on which company chairmen and spokesmen of the business and industrial community continue to dwell with great vigour and insistence. In his speech at the annual meeting of the United Commercial Bank Ltd., Mr. G. D. Birla made an impartial, competent and comprehensive survey of national and international economic trends, which all students of India's current economic problems have learnt to associate with his address in his capacity as the Bank's Chairman. Since many of India's fiscal difficulties could be traced directly to the Government's decision to push ahead at all costs with the Plan, Mr. Birla did well to point out that the "Plan is not an end in itself but only a pointer to certain objectives, namely, greater production, fairer distribution and increased employment." Commenting on the Plan itself, Mr. Birla showed how the public sector was faced with difficulties in the matter of both spending to the targets assigned to the private sector were well on and employment targets. Although the physical targets assigned to the privatt sector were well on the way to fulfilment, the tempo of industrial expansion was slowing down, thanks to factors such as shortage of foreign exchange and lack of internal capital. In this context, he rightly urged the Government to "reappraise the situation and initiate policies calculated to reactivate the industrial sector and to increase the foreign exchange earnings on our export trade."

As regards capital market, Mr. Birla recalled how the prices on stock exchange continued to decline and the downward trend was accentuated by the budget of May 1957 which introduced several new taxes and still further reduced individual and corporate saving capacity. The difficulty of raising internal capital has also had its effect on the inflow of foreign capital. Mr. Birla who, by reason of his recent tour abroad, can speak with some

(Continued on page 773)

EQUITIES RULE STEADY

TATA LOCOMOTIVES PROMINENT

(From Our Own Correspondents)

BOMBAY, 17*th April*

THE slight reaction in equities noted at the close of the previous week proved to be a short-lived affair and sentiment once again changed for the better during the week under review. Fresh speculative support was in evidence and, though at every rise there was profit-taking, useful gains were recorded over the week on a wide front. Expectations of some concessions in respect of development rebate, the strong support to Tata Locomotives on anticipations of higher dividend and to Bombay Burmahs following the announcement of a bonus issue in the ratio of 1:4 were main sustaining factors. Activity was, however, restricted and gains were pruned on reports of border incidence on the Indo-Pakistan border in the east and fears about the effect of the threatened strike in the Tata Iron and Steel Company works.

Tata Ordinaries jumped early in the week from Rs. 180.75 to Rs. 183.75 before giving way to Rs. 180.75 on Tuesday. Fresh support at this level lifted the shares to Rs. 183 and the closing was done at Rs. 182.75. The new shares were marked up over the week by Rs. 2.50 to Rs. 179. Indian Irons moved up from Rs. 21.28 to Rs. 21.72, but finished at Rs. 21.68.

Textile shares presented a mixed pattern. Bombay Dyeings rallied from Rs. 55.70 to Rs. 57 and after a dip to Rs. 53.40 gained fresh ground to a high of Rs. 57.40. Centurys rose from Rs. 430 to Rs. 436, but gave way to Rs. 430. Towards the close, they again advanced to Rs. 436. Kohinoors lost over the week Rs. 3 to Rs. 278 and Central Indias Rs. 4 to Rs. 85, while Finlays gained Rs. 2 to Rs. 277. Khataus were lower by Rs. 2 at Rs. 157 and Models by Re. 1.25 at Rs. 168.75. Morarjees changed hands Re. 1.50 higher at Rs. 217.50, but Mysore Spinnings shed a rupee to Rs. 90. New Greats picked up Rs. 4.50 to Rs. 199.50, while New City Mills recorded a loss of Rs. 3 to Rs. 107.50. Sassoon Silks were in the limelight with a rise of Rs. 2 to Rs. 10. Shree Niwas Cottons were done Rs. 3.50 lower at Rs. 143 and Simplex Rs. 2.50 lower at Rs. 153.50. Standards were a rupee better at Rs. 450, while the cut in dividend of Svadeshi from Rs. 14 to Rs. 9 per share for the year 1957 brought down the shares by Rs. 6.75 to Rs. 173. Tata Mills were marked down by Re. 1.25 to Rs. 38, following the reduction in dividend from Rs. 3.50 to Rs. 2 per share for the past year.

In the banking section, Barodas were prominent on good support and rose by Re. 1.50 to Rs. 113. Centrals were quiet, the old shares losing 30 nP to Rs. 53 and the new shares 20 nP to Rs. 55.30. Bank of Indias were a shade lower at Rs. 130.25. United Commercials shed 70 nP to Rs. 59.80.

The upward trend in electricity shares noted in the previous week was not sustained this week, consequent on profit-taking. Ahmedabad Electrics lost 60 nP to Rs. 97.10. Bombay Suburbans shed Re. 1.75 to Rs. 107, while Surat Electrics were maintained at Rs. 107.50. Tata Hydros were a shade quiet at Rs. 118. Tata Powers were marked down by Rs. 21.25 to Rs. 1,185. Andhra Valleys provided an exception with a rise of Rs. 10 to Rs. 1,152.50.

Sugar shares were lower. Belapurs declined from Rs. 247 to Rs. 245. Bhopals lost 24 nP to Rs. 22. Phaltans moved down by Re. 1.50 to Rs. 138.50 and Walchandnagars by Rs. 6.25 to Rs. 282.50. Cement shares were featureless, though the undertone was steady. Associated Cements moved within a narrow range and closed a fraction higher at Rs. 151, while their new shares lost 75 nP to Rs. 144.25. Digvijays were dull at Rs. 141.75. Engineering shares attracted good attention and sizable gains were recorded in them. Alcocks rallied by Rs. 7.50 to Rs. 277.50. Premier Constructions were lifted from Rs. 182.25 to Rs. 189. After an early rise from Rs. 160 to Rs. 162, Tata Locomotives dropped to Rs. 158.25, but again staged a smart recovery to Rs. 167 at the close on expectations of higher dividend. Larsen and Toubros gained 12 nP to Rs. 15.12. Brady Engineerings picked up Rs. 2 to Rs. 44, while Mahindras shaded off by 68 nP to Rs. 19. Among mining shares, Shivrajpurs were further marked down by Rs. 2.50 to Rs. 93. Indian Coppers were steady at Rs. 3.18.

Scindias were in favour and rose from Rs. 17.30 to Rs. 17.68 before closing at Rs. 17.60. Great Eastern Shippings gained over the week 8 nP to Rs. 20.12. Hindustan Motors were dull at Rs. 7, while Premier Automobiles shed Re. 1.50 to Rs. 81.50.

In the miscellaneous group, Bombay Burmahs provided the highlight, the old shares jumping from Rs. 546 to Rs. 564.50 and the new shares from Rs. 203 to Rs. 215, on the announcement of a bonus issue. National Rayons gave way from Rs. 223.50 to Rs. 216.75, before gaining ground to Rs. 219.50. Tata Chemicals were steady at Rs. 14.28, while Tata Oils were a shade quiet at Rs. 39. Wimcos maintained their downward trend with a drop of Rs. 2.50 to Rs. 175.

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Calcutta Stock Exchange

CALCUTTA, 16*th April*

Although the undertone was one of confidence, equities were far from active on the Calcutta Stock Exchange during the week under review. On Wednesday last, prices were marked down on settlement considerations. Operators put this to good use for consolidation of recent gains. Also, a bearish effect was caused by a bank offering some of its holdings of shares in bulk. That the sales were well absorbed indicated the healthy position of the market. There was investment support for selected counters, and the profit-taking that took place during the week not only eliminated the weak holders but provided genuine investors an opportunity to put their money in some of the first class equities listed on the Calcutta Exchange.

An increase in coal prices is anticipated. In addition, the possibility of revision of the output target for the private sector, in view of the slow progress made by the public sector acted as an incentive for buyers to go in for coal shares at lower levels during the week. Corporate news during recent weeks had been exceptionally satisfactory. However, the announcement of a cut in the dividend from 15 per cent. to 14 per cent. for the year ended 25th December last for National Carbon Company (India) Ltd. was received with disappointment. In view of the fact that balance carried forward was Rs. 7 lakhs higher at Rs. 28 lakhs, despite a decline in profit from Rs. 90 lakhs to Rs. 81 lakhs before providing for taxation, market circles failed to understand the cut in dividend, which went to add to the balances only Rs. 2 lakhs. However, expansion programmes have made satisfactory progress, and investors hoped that the cut in dividend would be made more than good in the current year.

In textiles, Elgin Mills were done at Rs. 13.06 *cum-div.* (of 10 per cent. for the year ended September last, as against 12.5 per cent. for the previous year). Kesorams regained to Rs. 11.50 from Rs. 11.37, but Cawnpores were fractionally lower at Rs. 3.75.

Coals were supported at lower levels, and were noted for a subsequent improvement in prices. Thus, East Indias were raised to Rs. 22.25 from Rs. 21.87. Burrakurs changed hands at Rs. 22.75 on an *ex-div.* basis. Pench Valleys improved to Rs. 19.25 from Rs. 19.00, while Central Indias receded to Rs. 7.37 from Rs. 7.56 and Raneegunges to Rs. 11.50 from Rs. 11.56. South Karanpuras were unchanged at Rs. 9.87.

Jutes were lower but there were ready buyers at these levels. This was so in view of the higher trend in jute goods and a welcome decline in stocks. Nationals changed hands at Rs. 21.70 *ex-div.* For the year ended October last, a final dividend of 3½ per cent. has been declared, thus bringing the total for the year to 7½ per cent. From Rs. 95.50, Champdanies fell to Rs. 93, while Ganges, after declining to Rs. 45, gained to Rs. 46. Howrahs declined to Rs. 13.57 from Rs. 14.31.

In contrast to the general trend, tea shares were noted for greater interest. Birparas were pushed to Rs. 115 from Rs. 112, but Hasimaras were unchanged at Rs. 21.50. Hantaparas were better at Rs. 111.50 as were Methonis at Rs. 17.19.

In the engineering group, Texmacos moved up from Rs. 18 to Rs. 18.20, but gave way to Rs. 17.90 before regaining soon to Rs. 18.20. Indian Irons, after declining to Rs. 21.18 from Rs. 21.25, recovered to Rs. 21.47. At Rs. 99.50, Indian Standard Wagons represented a decline of 50 nP.

Among other industrials, Indian Coppers lost ground to Rs. 3.11 from Rs. 3.18 following news of strike at the mines. Orient Papers dropped to Rs. 27.90 from Rs. 28.30. Investment interest was in evidence in India Steamships at Rs. 10.87. Indian Oxygens were steady at the lower rate of Rs. 17.12. Alkali and Chemicals, after realising Rs. 14.44, fell to Rs. 14.12. Buyers sought Calcutta Electrics at Rs. 13.87, as against Rs. 13.62 previously.

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Madras Stock Exchange

MADRAS, 15*th April*

A quietly steady trend was in evidence on the Madras Stock Exchange during the week under review. As there was no new favourable development, turnover was somewhat restricted, actual purchases being confined only to a few select scrips. In the planting section, rubber shares lacked support; the operators were awaiting the Government's decision on rubber prices. Tea shares generally tended to move up on reports of rising prices of tea in London and on expectations of an early announcement of the cut in export duty on common tea. Coffee shares ruled irregular. Textile shares were listless. The continued slackness in yarn and cloth markets affected the sentiment. Some support was, however, encountered by a few scrips in anticipation of better offtake of yarn following increase in rebate on handloom cloth for two months. Electricity shares met with investment support, although prices did not show much rise. The banking and sugar sections presented quiet conditions. Many miscellaneous industrials came in for selling and suffered a fall in values.

Among tea shares in the planting section, United Nilgiris advanced by 40 nP to Rs. 15.90. Emerald Valleys gained 5 nP to Rs. 6.70. Kalasas and Parksides improved by 10 nP each to Rs. 15.35 and Rs. 16.80, respectively. Nonsuch rose from Rs. 22.25 to Rs. 22.75. Peermades hardened by 13 nP to Rs. 22.25. Alageswars were steady at Rs. 2.60, Balanoors at Rs. 16.00, Coonoors at Rs. 20.40, and Coorgs at Rs. 11.75. Lucky Valleys and Mlamallays were done, the former at Rs. 10.60 and the latter at Rs. 30.00, same as last week. Blue Mountains, however, declined by 7 nP to Rs. 3.15. Haileyburias and Kil Kotagiris eased by 10 nP each to Rs. 18.40 and Rs. 6.10, respectively. Stanes Amalgamated dropped 50 nP to Rs. 14.50 and Waterfalls 13 nP to Rs. 3.30. Among coffee shares, Coffee Lands strengthened by 40 nP to Rs. 33.25, while Savamalais receded by 17 nP to Rs. 4.48, Anaparais by 10 nP to Rs. 4.80 and Sangameshwars by 5 nP to Rs. 2.95. Amalgamateds were dull at Rs. 10.75, Bababudins at Rs. 11.75, Badrasi at Rs. 3.75 and Balmadies at Rs. 3.35. Kumergodes changed hands at Rs. 7.60, same as last week, and Mysore Coffees at Rs. 3.10. Among rubber shares, Tropicals fell by 65 nP to Rs. 25. Rajagiris moved down by 50 nP to Rs. 15 and Nenmenys by 25 nP to Rs. 15.75. Be-Bes were neglected at Rs. 3.30, as also Anandams at Rs. 15.40, Malankaras at Rs. 16.25, Mercaras at Rs. 6.70 and Peninsulars at Rs. 19.00. Midlands, however, gained 25 nP to Rs. 16.25. Nilamburs were better by 10 nP at Rs. 12.85, Pullangodes rose by 10 nP to Re. 1.90, Thamarapallys gathered 50 nP to Rs. 23.00.

In the textile section, Coimbatore Kamalas were dull at Rs. 102, Coimbatore Murugans at Rs. 120, Coimbatore Pioneers at Rs. 229 and Coimbatore Spinnings at Rs. 58. Dhanalakshmis were unchanged at Rs. 177, as also Maduras at Rs. 23.50, Kotharis at Rs. 10.50, Radhakrishnas at Rs. 127.00 and Rajalakshmis at Rs. 72.00. Coimbatore Cottons dropped Rs. 3 to Rs. 150. Rajapalayams eased by Re. 1 to Rs. 129.

In the miscellaneous section, Rallis dropped 50 nP to Rs. 29.00. Travancore Chemical Manufacturings fell by a like amount to Rs. 12. Aluminium Industries declined by 20 nP to Rs. 13.30. Orissa Cements shed 10 nP to Rs. 12.40. India Cements, however, gained 40 nP to Rs. 27.65 on special buying support. Mettur Chemicals put on 12 nP to Rs. 9.50 and Travancore Cements 3 nP to Rs. 8.65. Hindustan Levers were better by 3 nP at Rs. 21.50. Mysore Papers were dull at Rs. 16.25, Mysore Stonewares at Rs. 11.75, Mysore Tobaccos at Rs. 12.70, Sen Raleighs at Rs. 11.60, Spencers at Rs. 17.25 and F.A.C.Ts at Rs. 5.30.

BRITISH BANK OF THE MIDDLE EAST

A sharp rise of Rs. 9.58 lakhs to Rs. 11.17 lakhs in the profit is disclosed by the audited accounts of the Indian branches of the British Bank of the Middle East for the year ended 31st December 1957. This is in refreshing contrast to the sizable shrinkage noted in the previous year and has taken the profit to the highest level since the Bank took over the branches of the National Handelsbank N. V. on 1st January 1954. It exceeds the previous high of Rs. 9.63 lakhs earned in 1955. The improvement in profit has been attained, despite a further setback in turnover. The balance-sheet total, which had declined from Rs. 9.99 crores to Rs. 8.74 crores at the end of 1956, has further dropped to Rs. 7.64 crores at the close of the year under review. The rise in profit is due to an increase in income, accompanied by a fall in interest paid and expenses.

The Bank's gross income has gone up by Rs. 6.78 lakhs to Rs. 36.02 lakhs. This is mainly accounted for by the increase of Rs. 9.12 lakhs in interest and discount earned to Rs. 24.16 lakhs as against a drop of Rs. 5.32 lakhs in the previous year. There has, however, been a decline of Rs. 2.45 lakhs to Rs. 11.67 lakhs in commission and exchange. On the expenditure side, interest paid has fallen by Rs. 1.63 lakhs to Rs. 4.99 lakhs and expenses by Rs. 1.26 lakhs to Rs. 19.66 lakhs. More than half of the profit has been set aside for taxation, as will be seen from the following comparative table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount	24.16	15.04	20.36	15.01
Commission and exchange	11.67	14.12	13.11	7.76
Interest paid	4.99	6.62	5.84	4.44
Expenses	19.66	20.92	18.00	16.29
Depreciation	0.29	0.11	..	..
Profit	11.17	1.59	0.63	2.12
Provision for taxation	5.82	..	..	..
	As on 31st December			
	1957	1956	1955	1954
Deposits	1,07.00	2,40.99	2,44.45	1,75.04
Borrowings from other banks	71.00	15.00	10.00	25.00
Bills for collection	1,48.68	1,31.07	1,31.10	89.31
Acceptances, endorsements, etc.	1,91.27	2,38.85	2,03.59	2,13.89
Advances	3,45.70	4,10.26	5,57.45	4,53.03
Investments	43.28	38.53	39.92	20.50
Cash	84.19	51.68	74.04	64.83
Balance-sheet total	7,63.95	8,73.61	9,99.44	8,47.80

For the second year in succession the Bank's deposits have dwindled, the pace of decline being more marked in the year under review. Thus, the deposits, which had fallen by no more than Rs. 3.46 lakhs in 1956, have shrunk by as much as Rs. 73.93 lakhs as at the end of 1957. This is in marked contrast to the general trend of bank deposits in India. The fall is shared by the two main classes of deposits. Fixed deposits have declined by Rs. 30.51 lakhs to Rs. 21.63 lakhs, and current and other accounts by Rs. 43.74 lakhs to Rs. 144.48 lakhs. Savings bank deposits have, however, risen slightly to a little over Rs. 95,000. The fall in deposits has been offset to a large extent by an increase of Rs. 56 lakhs in borrowings from other banks. Advances show a decline of Rs. 64.56 lakhs and brings the total fall in the last two years to Rs. 211.76 lakhs. Loans, cash credits and overdrafts have declined by Rs. 47 lakhs to Rs. 1.20 crore and bills purchased and discounted by Rs. 18 lakhs to Rs. 1.65 crore. Investments are slightly higher, but cash balances are lower by Rs. 17.49 lakhs, reflecting the decline in deposits. There has been a contraction in acceptances, endorsements, etc., but this is made good to a small extent by the rise in bills for collection.

NEWS IN BRIEF

THE production of chromite in India amounted to 78,542 tons in 1957, as against 52,686 tons in 1956, according to the Indian Bureau of Mines.

The first blast furnace in Rourkela is expected to be commissioned by the end of this year and will start producing pig iron.

Under the schemes approved by the Government of India, two more industrial co-operatives for handlooms are to be established in Kerala.

Requests for further export of rice products by shippers who have completed shipment of the maximum ceiling of five tons will be considered on *ad hoc* basis.

Synthetic moulding powder will be licensed freely for export upto the end of September 1958, as an experimental measure. Export of synthetic resins, however, will not be allowed.

The eighth annual conference of the All-India Manufacturers' Organisation will be held at New Delhi on 3rd May 1958. Mr. Jawaharlal Nehru will inaugurate the conference.

Two new centres for teaching Indian fishermen, navigation and operation of mechanised fishing boats, modern gear and equipment will be set up in the current calendar year. One of them will be located at Mangalore and the other at Kakinada.

The Okhla Industrial Estate, the biggest of the 100 estates being set up during the second Plan for the development of small-scale industries, was formally inaugurated by the Prime Minister on the 12th inst.

Pending the receipt and consideration of the report of the Committee on matters relating to the salt industry in India, including quality control, the Government of India has decided to continue the standard of edible salt of 95 per cent. sodium chloride content fixed for 1957.

Four study groups have been constituted by the Central Government to go into the various problems relating to housing, education, health and transport of Government employees. A detailed study will help formulate such steps as would solve several day-to-day problems of the employees.

Under a training programme organised by the Technical Co-operation Administration, about 15 representatives of the commercial banking institutions in India will visit the United States to study banking methods in financing medium-scale industries.

Exports of silver drosses as also silver skimmings, slags, ashes, shimes and flue fust classified as metallurgical residues, will be licensed freely on production of a certificate from the Bombay Mint to the effect that the consignment offered for export cannot be refined in India.

The Union Finance Ministry has approved in principle a new small savings scheme of cumulative time deposits. Under this scheme, monthly deposits received from depositors are to be repaid to them at the end of five or ten years at their option.

The National Co-operative Development and Warehousing Board has approved the constitution of a National Federation of Co-operative Sugar Factories as a promotional agency to assist member factories in solving their problems. The Federation is further expected to give technical advice and guidance in improving the efficiency of the factories.

Iron and steel furniture manufactured in India is reported to be becoming popular in foreign countries. The value of iron furniture exported from India during January-February 1958 was Rs. 71,000 as against Rs. 31,000 in the corresponding period of the previous year, and that of steel furniture was Rs. 2,08,000 as against Rs. 1,52,000.

A new device to mechanise sugarcane planting has been worked out by the Indian Institute of Sugarcane Research, Lucknow. The device consists of a planter attachment capable of sowing three rows at a time and suitable for use with a Fordson Major tractor. The device ensures efficiency in the planting operation.

A four-member Indian textile delegation is now on a tour of Japan. Apart from making a detailed study of the production techniques adopted in the textile industry, the delegation will explore the possibility of manufacturing "ring travellers" for spinning industry at Coimbatore in collaboration with Japan. The team is expected to visit Hong Kong and Bangkok as well.

The Government of India has allowed a special rebate of 6 nP in the rupee in addition to the already existing rebate of 6 nP on the sale of handloom cloth for a period of two months with effect from the 11th inst. The decision is a sequel to the demand of the Madras Government. The rebate is designed to improve sales and clear off accumulations of unsold handloom cloth stocks.

The Government of Bombay has sanctioned a scheme for demonstration of mechanised fishing and operation of improved modern gear like nylon, hemp and kurolon and accessories like winches, gurdies, echo-sounder, etc., in the underdeveloped areas of fishing in Saurashtra waters. The scheme, which has been worked out in collaboration with Mr. Skapti Jonson, Engineer of the Food and Agriculture Organisation, aims at imparting knowledge of modern fishing to fishermen.

At its meeting held at New Delhi recently, the sub-committee of the Indian Central Sugarcane Committee recommended the establishment of two biological control centres—one each in Northern and Southern India—for testing the effectiveness of remedies against sugarcane borers. It also approved import of exotic parasites for tests against sugarcane borers in India, in collaboration with the Commonwealth Institute of Biological Control Laboratory, Bangalore.

The Government of India has set up the Indian Handicrafts Development Corporation (Private) Limited to organise production of handicrafts on a commercial basis to ensure prompt supply against orders, particularly in regard to exports. Supplementing the effort being made at present by private as well as official agencies, the Corporation will establish trade connections, sales depots and selling agencies for carrying out the functions assigned to it. Market surveys to explore prospects for Indian handicrafts in foreign markets will also be undertaken. The Corporation has been registered under the Companies Act.

The Government of India has decided that excise revenue stamps now in use for purposes of collection of licence fee chargeable under Central Excise Rules 1944, in respect of tobacco should be discontinued with effect from 1st June 1958. A notification to this effect is being published in the *Gazette of India*. Provision has, however, been made to enable the public to exchange tobacco excise revenue stamps for current Central excise revenue stamps of equal face value free of cost at Indian post offices within six months from 1st June 1958, provided the stamps are unused and unspoiled. It is made clear that no extension of this time limit will be granted. Tobacco revenue stamps were first introduced in 1943 and their use was permitted even after the issue of Central excise revenue stamps in 1944.

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From Abroad

Shell Petroleum is reported to have cut the Caribbean prices of its motor gasolines and some other fuels.

The International Labour Organisation has decided to open a branch office in Moscow early next year.

The U.S. General Electric Company has appealed to the Government for increased restrictions on imports of heavy electrical equipment.

The number of unemployed in Germany at the end of March was 1,108,000. This was higher by 406,000 as compared with the same period in last year.

The U.S. has launched the tankship *American Explorer* which, it is claimed, is the world's fastest commercial tanker. The tanker is designed for possible future conversion to nuclear propulsion.

The Pakistan Finance Minister is now on a tour of West European countries, including Britain, negotiating long-term loans of about £18 million for Pakistan's developmental projects.

A German-Soviet trade, shipping and consular agreement providing for an exchange of goods of the value of £268 million during the three years ended 1960 was signed in Moscow on the 8th inst.

Industrial production in the Soviet Union is claimed to have increased by 11 per cent. in the first three months of this year as compared with the corresponding period of 1957.

It is reported that New Zealand will raise a loan of about £20 to £25 million on the London market in the course of the coming months in an attempt to relieve its deteriorating foreign exchange position.

With a marginal increase of 25,000 in unemployment in the U.S. in the month of March, the smallest rise in several months, the total number of unemployed aggregated 5,189,000, the highest for the last 16½ years.

According to the Incorporated Federated Association of Boot and Shoe Manufacturers of Great Britain and Ireland, the U.K. is the world's largest exporter of shoes. The total value of exports last year, excluding rubber footwear, was £11 million.

The Government of Thailand has approved of large increase in taxes on luxuries with a view to bringing down the budget deficit of 900 million baht. Major increases in import duties are: Cars with bodies 50 per cent.; television sets 30 per cent.; radio sets 25 per cent.; buses with bodies 20 per cent. Increased sales taxes are: 25 per cent. on petrol, 20 per cent. on car spare parts and liquor, and 10 per cent. on domestic electrical goods, diesel oil and cameras.

The main objectives of Soviet Russia's new seven-year economic plan covering the period 1959-65 were outlined by the Chairman of the State Planning Commission, Mr. Joseph Kuzmin. While the plan will give priority to the development of heavy industries, stress will be laid on the growth of chemical, rubber, oil and gas industries, ferrous and non-ferrous metallurgy, energy and the railway system. The plan also seeks to raise the output of light industries.

PERSONAL

DR. S. Radhakrishnan, Vice-President of India, returned on Sunday last, after a three-week goodwill tour of the U.S.

Mr. K. L. Dhandhania has been re-elected President of the Bharat Chamber of Commerce, Calcutta, for the current year.

Mr. C. C. Desai, India's High Commissioner to Pakistan, who arrived in Bombay on Monday, left for Dacca yesterday.

Mr. P. A. Gopalkrishnan, I.C.S., took over charge as the Chairman of the Life Insurance Corporation on the 10th inst.

Dr. Mono Mohan Das, Union Deputy Minister for Education and Scientific Research, has been redesignated as Deputy Minister for Scientific Research and Cultural Affairs.

Mr. Arthur S. Lall, India's Permanent Representative to the United Nations, has been appointed Ambassador to Indonesia in place of Mr. G. Parthasarathy who has been appointed India's Ambassador to China.

Mr. J. P. L. Shenoy, I.C.S. (Retd.), formerly General Manager of the B.E.S.T., Bombay, has been appointed Chairman of the Damodar Valley Corporation *vice* Mr. P. S. Rau, I.C.S., who relinquished charge of his office recently.

Mr. M. Senanayake, Minister for Transport and Works, Government of Ceylon, arrived in New Delhi this week for talks with the Government of India regarding the revision of the Indo-Ceylonese Civil Aviation Agreement which expired in October 1957.

Mr. G. Pande, a former Chairman of the Railway Board, has been appointed Chairman of the Board of Directors, Hindustan Steel Private Limited. Mr. S. Bhoothalingam was until now the Chairman in addition to his duties as Secretary to the Government of India in the Department of Iron and Steel.

Dr. S. T. Merani, Labour Attache, Consulate-General of India, Geneva, is representing the Government at the sixth session of the Textiles Committee of the I.L.O., which commenced at Geneva on the 14th inst. and will be held till the 25th inst. Mr. Madanmohan Mangaldas of Ahmedabad and Mr. R. G. Gokhale of the Millowners' Association, Bombay, represent employers, while Mr. A. N. Buch, Textile Labour Association, Ahmedabad, and Mr. K. Ramaswamy Naidu, I.N.T.U.C., Tamilnad Branch, Coimbatore, represent workers.

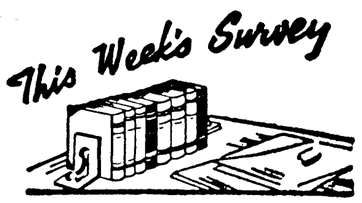
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, 22*nd April*

Cotton Mill Industry

The present is not a moment for rejoicing, but of intensive preparation and energetic action. The Indian millowners should now be up and doing and put their own house in order. They wanted, through the *Indian Textile Journal*, all *swadeshi*-minded people to foot the bill. That the people have done so for the past quarter of a century must be admitted, if merely to give them their due. Since 1905, the middle classes of Bengal, to quote one example only, have used Indian-made *dhotis* and *saris*, whatever their cost might be. No better testimony could be given to the sincerity of a people in supporting its own industries. Foreign experts who have visited India have been almost unanimous in their opinion regarding the wasteful methods of production, lack of organisation and other defects leading to higher cost of production in Indian mills. These are the points which should receive immediate attention. What should be done now is to stop the internecine war which the mills are unfortunately engaged in at present. There should be co-ordination of interests, replacement of obsolete methods and machinery by modern and up-to-date means of production, scientific and efficient marketing, a little more of give and take and a little less of grabbing. It is only these things that will help the industry to stand on its own legs. It has been spoon-fed for quite a long time and, if it expects spoon-feeding all the time, it will only help itself out of existence and no Safeguarding of Industries Act will be able to save it.



MANPOWER PLANNING

THERE are not many branches of planning where long-term perspectives are so necessary as in planning for the rational development and utilisation of the manpower resources of the country. An adequate supply of technical and managerial personnel of high calibre and the requisite qualification cannot be had for the mere asking or at short notice. It is the end-product of an educational system and a social and economic situation attuned to the needs of an industrial society. Since manpower resources constitute the kingpin of all development plans, the need for manpower planning on a long-term basis cannot be overemphasised. This aspect was particularly emphasised by Prof. P. C. Mahalanobis, Statistical Adviser to the Planning Commission, in his address to a conference of State manpower officers held in New Delhi on the 8th and 9th inst. Prof. Mahalanobis pointed out that long-term perspective in manpower planning involved looking not merely three or four years ahead but 20 or 30 years into the future. Illustrating the point, he observed that it was not difficult to visualise a period of 15 or 20 years hence when India's steel output would have touched 20 million tons a year. This called for the provision of technical personnel not only for steel plants but the heavy machine-building and consumer industries which the increased production of steel would result in. He rightly pointed out that the level of development of a country bears a high degree of correlation to the social and economic status it accords to its scientists and engineers. The question of which profession young men of ability would chose for themselves was basic to the economic prosperity and development of a nation. Citing the example of Soviet Russia, Prof. Mahalanobis observed that the remarkable progress of that country was directly linked to the high value placed by the Soviet Government on scientific and technological skill.

It is no doubt true that the Government of India and the Planning Commission are fully alive to this problem. The appointment of a Cabinet Sub-Committee, in addition to other expert Committees, to study the problem, the establishment of a Manpower Directorate at the Centre and its counterparts in the States and the studies initiated by the Planning Commission and the Council of Scientific and Industrial Research for the assessment of manpower needs in the various fields reflect the Government's awareness of the urgency of the issue. Nevertheless, the problem has perhaps been handled in a haphazard manner so far. Too many expert committees have studied the problem in too many ways with the result that the assessment of future manpower requirements and the method suggested for meeting them differed widely. Lack of co-ordination has confused the whole issue. What is urgently required, therefore, is that the assessment of the manpower needs and the methods of providing them should be centralised in one agency, preferably the Manpower Directorate of the Ministry of Home Affairs. This Directorate should establish liaison with the Education Ministry and the Planning Commission.

The Conference of manpower officers discussed, among other things, the general approach to the problem of assessing trained personnel during the second and third Plan periods. It was decided that the requirement of trained personnel should be assessed on the basis of existing pattern of employment, trends of economic development and the study of manpower positions during the second Plan. In the absence of any authoritative indication of the scope and size of the subsequent plans and the order of priorities among the different sectors, it was felt that a formula should be devised to determine the norm or pattern of requirement based on past experience. It was agreed that the practice of other countries and the method employed by them for making manpower projections should be taken into consideration. It was also resolved that a more or less common approach should be adopted by study groups appointed to examine the problem in the various States and the Centre and that the manpower studies conducted in the various States should be made available to others for their benefit and guidance.

The question of trained personnel has two aspects, quality as well as quantity. On both counts India lags behind other advanced countries. In the U.S., according to Prof. Mahalanobis, there are 600,000 engineers as against 70,000 in India, and the former were increasing supply at the rate of 30,000 a year. In Soviet Russia, where industrial development is taking place at a faster rate, there are 700,000 to 800,000 engineers and the rate of growth is 70,000. China has the same number as India but it is adding 20,000 more a year. In India, apart from augmenting numbers, there is also the need, as Mr. G. B. Pant, Union Home Minister pointed out, to improve the efficiency of our scientists and engineers. What is required for this purpose, is more as well as better facilities for technical education both at the diploma and degree level.

POPULATION CONTROL

The population of India is expected to be of the order of 560 million by about 1986, owing mainly to the downward trend in death rate. This represents a rise of as much as 46 per cent. as compared with the present population of about 387 million. Can the country afford to maintain such a vast population? This is certainly a very pertinent question. One may answer it in the affirmative, basing oneself on the assumption that the implementation of the second and successive Five-year Plans will result in an appreciable expansion in production —agricultural and industrial. But the answer raises a counter-question: At what cost? The increase in population at the present rate will undoubtedly retard considerably the progress of the schemes of economic, social and cultural advancement. There is no exaggeration whatever in the statement of Mr. K. D. Malaviya, Union Minister for Mines and Oil, made in the course of a talk broadcast from the Delhi station of All-India Radio last week-end, that the leeway to be made is so tremendous that, unless we decide to stop "this maddening increase of human numbers," we are sure to get involved in a very desperate situation. Indeed, "there is," to quote Mr. Malaviya, "the danger of sheer numbers dominating our problems, oppressing our humanity and throwing all our plans to the winds."

What then is the remedy? It must, of course, be admitted that all possible measures should be taken to accelerate the pace of economic development, thereby augmenting our accumulative food and other resources. But this has its own limitations. Anyway, there is no denying the fact that our economy cannot, as Mr. Malaviya pertinently remarked, be tackled in such a short time that we can give relief to the size of population. Nor can we continue to depend on foreign countries or presume that some miracle will help the country out. The only course left, as Mr. Malaviya said, is to control population growth drastically and to adopt a nation-wide rational programme of conserving the country's resources in an intelligent and practical way.

Since the prosperity and happiness of a nation necessarily commences at the family level, utmost attention must be paid to the intelligent adjustment of the family size and spacing of children. It is gratifying to note from the latest annual report of the Central Health Ministry that the family planning programme continues to receive increasing attention. This will be evident from the figures cited below:

(In lakhs of rupees)

	1956-57		1957-58	
	Budget provision	Grants sanctioned	Budget provision	Grants sanctioned upto 31-12-57
Grants for operating clinics and continuation grant	12·00	3·20	15·07	14·76
Training and education	9·00	0·69	5·23	1·58
Research	6·00	4·30	3·56	6·07
Organisation	3·00	0·93	1·14	0·65
Total ..	30·00	9·12	25·00	23·06

In matters of social importance, especially family planning, voluntary organisations play a prominent part. The Government has done well, therefore, to offer every assistance to such organisations. The total of grants sanctioned during 1957-58 (up to the end of December 1957) was nearly Rs. 21 lakhs. With regard to the establishment of family planning clinics, however, progress would appear to be slow. Thus, as against the Plan target of 2,000 rural and 500 urban clinics, only 300 rural and 70 urban clinics are believed to have been opened so far. The main difficulty is the paucity of trained personnel, particularly in rural areas. It must be said to the credit of the authorities that they have taken some steps to remove this handicap. These include the setting up of a family planning, training and research centre in Bombay and a demonstration and experimental centre in Mysore State, short-term family planning training course at Delhi, financial assistance to the Family Planning Association of India and to the State Governments for opening regional training centres, distribution of posters, pamphlets and films, organisation of fairs and exhibitions and research on contraceptives. Efforts are also being made to develop community health and welfare activities around family planning clinics and to educate the people by personal contacts individually and in group by trained workers and natural group leaders.

TAX RELIEF

It is common knowledge that the various measures of taxation adopted by the Government in the last few years have been causing considerable concern to industrialists and business men. For the impact of taxation has been so severe as to dampen the very process of industrial growth by inhibiting savings and capital formation. This aspect was well brought out by Mr. Kishorilal Dhandhania, President of the Bharat Chamber of Commerce, Calcutta, in the course of his address at the fifty-eighth annual general meeting of the Chamber held at Calcutta last week. Mr. Dhandhania characterised the present phase of the country's economy as one of complex plateau marked by the levelling off in the rate of industrial growth, slowing down of domestic capital formation, tapering off of private construction activities, decline in acceleration in money supply and bank credit, and slash in prices of industrial securities. He pointed out that the rate of industrial growth had gone down from 8 per cent. in 1956 and 9 per cent. in 1955 to just 3 per cent. in 1957. This is certainly a disquieting trend which must be checked before it is too late. After all, it must be remembered that, in the task of economic development, no other factor plays such a vital role as investment which requires savings and capital accumulations. The authorities must provide the climate congenial to savings and investment. Mr. Dhandhania did well to urge a rethinking of whether the recent efforts at fiscal patterning of profit, income and wealth were conducive to capital accumulation at the present stage of development. In this connection, he made the following interesting observations:

"Certain social standards are attempted to be set through the various taxing laws. A dividend above 6 per cent. is being discriminatingly taxed. An income above Rs. 20,000 a year is subjected to progressive rates of super-tax, in addition to the proportional taxation at the maximum standard rate. Wealth in excess of Rs. 2 lakhs is taxed at rising rates becoming confiscatory above certain level. Not only this, the hundreds of taxing officers are empowered to carry on this social patterning by questioning business expenses, their reasonableness, propriety and all that, according to their ideas and ideals. We need to decide whether this pattern equitably rewards enterprise and risk of the highest order necessary to push up the economy to the desired goal."

Mr. Dhandhania was right when he questioned the propriety of taxing dividends above the six per cent. level. Such a low rate is hardly sufficient to reward risk and enterprise in industry and trade, not to speak of its adverse effect on the flow of foreign private capital into business enterprises in India. This is particularly so, considering the high rates of interest and enhanced value of gold. Mr. Dhandhania rightly declared that the shift in favour of taxing capital, in addition to taxation of income at high rates, was most inopportune and premature. "We have," to quote him, "surpassed Britain which did not dare in 1955 to introduce the tax proposals of Prof. Kaldor which we have all introduced in the course of two years, except the one for reduction of income-tax. Taxation has altered the relation between self-capital and borrowed capital, between incentives for spending and saving and the capacity of the business to face ups and downs in business activities. The net assets of even the bigger companies have been increased more with borrowed capital than self-capital."

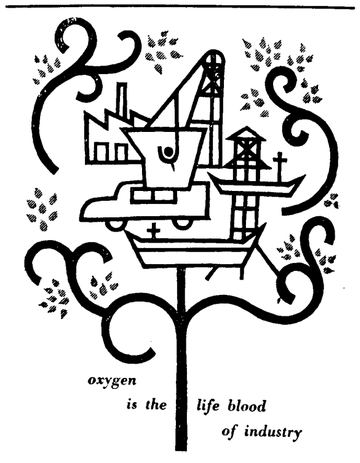
There is considerable force in these observations. If the level of savings is to be raised, it is of the utmost importance that, apart from providing appropriate reliefs in corporate taxation, the tax load, at least in the income bracket up to Rs. 1 lakh, must be reduced. This would enable the small and middle class *entrepreneurs* to contribute to capital resources required for financing the economic development programmes.

RAILWAY WEEK

One is apt to take many things of modern life for granted. Rarely does one realise how valuable they are until they are missed. It is only when one misses, one fine morning, the daily newspaper, the postman's knock on the door or finds that the 9-30 fast train has not arrived that one is jerked into the realisation that the Press, railways and the postal system have become part and parcel of modern life. But this is an uneasy way of making people conscious of the existence of such essential services. The so-called "Weeks"—the Safety-first Week, the Plan Week—which are observed so often in this country, serve to make the public Plan-conscious or safety-conscious as the case may be. But such "Weeks" aim at more than that. They are also occasions to take stock of what has happened, to highlight the achievements, and re-examine the causes of failures, if any.

India's biggest nationalised undertaking, the railways, the oldest and largest in the East, has just celebrated "Railway Week." It can indeed look back upon a proud record of achievement. The saga of Indian railways is a success story. It has responded remarkably to the needs of a developing economy and has given a good account of itself in the matter of operational efficiency. The Indian railways have all along endeavoured to cope with the phenomenal increase in passenger and goods traffic witnessed in the past few years. With the same number of passenger coaches today as the railways had in 1938-39, it has been called upon to carry two and a half times more traffic. Passenger amenities are also improving.

But the railways are faced with greater challenges in the years that lie ahead. They are expected to handle goods traffic to the tune of 180 million tons by 1960-61, as compared with 124.1 million tons lifted in 1956-57. Indian railways have probably reached a stage at which not much advance in operational efficiency is possible without radical changes such as large-scale electrification, dieselisation, doubling of track, etc. Out of the second Plan allocation of Rs. 1,125 crores, a major portion is required for replacement and rehabilitation requirements and the balance is inadequate to effect material changes in the systems and methods of operation. The shortage of resources is thus a challenge to the ingenuity and dynamism of Indian railways. Let us hope that it will prove equal to the challenge.



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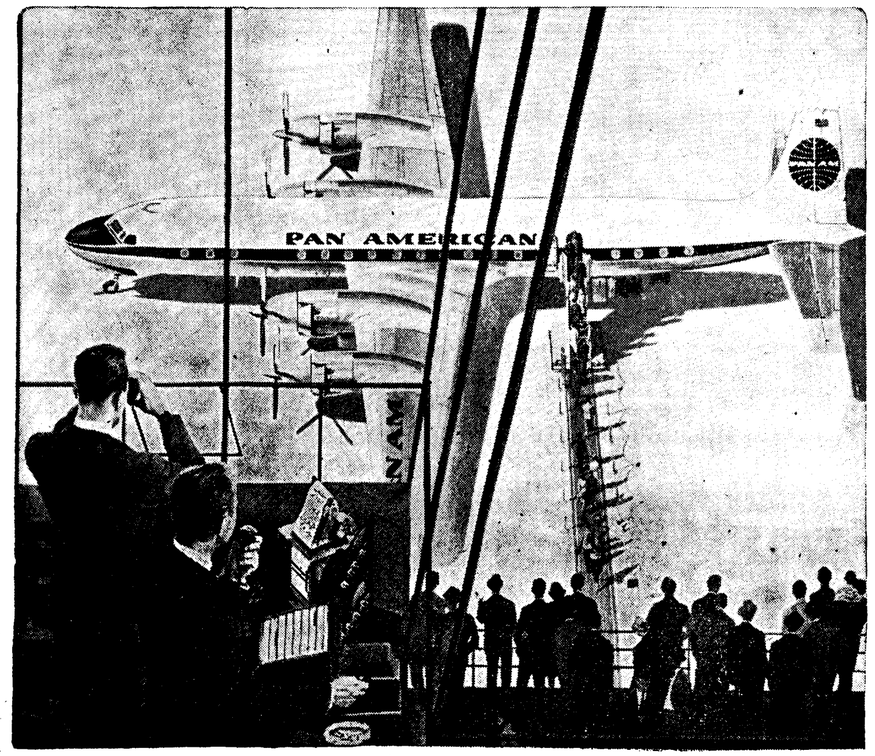

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DELAYS MUST BE AVOIDED

From A Special Correspondent

NEW DELHI, 15*th April*

DELHI LETTER

HOW bureaucratic delays have a habit of creeping in again and again in spite of constant efforts to eliminate or reduce them may be inferred from the slackness that appears to have set in recently in the Import Control Department. It may be recalled that, when Mr. T. T. Krishnamachari was in charge of Commerce and Industry, he reorganised the Import Control Department in such a way that applications for licences from the importing public came to be dealt with most expeditiously. This was made possible by expanding the Development Wing of the Commerce Ministry and staffing it with enough technical hands to deal with applications for imports of a variety of goods involving technical appraisal. Applications of actual users not borne on the register of the Development Wing also came to be increasingly and promptly certified by other already-existing or newly-created authorities like the Textile Directorate, the Sugar and Vanaspathi Directorate, the Tea Marketing Board, etc., concerned with some major industries. Under this reorganised set-up, "essentiality certificates" were issued by certifying officers who were specially empowered for the purpose on the basis of their specialised knowledge of industrial requirements, and licences came to be automatically issued by the Import Control Department on the basis of these certificates. The recommendations of the Development Wing were mostly impartial and unbiased as they were made by competent technical men.

This reorganisation greatly facilitated the prompt disposal of the large increase in applications at a time of increasing development imports. The effect was seen in applications being disposed of in less than two or three months as against the former six months or more. What was more, opportunities for undesirable practices were also mostly eliminated.

Efficiency

The efficiency of this reorganised set-up now appears to have considerably slackened. Two specific instances have come to the knowledge of this correspondent. One such instance is concerned with the sugar industry. The second biggest industry in the country is now handicapped by the circumstance that the certifying officer concerned has been entrusted with the onerous task of managing the three U.P. sugar factories taken over by the Government, a responsibility unrelated to his usual work. As this officer has to visit these factories frequently and devote the larger part of his time to their affairs, slackness and inefficiency in the matter of disposal of the sugar industry's applications for stores, spare parts and intermediate products are stated to have set in. The other instance concerns the shipping industry. The excessive delay, in some cases, in the disposal of applications for spare parts for the running and maintenance of ocean-going vessels in first class condition is liable to harm the earning of some foreign exchange through possible cessation of the functioning of some vessels for lack of replacements of parts.

There should be other instances in regard to other industries in the context of a general fall in the standards of prompt disposal. There is urgent need to restore these standards in the very beginning of the current half-year for which the import licensing policy has been announced. A heavy responsibility also rests on the various certifying authorities to consider more sympathetically the actual users' applications. This is considered necessary because the quotas of established importers for a number of raw materials and intermediate goods have been increased only by very narrow margins in many cases. As the actual users are being increasingly directed to the established importers for their industrial requirements which cannot possibly be satisfied in all cases, the result is that heavy premiums on prices of up to 300 per cent. are demanded by such importers. It is doubtful if this element of black marketing can be eliminated in the absence of a more generous disposal of actual users' applications. At the same time, it is asked why co-operative enterprises should not be placed on a par with other private undertakings in the matter of imports of industrial raw materials instead of giving them preferential treatment.

Delays

If bureaucratic delays in the matter of licensing imports of industrial raw materials and intermediate goods which have overshadowed all other categories of imports in both value and volume in recent years are not promptly eliminated, it is not difficult to infer that the more recent reduced tempo of development by way of a declining trend in industrial production in the private sector may continue for some more time. But such delays are not affecting the private sector alone; they are, in fact, reducing the tempo of development in the public sector as well. It should be interesting, in this connection, to mention some of the causes of delay in disposal of work in the Central Government. First, within Administrative Ministries, there are delays in examination of proposals in sections and in passing orders by officers, in locating previous papers and references, and in the movement of papers. Secondly, within a Ministry and its attached offices, delays occur in examination of proposals by technical officers in attached offices and in transmission of papers between Ministries and attached offices and within different sections of attached offices. Thirdly, in the Finance Ministry *vis-a-vis* the Administrative Ministry, delays are caused by repeated queries about matters of detail, by suggestions for reconsideration of proposals on lines generally found unacceptable to the Finance Ministry and by the disinclination on the part of Finance Officers to accept estimates furnished by Administrative Ministries.

Lack of Co-ordination

Fourthly, as far as the Administrative Ministry and other Ministries directly concerned in action programme are concerned, delays are caused by inadequate inter-departmental consultation and lack of *co-ordination*. There are also delays in inter-departmental consultation wherever there is such consultation. Fifthly, delays occur in consultation with the Law Ministry in the case of settlement of terms of agreement, bond, etc., and with the Home Ministry on establishment matters. There are also delays in selection and recruitment of personnel by the Union Public Service Commission. Sixthly, in the Administrative Ministry *vis-a-vis* the Central and State Public Works Departments there are delays in surveying, preparation of plans and estimates and collection of relevant data. Delays are also caused by the slackness on the part of contractors and by the non-availability or delayed supply of building materials and machinery. The delays in inviting and in considering and accepting tenders and in award of work to contractors should also be mentioned here. Finally, as far as the Administrative Ministry and State Governments are concerned, delays are caused by differences between them on matters of detail and financial liability. There are also delays in submission of formal proposals at Government level and delays by the State Governments in taking decisions on suggestions made by the Central Government. To some extent, these various kinds of delays have come to be reduced as a result of the efforts of the Organisation and Methods Division. But the O.M. Division is now "concerned only with the broader aspects of efficiency." It appears there is vast scope for its work in specific directions.

WORLD BANK LOAN TO PORTS

The World Bank has sanctioned two loans of $43 million (about Rs. 20 crores) for port development in India—$29 million for Calcutta and $14 million for Madras. Both the loans will be for a term of 20 years and bear an interest of 5½ per cent., including the 1 per cent. commission which is allocated to the Bank's special reserve. Amortisation of the loans will begin in April 1963. The loan agreements have been sent to India for execution by the Commissioners of the Ports of Calcutta and Madras. The loan agreements will be signed by an official of the Bank, while the guarantee agreements will be signed by the Bank and the Indian Ambassador to the United States at Washington.

PROSPECTS FOR 1958

From Our Own Correspondent

LONDON, 11*th April*

LONDON LETTER

"TO sum up," says the Government's *1958 Economic Survey* published this month, "the United Kingdom's economic problems in 1958 are inevitably bound up with the course of world economic developments.... its ability to deal effectively with its own economic problems; and in particular, upon the maintenance of the internal and external value of the currency." There is nothing at all startling about this statement, but, fortunately, the *Survey* itself is more analytical than the summary would indicate. The Government note that demand has been easing in relation to production and that this easing will continue right into 1958. As a result, there is a prospect that the rise in prices, which has been more or less continuous for the past 20 years, will be halted this year.

But neither do the Government appear to be worried about the alternative bugbear of deflation. In fact, they comment that unemployment at an average of 1.9 per cent. is only slightly higher than a year ago, although—and the qualification hides serious political implications—"there are areas of heavier unemployment." The confidence that the easing of demand will not lead to recession appears to have been caught from the United States, but, on this point, one cartoon showed President Eisenhower holding a survey of American economic activity in his hand falling from the top of a New York skyscraper and commenting halfway down to the ground that nothing was hurting yet! However, although the British Government believe that the United States Government are competent to take action against any serious decline even when they do hit the bottom, they are not quite so sure about Britain's ability to do so, if world economic developments are too adverse. The reason for this is that, when the world enters a period of recession as it was doing in 1957, the United States which was leading the band was gaining gold and all the rest—except Germany—were losing it. The trouble is that American recession can reduce the buying power of the primary countries and so hit Britain's exports. Against this, of course, there is the fall in import prices.

Safer Policy

On balance, however, the conclusion is that the United Kingdom may achieve a substantial current surplus in 1958 and there is a note of encouragement for the rest of the sterling area in the implication that these countries will be able to draw down their sterling balances without imposing too great a strain on the gold and dollar reserves. The philosophical comment is made that "sterling is strengthened by such a reduction of liabilities as well as by an increase in reserves." This piece of philosophy is very odd and very new, as it has been traditional British international banking practice to borrow short and lend long. A reverse of this policy is undoubtedly safer but also a good deal less profitable in terms of invisible income.

The surplus on the balance of payments for recent years has been re-assessed. 1955 showed a deficit of £70 million, 1956 a surplus of £266 million and 1957 a surplus of £237 million, making a total for the three years of £434 million. But, with an average long-term investment outflow of rather more than £200 million per annum steadily maintained regardless of the state of the current balance, the net balance over the three years is, of course, adverse to the extent of nearly £200 million. But, if we take the years 1956 and 1957 alone, years in which there was a favourable current balance, then the net balance, even allowing for the long-term investment outflow, averages over £40 million per year. It is also encouraging to note that the current balance before allowing for investment which was £98 million in the second half of 1956 was £122 million in the second half of 1957. It is expected that the improvement in 1958 will be even more marked.

It is at this stage that the position of the rest of the sterling area becomes important. In 1957, there was a heavy drawing down of sterling holdings (well over £200 million in the second half of the year) and a continued drawing down on this rate in order to pay the overseas non-sterling debts of the sterling area would preclude any building up of the gold and dollar reserves.—*All Rights Reserved.*

AMERICAN LETTER

U.S. GOVERNMENT'S DILEMMA

SEARCH FOR SOUND ECONOMIC POLICIES

From Our Special Correspondent

NEW YORK, 8*th April*

THE Eisenhower Administration at this time is torn between the natural inclinations of the Cabinet members to follow "sound" economic policies or follow the instinct of politicians who want the Government to spend the country out of the recession as a quarter of a century ago.

Indeed, the record of Congress before its Easter recess is reminiscent of the first 100 days of President Franklin Delano Roosevelt in 1932. The lawmakers voted more than $500 million for missile bases, $1,800 million additional funds for the Federal-State highway programme, the Federal debt ceiling was increased from $275,000 million to $280,000 million, a $1,800 million housing Bill was rushed through, about $1,400 million were added to defence funds this year, postal rates and pay were boosted and military pay scales were raised as well.

In addition, there are before Congress money requests for some $61,000 million for the next fiscal year beginning July. A Federal Budget deficit is now generally taken for granted and expected. The size is uncertain. Much will depend on the trend of tax receipts. Estimates for the deficit are as high as $15,000 million.

"Sound" Thinking

All this is highly obnoxious to the "sound" thinking of the conservatives who make up President Eisenhower's Cabinet. They could not be more sincere and sound. They are all successful business men who have quit making money out of patriotism. Most of them are millionaires who know the value of a dollar. They want stability, not uncertainty. They want to leave a "sound" heritage to the next Administration. They are honest men of goodwill and training. They are not politicians and, thus, they are baffled by pressure groups and slogans which are very much in evidence now that the economic indices are down.

They are quite different from the followers of President Roosevelt and Truman. Many of them were crackpots in American terminology, but there was action. They were not afraid to make decisions even though many of them might be wrong, and they were. Strangely enough, the U.S. public, as a whole, is not too much concerned with soundness. The average person buying a car, for example, will hardly ever consider the purchase of a $2,000 or $3,000 car unsound as long as his current income supports the monthly payment.

The Eisenhower Administration is striving for and aiming at sound policies to hand down. They are heartily supported by university professors and by such thinkers as Mr. Bernard Baruch who has been the adviser for many Presidents of the United States. Such sound thinking is also apparent in the statements of Mr. John Foster Dulles, Secretary of State, who opposes Soviet Russia for perfectly logical reasons in world politics. Yet, that "sound" thinking lets the Russians be the winners in every propaganda trick however old, obvious and superficial. In a way, it is a tragedy which may be understandable more in India with its old culture, philosophy and religion.

Constant Changes

I do not want to give the impression that the Eisenhower Administration is completely inflexible. Secretary of the Treasury, Mr. Robert Anderson told a small group today—I was one—that constant changes are the one characteristic of American progress and that this is recognised at Washington. The administration does not want to meddle too much in private business affairs—it merely wants to direct and support healthy growth on a sound basis. Obviously, the Executive and the Legislative branch of the Government are at cross-purposes. Every politician is using this recession to have his own pet spending project enacted for the benefit of his constituents and to the detriment of a sound dollar. It's an old, old story.

It may be gathered from the foregoing that the recession in the U.S. is widely overplayed. At present, there are still more than 61 million persons gainfully employed. Unemployment is somewhat over 5 million, against about 3 million a year ago. Savings continue to increase and so do consumer prices.

True, the automobile industry is in pretty bad shape. Since it is concentrated geographically, Detroit and its satellite cities have high unemployment. The automotive industry has a capacity of about 10 million units a year and it is producing about 6 million units. Steel output is down to about 50 per cent. of capacity as a result, but construction and building which is on the increase are now more important steel consumers than the auto makers.

Home Building

Lagging home building has taken a toll in terms of lower furniture and appliance sales and the "sound" pronunciamentos from Washington have created caution in the popular mind which has led to savings rather than spending.

Retail buying for Easter was quite satisfactory but below expectations. The weather was abominable. It is an important retail factor. Stores are still very cautious in their buying policies, but they expect that the advent of spring will change the picture for the better.

Cheerful notes also come from industrial purchasing groups. The machine tool industry which should be one of the first to feel the impact of future industrial planning, reported an upturn in orders. Purchasing executives in other fields suggested there is a better feeling in the air. Hand-to-mouth buying by industrial companies is no longer as prevalent as several months ago.

One of the stimuli in this connection have been price reductions. The first break has occurred in dairy products. Other produce prices are also expected to slide within the next few months with the advent of more element weather.

Price Cuts

Two major mail order houses, Montgomery Ward and Sears Roebuck, have made material price cuts in their spring catalogues. Eastman Kodak and Bell and Howell have seen fit to reduce their asking prices for cameras and related equipment. Easter flowers were cheaper this year than last and coffee prices are likely to turn down.

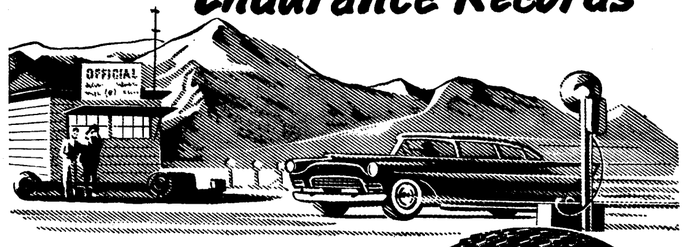
Aluminium companies slashed their quotations by 2 cents a pound. Merchants with unsold inventories on their shelves are likely to take a chance on a smaller profit, or none at all to get rid of their antiquated investments to make room for new goods. In recent weeks, the key to the cost of living has been food prices. Any relaxation in that sector of the price structure might prove of benefit to the wage earner, particularly in the light of reduced incomes. It could easily stimulate buying confidence and will, no doubt, do so.

Price Support

The problems of farm price supports are as unresolved as ever. Congress approved a freeze of agricultural supports at last year's level and did not allow Agriculture Secretary, Mr. Benson to scale them down. This was vetoed by the President and there does not appear evidence of a strong enough Congressional support to pass the bell over the President's veto.

The price support programme is closely tied in with U.S. Government holdings of surplus crops which are being disposed of under Public Law 480 against local currencies throughout the world. The Export-Import Bank of Washington is participating in this scheme and is receiving applications for such loans at the present time.—*All Rights Reserved.*

Stock Car Endurance Records



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AUTHORISATIONS AGGREGATE RS. 630 CRORES UP TO THE END OF 1957

THE fiscal year 1957-58 proved to be one of the most strenuous period for India, inasmuch as the country's resources, internal and external, were considerably strained, thanks to the implementation of the development programmes under the second Five-year Plan. The balance of payments position was in jeopardy and the Government had to take drastic steps to conserve foreign exchange by slashing imports. Feverish efforts were also made to secure as much external assistance as possible. The missions undertaken by the ex-Finance Minister, Mr. T. T. Krishnamachari, and the industrial delegation under the auspices of the Federation of Indian Chambers of Commerce and Industry, in this connection, were noteworthy. As a result of these and other efforts, substantial assistance, by way of loans and deferred payment credits were successfully negotiated.

The foreign exchange needs of the country in the years to come are bound to grow and exceed our earnings. However much one is averse to borrowing from abroad, there is no gainsaying the fact that India has to depend to a large extent on external assistance, in view of the fact that the chances of raising the necessary foreign exchange resources are not very bright. The climate for tapping internal resources has been rendered cloudy by the various fiscal measures which, it is officially claimed, are mainly intended to finance the development plans. In view of the important role which external assistance has come to play in the implementation of the Plan, the need for continuously appraising the public of the extent of assistance offered by foreign countries and utilised during each financial year cannot be overemphasised. The Union Finance Ministry, which usually gives an authentic account of the external assistance negotiated and agreed upon each year in its annual reports, can render a more useful public service by giving a statistical account of the foreign assistance received and actually utilised year after year. The latest report of the Ministry for the year 1957-58, however, shows no departure from the traditional pattern.

Total Amount Authorised

It will, however, be interesting to note from the *Economic Survey, 1957-58* and the *Explanatory Memorandum on the Budget for 1958-59* that the total assistance received from foreign countries by way of loans and grants during the five years of the First Plan period amounted to about Rs. 166 crores. The total foreign assistance made available since the commencement of the second Plan to the end of December 1957 comes to Rs. 480 crores. This includes the loss of Rs. 17 crores suffered on American loan wheat from the U.S. If this loss is excluded, the total foreign assistance authorised since the commencement of the first Five-year Plan will be of the order of Rs. 630 crores. The receipts during the first year of the second Plan period amounted to Rs. 37.75 crores and receipts in 1957-58 are estimated at Rs. 105 crores. In the current year, they are expected to be of the order of Rs 325 crores and this amount has been taken credit for in the current year's budget. The utilisations of external assistance in 1956-57 are estimated at Rs. 96 crores. In 1957-58, they are expected to aggregate Rs. 130 crores. There is also a carry-over of about Rs. 130 crores from the authorisations of the first Plan period, but allowance has to be made for the fact that some carry-over from the authorisations of the second Plan period into the future is to be expected. The aforesaid amount of foreign assistance authorised so far does not include the sum of $225 million, which the U.S. has agreed to give as loan, and the agreement for which was signed on 4th March 1958. Nor does it include the credits from W. Germany, Japan and France, agreed upon during January and February this year.

The year 1957-58 was marked by several negotiations and agreements concluded in respect of foreign financial assistance, an account of which is provided by the Ministry of Finance report for the year. During 1957-58 the International Bank for Reconstruction and Development sanctioned the following three loans to India:—

(*a*) A loan of $9 8 million (Rs. 4.67 crores) to the Tata group of hydro-electric companies for the expansion of their thermal station at Trombay. The loan agreement was signed on 28th May 1957 and the loan has been guaranteed by the Government of India; (*b*) a loan of $90 million (Rs. 42.86 crores) for the development programme of Indian railways. The loan agreement was signed on 12th July 1957, and (*c*) a loan of $32.5 million (Rs. 15.47 crores) as a supplemental loan to the Tata Iron and Steel Company, which was granted a loan of $75 million in 1956-57 for their expansion programme. This loan has also been guaranteed by Government.

With these the total loans given to India by the Bank so far amount to $356.34 million (Rs. 170 crores). Negotiations are in progress with the Bank for obtaining loans for the three projects, (*a*) D.V.C. Expansion Project—third loan, (*b*) Koyna Hydro-electric Project and (*c*) Development of the ports of Calcutta and Madras.

In February 1957 India entered into an agreement with the International Monetary Fund for drawing $200 million (Rs. 95.24 crores) to tide over the temporary balance of payments difficulties. This amount was drawn in three instalments between February and June 1957.

Other Loans

In January 1958 the United States Government informed the Government of India of its willingness to discuss a loan of approximately $225 million (Rs. 107.15 crores) from the currently available resources of the United States Export-Import Bank and the Development Loan Fund. At the invitation of that Government a delegation proceeded to Washington to discuss individual schemes for assistance and allied matters and the necessary agreements were signed on 4th March 1958.

The Japanese Government offered a line of credit of 18 billion yen (Rs. 23.81 crores) for the import of capital goods from Japan for projects under the second Five-year Plan. The details of the credit have recently been negotiated and settled by a delegation which went to Japan in January 1958.

The West German Government has assured the Government of India of its interest in India's development plans and its willingness to assist in overcoming some of the difficulties that have arisen in the implementation of the Plan. As a first step, it agreed, in principle, to the deferring of certain payments falling due during the next 36 months for the Rourkela Steel Plant. A delegation of officials visited Germany in November 1957 and an interim agreement was reached, deferring payments upto 120 million Deutsche Marks (Rs. 13.61 crores). It has subsequently been agreed that payments amounting to 660 million Deutsche Marks (Rs. 75 crores) relating to the Rourkela plant may be deferred and the relative agreement was signed on 26th February 1958.

An agreement for economic and technical co-operation between India and France was signed in New Delhi on 23rd January 1958. Under it, the Government of France has agreed to provide facilities for financing the manufacture and delivery of capital goods up to a total of 25 billion francs (Rs. 28 crores) required for projects in the second Five-year Plan, for which orders may be placed with French suppliers during a period of twelve months from the date of the signing of the agreement. The terms of each contract, which will have to be approved by both Governments, will have to be negotiated separately in each case between the purchaser and the supplier.

Russian Credit

An agreement was signed with the Government of the Union of Soviet Socialist Republics in November 1957, accepting its offer of a long-term credit of 500 million roubles (nearly Rs. 60 crores). This credit will be used for setting up a heavy machine building plant, a coal mining machinery manufacturing plant, an optical glass factory and a thermal power station and for the development of the Korba coalfields. As in the case of the credit offered by that Government for the steel plant in Bhilai, this credit carries interest at the rate of 2.5 per cent. per annum and is repayable in twelve equal instalments commencing a year after the completion of deliveries for each industrial enterprise of the machinery and equipment.

An agreement designed to encourage new investments of private American capital in business enterprises in India was signed with the United States Government on the 19th September 1957. Under this agreement, the United States Government will provide guarantees to the American investor that receipts in Indian currency from new or expanded American investments in India, on schemes approved by the Government of India, can be converted into dollars.

Other U.S. Assistance

The United States Government continued to provide economic and technical assistance during the year under review. The allocation for technical assistance for their fiscal year 1958 is $6.3 million and it will be mostly utilised in continuing the technical assistance projects already undertaken with T.C.M. assistance. The pattern of United States Development Assistance hitherto was to make annual country-wise allocations, but since July 1957 this has been changed, and instead a Development Loan Fund has been established. No finance will be provided by the Fund until it is confirmed that finance is not available in whole, or in part, from other sources on reasonable terms. The projects eligible for finance from this Fund must be technically and economically sound and must provide reasonable assurance to contribute to the economic growth of the recipient country. In addition to the loan of $225 million (Rs. 107.15 crores) from the currently available resources of the Export-Import Bank and the President's Development Fund, to which references have been made earlier, the United States Government is considering, on a high priority basis, further measures to assist India in meeting its present grain shortage. From the U.S. Special Assistance Fund and Asian Development Fund, a sum of $8.7 million has also been provided for the conversion of the present nation-wide malaria control programme, which has been carried on since 1952 with T.C.M. assistance, to one of malaria eradication.

Commodities Agreement

The Agricultural Commodities Agreement with the United States Government signed in August 1956 provided for the sale of surplus agricultural commodities to India to the extent of $360 million during the three-year period ending June 1959. Arrangements have been made for the purchase of wheat valued at $251.4 million, rice $29.9 million, cotton $32.6 million, tobacco $3.6 million and dairy products $1.2 million. In view of the present shortage of foodgrains in the country, the balance of approximately $42 million, which was previously earmarked for import mostly of cotton, has been made available for purchase of additional quantities of wheat. This wheat will be received during the first half of 1958-59. Out of the sale proceeds, India will receive a long-term loan of Rs. 112 crores for economic development, including a sum of Rs. 26 crores which will be set apart for medium-term loans to private enterprise. It is proposed to set up a Refinance Corporation for providing loans to private enterprise. In addition, a sum of Rs. 26 crores will be received as grants for expenditure on economic development projects.

Under the Colombo Plan, the Government of Canada has authorised a sum of $21 million (including a sum of $6 million allocated last year) for assistance to India. This assistance will be used for the import of aluminium, copper, nickel, and wooden sleepers for railways, and for meeting the foreign exchange component of the outlay on transmission lines for the Kunda Hydro-electric Project and the Canada-India Reactor Scheme. Canada has also agreed to a special grant of $7 million for purchase of wheat and to supply an additional 400,000 tons of wheat on reasonable credit terms to meet the food shortage.

The Ford Foundation continued to provide financial aid. The more important grants were $2.1 million, supplementing a previous grant of $1.3 million for training in village and small-scale industries, $1.5 million for training Indian engineers in the United States steel industry and $685,000 for an English Language Teaching Institute.

In addition to financial assistance, India continued to receive technical assistance under the Colombo Plan, the U.S. Point Four Programme and the U.N. Extended Programme of Technical Assistance.

LLOYDS BANK REPEATS DIVIDEND

PROFIT IN INDIA RISES SHARPLY

THE year 1957 proved to be yet another period of expansion in activity for Lloyds Bank Ltd. (Chairman: Sir Oliver Franks, London), despite the intensive credit restraint called for by the Chancellor of the Exchequer, which no doubt had been scrupulously followed by Lloyds Bank also. The expansion in business, coupled with higher interest rates which obtained during the year, resulted in increased earnings, but the operating costs continued to "rise inexorably." The increase in costs took place in respect of not only salaries and wages but all other items of expenses. As Sir Oliver Franks, the Bank's Chairman, points out in his statement, with widespread branches providing a high standard of service in all offices and at the present level of salaries, "banking operations on this scale must of necessity be costly." This naturally had its effect on the Bank's profit for the year under review, albeit to a small extent.

The profit (after providing for taxation and making transfers to the contingency accounts, out of which full provision has been made for any diminution in value of assets, except in respect of depreciation in the market value of investments in British Government securities) has dropped from £2,541,793 to £2,502,391. The fall is no doubt small, but it is in distinct contrast to the rise of £219,354 recorded in the previous year and reverses the upward trend maintained since 1946. The dividend is, however, unchanged at 13 per cent. per annum, less income-tax, absorbing, as in the previous year, £1,387,739. The other appropriations have also been maintained, the transfer to the general reserve at £500,000 and that to the reserve for future contingencies at £500,000. These leave a larger surplus of £826,712 to be carried forward, as against £712,060 brought in.

The salient features of the Bank's balance-sheets and those of its Indian branches as at the close of the last four years are compared in the following table:

(In thousands of £'s sterling)

	As on 31st December			
	1957	1956	1955	1954
Capital	18,565	18,565	19,403	15,810
Reserve fund	18,000	17,500	15,000	17,000
Undistributed surplus	827	712	558	517
Deposits	1,257,523	1,197,444	1,190,146	1,244,306
Acceptances, endorsements, etc.	180,988	157,811	124,171	131,058
Cash, money at call and balances with other banks	275,226	247,156	245,666	252,892
Bills	276,046	242,128	242,853	254,800
Investments—				
Gilt-edged	367,840	369,578	387,542	424,525
Trade	10,215	10,040	10,046	8,990
Loans and advances	327,252	336,878	308,107	301,192
Items in transit	21,957	15,003	18,057	23,086
Balance-sheet total	1,477,935	1,394,209	1,350,899	1,410,461
Ratio to deposits—	%	%	%	%
Cash	21·9	20·6	20·6	20·3
Gilt-edged investments	29·2	30·9	32·6	34·1
Loans and advances	26·0	28·1	25·9	24·2

Indian Branches

(In lakhs of rupees)

Deposits	43,89.20	39,93.46	41,69.57	39,80.55
Borrowings from other banks	1,35.30	6,36.06	89.85	1,48.68
Bills for collection	3,88.82	4,47.84	3,47.79	3,13.25
Acceptances, endorsements, etc.	5,69.37	6,77.32	4,18.11	2,86.23
Advances	20,01.27	30,84.69	20,04.14	17,59.88
Investments	11,60.87	12,67.95	19,75.56	20,43.73
Cash	4,75.32	3,89.38	5,02.66	5,01.97
Balance-sheet total	55,61.57	58,70.11	52,75.92	50,22.16

The deposits of the Bank as a whole at the end of 1957 have jumped by over £60 million to £1,257 million and the cumulative rise in the last two years has more than made good the drop of £54 million suffered in 1955. The expansion in deposit resources has not been accompanied by an increase in loans and advances, which, on the contrary, show a fall of £9.6 million, reflecting the part played by the Bank in the intensive credit restraint. The reduction would have been greater but for the expansion in the Bank's advances in the East (along with the improvement in general business there) and the continued interest taken by the Bank "in the important and specialised field of medium-term credits to facilitate the export of major capital goods, a category of advances excluded from the operation of the general restrictions on bank lending."

Investments are lower by £1.57 million, at £378.05 million, of which those in British Government securities amounting to £326.28 million are shown at or under cost and below redemption value. Their market value as on 31st December 1957 shows a depreciation of £9.18 million but the Directors have not provided anything from the reserves or profit and loss account to cover this depreciation. For all the securities are redeemable at fixed dates, the majority within 10 years, when any depreciation will be recovered. The sharp rise in deposits, accompanied by a fall in loans and advances, has strengthened the cash balances by no less than £28 million and the holdings of bills by over £34 million.

The working of the Bank's branches in India during the past year is heartening, in that the profit has staged a rise of over 50 per cent., that is, from Rs. 28.64 lakhs to Rs. 43.06 lakhs. With this rise, the upward trend in profit has been maintained for the third year in succession, the pace of increase having widened considerably during 1957, in refreshing contrast to the experience of Indian Scheduled banks.

There has been a rise of Rs. 26.67 lakhs to Rs. 183.73 lakhs in income from interest and discount and of Rs. 2.69 lakhs to Rs. 50.71 lakhs in commission and exchange. The aggregate increase on these two accounts has been offset by the rise in interest paid to the extent of only Rs. 19.07 lakhs, at Rs. 76.72 lakhs. This, coupled with the small, but welcome, fall of Rs. 2.29 lakhs (to Rs. 110.76 lakhs) in expenses, has enabled the Bank to improve its profit substantially as seen above.

A heavy and sustained demand for bank advances has been the pronounced feature of the Bank's operations in India during 1957. An important aspect of the Bank's business is the financing of imports, which, however, was curtailed during the year due to shortage of foreign exchange. Despite this, the level of advances has been fairly well maintained, the fall in year-end figure being only Rs. 1.83 crores, as against an expansion of Rs. 3.96 crores in deposits. The outstanding borrowings from other banks stand considerably reduced. Investments are also lower by over Rs. 1 crore, but there has been a corresponding rise in cash resources.

The World Bank has granted a loan equivalent to $15 million for the rehabilitation and modernisation of Peru's most important railway systems, the Central Railway and the Southern Railway. The loan is for a term of 15 years and bears interest of 5½ per cent. per annum, including the 1 per cent. commission which is allocated to the Bank's Special Reserve. Amortisation will begin 15th February 1961. The loan is guaranteed by the Government of Peru. This is the Bank's ninth loan in Peru and brings the total lent there to $56 million.

THE BANK OF INDIA, LTD.

ESTABLISHED 7th SEPTEMBER, 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

Head Office:

MAHATMA GANDHI ROAD, FORT, BOMBAY

BRANCHES IN INDIA:

AHMEDABAD, Bhadra (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch
AMRITSAR
BANGALORE
BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
KOZHIKODE (Late Calicut)
MADRAS
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Current Deposit Accounts.—Except at certain places interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Rs. 5 per half-year.

Fixed, Short and Savings Bank Deposits received on favourable terms. Rates on application.

Foreign Exchange Business Transacted and Letters of Credit opened for approved customers.

The Bank acts as Executor and Trustee under Wills and Settlements and undertakes Trustee business generally.

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T. R. LALWANI, *General Manager.*

INDIAN BANK'S PROFIT SHRINKS SIZABLY

SHARP RISE IN EXPENSES

IT is common knowledge that, despite the heavy expenses and the burden of high interest rates on deposits and borrowings, banks have generally been able to earn a larger profit in 1957 than in the previous year, though the pace of increase slowed down considerably. A notable exception to the general trend of profits is provided by the Indian Bank Ltd. (Secretary: Mr. D. P. Parthasarathy, Madras). Its profit has dwindled by no less than Rs. 13.70 lakhs to Rs. 32.01 lakhs, thus offsetting to a large extent the sharp rise of Rs. 25.43 lakhs to a record level of Rs. 45.71 lakhs touched in 1956. The drop in profit has also reversed the upward trend noted in the previous three years.

This setback in profit for 1957 is due to the sharp fall of Rs. 11.18 lakhs to Rs. 64.28 lakhs in income from commission, exchange and brokerage, consequent on the sharp decline in the Bank's bills business, as seen from the year-end figures, which has offset to a large extent the larger earnings from interest and discount which have gone up by Rs. 17.40 lakhs to Rs. 143.17 lakhs. Consequently, the gross income has recorded a rise of only Rs. 6.43 lakhs, at Rs. 210.76 lakhs. As against this meagre rise in total income, interest paid has recorded an increase of Rs. 6.61 lakhs to Rs. 83.81 lakhs and expenses are up by Rs. 13.40 lakhs at Rs. 93.43 lakhs.

Consequent on the decline in profit, the provision for taxation has been cut from Rs. 18.50 lakhs to Rs. 15 lakhs, while some of the other allocations have been stepped up. Thus, the transfer to the reserve fund has been raised by Rs. 50,000 to Rs. 10.50 lakhs and that to the sinking fund has been doubled to Rs. 1.50 lakhs. A development fund has been created with an initial allocation of Rs. 50,000. The provision for gratuity fund has been cut from Rs. 1.50 lakhs to Rs. 50,000. Despite the shrinkage in profit, the distribution to the shareholders has been maintained at 13 per cent. made up of a dividend of 10 per cent. and a bonus of 3 per cent., but this is on a slightly higher capital raised by making a further call on the partly paid-up shares. In addition, a special dividend of 2 per cent. to commemorate the Golden Jubilee of the Bank was paid.

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	143.17	125.77	106.66	94.79
Commission and exchange	64.28	75.46	36.49	25.06
Interest paid	83.81	77.20	57.81	49.99
Expenses	93.43	80.03	66.74	57.18
Depreciation	1.50	1.39	1.45	1.56
Profit	32.01	45.71	20.28	13.94
Provision for taxation	15.00	18.50	5.75	5.75
To reserves	12.50	10.75	7.13	1.00
,, gratuity fund	0.50	1.50	..	..
,, building account	0.25	0.30	0.30	0.15
Dividend	9.57	7.07	6.96	6.96
	(D. 12%+	(D. 10%+	(D. 10%+	(D. 10%+
	1%+	1%+	1%+	1%+
	3%)*	3%)	2%)	2%)
Carry forward	2.04	8.13	1.45	1.31

	As on 31st December			
	1957	1956	1955	1954
Capital	66.15	63.83	59.87	57.79
Reserves	1,00.00	90.50	79.75	77.50
Deposits	35,21.02	32,56.44	29,44.18	24,34.65
Borrowings from other banks	..	1,93.00	30.33	..
Advances	19,97.54	23,69.29	17,54.24	13,00.68
Investments	10,03.54	9,98.71	11,14.88	9,75.56
Cash	8,18.37	3,86.94	3,30.04	3,57.41
Balance-sheet total	44,69.05	48,00.47	41,90.10	31,09.58
Ratio to deposits of—	%	%	%	%
Advances	56·7	72·7	59·6	52·3
Investments	28·5	30·7	36·8	39·2
Cash	23·2	11·9	11·2	14·4

* Includes a Golden Jubilee dividend of 2 per cent.

The increase in paid-up capital (which excludes calls unpaid) is due to a fresh call of Rs. 5 per share made on the 28,000 partly paid-up shares, bringing their paid-up value to Rs. 80 per share. The Bank has also 44,000 shares of Rs. 100 each fully paid-up. The Bank's deposits as at the close of the year show an increase of Rs. 2.65 crores, of which time deposits (fixed, savings and short-term deposits) alone account for Rs. 1.90 crores, at Rs. 17.03 crores. Savings bank deposits have gone up from Rs. 6.07 crores to Rs. 6.93 crores, while current and contingency accounts have declined fractionally from Rs. 11.36 crores to Rs. 11.24 crores.

Advances stand reduced from Rs. 23.69 crores to Rs. 19.97 crores, of which loans, cash credits and overdrafts have declined from Rs. 19.02 crores to Rs. 16.20 crores and bills purchased and discounted from Rs. 4.67 crores to Rs. 3.78 crores. Bills for collection have fallen from Rs. 5.78 crores to Rs. 4.10 crores and acceptances from Rs. 4 crores to Rs. 1.86 crores.

MODERNISATION OF TEXTILE INDUSTRY

RELAXATION OF CONDITIONS ATTACHED TO AUTOMATIC LOOMS UNLIKELY

ABOUT a fortnight ago, a Press report from Ahmedabad stated that the Government of India was considering the question of revising its policy with regard to the installation of automatic looms in cotton textile mills. It was said that some of the conditions imposed on mills desiring to install automatic looms might be withdrawn "in an effort to retrieve India's position in the export market." The report was widely welcomed by textile circles as a significant step. But more recent Press reports from Delhi, however, aver that there is no prospect of a revision in Government's policy, inasmuch as any such move will evoke bitter opposition from both the trade unions and the spokesmen of the decentralised sector of the textile industry (that is, the handlooms, the powerlooms and the *khadi* producing units).

The reported decision of the Government not to concede the just demand of mill interests for the relaxation of the stringent restrictions on installation of automatic looms is highly regrettable. Nearly two years have elapsed since the Government sanctioned the allotment of automatic looms for the purpose of producing 350 million yards of cloth for export, but hardly any progress has been made in this direction. In May 1957, it will be recalled, the National Development Corporation announced its scheme for the installation of 18,000 automatic looms in cotton mills. Since then, replacement of 10,000 looms has been sanctioned so far. The number of looms actually installed, however, is negligible. This is due to the stringent conditions attached to the licences issued to mills. These include maintenance of the export quota of the mill plus an additional quantity representing the enhanced production resulting from automatisation. The increased output can be sold in the home market only on payment of a penalty duty. The conditions thus are so onerous that even those mills which regularly export large quantities have not been able to benefit from the scheme.

Millowners Speak

The Chairmen of both the Millowners' Associations of Bombay and Ahmedabad have done well to draw special attention to this aspect. Presiding over the annual meeting of the Millowners' Association, Bombay, held at Bombay on Thursday last week, Mr. Ramnath A. Podar observed: "Even in regard to the installation of 18,000 additional automatic looms sanctioned for the purpose of producing cloth for export, little or no progress has been made because of the changed financial condition of mills and their inability to run the risk of guaranteeing to export almost the whole of the production on these looms over and above their normal exports. Not only should these restrictive conditions in regard to the installation of automatic looms be removed, but, in order to serve the cause of rehabilitation and modernisation, the conversion of ordinary looms into automatic looms should be encouraged to the extent that mills are in a position to do so." In the course of his speech at the annual meeting of the Ahmedabad Millowners' Association, Mr. Arvind Narottam, the President, said: ".... the conditions stipulated for allocation of these looms have been so unattractive that hardly any progress has been made in the direction of installation of such looms."

There is considerable force in the observations of the aforesaid eminent millowners. As this journal has itself pointed out ere now, the world textile market is governed by so many uncertain factors that it is futile to pin down mills to the condition of maintaining 87½ per cent. of their exports in any of the three preceding years, besides exporting the full production of automatic looms. The Export Promotion Committee clearly stated, in its report submitted as early as in August 1957, that the "Government might review the position and, as far as possible, relax these conditions with a view to making the scheme more attractive to mills without, at the same time, jeopardising the objective of export promotion." The Committee went a step further and said: "A sufficient number of automatic looms to permit the production for export purposes only of 1,000 million yards of cotton cloth a year should be installed by the industry by way of replacement of the existing plain looms. It would also help considerably if, as an incentive for more exports, mills are allowed to import modern machinery and equipment up to a certain percentage of the value of the goods that may be exported by them in excess of their nomal exports, say, about 50 to 75 per cent."

These are indeed, very sound suggestions and it is unfortunate that they have not received the attention of the authorities so far. Two considerations impart urgency to the need for modernisation and rehabilitation of the cotton mill industry. First, the competition in the world textile trade is becoming keener and keener and if it is to be weathered successfully, it is of the utmost importance that the efficiency of the mills must be enhanced so as to produce quality textiles at an economic price. Secondly, the apparel weaving capacity of the country is expanding at a fairly rapid pace, with the steadily rising trend of population and the improvement in the purchasing power as a result of the implementation of the second and subsequent Five-year Plans.

Unfortunate

Viewed thus, it is unfortunate that the cotton mill industry is at present suffering from compulsory cost inflation, due, among others, to the low efficiency of equipment, most of which is old and outmoded, as well as direct and indirect labour costs. As Mr. Ramnath Podar rightly declared, although the industry is the oldest and the largest mechanised enterprise in the country, yet the productive equipment of no other industry is more antiquated or in a more run-down condition than that of the cotton mill industry. In this connection, the following observations of Mr. Podar may be worth noting:

"The goal of giving a fair deal to the shareholder, of paying higher wages to labour, of supplying quality products to the consumer at reasonable prices, and of contributing bigger revenues to the Government should be striven for through the medium of the machine. It is, in fact, the superior machine that will help to reduce the cost of production by a margin sufficient to accommodate these fourfold demands on us. This is by no means a novel plea, for countries like Japan have enriched their national economy, besides acquiring a formidable competitive power, by being one lap ahead of others in regard to their plant and machinery. According to a recent study of the textile machinery now in place in Japan, new machinery represents about 60 to 90 per cent. To quote the President of the All-Japan Cotton Spinners' Association: 'The Japanese cotton industry had lost nine million spindles on account of the recent war and, as a result, the great majority of the equipment now in place is the latest type machinery of very high efficiency. This is the vital factor which strengthened the competitive power of our products in the world market.'

"It is small wonder, therefore, that productivity in the Japanese textile industry is as high as that in its counterpart in America. For example, the number of spindles handled by one operative in Japan is 1,600-2,000, while it is 1,500-2,100 in the United States, 800 in Britain and 380 (average) in India. Similarly the number of automatic looms handled by a Japanese worker is between 60 and 100, while in India it is not even half of it. The number of ordinary looms handled by a Japanese worker is 14-15, as against six in Britain and two (average) in India. There is no reason why productivity in the premier organised industry of our country should remain so low."

Any impartial observer of trends in the textile industry the world over will fully recognise the vital importance of modernising plant and machinery. After all, it must be remembered that production of cloth, if it continues to be on old and worn-out machinery, is bound to be inefficient and expensive. Apart from this, it hampers, as Mr. Podar aptly mentioned, the proper deployment of labour which, on account of its low productivity, cannot justifiably agitate for higher emoluments.

COTTON ATLAS OF INDIA

The Indian Central Cotton Committee deserves to be complimented on bringing out an attractive atlas on Indian cotton (Indian Mercantile Chambers, 14, Nicol Road, Ballard Estate, Bombay 1, Price Rs. 15). Printed on white art paper, with maps, charts and illustrations in black and white, and rexine bound, the publication should prove invaluable as a comprehensive statistical guide on the most important commercial crop of India. It covers an extensive field, giving State-wise information regarding every aspect of cotton production. There are also tables and illustrations of the trend of consumption, export and import of cotton as well as the progress of cotton growing in each State under the first Plan. World trends in cotton production, consumption, trade, etc., are also graphically depicted. This is a publication which no one who has anything to do with cotton should do without.

WORLD COTTON SUPPLY POSITION

PRODUCTION FALLS FAR SHORT OF CONSUMPTION

SIGNIFICANT progress has been achieved this season (1957-58) in correcting the imbalance between the supply and demand position for world cotton. Offtake in the current season is expected to exceed aggregate global production by a much wider margin than in 1956-57. World production and consumption are estimated at 39.4 million bales (of 478 lbs.) and 41.8 million bales respectively, as compared with 41.2 and 42.1 million bales respectively in the previous season. The deficit in production over consumption this season is about two and a half million bales. Stocks are expected to decline to their lowest level in five years. Expressed in terms of consumption, stocks will represent less than six months' supply which is considered as in the proximity of normal stocks. According to the International Cotton Advisory Committee, Washington, "there is no longer any surplus of good grades and the surplus situation in the extra long staples has been relieved somewhat by the abnormally small crop in the Sudan." The following table reveals the supply and distribution position of world cotton during the season:

World Supply and Disappearance

(In million bales of 478 lbs.)

	1955-56	1956-57	1957-58 (estimated)
Supply—			
Beginning stocks	22.2	24.3	23.1
Production	42.7	41.2	39.4
Total	64.9	65.5	62.5
Disappearance—			
Consumption	40.4	42.1	41.8
Destroyed	.2	.3	.2
Total	40.6	42.4	42.0
End-season stocks	24.3	23.1	20.5

In contrast to last season, when the marked increase in consumption contributed substantially to the overall improvement in the cotton situation, the reduction in stocks this season has been primarily brought about by a much lower production, particularly in the U.S. where the output this season is estimated at as low as 11 million bales, as compared with 13.02 million bales last season. Total supply this season in the U.S., estimated at 22.2 million bales, is less than last season's by over five million bales. The grade outturn of the current season's crop in the U.S. averaged lower than in any other post-war season. Only about one-third of the total crop was graded middling or above, as compared with nearly half in 1956-57. Also, the carry-over stock on 1st August 1957 contained only about 3 million bales of middling and above grades or a little more than half the quantity a year earlier. The average staple of upland cotton is the same as in 1956-57.

Output Outside the U.S.

Aggregate free world production outside the U.S. is presently estimated at 16.4 million bales, roughly half a million bales higher than last season. Acreage in the aggregate actually declined slightly but this has been offset by a higher average yield per acre.

Record high yields and increased acreage boosted production in Mexico to an estimated 2,175,000 bales, representing an increase of 400,000 bales over the last season. In Egypt, the third official estimate put production at 1,825,000 bales, as against 1.5 million bales in 1956-57. In India, production during the current season is expected to be roughly at last season's level of 4.2 million bales (of 478 lbs. each) while in Pakistan it is expected to be slightly higher than last season. A much smaller crop is expected in Turkey, thanks to abnormally low yields. Yields in Syria, on the other hand, showed a noticeable improvement so that, despite a reduction in acreage, production this season would set a new record.

Acreage declined slightly in the Sudan but yield per acre is well down and production is estimated to have declined to below 400 000 bales, as compared with last season's record 620,000 bales. All of this reduction is in the Sakel, extra-long-staple varieties for, production in the rain-grown areas is actually ahead of last season. The lower crop in the Sudan has affected the world extra long-staple situation. Aggregate free world production of these staples is now estimated at slightly over 1.3 million

(*Continued on page 775*)

PROGRESS OF TEXTILE TALKS WITH HONG KONG DISAPPOINTING

TRADERS, HOWEVER, ARE STILL HOPEFUL OF SETTLEMENT

From A Special Correspondent

MANCHESTER, *9th April*

THE possibility of a settlement being negotiated on the subject of cloth imports into the United Kingdom has raised the hopes of traders in Lancashire even after the somewhat disappointing reports received as to the progress of discussions in Hong Kong between the local millowners and Sir Frank Lee, Permanent Secretary to the Board of Trade. Messages from the Colony indicating that the negotiations had been largely abortive caught Lancashire traders at a time when large-scale stoppages of the industry were just beginning. Some mills had already shut down for a longer Easter break than was usual and others were preparing to close down machinery for several days next week and beyond.

MANCHESTER LETTER

In nearly every case, mill managements blamed the rising tide of foreign cloth imports for the slack trade of recent months which has led to the current curtailment of output. Already in the first two months of 1958, arrivals have totalled 67,000,000 square yards, as against exports of 76,000,000 yards. Hong Kong has sent over 15,000,000 yards of cloth to Britain, as against less than 10,000,000 yards in the same period of 1957.

Few Lancashire traders believed the Permanent Secretary to the Board of Trade would succeed where the industrial mission had already failed. They knew that the Hong Kong business men held the trump card of the Colony's status within the Commonwealth and would not hesitate to use it to protect their interests. The onus then turned on the Government to decide whether to support British cottons or regard the Colonial aspect as more important.

May Meet Again

But, before the door is finally closed on negotiations, the industrial representatives of both sides may meet again, if reports from Hong Kong reflect the attitude of the local millowners. They said that further talks would be welcomed, if Lancashire could first establish a basis for a ceiling on imports from India and Pakistan. This leaves the situation very much as it was last year when the Lancashire mission, led by Sir Cuthbert Clegg, did secure a provisional agreement with India on the understanding that it would only apply, if Hong Kong was prepared to accept suitable terms. The rejection of the scheme by Hong Kong led to a breakdown of the talks.

Whatever the eventual outcome of the fresh series of discussions, it must mean a further period of uncertainty in Lancashire. The confidence of buyers has been severely shaken by a number of developments, of which the imported cloth impasse is the major source of doubt. The credit squeeze has also been responsible for making customers restrict their purchases, while speculation over the future trend of raw cotton prices has again been a restraining influence. As a result producers have found great difficulty in securing contracts of any weight and the length of order lists held steadily diminished, culminating in the widespread stoppages of machinery extending both before and after the Easter week-end.

Lancashire traders welcomed the news that a delegation from India would shortly arrive in Britain for further discussions on this complicated issue. It was thought that the Indian textile trade had adopted a far more realistic view of the situation than other competitors and, in the circumstances, there were reasonable grounds for supposing that some form of settlement could be reached.

Justifying A Cause

A glimpse of the complex procedure called for in dealing with agreements coming within the scope of the Restrictive Trade Practices Act has been given in the annual report of the Cotton Yarn Doublers' Association. Those involved in the discussions deserve the commendations of their friends in the industry, as a large burden is on their shoulders and much will depend on the outcome of the case they present to the Court in due course, together with that offered by the Yarn Spinners' Association.

First of all, the organisation has to justify itself as being the responsible body to represent its members; later the facts of the case to be put forward have to be marshalled; finally the actual hearing takes place. Additionally, the organisation must decide which of the seven grounds of justification suits the terms of its particular agreement for submission to the Registrar.

To illustrate the extent of the work involved and the time taken to cope with the situation, the Yarn Doublers' Association held an informal preliminary meeting with the Registrar nearly a year ago. Subsequently, further discussions took place with the Treasury Solicitor and the Registrar's independent advisers, yet the report indicates that it is unlikely that the preliminary proceedings will be completed in time for the actual case to be heard in Court until after the summer.

In the meantime, individual members of the Association are completing a questionnaire which then requires consolidation to enable the case to be presented with as much documentary evidence as possible. The supporters of the current price arrangements need to have at their disposal sufficient data to reply to any questions raised by the Court when the actual hearing takes place and it can be assumed that the proceedings will be lengthy and highly complicated.

This, it must be emphasised, is only one agreement. Scores of simlar arrangements, some of which may be more straightforward in content, are being submitted to the Court in due course. The decisions to be taken may well cause fundamental changes in many sectors of British industry, dependent on the outcome of the deliberations. Whether the actual price schemes are condoned or not, however, the establishment of such organisations as the Yarn Spinners' and Cotton Yarn Doublers' Association has been an asset to the textile trade and they should continue to receive the full support of members.

Conditions Abroad

It is a long time since reports from overseas distributing centres provided much encouragement for Lancashire traders. Nor can competitors derive much satisfaction from the indications, which consistently point to a state of overstocking to such an extent that new business is unlikely in the near future.

West Africa has been a steady market for Lancashire textiles for many years, but, from advices quoted by the latest *Overseas Review* published by Barclay's Bank, the outlook in these territories is anything but promising. The report from Sierra Leone, for instance, refers to a trade recession, adding: "There still appears to be a heavy overstocked position, especially in textiles, and imports are still coming forward in large quantities. Many importers have already cancelled orders where possible and have stated that it is their intention to reduce their imports by approximately 50 per cent."

In Lagos, Nigeria, very quiet trading conditions continue, reports declare, and considerable stocks of textiles are likely to be carried over from the main season. Disappointing news from Ghana follows the distribution of £10,000,000 less by the Cocoa Marketing Board to farmers. This and other factors have depressed local trading conditions and, with increased imports, merchants are overstocked and there is little money in circulation.

Throughout the African Continent, the tone of trading remains subdued, although, in some areas, the position is not completely discouraging. Clothing and textile factories in South Africa are busily at work on initial orders for the winter season, but output is said to be somewhat lower than last year.

Quiet trading is also mentioned in Northern Rhodesia, where the turnover remains lower than a year ago. Some retailers are offering discount for cash in an endeavour to attract business. Bazaar trade in both Uganda and Kenya is reported as exceptionally dull, partly due to the payment of taxes keeping money tight.

With depressing unanimity, these reports clearly portray the problems facing the Lancashire exporter who is trying to raise his overseas trade target. All the selling power in the world will be wasted on a dealer who has warehouses full of goods which are already a drag on the market.—*All Rights Reserved.*

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CONSUMER GOODS VS. CAPITAL GOODS IN PLANNING INVESTMENT

CHOICE BEFORE A DEVELOPING ECONOMY

By T. P. Subramonian

SENIOR LECTURER IN ECONOMICS, FORD FOUNDATION UNIT, UNIVERSITY OF MADRAS

AN economy seeking to develop by planning has to take certain vital decisions in the planning of investment. It has to decide on the amount of current income to be invested; it has to decide on the pattern of distributing this investment among the different sectors of the economy; it has to choose between technical variants of production in each sector. Each of these decisions will have a vital bearing on the nature, course and speed of economic development. This article is essentially concerned with one aspect of the second of these decisions, although it must be observed that all the three decisions are to some extent interrelated. Broadly speaking, an economy could be broken up into four sectors—agriculture, industry, transport and communications, and social services. For the industrial sector, as for the other sectors, the planning authority will have to determine its relative priority and the quantum of investment; besides, it will also have to allocate the capital funds and resources between the consumer goods industries and the capital goods industries. It is with the latter allocation that we are here concerned.

In a free-enterprise economy the choice between investment in the consumer goods sector and that in the capital goods sector is determined largely by the criterion of profitability. Usually any investment will be undertaken if its internal rate of return will exceed the market rate of interest. In the initial stages of the growth of an economy the market demand will exert itself only on consumer goods. Only in the later stages would investment in capital goods production be undertaken in response to the rising demand for consumer goods either from within the economy or from without. The producer-goods sector is very much more capital-heavy than the consumer-goods sector. In a growing private-enterprise economy, investment in the producer-goods sector is made possible by the larger volume of saving generated in the economy at the later stages of its growth. Thus, in an economy developing under free enterprise, in which the price system organises output and allocates investment, capital available for investment would tend to move towards the consumer goods sector and away from the producer goods sector. In a planned economic system, on the other hand, in which output programmes are prescribed centrally, a normative principle becomes necessary to guide the central authority in the allocation of resources among alternative lines of investment. This principle, however, is not available ready-made to any planning authority. In fact, it has to be evolved in the light of prevailing circumstances and on the basis of appropriate considerations.

Plan's Objective

The first consideration is obviously the central objective of the Plan. If the Plan has a plurality of objectives, the degree of emphasis placed on particular objectives becomes important. If the central aim of the Plan is the speedy creation of a welfare state or the immediate lifting of the standard of living of the mass of the people, the maximisation of the production of essential consumer goods would receive priority. On the other hand, if the aim is balanced industrial development considerable investment might be devoted to the building up of a sound base for such industrialisation in the shape of basic and capital goods industries. If the maximisation of employment opportunities in the immediate future is the objective of the Plan, consumer goods industries would receive preference over capital goods industries as the former could employ a larger number of workers for a unit of investment than the latter. If the emphasis, however, is on a high rate of growth the capital goods industries would receive precedence, for the rate of growth of gross output would be very much higher if the bulk of national investment is in the capital goods industries than if a large share of it is devoted to expanding capacity in the consumer goods industries.

Next to the central objective of the Plan, the overall investment pattern comes up for consideration. The pattern of investment among the four broad sectors of the economy would reflect the emphasis placed on the development of one or other of them. The magnitude of investment allocation to the industrial sector is a crucial determinant in deciding the division of this fund among capital goods and consumer goods. For, only if the allotment for industry is large enough can the economy afford to build up capital goods industries, as these call for heavy outlays of capital which will bear fruit only after an appreciable time-lag. On the other hand, if the overall allotment for industry is sparse, the economy would utilise it either for starting new units or for expanding existing units in the consumer goods sector. Provision of a minimum quantum of consumer goods to a growing population is invariably a necessity in any economy.

Another consideration is whether it is the short-term or the long-term interests of the economy that figure largely in the plan. Attention to the short-term aspect would indicate investment in consumer goods production; if the long-term interests are given prime attention, capital goods investment would claim priority. If a plan that fosters the long-term interest of an economy at the cost of short-term considerations is to succeed, the present generation should be able and willing to sacrifice for the sake of posterity. This ability and willingness of the present generation to undergo such sacrifice would depend largely on the prevailing levels of living. This is the next consideration in our allocation problem. For if, as in many of the underdeveloped countries, the levels of living are appallingly low, economic planning has inevitably to strive to raise these levels to bearable minima by steps designed to augment the production of essential consumer goods. Under such circumstances of initially very low levels of living, curtailment of or postponement of increases in consumption in the interest of capital goods development becomes extremely difficult.

Physical Requisites

A factor which is sometimes forgotten in discussions on the allocation of funds is the availability of the physical requisites for the development of particular industries. Few countries are endowed with all the natural resources necessary for a balanced industrial development. The most important capital goods industries are based on cheap fuel and metallic ores. Countries which lack such fuel and ores cannot, therefore, go far in building up such industries even if they are prepared to spare the funds.

The prevailing international atmosphere also exerts its influence on the allocation of resources between capital goods and consumer goods. If the atmosphere is peaceful, intergovernmental relations are cordial and international trade unhampered, the economy will be inclined to concentrate on consumer goods production and seek to enhance it by importing capital equipment from abroad in exchange for surplus consumer goods produced. In such a situation, the economy would not feel impelled to advance towards self-sufficiency in capital goods. On the other hand, if the international atmosphere is uncertain and foreign relations are none too friendly, a country seeking to develop would be driven to accord priority to capital goods investment so that within the shortest period of time it might attain self-sufficiency and economic strength. The case of the U.S.S.R., to which we shall refer later, comes immediately to one's mind.

Finally, we might say that the form of Government is also a determining factor. A democratic Government is under a handicap in its ability to call for sacrifice on the part of the people and compel them to defer satisfaction of their urgent requirements. When overall resources are limited, capital goods industries can be developed only if a higher rate of saving is generated and consumer goods requirements are postponed. In a democratic set-up, the possibility of social and political repercussions of an austerity policy will have to be constantly borne in mind and guarded against. A stable and totalitarian regime could, on the other hand, afford to follow an austerity policy of postponing consumption and raising savings, concentrate on capital goods industries and thus attain a higher rate of growth.

The foregoing appear to be the main factors which help to evolve the normative principle which guides the planning authority in the allocation of investment between the consumer goods sector and the capital goods sector. It is said that the natural sequence of development is from the capital-light consumer goods industries to the capital-heavy producer goods industries. The planning authority of an underdeveloped country might choose to follow this "natural" sequence in which case it would concentrate on consumer goods production in the initial stages when available capital per head is small and both the investment demand and replacement demand for machinery are small, and to undertake the production of capital goods in the later stages when gross investment could be higher. The planning authority might even try to speed up this sequence. It is also open to them to plan for a high rate of economic growth by going through a period of enormous investment while postponing increased consumption until considerable capital has been created. The obvious example is Soviet Russia. The appropriateness of a particular policy depends on the circumstances in the country in question.

Indian Plans—An Assessment

In the light of some of the considerations discussed above, let us examine India's Five-year Plans. In the first Five-year Plan in which agriculture and irrigation got pride of place, industrial development received rather low priority. Taking the public and private sectors together, a total investment of Rs. 3,100 crores (Rs. 1,500 crores public+Rs. 1,600 crores private) was actually made out of which about 9 per cent. (Rs. 293 crores) was on organised industry. This is no doubt a small percentage of total investment, but in allocating this amount between capital goods and consumer goods, the Plan has leaned heavily to the former. Out of Rs. 293 crores actually invested, 78 per cent. (Rs. 229 crores) went into the capital goods sector while 22 per cent. (Rs. 64 crores) went into the consumer goods sector. The explanation for this allocation lies in the policy of industrial development laid down in the Plan. The two aspects of this policy were (i) the augmentation of consumer goods production by the fuller utilisation of existing capacity and (ii) the introduction of the *first steps* for the building up of basic and capital goods industries. The rationale of this policy, as made out by the Planning Commission, was that till now the major emphasis on industrial development in India had been on consumer goods industries while basic and producer goods industries had lagged very much behind. The correction of this imbalance was therefore, considered the first step in industrial development. Further, while the output of consumer goods industries such as cotton textiles, sugar, soap, matches and salt was, on the whole, sufficient to meet the existing low level of demand in the country, the prevailing capacity for the production of capital goods was in most cases quite inadequate even for current requirements. It was considered that the first steps in industrialisation consisted in the making up of these deficiencies. All the same, as the magnitude of industrial investment in the first Plan was small, the impression made by it was meagre.

Second Plan

In its approach to industrialisation the second Five-year Plan makes a significant departure from the first. One of the basic objectives of the Plan is "rapid industrialisation with particular emphasis on the development of basic and heavy industries." Justifying this objective, the Plan states that "if industrialisation is to be rapid enough the country must aim at developing basic industries and industries which make machines to make the machines needed for further development. This calls for substantial expansion in iron and steel, non-ferrous metals, coal, cement, heavy chemicals, and other industries of basic importance." Investment in basic industries constitutes a heavy drain on available capital, which means capital left for the consumer goods sector is meagre. Further, investment in basic industries creates demand for consumer goods without enhancing their supply. Hence, to enhance consumer goods production without heavy capital outlay the Plan relies on fuller utilisation of existing capacity in factory industries and the adoption of labour-intensive small-scale methods wherever possible.

From out of a total investment of Rs. 6,200 crores envisaged in the public and private sectors together under the second Five-year Plan, Rs. 1,094 crores or about 18 per cent. are to be invested in organised industries excluding mining. Besides, a sum of Rs. 200 crores is provided in the public sector for financing village and small-scale industries. If this sum is added on, the provision for industrial investment will amount to Rs. 1,294 crores or 21 per cent. of the total Plan. Out of the Rs. 1,094 crores provided for organised industry about 19 per cent. will go into consumer goods industries and the remaining 81 per cent. into capital goods industries. While the output of capital goods, is sought to be increased substantially, that of consumer goods will increase relatively moderately but not insignificantly. For instance, the output of cotton textiles will go up by 24 per cent., sugar by 35 per cent., paper and paper-board by 75 per cent., soap by 50 per cent. and *vanaspati* by 48 per cent. On the other hand, the output of finished steel will increase by 231 per cent., aluminium by 233 per cent., cement by 183 per cent., industrial machinery (cotton, jute, cement, sugar and paper) by 471 per cent.

Now, is this allocation under the second Five-year Plan the appropriate one for the country under the circumstances? There is no doubt that it is in consonance with the central objective of the Plan, which is rapid industrialisation with an emphasis on heavy and capital goods industries. In the interest of rapid economic growth, India undoubtedly must endeavour to build up the capital goods industries. And as for potentialities of developing basic industries like iron and steel, India is in a uniquely fortunate position. Notwithstanding the validity of these broad considerations, certain doubts arise as to whether the allocation of investment between capital goods and consumer goods industries does not show an unduly heavy leaning towards the former. Ragnar Nurkse, for instance, questions the top priority which the second Plan has given to the building up of a steel and engineering industry at the present stage of India's development. (*Quarterly Journal of Economics*, May 1957). He wonders why dependence on capital goods imports must be terminated so *quickly* as attempted, and suggests that the funds devoted could appropriately be used for the correction of other structural weaknesses such as in agriculture, transportation, and technical education. The international situation today is not as hopeless as far as India is concerned as it was for Russia in the 1920s and 1930s. Nor do defence considerations assume top importance in the Indian context.

Consumer Goods

These doubts are raised not because capital goods development is not desirable in itself, but because too heavy an emphasis on it means too drastic a cut on consumer goods development. And this might conflict with the welfare objectives of the Indian Plan. Where living standards are very low, an increase in the availability of consumer goods would be an important means of raising the standards of living and welfare. The Soviet Union was able to achieve rapid economic growth by concentrating on capital goods industry which was financed by a very high rate of saving. 41 per cent. of the total investment was devoted to the industrial sector in their first Five-year Plan and 42 per cent. in their second; and of these, the bulk was invested in capital goods industries. The percentage of industrial investment devoted to consumer goods industries declined from 18.2 in 1929 to 13.7 in 1933, and 12.5 in 1935. But then, the Soviet Union, accorded rather low priority to welfare needs, and they could afford to do so. The situation is different in India and Soviet allocations are applicable to India only subject to this limitation.

It must be admitted that our second Plan does postulate appreciable increases in consumer goods production, the smallness of investment allotted for it notwithstanding. The technique of bringing this about, however, arouses doubts regarding its reliability. As mentioned earlier, the Plan relies less on expansion of installed capacity and more on fuller utilisation of existing capacity and on the adoption of labour-intensive methods. The technique of fuller utilisation of existing capacity assumes the existence of wide gaps between production and installed capacity. This assumption appears to be of doubtful validity, especially in view of the fact that the first Plan endeavoured to increase production by closing these gaps. The adoption of labour-intensive methods might come in conflict with capital formation and technical progress.* Also, whether unorganised small-scale industries operating on labour-intensive methods would succeed in achieving the targets fixed for them is open to doubt. If the adoption of modern efficient techniques for the production of consumer goods is rendered difficult by capital shortage, the solution would lie in a slight shifting of the pattern of capital allocation.

Inflation

Heavy investments on capital goods production and on social and economic overheads will generate a great demand for consumer goods, and unless this demand is matched by a proportionate output of such goods, inflation would emerge; and beyond a stage, such inflation would upset the Plan itself. Such inflation could be controlled by the augmentation of the supply of food and manufactured consumer goods and/or by the imposition of physical and monetary controls. The former would call for a reallocation of funds and the latter would raise the issues of regimentation and administrative feasibility. The Soviet Union minimised outlays on social and economic overheads and imposed drastic physical controls and rationing; consequently, inflation was not a problem for them. Our Plan envisages sizable outlays on social and economic overheads and fights shy of physical controls; consequently, inflation is a growing danger for us. If outlays on social and economic overheads cannot be reduced on account of the welfare ideal, and if controls are not acceptable on account of practical difficulties and fears of regimentation, the remedy to the inflationary threat would lie in a shifting of investment from capital goods to consumer goods.

Finally, the problem of foreign exchange has also to be considered before approving of the Plan's allocation between capital goods and consumer goods. It is argued that we have to become self-sufficient in capital goods because their imports would be a heavy drain on our foreign exchange resources. But imports of equipment for the building up of our capital goods industries would constitute a much heavier drain on our exchange resources. Availability of foreign exchange resources depends on normal export earnings, loans and grants from abroad and foreign private investment. While trying to get more of the latter two by the adoption of appropriate policies and the creation of a suitable climate, it would also be necessary to try to better our trade balance by augmenting consumer goods production, using highly productive techniques and enhancing exports.

In the light of the above considerations, one feels that in dividing the cake between the capital goods sector and consumer goods sector, our Plan has been a little too partial to the former. If it is too late now to alter the second Plan, the implications might be borne in mind while drawing up the Third.

* This has been discussed by the author in his paper on "Choice of Techniques in Consumer Goods Industries" (*Conference Papers*, 1957. Indian Economic Association.)

The Government of India is understood to have finally decided to set up integrated facilities for manufacture of steel plant equipment, together with a foundry and forge, at Hathia village in the Ranchi District of Bihar. The total capacity of the plant will be 40,000 tons of finished machinery annually in the first stage and 80,000 tons in the second stage. Separate units are also proposed for manufacture of mining equipment, heavy machine tools, heavy plate and vessels, and heavy structural fabricating works. These two projects will be placed under a new Central Government enterprise, to be called the Heavy Engineering Corporation (Private) Limited. They are expected to provide employment to about 7,000 persons in the first stage and 14,000 in the second stage.

The collection of wealth tax up to 31st March 1958 aggregated to Rs. 6.69 crores. This included Rs. 1.73 crore in the case of individuals, and Rs. 4.78 crores in the case of companies, the balance representing the tax collected from Hindu undivided families.

The total amount of new life insurance business completed by the Life Insurance Corporation during 1957-58 amounted to about Rs. 300 crores, according to the Union Deputy Minister for Finance. The amount of business completed in 1957 was Rs. 276.59 crores.

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SUGAR MILLS IN EAST U.P. AND BIHAR

INTENSIVE CANE DEVELOPMENT URGED

CONDITIONS in the sugar economy of East Uttar Pradesh and Bihar continue to be none too satisfactory. The sugar mills in this region are confronted with two most pressing problems. First, the supply of cane is not adequate and regular. Secondly, the quality of cane is very poor. Indeed, there has been a distinct setback of late. In Bihar, for instance, the average recovery percentage of sugar in 1956-57 was as low as 9.36, which compares unfavourably with 9.76 in 1955-56, 10.22 in 1954-55 and 10.90 in 1942-43.

Thanks to these disquieting features, the existing capacity of several units is not fully and effectively utilised. The figures cited by Mr. B. S. Sawhney, the erstwhile President of the Indian Sugar Mills Association, at the recent annual meeting of the Association will reveal that, while the share of East U.P. and Bihar in the aggregate registered installed capacity of the whole of the Indian sugar industry in 1956-57 was 44 per cent., the proportion of cane actually crushed and sugar produced was as low as 32.6 per cent. and 31.5 per cent., respectively. The position of this region in the sugar economy of India (1956-57) is indicated below:

	All-India (Tons)	East U.P. and Bihar (Tons)	Share of East U.P. and Bihar in the total (Per cent.)
Daily cane-crushing capacity ..	129,960	57,057	44.0
Cane crushed	20,852,277	6,802,167	32.6
Sugar produced	2,026,179	639,194	31.5

Bihar, as is well known, is the second largest sugar-producing State in India. The quantity of sugar that actually came off the crushing plants of mills in this State during the season 1956-57 was no doubt the highest for the last several years—312,000 tons, to be precise—but was lower as compared with the production in 1939-40. The position in East U.P. is also serious, as the sugar mills there are not able to get even an economic crush. The production of 328,000 tons in the last season exceeded the 1936-37 level of output by just 4,000 tons.

It is thus evident that a large number of sugar factories in East U.P. and Bihar have not been able to make any headway, despite the progress of the sugar industry as a whole. From the point of view of market also, we are told that the sugar mills in this region are at a serious disadvantage. To quote Mr. Sawhney: There is no important market where they enjoy preference of any sort. Their production has to be sold in far-off places in competition with others more favourably situated."

Only Reasonable

The aforesaid trend is disquieting, especially considering that the sugar industry plays an important role in the economy of East U.P. and Bihar. Sugarcane is grown in this region primarily for being supplied to sugar mills. It is stated that in no other part of the country is the dependence of the agricultural economy on sugar industry so marked as in this region. Mr. Sawhney referred to this aspect and urged the Government of India and the two State Governments concerned to pay special attention to the problems of the sugar industry in East U.P. and Bihar. In his opinion, it is only reasonable that the tax burdens on the industry are lightened so as to enable the industry to rehabilitate itself. He regretted that, although the industry in these areas had been repeatedly representing for relief in excise duty on sugar and cess on cane crushed by mills, no relief had so far been given. Another direction in which the industry seeks the Government's assistance, he added, was by way of cane development work "which alone would provide a lasting solution to the ills." In this connection, Mr. Sawhney made the following general observations:

"Speaking of the difficulties of the East U.P. and Bihar factories in the matter of cane development, I am mindful of the fact that the position with regard to cane development in the country as a whole requires much more concentrated attention than has perhaps been given so far. The poor yield and quality of our cane is a malaise from which the industry as a whole suffers. This is the main problem facing the industry. Though the authorities themselves are conscious of the leeway to be made and have also undertaken some positive steps in the last few years, the problem is so big that all the efforts done so far have made little impression on the overall position."

There is no exaggeration whatever in the aforesaid remarks. As this journal has itself stressed time and again, barring a few selected areas here and there where striking improvement is noticeable, both the yield of cane per acre and the sucrose-content in cane have not only not increased but have actually tended to decline over the past 14 years. The all-India average per-acre yield of cane is at present not more than 13.27 tons (second estimate for 1957-58), as against 14.50 tons in 1942-43. Similarly, the average recovery per cent. of sugar in cane is low at 9.76, as against 10.28 in 1942-43. How backward is cane cultivation in India when compared to the other sugar-producing countries of the world is indicated below:

	Per-acre yield of cane (Tons)	Recovery (Per cent.)	Per-acre recovery of sugar (Tons)
India	13	9.73	1.26
Hawaii	62	10.46	6.45
Java	56	11.49	6.44
Australia	21	14.33	3.06
Mauritius	20	12.08	2.57
South Africa	22	10.90	2.44
Cuba	17	12.25	2.09

A Truism

It is a truism that sugar is grown in the fields, not in the factories. As Mr. Sawhney rightly declared, so long as we do not get from the fields what they are capable of yielding in terms of both quantity and quality of cane, so long will our industry remain in an unenviable position. He did well to call upon the Indian Central Sugarcane Committee—it is this Committee which supervises cane research in the country—to redouble its efforts to see that the tempo of research increased and that the results of such research were increasingly brought to the knowledge of the grower in the field. He said:

"Our Association had suggested that, in order to give a stimulus to the working of the research institutes, it would be better to bring all the main institutes under an autonomous Sugar Research Board on which the industry and the growers would be represented. But somehow the Government have not seen their way to agree to this suggestion so far. It is true that the Indian Central Sugarcane Committee on which the industry and the growers are represented has as one of its functions the supervision of the sugarcane institutes. But, in view of its multifarious activities, it would be advisable if the research institutes are placed under an autonomous Board devoted exclusively to research work. This Board would also take over the National Sugar Institute, Kanpur, presently not under the Indian Central Sugarcane Committee which would help better co-ordination between agricultural and technological research."

While the above suggestion is quite pertinent, there is no denying the fact that one of the most effective ways of bringing about a quantitative and qualitative improvement in sugarcane cultivation lies in the replacement of the present defective system of pricing cane based on quantity by a system of linking the cane price to quality as well as weight. It is only the adoption of such a system that will induce quality-consciousness among the agriculturists, inducing them to put forth efforts for planting improved types of cane with higher sucrose-content. Although the principle was accepted by the Government long ago, it has not yet been translated into actual practice. Indeed, it is deplorable that the Government has come out with its decision to fix minimum price of cane for the ensuing season—that is, 1958-59—at the existing high level of Re. 1.44 per maund (delivery at the gates of factory) and also to link it to the prices of sugar realised by mills. In other words, the cane growers are assured of a share in the so-called excess profit of sugar mills without any obligation on their (cane growers) part either to share the loss incurred by the sugar mills or to assure adequate and regular supplies of cane to the mills.

(*Concluded from next column*)

basis of the latest appreciation of the position, the additional production in the public sector by 1960-61 is expected to be 10.78 million tons, including 1.14 million tons from Singareni." It is rather surprising to note that this remark is not to be found in the Ministry's main report for the year. It will thus be seen that the public sector's output will fall short of the target of 12 million tons set for it under the Plan (including 1.5 million tons from Singareni Collieries) by 1.22 million tons. The summary report, however, adds that certain additional possibilities are also under consideration by the National Coal Development Corporation.

COAL OUTPUT BY NEW STATE COLLIERIES

MINISTER NOT VERY OPTIMISTIC

IN reply to the debate in the Lok Sabha on the demands for the Ministry of Steel, Mines and Fuel, in the course of which some of the members expressed doubts about the public sector's target of coal output under the second Plan being fulfilled, Mr. Swaran Singh, Union Minister, assured the House that every effort would be made to explore all possibilities of increasing coal production to reach the full target fixed under the Plan. Many difficulties beset the development of new coalfields and such development cannot also be expeditiously carried out. All this suggests that one cannot be too optimistic about the success of the public sector in achieving the target. Two years of the Plan period are over and not even a single ton of coal has been produced from new collieries. Whatever increase in output has been achieved so far in the public sector has come from the existing collieries. In fact, the Minister himself expressed his concern about the chances of successful execution of the production programme for the new collieries. According to the Minister, on the basis of the arrangements made and the commitments entered into, the expected production from the new collieries under the public sector would be of the order of 7 million tons per annum. If the full target of 12 million tons is to be achieved, the output of the existing State collieries and the Singareni collieries should be raised by no less than 5 million tons from the level at the beginning of the Plan period, as against which their additional output in the first two years is only 930,000 tons.

Outlining the progress in production made so far under the second Plan, Mr. Swaran Singh said that there had been an overall increase of about 14 per cent. in the total output of coal in the country during the first two years of the second Plan period. At the beginning of the Plan, that is, in 1955, production was 30.21 million tons, and this rose to 43.49 million tons in 1957. The share of the private sector in this production has, according to the Minister, gone up from 33.85 million tons to 38.20 million tons, representing an increase of nearly 13 per cent. This means that the output of State collieries amounted in 1957 to 5.29 million tons as against 4.36 million tons in 1955, or an increase of over 21 per cent.

Has Done Better

Mr. Swaran Singh claimed that percentage-wise, the public sector had done better than the private sector in raising more coal from the existing collieries. The figures of production in the public sector include those of the Singareni Collieries, the output of which has gone up by over 27 per cent. As regards the Singareni Collieries, there does not seem to be any decided view in Government circles whether it should be included in the private sector or in the public sector. While the Minister's statement above shows that these collieries come within the public sector, the Ministry's annual report for the year 1957-58 indicates that they are included in the private sector. Thus, the output of the public and private sectors in 1957 is given as 3.38 million tons and 40.11 million tons, respectively, as against 5.29 million tons and 38.20 million tons quoted by the Minister. It may be noted in this connection that the Singareni Collieries are not owned by the Central Government. The Andhra State Government, which owns 88 per cent. of the shares of the Company, runs it.

To revert to the Minister's speech. Replying to the criticisms made in the House about the poor performance of the public sector, Mr. Swaran Singh wanted the members to bear in mind that the additional production in the public sector had to be achieved by the development of virgin coalfields, which was a time-consuming process. After mentioning the various difficulties which beset the development of new coalfields, the Minister said that, in the absence of a phased programme, members would have to judge the performance of the public sector only after the full Plan period was over. He disclosed that the Government was not complacent in the matter of raising coal production in the public sector.

The cautious note struck by the Minister on the prospects of the public sector achieving its target is substantiated by the Ministry's annual report for 1957-58. The official summary of the Ministry's report thus says: "On the

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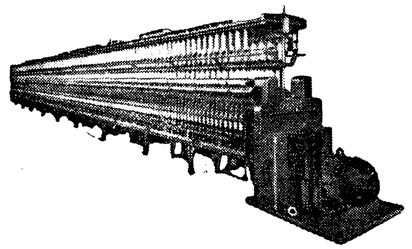
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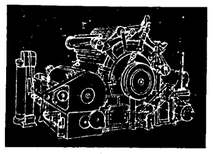
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STOCKS OF JUTE GOODS SHADE LOWER

SHIPMENTS ALSO DECLINE

FOR the second month in succession, the stocks of jute goods with mills have shrunk, although the fall during the latest month, that is, March 1958, is negligible. The stocks, which had gone down by 1,700 tons to 94,900 tons at the end of February, have further fallen by 500 tons to 94,400 tons at the close of March. The aggregate decline of 2,200 tons in two months is only a fraction of the sharp rise in stocks which occurred in January this year, when they mounted from 75,000 tons to 96,600 tons, and shows that the offtake of gunnies has not picked up to any great extent. On the contrary, the statistics relating to shipments during the month under review, as will be shown later, disclose a sizable drop. Obviously, there must have been a further decline in production during the month.

A variety-wise analysis of the stocks shows that the fall has occurred only in hessian, which has declined by 2,700 tons to 24,500 tons. This shrinkage in hessian stocks is on top of a drop of 2,500 tons in February. The cumulative decline in the past two months has more than offset the increase of 4,500 tons noted in January this year and has brought the March-end stocks of hessian to the lowest level since January 1957, when they were at a low of 23,800 tons. In contrast to the fall in hessian stocks, the stocks of sacking have gone up by 1,600 tons to 54,900 tons (as against a small decline of 400 tons noted at the end of February), at which level they constitute the highest level since July 1957. Stocks of "other manufactures" have also gone up by 600 tons to 15,000 tons and with this rise, they have maintained the upward trend for the seventh month in succession, lifting them from a low of 6,600 tons touched at the close of August 1957. At 15,000 tons, the stocks of "other manufactures" constitute the highest level seen in any month so far.

Stocks Compared

The comparative statement of stocks of the three main categories given below shows that the stocks as a whole show a decline of 3,300 tons over the year, mainly due to a rise of 3,600 tons in "other manufactures."

(In tons)

	As on 31st Mar., 1958	As on 28th Feb., 1958	As on 31st Jan., 1958	As on 31st Mar., 1957
Hessian	24,500	27,200	29,700	29,800
Sackings	54,900	53,300	53,700	56,500
Others	15,000	14,400	13,200	11,400
Total ..	94,400	94,900	96,600	97,700

There has been a setback in shipments (including coastal shipments) during March, as seen from the gross figures based on shipping bills presented, having fallen from 63,529 tons in February to 60,955 tons. This reverses the upward trend noted in the previous month, when shipments moved up by 16,139 tons from 47,390 tons in January this year. This decline in shipments is not surprising, in view of the fact that throughout the month overseas buyers were reported to have not placed any bulk order, but were content with buying their immediate requirements. The following comparative table shows the variety-wise shipments:

(In tons)

	Bags	Cloth	Total
Hessian—			
March 1958	2,814.9	31,128.1	33,143.0
February 1958	1,510.3	29,409.1	30,919.4
March 1957	3,030.3	32,415.7	35,446.0
Sacking—I			
March 1958	27,183.4	679.4	27,812.8
February 1958	32,287.3	322.7	32,610.0
March 1957	40,095.4	5,412.2	45,507.6

It will thus be seen that the decline in shipments is mainly accounted for by sacking, the shipments of which have dropped by 4,797 tons over the month, while hessian shipments have gone up by over 2,223 tons. The increase in hessian shipments is duly reflected in the fall in their stocks with mills at the end of the month, as seen above. As compared with the corresponding month of 1957, the shipments have dwindled considerably, that is, from 80,953.6 tons to 60,955.8 tons. The bulk of this is accounted for by sacking, the shipments of which have declined from 45,507.6 tons to 27,812.8 tons. Hessian shipments have also fallen from 35,446 tons to 33,143 tons.

The figures of despatches for export purposes and internal consumption relating to March are not yet available. It is, therefore, difficult to say how far the offtake from abroad during the month has been influenced by the minimum prices fixed by the I.J.M.A. at the end of February. Meanwhile, the minimum price scheme is said to have proved a greater success than had been expected. When the scheme was introduced there were doubts in certain circles that it may prove to be a failure, but these fears have not materialised. On the contrary, the scheme is said to be working well and have so far helped the market prices stabilise themselves, though a shade below the minimum prices fixed. The prices of raw jute have also benefited by the fixation of minimum prices. This, coupled with reports of scanty rainfall in the growing areas and the reserved attitude by sellers, has been keeping the jute goods market on an even keel. The curtailment of speculative activity in the *fatka* market, following the fixation of minimum prices and the opening of the futures trading on the East India Jute and Hessian Exchange, thus providing genuine and reliable hedging facilities, is expected to have the desired effect of bringing stability to the trade and restoring confidence of overseas buyers. It is, however, desirable in the interest of the industry and trade that the minimum prices should be maintained as long as circumstances warrant it. Otherwise, buyers will be inclined to keep out of the market in the belief that the minimum price scheme would be rescinded in the near future. The general outlook for the industry, however, depends on how far the American recession deepens or is checked, the Australian crop position in the current season and, more than anything else, how far the prices of Indian goods prove to be competitive. This, in turn, depends on the raw jute position.

FRENCH JUTE INDUSTRY

The production of jute yarn in France during December 1957, estimated at 8,500 tons, showed an improvement over the preceding month's total of 7,742 tons and the December 1956 output of 7,383 tons. Disclosing this, the *Jute Bulletin* of the Indian Central Jute Committee says that jute fabric production also rose to 6,700 tons in December 1957, from 6,187 tons in the previous month and 5,959 tons in December 1956. The total annual production of jute yarn in 1957, however, fell to 90,976 tons from 95,940 tons in 1956. Jute fabric production in 1957 dropped to 70,233 tons from 74,244 tons in the previous year.

Raw jute imports into France in November, 1957, were up at 10,030 tons from 7,493 tons in October 1957, and 5,722 tons in November 1956.

Exports of sacks, bags and cloth during November 1957, declined to 1,507 tons (1,001 tons to French territories and 506 tons to other countries) from 2,054 tons (1,319 tons to French territories and 735 tons to other countries) in the corresponding month of 1956.

The French jute industry employed 8,712 operatives who worked 1,265,000 hours in November 1957, as compared to 9,291 operatives working 1,571,000 hours in the same month of the previous year.

BURMA TO EXPORT RAW JUTE

There is a possibility of Burma's entry into the field of raw jute export in the near future to provide an alternative source of raw material to jute industries outside India, reports the *Jute Bulletin* of the Indian Central Jute Committee.

The Burma Government has received a recommendation from the Director-General, Agricultural and Rural Development Corporation, that all top qualities and grades of jute grown internally should be released for export. The recommendation is based on satisfactory grading results of Burmese jute samples sent to Dundee for tests.

It is of interest to note that even though jute cultivation in Burma has not yet been undertaken on a commercial scale, the last crop of 1,500 tons gave, on grading, an average of 25 per cent. Mill of Export Firsts and Lightnings. The next crop is Firsts/Mill Lightnings, with the balance made up planned to produce over 5,000 tons.

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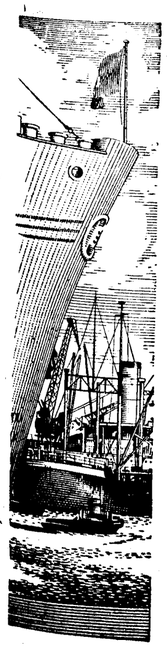

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UTILITY OF STOCK EXCHANGES

A MECHANISM TO CHANNEL SAVINGS INTO PRODUCTIVE INVESTMENT

By George Carvelho

THERE is probably no other economic organisation about which there is so much apparent ignorance and misconception as the stock exchange. Even otherwise well-informed people have only the haziest idea of the nature, functions and importance of this useful institution and, as a result, the most fantastic falsehoods about it are accepted with uncritical credulity. This is particularly unfortunate because, in all probability, the stock exchanges will have to do a far bigger and more important job, in the years that lie ahead, than at any time in their history. For as the assault on economic inequality gathers force, wealth and income will become more widely diffused. Saving and investment in private business enterprises and even in governmental bonds will then cease to be the functions of the privileged few and will become increasingly the domain of a wider section of society, and eventually perhaps of the masses of the people.

Even now, the ownership of shares and securities is more widespread than is generally realised. With the disappearance from the investment scene of *zamindars* and princes, the function of supporting the stock market has devolved largely on the small investor of modest means and on institutional investors. Speaking at the T.I.S.Co. annual meeting, in August 1957, Mr. J. R. D. Tata said that nearly half of the shareholders of the Company had holdings of less than Rs. 1,000 each, while the holdings of about 87 per cent. amounted to less than Rs. 5,000 each. Mr. E. D. Sheppard of Killick Industries calculated that the ratio of shareholders to labourers in industry was surprisingly large, one shareholder to one labourer in steel, one shareholder to one labourer in cement, one shareholder to two labourers in textiles, and ten shareholders to one labourer in electricity.

Shareholding Democracy

If greater progress has not yet been made towards a shareholding democracy, the responsibility lies more with the Government than with the stock exchange. Taxation and inflation have left the once prosperous middle class without the wherewithal to invest. But it is a fair guess that as economic planning bears fruit in rising national income, and heavy direct taxation thins the ranks of those who conform to the conventional description of capitalists, the ownership of investments will become more broadbased. It will be the function of the stock exchange to render, on a truly nation-wide scale, the services which they now provide to a relatively small section of society.

If the stock exchanges are to prove equal to the tremendous responsibilities that will be laid upon them, an essential preliminary is that they must do a much better public relations job than they have done in the past. Traditionally, stock exchanges have shunned publicity, perhaps as a consequence of the ban on advertisements imposed on its members. But while this is a healthy and desirable restriction, it does not extend to an organised campaign to educate and inform public opinion about the nature of stock exchanges and the functions they perform. Never before has such publicity been so urgently needed. The New York Stock Exchange, for example, publishes an attractive monthly brochure for the investing public and the London Stock Exchange has constructed an impressive visitors' gallery.

Primary Purpose

Basically, a stock exchange is a market for shares and securities, in the same sense as we speak of a market for houses or for that matter, for shoes and ships and sealing wax, or cabbage, but not Kings. The difference is that it is much more highly organised than these. It is a 'perfect' market in the economic sense, unfortunately not always also, in the ordinary sense. Its primary purpose is to ensure the liquidity of investment. In other words, it aims at creating conditions in which any holder of a share in a company, or of a Government security will be able to sell his investments at any time he desired, quickly, smoothly and at a price corresponding to the current worth of that share or security. The importance of this ready liquidity of investments can hardly be exaggerated. The ordinary investor is willing to put his savings into shares, because he has the comforting assurance that, should he decide, at any time, for any reason, that he wanted to sell, he can do so, through the stock exchange, at the current market price, far more easily than he could sell a house or any other commodity. It is this assurance, that he is not tied for better or for worse to the concern whose shares he buys, that he does not have to sink or swim with it, that makes him willing to venture into investment.

Market Prices

Not only this. The investor, by following the daily stock exchange prices, can keep himself continually informed about the current market price of his holdings. The prices of shares, like the prices of everything else, are the consequence of demand and supply. In the case of shares, demand and supply are influenced by innumerable factors, some relating to the circumstances and conditions peculiar to the particular concern, others of a more general nature, reflecting the prevailing currents of economic, political and every other influence, which have a bearing on the position and prospects of that particular concern. In general, the price quoted for a share on the stock exchange reflects the present estimate of its worth, in the light of all factors, present and future that are expected to affect it. The importance of this up-to-the-minute valuation of investments is easy to see. The investor is provided with a stream of price quotations, which enables him to keep track of changing opinion about the profitability of his investments. Should he decide, at any time, that he has had enough and would like to get out, he can do so, with no more effort than that required to contact a broker, by letter, telegram or telephone.

Passing from individual price quotations to the whole list, the trend of stock market prices and the volume of business act as an economic barometer, registering the current judgment of informed opinion regarding the overall state of the economy and the outlook for the future. There may be occasions when these opinions and judgments are unreasonable, shallow and wrong. But whether right or wrong, excessive or deficient, they are an index of prevailing opinion. No serious student of economic affairs or practical business man or those who shape the economic policies of the Government, can afford to disregard the mood of the stock exchange and its assessments of current events, reflected in share prices. Without this barometer, fiscal and general economic policies would be shots in the dark and would involve the costly and perhaps even disastrous experience of hit or miss tactics.

Capital Formation

It is easy to see, in the light of all this, that the stock exchange plays an important role in the mechanism of capital formation. By offering to prospective investors a variety of securities including gilt-edged, debentures, preference shares and equities. it caters to all tastes, ranging from the ultra-cautious type who wants, above all else, a fixed rate of return and the maximum security of capital, to those venturesome spirits who are willing to face the risk of fluctuating dividends and wide variations of capital value. Not only does it provide an outlet into productive investment for existing savings, it stimulates new saving through the wide range of investment opportunities which it offers.

The stock exchange is not directly concerned with new issues. Its wares consist of existing securities. But a new issue is made more attractive to investors, if they know that it will be admitted to the stock exchange list and will therefore gain the advantage of regular quotations and quick sale if necessary. Without this, not many investors will be willing to take up a new issue.

The process of capital formation is given direction and savings are channelled into the most productive investment through the prices quoted on the stock exchanges. The price movements register the changing fortunes of different industries and companies, with a surprising degree of accuracy. New savings are drawn towards those among them, on which, the stock market has pronounced the most favourable judgment.

Were stock exchange operations limited to the transactions of genuine investors, there would perhaps be a wide measure of agreement about its social utility. But in most people's minds, the stock market is inseparably associated with speculation. And speculation is one of those judgment-charged words that carry with them a cluster of anti-social implications. The antics of bulls and bears, the esoteric mysteries of forward trading, fortnightly settlement and carry-over charges, appear to the uninitiated outsider as little more than facilities for large-scale gambling. That operators should enter into contracts to buy or sell vast amounts of shares without the slightest intention of taking or making delivery, that they should virtually bet on whether the price will move in their favour or against them and that only the winnings or losses should change hands, appears a monstrous perversion of the functions and advantages of stock exchanges.

Liquidity

There is an element of truth in such charges, but they do not amount to the whole truth. Provided it is not allowed to get out of hand, speculators render a useful economic service, though like most people in a similar situation, they are entirely unaware of the fact and are preoccupied only with their own gains and losses. But if stock exchange operations were limited only to genuine investors, the resulting volume of business would be far too little to provide that ready liquidity of investments and daily quotations of prices representing the present worth of shares, which are the great advantages of a stock exchange. When the volume of speculative dealings is added to those of genuine investors, this liquidity is assured and the correct price can be quoted at any time.

Speculators are thus not wholly pernicious parasites infesting the stock market. Within limits, they are necessary, and beneficial. But when the limit is exceeded, they become a dangerous menace to economic stability and ordered economic progress. It is all a matter of relative magnitudes. As Keynes said in the "General Theory", "Speculators may do no harm as bubbles on a steady stream of enterprise. But the position is serious when enterprise becomes the bubble on a whirlpool of speculation. When the capital development of a country becomes a by-product of the activities of a casino, the job is likely to be ill done."

It is futile to deny that Indian stock exchanges have had more than their fair share of speculators and there have been times when capital-forming, investment-directing activities have been almost submerged in an orgy of gambling. At such times, the gyrations of share prices have had little or nothing to do with sober, informed judgments about economic conditions and prospects. Prices fluctuated widely, according to the doings of whichever big operator happened to dominate the market at that particular time. Such behaviour cannot be too strongly condemned, for it defeats the very purpose for which a stock exchange exists. Saving and investment are discouraged and the mirror of investment gives a distorted and false reflection.

New Act

An important step towards the eradications of these evils was taken with the enactment of the Securities Contracts (Regulation) Act, 1956. Kerb markets and option dealings, which provided opportunities for the more obnoxious forms of speculative gambling, have been banned, stock exchanges are officially recognised and subjected to stringent, perhaps even excessive, control to ensure that healthy investment and legitimate speculation are facilitated and the undesirable varieties eliminated. This move to preserve and reform stock exchanges is a more sensible approach than that which advocates abolition of these useful organisations. There can be no doubt that healthy, vigorous stock exchanges have an immensely important part to play in mobilising the nation's savings and channelling them into productive investment. They will be more needed than ever before in India in the next few years.—*All Rights Reserved.*

NEW PRODUCTS AND PROCESSES

Building Boards from Sawdust

A PROCESS, utilising the abundantly available wood wastes like sawdust, for making hard boards has been developed at the Forest Research Institute, Dehra Dun. According to this process, sawdust or other similar material is thoroughly mixed with activators like tamarind fruit pulp, a phenolic substance and water in suitable proportions in a mixer and then dried to the desired moisture content. It is then pressed into boards at a high temperature and suitable pressure. Boards comparing favourably with the commercial hard boards are obtained by this process. By using suitable moulds simple moulded articles can also be made from the same composition.

The boards obtained by this process are hard, strong and of a uniform colour. They are to some extent thermoplastic in character and can be painted, varnished or polished as desired. Hard boards prepared by this method can be used in panelling, partitions, ceilings, cupboards, shelves, doors, furniture and as a core for plywood. Moulded articles like inkstand, ash tray, commode seat, tank packing, knobs, etc., can also be made.

The method is applicable both to soft woods and hard woods and their wastes. The equipments required consist of a disintegrator (if material other than sawdust is used), sieving machine, mixer, drier and a hot press. The manufacture can be adopted on a large as well as small scale. Saw mills and plywood factories, with their own supply of wood waste can adopt the process with advantage. Parties desirous of undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, Mandi House, Lytton Road, New Delhi.

Tractor-drawn Attachment for Planting Sugarcane

With a view to mechanising sugarcane planting, a planter attachment capable of sowing three rows at a time and suitable for use with a Fordson Major Tractor has been designed by the Indian Institute of Sugarcane Research, Lucknow. The rear mounted tool bar fitted with three standard ridger bodies is used as the basic unit for the design. Three wooden seats are fitted above these ridger bodies and to the rear of these seats are fixed three chutes leading vertically down to the furrows made by the ridger bodies. Wooden boxes carrying the setts to be planted are provided between the seats. A fertilizer distributor divided into three compartments is also provided for applying fertilizer in the furrows. A wooden board attached behind the tool bar levels the ground immediately after the planting is done. This new attachment reduces the labour required to be employed during the planting season and also speeds up the planting operation. Consequently, the cost of planting is appreciably reduced. With this attachment it is possible to plant six acres in eight hours maintaining a tractor speed of about two miles per hour. The attachment although originally designed for the Fordson Major Tractor, can, with minor modifications in the dimensions be made suitable for use with other tractors also. The fabrication of these attachments is simple and does not involve the use of heavy machine tools. Only a hand operated shearing machine, an electrically operated drill press, one small bench, lathe and one oxy-acetylene welding set are required; and hence it is possible to manufacture these units even in a small workshop. Parties desirous of undertaking the commercial development of the device are invited to contact the Secretary, National Research Development Corporation of India, New Delhi.

Engine Converts Heat Directly to Electricity

An experimental model of an engine capable of converting heat directly to electricity has been developed by two Massachusetts Institute of Technology (U.S.A.) scientists. Professors G. N. Matsopoulos and Joseph Kaye say they believe their engine could become "more than competitive in the small power plant field," although they do not think it feasible yet for large generating plants. The engine model—still in the testing stage—is based on the fact that when two metal plates are placed side by side and heated to different temperatures electrons leap from the hotter one to the cooler one, forming a stream of electricity.

Tranquilisers Prevent Death from Shock

In tests with animals, tranquilising drugs have been used to prevent death from shock after severe injuries. The results suggest that tranquillisers might be used to protect human beings involved in serious accidents, it was reported recently to a sectional meeting of the American College of Surgeons at New York. Further, it was reported that the tests seem to substantiate a 50-year-old notion that bodily injury releases poisons that may cause death through shock. The new findings suggest tranquillisers may block the action of the poison and thus prevent death.

Measuring Temperature Conductivity

Two new devices for measuring the efficiency of materials used to provide insulation against heat have recently been developed in the U.K. One of these units, a small probe-like device, which is for measuring the thermal conductivity of insulating materials, is now being made available, it is expected to be especially important in the preservation of foodstuffs. The second instrument, which was developed quite independently, is designed for use in measuring the heat-carrying properties of soils adjacent to buried electric cables and to pipes carrying hot fluids. The instruments, originally developed by the Department of Scientific and Industrial Research and by the Electrical Research Association respectively, are being manufactured by H. Tinsley and Co.

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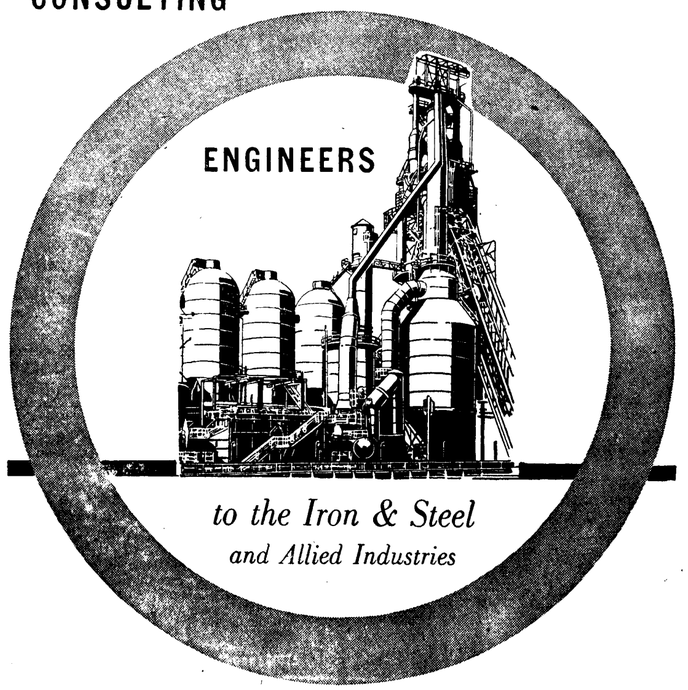

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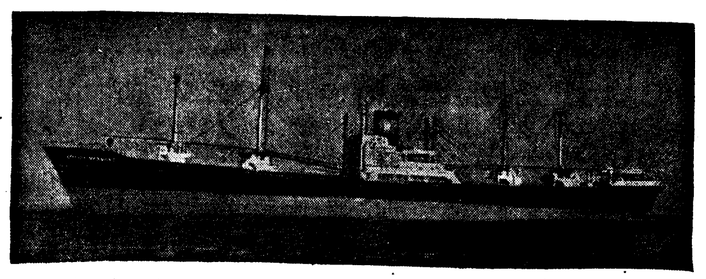

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EMPLOYEES' STATE INSURANCE

PROGRESS DURING 1956-57

AT the end of the year 1956-57, according to the Annual Report of the Employees' State Insurance Corporation, the Employees' State Insurance Scheme covered 1,122,500 employees. The scheme has made rapid progress not only in the coverage of employees, but also in its extension to different areas. It is at present operating in 42 regions in the States of Delhi, Uttar Pradesh, Punjab, Madhya Pradesh, Bombay, Madras, West Bengal, Andhra Pradesh and Kerala. According to Mr. Abid Ali, Union Deputy Minister for Labour, the total employees insurable under the scheme at present is estimated at about 2 million. The scheme, therefore, covers about 56 per cent. of the total insurable population. At the end of the year under review, arrangements for the extension of the scheme to Patna, Katihar, Monghyr and Samestipur in Bihar State, Jabalpur in Madhya Pradesh and Beawar in Rajasthan, were in progress. Negotiations with the Government of Mysore were also in progress for early implementation of the Scheme in Bangalore. It may be noted here that the scheme was extended in 1955-56 to industrial areas in two States, Kerala and Rajasthan, and extended to more centres in three States, namely, Madras, Madhya Pradesh and Uttar Pradesh.

Medical care, it is common knowledge, forms the pivot of the scheme and is supplied in kind. Even for cash benefits payable in the event of sickness, maternity and employment injury, medical certification is essential. Originally, medical care consisted only of outdoor medical treatment supplemented with domiciliary visits where necessary. This has been considerably improved in the past few years by including specialist care in medicine, surgery, gynæcology, and midwifery, radiology, pathology, tuberculosis, etc. In-patient treatment has been accepted on the scale of approximately two beds per 1,000 employees. These beds are provided as a temporary measure in existing Government and private hospitals and this is to be followed by the construction of annexes to existing hospitals or separate hospitals in areas where the number of beds required exceeds a hundred.

The standard of medical care, it is stated, has also considerably improved in recent years. General medical and domiciliary cases are at present provided either through full-time service system of salaried doctors and staff or through the panel system, that is, by individual agreements with private medical practitioners on payment of a capitalisation fee per insured person. The panel system is at present working in Bombay, Calcutta City and Howrah district and the Punjab, and partly in Coimbatore and in two towns in Madhya Pradesh. The service system is in vogue in the remaining areas. During the year under report, preliminary figures indicate, 21,11,370 new and 64,72,627 old cases were treated at the various State insurance dispensaries and the clinics of panel practitioners, as against 15,45,794 and 49,88,011 respectively in 1955-56. Cases referred for admission to hospitals and for specialist investigation were 18,383 and 1,67,231 as against 14,477 and 1,36,951 respectively in the previous year. Medical certificates issued numbered 24,43,850, as against 17,24,970 in 1955-56.

Cash Benefit

The problem of tuberculosis has been receiving the special attention of the Corporation. In view of the hardships to insured persons suffering from this disease, the Corporation has recently approved of the provision of cash benefits to insured patients. This facility, according to the report, is not being availed of by the insured to any large extent. This is surprising. The Corporation will do well to enquire why it is so. One wonders whether the procedure prescribed for obtaining the benefit is simple enough. If it is not, that is surely one of the reasons why it has not become popular with employees. The Corporation also resolved in 1956 to provide, at its own cost, artificial limbs to those whose limbs were amputated due to employment injury.

The income from employers' and employees' contribution has been steadily increasing. During the year, the income from employees' contribution was Rs. 3.22 crores and that from employers' special contribution Rs. 2.59 crores, as compared with Rs. 2.39 crores and Rs. 1.87 crore respectively in the previous year. The total income to the Corporation from these two sources thus aggregated Rs. 5.81 crores in 1956-57, as compared with Rs. 4.26 crores in 1955-56. The income from employees' contribution exceeded that from the employers' contribution by a substantial margin. This was due to the fact that the extension of the scheme in new areas increased employees' contribution more sharply than the employers'. The Central Government, the report says, took notice of this disparity and to remedy this, it has announced its intention to revise the rates of employers' contribution. Whatever might be the justification for this proposal, there is no justification whatever for demanding contribution from employers even in areas to which the scheme does not apply. There is even less justification for increasing the rates of contribution from the employers in such areas.

Administrative Costs

The earlier expectation that the gradual extension of the scheme to new centres will bring down the administrative cost of the scheme seems to have been proved correct, as is evident from the progressively declining trend of the administrative cost to total expenditure. During the year under review, the ratio of administrative cost to total expenditure dropped from 24.71 per cent. to 17.55 per cent. It was as high as 75 per cent. in 1952-53, 50 per cent. in 1953-54, 42 per cent. in 1954-55 and 24.71 per cent. in 1955-56. The ratio of the administrative cost to contribution income also came down from 9.6 per cent. in 1955-56 to 8.7 per cent. in 1956-57. It is to be hoped that the authorities will continuously strive to effect economies in administrative costs.

BRITISH-NORWEGIAN AGREEMENT ON HEALTH INSURANCE

A convention on Social Security between the United Kingdom and Norway came into force on 1st April 1958. Under this Convention, citizens of the United Kingdom will, when visiting Norway, be entitled to the same health service benefits as Norwegians. For a British tourist being taken ill or having an accident during a visit, this means he will receive free transport to hospital and free treatment there. If a Britisher in Norway wishes to consult a medical practitioner of any kind, he will have approximately 75 per cent. of the fee refunded by the Norwegian Social Insurance Institution through the local social insurance agency. As regards medicine outside the hospital, only expenses for vital medicines for specified illnesses are covered by the Norwegian equivalent of the National Health Service under the arrangement. Expenses for dental diseases are covered, but the patient must bear the cost of routine dental treatment such as fillings.

People from the United Kingdom who go to Norway to take up residence there will—on an equal footing with Norwegians—become members of the Norwegian Social Insurance Scheme. Under the Convention, any rights they hold under the British Social Insurance Scheme will be transferable to its equivalent in Norway. In addition to medical benefits, a Britisher in Norway may qualify for the following benefits: cash benefits in case of illness, childbirth, occupational injury and unemployment, children's allowances and old age pensions. Like any Norwegian, they will receive £18 each year for each child from the second onward.

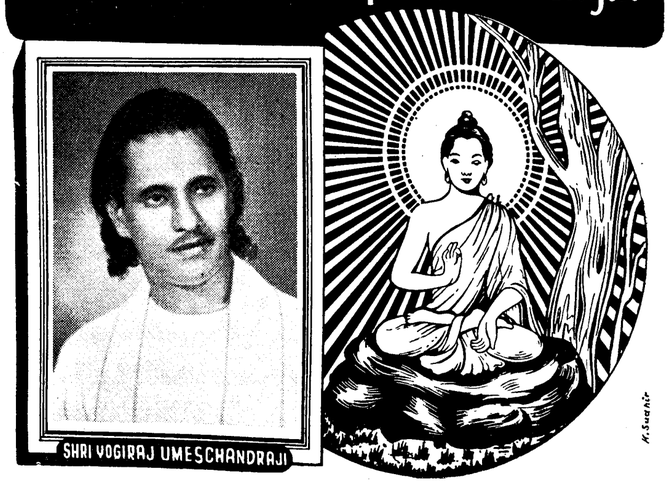
POLICYHOLDERS ASSOCIATION

An association of life insurance policyholders, known as the All-India Life Insurance Policyholders Association, was formed in Bombay on the 7th inst. The aim of the Association is to promote and safeguard the right of life insurance policyholders. Mr. R P. Masani, who presided over a meeting of life insurance policyholders, pointed out that such an organisation was necessary in view of the direct interest of the policyholders in life insurance and the development of insurance business. Explaining the aims and objects, Mr. Morarji Vaidya stated that the Association aimed at preserving the interest not only of the present but also of future policyholders. A sub-committee consisting of 35 members was appointed at the meeting to frame a constitution for the Association.

PANEL DOCTORS AS LEGISLATORS

A Bill seeking to remove the disqualification of medical practitioners appointed as "panel doctors" under the Employees' State Insurance Scheme for becoming members of the State Legislature was passed by the Bombay Legislative Assembly. The Bill, which is an amendment to the Bombay Legislature Members (Removal of Disqualifications) Act 1958, was necessitated by a decision of the Bombay High Court which held that medical practitioners appointed as panel doctors held an office of profit under Government. The Bill also removes the disqualification for membership of legislature of part-time medical officers and specialists appointed under the Employees' State Insurance Scheme.

LECTURES are held on various subjects like Physical Health Mental Peace and Spiritual Strength



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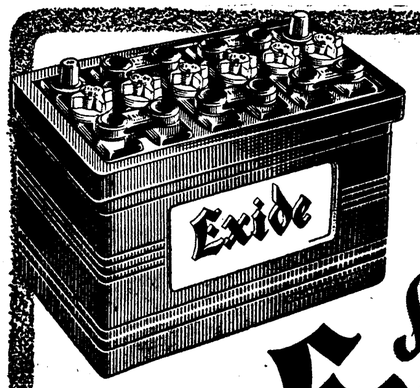

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SIXTY-THIRD ORDINARY GENERAL MEETING

MR. E. D. SHEPPARD'S ANALYSIS OF THE CAUSES FOR LOWER CLOTH OFFTAKE

THE view that the high food prices form the basic cause for the fall in cloth consumption was expressed by Mr. E. D. Sheppard, Chairman of the Kohinoor Mills Company, Ltd., in the course of his speech at the Sixty-third Ordinary General Meeting of the Company held in Bombay on 10th April 1958. Until such time as the food position became easier with the consequent lower prices, he added, it was hard to foresee any real improvement in the textile industry.

The following are extracts from Mr. Sheppard's speech:

"The year under review has been a difficult one for Indian industry, in general, and for the textile industry, in particular. The year started with the industry still reeling from the blow of the steep excise duty increase in the previous autumn and when it was just coming round to take stock of the situation and to try to assess the future, the new pattern of taxation announced in the May budget sent share prices tumbling to levels lower than those seen for many years. It was a year of hard work and frustration. A significant comment on the new pattern of taxation is that your Company is at this moment called upon to pay taxes equal to 114 per cent. of its assessable profit for the year. Taxation is, of course, inevitable and taxes have to be paid, but there is no reason why their form should not be simple and equitable. The present tax structure is not only complex but operates inequitably as between unit and unit. While nothing can be said by its most ardent supporters in favour of the wealth tax on companies, with its insidious erosion of capital resources, it is the dividends tax that I find the most regressive and inhibiting. Based as it is on paid-up capital only, it penalises most unfairly, companies such as yours which have ploughed back their profits during past years. But worse still, it directly penalises the investor, to whom the country is now looking for fresh capital for new enterprises.

"If the people's sector is to fulfil its part in the second Plan, it must raise capital and for that purpose can only look to gentlemen like yourselves who have already shown your willingness to risk your heritage or your savings in order that industries, great and small, may be built up. To levy this additional tax directly on the return you receive on your moneys so invested, thereby reducing your capacity to invest further, seems to me a most peculiar way of encouraging new capital formation which, all are agreed, is so vitally necessary to the country's progress. To me this seems like deliberately diverting a part of a stream of pure drinking water flowing into an arid land before it can reach those who are thirsting for it and anxious to quaff it to the full. However, I believe there are now signs in New Delhi of a better understanding of our problems.

The Villain of the Piece

"Turning to the textile industry as a whole, many of you will be wondering how, with an ever-increasing population and greater earning capacity in the industrialised areas of the country, the demand for cloth has latterly fallen off. The villain of the piece has been last year's monsoon. It is an established fact that food prices and cloth prices are very closely linked. If the price of food goes up, the demand for cloth goes down. The vast majority of the population, already living on a bare subsistence level, could hardly eat less, but they can always wear their old clothes for another year. This is the basic problem and until such time as the food position becomes easier with consequent lower prices, it is hard to foresee any real improvement in the textile industry. In this connection it is interesting to note that the fine count mills are thought, on the whole, to have fared better than others. I would suggest that this reflects the benefit they derive from selling their products to a public less affected by a rise in food prices. Medium count mills like yours, and coarse count mills are the ones who feel the pinch most.

"There are, of course, other factors which affect the movement and sale of cloth. At all levels the wholesale and retail trades are less able to hold stocks to meet future demands. Wealth and expenditure taxes have tightened everybody's purse strings and the credit squeeze has done the same. Another consideration is the high rate of excise duty. It is not only the monetary incidence of this duty that is so irksome but also the bewildering frequency with which the Government sees fit to alter it. Merchants, understandably enough, do not want to burden themselves with large stocks, the value of which is liable to be reduced overnight if a sudden reduction is made in the rate of duty. These other factors do help to make the position more difficult, but I wish to emphasise that less taxation, freer credit conditions and lower excise duties would not put more money into the pockets of the vast majority of people who buy cloth. It is the financial position of the man in the street and agriculturalist that dictates what prices can be obtained and what profits can be made by your mill and the whole industry.

Stocks

"You will note that sales of cloth, yarn and waste are lower by more than fifty lakhs, while stocks of finished goods are up compared with those at the end of 1956. I would like to comment briefly on the effect of the large holding of stocks by mills in general. Owing to the fall in demand, many mills have had to pile up stocks in their godowns and when they need money to make purchases or to pay wages, they sell off a portion of these stocks, often at give-away prices. How does this affect us? While, generally speaking, we get a favourable price for our goods, there is a limit to the premium that people will pay for the name *Kohinoor*. These emergency sales of accumulated stocks by various mills have a very real effect in depressing the market for all of us. It is reported that a number of mills are closing down shifts which will slow down the rate of stock accumulation. I feel that in time, therefore, the basic economic law of supply and demand may prevail to the benefit of the whole industry. Of course, your Company is in a strong position and I am sure that we can weather the present storm successfully.

Exports

"As you are aware, half of the output of your mills is in the form of sewing thread and yarn and, as mentioned last year, there is an overproduction of yarn in the country. This has been brought about by Government's vacillating policy of allowing, and then prohibiting, exports from time to time as the years went by. The overseas buyer soon got tired of relying on these intermittent supplies and looked for sources whence he could obtain his requirements regularly as and when he wanted them. Thus, Pakistan and Hongkong were enabled to replace India as suppliers of yarn to many markets previously served by India and it looks as if most of these markets are lost permanently. In the meantime, the handlooms which were expected to consume the additional yarn thus retained in the country have failed to do so. The idea that exports are things that can be turned on and off like a tap, can have duties imposed on them at will from time to time, and will still continue to flourish whenever required, is quite fallacious. The foreign buyer may put up with these conditions for a while, but in the meantime he is busily engaged seeking alternative sources of supply and it is usually not long before he finds them. India is desperately in need of foreign exchange and, in order to earn it, a long-term settled export policy is essential, even at the risk of some temporary shortages at home. Let us hope that no further obstacles will be placed in the way of exports of yarn and sewing thread and that even at this late hour we may be able to retrieve the position to some extent.

"In the meantime, owing to the unremunerative prices of weaving yarn, many mills are entering the sewing thread market with the result that keen competition has brought the prices down to very near the cost level.

"The remarks made by Mr. Milne, in my absence last year, concerning imported cotton seem to have fallen on deaf ears. As pointed out in the report, import licences continue to be given on a piecemeal basis which makes purchasing and the planning of future production most difficult. These licences were formerly granted on a 'first come, first served' system. I feel that the present quota system, unsatisfactory though it might be, is a far more fair way of allocating the small imports that may be allowed. While urging the Government to continue this system, I would appeal once again for a more far-reaching system of import licences. The country's resources and the mill industry's needs can be forecast fairly accurately from year to year, so there seems to be no reason why an import policy for the twelve-month period cannot be worked out.

Another Worry

"I wish to say a few words about another matter which has been worrying us for some time. Ever since the virtual elimination of imports of rayon yarn, the local prices have risen very considerably. While there has been a fractional increase in the price of finished rayon cloth, it in no way covers the higher price that now has to be paid for the yarn. This is a problem affecting not merely our No. 3 Mill, which, as you know, is mainly engaged in the production of rayon cloth, but also many smaller units which may be forced to go out of production. It will be in the best interests of the local manufacturers of rayon, therefore, to ensure that a fair method of distribution at reasonable prices is arranged so that the art silk industry may not be overtaken by shut-downs and unemployment.

"With regard to the selling agents' commission for the year under review, I have to report that the selling agents have agreed to accept a lower rate of commission, that is to say, 1 per cent., with effect from 1st January 1958 until further notice, a measure which I hope will meet with your approval. Normally speaking, the reduction would have been made in 1957, but our selling agents asked whether it might be made from the beginning of the current year in order to avoid serious income-tax problems for them. In consequence, the benefit will accrue to the Company from this year onwards until such time as the profits have returned to normal.

The Future

"You will expect me to say something about the future. It is difficult to be optimistic though personally I feel we are over the worst, and that a slow and gradual improvement may be hoped for. Large withdrawals have had to be made this year from the reserves to meet tax liabilities and to maintain the dividend and this is not a process that can be continued indefinitely. Unless market conditions improve quicker than seems likely, it may be necessary to reduce the dividend next year. I hope we shall not have to take this step, but I feel it my duty to warn you now of the possibility.

"Meanwhile, your agents are taking all possible steps to reduce costs and have other plans in mind to increase the earning capacity of your mills in the future."

NOTE.—*This does not purport to be the proceedings of the Meeting which is being sent separately to shareholders.*

ANOTHER STEP FORWARD

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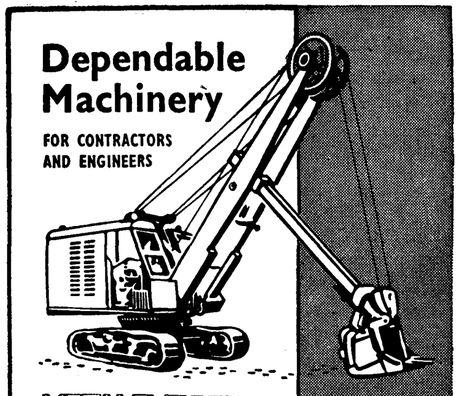

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THE UNITED COMMERCIAL BANK LIMITED

MR. G. D. BIRLA'S SPEECH AT FIFTEENTH ANNUAL GENERAL MEETING

PLEA FOR RESTRAINT IN COMPETITION FOR DEPOSITS AMONG BANKS

THE alarming tendency among banks to try to attract fresh deposits by offering high interest rates was deprecated by Mr. G. D. Birla, Chairman of the United Commercial Bank Ltd., in the course of his speech at the Fifteenth Annual General Meeting of the Bank held in Calcutta on 9th April 1958. While calling for a restraint in such competition, Mr. Birla observed that, if it was conceded that the second Plan disbursements by themselves resulted inevitably in the flow of new deposits, it followed logically that the offer of higher interest rates was unnecessary in order to induce deposits.

The following is the full text of Mr. Birla's speech:

"GENTLEMEN,

"The balance-sheet and profit and loss account of the Bank have been in your hands for some time and you would, no doubt, have noticed with pleasure the continued progress achieved by the Bank during the year to which the accounts relate.

"You will notice that the total of the current, savings and fixed deposits and other accounts at the end of 1957 stood at Rs. 61.07 crores, as compared with Rs. 52.15 crores at the end of 1956. The increase in deposits of Rs. 8.92 crores represents a rise of 17.1 per cent. which is a higher rate of increase than 9.3 per cent. recorded in 1956 and compares with the rise of 16.9 per cent. in the deposits of Scheduled banks other than the State Bank of India, for the year 1957. The rise in the deposits of the State Bank of India was much higher than that of the banking system by reason of certain adventitious factors to which reference is made in the report of that bank.

"Cash on hand and with banks and money at call and short notice amounted to Rs. 8.23 crores and represented 13.5 per cent. of our deposit liabilities.

Investments

"The investments of the Bank in Government and other approved securities at Rs. 19.94 crores were only Rs. 50 lakhs higher than our holding at the end of 1956. The additional resources which accrued to the Bank from the increase in deposits were utilised primarily to repay the loan taken from the Reserve Bank of India during the 1956-57 busy season, thereby enabling the Bank to work within its own resources. The cash balances and unencumbered investments together amounting to Rs. 27.92 crores give a ratio of 45.7 per cent. to total deposits.

"The amount of bills discounted and purchased declined from Rs. 15.92 crores to Rs. 13.00 crores, but the high figure of bills at the end of 1956 was due to the conversion of advance accounts into bills for 'rediscount' with the Reserve Bank of India under the Bill Market Scheme. The figure at the end of 1957 is the normal figure and does not include any created bill. This self-liquidating asset forms 21.3 per cent. of the deposits of the Bank.

"The total of our liquid assets, cash on hand and with banks, money at call and short notice, unencumbered investments and bills represents 67 per cent. of our deposit liability which, you would agree, is a highly satisfactory liquidity ratio.

"Our advances at Rs. 24.69 crores are roughly 40 per cent. of our deposits. There is a decline in the total of our advances and bills in conformity with the policy of credit squeeze pursued during the second half of 1957.

"The foreign exchange business of our Indian and overseas branches continued to expand and our London branch shows considerable increase in its activity and usefulness.

"The credit for the excellent results of the working of the Bank goes primarily to the General Manager, Mr. S. T. Sadasivan, and his able deputies and assistants, to whom I take this opportunity of offering the thanks of myself and of the Board of Directors. I wish also to record our thanks to the other members of the staff of the Bank for their contribution in achieving these results and I took forward to greater co-operation from them in the current year and the years to come.

"The official Bank rate of the Reserve Bank of India was raised on the 15th May 1957 from 3½ per cent. to 4 per cent., but the rate for advances to Scheduled banks against Government securities, which had earlier been raised from 3½ per cent. to 4 per cent. was left unchanged. At the same time, the stamp duty on usance bills of exchange, which was intended to act as a surcharge on interest rate and which was raised to As. 2 per cent. for three months or part thereof, was reduced to one-fifth of 1 per cent. per annum. As a result of these changes, loans against Government securities cost the Scheduled banks 4 per cent., while loans against bills cost a minimum of 4-1/5 per cent.

Money Market

"Monetary conditions during the earlier part of 1957 were, as a result of the severity of the 1956-57 busy season as well as the already fully extended position of the banking system, extremely stringent, and the demand for accommodation from trade and industry imposed a severe strain upon the resources of the commercial banks. In addition to the need to satisfy this seasonal demand, the banks were called upon to finance the heavy imports of steel, which were at the time being made. Fortunately, the Reserve Bank of India, which has displayed a sensitive awareness of its role in the monetary sphere in terms of the implementation of the second Plan, suitably anticipated the difficulties that might be presented during the 1956-57 busy season, and, by substantially liberalising the bill market scheme, under which it approved lines of credit totalling approximately Rs. 150 crores, thereby giving the banks all the money they asked, enabled the commercial banks to tide over this period of stringency. Borrowings from the Reserve Bank of India against both Government securities and bills reached a peak of Rs. 103 crores at the end of March 1957, and this figure would have been much higher but for the receipt by the State Bank of India of extraordinary deposits arising from the sale of U.S. surplus commodities under P.L. 480 which enabled the Bank to dispense with borrowings from the Reserve Bank of India altogether. At about the same time, but gathering momentum in the second half-year, the deposits of commercial banks also began to rise and eased the strain under which they were functioning. But during the great part of the year Scheduled banks, other than the State Bank of India, and, in particular, the Exchange banks, had to resort to heavy borrowings from the central banking institution and also to sell off a part of their holding of Government securities.

Credit Squeeze

"It was during the slack season of 1957 that the favourable circumstance of an increase in deposits, coupled with a decline in advances, began week by week to improve the position of Scheduled banks. On the one hand, early in June, the Reserve Bank of India, in pursuance of its policy of selective monetary control and with a view to bringing down prices and discouraging speculative holdings of stocks, directed the commercial banks to reduce the level of advances against foodgrains. A few days later the Reserve Bank advised the banks generally to reduce the volume of advances and gradually to lower the advances-deposits ratio from the high level that it had reached at the peak of the busy season, so that the banks could, while regaining normal liquidity, find themselves in a better position to take on the next season's demand for finance without undue dependence on the Reserve Bank for accommodation. Towards the close of the year, the Reserve Bank made it known to the Scheduled banks that the facilities under the bill market scheme would not be as liberal as they were at the beginning of the year and that the banks should, normally, try to work on the basis of their own funds and only with a modest resort to central bank credit. These measures, which should be construed to be tantamount to a 'credit squeeze,' succeeded in bringing about a reduction in the level of Scheduled banks' advances from the busy season peak of Rs. 939.87 crores to Rs. 839.98 crores at the end of November 1957. On the other hand, the process of augmentation, throughout the period of the deposit resources of Scheduled banks gathered momentum. During 1957, deposits of all Scheduled banks rose from Rs. 1,101 crores to Rs. 1,369 crores. Even if the State Bank were left out of the reckoning, by reason of its extraordinary receipts, the improvement in the deposits of the other Scheduled banks, still, amounted to the considerable figure of Rs. 145 crores.

Interest Rates on Deposits

"It is clear that the disbursements in connection with the second Plan are to be seen as having a directly favourable impact upon the resources of the banking system. Set against this fact, I find it difficult to understand why banks should persist in bidding for deposits by means of steadily mounting rates of interest. The published accounts of banks reveal how steeply the figure of interest paid on deposits has risen. I had occasion some years ago to speak to you on this same matter when I deprecated the alarming tendency to try to attract fresh deposits by means of higher interest rates. I would like to reiterate here my plea for restraint in the competition for deposits through high rates. If it is conceded that the second Plan disbursements by themselves result inevitably in the flow of new deposits, it follows logically that the attraction of higher interest rates is unnecessary in order to induce deposits.

"It is a matter of pride to hear the Indian central banking institution being described as one of the most efficient in the world. This is no exaggeration, for the selective monetary control instituted by the Reserve Bank has succeeded in keeping at bay the inflationary pressures which this country had to face during 1957. While it is true that the inflationary potential in deficit financing was partly offset by the contractionary influence of a balance of payments deficit, the fact, nevertheless, remains that, by timely directives, the Reserve Bank has played a considerable part in imbuing the Indian economy with stability and in preventing the price situation from getting out of hand.

International Economic Scene

"I shall now turn my attention, albeit briefly, to the international economic scene. After a long tussle with inflation, dear money enthusiasts in the rest of the world have finally won the battle so well as to have induced deflation! The result is that many countries are trying to change into reverse gear, but the process appears to be difficult, and recession in the United States of America is threatening to become an invisible export to other countries. The United States unemployment has reached a 16-year peak of 5.1 million, and other economic indicators also presage a difficult time for the economy. This recession is sought to be got over by a number of programmes, including the easing of credit. For the third time in recent weeks, the Federal Reserve Bank approved a reduction in the discount rate, and the latest cut of half per cent. brings the rate down to 2½ per cent. The Bank of England has also followed the general trend and reduced the Bank rate by 1 per cent. to 6 per cent. Among other countries which have effected a reduction in the discount rate is West Germany, where the Deutsche Bundesbank reduced the Bank rate by half per cent. to 3½ per cent. This is the fourth successive reduction since the autumn of 1956. The Netherlands Bank also cut its Bank rate by half per cent. to 4½ per cent. Quite suddenly, it seems to me that the bogey of inflation has yielded place to the reality of recession. While I shall not presume to advocate a world-wide cheap money policy—after all, conditions in the various countries differ widely, and the level of Bank rate must be consistent with trends in the internal economy of each country—I should nevertheless, point out that we seem to have reached a stage where we may be exaggerating the effect of inflation in present-day conditions. A study has to be made of the extent to which a rise in prices is not necessarily evidence of inflation. After all, when there occurs in improvement in the standard of living, some element of increase in the price level is inescapable. And it is true to say that never before in economic history have so many countries participated in so general a rise in the standard of living. Finally, I should like to say that, in our preoccupation with the so-called dangers of inflation, we should not allow ourselves, as the rest of the world had during 1957, to become oblivious to the even greater danger of recession.

Capital Market

"The prices on the Stock Exchange continued to decline and the downward trend was accentuated by the budget of May 1957 which introduced several new taxes and still further reduced individual and corporate saving capacity. A few new issues of capital and offers for sale were successfully put through, but these issues were rather exceptional, and conditions in the Stock Exchange have remained wholly unfavourable for the raising of any capital for new enterprises. The yield on industrial securities rose from 5.75 per cent. (tax-free), at the beginning of the year to 7.26 per cent. (tax-free) at the end of the year and this factor also contributed to the difficulty of existing companies in procurement of fresh capital by way of debentures or preference shares at reasonable rates. The Industrial Delegation which visited the United States and Europe has pointed out that the limiting factor in getting credit from abroad is not so much the reluctance on the part of foreign institutions and suppliers to give credit as the difficulty of raising internal capital in India itself. It is really the quantum of rupee capital available in India which would appear to determine the finance that could be obtained from abroad. Broadly speaking, it would be necessary to raise 20 per cent. of the capital to be used for the purchase of equipment for any project and the whole of the rupee counterpart of the expenditure on the project before foreign credits could be sought for the rest of the capital. If the minimum rupee capital which, thus, would come to about 50 per cent. of the entire cost of a project could not be raised in the country, there would be no basis for seeking credit from abroad. In view of the fact that it is almost impossible to raise any substantial amount of rupee equity capital, industrial expansion in the private sector will have to come to a stop unless the profitability of industry is restored to a reasonable level through fiscal reliefs.

"It is gratifying to learn that the efforts of the Government of India to raise dollar credits in the United States of America have been successful and that loans of $150 million from the Export-Import Bank and $75 million from the Development Loan Fund have already been arranged, part of which is available for utilisation by the private sector in cover of 100 per cent. of the cost of purchase from the United States. These arrangements imply that, if the private sector is to derive benefit from these loans, it should be able to raise immediately the rupee capital required for the full cost of any project and not merely 50 per cent. of the cost which would have sufficed under schemes of deferred credit or foreign participation.

Economic Situation

"I now turn to the review of Indian economy, and, in doing so, I have inevitably to deal with the second Five-year Plan, the execution of which has become a subject of controversy. There are those who vehemently insist that the plan be implemented *in toto* irrespective of the cost or availability of resources, while others urge that the Plan be pruned or rephased without stating how or to what extent the re-planning should be done. People are apt to forget that the Plan is not an end in itself, but only a pointer to certain objectives, viz., greater production, fairer distribution and increased employment.

"The Plan envisages an outlay of Rs. 4,800 crores in the public sector and Rs. 2,400 crores in the private sector, making a total of Rs. 7,200 crores which, in subsequent estimates, has been still further increased to allow for increased costs and additions to projects. But, sticking to the original estimate of expenditure in the public sector, the main provisions are: Rs. 2,300 crores for transport, communications, power and irrigation; Rs. 340 crores for agriculture and Rs. 690 crores for industry and mining in the public sector (total Rs. 3,330 crores), and Rs. 700 crores for industry, mining and plantations in the private sector. The projects covered by these allotments constitute the core of the Plan, the rest of the Plan expenditure being for community projects, social services and the like. In insisting that the Plan shall be put through at all costs, the Government is more figure-conscious than performance-conscious, more insistent on the amount of Plan expenditure than on the achievement of the planned rise in production or planned increase in employment. The public sector is faced with difficulties in the matter of both spending to the target limit as well as in achieving the production and employment targets. On the other hand, it would appear that the private sector is almost certain to complete its assigned task and invest its full quota of earmarked resources well before the end of the Plan period. Mr. T. T. Krishnamachari, whose exit from the Finance Ministership I deeply depiore, speaking before the annual meeting of the World Bank on 25th September 1957, said:

"'Private enterprise is, in fact, playing a vital role in India. Indeed, its development has never been more marked or varied at any previous period than during the past ten years. To some extent our recent difficulties stem from the very sizable boom in private investment that has been under way. We do not regret this boom as it takes us a step forward towards our objective of higher levels of living.'

"The physical targets assigned to the private sector are also well on the way to fulfilment. The index of industrial production has risen from 100 in 1951 to 168.5 in June 1957.* Privately owned collieries are already producing coal at an annual rate of 40 million tons, as against a target of 48 million tons in 1961. Textile mills were briskly moving towards the Plan target of 8,500 million yards, but there is not enough cotton available to enable this quantity of cotton textiles to be manufactured, and as both internal consumption and exports have dwindled, the Plan target will have to be lowered. Expansion of manufacturing capacity in cement is lagging behind on account of foreign exchange shortage, but enough progress has already been achieved to make the supply position turn easy. Steel is an easy winner. Owing, however, to factors, all too familiar, of shortage of foreign exchange and lack of internal capital, the tempo of industrial expansion is slowing down and the goal of 3 million new jobs is receding. It, therefore, behoves the Government to reappraise the situation and initiate policies calculated to reactivate the industrial sector and to increase the foreign exchange earnings on our export trade.

Need for Foreign Capital

"Our foreign exchange needs will, for years to come, exceed our earnings. But I am averse to the idea of continued borrowing from abroad, because, ultimately, the problem of repayment would become acute. Already, we have piled up future liabilities at an average rate of Rs. 90 crores per annum for a four-year period beginning from 1960-61. It would be better to create a favourable atmosphere in which foreign capital would feel encouraged to invest in our enterprises. Such foreign participation in equity capital would contribute to the creation of new wealth and the question of repatriation of capital would normally not arise so long as private enterprise is allowed to function with a reasonable degree of freedom. In this connection, I should like to bring to the notice of the Government of India the note handed to the Indian Industrial Delegation by the Department of Commerce, Washington, listing the factors which are considered to constitute some of the obstacles to U.S. investment in India and to appeal to the Government to take action to remove the deterrents.

Agriculture

"The weakest feature of the second Five-year Plan is the imbalance between agriculture and industry. Agriculture occupies a key position in our economy. At the end of the second Plan period our total national income is expected to rise to Rs. 13,500 crores, of which nearly 46 per cent. is expected to come from agriculture. If agricultural production is not increased substantially, the purchasing power of the countryside will, in relation to industrial production, be reduced and the latter will ultimately have to go down. Increased food production would polish scarcity conditions with attendant wholesome effect on the psychology of the masses and creation of conditions favourable to higher production. This should be emphasised from another angle also, for it is difficult to contemplate with equanimity, in view of the deteriorated foreign exchange situation, continued imports of between two and three million tons of foodgrains a year for as far ahead as we could visualise. While production of grains in absolute figures is not declining, the increase in output is not commensurate with the addition to population. Even after allowing for the vicissitudes of the monsoon and the failure of rains in some parts of the country it should be possible with greater utilisation of available water in other parts and through more intensive cultivation, to produce a higher yield of foodgrains per acre. But unfortunately, the cut in fertiliser imports is likely to reduce agricultural production still further. We cannot afford to build steel mills at the risk of jeopardising food supplies. The least that should be done is to erect more fertiliser factories at the same time as steel mills.

"Increased production of cash crops could also alleviate our foreign exchange position. An additional 1 million bales each of jute and cotton per annum would mean an annual gain of almost Rs. 55 crores in foreign exchange. There is a scarcity of vegetable oils all over the world and the prices of copra and oilseeds have either remained steady or only slightly declined in the commodity markets of the world, while other internationally traded commodities have been sagging. Our production of oilseeds and the yield of oilseeds per acre have remained static and a 25 per cent. rise in the output of oilseeds would enable us steadily to export to foreign markets vegetable oil which is so much in demand. We were successful last year in exporting about 160,000 tons of sugar earning valuable foreign exchange. Again, if only we could increase the production of foodgrains by 10 per cent. and improve the export of tea and ores, we could achieve a diversification of our exports and substantially improve our foreign exchange earnings with resultant benefit to our foreign exchange reserves. I would go to the length of suggesting that exports of sugar and other commodities in international demand should be encouraged even at the risk of such commodities becoming somewhat scarce in the country or of subsidising such exports.

Tax Relief

"I feel happy to conclude my speech on a note of favourable import. Government have recently announced certain fiscal reliefs by way of repeal of the compulsory deposit of reserves relating to the year 1958-59 and reductions in excise duties on various qualities of cotton textiles. While it had been hoped that these concessions might have formed part of the budget proposals themselves, it is heartening to note that, on due representation being made to them, Government have seen the validity of the requests for relief and have accorded it. If, as I hope, this is indicative of the willingness on the part of the Government to study each situation dispassionately, and not merely from the point of view of revenue, we may look forward to revisions being announced and implemented by Government at timely junctures.

New Finance Minister

"I have great pleasure in welcoming the appointment of Mr. Morarji Desai as Finance Minister. He has held charge of the Ministry of Commerce and Industry with great distinction and he brings to his new and onerous task a reputation as an extremely able and efficient administrator. I am sure that Finance is in the hands of one who will safely steer this important portfolio through the remaining difficult years of the second Plan period."

*The index number for June 1957 is taken because it was at that time that sugar factories ceased production for the season.

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Buenos Aires, Frankfurt a/M, London, New York, Paris, Sao Paulo, Zurich

LLOYDS BANK LIMITED

(Incorporated in England)

BALANCE SHEET 31st DECEMBER 1957

LIABILITIES

Capital :—		
AUTHORISED : 74,000,000 Shares of £1 each	£74,000,000	
ISSUED :— 18,565,670 Shares of £1 each, fully paid		£18,565,670
Reserve Fund :—		
Capital Reserve (including Share Premium Account, £1,143,683)	£1,982,108	
General Reserve	16,917,892	
		18,900,000
Profit and Loss Balance, as per Account below		826,712
		37,391,782
Current, Deposit, and Other Accounts, including Contingency Accounts (Public Accounts secured as per Note III are also included)	1,257,522,595	
Balances in Account with Subsidiary Companies	1,329,357	
		1,258,851,952
Final Dividend, less Income Tax (subject to confirmation by the Members)		693,870
Notes in Circulation (Isle of Man) (see Note III)		9,368
Acceptances		5,470,423
Endorsements, Guarantees and Other Obligations		175,517,906
		£1,477,935,301

ASSETS

Cash, in hand, with Bank of England and Eastern Reserve Banks	£104,492,008	
Balances with, and Cheques in course of collection on, other Banks in the United Kingdom and Ireland	74,929,241	
		£179,421,249
Money at Call and Short Notice		87,813,750
Balances with Banks abroad		7,991,115
British Government Treasury Bills	265,605,000	
British Bills of Exchange	8,619,560	
Dominion, Colonial and Foreign Bills (including India, Pakistan and Burma Treasury Bills, £37,500)	2,421,217	
		276,645,777
Investments (see Notes I, II and III) :—		
Securities of, or guaranteed by, the British Government	326,285,199	
Other Investments, including Securities of Dominion and Colonial Governments, British Public Boards and British Municipal Corporations — quoted	32,361,379	
— unquoted	9,193,906	
		367,840,484
Loans and Advances after deducting provision for Bad and Doubtful accounts.	327,252,176	
Balances in Account with Subsidiary Companies	71,933	
		327,324,109
Items in Transit		21,956,963
		1,268,993,447
Trade Investments :—		
Subsidiary Companies—		
The National Bank of Scotland Limited—		
Consolidated Capital Stock £4,965,877 (nominal), £1,962,351 paid up, taken at amount paid up, plus proportion of Reserve Fund and undivided Profits (see Note I on attached accounts)	4,450,261	
Lloyds Bank (Foreign) Limited— 24,000 Shares of £50 each, fully paid, at £50 per share	1,200,000	
Lloyds Bank Executor and Trustee Company (Channel Islands) Limited— 100,000 Shares of £1 each, fully paid, at cost	100,000	
	5,750,261	
Other Trade Investments at cost or under	4,464,431	
		10,214,692

NOTE.—There is a contingent liability for uncalled Capital in respect of a portion of these Investments.

Other Assets and Accounts (including sundry Properties at cost, less amounts written off)		6,186,175
Bank Premises, at cost, less amounts written off		11,552,658
Liabilities of Customers for Acceptances, as per contra		5,470,423
Liabilities of Customers for Endorsements, Guarantees, and other Obligations, as per contra		175,517,906
		£1,477,935,301

E. J. HILL, Chief General Manager. H. A. BEASLEY, Chief Accountant.

OLIVER FRANKS, Chairman.
JEREMY RAISMAN, Deputy Chairman.

PROFIT AND LOSS ACCOUNT FOR THE YEAR 1957

Dr. *Cr.*

To Interim Dividends, less Income Tax	£693,869	By Balance brought forward	£712,000
„ General Reserve	500,000	Profit brought in, after providing for taxation on the profits of the year and after making transfers to the credit of contingency accounts, out of which accounts full provision has been made for any diminution in value of assets (subject to Note I on the balance sheet)	2,502,301
„ Reserve for Future Contingencies	500,000		
„ Final Dividends, less Income Tax (subject to confirmation by the Members)	500,000		
„ Balance to be carried forward	693,870		
NOTE.—Directors' emoluments amounted to £78,518 (1956 : £77,053), including £8,325 (1956 : £8,549) paid to certain Directors by subsidiary and other Companies and £2,500 (1956 : £2,500) pension to a Director in respect of past services as Chairman.	826,712		
	£3,214,451		£3,214,451

REPORT OF THE AUDITORS TO THE MEMBERS OF LLOYDS BANK LIMITED

In our opinion and to the best of our information and according to the explanations given to us, the foregoing accounts of the Bank, with the annexed statements relating to the Bank's subsidiaries, The National Bank of Scotland Limited and Lloyds Bank (Foreign) Limited give in the prescribed manner the information required of banking companies by the Companies Act, 1948, and on the basis therein authorised give, subject to Note I and to the corresponding note on the accounts of The National Bank of Scotland Limited, a true and fair view of (a) the state of the Bank's affairs as at 31st December 1957 and of its profit, ascertained as indicated in the accounts, for the year ended on that date and (b) the state of affairs and the profit, ascertained as indicated in the accounts and annexed statements, of the Bank and its subsidiaries so far as concerns members of the Bank.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit. In our opinion the Bank has kept proper books of account and obtained proper and adequate returns from the branches and the above accounts of the Bank are in agreement therewith. The accounts of the Eastern branches are included therein as at 31st October 1957 and the accounts of the subsidiaries are made up to 1st November and 30th September 1957 respectively.

3, Frederick's Place, London, E.C. 2, 14th January, 1958.

PRICE WATERHOUSE & CO., Chartered Accountants.

BALANCE SHEET OF THE INDIAN BRANCHES OF LLOYDS BANK LIMITED AS AT 31st DECEMBER 1957

CAPITAL AND LIABILITIES

	Rs. nP	Rs. nP
Capital—		
Deposit with Reserve Bank of India under Section 11 (2) of the Banking Companies Act, 1949.		
2½% Loan 1961 Rs. 25,00,000 at Rs. 94.45	23,61,250.00	
Reserve Fund and Other Reserves		Nil
Deposits and Other Accounts—		
Short Deposits and Deposits at call	5,83,30,313.87	
Fixed Deposits	5,14,03,799.58	
Savings Bank Deposits	10,90,73,382.27	
Current Accounts, Contingency Accounts, etc.	22,01,12,720.62	43,89,20,216.34
Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	1,35,30,000.00	
(ii) Outside India	Nil	1,35,30,000.00
Particulars:—		
(I) Secured by Central Government Securities per contra	50,30,000.00	
(II) Unsecured	85,00,000.00	
Rs.	1,35,30,000.00	
Bills Payable		20,94,125.16
Bills for Collection being Bills Receivable as per Contra—		
(i) Payable in India	3,15,75,678.69	
(ii) Payable outside India	73,06,249.46	3,88,81,928.15
Other Liabilities—		
Inter Branch Adjustments—Branches in India	2,30,678.85	
Staff Provident Fund	46,63,209.25	48,93,888.10
Acceptances, Endorsements and Other Obligations—per Contra		5,69,37,208.19
Contingent Liabilities—		
Liability on account of outstanding Forward Exchange Contracts	Rs. 15,07,09,962.66	

PROPERTY AND ASSETS

	Rs. nP	Rs. nP
Cash—		
In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		2,61,51,391.43
Balances with Other Banks—		
Current Accounts—		
(i) In India	1,51,641.92	
(ii) Outside India	15,29,157.68	16,80,799.60
Money at Call and Short Notice		1,97,00,000.00
Investments—At or under Market Value.		
(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments (of which nominal value Rs. 8,63,60,400.00 are lodged as security for borrowings from other Banks and for other accounts.)	11,54,23,003.07	
(ii) Shares	6,63,100.00	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	11,60,87,003.07
Advances—		
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)—		
(I) Loans, Cash Credits, Overdrafts, etc.—		
(i) In India	26,90,83,861.40	
(ii) Outside India	Nil	26,90,83,861.40
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
(i) Payable in India	84,03,541.79	
(ii) Payable outside India	1,26,39,325.15	2,10,42,866.94 29,01,26,728
Particulars of Advances—		
(i) Debts considered good in respect of which the banking company is fully secured		21,19,97,497.47
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security		4,01,56,200.54
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors		3,79,73,030.33
(iv) Debts considered doubtful or bad, not provided for		Nil
		29,01,26,728.34
(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons		1,11,090.00
(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners, or Managing Agents, or in the case of private companies, as members		Nil
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons		1,53,204.00
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members		Nil
(ix) Due from banking companies		26,87,987.77
Bills Receivable Being Bills For Collection—As per Contra—		
(i) Payable in India	3,15,75,678.69	
(ii) Payable outside India	73,06,249.46	3,88,81,928.
Constituents' Liabilities For Acceptances, Endorsements and Other Obligations—Per Contra		5,69,37,208.
Premises Less Depreciation—		
Original Cost	10,09,767.44	
Less—Depreciation	1,34,424.00	8,75,343.
Furniture And Fixtures Less Depreciation		1
Other Assets, including Silver—		
Inter-Branch Balances—Net—		
Head Office and Branches outside India	40,13,303.28	
Income Tax Advance Payments	1,86,571.19	
Interest, Exchange, Commission, Discount and Expenses	15,16,999.25	57,16,965.
(No adjustments made as at 31st December 1957 for the two months, November and December for accrued Interest and Exchange receivable and payable and Commission receivable.)		
Non-Banking Assets Acquired in Satisfaction of Claims		Nil
	Rs.	55,61,57,365

J. A. Brough & E. S. Tibbetts
Chief Managers (Eastern Branches)

(Continued in next page)

AUDITORS' REPORT ON THE INDIAN BRANCHES OF LLOYDS BANK LIMITED UNDER SECTION 30 OF THE BANKING COMPANIES ACT, 1949.

We have audited the Balance Sheet of the Indian Branches of Lloyds Bank Limited dated 31st December 1957 and above set forth and the annexed Profit and Loss Account for the year ended 31st October 1957 with the books and accounts as kept at the Chief Managers' (Eastern Branches) Office, Calcutta, in which are incorporated certified returns from the ten Indian Branches and also with the books and accounts kept at the Calcutta Branch.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions of Section 211 (1), (2) and (5) and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with Schedule VI of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule of the Banking Companies Act, 1949.

We report that :—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Chief Managers' (Eastern Branches) Office and the Calcutta Branch so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the 9 Branches not visited by us.

(c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the certified returns.

(d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Branches as at 31st December 1957 and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st October 1957.

PRICE WATERHOUSE & CO.,
Chartered Accountants.

CALCUTTA, 25th March, 1958.

NEW PUBLICATIONS

Economic Development in India, 1946-1956. By C. D. Deshmukh. Published by Asia Publishing House, Contractor Building, Nicol Road, Bombay. Pages: 167. Price: Rs. 6.00.

THE book comprises the successive series of five lectures delivered by Mr. C. D. Deshmukh, in connection with the Dadabhai Naoroji Fellowship awarded to him, in the year 1957. The treatise may modestly be styled as a personal retrospect. It may well be so, obviously because the major economic policies during the decade under review, namely, 1946 to 1956, bore the impress of Mr. Deshmukh's personality. The scope of the book, it must be admitted, seems to be wider, for it is not so much a retrospective narration of events as a dispassionate appraisal of the pace and progress of the economic and financial policies pursued during an eventful period in the country's economic history.

A cogent, competent and absorbing account takes us through three distinct periods. The first stage—1946-49—presents a sad spectacle of "missed opportunities" and, probably, misdirected energies. This is followed by an exposition of the factors that inhibited consistent policies in the beginning of this period. An exhaustive discussion brings into the light the repercussions of decontrol and devaluation on the domestic economy. The second stage, 1950-52, sees the beginning of an era of planning, which brings into the fore a host of problems of unprecedented magnitude. The last phase is more spectacular. It is marked by all-out efforts at "pressing the advantage of the normality of prices and the rise in production" in order to ensure rapid and balanced economic development. A stage is set for the second Plan.

While summing up this succinct survey, Mr. Deshmukh has done well to dwell at length upon the institutional implications of economic development in our country, with special reference to the second Five-year Plan. It is, however, too much to expect a book of this nature to provide us with appropriate tools of analysis immediately applicable to an underdeveloped country like ours. Nor does it venture to suggest ways and means to cure the maladies of the economy. The author, however, has spared no pains to emphasise and point the direction to which the study of dynamic problems of economically retarded countries should be channelised. A high sense of detachment and objectivity with which he surveys the scene make the book all the more appealing. This publication will be of special interest to teachers and students of economics no less to planners and other authorities who are concerned with the task of India's economic development.

Handbook of Company Forms. By C. C. Sutaria. Published by the Institute of Secretaries, Lentin Chambers, Dalal Street, Bombay 1. Pages: 144. Price: Rs. 5.

With the growing complexity of corporate gislation in India, the job of company secreries is becoming a highly difficult and technical one. The task of filling various forms in rict conformity with the provisions of such mplicated enactments as the Companies Act, 56, is a veritable nightmare for many a comny secretary. As ignorance of the provisions law is no excuse for errors in procedural atters, the need for expert knowledge and clear guidance cannot be overemphasised. Viewed against this background, the publication under notice, which is a book of instructions on forms prescribed under the Companies Act 1956, by Mr. Sutaria, is very welcome. One cannot find a more competent man to deal with the subject than Mr. Sutaria. Apart from being the Chairman of the Council of the Institute of Secretaries, Bombay, he has to his credit 17 years of experience as a practising company secretary. Mr. Sutaria has brought to bear upon this handbook his expert knowledge of the provisions of Company Law and sound practical experience making it a good, reliable and practical guide.

The handbook contains concise and clear instructions for filling up a large number of company forms as well as for filing annual returns and copies of balance sheets. The author gives instructions on each form, explains the procedural requirements, and makes references, wherever required, to the relevant provisions of the Act. In addition to the text there are four appendices. This practical guide on company forms should deservedly find a place on the desk of every company secretary.

Law and Practice of Estate Duty. By V. Balasubramaniam. Published by Messrs. N. M. Tripathi Ltd., Princess Street, Bombay 2. Pages: 884. Price: Rs. 22-8.

The law on estate duty is a complicated piece of legislation. Actual experience in administering the law is also somewhat limited in this country, thanks to the fact that this levy was introduced only recently. The author of the book under review has presented a thorough study of the various provisions of the Act. He has cited many important cases which have a bearing on estate duty law. He has also drawn attention at appropriate places to statutory provisions which require clarification and amendment. In this connection, he observes: "Though the Act is generally based on the U.K. law on the subject, substantial differences between the two exist and the rights and obligations of parties being different under both laws the 'tangled confusion' of the law cannot altogether be resolved with the help of the judicial observations in that country. Special attention may in this connection be drawn to the incidence of estate duty for which the laws are not settled and some provisions may very well require to be made in this respect if not at present, at least later on, in the administration of the Act. Further reliefs from estate duty in hard cases such as charity may also be called for." These observations deserve the attention of the authorities. The notable feature of the book is the numerous examples which have been given to illustrate the principles underlying the various sections of the Act.

Bonus, Gratuity and Other Allowances in Factories. By Messrs. J. D. Jain and P. D. Jain. Published by Industrial Law Advisory Service, Post Box No. 1675, Delhi. Pages: 609. Price: Rs. 15.

The authors of the book under review have dealt exhaustively with the subject of allowance of bonus, gratuity, provident fund and other allowances. All the cases decided by the Industrial Tribunals, Labour Appellate Tribunal, the High Courts and the Supreme Court which have a bearing on the subject have been cited. The book also contains the Industrial Disputes Act 1947, Industrial Disputes (Banking and Insurance Companies) Act 1949, Industrial Employment (Standing Orders) Act, 1946, Industrial (Development and Regulations) Act, 1951, Registration and Licensing of Industrial Undertaking Rules, 1932, Indian Factories Act, Workmen's Companies Act, Minimum Wages Act, Payment of Wages Act and other miscellaneous labour legislations and rules framed thereunder as amended up to date.

The book will therefore serve as a very useful volume for frequent reference. One, however, wishes that the authors had numbered the pages in continuous order for it could have facilitated ready reference.

Punjab Agriculture Facts and Figures. By R. L. Anand. Issued by Economic and Statistical Adviser to Government, Punjab. Pages: 212.

Punjab had earned the distinction of being the granary of this country before Partition. The State's contribution to the total agricultural production in the country suffered greatly after the Partition of the country in 1947. Mr. R. L. Anand, the author, has taken great pains to bring under one cover a large mass of statistical material relating to agriculture in the Punjab. He observes in his preface that the object of this book "is to indicate the direction and velocity of the changes that have taken place in agriculture, since the Partition, in the background of the position during the period 1939-47." The book is bound to be referred to with interest by administrators in the Punjab and students of rural economics.

The New Company Law, Vols. I and II. By C. S. Rangaswami and G. Basu. Published by Oxford Book and Stationery Co., 17, Park Street, Calcutta 16. Pages: 887. Price: Rs. 30.

Besides being a voluminous piece of legislation, the new Companies Act has introduced several novel features into the original Act. Indeed it has been rightly contended that the recent amendments are in the nature of a re-enactment, rather than a mere modification of the original Act. The authors of the book under review have succeeded in explaining in a lucid manner the various provisions of the Act. In their notes to the sections of the Act, the authors have done well not only to explain the meaning and significance of each section but also give the background to that section by citing the appropriate references from the report of the Company Law Committee.

The Central Sales Tax Act, 1956. Parts I (Pages: 234), II (Pages: 210), III (Pages: 138) and IV (Pages: 170). By B. L. Dalmia. Published by Law Chamber, 134, Mahatma Gandhi Road, Calcutta 7. Price: Rs. 3.50 for each Part and Rs. 12.00 for a complete set.

In the first part of the book the *Central Sales Tax Act* 1956, the author Mr. Dalmia has dealt with the Central Sales Tax Act 1956 and explained the different sections of the Act in the light of the judgments of the High Court on the subject from time to time. The second part deals with the Central Sales Tax Rules and the rules on the subject in different States. The third part is devoted to an explanation of the schedule of exempted goods and the fourth part to the rates of sales tax. It will thus be seen that all the four parts taken together constitute a complete guide to sales tax legislation.

LLOYDS BANK LIMITED—*(Continued)*

(Incorporated in England)

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31st OCTOBER, 1957

EXPENDITURE	Rs. nP	INCOME (Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP
Interest paid on deposits, borrowings, etc.	76,72,270.80	By Interest and Discount	1,83,72,887.16
Salaries and Allowances and Provident Fund (includes Chief Managers (Eastern Branches) Rs. 91,121.92)	86,07,188.23	„ Commission, Exchange and Brokerage	50,71,206.06
Directors' and Local Committee Members' Fees and Allowances	—	„ Rents	16,044.00
Rent, Taxes, Insurance, Lighting, etc.	7,70,095.91	„ Net Profit on sale of Investments, Gold and Silver, Land, Premises and Other Assets	—
Law Charges	11,989.68	„ Income from non-banking assets, and profit from sale of or dealing with such assets	—
Postages, Telegrams and Stamps	1,35,012.82	„ Other receipts	—
Auditors' Fees	13,500.00	„ Loss	—
Depreciation on and repairs to the banking company's property	4,06,050.21		
Stationery, Printing, Advertisement, etc.	3,82,102.11		
Loss fro sale of or dealing with non-banking assets	—		
Other Expenditure (including proportion of Head Office Expenditure)	11,55,836.29		
Balance of Profit (subject to Indian Income Tax and Super Tax)	43,06,091.17		
	Rs. 2,34,60,137.22		Rs. 2,34,60,137.22

J. A. Brough & E. S. Tibbetts
Chief Managers (Eastern Branches)

CALCIUM CARBIDE INDUSTRY IN INDIA

PACE OF EXPANSION GREATER THAN WHAT WAS ORIGINALLY ENVISAGED

IT is surprising that the pace at which some industries are expanding does not at all conform to the pattern envisaged in the second Five-year Plan. One such industry is the calcium carbide industry. The aggregate annual rated capacity of this industry is expected to touch 41,600 tons when all the plans sanctioned by the Government are implemented successfully. This represents a rise of as much as 15,400 tons as compared with the target of 26,200 tons set for 1960-61 by the Planning Commission. It is not known whether any new circumstances have arisen since the development programme was drawn up for the calcium carbide industry so as to prompt the upward revision in target. When the target of capacity and production was fixed at 26,200 tons (on the basis of 300 working days) and 24,000 tons, respectively, the Commission had clearly stated: "It does not seem necessary to envisage further expansion of this industry during the second Plan, having regard to the level of requirements (estimated at about 24,000 tons) by 1960-61. But additional capacity for calcium carbide may have to be envisaged, if acetylene is proposed to be made on the basis of any new organic chemical products in preference to materials like alcohol. The picture relating to such developments is not completely clear at this stage."

It is thus evident that the anticipated capacity of the calcium carbide industry (41,000 tons) will be very much more than what is actually required to meet the estimated domestic demand (24,000 tons) in full. Certain figures cited by Mr. K. R. Damle, I.C.S., Chairman of the Tariff Commission, at the public enquiry into the question of continuing protection to the industry held in the city last week, reveal that the estimates of demand for 1958 vary only between 10,000 and 16,000 tons, that the average quantity actually available for consumption in the past three years has been less than 10,000 tons, and that the Development Wing expects the demand to increase to just 20,000 tons a year by 1961. In other words, the surplus capacity of the industry (in relation to requirements) at the end of the second Plan period will be as much as 17,000 tons. One, therefore, wonders whether capital, which is scarce, should be expended on undue expansion and whether it will not be advisable to divert such capital to other industries which badly require an increase in their capacity.

Bright Future

From the foregoing account one should not, however, rush to conclude that the calcium carbide industry does not have a bright future. For the demand for the product of this industry, as Mr. Damle said in his speech, is likely to increase considerably with the completion of the various steel projects now in progress. Further, calcium carbide is put to very limited uses in this country at present. It has varied uses and, with the putting up of the new plants and the expansion of existing ones, this industry may form the nucleus for other industries like plastics and synthetic organic chemicals to develop.

The calcium carbide industry, it will be recalled, has passed through many vicissitudes. The Tariff Commission first examined the claim of the industry for protection in 1955 and recommended in 1956, grant of protection up to the end of December 1958 by levying a protective duty of 45 per cent. *ad valorem* (standard). The Government of India accepted the recommendations, but decided to maintain the duty at 50 per cent. *ad valorem*, the same rate as the revenue duty. There has hardly been any progress since protection was granted.

At the Commission's enquiry in 1956, there were three units in the industry, one each at Calcutta, Talaiyuthu (Madras) and Chingavanam (Kerala). The latter two were only pilot plants. The rated capacity of the three units was 5,050 tons a year and no additions have been made to it since then. The unit in Kerala worked for only a short period before the last enquiry and it was closed down after the enquiry. The production of calcium carbide of the other two units was 2,890 tons in 1956, 3,596 tons in 1957 and 607 tons in January-February 1958. The Birla Jute Manufacturing Company has been working up to capacity and the Industrial Chemicals Ltd. worked hardly upto about 20 per cent. of its capacity. The former company has a programme to expand its installed capacity to 6,600 tons a year by about the middle of 1960, the Industrial Chemicals Ltd., Madras, to 10,000 tons a year by the middle of 1959, and the Travancore Electro-Chemical Industries Ltd. to 9,000 tons a year. The Indian Carbide Corporation Private Ltd., Bombay, and the Calico Mills, Ahmedabad, have plans to set up plants with annual capacities of 10,000 tons and 6,000 tons, respectively.

The total production of calcium carbide in 1957 was a bare 3,596 tons, as against the demand of about 13,000 tons. Naturally, the country is still depending for its supplies largely on imports. The principal sources of supply are Norway, Yugoslavia, China and Canada. The imports were 9,422 tons valued at Rs. 52.49 lakhs in 1954-55, 7,085.15 tons valued at Rs. 38.96 lakhs in 1955-56, 5,976.35 tons valued at Rs. 37.29 lakhs in 1956-57 and 2,979.5 tons valued at Rs. 17.97 lakhs in April-August 1957. Under the import policy for the periods January-June 1956 to July-December 1956 and January-June 1959, established importers were allowed a quota of only 25 per cent. of half of their best year's imports. No quota was fixed for established importers for the period July-September 1957. The quota for October-March 1957-58 was increased to 33⅓ per cent., with the proviso that the imports during 1955-56 also would be taken into account for determining the quota. The same policy is being continued for the current licensing period. Applications for imports from actual users were also allowed and licences were issued to them in consultation with the Development Wing according to the need of each case.

Quality

It is indeed gratifying to be told by the Birla Jute Manufacturing Company, Ltd., that it has taken various steps to improve and maintain uniformly the quality of its products. The steps include improvement in the furnace and additions of ancillary equipment. The Company says that it has not received any complaint in regard to the quality during the last several months. But the Tariff Commission, according to Mr. Damle, has received a large number of complaints from consumers. While they admit slight improvement in the gas yield, they state that the phosphine-content continues to be still high. The Indian Standards Institution has formulated standards for two grades of calcium carbide —grade A (maximum phosphine-content is 0.06 per cent.) corresponding to the average quality of the imported material and grade B (0.08 per cent.) corresponding to the average quality of the indigenous material. In the case of domestic product, the phosphine-content varies between 0.074 and 0.083 per cent. In the case of gas yield, a direct comparison, it is said, is not possible, as the sizes produced by the Company do not coincide with those for which standards have been laid down.

The calcium carbide industry is said to suffer from two handicaps. First, it has not been able to locate better quality raw materials (limestone, coke, charcoal and petroleum coke). Secondly, the cost of electricity which comes to about 5.33 nP kw.h. is very high, especially for an electro-chemical industry. Mr. Damle drew special attention to these handicaps in the course of his speech.

The Tariff Commission is currently examining the claim of the Birla Jute Manufacturing Company for continuing protection for a further period of two years, that is, up to the end of 1960; the prospective manufacturers have asked for protection for a longer period. The Commission is also examining the question of fixing fair ex-factory prices of calcium carbide produced in India.

INDO-SAUDI ARABIAN TRADE

A bilateral agreement on trade and economic relations has been reached between the Government of India and Saudi Arabia. The agreement has followed the visit of the Saudi trade delegation to India last month. During its stay in this country, the delegation carried out an exhaustive survey of many commercial and industrial centres and held discussions with Government spokesmen and representatives of commerce and industry. Under the agreement, the Governments of both countries will co-operate with each other in order to ensure mutual expansion of trade, setting up of joint industrial enterprises, and promotion of ship-

(Continued on page 775)

PROBLEMS OF GLASS INDUSTRY

CAUTION IN LICENSING NEW CAPACITIES URGED

THE President of the Bengal Glass Manufacturers' Association, Mr. O. M. Somany, did well to urge, while speaking at the thirteenth annual general meeting of the Association held at Calcutta recently, that great caution should be exercised in licensing new capacities The overall rated capacity of the glass industry has been raised from the original figure of 338,000 tons to 384,000 tons without any corresponding upward revision in the production target of 200,000 tons (representing the total demand for glass and glassware, excluding bangles). Surely, the provision for such a heavy unused capacity, as Mr. Somany rightly declared, cannot be viewed with equanimity, inasmuch as it will react most adversely on the cost of production and, at the same time, bring in the problem of excessive internal competition. He did well also to make special mention of the lack of uniform progress in the production of glass goods of late. In this connection, he gave the following figures:

(In tons)

	1957	1956	1955	1950
Bottles and phials	70,235	62,413	55,270	51,850
Sheet glass	28,296	24,848	20,540	5,100
	(54.22)†	(47.62)†	(38.0)†	(9.6)†
Table and pressedware ..	31,749	28,219	25,460	12,060
Lampware	17,890	19,887	16,690	13,150
Scientific glassware ..	3,115	3,357	2,500	2,140
Shells for lamps	1,090	1,522	1,160	630*
	(39.90)‡	(35.92)‡	(26.1)‡	(14.0)*‡
Thermos flasks	364	330	315	350*
	(53,364)§	(48,336)§	(43,700)§	(45,900)*§
Miscellaneous glassware ..	3,637	3,031	2,270	1,990
Total ..	156,976	143,587	124,205	87,130

* Relates to 1951. † Million sq. ft. ‡ Million pieces. § Dozen.

It will be seen from the above table that, while the production of bottles and phials, sheet glass, table and pressed wares, shells for electric lamps, thermos flasks and others have registered considerable improvement, that of lampware and scientific glassware has suffered a setback. The rate of increase in output itself has markedly slowed down in 1957 as compared with previous years. In respect of sheet glass, table and pressed wares, etc., it seems that the production targets are well within realisation, whereas much headway has yet to be made with regard to bottleware, miscellaneous glassware and thermos flasks

Recent Trends

Mr. Somany referred to certain recent trends in the development of glass industry. These are given below:

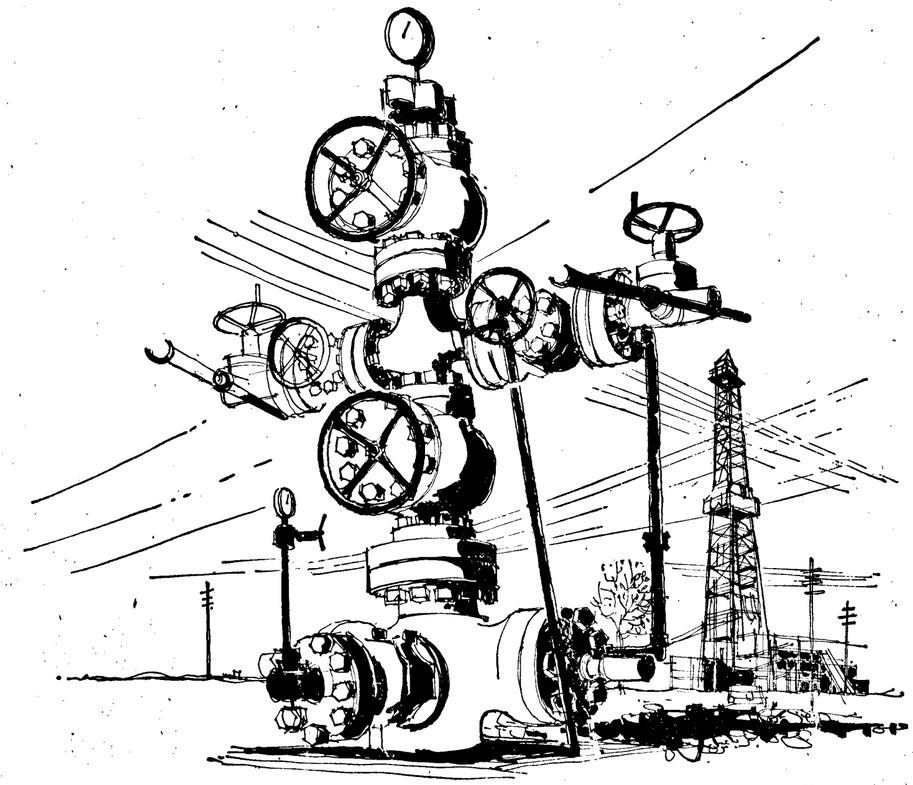
The average size of glass factories has tendered to increase, as a result of which the comparatively small units have to close down. Although more than 40 units continue to be out of production, the volume of total output has been rising from year to year. This rationalisation in the size of factories has evidently been brought about by the pressure of economy of production and modernisation of operating techniques. In the years to come, this tendency towards bigger sized units is likely to be more intensified, making capital and investment in the comparatively small units virtually immobile.

Certain projects designed for diversification of production have not so far been implemented.

During recent years, the cost structure of the industry has been continuously soaring up, whereas the marketing prospects and prices of the products have not materially improved.

Since glass is used mostly as a packing material, its cost of manufacture has an important bearing on the economy of other industries such as pharmaceuticals, chemicals, cosmetics, inks and preserved fruits consuming glass containers. Unless, therefore, the glass industry is in a position to market its products as cheap as possible, other alternative packing materials, as Mr. Somany pointed out, will establish their hold on the market and the prospects for the industry will be most adversely affected. Some of the suggestions he put forward with a view to removing the handicaps facing the glass industry deserve to be sympathetically considered. These relate to the availability of cheap, easy and adequate transport for moving raw materials and finished products, establishment of a quartz crushing plant in West Bengal, reduction in railway freights, more careful scrutiny of applications for import of glass and glassware, and more liberal import of certain basic chemicals such as heavy soda ash, borax and boric acid.

The Story of Oil—8



Trees of steel

When a well strikes oil, the first consideration is to stop it gushing. Such an occurrence, though spectacular and common in the early days of drilling, is wasteful. To counteract the pressure, therefore, the mud used during drilling is pumped into the well. The drill is then replaced by narrow tubing which stretches from the bottom of the newly discovered deposits to the 'Christmas Tree' on the surface. The latter is a system of valves which control the flow of oil.

Crude oil, by itself, cannot move. It usually lies between natural gas (on top) and water, so that when the oil trap is pierced by the well, any gas present seeks to expand and pushes down on the oil, driving it upwards. Or gas may be dissolved in the oil itself, and as it expands it pushes the oil to the surface. If, however, a large quantity of water lies below the oil, it forces the oil out of the porous rock and into the well. Sometimes a combination of gas and water pressure drives the oil to the surface.

Normally this pressure is sufficient to keep a well flowing for some time. But as the porous rocks are drained, the pressure declines. Then one of several artificial methods can be used to keep the oil flowing. The 'Christmas Tree' can be replaced by a mechanical suction pump which draws the oil up to the surface. Or gas can be fed into the deposits (between the casing and the tubing) to mix with the oil and bring it to the surface. Or, as a last resort, gas or water can be pumped down a neighbouring well to recreate the original pressure.

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CENTURY MILL'S PROFIT DOWN

RAYON PLANT EXPANSION PROGRESSING—BONUS ISSUE SHELVED

IN common with other textile mills in the country, the profit of the Century Spinning and Manufacturing Company Ltd. (Managing Agents: Messrs. Birla Brothers Private Ltd., Bombay) also for the year ended 31st December 1957 shows a decline. The reason is not far to seek. The setback in the Company's earnings for the year under review is attributed by the Directors to the sluggishness in the cloth trade which lasted throughout the year 1957. The gross profit at Rs. 67.78 lakhs has fallen by Rs. 28.86 lakhs from Rs. 96.64 lakhs for the previous year, to which level it had advanced from Rs. 87.65 lakhs two years ago. Incidentally, this is the lowest gross profit earned by the Company since 1952 when it amounted only to Rs. 51.17 lakhs. The net profit at Rs. 19.98 lakhs is only slightly better than a third of Rs. 56.27 lakhs earned in 1956. It is again substantially lower than Rs. 34.10 lakhs for 1955 and Rs. 42.59 lakhs for 1954.

A sum of Rs. 7.12 lakhs has been provided for taxation, as against Rs. 3.11 lakhs in the previous year. This is inclusive of a provision of Rs. 3 lakhs for taxation in respect of previous years' liability and Rs. 4.12 lakhs as provision for wealth tax for 1956 and 1957. The provision for depreciation has been raised from Rs. 30.81 lakhs to Rs. 37.76 lakhs. The Directors state that they have reviewed the question of provision for depreciation on fixed assets of the Company and feel that "depreciation only at normal rates allowable under the Income-tax Act would be sufficient, as against the full provision for depreciation allowable under the said Act as done in the previous year." Due to this change, the amount of depreciation debited to the accounts is less to the extent of approximately Rs. 51 lakhs as compared to the total depreciation allowable under the Income-tax Act. A sum of Rs. 18.32 lakhs, representing development rebate, has been credited to development reserve, as against Rs. 55 lakhs in the preceding year. Despite the fall in earnings, the dividend has been maintained at 22 per cent. for the fifth year in succession, to which level it had been stepped up in 1953 from 20 per cent. paid for 1951 and 1952. The payment of interim dividend amounting to Rs. 8.75 lakhs has been met by transferring Rs. 5.92 lakhs from the dividend equalisation reserve and Rs. 2.83 lakhs from the general reserve. A sum of Rs. 15.32 lakhs has been transferred from general reserve for payment of the proposed final dividend.

The following comparative table will bring out clearly the progress of the Company during the past three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds (gross)	9,39.23	7,80.32	8,25.73	7,88.06
Stocks of finished goods and materials in process ..	2,02.78	1,82.22	1,17.06	2,11.44*
Expenses (including raw materials consumed)	9,02.40	7,55.01	7,13.09	7,04.31†
Gross profit	67.78	96.64	87.65	87.89
Managing Agents' remuneration	2.92	6.45	7.55	3.80
Provision for—				
Depreciation	37.76	30.81	15.00	12.00
Taxation	7.12	3.11	31.00	29.50
Net profit	19.98	56.27	34.10	42.59
Transfer from reserves ..	24.07	24.07	..	..
To reserves	18.32	55.00	35.00	..
Dividend	24.07	24.07	24.07	24.07
	(22%)	(22%)	(22%)	(22%)
Carry forward	9.28	7.62	6.35	31.33

* Include raw materials and waste.
† Only approximate.

Commenting on the working of the mill, in the context of the depressed state of the cotton market in 1957, the Directors observe:

"The working of the Company's textile mill during the year was normal. As reported last year, the increase of excise duty on cloth in September 1956 had an adverse effect in the offtake of cloth and stocks were mounting. Sluggishness in the cloth trade lasted throughout the year 1957 and there has been a setback in the earnings of the year. In December 1957, sales tax on cloth was replaced by an additional excise duty, and as a temporary measure excise duty on medium cloth was cut by 6 pies per square yard. This measure was expected to improve the offtake of cloth, but the replacement of sales tax by excise duty gave rise to difficulties and confusion in trade circles regarding sales tax payable on floating stocks, and stocks continued to mount. To solve the sales tax problem on floating stocks, the State Government announced reduced rates for compounding the sales tax payable. Since then, some improvement in the offtake of cloth is perceptible. The replacement of sales tax by excise duty has added to the cost of production in that sales tax exemption on purchase of mill stores, colours, chemicals, machinery, spare parts, etc., was withdrawn when the replacement was effected."

As regards the Company's expansion programme, the Directors state that the 5½-ton plant rayon factory at Kalyan reached full production in June 1957 and the working of the rayon factory was satisfactory. The work of expanding the rayon plant to 12 tons is stated to be progressing well and the plant is expected to reach full production before June 1958.

It may be remembered that the Directors had decided at the close of the previous year to increase the authorised capital of the Company from Rs. 1.5 crore to Rs. 5 crores and the subscribed capital by Rs. 164.14 lakhs to Rs. 273.57 lakhs by capitalising reserves and issuing fully paid-up bonus shares. In view of the fact that under the Finance Act No. 2 of 1957, the tax on bonus shares has been increased from 12½ per cent. to 30 per cent., the Directors have decided to drop the proposal for the time being.

The paid-up capital of the Company as at 31st December 1957 stands at Rs. 109.43 lakhs, all in ordinary shares of Rs. 100 each. As against this, the reserves and surplus aggregate Rs. 288.87 lakhs, of which the general reserve alone accounts for Rs. 201.84 lakhs. The current liabilities at Rs. 483.53 lakhs include secured loans from a bank of Rs. 170 lakhs and unsecured loans of Rs. 124.81 lakhs. The gross block of the value of Rs. 745.32 lakhs (Century Mills Rs. 294.55 lakhs and Century Rayon Rs. 450.77 lakhs) stands written down to Rs. 475.34 lakhs. Additions during the year were of the order of Rs. 175.02 lakhs. The current assets aggregate Rs. 406.48 lakhs and fall short of the current liabilities and provision for taxation by a margin of Rs. 77.05 lakhs. The current assets include investments in Government securities and shares of companies amounting to Rs. 11.17 lakhs, stores and spare parts Rs. 28.46 lakhs, stock-in-trade Rs. 283.19 lakhs, sundry debtors Rs. 23.21 lakhs, loans and advances Rs. 40.69 lakhs and cash balances Rs. 19.69 lakhs.

The Rs. 100 fully paid-up ordinary shares are being currently quoted at Rs. 430 *cum-div.* (final dividend Rs. 14 per share). On an *ex-div.* basis, the shares provide a yield of 5.3 per cent. per annum, free of income-tax.

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ALL-ROUND RISE IN OUTPUT

HIGHLY encouraging results are disclosed by the audited accounts of the East India Distilleries and Sugar Factories Ltd. and its subsidiaries (Managing Director: Mr. G. N. Noel-Tod, Madras) for the year ended 30th September 1957. There was a conspicuous improvement in production activities in all the varied sections of the Company's business with sales also making a commensurate rise. These are fully reflected in the Company's earnings and profit for the year under review. It should, however, be noted that, while in the previous year the group accounts included the results of the holding company for the 12 months ended 30th September 1956 and those of its subsidiary companies for the period of only nine months ended September 1956, the accounts for the year under review represent the working of the group for the whole year. The better results are, therefore, partly due to the fact that the working of the subsidiary companies cover an additional three months' period. The gross profit for the year amounts to £840,691, having risen by no less than £240,919 from £599,772 for the previous year. The net profit, after raising the provisions for both depreciation and taxation, the former from £94,309 to £100,161 and the latter from £284,756 to £505,922, stands, however, only slightly higher at £234,608, as compared with £220,707 in the previous year. Of the amount of £505,922 provided for taxation, the tax on profit arising in the United Kingdom accounts for £13,355 and that on profit in India for £409,714. It also includes a sum of £82,853 representing the additional taxes payable in respect of the previous year, particularly 1955-56. Deducting from this net profit the profits of subsidiaries which are attributable to outside shareholders' interests amounting to £11,250, the net profit attributable to the holding company alone accounts for £223,358 and compares well with £200,155 a year ago.

After bringing in the surplus of the previous year, the profit available for appropriation is £282,807, out of which a sum of £2,625 has been set aside to capital reserve (£4,500 in the previous year) and £120,000 (£100,000) to general reserve. The Directors have maintained the dividend on the ordinary shares at the same rate as the previous year, namely, a first interim of 5 per cent. and a second one of 10 per cent. In view of the heavy inroads made by taxation into the profits of the year under review and the necessity to conserve resources in the light of the present state of world trade, the Directors state that they are not able to recommend the payment of any further dividend on the ordinary shares for the year ended 30th September 1957. The dividend on 7 per cent. preference capital absorbs £14,000 and that on the ordinary capital £82,493, leaving a balance of £63,689 to be carried forward, as against £59,449 brought in.

The vastly improved activities of the Company during the year under review resulted in a sharp rise in the sale proceeds from £6,707,595 in 1955-56 to £10,216,706. The Company's crushing of sugarcane during the season 1956-57 amounted to 371,291 tons yielding 33,413 tons of sugar, having risen from 349,247 tons of cane crushed in the 1955-56 season producing 29,574 tons of sugar. It is stated that the quantity of cane crushed and sugar produced are the highest in the Company's history. The recovery of sugar has also improved from 8.47 per cent. to 9 per cent. The excise duty on sugar was doubled on 15th May 1957 from Rs. 112.50 per ton to Rs. 225 per ton. Sales of spirit and carbonic acid gas continued to be satisfactory. The year under review was the best at the factory to date for production of sulphuric acid which at 9,000 tons showed a distinct improvement over the previous year. Production and sales of other products from the Company's chemical factory also showed an improvement. Substantial improvements in regard to both production and profitability was made in pottery and emphasis still remains on sanitaryware products. The tonnage of fertiliser mixtures sold during the year was higher than for the previous year, although sales of superphosphate were at a lower level, due chiefly to delays in the receipt of imported raw materials on account of the temporary closure of the Suez Canal. The formulation of insecticides and fungicides was commenced in November 1956 and manufacture proceeded satisfactorily throughout the remainder of the year. The plant is now working to its full capacity in three shifts and the demand for these products from the market is also encouraging. Business in the distributing departments continued to be satisfactory. But due to the current stringent control on imports, the Directors are concentrating on increasing the Company's franchise for goods of Indian manufacture.

The consolidated balance-sheet as at 30th September 1957 shows the paid-up capital of the Company at £749,950 of which £549,950 are in ordinary shares of £1 each and the balance in 7 per cent. cumulative preference shares of £1 each. Against this, the reserves and surplus aggregate £1,165,455. In addition, there is a reserve for future taxation of £158,202. There is a 4½ per cent. debenture liability on account of Parry & Co., Ltd., to the tune of £29,375. The current liabilities amount to £4,519,191, including a provision for taxation at £612,851. The gross block of £1,792,762, including additions during the year amounting to £121,477, has been written down to a book value of £898,165. Expenditure on buildings, plant and machinery in course of construction amounts to £32,545. The current assets aggregate £5,682,963 and cover the current liabilities and provision for taxation by a very wide margin.

The £1 fully paid-up ordinary shares are being currently quoted at Rs. 27.40 *ex-div.* On the basis of the year's dividend, the shares provide a yield of 7.3 per cent. per annum, free of income-tax.

NATIONAL CARBON'S PROFIT DECLINES

Higher cost of raw materials used for manufacture, a significant decline in demand for flashlight batteries during the last half of the year and increases in wages and other costs, all these have cumulatively led to a decline in the profit of the National Carbon Company (India) Ltd. (Chairman and Managing Director: Mr. Jennis Roy Gallcway, Calcutta), for the year ended 25th December 1957. The overall performance of the Company was, however, quite satisfactory with sales and productivity both showing a sizable improvement over the previous year. Even so, they were not such as to offset the combined effect of the causes mentioned above. Sales of industrial products were satisfactory throughout the year and showed an all-round improvement over the previous year. Sales of consumer products were satisfactory during the first half of 1957, but, during the latter half of the year, they declined appreciably. There was a sizable rise in sale proceeds from Rs. 518.94 lakhs in 1955-56 to Rs. 535.35 lakhs. Despite all the encouraging performance as aforesaid, the gross profit at Rs. 93.35 lakhs has dropped by Rs. 6.20 lakhs from Rs. 99.55 lakhs for 1955-56. It is even lower than that of Rs. 94.51 lakhs earned in 1954-55. The net profit, after providing for depreciation and taxation, also stands lower at Rs. 40.63 lakhs, as compared with Rs. 46.80 lakhs in the previous year.

The Directors have raised the provision for depreciation from Rs. 9.12 lakhs to Rs. 12.03 lakhs, but have lowered that for taxation from Rs. 43.63 lakhs to Rs. 40.69 lakhs. A break-down of the year's tax provision shows that income-tax accounts for Rs. 37.40 lakhs, super-tax on dividend for Rs. 1.79 lakh and wealth tax for Rs. 1.50 lakh. A sum of Rs. 5.40 lakhs has been transferred to development rebate reserve, as against *nil* in the previous two years. In view of the fall in the profits of the Company, the Directors have made a slight downward revision in the rate of dividend to 14 per cent. from 15 per cent. for the previous year. This consists of an interim dividend of 7½ per cent. already paid and a proposed final dividend of 6½ per cent.

The following comparative table will give some idea of the Company's progress during the past two years.

(In lakhs of rupees)

	For the year ended 25th December		
	1957	1956	1955
Sale proceeds	5,35.35	5,18.94	4,51.77
Closing stocks of work-in-progress and finished goods	81.84	62.37	43.10
Raw materials, etc., consumed	2,29.53	2,19.11	1,78.04
Expenses	2,35.76	2,22.39	1,83.59
Gross profit	93.35	99.55	94.51
Provision for—			
Depreciation	12.03	9.12	7.69
Taxation	40.69	43.63	36.66
Net profit	40.63	46.80	50.16
Adjustment of income-tax and capital issue expenditure	..	12.06	..
To reserves	5.40	..	..
Dividends	28.00	80.00*	40.25
	(14%)	(15%)	(37½%)
Carry forward	28.42	21.20	16.46

* On the increased capital of Rs. 2 crores.

The Eveready Flashlight Company, a division of National Carbon Company (India) Ltd., at Lucknow, commenced trial production towards the close of the year. It is expected that the flashlight cases produced in this plant will be available for sale in volume during 1958. This, in turn, is expected to stimulate demand for the Company's battery products. The Company's efforts to develop export markets for the various products of its manufacture resulted in export sales for the year exceeding Rs. 15 lakhs with potential existing for further increase. The Company has also instituted an intensive programme for developing indigenous sources of raw materials used in the manufacture of its products. The zinc rolling mill of Metals and Ores Company, also a division of National Carbon Company (India) Ltd., operated satisfactorily throughout the year. The bulk of the zinc processed

(Continued on page 775)

Points From The Chair

Outlook for Textiles

"IT is an established fact that food prices and cloth prices are very closely linked. If the price of food goes up, the demand for cloth goes down. The vast majority of the population, already living on a bare subsistence level, could hardly eat less but they can always wear their old clothes for another year. This is the basic problem and until such time as the food position becomes easier with consequent lower prices, it is hard to foresee any real improvement in the textile industry.... There are, of course, other factors which affect the movement and sale of cloth. At all levels the wholesale and retail trades are less able to hold stocks to meet future demands. Wealth and expenditure taxes have tightened everybody's purse strings and the credit squeeze has done the same. Another consideration is the high rate of excise duty. It is not only the monetary incidence of this duty that is so irksome but also the bewildering frequency with which the Government sees fit to alter it. Merchants, understandably enough, do not want to burden themselves with large stocks, the value of which is liable to be reduced overnight if a sudden reduction is made in the rate of duty. These other factors do help to make the position more difficult, but I wish to emphasise that less taxation, freer credit conditions and lower excise duties would not put more money into the pockets of the vast majority of people who buy cloth. It is the financial position of the man in the street and agriculturalist that dictates what prices can be obtained and what profits can be made by your mill and the whole industry."

E. D. SHEPPARD,
Kohinoor Mills Co., Ltd.

Inflation

"While I shall not presume to advocate a world-wide cheap money policy—after all, conditions in the various countries differ widely, and the level of Bank rate must be consistent with trends in the internal economy of each country, I should, nevertheless, point out that we seem to have reached a stage where we may be exaggerating the effect of inflation in present-day conditions. A study has to be made of the extent to which a rise in prices is not necessarily evidence of inflation. After all, when there occurs an improvement in the standard of living, some element of increase in the price level is inescapable. And it is true to say that never before in economic history have so many countries participated in so general a rise in the standard of living. Finally, I should like to say that, in our preoccupation with the so-called dangers of inflation, we should not allow ourselves, as the rest of the world had during 1957, to become oblivious to the even greater danger of recession."

G. D. BIRLA,
United Commercial Bank Ltd.

Prospects for Textiles

"As for the prospects of the current year, I might tell you that the trading conditions have not improved to any extent. Prices of cloth have remained at a low level with poor demand. The export demand as well as the export rates have remained subdued. The measure amalgamating the sales tax with excise duty which was expected to bring some relief to the trade in regard to disposal of accumulated stocks, in fact, has had no appreciable effect and the industry is still carrying large stocks. The textile industry is indeed facing a major crisis. The profitable running of mills in the context of the rate of excise duty on coarse and medium cloth as prevailed till a few days ago, with rising cost of production, had become an impossibility. The abnormal accumulation of stocks in the industry coupled with consumer resistance and lower purchasing power of the common man has been forcing the mills to undersell so much so that the very economy of the industry has been shaken. The question is how long can the industry lose and still survive."

KHAN BAHADUR C. B. TARAPORVALA,
The Osmanshahi Mills Ltd.

Slump in Textiles

"It would be of interest to attempt a research to know the reasons for this slump in the textile mill industry. There is a school of thought that clings to the view that the rise in cloth stocks has something to do with the trend of food prices. When the food prices are high, sales of cloth fall and when the food prices are low, cloth sales are correspondingly high. According to this theory, therefore, the relation between cloth sales and food prices is reciprocal and the dominant element in making of cloth sales over the country generally is the level of food prices. If one agrees with this view then the continuance at the present scale of excise on cloth will not appear to have much bearing on cloth sales and, therefore, the market for cotton textiles will pick up as the price of foodgrains show a tendency to fall. On the other hand, there are others who claim that the higher excise duties are a deterrent and an obstacle to increased cloth sales. Last year, I had said that the various taxation measures introduced by the Central and State Governments and the various credit controls would have their effect on the textile industry. The objectives for which the excise duty on cloth was levied, namely, mopping up of profits of textile mills and traders to enable the Government to secure a fair share in the increased profits, to put a brake on the consumption of cloth, to encourage handloom production, to boost up exports, etc., have in more ways than one, been nearly secured but not without causing considerable dislocation to the industry."

C. DAMODAR REDDY,
The Azam Jahi Mills Ltd.

COMPANY MEETINGS AND DIVIDENDS

SWAN MILLS LTD. Annual General Meeting, Bombay, 23rd April 1958. Dividend: Rs. 25.00 per share, payable on and after 24th April 1958. Transfer books remain closed from 28th March to 23rd April 1958, both days inclusive.

FINLAY MILLS LTD. Annual General Meeting, Bombay, 25th April 1958. Dividend: Rs. 20.00 per share, payable on and after 26th April 1958. Transfer books remain closed from 28th March to 25th April 1958, both days inclusive.

EAST INDIA DISTILLERIES AND SUGAR FACTORIES LTD. Annual General Meeting, Madras, 25th April 1958. Dividend: 15 per cent. or 3s. per share, for the year ended 30th September 1957.

NATIONAL CARBON CO. (INDIA) LTD. Annual General Meeting, Calcutta, 25th April 1958. Dividend: Re. 1.40 per share. Transfer books remain closed from 5th to 25th April 1958, both days inclusive.

MONOGRAM MILLS LTD. Annual General Meeting, Ahmedabad, 26th April 1958. Dividend: Rs. 12.00 per share. Transfer books remain closed from 13th to 26th April 1958, both days inclusive.

GOLD MOHUR MILLS LTD. Annual General Meeting, Bombay, 24th April 1958. Dividend: Rs. 15.00 per share, payable on and after 25th April 1958. Transfer books remain closed from 28th March to 24th April 1958, both days inclusive.

CENTURY SPINNING AND MANUFACTURING CO., LTD. Annual General Meeting, Bombay, 29th April 1958. Dividend: Rs. 22.00 per share, for the year 1957. Transfer books remain closed from 11th to 28th April 1958, both days inclusive.

ALLIANCE JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 30th April 1958. Dividend: *Nil.* Transfer books remain closed from 16th to 30th April 1958, both days inclusive.

WAVERLEY JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 30th April 1958. Dividend: *Nil.* Transfer books remain closed from 16th to 30th April 1958, both days inclusive.

BURRAKUR COAL CO., LTD. Annual General Meeting, Calcutta, 30th April 1958. Dividend: Re. 0.37 (7½ per cent. per annum) per share, payable on or after 7th May 1958. Transfer books will remain closed from 23rd to 30th April 1958, both days inclusive.

NATIONAL CO., LTD. Annual General Meeting, Calcutta, 2nd May 1958. Dividend: Re. 0.75 per share. Transfer books remain closed from 10th April to 2nd May 1958, both days inclusive.

CHEMICAL AND ALKALI DISTRIBUTORS LTD. Annual General Meeting, Bombay, 3rd May 1958. Transfer books remain closed from 15th April to 3rd May 1958, both days inclusive.

ELGIN MILLS CO., LTD. Annual General Meeting, Kanpur U.P., 6th May 1958. Dividend: Re. 1.00 per share. Transfer books remain closed from 19th April to 6th May 1958, both days inclusive.

BELSUND SUGAR CO., LTD. Annual General Meeting, Calcutta, 6th May 1958. Transfer books will remain closed from 24th April to 6th May 1958, both days inclusive.

WESTERN INDIA MATCH CO., LTD. Annual General Meeting, Bombay, 7th May 1958. Dividend: Rs. 11.00 per share (includes bonus of Re. 1.00 per share). Transfer books will remain closed from 23rd April to 10th May 1958, both days inclusive.

MAHINDRA AND MAHINDRA LTD. Annual General Meeting, Bombay, 12th May 1958. Dividend: Re. 1.75 per share, payable on and after 19th May 1958. Transfer books will remain closed from 28th April to 12th May 1958, both days inclusive.

ATUL PRODUCTS LTD. Annual General Meeting, Ahmedabad, 3rd June 1958. Dividend: Rs. 8.00 per ordinary share. Transfer books remain closed from 16th April to 7th May 1958, both days inclusive.

BENGAL COAL CO., LTD. Final dividend of Rs. 16.00 per ordinary share, for the year ended 31st October 1957.

NEW BEERBHOOM COAL CO., LTD. Final dividend of Re. 0.38 per ordinary share, for the year ended 31st October 1957.

BENGAL FLOUR MILLS CO., LTD. Final dividend of Re. 1.25 (12½ per cent.) per share, for the year ended 31st December 1957.

VASANTA MILLS LTD. Dividend of Rs. 12.00 per share, for the year ended 31st December 1957. Transfer books will remain closed from 1st to 14th May 1958, both days inclusive.

COORG TEA CO., LTD. Interim dividend of Re. 0.50 (10 per cent.) per share, for the year ended 31st March 1958. Transfer books remain closed from 17th to 24th April 1958, both days inclusive.

INDIAN ALUMINIUM COMPANY, LTD. Annual General Meeting, Calcutta, 28th April 1958. Dividend: Re. 0.60 per share. Transfer books remain closed from 5th to 28th April 1958, both days inclusive.

SHIVRAJPUR SYNDICATE LTD. Annual General Meeting, Bombay, 29th April 1958. Dividend: Rs. 8.00 per share (includes bonus of Rs. 3.00 per share), payable on and after 6th May 1958. Transfer books remain closed from 7th to 25th April 1958, both days inclusive.

Notices

THE SVADESHI MILLS COMPANY LIMITED

NOTICE

THE SEVENTY-SECOND ANNUAL GENERAL MEETING of THE SVADESHI MILLS CO. LTD., will be held at the Registered Office of the Company, Bombay House, Bruce Street, Fort, Bombay, on THURSDAY, the 15TH MAY 1958, at 4-30 p.m. (S.T.), to transact the following business:—

(1) To adopt the Directors' Report and the audited Profit and Loss Account of the Company for the year ended 31st December 1957 and the audited Balance Sheet as at 31st December 1957.

(2) To declare Dividends.

(3) To appoint a Director in the place of Mr. J. R. D. Tata who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution as a Special Resolution in respect of which a special notice, as required by section 261 of the Companies Act, 1956, has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 261 and other applicable provisions, if any, of the Companies Act, 1956, Mr. J. R. D. Tata who retires by rotation and who is a director, officer, member and an associate of Tata Industries Private Ltd., the Managing Agents of the Company (which Managing Agents are authorised by the Articles of Association and the Managing Agency agreement to appoint ex-officio and special directors to the Board) be and is hereby reappointed a Director of the Company."

The reasons which make this Special Resolution necessary are fully set out in paragraph 2 of the explanatory statement annexed to this Notice, and the same shall for the purpose of section 261 be deemed to be incorporated in this Notice.

(4) To appoint a Director in the place of Mr. D. D. Romer who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution in respect of which a special notice, as required by section 281 of the Companies Act, 1956, has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 281 and other applicable provisions, if any, of the Companies Act, 1956, Mr. D. D. Romer, who has attained the age of 82 years and retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under section 280 of the said Act shall not apply to him."

(5) To appoint a Director in the place of H. H. Maharaja Fatesinghrao Gaekwad who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the Office of Director.

(6) To appoint a Director in the place of Mr. C. H. Bhabha who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.

(7) To approve, pursuant to section 281 of the Companies Act, 1956, the appointment of Mr. T. V. Baddeley, C.B.E., as Special Director made by Tata Industries Private Limited, the Managing Agents of the Company, as authorised by the Company's Articles of Association and the Managing Agency agreement, and, if thought fit, to pass the following resolution in respect of which a special notice as required by section 281 of the said Act has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 281 and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr. T. V. Baddeley, C.B.E., who has attained the age of 69 years, as a Special Director by Tata Industries Private Ltd., the Managing Agents of the Company, as authorised by the Company's Articles of Association and the Managing Agency agreement, be and is hereby approved and it is hereby specifically declared that the age limit for Directors prescribed under section 280 of the said Act shall not apply to him."

(8) To appoint Auditors for the current year and to fix their remuneration.

Notes.—(*a*) The relative explanatory statements pursuant to section 173 of the Companies Act, 1956 in respect of the special business under items 3 to 7 set out above are being posted to all shareholders.

(*b*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*c*) The Transfer Books of the Company have been closed from Saturday, the 22nd March to Saturday, the 19th April 1958, both days inclusive.

(*d*) If dividends on shares as recommended by the Directors are passed at the meeting, the payments will be made on and after Friday, the 16th May 1958, to those members whose names are on the Register of the Company on the 19th April 1958.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, 11*th April*, 1958.

TATA MILLS LIMITED

NOTICE

THE FORTY-SIXTH ANNUAL GENERAL MEETING of THE TATA MILLS LIMITED will be held at the Registered Office of the Company, Bombay House, Bruce Street, Fort, Bombay, on FRIDAY, the 16TH MAY 1958 at 4-30 p.m. (S.T), to transact the following business:—

1. To adopt the Directors' Report and the audited Profit and Loss Account of the Company for the year ended 31st December 1957 and the audited Balance Sheet as at 31st December 1957.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr. B. C. Mehta who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. P. S. Mistry who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.
5. To appoint a Director in the place of Mr. Kantilal Nahalchand who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.
6. To appoint Auditors for the current year and to fix their remuneration.

Notes.—(*a*) The relative explanatory statements pursuant to section 173 of the Companies Act, 1956, in respect of the special business under items 4 and 5 set out above are annexed hereto.

(*b*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*c*) The Transfer Books of the Company have been closed from Saturday, the 22nd March to Saturday, the 19th April 1958, both days inclusive.

(*d*) If dividend on shares as recommended by the Directors is passed at the meeting, the payment will be made on and after Saturday, the 17th May 1958, to those members whose names are on the Register of the Company on the 19th April 1958.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LIMITED,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, 11*th April*, 1958.

ANNEXURE TO THE NOTICE

Explanatory Statements as required by Section 173 of the Companies Act, 1956

The following explanatory statements as required by section 173 of the Companies Act, 1956, set out all material facts relating to the special business mentioned in the Notice dated the 11th April 1958.

2. *Item No.* 4: Mr. P. S. Mistry was appointed an additional Director in October 1957 by the Board of Directors under Article 136 of the Articles of Association of the Company. Under section 260 of the Companies Act, 1956, he can hold office only upto the date of this Annual General Meeting. As required by section 257 of the Act a notice has been received from some members signifying their intention to propose his appointment as a Director. Mr. P. S. Mistry is a young business man and a building contractor and it is desirable that he should continue to be a member of the Board.

3. *Item No.* 5: Mr. Kantilal Nahalchand was appointed an additional Director in November 1957 by the Board of Directors under Article 136 of the Articles of Association of the Company. Under section 260 of the Companies Act, 1956, he can hold office only upto the date of this Annual General Meeting. As required by section 257 of the Act a notice has been received from some members signifying their intention to propose his appointment as a Director. Mr. Kantilal Nahalchand is a business man of repute and it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board.

By Order of the Board of Directors,
TATA INDUSTRIES PRIVATE LIMITED,
Managing Agents,
T. V. BADDELEY,
Director.

SULEKHA WORKS LTD.

One more year of successful working has been reported by Sulekha Works Ltd. (Managing Agents: Messrs. Maitra Brothers & Co. Private Ltd., Calcutta) during the year ended 31st December 1956. As one of the leading manufacturers of inks in the country, the Company's sales have shown a steady rise from year to year. The Company's sale proceeds for the year have advanced from Rs. 15.35 lakhs in 1955 to Rs. 19.81 lakhs in 1956. It should be noted that its sales amounted to only Rs. 3.07 lakhs in 1951. Viewed in that context, the rapid progress shown by the Company during the span of only five years is really encouraging. Although the profit does not show a commensurate rise, the gross profit at Rs. 1.84 lakh is still a shade better than Rs. 1.51 lakh in the previous year. The net profit, after providing for Managing Agents' remuneration, depreciation and taxation, however, stands lower at Rs. 58,637, as compared with Rs. 62,892 in the preceding year. The Directors have transferred a sum of Rs. 45,000 to the various reserves, as against Rs. 55,000 set aside a year ago. The dividend has been stepped up to 10 per cent. from 8 per cent. paid for 1955.

In order to cope with the increasing demand for the Company's products, the Directors are now actively engaged in finding out the necessary space and finance for enhancing productivity. The newly acquired site at Sodepur is now undergoing repairs and alterations. Since much remains to be done in order to make it suitable for a complete factory, and this involves a large sum of money, further capital has to be raised. Accordingly, the Directors feel that the time has now come when they should issue further shares in order to utilise the present favourable situation.

The Company's paid-up capital as at 31st December 1956 stands at Rs. 1.52 lakhs. Its reserves and surplus aggregate Rs. 1.37 lakhs. The current liabilities amount to Rs. 9.35 lakhs. The gross block of Rs. 4.27 lakhs stands written down at Rs. 3.45 lakhs. The current assets amount to Rs. 8.79 lakhs.

THE DUNLOP RUBBER CO. (INDIA) LTD.

MR. JOHN LUCKHAM'S REVIEW

THE thirty-second annual general meeting of the Dunlop Rubber Company (India) Ltd. was held at Calcutta on 18th April 1958. Addressing the shareholders Mr. John Luckham, Managing Director, said:

"GENTLEMEN,

"The Directors' report and accounts for the year 1957 have been in your hands for some time and, with your permission, I will take them as read.

"It is with great regret that we have to record since our last meeting the loss which we have suffered in the passing of two of our Directors. Mr. George Morgan died in Calcutta on the 26th June 1957. Mr. Morgan originally came to Calcutta in 1889 and the experience which he gained during his distinguished career was of very great value to your Board of which he was a member since 1945. On the 19th January this year, Mr. Kanai Lal Jatia, who had also been on your Board since 1945, died from a heart attack at his Calcutta residence. His wise counsel was at all times made freely available to the interests which he so earnestly served, and he will be greatly missed in the industrial field with which he was connected.

"You will have seen from the notice convening the meeting that it is proposed to appoint Mr. E. H. Morris to the Board. Mr. Morris first came to India in 1933 and, apart from service in this country, has had many years of service with the Dunlop Rubber Company, Ltd., in the Far East. He returned to India in 1956 as General Sales Manager, following the untimely death of Mr. Guy Stack. The Company's business is expanding so rapidly that your Board feel it necessary to have a whole-time Director at the head of the Company's selling organisation and Mr. Morris is recommended for this appointment.

The Year's Trading

"During the year, production increased in nearly all lines, but, even so, we were not able to meet the demand for all our products. The Government permitted limited imports to help relieve some of these shortages, but, particularly in respect of cycle tyres and rims, sufficient quantities have not been available to meet requirements.

"During the past year, the road transport industry has been undergoing tremendous changes and expansion, particularly long-distance goods transport. The modern truck now engaged in this work requires tyres capable of carrying heavy loads at high speeds over long distances. Such tyres must be built with the best available materials and using the latest manufacturing techniques. It is in this respect that your Company is particularly fortunate in having available to it the full resources of the Dunlop worldwide research, technical and engineering organisations.

"We have continued to retain our premier position in the car tyre market. The progress which the motor car industry has been making in recent years is in danger of slowing up, owing to the difficult licensing situation of the imported components. The reasons for this are too well known to every one and unfortunately these are likely to persist for some time.

"The bicycle industry has continued to grow very rapidly and the demand for our products has been well in excess of supply. I will deal separately with our expansion plans to meet this situation.

"During 1957, the installation of plant for the manufacture of large earthmover tyres was completed and production commenced early this year. The demand for this type of tyre is increasing. Good progress was made in our industrial rubber products range and, in particular, the demand for conveyor belting has exceeded all expectations. The popularity of Dunlopillo for all its various uses continues to grow and the additional capacity which was installed during the year was utilised to the full.

Expansion Plans

"I am happy to be able to tell you that satisfactory progress is being made at your new factory at Ambattur, near Madras, and we are hopeful that everything will be ready for the production of bus, truck and cycle tyres to commence at the beginning of next year. The construction of the main buildings is well under way and plant and machinery are beginning to arrive in the country. Expansion is also continuing at Sahaganj and, in particular, increased production of giant tyres, cycle tyres and cycle rims is well in hand.

"I advised you at the annual general meeting last year that an issue of further share capital would form the basis of the Board's plans for raising additional capital. As most of you will be aware, in July 1957, 14 lakhs of new ordinary shares of ten rupees each at a premium of five rupees were offered to the ordinary shareholders in the proportion of seven for eight existing shares. It is gratifying to be able to report that, in spite of the difficult conditions, this issue was an unqualified success. The net proceeds of the issue amounted to Rs. 203 lakhs. As a result of the issue, the subscribed ordinary capital now stands at Rs. 3 crores, as against Rs. 160 lakhs at the end of 1956.

Raw Materials

"The raw materials supply position was generally satisfactory although, on several occasions during the year, our stock position became dangerously low in some of our main requirements. There was a period when the congestion in Calcutta port seriously delayed clearance of metal cargoes but the position improved very considerably towards the end of the year. Our production planning problems would be considerably lessened, if Government could grant import licences for essential raw materials on a longer basis than six months at a time.

"There was virtually no improvement in the production of raw rubber in India during 1957 as compared with the previous year. On the other hand, consumption of rubber reached a new record, with the result that we had to rely on considerable imports. In my report last year, I mentioned that import licences for raw rubber, issued after August 1956, were subject to a cess, if the imported rubber landed at a cost less than the local price. On imports during 1957, we paid nearly Rs. 11 lakhs to the Rubber Board on this account, and we also had to absorb Rs. 2 lakhs on rubber which was imported at a price higher than the local price.

"Prices of raw materials were stable throughout the year, but there were increases in import duty on a number of raw materials and machinery parts.

"As I have already said, our production is due to expand very considerably in the near future to meet the essential needs of the road transport industry which is so vital in this country. This expansion has, of course, the full support and approval of the Government and we are, therefore, confident that licences to import increased quantities of raw materials will be granted.

"The net profit for the year, after providing for depreciation, interest and taxation, was Rs. 80,67,449, as compared with Rs. 55,09,909 for 1956. In the face of the high level of taxation and the rapid expansion of our business, the building up of our internal resources continues to be of paramount importance. The Directors are, therefore, proposing the transfer of Rs. 30 lakhs to general reserve. This will increase the general reserve to Rs. 238,83,000 and you will see from the balance sheet that the increased ordinary share capital is covered more than one and a half times by the total reserves and surplus. The rate of ordinary dividend was maintained without change at 15 per cent. from 1951 to 1956 and, in view of the improved results, the Directors consider there should now be a modest increase. They are, therefore, recommending a final ordinary dividend of 8¾ per cent. which, with the interim dividend paid in June 1957, gives a total of 16¼ per cent. for the year and absorbs Rs. 38,25,000. The surplus carried forward will then be Rs. 22,23,000.

Balance Sheet

"The additions to fixed assets during the year amounted to Rs. 97 lakhs, most of which was in respect of building and plant additions at your Sahaganj factory, but this also included Rs. 17,80,000 expended on the new Ambattur factory. The amount of depreciation written off in 1957 was Rs. 27,69,000. A special provision of Rs. 6,60,000 made in previous years has now been transferred to special depreciation reserve and, after allowing for this, the net value of fixed assets has increased during the year by Rs. 69 lakhs to Rs. 382 lakhs.

"Stock inventories at Rs. 486,84,000 were Rs. 31,37,000 higher than at the close of the previous year, but, even so, finished goods stocks were abnormally low, owing to the ever-increasing demand for the Company's products. Sundry debtors were up by Rs. 83,66,000, due to the greater sales turnover.

"Turning to the liabilities side of the balance-sheet, I have already commented on the increase in ordinary share capital and reserves. Compared with the end of 1956, the bank borrowings have been reduced by Rs. 42,79,000 and the unsecured loans of Rs. 76,07,000 have been repaid. In spite of substantial increases in sundry creditors and provision for taxation, there was an overall reduction in current liabilities of Rs. 56,46,000. resulting from the additional share capital subscribed during the year.

Employee Relations

"The standards of our welfare facilities and working conditions have been well maintained throughout the year. General labour relations remained cordial, and I am sure you would like to join with the Directors in thanking the staff and operatives for the loyal and willing service throughout the year."

NOTE:—*This does not purport to be a record of the proceedings of the annual general meeting.*

COTTON YARNS
OF ALL DESCRIPTIONS
FOR HANDLOOM, POWERLOOM AND HOSIERY FACTORIES
MADURA MILLS COMPANY LIMITED
Phone: 250 (5 Lines) — MADURAI — Telegrams: 'Harvey'
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MULTI-PLY AND CORD YARNS
MANAGERS: A. & F. HARVEY LIMITED
PANDYAN BUILDING, MADURAI, SOUTH INDIA
Phone: 420 (4 Lines) Telegrams 'HARVEY'

QUESTION HOUR IN PARLIAMENT

Export of Thorium

ABOUT 378 tons of thorium nitrate have so far been exported to Austria, Egypt, France, Hong Kong, Japan, Pakistan, the U.K. and the U.S.A.

—*Jawaharlal Nehru*

Loans to Foreign Countries

India has advanced to Burma and Indonesia loans amounting to Rs. 15 crores and Rs. 5 lakhs, respectively. The Government of India has also loaned 3,100 tons of rice to Nepal to be repaid in kind.

—*Morarji Desai*

Building Construction

The estimated cost of buildings which the various Ministries of the Government have agreed to postpone amounts to Rs. 13.10 crores. Postponement of the construction of these buildings does not mean that their construction has altogether been given up. If any Ministry feels that the construction of any particular building is urgent, it will be examined on its merits, and its construction will be allowed to be taken up after its essentiality has been fully established.

—*B. R. Bhagat*

Textile Exports

The exports of cotton textiles from India in 1957 are estimated at 889.14 million yards, an increase of 145.3 million yards over 1956. In terms of foreign exchange realised, the exports in 1957 were worth Rs. 64.1 crores, as against Rs. 56.99 crores in the previous year.

* * * *

Rayon Yarn Manufacture

Three schemes for the production of rayon yarn are expected to be completed before the end of 1958. Two more schemes are scheduled to be completed before the end of 1959, while a sixth scheme will take some more time. Effective steps towards the implementation of the six schemes have been taken. Three of the schemes are for substantial expansion of the existing industrial undertakings, while the other three are for starting new factories.

—*Lal Bahadur Shastri*

Coffee Export

Proposals are under consideration for new methods of export sales of coffee so as to obtain better prices.

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Jute Goods Price

The voluntary fixation of minimum price for jute goods by the Indian Jute Mills Association has no adverse effect so far, although it is too early to assess the ultimate effects.

* * * *

Cement Distribution

After the State Trading Corporation took over the distribution of cement, it was supplied at uniform f.o.r. destination price at all railheads in the country, including distant places in Assam, North Bengal, Manipur and Tripura. The Corporation has started moving surplus cement of certain factories in Saurashtra and South India by sea to Calcutta and selling it at the uniform selling price, even though this involves heavy additional expense.

* * * *

Import Licences

The total of outstanding commitments in respect of import licences issued till the end of March 1958 was of the order of Rs. 864 crores. Of this, Government accounted for Rs. 523 crores, import of steel, mainly by the Iron and Steel Controller, for Rs. 41 crores and the private sector for Rs. 300 crores.

—*Nityanand Kanungo*

Trade with Tibet

The difficulties experienced by Indian traders in Tibet in regard to payment of prices are being discussed with the Chinese representatives at New Delhi.

* * * *

Khadi Production

The production of yarn by Ambar Charka has gone up from 1.2 million lbs. to 2.9 million lbs. The Khadi Commission is making efforts to produce fine variety of khadi with yarn up to 60s and voiles for export.

* * * *

Export of Monkeys

India earned foreign exchange to the extent of Rs. 86 lakhs by export of monkeys during the first seven months of 1957-58.

—*Manubhai Shah*

Oil Prospecting

Drilling will be resumed at Jwalamukhi as soon as the current testing of the various layers for evidence of oil is completed. Except for some delay in the programme of drilling operations at Jwalamukhi on account of the alternating layers of very hard and soft rocks and the accident at the Jwalamukhi well which require fishing operations [illegible] drilling rigs and collars, oil prospecting in the [illegible] progressing according to schedule.

(7) To approve Cambay will be started by the Compan[illegible]8. The road from the railment of Mr. [illegible]l drilling site in Cambay most of the material has Special Direct[illegible] of the work in this unit tries Private though some Soviet drillagents of the [illegible] Testing for oil in the Cauvery basin in Madras State will be taken up some time. The areas in which there is more probability of oil being discovered are engaging Government's attention.

—*K. D. Malaviya*

Neiveli Lignite Project

Only the mining part of the different schemes covered under the Neiveli Lignite Project is included in the core of the second Plan. Although the remaining schemes are not in the core, it is expected that the thermal plant (the foreign exchange requirements of which will be met out of the Russian aid) will also be completed by the end of the Plan period. It is further hoped that sufficient progress will be made on the fertiliser plant also during the Plan period.

—*S. N. Mishra*

Sugar Consumption

The *per capita* consumption of sugar and *gur* in India is 11.3 lbs. and 18.5 lbs., respectively. The total production of sugar and *gur* in 1956-57 was 2,029,000 tons and 3,257,000 tons. The production is sufficient for the needs of the country.

—*A. P. Jain*

Wheat from U.S.

Further purchases of wheat from the United States under Public Law 480 will be made possible only after the U.S. Congress makes further allocations for the purpose some time in August this year. In addition to the wheat from the U.S.A., India is getting about 15 million dollars worth of wheat from Canada under the Colombo Plan. The prices at which India is buying wheat from the U.S.A. compare favourably with prices fixed under the International Wheat Agreement to which India is also a party.

—*A. M. Thomas*

Self-sufficiency in Jute

India is well on the road to attaining self-sufficiency in the matter of raw jute. (The Government will shortly be taking steps to set up co-operative societies for the marketing of jute. These and some other steps which the Government will soon take will help towards ensuring good price for jute.—*A. P. Jain.*)

—*M. V. Krishnappa*

Rural Credit

There will be some fresh examination of the report of the Rural Credit Survey Committee following the comment made by the Prime Minister, Mr. Nehru, on the report at the Indian Co-operative Congress on Saturday. It is not possible to say whether the implementation of the recommendations will be stayed, but there is a possibility of their re-examination. Pilot schemes in respect of grant of credit facilities to the agriculturists have been implemented in select areas of Andhra, Bombay, Madras, Orissa, Punjab and Madhya Pradesh. The central banks in the areas are reorganised on the basis of State partnership. In Bombay, 92 large-sized societies are established in Dharwar district, where the pilot scheme is implemented. The societies distribute Rs. 121 lakhs under short-term and medium-term loans. The marketing societies in this district handle agricultural produce valued at Rs. 16.91 lakhs.

* * * *

Agricultural Institutes

The Government of India, in consultation with the Planning Commission, has decided to develop the Indian Agricultural Research Institute in the capital and four agricultural colleges in the country as centres of post-graduate education in agricultural science. The four colleges will be administered by the State Governments, the Government of India providing financial assistance.

—*Dr. Punjabrao Deshmukh*

Penicillin Sales

The total sales turnover of the Penicillin Factory at Pimpri rose from Rs. 54 lakhs in 1956-57 to Rs. 1.8 crore in 1957-58.

* * * *

Demurrage from Soviet Ships

Claims for demurrage from Russian ships which brought equipment for the Bhilai project, amounting to Rs. 58 lakhs, are under scrutiny.

* * * *

Indian Shipping Companies

Thirty Indian companies are engaged in shipping trade in the country. These companies own ships of a total of 581,680 tons. Among them, the Scindia Steam Navigation Company is the biggest with 234,290 tons and the India Steamship Company, Ltd., Calcutta, comes second with 99,140 tons.

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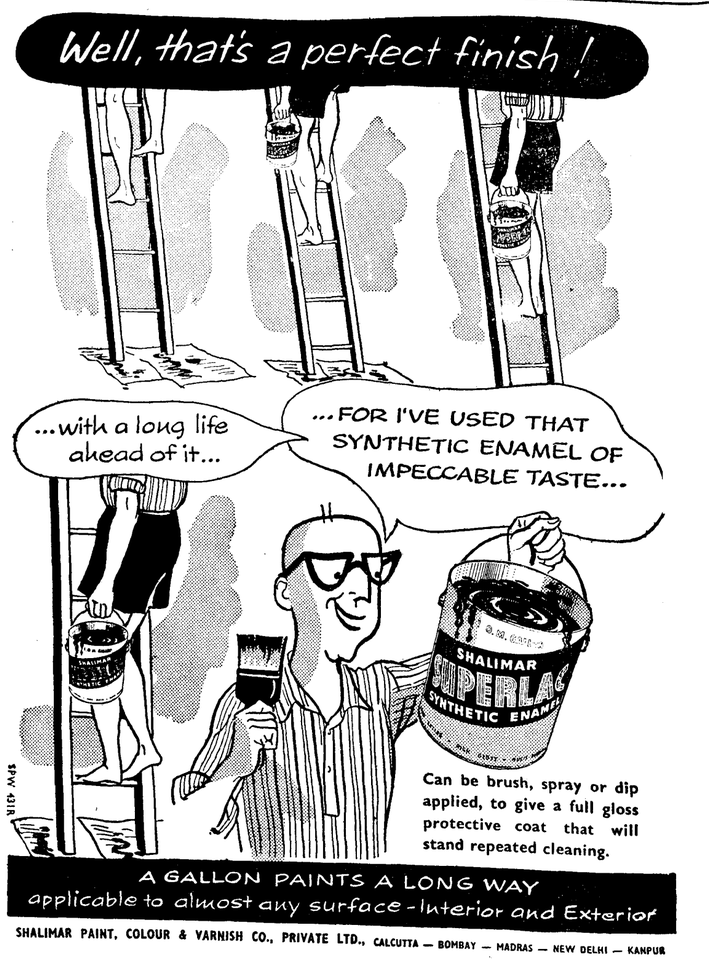
Kandla Port

There has been a slight reduction in the depths available near the jetties at the Kandla port because of earth slipping down the banks, owing to the fact that it has yet to be cut down to the proper slope. The question of improving and stabilising the approach channel by carrying out training works or dredging has been under examination through model experiments at the research station at Poona. In the meantime, the port authorities have been able to spot another channel with greater depths which has been developed and is being used by ships entering the port.

—*Raj Bahadur*



MONEY COMFORTABLE

(From Our Own Correspondent)

BOMBAY, 16*th April*

Conditions in the short-term money market were very comfortable during the week under review. While fresh demand for money showed a distinct fall, there was a sizable return of funds to banks, with the result that banks had a surplus which was utilised to reduce their borrowings from the Reserve Bank. There was, however, no sign of a downward trend in interest rates which were maintained at the previous week's levels. Inter-bank call money was unchanged at 3 per cent. among the Exchange banks and big Indian banks and at 3½ per cent. among smaller banks. House money at call was placed at 4½ to 4⅝ per cent. and short-term deposits continued to fetch 4½ to 4⅝ per cent. for one to six months.

For the third week in succession, notes in circulation have expanded considerably. The Reserve Bank of India statement for the week ended 11th April shows a rise of Rs. 18.53 crores in active notes, thus bringing the cumulative increase for the past three weeks to Rs. 66.39 crores. Notes held in the Banking Department are also higher by Rs. 5.23 crores, so that the total notes issued disclose a rise of Rs. 23.76 crores. As against this, there has been an increase of Rs. 10 crores in foreign securities, Rs. 10 crores in rupee securities and of Rs. 3.76 crores in rupee coin. The rise in foreign securities is on top of an increase of Rs. 44.87 crores recorded in the previous week, but this has been more than offset by the fall of Rs. 16.53 crores in balances held abroad. With this drop foreign balances have dwindled by Rs. 44 crores in the last two weeks. Central Government's deposits have declined by Rs. 6.04 crores, while other Governments' deposits have gone up by Rs. 6.39 crores. Deposits of banks are lower by Rs. 3.22 crores. Loans and advances to Governments have risen by Rs. 8.96 crores, while other loans and advances have recorded a fall of Rs. 18.39 crores, of which advances to Scheduled banks against usance bills account for Rs. 5.13 crores. Investments are lower by Rs. 2.17 crores, but there has been an increase of Rs. 13.20 crores in Government Treasury bills purchased.

The Scheduled banks' statement for the week ended 4th April 1958 discloses a substantial rise of Rs. 21.54 crores in demand deposits, which have crossed the Rs. 750-crore mark. Time deposits also have gone up by Rs. 8.44 crores. Borrowings from the Reserve Bank have been reduced by Rs. 4.06 crores. As against an aggregate expansion of Rs. 29.98 crores in deposits, the total advances have gone up by only Rs. 7.08 crores, of which bills purchased and discounted alone account for Rs. 4.48 crores. Consequently, cash balances have swelled by Rs. 19.83 crores, balances with other banks by Rs. 1.11 crores and money at call by Rs. 1.61 crores.

The Gilt-edged market ruled firm with widespread gains in prices. Good demand for short and medium-dated loans and absence of sellers were the main bullish factors. There was no increase in the Reserve Bank's selling prices, except in 3½ per cent. 1965, which was raised early in the week by 5 nP to Rs. 97.75. Among the State loans, the near-dated issues and 4 per cent. 1967 loans were in good demand. 3 per cent. 1986 Conversion Loan was unchanged at Rs. 71.20. 3 per cent. 1970-75 was placed at Rs. 86.30 after payment of half-yearly interest, as against Rs. 86.35 *cum*-voucher a week ago. 3 per cent. 1966-68 was in demand and rose by 5 nP to Rs. 92.60. 3 per cent. 1964 and 1963-65 attracted attention and gained 25 nP and 20 nP, respectively, to Rs. 94.95. 3 per cent. 1959-61 put on 5 nP to Rs. 99.10. 2½ per cent. 1962 was in request and added 10 nP to Rs. 95.15. 2½ per cent. 1960 and 2½ per cent. 1961 each rose by 15 nP to Rs. 97.95 and Rs. 95.20, respectively. 3½ per cent. 1964 gathered 5 nP to Rs. 98.20. Among State loans, 4 per cent. Madras 1963 shot up by 25 nP to Rs. 99 and 4 per cent. 1964 by 5 nP to Rs. 98.75.

The rupee ruled steady in the foreign exchange market, with no change over the week in prices. Banks' selling rate of ready dollars, after a rise from Rs. 475 to Rs. 475.25, declined to Rs. 475 per $100. Likewise, their buying rate improved from Rs. 471.75 to Rs. 472, before receding to Rs. 471.75 per $100. In New York, spot sterling was marked up from $2.81.11/16-2.81.13/16 to $2.81.13/16-2.81.15/16 and three months' forward from $2.78¾-2.79 to $2.79-2.79¼. Transferable sterling, however, declined from 279.50-279.60 cents to 279.35-279.45 cents.

HIDES DULL

(From Our Own Correspondent)

KANPUR, 14*th April*

During the week under review, the hides and skins market ruled dull. Due to advent of summer season, arrivals of fresh material from outside the district fell not only in volume but also in quality. Buff purchasers were slightly in difficulty because of lower quality. The main purchasers were the local tanners and the Madras dealers.

The latest available quotations are: Wet salted cow, 1st grade Rs. 380 and 2nd grade Rs. 280 per score; wet salted buff, 1st grade 1 lb. 6 ozs. and 2nd grade 1 lb. 12 ozs. per rupee; goat, 1st grade Rs. 300 and 2nd grade Rs. 275 per 100 pieces; sheep, 1st grade Rs. 275 and 2nd grade Rs. 250 per 100 pieces.

READY SILVER CROSSES Rs. 200-MARK

(From Our Own Correspondent)

BOMBAY, 16*th April*

The bullion market continued to be dominated by "bulls." The squeeze in silver was further tightened pushing up the prices further. Ready silver crossed the Rs. 200-mark for the first time in the last nearly seven years and touched a high of Rs. 202 today, at which level it was only Rs. 5-4 short of the record of Rs. 207.4 reached in June 1951. The scarcity of floating stocks, the decline in arrivals of Tibetan coins and encouraging advices from other centres were the main factors which were fully exploited by the "bulls" to rig up prices of the white metal. This forced the "bears" to cover their sales feverishly. The scarcity of stocks is fully reflected in the widening of the premium of ready metal over the forward (May settlement) from Re. 1-12 to Rs. 2-4. The forward position (May settlement) also almost knocked at Rs. 200, the highest level touched for the week being Rs. 199-12. However, fears of special clearing being enforced at this level brought the price down to Rs. 199-9 today. The purchasers had to pay a margin of Rs. 500 per bar on their outstanding purchases in the May settlement when the forward price crossed Rs. 196-7 on Friday last under by-law 33C. But this did not deter them from pushing the price well above this level.

Gold also ruled firm, in sympathy with silver. The good demand in the ready section also assisted sentiment.

Silver to forward delivery (May settlement) rallied from Rs. 196-1 to Rs. 199-12 before closing at Rs. 199-9.

Ready silver jumped from Rs. 197-13 to Rs. 202, but the closing was a shade lower at Rs. 201-13. The floating stocks of silver are estimated at 400 bars. The daily average arrivals were 20 bars, while the offtake was 15 bars per day on an average.

Forward gold (May settlement) was marked up from Rs. 111-13 to Rs. 113-2, at which level there was profit-taking, bringing the price down to Rs. 112. Fresh buying, however, lifted it to Rs. 112-14.

Ready gold gathered strength from Rs. 112-4 to Rs. 114-2. After a setback to Rs. 112-13, it advanced again to Rs. 113-15 at the close today. The floating stocks of gold are reported to be 30,000 tolas. The daily average arrivals were 3,500 tolas, while the offtake was slightly higher at 3,600 tolas.

In New York, silver was unchanged at 88.5/8c., while London prices gained a little. Spot silver was raised from 76d. to 76⅛d. and forward from 75⅞d. to 75¾d. Gold was, however, marked down from 249s. 3½d. to 249s.

The following comparative table shows at a glance the trend of the market during the week under review:

	16-4-58	Highest	Lowest	9-4-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	113 15	114 2	112 7	112 4
Forward*	112 14	113 2	111 15	111 13
Sovereign	71 4	71 4	70 8	70 8
SILVER				
Ready (.996 fine Mint) ..	201 13	202 0	197 11	197 13
Forward†	199 9	199 12	195 15	196 1
London Silver Ready ..	76¼*d.*	76¼*d.*	76*d.*	76*d.*
London Forward	75⅞*d.*	75⅞*d.*	75¾*d.*	75¾*d.*
London Gold	249*s.*	249*s.* 3½*d.*	249*s.*	249*s.* 3½*d.*
New York Silver	88⅛*c.*	—	—	88⅛

* 3rd May settlement.
† 5th May settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

METALS STEADY

(From Our Own Correspondent)

CALCUTTA, 15*th April*

Fair demand, coupled with the stricter import policy, was responsible for the steady conditions which prevailed in the metal market during the week under review. Trade circles had an opportunity to go through the Red Book in greater detail, and pointed out that, although for certain items the basic period was advanced to 1956-57, this was not done in the case of metals. In view of the growing industrial development, imports of base metals had gradually increased, and as such the trade strongly felt that there was every reason to advance the basic period for metal imports also. Copper scrap would be permitted to be imported by actual users only on producing proof of consumption. However, since in recent years consumers had preferred to use more ingots than scrap, it was hoped that proof of future consumption would be sufficient to qualify for import licence. The scarcity of copper was acute, and consumers were anxiously awaiting the receipt of the Canadian metal. In tin, the rate was considerably lower than in Bombay, but even the lower rate of Rs. 508 should go down, as by adding 3½ per cent. to the c.i.f. value of Rs. 482, the quotation should be only about Rs. 500. However, tin has not been for the present time included in the Control Order. Electrolytic zinc was firm at Rs. 53.75, as against Rs. 51.75 in Bombay. Naturally, Bombay attracted business from Calcutta. The reverse was the case in lead. The local quotation was Rs. 58, as against Rs. 63.00 in Bombay.

COTTON FUTURES EASY TOWARDS CLOSE

(From Our Own Correspondent)

BOMBAY, 16*th April*

The cotton futures market, after having ruled firm during the first three sessions of the week under review, turned easy on Monday. The earlier firmness was due to very strong rumours of the possibility of an export quota for ¾" cotton. The reported suggestion to the Government, made by the East India Cotton Association at its weekly Board meeting on Friday, that an export quota for ¾" cotton should be immediately released, strengthened the rumour, and touched off heavy short-covering and scattered replacement buying, resulting in a smart rally in prices. Firm advices from the oilseeds market aided the upswing. But the trend was reversed on Monday following heavy liquidation, prompted by the fixation of lower room rates for the delivery contracts. The news that the Millowners' Association had opposed the plea for a quota for staple varieties imparted further weakness to the market. The failure of cloth offtake to improve to the desired extent, which was reflected in the large accumulation of stocks and the weak demand for ready cotton, continued financial stringency and weaker upcountry advices were other discouraging factors. The easiness of the market persisted till the close today. Over the week, prices showed a marked fall.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 633.50, as against the previous close of Rs. 661.25, and improved to Rs. 668.50 on Saturday. Profit-taking and bull liquidation dragged the contract down to Rs. 654.25 yesterday. Opening today's session at Rs. 655.50, the contract gathered Rs. 4 before closing at Rs. 654.25. The net loss over the week is Rs. 7. I.C.C. Moglai Jarilla (August 1958) opened the week Re. 1-8 higher at Rs. 673 and firmed up to Rs. 678 on Saturday before declining to Rs. 666.50 yesterday. Commencing today at Rs. 668.50, the contract rose to Rs. 671 before finishing at Rs. 666. The net loss over the week is Rs. 4.50.

The following table indicates the trend of prices during the week:

(In rupees per candy of 784 lbs.)

	16-4-58	*High*	*Low*	9-4-58
I.C.C. Moglai Jarilla (May 1958) ...	654.25	668.50	653.50	661.25
I.C.C. Moglai Jarilla (August 1958) ...	666.00	678.00	665.50	670.50

The sagging trend in spot prices continued during the week also. Spinner interest was subdued. Most of the mills would appear to have covered a large part of their requirements. Stray demand was noted for good qualities like Co2, Laxmi, Jayadhar, etc., while short-staple continued to be neglected. Advices from upcountry centres, especially in the South, were discouraging.

On the export front, steady demand was noted for exportable varieties and regular sales were reported. Consequently, Bengal *Deshi* prices have been steadily improving. Hopes of a quota for staple cotton were being entertained in some quarters.

In foreign section, the uncertainty regarding the payments procedure for Egyptian cotton import and the rupee-tallaris relation have put a curb on business in those styles. Certain varieties of American cotton like El Paso evoked the interest of mills and sizable purchases of that variety by a Bombay mill was reported.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri, the figures in brackets being last week's closing rates:

Bengal *Deshi* 620 (610); Berar Jarilla 740 (750); Khandesh 785 (790); Oomra *Deshi* 665 (675); Vijay 890 (900); Hubli Laxmi 1,040 (1,040); Jaydhar 830 (870). *Delivery contracts*: Bengal 583 (578).

Cotton futures values in Karachi made handsome gains during the week under review. The expectation of a possible reduction in export duty and the low level of prices attracted a sizable volume of fresh support. Values consequently moved higher. But the improvement would have been more marked but for the continued slackness of foreign demand. The recession in the U.S. and the critical situation of Japanese textile industry, whose requirements of coarse cotton are supplied to a large extent by Pakistan, were the factors which adversely affected sentiment. N.T.R.G. improved from Rs. 71.10 last week to Rs. 72-6 and the July position gained, over the week, As. 14½ to Rs. 72-10-6. The spot section depicted a mixed trend. While the *Deshi* styles were in good form, other varieties were neglected and were quoted lower. Sind *Deshi* and Punjab *Deshi* gathered Re. 1 each to Rs. 65.8 and Rs. 63.81 respectively. The following are the latest available rates—in Pakistani rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 71-1; S.G. 76-13; 289F N.T. Roller 77-1; S.G. 87-1; 289F Punjab Roller 82-9 S.G. 93-1.

Easy conditions prevailed in the Alexandria cotton futures market during the week under review. Competition of Sudanese styles and the apprehension of further cut in duty by that country discouraged buying. Values, therefore, eased. The latest available quotations—in tallaris per lb.—are given below:

Karnak: May 78.25; July 79.30. *Ashmouni*: April 66.50; June 67.80.

The Liverpool cotton futures market depicted a fully steady trend during the week. Despite the prospect of larger shipments of C.C.C. cotton to Liverpool, values were well maintained. The steadiness was influenced by the anticipation that the C.C.C. stocks contained only a small percentage of good quality cotton. The comparatively small volume of tenders against the March-April

contracts, about 8,200 bales against the American contract and 2,000 bales against the American type contract, also imparted strength to the market. The latest available quotations—in pence per lb.—are as under:

American cotton One Inch Staple Contract: May-June 24.75; July-August 25 05; October-November 26.32; December-January 26.57. *American Cotton Mixed Growth Contract*: May-June 25.33; July-August 25.82; October-November 26.32; December-January 26.57. *Sudan*: May-June 31.00; July-August 31.20; September-October 31.85.

Cotton futures values in New York moved higher on Commission House buying and short-covering prompted by reports of unwanted showers in the Western and Central cotton belts and delay in crop preparation due to wet soil and cool temperature. Expectation entertained in some quarters that the entry into the Soil Bank would exceed five million acres also imparted strength to the market.

The House of Representatives' Appropriation Committee seems to favour the continuation of the present export sales programme on a competitive bid basis. The Committee is reported to be against the replacement of this programme by the proposed export subsidy system. Trade circles, on the other hand, are strongly in favour of the latter.

The following are the latest available quotations from New Yark, as compared with those a week and a fortnight before:

(In cents per lb.)

	15-4-58	8-4-58	31-3-58
Spot	36.00	35.95	36.10
March	35.92	35.81	35.98
May	36.25	36.04	36.23
July	36.68	36.53	36.72

YARNS WEAK

(From Our Own Correspondent)

BOMBAY, 16*th April*

The yarn market presented a weak trend during the week under review, in contrast to the firm conditions noted in the last fortnight. Rayon yarns encountered selling despite scarcity of stocks. For enquiries from consuming centres were poor. It was reported that several weaving mills, since they could not pay high prices for yarn, were compelled either to curtail production drastically or to close down. There was also some liquidation on stocks by traders who had gone long in the previous two weeks on expectation of an upward revision in the price of yarn released by the domestic producer for the current quarter (April-June 1958). The National Rayon Corporation released early this week art silk yarn at prices similar to those of yarn released in the preceding quarter, that is, at Rs. 3.56 (Rs. 3-9) per lb. for 150 denier bright yarn and at Rs. 3 87 (Rs. 3-14) for 120 denier yarn. In sympathy with rayon yarn and on fears of enlarged supply in the coming months based on reports that several mills had switched over to spinning staple fibre yarn instead of cotton yarn, staple fibre yarns were subjected to selling pressure. Cotton yarns continued to be dull with values generally moving downward.

Spot 120 Japan dropped 28 nP to Rs. 6.41. 150 Japan fell by 19 nP to Rs. 6.47. 120 Italy climbed down by 25 nP to Rs. 6.25. 150 Italy lost 6 nP to Rs. 5.56. Among indigenous yarns, National Rayons 120 Bt. cones 1st grade receded by 25 nP to Rs. 5.75 and 150 Bt. cones 1st grade by 10 nP to Rs. 5.96. Snia rayon yarn (120 dull cones) April delivery was nominally quoted at Rs. 625. No transactions were reported to have been put through in this contract.

Staple fibre yarn (40×2) April delivery were marked down by Rs. 8 to Rs. 615. June delivery retreated by a like amount to Rs. 624. 40×2 Centurys declined by 6 nP to Rs. 3.28. New Greats and Citys eased by 4 nP each to Rs. 3.21 and Rs. 3.27, respectively. Kohinoors shed 2 nP to Rs. 3.31. Foreign yarns (80×2), however, evoked some support and registered a rise in prices. Fujis rallied 10 nP to Rs. 7.16. Paramounts rose by 7 nP to Rs. 7.19.

In the cotton yarn section, ten counts moderns receded by 25 nP to Rs. 14.25. Podars were dull at Rs. 13.50. Twenty counts Indus were quiet at Rs. 16.50 and Moderns at Rs. 17.25. Thirty counts Indus were unchanged at Rs. 20. Among forty counts, Minaxis declined by 25 nP to Rs. 26.62. Moderns lost a similar sum to Rs. 24.25. Sixty counts Moderns were dull at Rs. 60, as also Raghuvamshis at Rs. 50.75. Eighty counts Moderns shed 25 nP to Rs. 70. Mahendras were done at Rs. 69.50, same as last week, and Finlays at Rs. 76.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	16-4-1958	9-4-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia April	625 00	925 00
120 Japan (per lb.)	6 41	6 69
150 Japan (per lb.)	6 47	6 66
120 Italy (per lb.)	6.25	6.50
150 Italy (per lb.)	6.56	6.62
Staple fibre yarn (per case of 200 lbs.)—		
40 × 2 April	615.00	623.00
40 × 2 June	624 00	632 00
40 × 2 New Great (per lb.)	3.21	3 25
40 × 2 City (per lb.)	3.27	3.31
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.50	13.50
20s Modern	17.25	17.25
20s Indu	20 00	20 00
40s Minaxi	23 62	23 87
60s Raghuvamshi	50 75	50 75
80s Modern	70.00	70.25

GROUNDNUTS SOAR DESPITE MARGIN

(From Our Own Correspondent)

BOMBAY, 16*th April*

Buoyant conditions prevailed in the oilseeds market during the week under review. In particular, the groundnut section ruled distinctly firm, with values forging ahead. Even the enforcement of margin at the rate of Rs. 25 per candy on all purchases of groundnuts above Rs. 165 as from Friday failed to have any effect. There was strong buying spree whipped up by sustained large off-take by crushers and *vanaspati* producers in spot groundnut and groundnut oil, respectively. The continued firmness of sarson also imparted strength. The May delivery which stood at Rs. 164.25 last week-end swiftly advanced, despite the margin, to touch the peak of Rs. 171.50 on Saturday. But, on Monday, a reaction set in, thanks to fears of intervention by the Forward Markets Commission. The Commission was reported to have asked the Bombay Oilseeds and Oil Exchange to find out the volume of outstanding business in groundnuts non-transferable delivery contracts. Yesterday, there were rumours that the Commission had decided to impose margins in April, May and June delivery contracts. Some apprehended that Section 18(3) of the Forward Contracts (Regulation) Act which empowers the Commission to regulate trading in such contracts with a view to discouraging unhealthy speculative business might be applied. The final decision of the Commission, however, is still not known.

The castorseeds section also presented a distinctly firm trend. Replacement buying was heavy, the chief reason being hopes of good export business, especially with Communist countries. Japan was said to be interested in buying Indian castor oil. Linseed was quite active with scarcity of contracts accelerating the rise in price. It was reported that Australia had bought 500 tons of linseed oil. Cottonseed ruled firm in the first two sessions in sympathy with the general trend but staged a set-back on Monday which gathered further momentum yesterday and today. The later setback was due to bearish advices from the cotton market. Over the week, *kardi* seed and *niger* seed showed an improvement in prices.

Groundnut May contract which stood at Rs. 163 62 last week-end moved up to a high of Rs. 171.50 on Saturday. After receding to Rs. 169 on Monday, it recovered to Rs. 170 today before finishing lower at Rs. 169.50. Business in the August contract commenced today at Rs. 169.25. At the close, it was higher by a rupee. Bold ready advanced from Rs. 33.75 to Rs. 34.87 on Saturday, but declined thereafter, the closing rate being Rs. 34 50. Coromandel and Khandesh quality rose from Rs. 34.25 to Rs. 35.25 and Rs. 35 37, respectively, before finishing at Rs. 35. Groundnut oil railway receipt rallied 56 nP to Rs. 18.75. Ex-mill spurted by 50 nP to Rs. 19.

Castorseeds May climbed up from Rs. 149 to Rs. 156.87 on the 12th inst. After declining to Rs. 154.50 on Monday, it rose again to Rs. 156.25 today. At the close, however, it was easy at Rs. 154.87. September contract commenced today at Rs. 159 and was quoted lower by 50 nP at the close of the session. Ready Madras improved from Rs. 29.75 to Rs 30 62. Kanpur quality put on Re. 1.12 to Rs. 29.37 Castor oil B.S.S. picked up 62 nP to Rs. 17.27. Commercial quality strengthened by 69 nP to Rs. 16.25.

Linseed May hardened from Rs. 30.50 to Rs.31.25 before finishing at Rs. 30.81. September contract opened today at Rs. 31.56 and was better by 6 nP at the close. Bold ready gained 50 nP to Rs. 30.50. Linseed oil gathered 25 nP to Rs. 16.12.

Cottonseed May moved irregularly. It opened the week at Rs. 108, as against Rs. 107.50 last week-end, and dropped to Rs. 106.50 the same day. After recovering to Rs. 109 on the 12th inst., the contract fell to Rs. 106 today. Business in September contract commenced at Rs. 109 today, but eased to Rs. 108.25.

Among others, *kardi* seed bold ready was well supported, the quotation advancing from Rs. 19.50 to Rs. 20.12. *Niger* seed Madras met with enlarged buying enquiries in the earlier sessions and improved from Rs. 28.75 to Rs. 29.50 on Saturday. It, however, declined to Rs. 29.25 on Monday and, after recovering to Rs. 29.37 yesterday, retreated again today to Rs. 29.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	16-4-1958	9-4-1958	1-4-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	169 50	163 62	162.50
August 1958	170.25	—	—
Bold ready (per cwt.)	34.50	33.50	32.62
Linseed—			
May 1958	30 81	30 50	31.12
Sept. 1958	31 62	—	—
Bold ready (per cwt.)	30 50	30.00	30.44
Castorseed—			
May 1958	154.87	149.00	149.75
Sept. 1958	158.50	—	—
Madras (per cwt.)	30.62	29.75	29.62
Cottonseed—			
May 1958	106 00	107.50	108.00
Sept. 1958	108.25	—	—
*Groundnut oil**			
Ex-mill ready (per quarter) ..	19.00	18.25	17.87
Castor oil †			
Commercial (per quarter) ..	16 25	15.50	15.37
Linseed oil †			
Ready	16.12	15.87	16.25

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR BETTER

(From Our Own Correspondents)

BOMBAY, 16*th April*

Owing to restrictions on railway booking from the Bombay-Deccan area to Wadi Bunder, the spot stocks of sugar in the market have been reduced to just 15,000 bags. In view of such paucity of stocks, prices of sugar have tended to move up, notwithstanding a fall of 62 nP per bag in the ex-mill quotations in North and South India.

Arrivals of sugar into the market during the week aggregated 19,600 bags which were, of course, higher by 9,100 bags as compared with the previous week.

Medium grain sugar has risen by a rupee to Rs. 107-108 per bag. Small grain has gained 50 nP to Rs. 106. Large grain is fully maintained at Rs. 109-112.

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HAPUR, 14*th April*

The sugar market ruled dull during the week, but, in anticipation of revival of demand from consuming centres, prices were steady. There are definite indications that sugar production in the current season will be a little higher than last year; actual output up to 31st March amounted to 17.13 lakh tons, as against 15.44 lakh tons in the corresponding period last year. Stocks with the factories on this date were 13.34 lakh tons, as compared with 12.35 lakh tons a year before. Some more factories here have closed crushing operations and the rest are likely to follow by the end of the month. In certain areas, however, the season may drag on up to 15th June, due to plentiful cane supplies.

Sugar export prospects are still uncertain. The Government's plans in this respect are likely to be announced soon.

Sugar prices ruled quiet at Muzaffarnagar during the week. In mid-week, business was done on behalf of mills in the Punjab, Delhi, Gujerat, Saurashtra and the South. Prices of some varieties declined by 6 nP to 13 nP per maund. The latest prevailing ex-mill delivery prices were:—Meerut (D28) Rs. 35.69; Amroha (D29) Rs. 34.87; Khatauli (B29) Rs. 37.62; Deoband (C28) Rs. 35.75; Iqbalpur (C29) Rs. 36.37; Daurala (A29) Rs. 37.25; Mawana (B29) Rs. 36.50; Mansurpur (C29) Rs. 36.62; Simbhauli (E29) Rs. 36.

The Kanpur sugar market also ruled quiet for want of support from consuming centres.

Khandsari ruled steady, due to good consumer demand. There is a difference of Rs. 5 to Rs. 10 per maund in the prices of *khandsari* and crystal sugar, the former being quoted lower. With no restrictions on production, *khandsari* output in U.P. and Bihar has touched new heights and the overall production in the country is expected to be 3 lakh tons, as against 1.5 lakh tons in previous years. The prevailing prices of *khandsari* are:—Rs. 28 to Rs. 32.50 per maund, according to quality.

Having recorded some gains in the earlier part of the week, ready *gur* eased towards the week-end, following slack demand from outside centres. Best quality dry *gur* was today quoted at Rs. 15.25 per maund, as compared with the highest touched at Rs. 15.75 per maund. In a regular tussle to lend support to futures section prices, bulls and bears were trying to manipulate ready prices in their favour. Daily arrivals of *gur* went down to an average of 500 to 700 maunds, part of the arrivals being out of stocks retained by producers. The crushing season has almost come to a close. Local stock position continued unchanged at 1.40 lakh maunds, as against 98,000 maunds at the corresponding date of last year. Arrivals since the beginning of the season here aggregated 3.95 lakh maunds, as against 4.55 lakh maunds a year before.

Demand for *Chaku* quality of *gur* at Muzaffarnagar was good from the Punjab and Rajasthan and prices improved on that account. Daily arrivals of *gur* averaged 2,000 maunds and stocks at Muzaffarnagar were around 2 lakh maunds, as against 3 lakh maunds in the corresponding period last year. Booking position continued to be good. *Khandsari* stocks were put at 50,000 maunds and prices were Rs. 28 to Rs. 32.50 per maund. Prevailing prices of *gur* were:— *Chaku* Rs. 16.75 to Rs. 17.75; *chaku kotha* dry Rs. 17.25; *pansera* Rs. 15.50 to Rs. 16; *ladu rusket* Rs. 11 to Rs. 13.50; *shakker dara* Rs. 18.25 to Rs. 19.25; *masala* Rs. 20; *khandsari* Rs. 28 to Rs. 32.50.

Futures *gur* recorded a downward trend during the week at Hapur. *Baisakh* and *fagun* opened at Rs. 14.60 and Rs. 13.12 on Monday last and were quoted today at Rs. 14.22 and Rs. 12.62 respectively.

BLACK PEPPER RISES

(Messrs. Parekh and Co.)

BOMBAY, 16*th April*

Malabar black pepper was not able to consolidate the last week's small gain, in the absence of enquiries from New York. Singapore was reported selling Lampong Black at $0.25 to $0.25½ for nearby shipment, while India was quoting $0.26½ to $0.26¾.

News of some business with Rumania and Czechoslovakia lifted up prices in both Bombay and Cochin, but the improvement proved shortlived under pressure of bull liquidation. Tired feelings were reported to be slowly creeping in among the bulls who were until now holding on in anticipation of purchases by New York.

Alleppey and Cochin were reported steady but quiet at Rs. 650 for ungarbled, while ready garbled was quoted at Rs. 111 without business. May delivery on the forward market was moving narrowly between Rs. 115 and Rs. 117. Calicut was quoting Rs. 690 to Rs. 700. At Cochin, business in ready was conspicuous by its absence, while forward dealing in May contract amounted to a few hundred tons almost daily.

Singapore was steady, with sellers stiff, following purchases by New York and the Continent. New York spot improved from $0.25½ to $0.26, as sellers at the origins were reserved.

The future of the market depended upon Singapore where New crop Sarawak was expected to move some time during the middle of May. The position in India was expected to be more clear after the liquidation of May contracts in both Cochin and Bombay.

In the A.S.T.A. section, business was very restricted, as both buyers and sellers were awaiting new development. April was nominally quoted at $0.26¼, while May-June at $0.26¾.

In the delivery section, May delivery was fluctuating between Rs. 620 and Rs. 650. Bulls were marking time and hence were less aggressive at the moment.

Today's nominal quotations are: Ready Rs. 90 per Bengal maund; May Rs. 625-Rs. 635 and June Rs. 638-Rs. 648 per candy of 5¼ cwts.

TEAS DECLINE

[Messrs. Forbes, Ewart & Figgis (Private) Ltd.]

COCHIN, 10*th April*

There was 650,978 lbs. on offer in dust sale 'H', which was held on Tuesday, 8th April. The market opened to only a fair demand. All grades met with less competition and prices were generally 10 to 15 nP lower. Better descriptions were easier to purchase and these types declined 5 to 10 nP.

The average price realised in dust sale 'H' was Re. 1.58 per lb., as against Re. 1.59 in the previous sale and Re. 1.88 in the corresponding sale of 1957.

London Market.—No sale this week.

Colombo Market.—No sale this week.

Calcutta Market—Export.—Strong general demand. Irregularly dearer most sorts.

Internal.—18,500 chests. Good general demand. Orthodox types fully firm to 6 nP dearer and sometimes more at the close. C.T.C. were generally well supported, particularly the smaller powdery types and any teas with improved liquors. Darjeelings were the weak feature. Internal leaf strong demand at dearer rates.

Export Quota.—There has been a fair amount of business transacted, and the quotation has hardened. Business has been transacted at 4¼ nP.

Forthcoming Auctions.—Dust sale 'I' will be held on Tuesday, 22nd April 1958.

As we go to Press, Messrs. Forbes, Ewart and Figgis Private Ltd. wire:

"*Sale* 9.—2,250,000 lbs. Limited demand which lessened considerably as sale progressed. Best liquoring declined up to Re. 1. Good medium and medium 20 to 30 nP easier, low medium and whole leaf 15 to 20 nP lower."

DUST TEAS RISE

(From Our Own Correspondent)

CALCUTTA, 15*th April*

Doubts have arisen among trade circles as to whether the Government of India would after all extend the proposed export duty relief for common teas to the superior varieties also. For Mr. N. Kanungo, the Minister for Commerce, declared in the Lok Sabha on 10th April that the authorities were still looking into the question of reducing the export duty on common teas and devising a system therefore. Trade circles urged that any system of affording relief to common teas alone would offer practical difficulties, and that the reduction of duty should be extended to all teas. In fact, about a week ago, the rumour that the duty was being reduced by 12 nP generally was strong. At any rate, the matter has been considerably delayed, and much time is being lost in working up a scheme. It is time Government took a decision, i.e., whether it should benefit all teas or commons only, and announce the reduction to enable the trade and industry to boost exports. For, if a crisis in the tea industry is to be avoided, stocks of common teas must be reduced and this can only be done by increased exports before the new crop starts arriving in the market.

The case for doing away with the export duty altogether was succinctly put forward by Mr. Nagendranath Karmarkar, when he addressed the annual meeting of the Indian Tea Planters' Association in Jalpaiguri. He said that after the withdrawal of the International Tea Agreement, a free market for tea was established and all producing countries had been offering keen competition. The increase in world acreage under tea had also been growing. While most other producing countries did not charge any export duty and thus provided producers ample opportunity to expand the markets for them, Indian producers were handicapped by the incidence of the export duty. He feared that if this duty was retained, it would liquidate about 50 per cent. of India's production capacity. Speaking specifically on the problems facing the producers of common teas, Mr. Karmarkar declared that if sales did not improve in the coming weeks—he failed to see how these could improve—many gardens in the Dooars and the Terai would suffer losses.

The plantation industry is already burdened with high costs of production and high wages. There has been a distinct increase in the number of dependants of plantation labour, and this has added to the problems of estates' managements. As though the existing problems for the industry were not sufficient, the report from New Delhi suggested the establishment of a wage board for the plantation industry. It was feared that the Board, as and when set up, might upset the existing agreement on wages. This aspect would, however, to be considered by the Sub-committee of the Industrial Plantation Committee scheduled to meet on 23rd and 24th April for the first time.

There were indications during the week that Pakistan was aiming at increasing its tea output. At present, Pakistani production is about 50 million lbs. a year, but it is being planned to raise it to 80 million lbs. With this end in view, it is likely that the Government would set up in Dacca a Tea Production Development Corporation, which would, to begin with, work the abandoned gardens.

In the internal sales held on Tuesday last, dusts offered aggregated 18,464 chests. Prices generally showed improvement. C.T.C. Assams were fully steady, and buyers showed special attention to the lots showing an improvement in quality. Orthodox teas with clear leaf appearance rose by 6 nP. On the other hand, Darjeelings were not wanted and were withdrawn. The quotations were: best Assam C.T.C. Rs. 2.75 to Rs. 3.05 (nominal), medium Assam C.T.C. Re. 1.85 to Rs. 2.05, medium Assam grainy dust Re. 1.60 to Re. 1.64, and medium Dooars Re. 1.56 to Re. 1.60.

Leaf on offer amounting to 6,029 chests met with strong demand, and as a result were dearer.

JUTE GOODS IMPROVE

(From Our Own Correspondent)

CALCUTTA, 15*th April*

The feature in the jute markets during the week under review was that prices of jute goods rose above the minimum levels. The improvement was due to fair business being done, as also to the uptrend in raw jute prices. A fair relationship was maintained between the prices for hessian 40" 10 oz. and B. twills in the futures and genuine markets, but this was not so in the case of Assam bottoms, for which the quotation in futures was at one time Rs. 27.04, as against Rs. 25.50 in the genuine market. Contrary to earlier expectations, stocks of jute goods as at the end of March recorded a welcome decline, small though it was. This was another factor for this week's steadiness in prices. Since overall shipments were lower in March—sackings shipments were only 27,800 tons as against 32,600 tons in February, but hessian shipments were high at 33,100 tons, as against 31,000 tons—traders were definitely anticipating an increase in stocks.

At the end of March, stocks of all constructions amounted to 94,400 tons representing a small reduction of 500 tons for the month as a whole, the corresponding figure for March 1957 being 97,700 tons. Particularly satisfactory to the market was the decline in hessian by 2,700 tons to 54,900 tons. Sacking increased by 1,600 tons to 54,900 tons and miscellaneous constructions by 600 tons to 15,000 tons. The current month has begun well, and the trade anticipate more business than in March. The working of the futures markets has so far been satisfactory and smooth.

During the week, interest was aroused by the statement of Mr. N. Kanungo, the Minister for Commerce, in the Lok Sabha, that a team of officers would in the near future investigate, if there was any surplus raw jute in the country. It would be remembered that recently a section of the trade urged the Government of India to permit exports of the inferior varieties of jute, viz., Bimli and mesta, to the extent that there was surplus with mills in India. The Minister at the same time added that information in the possession of Government did not indicate that there was any surplus. Already raw jute prices have been rising, and even if the team of officers found that there was really a surplus for export, it was thought that the fag end of the season was hardly the time for according permission to export. It was true that there were instances where cultivators were put to difficulties in the absence of buyers for the inferior varieties, and this had caused depression. It might be that the country had now export capacity in Bimli and mesta, but the problem is one of devising a procedure to ensure that the superior varieties did not get mixed up with the inferior and go out of the country. Evidently, Government would consider all these and relevant questions after the team of officers completed their study and submitted their report. Whatever the Government's finding, it should be said that any decision to permit exports of raw jute would bring difficulties to the mills.

Another official statement made now by the Deputy Minister for Food and Agriculture, Mr. M. V. Krishnappa, indicated that the country's dependence on Pakistan has been reduced to 40,000 bales of raw jute in 1957 from 2½ million bales ten years ago. With the measures now being taken to improve quality, it will not be before long India will be able to do without imports from Pakistan.

On Tuesday last, ready B. twills were quiet at Rs. 99.35 and ready 40" 10 oz. hessian at Rs. 39.65, as against the official futures quotations of Rs. 99.60 and Rs. 39.76, respectively. Business passing was little, but on Wednesday there was a spurt in prices following the announcement of reduced stock figures of mills. In addition, there was some covering business done. B. twills rose to Rs. 99.75 and 40" 10 oz. hessian to Rs. 40.00, both ready delivery. Although business with overseas countries was confined to small quantities here and there, covering business was continued to be done on Thursday also, raising quotations of B. twills and hessian 40" 10 oz. to Rs. 99.95 and Rs. 40.05, respectively. At this level, speculators accorded support, and on Friday the quotations rose further to Rs. 100.30 and Rs. 40.15, respectively. Raw jute prices were fully steady at this stage, and following this, over the week-end jute goods rose to Rs. 100.75 for B. twills and Rs. 40.40 for hessian 40" 10 oz. The market was closed yesterday, being a State holiday for Bengali New Year Day. The highest rate in the futures market was Rs. 101.50 for B. twills, Rs. 40.56 for hessian 40" 10 oz. and Rs. 27.04 for Assam bottoms, as against the lowest for Rs. 99.35, Rs. 39.68 and Rs. 26.10, respectively.

Fair business was done in raw jute with mills. As a result, quotations rose. Assam bottoms added 50 nP to Rs. 25.50. A similar rise was recorded in Daissee bottoms and northern bottoms.

FOODGRAINS QUIETLY STEADY

(From Our Own Correspondent)

HAPUR, 14*th April*

Quietly steady conditions prevailed in the foodgrains markets during the week. The Government of India is arranging more imports of wheat and it is understood that, in the current year, wheat supplies will not fall short of requirements. As regards rice, the position is not so comfortable, as imports will fall short of the plan and the Union Government has decided to continue purchase of rice from Punjab. Imports of rice from Burma aggregated 77,000 tons by the end of March last.

Wheat ruled quiet during the week. Average quality was quoted on Monday at Rs. 15.25 per maund and farm produce upto Rs. 17. Daily arrivals of new wheat into the market were at an average of 400 to 500 maunds. As however, the entire arrivals were being lifted by consumers, the local wheat stock continued to be unchanged at one *khatti*. Threshing operations are in full swing and so arrivals of wheat will soon multiply. Wheat average was quoted at Rs. 13.12, as against Rs. 17 in the corresponding period of last year.

Rice continued to rule steady on reports of overall shortage of rice in the country. The week-end prices were:—*Basmati* Rs. 29 to Rs. 32; *mainpuri* Rs. 25.25; coarse quality Rs. 21 per maund. On reports of steady conditions in Punjab on not good crop reports and scanty local arrivals of new gram, gram prices registered further gains during the week. Local stocks of old quality gram owned by the U.P. State Government were unchanged at 12 *khaties*. Arrivals of new barley were meagre and prices recorded some gains during the week, as consumer demand was gradually increasing. *Bejhar* arrivals mounted to an average of 125 maunds daily, but prices were steady. Other grains were also steady at unchanged price levels. The week-end prices on Monday (in rupees per maund) were:—gram 11 to 11.37; barley 9.75; *bejhar* 9.37; *jowar* 11 to 12; *guwar* 14.25 to 14.75.

Heavy arrivals of peas during the week, both locally and from east U.P. by road coupled with credit squeeze by banks against grain stocks accounted for a slight fall in the prices of peas during the week. But the trend was fully steady with the revival of outside demand. Daily arrivals averaged 1,500 to 2,000 maunds and local stock of peas swelled to 102 *khaties*, as against 70 *khaties* last week-end. Total arrivals from the beginning of the season were put at 50,000 maunds. New crop *arhar* arrivals have also begun in small quantities and, due to good demand in the face of poor stocks at six *khaties*, prices recorded fractional gains during the week. Prices of other pulses were mostly unchanged and prevailing prices on 14th April were (in rupees per maund):—*peas dara* 9.75 to 10; white upto 11.25; *peas dal* 11.31; *arhar* 12.31; *arhar dal* 16; *urd* 17.50 to 18.50; *moong* 20.50 to 21; *massoor* 16.

After recording a slight fall in the earlier part of the week pulses futures advanced later and were now quoted near the best level of the week. Prices were:—Peas *jeth*: Rs. 10.49; *arhar jeth* Rs. 12.99; *urd baisakh* Rs. 16.87.

HIDES RECEDE

(From Our Own Correspondent)

MADRAS, 15*th April*

Arrivals of E. I. tanned hides and calves have been small and clearances slow. Prices have declined slightly. Shipment business is poor, due to Easter Holidays in the U.K. It is reported that dressers are finding it difficult to bring to book fresh orders from their customers. If prices decline further, there is every likelihood of resumption of business in kips.

There are several inquiries for tanned goat skins and common lining sheep but orders booked are small, because buyers' ideas have been 6d. lower than sellers. Semi prime and medium sheep skins rule weak.

LINSEED ERRATIC

(Messrs. A. Bradley and Co.)

CALCUTTA, 15*th April*

Price movements in the linseed market were rather erratic during the week. After a spectacular decline on Tuesday to Rs. 22 per maund, prices gradually began to creep upwards again and, towards the end of the week, had returned to their former level at Rs. 22-10 oil prices followed a similar pattern. Having declined to Rs. 51-4 for a short period, they again ruled steady at Rs. 52 with sellers reserved. Trading generally was rather limited. There was no change in the overseas market for linseed oil and no fresh business was reported.

The latest available quotations are: Ready and April-May Rs. 22-10 per maund.

Notice

THE BENGAL FLOUR MILLS COMPANY, LIMITED

THE BOARD OF DIRECTORS HAS DECIDED to recommend to the forthcoming Annual General Meeting of the Company a final dividend of 12½ per cent. for the year ended 31st December 1957.

By Order of the Board,
BALMER LAWRIE & Co., LTD.,
D. MANSON,
Secretary,
Managing Agents.

21, NETAJI SUBHAS ROAD,
CALCUTTA, 11*th April* 1958.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956	4½	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	3	2
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	May, 1955	5	5½
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	20th April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	20th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	2
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	7	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	6th March, 1958	2½	2½
West Germany	17th Jan., 1958	4	3½

‡ Three Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 3rd April, 1958		Week ended 28th March, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,05,832	51,83,98,000	3,63,645	97,46,70,000
Calcutta	—	—	1,85,000	71,74,00,000
Madras	82,274	11,23,42,484	1,07,766	13,45,70,000
All Centres—				
1955-56			37,199,000	79,56,21,00,000
1956-57			40,003,000	87,23,93,00,000
Dec., 1957			3,514,000	7,74,84,00,000
Jan., 1958			3,794,000	8,31,64,00,000
Feb.,			3,535,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 11th April, 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	49,23,35,000
(2) Other Governments	13,63,15,000
(b) Banks	77,83,98,000
(c) Others	116,56,02,000
Bills Payable	19,19,33,000
Other Liabilities	39,95,13,000
Rupees	423,40,96,000

Assets	Rs.
Notes	13,17,98,000
Rupee Coin	10,73,000
Subsidiary Coin	2,75,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	25,91,46,000
Balances held abroad*	54,81,37,000
Loans and Advances to Governments†	46,50,39,000
Other Loans and Advances	55,53,49,000
Investments	215,94,22,000
Other Assets	14,29,46,000
Rupees	423,40,96,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 19,66,00,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	15,17,98,000	
Notes in circulation	1638,21,48,000	
Total Notes issued		1651,39,46,000
Total Liabilities		1651,39,46,000

Assets	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,02,000	
(b) Held outside India		
Foreign Securities	226,06,93,000	
Total of A		343,82,95,000
B. Rupee Coin		131,33,59,000
Government of India Rupee Securities		1176,22,91,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1651,39,46,000

Scheduled Banks*

Statement of Affairs for the week ended 4th April 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,95,13,000
(ii) Other demand liabilities	751,53,58,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,02,00,000
(ii) Other time liabilities	728,08,78,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	10,36,32,000
(ii) Time liabilities	95,00,000
Borrowings in India from the Reserve Bank of India‡	37,94,17,000 (24,19,00,000)
Cash in India	41,74,12,000
Balances with the Reserve Bank in India	83,07,76,000
Balances with other banks in current account in India	12,27,51,000
Money at call and short notice in India	43,28,98,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	440,55,90,000
Advances in India	808,49,04,000
Inland Bills purchased and discounted in India	120,63,22,000
Foreign Bills purchased and discounted in India	49,29,16,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		16th April 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. Spot	s.	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	s.	1-5⅛	1-5⅛
Buyers T.T. spot to nine months	s.	1-6¼	1-6¼
Buyers T.T. 10 to 12 months	s.	1-6¼	1-6¼
Bombay on New York—			
Sellers T.T. D.D.	Rs.	475.00	475.25
Buyers T.T.	Rs.	471.75	471.75
London on New York	$	2.81⅛-2.81¼	2.81⅛-2.81⅛
London on Paris	Fcs.	1,176¼	1,176¼
London on Berne	Sw. Fcs.	12.25½ 12.26	12.25¼ 12.25½
New York on London	$	2.81⅛-2.81¼	2.81⅛-2.81⅛

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387 68	..	11,010	284
Pakistan††	'56-'57	83 50	..	2,079	249
Burma	1955	19 43	Kyats 4,087	409	210
Ceylon	1955	8 35	..	475	567
Japan	1956	90 00	Y. 7,427,000	9,283	1,031
Philippines	1955	21 85	Ps. 7,804	1,873	857
New Zealand	1956	2 17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9 40	£ (A.) 4,238	4,023	4,918
U.K.	1956	51 20	£ 16,465	21,953	4,287
U.S.A.	1956	168 09	$ 349,600	163,564	9,731
Canada	1956	16 00	$ 22,710	10,787	6,742
France	1956	43 60	F.Fr. 13,990,000	17,040	4,046
W. Germany	1956	51 50	Dm. 147,000	16,889	3,279
Italy	1956	48 10	Lr. 11,476,000	8,769	1,821
Norway	1956	3 46	Kr. 20,990	1,408	4,358
Sweden	1956	7 80	Kr. 44,580	4,127	5,653
Netherlands	1956	10 80	Firs. 25,490	3,215	2,977
Denmark	1956	4 46	Kr. 24,950	1,690	3,789
Switzerland	1956	5 00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† Accordingz to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 4th April 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	77,04,22,000
(b) Provincial Governments	2,77,21,000
(c) Banks	18,83,71,000
(d) Others	5,02,85,000
Bills Payable	20,58,000
Other Liabilities	10,15,98,000
Rupees	120,03,65,000

Assets	Rs.
Notes	6,71,24,000
Rupee Coin	33,000
Subsidiary Coin	29,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	1,11,000
Loans and Advances to Governments	26,00,000
Provincial Governments' Debtor Balances	9,56,23,000
Other Loans and Advances	5,51 09,000
Investments	84,68,90,000
Other Assets	13,28,46,000
Rupees	120,03,65,000

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	6,71,24,000	
Notes in circulation	342,58,50,000	
Total Notes issued		349,29,74,000
Total Liabilities		349,29,74,000

Assets	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	68,54,98,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	3,99,24,000	122,98,21,000
Government of Pakistan Securities	216,42,23,000	
Internal bills of exchange and other commercial paper	....	
		220,41 47,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02 000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,00,000	
Rupee Coin	29,51,000	
Total Assets	....	5,90,06,000
		349,29,74,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 36.31 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	4th April 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1619.69	1575.13	1578.67	1563.57
Notes held in Banking Department	55.05	7.94	10 21	8.98	7.88
Foreign Securities	59.50	216.07	171.19	245.54	412.52
Rupee Securities	37.39	1166.23	1171.10	1096.76	914.97
Banking Department					
Deposits of:					
Government of India	14.89	55.27	48.33	83.46	60.59
Other Governments	..	7.24	54 85	9.85	7.90
Balances held abroad	10.08	68.34	95.81	33.48	112.82
SCHEDULED BANKS					
Demand Liabilities	134.36	767.49 (15.95)†	745 25 (15 26)†	727.97 (11.82)†	726.04 (7.89)
Time Liabilities	102.24	743.11 (15.02)†	734 50 (14.86)†	726.48 (15.85)†	480.63 (2.09)
Borrowings from Reserve Bank	..	37.94 (24.19)‡	42 00 (26.58)‡	36.92 (22.52)‡	81.96 (58.32)
Borrowings from State Bank	..	11.31	11.68	10.73	10.77
Cash in India	6.70	41.74	37.21	48.38	42.18
Balances with Reserve Bank	25.17	83.08	67.78	77.63	61.28
Excess over statutory limits	15.52	29.88	15.83	26.70	15.37
Balances with other banks in current account in India	..	12.28	11.17	11.11	11.15
Money at call and short notice in India	..	43.29	41.68	36.32	12.60
Investments at book value)	..	440.56	440 36	433.29	347.24
Advances and bills	105.09	969.41	962.33	936.44	899.62
STATE BANK					
Deposits	87.76	434.25	418 52	412.62	301.47
Investments	51.99	190.76	190 70	183.78	105.42
Advances	30.35	209.99	210 51	207.51	182.91
Cash	14.69	32.23	21.41	33.78	24.40

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R = Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	November.,		Eight months, April to Nov.,	
	1956	1957	1956	1957
Import Duties:				
Revenue	11.07	11.86	82.01	97.86
Protective	1.21	0.80	8.39	7.41
On surplus disposals	—	—	0.82	0.09
Total import duties	12.28	12.66	99.42	105.36
Export Duties	2.67	2.58	18.28	15.82
Land Customs	0.22	0.44	1.62	2.27
Air customs *	..	0.10	—	1.62
Miscellaneous	0.11	0.16	0.74	0.98
Gross total customs	15 28	15.94	111.06	126.05
Refunds and drawbacks	0 22	0.41	1.57	2.76
Net Customs	15 06	15.63	109 49	123 29
Gross excise	16.23	24.24	117.97	168.75
Refunds	0.17	0.22	1.32	2.21
Net Excise	16.06	24.02	116.65	166.54
Net total of customs and excise†	31.12	39.55	226.14	289.83

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 11th April 1958

Capital and Liabilities	Rs.	Rs.
Capital—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		427,34,83,000
Bills Payable		....
Bills for Collection being Bills Receivable as per contra		10,90,30,000
Acceptances, Endorsements and Other Obligations per contra		99,25,000
Other Liabilities (including Inter-Office Adjustments)		70,31,000
Total	Rs.	3,08,23,000
		455,27,92,000

Property and Assets	Rs.	Rs.
Cash in hand and with Reserve Bank		30,06,43,000
Balances with other Banks		2,74,74,000
Money at Call and Short Notice		86,67,000
Investments:		
Government and other Trustee Securities	Rs.	
Other Authorised Investments	180,36,48,000	
	10,38,34,000	
		190,74,82,000
Advances:		
Loans, Cash Credits, Overdrafts, etc.	188,88,11,000	
Bills Discounted and Purchased	20,47,34,000	
Bills Receivable being Bills for Collection as per Contra		209,35,45,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		99,25,000
Premises less Depreciation		70,31,000
Furniture and Fixtures less Depreciation		1,19,73,000
Other Assets (including Inter-Office Adjustments)		80,27,000
		17,80,25,000
Total	Rs.	455,27,92,000

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
† At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	133 0	148.1	134.4	142 3
Coal	111 4	114 9	139.3	121.9	118 2
Textiles	143 9	175.1	398.7	335.1	369 5
Cotton textiles	106 2	106.3	96.4	11.4	96 1
Jute textiles	111 9	117.5	115.4	107.4	115 1
Paper and paperboards	118 9	127.3	129.0	113.8	120 4
Matches	149.3	146.6	177 1	153.2	148 0
Cement	106 6	106 6	99 0	88.7	101.7
Iron and steel	140.4	154.2	194 1	188.0	157.3
Non-ferrous metals	113.3	119.4	125 5	115.1	124 6
Rayon	123 7	124.7	146 9	146.1	137.7
	280 2	355 8	516 8	479 4	341.5

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,136	3,372,636
1955	1,166	527,767	5,097,848
1956 R	1,203	715,130	9,992,040
November 1956..	137	—	513,300
December ..	147	—	422,406
January 1957 ..	154	—	395,419
February ..	134	—	262,200
March ..	164	46,811	282,791
April ..	166	60,356	426,478
May ..	164	64,877	446,648
June ..	147	96,872	718,992
July ..	178	83,727	723,854
August ..	168	86,256	646,241
September ..	220	130,875	906,260
October ..	219	101 350	517,837
November ..	179	54,294(a)	331,921(a)
December ..	114	59,971†	419,524†

(a) Not known in 14 cases. (†) Not known in 13 cases.
$ In progress during the month. R = Revised.

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	145,25	168,37
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,54	..	..	..	..	146,83	211,93
1953-54	5,91	4,26	104,38	..	..	117,37	105,29	..	—34,20	32,11	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	55	54	177,35	310,29
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	45	95	205,53	380,94
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	..	43	1,32	225,88	440,17
1957																
July	2,74	5,51	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,16	44,27	52	1,76	3	1,42	17,91	456,60
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	63	2,39	4	1,46	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	12,51	202,83	24,81	—39,33	44,07	42	2,81	2	1,47	19,12	455,94
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,95	49	3,20	2	1,49	20,24	459,63
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	1 ,90	475,63
1958																
January	2,37	4,94	148,57	7,95	47,18	13,38	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,68	479,29
February										43,69	74	5,18	9	1,75		

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'H' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 5th April 1958	29th Mar., 1958	8th Mar., 1958	6th April 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.4	89 4	89.3	90.0
1. Government of India	89.2	89 1	89.0	89.7
2. State Governments	96.6	96.6	96.5	96.4
3. Municipal Port Trust, etc.	90.0	90 0	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97 2	97 2	97.2	98 9
1. Electricity	98.5	98.5	98.5	98.8
2. Jute	92 2	92 2	94.4	97.0
3. Plantations	97.8	97 8	97.8	98.4
4. Sugar	96.4	96 4	96.4	98.6
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.0	98 0	98.0	100.0
7. Shipping	99.1	99 1	99.1	101.8
Others	94.1	94 1	94.1	100.1
PREFERENCE SHARES	70.5	70 4	71 2	78 9
1. Electricity	84.4	84.7	84.6	87.3
2. Cotton	67.8	67 7	67.0	78.8
3. Jute	58.2	58.5	61.0	72.8
4. Coal	72.7	72 2	72.8	81.8
5. Iron and Steel	78.7	78.3	78.4	80.8
6. Sugar	69.6	69.5	69.5	79.6
7. Paper	72.9	74.2	74.2	79.4
8. Plantations	86.6	86 8	86.9	98.2
9. Miscellaneous	65.5	65.0	66.8	74.7
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98 8	97 9	96 1	107 5
(a) Financial	98 2	97 8	97 9	99 5
1. Banks	100 9	100 7	101.6	99 4
2. Insurance	91 7	90 8	87.0	82.6
3. Investment Trust	98 7	65.3	64.0	77.2
(b) Public Utilities	105 1	104 1	104 1	107 5
1. Electricity	102.7	101.4	101.6	107.3
2. Shipping and other Transport	121.3	120 5	120.4	116.5
3. Railways	67 7	68 4	67 7	77 2
(c) Manufacturing Industries	102 0	100 9	98 2	112 6
1. Cotton, Woollen and Silk	96.0	96 0	93.1	119.5
2. Jute	51.9	49 0	48.1	59.2
3. Iron and Steel	130.8	129 1	125.2	118.5
4. Paper	103.4	100 8	187.3	235.5
5. Cement	137.9	137 1	133.5	146.1
6. General Engineering	154.0	150 9	145.6	160.2
7. Sugar and Breweries	98.9	99 2	98.2	97.3
8. Chemicals	133.7	130.7	127.9	133.1
(d) Non-Manufacturing Industries	113.6	111 2	107 9	134.3
1. Coal	65.6	65 3	66.0	70.3
2. Mining and Oil	164.6	156.3	148.9	180.9
3. Plantations	121.3	122 2	114.2	113.2
(e) Miscellaneous	68.2	69 2	68.0	84.8
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	88.9	88.8	88.7	89.3
2. Calcutta	89.2	89 2	89.1	89.9
3. Madras	89.6	89.6	89.4	90.2
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.5	96.5	96.4	99.0
2. Calcutta	97.3	97.3	97.4	98.6
3. Madras	97.4	97.4	97.4	99.5
PREFERENCE SHARES:				
1. Bombay	79.8	79.6	79.6	82.9
2. Calcutta	61.9	61.9	63.3	73.2
3. Madras	83.9	83.7	83.9	93.4
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	115.9	114.4	112.0	116.1
2. Calcutta	84.1	83.4	82.5	94.8
3. Madras	109.4	110 2	109.1	120.1
4. Delhi	120.4	119.5	116.4	114.1

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760 9	6,810 2
1955-56	715	8,605 8	7,564 3
1956-57	769	9,877.8	8,703.1
November 1956..	756	810.8	668.1
December ..	757	881.5	718.0
January 1957..	765	868.7	711.7
February ..	767	811 0	677.7
March ..	769	874.6	716 5
April ..	770	901.4	734 5
May ..	793	932 2	756.7
June ..	799	898 4	729.1
July ..	809	928 3	743.9
August ..	811	923 0	731 0
September ..	814	924 7	732 3
October ..	822	917.5	731 3
November ..	822	930 2	740 5
December ..	822	958.7	779.7

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	29th March 1958	22nd March 1958	30th March 1957	January 1958	January 1957	Percentage of Increase (+) or Decrease(—) in Jan., 1958 as Compared with Jan., 1957	Financial Year Average 1957-58	1956-57
Food Articles	504	103 4	102 5 R	101 7	102 5 R	103 6	— 1.1	106 4	102.3R
Cereals	192	96	96	99	97	97	—	101	96
Pulses	43	80	78	85	80	86	— 7.0	83	81
Fruits and Vegetables	29	109	99 R	119	94	108	—13.0	114	112
Milk and Ghee	84	102	102	99	99	96	+ 3.1	105	100
Edible Oils	47	120	118	121	119	131	— 9.2	126	125
Fish, Eggs and Meat	17	100	102 R	91	99	95	+ 4.2	98	97
Sugar and *Gur*	48	113	113	92	110	97	+13.4	108	98
Others	50	130	127	120	133	141	— 5.7	131	128
Liquor and Tobacco	21	94.4	94.4	87.8	98.4	88.0	+ 9.5	94.0	84.3
Tobacco	—	93	93	86	95	87	+ 9.2	93	83
Fuel, Power, Light and Lubricants	30	114 5	114.5 R	106.5	114 6 R	105 8	+ 8.3	113 6	104.2R
Industrial Raw Materials	155	112 7	111 8 R	116 8	113 6	120.3	— 5.6	116.5	116 0
Fibres	61	111	111	121	115	124	— 7.3	118	116
Oilseeds	60	116	114	127	114	124	— 8.1	120	120
Minerals	2	108*	108*	107*	107	..	..	108	102
Others	32	110	111	108	110*	109	+ 0.9	108	109
Manufactures	290	107 3	107 6 R	105 8	107 7 R	105 6	— 0.6	108 1	106.3
Intermediate Products	41	107 1	106 9	108 7	108 7	113 0	— 5.6	107.3	110 9
Finished Products	249	107 4	107 8 R	105.4	107 8 R	107 7	+ 0.1	108.2	105 6
Textiles	147	105	106	106	106	110	— 3.6	107	108
Cotton	—	116	116	115	116	117	— 0.9	116	116
Jute	—	86	87	93	90	102	—11.8	95	95
Woollen	—	102	102	100	103	99	+ 4.0	103	98
Silk and Rayon	—	92*	92*	87*	87*	..	..	86	88
Metal Products	12	145	143 R	131	142	131	+ 8.4	141	139
Chemicals	20	99	99	97	99	94	+ 5.3	98	93
Oil cakes	10	115	112	107	118	115	+ 2.6	115	108
Machinery and Transport Equipment	31	105	105	100	102	100	+ 2.0	102	99
Others	30	112	112	102	112	103	+ 8.7	110	101

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956-57	1955-56	1956-57	1955-56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,868	8,859
Jowar	final	41 814	42 904	7 427	6 402
Bajra	final	27,450†	27,884††	3,565†	2,885††
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,244	9,116	3,090	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets	final	12,209	12,713	2,910	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,537	2,047	1,830
Other Kharif pulses §	final	16,166	15,567	1,664	1,632
Rabi pulses‡	final	11,443	11,703	1,794	2,088
Total pulses	final	57,295	57,064	11,435	10,881
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Castorseed	final	1,403	1,405	129	124
Sesamum	final	5 433	5,953	451	457
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,785	3,781	349	414
Total oilseeds	final	29,906	29,848	6,032	5,706
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,754†	1,908††	4,084	4,283††
Mesta A.	2nd	676†	688††	1,166†	1,411††
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	384	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During February, 1958	85.3
	Corresponding month, 1957	80.2
	Eight months ended Feb., 1958	705.6
	Corresponding period, 1957	686 8
Stocks	At the end of Mar., 1958	94.4
	Corresponding month, 1957	97.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	Feb., 1957	71.5
	Feb., 1958	67.4
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	Jan., 1957	14.5
	Jan., 1958	18.4
	RAW JUTE	(In lakh bales)
Consumption by Mills	February, 1958	4.95
	Corresponding month, 1957	4.65
	Eight months ended Feb., 1958	40 92
	Corresponding period, 1957	39.84

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,300
Do. 31st March, 1957	11,55,500	10,72,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,000
Jan., 1957	97,400	94,300	70,500
Feb., "	90,000	81,300	63,400
Mar., "	95,100	93,200	73,600
Jan., 1958	97,600	105,800	70,600
Feb., "	87,100	89,200	64,500
Mar., "	94,800	100,200	71,300
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,91,154	5,32,515	4,41,443
Do. 31st March, 1958	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,530	1,20,578
" " " June, 1957	1,72,225	1,29,651	1,05,096
" " " Sept., 1957	1,71,397	1,19,172	99,315
" " " Dec., 1957	1,90,484	1,25,194	1,02,146
" " " Mar., 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October		Jan. to Oct.	
	1957	1956	1957	1956
Exports	52,52	52,73	537,74	474,94
Re-exports	1,12	42	4,46	7,27
Total Exports	53 64	53,15	542,20	482,21
Imports	73,07	70,94	833,98	667,49
Overall Balance of Trade	—19,43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	108,20
Jute yarns and manufactures	3,54	10,45	50,46	90,24
Cotton yarns and manufactures	5,26	4,87	59,75	50,02
Metallic ores and scrap iron or steel for re-manufacture	3,55	2,52	42,19	17,72
Cotton, raw and waste	69	89	17,39	21,94
Oils—vegetable, mineral and animal	1,75	90	22,28	21,51
Fruits and vegetables	1,75	1,19	15,49	15,25
Tobacco	32	78	12,08	12,61
Mica	61	74	7,30	7,10
Wool—Raw	41	96	10,14	8,95
Gums, resins and lac	64	99	7,36	8,84
Spices	52	69	7,22	7,32
Hides and skins, raw	51	58	6,28	4,82
Imports—				
Machinery of all kinds	20,17	13,46	187,93	125,26
Metals, iron and steel and manufactures thereof	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal	6,89	3,24	96,17	55,84
Cotton, raw and waste	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines	5,17	3,87	65,90	36,37
Electrical goods and apparatus	5,32	2,30	49,08	17,04
Paper, pasteboard, etc.	89	1,15	11,35	13,61
Vehicles (excluding aircraft, ships and boats)	3,64	7,00	57,79	55,57
Fruits and vegetables	2,22	1,16	17,06	10,61
Spices	23	68	2,47	6,67
Dyes and colours	1,03	1,50	12,16	13,99
Woollen and worsted fabrics	15	11	1,14	1,89
Cotton fabrics	15	21	2,14	2,03

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February "	12,230	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March "	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April "	1,245	268	103	22	10	6	16	2	76	39	3	34	2	18
May "	2,468	522	219	45	21	13	34	4	129	77	6	69	4	33
June "	3,592	756	334	57	30	18	48	5	161	109	9	101	7	48
July "	4,063	1,010	438	72	35	21	58	7	193	145	11	138	13	62
August "	5,781	1,279	539	84	39	25	67	8	206	183	13	177	19	81
September "	6,893	1,542	623	93	42	30	87	10	223	220	15	219	25	101
October "	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November "	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December "	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source:*—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)	Particulars	From 1st September to 7th April 1957-58 Bales	From 1st September to 7th April 1956-57 Bales
Bombay Island—			**From Bombay**		
Cotton Receipts	Week ended 10th April, 1958	35,236(J)	Cotton Shipments to—United Kingdom	3,443	19,112
	Corresponding week, 1957	44,350(J)	Continent	5,971	17,491
	1st Sept. to 10th April, 1957-58	1,027,640*	Hongkong	3,219	24,417
	Corresponding period, 1956-57	1,192,361*	China		3 437
Cotton Exports	Week ended 10th April, 1958	7,021	Japan	46,434	106,151
	Corresponding week, 1957	2,732	U.S.A.	3,433	2,474
	1st Sept. to 10th April, 1957-58	114,271	Other Countries	691	462
	Corresponding period, 1956-57	197,858	Total to all foreign countries	64,191	173,144
			Coastal Ports	44,549‡	24,194**
Mill Consumption (Estimated)	1st Sept. to 10th April, 1957-58	808,844A.	Total	108,740	197,338
	Corresponding period, 1956-57	805,764		Period	Quantity (Bale of 400 lbs.)
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 10th April, 1958	582,200	Consumption of Cotton— Indian		48 804
	Corresponding date, 1957	603,890	Foreign	January, 1958	332,007
Cotton Exports from Bombay (by sea)	During February, 1958	15,998‡	Indian		48 804
	During February, 1957	40,544	Foreign	Five months ended Jan., 1957-58.	1 046 197
	1st Sept., 57 to 28th Feb., 1958	49,186	Indian		249,418
	1st Sept., 56 to 28th Feb., 1957	141,206	Foreign	Same Period 1956-57	1,941,293
Karachi (Pakistan)—			Stocks (Mills and Elsewhere)— Indian		248 635
Receipts	1st Sept., to 27th Mar., 1957-58	988,960	Foreign	As on 31st Jan., 1958	1,020,022
	Corresponding period, 1956-57	1,084,715	Indian		169,241
Exports	1st Sept., to 27th Mar., 1957-58	399,614	Foreign	As on 31st Jan., 1957	1,126,458
	Corresponding period, 1956-57	555,979	Cotton Pressed in India† (in running bales)		171 396
				Week ended 28th Mar., 1958	2,647
				Corresponding week, 1957	88,418
				1st Sept., to 28th Mar., 1957-58	1,580,510
				Corresponding period, 1956-57	1,952,141

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Jan., 1958. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc.
** From 1st Sept., 1956 to 31st Mar., 1957.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1926-33	63,20,26,000	1960-70	100.55
3 % Loan	1938-39	116,17,46,000	1966-65	95.00
3 % Loan	1950	30,23,10,000	1964	95.00
2½ Fg. Loan	1943	1,16,11,74,000	1945-68	92.60
3 % Dev. Loan	1945	1,15,05,83,000	1970-75	86 30
2½ 2nd V. Loan	1945	1,13,85,84,000	1965-61	99.10
2 % Loan	1951	56,35,63,000	1953	99 75
2½ Loan	1946	48,83,07,000	1960	98.00
2½ Loan	1946	67,00,49,000	1961	95.25
2½ Loan	1946	14,77,46,000	1976	88.10
2½ Loan	1947	75,46,76,000	1962	95.10
3½ N. P. Bonds	1953	75,29,00,000	1961	99.65
3½ N. P. Loan	1954	1,88,17,90,000	1964	98.25
3½ N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.75
3½ % Loan	1956	57,27,36,000	1962	97.90
3½ N. P. Bonds	1956	83,81,83,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	96.20
3½ N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.75
4 % Loan	1957	49,05,00,000	1972	100.15
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,84,000	At option of Government after three months notice. (On September, 1986 or later at option of Government after three months' notice.	71.20
3 % Loan	1946	2,48,91,41,000		71.20
REPATRIATES STERLING LOANS				
4½% Loan	1928	5,85,73,000	1958-68***	100.40
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.80
4 % Andhra	1956	4,58,15,000	3rd Sept. 1968	97.80
3 % Bombay	1944	3,04,13,000	15th Aug. 1956	99.35
3 % Bombay	1949	5,49,76,000	1st Aug. 1962	94.15
3½ Bombay	1950	3,52,70,000	15th July 1960	97.20
4 % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1953	5,25,90,000	15th July 1963	99 50
4 % Bombay	1954	3,48,98,000	1st Aug. 1964	99 25
4 % Bombay	1955	3,97,51,000	3rd Sept. 1967	98 25
4 % Bombay	1956	3,07,06,000	3rd Sept. 1976	98 00
4½% Bombay	1957	6,00,00,000	16th Sept. 1969	100 15
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97 60
4 % Bihar	1956	3,13,15,000	3rd Sept. 1966	97 60
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Kerala Bridge (New)	1956-57	1,95,96,700	1956-66	94 12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.80
3 % Madras	1943	1,23,96,000	21st June 1958	98 75
3 % Madras	1944	1,97,95,000	15th Aug. 1958	99.40
3 % Madras	1945	2,78,44,000	14th Sept. 1960	97.20
3½ % Madras	1946	3,31,77,200	1st Sept. 1961	94 20
4 % Madras	1946	4,38,25,400	31st July 1962	97.20
3½ % Madras	1951	3,01,49,300	17th Sept. 1963	97.75
4 % Madras	1952	10,32,71,000	15th July 1963	98.70
4 % Madras	1953	3,54,51,200	1st Aug. 1964	98.65
4 % Madras	1955	10,47,17,000	1st Sept. 1967	97.90
4 % Madras	1956	13,33,56,000	3rd Sept. 1968	97 82
4 % Mysore(J)	1952	2,96,82,200	1st Dec. 1943-48	100.75
4 % Mysore(J)	1953	3,99,75,000	30th Apr. 1954-61	99.00
4 % Mysore	1953	3,33,47,000	15th July 1963	98.50
4 % Mysore	1955	3,84,94,000	1st Sept. 1967	97 70
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97 70
4 % Mysore	1957	5,00,00,000	16th Sept. 1969	97.60
3 % M.P.	1944	25,98,500	15th Aug. 1958*	99.30
3 % M.P.	1948	2,02,28,500	15th Sept. 1964	93.00
3 % M.P.	1950	1,01,47,000	31st July 1960	97.20
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
3½ % M.P.	1953	1,16,18,060	15th July 1963	98.40
4 % M.P.	1954	1,83,12,000	1st Sept. 1967	97.70
4 % M.P.	1955	1,58,40,000	1st Sept. 1967	97.70
4 % Saurashtra	1955	2,61,66,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,88,000	3rd Sept. 1968	98.10
4½% Trav. Cochin	1953	2,25,61,000	15th July 1963	97.60
4½% Trav. Cochin	1956	2,24,73,000	3rd Sept. 1968	96.50
2½ U.P.E.A.	1952	41,44,79000Z		47.00
3 % U.P.	1936	1,56,28,000	15th Sept. 1961-66	90 85
3 % U.P.	1944	2,97,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.20
2½ U.P.	1946	2,16,39,000	1st Sept. 1961	94.80
2½ U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
3½ U.P.	1952	6,11,45,000	1st Aug. 1964	98.45
4 % U.P.	1953	5,65,16,000	15th July 1963	98.60
4 % U.P.	1954	9,02,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	5,77,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	3,05,90,000	3rd Sept. 1968	97.50
4 % M. Bharat	1953	1,94,77,000	15th July 1963	98.50
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.50

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.				Rs.
BOMBAY				
36,50,000	4	1904	1954	
32,50,000	4	1905	1955	
15,00,000	4	1906	1957	
44,00,000	4	1907	1958	
75,00,000	4	1908	1958	96.20N
40,00,000	4	1908	1970	
58,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
44,35,878	4	1913*	1960	D
80,00,000	4	1913	1974	96.20N
80,25,900	4	1914	1975	96.20N
19,00,000	4	1914*	1965	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,11,000	4	1924*	1960	
19,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	D
12,50,000	3½	1930*	1960	
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,58,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
28,00,000	3½	1936*	1968	
10,09,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,54,800	4	1914	1974	97.75
75,99,100	4	1915	1975	97.75
50,00,000C	3½†	1921	1961	82 00
66,08,300C	6½†	1921	1961	144.00N
14,80,000	5	1922	1958-68	101.00
30,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
11,00,00,000		1938	1963-68	99.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	71.75
50,00,000	2½	1947	1977	79 50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1969	98.25
50,00,000C	3	1950	1960	92.00
1,00,00,000	3	1950	1980	97.00
1,00,00,000†	4	1954	1967	97.25
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	
9,85,000C	3	1947	1977	A
3,00,000C	3	1949	1979	
45,00,000†	4½	1954	1964	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.				Rs.
BOMBAY				
50,06,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,06,000	4	1902	1962	
50,00,000	4	1903	1963	
50,00,000	4	1904	1964	
50,00,000	4	1905	1965	97.75 N
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,80,000	4	1911	1973	
18,00,000	4	1913	1973	
40,00,000	4	1914	1974	97.50
25,00,000	4	1915	1975	97.75 N
40,00,000	5	1919	1957-79	118.00N
66,00,000	5	1920	1955-80	
25,00,000	5	1926	1956-86	115.00N
25,00,000	4	1927	1941-70	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1960	95.50D
£338,000		1910	1970	95.50N
CALCUTTA				
Rs.				Rs.
25,00,000	5½	1929	1959	104 00
50,00,000	4	1934	1964	99 06
25,00,000	3½	1935	1965	94 00
30,00,000	3	1936	1966	90 00
50,00,000	3	1937	1967	91 00
20,00,000	3	1938	1963-68	90 00
50,00,000	3	1939	1962	99 25
1,02,00,000	3	1940	1965	99 00
50,00,000	4½	1958	1968	99.50

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,00,000	4	1913-16	1974	97.00
10,08,000	5	1920	1940	113.00N
50,00,000	5	1922	1958	101 50
26,21,800	5	1923	1958	101 50
8,25,00,000	3½	1947	1977	84 00
2,50,00,000	3½	1948	1978	84 00
2,00,00,000	3½	1949	1979	84 00
4,00,00,000	3	1952	1962	92 25
2,50,00,000	4	1952	1964	97.75
2,00,00,000	3½	1951	1966	97.00
1,50,00,000	4	1953	1968	97.75
1,50,00,000	4	1954	1967	97.75
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
CALCUTTA				
36,00,000	5	1923	1953	100.00
25,00,000	5	1928	1958	100 00
10,00,000	5½	1932	1962	108.00
33,91,000	3½	1936	1966	90 00
60,00,000	3	1938	1968	90 00
47,50,000	3	1939	1969	90 00
14,40,000	3	1946	1957	99 00
17,64,400	3½	1942	1972	92 00
31,10,000	3½	1942	1972	92 00
14,15,000	3	1951	1966	97 50
16,33,000	3	1951	1966	97 50
66,35,000	3	1951	1966	97 50
37,50,000	3	1952	1967	97 25
72,50,000	4½	1954	1979	100.00
MADRAS				
15,00,000	3½	1941	1961	107.00N
15,00,000	3½	1945	1965	107.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
2½ % W. Bengal	1951	1,75,60,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.30
4 % W. Bengal	1953	2,00,22,000	15th July 1963	99.25
4 % W. Bengal	1955	7,55,75,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,40,000	3rd Sept. 1968	98.05

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable
(J) Income-tax free. * Loans held entirely by the Trustees. ** Rupee Counterparts.
†Bombay State Transport. †† Rate of interest reduced from 6 to 3 per cent. with effect from 1st June 1944.
‡ Rate of interest reduced from 6½ to 4 per cent. with effect from 1st April, 1955. ‡—Interest free to first 12 years. §—Interest free for first 7 years
‡—Ex four instalments but inclusive of accrued interest

N—Nominal.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	106.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec.	70.00	100
Carew & Co. T.F.R.C.	6,00,000	1875	6½	Mar. Sep.	80.37	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	6	Feb. Aug.	110.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.87	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.15	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec.	58.00	100
" " (Non-redeem.)	5,00,000	1940	7	Dec.	58.00	100
Partabpore Co. T.C.	6,00,000	1922	10	Oct.	13.37	10
Ramnagger Cane T.F.C.	4,00,000	1933-36	6	Aug.	97.00	100
Rawlinson Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T...	5,00,000	1936	7	Oct.	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec.	6.85	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec.	90.00N	100
Do. T.C.B.O...	15,00,000	1946	5	Dec.	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borrea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	90.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	101.50	100
Do. (2nd) T.C.	4,50,000	1946	6		9.50	10
Equitable T.F.C.	6,00,000	1895	6	Mar. Sept.	90.00	100½
Karanpura Collieries T.C.	6,89,500	1948	5½		47.00	75p.
Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	8.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Apr. July	10.00	10
Ondal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	94.00	100
COTTON						
Ahmadabad Advance T.F.	10,00,000	1939	7	Apr. Oct.	79.50	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	117.00	100
Basanti Cotton	5,00,000	1938	6½	Nov.	7.75	10
Bowreah 'A'	6,00,000	1900	8	Feb. Aug.	122.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	64.00	100
Bradbury T.F.	14,75,000	1919	7	June Dec.	57.50	50
Buckingham & Carnatic C.T.F.	21,30,200	1920	7½	Jan. July	133.25	100
Cambodia C.T.F.	1,00,000	1923	7	Apr.	108.00	100

STOCK & SHARE QUOTATIONS

Abbreviations :—D. = Deferred shares. P.O. = Preferred Ordinary shares. Y. = Accounts published yearly. H. = Accounts published half-yearly. P. = Company has Preference shares. T. = Company has Debentures N. = Nominal quotations. x.d. = Ex. Dividend. c.d. = Cum. Dividend. i = Interim Dividend. f = Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—. figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown asamount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50 60,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.78	2	0.12(c)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—5,97,129	M.	51,384	1,021	B. K. Cotton Mills	24.00	100	*Nil*	*Nil*	*Nil*		12	Y.
2,50 93,000	3,42,38,483	7,95,30,951	3 93 39 819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Z	64.00	100	*Nil*	*Nil*	20.00	15.00	3	Y.P.T.
10,00,000	43,58,860	64,14,709	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	66.50	25	2.00	2.50*	2.50	2.50	12	Y.
1,09 42,800	2,79,59,276	7,45,32,167	2,60,98,324	9,27,648	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg. ..	433.50	100	22.00	22.00	22.00	22.00	12	Y.
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,98,097	V. J. Pilani (Chairman and Managing Director) ..	50,596	698	Colaba Land & Mill	30 00	100	*Nil*	*Nil*			12	Y.
26,00,000	13,05,380	90 15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	36,984	680	Cowla Spg. & Wvg.	117.50	100	7.50	7.50	12.50*		12	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd. ..	41,328	..	Dawn Mills	90 00	50	6 00	15 00			3	Y.
84,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	46,668	928	Edward Textiles	250 00	100	15 00	18 00	15 00		12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,800	95,787	M.	45,996	886	Elphinstone Spg. & Wvg. ..	47 50	200	15 00	20 00	20 00		12	Y.
50,00,000	65 54 875	1,07 34,054	89 06,207	87 155	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	276 00	100	6 00	15 00		20.00	12	Y.P.
50,00,000	48,98,022	94,91,010	61,37,387	10 233	James Finlay & Co., Ltd. ..	45,768	1,018	Gold Mohur Mills Ltd. ..	276 00	100	16 00	20 00	25 00		12	Y.
11,84,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills..	205 00 / 4,590 00	100 / 1,000	12 50	15 00	15 00	15.00	12	Y.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,959	Agarwal & Co.	2,44,150	6,278	India United Mills	992.50 / 9 60	250 / 0 100	56 25	75 00	81 25	87.50*	3	Y.P
3,65 000 / 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	9 60 / 4,900.00	0 1D. / 1,000	*Nil*	0 94	0 92		12	Y.
59 85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd...	99,844	1,487	Khatau Makanji Spg. & Wvg...	154 50	500	0 19	0 18			3	Y.P.
1,00 00,000	1,13,27,701	3,67,76,376	2,84,94,704	52 791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	112 50	100	12 25	12 00	150 00	162.50*	3	Y.P.T.
22,13,050	43,06 720	1,22,08,423	64,68 440	85,109	N. Sirur & Co. Private Ltd. ..	1,20,504	1,846	Kohinoor Mills	112 50	100	12 25	12 00	10 00	10 00(c)	6	Y.P.
51 75 000	38,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	49,000	644	Modern Mills	278 50	100	15 00	18 00	18 00	18.00	12	Y.
1,60,74,400	1,19,15,319	9,46,21,101	2,65 00,000	5,52,034	Chinai & Co. Private Ltd. ..	71,604	1,652	Morarjee Goculdas Spg. & Wvg..	70 00N	50	5 00	8 00*	8 00*		12	Y.T.
24 00,000	25,62,456	82,11,723	48 70 075	1,495	W. H. Brady & Co., Ltd. ..	45,044	432	National Rayon Corporation ..	217 50	100	14 00	14 00	15 00	14.00(c)	10	Y.T.
30 00 000	11 72,134	101,83,062	63,37,034	..	W. H. Brady & Co., Ltd. ..	49,012	1,018	New City of Bombay Mfg. ..	219 75	100	12 00	14 00	14 00*		6	Y.P.
48 00,000	54,20,707	1,61,26 302	1,02,32,041	4,06,077	Ramnarain Sons Private Ltd. ..	69,208	1,190	New Great Spg. & Wvg. ..	107 50	100	10 00	10 00	10 00	5.00	12	Y.
40 00,000	45,64,554	48,60 967	24,25,000	4,72 683	Podar Sons Private Ltd. ..	32,600	930	Phoenix Mills	125 50	100	7.50	10 00	10 00	*Nil*	12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	..	M.	..	..	Podar Sons Private Ltd. ..	145 00	100	8 00	10 00	12 00*	12.50F	12	Y.P.
37,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	M. G Investment Corp. Private Ltd	94,884	2,127	Sassoon & Alliance Silk Mill	10 00	10	0 50	0 50	12 00*	15 00*	3	Y.P.
80,00,000	48 20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles Agency) Pvt. Ltd.	77,160	1640	Sassoon Spg. & Wvg.	55 75	10	1 75	2 00	0 25(c)	4.00i	12	Y.
42,00,000	31 94,178	1,20 04,790	76,42 061	8,180	Forbes, Forbes Campbell & Co., Ltd	34,840	1,274	Shree Niwasa Cotton Mills ..	145 00	100	14 00	12 00	2 00	2.00	12	Y.
87 80,000	2,50 26,472	2,96,16,751	1,87,99,317	1,55,642	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Simplex Mills	154 50	50	11 00	12 00	12 00		12	Y.
1,00,00,000	98,08,485	2,51,02,681	1,33,02,735	29 124	Tata Industries Private Ltd. ..	72,236	2,000	Standard Mills	451 00	100	20 00	20 00	12 00	8.50	3	Y.
36,00,000	65,13,465	1,52,27,488	90,52,715	20,062	James Finlay & Co., Ltd. ..	40,328	549	Swadeshi Mills	171 50	100	8 00	12 00	14 00*	22.50*	12	Y.P.
65,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Swan Mills	340 00	100	20 00	22 00	14 00*		12	Y.P.
12,00 000	1,21 85 655	1 45 81 207	95,78,967	98 935	M*	54,136	1,212	Tata Mills	87 75	25	2 50	4 00	3 50*	25.00	12	Y.
								Western India Spg. & Mfg. ..	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P
AHMEDABAD																
40,00,000	81,31,987	1,78,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	126 00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
10,00,000	94 58,068	94,37,598	76,10,164	27,288	P. M. Hutheesing & Co., Ltd. ..	42,768	912	Aruna Mills	540 00	100	20.00	30.00	..		12	Y.P.
40,00,000	2,97,83,861	1,95,82,179	97,29,203	15,274	Narotam Lalbhai & Co.	62,448	1,216	Arvind Mills	540 00	100	25.00	35.00*	35.00*		12	Y.P.
25,00,000	81,75,000	1,07,34,384	78,25,000	2,40,389	Manguldas & Bros., Ltd. ..	35,908	892	Aryodaya Ginning & Mfg. ..	1,150 00	100	25.00	35.00*			12	Y.P.
12,00,000	1,43,05,808	95,70,783	65,81,739	17,257	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	540 00	200	9 00	30.00*			12	Y.P.
1,37 50 000	3,49 64,519	5,14,69,792	2,56 06,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	950 00	100	22 00	30.00	30.00		12	Y.P.
62 91,000	82,38,059	1,20,33,243	96,76,063	2,458	Tricumlal Bhogilal & Co. Ltd. ..	45,836	866	New Commercial Mills	445 00	125	18 00	30.00	30.00		12	Y.P.
72 00,000	72,35,454	1,33,09,337	96,25,662	19,221	Mafatlal Chandulal & Co. Ltd. ..	51,100	907	New Shorrock Spg. & Wvg. ..	440 00	250	20 00	30.00	30.00	30.00	12	Y.P.
15 00,000	67,78,770	57 78,441	32,49,912	21,803	Jagabhai Bhogilal Nanavaty & Co. Ltd.	24,840	572	Nutan Mills	698 00	125	35.00	35.00	100.00*		12	Y.P.
20,00,000	1,10 62,006	99,61,103	62,28,955	1,77 073	Lalbhai Dalpatbhai & Co. ..	31,120	636	Raipur Mfg.	380 00	100	30.00*	20.00	20.00		12	Y.P.
25,50,000	14,78,207	1,07,01,460	71,42,806	17,34,749	Lallubhai Gordhandas Ltd. ..	32,156	648	Rohit Mills	862 50	100	25.00	35.00*	35.00*		12	Y.P.
57 96,800	2,75,84,105	1,92,47,853	1,05,24,569	2,63,336	Harivallabhdas Kalidas & Co.	93,226	1,729	Shri Ambica Mills	140 00	100	9 00	*Nil*			12	Y.P.
19,52,800	62,31,263	78,06,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad) Ltd.	36,648	720	Shorrock Spg. & Mfg.	608 50	50	20.00	27.00*	30.00*		12	Y.P.
85,00,000	37,34,105	19,54,140	83,17,270	50,446	Haridas Achratlal & Co., Ltd. ..	40,176	780	Vijaya Mills	470 00XR	100	25.00*	25.00			12	Y.
									605.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,500	25,86,096	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	456	Basanti Cotton Mills	7.12	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280 / 9,00,620†	10,08,297	80,04,822	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,386	935	Bengal Laxmi Cotton Mill ..	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
24 00,000	1,50,000	1,06,25,544	51,27 758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	108 00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
19,00,000	26,17,481	1,15,16,740	74,67,879	2,50,315	Kettlewell Bullen & Co., Ltd. ..	42,944	523	Dunbar Mills	130 00	100	*Nil*	2.50	6.00		12	Y.P.
30,00 000	55,968	76,97,325	21,07,325	82,036	Birla Brothers Private Ltd. ..	44,852	906	Jay Shree Textiles Ltd. ..	7 13	10	*Nil*	0.87	1.00	0.75	12	Y.P.
1,50,00,000	2,29,91 250	4,00,62,335	1,40,10,478	4,94,772	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	11 50	10	0.87	*Nil*	0.37	0.50	12	Y.P.
19,47,7000 / 5,00,000D†	7,48,000	4 84,871	24 70,848	3,036	Hazaresmul Heerala, ...	23,036	795	Rampooria Cotton Mills ..	15 12 / 4.66	10 / 1D	0.62	1.00	1.00	0.75	3	Y.P.
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	29,87,104	19,12,226	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Asam Jaki Mills	58.00	100	*Nil*	3.50(c)	5.00	3.50	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,43,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	170 00cd	100	30.00	30.00	30.00	10.00*C	12	Y.P.
35,00 000	99,61,544	1,33,11,187	1,09,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	169 00cd	100	3 00	3 00	1 50	1 50	3	Y.P.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic	169 00cd	10	3 00	3 00	3 00	10.00*C	12	Y.P.
20,00,000	20 00,000	42,33,535	22,99,012	53,584	Peirce, Leslie & Co., Ltd.	37,536	4	Cambodia Mills	169 00cd	100	10 00	10 00	10 00	10.00	12	Y.P.
15,00,000	5,11,500	33,32,411	27,36,937	1,92,792	K. Damodaram, Esq.	20,660	..	Cannanore Spg. & Wvg.	9 00	10	*Nil*	0 50	0 50		12	Y.P.
30,00,000	32,35,551	70,25,496	56,32,015	48,655	Begg, Sutherland & Co. Private Ltd.	27,924	691	Cawnpore Textiles	149 00	100	20 00	12 50	15 00	20 00	3	Y.P.
9,37,470	5,00,000	55,16,229	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	3 75	5	0 50	0 50	0 75	0 90	3	Y.
35,21,362	22,09,767	90 15,932	21,91,699	698	B. Dheema Naidu & Co.	30,864	..	Coimbatore Cotton Mills ..	12 15	10	*Nil*	0 25	0 25	9.00*C	3	Y.
18,15,000	7,25,140	29,16,552	20,06,633	..	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Murugan Mills ..	153 00xd	100	7 00	9 00	10 00		3	Y.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	..	Coimbatore Pioneer Mills ..	120 00	100	25 00	25 00	25 00		12	Y.
20,76,800	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	220 00	100	17 50	20 00	12 00		12	Y.
46,87,500	27,24,735	2,42,56,354	1,71,88,661	..	Tata Industries Private Ltd. ..	67,452	1,620	Central India	58 00	50	6 00	8 00	10 00		12	Y.
24,43,911	15,50,000	62,90,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,810	340	Davangere Cotton Mills	112 00	100	2 00	3 00	3 00		12	Y.
3,38,36,225 / 1,00,563†	8,10,24,830	11 79,09,463	6,78,07,135	,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	28.00	25	2 25	2 50	3 00	*Nil*	6	Y.
47,98,596	26,25,000	84,28,224	49,84,057	1 965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills		24	0 28	0 22	9 00	9 00	3	Y.
68,00,000	1,05,56 192	1,69,12,424	1,41,93,839	75,531	Begg, Sutherland & Co. Private Ltd	48,452	1,198	Elgin Mills	177 00	100	30 00	30 00	25 00	2 50 / 10.00(C)	6	Y.
48,81,000	43,55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286	..	Gokak Mills	13.06cd	100	30 00	30 00	25 00		12	Y.
2,50,00,000	3,25,000	4,32,00,000	1,72,00,000	72,17,274	Birla Gwalior Private Ltd. ..	..	..	Gwalior Rayon	157 00	10	1 00	1 00	1 25	1 00	9	Y.P.
50,00,000	21,27,574	1,43,10,139	1,16,80,184	6,716	K. L. Sekaaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	11.75	10	*Nil*	*Nil*	15 00	13 00	12	Y.P.
8,90,000	10,65,683	31,40,455	19,97,477	..	G. V. Naidu & Co., Ltd. ..	23,784	..	Jasardhana Mills	111 00	100	6.00	9.00	11.00	8.00	12	Y.P.
18,54,000	15,02,599	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji ..	80.50	50	5.00	10.00	10.00		12	Y.
4,63,65,800	2,24,08,304	4,24,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	84,876	1,680	Jiyajirao Cotton	1,450.00	1,000	20.00	50.00	60.00	40.00	6	Y.
42,00,000	19 23 000	1,08,81,567	28,28,676	91,772	Kothari & Sons	41 040	300	Kothari Textiles	9 60	0 100	*Nil*	0 94	0 92		12	Y.
82,00,000	53,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,098	1,243	Lakhamni Cotton Mfg.	1 24	0 1D.	*Nil*	0 19	0 18		12	Y.
71,28,200	66,35,960	2,12,88,787	1,17,06,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
35 54 100									110 50	50	10.00	12.50	12.50	10.00	3	Y.
1,76,05 484	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,53 000	..	Madura Mills	55 50	25	5.00	8.00	8.25	8.00	12	Y.
12,00,000	2,67,383	39,53,352	18,74,700	213	V. K. Ramadi (Chairman) ..	22,592	109	Malabar Spg. & Wvg.	83 50	15	3.00	3.00	6.25	6.25	3	Y.
60,00,000	99 14,000	65,94,131	48,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	89 00	200	*Nil*	*Nil*	2 82	2.25	12	Y.
29,80,884	19,58,081	92,42,488	53,37,735	19 666	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	348 00xd	100	22.50*	35.00	8.00		12	Y.
94,91,550	21,56,148	1,71,94,769	78,81,528	1,83,008	M.	52,408	952	Model Mills (Nasipur)	70 50	100	5.00(c)	*Nil*	5.00	20.00	3	Y.
34,81,000	48,52,478	1,18,48,711	71,05,215	35,377	N. Sirur & Co. Private Ltd. ..	50,492	800	Mysore Spg. & Mfg.	168 75	250	5.00(c)	7.50(c)	6.00		12	Y.
12 61,780	..	29,12,641	17,83,814	3,966	K. Tipperudrah (Chairman) ..	6,000	..	Mysore Spg. & Mfg.	86 06	50	8.00*	6.00(c)	9.00*	9.00*	3	Y.
87,23,200	39,29,981	1,73,83,244	67,86,583	..	M.	37,788	902	Mysore Sun Silk Mills	6 25N	10	*Nil*	*Nil*	*Nil*		3	Y.P.
4,00,000A / 15,00,000B†	13,00,000	69,46,779	25,36,447	6,330	Bhaghyalakhmi & Co.	45,500	..	Nanjangud Rayon Mills	48.00	100	*Nil*	2.50(c)	*Nil*	*Nil*	3	Y.
16,31,200A / 3,40,800B	29,95,000	1,00,48,582	54,00,050	3,882	A. G. Gurusamy Naidu & Co. ..	59,264	800	Palani Andavar Mills	135 00	50A	12.00	12.00	15.00(c)		12	Y.
15,00,000	.....	24,19,570	16,82,524	—9,20,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	197 50	75B	18.00	18.00	22.50		12	Y.
16,31,200A / 3,40,800B	29,95,000	1,00,48,582	54,00,050	3,882	A. G. Gurusamy Naidu & Co. ..	59,264	800	Radhakrishna Mills	45 00	100	*Nil*	4.00(c)	*Nil*		12	Y.
18,00,000	29,10,000	54 56,520	29,01,441	5,070	B. R. Naidu & Sons	27,096	..	Rajalakshmi Mills	127.00	100A	16.00	20.00	20.00		12	Y.
16,14,300	12,00,000	32,92,216	17,41,484	10,510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	65 50	50B	8.00	10.00	10.00		12	Y.
22,32,050	11,50,000	53,72,976	23,15,892	5,286	Rayalaseema Development Co.	21,200	..	Rajapalayam Mills	72 00	100	10.00	10.00	7.50		12	Y.
15,00,000	1,60,55,917	3,13,49 081	2,06,07,227	—1,85,20,788	Morarka & Co.	95,232	2,232	Rayalaseema Mills	129 00	100	6.00	10.00	10.00		12	Y.
10,000 / 26,69 700	20,26,288	96,26,665	70,67,094	19,543	H. N. Pallegar, Esq.	80,744	292	Sholapoor Spg. & Wvg.	115 00cd	100	9.00	10.00	10.00	10.00	12	Y.
16,00,000	3,43,80,155	99,62,153	79,35,780	80,06,853	Birla Brothers Private Ltd. ..	86,212	1,244	Sri Krishnarajendra Mills ..	425.00	1,000	*Nil*	*Nil*	*Nil*		3	Y.
17,50 000 / 1,87,50 000PD†	2,86,28,061	6,13,62,120	1,81,83,924	8,85,712	Jaipuria Brothers	1,12,216	2,098	Sutlej Cotton Mills	79 25	50	4.50	5.00	7.00	7.00	3	Y.
1,00,08,205	80,06,584	3,85,56,288	1,62,42,715	2,03,990	Empire & Sons (Travancore), Ltd...	..	..	Swadeshi Cotton (Kanpur) ..	70 00N	10	0.50	6.00	6.00		12	Y.P.
12,96,730	9,45,040	19,58,339	13,60,125	794	Moolji Sambles & Sons	18,000	..	Travancore Rayons	10 25	100.	0.75	0.75	0.75		12	Y.P.
21,00,000	29 50,000	80,72 634	47,22,619	44,000	R. K. Chetty & Brothers	44,424	270	Trichinopoly Mills	9 81	10P.D.	1.15	1.15	1.15		12	Y.P.
22,00,000	18,73,770	1,85,96,083	1,17,44,692	—9,85 569	The Bombay Co. (Private) Ltd. ..	49,660	1,376	Vasanta Mills	13 40cd	10	0.62	0.75	1.00		12	Y.
								Vishnu Cotton	12 60cd	10	0.90	0.90	1.12	0.99	12	Y.P.
									251 00cd	100	15.00	20.00	20.00		12	Y.P.
									100.00	100	4.00	8.00	8.00	*Nil*	12	Y.P.

* Includes bonus. M = Managed by Board o. Directors. X.R. = Ex-Right. (e) Paid out of Reserves. F = For fifteen months ended 31st March, 1957.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z = Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1952.

‡ Made up of 4,364 shares of Rs. 40 each—Rs. 20 per share called up and 3,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C' = On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8 23	5	*Nil*	0 50	0 75	0 85	5	Y.P.
16,20,630	20,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9 56	5	0 50	0 56	0 56	..	3	Y.
£549,950	£1,197,464	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27 40	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	180 50	75	15.00	15.00	15.00	15 00	3	Y.
CEMENT							

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,01,841	2,13,38,402	1,56,73,314	4,805	M.	Bengal Paper Mills	60.00	25	3.12	4.69	2.50		12	Y.P.L
65,00,000	63,01,286	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp †‡	19 37	10	14.00	1.30 2/5	1.30 2/5	1.40	8	Y.
25,00,000	25,12,500	1,48,27,689	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16 25	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,82,500	2,46,75,045	6,04,16,697	1,37,53,042	2,52,477	Birla Brothers Private Ltd. ..	Orient Paper	28 35	10	0.94	1.12	0.62	1.50	3	Y.P.L
1,25,49,070	67,75,562	1,56,40,302	1,00,79,781	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14 69	10	1.50	1.25	1.25		6,12	H.P.L
40,00,000	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	{ 10 75	O. 10	0.75	1.25	1.05		} 3,9	H.P.L
2,18,55,240	48,43,060	3,85,20,949	75,56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	10 75	A. 10	0.75	1.25	1.05			Y.P.
56,00,000A.							9 64	10	Nil	5 00‡	0.50	0.50	6	
56,94,900B.	3,70,50,474	6,78,46,967	3,51,66,038	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	{ 35 31	A. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,87,500P.O.							35 31	B. 10	1.50	2.00*	1.12*	2.37*		
							4 03	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,96,409	25,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
10,80,7800.														
2,00,000D.	7,80,843	48,74,650	23,83,280	96,047	M.	Humayun Properties	{ 10.75N	O. 10	0.60	0.60	0.60			Y.E
94,00,000	25,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	2.25N	D. 1	Nil	Nil	0.05		4	Y.E.
							15.00	100	4.00	3.00	Nil	Nil		
SAW MILLS AND TIMBER														
12,99,995	22,83,439	22,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	2.00	2	Nil	Nil	Nil		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	{ 545.00	Old125	20.00	37.50	40.00	40.00	} 5	Y.
80,00,000	20,40,000	19,48,737	15,06,208	1,44,842	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products.. ..	206.25	New50	8.00	15.00	13.75	16.00		Y.
							44.62	10	2.75	3.00	3.00	1.00	9	
SUGAR (U.P. and Bihar)														
14,00,000	15,30,406	42,02,220	31,12,074	57,702	M.	Balrampur Sugar	6.12ed	5	0.75	0.06	Nil	0.25	6	Y.
12,00,000A.	29,80,260	55,40,831	36,32,435	13,12,009	Narang Bros. & Co. Private Ltd.	Basti Sugar	{ 120.00N	A. 100	10.00	10.00	10.00		} 4	Y.E.
3,00,000B.							{ 11.50N	B. 10	1.00	1.00	1.00			Y.
19,49,050	8,25,000	33,76,107	25,31,569	73,488	Bangur Bros., Ltd.	Belsund Sugar	11.06	74	0.75	0.75	1.00		9	Y.
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	13.25	10	1.50	¾ 50	1.50	1.50	6	Y.E.
32,00,000	25,22,515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	7.81	10	0.75	0.25	Nil	Nil	6	Y.E.
30,00,000	65,53,722	1,63,27,398	86,27,833	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.37	10	0.75	0.75	0.75		10	Y.E.
18 00 000	34,56,103	84,72,400	59,12,695	—3,43,162	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	20.37	10	1.00	1.50	1.00	Nil	6	Y.
9,58,252	2,59,762	25,14,162	16,98,383	8,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10 00N	10	0.75	0.50	0.50		8	Y.
16,00,000A.	44,95,000	1,02,71,005	67,56,074	33,122	Bashiraj & Co. Private Ltd. ..	Hindustan Sugar Mills ..	{ 275.00	A. 100	15.00*	15.00*	15.00		} 6	Y.P.
							{ 100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	52.00	40	Nil	2.25	4.00	7.00	7	Y.P.
7,89,100	22,50,288	48,69,619	28,90,926	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills ..	25.00	10	2.50	2.50	2.50	2.50	6	Y.
11,00,000	4,45,000	47,02,961	29,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100	49,91,797	78,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	{ 200.00N	100	20 00	20 00	20.00	20.00	} 6	Y.
38 275							{ 50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	130.00	100	11.00	11.00*	11.00	12.50	7	Y.
12,00,000	12,69,374	31,95,494	21,49,459	24,663	Narang Bros. & Co. Private Ltd.	Punjab Sugar	75 00N	100	10 00	6.00			10	Y.
9,00,000	19,64,817	43,99,355	31,54,225	20,705	Begg, Sutherland & Co. Private Ltd.	Puraitapore Co.	10.25	10	0.75	0.75	0.75		10	Y.E.
8,00,000	6,21,932	28,74,395	23,31,931	2,175	M.	Ryam Sugar	10 75N	10	0.50	Nil	1.75	1.50	6	Y.E.
11,99 000	16,33,214	47,23,583	25,13,432	—2,20,853	M.	Samastipur Central Sugar ..	11.25	10	0.50	Nil	1.75	Nil	6	Y.
39,70,525	22,68,460	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	10.00	10	1.50	1.75	1.00		8	Y.P.E.
10,02,115	24,660	29,48,600	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)									
15,89,962	18,10,901	33,44,287	18,97,008	88,761	Sitalpore Sugar		2.37	10	Nil	Nil	Nil		6	Y.
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.
4,40,000D.							1 12N	O. 10	Nil	Nil				Y.P.E.
8,00,000	84,74,848	1,27,30,247	50,67,754	9,663	Mr.	South Behar Sugar	0.50N	D. 2½	Nil	Nil			} 10	
16,00,000	7,66,589	32,17,959	27,09,205	32,042	Cotton Agents Private Ltd.	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
					M.	United Provinces Sugar ..	13.50	10	1.25	1.50	0.50		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	Nil	0.60	1.00	1.25	9	Y.
79,49,050	1,18,43,608	1,50,47,792	1,08,77,187	2,00,262	W. H. Brady & Co., Ltd.	Belapur Company	2245.00	50	100.00	100.00	100.00	100.00	9	Y.*
17,50,000	37,08,165	32,89,314	23,96,315	30,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	22.24	10	1.00	1.00	1.00	2.00	9	Y.
15,00,000	6,92,506	11,29,680	5,97,362	2,24,808		Shree Changdeo Sugar ..	28.75	12.50	1.00	2.00	5.00		9	Y.
15,93,900	6 21 932	28,74,395	23,31,931	2,175	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70 00N	100	Nil	Nil	6 00		6	Y.E.
11,99 000	16,33,214	47 23 583	25,13,432	—2,20,853	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	18 25	10	1.75	1.00	1.12		9	Y.
39,70,525	22,68,460	1,40,84,561	68,35,007	16,381	R. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.80	10	1.00	1.00	0.60		6	Y.
10,02,115	24,660	29,48,600	14,35,401	—3,16,557	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14.19	10	1.00	1.50	1.50Q	0.60	9	Y.
15,89,962	18,10,901	33,44,287	18,97,008	88,761	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	{ 130.00	O.100	7.50	7.50	7.50	7.50	} 6	Y.
9,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	{ 132.00	D. 10	10.00	10.00	10.00	10.00		
4,40,000D.					Matalal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	84.00	10	2.00	2.00	2.00		8	
8,00,000	84,74,848	1,27,30,247	50,67,754	9,663	Anderson Wright Ltd.	Rasmungar, Cane and Sugar	158.00	50	8.00	8.00	9.00	12.00*	9	
16,00,000	7,66,589	32,17,959	27,09,205	32,042			22 12	10	1.50	2.00	2.00		8	
							{ 125.00	O. 50	2.50	2.00	2.00			
3,00,000	3,26,572	13,981	13,858	28,272	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm ..	{ 80 00N	D. 10	Nil	0.07	0.70	12.00	} 0	
5,00,000	2,47,132	8,43,622	6,96,409	25,418			14.19	10	0.75	1.50	1.50Q	8.75	10	
80,00,000	23,40,000	62,19,329	34,74,579	77,353	Govan Bros. (Rampur), Private Ltd.	Raza Sugar	10.00	10	0.75	1.50	1.50Q		10	
1,01,00,000	1,08,46,263	2,28,80,653	99,17,710	1,76,789	Parry Co., Ltd.	Travancore Sugars	282.50	100	16.00	18.00	21.00	1.00	7	
					Walchand & Co. Private Ltd.	Walchandnagar Industries ..							9	
TRANSPORT														
20,00,000	1,00,59,622	1,24,69,186	18,29,251	1,10,626	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	104.00	100	7.50	7.50	7.50		10	Y.
1,80,00,000	82,00,000	4,21,63,342	1,45,20,689	1,26,612	Dinahaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,90,84,346	86,21,845	1,83,550	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	20.00	10	1.00	Nil	1.00	1.50	6	Y.P.
£655,550	£997,720	£5,665,834	£3,428,088	—£106,393	Killburn & Co. Private Ltd. ..	India General Navigation & Rly. Co.	66.50	410	Sh. 10	Sh. 10	Nil		12	Y.P.
$ 2,25,00,000	1,74,74,232	12,78,96,545	2,63,26,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	10.92	10	Nil	Nil	Nil		12	Y.P.
9,40,19,673	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co.	17.50	20	0.50	Nil	1.00	1.00	3	
3,40,8000.							1.93	O. 1	0.50	0.50	1.00	1.25	3	
3,10,200P.O.	18,26,615	12,00,284	7,86,766	1,66,813	R. E. Alyer, Esq. (Manager) ..	Walford Transport Ltd.	{ 1.53	P.O.¼	0.12	0.14	0.14		} 12	
									0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	3,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500 00N	200	32.00	32.00	30.00	26.00	9	Y.
15,08,860	2,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	80	4.50	Nil			12	Y.
25,00,000	1,00,000	26,19,5484‡		1,83,550	M.	Devkaran Nanji Investment Co.	10.62	25	0.75	0.75	0.81	0.81	3	Y.
5,87,60,000	2,01,70,510	4,79 59,818	1,85,62,169	89,94 000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	21.50	10			1.25	1.40	12	Y.
31,07,000	16,29,510	1,99,45,989	67,14,407	14,986	Birla Brothers Private Ltd. ..	Hind Cycles	185.00	100	10.00	10.00	12.50F.		3	Y.E.
14,98,840	3,01,000	28,61,284	19,40,702	22,010	Chocolhai Manilal Private Ltd.	Kulvela Batteries	36.00	50	3.00	2.00	3.00		12	Y.
99,99,250	20,13,147	1,25 61 39865		1,74,683	Premchand Roychand & Sons	Industrial Investment Trust ..	70.00	100	4.50	4.50	5.00	5.50	12	Y.
1,00,00,000	28,08,446	38,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	29.80	100	4.50	4.50	5.00	5.50	12	Y.
2,20,25,925A.O.	83,16,265	3,42,78,324	1,69,93,078	6,81,762	Aero-Auto Private Ltd.	Premier Automobiles	162.00	100	11.00	11.00	11.00	11.00	6	Y.
10,21,200	4,83,147	8,60,102	5,85,508	2,481	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	81.50	100	Nil	Nil	6.00	6.00	6	Y.
2,75,00,000	1,44,13,441	3,87,52,891	1,66,58,348	89,860	Mr. A. Hydari & Mr. S. Gothbery	Western India Match Co., Ltd.	19 00	20	2.00	2.00	2.00	1.20	12	Y.
48,00,000	60,62,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	176.25	100	11.00*	11.00*	11.00*	11.00*	12	
							280.00	150	20.00	20.00	22.50	25.00	12	
Other Centres														
57,50,000	1,99,56,718	3,81,21,462	86,96,321	2,32,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 10.69	O. 10	Nil	Nil	0.50	0.90	} 3	Y.P.E.
2,50,000							8.75N	D. 2½	Nil	Nil	Nil	Nil		
40,00,000	32,25,000	68,17,870	28,12,985	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	13.30	10	1.25	1.25*	1.25	1.25	3	Y.
58,00,000	36,20,717	34,97,377	23,80,332	3,61,280	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	18.50	10	1.25	2.00*	2.00*	1.80*	12	Y.
80,00,000	19,70,000	39,82,781	21,57,441	1,72,877	Mr. A. Hydari & Mr. S. Gothbey	Assam Match Co., Ltd.	15.50	10	1.25	2.00*	2.00*		12	Y.
20,00,000	35,94,600	1,05,12,033	39,68,423	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	1.25	10	0.20	0.40	1.20	0.60	3	Y.
98,81,400	98,61,293	69,52,106	37,02,106	5,03,376	M.	Balmer Lawrie & Co., Ltd. ..	146.00	100	13.50	12.50	16.00		12	Y.
15,00,000	12,56,000	23,92,356	25,71,886	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	27 00	10	1.50	1.50	1.50		12	Y.
80,00,000	8,05,715	62,28,4925‡		37,612	Lovelock & Lewis	Birla Investment Ltd.	12 89	10	0.75	0.75	0.50		12	Y.
48,97,020	24,61,814	1,14,31,095	37,97,455	1,84,683	K. Julius Scott, Esq. (Mg. Director)	Britannia Biscuits	12.75	10	1.00	1.25	1.00		9	
2,38,00,000	1,89,55,571	3,06,98,577	2,29,80,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	10.00	10	1.00	1.00	1.00	1.00	3	
1,35,80,000	17,34,264	2,65,95,9405‡		8,16,584	Andrew Yule & Co., Ltd.	Clive Bow Investment	8.88	5	0.50	0.25	0.50		12	
3,00,00,000	4,40,29,606	6,50,49,175	2,68,24,548	22,22,643	John Leekham, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	8.69	10	0.20	0.56	1.38	0.75	3	
51,20,000	54,81,635	1,04,12,9085‡		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	24.37	10	1.50	1.50	1.50	1.62	12	
24,00,000	9,35,000	34,02,174	19,99,339	84,021	MacNeill & Barry Ltd.	Gabriel Engineering Co., Ltd.	109.00	100	9.00	9.00	9.00	9.00	12	
65,00,000	34,20,910	29,25,473	10,66,888	1,68,898	P. E. G. Woodbine Parish, Esq.	Gabriel Engineering Co., Ltd.	129.00	100	10.00	10.00	10.00	10.00	12	
30,00,000	15,17,454	83,08,821	36,24,653	74,216	B. P. E. Syndicate	Gillanders Arbuthnot & Co., Ltd.	11.12xd	10	0.75	1.40	1.50	1.50	3	
48,85,700	10,00,000	4,37,26,577	1,41,37,965	7,98,988	Birla Brothers Private Ltd.	Great Eastern Hotel	158.00	100	6.25	6.25	15.00	15.00	3	
3,84,58,900	1,17,10,900	2,10,37,455	2,21,77,728	7,20,182	K. C. Mahindra, Esq. (Chairman)	Hindustan Motors	7.00	10	Nil	Nil	Nil	Nil	3	
1,52,89,220	1,46,00,000	2,26,86,021	86,85,092	41,81,865	B. J. Woodley, Esq. (Mg. Director)	Indian Aluminium Co., Ltd. ..	13.87	10	Nil	Nil	Nil	Nil	3	
3,27,978	6,03,006	16,74,998	9,50,806	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Cables	29.10	10	0.80	1.00	0.60	0.60	12	
15,16,25,000	24,92,01,994	9,85,79,293	1,02,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman)	Indian Rubber Manufacturers ..	16 00	10	1.00*	1.25*	1.50*	1.50*	3	
2,00 90,000	76,27,618	39,02,397	12,08,982	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Imperial Tobacco Co. of India Ltd.	16 00	10	0.50	0.50	0.62		3	
40,00 0000.						Jardine Henderson	58.00	100	0.60	0.80	0.80	0.70	3	
5,00 0000.	82,86,000	48,53,407	10,43,712	2,57,158	M.		77.50	100	7.50	7.50	7.50	2.50	3	
1,45,23,500						McLeod & Co.	{ 202.00	O.100	17.00	22.50	8.00		} 12	
1,18,80,000	90,58,581	25,54,434	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.		D.0.10	1.20	1.75	0.80			
6,34,585	1,17,00,151	2,62,86,089	89,00,793	16,83,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	24.00	10	1.25	1.25*	2.12*	2.12*	9	
6,34,585	1,821	7,05,660	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq. ..	Mysore Glass and Enamel Works	27.69	10	1.00	1.25	1.62	1.75	3	
6,94,250	6,92,506	11,29,680	5,97,362	2,24,808	Mr. J. L. D'Sa (Chairman) ..	Mysore Lamp Works	8.75N	10	Nil	Nil	Nil	Nil	3	
15,00,0000	3,70,000	16,47,5940	10,18,125	42,554	M. Malleshwara, Esq. (Chairman)	Mysore Tobacco	14.40xd	10	1.00	0.75	0.90	1.25	3	
2,00 00,000	83,55 505	2,14,82,470	61,33,962	28,42,424	J. B. Galloway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	12.70	10	1.25	1.00	1.50	1.50	12	
40,00,000	74,71,172	63,80,914	41,52,961	1,44,443	Associated Industrial Developments Co. (Private) Ltd.		25.12	10	0.40	0.32	1.50	1.40	12	
40,00,000	15,00,000	93,19,395	21,17,403	75,726	M.	National Insulated Cable Co. ..	28.81	10	1.00	1.50*	2.00*		8	
79,97,000	38,12,466	1,20,51,899	61,75,106	9,02,640	B. N. Ellias & Co. Private Ltd.	National Rolling & Steel Ropes	9.75	10	0.50	0.50	0.50		6	
2,50,00,000	4,88,496	1,22,26,548	60,08,534	—44,12,938	M. P. A. Paspatti, Esq.	National Tobacco Co.	10.00	10	0.50	0.50	0.75		12	
2,25,00,000	1,37,70,509	10,00,30,311	3,96,22,765	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	28.00	100	Nil	Nil	Nil		3	
4,73,200						Rohtas Industries	17.00	10	1.00	1.50	1.50		10	
5,13,400	51,836	31,11,687	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	{ 100.00N	100			5.00	6.00	} 8	
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.		50 00N	50			2.50	3.00		
75,00,0000.	19,19,008	37,08,035	7,05,723	3,64,384	S. M. Smith, Esq. (Mg. Director)	Spencer & Co., Ltd.	17.25	10	1.50	1.50	1.50	1.50	6	
9,98,880	....	14,51,999	4,58,782	—47,988	Ogale Bros. (Private) Ltd.	Shaw Wallace & Co., Ltd. ..	10.19	10	1.25	1.00	1.00		3	
						Travancore Ogale Glass	2.20	10	Nil	Nil	Nil		10	

M. Managed by Board of Directors. ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Exceeding Rs 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.
† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. †‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs.of 100 each which subsequently were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Rasa Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Rasa and Buland Sugar Companies

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,89,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amlenkie	25.00	10	72.00	19.00	5.00		13	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	312	Ananda (Assam) Tea ..	13 44	10	7 50	1 00	2 00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	21 00	10	8 00*	1 00	1 25		12	Y.
5,00,000	13,21,511	14,70,639	7,47,902	42,752	McLeod & Co., Ltd.	573	Badhmari	19 00	10	3 50	1 00	2 50		12	Y.
5,10,000	9,85,000	12,99,911	5,32,732	53,592	Andrew Yule & Co., Ltd.	378	Basmatia	21 69	10	8 00	1 50	2 00		12	Y.
3,30,000	5,10,000	12,75,998	8,05,524	1,30,178	National Tea Corporation	570	Bateli	18 56	5	4 00	2 50	3 00		12	Y.
4,00,000	7,40,000	11,16,644	3,51,828	61,105	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23 75	10	10 00*	2 00	2 50		12	Y.
83,00,000	15,33,333	61,88,222	23,40,325	3,19,320	Williamson Mag

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	2,92,586	24,197	15,000	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	3·35	2	0·25	0·30	0·21	0·45	5	Y.P.
26,01,000	24,50,000	52,61,468	6,89,576	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	5·00	5	0·75	0·45	0·75	0·52	3	Y.P.
18,00,000	31,00,000	39,79,848	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	33·25	10	2·50	1·80	2·50	4·00	6	Y.P.
71,55,000	56,13,026	1,25,84,765	26,69,076	1,18,211	R. C. Paterson, Esq.	Consolidated Coffee	23·40	10	1·75	2·25	2·00	4·00	6	Y.P.T.
4,00,000	6,15,728	10,31,783	59,951	6,881	M.	Cottamal Plantations	12·75	10	1·50	1·75*	1·50	1·75	3	Y.P.
18,00,000	9,95,648	25,86,780	5,81,442	87,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13·40	10	2·50	2·00	2·00		12	Y.P.
4,00,000	19,92,899	18,01,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kaljetta Estates	21·75	10	2·00	2·75	2·00	2·00	4	Y.
13,50,000	5,71,449	19,82,918	3,00,278	6,341	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16·25	10	2·25	2·25	2·25	2·25	3	Y.
27,00,000	29,79,287	80,92,726	9,49,414	1,43,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16·25	10	1·75*	2·50	2·00	2·00	3	Y.P.
3,35,000	3,81,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	15·75	10	1·50	1·50	1·50		12	Y.P.T.
2,50,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd..	Nilambur Rubber Co.	12·85	10	1·00	1·50	1·50		12	Y.P.T.
19,45,980	23,79,315	45,25,952	14,74,565	53,868	Peirce, Leslie & Co., Ltd. ..	Oorchetkoay Valley Estates ..	4·82xd	2	0·60	0·40	0·20		10	Y.
13,50,000	8,60,000	45,07,576	9,95,098	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	15·10	10	1·75	2·00	2·50	2·00	6	Y.P.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4·48	2	2·50	1·00	1·50		11	Y.P.
10,00,000	8,01,000	22,44,528	1,69,559	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6·50	10	0·75	0·90	0·90	0·60	3	Y.P.T.
2,50,000	1,40,000	5,88,449	34,741	33,968	A. V. George & Co., Ltd. ..	Thamarayalty Rubber	23·00	10	3·00	3·00	3·00		12	Y.P.
9,15,390	4,90,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1·55	1	0·10	0·12½	0·12½	0·05	3	Y.P.
6,00,000	82,565	7,71,251	1,36,210	3,287	Kepem Thomas, Esq. (Mg. Director)	Travancore Rubber	14·00	10	2·00	3·00	2·00		9	Y.
41,00,000	13,61,221	81,07,222	12,64,246	2,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	7·00	10	1·50	1·25	0·75		12	Y.P.
20,00,000	....	29,29,288	7,04,419	46,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25·00	25	6·00	6·00	3·00		12	Y.
6,28,580	6,40,670	9,17,682	21,770	21,911	Harrisons & Crossfield Ltd. ..	Vaikundam (Travancore) Rubber ..	20·15xd	10	2·25	2·50	3·50	2·00	12	Y.
6,95,000	1,47,259	18,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7·30	10	1·50	2·00	1·25	1·00	3	Y.P.T.

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	No. of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,25,000	1,20,35,991	58,35,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	8·18	10	0·62	0·62	0·25	0·25	3	Y.
6,00,000	10,25,000	56,02,953	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100·00	100	7·50	10·00	10·00		3	H.P.T.
30,00,000	5,57,000	125,38,710	95,78,901	—3,74,381	McLeod & Co., Ltd.	1,264	Alliance	65·00	100	12·00	6·00	Nil	Nil	6,12	Y.P.
48,20,700	67,00,000	3,11,92,070	2,03,15,000	1,77,921	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	146·00	100	7·50	8·50	8·50	7·00	3	Y.
60,00,000	29,54,500	1,49,09,986	85,34,728	—3,79,016,	Bird & Co. Private Ltd.	810	Auckland	81·00	100	3·50	0·00	1·00	Nil	3	Y.P.
30,00,000	23,80,915	99,91,416	65,65,094	65,902	Birla Brothers Private Ltd.	959	Bally	140·00	100	Nil	8·50	Nil		3	Y.P.T.
4375,000	4474,807	61,628,482	59,28,189	....	Sir John H. Burder (Chairman) ..	1,899	Barrasoore	82·00	£5	sh. 15	sh. 15	Nil	Nil	3	H.P.
25,00,000	23,56,133	94,01,570	51,49,231	1,380	Andrew Yule & Co., Ltd. ..	820	Belvedere	77·50	100	10·00	7·50	Nil		12	Y.P.
45,00,000	38,45,000	57,98,172	31,28,574	2,65,100	Soorajmull Nagarmull	600	Bengal	13·94	10	1·12	1·12			6	Y.P.T.
91,26,000	3,17,48,382	2,34,10,402	1,45,32,051	4,87,398	Birla Brothers Private Ltd. ..	1,373	Birla	15·12	10	1·00	1·00	1·00		3	Y.P.T.
84,00,000	21,09,226	1,17,00,893	72,35,819	4,154	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	76·00	100	9·00	7·50	Nil		3	Y.P.
7,47,880	3,09,040	12,13,704	31,62,683	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7·00	10	0·75	Nil			10	Y.P.
18,00,000	26,46,284	87,45,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	119·00	100	9·00	6·50	Nil		6,12	H.P.T.
59,15,400	76,49,232	2,28,54,628	1,19,60,848	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	91·00	100	3·00	10·00	2·00	Nil	11	Y.
15,95,000	23,20,283	82,73,766	57,70,175	8,685	Andrew Yule & Co., Ltd. ..	530	Chariot	120·00	100	14·00	10·00	2·00		3	Y.
30,15,000	32,00,000	66,68,762	48,48,666	1,01,027	McLeod & Co., Ltd.	500	Chitavalsah	12·69	10	1·12	1·37	0·621		11	Y.P.
24,00,000	9,00,000	81,05,855	67,15,337	25,995	Shree Krishna Investment Co., Ltd	960	Clive	13·12	10	Nil	1·25x	0·50		6,12	H.P.T.
31,49,200	44,50,893	1,85,02,698	51,19,167	—6,75,581	Bird & Co. Private Ltd.	766	Dalhousie	68·00	100	2·50	4·00	Nil	Nil	3	Y.P.
58,00,000	40,51,679	77,85,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	770	Delta	115·00	100	12·00	10·00	5·00		3	Y.P.
15,00,000	24,50,000	88,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	14·50	10	1·25	1·25	0·50		11	Y.P.
21,00,000	63,40,686	2,41,58,550	1,69,02,109	2,46,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	318·00	100	5·00	15·00	10·00		6,12	H.P.T.
21,00,000	14,50,000	1,20,16,848	58,00,702	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	17·19	10	20·00	20·00	10·00	10·00	3,9	H.P.T.
24,32,100	....	2,11,07,224	1,35,58,825	—2,07,452	M.	1,709	Ganges Mfg.	46·00	100	0·50	2·50	Nil	1·50	3	Y.P.
10,80,000	28,56,948	76,05,997	50,72,167	11,810	M.	607	Gondalpara	550·00	500	Nil	Nil	Nil		3,9	H.P.
24,00,000	24,50,000	2,22,46,942	1,58,81,905	45,248	Macneill & Barry Ltd.	1,394	Gourepore	220·00	100	10·00	15·00	50·00		12	Y.T.
40,00,000	60,68,233	1,28,86,187	58,68,939	3,00,086	Bangur Bros., Ltd.	1,078	Hastings	104·00N	100	10·00	11·50	2·50	2·50	3	Y.P.
16,80,000	18,51,000	66,47,781	47,79,916	—1,93,253	Balpatti Baijoria	720	Hooghly	11·87	10	0·50	1·25	Nil		3	Y.P.
65,62,500	22,68,428	2,34,21,655	1,11,50,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13·87	10	2·25	2·50	Nil		3	Y.P.
33,40,000	28,87,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	17·25	7·50	2·00	2·00	2·00		3	Y.P.T.
87,00,000	17,20,650	1,27,01,698	80,28,070	2,57,287	M.	1,076	India	111·00	0·125	3·12	4·69	4·69	1·80	3	Y.
30,000								82·50	100	8·00	2·50	Nil		3	Y.
24,00,000	20,90,185	1,93,31,848	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,707	Kamarhatty	80·50	B' 100	8·00	2·50	Nil		6,12	H.P.T.
19,20,000 B'								49·00	100	8·00	2·50	Nil			
30,00,000	9,73,967	1,77,78,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah	46·50	B' 100	6·50	1·00	Nil		6,12	H.P.T.
24,00,000															
21,00,000	53,00,000	1,35,45,082	88,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	162·00	100	20·00	17·50	5·00	9·00	3	Y.
54,00,000	23,32,875	1,96,80,995	1,32,03,770	27,027	Khardah Co. Ltd.	1,530	Khardah	119·00	100	12·50	11·00	5·00	8·00	5	Y.P.
45,00,000	31,58,908	2,38,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	91·50	100	7·00	12·00	6·00	8·00	3	Y.P.
24,48,000	25,41,386	1,38,71,981	53,10,844	—9,08,440	Bird & Co. Private Ltd.	931	Lanadowne	75·00	100	7·00	7·00	Nil	Nil	3	Y.P.T.
25,00,000	45,53,647	1,41,78,948	68,14,976	—7,73,868	Bird & Co. Private Ltd.	840	Lawrence	77·00	100	6·00	6·00	Nil	Nil	3	Y.P.T.
31,65,200	26,36,644	1,56,36,149	1,25,87,809	1,44,842	M.	1,232	Megna	94·00	100	2·50	9·75	3·75	Nil	3	Y.P.
29,98,900	34,62,195	1,65,70,565	86,70,690	—13,08,719	M.	815	Nalhati	56·00	100	Nil	Nil	Nil		3	H.
20,00,000	15,55,000	29,01,565	18,31,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	13·50	10	1·12	1·25	0·75		6,12	Y.P.T.
35,00,000	39,51,226	48,15,737	12,31,573	19,011	Andrew Yule & Co., Ltd.	852	National	22·25	10	2·00	1·75	0·75	0·75	3	Y.P.
26,25,000	27,00,000	25,81,476	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute ..	11·75	10	0·75	1·00	0·50	0·75	10	Y.P.
25,50,000	2,86,31,171	4,68,82,343	1,06,48,584	3,85,901	Sahu Jain Ltd.	1,765	New Central†	13·81	10	1·00	1·50	1·50		12	H.P.T.
16,79,880	46,58,882	1,28,54,122	55,88,490	9,227	Bird & Co. Private Ltd.	567	Northbrook	34·94	10	1·00	1·50	1·50		12	Y.P.
66,79,500	12,74,981	2,24,65,223	1,39,16,557	20,195	Macneill & Barry Ltd.	1,092	Nuddea	34·00	10	1·25	1·50	1·50		12	Y.P.T.
24,01,000	28,76,049	78,76,049	51,45,690	11,098	Andrew Yule & Co., Ltd.	601	Orient	84·00	100	9·00	9·00	Nil		3	Y.P.T.
25,00,000	6,28,490	30,86,437	65,22,166	51,598	McLeod & Co., Ltd.	400	Presidency	3·87	5	0·37	2·00			11	Y.
20,00,000	10,325	27,95,784	6,39,130	—81,581	Birla Brothers Private Ltd. ..	305	Rameshwara	4·06	10	Nil	Nil	Nil		6,12	H.T.
49,50,000	4,80,555	1,24,75,805	64,70,616	—88,95,290	Jardine Henderson Ltd.	1,276	Reliance	5·34	10	Nil	Nil	Nil		3	Y.P.T.
5669,000	61,098,712	81,245,244	....	458,994	Thomas Duff & Co. (India) Ltd..	2,013	Samnuggur	8·12	10	Nil	Nil	Nil		3	Y.P.T.
30,40,000	13,14,910	1,15,50,877	79,06,145	7,972	Bagaria More & Co., Ltd. ..	911	Shree Ambica	9·00N	10	10%	8%	1%		12	Y.P.
14,00,000	11,25,000	66,11,794	38,79,294	8,166	Hindustan Investment Corporation	401	Soorah	10·00	10	1·00	0·50	Nil		12	H.P.T.
25,19,600	31,10,501	1,26,68,701	57,29,612	—8,76,068	Bird & Co. Private Ltd.	620	Standard	14·62	10	1·00	1·50	1·50		3,9	Y.P.T.
5600,000	6925,119	81,187,660	....	588,548	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	80·50	100	2·00	1·00	Nil		12	Y.P.T.
25,98,600	68,80,148	2,01,42,857	89,47,895	—15,51,943	Bird & Co. Private Ltd.	1,326	Union	8·12	10	10%	8%x1	Nil	Nil	3	Y.P.
5400,000	5668,085	81,124,819	....	480,501	Thomas Duff & Co. (India) Ltd. ..	1,881	Victoria	115·00	100	6·00	10·00	1·00		12	Y.P.T.
2,50,000	6,35,000	41,78,264	27,76,050	—4,15,285	McLeod & Co., Ltd.	457	Waverley	8·12	10	10%	8%x1			3	Y.P.
								2·37	1	0·50	0·37	Nil	Nil	15	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
25,50,000	25,20,630	99,36,459	69,86,489	20,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17·00	10	1·31	1·37	0·50	1·25	3	Y.
12,00,500	8,49,890	37,46,675	35,35,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10·75	10	1·46	1·37	1·10	0·37	3,9	H.
4,49,350	1,05,000	9,25,911	5,84,876	90,370	Kalyanji Mavji & Co.	Bengal-Bhaldee	3·75N	10	1·46	1·46	0·75		3	Y.P.
1,00,00,000	1,60,28,785	6,10,16,849	4,19,78,935	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	214·00	100	30·00	35·00*P	17·50	7·50	3	H.
2,25,000	4,13,782	24,88,157	22,43,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13·50	10	Nil	Nil	Nil		6,12	Y.P.
18,97,000	6,88,555	46,14,600	34,22,290	—94,879	H. V. Low & Co. (Private) Ltd..	Bhalgora	6·44	10	Nil	Nil	Nil	7·50	12	Y.P.
40,00,000	10 28,269	1,44,03,027	77,59,407	2,120	Sahu Jain Ltd.	Bharat Collieries	5·87	10	Nil	Nil			3	Y.P.
7,15,000	10,15,172	49,80,946	34,84,101	—4,92,586	M.	Bhulanbarasee	10·75	10	0·62	0·62			9	Y.P.T.
7,50,000	24,16,419	45,67,882	27,10,503	19,858	F. W. Heilgers & Co. Private Ltd.	Borrea	17·00	10	Nil	Nil	0·62	0·60	6	Y.P.T.
90,92,480	69,04,448	4,26,15,901	1,09,09,458	92,891	Bird & Co. Private Ltd.	Burrakur	17·00	10	2·00	2·00	1·50		3	H.T.
49,97,750	....	46,39,014	12,80,014	5,401	Hindustan Investment Corpn. Ltd.	Central India	22·75xd	10	0·56	2·00	1·50		6,12	H.P.T.
8,00,000	12,80,590	49,11,827	32,02,469	69,000	M.	Central Kurkend	7·47	10	0·25	0·25	0·68		6,12	H.
6,00,000	1,43,986	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Churlia	11·00N	10	0·25	0·50	0·50	0·50	3	Y.
16,00,000	....	1,07,25,810	30,95,160	—3,36,508	Macneill & Barry Ltd.	Dhemo Main	1·04	4	0·13	0·06	0·501		12	Y.
£240,000	£362,875	£1,001,816	£764,050	£26,677	Jardine Henderson, Ltd.	East Indian	7·25	10	Nil	Nil	0·06		12	Y.
29,63,760	92,06,405	4,18,92,845	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	22·25	£1	2·50	3·00	Nil		12	Y.
10,00,000	1,40,999	18,81,144	4,28,557	22,858	Bhatia's Agency Ltd.	Ghusick and Mualia ..	26·87	10	1·50	2·50	2·50	1·50	12	Y.P.T.
12,00,000	1,17,609	42,34,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	18·00N	10	0·50	0·25	1·50		12	Y.
8,00,000	7,25,000	22,40,856	10,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	86·75	50	Nil	2·25	2·25	Nil	3	Y.
3,50,000	2,48,505	14,13,052	7,88,171	....	Kalapahar & Co. Ltd.	Kalapahar	17·00N	10	1·75	2·50	1·50		9	Y.
20,00,000	2,21,576	38,57,576	5,71,779	3,062	Bird & Co. Private Ltd.	Karampura Collieries ..	69·00	100	Nil	Nil	Nil		3	Y.P.
5,00,000	18,90,898	47,65,511	37,70,922	1,85,886	Andrew Yule & Co., Ltd.	Katras Jherriah	54·25	100	Nil	2·50	5·00	Nil	3	Y.
1,86,400	5,72,960	12,85,941	8,72,960	—2,60,286	Bariwala & Co.	Khas Kajora	2·50N	10	4·00	4·50	6·50		3	Y.
11,00,340	6,84,1	16,53,139	10,86,899	10,611	H. V. Low & Co. (Private) Ltd..	Khardi	2·75N	10	Nil	Nil		6·50	3	H.P.
9,00,000	11,11,026	28,88,749	22,86,193	4,708	H. V. Low & Co. (Private) Ltd..	Lakurka	2·75N	10	Nil	0·12			6,12	Y.
7,48,540	2,00,000	13,15,208	9,66,219	21,201	Tantia Brothers Ltd.	Nazira	9·00N	10	0·25	0·12			6	Y.
7,00,000	26,617	10,33,740	5,30,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Banadeopur ..	6·44	10	0·50	0·50			4	Y.
17,76,220	18,51,744	1,24,43,515	91,72,491	88,560	Andrew Yule & Co., Ltd.	New Beerbhoom	9·00N	10	1·25				12	Y.
6,00,000	75,000	33,35,331	22,88,922	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	14·50	10	1·12	1·00			3,9	Y.P.
1,15,000	8,47,662	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	11·75	10	Nil	Nil	0·75		10	Y.
1,57,500							18·37	10	Nil	Nil	Nil	0·50	3	Y.
7,50,000	18,69,447	3,97,666	2,77,866	87,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13·50	7·50	Nil	1·37	1·50		3	Y.
19,20,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	13·00	10	1·00	1·08	1·12			
8,34,000	20,000	23,49,367	9,36,591	5,080	Deepchand Kishenlal	Parasea	4·50N	10	0·50	1·00	0·75		12	Y.
15,75,000	16,30,000	55,17,410	39,02,410	46,883	Shaw Wallace & Co., Ltd. ..	Pench Valley	12·97	10	0·75	0·25			12	Y.
23,99,800	25,66,361	1,37,27,921	91,88,982	20,066	B. K. Ellias & Co. Private Ltd.	Raneegunge	19·25	10	1·62	1·00	0·50		12	Y.P.
13,50,000	10,45,118	38,59,365	29,71,864	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	11·50	10	0·50	0·62	0·75	2·00	3	Y.
90,00,000	37,12,000	85,58,756	22,17,867	9,297	M.	Samla Collieries ..	14·75	10	1·37	0·87	0·37	0·75	3	H.
2,50,000	1,98,802	13,78,480	12,21,227	21,070	M.	Searsole	10·00N	10	0·75	1·00	0·75†		6,12	Y.
3,50,000	9,11,598	29,92,167	19,74,253	52,500	Andrew Yule & Co., Ltd.	Seebpore	5·00	2·50	0·62	0·75	1·25		12	Y.
3,00,000	5,00,216	52,401	25,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	23·19	7	2·00	0·75			1	Y.
68,21,450	04,58,536	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Govern-ment of Andhra Pradesh)	Singareni	7·00	10	0·12	0·25	2·25		12	H.T.
											0·25		6,12	
27,30,000	10,89,693	38,95,664	16,16,424	10,407	Bird & Co. Private Ltd.	South Karanpura	11·00	10	0·70	0·75	1·00		12	Y.
5,00,000	14,01,063	1,69,57,570	27,810	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	9·87	10	0·12	0·12	0·38		12	H.
10,00,000	....	81,92,894	15,43,502	—5,62,907	M.	Talcher	13·75	10	1·50	1·00	0·25		2,8	Y.
3,50,000	3,88,000	18,97,634	14,54,234	77,108	Williamson Magor & Co., Ltd. ..	Union	1·69	2·50	Nil	Nil	1·00		12	Y.
40,00,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal	14·00	10	0·75	Nil	Nil		9	Y.
7,00,000	....	57,45,660	25,79,006	—3,20,058	Macneill & Barry Ltd.	West Jamuria	5·78	10	0·37	0·50	0·50		12	Y.
							5·75	10	Nil	Nil	Nil	0·50	3	Y.

M—Managed by the Board of Directors. † Less income-tax. (s) Clive Mills have paid dividend at Rs. 10† on bonus shares for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 727*)

authority, based upon intimate knowledge of the conditions under which foreign capital can come into this country, made the point that it would be necessary to raise 20 per cent. of the capital to be used for the purchase of equipment for any project and the whole of the rupee counterpart of the expenditure of the project before foreign credits could be sought for the rest of the capital. He added: "If the minimum rupee capital which thus would come to about 50 per cent. of the entire cost of a project could not be raised in the country, there would be no basis for seeking credit from abroad. In view of the fact that it is almost impossible to raise any substantial amount of rupee equity capital, industrial expansion in the private sector will have to come to a stop unless the profitability of industry is restored to a reasonable level through fiscal reliefs." So far as foreign capital itself is concerned, he urged the creation of a favourable atmosphere in which foreign capital would feel encouraged to invest in our enterprises. Such foreign participation in equity capital, as he rightly pointed out, would contribute to the creation of new wealth; the question of repatriation of capital would normally not arise so long as private enterprise is allowed

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,08,00,000	12,42,652	Allahabad Bank	360 00	100	18 00‡	18 00	18 00	9 00	12	Y.P.
14,50,000				180 00	50	9 00‡	9 00	9 00	4 50		
1,01,000	16,63,000	2,93,939	Andhra Bank	111 00(d)	100	7 50	6 50	8 00	4 00	6,12	H.
40,38,540				88 00(d)	85	3 75	4 54	5 50	3 40		
1,00,00,000	1,28,00,000	4,10,731	Bank of Baroda	113 00	50	6 00‡	6 00‡	7 00	7 00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	23 00	25	0 75	0 87	1 12		12	Y.
2,50,00,000	3,10,00,000	16,02,381	Bank of India	130 75	50	7 00	8 00	8 00	8 00	6,12	R.L.Y.
50,00,000 'A'				133 75	50'A'				8 00		
15,30,375	28,00,000	52,270	Bank of Indore	63 00N	25	3 00	3 50	4 00	4 25	12	Y.
50,00,000	22,25,000	23,734	Bank of Jaipur	20 50	50	2 00	2 00	2 50		12	Y.
50,00,000	91,95,613	1,87,085	Bank of Mysore	241 00	100	16 00‡	16 00‡	16 00	16 00	12	Y.
15,00,000	40,00,000	44,763	Canara Bank Ltd.	86 00	50	4 50	5 00	5 00	5 00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd	75 00	50	5 00	5 50‡	5 00‡	5 00‡	12	Y.P.
5,82,930 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170 00	100'A'	12 50	12 50	15 00	15 00	12	Y.
23,787 'C'				1 71	1'C'	12½%	12½%	15%	15%		
2,62,11,375	4,03,60,821	18,44,046	Central Bank of India Ltd.	63 30	25	3 00	3 00	3 50	3 50	12	R.L.Y.
51,42,375				65 50	25	3 00	3 00	3 50	3 50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	46 50	50	2 00	2 50	3 00	3 00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (F)	36 37	5	0 81	0 87	1 37	1 06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	50 75	50	1 50	3 00	3 00		12	Y.
1,25,00,000	6,93,000	18,443	Hindustan Commercial Bank	10 12	50	Nil	Nil			12	Y.
50,00,000	1,77,500	3,649	Hindustan Mercantile Bank	11 75	50	Nil	Nil	Nil		12	Y.
44,00,000	1,00,00,360	2,04,376	Indian Bank	203 50xd	100	12 00‡	12 00‡	13 00	15 00‡	6,12	R.L.H.
22,40,000				172 70xd	80	7 20‡	7 75	9 25	12 00‡		
56,23,350	46,36,300	2,32,067	Indian Overseas Bank	140 00	100	6 00	7 50	10 00	10 00	12	Y.
10,06,900	10,25,000	33,502	Pandyan Bank Ltd.	85 62	25	1 56	1 87	1 87	1 87	12	Y.
1,25,00,000	1,10,00,000	4,51,004	Punjab National Bank	53 50	25	3 00	3 50	4 00	5 00	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	17 20	25	0 75	1 00	1 00	1 25	12	Y.
40,00,000	40,66,000	1,50,332	Union Bank of India	8 52	5	0 24	0 37	0 44	0 44	12	Y.
2,00,00,000	1,34,00,000	49,432	United Commercial Bank	60.00xd	50	2 50	2 75	3 50	3 75	12	H.
PRINCIPAL EXCHANGE BANKS						Dividend (per cent.					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£1-16-3	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£42½	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-7-3	£1	15†	12†	13†	13†	12	Y.
£2,040,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-11-3	£1	14†	14†	14†	18‡†	12	Y.
£2,851,563	£3,104,687	£355,589	National Overseas and Grindlays Bank Ltd.	£1-0-9	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr = Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92.00	1st June .. 1963
4,00,000	5½	1st March and 1sth September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
80,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1962 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964†
4,00,000	6	10th May and 10th November	Benuai-Nagpur	1897	89.00	15th November .. 1966 (b)
78,00,000	6	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	101.50	31st March .. 1967-72
12,71,000	5½	30th June and 31st December	Javajee Textiles	1949	90.00N	1st January .. 1954-59
59,90,000	5	1st June, ...	Tata Mills	1951	93.50	15th November .. 1969
ELECTRICS						
10,09,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90 00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.		97.00	14th June .. 1960
98,38,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90 00	31st December .. 1964 (a)
£4,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84 00	31st December .. 1970
13,80,000	5	1st January and 1st July	Sijua (Dherrah) Electric Supply Co., Ltd.	1951	91 00	30th June .. 1974 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95 00	1st April .. 1950-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93 50	30th September .. 1953-68
47,75,000	5	1st April and 1st October	Tata Power	1940	99 00	1st July .. 1978
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94 00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1925	85 00	30th June .. 1958
30,00,000	5½	15th September and 15th March	Indian Human Pipe (Heaver)	1942	97 00	1st July .. 1957-62
10,00,000	6	31st May and 30th November	Kamardhuti Engineering Works Ltd.	1946	80 00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.50	1st October .. 1968-88
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1945	77 00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90 00	30th June .. 1969
10,00,000	5	31st January and 31st July	Calcutta	1949	86 00	31st July .. 1959
9,00,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89 00	30th June .. 1966
10,89,000	5	31st March and 30th September	Dalhousie Jute Co.	1954	90 00	31st March .. 1969 (a)
20,48,000	5½	15th January and 15th July	Empire	1951	90 00	15th July .. 1966 (a)
8,58,000	5	31st March and 30th September	Howrah Mills Co. Ltd.	1955	94 00	31st March .. 1970
80,00,000	5½	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90 00	31st December .. 1964 (a)
25,00,000	5	30th June and 31st December	Kelhati	1952	90.00	31st March .. 1967 (a)
25,00,000	5½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1938	85 00	14th May .. 1959
8,00,000	4½	30th June and 31st December	Northbrook Jute Co., Ltd.	1946	80 00	31st December .. 1964
20,00,000	4	30th June and 31st December	Presidency	1943	85.00	30th June .. 1958
8,00,000	4	30th June and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (a)
25,00,000	6	31st March and 14th September	Soorah Jute	1937	91 00	14th September .. 1957
8,00,000	4½	14th March and 14th September	Union	1937	90.00	30th June .. 1957
12,00,000	5½	30th June and 31st December	Union	1937	90.00	31st July .. 1962
10,00,000	5½	31st January and 31st July	Waverly	1925	90.00	31st July .. 1962
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	5½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (a) Any time on six months'
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	564	notice (a)
4,1.,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	93.25	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea	1944	99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Tealoy		100.00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	6	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1968
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1963
8,00,000	5½	31st March and 1st September	Burmah-Shell	1954	96.90	1st September .. 1964-69 (c)‡
2,00,00,000	5½	1st April and 1st October	Calsex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85 00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82 00	1st July .. 1964
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78 00	15th September .. 1969
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1948	87 00	 1969
1,50,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98 00	1st January .. 1971 (c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡
1,00,00,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	88 00	1965
18,75,000	5	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	510.00	30th September .. 1976 (c)
12,07,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (a)
45,00,000	4				84 00N	
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	98.00	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	91.50	30th June .. 1968-78
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.00	31st March .. 1961 (c)
1,00,00,000	6	30th June and 31st December	Rohtas Industries Ltd.	1946	97.25	31st December .. 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co, India, Ltd.	1953		1st May .. 1968(c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1968, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 17th April 1958.

	Closing quotations 10-4-1958	High	Low	Closing quotations 17-4-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	126 00	—	—	126 00
Apollo (2)	1 80	1 84	1 78	1 78
Bombay Dyeing (25)	55 70	57.40	56 60	57 40
Bradbury (50)	163 00	—	—	163 00
Central India (100)	89 00	89 50	85 00	85 00
Century Mills (100)	430 00	436 50	430 00	430 00
Colaba (100)	39 00	—	—	39 00
Edward Textile (200)	250 00	—	—	250 00
Elphinstone (50)	47 50	—	—	47 50
Finlay (100)	275 00	277 00	275 00	277 00
Gokak (100)	157 50	157.00	156 00	157 00
Ind. Untd. Defd. (1)	1 26	1 28	1 22	1 24
Ind. Untd. Ord. (10)	9 64	9.76	9 52	9 68
Indore Malwa (100)	112 25	113 00	110 50	112 50
Khatau (100)	159 00	159 00	154 50	157 00
Kohinoor (100)	281 00	283 00	276 50	277 00
Lakshmi (250)	440 00	—	—	440 00
Minerva Mills (100)	70 50	—	—	70 50
Model Naziur (250)	170 00	170 00	166 25	168 75
Morarji (100)	216 00	217 50	212 50	217 50
Mysore (50)	91 00	91 00	85 00	90 00
National Rayons (100)	223 50xR	224.50	216 75	219 50
New City (100)	110 50	110.50	107 50	107 50
New Great (100)	195 00	199.50	190 00	198 00
Phoenix (100)	130 00	130.00	125.00	125 00
Podar Mills (100)	145 00	—	—	145 00
Sassoon Silk (10)	8 00	10.52	9.88	10 00
Sassoon Spg. (10)	35 75	—	—	35 75
Sholapur (1,000)	425 00	—	—	425 00
Shrinivas (100)	146 50	146 50	143 00	143 00
Simplex (50)	156 00	157 00	153 50	153 50
Standard (100)	449 00	454 00	447 00	450 00
Svadeshi (100)	179 75	175 50	170 50	173 00
Swan (100)	845 00	847 00	840 00	840 00
Tata Mill (25)	39 25	38 25	35.00	35 00
Vishnu (100)	100 00	—	—	100 00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	131 00	131 00	130 25	130 25
Do. (New) (50)	133 50	134 00	132 75	133 75
Bank of Baroda (50)	111 50	114 00	111 25	113 00
Central (25)	53 50	53.50	52 70	53 00
Central 'A' (25)	55 50	55 50	54 70	55 00
Dena Bank (50)	45 00	46.50	45.00	46 50
Punjab National (25)	53 30	53.50	53.30	53 50
Union Bank (5)	8 36	8 36	8 32	8 35
United Com. (50)	60.50xd	60.50	59.50	59.80
ELECTRIC COS.				
Ahmedabad (100)	97.70	98 30	96 80	97 70
Amalgamated (10)	11 00	11 00	10.88	10 88
Andhra Valley (1,000)	1,142.50	1,155 00	1,140 00	1,152 50
Bom. Sub-El. (100)	108 75	107 25	105 00	107 50
Surat (100)	107 50	107 50	107.25	107 50
Tata Hydro (50)	118 50	118 50	117 75	118 00
Tata Power (1,000)	1,206.25	1,205.00	1,185.00	1,185.00
INSURANCE COS.				
British India (10)	12 76	—	—	12 75
Empire of India (100)	265 00	—	—	265 00
Ind. Mercantile (20)	48 00	—	—	45 00
Jupiter (15)	7 56	—	—	7 50
New India (15)	44 50	44 50	43.00	44 00
Oriental (200)	000 00	—	—	4,000 00
Universal (10)	13.25	—	—	13 25
Vulcan (10)	17.00	—	—	17.00
STEEL COS.				
Ind. Iron (10)	21 28	21.72	21 28	21 50
Tata Steel Ord. (75)	180.75	183.75	180.75	182.50
SUGAR COS.				
Belapur (50)	247 00	248 00	244 00	245 00
Bhopal (10)	22 24	23 24	22 00	22 00
Dhatian (50)	140 00	140 00	138 00	138 00
Walchand Ind. (100)	288.75	284.25	281.25	283.50
CEMENT COS.				
Associated Cts. (100)	150 50	152 25	150 00	151 00
Digvijay (100)	142.50	142.50	141.75	141.75
MISCELLANEOUS				
Alcock Ashdown (100)	270 00	280 00	267 50	277 50
Bom. Burmah (125)	546 00	564 50	540 00	564 00
Do. (New) (50)	203 00	215 00	203 75	215 00
Br. B. Petrol (4 sh.)	2 12	2 16	2 08	2 15
Br. I. Corpn. (5)	3 88	3 88	3 82	3 85
C. P. Bly. (100)	57 50	57.50	54.50	56 00
Hindusthan Motors (10)	7 04	7 12	6 96	7 00
Indian Copper (2 sh.)	3 70	3 20	3 14	3 20
Ind. Inv. Tr. (100)	79 80	—	—	79 80
Killick (100)	151 50	152 00	151 50	152 00
Poison (100)	183 00	183.25	182 50	183 00
Pre. Automobiles (100)	83 10	84.16	80 50	81 00
Premier Con. (50)	182 25	189 25	182 50	189 00
Scindia (20)	17 36	17 68	17 28	17 50
G. E. Shipping (10)	20 04	20 12	20 00	20 00
Shivrajpur (10)	95.50	98.00	93 00	93 00
Tata Chemicals (10)	14 16	14 32	14 08	14 08
Tata Locomotive (100)	160 00	167 25	158 25	167 00
Tata Oil (25)	39 50	39 50	38 00	39 00
W. I. Match (100)	177.50	178.00	175.00	175.00

GOVERNMENT SECURITIES	10-4-1958 Rs. nP	Gross Yield Earlier Redemption	Later Redemption
2½% 1961	95 05	—	4.06
2½% 1960	97.70	—	3.68
2½% 1962	95 10	—	3.95
2½% 1976	83.10	—	4 03
3% 1959-61	99 75	—	2.75
3% 1964	99.10	3.85	3.30
3% 1965-85	94.75	—	3.86
3% 1966-68	94.90	4.07	3.75
3% 1970-75	92 60	4 03	3.86
3% 1986 Con. Loan	86 35	4.42	4 10
3% 1960-70	71 20	—	4.21*
4½% 1958-68	100.55	3.77	3 95
3½% 1961 N.P. Bonds	100 40	—	0.93
3½% 1964 N.P. Loan	99 65	—	3.69
3½% 1965 N.P. Bonds	98 25	—	3.73
3½% 1962	97 75	—	3 83
3½% 1967 N.P. Bonds	97.90	—	3.79
3½% 1974	97 65	—	3.79
3½% 1967 N.P. Bonds	98.20	—	3.80
4% 1972 Loan	99.75	—	3.78
	100 15	—	3.98

BRITISH GOVERNMENT SECURITIES	Closing quotations 9-4-1958 £			Closing quotations 16-4-1958 £
2½% Brit. Consols	51½	—	—	50½
3% Savings Bonds 1965-75	75⅛	—	—	75⅛
3% War Loan 1955-59	97⅜	—	—	97⅜
3½% War Loan	67⅛	—	—	67⅛
4% Victory Bonds 1976	87⅜	—	—	87⅜
4% Funding 1960-90	87⅜xd	—	—	87⅜

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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EUROPEAN ECONOMY

EUROPE is now facing some unexpected economic difficulties in the shape of coal and steel surplus, as well as consumer resistance in respect of many products. Petrol prices have been cut. This may well be a forerunner of the reduction in prices of other commodities and goods. It is not yet clear precisely how far these developments could be traced to the recession in the U.S. It is now believed that the European manufacturers are going to find the necessary adjustment between costs and prices a more difficult issue than it has been in the last few years. Economic policy-makers in Europe have to address themselves to the task of devising measures which would stave off any sizable recession. It is also of the utmost importance to the other countries that European economy should be in good shape, considering how large a place Europe occupies in world economy. Since the present difficulties had their origin in certain economic trends which became evident in 1957, the *Economic Survey of Europe in* 1957, published by the Economic Commission for Europe, deserves close study for the light it throws on European economy.

The *Survey* has analysed the economic trends in Eastern as well as in Western Europe. So far as Eastern Europe is concerned, it notes that good harvests in 1957 produced a post-war record crop of cereals, exceeding that of 1956 by more than 8.5 million tons; in 1957, the total cereal output was 47.1 million tons, as against 38.5 million tons in 1956 and 39.0 million tons, the average for the 1951-55 period. The most notable feature of the East European economic trends has been a certain partial retreat from collectivist agricultural policies. Co-operative farming has virtually disappeared in Poland. In Hungary, too, peasant farming has been successfully resumed, the Government having acquiesced in the dissolution of co-operative farms. It is also noteworthy that price incentives have been substituted for administrative pressures in respect of State-owned or co-operative farms in nearly all East European countries. Nevertheless, co-operative farming has been encouraged through the adoption of special measures such as lower obligatory delivery quotas or higher prices, better supplies of means of production, prior claims on the services of machine and tractor stations and lower charges for them, investment grants, and more generous bank credits. Even in the Soviet Union, a policy decision was taken which was designed to ensure a devolution of the control on farming; a few preliminary steps towards such devolution have been taken.

As regards industrial output in Eastern Europe, the authorities adopted more cautious plans which reflected some concern over costs. At the same time, the authorities tended to give preference to consumer goods industries. This preference is attributed to the fact that increases in wage bills in the industrial sector, higher bonuses and social benefits, and increases in farm prices and deliveries, all contributed in most countries to an increase in total incomes which was large enough to produce pressures on the consumer goods markets. On the whole, industrial production was better than expected and increases were broadly on lines of those attained in 1956. Gross output in 1957 rose by about 10 per cent. in the Soviet Union, by 9½ per cent. in Poland, by 7½ per cent. in Eastern Germany and by 10 per cent. in Czechoslovakia.

Eastern Europe continues to face difficulties in industrial administration which are inevitable in the context of its centrally planned economy. In 1956, the authorities in some countries decided to transfer more power and responsibility for economic decision to the industrial enterprises themselves. This trend, it is stated, could not be carried significantly further in 1957. The *Survey* notes that, in some cases, it was found that the formal granting of increased independence in one field was nullified by the retention of some other less immediate, but still effective, control. It adds: "The main disadvantages of the existing system were still apparent—disregard of costs, a tendency on the part of managements to avoid difficulties by setting production targets low enough to be sure of being able to over-fulfil plans and by avoiding new experiments of any kind, a pervasive lack of enthusiasm and initiative, and a feeling of frustration among technicians hampered both by excessive formalities imposed by the administrative machine and by reluctance on the part of managements to take risks with new processes or new production." The fact that these difficulties have been met with will not surprise those who know how difficult it is for authorities with numerous economic powers to exercise them wisely. In other words, they are an inevitable concomitant of centrally planned economies.

In Western Europe, the pace of economic growth in 1957 was, as in the previous year, below that of 1955. As the year 1957 progressed, the slowing down of economic activity became particularly marked. Analysing the recent trends in European economy, the *Survey* points out that the early post-war years, particularly the period till 1949, witnessed considerable release of pent-up demand for goods and services; production moved up to record levels. The first phase of post-war economic history, however, came to an end in 1949. The mild recession in the U.S. in 1948-49 affected West European exports adversely. The subsequent recovery in the U.S. as well as the round of devaluation in 1949 gave a fresh stimulus to West European exports. The increase in defence expenditure following the outbreak of hostilities in Korea also provided a powerful stimulus to the economy. Nevertheless, this period was followed by several setbacks in the light and heavy industries, so that, in 1953, there began a third period of more balanced growth. The rate of growth, however, differed from country to country. In Western Europe as a whole, gross national product rose annually by 4.9 per cent. in the period 1953-57, as compared with 5.2 per cent. in 1949-53. It will be noted here that, for Western Germany, the two respective figures were as high as 7.7 per cent. and 8.7 per cent., as against 2.9 per cent. and 2.5 per cent. in the U.K. The rising demand during 1953-57 called forth a substantial rise in production which, according to the *Survey*, testified to the high elasticity of output in Western Europe.

A notable feature of the third period was the emergence of in

a restrictionist shape. The basic difficulty faced by the authorities was whether economic growth had to be sacrificed in order to protect the balance of payments or maintain price stability or both. According to the *Survey*, this conflict has been resolved by accepting considerable unemployment for the sake of preventing a further deterioration of reserves in Denmark and by inducing a virtual stagnation of output in the U.K. In France, currency reserves have been sacrificed to maintain a high rate of economic growth, including a high rate of investment.

The central banking authorities in Western Europe have, as is well known, imposed credit restrictions with a view to curbing inflationary pressures. The *Survey* has made a very critical study of the nature and effect of these measures. During the period 1955-57, most West European countries raised their discount rates and, since this alone would have been ineffective, a more direct restraint on volume of credit was also attempted. The *Survey* goes on to observe that a more extensive interference with the banking mechanism occurred in directives given to the banks, but usually enforceable only as "gentlemen's agreements." Commenting on the working of these measures, the *Survey* says: "When credit allocation is left to the discretion of the commercial banks, there is clearly less guarantee that discrimination is exercised in conformity with the desired objectives. However operated, it works with immediate effect mainly in the field of consumer credit (on condition that minimum initial deposits are fixed sufficiently high). The restriction on consumer credit brings nonetheless only temporary relief, since, after a period, consumers have saved up the higher initial deposits and new credits granted again exceed repayments." In contrast, credit restriction on enterprises, it is pointed out, works more slowly and tends to have limited effects when introduced at a time of high liquidity in the economy. Further, the restrictions imposed on lending by the commercial banks can often be circumscribed through other channels of credit that are less easily subjected to supervision. The *Survey*, however, agrees that, in the longer run, as liquidities decline, restrictions do have the desired effect.

In conclusion, the *Survey* observes that, since credit policies, except for special measures designed to control hire-purchase credit, impinge directly upon investment rather than on consumption they have serious consequences for the long-term rate of growth of productivity and output and make the preservation of equilibrium in the balance of payments at high activity levels more difficult in the long run. The contraction of total demand through credit policies, it is stated, would be a rational procedure, leading to an improvement in the competitive position of the countries which have applied such measures only if the decline in the level of activity tolerable in both extent and duration should result in a fall in money wages relatively to those abroad. It adds: "Unless, however, there are significant and long departures from full employment, the relative level of wages is unlikely to show a marked decline, and the impact of credit restrictions on the level of investment is likely, by its repercussions on productivity, to prevent relative wage costs—which are the crucial determinant of a country's competitive position—from showing a noticeable improvement."

As regards prospects for the current year, the *Survey* makes the point that they will be largely determined by the shape of economy in the U.K., France and Western Germany which account among themselves for two-thirds of West European gross national product and about 40 per cent. of intra-West European trade. The U.S. recession, it is stated, is likely to affect Western Europe not only directly but also indirectly through the lower purchasing power of overseas countries. From an examination of the prospects for individual countries, it appears to the *Survey* that the three major industrial countries are all likely to accentuate the tendency towards stagnation. In view of the developments in the U.S. and the continued weakening of the position of primary exporting countries, the *Survey* has done well to warn that a continued slowing down of expansion in Western Europe, not to speak of an absolute decline, might have a very serious impact on the world economy. Finally, it rightly affirms that any impetus to an early speeding up of West European expansion will have to come from the economy of Western Europe itself.

FINANCE BILL

AMONG the welcome, though limited, concessions which the Government has made in response to the continuing plea for relief from high taxation, mention must be made of the two fiscal announcements, made last week by the Union Finance Minister, Mr. Morarji Desai. The first relates to Section 23A companies and the second to the mode of providing for development rebate. The rate of tax in respect of high dividends by Section 23A companies is being reduced. Thus, the rate in respect of dividends above 18 per cent. is sought to be brought down from 30 per cent. to 20 per cent. The relief is certainly justified, in view of the fact that the law itself compels these companies to declare certain dividends. Indeed, this class of companies deserves more liberal fiscal treatment So far as development rebate is concerned, this allowance, as is well known, has been fixed at 25 per cent. of the value of machinery and plant installed by a business undertaking; this has been increased to 40 per cent. in the case of shipping companies in respect of new ships they acquire. This sum is deducted from the profit of the concern in arriving at the total income of the year in which the plant or the machinery is being installed. It has been pointed out by commercial bodies that what is saved by a company is the amount of income-tax and super-tax on the amount of development rebate and not the full amount of the development rebate and, therefore, the setting aside to the reserve account should be confined to the amount of such tax saved and not the development rebate as such. It has also been pointed out that the profits of a company for the year to which the development rebate relates may not be sufficient to enable it to make the necessary provision. After all, a plant or a machinery newly installed may not start earning in that very year in which it becomes part of a company's assets. These considerations have naturally appealed to the Government. For instance, Mr. Desai said:

> "While the principle underlying the amendments proposed thus have received almost universal approval, there has been some criticisms regarding the manner in which the principle is being sought to be implemented by the proposals in the Bill. It has been argued that, if a manufacturing company which is helped to earn profits and has declared dividends therefrom wishes to take advantage of the development rebate by extending its activities, it may, in view of the provisions proposed, find itself in an embarrassing situation. If the development rebate is debited to the profit and loss account, even profits resulting from existing activities of the company will be wiped out or considerably reduced, with the result that the company may not be able to declare a reasonable amount of dividend. Such a situation will not be welcome to the shareholders. Managements, therefore, might hesitate to embark on programmes of expansion. For a similar reason, the incentive sought to be provided by the development rebate for starting new companies will become ineffective, if the companies are prevented from declaring dividends in order to qualify for the rebate."

The effect of the amendments, as Morarji Desai himself explained, will be twofold. In the first place, if the total income for any year before allowing development rebate falls short of the full amount of rebate, the rebate to be allowed for that year will be limited to such total income. The balance of the rebate will be allowed to be carried forward for being claimed in the succeeding year or years. The number of years for which it can be so carried forward will, of course, be restricted to eight, which is the number of years for which unabsorbed losses can be carried forward under the present law. Secondly, the amount to be taken to the reserve need not exceed 75 per cent. of the amount of the development rebate claimed.

Two notable pronouncements were made by Mr. Morarji Desai in the course of the debate on the demand for grants to the Finance Ministry. They referred to Government's policy in relation to separation of audit from accounts and economy in expenditure. Referring to the separation of audit from accounts, Mr. Desai revealed that the States of West Bengal and the erstwhile Saurashtra which had tried the system were switching back to the old arrangement. It would appear that the Comptroller and Auditor-General has come to the conclusion that this arrangement is not working in the best way and that it is not wise to extend it further, because it involves "other matters and more expenditure." We wish Mr. Desai had thrown more light on the way the experiments were conducted and also why they have failed. The separation of audit from accounts is certainly a healthy way of managing the finances of a State. The failure of the experiment will, therefore, be widely deplored.

In view of the steadily increasing trend in Governmental expenditure, Mr. Desai's determination to pursue economy in expenditure will naturally be widely welcomed. He said: "We are trying to find out whether we can effect retrenchment and economies in administration. I hope in course of time we shall be able to show some results. It is a collective matter for the Government. I can only say that I will contribute my part to see that unnecessary and wasteful expenditure is particularly removed. I have started with my own Ministry and shall see what results can be achieved." There is no doubt there is both need and scope for bringing down Governmental expenditure. It has grown at an alarmingly rapid rate. It is not as if all such expenditure has been incurred on development programmes. It looks as though an exaggerated version of what in England is now known as Parkinson's Law has been at work in this country. There has been a proliferation of Ministries and of bureaucratic machinery. It should be possible to cut down a great deal of non-developmental expenditure. As tax revenue increases, there is a tendency to spend more and more, the revenue-earning Ministries excusing their inordinately high expenditure on the ground that they contribute to the Government's revenue and the spending Ministries arguing that their expenditure is vital in the national interest. The economy drive will not yield results unless the axe is wielded with great determination and all departments are imbued with a sense of urgency about economy.

INCOME-TAX

THE fourth edition of what is now regarded as a classic on the subject, *The Law and Practice of Income Tax**, maintains and improves upon the traditions set by its illustrious predecessors. What makes the present edition particularly significant is that it deals with the novel, almost radical, changes which have been made in our tax laws. As the learned authors, Mr. Jamshedji B. Kanga and Mr. N. A. Palkhivala observe, the recent tax laws march with the hypotheses that the "citizen exists for the State and not the State for the citizen, and that man is made for the law and not the law for man." Those who have followed the recent changes in tax legislation and the new taxes on expenditure and gifts will not fail to appreciate the validity of this comment. The State, as the authors rightly point out, is too much with us. Earning or spending, saving or investing, the citizen cannot escape from tax. The fiscal net is now not only wider but more intricate. Lord Halsbury said: "The income-tax is not and cannot be, I suppose from the nature of things, cast upon absolutely logical lines." Whether by accident or by design, Indian tax laws are based essentially upon this doctrine. Only our tax laws are illogical with a vengeance; nay, they are sometimes even whimsical. Maybe, all this is part of the fiscal game.

Perhaps, if the burdens were less burdensome, the participants, rather the assessees, would be better inclined to appreciate its humour. As it is, the tax is heavy, its incidence not always predictable. The result is a veritable nightmare for the taxpayer. With a multiplicity of taxes on the Statute Book, there is a regular race between Government's new taxes and the citizens' ability to understand and pay them. Surely, it is an incongruous situation in which an Indian company has to pay more by way of taxes than it earns by way of profit or that an individual should pay as tax more than what he earns as income. It is not financial burden alone that causes so much heartburning. There is, as the learned authors point out, growing interference by the executives with individual freedom. Many of the powers by which the executives are enabled to interfere with individual liberty have been acquired with the best of intentions. But as Mr. Justice Brandeis, whom the authors have quoted, pertinently said: "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Zealous men whose zeal for reform outturns a sense of justice may do irreparable damage to the democratic way of life." The trend of India's fiscal legislation exposes this country to this danger.

**The Law and Practice of Income Tax, Vols. I and II. By Mr. Jamshedji B. Kanga and Mr. N. A. Palkhivala. Published by N. M. Tripathi Private Ltd., Princess Street, Bombay 2. Price: Rs. 47.50. Vol. I (pages 987) and Vol. II (pages 524).*

SHARE MARKET IN BUOYANT MOOD

DEFICIT FINANCING—COTTON EXPORT QUOTA—GIFT-TAX RELIEF

THURSDAY, 5 P.M.

THE share market is in a buoyant mood and, barring textiles, equities have made further gains. The announcement of the concessions, albeit small, in respect of the development rebate and the amount that can be taken to the reserves have generally been welcomed by the market, despite the fact that they fall very much short of the demands made by industries. There are, however, two drags on the market. The first is the strike threat in the steel works at Jamshedpur and Burnpur. The strike, if it materialises, at a time when the two companies have embarked on a large expansion programme, will have far-reaching repercussions on our national economy, not to speak of the development plans as such. This no doubt brought some selling yesterday, but it was well absorbed, reflecting the inherent strength of the market. The second is the none too encouraging outlook for the cotton textile industry. Addressing the shareholders of the Bombay Dyeing and Manufacturing Company, Ltd., at their annual general meeting held last week, Mr. Neville N. Wadia, the Chairman, said that the fortunes of the industry in 1958 would be worse than those in 1957. The first six months of the year were, he said, likely to be the worst period for the industry since the war. Though he expressed the hope that the industry would be able to weather the storm, the picture he painted was far from inspiring.

MARKET GOSSIP

Though Mr. Morarji Desai has not gone all out to satisfy the entire demands of industries, particularly those which have embarked on huge expansion programmes, in respect of development rebate, the small concessions (the details of which are given on the next page) he has given are taken as yet another indication of the new Finance Minister's helpful attitude towards private industries. They also indicate that he is not bent upon raising revenues through taxation at any cost. As soon as he became Finance Minister, it will be recalled, he promised relief in export duty on common tea and said that a scheme was being worked out. He has now announced reliefs in respect of development rebate, super-tax on dividends in excess of 18 per cent. declared by Section 23A companies and tax on gifts. It is true that the latest reliefs mean no great loss to the Exchequer. Even so, they are welcome in that they indicate, in however small a measure, some consideration for those who contribute in no mean measure to the development of the nation.

* * * *

It is somewhat discomforting to be told by the Union Finance Minister, Mr. Morarji Desai, that there would be an upward revision in the limit for deficit financing for the second Five-year Plan which had been fixed at Rs. 900 crores by his predecessor, Mr. T. T. Krishnamachari. Replying to the debate on the Finance Bill, Mr. Desai said in the Lok Sabha this week that, since the total amount of deficit financing in the first two years of the Plan was of the order of Rs. 702 crores, as against Rs. 600 crores originally proposed, it was not possible to say that the Government would confine such financing to Rs. 900 crores. He did not state the total amount of deficit financing that would actually be resorted to; he merely said that "it will be our endeavour to see that we confine ourselves to that limit (Rs. 1,200 crores envisaged in the Plan)."

The aforesaid statement of the Finance Minister is one more indication of the helplessness in which the planners and the Government find themselves today. The situation regarding both internal and external resources continues to be tight. Instead of easing the situation through a proper revision of the present regressive fiscal policy, it is unfortunate that Mr. Desai should have acquiesced in a larger dose of deficit financing. He no doubt admits that whatever deficit financing the Government may resort to should not result in inflation. But how can this be avoided? To the extent investment is deficit-financed, the strain on the economy will be increased. Thanks to the deficit financing of Rs. 702 crores in the first two years of the second Plan, commodity prices have registered a sharp increase. The average general index of wholesale prices (Base: 1952-53=100) for the year ended March 1958 was 108.4, as against 92.5 in 1955-56, representing a rise of more than 17 per cent. over the two-year period. The following table gives the average wholesale price indices for the different group in the first two years of the second Plan (1956-57 and 1957-58) as compared with the last year of the first Plan (1955-56):

(Base: 1952-53=100)

	1957-58	1956-57	1955-56
General index	108.4	105.3	92.5
Food articles	106.4	102.3	86.6
Liquor and tobacco ..	94.0	84.3	81.0
Fuel, power, light and lubricants	113.6	104.2	95.2
Industrial raw materials ..	116.5	116.0	99.0
Manufactures	108.1	106.3	99.7

The upward trend in prices will definitely gather considerable momentum in the current financial year, what with the difficult food situation following droughts over wide areas in the country. The advance in prices will, by raising the cost of living, adversely affect the saving capacity of the urban middle class which accounts for a large part of the funds that flow into investment. Considering all this and in view of the acute foreign exchange position, the wiser course seems to be to avoid resorting to excessive deficit financing by pruning the Plan to a more manageable size.

* * * *

Strong hopes of an export quota for cotton of ¾" staple and below, which were raised by the recommendation of the Board of the East India Cotton Association, at its meeting held on the 11th inst., have yet to materialise. The expectation was considerably strengthened by the endorsement by the Cotton Advisory Board, at its meeting held last week, of the E.I.C.A.'s views. The Board recommended that a quota of 50,000 bales in respect of cotton of staple length ¾" and below should be released and suggested that an additional quota of 50,000 bales should be issued, on a review of the situation, after three months. The belief of the trade that, since these two authoritative bodies had lent their support to export of staple cotton, the Government would take a favourable view of the plea for a quota, was mainly responsible for temporarily arresting the declining trend of the cotton futures market. But, as noted earlier, no quota has so far been announced by the Government. The disappointment of the trade is reflected in the sharp fall in futures values during the last few days. The I.C.C. Moglai Jarilla May contract, which had improved to Rs. 662.50 on the 18th inst., immediately following the Cotton Advisory Board's meeting, declined to Rs. 640.50 yesterday while the August contract declined from Rs. 674.50 on the 18th inst. to Rs. 654.50 yesterday. The contracts did not show any improvement today also.

It is obvious that the Cotton Advisory Board's recommendation, as also the E.I.C.A.'s, was influenced by the hope that a quota would serve to impart a much-needed fillip to the market. Futures contracts are currently ruling round the season's lowest levels. Spot prices also are very low, as compared with those prevailing at the same period last season. It is feared that, if cotton prices continue to be low, next season's sowings will be adversely affected. It is this consideration which led the E.I.C.A. and the Cotton Advisory Board to recommend an export quota for staple cotton and urge an upward revision of the basic floor price of cotton.

> We are publishing a series of articles by Mr. F. R. Ginwala, analysing the Report of the Company Law Amendment Committee. The first article in the series will appear in our next issue, dated 3rd May 1958.—ED.

While there cannot be any difference of opinion about the need for providing sufficient incentives for growers in the form of reasonable prices, one wonders whether, even if a quota materialises, which remains to be seen, it will be anything more than a mere palliative. What is the current trend of cotton prices due to? It is certainly not because supplies are plentiful nor because mill consumption has fallen. The latest estimate places the crop at no more than 4.94 million bales which is hardly 300,000 bales more than last season's consumption of 4.66 million bales (Indian cotton). Consumption during the first six months of the current season was not much lower than the figure for the corresponding period of last season. It is estimated at 2,296,661 bales, as compared with 2,324,414 bales during the same period last season.

The basic reason for the slump in cotton prices seems to be that, owing to the large accumulation of cloth stocks with mills, they are not in a position to hold normal stocks of raw cotton. This has resulted in slack mill demand and the trade has been called upon to finance cotton. The downward trend in cotton prices reflects the growing difficulty of the trade to shoulder the burden, especially in view of the prevailing monetary conditions. In other words, the current fall in prices can be traced largely, if not entirely, to monetary causes. Any Governmental policy which does not take this aspect into consideration cannot solve the problem. Unless mills are enabled to liquidate their stocks, by providing further relief in excise duty, and purchase cotton, cotton prices are not likely to improve. A quota may no doubt give some temporary fillip to the market.

* * * *

The Union Finance Minister, Mr. Morarji Desai, is learning to practise the art of naivete. It is a difficult art, for, if it could be disarming, even charming, it could also turn out sometimes to be extremely exasperating. Moving the Gift-tax Bill for consideration by the Select Committee, Mr. Desai declared that he did not propose any further elaboration of the reasons for this measure—since they had already been explained by the Prime Minister—and added that he had found that, "by and large, the need for a measure of this nature is not disputed." Here is the rub. The fact is that the need for this Bill has been disputed and, what is more, it has been very ably disputed. It is a distorted version of what Prof. Kaldor himself recommended. Further, it is certainly not in tune with India's best traditions. A whole movement has been launched in this country in order to persuade owners to give away lands as gift and yet this is precisely a sort of transaction which will come within the purview of the Bill. It is a most uncharitable tax, for it is a tax on charity. Many other valid arguments could also be brought up against it. But Mr. Desai declares that the "need for a measure of this nature is not disputed." Surely, a criticism does not cease to exist merely because it is ignored.

It must, however, be said to the credit of Mr. Desai that he is not altogether oblivious of the very valid criticisms that have been made against the details of the Bill. Thus, he said that fears had been expressed that even genuine business transactions might be caught within the mischief of the Bill. He added: "I may assure the House that it was never the intention of the Government to subject to gift-tax *bona fide* business transactions and the Select Committee will no doubt consider whether any further clarification of these provisions is necessary to remove these fears." It is to be hoped that the Committee will go into this question. Mr. Desai, however, did not grant that the provision which restricted exemptions to gifts made only to charitable institutions or funds recognised under Section 15B of the Income-tax Act would prove much of a hardship. He argued that a person who had made up his mind to make a gift to a religious institution was not going to be deterred from doing so by the small amount of tax he had to pay. Mr. Desai has apparently missed the point in the criticism. The question is not whether a man would be deterred by the gift-tax from making a gift to a religious or communal institution. The question is whether it is right that such institutions should be made to suffer from the operation of the gift-tax. Mr. Desai, however, hastened to add: "In any cases, the matter would be further examined by the Select Committee." This is certainly a matter which does call for special consideration by the Committee.

Mr. Desai admitted that it should be clarified in the Bill itself that reasonable gifts made to one's children for their education should be exempted from tax. He also conceded that gifts by employers to employees or their dependents by way of bonus, gratuity or pension should be exempted. Referring to this aspect of the Bill, he said: "It was never the intention of Government that such gifts should be subjected to gift-tax and, in fact, it is doubtful whether gifts of this nature could at all be brought to tax under the provisions of the Bill as it stands. However, to remove any misgivings on this score, I intend proposing to the Select Committee that specific provision may be made in the Bill itself exempting these categories of gifts."

No convincing argument was adduced by Mr. Desai to justify the imposition of the tax on the donor, and not on the donee. All he said was that it was administratively more convenient to levy the tax on the donor. After all, administrative convenience is not the only factor that determines the validity of fiscal procedure. Mr. Desai also argued that a gift-tax, unless it was imposed on the donor, could not function as an effective step against avoidance of income-tax, wealth tax and other taxes in the higher income group. He reiterated this point in another part of his speech by suggesting that the tax was important not only by itself but also "in plugging loopholes in other tax statutes." This is a strange way of justifying a tax. A tax to plug a loophole in another tax and yet another tax to plug yet another loophole and so on *ad infinitum*. To impose new taxes in order to cover administrative shortcomings or to prevent tax evasion by a few dishonest assessees is to punish honest taxpayers. This is fiscal policy with a vengeance.

* * * *

The suggestion that Asian countries should form themselves into a common market with a common protective wall was put forward by Dr. Gunnar Myrdal, an economist of international repute, when he addressed an informal meeting of the members of Parliament at New Delhi on Tuesday last. The need and justification for the creation of such a market, Dr. Myrdal declared, was greater for Asia than for Europe. For the traditional exports from India and other countries in Asia to the economically advanced countries of the West would, in his opinion, tend to shrink progressively and the shrinkage so occurring would not be matched by a corresponding expansion in industrial exports to them. In this connection, he mentioned that countries like the Soviet Union, the economy and trade of which were completely State-owned, might still be able "to accommodate" countries of the Asian region. The learned economist, therefore, emphasised that, "by more assistance to enable India and other Asian countries to develop, the Western countries would be helping them more, if they were to adopt a reasonable attitude in their trade relations."

The suggestion for the establishment of a common Asian market is, indeed, quite an interesting one. But the question is whether the suggestion can be implemented successfully. For there are several basic differences in the political and economic ideologies among the countries of Asia, so that it is doubtful whether adequate and proper cooperation will be forthcoming from these countries. Again, it must be remembered that the erection of a common protective wall as advocated by Dr. Myrdal presupposes sacrifices on the part of all countries which will be more in the case of some countries and less in the case of others. There is, of course, the larger question whether the formation of regional economic blocks such as the Common Asian Market and the Common European Market is conducive to the setting up of a free and multilateral system of world trade and payments.

Be that as it may, in the course of his speech, Dr. Myrdal did well to lay the "greatest stress" on population control in India. "The entire medical service of the country," to quote him, "should be organised for the purpose, if need be, and a vigorous campaign launched." There is considerable force in these remarks. The population of India is growing at a very rapid rate of over 13,000 every day or 4.75 million every year. Unless this rate of

(*Continued on page 823*)

SHARE MARKET FIRM

TEXTILES, HOWEVER, LOWER

(From Our Own Correspondents)

BOMBAY, *24th April*

EQUITIES on the Stock Exchange made a further headway during the week under review, which was a short one on account of the two holidays on Monday and Tuesday. The gain in prices was, however, less marked than in the previous week. The main inspiring factor was the concessions granted by the Finance Minister to companies in respect of development rebate, the provisions regarding which were made more stringent in the last Budget. Initiating the discussion on the Finance Bill, Mr. Morarjee Desai announced on Friday last that the amount to be taken to the reserve need not exceed 75 per cent. of the development rebate claimed. The reserves so created would remain with the companies and could be used for all legitimate purposes, except for distribution of dividends. Secondly, if the total income for any year, before allowing development rebate, fell short of the full amount of the rebate, the rebate to be allowed for that year would be limited to such total income. The balance of the rebate would be allowed to be carried forward for being claimed in the succeeding year or years. The number of years for which it could be so carried forward would be restricted to eight which was the period for which unabsorbed loss could be carried forward under the present law. The two concessions were made with a view to encouraging the formation and development of enterprises. The Minister also announced a reduction in super-tax payable by Section 23(A) companies on their dividends. The rate of tax payable by these companies on dividends in excess of 18 per cent. on the paid-up capital would be reduced from 30 per cent. to 20 per cent. The Finance Minister felt it justifiable that a small relief should be given to these companies which were compelled by law to declare high dividends.

These reliefs were no doubt welcomed by the market, but if the prices had not staged a much sharper rise, it was because these concessions fell short of the demand made by industries. Another factor which prevented a sharp rise in prices was the fears about labour trouble in Jamshedpur and Burnpur. Yet another drag on the market was the uncertainty about the outlook for the cotton mill industry.

Tata Steel ordinaries jumped early in the week from Rs. 182.75 to Rs. 185 before reacting yesterday to Rs. 182.50. Today, however, they staged a recovery. The new shares gained over the week Rs. 1 to Rs. 180. Indian Irons moved up to Rs. 22 from Rs. 21.68 and, after a setback to Rs. 21.64, improved to Rs. 21.92 at the close.

Barring one or two scrips, textile shares disclosed moderate losses over the week, in view of the uncertain outlook for the industry. Bombay Dyeings retreated from Rs. 57.40 to Rs. 55.60 before closing at Rs. 56. Centurys dipped from Rs. 436 to Rs. 426.50, but gained ground to Rs. 433 at the close. Kohinoors were placed at Rs. 266 *ex-div.* (final dividend Rs. 12 per share), as against Rs. 278 *cum-div.* a week ago. Finlays lost Rs. 2 to Rs. 275, Gokaks Rs. 4 to Rs. 153 and Indu Ordinaries 24 nP to Rs. 9.44. Indore Malwas changed hands Rs. 2 lower at Rs. 110.50 and New Greats Rs. 4.50 lower at Rs. 195. Podars shed Rs. 4 to Rs. 141 and Shree Niwas Rs. 3 to Rs. 140. Simplex moved within a narrow range and closed at Rs. 153, as against Rs. 153.50. Standards provided an exception with a spurt of Rs. 10 to Rs. 460. Svadeshis were unchanged on balance at Rs. 173, while Swans were in the limelight and rose by Rs. 9 to Rs. 349. Tata Mills were a fraction lower at Rs. 37.75.

In the banking section, Barodas were prominent with a rise of Re. 1 to Rs. 114. Centrals were lower by 20 nP at Rs. 52.80, while their new shares put on 20 nP to Rs. 55.50. Bank of Indias were steady at Rs. 130 and their new shares at Rs. 134. United Commercials gained 20 nP to Rs. 60.

Activity in insurance shares was restricted. New Indias were done 50 nP lower at Rs 44. Indian Mercantiles lost a rupee to Rs. 47, while Jupiter Generals were done 20 nP higher at Rs. 7.76.

Electricity shares were featureless. Ahmedabad Electrics were steady, having been done at Rs. 95 *ex-div.*, as against Rs. 96.50 *cum-div.* a week ago. Bombay Suburbans were unchanged at Rs. 107 and Surat Electrics at Rs. 107.50. Tata Hydros were maintained at Rs. 118, while Tata Powers shed Rs. 5 to Rs. 1,180. Andhra Valleys were marked up by Rs. 2.50 to Rs. 1,155.

Sugar shares were dull. Belapurs dropped early in the week from Rs. 245 to Rs. 243 before gaining to Rs. 244.50. Phaltans lost over the week 50 nP to Rs. 136, while Walchandnagars put on Re. 1.25 to Rs. 283.75. Cement shares were buoyant. Associated Cements staged a spurt from Rs. 151 to Rs. 156.75, but closed a shade lower at Rs. 155.75. Their new shares picked up Rs. 3.25 over the week to Rs. 147.50. Digvijays improved by Rs. 4.25 to Rs. 146. In the engineering and mining group Alcocks were a firm feature with a rise of Rs. 12.50 to Rs. 290. Tata Locomotives crept down from Rs. 167 to Rs. 164.50, but rallied to close at Rs. 168. Premier Constructions were again in favour and rose by Rs. 6.95 to Rs. 195.75. Larsen and Toubros improved by 48 nP to Rs. 15.60 Mahindras changed hands 44 nP lower at Rs. 18.56. Indian Coppers were unchanged at Rs. 3.18 Shivrajpurs were steady at Rs. 93.20.

Scindias were erratic, moving between Rs. 17.72 and Rs. 17.48, but finished at Rs. 17.68, as against Rs. 17.60 a week ago. Great Easterns shed over the week 16 nP to Rs. 19.96. Among automobiles, Premier Autos advanced by Rs. 3 to Rs. 84.50, while Hindustan Motors were unchanged at Rs. 7.

The upward trend in Bombay Burmahs noted at the close of last week following the announcement of the bonus issue was maintained this week also with a further rise from Rs. 564.50 to Rs. 575. The partly paid-up shares put on Rs. 2 to Rs. 217. National Rayons were in favour and were taken from Rs. 219.50 to Rs. 224.25. Tata Chemicals gained 80 nP to Rs. 15.08, while Tata Oils were a shade lower at Rs. 38.75. Hindustan Levers were marked down by 44 nP to Rs. 21.44, while Voltas staged a sudden spurt from Rs. 113 to Rs. 120 on rumours that the shares would be placed on the forward list. Wimcos were done a rupee lower at Rs. 174.

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Calcutta Stock Exchange

CALCUTTA, 23rd *April*

Although activity on the Calcutta Stock Exchange during the week under review was restricted mainly due to holidays, prices were well maintained. Sentiment was assisted by encouraging advices from Bombay, and by visible signs of growing industrial activity. That the new Finance Minister has been more realistic towards economic policies than his predecessor was amply indicated by the recent tax concessions which he announced, and which have since been a standing bull factor on the Exchange. Mr. Morarjee Desai's announcement during the week of two concessions to industrial undertakings in respect of development rebate was construed here as a further demonstration of the Government's realisation that genuine grievances of industry, if healed in time, would pay adequate dividends. However, market comment on the concessions announced was that Government could have gone further into the matter.

Earlier, the news of the threatened strike in Jamshedpur, which if materialised and continued over a period, would paralyse many an industry dependent on Tisco steel, was a bear factor retarding sentiment. However, from latest reports, it would appear that the strike call was not being supported by majority of the workers, although the situation was yet considered fluid. The smart rise in prices of jute goods and the healthy stock position revived sentiment for selected jute shares. Gains in this section would have been more widespread had it not been for the rise in prices of raw jute also and fears of delay in sowing. The news of issue of bonus shares by the Bombay Burmah Trading Corporation pleased market men much, in view of an earlier report that some of the Bombay concerns might withdraw their plans to issue bonus shares on account of heavy taxation in this regard. In the meantime, the rumour of an imminent bonus issue by Indian Iron and Steel Company, Ltd., was strong and continued to encourage buying.

Sentiment for coal shares was subdued, in view of the delay in announcing increased prices for the fuel. Burrakurs were unchanged at Rs. 22.75, while Western Bengals drifted to Rs. 5.75 from Rs. 5.78. Interest was evinced in Bengals at Rs. 519, as against Rs. 518 a week earlier, and New Beerbhooms were bought at Rs. 14.62, as against Rs. 14.50 previously.

Selected jute shares recorded impressive gains. Cheviots rose to quote as high as Rs. 140 from Rs. 131, and Anglo-Indias moved up to Rs. 151 from Rs. 147. Nationals hardened to Rs. 24 from Rs. 22.50. Nuddeas were accorded support at Rs. 33, as against Rs. 31 previously.

In the engineering section, Indian Irons rose to Rs. 21.96 from Rs. 21.56 before closing at Rs. 21.75. Burn & Cos. gained to Rs. 322 from Rs. 319.50. Texmacos were better at Rs. 18.35, as were Guest, Keen Williams at Rs. 31.31.

Teas were fairly steady. From Rs. 29.25, Duffiaghurs moved to Rs. 30, while Hattikhiras were unchanged at Rs. 9.87, and Tezpores moved down to Rs. 15 from Rs. 15.75.

Miscellaneous industrials recorded a few interesting features. Dunlop Rubbers were pushed up to Rs. 25.06 from Rs. 24.75. Indian Cables, after improving to Rs. 29.75, were fully steady. Orient Papers at Rs. 28.75 were better, as were Titaghur Papers at Rs. 36. Earlier, Indian Oxygens had moved down to Rs. 16.87, but recovered to Rs. 17.69.

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Madras Stock Exchange

MADRAS, *22nd April*

The Madras Stock Exchange ruled quietly steady during the week under review also. The volume of transactions put through was higher than that in the previous week. The concession in respect of development rebate to companies and the small relief in levy on dividends in respect of Section 23A companies, announced this week by the Union Finance Minister, were welcomed by operators. Plantation shares continued to be in the limelight with values generally moving further upward. Textiles, however, presented an easy trend, thanks to absence of any indication of the increased rebate on handloom goods reflecting favourably in offtake of handloom fabrics and, consequently, of yarn. Traders were awaiting the State Government's move to help clear accumulations of stocks with mills in the light of discussions at the recent meeting of the textile interests and labour convened by the Government. The statement of the Minister for Industries and Labour that the Union Government had permitted exports of yarn to overseas markets for three years did not enthuse the market, due to keen competition from other countries.

Tea shares in the planting section elicited good support. Kil Kotagiris advanced by 20 nP to Rs. 6.30. Twyfords and Chandramalais put on 5 nP each to Rs. 13.40 and Rs. 3.20, respectively. Periakaramalais gained 4 nP to Rs. 4.14. Devasholas were firm at Rs. 18.40, Nilgiris at Rs. 8.50, Chembras at Rs. 3.63 and Peermades at Rs. 22.25. Blue Mountains were, however, a shade quiet at Rs. 3.10. Among coffee shares, Consolidated Coffees were well favoured and spurted by 60 nP to Rs. 24. Anaparais were steady at Rs. 4.80. On the announcement of a bonus issue of three for every five shares held, Cowcoodys were marked up by 70 nP to Rs. 9.50. Among rubber shares, Woodlands rallied by 50 nP to Rs. 7.80. T. R. & Ts gained 10 nP to Rs. 7.10 and Highlands a like amount to Rs. 13.50. Thirumbadis were 9 nP better at Rs. 1.64. Cochin Malabars added 5 nP to Rs. 5.05. Nelliampathys were steady at Rs. 3.05. Travancore Rubbers turned quiet at Rs. 14 *cum-div.*, reflecting disappointment of operators over the cut in dividend from 20 per cent. to 15 per cent. for the year ended 31st December 1957. Rajagiris, on the other hand, eased by 13 nP to Rs. 14.87. Midlands lost 5 nP to Rs. 16.20.

In the textile section, Coimbatore Cottons dropped Rs. 3 to Rs. 147. Coimbatore Pioneers declined by Rs. 2 to Rs. 227. Balasubramanias and Janardanas lost a rupee each to Rs. 56 and Rs. 79.50, respectively. Ranga Vilas shed 50 nP to Rs. 64.50, as did Rajalakshmis to Rs. 71.50. Krishnarajendras receded by 25 nP to Rs. 79. Travancore Rayons eased by 10 nP to Rs. 13.30 and Loyals by a like amount to Rs. 36.40. But Virudhunagars climbed up by Rs. 2.50 to Rs. 29.50. Metturs hardened by Rs. 2 to Rs. 350.

Among miscellaneous industrials, Mysore Chemicals and Fertilisers added 22 nP to Rs. 7.12. Mettur Chemicals were steady at Rs. 9.50, F.A.C.T's at Rs. 5.30, Indian Steel Rollings at Rs. 11.50 and Singarenis at Rs. 11. Mysore Papers, however, shed 15 nP to Rs. 16.10. Spencers softened by 10 nP to Rs. 17.15.

NETHERLANDS TRADING SOCIETY

The Directors of the Nederlandsche Handel-Maatschappij, N.V. (Netherlands Trading Society, Bankers) have recommended a dividend of 10 per cent. on the ordinary shares of the Bank for the year ended 31st December 1957, the same as that paid for 1956.

THE
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(Incorporated in Hong Kong with Limited Liability)

HEAD OFFICE: **HONG KONG**

Capital Authorised .. .. .. Hk. $50,000,000 (Rs. 4,16,66,667)

Capital Issued and Fully Paid-up.. Hk. $50,000,000 (Rs. 4,16,66,667)

Reserve Funds .. .. .. Stg. £8,000,000 (Rs. 10,66,66,667)

BRANCHES :

BORNEO
Colony of North Borneo
Jesselton
Labuan
Sandakan
Tawau
Sarawak
Kuching
State of Brunei
Brunei Town
Kuala Belait
Seria
BURMA
Rangoon
CAMBODIA
Phnom-Penh
CEYLON
Colombo
CHINA
Shanghai
DJAWA
Djakarta
Surabaja
EUROPE
Hamburg
Paris

HONG KONG
Hong Kong
Kowloon
Mongkok
North Point
INDIA
Bombay
Calcutta
JAPAN
Kobe
Osaka
Tokyo
Yokohama
MALAYA
Colony of Singapore
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Federation of Malaya
Cameron Highlands
Ipoh

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Johore Bahru
Kuala Lumpur
Malacca
Muar
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Taluk Anson
PHILIPPINES
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(Incorporated under the State Laws of California)
SAN FRANCISCO LOS ANGELES

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NEW YORK OFFICE : 72, Wall Street.

CALCUTTA OFFICE : 31, Dalhousie Square.
D. B. SOUL, *Acting Manager.*

BOMBAY OFFICE : 16, Veer Nariman Road.
F. R. BURCH, *Manager.*

NEWS IN BRIEF

THE Scindia Steam Navigation Company, Ltd., is expected to resume its India-U.S.A. service at the end of June next.

The Government of India has decided to issue actual users' licences on an *ad hoc* basis, for import of newsprint to publishers or printers of newspapers.

The stock of unsold cloth with cotton textile mills at the end of March 1958 was 344,800 bales, according to the Union Minister for Commerce and Industry.

The request of India to Burma not to raise the price of rice to be shipped to India, as originally intended owing to bad harvest in Burma, has been conceded by the Burmese Government.

The South-Eastern Railway is reported to have planned electric traction on 334 miles of the railway around Rourkela and Jamshedpur in order to cope with the heavy pressure of traffic.

The Union Government has set up a Corporation, called the Hindustan Salt Company (Private) Limited, to take over the Government salt works at Sambhar, Didwana and Kharaghoda which are at present departmentally managed.

The production of *baisakhi* lac crop in 1958 will be 596,000 maunds as against 650,000 maunds last year and the last ten-years' average 740,000 maunds, according to the preliminary forecast of the Indian Lac Cess Committee.

The Union Government will finance the U.P. Government's Rs. 16.38 lakh Ambar Charkha scheme. The scheme envisages production of 450,000 yards of Ambar and mixed khadi and provide employment to 6,000 families.

Import licences issued during the licensing period October 1957-March 1958 aggregated Rs. 299 crores, the number of licences being 80,964, as against Rs. 384 crores, the number of licences being 118,444 during the first six months of 1957.

With a view to encouraging research and raising production of oilseed crops, the Indian Oilseeds Committee has formulated a scheme for awarding annual prizes to breeders who evolve best strains of groundnut, castor, linseed, rapeseed, mustard and sesamum in the country.

The agreement between India and West Germany for the supply, on deferred payment basis, of heavy industrial equipment for the Rourkela steel plant, amounting to 660 million marks (about Rs. 70 crores), has been approved by the West German Parliament Budget Committee.

The Hindustan Machine Tools Factory, Bangalore is expected to undertake the manufacture of radial drills of different types under licence from a European firm. This will help further diversify the manufacturing programme. During the year 1957-58 the factory produced 402 diversified machine tools worth about Rs. 1.6 crores, as against the original target of 131 machines.

The total number of Janata life insurance policies issued by the Life Insurance Corporation of India from 26th May 1957 to 17th March 1958 was 24,411 and the value of such policies was Rs. 1,39,21,551. The question of extension of the scheme on a country-wide basis will be considered after evaluating experience gained and the data obtained from the working of the project in various centres in different zones.

The setting up of a Manganese Mines Labour Welfare Fund by imposing a welfare levy of Rs. 2 per ton, to begin with, on all exports of ores with more than 40 per cent. manganese content was approved by the Industrial Committee on Mines Other Than Coal, which concluded its two-day meeting at New Delhi on the 18th inst. It was made clear that exemption of low grade ores from the levy would not preclude workers employed in such mines from the benefits to be provided by the Welfare Fund.

The production of iron ore in India during 1957 aggregated 5,020,000 tons as against 4,858,000 tons in 1956, according to the Indian Bureau of Mines. The two major producing States—Bihar and Orissa —accounted for 1,935,000 and 2,042,000 tons respectively. Production in respect of these States in the previous year was 1,848,000 and 1,770,000 tons. Among the minor production States Andhra Pradesh accounted for 267,000, Mysore for 532,000 and Bombay for 119,000 tons in 1957. The production in these States in the preceding year was 402,000 tons, 541,000 tons and 127,000 tons respectively.

The Ship Repairs Committee, set up by the Government of India to enquire into the existing ship repair and dry dock facilities and to suggest measures for improvement, held its first meeting at Bombay on Wednesday, this week, Mr. O. V. Alagesan, Chairman of the Committee, presiding. The Committee decided to issue a questionnaire to all shipping companies, ship repairing firms, port authorities, etc., and set up a sub-committee to finalise the draft questionnaire. The Committee will later visit all the principal Indian ports and take oral evidence from interested parties.

A trade agreement was signed in New Delhi on the 18th inst. between the Government's of India and Ethiopia. Under the agreement, the Governments of the two countries have agreed to extend to each other the most-favoured-nation treatment in respect of customs duties, other taxes payable on imports and exports, and all customs regulations and formalities. Subject to the relevant regulations in force, the Governments will give the maximum possible facilities for import and export of commodities of interest to either party. For this purpose, lists of articles available for export from either country will be exchanged periodically. The agreement comes into force immediately and will be valid until the end of May 1959. It may continue in force for a further period of one year subject to any modification.

An agreement has been reached between Hindustan Antibiotics (Private) Ltd., Pimpri, Poona, and Merck & Co. Inc., one of the leading manufacturers of chemical and pharmaceutical products in the U.S., for the manufacture of streptomycin in India. The new plant will be constructed at a total cost of about Rs. 150 lakhs by Hindustan Antibiotics, adjacent to its penicillin plant. It is designed to have sufficient capacity to produce all of India's estimated need in the immediate future for streptomycin and dihydro-streptomycin in the treatment of tuberculosis. Under the present agreement, Merck & Co. will make available to the Indian firm its know-how and continuing technical assistance in the production of these antibiotics, as well as engineering assistance in the construction of the plant.

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From Abroad

New Zealand's earnings of foreign exchange from tourist trade during 1957-58 touched a record of £3.47 million, or a rise of over £300,000 as compared with the previous year.

A proposal to create an international body to prevent sharp fluctuations in world copper prices has been made by Chile to the United Nations International Trade Commission.

Australian demand for Malayan tin is expected to rise substantially in the next few years on account of the expansion of the tinplate industry, according to the Australian trade delegation which is now in Singapore.

The index of industrial production in the U.S. declined in March to 128 (Base: 1947-49=100), the lowest since August 1954, when the index stood at 123, according to the Federal Reserve Board. The decline in March is the seventh consecutive monthly drop.

The Soviet railway engineers have proposed the construction of a tunnel through the Himalayas to establish a rail link with India. The scheme it is said, will form part of a comprehensive long-term programme to tie the transport network of Asian countries more closely to the Soviet traffic systems.

West Germany's laid-up shipping tonnage (gross registered) as on the 15th inst. was 240.000 (103 vessels), that is, about 6.6 per cent. of the total mercantile tonnage. This represents an increase of 175,000 g.r.t. since the beginning of the year. Eight ships with an aggregate 23,633 g.r.t. were scrapped during the first quarter of 1958.

A trade agreement covering the period up to 1965 has been concluded between Czechoslovakia and the Soviet Union. Under the agreement, Russia will supply iron and manganese ore, oil, cotton, grain, rolling mill, forge and press equipment and metallurgical machine tools, while Czechoslovakia will supply machines and equipment, including electric and diesel locomotives.

Output of steel ingots in Canada during the first three months of this year declined by 14 per cent. and that of pig iron by 18 per cent. The quantity of steel ingot and pig iron actually produced in the quarter was 1,150,272 tons and 761,285 tons, as compared with 1,333,766 tons and 931,347 tons, respectively, a year before.

In pursuance of the decision of the British Government to help the exporters of major capital goods through an increase in the volume of direct guarantees under the Export Credit Guarantee Scheme, the minimum qualifying sum for a guarantee is to be reduced from £250,000 to £100,000, with a corresponding increase in the cover from 85 per cent. to 90 per cent.

The U.S. Department of Agriculture has announced that more than 33 million pounds of flour from U.S. wheat reserves will be processed for export to Ceylon under a U.S. agreement with that country. Contracts have been awarded to process approximately 765,000 bushels of U.S. reserve wheat into 33,061,420 pounds of flour for export to Ceylon. Since 1st January approximately 2.9 million bushels of this reserve wheat have been scheduled for processing into 124,819,020 pounds of flour for export shipment under U.S. aid programmes.

The Pakistan Government has decided to conduct the first agricultural census in the country in 1960. An organisation known as the office of the Agricultural Census Commission has already been set up in Karachi. The first task before the Agricultural Census Commission is to finalise the census slip and a Census Advisory Committee has been constituted for this purpose. Since the census operation will cover a wide range of subjects such as land, cropping tenure system, livestock, irrigation system, agricultural labour, manure, etc., for which advice from experts is necessary, it has been decided to include experts in the Committee.

The member-nations of the General Agreement for Tariff and Trade now in session at Geneva appointed on the 16th inst. a working party under the chairmanship of Signor Cozzi (Italy) to examine the legal aspects of the import restrictions imposed by West Germany under its four agricultural marketing laws. The working party will look into the contention of West Germany that the restrictions do not come within the scope of G.A.T.T. A panel of conciliation was also constituted with Mr. Dana Wilgress (Canada) as Chairman to examine the contention of Australia that the French subsidies on wheat and flour adversely affect the trade of Australia in these commodities in the traditional markets.

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PERSONAL

SIR Joseph Kay, K.B.E., Chairman and Managing Director of Messrs. W. H. Brady & Co., Ltd., left Bombay for the U.K. on Thursday, 24th inst., by R.M.S. *Strathmore*.

Mr. L. N. Birla, a well-known industrialist, left Calcutta on Monday on a three-month tour of Europe.

Mr. R. K. Nehru, until recently India's Ambassador to China and Mongolia, has been appointed Ambassador of India to the United Arab Republic.

Mr. B. V. Baliga, Chief Engineer, All India Radio, has been appointed Managing Director of Bharat Electronics Limited, Bangalore, in place of Mr. A. K. Ghosh.

Mr. Jagan Nath Jaini, Chairman, National Advertising Service Private Ltd., left for Tokyo to participate in the Asian Advertising Conference which commenced there on the 22nd inst.

Mr. Chandra Sekhar Jha, at present India's Ambassador to Japan, has been appointed India's Permanent Representative to the United Nations. He is expected to assume charge of his new assignment in June.

Lt.-Col. B. M. Chakravarti has been appointed head of the newly set up Electronics Research and Development Establishment at Bangalore. The establishment will stimulate research in electronics pertaining to defence.

Mr. Bharat Ram has been elected Chairman of the Board of Directors of the Delhi Cloth and General Mills Company, Ltd., *vice* Mr. Shri Ram who has retired. Mr. Shri Ram continues to be on the Board of Directors.

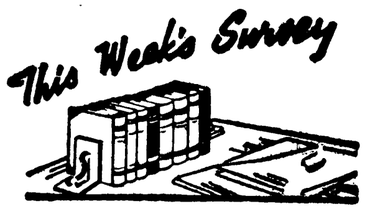
Mr. R. L. Gupta, Secretary to the Ministry of Transport, returned to Bombay from London on Thursday last. He had been to the United States for finalising loan arrangements with the World Bank for development of ports in India.

Mr. Vallabhdas V. Mariwala has been elected President and Mr. Manekchand M. Gandhi, Vice-President of the Pepper and Ginger Merchants' Association for the current year. Mr. Anandji B. Nagda is the Honorary Secretary of the Association.

Mr. C. Ramasubban, member, Tariff Commission, assumed charge as Chairman of the Commission on Wednesday this week, *vice* Mr. K. R. Damle who has been appointed Secretary to the Union Ministry of Food and Agriculture.

Mr. Triloki Nath Kaul, at present Chairman of the International Commission for Supervision and Control and leader of the Indian delegation in Viet Nam, has been appointed Ambassador of India to Iran. He will assume charge of his new assignment in August.

Mr. H. Bailey, who succeeds Mr. G. J. Macmahon, C.M.G., as Senior Trade Commissioner Macmahon, C.M.G., as Senior Trade Commissioner for the United Kingdom in India, arrived in Bombay on the 20th inst. He left for New Delhi on Wednesday this week. Mr. Macmahon will leave Bombay for the United Kingdom on 4th May on the completion of his term of duty.



FOODGRAINS TARGET

THE latest move of the Union Government to fix village-wise targets for grow-more-food campaign from this year onwards must be welcomed. The fixation of targets will be left to the villagers, every possible help being given in achieving the same. While fixing the targets for each State, the capacity of the State concerned to produce and its performance during the previous year will be taken into account. Whenever a target is fixed, it is done with the full hope that it will be fulfilled.

The adoption of the village-wise basis for grow-more-food campaign has come not a day too soon. When the second Five-year Plan was formulated, the Planning Commission had clearly emphasised that each district and, in particular, each national extension and community development project area, should have a carefully worked out agricultural plan, indicating for the villages the targets to be aimed at, the broad distribution of land among different uses and the programme of development. The village-wise fixation of foodgrains production targets will doubtless go some way towards arousing the enthusiasm or effect in the countryside. After all, it must be remembered that foodgrains production can be stepped up as much through incentives such as provision of irrigation, credit and marketing facilities, and supply of fertilisers as through intimate contact with the cultivator on the part of extension workers, especially the village-level workers.

Although more than two years have elapsed since the second Plan began, the progress actually made so far in the direction of fulfilling the foodgrains production target of 80.5 million tons is not quite encouraging. It is true that the output of foodgrains in the first year (that is. 1956-57), amounting to 68.7 million tons, was higher by 3.4 million tons as compared with the previous year. But, in the current year, there have been droughts over considerable areas and the supply position has turned out to be difficult. The actual production of foodgrains is expected to remain at the 1956-57 level. That the adoption of energetic steps to augment production of foodgrains is of the utmost importance is clearly brought out in the Government of India *Economic Survey* 1957-58 presented to Parliament two months ago. The *Survey* observes:

"The relative elasticity of food production over the last two or three years is also responsible for some of the difficulties that have arisen in the course of the implementation of the Plan. Food prices hold a key position in the Indian price structure. To the extent that food prices are higher, the saving capacity of the urban middle-class diminishes. Even a small rise in food prices is apt further to induce withholding of supplies. The task of limiting well in time and to the requisite degree the claims of consumption in a low-income economy presents difficulties. It is particularly important, therefore, that, in the adjustments being made in the Plan, there should be greater stress on increased food production."

As compared with the estimated output of 68.7 million tons in 1957-58, the total additional output that should be raised if the target of 80.5 million tons fixed for 1960-61 is to be realised, is nearly 12 million tons. The development programmes approved for 1958-59, it is stated, will increase the production by about 3.0 million tons, that is, to 71.7 million tons. According to a note reported to have been prepared by the Planning Commission which was placed before the meeting of the informal Parliamentary Consultative Committee on Planning held at New Delhi on Tuesday this week, the revised target of 80.5 million tons of food production by 1960-61 (an addition of 15.5 million tons, as against the original target of 10 million tons) will be realised thus: 2.66 million tons by major irrigation; 2.24 million tons by minor irrigation; 3.82 million tons by fertilisers and manures; 3.80 million tons by improved seeds; 1.01 million tons by land reclamation and development; and 1.97 million tons by improved agricultural practices.

The possibility of obtaining large increases in foodgrains production in the next three years seems greatest, according to the Foodgrains Enquiry Committee, from the schemes for fertilisers and manures, improved seeds, and minor irrigation. Viewed thus, it is gratifying that the Government of India has decided to reduce the prices of fertilisers supplied to farmers as soon as the country is able to get imports of fertilisers. Disclosing this, Mr. M. V. Krishnappa, Union Deputy Minister for Agriculture, declared in the Lok Sabha the other day that, as it was, fertilisers were being sold at reduced prices through subsidies. As regards irrigation, it is said that several State Governments have informed the Centre that they are not in a position to undertake major projects and have expressed a desire to start more minor schemes. Apropos this, the Planning Commission has recently set up a committee to go into the whole issue. It is to be hoped that the Committee will submit its recommendations at the earliest possible time and that the authorities will not waste much time in implementing the same. Meanwhile, a study of the non-utilisation of irrigation potential of major and medium irrigation works conducted by the Programme Adviser to the Commission reveals that, in most of the States, legislation needs to be enacted for making it obligatory on the part of cultivators to construct field channels. It is rightly stressed that cultivators must be made irrigation-minded through proper demonstration of intensive irrigation work. Incidentally, mention may be made of certain difficulties experienced in the way of the farmer utilising the full funds made available to him, because of the discrepancy existing between the financial year and the agricultural year. It is gratifying that the Agriculture Minister has already taken up this matter with the Finance Ministry and a satisfactory settlement is expected to be arrived at shortly.

FERRO-MANGANESE PLANT

What was two years ago a valley of paddy fields—Joda, in the Koonjhar District of Orissa State—has since throbbed into industrial life. In this valley is located the Rs. 1.75-crore ferro-manganese plant which was formally declared open by Dr. Hare Krishna Mehtab, Chief Minister of Orissa, on Sunday last. The plant which, incidentally, is the first Tata Industries enterprise in the State of Orissa, is part of the Tata Iron and Steel Company's Rs. 120-crore project for raising its steel output to two million tons. Foreign exchange outlay on the plant is roughly about Rs. 70 lakhs.

Ferro-manganese, it is common knowledge, is a vital requirement for steel-making. Manganese ore, the main raw material for the manufacture of ferro-manganese, is available in plenty in the vicinity, while limestone is obtained from Birmitrapur in Orissa and coke from the coke ovens at the T.I.S.Co., Jamshedpur. A sub-station of the Hirakud projects supplies the power required for working the furnaces. The plant at present has two 9,000 KVA electric furnaces. The annual installed capacity of the plant is put at 36,000 tons which will not only fully meet the T.I.S.Co.'s requirement but actually leave a small surplus. In due course, the capacity is proposed to be increased to 100,000 tons a year. It is noteworthy that, true to the best traditions of efficiency characteristic of the House of Tatas, the plant has been built eight months ahead of schedule. The achievement is creditable especially because work had to be carried out against heavy odds, such as lack of transport and communication facilities.

The Joda plant is one of the seven plants that are being erected in Orissa, Bombay, Andhra and Mysore. It will be recalled that the prospect of higher foreign exchange earnings from exports of ferro-manganese, instead of ore, and the anticipated enlarged requirements of the expanding steel industry led the Planning Commission to give special attention to the manufacture of ferro-manganese in the second Plan. The production target is fixed at 160,000 tons, of which about 100,000 tons are expected to be available for export, earning for the country approximately about Rs. 9 crores. India is the second biggest producer of manganese ore, next only to the Soviet Union. Exports of ore brings in annually foreign exchange earnings to the tune of Rs. 10 crores. Although there are large ore deposits, no serious attempt was made so far to smelt the ore and produce ferro-manganese. This was due to a number of factors. The Indian ore processed in blast furnace with indigenous coke, for instance, is comparatively low in manganese content and high in phosphorus. It is, therefore, not readily acceptable in foreign markets. Further, the use of electric process for smelting is not feasible, thanks to non-availability of cheap power supply. Consequently, the quantity of ferro-manganese actually manufactured in this country is very limited and even this quantity is utilised only by the indigenous steel industry. T.I.S.Co. first manufactured ferro-manganese in India 43 years ago, solely to meet its own needs.

The aforesaid handicaps have since been removed to a great extent. Several hydro-electric projects have materialised and electric power is now readily available for smelting manganese ore. The fourfold increase in steel production envisaged in the second Plan has necessitated a fourfold rise in internal consumption of ferro-manganese. There is, besides, the consideration that the country can enhance its export earnings by exporting ferro-manganese instead of ore.

While the manganese ore deposits in the country are considerable, the reserves of high-grade ore are rather limited. Mr. Jehangir Ghandy, a Director of T.I.S.Co., therefore, did well, to underline, in the course of his address at the opening ceremony, the need for conserving the limited resources of high grade ore. Mr. Ghandy said that there was some reason for anxiety with regard to supply in the long run; scarcity of high-grade deposits made it necessary to beneficiate low-grade ores. The experiments now in progress in the National Metallurgical Laboratory at Jamshedpur are expected to produce satisfactory methods of beneficiation which can be adopted on a wide scale. It was in the common interest of manufacturers of ferro-manganese and exporters of manganese ore, Mr. Ghandy pointed out, to find some use for low-grade ores, so that the economic life of the mines could be prolonged. He, of course, stressed that, until a suitable process of beneficiation was evolved, the ferro-manganese industry would have to rely on the limited high-grade deposits available in the country. Mr. Ghandy wanted restrictions on exports of such high-grade ores, particularly in Orissa where as much as 50 per cent. of the run of mine ore has a manganese content of 30 per cent. or less. Otherwise, the newly opened ferro-manganese plant will have to work, as Mr. Ghandy warned, with ores brought in from elsewhere, thereby adversely affecting the economics of production, not to speak of the diminishing benefits to the State generally.

AUTOMOBILE INDUSTRY

Some of the problems which impede the rapid development of the automobile industry in the country was highlighted by Mr. Lalchand Hirachand, President of the Automobile Manufacturers' Association, in his address to the annual general meeting of the Association, held in Calcutta on the 10th inst. Mr. Hirachand pointed out that the assistance given by the Government to the industry was fully justified by the steady progress achieved by it during the past few years. The industry is now manufacturing nearly all the vital assemblies normally expected to be manufactured by the automobile makers in respect of cars and trucks. It is expected that, by the end of 1958, nearly 70 per cent., of the components of cars and trucks will be produced in the country. The total annual assembling capacity in the industry at present on a single-shift basis is about 50,000 vehicles. Since 1953, the production of vehicles continued to increase, though it is still much below capacity. Total production of automobiles in 1957 was 30,604, as against 32,137 in 1956, 23,084 in 1955, 14,462 in 1954 and 13,926 in 1953. Sales were below annual production except during last year. Sales aggregated 31,543 in 1957, 31,485 in 1956, 23,065 in 1955, 13,813 in 1954 and 9,400 in 1953.

Mr. Hirachand referred to the industry's pressing problems. The major factor that inhibits the growth of the industry, according to him, is the low level of demand for automobiles which is evident from the sales figures each year which fall short of production. At the current rate of demand, which is met by six manufacturers, there is little scope for effecting any appreciable economies in manufacture. The Planning Commission has estimated that the demand for automobiles at the end of the second Plan will have risen to 57,000 vehicles, as against the Tariff Commission's estimate of 65,000 vehicles. The realisation of this target, as Mr. Hirachand emphasised, will depend to a large extent on the policies of the Government. Government's fiscal policies, which leave hardly any savings with the people, according to him, have been in a large measure responsible for the low demand for vehicles. Another reason is the heavy incidence of taxation on motor vehicles. While motor vehicle taxation in India is considered the highest in the world, the *per capita* consumption of vehicles is the lowest.

Anomalies in the sales tax legislation existing in the different States. Mr. Hirachand pointed out, were a source of considerable harassment. They also upset the comparative cost structure of the industries in the different States, disturbed the normal trade arrangements and thus proved a hindrance to increased offtake of vehicles.

Apart from paucity of demand, certain other aspects of Government policies have also adversely affected the progress of the automobile industry. It is regrettable that the Government has not accepted the Tariff Commission's recommendation for levy of higher duties on imported components so as to give sufficient incentive to the indigenous manufacturers of components. The result is that firms which have made considerable progress in the manufacture of components are faced with competition. The present rate of duty, as Mr. Hirachand pointed out, is hardly conducive to the development of the industry.

The restrictive import policy in respect of capital goods and raw materials has been a source of anxiety to the industry. A more liberal policy which will enable import of capital goods necessary for the manufacture of components is required. The Government should also consider the provision of liberal financial assistance to the industry, in view of the fact that motor transport has been assigned a very important role in the second Plan, especially as the capacity of the railways is certain to fall short of requirements.

PROTECTION FOR P.A.S. ACID

The claim of the para-aminosalicylic acid (P.A.S. acid) industry for protection is currently being examined by the Tariff Commission. A public enquiry into the question was held in Bombay recently, Mr. C. Ramasubban, Member, Tariff Commission, presiding. The industry has asked for protection in order to counteract the growing foreign competition and to ensure the rapid development, with a view to meeting in full the indigenous demand. P.A.S. and its salts are assessed to duty under item 28 of the First Schedule to the Indian Tariff Act 1934, the standard rate of duty being 40 per cent. *ad valorem*, while the preferential rate is 30 per cent. *ad valorem*. The item is also covered by the G.A.T.T., according to which the rate of duty leviable on these products is not bound, but the margin between the standard rate and the preferential rate applicable to the U.K. and British Colonies is restricted to 10 per cent. For the current licensing period April-September 1958, the quota for established importers remains the same, namely, 10 per cent. In addition, applications from actual users are considered on an *ad hoc* basis in consultation with the Development Wing.

There exists, it is said, considerable consumer prejudice for indigenous product, the prejudice which stems largely from the fact that the pharmaceutical firms and tablet makers, the principal consumers, have close and intimate connections with foreign firms. Attention is drawn here to the heavy dependence of the industry on imports of raw materials to the extent of as much as 90 per cent. Attention is also drawn to the incidence of freight rates and customs duties. These two factors, says the industry, account for the high cost of producing para-aminosalicylic acid.

The plea of the industry for tariff protection would appear to be quite justified. This is one of the newly-born industries of India. It has been endeavouring to maintain a high level of output. The total quantity of P.A.S. salts and acids now being produced is at an annual rate of 95,048 lbs. (on the basis of figures for the first quarter of the year), which compares very favourably with the actual production of 55,353 lbs. in 1957 and 8,933 lbs. in 1956. The production

(*Continued on page* 813)

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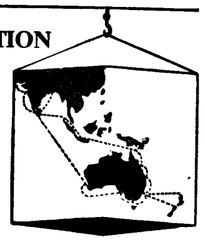

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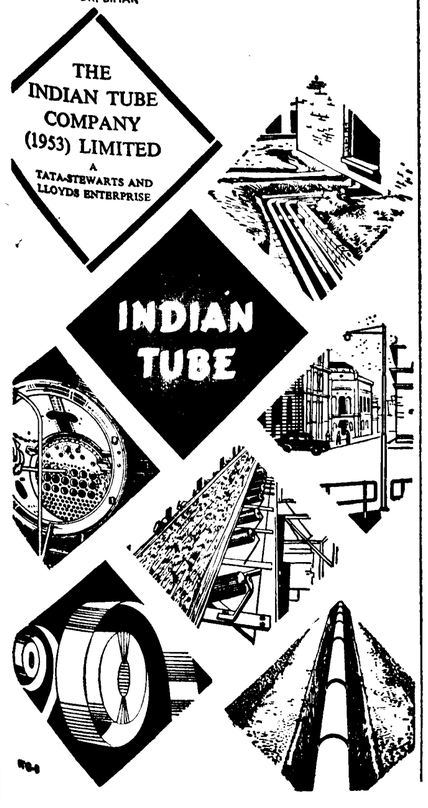

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REACTION IN CONGRESS CIRCLES

From A Special Correspondent

NEW DELHI, *22nd April*

FROM Avadi to Amritsar, much water has flowed under the bridge, and the current strategy and tactics of the Communist Party of India have acquired more than ordinary significance. And so a departure from the usual run of economic articles is made this time to a political subject. At Avadi, the democratic Congress Party transformed itself into a "socialist" party; at Amritsar, the totalitarian Communist Party has just transformed itself into a "democratic" party. The socialist metamorphosis of the Congress was not just "tactical"; it had its roots in the Karachi Congress resolution of the early thirties and has actually led to a substantial expansion of the public sector and to egalitarian measures of taxation. Even so, the democratic transformation of the Communist Party may not be just "tactical," for the objective conditions have been favourable to a partial qualitative change in that Party's basic strategy itself.

DELHI LETTER

The Communist Party's basic strategy was always one of violent class war as a means to the capture of State power. The "violence" part of this strategy has been rendered superfluous by two major sets of objective conditions. One of these is the existence of a constitution which has guaranteed adult franchise (in the context of mass poverty) and provided ample scope for peaceful "class conflict" and for a moderate socialist transformation of the economic order, if not for a total overthrow of the framework of private property relations. The other is the continuing incapacity of Congress Governments to tackle effectively the crucial problem of food as it affects the low-income groups. As long as the wobbling "middle third" of society is subjected to the more severe part of an inflationary impact, its continued allegiance to the Congress Party cannot be taken for granted.

Smug Reaction

In the context of adult franchise and of the political education or miseducation that has taken place in two successive General Elections, this can easily give a majority or near-majority to the Communist Party which, in a shrewd calculation of potentialities, has just decided to transform itself from a party of professional revolutionaries into a peaceful, though militant, mass party, throwing its doors open to wider membership. The smug reaction in Congress circles here that this change is good on the ground that, in a mass party, all our national weaknesses will get reflected and thus weaken the Communist Party, even as they weaken the Congress, is unwarranted. This is not likely to happen, because the mass recruits to the Communist Party will be composed of those elements of society whose homogeneity as have nots and impoverished lower middle classes will outweigh their heterogeneity. The ability and resourcefulness of the Communist leadership in keeping them together would have to be reasonably assumed, if the possible power of a "mass" Communist Party is not to be underestimated. The Communist bid for capture, by constitutional means, of political power in some States to begin with and at the Centre ultimately is potentially of grave import in the context also of what is happening in Kerala.

What is significant in Kerala is not the law and order situation as such or its deterioration but the determined Communist effort to exploit constitutional possibilities for presenting a better picture of performance to the people in other States and also for aggravating class conflicts in a more or less peaceful way. The Kerala Chief Minister's report to the Amritsar Congress on the first year's work of his Ministry is significant in this regard. The Kerala Ministry's attempt to change "class relations" in villages quickly and radically by a series of agrarian reform measures has, according to Mr. Sankaran Namboodiripad himself, "led to a certain amount of tension," but has also presented a picture of better and more energetic constitutional performance as compared to the "leisurely and tardy" process of land reform in other States.

Even more significant (and probably more mischievous) than the Kerala Chief Minister's report is the economic platform of the policy resolution adopted by the Amritsar Congress. Some of the planks in this platform would need to be examined closely. First, on the second Plan, the resolution says that all its targets must be realised, condemning in the same breath most of the methods for raising internal and external resources. The Communist Party knows that the Plan's original targets cannot be wholly realised, but that the Congress Party has throughout promised, in its mass propaganda, to realise those targets. To go on campaigning for the achievement of all the targets of the Plan, as the Communist Party intends to do, would be to discredit the Congress in public estimation by the time the next General Elections take place. What this will mean in terms of votes for the Communist Party may be guessed. At the same time, the Communist Party's attempt to exploit the unsavoury and unpopular consequences of a high level of inflationary deficit financing is expected to have its own reward in terms of more votes.

Agrarian Relations

Again, the planks regarding food and radical agrarian reforms are shrewdly designed to get for the Party the best of both worlds. To campaign ceaselessly for land reforms would be to keep alive a sense of fear and insecurity among substantial and even medium landowners who will continue to refrain from making any sizable re-investment in their lands, with the result that food production will not come in for maximisation. The consequent continuance of food scarcity would constitute an ideal situation for Communist political exploitation. The Communists know that food scarcity, especially rice scarcity, cannot be relieved without a short-term increase in production, but the fact remains that they have all along concentrated their activities in those rice-eating States—activities of a kind calculated to disrupt agrarian relations.

This examination of some economic planks is sufficient to convey that the Communist Party can conceivably hold with the hare and run with the hounds, and make a success of both the enterprises. It cannot be gainsaid that there is an undercurrent of deep concern in Congress circles here over the potentialities of the Amritsar reorientation in Communist strategy. There is, for obvious psychological reasons, no disposition on their part to admit this openly. Instead, like a lone man whistling to himself in the darkness—the comparison, of course, does not stand on all fours—the Congress President is just reported to have said in Madras that the abjuration by the Communist Party of its creed of violence is a triumph for the Congress!

This is, again, a complacent reaction which ignores the fact that the Communist Party has not ceased to be a "militant" party specialising in militant class struggles. Such struggles may conceivably, at some point or other, end up in violence. There is again doubt about whether the Communists, if ever they should capture power by peaceful means, that is, through the ballot-box, would rest content with the constitutional possibilities for a moderate socialist transformation of the economic order. It is ten to one that, in such a situation, they would confidently go further and destroy, as in Russia, the entire edifice of private property relations in agriculture, industry and trade. Such a root-and-branch revolution would necessarily involve the destruction of all democratic liberties and the suppression or forced assimilation of all opposition parties. Here is the rub.

A committee has been constituted by the Government of India, under the chairmanship of Mr. T. Prasad, Chief Director, Directorate of Sugar and *Vanaspati*, Ministry of Food and Agriculture, to advise the Vegetable Oil Products Controller for India on matters of technical nature regarding Government's control over the quality of *vanaspati* manufactured in India. The Technical Committee is expected to meet twice a year.

THE "DON'T KNOW" BUDGET

From Our Own Correspondent

LONDON, *18th April*

FOR all the length of Mr. Amory's survey of the past and future of the country's finances, the Chancellor was at a loss what to do and he as good as said so. He made his uncertainty sound impressive by giving the impression that he was like the captain of a ship steering his way through troubled waters in a thick fog. But, in fact, Mr. Amory and the Government are lost in the fog! The Government had already repudiated the previous Chancellor's tough policies of continued deflation, but they were afraid to give the relaxations which the budget surpluses indicated were possible, because it might lead to renewed inflation. They were not going to institute physical controls and every course before them seemed accordingly fraught with dangers. In the outcome, the Chancellor, Mr. Amory, took the advice of the cautious, remitted some taxes he thought would be popular and held his hand on the more exciting budget reliefs till somewhat nearer the next Election.

LONDON LETTER

Economic Health

The Chancellor's speech began by stressing the signs of improvement in the economic health of the country. Yet, in spite of that improvement, prices had gone on rising and so contributed towards the foreign exchange crisis of last year. The fear of a return of that crisis dominated all the rest of the Government's thinking.

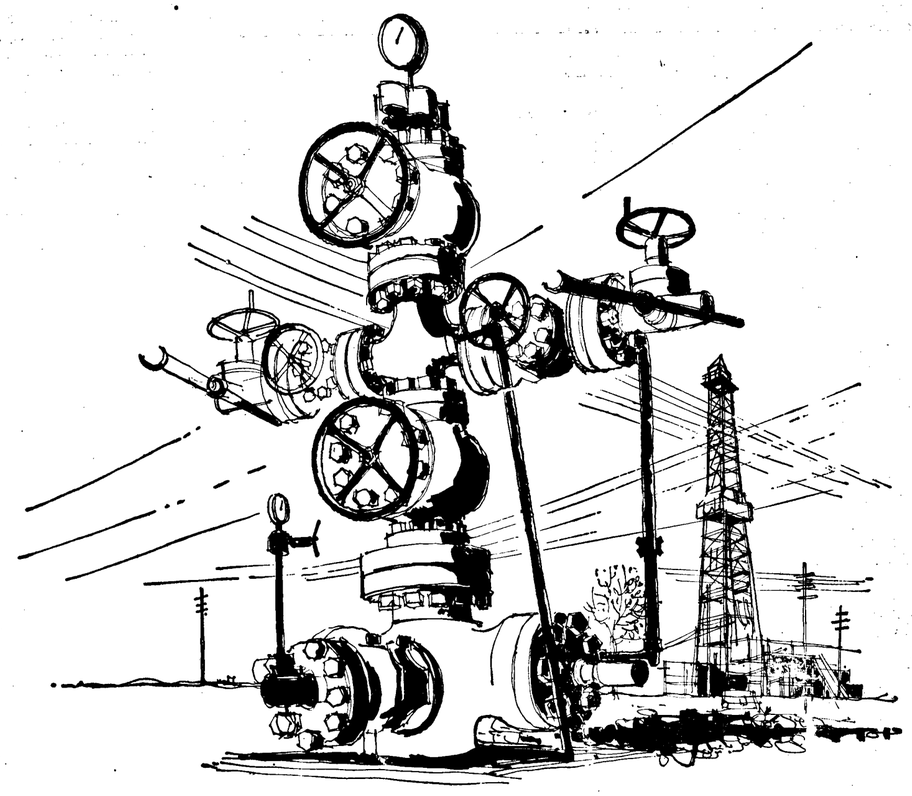
As far as the internal position showed, the budget was very healthy. Last year's revenue aggregated £5,343 million, which was £54 million above the estimate, and ordinary expenditure amounted to £4,920 million which was £93 million above the estimate. So there was a surplus of £423 million. On the other hand, the "below-the-line" expenditure, that is abnormal or mainly capital advances of the Government, totalled £635 million and simple arithmetic shows that the National purse lost £212 million over the year. The year ahead is expected to produce about £150 million more than last year and expenditure will be about the same amount more, thus the surplus is again expected to be rather better than £400 million, but, allowing for "below-the-line" advances of another £600 million, there will again be a deficit to be financed out of Government borrowing of rather less than £200 million.

Cautious Attitude

The Chancellor normally looks at his ordinary income and expenditure in deciding what tax changes are possible, but it is fashionable at this stage for the Chancellor to take a look-out over the external field and modify his proposals according to what he sees. And everything that Mr. Amory could see—the growing recession in the United States, the possible weakness in the export demand—made him cautious. He was determined to consolidate. He was not afraid of any growing recession in this country and he could point to a long list of public works that could be embarked upon should the danger of mass unemployment arise. But, for the time being, he would have to be cautious. In short, he did not know where he was going. So he felt he ought to stand still until the fog cleared. But as he could not stand quite still, he tried to shuffle his feet encouragingly by knocking off purchase tax from a number of items, giving improved tax reliefs for old people and lowering the duty on cinema seats and wines. Even the wine industry were taken aback by this last concession, for which, of course, they ask every year, but least of all expected to get this year.

Even the reliefs are not logical, since purchase tax has been increased on some items in a search for consistency. Nor are the industrial reliefs logical—on the one hand, a valuable encouragement to investment is given by increasing the allowances made on capital investments, but, on the other hand, the tax on distributed profits is brought down and that on ploughed back profits is pushed up. "It is a stodgy-looking box," said Mr. Amory, holding up the traditional despatch case on the steps of his house in Downing Street before proceeding to Parliament, and the consensus of opinion is that he spoke a true word!—*All Rights Reserved.*

The Story of Oil—8



Trees of steel

When a well strikes oil, the first consideration is to stop it gushing. Such an occurrence, though spectacular and common in the early days of drilling, is wasteful. To counteract the pressure, therefore, the mud used during drilling is pumped into the well. The drill is then replaced by narrow tubing which stretches from the bottom of the newly discovered deposits to the 'Christmas Tree' on the surface. The latter is a system of valves which control the flow of oil.

Crude oil, by itself, cannot move. It usually lies between natural gas (on top) and water, so that when the oil trap is pierced by the well, any gas present seeks to expand and pushes down on the oil, driving it upwards. Or gas may be dissolved in the oil itself, and as it expands it pushes the oil to the surface. If, however, a large quantity of water lies below the oil, it forces the oil out of the porous rock and into the well. Sometimes a combination of gas and water pressure drives the oil to the surface.

Normally this pressure is sufficient to keep a well flowing for some time. But as the porous rocks are drained, the pressure declines. Then one of several artificial methods can be used to keep the oil flowing. The 'Christmas Tree' can be replaced by a mechanical suction pump which draws the oil up to the surface. Or gas can be fed into the deposits (between the casing and the tubing) to mix with the oil and bring it to the surface. Or, as a last resort, gas or water can be pumped down a neighbouring well to recreate the original pressure.

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U.K. BUDGET AIMS AT ENDING INFLATION

INDUSTRIAL ACTIVITY TO BE STIMULATED

THE maiden Budget (for 1958-59) of Mr. Heathcoat Amory, after he became the British Chancellor of the Exchequer in January last, and the eighth one since the Conservatives came to power in 1950, is noted for its cautious approach aimed at consolidating the strength of the nation's economy. As Mr. Paul Bareau, the well-known columnist points out, "the general economic background against which this year's Budget had to be framed demand a 'safety first' approach." Having successfully retrieved sterling from the extremely weak position in which it was by the drastic action taken last autumn and restored the confidence in the pound, the British Chancellor has not found the time yet ripe for relaxing the country's efforts. Although the inflationary pressures have eased a little, there is every reason to think that the threat of further inflation persists and is inherent in the wage demand. Mr. Amory's effort was, therefore, diverted not to fight the recession but to check inflation. He, no doubt, announced a relaxation of credit squeeze restrictions, but this was confined only to areas of heavy unemployment, as he was convinced that the time had not come for a general relaxation of the credit policy. The Budget proposals were, in short, designed to consolidate the ground gained and poise the economy ready for a resumption of a steady rate of expansion as soon as it can be done.

The most important change made by Mr. Amory to give encouragement to industrial investment is the increase in initial allowances by one-quarter, so that they become 25 per cent. for plant and machinery and 12½ per cent. for industrial buildings. The new rate, which will apply on expenditure incurred after 15th April 1958, will cost the Treasury nothing this year, £16 million next year, and £23 million in a full year. The next important change made in respect of company taxation is the unification of the different rates of tax on company profits. Till now, two rates of tax were being levied on the distributed and undistributed profits, but this has been replaced by a single rate of 10 per cent. to be levied on the whole of a company's profits. The change is operative from 1st April this year, but generally speaking the tax will not be payable until next year. It will cost the Exchequer £10 million next year and £16 million in a full year. The reconstruction of profits tax will, however, increase the tax liability of firms which have been ploughing back a high proportion of their profits.

The purchase tax has been simplified by reducing the number of rates of tax from seven to four. This has been done by abolishing the 90 per cent., the 50 per cent., and the 10 per cent. rates. The resulting tax structure will be a standard rate of 30 per cent. on a wide range of goods, a rate of 60 per cent. on a few big revenue-yielding items (such as cars, radio and television sets, gramophone records and cosmetics), and lower rates of 15 per cent. and 5 per cent. on more essential personal and domestic articles.

The stamp duty on conveyances of land and buildings costing up to £3,500 has been abolished and on those costing between £3,500 and £6,000 has been reduced until the maximum rate, £2 per cent., is applicable on property valued at £6,000. The changes will come into effect only from 1st August 1958. The cost, with two other concessions, will be £3.75 million in the first year and £23 million in a full year.

The exemption limits for income-tax on people over 65 has been raised from £400 to £440 for a married couple and from £250 to £275 for a single individual. The income limit for the age relief has also been raised from £700 to £800, below which level the income, whether earned or not, will be treated as if it were earned.

These, along with a number of other detailed changes, will cost the Exchequer £50.5 million this year and £108 million in a full year. The estimated surplus "above the line" is £364 million and the estimated overall deficit £236 million.

The Chancellor said that there was clearly no room for large relaxations this year, but he was of the view that his proposals lightened some of the burdens on the taxpayer, improved the fiscal system, and left the economy balanced and ready to resume a steady rate of expansion as soon as price stability had been attained.

Reviewing the economy of the country, Mr. Heathcoat Amory said:

"Inflationary pressures are subsiding, and in some countries production has fallen off. The question is: Does this portend only a pause soon to be followed up by a renewal of an upward trend, or are we at the beginning of a more protracted downhill movement? Whatever the outcome, our policies must be guided by three dominant objectives: to maintain the value of our currency, to strengthen our external finances by increasing our reserves or reducing our liabilities, or both, to play a part consistent with our resources and our responsibilities in the expansion of world trade and the development of the Commonwealth. Our strategic aim must always be steady expansion, although the tactics may sometimes dictate a pause."

Although the growth of production in the U.K. was small in 1957, there were some satisfactory shifts in the use of resources. Thus, the lion's share of the increase of output went to investment. In 1957, the rate of fixed investment rose by 5 per cent. in real terms. Over the past five years, the proportion of the national product devoted to fixed investment had risen from 14 per cent. to 17 per cent. Giving the other side of the picture, Mr. Amory pointed out that this pressure of demand had perceptibly relaxed. Although the United Kingdom was fully employed, there was rather more unemployment than a year ago—2 per cent., as compared with 1.7 per cent. in March last year. On the other hand, costs and prices again proved to be an Achilles' heel. The price level of output as a whole was 3 per cent. higher and retail prices rose by 3½ per cent. The main cause was that wages and salaries went up faster than output—6 per cent. compared with 1½ per cent.

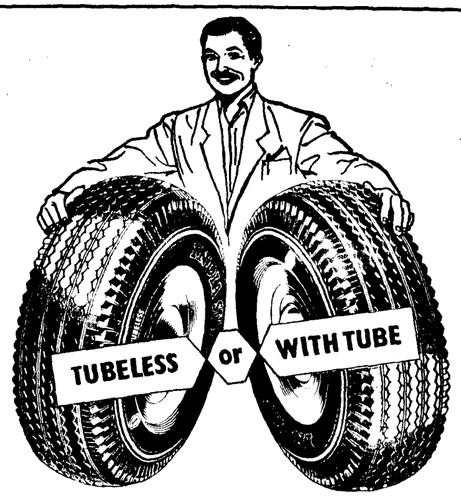
These figures explained the failure to halt inflation last year. Most economic worries stemmed from that. Nevertheless, Mr. Amory was glad that the retail price index had remained steady in recent months, and wholesale prices of manufactured goods had also been stable. There was now a golden opportunity at least to halt, and possibly to reverse, the trend of rising prices. It was important to make full use of this opportunity. He agreed that, after a long period of steady growth, exports had recently levelled off as a result of conditions in oversea markets caused by the check to growth in industrial expansion in the United States and elsewhere.

Referring to the success achieved by the drastic measures taken in September last to restore the confidence in the pound, the Chancellor observed:

"The decisive response we made was effective. Since then the figures have shown that confidence in the pound has been restored. Even apart from the special measures taken to reinforce the reserves, we have regained what we lost in the third quarter of last year. Today, the reserves stand higher than last year, excluding altogether the fresh borrowings and the postponement of the debt services. We reduced our sterling liabilities to oversea countries in the second half of last year by £227 million. In this same period we increased private oversea investment by over £100 million. So we have some solid progress to record."

Summing up the prospects for the year ahead, Mr. Amory said that there were two considerations for the future, namely, the need for succeeding in the struggle for stable prices and finding the right course to pursue in a world threatened by tendencies to recession. In spite of some uncertainties the prospects for home demand seemed reasonably satisfactory. Provided competitive power was retained, employment should remain at a high level. Government expenditure would be about the same as last year in terms of real resources. The level of expenditure would continue to be held at an absolute minimum. Proceeding, the Chancellor observed: "Foreign demand for our goods has kept up well. But we are seeing

(Continued on page 823)



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PROFIT SLIGHTLY HIGHER

FOR the second year in succession the Directors of the Bank of Jaipur Ltd. (General Manager: Mr. S. L. Kothari, Jaipur) have stepped up the dividend, the latest year for which this has been done is the one ended 31st December 1957. Last year, the dividend was raised from 4 per cent. to 5 per cent. per annum and this year, this has been increased by another 1 per cent. to 6 per cent., the highest rate of distribution made by the Bank since its inception in 1943. The increase in dividend follows the further, albeit small, expansion in profit earned for the year under review.

The profit has gone up by Rs. 90,000 to Rs. 10.72 lakhs. This increase does not compare well with that of Rs. 3.62 lakhs recorded in the previous year, but, with this rise, the Bank's profit has established a fresh record in its history. Despite this small improvement in profit, the provision for taxation has been pruned from Rs. 4.50 lakhs to Rs. 4 lakhs, while the transfer to the reserve fund has been raised from Rs. 2 lakhs to Rs. 2.25 lakhs. In addition, a sum of Rs. 50,000 has been set aside to other reserves, which had not received anything in the previous year.

The salient features of the Bank's profit and loss account and balance-sheet relating to the last four years are compared in the following table:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount	45.13	37.70	31.87	28.05
Commission and exchange	12.42	12.81	8.69	8.38
Interest paid	24.49	21.69	16.27	13.46
Expenses	22.69	19.28	18.21	15.47
Depreciation	0.64	0.56	0.50	0.51
Profit	10.72	9.82	6.20	5.52
To provision for taxation	4.00	4.50	2.50	1.50
" reserves	2.75	2.00	1.25	2.00
" staff gratuity fund and bonus	1.00	1.00	0.25	0.25
Dividend	3.00	2.50	2.00	2.00
	(6%)	(5%)	(4%)	(4%)
Carry forward	0.20	0.24	0.42	0.22

	As on 31st December			
	1957	1956	1955	1954
Capital	50.00	50.00	50.00	50.00
Reserves	25.00	22.25	20.25	19.00
Deposits	9,36.93	9,81.89	8,15.03	7,03.58
Borrowings from other banks	2.50	10.05	63.00	..
Advances	5,42.13	6,06.46	5,28.58	3,80.04
Investments	2,97.82	3,28.40	2,74.16	2,38.59
Cash	2,09.09	1,71.49	1,74.95	1,97.11
Balance-sheet total	11,57.59	12,82.03	11,35.46	8,99.70
Ratio to deposits of—	%	%	%	%
Advances	57.8	61.8	64.8	54.0
Investments†	31.5	32.4	25.9	33.9
Cash	22.3	17.5	21.5	28.0

† After taking into account investments earmarked against borrowings from other banks.

The Bank's gross income for the year under review amounts to Rs. 58.54 lakhs, as against Rs. 51.35 lakhs for 1956. The rise in gross income is mainly accounted for by interest and discount, the receipts from which have gone up by Rs. 7.43 lakhs. Income from commission and exchange has declined by Rs. 39,000 to Rs. 12.42 lakhs, in distinct contrast to the rise of Rs. 4.12 lakhs noted in the previous year. The larger income from interest and discount has been almost offset by the rise of Rs. 2.80 lakhs in interest paid and of Rs. 3.41 lakhs in expenses.

Thanks to the steady allocations made to the reserves year after year, the Bank's reserves stand at 50 per cent. of the paid-up capital. The pace of increase in deposits has slowed down slightly during the year under review, consequent on the fall in current and contingency accounts from Rs. 4.27 crores to Rs. 3.74 crores. Fixed deposits are only a shade higher at Rs. 4.55 crores, as against Rs. 4.54 crores at the end of 1956. Savings bank deposits have risen from Rs. 1.01 crores to Rs. 1.08 crores. In contrast to the small expansion in deposits, advances have come down, as at the close of the year, by Rs. 64 lakhs. Loans, cash credits and overdrafts have dropped from Rs. 4.42 crores to Rs. 4.27 crores and bills purchased and discounted from Rs. 1.64 crores to Rs. 1.15 crores. The decline in advances reverses the upward trend noted in the preceding years. Investments too have declined by over Rs. 30 lakhs, but this has been more than made good by the rise of more than Rs. 37 lakhs in cash balances. The investments are shown at book value, the market value of which is Rs. 2.92 crores.

A welcome measure adopted by the Bank during the year to develop the banking habit in small towns was the introduction of a fully equipped mobile bank. Once a week the mobile bank visits the neighbouring towns around Jaipur City and transacts all banking business, inclusive of receiving deposits, making advances, issuing drafts and collection of bills. It is to be hoped that this commendable venture will be further extended by the Bank and followed by other banks in order to develop the banking habit in small towns and rural areas.

GRINDLAYS BANK'S GOOD RESULTS

PROFIT HIGHEST SINCE 1951

A SHARP jump from Rs. 3.82 lakhs to Rs. 10.38 lakhs in the profit is disclosed by the audited accounts of the Indian branches of Grindlays Bank Ltd. (Chief Manager: Mr. R. A. Bergl) for the year ended 31st December 1957. This has brought the Bank's profit in India to the highest level since 1951, when it aggregated Rs. 13.14 lakhs. It will be recalled that the profit had successively declined from that level to a low of Rs. 1.12 lakhs in 1954. Since then there has been a recovery, which gathered momentum in the year under review. To some extent the rise in profit is due to the change in the basis of accounting in respect of interest accrued on investments. Departing from the usual practice, the Bank has taken into account in the year under review, the interest accrued as at the end of the year and this has augmented the profit to the extent of Rs. 1.34 lakhs, being the interest less income-tax thereon. After making a provision of Rs. 65,000 (same as in the previous year) for taxation, the remittance to head office has been raised from Rs. 4 lakhs to Rs. 5.22 lakhs, leaving a surplus of Rs. 4.51 lakhs.

The Bank's gross income has gone up from Rs. 65.21 lakhs to Rs. 78.22 lakhs, following an increase of Rs. 13.58 lakhs in income from interest and discount to Rs. 47.86 lakhs. This is offset by a drop of Rs. 3.60 lakhs (to Rs. 30.30 lakhs) in commission and exchange, a rise of Rs. 2.20 lakhs in interest paid and of Rs. 1.08 lakhs in expenses.

The following comparative table shows the progress of the Bank in India since 1954:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount	47.86	34.28	34.10	30.15
Commission and exchange	30.30	33.90	28.72	25.98
Interest paid	18.13	10.93	9.28	7.77
Expenses	54.31	53.23	51.78	47.23
Depreciation	0.40	0.23	0.13	0.06
Profit	10.38	3.82	1.66	1.12
Provision for taxation	0.65	0.65	..	..
Remittance to H. O.	5.22	4.00	1.62	4.83
Carry forward	4.51	..	0.83	0.80

	As on 31st December			
	1957	1956	1955	1954
Deposits	10,56.03	10,60.80	10,07.81	9,88.63
Borrowings from other banks	28.00	..	79.00	3.00
Bills for collection	1,78.05	1,90.13	1,13.21	78.58
Acceptances	87.80	2,47.65	1,86.93	1,83.33
Advances	5,88.85	7,09.97	6,03.71	4,66.70
Investments	1,97.74	1,99.14	2,08.01	3,56.46
Cash	3,13.42	2,47.45	3,08.24	1,85.94
Balance-sheet total	14,02.90	16,22.75	14,43.41	12,98.19
Ratio to deposits of—	%	%	%	%
Advances	55.8	66.9	60.0	47.2
Investments	18.7	18.7	20.4	39.1
Cash	29.6	23.4	30.5	19.8

In distinct contrast to the expansion noted in the previous three years, the Bank's deposits in this country have slightly declined. Contrary to the general trend, fixed deposits have declined from Rs. 2.06 crores to Rs. 1.92 crores and savings bank deposits from Rs. 2.58 crores to Rs. 2.57 crores, while current and other accounts have gone up from Rs. 5.97 crores to Rs. 6.07 crores. Advances, too, have fallen by Rs. 1.26 crores to Rs. 5.84 crores, and with them the credit ratio also has shrunk to 55.3 per cent., the lowest level in the last three years. Investments (shown at below market value) are a fraction lower, while cash balances have swelled by Rs. 66 lakhs. The Bank's bills business, which had steadily enlarged in the previous two years, have suffered a setback, as witness the drop of Rs. 12 lakhs in bills for collection. A similar trend is disclosed by acceptances, endorsements, etc., but the decline is more marked in this case.

ANDHRA BANK'S PROFIT DECLINES

EFFECT OF HIGH EXPENSES

THE audited accounts of the Andhra Bank Ltd. (General Manager: Mr. S. N. Sarma, Masulipatnam) for the year ended 31st December 1957 provide a typical instance of a bank in which the high interest rates and heavy expenses have affected the profit, despite an expansion in business. While many other banks in India have been able to make good the high costs and maintain their profit levels or increase them slightly, through a sizable increase in turnover, in the case of the Andhra Bank, the profit has actually declined, because the expansion in business is not large enough to meet the higher expenses. The profit for the year has shrunk to Rs. 7.05 lakhs from Rs. 8.46 lakhs, to which level it had gone up in 1956 from Rs. 4.28 lakhs earned in 1955.

Despite the setback in profit, the provision for taxation has had to be stepped up from Rs. 3.45 lakhs to Rs. 3.60 lakhs, representing more than 50 per cent. of the year's profit. The balance of profit available for appropriation has been supplemented by transferring a sum of Rs. 20,000 from the dividend equalisation fund. The Directors have added Rs. 1.47 lakhs to the statutory reserve fund, which had received Rs. 1.76 lakhs in the previous year. While a sum of Rs. 50,000 had been set aside to the investment reserve from the profit of 1956, no such allocation has been made from that of 1957. The dividend has been cut from 8 per cent. to 6 per cent., but the latest distribution is on a higher capital raised during the year by making fresh calls on the partly-paid shares. The dividend is made up of an interim distribution of 4 per cent., as against 3½ per cent. in the previous year, and a final one of 2 per cent., as against 4½ per cent. for 1956. In order to make the final distribution, the Directors had to draw Rs. 10,000 from the previous year's undistributed surplus.

The following comparative table shows the Bank's progress during the last three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount	51.12	44.45	32.73	31.98
Commission and exchange	8.85	8.35	6.78	6.16
Interest paid	27.20	23.41	16.68	16.02
Expenses	26.04	21.25	17.25	16.33
Depreciation	0.67	0.62	0.39	0.27
Profit	7.05	8.46	4.28	5.37
Provision for taxation	3.60	3.45	1.40	2.37
Transfer from reserve	0.20	..	..	..
To reserves and funds	1.46	2.26	0.86	1.10
Dividend	2.29	2.75	2.06	1.87
	(6%)	(8%)	(6⅔%)	(7½%)
Carry forward	0.62	0.12	0.12	0.76

	As on 31st December			
	1957	1956	1955	1954
Capital	40.77	34.41	33.47	25.00
Reserves	18.04	16.63	14.37	13.51
Deposits	9,08.20	9,26.18	8,31.95	6,52.94
Borrowings from other banks	79.57	60.45	..	..
Advances	6,19.18	6,13.13	4,42.30	3,16.25
Investments	3,45.60	3,17.79	2,83.80	1,88.69
Cash	1,54.63	1,30.29	1,64.24	1,97.13
Balance-sheet total	12,61.23	11,84.13	10,09.72	8,17.55
Ratio to deposits of—	%	%	%	%
Advances	68.9	66.2	53.2	48.4
Investments	38.0†	27.6†	34.1	28.9
Cash	16.0	14.1	19.7	30.2

† After taking into account the investments earmarked against borrowings from other banks.

The most notable feature of the profit and loss account is the rise of Rs. 4.79 lakhs in expenses, which is much sharper than that noted in any of the previous years, thanks to the increase of Rs. 4.47 lakhs in salaries, allowances, etc. It is stated that a satisfactory settlement of the demand of the employees for revision of their emoluments and service conditions was made during the year, involving an increased expenditure of about Rs. 2.84 lakhs.

During the year, the Bank's paid-up capital was increased by making a call of Rs. 15 per share on the Rs. 70 paid-up shares, making them Rs. 85 paid-up per share. This brings the total paid-up capital (less calls unpaid) to Rs. 40.77 lakhs. The deposits as at the close of the year have further expanded by Rs. 42 lakhs, thanks to an increase of Rs. 59 lakhs to Rs. 4.93 crores in fixed deposits. Savings bank deposits have declined from Rs. 2.76 crores to Rs. 2.57 crores, while current and other accounts are only a shade higher at Rs. 2.17 crores.

The pace of increase in advances noted in the preceding years has slowed down during the year under review, reflecting presumably the effect of credit restriction enforced during the year. Loans, cash credits and overdrafts have actually declined, albeit by a small extent, from Rs. 5.46 crores to Rs. 5.39 crores, while bills purchased and discounted have risen from Rs. 67 lakhs to Rs. 80 lakhs. Consequent on the relatively slower pace of expansion in advances, as compared to that in deposits, the liquid assets stand straightened, investments by Rs. 28 lakhs and cash balances by Rs. 24 lakhs.

THE BANK OF JAIPUR, LIMITED

(INCORPORATED IN JAIPUR, LIABILITY OF MEMBERS BEING LIMITED)

DIRECTORS' REPORT TO SHAREHOLDERS

The Directors beg to submit the audited Balance Sheet and Profit and Loss Account of the Bank of Jaipur, Ltd., for the year ended 31st December 1957.

After providing for all expenses and making necessary provisions, the net profit of the Bank for the year amounted to Rs. 10,71,742.17 to which is to be added Rs. 23,733.56 brought forward from last year making a total of Rs. 10,95,475.73 available for distribution. The Directors recommend its appropriation as under :—

	Rs.
Reserve under Section 17 of the Banking Companies Act	2,25,000
Other Reserves	50,000
Dividend at 6 per cent. tax free	3,00,000
Provision for Taxes	4,00,000
Staff Gratuity Fund and Bonus	1,00,000

and the balance of Rs. 20,475.73 be carried forward to next year's account.

The working of the Bank during the year continued to be satisfactory.

Recently the Bank has put into service a fully equipped Mobile Bank named "Kuber" which will visit once a week the neighbouring towns of Amber, Bassi, Chatsu, Chomu and Sanganer. The "Kuber" transacts Banking Business of all description inclusive of receiving of deposits, making of advances, issuing of drafts, and collection of bills, etc. The Directors trust that the public of these towns will take full advantage of this new venture.

On his being invited to join the Central Board of Directors of the State Bank of India, Shri Ramnath A. Podar resigned from the Directorship and Chairmanship of this Bank in June 1957. He was one of the Founder-Directors of this Bank and he served the Bank as its Vice-Chairman from 1944-49 and as its Chairman from 1950-57. The Directors have pleasure in placing on record their appreciation of his valuable services and his great contribution towards the progress of this Bank since its inception in 1943. In the vacancy caused by him Shri Gajadhar Somani, M.P., has been elected Chairman of the Board of Directors.

During the year Shri Rajmal Surana of Jaipur was co-opted as Director on the Board. He offers himself for election as a Director at the forthcoming meeting of the Shareholders of the Bank.

The following Directors of the Bank retire under Article 114 of the Articles of Association and being eligible offer themselves for re-appointment.

(1) Rawal Madan Singhji. (2) Shri Ganeshnaraln R. Podar.

The Government of Rajasthan nominated as Director on the Board of the Bank Shri S. L. Kakar vice Shri M. U. Menon. Shri Goverdhandas Binani of Calcutta was also nominated by the Government of Rajasthan as additional Director on the Board.

The Directors wish to convey their thanks to the depositors for their valuable support and confidence and to the members of the staff of the Bank for their devoted services.

You are requested to appoint Auditors for the ensuing year and fix their remuneration.

For and on behalf of the Board,
G. D. SOMANI,
Chairman.

JAIPUR, 12th March, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957.

31-12-1956 Rs.	CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
	Capital—		
	AUTHORISED CAPITAL—		
2,00,00,000	2,00,000 Shares of Rs. 100 each	2,00,00,000.00	2,00,00,000.00
	ISSUED AND SUBSCRIBED CAPITAL—		
1,00,00,000	1,00,000 Shares of Rs. 100 each	1,00,00,000.00	1,00,00,000.00
	Amount called up at Rs. 50 per share in cash on		
50,00,000	1,00,000 shares	50,00,000.00	
Nil	LESS—Calls unpaid	Nil	
50,00,000		50,00,000.00	
Nil	ADD—Forfeited shares	Nil	
50,00,000			50,00,000.00
	Reserve Fund and Other Reserves—		
	Reserve under Section 17 of the Banking Companies Act		
9,40,000		11,40,000.00	
1,00,000	Dividend Equalization Fund	1,00,000.00	
	Other Reserve earmarked for Contingency of Bad or		
9,85,000	doubtful debts	9,85,000.00	
20,25,000			22,25,000.00
	Deposits and Other Accounts—		
4,53,61,759	Fixed Deposits	4,55,12,816.67	
1,01,53,380	Savings Bank Deposits	1,08,03,222.13	
4,26,73,598	Current Accounts, Contingency Accounts, etc.	3,73,76,863.81	
9,81,88,737			9,36,92,902.61
	Borrowings from Other Banking Companies, Agents, etc.—		
10,00,000	(i) In India	2,50,000.00	
5,134	(ii) Outside India	Nil	
10,05,134			2,50,000.00
	PARTICULARS—		
	(i) Secured by part of Government Securities as per		
10,05,134	contra	2,50,000.00	
Nil	(ii) Unsecured	Nil	
23,84,082	**Bills Payable**		14,30,665.41
	Bills for Collection Being Bills Receivable as per contra—		
23,77,716	(i) Payable in India	48,55,727.23	
2,61,867	(ii) Payable outside India	3,56,909.03	
41,39,583			52,12,636.26
25,29,569	**Other Liabilities**		28,16,238.65
	Acceptances, Endorsements and Other Obligations as per		
	contra—		
1,19,07,354	(Secured by part of Bank's Investments)		40,36,096.39
	Profit and Loss Account—		
9,45,279	Profit as per last Balance Sheet	10,23,733.56	
	LESS—Appropriations—	Rs. nP	
	Transfer to Reserve Fund as provided under Section 17 of Banking Companies		
1,25,000	Act	2,00,000.00	
	Transfer to Reserve other than under Section 17 of Banking Companies		
Nil	Act	Nil	
8,20,279		2,00,000.00	
		8,23,733.56	
	LESS—		
2,00,000	Payment of Dividend	2,50,000.00	
3,50,000	Provision for Taxes	4,50,000.00	
25,000	Staff Gratuity Fund and Bonus	1,00,000.00	
2,500	Donations	Nil	
41,779		8,00,000.00	
	ADD—Profit for this year brought from the Profit and	23,733.56	
9,81,954	Loss Account (subject to Taxation)	10,71,742.17	
10,23,733			10,95,475.73
	Contingent Liabilities—		
21,780	In partly paid shares of Joint Stock Companies	21,780.00	
	Liability on account of outstanding Forward Exchange Contracts (of which upto 28th February 1958		
25,74,202	Rs. 13,65,947.07 have run off)	18,37,272.74	
19,10,781	Claims against the Bank not acknowledged as debts	19,13,912.26	
Nil	Liability on Bills of Exchange re-discounted	Nil	
	Liability to other Banks for guarantees issued		
29,409	£30,829-1-10.		

NOTE :—Provision to the full extent for future gratuities to Staff has not been made—the liability for which has not been ascertained.

12,82,06,192	Total .. Rs.		11,57,59,015.05

31-12-1956 Rs.	PROPERTY AND ASSETS	Rs. nP	Rs. nP
	Cash—		
1,29,49,561	In hand and with Reserve Bank and State Bank (including Foreign Currency Notes)		1,37,87,033.75
	Balances with other Banks in Current Account—		
11,68,560	(i) In India	15,81,114.06	
6,854	(ii) Outside India	20,527.89	
11,74,894			
30,25,000	**Money at Call and Short Notice**		16,01,641.95 55,20,000.00
	Investments (at Book Value)—		
	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments. Part of the Securities are lodged with other banks for borrowing and other arrangements as per contra		
3,17,98,721	Face Value Rs. 2,91,64,405 Market Value Rs. 2,82,28,579	2,87,31,155.53	
	(ii) Shares— Rs. nP		
1,20,258	(a) Fully paid preference shares 1,20,258.00		
6,10,162	(b) Fully paid ordinary shares 6,15,149.88		
16,767	(c) Partly paid ordinary shares 21,780.00		
	Market Value Rs. 7,02,473.00	7,57,187.88	
2,94,000	(iii) Debentures or Bonds Market Value Rs. 2,70,000	2,94,000.00	
Nil	(iv) Other Investments (to be classified under proper heads)		
Nil	(v) Gold	Nil Nil	
3,28,39,908			2,97,82,343.36
	Advances (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)—		
	(i) Loans, Cash Credits, Overdrafts, etc.—		
4,41,99,705	(a) In India	4,27,31,561.58	
Nil	(b) Outside India	Nil	
	(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
1,46,98,455	(a) Payable in India	1,01,87,840.65	
17,47,741	(b) Payable outside India	12,98,336.86	
6,06,45,901			5,42,12,739.09
	PARTICULARS OF ADVANCES—		
	(i) Debts considered good in respect of which the Banking Company is fully secured		
5,24,61,988		4,84,64,794.77	
	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security		
58,61,321		48,56,928.78	
	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors		
23,22,642		8,91,015.59	
	(iv) Debts considered doubtful or bad not provided for		
Nil		Nil	
6,06,45,901		5,42,12,739.09	
	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons		
2,01,684		2,70,095.75	
	(vi) Debts due by companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members		
52,62,574		41,42,188.28	
	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons		
2,08,820		2,74,585.90	
	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of private companies, as members		
66,06,360		59,49,867.84	
9,317	(ix) Due from Banking Companies	38,084.30	
	Bills Receivable Being Bills for Collection as per contra—		
23,77,716	(i) Payable in India	48,55,727.23	
2,61,867	(ii) Payable outside India	3,56,909.03	
41,39,583			52,12,636.26
	Constituents' Liabilities for Acceptances, Endorsements and		
1,19,07,354	**Other Obligations** per contra		40,36,096.39
	Premises—		
37,601	At cost upto 31st December 1956	37,600.52	
Nil	Additions	Nil	
37,601		37,600.52	
	LESS—Depreciation— Rs. nP		
	Upto 31st December 1956 22,500.00		
22,500	During the year 15,100.52		
15,101		37,600.52	Nil
	Furniture and Fixtures—		
7,28,960	At book value upto 31st December 1956	7,93,645.66	
70,656	Additions and Transfers	46,701.07	
7,99,616		8,40,346.73	
5,970	LESS—Sales and Transfers	7,212.05	
7,93,646		8,33,134.68	
	LESS—Depreciation— Rs. nP		
	Upto 31st December 1956 4,42,204.95		
4,42,205	During the year 41,802.89		
3,51,441		4,84,007.84	3,49,126.84
	Other Assets including Silver—		
2,115	Stamps	2,376.56	
87,635	Stationery	1,25,779.31	
1,19,705	Advance Payment of Tax	1,33,098.62	
3,66,016	Interest accrued	3,26,410.17	
5,78,978	Taxation at source	6,71,727.72	
11,54,449			12,57,392.38
Nil	**Non-Banking Assets Acquired in Satisfaction of Claims**		Nil
Nil	**Profit and Loss**		Nil
12,82,06,192	Total .. Rs.		11,57,59,015.05

(Continued on next page)

EXPORT OUTLOOK FOR WORLD COTTON

SUBSTANTIAL OVERALL REDUCTION IN SHIPMENTS INDICATED

THE overall export outlook for free world cotton during the current season (1957-58) is not as favourable as it was last season. According to the estimates of the International Cotton Advisory Committee, Washington, free world exports during the season will be 1.5 million bales lower at 12.7 million, as compared with 14.2 million bales in 1956-57. The reduction will have occurred mainly in the U.S. where shipments this season are expected to aggregate 5.5 million bales, as against 7.6 million bales in 1956-57. Countries outside the U.S., on the other hand, are expected to export about 7 million bales or probably more, which is 300,000 bales higher than last season's 6.7 million bales.

Lower consumption, reduced supplies of certain grades, balance of payments difficulties and more adequate stocks in net importing countries are, according to the Committee, the main factors responsible for the less favourable trade outlook. In the Committee's opinion, there will, in all probability, be a marked reduction in free world exports this season, but by exactly how much, it says, is difficult to forecast. Ignoring the question of export availability, which in the post-Korean period has not been a restrictive factor in total export trade, the other factors, such as the trend in consumption, stock policy in net importing countries and payments position, all seem to point to lower exports.

It is obvious from total sales to date and the current rate of shipment that exports from the U.S. will be relatively heavy this season but still lower than last season's 7.6 million bales by over 2 million bales.

Outside the U.S., according to the Committee, the overall trade situation is quite favourable, although there is likely to be some build-up in stocks in producing countries. Exports are expected to be fully equal to last season's 6.7 million bales and may possibly be higher. The total amount of cotton available for export from these countries shows an increase of about 700,000 bales over last season. The following table indicates the export availabilities in the free world outside the U.S.

(In 1,000 bales of 478 lbs.)

Country	1957-58	1956-57
Mexico	1,675	1,300
Central America	400	370
Pakistan	650	550
India	80	250
Syria	430	390
Turkey	80	280
Iran	210	200
Greece	160	150
Argentina	100	50
Brazil	250	400
Peru	350	400
Egypt	1,500	1,100
Sudan	750	700
Belgian Congo	185	200
Uganda	300	300
Tanganyika/Nigeria	330	260
Others	700	600
Total	8,150	7,500

Export availability, as is evident from the table, is markedly higher in two countries, Mexico and Egypt, whereas it declined sharply in Brazil and Turkey and, to a lesser extent, in Peru.

A substantial increase in exports is in prospect for Mexico and Egypt. Mexican exports have been favourably affected by the shortage of good grades in the United States and it is probable that virtually all the exportable surplus in that country will be moved this season. Shippers report very small unsold stocks. In Egypt, exports are currently running nearly 50 per cent. higher than a year ago. Exports of Karnak and Giza 30 are down significantly but there has been a marked increase in demand for the Menoufi and Ashmouni varieties. Exports from India are, as is well known, still below quota. Exports from Pakistan are running at little more than half last season's rate so that, despite increased availability, exports may decline this season. Port stocks in Karachi are the heaviest in the last six years, but export demand is said to have improved slightly of late.

Exports from the Sudan have dropped drastically this season, but trade prospects have improved recently as a result of successive adjustments in prices. Export outlook in other African countries is favourable in view of their close affiliation to consuming countries in Western Europe and certain foreign exchange advantages.

In Brazil, a very small crop in 1956-57 and again during the present season has seriously affected that country's capacity to export, and shipments are presently at their lowest level since the early 'thirties. Reduced availability in Peru could bring exports down to around their lowest level for the post-Korean period.

Last season, about 950,000 bales were exported to the Communist countries, as compared with slightly over a million bales in 1955-56. Half a million bales, out of this, were shipped to the U.S.S.R. and China, with Czechoslovakia and Poland accounting for most of the balance. Egypt exported about half a million bales and Syria shipped close to 200,000 bales. Pakistan exported about 50,000 bales to China and a small quantity to the U.S.S.R.

Heavy purchases are still being made by the Communist countries. In the first five months of the season, with greatly stepped up sales to the U.S.S.R., Egypt had already exported about 100,000 bales and exports from Syria have again been heavy. The U.S.S.R. also made substantial purchases of Sudan cotton.

Import requirements during the current season are likely to be less on account of the expected decline in consumption. Stock policy, too, as noted earlier, is likely to result in lower exports. In contrast to last season, when stocks in net importing countries increased by about 900,000 bales, stocks this season are likely to be reduced. This change in stock policy is expected to reduce import demand by about half a million bales. Import requirements are estimated by the Committee, as follows:

(In 1,000 bales of 478 lbs.)

Country	1957-58 (estimated)	1956-57 (actual imports)
North America	500	531
Western Europe	7,000	8,117
Japan	2,300	2,952
India	500	497
Other Asian countries	900	2870
South America	240	196
Africa	60	87
Total free world	11,500	13,250
Imports by Commonwealth countries from free world	1,200	950
Total	12,700	14,200

Available import statistics cover only the first three or four months. Nevertheless, they seem to substantiate the view that aggregate imports during the season will be lower than last season.

Imports into Canada are well down and, to a limited extent, there has been substitution of Mexican cotton for U.S. cotton. Imports from Mexico are already higher than that of the whole of last season. In W. Europe imports from the U.S. till the end of December were lower by about 400,000 bales and, although in some instances, this might have been offset to some extent by increased demand for other growths, imports in total are no doubt running under a year ago.

Imports into the United Kingdom till the end of November were slightly higher and the same is true of Germany. Influenced to a large extent by the difficult foreign exchange situation, French imports till the end of November were much lower than last season's rate. The reduction in imports from the U.S. is very marked. Elsewhere in Western Europe, imports are, in most instances, running significantly under a year ago. Imports into Japan during the first quarter of the season were substantially lower. Imports of U.S. cotton were higher but declined sharply towards the end of 1957. Imports of other growths were lower, particularly from Mexico, Brazil and Pakistan. With consumption still rising, imports into Hong Kong by the end of December showed a marked increase, as compared with the same period in 1956-57.

The lower rate of imports this season (or exports from the U.S.) is mainly the result of reduced demand for U.S. cotton. To some extent, according to the Committee, this may be attributed to supply factors such as the shortage of the more desirable qualities. Two restrictive influences are, however, apparent from the demand side. They are, first, foreign exchange difficulties experienced by many importing countries such as France, Japan, India and, second, the reduction in U.S. financing made available to foreign importers this season. Till the close of January last, total funds available to finance cotton exports amounted to $274 million, covering 1.8 million bales, as compared with $406 million for the full 1956-57 season, covering 2.7 million bales.

THE BANK OF JAIPUR, LIMITED—*Contd.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

31-12-1956 Rs.	EXPENDITURE		Rs. nP
21,69,138	To Interest paid on Deposits, Borrowings, etc.		24,48,954.29
14,88,522	,, Salaries, Allowances and Provident Fund—	Rs. nP	
	(i) General Manager	40,800.00	
	(ii) Staff	16,99,753.66	
		17,40,553.66	
11,044	,, Directors' and Committee Members' Fees and Allowances		9,907.35
1,44,597	,, Rent, Taxes, Insurance, Lighting, etc.		1,47,284.53
19,674	,, Law Charges		19,732.16
1,01,248	,, Postage, Telegrams and Stamps		1,06,979.60
10,000	,, Auditors' Fees		10,000.00
55,859	,, Depreciation on and Repairs to the Banking Company's Property		64,310.21
1,00,333	,, Stationery, Printing and Advertisement, etc.		1,17,671.56
Nil	,, Loss from Sale of or Dealing with Non-Banking Assets		Nil
1,03,140	,, Other Expenditure		1,17,554.17
9,81,954	,, Balance of Profit (subject to Taxation)		10,71,742.17
51,35,510		Total .. Rs.	58,53,689.70

NOTE :—Remuneration received by Directors for their own use from other Companies by virtue of nomination by the Bank on the Board of other Companies amounted to Nil during the year.

31-12-1956 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
37,69,783	By Interest and Discount	45,18,123.11
12,80,565	,, Commission, Exchange and Brokerage	21,41,919.50
Nil	,, Rents	Nil
	,, Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
Nil	,, Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
Nil	,, Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	Nil
85,209	,, Other Receipts	96,637.09
51,35,510	Total .. Rs.	58,53,689.70

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of 'The Bank of Jaipur Limited,' as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the returns of 9 branches audited by us, and the unaudited returns from 31 other branches not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the proviso to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory ;

(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank ;

(c) In our opinion, proper books of account as required by law have been kept by the bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank ;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and returns ;

(e) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read along with the notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. N. GUTGUTIA & CO.,
Chartered Accountants.

12th March, 1958.

G. D. SOMANI, Chairman.

MADAN SINGH,
GANGA SAHAI PUROHIT,
S. L. KAKAR,
SUNDER LAL THOLIA,
GANESHNARAIN R. PODAR,
RAJMAL SURANA,
} Directors.

S. L. KOTHARI,
General Manager.

A. R. SAVOOR,
Deputy General Manager.

THE BAREILLY CORPORATION (BANK), LIMITED

ESTABLISHED 1928

THIRTIETH ANNUAL REPORT OF THE BOARD OF DIRECTORS

The Directors beg to submit to the shareholders the audited Balance Sheet and Profit and Loss Account of the Bank for the year ended 31st December, 1957.

	Rs. nP
The Net Profit for the year including Rs. 113.26 brought forward from the previous year amounts to	1,00,320.97
The Directors recommend that the above amount be appropriated as under :—	
1. To provision for Income-tax	51,500.00
2. To transfer to Gratuity Fund	8,500.00
3. To pay dividends at—	
6 per cent. per annum (less income-tax) on Preference 'A' Shares	4,110.00
6 per cent. per annum (free of income-tax) on Preference 'B' Shares	6,000.00
7 per cent. per annum (free of income-tax) on Ordinary Shares	26,008.50
72 per cent. per annum (free of income-tax) on Deferred Shares	3,816.00
4. To carry forward to next year's account	386.47
Rs.	1,00,320.97

There has been steady advance in the business and activities of the Bank. The demand for bank credit rose during the first half of the year and our funds remained fully employed consistent with strictly sound banking principles.

The increased gross earnings of the Bank have been offset by an all round increase in interest paid on deposits, establishment expenses, overhead charges and in meeting the loss incurred on sale of Government Securities. The expenses under the head Salaries and Allowances have been rising from year to year. They have increased by Rs. 44,000 as compared to the year 1949 when the Adjudicator's award was enforced last time.

There is a depreciation of about Rs. 1,14,000 in the Bank's investments in Government Securities which shows an improvement of about Rs. 23,000 in the position as compared to 1951 when the Bank Rate was increased from 3 per cent. to 3½ per cent.

In view of the increased burden of taxation imposed on Companies in the last year's budget a larger provision therefor has become inevitable.

In accordance with Article 113 of the Articles of Association, two of your directors namely Shri Balram Sharma and Shri Nawal Kishore retire by rotation and being eligible, offer themselves for re-appointment.

Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

SRI RAM KHANNA, Chairman.
NAWAL KISHORE, BALRAM SHARMA, HARISH KUMAR, PREM CHANDRA CAPOOR, } Directors.
GIRISH KUMAR CAPOOR, Managing Director.

BAREILLY, 9th March, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
1. Capital—		
AUTHORISED CAPITAL—		
20,000 'A' Class 6 per cent. Cumulative Preference Shares of Rs. 10 each	2,00,000.00	
20,000 'B' Class 6 per cent. Cumulative Preference Shares of Rs. 10 each	2,00,000.00	
59,000 Ordinary Shares of Rs. 10 each	5,90,000.00	
1,000 Deferred Shares of Rs. 10 each	10,000.00	10,00,000.00
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL—		
10,000 'A' Class 6 per cent. Cumulative Preference Shares of Rs. 10 each fully paid	1,00,000.00	
10,000 'B' Class 6 per cent. Cumulative Preference Shares of Rs. 10 each fully paid	1,00,000.00	
37,155 Ordinary Shares of Rs. 10 each fully paid	3,71,550.00	
400 Deferred Shares of Rs. 10 each, issued as fully paid-up in 1928 pursuant to a contract without payment being received in cash	4,000.00	
130 Deferred Shares of Rs. 10 each fully paid	1,300.00	
	5,76,850.00	
ADD—Amount received on 2,845 Ordinary Shares forfeited	7,025.00	5,83,875.00
2. Reserve Fund and Other Reserves		7,71,650.97
NOTE :—Above account includes a sum of Rs. 21,285 representing profit on sale of Non-Banking Asset.		
3. Deposits and Other Accounts—		
Fixed Deposits and Cash Certificates	69,18,317.90	
Savings Bank Deposits	29,18,912.74	
Current Accounts, Contingency Accounts, etc.	16,20,387.77	1,14,52,618.41
4. Borrowings from Other Banking Companies, Agents, etc.—		
(i) In India	3,45,379.14	
(ii) Outside India	Nil	3,45,379.14
PARTICULARS—	Rs. nP	
(i) Secured (by part of Investments as per contra)	3,45,379.14	
(ii) Unsecured	Nil	
5. Bills Payable		20,678.88
6. Bills for Collection Being Bills Receivable as per contra—		
(i) Payable in India	9,07,829.36	
(ii) Payable outside India	Nil	9,07,829.36
7. Other Liabilities—		
Unclaimed Dividends	6,249.26	
Branch Adjustments	43,800.02	
Provision for Income-tax	91,130.86	
Gratuity Fund	5,000.00	
Advance Rent Received	785.00	1,46,965.14
8. Acceptances, Endorsements and Other Obligations as per contra		Nil
9. Profit and Loss Account—		
Balance as per last Balance Sheet	98,862.76	
LESS—Appropriations— Rs. nP		
Provision for Income-tax	43,000.00	
Property Depreciation Fund	4,500.00	
Provision for Bonus	11,000.00	
Dividends	40,249.50	
	98,749.50	
	113.26	
ADD—Profit for the year brought from Profit and Loss Account	1,00,207.71	1,00,320.97
10. Contingent Liabilities—	Rs.	
1. Liabilities on Bills of Exchange rediscounted	Nil	
2. Claims against the Banking Company not acknowledged as debt	8,000	
	8,000	
Total	Rs.	1,43,29,312.37

PROPERTY AND ASSETS	Rs. nP	Rs. nP
1. Cash— In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		11,04,934.18
2. Balances with Other Banks—		
(i) In India— On Current Accounts	1,77,749.48	
On Deposit Account	4,00,000.00	
(ii) Outside India	Nil	5,77,749.48
3. Money at Call and Short Notice		Nil
4. Investments (at cost)—		
(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of Central and State Governments—Face Value Rs. 50,72,000	49,64,314.72	
NOTE :—Included in the above securities, Securities of 4% U.P. Loan 1967 of the Face Value of Rs. 3,000 have been misplaced.		
(ii) Shares— Preference Shares fully paid	43,701.75	
Ordinary Shares fully paid	87,860.60	
NOTE :—Market value of shares costing Rs. 1,31,562.35 is Rs. 80,988.		
(iii) Debentures or Bonds (Estimated realisable value is Rs. 24,750)	24,750.00	
(iv) Other Investments	Nil	
(v) Gold	Nil	51,20,627.07
5. Advances (other than bad and doubtful debts for which provision has been made to the satisfaction of Auditors)—		
(I) Loans, Cash Credits, Overdrafts, etc.—		
(i) In India	52,13,743.93	
(ii) Outside India	Nil	
(II) Bills discounted and purchased (exclusing Treasury Bills of Central and State Governments)—		
(i) Payable in India	6,40,707.19	
(ii) Payable outside India	Nil	58,54,451.12

PARTICULARS—	Bills Discounted and Purchased Rs. nP	Loans, Cash Credits and Overdrafts
(i) Debts considered good in respect of which the Banking Company is fully secured	3,75,285.97	50,70,174.64
(ii) Debts considered good for which the Banking Company holds no other security than the personal security of the debtors	1,07,707.06	62,710.63
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	1,57,714.16	78,845.18
(iv) Debts considered doubtful or bad, not provided for	Nil	2,513.48
	6,40,707.19	52,13,743.93
(v) Debts due by directors or officers of the Banking Company or any of them either severally or jointly with any other persons— Directors	Nil	Nil
Officers	Nil	4,067.19
(vi) Debts due by companies or firms in which the directors of the Banking Company are interested as directors, partners or managing agents or, in case of private companies, as members	4,909.28	19,887.75
(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons— Directors	Nil	Nil
Officers	864.00	7,445.93
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	7,602.15	20,941.63
(ix) Due from Banking Companies	Nil	Nil
6. Bills Receivable Being Bills for Collection as per contra—		
(i) Payable in India		9,07,829.36
(ii) Payable outside India		Nil
7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra		9,07,829.36
		Nil
8. Premises Less Depreciation— As per last Balance Sheet	36,726.58	
LESS—Depreciation for the year	1,836.58	34,890.00
9. Furniture and Fixtures— Total cost upto 31st December 1956	74,201.08	
Additions during the year	3,351.47	
	77,552.55	
LESS—Sales during the year	398.94	
	77,153.61	
LESS—Depreciation— Rs. nP upto 31st December 1956	35,811.92	
For the year	2,816.69	
	38,628.61	38,525.00
10. Other Assets, including Silver—		
(i) Interest accrued on Investments	67,356.21	
(ii) Stationery and Stamps in hand	18,261.19	
(iii) Advance Payment of Tax u/s 18A	30,403.26	
(iv) Income-tax deducted at source	1,48,772.25	
(v) Life Policies	256.25	
(vi) Vehicles— Rs. nP		
Cost upto 31st December 1956	13,421.15	
Additions during the year	774.20	
	14,195.35	
LESS—Sales during the year	30.00	
	14,165.35	
LESS—Depreciation— Rs. nP		
Upto 31st December 1956	8,845.48	
For this year	1,063.87	
	9,909.35	
	4,256.00	2,69,305.16
11. Non-Banking Assets Acquired in Satisfaction of Claims— As per last Balance Sheet		4,21,001.00
(Estimated realisable value Rs. 3,50,000) Total	Rs.	1,43,29,312.37

(Continued on next page)

FURTHER JOINT TALKS WITH INDIAN AND PAKISTAN MILL INTERESTS

WORLD TRADE IN TEXTILES RISES

From A Special Correspondent

MANCHESTER, 15*th April*

MANCHESTER LETTER

WITH this phrase on his lips, "a gleam of hope," Sir Frank Lee returned to Britain after his tour of the Far East on Lancashire's behalf. Future events will have to prove whether even this vaguely optimistic remark was justified. No time was lost in putting the industry in the picture through its leaders and prominent officials of the Board of Trade were also present to hear the latest developments in the imported cloth controversy. From reports that have seeped out, moreover, it appears that the first move is to be further joint talks in this country early next month with representatives of Indian and Pakistan mill interests.

Upon the outcome of these discussions will depend whether a basis for an agreement on any ceiling for imports can be negotiated with Hong Kong. The task which confronts the Lancashire team is, indeed, full of risks and dangers; it will need all their dexterity to avoid complicating the issue by antagonising one or other of the varying interests involved.

Conflicting advices from Eastern sources during Sir Frank's visit led to some difference of opinion as to the prospects of any settlement involving Hong Kong. The millowners there, especially the weavers, were at first said to be solidly opposed to negotiations of any kind, but later messages indicated a change of heart, although only to the extent of being prepared to discuss the matter further after a tentative agreement with India and Pakistan is drawn up.

In the meantime, the Government's spokesman may have strengthened his brief—on orders. Little else would have caused the traders in the Colony to relax their grip on a situation which they appeared to have well in hand. Political issues at home cannot be put aside, even at a distance of several thousand miles, and the Government is well aware of the feeling in Lancashire on this thorny problem, which has brought many a deputation knocking on a Minister's door in the past five years.

Handkerchief Shipments

Although U.K. exports of cotton handkerchiefs in 1957 slightly exceeded the 1956 level, shipments were much below the volume of earlier years. And figures for the first two months of this year show a further falling away in exports, the annual report of the Handkerchief Manufacturers' group of Manchester Chamber of Commerce said in its annual report. Exports last year aggregated 4,417,122 dozens valued at £1,637,000, as against 4,396,607 dozens worth £1,628,000 in 1956.

Australia was the best market with purchases at 812,000 dozens, showing a 10 per cent. increase on the preceding year. But the report said that, with the current quotas in force, immediate prospects did not appear bright in the Commonwealth. A welcome increase had taken place in trade with South Africa—from 496,000 dozens in 1956 to 685,000 dozens, worth respectively £220,000 and £280,000. New Zealand slightly increased her purchases of U.K. cotton handkerchiefs from 395,000 to 413,000 dozens. The volume of shipments to Canada suffered a 20 per cent. setback at 424,000 dozens, while exports to the Far Eastern markets varied little at 395,000 dozens.

Goods worth £250,000 are to be exchanged between Britain and Russia under a barter agreement negotiated by the Co-operative Wholesale Society, Manchester, and the Central Union of Co-operative Societies of the U.S.S.R. Details of the agreement, announced in Manchester, show that, in return for sending 5,000 tons of wheat to this country, the Russians will receive cotton and wool textiles made in Lancashire, Yorkshire and Devon, together with 12,000 pairs of men's shoes made at Northampton and Rushden. The agreement follows the visit of a C.W.S. mission to Moscow in February.

World Exports More in 1957

Lancashire's experience on the export front has been so discouraging in recent years that it is difficult for local traders to realise that certain other producers are apparently faring much better. Aggregate world exports of cotton goods in 1957 increased by about 11 per cent., while shipments of fabrics of man-made fibres were 13 per cent. higher than in 1956. It is not entirely without significance that the countries which expanded their overseas trade last year were also those which sent most goods to the United Kingdom—Japan, India and Hong Kong.

According to the latest summary of the situation drawn up by the Cotton Board, world trade in the final quarter of the year expanded in a seasonal manner, but was scarcely any higher than in the corresponding period of 1956. Subsequent developments, including curtailment of output in Japan, may result in a general decline in exporting activity.

The table below sets out the comparative export returns for the 12 main exporters of cotton and rayon fabrics:

(In million yards)

	1957			1956		
	Cotton	Rayon	Total	Cotton	Rayon	Total
U.K.	455.8	111.2	567.0	474.2	120.8	595.0
U.S.	555.6	207.7	763.3	518.9	220.4	739.3
Japan	1,468.4	1,370.0	2,838.4	1,262.0	1,142.1	2,404.1
India	889.1	3.0	885.5	743.7	3.2	746.9
Holland	250.1	48.8	298.9	255.9	45.7	301.6
France	315.5	139.3	454.8	315.4	127.8	443.2
Germany	216.9	226.8	443.7	206.6	219.8	426.4
Italy	104.6	123.5	228.1	95.9	115.4	211.3
Belgium	228.9	77.8	306.7	221.7	63.4	285.1
Hong Kong	196.3	38.9	235.2	140.5	75.8	216.3
Portugal	127.7	5.1	132.8	115.2	1.4	116.6
Switzerland	58.5	24.6	83.1	59.6	26.4	85.0

Sharp fluctuations have occurred from year to year in international trade in cotton goods since the boom conditions at the beginning of the decade. Shipments of cloth of man-made fibres, however, have expanded steadily since 1952, averaging an increase of 15 per cent. per annum. Joint exports reached post-war records last year, probably exceeding the 1936-38 average, but it is not possible as yet to decide whether this is more than a temporary interruption to the long-term downward trend in international trade in textiles.

Setback Analysed

The survey issued quarterly by the Cotton Board is confined to facts and makes no attempt to blunt the edge of current conditions. In Lancashire, yarn output in February had declined by 5 per cent. as compared with November, with a decrease of as much as 14 per cent. in production of Egyptian type yarns. "The reasons for this setback are fairly clear," the review continues. "Retail sales of clothing are no longer rising, while exports have fallen and are likely to continue to fall. There is as yet no sign of any diminution in the volume of imports. Available supplies of cotton cloth in 1957, comprising production plus imports, were greater than requirements and stocks inevitably increased."

Commenting on the depression in the United States cotton industry the survery points out that, in November, average cloth prices were at their lowest since August 1946. Mill margins in January were 13 per cent. lower than a year ago and cloth production last year was running at a level 5 per cent. below that of 1956.

Despite substantial export shipments, production in Japan still appears to be in excess of current offtake. Stocks of cotton goods in all hands at the end of 1957 were the equivalent of 218,000,000 lbs. of cotton yarn—a post-war record. In an effort to relieve the situation, Japanese spinners have decided to seal 30 per cent. of their spindles throughout the second quarter this year, raw cotton imports are to be cut, and the Government is considering including textile goods in reparation payments to Indonesia.

Output and Employment

Not surprisingly, in view of the uncertain state of trade in Lancashire during the early part of this year, production returns now issued by the Cotton Board show a distinct decline in output as compared with twelve months ago.

A further fall in the number of operatives on the books of employers occurred during February when those available in spinning and weaving declined to 239,180, as against 240,790 in the previous month and 245,740 in February 1957. Again, the reduction was apparent in all branches, although the major decline has taken place in weaving, which now offers employment to 113,310 operatives, as against 117,750 workers a year ago.

In this connection, it is noticeable that unemployment returns showed a substantial increase in February, there being 5,736 cotton operatives seeking work, a rise of 3,000 during the month. Unemployment figures in the cotton and rayon industry remained remarkably steady throughout 1957, ranging from 1,893 in November to 2,781 in June, but the current phase of inactivity in the mills has caused a sharp expansion in the number of jobless. Future returns will clearly reflect the deterioriating position.—*All Rights Reserved.*

THE BAREILLY CORPORATION (BANK), LIMITED—*Contd.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

EXPENDITURE	Rs. nP	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1. To Interest paid on Deposits, Borrowings, etc.	3,19,914.55		
2. ,, Salaries and Allowances and Provident Fund (including Rs. 14,950 paid to Managing Director)	2,30,492.47	1. By Interest and Discount	5,96,961.02
3. ,, Directors' and Local Committee Members' Fees and Allowances	1,940.93	2. ,, Commission, Exchange and Brokerage	1,32,717.76
4. ,, Rent, Taxes, Insurance, Lighting, etc.	22,066.45	3. ,, Rent	1,636.00
5. ,, Law Charges	1,934.45	4. ,, Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. ,, Postage, Telegrams and Stamps	16,803.37	5. ,, Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
7. ,, Audit Fee	900.00	6. ,, Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	16,163.96
8. ,, Depreciation on and Repairs to the Banking Company's Property	7,972.69	7. ,, Other Receipts	9,048.58
9. ,, Stationery, Printing, Advertisements, etc.	18,196.53	8. ,, Loss (if any)	Nil
10. ,, Loss from Sale of or Dealing with Non-Banking Assets	Nil		
11. ,, Other Expenditure	36,298.17		
12. ,, Balance of Profit (subject to Taxation)	1,00,207.71		
Total Rs.	7,56,527.32	Total Rs.	7,56,527.32

AUDITORS' REPORT TO SHAREHOLDERS OF THE BANK.

We have audited the foregoing Balance Sheet of the Bareilly Corporation (Bank), Limited, Bareilly, as at 31st December, 1957, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date in which are incorporated certified returns of all the branches of which six branches have been visited by us and ten branches not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with proviso to sub-sections (1) and (2) of Section 211 and sub-section (5) of Sections 211 and 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and have been found to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis, the said Balance Sheet gives a true and fair view of the state of affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date, subject to our note on the liabilities side of the Balance Sheet.

R. S. GUPTA & CO.,
Chartered Accountants.

DELHI, 13th March, 1958.

I. B. SAXENA, Accounts-in-charge.

GIRISH KUMAR CAPOOR, Managing Director.
HARISH KUMAR, Dy. Managing Director.

SRI RAM KHANNA, Chairman.
NAWAL KISHORE, BALRAM SHARMA, PREM CHANDRA CAPOOR, } Directors.

SUGARCANE DEVELOPMENT SCHEMES

ENTIRE AREA TO BE BROUGHT UNDER THESE BY 1960-61

HOW backward is sugarcane cultivation in India when compared to the other sugar-producing countries of the world was described in these columns only last week. Special mention was also made once again of the truism that sugar is made in the fields, not in factories. That this aspect has found full recognition, albeit belatedly, by those in charge of sugarcane cultivation is evident from the observations of Mr. T. C. Puri, I.C.S., President of the Indian Central Sugarcane Committee, at the twenty-fifth annual meeting of the Committee held at New Delhi on the 15th inst. The entire sugarcane crop, Mr. Puri said, would have been covered by the development schemes with Central subsidies at the end of the second Five-year Plan period, by which time the increase in acreage yield should be appreciable. At present, we are told, about 1,675,000 acres of land, or roughly 30 per cent. of the total area devoted to cane cultivation, are under development schemes; the schemes were initiated in 1948-49. Supplementing the schemes is the intensive manuring programme. Since the commencement of this programme, 1.54 million acres have been covered out of a target of 2.0 million acres for 1957-58. As a result, the per-acre yield of cane in these areas is claimed to have registered a rise, varying from 9 to 37 per cent.

Mr. Puri dilated at some length on some of the specific steps taken by the Sugarcane Committee. The Committee, for instance, has instituted cane crop competitions in order to encourage intensive cultivation and healthy competition among cane growers. In addition, a chain of cane research stations is functioning in the States where new and suitable varieties evolved at the Sugarcane Breeding Institute, Coimbatore, are tested under local conditions, and suitable cultural, manurial and irrigation schedules established. This programme includes maturity studies of varieties, their resistance to pests and diseases, and adoption of effective control measures. A team of experts has further toured the States and examined in detail the cane research and development work there.

Intensive Cultivation

The importance of bringing about an improvement in the sugarcane economy both quantitatively and qualitatively cannot be stressed too strongly. The major portion of the cost of manufacturing sugar is accounted for by cane, the principal raw material. Unless the cost of sugarcane is brought down, there is no hope of the consumer getting his requirements of sugar at a reasonable price. This reduction can be brought about only by augmenting the per-acre yield of cane with rich sucrose-content. Incidentally, such a course will release a large part of the fertile land for cultivation of foodgrains and other commercial crops. It may be noted here that the area under cane has gone up by 20 per cent. over the last three years. Certainly, this, as Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, pertinently stated while inaugurating the Sugarcane Committee's meeting, is not a healthy trend and the better method of raising cane production is to go in for greater intensive cultivation.

The potentialities of such intensive cultivation are, indeed, vast. The figures cited by Mr. Jain reveal that the quantity of cane now being derived from one acre of land is only 25 per cent. of what it should be. The average yield per acre can be increased through intensive methods of cultivation from the present low figure of 12-14 tons in the North to 60-65 tons and from 30-35 tons in the South to 130-135 tons. Even if the all-India average per-acre yield of cane is raised to just 50 tons, there will be a substantial release of land from cultivation of cane to other crops. On this basis, the total area required for getting the yield of 78 million tons (the target fixed in the second Plan) comes to about 1.56 million acres, as against the area of 6.0 million acres which would otherwise be needed. The present area devoted to cane is as much as 4.78 million acres (second estimate for 1957-58).

Mr. Jain rightly averred that, although India was ahead of many countries in breeding of better varieties of cane, extension services were inadequate. If extension work had kept pace with varietal evolution of better breeds, the sugarcane yields could have been enhanced, as he said, from 30 to 50 per cent. What is the use of research work if its results are not brought to the knowledge of the grower in the field? Mr. Jain did well to stress that the success of the work of the Sugarcane Committee and others engaged in the development of sugar industry would be judged by the benefits the farmers actually derived from it.

In the course of his speech, the Food and Agriculture Minister advocated an integrated approach to the problems of sugar industry. To quote him: "It is my deep conviction that this approach should be from the larger standpoint of not only sugar factories but also of *gur* and *khandsari* industry... It is possible to work out a rational and judicious system, whereby the cane growers, the industry and the people benefit simultaneously. Such a system will emerge after a study has been made by a committee charged with the work of examining the claims of various sub-sectors."

Schemes Sanctioned

At the end of the meeting, the Central Sugarcane Committee made a provision of about Rs. 50 lakhs for the current financial year (1958-59) for cane development schemes, including propagation of the results of research among cultivators. It was decided to intensify extension work such as measures for seed distribution and plant protection. Two schemes—one for holding all-India sugarcane crop competitions and the other for intensive manuring of cane crop—were also sanctioned. The Committee approved a proposal for setting up a sugarcane station in Mysore where the area under sugarcane had increased from about 85,000 acres in 1955 before the Reorganisation to 1,20,000 acres in 1956-57. A few sub-stations will also be established in various regions of the State. These will be in addition to 11 main research and 20 sub-stations already functioning in other States.

Several schemes were sanctioned for control of pests and diseases of seedlings and sugarcane crop. Under a special scheme, the Sugarcane Breeding Institute, Coimbatore, will investigate suitable control measures for pests of seedlings in pots. The distribution of improved and disease-resistant seed for sugarcane cultivation will be extended to cover a wider area. The Government of India was requested to increase the rate of subsidy for this purpose.

The Committee further recommended that a delegation of four sugarcane experts should be deputed to attend the tenth International Congress of Sugarcane Technologists, to be held in Hawaii in May 1959.

Twelve new schemes were approved, the total provision for 1958-59 being Rs. 8 lakhs. Of these, two relate to the evolving of a system of safe storage of *gur* under varying conditions in this country. First, large-scale experiments in bulk storage of *gur* will be conducted at the Indian Institute of Sugarcane Research, Lucknow. Secondly, four centres will be established in U.P., Bihar, Andhra Pradesh and Bombay to carry out a scientific study of the right degree of humidity, temperature and other conditions which should be maintained for the preservation of *gur* in storage.

SUGAR AND "KHANDSARI"

Apropos our remarks on the sugar industry's anxiety over competitions from the *khandsari* sector in these columns two weeks ago, Mr. J. S. Mehta, Secretary, Indian Sugar Mills Association, writes as follows:

"While agreeing with the industry's view that remedial steps should be taken if it is found that the *khandsari* industry is expanding at the cost of factory sugar industry, you do not seem to be sure that such a tendency is in evidence. You, therefore, favour 'impartial examination' of the position before any action to remedy the situation is taken. While we welcome such an examination of the position, we would however, point out that, already in West U.P. (the main *khandsari* producing centre), factories this year have started closing much earlier

(*Continued on page 813*)

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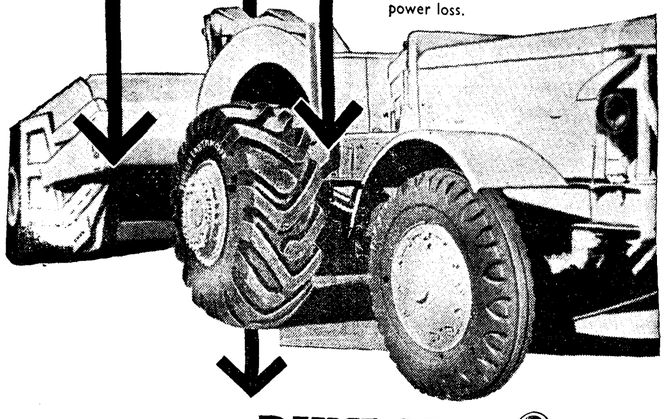

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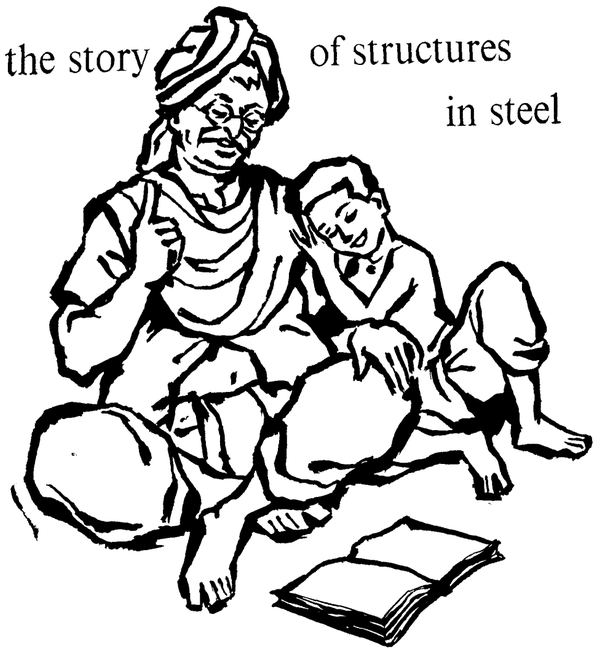

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RUBBER OUTPUT IN INDIA FALLS

RUSSIAN BUYING KEEPS LONDON PRICE STEADY

PRODUCTION of raw rubber in India during February 1958, the latest month for which statistics are available, amounted to 951 tons, as against 2,639 tons in the previous month. Though usually February is a month of low production, the drop is much more than that noted in the corresponding month of 1957, when the output fell from 2,190 tons to 1,165 tons. Nevertheless, consequent on the high level of production in January this year, the total output in the first two months of this year, at 3,590 tons, is higher than that in the corresponding period of any of the previous years. The consumption of rubber by manufacturers during the month is also slightly lower at 2,747 tons, as against 2,877 tons in January this year. It is, however, higher than that (2,493 tons) in February 1957 and has brought the total consumption in the first two months to 5,624 tons, as against 5,172 tons and 4,887 tons in the corresponding periods of 1957 and 1956, respectively. Stocks with estates, dealers and manufacturers as at the end of February aggregate 10,573 tons, including synthetic rubber amounting to 1,063 tons, as against 8,312 tons (including synthetic 887 tons) a year before.

Despite the growing pace of consumption, the gap between production and consumption has narrowed down, thanks more to an increase in imports rather than to a rise in output. Indigenous production has no doubt gone up slightly, but the gap would have been wider but for larger imports. During the first two months of this year, imports have aggregated 1,589 tons, as against 962 tons and 180 tons in the corresponding periods of 1957 and 1956, respectively.

While it is not correct to draw any conclusions from the figures of two months only, the trend does not show any deviation from that in the preceding years. Between 1956 and 1957, while production went up by only a fraction, consumption increased by 2,769 tons and this higher consumption had to be met by raising imports by 3,214 tons. This trend of consumption is expected to gather momentum in the years to come, if the various manufacturing programmes which have been approved by the Government are to be implemented. As was pointed out by Mr. John Luckham, Chairman and Managing Director of the Dunlop Rubber Company (India) Ltd., in his address to the shareholders of the Company at the annual general meeting held last week, "the road transport industry has been undergoing tremendous changes and expansion, particularly long-distance goods transport." The road transport industry being a vital one, the rubber goods manufacturers have undertaken huge expansion plans to meet the essential needs of this industry. During the last six years, the output of automobile tyres and tubes has gone up from 1.38 million to 1.86 million. The bicycle industry also has been growing rapidly and to meet the increasing demand, the production of cycle tyres and tubes has been stepped up from 8.35 million in 1952 to 14.18 million. Despite this, the demand has been well in excess of supplies. The output of tractor tyres and tubes has expanded more than nine times from 9,336 to 89,150. This is another field which offers vast scope for expansion, in view of the increasing use of tractors and earthmovers in the country. Besides these major items of production, there are various other rubber goods and industrial rubber products, such as rubber footwear, transmission and conveyor beltings, V-belts, hoses, waterproof fabric, latex foam sponge, rubber components of railway fittings, etc., which have made vast strides, and hold promise of further expansion.

The main problem, therefore, is one of ensuring adequate raw rubber supplies to manufacturers, who have to rely on larger imports. Meanwhile, the price of raw rubber abroad does not show any sign of a decline. Despite the industrial recession in the U.S., the price of rubber in London has been ruling steady at about 23d. per lb. (the latest price being 23⅝d. per lb.), thanks to the Russian buying since September last. Russia has been buying on a fairly large scale number 1 grade, except when its price stands above 23d. per lb. Other grades have not been much in favour, because the tyre manufacturers and other consumers both in Europe and the U.S. have not been buying on a large-scale, so that the number 1 grade is quoting at a premium over the other grades. During the last few weeks, however, Russian buying has been diverted to a large extent from London to Singapore and Malaya. Recently, Russia was reported to have bought 11,000 tons from the East. Last week, it placed orders for a further quantity of 9,000 tons of Malayan rubber for shipment this month. In all, Russian purchase is said to be of the order of 15,000 tons per month. Consequent on these large purchases, there is a serious depletion of stocks and dealers are competing strongly to meet their commitments, with the result that the spot and near forward positions of the top grade command a premium over the distant positions. At the current price, natural rubber is competitive with the synthetic, the U.S. price of the latter being about 24½d. per lb. c.i.f. including an import duty in the U.K. of 10 per cent. The Canadian synthetic, which is duty-free, is 10 per cent. higher. No. 3 sheet natural rubber, which is normally regarded as a competitor with synthetic, is being quoted in London at 20½d. per lb. The present level of prices is expected more or less to be maintained, unless the demand from the U.S., induced by the competitive price of natural rubber, broadens. So far, the cheapness of natural rubber has not attracted American buying on any large scale.

(*Concluded from next column*)

yards less than that in the corresponding month of 1957. This brings the total consumption in the first nine months of 1957-58 to 622 million yards, representing a fall of 51 million yards over the year. The stocks at the end of March amounted to 242 million yards, an increase of 2 million yards over the month. Though these represent the highest level since July 1957, they are 20 million yards less than those at the end of March 1957. The low level of stocks gives hopes that the consumption in the U.S. may improve in the coming months, but much depends on how far the authorities are successful in arresting the recession.

JUTE GOODS OUTPUT MAINTAINED

U. S. CONSUMPTION SHADE BETTER

THE jute goods market has staged a sudden spurt in the last few days, with the quotations standing well above the minimum prices fixed by the I.J.M.A. recently. At the time of writing, ready hessian 40" 10 oz. is quoted at Rs. 41.45 per 100 yards, as against the I.J.M.A's minimum of Rs. 39.50, and B. twills at Rs. 103.60 per 100 bags, which is Rs. 3.60 more than the minimum. A week ago, they were Rs. 40.15 and Rs. 100.30, respectively. To a large extent, this improvement in gunny prices is attributed to speculation regarding new raw jute crops in India and Pakistan. Reports received so far indicate that the weather has been hot and dry, thus affecting the sowings. The trend of prices has also been influenced by the satisfactory satistical position of mills in respect of gunnies, particularly in hessian. The stocks of goods with mills at the end of March, as was shown in these columns last week, were a shade lower, thanks to an increase in despatches. It is stated that the mills were able to sell more than they produced.

The figures of production for the month of March indicate that the slight fall in stocks is due to larger despatches rather than to a decline in production. The output of mills for the past month is unchanged at 85,300 tons, to which level it had declined from 98,300 tons in January 1958. It is, however, surprising that production has not gone up, despite the longer working period in March than in February, the actual number of hours worked being 197.5, as against 192.0, which shows that the rate of output has slackened a bit. As compared with March 1957, the production in the month under review is higher by only 600 tons, though the number of hours worked has declined from 200.5.

The following comparative table shows the variety-wise production:

Jute Goods Production

	March, 1958	February, 1958	January, 1958	March, 1957
Hessian	30,400	30,100	34,400	36,000
Sacking	49,500	49,300	57,300	43,100
Others	5,400	5,900	6,600	5,600
Total ..	85,300	85,300	98,300	84,700

Hessian output shows a small increase of 300 tons over the month and a decline of 5,600 tons as compared with that in March 1957. The output of sacking also has gone up by 200 tons and, over the year, it represents an increase of 6,400 tons. The rise in hessian and sacking has been offset by the fall of 500 tons in "other manufactures." With this, the output of "other manufactures" has gone down by 1,200 tons in the last two months.

The aggregate production for the first nine months of 1957-58 thus comes to 790,900 tons as compared with 771,000 tons in the corresponding period of 1956-57.

Meanwhile, figures of U.S. consumption of hessian for March indicate that it has been well maintained, despite the deepening business recession. The consumption in March was actually 1 million yards, more (at 71 million yards) than in the previous month and was only 2 million

(*Continued in previous column*)

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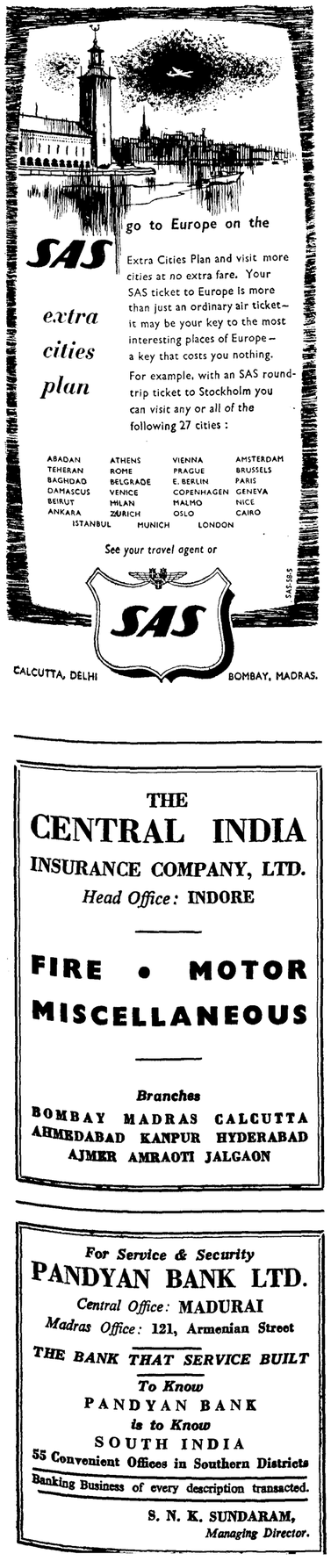

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BRANCHES:

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PAKISTAN— Chittagong—Sadarghat Rd., Agrabad Branch, Karachi—McLeod Road, Bunder Road, Dundas Street, Saddar Branch, Khulna, Lahore—Bank Square, The Mall, Narayanganj, Peshawar, Quetta
CEYLON— Colombo—37/30 York St., 11 York St., Kandy, Nuwara Eliya
BURMA— Rangoon
ADEN— Aden, Little Aden (Sub-Branch to Aden), Steamer Point, Aden
SOMALILAND PROTECTORATE— Berbera, Hargeisa
ZANZIBAR ISLAND— Zanzibar
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UGANDA— Entebbe, Port Portal, Gulu, Jinja, Kampala, Kamuli (Sub-Branch to Jinja), Masaka, Mbale, Mbarara, Soroti, Tororo
TANGANYIKA TERRITORY— Bukoba, Dar-es-salaam, Lindi, Mbeya, Mikindani (Sub-Branch to Mtwara), Moshi, Mtwara, Mwanza, Tanga
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D. G. MOORE, *Manager.*

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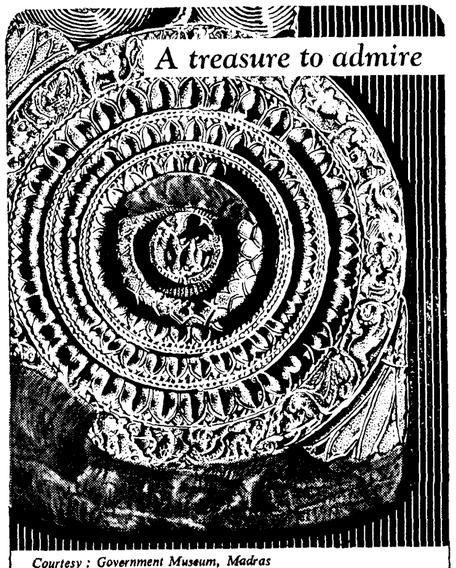
Courtesy: Government Museum, Madras
The Lotus Circle
Among the many treasures of Indian art, is this exquisite piece which dates back to 158 A.D. It is now a part of the rich collection of Amaravati sculpture at the Madras Museum. The "Lotus Circle" is a common but significant decorative motif in Indian art.

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CHALLENGE FACING INDIAN RAILWAYS

WILL THEY BE ABLE TO MEET IT?

A DISTINCTIVE feature of railway operation in the post-independence period has been the emergence of acute shortage of resources such as rolling stock, machinery, plant and equipment in the wake of a phenomenal rise in both passenger and goods traffic. Strenuous efforts were made, and continue to be made, to counteract the crippling effects of this shortage by improving the operational efficiency. Much had, no doubt, been achieved. But much more remains to be done. By the end of the second Plan, the railways will be called upon to carry goods traffic of the order of 180 million tons, 56 million tons more than what was lifted in 1956-57. The problem is that this must be done without any large-scale modernisation and development of the existing equipment.

The shortage of resources, as Mr. M. N. Chakravarti, General Manager of the Central Railway, points out, is a challenge to the railways and all those in charge of its operation. During the course of an interesting article prepared in connection with the Railway Week, Mr. Chakravarti, observes that, with the present system and the present types of assets and equipment, Indian railways have just reached the point where the law of diminishing returns has begun to operate in certain spheres. With improvements effected year after year, the margin for further improvement has become less and less. Not much improvement in operational efficiency will be possible unless radical changes are brought about in traction methods, such as electrification, dieselisations, doubling of track, adoption of modern methods of signalling, etc. But with the inadequate provisions made in the second Plan much progress in this direction is not possible. There is, therefore, according to him, little that can be hoped for, except to place the accent on improved efficiency. Whether the railways will be able to measure up to the requirements in the matter of efficiency remains to be seen. But there is a limit beyond which efficiency by itself can do little to improve the service, in the absence of necessary equipment.

Passenger Traffic

There has been, Mr. Chakravarti points out, a phenomenal growth of passenger traffic since the beginning of World War II, an important reason for it being the change in travel habits. The pressure of passenger traffic borne by the railways can be assessed by the number of passengers travelling. Against some 500 million passengers who travelled in 1938-39 in undivided India, double the number travelled in 1947-48 in India alone, and a further 40 per cent. increase has taken place (to 1,360 million) since then. The present load of passenger traffic stands at more than two and a half times the pre-war figure. The increase in passenger coaches has not, however, been in step with the sharp increase in traffic. Against 15,500 passenger coaches on the broad and metre-gauges in 1938-39 in undivided India, the railways had, after partition, only about 11,000 which have now been increased to the pre-partition figure. In other words, with the same number of passenger coaches today as the railways had in 1938-39, it has been possible to carry two and a half times more traffic.

This naturally has led to congestion and even overcrowding. But, fortunately the railways' utilisation of carriages has advanced by nearly 25 per cent. from 137 miles per day on the broad-gauge to 170 miles and to this extent, overcrowding has been reduced. Besides, in 1938-39, the carriages were running much below full carrying capacity. The overcrowding is not, therefore, so great as it might otherwise have been.

Goods Traffic

A slightly different story unfolds itself from a study of the growth or goods traffic. In 1947-48, the first year of independence, the tonnage carried amounted to 69.8 million which increased to 91.4 million in 1950-51, just before the first Five-year Plan commenced. This figure moved up in the next three years by 7½ per cent. to 98.1 million tons in 1953-54, slightly higher than the anticipated rate of increase. Thereafter, the advance has been striking each year, and in 1956-57, the first year of the second Plan, the volume of goods lifted touched 124.1 million tons.

This phenomenal increase can be looked at from another angle. Out of the estimated 78 per cent. increase in goods traffic from 69.8 to 124.1 million tons during the first decade of independence, just about half (up to 98.1 million tons) came about during the first seven years while the other half was attained in the last three years. The remaining period of the second Plan holds the prospect of further increasing pressure of goods traffic on a bigger scale than anything experienced in the past. In 1960-61, the tonnage may reach 180 million tons, an increase of over 50 million tons in four years.

The substantial increase in goods traffic has been achieved without a commensurate increase in the resources of rolling stock. During the period from 1947-48 to 1956-57, when there was a 78 per cent. increase in the tonnage of traffic carried, the goods wagons and locomotives on the line rose by only 20 per cent. That is, the rolling stock assets improved by just about a quarter of the increased tonnage handled by the railways. The conclusion is obvious. Railways are getting substantially more work out of their rolling stock, turning over their wagons faster and putting a heavier load into every wagon.

Mobility of Wagons

The mobility of wagons, which is denoted by the composite figure of wagon miles per wagon day, was 34.3 in 1947-48 on the broad-gauge and reached 47.7 in 1956-57, a 40 per cent. advance. There is also the internationally recognised composite index of operational efficiency of wagon usage, expressed in terms of net ton miles per wagon day. This was 351 in 1947-48 and has gone up to 570 in 1956-57, a progress of 60 per cent. in 10 years. The figures up to August 1957 disclose a further advance to 632. On the metre-gauge, the corresponding figures were 162 in 1947-48 and 210 in 1956-57, an improvement of 30 per cent.

There has thus been a 40 per cent. improvement in the mobility of wagons during the last 10 years and a 60 per cent. improvement in the net ton miles moved per wagon per day. These are no mean achievements. These have enabled the railways to carry 78 per cent. more traffic with just 20 per cent. increase in wagons and locomotives resources.

Another important figure is the percentage of wagons lying immobilised under repairs. On the U.S. railroads and the Canadian National Railway, only 4 to 5 per cent. wagons remain sick—a good record indeed. On the Indian railways till 1953-54, the figures were 7.4 per cent. Since then a great deal of effort has been made and the figure now stands at about 4.3 per cent.—roughly at the same level as in Canada and U.S.A.

The original second Plan outlay for the railways was Rs. 1,480 crores. This has been pruned, with due regard to the ways and means position of India, to Rs. 1,125 crores, involving a foreign exchange component of nearly Rs. 425 crores. With the resources allocated for the railway plan, there is but little hope of any material improvement in the system and method as such, nor is there much chance of modernisation on any noteworthy scale going through. Any further large-scale improvement in the standard of operation is, therefore, just not feasible.

Plan Allocation

Of the planned expenditure of Rs. 1,125 crores for the railways, a considerable portion is for replacing or rehabilitating overage capital assets, for inescapable safety works which have no bearing on development and the like. Actual development works, plant and machinery, consume probably less than half of the total expenditure. The sizable cost of rehabilitation and replacement can be gauged from the fact that, on the Indian railways, there are 31 per cent. overage locos on the broad-gauge and 23 per cent. on the metre-gauge. More than 30 per cent. of the coaches and some 16 per cent. of the wagons, are also overaged.

Out of the Plan outlay, rolling stock consumes Rs. 380 crores, which is about one-third. Of this, Rs. 197 crores will be spent only on rehabilitation account. The whole of the Rs. 100 crores to be spent on track renewals is purely on rehabilitation account. Similarly, funds have been earmarked for machinery and plant rehabilitation, signalling improvements and other safety works. Staff welfare, staff quarters and their training arrangements are all investments which do not directly lead to development of capacity. Nevertheless, they are all essential. When a detailed tally is made, it adds up to a sumptuous total for such works, which have inescapably to go through, Plan or no Plan. The balance only can be deemed to be real development expenditure.

There is, therefore, little that can be hoped for except to place the accent on further improved efficiency. This will give an opportunity to railwaymen of all categories to show that, undeterred by physical shortages, they will have to bridge the gap between the demand and the available resources to the large extent possible, through better human efficiency and better management.

Efforts are being made to equip the railways to carry the additional traffic that is expected to emerge during the rest of the second Plan period. Railways are at present a vast beehive of engineering activity. Railway engineers—civil, mechanical, electrical, signal, and telecommunication—are already executing the numerous development schemes. For, reduced to essentials, the hard core of the Rs. 1,125-crore second Plan for Railways is, as Mr. Karnail Singh, Member, Engineering, Railway Board, observes, a vast network of engineering works which, for sheer extensiveness and magnitude, are unsurpassed in Indian railways history.

Work in Progress

Work is in progress on the construction of more than 700 miles of new lines, 1,200 miles of doublings and on the remodelling of 50 major yards all over India—12 of these costing between Rs. 1 crore and Rs. 3 crores each. In addition, nearly 200 new stations are being opened all over India, and traffic facilities are being provided at a cost of about Rs. 15 crores, at about 500 existing stations. Apart from over 6,000 bridges, which are being built on new constructions and doublings, major bridges like the 6,000-feet Ganga Bridge at Mokameh and the 2,000-feet Gandak Bridge at Sonepore are going ahead.

To carry the increased traffic at the end of the Plan period, the railways will make a net addition of 919 locomotives, 33,395 goods wagons and 5,128 passenger coaches to their existing fleet. To meet the demand for additional repair and maintenance facilities, six new workshops are being set up, 20 existing workshops expanded and 34 new loco sheds built. Special facilities are also being provided for diesel and electric locomotives. One way of coping with the rapidly increasing traffic is to run longer and heavier trains. This will necessitate a change-over to the centre buffer couplings and improvements in the braking system of rolling stock as well as the introduction of more bogie wagons with much higher pay-loads. An efficient signalling and telecommunication system is the key to safe and expeditious movement of traffic. Provision has, therefore, been made for interlocking about 300 non-interlocked stations and for improving signalling at nearly 800 existing stations.

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Manager, Bombay Branch: S. J. UTAMSING.

UCO-8/58

GRINDLAYS BANK LIMITED

(INCORPORATED IN ENGLAND—THE LIABILITY OF MEMBERS IS LIMITED)

BALANCE SHEET OF INDIAN BRANCHES AS AT 31st DECEMBER, 1957

CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.
1. **Capital**— Deposit with Reserve Bank of India under Section 11 (2) of the Banking Companies Act, 1949	29,91,600 00	
2. **Reserve Fund and Other Reserves**	Not applicable	
3. **Deposits and Other Accounts**— Fixed Deposits	1,91,56,995 15	
Savings Bank Deposits	2,57,44,412 37	
Current Accounts, Contingency Accounts, etc.	6,07,02,043 91	10,56,03,450 53
4. **Borrowings from Other Banking Companies, Agents, etc.**— (i) In India	26,00,000 00	
(ii) Outside India	Nil	26,00,000 00
PARTICULARS— (i) Secured	Nil	
(ii) Unsecured	26,00,000 00	
5. **Bills Payable**		17,36,056 27
6. **Bills for Collection being Bills Receivable** as per contra— (i) Payable in India	1,56,50,908 87	
(ii) Payable outside India	21,54,134 78	1,78,05,043 65
7. **Other Liabilities**— (i) Inter-Branch Adjustments (Net)—Branches in India	5,80,311 31	
(ii) Staff Provident Fund and Other Funds	27,34,360 03	33,14,671 34
8. **Acceptances, Endorsements and Other Obligations** per contra		87,80,084 98
9. **Profit and Loss**— Balance as per last Balance Sheet	10,38,323 70	
ADD—Profit for the year		
	10,38,323 70	
LESS— Remittance to Head Office	Rs. nP. 5,22,167 88	
Provision for Taxation	65,000 00	
	5,87,167 88	4,51,155 82
10. **Contingent Liabilities**— (i) Claims against the Banking Company not acknowledged as debts Rs. 2,06,165·48.		
(ii) On Bills rediscounted Rs. 17,68,961·67 of which Rs. 15,32,146·60 have run off as at 20th February, 1958.		
(iii) Outstanding Forward Exchange Contracts Rs. 2,06,64,089·28.		
Total .. Rs.		14,02,90,462 59

NOTES:—
(1) Full account has not been taken of the liability for future gratuities payable to Indian Staff.
(2) The Balance Sheet shows the position of the Bank immediately prior to amalgamation with the Parent Company (The National Bank of India Limited) and the transfer thereto of all assets and liabilities as at the close of business on 31st December, 1957, by virtue of the Scheme of Arrangement dated 8th July, 1957, and by Order of the Court dated 7th November, 1957, under Section 208 of the United Kingdom Companies Act, 1948.

PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
1. **Cash**— In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		90,72,595 05
2. **Balance with Other Banks on Deposit and Current Accounts**— (i) In India on Current Accounts	13,60,343 72	
(ii) In India on Deposit Accounts	1,55,00,000 00	
(iii) Outside India	4,08,939 36	1,72,69,283 08
3. **Money at Call and Short Notice**		50,00,000 00
4. **Investments** (At below Market Value)— (i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments	1,97,74,169 50	
(ii) Shares	Nil	
(iii) Debentures or Bonds	Nil	
(iv) Other Investments	Nil	
(v) Gold	Nil	1,97,74,169 50
5. **Advances** (Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)— (1) Loans, Cash Credits, Overdrafts, etc.— (i) In India	4,82,56,938 48	
(ii) Outside India	....	
	4,82,56,938 48	
(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)— Rs. nP.		
(i) Payable in India .. 48,01,165 97		
(ii) Payable outside India .. 53,27,340 61	1,01,28,506 58	
PARTICULARS OF ADVANCES—		5,83,85,445 06
(i) Debts considered good in respect of which the Banking Company is fully secured	5,33,00,591 48	
(ii) Debts considered good for which the Banking Company holds no other security than the Debtors' personal security	23,40,863 76	
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the Debtors	27,43,989 82	
(iv) Debts considered doubtful or bad, not provided for	Nil	
	5,83,85,445 06	
(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	66,707 17	
(vi) Debts due by Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	Nil	
(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	1,12,082 53	
(viii) Maximum total amount of advances, including temporary advances granted during the year to the Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	Nil	
(ix) Due from Banking Companies	Nil	
6. **Bills Receivable being Bills for Collection** as per contra— (i) Payable in India	1,56,50,908 87	
(ii) Payable outside India	21,54,134 78	1,78,05,043 65
7. **Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		87,80,084 98
8. **Premises, Less Depreciation**— As revalued by the Management on 31st December 1957		5,45,053 28
9. **Furniture and Fixtures, less Depreciation**— As revalued by the Management on 31st December 1957		3,50,000 00
10. **Other Assets**— (i) Deposits and Prepaid Expenses	10,17,522 09	
(ii) Interest accrued on Investments	1,34,438 92	
(iii) Inter-Branch Balances (Net) Head Office and Branches Outside India	12,56,828 98	33,08,789 99
11. **Non-Banking Assets Acquired in Satisfaction of Claims**		Nil
Total .. Rs.		14,02,90,462 59

Dr. PROFIT AND LOSS ACCOUNT OF INDIAN BRANCHES FOR THE YEAR ENDED 31st DECEMBER, 1957 Cr.

EXPENDITURE	Rs. nP.
1. Interest paid on Deposits, Borrowings, etc.	13,13,005 06
2. Salaries and Allowances and Provident Fund (including Salary and Allowances of Chief Manager—Rs. 57,246·92)	40,30,288 14
3. Directors' and Local Committee Members' Fees and Allowances	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	3,30,687 41
5. Law Charges	14,697 72
6. Postages, Telegrams and Stamps	1,22,321 27
7. Auditors' Fees	11,850 00
8. Depreciation on and Repairs to Banking Company's Property	39,982 15
9. Stationery, Printing, Advertisement, etc.	1,12,009 60
10. Loss from Sale of or Dealing with Non-Banking Assets	Nil
11. Other Expenditure including proportion of London Office Administration Charges	8,09,055 40
12. Balance of Profit (subject to Taxation)	10,38,323 70
Total .. Rs.	78,22,130 45

INCOME (Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs. nP.
1. Interest and Discount	47,86,414 02
2. Commission, Exchange and Brokerage	30 30,018 90
3. Rents	1,732 24
4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	Nil
7. Other Receipts	3,965 29
Total .. Rs.	78,22,130 45

NOTE.—The Bank has changed its basis of accounting in so far as accrued interest on investments as at the end of each year, which was not taken into account has been included in the accounts for the year ended 31st December 1957 thereby increasing the profit for that year to the extent of Rs. 1,34,438·92 being the interest less income-tax thereon accrued as at that date.

(Sd.) R. A. BERGL,
Chief Manager.

We have audited the foregoing Balance Sheet of the Indian Branches of Grindlays Bank Limited, as at the 31st Day of December, 1957, and also the foregoing Profit and Loss Account of the Indian Branches of the Bank for the year ended on that date, in which are incorporated the returns of Calcutta (Church Lane Branch) audited by other Auditors, and the unaudited returns of Calcutta (Brabourne Road), Madras, Delhi, New Delhi and Simla Branches not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisos to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Branches of the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank not visited by us;

(c) The Balance Sheet and Profit and Loss Account of the Indian Branches of the Bank dealt with by this report are in agreement with the books of account and the returns;

(d) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis and read with the notes appearing thereon, the said Balance Sheet gives a true and fair view of the state of the affairs of the Indian Branches of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit of the Indian Branches for the year ended upon that date.

(Sd.) A. F. FERGUSON & CO.,
Chartered Accountants.

BOMBAY, 25th March 1958.

THE ANDHRA BANK, LIMITED

(ESTABLISHED: 1923)

Head Office: **MASULIPATNAM**

Annual Report of the Directors for the year ended 31st December, 1957.

To be presented to the Shareholders at the 34th Annual General Meeting to be held at the Registered Office of the Bank, Cantonment Road, Masulipatnam, on Saturday the 26th April 1958 at 1-00 p.m.

The Directors have the pleasure to submit to the Shareholders the Balance Sheet of the Bank as at and Profit and Loss Account for the year ended 31st December, 1957. The Auditors' Report is also annexed.

The Bank's working for the year ended 31st December, 1957, resulted in a net profit of Rs. 7,05,029.50 nP. after payment of one month's pay as bonus to staff and after effecting revision in pay scales from 1st May, 1957, and after providing for contingencies. Adding to this a sum of Rs. 11,996.16 nP. brought forward from the previous year's account and the dividend equalisation fund of Rs. 20,000, the total comes to Rs. 7,37,025.66 nP. Appropriations made and proposed are given below.

	Rs.	nP
Appropriations made:		
Interim dividend for the half-year ended 30th June, 1957, at the rate of 8 per cent. per annum free of Income-tax	1,47,115	88
Transfer to Statutory Reserve under Section 17 of the Banking Companies Act, 1949	1,41,000	00
Transfer to Gratuity Fund	5,000	00
Provision for Taxes	3,60,000	00
Appropriations now proposed:		
To pay a final dividend for the half-year ended 31st December, 1957, at 4 per cent. per annum free of Income-tax, making a total of 8 per cent. per annum free of Income-tax for the whole year, which will absorb	82,000	00
To carry forward to the next account	1,909	78
Total .. Rs.	7,37,025	66

The Bank's business continued to be satisfactory during the year under review.

The demand of the employees for revision of their emoluments and service conditions was considered by your Directors and a satisfactory settlement has been reached involving an increased expenditure of about Rs. 2,84,000 which is reflected in the net working result of the Bank when compared to last year.

The official bank rate was raised from 3½ per cent. per annum to 4 per cent. per annum during the year.

New offices of the Bank were opened during the year at Guntakal (Anantapur District) and Macherla (Guntur District).

Sri E. Ramachendramurti, M.A., C.A.I.I.B., who was serving the Institution as General Manager since 1950, resigned during the year to join the Andhra Pradesh State Financial Corporation as its Managing Director. In the vacancy thus caused, Sri P. R. Bhagavat, B.A., B.L., Deputy General Manager, acted as the General Manager, for the period under review.

Sri Maddi Sudarsanam, Director, resigned during the period under review to join the State Bank of India as its Director and in his place Sri Maddi Ranganatha Sayi was co-opted as a Director.

Under Section 256 of the Companies Act, 1956, read with Article 94 of the Bank's Articles of Association, Messrs. Jaldu Manikyalarao, Majety Seshagirirao and G. Ramanadha Babu, Directors longest in office, retire by rotation and from the next longest in office Sri V. Venugopal has volunteered to retire. The retiring Directors are eligible for re-appointment.

You are requested to appoint Auditors, to hold office till the conclusion of the next Annual General Meeting, Messrs. Brahmayya & Co., and Messrs. Ch. V. Lakshmaiah & Co., the retiring Auditors are eligible for re-appointment.

By Order of the Board,
S. R. Y. SIVARAMA PRASAD BAHADUR,
Chairman.

MASULIPATNAM, 20th March, 1958.

BALANCE SHEET AS AT 31st DECEMBER, 1957

Corresponding Figures 31st Dec., 1956 Rs.	CAPITAL AND LIABILITIES	Rs.	nP	Rs.	nP
	1. Capital—				
	AUTHORISED CAPITAL— 1,00,000 Shares of Rs. 100 each			1,00,00,000	00
	ISSUED CAPITAL— 49,990 Shares of Rs. 100 each for payment in cash	49,99,000	00		
	10 Shares of Rs. 100 each for consideration other than cash	1,000	00		
				50,00,000	00
	SUBSCRIBED CAPITAL— 48,990 Shares of Rs. 100 each			48,99,000	00
	AMOUNT CALLED UP— On 1,010 Shares at Rs. 100 per Share	1,01,000	00		
	On 47,980 Shares at Rs. 85 per Share	40,78,300	00		
		41,79,300	00		
	LESS—Calls unpaid	1,02,705	00		
		40,76,595	00		
	ADD—Forfeited Shares	Nil			
34,41,460				40,76,595	00
	2. Reserve Fund and Other Reserves—				
	Statutory Reserve under Section 17 of the Banking Companies Act, 1949	9,34,000	00		
	Other Reserves	2,21,780	00		
	Share Premium	6,48,220	00		
16,63,000				18,04,000	00
	3. Deposits and Other Accounts—				
	Fixed Deposits (including Cash Certificates, Season Deposits and Staff Security Deposits)	4,93,31,794	21		
	Savings Bank Deposits	2,57,54,968	79		
	Current Accounts, Contingency Accounts, etc.	2,17,33,163	34		
9,26,18,480				9,68,19,926	25
	4. Borrowings from Other Banking Companies, Agents, etc.—				
	(i) In India	79,56,877	59		
	(ii) Outside India	Nil			
				79,56,877	59
60,45,296	PARTICULARS—				
	(i) Secured by part of investments per contra	75,00,000	00		
	(ii) Unsecured	4,56,877	59		
14,14,833	**5. Bills Payable**			14,92,075	93
	6. Bills for Collection Being Bills Receivable as per contra—				
	(i) Payable in India	69,43,536	83		
	(ii) Payable outside India	30,76,716	87		
86,73,393				1,00,20,253	70
	7. Other Liabilities—				
	Unclaimed Dividends	64,441	46		
	Branch Adjustments	25,39,205	07		
	Rebate on Bills Discounted	39,398	79		
30,78,640				26,43,045	32
13,20,690	**8. Acceptances, Endorsements and Other Obligations** per contra			12,41,041	87
	9. Profit and Loss—				
	Profit as per Balance Sheet as at 31st December, 1956	1,57,196	16		
	LESS—Appropriations: Final Dividend for the half-year ended 31st December, 1956, at 8½ per cent. per annum free of Income-tax making a total of 8 per cent. per annum free of Income-tax for the year 1956	1,45,200	00		
		11,996	16		
	ADD—Profit for the year brought from the Profit and Loss Account	7,05,029	50		
		7,17,025	66		
	LESS—	Rs.	nP		
	Transfer to Statutory Reserve under Section 17 of the Banking Companies Act, 1949	1,41,000	00		
	Ad-interim dividend at 8 per cent. per annum free of Income-tax for the half-year ended 30th June, 1957	1,47,115	88		
	Provision for taxes for the year 1957	3,60,000	00		
		6,48,115	88		
1,57,196				68,909	78
	10. Contingent Liabilities—	Rs.	nP		
	(1) Claims against the Banking Company not acknowledged as debts	5,191	25		
	(2) Money for which the Banking Company is contingently liable. Uncalled capital on partly paid Shares held as Investments	45,000	00		
	(3) Arrears of cumulative preference dividends	Nil			
	(4) Liability on Bills of Exchange Re-discounted	Nil			
	(5) Liability on account of outstanding Forward Exchange Contracts	Nil			
11,84,12,988	Total .. Rs.			12,61,22,725	44

Corresponding Figures 31st Dec., 1956 Rs.	PROPERTY AND ASSETS	Rs.	nP	Rs.	nP
1,09,75,492	**1. Cash—** In hand and with Reserve Bank and State Bank			1,19,83,433	14
	2. Balances with Other Banks—				
	(a) In Current Account—				
	(i) In India	15,46,615	06		
	(ii) Outside India	4,02,057	84		
	(b) In Deposit Account— Deposits with Banks in India	30,500	00		
20,53,900				19,79,172	90
Nil	**3. Money at Call and Short Notice**			15,00,000	00
	4. Investments at Cost—				
	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments of the face value of Rs. 3,48,19,500	3,44,64,961	96		
3,16,83,565	(ii) Shares—				
42,078	(a) Fully paid Ordinary Shares	42,078	24		
3,000	(b) Fully paid Deferred Shares	3,000	00		
50,625	(c) Partly paid Ordinary Shares	50,000	00		
	(iii) Debentures or Bonds	Nil			
	(iv) Other Investments	Nil			
	(v) Gold	Nil			
	5. Advances—			3,45,60,040	20
	(Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)				
	(i) Loans, Cash Credits, Overdrafts, etc.—	Rs.	nP		
	(a) In India	5,39,07,756	72		
	(b) Outside India	Nil			
				5,39,07,756	72
	(ii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—				
	(a) Payable in India	80,10,063	18		
	(b) Payable outside India	Nil			
				80,10,063	18
6,13,12,879	(Particulars as per separate sheet attached)			6,19,17,819	90
	6. Bills Receivable Being Bills for Collection as per contra—				
	(i) Payable in India	69,43,536	83		
86,73,393	(ii) Payable outside India	30,76,716	87		
13,20,690	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra			1,00,20,253	70
	8. Premises (Less Depreciation)—			12,41,041	87
	Cost as per Balance Sheet of 31st December, 1956	6,45,601	02		
	Additions during the year	Nil			
	LESS—Depreciation written off to date	6,45,601 59,500	02 86		
6,06,744				5,86,100	16
	9. Furniture and Fixtures (Less Depreciation)—				
	Cost as per Balance Sheet of 31st December, 1956	6,08,297	93		
	Additions during the year	75,973	17		
	LESS—Deductions: Cost of Furniture sold and/or written off during the year	6,84,271 17,631	10 10		
	LESS—Depreciation written off to date	6,66,640 2,10,452	00 38		
4,18,490				4,56,187	62
	10. Other Assets including Silver—				
	(a) Sundries (including Income-tax deducted at source, Advance Payment of Income-tax)	9,68,914	98		
	(b) Stationery on hand at cost	1,70,827	17		
	(c) Stamps on hand	4,571	79		
	(d) Accrued Interest on Investments	3,97,673	74		
	(e) Library—	Rs.	nP		
	Cost as per Balance Sheet of 31st December, 1956	3,439	56		
	Additions during the year	1,365	40		
		4,804	96		
	LESS—Written off	25	24		
		4,779	72		
	LESS—Depreciation written off to date	510	67		
		4,269	05		
	(f) Motor Car at Cost	11,289	45		
	LESS—Depreciation written off to date	770	00		
		10,519	45		
	(g) Premises not occupied by the Banking Company—				
	Cost as per Balance Sheet of 31st December, 1956	97,220	85		
	Additions during the year	2,30,947	25		
		3,28,168	10		
	LESS—Deductions: Cost of building sold	57,771	27		
		2,70,396	83		
	LESS—Depreciation written off to date	4,795	71		
12,26,162		2,65,601	12		
45,970	**11. Non-Banking Assets Acquired in Satisfaction of Claims**			18,31,377 47,298	30 65
	(At Book Value)				
	(This does not exceed the estimated realisable value)				
11,84,12,988	Total .. Rs.			12,61,22,725	44

(Continued in next page)

NEW PUBLICATIONS

A History of Indian Shipping. By Radha Kumud Mookerji. Published by Orient Longmans Private Ltd., 17, Chittaranjan Avenue, Calcutta, 13. Pages: 206. Price: Rs. 20.

ALTHOUGH Indian shipping now forms less than 1 per cent. of world tonnage, it is noteworthy that India's maritime tradition goes back to very ancient times. It is a somewhat difficult task to bring together all the historical evidence relating to Indian shipping and present it as a coherent study of its progress. In this task, Prof. Radha Kumud Mookerji, the well-known Indian scholar, has eminently succeeded. Although the book—the book under review is the second edition—was first published 48 years ago, it has not lost any of its historical value. The second edition of the book has been presented mainly on the lines of the earlier edition. In an introductory note to the book, the late Dr. Brajendranath Seal whose wide scholarship, intellectual acumen, clarity of thought and expression were a source of great inspiration to at least three generations of students, says:

"Here for the first time, fragmentary and scattered records and evidence are collated and compared in a systematic survey of the entire field; and one broad historical generalisation stands out clearly and convincingly, of which all histories of world-culture will do well to take note, viz., the central position of India in the Orient world, for well-nigh two thousand years, not merely in a social, a moral, a spiritual, or an artistic reference, but also and equally in respect of colonising and maritime activity, and of commercial and manufacturing interests. A multitude of facts of special significance also come out vividly, and, in several cases, for the first time, in the author's presentation, e.g., the teeming ports and harbours of India, the harbour and other maritime regulations of the Mauryan epoch, the indigenous shipbuilding craft, the Indian classification of vessels and their build, the paramount part played by indigenous Indian shipping in the expansion of Indian commerce and colonisation from the shores of Africa and Madagascar to the farthest reaches of Malaysia and the Eastern Archipelago; the auxiliary character of the foreign intermediaries, whether Greek, Arabian, or Chinese; the sources of India's manufacturing supremacy for a thousand years in her advances in applied chemistry, etc. In establishing these positions, the author, besides availing himself of the archæological (including architectural and numismatic) as well as other historical evidence, has drawn upon hitherto unpublished manuscrips and other obscure sources. But the signal merit of the survey is that these facts of history are throughout accompanied by their political, social, or economic interpretation, so that the monograph is not a mere chronicle of facts, but a chapter of unwritten culture-history, conceived and executed in a philosophical spirit. The author's style combines lucidity with terseness, compresses a large mass of facts into a small compass, and is equal alike to the enumeration of details and the march and sweep of a rapid historical survey."

This is a well deserved tribute to Prof. Mookerji's book. We have no doubt that the book will be read with interest by those who are interested in India's cultural past, in general, and its shipping in particular.

Surveys of Indian Industries, Vol. I. By B. S. Rao. Published by Oxford University Press, Oxford House, Apollo Bunder, Bombay, 1. Pages: 358. Price: Rs. 15.

It is becoming somewhat difficult to write a book on Indian industries, considering how fast some of them are developing. Nevertheless, the basic pattern of each industry remains the same. Further, the historical background to each industry is also worthy of study. In the *Surveys of Indian Industries*, the author, Mr. B. S. Rao, the Industrial Correspondent of *The Statesman*, has endeavoured to summarise the history, the progress and the present position of 12 industries—coal, petroleum, electricity, pharmaceuticals, light electricals, non-ferrous metals, light mechanical, iron and steel, fertilisers, chemicals and diesels. In his preface, he admits he lays no claim to completeness but has tried to cover a vast and ever-widening field by a process of selection, elimination and condensation. In this attempt, there is no doubt he has succeeded very well.

The Central Sales Tax Act, 1956. By R. V. Patel. Published by Messrs. N. M. Tripathi Private Ltd., Princess Street, Bombay 2. Pages: 388. Price: Rs. 12.00.

No fiscal issue has been the subject of greater controversy than sales tax legislation. It has also had the unenviable distinction of having been a subject on which contradictory judicial pronouncements have been made. There is, however, no getting away from the fact that sales tax has come to stay. And so long as it stays in the Statute Book, it is necessary that those who are called upon to pay the tax as well as those who administer it must know the law and procedure thoroughly well. The author of the book under review, Mr. R. V. Patel, presents a very systematic study of the Central Sales Tax Act. There is a section by section analysis of the Act, supported by copious explanations and illustrations. In Part II of the book has been included the rules of interpretation on taxing statutes, Central legislations on sales tax, the next of the Central Sales Tax Act and the rules made by the Union and the States thereunder. The book is bound to be of great assistance both to the assessees and to the administrators of sales tax.

THE ANDHRA BANK, LIMITED—*(Continued)*

Particulars of 'Advances' forming part of the Balance Sheet as at 31st December, 1957

Corresponding Figures 31st Dec., 1956 Rs.	PARTICULARS	Rs.	nP
5,38,10,249	1. Debts considered good in respect of which the banking company is fully secured	5,27,38,454	16
64,05,957	2. Debts considered good for which the banking company holds no other security than the debtors' personal security (The above includes Rs. 63,23,300.15 debts for which more than one person is liable.)	66,36,036	55
10,96,673	3. Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of debtors	24,93,329	19
Nil	4. Debts considered doubtful or bad, not provided for	Nil	
6,13,12,879		6,19,17,819	90

Corresponding Figures 31st Dec., 1956 Rs.	PARTICULARS	Rs.	nP
5,89,943	5. Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons. (Fully secured)	7,04,820	14
39,07,802	6. Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	66,68,770	41
	Rs. nP		
	Fully secured 41,86,549 69		
	Secured by personal liability of debtors, etc. 24,82,220 72		
6,90,822	7. Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons. (Fully secured)	7,04,820	14
68,84,704	8. Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members	73,11,716	89
	Rs. nP		
	Fully secured 49,26,913 99		
	Secured by personal liability of debtors, etc. 23,84,802 90		
1,806	9. Due from banking companies	25,128	47

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

Corresponding Figures 31st Dec., 1956 Rs.	EXPENDITURE	Rs.	nP	Rs.	nP
23,41,138	1. Interest paid on Deposits, Borrowings, etc.	27,20,195	12		
	2. Salaries and Allowances and Provident Fund—	Rs.	nP		
	(a) Managing Director's Honorarium	8,625	00		
	(b) General Manager (includes Rs. 14,400 paid as Gratuity)	32,616	99		
15,61,604	(c) Others	19,67,542	62		
				20,08,784	61
12,200	3. Directors' and Committee Members' Fees and Allowances			13,860	00
1,38,340	4. Rent, Taxes, Insurance, Lighting, etc.			1,57,968	99
147	5. Law Charges			3,907	56
1,20,352	6. Postage, Telegrams and Stamps			1,32,965	70
6,000	7. Auditors' Fees			6,000	00
61,604	8. Depreciation on and Repairs to the Banking Company's Property			67,476	20
1,44,387	9. Stationery, Printing, Advertisement, etc.			1,52,729	36
Nil	10. Loss from Sale of or Dealing with Non-Banking Assets			Nil	
1,42,796	11. Other Expenditure. (This includes Rs. 441.25 net loss on Sale of Investments)			1,27,295	01
8,45,793	12. Balance of Profit (subject to Taxation)			7,05,029	50
58,74,311	Total .. Rs.			60,96,212	05

Corresponding Figures 31st Dec., 1956 Rs.	INCOME (Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	Rs.	nP
44,45,425	1. Interest and Discount	51,11,943	48
8,34,834	2. Commission, Exchange and Brokerage	8,84,605	87
24,114	3. Rents	22,951	44
Nil	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets. (Not credited to Reserves or any particular Fund or Account)	2,613	69
Nil	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets. (Not credited to Reserves or any particular Fund or Account)	Nil	
1,314	6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	3,150	00
	7. Other Receipts— Rs. nP		
	(a) Sundry Receipts 70,361 57		
	(b) Share Transfer Fee 586 00		
68,624		70,947	57
58,74,311	Total .. Rs.	60,96,212	05

AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ANDHRA BANK LIMITED.

We have audited the foregoing Balance Sheet of the Andhra Bank Limited as at 31st December, 1957 and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date in which are incorporated Returns of 18 Sub-Offices audited by other auditors and unaudited Returns from 20 Branches and 20 Sub-Offices not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisos of Sub-Sections (1) and (2) of Section 211 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) We have obtained all the information and the explanation which, to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by Law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Indian Companies Act, 1956, in the manner so required for Banking Companies and on such basis the said Balance Sheet gives a true and f view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and L Account gives a true and fair view of the Profit for the year ended on that date.

VIJAYAWADA, 19th March, 1958.
GUNTUR, 20th March, 1958.

(Sd.) BRAHMAYYA & CO.,
(Sd.) CH. V. LAKSHMAIAH & CO.,
} Chartered Accountants.

S. R. Y. SIVARAMA PRASAD BAHADUR, Chairman, Board of Directors.
J. MANIKYALA RAO, Deputy Chairman.
TADEPALLI SEIRAMULU, Managing Director.
K. S. DUTT.
MAJETI SESHAGIRI RAO,
V. VENUGOPAL,
MADDI RANGANATHA SAI,
B. R. DANTU,
C. RAMANADHA BABU,
S. RAMACHAR,
పప్పు వెంక రెడ్డిగారు.
REPAKA SATYANARAYANAMURTY,
} Directors

S. R. RAO, Chief Accountant.
T. R. BHAGAVAT, Jt. General Manager.

THE INDIAN SUGAR MILLS ASSOCIATION

MR. B. S. SAWHNEY'S ADDRESS AT THE TWENTY-FIFTH ANNUAL MEETING

TAX BURDEN ON SUGAR INDUSTRY MUST BE REDUCED

IN his presidential address at the Twenty-fifth Annual General Meeting of the Indian Sugar Mills' Association held at New Delhi on 3rd April last, Mr. Balmokand Shah Sawhney, reviewed the achievements of the sugar industry in the field of production and exports during last year. He also dealt with the various problems facing the industry such as growing competition from tax-free *khandsari*, high tax burden and low yield and quality of cane.

Following are extracts from Mr. Sawhney's speech:

"I am sure the sugar industry's performance last year would be viewed with satisfaction. With sugar production at 20.26 lakh tons, we have for the third successive year surpassed the previous records, as will be evident from the following figures:

Year	*Production* (Lakh tons)
1953-54	10.01
1954-55	15.90
1955-56	18.62
1956-57	20.26

"It will be seen that, over a short period of four years, sugar production in the country has doubled itself. I doubt if any other established industry has such a promising record to show. The achievement of the industry will be further appreciated if we take into account the fact that almost the entire increase in production has been achieved by the existing units, the new units contributing only 40,000 tons.

Exports

"A significant landmark in the history of the sugar industry's development is our emergence for the first time as an exporter of substantial quantities of sugar. The total quantity exported during the year has been about 153,000 tons, destination-wise details of which are:

Name of country	*Quantity exported* (Tons)
China	33,624
Malaya	20,837
Singapore	5,096
Burma	11,643
Ceylon	8,158
Aden	8,050
Iraq	13,085
Saudi Arabia	1,247
Other destinations in West Asia	5,045
Sudan	14,847
East Africa	29,454
U.K.	1,002
North Vietnam	823

"Considering our precarious foreign exchange position, the export of sugar has been a welcome development and is expected to contribute materially towards the success of the second Five-year Plan. This year, its earnings have been over Rs. 12 crores of foreign exchange which compares well with the earnings from the other commodities exported regularly, and perhaps would rank only after tea, jute and cotton manufactures.

Exports Handled by I.S.M.A.

"When Government agreed in December 1956 that sugar should be exported outside India, they entrusted this work to our Association. It was a unique case of an industrial association taking up actual business and that too on a non-profit basis.

"The Association had to start working almost from scratch in a sphere which was quite new to it. Indian sugar was an unknown commodity in the world markets and we had to contend against the natural hesitancy on the part of the foreign buyer. We lost no time in contacting the prospective markets through sending our representatives and otherwise, and, gradually, Indian sugar came to be accepted in competition with the world's finest sugars like British refined and Formosan. It is noteworthy that, though new in the export market, Indian sugar has so established itself that it is not grouped among the cheaper varieties like Brazilian or Argentine sugars which have been known to the markets for a long time.

"As our business started taking shape, the competition from the well-established exporters became formidable. In fact, there have been instances of organised competition from world's established sugars to oust Indian sugar and we had to sell in competition with them, and it should be a matter of satisfaction to the members that we were able to secure, in good many cases, business from international tenders. Indian sugar is now well known throughout the world export markets and, even though sales for export have been presently suspended, enquiries continue coming not only from our neighbouring markets but from such far-off countries as Germany and Finland. Internationally reputed brokers have also begun to look forward towards the supply of Indian sugar to the various markets. In some cases, they personally visited this country to gather firsthand knowledge of our quality and packing and arrangements for storage and shipments at ports. These visits proved to be very helpful in their gaining the necessary confidence in the Association's ability to effect shipments according to their requirements which resulted in increased business with them.

Outlook for Sugar Exports

"Undeniably, the efforts of the Association have enabled Indian sugar to find a permanent market in the neighbouring countries in East and West Asia as well as in Africa. That Indian sugar has now come to stay as a strong rival to other well-known sugars in the world export markets is amply borne out by the remarks of the Chairman of Tate and Lyle, London, at the annual general meeting of the Company, when he described the Indian sugar industry's achievements as 'a threat to wrest some of our business.' This is fairly indicative of the Association's achievement and of the future possibility of the export of Indian sugar.

"The world sugar market has, however, now come down appreciably mainly because of better crops in Europe and Cuba and exports are now possible only at a loss. This is not a phenomenon peculiar to India alone. Most of the sugar exporting countries subsidise their exports in one form or another. We will also have to find some way of meeting the loss on exports to be able to export sugar on a permanent basis.

"The country's growing needs for foreign exchange necessary for importing heavy machinery, etc., for rapid industrialisation makes it incumbent on us to explore all avenues of furthering exports to earn more foreign exchange. In fact, as the Prime Minister said in the course of his budget speech last February, 'we must try to produce more, export more and save more to find the resources for implementing the Plan.' Already, last year, we earned over Rs. 12 crores of foreign exchange by export of sugar.

"Apart from the undoubtedly urgent need of foreign exchange, export of sugar is also necessary for continued health and development of the industry and welfare of the cane growers. For the sugar industry, in common with all other industries based on agriculture and, therefore, on the vagaries of nature, cannot plan its production within narrow limits. A plan for exports will alone be able to insure against periodical plenty and scarcity.

"Fortunately, because of our geographical position, we have easy access to a number of sugar importing countries which are in our neighbourhood. Of the total world exports of about 12 million tons, 1.2 million tons are consumed in the neighbouring markets.

"That we have already sold substantial quantities to most of these markets can be seen from the figures given by me earlier. It is only reasonable to expect that, with the experience gained, this year it will be possible to step up our exports to them. This matter, I know, is as much in the minds of Government authorities as it is in ours, and I hope some scheme will be devised without any further delay to start export of sugar on a permanent basis.

Development of "Khandsari"

"I have referred to the achievements of the industry in the field of production and exports. And while these developments were expected to gather further momentum, a dark cloud has gathered on the horizon which may upset all our calculations and do incalculable harm to the sugar industry with serious repercussions on the national economy, growers' well-being and the Governmental revenues. I refer to the fast-growing *khandsari* industry which is developing under, what may be called, entirely artificial conditions created by the growing tax burden on factory sugar as compared to complete immunity of *khandsari* units from such burden. The sugar factories have to pay Rs. 10-11 per maund as excise duty, Rs. 2 as cane cess and about As. 8 as co-operative societies' commission, bringing the total tax burden to Rs. 13-3 per maund, which forms 38 per cent. of the total cost of production. This high tax burden has placed the factory sugar industry at a disadvantageous position *vis-a-vis* the *khandsari* units. With its production at under one lakh tons, *khandsari* has so far played only a minor role as a sweetening agent when compared to the vacuum pan sugar. The position has, however, lately been undergoing a change and, with indirect assistance resulting from Governmental measures, *khandsari* units are fast expanding, particularly, in U.P., the foremost sugar producing State in the country. Prior to March 1955, *khandsari* had a relative advantage of Rs. 5-3-6 per maund (Rs. 2-12 excise duty, Rs. 2 cane cess and As. 7-6 co-operative societies' commission). But, with successive increases in the excise duty, the relative tax advantage to *khandsari* has, as stated by me earlier, risen to Rs. 13-3 per maund.

"Apart from this, *khandsari* units have also the advantage of being free from any regulations on the minimum cane price and quota releases. the advantage of being free from any regulations further add to the indirect protection that this industry gets. The wide margin of the concessions and other advantages have given a spurt to *khandsari* and its production is expected to reach 3 lakh tons this year; and there are reports of large-scale diversion of cane from factories to *khandsari* which will adversely affect sugar production.

A Wasteful Process

"I am conscious that cottage industries have a definite place in our industrial set-up. But they are meant to supplement and not supplant the work done by the large-scale industries. Besides, I don't think it is the Government's policy to encourage an industry whose manufacturing process is a wasteful one and involves a national loss. But that is what the *khandsari* industry is. Its sugar recovery is 6 to 7 per cent., as against 10 per cent. of the sugar industry. This is equally true if we compare the yields between *khandsari* and *gur*. Therefore, any expansion in the *khandsari* industry, whether at the cost of the factory industry or the *gur* industry, would not be in the larger national interest. The Karve Committee on Village and Small-scale Industries also testified to its being based on a wasteful process and observed that, unless it is improved, it should not be encouraged at the cost of the sugar industry.

"The considerable waste involved in *khandsari* production will be appreciated when we realise that, in the additional production of 2 lakh tons of *khandsari*, we lose about 1.3 lakh tons of extra sugar which would be recovered if the cane were crushed by the sugar factories. That is, as against the expected production of 3.3 lakh tons in vacuum pan factories, the *khandsari* output is estimated at 2 lakh tons only for the same quantity of cane crushed. In terms of money value, this would mean a loss of over 12 crores of rupees. On the basis of production of 3.3 lakh tons, the loss to the State Exchequer would work out to Rs. 10 crores by way of central excise duty and Rs. 2 crores by way of cane cess. Surely, this is a considerable loss resulting from the inherently wasteful process of *khandsari* manufacture.

"There is another aspect of the matter also. The second Five-year Plan envisaged a bold programme of expansion for the sugar industry and for this purpose provided Rs. 50 crores for the expansion of capacity and another Rs. 2 crores for the expansion of sugar machinery plants. All this expansion of capacity and the expenditure on the same was based on the assumption of an increased level of sugar consumption resulting, among others, from shift from *gur* and *khandsari* consumption to sugar. With the expansion of *khandsari* now occurring, entirely against the Plan premises, the rate of consumption of sugar will not be as expected and, in fact, a contrary trend of shift from sugar to *khandsari* is likely to develop. As a result, it may not be possible effectively to utilise the increased capacity of the industry which we hope to build up at a great cost. I am sure no one will view a situation like this with equanimity.

"It should also be realised that, with increasing production of *khandsari*, the prospects of export of sugar would be considerably reduced. For, in any scheme of exports which the Government might adopt, the basic consideration would be that any loss on exports would be made up from the internal market. This, in turn, presupposes a steady demand for sugar within the country even at higher prices resulting from the passing on of loss on exports to the internal market. But this cannot be the case with continuous supplies of cheaper *khandsari* flooding the markets. Any attempt to increase exports to meet the situation would not succeed and we shall find ourselves in a vicious circle of higher prices and shrinking demand. I firmly believe that successful implementation of an export programme would depend, on the one hand, on increased production of sugar in the country and, on the other, on its effective demand. Increased production of *khandsari* will, however, affect adversely both production and consumption of factory sugar and thus also exports.

Urgent Need for Remedial Measures

"Keeping in view these various facts, I hope Government will appreciate the industry's anxiety. In fact, it had expected that Government would at the last budget time announce some steps in the form of suitable excise duty on *khandsari* sugar to curb the unplanned growth of this wasteful industry. But the absence of any such proposals in the budget has been a great disappointment. I would urge with all the emphasis at my command for speedy and effective action in this behalf, in any case, well in advance of the next crushing season.

"The sugar industry in East U.P. and Bihar has not made any headway despite the progress of the industry as a whole. It might interest the members to know that, in Bihar, which is the second important State in the matter of sugar production, sugar output last year amounted to 3.12 lakh tons which, though about the highest for the last several years, is lower than the production achieved during the year 1939-40. In the matter of sugar recovery also, the position, instead of showing any improvement, has deteriorated over the last several years. As against a recovery as high as 10.9 per cent. in 1942-43, the last three years' figures at 10.22 per cent., 9.76 per cent. and 9.36 per cent. show a steady decline. The position in East U.P. is also very serious, as the mills there are not able to get even an economic crush. The production of 3.28 lakh tons achieved by these mills during the last season exceeded, by only about 4,000 tons, their output of 3.24 lakh tons in the season 1936-37. From the point of view of market also, these mills are at a serious disadvantage in that there is no important market where they enjoy preference of any sort. Their production has to be sold in far-off places in competition with others more favourably situated.

Needs No Emphasis

"The important role that this industry plays in the economy of this region needs no emphasis. Here sugarcane is primarily grown for supply to sugar mills and, if they are allowed to stagnate, as has been the case, I venture to say that the development of the entire region will suffer. Perhaps there is no other part of the country where the dependence of agricultural economy on the sugar industry is so marked. I shall, therefore, urge the Government of India and the two State Governments concerned to pay special attention to the problems of the industry in this region.

"Speaking of the difficulties of East U.P. and Bihar factories in the matter of cane development, I am mindful of the fact that the position with regard to cane development in the country as a whole requires much more concentrated attention than has perhaps been given so far. The poor yield and quality of our cane is a malaise from which the industry as a whole suffers. This is the main problem facing the industry. Though the authorities themselves are conscious of the leeway to be made and have also undertaken some positive steps in the last few years, the problem is so big that all the efforts done so far have made little impression on the overall position.

A Truism

"It is a truism that sugar is grown in the fields and so long as we do not get from the fields what they are capable of yielding both in terms of yield and quality of cane, so long will our industry remain in an unenviable position.

"Our Association had suggested that, in order to give a stimulus to the working of the research institutes, it would be better to bring all the main institutes under an autonomous Sugar Research Board on which the industry and the growers would be represented. But somehow the Government have not seen their way to agree to this suggestion so far. It is true that the Indian Central Sugarcane Committee on which the industry and the growers are represented has as one of its functions the supervision of the sugarcane institutes. But, in view of its multifarious activities, it would be advisable if the research institutes are placed under an autonomous Board devoted exclusively to research work. This Board would also take over the National Sugar Institute, Kanpur, presently not under the Indian Central Sugarcane Committee, which would help better coordination between agricultural and technological research.

Land Ceilings

"While the need for improvement with regard to cane development is realised on all hands, the policy of some of the State Governments in regard to land holdings, I am constrained to say, is not proving at all helpful in this behalf. It is well known that, in the main cane producing countries, the efficiency of sugar industry is to a great extent determined by following what is known as plantation economy. In India, although this is not the rule, yet wherever sugar factories operate large-scale cane farms, these farms render a signal service as models and extension services for the cane growers in the neighbouring areas. The Planning Commission acknowledged the utility of these farms and recommended their exemption from ceilings. But some of the State Governments seem to follow a different policy. The U.P. Government have, for instance, by passing the U.P. Large Land Holdings Act and making it applicable to the sugar factory farms also, imposed a very high rate of tax on larger farms. Such a measure will in all likelihood lead to disintegration of the farms and loss of their valuable service to the industry and growers. In Mysore also, a committee, appointed some time back, has recommended application of ceilings to factory farms. If this position continues, other States may follow suit.

"Such a development will prove harmful not only to the sugar industry but to the economic development of the country as a whole. For any diversity in approach or policy between the Planning Commission and the State Governments will stand in the way of speedy and integrated development for which the country has sought to make planned efforts.

Licensing Policy

"The two Five-year Plans envisaged an increase of 10 lakh tons in the capacity of the sugar industry to bring the total capacity by the end of 1960-61 to 25 lakh tons. Necessary licences have already been issued for establishment of 56 new factories and substantial expansions in the capacity of 66 existing units. These cover the entire additional capacity targeted for. Of the new units licensed, four went into production in 1955-56 and five in 1956-57. Another 12 units were expected to start this year, but only nine have actually started working. Thirty existing factories have also expanded their capacity and others are expected to complete their expansion in due course. The total additional capacity thus brought into effect is 4 lakh tons. There has, however, been a setback in the installation of new factories, due to delayed shipments of machinery and payment difficulties.

"As members are aware, in the matter of licensing of additional capacity, we have been urging the Government first to meet the requirements of the existing units. For it would cost much less in terms of both money and time, if preference is given to the expansion of existing capacity wherever cane availability and other facilities permit the same. It may be pointed out that the expansion of existing units will largely be achieved with machinery manufactured within the country and will not require much foreign exchange. However, Government have not seen their way to agreeing to the same. The foreign exchange difficulty now further underlines the need of exploring avenues of expanding the capacity at as little cost as possible. I would, therefore, again appeal to Government authorities that, wherever the units already licensed have not come up according to programme, the capacity thus released should be redistributed among the existing factories depending on the scope of expansion of such units.

Sugar Prices

"Earlier, I have referred to the progressive increases in the sugar excise duty in recent years and their serious repercussions on the industry. These increases in the excise duty have tended to push up the price of sugar to an unduly high level now ruling when consumers' resistance is apparent. This, however, is not related in any way to the working of the sugar mills but is a direct result of high taxes levied by the Government. It, therefore, comes to us as a surprise when the current prices are misconstrued to imply high profits. It is not uncommon to observe in the Press or in the observations of persons occupying responsible positions in the country's life uninformed and unfounded criticism of the industry. I am not against criticism and would welcome it provided it is based on facts. Even a cursory glance at the cost structure of Indian sugar as adopted by the Government will at once convince anybody of the fact that neither is the sugar mill industry responsible for the present level of prices nor does it benefit from them.

Need for Tax Relief

"In recent years, the cost structure has undergone considerable variations. While the Government levies show a phenomenal increase of 344 per cent. the cost of cane has also gone up by 14 per cent. Similarly, other items of cost have also gone up, reflecting the higher prices of raw materials and increased labour charges. In sharp contrast to the increases on all these items, the single item which has shown a decline and that too by a fair percentage of 17 per cent. is in respect of overheads and the gross profit margin allowed to the industry. It is, therefore, not understood how, in the face of these facts, allegations against the industry of high prices or high profits can be sustained.

"Before I pass on to another matter, I would like to invite Government's particular attention to the sharp increase in the tax burden on the industry. Since 1946-47, the Central excise duty has been raised from Rs. 2-3 to Rs. 10-11 per maund. Of this increase, Rs. 2-7 account for replacement of sales tax by additional excise duty effected last December, which may normally not be taken as an additional burden. But the position with regard to sales tax was that it was paid by the trade and, in the final analysis, by the consumer. But the additional excise duty has to be shouldered initially by the industry with the prospects of its passing on to the consumer depending on market conditions. And with unfavourable market conditions, such prospects look rather dim.

"The State Governments of U.P. and Bihar have also raised the cane cess from one anna to three annas per maund. Along with this, the co-operative societies commission in these States also went up from three pies to nine pies per maund of cane. All these together amount to a high figure of Rs. 13-3 per maund of sugar.

"I would submit that such disproportionately high rate of taxation on this industry is bound to stifle its future development. Admit-

(*Continued on page 803*)

IMPACT OF U.S. RECESSION ON BACKWARD ECONOMIES

AGRICULTURE HELD KEY TO PROBLEMS OF UNDERDEVELOPED COUNTRIES

(In the context of the continuing recession in the U.S. and the concern it has evoked in India and other countries, the following extracts from the Statement by Mr. Philippe De Seynes, Under-Secretary for Economic and Social Affairs, at the opening of the 14th session of the U.N. Economic Commission for Asia and the Far East, which was held last month in Kuala Lumpur, will, we are sure, be read with interest by our readers.—Ed.)

THE fourteenth session of the Economic Commission for Asia and Far East is taking place in the midst of some apprehension regarding the effects and duration of the economic recession now under way in North America. Every recession has its own particular character and origins, and there are certain features of the present one which have no doubt contributed to the concern being voiced in many parts of the world, not least in Asia. This becomes clear if we compare the present recession with previous setbacks since the war. When the North American recession of 1949 occurred, the readjustment to peace-time conditions was in many countries not yet complete, and the recovery late in that year and early in 1950 demonstrated that underlying demand was still strong. Again, the mild slackening in the industrial tempo in Western Europe in 1952 was no more than a pause in a generally expansionist situation resulting from the rising claims of defence and of associated private investment. Finally, the recession of 1953-54 in North America was largely the result of the end of the Korean conflict and of the fall in Government expenditures which ensued. The buoyancy of private demand for fixed investment and consumption rapidly brought the reaction to an end and carried the economy to new high levels of activity.

In all these cases, final demand was strong, and the recession simply took the form of a realignment of inventories in certain sectors of the economy. While the trimming of inventories is also contributing to the present situation, the possibility of a deeper weakness cannot be ruled out. There seems to be some evidence that additions to capacity in recent years may have outrun the growth in demand, so that business is disinclined to continue investing at the same rate as hitherto. If true, this would mean that for the first time in the post-war period, final demand for fixed investment and consumption in the private sector has, at least for the time being, lost its upward momentum.

What is particularly important for underdeveloped countries, moreover, is the fact that in previous recessions the industrial countries were not all involved at any one time, so that the total demand of industrial countries for imports from the rest of the world was relatively well maintained or even increased. Thus the North American recessions of 1949 and 1953-54 were accompanied by sharply rising activity in Western Europe; while North America was in turn much less affected than Western Europe by the easing of demand in 1952.

Inventory Policies

At the beginning of 1958, on the other hand, there are important elements of similarity in the situation of most of the industrial countries of North America and Western Europe. That is not to say that the recession in North America has an exact parallel in Western Europe. But production and demand, which had already slowed down in 1956, advanced very slowly in Western Europe during 1957 and even the long boom in Western Germany seemed to have come to at least a temporary halt. While latest data do not as yet point to any significant drop in output, more cautious inventory policies have affected the demand for primary products. And the same basic phenomenon as in North America is present there too—namely, the levelling off in the demand for new productive capacity. Consequently, Western Europe does not seem to promise an expansion in 1958 which would offset any significant drop in demand on the North American continent.

Thus the present situation represents a more serious challenge to national and international economic statesmanship than any other economic downturn since the Second World War. It is a test both of the ability to diagnose the extent of the malady correctly and of the efficacy of measures which may be taken to deal with it. Some support for the economy is already being derived from higher public expenditures and from an easing, in some countries, of monetary restraints imposed previously. There are still substantial differences of opinion, however, as to how much of the slack these measures are likely to take up. There is no doubt that if these measures fell seriously short of what is required to maintain a high level of employment, Governments would intervene actively in the situation. Even here, however, there is much room for argument as to the stage at which such further intervention would be desirable, and how effective it might be in the short run.

While there are undoubtedly profound differences of view as to the seriousness of the present position and, therefore, as to the extent of governmental counter-measures required, there would not, I imagine, be any disagreement anywhere that a repetition of the 1930s can virtually be ruled out. The mere existence of a large and stable public sector sets a floor to the amount of decline that is likely in other sectors. As is well known, moreover, there are many built-in stabilisers in the economy in modern times which serve to slow down the rate of decline in economic activity in the event of a recession. The widely prevailing systems in industrial countries whereby compensation is provided to the unemployed and taxes decline more than in proportion to incomes constitute especially powerful influences in this direction.

Above all, there is the firm intention of Governments not to permit economic collapse in their countries. Our experience of conscious control of cyclical forces is still very limited, and the possibility of mistakes in the timing or amount of Government intervention required, or even in the choice of policies, cannot altogether be excluded. What cannot be doubted is that all Governments have every reason to shorten the duration of any recession as much as they can, and that, if the first steps taken prove insufficient, these will be soon followed by increasingly active measures until in one way or another the tide is turned.

Underdeveloped Countries

The impact of a recession upon the developed countries is not, however, to be compared with the damage that may be caused in underdeveloped countries by any decline in external demand of more than very brief duration. These countries simply do not have the reserves, either internal or external, to enable them to ride out the storm with a minimum of dislocation.

Prices of a number of commodities were already declining during 1957, even before the current recession began. In many cases, the chief cause was reduced investment in inventories in the industrial countries, but in several instances, the expansion of supplies from exporting countries was of equal or even greater importance. The slowdown in buying for inventory was no doubt prompted partly by the expectation of a change in business conditions and partly by the tightening of credit. Comparing the year 1957 as a whole with 1956, we find that rubber prices fell by about 6 per cent. in Malaya and 15 per cent. in Ceylon. The prices of copra and tin appear to have dropped 3 to 4 per cent., and the superior varieties of tea for export by 14 per cent. However, where supply declined, as in the cases of cotton and jute, or where consumption seems to have advanced more rapidly than production, as in the cases of abaca, rice and sugar, prices averaged somewhat higher in 1957 than in 1956. Commodity prices weakened more generally as the recession in North America developed during the second half of 1957, and it is too early to say whether the bulk of the price decline is behind us or not.

It must regrettably be conceded that we have not yet found the right formula for international stabilisers to compare with the built-in and other stabilisers available within each of the developed countries. More than eight years ago, a distinguished group of economists (under the chairmanship of the present Australian Ambassador to the United Nations in New York) made a pioneering effort in this field in a series of recommendations which came before the Economic and Social Council in 1950. A further investigation of the same subject by another group resulted in a second report toward the end of 1951. The conclusions of these studies remain a very controversial matter and we have yet to devise concrete procedures on which Governments could agree and which would appreciably mitigate the international hazards of cyclical fluctuations.

In these circumstances, it must be acknowledged that the freedom of action of underdeveloped countries is necessarily limited by the reserves which they themselves possess or can call upon with the framework of existing institutions. All the more urgent it is, therefore, to make the best use of whatever reserves do exist.

Exports

In principle, a further development of exports would be highly desirable under present conditions, and we must hope that no artificial curbs will be placed on imports from underdeveloped countries over and above those resulting from the decline in demand. Means of achieving such an increase in exports in the longer term have been explored by the Committee on Trade. But it is not easy to identify the source of any major advance in the demand for primary products in the immediate future. Whatever might have been said some years ago about a world shortage of raw materials, it is quite clear that the growth in production which has occurred in the meantime has significantly changed the balance between world supply and demand. It may, indeed, be argued that present conditions call for or justify a restrictive policy consisting in withholding part of the available supplies of primary products from the market. Such solutions are already under study in various countries acting separately or even collectively. It should, however, be borne in mind that the underlying assumptions for all such schemes impose some serious restraints on the range of commodities for which they may be effective. Among these preconditions are a presumption that the present recession is indeed the chief cause of the difficulties of any given commodity and that the difficulties will disappear with the recession; a presumption that total export earnings will rise by withholding supplies, a presumption that the withholding of supplies will not generate substitutes with a concomitant prolonged lowering of the demand for the product concerned, and a presumption that international co-operation will be effective.

What makes the balance of payments situation particularly troublesome for a number of countries in the region at the present time is the fact that while the demand for their exports has been declining, their own demand for imports has been advancing, often because of mounting inflationary pressures. Even if there were no inflationary forces in the region, the mere fact that incomes were rising here while they were levelling off or declining in the industrial countries would make for serious disequilibrium in balances of payment. But where inflationary conditions are present, the problem is naturally intensified. While inflation takes many forms, two main types seem to predominate in the region at the present time. The first arises from crop failures or a series of various other circumstances reducing the supply of essential consumer goods, thereby causing their prices to rise. As various groups in the community seek to escape the consequences of the decline in supplies by claiming a larger share of whatever is available, the upsurge in prices spreads throughout the economy and gains momentum. A second type of inflation results from growing claims upon resources imposed by rising investment, both public and private, for economic development. One of the primary difficulties here is the lack of elasticity in an underdeveloped economy, particularly in the agricultural sector. This means that even modest increases in investment designed to do no more than keep pace with rising population may nevertheless suffice to break through the inflation barrier.

It is worth emphasising again and again that agriculture holds the key to many of the problems, both internal and external, which beset underdeveloped countries attempting to accelerate the pace of economic progress. Developing countries need larger supplies of food in order to meet the demands resulting from rising incomes and growing populations. Unless such supplies can be provided from domestic cultivation, additional pressures upon already insufficient foreign exchange resources are bound to develop. It is also noticeable that increases in *per capita* incomes have, in several countries in this region, been accompanied by a shift in tastes toward wheat and higher quality foodstuffs, thus creating an additional source of demand for imports from industrial countries. In recent years, substantial supplies of foodstuffs have been obtained outside the region without heavy drain on foreign exchange resources, but this was only due to especially favourable circumstances created by the measures taken toward surplus disposal, measures which cannot be expected to be indefinitely renewed.

For these reasons, it is encouraging to see that this region is so well aware of the importance of agricultural development. The Working Party on Economic Development and Planning, sponsored jointly by the Economic Commission for Asia and the Far East and the Food and Agriculture Organisation of the United Nations, which held its third session at the E.C.A.F.E. Headquarters in September 1957, deserves to be congratulated for devoting its full attention to the agricultural sector. By taking up this particular sector of the economy, the Working Party has initiated a new and welcome phase of its activities. That does not mean that the wider aim of economic development has been neglected or made subservient. Indeed, as the Working Party itself has put it, "the problems and techniques of agricultural development planning and implementation were reviewed, not in isolation, but in their relation to economic development as a whole and, more particularly, to the dynamic factor of industrialisation," a task which the Working Party has executed admirably. It is to be hoped that the report of the Working Party, a most valuable document, and the recommendations it puts forward will be studied with great care.

INDIAN SUGAR MILLS ASSOCIATION

(*Concluded from page* 801)

tedly, if the industry has to fulfil the Plan targets and also maintain increased exports, it is necessary that a rising tempo of production and consumption of sugar within the country is maintained; these are like the two needles of a clock and should function in close harmony. But the present rate of taxation, as I have shown, is adversely affecting both production and consumption of factory sugar. There is thus an urgent need for granting an appropriate tax relief to this industry, and I appeal to the Government to give due consideration to our request.

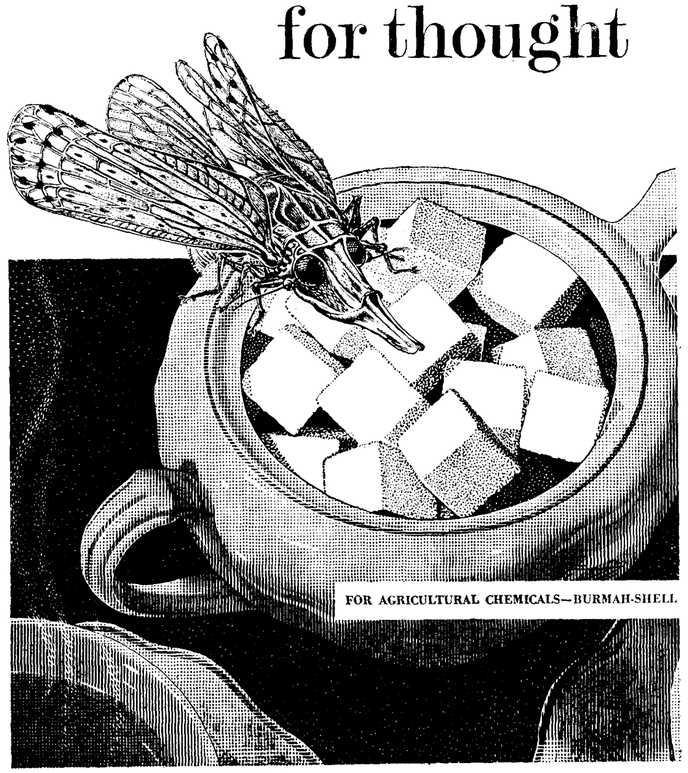
Rehabilitation and Modernisation

"While on this subject, I would also invite Government's attention to the financial requirements of the industry for rehabilitation and modernisation of the existing plants which have a close bearing on their efficiency and production. The Planning Commission has assessed its cost during the second Plan period at Rs. 50 crores. The profit margin now available to the sugar mills industry hardly permits of such heavy investments, specially with the prices of machinery parts ruling four to five times the pre-war level. The industry has already brought this fact to the notice of the Government and I hope that some solution will be found to enable the industry to proceed with rehabilitation and modernisation of the plants now overdue.

Cane Freight

"I would also take this occasion to draw Government's attention to the recommendations of the Railway Freight Structure Enquiry Committee which envisage a general rise in railway freights, particularly for short distances. The sugar factories, particularly in U.P. and Bihar, depend to a large extent on cane supplies from distant centres. In the absence of good roads in the factory areas, this cane has to be transported by railways and any increase in the railway freight will further add to the industry's cost structure, thus making it uneconomical to crush distant cane. This will adversely affect both sugar production and the interests of cane growers who may have to utilise their cane for less remunerative uses. I hope, while considering the Freight Committee's recommendations, the Railway Ministry will give due consideration to the peculiarities of this case and decide against any further increase in cane freight."

FOOD
for thought



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ROLE OF INDUSTRIAL ESTATES IN INDIA'S ECONOMY

ASSISTANCE TO SPEEDY DEVELOPMENT OF SMALL INDUSTRIES

WHAT is claimed to be the biggest of the 100 model Industrial Estates envisaged in the second Five-year Plan was formally inaugurated by the Prime Minister, Mr. Jawaharlal Nehru, at Okhla, a New Delhi suburb, on the 12th inst. The Estate now consists of 35 factories and a hundred more are expected to be set up in due course. The factories include, among others, those producing foundry products, radio components, cycle parts, safety blades and electric wires. The factories are provided with many facilities such as supply of water, electricity, drainage and conservancy. The Estate is planned spaciously with proper roads and other amenities.

The importance of Industrial Estates in an underdeveloped country like India cannot be overemphasised. There are several areas in this country where the pressure of population on land is very heavy, and the major problem all along has been one of reducing the disquieting effect of such pressure. The small-scale industries equipped with modern machines, as Mr. Nehru rightly declared, played a very important part not only in augmenting production but also in solving the problem of unemployment. The Industrial Estates are designed to provide conditions favourable to working efficiency through economic utilisation of equipment and materials and maintenance of uniform standards of production. The Estates seek to provide built-up factory accommodation for a number of small-scale industries. By virtue of their having formed into a beehive of economic pursuits, these industries are enabled to share the common services and other facilities such as supply of electricity, water, gas, steam, compressed air, railway sidings, and watch and ward. They have also the additional advantage that the conditions created in the Estates are conducive to healthy employer-employee relationship. The houses, schools and other social amenities for workers available in the Estates help improve efficiency of labour and at the same time avoid slums.

It may be recalled that the programme for the establishment of Industrial Estates was first approved by the Small-Scale Industries Board in January 1955. The implementation of this programme was estimated to involve an expenditure of about Rs. 10 crores. The necessary provision was accordingly made in the second Plan which was subsequently raised to Rs. 15 crores. The entire finance is given as loans to State Governments. A provision of Rs. 1 crore was made in the Union Budget for the year 1957-58. Sanction had been accorded up to December 1957 to the establishment of 34 Industrial Estates during the financial year 1957-58, with the total loans amounting to Rs. 1 crore.

In the Rajkot Industrial Estate, 10 blocks of four factory units each have been constructed, of which 14 blocks are already occupied by small *entrepreneurs*. In the Estates at Palghat and Quilon in Kerala State, 16 factory units are under construction. In the Guindy Estate in Madras, 30 factory units are nearing completion. The States of Uttar Pradesh, West Bengal, Mysore and others have already acquired lands for the setting up of these Estates and construction work is under way. All the Estates, except those of Okhla and Allahabad which are being erected by the National Small Industries Corporation, are being constructed by the respective State Governments. In the Allahabad Estate, 24 factories have been completed, while 10 more are receiving finishing touches.

The schemes for Industrial Estates, it is claimed, are becoming increasingly popular. In addition to the large Estates near big towns and cities, small Estates in Community Development Blocks and pilot project areas have also been sanctioned. Special agencies have been appointed in some States for undertaking construction of factories. It is expected that the tempo of expenditure in 1958-59 will increase further. The Budget for 1958-59 makes a provision of Rs. 1.5 crore (same as the revised estimate for 1957-58) for loans to State Governments for Industrial Estates. An additional provision of Rs. 10.82 lakhs has been made for the establishment of four small Industrial Estates in Community Development Blocks in Union Territories—one each in Delhi, Himachal Pradesh, Manipur and Tripura.

While the Industrial Estates go a long way towards assisting the speedy development of small-scale industries, there is no denying the fact that great attention must be paid to the installation of modern machinery and equipment and adoption of new techniques, in order to keep pace with the fast changing industrial age. Mr. Nehru did well to stress this aspect. He, however, said that the country could not go in for more and more machines at the cost of its man-power. Indeed, he declared that the automation in vogue in the advanced countries like the U.S.A. and the U.K. was wholly unsuitable to India, though he took care to add that it was not his intention to limit any kind of improvement in techniques of production. Discussing the relative role of small- and large-scale industries, the Prime Minister pointed out, and rightly so, that both were essentially complementary in character. He rightly stressed that, with the growth of industrial raw materials, there must be a corresponding increase in the number of ancillary industries to consume them.

Few will dispute the fact that the small-scale industries have an important place in the country's economic set-up. But they must be viewed, as the Planning Commission itself has recognised, not as a static part of the economy but as a progressive and efficient decentralised sector. The role of these industries should be restricted to providing supplementary pursuits to those in the rural sector who depend on agriculture for their livelihood, on the one hand, and to dovetail the production operations of large-scale industries, on the other. Viewed thus, one wonders whether the policies pursued by the powers-that-be during the last few years in curbing production of the more efficient sector and in imposing on them increasing burden of taxation will bear the expected fruit. Instead of giving palliatives, the Government should concentrate on developing small-scale industries as ancillary to the large-scale industries. It would be a grave mistake to think that small-scale industries perpetuate obsolete and outmoded technique of production. In fact, there is vast scope for introducing more and more technical changes which ensure efficiency in production.

It is gratifying to be told that the National Small-Scale Industries Corporation is endeavouring to give a new fillip to this unorganised sector. It has managed to secure the co-operation of several large industries in building up small units as ancillaries for the production of components and parts required by them. Further, through a network of depots and mobile vans, the Corporation has facilitated the process of marketing their products. What is more, it has secured substantial orders for the products of small units in foreign countries such as the Soviet Union, Poland and New Zealand. The hire-purchasing scheme evolved by the Corporation, we are told, has proved to be very useful to the small units in getting machinery on easy terms.

MEDITERRANEAN FISHERIES MEETING

The fifth meeting of the General Fisheries Council for the Mediterranean (G.F.C.M.) will take place at the Rome headquarters of the Food and Agriculture Organisation from 13th to 18th October 1958.

Many interesting technical papers dealing with fishery problems of the Mediterranean are expected to be read at the meeting. These will cover, broadly speaking, such subjects as fisheries biology, production, economics and statistics of Mediterranean fisheries, utilisation of the catch and problems concerned with the development of inland fisheries of the Mediterranean area. Among the interesting subjects to be discussed at the meeting will be the study of the trawling grounds of the Mediterranean. It is hoped that, eventually, the G.F.C.M. will be able to publish the results of this study, detailing the size and location of the trawling grounds, nature and extent of the catch, and other relevant data.

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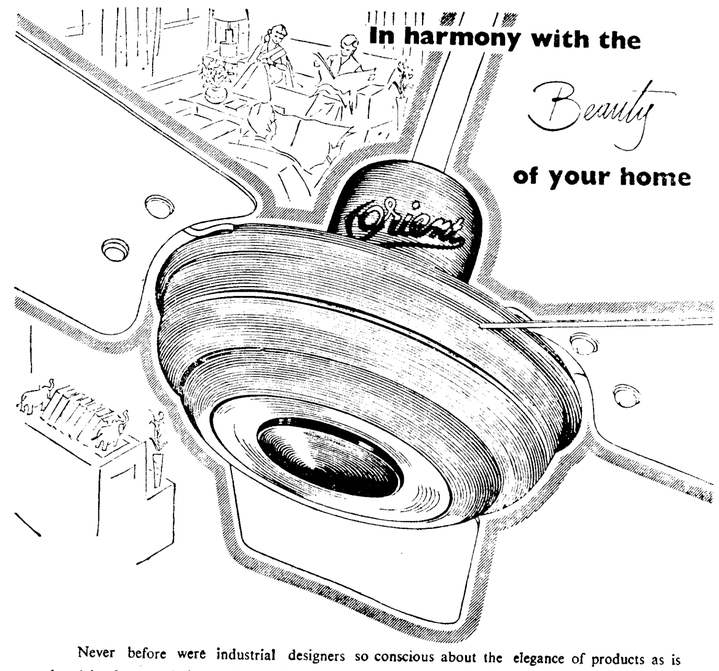

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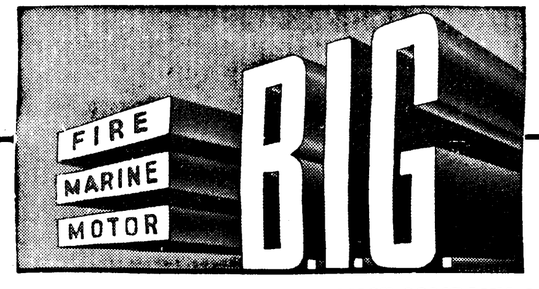

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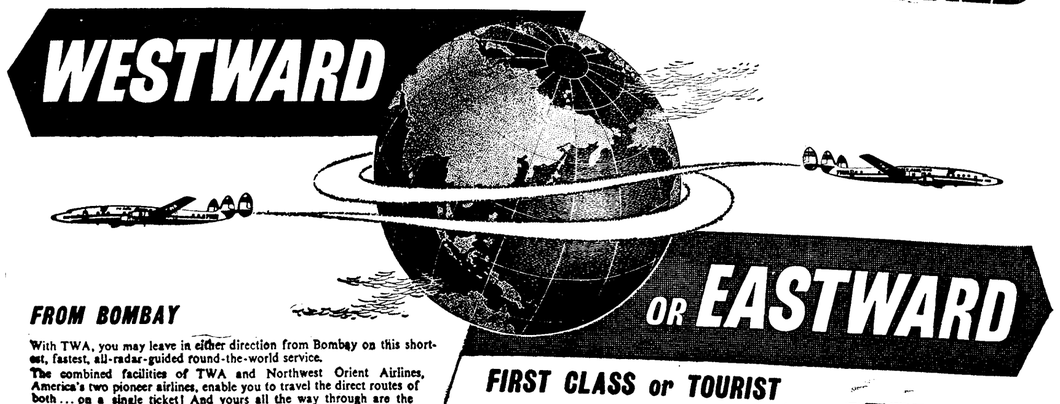

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PROFITS OF BINNY MILLS DECLINE

DISTRIBUTION TO SHAREHOLDERS UNCHANGED

THE presence of high Central and State Government taxes resulting in higher consumer prices and the consequent fall in demand, aggravated further by a sharp rise in manufacturing and other expenses have cumulatively led to a decline in the profits of the Buckingham and Carnatic Company Ltd. and the Bangalore Woollen, Cotton and Silk Mills Company, Ltd., both under the management of Messrs. Binny & Co. (Madras) Ltd., for the year ended 31st December 1957. Despite this fall in earnings, the Directors of the Buckingham and Carnatic Company, Ltd., have decided to maintain the dividend on the ordinary shares of the Company at the same level as that paid for the previous year, namely, 10 per cent. This is the fifth year in succession for which the dividend of Buckingham's is being repeated after having been raised from 4 per cent. paid for 1952. Bangalore Woollen has proposed a dividend of 10 per cent., as against a dividend of 30 per cent. for the past three years in succession. It should, however, be noted that the year's dividend is on a higher capital of Rs. 121.50 lakhs, raised by the capitalisation of Rs. 81 lakhs out of the general reserve in March 1957, so that, in actual effect, it means that the dividend has been maintained on the old capital.

The dividends have been kept at the previous year's level, despite the fact, as stated at the outset, that the earnings of the two Companies have suffered a recession. Thus, the gross profit of Buckingham's at Rs. 1.24 crores shows a further drop from Rs. 1.35 crores in 1956 and Rs 1.43 crores in 1955, the highest earned by the Company since 1948. The gross profit of the Bangalore Woollen at Rs. 59.62 lakhs makes an unfavourable comparison with the record profit of Rs. 94.86 lakhs for the previous year.

In consonance with the fall in gross profits, the net profits, too, of both the Companies show a decline. Buckingham's profit receding from Rs. 69.82 lakhs to Rs. 63.12 lakhs. This is after raising the provision for taxation from Rs. 15 lakhs to Rs. 18.50 lakhs but lowering that for depreciation from Rs. 40.97 lakhs to Rs. 35.80 lakhs. Bangalore Woollen's profit has gone down from Rs. 39.86 lakhs to Rs. 31.44 lakhs at which level it is even less than the profit (of Rs. 36.10 lakhs) for 1955.

The following comparative table, presenting the salient features of the Buckingham and Carnatic's results for the past four years, gives an idea of the Company's progress in recent years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	9,97.65	9,36.68	9,00.78	8,44.09
Other income	11.45	13.95	8.88	6.19
Stocks of process and finished goods	1,26.09	1,14.48	96.60	87.71
Raw materials and stores consumed	5,06.00	4,73.99	4,71.11	4,43.05
Expenses	3,90.62	3,59.31	2,93.07	2,91.30
Gross profit	1,24.03	1,35.21	1,43.55	1,19.12
Managing Agents' commission..	6.61	9.42	11.29	9.92
Provision for—				
Depreciation	35.80	40.97	30.60	19.90
Taxation	18.50	15.00	39.00	37.50
Net profit	63.12	69.82	62.66	51.79
Provisions no longer required written back	..	5.03	..	..
Profit on sale of machinery ..	0.57	1.82	..	..
Transfer from reserves ..	6.21	..	..	..
To reserves and other funds ..	28.70	36.00	23.00	19.07
bonus to employees ..	22.11	21.33	20.52	20.12
Dividends—				
7½% cum. preference ..	1.69	1.60	1.60	1.60
Ordinary	17.85 (10%)	17.85 (10%)	17.85 (10%)	17.85 (10%)
Carry forward	1.92	2.28	2.38	2.69

The benefit derived from a further increase in production as a result of the progress made in the rehabilitation programme is reflected in the substantial rise in sale proceeds from Rs. 9.37 crores to Rs. 9.98 crores. But this has been more than offset by steadily rising costs of raw materials, stores, machinery parts, wages and dearness allowance as indicated by the rise in expenses which has shot up from Rs. 3.59 crores to Rs. 3.91 crores. The Directors state that the incidence of high Central and State Government taxation on the textile industry in general has had the effect of forcing up prices for the consumer to such a level as has resulted in a considerable curtailment in the demand for cotton cloth. It has, therefore, not been possible to make adjustments in selling prices to cover the increased costs of production. In spite of these adverse factors, it is gratifying to note that the Company has been able to dispose of the whole of its increased output. Again, as a result of strenuous effects, the Company expanded its export sales by over Rs. 25 lakhs to approximately Rs. 2.17 crores for the year.

The Directors have transferred a sum of Rs. 3.71 lakhs from raw materials fluctuation reserve and another Rs. 2.50 lakhs from income-tax reserve, 1956. With this amount added to the net profit, they have made an allocation of Rs. 28.70 lakhs to the various reserves, as against Rs. 36 lakhs in the previous year.

An impressive financial position is disclosed by the balance-sheet as at 31st December 1957. Against a paid-up capital of Rs. 199.78 lakhs, the reserves and surplus aggregate Rs. 301.21 lakhs. Of these reserves, general reserve accounts for Rs. 70 lakhs, development rebate reserve for Rs. 68.24 lakhs, deferred taxation reserve for Rs. 59.96 lakhs and raw materials fluctuation reserve for Rs. 45 lakhs. The outstanding liability on debenture-stock is Rs. 70 lakhs. The general reserve has been credited with Rs. 8 lakhs, representing the value of debentures cancelled during the year. The development rebate reserve has been strengthened further by the transfer of Rs. 60.14 lakhs from the provision for increased replacement costs of buildings and machinery and this sum represents the rebate allowed up to 31st December 1956. A sum of Rs. 47.86 lakhs, being taxation deferred resulting from the allowance for initial and extra normal depreciation to 31st December 1956, has been transferred from provision for increased replacement costs of buildings and machinery to deferred taxation reserve. The current liabilities amount to Rs. 211.08 lakhs. The gross block of Rs. 693.68 lakhs has been written down to Rs. 273.70 lakhs. Capital works in progress amount to Rs. 57.92 lakhs. The current assets aggregate Rs. 450.46 lakhs and cover the current liabilities and provision for taxation by a very wide margin.

Bangalore Woollen

Commenting on the working of the Company during the period under review, the Directors, in their latest report, observe thus:

"The incidence of high Central and State Government taxation on the textile industry in general has had the effect of forcing prices to the consumer to such a level as has resulted in a considerable curtailment in demand. It has, therefore, not been possible to make adjustments in selling prices to cover the serious increases in costs of raw materials, stores, machinery parts and dearness allowance and consequently there has been a substantial fall in the profits of all departments. Silk manufacture has been adversely affected by the Government's import licensing policy for spun silk. This policy necessitates the use of larger quantities of indigenous material in order to maintain full employment of labour and plant. Experiments to promote the greater use of indigenous yarn met with little success but the Company persevered with its use, even though the quality of the resultant product was below that previously manufactured. As a result the Company was able to obtain only a very narrow margin of profit in disposing of its silk products. Towards the end of the year, the Company was informed that no further licences would be granted for the import of spun silk and, as the quantity of suitable indigenous spun silk is very limited, the Company has been compelled to shut down part of its silk plant. After the welcome improvement in the woollen section referred to in the Directors' report for 1956, it is disappointing to record that a loss was incurred in this section during the year. The recent reduction in excise duties, coupled with the replacement of sales tax by additional excise duty, has brought new hope to the cotton textile industry, but it is too early to assess whether these concessions will prove adequate and enable the industry to return to normal trading conditions."

The following comparative table provides an idea of the Bangalore Woollen's progress during the past three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	5,42.44	5,33.80	4,81.94	4,72.25
Process and finished stocks ..	72.50	71.74	60.15	55.84
Expenses (including raw materials consumed)	4,87.43	4,54.02	4,04.66	3,86.72
Gross profit	59.62	94.86	80.78	94.25
Managing Agents' commission..	3.46	7.65	6.26	7.19
Provision for—				
Depreciation	12.72	17.60	18.17	16.80
Taxation	12.00	29.75	29.25	25.25
Net profit	31.44	30.86	36.10	45.50
Provision no longer required written back	..	3.32	..	20.45
To reserves and other funds ..	7.34	18.75	12.75	12.50
,, bonus to employees ..	11.51	11.48	10.90	..
Dividends—				
6% cum. preference	0.36	0.36	0.36	0.36
Ordinary	12.15 (10%)†	12.15 (30%)	12.15 (30%)	12.15 (30%)
Carry forward	2.90	2.83	2.39	2.45

† On the increased capital of Rs. 121.50 lakhs.

The Company is one which falls within the provisions of section 23A of the Income-Tax Act but the conditions of this section, it is stated, will be complied with by the declaration of the dividend recommended by the Directors since this will bring the total distribution to above 45 per cent. of the assessable income less the tax thereon.

A sound financial position is disclosed by the Company's balance-sheet as at 31st December 1957. The paid-up capital stands raised from Rs. 46.50 lakhs to Rs. 127.50 lakhs by the capitalisation of Rs. 81 lakhs as aforesaid. As against this, the reserves and surplus aggregate Rs. 150.65 lakhs. The current liabilities amount to Rs. 85.99 lakhs including a provision for taxation of Rs. 22.31 lakhs. Special liabilities account for Rs. 10.50 lakhs. Under the Finance Bill of 1958 which prescribes a tax on bonus share issue at the rate of 30 per cent., the Company's tax liability on account of the recent bonus issue amounts to Rs. 24.30 lakhs. To meet this liability, the Directors have transferred the sum of Rs. 20 lakhs standing to the credit of reserve for taxation to provision for taxation. In order to cover the balance of the liability arising out of the bonus issue and also to meet the additional burdens imposed by the 1957 Finance Acts which have retrospective effect to the 1956 accounts in regard to rate of taxation and wealth tax, they have transferred a further sum of Rs. 8 lakhs from the general reserve to the provision for taxation. A sum of Rs. 13.89 lakhs representing the development rebate allowed up-to December 1956 has been transferred from the reconstruction reserve to the development rebate reserve. Likewise, an amount of Rs. 22 lakhs, being taxation deferred as a result of the allowance for initial and extra normal depreciation up to the end of December 1956, has been transferred from reconstruction reserve to a deferred taxation reserve. The gross block of the value of Rs. 367.99 lakhs stands depreciated at Rs. 91.56 lakhs, the difference, namely, Rs. 276.43 lakhs being the total amount of depreciation provided. The current assets aggregate Rs. 273.04 lakhs and investments held against special liabilities Rs. 10.04 lakhs. Of the current assets, stock-in-trade alone amounting to Rs. 172.94 lakhs more than adequately cover the current liabilities and provision for taxation.

The Rs. 100 fully paid-up shares of Buckingham are being currently quoted at Rs. 171 *cum-div.* (final div. Rs. 6 per share) and those of Bangalore Woollen at Rs. 170 *cum-div.* (final div. Rs. 6 per share). On an *ex-div.* basis, the yields on the shares work out to 6.06 per cent. per annum and 6.09 per cent. per annum, free of income-tax, respectively.

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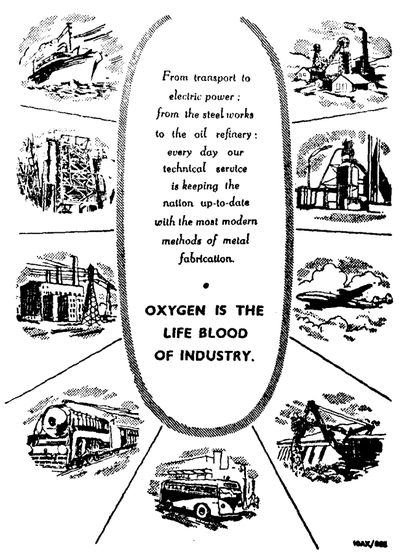

SHIVRAJPUR SYNDICATE EARNS LESS

DIVIDEND, HOWEVER, MAINTAINED

THE working results of the Shivrajpur Syndicate Ltd. (Managing Agents: Messrs. Killick Industries Ltd., Bombay) for the year ended 30th November 1957 show that the Company's profit, despite an increase in output, has suffered a sizable setback. This comes in sharp contrast to the highly encouraging performance noted in the previous year. Thus, the gross profit at Rs. 37.22 lakhs has dropped by Rs. 13.30 lakhs from Rs. 50.52 lakhs for the previous year. At this level, it is only a shade better than Rs. 36.98 lakhs for 1954-55, while it is appreciably lower than Rs. 41.46 lakhs for 1953-54.

The net profit at Rs. 12.21 lakhs also does not compare well with Rs. 18.78 lakhs in the preceding year. While the provision for depreciation has been slightly raised from Rs. 4.50 lakhs to Rs. 5.89 lakhs, that for taxation has been lowered from Rs. 21.50 lakhs to Rs. 15.75 lakhs. The year's tax provision is inclusive of Rs. 26,472 for previous years and also of wealth tax amounting to Rs. 44,608 and Rs. 48,000 for the assessment years 1957-58 and 1958-59 respectively. Although the profit has receded, the dividend has been maintained at 80 per cent., made up of a dividend at the rate of Rs. 5 per share of Rs. 10 each and a bonus of Rs. 3 per share, free of income-tax. This is the fifth year in succession for which the distribution is being maintained at this level, after having been raised from 70 per cent. paid for 1951-52 by stepping up the bonus part of it from 20 per cent. to 30 per cent.

The allocation to the various reserves has been more than halved from Rs. 13.30 lakhs to Rs. 6.18 lakhs. Of these, the mine development and prospecting reserve gets Rs. 3.30 lakhs, having been reduced from Rs. 7 lakhs, while the transfer to the dividend equalisation reserve has been slightly raised from Rs. 1.50 lakhs to Rs. 2 lakhs. No allocation has been made to the general reserve which had received Rs. 1 lakh in the previous year.

The following comparative table gives an idea of the Company's progress in the last three years:

(In lakhs of rupees)

	For the year ended 30th November			
	1957	1956	1955	1954
Sale proceeds of ore	1,73.99	1,63.08	1,15.23	1,18.53
Closing stocks	24.24	34.46	37.91	28.84
Expenses	1,28.48	1,10.19	87.36	96.61
Gross profit	37.22	50.52	36.98	41.46
Managing Agents' remuneration	3.37	5.74	3.99	4.01
Provision for—				
Depreciation	5.89	4.50	3.60	3.10
Taxation	15.75	21.50	12.25	10.75
Net profit	12.21	18.78	17.14	23.62
To reserves and other funds ..	6.18	13.30	11.45	18.18
Dividend	5.60 (D. 50% +B. 30%)	5.60 (D. 50% +B. 30%)	5.60 (D. 50 % +B. 30%)	5.60 (D. 50% +B. 30%)
Carry forward	0.52	0.09	0.22	0.13

As already pointed out, the Company's output increased from 83,238 tons to 92,748 tons, largely as a result of the steady progress in mining operations at the Company's group of mines. The Directors expect that with the development scheme and expansion programme on hand, production will be maintained at about this level during the present year. Transport facilities continued to be satisfactory throughout the period. Shipments and sales effected during the year aggregated 114,337 tons, as compared with 117,482 tons in 1955-56. Commenting on the trading conditions during the year, the Directors, in their latest report, observe as follows:

"Owing to the restricted quota granted by the Government for exports of ore, it was not possible for the Company to meet all its old outstanding contracts. Consequently the total outstanding commitments (including the carry forward from sales to the State Trading Corporation of India (Private) Ltd. for delivery during July 1957-June 1958) amounted to 67,414 tons at the close of the year under review. The imposition of export duty on manganese ore, as reported last year, remained effective during the year under review. Mention was made last year that the Company had been granted a quota for export of manganese ore and for rail transport to the extent of 73,650 tons valid upto the end of June 1957. The Government had since decided to continue the system of quota licensing for the period July 1957 to June 1958, and the Syndicate had been granted a quota for only 59,130 tons for this period. Against this quota, the Company has already shipped 30,411 tons by the end of November 1957 thus leaving a balance of 28,719 tons to be shipped before 30th June 1958. The Government's policy for issue of export quotas for the next period commencing July 1959 is still awaited."

The financial position of the Company, as disclosed by its latest balance-sheet, is quite sound. Its paid-up capital amounts to only Rs. 7 lakhs, against which the reserves and surplus aggregate Rs. 62.32 lakhs, excluding workmen's compensation, staff welfare and retiring gratuity reserves amounting to Rs. 14.40 lakhs. The current liabilities stand at Rs. 63.43 lakhs including a provision for taxation at Rs. 34.82 lakhs. The gross block of Rs. 74.84 lakhs stands written down to Rs. 45.31 lakhs. Capital work in progress accounts for Rs. 4.74 lakhs. The current assets aggregate Rs. 97.11 lakhs, inclusive of cash balances to the tune of Rs. 23 lakhs. The current assets cover the current liabilities and provision for taxation by a substantial margin.

It will be recalled that the Directors had sought the permission of the Controller of Capital Issues to raise the capital to Rs. 21 lakhs, by capitalising a sum of Rs. 14 lakhs from the reserves. The Directors state that in view of the provisions of the Finance (No. 2) Act, 1957, which prescribes a tax on bonus issue at the rate of 30 per cent., it would not be in the best interests of shareholders to issue bonus shares at the present juncture.

With regard to the future prospects of the Company, the Directors state that for the current year they depend mainly on the trend of the market which, in recent days, has been showing a marked tendency to recede from the high levels of the past one or two years, especially in the case of low grade ore. They further observe that it is unlikely that the high profits of previous years will be maintained although market prices might tend to rise towards the end of the year.

The Rs. 10 fully paid-up shares of the Company are being currently quoted at Rs. 93.50 *cum-div.* On an *ex-div.* basis, the year's distribution provides a yield of 9.35 per cent. per annum, free of income-tax.

Points From The Chair

Road Transport Industry

"DURING the year production increased in nearly all lines, but even so, we were not able to meet the demand for all our products. The Government permitted limited imports to help relieve some of these shortages, but particularly in respect of cycle tyres and rims sufficient quantities have not been available to meet requirements. During the past year, the road transport industry has been undergoing tremendous changes and expansion, particularly long-distance goods transport. The modern truck now engaged in this work requires tyres capable of carrying heavy loads at high speeds over long distances. Such tyres must be built with the best available materials and using the latest manufacturing techniques. It is in this respect that your Company is particularly fortunate in having available to it the full resources of the Dunlop world-wide research, technical and engineering organisations. We have continued to retain our premier position in the car tyre market. The progress which the motor car industry has been making in recent years is in danger of slowing up owing to the difficult licensing situation of the imported components. The reasons for this are too well known to everyone and unfortunately these are likely to persist for some time. The bicycle industry has continued to grow very rapidly and the demand for our products has been well in excess of supply."

JOHN LUCKHAM,
Dunlop Rubber Co. (India) Ltd.

Meadows Engine for Chassis

"The progress of indigenous manufacture has been maintained according to the schedule submitted to the Government. All the necessary machine tools and tooling required for the first of the three phases of manufacture of the engine have been imported and are in operation. Import licences have also been obtained from the Government for completing the second and biggest phase of manufacture. I indicated in my report to you last year that one of the two chassis manufacturers obtained the approval of their associates in the U.S.A. to incorporate the Meadows engine as original equipment in their commercial vehicles. Unfortunately, this particular vehicle went out of production in India. Premier Automobiles Ltd., the other chassis manufacturer, carried out very extensive road tests with the Meadows engine on their chassis in India. Simultaneous tests were carried out by their associates in the U.S.A. I regret that these tests were not concluded within the period under review, which prevented us from making any real progress in this division. I have great pleasure to report to you that before the end of 1957 the tests were completed to the full satisfaction of the Indian Company and their American associates. We have now received their orders for their regular production requirements and our engines are now being fitted as original equipment to the Dodge and Fargo chassis. Important users of the Meadows engine, both amongst State Transport and private operators, continue to obtain most salutary results with this engine which is rapidly establishing itself as an engine of outstanding reliability."

M. A. CHIDAMBARAM,
Automobile Products of India Ltd.

COMPANY MEETINGS AND DIVIDENDS

TRICHINOPOLY MILLS LTD. Annual General Meeting, Tiruchirapalli, 30th April 1958. Dividend: Re. 0.90 per share. Transfer books remain closed from 16th to 30th April 1958, both days inclusive.

ALLIANCE JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 30th April 1958. Dividend: *Nil*. Transfer books remain closed from 16th to 30th April 1958, both days inclusive.

WAVERLEY JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 30th April 1958. Dividend: *Nil*. Transfer books remain closed from 16th to 30th April 1958, both days inclusive.

NATIONAL CO., LTD. Annual General Meeting, Calcutta, 2nd May 1958. Dividend: Re. 0.75 per share. Transfer books remain closed from 10th April to 2nd May 1958, both days inclusive.

ELGIN MILLS CO., LTD. Annual General Meeting, Kanpur, U.P. 6th May 1958. Dividend: Re. 1.00 per share. Transfer books remain closed from 19th April to 6th May 1958, both days inclusive

BELSUND SUGAR CO., LTD. Annual General Meeting, Calcutta, 6th May 1958. Dividend: Re. 1.00 per share, free of tax. Transfer books remain closed from 24th April to 6th May 1958, both days inclusive.

WESTERN INDIA MATCH CO., LTD. Annual General Meeting, Bombay, 7th May 1958. Dividend: Rs. 11.00 per share (includes bonus of Re. 1.00 per share). Transfer books remain closed from 23rd April to 10th May 1958, both days inclusive.

SOORAH JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 7th May 1958. Dividend: Re. 1.50 per share. free of tax. Transfer books remain closed from 24th April to 7th May 1958, both days inclusive.

MAHINDRA AND MAHINDRA LTD. Annual General Meeting, Bombay, 12th May 1958. Dividend: Re. 1.75 per share, payable on and after 19th May 1958. Transfer books will remain closed from 28th April to 12th May 1958, both days inclusive.

DURBHANGA SUGAR CO., LTD. Annual General Meeting, Lohat, District Darbhanga, 14th May 1958. Transfer books remain closed from 26th April to 14th May 1958, both days inclusive.

SVADESHI MILLS CO., LTD. Annual General Meeting, Bombay, 15th May 1958. Dividend: Rs. 9.00 per share, payable on and after 16th May 1958.

TATA MILLS LTD. Annual General Meeting, Bombay, 16th May 1958. Dividend: Rs. 2.00 per share, payable on and after 17th May 1958.

ASSAM MATCH CO., LTD. Annual General Meeting, Bombay, 19th May 1958. Dividend: Re. 1.25 (includes bonus of Re. 0.25 per share) per share, free of tax payable on and after 24th May 1958. Transfer books will remain closed from 8th to 21st May 1958, both days inclusive.

ATUL PRODUCTS LTD. Annual General Meeting, Ahmedabad, 3rd June 1958. Dividend; Rs. 8.00 per ordinary share. Transfer books remain closed from 16th April to 7th May 1958, both days inclusive.

KILLICK INDUSTRIES LTD. Ad-interim dividend of Rs. 4.00 per share, free of tax, for the period ended 31st December 1957, payable on and after 27th May 1958. Transfer books remain closed from 23rd April to 7th May 1958, both days inclusive.

GUEST, KEEN, WILLIAMS LTD. Final dividend of Re. 1.20 per share, for the 52 weeks ended 28th December 1957.

BENGAL COAL CO., LTD. Final dividend of Rs. 10.00 per ordinary share, for the year ended 31st October 1957.

NEW BEERBHOOM COAL CO., LTD. Final dividend of Re. 0.38 per ordinary share, for the year ended 31st October 1957.

BENGAL FLOUR MILLS CO., LTD. Final dividend of Re. 1.25 (12½ per cent.) per share, for the year ended 31st December 1957.

VASANTA MILLS LTD. Dividend of Rs. 12.00 per share, for the year ended 31st December 1957. Transfer books will remain closed from 1st to 14th May 1958, both days inclusive.

COORG TEA CO., LTD. Interim dividend of Re. 0.50 (10 per cent.) per share, for the year ended 31st March 1958. Transfer books remain closed from 17th to 24th April 1958, both days inclusive.

TRAVANCORE RUBBERS LTD. Dividend of Re. 1.50 (15 per cent.) per share, for the year ended 31st December 1957.

RADIO AND ELECTRICALS MFG. CO., LTD. Interim dividend of Re. 0.25 (5 per cent.) per share for the year 1957-58.

CAMBODIA MILLS LTD. Dividend of Re. 0.50 (5 per cent.) per share, for the year ended 31st December 1957.

SRI KANNAPIRAN MILLS LTD. Dividend of Re. 1.00 (10 per cent.) per share, for the year ended 31st December 1957.

PROFIT OF STANDARD MILLS LOWER

McLEOD GROUP JUTE MILLS SUFFER LOSS

Standard Mills Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Mafatlal Gagalbhai & Sons, Bombay) submit the audited accounts of the Company for the year ended 31st December 1957.

The accounts show that the profits for the year after deducting depreciation of Rs. 27,01,233 (Rs. 28,10,963), development rebate of Rs. 4,75,436 (Rs. 7,10,973), managing agents' commission of Rs. 6,78,341 (Rs. 10,18,977) and after providing Rs. 31,75,000 (Rs. 35,15,000) for taxation amount to Rs. 18,86,083 (Rs. 40,88,799). To this is added the amount brought forward from last year of Rs. 2,93,059 (Rs. 12,833) and the amount transferred from rehabilitation and development reserve of Rs. 6,00,000 (*nil*) making a total of Rs. 27,79,142 (Rs. 41,01,632). The directors have appropriated the amount of Rs. 6,00,000 transferred from the rehabilitation and development rebate reserve to the provision for taxation account in order to meet the additional liability in respect of the previous year. From the balance of Rs. 21,79,142 (Rs. 41,01,632) the directors recommend payment of a dividend of Rs. 4 per share, free of income-tax, on 6,000—4 per cent. cumulative redeemable 1st preference shares—Rs. 24,000 (Rs. 24,000), payment of a dividend of Rs. 4 per share, free of income-tax, on 6,000—4 per cent. cumulative redeemable 2nd preference shares Rs. 24,000 (Rs. 24,000), payment of a dividend of Rs. 20 (Rs. 20) per share, free of income-tax on 87,800 ordinary shares Rs. 17,56,000 (Rs. 17,56,000) and payment of proposed bonus of Rs. 2.50 (Rs. 2.50) per share, free of income-tax on 87,800 ordinary shares Rs. 2,19,500 (Rs. 2,19,500) leaving a balance to be carried forward to next year's account of Rs. 1,55,642 (Rs. 2,93,059).

The scheme of modernisation of the Mills has been continued during the year under report. A sum of Rs. 98,255 has been spent on construction of new buildings and a sum of Rs. 18,82,880 has been spent on installation of new machinery during the year. Machinery amounting to Rs. 18,52,172 is under installation. The machinery installed has been working satisfactorily.

A sum of Rs. 6,00,000 has been transferred from the rehabilitation and development reserve to the profit and loss account to meet the additional liability for the previous year in respect of income-tax and wealth tax, consequent upon the passing of the Wealth Tax and Amended Finance Act No. 2 of 1957.

Regarding the proposed Cement Project referred to in the report for the year 1956, the directors have to state that the same being found uneconomic was dropped.

The directors of the Company have for a long time been considering the desirability of increasing the Company's issued capital. They had applied to the Controller of Capital Issues last year to increase its authorised capital of Rs. 99,80,000 to Rs. 1,21,75,000 by the creation of 21,950 new ordinary bonus shares of Rs. 100 each ranking *pari passu* in all respects with the existing 87,800 ordinary shares of the Company. The Controller of Capital Issues by his letter No. R225-CCI/57.99 dated 28th January 1958 has given his consent to the issue of 21,950 ordinary shares of Rs. 100 each, to be issued as bonus shares by capitalisation of a like amount out of the share premium account.

Accounts in brief are as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	99,80,000	Block ...	1,08,17,434
Reserves ...	2,50,26,472	Machinery awaiting installation ...	18,52,172
Provision for taxation ...	40,52,473	Buildings under construction ...	11,431
Liabilities ...	69,76,706	Stock-in-trade	1,11,17,251
Profit and loss account ...	1,55,642	Stores and spare parts	22,95,439
		Other assets	31,777
		Debts, deposits and advances ...	59,39,157
		Investments	5,56,584
		Cash ...	1,35,70,048
Rs.	4,61,91,293	Rs.	4,61,91,293

Alliance Jute Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the 11 months ended 31st May 1957.

The loss for the period after providing for depreciation Rs. 1,37,532, amounts to Rs. 5,76,813 from which must be deducted the credit balance brought forward from the previous half-year of Rs. 34,402 and amount overprovided in liability in respect of previous period written back Rs. 8,847. There remains a debit balance of Rs. 5,33,564. Adding to this the West Bengal sales tax paid relating to previous period of Rs. 12,537, forfeited dividends paid Rs. 129 and the amount shortprovided in liability in respect of previous period of Rs. 28,151 there is a total debit balance to be carried forward of Rs. 5,74,381.

Jute stocks are shown at cost. Sold stocks of goods have been calculated at contract sale price and goods unsold on 31st May 1957, have been valued at market price.

In order to run these mills on a more economical basis the directors considered it advantageous to close down the North Mill with effect from the 6th May, 1957, and the loom hours of this mill are being utilised by the South Mill which is now working 553 looms in double shift, i.e., 96 hours per week. This arrangement has shown substantial saving in labour costs as well as in other costs and in consequence better results are expected in future.

Accounts in brief are as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	45,00,000	Block ...	29,50,139
Reserves ...	5,25,000	Stock-in-trade	45,35,873
Provision for taxation ...	5,000	Stores and spare parts	11,33,079
Liabilities ...	60,38,162	Debts, deposits and advances ...	14,93,044
		Investments	2,10,000
		Cash ...	1,71,646
		Profit and loss account ...	5,74,381
Rs.	1,10,68,162	Rs.	1,10,68,162

Waverley Jute Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod & Co., Ltd., Calcutta) submit the audited accounts of the Company for the 11 months ended 31st May 1957.

The loss for the period, after providing for depreciation Rs. 1,37,000 and taking into account Rs. 1,01,461 representing the amount of gratuity paid to the workers who have left, amounts to Rs. 4,25,950 from which must be deducted the credit balance brought forward from the previous half-year of Rs. 11,327. There remains a debit balance of Rs. 4,14,623 to which is added forfeited dividends paid amounting to Rs. 662, making a total debit balance to be carried forward of Rs. 4,15,285.

Jute stocks are shown at cost. Sold stocks of goods have been calculated at contract sale price and goods unsold on 31st May, 1957, have been valued at market rates.

The year under review has been a difficult one so far as trading conditions were concerned and raw jute prices remained high in relation to the price of manufactured goods, and it was difficult to transact business at a profit.

After a very careful examination of the position by the directors, it was decided to close the mill on 17th June, 1957. Under present conditions in the jute industry it was felt that this small unit which required complete modernisation of the spinning plant, would not have been an economical unit even after modernisation. The financial position of the Company did not allow for the purchase of modern machinery, and it would have been necessary to ask for a loan from the National Industrial Development Corporation and it is doubtful if this would have been granted due to the lack of adequate working capital available to run the mill. It was considered advisable therefore to sell the working loom hours of mill which would enable the Company to run at a profit. With the sale of these loom hours to other mills within the McLeod group, this Company has still a liability for various gratuity payments to the workers who were transferred to Alexandra Jute Mills, and payments amounting to Rs. 1,01,461 have been made for such dues to workers who have left their employment. This amount forms a portion of the liability. As a result of these measures the Company recently has been working at a reasonable profit.

Accounts in brief are as under:—

LIABILITIES	Rs.	ASSETS	Rs
Capital ...	10,00,000	Block ...	14,02,205
Debentures	10,00,000	Stock ...	23,08,493
Reserves ...	6,35,000	Stores and spare parts	6,44,112
Liabilities ...	29,99,572	Debts, deposits and advances ...	6,88,510
		Investments	60,000
		Cash ...	1,15,967
		Profit and loss account ...	4,15,285
Rs.	56,34,572	Rs.	56,34,572

National Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st October 1957.

The accounts, after charging all expenses and providing for sales tax, show a profit of Rs. 3,15,015 (Rs. 1,98,535) of which taxation requires Rs. 1,09,650 (Rs. 1,56,000) and short provision for taxation in the previous year requires Rs. 5,600 (*nil*) leaving a net profit of Rs. 1,99,765 (Rs. 42,535). The directors have transferred from dividend equalisation reserve Rs. 1,00,000 (Rs. 2,00,000) and the balance brought forward from last year was Rs. 17,339 (Rs. 70,554) making a total available for distribution of Rs. 3,17,104 (Rs. 3,13,089). The directors recommend that the following dividends be paid—on preference shares at Rs. 7.00 per share absorbing Rs. 35,000 (Rs. 35,000) and on ordinary shares at 75 (75) naye Paise per share absorbing Rs. 2,62,500 (Rs. 2,60,750) leaving a balance to be carried forward of Rs. 19,604 (Rs. 17,339).

Wealth tax in respect of the Company's years ended 31st October 1956, and 31st October, 1957, is estimated to amount to Rs. 78,000 and this has been provided for by transfer of this sum from investment realisation surplus.

With a view to having direct contacts with overseas markets, the Board together with the Boards of other Jute Mill Companies under the same group management resolved to form a company under the style of Budge Budge and Allied Jute Mills Exports (Private) Ltd. This company, having been registered, commenced business on 31st July, 1957. Each of the participating Jute Mill Companies have subscribed equally to the capital, and the Company's share is shown against "Investments" in the present balance sheet. Andrew Yule & Co., Ltd., have no interest in Budge Budge & Allied Jute Mills Exports (Private) Ltd., but have been appointed its secretaries on a fee of Rs 1,000 per annum.

In accordance with the working time agreement of the Indian Jute Mills' Association, the mill worked 48 hours per week with 12½ per cent. of the total looms sealed. Trading during the period continued to be difficult owing to the disparity between prices of raw jute and those of manufactured goods.

In anticipation of the extension of the Calcutta Electric Supply Company's power grid to the area in which the mill is situated, arrangements had been made to convert the mill from steam drive to electric drive at an estimated cost of nearly Rs. 10½ lakhs. This conversion was in process at the time of closing the accounts and has now been virtually completed.

During the period under review, orders were placed for the supply of modern slip-draft spinning machinery to provide for all the sacking yarn requirements of the factory at an estimated cost of Rs. 13¾ lakhs. Installation of this machinery is now almost complete.

The directors have now applied for import licences to enable orders to be placed for spinning machinery for hessian warp yarns. This is estimated to cost Rs. 61 lakhs and when installed the mill will be equipped to provide approximately 70 per cent. of the yarn requirements of its operating looms from modern spinning machinery.

To meet the cost of these steps to modernise the Company's mill, most of the holding in Government securities was sold before the end of the accounting year and of the balance of Rs. 17,34,521 on current account and on deposit as shown in the balance sheet, about Rs. 9½ lakhs has since been paid out on these capital commitments.

On 14th of February, 1958, the directors issued a circular letter to shareholders informing them that an approach for close association in the management had been made by certain parties claiming to own about half the ordinary share capital of the Company. The directors now wish to advise shareholders that no further proposals have since been made by these parties up to the present time.

Accounts in brief are as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	40,00,000	Block ...	36,18,364
Reserves ...	39,51,326	Stock ...	18,41,556
Provision for taxation ...	1,33,982	Stores, spare parts and loose tools	9,04,313
Provision for wealth tax	78,000	Work-in-progress ...	3,06,856
Liabilities ...	13,15,131	Debts, deposits and advances ...	9,16,749
Profit and loss account ...	19,604	Investments	2,06,150
		Cash ...	17,54,056
Rs.	95,48,043	Rs.	95,48,043

Gokak Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. Forbes Forbes Campbell & Co. Private Ltd., Bombay) submitted the audited accounts of the Company for the year ended 31st December 1957.

The results for the year show a profit of Rs. 12,31,069 (Rs. 19,13,685). After providing for depreciation Rs. 3,68,894 (Rs. 4,50,000) and taxation Rs. 1,99,262 (Rs. 5,70,000) the profit comes to Rs. 6,62,913 (Rs. 8,63,685 after providing Rs. 30,000 for staff gratuity). To this is added the amount brought forward from 1956 of Rs. 8,155 (Rs. 14,000) producing a total of Rs. 6,71,068 (Rs. 8,77,685). To this is added the amount transferred from dividend equalisation reserve of Rs. 1,00,000 (*nil*) and from general reserve of Rs. 3,00,000 (*nil*) producing a total of Rs. 10,71,068 (Rs. 8,77,685). The directors have transferred to development reserve a sum of Rs. 6,76,416 (Rs 1,10,000) leaving an available sum of Rs. 3,94,652 (Rs. 6,42,685 after transferring Rs. 1,25,000 to reserve account). From this amount the directors recommend payment of a dividend of Rs. 8 (Rs. 13) per share, without deduction of income-tax, which will absorb Rs. 3,90,480 (Rs. 6,34,530) leaving a balance to be carried forward of Rs. 4,172 (Rs. 8,155).

Reserves.—The following transfers have been made to the general reserve: From the machinery renewal reserve Rs 26,00,000 and from the development reserve Rs. 2,30,000.

Accounts in brief were as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	48,81,000	Block ...	58,92,060
Debentures	40,00,000	Machinery and buildings under erection	33,84,179
Reserves ...	43,55,161	Machinery in transit	3,65,810
Provision for taxation ...	8,14,813	Stock-in-trade	69,20,367
Liabilities ...	65,49,174	Stores, spare parts and loose tools	12,28,961
Profit and loss account ...	4,172	Debts, deposits and advances ...	25,62,853
		Investments	2,10,194
		Cash ...	39,796
Rs.	2,06,04,320	Rs.	2,06,04,320

Polson Ltd.

The directors of the above Company (Managing Agents: Messrs. Polson Agencies Private Ltd., Bombay) submitted the audited accounts of the Company for the year ended 31st December 1957.

The net profits after providing for managing agents' commission and depreciation amount to Rs. 10,27,898 (Rs. 9,59,038) which with the sum brought forward from the preceding year's accounts of Rs. 45,762 (Rs. 30,914) make a total of Rs. 10,73,660 (Rs. 9,89,952). From this amount the directors have made the following appropriations: Transferred to rehabilitation reserve Rs. 1,99,693 (Rs. 62,126) to development reserve Rs. 73,137 (Rs. 2,62,064), to reserve for taxation Rs. 3,50,000 (Rs. 1,20,000) and to reserve fund Rs. 50,000 (Rs. 1,10,000) leaving a balance available for distribution of Rs. 4,00,830 (Rs. 4,35,762). From this amount the directors recommend payment of a dividend of Rs. 6.00 (Rs. 6.00) (subject to deduction of income-tax) per share on the preference shares absorbing Rs. 1,20,000 (Rs. 1,20,000) and a dividend of Rs. 10.00 (Rs. 12.50), per share, free of income-tax, on the ordinary shares absorbing Rs. 2,16,000 (Rs. 2,70,000) leaving a balance of Rs. 64,830 (Rs. 45,762) to be carried forward.

The sales during the year were Rs. 1,01,53,477 as compared to Rs. 95,84,598 of the previous year.

During the year under review the Company exported coffee worth Rs. 8,69,023 to Burma as against the previous year's exports of Rs. 18,30,447. This was due to the restrictions on the import licences by the Government of Burma.

The machineries at the Company's factories have been kept in good repair and their efficiency has been continuously maintained.

The authorised capital of the Company is Rs. 1,00,00,000 divided into 50,000 preference shares of Rs. 100 each and 50,000 ordinary shares of Rs. 100 each, out of which the subscribed and paid-up capital of the Company is Rs. 41,60,000 consisting of 20,000 preference shares of Rs. 100 each and 21,600 ordinary shares of Rs. 100 each.

Early in the year 1956, the directors thought fit to capitalise the accumulated profits of the Company and to issue bonus shares therefrom. These accumulated profits had been utilised by the directors in establishing a new Dairy on a big scale at Patna in the State of Bihar at a cost of approximately Rs. 20,00,000 and also towards purchase of additional machinery, trucks, etc. in respect of its coffee factory at Bombay and of its Dairy at Anand. Thus, the block account of capital assets of the Company having been increased considerably, the directors thought fit to bring up the capital of the Company to a reasonable extent commensurate with its block account.

The reserve fund of the Company as at 31st December 1955 stood at Rs. 13,40,000, its dividend equalisation fund at Rs. 2,00,000, its depreciation fund at Rs. 17,69,167, its reserves for taxation at Rs. 11,30,528 and its reserves for doubtful debts at Rs. 40,000. These reserves were impressive and were built up out of the accumulated profits of the Company. Accordingly, the directors thought fit to capitalise a sum of Rs. 10,80,000 oot of the said reserve fund of Rs. 13,40,000 and to distribute the same in the form of bonus shares by allotting one bonus share for every two of the existing 21,600 ordinary shares of Rs. 100 each to the then members of the Company. An application was made to the Central Government for its sanction to the issue of the above bonus shares as required by the Capital Issues (Control) Act, 1947. However, the Controller intimated to the Company that the Government were unable to give their consent to the proposed issue, as the Company was not under-capitalised and as the balance of reserves would not bear a reasonable proportion to the increased paid-up capital. This was in conformity with a certain formula that the Government had then laid down in that behalf. In the course of the correspondence which, however ensued between the Controller on the one hand and the managing agents of the Company on the other hand, the Government was satisfied that the Company could very well capitalise a sum of Rs. 5,40,000 out of its accumulated profits and issue therefrom 5,400 ordinary shares of Rs. 100 each to the holders of the ordinary shares of the Company. Accordingly, the Controller has recently intimated to the Company the consent of the Government of India to the issue of 5,400 ordinary shares of Rs. 100 each as bonus shares on capitalisation of the Company's reserves to a like extent. The directors have therefore thought fit to now take the necessary steps to capitalise the said sum of Rs. 5,40,000 and to have 5,400 ordinary shares of Rs. 100 each issued by the Company to the holders of the existing ordinary shares of the Company in the proportion of one new ordinary share of Rs. 100 each for every four of the existing ordinary shares of Rs. 100 each.

Accounts in brief were as under:—

LIABILITIES	Rs.		ASSETS	Rs.	
Capital ...	41,60,000		Block ...	49,97,240	
Reserves ...	29,18,738		Raw materials	13,20,576	
Provision for taxation (includes wealth tax also)			Finished goods	6,47,199	
			Stores, spare parts, etc.	6,43,755	
			Debts, deposits and advances ...	20,27,592	
Liabilities ...	16,29,417		Investments	770	
Profit and loss account	11,62,701		Cash ...	2,98,554	
	64,830				
Rs.	99,35,686	Rs.		99,35,686	

N.B.—Figures within brackets relate to the corresponding period of the previous year.

QUESTION HOUR IN PARLIAMENT

Insurance Business

THE total amount of new life insurance business completed by the Life Insurance Corporation during 1957-58 was about Rs. 300 crores—a record so far. The amount of business completed in 1957 was Rs. 276.59 crores. The Southern zone comes first with Rs. 74.14 crores, the Eastern zone second with Rs. 68.05 crores, the Western zone third with Rs. 64.70 crores, the Central zone fourth with Rs. 35.71 crores and the Northern zone last with Rs. 33.90 crores. The reasons as to why some zones had done more business and others less are the size of a zone and the capacity of the people there to insure. As regards the question why during the first three months of 1958 the business completed was not much, usually during this period insurance business is not much. It gathers momentum during June and reaches its peak in December.

* * * *

Foreign Banks' Accounts

Notices are served on Indian nationals who are found to have unauthorised accounts in foreign banks when definite information comes into the possession of the Government. It is common knowledge that such illegal accounts exist, but, until the Government comes into possession of some definite information, it cannot ask the person concerned to furnish details. The foreign banks where the accounts are kept are not under the control of the Government of India and are not obliged to give information to the Government of India.

—*B. R. Bhagat*

Gold Smuggling

Most of the gold smuggled into the country comes from the Persian Gulf and the Mediterranean area. The Government is trying its level best, by amending the necessary legislation and strengthening the intelligence services, to see that smuggling is reduced. It is difficult to say which are the permanent dens or cells inside the country to receive such smuggled gold. Sometimes, they are discovered in the course of investigation.

—*Mrs. Tarakeshwari Sinha*

Steel Quota

The Madras Government's representation for enhancing the quota of steel allotted to the State has been considered. It is, however, found not possible to grant the request, in view of the limited availability of iron and steel from indigenous sources and restricted imports on account of foreign exchange difficulties.

—*Sardar Swaran Singh*

Railway Pension Scheme

Only 1,187 persons of a total of 1,150,000 railway servants eligible to exercise their option have so far opted for the railway pension scheme. This is due to lack of proper publicity given to the scheme.

—*Jagjivan Ram*

Wet Mica Plant

It is proposed to set up a wet mica grinding plant at Bhilwara at an estimated cost of about Rs. 10 lakhs.

* * * *

Raw Jute Purchase

The decision of the London Jute Association to deal henceforth directly with firms in Pakistan—and not via India as hitherto—for the purchase of raw jute will not affect the position of Calcutta as a traditional jute centre in the East.

* * * *

Cement Factory

One application from a private company has been received so far for setting up a cement factory in Orissa State. A licence was granted to a private firm in December 1953 to establish a cement factory at Dehra Dun with an annual capacity of two lakh tons. No effective steps have been taken by the firm so far, as limestone of suitable quality and requisite quantities is not found in the area.

* * * *

Manufacture of Scooters

The Government of India has plans to make the country self-sufficient in the matter of scooters, scooterettes and three-wheelers in the course of the next three years. The impression that the Lambretta scooter manufactured in Bombay is about thrice as costly as the one manufactured abroad is not correct. The difference in the costs will not be more than 20 to 25 per cent. Even this will correct itself as production increases and the volume of demand goes up, making the Bombay unit an economic one.

* * * *

Export of Iron Ore

The State Trading Corporation is discussing with the State Governments as to what they can do to provide better facilities for the export of iron ore.

—*Manubhai Shah*

Films Export

The question of establishing an export promotion council for Indian films is under consideration.

—*A. C. Joshi*

BOMBAY
to
SYDNEY
twice a week
by
B·O·A·C
BRITANNIA
or
QANTAS
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Notices

THE DURBHANGA SUGAR COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Forty-sixth Ordinary General Meeting, being the Annual General Meeting of The Durbhanga Sugar Company, Limited, will be held at the Registered Office of the Company at Lohat, on the 14th day of May, 1958, at 10.30 a.m., for the following purposes:—

(1) To receive and adopt the Directors' Report and Accounts for the year ended the 31st August, 1957, and Balance Sheet and Report of the Auditors thereon.

(2) To declare a Dividend.

(3) To elect a Director in place of the retiring Director.

(4) To appoint Auditors for the current year and to fix their remuneration.

As Special Business

(5) To consider the payment of extra remuneration to the Directors for the year ended the 31st August, 1957.

(6) To transact any other business which may be brought forward at the Meeting with the permission of the Chairman.

By Order of the Directors,

W. F. MALDEN,
Secretary.

LOHAT,
DISTRICT DARBHANGA,
22nd March, 1958.

Note—(1) A Member of the Company, who is entitled to attend and vote, is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member.

(2) The Share Transfer Books of the Company will be closed from the 26th April to the 14th May, 1958, both days inclusive.

(3) Dividend Warrants will be posted to those Shareholders whose names stand on the Register on the 14th May, 1958.

Explanatory Statement in Accordance with Section 173 of the Companies Act, 1956, with regard to Item No. 5 of the Agenda.

A Notice has been received from a Member of the Company of the intention to propose, as a Special Resolution, that the Directors be paid 1 per cent. of the net profit to be equally divided amongst them.

Under Section 309(4) (*a*) of the Companies Act 1956 and Article 93 of the Articles of Association of the Company, the Directors are entitled to extra remuneration not exceeding 1 per cent. of the net profit as computed in accordance with Sections 198, 349 and 350 of the Act.

Only the Directors are equally interested in this proposed Resolution.

THE MODERN MILLS, LIMITED

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE Twenty-fourth Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 76, Forbes Street, Fort, Bombay, on Wednesday, the 21st day of May 1958, at 4-30 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st October 1957.
2. To declare a Dividend.
3. To appoint Directors in place of those who retire but are eligible for re-appointment.
4. To amend Articles 20, 35, 36, 37, 49 and 61 of the Company's Articles of Association.
5. To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 25th day of April 1958 to the 15th day of May 1958, both days inclusive.

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

Detailed Notice of the above Meeting is being published in the Press and is also being posted to the Shareholders individually.

By Order of the Board,

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

V. N. CHANDAVARKAR,
Managing Director.

BOMBAY, *12th April* 1958.

N.B.—The dividend when declared will be made payable at the State Bank of India, Bombay, on and after Monday the 26th May 1958 to those Shareholders whose names stand on the Register of Members on the 25th April 1958, but only in respect of their holdings of shares allotted prior to 31st October, 1957, i.e., shares bearing Nos. 1 to 66376. The dividend warrants will be made negotiable at par at the State Bank of India, Bangalore. Shareholders are requested to intimate change of address, if any.

JESSOP AND COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Directors have sanctioned payment, on 1st May 1958, of the Dividend on 5 per cent. Cumulative Preference Shares of the Company for the half-year ending 30th April 1958, without any deduction in respect of Income-tax which is payable by the Company.

The Preference Share Transfer Register will be closed from 29th April to 30th April 1958, both days inclusive.

Dividends will be paid only to the Registered Shareholders or their Mandataries.

By Order of the Board,

D. D. MARKAN,
Secretary.

63, NETAJI SUBHAS ROAD,
CALCUTTA-1, *17th April*, 1958.

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(Railway Board)

Subject.—REQUIREMENT OF ROLLER BEARINGS WITH AXLE BOXES TENDER No. L.T./

THE LAST DATE OF RECEIPT AND THE opening date of the above tender are extended as under:—

(*a*) The offers should reach the Director Railway Stores, Railway Board, Stat Entry Road, New Delhi, not later than 20th May 1958.

(*b*) The offers received will be opened on 21st May 1958 at 11 hours.

H. D. SINGH,
Director, Railway Stores Railway Board

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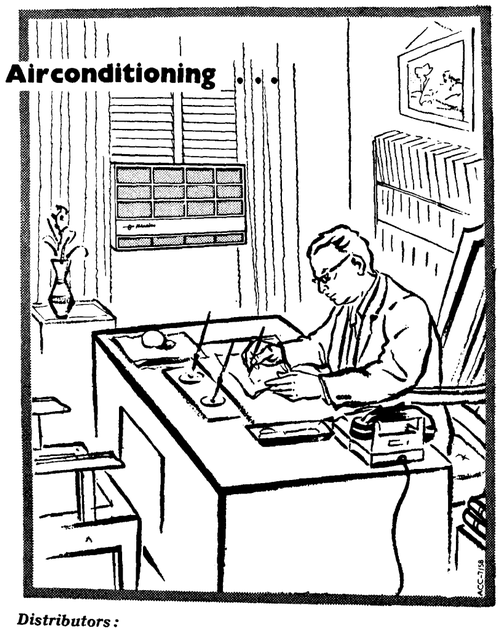

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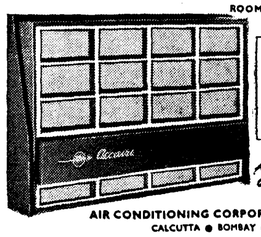

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The Bombay Garage (C.P.) Private Ltd., Raghavendrarao Road, Nagpur.
The Bombay Garage (C.P.) Private Ltd., Kingsway, Jabalpur.
The Bombay Garage (Rajkot) Private Ltd., Gondal Road, Rajkot.

MONEY EASY

(From Our Own Correspondent)

BOMBAY, *23rd April*

Fairly easy conditions came to prevail during the week under review. Consequent on a further shrinkage in demand for credit and with the continued expansion on a sizable scale in bank deposits, banks had generally a surfeit of funds. There was, however, no change in money rates. Inter-bank call money among the Exchange banks and big Indian banks was quoted at 3 per cent. lenders over. The corresponding rate among the small banks was 3 to 3¼ per cent. House money at call was placed at 4¼ to 4⅜ per cent. With the traditional busy season almost at the end, banks appear to be more inclined to renew their borrowings of house money than to take any fresh money. Short-term deposits continued to fetch 4¼ to 4⅜ per cent. for one to six months.

After three weeks of successive expansion, notes in circulation have declined by Rs. 10.44 crores in the week ended 18th April 1958. Disclosing this, the Reserve Bank statement for that week shows an increase of Rs. 10.69 crores in notes held in the Banking Department. Foreign securities have gone up further by Rs. 1.32 crores, with a corresponding fall in rupee securities. The improvement in foreign securities has been more than offset by the decline of Rs. 9.33 crores in balances held abroad so that the net fall in foreign assets is Rs. 8.01 crores, bringing the aggregate decline in the last two weeks to Rs. 14.54 crores. Central Government's deposits are higher by Rs. 3.21 crores and bank deposits by Rs. 13.15 crores. Loans and advances to Governments have risen by Rs. 4.57 crores, while other loans and advances are lower by Rs. 1.16 crores, mainly due to the fall of Rs. 1.73 crores in advances to Scheduled banks against usance bills. Investments have risen by Rs. 14.20 crores, while Government Treasury bills purchased and discounted are down by Rs. 5.47 crores.

A rise of Rs. 5.46 crores in demand deposits and of Rs. 14.40 crores in time deposits is disclosed by the Scheduled banks' statement for the week ended 11th April 1958, thus bringing the total net deposits to a shade less than the Rs. 1,500-crore mark. With this sharp expansion in deposits, the borrowings from the Reserve Bank stand reduced by 15.78 crores and those from the State Bank by Rs. 2.54 crores. Advances, too, have declined by Rs. 3.98 crores and bills purchased and discounted by Rs. 3.23 crores. Cash balances have been enlarged by Rs. 9.01 crores, balances with other banks by Rs. 1.11 crores and money at call by Rs. 12.53 crores.

The Gilt-edged market continued to rule firm, thanks to a good demand for short and long-dated issues and scarcity of sellers. Prices, therefore, maintained their upward trend. With the money market getting easy day by day, it is expected that the terms of the Central Government's loan would be announced in the first week of May.

3 per cent. 1986 Conversion had buyers at Rs. 71.20. 3 per cent. 1970-75 was in request 10 nP higher at Rs. 86.40. 3 per cent. 1966-68 was in demand at Rs. 92.60, 3 per cent. 1964 at Rs. 94.95, 3 per cent. 1963-65 at Rs. 94.95 and 3 per cent. 1959-61 at Rs. 99.10, but the prices showed no improvement. 2½ per cent. 1962 was in request at Rs. 95.15, 2½ per cent. 1960 at Rs. 97.95 and 2½ per cent. 1961 at Rs. 95.25. 3½ per cent. 1961 had sellers at Rs. 99.65. 3½ per cent. 1964 was placed at Rs. 98.15 *ex*-voucher, as against Rs. 98.20 before payment of interest. 3½ per cent. 1965 gained 5 nP to Rs. 97.80 at which level it was on offer. 3½ per cent. 1967 showed no change at Rs. 97.65 and 3½ per cent. 1967 at Rs. 99.75. Among the State loans, 4 per cent. 1963 issues were in demand. Madras 1963 gathered 30 nP to Rs. 99.30 and U.P. 1963 50 nP to Rs. 99.

The slight weakness of sterling abroad had its effect on the rupee here, which lost some ground in terms of the U.S. dollar. Banks' selling rate of ready dollars rose from Rs. 475 to Rs. 475.25 per $100 and their buying rate from Rs. 471.75 to Rs. 472 per $100. In New York, spot sterling gave way from $2.81.13/16-2.81.15/16 to $2.81⅜-2.81⅜. Three months forward shed ¼c over the week to $2.78⅞-2.79. Transferable sterling was also marked down from 279.35-279.45 cents to 279.25-279.35 cents.

DEMAND FOR TEA WEAKENS

[*Messrs. Forbes, Ewart and Figgis (Private) Ltd.*]

COCHIN, *17th April*

Offerings comprised just over 2,200,000 pounds in Sale No. 9 which was held on Tuesday, 15th April. Quality showed a seasonal decline, but there was still a useful selection on offer. The sale opened to a limited demand from the exporters, this lessened considerably as the sale progressed. Low medium descriptions declined 15 to 20 nP with good medium and medium teas declining 20 to 30 nP. The best liquoring teas sold at rates up to one rupee per lb. lower than last. Whole leaf descriptions met with less competition and are quoted 15 to 20 nP easier on the previous week. Withdrawals were heavy and approximately 30 per cent. of the sale was withdrawn. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.40
Low medium	1.45 to 1.70
Medium	1.70 to 1.95
Good Medium	2.00 to 2.50
Quality	2.50 to 4.30

London Market: Sale of 14th April 1958:—Firm. Better liquoring dearer.

Sale of 15th April 1958:—Active dearer.

Colombo Market: Sale of 15th April 1958:—Low growns slightly lower. Others strong demand. Mediums below best dearer. High growns irregular, following quality. All off grades strong firm to dearer.

Calcutta Market: Export:—Good, but irregular, demand. Common and medium B.Ps and fannings advanced 4 to 6 nP. Whole and ordinary C.T.C. declined about 10 nP. Tippy teas sold well.

Internal:—20,000 dust. Good general demand. 6 to 10 nP easier initially, but closed 2 to 4 nP easier. Powdery types strong. Best C.T.C. fully firm. Darjeelings weak. 4,800 internal leaf. Fairly strong demand. Generally dearer rates.

Export Quota:—There has been a fair amount of business transacted during the previous week. The present quotation is sellers 4½ nP buyers 4 nP.

Forthcoming Auctions:—Sale No. 10 will be held on Tuesday, 29th April.

As we go to press, Messrs. Forbes, Ewart and Figgis (*Private*) Ltd., wire:

"*Dust Sale* 1:—885,000 lbs. Useful demand at lower rates. Best liquoring 20 to 30 nP easier. Good medium 5 to 10 nP lower. All others 10 to 15 nP easier."

BULLION RETREATS

(From Our Own Correspondent)

BOMBAY, *23rd April*

The silver price suffered a shake-out during the week under review, after the sharp rise in the preceding two weeks. The unduly high level to which the white metal had been rigged up last week attracted heavy bull *liquidation on* fears that the Board of the Bullion Association, which held two meetings during the week (that is, on Saturday and Tuesday), would take further measures to check the bullish activity. On both days, the Board did not take any action and postponed further consideration of the steps to be taken to Friday this week, in view of the downward trend noted in the last few days. Expectations of a slackening in demand and reports of heavy arrivals of Tibetan coins sapped the morale of the bulls.

In spite of the decline in prices, the bulls did not loosen their grip on silver. On the contrary, they tightened it, as witness the widening of the *budla* charges to as high as Rs. 2-4 at the close today. As these charges stood over the stipulated level of Rs. 2 under by-law 33D, the bulls had to pay a margin of Rs. 500 per bar on all their outstanding purchases.

Gold was quietly steady in sympathy with silver. There was also a slight fall in offtake on account of the high prices.

Silver for forward delivery (May settlement) gave way from Rs. 199-9 to Rs. 196-4 before closing at Rs. 196-10. The June settlement was marked down from Rs. 197-14 to Rs. 194-1, but the closing was a shade higher at Rs. 196-7. The carry forward charges from May to June settlement widened from Re. 1-11 to Rs. 2-4 today. Business in July settlement began on Friday at Rs. 196-1 and it declined to Rs. 195-14 at the close today.

Ready silver moved up early in the week from Rs. 201-13 to Rs. 202-8, but retreated subsequently to a low of Rs. 198-4. The closing was done at Rs. 198-10. The floating stocks of silver are estimated at no more than 300 bars. The daily average arrivals were 20 bars, while the offtake was lower at 15 bars.

Gold for forward delivery (May settlement) declined from Rs. 112-14 to Rs. 111-13, due to fall in offtake and large arrivals, but it gained some strength towards the close on reports of an improvement in demand. The closing was, therefore, done higher at Rs. 112-3. The June settlement dropped from Rs. 112-5 to Rs. 110-8.

Ready gold was marked down from Rs. 113-15 to Rs. 113-3, but finished a fraction higher at Rs. 114-1. The floating stocks of gold are estimated at 25,000 tolas. The daily average arrivals were 3,000 tolas, while the offtake was lower at 2,500 tolas.

The New York price of silver was unchanged at 88⅜c., while in London, spot silver declined from 76¼d. to 76d. and forward from 75⅞d. to 75¾d. Gold, on the other hand, improved from 249*s.* to 249*s.* 2½d.

The following comparative table shows at a glance the trend of the market during the week under review:

	23-4-58	Highest	Lowest	16-4-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	114 1	114 3	113 3	113 15
Forward*	112 3	113 1	111 13	112 14
Sovereign	71 8	71 12	71 0	71 4
SILVER				
Ready (.996 fine Mint) ..	198 10	202 8	198 4	201 13
Forward†	198 10	200 0	196 4	199 9
London Silver Ready ..	76d.	76¼d.	76d.	76¼d.
London Forward	75¼d.	75¾d.	75¼d.	75¾d.
London Gold	249*s.* 2½d.	249*s.* 2½d.	249*s.*	249*s.*
New York Silver	88⅜c.	—	—	88⅜c.

* 3rd May settlement.
† 5th May settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

HIDES STRONG

(From Our Own Correspondent)

KANPUR, *21st April*

During the week under review the hides and skins market ruled strong. New arrivals were not as considerable as those in the previous week. Paucity of upper grade buff was acutely felt. The main purchasers were the local tanners. The Madras dealers and the country tanners were lukewarm.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 340 and 3rd grade Rs. 240 per score; wet salted buff 1st grade 1 lb. 4 ozs. and 2nd grade 1 lb. 6 ozs. per rupee; Goat 1st grade Rs. 360 and 2nd grade Rs. 325 per 100 pieces; Sheep 1st grade Rs. 350 and 2nd grade Rs. 320 per 100 pieces.

COTTON FUTURES SLUMP AT CLOSE

(From Our Own Correspondent)

BOMBAY, *23rd April*

The cotton futures market ruled fully steady during the earlier part of the week under review, but turned easy on Saturday and the easiness gathered further momentum today. In fact, there was a slump in prices. The initial steadiness was influenced by renewed expectation of an immediate export quota announcement for staple cottons. The expectation was strengthened by the recommendation made by the Cotton Advisory Board at its *meeting held on Thursday that the Government* should release an export quota for ⅞" cotton and raise the basic floor price of cotton from Rs. 495 to Rs. 550 for the next season (1958-59) as an incentive for producers. It may be recalled that the Board of the East India Cotton Association also made similar recommendations last week. Traders thought that, with these two authorative bodies lending their support to the plea for a quota, the Government would consider it favourably. In fact, an announcement was considered imminent at any moment. Cotton futures, as a result, picked up much strength and values moved up. Subsequently, however, the sentiment of operators was adversely affected by the delay in the announcement of quota. On Saturday and today, those who had made purchases in anticipation of a quota sold heavily, with the result that there was a virtual *landslide* in values. Not only were the earlier gains completely erased but today's closing rates were substantially lower than those at the end of last week.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 656.00, as against the previous close of Rs. 654.25 and after improving to Rs. 662.50 the next day slumped to Rs. 653 on Saturday and further to Rs. 640.50 today. The closing was, however, a shade higher at Rs. 643. I.C.C. Moglai Jarilla (August 1958), after commencing the week Rs. 2 higher than the previous close at Rs. 668 moved upto Rs. 674.50 on Friday. Thereafter, it receded to touch Rs. 654.50 today before finishing higher at Rs. 655.25. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	23-4-58	*High*	Low	16-4-58
I.C.C. Moglai Jarilla (May 1958)	643	662	640.50	654.25
I.C.C. Moglai Jarilla (August 1958) ...	655.25	674.50	654.50	666.00

The spot sections ruled depressed. Values showed a decline of about Rs. 10 per candy over the week. Mill demand was on a restricted scale, being mainly confined to quality cottons. Inquiries were noted for Laxmi, 0394, Khandesh, etc. Short-staples were neglected due to lack of demand reflecting the unhappy positions in respect of demand for coarse cloth.

The mills are not inclined to augment stocks in view of heavy accumulations of cloth stocks with them. It is said that the supply of raw cotton with mills is sufficient to cover only two months' requirements, as compared with the normal four months' stocks held by them. The trade has, therefore, been called upon to finance cotton and the downward trend in price reflects its inability to shoulder the burden for a *long* time.

In the export section, brisk demand was noted for Bengals and good business was also reported. The recommendation of the Cotton Advisory Board for the removal of the grade stipulation for export of Bengal *Deshi* was welcomed by the trade. In anticipation of a quota for staple varieties, export enquiries were noted for low grade Jaydhar, Kala and Wagad.

The foreign section was dull. Rules regarding the financial operations involved in the import of Egyptian cottons announced by the State Bank have not made importers happy. A memorandum issued by the State Bank of India in this connection calls on importers to contact shippers of jute and tea to negotiate the discount, if any, that can be applied to Egyptian cotton imports. Exporters will invoice tea and jute goods at a premium and will thus be able to sell Egyptian pounds to importers of cotton at a discount equivalent to the premium earned. The rate of exchange between the Egyptian export pound and Indian rupee will be mutually decided by exporters and importers. Although the State Bank will collect Egyptian pounds in the 'export account', the risk in regard to fluctuations in exchange rates will have to be borne by shippers themselves. Importers have found the system very complex. It is understood that they will urge the Government to simplify the procedure.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri; the figures in brackets being last week's closing rates:

Bengal *Deshi* 610 (620); Berar Jarilla 730 (740); Khandesh 775 (785); Oomra *Deshi* 660 (665); Vijay 885 (890); Hubli Laxmi 1,030 (1,040); Jaydhar 820 (830).

Delivery Contracts: Bengal 574 (583); Wagad 607; Kalagin 607.

Dull conditions prevailed in the Karachi cotton futures market during the week. Overseas demand was very slack and domestic spinner interest subdued. The recession in the U.S. and the textile crisis in Japan were the main features responsible for the poor demand from these countries. The protracted delay in the reduction of export duty on Pakistan cotton, as recommended by the Pakistan Central Cotton Committee, caused disappointment among traders.

The Alexandria cotton futures market continued to rule easy in the week under review also. The easiness was due to subdued export interest and higher final crop forecast for the season announced by the Ministry of Agriculture. The total production (less scarto) is placed at 8,827,000 cantars, as compared with the December estimate of

8,542,000 cantars and last season's actual crop of 7,061,000 cantars. Keen competitions from Sudan also affected the sentiment. Scattered liquidation and hedge selling in both long-staple Karnak and the medium-staple Ashmouni contracts met with only limited support. Consequently, values receded. The following are the latest available quotations—in tallaris per lb.—from Alexandria:

Karnak: May 77.50; July 78.65. *Ashmouni*: April 66.30 and June 67.45.

Cotton futures values in Liverpool registered handsome gains during the week under review. The fear of large shipment of C.C.C. cotton to the U.K. in the next three months was partly allayed. There were reports from New York that some stockists at least would pay the penalties for not exporting all the cotton purchased from the C.C.C. by the end of July next and sell their holdings to domestic mills. This led to fresh mill fixation and hedging by the trade, which pushed up the values. Sudan contracts were, however, neglected. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton 1" staple contract: May-June 25.06 ; July-August 25.40.
Sudan May-June 31.

An easy trend was in evidence in the New York cotton futures market during the week under review. Despite bullish weather news and reports of larger entry into Soil Bank Programme, values tended to look down. This was because of large-scale hedge setting and liquidation prior to the first May notice day, that is, 24th April.

The U.S. Administration is reported to have decided to replace next season the export sales programme on competitive bid basis by an export subsidy in kind. Other farm measures contemplated are the widening of the range within which price supports may be provided and the removal of the escalator formula which makes it mandatory for price supports to go up as supplies come down. These measures, however, would require Congressional approval.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	22-4-58	15-4-58	8-4-58
Spot	35.95	36.00	35.95
March	35.84	35.92	35.81
May	36.20	36.25	36.04
July	36.69	36.68	36.53

SUGAR FIRM

(From Our Own Correspondents)

BOMBAY, 23*rd April*

The sugar market ruled firm during the week under review. Stocks of sugar were poor. Arrivals were very low, being about 9,000 bags, as against 19,600 bags in the previous week. Consequently, sugar prices registered an improvement.

Large grains sugar advanced by a rupee to Rs. 110-Rs. 113 per bag. Medium grain rose by 50 nP to Rs. 107.50-Rs. 108. Small grain gained a like amount to Rs. 106.50.

* * * *

HAPUR, 21*st April*

Following reports that the Government was contemplating to increase the internal price of sugar with a view to subsidising exports, sugar prices recorded gains during the week. Good business was reported with most of factories on this side. Some more factories were said to have closed their crushing season, while the rest would continue to work up to the end of the month, as cane supplies to them was still adequate. The ex-mill delivery prices recorded a rise during the week.

Brisk buying enquiry from Punjab, Delhi, Gujerat, Rajasthan, Saurashtra and the South accounted for an advance of 6 nP to 25 nP per maund in ex-mill delivery prices of sugar in the Muzaffarnager market during the week. The final decision about the quantum of sugar which should be permitted for exports was keenly awaited and the present indications. A few factories near Muzaffarnager, it was said, were continuing crushing. The latest mill delivery prices were:—Iqbalpur (C29) Rs. 36.50; Rampur (A29) Rs. 37.50; Buland (B29) Rs. 36.75; Mansurpur (D29) Rs. 36.06; Daurala (B29) Rs. 37.25; Mowana (A29) Rs. 37.50; Modinagar (C29) Rs. 36.69; Amroha (D28) Rs. 35.31; Bijnore (E29) Rs. 35.25.

Reacting to steadiness in crystal sugar prices, *khandsari* prices also improved slightly. Demand, however, was normal and inferior grade was quoted between Rs. 28 and Rs. 30 and superior quality upto Rs. 33 per maund.

Ready *gur* ruled quiet with slack outside demand and decrease in daily arrivals to an average of 200 maunds. The local stock was unchanged at about 1.42 lakh maunds. Prevailing prices were Rs. 14.75 to Rs. 15.12 per maund.

Demand for *gur* was poor in the Muzaffarnager market also and prices declined by 50 nP to 75 nP per maund. *Shakker dara*, however, attracted good demand from Rajasthan side. Demand for *khandsari* was reported from nearly all the consuming centres and latest prices were:—*chakku minja* Rs. 17 to Rs. 17.75; *chakku kotha* mixed Rs. 16.50 to Rs. 17; *kotha* dry Rs. 17.25 to Rs. 17.50; *khurpa* rusket 9.50 to 11.25; *shakker dara* Rs. 17.50 to Rs. 19.25; *shakker masal* Rs. 20 to Rs. 22; *khandsari* Rs. 28 to Rs. 33.

A regular tussle between bulls and bears regarding *gur baisakh* delivery transactions is coming to a climax and both the parties are preparing for a showdown. Delivery begins from today.

Future prices moved narrowly. *Baisakh* was quoted today at Rs. 14.31 and *fagun* at Rs. 12.75, as against the week's opening of Rs. 14.22 and Rs. 12.62, respectively.

YARNS BEARISH

(From Our Own Correspondent)

BOMBAY, 23*rd April*

The bearish trend noted in the yarn market last week gathered further momentum during the week under review. Although the supply position in respect of rayon yarn continued to be difficult, enquiries from consuming centres were poor, as the handlooms and powerlooms considered the present prices too high. There were, besides, expectations of enlarged arrivals of imported yarn, following the statement of the Chief Controller of Imports and Exports that the Government of India was considering the possibility of granting import quotas for art silk yarn to established importers. There was, of course, the uncertainty as to whether the quota would be granted for the current licensing period or for the ensuing period. It was felt that, until this uncertainty was removed, the Bombay Yarn Merchants Association and Exchange Ltd. might not commence business in June delivery. Incidentally, the April contract, which has all along stood at the ceiling of Rs. 925, will terminate at the end of this month. In sympathy with rayon yarn and due to unsatisfactory reports of offtake from consuming centres staple fibre yarn also staged a retreat. There were rumours that some more South Indian mills had switched over to production of staple fibre yarns and many had actually made large offerings. Even at reduced prices, demands was stated to be at a low ebb. Cotton yarns continued to remain depressed. The offtake of yarn by weavers was very low. The recent increase in rebate on handloom cloth sales would appear to have had no significant effect so far. The stocks of cloth lying unsold with weavers and co-operative societies were still said to be very heavy.

Spot 120 Japan fell by 19 nP to Rs. 6.22. 150 Japan, 120 Italy and 150 Italy receded by 6 nP each to Rs. 6.41, Rs. 6.19 and Rs. 6.50, respectively. Indigenous yarns remained dull. National Rayons 150 bright cones first grade being done at Rs. 5.97 and 120 bright cones first grade at Rs. 5.75. Snia rayon yarns (120 dull cones) April delivery was nominally quoted at Rs. 925, as there were no transactions.

Staple fibre yarn (40 x 2) April delivery fell by Rs. 9 to Rs. 606. June delivery dropped Rs. 5 to Rs. 619. In the spot sections 40 x 2 Kohinoors and New Greats lost a naya paisa each to Rs. 3.30 and Rs. 3.20, respectively. Centurys and Citys were neglected, the former at Rs. 3.28 and the latter at Rs. 3.27. Foreign yarns, however, evoked support. Fujis were marked up by 28 nP to Rs. 7.44. Paramounts strengthened by 9 nP to Rs. 7.28.

In the cotton yarn section, ten counts Moderns and Podars declined by 25 nP each to Rs. 14 and Rs. 13.25, respectively. Among twenty counts, Moderns receded by 25 nP to Rs. 17. Indus were dull at Rs. 16.50. Forty counts Minaxis were neglected at Rs. 23.62 as also Moderns at Rs. 24.25 and Gokaks at Rs. 23.75. Sixty counts Raghuvamshis shed 13 nP to Rs. 50.62. Finlays were dull at Rs. 61. Among eighty counts, Mahendras changed hands at Rs. 69.50, same as last week. Moderns were on offer at Rs. 70.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	23-4-1958	16-4-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
126 dull Cones Snia April	925 00	925.00
120 Japan (per lb.)	6 22	6.41
150 Japan (per lb.)	6.41	6.47
120 Italy (per lb.)	6.19	6.25
150 Italy (per lb.)	6.50	6.56
Staple fibre yarn (per case of 200 lbs.)—		
40 x 2 April	606.00	615.00
44 x 2 June	619.00	624.00
40 x 2 New Great (per lb.)	3.20	3.21
40 x 2 City (per lb.)	3.27	3.27
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.25	13.50
20s Modern	17.00	17.25
30s Indu	..	20.00
40s Minaxi	23 62	23.62
60s Raghuvamshi	50.62	50.75
80s Modern	70.00	70.00

OILSEEDS REACT

(From Our Own Correspondent)

BOMBAY, 23*rd April*

The oilseeds market opened the week on a distinctly easy note and, after staging a smart recovery on the 18th inst., once again staged a relapse on Saturday which persisted today too. The easiness on the opening day was due largely to profit-taking operations. The firmness on the following day was aided by sustained buying in spot groundnuts by *vanaspati* producers and fresh purchases of castorseeds by speculative elements. Consequently, prices registered a handsome improvement. The market, however, put on a depressed appearance on Saturday and today. Linseed encountered selling, thanks to fears of heavy tenders against the maturing contract, in view of large floating stocks —estimated at 5,000 tons—in the city. Castorseeds also encountered selling induced by reports that there might not be any further reduction in export duty on castor oil. Fresh export business was lacklerised by large liquidation in spot and futures, while oils reacted to profit-taking by stockists. Over the week, cottonseed suffered a recession in prices, following weak advices from the cotton market, and *kardi* seed and *niger* seed were a shade easy.

Groundnut May contract advanced from Rs. 169.50 last week-end to Rs. 173.75 on Friday, but receded thereafter to touch Rs. 170 today. August delivery rose from Rs. 170.25 to Rs. 172.50 on the 18th inst. After declining to Rs. 171.25 on the following day, it increased to Rs. 172.50 today, but finished lower at Rs. 171.50. Ready Coromandal and Khandesh quality both dropped 50 nP to Rs. 35.50. Bold, after improving from Rs. 34.50 to Rs. 35.75, fell to Rs. 34.75.

Castorseeds May opened the week at Rs. 154.62 and spurted to Rs. 156.12 on Friday. Thereafter, it moved down gradually and stood at Rs. 151.12 at the close today. September contract hardened from Rs. 158.50 last week-end to Rs. 159.50 on the 18th inst. Under pressure of continuous selling, the contract fell to Rs. 155.12. Ready Madras dropped 82 nP to Rs. 30 and Kanpur quality 87 nP to Rs. 28.50. Castor oil commercial quality receded by 44 nP to Rs. 15.81. B.S.S. fell by 37 nP to Rs. 17.

Linseed May which stood at Rs. 30.81 last week-end declined to Rs. 29.62 before closing at Rs. 29.75. September contract shed 93 nP to Rs. 30.69. Bold ready fell by a rupee to Rs. 29.50. June-July was done today at Rs. 30.25, as against Rs. 31.37 last week. Linseed oil climbed down from Rs. 16.12 to Rs. 15.62.

Cottonseed May was well supported in the earlier sessions, the quotation rising from Rs. 106 to Rs. 108 on Friday. Subsequently, selling enhanced and the contract dropped to Rs. 104.50 today. September delivery strengthened from Rs. 108.25 to Rs. 110.50, but retreated to Rs. 105.25 today before finishing at Rs. 105.75.

Over the week, *kardi* seed bold ready lost 12 nP to Rs. 20. *Niger* seed Madras which had gone up on good buying support from Rs. 29 to Rs. 30.50 on Saturday came in for selling today, the closing rate being Rs. 28.75.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	23-4-1958	16-4-1958	9-4-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	170 00	169.50	163.62
August 1958	171.50	170.25	—
Bold ready (per cwt.	34.75	34.50	33.50
Linseed—			
May 1958	29.75	30.81	30.50
Sept. 1958	30.69	31.62	—
Bold ready (per cwt.)	29.50	30.50	30.00
Castorseed—			
May 1958	151 12	154.87	149.00
Sept. 1958	155.12	158.50	—
Madras (per cwt.)	30 00	30.62	29.75
Cottonseed—			
May 1958	104.50	106 00	107.50
Sept. 1958	105.75	108.25	—
*Groundnut oil**			
Ex-mill ready (per quarter) ..	18.75	19.00	18.25
Castor oil †			
Commercial (per quarter) ..	15.81	16 25	15.50
Linseed oil †			
Ready	15.62	16.12	15.87

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

BLACK PEPPER MOVES DOWN

(Messrs. Parekh and Co.)

BOMBAY, 23*rd April*

Continuous absence of enquiries for Malabar black from New York made speculators in Cochin and Bombay soft sellers. They were willing to meet buyers. But no business worth noting was done, as exporters preferred to remain aloof unless there was buying from overseas. May delivery in Bombay came down to Rs. 575 under pressure of liquidation by stale bulls. May contract for garbled at Cochin in forward ring also gave way from Rs. 115 to Rs. 108 with tone uncertain. Most of the forward trading in pepper is emotional where operators, instead of following statistics or the law of supply and demand, look forward the chartists or astrologers. When prices fail to move according to their prediction, operators come out to sell in an unwilling market. As a result, prices are lowered indiscriminately, in spite of the steadiness at other origins like Sarawak and Singapore.

Singapore ruled steady during the week, with fluctuation of Str.$1 either way. Spot in New York improved to $0.27, but grinders were inactive, as they preferred to wait and were unwilling to pay higher.

Alleppey came down from Rs. 637½ to Rs. 612½, while ready garbled at Cochin was quoted at Rs. 105 from the highest of Rs. 111½ during the week. July delivery was quoted at Rs. 117½, the highest, and at Rs. 111½, the lowest, during the week.

In the A.S.T.A. section, April was done from $0.26¾ to $0.26 while May-June from $0.27 to $0.26½. At the time of writing, April and May-June are nominally quoted at $0.25½ and $0.26, respectively, without buyers.

In the delivery section, May delivery was quoted at Rs. 575-Rs. 585, without buyers with tone nervous.

Today's nominal quotations are: Ready Rs. 85 per Bengal maund ; May Rs. 575-Rs. 585 and June Rs. 585-Rs. 595 per candy of 5¼ cwts.

KIPS WEAK

(From Our Own Correspondent)

MADRAS, 21*st April*

Quiet pessimism prevails in the kip market. U.K. buying has been selective and small, with demand mostly for lower ends which are in short supply. Though stocks at origin are small, the U.K. importers do not seem to be anxious to buy for stock, but are following a hand-to-mouth policy because leather dressers are unable to obtain fresh orders. Shippers of F.A.Q. marks are offering kips at lower prices without bringing to book orders for

shipment, while small quantities in better marks, especially in light weights, have been sold at 2*d.* to 3*d.* below peak levels.

Arrivals of kips have been small and prices weak. Clearance is slow in all sections.

There is good call for tanned goat skins in light weights lower selection in superior tannages and all grades in 11/12 lbs. The market holds steady. Tanned sheep skins rule weak, as shipment business is poor. Arrivals of common tannages in both goat and sheep skins are small and demand poor.

In the May London tanned skins public sales, 450,000 tanned goat skins and 900,000 sheep skins will be offered for sale. It is believed that the market for goat will be unchanged and that for sheep deplorable, as the latter consists of old stocks and of poor descriptions.

WHEAT QUIET

(From Our Own Correspondent)

HAPUR, 21*st April*

Divergent trends prevailed in the foodgrain market during the week under review. Wheat ruled quiet, thanks to the presence of heavy quantity of imported wheat as Government reserve, while coarse grain recorded a hardening trend. Steadiness in prices at this time of the year, considered to be a period of plenty with the beginning of new crop arrivals, is rather unusual and must be attributed to two factors. First, the movement from threshing floors is still small due partly to the cultivators' anxiety to retain stocks for getting better returns soon and partly to untimely rains which have hampered threshing operations. Secondly *rabi* crops this year are reported to be below normal ; in U.P. alone, the overall *rabi* production is expected to be about 28 lakh tons, as compared with 29.6 lakh tons in the preceding season.

Wheat at Hapur ruled quiet. Inferior *dara* quality was quoted on Monday at Rs. 15.50 per maund and farm produce at Rs. 17. Daily arrivals from producing areas, which were at an average of 500 maunds, are now likely to go down for some days, due to rains received last night. Local wheat stock continues unchanged at one *khatti*. Reports from eastern districts of U.P. indicate that grain prices on the whole have risen there and crop conditions have been officially described as "below normal."

Rice continued to harden on reports of overall shortage, prices in some centres of the State having gone up by about Rs. 2 per maund in the last fortnight. Prevailing prices here were: Rice *basmati* Rs. 29 to Rs. 32 ; *mainpuri* Rs. 26 ; coarse quality Rs. 21.50.

Threshing reports from Punjab indicating poor gram crop there accounted for steady conditions in the gram section here during the week. Local arrivals continued to be scanty and stocks of old quality were unchanged at 12 *khatties*. Barley and *bejhar* improved fractionally during the week with the increasing seasonal demand in the face of poor new crop arrivals. *Jowar* and *guwar* ruled steady as being attracting good demand for seeds. The week-end prices (in rupees per maund) were: Gram 11.37 to 11.62; barley 10; *bejhar* 9.75; *jowar* 12 to 13; *guwar* white 15 to 15.25.

Arrivals of peas locally and from other centres of nearby eastern districts of U.P. continued to be heavy at an average of 2,500 maunds daily. As outside despatches during the week were small at about 10 wagons, local peas stock mounted to 125 *khatties*. Credit squeeze by banks, against grain stocks, however, accounted for a slight decline in prices of peas. *Arhar* arrivals were also fast mounting and averaged 500 maunds daily, but were likely to go down for some days due to rains. *Arhar* lost As. 4 per maund towards the week-end. *Moong* firmed up on firm advices from the producing areas of the South. The week-end prices (in rupees per maund) were: Peas *dara* 9.87 ; white farm upto 11.12; peas *dal* 11.25; *arhar* 12.06; *arhar dal* 15.75; *urd* 17.50 to 18.50 ; *moong* 22 to 23 ; *massoor* 16.25 per maund.

Future pulses recorded an easy trend and were now quoted near the worst level of the week due to continued bear pressure. Peas *jeth* was quoted at Rs. 10.06, *arhar jeth* at Rs. 12.50 and *urd biasakh* at Rs. 16.75 as against the week's opening of Rs 10.44, Rs. 12.95 and Rs. 17, respectively.

SUGAR

(Concluded from page 792)

than during many years in the past and the quantity of cane crushed has been lower than last year's. This is bound to affect sugar production during the current season which is not expected to exceed last years as was forecast earlier in the season when the expansion of *khandsari* was not so evident. What is more, the production of *khandsari* next year is expected to be double the production this year. If it comes anywhere near five to six lakh tons, it will surely affect the position of the sugar industry."

"It is also not possible to divide the *khandsari* and sugar consumers into watertight compartments. It has been seen in the past that, whenever *khandsari* was available at cheaper prices, a shift of consumption from sugar to *khandsari* did take place. If, therefore, timely action is not taken to regulate the growth of this industry and *khandsari* is available in abundance and at cheaper prices, it is bound to undermine the development of the sugar industry."

UTILISATION OF COTTONSEED IN INDIA

ITS ROLE IN COUNTRY'S ECONOMY

By M. J. John

THE greater part of India's cottonseed output is still used as fodder or fuel, due to the unsuitability of village mills for cottonseed crushing. Our second Five-year Plan has fixed a target of 30,000 tons for 1960-61, as against the present yearly production of about 10,000 tons, but, given suitable crushing capacity, a potential output of over 200,000 tons annually can easily be achieved. This important industry, besides making a sizable contribution to the country's overall needs of edible oils, can earn and save large sums of foreign exchange. This is evidently overlooked by the Planning Commission.

According to the latest statistical data available, world production of cottonseed is about 13.3 million tons, and about 355,000 tons of oil enter international trade by surplus shipments by producing countries. The largest exporter is the U.S.A., contributing 259,000 tons, the next being Sudan, shipping 22,000 tons yearly. India has an area of 20,230,000 acres under production with a very low yield of 1,399,000 tons, as against the largest production of 5,391,000 tons in the U.S.A. over an area of only 17,506,000 acres. However, the present efforts of the Government of India to grow better varieties of cotton is expected to produce good results before long.

Cottonseed utilisation is the preparation of the seed in such processes as delinting, dehulling, expression of oil, separation of the residue (cake), bleaching and refining of the oil, including deodorisation, neutralisation, separation of the sediment and the further processing before marketing the products and by-products for innumerable end-uses. The delinting process is important in that it has great potentialities of leading itself into a cellulose industry, as the cotton linters—the short fibrous material adhering to cottonseed after ginning—are the principal raw material in the making of cotton pulp.

Linters

Linters by type of cut are identified as "first-cut," "second-cut" and "mill-run." They are usually graded on the basis of grades 1 through 7. They are consumed in chemical uses in the form of linters pulp for the manufacture of rayon and acetate, fine writing paper and speciality papers. In the non-chemical uses, they are well known in making absorbent cotton, hospital bed pads, surgical sponges, sanitary napkins, automobile upholstery, apparel padding, felt industry and many others.

The main products which is the oil is marketed commercially in such grades as (1) crude: as pressed or extracted from the seed: (2) refined soap oil: not good enough for common edibles; (3) cotton edibles: oil completely neutralised by alkali but not deodorised; and (4) deodorised: the highest grade of tasteless oil.

Whole Oil

The whole oil is principally used as a salad oil for frying and also very largely in margarine. The oil also finds a large use for cooking and in cakes and biscuits. Cotton oil is one of the favourite oils for hydrogenating for edible purposes, particularly in America. "Foots" is used in the U.S.A. for a special kind of ice cream called "mellorine."

In removing the free fatty acids in the oil by means of alkali, an aqueous soapy emulsion is separated, and this emulsion carries with it much of a purple-black colour from the original oil. When this soapy residue (soap stock) is "broken down" with mineral acid a black oil is obtained, commercially known as black grease, being in fact the acid oil from cottonseed oil.

The oilcake obtained after pressing the seed forms one of the most popular cakes for cattle feeding. The decorticated cotton cake contains betwen 48-50 per cent. albuminoids and oil combined, while the undecorticated cake contains these two ingredients up to 33 per cent.

At the time of writing, the U.K. operators in oils quote for the Argentine semi-refined cottonseed oil for April-May delivery at £102 c.i.f. Rotterdam and for Indian cotton cake expellers 43 per cent. at £19 15*s.* c.i.f. U.K. ports. If the Indian production of cotton oil and cakes are stepped up and once abundant supplies were available, she could compete very well with any other origins in the international markets.

In the United States, cottonseed oil is the second most important edible oil, and the proportion of the crop crushed is very high, averaging 91 per cent. From a crop utilisation of about 5 million tons of seed, her export of oil earns a considerable amount of dollars and, besides, she produces about 2.2 million running bales of cotton linters of 500 lbs. each.

On the basis of quality alone, linters are the preferred source of cellulose in rayon and acetate and other chemical uses because of higher alpha content, better clarity, and better reaction to chemicals used in processing. It is estimated that a pound of linters yields about .750 pound of pulp, the much needed raw material for our paper and rayon industry.

For the utilisation of cottonseed, America supplies the most up-to-date machines and accessories. If a portion of the credit now available from the U.S.A. is allotted for the financing of such machines without any conditions regarding deferred payments and if proper encouragement is given to the private sector, a rapid development in this industry can be reasonably expected. The highly fluctuative nature of cottonseed, its oil and cakes, together with the speed with which transactions in these are concluded between the U.K. and India, makes it impossible for the public sector to venture in this industry.

SURVEY

(Concluded from page 783)

target fixed for 1960-61 is 249,760 lbs. Considering the current estimated annual demand of about 224,000 lbs., the leeway still to be made up is, indeed, considerable. Viewed thus, the need for providing incentives to the indigenous industry to maximise output so that it can cater to the entire domestic requirements can only be scarcely emphasised. The need is all the greater, considering that imports have gone up substantially in the past few years, over and above the estimated level of demand. The actual imports were 288,960 lbs. in 1956 and 320,320 lbs. in 1957. Surely to the extent domestic output is augmented, dependence on imports can be reduced, resulting in saving of much precious foreign exchange.

The quality of P.A.S. acid and P.A.S. calcium salt, we are told, conforms to the U.S. Pharmacopœia and B.P. specifications, respectively. Most of the T.B. clinics have informed the Tariff Commission that no striking difference can be noticed in the therapeutic effect of indigenous or imported products. There are, however, some instances, according to Mr. Ramasubban, of adverse criticism on the quality of the indigenous material, particularly in regard to colour and early deterioration in storage. The Drug Controller to the Government of India has reported that P.A.S. acid does not conform to U.S. Pharmacopœia test for clarity and colour of solution, besides failing to comply with the test for limit of meta-aminophenol. Similarly, P.A.S. calcium does not comply with the B.P. Codex test for the limit of nitrosalicylic acid.

According to Mr. Ramasubban, the principal raw materials required for the manufacture of P.A.S., such as meta-aminophenol, potassium carbonate, potassium hydroxide, activated carbon, methyl-isobutyl ketone, tertiary butanol and formic acid, are imported. The cost of imported raw materials accounts for 89.8 per cent. of the total cost of raw materials. Of the imported raw materials, meta-aminophenol alone constitutes about 60 per cent. of the total value of raw materials. In view of such heavy cost of this imported material, the plea for full remission of import duty on it put forward by Biosynth deserves to be sympathetically considered. Incidentally, it is said that the production of meta-aminophenol at the Government plant for the manufacture of intermediates under the National Industrial Development Corporation is contemplated.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	16th Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	6	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	2
Peru	13th Nov., 1947	5	6
Philippines	April, 1957	1½	2
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	11th July, 1957	4	5
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th May, 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 18th April, 1958		Week ended 11th April 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,51,018	73,27,84,000	4,21,171	87,72,12,000
Calcutta	1,78,000	59,59,00,000	1,89,000	65,65,00,000
Madras	77,597	8,62,51,148	1,07,025	12,97,31,257
All Centres—				
1955-56	..	..	37,199,000	79,56,21,00,000
1956-57	..	..	40,003,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,794,000	8,31,64,00,000
Feb.,	..	..	3,535,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 18th April, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	52,44,85,000
(2) Other Governments	13,98,66,000
(b) Banks	90,99,49,000
(c) Others	116,72,81,000
Bills Payable	14,38,86,000
Other Liabilities	41,48,94,000
Rupees	436,13,61,000

ASSETS	Rs.
Notes	23,86,66,000
Rupee Coin	10,41,000
Subsidiary Coin	2,12,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	20,44,13,000
Balances held abroad*	42,48,42,000
Loans and Advances to Governments†	51,16,67,000
Other Loans and Advances	54,37,30,000
Investments	230,14,17,000
Other Assets	13,53,73,000
Rupees	436,13,61,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 17,33,00,000/- advanced to Scheduled banks against nsance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	23,86,66,000	
Notes in circulation	1627,77,00,000	
Total Notes issued		1651,63,66,000
Total Liabilities		1651,63,66,000

ASSETS	Rs.	Rs
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India		
Foreign Securities	227,39,08,000	
Total of A		345,15,11,000
B. Rupee Coin		131,57,79,000
Government of India Rupee Securities		1174,90,76,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1651,63,66,000

Scheduled Banks*

Statement of Affairs for the week ended 11th April 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,45,67,000
(ii) Other demand liabilities	756,99,79,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,12,50,000
(ii) Other time liabilities	742,49,02,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	7,82,04,000
(ii) Time liabilities	95,00,000
Borrowings in India from the Reserve Bank of India†	22,16,45,000 (19,06,00,000)
Cash in India	29,91,77,000
Balances with the Reserve Bank in India	75,89,15,000
Balances with other banks in current account in India	13,38,76,000
Money at call and short notice in India	55,32,04,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	441,43,93,000
Advances in India	804,50,50,000
Inland Bills purchased and discounted in India	118,06,53,000
Foreign Bills purchased and discounted in India	89,62,59,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against nsance bills and/or promissory notes.

EXCHANGE RATES

	23rd April 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5⅝	1-5⅝
Sellers T.T. D.D. upto six months	1-5⅝	1-5⅝
Buyers T.T. spot to nine months	1-6¼	1-6¼
Buyers T.T. 10 to 12 months	1-6¼	1-6¼
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.00	475.00
Buyers T.T. Rs.	472.00	471.75
London on New York $	2.81¾-2.81¾	2.81¾-2.81¼
London on Paris Fcs.	1.178¼	1.178¼
London on Berne Sw. Fcs.	12.23¾-12.24	12.25¾-12.26
New York on London $	2.81¼-2.81¾	2.81¼-2.81¼

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita Income (Rs.)
India†	'56-'57	387 68	..	11,010	284
Pakistan††	'56-'57	83.50	..	2,079	249
Burma	1956	19 45	Kyats 4,087	409	210
Ceylon	1955	8.38	..	476	567
Japan	1956	90.00	Y. 7,427,000	9,283	1,031
Philippines	1955	22.86	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9.40	£ (A.) 4,238	4,623	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168 09	$ 343,600	103,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43 60	F.Fr. 13,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,889	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,990	1,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Netherlands	1956	10.50	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,509	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 11th April 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	81,19,28,000
(b) Provincial Governments	50,49,000
(c) Banks	17,70,92,000
(d) Others	4,98,74,000
Bills Payable	19,74,000
Other Liabilities	9,94,64,000
Rupees	120,53,80,000

ASSETS	Rs.
Notes	6,01,73,000
Rupee Coin	34,000
Subsidiary Coin	30,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	....
Loans and Advances to Governments	1,83,00,000
Provincial Governments' Debtor Balances	10,70,19,000
Other Loans and Advances	5,22 14 000
Investments	83,42,49 000
Other Assets	13,13,61,000
Rupees	120,53,80,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	6,01,73,000	
Notes in circulation	343,06,39,000	
Total Notes issued	....	349,08,12,000
Total Liabilities		349,08,12,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,98,000	
Silver Bullion	....	
Approved Foreign Exchange	67,88,61,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		122,31,84,000
B. Rupee Coin	3,77,61,000	
Government of Pakistan Securities	217,08,61,000	
Internal bills of exchange and other commercial paper	....	
		220,86,22,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02 000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets		349,06,12,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 86.65 per cent.

COMPARATIVE BANKING STATISTICS *

(In crores of rupees)

	1st Sept., 1939 (pre-war)	11th April 1958	A week ago	A year ago	A month ago R.
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1638.21	1619.69	1578.26	1574.42
Notes held in Banking Department	35.05	13.18	7.94	9.61	6.62
Foreign Securities	59.50	226.07	216.07	245.54	412.52
Rupee Securities	37.39	1176.23	1166.23	1096.76	924.90
Banking Department					
Deposits of :					
Government of India	14.89	49.23	55.27	50.31	53.60
Other Governments		13.63	7.24	21.67	1.54
Balances held abroad	10.08	51.82	68.34	36.62	104.20
SCHEDULED BANKS					
Demand Liabilities	134.36	774.41	767.49	739.65	726.51
		(17.46)‡	(15.95)†	(13.66)†	(7.99)†
Time Liabilities	102.24	757.62	743.11	722.98	487.48
		(15.12)‡	(15.02)†	(15.46)†	(2.30)†
Borrowings from Reserve Bank	..	22.16	37.94	36.29	80.94
		(19.06)‡	(24.19)‡	(21.75)‡	(59.16)‡
Borrowings from State Bank	..	8.77	11.31	10.53	8.71
Cash in India	6.70	39.92	41.74	38.36	38.84
Balances with Reserve Bank	25.17	75.89	83.08	63.16	64.06
Excess over statutory limits	15.52	22.02	29.88	11.72	18.00
Balances with other banks in current account in India	..	13.39	12.28	11.52	10.86
Money at call and short notice in India	..	55.82	43.29	38.87	12.75
Investments at book value)	..	441.44	440.56	440.09	345.94
Advances and bills	105.09	902.29	909.41	940.11	902.22
STATE BANK					
Deposits	87.76	427.35	434.25	416.14	300.08
Investments	51.99	190.75	190.76	190.69	105.31
Advances	30.85	209.35	209.99	208.32	182.08
Cash	14.69	32.81	32.23	24.71	32.66

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against nsance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	November.,		Eight months, April to Nov.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	11.07	11.86	82.01	97.86
Protective	1.21	0.80	8.39	7.41
On surplus disposals	..	..	0.82	0 09
Total Import duties	12.28	12.66	90.42	105.36
Export Duties	2.67	2.58	18.28	15.82
Land Customs	0.22	0.44	1.62	2.27
Air customs.	..	0.10	..	1.03
Miscellaneous	0.11	0.16	0.74	0.98
Gross total customs	15.28	15.94	111.06	126.06
Refunds and drawbacks	0.22	0.41	1.57	2.75
Net Customs	15.06	15.53	109.49	123.29
Gross excise	16.23	24.24	117.97	168.75
Refunds	0.17	0.22	1.32	2.21
Net Excise	16.06	24.02	116.65	166.54
Net total of customs and excise†	31.12	39.55	226.14	289.83

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 18th April 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
		5,62,50,000
Reserve Fund and Other Reserves	..	6,62,50,000
Deposits and Other Accounts	..	421,54,65,000
Borrowings from Other Banking Companies, Agents, etc.	..	....
Bills Payable	..	9,18,78,000
Bills for Collection being Bills Receivable as per contra	..	86,32,000
Acceptances, Endorsements and Other Obligations per contra	..	70,00,00
Other Liabilities (including Inter-Office Adjustments)	..	3,20,98,000
Total ..	Rs.	447,75,73,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank	..	32,43,66,000
Balances with other Banks	..	2,55,92,000
Money at Call and Short Notice	..	73,33,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	180,35,68,000	
Other Authorised Investments	10,33,34,000	
		190,69,02,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	187,73,67,000	
Bills Discounted and Purchased	20,28,50,000	
		208,02,17,000
Bills Receivable being Bills for Collection as per contra	..	86,32,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	..	70,00,000
Premises less Depreciation	..	1,19,73,000
Furniture and Fixtures less Depreciation	..	82,01,000
Other Assets (including Inter-Office Adjustments)	..	9,73 67,000
Total ..	Rs.	447,75,73,000

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1955	1956	Nov., 1957	Oct., 1957	Nov., 1956
General Index	122.1	133.9	148.1	134.4	142.2
Coal	111.4	114.9	130.3	121.9	118.2
Sugar*	145.0	175.1	298.7	333.1	369.5
Tea*	106.2	106.0	96.4	11.4	96.1
Cotton textiles	111.9	117.5	115.4	107.4	115.1
Jute textiles	116.9	127.2	129.0	113.8	120.4
Paper and paperboards	140.2	146.6	177.1	163.2	148.0
Matches	106.6	106.6	99.0	88.7	101.7
Iron and steel	140.4	154.2	194.1	188.0	157.3
Non-ferrous metals	113.3	119.4	125.5	115.1	124.6
Rayon	223.7	124.7	146 9	166.1	137.7
	280.2	355.8	516 8	479.4	341.5

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,272,620
1955	1,166	527,767	2,497,845
1956 R	1,203	715,180	9,602,040
November 1956	137	—	513,368
December	147	—	422,406
January 1957	154	—	395,419
February	154	—	262,299
April	114	40,811	282,791
May	166	69,258	406,479
June	164	64,877	446,649
July	147	95,678	713,902
August	178	83,727	723,854
September	168	85,255	568,241
October	220	139,875	906,850
November	219	101,350	617,837
December	178	54,294(a)	331,921(a)
	114	50,971	410,924

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A Out-standings	7-Year B Out-standings	12-Year B Out-standings	12-Year National Plan Savings Certificates C Re-ceipts	Out-standings	Post Office Savings Bank Deposits Re-ceipts	Out-standings	10-Year National Plan Certificates D Out-standings	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F Re-ceipts	Out-standings	4% G Re-ceipts	Out-standings	15-Year Annuity Certificates G Re-ceipts	Out-standings	Total Re-ceipts	Out-standings H
1951-52	6,07	2,91	66,80	..	..	107,56	74,20	..	—27,55	18,39	..	..	..	..	..	145,25	166,37
1952-53	6,83	3,26	84,17	..	..	113,35	93,03	..	—31,07	25,64	..	..	..	..	..	146,83	211,98
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,64	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	55	54	..	177,85	310,59
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	45	95	263,53	380,04	
1956-57	3,00	6,01	163,68	..	..	176,97	196,50	25,38	—38,82	44,28	..	..	43	1,32	225,88	440,17	
1957																	
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	29,72	452,77	
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,57	52	1,76	3	1,42	17,91	456,90	
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	63	2,79	4	1,46	21,54	462,72	
October	2,54	5,26	155,82	6,17	26,33	12,51	202,83	24,81	—39,35	44,07	42	2,81	2	1,47	19,12	465,94	
November	2,48	5,14	153,40	5,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	469,63	
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	1,90	475,05	
1958																	
January	2,37	4,94	148,57	7,95	47,18	13,38	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,68	479,29	
February	..	..	..	..	..	..	..	..	..	43,69	74	5,18	9	1,75	..	..	

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities : repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'R' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 12th April 1958	5th April 1958	15th Mar., 1958	13th April 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	88.5	89.4	89.3	89.9
1. Government of India	89.2	89.2	89.0	89.7
2. State Governments	96.6	96.6	96.5	96.4
3. Muncipal Port Trust, etc.	90.0	90.0	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	99.0
1. Electricity	98.5	98.5	98.5	98.9
2. Jute	92.2	92.2	92.1	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.3	98.0	98.0	100.9
7. Shipping	99.1	99.1	99.1	101.8
Others	94.2	94.1	94.1	100.1
PREFERENCE SHARES	70.6	70.6	71.0	78.7
1. Electricity	84.4	84.4	84.3	87.2
2. Cotton	67.7	67.8	67.0	78.4
3. Jute	58.1	58.3	60.0	72.3
4. Coal	72.7	72.7	72.8	81.8
5. Iron and Steel	79.1	78.7	78.3	80.7
6. Sugar	69.3	69.6	69.5	79.4
7. Paper	72.4	72.9	74.2	78.8
8. Plantations	86.6	86.6	86.9	97.8
Miscellaneous	65.5	65.5	66.8	74.7
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.8	98.8	98.2	106.8
(a) Financial	98.2	98.2	98.1	99.2
1. Banks	100 9	100.9	101.5	92.3
2. Insurance	91.6	91.7	88.0	92.2
3. Investment Trust	67.8	68.7	64.7	75.7
(b) Public Utilities	108.0	105.1	103.9	107.6
1. Electricity	103.4	102.7	101.6	107.1
2. Shipping and other Transport	122.8	121.3	119.7	117.2
3. Railways	67.9	67.8	67.6	77.5
(c) Manufacturing industries	101.9	102.0	98.1	112.0
1. Cotton, Woollen and Silk	95.5	96.0	93.0	118.6
2. Jute	55.2	51.9	48.5	55.2
3. Iron and Steel	130.0	130.8	124.9	119.3
4. Paper	190.7	193.4	204.4	229.7
5. Cement	137.7	137.9	132.3	147.7
6. General Engineering	157.1	154.0	145.6	160.9
7. Sugar and Breweries	98.5	98.9	97.2	96.5
8. Chemicals	134.4	133.7	129.2	133.2
(d) Non-Manufacturing industries	113.4	113.8	108.0	132.3
1. Coal	65.2	65.6	65.4	69.5
2. Mining and Oil	163.5	164.6	148.4	179.1
3. Plantations	121.7	121.3	116.9	150.2
(e) Miscellaneous	68.2	68.2	68.8	83.8
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	88.9	88.9	88.7	89.8
2. Calcutta	89.4	89.2	89.2	89.8
3. Madras	89.7	89.6	89.5	90.2
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.6	96.5	96.5	99.0
2. Calcutta	97.3	97.3	97.3	98.7
3. Madras	97.4	97.4	97.4	99.5
PREFERENCE SHARES :				
1. Bombay	80.1	79.8	79.5	82.8
2. Calcutta	61.8	61.9	63.0	72.9
3. Madras	83.9	83.9	84.0	93.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	115.9	115.9	111.8	116.7
2. Calcutta	84.2	84.1	82.7	93.9
3. Madras	109.4	109.4	109.1	119.0
4. Delhi	119.8	120.4	116.6	113.6

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,819.2
1955-56	715	8,306.8	7,185.8
1956-57	769	9,277.3	8,103.1
November 1956	756	819.5	668.1
December "	757	881.5	719.0
January 1957	765	868.7	711.7
February "	767	811.0	677.7
March "	769	874.6	716.8
April "	770	901.4	734.5
May "	793	932.3	756.7
June "	799	896.4	726.1
July "	809	925.3	748.9
August "	811	923.0	751.6
September "	814	924.7	739.3
October "	822	917.5	731.3
November "	828	930.2	740.5
December "	822	958.7	779.7

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	5th April 1958	29th March 1958	6th April 1957	February 1958	February 1957	Percentage of Increase (+) or Decrease(—) in Feb., 1958 as compared with Feb., 1957	Financial Year Average 1957-58	1956-57
Food Articles	586	103.9	103.4	102.6	100.8	104.1	— 3 0	108.4	102.3B
Cereals	192	96	96	100	95	100	— 5.0	101	96
Pulses	43	81	80	84	78	87	—12.6	83	81
Fruits and Vegetables	23	100	100	115	95	108	—12.0	114	112
Milk and Ghee	84	103	102	101	101	96	+ 5.2	105	100
Edible Oils	47	122	120	120	114	130	—12 3	126	125
Fish, Eggs and Meat	17	102	100	92	100	96	+ 4 1	98	97
Sugar and Gur	43	114	113	94	108	96	+12 5	108	98
Others	50	130	130	120	129	133	—3.00	131	128
Liquor and Tobacco	21	93.4	94.4	88.2	96.7	87.1	+11.0	94.0	84.3
Tobacco	—	92	93	86	95	87	+ 9 2	93	83
Fuel, Power, Light and Lubricants	30	114.5	114 5	107.8	114.3	102.7	+ 7 8	113 8	104.2R
Industrial Raw Materials	155	113.8	112.7	116.3	111.1	117.6	— 5.5	116.5	116.0
Fibres	61	111	111	120	113	121	— 6 6	118	116
Oilseeds	60	118	116	117	111	119	— 6.7	120	120
Minerals	2	107*	108*	107*	108	108	—	108	102
Others	32	110*	110	107	110	108	+ 1.8	108	109
Manufactures	206	107.8	107 3	105.8	107 5 R	107.4	—	108.1	106.3
Intermediate Products	41	108.4	107.1	108.2	105 8	110 9	— 4.9	107.3	110.9
Finished Products	249	107.7	107.4	105.4	107.8 R	106.9	+ 0.8	108.2	105.6
Textiles	147	106	105	106	108	108	— 1.8	107	108
Cotton	—	115	115	116	116	116	—	116	116
Jute	—	87	86	94	88	98	—10.2	95	95
Woollen	—	103	103	100	103	99	+ 4.0	103	98
Silk and Rayon	—	93*	93*	87*	90*	87	+ 3.4	86	88
Metal Products	12	143	143	131	143 R	131	+ 9 1	141	130
Chemicals	20	100	99	97	99	96	+ 3.1	98	93
Oil cakes	10	115	116	100	112	116	— 3.4	115	108
Machinery and Transport Equipment	31	103	103	100	102	101	+ 0.9	102	99
Others	30

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)			(In thousand tons)	
	Fore-cast	1956-57	1955-56	1956-57	1955-56
Cereals—						
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,509
Jowar	final	41,814	42,904	7,427	6,602
Bajra	final	27,450†	27,881††	5,565†	5,853††
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,244	9,116	3,020	2,554
Ragi	final	5,674	5,693	1,914	1,820
Small millets ..	final	12,209	12,713	2,010	1,937
Total cereals ..	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,880
Other Kharif pulses §	final	16,166	15,567	1,664	1,632
Rabi pulses† ..	final	11,443	11,703	1,794	2,038
Total pulses ..	final	57,295	57,064	11,435	10,831
Total foodgrains .		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	final	14,457†	13,450††	4,271†	4,290††
Castorseed ..	final	1,403	1,405	129	124
Sesamum ..	final	5,438	5,652	451	457
Rape and Mustard ..	final	6,211	6,217	1,017	848
Linseed	final	3,788	3,781	349	414
Total oilseeds .	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,723	4,091
Jute A. ..	final	1,754†	1,908††	4,08·††	4,285††
Mesta A. ..	2nd	675†	688††	1,166†	1,111††
Other crops—					
Potato	final	702	691	1,674	1,880
Sugarcane ..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry) ..	final	40	40	15	15
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	354	365
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During March, 1958 ..	85.3
	Corresponding month, 1957 ..	84.7
	Nine months ended Mar., 1958 ..	709.9
	Corresponding period, 1957 ..	771.0
Stocks ..	At the end of Mar., 1958 ..	94.4
	Corresponding month, 1957 ..	97.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose ..	1955-56	857.2
	1956-57	852.9
	Feb., 1957..	71.5
	Feb., 1958..	67.4
For Internal Consumption ..	1955-56	190.0
	1956-57	179.0
	Feb., 1957	14.5
	Feb., 1958	18.4
	RAW JUTE	(In lakh bales)
Consumption by Mills ..	March, 1958 ..	4.95
	Corresponding month, 1957 ..	4.91
	Nine months ended Mar., 1958 ..	45.87
	Corresponding period, 1957 ..	44.75

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1956 ..	11,55,900	10,62,100	7,97,800
Do.	31st March, 1957 ..	11,58,500	10,73,600	7,97,500
Do.	31st March, 1958 ..	10,98,300	11,00,300	7,86,000
Jan., 1957		97,400	94,300	70,500
Feb., ...		90,000	81,300	63,400
Mar., ...		95,100	93,200	73,600
Jan., 1958		97,600	105,800	70,600
Feb., ...		87,100	89,200	64,500
Mar., ...		94,800	100,200	71,300
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1956 ..	7,06,986	5,81,505	4,50,607
Do.	31st March, 1957 ..	6,98,156	5,82,315	4,41,482
Do.	31st March, 1958 ..	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957.		1,83,887	1,89,830	1,30,576
.. .. .. June, 1957.		1,78,225	1,29,651	1,03,096
.. .. .. Sept., 1957.		1,71,897	1,19,172	96,815
.. .. .. Dec., 1957.		1,90,484	1,25,194	1,02,146
.. .. .. Mar., 1958.		1,90,339	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October		Jan. to Oct.	
	1957	1956	1957	1956
Exports	52,52	52,73	537,74	474,94
Re-exports	1,12	42	4,46	7,27
Total Exports ..	53,64	53,15	542,20	482,21
Imports	73,07	70,04	833,98	667,46
Overall Balance of Trade ..	—19,43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	103,20
Jute yarns and manufactures ..	3,54	10,45	50,46	99,24
Cotton yarns and manufactures ..	5,26	4,87	59,75	50,02
Metallic ores and scrap iron or steel for re-manufacture ..	3,55	2,52	42,19	17,72
Cotton, raw and waste ..	69	89	17,39	21,04
Oils—vegetable, mineral and animal ..	1,75	90	22,22	21,51
Fruits and vegetables ..	1,75	1,19	15,49	13,25
Tobacco	32	78	12,08	12,61
Mica	61	74	7,30	7,10
Wool—Raw ..	41	96	10,14	8,05
Gums, resins and lac ..	64	99	7,39	8,84
Spices	52	69	7,22	7,82
Hides and skins, raw ..	51	58	6,28	4,82
Imports—				
Machinery of all kinds ..	20,17	13,46	187,93	125,26
Metals, iron and steel and manufactures thereof ..	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal ..	6,89	3,24	96,17	55,34
Cotton, raw and waste ..	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines ..	5,17	3,87	65,90	36,37
Electrical goods and apparatus ..	5,32	2,30	49,08	17,04
Paper, pasteboard, etc. ..	89	1,15	11,35	13,91
Vehicles (excluding aircraft, ships and boats) ..	3,64	7,00	57,79	55,57
Fruits and vegetables ..	2,23	1,16	17,08	10,61
Spices	23	68	2,47	6,67
Dyes and colours	1,62	1,50	12,16	13,99
Woollen and worsted fabrics	15	11	1,14	1,89
Cotton fabrics	15	21	2,14	2,03

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manu-factures	Raw Jute	Jute Manu-factures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manga-nese Ore
1955-56	12,751	2,763	974	213	111	57	149	29	517	412	41	330	48	149
1956-57	13,385	2,953	1,022	219	103	58	207	24	610	427	30	388	52	180
January 1957	11,109	2,450	837	178	84	47	172	20	432	351	25	317	50	144
February ,, ..	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ..	13,385	2,953	1,022	219	103	58	207	24	610	427	30	388	52	180
April ,, ..	1,245	283	103	22	10	6	16	2	76	39	3	34	2	15
May ,, ..	2,468	522	219	43	21	13	34	4	159	77	6	69	4	33
June ,, ..	3,502	756	334	57	30	18	48	5	164	109	9	101	7	48
July ,, ..	4,663	1,010	438	72	35	21	68	7	183	145	11	138	13	62
August ,, ..	5,781	1,279	539	84	39	25	67	8	208	185	13	177	19	81
September ,, ..	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,, ..	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	127
November ,, ..	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	154
December ,, ..	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955.
Source:—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 17th April, 1958 ..	41,095(J)
	Corresponding week, 1957 ..	54,107(J)
	1st Sept. to 17th April, 1957-58 ..	1,068,761*
	Corresponding period,1956-57 ..	1,248,168*
Cotton Exports ..	Week ended 17th April, 1958 ..	6,472
	Corresponding week, 1957 ..	6,641
	1st Sept. to 17th April, 1957-58 ..	120,715
	Corresponding period, 1956-57 ..	204,499
Mill Consumption (Estimated) ..	1st Sept. to 17th April, 1957-58 ..	831,944
	Corresponding period, 1956-57 ..	849,953
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 17th April, 1958 ..	729,035A
	Corresponding date, 1957 ..	595,958
Cotton Exports from Bombay (by sea)	During February, 1958 ..	15,998§
	During February, 1957 ..	40,544
	1st Sept., 57 to 28th Feb., 1958 ..	402,186
	1st Sept., 56 to 28th Feb., 1957 ..	141,206
Karachi (Pakistan)—		
Receipts	1st Sept. to 2nd Apr., 1957-58 ..	1,001,238
	Corresponding period, 1956-57 ..	1,098,880
Exports	1st Sept., to 2nd Apr., 1957-58 ..	413,631
	Corresponding period, 1956-57 ..	628,552

Particulars	From 1st September to 14th April 1957-58 Bales	From 1st September to 14th April 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	3,970	19,362
Continent	8,174	17,711
Hongkong	3,219	24,914
China	—	3,437
Japan	51,746	107,050
U.S.A.	4,292	2,224
Other Countries	691	462
Total to all foreign countries ..	72,093	175,160
Coastal Ports ..	44,540†	24,194**
Total	116,552	199,354

Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	February, 1958	350,474
Foreign		43,988
Indian	Six months ended Feb., 1957-58.	2,296,661
Foreign		293,286
Indian	Same Period 1956-57 ..	2,324,414
Foreign		292,297
Stocks (Mills and Elsewhere)—		
Indian	As on 28th Feb., 1958	1,156,824
Foreign		162,019
Indian	As on 28th Feb., 1957† ..	1,151,853
Foreign		182,310
Cotton Pressed in India† (In running bales)	Week ended 4th April 1958 ..	N. A.
	Corresponding week, 1957 ..	93,018
	1st Sept., to 4th April, 1957-58 ..	1,693,260
	Corresponding period, 1956-57 ..	2,052,633

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Jan., 1958. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 31st Mar., 1957. N. A.=Not available.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1926-33	63,39,26,000	1960-70	100.55
3 % Loan	1938-39	116,17,46,000	1968-65	95.10
2½ % Loan	1956	98,33,10,000	1965-70	95.00
2½ % Fg. Loan	1942	1,16,11,78,000	1966-68	92.60
2½ % Dev. Loan	1946	1,18,05,83,000	1976-78	86.35
2½ % 2nd V. Loan	1946	1,13,86,64,000	1959-61	99.10
2½ % Loan	1951	56,54,43,000	1958	99.75
2½ % Loan	1946	45,68,07,000	1960	98.00
2½ % Loan	1946	57,09,69,000	1961	95.30
2½ % Loan	1946	14,77,42,000	1974	83.10
2½ % Loan	1947	78,96,75,000	1962	95.10
3½ % N. P. Bonds	1953	75,29,90,000	1961	99.65
3½ % N. P. Loan	1954	1,58,17,90,000	1964	98.20
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.80
3½ % Loan	1956	57,37,36,000	1962	97.90
3½ % N. P. Bonds	1956	83,81,55,000	1967	97.65
3½ % Loan	1956	66,61,95,000	1974	98.20
3½ % N. P. Bonds (4th Series)	1957	56,92,00,000	1967	99.75
4 % Loan	1957	49,05,00,000	1972	100.30
NON-TERMINABLE LOANS				
3 % Loan	1896-97	8,93,84,000	At option or Government after three months notice.	71.20
3 % Loan	1946	2,48,91,41,000	On September,1986 or later at option of Government after three months' notice.	71.20
REPATRIATE STERLING LOANS				
4½ % Loan	1923	5,85,73,000	1958-68***	100.30
STATE LOANS				
4 % Andhra	1955	5,00,15,000	1st Sept. 1967	97.82
4 % Andhra	1956	6,56,15,000	3rd Sept. 1958	97.80
3 % Bombay	1944	5,04,15,000	15th Aug. 1958	99.35
3 % Bombay	1945	5,45,78,000	1st Aug. 1962	94.15
3 % Bombay	1950	2,88,70,000	31st July 1960	97.35
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1951	5,15,90,000	15th July 1963	99.60
4 % Bombay	1952	2,45,95,000	1st Aug. 1964	97.80
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.25
4 % Bombay	1956	3,07,06,000	3rd Sept. 1979	98.00
4½ % Bombay	1957	6,00,00,000	10th Sept. 1969	100.10
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,18,15,000	3rd Sept. 1968	97.60
3½ % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Howrah Bridge (New)	1956-57	1,94,95,700	1956-66	94.12
4 % Hyderabad	1956	2,15,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,15,02,000	3rd Sept. 1968	97.60
4 % Madras	1939	1,23,96,000	21st June 1959	98.00
4 % Madras	1941	1,97,93,000	15th Aug. 1956	99.45
4 % Madras	1942	3,78,44,000	14th Sept. 1960	97.30
3½ % Madras	1946	3,51,77,300	1st Sept. 1961	97.60
4 % Madras	1946	4,28,25,400	31st July 1969	97.30
4 % Madras	1951	3,01,49,800	17th Sept. 1962	97.80
4 % Madras	1952	10,52,71,000	16th July 1963	98.80
4 % Madras	1953	5,24,81,200	1st Aug. 1964	98.70
4 % Madras	1946	10,47,17,000	1st Sept. 1967	97.90
4 % Madras	1946	12,81,54,000	3rd Sept. 1968	97.80
4 % Mysore(J)	1932	2,95,83,500	1st Dec. 1955-58	99.75
4 % Mysore(J)	1936	5,90,73,000	30th Apr. 1956-61	99.00
4 % Mysore	1943	3,34,47,000	15th July 1963	98.50
4 % Mysore	1945	5,54,94,000	1st Sept. 1967	97.70
4 % Mysore	1946	4,11,11,000	3rd Sept. 1968	97.70
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	15,08,88,000	15th Aug. 1958	99.30
3 % M.P.	1948	2,02,35,800	15th Sept. 1964	99.00
3 % M.P.	1950	1,01,45,000	31st July 1960	97.00
3 % M.P.	1951	1,98,18,100	17th Sept. 1962	97.75
3 % M.P.	1953	1,10,18,000	15th July 1963	98.40
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,56,42,000	3rd Sept. 1968	97.60
4 % Saurashtra	1955	2,01,56,000	1st Sept. 1967	98.25
4 % Saurashtra	1956	1,74,85,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1953	2,25,61,000	15th July 1963	97.60
4 % Trav. Cochin	1956	2,34,73,000	3rd Sept. 1968	96.50
2½ % U.P.S.A.	1926	41,44,790(2)	..	47.25
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	96.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.15
3 % U.P.	1945	2,17,25,000	14th Sept. 1960	97.25
2½ % U.P.	1946	5,16,25,000	1st Sept. 1961	94.30
3 % U.P.	1941	1,87,98,000	17th Sept. 1962	97.75
3 % U.P.	1952	6,11,45,000	1st Aug. 1964	98.40
4 % U.P.	1953	5,66,16,000	15th July 1963	99.00
4 % U.P.	1956	9,82,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	3,06,92,000	3rd Sept. 1968	97.50
4 % M. Bharat	1953	1,04,77,000	15th July 1963	97.40
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.50

PORT TRUST LOANS

Amount	Interest per cent	Year of Issue	Repay-able	Market quota-tion
BOMBAY				
Rs.				Rs.
36,56,000	4	1904	1964	
25,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
95,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,376	4	1913*	1960	D
30,00,000	4	1913	1974	96.20N
52,25,000	4	1914	1975	96.20N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
61,00,000	4	1925*	1960	
11,51,000	4	1924*	1960	
10,25,000	3½	1926*	1960	
35,00,000	3½	1928*	1959	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
12,50,000	3½	1932*	1962	
24,50,000	3½	1935*	1975	
15,00,000	4	1926*	1960	
46,04,000	3½	1936*	1960	
10,08,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
80,24,300	4	1914	1974	97.75
78,99,100	4	1915	1975	97.75
60,00,000C	3††	1921	1981	82 00
66,07,500C	6½	1921	1981	144.00N
1,49,30,000	3½	1923	1953-88	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1925	1965	97 50
50,00,000	3	1933	1953-65	99.00
50,00,000	3	1945	2005	74 00
50,00,000	3	1946	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	4	1946	2006	97 00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1969	96.25
50,00,000C	3	1950	1960	98.00
100,00,000	3	1950	1960	97.00
100,00,000	3	1950	1960	97.00
50,00,000	3	1951	1961	81.75
150,00,000	3½	1951	1961	96 50
50,00,000	4	1952	1992	100.00
50,00,000	4	1952	1982	97 50
90,00,000	4	1955	1985	97 25
50,00,000	3	1949	1969	96.25
50,00,000C	3	1956	1966	97 25
100,00,000C	3	1956	1986	97.25
75,00,000C	4	1956	1986	97 25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£892,600	5	1922	1953-83	£40 00
£1,000,000	5	1924	1954-84	£40 25
£335,108	6½	1932	1982	£91 00
MADRAS				
Rs.				Rs.
31,47,100	3½	1947	1977	
9,58,000	3	1947	1977	A
5,00,000C	3	1949	1979	
45,00,900‡	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent	Year of Issue	Repay-able	Market quotation
Rs.		**BOMBAY**		Rs.
50,00,000	4	1898	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	97.75
30,00,000	4	1905	1965	N
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	97.50
50,00,000	4	1914	1974	96.20N
25,00,000	4	1916	1976	96.20N
40,00,000	5	1919	1957-59	118.00N
60,00,000	5	1920	1958-60	
25,00,000	5	1924	1958-66	115.00N
25,00,000	4	1927	1961-70	96.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1964	95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				Rs/
25,00,000	5½	1929	1989	104.00
50,00,000	4	1924	1984	94 00
35,00,000	5½	1935	1985	99 00
30,00,000	3	1936	1966	91 00
50,00,000	3	1937	1965	90 00
20,00,000	3	1938	1943-65	90.00
80,00,000	4	1952	1982	99 00
1,02,00,000	4	1946	1968	99.50
50,00,000	4½	1958	1968	

MUNICIPAL LOANS

Rs.		BOMBAY		Rs.
20,00,000	4	1913-16	1974	97.00
10,00,000	3	1920	1945	113.00N
25,00,000	5	1928	1958	101.50
26,31,500	5	1929	1959	101.00
3,25,00,000	3½	1947	1977	94.00
2,50,00,000	3½	1946	1976	92.25
4,00,01,000	3½	1946	1965	97.75
2,50,00,000	4	1948	1978	97.75
2,00,00,000	3½	1951	1966	97.75
1,00,00,000†	4	1952	1964	97.75
1,00,00,000†	4	19-4	1968	97.25
2,50,00,000	4	1955	1968	97.25
1,50,00,000	4	1956	1968	
CALCUTTA				
35,00,000	5	1928	1958	102 0
25,00,000	5	1928	1958	102 00
10,00,000	5½	1932	1962	104 00
43,81,000	3½	1933	1963	96 00
80,00,000	3	1934	1964	96 00
17,64,400	3½	1942	1959	96 00
81,10,000	3½	1943	1973	96 00
15,49,000	3½	1951	1966	97 50
14,33,800	3½	1951	1961	97 50
46,58,000	3½	1951	1966	97 50
25,00,000	3½	1953	1968	100.00
72,50,000	4½	1954	1978	100.00
Rs.		**MADRAS**		Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1953	1963	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,80,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,80,23,000	15th July 1963	99.30
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.05
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	102.00xd	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1876	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C. ..	10,00,000	1905-24	8	Feb. Aug.	108.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
¶ East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.15	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	55.00	100
Do. (Non-redeem.) ..	5,00,000	1940	7	Dec. ..	55.00	100
Puriabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.00	10
Ramnugger Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	85.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.75	10
Upper Ganges T.F.C.	12,00,000	1922	5	Dec. ..	90.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borne T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	99.00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. .

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		

BOMBAY CITY AND ISLAND

50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.76	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,88,52,007	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	23.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,98,000	3,42,88,483	7,95,30,951	3 93,39,819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Z	55.80	25	2.00	2.50*	2.50	2.50	12	Y.
10,00,000	43,53,959	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	160·00	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,80,48,800	2,70,59,876	7,45,32,167	2,69,98,324	9,27,648	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	428.50	100	22.00	22.00	22.00	22.00	12	Y.
40,00,000	25,48,236	1,19,99,766	65,07,085	—33,08,097	V. J. Pitani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	39.00	100	*Nil*	*Nil*			12	Y.
20,00,000	13,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	120.00	100	7.50	7.50	12.50*		3	Y.
10,00,000	24,86,300	69,10,851	54,66,041	2,17,076	Ramnarain Sons Private Ltd.	41,328		Dawn Mills	90.00	50	5.00	15.00			12	Y.
24,00,000	40,06,182	1,18,54,400	62,28,676	2,28,479	Furanmal Bubna Sons	46,668	928	Edward Textiles	255.00	200	15.00	18.00	15.00		12	Y.
20,00,000	16,71,233	1,20,97,060	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	47.50	50	3.00	5.00	15.00		12	Y.P.
50,00,000	65,54,875	1,67,34,054	89,06,207	37,155	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	273.00	100	16.00	20.00	20.00	20.00	12	Y.
50,00,000	48,96,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd.	205.00	100	15.00	15.00	15.00	15.00	12	Y.
11,24,000	1,81,31,422	1,71,88,061	1,16,49,125	86,061	Hindoostan Spg. & Wvg. Mills.	43,080	1,020	Hindoostan Spg. & Wvg. Mills.	4,590.00 992.50	1,000 250	225.00 56.25	300.00 75.00	325.00 81.25	350.00* 87.50*	3	Y.P.
16,000									9.40	0 100.	*Nil*	0.94	0.92		12	
2,50,00,000	56,39,675	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	1.20	0 1D.	*Nil*	0.19	0.18			Y.
3,65,000	1,12,51,255	1,60,59,952	1,06,65,998	75,722	M.	56,784	1,152	Indian Mfg.	4,900.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
25,000									156.50	500	112.50	150.00	150.00	162.50*		
50,55,000	46,10,421	3,18,61,680	2,25,51,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	266·00xd	100	12.25	12.50	10.00	10.00(e)	6	Y.P.
1,00,00,000	1,13,27,791	3,67,76,376	2,84,94,794	62,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	70·00N	100	18.00	18.00	18.00	18.00	12	Y.
30,19,800	43,06,720	1,22,08,423	64,88,440	55,109	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	216.00	50	5.00	8.00*	8.00*		10	Y.T.
81,75,000	36,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd.	71,604	1,652	Morarjee Goculdas Spg.& Wvg.	222·50	100	14.00	14.00	15.00	14.00(e)	6	Y.P.
1,80,74,600	1,19,15,819	9,46,21,101	2,65,02,000	6,65,984	Chinai & Co. Private Ltd.			National Rayon Corporation	107·50	100	10.00	12.00	14.00*		12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	107·50	100	10.00	10.00	10.00	5.00	12	Y.
30,00,000	11,72,134	101,83,002	63,37,034		W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	195·00	100	7.50	10.00	10.00	*Nil*	12	Y.
40,00,000	54,20,707	1,61,26,802	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	49,208	1,190	Phoenix Mills	125·00	100	9.00	10.00	10.00	12.50F	3	Y.P.
40,00,000	45,64,554	48,69,967	24,22,800	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	141·00	100	10.00	12.00*	12.00*	4.00	12	Y.P.
19,00,000	1,78,222	24,10,104	18,80,783		M.			Sassoon & Alliance Silk Mill	10·00	10	0.50	0.50	0.25(e)		12	Y.
27,70,100	1,19,08,715	2,11,34,514	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	35·75	10	1.75	2.00	2.00	2.00	12	Y.
60,00,000	48 80,961	1,12,06,790	61,47,202	6,90,706	Marwar Textiles (Agency) Pvt. Ltd.	57,160	1640	Shree Niwas Cotton Mills	143·00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	31,94,178	1,20,04,790	70,45,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	84,840	1,274	Simplex Mills	153·00	50	11.00	10.00	12.00	8.50	3	Y.P.
37,50,000	2,50,26,472	2,96,16,751	1,87,99,317	1,55,642	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	450·00	100	20.00	20.00	22.50*	22.50*	12	Y.P.
1,00,00,000	98,06,485	2,51,02,051	1,32,02,785	29,124	Tata Industries Private Ltd.	72,336	2,000	Svadeshi Mills	171·00	100	8.00	12.00	14.00*		12	Y.
30,00,000	55,12,485	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd.	40,328	549	Swan Mills	340·00	100	20.00	25.00	25.00	25.00	12	Y.
25,57,875	56,74,500	2,01,67,222	80,31,255	17,925	Tata Industries Private Ltd.	69,040	1,500	Tata Mills	37·50	25	2.50	4.00	3.50*		12	Y.
12,00 000	1,21 35 655	1 45 81 207	95,78,967	93 935	M·	54,136	1,212	Western India Spg. & Mfg.	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

AHMEDABAD

48,09,000	81,31,987	1,73,25,924	68,65,244	11,158	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	126.00	100	5.00	7.00	12.00	5.00	6	Y.P.
10,00,000	94,58,962	94,37,899	76,10,164	27,288	P. M. Ruthnaing & Co., Ltd.	45,768	912	Arvana Mills	540.00	100	20.00	30.00			12	Y.
40,00,000	2,97,83,841	1,95,82,179	97,29,508	15,374	Narottam Lalbhai & Co.	62,448	1,216	Arvindal Mills	1,160.00	100	50.00	35.00*	35.00*		12	Y.T.
20,00,000	31,74,000	96,14,284	74,35,999	2,46,329	Managalas & Bros., Ltd.	35,908	892	Aryodaya Ginning & Mfg.	540.00	200	15.00	25.00*			12	Y.
20,00,000	1,43,06,508	95,70,783	43,81,799	17,257	Lalbhai Dalpatbhai & Co.	57,856	914	Asoka Mills	950.00	100	22.00	30.00	30.00		12	Y.
1,80,00,000	3,49,84,619	5,14,69,792	2,56,06,836	1,16,258	Karamchand Premchand Pvt. Ltd.	1,89,120	2,400	Calico Mills	125·00	125	15.00	30.00	30.00	30.00	3	Y.
1,87,50,000	3,49,84,619	5,14,69,792	2,56,06,836	1,16,258	Karamchand Premchand Pvt. Ltd.	1,89,120	2,400	Calico Mills	122·00	125	15.00	30.00	30.00	30.00	3	Y.
60,61,600	53,86,089	1,22,28,542	55,76,063	4,488	Triumbal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	442.00	250	70.00	80.00	100.00*	80.00	3	Y.
20,00,000	75,53,436	1,83,09,282	96,26,962	19,231	Mafatlal Chandulal & Co., Ltd.	61,100	907	New Shorrock Spg. & Wvg.	700.00	125	35.00	35.00			12	Y.
15,00,000	67,78,770	67,78,441	32,49,912	21,803	Jagabhai Bhogilal Nanavaty & Co., Ltd.	24,840	572	Nutan Mills	380.00	100	30.00*	20.00	20.00		12	Y.
15,00,000	1,19,62,006	99,61,108	62,28,955	1,77,073	Lalbhai Dalpatbhai & Co.	81,120	686	Raipur Mfg.	865.00	100	25.00	35.00*	35.00*		12	Y.
36,50,000	14,78,207	1,07,01,469	71,42,809	17,34,749	Lalkubhai Gordhandas Ltd.	83,156	648	Rohit Mills	140.00	100	9.00	*Nil*			12	Y.
57,95,100	2,76,84,108	1,93,47,852	1,05,31,025	93,226	Harivallabhdas Kalidas & Co.	93,226	1,729	Shri Ambica Mills	681.50	50	20.00	27.00*	30.00*		12	Y.
19,58,500	65,21,868	78,26,019	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad). Ltd.	36,648	728	Shorrock Spg. & Mfg.	482.50	100	25.00*	25.00			12	Y.
25,00,000	37,34,105	19,54,140	33,17,270	59,446	Haridas Ashratlal & Co., Ltd.	40,176	780	Vijaya Mills	605.00	500	35.00*	35.00*	50.50*		12	Y.

WEST BENGAL

15,00,000	2,82,509	25,86,098	2,89,703	60,222	Calcutta Agency Private Ltd.	13,044	256	Basanti Cotton Mills	7.12	10	0.50	0.50	0.60		12	Y.P.
7,11,260	10,08,297	80,84,522	55,58,259	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill	35·00N	40	4.00	4.00	4.00	4.00	3	Y.
2,50,000																
24,80,000	1,50,000	1,06,25,544	51,27,759	743	Ketilewell Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	108.00	100	*Nil*	*Nil*	*Nil*	4.00	3	Y.
19,98,000	20,17,481	1,15,16,740	74,67,879	2,50,338	Ketilewell Bullen & Co., Ltd.	42,944	623	Dunbar Mills	130.00	100	*Nil*	*Nil*	*Nil*		12	Y.
30,05,000	85,988	76,97,320	21,97,322	85,986	Birla Brothers Private Ltd.	4,852	206	Jay Shree Textiles Ltd.	6.94	10	*Nil*	2.50	0.50		12	Y.
1,00,00,000	2,39,91,250	4,00,62,885	1,40,10,478	4,94,772	Birla Brothers Private Ltd.	75,040	1,992	Kesoram Cotton Mills	11.46	10	0.87	0.87	0.87	0.50	12	Y.
19,47,700	7,45,000	4 84,571	2 70,548	3,926	Hazaremul Meerala,	23,036	795	Rampooria Cotton Mills	15.12	10	0.62	1.00	1.00	0.75	3	Y.
5,00,000									4.66	1D	*Nil*	0.24	0.26		6	

SOUTH INDIA AND OTHER CENTRES

1,96,600	5,57,619	29,87,104	19,12,220	16,013	Seina & Co.	24,500		Asher Textiles Ltd.	217·00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	C. S. Tyabjee, Esq.	96,196	719	Assam Jahl Mills	55·00xd	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
1,21,80,000	1,47,74,079	3,67,98,866	2,76,48,043	2,90,471	Binny & Co. (Madras), Ltd.	46,250	1,187	Balmer Lawrie Woollen, Cotton and Silk Mills		160	*Nil*	3.50(e)	5.00	3.50	9	Y.
25,00,000	99,61,544	1,33,11,187	1,03,74,287	2,64,725	Birla Brothers Private Ltd.	39,396	1,068	Birla Cotton Spg. & Wvg., Delhi	170·00xd	100	30.00	30.00	30.00	10.00*C	12	Y.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	227·00xd	10	5.00	3.00	1.50	1.50	3	Y.
20,00,000	20,00,000	42,23,585	22,99,013	88,584	Feirce, Leslie & Co., Ltd.	27,586		Cambodia Mills	171·00xd	100	10.00	10.00	10.00	10.00	12	Y.
5,00,000	5,11,500	53,35,411	27,36,087	1,97,702	K. Damodaran, Esq.	20,000		Cannanore Spg. & Wvg.	9·25xd	10	*Nil*	2.50	0.50		12	
30,00,000	23,35,551	70,28,496	56,23,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Textiles	143·00	100	20.00	12.00	15.00	20.00	3	Y.
9,37,470	5,00,000	55,16,229	21,86,420	96,589	C. E. Srinivasan, Esq. (Chairman)	31,200		Cauvery Spg. & Wvg. Mills Ltd.	12.15	10	0.50	*Nil*	0.25	0.25	3	Y.
35,21,362	22,09,767	69,79,092	31,91,699	698	B. Shamanna Naidu & Co.	30,864		Coimbatore Mfg. Co.	147·00	100	*Nil*	0.62	0.75	0.90	3	Y.
12,15,000	7,35,196	39,15,552	24,29,023		T. A. R. Chettiar Sons & Co.	25,340	100	Coimbatore Murugan Mills	130·00	100	25.00	20.00	25.00	9.00*C	12	Y.
20,00,000	19,20,000	71,42,628	35,30,753	13,814	T. R. N. Naidu & Co.	38,226		Coimbatore Pioneer Mills	227·00	100	17.50	20.00	12.00		12	Y.
20,76,900	2,06,076	1,24,06,674	83,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg.	57·00	100	20.00	20.00	20.00		12	Y.
46,87,500	27,24,735	2,42,10,703	1,54,86,354		Tata Industries Private Ltd.	67,452	1,820	Central India	205·00	50	8.00	8.00	10.00		12	Y.
2,64,43,911	15,50,000	92,00,552	40,27,014	15,780	R. Hanumanthappa & Son	28,816	300	Davangere Cotton Mills	85.00	100	2.00	3.00			12	
3,33,16,225	8,10,24,820	11,70,09,468	6,78,07,135	77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	112.00	100	13.00	9.00	9.00	9.00	3	
1,00,563									28.00	24	2.25	2.25	2.25	2.50		
47,98,296	26,35,000	84,28,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills		25	2.25	2.25	2.25	2.00	6	Y.P.
63,00,000	1,05,56,192	1,69,12,424	1,41,93,839	75,531	Begg, Sutherland & Co. Private Ltd.	45,452	1,198	Elgin Mills	177·00	100	20.00	30.00	30.00	0.30	12	Y.
48,81,000	43,55,161	1,36,09,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286		Gokak Mills	153·00	10	1.00	1.00	1.25	1.00	9	Y.
2,50,00,000	2,25,000	4,52,33,795	1,82,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	111·88	100	15.00	15.00	13.00	8.00	12	Y.
50,00,000	21,37,574	1,48,10,139	1,16,80,184	6,716	K. L. Saksaria, Esq. (Chairman)	51,180	1,856	Indore Malwa United	111·00	10	*Nil*	*Nil*	*Nil*		3	Y.
3,80,000	10,65,583	31,40,455	19,97,477		G. V. Naidu & Co., Ltd.	23,784		Janardhana Mills	79·50	100	6.00	9.00	11.00	*Nil*	12	
15,54,000	15,02,599	57,18,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji		50	5.00	10.00	10.00		12	
4,62,55,200	3,24,05,204	4,24,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	54,576	1,680	Jiyajeerao Cotton	1,450.00	1,000	20.00	50.00	60.00	40.00	6	Y.
42,00,000	19,25,000	1,06,51,567	58,28,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	9.00	10	4.00§	4.00	0.55	0.35	3	Y.
32,00,000	63,39,487	1,34,50,574	1,25,78,615	2,294	M.	51,098	1,243	Lakhani Cotton Mfg.	10·50	10	1.00	1.00	1.00	1.00	6	Y.
71,28,300	60,35,960	2,12,23,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	440.00	250	33.75	42.50	42.50	15.00	12	Y.
85,64,100						4,83,000			110.00	50	10.00	12.50	13.50	10.00	3	
1,75,02,486	4,24,40,278	5,90,89,121	3,96,10,817	6,02,368	A. & F. Harvey Ltd.	22,592	108	Madura Mills	55·00	25	5.00	6.25	6.25	5.00		
12,00,000	3,87,353	29,08,252	18,78,709	213	V. K. Kradi (Chairman)	25,856	604	Malabar Spg. & Wvg.	33·75	15	3.00	2.00	2.50		3	Y.
60,00,000	69,14,000	65,94,121	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	30,996	704	Mattar Industries Ltd.	89·00	200	*Nil*	*Nil*	*Nil*	2.25	12	Y.
29,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd.	52,408	952	Minerva Mills	350·00xd	100	22.50*	35.00	42.50	20.00	3	Y.
94,91,850	21,86,146	1,71,94,769	78,81,522	1,85,005	M.	50,492	500	Modal Mills (Nagpur)	70·50	100	5.00(e)	6.00	2.62		12	Y.
24,33,500	43,52,478	1,13,48,711	71,02,773	35,937	N. Sirur & Co. Private Ltd.	30,996	704	Modal Mills (Nagpur)	168·00	250	50.00(e)	50.00	50.00		12	Y.
13,61,780		29,12,641	17,83,314	3,964	K. Tipperudriah (Chairman)	6,000		Mysore Spun Silk Mills	90·00	50	6.00*	6.00(e)	7.50	9.00*	3	
87,23,200	39,29,981	1,78,83,244	67,86,683		M.	52,408	952	Osmanshahi Mills	48.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	
4,00,000A	13,80,000	65,46,779	25,86,447	8,530	Bhaghyalakshmi & Co.	45,500		Palani Andavar Mills	135.00	100	*Nil*	2.50(e)	3.00(e)	*Nil*	3	
6,00,000B									197.50	50A	12.00	12.50	15.00			
10,00,000		34,19,570	18,32,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	45.00	75B	15.00	15.00	22.50		12	
16,81,200A	29,95,000	1,00,48,582	54,00,059	3,582	A. G. Gurusamy Naidu & Co.	59,264	800	Radhakrishna Mills	128.00	100	*Nil*	4.00(e)	*Nil*		12	
3,40,800B									65.50	100A	16.00	20.00	20.00			
15,00,000	29,10,000	54,56,529	29,01,441	5,070	B. R. Naidu & Sons	37,092		Rajalakshmi Mills	71.50	50B	8.00	10.00	10.00		12	
16,14,800	12,00,000	32,92,216	17,41,434	10,510	Ramco Agencies Ltd.	24,996		Rajapalayam Mills	139.00	50	10.00	10.00	10.00		12	
22,32,050	11,50,000	53,72,976	23,15,892	5,286	Rayalaseema Development Co.	21,200		Rayalaseema Mills	115.00xd	100	9.00	10.00	10.00		3	
15,00,000	1,60,55,917	3,13,49,081	2,05,07,227	—1,55,20,786	Morarka & Co.	95,232	2,332	Sholapoor Spg. & Wvg.	425.00	1,000	100.00	100.00	100.00	100.00	12	
18,000										500	*Nil*	*Nil*	*Nil*		3	
36,09,700	20,26,385	96,26,565	70,67,094	19,543	H. N. Pallegar, Esq.	30,744	292	Sri Krishnarajendra Mills	79.25	50	4.50	5.00	7.00	7.00	3	
15,00,000	3,42,80,155	99,62,163	79,53,780	80,66,553	Birla Brothers Private Ltd.	36,212	1,244	Sutlej Cotton Mills	70.00N	10	6.00	6.00	6.00		12	
17,50,0000									110.25	160.	0.75	0.75	0.75	7.00	3	
1,87,50,000PO	2,36,28,061	5,19,52,130	1,81,83,924	3,35,712	Jaipuria Brothers	1,12,216	2,008	Swadeshi Cotton (Kanpur)	10.25	10P.O.	0.75	0.75	0.75	0.75	3	
1,00,08,205	50,06,584	3,85,56,288	1,62,42,715	2,03,696	Ernoola & Sons (Travancore), Ltd.			Travancore Rayons	18·30xd	10	1.15	1.15	1.15	1.15	12	
13,86,730	9,45,940	19,58,339	13,60,120	794	Moolji Ramjee & Sons	18,000		Trichinapoly Mills	12·50xd	10	0.90	0.75	1.00		12	
21,00,000	28,50,000	80,72,884	47,22,819	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	251·90xd	100	15.00	30.00	20.00	0.90	12	
32,00,000	18,73,770	1,85,96,083	1,17,44,692	—9,85,569	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	100.00	100	4.00	8.00	8.00	*Nil*	12	

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 20 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		

BREWERIES AND DISTILLERIES

30,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.22	5	*Nil*	0.50	0.75	0.85	5	Y.P.
10,50,680	26,75,014	29,38,061	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.56	5	0.50	0.56	0.56	Sh. 3	9	Y.
1,49,950	£1,197,464	£1,387,940	£701,435	£65,719	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	27.25	£1	Sh. 3	Sh. 4	Sh. 3		9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,328	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	183.50	75	15.00	15.00	15.00	15 00	3	Y.

CEMENT

72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50	B. 10	1.00	1.00*	1.00		12	Y.P
1,14,000O.							4.00	O. 10	*Nil*	*Nil*			3	Y.P.T.
1,70,976D.	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	0·84	D. 1						
1,71,80,070						Associated Cement Companies	153.25	100	8.50	10.00	10.00	9.00	7	Y.T.
1,07,44,575	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.									
6,00,000A.						Dalmia Cement (Bharat)	10.08	O. 10	1.00	1.25	1.25		12	Y.P.
5,00,000D.	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.		2.87	D. 1	0.10	0.12	0.12			
1,02,00,450						India Cements Ltd.	27.50	O. 25	1.25	1.87	2.06	2.06	3	Y.P.
7,50,000	26,00,000	2,09,03,054

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,38,403	1,56,73,314	4,805	M.	Bengal Paper Mills	60.50	25	3.12	4.69	2.50		12	Y.P.T.
62,00,000	63,91,258	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp ‡‡	19.25	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,48,27,689	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16.10	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,82,500	2,45,75,045	6,04,16,697	1,87,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	28.80	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,25,49,970	67,75,503	1,56,40,302	1,00,79,701	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	14.87	10	1.50	1.25	1.25		6,12	H.P.T.
40,00,000	6,50,000	95,83,644	61,01,926	13,705	Bajoria & Co.	Star Paper Mills	10.75	O. 10	0.75	1.25	1.05		3,9	H.P.T.
20,00,000A.							10.75	A. 10	0.75	1.25	1.05			
2,16,55,240	43,43,060	3,85,20,949	75,56,130	5,497	Birla Brothers Private Ltd.	Sirpur Paper Mills	9.64	10	*Nil*	5.00‡	0.50	0.50	6	Y.P.
55,00,000A.							36.00	A. 10	1.50	2.00*	1.12*	2.37*		
55,24,300P.	3,70,50,474	6,78,46,967	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	36.00	B. 10	1.50	2.00*	1.12*	2.37*	5	Y.P.
4,37,500P.O.							4.03	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,981	13,855	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,132	8,43,622	35,418	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	6.00	10.00*	6	Y.
PROPERTY AND LAND														
19,00,750O.	7,30,842	43,74,650	23,83,280	96,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60			Y.P.
3,00,000D.							2.25N	D. 1	*Nil*	*Nil*	0.05			
24,00,000	25,22,469	7,32,303	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	15.50	100	4.00	3.00	*Nil*	*Nil*	4	Y.P.
SAW MILLS AND TIMBER														
18,99,995	22,83,439	32,33,742	11,96,031	.....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.81	1	*Nil*	*Nil*	*Nil*		9	Y.
80,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	567.00	Old125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							215.00	New50	8.00	15.00	13.75	16.00		
20,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products.. ..	45.00	10	2.75	3.00	3.00	1.00‡	0	Y.
SUGAR (U.P. and Bihar)														
11,00,000	15,30,406	42,92,220	31,12,074	57,702	M.	Balrampur Sugar	6.00cd	5	0.75	0.06	*Nil*	0.25	6	Y.
12,00,000A.	29,80,260	55,40,831	26,32,435	13,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		4	Y.T.
8,00,000B.							11.50N	B. 10	1.00	1.00	1.00			Y.
19,49,050	8,75,000	33,83,770	25,68,270	74,946	Bangur Bros., Ltd.	Belsund Sugar	11.06	7½	0.75	0.75	1.00	1.00	9	Y.
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd.	Bharat Sugar	13.25	10	1.50	1.50	1.50	1.50	6	Y.P.
23,00,000	25,22,515	1,45,76,057	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd.	Carew & Co.	7.25	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.T.
30,00,000	65,63,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.37	10	0.75	0.75	0.75		6	Y.P.
18 00 000	34,56,103	34,72,400	59,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	20.37	10	1.00	1.50	1.00		6	Y.
9,55,252	2,59,762	25,14,152	16,98,382	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T.
50,00,000A.	44,25,000	1,02,71,005	67,56,074	23,123	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	275.00	A. 100	15.00*	15.00*	15.00		6	Y.P.
10,00,000O.							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	52.00	40	*Nil*	2.25	4.00	7.00	7	Y.P.
7 89,100	22,50,288	48,69,619	26,90,926	79,625	Cotton Agents Private Ltd.	New India Sugar Mills	25.00	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	29,86,310	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
12,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill ..	200.00N	100	20.00	20.00	20.00	20.00	6	Y.
38,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,023	1,18,25,606	25,816	Cotton Agents Private Ltd.	Oudh Sugar	130.00	100	11.00	11.00	11.00	12.50	7	Y.P.
12,50,374	12,59,374	81,96,404	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	6.00	6.75		10	Y.P.
9,00,000	19,64,817	43,99,385	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puriakpore Co.	19.25	10	0.75	0.75	0.75			Y.P.
8,00,000	6,21,932	28,74,393	23,31,931	2,175	M.	Ryam Sugar	19.75N	10	0.50	*Nil*	1.75		6	Y.
11,99,960	16,33,214	47,23,583	25,13,432	—2,20,553	M.	Samastipur Central Sugar ..	11.25	10	0.50	*Nil*	1.75	1.50	6	Y.
29,70,525	22,68,160	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.87	10	1.50	1.75	1.00		8	Y.P.T.
10,02,115	24,000	29,48,600	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
18,89,962	13,10,901	32,44,287	15,97,008	88,761	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.T.
9,15,000O.	46,462	29,66,260	11,46,770	—16,37,907	M.	South Behar Sugar	0.75N	O. 10	*Nil*	*Nil*			5	Y.P.T.
4,40,000D.							0.50N	D. 2½	*Nil*	*Nil*			10	Y.P.
5,00,000	34,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
16,00,000	7,66,589	32,17,059	27,09,205	32,042	M.	United Provinces Sugar	14.25	10	1.25	1.50	0.50		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Ramgarao & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.50	1.00	1.25	9	Y.
79,49,650	1,18,43,508	1,50,47,795	1,05,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	249.00	50	16.00	16.00	16.00	18.00	9	Y.
17,00,000	12,58,285	41,35,701	23,90,315	30,402	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Ethopal Sugar Industries Ltd.	22.00xd	10	1.00	1.00	1.50	2.00	9	Y.
15,00,000	37,08,105	32,89,314	3,24,398	33,544		{ Shree Chamgdee Sugar ..	28.75	12.50	1.00	2.00	5.00		9	Y.
18,93,900	12,63,978	40,71,811	23,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70.00N	100	*Nil*	2.00	5.00		9	Y.
18,94,920	14,89,827	33,70,027	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	18.25	10	*Nil*	0.50	0.50		6	Y.P.
22,41,127	15,75,871	94,06,432	12,67,310	6,611	R. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	13.39	10	1.75	1.40	1.12		9	Y.
65,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Buland Sugar	14.19	10	1.00	1.00	0.60	0.60	10	Y.
19,52,200O.	88,00,000	2,48,45,158	41,94,129	28,068	V. Ramalrishna Sons (Private) Ltd. ..	K. C. P. Ltd.	120.00	O.100	7.50	7.50	7.50	7.50	6	Y.
3,87,190D.							132.00	D. 10	10.00	10.00	10.00	10.00		
31,79,280	86,24,818	1,29,89,142	82,31,728	3,63,107	B. M. Krishnan, Esq. (Mg. Director).	Mysore Sugar	84.00	10	2.00	2.00	2.00		6	Y.
50,00,000	53,21,430	1,16,68,154	67,30,841	1,47,239	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	138.00	50	5.00	8.00	9.00	12.00*	6	Y.P.T.
16,59,820	41,20,000	58,54,984	31,76,680	1,25,739	Anderson Wright Ltd.	Ramnugger, Cane and Sugar ..	21.44	10	1.50	2.00	2.00		8	Y.
20,00,000O.	42,07,214	1,04,79,940	59,30,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	125.00	O. 50	2.50	9.00	12.00	12.00	9	Y.P.T.
4,00,000D.							80.00N	D. 10	*Nil*	0.07	0.70	3.75		
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	14.19	10	0.75	1.00	0.60		10	Y.
80,00,000	33,40,000	92,19,329	34,74,570	77,353	Parry Co., Ltd.	Travancore Sugars	9.95	10	*Nil*	0.75	1.00	1.00	7	Y.
1,01,00,000	1,08,46,263	2,28,80,053	99,17,710	1,75,783	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	285.00	100	16.00	18.00	21.00	1.00	9	Y.P.T.
TRANSPORT														
80,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co...	104.00	100	7.50	7.50	7.50		10	Y.P.
1,80,00,000	82,00,000	4,21,03,342	1,45,20,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,25,058	4,06,84,846	86,21,345	1,83,536	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19.96	10	1.00	*Nil*	1.00	1.50	6	Y.P.
5055,580	5997,739	45,665,834	23,428,088	—6106,393	Kilburn & Co., Private Ltd. ..	India General Navigation & Rly. Co...	56.50	611	Sh. 10	Sh. 10	*Nil*		12	Y.P.
2,25,00,000	1,74,74,232	12,78,96,545	2,63,26,759	2,70,954	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	10.94	10	*Nil*	*Nil*	*Nil*	1.00	12	Y.P.
9,40,19,675	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	17.56	20	0.50	0.50	1.00	1.25	6	Y.P.
5,40,9600							1.00	O. 1	0.12	0.14	0.14			
2,16,200P.O.	18,26,813	12,00,284	7,86,766	1,66,818	E. B. Alyer, Esq. (Manager)	Walford Transport Ltd.	1.53	P.O. 1	0.11	0.12	0.12		12	Y.
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	224	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
15,98,850	8,04,178	2,26,474	90,000	1,99,851	M.	Bombay-Uganda	47.00	50	4.16	*Nil*			9	Y.
25,00,000	1,00,000	36,18,54811		58,589†	A. J. C. Hoskyns-Abrahall (Chairman)	Devkaran Nanji Investment Co. ..	10.52	25	0.75	0.75	0.81	0.81	12	Y.
37,80,000	2,01,70,510	4,79,59,318				Hindustan Lever	21.80	10			1.25	1.40	12	Y.
31,07,000	16,29,510	1,09,45,989	1,35,62,169	89,94,000	Birla Brothers Private Ltd.	Hind Cycles	134.50	100	10.00	10.00		12.50F.	3	Y.
14,98,540	8,01,500	28,01,284	19,40,702	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	86.00	100	4.00	2.00	3.00		3	Y.
99,99,250	26,13,147	1,25,61,39811		1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	79.80	100	4.50	4.50	5.00	5.50	12	Y.
1,00,00,000	25,08,446	88,85,170	11,25,724	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	152.00	100	11.00	11.00	11.00	11.00	6	Y.
2,80,25,325A.O.	63,14,265	3,42,78,824	1,69,93,078	6,31,752	Aero-Auto Private Ltd.	United Motors (India) Ltd. ..	83.00	100	*Nil*	*Nil*	6.00	6.00	6	Y.
10,31,200	4,83,147	8,09,102	5,85,506	2,481	Sir Joseph Kay (Chairman)	Western India Match Co., Ltd. ..	19.00	20	2.00	2.00	2.00	1.20	12	Y.
2,75,00,000	1,44,13,441	3,87,52,891	1,68,58,348	80,860	Mr. A. Hydari & Mr. S. Gothberg	W. H. Brady & Co., Ltd.	174.00	100	11.00*	11.00*	11.00*	11.00*	12	Y.
48,00,000	60,62,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)		281.25	150	20.00	20.00	22.50	25.00	12	Y.
Other Centres														
87,56,000	1,99,56,718	2,81,21,462	86,96,221	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	10.94	O. 10	*Nil*	*Nil*	0.50	0.90	3	Y.P.T.
2,50,000							3.76N	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	32,25,000	68,17,870	28,12,985	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd.	18.40	10	1.25	1.25*	1.25	1.25	8	Y.
80,00,000	36,20,717	34,97,327	28,60,332	3,61,289	Turner Morrison & Co. Private Ltd...	Angelo Bros., Ltd.	12.00	10	1.25	2.00*	2.00*	1.80*	6	Y.
30,00,000	17,14,736	38,54,372	19,54,572	1,83,944	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.50	10	1.25*	1.25*	1.25*	1.25*	12	Y.
90,00,000	35,94,600	1,05,12,033	39,58,423	3,29,986	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India ..	5.19	10	0.20	0.40	0.40	0.60	3	Y.
99,81,400	98,61,293	69,52,108	37,02,106	90,879	M.	Balmer Lawrie & Co., Ltd. ..	146.00	100	12.50	12.50	15.00		12	Y.
13,00,000	12,56,000	23,20,356	25,71,256	27,612	Lovelock & Lewis	Bengal Flour Mills Co., Ltd. ..	20.06	10	2.50	2.25	2.50		12	Y.
85,00,000	8,05,715	68,28,402§§		1,84,683	K. Jallan Scott, Esq. (Mg. Director)	Birds Investment Ltd.	10.50	10	1.25	1.25	1.00		9	Y.
45,97,020	34,61,514	1,14,81,095	37,07,455	1,22,521	Mr. H. J. Christie, Esq. (Mg. Director)	Britannia Industries	12.75	10	1.00	1.00	1.00		9	Y.
3,25,00,000	1,55,55,571	3,06,95,577	2,33,80,121	3,16,584	Andrew Yule & Co., Ltd.	British India Corporation Ltd. ..	3.00	5	0.06	*Nil*	0.10	1.00	3	Y.
1,35,00,000	17,34,554	3,95,95,940§§		22,22,643	John Leckham, Esq. (Mg. Director) ..	Clive Row Investment	6.69	10	0.20	0.56	1.25	0.75	3	Y.
3,00,00,000	4,40,29,606	6,50,49,175	2,68,24,548	2,42,272	Hoare Miller & Co. Private Ltd. ..	Dunlop Rubber (India) Ltd. ..	25.06	10	1.50	1.50	1.62	1.62	12	Y.
51,25,000	54,81,635	1,54,12,908§§		4,4,634	MacNeill & Barry Ltd.	Eastern Investments Ltd.	107.00	100	9.00	9.00	9.00	9.00	12	Y.
14,00,000	9,35,000	34,02,164	19,99,339	1,68,398	P. E. G. Woodbine Parish, Esq.	Ganges Rope Co. Ltd.	16.00	15.00	4.00	12.50	3	Y.
65,00,000	34,20,910	29,01,473	10,66,888	74,215	B. P. R. Syndicate	Gillanders Arbuthnot & Co., Ltd.	11.25	10	0.75	1.40	1.50	1.00	3	Y.
30,00,000	18,17,354	33,08,521	26,24,653	26,24,653	Birla Brothers Private Ltd.	Great Eastern Hotel	153.00	250	5.00	5.00	15.00	15.00	3	Y.
4,98,05,700	10,00,000	4,87,26,577	1,61,88,541	7,02,903	K. C. Mahindra, Esq. (Chairman) ..	Hindustan Motors	6.92	10	*Nil*	*Nil*	*Nil*		3	Y.
3,84,58,900	1,17,58,300	7,37,43,612	2,21,77,728	7,20,182	B. J. Woodley, Esq. (Mg. Director)..	Indian Aluminium Co., Ltd. ..	13.65	10	*Nil*	0.90	1.00	0.60	12	Y.
1,52,39,228	1,46,00,000	2,25,66,031	86,85,093	41,81,853	G. S. Moulton & Co. (India) Ltd. ..	Indian Cables	29.44	10	1.00*	1.25*	1.50*	1.50*	3	Y.
2,87,978	5,03,000	16,74,908	9,50,806	62,722	Mr. H. J. Clarke (Chairman)	Indian Rubber Manufacturers ..	16.25	10	0.50	0.50	0.63		3	Y.
13,16,90,000	24,02,01,694	9,85,79,293	1,62,72,599	25,04,159	J. D. K. Brown, Esq. (Mg. Director).	Imperial Tobacco Co. of India Ltd.	11.62	10	0.60	0.80	0.80	0.70	3	Y.
2,00,00,000	76,27,015	59,02,527	12,08,932	4,71,170		Jardine Henderson	63.50	100	7.50	7.50	7.50	2.50	3	Y.
46,56,900O.					M.	McLeod & Co.	202.00	O.100	17.50	22.50	8.00		12	Y.
5,80,000D.	82,86,900		48,53,407	10,43,712	2,57,153		—	D.O.10	1.20	1.75	0.80			
1,45,23,500	90,58,581	25,54,424	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	24.06	10	1.25	1.81*	2.12*	2.12*	9	Y.
1,10,00,000	1,17,05,151	2,62,86,089	89,09,798	16,33,569	H. Chilswell Jones, Esq. (Chairman) .	Metal Box Co. of India, Ltd. ..	27.75	10	1.00	1.25	1.62	1.75	9	Y.
3,33,585	1,821	7,68,660	2,60,987	—1,62,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3.75N	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
6,56,250	6,92,800	11,29,680	5,97,362	2,842	M.	Mysore-Lamp Works	14.40xd	10	1.00	0.75	0.90	1.25	3	Y.
12,00,000	3,76,000	16,17,599	10,15,729	43,554	M. Mallesahayya, Esq. (Chairman)	Mysore Tobacco	12.70	10	1.25	1.00	1.50	1.50	3	Y.
1,00,00,000	83,55,565	2,14,82,470	61,33,962	28,42,424	J. B. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	24.00	10	0.40	0.32	1.50	1.40	12	Y.
46,00,000	74,71,172		43,89,914	41,52,951	1,44,443	Associated Industrial Development Co. (Private) Ltd.								
46,00,000	15,00,000	93,10,395	21,17,403	75,736	Do.	National Insulated Cable Co. ..	23.81	10	1.00	1.50*	2.00*		6	Y.
2,97,000	36,12,451	1,30,51,999	61,75,105	9,02,640	B. N. Elias & Co. Private Ltd. ..	National Rolling & Steel Ropes ..	10.50	10	0.50	0.50	0.50		6	Y.
2,25,00,000	4,83,498	1,22,26,543	60,08,534	—44,12,938	M. P. A. Paspatti, Esq.	National Tobacco Co.	10.00	10	0.50	0.50	0.70		12	Y.
2,25,00,000	1,87,70,309	10,60,39,211	3,96,22,765	49,402	Saha Jain Ltd.	Rallis (India) Ltd.	33.00	100	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
4,75,200	51,836	31,11,647	6,29,199	19,106	Saths Food Inds. (Private) Ltd. ..	Rohtas Industries	17.12	10	1.50	1.50	1.50		10	Y.
5,18,400						Sathe Biscuit and Chocolate Co., Ltd...	100.00N	50	..	..	5.00	6.00	3	Y.
40,00,000	88,41,163	1,21,80,272	72,08,599	9,02,978	C. W. Stephenson, Esq.		50.00N	10	1.50	1.50	2.50	2.50	6	Y.
75,00,000O.	17,19,008	37,03,035	7,05,723	2,54,854	S. M. Smith, Esq. (Mg. Director)	Spencer & Co., Ltd.	17.15	10	1.50	1.50	1.50	1.50	6	Y.
9,85,886	....	14,51,999	4,53,782	—47,988	Orale Bros. (Private) Ltd.	Shaw Wallace & Co., Ltd.	10.12	10	*Nil*	*Nil*			12	Y.
						Travancore Ogale Glass	2.20	10	*Nil*	*Nil*	1.00	*Nil*	12	Y.

M. Managed by Board of Directors
† Subject to taxation.
§§ Investments at cost.
F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957.
* Includes bonus.
‡ On old capital.
‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs.of 100 each which subsequently were divided into shares of Rs. 10 each.
Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.
§ Exteuding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,48,700	9,69,819	15,95,432	5,76,688	....	McLeod & Co., Ltd.	335	Amlsekie	25.00	10	72.00	19.00	5.00		12	Y.P.
3,76,500	4,71,500	11,19,537	3,39,762	22,129	M.	313	Ananda (Assam) Tea	18.44	10	7.50	1.00	2.00		12	Y.
7,80,000	6,43,250	12,23,233	3,34,393	49,660	Gillanders Arbuthnot & Co., Ltd...	440	Ananda Bag	21.00	10	8.00*	1.00	1.25		12	Y.
1,50,000	3,00,225	5,96,215	3,63,786	—19,195	McLeod & Co., Ltd.	272	Baghmari	19.00	10	3.50	1.00	2.50		12	Y.
5,10,000	13,21,541	18,70,339	7,47,902	42,758	Andrew Yule & Co., Ltd.	375	Banmatia	21.69	10	8.00	1.50	3.00		12	Y.
3,30,500	9,85,000	12,93,911	5,32,732	33,593	Andrew Yule & Co., Ltd.	370	Batell	19.00	5	4.00	2.50	3.00		12	Y.
3,40,000	5,10,000	12,75,996	3,08,524	1,39,178	National Tea

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Index code
					PLANTING; PRODUCE AND RUBBER									
3,00,000	8,10,000	8,92,505	94,197	15,000	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	3.85	2	0.25	0.30	0.21	0.45	6	Y.
26,91,909	54,50,000	55,61,466	5,89,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	5.05	2	0.75	0.45	0.75	0.52	3	Y.
18,00,000	31,00,000	29,79,846	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	33.90	10	2.50	1.50	2.50	4.00	6	Y.P.
71,55,000	56,12,000	1,25,54,785	12,09,076	1,13,511	R. C. Paterson, Esq.	Consolidated Coffee	24.00	10	1.75	2.25	2.00	4.00	6	Y.
4,00,000	6,15,752	9,11,782	50,961	6,631	M.	Cottanad Plantations	13.00	10	1.50	1.75*	1.50	1.75	3	Y.
18,00,000	9,95,542	25,86,790	5,81,442	87,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13.50	10	2.50	2.00	2.00		12	Y.
4,00,000	10,92,899	13,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	22.50	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	5,71,449	19,52,913	3,00,275	8,847	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16.25	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	53,79,287	80,92,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16.25	10	1.75*	2.50	2.00	2.50	3	Y.
3,56,000	3,31,000	14,62,886	2,09,732	25,171	A. V. George & Co. Ltd.	Nanmeery Rubber	15.75	10	1.50	1.50	1.50		12	Y.
2,00,000	2,99,000	5,49,417	4,371	58,785	Associated Planters Private Ltd..	Nilambur Rubber Co.	12.25	10	1.00	1.50	1.50		12	Y.
19,45,980	33,79,615	45,25,932	14,74,565	53,868	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates ..	4.98xd	2	0.60	0.40	0.80	0.60	10	Y.
13,50,000	8,66,000	45,07,576	3,96,092	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	14.87	10	1.75*	2.00	2.50	2.00	6	Y.
8,66,780	3,59,000	7,77,412	78,478	71,842	Peirce, Leslie & Co., Ltd. ..	Savannah Estates Ltd.	4.48	2	2.50	1.00	1.50		11	Y.
10,00,000	5,61,000	22,44,522	1,89,059	9,940	Peirce, Leslie & Co., Ltd. ..	Teekoy Rubber (India) Ltd. ..	6.50	10	0.75	0.90	0.90	0.60	12	Y.
2,50,000	1,49,000	3,53,449	24,741	33,965	A. V. George & Co., Ltd. ..	Thamarapally Rubber	23.50	10	2.00	2.00	2.00		12	Y.
9,15,300	4,00,000	22,40,057	1,87,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.64	1	0.10	0.12½	0.12½	0.05	9	Y.
6,00,000	82,566	7,71,251	1,85,210	2,257	Rajen Thomas, Esq. (Mg. Director)	Travancore Rubber	14 00cd	10	2.00	3.00	2.00		12	Y.
41,00,000	18,61,521	81,07,522	15,64,246	8,48,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	7.10	10	1.50	1.25	0.75		12	Y.
20,00,000	...	29,29,285	7,04,410	66,287	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	25.00	25	5.00	4.00	5.00	3.50J	12	Y.
8,80,010	5,90,669	9,56,500	$7,217	872	M.	Valkundam (Travancore) Rubber ..	20.15xd	10	2.25	2.50	2.50	2.00	12	Y.
6,95,000	1,47,250	13,88,336	59,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.80	10	1.50	2.00	1.25	1.00	3	Y.P.

J—Final dividend of Re. 1.50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Index code
60,60,000	44,55,000	1,39,55,991	89,26,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	8.00	10	0.62	0.62	0.25	0.25	3	Y.
5,00,000	10,25,000	24,07,958	13,46,895	1,70,290	McLeod & Co., Ltd.	446	Alexandra	100.00	100	7.50	10.00	10.00		6.12	H.P.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,381	McLeod & Co., Ltd.	1,264	Alliance	64.00	100	12.00	5.00	NU	Nil	5	Y.
49,28,700	67,00,000	2,11,92,070	2,08,18,900	1,77,851	Duncan Brothers & Co., Ltd. ..	2,561	Angio-India	160.00	100	7.50	8.50	8.50	7.00	3	Y.
46,00,000	29,24,596	1,48,99,935	85,34,758	—3,79,015	Bird & Co. Private Ltd.	910	Auckland	81.00	100	3.50	0.00	1.00	NU	3	Y.
20,00,000	28,80,913	96,91,115	65,65,094	65,802	Birla Brothers Private Ltd. ..	959	Bally	140.00	100	NU	8.50	NU		3.9	H.P.
£375,000	£474,867	£1,628,482	£9,13,169	...	Sir John H. Burder (Chairman) ..	1,889	Baraagore	82.50	£5	sh. 15	sh. 15	NU	NU	3	Y.
25,00,000	26,66,128	54,67,706	51,49,221	1,288	Andrew Yule & Co., Ltd.	520	Belvedere	77.00	100	10.00	7.50	NU		12	Y.
45,00,000	28,45,000	57,96,173	31,25,574	2,63,109	Soorajmull Nagarmull	600	Bengal	13.94	10	1.12	1.12			3	Y.P.
91,50,000	3,17,45,393	3,84,19,402	1,45,23,051	4,87,898	Birla Brothers Private Ltd. ..	1,878	Birla	15.25	10	1.00	1.00	1.00		3	Y.
36,00,000	21,09,928	1,17,09,892	72,35,819	4,154	Andrew Yule & Co., Ltd.	991	Budge-Budge	76.00	100	9.00	7.50	NU		10	Y.
7,47,882	3,09,446	45,19,704	31,62,483	—3 31,470	Dayaram & Sons	405	Calcutta Jute Mfg.	7.00	10	0.75	NU			6.12	Y.P.
18,00,000	26,48,784	57,48,941	48,04,088	29,580	Andrew Yule & Co., Ltd.	616	Caledonian	108.00	100	9.00	6.50	NU		11	Y.
29,16,400	78,49,289	2,23,54,628	1,19,50,548	—7,24,043	James Finlay & Co., Ltd.	600	Champdany	94.00	100	8.00	10.00	2.00	NU	3	Y.
15,95,000	23,29,282	82,73,766	57,70,176	9,048	Andrew Yule & Co., Ltd.	350	Cheviot	140.00	100	14.00	10.00	2.00		11	Y.
30,15,000	53,00,000	86,85,783	45,15,944	1,01,827	McLeod & Co., Ltd.	900	Chitavalsah	152.62	10	1.12	1.87	0.621		6.12	Y.P.
24,00,000	9,00,000	51,05,285	37,13,337	28,925	Shree Krishna Investment Co., Ltd	969	Clive	13.12	10	NU	1.25½	0.62½		3	Y.
31,49,200	44,50,292	1,35,05,898	51,19,167	—6,75,531	Bird & Co. Private Ltd.	766	Dalhousie	64.00	100	2.50	4.00	NU	NU	3	Y.
28,00,000	40,51,670	77,85,542	47,66,110	4,547	Andrew Yule & Co., Ltd.	776	Delta	109.00	100	12.00	10.00	5.00		11	Y.
15,00,000	24,50,000	68,98,324	60,58,809	76,491	McLeod & Co., Ltd.	500	Empire	14.75	10	1.25	1.25	0.50		6.12	H.Y.P.
21,00,000	93,40,686	2,41,53,550	1,09,92,109	2,48,413	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd. ..	312.00	100	5.00	15.00	10.00	10.00	3.9	H.Y.P.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	116.00	100	12.50	11.00	5.00	9.00	3	Y.P.
24,22,100	...	2,11,07,254	1,32,58,023	—3,67,452	M.	1,709	Ganges Mfg.	48.00	100	0.00	8.50	NU		3.9	Y.
12,50,000	23,95,948	76,08,097	50,72,167	11,510	M.	607	Gondalpara	495.00	500	NU	NU	50.00		12	Y.
24,50,000	24,50,000	2,22,46,942	1,58,61,965	46,348	Mansell & Barry Ltd.	1,284	Gourepore	228.00	100	10.00	15.00	2.50	2.50	3	Y.
49,20,000	80,58,225	1,35,36,187	55,66,699	2,03,036	Bangur Bros., Ltd.	1,978	Hastings	104.00N	100	10.00	11.50	5.00		3	Y.
19,80,000	18,81,969	66,47,781	47,70,916	—2,98,255	Baijnath Bajoria	720	Hooghly	11.87	10	0.50	1.25	NU		3	Y.
25,62,500	23,66,428	2,24,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	13.94	10	1.25	0.87	0.25	NU	3	Y.P.
22,50,000	23,87,124	2,93,21,907	1,57,61,907	1,16,998	Ramdutt Ramkissendas	2,272	Hukumchand	17.25	7.50	2.00	2.00	2.00	1.50	3	Y.
87,00,000	17,80,650	1,87,01,998	80,28,070	2,87,287	M.	1,076	India	114.00	O. 125	8.12	4.69	4.69		3	Y.
20,000								82.50	100	8.00	2.50	NU		3	Y.
24,00,000	20,99,185	1,09,91,845	1,19,40,221	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	80.50	'B' 100	8.00	2.50	NU		6.12	H.P.
19,20,000 'B'								46.50	'B' 100	6.50	1.00	NU			
20,00,000	9,78,987	1,77,78,751	87,49,840	—21,87,149	Jardine Henderson Ltd.	1,537	Kankinarrah	46.50	'B' 100	6.50	1.00	NU		6.12	H.P.
24,00,000															
21,00,000	53,00,000	1,35,45,082	88,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	166.00	100	20.00	17.50	5.00	9.00	3	Y.P.
54,00,000	23,38,275	1,96,50,992	1,33,09,770	37,027	Anderson Wright Ltd.	1,550	Khardah	116.00	100	12.50	11.00	5.00		3	Y.
48,00,000	51,58,288	2,26,20,709	96,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	108.00	100	7.00	13.00	0.00	NU	3	Y.
24,45,000	23,61,282	1,25,71,981	85,16,244	—8,06,646	Bird & Co. Private Ltd.	931	Kinnoolmore	76.50	100	6.00	7.00	NU	NU	3	Y.
25,00,000	45,38,547	1,41,73,543	93,14,075	—7,78,588	Bird & Co. Private Ltd.	840	Lawrence	78.50	100	6.00	6.00	NU		3	Y.
21,65,200	29,36,645	2,04,13,949	1,26,97,399	1,64,942	M.	1,282	Magma	98.00	100	2.50	9.75	2.75		12	Y.
29,96,800	24,62,195	1,65,70,548	86,70,690	—12,96,719	M.	815	Naihati	57.50	100	NU	NU	NU		3	Y.
20,00,000	15,55,000	29,91,344	15,51,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	10.00	10	1.12	1.25			4.10	H.P.
35,00,000	39,51,326	48,49,737	12,31,373	19,604	Andrew Yule & Co., Ltd.	382	National	24.00	10	2.00	1.75	0.75	0.75	10	Y.
26,25,000	27,00,000	23,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	11.00	10	0.75	1.00	0.50½		6.12	H.P.
25,50,000	2,66,21,471	4,68,62,848	1,06,42,884	1,96,691	Baba Jute Ltd.	1,705	New Central#	19.31	10	17.00	1.50	1.50		12	Y.
16,79,250	1,49,58,582	1,25,81,133	54,38,499	8,327	Bird & Co. Private Ltd.	567	Northbrook	14.95	10	1.12	1.50	1.50	NU	3	Y.
20,79,560	12,74,961	1,24,03,288	1,39,16,557	20,195	Mansell & Barry Ltd.	1,092	Nuddea	88.50	50	0.50	1.00	NU	NU	3	Y.
24,91,000	23,76,049	75,85,619	51,45,690	11,099	Andrew Yule & Co., Ltd.	601	Orient	84.00	100	10.00	9.00	2.00		11	Y.
25,00,000	6,28,490	80,08,487	48,32,164	51,595	McLeod & Co., Ltd.	400	Prinsep	9.75	5	0.81				6.12	Y.
20,00,000	1,49,000	37,05,784	8,99,130	—2,81,589	Birla Brothers Private Ltd. ..	905	Rameshwara	4.62	10	NU	NU	NU		3	Y.
49,50,000	4,80,552	1,24,75,806	64,79,616	—32,95,290	Jardine Henderson Ltd.	1,276	Reliance	5.87	10	NU	NU	NU		4.10	H.P.
£469,000	£1,098,718	£1,245,244	...	£59,994	Thomas Duff & Co. (India) Ltd..	2,815	Samaguri	8.12	£1	10%	5%			12	Y.
80,00,000	19,14,918	1,15,80,877	79,99,145	7 973	Bagaria Mall & Co., Ltd.	911	Shree Ambica	9.00N	10	0.50	0.50			3.9	Y.P.
14,00,000	13,14,980	68 87,540	47,50,476	40,154	Hindustan Investment Corpn Ltd.	401	Soorah	14.25	10	1.00	1.50	1.50	1.50	12	Y.
25,19,600	51,10,501	1,26,65,701	57,29,512	—6,76,062	Bird & Co. Private Ltd.	656	Standard	81.00	100	8.00	1.00	NU	NU	3	Y.
£600,000	£925,119	£1,157,262	...	£62,548	Thomas Duff & Co. (India) Ltd..	1,794	Titaghur	8.12	£1	10%	5%			12	Y.
25,50,000	40,80,148	2,01,45,257	89,47,895	—12,51,940	Bird & Co. Private Ltd.	1,226	Union	113.50	100	10.00	10.00	1.00	NU	3	Y.
£400,000	£683,285	£1,124,819	...	£50,501	Thomas Duff & Co. (India) Ltd..	1,331	Victoria	8.12	£1	10%	5%			12	Y.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,235	McLeod & Co., Ltd.	457	Waverley	2.37	1	0.50	0.37	NU	NU	5	Y.P.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Index code
25,50,000	25,26,630	99,56,499	99,56,499	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.00	10	1.81	1.87	0.50	1.25	3	Y.
12,50,000	8,49,000	37,66,678	25,28,185	79,917	Jardine Henderson Ltd.	Barares Coke	10.75	10	1.12	1.12	1.12	0.37	3.9	Y.
4,49,850	1,05,000	9,25,911	8,64,876	90,579	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.87N	10	0.25	0.25	0.75		6.12	Y.
1,00,00,000	1,60,28,765	6,10,16,849	4,19,73,928	9,44,657	Andrew Yule & Co., Ltd.	Bengal Coal	219.00	100	30.00*	35.00*P	17.50	7.50	6.12	Y.
2,25,000	4,15,785	24,86,157	22,05,288	...	Bengal-Nagpur Ry.	Bengal-Nagpur	13.50	10	NU	NU			12	Y.
15,97,000	4,58,548	45,14,600	34,32,290	—94,879	H. V. Low & Co. (Private) Ltd..	Bhalgora	9.44	10	NU	NU			12	Y.
40,00,000	10,28,269	1,44,83,037	77,89,407	2,120	Babu Jain Ltd.	Bharat Collieries	5.94	10	0.62	0.62	0.62	0.00	3	Y.
7,15,000	10,15,173	49,80,946	34,84,101	—4,92,538	M.	Bhimabarares	13 50	10	NU	NU	NU		3	Y.
7,50,000	26,16,113	45,87,383	27,10,508	19,588	F. W. Heilgers & Co. Private Ltd.	Borea	17.00	10	2.00	2.00	1.50		6.12	H.P.
90,92,480	1,70,33,767	4,37,67,223	1,93,68,073	96,339	Bird & Co. Private Ltd.	Burrakur	22.75	10	2.00	2.00	1.50		6.12	H.P.
49,97,750	...	46,39,014	12,80,014	8,491	Hindustan Investment Corpn.Ltd.	Central India	7.56	10	0.25	0.25	0.62	0.37	6.12	H.P.
5,00,000	19,80,599	49,11,827	33,03,499	66,099	M.	Central Kurkend	11.00N	10	0.25	0.50	0.50	0.50	3	Y.
5,00,000	1,48,988	7,80,061(k)	...	1,540	F. W. Heilgers & Co. Private Ltd.	Chanla	2.00	1	0.12	0.06	0.06		12	Y.
15,00,000	...	54,02,810	30,95,160	—2,36,506	Mansell & Barry Ltd.	Dhemo Main	7.25	10	NU	NU	NU		12	Y.
£240,000	£362,575	£1,001,816	£764,050	£20,077	Jardine Henderson, Ltd.	East Indian	21.81	£1	2.50	3.00			12	Y.
20,65,750	92,06,408	4,10,92,845	2,00,75,257	41,722	Mansell & Barry Ltd.	Equitable	26.44	10	1.50	1.50	1.50	1.50	4	Y.
10,00,000	1,40,799	13,51,144	4,28,557	22,858	Bhatter's Agency Ltd.	Ghusick and Musla	16.00N	10	0.12	0.25			12	Y.
12,00,000	1,17,609	42,84,400	25,20,978	...	Kilnick Industries Ltd.	Hingir-Rampur	30.75	50	NU	0.25	0.25		3	Y.
5,00,000	7,25,000	12,40,856	10,21,866	45,210	Mansell & Barry Ltd.	Hurriladih	17.00	10	1.75	2.50	2.25	NU	6	Y.
3,50,000	2,45,000	14,15,000	7,39,171	...	Andrew Yule & Co., Ltd.	Kalyanpur	17.00N	10	NU	NU	1.50		12	Y.
20,00,000	3,21,575	23,57,576	5,71,179	1,982	Bird & Co. Private Ltd.	Karanpura Collieries ..	89.00	100	NU	NU	NU		3	Y.
5,00,000	13,90,893	47,65,511	37,70,922	1,35,526	Andrew Yule & Co., Ltd.	Katras Jherriah	54.25	10	4.00	2.50	5.00	NU	3	Y.
1,53,400	5,72,960	13,35,941	5,72,960	—2,00,256	Beetwala & Co.	Khas Kajora	2.50N	10	NU	4.50	0.50	0.50	3	Y.
11,00,240	4,84,4	16,80,339	10,61,1	10,611	H. V. Low & Co. (Private) Ltd..	Kusadi	5.75N	10	NU	NU			6.12	H.P.
9,00,000	11,11,926	23,58,749	23,36,192	4,708	H. V. Low & Co. (Private) Ltd..	Lakurka	9.00N	10	0.12	0.12			3	Y.
7,43,240	2,00,000	13,13,206	9,66,219	21,901	Tantia Brothers Ltd.	Kasira	6.44	10	0.50	0.12			4	Y.
7,00,000	1,00,000	10,39,717	5,20,293	4,560	Amritlal Ojha & Co., Ltd. ..	New Bansdeopur	6.00N	10	1.25	0.50			12	Y.
17,75,250	19,51,314	1,24,49,315	91,72,491	83,598	Andrew Yule & Co., Ltd.	New Searsbhoom	14.62	10	1.12				6.9	Y.
6,00,000	75,000	33,35,381	22,38,928	1,49,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	11.75	10	NU	1.00	0.75		10	Y.
1,15,000	2,47,692	13,06,689	8,96,110	17,816	Andrew Yule & Co., Ltd.	North West	16.87	10	NU	0.50	0.50		3	Y.
1,57,500							13.50	7.50	NU	1.87	1.50			
7,50,000	15,99,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.00	10	1.00	1.00	1.12		3	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	4.50N	10	0.00	1.00	0.75		12	Y.
8,24,000	20,000	23,49,367	9,36,891	2,080	Deepchand Khaitan	Parasea	12.94	10	0.75	0.25			12	Y.
15,75,000	16,20,000	35,17,410	29,92,419	46,883	Shaw Wallace & Co., Ltd.	Pench Valley	19.25	10	1.62	1.00	0.50		12	Y.
23,99,500	25,26,261	1,37,28,021	91,88,562	29,066	B. N. Elias & Co. Private Ltd. ..	Ranegunge	11.50	10	1.50	1.50	0.75	2.00	3	Y.
13,50,000	10,45,115	28,59,365	20,71,264	15,614	Shaw Wallace & Co., Ltd.	Rewa	14.75	10	1.87	0.62	0.37	0.75	3	Y.
20,00,000	37,12,000	58,68,758	22,17,567	9,297	M.	Samla Collieries	10.50N	10	1.87	1.87	0.75		6.12	H.P.
2,50,000	1,96,202	13,75,480	13,21,277	21,870	M.	Searsole	13.94	10	0.75	1.00	1.25		12	Y.
3,99,990	9,11,986	39,92,167	19,75,253	52,206	Andrew Yule & Co., Ltd.	Seebpore	23.19	7	0.62	0.75			1	Y.
5,00,000	5,09,216	52,491	28,067	5,196	F. W. Heilgers & Co. Private Ltd.	Sendra	7.00	10	0.12	0.25	0.25		12	H.P.
62,31,440	94,58,596	5,19,41,840	2,78,46,629	Industrial Trust Fund (Governament of Andhra Pradesh)	29,557								6.12	
17,50,000	10,89,622	33,95,664	16,16,434	10,497	Bird & Co. Private Ltd.	Singareni	11.00	10	0.70	0.75	1.00		12	Y.
5,00,000	14,01,053	1,69,37,570	27,610	17,411	F. W. Heilgers & Co. Private Ltd.	South Karanpura	9.62	10	0.12	0.12	0.25		3.9	Y.
10,00,000	...	31,97,994	15,45,267	—5,62,807	M.	Standard	13.75	10	1.50	1.00	1.00		12	Y.
3,99,000	3,55,000	13,97,634	14,54,234	77,105	Williamson Magor & Co., Ltd.	Tasher	1.91	2.50	NU	NU	NU		9	Y.
49,26,000	60,754	65,72,306	24,15,366	11,543	Hindustan Investment Corpn.Ltd.	Union	14.00	10	0.75	NU	NU		12	Y.
7,00,000	....	57,45,640	25,79,008	—2,20,068	Mansell & Barry Ltd.	Western Bengal	5.75	10	0.37	0.50			12	Y.
						West Jamuria	5.75	10	NU	NU	0.50	0.50	3	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (c) Clive Mills have paid dividend at Rs. 10‡ on bonus shares, for the year 1955. * Including bonus. (k) Investment.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian Jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
#—Part William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. F—Bengal Coal Co. Dividend from 1954 to 1955 are on shares of Rs. 200 each.
After 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split in to shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 779*)

growth is checked in time, the progress of the schemes of economic, social and cultural advancement is bound to be retarded greatly.

Dr. Myrdal also did well to stress the need for India to plan not on the basis of national self-sufficiency but against the background of progress of Asia as a region. He was, however, not right when he dismissed as unreal the apprehensions expressed both in India and elsewhere at this country's decision to build a socialist structure of society. He is reported to have said: "It is my firm view that the pace is much slower in India than is warranted by the economic and political realities here. Not only the public sector is much less than in some of the north-west European countries but the amount of control exercised by the Government over the private sector is much less." Dr. Myrdal had evidently at the back of his mind his own country, that is, Sweden. It will not be quite correct to compare such a large and highly populated country as India with a relatively small country like Sweden. Nobody will, of course, object to a Welfare State through a mixed economy in which free enterprise would be given great scope, freedom and incentive for raising the economic strength of the nation. But what one objects to is that, in the name of socialism, the powers-that-be are legislating for confiscatory types of taxation and restrictive controls, the effect of both of which is to put the private sector in a strait jacket and in a distinctly disadvantageous position. If the present economic policy of the Government were to continue unchanged, bureaucracy would undoubtedly flourish and democracy would languish. Such a state of affairs, as we have ere now stated, will soon end in authoritarian rule and State capitalism which by no stretch of imagination can be called democracy.

BANKING

(*Concluded from page 786*)

today something we have not seen for many years: a halt in the upward trend of world economic activity.

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,08,00,000	12,42,552	Allahabad Bank	360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,40,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
1,91,800	15,91,000	[illegible]	Andhra Bank	111.00§	100	7.50	6.50	8.00	6.00	6,12	H.
20,00,000				88.00§	25	5.75	4.54	5.50	5.50		
1,80,00,000	1,38,00,000	4,19,731	Bank of Baroda	113.50	50	6.00‡	6.00‡	7.00‡	7.00‡	12	Y.
90,00,000	33,50,000	2,700	Bank of Bikaner	23.00	25	0.75	0.87	1.12		12	Y.
2,50,00,000	3,10,00,000	16,02,381	Bank of India	130.00	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000 'A'				60 'A'					8.00		
15,30,375	28,00,000	52,270	Bank of Indore	63.00N	25	3.00	3.50	4.00	4.25	12	Y.
50,00,000	25,00,000	20,475	Bank of Jaipur	59.50	50	2.00	2.00	2.50	3.00	12	Y.
60,00,000	91,95,613	1,87,085	Bank of Mysore	215.00	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
10,00,000	44,598	44,598	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75.00	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P.
5,82,930 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170.00	100 'A'	12.00	12.50	15.00	15.00	12	Y.
32,797 'C'				1.71	1'C'	12½*	12½*	15*	15%		
3,03,11,875	4,03,60,821	18,44,046	Central Bank of India Ltd.	62.50	25	3.00	3.00	3.50	3.50	12	R.L.Y.
33,45,875				55.50	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	46.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	19,46,442	Habib Bank (P)	36.37	5	0.81	0.87	1.37	1.06	12	Y.
80,00,000	39,75,000	1,61,946	Hind Bank	65.50	50	1.50	3.00	3.00		12	Y.
1,52,00,000	6,03,000	18,443	Hindustan Commercial Bank ..	10 12	50	Nil	Nil			12	Y.
50,00,000	1,77,500	3 649	Hindustan Mercantile Bank ..	11.75	50	Nil	Nil	Nil		12	Y.
44,00,000	1,00,00,360	2,01,376	Indian Bank	203.50	100	12.00‡	12.00‡	13.00	15.00‡	6,12	R.L.H.
22,40,000				172.50	80	7.20‡	7.75	9.75	12.00‡		
55,23,350	46,86,300	2,32,067	Indian Overseas Bank	141.00	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	33,502	Pandyan Bank Ltd.	35.62	25	1.50	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,004	Punjab National Bank	58.50	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	17.00	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8 25	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,34,00,000	49,432	United Commercial Bank	59.70	50	2.50	2.75	3.50	3.75	12	H.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.)					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£1-16-0	£1	15†	15†	15†	15†	12	Y.
H.K. $50,000,000	H.K. $128,000,000	H.K. $2,062,463	Hongkong and Shanghai Banking Corporation	£42½	H.K. $125	5*	5*	5*	3 12½* Z	12	Y.
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-6-0	£1	15†	12†	13†	13†	12	Y.
£2,940,000	£3,100,000	£231,462	Mercantile Bank Ltd.	£1-11-6	£1	14†	14†	14†	18‡†	12	Y.
£3,851,562	£5,104,667	£385,589	National Overseas and Grindlays Bank Ltd.	£1-3-3	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (F) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr=Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June ..	Carew & Co.	1958	92.00	1st June .. 1965
4,00,000	6½	1st March and 15th September..	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February ..	Ravalgaon Sugar	1943	100.00	27th December .. 1963-68
10,00,000	4	1st May and 1st November ..	Ravalgaon Sugar (New)	1946	87.00	1st November .. 1959-64
25-00,000	4½	1st May and 1st November ..	Waichandnagar Industries (New)..	1944	92.00N	1st November .. 1959-64
COAL						
20,00,000	6½	20th April and 21st October ..	Bharat Collieries	1944	99.00	20thJune .. 1964
20,00,000	6½	20th June and 21st December..	Barrakur Coal Co.	1947	87.00	20th June .. 1967 (a)
50,00,000	5½	15thJune and 15th December..	Equitable Coal Co.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	20th June and 21st December ..	Bamani Cotton Mills Ltd.	1942	85.00	20th April.. .. 1964
4,00,000	6	10th May and 10th November ..	Bengal-Nagpur	1897	99.00	15th November .. 1966 (b)
72,00,000	5	1st April and 1st October ..	Bombaybam and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October ..	Gokak Mills	1957	100.50	1st April .. 1967-72
12,71,000	5½	20th June and 21st December ..	Jaykhee Textiles	1949	90.00N	1st January .. 1958-59
20,00,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	6½	31st March and 30th September..	Agra Electric Supply Co., Ltd.	1950	99.00	31st March .. 1965 (a)
1,25,00,000	6½	15th June and 15th December ..	Ahmedabad Electric Co. Ltd.	1950	97.00	14th June .. 1960
90,25,000	6	1st April and 1st October ..	Andhra Valley Power Supply Co. ..	1949	97.00	1st October .. 1959
13,00,000	6½	30th June and 31st December ..	Benares Electric Light and Power Co., Ltd.	1949	96.00	31st December .. 1964 (a)
64,643,914	5	1st January and 1st July ..	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1976 (a)
25,00,000	6	30th June and 31st December ..	Gouripore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
12,50,000	5	1st January and 1st July ..	Shyan (Jharriah) Electric Supply Co., Ltd..	1951	91.00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply ..	1933	95.00	1st April .. 1958-61
1,00,000	5	3rd April and 3rd October ..	South Madras Electric Supply ..	1940	93.50	30th September .. 1952-65
67,72,000	5	1st April and 1st October ..	Tata Power	1940	99.00	1st July .. 1975
2,50,00,000	6	1st April and 1st October ..	Tata Power		85.00	15th September .. 1966-70
ENGINEERING						
5,00,000	5½	20th June and 21st December ..	Britannia Engineering	1945	94.00	21st December .. 1959
2,50,000	5	20th June and 21st December ..	Bridge and Roof (India), Ltd.	1928	95.00	20th June .. 1958
50,00,000	5½	15th September and 15th March.	Indian Hume Pipe (Bearer)	1942	97.00	1st July .. 1956-62
10,00,000	6	21st May and 20th November ..	Kumardhubi Engineering Works Ltd.	1946	80.00	21st May .. 1971
1,50,00,000	5	1st April and 1st October ..	Tata Locomotive	1950	95.40	1st October .. 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April ..	Agarpara	1939	90.50	31st March .. 1960
2,00,000	5½	20th June and 21st December ..	Alexandra	1939	91.00	20th June .. 1959
15,00,000	4	31st December and 30th June ..	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December ..	Bengal Jute Mill Co., Ltd... ..	1945	90.00	30th June .. 1960
9,99,000	5	31st January and 31st July ..	Calcutta	1946	86.00	31st July .. 1959
10,40,000	5	30th June and 31st December ..	Chitavalsah Jute Mills	1951	99.00	30th June .. 1966
30,45,000	5½	31st March and 30th September..	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
6 ,9,000	5	15th January and 15th July ..	Empire	1951	90.00	15th July .. 1966 (a)
30,00,000	5½	31st March and 30th September..	Hoogli Mills Co., Ltd.	1938	94.00	31st March .. 1970
25,00,000	5	30th June and 31st December ..	Khanison Jute Mills Co., Ltd. ..	1949	90.00	31st December .. 1964 (a)
28,00,000	5½	30th June and 31st December..	Naihati	1952	90.00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May ..	Nellimarla Jute Mills Co., Ltd. ..	1939	88.00	14th May .. 1959
20,00,000	6	30th June and 31st December ..	Northbrook Jute Co., Ltd. ..	1948	80.00	31st December .. 1964
9,00,000	6	30th June and 31st December ..	Presidency	1948	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September.	Reliance Jute Mills Co., Ltd. ..	1950	85.00	30th September .. 1965 (a)
13,00,000	5½	30th June and 31st December ..	Union	1937	90.00	31st March .. 1967
10,00,000	5½	31st January and 31st July ..	Waverly	1938	88.00	31st July .. 1968
RAILWAYS; STEAMSHIP AND TRAMWAYS						
3350,000	4½	1st January and 1st July ..	Calcutta Tramways	1900	866.50	At 105% at any time on 6 months' notice or at par or sixty seventh year thereafter
6159,968	5	1st April and 1st October ..		1922	874.10N	
6,50,000	3½	30th June and 31st December ..	Katakhal-Lalabazar Railway	1945	85.00	1st October .. 1974 31st December .. 1959 (a)
4200,000	4½	30th June and 31st December ..	Shahdara-Delhi-Saharanpur Railway ..	1905	864	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September ..	Scindia Steam Navigation	1949	98.25	1st September .. 1963
PLANTING						
11,25,000	6	31st March and 30th September..	Nilgiri Tea	..	99.00	1st April 1958-66
1,56,500	5½	31st March and 30th September.	Teeloy	1944	100 00	31st March .. .. 1949-59†
MISCELLANEOUS						
16,00,000	4	1st January and 1st July ..	Aluminium Corporation of India Ltd. ..	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July ..	Associated Hotels of India	1948	85.00	31st December .. 1963
3,80,00,000	5½	1st March and 1st September ..	Burmah-Shell	1954	96.00	1st September .. 1964-69 (a)‡
3,80,00,000	5½	1st April and 1st October ..	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August ..	Chowringhee Properties	1915	85.00	1st February .. 1964
12,84,000	4½	1st July and 1st January ..	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September.	Dalhousie Properties	1946	78.00	15th September .. 1966
1,00,00,000	4	31st March and 30th September.	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1966
1,50,00,000	5	1st January and 1st July ..	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January .. 1971 (a)††
1,00,00,000	5½	1st January and 1st July ..	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (a)‡
12,75,000	5	2nd January and 2nd July ..	Mettur Chemical Industries	1949	83.00	 1964
12,07,000	4	31st March and 30th September.	Martin Burn Ltd. (Convertible Notes) ..	1946	810.00	30th September .. 1976 (a)
48,00,000	4	30th June and 31st December ..	MacLeod & Co., Ltd. (Convertible Notes).	1947	470.00	31st December .. 1972 (a)
75,00,000	5	1st April and 1st October ..	Macneill and Barry Ltd.	1951	(per note) 84.00N	1st April .. 1971
3,50,00,000	5½	30th June and 31st December ..	National Rayon	1955	98.00	30th June .. 1965-70
1,50,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	91.50	31st March .. 1961 (a)
1,00,00,000	4	30th June and 31st December ..	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November ..	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. .. 1968 (a)†‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,60,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § *Any debenture outstanding on 1-6-1959 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964.* †† Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 24th April 1958.

	Closing quotations 17-4-1958	High	Low	Closing quotations 24-4-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Abm. Adv. (100) ..	126.00	140.00	126.00	140.00
Apollo (2) ..	1.78	1.78	1.74	1.76
Bombay Dyeing (25).	57.40	57.60	55.60	56.00
Bradbury (50) ..	163.00	163.00	160.00	161.00
Central India (100) ..	86.00	86.00	86.00	85.00
Century Mills (100) ..	436.00	437.00	429.50	433.00
Colaba (100) ..	39.00	—	—	39.00
Edward Textile (200).	250.00	—	—	255.00
Elphinstone (50) ..	47.50	—	—	47.50
Finlay (100)	277.00	276.00	273.00	275.00
Gokak (100)	157.00	156.00	153.00	153.00
Ind. Untd. Deld. (1).	1.24	1.24	1.18	1.20
Ind. Untd. Ord. (10).	9.68	9.68	9.28	9.44
Indore Malwa (100)	112.50	112.00	108.50	110.50
Khatau (100) ..	157.00	157.00	156.50	156.50
Kohinoor (100) ..	278.00	279.50	265.50	266.00xd
Lakshmi (250) ..	440.00	—	—	440.00
Minerva Mills (100) ..	70.50	—	—	70.50
Modal Nagpur (250) ..	168.75	170.00	168.00	168.00
Morarji (100)	217.50	218.00	216.00	218.00
Mysore (50)	90.00	—	—	90.00
National Rayons (100).	219.50	224.25	219.00	224.25
New City (100) ..	107.50	—	—	107.50
New Great (100) ..	199.50	200.00	194.00	195.00
Phenels (100)	125.50	—	—	125.50
Podar Mills (100) ..	145.00	145.00	141.00	141.00
Sassoon Silk (10) ..	10.00	—	—	10.00
Sassoon Spg. (10) ..	35.75	—	—	35.75
Sholapur (1,000) ..	425.00	—	—	425.00
Shrinivas (100) ..	143.00	143.00	140.00	140.00
Simplex (50)	153.50	154.75	152.50	153.00
Standard (100) ..	459.00	460.00	447.00	460.00
Svadeshi (100) ..	173.00	173.25	170.00	173.00
Swan (100)	340.00	349.00	340.00	349.00
Tata Mill (25) ..	38.00	38.25	37.00	37.75
Vishnu (100)	100.00	—	—	100.00
Western India (1,000).	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50) ..	130.25	130.75	129.50	130.00
Do. (New) (50) ..	133.75	134.25	133.75	134.00
Bank of Baroda (50).	113.00	114.00	113.50	114.00
Central (25)	53.00	53.00	52.20	52.80
Central 'A' (25) ..	55.30	55.50	55.00	55.50
Dena Bank (50) ..	46.50	46.50	46.25	46.50
Punjab National (25).	53.50	54.00	53.50	53.50
Union Bank (5) ..	8.32	8.32	8.28	8.28
United Com. (50) ..	59.80	60.00	59.50	60.00
ELECTRIC COS.				
Ahmedabad (100) ..	97.10	97.30	94.20	95.00xd
Amalgamated (10) ..	10.88	—	—	11.00
Andhra Valley (1,000).	1,152.50	1,160.00	1,155.00	1,155.00
Bom. Suh-El. (100) ..	107.00	—	—	107.00
Surat (100)	107.50	—	—	107.50
Tata Hydro (100) ..	116.00	118.25	117.50	118.00
Tata Power (1,000) ..	1,185.00	1,187.50	1,177.50	1,180.00
INSURANCE COS.				
British India (10) ..	12.76	—	—	13.25
Empire of India (100).	265.00	—	—	265.00
Ind. Mercantile (20) ..	48.00	—	—	47.00
Jupiter (10)	7.56	48.25	47.00	7.75
New India (15) ..	44.50	44.75	7.56	44.00
Oriental (200)	4,000.00	—	44.00	4,000.00
Universal (10)	13.25	—	—	13.25
Vulcan (10)	17.00	—	—	17.00
STEEL COS.				
Ind. Iron (10) ..	21.62	22.00	21.62	21.62
Tata Steel Ord. (75) ..	182.75	185.00	182.50	184.00
SUGAR COS.				
Belapur (50)	245.00	245.00	243.00	244.50
Bhopal (10)	22.00	22.00	20.00	20.00xd
Phaltan (50)	138.50	139.00	137.25	138.00
Walchand Ind. (100)..	282.50	285.00	283.75	283.75
CEMENT COS.				
Associated Cts. (100)..	151.00	156.75	151.00	155.75
Digvijay (100) ..	141.75	146.00	141.50	146.00
MISCELLANEOUS				
Alcock Ashdown (100).	277.50	290.00	276.25	290.00
Bom. Burmah (125) ..	564.50	575.00	564.00	575.00
Do. (New) (50) ..	215.00	217.50	215.00	217.00
Br. B. Petrol (4 sh.) ..	2.16	2.14	2.08	2.13
Br. I. Corpn. (5) ..	3.82	3.90	3.16	3.18
C. P. Ely. (100) ..	55.50	55.50	54.50	54.50
Hindusthan Motors(10)	7.00	7.04	6.92	7.00
Indian Copper (2 sh.)	3.18	3.26	3.16	3.18
Ind. Inv. Tr. (100) ..	70.80	—	—	79.50
Kilpicks (100)	152.00	—	—	152.00
Polson (100)	183.25	—	—	183.25
Pre. Automobiles (100)	81.50	84.80	81.00	81.50
Premier Con. (30) ..	189.00	196.00	188.00	195.75
Scindia (20)	17.50	17.72	17.62	17.68
G. E. Shipping (10) ..	20.12	20.12	19.96	19.96
Shivrajpur (10) ..	93.00	94.00	92.50	93.50
Tata Chemicals (10) ..	14.28	15.25	14.28	15.06
Tata Locomotive (100)	167.00	169.00	164.50	165.00
Tata Oil (25)	39.00	39.00	38.00	38.75
W. I. Match (100) ..	175.00	175.00	174.00	174.00
GOVERNMENT SECURITIES	17-4-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	24-4-1958
	Rs. nP			Rs. nP
2½% 1961 ..	95 30	—	4.06	95.30
2½% 1960 ..	98.00	—	3.68	98.00
2½% 1963 ..	95.10	—	3.95	95.10
2½% 1976 ..	83.10	—	4.03	83.10
3 % 1948 ..	99.75	—	3.82	99.75
3 % 1959-61..	99.10	3.85	3.30	99.10
3 % 1964 ..	95.00	—	3.86	95.00
3 % 1963-65..	95.00	3.98	3.75	95.10
3 % 1966-68..	92.60	4.03	3.86	92.60
3 % 1970-75..	86.35	4.44	4.09	86.40
3 % 1986 Con. Loan	71.20	—	4.21*	71.20
4 % 1960-70..	100.55	3.77	3.95	100.55
4% 1958-68**	100.40	—	1.20	100.65
2½% 1961 N.P. Bonds.	99.65	—	3.60	99.65
2½% 1964 N.P. Loan	98.25	—	3.81	98.20
2½% 1965 N.P. Bonds.	97.80	—	3.83	97.80
2½% 1962	97.90	—	3.79	97.95
2½% 1967 N.P. Bonds.	97.65	—	3.79	97.65
2½% 1974	98.20	—	3.90	98.20
2½% 1967 N.P. Bonds	99.75	—	3.78	99.75
4 % 1972 Loan ..	100.15	—	3.98	100.15

BRITISH GOVERNMENT SECURITIES

	Closing quotations 16-4-1958 £			Closing quotations 23-4-1958 £
2½% Brit. Consols. ..	50⅞	—	—	50⅞
3 % Savings Bonds 1965-75	72⅜	—	—	73
3% War Loan 1955-59.	98⅛	—	—	98⅛
3½% War Loan ..	67⅜	—	—	67⅝
4% Victory Bonds 1976	92⅛	—	—	92⅜
4% Funding 1960-90..	86⅛	—	—	86⅛

* Current Income. x.d.—Ex-dividend. ** Rupee Consideration. xr.—Ex-Right.

SECRETARIAT LIBRARY 12 MAY 1958 GOVERNMENT OF INDIA

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

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PLANNING—A CONTINUOUS PROCESS

THERE is understandable relief in the country over the Prime Minister's decision to stay in office. He has borne the burden of his high office with courage and a determination which has rightly evoked much praise from all parts of the world. The years in which he has held office have witnessed many changes, both political and economic. With a supreme sense of conviction, born of his high idealism, he has fought revivalism in all its forms, steered the country through the fury of the communal storm and given the country a "secular" concept which does not ignore the higher values of life. Above all, he has at no time resiled from the democratic stand. He has stuck to the ideals for which the free world stands. It is true that instances may be quoted to show that the democratic content of the Constitution, which he helped so much to shape, has been whittled down by some of the more recent laws and amendments. But the Prime Minister has nowhere betrayed any impatience with democratic processes as such. In so far as the country sticks to these ideals, its progress in the social and economic spheres is bound to be certain as well as secure.

A notable feature of Mr. Nehru's more recent utterances is his insistence on self-reliance. At the annual meeting of the All-India Manufacturers' Organisation, he reiterated the point that the people should rely on themselves and work for their progress. He recalled once more his now well-known views on freedom of cooperatives from official interference. Clearly, the system of free enterprise too is based essentially on the principle of self-reliance. But those who are engaged in it have reasons to feel that the Government's economic policies do not always encourage them to give of their best in the cause of economic progress. To take only one instance. Is not a joint-stock company a practical expression of the ideal of self-reliance? And yet, does the Government encourage its formation and successful working? Does the Prime Minister's plea for self-reliance square with the official policies which have placed serious and intolerable burdens on the working of companies? Mr. S. N. Haji, Chairman of the All-India Manufacturers' Organisation, rightly urged that it was essential to encourage formation of more and more corporate enterprises in the industrial sector. He showed how it had already received a setback during the last year by drawing attention to the smaller number of public limited companies floated and the lesser issue of capital for which consent was given under the Capital Issues Control Order. Surely, irrespective of the validity or otherwise of a political philosophy designed to restrict personal wealth and personal income, there can be no justification for imposing the burden of high taxation on joint-stock enterprises.

For Mr. Nehru, economic reconstruction, far from being a mere catch-phrase for g

for deficit financing is maintained at Rs. 1,200 crores, the Government may resort to deficit financing to the extent of Rs. 283 crores in the last two years of the Plan. If resources do not come up to the Government's expectations, increased doses of deficit financing might become inescapable. That way, however, lies danger. For there is no denying the fact that deficit financing will lead inevitably to a further increase in the inflationary pressures. This could be avoided only through resort to flexible spending. This would imply that the authorities attach less importance to monetary expenditure than to physical achievement of important projects of national significance. Much waste and misdirection of official effort and resources could be prevented by allowing the private sector to play a more dominant role in the economic reconstruction of the country.

SALES TAX—II

A VITAL consideration in the imposition of sales tax is that it should not press too heavily on manufacturing costs. This is of particular importance to India, considering that many industries are already suffering from a high cost structure. A heavy sales tax fits ill into the present stage of industrialisation. In the West, sales tax came at the end of a long period of industrial progress, so that industrial units which had rationalised their production processes and brought down their manufacturing costs were better prepared for the tax. Appropriately enough, in its memorandum to the Sales Tax Enquiry Committee, the Committee of the Indian Merchants' Chamber, Bombay, has emphasised that, in any scheme of sales tax for the States, the Government must consider the effect of the tax on the State's many industries. Since Bombay is an industrial State, the scheme of sales tax cannot possibly ignore the effect of the tax on manufacturing costs. Again, so long as sales tax remains a State subject, it will be difficult to avoid variations in its incidence as between one State and another. It is for this reason that trade bodies have consistently pleaded for the centralisation of the levy. The Committee too has reiterated its view that, if the tax were centralised and its proceeds distributed among the States on the basis of collection or on some agreed formula, it would provide an effective solution to many problems with which the dealers in different States have been confronted. The scheme suggested in the Chamber's memorandum provides:

"(1) In respect of articles chargeable to Central excise, the levy of sales tax should take the form of an additional impost along with the excise to be recovered by the excise machinery; (2) alternatively, the excise machinery should be available and utilised for the collection of sales tax leviable in respect of the items in the Central excise list for and on behalf of the State Government; (3) in respect of the items not covered by the excise schedule, in the case of certain specified items most of which are products of organised industries, the sales tax should be levied at the first stage by the sales tax machinery of the State; (4) if, however, due to any reason, administrative or constitutional, the suggestions in (1) and (2) above are not found feasible, the sales tax on the articles in question should be collected at the first stage as in the case of articles mentioned in (3) above. (5) In respect of the remaining items, the levy should be single-point at the last stage."

The incidence of sales tax on manufacturing enterprises has not so far received the attention it deserves. To those who are interested in sales tax problems, the Report entitled *The Influence of Sales Taxes on Productivity*, published by the Organisation for European Economic Co-operation, is a document of great significance. The Report examines at great length the several systems of sales tax in European countries and also examines their impact on productivity. In discussing the several issues arising from the imposition of sales tax, the Report draws attention to various problems such as the integration of manufacturing concerns and the effect of the tax on the competitive ability of different enterprises, on capital goods and on the foreign trade of different countries. A system of general cumulative tax, it is pointed out, would encourage all-round industrial and commercial integration. This would be economically undesirable because specialisation offers many advantages.

A system of multiple selective tax is an alternative to a general cumulative tax; such a tax is imposed on separate products or categories of products. Selective taxes are imposed in the U.K. which operates the purchase tax system. As compared with a general cumulative tax, a single general tax has the advantage that it is borne uniformly by all products, whereas the incidence of a cumulative tax varies according to the product. Further, a single general tax does not initiate any movement towards integration; fair competition is ensured between different channels of production and distribution, between products and between firms. It is interesting to note that the Report rejects the view held by some French economists that a tax on energy should be the sole basis of all taxation. Maintaining that energy today is the source of all wealth, just as land was to the physiocrats in the eighteenth century, the reformers advocate that energy should be the basis of all taxation. The Report points out that, if this view were accepted, there would be a substantial increase in the price of energy and the prices of products in which energy is a very important factor (for example, iron and steel, cement and aluminium). Such a system would also involve solutions to intricate problems of the relative importance of different forms of energy. The Report warns that a system based on the taxation of energy would bring back into favour untaxed sources of energy and induce a return to "archaic methods such as the windmill, gas generators, animal traction and so on."

Two considerations are emphasised in the Report. One is that a system of sales tax, if it should not hamper the improvement of productivity, should consist of taxes which in principle could be shifted easily and in full. Further, the tax must not penalise the factors of production, namely, plant and machinery and energy, as compared with the other factor of production, namely, labour. It must apply uniformly to all factors of production and must not discriminate against either plant and machinery or energy. In this connection, it observes:

"First, taxes charged at the stage of raw materials or primary production undoubtedly penalise machine power compared with human labour, since the machines used in the manufacture of a product have borne tax, whereas the human labour which these machines are intended to replace has not. The price of a machine-made product, therefore, contains an additional proportion of the tax compared with the price of a hand-made product. In order to avoid this result, it would be necessary to exempt raw materials intended for the production of machines and of capital goods in general. Provisions of this kind would necessarily be very complicated, in view of the different possible uses of a given raw material and they might even prove to be unworkable.

"Assuming, however, that such provisions could be adopted, they would nevertheless have the effect of eliminating the basic advantage of a system of taxes charged at the beginning of the chain of production, namely, simplicity of application resulting, in particular, from the small number of persons subject to the tax, i.e., the producers of raw materials. Such provisions would in fact make it necessary to keep track of the use made of such raw materials in subsequent stages of production and distribution. Secondly, taxes charged at the retail stage are undoubtedly neutral in their effect on the mutual substitution of human labour and machine power.... Finally, it may be said that, if the tax is to maintain its neutrality between human labour and machine power, it must be either charged at the retail stage; or it must be a tax on added value."

It is noteworthy that the Report has examined at considerable length the systems of sales tax which are prevalent in nine European countries. It divides these systems into four groups. It calls the first group the general cumulative tax group, to which Germany belongs. The second group consists of the U.K. purchase tax. This can be called a scientific system of multiple selective tax. The third group is that of mixed empirical systems. To this group belongs Belgium and Italy. The fourth group consists of systems of single general tax. It includes the French added value tax and the Turkish tax on production. Some notable features of the different systems of taxation may be indicated here. In Germany, the general rate of tax is 4 per cent. Some food products are taxed at only 3 per cent. and some forestry products at only 1½ per cent., while wholesale transactions are taxed at 1 per cent. There is no luxury tax as such. The category of exemptions applies to wholesale trade in certain raw materials and semi-finished products such as cotton, coal, oil, cereals, potatoes, metal products, milk and wool. A surcharge of 3 per cent. is imposed on direct retail sales made by a producer; such sales by a producer to the ultimate consumer are, therefore, taxed at a rate of 7 per cent. The Report, in the course of its comments on the German system, remarks that it indiscriminately encourages vertical integration of manufacturing concerns. The British purchase tax, on the other hand, has no influence on the concentration or specialisation of undertakings. It does not also discriminate between one factor of production and another. The Report holds that, as a tax which can be used as an instrument of economic control, the purchase tax is an ideal tax on transactions. It presents no obstacle to improvement in productivity.

The French system includes an added value tax, a tax on services and a local tax. The added value tax applies generally to sales and imports of goods. It is a single general tax levied by means of fractional payments at each stage in the chain followed by a given product. Both producers and wholesale dealers pay the tax. Building contractors have also been brought within the scope of the tax. The basic feature of the tax is the system of deductions. When making their monthly return, taxpayers are entitled to deduct from the amount of tax assessed on their sales the tax borne by the goods and services purchased by them during the preceding month. This deduction is subject to certain conditions. Thus, the goods and services must have been acquired for the purposes of the undertaking and must correspond to its normal and genuine needs. They must have borne the added value tax (or the tax on services where appropriate), must be intended for the manufacture or sale of products subject to the added value tax, or for exports.

The added value tax applies to industrial and commercial transactions. It does not, therefore, apply to the liberal professions, to agriculture, or to salaried or wage-earning work. There are, moreover, four categories of products which are subject to single taxes and are outside the scope of the added value tax: meat, wines and cider, coffee and tea, and oil products.

After an elaborate examination of all the systems of taxation, the Report makes certain general suggestions. In the first place, the use of cumulative taxes, it is stated, should be strongly discouraged. As far as possible, the countries which now impose such taxes should replace them by non-cumulative taxes. Secondly, taxes charged at raw material stage should be eliminated; this is true of taxes on power. Thirdly, measures likely to prevent the tax being shifted in full should be avoided. Fourthly, whatever may be the purpose of a tax, whether it is for revenue purpose or for both revenue and economic purposes, it must not discriminate against one factor of production as compared with another. This result is achieved by the three types of taxes on transactions, namely, a single general tax on retail sales, a system of purchase tax which does not apply to land and equipment, and an added value tax covering channels of production and distribution at all their stages, or at least up to, and including, the wholesale stage.

Finally, the choice between these three types of taxes depends on the purpose which the tax is intended to achieve. If the intention is to exercise a direct influence on consumption, a system of purchase tax should be adopted. If the tax is intended to cause minimum disturbances to economic conditions, it is desirable to have a single general tax on retail sale or an added value tax. The choice will thus mainly depend on the special conditions prevailing in each country. The single general tax can be adopted when the number of retail distribution points is comparatively small. On the other hand, when the number of such distribution points is very large, the added value tax stopping at the wholesale stage is preferable.

In view of the great importance which sales tax has assumed in recent years and its effect on trade and industry in the country, we would strongly urge that the whole subject should be examined at an all-India level. We have no doubt had some important investigations in individual States. In Bombay, too, we look forward to expert investigation of the problem. Valuable as these enquiries are, they can never eliminate the need for a nation-wide survey of sales tax problems. Surely, if Europe which consists of different countries has found it necessary to get their systems of sales tax examined by an independent body of experts, the need for a similar examination is much greater in this country which consists of States which are both politically and economically welded into a single unit.

(*Concluded*)

FURTHER RELIEF IN EXCISE DUTY ON CLOTH UNLIKELY

GIFT TAX—SCHEMES FOR SUGAR EXPORT

THURSDAY, 5 P.M.

MARKET GOSSIP

THE share market, particularly the steel section, is in a mood to await the outcome of the threatened strikes at Jamshedpur and Burnpur and Kuiti Works. Despite the action taken by the Bihar and West Bengal Governments in declaring the strikes as illegal, the workers' unions are in no mood to come to terms. They have decided to go on strike. Whether it will remain a token one or will be extended, the market is not able to judge. Textile counters have been somewhat active and sizable gains have been recorded on a wide front, the main inspiring factor being the hope of a further relief in excise duty. Such a hope, in the context of the National Development Council's deliberations, which have revealed that the Centre and State Governments will have to raise Rs. 100 crores by way of additional taxation to fill a part of the gap in resources, appears to be wishful thinking. At a meeting of the informal consultative committee of Parliament held in New Delhi on Tuesday this week, the Government spokesmen were reported to have turned down the suggestion for a further cut in the duty on coarse and medium cloth, as well as the proposal for levying the excise duty on an *ad-valorem* basis. The official view would appear to be that the only way to place the cotton textile industry on a better footing lay in reducing the cost of production through reorganisation and modernisation. It is significant to note, in this connection, that the Commerce and Industry Minister had only recently stated that the Government would take "other measures" to help the industry. There is also another side to the picture. It may be true that the shortfall in resources has to be filled up somehow. But, having realised the seriousness of the situation in the main export industries and shown an inclination to give them some relief, it remains to be seen whether the Government would come forward with fresh tax measures which would seriously jeopardise the economy of the country. It is also not known what scope there is for further tax measures.

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It may be wrong to look the Select Committee's gift horse in the mouth. But those who feel that the Select Committee has given the case for the tax away will do well to study the Bill again. Some important concessions have no doubt been made. They do not, however, add up to the disappearance of the tax on gifts. The important concessions include absence of aggregation of gifts for a five-year period (as provided in the original Bill) and exemptions of gifts of movable property situated outside India—such gifts will be taxed only if the donor is a citizen of India and is also ordinarily resident in India —gifts made by religious and charitable institutions, reasonable gifts to children's education and to employees and dependents by way of bonus, gratuity and pension and to the *Bhoodan* and the *Sampattidan* movements. Further, the Select Committee has provided for a uniform exemption limit of Rs. 10,000 every year. Certain *bona fide* business transactions will also be exempt from the tax. All this, however, leaves open the larger question whether the principle of taxing gifts is correct. As Dr. Krishnaswamy points out in his minute of dissent, "the whole principle of taxing of gifts is most pernicious, since it makes no distinction between gifts which are used as instruments of avoidance of taxation and those which reflect the finer and nobler instincts of men." Again, as Mr. Masani said, "India has a fine tradition of compassion and charity." This will now receive a setback. Surely, the Government is laying itself open to the objection that, in order to gain a paltry Rs. 2 crores by way of revenue, it is importing into the sphere of gifts inspection, valuation and control as well as revenue and tax, all of which are so foreign to the spirit which makes gifts possible.

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Elsewhere in this issue (*vide* page 892), we have discussed the prospects for Indian sugar exports and posed the question as to whether any additional tax would be levied on domestic consumption in order to meet the heavy loss arising from exports. Subsequent to the preparation of the above article—on Monday, to be precise—the Union Deputy Minister for Food, Mr. A. M. Thomas, revealed in the Lok Sabha that the Government of India was considering the two suggestions put forward by the Indian Sugar Mills Association (I.S.M.A.). One suggestion is for the formation of a corporation, consisting of all the sugar factories, which will be entrusted with the task of exporting sugar, any loss arising therefrom being recovered from the members. The second suggestion is that the sugar factories must be allowed a quota and, if they fail to export the full quantity, penal assessment should be levied on them. Incidentally, Mr. Thomas declared that the Government had also examined the question of utilising the agency of the State Trading Corporation for sugar export, but, as the hands of the Commerce and Industry Ministry were at present full, the Corporation would not be in a position to undertake it.

While one has to await the details of the two schemes proposed by the I.S.M.A. and the final decision that will be taken by the Government, it must be said that neither of the two schemes is sound and justified. Any move designed to compel the sugar factories to become members of the Sugar Export Corporation will tantamount to encroachment on the freedom of trade and occupation. Apart from the solid grounds of principle on which monopoly trade in any form is objectionable, practical considerations rule out monopolistic methods for building up a sustained export trade in sugar. When the export trade in all other commodities is being carried out by individual manufacturers and shippers, there is no reason why sugar must be made an exception. The vesting of monopoly powers to export sugar in a special organisation will, we repeat, imply wasteful and costly effort. As the world trade in sugar is to remain highly competitive, monopoly is bound to fail, except at heavy sacrifices for domestic consumers and taxpayers. Further, there are misgivings about the practicability about the setting up of the proposed Sugar Export Corporation. The question of recovering the losses on exports from the sugar factories will give rise to many complications. It is not known whether the losses to be recovered from sugar factories will be on a *pro rata* basis or on the basis of the quantity of sugar made available by each factory or the financial position of the individual units concerned.

As regards the second suggestion, it is clearly wrong to subject the sugar factories which fail to export the full quantity to a penal assessment. Who can say at this stage as to what will be the conditions in export markets in the coming months and years? If the export markets slump and Indian sugar becomes totally unsaleable despite the best will in the world, is the Government justified in levying a penal assessment on the undisposable sugar meant originally for export? Surely, the international market in sugar is governed by so many uncertain factors over which the Indian factories have no control that it is futile to pin down factories to the condition of maintaining exports of sugar equivalent to the quota fixed, failing which they will be penalised to pay a penalty. In view of the severe competition in world sugar markets from countries which have considerable advantage in the shape of low production costs, what the industry at present needs, on account of its cost disability, is positive export incentives in the form of reduced taxes, lower cane prices, better transport facilities and a more helpful policy designed to enable the sugar factories to modernise their machinery and equipment.

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Shareholders' approval is being sought by the Bombay Burmah Trading Corporation Ltd. for its proposal to capitalise, subject to the sanction of the Controller of Capital Issues, a sum of Rs. 26.75 lakhs and distribute scrip bonus to the existing shareholders. The terms of the bonus issue are slightly different from those indicated in these columns in the issue of 19th April 1958, in that the holders of fully paid-up shares of Rs. 2,500 each are also entitled to the bonus issue. According to the terms now announced, five shares of Rs. 125 each fully paid-up will be given for every fully paid shares of Rs. 2,500. The holders of Rs. 125 fully paid-up

(Continued on page 919)

U.K.'S BALANCE OF PAYMENTS

From Our Own Correspondent

LONDON, *1st May*

LONDON LETTER

THE Government's recent analysis of the U.K.'s balance of payments gives full details of the make-up of both the debit and credit items and brings out the significant fact that an active balance of payments for the country depends almost entirely on the invisibles. In 1955, the visible balance was adverse by £366 million, in 1956, it was adverse by only £61 million and in 1957, by £97 million. Both these latter figures are lower than in any previous year. It is remarkable, indeed, how near to a balance on visible account the country has now got, as the following table which takes the four last half-yearly periods shows:

(In £s millions)

	1956		1957	
	Jan.-June	July-Dec.	Jan.-June	July-Dec.
Imports (f.o.b.) ..	1,739	1,736	1,814	1,791
Exports and re-exports (f.o.b.)	1,706	1,708	1,776	1,732
Adverse balance ..	33	28	38	59

It must be noted that the goods which add up to these figures are valued at their costs at the point of shipment. These are not the same figures as the Board of Trade produces currently and which shows imports c.i.f.; they are goods without sea transport. In assessing the significance of services in the U.K. balance of payments, it is best to make the valuation of goods in this way since so many goods imported in the country come in British bottoms and the freight charge is not adverse to this country in a currency sense.

The next table shows the invisible items analysed as to whether they represent income or expenditure, and the net revenue gained from them.

Invisibles 1957

(In £s millions)

	Payments out	Receipts	Net gain or loss (—)
Shipping	430	545	115
Interest, profits and dividends ..	250	350	100
Travel	140	130	—10
Miscellaneous items	86	308	222
Government:			
Colonial grants	88		
Relief grants and international contributions (non-military)..	15		
Costs of diplomatic services including pensions	33		— 86
Military expenditure	162	21	—141
Miscellaneous Government receipts	..	84	84
	1,104	1,438	334

The credit item of £21 million which is shown against military expenditure is the net receipts of defence aid. Although military expenditure is a very big item, it has not increased much in the last three years; in 1955, the total without allowing for defence aid was £157 million, in 1956, it was £179 million (that was the year in which Suez had to be paid for) and in 1957, £162 million. At the same time, however, defence aid has gone down from £46 million in 1955 to £26 million in 1956 and £21 million in 1957 so that the net cost to the country of military expenditure which was £111 million in 1955 was £153 million in 1956 and is only a little less for this past year. But, against the country's net favourable balance of £237 million in 1957, an overseas military cost of £141 million looks substantial. Without that cost the country's favourable balance would have been £378 million. In 1956, it would have been about £420 million.

Now that the country's overseas visible trade has very largely struck a balance, the invisibles assume a special significance. It has seemed natural to stress the importance of increased exports and the increase of shipping income is often thought of as part of the country's export drive. Leaving these items aside, the other income flowing into the country is very largely the result of past investment and the principal offsetting expenditure is, of course, the military one.—*All Rights Reserved.*

SHARE MARKET STEADY

TEXTILES MARKED UP

(From Our Own Correspondents)

BOMBAY, *8th May*

EQUITIES ruled fairly steady on the Stock Exchange during the week under review. Textiles and a few other miscellaneous counters were active and scored sizable gains. The market no doubt heaved a sigh of relief on the Prime Minister's decision to stay on in office, but this did not have any bullish effect on the market. For this was followed by reports that there would be a shortfall of Rs. 240 crores in the outlay target of Rs. 4,500 crores voted by the National Development Council for the core projects and that a part of it, namely, Rs. 100 crores, would have to be met by additional taxation by the Centre as well as the States. The market was somewhat bewildered by this report, particularly when there was an all-round demand for a reduction in taxes. The absence of any settlement so far in regard to the threatened strikes in the Tata Iron and Steel Company and Indian Iron add Steel Company also caused hesitancy among the operators. The proposed strikes in the two companies have been declared illegal by the respective State Governments. Nevertheless, the workers' unions have decided to go on a token strike and workers have reserved the right to continue it, if deemed necessary.

Despite these two disquieting factors, the market maintained a steady tone under the leadership of textiles which received good speculative support on expectations of further relief in excise duty and scored impressive gains. Towards the close, there was profit-taking in textiles which affected other counters as well to some extent.

Tata Ordinaries receded from Rs. 181.25 to Rs. 178.50 before recovering to Rs. 181.75. The closing was done at Rs. 181.50. The new shares, however, gained over the week Re. 1 to Rs. 178. Indian Irons were marked down Rs. 21.84 to Rs. 21.48. After gaining ground to Rs. 21.80, they finished at Rs. 21.72.

In the textile section, Bombay Dyeings improved from Rs. 55.30 *cum-div.* to Rs. 54.40 *ex-div.* (final dividend Re. 1.75), but closed a shade lower at Rs. 54.20. Centurys rallied on active support from Rs. 431.50 *cum-div.* (final dividend Rs. 14) to Rs. 433.50 *ex-div.* Kohinoors firmed up from Rs. 263 to Rs. 268.50 and closed at Rs. 267.50. Finlays were done at Rs. 258 *ex-div.*, as against Rs. 278 *cum-div.* (dividend Rs. 20), while Indu Ordinaries dropped 16 nP to Rs. 9.16. Khataus were marked up by Rs. 3 to Rs. 158 and New Greats by Rs. 5 to Rs. 203. Mysore Spinnings gathered Rs. 5 to Rs. 95. Shree Niwas Cottons shed Re. 1 to Rs. 136, while Simplex gained over the week Rs. 2 to Rs. 154.50. Standards were done at Rs. 418 *ex-right*, as against Rs. 478.50 *cum-right* a week ago. Svadeshis scored a gain of Rs. 5.50 to Rs. 176.50 and Swans closed at Rs. 331 *ex-div.* (div. Rs. 25), which on a *cum-div.* basis showed a rise of Rs. 6. Tata Mills were steady at Rs. 37.50.

Bank shares were steady, but the movements were narrow. Barodas closed at Rs. 116 and Centrals were done 30 nP lower at Rs. 53, while their new shares gained 25 nP to Rs. 56.75. Bank of Indias were a shade better at Rs. 130. Punjab Nationals looked up to Rs. 52.50 *ex-div.* United Commercials gained 30 nP to Rs. 59.50.

Among electricity shares, Ahmedabad Electrics moved up by 20 nP to Rs. 94.70, while Bombay Suburbans dropped 75 nP to Rs. 105.75. Surat Electrics were unchanged at Rs. 107.75, but Tata Hydros picked up 50 nP to Rs. 118.25. Tata Powers advanced by Rs. 25 to Rs. 1,222.50, while Andhra Valleys showed no change at Rs. 1,155.

Sugar shares showed no definite trend. Belapurs moved irregularly between Rs. 247.50 and Rs. 244 before closing at Rs. 245.50. Phaltans were done Re. 1.75 higher at Rs. 141.25 and Walchandnagars changed hands at Rs. 263 *ex-div.* (dividend Rs. 21), as against Rs. 280 *cum-div.* Changdeo Sugars were, however, done Rs. 2.75 lower at Rs. 26. In the cement group, Associated Cements moved up from Rs. 153.50 to Rs. 155.25 before closing at Rs. 154. Their new shares gained over the week Re. 1 to Rs. 148. Digvijays were a shade quiet at Rs. 146 and Orissa Cements at Rs. 12.32. Among engineering and mining shares, Alcock Ashdowns suffered a setback from Rs. 250 to Rs. 247.50, following the cut in dividend from Rs. 15 to Rs. 12.50 for the year 1957. Tata Locomotives gave way from Rs. 167 to Rs. 163.25, but soon recovered to Rs. 167.50. The closing was, however, done lower at Rs. 166. Premier Constructions gathered Rs. 2.50 to Rs. 193.50 and Larsen and Toubros 8 nP to Rs. 15.80. Mahindras were done 12 nP higher at Rs. 18.68. Shivrajpurs scored a fractional gain to Rs. 92, while Indian Coppers were unchanged at Rs. 3.14.

Scindias were marked down from Rs. 17.64 to Rs. 17.36 and, after a revival to Rs. 17.64, closed at Rs. 17.52. Great Eastern Shippings dipped from Rs. 20.04 to Rs. 19.84. Hindustan Motors were dull at Rs. 6.84 and Premier Automobiles at Rs. 82.50.

In the miscellaneous group, Bombay Burmahs were erratic, moving between Rs. 561 and Rs. 539.50. The closing was done at Rs. 556, a gain of Rs. 2 over the week. National Rayons provided the feature of the week with a smart gain of Rs. 9.50 at Rs. 234.25 on strong support induced by the good outlook for the Company. Tata Chemicals were featureless at Rs. 15.04 and Tata Oils at Rs. 38. Hindustan Levers were a shade lower at Rs. 21.24. Amar Dyes came to prominence with a rise of Rs. 7.75 to Rs. 97.75. I.C.I.C. had business at Rs. 73. Killick Industries changed hands at Rs. 147.50 and Voltas at Rs. 123. West Coast Papers were done at Rs. 72. Wimcos improved by Re. 1.25 to Rs. 173.75.

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Calcutta Stock Exchange

CALCUTTA, *7th May*

The fears about the labour situation in both Burnpur and Jamshedpur and weaker advices from Bombay affected sentiment in the speculative counters on the Calcutta Stock Exchange during the week under review. The announcement by the Asansol Iron and Steel Workers' Union of Burnpur of a settlement with the management was noted; but on account of Union rivalries the situation was believed as not altogether free from anxiety. Further, the Prime Minister's earlier announcement seeking retirement lulled sentiment in view of possible political implications. However, Mr. Nehru's subsequent decision to stay on in office was well received by the market, but no improvement in activity was noted. This was because other factors intervened to keep down sentiment.

The Central Government's loan announcement, the anxiety about the prospects of tea companies disclosing as satisfactory results as in the past year, in view of the decline in tea prices and the indication that the L.I.C.'s purchasing programme of shares would be limited for the immediate future were all factors which imparted a quiet trend. The National Development Council's disinclination against any reduction in the total plan outlay of Rs. 4,800 crores did not have any effect on the market.

Nevertheless, selected miscellaneous industrials and other counters were taken up at hardening rates on yield considerations. Other engineering shares were steady, and the rumour of an imminent increase in steel retention prices continued. Jute shares were better in view of the uptrend in jute goods and the possibility of the jute crop reaching mills in time.

Selected features were recorded in the coal section. Pench Valleys hardened to Rs. 19.94 from Rs. 19.50. Central Indias, after realising Rs. 7.90, reacted to Rs. 7.65. Bengals were pushed up to Rs. 230 from Rs. 224, while Burrakurs and Western Bengals were unchanged at Rs. 22 and Rs. 5.81, respectively.

The jute section also accounted for a few features. Nuddeas had risen to Rs. 37.50 from Rs. 36.50 before closing at Rs. 37.25. Belvederes were a few points higher at Rs. 79, as were Caledonians at Rs. 122. Nellimarlas realised Rs. 11.81, as against Rs. 11.37 a week ago. Alliances found buyers at Rs. 67, as against Rs. 64. Ganges were unchanged at Rs. 44.50. Howrahs sagged to Rs. 15 from Rs. 15.31, but subsequently rose to Rs. 15.37. Nationals were maintained at Rs. 24.

Among teas, Hantaparas rose to Rs. 113 *sd.* from Rs. 109 and Patrakolas to Rs. 131 from Rs. 127. Ranicherras had buyers at Rs. 15.37, as against Rs. 15.06 previously. Brooke Bonds were steady at Rs. 16.06. On the other hand, Choonabhuttis declined to Rs. 267.50 from Rs. 271 and Tezpores to Rs. 14.75 from Rs. 15.

In the engineering section, Burrakurs gave way to Rs. 331 from Rs. 335 and Jessop & Cos. were quiet at Rs. 20. After remaining unchanged at Rs. 9, Kumardhubis staged a late improvement to Rs. 9.06, while Texmacos were quoted at Rs. 18.20. Hooghly Dockings were lower at Rs. 107, but Braithwaites rose to Rs. 26.31 from Rs. 25.50. Indian Irons opened at Rs. 21.64 and after rising to Rs. 21.97, gave way to Rs. 21.51.

Miscellaneous industrials were steady. Alkali and Chemicals were favoured at Rs. 14.69. Dunlop Rubbers were fully steady at Rs. 25.44. Indian Oxygens improved to Rs. 18.25 from Rs. 18.12. Indian Aluminiums were taken at Rs. 13.12, as against Rs. 13 earlier.

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Madras Stock Exchange

MADRAS, *6th May*

The steady trend noted on the Madras Stock Exchange last week abated during the week under review. In fact, the market ruled distinctly easy. Business put through was smaller, as compared with the previous week, and value registered a decline. Operators were apprehensive of fresh taxes being levied. The deliberations of the National Development Council revealed that the outlay on the second Five-year Plan had been pruned from Rs. 4,800 crores to Rs. 4,500 crores and that, even for meeting this reduced outlay, there would have to be additional taxation to the tune of Rs. 100 crores in the coming three years, the balance being met from borrowings and small savings. Advices from Bombay and Calcutta were also not encouraging. Plantation shares were affected adversely. There was disappointment among traders over the undue delay in the Government's announcement of relief in export duty on common teas. There was also some profit-taking and a tendency to reduce commitments. Textiles were subjected to selling, while adequate support was absent. Electrics were easy, as also sugars. Miscellaneous industrials followed the general trend.

Among tea shares in the planting section, Kil Kotagiris declined by 17 nP to Rs. 5.80. United Nilgiris retreated by 40 nP to Rs. 15.70. Nonsuch Teas receded by 10 nP to Rs. 21.50. Waterfalls shed 5 nP to Rs. 3.12. Blue Mountains eased by 3 nP to Rs. 3.03. Periakaramalais softened by 2 nP to Rs. 4.13. Peermades fell by 60 nP to Rs. 21.75 *cum-div.* reflecting disappointment of operators over the announcement of final dividend of 17½ per cent., making a total of 25 per cent. for the year ended 31st December 1957, as against 37½ per cent. in the previous year. Twyfords, however, elicited special enquiries and gathered 10 nP to Rs. 13.35. Among coffee shares, Savamalais declined by 12 nP to Rs. 4.30, Ouchterlonys by 15 nP to Rs. 4.80 and Consolidated Coffees by 5 nP to Rs. 24.80. Amalgamateds, on the other hand improved by 40 nP to Rs. 11.25 on investment support. Among rubber shares, Nenmenys dropped 75 nP to Rs. 15 *cum-div.* Tropicals fell by a like amount to Rs. 23.50 *cum-div.* T.R. & Ts declined by 22 nP to Rs. 7, Teekoys by 16 nP to Rs. 6.40 and Cochin Malabars by 12 nP to Rs. 4.85.

In the textile section, Coimbatore Murugans slumped by Rs. 5 to Rs. 115. Coimbatore Spinnings were marked down by Rs. 3.50 to Rs. 53.50. Metturs and Coimbatore Pioneers lost Rs. 2 each to Rs. 343 and Rs. 225, respectively. Radhakrishnas declined by Rs. 3 to Rs. 125. Vijayalakshmis dropped a rupee to Rs. 100. Trichinopolys receded by 90 nP to Rs. 11.70, Maduras by 40 nP to Rs. 33 and Kotharis by 25 nP to Rs. 10.25.

Among miscellaneous industrials, Travancore Chemical Manufacturings declined by 75 nP to Rs. 11.25. Aspinwalls receded by 40 nP to Rs. 7.50. F.A.C.Ts eased by 8 nP to Rs. 5.22. Aluminium Industries decreased by 10 nP to Rs. 13.25. Mysore Papers were done lower by 7 nP at Rs. 16.25 and Mysore Tobaccos by 5 nP at Rs. 12.55.

HINDUSTAN MERCANTILE BANK LTD.

A welcome improvement in the profit is disclosed by the audited accounts of the Hindustan Mercantile Bank Ltd. (General Manager: Mr. P. H. Kothari, Calcutta) for the year ended 31st December 1957. The profit has gone up from Rs. 4,631 to Rs. 1.80 lakh, but the bulk of the year's profit—Rs. 1.77 lakh, to be precise—has had to be utilised to write off loss on sale of investments, so that the profit available for appropriation is only Rs. 3,083. After bringing in Rs. 3,649, being the surplus of 1956, the Directors have transferred Rs. 2,500 to the reserve fund, same as in the previous year, and have carried forward Rs. 4,233 to the next year.

The Bank's income from interest and discount has gone up from Rs. 8.64 lakhs to Rs. 10.31 lakhs and that from commission and brokerage from Rs. 1.52 lakh to Rs. 1.71 lakh. Interest paid on deposits have risen from Rs. 3.84 lakhs to Rs. 4.19 lakhs, while expenses stand reduced from Rs. 6.09 lakhs to Rs. 5.91 lakhs.

The Bank's reserves stand at a low of Rs. 1.80 lakh, as against a paid-up capital of Rs. 50 lakhs. In consonance with the general trend, the Bank's deposits have enlarged by over Rs. 47 lakhs to Rs. 2.25 crores. The bulk of this rise is accounted for by current and contingency accounts which have gone up from Rs. 1.16 crore to Rs. 1.57 crore. Fixed deposits have risen from Rs. 54.51 lakhs to Rs. 60.78 lakhs. Savings bank deposits are up from Rs. 7.58 lakhs to Rs. 7.77 lakhs. Advances have not shown any rise at Rs. 1.48 crore, but, consequent on the rise in deposits, the credit ratio has declined from 83.1 per cent. to 65.7 per cent. Investments have been reduced from Rs. 91.40 lakhs to Rs. 69.35 lakhs, the market value of which is Rs. 66.02 lakhs. With an expansion in deposits without any rise in advances, the Bank has been able to reduce its borrowings from other banks from Rs. 32.40 lakhs to Rs. 4.55 lakhs and improve its cash balances from Rs. 18.35 lakhs to Rs. 62.34 lakhs, as much as Rs. 43.75 lakhs of which are kept in money at call and short notice. Consequent on the rise in cash balances, the cash ratio has gone up from 10.1 per cent. to 27.5 per cent.

NATIONAL RUBBER MANUFACTURERS LIMITED

The Board of Directors of the National Rubber Manufacturers Ltd., Calcutta, have recommended a dividend of 10 per cent. on the ordinary shares of the Company for the year ended 31st December 1957. Although the effects of fresh capital issued towards the end of 1957 are not reflected in the accounts for that year and extra production capacity arising out of the new plant and machinery required for the Company's expansion programme have not been utilised during the said year, working results, nevertheless, are said to be quite satisfactory and it has been possible for the Directors to recommend the dividend on the increased capital for the whole of 1957.

BRITISH BANK OF THE MIDDLE EAST

In reviewing the accounts of the British Bank of the Middle East for 1957, in our issue dated 19th April 1958, the Bank's profit of Rs. 11.17 lakhs was compared with that of Rs. 1.59 lakhs for 1956, Rs. 9.63 lakhs for 1955 and Rs. 2.12 lakhs for 1954. Such comparison is not correct. For, while the profit for 1957 is subject to taxation, those of the previous years were arrived at after providing for taxation.

NEWS IN BRIEF

THE time limit for submitting applications for the transfer of pre-partition post-office savings bank accounts and postal certificates from Pakistan has been extended by another six months, beginning from the 15th inst.

The all-India final estimate of maize for 1957-58 puts the current year's area and production of the crop at 9,762,000 acres and 3,064,000 tons, respectively, as against the partially revised estimate of 9,197,000 acres and 3,009,000 tons for 1956-57.

The appointment of a national seed committee for making recommendations on national seed improvement policy and encouraging the production and distribution of high quality seeds was approved at a meeting of the National F.A.O. Liaison Committee held in New Delhi last week.

Negotiations between the Kerala Government and Birlas for starting a rayon pulp factory in Kerala have almost been completed and an agreement will be reached shortly. The Rs. 9-crore factory which will be established near Beypore with a capacity of 100 tons of rayon pulp per day is expected to employ nearly 6,000 persons.

The Joint Chief Controller of Exports announced that shaftings, panel pins and cast iron castings will be allowed for export under open general licence. The Government of India has decided to licence freely, on an experimental measure, the export of sisal manufactures, other varieties on shipping bills to all permissible destinations up to the end of September this year.

The Indian Standards Institution has granted a licence to the Alkali and Chemical Corporation of India, Ltd., Calcutta, for the use of the ISI standard mark, in respect of BHC water dispersible powder concentrates conforming to IS : 562-1955. This standard mark appears either in stencilled form on the containers or is printed on the labels applied to the containers. The containers so marked convey an assurance to the purchaser that the material has been manufactured under controlled conditions and is of the quality as laid down in the Indian standard.

Important reserves of economically workable limestone and dolomite have been located by the Geological Survey of India in Gangpur area of Sundargarh district in Orissa State. Besides Birmitrapur, Panposh, Amghat and Hathibari deposits worked by two different companies, the Department has also traced a hitherto unrecorded deposit of cement-grade limestone occurring over an area of 2,400 feet by 150 feet at Ludhkutoli, 10 miles north of Garpos railway station. According to the Geological Survey of India, limestone and dolomite in the area are distributed along two main zones forming the northern and southern limbs of the Gangpur series of rocks.

The total iron ore reserves in Andhra State are estimated at about 430 million tons. The best quality of iron ore having 50 to 65 per cent. of iron content is found in Kurnool district which is said to have a reserve of 3.7 million tons. The quality of iron ore found in Hyderabad district with 37 to 43 per cent. of iron content is estimated at 37 million tons. The largest deposit has been traced in Guntur district—296 million tons—with an iron content of 33 to 37 per cent. Of the total reserves in the State, the poorest quality of iron ore with 25 per cent. iron content only is found in the district of Nellore which has 93 million tons of reserve.

Five hundred schemes for the development of small-scale industries in different States and Union Territories were sanctioned by the Government of India during the financial year 1957-58. The State Governments submitted 472 schemes during the year for which Central funds aggregating Rs. 49.20 crores were sanctioned. Besides, the Union Territory Administrations were authorised to incur a total expenditure of Rs. 87.91 lakhs in respect of their 28 schemes. This makes an appreciable progress on the previous year's record of 317 State Government schemes and 35 Union Territory schemes for which Central funds to the extent of Rs. 4.44 crores and Rs. 50.64 lakhs, respectively, were sanctioned.

The Government of India has appointed a Board of Directors for the Hindustan Salt Company (Private) Limited with Dr. G. P. Kane, Industrial Adviser (Chemicals), Ministry of Commerce and Industry, as Chairman and Mr. R. N. Vasudeva, Salt Commissioner, as Managing Director. The other members of the Board are: Mr. T. Vedantam, Under Secretary, Ministry of Finance; Dr. A. N. Kappanna, Central Salt Research Institute, Bhavnagar; Mr. P. N. Kathju, Council of Scientific and Industrial Research, Jaipur, and Messrs. G. D. Somani and N. C. Kaslival, Members of Parliament. The Company has been set up by the Government of India to take over the Government salt works at Sambhar and Didwana in Rajasthan and Kharaghoda in Bombay. Registered on 12th April 1958 under the Companies Act, the Company will, among other things, undertake the manufacture, utilisation and processing of salt and its by-products. The authorised capital of the Company is Rs. 1 crore.

The total gross sea, land and air customs revenue collected in the Indian Union during the month of December 1957 amounted to Rs. 13.99 crores, as compared with Rs. 15.31 crores in the corresponding month of the previous year. Of the total customs revenue collections, import duties accounted for Rs. 11.19 crores, as against Rs. 11.82 crores, export duties for Rs. 2.04 crores, as against Rs. 3.20 crores, land customs and miscellaneous for Rs. 65 lakhs, as against Rs. 29 lakhs and air customs for Rs. 11 lakhs. The total gross collection of Union excise duties amounted to Rs. 22.53 crores, as compared with Rs. 19.84 crores. During the nine months ended December 1957, the grand total of gross customs and Union excise revenue realised was Rs. 331.63 crores, as compared with Rs. 264.95 crores in the same period in 1956-57. Of this amount, import duties accounted for Rs. 116.54 crores, as against Rs. 102.26 crores, export duties for Rs. 18.22 crores, as against Rs. 21.87 crores, land customs and miscellaneous for Rs. 3.90 crores, as against Rs. 2.65 crores, air customs for Rs. 1.74 crores and Union excise duties for Rs. 191.23 crores, as against Rs. 138.17 crores.

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From Abroad

The output of the chemical industry in West Germany last year aggregated £1,464 million, showing an increase of 11.4 per cent. over 1956. Production of plastics was higher by 22 per cent. at 589,000 tons.

An order banning activities of Imperial Chemical Industries in the Syrian region for investing capital in Israeli companies has been signed by the Syrian Economy Minister. The ban is a sequel to the recommendation made by the Israel Boycott Office's Conference in the Lebanon last year.

New Zealand is expected to have more stringent import controls than those prevailing at present, according to Mr. Nordmeyer, Finance Minister. New Zealand's overseas income during 1958 is likely to be lower by at least £40 million, as compared with 1957, when the present import schedules were drawn up.

The U.S. Defence Department has removed the exemption in the Buy American Act in effect since 1954 of imports of petroleum products. Accordingly, the Department will buy foreign refined oil products only when no domestic offer is made or when domestic quotations are 6 per cent. or more above the lowest price at which the foreign products are offered.

PERSONAL

MR. C. S. Venkatachar, till recently Secretary to the President, has been appointed High Commissioner of India to Canada and will succeed Dr. M. A. Rauf.

Mr. M. K. Vellodi, Secretary to the Union Cabinet, has been appointed Ambassador to Switzerland and concurrently Minister to the Vatican, in place of Dr. M. S. Mehta.

Mr. Shishir Kumar Banerji, till recently Ambassador of India to Syria, has been appointed High Commissioner for India in Malaya and concurrently as Commissioner for the Government of India in Singapore. Mr. Banerji will take up his new post in July.

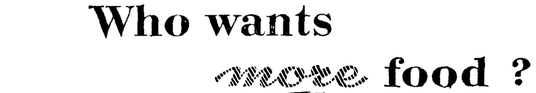
Mr. K. R. K. Menon, Chairman, Industrial Finance Corporation, left Delhi on Thursday last for Rome *en route* to Washington to participate in the World Bank seminar which is being held this week on matters of common concern to industrial and financing institutions all over the world.

Mr. H. V. R. Iengar, Governor of the Reserve Bank of India, arrived in Bombay from Cairo on Thursday last. Mr. Iengar along with Mr. L. K. Jha, Secretary to the Commerce Ministry, was in Germany for carrying on negotiations in connection with Germany's loan to India. He also visited London.

The U.S. Treasury Department has confirmed that it has unfrozen, with effect from the 1st inst., $26 million (about £9.2 million) worth of Egyptian assets in the United States which had been blocked since the Suez crisis. Meanwhile, the State Department has announced that $44 million (about £15.6 million) worth of assets belonging to the Suez Canal Company are being released to the Company and its shareholders.

The establishment of a United Nations Economic Commission for Africa with the task of taking concerted action for the economic development of the Continent was unanimously decided on by the Economic and Social Council at its meeting on 29th April 1958. Membership of the Commission will be open to Belgium, Ethiopia, France, Ghana, Italy, Liberia, Libya, Morocco, Portugal, Spain, the Sudan, Tunisia, the Union of South Africa, the United Arab Republic and the U.K. and any other State in the area which may hereafter become a member of the United Nations.

Who wants



My basic job is to assist in raising this country's food production from its present low level—so low that we have to buy abroad.

The extent to which I can help is very often not realised—it certainly is not realised enough.

Whether it is wheat or rice—gram or grass—sugar or groundnuts—whatever it is, only I can reliably and economically:

- Have the soil ready for the rains or water,
- Prepare the best tilth to suit the crop,
- Sow quickly and well on the right day,
- Give the crop attention whilst it grows,
- Harvest at the right time,
- Do, in time, all those never-ending duties such as agricultural haulage, soil conservation, water distribution and so on—

which mean the difference between shortage and enough.

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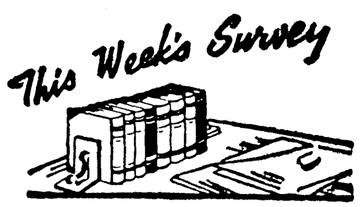

EXPORT PROMOTION

WHENEVER any Government spokesman addresses the representatives of trade, he invariably makes a call for greater sacrifice in domestic consumption in order to step up the country's exports and improve the balance of trade position. Mr. Nityanand Kanungo, Union Minister for Commerce, is no exception. Inaugurating the fifth annual meeting of the Indian Council of Foreign Trade, Mr. Kanungo declared that there was scope for reducing domestic consumption in certain items, thereby making available larger quantities for export. He urged the trade organisations in the country "to spare no effort in educating the common people about the need for such sacrifices and save as much as possible for export."

The need for correcting the serious balance of payments problem now confronting the country through stimulation of exports is no doubt quite imperative. But it would be wrong to stretch the conception of "sacrifice" in domestic consumption too far. The rising trend of purchasing power in the hands of the masses following the implementation of the series of development schemes and the continuously growing population are bound to accelerate the demand for goods and commodities, especially the more essential items. If, therefore, any attempt is made to boost exports at the cost of domestic consumption inflationary forces will receive a fresh impetus, which, in turn, will impose a severe strain on the economy of the country. Such a development will, sooner or later, adversely affect the export trade. Viewed thus, stress should be laid not so much on the need for reducing domestic consumption as on that for enabling the goods produced in India to compete more effectively in the overseas markets.

To take the example of the two important traditional export industries, namely, cotton textiles and jute textiles. These industries are suffering greatly from a rigid cost structure, thanks in particular to the various heavy burdens imposed on them under some pretext or other. This is certainly unfortunate, especially considering that, for a considerable time to come, the country's foreign exchange earnings will depend, as Mr. Kanungo himself rightly averred, on the traditional exports. If the export trade of India is to be set on a stable and sound footing, it is of the utmost importance that the powers-that-be should not only reduce the burden of taxation but also adopt a more helpful policy free of ideological considerations, designed to help the industries to renovate their plant and machinery and to rationalise methods of production. It is only through such measures that the indigenous industries will be in a position to augment production of quality goods at an economic cost. Surely, some of the suggestions put forward by the Indian Council of Foreign Trade in the course of a resolution adopted at the end of the meeting deserve to be sympathetically considered by the authorities. They are: adequate supply of industrial raw materials at reasonable prices; enhanced relief in excise and customs duties on raw materials for goods intended for export, and in income-tax on profits earned from exports; concessional freight on railways; high priority for transport of industrial raw materials; and arrangements for pre-export inspection of goods in co-operation with industry and trade so as to prevent sub-standard or non-standard goods from entering foreign markets.

While commending all these suggestions for acceptance by the Government, it must be emphasised that export promotion is not the task of Government alone. It is, as we pointed out on an earlier occasion, primarily the responsibility of manufacturers and exporters. They should make every effort to produce and export quality goods, maintain the old, and explore new markets. Mr. Kanungo did well to urge the trade organisations to exert their utmost in capturing new markets for Indian goods and improve their salesmanship abroad. Assuring Government's assistance wherever possible, he said: "A greater part of the endeavour to promote exports should be from trade organisations and shippers, because Government cannot enter the field wholesale . . . unless there is a greater display of salesmanship on the part of the trade in the highly competitive overseas markets. I think that no buyers will be forthcoming even for items like jute or those in which India once had a near monopoly and these will be displaced by substitutes."

Presiding over the meeting, Mr. Morarji J. Vaidya, President of the Council, pleaded for a system of aids and incentives to increase the volume of exports, particularly the non-traditional and manufactured items. He rightly pointed out that the procedure governing drawback and rebates of excise duties allowed at present was rather complicated and very often involved delays. It is, however, somewhat difficult to accept his view that a simpler and perhaps more effective form of incentive will be for the Government to grant "regular subsidies" on exports of special non-traditional items. The grant of "regular subsidies" has the danger of generating a sense of complacency among the manufacturers and many of them may not simply care to make efforts to lower the prices and improve the quality of their products. Further, there is no gainsaying the fact that more foreign exchange can be earned by fostering and nurturing the traditional export industries, as they have still profitable scope, than by trying to boost new industries which have yet to establish themselves firmly on their own soil.

PROGRESS IN AGRICULTURE

A distressing fact which has emerged from the deliberations of the National Development Council at its meeting held in New Delhi early this week is that the progress in the implementation of the development programme for agriculture has been none too satisfactory. In particular, the results achieved in the sphere of food production over the first two years of the second Plan are considerably poor, judging from the targets fixed. The aggregate production of foodgrains in 1957-58 is estimated at not more than 66.7 million tons which represents a rise of just 1.4 million tons as compared with the actual output of 65.3 million tons in 1955-56 (the last year of the first Plan). This figure falls short of the revised production target of 80.5 million tons fixed for 1960-61 by as much as 13.8 million tons. It is highly doubtful whether such a big leeway will be made up in the remaining three years of the Plan. For the initial outlay of Rs. 568 crores on agriculture and community development has now been pruned drastically to Rs. 510 crores, or a cut of 10.2 per cent. If account is taken of the rise in prices in the past two years, the cut in outlay (at present prices) will represent over 20 per cent. less of performance in physical terms as compared with the original target.

The Council's review of the achievements under agriculture and community development reveals that, as against the Plan target of 4,185 seed farms, the number actually established in the first two years is a bare 993 (385 in 1956-57 and 608 in 1957-58). In the field of irrigation also, the progress actually registered is halting. The total area of land benefited from additional irrigation facilities has so far been only 1,791,000 acres (680,000 acres in the first year and 1,110,000 acres in the second year) and the estimate for 1958-59 is 2.03 million acres. This is very much below the original target of area under additional irrigation from major and minor schemes proposed in the Plan, namely, 12 million acres and the revised target (subject to availability of requisite funds) of 10.4 million acres. What is worse, even the progress in the utilisation of the irrigation potential has not been satisfactory. This is due to the lack of sufficient attention paid to the construction of distributaries and field channels, along with the provision of storage capacity, and to such measures as setting up of demonstration farms, introduction of new crop patterns and assistance to cultivators. The slow pace of growth on the food front, in particular, and the agricultural front, in general, is certainly disquieting. Unless the pace is accelerated by the adoption of energetic and co-ordinated measures, there is bound to be a serious maladjustment in the country's economy. This aspect must be stressed forcefully especially because the inflationary forces are already at work and these will gather considerable momentum in the coming years, what with the deficit financing of a large magnitude. More than any other factor, it is the higher level of production of food and other agricultural commodities that will ease the rigour of inflation, stabilise the economy and prepare the way for a higher rate of development.

The need for stepping up production is all the greater in the present context of things when every pie of foreign exchange has to be conserved. To the extent food output lags behind consumption requirements, the country will be compelled to spend on imports much precious foreign exchange which can otherwise be utilised for purchasing the more essential items such as machinery and equipment for industries.

A great responsibility, indeed, rests on the State Governments. They should devise means of improving production of food and other agricultural commodities through greater concentration of resources in the area of irrigation facilities and assured rainfall where large increases are said to be possible. Due attention must be paid to the utilisation of the non-utilised portion of irrigation potential and renovation of irrigation works which have gone out of use.

BUDGET REFORM

The view that the existing system of budgeting and financial control in India is not appropriate in the context of a planned economy was expressed by the Public Accounts Committee in its eighth report submitted to the Lok Sabha this week. The Committee points out that experience of the provisioning and execution of the first and second Plans has disclosed certain weaknesses of the system. It has put forward a number of suggestions for reforming the budgetary procedures so as to make Parliament's financial control over outlays on development plans more effective.

The Committee, after a thorough examination of the civil accounts for 1953-54 and 1954-55, has come to the conclusion that the estimates of the various Ministries are just "guesstimates." It had on several previous occasions expressed concern about the delay in the execution of the projects and the large sums of money allotted to various projects remaining unspent every year. The accounts for 1953-54 and 1954-55 also reveal large lapses in grants relating to a number of Ministries.

The Committee points out that it had been maintained that the position was inescapable as long as the present system of budgeting continued. It may be noted that under the present system the overall expenditure, both revenue and capital, for the budget year is fixed by the Finance Ministry in consultation with the Planning Commission about six months in advance and the different Ministries are informed of their respective ceilings shortly thereafter. Each Ministry then frames its budget with reference to that ceiling. As it is not possible to get the necessary details of all the schemes, *ad hoc* lump provisions are made to aggregate to the total ceiling. It is clear from this that most of the provisions made in the various demands for grants are not based on a realistic appraisal of the schemes and their execution possibilities and of the amounts likely to be spent during the year. They are, in the Committee's opinion, just "guesstimates." Lapse of funds, it points out, is thus inherent in the existing practice.

The Committee does not accept the contention of the Ministry of Finance that, since all schemes are scrutinised before inclusion in the Plan, there is no question of the Government being vague in regard to the provisions to be made for them in the budget. It maintains that it will not be correct to hold that, simply because a scheme or project has been discussed and incorporated in the Plan, it has ceased to be new as far as the making of provision in the budget and getting Parliament's approval are concerned.

The Committee points out that, if Parliament is asked to sanction without scrutiny large sums for various schemes, Parliamentary control over appropriations becomes "unreal." It suggests that the present practice of asking for large appropriations on the basis of mere expectations of the Ministries should be discontinued.

It also recommends that in the case of a new project no provision should be included in the budget estimates placed before Parliament till detailed estimates of the project are ready and certain phases thereof have reached a stage ripe enough to justify its inclusion in the budget estimates. In other words, the Finance Ministry should be satisfied, on the basis of details available, that there is reasonable expectation of the expenditure materialising to the extent proposed before sums are provided in the budget estimates.

The Committee rightly suggests that when seeking Parliament's approval for a small provision in respect of a new scheme, an idea of the approximate aggregate outlay on the scheme should also be placed before Parliament. As and when details of the new scheme or a phase thereof are worked out, Parliament, if in session, should be approached for a supplementary grant; if it is not in session, funds sufficient to cover the immediate expenditure on the scheme may be advanced out of the Contingency Fund and a supplementary grant for the full amount obtained from Parliament at the earliest possible opportunity.

Such a system obviously, has several advantages. First, it would enable Parliament to have a "preview" of the current and prospective expenditure on projects well before commitments are made or liabilities incurred. Secondly, it would serve to pinpoint the performance of the Ministry concerned. Thirdly, the fact that full details have been worked out and the Finance Ministry has scrutinised the details would obviate detailed post-check and scrutiny by the Finance Ministry and thus save time-consuming and lengthy consultations.

These sensible suggestions of the Committee deserve serious consideration, especially because the lapse of grants seems to have become endemic and should be remedied if the Plan is to progress according to schedule.

PATTERN OF TAXATION

There is no doubt that the present pattern of taxation in India is based on unrealistic assumptions regarding the taxable capacity of people. The pattern has already done incalculable harm and would, if continued, prove more detrimental to the growth of the country's economy. This aspect was well brought out by both Mr. F. C. Badhwar, Chairman, Punjab and Delhi Chamber of Commerce, New Delhi, and Mr. B. P. Singh Roy, President, Indian Chamber of Commerce, Calcutta, while addressing the annual general meetings of the respective bodies held recently.

Mr. Badhwar indicated how severe had been the impact of taxes—direct and indirect—on companies and individuals. He showed that the direct taxes paid by the corporate bodies amounted to well over half of their income, after meeting normal commitments, and that many of them were subjected to other levies such as royalties, cesses, sales taxes and octroi duties not only on the materials they used but also on the goods they produced. Taking the example of a mining company, he pointed out that payments made as taxes to Central and State Governments would account for as much as 70 to 80 per cent. of its income. The tax policy of the authorities is so regressive that several companies are finding it difficult to incur the high cost of expansion and introduction of new production techniques. Naturally, the shareholders are unwilling to invest their hard-earned savings, especially in companies which are subjected to penal impositions. Surely, there is no exaggeration whatever in the statement of Mr. Badhwar that, judging from the total revenues actually realised from taxes in the past three years, the law of diminishing returns has come into play. To quote him: "The golden-egg-laying goose, a symbol of the taxpayer, may not be quite dead yet, but there is no doubt that it is in a bad way. To revive it to lay more and better eggs should be our main concern and, in a developing economy, this should be neither a too difficult nor a too long-drawn-out process."

A similar view was expressed by Mr. B. P. Singh Roy. He rightly stressed that a higher level of taxation, along with the dwindling purchasing power of money, was bound to reduce savings and create disincentives for investment. Analysing the impact of taxation, he quoted the Reserve Bank index number of variable dividends which had declined by as much as 25 points in one year and said that the stock market had continuously deteriorated, the number of new companies registered in 1956-57 being 848, as against 1,448 in 1955-56 and 1,203 in 1954-55. Mr. Singh Roy thus averred that not only the incentives for investment were reduced but even the availability of capital itself became difficult. He added:

"A high level of taxation and availability of funds for investment are incompatible. It is natural that more savings for investment cannot take place, if Government collect more revenues from taxes without letting the income of the people to grow. After all, a policy of collecting the maximum taxes from the people can add to Government revenues only once. If, on the other hand, the savings are left in the hands of the people for purposes of investment, they have a multiplier effect and enable Government to collect more taxes from growing revenues every year, instead of drying up the sources of revenue. This was done by West Germany which showed such remarkable results in building up a war-shattered economy in a short period of time."

These are, indeed, very pertinent observations. An unduly burdensome level of taxes, it must be remembered, ultimately discourages people from working more and saving more, with the result that the Government itself will find it increasingly difficult to augment its revenues. A net addition to wealth, as Mr. Singh Roy aptly remarked, is feasible only when the savings of the people are allowed to grow both for consumption and for increasing investment. This can be brought about by a proper revision of the present policy. The three notable suggestions made by Mr. Badhwar merit consideration. First, the total dues realised by Government from corporate bodies in the shape of taxes, royalties, cesses, octrois, etc., should be limited to about one-third of the sums left to them after meeting their legitimate commitments. Secondly, the taxation of individuals must be limited to half of their total earnings. Thirdly, a reasonable remission of income-tax must be granted to professional and self-employed individuals such as doctors, engineers, accountants, scientists, lawyers and artists "who have to struggle hard for many years to establish themselves and reach a living wage."

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ITS SUCCESS, A FOREGONE CONCLUSION

From A Special Correspondent

NEW DELHI, *5th May*

TWO miles beyond the historic *Kutab Minar* in the village of Khanpur could be seen the modest beginnings of what may well be a golden age in India's economic history. What is in the making here is no less than a constructive economic revolution which, if reproduced in every village in the country in, say, a 15-year programme, will have exorcised the ghost of rural poverty for ever. This unique experiment in harmonious village reconstruction, begun in early March this year under the beneficent sponsorship of the Ford Foundation—an organisation dedicated to the cause of human betterment—stands in a class by itself. It is so realistically designed that its sucess is a foregone conclusion. And the simple yet novel ideas informing the three unassuming American engineers who are half-way through the experiment are so eminently practicable that they can find wide application throughout the Indian countryside.

DELHI LETTER

So much by way of introducing the subject of this despatch. And now what this correspondent saw and heard in the village under transformation is described here under five major heads, namely, well irrigation, kiln for burning bricks, electricity generation, small-scale industry, and brick-paved roads.

Well Irrigation

The cultivated lands in this village are predominantly unirrigated. Such limited irrigation as there is already is done by baling water from a few scattered small masonry wells with the help of bullock power. Under the Ford Foundation's experimental project, an already-existing small masonry well has been fitted up with a diesel pump set with a capacity of 1,500 gallons of water per hour and operated for the purpose of estimating the draw-down of water in the well in the course of pumping and for estimating the time taken for its replenishment. Of course, the pump is now being operated for five or six hours a day to irrigate, by turns, as much land as possible around the well.

Very near this masonry well, an open *kutcha* well (60 feet by 40 feet at the top) has been excavated by now to a depth of about 27 feet at which the sub-soil water flow is just touched. It is planned to go 15 or 20 feet further down, so that there could be ample inflow and storage of water for being drawn by a simple siphon contrivance into the small masonry well as the rapid draw-down of water in the smaller well brings its level below that of the water in the bigger well. The sides of the bigger well are to be ultimately riveted with bricks made in the village itself in the kiln under construction. A pump set with a special gear arrangement and having a capacity of 18,000 gallons of water per hour is to be fitted to the smaller well and this pump will be operated by a pair of bullocks. In one round made by the bullocks, the special gear arrangement will cause many hundreds of revolutions, enabling a rapid discharge of water at a rate of 18,000 gallons per hour.

With the expected discharge of water from this double-well system, it will be possible to irrigate, by turns, as much as 50 acres of hitherto dry lands. If the total cultivated land area of this village is taken as 500 acres, ten such well-systems will be able to irrigate all that area between themselves. If these ten well-systems are located at widely separated points in the cultivated area and, if their respective depths are suitably varied, there will be no risk of the water level in one well being greatly reduced by the heavy discharge of water from another well. In any case, in this village, there will be no risk of that kind, because sub-soil springs are copious even at a depth of 30 feet.

If it is assumed that 80 per cent. of the present cultivated area is under food crops and this proportion will continue to be maintained under irrigated conditions, 400 acres under food crops will be benefited by irrigation in this village. As irrigation by itself, other things remaining constant, will double acre-yields, an *additional* food output of 80 tons will come from these 400 acres. As well irrigation is generally most suitable for double-cropping of most lands and even for treble-cropping of some lands, the *additional* food output on this account alone can well be 40 tons. If there is proper soil management through green manuring and inorganic fertilisers, the *additional* food output on this account can also be 40 tons. It is, therefore, quite on the cards that there will then be a total output of up to 240 tons, as against the present 80 tons from 400 acres.

It is not possible to estimate exactly what capital investment will be involved in one well-system. However, this correspondent can figure out roughly that a total outlay of about Rs. 10,000 may be required for each well-system including the pump set. This would mean an aggregate outlay of Rs. 1 lakh on the ten well-systems. If these ten well-systems are worked by an irrigation co-operative covering all cultivating land-owners and tenants of the village, it should be possible to recover from them, in some suitable manner in a period of from five to ten years, the capital loan debited to the co-operative. This should not be difficult, because the value of additional annual output of food and commercial crops would be anything from Rs. 25,000 to Rs. 50,000 at a most conservative estimate based on a far lower level of prices than what prevails now.

Kiln for Burning Bricks

A masonry kiln in two sections, each section having a capacity for burning 1,500 clay bricks a day on alternate days, is in an advanced stage of construction in a safe corner of the village. This small-scale kiln is being built on economical and scientific lines, and the furnace walls are lined with firebricks. Firing of the kiln is to be done by burning coal, but the clay for making raw bricks with the help of simple, hand-operated presses will be locally dug out. The sample burnt bricks made of local clay according to the specifications laid down by the engineer in ceramics on duty are extremely hard. The bricks to come out of the kiln are meant to be so hard that they can be used for paving all the village roads with them. With an output of about 50,000 bricks a month, the requirements of the village for riveting the sides of bigger wells, for paving the roads and for improving existing houses or for building new ones could be met by this kiln. The cost of these bricks per thousand, it is stated, will be considerably less then the present market price.

It is not possible to estimate precisely at this stage what this kiln would involve by way of capital investment. It can, however, be roughly and provisionally estimated at Rs. 35,000.

Electricity Generation

The most interesting part of the experiment is the provision of a small specially designed generator for producing up to 10 kw.—just sufficient for lighting 100 houses besides the streets and for possibly operating the small woodworking factory under construction. This generator with its magnet and coil armature is connected to a special, indigenously fabricated gear arrangement. The whole generating set will be operated by a pair of bullocks. In one round made by the bullocks, the gear contrivance will enable the armature inside the magnetic field to make upto 1,000 revolutions, and electricity will be rapidly generated.

Here again, there are some simple and realistic ideas: (1) The village can produce its own power (which, after all, will be required on only a very modest scale) without waiting for or depending on thermal or hydro-power through a grid; (2) utilisation of bullock power (of which there is an ample idle surplus in every village) for operating the generating set; (3) provision of a simple gear arrangement to make the armature revolve at terrific speed inside the generator; and (4) indigenous fabrication of the generator with its special gear contrivance.

Although here, too, no precise estimate of the required capital investment is available, it is possible to figure out roughly that it may not be more than Rs. 5,000 on the generation side and Rs. 10,000 on the distribution side.

Small-scale Industry

A small woodworking factory is also under construction, and three or four machine tools like the lathe are already installed. Details regarding capital outlay, planned output, employment potential, etc., are not yet available. A rough estimate of capital outlay involved would be Rs. 50,000 on the small building and the small and medium tools.

Brick-paved Roads

The proposal to remake the village roads with the locally made bricks fitted into them is equally interesting. This will eliminate the slushy conditions that invariably set in on village roads in the rainy season. It is a notorious fact that automobiles and even bullock carts have to undergo an ordeal in movement on the village roads connected to a main road in most rural areas. When the road approaches to the village site become more accessible and inviting, there will come about an attractive urban atmosphere on that account alone. Although the bricks used for road-paving may be very hard and durable, any possible damage to them would be greatly minimised if bullock carts come to be increasingly fitted with rubber-tyred wheels.

This correspondent proposes to study further the various economic, industrial and financial implications, the likely beneficial results by way of more rapid urbanisation of villages and other related aspects of this scheme of village reconstruction on the assumption that it may be taken up for execution in collaboration with the Ford Foundation in India in a phased 15-year or 20-year programme to cover all the villages in the country with suitable modifications in accordance with varying local or regional conditions and needs for small industries. The results of this study, which will necessitate some interviews, will be covered in a subsequent despatch as early as possible.

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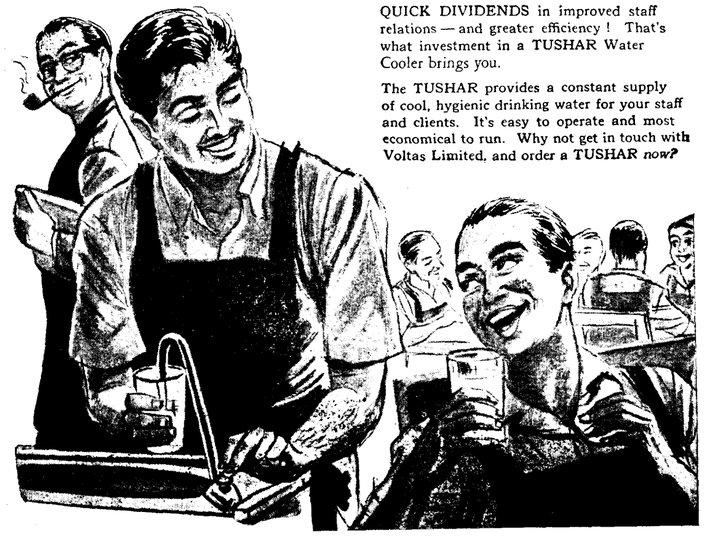

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STOCKS OF BULLION IN INDIA

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INDIA is known from very early times for its craze for the two precious metals, gold and silver. Despite the change in traditions, the demand for bullion for use in ornaments and utensils has not slackened a bit and the price in India has always been much higher than the international price. The import of gold and silver has, however, remained banned from 1917 onwards, except during the inter-war years and for a few months in 1946-47. This has not, however, affected the demand for the two precious metals and has actually given an impetus to rise in prices. As the disparity in prices widened, large-scale smuggling of gold was resorted to. Thanks to the vigilance of the Customs authorities, the smuggling of gold has declined considerably during the last few years. The smuggling activity in silver is, however, negligible, because the disparity in prices is narrow and the cost of transport is very heavy. Imports of silver coins from Tibet have, however, been permitted from May 1956 in order to facilitate Indo-Tibetan trade.

Because of the ban on imports of bullion (except silver coins from Tibet) the internal demand for bullion is mainly met by smuggled gold, imports of silver coins from Tibet and internal production of both the metals, which is, however, negligible as compared to the demand. In the absence of free international trade in bullion, no official estimates of stocks of gold and silver in India are available. No reliable and up-to-date estimates of such stocks are also available, but various estimates have been made from time to time. These estimates have at times given rise to exaggerated notions regarding the magnitude of such stocks. The Division of Monetary Research of the Department of Research and Statistics has, however, made an attempt to bring together the available data on stocks of gold and silver in the country. The study is published in the April issue of the *Reserve Bank of India Bulletin* for public information and does not represent any official estimate. The methodology adopted is to add net imports and domestic output from year to year for the period for which fairly firm data are available and to add to these the estimated amount of stocks for the earlier periods, based on certain estimates relating to those periods already made. In the absence of any precise criterion for adjustment of the figures, consequent on the separation of Burma and the partition of India, the estimates given relate to the pre-partition period up to 1947-48 (inclusive of Burma) and are intended to indicate the approximate amount of precious metals in the sub-continent absorbed both on Government and private accounts from the earliest period for which data are available, rather than any precise magnitude of the stocks of gold and silver now existing in the Indian Union. The term stocks used in the study refers to gold and silver held in various forms, such as ornaments, jewellery, bullion, coin, etc.

According to the study, the total stocks of gold in the Indian sub-continent at the time of partition are estimated at about 130 million ounces. This figure is arrived at by adding the net import or export from 1850-51 onwards to the internal production. Till September 1931, India was generally a net importer of gold and the aggregate net imports between 1850-51 and 1930-31 are estimated at 126 million ounces. Net imports from 1850-51 to 1885-86 were roughly of the order of 30 million ounces and those for the period 1886-87 to 1930-31 aggregated roughly 96 million ounces. Thereafter, India became a net exporter of gold upto 1941-42, the total of such exports amounting to 43 million ounces. During the period 1942-43 to 1947-48, there were net imports of gold, but in view of the war-time and post-war restrictions these were small, being no more than 0.7 million ounces. Thus, taking the period from 1850-51 to 1947-48, for which fairly firm data are available, the aggregate net imports of gold in undivided India were of the order of 83.7 million ounces. These figures mainly relate to seaborne trade in gold. Land trade in gold was small.

Production of gold in India from 1882 to 1947 amounted to 21.8 million ounces. About 7.5 million ounces were sold in India on behalf of the Allied Governments during the period 1943-44 to 1945-46. These data, thus, indicate a net absorption of 113 million ounces of gold in India during the period 1850-51 to 1947-48. The quantum of gold imported between 1948-49 and 1956-57 has been negligible, while "supplies of smuggled gold since 1947 have been uneven, depending on the price disparities and the effectiveness of vigilance exercised by the Customs authorities in checking smuggling activity." No reliable estimates of smuggled gold are possible, while production during the period 1948 to 1956 amounted to 1.9 million ounces.

On the basis of the above data, the total stocks of gold in the Indian sub-continent at the time of partition are estimated at around 130 million ounces. If population alone is taken as the criterion, the share of Burma and Pakistan would amount to about 30 million ounces. Of the balance, 7 million ounces comprise the Reserve Bank's currency reserve. As stocks with other official agencies are negligible, private stocks would roughly amount to 93 million ounces at the end of 1947-48. Adding to these a few million ounces by way of domestic production and smuggling since 1948-49, the total private stocks would be around 105 million ounces which at the current high price of Rs. 289 per ounce (average for 1957-58) would be Rs. 3,035 crores and at the present international price of gold Rs. 1,750 crores.

The total stocks of silver at the end of 1947-48 are estimated at 5,400 million ounces. Of these, the absorption during 1493 to 1834 is placed roughly at 1,350 million ounces, that between 1835-36 and 1885-86 at 1,040 million ounces and that between 1886-87 and 1947-48 at 3,010 million ounces. The quantity absorbed in the period from 1886-87 to 1947-48 does not include the U.S. Lend-lease silver amounting to 226 million ounces, of which the share of India, amounting to 172 million ounces, has been returned. Official sale of silver made in India during the war period 1939-40 to 1945-46 amounted to 181 million ounces, part of which came from U.S. Lend-lease silver and partly from official stocks. A large part of the silver imported on Government account was for purposes of coinage. Mintage of silver coins was discontinued from 1947-48. Consumption of silver for coinage in India since 1900-01 to 1946-47 amounted to 1,422 million ounces. Figures of internal output are available only from 1909 and include production in Burma up to 1936. The total production (inclusive of Burma) from 1909 to 1947 aggregated 102 million ounces.

Of the total estimated stocks of 5,400 million ounces at the end of 1947-48, the share of Burma and Pakistan, on population basis, works out to about 1,200 million ounces, leaving the share of partitioned India at 4,200 million ounces. The net imports (other than Tibetan coins) from 1948-49 to 1956-57 amounted to 2.5 million ounces. Imports of Tibetan coins from

(*Continued on page 909*)

ANOTHER STEP FORWARD

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A SMALL rise in profit, that is, from Rs. 15.58 lakhs to Rs. 16.21 lakhs, is disclosed by the audited accounts of the United Bank of India Ltd. (Managing Director: Mr. B. K. Datta, Calcutta) for the year ended 31st December, 1957. With this rise, the upward trend in the Bank's profit has been maintained for the fourth year in succession, but the pace of increase has considerably slowed down during the year under review, in consonance with the general trend of bank earnings. Nevertheless, the profit for 1957 is the highest since 1952. There has no doubt been a sizable expansion of Rs. 4.45 crores in the Bank's deposits during the year and the improvement in resources has been well utilised to improve its earnings, as witness the rise of Rs. 3.38 crores in advances and of Rs. 26 lakhs in the income from interest and discount. But the increase of Rs. 11 lakhs in outgo by way of interest paid and of Rs. 13 lakhs in expenses has nearly offset the rise in income. This explains the fractional improvement in profit.

The dividend has, however, been maintained at the very modest level of 3 per cent. per annum for the eighth year in succession. This has been done after raising the provision for taxation from Rs. 4.40 lakhs to Rs. 4.92 lakhs and the allocation to the reserve fund from Rs. 3.15 lakhs to Rs. 3.25 lakhs.

The following comparative table, giving the salient features of the profit and loss account and balance-sheet relating to the last four years, provides an idea of the Bank's progress:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount	1,45.22	1,19.46	1,02.44	94.88
Commission and exchange	31.75	32.51	29.29	28.46
Other income	12.83	12.98	11.70	11.15
Interest paid	52.05	41.35	33.13	29.55
Expenses	1,15.68	1,02.81	91.14	87.92
Depreciation	3.86	4.49	4.65	3.98
Profit	16.21	15.58	14.61	13.05
Provision for taxation	4.92	4.40	3.50	2.40
To reserves	3.25	3.15	2.95	2.61
Dividend	8.00	8.00	7.99	7.99
	(3%)	(3%)	(3%)	(3%)
Carry forward	1.77	1.73	1.70	1.53

	As on 31st December			
	1957	1956	1955	1954
Capital	2,66.57	2,66.56	2,66.56	2,66.36
Reserves	77.35	74.10	70.95	68.00
Deposits	38,36.45	33,91.00	31,26.71	30,47.79
Borrowings from other banks	0.86	1,02.52	1,90.84	2,24.74
Bills for collection	4,05.47	3,42.22	3,82.43	72.38
Acceptances, endorsements, etc.	1,01.36	1,69.47	1,37.56	13,86.83
Advances	23,55.74	20,17.85	18,13.42	14,60.33
Investments	12,24.72	13,91.20	14,41.40	5,22.27
Cash	5,87.01	4,25.99	4,02.74	
Balance-sheet total	48,60.63	45,18.00	43,40.19	38,22.35
Ratio to deposits of—	%	%	%	%
Advances	61.4	59.5	58.0	45.5
Investments	31.9	38.0*	40.0*	47.9
Cash	15.3	12.6	12.9	17.1

* After taking into account the investments earmarked against borrowings from other banks.

With the rise of Rs 4.45 crores in 1957, the Bank's deposits have consistently shown an upward trend since 1952 and the pace of expansion has gathered momentum in the year under review. Unlike in the case of other banks, the bulk of the rise in deposits during 1957 is accounted for by current and other accounts, which have gone up by Rs. 3.05 crores to Rs. 17.35 crores, while fixed deposits and cash certificates have risen by only Rs. 82 lakhs. Staff security deposits are up by Rs. 46,000, at Rs. 9.27 lakhs and savings bank deposits by Rs. 57 lakhs at Rs. 14.25 crores. With the sizable expansion in deposit resources, the Bank has been able to reduce considerably in the last two years its outstanding borrowings from other banks, that is from Rs. 1.91 crores at the end of 1955 to no more than Rs. 85,000.

The upward trend in advances has been maintained in 1957 with a further rise of Rs. 3.38 crores, of which loans, cash credits and overdrafts account for Rs. 2.23 crores (at Rs. 19.29 crores) and bills purchased and discounted for Rs. 1.15 crores (at Rs. 4.26 crores). Investments, which are shown at or below market value, are lower by Rs. 1.66 crores, but cash balances (including money at call and short notice) have been correspondingly strengthened by Rs. 1.61 crores, with the result that the cash ratio has gone up from 12.6 per cent. to 15.3 per cent.

HINDUSTHAN MERCANTILE BANK LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1957.

Figures as at 31-12-1956 Rs.	CAPITAL AND LIABILITIES	Rs. nP	Rs. nP	Figures as at 31-12-1956 Rs.	PROPERTY AND ASSETS	Rs. nP	Rs. nP
	1. Capital—				**1. Cash—**		
	AUTHORISED CAPITAL—			14,08,570	In hand and with Reserve Bank and State Bank (including Foreign Currency Notes)		16,82,529.16
2,00,00,000	2,00,000 Shares of Rs. 100 each		2,00,00,000.00		**2. Balances with Other Banks—**		
	ISSUED AND SUBSCRIBED CAPITAL—			2,46,772	(i) In India— On Current Account	1,37,428.92	
				50,000	On Deposit Account	39,000.00	
1,00,00,000	1,00,000 Shares of Rs. 100 each		1,00,00,000.00			1,76,428.92	
	AMOUNT CALLED AND PAID UP—			..	(ii) Outside India	....	
				2,96,772			1,76,428.92
50,00,000	1,00,000 Shares at Rs. 50 per Share		50,00,000.00	1,30,000	**3. Money at Call and Short Notice**		43,75,000.00
1,77,500	**2. Reserve Fund and Other Reserves**		1,80,000.00	85,77,241	**4. Investments** (at cost)— (i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments	65,79,740.78	
	3. Deposits and Other Accounts—			43,124	(ii) Shares— Rs. nP		
				4,87,950	Fully paid-up Preference Shares. 6,872.50		
				8,062	Fully paid-up Ordinary Shares.. 3,40,587.14		
				23,481	Fully paid-up Deferred Shares.. 8,062.00		
					Partly paid-up Ordinary Shares. 93.25		
54,50,642	Fixed Deposits (including Staff Security Deposits, Short Term Deposits and Cash Certificates)	60,77,961.25				3,55,614.89	
7,57,799	Savings Bank Deposits	7,76,637.96		..	(iii) Debentures or Bonds	....	
1,15,81,593	Current Accounts, Contingency Accounts, etc.	1,56,94,790.85		..	(iv) Other Investments	....	
1,77,90,034			2,25,49,390.06	..	(v) Gold	....	
				91,39,858	(Total Market Value Rs. 66,01,665.31)		69,35,355.67
	4. Borrowings from Other Banking Companies, Agents, etc.—				**5. Advances—** (Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
	(i) In India— Rs. nP				(I) Loans, Cash Credits, Overdrafts, etc.— Rs. nP		
32,40,000	(a) Secured by part of Investment as per contra .. 4,55,000.00			1,45,09,164	(i) In India .. 1,43,27,208.43		
..	(b) Unsecured .. .. .. Nil			..	(ii) Outside India Nil		
..		4,55,000.00				1,43,27,208.43	
..	(ii) Outside India	....			(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
32,40,000			4,55,000.00		(i) Payable in India .. 5,01,517.55		
72,399			1,21,509.12	2,94,674	(ii) Payable outside India Nil		
	5. Bills Payable			..		5,01,517.55	
				1,48,03,838			1,48,28,725.98
	6. Bills for Collection Being Bills Receivable as per contra—				PARTICULARS OF ADVANCES—		
13,49,607	(i) Payable in India	25,38,422.36			(i) Debts considered good in respect of which the banking company is fully secured		1,09,50,370.61
7,973	(ii) Payable outside India	7,973.12		1,30,31,004	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security		14,75,575.01
13,57,580			25,46,395.48	12,69,362	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors		23,57,873.72
92,372	**7. Other Liabilities—** Branch Adjustments		1,49,780.64	5,03,472	(iv) Debts considered doubtful or bad not provided for		44,906.74
				..			1,48,28,725.98
4,25,909	**8. Acceptances, Endorsements and Other Obligations** per contra		52,242.88	1,48,03,838			
	9. Profit and Loss—				(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons		2,550.00
1,518	Balance: Profit as per last Balance Sheet	3,649.12		..	(vi) Debts due by Companies or firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members		11,25,512.52
4,631	ADD—Profit for the year brought from the Profit and Loss Account (subject to Taxation)	3,083.49		8,88,033	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors, or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons		2,550.00
6,149		6,732.61			(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or firms in which the Directors of Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	12,40,386.95	
2,500	LESS—Appropriation— Reserve under Section 17 of the Banking Companies Act	2,500.00		10,92,132		11,000.06	
3,649			4,232.61	10	(ix) Due from Banking Companies		
	10. Contingent Liabilities—				**6. Bills Receivable Being Bills for Collection** as per contra—		
4,51,585	(i) Claims against the Banking Company not acknowledged as debts	4,50,135.28		13,49,606	(i) Payable in India	25,38,422.36	
				7,973	(ii) Payable outside India	7,973.12	
31,707	(ii) In respect of Guarantees issued (against part of which Bank's Investments of the Face Value of Rs. 16,000 are deposited)	38,625.50		13,57,579			25,46,395.48
				4,25,909	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		52,242.88
10,050	(iii) In respect of partly paid up Shares held in Investment Account	50.00		..	**8. Premises, Less Depreciation**		....
					9. Furniture and Fixtures, Less Depreciation including Vehicles)—		
				3,48,941	Cost less deductions as per last Balance Sheet	3,37,269.77	
				3,254	Additions during the year	2,443.10	
				3,52,195		3,39,712.87	
				14,925	LESS—Deductions during the year	3,118.78	
				3,37,270		3,36,594.09	
				1,98,763	LESS—Depreciation written off to date	2,10,239.24	
				1,38,507			1,26,354.85
					10. Other Assets, including Silver—		
				96,854	Interest Accrued and Outstanding on Investments	70,854.02	
				3,03,840	Income Tax Deducted at Source	1,09,717.95	
				..	Unadjusted Income Tax	87,893.92	
				66,808	Stationery and Stamps	57,600.13	
				908	Library (at Cost less Depreciation)	860.83	
				4,68,410			3,26,926.85
				..	**11. Non-Banking Assets Acquired in Satisfaction of Claims**		8,591.00
				..	**12. Profit and Loss**		....
2,81,59,443	Total .. Rs.		3,10,58,550.79	2,81,59,443	Total .. Rs.		3,10,58,550.79

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957.

Figures for the previous year Rs.	EXPENDITURE	Rs. nP	Figures for the previous year Rs.	INCOME (Less Provisions made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
8,84,040	1. Interest paid on Deposits, Borrowings, etc.	4,18,967.25	8,63,825	1. Interest and Discount	10,31,216.85
4,68,022	2. Salaries and Allowances and Provident Fund (including Salaries and Allowances paid to the General Manager Rs. 13,912.46 nP.)	4,60,204.23	1,62,500	2. Commission, Exchange and Brokerage	1,71,325.52
2,825 (including Directors')	3. Local Committee Members' Fees and Allowances	500.00	..	3. Rents	....
56,238		55,989.35		4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets	1,702.00
14,876	4. Rent, Taxes, Insurance, Lighting, etc.	8,871.31	267		
14,303	5. Law Charges	13,693.73		5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets	....
2,500	6. Postage, Telegrams, Stamps and Telephone	2,500.00	..		
19,501	7. Auditors' Fees	13,757.53		6. Income from Non-Banking Assets, and Profit from Sale of or Dealing with such Assets	....
31,596	8. Depreciation on and Repairs to the Banking Company's Property	29,941.85	..		
..	9. Stationery, Printing, Advertisement, etc.	1,76,799.62		7. Other Receipts	83.00
..	10. Loss from Sale of or Dealing with Non-Banking Assets	20,019.01	46		
23,096	11. Net Loss on Sale of Investments	3,083.49		8. Loss	....
4,631	12. Other Expenditure		..		
	13. Balance of Profit (subject to Taxation)			Total .. Rs.	12,04,327.37
10,16,638	Total .. Rs.	12,04,327.37	10,16,638		

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the annexed Balance Sheet of Hindusthan Mercantile Bank Limited as at 31st December, 1957, and also the annexed Profit and Loss Account of the Bank for the year ended on that date, in which are incorporated the returns of one branch audited by us and the unaudited returns from six other branches not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that subject to provision for the unadjusted balance of Income-tax payable for the accounting Years to 1956, aggregating Rs. 87,893.92:—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;

(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the profit for the year ended on that date.

K. N. GUTGUTIA & CO., } Chartered Accountants,
P. K. GHOSH & CO., } Auditors.

CALCUTTA, 13th March, 1958.

M. L. JALAN, Chairman.

P. H. KOTHARI, General Manager.

V. V. CHELLAM, Accountant.

A. K. JAIN,
B. KANORIA,
M. M. BHUWALKA,
M. R. JAJPURIA,
RANGLAL BAGARIA,
KAMAL SINGH RAMPURIA, } Directors.

PRODUCTION OF WOOLLEN TEXTILES

BOTH YARN AND FABRICS SHOW A RISE

IT is noteworthy that the wool textile industry is endeavouring to maintain a high level of output. The aggregate quantity of woollen-worsted yarn that actually came off the spindles of organised mills in the first two months of the current calendar year was 4.46 million lbs., as against 3.71 million lbs. in the corresponding months of 1957. Following the rise in yarn production, the output of fabrics (woollen and worsted) was higher at 2.92 million yards, which compares favourably with 2.18 million yards. It is too early to say whether this trend will be maintained in the coming months. As a rough estimate, however, it may be said that the production of yarn and fabrics in the whole of 1958 will be higher than that in 1957 when it amounted to 27.84 million lbs. and 18.49 million lbs., respectively.

A striking feature in the spinning sector of the woollen textile industry is the more marked rise in the production of woollen yarn *vis-a-vis* worsted yarn. Thus, the actual output of the former in 1957 as compared with 1956 was higher by 1.48 million lbs., while that of the latter was higher by 750,000 lbs. Out of the 27.84 million lbs. produced last year, woollen yarn accounted for 13.11 million lbs. and worsted yarn for 14.73 million lbs.; the corresponding figures for 1956 was 11.62 million lbs. and 13.97 million lbs. The production of woollen fabrics during 1957 was higher at 18.49 million yards, as against 16.34 million lbs. in 1956. The rise was shared by all varieties as the following table will show:

(In thousand yards)

	1956	1957
Suitings	5,420	6,300
Blankets and rugs	4,190	4,750
Lohis and shawls	1,890	2,100
Uniform cloth	970	1,260
Melton and shoddy	160	280
Other sorts	3,710	3,800
Total	16,340	18,490

The maintenance of a high level of production in the woollen textile industry is reflected in the continuously upward trend in the consumption of raw wool and wool tops. During 1957, the organised woollen mills consumed a total of 30.13 million lbs. of wool (including tops), as against 27.48 million lbs. in 1956 and 23.42 million lbs. in 1955. The bulk of the rise of 2.65 million lbs. in 1957 was accounted for by imported wool, the quantity actually consumed being 3.80 million lbs., as against 2.43 million lbs. The consumption of indigenous wool was higher by 270,000 lbs. at 7.09 million lbs., of imported wool tops by 360,000 lbs. at 14.74 million lbs., and reclaimed wool and waste by 650,000 lbs. at 4.50 million lbs.

An idea of the production pattern of the wool textile industry in the beginning of this year can be had from the following statement:

(In yards)

	January	February	Total
Woollen:			
Suitings	100,673	111,520	212,193
Uniform cloths	114,592	67,115	181,707
Lohis	11,024	8,772	19,796
Worsted:			
Suitings	358,008	276,733	634,741
Uniform cloths	27,841	37,707	65,548
Lohis	86,678	58,859	145,537
Mixing:			
Suitings	47,565	22,983	70,548
Uniform cloths	3,050	2,751	5,801
Lohis	33,555	46,261	79,816
Blankets and rugs	396,075	414,962	811,037
Total ..	1,179,061	1,047,663	2,226,724

The aggregate installed capacity of the wool textile industry in 1957 consisted of 60,979 woollen spindles, 117,359 worsted spindles and 4,042 powerlooms. The respective figures for the year 1955-56 are 61,032, 96,416 and 3,950. The industry had a total rated capacity (worked on average counts and qualities on the basis of single shift of eight hours) of 8.5 million lbs. of woollen yarn, 11.7 million lbs. of worsted yarn and 24.0 million yards of woollen-worsted fabrics. The Punjab State is the major centre of the wool textile industry. In February 1958, this State had 77 purely weaving mills, 9 purely spinning mills and 10 composite mills, out of a total of 78 units, 18 units and 26 units, respectively, in the seven States of Bombay, Madhya Pradesh, Mysore, Punjab, U.P., W. Bengal and Jammu and Kashmir.

TAX BURDEN ON COTTON INDUSTRY

A vigorous plea to the Government to reduce the tax burden on the cotton mill industry in order to restore it to its original healthy position was put forward by Mr. Shantilal Mangaldas, President of the Saurashtra Millowners' Association, when he addressed the sixteenth annual meeting of the Association held at Ahmedabad last week. The impact of excise duty, Mr. Mangaldas declared, had upset the entire economic structure of the textile industry. Elucidating this statement, he observed:

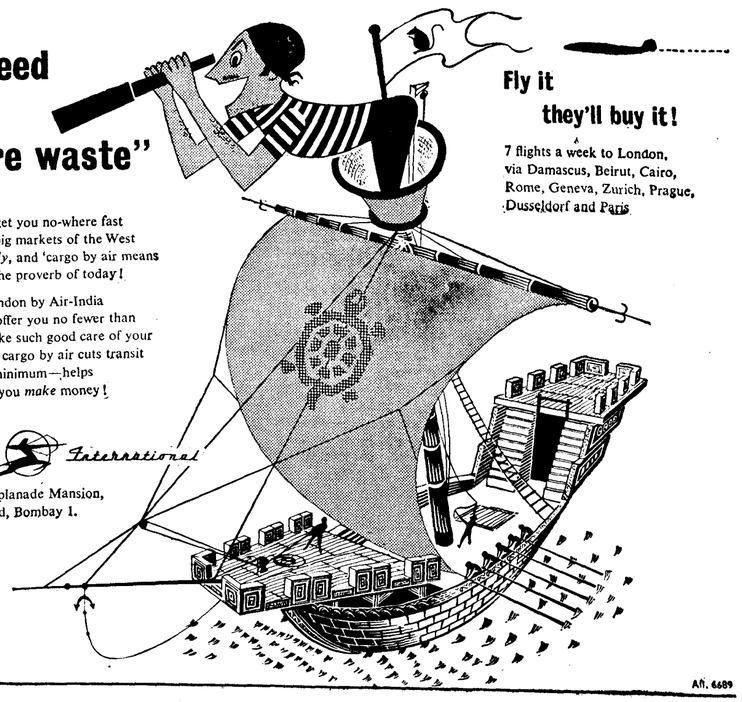
"Even though the cloth available to the people of the country, including the handloom production, is between 16 and 17 yards per head, the people are kept at bay from purchasing even this much cloth by artificially raising excise-including price and putting it beyond the reach of the consumers. This has created an impossible situation in the textile industry. On one side, the exports have not gone up as expected and, on the other side, the local consumption has fallen .... Some of the up-country mills as well as mills in Bombay have already started reducing production which has again resulted in reduction of employment of textile workers. The latest measure of reducing excise duty to a small extent has not given any appreciable relief and the situation remains as critical as it was during the whole year 1957. Some of the mills were compelled to make distress sales and financial position became very acute which has been reflected by the fact that borrowing of mills from the banks shot up to Rs. 107 crores in 1957, as against Rs. 73 crores in 1956. It appears that the Government unknowingly is shattering the very foundation of the textile industry which is the most important one in the country and which gives the largest employment to the workers in the private sector, while, at the same time, giving various incentives to the new industries to come up."

There is considerable force in these observations. If the cotton mill industry is to meet the expanding domestic demand for cloth and to cater to the needs of export markets, it is vitally necessary that the tax burden on the industry should be lowered. It is only such a reduction in burden, adoption of a more helpful official policy towards rationalisation and willing co-operation from labour that will enable the cotton mills to maximise production of quality cloth at an economic price. This aspect must be specially stressed considering the high men-machine ratio and increased wage bill. Mr. Shantilal Mangaldas showed how the men-machine ratio in the Saurashtra mills was the highest and that its wage bill was also *pro rata* the highest in the country. It is gratifying to be told by him that the Association's efforts to quicken and facilitate the implementation of the second part of the tripartite resolution adopted in December 1955 have borne some fruit. It is now expected that the technical expert appointed by the Government would assess the workloads in all the departments of the mills. It is also encouraging to note that almost all the mills in Saurashtra are trying to rehabilitate and renovate the plant and machinery according to their resources and capacity.

"PAKISTAN TEXTILE ANNUAL"

This *Annual* is edited by Mr. Ameen Tareen and is published by the Express Publishers, Ameen-art Press Building, McLeod Road, Karachi-1 (Price: Rs. 10). The *Annual* is devoted to the review of the trends in textile industry and trade not merely in Pakistan but in some other countries as well. The position of cotton, jute, wool, and other textile fibres is discussed at length in the course of special articles contained in it. The utility of the publication is enhanced by the inclusion of a section giving details of particular textile mills as to their spindleage, loomage, loom efficiency, etc., and a trade directory indicating the names and addresses of cotton, jute and wool exporters and textile importers in Pakistan. There are also detailed and comprehensive statistical tables relating to production, imports, exports, etc., of fibres and textiles.

Exports of Indian cotton textiles to Burma and Indonesia have not shown any downward trend, but there is some decline in the exports to Singapore, due to increased competition from Japan and China, according to the Union Minister for Commerce, Mr. Nityanand Kanungo. There has been no decline as a whole in the exports of Indian textiles to the countries in South-East Asia, except to Singapore, Malaya and Ceylon.



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IMPORT-EXPORT GAP IN TEXTILES

CONTINUITY OF FULL EMPLOYMENT IN COTTON INDUSTRY APPEARS DIM

From A Special Correspondent

MANCHESTER, 29*th April*

MANCHESTER LETTER

LANCASHIRE'S narrow import-export gap between shipments and arrivals of cotton cloth snapped shut last month. Perhaps the mood of importers had been governed by anticipations of restrictions on future purchases of foreign fabric, but there was no mistaking the very substantial rise in imports which took place; no less than 44,617,000 square yards of grey cloth reached British ports from overseas.

As a result, the quarter's figures show Lancashire for the first time as a net importer of cloth. Export trade in the first quarter of this year dropped by less than 4,000,000 yards, but imports were more than 13,000,000 yards up—a remarkable change of fortunes since the similar period in 1956, as the table below, relating to cotton goods only, shows:

	Exports		Imports Cloth
	Cloth (in sq. yds.)	Yarn (in lbs.)	(in sq. yds.)
1956			
1st quarter	120,194,000	9,969,000	74,892,000
2nd "	116,780,000	8,670,000	84,950,000
3rd "	111,510,000	7,500,000	74,190,000
4th "	125,660,000	9,650,000	72,320,000
1957			
1st quarter	120,185,000	10,050,000	103,084,000
2nd "	117,030,000	9,900,000	114,720,000
3rd "	109,530,000	9,200,000	93,510,000
4th "	109,020,000	8,430,000	105,000,000
1958			
1st quarter	116,250,000	8,045,000	116,541,000

During March, earnings from cotton goods showed an improvement on the previous month, amounting to £7,369,000, but this was more than £1,000,000 below the value of similar exports in March last year. Shipments of cotton cloth were 40,262,000 square yards, as against 41,945,000 square yards in the same month in 1957. Yarn exports of 2,780,485 lbs., as compared with 3,694,607 lbs. in March 1957.

Country-wise Exports

Rising shipments of cotton cloth to South Africa during March enabled the Union to outstrip Australia as the chief destination of Lancashire fabric. Over the quarter, South Africa took 19,456,000 square yards and Australia 18,534,000 square yards. Other leading customers included New Zealand with 8,852,000 square yards, Nigeria 8,669,000 square yards and Rhodesia and Nyasaland 6,114,000 square yards. Several European countries absorbed smaller quantities of cloth, but more goods were sent to the Belgian Congo and French West Africa. Australia remained by far the largest consumer of cotton yarn, taking 2,322,000 lbs., an increase of over 400,000 lbs. on the first quarter of 1957. In most other cases, shipments declined, chiefly to Canada, India, South Africa and several Continental sources.

China was mainly responsible for the big rise in imports during March, providing 18,537,000 yards of the record total of arrivals. Chinese grey cloth imports for the quarter were second only to Indian at 28,321,000 yards; Indian mills sent 36,772,000 yards, Hong Kong 23,672,000 yards and Japan 10,068,000 yards.

Unions On Imports

The question of imports of cotton cloth into Britain is to be raised as a matter of urgency at this week's conference of the United Textile Factory Workers' Association at Morecambe. Mr. Harold Bradley, the Secretary, said that an emergency resolution had been tabled by the largest union in the industry—the Weavers' Amalgamation—expressing grave concern about the worsening position in Lancashire and calling for positive action to end "this injustice."

Mr. Bradley added that the association had received new information about wage rates in Hong Kong from one of its leaders, Mr. Ernest Thornton, M.P., who recently returned from the Far East. "It is utterly impossible for anybody, however efficient they are, to compete with the slave standard rates of Hong Kong," he said. "With the refugee problem there is competition there for starvation wages."

Not All In Line

During the course of the long drawn-out discussions on the extent of future cloth imports into the United Kingdom, there have been occasions when all sections of the trade in Lancashire have been unanimous in their approach to the problem. Merchants, as well as producers in the spinning and weaving branches, have joined in representations to the Government.

The different viewpoint of the distributors, however, is brought out in the annual report of the Council of the Cotton and Rayon Merchants' Association, clearly indicating that some reservations must be made in relation to forthcoming talks. These apply not only to Far Eastern competition but also to the rivalry experienced from Continental makers.

The merchants, for example, find themselves out of step with the rest of the industry in opposing the plan to confine European textile trading to goods which have been spun, woven and finished inside Europe. They contend that they must have access to adequate supplies of yarn and cloth as raw material for the export trade, and infer that the shortage of labour and reduction of productive capacity in Lancashire makes it doubtful whether sufficient supplies will be available in the future from local sources.

On the entry of loom-state cloth into Britain, mainly from Far Eastern countries, the Council of the Association is in favour of securing a reasonable limitation on arrivals from the Commonwealth for retention in the home trade, but is opposed to "any extension of the restrictionist policy which would limit the operations of the textile exporter." It points out that only with the help of imports for processing and re-export has it been possible to maintain Lancashire's shipments even at their present reduced levels, and comments: "Restrictions on and interference with trade invariably results in loss of trade."

Further Comment

The Textile Officials' Association, in its annual report in Manchester, said that the employment position in the Lancashire cotton industry was the poorest for several years. The industry could not afford to lose any more skilled operatives. "In looking to the future the continuity of full employment appears dim," said the report. "The unrestricted importation of foreign textiles at an ever-increasing rate is harmful to our industry and the economy of the country," the report added. Unless they were checked, the effect would be disastrous.

Mounting Jobless Total

A sharp rise occurred in unemployment among British cotton and rayon workers in February which reflected the tendency towards contraction in order lists. The movement became more pronounced in the following month and, by mid-March, nearly 9,500 operatives were seeking work, according to the latest Ministry of Labour figures.

The deterioration in the situation during the first quarter of the current year as compared with the limited unemployment recorded in 1957 is illustrated in the table below:

	Spinning	Weaving	Finishing	Total cotton and rayon	Total N-W Region
1957					
March	1,103	776	378	2,257	53,294
June	940	920	921	2,781	42,149
September ..	954	775	289	2,018	43,465
December ..	1,119	656	302	2,077	48,678
1958					
January ..	1,513	871	320	2,704	58,657
February ..	3,281	1,883	572	5,736	64,130
March	6,407	2,258	789	9,454	71,142

The March total of jobless was the highest since September, 1955 when 13,392 operatives were without work. At that time, however, the number of unemployed in the North-West region as a whole was only 43,000 and the proportion of textile workers involved was very much higher than at present.

In 1952 when the post-war air of prosperity in the mill towns suddenly evaporated, nearly 80,000 cotton and rayon operatives were unemployed in the spinning and weaving sections alone. On the other hand, the next count of unemployed taken by the Ministry of Labour at mid-April will coincide with large-scale stoppages throughout the cotton belt and a further marked rise in the number of jobless will be disclosed

At least six months must elapse—and probably much longer—before any fundamental change can be anticipated in the price regulation arrangements sponsored by the Yarn Spinners' and Doublers' Associations. It has now been officially stated that these agreements will be second and third on the list to be considered by the Restrictive Practices Court, but that the hearing of the Yarn Spinners' agreement will not take place before the end of October.—*All Rights Reserved.*

THE CONCORD OF INDIA Insurance Company Ltd.

(INCORPORATED IN INDIA)

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UNITED BANK OF INDIA LIMITED

Registered Office: **UNITED BANK BUILDINGS, 4, CLIVE GHAT STREET, CALCUTTA**

BALANCE SHEET AS AT 31st DECEMBER, 1957

Previous Year Rs.	CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
	1. Capital—		
	AUTHORISED CAPITAL—		
	5,00,000 Shares of Rs. 20 each	1,00,00,000.00	
	30,00,000 Shares of Rs. 10 each	3,00,00,000.00	
		4,00,00,000.00	
	ISSUED CAPITAL—		
	4,94,850 Shares of Rs. 20 each	98,97,000.00	
	22,60,300 Shares of Rs. 10 each	2,26,03,000.00	
		3,25,00,000.00	
	SUBSCRIBED CAPITAL—		
	4,90,012 Shares of Rs. 20 each	98,00,240.00	
	21,98,425 Shares of Rs. 10 each	2,19,84,250.00	
		3,17,84,490.00	
	CALLED AND PAID-UP CAPITAL—		
	4,90,012 Shares of Rs. 20 each called at Rs. 10 per share	49,00,120.00	
	19,70,740 Shares of Rs. 10 each called at Rs. 10 per share	1,97,07,400.00	
	2,27,685 Shares of Rs. 10 each called at Rs. 9 per share	20,49,165.00	
2,66,55,625	(Reserve Liability of Shareholders Rs. 49,00,120)		2,66,56,685.00
74,10,000	**2. Reserve Fund and Other Reserves**		77,35,000.00
	3. Deposits and Other Accounts—		
5,83,92,353	Fixed Deposits and Cash Certificates	6,66,38,152.44	
8,81,366	Staff Security Deposits	9,27,369.97	
13,68,49,198	Savings Bank Deposits	14,25,56,710.49	
14,29,77,009	Current Accounts, Contingency Accounts, etc.	17,35,22,514.12	
33,90,99,926			38,36,44,747.02
	4. Borrowings from Other Banking Companies, Agents, etc.—	Rs. nP	
65,93,816	(i) In India	85,000.00	
36,58,752	(ii) Outside India	Nil	
1,02,52,568			85,000.00
	PARTICULARS—		
(1,02,52,568)	(i) (a) Secured by part of the Bank's Investments	Nil	
Nil	(b) Secured by Bills Discounted	85,000.00	
Nil	(ii) Unsecured	Nil	
51,15,932	**5. Bills Payable**		60,58,365.41
	6. Bills for Collection Being Bills Receivable as per contra—		
2,68,71,341	(i) Payable in India	3,15,25,026.60	
73,50,287	(ii) Payable outside India	90,22,443.25	
3,42,21,628			4,05,47,469.85
	7. Other Liabilities—		
1,03,41,089	Branch Adjustments	92,52,204.05	
2,98,966	Unclaimed Dividends	3,60,167.03	
1,35,000	Staff Gratuity Fund	1,50,000.00	
1,15,478	Capital Redemption Fund	3,37,518.75	
2,33,302	Sundry Liabilities for Expenses	3,37,231.91	
Nil	Rebate on Bills Discounted	Nil	
1,11,24,735			1,02,22,211.74
1,69,46,578	**8. Acceptances, Endorsements and Other Obligations** per contra		1,01,36,335.32
	9. Profit and Loss—		
	Balance of Profit and Loss Account as per last Balance Sheet	9,72,816.39	
9,69,174	LESS—Appropriation for Dividend	7,99,668.75	
7,99,378		1,73,147.55	
1,69,796	ADD—Profit for the year brought from the Profit and Loss Account	16,21,004.48	
15,58,020		17,94,152.03	
17,27,816	LESS—Appropriations—	Rs. nP	
	Transfer to Reserve Fund under Section 17 of the Banking Companies Act	3,25,000.00	
3,15,000	Transfer to Provision for Taxation	4,92,000.00	
4,40,000		8,17,000.00	
7,55,000			9,77,152.03
9,72,816	**10. Contingent Liabilities—**	Rs. nP	
	(i) Claims against the Banking Company not acknowledged as debts	44,54,177.23	
(44,61,589)	(ii) Money for which the Banking Company is contingently liable—		
	(a) Liability for partly paid-up shares held by the Bank in Investment Account	6,97,150.00	
(4,41,805)	(b) Guarantee given on behalf of Directors or Officers	Nil	
(Nil)	(c) Guarantee on behalf of others	66,05,263.94	
(4,59,951)	(Includes Rs. 5,500 in respect of guarantees given to Government Departments secured against part of Bank's Investments)		
	(iii) Liability on Bills of Exchange rediscounted	Nil	
(49,398)	(iv) Liability on account of outstanding Forward Exchange Contracts	2,26,96,366.69	
(2,41,40,258)			
45,17,99,803	Total .. Rs.		48,60,62,966.37

Previous Year Rs.	PROPERTY AND ASSETS	Rs. nP	Rs. nP
	1. Cash—		
3,39,91,415	In hand and with Reserve Bank and State Bank (including Foreign Currency Notes)		4,04,31,236.83
	2. Balance with Other Banks in Current Accounts—		
3,37,836	(i) In India	1,57,682.17	
77,70,151	(ii) Outside India	73,12,009.32	
81,07,987			74,69,691.49
5,00,000	**3. Money at Call and at Short Notice**		1,08,00,000.00
	4. Investments (at or below market value)—		
10,21,56,136	(i) Securities of the Central and State Governments and other Trustee Securities	8,60,76,259.48	
Nil	Treasury Bills of the Central and State Governments	Nil	
		Rs. nP	
7,81,623	(ii) (a) Fully paid Preference Shares	5,01,623.00	
40,31,730	(b) Fully paid Ordinary Shares	41,48,483.06	
Nil	(c) Partly paid Preference Shares	1,55,000.00	
4,36,657	(d) Partly paid Ordinary Shares	4,36,657.44	
52,50,015			52,41,768.50
47,93,354	(iii) Debentures or Bonds		53,26,853.91
	(iv) Other Investments—		
2,67,57,226	(a) Pakistan Central and Provincial Government Securities	2,56,56,908.56	
47,500	(b) Foreign Securities	47,500.00	
1,15,477	(c) Capital Redemption Policy	1,22,518.75	
Nil	(d) Gold	Nil	
13,91,19,708			12,24,71,809.20
	5. Advances—		
	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
	(I) Loans, Cash Credits, Overdrafts, etc.—	Rs. nP	
15,61,66,944	(i) In India	18,11,01,773.38	
1,45,04,320	(ii) Outside India	1,18,35,300.71	
17,06,71,264			19,29,37,074.09
	(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—		
2,31,85,341	(i) Payable in India	3,65,56,807.33	
79,28,077	(ii) Payable outside India	60,80,206.48	
3,11,13,418			4,26,37,013.81
20,17,84,682	(Particulars required by Act X of 1949 as per separate schedule annexed and forming part of this Balance Sheet)		23,55,74,087.90
	6. Bills Receivable Being Bills for Collection as per contra—		
2,68,71,341	(i) Payable in India	3,15,25,026.60	
73,50,287	(ii) Payable outside India	90,22,443.25	
3,42,21,628			4,05,47,469.85
1,69,46,573	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** per contra		1,01,36,335.32
	8. Premises, Less Depreciation—		
15,89,931	At cost as per last Balance Sheet	15,92,860.64	
2,929	ADD—Additions during the year	68,253.19	
15,92,860		16,61,113.83	
Nil	LESS—Sales or deductions made during the year	Nil	
15,92,860	Total cost to date	16,61,113.83	
1,62,979	LESS—Depreciation written off to date	1,88,195.37	
14,29,881			14,72,918.46
	9. Furniture and Fixtures, Less Depreciation—		
30,73,336	Cost as per last Balance Sheet	35,33,330.95	
4,59,995	ADD—Additions less deductions during the year	6,73,168.37	
35,33,331	Total cost to date	42,06,499.32	
12,32,262	LESS—Depreciation written off to date	14,99,348.31	
23,01,069			27,07,151.01
	10. Other Assets including Silver—		
13,54,445	Interest accrued on Investments	13,06,356.20	
	E.F.T. Deposits and Tax paid in advance and deducted at source	64,29,086.16	
61,48,088	Stores, Stationery and printed materials	5,13,339.90	
4,72,528	Land and Buildings not used as Bank's Premises less depreciation	18,64,310.52	
19,27,979	(Cost Rs. 25,13,245.88 less depreciation Rs. 6,48,935.36)		
Nil	Premises under construction	6,01,057.00	
	Sundries (Temporary Advances, Suspense, Security Deposits, Outstanding Rents, Stock of Stamps, Adjusting Accounts, etc.)	29,28,369.78	
25,52,783			
1,24,55,823			1,36,42,519.56
9,41,037	**11. Non-Banking Assets Acquired in Satisfaction of Claims.** (Immovable and movable property at Book Value)		8,09,746.75
45,17,99,803	Total .. Rs.		48,60,62,966.37

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

Previous Year Rs.	EXPENDITURE	Rs. nP
41,35,189	1. Interest paid on Deposits, Borrowings, etc.	52,05,225.29
78,55,251	2. Salaries and Allowances and Provident Fund	89,02,118.31
(27,949)	(Of which payment to Managing Director Rs. 45,499.81)	
34,566	3. Directors' and Local Committee Members' Fees and Allowances	37,486.00
8,31,137	4. Rent, Taxes, Insurance, Lighting, etc.	8,98,476.94
1,63,195	5. Law Charges	82,437.81
3,86,229	6. Postage, Telegrams, Telephones and Stamps	4,52,180.68
26,700	7. Auditors' Fees	27,000.00
4,48,782	8. Depreciation on and Repairs to the Banking Company's Property	5,86,409.62
5,37,744	9. Stationery, Printing, Advertisement, etc.	5,99,251.33
755	10. Loss from Sale of or Dealing with Non-Banking Assets	62,360.38
4,45,652	11. Other Expenditure	5,06,619.91
15,58,020	12. Balance of Profit	16,21,004.48
1,64,23,220	Total .. Rs.	1,89,80,570.75

Previous Year Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1,19,45,736	1. Interest and Discount	1,45,21,954.49
32,50,941	2. Commission, Exchange and Brokerage	31,75,163.82
1,48,300	3. Rents	1,59,071.09
606	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	339.15
Nil	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets (not credited to Reserves or any particular Fund or Account)	Nil
2,477	6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets	2,439.90
10,75,160	7. Other Receipts	11,21,602.80
1,64,23,220	Total .. Rs.	1,89,80,570.75

(Continued in next page)

SUPPLY POSITION OF RAW COTTON

MILL CONSUMPTION SLIGHTLY DOWN

IN the context of the current downward trend in raw cotton prices, which is causing particular anxiety to the cotton trade as well as the growers, attention has naturally tended to focus itself on the supply position of raw cotton in the country. It may be noted that for some time past there has been a "virtual tug-of-war between a tight supply created by marginal crops and increasing consumption, on the one hand, and an ever-increasing financial stringency brought about by credit restrictions and slow movement of cotton piecegoods, on the other." If the current slump in cotton prices is any indication, the latter factors would seem to be getting the better of the former.

Total visible supply of raw cotton (Indian and foreign) for the current season is estimated to be of the order of 7.41 million bales (of 400 lbs.). Stocks of Indian cotton with trade and mills at the beginning of the season were 1.12 million and 600,000 bales respectively. Total commercial crop during the season, according to the latest trade estimate, will be about 4.95 million bales. Thus, the supply of Indian cotton would be 6.67 million bales. Foreign cotton supplies are estimated to be of the order of 740,000 bales, comprising a carryover stock of 290,000 bales with the trade and mills at the beginning of the season and estimated imports of the order of about 450,000 bales. From the beginning of this season, on 1st September 1957, till the 19th of last month, imports of foreign cotton aggregated 236,093 bales. Arrivals during the rest of the season are expected to be about 213,907 bales. As compared with this season's total supply of 7.41 million bales, supply last season aggregated 7.87 million bales.

As regards distribution, mill consumption during the first six months of the season, that is from 1st September 1957 till 28th February 1958, were 2.58 million bales, comprising 2.29 million bales of Indian and 293,000 bales of foreign cotton, as compared with 2.61 million bales consumed in the same period last season, comprising 2.32 million bales of Indian and 292,297 bales of foreign cotton. Thus, while the consumption of Indian cotton showed a slight decline, that of foreign cotton registered an improvement. The following table indicates the trend of consumption of cotton during the first six months of the season:

Variety	1st September to 28th February 1957-58	1st September to 28th February 1956-57
Indian cotton	2,296,661	2,324,414
Foreign cotton	293,296	292,297
Of which:		
Egyptians	36,849	56,926
Sudans	38,110	49,385
East African	78,385	118,991
U.S.A.	131,915	56,549
Peruvian	4,340	5,642
Russian	110	177
Belgian Congo	821	1,208
Mexican	61	265
Others	2,695	3,154

Assuming that consumption during the rest of the season will be about equal to the first six months' figures, aggregate consumption during the season will work out to about Rs. 5.16 million bales. It may be noted here that, last season, consumption reached the record level of 5.23 million bales, of which 4.66 million bales were Indian and 0.57 million bales foreign cotton.

Exports so far during the current season have made a poor showing. Shipments from 1st September 1957 till the 19th of last month aggregated only 94,640 bales, as compared with 183,683 bales during the corresponding period of the previous season. The textile crisis in Japan, one of the principal buyers of Indian cotton, and foreign exchange difficulties of some of the traditional buyers were the main factors responsible for the slackness of export demand.

Total quantity of Indian cotton sanctioned for export so far in the season aggregates 200,000 bales. Representatives of cotton traders and growers have pleaded with the Government to release an export quota for ⅞" cotton in order to arrest the declining trend of raw cotton prices. The Cotton Advisory Board and the East India Cotton Association have both lent their support to the plea. Whether the Government will take a favourable consideration of the plea remains to be seen.

Assuming that the quota so far allowed will be fully absorbed and that no further quota will be forthcoming, total exports in the season would be of the order of 200,000 bales. This, together with the estimated consumption of 5.16 million bales, make for an aggregate disappearance of 5.36 million bales, leaving a surplus of 2.05 million bales to be carried into the new season.

TWO NEW COTTONS FOR PUNJAB

Thanks to the sustained efforts of the cotton breeders and growers, the production of long-staple cottons in India has been steadily on the increase in recent years and the country is at present self-sufficient in respect of cottons stapling upto 1-1/16". However, there is still need for superior long-staple cottons of 1-1/16" and above which are at present not produced in the country necessitating import at about Rs. 52 crores a year in foreign exchange. The bridging of this vital deficit has been engaging the attention of the Indian Central Cotton Committee for some years past and the Committee has sought to intensify research to evolve cottons of 1-1/16" staple and above in the States of Punjab, Bombay, Madras and Mysore which offer the proper agro-climatic conditions and necessary irrigation facilities for the large-scale cultivation of superior quality cottons. These attempts have proved fruitful to a certain extent with the release of Indo-American strains like 170-Co. 2 and 134-Co.2-M in Bombay and MCU-2 in Madras which possess a staple length of 1-1/16" and over. However, despite their superior length, these cottons still fall short of the imported types in spinning capacity due to their lack of intrinsic strength and fineness.

Further research was, therefore, in progress to evolve types possessing the desired standard in spinning capacity. In the Punjab, the work towards this objective was undertaken in the scheme for breeding extra long-staple cotton financed by the Committee since 1949. As a result of intensive research work conducted under the scheme, it has been found that two new strains, namely, LL 53 and LL 54, have been obtained which are not only long in staple with high spinning capacity but also combine other desirable economic characters like yield and ginning percentage. As compared to 320F cotton, which is the existing strain in the tract, these two strains possess decidedly superior fibre characters besides better yield level and ginning outturn. They were found to be superior to 320F in cash return per acre, the respective values being Rs. 608, Rs. 625 and Rs. 686 for 320F, LL 53 and LL 54.

A stage has now been reached when extensive trials have to be undertaken with these strains in cultivators' holdings in the tract, particularly in the areas that would shortly come under the Bhakra-Nangal Project with a view to demarcating the tract which would be most suitable for their cultivation.

It is estimated that about 350,000 acres would come under irrigated cotton in the districts of Jullundur, Ferozepur, Hissar, Karnal and Ludhiana on the completion of the Bhakra-Nangal Project and if these two strains could be fitted into these areas it would go a long way in enhancing the production of extra long-staple cottons in the country.

EMPIRE COTTON CROPS

Production in Commonwealth cotton fields has risen to almost 1,500,000 bales annually—more than double the figure ten years ago, Lord Derby, President of the British Cotton Growing Association, said at the annual meeting. It was only six years ago that the 1,000,000-bale mark was reached for the first time. While there were bound to be minor setbacks in production through weather conditions, there was every reason to believe that progress would continue and cotton crops would go on increasing, he said.

The Sudan production of 705,000 bales was an increase of one-third over the previous crop and was twice the quantity of an average good crop of ten years ago. American type cottons grown in Commonwealth countries also continued to increase; output at nearly 750,000 bales was double that of any year up to ten years ago. The other contributors to the present crop were the African countries—Uganda 372,400 bales, Tanganyika 167,600 bales and the Northern region of Nigeria with 141,200 bales. In Northern Nigeria, said Lord Derby, there were prospects that the 1958 crop would be near 240,000 bales, which would be well over 50,000 bales above the previous record.

The African farmer is being encouraged to plant earlier and improve his methods and new seed with better yield potential is being provided. At the same time, an expanding road programme and the possibility of a new railway line in the North-West may open up large new cotton growing areas.

In Uganda, the Department of Agriculture was redoubling its efforts in encouraging growers to plant early and improve cultivation. In the Federation of Rhodesia and Nyasaland, a team of entomologists was already investigating the damage caused by the various pests.

UNITED BANK OF INDIA LIMITED—*(Continued)*

Schedule of Particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1957.

Previous Year Rs.	PARTICULARS OF ADVANCES	Rs. nP
18,00,74,168	(i) Debts considered good in respect of which the Banking Company is fully secured	21,34,54,326.72
1,65,36,241	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security	1,73,14,847.02
51,74,273	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	48,04,914.16
Nil	(iv) Debts considered doubtful or bad not provided for	Nil
20,17,84,682		23,55,74,087.90

Previous Year Rs.	PARTICULARS OF ADVANCES	Rs. nP
Nil	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	16,637.84
72,03,002	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	1,00,73,196.12
31,538	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	4,20,561.89
80,27,027	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	1,36,77,171.14
2,08,082	(ix) Due from Banking Companies	2,66,704.63

AUDITORS' REPORT.

We have audited the annexed Balance Sheet of United Bank of India Ltd., as at 31st December, 1957, and also the annexed Profit and Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Branches audited by other Auditors.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the Provisions to sub-sections (1) and (2) of Section 211 and to sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that :—

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory ;

(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank ;

(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank ;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns ;

(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1957, and the Profit and Loss Account gives a true and fair view of the Profit for the year ended upon that date.

RAY & RAY,
Chartered Accountants.

CALCUTTA, 17th March, 1958.

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PROSPECTS FOR INDIAN SUGAR EXPORTS

WILL ANY ADDITIONAL TAX BE LEVIED ON DOMESTIC CONSUMPTION?

ALTHOUGH more than six months have elapsed since the current sugar season (1957-58) began, the Government of India has still not announced the policy governing sugar exports. For quite a few weeks now, the Union Minister for Food and Agriculture has repeatedly told us that the question of enacting suitable legislation for exports of sugar is receiving the Government's consideration and a scheme for export will soon be finalised. The protracted delay in the announcement of sugar export policy would appear to be due to the inability of the Government to find how best the heavy loss arising from sugar exports can be met. Should an extra tax be levied on sugar used domestically? The Government seems to have almost decided to levy such a tax, as witness the remarks of Mr. A. M. Thomas, Union Deputy Minister for Food and Agriculture, made while replying to a question in the Rajya Sabha on Thursday last week, that, if the export of sugar was subsidised, naturally, there would be an increase in its internal price. Mr. Thomas added: "The sugar factories will have to bear the loss on account of exports and they are likely to pass it on to the consumer. No sugar has been sold for export since December last. There has been a substantial fall in world prices and sugar can now be exported only at a considerable loss. The matter is under examination. One of the reasons (for the high prices of Indian sugar *vis-a-vis* that produced in other countries) is the high prices paid to the sugarcane growers."

The scheme for subsidising sugar exports through enhanced internal prices will evoke the strongest protest from the consumer. For a period of 18 years, in the name of protection, the consumer was compelled to make a heavy sacrifice in order to nurse the sugar industry. Later, he was made to make further sacrifice by paying steeply increased excise duty in the name of implemnnting the Five-year Plans. And it is somewhat deplorable that he should now be asked to make still further sacrifice by paying higher prices for his requirements of sugar in the name of earning foreign exchange. Certainly, the consumer is justified when he asks: Is it not unfortunate that, far from receiving the benefit of reduced prices of sugar as a result of the development and expansion of the sugar industry, I shall be made to bear the impact of spiralling prices, especially in so far as such an essential item of consumption as sugar is concerned?

Heavy Loss

By posing this question, we are, of course, not in the least underrating the importance of maintaining export trade in sugar from the points of view of both the stability of the sugar industry and the need for earning much precious foreign exchange. But what we wish to emphasise is that the sacrifice involved in sugar exports far outweighs the foreign exchange earned. With the prevailing world prices of sugar, India can now export sugar only at a loss of as much as Rs. 267 (£20) per ton, even after allowing for a full remission of excise duty and cane cess. On this basis and taking the export target at 200,000 tons, the total loss on overseas sugar sales works out to Rs. 6.34 crores. This amount, together with the loss of Rs. 5.82 crores by way of Union excise duty remission and Rs. 1.02 crore by way of cane cess, will come to Rs. 13.18 crores, as against the foreign exchange amounting to about Rs. 8.80 crores earned by sugar exports, assuming an average export price of Rs. 440 per ton.

The loss on exports of sugar from this country may, in fact, be more than what is estimated at present, judging from the recent developments on the world sugar front. It looks as though even the currently ruling prices in the world market will not be held and there will actually be a further drop in prices. The abundance of sugar supplies continues to remain the overriding factor. The political situation in Cuba, the biggest producer of sugar in the world, is reported to be under control and the Oriente Mills have resumed grinding. It is said that Cuba may now be somewhat desperate to make sugar sales. Again, Brazil, another large producer of sugar, continues to be a cheap seller. Production in this country has risen rapidly over the past few years and is currently running at an annual rate of well over two million tons. Indeed, of the non-member countries of the World Sugar Agreement, Brazil constitutes the greatest threat to the price stability at which the Agreement aims. To quote a report:

"Just how important the Brazilians are in the sugar trade has been particularly apparent recently; it was they who led the downward trend in world prices which began around the middle of last year, and they are still cheap sellers. The only control the Sugar Council has over their actions is through the quota limitations which are imposed on members' imports from all non-member countries. And, judging by Brazil's pronouncements, the terms on which it would be prepared to join the agreement are well in excess of those which would be acceptable."

Viewed thus and considering that the present World Sugar Agreement has too narrow a basis, it is not surprising that the decisions of the International Sugar Council fail to have significant effect on the world sugar market. Thus, little of interest to the market has resulted from the recent meeting of the Council, held at London on 22nd and 23rd April. The meeting was attended by delegates from 24 countries and by observers from five other countries and from the U.N. Food and Agriculture Organisation. The Council noted that 22 countries had ratified the protocol amending the Agreement, including the Republic of Indonesia which had acceded to the Agreement as amended by the Protocol and had deposited its Instrument of Accession on 21st February last. It has a basic quota for 1958, the final year of the current agreement, of 350,000 tons with a special reserve quota of 50,000 tons. This overall entitlement of 400,000 tons is, of course, far in excess of its anticipated exports this year. The estimate of the free market requirement during the current year has been raised from 5,515,000 metric tons (raw value) to 5,610,000 tons. Export quotas remain without change. No estimate is included in the *communique* of the supplies to be expected from non-signatory countries nor is any reference made to recent sugar price levels. The *communique* also states that the Council considered the progress made in connection with the arrangement for the negotiation of a new International Sugar Agreement at a conference to be held under the auspices of the United Nations in September 1958.

No Effect on Prices

The foregoing account will reveal that the meeting of the Sugar Council was largely of a routine character and, naturally, its outcome will not have any effect on prices. It may be noted here that the world market price now stands at about 3.40 cents per lb. which is within the range (minimum of 3.25 cents and maximum of 4.00 cents) in which the initial quotas for the year automatically operate, so that no change in quotas was expected. But it is still true, as the *Financial Times*, London, rightly says, that the market generally pays little attention to the decisions of the Council. According to this paper, the reason is that the present Agreement has too narrow a basis to have much effect on prices. When the Indonesian quota is added, the total initial export quotas of the producing countries which belong to the Agreement amount to just over 5 million metric tons. In recent years, world net exports have averaged about 12 million metric tons and world production now exceeds 40 million metric tons. And it is not only the small exporting countries which are outside the Agreement. Neither Brazil nor Peru are members. Although there are limits on the tonnages which the member countries may import from non-member countries, selling by Brazil and Peru, which are both large exporters, can depress prices.

Against this background, much interest attaches to the forthcoming International Conference on Sugar to be held under the auspices of the United Nations in September next. The Conference will provide an opportunity for a thorough review of the working of the Sugar Agreement, which is due to expire at the end of the year, in the past six years. Such a review will show that the world price of sugar was often below the original floor price of 3.25 cents and that it rarely rose much above that level except in the first half of last year when it reached the high point of 6.85 cents a pound, that is, 2.85 cents above what was originally regarded as the maximum price. It is thus evident that the attempt to keep the sugar price within the desirable range of 3.25 cents to 4 cents a pound, as the *Financial Times* observes, has clearly not been successful; "nor will another agreement be more successful, unless the reluctant producers are argued into the scheme."

HIGHER ROYALTY ON COAL MINES

PRE-1949 LEASES EXEMPTED

THE Mines and Minerals (Regulation and Development) Amendment Bill passed in the Lok Sabha last week is an expression of the Union Government's sense of realism in relation to the difficulties of the coal industry and has alleviated, though not wholly, the genuine grievances of coal producers. The Amendment Bill seeks to exempt mining leases for coal granted before 25th October 1949 from the operation of certain provisions of the original Act which had fixed a uniform, but higher, rate of royalty on all mining leases. Section 9(1) of the original Act had fixed a royalty of 5 per cent. on the f.o.r. price, subject to a minimum of 50 nP per ton, on all coal removed by the holder of a mining lease from the leased area. Section 9(3) had conferred powers on the Government to enhance or reduce the rate of royalty, subject to a maximum of 20 per cent. of the sale price at the pithead. Further, under section 16(1) of the Act the Government had powers to bring all mining leases granted before 25th October 1949 into uniformity with the provisions of the Act. This meant that all leases granted before 25th October 1949, which were paying only a nominal rate of royalty, were subjected to a steep rise in the rate of royalty.

The coal industry had strongly protested against the steep rise in royalty on leases under section 9(1). The representatives of the industry submitted that any increase in the rate of royalties would mean an increased burden on the industry within the existing price structure. According to them, the rate of royalty on leases obtained prior to 1948 was on an average As. 4 to As. 6 per ton. The effect of the increase in royalty to 5 per cent. on the f.o.r. value of coal under the Mines and Minerals (Regulation and Development) Act would mean an increase in cost of production by another As. 10 to As. 12 per ton in the Bengal and Bihar coalfields. In the Madhya Pradesh coalfields, the rate hitherto was 5 per cent. of the pitmouth value of coal and when it is changed to 5 per cent. f.o.r. value, the colliery costs would rise by another As. 5 per ton. Any increase in royalty would, the colliery owners demanded, have to be compensated by a corresponding increase in the selling prices of coal.

The colliery owners also drew the attention of the Government to the inequity of fixing royalties as a percentage of the present selling price, because the increased royalty could not be met out of the already reduced profit margin and the situation could only be met by a very substantial increase in the selling price. If the selling price was increased, the royalty also would automatically be enhanced and a vicious circle would be set up. If, on the other hand, it was the intention that such increased royalties were to be met out of the existing profits, the colliery owners submitted, the already economic margin of profit could not absorb such increase in royalty rate, particularly in the Permanently Settled Areas of Bengal, Bihar and Orissa. The rate of royalty in these areas was very low. In some cases, a fixed rent was paid which worked out at a nominal amount of less than one anna per ton. If, as was provided under section 9(3), the royalty were to be raised to 20 per cent., it would mean an increase of Rs. 4 per ton, and such increase in costs, without any compensation, would be disastrous not only for the industry itself but for the whole programme of development under the second Plan.

Another Aspect

Another aspect of the matter to which the industry drew the attention of the Government was that section 9(1) of the Act provided for payment of royalties at a standard rate and ignored the fact that most mining lessees in the Permanently Settled Areas of Bengal and Bihar had sub-leased portions of their leasehold areas to others on terms which provided for the payment to them of a profit margin on royalties. The profit margin on royalties would be eliminated if a standard rate of royalty were to be paid on all grades of lessees and sub-lessees. If, however, the Government felt that some increase in the rates of royalty payable by coal mining lessees in the Permanently Settled Areas was desirable, the colliery owners submitted, no action should be taken to disturb the existing royalty structure within the coal industry. This suggestion meant that the increased royalty should be made applicable only to new leases.

The Government of India recognised the force of the industry's contention and decided to amend the Act suitably. Accordingly, an Amending Bill was introduced on 28th March 1958. In fact, in view of the importance of coal as a basic fuel and the position it occupied in the economy of the nation, coal had always been placed on a different footing from other minerals. It was in recognition of this that no rules had been framed so far under section 7 of the Mines and Minerals (Regulation and Development) Act, 1948, in regard to modification of the terms and conditions of mining leases for coal granted before the commencement of that Act, though other minerals had been covered. The Mines and Minerals (Regulation and Development) Act 1957, which replaced the 1948 Act, however, specifically extended the rate of royalty prescribed to mining leases granted before 25th October 1949, in respect of coal also and made it obligatory for the other terms and conditions of such leases to be brought into conformity with the provisions of the Act and the rules made under sections 13 and 18. The Government subsequently realised the numerous undesirable consequences of these changes. The areas covered by these leases are principally in West Bengal and Bihar and account for 80 per cent. of the total coal production of the country. A sudden and uniform increase of the royalties paid on this coal and a similar change in other terms and conditions, the Government feared, were likely to have an unsettling effect on the industry and might retard the programme of coal production under the second Plan. Although the Government has now exempted the mining leases for coal granted before 25th October 1949 from the provisions of section 9(1) and section 16(1), it retains the power to extend these provisions to such leases at a future date, subject to such exceptions and modifications as it may deem necessary.

The Bill was opposed by several members in the Lok Sabha on the following grounds: (1) The 1957 Act should have been given a fair trial before it was amended; (2) there was no point in raising the royalties on leases granted after October 1949, while the pre-1949 leases accounted for the bulk of the production; (3) the provisions of the Bill would enable the private sector to increase its profits; (4) the opinions of the State Governments, which were the beneficiaries of the royalties should prevail.

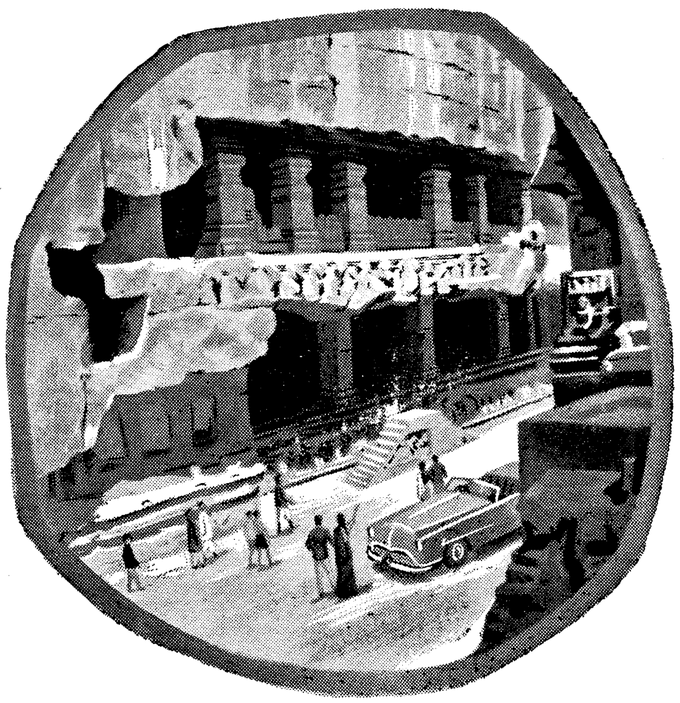
The Minister for Steel, Mines and Fuel, Sardar Swaran Singh, said that an automatic application of the relevant provisions of the parent Act would create hardships not only to the coal industry but to the consumers also. "There is no basic change in the principles (of the parent Act) involved, but instead of doing it (fixation of new royalty rates) in one push, the intention is to do it in a phased manner. This is necessary to ensure that there is no violent upsetting in the economy and the general price structure." The Minister's statement means that the grant of exemptions to pre-1949 leases is not a permanent one and that the royalties on these would be increased subsequently in stages.

SINGARENI COLLIERIES

No final decision has been taken on the quantum of the Central Government's participation in the share capital of the Singareni Collieries, as a condition for advancing funds to the latter for expansion, the negotiations in regard to which are proceeding with the Andhra State Government. This was disclosed by the Union Finance Minister, Mr. Morarji Desai, in the course of a statement he made in the Lok Sabha on the 1st inst., by way of correction to his earlier statement on the subject in the course of his reply to the debate on the Finance Ministry's demands for grants. He admitted that the Central Government was asking for a two-thirds share in the share capital of the collieries, and not one-third share as stated by him on 17th April.

Replying to the criticism of a member from Hyderabad that the Central Government was laying impossible conditions for helping the Singareni collieries, Mr. Desai had stated in the House on 17th April: "I do not know what has happened before. But I may say, as far as I know today, the position is that the Centre is asking only for one-third total share capital as a condition for advancing funds. When we are advancing much more than the share capital, if we ask for one-third share in it, I do not know what wrong is committed in this. I do not know why that should not be given. Therefore, if the Andhra Government wants funds, it should do so (agree to the Centre having one-third share) and then, there may not be much difficulty. That is the position today. But I am prepared to examine it again."

Correcting this statement, Mr. Desai said on the 1st inst.: "I should like to correct an inadvertent mistake in my speech in this House on 17th April. In the course of the speech, I mentioned that the Central Government were asking for only one-third of the share capital of the Singareni Collieries as a condition for advancing funds for their development. My attention has since been drawn to the fact that the discussions with the State Government are proceeding on the basis that the Central share of the share capital will be two-thirds and not one-third. These discussions have not yet been concluded and no final decision has been taken and it is only proper that the House should know the correct position."



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RUBBER PRICE IN LONDON SLUMPS

LOWEST LEVEL IN 3½ YEARS

SINCE the middle of April, the rubber markets in London and Singapore have suffered a sudden reversal of the trend noted in the earlier half of the month. The first two weeks of April witnessed an upward trend which took the price in the London market to about 24d. per lb., the highest level since the end of 1957. As was pointed out in these columns two weeks back, the improvement in price was due to keen Russian buying in the Eastern markets, resulting in a squeeze in the spot and nearby forward positions. Consequently, these positions commanded a sizable premium over the distant positions. In fact, Russian buying has been the main influencing factor in the world market since September.

The upward trend in the first half of April was reversed in the subsequent weeks with a sharp fall in London to 21½d. per lb., the lowest level seen in the last three and a half years. In Singapore, the price for May delivery dipped to a low of 72 cents per lb. It now stands (at the time of writing) at 21½d. per lb. in London. The fall in prices since the middle of April is more than a correction to the technical rally in the preceding weeks for more than one reason. First, the shortage of spot rubber in Singapore, consequent on the fall in shipments from Indonesia has been relieved with fresh arrivals. The quantity of rubber held up in Sumatra was not large, but it was sufficient, in the context of the present demand, to be a threat to prices once it was released. During the last few days, 12,000 tons of rubber were reported to be on the way from Sumatra to Singapore and this led to heavy selling. Secondly, there has been no Russian demand during the last two weeks and, in the absence of this main influence, the weight of supplies is being keenly felt by the market. In the absence of any sizable buying from the U.S. and the U.K., the market had been relying rather heavily on the Russian support at levels below 22½d. per lb., but, in the last two weeks, even this influence has been absent, despite the fall in price well below 22½d. There has been no indication of the policy which governs Russian buying and the rubber trade is, therefore, greatly worried over the recent fall in prices, which has made natural rubber more competitive in relation to synthetic rubber.

Futures Contracts

Yet another factor, which has contributed to the fall in prices, is the judgment of the Singapore Court of Appeal in an appeal preferred by a motor car dealer against a High Court decision ordering him to pay £25,600 to a rubber broking firm. The Court of Appeal held that contracts for the purchase of rubber futures were "wagering contracts." The rubber traders have been greatly disturbed by this decision, because this would, in their view, undermine the basis on which a good deal of business is being done.

It remains to be seen whether the sharp fall in natural rubber price will induce large-scale buying from the U.S., because of its relative cheapness as compared with that of synthetic rubber which is quoted at 24½d. per lb. In February this year, the latest month for which figures are available, rubber consumption in the U.S. showed a decline of 6,000 tons at 36.700 tons, as compared with January. This was in distinct contrast to the rise of 9,000 tons to 26,750 tons in the estimated exports to Russia and China and the increase of 2,500 tons in the aggregate world consumption to 155,000 tons. With this, the total consumption in the first two months of 1958 comes to 307,500 tons, representing a fall of 2,500 tons from that in the corresponding period of 1957.

World Output

While world consumption as a whole was higher, the world output during the month recorded a sharp fall of 27,500 tons to 117,500 tons, part of which was attributed to the shorter working month. Of this, the drop in production in Malaya alone accounted for 7,000 tons to 51,600 tons. The February production does not also compare favourably with that at 125,000 tons, in the corresponding month of 1957. The Malayan output in February last year aggregated 49,000 tons, a fall of 14,000 tons from that in the previous month. Production during the first two months of the current year aggregates 262,500 tons, as against 280,000 tons in the corresponding period of 1957. It will thus be seen that the level of consumption this year is being kept at a much higher level than production and that the fall in consumption is relatively much smaller than that in output.

REBATE IN EXPORT DUTY ON TEA

The Government of India is actively considering whether relief should be given to the tea industry in the shape of rebate in export duty. Disclosing this in the Lok Sabha on the 2nd inst., Mr. Lal Bahadur Shastri, Minister of Commerce and Industry, said that an announcement in this connection would be made very soon. Replying to a question, the Minister said that, besides concentrating on increasing export of tea to the U.K. and the U.S., the Government wanted to cover new ground, and try to boost sales in other countries. For this purpose, a delegation will visit the U.S.S.R., East Germany, Poland, etc., before the end of next month.

Mr. Jinachandran asked what action the Government was taking to protect Indian interests in view of Ceylon's decision to give relief to the low-priced teas meant for export by granting rebate on tea duty on a grade scale. In his reply, the Deputy Minister of Commerce and Industry, Mr. Satish Chandra, said that the question of sustaining the inherent strength of Indian tea in the world market was being considered by the Government.

Asked to what extent the export trade had fallen in the last six months. Mr. Nityanand Kanungo, Minister of State for Commerce, admitted that there had been some reduction, but market conditions often showed fluctuations from month to month or year to year, and the total export figures could not be judged by taking a period of a few months into account.

In reply to a question whether since the termination of the Internaional Tea Agreement, Indian tea was facing severe competition, Mr. Kanungo said that it was not correct to say that the export of Indian tea had dropped after the end of the agreement. In fact, it had increased to a certain extent in some areas. The Government was now trying to come to an agreement with the main tea-producing countries for collaboration, but had not yet succeeded. Answering another question by Mr. Mahavir Tyagi, he said that a development department was being organised along with the Tea Board to look after the technical side for improvement of the condition of tea gardens.

BONUS FOR PLANTATION WORKERS

A conference of the representatives of employers and employees of the plantations in Madras State was held on the 1st inst., under the Chairmanship of Mr. R. Venkataraman, Minister for Industries and Labour, to consider the question of bonus for the year 1957. It was agreed at the conference that a committee including three representatives of the Association of planters and three representatives of labour under the chairmanship of Mr. V. Balasundaram, Commissioner of Labour, should be appointed to evolve an industry-wise formula for the payment of bonus to the workers in the plantations and that the Committee should submit its report within two months.

TEA CROP

The revised estimated tea output in North-East India for the year 1957 is 528.4 million lbs. as against 540.1 million lbs. for 1956. The output in South India aggregated 144.6 million lbs., as compared with 126.9 million lbs. in the previous year. The total crop of the five major tea-producing countries is 1.272.8 million lbs., representing an increase of 27.6 million lbs. over the year. The crop during the current year up to the end of February is 104.7 million lbs. a rise of 7 million lbs. over that in the corresponding period of 1957. These figures do not include the crop of North-East India which is yet to come and include the output of Indonesia for January only.

The Government of India has fixed the "world price" of tea for the purpose of determining the export duty for May 1958 at Rs. 3.24 per lb., as against Rs. 2.95 per lb. in force from 1st April. There is, however, no change in the rate of duty at 38 nP per lb. The export duty is unchanged from August 1957 onwards, when it was raised from 25 nP per lb., although the "world price" has fluctuated between Rs. 2.55 per lb. and Rs. 3.48 per lb.

The Government of India has made an interim release of 50 per cent. of the crop basis of tea estates for export out of the 1958-59 crop, pending final allotment for the year.

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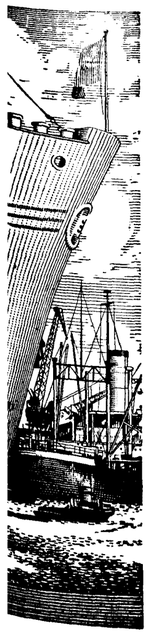

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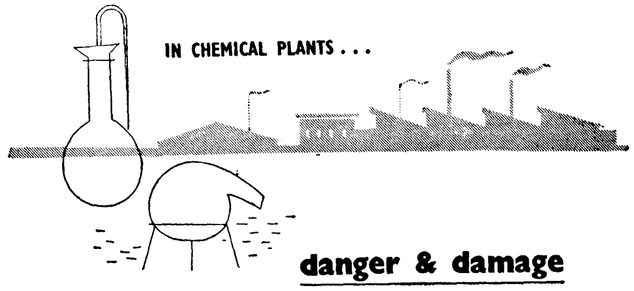

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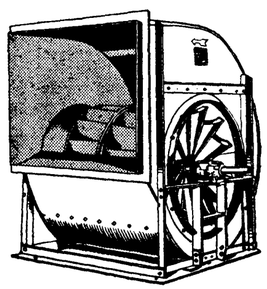

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WORKING OF INDIAN TELEPHONE INDUSTRIES

ESTIMATES COMMITTEE'S FINDINGS

THE realisation that the telephone, along with other means of communication, is an integral part of the economic and technological advancement of the country has led the Government of India and the Planning Commission to accord high priority to the telephone industry in the Plans. It has also been included in Schedule A of the Industrial Policy Resolution. The Indian Telephone Industries, the first industry to be started by the national Government, was established at Bangalore in 1948 to undertake the manufacture and assembly of telecommunication equipment. With a view to enabling the factory to be organised on commercial lines and in order to give it the necessary flexibility in administrative matters, it was decided to run the factory as a company. The Indian Telephone Industries Ltd. (I.T.I.) was formed accordingly in 1950, with an authorised capital of Rs. 2.50 crores which was later increased to Rs. 4 crores.

Despite the fact that the I.T.I. has been now in existence for about 10 years, its progress in respect of actual production of telephone equipment (excluding mere assembly of components), according to the Estimates Committee of the Lok Sabha (Chairman Mr. Balvantray G. Mehta), "cannot be considered entirely satisfactory." In its Eleventh (1957-58) Report on the Ministry of Transport and Communications (Department of Communications and Civil Aviation), Indian Telephone Industries (Private) Ltd., the Committee points out that, in the last three years, the value of components manufactured by the I.T.I. has been only 41 per cent. of the value of its aggregate output. The former during the three years 1955-56, 1956-57 and 1957-58, aggregated Rs. 4.25 crores, while the latter was of the order of Rs. 10.23 crores. The Committee has, therefore, recommended that efforts should be made by the I.T.I. to increase the proportion of indigenous content in the product. There have also been, according to the Committee, considerable delays, particularly in the manufacture of transmission equipment. Further, the installed capacity in the undertaking was not being put to full use and there was also scope for effecting considerable economies in working.

Examining the estimates of production and actual output in the I.T.I. during the last five years, the Committee notes that, in several cases, production did not reach the target fixed. The Committee has also pointed out that, on the transmission side, where there is extensive scope for production, the production schedules do not appear to have been framed realistically.

Principal Projects

The principal projects for purposes of production in the I.T.I. are at present two, namely, Main Automatic Exchange (MAX) and (b) transmission equipment. The present targets for supply of MAX equipment to the P. and T. Department on expansion as well as replacement account during the second Plan envisage the cut-over of about 165,000 lines of new auto-equipment. For this purpose, the supply of equipment has to be completed by about the end of the fourth year of the Plan. Of this target, approximately 36,000 lines of equipment had already been supplied before the second Plan commenced, leaving approximately 130,000 lines to be supplied in the first four years of the Plan. During the first two years, approximately 56,000 lines have been supplied so that the I.T.I. would have to supply the P. and T. Department approximately 37,000 lines of MAX equipment and about 45,000 telephone instruments per annum during the years 1958-60. By 1960, the target is to produce in all 320,000 telephones and 215,000 exchange lines.

The Committee points out that the targets and capacity of the I.T.I. are not adequate to meet the requirements of the P. and T. Department in respect of transmission equipment, particularly in regard to the 12-channel open wire system, 12-channel co-axial project, etc. It, therefore, feels that the manufacture of transmission equipment needs to be given greater attention in the I.T.I. than at present, especially considering its revenue-earning capacity as well as future demand. In the export field also there are, according to the Committee, greater chances of marketing transmission equipment than telephone exchange equipment. It, therefore, suggests that the programme of transmission equipment of the I.T.I. should be reviewed.

The Committee recommends that, in order to ensure the utilisation of surplus capacity available in certain shops of the I.T.I. and to minimise dependence on imports, the I.T.I. should undertake production of as many other items both in the telecommunication and non-telecommunication fields, as possible. For this purpose, the I.T.I. should first clearly determine what items can be manufactured by it after making a survey of the idle capacity as well as the capacity of the machinery to produce those items. Thereafter, the I.T.I. should conduct a market survey of the demand for all such items, keeping in view the capacity already available in the country. To enable such surveys to be made the Committee suggests the appointment by the Government of a Committee analogous to the Engineering Capacity Survey Committee which had been appointed sometime back. Finally, the I.T.I. should draw up necessary plans for starting manufacturing operations on the basis of the survey.

Cost of Production

As regards cost of production, it is heartening to note that there has been a downward trend in cost for items such as Auto Telephone, C.B. Telephone, Dial 24C, Transmitter, Meter. Their prices compare well with those of the corresponding products of the Automatic Telephone and Electric Company, Ltd., Liverpool, which provides the "know-how" and technical assistance to the I.T.I.

Nevertheless, the Committee feels that there are many directions in which there is scope for further reduction. For instance, while the percentage of direct materials in the total cost of production has gone down from 81.5 in 1954-55 to 77.4 in 1956-57, the position regarding overheads continues to be unsatisfactory. The percentage of overheads to the total cost during this period went up by 3.5 per cent. though, no doubt, as compared with direct labour, the position has improved slightly in that the overheads which were about 613 per cent. (of direct labour) in the year 1954-55 are now 554 per cent.

The Committee has made certain suggestions regarding the organisational set-up of the I.T.I. It had pointed out previously the impropriety, and the inherent anomalies and dangers of appointing the Secretary of the parent Ministry as the Chairman of the Board of Directors of a Government concern. The Committee recommends that early action should be taken to appoint a Chairman, with requisite qualifications and aptitude, who holds no post in the Secretariat or has severed his connection with the administration. It further suggests that persons with business experience who might have no interest in private undertakings and also persons of experience in financial matters and in telecommunication engineering, should be associated with the board. It suggests that they could also act as functional advisers in various matters and provide technical services in the fields of production, performance, measurement, etc.

It has also recommended an early examination of the system of accounting followed by the concern as well as of the high rate of overheads and expenditure trends, particularly on staff. The optimum utilisation of the production capacity with reference to the requirements of telephonic and allied equipment in the country, measures to increase indigenous production of imported telephone equipment, intensive research, etc., have also been urged. The Committee feels that besides the examination of these questions, a co-ordinated and comprehensive enquiry into the progress made by the I.T.I., particularly in regard to production and other technical matters, is necessary. Further, since the P. and T. Workshops also operate in the telecommunications field, it would be desirable to have similar enquiry made into the progress of these workshops with special reference to their reorganisation and co-ordination with I.T.I. in various matters including research and training. For this purpose, it would be desirable, it points out, to appoint a Technical Committee consisting of one or two telecommunication engineers and a chartered and/or cost accountant under the chairmanship of an experienced industrialist to review the working of the I.T.I. during the last decade. This Technical Committee may also look into the affairs of P. and T. Workshops. The committee recommends that this be done at an early date and its report made available to Parliament in due course so as to enable Parliament to make a correct assessment of the working of and the progress made by I.T.I. and P. and T. workshops.

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SHIPPING BILL

The Government of India's shipping policy, as embodied in the Indian Merchant Shipping Bill, 1958, now under study by the Select Committee, has been hailed as a "dynamic" one, designed to develop Indian shipping as early as possible, by Mr. S. N. Haji, Chairman of the All-India Manufacturers' Association. Mr. Haji observed that the Bill was the first measure by which the Government was exercising its sovereign authority to create an Indian Register which would invest a ship with Indian nationality and thus govern its life at home and abroad. Under the Present Bill, the Government, he pointed out, was armed with powers not only to control the ship but also to issue directives about the routes, the ports and even the types of cargoes and passengers Indian ships would carry. As regards participation of foreign capital in the development of merchant shipping in India, Mr. Haji said that it should be more welcome now than ever, in view of the fact that the private sector was not in a position to put up the necessary finance to reach the target of the second Plan and that the shipping loan fund of the Government was very lean.

Referring to the fears entertained in certain quarters about foreign participation, Mr. Haji said that, even by keeping the door open as wide as possible, there was no possibility of foreign capital flowing into this industry in a manner that would denationalise Indian shipping, because it was the nationality of the ships, he pointed out, that mattered.

Another section of shipowners, however, is critical of the provisions in the Bill relating to the definition of "Indian ship." The Chairman of the Scindia Steam Navigation Company, Ltd. (Mr. Dharamsey Khatau) and of the Indian Steam Ship Company, Ltd. (Dr. A. Ramaswami Mudaliar) pointed out that, under the new definition of an Indian ship as one owned by a company as defined by the Indian Companies Act, 1956, any foreigner can register a company with cent per cent foreign capital and get a ship owned by such a foreign company registered as an Indian ship and be entitled to the same treatment and privileges as are accorded to Indian ships at present.

They point out Indian shipping was defined by the Policy Committee on Shipping as shipping owned, controlled and managed by Indian nationals. The Government of India, by its resolution dated 12th July 1947, agreed that this definition would be the ideal one and should be the ultimate objective. The Government, however, stated that "a rigid application of this definition would, however, exclude some of the most important shipping companies in India simply because an insignificant proportion of their shares is held by non-Indians." It, therefore, resolved that the criteria to be satisfied by companies to qualify them for treatment as "Indian shipping companies" should be (*a*) that at least 75 per cent. of the shares and debentures of the companies should be held by Indians in their own rights; (*b*) that all the directors should be Indians; (*c*) that the managing agents, if any, should be Indians. "While this resolution passed by the Government stands," the Chairmen point out, "it has come as a surprise to Indian shipping that all the conditions stated therein are sought to be ignored by the new definition."

They further add that the introduction of substantial foreign interests, in industry will necessarily lead to participation, and perhaps even to a dominating control, of the management of some of the units in the industry. It will also, according to them, be not conducive to the Indian shipping industry speaking with one voice in International Liners' Conferences and thus prejudice the interest of Indian shipping companies.

The Chairmen also doubt the validity of the contention that, once a company is formed under the Indian Companies Act and shipping tonnage registered in India, the Government of India will have full control over it whether its capital is predominantly owned by foreigners or whether it is entirely owned by foreigners. The assets of a shipping company, they aver, are literally floating assets in the form of ships which are cruising in the wide oceans. There are comparatively very little assets which are within the country. In this respect, there is no comparison, it is stated, between a shipping company and an industrial company established in the country; the power of control of Government over the latter and over its personnel is real and effective while the control over the former can, they point out in certain circumstances be only "illusory."

AMENDING COMPANIES ACT—II

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

IT is not surprising that a legislative measure of such magnitude should at times present difficulties of interpretation and correlation, when its diverse provisions on diverse topics are brought together and considered in juxtaposition. The Amendment Committee has carefully considered a large number of difficulties attendant on the working of this enactment in actual practice. In this article, we shall discuss the recommendations of the Amendment Committee in respect of the provisions falling under Parts II to V of the Act.

Part II of the Act contains provisions relating to incorporation of a company and matters incidental thereto; this part contains 44 Sections from Section 11 to Section 54, out of which 13 sections are proposed to be amended.

Section 13 lays down the requirements of the Act with respect to memorandum. The Report states that the requirement in Section 13 (1)(*c*) that in the case of non-trading corporations the only State to the territories of which the objects extend, should be specified in the memorandum, is open to objection which should be removed by deleting the words "State or" occurring in clause (*c*).

Section 17(4)

With regard to Section 17 (alteration of memorandum), it was urged before the Committee that, in England, sanction of the Court is not necessary in respect of an alteration of the memorandum of a company and, therefore, there was no reason why in this country any alteration, even if it is confined to the limited purposes specified in Section 17(1), should require confirmation by the Court before it could take effect. It was further urged that if there was any opposition to the proposed alteration, then, of course, intervention of the Court might be necessary. The Committee took the view that, having regard to the conditions in this country and to the fact that the present Act became law as recently as in 1956, it was not necessary to recommend any change in the law in this respect.

There is, however, a drafting change that has been suggested in Section 17(4). Instead of the words "notice of the alteration," the words "notice of the application to the Court for confirmation of the alteration" are proposed to be substituted in Section 17(4).

Sections 18 and 19

Under Section 17(2), an alteration of the memorandum for the purposes specified in sub-section (1) shall not take effect until and except in so far as it is confirmed by the Court on petition. Sections 18 and 19 provide for registration of the altered memorandum with the Registrar and for the consequences of a failure to register. Under Section 18(1), read with sub-section (4), a copy of the altered memorandum and a copy of the Court's order confirming the alteration have to be filed with the Registrar within three months of the date of the Order or such further time as may be granted by the Court. If the Company has done this, it has done all that is required of it. Section 19(2) provides that if the registration is not effected within three months after the date of the order of the Court confirming the alteration or within such further time as may be allowed by the Court for filing the documents under Section 18(4), such alteration and order of the Court confirming it shall become void.

It is, therefore, significant that there is no period prescribed within which after the order of the Court has been filed, the Registrar should register and certify the alteration. The Court has no power under Section 18(4) to extend time for registration. In order to bring out the foregoing points, the Report proposes amendments in Sections 18(1) and (4) and 19(2). The effect of the proposed amendments will be that the Registrar shall register and certify the alteration within one month of the date of filing the certified copy of the order of the Court or such further time as the Court may allow under Section 18(4). Section 19(2) is also proposed to be amended in the following terms:

"If the registration is not effected within the period allowed by Section 18(1) or within the period as extended under Section 18(4), such alteration and the order of the Court and all proceedings connected therewith, shall, at the expiry of such period, become void and inoperative." (Proviso remains as before.)

As regards drafts of amended Sections 18(1) and (4), attention is invited at page 26 of the Report.

Section 23

A change of name by a company may take place either under the provisions of Section 21 or 22. Section 23 is about the registration of a change of name in pursuance of Section 21 or 22. The Report proposes to add a new sub-section (4) to existing Section 23. The new sub-section is self-explanatory and runs as follows:

"Where a public company is converted into a private company or a private company is converted into a public company, the company shall change its name in accordance with the requirements of Section 13 (1)(*a*) and the Registrar shall make the necessary alterations in conformity with the requirements of Section 13 in the memorandum of association and the certificate of incorporation."

Licensed Companies

Section 25 relates to licensed companies. Associations formed for promoting commerce, art, science or religion or which run schools, art galleries or sports clubs, may be registered as companies with limited liability. Sub-section (6) of the foregoing section enumerates the privileges which such licensed companies enjoy. The Central Government has power to grant license to the companies for the purposes mentioned above and it has also power to revoke the same under sub-section (7). The Report states that a suggestion was made by the Department of the Company Law Administration that if a licensed company alters any of its objects in the memorandum, it should be permitted to do so only after obtaining the previous approval of the Central Government to the alteration. It appears to be the view of the Committee that since the Government has been given the power of revocation of license under sub-section (7), all that is necessary is that notice of the proposed alteration of the Company's objects should be given to the Government. The following amendment is, therefore, suggested in Section 25(8):

"Where a body, in respect of which a licence under this section is in force, proposes to alter the provisions of its memorandum with respect to its objects, it shall give the Central Government four weeks' notice of the proposed alteration, and the Central Government may revoke the licence if no such notice is given or if it does not approve of the alteration or may vary the licence by imposing conditions and regulations in lieu of or in addition to those to which the licence was formerly subject."

As the law stands, non-profit-making associations licensed under Section 25 have to comply with most of the statutory obligations placed on companies under the Act. It is surely a commendable suggestion on the part of the Committee to amend sub-section (6) so as to empower the Government to exempt associations or bodies to which a licence is granted under the section from the operation of other sections in addition to Section 303. The proposed amendment of sub-section (6) is as follows:

"It shall not be necessary for a body to which a licence is so granted to use the word "limited" or the words 'private limited' as any part of its name and, unless its articles otherwise provide and if the Central Government so directs and to the extent specified in the direction, such body shall be exempt from the operation of the following provisions of the Act, namely, Sections 147, 166, 171, 176, 177, 188, 190, 255, 256, 263, 280, 282 and 285.

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Sections 28 and 29

Section 28 refers to adoption and application of Table A in the case of companies limited by shares. Section 29 prescribes the form of articles in case of other companies. The Report proposes to combine these two sections into one Section 28. As a result of this merger, Section 29 will have to be deleted. The new Section 28 will read thus:

"(1) The articles of association of a company limited by shares may adopt all or any of the regulations contained in Table A in Schedule I and the articles of association of any other company shall be in such one of the forms in Tables C, D and E in Schedule I, as may be applicable, or in a form as near thereto as circumstances admit.

(2) In the case of a company registered after the commencement of this Act, if articles are not registered or if they are registered, in so far as they do not exclude or modify the regulations contained in Table A or Tables C, D and E in Schedule I, the regulations in Table A shall so far as they may be applicable, be the regulations of the company, if the company is not a company limited by shares, in the same manner and to the same extent as if they were contained in duly registered articles."

It is relevant here to discuss the suggestion of the Amendment Committee in respect of Section 38 which is corresponding to Section 22 of the English Companies Act. The Bombay High Court, construing the words "or otherwise to pay money to the company" which occur at the end of the main part of Section 38, has held that a resolution of the company (Royal Western India Turf Club Ltd.)—suit No. 135 of 1957 under Section 90 of the Code of Civil Procedure—amending its articles so as to raise the rates of recurring subscriptions payable by members would not be binding on the dissentient members and they would be entitled to enjoy all the privileges of membership on payment of the rates of subscription current at the time when they became members. The foregoing view of the Bombay High Court is based on a plain grammatical analysis of Section 38. The Report suggests that, if by reason of the view of the Bombay High Court, Section 38 may be amended through modifying the proviso to the section so as to read: "Or where recurring subscriptions payable by the members of a club or other association are increased by an amendment of the articles pursuant to a special resolution of the company." The Bombay High Court has construed the words "otherwise to pay money to the company" in their widest sense in the context of a plain grammatical analysis of Section 38. But having regard to the general level of prices, it is obviously for the legislature to decide whether amendment of Section 38 as proposed in the Report is necessary. If there is need to amend this section, reasonable safeguards should be provided so as to eliminate the danger of such powers being abused.

Section 31

The Act does not prevent the conversion of a public company into a private company by amending its articles by a special resolution and otherwise complying with the requirements of the Act. Since the Act has placed restrictions on the management of public companies there has been a growing tendency to convert public companies into private companies. Such conversions are no doubt primarily matters for the shareholders and, in fact, the consent of the Court is not necessary. But having regard to the fact that a conversion of a public company into a private company can be effected merely by the adoption of a special resolution which may have commanded the positive support of only a minority of the shareholders, it is necessary that the influence of the general body of shareholders in any company should not be eliminated by a small controlling group. Since more vigilance is always better, some form of control over conversions is necessary to achieve the objects of the Act. At present, the Department is exercising some control over such conversions by resorting to Section 21 which states that "a company may, by special resolution and with the approval of the Central Government signified in writing, change its name."

The Report states that Section 21 cannot bear the strain the Department seeks to put upon it by regarding the addition of the word "private" (consequent upon such conversion) as a change in the name of the Company which, under the section, requires the approval of the Government. Realising the need for some form of control over the conversion of public com-

panies into private companies, the Report suggests that Section 31 should be amended by adding a proviso to its sub-section (1), namely, "provided that no resolution which has the affect of converting a public company into a private company, shall have effect unless the Central Government approves of the same." In this context, it may be noted that there is no need for the approval of the Government in the converse case of a private company being converted into a public company and thereby submitting itself to restrictions from which private companies are exempt under the Act. The existing sub-section (3) is proposed to be renumbered as sub-section (4) and a new subsection (3) is proposed to be inserted so as to provide for: "Where a company has so altered its articles, a printed copy of the articles as so altered, shall, within one month of the receipt of the sanction of the Central Government, be filed with the Registrar."

Membership of Companies

It was suggested that a specific provision should be made that minors cannot be members of a company. The Report rejects this suggestion as under the Law of Contracts a minor is incapable of contracting and membership involves contractual relationship between the company and the members as well as the members *inter se*. There was further suggestion to the Committee that the name of a minor who has inherited shares as heir or legatee should be entered in the register as holder of the shares. This suggestion has not been accepted. The Committee has, however, observed that there would be no objection to having the name of the certificated guardian of a minor who has inherited the shares or the executor of a probated will, under which a legacy of shares is given to a minor, being entered in the register and dividends being paid to him.

Section 153 states that no notice of any trust, express, implied or constructive, shall be entered in the register of members or debenture-holders or be receivable by the Registrar. Section 153 is peremptory in its terms. The corresponding Section 117 of the English Act is also to the same effect. They have common objects to secure absolute immunity to the company for any breaches of trust committed by a trustee. The Report, therefore, rightly rejects the suggestion that the name of a trust owning shares should be entered in the register in order to avoid the necessity for a transfer of shares by one trustee to a succeeding trustee. To accept the foregoing suggestion would be a contravention of Section 153.

As regards Section 41(2), the Report suggests an amendment because it was brought to the notice of the Committee that in some cases, on the verge of liquidation, entries were made in the register of members of the names of persons who never applied for shares, in order to fasten liability on these persons as contributories. To avoid this contingency an amendment is suggested in Section 41(2) so that it may read: "Every other person who agrees in writing to become a member of a company and whose name is entered in its register of members, shall be a member of the company."

Section 39

Section 39 provides for supply of copies of memorandum and articles and other documents to members on payment of a fee of one rupee per each document. The Report suggests that in order to discourage frivolous applications for copies of documents as mentioned in sub-section (1) the fee should be increased to Rs. 3 for each copy of the document applied for. Sub-section (2) provides penalty of fine upto Rs. 50 for default in furnishing copies. The interval of seven days allowed to a company in furnishing the required copies is insufficient particularly where holidays intervene. It is therefore proposed in the Report that Section 39(1) might be amended so as to allow the interval of 14 days from the date of deposit of the estimated charges for the supply of copies.

Investments of Companies

It was suggested to the Committee that in cases where investments could not be held in the name of the Company on account of the provisions of some other law or rule or regulation having the force of law, the company should be allowed to hold them in the name of other persons. This suggestion did not meet the approval of the Committee as it was likely to defeat a provision of law. It is, however, suggested in the Report that Section 49(1) may be amended by inserting the words "or by any other law for the time being in force" after the words "sub-sections (2) to (5)" occurring at the beginning of the sub-section.

It is the view of the Committee that trusts ought not to be entered in the register. In order to make sub-section (2) consistent with this view the Report proposes that the words "expressly described as a nominee of the company" occurring at the end of Section 49(2) should be deleted.

Section 49(5) (*a*) is proposed to be amended to meet the practical difficulties of companies. The proposed amendment is:

"(5) Nothing in this section shall be deemed to prevent a company, (*a*) from depositing with or transferring to or holding shares or securities in the name of the State Bank of India or a scheduled bank, being the bankers of the company, so as to facilitate the collection of dividends or interest or transfer of the shares and securities."

The advantages of the foregoing amendment are obvious. There will be easy collection of dividends and the speedy disposal of such shares and securities at a slightly higher price. Till the shares and securities are disposed of, the bankers of the company would be collecting interest and dividends and crediting them to the company's account. As a consequential amendment, the words "or the State Bank of India" are proposed to be added before the words "or with a scheduled bank," occurring in Section 49(6).

Part III

Now we come to Part III; this part contains 27 sections, Section 55 to Section 81; the sections proposed to be amended are five. We have already discussed the new definition of "prospectus" as suggested in the Report.

Section 60 enumerates the requirements for the registration of prospectus. There is no express or implied provision either in Section 60 or anywhere in the Act to empower the Registrar to refuse registration on the ground that the company is directly or indirectly contravening the policy of the Act or that its business is sought to be carried on in a manner contrary to law. There is also no provision in Section 60 or anywhere in the Act compelling the Registrar to register a Prospectus if the requirements [*vide* Section 60(3) (*a*) and (*b*)] for registration are fully satisfied. The Report therefore proposes to amend Section 60(3) as follows:

"The Registrar shall not register a prospectus unless the requirements of Sections 55, 56, 57 and 58 and sub-sections (1) and (2) of this section have been complied with and the prospectus is accompanied by the consent in writing of any persons named therein as the auditor, legal adviser, attorney, solicitor, banker or broker of the Company or proposed Company to act in that capacity."

As a result of the amendment of Section 60(3), it will be in order for the Registrar to point out the defects in the documents on scrutiny and refuse registration of the prospectus if the statuory requirements are not satisfied. But Section 60(3) as amended makes it clear that the Registrar is bound to register the prospectus if it satisfies the statutory requirements and that he has no powers to refuse registration on the ground that the Company is directly or indirectly contravening the policy of the Act or that its business is sought to be carried on in the manner contrary to law. The suggested amendment may be on the right lines, but more vigilance on the part of the Registrar is always better. He has to consider not merely prosecuting erring businessmen for violations of the Act but also to inculcate sound practices of companies.

It was pointed out to the Amendment Committee that the periods of three weeks and six weeks allowed by Section 73(1) are too short and should be increased to four weeks and seven weeks respectively. This suggestion made by a stock exchange has been accepted and the amendment of Section 73(1) is recommended accordingly.

Section 76

Section 76 relates to payment of commission in respect of shares. Sub-section (2) of this section has raised a controversial question as to whether any previous agreement between a company and a person entitled to receive any payment as commission in consideration of his subscribing or procuring subscription of shares of the Company is void to the extent it is repugnant to the provisions of Section 76. A learned Judge of the Bombay High Court—suit No. 376 of 1956—held that Section 76 had imposed a rigid restriction on the payment of commission to the promoters of a company and that the agreement in question became void and unenforceable after the present Act came into force on 1st April 1956. This view was confirmed by a Division Bench of the Bombay High Court—appeal No. 23 of 1957—Section 76(2), as it stands, prohibits the application of capital moneys but not of profits, in payment of any commission, though the obvious intention, as disclosed by Section 76(1) (ii) and (2), was to put a ceiling on the commission limited to 5 per cent. of the price at which the shares are issued. In order to remove any doubt, the Report recommends that the word "capital" should be deleted from Section 76(2).

Preference Shares

Subject to the conditions laid down in Section 80, a company limited by shares may, if so authorised by its articles, issue preference shares which are, or at the option of the company are to be liable, to be redeemed. The Report suggests an amendment of Section 80(1) (*d*) and (5) which refer to "capital redemption reserve fund." According to modern commercial and accountancy practice, the word "fund" is used in connection with reserves only when the funds constituting the reserves are invested outside the business. The Report proposes that the word "account" may be substituted for the word "fund" in sub-sections 1(*d*) and (5). As regards sub-section (4) of Section 80, the Report states that reference to Section 601 is an obvious error in the printed copy of the Act. The reference should be to Section 611 and the mistake should be rectified accordingly.

Section 81

This section corresponds to Section 105-C of the Act of 1913. Under the foregoing section of the old Act it was competent to the directors to increase the issued capital subject to the condition that the new shares were offered *pro rata* to all the shareholders of the company. Shares issued by the directors but not thus subscribed for could be allotted by the directors to anybody at any time and on any terms (above par) at their discretion. Thus, under the old Act there was a possibility of abuse of this power by the directors allotting these shares to themselves or their nominees or relatives on favourable terms or when the market became favourable. To avoid such abuses the old Section 105-C was re-enacted as Section 81 in the present Act but unfortunately is so worded as to make its interpretation difficult. As observed above, the object of Section 81 is to guard against the directors abusing their powers. At the same time, as the present section stands, it is not practicable or possible to compel directors to make a *pro rata* offer to the existing shareholders from time to time before making any allotments against applications received by them over a period of months. To avoid this difficulty the Report proposes to impose a time limit on the exercise of the power of directors to make allotments from time to time. The opening part of Section 81(1) is recommended to be amended as follows:

"Where at any time after the expiry of one year from the first allotment of shares in a company it is proposed by the directors to increase the subscribed capital of the company by the issue or allotment of further shares, then, subject to any directions to the contrary which may be given by the company in general meeting and subject only to those directions—(rest as in the section)."

Part IV of the Act contains provisions relating to share capital and debentures; this part contains 42 sections, 82 to 123; seven sections are proposed to be amended. The recommendations of the committee as regards the provisions falling under this part may now be briefly stated.

Section 84

This section states that a certificate, under the common seal of the company, specifying any shares held by any member, shall be *prima facie* evidence of the title of the member to such shares. With a view to preventing fraudulent dealings with duplicate shares, the Amendment Committee has proposed the addition of sub-section to Section 84:—"New scrips shall not be issued in the place of the old ones unless the latter are proved to have been lost or are defaced or surrendered."

Sections 88 and 89

The provisions of Sections 87 to 90 relate to adjustment of excessive voting rights. It may be noted that Section 89 aims at terminating existing disproportionately excessive voting rights which alone were considered to be objectionable and that Section 90 saves all other voting rights as well as rights to "dividend, capital or otherwise" which attached to shares attached before the Act. Section 88 applies only to issues of shares made after the Act.

Section 89(1) is suggested to be amended so as to cover not only cases of reduction of voting rights but also cases where voting rights have to be increased so as to bring them into conformity with the voting rights attached to

equity shares under Section 87(1). The proposed amendments are stated on page 45 of the Report.

Section 88 provides that fresh issues of equity shares after the Act should carry the same rights as regards voting, dividend, capital or otherwise as those attaching to other equity shares. Where holders of preference shares, issued before the Act, who have by virtue of Section 85(1) and (2) become equity shareholders, exist, their preferential rights to dividend, capital, etc., are saved by Section 90. Obviously, however, fresh issues of equity capital after 1st April 1956 cannot be placed on the same footing and therefore the Report suggests that it is necessary to exclude those cases by amendment of Section 88.

In Section 89(3), there is no provision empowering the Court to compel the company to equalise or adjust voting rights if, following the failure of the requisite proportion of any class of shareholders to agree to a scheme, the company itself does not apply to the Court for an order. There is only a provision for the payment of a fine extending upto Rs. 1,000 in case the provisions of this sub-section are not complied with. The Report, therefore, suggests that Section 89(3) might be amended so as to entitle any shareholder of the company to apply to the Court.

Section 106

The Report points out that Section 106 is inconsistent with Regulation 3(1) of Table "A" in Schedule I and recommends that the aforesaid regulation may be substituted for existing Section 106 with some amendments. As amended, Section 106 would run thus:

"If the share capital of a company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, if so authorised by the memorandum or the articles, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class."

Where a transfer deed relating to a share is lost, the Company may under the proviso to Section 108(1) register the transfer on such terms as to indemnity as the Board may think fit. The Report states that it was urged before the Committee that the small investors often lose their shares by reason of their inability to satisfy the stringent demands of the Board It is therefore suggested in the Report that some new provision might be made to relieve the shareholders from the indiscriminate demands which the Directors sometimes put forward while accepting an indemnity. According to the Report, an indemnity for a period of six years would be sufficient in ordinary cases to enable a transferee, whose transfer deed is lost, to get his transfer registered.

Section 111

Section 111 provides a new and speedy remedy to a shareholder by way of appeal to the Central Government against a refusal by a company to register a share transfer in his favour. Section 111 does not affect the remedy of applying to the Court for rectifying the register of members as provided for in Section 155. Section 155 is an enabling section giving an additional remedy and does not bar recourse to the Court. Section 111 does not also bar recourse to the Court by way of a suit. The Legislature while enacting this section appears to have lost sight of the danger of possible conflict of decisions given by the Central Government and the Court. This point was raised before the Amendment Committee. To avoid a possible conflict of decisions the Report states that the existing Sections (6) to (8) should be renumbered as (7) to (9) and a new sub-section should be added after sub-section (5). The new sub-section is: "(6) The order of the Central Government under this section shall be subject to the order, if any, of Court under Section 155 or in a suit."

Section 111 does not prejudice the power of a company under its article to refuse to register a transfer. Section 111(2) does not provide for cases when a company refuses to register a transfer even though its articles do not empower it to do so. The Report therefore suggests that in order to make such a provision Section 111(2) should be amended by the addition of the words "or otherwise" after the words "in pursuance of any such power."

A suggestion was made that a memorandum of appeal under Section 111 should be subject to payment of certain fee. The Report accepts this suggestion and recommends that Section 111(4) might be amended so as to provide that a memorandum of appeal shall be chargeable with such fee as may be prescribed by the Central Government not exceeding Rs. 25.

Since it is desirable that the orders passed by the Central Government, under Section 111(5) should be enforced without avoidable delay, it is proposed to amend sub-section 111(5) so as to require a company to give effect to the order of the Central Government within 10 days of its receipt. It is further suggested that a new sub-section (10) should be added so as to make the default on the part of the company to comply with the order as an offence punishable with fine upto Rs. 1,000 unless such compliance was prevented by an order of some competent Court.

In order to make the right of appeal effective there should be an express provision in Section 111 requiring a company to give reasons for refusing to register the transfer even in cases where the articles provide that the reasons for such refusal need not be given. The Report, therefore, suggests that Section 111 should be suitably amended.

Rules framed under Section 111 are proposed to be amended so as to provide that the reply of the company to the memorandum of appeal should be communicated to the appellant and that the appellant should be given an opportunity whether personally and/or by a representation in writing, as the appellate authority thinks fit, to rebut the reply of the company.

Whilst on this subject it may be pointed out that in order to bring Section 113 in line with Section 111, the words "within two months after the application for the registration" are proposed to be substituted for the words "within three months after the application for the registration" occurring in the opening part of Section 113(1).

Part V

We now come to Part V which contains provisions relating to registration of mortgages and charges. This part contains 22 sections from 124 to 145; five sections are proposed to be amended. As regards unsecured borrowings, no special requirements are laid down except that the borrowings should be within the company's statutory borrowing limits laid down by Section 293. The Act, however, prescribes certain formalities when moneys are desired to be borrowed on the security of company's property. Some of these formalities are laid down in Section 125. Under sub-section (1) an instrument creating a charge must be registered within a period of 21 days after the date of its creation. A suggestion was made to the Committee that this period should be extended to two months. In view of the importance of a charge and its effect on the rights of subsequent creditors, the Committee did not find it desirable to extend the period. Similar period was prescribed by the old Act. Even the English Act prescribes the same period. The Report however states that Section 125(1) may be amended so as to empower the Registrar to condone a delay of not more than seven days in filing the instrument creating the charge on being satisfied that delay was due to reasons beyond the control of the Company. The suggestion made by a chamber of commerce to the effect that the hypothecation of the company's stock-in-trade should be exempted from the operation of Section 125 was not accepted by the Committee.

Satisfaction

Under Section 138, a duty is cast on the company to give to the Registrar intimation of

(*Continued on page 919*)

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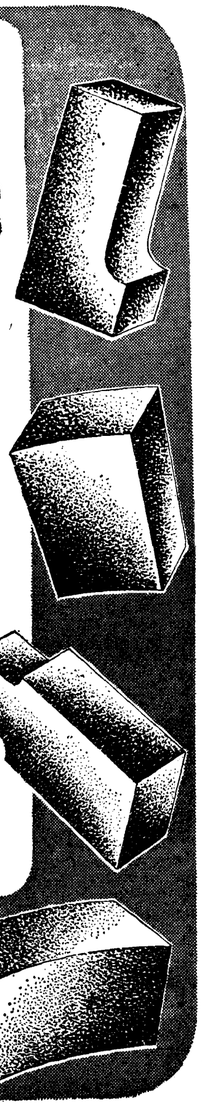

EMPLOYMENT PLANNING IN COMMUNIST COUNTRIES

INCREASING RELIANCE ON INCENTIVES

CERTAIN recent developments in the employment situation in the centrally planned economies of Eastern Europe and the U.S.S.R. will serve to dispel certain illusions regarding the infallibility of totalitarian planning. The earlier condition of an ample supply of and demand for labour in most countries of the region has given way to a new pattern with surpluses of labour appearing in some countries and shortages in others. The appearance of scattered pools of unemployed, even though co-existing with some unsatisfied demand for labour has caused alarm among the planners. The belief in the impossibility of even limited unemployment in a planned economy would seem to have received a rude shock. Governments of these countries are becoming obliged to take a more careful account of the prospective level of employment when framing investment and output targets, to approach the consideration of policies regarding income levels and income distribution, bearing in mind the possible effects on the size and composition of the potential labour supply and, in some countries, to give priority to investments designed to improve geographical mobility or reduce peak demands for labour. In the new phase of development, the study of manpower and employment problems has become a matter of prime importance.

The experience of these countries has served to underline the need for long-term perspectives in employment planning and to highlight the essentially complex nature and inherent difficulties of employment planning and the organisation of labour markets. In spite of scrupulous central direction by planners in these countries it has given rise to several problems. Democratic countries, which have to depend to a large extent on the free market mechanism for implementing the plans, have to face far more formidable problems in this field. Some interesting information regarding employment planning and the administrative measures and systems of incentives employed by the Soviet Union and the East European countries for implementing the plans are found in the *Economic Survey of Europe in* 1957, published by the United Nations.

Main Objectives

Reviewing the manpower and employment situation in Eastern Europe and the Soviet Union, the *Survey* points out that employment policy in these countries had until recently been treated as essentially an instrument of production planning. The main objectives have been to assure enterprises of the labour needed to fulfil the plans for industrial output and for investment and, to this end, a combination of social pressures, administrative measures and incentives has been employed—the latter involving a centrally controlled use of market forces.

The *Survey* points out that despite the general framework of planning and purposive direction of manpower flows, certain uncontrolled market forces have helped to create or perpetuate some of the features of "labour markets" characteristic of non-planned economies. On the demand side, competition for labour among socialist enterprises has been possible and demand outside the State sector continued to offer marginal competition for temporary and seasonal labour. On the supply side, unforeseen variations in the proportion of the marginal labour force (women, old people, etc.) offering themselves for employment, or in the rate of movement of workers out of agriculture, can produce changing intensity of competition for jobs. The "market" features have become more pronounced in the recent past with the increasing reliance on incentives rather than administrative measures as means of implementing employment policy.

Output Plans

In every country of the region, all economic plans—from the Five-year Plans for the whole economy down to the detailed annual plans for individual enterprises—have included sections on manpower. But each employment plan has, in fact, been a resultant of the planned volume of output and an estimate of the possible, or desirable, level of output per man. Since the output plans have everywhere had an overwhelming priority, the authorities have in general been prepared to tolerate combinations of employment and output per man different from those planned, provided that at least the planned levels of output were achieved.

In fact, the plans for employment outside agriculture were overfulfilled in four out of the five Five-year Plans in the Soviet Union by a huge margin in two periods; and in Eastern Europe the employment targets of the long-term plans were everywhere considerably exceeded in the early years. The basic reason was a demand for labour by socialist enterprises exceeding the volume laid down in the plans. The main control over the level of employment in an enterprise was through the total wage bill, though over-spending was frequently tolerated. But in any case, fixing the total wage bill of an enterprise left the management free, within limits, to hire more or fewer workers and pay them accordingly; and the fact that the wage bill was linked with gross output also weakened its usefulness as a control over either employment or the relationship of earnings to genuine labour productivity. On the other side of the manpower balance, supplies of labour were, in general, sufficiently flexible to allow these demands to be met. Employment plans usually referred only to the number of wage-earners, thus excluding most of the agricultural sector, and little disquiet was felt, in any case, if the workers attracted out of agriculture exceeded the numbers expected to move. Moreover, special efforts to recruit additional workers could tap more of the reserves of potential labour in the cities, and, from time to time, deterioration or stagnation of real wages caused part of this reserve labour force spontaneously to seek work.

In Soviet Union

During the early part of the inter-war period in the Soviet Union, the rapidly growing demands of industry for labour could easily be met by drawing on the urban labour reserves and on the surplus labour in agriculture—large numbers of whom were forced by collectivisation to seek other employment. Little difficulty, therefore, arose in securing a level of and distribution of industrial employment adequate for the achievement of the output plans, while, in later phases of development, rapid industrial expansion provided ample employment possibilities. The primary need throughout the inter-war years and ever since then has been to raise the level of skills and to encourage the highest possible physical output per man with any given provision of equipment.

These circumstances have strongly influenced the development of the instruments of employment policy in the Soviet Union which were later introduced in varying degrees in the countries of Eastern Europe. Thus, the wage system

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The beauty of village maidens in flaming red 'agunpat' sarees inspired many a poet of mediaeval Bengal. Woven on primitive looms out of yarn spun from 'Pat', as jute is known in Bengal, such sarees enjoyed immense popularity till even about 50 years ago. The English merchants carried this golden fibre from the sun-kissed fields of Bengal to mountain-ringed Dundee in Scotland, and a flourishing industry was born. The first jute mill in India was set up by George Auckland at Rishra on the banks of the Hooghly in 1855. With more than 100 mills in and around Calcutta, the jute industry is today the country's best foreign exchange earner. For machinery and spares, however, India had to depend till recently on imports. Today, with the best know-how of its technical collaborators of world repute, Texmaco is equipped to manufacture and supply the complete range of jute mill equipment, and also cotton and staple fibre spinning machinery. Helping the textile industry attain self-sufficiency, Texmaco serves India's basic industries.

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Textile Machinery Corporation Limited

TXC-38

LAC AS FOREIGN EXCHANGE EARNER

MEASURES FOR ENHANCING COMPETITIVE CAPACITY SUGGESTED

CONSIDERING that lac has all along been one of the principal earners of foreign exchange, it is, indeed, unfortunate that the conditions in the lac industry and trade continue to be unsatisfactory. Production has suffered a marked setback, the total actual output of *katki* and *aghani* (*kusmi*) lac in 1957 being not more than 222,500 maunds, as against 565,000 maunds in 1956. Despite the fall in output, prices have gone down markedly; spot lac (shell pure T.N.) is now quoted in Calcutta at Rs. 66.50 per maund, as against Rs. 105 a year before. What is worse, the foreign exchange earning capacity of the industry has dwindled greatly of late, thanks to keen competition from Thailand in world markets and fast developing synthetic substitutes. The total value of lac exported during the first ten months of 1957 was substantially lower at Rs. 5.97 crores, as against Rs. 7.72 crores in the corresponding period of 1956, although the quantity of exports was higher by 32,720 cwts. at 450,086 cwts. If the prosperity of the age-old lac industry is to be assured, it is of the utmost importance that efforts should be made to stabilise the prices of the industry's products and to expand the foreign markets for Indian lac and lac products.

Viewed thus, the National Council of Applied Economic Research, New Delhi (Director-General: Dr. P. S. Lokanathan) has done well to make an exhaustive study of the export markets for Indian lac and put forward valuable suggestions for protecting and improving India's position as a producer and exporter of lac. The results of the study have been brought out in a report published by the Asia Publishing House, Bombay (Price: Rs. 6). The study, it may be noted here, was undertaken by the Council in response to the request of the Union Ministry of Commerce and Industry.

The findings of the Council reveal that production of lac is mainly concentrated in Bihar and Madhya Pradesh. The two States account for 45 per cent. and 27 per cent., respectively, of the total production in India, followed by West Bengal with 18 per cent. and Bombay with 1 per cent. A major product of lac is shellac. There are two mechanised plants for producing shellac in Calcutta. Most of the other shellac manufacturing units adopt the cloth bag process and these are located in the sticklac producing areas. Exports of lac since the Second World War have averaged about 30,000 tons valued at about Rs. 10 crores. Thailand has become a major exporter of lac, especially seedlac, capturing nearly 30 per cent. of the world market for lac once monopolised by India. India, however, still holds the monopoly of shellac.

World Consumption

The world consumption of lac is increasing, albeit slowly, but exports from India are not. The market demand, especially in the United States, is shifting from shellac to seedlac. Thailand, which meets at present about 25 per cent. of world demand for lac, is obtaining a growing share, especially in seedlac. Synthetic substitutes are fast developing and threatening the world market for lac. The trend of world consumption can be gauged from the exports of India and Thailand which meet exclusively the demand in world markets. The following table gives the exports of lac from India and Thailand during 1956 as compared with the previous three years:

(In tons)

	1956	1955	1954	1953
Shellac and buttonlac—				
India	21,051	16,635	14,806	13,643
Thailand	20	59	244	108
Seedlac— Total	21,071	16,694	15,052	13,751
India	7,879	8,609	8,850	10,235
Thailand	11,149	13,591	9,594	8,814
Total	19,028	22,200	18,444	19,099
Sticklac—				
India	64	160	27	69
Thailand	2,901	3,466	4,864	2,947
Total	2,965	3,626	4,891	3,016
Other types—				
India	2,657	3,024	2,031	2,845
Thailand	N.A.	N.A.	N.A.	N.A.
Total for—				
India	31,651	28,428	26,616	26,841
Thailand	14,070	17,116	14,702	11,869
Grand Total	45,721	45,544	41,318	38,710

The figures relating to India are for financial years, while those relating to Thailand are for calendar years.
N.A.—Not available.

Lac exports from Thailand which were practically *nil* in 1946 aggregated over 12,000 tons in 1955 and 16,000 tons in 1956. It will be recalled that India had virtually 100 per cent. monopoly in world market for lac until 1947. In the last three years, India has had two-thirds of the world market and Thailand one-third. Indian shellac exports in 1956 amounted to 21,051 tons, almost reaching the pre-war level. In the case of seedlac, exports from Thailand have expanded rapidly since 1950 and have exceeded those of India in the last three years, the yearly average being about 11,500 tons, as compared with India's average of 8,500 tons. As regards sticklac, exports from Thailand touched 4,800 tons in 1954, while Indian exports were a bare 27 tons. Indian exports to the U.S. are in both shellac and seedlac. Shellac exports have declined since 1952, as the U.S. demand for shellac has declined. Since 1952, the U.S. imports of seedlac have remained fairly stable at 13,000-17,000 units. In 1952, India had 75 per cent. share in U.S. seedlac imports, while, in 1956, it had only about 40 per cent. The pattern of trade with the U.K. is similar but not as unfavourable as in the case of the U.S. market. Indian exports of shellac to the U.K. have declined. Its exports of seedlac to the U.K. in 1955 and 1956 have declined as compared with 1954, while Thailand's have grown. The case of West Germany is different. India's exports of shellac to that country are growing whereas those of seedlac and other lac are remaining steady. Thailand's exports to this market, however, have also been growing in both seedlac and sticklac.

Synthetic Substitutes

Apart from the efforts of Thailand to capture as much as of the world lac market as possible, a number of synthetic products developed as substitutes for lac in various uses are also offering competition to Indian lac. The most important is a synthetic from which gramophone records are made. Synthetics have virtually replaced shellac in the entire U.S. gramophone record manufacturing industry, have cut seriously into the record industry in Germany and will replace shellac almost entirely soon, and have taken half the record market in the U.K. and is expected to have most of the other half within the next five years. In the hat industry, synthetics are becoming prevalent and will probably be even more widely used in the future. In the U.S., floor polishes and floor finishes are now the main consumers of lac, but, in Germany, nitrocellulose has taken 95 per cent. of this market since 1939. Synthetics are also entering this market in the U.K. In the electrical uses, synthetics are now doing many of the jobs formerly done by shellac. The same is true in the printing and paper industries.

The survey conducted by the National Council shows that unstable prices of Indian lac are largely responsible for the shift to use of synthetics in the U.S. market. The lac users complain that wide fluctuations in prices upset their cost calculations and pricing policies of products made from lac. Though they are benefited when prices are low, they seem to prefer price stability which is guaranteed by synthetics. Further, high prices of lac *vis-a-vis* synthetics are also responsible for the growing use of synthetics. Fluctuations in lac prices are attributed to manipulations by speculation, hoarding or underquoting, variations in supply and demand, and inadequate market information.

Price Stability

The Council has emphasised the need for ensuring stability in prices of lac, with a view to promoting exports. It suggests that the Government may fix maximum-minimum prices for lac and create a statutory body—Price Fixation Board—to enforce price controls by devising suitable measures. In order to support a minimum price programme, stocks of lac offered for sale at the lowest prices will have to be purchased when market conditions make it necessary. Also, when supplies fall short of market demand at the maximum price level, exports will have to be controlled through a system of quotas. These quotas may be assigned by the statutory body to private trade and to the State Trading Corporation to the extent necessary. The financial implications should be carefully assessed, but it may be stated that, over a period of five years, there would be no loss to the Price Fixation Board.

In addition to the maintenance of price stability, the Council has urged the adoption of the following three important measures:

(1) Market information should be improved and expanded. New techniques for estimating production should be used. Quantities in stock must be determined by more reliable methods. The Indian Lac Cess Committee may entrust this work to a disinterested party. Data on supplies in foreign markets and trends in demand must be made widely available. This improvement in market information is of major importance. The Shellac Export Promotion Council may establish information cells abroad to collect, analyse and disseminate useful information about principal foreign markets.

(2) Research to aid users of lac and to find new uses should be continued. A close liaison with lac users in foreign countries in this respect must be maintained. Along with a research programme, technical service to lac users in foreign countries should be provided. Lac experts should be attached to the offices of the Government of India Trade Representatives in principal markets, to start with in the U.S.A.

(3) The present plans to construct air-conditioned godowns at Calcutta to provide storage accommodation for 25,000 tons of lac, expandable to 50,000 tons, should be expeditiously completed.

Other Suggestions

The Council has also put forward suggestions for solving some of the other important problems confronting the lac industry and trade. These are: provision of some additional refrigerated transportation for lac during the monsoon season; encouragement for the internal use of lac, so that the relatively excessive dependence on foreign markets will be reduced, at least over a long period; aid to producers in areas where sticklac quality is low to show them how to improve their quality and thus to improve the prices they can obtain; the possibility of developing co-operative oganisations to develop shellac plants, to provide power for the present home production centres, and to improve their marketing methods; planting and cultivation of *kusum* trees which give top-quality lac; and establishment of a pilot plant to produce bleached lac in India as rapidly as possible.

The aforesaid recommendations of the National Council are quite valuable. If implemented earnestly, they will surely go a long way towards enhancing the competitive capacity of Indian lac in world markets. Incidentally, it may be noted that production target for lac is fixed at 35,000 tons by 1960-61. Meanwhile, Thailand is reported to be making renewed efforts to raise exports of lac to 20,000 tons by 1961. The total available supply of lac in the world is thus expected to be of the order of 55,000 tons in 1961, a quantity which will be far above the estimated world consumption of 46,000 tons. It is obvious that prices of lac may tend to decline. The National Council has done well to draw special attention to this aspect. Nevertheless, it stresses that India will have to increase production of lac as envisaged in the Plan. Otherwise it warns, "Thailand will do so and take over the entire market demand which India can meet just as well." In order to ensure that increase in production does not result in a serious price decline, the Council suggests a proper phasing of the programme of expansion. By the way, the Council rightly lays emphasis on the importance of India stepping up exports of seedlac considerably from the present level of output of about 8,000 tons, which compares very unfavourably with 12,000 tons exported from Thailand.

With a view to familiarising their employees with the various development projects undertaken by the Government of India under the Five-year Plans, the Metal Box Company of India Limited has been sponsoring tours of these projects for their employees. Three such tours have been organised between November 1957 and March 1958, giving an opportunity to over a hundred employees to see for themselves the progress made by India since the launching of these projects. These trips are financed entirely by the Company, and selection is made on the basis of good attendance, good production, length of service, etc. Representatives of recognised unions and of the works committee are also included. Responsible officers of the Company accompany the employees on these tours. The trips take three days to complete, and the itinerary includes the Chittaranjan Locomotive Factory, the Sindri Fertiliser Project, Maithon Dam and Hydro-electric Project, Durgapur Barrage, and a coalfield in the Raniganje-Jharia belt.

The Government of India has published draft rules detailing the procedure for allowing rebate of customs or Central excise duty paid on imported or indigenously produced materials used in the manufacture of vegetable fatty acids subsequently exported. The rate of refund proposed is Rs. 141 per ton of the vegetable fatty acids exported.

ATUL PRODUCTS FORGE AHEAD

DIVIDEND ALSO HIGHER

ATUL Products Ltd. (Managing Agents: Messrs. Lalbhai Sons & Co., Ahmedabad) has reported one more year of record achievement in its working during the year ended 31st December 1957. The achievements are in regard to the substantial improvement in sales effected and profits made over the previous year. Indeed, the steady rise in the Company's sale proceeds and profits from year to year bear ample testimony to the growing popularity of the Company's products and no less to the fact that its future, as one of the leading chemical concerns in the country, is assured. Thus, the gross profit at Rs. 54.46 lakhs has jumped by Rs. 23.51 lakhs or as much as 75.9 per cent. from Rs. 30.95 lakhs for the previous year. It is again more than twice that of Rs. 20.61 lakhs for 1955, while as compared with Rs. 12.44 lakhs for 1954, it has more than quadrupled. Such progress within a span of only three years is, indeed, a remarkable achievement.

Out of the gross profit for the year under review, the Directors have provided Rs. 16.77 lakhs as normal depreciation for the year and Rs. 5.89 lakhs towards arrears of depreciation. The amount set aside in the previous year on this account were normal depreciation Rs. 12.68 lakhs and arrears of depreciation Rs. 6.92 lakhs. They have also made a provision of Rs. 1.50 lakhs for wealth tax for the years 1957 and 1956. The net profit, after making the above provisions, stands substantially higher at Rs. 27.12 lakhs, as compared with Rs. 11.35 lakhs in the previous year. The higher profit has enabled the Directors to set aside a sum of Rs. 11 lakhs to the reserves, as against *nil* in the previous years and also to recommend a further rise in the rate of dividend distribution. Accordingly, they have transferred Rs. 3.50 lakhs to development rebate reserve and Rs. 7.50 lakhs to depreciation reserve. A dividend of 8 per cent. has been proposed for the year under review, as against 6 per cent. in the previous year, to which level it had been modestly raised from 5¼ per cent. paid for 1955.

The following table brings out some of the salient features of the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sales	2,71.86	1,83.42	1,29.24	1,15.80*
Closing stock of finished goods and goods in process ..	32.47	25.13	41.59	34.24
Other income	8.37	4.16	3.19	1.84
Raw materials consumed ..	1,59.42	93.78	84.93	82.99
Expenses	73.69	46.38	34.23	22.20
Gross profit	54.46	30.95	29.61	12.44
Managing Agents' remuneration	3.18	..	..	..
Depreciation	22.66	19.60	12.00	13.59
Taxation	1.50†	..	..	..
Net profit (+) or loss (—) ..	+27.12	+11.35	+8.61	—1.15
Preliminary expenses written off	0.63	..	..	..
Transfer to reserves	11.00	..	..	..
To dividend	15.14 (8%)	11.36 (6%)	8.36 (5¼%)	..
Carry forward	0.59	0.24	0.25	..

* Net sales.
† Provision for wealth tax for the years 1957 and 1956.

It will be seen from the table above that the Company's sale proceeds of dyes, chemicals and pharmaceuticals have increased by as much as Rs. 88.44 lakhs to Rs. 2.72 crores over the year. This, the Director say, is due to the fact that the expanded sulphur black plant and the new naphthol, cibagenes, cibanogenes, vioform and coramine plants were able to make their contribution towards the production and sales of this year. They state further that the plants will settle down to stable conditions during the current year and hence are expected to make a larger contribution to both production and sales. Raw materials consumed have increased from Rs. 93.78 lakhs to Rs. 159.42 lakhs, as also expenses from Rs. 46.38 lakhs to Rs. 73.69 lakhs. Of the rise in expenses, purchases of finished goods have increased from Rs. 1.37 lakhs to Rs. 16.89 lakhs, stores and spares consumed from Rs. 4.03 lakhs to Rs. 7.38 lakhs and salaries, wages and bonus from Rs. 7.58 lakhs to Rs. 10.08 lakhs.

It may be remembered that, out of the loan of Rs. 3 crores from the Government of India, the Company had initially drawn a sum of Rs. 75 lakhs. It had also received a further sum of Rs. 57 lakhs in the year 1957. The Company has not drawn any further amount from the Government since then.

The Company's paid-up capital of Rs. 189.28 lakhs is all in ordinary shares of Rs. 100 each. In addition, there is a sum of Rs. 9.17 lakhs as share application money. Its reserves and surplus are very small and aggregate only Rs. 11.65 lakhs. Loans from the Government of India secured by mortgage of fixed assets and investments account for Rs. 132 lakhs and other current liabilities amount to Rs. 127.48 lakhs. The gross block of Rs. 296.61 lakhs, including additions during the year of Rs. 35.70 lakhs, has been written down to Rs. 223.76 lakhs. The current assets aggregate Rs. 240.82 lakhs and include, among other things, investments in national savings certificates and shares of companies Rs. 62.42 lakhs, stores, building materials and uninstalled machinery and spares Rs. 23.48 lakhs, stock-in-trade at cost Rs. 93.04 lakhs and debts, deposits and advances Rs. 49.38 lakhs.

The Rs. 100 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 207 *cum-div*. On an *ex-div*. basis, the latest dividend gives a yield of 4.02 per cent. per annum.

COMPANY REGISTRATIONS IN WESTERN REGION

Sixty-three companies with a total authorised capital of Rs. 12.57 crores were registered in the Western region (comprising Bombay and Madhya Pradesh) under the Companies Act 1956 during the quarter ended 31st March 1958. Of these, six were public companies with authorised capital of Rs. 9.05 crores and 57 private companies with authorised capital of Rs. 4.52 crores, as against three public companies with an aggregate authorised capital of Rs. 11 crores and 46 private companies with authorised capital of Rs. 2.57 crores and two guarantee companies registered in the last quarter ended 31st December 1957. The total number of companies registered as above includes two public and four private companies transferred from other States. During the same period, 30 companies went into liquidation in this region, as against 34 during the preceding quarter. Names of 65 companies have been struck off the register maintained by the Registrars of Companies of Bombay and Madhya Pradesh under section 560 of Companies Act 1956 and 21 companies have been finally dissolved. In addition, 22 prosecution cases were launched against companies and/or officers of companies for various offences committed under the provisions of the Companies Act, 1956. Of these, five cases were decided, resulting in conviction of either the companies and/or officers of the companies.

In the Bombay State, four public companies with a total authorised capital of Rs. 8 crores and 54 private companies with a total authorised capital of Rs. 3.42 crores were registered during the quarter ended March 1958. In addition to this, two public companies transferred their headquarters to Bombay State. Of the 54 private companies, 15 related to processing and manufacturing (metals and chemicals), 11 to commerce (trade and finance), 7 to processing and manufacturing (foodstuff, textiles, leather and products thereof), 7 to processing and manufacturing (general), 6 to personal and other services, 5 to construction and utilities, 2 to mining and quarrying and one to transport, communication and storage. Of the six public companies, three related to processing and manufacturing (metals and chemicals), two to processing and manufacturing (general) and one to personal and other services.

Fifteen public and 13 private companies went into liquidation, while 20 companies were finally dissolved. Names of 40 companies were removed from the Registrar's register under section 569 of the Companies Act, 1956.

Twenty-two cases were filed during the quarter against companies and/or directors and liquidators. Of these, four cases were decided by courts resulting in conviction. Affairs of one public limited company were under investigation by inspector appointed by the Central Government on the basis of the representations by shareholders and enquiry by the Registrar of Companies.

In Madhya Pradesh, three private companies with a total authorised capital of Rs. 1.10 crores were registered during the period under review. Two companies went into liquidation, while one company was finally dissolved. Names of 25 companies were removed from the register of the Registrar of Companies, Madhya Pradesh, under section 560 of the Companies Act, 1956. No prosecution was launched under the Companies Act, 1956 during the quarter under report.

GREAVES COTTON ISSUE

The recent offer of 35,000 equity shares made to the public by Messrs. Greaves Cotton & Co., Ltd., has had an encouraging response, the total number of shares applied for amounting to over 64,000. Of this number, it is learnt, more than 50 per cent. were from applicants for 5 and 10 shares. The Company has decided to make a proportionate scale of allotment with the sanction of the Stock Exchange authorities.

Accordingly, it is learnt, applicants for five shares will be allotted four and those who have applied for ten shares will be given six shares. Applicants for shares ranging from 15 and 100 will get an allotment of 40 per cent., while those who have applied for 150 to 500 shares will be allotted 20 per cent. A little over 16 per cent. will be given to applicants for still larger number of shares. Posting of allotment letters is expected to be completed before the end of this month. The balance of the amount payable on allotment is likely to be called for by 15th June.

THE CENTRAL BANK OF INDIA LTD.

(Estd. 1911)

Head Office:—**Mahatma Gandhi Road, BOMBAY-1**

STATEMENT OF ACCOUNTS AS ON 31-12-1957

LIABILITIES		Rs.	ASSETS		Rs.
Subscribed Capital	..	5,76,66,000	Cash on hand and at Banks	..	15,92,11,000
Paid-up Capital	..	3,14,54,000	Investments	..	49,82,39,000
Reserves and other Funds	..	4,03,61,000	Advances	..	1,03,96,56,000
Deposits	..	1,55,11,51,000	Lands and Buildings	..	1,08,47,000
Other Liabilities	..	8,56,64,000	Other Assets	..	50,37,000
Profit and Loss Account :—					
Brought Forward ..	18,23,000				
Profit 1957 ..	1,08,74,000				
	1,26,97,000				
Appropriations	83,37,000				
		43,60,000			
TOTAL ..	Rs.	1,71,29,90,000		Rs.	1,71,29,90,000

COMPLETE BANKING SERVICE ALL OVER THE WORLD

RESULTS OF MODERN MILLS

LOWER PROFIT DUE TO DECLINE IN SALES

IN sharp contrast to the encouraging results noted in the previous year, the audited accounts of the Modern Mills Ltd. (Managing Agents: Messrs. N. Sirur & Co. Private Ltd., Bombay) for the year ended 31st October 1957 disclose a performance which is far from satisfactory. There has been a substantial reduction in the Company's sale proceeds leading to a drastic decline in its profit. Alluding to the Company's working during the year under review, the Directors state that due to deteriorating trading conditions, there was a progressive decline in the sales and clearances. This was aggravated further by the fact that the prices of Indian cotton ruled very high for the greater part of the year, thereby narrowing down the margin between the raw material and the finished product to a considerable extent. Hence the Company's results were adversely affected. Thus, the gross profit at Rs. 8.65 lakhs is even less than half of Rs. 18.54 lakhs for the previous year, to which level it had steadily risen from Rs. 3.30 lakhs earned in 1952-53. At this level, the year's gross profit is only slightly better than Rs. 7.53 lakhs for 1953-54.

The provision for depreciation has been lowered from Rs. 4.75 lakhs to Rs. 3.37 lakhs. A sum of Rs. 44,145 has been provided for wealth tax, as against Rs. 44,261 in the previous year. No provision has been made for taxation on the profit for the year and the report states that this is not considered necessary in view of the unabsorbed depreciation allowances of previous years. The net profit, after making the above provisions at Rs. 4.30 lakhs, is only one-third of Rs. 12.08 lakhs for the previous year. The Directors have written back Rs. 1 lakh being excess provision made for taxation in previous years, and have transferred an equivalent amount, that is, Rs. 1 lakh, to general reserve, as against *nil* in the previous year. But the machinery rehabilitation reserve which had been credited with Rs. 2 lakhs has not been provided with anything. A sum of Rs. 1.09 lakh has been taken to provision for gratuity, as against Rs. 6.30 lakhs made a year ago. The dividend to the shareholders has been lowered to 10 per cent. from 16 per cent. paid for the last two years, consisting of a dividend of 10 per cent. and a bonus of 6 per cent. It should, however, be noted that the year's dividend is on a higher capital of Rs. 33.19 lakhs, raised by the issue of 22,130 ordinary shares of Rs. 50 each at a premium of Rs. 10 per share during the year under review. The amount of dividend paid last year on 44,261 shares was Rs. 3.54 lakhs which on 66,376 shares this year works out to Rs. 5.33 per share, as against Rs. 5 per share proposed this year.

The following comparative table brings out clearly the progress of the Company during the past four years:

(In lakhs of rupees)

	For the year ended 31st October			
	1957	1956	1955	1954
Sales of yarn, cloth and waste..	1,62.81	1,86.81	1,85.80	1,71.51
Closing stocks of yarn, cloth and waste	65.29	52.37	55.24	63.84
Other income	1.62	0.72	0.36	1.09
Expenses	1,68.70	1,65.62	1,63.06	1,68.13
Gross profit	8.65	18.54	14.50	7.53
Managing Agents' commission..	0.54	1.28	1.48	0.79
Depreciation	3.37	4.75	5.26	6.03
Taxation	0.44*	0.44*	0.36	..
Net profit (+) or loss (—) ..	+4.30	+12.08	+7.41	+0.71
Transfer from reserves	..	..	..	1.80
Excess provisions written back..	1.00	..	..	..
To reserves	1.00	2.00	3.30	..
Gratuity provision	1.09	6.30	0.41	0.25
Dividend— Ordinary	3.32 (10%)†	3.54 (D. 10% +B. 6%)	3.54 (D. 10% +B. 6%)	2.21 (D. 10%)
Carry forward	0.43	0.55	0.32	0.16

* Provision for wealth tax.
† On the increased capital of Rs. 33.19 lakhs, raised by the issue of 22,130 shares of Rs. 50 each.

It can be seen from the table that the Company's proceeds from sales of yarn, cloth and waste have declined from Rs. 1.86 crore in 1955-56 to Rs. 1.63 crore. At the same time, closing stocks have increased from Rs. 52.37 lakhs to Rs. 65.29 lakhs. The above factors reflect the difficult conditions through which the textile industry is passing at present.

The paid-up capital of the Company as on 31st October 1957 stands raised from Rs. 22.13 lakhs in 1955-56 to Rs. 33.19 lakhs by the new issue of shares as aforesaid. These are in ordinary shares of Rs. 50 each. The reserves and surplus (including premium on shares) aggregate Rs. 46.71 lakhs. There is a 5 per cent. first mortgage debenture liability of Rs. 12 lakhs secured by the fixed assets of the Company. The current liabilities amount to Rs. 67.77 lakhs and include loans secured from bank against hypothecation of liquid assets for Rs. 36.41 lakhs. The gross block of Rs. 128.84 lakhs has been written down to Rs. 60.85 lakhs. The current assets aggregate Rs. 98.82 lakhs and more than adequately cover the current liabilities and provision for taxation.

The Directors observe that the Company which was a subsidiary of the Mysore Spinning and Manufacturing Company, Ltd., ceased to be a subsidiary from 29th March 1957, as the Mysore Spinning and Manufacturing Company, Ltd., reduced its holding in the Company's shares to below 50 per cent. of the capital of the Company.

The Rs. 50 fully paid-up shares of the Company are being nominally quoted at Rs. 70. On the basis of the latest dividend, the yield works out to 7.14 per cent. per annum.

Points From The Chair

Shift in Demand to Coarser Fabrics

"IT is easy to jump to the conclusion that there has been a sudden and very marked reduction in consumer demand and that the industry in achieving and surpassing the target set for it by the planners has sown the seeds of its current distress. I myself believe that actual retail consumption was substantially in excess of clearances from mills and that both would have been much higher had there not been a marked swing from the traditional balance of production within the industry towards the coarse end, and gross overproduction in particular sorts, such as coarse *dhotis* and *saris*. These two items are understood to form a large part of stocks lying with mills and their disposal will take time, even if all further production is discontinued for the time being. This go-coarser movement has undoubtedly been encouraged by the psychological effects of the disproportionately high rates of excise duty and sales tax levied on finer cloths and the rebate in excise duty offered towards the end of 1956 for increased yardage production."

E. J. M. LEIGH,
Buckingham and Carnatic Co., Ltd.

Statutory Control of Interest Rates

"We are of the view that 'deposit money in aggregate is possibly attracted better by adequate spread of banking service than by hawking higher rates of interest to shift or prevent a shift of deposits from one bank to another.' Apart from the steady rise in time deposits, a good portion of the rise in demand deposits consists of money obtained at about the Bank rate. I wonder whether there is really any convincing argument against the introduction of ceiling rates on bank deposits. In the nature of things, such ceiling cannot be voluntary. I would, therefore, suggest that the introduction of the statutory control of interest rates on deposits brooks no delay. We now have a situation wherein the producers and distributors not only try to pass on to the consumers the incidence of higher interest charges that they have to pay but become inclined to compete directly for funds by offering prohibitive rates of interest in preference or in addition to bank credit. Funds so diverted should normally flow to the banking system. I would, therefore, reiterate that the interest rate for a bank's deposits should be statutorily controlled in order that the highest return on deposits does not go beyond, say, two-thirds of the Bank rate in force for the time being. Of course, there should be a cushion allowed for the smaller regional banks, enabling them to pay a bit more."

DR. N. N. LAW,
United Bank of India, Ltd.

Foreign Exchange and Development

"We have three more years of the second Plan to go. Our ultimate objectives have to be realised. Also, as the Prime Minister stated in Parliament, our underdeveloped country has somehow to break the barrier and cross into a dynamic and self-progressing economy. We have, therefore, to go on with the scale of expenditure proposed if not on a larger scale. We have to realise that the development programme we seek to implement cannot be achieved without a substantial measure of foreign assistance. There is a feeling among certain sections in our country that by embarking upon a heavy development expenditure now with foreign assistance, we shall be mortgaging our third Plan. It was inherent in the Plan itself that we would take foreign assistance to complete our development programme, but, of course, the size of our requirement compared to estimates has considerably increased. Development is a continuous process. The creation of additional resources and increased credit-worthiness of the economy achieved through such development will enable us to meet our liabilities. There is nothing, inherently wrong in going ahead at a faster speed with our development programme with foreign assistance. If the foreign exchange obtained is used for development purposes, even with the admixture of created credit of Indian rupee, such development would itself be an anti-inflationary measure."

S. P. JAIN,
Punjab National Bank Ltd.

COMPANY MEETINGS AND DIVIDENDS

BUDGE-BUDGE JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 19th May 1958. Dividend: *Nil*. Transfer books remain closed from 5th to 19th May 1958, both days inclusive.

UNITED FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 22nd May 1958. Dividend: Rs. 4.00 per share (includes interim dividend of Rs. 2.50 per share) or 40 per cent. Transfer books will remain closed from 15th to 22nd May 1958, both days inclusive.

NATIONAL IRON AND STEEL CO., LTD. Annual General Meeting, Calcutta, 22nd May 1958. Dividend: Re. 0.62 per share. Transfer books will remain closed from 12th to 22nd May 1958, both days inclusive.

KYANG TEA SEED CO., LTD. Annual General Meeting, Calcutta, 22nd May 1958. Transfer books will remain closed from 15th to 22nd May 1958, both days inclusive.

NATIONAL CARBON CO. (INDIA) LTD. Annual General Meeting, Calcutta, 23rd May 1958. Dividend: Re. 0.65 per share (final) for the year ended 25th December 1957. Transfer books will remain closed from 12th to 23rd May 1958, both days inclusive.

GUEST, KEEN, WILLIAMS, LTD. Annual General Meeting, 29th May 1958. Dividend: Re. 1.20 per share (final), for the 52 weeks ended 28th December 1957. Transfer books will remain closed from 15th to 29th May 1958, both days inclusive.

STAR PAPER MILLS LTD. Annual General Meeting, Calcutta, 30th May 1958. Transfer books will remain closed from 19th to 30th May 1958, both days inclusive.

RAMNUGGER CANE AND SUGAR CO., LTD. Annual General Meeting, Calcutta, 30th May 1958. Transfer books will remain closed from 15th to 30th May 1958, both days inclusive.

TRAVANCORE CEMENTS LTD. Annual General Meeting, Natakam, Kottayam, 11th June 1958. Dividend: 6 per cent. or Re. 0.60 per share. Transfer books will remain closed from 22nd May to 11th June 1958, both days inclusive.

TRAVANCORE OGALE GLASS MFG. CO., LTD. Annual General Meeting, Alwaye, 12th June 1958. Dividend: *Nil*. Transfer books will remain closed from 2nd to 12th June 1958, both days inclusive.

COCHIN STATE POWER AND LIGHT CORPORATION LTD. Interim dividend of 4 per cent. free of tax for the year 1957-58. Transfer books will remain closed from 12th to 18th May 1958, both days inclusive.

PEERMADE TEA CO., LTD. Final dividend of Re. 1.75 per share (making a total of Rs. 2.50) for the year ended 31st December 1957.

VELLORE ELECTRIC CORPORATION LTD. Interim dividend of 5 per cent. or Re. 0.50 per share, for the year ended 31st March 1958. Transfer books will remain closed from 22nd to 29th May 1958, both days inclusive.

TRAVANCORE RAYONS LTD. Dividend of Re. 1.00 per share or 10 per cent. for the year ended 31st December 1957. Transfer books will remain closed from 20th May to 2nd June 1958, both days inclusive.

ANANDAM RUBBER CO., LTD. Dividend of Re. 1.50 per share or 15 per cent. for the year ended 31st December 1957.

THAMARAPALLY RUBBER CO., LTD. Dividend of Rs. 3.00 per share or 30 per cent. for the year ended 31st December 1957.

DECCAN SUGAR AND ABKHARI CO., LTD. Interim dividend of 5 per cent. or Re. 0.25 per share, for the year ending 31st May 1958. Transfer books remain closed from 10th to 19th May 1958, both days inclusive.

COWCODDY ESTATES LTD. Interim dividend of 25 per cent. for the year ending 30th June 1958. Transfer books will remain closed from 15th to 22nd May 1958, both days inclusive.

PARKSIDE (NEILGHERRY HILLS) ESTATE CO., LTD. Interim dividend of Re. 0.80 per share or 8 per cent. for the year ending 30th June 1958. Transfer books remain closed from 5th to 15th May 1958, both days inclusive.

COMPANY REGISTRATIONS

KHANDELWAL FERRO ALLOYS LTD. (First Director: Shri Ramprasad Khandelwal J.P.) Business: To erect plants for production of ferro alloys, etc. Authorised capital: Rs. 2,50,00.000. Public company. Address: Khandelwal Bhavan, 166, Dr. Dadabhai Naoroji Road, Fort, Bombay.

SAAZA BICYCLE INDUSTRIES (INDIA) LTD. (First Director: Mr. Abbasa Ali Haji) Business: Manufacture of bicycles and their components. Authorised capital: Rs. 1,00.00,000. Public company. Address: Haji Mansion, Amravati Camp, Vidarbh., Bombay State.

INDO-ORIENT AGENCIES PRIVATE LTD. (First Director: Mr. N. H. Cowasji Dinshaw.) Business: All kinds of agency business. Authorised capital: Rs. 5,00,000. Private company. Address: No. 70, Stock Exchange Building, Apollo Street, Fort, Bombay.

VENUS BOARD AND PAPER MILLS PRIVATE LTD. (First Director: Mrs. M. Haridas Gohil.) Business: Manufacture of strawboard, paper and allied products. Authorised capital: Rs. 5,00.000. Private company. Address: Gordhandas Khalanwadi, 35, Girgaum, Bombay 4.

KHANDELWAL MINING AND ORE PRIVATE LTD. (First Director: Mr. Ramprasad Khandelwal.) Business: To carry on metallurgical operations. Authorised capital: Rs. 5.00,000. Private company. Address: Khandelwal Bhavan, 166, Dr. Dadabhai Naoroji Road, Bombay.

BUDGE-BUDGE JUTE PASSES OVER DIVIDEND

RESULTS OF NATIONAL IRON AND STEEL COMPANY

Budge-Budge Jute Mills Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st October 1957.

The accounts, after charging all expenses and providing for sales tax, show a loss of Rs. 81,355 (Rs. 7,08,432). The directors have transferred from dividend equalisation reserve Rs. 63,000 (Rs. 63,000) and from general reserve Rs. 80,000 (Rs. 5,65,000). The balance brought forward from last year was Rs. 4,154 (Rs. 2,271). After adjusting the above amounts against the loss there is a total available for distribution of Rs. 65,799 (Rs. 94,154 after taking into account the amount written back of Rs. 1,72,315 being provision against anticipated loss on raw jute stock, etc.). The directors recommend a dividend of Rs. 7.00 (Rs. 7.00) per share on the preference capital absorbing Rs. 63,000 (Rs. 63,000) leaving a balance to be carried forward of Rs. 2,799 (Rs. 4,154 after providing Rs. 27,000 for taxation).

Wealth tax for the year is estimated to amount to Rs. 30,000 and this has been provided for by transfer of this sum from investment realisation surplus. No depreciation has been provided on such plant as in the Board's opinion stands in the Company's books at or below its scrap value.

With a view to having direct contacts with overseas markets, the Board together with the Boards of other Jute Mill Companies under the same group management resolved to form a company under the style of Budge-Budge & Allied Jute Mills Exports (Private) Ltd. This Company having been registered, commenced business on 31st July 1957. Each of the participating Jute Mill Companies has subscribed equally to the capital, and the Company's share is shown against "Investments" in the balance-sheet. Andrew Yule & Co., Ltd., have no interest in Budge-Budge & Allied Jute Mills Exports (Private) Ltd., but have been appointed its secretaries on a fee of Rs. 1,000 per annum.

In accordance with the working time agreement of the Indian Jute Mills Association the mill worked 48 hours per week with 12½ per cent. of the total looms sealed. Trading during the period continued to be difficult owing to the disparity between prices of raw jute and those of manufactured goods.

Accounts in brief are as under:

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	45,00,000	Block ...	50,53,822
Reserves ...	19,36,926	Stock-in-trade	23,02,404
Provison for taxation ...	5,233	Stores, spare parts, loose tools, etc.	7,29,020
Provison for wealth tax	30,000	Work-in-progress ...	3,86,209
Liabilities ...	27,98,837	Debts, deposits and advances ...	7,04,034
Profit and loss account ...	2,799	Investments	94,797
		Cash ...	3,509
Rs.	92,73,795	Rs.	92,73,795

National Iron and Steel Co., Ltd.

The directors of the above Company (Calcutta) submit the audited accounts of the Company for the year ended 31st March 1957.

The net profit for the year amounts to Rs. 6,55,655 (Rs. 6,87,033) after providing Rs. 5,93,864 (Rs. 5,12,534) for depreciation, Rs. 1,37,081 (Rs. 1,32,337) for managing agents commission, Rs. 5,40,750 (Rs. 4,81,000) for income-tax for the year 1956-57 and Rs. 37,324 (*nil*) for wealth tax for the year 1956-57. The balance to the credit of the profit and loss appropriation account after making last year's adjustments, together with this year's profit is Rs. 11,40,460 (Rs. 8,40,940) which the directors recommend to be dealt with as under:—A sum of Rs. 3,12,250 (Rs. 3,12,250) in payment of a dividend at As. 10 (As. 10) per share, free of income-tax and leaving a balance of Rs. 8,28,210 (Rs. 5,28,690) be carried over to the next year.

The directors inform that the managing agents Messrs. Nursing & Co., Ltd. have tendered their resignation on and from 31st March 1958.

The directors take pleasure in informing that during the year under review One Electric Furnace of 6.5 ton capacity was installed, and considerable improvement was effected in the Steel Foundry Section of the Company. The Company would have achieved still better results for the year 1957-58 but for strikes in certain sections of the factory and shortage of raw materials.

The sum of Rs. 5,40,750 referred to above represents full provision for income-tax for the assessment year 1957-58 based on the profits for the year ended 31st March 1957. Most of the pending income-tax appeals have been settled by now and in the opinion of the directors full provision of liability for all pending income-tax matters have been made in these accounts.

Accounts in brief are as under:

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	49,96,000	Block ...	45,36,541
Debentures ...	4,00,000	Stock of finished goods ...	10,48,205
Reserves ...	6,07,922	Raw materials ...	9,34,690
Provision for taxation ...	20,91,732	Stores and spares ...	11,83,878
Provision for wealth tax	37,324	Goods-in-transit ...	2,57,789
Liabilities ...	46,10,025	Debts, deposits and advances ...	52,40,008
Profit and loss account ...	8,28,210	Investments	1,08,467
		Cash ...	2,61,635
Rs.	1,35,71,213	Rs.	1,35,71,213

Rayalaseema Mills Ltd.

The directors of the above Company (Managing Agents: The Rayalaseema Development Co., Adoni) submit the audited accounts of the Company for the year ended 31st December 1957.

Depreciation of Rs. 1,95,208 (Rs. 3,16,594) has been written off on buildings, plant and machinery. Considering the present condition of the plant and machinery and the normal commercial practice, the directors have written off depreciation for the year on the written down value of plant and machinery instead of on the original cost of plant and machinery as in previous years.

An additional provision of Rs. 51,140 is made towards tax for the year 1955 and Rs. 13,288 towards wealth tax. These provisions leave only Rs. 1,38,666 (Rs. 5,48,343) available for disposal out of the current year's profits. Hence the directors have found it necessary to transfer a sum of Rs. 90,000 (*nil*) out of the amount standing to the credit of dividend equalisation reserve to pay a dividend of 10 (10) per cent. to the shareholders. With this transfer and after payment of dividend of 10 per cent. to the shareholders a sum of Rs. 5,286 (Rs. 32,012) would be carried over to next year.

The cost of cotton was high during the year and the yarn market was for a major portion of the year a falling one and it has been with much difficulty that the profit position has been maintained. The export quota could not be used as there was no export demand. The erection of all the imported Japanese machinery was completed and production started on the same from November, 1957.

Relationship between labour and management has been quite good from the inception of the mills. Though the labour took their demands regarding basic wages, dearness allowance, etc., to the Industrial Tribunal at Hyderabad this year, yet the management settled the disputes with the labour before it came up for hearing.

Accounts in brief are as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	22,32,050	Block ...	30,57,084
Reserves ...	11,50,000	Stock-in-trade	4,18,721
Provision for taxation ...	3,33,288	Stock of raw materials	11,01,102
Liabilities ...	20,57,633	Stores and spare parts	2,44,423
Profit and loss account ...	5,286	Debts, deposits and advances ...	8,35,556
		Investments	98,120
		Cash ...	23,251
Rs.	57,78,257	Rs.	57,78,257

Monogram Mills Co., Ltd.

The directors of the above Company (Managing Agents: The Marsden Bakubhai & Sons Private Ltd., Ahmedabad) submitted the audited accounts of the Company for the year ended 31st December 1957.

During the year under review the Company has made a gross profit of Rs. 7,15,857 (Rs. 19,87,450). Out of this, the following amounts have been debited towards the revenue account as required by the Companies Act, 1956.

To managing agents' remuneration Rs. 47,916 (managing agents' commission Rs. 5,85,995), to depreciation Rs. 2,29,684 (Rs. 1,71,952), to development and rehabilitation Rs. 1,52,000 (*nil*) and to provision for taxation Rs. 80,000 (Rs. 4,50,000). There is a balance of Rs. 2,06,257 (Rs. 7,79,503). To this is added the balance of last year's profit and loss account of Rs. 11,620 (Rs. 19,131) making a total amount available for appropriation of Rs. 2,17,877 (Rs. 7,98,634). Out of this the directors recommend payment of a dividend at Rs. 12 (Rs. 14 per share including bonus of Rs. 2) per share on 13,001 ordinary shares absorbing Rs. 1,56,012 (Rs. 1,82,014), transfer to gratuity reserve account Rs. 50,000 (Rs. 50,000) and carry forward to next year's account Rs. 11,865 (Rs. 11,620 after transferring Rs. 5,00,000 to general reserve, Rs. 50,000 to development and rehabilitation fund and Rs. 5,000 to Uttejak fund).

During the year under review the textiles trade in general was facing a very critical time. Increase in excise duty, coupled with heavy incidence of taxation policy of the Government, and extremely critical money market position have affected the working of the Company very adversely. This Company chiefly produces cloths of medium counts and as such increase in excise duty of medium counts cloth has further affected the working of this Company in particular.

The mills have 26,228 ring spindles, 1,232 doubling spindles; 528 looms and complete dyeing, bleaching and mercerising plants.

Accounts in brief were as under:—

LIABILITIES	Rs.	ASSETS	Rs.
Capital ...	26,00,200	Block ...	25,28,075
Reserves ...	34,62,740	Stock-in-trade	75,69,932
Provision for taxation ...	11,28,584	Stores, spare parts, etc.	8,12,519
Liabilities ...	64,46,633	Debts, deposits and advances ...	24,80,574
Profit and loss account ...	11,865	Investments	76,380
		Cash ...	1,62,542
Rs.	1,36,50,022	Rs.	1,36,50,022

N.B.—Figures within brackets relate to the corresponding period of the previous year.

THE
HONGKONG AND SHANGHAI
BANKING CORPORATION
(Incorporated in Hong Kong with Limited Liability)
HEAD OFFICE: HONG KONG
Capital Authorised .. .. Hk. $50,000,000 (Rs. 4,16,66,667)
Capital Issued and Fully Paid-up.. Hk. $50,000,000 (Rs. 4,16,66,667)
Reserve Funds .. .. .. Stg. £8,000,000 (Rs. 10,66,66,667)

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CAMBODIA: Phnom-Penh
CEYLON: Colombo
CHINA: Shanghai
DJAWA: Djakarta, Surabaia
EUROPE: Hamburg, Paris
HONG KONG: Hong Kong, Kowloon, Mongkok, North Point
INDIA: Bombay, Calcutta
JAPAN: Kobe, Osaka, Tokyo, Yokohama
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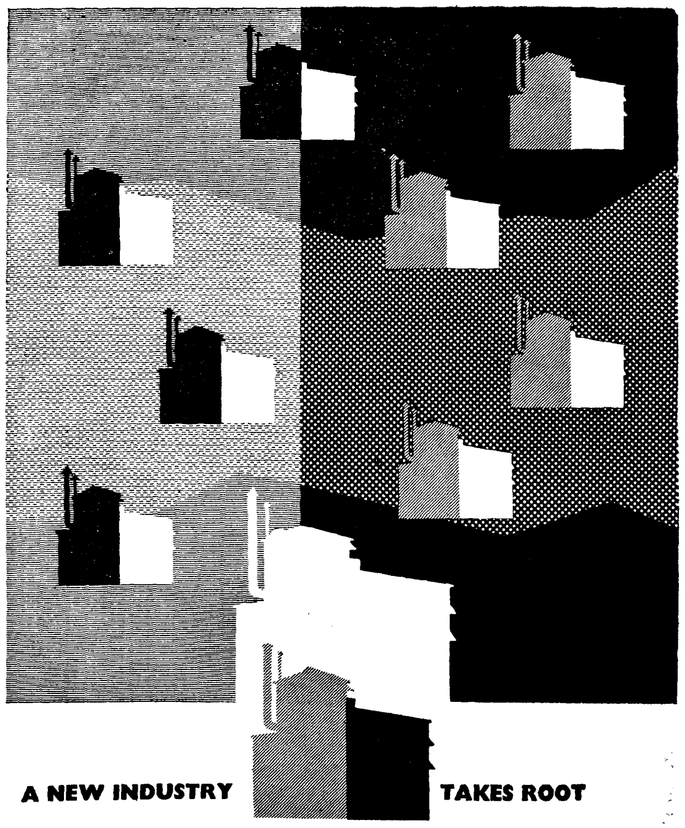
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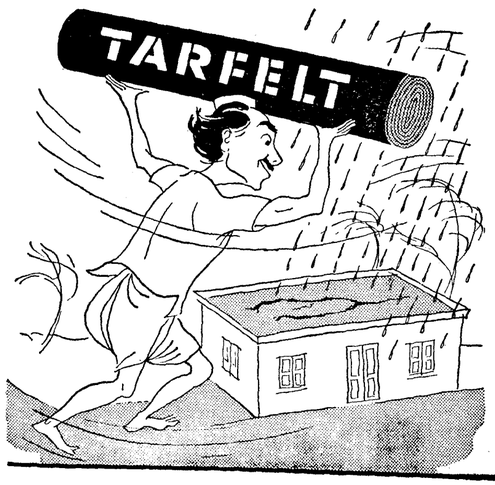

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Notices

THE PEERMADE TEA COMPANY LIMITED

(Incorporated in India)

NOTICE IS HEREBY GIVEN THAT THE Twentieth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company at Pathirappally, at 10 a.m. on Saturday the 7th June 1958, to transact the following business:—

1. To receive and adopt the Audited Accounts and Balance Sheet for the year ended 31st December 1957 and the Reports of the Directors and Auditors.
2. To declare a dividend.
3. To elect Directors.
4. To appoint Auditors.
5. To consider and if thought fit to pass the following resolution which will be proposed as a Special Resolution:—

"Resolved that Article 23 of the Articles of Association of the Company reading as follows, namely:

"23. If any certificate be worn out or defaced then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors may deem adequate being given, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate. A sum of one rupee shall be payable for such new certificate."

be deleted and in its place the following be adopted as Article 23, namely:

"23. (*a*) If any Certificate becomes unfit for further circulation by being old, decrepit, worn out, torn or defaced, or by the Cages on the reverse for recording transfers being fully utilised, then upon production thereof to the Directors they shall order the same to be cancelled and issue free of charge a new Certificate in replacement thereof.

(*b*) If any Certificate is lost, or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors may deem fit being given, a new Certificate in replacement thereof shall be given to the person entitled to such lost or destroyed Certificate on payment of a fee of Rupee One per each such Certificate or such smaller fee as the Directors may from time to time fix.

(*c*) Any such renewed Certificate may be marked as such."

(A copy of the Explanatory Statement under Section 173 of the Companies Act 1956 is available for inspection of the Shareholders at the Registered Office of the Company during Office hours of the Company on all working days till the date of the above Meeting.)

The Transfer Books of the Company will be closed from 25th May 1958 to 10th June 1958, both days inclusive.

Any shareholder unable to attend personally is entitled to appoint any person (whether a member or not) as his proxy to attend and vote instead of himself, subject to the provisions of Section 176 of the Companies Act 1956. Such proxy should reach the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,

THE PEERMADE TEA COMPANY LTD.,
Per Pro ASPINWALL & Co. (TRAVANCORE) LTD.,
V. C. THOMAS,
Secretaries.

PATHIRAPPALLY, 1st *May* 1958.

THE RAMNUGGER CANE & SUGAR COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-first Ordinary General Meeting of the Shareholders of the Ramnugger Cane and Sugar Company, Ltd., will be held at the Registered Office of the Company, 7, Wellesley Place, Calcutta, *on Friday, the 30th May 1958*, at 12 noon, to transact the following business:—

1. To receive the Directors' Report and pass the Audited Accounts for the year ended 31st August 1957.
2. To declare a dividend on Preference Shares.
3. To declare a dividend on Ordinary Shares.
4. To elect Directors.
5. To appoint Auditors and fix their remuneration.
6. To transact any other business which may properly be brought before the Meeting.
7. To consider and, if thought fit, pass with or without modification, the following Resolution as a Special Resolution:

"In view of the limitation imposed by Section 309(4)(*a*) of the Companies Act, 1956, IT IS HEREBY RESOLVED that the total amount of commission due to the Directors of the Company with effect from the 1st September 1956 shall not exceed 1 per cent. of the nett profits of the Company, payable in such proportions as the Directors may decide, or failing decision, to be shared equally by them."

Explanatory Note:

Prior to 1st September 1956, the Directors were entitled to a commission of 2 per cent. on the nett yearly profits of the Company. Section 309(4)(*a*) of the Companies Act, 1956, provides, *inter alia*, that a Company having a Managing Agent, may, by special Resolution, authorise the payment to Directors of a commission not exceeding 1 per cent. of the nett profits of the Company. It is proposed to move the above Resolution so as to authorise payment of commission to Directors in accordance with the provisions of the above Act.

NOTICE is also given that the Share Transfer Registers will be closed from the 15th to 30th May 1958, both days inclusive.

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

By Order of the Board,

ANDERSON WRIGHT LTD.,
Managing Agents.

CALCUTTA, 28*th April* 1958.

THE VELLORE ELECTRIC CORPORATION LIMITED

INTERIM DIVIDEND ANNOUNCEMENT

THE DIRECTORS, AT THEIR MEETING held on 25th April, 1958, have been pleased to declare Interim Dividend for the year 1957-58 as follows:

On Ordinary Shares:

5 per cent. or Re. 0.50 nP per share free of tax.

On Preference Shares:

3 per cent. or Re. 0.30 nP per share less tax.

The Share Transfer Books will remain closed from the 22nd May, 1958 to 29th May, 1958 (both days inclusive).

The Dividend warrants will be posted to those whose names stand on the Register of Members on 21st May, 1958, on or after 30th May, 1958.

By Order of the Board,

For CHANDRIE & Co. (PRIVATE) LTD.,
S. VENKATARAMAN,
Director,
Managing Agents.

SHREE KRISHNA GYANODAY SUGAR LIMITED

THE BOARD OF DIRECTORS OF SHREE Krishna Gyanoday Sugar Ltd. in their meeting held on the 26th April, 1958, have recommended to the forthcoming Annual General Meeting of the Company payment of dividends of Rs. 6 per share on 'A' Preference Shares, Rs. 5 per share on 'B' Preference Shares and Re. 1, i.e., 10 per cent. per Ordinary Share, without deduction of Income-tax, for the year ended 31st July, 1957.

By Order of the Board,

For SHREE KRISHNA GYANODAY SUGAR LTD.,
J. P. SAXENA,
Secretary.

CALCUTTA, 26*th April*, 1958.

THE MYSORE SUGAR COMPANY LIMITED, BANGALORE

NOTICE

NOTICE IS HEREBY GIVEN THAT THE twenty-fourth ORDINARY GENERAL MEETING of the Mysore Sugar Company, Limited, will be held at the Registered Office of the Company at Sri Jayachamaraja Wadiyar Road, Bangalore City, at 4 p.m. on Friday the 30th May 1958, to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 30th June 1957.
2. To ratify the Dividend declared by the Directors, as explained in para 3 of their Report.
3. To elect a Director in place of Sri L. Siddappa who retires by rotation and, being eligible, offers himself for re-election.
4. To elect a Director in place of Sri S. R. Aswath, who retires and, being eligible, offers himself for re-election.

Special Business:

(*a*) *By Ordinary Resolutions*:

5. To elect a Director to fill the vacancy caused by the resignation of Sri H. K. Veeranna Gowdh.
6. To elect a Director to fill the vacancy caused by the retirement of Sri S. M. Lingappa.

(*b*) *By Special Resolution*:

7. To consider and to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to Section 31 of the Companies Act, 1956, the Revised Articles of Association submitted to this meeting and for the purpose of identification subscribed by the Chairman thereof, be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof."

By Order of the Board,

H. MAHARUDRIAH,
Secretary.

BANGALORE, 1st *May* 1958.

Note.—(1) The relative explanatory statements pursuant to Section 173 of the Companies Act, 1956, in respect of the special business to be transacted at the meeting are being sent with the Notice to shareholders individually.

(2) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

(3) The Share Transfer Register of the Company will be closed from the 24th May 1958 to the 30th May 1958 (both days inclusive).

MONEY EASY

(From Our Own Correspondent)

BOMBAY, 7*th May*

Distinctly easy conditions came to prevail in the short-term money market during the week under review, with a further fall in demand for bank credit and the expansion in deposits of banks. Consequently, banks had a surfeit of funds. With the busy season almost at an end, money was unlendable, but there was no tendency for interest rates to come down. Inter-bank call money continued to be quoted at 3 per cent. among the Exchange banks and big Indian banks and at 3-3¼ per cent. among the smaller Indian banks. House money at call is also unchanged at 4½ to 4⅝ per cent. and short-term deposits fetched 4½ to 4⅝ per cent.

The Reserve Bank of India statement for the week ended 2nd May 1958 discloses no notable variation in notes in circulation. Notes held in the Banking Department are, however, lower by Rs. 11.78 crores and the total notes issued by Rs. 11.28 crores. On the assets side, there has been a sharp fall of Rs. 24.09 crores in foreign securities, an increase of Rs. 14.09 crores in rupee securities and a contraction of Rs. 1.28 crores in rupee coin. The fall in foreign securities has, however, been offset to a large extent by the rise of Rs. 19.02 crores in balances held abroad in the Banking Department, so that the net fall in foreign assets is Rs. 5.07 crores. Deposits of the Central Government have declined by Rs. 3.40 crores, while those of banks have gone up further by Rs. 4.36 crores. Loans and advances to Governments have declined by Rs. 1.61 crores, while other loans and advances show an increase of Rs. 2.33 crores. Investments are lower by Rs. 2.69 crores and Government Treasury Bills by Rs. 3.21 crores.

A rise of Rs. 2.73 crores in demand deposits and of Rs. 5.94 crores in time deposits is disclosed by the Scheduled banks' statement for the week ended 25th April 1958. On the assets side, advances have further declined by Rs. 3.10 crores, while bills purchased and discounted have risen by Rs. 1.93 crores. There has been a further increase in investments to the tune of Rs. 1.74 crores and cash balances have swelled by Rs. 6.61 crores.

The Gilt-edged market greeted the announcement of the terms of the Central Government's new loans with a favourable reaction initially, consequent on the scarcity of stocks in the market. This was reflected in a sharp jump in prices of some of the issues. Lately, however, the market became dull with a predominance of sellers and prices reacted over a wide front. The short and long-dated issues nevertheless continued to be in demand. 3 per cent. 1986 Conversion Loan gained on bear covering from Rs. 71.20 to Rs. 71.30 before declining to Rs. 71.25. 3 per cent. 1970-75 rallied smartly on yield considerations from Rs. 86.50 to Rs. 86.80. 3 per cent. 1966-68 held its own at Rs. 92.65 and 3 per cent. 1964 at Rs. 95.20. 3 per cent. 1963-65 moved up by 10 nP to Rs. 95.25, while Rs. 99.10. 3 per cent. 1959-61 was marked down by 5 nP to 2¾ per cent. 1958 kept steady at Rs. 99.75. 2½ per cent. 1962 rose by 15 nP to Rs. 95.30, and 2½ per cent. 1961 by 10 nP to Rs. 95.35. 3½ per cent. 1962 shed 5 nP to Rs. 97.85 and 3½ per cent. 1961 suffered a similar fall to Rs. 99.60. 3½ per cent. 1964 and 3½ per cent. 1965 each declined by 5 nP to Rs. 98.15 and Rs. 97.80, respectively. 3½ per cent. 1967 was marked down by 10 nP to Rs. 97.55 and 3½ per cent. 1967 by 5 nP to Rs. 99.70. 3½ per cent. 1974 after improving by 5 nP to Rs. 98.25, reacted to Rs. 98.20. 4 per cent. 1960-70 dropped 5 nP to Rs. 100.45, while 4 per cent. 1972 gained 5 nP to Rs. 100.25.

In consonance with the trend of sterling abroad, the rupee also weakened slightly in terms of the U.S. dollar. Banks' selling rate of ready dollars rose from Rs. 475.25 to Rs. 475.75 per $100 and their buying rate from Rs. 472 to Rs. 472.50 per $100. In New York, spot sterling dropped from $2.81.11/16-2.81.13/16 to $2.81.3/16-2.81.5/16 and three months' forward from $2.79-2.79¼ to $2.78⅞-2.78¾. Transferable sterling receded from 279.50-279.60 cents to 279.20-279.30 cents.

TEA DEARER

[*Messrs. Forbes, Ewart and Figgis (Private) Ltd.*]

COCHIN, 1*st May*

Just over 1,900,000 lbs. were on offer in Sale No. 10 which was held on Tuesday, 29th April. Although quality showed a seasonal decline, there was still a useful selection on offer. The appearance of the teas were generally satisfactory, but there were some teas of rush production. The market opened to a strong general demand from all exporters. This demand was particularly noticeable for low medium and medium fannings which were irregularly 10 nP dearer. Low medium and medium brokens opened dearer and closed about steady. Good mediums met with good support at easier rates and are quoted 30 nP easier. High grown teas met an irregular demand and prices occasionally declined by as much as one rupee. Whole leaf met with good competition and were stronger and dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.55 to 1.75
Medium	1.75 to 2.00
Good medium	1.95 to 2.40
Quality	2.40 to 4.40

London Market: *Sale of 28th April 1958*:—Plain teas 2 to 4d. dearer. Medium and best appreciably dearer.

Sale of 29th April 1958:—Strong but irregular for light liquoring.

BULLION RECEDES

(From Our Own Correspondent)

BOMBAY, 7*th May*

After last week's recovery, the bullion market suffered a setback again during the week under review. On fears that the demand for bullion would slacken in a few weeks, bears began to hammer the market. The extension of by-law 33(A) to the June and July contracts, under which a heavy penalty is payable by buyers on their outstanding purchases over a particular limit, and reports that import duty on 200,000 Tibetan coins had been paid also caused some unloading by bulls. The heavy penalty they have had to pay for carrying forward their commitments from the current contract to the next deterred the bears from hammering the market.

On Thursday last, the Board of the Bullion Association decided to apply by-law 33(A), subject to the approval of the Bombay Government, to *Jeth* and *Ashad* (June and July) contracts in silver and gold. Under this by-law, a margin of Rs. 500 per bar of silver will have to be paid on the outstanding purchases in excess of 40 bars and of Rs. 7 per tola on purchases of gold exceeding 2,000 tolas.

Forward silver (May settlement) declined from Rs. 197-15 to Rs. 195-3, but soon recovered to Rs. 196-8 before the settlement ran out on Monday at Rs. 195-14. The June settlement dipped from Rs. 195-4 to Rs. 192-11 and after a recovery to Rs. 193-12 gave way again to Rs. 192-12. At the close, it improved to Rs. 193-3. The July settlement moved down from Rs. 192-6 to Rs. 190-6, before closing at Rs. 191-3.

Ready silver gave way from Rs. 198-10 to Rs. 195-11 and after an improvement to Rs. 197-4 receded to Rs. 195-14 today. At the close, it was marked up to Rs. 196-3. The floating stocks of silver are estimated at 250 bars. The daily average arrivals were 25 bars per day, while the offtake was 15 bars per day on an average.

Gold forward (*May settlement*) declined from Rs. 112-11 to Rs. 111-11 before recovering to Rs. 113-7, at which rate the settlement ran out. The June settlement dropped from Rs. 111-4 to Rs. 110-2 and after an improvement to Rs. 110-12 gave way again to Rs. 109-15 at the close. The July settlement closed at Rs. 108-15, as against Rs. 110-9 a week ago.

Ready gold fell from Rs. 114 to Rs. 112-6 and after going up to Rs. 114-3 gave way to Rs. 112-15 at the close. The floating stocks of gold are estimated at 20,000 tolas. The daily average arrivals were 3,400 tolas, while the offtake was 3,000 tolas on an average.

The New York price of silver was unchanged at 88⅜c. In London, spot silver rose from 76*d.* to 76⅛*d.* and forward from 75⅜*d.* to 75⅝*d.* Gold spurted to 249*s.* 6*d.* after a decline from 249*s.* 3*d.* to 249*s.* 1*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	7-4-58	Highest	Lowest	30-4-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	112 15	114 3	112 6	114 0
Forward*	109 15	110 15	110 2	111 4
Sovereign	72 0	72 8	72 0	72 8
SILVER				
Ready (.996 fine Mint) ..	198 3	198 6	195 11	198 10
Forward†	193 3	195 0	192 11	195 4
London Silver Ready ..	76½*d.*	76⅝*d.*	76*d.*	76*d.*
London Forward	75⅝*d.*	75⅝*d.*	75⅜*d.*	75⅝*d.*
London Gold	249*s.* 6*d.*	249*s.* 6*d.*	249*s.* 1⅛*d.*	249*s.* 3*d.*
New York Silver	88⅜*c.*	—	—	88⅜*c.*

* 2nd June settlement.
† 3rd June settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

HIDES ARRIVALS CONSIDERABLE

(From Our Own Correspondent)

KANPUR, 5*th May*

During the week under review, new arrivals of hides and skins were considerable, in contrast to lower expectations occasioned by the advent of summer. The main purchasers were the local tanners and the Madras dealers. Exporting parties were weak during the period.

The latest available quotations are: Wet salted cow 1st grade Rs. 380, 2nd grade Rs. 340 and 3rd grade Rs. 280 per score; Wet salted buff 1st grade 1 lb. 4 ozs. and 2nd grade 1 lb. 6 ozs. per rupee; Goat 1st grade Rs. 350 and 2nd grade Rs. 325 per 100 pieces; Sheep 1st grade Rs. 300 and 2nd grade Rs. 275 per 100 pieces.

Colombo Market:—Sale postponed, owing strike tea stores.

Calcutta Market: *Export*:—Good, but irregular, demand. Black and useful liquoring kinds 4 to 6 nP dearer. Plainer sorts slightly easier. C.T.C. teas firm.

Internal:—20,000 chests dust. Very strong demand for all orthodox types. Strongest feature clean leafy descriptions. Best firm. Medium C.T.C. improved demand.

Export Quota:—A fair amount of business has been transacted during the week and the quotation has remained steady with today's quotation sellers 3 buyers 2 nP. The Government have announced a release of quota for 1958-59 of 50 per cent. of the best crop basis. The quotation for new seasons quota is buyers 14 nP and sellers 16 nP.

Forthcoming Auctions:—Sale No. 11 will be held on Tuesday, 6th May 1958.

COTTON FUTURES RISE FURTHER

(From Our Own Correspondent)

BOMBAY, 7*th May*

After ruling distinctly easy during the first half of the week under review, the cotton futures market put on a cheerful appearance on Monday which gathered further momentum in the subsequent sessions. The earlier weakness was due to the large volume of tenders (1,100 bales) issued on Thursday, the first notice day. The lack of an export quota for staple cotton also adversely affected sentiment. Renewed selling pressure ensued as a consequence and values were depressed, the worst affected being the maturing May contract. The market, however, staged a smart recovery late on Monday. This was induced by the final decision of the East India Cotton Association to urge the Government to release an export quota for ¾" cotton, as well as to provide some incentives to mills spinning coarse and medium counts, so as to enable them to purchase cotton. A telegram conveying the decisions was sent to the Union Ministry of Commerce and Industry. Traders thought that the E.I.C.A's plea would be sympathetically considered by the Government. There were also expectations of some further relief in excise duty on cloth. The other helpful factors were small volume of tenders issued on Monday, the second notice day, and favourable survey results. All these factors led to active short-covering and replacement buying and prices rallied. Today's closing rates were higher than those at the end of last week.

I.C.C. Moglai Jarilla (May 1958) commenced the week a rupee lower at Rs. 647, and after dropping to Rs. 640.50 on Monday, recovered to Rs. 655.50 today, before closing fractionally lower at Rs. 655. Total tenders issued against the contract were 1,150 bales on the first notice day and 550 bales on the second notice day, making an aggregate of 1,700 bales issued to day. This quantity comprised 800 bales Laxmi, 400 bales Cambodia, 200 bales Madhya Pradesh, 150 bales Vijay, 100 bales Jayadhar B and 50 bales Gaorani.

I.C.C. Moglai Jarilla (August 1958) opened the week at Rs. 661.50, as against the previous close of Rs. 662.25 and after receding to Rs. 650.50 on Monday, improved to Rs. 666.75 today. The closing rate was a shade easy at Rs. 666.25. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	7-5-58	*High*	*Low*	30-4-58
I.C.C. Moglai Jarilla (May 1958) ...	655	655.50	640.50	648
I.C.C. Moglai Jarilla (August 1958) ...	666.25	666.75	650.50	662.25

The spot section was listless early in the week. But, following the rise in futures, spot values also tended to improve. Turnover was, of course, small. Staple varieties attracted the attention of mills. Southern mills were particularly interested in Khandesh. Laxmi was well maintained, although prices receded slightly.

The export section was active, with shippers covering against sales abroad. There is strong feeling among leading exporters that participation in the export quotas should be limited by Government to those firms who are actually capable of moving the cotton abroad. This matter was stressed by the Cotton Advisory Board at its recent meeting. The allocation of quotas for export of cotton to those who have no experience and no contacts among foreign customers is said to be restricting sales. This is illustrated by the fact that while most of the export quota of 50,000 bales Bengal *Deshi*. Fine and below released in the middle of March on a "first-come-first-served" basis has been sold out, large quantities of earlier export quota releases are still unsold. In the future distribution of export quotas, Government would do well to bear this in mind.

Trading in the import section was limited. Some business was reported in Californians for July-August shipment and East African A.R. Jinja for September shipment.

The Government of India has decided to permit import of Pakistan cotton against the quota of 70,000 bales of East African cotton announced in February last. In order to be eligible for import, the cotton should be of staple length 1-1/16" and above and comparable to the East African cotton in quality and fineness. The importers point out that, since Pakistani varieties are mostly below the staple length stipulated, any large-scale imports are not possible.

The payments procedure for Egyptian cotton has been revised and simplified. The State Bank of India, in a memorandum, states that it has been advised by the National Bank of Egypt (Cairo) that all exports of tea and jute goods from India will be covered by advance deposits of Egyptian pounds in the State Bank's "Export Account" and that it should sell the pounds to Indian importers at the official rate of exchange less the specified discount, instead of the rates to be settled between the Indian exporters and importers. The official rate of exchange has been advised to the Bank as 7.3131 piastres for one rupee, on the basis of which the equivalent of one Egyptian pound works out at Rs. 13.674.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 585; Berar Jarilla 725; Khandesh 775; Oomra *Deshi* 650; Vijay 880; Hubli Laxmi 975; Jayadhar 785. *Delivery contracts*: Bengal 583; Wagad 605; Kalegin 594.

Despite the announcement by the Government of Pakistan that the export duty on *Deshi* cotton

would not be reduced, the Karachi cotton futures market ruled firm during the week. This was due to the emergence of fresh speculative support induced by expectations that large purchases would be made by China and Russia. There were reports that Pakistan would enter into barter trade agreements with these two countries and sell its cotton in exchange for capital goods. The Government of India's notification permitting import of Pakistan cotton of staple length 1-1/16" and having qualities and fineness comparable to that of equivalent East African cotton against the quota for East African cotton announced last February, also imparted some strength to the market. N.T.R.G. May contract improved from Rs. 73-2-6 last week end to Rs. 74-13-6. The July contract gained over the week As. 2 to Rs. 72-13-6. The spot section was also active and prices registered a rise. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind *Deshi* 63; Punjab *Deshi* 62; 4F Punjab Roller 69-13; S.G. 78-5; L.S.S. Punjab Roller 74-13; S.G. 79-13; 289F Punjab Roller 84-13; S.G. 96-5.

The Alexandria cotton market presented fully steady conditions during the week under review, thanks to better foreign enquiries and strong spot advices. The scarcity of high grades of Karnak, Menoufi, and Giza-30 were increasingly felt and values tended to move up. The latest available quotations—in tallaris per lb.—from Alexandria are given below:

Karnak: May 78.00; July 79.00. *Ashmouni*: June 68.80; August 69.25.

A distinctly easy trend was depicted by the Liverpool cotton futures market during the week. The volume of business was small, with prices drifting lower. The announcement by the U.S. Department of Agriculture that a cotton export subsidy payable in kind from 1st August 1958 would opperate concurrently with the present system of C.C.C. sales on competitive bid basis was received with interest. In the absence of details regarding the subsidy programme, no idea could be formed as to how it affected the parity between New York and Liverpool prices. This tended to restrict business. Weak spot advices, following lower shipment offers by overseas sellers, also affected the sentiment of operators. Sudan cotton contracts were, however, steady on moderate buying.

The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton one inch staple contract: May-June 24.80; July-August 25.25; October-November 25.90; December-January 26.25. *American cotton mixed growth contract*: May-June 25.50; July-August 26.10; October-November 26.60; December-January 26.90. *Sudan*: May-June 31.00; July-August 31.20; September-October 31.85.

Cotton futures values scored modest gains in the New York market during the week. The higher mid-April parity price announced by the Department of Agriculture on the 1st inst., reports of adverse weather in cotton tracts and better advices from the textile markets set off a buying movement which lifted values.

The Department of Agriculture has announced that a cotton export sales programme similar to the current export programme on a competitive bid basis will come into effect for the next season. It will be supplemented by an export subsidy "payment-in-kind" programme. The report subsidy in kind is designed to move cotton from normal trade sources into foreign markets. Details of the programmes are awaited. The stocks held by the Commodity Credit Corporation are now reduced to less than 1.4 million bales from almost 8 million bales of owned cotton and 5.4 million bales loan stocks in December 1955, just before the first export sale programme was inaugurated. Besides the 1.4 million bales in the C.C.C. inventory, there are about 3.1 million bales in the loan.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	6-5-58	29-4-58	22-4-58
Spot	36.05	36.05	35.95
May	36.00	35.97	36.20
July	36.33	36.37	36.69
October	36.87	36.82	—

YARNS RECEDE

(From Our Own Correspondent)

BOMBAY, *7th May*

Distinctly easy conditions prevailed in the yarn market during the week under review. Transactions put through were small, as operators were hesitant to enlarge their commitments. Although stocks of rayon yarn were getting depleted, prices suffered a setback. For demand was markedly slack. The consuming interests were reported to feel that the current prices were uneconomic. The April delivery of Snia rayon yarn expired at Rs. 925 per case, the ceiling fixed by the Bombay Yarn Merchants' Association and Exchange Ltd. The Association has decided not to open futures transactions in rayon yarn until such time as the stock position shows signs of improvement. Staple fibre yarns also ruled easy. Demand from important consuming centres like Punjab, Surat, Bhagalpur and Tanda was no doubt quite good, but dealers were compelled to effect sales at lower prices, following the recent heavy arrivals from producing regions. Even reports that the indigenous manufacturers of staple fibre had raised prices by about 12 nP per lb. failed to impart strength to yarn. The tightness in the money market also imparted weakness to the staple fibre yarn section. Cotton yarns were listless. Although the commencement of the hosiery season is long overdue, it is stated that, due to the large carry-over stocks, the manufacturers of hosiery may not be eager to start their new season until their stocks were cleared.

Imports of art silk yarn into Bombay port during the month of April 1958 aggregated 1.99 million lbs., bringing the total for the first four months to 6.70 million lbs. Exports of cotton yarn from Bombay port during the month of April was 601,000 lbs.

Spot 120 Japan declined by 21 nP to Rs. 6.41. 150 Japan retreated by 16 nP to Rs. 6.34. 120 Italy shed 13 nP to Rs. 6.12. 150 Italy were neglected at Rs. 6.50. Among indigenous yarns, National Rayons 150 bright cones first grade receded by 13 nP to Rs. 6.12. 120 bright cones first grade fell by 19 nP to Rs. 5.75.

Staple fibre yarns (40x2) June delivery was subjected to heavy selling and slumped by Rs. 13 to Rs. 598. Business in the August delivery commenced on the 1st inst. No transactions have so far been put through in this contract. In the spot section, 40x2 Centurys eased by 10 nP to Rs. 3.16. New Greats lost 6 nP to Rs. 3.12, Citys 3 nP to Rs. 3.22. Kohinoors were a shade easy at Rs. 3.24. Among foreign yarns, Fujis shed 3 nP to Rs. 7.34. Paramounts were dull at Rs. 7.25.

In the cotton yarn section, ten counts Podars eased by 25 nP to Rs. 13. Moderns were stagnant at Rs. 14. Among twenty counts, Moderns shed 13 nP to Rs. 16.87. Indus were unchanged at Rs. 16.50 and Gokaks at Rs. 17. Forty counts Minaxis and Moderns lost 25 nP each to Rs. 23.25 and Rs. 24, respectively. Gokaks were done at Rs. 23.75. Among sixty counts, Raghuvamshis softened by 12 nP to Rs. 50.50. Finlays dropped 50 nP to Rs. 60. Moderns changed hands at Rs. 60, same as last week. Eighty counts Moderns eased by 25 nP to Rs. 69.75. Mahendras were on offer at Rs. 69.50.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	7-5-1958	30-4-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 dull Cones Snia April	—	925.00
120 Japan (per lb.)	6.41	6.62
150 Japan (per lb.)	6.34	6.50
120 Italy (per lb.)	6.12	6.25
150 Italy (per lb.)	6.50	6.50
Staple fibre yarn (per case of 200 lbs.)—		
40 x 2 April	—	603.00
40 x 2 June	598.00	611.00
40 x 2 New Great (per lb.)	3.12	3.18
40 x 2 City (per lb.)	3.22	3.25
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.00	13.25
20s Modern	16.87	17.00
32s Indu	—	—
40s Minaxi	23.25	23.50
50s Raghuvamshi	50.50	50.52
80s Modern	69.75	70.00

SUGAR BUOYANT

(From Our Own Correspondents)

BOMBAY, *7th May*

Buoyant conditions were in evidence in the sugar market during the week under review, notwithstanding the release on the 1st inst. of 166,000 tons of sugar for sale in the free market. Stocks of sugar were meagre, while spot demand was very encouraging, as is usual in pre-monsoon days. The ex-mill quotations jumped up by a rupee per bag on an average. The U.P. millers continued to sit tight on their released stocks of sugar and declined to part with the same except at higher prices. A similar tendency was noticeable in so far as the South Indian mills were concerned. Consequently, sugar prices registered a handsome improvement.

Large grain sugar rallied Rs. 2 to Rs. 112-Rs. 115 per bag. Medium grain advanced from Rs. 107.50-Rs. 109 to Rs. 109-Rs. 111. Small grain was done higher by Rs. 108.50, as against Rs. 107 last week.

Arrivals of sugar by rail into the market during the week aggregated 10,900 bags, those for the previous week being 14,500 bags.

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HAPUR, *5th May*

Sugar prices which were steady for most part of the week turned quiet, towards the week-end, following the release of a further quantity of 1.66 lakh tons for free sale from the 1957-58 production. During the current season, sugar production is expected to exceed domestic consumption, which is likely to remain at previous year's level. Pressure of supplies have accounted for a fall in sugar prices in the world markets and exports from India are not possible without a loss and, if exports were subsidised, there would naturally be an increase in internal prices. Influenced by such reports, the ex-mill delivery prices advanced by 25 nP per maund.

Following the release of a fresh quota for free sale, business in bulk quantity from Delhi parties was made in the Muzaffarnagar market in the week-end. Factories in west U.P. had stopped crushing for the 1957-58 season, except the Shamli sugar factory which was expected to run up to the 15th inst. The latest prevailing ex-mill delivery prices in the Muzaffarnagar market were: Mansurpur (B29) Rs. 38.56; (C29) Rs. 37.56; Rohana (B29) Rs. 38.25; Modinagar (C29) Rs. 37; Amroh (D29) Rs. 35.69; Bijnore (E29) Rs. 35.62; Meerut (D28) Rs. 36.44; Simbhauli (E29) Rs. 36.62; Saharanpur (D28) Rs. 35.81.

Khandsari prices continued to rule steady, due to good demand from consuming areas. Production was reported to be gradually coming to an end. The prevailing prices towards the week-end were Rs. 30 to Rs. 34 per maund according to quality.

Although *gur* manufacture had almost been stopped, arrivals out of stocks retained by the producers averaged 200 maunds daily. Prices ranged between Rs. 14.50 and Rs. 15.50 per maund. Outside demand was slack and local *gur* stock was put at 1.47 lakh maunds.

Demand for ready *gur* was poor during the week in the Muzaffarnagar market and prices of *Chakku* quality declined by Re. 1 per maund. *Shakker dara* continued to be in good demand from Rajasthan at unchanged prices of Rs. 18 to Rs. 19.50 per maund. There was good demand for *khandsari* due to seasonal marriage season and prices varied between Rs. 30 and Rs. 34 per maund. Daily arrivals of *gur* declined to 1,000 maunds and local stock was put at 2 lakh maunds. Booking position remained easier.

Gur baisakh delivery continued to rule steady and final delivery settlement rate was declared by the Chamber Executive on the 3rd inst. at Rs. 14.55. *Fagun* delivery ruled quiet and was now quoted at Rs. 12.60, as against the week's opening of Rs. 12.64. Trading in *gur* futures is now sparse.

METALS FEATURELESS

(From Our Own Correspondent)

CALCUTTA, *6th May*

Featureless conditions continued to prevail in the metal market during the week under review. Tin was throughout quoted at Rs. 508, and the steadier trend in the Singapore market was attributed to the announcement that the contributions to the special fund for buffer stock under the International Tin Agreement were completed. Virgin lead was unchanged at Rs. 62.50. Business was done in electrolytic zinc at Rs. 55 and the steady demand that followed raised the price to Rs. 56. There was no activity in the copper market. However, it was stated that Government issued permits to some consumers who had entered into purchasing commitments prior to the control.

OILSEEDS RECOVER AT CLOSE

(From Our Own Correspondent)

BOMBAY, *7th May*

The oilseeds market presented an easy trend during the major part of the week, but staged a recovery yesterday which persisted today also. The easiness in the earlier sessions was due to heavy offerings in groundnuts and groundnut oil in Saurashtra, scattered selling pressure in castorseeds, absence of any large demand for linseed and lack of fresh interest in cottonseed. Consequently, prices tended to look down. The market, however, picked up strength yesterday following profit-covering which led to a recovery in prices. Today, the market ruled fully steady. Groundnuts were well supported, although buying enquiries for oil were slow. The chief impetus would appear to have been provided by hopes of enlarged demand for groundnut oilcake in the near future. Linseed was better on reports of good enquiries for linseed oil and limited offerings. Since the carry-over charges in linseed were heavy, the bears were switching over to September contract, instead of issuing delivery orders in the maturing May contract. Cottonseed reacted favourably to encouraging advices from the cotton market.

The Forward Markets Commission has granted recognition to the reconstituted Punjab Company Ltd., Bhatinda for a period of three years with effect from the 3rd inst., to regulate futures trading in mustard seed at Bhatinda. This centre is the third futures market in rapeseed and mustard seed set up under the Forward Contracts (Regulation) Act, the other two being Agra and Delhi. The mustard seed futures contract, which will be traded under the auspices of the Company, is styled as the Ralli Hedge Contract and provides for three deliveries in a year, namely, *Jeth, Bhadon* and *Margsher* of the *Samvat* year. The basis of the contract is Ralli of average quality, containing 50 per cent. bold and 50 per cent. small seeds. Lotni variety is also made tenderable against the contract. The unit of trading is 100 maunds. Trading is subjected to a graded system of margin. The margin will be at the rate of Rs. 310 per unit of 100 maunds from longs when the closing prices on any day of the Ralli Hedge contracts is or exceeds Rs. 28 per maund and from shorts when the closing price on any day of the Ralli Hedge contracts is or is below Rs. 20 per maund.

Groundnut May contract encountered selling in the earlier sessions and dropped from Rs. 171.75 to Rs. 165.50 on Monday. Thereafter, it recovered to touch Rs. 168.75 today. August position fell from Rs. 169.75 to Rs. 164, but improved later to close at Rs. 167. Over the week, Bold ready advanced by 38 nP to Rs. 33.75. Coramandel and Khandesh quality, however, both declined by 75 nP to Rs. 34.25. Groundnut oil ex-mill shed 25 nP to Rs. 18.37 and railway receipt 31 nP to Rs. 18.25.

Castorseeds May delivery opened the week at Rs. 148.12 and, after improving to Rs. 150 on Saturday, retreated to Rs. 148.25 on the 5th inst. It, however, recovered subsequently, today's closing rate being Rs. 150.37. September contract opened at Rs. 152.87 and hardened to Rs. 155 on the 3rd inst. After receding to Rs. 152.75 on Monday, it recovered to Rs. 154.12 today. Ready Madras fluctuated between Rs. 29.37 and Rs. 29.69 before winding up the week at Rs. 28.37, same as last week. Kanpur quality was done higher at Rs. 28.37 today, as against Rs. 28.12 last week-end. Castor oil B.S.S. eased from Rs. 16.62 to Rs. 16.37 on Monday, but recovered to Rs. 16.62 today. Commercial quality which had gone down from Rs. 15.37 to Rs. 15.19 on Monday stood higher at Rs. 15.37 today.

Linseed May contract rose by 75 nP to Rs. 30.12 September delivery strengthened by 82 nP to Rs. 30.94. Bold ready hardened by 37 nP to Rs. 29.75. June-July gathered 13 nP to Rs. 30.25. Linseed oil was fully steady throughout the week at Rs. 15.62.

Cottonseed was quoted yesterday at Rs. 104.75, as against Rs. 104.50 last week-end. No transactions were reported to have been put through in this contract today. September position recorded a gain of Re. 1.25 to Rs. 108.25.

Kardiseed bold ready improved from Rs. 19.25 to Rs. 19-37 on Friday, but declined to Rs. 19.25 the following day. This rate was maintained till the close today. Nigerseed Madras fluctuated between Rs. 28.50 and Rs. 28.75 before finishing at Rs. 28.50.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	7-5-1958	30-4-1958	23-4-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	168.75	171.75	170.00
August 1958	167.00	169.75	171.50
Bold ready (per cwt.)	33.75	34.37	34.75
Linseed—			
May 1958	30.12	29.81	29.75
Sept. 1958	30.94	30.81	30.69
Bold ready (per cwt.)	29.75	29.37	29.50
Castorseed—			
May 1958	150.37	148.50	151.12
Sept. 1958	154.12	153.00	155.12
Madras (per cwt.)	29.62	29.37	30.00
Cottonseed—			
May 1958	104.75§	104.50	104.50
Sept. 1958	108.25	107.00	105.75
Groundnut oil*			
Ex-mill ready (per quarter) ..	18.37	18.62	18.75
Castor oil†			
Commercial (per quarter) ..	15.37	15.37	15.81
Linseed oil†			
Ready	19.25	15.75	15.62

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.
§Yesterday's rate.

JUTE GOODS LOSE EARLIER GAINS

(From Our Own Correspondent)

CALCUTTA, *6th May*

Conditions in the jute goods market during the week under review were steady with turnover on a fair scale. The trend of prices was, however, two-sided. The reduction in gunny freights to U.S. Atlantic and Gulf ports, effective 1st May, was noted with considerable satisfaction. After this reduction, there had been a distinct increase in business and the month as a whole was expected to prove a satisfactory shipping month, adding further improvement to the statistical position of jute goods with mills. After 1st May, the freight is $24.50 per 40 cubic ft. or 16 cwts., as against $27.50 before 1st May. The notable feature of the week was the spurt in prices of heavy goods on good internal buying, both on commercial and Government accounts. The upward trend in B. twills set in early in the week, when there were strong rumours of a new Government tender. Up to Friday, the uptrend continued to hold sway, and hessian also rose in sympathy. On Friday, Government placed an order for 22,000 bales of B. twills.

Earlier, speculators lent their support and contributed their share to the uptrend. As soon as Government placed the above order, there was selling pressure, and weak holders began to take profit. In this process, much of the earlier gains was lost by Saturday in both hessian and heavy goods. Another feature of the week under review was the display of Russian interest for sacking, and this influenced the market. The Russians were believed to be wanting hessian also. Normal enquiries were continued to be received from the United Kingdom, the U.S.A. and other countries. Some Egyptian interest was also shown.

Trade circles hoped that the United Kingdom would sooner or later relax the present restrictions on jute yarn imports. For it was noted that some prominent carpet manufacturers in the U.K. stated that there had been deterioration in the quality of Dundee-made yarn. This was due, according to them, to the fact that the Dundee manufacturers faced little or no competition in view of the restrictions on yarn imports from India. In 1957, the U.K. imported only 1,500 tons of yarn, as against the carpet industry's consumption totalling 25,000 tons. In view of this state of affairs, the Federation of British Carpet Manufacturers has demanded more imports of yarn from India. Although the Dundee industry has modernised the plants, it is stated, it charges higher prices resulting from lack of competition. It remains to be seen as to what extent the British Board of Trade would accede to the request of the carpet manufacturers.

On Tuesday last, ready B. twills rose to Rs. 102.65 from Rs. 101.20. Earlier, some business had been done with Egyptian buyers. Rumours of a new Government order was strong and speculators were active. Covering demand was also a factor to push up the price. Ready hessian 40" 10 oz., in sympathy, advanced to Rs. 41.70 from Rs. 41.55. A Government tender for 22,000 bales of B. twills soon followed and speculators pushed up the price of B. twills to as high as Rs. 104.10. In sympathy, the price moved to Rs. 103.25 in the genuine buyers' market, and hessian 40" 10 oz. was steady, although unchanged at Rs. 41.70. Mills were naturally keen sellers. There was also profit-taking. These factors prevented a further rise in the quotation of B. twills, which remained at Rs. 103.25, while hessian 40" 10 oz. sagged to Rs. 41.65. At this stage, the Government order for 22,000 bales was placed. Since this had been already discounted earlier in the week when tenders were invited, it did not cause any particular effect in the market. The price of ready B. twills was marked down to Rs. 103.00 with hessian 40" 10 oz. dipping further to Rs. 41.30. In the week-end, quotations tumbled down to Rs. 101.40 and Rs. 40.65, respectively, for the above two representative constructions, and thus most of the speculative gains was lost, although the prices as quoted were still above the minimum rates of the I.J.M.A. The rumour of some uncertainty about Argentine buyers getting import licences from their Government to cover their purchases was also a factor for such a rapid fall in prices after the impressive rise. This rumour eventually turned out true, as the Argentine Government withheld issue of import licences. This affected yesterday's trend, with B. twills sagging to Rs. 101.00 and ready hessian 40" 10 oz. to Rs. 40.10.

There was further decline in prices of raw jute. Northern bottoms fell to Rs. 25.75 from Rs. 26.50, and daissee bottoms to Rs. 29.45 from Rs. 30. More rains fell, thereby encouraging the hope of the jute crop reaching mills in time. Mills also made purchases only sparingly. The latest quotations for May-June delivery are:

	Middles Rs.	*Bottoms* Rs.
Pakistan:		
District	33.00	30.00
Northern	33.00	30.00
Indian:		
Northern	28.75	25.75
Assam	28.75	25.75
Orissa	30.25	27.25
Desal	27.50	24.50
Murshidabad	26.50	23.50
Jungli	—	23.00
Daissee	31.75	29.25
Uttar Pradesh	—	23.00
Daissee mesta	27.25	24.25
Bimli f.a.q.	22.50	

Pucca bales 1st marks ... Rs. 165.00 ready per bale.

BLACK PEPPER RALLIES

(Messrs. Parekh and Co.)

BOMBAY, *7th May*

After touching the lowest at Rs. 540 for May delivery, Malabar black pepper rallied, following the news that the rebels in Indonesia bombarded from Celebes Island, the east coast of Borneo, and that there was unrest in South Sumatra which has until now remained loyal to the Central Government at Djakarta.

Alleppey improved to Rs. 606¼, while ready garbled at Cochin to Rs. 105½. May and June deliveries recovered to Rs. 109 and Rs. 112½, respectively. Calicut became scarce sellers at Rs. 630.

Singapore, after the rise of nearly Str.$4 in black and Str.$6 in white, remained steady with undertone healthy. In spite of the improvement at Singapore and India, Europe as well as the U.S.A. remained reserved buyers. The paucity of enquiries from the U.S.A. was reported, due to the absence of the bulk of traders from New York for attending the yearly convention of the American Spice Traders' Association.

Nothing was so far definitely known regarding the possible size of the New Crop Sarawak Pepper, as no official estimate was available. Arrivals of old crop Sarawak at Singapore were very poor. Most of the stock of Lampong remained in strong hands. Small replacement demand from New York and Europe was likely to push up the prices, as Sarawak sellers were likely to remain reserved, as long as there was tension in Indonesia. Indian growers were sure to exploit the situation by raising their asking price at every small sale. It appears that there is trial of strength between the growers at origin and the buyers overseas. It remains to be seen who wins.

In the A.S.T.A., May remained steady at $0.25½ and June at $0.26.

In the delivery section, June delivery became steady at Rs. 595 for want of selling pressure. The general opinion in the market is veering round the bull side.

Today's nominal quotations are: Ready Rs. 80 per Bengal maund, June Rs. 590-Rs. 600 and July Rs. 600-Rs. 610 per candy of 5½ cwts.

DUST TEAS IN GOOD DEMAND

(From Our Own Correspondent)

CALCUTTA, *6th May*

The firm conditions evidenced in the Mincing Lane auctions following further labour troubles in Ceylon completely paralysing tea movements there had a sympathetic effect on prices in last week's internal auctions here. Note was taken of the Government's announcement making an interim release of 50 per cent. of the crop basis of tea estates pending final allotment of exports of tea for 1958-59.

According to another notification, the price of tea for determining the export duty has been fixed at Rs. 3.24 per lb. for this month, as against Rs. 2.95 per lb. last month. There is, therefore, no change in the existing rate of duty of 38 nP per lb.

Mr. Nityananda Kanungo, Minister for Commerce, said while addressing the annual meeting of the Tea Association of India, that the duty on tea would be revised shortly, as the demand for revision was strong and up to a point justifiably so. Subsequently, his colleague, Mr. Lal Bahadur Shastri, repeated this statement in the Lok Sabha on Friday more or less on same terms. Mr. Kanungo's speech also called upon the industry to improve the quality of tea by selective plucking and adoption of up-to-date manufacturing processes, to cultivate the home market, and devise more efficient and economical machinery for internal distribution.

The President of the Tea Association of India, in his annual address, urged Government to accept the recommendations of the Plantation Enquiry Commission by abolishing the Assam carriage tax and the West Bengal entry of goods tax.

The need for reducing tax on the tea industry was also stressed by Mr. J. L. Llewellyn, Deputy Chairman of the I.T.A., here last week. He said that the growing increase in acreage in East Africa would before long be a problem to India and Ceylon, as transport of 1 lb. of tea from Africa to London would cost one rupee less than from either Ceylon or India. Wages could not be cut, and in his view tax relief was the only remedy to save the industry.

Dusts on offer during last week's sales for domestic consumption amounted to 19,594 chests. Demand was strong and prices gained. Dooars, commons and Assams of orthodox manufacture gained from 4 to 8 nP. However, an irregular trend was in evidence in C.T.C. Assams. For the best liquoring kinds were about firm, while the bright liquoring mediums advanced. The poor descriptions realised valuations. The quotations were: Best Assam C.T.C. Rs. 2.80 to Rs. 3.00, medium Assam C.T.C. Rs. 2.00 to Rs. 2.20, medium Assam grainy dust Re. 1.70 to Re. 1.74, and medium Dooars Re. 1.68 to Re. 1.70.

Leaf on offer amounted to 1,434 chests. Demand was steady.

FOODGRAINS STEADY

(From Our Own Correspondent)

HAPUR, *5th May*

Quietly steady conditions prevailed in the foodgrain market during the week. Wheat, after recording a further fall to Rs. 14.50 per maund for average quality and Rs. 15.50 for farm produce, improved in the latter part of the week. On Monday they were quoted at Rs. 15 and Rs. 16.25, respectively. The improvement was mainly attributed to a fall in daily arrivals now put at 400 maunds. Local wheat stock continued unchanged at one *khatti* only. Threshing reports indicated that wheat crop was poor in U.P. and would be about 5 per cent. less as compared with last year. In the Punjab, however, due to fairly good crop of wheat and creation of food-zone comprising Punjab, Delhi, Kashmir and Himachal Pradesh from which no exports are to be allowed, wheat recorded a further sagging tendency. The Punjab Government was reported to have decided to implement the price-support policy to check the downward trend in prices there.

Rice continued to rule steady during the week. *Basmati* recorded further gains. Quotations were: *Basmati* Rs. 31 to Rs. 35; *mainpuri* Rs. 26; and coarse quality Rs. 22.50 per maund.

Gram was steady, as advices from the Punjab indicated that gram was not very good there and, although local arrivals had not improved very much, some arrivals from outside accounted for an increase in loeal gram stock to 19 *khatties*. Induced by paucity of local arrivals and neagre stocks in the face of increasing demand from consumers, barley registered a further improvement in prices. Bejhar was steady, as also *jowar* and *guwar*. Quotations (in rupees per maund) were: Gram 10.87 to 11; barley 10.37; *bejhar* 9.87; *jowar* 12 to 13.25; *guwar* white 15.25.

Local peas arrivals declined to an average of 1,000 to 1,200 maunds daily and outside demand was slack. Most of the arrivals were being lifted by stockists and local peas stock mounted to 165 *khatties*, as against 150 *khatties* last week-end and about 30 *khatties* at this time last year. *Arhar* arrivals were also lower, the average being 800 maunds daily, and local stock was put at 86 *khatties*. Prices of peas and *arhar* were mostly unchanged during the week. *Urd* and *moong* continued to rule steady, due to poor local stocks. The week-end prices (in rupee per maund) were: Peas *dara* 9.69 to 9.87; farm white quality upto 10.50; *peas dal* 10.75; *arhar* 11.75; *arhar dal* 15.62; *urd* 17.50 to 18.50 *moong* 22 to 23; *massoor* 16.50.

GOAT SKINS STEADY

(From Our Own Correspondent)

MADRAS, *5th May*

Arrivals of E.I. tanned cow hides have been small and shippers are buying rather reservedly, trying to reduce the prices. As tanners are not able to buy raw stocks in line with the tanning parity, they are reported to be slowly restricting their output. The U.K. demand is poor and importers are offering lower prices every alternate day to the dismay of the tanners. Some tanners have started soaking raw skins, instead of hides, in order to keep the labour engaged.

Arrivals of tanned goat and sheep skins common tannages are small. Enquiries for shipment are at low prices and not workable for the shippers. Market rules steady for goat skins and weak for sheep skins. The results of the London public sales which commence today are awaited with interest.

Shipments during April were: 1,058 bales cow hides, 98 cow calf, 5 buffs, 333 buff calf, 537 goat and 263 sheep to the U.K; 12 cow, 8 cow calf, 7 buff calf, 636 goat and 228 sheep skins to the Continent; 5 cow, 65 buff hides, 99 buff calf and 40 goat skins to the U.S.A; one tanned goat and 157 sheep skins to Japan.

BANKING

(Concluded from page 886)

May 1956 up to April 1957 are roughly estimated by the Forward Markets Commission at 21 million ounces, while Messrs. Handy and Harman (New York) estimate the total imports from Tibet from May 1956 at more than 30 million ounces. Taking these also into account, the total stocks in the country are estimated at about 4,235 million ounces, "With the return of Lend-lease silver," the Reserve Bank's study points out, "the official stocks of silver (including silver coins) have been reduced to small proportions." Consequently, the study concludes that by far the entire amount of stocks may be said to be in private hands. At the current price of Rs. 4.9 per ounce (average for 1957-58), the value of these stocks would amount to about Rs. 2,075 crores.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1926	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	2½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	..	6	4½
Colombia	18th July, 1933	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	1st April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	5th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1956	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	Sept., 1957	2	4½
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1956	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May 1958	5	4½
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1938	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 2nd May, 1958		Week ended 25th April 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,37,658	74,31,05,000	2,44,834	52,31,93,026
Calcutta	1,80,000	64,30,00,000	1,57,000	50,41,00,000
Madras	88,583	9,76,39,961	89,257	9,01,10,824
All Centres—				
1955-56	..	..	37,199,000	79,56,21,00,000
1956-57	..	..	40,008,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,794,000	8,31,64,00,000
Feb.,	..	..	3,535,000	7,54,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 2nd May, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	49,65,26,000
(2) Other Governments	16,11,92,000
(b) Banks	98,49,17,000
(c) Others	111,99,63,000
Bills Payable	14,46,80,000
Other Liabilities	44,26,50,000
Rupees	441,96,86,000

ASSETS	Rs.
Notes	21,16,30,000
Rupee Coin	4,84,000
Subsidiary Coin	1,57,000
Bills Purchased and Discounted—	
(a) Internal	..
(b) External	..
(c) Government Treasury Bills	14,17,39,000
Balances held abroad*	58,02,80,000
Loans and Advances to Governments†	53,10,78,000
Other Loans and Advances	57,92,39,000
Investments	224,57,90,000
Other Assets	13,81,74,000
Rupees	441,96,86,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 18,16,00,000/- advanced to Scheduled banks against eligible bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	21,16,30,000	
Notes in circulation	1619,62,07,000	
Total Notes Issued		1640,78,37,000
Total Liabilities		1640,78,37,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	..	
Foreign Securities	204,70,69,000	
Total of A		322,46,72,000
B. Rupee Coin		130,72,50,000
Government of India Rupee Securities		1187,59,15,000
Internal Bills of Exchange and other commercial paper	..	
Total Assets		1640,78,37,000

Scheduled Banks*

Statement of Affairs for the week ended 25th April 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,35,61,000
(ii) Other demand liabilities	757,43,59,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	14,73,50,000
(ii) Other time liabilities	753,96,13,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	5,70,32,000
(ii) Time liabilities	85,00,000
Borrowings in India from the Reserve Bank of India‡	19,85,40,000 (17,72,00,000)
Cash in India	41,96,54,000
Balances with the Reserve Bank in India	90,78,34,000
Balances with other banks in current account in India	11,84,92,000
Money at call and notice in India	56,01,89,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	445,00,54,000
Advances in India	797,15,30,000
Inland Bills purchased and discounted in India	118,14,04,000
Foreign Bills purchased and discounted in India	40,97,29,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against eligible bills and/or promissory notes.

EXCHANGE RATES

	7th May 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5 11/16	1-5 11/16
Sellers T.T. D.D. upto six months	1-5 13/16	1-5 13/16
Buyers T.T. spot to nine months	1-6 1/16	1-6 1/16
Buyers T.T. 10 to 12 months	1-6 1/16	1-6 1/16
Bombay on New York—		
Sellers T.T. D.D.	Rs. 475.50	475.00
Buyers T.T.	Rs. 472.00	472.50
London on New York	$ 2.81⅝-2.81¾	2.81⅞-2.81¾
London on Paris	Fcs. 1.181¼	1.181¼
London on Berne	Sw. Fcs. 12.23¾-12.23½	12.23¾-12.24⅛
New York on London	$ 2.81⅝-2.81¾	2.81⅞-2.81¾

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	*Per capita* income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	83.60	..	2,079	249
Burma	1955	19.43	Kyats 4,067	409	210
Ceylon	1955	8.38	..	475	567
Japan	1956	90.00	Y. 7,427,000	9,288	1,031
Philippines	1955	21.85	Ps. 7,804	1,878	857
New Zealand	1956	2.17	£ (N.Z.) 584	1,178	5,428
Australia	1956	9.40	£ (A.) 4,328	4,023	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 348,500	168,554	9,721
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	44.59	F.Fr. 18,900,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,900	16,859	3,279
Italy	1956	48.10	Lr. 11,476,800	5,760	1,821
Norway	1956	3.46	Kr. 20,990	1,408	4,358
Sweden	1956	7.80	Kr. 44,850	4,127	5,658
Netherlands	1956	10.80	Grs. 25,400	8,215	2,877
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 25th April 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	81,33,72,000
(b) Provincial Governments	50,62,000
(c) Banks	20,94,00,000
(d) Others	5,07,88,000
Bills Payable	43,06,000
Other Liabilities	12,15,97,000
Rupees	126,45,25,000

ASSETS	Rs.
Notes	6,45,63,000
Rupee Coin	33,000
Subsidiary Coin	28,000
Bills Purchased and Discounted :—	
(a) Internal	..
(b) External	..
(c) Government Treasury Bills	1,22,000
Loans and Advances to Governments	3,31,00,000
Provincial Governments' Debtor Balances	15,36,04,000
Other Loans and Advances	8,03,30,000
Investments	82,34,24,000
Other Assets	16,03,21,000
Rupees	126,45,25,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	6,45,63,000	
Notes in circulation	342,48,38,000	
Total Notes Issued		348,94,01,000
Total Liabilities		348,94,01,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	66,77,92,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	121,21,15,000
B. Rupee Coin	3,63,50,000	
Government of Pakistan Securities	218,19,30,000	
Internal Bills of exchange and other commercial paper	....	221,82,80,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	348,94,01,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 36.34 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	25th April 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1619.13	1627.77	1575.13	1561.91
Notes held in Banking Department	35.05	32.91	23.87	19.21	20.57
Foreign Securities	59.50	928.80	927.39	771.19	412.52
Rupee Securities	37.39	1173.50	1174.91	1171.10	924.90
Banking Department					
Deposits of :					
Government of India	14.89	55.65	52.45	48.33	52.83
Other Governments	..	15.64	13.09	54.85	6.38
Balances held abroad	10.08	39.01	42.48	95.81	92.39
SCHEDULED BANKS					
Demand Liabilities	134.36	774.79	772.88	745.25	738.44
		(17.36)†	(18.18)†	(15.26)†	(8.34)†
Time Liabilities	102.24	768.70	763.31	734.50	502.95
		(14.74)†	(15.29)†	(14.86)†	(2.52)†
Borrowings from Reserve Bank	..	19.85	19.79	42.00	72.71
		(17.72)‡	(17.33)‡	(26.58)‡	(53.24)‡
Borrowings from State Bank	..	6.55	7.60	11.68	8.04
Cash in India	6.70	41.97	39.32	37.21	38.02
Balances with Reserve Bank	25.17	90.78	86.82	67.78	65.28
Excess over statutory limits	15.52	36.67	32.91	15.83	18.80
Balances with other banks in current account in India	..	11.85	12.54	11.17	10.25
Money at call and short notice in India	..	56.02	55.81	41.68	16.86
Investments at book value	..	445.01	443.27	440.36	344.48
Advances and bills	105.09	956.27	957.44	962.33	909.09
STATE BANK					
Deposits	87.76	422.12	421.55	418.52	299.14
Investments	51.99	190.79	190.69	190.70	105.52
Advances	20.35	206.40	208.02	210.51	183.37
Cash	14.69	37.37	34.99	21.41	28.38

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R=Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	December.		Nine months, April to Dec.,	
	1956	1957	1956	1957
Import Duties :				
Revenue	11.00	10.46	93.01	108.31
Protective	0.81	0.70	9.20	8.12
On surplus disposals	0.01	0.02	0.04	0.11
Total import duties	11.82	11.19	102.25	116.54
Export Duties	3.20	2.04	21.87	18.22
Land Customs	0.20	0.47	1.82	2.74
*Air customs.**	..	0.11	—	1.73
Miscellaneous	0.09	0.17	0.83	1.16
Gross total customs	15.31	13.98	126.77	140.39
Refunds and drawbacks	0.26	0.39	1.83	3.16
Net Customs	15.05	13.59	124.94	137.23
Gross excise	19.84	22.53	138.17	191.23
Refunds	0.18	0.30	1.50	2.51
Net Excise	19.66	22.23	136.67	188.72
Net total of customs and excise†	34.71	35.82	261.61	325.95

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 2nd May 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		422,19,88,000
Bills Payable		8,37,81,000
Bills for Collection being Bills Receivable as per contra		85,16,000
Acceptances, Endorsements and Other Obligations per contra		69,98,000
Other Liabilities (including Inter-Office Adjustments)		3,83,97,000
Total	Rs.	448,21,80,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		38,17,90,000
Balances with other Banks		2,20,08,000
Money at Call and Short Notice		1,33,33,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	180,59,13,000	
Other Authorised Investments	10,38,34,000	190,97,47,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	186,50,75,000	
Bills Discounted and Purchased	19,37,84,000	205,88,59,000
Bills Receivable being Bills for Collection as per contra		85,16,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		69,98,000
Premises less Depreciation		1,19,75,000
Furniture and Fixtures less Depreciation		83,27,000
Other Assets (including Inter-Office Adjustments)		6,06,29,000
Total	Rs.	448,21,80,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1952-53	6.83	3.26	84.17	..	..	113.36	32.03	..	—31.07	25.64	..	..	..	..	146.83	211.25
1953-54	5.91	4.26	104.38	..	..	117.37	106.19	..	—34.20	32.11	..	..	..	..	152.71	262.96
1954-55	4.70	4.99	124.64	..	..	134.04	130.88	7.33	—35.15	37.15	..	..	..	..	176.52	310.29
1955-56	3.76	5.48	144.37	..	..	158.11	167.85	16.38	—37.68	41.25	..	..	55	54	177.35	350.04
1956-57	3.00	6.01	163.68	..	..	176.97	196.50	25.38	—38.82	44.28	..	..	45	95	205.53	386.84
1957-58	..	..	..	..	..	..	..	..	..	43.58	5.88	5.88	43	1.32	225.85	440.17
1957													63	1.87	..	..
July	2.74	5.61	162.36	5.20	8.28	15.03	200.57	26.14	—39.11	44.42	62	1.24	4	1.39	29.72	452.77
August	2.68	5.49	160.38	5.03	13.31	12.64	201.65	25.61	—39.18	44.27	52	1.76	3	1.42	17.51	456.60
September	2.60	5.39	158.23	6.86	20.17	14.05	203.17	25.17	—39.26	44.14	53	2.30	4	1.46	21.54	462.72
October	2.54	5.26	155.82	6.17	26.33	12.51	202.83	24.81	—39.33	44.07	42	2.81	2	1.47	19.12	466.24
November	2.48	5.14	153.40	6.48	32.82	13.25	202.58	24.47	—39.38	43.96	49	3.29	2	1.49	20.24	475.65
December	2.43	5.06	151.07	6.41	39.23	13.00	202.55	24.14	—39.47	43.89	46	3.76	2	1.50	1.99	..
1958																
January	2.37	4.94	148.57	7.95	47.18	13.88	202.54	23.77	—39.55	43.80	68	4.44	18	1.68	22.68	479.29
February	2.31	4.83	146.14	10.24	57.42	14.23	203.12	23.45	—39.62	43.62	74	5.18	9	1.75	25.29	487.89
March	..	..	..	..	..	..	..	..	..	43.58	70	5.88	12	1.87	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities : repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1955. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'R' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 26th April 1958	19th April 1958	29th Mar., 1958	27th April 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.6	89.6	89.4	90.0
1. Government of India	89.3	89.3	89.1	89.7
2. State Governments	96.7	96.6	96.6	96.4
3. Municipal Port Trusts, etc.	90.0	90.0	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	99.0
1. Electricity	98.5	98.5	98.5	99.0
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.0	100.0
7. Shipping	99.1	99.1	99.1	101.8
8. Others	94.2	94.2	94.1	100.1
PREFERENCE SHARES	70.2	70.3	70.4	78.5
1. Electricity	84.5	84.5	84.7	86.7
2. Cotton	67.0	67.2	67.7	78.1
3. Jute	58.3	58.3	58.4	70.8
4. Coal	72.4	72.5	72.2	81.8
5. Iron and Steel	78.4	78.5	78.3	81.6
6. Sugar	69.6	69.5	69.5	78.1
7. Paper	71.8	72.4	74.2	78.8
8. Plantations	86.6	86.7	86.8	97.7
9. Miscellaneous	65.1	65.1	65.0	74.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.9	98.7	97.9	106.4
(a) Financial	97.7	97.7	97.8	89.9
1. Banks	100.5	100.5	100.7	91.8
2. Insurance	91.8	91.1	90.8	82.3
3. Investment Trust	64.0	65.3	65.3	75.6
(b) Public Utilities	106.9	106.9	104.1	106.3
1. Electricity	103.2	103.2	101.4	106.7
2. Shipping and other Transport	123.5	123.0	120.5	113.7
3. Railways	67.1	67.3	68.4	76.4
(c) Manufacturing industries	102.3	101.9	100.9	112.0
1. Cotton, Woollen and Silk	95.2	95.3	96.0	117.7
2. Jute	51.7	51.7	49.0	54.6
3. Iron and Steel	131.9	131.0	129.1	121.9
4. Paper	195.8	197.2	190.8	228.2
5. Cement	140.2	137.4	137.1	148.8
6. General Engineering	159.4	157.9	156.9	162.5
7. Sugar and Breweries	98.1	97.9	99.2	95.5
8. Chemicals	136.6	135.0	130.7	133.5
(d) Non-Manufacturing industries	112.2	112.9	111.2	131.4
1. Coal	63.9	64.8	65.3	69.4
2. Mining and Oil	159.4	161.6	156.3	178.1
3. Plantations	121.6	121.6	120.2	149.2
(e) Miscellaneous	69.3	68.2	69.2	82.9
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	89.0	89.0	88.8	89.3
2. Calcutta	89.5	89.5	89.2	89.9
3. Madras	89.8	89.8	89.6	90.2
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	96.6	96.6	96.5	99.0
2. Calcutta	97.3	97.3	97.3	98.8
3. Madras	97.4	97.4	97.4	99.5
PREFERENCE SHARES :				
1. Bombay	79.5	79.6	79.6	83.3
2. Calcutta	61.6	61.6	61.9	72.3
3. Madras	84.1	84.0	83.7	92.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	116.0	115.7	114.4	116.9
2. Calcutta	84.2	84.0	83.4	92.7
3. Madras	108.9	108.8	110.2	119.2
4. Delhi	121.6	120.8	119.5	115.6

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,769.9	6,819.2
1955-56	716	8,505.2	7,185.8
1956-57	769	9,877.5	8,103.1
January 1957	765	868.7	711.7
February "	767	811.0	677.7
March "	769	874.6	716.5
April "	770	901.4	734.5
May "	793	932.2	756.7
June "	799	898.4	736.1
July "	809	923.3	743.9
August "	811	923.0	731.0
September "	814	924.7	739.2
October "	822	917.5	731.3
November "	822	930.2	740.5
December "	822	958.7	779.7
January 1958	825	973.6	788.1

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source* :—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1956	1957	Nov., 1957	Dec., 1957	Dec., 1956
General Index	132.6	136.9	150.0	141.8	136.1
Coal	114.9	126.9	139.3	139.0	126.6
Sugar	166.5	182.8	298.7	204.2	191.7
Tea	91.8	91.1	90.8	82.3	..
Cotton textiles	106.0	105.8	96.4	107.5	58.1
Jute textiles	122.0	127.8	129.7	128.1	130.7
Paper and paperboards	127.3	130.5	129.0	126.0	113.7
Matches	140.4	159.3	177.1	176.7	157.3
Cement	106.6	99.9	107.9	101.1	98.2
Iron and steel	154.2	178.3	194.1	216.3	169.7
Non-ferrous metals	110.4	119.3	152.5	121.1	120.9
Rayon	154.7	161.9	152.2	161.6	138.9
	355.8	459.3	516.8	560.1	360.6

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes†	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,272,696
1955	1,166	527,767	3,697,843
1956 R	1,203	715,130	6,992,040
January 1957	155	126,490	405,805
February "	124	48,733	289,041
March "	113	40,990	287,650
April "	161	61,260	414,535
May "	163	68,230	455,037
June "	153	100,229	734,545
July "	198	91,749	764,808
August "	205	144,851	821,211
September "	233	144,579	842,508
October "	222	102,884	539,206
November "	175	56,168	338,979
December "	155	82,471	512,381
January 1958	127	46,409†	324,154†

† Not b...

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	19th April 1958	12th April 1958	20th April 1957	March 1958	March 1957	Percentage of Increase (+) or Decrease (—) in Mar., 1958 as compared with Mar., 1957	Financial Year Average 1957-58	1956-57
Food Articles	564	105.8	105.1R	105.9	102.3	102.3	—	106.4	102.3R
Cereals	192	97.3	97.6R	100.5	95	99	— 4.0	101	96
Pulses	43	83.5	82.2	82.6	78	84	— 7.1	83	81
Fruits and Vegetables	23	109.2	105.8R	120.1	98	111	—11.7	114	112
Milk and Ghee	84	106.1	104.5R	104.8	103	98	+ 5.1	105	100
Edible Oils	47	127.2	123.0	123.0	118	123	— 4.1	126	125
Fish, Eggs and Meat	17	103.7	103.9R	92.4	102	94	+ 8.5	98	97
Sugar and *Gur*	48	112.3	114.8	96.3	111	93	+19.4	108	98
Others	50	132.8	130.6R	140.2	128	124	+ 2.2	131	128
Liquor and Tobacco	21	83.4	83.4	87.4	84.9	87.2	+ 8.8	84.0	84.3
Tobacco	—	91.7	91.7	85.3	94	85	+10.6	93	93
Fuel, Power, Light and Lubricants	38	114.6	114.6	107.8	114.5	108.5	+ 7.5	113.6	104.2R
Industrial Raw Materials	155	115.0	113.6	111.6	111.3	117.3	— 5.1	116.5	116.6
Fibres	61	113.4	110.8	119.5	110	121	— 9.1	118	116
Oilseeds	60	119.7	118.6R	119.6	113	119	— 5.0	120	120
Minerals	2	105.1	107.3	107.3*	108*	107	+ 0.9	108	102
Others	32	109.7*	110.0*	105.8	110	108	+ 1.9	108	109
Manufactures	290	108.3	108.0	107.6	106.2	104.9	+ 1.3	108.1	108.3
Intermediate Products	41	109.1	109.1	108.4	106.8	108.9	— 1.9	107.3	110.9
Finished Products	249	108.1	107.8	106.0	107.8	105.8	+ 1.9	108.2	105.6
Textiles	147	106.2	105.7R	107.1	106	107	— 0.9	107	108.6
Cotton	—	115.4	115.5R	115.6	116	115	+ 0.9	116	116
Jute	—	89.5	86.9	..	86	94	— 8.5	95	95
Woollen	—	103.1	103.1	103.0	103	100	+ 3.0	103	98
Silk and Rayon	—	92.1	93.2*	87.0*	92*	87*	+ 5.7	88	88
Metal Products	12	143.0	143.0	130.8	143	131	+ 9.2	141	130
Chemicals	20	99.5	99.2R	97.0	99	97	+ 2.1	98	93
Oil cakes	10

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		(In thousand acres)		(In thousand tons)	
	Forecast	1956–57	1955–56	1956–57	1955–56
Cereals—					
Rice	final	78,174	76,864	28,142	26,846
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,314	42,904	7,427	6,602
Bajra	final	27,450†	27,884††	3,665†	2,885††
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,762†	9,197††	3,061†	2,609††
Ragi	final	5,897†	5,831††	1,716†	1,715††
Small millets ..	final	12,209	12,713	2,010	1,937
Total cereals ..	final	215,842	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,996	5,637	2,047	1,840
Other Kharif pulses ‡	final	16,166	15,567	1,664	1,632
Rabi pulses‡ ..	final	11,443	11,708	1,794	2,033
Total pulses ..	final	57,295	57,064	11,435	10,831
Total foodgrains ..	final	273,937	271,146	68,686	65,287
Oilseeds—					
Groundnut ..	final	14,457†	13,450††	4,271†	4,200††
Castorseed ..	final	1,403	1,405	129	124
Sesamum ..	final	5,433	5,953	451	457
Rape and Mustard ..	final	6,311	6,317	1,017	848
Linseed	final	3,768	3,781	949	414
Total oilseeds ..	final	29,906	29,848	6,082	5,705
Fibres—					
Cotton* ..	final	19,843	19,978	4,732	4,091
Jute A. ..	final	1,754†	1,908††	4,084†	4,283††
Mesta A. ..	2nd	678†	688††	1,166†	1,411††
Other crops—					
Potato	final	702	691	1,674	1,520
Sugarcane ..	2nd	4,784†	4,475††	63,501†	53,985††
Ginger (Dry) ..	final	40	40	15	16
Pepper (Black) ..	final	234	233	32	32
Chillies (Dry) ..	final	1,450	1,490	384	355
Tobacco	final	1,022	1,013	806	895

Source: *Ministry of Food and Agriculture.* ‡ Excluding Tur.
* In thousand bales of 392 lbs. each. †Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. ††Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production ..	During March, 1958 ..	85.3
	Corresponding month, 1957 ..	84.7
	Nine months ended Mar., 1958 ..	790.9
	Corresponding period, 1957 ..	771.0
Stocks	At the end of Mar., 1958 ..	94.4
	Corresponding month, 1957 ..	97.7
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose ..	1955-56	857.2
	1956-57	852.0
	Feb., 1957..	71.5
	Feb., 1958..	67.4
For Internal Consumption ..	1955-56	190.0
	1956-57	179.0
	Feb., 1957	14.5
	Feb., 1958	18.4
	RAW JUTE	(In lakh bales)
Consumption by Mills ..	March, 1958 ..	4.95
	Corresponding month, 1957 ..	4.91
	Nine months ended Mar., 1958 ..	45.87
	Corresponding period, 1957 ..	44.75

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956..	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957..	11,58,400	10,73,000	7,97,500
Do. 31st March, 1958..	10,98,300	11,06,800	7,86,900
Feb., 1957	90,000	81,300	63,400
Mar., ...	95,100	93,200	73,600
April	92,500	89,300	62,500
Feb., 1958	87,100	89,200	64,500
Mar., ...	94,800	100,200	71,300
April	95,000	100,300	63,000
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956..	7,06,984	5,31,505	4,50,667
Do. 31st March, 1957..	6,95,156	5,22,215	4,41,482
Do. 31st March, 1958..	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957.	1,83,357	1,39,490	1,20,578
" " " June, 1957.	1,72,185	1,29,451	1,05,086
" " " Sept., 1957.	1,71,897	1,19,173	95,815
" " " Dec., 1957.	1,90,484	1,25,194	1,02,146
" " " Mar., 1958.	1,99,939	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October		Jan. to Oct.	
	1957	1956	1957	1956
Exports	52,52	52,78	537,74	474,94
Re-exports	1,12	42	4,46	7,27
Total Exports ..	53 64	53,15	542,20	482,21
Imports	73,07	70,04	833,93	607,46
Overall Balance of Trade ..	—19,43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	108,20
Jute yarns and manufactures ..	3,54	10,45	50,46	90,24
Cotton yarns and manufactures ..	5,26	4,87	59,75	50,02
Metallic ores and scrap iron or steel for re-manufacture ..	2,55	2,52	42,19	17,72
Cotton, raw and waste ..	69	89	17,39	21,94
Oils—vegetable, mineral and animal ..	1,75	90	22,28	21,51
Fruits and vegetables ..	1,75	1,19	15,49	15,25
Tobacco	32	78	12,08	12,61
Mica	61	74	7,30	7,10
Wool—Raw	41	96	10,14	8,95
Gums, resins and lac ..	54	99	7,35	8,34
Spices	52	69	7,22	7,82
Hides and skins, raw ..	51	58	6,28	4,82
Imports—				
Machinery of all kinds ..	20,17	13,46	187,93	125,26
Metals, iron and steel and manufactures thereof ..	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal ..	6,89	3,24	96,17	55,34
Cotton, raw and waste ..	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines ..	5,17	3,87	65,90	36,37
Electrical goods and apparatus ..	5,32	2,80	49,08	17,04
Paper, pasteboard, etc. ..	2,89	1,15	11,35	13,61
Vehicles (excluding aircraft, ships and boats) ..	3,64	7,06	57,79	55,57
Fruits and vegetables ..	2,22	1,16	17,08	10,61
Spices	23	68	2,47	6,67
Dyes and colours	1,03	1,50	12,16	13,99
Woollen and worsted fabrics ..	15	11	1,14	1,89
Cotton fabrics	18	21	2,14	2,03

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-Iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,762	974	213	111	57	149	29	517	412	41	330	43	148
1956-57	13,585	2,993†	1,022	219	108	58	207	24	610	427	30	388	52	180
February 1957 ..	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	139
March " ..	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April " ..	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May " ..	2,468	532	219	45	21	13	34	4	129	77	6	69	4	33
June " ..	3,562	756	334	57	30	18	48	5	164	109	9	101	7	46
July " ..	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August " ..	5,781	1,279	539	84	39	25	67	8	205	183	13	177	19	81
September " ..	6,982	1,542	655	98	42	30	87	10	223	220	15	219	25	101
October " ..	8,056	1,824	736	107	46	34	100	12	241	263	19	261	31	126
November " ..	9,240	2,087	844	129	53	37	137	15	273	308	24	302	37	154
December " ..	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958 ..	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February " ..	13,011	2,874	1,123	191	93	49	202	23	519	456	36	435	46	176

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source:*—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts ..	Week ended 1st May, 1958 ..	30,812(J)
	Corresponding week, 1957 ..	47,215(J)
	1st Sept. to 1st May, 1957-58 ..	1,140,860*
	Corresponding period, 1956-57 ..	1,376,594*
Cotton Exports ..	Week ended 1st May, 1958 ..	18,480
	Corresponding week, 1957 ..	5,694
	1st Sept. to 1st May, 1957-58 ..	155,843
	Corresponding period, 1956-57 ..	222,403
Mill Consumption (Estimated) ..	1st Sept. to 1st May 1957-58 ..	878,044
	Corresponding period, 1956-57 ..	993,733
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 1st May, 1958 ..	705,968
	Corresponding date, 1957 ..	692,284
Cotton Exports from Bombay (by sea)	During March, 1958 ..	10,438‡
	During March, 1957 ..	29,377
	1st Sept., 57 to 31st March, 1958 ..	20,624
	1st Sept., 56 to 31st March, 1957 ..	170,583
Karachi (Pakistan)—		
Receipts	1st Sept. to 17th April, 1957-58 ..	1,035,040
	Corresponding period, 1956-57 ..	1,123,075
Exports	1st Sept., to 17th April, 1957-58 ..	438,638
	Corresponding period, 1956-57 ..	584,496

‡ By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 28th Feb., 1958. A. =Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 31st Mar., 1957. N. A.=Not available.

Particulars	From 1st September to 28th April 1957-58 Bales	From 1st September to 28th April 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom ..	5,449	19,462
Continent	10,445	19,553
Hongkong	3,319	23,402
China	—	3,437
Japan	71,713	117,230
U.S.A.	5,629	2,324
Other Countries	741	402
Total to all foreign countries ..	97,296	190,873
Coastal Ports ..	49,640‡	24,194**
Total	146,942	215,067

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian	350,474
Foreign	43,368
February, 1958	393,842
Indian	2,295,661
Foreign	293,286
Six months ended Feb. 1957-58.	2,588,947
Indian	2,324,414
Foreign	292,297
Same Period 1956-57	2,616,711
Stocks (Mills and Elsewhere)—	
Indian	1,195,824
Foreign	162,019
As on 28th Feb., 1958	1,357,843
Indian	1,151,558
Foreign	182,316
As on 28th Feb., 1957†	1,333,874
Week ended 18th April 1958 ..	100,906
Corresponding week, 1957 ..	2,142,799
1st Sept., to 18th April, 1957-58 ..	2,274,809
Corresponding period, 1956-57 ..	2,616,711

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1925–35	65,50,26,000	1960–70	100.40
2½ % Loan	1926–59	116,17,44,000	1963–65	95.25
2½ % Loan	1934	28,33,15,000	1964	96.25
2½ % Fr. Loan	1945	1,16,11,72,000	1966–68	95.75
2½ % Dev. Loan	1945	1,15,95,55,000	1970–75	86.75
2½ % 2nd V. Loan	1945	1,13,85,54,000	1959–61	99.10
2½ % Loan	1951	96,35,05,000	1958	99.75
2½ % Loan	1946	45,62,07,000	1960	98.15
2½ % Loan	1946	57,99,99,000	1961	98.30
2½ % Loan	1946	14,77,42,000	1962	98.10
2½ % Loan	1947	75,96,72,000	1963	98.30
2½ % N.F. Bonds	1953	75,23,90,000	1961	99.65
2½ % N.F. Loan	1954	1,56,17,90,000	1964	98.20
2½ % N.F. Bonds (2nd Series)	1953†	1,08,67,92,000	1965	97.85
2½ % Loan	1954	57,27,38,000	1967	97.95
2½ % N.F. Bonds	1955	82,61,82,000	1967	97.65
2½ % N.F. Bonds (4th Series)	1956	66,61,96,000	1974	98.25
4 % Loan	1957	48,92,00,000	1967	99.75
	1957	49,08,00,000	1972	100.20
NON-TERMINABLE LOANS				
2 % Loan	1896–97	5,93,34,000	At option of Government after three months notice. On September, 1986 or later at option of Government after three months' notice.	71.25
2 % Loan	1946	2,48,91,41,000		71.25
REPATRIATE STERLING LOANS				
4½ % Loan	1925	5,35,73,000	1958–68***	100.10
STATE LOANS				
4 % Andhra	1956	2,56,14,000	1st Sept. 1967	97.90
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.83
3 % Bombay	1944	2,04,13,000	15th Aug. 1958	99.50
3 % Bombay	1949	5,42,75,000	1st Aug. 1962	94.15
3 % Bombay	1950	2,33,75,000	31st July 1960	97.75
3½ % Bombay	1951	2,90,05,000	17th Sept. 1962	98.10
4 % Bombay	1953	3,35,90,000	15th July 1963	99.50
4 % Bombay	1954	4,65,65,000	1st Aug. 1964	99.25
4 % Bombay	1955	3,87,51,000	1st Sept. 1967	98.90
4 % Bombay	1956	3,07,09,000	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,60,00,000	16th Sept. 1968	100.10
4 % Bihar	1956	1,54,02,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.60
3 % Cochin	1945	1,00,90,000	19th Dec. 1955–58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956–61	97.75
3½ % Mewrah Bridge (New)	1938–57	1,95,96,700	1956–66	94.12
4 % Hyderabad	1955	5,15,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	3,19,92,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,25,96,000	21st June 1959	98.60
3 % Madras	1944	1,07,98,000	15th Aug. 1958	99.45
3 % Madras	1945	2,75,45,000	14th Sept. 1960	97.65
3½ % Madras	1946	3,81,17,000	1st Sept. 1961	98.50
3½ % Madras	1946	4,66,35,000	31st July 1960	97.65
3½ % Madras	1947	3,81,49,000	17th Sept. 1962	97.75
4 % Madras	1953	12,58,71,000	15th July 1963	99.25
4 % Madras	1954	5,24,81,000	1st Aug. 1964	99.25
4 % Madras	1955	10,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	12,56,56,000	3rd Sept. 1968	97.95
4 % Mysore(J)	1953	3,96,85,000	1st Dec. 1953–63	100.75
4 % Mysore(J)	1953	5,99,73,000	30th Apr. 1956–61	99.00
4 % Mysore	1953	3,53,47,000	15th July 1963	98.50
4 % Mysore	1954	3,54,94,000	1st Sept. 1967	97.70
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.70
4½ % Mysore	1957	8,00,00,000	16th Sept. 1968	100.00
3 % M.P.	1945	1,56,98,000	15th Aug. 1958	99.50
3 % M.P.	1948	2,00,32,000	15th Aug. 1964	98.00
3 % M.P.	1950	1,01,45,000	31st July 1960	97.70
3½ % M.P.	1951	1,06,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,15,15,000	15th July 1963	98.85
4 % M.P.	1954	1,63,13,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,56,42,000	3rd Sept. 1968	97.60
3 % Maharashtra	1956	2,61,96,000	1st Sept. 1967	98.25
4 % Maharashtra	1956	2,74,86,000	3rd Sept. 1968	98.10
4 % Trav. Cochin	1953	2,25,61,000	15th July 1963	98.80
4½ % Trav. Cochin	1956	2,24,72,000	3rd Sept. 1968	96.75
2½ % U.P.E.A.	1953	41,44,79,000‡		47.50
2 % U.P.	1944	1,56,25,000	15th Sept. 1961–66	90.85
2 % U.P.	1945	2,87,01,000	15th Aug. 1958	99.50
2 % U.P.	1946	2,17,22,000	14th Sept. 1960	97.30
2 % U.P.	1947	1,16,39,000	1st Sept. 1961	94.50
2½ % U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
4 % U.P.	1953	6,11,45,000	1st Aug. 1964	98.80
4 % U.P.	1953	5,55,19,000	15th July 1963	99.20
4 % U.P.	1956	6,86,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	3,74,72,000	3rd Sept. 1968	97.80
3 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
3 % Orissa	1956	3,04,98,000	3rd Sept. 1968	97.40
4 % M. Bharat	1953	1,04,77,000	15th July 1963	98.85
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.50

PORT TRUST LOANS

Amount	Tax-free or not	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
25,50,000	4	1904	1954	
25,00,000	4	1905	1955	
50,00,000	4	1906	1956	
44,00,000	4	1907	1957	
75,00,000	4	1908	1958	96.20N
75,00,000	4	1909	1970	
56,00,000	4	1910	1971	
1,10,00,000	4	1911	1972	
14,15,000	4	1912	1973	D
80,00,000	4	1913	1974	
80,00,000	4	1914	1975	96.20N
80,25,000	4	1916	1976	96.20N
40,00,000	4	1917–18	1957–79	
55,00,000	4	1919	1958–80	
61,01,000	4	1922*	1960–70	
11,51,000	4	1924*	1940	
13,23,000	3½	1928*	1940	
25,00,000	3½	1929*	1959	
15,00,000	3½	1930*	1940	D
15,00,000	3½	1931*	1941	
13,50,000	3½	1932*	1942	
24,53,000	3½	1935*	1975	
15,00,000	3½	1936*	1946	
15,00,000	3½	1937*	1947	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
76,20,100	4	1916	1974	97.75
1,50,00,000C	4	1918	1975	97.75
50,00,000C	5††	1921	1951	92.00
48,92,500C	6†	1921	1951	144.00N
1,40,00,000	4	1921	1958–68	101.00
80,00,000	4½	1921	1951	95.00
80,00,000	3½	1925	1975	97.50
25,00,000	3	1928	1968–88	99.00
50,00,000	3	1938	1968	99.00
50,00,000	3	1945	1975	98.00
50,00,000	3	1946	1976	94.75
50,00,000	3	1946	1966	74.00
50,00,000	3½	1947	1977	97.75
50,00,000	3½	1948	1978	93.75
50,00,000	3	1948	1978	93.75
50,00,000	3	1949	1968	98.25
50,00,000	3	1949	1969	98.25
50,00,000C	3	1950	1980	98.00
50,00,000	3	1950	1980	97.00
50,00,000	3	1950	1980	97.00
50,00,000	3	1951	1981	91.75
50,00,000	4	1951	1981	98.50
50,00,000	4	1952	1982	100.00
50,00,000	4	1953	1983	97.50
50,00,000	4	1954	1984	97.25
50,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
73,00,000C	4	1956	1986	97.25
54,00,000C	4½	1957	1987	99.50
STERLING LOANS				
£892,800	5	1923	1953–83	£80 0 0
£601,000	5	1924	1954–84	£80 25
£884,100	5½	1932	1962	£91 0 0
MADRAS				
Rs.				Rs.
51,47,100	3½	1947	1977	
9,85,000‡	3	1947	1977	A
5,00,000‡	3	1948	1979	
45,00,000‡	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.			BOMBAY	Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	97.75 N
30,00,000	4	1905	1965	
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1913	1973	
18,00,000	4	1913	1973	97.50 N
50,00,000	4	1914	1974	116.00N
25,00,000	4	1916	1976	
40,00,000	4	1916	1957–79	
66,00,000	5	1919	1958–80	
25,00,000	5	1926	1956–76	99.00N
25,00,000	5	1927	1957–79	
10,00,000	3	1938	1966	
STERLING LOAN				
£856,600		1909	1959	92.50N
£338,000		1910	1970	100.00N
CALCUTTA				Rs.
25,00,000	5½	1929	1966	104.00
50,00,000	4	1924	1964	94.00
25,00,000	3½	1925	1965	90.00
50,00,000	3	1926	1966	90.00
50,00,000	3	1927	1967	90.00
50,00,000	3	1928	1968	90.00
1,00,00,000	3	1928	1968	90.00
50,00,000	4½	1938	1968	99.50

MUNICIPAL LOANS

Rs.			BOMBAY	Rs.
30,00,000	4	1913–14	1974	97.00
10,00,000	5	1920	1980	115.00N
20,00,000	5	1922	1982	101.50
20,00,000	5	1923	1983	101.50
2,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1948	1978	84.00
4,00,00,000	3½	1949	1979	97.25
2,50,00,000	3½	1950	1980	97.25
2,50,00,000	3½	1951	1981	97.25
1,50,00,000	4	1952	1982	97.25
1,50,00,000	4	1953	1983	97.25
1,50,00,000	4	1954	1984	97.25
1,50,00,000	4	1955	1985	97.25
1,50,00,000	4	1956	1986	97.25
Rs.			CALCUTTA	Rs.
25,00,000	5	1922	1962	106.00
25,00,000	5	1923	1963	106.00
10,00,000	5½	1925	1965	106.00
25,01,000	5	1926	1966	106.00
50,00,000	5	1927	1967	106.00
47,50,000	5	1928	1968	106.00
50,00,000	5	1929	1969	106.00
17,64,400	3½	1942	1972	97.25
31,10,000	3½	1943	1973	97.25
15,40,000	3½	1944	1974	97.25
16,82,000	3½	1951	1981	97.25
66,82,000	3½	1951	1981	97.25
57,36,000	4	1951	1981	100.00
72,50,000	4½	1954	1984	100.00
Rs.			MADRAS	Rs.
15,00,000	3½	1941	1961	107.00
12,00,000	3½	1945	1965	107.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	93.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,50,23,000	15th July 1963	99.40
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.00
4 % W. Bengal	1956	7,11,45,000	3rd Sept. 1968	97.90

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	102.00xd	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905–24	8	Feb. Aug.	108.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
† East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.15	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec. ..	55.00	100
Do. (Non-redeem.) ..	5,00,000	1940	7	Dec. ..	55.00	100
Furrukhpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.00	10
Kamamgore Cane T.F.C.	4,00,000	1933–36	6	Aug. ..	86.00	100
Kavalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1926	7	Oct. ..	20.00	100
Travancore C.T.F.	10,00,000	1926	5	Dec. ..	9.85	10
Upper Ganges T.F.C.	15,00,000	1946	5	Dec. ..	90.00N	100
Do. T.C.R.C.	12,00,000	1922	5	Dec. ..	70.00N	100
	15,00,000	1946	5	Dec. ..		100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borree T.F.C.	4,00,000	1896–97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	22,99,800	1901–19

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		

BOMBAY CITY AND ISLAND

50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.74	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,38,52,007	72,25,655	—6,97,129	M.	51,384	1,021	B. R. Cotton Mills	23.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.T.
2,50,98,000	3,42,88,483	7,95,30,051	3,93,39,819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Z	54.40	25	2.00	2.50*	2.50	2.50	12	Y.P.
10,00,000	43,53,880	64,14,299	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	158.00	50	75.00†	12.50	20.00	15.00	3	Y.
1,09,42,800	2,79,59,276	7,45,32,167	2,69,98,324	9,27,648	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg.	433.50	100	22.00	22.00	22.00	22.00	12	
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	38.00	100	*Nil*	*Nil*			12	Y.
26,00,000	13,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Cowrie Spg. & Wvg.	121.00	100	7.50	7.50	12.50*		3	Y.
16,00,000	24,86,896	69,10,861	54,66,041	2,17,076	Ramnarain Sons Private Ltd. ..	41,328	....	Dawn Mills	80.00	50	6.00	15.00	....	....	12	H.
34,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	46,668	928	Edward Textiles	255.00	200	15.00	18.00	15.00	....	12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,400	95,787	M.	45,996	886	Elphinstone Spg. & Wvg. ..	45.00	50	3.00	5.00	15.00	....	12	Y.P.
50,00,000	65,54,875	1,67,34,054	89,00,207	87,155	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	258.00xd	100	16.00	20.00	20.00	20.00	12	Y.
50,00,000	48,98,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd. ..	45,768	1,018	Gold Mohur Mills Ltd.	205.00	100	12.50	15.00	15.00	15.00	12	
11,84,000									4,500.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills..	992.50	250	56.25	75.00	81.25	87.50*		Y.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	9.28	10	*Nil*	0.94	0.92		12	Y.P.
3,65,000									1.16	0 1D.	*Nil*	0.19	0.18			
35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	4,510.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
50,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd...	99,844	1,487	Khatau Makanji Spg. & Wvg...	155.00	100	12.25	12.00	10.00	10.00(c)	6	Y.
1,90,00,000	1,13,27,791	3,67,76,376	2,81,94,794	52,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	268.00	100	18.00	18.00	18.00	18.00	12	Y.T.
33,18,800	40,27,870	1,28,33,753	67,99,178	43,271	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*	5.00"C'	10	Y.T.
51,75,000	38,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	71,604	1,652	Morarjee Goculdas Spg.& Wvg..	216.50	100	14.00	14.00	15.00*	14.00(c)	6	Y.P.
1,60,74,400	1,19,15,319	9,46,21,101	2,65,00,000	5,52,034	Chinai & Co. Private Ltd. ..	....	....	National Rayon Corporation ..	233.00	100	10.00	12.00	14.00*	....	12	Y.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,944	432	New City of Bombay Mfg. ..	105.00	100	10.00	10.00	10.00	5.00	12	Y.P.
30,00,000	11,72,134	101,83,002	63,37,034	....	W. H. Brady & Co., Ltd. ..	45,012	1,018	New Great Spg. & Wvg.	202.00	100	7.50	10.00	10.00	*Nil*	12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	Phoenix Mills	121.25	100	8.00	10.00	....	12.50F	3	Y.P.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Podar Sons Private Ltd.	32,600	930	Podar Mills	133.75	100	10.00	12.00*	12.00*	4.00‡	12	Y.
10,00,000	1,78,222	24,10,104	18,80,783	....	M.	....	....	Sassoon & Alliance Silk Mill ..	10.00	10	0.50	0.50	0.25(c)		12	Y.
87,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	39.00	10	1.75	2.00	2.00	2.00	12	Y.P.
80,00,000	48,20,061	1,12,05,790	61,47,209	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1,640	Shree Niwas Cotton Mills ..	135.00	100	14.00	12.00	12.00	8.50	12	Y.
42,00,000	31,94,178	1,20,04,790	76,42,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,274	Simplex Mills	154.50	50	11.00	10.00	12.00	8.50	12	Y.
87,80,000	2,50,26,472	2,96,16,751	1,87,99,317	1,55,642	Mafatlal Gagalbhai & Sons ..	84,840	1,274	Standard Mills	423.00XD	100	20.00	20.00	22.50*	22.50*	12	Y.
1,00,00,000	98,08,485	2,51,02,081	1,33,02,735	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	172.50	100	8.00	12.00	14.00*		12	Y.
96,00,000	56,13,465	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	329.50xd	100	20.00	25.00	25.00	25.00	12	Y.
65,57,875	56,74,500	2,01,57,222	80,31,256	17,925	Tata Industries Private Ltd. ..	69,040	1,800	Tata Mills	87.50	25	2.50	4.00	3.50*		12	Y.P.
12,00,000	1,21,85,656	1,48,81,207	98,78,967	98,935	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	

AHMEDABAD

46,00,000	81,31,987	1,73,25,924	66,65,244	11,158	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	142.00	100	8.00	7.00	12.00	5.00	6	Y.P.T.
10,00,000	94,58,068	94,37,896	76,10,164	27,288	P. M. Hatheesing & Co., Ltd. ..	42,768	912	Aruna Mills	100.00	100	20.00	20.00			12	Y.P.
40,00,000	2,97,83,861	1,96,32,179	97,29,203	18,274	Narotam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,150.00	100	25.00	35.00*	35.00*		12	Y.P.
20,00,000	81,75,000	99,94,354	72,25,000	9,46,389	Mangaldas & Bros., Ltd.	25,908	892	Aryodaya Ginning & Mfg. ..	455.00	200	15.00	25.00*	....		12	Y.P.
12,00,000	1,43,06,808	95,70,783	63,51,739	17,267	Lalbhai Dalpatbhai & Co.	37,368	914	Asoka Mills	965.00	100	25.00	80.00	80.00		12	Y.P.
1,37,50,000	3,49,84,519	5,14,69,792	2,56,06,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,89,120	2,499	Calico	522.00	125	18.00	20.00	20.00	80.00	3	Y.
62,91,000	82,38,059	1,26,33,243	95,76,063	3,468	Tricumlal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	442.40	250	70.00	80.00	100.00*		12	Y.
39,00,000	72,52,456	1,32,09,222	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	687.00	125	35.00	35.00			12	
15,00,000	67,78,779	87 78,441	82,49,912	21,803	Jagabhai Bhogilal Nanavaty & Co., Ltd.										12	Y.P.T.
15,00,000	2,82,500	85,86,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	6.62	10	0.50	0.50	0.50		12	Y.P.T.
7,11,280	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill ..	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
9,00,620‡																
24,00,000	1,50,000	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,980	841	Bowreah Cotton Mills	104.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
19,00,000	26,17,431	1,15,16,740	74,67,379	3,50,335	Kettlewell Bullen & Co., Ltd. ..	42,944	523	Dunbar Mills	124.00	100	*Nil*	2.50	5.00		12	Y.P.
50,28,000	85,998	1,79,97,325	21,97,325	52,086	Birla Brothers Private Ltd. ..	4,852	206	Jay Shree Textiles Ltd. ..	6.46	10	*Nil*	*Nil*	0.37	0.50	12	Y.P.
1,60,00,000	2,29,91,250	4,00,62,835	1,40,10,478	4,94,772	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	11.40	10	0.87	0.87	1.00	0.75	3	Y.
19,47,7000	7,45,000	4 84,571	24 70,548	3,036	Hazaremul Hosrala, ...	23,036	795	Rampoorla Cotton Mills ..	15.00N	10	0.62	1.00			6	Y.
5,00,000 D									4.00N	1D	*Nil*	0.34	0.26			

SOUTH INDIA AND OTHER CENTRES

1,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	....	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,55,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	55.00	100	*Nil*	5.50(e)	5.00	3.50	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,43,043	2,00,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	164.00	100	30.00	30.00	30.00	10.00"C	12	Y.P.
85,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	27.00N	10	3.00	3.00	1.50	1.50	3	Y.P.T.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic	165.50	100	10.00	10.00	10.00	10.00	12	Y.P.
20,00,000	15,37,035	50,23,440	26,18,048	....	Peirce, Leslie & Co., Ltd. ..	37,536	4	Cambodia Mills	9.25cd	10	*Nil*	0.50	0.50	0.50(c)	3	Y.
15,00,000	5,11,900	53,32,411	27,36,923	1,92,792	K. Damodaran, Esq.	19,057	....	Cannanore Spg. & Wvg.	144.00	100	20.00	12.00	15.00	20.00	12	Y.
30,00,000	32,35,551	70,25,496	56,32,015	46,855	Begg, Sutherland & Co. Private Ltd.	27,624	591	Canvasdy Textiles	4.25	5	0.50	*Nil*	0.25	0.25	3	
9,37,470	5,00,000	55,16,220	21,86,420	96,659	C. R. Srinivasan, Esq. (Chairman)	21,200	....	Canvasdy Spg. & Wvg. Mills Ltd.	12.50	10	*Nil*	0.62	0.75	0.90	12	Y.
35,21,362	22,09,767	69,79,092	31,91,699	698	R. Bheema Naidu & Co.	30,864	....	Coimbatore Cotton Mills ..	146.00	100	25.00	25.00	20.00	9.00"C'	12	Y.
19,15,000	7,25,195	99,16,502	24,29,533	....	T. A. R. Chettiar Sons & Co. ..	25,540	100	Coimbatore Murugan Mills ..	115.00	100	17.50	20.00	12.00		12	Y.
20,00,000	19,20,000	71,42,628	35,30,753	13,814	T. N. Naidu & Co.	38,226	....	Coimbatore Pioneer Mills ..	225.00	100	20.00	20.00	20.00		12	Y.
20,76,900	2,05,076	1,24,06,576	38,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	53.50	100	5.00	8.00	10.00		12	Y.
49,87,500	27,74,735	2,42,10,759	1,54,86,854	....	Tata Industries Private Ltd. ..	57,452	1,620	Central India	83.00	100	2.00	3.00	*Nil*	*Nil*	3	
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Ramamanbhappa & Sons ..	112.00	100	Dadanman Cotton Mills	205.00	100	12.00	9.00	9.00	9.00	3	
3,38,36,225	3,10,24,830	11,79,09,463	6,78,07,135	,77,593	B. R. Chanrai Sons & Co. Private Ltd.	1,41,180	2,852	Delhi Cloth & General Mills ..	28.87	10	1.00	1.00	1.00	1.00	3	Y.P.
1,00,563										25	2.25	2.25	2.50	2.50	6	
47,98,256	26,25,000	84,28,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills		2½	2.25	2.25	2.25	0.20		
63,00,000	1,05,56,192	1,09,12,424	1,41,93,839	75,831	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	177.00	100	20.00	30.00	25.00	10.00"C'	6	
48,81,000	43,55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,236	....	Gokak Mills	12.81	10	1.00	1.00	1.25	1.00	3	
2,50,00,000	2,25,000	4,82,38,745	1,82,00,000	72,17,274	Birla Gwalior Private Ltd.	....	....	Gwalior Rayon	145.00xd	100	13.00	15.00	18.00	8.00	3	
50,00,000	21,27,574	1,48,10,139	1,18,80,184	6,716	K. L. Behasaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	11.96	10	*Nil*	*Nil*	*Nil*	*Nil*	3	
8,90,000	10,65,683	81,40,455	19,97,477	....	G. V. Naidu & Co. Ltd.	23,784	....	Janardhana Mills	110.00	100	6.00	9.00	11.00		12	
15,54,000	15,02,599	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	....	....		79.25	50	5.00	10.00	10.00		12	
4,63,65,300	3,24,06,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	54,876	1,680	Jam Shri Ranjitsinghji Jiyajeerao Cotton	1,450.00	1,000	20.00	50.00	60.00	40 00	6	
42,00,000	19,25,000	1,06,81,587	38,28,076	91,772	Kothari & Sons	41,040	800	Kothari Textiles	10.25	10	4.00‡	4.00‡	0.55	0.35	6	
32,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,096	1,243	Lakhshmi Cotton Mfg.	433.75xd	250	33.75	42.50	42.50	15.00	12	
71,28,200	66,35,960	2,12,83,797	1,17,05,975	4,188	G. K. Naidu & Co.	1,06,600	201	Lakahmi Mills	109.00	50	10.00	12.50	12.50	10.00	3	
35 64 100									54.50	25	5.00	6.25	6.25	5.00		
1,75,02,480	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,53,000	....	Madura Mills	33.00	15	3.00	3.00	2.62	2.62	12	
12,00,000	3,67,363	20,23,352	16,76,700	218	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	89.00	200	*Nil*	*Nil*	8.00	2.22	12	
60,00,000	69,14,000	65,94,181	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	602	Mettur Industries Ltd.	343.00	100	22.50*	35.00	42.50	20.00	12	
29,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd. ..	39,398	704	Minerva Mills	76.50	50	5.00(e)	5.00(e)	5.00(e)		6	
24,91,800	21,56,146	1,71,94,769	78,81,528	1,85,908	M.	52,408	952	Model Mills (Nagpur)	166.25	250	5.00(e)	7.50(e)	7.50		6	
24,83,500	48,52,478	1,18,48,711	71,02,478	25,937	N. Sirur & Co. Private Ltd. ..	50,402	500	Mysore Spg. & Mfg.	95.00	50	5.00*	6.00(e)	9.00*	9.00*	6	
18,61,780																
87,23,200	29,29,981	29,12,641	17,88,314	3,966	K. Tipperudriah (Chairman)	6,000	....	Mysore Spun Silk Mills	6.25N	10	*Nil*	*Nil*	*Nil*	*Nil*	6	
4,00,000A		1,78,33,244	67,86,683	....	M.	87,788	902	Osmanshahi Mills	48.00	100	*Nil*	2.50(e)	5.00(e)	*Nil*	6	
6,00,000B	13,00,000	65,46,779	25,86,447	8,530	Bhaghyalakshmi & Co.	45,600	....	Palani Andavar Mills	135.00	50A	12.00	13.00	15.00		12	
15 00 000	....	34,19,570	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	....	Pankaja Mills Ltd.	197.50	75B	18.00	18.00	22.50		12	
16,81,200A	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	59,254	800	Radhakrishna Mills	45.00	100	*Nil*	4.00(e)	*Nil*		6	
8,40,000B									125.00	100A	16.00	20.00	20.00		12	
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. R. Naidu & Sons	37,096	....	Rajalakshmi Mills	65.50	50B	8.00	10.00	10.00		12	
16,14,300	12,00,000	32,92,216	17 41,484	10,510	Ramco Agencies Ltd.	24,996	....	Rajapalayam Mills	72.00	50	10.00	10.00	7.50		12	
22,32,050	11,50,000	53,72,976	22,15,892	5,286	Rayalaseema Development Co. ..	21,200	....	Rayalaseema Mills	129.00	100	6.00	10.00	10.00		12	
15,00,000‡									115 00xd	100	9.00	10.00	10.00	10.00	12	
10,000	1,60,55,917	5,13,49 081	2,05,07,227	—1,65,20,796	Morarka & Co.	....	95,232	2,232	Sholapoor Spg. & Wvg.	450.00	1,000‡				3	
86 69 700	20,26,285	98,26,865	70,67,094	19,543	H. N. Pallegar, Esq.	....	80,744	292	Sri Krishnarajendra Mills ..	....	500‡	*Nil*	*Nil*	*Nil*	3	
15,00,000	3,43,80,154	99,62,153	79,58,780	90,00,553	Birla Brothers Private Ltd. ..	....	86,512	1,244	Sutlej Cotton Mills	79.00	50	4.50	5.00	7.00	7.00	3
17,50,0000									70.00N	10	5.00	6.00	6.00			
1,25,00,000PO	2,86,28,081	5,13,52,120	1,81,38,924	8,35,712	Jaipuria Brothers	1,12,216	2,096	Swadeshi Cotton (Kanpur) ..	10.25	10O.	0.75	0.75	0.75		12	
1,00,06,205	50,06,584	5,85,56,283	1,52,42,715	2,03,690	Emcete & Sons (Travancore), Ltd..	....	....	Travancore Rayons	10.37	10P.O.	1.15	1.15	1.15		12	
19,98,780	9,45,940	19,58,289	13,60,120	794	Moolji Ramjee & Sons	....	15,000	Trichinopoly Mills	13.00cd	10	0.62	0.75	1.00		12	
21,00,000	88,50,000	80,72,634	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	11.70xd	10	0.90	0.90	1.12	0.90	12	
82,00,000	18,73,770	1,85,96,083	1,17,44,692	—9,85,569	The Bombay Co. (Private) Ltd. ..	49,660	1,375	Vishnu Cotton	251.00cd	100	15.00	20.00	20.00		12	
									101.00	100	4.00	8.00	8.00	*Nil*	12	

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March, 1958.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1958.

‡ Made up of 4,364 shares of Rs. 40 each—Rs. 20 per share called up and 3,800 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'O'—On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		

BREWERIES AND DISTILLERIES

39,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari ..	8.25cd	5	*Nil*	0.50	0.75	0.85	5	Y.P.
15,00,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries ..	9.50	5	0.50	0.56	0.56		8	Y.
5,49,950	£1,197,464	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27.25	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,328	6,022	Vittal Mallya, Esq. (Chairman) ..	United Breweries	185.00	75	15.00	15.00	15.00	15 00	3	Y.

CEMENT

72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50	B. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6000						Assam Bengal Cement	4.03	O. 10	*Nil*	*Nil*			3	Y.P.T.
14,70,976D	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.		0.84	D. 1						
12,71,80,070														
3,07,44,575	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd. ..	Associated Cement Companies ..	155.00	100	8.50	10.00	10.00	9.00	7	Y.T.
1,66,00,0000							10.05	O. 10	1.00	1.25	1.25		12	Y.P.
5,00,0000	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat) ..	2.87	D. 1	0.10	0.12	0.12			
1,02,09,150							27.65	O. 25	1.25	1.87	2.06	2.06	3	Y.P.
7,50,000	26,00,000	2,09,03,054	61,08,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	5.40	D. 5	*Nil*	0.37	0.41	0.

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	25,91,841	2,13,35,403	1,56,73,314	4,805	M.	Bengal Paper Mills	60.50	25	3.12	4.69	2.50		12	Y.P.
62,00,000	62,91,288	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	19.12	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,560	1,48,27,089	77,57,946	47,698	T. Shamanna Esq. (Chairman)	Mysore Paper Mills	16.62	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,82,500	2,46,75,045	6,04,16,697	1,37,63,042	2,62,477	Birla Brothers Private Ltd. ..	Orient Paper	29.40	10	0.94	1.12	0.62	1.50	3	Y.P.
1,35,49,970	67,75,503	1,56,40,302	1,00,79,701	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	15.12	10	1.50	1.25	1.25		3,6,12	H.P.
48,00,500														
20,00,000A.	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05		3,9	H.P.
12,15,55,240	48,43,066	3,85,20,949	75 56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	11.00	A. 10	0.75	1.25	1.05		6	Y.J
55,00,000A.							19.62	10	Nil	5.00‡	0.50	0.50		
55,84,800‡.	3,70,50,474	6,78,46,967	3,51,66,938	92,628	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	36.62	A. 10	1.50	2.00*	1.12*	2.37*	3	Y.J
4,37,500P.O.							36.62	B. 10	1.50	2.00*	1.12*	2.37*		
							4.00	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
5,00,000	3,26,572	13,981	13,353	25,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,13,622	6,98,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,750O.	7,30,842	48,74,650	22,33,280	96,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60			Y.J
2,00,000D.							2.25N	D. 1	Nil	Nil	0.05			
94,00,000	25,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.00	100	4.00	3.00	Nil	Nil	4	Y.J
SAW MILLS AND TIMBER														
12,99,998	22,33,429	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.81	2	Nil	Nil	Nil		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	550.00	Old125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							208.75	New50	8.00	15.00	12.75	16.00		
90,00,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products.. ..	44.50	10	2.75	3.00	3.00	1.00‡	9	
SUGAR (U.P. and Bihar)														
14,00,000	15,80,406	42,92,220	31,12,074	57,702	M.	Bairampur Sugar	6.06	5	0.75	0.06	Nil	0.25	6	Y.
12,00,000A.	29,80,260	55,40,821	36,32,435	13,12,009	Narang Bros. & Co. Private Ltd.	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		3	Y.
3,00,000B.							11.50N	B. 10	1.00	1.00	1.00		4	Y.
19,49,050	8,75,000	33,83,770	25,08,270	74,946	Bangur Bros., Ltd.	Belsund Sugar	5.19	10	0.75	0.75	1.00	1.00	9	Y.
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	11.25	7½	0.75	0.75	1.00	1.00	6	Y.
23,00,000	25 22 515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	13.25	10	1.50	1.50	1.50	1.50	6	Y.P.
30,00,000	65,63,722	1,63,27,308	86,27,252	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	7.12	10	0.75	0.25	Nil	Nil	6	Y.
18 00 000	84,58,103	84,72,400	59,12,695	—3,48,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	10.81	10	0.75	0.75	0.75		10	Y.
9,88,253	2,59,702	25,14,122	16,98,358	8,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	20.37	10	1.00	1.50	1.00	Nil	6	Y.
50,00,000A.	44,95,000	1,02,71,005	67,56,074	33,122	Dashbrai & Co. Private Ltd. ..	Hindustan Sugar Mills ..	10.00N	10	0.75	0.50	0.50		8	Y.
10,00,000O.							275.00	A. 100	15.00*	15.00*	15.00		6	Y.
18,00,000	12,51,626	79,38,731	49,86,047	1,05,564	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	100.00	O. 100	15.00*	15.00*	15.00		7	Y.
7 80,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills ..	52.00	40	Nil	2.25	4.00	7.00	6	Y.
11,00,000	4,45,009	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd.	New Savan	25.00	10	2.50	2.50	2.50	2.50	6	Y.
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	4.50	10	0.25	0.25	0.37	0.37	5	Y.
38,275							200.00N	100	20.00	20.00	20.00	20.00	6	Y.
77,48,500	64,48,618	2,15,99,028	1,18,25,000	25,816	Cotton Agents Private Ltd. ..	Oudh Sugar	50.00N	25	5.00	5.00	5.00	5.00	7	Y.
13,00,000	13,00,874	31,05,404	21,49,450	24,562	Narang Bros. & Co. Private Ltd.	Punjab Sugar	130.00	100	11.00	11.00	11.00	12.50	10	Y.
9,00,000	10,64,817	48,99,885	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puraibpore Co.	75.00N	100	10.00	6.00			10	Y.
8,00,000	6,21,032	25,71,393	23,31,031	2,175	M.	Puraibpore Co.	10.25	10	0.75	0.75	0.75		10	Y.
11,99,000	16,33,214	47,23,583	25,13,422	—2,20,858	M.	Ryam Sugar	19.75N	10	0.50	Nil	1.75	1.50	6	Y.
39,70,525	23,68,550	1,40,84,561	68,35,007	16,581	Sahu Jain Ltd.	Samastipur Central Sugar	11.25	10	0.50	Nil	1.75	Nil	6	Y.P.
10,02,115	24,660	29,48,606	14,35,401	—5,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Shree Krishna Gyanoday Sugar	10.6	10	1.50	1.75	1.00		8	Y.
15,89,962	13,10,901	33,44,287	18,97,008	88,761	M.	Sitalpore Sugar	2.37	10	Nil	Nil	Nil	Nil	6	Y.
9,15,000O.	46,462	29,66,360	11,46,770	—16,87,907	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00		8	Y.P.
4,40,000D.	34,74,348	1,27,30,247	80,57,754	9,663	M.	South Behar Sugar	0.75N	O. 10	Nil	Nil			10	Y.
18,00,000	7,66,589	33,17,959	27,09,205	32,042	Cotton Agents Private Ltd.	Upper Ganges Sugar	0.50N	D. 24	Nil	Nil			6	
					M.	United Provinces Sugar ..	35.00N	10	2.50	2.50	3.00	5.00	9	
							14.25	10	1.25	1.50	0.50			
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	Nil	0.60	1.60	1.25	9	
70,49,650	1,18,43,608	1,50,47,702	1,08,77,187	3,00,262	W. H. Brady & Co., Ltd.	Belapur Company	245.50	50	16.00	16.00	16.00	18.00	9	
37,50,000	12,88,295	41,35,701	23,96,315	30,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	19.75	10	1.00	1.00	1.50	2.00	9	
18,00,000	37,08,165	35,80,914	24,84,928	32,544		Shree Changdee Sugar ..	28.75	12.50	1.00	1.00	1.50		9	
15,93,900	12,63 978	40,71,811	25,54,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70.00N	100	Nil	Nil	6.00		9	
25,94,920	14,89,527	35,70,927	19,25,045	6,76,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	18.25	10	1.75	1.40	1.12		6	
22,41,127	15,76,571	94,06,432	12,67,310	6,611	B. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.80	10	1.00	1.00	0.60	0.60	10	
68,50,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	13.87	10	0.75	1.50	1.50Q		10	
19,85,200O.	88,00,000	2,48,45,158	41,94,129	28,068	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	65.000	11,65,737	2,38,715	3,31,635	1,26,359		9	
3,87,190D.							120.00	0.100	7.50	7.50	7.50	7.50	6	
31,79,880	86,24,818	1,29,89,142	82,31,728	2,03,107	B. M. Krishnan, Esq. (Mgr. Director)	Mysore Sugar	135.00	D. 10	10.00	10.00	10.00	10.00	6	
50,00,000	58,21,430	1,16,88,154	67,30,841	1,47,229	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	35.75	10	2.00	2.00	2.00		6	
16,59,820	41,20,000	59,54,984	31,76,689	1,25,789	Anderson Wright Ltd.	Rammugger, Cane and Sugar ..	140.50	50	8.00	8.00	9.00	12.00*	8	
20,00,000O.							21.00	10	1.50	2.00	2.00			
4,00,000D.	42,07,214	1,04,79,940	59,80,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	124.00	O. 50	2.50	9.00	12.00	12.00	9	
63,59,400	85,59,866	67,02,760	25,67,388	27,711			80.00N	D. 10	Nil	0.00	12.00	3.75	10	
80,00,000	23,40,000	62,19,829	24,74,879	77,353	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	13.87	10	0.75	1.50	1.50Q		10	
1,01,00,000	1,04,46,262	2,28,80,653	99,17,719	1,75,780	Walchand & Co. Private Ltd. ..	Travancore Sugars	9.75	10	Nil	0.75	1.00	1.00	9	
						Walchandnagar Industries ..	265.00xd	100	16.00	18.00	21.00			
TRANSPORT														
20,00,000	1,06,69,522	1,24,69,186	18,39,251	1,16,026	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	108.00	100	7.50	7.50	7.50		10	
1,00,00,000	82,00,000	4,21,63,842	1,45,30,680	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	
99,00,000	1,43,85,063	4,99,84,246	86,21,845	1,83,580	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19.84	10	1.00	Nil	1.00	1.50	6	
5555,550	5997,789	55,665,854	52,428,058	—5106,393	Kilburn & Co. Private Ltd.	India General Navigation & Rly. Co.	51.50	£10	Sh. 10	Sh. 10	Nil		12	
2,25,00,000	1,74,74,232	12,78,96,545	2,63,25,759	2,70,984	Lionel Edwards (Private) Ltd. ..	Scindia Steam Navigation Co. ..	11.08	10	Nil	Nil	1.00	1.00	3	
9,40,19,673	10,85,51,842	27,66,48,271	5,78,99,812	5,84,102	M.		17.25	10	0.50	0.50	1.00	1.25	6	
40,5660O.							2.06	O. 1	0.11	0.14	0.14			
2,16,296P.O.	18,26,615	12,00,284	7,86,766	1,66,812	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.53	P.O. 1	0.11	0.12	0.12		12	
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	224	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	
15,98,856	3,04,178	2,26,474	90,006	1,89,252	M.	Bombay-Uranda	47.00	20	4.50	Nil			9	
85,00,000	1,00,000	26,18,544‡‡		58,580†	M.	Devkaran Nanji Investment Co.	11.52	25	0.75	0.75	0.81	0.81	12	
51,07,900	2,01,70,510	4,79,59,818	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	21.12	10			1.25	1.40	12	
14,98,840	3,01,500	25,61,284	19,46,497	14,086	Birla Brothers Private Ltd. ..	Hind Cycles	135.00	100	10.00	10.00		12.50F.	3	
99,99,250	20,18,147	1,25,61,399‡‡	19,46,703	25,100	Chemillal Mankal Private Ltd.	Kaira Batteries	36.00	50	2.00	2.00	2.00		3	
1,00,00,000	12,26,446	88,85,170	11,25,784	2,758	Promeshand Roychand & Sons ..	Industrial Investment Trust ..	72.84xd	100	4.50	4.50	5.00	5.50	12	
3,92,25,225A.O.	63,14,565	3,42,78,324	1,69,93,078	6,81,752	K. G. Milne, Esq. (Mg. Director)	Kilnick Industries	147.00xr	100	11.00	11.00	11.00	11.00	6	
10,31,200	4,83,147	8,09,102	5,85,506	2,481	Aero-Auto Trivia Ltd.	Premier Automobiles	82.50	100	Nil	11.00	11.00	11.00	6	
2,75,00,000	1,44,13,441	3,87,52,891	1,68,58,348	89,860	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00	1.20	12	
45,00,000	60,62,590	8,64,985	6,24,956	75,054	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	172.50	100	11.00*	11.00*	11.00*	11.00*	12	
					Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	281.25	150	20.00	20.00	22.50	25.00	12	
Other Centres														
57,50,000	1,99,86,718	2,81,21,462	86,96,321	2,23,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	10.94	O. 10	Nil	Nil	0.50	0.90	3	
2,50,000							5.00	D. 24	Nil	Nil	Nil	Nil		
40,00,000	32,25,008	68,17,870	28,12,988	66,589	Seshasayee Bros. (Trav.) Prv. Ltd.	Aluminium Industries Ltd. ..	18.25	10	1.25	1.25	1.25	1.25	6	
28,00,000	30,30,717	34,97,377	23,66,332	2,61,250	Tanner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	17.50	10	1.25*	1.25*	1.25*	1.25*	6	
30,00,000	17,14,786	38,54,872	19,66,372	1,88,044	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.50	10	1.25*	1.25*	1.25*	1.25*	12	
30,00,000	35,94,600	1,05,12,083	39,58,423	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	5.19	10	0.20	0.40	1.20	0.60	12	
30,91,400	98,61,393	69,52,196	37,08,196	5,98,575	M.	Balmer Lawrie & Co., Ltd. ..	151.00	100	18.00	12.50	15.00		12	
12,50,000	12,56,000	33,80,386	20,71,388	90,879	Balmer Lawrie & Co., Ltd. ..	Bengal Floor Mills Co., Ltd. ..	30.06	10	2.50	2.25	2.50		12	
20,00,000	3,95,716	62,28,495‡‡		37,612	Lovelock & Lewis	Birds Investment Ltd.	3.40	5	0.06	Nil	0.10		12	
45,37,500	24,57,354	1,14,52,945	37,07,455	1,84,683	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	13.25	10	1.25	1.25	1.00		12	
3,25,00,000	1,85,85,871	5,80,58,577	2,88,80,121	1,83,821	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	8.75	10	1.00	1.00	1.00	1.00	3	
1,50,00,000	17,24,264	2,06,95,940‡‡		6,16,584	Andrew Yule & Co. Ltd.	Clive Row Investment	3.40	5	0.06	Nil	0.10		12	
3,00,00,000	4,40,29,006	6,50,49,176	2,66,24,548	22,22,642	John Leacham, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	8.75	10	0.25	0.50	1.25	0.75	3	
51,50,000	54,81,535	1,54,12,903‡‡		3,42,572	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	25.75	10	1.50	1.50	1.50	1.62	12	
14,00,000	9,55,000	34,02,164	19,09,289	84,654	MacNeill & Barry Ltd.	Gangas Boys Co., Ltd.	106.00	100	9.00	9.00	9.00	9.00	12	
65,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	130.00	100	15.00	15.00	4.00	12.50	3	
30,00,000	15,17,884	33,06,253	23,31,553	74,315	B. E. Syndicate	Great Eastern Hotel	10.81	10	0.75	1.40	1.60	1.00	3	
4,88,84,700	10,00,000	4,87,26,577	1,61,88,641	7,92,988	Birla Brothers Private Ltd. ..	Hindustan Motors	158.00	250	6.25	6.25	15.00	15.00	3	
3,84,58,900	1,17,58,900	7,37,48,612	2,21,77,728	7,20,182	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	6.88	10	Nil	Nil	Nil	Nil	12	
1,62,99,210	1,46,00,000	2,26,86,031	86,58,003	41,31,863	B. J. Woodley, Esq. (Mg. Director).	Indian Cables	13.00	10	Nil	0.90	1.00	0.50	12	
2,37,75	9,00,000	16,74,906		62,722	S. H. Monteiro & Co. (India) Ltd.	Indian Rubber Manufacturers ..	30.12	10	1.00*	1.25*	1.50*	1.50*	3	
15,16,40,962	24,02,01,994	9,85,79,292	1,02,23,509	25,64,185	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	15.50	10	0.50	0.50	0.62		3	
2,00,00,000	76,37,615	39,02,897	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	12.00	10	0.50	0.50	0.62	0.70	3	
49,99,9000.							51.00	100	7.50	7.50	7.50	2.50	3	
5,00,000D.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	0.100	17.00	22.50	8.00		12	
1,45,23,500	90,58,531	25,54,434	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	—	D.0.10	1.20	1.75	0.80			
1,16,00,000	1,17,00,151	2,62,35,069	39,00,708	16,23,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	24.25	10	1.25	1.75*	2.12*	2.12*	9	
6,35,535	1,821	7,65,660	2,00,997	—1,52,545	Shankar Rao P. Ogale, Esq. ..	Mysore Glass and Enamel Works	28.00	10	1.00	1.25	1.62	1.75	9	
3,16,500	6,93,500	13,20,650	5,07,562	2,349	Mr. J. L. D'Sa (Chairman) ..	Mysore Lamp Works	8.75N	10	Nil	Nil	Nil	Nil	12	
10,00,000	3,76,000	16,47,599	10,18,129	43,554	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco Co.	14.40	10	1.00	0.75	0.90	1.25	3	
2,00,00,000	83,55,505	2,14,82,470	61,33,962	28,42,424	J. E. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	12.60	10	1.25	1.00	1.50	1.50	12	
48,00,000	74,71,173	63,58,914	41,33,951	1,44,443	Associated Industrial Development Co. (Private) Ltd.		24.44	10	0.40	0.32	1.50	1.40	12	
40,00,000	15,00,000	92,19,395	21,17,402	75,726	Do.	National Insulated Cable Co. ..	26.75	10	1.00	1.50*	2.00*		3	
75,97,000	58,13,466	1,59,51,599	61,78,126	9,02,640	B. N. Elias & Co. Private Ltd.	National Rolling & Steel Ropes	10.37	10	0.50	0.50	0.50		6	
2,25,00,000	1,83,498	1,22,26,548	60,06,534	—44,12,938	M. P. A. Paspatti, Esq.	National Tobacco Co.	10.56	10	0.50	0.50	0.70		3	
2,25,00,000	1,37,70,309	10,60,39,211	3,90,22,758	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	34.00	100	Nil	Nil			6	
4,72,200						Ruttias Industries	16.75	10	1.50	1.50	Nil	Nil	3	
5,15,400	51,836	31,11,687	6,39,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100			5.00	6.80	3	
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.		50.00N	50			2.50	2.50	6	
75,00,000O.	17,19,003	37,03,035	7,06,723	3,64,354	S. M. Smith, Esq. (Mg. Director)	Spencer & Co., Ltd.	17.12	10	1.50	1.50	1.50	1.50	6	
9,90,300	....	14,51,969	4,53,782	—47,988	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	10.06	10	1.25	1.00	1.00		12	
							2.20	10	Nil	Nil	Nil	Nil	12	

M. Managed by Board of Directors ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Rounding Rs. 1,40,02,000 which represent share in the firm of Shaw Wallace & Co. Ltd.
† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,46,700	9,69,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25.00	10	72.00	19.00	5.00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	312	Ananda (Assam) Tea ..	18.00	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	20.00	10	9.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,339	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	19.00	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,96,911	5,32,732	53,593	Andrew Yule & Co., Ltd.	378	Basmatia	21.50	10	8.00	1.50	2.00		12	Y.
3,30,000	5,10,000	12,75,996	8,08,524	1,30,178	National Tea Corporation	570	Bateil	18.87	5	4.00	2.50	3.00		12	Y.
6,40,000	7,40,000	11,16,844	3,51,828	69,105	Gillanders Arbuthnot & Co., Ltd.	612	Batjan	22.00	10	10.00*	2.00	2.50		12	Y.P.
33,00,000	18,33,333	63,33,322	23,40,322	3,16,326	Williamson Magor & Co., Ltd.	3,967	Bishnauth	18.62	10	5.50	2.00	2.00		12	Y.
4,00,000	2,50,000	11,47,111	2,50,837	38,931	Octavius Steel & Co., Ltd...	485	Bokakhat	12.50	10	1.00	Nil	0.50		12	Y.P.
7,50,000	7,27,550	10,65,753	3,34,701	35,823	McLeod & Co., Ltd.	450	Bormah Jan Tea	14.75	10	3

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Relative cards
PLANTING; PRODUCE AND RUBBER														
3,00,000	2,10,000	2,92,606	24,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	3.40	2	0.25	0.30	0.21	0.45	5	Y.
26,91,909	54,50,000	52,51,468	5,59,575	71,795	Pairee, Leslie & Co., Ltd.	Codrin Malabar	4.90	2	0.75	0.45	0.75	0.62	2	Y.
18,00,000	51,00,000	39,79,846	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	34.85	10	2.50	1.80	2.50	4.00	6	Y.Y.
71,55,000	54,13,036	1,25,54,765	26,59,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	24.80	10	1.75	2.25	2.00	4.00	6	Y.Y.
4,00,000	6,15,728	9,11,782	50,961	6,881	M.	Cottanad Plantations	13.50	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,84,443	25,56,790	5,31,445	87,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13.45	10	2.50	2.00	2.00	..	12	Y.
4,00,000	10,92,899	15,91,159	2,63,016	18,058	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	24.25	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	8,71,449	19,82,912	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16.25	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	25,79,257	60,93,775	9,49,414	1,45,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16.30	10	1.75*	2.50	2.00	2.00	3	Y.Y.
3,35,000	2,31,000	14,62,886	2,09,723	25,171	A. V. George & Co. Ltd. ..	Nemmeny Rubber	15.00	10	1.50	1.50	1.50	..	12	Y.Y.
2,00,000	2,90,000	8,40,417	58,785	4,371	Associated Planters Private Ltd. ..	Nilambur Rubber Co.	12.85	10	1.00	1.50	1.50	..	12	Y.
19,45,080	23,79,615	45,25,982	14,74,565	53,868	Pairee Leslie & Co., Ltd. ..	Onchterlony Valley Estates ..	4.80	2	0.60	0.40	0.20	0.60	10	Y.
13,50,000	8,87,000	48,07,576	8,93,093	17,299	A. V. Thomas & Co., Ltd. ..	Rajgiri Rubber	15.25	10	1.75*	2.00	2.50	2.00	3	Y.
3,66,780	3,50,000	7,77,412	78,478	71,342	Pairee, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4.40	2	2.50	1.00	1.50	..	11	Y.Y.
10,00,000	2,01,800	22,44,528	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.40	10	0.75	0.90	0.90	0.60	3	Y.Y.
2,50,000	1,49,000	5,58,449	84,741	23,965	A. V. George & Co., Ltd. ..	Thamaraiully Rubber	25.00cd	10	3.00	3.00	3.00	..	12	Y.
2,15,300	4,00,000	22,40,057	1,37,485	23,927	Pairee, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.60	1	0.10	0.12½	0.12½	0.05	3	Y.
6,00,000	32,565	7,71,251	1,86,210	2,287	Kajen Thomas, Esq. (Mg. Director)	Travancore Rubber	14.00cd	10	2.00	2.00	2.00	..	12	Y.
41,00,000	18,61,221	81,07,222	12,64,246	8,46,122	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	7.00	10	1.50	1.25	0.75	..	12	Y.
20,00,000	..	29,22,588	7,04,419	60,257	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co. ..	24.50cd	25	5.00	4.00	3.00	..	12	Y.
8,80,010	5,50,669	9,56,500	27,217	872	M.	Vaikundam (Travancore) Rubber ..	19.50	10	2.25	2.50	2.50	3.50J	12	Y.P.
6,95,090	1,47,259	13,88,336	89,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.85	10	1.50	2.00	1.25	1.00	3	Y.P.

J. Final dividend of Re. 1.50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Relative cards
60,00,000	44,25,000	1,20,25,991	52,26,489	18,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	7.81	10	0.62	0.62	0.25	0.25	3	Y.
6,00,000	10,25,000	56,02,953	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	105.00	100	7.50	10.00	10.00	..	3	H.P.Y.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,381	McLeod & Co., Ltd.	1,264	Alliance	65.00	100	12.00	6.00	*Nil*	*Nil*	3	Y.
49,20,700	87,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	141.50	100	7.50	8.50	8.50	7.00	3	Y.Y.
58,00,000	29,84,508	1,49,09,956	58,84,723	—3,79,016	Bird & Co. Private Ltd. ..	810	Auckland	82.50	100	3.50	0.00	1.00	*Nil*	3	H.P.
20,00,000	23,80,913	99,91,418	65,65,094	65,302	Birla Brothers Private Ltd. ..	959	Bally	141.00	100	*Nil*	8.50	*Nil*	*Nil*	3.9	Y.
£275,000	£474,807	£1,028,482	£9,23,169	....	Sir John H. Burder (Chairman) ..	1,889	Barnagore	81.50	£5	sh. 15	sh. 15	*Nil*	*Nil*	3	Y.
25,00,000	25,56,123	54,47,700	51,49,231	1,230	Andrew Yule & Co., Ltd. ..	820	Belvedere	78.00	100	10.00	7.50	*Nil*	*Nil*	3	Y.
45,00,000	35,45,000	57,98,173	31,28,574	2,05,100	Sooraimull Nagarmull ..	600	Bengal	11.00	10	1.12	1.12	..	..	3	Y.
91,24,900	2,17,46,382	2,34,10,402	1,45,32,651	4,37,293	Birla Brothers Private Ltd. ..	1,872	Birla	14.81	10	1.00	1.00	1.00	..	3	Y.
36,00,000	19,36,926	1,22,32,479	71,78,057	2,730	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	79.50	100	9.00	7.50	*Nil*	*Nil*	10	Y.
7,47,800	8,09,540	25,13,704	21,62,883	—3,31,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7.00	10	0.75	*Nil*			6.12	H.P.Y.
18,00,000	26,45,234	37,43,998	45,04,058	20,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	120.00	100	9.00	6.50	*Nil*	*Nil*	3	Y.
59,16,400	76,49,228	2,28,64,928	1,19,60,843	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	93.50	100	10.00	10.00	2.00	..	11	Y.
15,95,000	23,29,755	73,73,755	57,70,175	8,565	Andrew Yule & Co., Ltd. ..	530	Cheviot	142.00	100	14.00	10.00	2.00	*Nil*	3	Y.
30,15,000	32,00,000	66,63,762	48,42,566	1,01,027	McLeod & Co., Ltd.	800	Chitavalsah	13.69	10	1.12	1.87	0.621	..	6.12	H.P.Y.
44,00,000	9,00,000	81,05,885	67,19,337	25,936	Shree Krishna Investment Co., Ltd.	969	Clive	13.12	10	1.00	1.25*	0.50	..	3	Y.P.
31,49,200	44,50,592	1,59,02,998	51,19,187	—6,75,581	Bird & Co. Private Ltd.	766	Dalhousie	64.75	100	2.50	1.00	*Nil*	*Nil*	3	Y.
28,00,000	40,81,978	77,39,543	47,65,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	107.00	100	12.00	10.00	5.00	..	11	H.P.Y.
15,00,000	24,50,000	52,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	15.37	10	1.25	1.25	0.50	..	6.12	H.P.Y.
21,00,000	62,40,686	2,41,58,550	1,89,62,109	2,45,413	Kettilwell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	118.00	100	5.00	15.00	10.00	10.00	3.9	H.P.Y.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Rangar Bros., Ltd.	1,014	Fort William	18.12	10	20.00	20.00	0.75K	1.50	3	H.P.
54,32,100	3,11,07,224	1,51,86,826	—2,67,462	M.	1,709	Ganges Mfg.	44.50	100	0.00	2.50	*Nil*	..	3.9	H.P.
10,80,000	24,98,097	60,78,167	11,510	M.	607	Gondalpara	500.00	500	*Nil*	*Nil*	50.00	..	3	Y.
24,00,000	24,50,000	2,22,46,948	1,58,31,965	45,248	Mazeroll & Barry Ltd.	1,384	Gouripore	241.00	100	10.00	15.00	2.50	2.50	3	Y.
40,00,000	40,68,228	1,28,86,137	88,66,039	8,00,038	Rangar Bros., Ltd.	1,078	Hastings	104.00	100	10.00	11.88	5.00	..	3	Y.
19,80,000	19,81,988	47,79,816	27,90,253	—2,95,253	Rajkrishn Rajkoria	728	Hooghly	9.50	10	0.56	0.37	*Nil*	..	3	Y.
58,87,500	23,58,428	2,24,21,855	1,11,39,561	—24,66,402	Jardine Henderson Ltd. ..	1,940	Howrah	15.37	10	1.25	0.87	0.25	*Nil*	3	Y.P.
53,50,800	25,87,124	2,93,21,907	1,57,61,907	1,14,396	Ramdutt Ramkissendas ..	2,272	Hukumchand	17.50	7.50	2.00	2.00	2.00	1.50	3	Y.P.
87,00,000	17,20,650	1,87,01,699	80,28,070	2,57,287	M.	1,076	India	112.00	O. 125	3.12	4.69	4.69	..	3	H.P.
30,000								84.00	100	3.00	2.50	*Nil*	..		
24,00,000	30,90,185	1,93,81,843	1,13,40,211	—8,79,997	Jardine Henderson Ltd. ..	1,797	Kamarhatty	80.50	'B' 100	6.00	2.50	*Nil*	..	6.12	
19,20,000 'B'								45.00	100	6.50	1.00	*Nil*	..		H.P.Y.
30,00,000								44.00	'B' 100	6.50	1.00	*Nil*	..	6.12	
24,00,000	9,73,967	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd. ..	1,527	Kankinarrah								H.P.Y.
21,00,000	53,00,000	1,35,45,052	88,77,736	86,701	McLeod & Co., Ltd.	762	Kelvin	165.00	100	20.00	17.50	5.00	9.00	3	Y.
54,00,000	23,83,275	1,96,60,992	1,22,08,170	27,027	Anderson Wright Ltd.	1,530	Khardah	117.00	100	12.50	11.00	5.00	5.00	3	Y.
48,00,000	31,33,808	2,26,20,709	1,56,60,679	24,774	F. W. Heitgers & Co. Private Ltd.	1,250	Kinnison	102.00	100	12.50	11.00	6.00	6.00	3	Y.
24,43,000	25,41,235	1,33,71,981	93,10,344	—9,08,440	Bird & Co. Private Ltd.	931	Lansdowne	75.00	100	2.00	7.00	*Nil*	*Nil*	3	Y.
22,80,000	45,53,647	1,41,73,945	65,14,076	—7,73,368	Bird & Co. Private Ltd.	840	Lawrence	73.75	100	6.00	6.00	*Nil*	*Nil*	3	Y.
31,65,200	26,26,645	2,84,15,849	1,56,97,309	1,64,942	M.	1,283	Magma	73.50	100	2.50	9.75	3.75	*Nil*	3	Y.
29,98,900	24,62,195	1,64,15,818	86,79,099	—13,66,719	Howrah Trading Co., Ltd. ..	815	Nalhati	54.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
20,00,000	15,55,000	29,01,563	18,21,709	17,816	Howrah Trading Co., Ltd. ..	625	Naskarpara	11.00	10	1.12	1.25	..	..	3	Y.
35,00,000	39,51,326	48,49,737	12,31,373	10,604	Andrew Yule & Co., Ltd. ..	852	National	24.00	10	2.00	1.75	0.75	0.75	4.10	H.P.Y.
30,00,000	27,00,000	28,21,478	20,72,366	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute ..	11.81	10	0.75	1.00	0.50	..	6.12	Y.
1,57,500	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd. ..	North West ..	18.75	10	*Nil*	*Nil*	1.87	1.50	3	Y.
7,50,000	15,69,447	2,97,666	2,77,666	37,344	F. W. Heitgers & Co. Private Ltd.	Ondal	18.50	7.50	*Nil*	*Nil*	1.03	1.13		
16,08,000	1,10,000	41,24,515	19,79,271	28,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal ..	12.50	10	1.00	1.00	1.13	..	12	Y.
2,24,000	20,000	23,40,307	9,26,991	8,080	Deepchand Kishenlal	Parasea	7.00N	10	0.50	0.25	0.75	..	12	Y.
15,75,000	16,30,000	55,17,410	39,02,410	49,353	Shaw Wallace & Co., Ltd. ..	Peench Valley ..	12.50	10	0.75	1.00	..	..	12	Y.
23,99,500	25,86,361	1,37,28,021	91,88,862	29,086	B. N. Elias & Co. Private Ltd. ..	Ranegunge	19.56	10	1.62	1.50	0.50	..	3	Y.
12,50,000	19,45,115	58,59,365	29,71,364	16,514	Shaw Wallace & Co., Ltd. ..	Rewa	11.75	10	0.50	0.62	0.70	2.00	3	Y.
30,00,000	37,15,000	84,58,784	52,17,367	9,287	M.	Samla Collieries ..	14.75	10	1.00	0.87	0.37	0.75	6.12	Y.
2,50,000	1,95,502	13,78,480	13,21,287	21,670	M.	Searsole	10.50N	10	0.75	1.00	0.751	..	12	Y.
2,80,000	9,11,486	2,97,167	19,75,252	52,206	Andrew Yule & Co., Ltd. ..	Seebpore	4.75N	2.50	0.62	0.75	1.25	..	3	Y.
5,00,000	5,09,216	52,251	22,967	8,164	F. W. Heitgers & Co. Private Ltd.	Sendra	23.25	7	2.00	2.50	2.25	..	6.12	Y.
[illegible]	64,43,536	5,19,41,248	2,73,46,629	20,667	Industrial Trust Fund (Government of Andhra Pradesh)	Singareni	7.25N	10	0.12	0.25	0.25	..	6.12	Y.
17,50,000	10,89,682	33,95,564	16,16,424	39,497	Bird & Co. Private Ltd.	South Karanpura ..	11.00	10	0.75	0.75	1.00	..	12	Y.
5,00,000	14,01,063	4,99,57,570	27,510	17,411	F. W. Heitgers & Co. Private Ltd.	Standard	10 00	10	0.12	0.12	0.38	..	12	Y.
36,00,000	..	51,92,064	15,43,997	—5,66,997	M.	Talcher	13.00	10	1.50	1.50	1.00	..	3	Y.
3,50,000	..	1,41,73,945	65,14,076	77,105	Williamson Magor & Co., Ltd. ..	Union	1.69	2.50	*Nil*	*Nil*	*Nil*	..	3	Y.
3,25,000	3,25,000	13,97,634	14,84,224	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal ..	14.00	10	0.75	*Nil*	*Nil*	..	12	Y.
49,50,000	66,784	66,72,906	24,15,208	1,29,411	Mazeroll & Barry Ltd.	West Jamuria	5.81	10	0.37	0.50	0.12	..	3	Y.
7,50,000	[illegible]	87,45,680	25,79,205	—8,20,056			5.31	10	*Nil*	*Nil*	*Nil*	0.50	12	Y.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Relative cards
25,50,000	25,26,629	99,26,489	69,86,489	29,730	Shaw Wallace & Co., Ltd.	Amalgamated Coalfields	17.00	10	1.31	1.37	0.50	1.25	3	Y.
15,00,000	5,49,390	37,46,675	25,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 75	10	1.46	1.46	1.10	0.37	3.9	H.P.
4,49,350	1,08,000	9,25,911	5,94,878	99,370	Kalyanji Mavji & Co.	Bengal-Bhaidee	1.75 N	10	0.25	0.62	0.75	..	6.12	Y.
1,60,90,000	1,60,22,785	6,10,16,849	4,19,73,985	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	230.00	100	30.00*	25.00 P	17.50	7.50	3	Y.
9,13,900	4,13,782	24,88,157	25,43,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13.50	10	*Nil*	*Nil*	*Nil*	..	12	Y.
15,97,000	4,88,658	48,14,800	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd. ..	Bhalgora	6.44	10	*Nil*	*Nil*	*Nil*	..	3	Y.
40,00,000	10,28,269	1,44,38,027	77,80,407	2,128	Saha Jain Ltd.	Bharat Collieries ..	5.81	10	*Nil*	*Nil*	*Nil*	..	3	Y.
7,15,000	10,15,000	49,80,946	24,94,101	—4,92,536	M.	Bhulanbarasee	11.00N	10	0.62	0.62	0.62	0.50	3	Y.
7,50,000	24,16,419	45,67,885	27,10,502	19,585	F. W. Heitgers & Co. Private Ltd.	Borree	17 62	10	*Nil*	*Nil*	*Nil*	..	12	Y.
90,92,480	1,70,33,767	4,37,67,223	1,99,68,073	95,339	Bird & Co. Private Ltd.	Barrakar	22.00	10	2.00	2.00	1.50	..	6.12	Y.
49,97,750	....	49,99,014	15,80,914	8,401	Hindustan Investment Corpn. Ltd.	Central India	7.59	10	0.56	0.62	0.62	0.37	6.12	Y.
5,00,000	13,80,599	49,11,827	33,03,469	89,000	M.	Central Karkend	11.00N	10	0.25	0.25	0.50	0.50	12	Y.
6,00,000	1,43,986	7,30,061(k)	....	4,240	F. W. Heitgers & Co. Private Ltd.	Charlie	2.00	4	0.12	0.06	0.50(l)	..	12	Y.
16,00,000	....	54,02,810	30,95,160	—3,26,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	*Nil*	0.06	0.06	..	12	Y.
£240,000	£393,875	£1,00,51,816	£744,059	£55,677	Jardine Henderson, Ltd. ..	East Indian	21.50	£1	2.50	3.00	2.00	..	12	Y.
29,53,760	92,06,405	4,16,95,245	3,00,75,557	41,725	Macneill & Barry Ltd.	Equitable	27.25	10	1.50	1.50	2.50	1.50	12	Y.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghanlek and Mualia ..	16 00N	10	0.50	0.50	1.00	..	12	Y.
15,00,000	1,17,609	45,84,400	25,20,978	....	Killick Industries Ltd.	Hingir-Rampur	30.75	10	*Nil*	2.25	..	..	3	Y.
2,00,000	7,25,000	22,40,886	19,21,898	45,210	Macneill & Barry Ltd.	Hurriladih	17.00	10	1.75	2.25	2.25	*Nil*	12	Y.
3,50,000	2,45,905	14,18,052	7,32,171	....	Andrew Yule & Co., Ltd. ..	Kalinchari	14 00N	10	*Nil*	*Nil*	1.50	..	3	Y.
30,00,000	2,21,575	33,87,576	9,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries	00 00	100	*Nil*	*Nil*	*Nil*	..	3	Y.
5,00,000	12,90,598	47,66,511	37,70,923	1,85,326	Andrew Yule & Co., Ltd.	Katras Jherriah ..	55.00	100	*Nil*	2.50	5.00	*Nil*	3	Y.
1,38,400	5,72,960	12,35,941	5,72,960	—2,50,226	Barlwala & Co.	Khas Kajora	4.00	10	*Nil*	4.50	6.50	6.50	3	Y.
11,00,240	64,5 4	16,80,329	10,48,899	10,611	H. V. Low & Co. (Private) Ltd. ..	Kusudi	2.50N	10	*Nil*	*Nil*			6.12	Y.
9,80,000	11,11,926	28,58,748	22,86,193	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	7.75N	10	*Nil*	0.12			6	Y.
7,42,240	2,00,000	13,13,205	9,66,219	21,301	Tantia Brothers Ltd.	Mahira	9.00N	10	0.25	0.12			4	Y.
7,00,000	26,617	10,33,740	5,20,295	6,540	Amritlal Ojha & Co., Ltd.	New Baidecpur	6.44	10	0.50	0.50			12	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	82,598	Andrew Yule & Co., Ltd.	New Beerbhoom	9.00N	10	1.25				3.9	Y.
6,00,000	75,000	82,85,321	52,38,923	1,42,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	15.06	10	1.12	1.06	0.75		10	Y.
1,15,000							11.75	10	*Nil*	*Nil*	*Nil*	0.50	3	Y.
1,57,500	3,47,692	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd. ..	North West ..	18.75	10	*Nil*	*Nil*	1.87	1.50		
7,50,000	15,69,447	2,97,666	2,77,666	37,344	F. W. Heitgers & Co. Private Ltd.	Ondal	18.50	7.50	*Nil*	*Nil*	1.03	1.13	3	Y.
16,08,000	1,10,000	41,24,515	19,79,271	28,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal ..	12.50	10	1.00	1.00	1.13	..	12	Y.
2,24,000	20,000	23,40,307	9,26,991	8,080	Deepchand Kishenlal	Parasea	7.00N	10	0.50	0.25	0.75	..	12	Y.
15,75,000	16,30,000	55,17,410	39,02,410	49,353	Shaw Wallace & Co., Ltd. ..	Peench Valley ..	12.50	10	0.75	1.00	..	..	12	Y.
23,99,500	25,86,361	1,37,28,021	91,88,862	29,086	B. N. Elias & Co. Private Ltd. ..	Ranegunge	19.56	10	1.62	1.50	0.50	..	3	Y.
12,50,000	19,45,115	58,59,365	29,71,364	16,514	Shaw Wallace & Co., Ltd. ..	Rewa	11.75	10	0.50	0.62	0.70	2.00	3	Y.
30,00,000	37,15,000	84,58,784	52,17,367	9,287	M.	Samla Collieries ..	14.75	10	1.00	0.87	0.37	0.75	6.12	Y.
2,50,000	1,95,502	13,78,480	13,21,287	21,670	M.	Searsole	10.50N	10	0.75	1.00	0.751	..	12	Y.
2,80,000	9,11,486	2,97,167	19,75,252	52,206	Andrew Yule & Co., Ltd. ..	Seebpore	4.75N	2.50	0.62	0.75	1.25	..	3	Y.
5,00,000	5,09,216	52,251	22,967	8,164	F. W. Heitgers & Co. Private Ltd.	Sendra	23.25	7	2.00	2.50	2.25	..	6.12	Y.
[illegible]	64,43,536	5,19,41,248	2,73,46,629	20,667	Industrial Trust Fund (Government of Andhra Pradesh)	Singareni	7.25N	10	0.12	0.25	0.25	..	6.12	Y.
17,50,000	10,89,682	33,95,564	16,16,424	39,497	Bird & Co. Private Ltd.	South Karanpura ..	11.00	10	0.75	0.75	1.00	..	12	Y.
5,00,000	14,01,063	4,99,57,570	27,510	17,411	F. W. Heitgers & Co. Private Ltd.	Standard	10 00	10	0.12	0.12	0.38	..	12	Y.
36,00,000	..	51,92,064	15,43,997	—5,66,997	M.	Talcher	13.00	10	1.50	1.50	1.00	..	3	Y.
3,50,000	..	1,41,73,945	65,14,076	77,105	Williamson Magor & Co., Ltd. ..	Union	1.69	2.50	*Nil*	*Nil*	*Nil*	..	3	Y.
3,25,000	3,25,000	13,97,634	14,84,224	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal ..	14.00	10	0.75	*Nil*	*Nil*	..	12	Y.
49,50,000	66,784	66,72,906	24,15,208	1,29,411	Macneill & Barry Ltd.	West Jamuria	5.81	10	0.37	0.50	0.12	..	3	Y.
7,50,000	[illegible]	87,45,680	25,79,205	—8,20,056			5.31	10	*Nil*	*Nil*	*Nil*	0.50	12	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (a) Clive Mills have paid dividend at As. 10/- on bonus shares for the year 1955. * Including bonus. (k) Investment
† New Central Jute Mills.—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian Jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
‡—Fort William Jute Co. has established ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 100 each.
For 1956 the dividend of Rs. 17-6 inclusive on interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 500 were split into shares of Rs. 100 each.

COMMERCE, 10T

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,06,80,000	12,42,652	Allahabad Bank	360.00	100	18.00‡	18.00	18 00	9.00‡	12	Y.P.
14,50,000				180 00	50	9.00‡	9 00	9.00	4.50‡		
1,01,000	18,04,000	1,910	Andhra Bank	109.00xd	100	7.50‡	6.50	8 00	6 00	6,12	H.
39,75,595				86.50xd	85	3.75	4.54	5 59	5.10		
1,00,00,000	1,25,00,000	4,10,731	Bank of Baroda	116.50	50	6.00‡	6 00‡	7.00	7.00	12	Y.
50,00,000	22,50,000	2,700	Bank of Bikaner	23 00	25	0.75	0 87	1.12		12	Y.
2,50,00,000	3,10,00,000	16,02,381	Bank of India	180 00	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000 'A'				133.50	50'A'	...	...	...	8.00		
15,80,375	25,00,000	52,270	Bank of Indore	63 00N	25	3.00	3.50	4.00	4 25	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	40 00	50	2.00	2.00	2.50	3.00	12	Y.
80,00,000	91,95,612	1,87,085	Bank of Mysore	247 00	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	40,00,000	44,768	Canara Bank Ltd.	86 00	50	4.50	5 00	5.00	5.00	12	Y.P.
7,50,000	12,85,000	5,670	Canara Banking Corporation Ltd.	75 00	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P
5,82,980 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170 00	100'A'	12.50	12.50	15.00	15.00	12	Y.
23,787 'C'				1.71	1'C'	12½%	12½%	15%	15%		
2,62,11,875	4,03,50,821	18,44,046	Central Bank of India Ltd.	53.00	25	3.00	3.00	3.50	3.50	12	R.L.Y.
53,43,875				56.50	25	3.00	3.00	3.50	3.50		
80,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	46.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36 37	5	0.81	0 87	1.37	1.06	12	Y.
20,00,000	29,75,000	1,81,946	Hind Bank	54 00	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,25,000	18,443	Hindustan Commercial Bank	9 25	50	Nil	Nil			12	Y.
50,00,000	1,77,500	3 649	Hindustan Mercantile Bank	11 25	50	Nil	Nil	Nil		12	Y.
44,00,000	1,00 00,360	2,04,376	Indian Bank	202 50	100	12.00‡	12 00‡	13.00	15.00‡	6,12	R.L.H.
22,40,000				173 00	80	7.20‡	7.75	9.75	12.00‡		
26,22,250	46,36,300	2,32,067	Indian Overseas Bank	142.50	100	6.00	7.00	10.00	10.00	12	Y.
10,00,000	10,25,000	35,502	Pandyan Bank Ltd.	35 62	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,904	Punjab National Bank	62.50xd	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	24,17,000	5,628	Travancore Bank	16 60	25	0 75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8.16	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,84,00,000	49,432	United Commercial Bank	59.30	50	2.50	2.75	3.50	3.75	12	H.
PRINCIPAL EXCHANGE BANKS										Dividend (per cent.	
£4,400,000	£5,700,000	£412,542	Chartered Bank	£1-19-9	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£4½	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£16,565 070	£16,000,000	£826,712	Lloyds Bank	£2-4-0	£1	15†	12†	13†	13†	12	Y.
£2,940,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-11-0	£1	14†	14†	14†	18‡†	12	Y.
£3,351,563	£3,104,687	£355,589	National Overseas and Grindlays Bank Ltd.	£1-2-9	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (i) Interim. * £ per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
16,56,000	6	1st December and 1st June	Carew & Co.	1932	92.00	1st June .. 1962
4,00,000	5½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1952-64
25 00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1962-64
COAL						
80,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1958	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	15th May and 15th November	Bengal-Nagpur	1897	89.00	15th November .. 1956 (b)
70,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.50	1st April .. 1967-72
18,71,000	5½	30th June and 31st December	Jam Jeree Textiles	1949	90.00N	1st January .. 1956-59
89,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.	...	97.00	14th June .. 1965
98,28,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90 00	31st December .. 1964 (a)
54,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97 25	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84 00	31st December .. 1970
13,80,000	5	1st January and 1st July	Sijua (Jherriah) Electric Supply Co., Ltd.	1951	91 00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95 00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93 50	30th September .. 1958-68
47,73,060	5	1st April and 1st October	Tata Power	1940	99 00	1st July .. 1970
2,50,00,000	4	1st April and 1st October	Tata Power	...	85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1968
2,60,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98 00	30th June .. 1958
80,00,000	5½	15th September and 15th March	Indian Hume Pipe (Hearer)	1942	97 00	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	80 00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.00	1st October .. 1966-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Azarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	30th June and 31st December	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1960
9,00,000	5	31st January and 31st July	Calcutta	1949	86 00	31st July .. 1959
10,69,500	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89 00	30th June .. 1966
20,48,900	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90 00	31st March .. 1969 (a)
5,96,000	5½	15th January and 15th July	Empire	1951	90 00	15th July .. 1966 (a)
30,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94 00	31st March .. 1970
25,00,000	5	30th June and 31st December	Khinnison Jute Mills Co., Ltd.	1949	90 00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Naihati	1952	90.00	31st March .. 1967 (a)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88 00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80 00	31st December .. 1964
8,00,000	4	30th June and 31st December	Presidency	1943	85 00	30th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85 00	5th September .. 1965 (a)
12,00,000	5½	30th June and 31st December	Union	1937	90 00	31st March .. 1967
10,00,000	6½	31st January and 31st July	Waverly	1925	80.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,1.,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94 00	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea	...	99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Teakoy	1944	100 00	31st March .. 1949-59†
MISCELLANEOUS						
16,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1968
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1962
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	97.00	1st September .. 1964-69 (a)§
5,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,54,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82 00	1st July .. 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78 00	15th September .. 1969
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd	1948	87 00	... 1969
1,30,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	97 75	1st January .. 1971 (a)††
1,00 00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (a)‡‡
18,75,000	5	2nd January and 2nd July	Mettur Chemical Industries	1949	83 00	1st ... 1966
12,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	510 00	30th September .. 1976 (a)
45,00,000	6	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470 00 (per note)	31st December .. 1972 (a)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	98 00	30th June .. 1965-70
1,00,00,000	6½	31st March	Orient Paper Mills Ltd.	1951	90 00	31st March .. 1961 (a)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91 00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co, India, Ltd.	1953	97.25	1st May .. 1968(a)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 8th May 1958.

	Closing quotations 1-5-1958	High	Low	Closing quotations 8-5-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Abm. Adv. (100)	140.00	142.00	140.00	142.00
Apollo (2)	1.72	1.74	1.66	1.74
Bombay Dyeing (25)	55 30	54 50	52.80	54 20xd
Bradbury (50)	158.00	—	—	158 00
Central India (100)	83 50	85 00	83 00	83 00
Century Mills (100)	431 50	433 50	416 00	432 00xd
Colaba (100)	37 50	38.00	37.50	38 00
Edward Textile (200)	255 00	—	—	255 00
Elphinstone (50)	47 00	—	—	47 00
Finlay (100)	278 00	280 00	255 00	258 00xd
Gokak (100)	153.00	153.00	145 00	145.00xd
Ind. Untd. Defd. (1)	1.16	1.16	1.10	1.12
Ind. Untd. Ord. (10)	9 32	9.36	9.04	9 16
Indore Malwa (100)	110 00	110.00	106 50	108 50
Khatau (100)	165 00	168.00	153 75	158 00
Kohinoor (100)	263 00	271 00	262 25	267 50
Lakshmi (250)	436.00	435.00	433.75	433 75
Minerva Mills (100)	70 50	—	—	70 50
Model Nagpur (250)	165 50	170 00	166 25	168 00
Morarji (100)	218 00	218.00	216 50	216 50
Mysore (50)	90.00	99.00	90.00	95.00
National Rayons (100)	224.75	234.75	222.50	234 25
New City (100)	105.00	—	—	105 00
New Great (100)	198 00	203.00	199.00	203.00
Phoenix (100)	121 25	—	—	121 25
Podar Mills (100)	138 75	—	—	138 75
Sassoon Silk (10)	10 00	—	—	10 00
Sassoon Spg. (10)	35.75	41.10	35.75	41 10xd
Sholapur (1,000)	450 00	—	—	450 00
Shrinivas (100)	137 00	137.00	135.00	136.00
Simplex (50)	152 50	155.00	151 00	154 50
Standard (100)	478 50	480 00	392.00xr	418 00xr
Svadeshi (100)	171.00	178.50	167.50	176 50
Swan (100)	350 00	350.00	324.00	331 00xd
Tata Mill (25)	37 00	38.00	36.50	37.50
Vishnu (100)	101 00	—	—	101.00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	129 75	130 50	129.75	130.00
Do. (New) (50)	133 50	—	—	133.50
Bank of Baroda (50)	116 50	116 75	116.00	116 00
Central (25)	53.30	53.50	52.70	53 00
Central 'A' (25)	56.50	56.75	56.00	56 75
Dena Bank (50)	46.50	—	—	46 50
Punjab National (25)	54 30	54.50	52.00	52.00
Union Bank (5)	8 16	8.16	8.00	8 00
United Com. (50)	59.20	59.50	59.00	59.00
ELECTRIC COS.				
Ahmedabad (100)	94 50	95.00	94.30	94.70
Amalgamated (10)	10 44	10.52	10.44	10.52
Andhra Valley (1,000)	1,155 00	1,165.00	1,152.50	1,155 00
Bom. Sub-El. (100)	106 50	106.50	105.75	105 75
Surat (100)	107 75	—	—	107.75
Tata Hydro (100)	117 75	118 25	116.50	118 25
Tata Power (1,000)	1,197.50	1,232.50	1,192.50	1,222.50
INSURANCE COS.				
British India (10)	13.76	—	—	13.70
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	47.00	—	—	47.00
Jupiter (15)	7 76	—	—	7.70
New India (15)	44 00	44.50	43.75	44.25
Oriental (100)	4,000.00	—	—	4,000.00
Universal (10)	13.25	—	—	11.00
Vulcan (10)	17.00	—	—	17.00
STEEL COS.				
Ind. Iron (10)	21.84	21.84	21.48	21.72
Tata Steel Ord. (75)	181.25	178.50	181.75	181.50
SUGAR COS.				
Belapur (50)	246 00	247 50	244.00	245.50
Bhopal (10)	19 72	19 76	19 72	19 76
Phaltan (50)	139 50	142 00	139 00	141 25
Walchand Ind. (100)	280.00	285 00	246.25	247.50xd
CEMENT COS.				
Associated Cts. (100)	153 50	155 25	152.50	154.00
Digvijay (100)	146.25	146.50	145.75	146.00
MISCELLANEOUS				
Alcock Ashdown (100)	250.00	253 75	245 00	247.50
Bom. Burmah (125)	554 00	561 00	539 50	558.00
Do. (New) (50)	207 50	210.00	205 00	209 25
Br. B. Petrol (4 sh.)	2 04	2 06	1 96	2 02
Br. I. Corpn. (5)	3 90	3 90	3 40	3.40
C. P. Ely. (100)	54 80	56 00	54.80	56 00
Hindusthan Motors (10)	6 88	6 88	6 76	6 84
Indian Copper (2 sh.)	3 14	3 14	3 06	3 12
Ind. Inv. Tr. (100)	79 50	79.50	72.00	72.00xd
Killick (100)	147 00	148.00	147.00	147 50
Polson (100)	183 25	—	—	183 25
Premier Auto. (100)	82 10	83 00	81 00	82 50
Premier Con. (30)	191 00	195 00	186 25	193 50
Scindia (20)	17 64	17 64	17 36	17 52
G. E. Shipping (10)	20 04	20 04	19 80	19 84
Shivrajpur (10)	20 00	20 00	19 80	20.00
Tata Chemicals (10)	91 50	92.00	87 50	90 00
Tata Locomotive (100)	15 08	15 20	14 72	14 96
Tata Oil (25)	167 00	167 50	163.25	166 00
W. I. Match (100)	38 00	38 50	37 50	38 00
	172.50	174.50	172.00	175.75

GOVERNMENT SECURITIES	1-5-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	8-5-1958
	Rs. nP			Rs. nP
2½% 1961	95 80	—	4.06	96 20
2½% 1960	98 10	—	3.61	98 15
2½% 1962	95 25	—	3.90	95 30
2½% 1976	85.10	—	3.90	85 20
3 % 1958	99 75	—	4 03	99 75
3 % 1959-61	99 15	—	3.96	99 25
3 % 1964	99.15	3.66	3.29	99.25
3 % 1963-65	98 15	—	3.80	98 20
3 % 1965-68	95 25	3.97	3.78	95 30
3 % 1970-75	92.70	4 02	3.85	92.75
3 % 1986 Con. Loan	86 60	4.40	4 06	87 00
4 % 1960-70	71 25	—	4.21*	71 25
4½% 1958 88**	100.50	3.79	3 96	100.50
3½% 1961 N.P. Bonds	100 30	—	2.48	99 15
3½% 1964 N.P. Loan	99 05	—	3.60	99 05
3½% 1965 N.P. Bonds	98 25	—	3.82	98 25
3½% 1966	97 90	—	3 85	97 90
3½% 1967 N.P. Bonds	97 95	—	3 78	97 90
3½% 1974	97 85	—	3 80	97 75
3½% 1967 N.P. Bonds	98 25	—	3 90	98 20
4 % 1972 Loan	99 75	—	3.79	99.75
	100 15	—	3.98	100.15

BRITISH GOVERNMENT SECURITIES	Closing quotations 25-4-1958 £			Closing quotations 2-5-1958 £
2½% Brit. Consols	50‡	—	—	50‡
3 % Savings Bonds 1965-75	73	—	—	73‡
3% War Loan 1955-59	98½	—	—	98
3½% War Loan	86½xd	—	—	86
4% Victory Bonds 1976	92‡	—	—	92
4% Funding 1960-90	87‡	—	—	87

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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ALL NOT SO QUIET ON LABOUR FRONT

THE labour situation in the country is disquieting. It is true that no prolonged strike has taken place. But from all industrial centres come reports which stress that labour is on the war path. In Calcutta, not a day passes without the city witnessing some demonstration or hunger march. Men seeking employment as well as men recently unemployed are making angry exhibitions of their ill-will. India's iron and steel belt has just survived a deplorable strike. The steel city, Jamshedpur, saw the abstention from work of a large majority of its employees. Madras can boast of an averted strike by the non-gazetted officers of the State Government; this is becoming an annual feature. The stage is being set for a token strike in Bombay. Textile men are indignant over the unemployment in their ranks. Dock workers are determined to strike work. In Nagpur, men disengaged from the manganese mines, some of which have closed down, are making loud protests. There are many elements in the whole situation which form excellent cinder for the communist fire. Indeed, the spokesmen for the extremist political party have announced with ill-concealed glee that they soon expect another State to fall like a plum into their hands. It is against this background that the Union Government is convening a tripartite conference of employers, employees and the Government, scheduled to be held at Naini Tal next week. A grave responsibility lies on those who gather at the hill station. It will be their national task to retrieve the situation before it is too late.

It should be possible to distinguish two kinds of discontentment among labour ranks. In the first place, there is a demand for higher wages and better emoluments. Workers in the docks and the Tata Iron and Steel Company and the Indian Iron and Steel Company have made known their demands for better wages. Secondly, there is the agitation for the reinstatement of workers thrown out of their jobs by the closure of industrial establishments and for jobs for those who have just stepped into the employment market. Clearly, between these two groups of people, the second deserves greater sympathy and immediate attention. For it cannot be gainsaid that the restoration of their jobs to the people who have lost them and the provision of employment for men who need it deserve to have primary claim on the Government's attention.

The demand for higher wages, however justifiable, could be accorded only a lesser priority. The strike in the T.I.S.Co. was particularly deplorable because it brought to light a somewhat serious malady which afflicts the labour ranks. This is a tendency to demand a larger share in the cake even before the cake has been enlarged. In a message issued before the strike began, the Chairman, Mr. J. R. D. Tata, stated that he was surprised and distressed that, at a time when there was no dispute between the Company and its employees and a substantial increase in their emolument was in the offing, an illegal strike should have been called. He reminded the workers that the completion of the two-million ton programme would bring great benefits to the country as well as the workers. He revealed that a comprehensive revision of the wage structure was already under preparation and would soon come into force. But his appeal fell on deaf ears and the A.I.T.U.C.-affiliated Jamshedpur Mazdoor Union was determined to stage the strike. It is, however, gratifying to note that the strike has not affected adversely production in the steel plant. Incidentally, does this not show the existence of surplus labour in the factory? It is to be hoped that better counsel will prevail and the workers in Jamshedpur will maintain the high traditions of peaceful industrial relations in the factory.

Although textile men in Bombay gain nothing by their token strike—the unemployment in the ranks of textile workers is an all-India issue—there is no doubt that the workers have reasonable grounds for complaint. Some 26 mills have already closed down in India and 37 mills are partially closed. No reliable estimate is available of the total number of unemployed textile men. But so far as Bombay is concerned, it is known that the closure of one large mill in the city has thrown 4,296 workers out of their jobs, while the stoppage of the *budli* system and the discontinuance of the third shift in certain mills have led to the loss of employment for 6,900 workers and 5,000 workers, respectively; the total unemployed is thus over 16,000. Not all the closures could be attributed to mere mismanagement. Many mills have closed down, because the incidence of taxation proved too heavy a burden for profitable working. Thus, in the sphere of the textile industry, one sees the spectacle of taxation-induced unemployment. In recent years, the burden of taxation on the industry has mounted enormously. By way of excise duty alone, the 428 units in the industry paid Rs. 51.86 crores in 1956-57 and Rs. 67.8 crores in 1957-58; the Government is expected to realise Rs. 74 crores in 1958-59. This is too heavy a burden on the industry. Small wonder, then, that some mills have been compelled to close down. It is true that stocks with the mills have shown a certain tendency to fall. But this cannot be attributed to increased offtake, for it merely reflects the combined effect of a fall in production and distress sales to which some mills, compelled by financial stringency and the need to find the necessary working capital, have resorted. The Government's attention must be directed towards easing the burdens of taxation on the industry. An attempt should be made to reopen the mills which have closed down. If this implies some financial assistance, the Government should not shirk it.

Industrial relations is an eminently human problem. Every attempt must be made to redress the legitimate grievances of workers. At the same time, it is necessary to bear in mind that any hasty solution which imposes an unconscionable burden on industry is not in the interests of the workers themselves. Caught between the growing demands of labour and high taxation by the Government, the industry's financial capacity has been seriously crippled. The awards imposed by external authority have not always taken into account the industry's financial capacity. But so long as a sellers' market prevailed, most industrial establishments were not unwilling to take upon themselves the burden of high wages. It is now no longer possible for them to continue to pay the present level of wages, unless there is a corresponding increase in productivity. Further, it is time that the authorities did some re-thinking on compulsory adjudication. The system came prominently into vogue in India and elsewhere during the war years when the thing that mattered was production and not prices. But whereas in other countries the war-time insistence on external adjudication was given up after the end of the war, in India it has been continued and extended. Commenting on this system in 1953, Mr. V V Giri, ex-Minister of Labour, said:

"The spirit of self-confidence and self-reliance engendered by healthy bargaining has given place to the habit of importunity and litigation. That is bad enough, but what is worse is the deplorable effect that this dependence on a third party has brought about in the outlook and attitude of the parties towards each other. In a system of straightforward bargaining, there is no doubt a keen struggle during the period of negotiation, but, except in the few cases that lead to a strike or lock-out, the parties conclude their bargaining in a spirit of give and take—in an atmosphere of goodwill and understanding. Neither party entertains any sense of humiliation or feels the urge for retaliation and revenge. But that is not the case with compulsory arbitration. Where one party has lost and the other won, the victor and the vanquished get back to their work in a sullen and resentful mood towards each other; and neither can forget or forgive. The loser awaits the next opportunity to make good the loss, while the winner is carried away by a sense of victory which is not conducive to co-operation. Such an attitude of suppressed hostility in one party and of unconcealed satisfaction and triumph in the other may lead to transient truce but not lasting peace."

These words are as much true today as when they were first spoken. It is believed that the Naini Tal Conference has on its agenda the question of suspension of compulsory adjudication. We are aware there are inherent difficulties in breaking with the past. For instance, should the system be abandoned in any particular industry or groups of industries or should it be withdrawn in particular States or regions? In any case, a bold lead is clearly called for. It is an intolerable situation in which a helpless Government looks on, while the economically crippled managements fight in industrial courts a losing battle with a discontented labour force.

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COMPANY REGISTRAT

of its report. Economic prognostications, however, are always difficult. And when a body is charged with the task of planning in a democratic context, economic predictions are bound to pose particularly difficult problems. It remains to be seen whether the Commission will be proved correct by actual events.

The somewhat sombre background to recent trends has been neatly described by the report which, at the very outset, affirms that a "strain on resources both internal and external has been felt continuously since the commencement of the second Five-year Plan." It adds that these trends were symptomatic of the growing imbalance between the resources available and the demands on them. Naturally enough, the Commission's efforts have been directed towards correcting this imbalance. It is, however, difficult to escape the conclusion that, in performing this difficult exercise, it has shown a greater concern for the need for augmenting resources rather than for reducing the demand on them. Again, even though the Commission recognises that, over the first three years of the Plan, resources which were ostensibly meant for purposes of the Plan have been diverted to other uses, it makes no suggestions which would prevent a similar misdirection of effort in future. As the Commission itself has pointed out, the resources programme has been more than fulfilled. Thus, for the first three years of the Plan, the outlay on the Plan is estimated at Rs. 2,456 crores—Rs. 1,394 crores at the Centre, Rs. 1,032 crores in the States and Rs. 30 crores in Union Territories. This has been mainly financed from balance from current revenues (Rs. 439 crores), Railways' contribution (Rs. 129 crores), loans, small savings and other receipts (Rs. 533 crores), external assistance (Rs. 438 crores) and budgetary deficit (Rs. 917 crores).

A striking feature of the resources position over these years, according to the Commission, is that the balance available from current revenues for financing the Plan has remained more or less static around Rs. 140-150 crores. This is particularly deplorable, considering that the aggregate yield from the measures of additional taxation adopted so far by the Centre is placed at Rs. 725 crores over the five-year period. This is an improvement of as much of Rs. 500 crores over the tax target built originally into the Plan. For the first three years of the Plan, additonal taxation in the States. however, has been about Rs. 79 crores; the yield from these measures over the five-year period should be around Rs. 173 crores or Rs. 52 crores below the target set in the Plan. The five-year period of additional tax measures adopted by the Centre and the States in these three years thus work out to Rs. 900 crores which in themselves not only meet fully the target of Rs. 450 crores in the Plan but also cover the uncovered gap of Rs. 400 crores.

All this tax effort, however, has been of no avail to the country. A large part of the resources, raised at such considerable sacrifice on the part of the taxpayers, has been absorbed by defence, non-development expenditure and development expenditure outside the Plan. It may not be altogether correct to describe the situation as one of dissipation of valuable resources, for the inadequacy of the Centre's resources for the Plan could be explained by the fact that the Finance Commission's award implied a transfer of Rs. 160 crores to the States over the Plan period, while the increase in defence outlays absorbs Rs. 225 crores over the period. Thus, on balance, as the Commission points out, while a massive tax effort has been made in recent years, the original gap of Rs. 400 crores in resources still remains more or less uncovered. As regards the States, the additional tax effort, as already stated, is estimated to yield over the five-year period Rs. 173 crores or Rs. 52 crores less than the target. The Commission rightly observes that what matters, however, is not the amount of tax effort taken by itself but the contribution from revenues for financing the Plan. This, of course, applies as much to the Centre as to the States.

As regards external resources, the total drawing down of the Reserve Bank's foreign exchange assets since April 1956 to the end of March 1958 works out to Rs. 479 crores, despite the utilisation of the I.M.F. credit of Rs. 95 crores. External assistance authorised since the second Plan began and committed so far has been estimated at Rs. 679 crores. It is now stated that the second Plan might possibly end up with an aggregate deficit of Rs. 1,700 crores, as compared with the original estimate of Rs. 1,100 crores. The additional requirements of foreign exchange over and above the amount authorised but still to be utilised might approximate Rs. 500 crores.

The Commission has next taken a long look into the immediate future. For the last two years of the Plan, namely, 1959-60 and 1960-61, it places the total resources at Rs. 1,804 crores. This consists of balance from current revenues (Rs. 320 crores), Railways' contribution (Rs. 121 crores), loans and small savings (Rs. 450 crores), capital and other receipts (Rs. 40 crores), external assistance (Rs. 600 crores), and deficit financing (Rs. 283 crores). This, together with Rs. 2,456 crores which represent the likely actuals for the first three years of the Plan, makes in all Rs. 4,260 crores. Since the Commission feels that the financial outlay must be maintained at Rs. 4,500 crores, it is anxious that the gap between the contemplated outlay and the resources now in sight, namely, Rs. 240 crores, must be bridged.

When this effort has been made, that is, when additional resources to the tune of Rs. 240 crores have been obtained—the pattern of Plan resources (with the pattern assumed in the original Plan in brackets) will be: balance from current revenues Rs. 899 crores (Rs. 1,200 crores); Railways' contribution Rs. 250 crores (Rs. 150 crores); loans and small savings Rs. 1,044 crores (Rs. 1,200 crores); capital and other receipts Rs. 69 crores (Rs. 250 crores); external assistance Rs. 1,038 crores (Rs. 800 crores); deficit financing Rs. 1,200 crores (Rs. 1,200 crores)—Rs. 4,500 crores (Rs. 4,800 crores). What is now proposed is to redistribute the resources over the different segments of the Plan. The outlays now proposed as compared with the allocations originally made in the Plan (within brackets) are: agriculture and community development Rs. 510 crores (Rs. 568 crores), irrigation and power Rs. 820 crores (Rs. 913 crores), village and small industries Rs. 160 crores (Rs. 200 crores), industries and minerals Rs. 790 crores (Rs. 690 crores), transport and communications Rs. 1,340 crores (Rs. 1,385 crores), social services Rs. 810 crores (Rs. 945 crores); miscellaneous Rs. 70 crores (Rs. 99 crores)—Rs. 4,500 crores (Rs. 4,800 crores).

The main question is, of course, one of raising additional resources, namely, Rs. 240 crores. The Commission suggests additional taxation to the tune of Rs. 100 crores (Centre Rs. 40 crores and States Rs. 60 crores), additional receipts from loans and small savings Rs. 60 crores, and economies in expenditure and collection of arrears of taxation Rs. 80 crores. No particular tax measures have been suggested for the Centre. It is not clear what new sources of taxation are available for the Central Government in order to raise Rs. 40 crores in the next two years. It is true that, so far as the States are concerned, there may be some scope for raising additional resources. For, as the Commission's analysis shows, the yield over the five-year period from several sources of taxation in the States sphere is likely to fall much below the targets in the Plan. Thus, by means of land revenue and irrigation rates, the States were expected to raise Rs. 48 crores. Actually, their present effort will make available only Rs. 9.6 crores over the five-year period. Again, the betterment levy will bring in only Rs. 2.2 crores, as compared with Rs. 16.0 crores they were expected to raise under the Plan. General sales tax and tax on motor spirit and diesel oil will yield only Rs. 90 crores, whereas, under the original Plan, these sources were expected to yield Rs. 112 crores over the five-year period.

There is thus a *prima facie* case for expecting the States to raise additional revenues. But the question is whether they will be equal to the task. In the first place, as the Commission itself recognises, a substantial shortfall in the States' fiscal effort is partly attributable to the inadequacy of resources available. Further, the States have not yet solved the problem of upgrading the salaries of their employees. It should thus be difficult for the States to raise an additional Rs. 60 crores over the last two years of the Plan. The Commission has possibly ignored the writing on the fiscal wall which shows that tax yields have tended to fall. In many sectors of the economy, high taxation is slowly drying up the sources which contribute to the exchequer. Is it wisdom then to think in terms of additional taxation?

The least the Commission could have done was to cut the Plan to suit the size of the resources which it believes are in sight. In any case, the authorities will do well to realise that higher taxation will lead to further unemployment. Already, several industrial enterprises have had to close down because of high taxation and few enterprises find expansion a reasonably profitable proposition. The Commission is, however, on firmer ground when it advocates economy in expenditure. The scope for economy is vast. In view of the continuing stress on the country's resources, what is now indicated is not additional taxation but careful economies and better administration of tax measures which should enable the Government to give the economy the necessary spurt in the shape of adequate reliefs.

STATE TRADING

THE opposition to State trading is, as is only to be expected, growing in volume and intensity. As the State Trading Corporation (S.T.C.) continues its present policy of supplanting, rather than supplementing, the traditional fields of trade, such opposition is bound to become more and more bitter. There is no evidence to show that State trading has resulted in any marked gain for the country to compensate for the disruption of existing trade channels and growing volume of discontentment among traders. After all, the S.T.C.'s operations have not resulted in any expansion in export trade, while its operations in the domestic field have not brought any relief to the consumer. State trading in India is unfortunately wider than the sphere covered by the S.T.C. The Government itself chooses to buy its requirements from foreign sources, thereby circumventing the normal import channels. It is the contention of traders that the Government has not been remarkably successful in its direct contacts with foreign suppliers. At a convention on State trading, organised recently by the Forum of Free Enterprise in Bombay, Mr. D. B. Futnani, President of the Iron, Steel and Hardware Merchants' Chamber of India, deplored that thousands of tons of steel worth lakhs of rupees were purchased by the Government "at random and at high prices from East European countries" and that they had remained "unsold and unusable" even today. He averred that deals of steel billets had mulcted the Indian taxpayer to the tune of millions of rupees. These allegations may or may not be entirely correct. But experience in other countries warrants the conclusion that bureaucratic trading has never been much of an economic gain.

The S.T.C. has a virtual monopoly of export trade in iron ore and a substantial share in the export trade in manganese ore. A reference to this aspect of the S.T.C.'s activities was made by Mr. S. C. Bose, President of the Utkal Mining and Industrial Association, Calcutta, at the convention on State trading. Mr. Bose contended that 36 per cent. of the iron ore mines in India had stopped production because of the Government's State trading policies. He complained that the S.T.C. had failed in its dealings with foreign buyers; it had dishonoured 40 per cent. of its manganese contracts. Its whole policy implied in effect forced nationalisation without compensation in that it had resulted in a serious setback to the mining industry in which crores of rupees had been invested. Mr. Bose made the point that, if the private sector had got one-hundredth part of the facilities which the S.T.C. received from the State Bank, the railways, the port authorities and the Government, the former could have shown much better results.

A reference to the S.T.C.'s trade in manganese ore also figured in the speech of Mr. A. N. Haksar, Chairman of the Shivrajpur Syndicate Ltd., at the annual meeting of the Company. Mr. Haksar pointed out that, ever since the introduction of State trading in manganese ore towards the middle of 1956, the country's traditional buyers in foreign countries had been displaying a distinct tendency to procure their requirements from sources other than India. This, he said, was partly due to the impact of the State Trading Corporation's policy, which, instead of primarily exploring new avenues for export, had in fact merely displaced existing interests—a development which could not be said to have been to the benefit of the trade or the country at large. Added to this, the very concept of trading with a State-owned body like the S.T.C. was looked upon by the majority of buyers with disfavour. Mr. Haksar stressed that due note should be taken of the understandable preference on the part of overseas buyers to deal with parties which were directly connected with actual mining operations and had, besides, long experience of the trade. All this suggests that the Government should exercise great judgment in permitting any extension of the activities of the S.T.C. It is time the Government made an impartial investigation into the Corporation's achievements.

GOOD RESPONSE TO CENTRAL LOANS

INDO-U.K. TEXTILE TALKS—A.-I.C.C. SESSION—DISHOARDING GOLD

THURSDAY, 5 P.M.

THE share market is indecisive and lethargic in the absence of any helpful developments. Despite the fact that the T.I.S.Co. strike has proved to be a token affair and production has not been affected, steel shares lack inspiration. Textile shares are quiet on the eve of the proposed talks between the Union Minister for Commerce and Industry and the representatives of the cotton textile mills. It is generally expected that the question of giving further relief to the industry by way of reduction in excise duty will be a subject of discussion. Operators, however, do not seem to be as confident of any success in this direction as they were a few weeks ago. This is presumably because of the feeling whether the Government would be inclined to cut the excise duties, when the Planning Commission has suggested that additional taxation must be resorted to cover a part of the gap in resources. Nevertheless, the question of giving further relief to mills has assumed some importance now, as the relief recently granted does not seem to have been helpful in clearing the accumulated stocks to any great extent. Further, the production of mills is declining and the problem of unemployment is growing. A clearer picture of the outlook for mills is expected to emerge after the Commerce and Industry Minister's talks with the representatives of mills. The decision of the leftist trade unions and anti-unemployment *Samiti* to organise a token strike on the 19th inst. and the determination of the dock workers to stage an all-India strike on 19th June provide an indication of the general labour unrest in the country which, if not tackled promptly, may have wide repercussions. The implications of these developments naturally have made operators cautious.

MARKET GOSSIP

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As was generally expected, the Central Government's borrowing programme has proved a success, in that the bonds and loans have been oversubscribed and lists were closed at 12 noon yesterday. The total amount subscribed is Rs. 141.87 crores, distributed as follows:

	Rs. in crores
3½ per cent. Bonds 1963	58.06
3½ per cent. N.P. Bonds 1968	34.34
4 per cent. Loan 1973	49.47
Total ...	141.87

It will be recalled that the Central Government called for subscriptions for an aggregate amount of Rs. 135 crores, with a right to retain 10 per cent. in excess of the notified amount. In other words, the Government can accept up to Rs. 148.5 crores. As the actual subscriptions fall short of this amount, all subscribers will receive full allotment. From the break-up figures given above, the response to the short-dated bonds has been much more than that to the medium and long-dated ones, the subscriptions to the former being 40.9 per cent. of the total. This is only to be expected, in view of the recent keen demand for short-dated securities in the market. The long-dated loan comes next in the order of response, accounting as it does for 34.9 per cent. of the total. The subscriptions to the medium-dated form no more than 24.2 per cent. of the total.

A most interesting feature of the subscriptions is that as much as Rs. 132.40 crores were in the form of cash. Conversions aggregated no more than Rs. 9.47 crores, out of the total amount of Rs. 20.96 crores now outstanding in respect of the loans offered for conversion—3 per cent. 1958 and 4½ per cent. 1958-68. From the point of view of cash subscriptions, the response has been better than last year, when cash subscriptions aggregated no more than 61 per cent. This is not surprising in the context of the present easy conditions in the money market. There is, however, another section of opinion which holds that, in view of the present comfortable conditions, cash subscriptions should have been larger and that, from this point of view, the response to the loans could not be said to be a great success. An important factor in judging the success of the borrowing programme is the extent to which the Reserve Bank and the State Bank had to lend support to the loans. Some estimate of this support could be formed when the statements of the two institutions for the week ended 16th May become available. Be that as it may, the diversion of funds to the loans has had no notable effect on the money market, which continues to rule easy. The Gilt-edged market is steady, but the activity is, as is only to be expected immediately after the closure of the loan list, restricted.

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The position regarding exports of cotton goods from India and Pakistan to Britain will continue to remain unchanged, thanks to the failure of negotiations among the representatives of the textile millowners of the three countries, which concluded in London a few days ago. The statement issued on Monday this week by the U.K. Cotton Board at the end of negotiations states that the Indian and Pakistan delegations no doubt accepted the principle of import limitation, but attempts to draw up a formula for carrying out a scheme to restrict arrivals of foreign cloth into the U.K. were not successful. This failure is attributed entirely to the differences of opinion about ceilings "which may be embodied in an understanding." While the individual delegations put forward various proposals in an effort to find a solution, it was not possible to arrive at a basis which might lead to an all-round settlement. The deadlock in negotiations naturally precludes the possibility of further talks bringing in the Hong Kong millowners; the talks were expected to follow the recent discussions in London if a basis for further negotiations was agreed.

The representatives of the Indian cotton textile interests—Mr. Kasturbhai Lalbhai and Mr. Neville N. Wadia—have certainly done well in not agreeing to the fixation of a ceiling on cloth exports from India to Britain. For any such move will adversely affect India's interests. In the first place, the country is suffering from unemployment and underemployment. Secondly, it is badly in need of foreign exchange for implementing the second Five-year Plan and cotton textiles constitute one of the staple earners of exchange. As it is, India's export trade in cloth has suffered a setback, the quantity actually shipped in the first four months of the year being 216 million yards, as against 321 million yards in the same period last year.

It will be interesting to note here that shipments of cotton cloth from India to the U.K. have been moving downward lately, whereas those from Hong Kong have continued to rise. The total quantity of Indian cloth sent to Britain during the first quarter of the current calendar year was 36.77 million yards, a drop of 9.00 million yards as compared with the corresponding quarter of 1957. In contrast, shipments from Hong Kong to the U.K. were higher at 23.67 million yards, as against 14.10 million yards. The percentage ratio of Indian cotton goods to the total purchases of Britain declined from 44.37 in the first quarter of last year to 31.55 in the three months ended March 1958, while that of Hong Kong goods rose from 13.68 to 20.31.

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The deliberations of the All-India Congress Committee (A.I.C.C.), which met this week at New Delhi, have naturally enough aroused considerable public interest. The A.I.C.C. is an important limb of the party which holds the reins of office. This alone would lend much weight to its views. But there is a special circumstance which has invested the recent session with a new significance. This meeting, as is well known, was convened for purposes of a certain "introspection." It followed the recent criticism of the party by the Prime Minister, Mr. Nehru, who made no secret of the fact that he disliked the way some members of the party sought offices of power for themselves. Indeed, impartial observers also believe that many men are in the Congress for what they can get out of it. This certainly is a deplorable situation for a party to be in. Be that as it may, the A.I.C.C. session served a useful purpose in that there was a reaffirmation of the essentially non-ideological basis of the party's approach to socialism. To the extent that this may lead to an abandonment of the principles of textbook socialism which have crept into the party's economic thinking, it is to be welcomed. In any case, the party's aversion to doctrinaire socialist philosophy is all to the good, considering that it may help correct the many Congress men who tend to equate socialism with State capitalism, with a ceiling on incomes and with a host of ideological prejudices. Mr. Nehru did well to affirm that there were "many paths to socialism." Further, he reiterated his democratic faith. Contrasting Indian planning with planning in the totalitarian countries, he said that the authoritarian outlook of communism and the outlook of India's planners were "poles apart."

The dismal fact, however, remains that both the Congress and the Government are not always willing to translate into practice their faith in non-doctrinaire approach to economic problems. The demand for nationalisation of industries, which ignores all the recent trends in the socialist thought in the West, continues to find some eloquent champions. The Government's economic policy too is shaped less by the reality of economic facts in India than by socialist catch-phrases. A case in point is the hesitation betrayed by the Government in associating business men with State enterprises. When this question was raised last week in the Rajya Sabha, the Union Minister for Commerce and Industry, Mr. Lal Bahadur Shastri, said that, soon after taking over his new portfolio, he had decided that all aspects of association of business men with public undertakings should be examined before Government took any decisions to associate these men with any particular undertaking. It is not clear why the Government has found it necessary to examine the question. Does it feel that such association is not helpful to the Government? It is, however, gratifying to note that Mr. Shastri averred that, if the advice or assistance of business men was necessary, it could be taken; he did not think their co-operation would mean either they would come in the way of the Government or they would take advantage of their position.

To revert to the A.I.C.C. session. The note submitted by the Congress President, Mr. Dhebar, excellent as it was in its own way, contained a wholly irrelevant discussion of capitalism and communism. He said that the difference between capitalism and communism was the difference largely in the allocation of power. "Under one system," he said, "there is insistence that it resides with industrialists by and large and in the other with the politicians." This statement does little justice to the economic and political philosophy of the countries which are wedded to free enterprise. Power does not reside with business men in these countries. They do, in fact, submit themselves to Governmental control in the interests of public good. But they enjoy a certain measure of freedom in taking decisions. Only this freedom has resulted in much good. The "free enterprise" countries have shown greater and more genuine solicitude for the welfare of their citizens than the countries which are loud in the protestations of their faith in welfare State. Mr. Dhebar, however, was on firmer ground when he condemned the acquisition of "power for the sake of power." But then, it is the socialist State which makes itself formidable to its citizens by the way it acquires and exercises both political and economic power. Power corrupts and absolute power corrupts absolutely. And when that power is both political and economic, a citizen's life could be rendered difficult to a degree.

There is some reason to think that the members of the Congress are beginning to be increasingly realistic in their economic outlook. It is true that, in the A.I.C.C. session, some impracticable proposals were made such as the compulsory acquisition of sugar at cost price from factories for export purposes. But, on broader issues, many members are reported to have been commendably responsible in their speeches. Appropriately enough, the growing unemployment attracted much discussion. Some members rightly stressed that, if unemployment became rampant, it would undermine the people's faith in the Plan. Again, a notable comment on planning came from Mr. Nehru who urged the need for national, rather than merely regional, perspective. It is a pity that so few in the country realise how greatly our economic future could be damaged by unimaginative regional loyalty and misplaced local patriotism.

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The problem of dishoarding the large quantity of gold held by the public and utilising it for productive purposes has again come to the fore and is being widely discussed. At the annual meeting of the All-India Manufacturers' Organisation held recently in New Delhi, in response to the suggestion made by the President to dishoard gold and issue gold bonds, Mr. Jawaharlal Nehru, the Prime Minister, was reported

(*Continued on page 967*)

EQUITIES LETHARGIC

TEXTILES QUIET

(From Our Own Correspondents)

BOMBAY, 15*th May*

THE share market was lethargic during the week under review and there was also a shading off in prices of most counters, particularly in textiles. Operators in textile shares were eagerly awaiting the outcome of the talks likely to be held tomorrow between Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, and the millowners in Bombay, in the course of which the problems affecting the industry are expected to be discussed, including the question of relief in excise duty. The market heaved a sigh of relief over the news that the strike in the T.I.S.Co. works at Jamshedpur passed off without any loss of production. Nevertheless, Tata Steels were dormant on reports that the books of the Company would be closed twice, once for payment of dividend and again for issue of bonus shares. Later on, it was learnt that there would be closure of books only once for both the purposes. The large diversion of funds to the Central loans, fears about the proposed general strike on the 19th inst. and the dock workers' strike next month were all factors which made operators cautious. The undertone was, therefore, quietly steady.

In the steel section, Tata Ordinaries reacted early in the week from Rs. 181.50 to Rs. 179, before gaining ground gradually to Rs. 183 yesterday. Today, however, they fell again to Rs. 181.25 at the close. The new shares shed over the week Rs. 3 to Rs. 175. After an early drop from Rs. 21.72 to Rs. 21.56, Indian Irons edged forward to Rs. 21.76, but again declined to Rs. 21.56.

Textiles were generally quiet and, barring a few exceptions, prices were lower. Bombay Dyeings lost over the week 40 nP to Rs. 53.80. Centurys declined by Rs. 5 to Rs. 427 and Kohinoors by Re. 1.50 to Rs. 266. Finlays shed a rupee to Rs. 257 and Gokaks Rs. 3 to Rs. 142. Indu Ordinaries were a shade lower at Rs. 9.12. Indore Malwas shed Re. 1.50 to Rs. 107. Khataus provided one of the exceptions with a rise of Rs. 2.50 to Rs. 160.50, as were Models at Rs. 167.50.

Bank shares were quiet. Barodas dropped Re. 1.25 to Rs. 114.75 and Centrals Rs. 2 to Rs. 51. Bank of India were dull at Rs. 129.50 and United Commercials shed 70 nP to Rs. 58.80. Among insurance shares, New Indias shot up by Rs. 2.75 to Rs. 47 and Vulcans were done 44 nP higher at Rs. 17.44.

Sugar shares were featureless. Belapurs moved between Rs. 246 and Rs. 244.50 before closing at Rs. 245. Phaltans gained over the week Re. 1 to Rs. 142.25, while Walchandnagars were unchanged at Rs. 263. Cement shares exhibited a slight reactionary trend, presumably due to the delay in announcing higher prices for cement. Associated Cements shed over the week Rs. 2.50 to Rs. 151.50 and the new shares Re. 1.50 to Rs. 146.50. Digvijays also lost Rs. 2.50 to Rs. 143.50. Orissa Cements were unchanged at Rs. 12.32, while Dalmia Cements were a shade quiet at Rs. 10.

In the engineering and mining group, Alcocks were unchanged at Rs. 143.50. Tata Locomotives advanced from Rs. 166 to Rs. 169, but reacted to close at Rs. 166.50. Premier Constructions lost over the week Re. 1.75 to Rs. 191.75, while Larsen and Toubros recorded a gain of 48 nP to Rs. 16.28. Mahindras also improved by 52 nP to Rs. 19.20. McKenzies came into the limelight with business being done today at Rs. 85. Shivrajpurs dropped Rs. 2 to Rs. 90 and Indian Coppers were done 4 nP lower at Rs. 3.10.

Scindias were marked down from Rs. 17.52 to Rs. 17.36, but regained to Rs. 17.52. Today, at the close, it again declined to Rs. 17.24. Great Easterns were fairly steady and closed at Rs. 19.92. Premier Automobiles were down by a rupee at Rs. 81.50, while Hindustan Motors were steady at Rs. 6.88.

Among miscellaneous industrials, Bombay Burmahs (old) reacted from Rs. 556 to Rs. 549. After recovering to Rs. 556, they gave way to Rs. 552 at the close. National Rayons were erratically lower and lost Rs. 2.50 over the week to Rs. 231.75. Tata Chemicals dropped 12 nP to Rs. 14.92 and Tata Oils 25 nP to Rs. 37.75. Wimcos staged a small recovery of Rs. 9.25 to Rs. 183. Bradys were done Re. 1.25 lower at Rs. 280 and Brady Engineerings recorded a gain of Rs. 5 to Rs. 49. Voltas were a shade dull at Rs. 122.50, while Hindustan Levers were steady at Rs. 21.28.

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Calcutta Stock Exchange

CALCUTTA, 14*th May*

A decline in the volume of transactions, recession in prices of speculative issues, and smart gains in selected jutes, coals and miscellaneous industrials were the main features of this week's trading on the Calcutta Stock Exchange. The decline in the volume of business was due to diversion of funds by institutional and other investors for the Government loans, which opened on Monday this week and are understood to be having satisfactory response, and the labour situation in Burnpur and Jamshedpur and the delay in announcing retention prices also cooled speculative enthusiasm early in the week. However, a recovery set in from Monday, when the token strike in T.I.S.C.O. works turned out to be a minor affair and did not reportedly affect steel production as such. The greater interest shown to miscellaneous industrials was due to improvement in the outlook for industries, as disclosed by the corporate results announced during the week. Jute shares attracted buyers following reports of the excellent condition of the fibre plants and Argentina's reported withdrawal of the earlier suspension of import licences.

In the coal section, while Burrakurs were unchanged at Rs. 22 and Western Bengals declined to Rs. 5.68 from Rs. 5.81, Central Indias were better at Rs. 7.87 and South Karanpuras and Karanpura Collieries hardened to Rs. 9.69 and Rs. 94.50 from Rs. 9.50 and Rs. 89.50, respectively, on interested buying.

Some features were recorded in the jute section for reasons already indicated. Megnas had buyers at Rs. 100.50, as against Rs. 93.00 previously. Birlas were a few nP higher at Rs. 15.25 and Belvederes at Rs. 83 added five points. Presidencies were fully firm at Rs. 4 and Alliances advanced to Rs. 76 from Rs. 70.

In engineerings, National Irons improved to Rs. 7.25 from Rs. 7.06. For the year ended March 1958, a dividend of 6¼ per cent. (same) has been declared by the Company. Guest Keen Williams provided another feature with their improvement to Rs. 30.69 from Rs. 30.19. This was, despite the cut in dividend for 1957 from 23 per cent. to 20 per cent., on account of a decline in profit.

Several features were recorded in the miscellaneous industrials section. National Insulated Cables were fully steady at Rs. 27. Dunlop Rubbers were in good demand at Rs. 25.81 as also Indian Cables at Rs. 30.56. Alkali & Chemicals continued to command attention and were higher at Rs. 14.87. Martin Burns hardened to Rs. 24.62 from Rs. 24.25 with Rohtas Industries impressively increasing to Rs 17.87 from Rs. 16.78 and Indian Aluminiums to Rs. 13.75 from Rs. 13.12. India Paper Pulps advanced to Rs. 20 from Rs. 19.31 while Indian Coppers plodded dull ground at Rs. 3.11.

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Madras Stock Exchange

MADRAS, 13*th May*

Easy conditions prevailed on the Madras Stock Exchange during the week under review also. Transactions put through were limited with values tending to decline. Tea and rubber shares generally declined. Operators were discouraged by the note of pessimism in regard to the future of the tea industry struck by chairmen of some of the planting companies in the course of their speeches at the annual meetings held during the week. Coffee shares, however, attracted good attention and moved up further. Textiles lacked support. Even reports of better sales of handloom goods and improvement in yarn offtake failed to have any effect. Sugar and miscellaneous industrials were quiet.

Among tea shares in the planting section, United Nilgiris and Haileyburias fell by 30 nP each to Rs. 15.40 and Rs. 18, respectively. Coorg Teas and Nilgiris receded by 25 nP each, the former to Rs. 10.75 and the latter to Rs. 8.50. Stanes Amalgamateds shed 20 nP to Rs. 14.10, Kil Kotagiris 25 nP to Rs. 5.55 and Neelamalais 12 nP to Rs. 4.73. Among rubber shares, Tropicals slumped by Rs. 2.25 to Rs. 21.25. Nenmenys were marked down by 90 nP to Rs. 14.10 T. R. & Ts. dropped 35 nP to Rs. 6.65 *cum-dir.*, reflecting the disappointment of operators over the cut in dividend to 4 per cent. for the year ended 31st December 1957, as against 7½ per cent. in the previous year. Cochin Malabars eased by 15 nP to Rs. 4.70 and Woodlands by 10 nP to Rs. 7.75. Kalpettas, on the other hand, evoked special enquiries and climbed up by a rupee to Rs. 25.25. Coffee shares, as already stated, proved an exception. Kumergodes rallied 50 nP to Rs. 9. Consolidated Coffees improved by 30 nP to Rs. 25.10. Coffee Lands gained 27 nP to Rs. 35.12.

Among textile shares, Lakshmis were pushed down by Rs. 10 to Rs. 99. Coimbatore Cottons receded by Rs. 5 to Rs. 141. Radhakrishnas and Janardanas dropped Rs. 3 each to Rs. 122 and Rs. 76.50 respectively. Rajalakshmis eased Rs. 2 to Rs. 70. Ranga Vilas lost a like amount Rs. 61. Vijayakumars were lower by Re. 1.50 Rs. 107.50.

Among miscellaneous industrials, Indian Steel Rollings shed 22 nP to Rs. 11.15. Travancore Cements eased by 20 nP to Rs. 8.80. F.A.C.Ts lo 10 nP to Rs. 5.12 and Orissa Cements a like amou to Rs. 12.25. Sen-Raleighs, however, improved b 25 nP to Rs. 12.50. Forest Industries gathered nP to Rs. 1.85. India Cements rose by a simil sum to Rs. 27.75.

In the sugar group, United Breweries gained rupee to Rs. 189. Kirlampudis gathered 25 nP Rs. 41. Travancores put on 5 nP to Rs. 9.90.

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Everest

NEWS IN BRIEF

THE Soil Conservation Board has decided to constitute a river valley authority, first of its kind in Madras State, for the catchment areas of Kundah and lower Bhavani basin.

India produced 1,574,000 tons of manganese ore during 1957. Orissa, Bombay, Madhya Pradesh, Mysore and Andhra accounted for 382,000 tons, 359,000 tons, 329,000 tons, 262,000 tons and 193,000 tons, respectively.

The Andhra Pradesh Government has decided to set up a laboratory near Hyderabad to manufacture different types of sera and enlarge the existing laboratories preparing small pox and cholera vaccines at a cost of Rs. 20 lakhs.

The export of Madras and Mysore silk waste will be licensed freely on shipping bills within a prescribed ceiling on principle of "first come first served" upto the end of June 1958 or till the ceiling is reached, from the ports of Madras, Nagapatnam, Tuticorin and Dhanuskodin.

The All-India Small-scale Industries Board concluded its eleventh session on the 9th inst. at Mussoorie, with an appeal to the Government of India to ensure allocation of adequate foreign exchange for the essential requirements of the industry both in the private and public sectors.

The 44-mile long Bhildi-Raniwara section of the Northern Railway, designed to provide an alternative and shorter route rail link between the recently developed port of Kandla and the State of Rajasthan and Punjab, was opened to passenger traffic on the 11th inst. It was opened to goods traffic in November last.

The five-man British shipbuilding mission appointed to advise the Union Government on the site and lay-out of India's second shipyard presented its report along with a model of the proposed establishment to Mr. T. Swaminathan, Minister in charge of Economic Affairs at the Indian High Commission, London, on the 9th inst.

The Government of India has extended up to 31st December 1958, the free licensing for shipment of all varieties of cotton piecegoods (mill-made and powerloom) and cotton manufactures including cotton waste blankets other than restricted varieties to all permissible destinations except Nepal, Tibet, Bhutan, Sikkim and the Portuguese possessions in India.

The Bihar State superphosphate factory at Sindhri, set up by the State Government, at a cost of Rs. 60 lakhs and which has an annual installed capacity of 60,000 tons, started its trial run to establish its initial production of 50 tons average per day, or 15,000 tons every year. The initial production of sulphuric acid, it is reported, will be of the order of 25 tons per day.

The Government of India has published draft rules detailing the procedure for refund of customs and Cenral excise duty paid on raw materials used in the manufacture of confectionery subsequently exported. The rate of refund per 100 pounds of boiled sweets unwrapped, boiled sweets soft centred and toffees has been fixed at Rs. 11.15, Rs. 13.30 and Rs. 18, respectively.

The Indian Standards Institution has granted, two more licences to Messrs. Devidayal Cable Industries (Private) Ltd., Bombay, for the use of I.S.I. Standard Mark in respect of enamelled high conductivity annealed copper wire (oleo-resinous enamel) and hard drawn copper solid and stranded circular conductors for overhead power transmission purpose.

The Government of India has decided to give loans to States for meeting expenditure on investigations for flood control schemes. This was disclosed by the Union Minister for Irrigation and Power at the seventh meeting of the Flood Control Board held at New Delhi on the 12th inst. The flood control programmes such as surveys for the collection of technical data, aerial photography and field levelling, it is said, have been completed.

The all-India final estimate of *jowar* for 1957-58, puts the current year's area and production of the crop at 41,411,000 acres and 8,056,000 tons, as against the partially revised estimate of 40,367,000 acres and 7,249,000 tons respectively, for 1956-57. This shows an increase of 1,044,000 acres or 2.6 per cent. increase in area and 807,000 tons or 11.1 per cent. increase in production of *jowar* during the current year as compared with the previous year.

As a result of the trade talks held recently between the representatives of the Governments of India and Ceylon, it is agreed that the Indian manufacturers who are at present permitted to import only copra, will be given the option to import 50 per cent. of their entitlements in the shape of coconut oil. It is further agreed that, if this fails to resolve the difficulties of Ceylon, the Government of India will consider import of coconut oil on a global basis.

The gross customs and Union excise revenue realised during the ten months ended January 1958 amounted to Rs. 374.85 crores, as compared with Rs. 300.15 crores in the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 126.76 crores, as against Rs. 116.22 crores, export duties for Rs. 20.63 crores, as against Rs. 25.15 crores, land customs and miscellaneous for Rs. 4.65 crores as against Rs. 2.97 crores, air customs for Rs. 1.85 crores and Union excise duties for Rs. 220.96 crores as against Rs. 155.81 crores.

A scheme to replenish the silk content of silk fabrics exported has been approved by the Directorate of Export Promotion in the Ministry of Commerce and Industry. For implementing the scheme, the Silk and Rayon Textiles Export Promotion Council is setting up inspection machinery at various centres in the country which produce silk fabrics such as Bombay, Calcutta, Banaras, Madras and Bangalore. After the inspection of the silk fabrics meant for export and assessment of their silk content, the quantity of imported raw silk to be supplied against the export of silk fabrics will be determined by the Council and supplied by the State Trading Corporation of India.

A provisional agreement has been reached between India and Burma regarding measures to be taken to promote trade between the two countries. The agreement followed the discussions held recently at New Delhi between the Burmese trade mission led by U Raschid, Burmese Minister for Mines, and the Indian delegation led by Mr. Nityanand Kanungo, Union Minister for Commerce. Under the five-year trade agreement entered into in September 1956, it will be recalled, India and Burma had agreed to take steps to achieve as near a balance in trade as might be possible. It was also agreed to consider each other's suggestions for the development and expansion of commerce and diversification and balancing of trade between the two countries. The trade agreement followed the five-year rice purchase agreement under which India has agreed to purchase two million tons of rice in the five-year period beginning from 1956.

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From Abroad

The Moscow Radio has announced that there are nearly two million television sets and more than 40 stations in the Soviet Union.

The number of totally unemployed persons in Japan increased by 280,000 to 850,000 in March, which is the highest figure since March 1956.

New import duties on cheap cloth from India, Japan and Hongkong have been proposed by the Finance Minister of Uganda. It is stated that the duties will bring in over £1 million sterling a year and will protect Uganda's new textile industry at Jinja.

Plans to reconstruct the railway line from Townsville to Mount Isa in Australia will be investigated into by a mission from the World Bank which is expected to visit Australia next month. The reconstruction of the railway line is expected to facilitate shipment of production of lead, zinc and other metals from Mount Isa to the seaboard at Townsville.

The World Bank has approved a 20-year $5.5 million loan to Honduras at 5¾ per cent. to finance the foreign currency cost of road development programmes. The Bank of America and the National Bank of Washington are participating in the loan without the World Bank's guarantee to the extent of $299,000. The projects concerned are due for completion in about 2½ years. Contracts will be put out to international competitive bidding.

Forced by shortage of capital and low reserves, the Union of South Africa has decided to restrict credit for imports, according to the Finance Minister. The Government will apply stricter control on exchange transactions by South African residents with the sterling area. The concession which had permitted a South African resident to retain in another sterling area country a sum of £10,000 sterling has been withdrawn.

A proposal asking President Eisenhower to call for a one-year voluntary standstill agreement on wage and price increases has been made by the Business Advisory Council, which is an advisory body to the U.S. Commerce Department. The Council's Anti-Recession Committee has recommended against any general tax relief at this time, although it concedes that such action may be proper if general consumption continues to show a downward trend.

An application has been made by the Krupp concern of West Germany seeking a two-year extension of the five-year period (expiring in March 1959) for disposing of its coal and steel assets in accordance with the agreement signed in March 1953. The extension has to be granted by a committee of seven, of whom three are Germans, three are allied nationals and one neutral chairman. The Company expects that the extension will make the issue less urgent and leave more time for negotiations.

Industrial wages in Norway in the fourth quarter of 1957 amounted to an average of 5.49 kroner per hour for adult men workers and 3.68 kroner for adult women workers. In the third quarter, hourly wages were 5.34 and 3.59 kroner respectively. From 1956 to 1957 wages had risen by 6.4 per cent. for men and 6.1 per cent. for women. During the same period, the cost of living index rose by 2.7 per cent. Accordingly, real wages went up by 3.7 per cent. for men and 3.5 per cent. for women workers.

Boeing 707 jet airliners took one more step towards airline service on world air routes with the beginning of tests by the U.S. Government agency in charge of certifying aircraft for passenger carrying. The first three Boeing 707 jet Stratoliners produced will be used in the intensive certification programme which is expected to be completed in late summer. Boeing 707 Intercontinentals and other variations of the 600-miles-per-hour (965-kilometres-per-hour) Boeing jet airliners will also be presented for certification as they are completed.

PERSONAL

MR. Asoke Kumar Sen, Union Minister for Law, who has been a Minister of State, will henceforth be a Cabinet Minister.

Mr. E. L. Hechtermans, Consul General of the Netherlands in Bombay, left India on the 9th inst. Mr. J. J. Derksen, Vice-Consul, is now in charge of the Consulate.

Mr. M. K. Vellodi, Ambassador-designate of India to Switzerland and concurrently Minister-designate to the Vatican, has been concurrently appointed Minister of India to Austria.

Mr. Gopala Reddi, who was Minister of Economic Affairs in the Union Cabinet, has been designated Minister of Revenue and Civil Expenditure and Mrs. Tarkeshwari Sinha, who was Deputy Minister of Economic Affairs, has been designated Deputy Minister of Finance.

Mr. V. M. M. Nair, at present High Commissioner for India in Malaya and Commissioner for the Government of India in Singapore, has been appointed Ambassador of India to Cambodia, in succession to Mr. Kewal Singh Chowdhry. Mr. Nair is expected to take up his new post in July.

Dr. C. V. Raman, the Nobel Laureate for Physics, sailed for Europe on Friday last. During his three-month tour of Eastern Europe, Dr. Raman will visit the U.S.S.R. to receive the Lenin Peace Prize awarded to him in recognition of his services in the cause of world peace.

Viscount Simon, a Managing Director and Deputy Chairman of the Peninsular and Oriental Steam Navigation Company (P. & O.) and a Director of the British India Steam Navigation Company, Limited (B.I.), has retired from the Boards of both Companies consequent on his election as Chairman of the Port of London Authority.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, 20*th May*

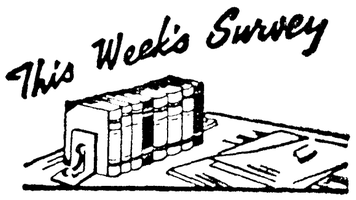
Grievances of Coal Trade

The letter which the Secretary of the Indian Mining Federation has addressed to the Secretary of the Railway Board has our entire sympathy. But, while adding our support to the demand for the abolition of the current surcharge of 15 per cent. on coal freight, we are inclined to question the correctness of the data produced in support of the argument of the Federation in favour of a revision of the basic Central Provinces coal rate in order to bring it on a level with the basic rate for Bengal. It is stated in the letter that Jherria coals have been "badly hit" in the markets of Western India by coal from the Central Provinces; but the assertion is unsupported by actual fact. The three chief coal consuming markets in Western India are Bombay, Ahmedabad and Indore. In Bombay, 99.9 per cent. of the total consumption of coal is not of the Central Provinces variety. Bombay has never taken to the use of Central Provinces coal, the market being shared by Bengal, South African and a small quantity of Welsh coal. In Indore, Central Provinces coal has been used since the Central Provinces collieries have been opened up, Indore being situated 340 miles only from Central Provinces, as against 915 miles from Bengal, in consequence of which Bengal coal has no claim to this market. In Ahmedabad which is the centre of the controversy, the consumption of Bengal coal has shown no appreciable drop in recent years.

Boeing 707 Intercontinental jet airliners have been ordered by Air India International for delivery in 1960.

In the next two months, Olympia (London) will be the venue of two exhibitions which will demonstrate the latest developments in two allied trades, namely, clothes manufacture and laundering. The International Clothing Trade Exhibition, from 2nd to 7th June, will be devoted to the interests of the manufacturers of every type of men's, women's and children's wear. Among the latest equipment on show will be machines that inspect, cut, and sew fabrics. At the Laundry, Dry Cleaning and Allied Exhibition, to be held from 17th to 26th July, leading manufacturers of laundry and dry cleaning plant and equipment will exhibit the best the world has to offer for these twin industries.

The B.O.A.C. has made arrangements with a British insurance company whereby nationals of many countries can indemnify themselves against the cost of possible emergency travel to visit sick relatives or business associates abroad. The scheme enables the policyholder to fly by B.O.A.C. to the bedside of a specified person who is seriously ill in any part of the world and then return home. His air fare in both directions will be paid by the insurance company. In addition, the insured person is covered for all incidental expenses, including surface transport, hotel accommodation and subsistence up to £4 a day for a maximum duration of 20 days. The policies also carry personal accident insurance for the person making the journey for a maximum of four weeks. Such policies are issued for one year or a shorter period and premiums vary according to the distance separating the insured person and his specified relative, but roughly they work out to less than 3 per cent. of the normal return air fare. Premiums are reduced if there are two or more specified persons. A relative or business associate is also permitted to visit the insured person if he should become ill.



KERALA BANKS IN CLUTCHES

A SELECT Committee's recommendations on the legislative measures referred to it are generally accepted by the legislative body. Even if the recommendations are further modified by the legislature, such modifications are more often in favour of those affected by the Bill. This is because the Select Committee is believed to have gone through the pros and cons of the provisions on the basis of the public demand as well as the discussions that have taken place in the legislature before the Bill is referred to it. It is, however, to be regretted if a Select Committee makes the provisions more stringent and the legislative body makes further adverse changes in the Bill. The Kerala Agriculturists Debt Relief Act, 1958, belongs to this class of measures. The Act, recently passed by the State Assembly, is mainly intended to give relief to the agriculturists from the clutches of the usurious moneylenders. But, by including banks in the group of usurious moneylenders and making the provisions of the Act applicable to banks, particularly at a time when banks are under the full control of the Reserve Bank of India, the State Government is certainly not helping the development of banking. On the contrary, it is feared that the provisions of the Act will not only affect banks but also the agriculturists, inasmuch as lending by banks will not be a profitable business, as will be shown below, and agriculturists will not have the much-needed credit facilities.

The Kerala Bankers' Association submitted a memorandum to the Select Committee setting forth the reasons for exempting banks completely from the provisions of the Bill. But unfortunately the Committee, instead of conceding the request of the banks, recommended that loans exceeding Rs. 2,500 borrowed under a single transaction from a bank be exempted from the provisions of the Bill. Later, the Assembly, when it discussed the Select Committee's recommendations, reduced the exemption limit on a single transaction to Rs. 1,500. Most of the banks in the Kerala State are small banks and the average size of their advances is also small. A high percentage of their advances is below Rs. 1,500. According to the findings of the Travancore Cochin Banking Enquiry Commission, the advances falling under Rs. 1,500 form not less 50 per cent. of the total advances of the small-sized banks. Accordingly, the exemption limit of Rs. 1,500 provided for in the Act is not helpful to small-sized banks to any substantial extent.

The banks in Kerala are not strictly "commercial banks," because they do not confine their credit facilities solely or exclusively to businessmen. They give loans and advances to agriculturists also. This is due to the peculiar economic conditions in the State. A large part of the credit requirements of agriculturists is now being met by banks. It is also a well-known fact that banks in Kerala generally conduct *chitties* or *kuries* which are in the nature of compulsory deposits. In the original Bill, any liability incurred or arising under any *chitty* or *kuri* had been exempted, but the Select Committee modified that provision and the exemption is now limited to liabilities arising out of *chitties* or *kuries* which had not terminated one year before the commencement of the Act. These modifications, it is feared, will create further difficulties for banks and the banks' plea for their complete exemption from the provisions of the Act is not unreasonable.

The Act provides that an agriculturist need repay his debts only in ten half-yearly instalments and the effect of this provision is that banks' funds are locked up for long periods. The bulk of the funds in a bank consists of the customers' deposits and the bulk of the assets is made up of loans and advances. Advances made by banks are always linked to their obligation to their depositors. The period of deposits is usually one year and never more than three years. It is for this reason that banks usually grant advances only on a short-term basis. If, therefore, banks' advances are locked up for long periods, as provided in the Act, it should be clear that the working of banks would be seriously affected.

Another disability under the Act is the ceiling placed on the rate of interest on both existing as well as future, advances at 5 per cent. per annum. Banks in Kerala usually receive deposits at a comparatively higher rate of interest than banks in other States. According to the Travancore-Cochin Banking Enquiry Commission, "the largest single category of deposits (37.7 per cent.) fall within the interest rate range of 4 to 5 per cent. followed by deposits carrying 5 to 6 per cent. forming 22.8 per cent. of the total deposits." Thus, banks in Kerala State pay 5 to 6 per cent. on a large proportion of their deposits and the fixation of the rate of interest on advances at a maximum of 5 per cent. would not only involve them in losses but also deter them from making available loans and advances to agriculturists even against first class securities. The agriculturists would naturally be deprived of the much needed credit facilities. It is understood that the Reserve Bank of India also fully appreciates the Kerala banks' case for complete exemption from all the provisions of the Act and has recommended to the State Government accordingly. There is, therefore, no reason for disregarding the Reserve Bank's advice. The Kerala Bankers' Association's latest move in submitting a memorandum to the Union Minister for Home Affairs and States, it is to be hoped, will be sympathetically considered and an exemption will be granted to banks from the provisions of the Act.

PAINT INDUSTRY

The paint industry is making strenuous efforts to meet the steadily increasing demand for paint materials following the marked expansion in the different consumer industries. The production of paints has gone up considerably in recent years. The quantity actually produced which was no more than 27,950 tons in 1950 went up to 41,602 tons in 1956 and further to 42,271 tons in 1957. As against the general purpose paint materials, the output of better quality products like nitrocellulose lacquers, stoving finishes, and industrial surface coatings based on synthetic and semi-synthetic resins has registered a rise. There has also been a significant increase in the production of phthalycyanine blue, alkyd resins and aluminium paste.

While the production of paints has thus improved, there is still a substantial underutilisation of capacity to the tune of 30-35 per cent.; the aggregate annual capacity of the paint industry is nearly 65,000 tons—calculated on the basis of two shifts and 300 working days—the number of major factories being 48. Two factors would appear to be responsible for the underutilisation of capacity, namely, impact of excise duty and difficulty in getting adequate quantities of raw materials at an economic price. These factors were dealt with in some detail by Mr. C. L. Jhunjhunwala, President of the Indian Paint Manufacturers' Association, in the course of his speech at the annual meeting of the Association held at Calcutta last week-end. Mr. Jhunjhunwala referred to the hardship caused by the present system of levying excise duty and urged the introduction of a slab system of duty in order to relieve the paint factories of the hardship. He also urged the adoption of effective steps to organise production of the raw materials required for the paint industry. Meanwhile, the industry should, he said, be provided with adequate facilities to import essential requirements and import policy must be changed to obviate the shortage of tinplates for the manufacture of containers.

The points raised by Mr. Jhunjhunwala deserve to be sympathetically considered by the authorities. The paint industry plays a vital role in the context of the development of railways, building operations and industries like the automobile, bicycle and electrical equipment, all of which require large quantities of paints, varnishes and enamels. There is also the rising demand for nitrocellulose lacquers following the development of furniture-making, sports goods and other nitrocellulose consuming industries. Besides, prospects for exports of paints and varnishes are quite good, provided the Indian products can compete in price and quality with similar products from other exporting countries. The value of paints and varnishes exported from India has risen from Rs. 24 lakhs in 1954-55 to Rs. 35 lakhs in 1956-57.

Considering that paints and varnishes have innumerable uses and that there are good prospects of earning foreign exchange through exports, the need for reducing the burden of taxation and ensuring the supply of adequate raw materials to the industry cannot be overemphasised. It is gratifying to note that Mr. Manubhai Shah, Union Minister for Industry, assured, while inaugurating the meeting, that the Government's policy was to allow imports of raw materials to fill the gap between the industry's requirements and indigenous production. Mr. Shah, however, pointed out that imports of raw materials cost Rs. 150 lakhs a year and that there was foreign exchange difficulty. He was right when he stressed the importance of utilising the indigenous material to the maximum possible extent and exploring the possibilities of using the reasonably good substitutes available locally. Mr. Shah did well also to commend to the attention of the paint manufacturers two suggestions —one for the formation of a central association of all producers big and small and the other for the establishment of a laboratory. Surely, inadequate laboratory facilities and lack of trained personnel well versed in the technology of surface coatings, as Mr. Shah pertinently remarked, are hindering the industry's progress. If these handicaps are removed and if the Government reduces the burden of excise duty, one may expect that the production target of 60,000 tons fixed for the paint industry in the second Plan will be fully achieved.

ROAD TRANSPORT

As the railways by themselves cannot cope with the cumulative increase in transport requirements, it is necessary to provide facilities to relieve the strain on them by diverting the additional traffic elsewhere. The national highways, which have both strategic and economic importance, can, if properly developed and equipped, carry a good part of the increased traffic. The fact that comparatively smaller investment of capital (with little foreign exchange content) on road development will give better results in the movement of goods than similar outlays on railways makes it more prudent to spend larger funds on roads. It has been estimated, for instance, that the 14,000 miles of national highways which the country has today are capable of carrying 70,000 to 75,000 trucks with a traffic capacity of 40 to 50 million tons per year, which is as much as the additional traffic the railways are expected to carry by 1960-61. The importance of road transport cannot, therefore, be overemphasised. In the development of roads, it is necessary to have, as the Planning Commission and the Government of India have realised, a national perspective. The setting up of an Inter-State Transport Commission to develop and co-ordinate inter-State transport is a reflection of the Government's awareness of the importance of road transport.

In order to promote the expansion of road transport, it is imperative that there should be suitable administrative machinery in the States to tackle the various problems of the industry and to foster its development. The existing administrative set-up in most of the States is concerned more with the regulation of motor transport than with its planned development. The Government of India deserves to be complimented on its decision to appoint an *ad hoc* committee to conduct a comprehensive enquiry into the transport administrative set-up in the States and to make recommendations for its reorganisation. The Chairman of the Committee will be Mr. M. R. Masani, M.P., a former President of the Indian Roads and Transport Development Association. The other members of the Committee are: Messrs. H. C. Mathur, M.P., C. R. Pattabhi Raman, M.P., M. P. Bhargava, M.P., C. M. Daid, M.L.A., Rajasthan, Govind Sahai, M.L.A. U.P., D. S. Rathor, Transport Commissioner, U.P., J. B. Bowman, Vice-Chairman, Bombay State Road Transport Corporation, T. S. Santhanam, Director of T. V. Sundaram Iyengar and Sons Ltd. and Kundan Lal, Secretary, All-India Motor Union Congress.

According to its terms of reference, the Committee is required to survey the existing machinery for the administration of motor transport in the States, with particular reference to the working of the Regional Transport Authorities and State Transport Authorities and their suitability to look after the development, coordination and regulation of road transport. It is also required to suggest a model administrative set-up which will ensure (*a*) the fair and speedy disposal of applications for permits, (*b*) the healthy growth of motor transport, providing efficient services and adequate amenities to the public, (*c*) elimination of inhibitory factors which stand in the way of the development of motor transport, (*d*) the adequate development of truck-trawler combinations, (*e*) the fullest use of available road facilities, (*f*) proper co-ordination of the activities and functions of the Inter-State Transport Commission. The report of the Committee, which is expected to be submitted in six months, will be awaited with interest.

The development of road transport obviously depends upon adequate production of motor vehicles. Discussing this problem in his speech at the annual meeting of Mahindra and Mahindra Ltd., Mr. K. C. Mahindra, Chairman, called attention to a number of factors which inhibited road haulage. These include: (1) the high level of taxation in this country on transport—perhaps the highest in the world, (2) inter-State controls on movement from one State to another, without any ostensible utility or benefit to anybody, (3) the threat of nationalisation of goods haulage services in various States. These restrictions also provide a disincentive to manufacturers of trucks. The second Five-year Plan, no doubt, has provided for the production of 136,000 vehicles between 1957 and 1961. This volume, even if achieved, together with the existing fleet of 130,000 vehicles less obsolescence, in Mr. Mahindra's opinion, is hardly adequate to meet even the minimum requirement under the Plan. Besides increasing the vehicles, Mr. Mahindra pointed out, some special effort was needed for improving the road system. If the planned economy was to be a success, Mr. Mahindra said, a solution must be found to the triple problem in road transport. The first problem is that of building the balance of 114 bridges as planned, of extending the mileage of national highways to a minimum of 15,000 and of a concerted and intelligent development of feeder roads and by-ways.

The second is that of assuring a quick supply of an adequate number of trucks with pay-loads ranging from one ton to 10 tons of truck-trailer and tractor-trailer combinations for service on the main routes. Mr. Mahindra reckoned that a minimum provision of 50,000 trucks per year and 5,000 tractor-trailer combinations must be made. But even here there are difficulties in the way of the manufacturers embarking on an expansion programme. First, they are not fully equipped to deliver the goods. To solve this problem, Mr. Mahindra suggested: "A concerted and co-ordinated programme as between the various manufacturers, a decision to speed up local manufactures and a direction to get the results at any cost is the desideratum of planning in this context." Secondly, there is the problem of finance. According to Mr. Mahindra, a sum of Rs. 10 crores will be needed. But this is not a large amount for ensuring production of 50,000 trucks and 5,000 tractor-trailer combinations a year. He, therefore, suggested that the establishment of the Refinance Corporation for Industry should be speeded up as a matter of priority for providing capital finance to the manufacturers.

The third problem is that of offtake of all these vehicles. Here also the problem of providing finance for purchase of 50,000 truck services and the cost of running them crops up. Mr. Mahindra suggested the setting up of a Truck Finance and Development Corporation, which would guarantee the manufacturers the purchase of all vehicles they produce and which would simultaneously offer the operators easy payment terms on instalment basis, on the lines of hire purchase system. He wanted the State to sponsor this Corporation with a capital fund of Rs. 50 crores—a small sum as compared to the huge outlay on the railway system. This Corporation could also provide finance to the manufacturers for production of vehicles, if the charter of the Refinance Corporation does not permit it.

Mr. Mahindra's suggestion for development of road transport is inspired by the fact that there are physical limitations to the rapid growth of railway transport. The advantages of the road haulage service flow from the fact that the limitations to its growth are minor and the capital expenditure is also not as colossal as in the case of railways. There is no doubt that the development of road transport organisation, as Mr. Mahindra himself recognised, will not only provide additional employment but also lay securely the foundations of a modern transport system. In fact, this is confirmed by the experience of other countries.

THE PROBLEM OF SUGAR EXPORTS

SCHEMES PUT FORWARD BY INDUSTRY ANALYSED

By V. R. Jhaveri

THE question as to what is the best channel through which exports of sugar should be effected by the country has been looming large over the industry for some time past. The problem is aggravated by the considerable divergence of opinion among the spokesmen of the industry on the method to be adopted for ensuing that exports of sugar are carried out in a smooth way and in a way which would help create the necessary atmosphere for establishing a permanent market for Indian sugar in the nearby countries such as Burma, Malaya, Ceylon, the Far East and Persian Gulf area. Heretofore, these markets have been accustomed to British refined, Formosan and Java sugars, and it is no exaggeration to say that we do face an uphill task in making Indian sugar popular abroad. The quality of sugar produced by a number of Indian factories no doubt compares favourably with that of Formosan or Java sugars, but that by itself is not enough. What is necessary is that the standard should be maintained and that grading and packing should be uniform.

There are at present two schemes for exports before the Government and the recent pronouncements by the official spokesmen in Parliament have made it clear that the Government has yet to make up its mind as to what is going to be its future policy regarding exports. In fact, the Minister for Food and Agriculture has more than once given the indication that the necessary legislation for the purpose is on the anvil. The disturbing factor which, however, emerges is that, while the Government admits that, due to the high manufacturing cost, sugar cannot be exported but at a loss (the loss is at present calculated at anything between £20 and £25 per ton, even after taking into account remission of all taxes such as excise duty and cane cess) and that the loss may have to be borne ultimately by the consumer only, it is also determined to go ahead with the implementation of the price linking formula whereby the Deccan factories, in particular, will have to pay more for sugarcane even over and above the higher price (which is fixed after mutual consultation with the State Government) which they pay today. Again, paradoxically enough, the Government admits that the high manufacturing cost is due to the fixed price paid to sugarcane growers.

There is, however, unanimity of opinion among all concerned that, at the present critical juncture of foreign exchange, it is absolutely necessary on the part of every industry to earn as much exchange as possible. Sugar is a commodity which by its very nature has a large import-export trade and, though world trade finds itself entangled in power politics in the form of the International Sugar Agreement and though the trend of world prices depends on the attitude of the large sugar-producing countries which are not signatories to the Agreement such as Brazil, there is no reason why with concerted efforts we should not be able to hold our own and have our legitimate share in the world sugar trade. We have a carry forward of about 4 to 5 lakh tons and, if the present consumption figures are any indication, production in the current season will be able to meet the home consumption. Looking to the present production trends, it will cause no undue hardship if 2 to 3 lakh tons are earmarked every year for export.

Another Consideration

The necessity for exports is also based on another consideration, namely, that, due to the expanded sugar production in the country, the entire production cannot be absorbed in the country at prices remunerative to manufacturers and sugarcane growers alike. The extent to which sugar exports may be made must be decided upon by taking into consideration, all the relevant factors, the most essential of them being the requirements of foreign exchange; the world market situation (care must be taken to see that the Cuban operators do not unduly depress the world market to keep us out of the picture), and the need for preventing the internal market from being unduly depressed.

The authorities would be treating the consumer very unfairly, if they were to call upon him to pay more than what he is paying today. Steps must be taken to see that the manufacturing cost of factories is reduced. There is no doubt that the Indian cultivator is getting an undeservedly higher price as compared to his average per-acre yield of 1.30 ton, as against 6.49 tons of his counterpart in Hawaii, 6.44 tons in Java, 5.08 tons in Peru and 2.10 tons in Cuba. The Government should refund a part of the huge taxes which it collects from the industry.

Let us now attempt to analyse the two schemes put forward by the sugar industry for the consideration of the Government. The first scheme envisages the setting up of a corporation, towards the capital of which all members will subscribe. The Government has been requested to pass suitable orders under the Industries (Development and Regulation) Act or the Essential Supplies Act or Sugar Control Order, directing that the entire output of every sugar factory should be sold through the said corporation which will be the sole selling agents for sugar produced by each factory, provided that each factory shall retain the right to make direct sales in India. On all such sales, the said corporation will receive full commission to which it is entitled. The scheme further envisages that the corporation will be entitled to charge a commission on all sales and to vary the quantum of each commission from time to time. The second scheme envisages that the Government of India should, in the first instance, find out whether there will remain any surplus at the end of the next season on the basis of experience of the past season. It should then declare what percentage of the next season's production will be released for internal consumption from time to time. The balance quantity will have to be carried forward to the next year. The factories which do not wish to carry over must be allowed to export the same if they so desire. In order to ensure that sugar is exported, a heavy deterrent should be imposed in the shape of additional excise duty. Each individual factory should be allowed to handle its own export quota and be given licences for the same. Such licences will be transferable, and the railways should, by pooling the freight rate on export of sugar, work out a flat rate of freight from mills irrespective of the distance at ports.

Advantages of Schemes

The sponsors of the first scheme claim that a central organisation has decided advantages, as it will be difficult for the individual factories to find markets for small parcels of sugar, in which the loss will be definitely heavier. Besides, a central organisation, it is said, can sell at discriminating prices to different markets at the same time, depending on the various exigencies of the situation. The protagonists of the second scheme, on the other hand, feel that a central organisation will have to face enormous difficulties as it will have to undertake a very big responsibility. Past experience has shown that the procedure of purchases through tenders left much to be desired. They claim that, left to themselves, the factories will naturally try their utmost to reduce their losses on export and much unnecessary expenditure which will have to be incurred in setting up a central organisation will be avoided.

The first scheme is, to say the least, very vague and complicated as far as legalities go. In fact, the scheme as it stands today is not practicable. The scheme envisages that the Government should pass orders under either the Industries (Development and Regulation) Act or the Essential Supplies Act or the Sugarcane Control Order directing that the entire output of every sugar factory should be sold through a separate corporation. It is very doubtful if the Government can take action as contemplated under the Industries (Development and Regulation) Act, as it can only act "if it appears to it to be necessary or expedient for securing equitable distribution and availability at fair prices of any article ... etc." The object of the Government will necessarily be to secure foreign exchange and maintain fair price, but it will be stretching the language too far to say that exports are

(*Continued on page 954*)

FORD FOUNDATION EXPERIMENT IN KHANPUR

ITS IMPLICATIONS REVIEWED

From A Special Correspondent

NEW DELHI, 13*th May*

DELHI LETTER

THE two obvious highlights of the last ten days were the discussions at the National Development Council's meeting here and the Planning Commission's appraisal of the second Plan's progress and prospects. These highlights, however important, again yield place in this despatch, as they did in the last week's, to the momentous Ford Foundation experiment in village reconstruction which is taking place in the Khanpur village near the Qutb Minar. This is something vastly more significant for the prosperity of rural India than any rural development programme currently in operation. Of course, everybody concerned—the politician, the planner, the administrator, the economist, the statistician, the rural sociologist, the industrialist and, above all, the villager—will wake up in due course to the far-reaching implications of the Khanpur experiment, the success of which is a foregone conclusion. The implications are manifold but they can be broadly described as involving a radical conceptual change in the familiar approach to irrigation, power generation and distribution, rural electrification, industrialisation and road transport and as spelling an equally radical reorientation of priorities in planning in the matter of major irrigation, power projects, large-scale industries, and so on.

A scheme with such implications cannot obviously find ready acceptance on all hands. There will, therefore, be much uninformed criticism and interested opposition. The happiest man will, however, be the villager whose patience is now strained to the utmost by having to wait for cheap irrigation water and power which would not otherwise come to his village in his lifetime. And the industrialist with vision will look forward to the vast rural market that will be opened up for pump sets and small generators with their gear fittings, for small and medium machine tools for small-scale industries, for electrical goods like small transformers, wires, bulbs, etc., for lorries to carry coal to village kilns and to clear surplus agricultural products, and so on.

That the Ford Foundation's scheme will find ready acceptance at the political level can be postulated with a fair degree of certainty. This will be more so because from the point of view of a Congress which has all along been trying, without much success, to marry modernism to Gandhism, the scheme represents a Western and modern variant of the Gandhian concept of decentralised production. What is even more, the American idea that the enormous potential of India's bullock power could be easily utilised to the greatest profit for operating small-capacity electrical generators and large-capacity irrigation pump sets is Gandhian in its simplicity, realism and originality. It is indeed extraordinary that the engineers of a country which leads the world in advanced technology and automation, have come to adopt consciously a Gandhian approach in their outstanding contribution, to date, to India's future economic development.

This economic development can now be more rapid in terms of time, less costly in terms of capital outlay, more productive in terms of annual output of goods and services and thus of national income and more beneficial, in terms of employment, living standards and modern amenities, to the rural four-fifths of India's population. That the Ford Foundation's scheme would involve a capital-output ratio of, at the most, 1.5:1 only, is its most significant feature. A ten-year master plan, involving an aggregate capital outlay of Rs. 8,000 crores at the rate of Rs. 2 lakhs per average village unit and covering large well-irrigation, rural electrification, small-scale industries (complementary and supplementary to existing large-scale industries), improved rural housing and brick-paved village roads, can be assumed, for the purpose of this article, to be within the realm of probability.

How a possible plan of the kind could be staggered over a period of ten years and financed, is broadly indicated in the following table. Here, of course, it is assumed that major irrigation and power projects and some large-scale industries will be assigned a newer and lower order of priorities so that adequate resources could be allocated to that master plan for rural India.

Year	Capital outlay on a new set of village units every year (Rs. crores)	Annual recovery of capital loans included in annual capital outlay (Rs. crores)	Net annual financial commitment to the State (Rs. crores)	Number of village units to be covered every year
1st ..	400	..	400	20,000
2nd ..	440	40	400	22,000
3rd ..	484	84	400	24,200
4th ..	632	132	500	31,600
5th ..	696	196	500	34,800
6th ..	765	265	500	38,250
7th ..	942	342	600	47,100
8th ..	1,036	436	600	51,800
9th ..	1,240	540	700	62,000
10th ..	1,365	665	700	68,250
Total for 10 years ..	8,000	2,700	5,300	400,000

How a net financial commitment of the order of Rs. 5,300 crores in 10 years could be met is the next logical question. It may be noted that, according to the present priorities in planning, the second Plan's proposed outlay on major irrigation and power projects and large industries in the public sector is of the order of Rs. 1,500 crores, as against Rs. 800 crores under the first Plan. As a number of major irrigation, power and industrial projects may be expected to be taken up only in the third and the fourth Plan periods if the present structure of priorities holds the field, an aggregate outlay of about Rs. 5,000 crores on them in 10 years can be reasonably assumed. With a possible reordering of priorities on the other hand, this possible outlay can be easily cut down by half so as to release resources to the tune of Rs. 2,500 crores for the aforesaid 10-year plan for rural India. The balance (Rs. 2,800 crores) of the financial commitment could be met, in whole or in part, by created money which, in this case, will be fully justified by a more or less immediate increase in production.

As very nearly half of the possible outlay of Rs. 8,000 crores will be on well irrigation by pump sets operated by bullocks, the technical feasibility of large open wells which are a necessary part of the Ford Foundation's project would need to be better known and the underground water resources would also have to be broadly estimated. The technical feasibility of large open *kutcha* wells going down to depths of about 100 feet has been for long an established fact in hard or rocky underground in some Tamil districts, for example. And the technical feasibility of similar *kutcha* wells (with a radius of 50 to 100 feet) sloping down to depths of 25 to 50 feet in comparatively loose soils of East India and having a flow of not less than a cusec, has also been established in the course of relief works carried out two years ago by Mr. M. I. T. Iyengar, I.C.S.

As regards underground water resources, it has been established in repeated experiments in the United States that the surface run-off of rain water on cultivated lands is as low as 1 per cent. in some areas and as high as 60 per cent. in some others and that, between these two extremes, the infiltration of rain water into the sub-soil of the major part of cultivated area is generally 66⅔ per cent. As it has also been established that with an annual rainfall of 24 inches an acre of land receives nearly 3,000 tons of rain water, a broad idea of the enormous amount of annual infiltration of rain water can be had. If to this is added the infiltration taking place from the river and tank systems every year, the vast untapped potential of sub-soil water can be seen as a well-nigh inexhaustible mine. This water mine and the mine represented by the present idle bullock power now await to be tapped in a practical and businesslike manner indicated by the Ford Foundation's historic Khanpur project. **The rest is a matter of planning and organisation to deliver the goods with expedition.**

THE MOUNTING STRIKE

From Our Own Correspondent

LONDON, 10*th May*

LONDON LETTER

ALL this week, the Metropolitis of London has been without a single bus. The inconvenience to the public is, of course, at its greatest when people are going to and from their work, but it is surprising how the London railway system has managed to absorb the greater part of the additional load.

But a transport strike, more than any other, is a matter of direct public interest, and the rights and wrongs of this strike have become a principal topic of debate. One must say "a principal topic," because there is allied to it the possibility of a railway strike. Should such a strike take place, that would remove all forms of public transport in the London area as well as, of course, affecting the greater part of the transport of goods through the country. The repercussions would be unlikely to stop there, for the Transport and General Workers' Union, which has called out the busmen, might, in the event of a railway strike, find it necessary to call out the lorry drivers, and the stage would be set for a general strike on the pattern of 30 years ago.

The immediate issue in the present labour dispute is that the unions had asked for a weekly increase of about 6½ per cent. for all busmen in the London area. The case went to arbitration and the arbitrators agreed to give 5 per cent., but only to the busmen in the central London area and nothing at all to the busmen in the outer areas. The transport Unions were thus put in a very difficult position that they could accept an award very favourable to some of their members at the expense of others. This is against all the principles of Trade Union bargaining. In an endeavour to avoid the strike, the Union offered to accept the total sum of money which the arbitrators award represented, provided they could divide it differently, that is, spread the award over all their members.

The employers, and as the employers are a public corporation they are acting with the sanction of the Minister of Labour, rejected this proposal on the grounds that the increase would seem to be inadequate to the central London men who would before long begin demanding a differential, thus a solution on these lines might have been only temporary.

However that may be, the Unions feel that they have been as conciliatory as possible and the whole of the Trade Union movement is behind the transport workers in this strike. In a sense, the transport workers have been outmanœuvred in the course of their negotiations by having come to the point of the strike in advance of knowing whether there would be a rail dispute or not. Of course, a rail dispute, with its removal of all forms of public transport, would have put the strikers in a far better position. However, the impartial observer can see that the negotiations over the railways are being handled by the Unions as something quite separate and that, in practice, they are not using the bus strike as an additional weapon to further their own claims. The Government, for its part, is fully aware of the danger of letting a railway strike proceed and, while it would not intervene in advance of the busmen's strike, it has already intervened in the rail negotiations on the grounds that it would in any case have to foot the bill.

Apart from the immediate cause of the dispute, the whole of the Trade Union movement is antagonistic to the findings of the busmen's arbitration tribunal. They consider that the tribunal was weighted against them at the outset by the Government pressure on a wage freeze, so that the arbitrators are no longer impartial. The labour movement is also convinced that the Government have chosen this particular battle, because they feel they are on strong ground and have, indeed, welcomed it as being in furtherance of their policy of disinflation. But the labour movement cannot expect that that policy should be pushed so far as to deny legitimate wage increases in the present state of the economy. The so-called demand inflation is no longer rampant and an increase in wages could be accepted without causing a renewed bout of inflation, but the Government are committed to their policy and the fight whether on the bus front or on those other fronts where industrial disputes have developed or are developing, is fundamentally a fight over economic policy.—*All Rights Reserved.*

AMERICAN LETTER

BUSINESS RECESSION IN U.S. NEITHER WORSENS NOR IMPROVES

NEW LABOUR LAW IN THE OFFING

From Our Special Correspondent

NEW YORK, 6*th May*

THE business recession in the United States, judged by preliminary figures for April, has neither worsened nor improved materially. The number of persons receiving unemployment compensation has declined slightly. While factory employment is off further, there has been an increase in agricultural jobs which is a natural seasonal development.

The weather in many parts of the country, notably in the populous East, has been abominable and has been a business retarding factor. It is a very strange recession, indeed. Prices continue to creep up. Savings are rising as well but not the rate of savings. The 520 savings banks in the U.S. not counting savings deposits in 14,000 commercial banks and in the savings and loan associations from coast to coast, reported deposits in these institutions had reached a level in excess of $32,000 million.

Personal Income

Personal income of all kinds in the first three months of the year ran at an annual rate of $4,000 million higher than in the comparable 1957 period. Consumers increased their first quarter expenditures for goods and services by $4,300 million, as compared with the first quarter of 1957. Spending for services and non-durables was up, but for some inexplicable reason, the public showed little interest in durables, such as automobiles and homes, and what goes with them. None of these figures are indicators of a recession.

The rate of savings, while inconclusive, comes nearer to a recession barometer, however. Savings which ran at an annual rate of $19,500 million, or 6.6 per cent. of disposable income in the first quarter of 1957, are now at a rate of $18,300 million, or 6.1 per cent.

The spending for durable goods is significant. This area of consumer expenditures reached a new high of $35,900 million, at an annual rate, in the first quarter of last year. This rate is now off $4,400 million to $31,500 million. Why? Nobody quite knows. In my opinion, the automobile industry is to blame for its plight. Cars are getting larger and wider, thus more difficult to handle in congested areas. They are also getting lower so that it requires acrobatics to get in or out of them. Increased horsepower and automatic shifts have increased petrol consumption and repair and operating costs to a vast extent. By contrast, smaller foreign cars which operate far more economically without automatic gadgets are extending their sales to an appreciable extent every month.

Non-durables

The increase in spending for non-durables, such as gasoline, drugs, apparel and similar goods is related to the reduction in durables. Spending for services as pointed out above, also went up. This covers a multitude of areas, such as rents which continue to rise, as well as education, medical care, travel and so on. Despite the recession, this may turn out to be the biggest travel year for Americans. Agencies are swamped with requests for overseas transportation and hotel space. The Brussels World Fair seems to be one of the major attractions.

A better picture of the drop in economic activity may be obtained by comparing the first 1958 quarter with the last three months of 1957. On this basis, personal income is off $3,200 million, U.S. Treasury tax receipts are $400 million lower, disposable income is down $2,800 million, consumer expenditures on an overall basis, declined $1,400 million. However, spending for non-durables was up $700 million and spending for services rose $800 million.

So much for statistics. The business slump and lagging sales are major factors in the stormy negotiations now in progress between the United Auto Workers and the automotive industry. It may be noted that this is the first time since the end of the last war that the trade union is negotiating in a period when the threat of a strike means nothing to a depressed industry. In fact, the industry would benefit and the workers who are still at their benches would be the losers along with thousands of their colleagues who have been idle for some time. There are about 850,000 unsold new cars in the U.S. Stoppage of production might well clear showrooms of these unsold models and give a temporary economic breather to the business.

New Labour Law

The U.S. Congress, at the present time, is in the process of writing a new labour law. It is an uncomfortable task in a major election year. Labour leaders have declared for a long time that they can deliver the vote of their multi-million membership. The fact is they never could, but merely threatened. People vote in the privacy of a booth and are accountable to no one with a secret ballot. Basic political pressures will virtually compel some kind of Senate action to deal with the abuses which have been disclosed by the Senate Rackets Committee under the chairmanship of Senator John L. McClellan. There has developed a public awareness of the magnitude, power and possible abuses of union funds, and demands for corrective action have come from many quarters.

Legislation, however, is only as good as its general public acceptance. Any reforms in the labour movement, in effect, will really have to be initiated and supported by the rank and file membership of the unions. This is difficult since it requires leadership and there is hardly any reservoir of leaders on which labour can draw.

A significant psychological factor which encourages corrupt trade union officials and discourages their opponents, is the apparent success of Teamster Union President, Mr. James R. Hoffa, in retaining his power, although he has been the most accused of all union leaders investigated by the McClellan Committee. It is up to the membership, but nothing happens.

A parallel to inability to act may be observed in the Washington Government. A nationally syndicated columnist spoke of it the other day as "the staff horror." He referred to President Eisenhower's staff system which he built up on the basis of his army experience and background. A vast machine has been developed to relieve the President of the burden of inconsequential detail. In this respect, the system works to perfection. But there are far too many people involved in formulating a plan and in arriving at a unanimous decision. "Our positions have not yet been firmed up," is the official way of putting it.

Staff System

This is mentioned to overseas readers, specifically those in India, as an explanation for the repetitive failure of the U.S. Government to recapture the initiative in international negotiations. That is why Soviet Russia, seemingly, is acting with much greater despatch, perhaps to the detriment of the world. That is why the pre-summit talks are bogged down; that is why disarmament negotiations are getting nowhere. In fact, very little gets done under the staff system, except under pressure of events, or when and if one Cabinet member forges ahead on his own without consulting anybody.

Under such circumstances, statements have been made which had to be retracted by other members of the Cabinet. This, in turn, has produced general uncertainty just what Washington policies are, if any. In my opinion, the whole system is one of the greatest contributing factors to the present recession.—*All Rights Reserved.*

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APPRAISAL AND PROSPECTS OF SECOND FIVE-YEAR PLAN

SHORTFALL IN RESOURCES QUITE MARKED

SOON after we went to press last week, the Government of India released to the public the *Memorandum on the Appraisal and Prospects of the Second Five-year Plan* submitted by the Planning Commission to the National Development Council at the latter's meeting held in New Delhi on the 3rd and 4th inst. The publication of the *Memorandum* was long overdue. The imbalance between the resources available and the demands on them which set in at the very commencement of the Plan has tended to become so severe that the country's economy has been subjected to considerable stress and strain. Such stress and strain have almost resulted in a psychological setback, especially among the masses. Viewed thus, the Planning Commission must, indeed, be complimented for the realistic way in which it has examined the question of reappraising the Plan. The *Memorandum* is quite lucid and comprehensive in that it not merely reviews the progress made in the implementation of the Plan during the first two years (1956-57 and 1957-58) but also assesses, in the light of experience of these years and of the provisions contained in the Central and State budgets for the third year (1958-59), the prospects for the next two years (1959-60 and 1960-61), together with the efforts required for fulfilling the essential objectives of the Plan.

The Planning Commission has kept the outlay on the Plan unchanged at Rs. 4,800 crores, notwithstanding the increase in the cost estimates of the projects with the corresponding rise in the financial outlays required to meet the physical targets in the Plan. The acceptance of this ceiling means a lowering of the physical targets. The Commission frankly admits this fact, but emphasis that the problem at this stage is whether the balance of resources required to complete the financial outlay of Rs. 4,800 crores can be found.

No Easy Task

Out of the Rs. 4,800 crores, the expenditure incurred in the first two years is put at Rs. 1,496 crores. This, together with the estimated outlay of Rs. 960 crores in 1958-59, brings the total expenditure for the first three years to Rs. 2,456 crores—Rs. 1,394 crores at the Centre, Rs. 1,032 crores in the States and Rs. 30 crores in the Union Territories. The balance of resources required in the last two years of the Plan thus comes to Rs. 2,344 crores, which is just a little less than one-half of the five-year total. The question of raising this sum, the Commission says, is no easy task, especially as deficit financing in the first two years had been heavy (Rs. 702 crores) and has now to be kept down to the minimum. As against the balance of Rs. 2,344 crores, the resources expected to be available are placed at Rs. 1,804 crores, or a marked shortfall of Rs. 540 crores. This shortfall in resources, it is specifically pointed out, cannot be met by further deficit financing nor is it practical to rely on more external assistance, the gap has to be covered, to the extent possible, by further effort to raise resources through taxes, loans and small savings and through economies in non-Plan expenditure.

The Planning Commission says that the imperativeness of the fullest effort in these directions is self-evident. According to it, a pruning of the Plan to the level of the available resources, that is, Rs. 4,260 crores, is not only undesirable but it also presents very great practical difficulties. The decision to adhere to the financial ceiling of Rs. 4,800 crores in spite of the increased cost of the various projects in the Plan has necessitated some readjustment of allocations in favour of industries and minerals. If, in view of the resources position, the Plan outlay cannot be raised above Rs. 4,260 crores, the cut on social services will be larger. This would be undesirable from the point of view of maintaining a reasonable balance in the structure of Plan allocations. The Planning Commission is, therefore, of the view that, at a minimum, the level of outlays to be actually incurred must not be allowed to fall below Rs. 4,500 crores. The gap of Rs. 240 crores (Rs. 4,500 crores—Rs. 4,260 crores), it is suggested, should be covered thus: Additional taxation, Rs. 100 crores, (Rs. 40 crores at the Centre and Rs. 60 crores in the States); loans and savings, Rs. 60 crores; economies in expenditure and collection of arrears of taxation as well as of loans due, Rs. 80 crores.

It will be recalled that the resolution passed early this week by the National Development Council, while deciding to maintain the second Plan outlay at Rs. 4,800 crores, suggested that projects and programmes to be undertaken within this ceiling should be divided into two parts. Part (A) of the Plan involving a total outlay of Rs. 4,500 crores should include, besides projects and programmes directly related to increase in agricultural production, 'core projects' and projects which have reached an advanced stage and other inescapable schemes. The remaining schemes should be included in Part (B) of the Plan with a total outlay of Rs. 300 crores.

Resources Position

The following table indicates the likely availability of resources under various heads in the last two years of the Plan as against the estimated results for the first three years on the assumption of a continuance of more or less the present scale of effort:

(Rs. crores)

	Likely actuals				Estimates for 1959-60 and 1960-61	Total 1956-61
	1956-57	1957-58	1958-59	Total for 3 years		
Domestic Budgetary Resources—						
Balance from current revenues ..	139	150	150	439	320	759
Railways' contribution	34	45	50	129	121	250
Loans and small savings	200	127	217	544	440	984
Unfunded debt and miscellaneous capital receipts	(—) 14	(—) 25	28	(—) 11	40	29
Total ..	359	297	445	1,101	921	2,022
External assistance	38	100	300	438	600	1,038
Deficit financing	238	464	215	917	283	1,200
Total	635	861	960	2,456	1,804	4,260

The broad lines of endeavour to secure additional resources (Rs. 240 crores) as suggested by the planning commission may be mentioned here. The scope for additional taxation at the Centre is very limited. Nevertheless, the Centre should accept a target of Rs. 40 crores of further taxation in the next two years. The original taxation target for the States was Rs. 225 crores. The measures they have adopted so far add up to Rs. 173 crores. They are thus Rs. 52 crores short of the original target. It has been suggested to the States to agree to raise Rs. 60 crores by way of additional taxation in the next two years. If this target is accepted, the concrete measures to be adopted can be gone into. As regards public borrowings, very much depends upon the state of the market. The bulk of the additional Rs. 60 crores shown under loans and small savings has to be found by intensifying the small savings drive. Another Rs. 80 crores will have to be raised through economies in non-Plan expenditure and through speedier collection of overdues of taxation and loans. This requires close examination. It looks feasible, but it calls for determined effort both at the Centre and in the States. It is particularly important to ensure that the States will undertake this effort. The point to stress is that only if effort along these lines is possible can the Plan outlay be raised to Rs. 4,500 crores (as compared with the estimated resources of Rs. 4,260 crores). Such an effort must be made, if an imbalance as between the different sectors of the Plan is to be avoided. At the same time, no commitments beyond this level of outlay can now be undertaken without resources being in sight.

Economic stability internally and viability on external account—allowing for whatever resources from abroad are forthcoming—are of vital importance at this stage. The fact that foreign exchange reserves have fallen to a low level makes it particularly necessary to limit deficit financing and, therefore, the total level of Plan outlays in consonance with the resources position.

The Planning Commission has worked out a pattern of allocations by major heads of development on the basis that the necessary effort will be made to bring the resources at least up to Rs. 4,500 crores. The table on the next page sets forth the break-up of a total of Rs. 4,500 crores among the different sectors as compared with the revised allocations.

The Plan outlay of Rs. 2,456 crores for the first three years will, on present expectations, have been financed as follows:

(Rs. crores)

Balance from revenues	439
Railways' contribution	129
Loans from the public, small savings and other capital receipts	533
External assistance	438
Deficit financing	917
Total ..	2,456

The resources available for the Plan, says the *Memorandum*, have so far been below expectations. In 1957-58, the budgetary deficit was as high as Rs. 464 crores. For 1958-59, the budget estimates postulate a considerable improvement in loans and small savings. Deficit financing is to be reduced by Rs. 250 crores as compared with 1957-58. But this assumes a step-up in external assistance from about Rs. 100 crores in 1957-58 to Rs. 300 crores for the current year.

Taxation has been raised substantially since the Plan began. The five-year yield on the tax measures so far adopted by the Centre will be about Rs. 725 crores. The probable five-year yield of the measures of taxation adopted so far in the States is about Rs. 173 crores. Altogether additional taxation already adopted should thus bring in approximately Rs. 900 crores over the Plan period. A large part of this tax effort has, however, been absorbed by other demands: defence, non-development expenditure and development expenditure outside the Plan. Despite the large tax effort at the Centre the revenue resources available for financing the Centre's Plan outlays are expected to show an improvement of only Rs. 45 crores as compared to the Plan estimates. In other words, only a negligible contribution has been made towards covering the original gap of Rs. 400 crores in resources.

Taxes in States

The States have raised additional taxation which will bring in Rs. 173 crores over the Plan period. They will have gained Rs. 160 crores as a result of the Finance Commission's Award, plus certain amounts by way of a large share of Central taxation. In spite of this, the balance they are able to find from their revenues for financing the Plan is below the original expectations. Assuming that the States are able to reach their original tax target of Rs. 225 crores, their revenue contribution to the Plan will amount probably to Rs. 350 crores, as compared with the original expectation of Rs. 370 crores.

Altogether, over the first three years, the budgetary resources of the Centre and of the States will add up to Rs. 1,100 crores, as compared with the five-year estimate of Rs. 2,400 crores, which still left a gap of Rs. 400 crores. The lag in resources has necessitated resort to heavy deficit financing at an early stage in the Plan. At one time, the intention was to limit the total to Rs. 900 crores over the five-year period. Now it looks fairly certain that the original figure of Rs. 1,200 crores of deficit financing will have to be restored. In fact, it will be difficult to adhere even to this figure unless measures are taken to raise further resources and to limit Plan outlays along the lines suggested below.

A certain amount of latitude in the matter of programme formulation is permissible while the country has large foreign exchange reserves. But this is no longer so.

With regard to external resources, the *Memorandum* of the Planning Commission reveals that the original estimates of foreign exchange expenditure have turned out to be on the low side. For the foreign exchange cost of some of the projects in the Plan has gone up and there have been additional demands on the country's foreign exchange resources, as, for example, for larger food imports and defence. A major factor to be borne in mind in this connection is that several of the new industries started in recent years depend for maintaining their output levels on imported raw materials and components. The allowance made in the balance of payments estimates for such imports during the Plan period has proved inadequate.

The current account deficits in the balance of payments aggregated Rs. 591 crores over the period April 1956 to September 1957. The deficit for the half-year October 1957 to March 1958 has been of the order of Rs. 230 crores. The total drawing down of the Reserve Bank's foreign exchange assets since April 1956 to the end of March 1958 works out at Rs. 479 crores. In addition, the I.M.F. credit of Rs. 95 crores has been used up. External assistance authorised since the second Plan began and committed so far amounts to Rs. 679 crores. It is difficult to assess the future trend in the balance of payments and, therefore, the minimum gap in foreign exchange resources still to be filled. But, on broad calculations, the second Plan appears likely to end up with an aggregate deficit of about Rs. 1,700 crores as compared with the original estimate of Rs. 1,100 crores. The further requirements of foreign exchange—over and above the amounts authorised but still to be utilised—is expected to amount to approximately Rs. 500 crores.

Allocations of Foreign Exchange

In view of the difficult foreign exchange situation, the allocations of available foreign exchange resources are being made in terms of the core projects. As against the total foreign exchange cost of the core projects amounting to Rs. 962 crores, commitments of the order of Rs. 296 crores have yet to be made.

If commitments for the Plan have to be limited—as they have to be on the basis of the estimates of resources given above—to Rs. 4,500 crores, there will be a sizable cut on State Plans, especially in respect of social services. It is only if ways could be found to raise domestic resources beyond the levels postulated that these cuts could be reduced.

Behind the inadequacy of financial resources is the insufficiency of total production and savings. It is most important, in this connection, to utilise fully the facilities that have already been built up for increasing food production. Success on the physical targets of the Plan is not a question merely of increased allocations; it depends to a great extent on the steps taken at each stage to utilise the new facilities immediately and fully.

Employment opportunities do not appear to be expanding sufficiently to absorb the increases in the labour force. This is because the investment effort in the economy is still low relatively to needs. Steps are being taken to strengthen the employment potential of the Plan at particular points, as, for example, the scheme recently approved for appointment of 60,000 teachers. But, total investment and employment can be increased only to the extent that more savings are forthcoming. Referring to output and employment, the *Memorandum* says that, broadly speaking, it would appear that the industrial component of the Plan—and especially the 'core'—will, it is hoped, come through fairly well, as also the programmes in the field of transport and communications. In some respects, the development of social services will fall short of the initial expectations and there will be some slowing down on the new irrigation projects. The development of power will be inadequate relatively to the rapidly growing needs of the economy. As regards employment, it appears that the implementation of the Plan has resulted in the creation of about two million job opportunities outside agriculture in the first two years, and about one million of the labour force should find employment opportunities in the course of the current year. It will be recalled that the Plan envisaged additional employment for about 7.9 million outside agriculture and about 1.6 million being absorbed in agriculture itself. With the increase in the costs of various projects, it was estimated that the employment potential of an outlay of Rs. 4,800 crores in the public sector with private sector outlays more or less according to the Plan would come down to about 7 million jobs outside agriculture. The estimate of such employment opportunities corresponding to an outlay of Rs. 4,500 crores in the public sector is 6.5 million. These estimates are very rough, but they indicate that the investment effort in the economy is still not upto the mark for ensuring employment sufficient to absorb the annual additions to the labour force. But it is only through increased savings that investments can be financed, and the experience of the first two years shows that the savings effort in the country is not yet commensurate with the minimum needs of the economy in terms of employment opportunities.

Food Production

As regards the role of food production, the *Memorandum* refers to the various factors that lie behind the inadequacy of resources relatively to the needs of the Plan. The financing scheme accepted at the time the Plan was made had a gap of Rs. 400 crores, and there have been other demands on the resources of both the Centre and the States which have added to the strain that was, in any case, expected. The level of investment in the private sector was also high in the early phase of the Plan, and the acute stringency that developed in the money market reacted unfavourably on the loan operations of Government. But, behind the inadequacy of financial resources lies the major limiting factor to developmental effort, namely, food production. High domestic prices as well as large import requirements are related in part to the insufficient response of food production to the pressure of demand. It is to the extent that success in this regard can be secured that the rate of investment in the economy—and hence the expansion of employment opportunities—can be stepped up.

Considerable irrigation potential has been built up in the last few years, but the utilisation of this potential has lagged behind. Considerable resources devoted to the Plan are not yet bearing fruit. This cannot but limit further effort. The Planning Commission wishes to stress in this context the need for the fullest utilisation of the irrigation facilities that are already available. What is needed is a well-organised effort in all the directions indicated in the Plan to increase food production in the interest of both internal and external resources—and, over a period, of developmental effort itself.

	Allocations as originally made in the Plan	Per cent. of total	Revised allocations (to accommodate the higher cost of some projects within the ceiling of Rs. 4,800 crores)	Per cent. of total	Outlays now proposed to correspond with the resources position	Per cent. of total
Agriculture and community development	568	11.8	568	11.8	510	11.3
Irrigation and power	913	19.0	860	17.9	820	18.2
Village and small industries	200	4.2	200	4.2	160	3.6
Industries and minerals	690	14.4	880	18.4	790	17.5
Transport and communications ..	1,385	28.9	1,345	28.0	1,340	29.8
Social services	945	19.7	863	18.0	810	18.0
Miscellaneous	99	2.0	84	1.7	70	1.6
Total ..	4,800	100.0	4,800	100.0	4,500	100.0

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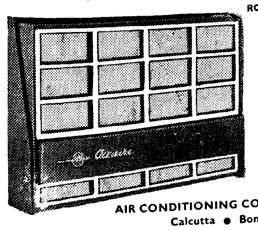

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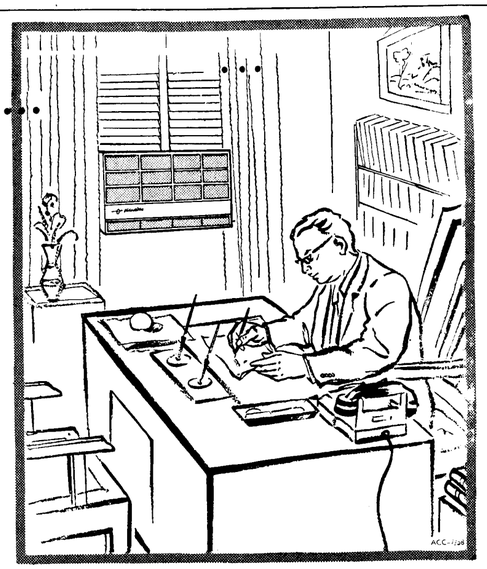

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TALKS WITH INDIAN AND PAKISTAN MILLOWNERS BEGIN

NO EASY TASK TO REACH SETTLEMENT

From A Special Correspondent

MANCHESTER, 6th *May*

MANCHESTER LETTER

STRIKING contrast between the attitude of Lancashire's cotton spinning and weaving operatives and leaders of the employers and unions who were trying to secure some agreement with the representatives of foreign textile industries was illustrated in discussions proceeding 250 miles apart in Britain this week. In London, the trade talks with the representatives of India and Pakistan began on the subject of imported cloth. In Morecambe, the annual conference of the United Textile Factory Workers' Association spent time considering the establishment of a 40-hour week and an increase in the annual paid holiday for cotton workers.

At the outset of the union conference, Mr. William Roberts, President of the Association and a member of the Lancashire team for the trade talks, warned the industry not to expect an early solution to the problem of imports. In his presidential speech, read for him in his absence, he said: "Now that Hong Kong has been persuaded to yield a little, the potentialities for agreement are better. But we have already experienced the disappointments of this procedure, and it would be extremely foolish for us to anticipate a total solution of our imports problem from the talks. It will need a most conciliatory attitude and spirit of goodwill to bring about any effective measures to benefit our industry."

No Easy Task

Mr. Roberts said that, while the Clegg mission from Lancashire was in Pakistan last year trying to secure an agreement with the employers there on the volume of cloth exports to the United Kingdom, the millowners of Hong Kong "withdrew all they had said, then closed and bolted the door against further talks." He told the conference: "Now that it has been opened again, everything possible must be done to persuade India and Pakistan to agree to a voluntary limitation in the talks about to take place in London. It will be no easy task to reach an understanding which will be satisfactory to all three parties." Since 1951, Mr. Roberts said, the labour force of the Lancashire cotton industry had dropped from 330,000 to 240,000. More than 250 mills had closed down.

Welcoming the recent decision of the British Government to impose quotas on cotton and rayon yarns and cloth from China entering the United Kingdom, he said:

"The continued increase of imports from the Eastern countries during the past year was a matter of deep concern because its continued rapid growth would have dealt further injury to our trade. The prompt action of the Government gave great satisfaction to all in the industry. We would like to feel that this move indicates a change of attitude which will soon be reflected in their replies to the representations which have been going on for three years regarding India and Hong Kong. These two countries may be in a different category to China, but at least the same spirit which prompted the Government to act so quickly could have been shown to encourage the other countries to offer a better response towards a voluntary agreement for the limitation of duty-free imports."

Shorter Hours

Among the resolutions dealt with at the conference was one urging the establishment of a 40-hour week. Mr. Harold Bradley, Secretary of the United Textile Factory Workers' Association, warned the delegates that they were living in a fool's paradise, if they believed that such a system could be adopted in current circumstances. The proposal was referred back to the Legislative Council of the Association. A suggestion that the annual paid holiday for cotton workers should be increased to four weeks was, however, approved by a large majority, against the advice of the Legislative Council.

On an emergency resolution dealing with the existing state of trade in Lancashire, the conference was unanimous. The Government should "take positive action" to protect the workpeople from the injustice of unlimited imports. No new method of obtaining relief from this adverse situation was put forward, but much depressing evidence was produced to emphasise the seriousness of the industry's plight.

The cotton unions have pinned their faith on the *Plan for Cotton* drawn up by Mr. Harold Wilson, M.P., which offers a comprehensive programme, based on Labour Party principles, for the advancement of the industry. On yarn and cloth imports, the establishment of a control board is proposed to regulate arrivals according to current conditions in Lancashire.

On raw cotton imports, a revival of the former bulk-buying Commission is advocated. Despite the virtual stagnation in Liverpool at present, the trade would be averse to such a move, mainly because it represented a return to the doctrinaire principles on which so many political creeds are based. Switching from pillar to post in this manner could only lead to renewed uncertainty over prospects every few years.

Plant Sales Drop

Textile machinery shipments from the United Kingdom, which maintained their impetus up to a couple of years ago compared with exports of finished textile products, are now apparently also on the slide. Returns for the first quarter of the current year show a marked drop as compared with 1957 by both volume and value. To the end of March, exports were 288,627 cwt., worth £10,231,490. The corresponding 1957 figures were 376,371 cwt. valued at £11,311,042, while, in the first quarter of 1956, shipments aggregated 476,048 cwt. earning £12,632,665.

Variations in the quantity of plant absorbed by the different countries have also been more marked in the case of textile machinery than in yarn and cloth. Much of the recent decline can be attributed to a sharp drop in takings by India which has only absorbed 41,575 cwt. so far this year, as against 90,283 cwt. twelve months ago and 115,572 cwt. in the first quarter of 1956. Australia, on the other hand, has stepped up imports, receiving 29,303 cwt. this year against 13,647 cwt.

Shipments to the Soviet Union which exceeded 42,000 cwt. in the first quarter of 1956 have now dropped to less than 9,000 cwt. and other countries which have taken smaller quantities of plant this year include France, the United States, Mexico and Pakistan. A marked increase, however, has occurred in shipments to Chile, rising to over 13,000 cwt., as against less than 1,000 cwt. last year.

The various types of machinery have all suffered setbacks in their exporting endeavours, the quantity of plant for preparatory processes shipped abroad falling from 41,239 cwt. to 27,877 cwt. Weaving machinery exported has amounted to 46,376 cwt., as against 59,278 cwt. and finishing plant comprised 16,853 cwt., as against 25,042 cwt.

Census of Opinion

Every year, a bulky volume arrives on the desks of textile executives, containing a thousand and one facts and figures relating to cotton's economy and reflecting the attitude of traders and officials in practically every country in the world. This is the *International Year Book* published by the *Cotton Trade Journal* of Memphis, whose world-wide coverage of everything relating to the fibre presents a remarkable cross-section of opinions within the industry.

As for some years past, the headlines pinpoint each nation's difficulties. The traditional centres of cotton growing and textile manufacture are increasingly on the defensive against their newer rivals, while even some of the latter are already describing what they regard as their uphill struggles to expand and export.

In many areas, notably the Middle East, cotton as a raw material has a vital role to play in national economies. So too have the mills which are steadily increasing in number as former agricultural lands become industrialised. Patterns must change with the years but there is as yet no real sign that consumption is sufficiently large to absorb the total output of cloth. Raising the individual use of textiles per head of the population in underdeveloped areas of the world is essential if the current phase of overproduction in many countries is to be halted.

Among the views attributed to Lancashire trade leaders in the *Year Book* are: "Our industry does not want any more in the way of control than what will ensure fair trade between countries of comparable standard of living, but there is a form of self-control we must all exercise, particularly in difficult times, in order not to try to seize temporary advantages at the expense of others. There is room for all of us and provided a cotton industry is efficient no Government would be wise either to neglect its development or allow circumstances to develop where it could suffer irremediable harm."

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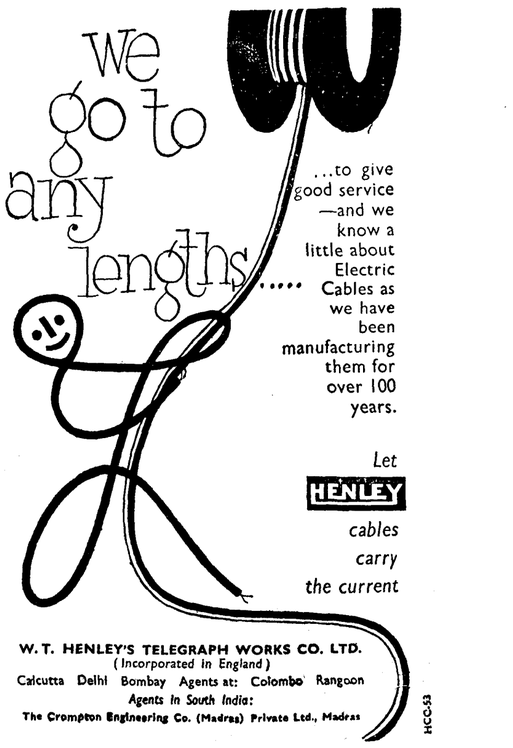

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COTTON IN SOVIET RUSSIA

AVERAGE PER ACRE YIELD VERY HIGH

ALTHOUGH Soviet Russia is the second largest cotton producing country in the world, next only to the U.S., the free world outside Russia knows very little about its techniques of cotton growing and cotton pricing systems. Some useful information regarding cotton cultivation in that country, contained in a report prepared by Messrs. Edouard Senn and Jean Lhuillier on their mission to the U.S.S.R. and published in the *Coton et Fibres Tropicales*, of Paris, makes interesting reading. It may be noted here that, with a view to catching up with the U.S., and to meeting domestic requirements and supplying the demand from East European countries, the U.S.S.R. intends to raise production to about 11 million bales (of 478 lbs. each) by 1966, as compared with 6.86 million bales in 1956, and to 16 million bales by 1970.

In 1956, the report points out, cotton production in the U.S.S.R. reached 4.3 million tons of seed cotton, equivalent to 1,488,000 tons (6,860,000 bales) of raw cotton. Production of cotton fabrics was of the order of 5,452 million metres. Raw cotton output, as noted above, is expected to rise to 11 million bales by 1966 and 16 million bales by 1970. To achieve this result, the area sown to cotton will be expanded from the present two million hectares (1 hectare=2.471 acres) to more than four million hectares.

The Republic of Uzbekistan, the leading cotton-producing region of the U.S.S.R., accounts for 1.3 million hectares out of the total sown area of 2 million hectares. It already produces about 3 million tons of seed cotton and is scheduled to produce more than double the quantity under the expansion programmes envisaged. In the cotton-growing areas of Uzbekistan, according to the report, two things are particularly noticeable. First, the physical characteristics and fertility of the land are such as can be adapted fairly easily to irrigation. Secondly, there is no evidence of any serious parasites as there is in the U.S. Plant disease is limited to early attacks of mites and thrips. These two factors—favourable soil and absence of plant disease—are responsible for the high average yield obtaining in this region. Average yield per acre of lint cotton in Uzbekistan in 1956 was 679 lbs., as compared with 464 lbs. in 1940 and 378 lbs. in 1913. Production in this region also increased more than twofold during the period 1940-56 from 2.2 million bales in 1940 to 4.5 million bales in 1956.

Varieties Grown

The main long-staple cotton varieties grown in the U.S.S.R. are 2i3 and 54-76i having a staple length of 1⅜" and 1¼" to 1.9/16", respectively. But these are now being replaced by new varieties. The main medium-staple variety is 108F which has a staple length of 1¼". About 83 per cent. of the total cotton acreage in Uzbekistan and the entire Azerbaidjan and Kazakistan are planted with this variety. 108F comprises about 75 per cent. of the total cotton crop in the U.S.S.R.

Cotton production in the U.S.S.R. is regulated through the following organisations: (1) The Science Academy engaged in pure research and with problems not dealt with by the Uzbekistan Academy of Agricultural Science. (2) The Gosplan, chief of the Council of Ministers who plans and co-ordinates production activities—labour, raw materials, power and investment, etc. (3) The Council of Ministers of the Republic, a local political organisation. (4) The Gosplan and the Council of Ministers of the Supreme Soviet which co-ordinates, on a national scale, the programmes set up by the 15 Republics. (5) The Minister of Agriculture of Uzbekistan who is responsible for putting into effect the decisions taken. (6) The *Sovkhozes*, the *Kolkhozes* and the Tractor machine stations which are concerned with the actual carrying out of the production plans.

As regards the organisation of farms, there are two types of farms, the *Sovkhozes*, that is State farm enterprises, the scale of operation of which is large enough to justify a completely independent organisation under the control of the Minister of Agriculture and *Kolkhozes* which are collective farms of comparatively smaller area. There are about 100 *Sovkhozes* and 1,900 *Kolkhozes* in Uzbekistan. The latter are served by about 250 tractor stations. In 1956, 80 per cent. of the total earnings of the *Kolkhozes* in Uzbekistan came from cotton.

Price Fixing

The system of price fixing in Uzbekistan consists of two elements—the base price which relates to a theoretical yield for any given region and the other in the nature of a productivity premium. In the case of cotton, every quintal produced in excess of the "norm" benefits from a 50 per cent. premium above the base price. Normal production varies according to the region, being 15 quintals per hectare in less favourable areas, and rising to 20 quintals per hectare in Boukhara and 25 quintals per hectare in Tashkent. The prices for seed cotton of average staple length in 1957 were : 354 rubles, 266 rubles, 201 rubles and 150 rubles per quintals for first, second, third and fourth qualities respectively. For extra long staple, these prices are doubled.

In this method of price fixing, it is necessary, the report points out, to fix a base price which is sufficient to cover all legitimate costs incurred by the average producer and production premiums must be set at levels which can reasonably be attained by producers. The results of this price policy can be assessed from the fact that in 1956 only 270 of the 1,900 *Kolkhozes* in Uzbekistan produced less than 15 quintals per hectare as compared with 485 in 1955. The aim is to reduce the present 238 working days per hectare to 50 to 60 days by 1960, which would make more labour available for other work.

Irrigation plays an important part in Soviet cotton production. The Irrigation Institute for Central Asia was set up in 1925 to study the possibilities for controlling and distributing water supplies. Although irrigation potential is considerable, a limiting factor in the development of irrigation is the need to modernise the old irrigation system as well as to provide for planned extensions. At present about 60 per cent. of the old system of irrigation has been modernised.

The two biggest problems which the U.S.S.R. has to face in achieving its production targets, the report points out, are, on the one hand, land recovery and development and the elimination of salinity and, on the other, harvesting. Most of the good land is already being cultivated. Harvesting problems relate to the development of mechanical picking and the need for drying cotton. The Institute of Mechanisation for Central Asia, established in 1957, is primarily concerned with cotton mechanisation. At present only 12.7 per cent. of the total crop in Uzbekistan is harvested by machines. Apart from harvesting, machines are used for sowing, hoeing, thinning and defoliation.

COTTON IN THE PUNJAB

Replying to a question, Mr. A. P. Jain, Union Minister for Food and Agriculture, stated in the Lok Sabha that the cotton production schemes in the Punjab State during the second Five-year Plan, aimed at increasing production of cotton by various extensive and intensive methods of cultivation.

He added that, under the extensive methods, it was proposed to increase the area under cotton by extending the cultivation of the crop in the old and new areas, specially where additional irrigation facilities were being provided. In the latter case, increasing quantities of pure cotton seeds and fertilisers were being distributed every year. Fumigation of cotton seed to destroy pink boll-worm before its distribution to cultivators and adoption of pest control measures were also undertaken. The target of production was 12.5 lakh bales by the end of the second Plan period.

The Minister further observed that the entire expenditure on the scheme was borne by the Government of India except losses on cottonseed distribution among the cotton-growers, which were shared equally between the Central and State Governments. During the first two years of the second Plan, namely, 1956-57 and 1957-58, the State Government was given grants amounting to Rs. 82,164 and Rs. 64,265 respectively, as the Central share of assistance towards the scheme.

CONTROLLING COTTON ANTHRACNOSE

Disinfecting the cottonseed with an organic mercurial compound before sowing is being recommended as a method of controlling the anthracnose disease of cotton. The disease appears in the Khandesh area of Bombay State in a serious form in years of heavy rainfall. It causes seedling blight in the early stages and boll rot if the humidity is high at the time bolls are formed. As a result, yields go down and the quality of the *kapas* is also spoiled. The seed can be disinfected by dressing it with the organic mercurial compound in a revolving drum, or by besmearing the seed with mud paste to which the disinfectant has been added. Two ounces of the mercurial compound will have to be used for every 15 pounds of the seed. Thinning the crop at the time of the second interculture is considered a good practice in checking the disease. As a preventive against the disease, the crop in the boll-forming stage would also have to be sprayed with a copper compound twice or thrice in September.

It is also essential, it is pointed out, to prevent infection of the disease from one cotton crop to the next.

COMMITTEE TO REVIEW COTTON EXTENSION WORK

The Government of Bombay has appointed a State Committee consisting of both officials and non-officials, under the chairmanship of the Director of Agriculture, Poona, for reviewing from time to time, the cotton extension work done in the State. The non-official members of the Committee include a representative each of the East India Cotton Association and of the co-operative banks, three representatives of the cotton mill industry at Bombay, Ahmedabad and Nagpur and two representatives each of the growers from the Rajkot, Ahmedabad, Nagpur and Aurangabad divisions and one representative each of the growers from the Bombay and Poona divisions.

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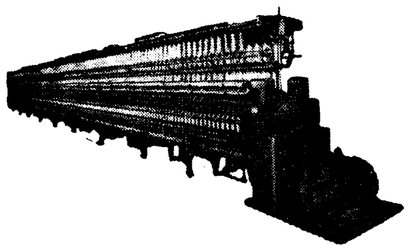

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EXPANSION OF SUGAR INDUSTRY

RATED CAPACITY EXPECTED TO BE BELOW TARGET BY 250,000 TONS

THE progress in the implementation of the expansion scheme drawn up for the sugar industry has considerably slackened. The aggregate rated capacity of the industry that will actually be reached by 1960-61 is expected to be not more than 2.25 million tons (calculated on the basis of an average working season of 120 days and sugar recovery of 10 per cent.), as against the target of 2.50 million tons originally fixed, according to the memorandum on the appraisal and prospects of the second Five-year Plan submitted by the Planning Commission to the National Development Council at its meeting held in New Delhi early this month. The shortfall in the fulfilment of the target thus comes to 250,000 tons or 10 per cent. The Planning Commission has, of course, emphasised that the entire rated capacity should be fully utilised, so that the production target of 2.25 million tons may be achieved.

The slackness in the progress of expansion scheme must be attributed largely to shortage of foreign exchange. Replying to a question in the Rajya Sabha recently, Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, revealed that, owing to foreign exchange difficulties, the applications for the establishment of 11 co-operative sugar factories and one new factory in the private sector had not yet been granted. The foreign exchange component required for a mill of 1,000 to 1,200 tons capacity is stated to be about Rs. 60-70 lakhs. The Planning Commission puts the total additional foreign exchange required for achieving the original target of 2.50 million tons at Rs. 10 crores.

The two Five-year Plans, it will be recalled, envisaged an increase of one million tons in the capacity of the sugar industry to bring the total capacity by the end of 1960-61 to 2.5 million tons. Licences have already been issued for the setting up of 55 new factories, including 38 co-operative units, and expansion in the capacity of 66 existing mills. Of the new units licensed, four went into production in 1955-56 and five in 1956-57. The total rated capacity at the end of 1957 stood at 2,010,000 tons. Another nine units have started working in the current season (1957-58). The slow pace of the installation of new factories has been due to delayed shipments of machinery and payment difficulties. Thirty existing factories have completed their expansion schemes and others are expected to complete their schemes in due course.

Additional Capacity

The total additional capacity brought into effect in the sugar industry during the first two years of the second Plan period is believed to be 270,000 tons. This, together with the capacity added in the first Plan, comes to 400,000 tons. Following the expansion in capacity, the production of sugar has registered a substantial improvement. The quantity that actually came off the crushing plants during the first year of the second Plan (1956-57) was markedly higher at 2,026,179 tons—an all-time record—as against 1,861,837 tons in 1955-56. The production in the current season is expected to exceed the previous season's figure. This expectation is likely to be fulfilled, considering that the total output of sugar up to 15th April 1958 amounted to 1,841,650 tons, which compares very favourably with 1,701,000 tons in the corresponding period of 1956-57.

The following table indicates the position in respect of production, despatches and closing stocks of sugar in the different States as on 15th April 1958:

(In tons)

State	Production	Despatches	Closing stocks
Northern India			
Uttar Pradesh	913,858	442,354	692,812
Bihar	208,151	116,908	208,151
West Bengal	4,345	3,521	4,345
Punjab	58,994	31,095	58,994
Rajasthan	9,234	8,037	9,324
Madhya Pradesh	24,781	20,566	24,781
Total Northern India	1,308,777	662,481	998,407
Southern India			
Orissa	3,873	2,022	3,089
Madras	42,540	24,721	32,491
Kerala	8,283	3,739	5,278
Bombay	276,387	133,887	201,768
Mysore	70,819	31,726	40,279
Andhra	130,971	70,777	99,648
Total Southern India	532,873	266,852	382,553
Grand total	1,841,650	889,333	1,380,960

The production of 1,841,650 tons upto 15th April and the carry-over stocks of 428,610 tons from the previous season together brought the total supply of sugar actually available during the first 5½ months of the season to over 2,270,260 tons. As against this quantity, despatches aggregated 889,300 tons, as against 944,000 tons in the same period last year. The closing stocks of sugar with the mills as on 15th April were 1,380,960 tons, as against 1,285,000 tons a year before. The major portion of the stocks lying unsold with mills as on 15th April 1958 is accounted for by the three States of Uttar Pradesh, Bihar and Bombay. They aggregated as much as 1,102,731 tons, representing nearly 80 per cent. of the total.

MECHANISED PLANTING OF SUGARCANE

A new device to mechanise planting of sugarcane has been evolved by the Indian Institute of Sugarcane Research, Lucknow. The device consists of a planter attachment capable of sowing three rows at a time and suitable for use with a Fordson Major Tractor.

The rear mounted tool bar fitted with three standard ridger bodies is used as the basic unit for the design. Three wooden seats are fitted above these ridger bodies and to the rear of these seats are fixed three chutes leading vertically down to the furrows made by the ridger bodies. Wooden boxes carrying the seits to be planted are provided between the seats. A fertiliser distributor divided into three compartments is also provided for applying fertiliser in the furrows. A wooden board attached behind the tool bar levels the ground immediately after the planting is done. The new device has several advantages. It reduces the labour required to be employed during the planting season and also speeds up the planting operations. Consequently, the cost of planting is appreciably reduced. With this attachment, it is possible to plant six acres in eight hours, maintaining a tractor speed of about two miles per hour. The attachment, although originally designed for the Fordson Major Tractor, can, with minor modifications in the dimensions, be made suitable for use with other tractors also.

The fabrication of these attachments is simple and does not involve the use of heavy machine tools. Only a hand-operated shearing machine, an electrically operated drill press, one small bench lathe and one oxy-acetylene welding set are required, and hence it is possible to manufacture these units even in a small workshop.

The aforesaid device is quite a valuable one. The planting operations in the cultivation of sugarcane generally carried on at present involve the use of considerable manual labour and is, therefore, very expensive. In the most advanced cane-producing countries of the world, planting is done with the use of machines. The new device, it is expected, will facilitate the mechanised planting of cane in India and thus save a lot of manual labour. Parties interested in undertaking the commercial development of the device are invited to write to the Secretary, National Research Development Corporation of India, Mandi House, Lyiton Road, New Delhi 1.

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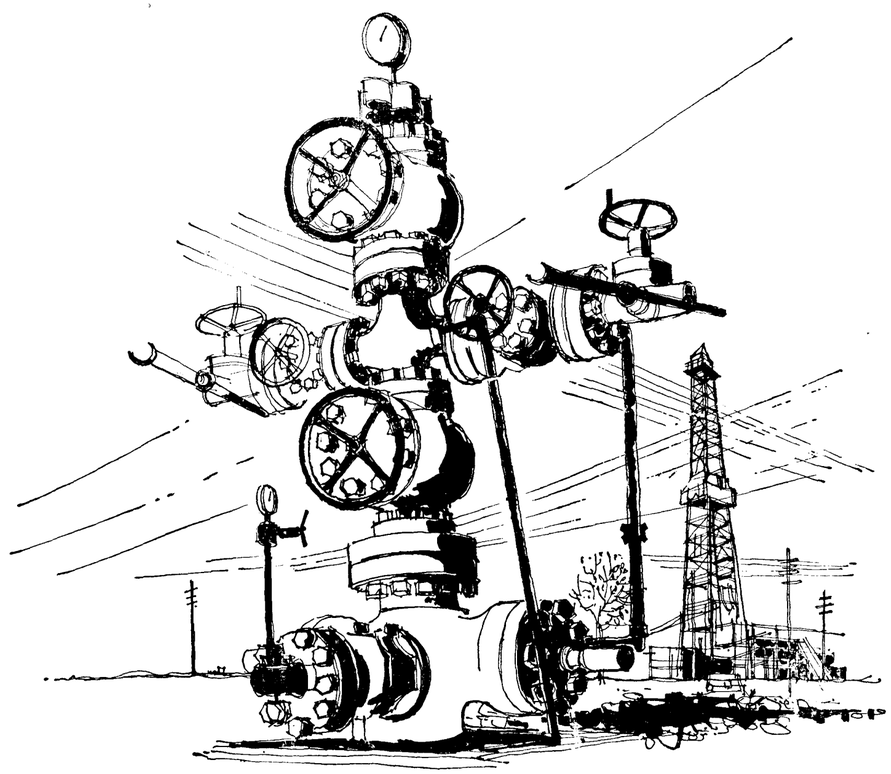

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When a well strikes oil, the first consideration is to stop it gushing. Such an occurrence, though spectacular and common in the early days of drilling, is wasteful. To counteract the pressure, therefore, the mud used during drilling is pumped into the well. The drill is then replaced by narrow tubing which stretches from the bottom of the newly discovered deposits to the 'Christmas Tree' on the surface. The latter is a system of valves which control the flow of oil.

Crude oil, by itself, cannot move. It usually lies between natural gas (on top) and water, so that when the oil trap is pierced by the well, any gas present seeks to expand and pushes down on the oil, driving it upwards. Or gas may be dissolved in the oil itself, and as it expands it pushes the oil to the surface. If, however, a large quantity of water lies below the oil, it forces the oil out of the porous rock and into the well. Sometimes a combination of gas and water pressure drives the oil to the surface.

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JUTE INDUSTRY IN PAKISTAN

STATE GOVERNMENT'S SUGGESTION FOR OFFICIAL ENQUIRY

THE Indian jute industry has, during the last few years, been facing severe competition not only from substitutes but also from other jute goods producing countries, particularly from Pakistan. With an abundant supply of high quality raw jute and cheap labour and thanks to the installation of modern machinery, the jute industry in Pakistan has made such rapid progress that the Indian mills have had to struggle for their existence. The industry has been fighting the battle in two ways, namely, by increasing the domestic output of raw jute with a view to achieving self-sufficiency and doing away with its dependence on Pakistani jute and by modernising its machinery. The progress in both directions has not been up to expectations, though the position is better than it was two years ago. The increase in production of raw material during the last few years is largely accounted for by mesta. Any large admixture of mesta in jute goods production will affect the quality of the manufacture.

In fine, Pakistan's jute industry is in a more advantageous position than its confrere in India, despite the fact that the latter is much older. It is, therefore, understandable if, in the circumstances, India is envious of Pakistan in respect of the latter's jute industry. It is, however, surprising to find from the addresses of Mr. A. Jalil, Vice-President of the Pakistan Jute Mills' Association, and of Mr. Ataur Rahman, Chief Minister of East Pakistan, at the annual meeting of the Association, that all is not well with the Pakistani jute mills. The Chief Minister of East Pakistan disclosed that the State Government had proposed to the Central Government that a high-level official enquiry be carried out and remedial measures, both short-term and long-term, undertaken to ensure that the jute industry stayed on an even keel. The Government was aware, he said, of the difficulties and handicaps of the jute industry. He, however, felt that India's advantageous position in the industry should be a challenge to Pakistan's manufacturing industry to make itself more efficient and productive.

Heavy Loss in 1956-57

Mr. Jalil admitted that the jute industry in Pakistan had made steady progress and that the foreign exchange earnings were nearly up to expectations, but the industry was still struggling for stabilisation and consolidation. "In fact," he said, "it suffered a severe setback due to very disappointing results of working during 1956-57." According to Mr. Jalil, most mills suffered heavy losses, amounting approximately to 15 to 20 per cent. of the capital invested. In this connection, he disclosed that the capital cost of Pakistani mills amounted approximately to Rs. 27,000 per loom, as against Rs. 6,285 in India, taking into account both modernised and old mills. India had also another advantage, Mr. Jalil added, that is, lower overheads. By forcing less efficient units to close and transfer their production to modernised units in the same group, Indian mills had an advantage of Rs. 51 per ton in overheads alone over Pakistani mills. The depreciation of the Indian mills, according to Mr. Jalil, worked out to Rs. 21 per ton as against Rs. 108 per ton for Pakistani mills. Apart from the very low capital cost, depreciation and overheads, Indian mills, he said, had the advantage over Pakistani mills in batch price, better know-how and efficiency, disciplined labour, a very large number of shippers and dealers and the recently established futures market which shared the risk of adverse fluctuations in prices of both raw material and finished products.

One of the causes of the more favourable batch prices of Indian jute mills, Mr. Jalil explained, was the attainment of self-sufficiency in jute not only by increasing jute acreage but also by encouraging the cultivation of other fibres such as bimli and mesta, the price of which was about Rs. 4 to Rs. 5 per maund lower than jute. In this connection, Mr. Jalil said that the recent ban on cultivation of mesta in Pakistan should be removed. In respect of labour also, Pakistani mills would appear to be in a disadvantageous position. "As against the stable and machine-minded labour of Indian mills," Mr. Jalil went on, "Pakistani mills have to employ labour which has yet to appreciate its responsibilities. It is still largely migratory and goes back to the land for considerable periods in the year. At the same time, there have been numerous demands for higher wages and better amenities. Labour leadership in Pakistan is inexperienced and has not identified itself with the real and lasting interests of labour. Thus, Pakistan has to employ 3.5 workers per loom, as against three by modernised Indian mills, thus raising labour costs to Rs. 70 per ton more than in India."

Despite the establishment of modern machinery, Pakistan is said to have not been able to take even reasonable advantage of it. For the production so far has not been more than 15 tons per loom per year in a 50-50 hessian sacking mill against 18.21 tons in similar Indian mills. The cost of power supply is also very much higher in Pakistan. According to Mr. Jalil, it works out to Rs. 55 per ton, as against Rs. 15.5 per ton in India. Among other handicaps experienced by Pakistani mills, he mentioned excessive taxation and excise duties, inadequate transport facilities for movement of jute from the interior to the mills, high freight rates charged by coastal services and inadequate overseas shipping facilities.

India, as a manufacturer of jute goods, is not the only country facing the threat of competition from substitutes and other countries. Pakistan, too, despite its position as a leading supplier of jute to the world, is being challenged by new countries such as Thailand, Brazil, China and Burma, which have taken up cultivation of raw jute. In Mr. Jalil's opinion, this challenge can be met by immediate implementation of measures which would help reduce the price of raw jute. One of the methods of doing so is to extend the acreage under jute. The Government's policy is, however, one of getting high price on its raw jute exports by deliberate restriction of acreage under jute. Mr. Jalil clearly disagreed with this policy of restricting jute acreage to the potential demand for the fibre. While agreeing with the need for ensuring a fair return to the grower, he thought that this end could be achieved by increasing the yield per acre through supply of improved seeds and educating farmers in the use of fertilisers.

Pakistan's jute mill industry has now 12 mills with a loomage of 6,762 out of a target of 12,000, as against one mill working in 1951. It employs 50,000 skilled and unskilled labourers and has successfully fulfilled its functions of meeting in full the internal demand for jute goods, while being one of the principal foreign exchange earners.

STOCKS OF GUNNIES MOUNT UP

An increase of 2,900 tons in stocks of jute goods with mills at the end of April is disclosed by the latest statement of the I.J.M.A. They have gone up from 94,300 tons at the end of March to 97,200 tons, thus reversing the downward trend noted in the previous two months. With this increase, the stocks stand at the highest level since the end of July 1957. As compared to the position a year ago, the stocks represent a fall of 7,000 tons, as will be seen from the following table:

Jute Goods Stocks

(In tons)

	As on 30th Apr., 1958	As on 31st Mar., 1958	As on 28th Feb., 1958	As on 30th Apr., 1957
Hessian	24,500	27,200	29,700	29,800
Sacking	54,900	53,300	53,700	56,500
Others	15,000	14,400	13,200	11,400
Total ..	94,400	94,900	96,600	97,700

The rise in stocks at the end of last month is mainly due to the increase in sacking and "other manufactures," which have gone up by 5,200 tons and 1,800 tons, respectively. The stocks of sacking have risen for the second year in succession and are at their highest level since July last. Stocks of "other manufactures" constitute a fresh record. The stocks of hessian have, however, declined from 24,500 tons to 20,400 tons, thus maintaining the downward trend for the third month in succession and taking them to the lowest level since December 1956.

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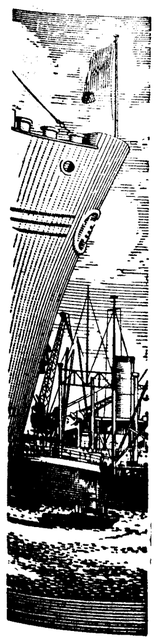

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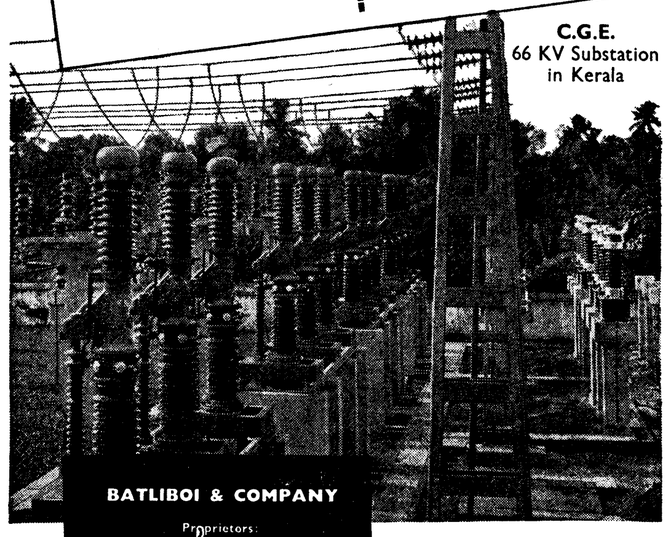

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TRANSPORT UNDER THE SECOND PLAN

PROGRESS DURING FIRST TWO YEARS AND PROSPECTS FOR FUTURE

THE appraisal of the progress achieved by the second Plan for the development of transport during 1956-57 and 1957-58 and the review of the prospects for reaching the Plan target made by the Planning Commission in the memorandum submitted to the National Development Council is of more than ordinary importance because transport constitutes the hard core of the Plan and the degree of success achieved in its development determines to a large extent the success of the Plan. The memorandum, which gives an idea of the outlay incurred under the Plan during the two years, the budget provision for the current year, the estimated expenditure during the two years 1959-61 and the total for the five-year period, clearly indicates the extent of progress made so far and what remains to be done.

The total provision for railways in the second Plan is Rs. 1,125 crores, including Rs. 225 crores on account of depreciation. The foreign exchange element of the programme is estimated at Rs. 425 crores. Though it was estimated that the additional freight traffic by the last year of the second Plan would be about 61 million tons, bringing the total traffic to be carried to 181 million tons, the Plan provides for moving additional freight traffic of the order of 42 million tons, comprising 13 million tons coal, 18 million tons steel including raw materials, 4 million tons cement and 7 million tons miscellaneous traffic. The Plan also provides for an increase of 3 per cent. per annum in passenger traffic. It was not expected that this provision would help to relieve overcrowding.

Due to rise in prices, the programmes drawn up within the provision of Rs. 1,125 crores are now estimated to cost Rs. 1,225 crores, that is, Rs. 100 crores higher than the original estimates. It is now realised that it is not possible to raise the existing provision of Rs. 1,225 crores and some of the projects in the second Plan for railways may have to be postponed. The Railway Board has also agreed to put forward proposals for saving Rs. 48 crores in foreign exchange. These are awaited.

As regards the fulfilment of targets, it is expected that the railways will be able to carry 42 million tons of additional freight traffic by 1960-61. Whether this will be adequate, the memorandum adds, cannot be said with certainty. The slowing down in the tempo of development owing to foreign exchange and other difficulties may result in the additional traffic to be carried by the last year of the Plan being less than the original estimate of 61 million tons, but it may be more than 42 million tons. There is in any case likely to be some change in the composition of the traffic to be carried, as compared with what is envisaged in the Plan. For instance, the demand on the railways for the movement of coal may be somewhat less than provided for in the Plan and that for the movement of miscellaneous traffic may be greater. The target in respect of passenger traffic, namely, provision for an increase of 3 per cent. per annum, is also likely to be fulfilled. However, the percentage increase in passenger traffic in 1956-57 over 1955-56 was as much as 6.7. If such a trend continues, it is pointed out, the problem of overcrowding will get worse.

The total Plan provision for railways, the estimated outlay during the first three years and the estimate of expenditure in the last two years of the Plan are shown in the table given at the foot of the article.

Shipping

A provision of Rs. 45 crores was made for shipping in the second Plan including Rs. 8 crores to meet the orders placed during the first Plan period. The entire amount has already been committed and the tonnage likely to be acquired as a result of these commitments is only about 1,80,000 g.r.t., as against a Plan target of 3,90,000 g.r.t., including 90,000 g.r.t. for replacement of obsolete ships. To reach the target, an additional sum of about Rs. 43 crores would be required.

Recently, as is common knowledge, it has been agreed to set up a Shipping Development Fund for financing the acquisition of additional tonnage in the remaining Plan period. This Fund will be made up of (*a*) Rs. 7 crores which are expected to be available from the repayments of loans (including interest) already advanced to the shipping companies; and (*b*) annual contributions from general revenues to be determined from year to year. The amount of additional resources that will be available for shipping will depend upon the contributions to this Fund in the rest of the Plan period. It is uncertain, however, whether the contributions will be sufficient to enable the target laid down in the Plan to be reached.

The table below shows the Plan provision for shipping, the estimated outlay in the first three years of the Plan period and the likely expenditure in the last two years of the Plan.

Port Development

A provision of Rs. 43.5 crores was made in the second Plan for the development of the major ports of Calcutta, Bombay, Madras, Vizag, Cochin and Kandla, but the total cost of the port programmes approved for inclusion in the Plan was Rs. 79.9 crores as it was expected that some additional funds would be available from the ports' own resources. The ports' own contributions are now estimated at about Rs. 18 crores, but the estimated cost of the ports' programmes has been revised upwards and is reckoned at about Rs. 100 crores. Thus, there is a considerable gap between the resources available and the financial outlay required for the programmes envisaged.

The foreign exchange element in the programmes costing Rs. 100 crores is of the order of Rs. 35 crores. The financing of the programme is linked with expected loan assistance from the World Bank. Some assistance for the Vizag port may also become available from the U.S. President's Asian Development Fund. Even with this assistance, the memorandum avers, it will not be possible to carry out the original programmes in full. The various items have recently been reviewed with a view to determining priorities. Some of the long-term projects which may have to be retarded are the Minimum Scheme at Bombay, the Fulta-Hooghly River Training Works and the new Marshalling Yard at Calcutta, the Wet Dock Scheme at Madras and the equipping of new berths at Kandla.

The Plan envisaged raising the handling capacity of the ports from about 25 million tons to 33 million tons. It is considered that, despite the probable postponement of some long-term projects, the programmes already undertaken and those which are likely to be taken up will enable the tonnage capacity envisaged to be achieved.

The Plan provision for ports, the estimated outlay in the first three years and funds which, it is estimated, may be possible to make available in the last two years are indicated in the table at the foot of the article.

Roads

A sum of Rs. 246 crores has been earmarked for Road Development in the second Plan, in addition to Rs. 25 crores to be drawn from the Central Road Fund. Of this sum, Rs. 94.7 crores have been provided in the Plan of the Ministry of Transport for the Central road programme (including Union Territories) and Rs. 151.4 crores in the State Plans. The Plan provides for the construction of about 20,000 miles of surfaced roads, besides construction of major bridges, missing links, improvements, etc. The expenditure during 1956-57 on the entire road programme was Rs. 42.71 crores and the revised estimate for 1957-58 is Rs. 44.32 crores. The budget provision for 1958-59 is Rs. 42.23 crores. Thus the total estimated expenditure in the first three years of the Plan works out to Rs. 130.26 crores, leaving a balance of about Rs. 116 crores for the subsequent two years. It seems improbable, however, that in the last two years it will be possible to make budget allotments equal to this amount. Furthermore, shortage of steel is likely to retard the construction of bridges. Some shortfall in the total programme is, therefore, to be expected.

It became necessary, early in 1957, to define strict priorities among projects requiring foreign exchange so as to ensure the implementation of certain essential projects which could be regarded as constituting the 'core' of the Plan. The projects included in the 'core' are the steel plants and the coal and lignite programmes both in the public and private sectors, the programmes of the railways and major ports, and certain selected power projects over and above those already covered by foreign aid.

The total foreign exchange cost of all the core projects in both the public and private sectors is about Rs. 962 crores. Of this, expenditure incurred or committed as on 31st March 1958 aggregated Rs. 665.48 crores of which Rs. 258.00 crores were accounted by Railways including Rs. 6.62 crores of Post and Telegraph requirements in connection with railway electrification. Fresh commitments necessary for completing the programmes amount to Rs. 296.37 crores of which Rs. 173.63 crores alone will be accounted for by railways.

Programmes Reviewed

It will thus be seen that, of the further commitments still to be made, the requirements of the railways form by far the largest single item. The figures in respect of railways and the ports relate to the entire programmes included in the Plan. These were originally treated as part of the 'core' without any curtailment, as it was believed that assistance would be forthcoming from the World Bank to cover a substantial portion, if not the whole, of the foreign exchange required for them. It now seems that, the memorandum points out that, though the World Bank assistance is likely to be considerable, it will not be sufficient to meet in full the outstanding foreign exchange requirements on account of these programmes. Recently, therefore, they have been carefully reviewed in order to reduce the additional foreign exchange requirements to the minimum without seriously affecting the capacity of railways and ports to handle the additional traffic arising out of the Plan. As a result of this review, it is considered that a saving of about Rs. 30-40 crores of foreign exchange might be possible by postponing some of the less essential projects under the Railway Plan but without affecting the capacity of the railways to carry 42 million tons of additional traffic by 1960-61. Similarly in the case of the ports, some of the long-term projects may have to be retarded, but it is hoped that the programmes already undertaken and those which are likely to be taken up with World Bank assistance will enable the tonnage capacity of 33 million tons envisaged in the Plan to be achieved.

CONTROLLING COMMITTEE FOR RAILWAY ELECTRIFICATION

The Railway Board has set up a seven-member controlling committee for electrification projects on the Eastern and South Eastern Railways, to maintain a close watch on the progress of railway electrification in these regions and to provide proper direction and co-ordination of effort necessary for the achievement of the second Plan targets. The Committee is headed by Mr. Karnail Singh, Member, Engineering, Railway Board. Its other members are: Messrs. N. C. Deb, Additional Member (Finance), N. K. Roy, Additional Member (Works), L. N. Mathur, Director, Electrical Engineering, Kripal Singh, General Manager, Eastern Railway, G. P. Shahani, General Manager, South Eastern Railway, and P. N. Murti, Engineer-in-Chief, Electrification.

(In crores of rupees)

	Plan provision	Expenditure, 1956-57	Expenditure, 1957-58	Budget Provision, 1958-59	Estimated expenditure, 1956-59	Estimate, 1959-61	Total for 1956-61
Railways	900.00*	134.00	190.00	215.00	539.00	357.50	896.50
Shipping	45.00†	8.97	9.43	9.88	28.28	26.00	54.28
Ports (major) ..	40.00‡	8.01	8.29	9.00	25.30	18.20	43.50
Roads	246.12	42.71	44.32	42.23	127.26	92.00	219.26
Of which :							
Central	82.00	14.23	13.15	12.67	40.05	29.00	69.05
State	164.12	28.48	31.17	29.56	87.21§	63.00	150.21

* Excludes Rs. 225 crores to be available from the Railway Depreciation Fund but includes Rs. 3.5 crores for Vizag Port.

† Excludes provision for sailing vessels industry, marine and nautical engineering colleges and Andaman shipping.

‡ Excludes the provision of Rs. 3.5 crores for Vizag Port which was originally included in the Railway Plan.

§ Includes anticipated outlay of Rs. 27.56 crores for 1958-59.

NEW PRODUCTS AND PROCESSES

Hydrofoil Ships

A 120-ton hydrofoil merchant vessel that would be able to transport 300 passengers at speeds of 60 to 70 miles an hour appears to be a distinct possibility, the U.S. Maritime Administration has announced after preliminary studies of the hydrofoil principle. The Commission also has announced the award of a $75,000 contract to an aircraft corporation to continue tests on the practicality of using hydrofoils in large ships. In the hydrofoil system, wing-like structures are fixed to struts below the hull. As speed is gained, the ship rises out of the water supported by the foils. With the hull riding above surface disturbances, resistance is lowered, speed increased, fuel consumption cut and comfort increased. According to Mr. C. G. Morse, Maritime Administrator, use of hydrofoils is not new, the Navy is currently experimenting with them on naval vessels, and if studies indicate feasibility of hydrofoils for large deep-sea merchant vessels, the Maritime Administration may build a prototype for operational testing. "A large hydrofoil," Mr. Morse believes, "should be unaffected or only slightly affected by even the heaviest of seas and not affected at all in a moderate seaway. The hydrofoil achieves equal speed with about half the power used for a displacement ship. The ratio of power per passenger, tonnage per passenger, and attendant labour per passenger for ocean crossing in hydrofoil craft should be very appreciably less than that required for large displacement passenger ships today."

Jet Fuel

The first American atomic plane may have been brought a step closer to reality as the result of Air Force-sponsored research, reported to the American Chemical Society, which indicates that a jet fuel resistant to high doses of gamma radioactive radiation can be made. According to the report, extensive experimental work has shown that jet fuels made from certain petroleum components exhibit excellent resistance to gamma radiation as severe as that from atomic reactors. The findings are significant because they may lead to a reduction in weight of the plane, by the elimination of the heavy radiation shielding of auxiliary fuel lines and tanks. The weight reduction would greatly aid designers already faced with the problem of providing heavy radiation shielding to protect flight crews. Saturates in general, and naphthenes in particular—both components in ample supply which can be extracted from petroleum by standard refinery methods—have been found to be the best choice as auxiliary fuels. They are reported to have maintained thermal stability under gamma radiations of up to 100 million roentgens, which is the order of magnitude that could be encountered on atomic planes.

Heat-Resistant Plastic

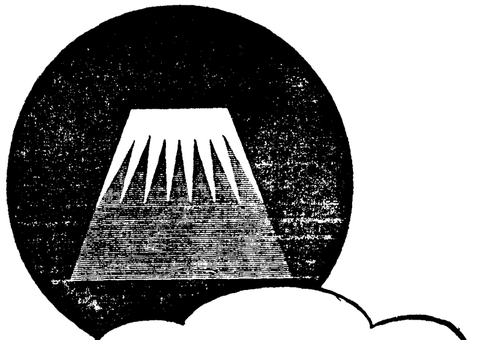
A heat-resistant plastic based on styrene which is said to have excellent machining properties and good electrical properties has been developed in the U.K. The material is also said to have good resistance to attack from chemical solvents, including a number of solvents which would completely disintegrate normal polystyrene. It will not develop mechanical faults when inserted into oils or petrol, it is claimed. The material, called "Lucentine" cast styrene—divinylbenzene copolymer—has a softening point in the range of 130 to 140 degrees centigrade. It can, it is stated, be twisted and shaped easily at temperatures of between 150 and 200 degrees centigrade and yet will retain its shape when it is cooled. It is being made available in the form of rods having a diameter of between ¼ inch and 3 inches, and from 9 inches to 15 inches long.

Portable Tape Recorder

A new portable tape recorder designed for the home, office, factory, school, and public service has been introduced. The machine is intended to meet all requirements, say the manufacturers. Its frequency response of 40 to 14,000 cycles per second puts it in the hi-fi class. Headphone and telephone attachments make it suitable for cine-synchronisation. It carries seven-inch reels, which means pre-recorded tapes can be played, and it has a twin-track facility—the track in two halves is like a typewriter ribbon. A special feature is the machine's superimposing arrangement, which allows a recording to be made over a previous one without obliteration. Monitoring facilities are also provided, and there is a pause control. A "safety" button to prevent accidental erasure can be used as a stop/start button, for office dictation and similar applications where recording is not made non-stop. The model can be used with external amplifier or loudspeaker.

Mechanical Arm and Hand

A general-purpose, power-operated manipulator developed to provide remote-handling facilities in any situation where it is impossible or undesirable for a human operator to be employed has been introduced by a United Kingdom firm. While the basic design was produced for use in the nuclear-energy field, where toxic and radioactive materials must frequently be handled, it is equally applicable in certain chemical plants where poisonous atmospheres or hazardous processes are involved. The manipulator is a mechanical arm and hand. It can carry heavy loads and can maintain a given position over long periods, the manufacturers claim. They have designed it to lift and accurately position objects weighing as much as 750 lb., handle delicate glassware without breakage, pour and stir liquids, and wield a large variety of hand and power-operated tools. The complete operation of the manipulator is controlled by one person from a small console which can be conveniently positioned according to the viewing arrangements.



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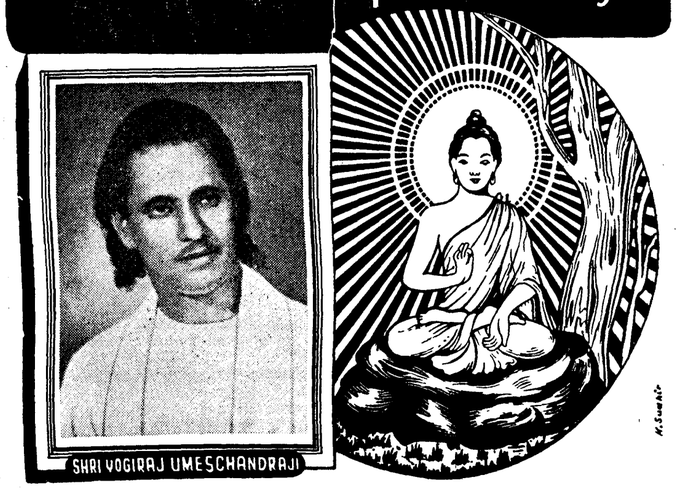

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ANNUAL MEETING OF MAHINDRA AND MAHINDRA LIMITED

MR. K. C. MAHINDRA'S REVIEW OF COMPANY'S PROGRESS

SOUND BEGINNING MADE IN DEVELOPMENTAL ACTIVITY

ADDRESSING the shareholders of Mahindra and Mahindra Ltd. at their Twelfth Annual General Meeting held in Bombay on 12th May 1958, Mr. K. C. Mahindra, Chairman of the Company, said that the design and development section of the Company was in an embryonic stage, but a sound beginning had been made and the basic thinking behind these developments was under proper guidance.

The following are extracts from Mr. Mahindra's speech:

"It is my privilege to welcome you to the twelfth annual general meeting of your Company today. The report that has been presented to the shareholders shows a year of very satisfactory operations with a bigger turnover and higher earnings.

"The Company is fortunate in having two new Directors on your Board. Sardar H. S. Malik has a long and meritorious record in the Government, serving the country as her representative overseas for many years, and finally retiring from service as our Ambassador to France. His varied experience and mature judgment will be available for directing the policies of your Company. At the last annual general meeting, I expressed our appreciation of the assistance received from our American associates, the Willys Overland Export Corporation, who helped the Company to overcome the difficulties caused by shortage of foreign exchange. As a measure of further confidence in the future of your Company and in their earnest desire to assist in its operational activity as an automobile manufacturer, their President has accepted the invitation extended by your Directors to join the Board. Mr. Stephen A. Girard is our new Director and his rich experience in the automotive field will assist the Company in the many intricate problems which arise day to day in processing the progressive manufacture of a complex and high precision engineering product.

"The turnover in jeeps and allied vehicles was about 33 per cent. higher than in the previous year. The Company's dealers and distributors have added additional facilities in order to meet the growing demand for after-sales service. Their co-operation has been forthcoming very readily, in spite of reduction in their gross remuneration made last year by the Tariff Commission.

Tractor Sales

"Tractor sales show a heavy decline, due principally to the severe restrictions imposed by Government on import quotas. Unfortunately for your Company, Government chose to base the licence quota on the imports for the year 1954-55 which was the first full year of our handling the David Brown franchise, and when our sales were comparatively small. Repeated representations to Government for additional *ad hoc* licences have not borne any fruit. To me it is surprising, indeed, that, with the continuous threat of foodgrains deficiency and the urgent need for substantial increase year by year in the quantum of our agricultural products, the very highest priority is not being given to such instruments of higher productivity as tractors and implements. Even our programme for the progressive manufacture of tractors in India, prepared in collaboration with David Brown, and submitted in November 1956 to Government, is still awaiting decision.

"The trailer division shows a turnover of about 35 per cent. over last year's figures. In order to meet the expanding need for trailers in the country, your Directors have decided to separate this activity in a new subsidiary company. Import licences have not been readily forthcoming for essential components which are not available locally. Arrangements have, therefore, been concluded with the well-known British firm of Rubery Owen & Co., Ltd., to provide the plant, tooling and designs required to commence the manufacture of these components. In return for the supply of these equipments, Rubery Owen will be allotted equivalent shares in the new company up to 49 per cent. of the total capital. The balance 51 per cent. will be held by your Company. This arrangement will not only ensure the production of complete trailers in the country but will enable the new company to enlarge the range, size and scope of trailers. The excellent research facilities and design improvements available with Rubery Owen in Britain will be at the disposal of the Indian company.

Steel Division

"The turnover of the steel division shows a phenomenal increase. As I reported to you last year, the margin of profit on this type of business is small, and large volume is necessary to show appreciable earnings. It has been possible to reach these high figures of sales, as the division maintained an active and detailed up-to-date study of the varying conditions effecting the world prices of steel and its availability. Your Company has been vigilant in keeping abreast of the changing circumstances and were able to negotiate successfully for large contracts. With the completion of Tata and Indian Iron and Steel expansions this year and the nearing completion of the three new steel works in 1959-61, the business in import of steel must decline. Currently and in the next two years, shortage of foreign exchange will restrict severely the steel incomings from abroad. The future of your Company's steel division would appear gloomy, but for the fact that, as approved controlled stockists, your Company hopes to participate in the internal distribution of the increasing amount of steel that would become available as expansions and new plants get into production. The volume passing through the stockists will perhaps decline as compared to the imports, but it is hoped that the margins per ton of steel so processed will increase as compared to the very low present margin in the import business. The large business in steel has led to the development of a very efficient and technically well equipped steel division in the Company, and new avenues for utilisation of this skill are being investigated.

"In accordance with the findings of the Tariff Commission that the demand in the country for jeeps would progressively increase to 5,000 units by 1961, a phased programme for increasing the production capacity of your Company was submitted to the Government. The progressive schedule to double the rate of production in order to cater for this growth in demand has now received approval. The details of the foreign exchange required for additional plant, machinery and tooling are with the Government and receiving their consideration. Indications are that sanction for this purpose will be forthcoming soon, particularly as plans relate to the manufacture of special utility vehicles.

Additional Capital to be Raised

"In planning manufacturing facilities to produce automotive vehicles in volumes of 5,000 units or more, the basic requirements for an economic operation change. On a small volume production even scattered facilities might suffice, but for larger volumes the economics of the scheme dictate the need for consolidated and integrated facilities. Systematic storekeeping and straight line flow of production, efficient handling of component manufactures and good housekeeping both in the factory and the warehouses become an economic essential. Need for flexibility for further expansions calls for meticulous planning in great detail. With this in view, the engineers of your Company have been making elaborate studies and, although a year or two ago it was not possible to contemplate a large building programme, the easing of construction materials in the market makes it now a practical proposition. Your Company already owns over 100 acres of land at Pimpri near Poona, and provided further facilities like water, power and railheads can be arranged, plans to build in that area may materialise. For the purpose of doubling our present targets for production of jeeps and for integrated development, substantial finance will be required. Recognising such a need, your Directors recommend as a first step that the authorised capital of the Company be increased and certain resolutions have been placed before you for consideration at today's meeting. The Company's application for issue of additional capital is under discussion with the Controller of Capital Issues and as soon as the details are finalised the shareholders will receive prompt intimation.

"In concluding this survey of the Company's operations and hopes for the future, may I say that despite stringent conditions of operations in an economy presaging a world-wide recession amidst inflationary potential, the results of the current half-year indicate that your Company's executives have been adapting themselves to meet these new and diverse circumstances and have maintained a high level of management efficiency. These are relative terms. In the ultimate analysis volume of sales, quality production, development outlook and profits are the criteria of your judgment. Of sales and profit, the balance-sheet is a good testimony; of the quality of the product made in India, Willys engineers have spoken highly. The design and development section of your Company is today in an embryonic stage, but a sound beginning has been made and the basic thinking behind these developments is under proper guidance. I place considerable emphasis on this aspect, as in my opinion with our present knowledge of automobile designs and with the scanty manufacturing facilities in the country, lot of useful effort is being wasted in attempting to do too much.

Two Essential Conditions

"Government deserves praise for initiating an aggressive programme for increasing industrial production, and a considerable measure of success has attended these efforts, but to sustain the increase and keep on a progressive rate of growth two essential conditions must be satisfied, namely, demand to keep pace with supply and raw materials to be made available in abundance and in time. To create temporary employment is not the answer to the four hundred million problem. A modern socialist planner asks us never to forget that the 'end of a rational economic activity is to make possible more production and more consumption and that expansion of employment has to allow the maximum expansion of production, but should not be made in a way as to be detrimental to the latter.' Yet, today industries in India face serious dislocation. In the engineering field non-availability of even the essential raw materials like pig iron and coke dictates a position of almost complete helplessness and warrants a justifiable criticism of inadequate instruments of Government planning. Planning postulates that correct emphasis is placed on the right industries and once included within the Plan no effort is spared to provide the means for that industry to reach maximum production desired and to ensure consumption of the products of industry.

Food Problem

"Take the problem of food which would need the first attention of planners in India for many decades to come. It is becoming apparent that the luxury of fractioning the landholdings may have to be abandoned in favour of a policy which will produce more food immediately; acreages need to be worked out to permit economic mechanical cultivation and steps taken to provide the cultivators with the means by which they can increase production per acre. As the food situation is tackled, serious examination is needed of the methods of transporting what the soil produces from the areas of cultivation to the regions of consumption. In an economy like ours the need to develop artefacts against the overpowering pressure of population is urgent, and it is slowly being recognised that a more than cursory study is required of the problems of distribution, which in simple words means distribution to the consumers at the right time, at the right price and in the cheapest manner.

"Transportation has been sometimes defined as the conveyer belt of industry. India has a widespread and complicated railway system originally established to cater for activities in port towns in so far as industrial economy was concerned. The overhaul and rehabilitation of the system has consumed vast sums of money. With the increased demands placed on this system by the contemplated growth in the economy it was correctly recognised that a major effort would be required in expanding the system and almost 25 per cent. of the second Plan outlay was devoted for this purpose. With the expenditure of over Rs. 1,000 crores on the system the railways are expected to be able to haul 162 million tons by 1960-61, an increase of about 47 million tons over 1955-56. When we consider that the steel industry expansion alone will require a movement of 36 million tons a year, the added increase in the carrying capacity of the railway system appears much too inadequate for the rest of the economy in India. When we consider that the eruption of high foodgrain prices in various corners of the country is principally due to maldistribution and to the failure to reach the foodgrains to the hot-spots within time, the matter becomes extremely urgent for an exhaustive re-examination of the transport position. It would appear that, despite the best efforts to rehabilitate track and extend the rolling stock it will still not be possible for the railways to service the distribution needs. A medium with greater flexibility and accessibility must be found. In considering the various alternatives there is but little choice. It is the use of trucks, truck-trailers and tractor-trailers alone which would ease the burden on the overloaded railways and on our meagre coastal services.

Goods Haulage Service

"There are a number of factors which act today as deterrent to the development of an extensive truck haulage service. The recent announcement of an Inter-State Transport Commission with comprehensive powers over development, co-ordination and regulation and of Transport Development Council at the ministerial level and of Road and Inland Water Transport Advisory Committee composed of official and non-official members is a welcome recognition of the importance of the distribution problem. It is acknowledged that the level of taxation in India so far as transport is concerned is perhaps the highest in the world; that inter-State controls on movement from one State to another are irrational and obstructive without yielding a single tangible benefit to any party; that threat of nationalisation of goods haulage services in various States is a positive disincentive to development. There are not sufficient trucks coming off the manufacturers' lines, nor are operators coming forward in sufficient numbers to take up the service. The Minister of Transport and Communication stated the other day that the Plan provides for the production of 136,000 vehicles between the years 1957 and 1961. This volume, even if achieved, *plus* the existing fleet, computed to be about 130,000 vehicles, less obsolescence, is hardly adequate for what is estimated as the minimum requirement for moving the products of the second Plan economy. Some special effort would be necessary as much for supply of more vehicles as for improving the road system, including the bridging of important rivers and provision of feeder roads from and to centres of production and consumption.

"We have the triple problem in road transport which must find a solution if the planned economy is to achieve even a modicum of success in operation. There is first the problem of building the balance of 114 bridges as planned; of extending the mileage of national highways to a minimum of 15,000 miles; of a concerted and intelligent development of feeder roads and by-ways. This problem, we are assured, is being energetically tackled by the Transport Ministry. The second problem is the quick supply within the next few years of an adequate number of trucks with pay-loads ranging from one ton to ten tons and of truck-trailer and tractor-trailer combinations for service on the main routes. I reckon that from now provision of a minimum of 50,000 trucks a year and, say, 5,000 tractor-trailer combinations should be made. The producers of trucks, tractors, trailers in India are not equipped today to furnish this quantity of vehicles. A concerted and co-ordinated programme as between the various manufacturers, a decision to speed up local manufactures and a direction to get the results at any cost is the desideratum of planning in this context. Finance is the mobiliser and I suggest that, while the Ministry and the Planning Commission engage themselves in devising methods of co-ordination and direction, the proposed Refinance Corporation for Industry Private Limited should take up, as a matter of priority, the requirements for capital finance of the various manufacturers for the speed up. I reckon that a matter of Rs. 10 crores will be needed and this is not a large amount for insuring the production of 50,000 trucks and 5,000 tractor-trailer combinations a year in the country.

Offtake of Vehicles

"Alongside such production there will be the question of offtake—who will buy these vehicles and who will operate? This is problem number three. The decision that the moratorium on the nationalisation of goods transport has been extended till the end of the third Five-year Plan period is good as far as it goes, but it is not enough. Apart from long-term inducements for people to engage themselves in this service with its high obsolescence mark, there is the vital question of finance. Money for financing the purchase every year of 50,000 truck services and for finding operating costs thereof is simply not there in the country. I suggest a Truck Finance and Development Corporation which would guarantee the manufacturers the purchase of all the vehicles they can produce and which would simultaneously offer the operators easy payment terms on an instalment basis. The Hire Purchase System has become a normal and essential part of the automotive trade in America and in Europe. Private agencies no doubt have flourished in India too, but their scale of operations is too small and their finances insufficient. The Truck Finance and Development Corporation, which I am asking the State to sponsor, should be able to meet the demands of the problem as posed by me with capital fund of, say, Rs. 50 crores—a small sum as compared to the huge outlay on the railways system. If the charter of the Refinance Corporation cannot be specially amended to render assistance in full scale to the present manufacturers for they may not come in the category of 'medium industries,' their capital finance will need to be provided by the Truck Finance and Development Corporation which I have proposed.

Rail Transport

"Railway transport in India quite correctly received priority, but there are physical limitations to its quick growth. For a road haulage service the limitations are minor and of not such colossal magnitude in capital expenditure as in the railways. Rupee for rupee, investment in a properly co-ordinated road transport organisation will yield much richer dividends than in the railways. I am convinced that what I have suggested in the matter of transport organisation will not only provide prominent additional employment but also lay securely the foundations of a modern transport system as has been the experience in other countries.

"With the result of operations over last year as presented to you today, you will join me, I am sure, in expressing our appreciation, as shareholders of the Company, of the very fine effort made by the staff and the workers, and I hope that they will continue to work with equal zeal and enthusiasm over the coming years."

Note.—This does not purport to be a record of the proceedings of the annual general meeting.

INTERNATIONAL TIN QUOTAS

The International Tin Council has decided to continue the 40 per cent. export cut for the July-September quarter. The present restrictions were due to expire at the end of June. The decision was taken at the meeting of the Council in London which ended on 1st May. Exports from member-countries during the third quarter of the year will thus be limited to 23,000 tons, equivalent to a 40 per cent. cut in the annual rate of production.

The Council, however, in reviewing the individual quotas of producing countries, has introduced some changes in these for the new period. Malaya's quota is to remain the same, at 37.50 per cent. Thailand and Nigeria are to benefit, their quotas being increased from 7.35 to 8.35 per cent. and from 5.34 to 5.90 per cent., respectively. On the other hand, Indonesia's percentage is being cut from 20.43 to 19.41, Belgian Congo's from 8.95 to 8.92, and Bolivia's from 20.43 to 19.92. The new quotas, which had been unanimously accepted, come into force on 1st July.

Many factors were taken into consideration in working out the quotas, and cognisance had been taken of a probable increase in tin exports from Russia and China. There had been a jump in Russian exports to Western Europe during the first two months of this year. Some small consignments had also been received from China, but that country had not yet registered its brand. As no figures were received from Communist countries in regard to their tin production and consumption, there could be no forecast as to their future trends.

It has now been revealed that the tonnage held in buffer stock on 31st December last year was 15,300 long tons. Statements as to stocks held as buffer would only be made three months after any calendar quarter. The authority previously granted to the buffer stock manager to operate within the middle price range in the agreement—namely, £780 to £830 per ton—was further extended to the end of the third control period.

The next meeting of the International Tin Council will take place in Paris on 17th June.

AMENDING COMPANIES ACT—III

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

SINCE the passing of the Companies Act of 1956, public interest in the Company Law and its proper enforcement has increased. At the same time, those who are engaged in the administration and management of private and public companies have voiced their feelings that the Act should be amended to overcome such practical difficulties as may have been encountered by them in the performance of their duties. Part VI of the Act is the longest one and lays down the law relating to management and administration; it contains 279 Sections from 146 to 424; three new sections are proposed to be added and 100 sections are proposed to be amended. This part, so important and vital to the corporate sector, may be conveniently discussed by arranging the proposals of the Amendment Committee in an appropriate order.

Advertisements

The requirement of Section 147(1) (c) that the name of the company shall be mentioned, *inter alia*, in all kinds of advertisements causes inconvenience to commercial houses among whom it is customary to push their sales under the trade names without mentioning the company's name, address, etc., in full. The Report states that no harm was likely to ensue from the deletion of the word "advertisements" occurring in Section 141(1) (c) because the words found in the section, namely, "notices and other official publications," are wide enough to include important business advertisements. It was further urged before the Committee that though it was desirable to mention the address of the registered office of the company in all business letters, bill heads, etc., under the first part of sub-section 147(1) (c), it was not necessary to do so in the documents, namely, bills of exchange, *hundis*, promissory notes, etc., mentioned in the latter part. To overcome the above difficulties Section 147(1) (c) is proposed to be amended as follows:

(1) Every company—

"(c) shall have its name and the address of its registered office mentioned in legible characters in all its business letters, in all its bill heads and letter paper, and in all its notices, advertisements and other official publications; and its name in all bills of exchange, *hundis*, promissory notes, endorsements, cheques, and orders for money or goods purporting to be signed by or on behalf of the company, and in all bills of parcels, invoices, receipts and letters of credit of the company."

Section 595 which is applicable to foreign companies provides for the publication of the name of the company. The Report proposes that Section 595(c) should be suitably amended on the lines of the amendments proposed in Section 147(1) (c) so as to enable the foreign companies to enjoy the same exemption in the case of their trade advertisements. It may be observed here that only this section of Part XI is proposed to be amended.

Under the scheme of the Present Act, companies other than those having a share capital are not required to obtain a certificate of commencement of business or to file a prospectus or a statement in lieu, except where they issue debentures to the public in which case under Section 56(3) they have to issue a prospectus. The Report points out that Section 149(8) as it stands is inconsistent with the scheme of the present Act. It has been reproduced from Section 103(6) of the Act of 1913 but in the context of the scheme of the present Act it is inappropriate and, therefore, it is proposed to be deleted.

Closing of Registers

Normally, books are closed by a company for a period antecedent to and ending with the date fixed for a general meeting but there is no binding rule to that effect. When the books are closed share transfers are not accepted for registration. Dividends are declared payable to those members whose names stand on the register as on a particular date. In order to prevent any *mala fide* action on the part of a company calculated to deprive transferees of shares of the dividends legitimately due to them by keeping the books closed after the declaration of dividend, it is proposed in the Report that a proviso should be added to Section 154 that a company should not close its books for a period of 15 days after the dividend becomes due. The Report also draws attention to Section 27 of the Securities Contracts (Regulation) Act, 1956, requiring a transferee to lodge the security and all other documents relating to the transfer which may be required by the company for being registered in his name within 15 days of the date on which the dividend becomes due. An amendment of Section 154 is desirable from this point.

Registers and Returns

(1) Section 155 which relates to the power of the Court to rectify register of members is proposed to be amended so as to extend the power of the Court to rectify the register of debentureholders also. The new sub-section (5), which is proposed to be added to Section 155 reads: "(5) The provisions of sub-sections (1) to (4) shall apply *mutatis mutandis* to the rectification of the register of debenture-holders as they apply to the rectification of the register of members."

(2) Section 156 states that in the case of a company required by the Act to file a list of its members with the Registrar, the Court when making an order for rectification of the register, shall by its order, direct notice of the rectification to be filed with the Registrar within 14 days from the date of making of the order. The section does not state who should file the notice with the Registrar. It is, therefore, proposed that the section should be amended so as to require the Company to file the notice of rectification with the Registrar. In view of the delay that occurs in the drawing up of the order of the Court, further amendment of Section 156 is suggested so as to provide that the notice of the rectification should be filed within 14 days from the date of the drawing up of the order.

(3) Section 159 relates to annual return to be made by a company having a share capital. This section contemplates the preparation and filing with the Registrar of an annual return within 42 days from the day on which the annual general meeting is held under Section 166. This provision has been sought to be interpreted as meaning that, if no annual general meeting is held, the failure to file the annual return cannot be penalised under the Act. To remedy this defect, it is proposed to add the words "or ought to have been held under Section 166" after the words "is held" in Section 159 (1).

As the Section 159 stands, every company having a share capital is required to file with the Registrar every year a formal return containing the numerous particulars enumerated in sub-section (1). The Report makes an important suggestion to reduce this burdensome, mechanical and clerical work of repetitive character and it should be acceptable to the corporate sector. The suggestion is that note (1) appearing under item 5 in Part II of Schedule V dealing with annual return should be made a proviso to Section 159 (1) as the note itself is not a part of the substantive law at present. The suggested amendment—for the proviso to Section 159(1) see page 56 of the Report—will reduce the bulk of the returns to be filed with the Registrar or maintained in the company's office, besides saving time and labour.

The amendment of Section 159(2) is proposed so as to require the company to state the reasons for not holding the annual general meeting in case the annual return is made without holding such a meeting. Section 159(2), when amended, will read: "The said return shall be in the form set out in Part II of schedule V or as near thereto as circumstances admit and in case the return is made without holding the annual general meeting, the company shall state the reasons why such meeting was not held." It may be noted that the existing proviso to Section 159(2) will remain the same.

(4) Some companies have a share transfer audit. Such a practice is commendable but the Report states that it cannot be made compulsory at this stage. The Report further states that some companies do not keep a proper record of their share transfers and sometimes, even issue certificates without reference to such transfers. The Report therefore suggests that a provision should be made in Section 161(2) requiring the management to certify, when making an annual return, that a proper record of such transfers has been maintained. A new clause (c) is proposed to be added to Section 161(2), which reads: "(c) that, since the date of the last annual return, the transfer of all shares or debentures and the issue of all further certificates have been properly recorded in the books maintained for the purpose."

While we are on Section 161, it may be pointed out that this section makes it obligatory on the managing director, if there is one, to sign the annual return and the accompanying certificate. It was urged before the Committee that compliance with this section may be difficult in cases where a sole managing director has gone abroad. The Report states that in such a case, anyone functioning as the managing director in his place could sign the annual return and the accompanying certificate.

(5) Section 301 prescribes the register of contracts, companies and firms in which directors are interested. The Report states that this section is not happily worded. It recommends that for sub-sections (1), (2) and (3) of Section 301, the following provision should be substituted:

"301. (1) Every company shall keep one or more registers in which shall be entered separately particulars of all contracts or arrangements to which Sections 297 and 299 apply, including the following particulars to the extent they are applicable in each case, namely: (a) the date of the contract or arrangement; (b) the names of the parties thereto; (c) the principal terms and conditions thereof; (d) in particular, in the case of a contract falling within Section 297 or 299(2), the date on which it was placed before the Board; and (e) the names of the directors voting for and against the contract or arrangement and the names of those remaining neutral.

"(2) Particulars of every such contract or arrangement falling within Section 297 or 299(2), shall be entered in the relevant register aforesaid within three days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved or the date of the contract whichever is later; and the register shall be placed before the next meeting of the Board and shall then be signed by all the directors present at that meeting.

"(3) The register aforesaid shall also specify, in relation to each director of the company, the names of the bodies corporate and firms of which notice has been given by him under sub-section (3) of Section 299 and shall contain in respect of all contracts entered into by the Company with such bodies corporate and firms in which a director is interested, the particulars in clauses (a), (b), and (c) of sub-section (1), and, to the extent possible, the particulars in clauses (d) and (e) of that sub-section."

The rest of the provisions of Section 301 are not affected.

Managerial Personnel

(6) Section 303 relates to register of managerial personnel. Under this section read with Form 32 prescribed by the rules framed under the Act, particulars of the managerial personnel of a company have to be filed with the Registrar and whenever there is a change in the personnel of the managing agents, directors, etc., a return in Form 33 has to be filed with the Registrar by every company in which the person concerned is or becomes a managing agent, director, etc. In the case of a director holding directorships in several companies not only the company from which he resigns his directorship, or the other company of which he becomes a director in the future will have to file the prescribed Form 33, but every other company which has mentioned his directorships in column 5 of Form 32 will have to file Form 33 by reason of the alteration taking place in connection with the former or the new company. It is needless to insist that if a person is a director of 20 companies and resigns from one of them and becomes a director of another, each of the 20 companies must file with the Registrar notice of such a change. This requirement involves a vicious cycle with no benefit or utility. The recommendations contained in the Report may be stated as follows:

(a) A director (or any of the other managerial persons mentioned in the section), on his resigning or ceasing to hold the office or in the event of change occurring in the particulars relating to him, must communicate the change to all the companies in which he holds directorships or other managerial office.

(b) It must be further provided that the company whose managerial office he accepts or takes up or from which he resigns must fill in Form 33 and file it with the Registrar.

(c) The rest of the companies with which he is connected need only notify the alterations at the time of the filing of the annual return under Section 159 or Section 160 but they must effect the changes in their registers which must be kept upto date and open to inspection of members and non-members under Section 304.

(d) As regards the minor changes such as change in address, as distinct from changes in personnel effected by resignation, removal, appointment or otherwise, they must be intimated once a year when filing the annual return and not 28 days after each such change.

(e) Form 32 does not provide for a statement of the date on which partners became partners of the firm, though it is required by Section 303(1) (C). This omission must be rectified.

(f) The following proviso is proposed to be added to section 303(2).

"Provided that changes in any of the particulars contained in the register, other than changes in the personnel of managing agents, the Board of Directors, secretaries and treasurers, manager or secretary of the company shall be notified only once a year within 28 days from the end of the financial year."

(7) Section 307 relates to register of directors' share-holdings. The Report states that this section is intended to disclose dealings by directors in the shares of the company, particularly by reason of their inside knowledge, and these considerations are equally relevant in the case of managing agents, secretaries and treasurers and managers. The Report, therefore, suggests that a new sub-section should be added to Section 307 in the following terms:

"The provisions of this section and Section 308 shall apply to managing agents, secretaries and treasurers and managers in the same manner as they apply to directors."

The effect of this new sub-section will be that the registers maintained under Section 307 will disclose the holdings of managing agents, secretaries and treasurers and managers.

Custody and Inspection of Registers

Section 163 relates to custody and inspection of registers and returns. With a view to assisting the companies in their difficulties of obtaining storage space in the registered office of the company, Section 163 is proposed to be amended to enable the company to keep its registers, indexes and copies of returns in any place other than the registered office of the company but in the same city. Section 163 is proposed to be further amended to enable the company to appoint any person as its registrar for the purpose of maintaining the registers, indexes, and copies of returns and other documents. Section 110(2) of the English Act permits such a course to be adopted. The Report suggests that a proviso may be added to Section 163(1) in the following terms:

"Provided that the registers of members and debenture-holders and the indexes thereof may be kept at another office of the company or with some other person if the company has arranged with such person for the making up of the registers on behalf of the company in the same city, town or village where the registered office of the company is situated, and the company has given notice to the Registrar of such other office or person where or with whom the registers and indexes are kept."

Section 163(3) (b) provides that any copy of register, index, or any part thereof may be furnished on payment of As. 6 for every 100 words or part thereof. This rate of As. 6 is proposed to be increased to As. 12. The period of 10 days prescribed in Section 163(4) for furnishing copies is inadequate. This sub-section is proposed to be amended so as to increase the period to 14 days from the date of payment of the estimated charges for furnishing the required copies. The proposed period of 14 days is exclusive of holidays. The Report states that provision should be made in Section 163 to empower the company to demand payment in advance of the estimated charges. Section 209 relates to books of account to be kept by a company. Sub-section (1) of this section is proposed to be amended in order to enable a company to keep its books at a place other than the registered office for reasons of convenience.

The responsibility of the maintenance of books and papers of the company rests on the executives enumerated in Section 209 (5). The Report states that sometimes some cashier or accountant of the company is in charge of the company's books and others have no personal responsibility in the matter. Again, in some cases, the officer in charge of the books is discharged or induced to resign when there is a possibility of a probe into the affairs of the company and the excuse is then put forward that the books or documents are not with the present officers. In other cases, books and vouchers relating to earlier years are said to have been destroyed as being unnecessary according to the Report. To control this evil, a new sub-section (3-A) which provides that "all books referred to in sub-section (3) shall be preserved in good order for a period of not less than eight years immediately preceding the current year" is proposed to be introduced in Section 209.

The words "that he had reasonable ground to believe, and did believe" occurring in the proviso to Section 209(5) are proposed to be omitted. The person charged with an offence for contravening the provisions of Section 209 will now have to prove in his defence that a competent and reliable person was charged with the duty of seeing that the requirements of the section were complied with and was in the position to discharge that duty.

The persons who are required to take all reasonable steps to secure compliance by the company with the requirements of Section 209 are specified in sub-section (6). The foregoing sub-section (6) of Section 209 is proposed to be amended by the addition of a clause (d) in the following terms and by renumbering clause (d) as clause (e) with amendments, namely: "(d) where a company has a manager, such manager," and "(e) where the company has no managing agent or secretaries and treasurers or manager, every director of the company."

Annual and Extraordinary Meetings

The expression "annual general meeting" is often used but not clearly defined in the Act. The Act contemplates only one annual general meeting. Section 166 (1) is not appropriately worded and, therefore, the Report suggests an amendment of Section 166(1) so as to bring it in line with the English Act. The suggested amendment is: "Every company shall hold its first annual general meeting within 18 months of its incorporation, and thereafter shall, in each year, hold a general meeting as its annual general meeting, specified as such in the notice calling the meeting, in addition to any other meetings in that year, and not more than 15 months shall elapse between the date of one annual general meeting of a company and that of the next."

In some cases, the managing agents of the company have their offices in a big city where the accounts of the Company are kept and from where they manage all the affairs of the company, but the registered office is in a village or small township in another State where the factory is located. Shareholders find it difficult to travel all the way to go to the registered office and, what is worse, find it difficult to get accommodation. The Report suggests that these difficulties may be removed by empowering the Central Government to exempt any class of companies from the operation of Section 166(2) and also by providing that the company may by its articles or by resolution at its annual general meeting determine the time and venue of its annual general meetings. The Report states that as regards private companies provision should be made to enable them to hold general meetings at such times and places as may be unanimously agreed to by the shareholders. The Report gives the draft of the provisos proposed to be added to Section 166(2). The proposed provisos are on the lines as observed above.

Section 169 provides for calling of extraordinary general meeting on requisition. In order to bring Sections 169(4) and 188(2) (b) into conformity with each other, it is proposed to amend Section 169(4) by providing that the number of members entitled to requisition a meeting shall be either 100 or such number as hold paid-up share capital of not less than Rs. 1 lakh. In Section 170(1) the words and figures "Sections 171 to 175 and 177 to 186" are proposed to be substituted for Sections 171 to 186."

Notices for Calling Meetings

Under Section 171(1), a general meeting of a company may be called by giving not less than 21 days' notice in writing: Sections 225, 261, 281 and 284 provide for special notice to be given by shareholders for the matters therein specified and that requires 28 days' notice. In order to resolve this difficulty, the Report states that the notice for the meeting under Section 171(1) should be extended to 28 days and the period of special notice be reduced to 21 days, so that the shareholders may get reasonable time to give special notice, even after the receipt of the notice of the meeting as contemplated by Section 171(1). Sections 171(1) and 190 are proposed to be suitably amended.

Special Business

In order to save heavy costs of advertisement charges, the Report suggests an amendment in Section 172(2) which requires an explanatory statement setting out all relevant facts concerning any special business, to be annexed to the notice of a meeting. The companies have to incur heavy costs in advertising such notices in newspapers pursuant to Sections 172(2) and 53(3). To overcome this difficulty the Report states that a proviso to Section 171(2)(I) may be added in these terms:

"Provided, however, that when serving the notice of any meeting of the company by advertisement as provided by Section 53(3), the explanatory statement to be annexed to the notice under Section 173 need not be advertised or published, but the advertisement shall state that the explanatory statement has been forwarded to the members."

Voting at Meetings

Under Section 177 voting on a resolution in a general meeting can only be either on a show of hands or on a poll, if demanded. It was urged before the Committee that in the case of guarantee companies not limited by shares, such as clubs, chambers of commerce, etc., voting by ballot is a far more convenient mode of voting than the methods prescribed by Section 177 or 263. The Report while accepting this suggestion, states that voting by ballot is one of the modes at company meetings in England and that a similar method of voting by ballot should be introduced in India. This method of voting will surely induce a greater number of shareholders to participate in the election of directors. In order to give effect to this recommendation a new Section 263A is proposed to be introduced in the following terms:

"Nothing contained in Sections 177, 255, 256 and 263 shall affect any provision in the articles of association of a company for the election of all directors by ballot at the time of each annual general meeting of the company."

Proxies

Section 176 relates to proxies. Under the English Act, it is open to a member to appoint another person (whether a member or not) as his proxy to attend and vote instead of him, and a proxy appointed to attend and vote instead of

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a member of a private company has the same right as the member to speak at a meeting (*vide* Section 136 of the English Companies Act.) Under the Indian law, a proxy is not entitled to vote except on a poll and is not entitled to speak. The Report does not suggest any amendment of Section 176 on the ground that the legislature had enacted this provision after considerable discussion.

The Report, however, suggests an amendment of Section 176(3) which merely states that the articles should not require a proxy to be lodged more than 48 hours before the meeting. The Report suggests that Section 176(3) should be suitably amended so as to provide that, when the articles of a company prescribe a longer period before a meeting for the deposit of the instrument appointing a proxy, a period of 48 hours shall be deemed to be prescribed instead.

As regards Section 391(2), the Report states that the expression "where proxies are allowed" occurring therein needs clarification. In order, however, to avoid any controversy, it is suggested in the Report that the foregoing expression should be deleted from Section 391(2) so as to empower the Court to allow voting by proxy when it orders meetings to be held in the course of liquidation proceedings.

Corporations

Section 187 relates to representation of Corporations at meetings of companies and creditors. This section is not clear as to who should sign the letter communicating the authorisation of the Board of the body corporate entitling a person to represent it. The Report suggests that this section should be amended so as to provide that the managing director or chairman of the board of directors or the person presiding at the meeting of the board at which a resolution authorising such representation is passed may sign the communication. In Section 187(2) the expression "if it were a member" is unhappy. The Report recommends that it should be replaced by the words "as a member."

Resolutions and Agreements

Section 192 relates to registration of certain agreements and resolutions. The Report states that "it would be difficult, needlessly expensive and also purposeless to attach copies of all agreements to every copy of the articles of association, especially when a number of agreements have to be executed by the Company in the course of its ordinary business." It adds: "It is enough if copies of those resolutions which have the effect of amending or altering any provisions in the articles or which relate to the capital structure, appointment of managing agents, secretaries and treasurers, etc., are attached." With this purpose in view, the Committee has suggested to amend Sections 192(1) and (2)

The Report has accepted the suggestion made by the Department that the resolutions of the Company or the board of directors under Sections 293(1) (*d*), and (*e*), 294, and 297(3) should be certified and filed with the Registrar in view of the importance of such resolutions and in order to enable the Registrar to see whether the financial arrangements purporting to be approved by resolutions are in the interest of the Company. In order to give effect to this suggestion, a new clause (G) is proposed to be added to Section 192(4). The new clause reads: "(G) resolutions of the company under Sections 293(1) (*d*) and (*e*), 294 and 297."

Statutory Report

Section 165(2) requires the board of directors to forward a copy of the statutory report to every member of the company at least 21 days before the date of the meeting. The Report states that the Committee is unable to accept the suggestion that the period of 21 days as prescribed by this section should be reduced. As regards Section 165(4), the Report suggests that the words "on capital account" occurring therein should be deleted.

Minutes of Meetings

Section 193 speaks about the minutes of proceedings of general meetings and of board and other meetings. Section 193(1) is proposed to be amended in the following terms:

"Every company shall cause minutes of all proceedings of general meetings, and of proceedings at meetings of its board of directors or of committees of the board to be kept by promptly making entries in books kept for the purpose, with their pages consecutively numbered, each page being signed and the last page of the record of the proceedings of each meeting being dated and signed by the chairman of the meeting or by the chairman of the next succeeding meeting."

Section 194 requires a consequential amendment which will provide that "minutes of meetings kept in accordance with the provisions of Section 193 shall be evidence of the proceedings recorded therein."

Inspection of Minutes

Section 196 relates to inspection of minute books and grant of copies. The Report proposes that the rates of the copying charges may be raised to 75 naye paise per hundred words and the time allowed for the grant of copies may be fixed as "fourteen days exclusive of holidays," instead of seven days at present. An amendment of Section 196(2) is proposed in the Report to this extent.

Proceedings of Meetings

The Report observes that the current practice of publishing only the speech of the chairman at the annual general meeting may possibly give an inaccurate impression of the proceedings or the state of the company's affairs. The Report states that this practice should not be allowed to continue. An amendment of Section 197(1) has been suggested on the following lines:

"No document forming a part of the proceedings of a general meeting of a company shall be circulated or advertised at the expense of the company unless the matters required by Section 193 to be contained in the minutes of the proceedings of such meeting are also circulated or advertised."

Board Meetings

Section 285 states that the meeting of the board of directors shall be held at least once in every three months. In the case of big or average-sized companies, this is a wholesome provision of law. But Section 285 causes hardship and unnecessary expense, particularly to small public or private companies, companies limited by guarantee and licensed companies. The Report observes that since it is difficult to lay down any general exemption from the section for companies which really suffer hardship, the Central Government should be empowered to exempt any class of companies from this section by means of a notification. In order to give effect to the above recommendation it is proposed to add a proviso to Section 285 on the above lines.

Section 287(2) prescribes the quorum for the meeting of the board of directors. This section gives rise to difficulty of interpretation as to the meaning of the words "remaining directors" occurring in its proviso. The Report observes that the intention apparently is to refer only to those directors present at the meeting as a quorum. To make this clear it is suggested in the Report that the words "present at the meeting not being less than two" should be added after the words "the directors who are not interested" in the proviso to Section 287(2).

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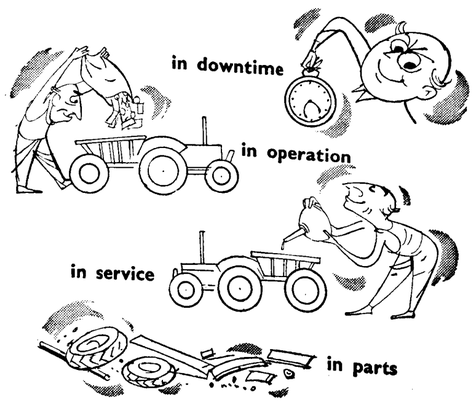

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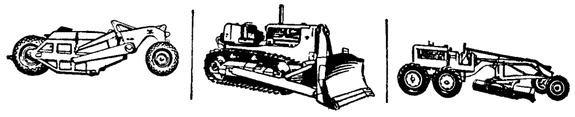

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OLD AGE PENSIONS IN THE U.S.A.

FURTHER LIBERALISATION IN SOCIAL SECURITY LAWS

[With the transition from the concept of social insurance to that of social security, the cost of social security programmes and their economic repercussions have assumed much importance. For, the wide scope of the programmes and increased benefits provided involve huge financial transactions. Old age pensions form an important part of the social security programme of the U.S. If present indications are any guide, many changes in the programme are likely in this Congressional election year. The following article, taken from the May issue of the Monthly Bank Letter *of the First National City Bank of New York, brings out the economic consequences and financial implications of some of the proposed changes.—*EDITOR.]

LIBERALISING the Government's Social Security programme packs plenty of human—and political—appeal. Congress' voting record attests to this. It has liberalised Social Security laws every Congressional election year since 1948. Pressures now, building up indicate this election year may well continue the trend. More than 100 Bills to expand the programme in one way or another have been crammed into the legislative hopper. Some legislators want Social Security payments increased as part of the Government's anti-recession programme. Former President Truman, testifying before the House Banking and Currency Committee on 14th April called for increased Social Security benefits as "one of the most desirable methods of expanding purchasing power." Administration officials have conceded that, if pressures in Congress grow, they may be forced to recommend a moderate liberalisation "to head off far greater changes."

Changes proposed in the Bills range from the comparatively mild to the radically different. One, for example, would slightly liberalise benefits to widows and dependents of disabled workers. At the other extreme is a plan to launch the Social Security system into the health field by providing payments for retired workers' surgery and hospital bills. To cover the cost of this, of course, Social Security taxes would have to be sharply increased. The flood of proposed changes comes at a time when the present system is showing visible signs of financial strain. Social Security tax collections are running well below the amount of benefit payments, and the programme is expected to show a deficit this year—something that wasn't supposed to happen for many years.

In the light of these developments, and with the full impact of liberalisations over the past few years not yet evident, it is only common sense to weigh carefully all proposals that would widen the scope of the system even further. The Advisory Council on Social Security Financing, created by Congress in 1956 and made up of experts from industry, labour, and education, is due to report on the financial soundness of the present programme by next January. It would seem worthwhile to get the results of their study before passing new laws.

Workers' Stand

Organised labour's idea of how the Social Security programme should be broadened is embodied in a Bill introduced by Mr. Aime Forand of Rhode Island. Under this Bill, regular retirement benefits would be increased 10 per cent. In addition, it would give retired workers generous health benefits by having the Social Security fund take over the full cost of their surgical bills and pay for up to 120 days a year of hospital and nursing home care, providing no more than 60 days were in a hospital. To pay for these additional benefits, the Bill calls for an increase in the amount of wages and salary subject to Social Security taxes from the present $4,200 to $6,000. Moreover, tax rates, now at 2¼ per cent. each for employers and employees, would be increased to 2⅜ per cent. each for a total of 5½ per cent. The medical-surgical provisions of the Bill—strongly backed by the A.F.L.-C.I.O.—have been sharply criticised by the U.S. Chamber of Commerce. It calls these provisions "a new gateway for the old compulsory health insurance plan which the American medical profession fought and defeated for the very reason that such a plan would lead to Government control of medicine." On the other hand, Dr. Eveline M. Burns, President of the National Conference on Social Welfare, supports the proposal, charging that the medical profession in that country "takes a narrow and self-interested view of the social responsibilities of the profession."

A much milder liberalisation of the Social Security programme is contained in a Bill introduced by Mr. Robert Kean of New Jersey. The major provisions of the Kean Bill call for somewhat increased benefits for widows and families of deceased workers; payments for dependents of disabled workers; and increased benefits for people who continue to work after reaching age 65 and thus start their benefits late. The wage base would be raised to $4,800, but tax rates would not be increased.

These and other suggested liberalisations, if enacted, would be piled on top of a Social Security programme that has already attained a breadth of coverage and a scale of benefit payments far beyond what was originally provided under legislation passed by the Congress in 1935.

Spreading Umbrella

From modest beginnings, the Old Age and Survivors Insurance system (O.A.S.I.)—the official title of the Social Security programme—has broadened out so that nine out of ten workers come under the umbrella (federal employees, separately covered, and doctors are the major exceptions).

Nearly 11,000,000 persons—about one for every six members in the labour force—are now drawing benefits, exempt from tax, ranging from a minimum of $30 a month for a single retired worker to as much as $200 monthly for a family. It is doubtful whether many people receiving Social Security realise how much of a capital investment it would cost them to enjoy the equivalent of these benefits under private insurance plans. A life annuity of $100 per month, for instance, if purchased by a person aged 65 from an insurance company would cost him around $15,000. A joint annuity paying himself and his wife $150 monthly would run around $25,000.

But what of the cost of this financial security? Younger working people and their employers have had to shoulder a growing tax burden to provide it. The amount of earnings subject to Social Security taxes has increased from $3,000 in 1937 to the present $4,200. Moreover, tax rates have already more than doubled—and another near doubling is scheduled by law.

From 1 per cent. each for employees and employers in 1937, tax rates have moved up to the present 2¼ per cent. each. In 1960 these rates are scheduled to go up to 2⅜ per cent., in 1965 to 3¼ per cent., in 1970 to 3⅜ per cent. and in 1975 to 4¼ per cent. each. Thus, the maximum contribution by a worker—and by the employer for each of his workers—has increased from $30 to the present $94.50. By 1975 this maximum will rise to $178.50 each. Increases in benefits, of course, may require raising the tax rate schedules still higher.

O.A.S.I. tax collections in the year beginning 1st July, according to official estimates, will amount to $7.1 billion—nearly 3½ times the $2.1 billion collected in fiscal 1950. This rise reflects not only the increase in tax rates and in the maximum amount of taxable earnings but also the extension of coverage, the growth in the labour force, and the rising level of wages which has tended to raise average taxable earnings.

Income and Outgo

Cash outgo for benefit payments, however, has expanded much more rapidly than have tax collections. O.A.S.I. benefit payments in fiscal 1959, owing to previous programme expansions and liberalisations, will total an estimated $8.5 billion—nearly 12 times 1950 payments of $727 million. O.A.S.I. benefit payments exceeded tax collections last year—the first time this has happened. Extension of coverage in 1954 and liberalisation in 1956 were responsible.

In 1954, Congress made farmers eligible—on attractive terms—to come under the Social Security programme. It permitted farmers to pay taxes for just 18 months and then, if aged 65 or over, to retire on full benefits. Many old farmers promptly paid up their taxes and retired. In 1956, women were authorised to retire at 62 on reduced benefit payments. Re-

(*Continued on page* 967)

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M. 76

INDUSTRIAL DEVELOPMENT PROGRAMME

COMPLETION OF MANY PROJECTS IN PUBLIC SECTOR LIKELY TO BE DELAYED

AS readers are aware, the programme of industrial development has been accorded pride of place in the second Five-year Plan. Thus, out of a total outlay of Rs. 4,800 crores originally envisaged, as much as Rs. 617 crores were earmarked for industries, excluding the sum of Rs. 200 crores for small scale and village industries and Rs. 73 crores for mineral industries. When the programme was formulated, many were inclined to feel that the industrial projects included in the public sector were over-ambitious. It was pointed out that due attention had not been paid to the availability of resources as well as to the administrative and other technical problems involved. That there was no exaggeration whatever in these statements is borne out by the perusal of the review of the progress of industrial projects as contained in the memorandum on appraisal and prospects of the second Five-year Plan submitted by the Planning Commission to the National Development Council recently. The review will clearly reveal that the actual results in the first two years of the Plan have fallen far short of the targets assigned. The Planning Commission candidly confesses that the completion of a number of industrial projects are likely to be delayed and benefits from investments on these projects are not expected to materialise before the early years of the third Plan. Consequently, there will be shortfalls in targets of production in the case of industries like fertilisers, heavy castings and forgings.

The slowing down of some of these projects is attributed principally to the foreign exchange difficulties. Another unhelpful factor is that negotiation for obtaining machinery and equipment on deferred payment or for securing suitable credit facilities from abroad have led to delays in embarking on projects which could otherwise have been implemented more expeditiously. Despite these handicaps, some major projects in the public sector as, for example, steel plants and the Nangal Fertiliser Factory, are said to be going forward.

A sum of Rs. 524 crores had been earmarked for direct investment in industrial projects in the second Plan. In addition, a sum of about Rs. 60 to Rs. 65 crores was made in favour of the National Industrial Development Corporation. The provisions made in the Plan were inadequate and had subsequently to be revised upwards. The revised outlay on steel plants, for instance, is Rs. 510 crores as against Rs. 350 crores originally provided. Similarly, the foreign exchange required for the same has gone up from Rs. 229 crores to Rs. 302 crores.

During the first three years of the Plan, the total outlay on industrial projects in the public sector (including schemes relating to scientific and industrial research) is estimated at about Rs. 430 crores, of which schemes in the States account for about Rs. 9 crores. The expenditure incurred in the first two years of the Plan was Rs. 240 crores, as against the budget provision of Rs. 267 crores. By 1957-58, a number of industrial schemes begun during the first Plan had been completed. These included the DDT plant at Alwaye, expansion of the DDT plant at Delhi, expansion of Hindustan Antibiotics, the Porcelain Insulators scheme at the Government Porcelain Factory in Mysore, Government Soap Factory, Bangalore, the spun-pipe plant of the Mysore Iron and Steel Works, the Bihar Superphosphate Factory and the provision of balancing equipment in the NEPA plant. As a consequence of the completion of these schemes, the capacity for the manufacture of DDT rose by 2,100 tons, of penicillin by 19.2 million mega units and of superphosphate by 33,000 tons. The NEPA achieved its full capacity of 36,000 tons of newsprint per annum, and capacity for the manufacture of 2,500 tons of insulators was established. The total outlay on these schemes during the second Plan is about Rs. 3 crores.

Table I alongside gives the original and revised outlay on the industrial projects in the public sector, along with the revised foreign exchange requirement and the expenditure in the first three years of the Plan.

The industrial schemes expected to be completed in 1958-59 are: (1) expansion of Sindri Fertiliser Factory with an additional capacity of 47,000 tons of nitrogen; (2) blast-furnaces at Bhilai and Rourkela (700,000 tons per annum of pig iron forming the first phase); (3) Durgapur Cokeoven project of West Bengal (285,000 tons of hard coke); (4) Hindustan Machine Tools, stepping up of production of million machines and lathes (400 lathes, milling and drilling machines —ultimate capacity); (5) Hindustan Cables Co-axial Cables project (530 miles of cables and 300 miles of co-axial cables). These projects entail a total cost in the second Plan of about Rs. 21 crores and foreign exchange expenditure of over Rs. 12 crores, exclusive of investment on blast furnaces at Bhilai and Rourkela.

The projects expected to be fully implemented by the end of the second Plan at a total cost of about Rs. 558 crores and foreign exchange expenditure of about Rs. 328 crores are:

Project	*New or additional capacity*
Bhilai Rourkela and Durgapur Steel Works.	2.2 million tons finished steel. 600,000 tons pig iron.
Nangal Fertiliser Project	70,000 tons fixed nitrogen.
Mining part of the lignite project.	3.5 million tons lignite.
Streptomycin Project under expansion of Hindustan Antibiotics.	45,000 kg. streptomycin.
Ferro-silicon expansion under Mysore Iron and Steel Works.	15,000 tons ferro-silicon.
Porcelain Insulators Project of Bihar.	2,000 tons insulators.
Hindustan Shipyard	Expansion of capacity to build 8 to 12 ships per year.
U.P. Government Cement Factory —expansion.	281,000 tons cement.

The projects expected to be completed during the early years of the third Five-year Plan at an estimated cost of Rs. 169 crores and foreign exchange cost of Rs. 107 crores, include the foundry/forge project, heavy machinery project, mining machinery project, remaining part of expansion of Mysore Iron and Steel Works, steel-melting shop and finishing mills, etc., thermal power plant and fertiliser factory at Neiveli; fertiliser factory at Rourkela; optical glass project; first phase of the heavy electrical project; raw film project (N.I.D.C.), intermediates for dyestuffs and drugs (N.I.D.C.), Assam oil refinery; and alloy and tool steel plant.

In view of the shortage of foreign exchange and larger commitments of rupee expenditure for several other projects, a few schemes of relatively lesser importance involving an investment of Rs. 64 crores and a foreign exchange expenditure of about Rs. 40 crores, are likely to be deferred or substantially slowed down. They are:

Carbonised briquettes under the Lignite Project; Bank Note Project; Marine Diesel Engine Shipyard-Dry Dock; Newsprint from Bagasse (N.I.D.C.); Synthetic Rubber (N.I.D.C.); Structural, plate and vessel shop (N.I.D.C.); Heavy Machine, Machine Tools Project (N.I.D.C.); Tungsten Carbide (N.I.D.C.); Salem Aluminium Plant; and other projects of State Governments.

An investment of Rs. 685 crores—Rs. 535 crores for new investment and Rs. 150 crores for replacement—was envisaged in the second Plan for the private sector in industries, the total foreign exchange expenditure involved being Rs. 320 crores (Rs. 250 crores representing new investment). After the formulation of the Plan, targets in certain industries were raised upwards, notably for rayon, electrical equipment, and textile industry. The cost of construction and import prices of capital goods also increased. Consequently, the total investment required to fulfil the programmes approved for the private sector is estimated to have risen to about Rs. 685 crores and the foreign exchange cost to Rs. 120 crores.

In the first year of the Plan, the overall investment in the private sector was between Rs. 135 and Rs. 140 crores and will probably be of about the same order during the second year. There was no difficulty in finding the resources for this investment in 1956-57 as market conditions were favourable in 1955 and 1956 and a considerable increase in raisings from the market was achieved. Further, the Industrial Finance Corporation increased substantially the volume of loans disbursed (Rs. 10.4 crores in 1956-57 as against Rs. 2.2 crores in 1955-56) and substantial foreign capital/loans flowed in for the steel expansion programmes and the Caltex Refinery.

The aforesaid favourable situation has changed in recent months. The Planning Commission doubts whether, in the face of measures

(*Continued on page 967*)

TABLE—I

Industrial Projects in Public Sector

(In crores of Rupees)

Item	Plan provision		Foreign exchange (Revised)	Progress of expenditure	
	Original	Revised		1956-57 and 1957-58	1958-59 (Budget estimate)
Rourkela	} 350.00	510.00	301.57	183.68	160.00
Bhilai					
Durgapur Steel Plant					
South Arcot Lignite Project ..	52.00	61 00	26.00	0.25	7.00
Sindhri Fertilisers	7.00	8 40	5 50	4.80	1.38
Nangal Fertilisers	22.00	22.00	12 50	4.05	4.05
Hindustan Shipyard	9.80	9 80	0 80	2.52	1.48
Heavy Electrical Plant (first phase) ..	20.00	16.65	4.80	1.49	1.00
Hindustan Machine Tools	2.00	2.36	0 45	2.36	....
D.D.T. Factories	1.00	1 20	0.85	0.74	0 24
Hindustan Cables	0.50	0 60	0 34	0 29	0 30
Hindustan Antibiotics	1 00	1 00	0.25	0 75	0 01
National Instruments Factory ..	0 65	0 65	....	0 47	0 02
Salt Development	2.00	2 00	....	0.18	0.20
Rourkela Fertiliser Factory	8 00	16 00	12.00	....	....
Industrial Finance Corporation ..	13 50	22 25	....	15.00	3 00
Security Paper Mill	2 50	2.50	0.10	0.10	0.10
Mysore Iron and Steel Works (ferro-silicon plant)	5 05	N.A.	N.A.	0 05	0.33
N. I. D. C.	55 00	53 00	38.50	2.55	3.85
Other Schemes and C. & I. Ministry ..	15 00	N.A.	N.A.	....	....
State Industrial Schemes	21 00	21 00	....	6.01	3.36
Hyderabad Prага Tools	0.75	N.A.	....	....	....
J. & K. Spun Silk Mill	0 70	N.A.	....	....	....
Sugar and Cotton Mills, Pondicherry ..	1.00	N.A.	N.A.	....	....
Total ..	591.44	*750.50	*406.06	*234.10	186.32

* Information for certain schemes (denoted as N.A.) is not included in these totals.

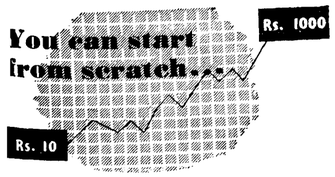
TABLE—II

Industries in Private Sector

Industry	Installed capacity		Capacity likely to be achieved in 1960-61 on the basis of schemes in progress	Further foreign exchange needed for achieving capacity under column 4 (Rs. crores)	Further foreign exchange needed (over and above figure in column 5) for achieving target under column 2)
	Plan target (revised figures in brackets)	Present capacity (as at the end of 1957)			
1	2	3	4	5	6
Iron and steel (saleable steel) units (million tons)	2.3	1.3	2.3	Nil	Nil
Aluminium (tons)	30,000	7,500	20,000	1.50	6.5
Ferro-manganese (tons)	1,70,000	12,000	114,000	1.25	1.25 to 1.5
Superphosphate (in terms of P_2O_5) ('000 tons)	120.0	50	80*	0.4	2.5 to 3 0†
Caustic soda ('000 tons)	150	45	124	Neg.	1.25
Cement (mill. tons)	16 0	6 63	9 3	1.8	33.0
Refractories ('000 tons)	1,000 (1,250)	498	820	0.5	2 0
Cotton textile machinery (Rs. crores) ..	17 00	7.5	10	1.5	2.0
Automobiles (Nos.)	57,000	36,000	60,000 (about 40% indigenous content)	Neg.	12.00 (about 80% indigenous content)
Paper machinery (Rs. crores)	4.0	Nil	Nil	Nil	2.0
Transformers ('000 K.V.A.)	1,500 (2,200)	934	1.465	0.10	1.0
Motors ('000 H.P.)	500 (1,200)	339	736	0 10	1.5
Sugar ('000 tons)	2,500	2,010	2,250	Neg.	10.0
Cotton Textiles—					
(i) Spindleage (mill. tons)	13.621 (14 150)	12.6	14.15	15.00	....
(ii) Loomage ('000 Nos.)	208 (221)	....	221		
Paper and Paperboard ('000 tons) ..	450	252	410	1.0	5.0
Rayon—					
(i) Filament (mill. lbs.)	68.0 (100)	24	76.8	1.6	10.0
(ii) Staple fibre (mill. lbs.)	32 0	22.0	40.0	....	
(iii) Chemical pulp ('000 tons)	30.0	NU	30.0	Neg.	

* Plus 3,700 tons of P_2O_5 in the form of ammonium phosphate.

† Investment on production of alternative phosphatic fertilisers in terms of 36,000 tons of P_2O_5.



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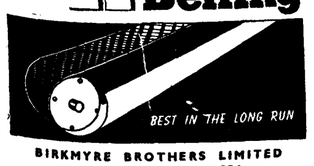

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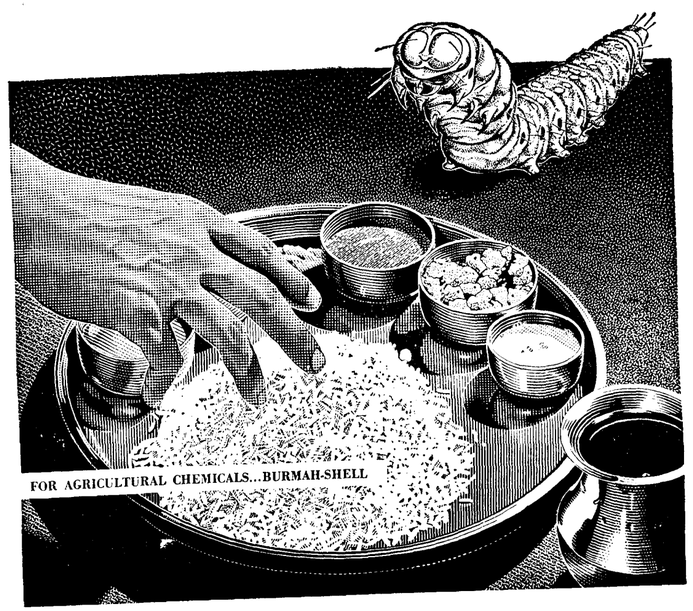
FOOD FOR THOUGHT

A handful of Rice



India has more acreage under rice than any other country in the world. Yet production is not large enough to meet the demand. During 1957 it was found necessary to import 7,00,000 tons of rice at an estimated cost of Rs. 30 crores.

The country has been making steady progress in increasing production by improved methods of cultivation. Among these, control of the paddy stem borer is of special importance as it has been estimated that this deadly insect pest costs the country over Rs. 30 crores a year. The States worst affected are those of Andhra, Kerala, Madras, Mysore and Orissa.

Shell endrin provides effective, persistent control of the paddy stem borer and can thus increase rice yields on affected fields by up to 50%.

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EXCISE DUTY AFFECTS NATIONAL RAYON'S PROFIT

EXPANSION SCHEMES IN PROGRESS

THE Directors of the National Rayon Corporation Ltd. (*Managing Agents*: Messrs. Chinai and Company Private Ltd., Bombay) propose to maintain the dividend for the year ended 31st December 1957 at the same rate, namely, 14 per cent., as was paid for the previous year. There is, however, one difference, in that while the dividend a year ago was in the nature of a dividend of 12 per cent. and a cash bonus of 2 per cent., the distribution for the year under review is all in the form of dividend, the bonus part having been merged with the dividend. After the maiden dividend of 9 per cent. paid for 1953, the Company has stepped up the distribution year after year. Thus, it raised the dividend to 10 per cent. for 1954 and to 12 per cent. for 1955 and further to the level mentioned above. The merger of the bonus portion with the dividend would seem to suggest that the Directors are confident of maintaining the distribution at the rate in the years to come. But the performance of the Company during the year under review does not appear to give much credence to this hope, for the steep rise in the excise duty on indigenous rayon yarn has made great inroads into the Company's earnings and the profit has actually suffered a recession, as compared with the previous year. The full force of this levy was felt during the year as a sum of Rs. 37.73 lakhs had to be paid on this account, as against Rs. 80.221 paid for one month in the preceding year. The rise in excise duty has practically set at naught the benefits of expansion of the rayon plant. Indeed, as the Directors point out, if the expansion had not been completed in time, there is no doubt that this huge burden would have weighed heavily on the Company and its ability to provide for reasonable allocations as well as to maintain the previous year's rate of dividend would have been affected.

The gross profit at Rs. 150.48 lakhs has dropped Rs. 4.81 lakhs from Rs. 155.29 lakhs for 1956, to which level it had jumped from Rs. 115.26 lakhs for 1955. The provision for depreciation has been raised from Rs. 60 lakhs to Rs. 75 lakhs but that for taxation has been lowered from Rs. 26.61 lakhs to Rs. 12 lakhs, including Rs. 6.5 lakhs for 1956. Out of this sum, the Directors expect that the liability for payment of income-tax in respect of the year 1957 would be Rs. 2.50 lakhs and that for wealth tax Rs. 3 lakhs. After making the above provisions, the net profit at Rs. 52.59 lakhs also stands lower, as compared with Rs. 58.33 lakhs a year ago. The dividend on the preference shares is proposed to be paid after deducting tax at source.

In conformity with its policy, the Company has conserved a good part of its profit this year also. While the provision to the debenture redemption reserve has been maintained at Rs. 10 lakhs, that to the general reserve has been raised from Rs. 7 lakhs to Rs. 13.35 lakhs. The deferred taxation reserve which had been the recipient of Rs. 10 lakhs in the previous year has not been provided with anything.

The following comparative table presents the salient features of the Company's working results for the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	5 37.48	4.22 38	3.42 50	2.96 37
Stock of finished goods	38 17	22 32	16 08	10 92
Other income	2 17	3 11	1 75	1 57
Raw materials consumed	1 69 89	1.17 58	1.03 22	79 21
Expenses	2.35 13	1 58 86	1 30 93	98 01
Gross profit	1.50 48	1.55 29	1.15 26	1.15 78
Managing Agents' commission	10.89	10.35	6.97	7.08
Provision for—				
Depreciation	75 00	60 00	50.00	45.00
Taxation	12 00	26 61	..	..
Net profit	52.59	58.33	58.29	63.70
Excess provision for preference dividends and dividend on forfeited shares written back	0.62	..	..	..
Debenture issue expenses written off	..	..	4.16	..
To reserves	23.35	27.00	25.00	38.00
,, gratuity reserve	3.00	2.00	2.00	0.50
Dividends—				
5% cumulative preference	8.64*	6.48*	8.71	8.71
Ordinary	22.49 (14%)	22 50 (D. 12% + D. 2%)	19 02 (12%)	15 77 (10%)
Carry forward	1.24	5.52	5.12	5.72

* Less tax.

It will be clear from the table above that the Company's sale proceeds have sharply increased by Rs. 115.10 lakhs. This is even higher than that in the previous year when a rise of Rs. 79.88 lakhs was noted. The increase in production and the rising trend in turnover are reflected in the cost of raw materials consumed and other expenses both of which have gone up. As stated at the outset, the excise duty on indigenous rayon yarn has absorbed a substantial portion of the year's profits. It may be mentioned here that the Central Government imposed excise duty on indigenous rayon yarn at the rate of 25 nP per lb. on 120 and 150 deniers and 37 nP on 100 deniers with effect from 1st December 1956.

The tempo in the Company's various schemes of expansion is fully kept up. Referring to these, the Directors, in their latest report, observe as follows:

"The fourth stage of expansion of the rayon plant was completed in July last, thus achieving the duplication of the entire original project. The whole plant has since been working satisfactorily at its rated capacity of about 19 million lbs. in terms of 150 deniers. The electrolytic caustic soda chlorine plant of the Company having a daily capacity of 20 tons of caustic soda (rayon grade), 5 tons of liquid chlorine and 16 tons of commercial hydrochloric acid was put into operation by the end of last year. The trial runs of various sections thereof were taken and though, in the beginning, we experienced some teething trouble, the plant is operating at about 75 per cent. of its rated capacity. The quality obtained was tested and found to compare well with the imported rayon grade variety.

"As indicated in the last report, the Directors have decided to put up a tyre cord plant costing about Rs. 3 crores, nearly half of which would comprise dollar exchange to be incurred for importing machinery and for the 'know-how.' The other half is to cover the cost of buildings, customs duty, fabrication and purchase of other equipment in this country, installation of the entire machinery, interest, working capital, etc. It has been possible for the Company to secure credit from the Export-Import Bank of Washington to the extent of 1.8 million dollars, covering 60 per cent. of the contract price of the machinery for this tyre cord plant to be imported and another credit from the principal suppliers of the machinery in the United States to the extent of 20 per cent. These credits will take care of the requisite dollar exchange equivalent to about Rs. 1.20 crores."

The Directors further state that during the period of import and installation of the machinery, which would take about two years to complete, the Company should be able to find from its own resources a sum of Rs. 80 lakhs, including the balance of 20 per cent. of the dollar content for the equipment. This leaves a balance of about Rs. 1 crore, which has to be raised to complete the financial requirements of the entire plant. In order to meet the balance, the Directors decided to increase the capital of the Company by the issue of 80,500 new equity shares of Rs. 100 each at a premium of Rs. 25. The new shares will rank *pari passu* with the existing equity shares in all respects except the dividend. They will rank for dividend declared from the year beginning 1st January 1958, on the amounts for the time being called up or credited as paid up on the said shares.

The paid-up capital of the Company as at 31st December 1957 stands slightly reduced from Rs. 334.92 lakhs to Rs. 334.87 lakhs, due to the forfeiture, during the year, of 40 preference and 110 equity shares. The paid-up capital is supplemented by reserves and surplus aggregating Rs. 143.82 lakhs, of which the general reserve accounts for Rs. 46 lakhs, deferred taxation reserve for Rs. 60 lakhs and debenture redemption reserve for Rs. 30 lakhs. The Company's debenture liability, secured by 5½ per cent. mortgage debentures, amounts to Rs. 150 lakhs. The current liabilities stand at Rs. 562.79 lakhs and include loans from banks to the tune of Rs. 158.79 lakhs. There has been an addition of Rs. 224.04 lakhs to the gross block during the year, bringing its total value to Rs. 1,055.96 lakhs. This has been written down to a book value of Rs. 715.96 lakhs. The current assets aggregate Rs. 207.18 lakhs and fall short of the current liabilities and provision for taxation by as much as Rs. 355.61 lakhs.

The Rs. 100 fully paid-up shares are being currently quoted at Rs. 235 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 6.33 per cent. per annum, free of income-tax.

CAMBODIA MILLS SUFFER LOSS

DIVIDEND, HOWEVER, MAINTAINED

DIFFICULT trading conditions, consequent on high prices of cotton, accompanied by uneconomic prices for the finished product, namely, yarn, have adversely affected the working of the Cambodia Mills Ltd. (Managing Agents: Messrs. Peirce Leslie & Co., Ltd., Coimbatore) during the year ended 31st December 1957. This disparity between cotton and yarn prices was so marked that despite a substantial rise in the Company's sale proceeds over the preceding year, the working results have actually shown a loss. Thus, a gross loss of Rs. 1.13 lakhs has been incurred, as against a gross profit of Rs. 3.41 lakhs in the previous year. After slightly raising the provision for depreciation from Rs. 2.18 lakhs to Rs. 2.41 lakhs and providing Rs. 16,983 as wealth tax for the year 1956 and Rs. 2,304 for income-tax paid for the year 1955 on income from other sources, there is a net loss of Rs. 4.08 lakhs, as against a net profit of Rs. 92,303 in the previous year.

In spite of the adverse results, the Directors propose to maintain the dividend on the ordinary shares at the rate of 5 per cent. paid for the previous two years. For this purpose, they have transferred Rs. 1 lakh from the general reserve. With the amount bought in as surplus from 1956, they have also paid the dividend on the 7 per cent. cumulative preference shares, leaving a loss of Rs. 3.62 lakhs to be carried forward which has been adjusted against the general reserves.

Results Compared

The following table will enable a comparative study of the Company's working during the past three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	1,26.10	91.22	1,23.06	1,10.47
Closing stock of finished goods	7.45	4.15	N.A.	N.A.
Raw material consumed	95.79	65.41		
Other expenses	35.10	26.22	1,00.19	1,08.64
Gross profit (+) or loss (—)	—1.13	+3.41	+5.16	+1.99
Managing Agents' commission	0.35	0.31	1.13	0.99
Depreciation	2.41	2.18	2.06	1.91
Taxation	*0.19			
Net profit (+) or loss (—)	—4.08	+0.92	+1.97	—0.88
Transfer from reserve	1.00	..	..	..
Reserve for taxation no longer required	..	0.32	..	..
Refund of B.P.T. and E.P.T.	..	0.09	..	..
Transfer to reserves	..	..	0.07	..
Dividends—				
7% cum. preference	0.07	0.07	0.07	0.07
Ordinary	1.00 (5%)	1.00 (5%)	1.00 (5%)	..
Carry forward	—3.62	0.54	0.28	—0.88

* Income-tax paid for the year 1955 on income from other sources and wealth tax provision for 1956.
N.A. = Not available.

It will be seen from the above table that the sale proceeds have made a substantial rise of Rs. 34.88 lakhs to Rs. 1.26 crores during the year under review. This also reverses the downward trend noted in the previous year when the sales dropped by as much as Rs. 31.84 lakhs. The rise in the cost of raw materials consumed from Rs. 65.41 lakhs to Rs. 95.79 lakhs indicates the higher cost of cotton and, to some extent, the expansion in production. The difficult conditions in the yarn trading industry are reflected in the rise in the closing stocks from Rs. 4.15 lakhs to Rs. 7.45 lakhs. Other expenses have also increased from Rs. 26.22 lakhs to Rs. 35.10 lakhs. The expenses for the year include a sum of Rs. 85,120, representing 1½ months' basic wages given as an interim award to labour. The Directors say that this is now the subject of adjudication.

Finances

The Company's financial position, as disclosed by its balance-sheet as at 31st December 1957, is satisfactory. Its paid-up capital of Rs. 21 lakhs is made up of 1,000 seven per cent. cumulative preference shares of Rs. 100 each and 200,000 ordinary shares of Rs. 10 each. As against this, the reserves and surplus aggregate Rs. 15.38 lakhs. The current liabilities amount to no more than Rs. 9.69 lakhs and include loans from banks secured against stocks of the order of Rs. 4.71 lakhs. The gross block of Rs. 50.23 lakhs stands written down at Rs. 24.05 lakhs. Additions during the year were of the order of Rs. 8.12 lakhs. The current assets aggregate Rs. 22.02 lakhs and cover the current liabilities by a margin of Rs. 12.33 lakhs.

The Rs. 10 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 8.50 *cum-div.* On an *ex-div.* basis, the dividend for the year works out a yield of 6.25 per cent. per annum, free of tax.

ANGLO-FRENCH TEXTILES

MODEST DIVIDEND DECLARED

IN spite of the deterioration which took place in the textile and yarn markets during the year 1957, it is gratifying to note that the Anglo-French Textiles Ltd. (Managing Agents: Messrs. Best & Co. (Pondicherry) Private Ltd., Pondicherry) has reported better results in its working during the year ended 31st December 1957, as compared with the previous year. Production and earnings have both substantially improved and a reasonable profit also made, in refreshing contrast to a loss suffered in the previous year. The better results are, no doubt, due to the improved relations which existed between the labour and management during the year under review. In this context, it is worth stating that during 1956 there were a number of strikes and production for that year amounted to only 7.217 million lbs. of yarn and 12.721 million yards of cloth. The output during the year under review improved to 9.377 million lbs. of yarn and 17.512 million yards of cloth.

The gross profit at Rs. 12.86 lakhs compares very favourably with a loss of Rs. 1.43 lakh in 1956 and a modest profit of Rs. 1.38 lakh made in 1955. After providing for Managing Agents' commission and setting aside Rs. 4.16 lakhs for depreciation, as against *nil* in the previous year, and another Rs. 1.26 lakh for taxation, as against Rs. 2,696, representing excess provision for income-tax for 1955, there is a net profit of Rs. 6.73 lakhs, as against a net loss of Rs. 1.46 lakh a year ago. This net loss has been reduced to Rs. 1.05 lakh by the small surplus carried over from the profit for 1955 and by a transfer of Rs. 30,000 from the general reserve. The Directors have allocated Rs. 1.57 lakh as provision for bonus. The net amount left over after making the above provision and wiping out the debit balance brought forward from the previous year has enabled the Directors to pay the arrears of the dividends on the preference shares for 1956 and the dividends on them for 1957 and also declare a dividend of 6 per cent. on the ordinary shares.

The table appended below will give some idea of the Company's progress during the last three years:

(In lakhs of rupees)

	For the year ended 31st December		
	1957	1956	1955
Sale proceeds	2.05.71	1,45.51	58.34
Closing stocks of cloth, yarn, waste and old materials	40.28	33.36	18.24
Cost of cotton consumed	1,19 30	86.39	31.30
Other expenses	82 11	76.78	30.71
Gross profit (+) or loss (—)	+12.86	—1.43	+1.38
Managing Agents' commission	0.71	..	..
Depreciation	4.16	..	..
Taxation	1.26	0.03	0.12
Net profit	+6.73	—1.46	+1.26
Provision for bonus	1.57	..	0.25
Transfer to reserves	..	..	..
Dividends—			
6% cumulative preference	2.10*	..	1.08
Ordinary	1.80 (6%)	..	..
Carry forward	0.15	—1.46	0.12

* For the years 1956 and 1957.

It will be seen from the table that the Company's sale proceeds have made a substantial improvement of Rs. 60.20 lakhs over the year to Rs. 2.06 crores. Cost of cotton consumed and other expenses have also gone up.

The Company was formed in 1951 to take over the shares of the Anglo-French Textiles Company, Ltd., the owners of the Rodier Mill, as a going concern. It was, however, carrying on as a holding company and as acting and selling agents until 19th August 1956 when the Anglo-French Textile Company, Ltd. went into liquidation and the latter's business was transferred to the Anglo-French Textiles Ltd. It is stated that it has still not been possible to complete the liquidation of the Anglo-French Textile Company, Ltd. as the tax liabilities have not yet been finally determined. During the year, the Company received from the liquidator, the Anglo-French Textile Company, Ltd. (in voluntary liquidation), Rs. 6.60 lakhs as distribution of capital in winding-up, which amount falls to be credited to the block account.

In order to compete successfully in world markets, the management has drawn up a comprehensive scheme of modernisation of the Company's plant. Accordingly, an application has been submitted to the National Industrial Development Corporation for a loan of Rs. 40 lakhs for carrying out this programme.

The balance-sheet as at 31st December 1957 shows the Company's paid-up capital at Rs. 48 lakhs, of which 30,000 six per cent. cumulative preference shares of Rs. 100 each account for Rs. 18 lakhs and 18,000 ordinary shares of Rs. 100 each for the balance. It has no reserves except the year's small carry-over surplus of Rs. 15,213. The current liabilities amount to Rs. 73.82 lakhs and include a provision for taxation at Rs. 1.26 lakh. The gross block of Rs. 30.87 lakhs has been written down to Rs. 26.72 lakhs. Additions during the year accounted for Rs. 3.20 lakhs. The current assets aggregate Rs. 93.84 lakhs and miscellaneous expenditure and losses Rs. 1.41 lakh. The current assets cover the current liabilities and provision for taxation by a comfortable margin.

The Rs. 100 fully paid-up ordinary shares are being currently quoted at Rs. 89 *cum-div.* On an *ex-div.* basis, the yield is 7.23 per cent. per annum.

Points From The Chair

Industrial Output

"GOVERNMENT deserves praise for initiating an aggressive programme for increasing industrial production, and a considerable measure of success has attended these efforts, but to sustain the increase and keep on a progressive rate of growth two essential conditions must be satisfied, namely, demand to keep pace with supply and raw materials to be made available in abundance and in time. To create temporary employment is not the answer to the four hundred million problem. A modern socialist planner asks us never to forget that the 'end of a rational economic activity is to make possible more production and more consumption and that expansion of employment has to allow the maximum expansion of production, but should not be made in a way as to be detrimental to the latter.' Yet, today industries in India face serious dislocation. In the engineering field non-availability of even the essential raw materials like pig iron and coke dictates a position of almost complete helplessness and warrants a justifiable criticism of inadequate instruments of Government planning. Planning postulates that correct emphasis is placed on the right industries and once included within the Plan no effort is spared to provide the means for that industry to reach maximum production desired and to ensure consumption of the products of industry."

K. C. MAHINDRA,
Mahindra and Mahindra Ltd.

Second Plan

"Many learned discourses have appeared on the overbounding ambitions which governed the formulation of the second Plan—its lack of realities, its over-emphasis on heavy industries, insufficient care for agricultural advancement, haphazard and expensive social theories and a general poverty of resources. I do not propose to enter into a detailed argument on the merits or otherwise of planning. The past is a bucket of ashes. What should be recognised is that to stand still will be to stagnate. It is also to be recognised that the most prominent feature of Indian economy in the last 12 months has been the pulling up of socks in the most classic orthodox manner—inflationary prices, particularly in foodgrains, have been halted, bank advances and credits controlled and directed into worthier channels, and even tax adjustments, although minor, admitted into the new pattern. Despite the pedestrian budget, the keel of the ship of the realm has been righted and set on a straight, although austere course. I do not decry controversy and argument over past mistakes, but, quoting the British Prime Minister, why look up a train in last year's Bradshaw? The need of the moment is to find equilibrium in motion. 'History does not linger long in the twentieth century; the world alters as we walk in it.'"

K. C. MAHINDRA,
Indian Aluminium Company Ltd.

Manganese Ore Export Trade

"On the question of future prospects, I think it is well to remember that the fortunes of the Indian manganese ore export trade is largely dependent upon foreign buyers whose activities, in turn, are dictated solely by the demand of the steel industry, especially in the U.S.A. However, on account of the recession which the economy of that country has suffered recently, to which I have referred, and the fact that some other important steel producing countries are holding large stocks of this commodity, it is not expected that there will be any substantial demand for Indian manganese ore for some time to come, although it is generally felt that the demand might pick up towards the end of the year when the stocks held at present are running low. In this connection, I think it is worthwhile mentioning that recently the Government of India was negotiating a barter deal with the United States of America for the sale of low and middle grade manganese ores in exchange for American wheat. If and when this materialises, although it would seem that there are still some hurdles to be crossed, I am sure this will give a fillip to the Indian manganese ore industry and trade as a whole. It has even been ascribed in certain quarters that the relative stability of the ore market at the present depressed levels is due to the possibility of this barter deal materialising, although this seems conflicting with another report that in New York the feeling in the manganese trade is that any expansion of barter business is highly unlikely."

A. N. HAKSAR,
Shivrajpur Syndicate Ltd.

COMPANY MEETINGS AND DIVIDENDS

KYANG TEA SEED CO., LTD. Annual General Meeting, Calcutta, 22nd May 1958. Dividend: Re. 0.50 per share. Transfer books remain closed from 15th to 22nd May 1958, both days inclusive.

UNITED FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 22nd May 1958. Dividend: Rs. 4.00 per share. Transfer books remain closed from 15th to 22nd May 1958, both days inclusive.

PUNJAB MINERALS CO., LTD. Annual General Meeting, Calcutta, 26th May 1958. Dividend: *Nil*. Transfer books remain closed from 12th to 26th May 1958, both days inclusive.

JENSON AND NICHOLSON (INDIA) LTD. Annual General Meeting, Calcutta, 27th May 1958. Transfer books will remain closed from 20th to 27th May 1958, both days inclusive.

ANGLO-FRENCH TEXTILES LTD. Annual General Meeting, Pondicherry, 29th May 1958. Dividend: Rs. 6.00 per share, free of tax. Transfer books will remain closed from 19th to 29th May 1958, both days inclusive.

RADIO AND ELECTRICALS LTD. Annual General Meeting, Madras, 30th May 1958. Dividend: 0.45 per share or 9 per cent. Transfer books remain closed from 16th to 30th May 1958, both days inclusive.

GODFREY PHILLIPS, INDIA, LTD. Annual General Meeting, Andheri, Bombay, 30th May 1958. Transfer books will remain closed from 24th to 30th May 1958, both days inclusive.

RAMNUGGER CANE AND SUGAR CO., LTD. Annual General Meeting, Calcutta, 30th May 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books remain closed from 15th to 30th May 1958, both days inclusive.

INDO-BURMA PETROLEUM CO., LTD. Annual General Meeting, Calcutta, 30th May 1958. Dividend: Rs. 2.00 per share (includes interim dividend of Re. 1.00 per share). Transfer books will remain closed from 20th to 29th May 1958, both days inclusive.

MYSORE SUGAR CO., LTD. Annual General Meeting, Bangalore City, 30th May 1958. Dividend: Rs. 2.20 per share or 20 per cent. Transfer books will remain closed from 24th to 30th May 1958, both days inclusive.

CAMBODIA MILLS LTD. Annual General Meeting, Coimbatore, 30th May 1958. Dividend: Re. 0.50 per share. Transfer books remain closed from 7th to 30th May 1958, both days inclusive.

SHREE KRISHNA GYANODAY SUGAR LTD. Annual General Meeting, Dalmianagar, 31st May 1958. Dividend: Re. 1.00 per share or 10 per cent. Transfer books will remain closed from 20th to 31st May 1958, both days inclusive.

PEERMADE TEA CO., LTD. Annual General Meeting, Pathirapally, Kerala State, 7th June 1958. Dividend: Rs. 2.50 per share (includes interim dividend of Re. 0.75 per share). Transfer books will remain closed from 25th May to 10th June 1958, both days inclusive.

MAHARASHTRA SUGAR MILLS LTD. Annual General Meeting, Bombay, 9th June 1958. Dividend: Rs. 10.00 per share (includes bonus of Rs. 25.00 per share). Transfer books will remain closed from 2nd to 17th June 1958, both days inclusive.

NATIONAL RAYON CORPORATION LTD. Annual General Meeting, Bombay, 12th June 1958. Dividend: Rs. 14.00 per share, payable on and from 13th June 1958. Transfer books remain closed from 16th April to 15th May 1958, both days inclusive.

SWINTON ESTATES CO., LTD. Interim dividend of 5 per cent. for the year ended 31st March 1958. Transfer books will remain closed from 2nd to 9th June 1958, both days inclusive.

ATHIMATTAM RUBBER CO., LTD. Dividend of 3¼ per cent. for the year ended 28th February 1957. Transfer books will remain closed from 19th to 26th May 1958, both days inclusive.

NENMENY RUBBER AND PRODUCE CO., LTD. Dividend of Re. 0.75 per share, for the year ended 31st December 1957.

ANANDAM RUBBER CO., LTD. Dividend of Re. 1.50 per share or 15 per cent. for the year ended 31st December 1957. Transfer books will remain closed from 3rd to 7th June 1958, both days inclusive.

THAMARAPALLY RUBBER CO., LTD. Dividend of Rs. 3.00 per share or 30 per cent. for the year ended 31st December 1957. Transfer books will remain closed from 3rd to 7th June 1958, both days inclusive.

COMPANY REGISTRATIONS

BROACH TEXTILE MILLS PRIVATE LTD. (First Director: Mr. R. S. Patel.) Business: Cotton spinning and weaving etc. Authorised capital: Rs. 50,00,000. Private company. Address: Mills Bungalow, Mahatma Gandhi Road, Broach.

H. AND R. JOHNSON (INDIA) PRIVATE LTD. (First Director: Mr. Kenneth N. Pedder.) Business: Manufacture of ceramics, glazed tiles, sanitaryware, etc. Authorised capital: Rs. 25,00,000. Private company. Address: Jan Mansion, Sir P. M. Road, Fort, Bombay.

BHARAT RADIATORS PRIVATE LTD. (First Director: Mrs. S. A. Daftray.) Business: Manufacturers and dealers in radiators. Authorised capital: Rs. 10,00,000. Private company. Address: "Construction House," Wittet Road, Ballard Estate, Bombay.

CHEMANX PRIVATE LTD. (First Director: Mr. J. H. Doshi.) Business: Manufacture of chemical products, organic and inorganic chemicals. Authorised capital: Rs. 5,00,000. Private company. Address: 11, Sprott Road, Ballard Estate, Bombay.

PEERMADE TEA CUTS DIVIDEND

WORKING OF UNITED FLOUR MILLS BETTER

Peermade Tea Co., Ltd.

THE directors of the above Company (Secretaries: Messrs. Aspinwall & Co. (Travancore) Ltd., Pathirapally, Kerala) submit the audited accounts of the Company for the year ended 31st December 1957.

The net profit for the year amounted to Rs. 2,05,727 as compared with Rs. 5,84,517 in 1956. The decline for 1957, in spite of a record crop, was mainly due to increased total expenditure and a drop in average sale price realised.

As usual, the necessary provisions for depreciation on buildings and machinery have been made. Provision for taxation includes cover for taxation on dividends in excess of 6 per cent. in respect of dividend payments during the year under review.

Crop.—An all time record crop of 22,54,940 (18,87,956) lbs. was harvested, which is 3,66,984 lbs. more than the 1956 crop and 3,15,406 lbs. in excess of the previous record made during 1954. This is mainly attributed to the very favourable weather conditions experienced throughout the year and to the build-up brought about by the cultivation policy. An improvement in respect of co-operation from labour is reported, and this factor has had a considerable influence on the harvesting of an increased crop.

The results of the last three years compare as under:

Year	Crop	Estate expenditure	All-in cost	Average sale price
		Cts. per lb.	Cts. per lb.	Cts. per lb.
1955 ..	18,54,907	128.06	162.52	185.03
1956 ..	18,87,956	137.41	174.49	202.28
1957 ..	22,54,940	128.40	158.46	165.16

The decreased average sale price compared with 1956 reflects the trend of the market during the year, when supply was in excess of demand. For 1958, the Manager has estimated for a crop of 19,00,000 lbs. a conservative figure, at an estate expenditure of 142.87 cents per lb.

General.—The crop secured for the year at 22,54,940 lbs. represents an overall yield of 1,448 lbs. per acre. The usual comparison statement of yields per acre is as follows:—

Estate	1954	1955	1956	1957
Pirmed	1,152	1,158	1,177	1,333
Lone Tree ..	1,339	1,225	1,246	1,563
Company	1,246	1,192	1,212	1,448

During the year the dispute regarding labour bonus for the years 1955 and 1956 was settled, and the outcome added considerably to the ever increasing total expenditure. A further interim increase in wages was granted on 1st November last and this approximates 8½ per cent.

A sum of Rs. 1,55,351 (Rs. 2,17,463) was carried forward in the profit and loss account in respect of 1956 working and to this figure is added the sum of Rs. 2,05,727 (Rs. 5,84,517) being profit for the year 1957. During the year under review, the directors have distributed Rs. 9,000 (Rs. 9,000) and Rs. 1,27,500 (Rs. 1,70,000) being dividend at the rate of 6 per cent. free of income-tax on preference shares and interim dividend at the rate of 7½ (10) per cent. free of income-tax on ordinary shares respectively. In view of the substantial fall in the profit for the Company during 1957, and having regard to the dividend equalisation reserve built up in the years of prosperity, the directors have considered it expedient to transfer a sum of Rs. 85,000 (*nil*) from that reserve to the profit and loss account, and recommend a final dividend of 17½ (27½) per cent. free of income-tax on the ordinary shares. This absorbs Rs. 2,97,500 (Rs. 4,67,500) leaving a sum of Rs. 1,02,542 (Rs. 1,55,351 after placing Rs. 2,900 to non-executive staff retirement fund) to be carried forward.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	18,50,000	Block ...	24,39,969
Reserves ...	8,81,944	Stock-in-trade	7,40,398
Provision for taxation ...	5,54,863	Stores, spare parts etc. ...	1,94,343
Liabilities ...	11,33,919	Debts, deposits and advances ...	1,79,182
Profit and loss account ...	1,02,542	Investments	7,18,885
		Cash ...	2,50,491
Rs.	45,23,268	Rs.	45,23,268

United Flour Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Shaw Wallace & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th November 1957.

The Company's profit for the year is Rs. 5,81,293 (Rs. 3,61,679) and after providing taxation on profits for the year of Rs. 4,03,640 (Rs. 2,34,044) there remains a balance of Rs. 1,77,653 (Rs. 1,27,635). To this amount is to be added provision for taxation no longer required Rs. 30,475 (*nil*) and the amount brought forward from the previous year of Rs. 17,273 (Rs. 25,632) making a total of Rs. 2,25,401 (Rs. 1,53,267). Out of this the directors have declared an interim dividend of 25 (30) per cent. already paid Rs. 1,25,000 (Rs. 75,000). They now recommend a dividend of 15 (15) per cent. payable without any deduction for income-tax paid by the Company absorbing Rs. 75,000 (Rs. 37,500). After deducting transfer to development reserve of Rs. 3,370 (nil) there is a credit balance to be carried forward of Rs. 22,031 (Rs. 17,273 after placing Rs. 23,494 to general reserve).

The dividend of 40 per cent. for the year is on a paid-up capital of Rs. 5,00,000. The dividend of 45 per cent. for the previous year 1956 is on a paid-up capital of Rs. 2,50,000.

Trading Conditions.—There was keen demand for the Company's products throughout the year. The ban on the use of indigenous wheat by Port Mills, enforced during the latter half of 1956, continued throughout 1957 and Calcutta Mills relied entirely upon wheat imported by the Government of India. Despite occasional difficulties over supplies, the mill was able to work to full capacity.

The production of the various types of wheat products was adjusted in accordance with demand and the extraction of *atta* which had been substantially increased, was maintained during 1957. In addition, the Company milled on behalf of the West Bengal Government a sizable quantity of *atta* for despatch to the districts. Production during the year was 5,52,344 maunds as compared with 4,95,420 maunds during the year ended 30th November, 1956.

Accounts in brief are as under:—

Liabilities	Rs	Assets	Rs.
Capital ...	5,00,000	Block ...	2,22,741
Reserves ...	5,99,627	Stock of wheat, flour, etc. ...	5,16,582
Provision for taxation ...	6,15,000	Stores ...	34,288
Liabilities ...	6,58,744	Capital expenditure in suspense	1,41,437
Profit and loss account ...	22,031	Debts, deposits and advances ...	8,60,237
		Investments	18,063
		Cash ...	6,02,054
Rs.	23,95,402	Rs.	23,95,402

Tropical Plantations, Ltd.

The directors of the above Company (Chairman: Mr. M. Lakshmana Rau, Kottayam, Kerala State) submit the audited accounts of the Company for the year ended 31st December 1957.

Crops and Prices.—Owing to various causes, such as the enhancement in wages awarded to labour and staff, the introduction of provident fund scheme for them and other amenities accorded. Inter-State sales tax, increased sales tax on tea and rubber and surcharge on Kerala sales tax, the cost of production of both tea and rubber has gone unprecedentally high.

Tea.—4,75,367 (4,56,869) pounds of tea [955 (917) lbs. per acre] was harvested during the year at an all-in-cost of Re. 1.41 (Re. 1.28) per lb. and the average price realised is only Re. 1.48 (Re. 1.72) per lb.

Rubber.—During the year under review, a labour strike with wilful obstruction and violence against those who were willing to work occurred in one of the Company's Rubber Estates in the best part of the tapping season which lasted for 34 days.

The total rubber crop secured during the year is only 5,74,196 (6,42,218) lbs. [336 (372) lbs. per acre]. The all-in-cost has mounted to Re. 1.10 (Re. 1) per lb. and the average price realised is Re. 1.50 (Re. 1.50) per lb.

The balance-sheet and profit and loss account for the year 1956 was prepared on the basis of the then existing rates of taxes. Since then, these were enhanced with retrospective effect resulting in an additional payment of Rs. 46,000. A similar contingency also arose in the matter of bonus to labour (1955-56) and increment of staff salaries from October 1956 for which Rs. 51,592 had also to be expended. These items of expenditure prior to 1957, debited to 1957 accounts, greatly dwindled the profits for the year under review.

After charging depreciation and after providing Rs. 84,000 (Rs. 1,95,924) for taxation, the net profit of the Company for the year amounts only to Rs. 95,880 (Rs. 2,78,360). This together with Rs. 66,287 (Rs. 27,927) brought forward from the previous year, aggregates to Rs. 1,62,167 (Rs. 3,06,287). Out of this, the directors have had to provide Rs. 46,000 (*nil*) for prior year's taxation and have transferred Rs. 36,000 (*nil*) to reserve for development for expansion of rubber area, leaving a balance of Rs. 80,167 (Rs. 3,06,287) available for distribution.

The directors recommend payment of a dividend of 4 (12) per cent. [Re. 1 (Rs. 3) per share]—free of income-tax and agricultural tax absorbing Rs. 80,000 (Rs. 2,40,000) and to carry forward the balance of Rs. 167 (Rs. 66,287) to 1958 accounts.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	20,00,000	Block ...	22,40,542
Reserves ...	36,000	Stock-in-trade	1,87,808
Provision for taxation ...	2,37,670	Stores, loose tools, etc.	65,498
Liabilities ...	3,60,543	Nurseries ...	2,509
Profit and loss account ...	167	Debts, deposits and advances ...	15,079
		Cash ...	1,22,944
Rs.	26,34,380	Rs.	26,34,380

Kyang Tea Seed Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Shaw Wallace & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The Company's profit for the year is Rs. 10,816 (Rs. 22,200), and after providing for taxation Rs. 3,401 (Rs. 7,433) there remains Rs. 7,415 (Rs. 14,767). To this amount is to be added provisions no longer required Rs. 2,218 (Rs. 483) and amount brought forward from previous year of Rs. 869 (Rs. 828) making a total of Rs. 10,502 (Rs. 15,869 after providing Rs. 209 for provision for doubtful debts). Out of this the directors recommend payment of a dividend of 5 (7½) per cent. on the ordinary shares, without any deduction for income-tax paid by the Company absorbing Rs. 10,000 (Rs. 15,000) leaving to be carried forward Rs. 502 (Rs. 869).

The Company's holdings comprise 336 acres, and the planted area is 71 acres. The periodic leases on which the Company's land is held are due for renewal in 1960. Throughout the year the property was maintained in a good state of cultivation.

Crop and Sales.—A total crop of 300 (273) maunds of seed was harvested and of this amount 133 maunds good seed were sold in the year under review.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	2,00,000	Block ...	1,81,000
Reserves ...	35,000	Stores ...	4,338
Provision for taxation ...	10,200	Debts, deposits and advances ...	39,242
Liabilities ...	25,227	Investments	42,425
Profit and loss account ...	502	Cash ...	3,924
Rs.	2,70,929	Rs.	2,70,929

Maharashtra Sugar Mills, Ltd.

The directors of the above Company (Managing Agents: Messrs. M. L. Dahanukar & Co., Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 30th September 1957.

The Company has made a profit of Rs. 53,82,076 (Rs. 43,76,056) for the year. After providing Rs. 3,84,689 (Rs. 4,06,303) for depreciation of assets and Rs. 28,00,000 (Rs. 22,00,000) for taxation, the net profit for the year is Rs. 21,97,387 (Rs. 17,69,753), which together with Rs. 74,036 (Rs. 39,283) brought forward from previous year amounts to Rs. 22,71,423 (Rs. 18,09,036) and the directors recommend the following appropriations:

To dividend of Rs. 75 (Rs. 75) per share and a bonus of Rs. 25 (Rs. 25) per share, free of income-tax, on 18,000 ordinary shares (Nos. 1 to 18,000 both inclusive) for the year ended 30th September 1957 absorbing Rs. 18,00,000 (Rs. 15,00,000 on old capital), to dividend of Rs. 17.50 (Rs. 17.50) per share free of income-tax on 2,000 cumulative preference shares for the year ended 30th September 1957 absorbing Rs. 35,000 (Rs. 35,000) and to transfer to general reserves Rs. 4,00,000 (Rs. 2,00,000) leaving a balance to be carried forward to the next year of Rs. 36,423 (Rs. 74,036).

The directors have pleasure in announcing that the results achieved during the year under report have been the highest and all-time record of the Company. The working of the factory and the agricultural estate operations have been of a higher standard and efficiency than that of last year. There has been a marked improvement in the yield of sugarcane in the farms of the Company. There has been better recovery of sugar from the sugarcane grown in the Company's own plantations which has resulted in higher production of sugar. The quality of sugar produced has been in accordance with the Indian Sugar Standards and has been well received in the market. At the request of a few neighbouring cultivators, the Company has purchased sugarcane from them and the same has been crushed along with the sugarcane grown in the Company's own estate.

The sugar releases by the Government for free sale continued to be restricted on account of the Government's policy and this has resulted in heavy accumulation of sugar stocks at times in the Company's warehouses.

During the year under report the sugar industry has been further burdened with another increase in excise duty. It may be noted that the present excise duty aggregates to about Rs. 22.50 per bag as against Rs. 11.25 previously.

The Company's distillery worked during the season and the production of rectified spirit has been more than the previous year. The sales and delivery of molasses have been better.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	72,50,000	Block ...	64,60,596
Reserves ...	38,21,978	Stock-in-trade	70,38,375
Provision for taxation ...	70,28,604	Stores, spare parts, etc.	12,44,583
Liabilities ...	65,19,088	Crops in progress ...	36,79,214
Profit and loss account ...	36,423	Debts, deposits and advances ...	24,41,224
		Investments	15,82,033
		Cash ...	22,10,068
Rs.	2,46,56,093	Rs.	2,46,56,093

N.B.—Figures within brackets relate to the corresponding period of the previous year.

NEW PUBLICATIONS

Principles of Mercantile Law. By R. H. Pandia. Published by N. M. Tripathi Private Ltd., Princess Street, Bombay-2. Pages : 607. Price : Rs. 14.00.

The book under review has already passed into the fifth edition which suggests how popular Mr. Pandia's *Mercantile Law* has been. In the present edition, the chief features of the earlier edition have been maintained. The edition has also been carefully revised and enlarged so as to include the case law up to June 1957. The laws which have been commented upon and elucidated include those relating to contract, partnership, negotiable instruments, insurance and companies. The *Companies Act* naturally takes up a large part of the book. Even so, the author has not sacrificed any of the features of the earlier editions.

Textile India Year Book—1958. Published by Technical Press Publications, '65, Mahatma Gandhi Road, Bombay. Pages : 100. Price : Rs. 5.00.

This *Year Book* is devoted to the study of the recent trends in the Indian cotton textile industry. The study includes not only a review of the position of the mill sector but also an analysis of raw cotton position and the textile machinery manufactures. There is also a special interesting article on the Development of Nylon in India by Mr. R. T. Thampy, and and Mr. N. R. Kuloor. Further, four appendices are incorporated in the *Year Book*. These relate to glossary of synthetic fibres, cotton textile mills in India, millstone merchants in India, and textile associations and their addresses.

An Introduction to Statistical Methods. By C. B. Gupta. Published by Ram Prasad and Sons, Agra. Pages: 597. Price: Rs. 12.00.

There is a paucity of good textbooks on statistics. Some textbooks are too mathematical to be of use to students whose mathematical knowledge is strictly limited, whereas some of the textbooks err on the side of non-mathematical treatment. Mr. C. B. Gupta has struck a good balance in his *Introduction to Statistical Methods*. Mathematical treatment is not altogether omitted, but it is not made forbiddingly complicated. The book covers collection, classification and representation of data as well as measures of central tendency and of dispersion. The normal curve, time series, index numbers, correlation, association of attributes and interpolation have also been dealt with. There is a good chapter on Indian statistics. A notable feature of the book is that, at the end of each chapter, a large number of exercises has been given, many of them having been drawn from the examination papers set for the B.A., M.A. and B.Com. degrees of various universities. We commend this book to the attention of all students of statistics.

Elements of Accountancy and Commerce. By B. Chengalvarayan. Published by Thilakam Publications, 71, Mulla Sahib Street, Madras-1. Pages: 285. Price: Rs. 4.50.

The book under review is an introduction to accountancy and commerce. The principles of accountancy have been explained in simple language. Nevertheless, it covers all the principal chapters in accountancy, such as trial balance, profit and loss account and balance-sheets. Part II of the book deals with the economic basis of commerce, business organisation, money, banking and foreign trade, as well as credit instruments and transport and communications. The questions set at the end of each chapter are bound to prove useful to a student preparing for commerce examinations. Numerous illustrative examples have been worked out. The author has done well to emphasise some of the points to be borne in mind in working out examples in accountancy by drawing attention to them by means of summary points given in italics. The book must appeal to all junior students in commerce.

The Central Sales Tax Act. By A. C. Roy. Published by Pahuja Brothers, Rajendrapath, Patna-3. Pages: 140. Price: Rs. 5.75.

The book under review gives the text of and the commentary on the Central Sales Tax Act as well as the Central and States' rules thereunder. It incorporates much relevant case law on the subject and explains the provisions of the Act by copious illustrations. It is a handy reference volume on the Act.

QUESTION HOUR IN PARLIAMENT

Economy Drive

THE Government of India saved Rs. 24.07 crores during the financial year 1957-58 as a result of the economy drive. Under the economy drive, certain projects are wholly or partly postponed or abandoned or reduced in scope, and certain posts are abolished or kept unfilled. This amount is smaller than the anticipated figure of savings given to the House on earlier occasions. The difference is due to the fact that, while the estimates of anticipated savings given earlier are necessarily tentative, the actual savings have been worked out on a strict scrutiny of the results of the economy drive and after excluding that part of the savings for which there is no provision in the budget or which cannot be directly attributed to deliberate economy measures but are rather occasioned by circumstances beyond the control of the Ministries concerned such as delay in finalising the details of a scheme or delay in securing supplies from abroad and similar other reasons. The railways have effected the maximum saving (Rs. 13.86 crores) by abandoning some projects wholly or partly and postponing or reducing some in scope. The Iron and Steel Ministry comes second with a saving of Rs. 1.4 crore. The Ministry of Community Development has saved the minimum, Rs. 10,000.

—*Jawaharlal Nehru*

Japanese Loan Scheme

Under the terms of the agreement for the export of iron ore to Japan, the Japanese Government is to provide a loan of $8 million in Japanese currency to the Indian Government. The entire scheme will cost about $60 to $70 million, out of which the foreign exchange component will be $32.5 million. The United States will provide $25 million for this purpose from the President's Asian Development Fund. The balance is to be met by Japan. The scheme will be worked by a Government Corporation in which the State Government may also participate. Private enterprise will not, however, be allowed to participate in the Corporation.

* * * *

Banking Study Abroad

A proposal to depute a few senior officers of the Reserve Bank of India, the State Bank and some other leading banks in the country to study banking practices in the United States and the techniques of financing small-scale industries in Japan is now under consideration of the Government. It is not, however, possible to indicate at this stage when the officers are likely to leave India for such training.

—*B. R. Bhagat*

Deferred Payment

Since January 1957, the Government has given consent to 125 cases of deferred payment agreement, involving a total amount of Rs. 74 crores. The payments are normally covered by the savings or earnings of foreign exchange expected to result from the implementation of the schemes. The sanctioning of deferred payment agreements has been restricted during the current year.

* * * *

Watch Manufacture

The Government will soon take steps to establish a watch factory in the public sector. Four or five other factories are expected to be established in the private sector also. The Government does not intend to restrict the manufacture of watches and clocks to the public sector. Nearly 2.2 million watches and clocks were imported during 1956 worth about Rs. 3.86 crores. These figures can be taken to represent the approximate demand in the country for watches and clocks. Since July 1957, owing to foreign exchange difficulties, there has been a complete ban on the import of watches, clocks and timepieces and it is not proposed at present to relax this ban.

* * * *

Machinery Needs

India's present annual needs of Rs. 135 crores worth of machinery are expected to rise to Rs. 250 crores by the end of the second Plan period. The country's production capacity of Rs. 35 crores worth of machinery is expected to increase to Rs. 100 crores by 1960-61. The Government is aware of the reported statement of the Japanese Ambassador that manufacturers of heavy machinery in his country will be interested in co-operating with Indians in setting up plants in India by providing capital or deferred payment facilities. No concrete proposals have, however, been received from the Japanese.

—*Manubhai Shah*

Sale of Penicillin

The total production of sterile bulk penicillin at the Hindustan Antibiotics (Private) Ltd. in the first three months of 1958 was 7.29 million mega units, as compared with 19.23 million mega units in the whole of 1957. The gross sales of penicillin in the first quarter of 1958 was valued at Rs. 74.61 lakhs, as against Rs. 127.75 lakhs for the whole of 1957.

—*Lal Bahadur Shastri*

Road Development

Due consideration will be paid to the recommendation made by the recent E.C.A.F.E. seminar on low cost roads that the revenue derived from various taxes on road transport, including taxes on petrol, diesel oil and other fuel oils and lubricants, should be pooled into a separate road fund for the development of roads. There was no such rule at present. It is estimated that, in India, such taxes will total about Rs. 71 crores. As against this, a total of Rs. 80 crores is being spent in the country by the various States and the Centre on road development and maintenance.

—*Raj Bahadur*

Railway Electrification

Plans for electrification of 1,062 route miles by the Plan period have been prepared and the total electric energy needed for this purpose is worked out at 177 million watts. Necessary power for electrification of the Asansol-Sini-Tatanagar-Rourkela and the Rajkharswan-Barajanda sections covering South-Eastern Railways coal and iron region will be available from D.V.C. and the Hirakud grid. The railways are assured by the Irrigation and Power Ministry that sufficient power will be made available for the electrification of these sections. Recently, some doubts have been expressed whether the D.V.C. will be able to meet the requirements and so the railways are taking up the matter with the Planning Commission. They may come to an amicable settlement.

* * * *

Freight Rates

The Government's decisions on the recommendations of the Committee for the revision of the railway freight rate structure will be announced shortly. The matter is before the Cabinet.

—*Shah Nawaz Khan*

Deferred Payment for Rourkela Plant

The agreement reached with the Government of the Federal Republic of Germany enables the Government of India, with the co-operation of the German firms and banks, to postpone by three years outstanding payments for the Rourkela steel plant upto a maximum of DM 660 million. Under the agreement, the Government of India has to deliver to the German firms concerned, in lieu of cash payments, promissory notes in Deutschemarks maturing three years after the date the payments fall due. The German firms will be entitled to negotiate the promissory notes in the Federal Republic of Germany. The Government of the Federal Republic of Germany will ensure that the firms are able to get paid by negotiation of the promissory notes. All suppliers of plant and machinery for the Rourkela steel plant have agreed to accept promissory notes.

—*Sardar Swaran Singh*

Sulphur Production

A Committee under Mr. Charat Ram, Director, Managing Agents, Delhi Cloth and General Mills Co., Ltd., has been appointed to explore the possibilities of producing sulphur on a commercial scale.

—*Humayun Kabir*

Labour Awards

A tripartite committee to examine cases of non-implementation or partial, defective or delayed implementations of labour enactments, agreements, awards, settlements, etc., will soon be set up. An Evaluation and Implementation Division has already been set up at the Centre and the State Governments have been circularised to set up such machinery at State and local levels.

—*Abid Ali*

Ukai Dam

No drastic reduction in power generation has been recommended by the Technical Committee for the Ukai Dam. Some reduction in the storage capacity of the reservoir has been recommended by the Committee, consequent on the lowering of the height of the Dam by 6 feet, that is, from FRL 351 to FRL 345. Nevertheless, irrigation potential will be unaffected, proposed irrigation remaining 391,650 acres as before. The Technical Committee's proposals envisage power generation of 90,000 kw. at 60 per cent. load factor, as against 110,000 kw. in the original project report. Gross capacity of the Ukai reservoir was originally kept at 7.85 M. acre-ft. and will be reduced to 6.93 M. acre-ft., according to the Technical Committee's report. The reduction in power generation and reservoir capacity are due to the lowering of the height of the dam by 6 ft.

* * * *

Bhakra Project Estimates

At the instance of the Planning Commission and the Ministry of Finance, the Ministry of Irrigation and Power appointed a team to examine the estimates of the Bhakra-Nangal Project prepared in 1955 amounting to Rs. 170.02 crores. The team recommended that the estimate should be reduced from Rs. 170.02 crores to Rs. 163.00 crores. The reductions suggested were: Bhakra Dam, Rs. 3.51 crores; Ganguwal and Kotla Power Houses, Rs. 1.43 crore; Transmission system, Rs. 1.08 crore; and Nangal dam Canal system, etc., Rs. 1.00 crore. The report of the team was considered by a subcommittee appointed by the Bhakra Control Board which came to the conclusion that the only reduction possible was in respect of the Ganguwal and Kotla Power Houses and transmission system amounting to Rs. 2.51 crores. Against this reduction, certain increases in the Bhakra Dam had also to be taken into account. These increases amounted to Rs. 2.46 crores. The whole matter was reviewed by the team which accepted the findings of the sub-committee and expressed the opinion that the project estimates should be sanctioned at Rs. 170 crores. The Planning Commission has also provisionally accepted this estimate. The estimate is now awaiting the approval of the Bhakra Control Board.

—*Jaisukhlal Hathi*

THE PROBLEM OF SUGAR EXPORTS

(*Concluded from page 927*)

necessary for securing equitable distribution and availability of sugar at fair prices.

In any case, if action is taken under the Industries (Development and Regulation) Act, if any person sells any article pursuant to any order, there shall be paid to him the price therefor, where the price can, consistently with the controlled price, if any, be fixed by agreement, the price so agreed upon and, where no such agreement can be reached, the price calculated with reference to the controlled price, if any, fixed. In case where neither of the two provisions apply, the price payable will be calculated at the market rate prevailing in the locality on the date of sale. Similarly, no order can be passed under the Sugar Control Order 1955, as the Government has power therein only to "regulate production and movement on sugar." No doubt the order envisages that the Government has power to allot quotas of sugar and to issue directions to any producer or dealer to supply sugar of such type or grade in such quantities to such areas or markets or to such persons or organisations and at such price as may be specified in the order. But, before the Government can exercise the above powers, it must fix the price of sugar, having due regard to the price of minimum price fixed for sugarcane, manufacturing cost, taxes, reasonable margin of profit for producer and/or trade and any incidental charges.

Beyond One's Reasoning

Assuming, for argument's sake, that the Government can take suitable action under any of the abovementioned Acts or Order, it is beyond one's reasoning as to how the said corporation can be appointed sole selling agents for each factory. The appointment of sole selling agents is regulated by Section 294 of the Companies Act, which provides that a company shall not appoint a sole selling agent except subject to the conditions that the appointment shall cease to be valid, if it is not approved by the company at the general meeting. At the time of placing the appointment of the said corporation as sole selling agents before its shareholders, each company will have to comply with the provisions of Section 173 of the Companies Act, which in terms requires that, in the notice convening such a meeting, "all material facts concerning the business to be transacted at the meeting must be stated." It is not understood how the said corporation can be authorised by each factory to charge a commission which will vary from time to time, unless they go each time to the shareholders to obtain their sanction. Again, the scheme is silent as to what is to happen to the existing sole agents. If the scheme can be implemented as it is, the existing sole selling agents will have to vacate their office as the word *sole* (selling) agents necessarily implies that a factory cannot have two sole (selling) agents for an area at one and the same time. If the sole selling agents give up their present office, compensation will also have to be paid to them.

The Government, it appears, is alive to the various difficulties enumerated above. And this may be the reason why it has so far desisted from taking action under the abovementioned Acts and Order and has given an indication of their intention to bring in suitable legislation. It will also be unconstitutional to pass any law giving a monopoly to any private corporation. Private business cannot be given any monopoly of trade, though the Government can vest itself with monopoly rights with suitable legislation. In such a case, however, the law must provide for compensation for the goods acquired and the manner in which the compensation is to be determined and given. Though Article 51(2) of the Constitution as amended by the Constitution (Fourth Amendment) Act, 1955 provides that no such law shall be called in question in any Court on the ground, that the compensation provided by that law is not adequate, it will be wrong to suppose that the jurisdiction of courts has been entirely taken away. Even after the amendment, the questions that still remain justiciable are: whether the legislation is for public purpose, whether the compulsory acquisition or requisition has taken place by the authority of law; and whether the legislature has failed to lay down any principles on which compensation is to be determined and given. If the legislature authorises the executive to acquire or requisition property on payment of any compensation, it chose to fix at its discretion, the Court would still be entitled to interfere.

It will be pertinent to note that, in the second scheme, there are no legal complications and it steers clear of constitutional hurdles. The question may, however, arise as to whether the provision for levying a deterrent additional excise duty will be *ultra vires*, Article 19 (*g*)—the right to carry on trade or business—and Article 14 which guarantees equality before law.

It cannot be denied that production of sugar has increased and is increasing and, if sugar is not exported, there may be a glut in the internal market. Further, the interests of the country require that there should be an increase in the acquisition of foreign exchange. The restriction, therefore, will be reasonable on the exercise of rights conferred by Article 19 (*g*), as such restriction will be in the interest of the public. As regards offending Article 14, the principle is that, though the said Article forbids class legislation, it does not forbid reasonable classification, if the classification fulfils two conditions. First, the classification must be founded on an intelligible *differentia*. Secondly, the *differentia* must have a rational elation to the object sought to be achieved by the statute in question.

The classification which the second scheme envisages, namely, that sugar producers who do not utilise or who do not fully utilise the quota for export, is founded on an intelligible *differentia* and the *differentia* does have a rational relation to the object sought to be achieved.

By and large, the second scheme appears to be the less objectionable. As the Government has decided to enact suitable legislation, one has now to wait and see what is in the offing. However, the Government will do well to clear the air at the earliest. It will be some time now before Parliament meets and, by that time, one hopes, rather piously, that the Government will make up its mind finally, taking into account all the relevant factors and the interests of the manufacturers, the sugarcane growers and last but not least of the poor consumer.

Notices

THE BELAPUR COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT AN Extraordinary General Meeting of the Belapur Company, Limited, will be held at the Registered Office of the Company at "Brady House," 12/14, Veer Nariman Road, Bombay, on Wednesday, the 18th day of June 1958, at 3.15 p.m. (S.T.), to consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED that the regulations contained in the document submitted to this meeting and for the purpose of identification signed by the Chairman thereof be and the same are hereby approved and adopted with such modifications, if any, as may be agreed to at this meeting, as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association thereof."

By Order of the Board,
W. H. BRADY & CO., LTD.,
Managing Agents.

BOMBAY, 19*th March* 1958

Note.—(1) A member entitled to attend and vote is entitled to appoint a proxy and where that is allowed one or more proxies to attend and vote instead of himself. A proxy need not be a member.

(2) A copy of the abovementioned document containing the draft of the proposed New Articles of Association and a copy of the existing Articles of Association of the Company may be inspected at the Registered Office of the Company at "Brady House," 12/14, Veer Nariman Road, Bombay 1, during business hours on any working day until the date of the Meeting.

To the Shareholders of the Belapur Company, Limited and in particular to:
Mr. William Abel & M/s. Rajabali Hasom Paroo & Sons, Ltd.

Explanatory Statement Pursuant to Section 173 of the Companies Act, 1956.

The existing Articles of Association of the Company were adopted on 30th March 1939.

The Companies Act, 1956 which came into force on 1st April 1956 has made considerable changes in the law and procedure relating to companies and has caused your Company's Articles to become obsolete.

As the alterations are numerous and the scheme of the sections in the Act has been substantially changed, it has been considered desirable to adopt a new set of Articles for the existing Articles of Association of the Company.

The present meeting, of which notice is given, has been convened for the purpose of passing the necessary Special Resolution for approving and adopting the new set of Articles with or without modifications.

Members may inspect the existing Articles and the proposed new Articles at the Registered Office of the Company.

A Note setting out more important changes has been posted to the Shareholders.

THE INDIAN CABLE COMPANY LIMITED

ISSUE OF 8,28,848 ORDINARY SHARES OF RS. 10 EACH AT PAR (THIS IS NOT AN OFFER)

NOTICE IS HEREBY GIVEN THAT THE Board of Directors have determined to issue 8,28,848 new Ordinary Shares of Rs. 10 each at par. The new Ordinary shares will be offered for subscription at par for cash to members whose names are registered in the Register of Members of the Company on 11th June 1958 in the proportion of one new Ordinary share for every two shares, Ordinary and/or Preference held by the member on that date (no fractional entitlement being given) with the right to renounce all or any of the shares so offered in favour of third parties.

The aforementioned members will also be entitled to apply for additional shares at par for cash, to be allotted to them subject to the conditions laid down by the Controller of Capital Issues and the Reserve Bank of India in the event of any Rights Shares not being taken up as aforesaid.

The Register of Members of the Company will remain closed from 28th May 1958 to 11th June 1958 (both days inclusive).

Persons holding shares on blank transfer deeds are advised in their own interests to lodge properly completed transfer deeds with the relative share certificates at the Company's Registered Office, 9, Hare Street, Calcutta, for registration of the shares in their names before 28th May 1958 in default of which no claims by such persons shall lie against the Company.

Circular Letters setting out the terms of the offer and detailing the procedure to be followed and Letters of Rights with forms of Renunciation, Acceptance and Request for additional shares will be issued to the aforementioned members on 11th June 1958 or as soon as practicable thereafter.

By Order of the Board,
THE INDIAN CABLE COMPANY LIMITED,
B. J. WOODLEY,
Chairman.

9, HARE STREET,
CALCUTTA, 8*th May* 1958.

THE MAHARASHTRA SUGAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FOURTH ANNUAL GENERAL MEETING of THE MAHARASHTRA SUGAR MILLS LIMITED will be held on Monday the 9th day of June 1958 at 11-30 a.m. at the Registered Office of the Company, Industrial Assurance Building, opp. Churchgate Railway Station, Bombay, to transact the Ordinary and Special Business mentioned in the Notice.

The NOTICE of the Meeting and the Explanatory Statement along with the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and the Auditors' Report for the year ended 30th September 1957, have already been sent to the Shareholders.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

The Share Transfer Books of the Company will be kept closed from 2nd day of June 1958 to 17th day of June 1958 (both days inclusive).

By Order of the Board,
M. L. DAHANUKAR & CO. PRIVATE LTD.,
D. M. DAHANUKAR,
Director,
Managing Agents.

BOMBAY, 8*th May* 1958.

LOANS FULLY SUBSCRIBED

(*From Our Own Correspondent*)

BOMBAY, 14*th May*

The withdrawal of funds with banks and other institutions for subscription to the Central Government's bonds and loans, the list for which opened on Monday this week and closed today, did not have any notable effect on the short-term money market during the week under review. Conditions were fairly easy and, except for one or two, banks did not come out as borrowers in the market. This was because banks had already a surfeit of funds and were lenders with no borrowers. There was no change in interest rates either. Inter-bank call money continued to be bid at 3 per cent. among the Exchange banks and big Indian banks and at 3-3¼ per cent. among the smaller banks. House money at call was also unchanged at 4½ to 4¾ per cent. and short-term deposits at 4½ to 4⅝ per cent. for one to six months.

A rise of Rs. 10.33 crores in notes in circulation is disclosed by the Reserve Bank's statement for the week ended 9th May 1958. Notes in circulation are lower by Rs. 11.80 crores, so that the total notes issued have declined by Rs. 1.47 crores and this fall is covered by a corresponding decline in rupee coin. Foreign securities have been marked down by Rs. 19.87 crores, while rupee securities are up by a similar extent. Deposits of the Central Government are higher by Rs. 3.64 crores and deposits of banks by Rs. 13.50 crores. Balances held abroad show a rise of Rs. 15.60 crores, so that there is actually a shrinkage in foreign assets to the tune of Rs. 4.27 crores. Loans and advances have gone up by Rs. 4.42 crores, while other loans and advances are lower by Rs. 1.07 crore, of which advances to Scheduled banks against usance bills account for Rs. 1.06 crore. There has been an increase of Rs. 20.38 crores in investments and a decline of Rs. 10.18 crores in Government Treasury Bills.

The Scheduled banks' statement for the week-ended 2nd May 1958 discloses a sharp fall of Rs. 23.70 crores in demand deposits, while time deposits have gone up by Rs. 21.11 crores to Rs. 775.07 crores, at which level they exceed the demand deposits by Rs. 17.63 crores. Inter-bank borrowings are also up by Rs. 2.67 crores, and borrowings from the Reserve Bank are up by Rs. 1.07 crore. Advances have gone up by Rs. 1.11 crore, while bills purchased and discounted are lower by Rs. 2 crores. Investments have declined by Rs. 94 lakhs and cash balances have enlarged by Rs. 6.57 crores.

In the Gilt-edged market, the subscription lists for the 3½ per cent. Bonds 1963, 3¾ per cent. National Plan Bonds 1968 and 4 per cent. 1973 were closed today at 12 noon as the notified amount was fully subscribed. The total amount sought for was Rs. 135 crores, but the actual amount subscribed is not known. The market ruled dull during the week with scanty business. Prices of most of the issues remained unchanged. 3 per cent. 1986 Conversion Loan were unchanged at Rs. 71-25. 3 per cent. 1970-75 maintained the upward trend with a further rise of 10 nP to Rs. 86.90. 3 per cent. 1966-68 held its ground at Rs. 92.65, as also 3 per cent. 1964. 3 per cent. 1963-65 picked up 5 nP to Rs. 95.30. 3 per cent. 1959-61 was unchanged at Rs. 99.10 and 3 per cent. 1958 at Rs. 99.75. 3½ per cent. 1961 was marked down by 5 nP to Rs. 99.55, while 3½ per cent. 1964 gained 5 nP to Rs. 98.20. 3½ per cent. 1965 and 3¾ per cent. 1967 were unchanged at Rs. 97.80 and Rs. 97.55, respectively. 3¾ per cent. 1967 was also stagnant at Rs. 99.70. Among the State Loans, 4 per cent. U.P. 1963 gained 10 nP to Rs. 99.30 and 4 per cent. 1964 20 nP to Rs. 99.

The recovery in sterling abroad infused strength to the rupee also and bankers' selling rate of U.S. dollar declined from Rs. 475.75 to Rs. 475.50 per $100, and their buying rate from Rs. 472.50 to Rs. 472. In New York, spot sterling moved up from $2.81.3/16-2.81.5/16 to $2.81.7/16-2.81.9/16. Three months' forward gained from $2.78⅞-2.78¾ to 2.79-2.79¼ and transferable sterling rose from 279.20-279.30 cents to 279.50-279.60 cents.

LINSEED WELL MAINTAINED

(*Messrs. A. Bradley and Co.*)

CALCUTTA, 12*th May*

Firm conditions in the linseed market continue. There has been no further rises, price levels are well maintained. Shortage of supplies are the main feature again, and there are virtually no offers of new crop seeds from upcountry centres. The price of oil has advanced slightly due more to scarce supplies than increased demand. Enquiries from shippers are negligible and fresh business is unworkable except from Bombay where cheaper charter freight is reported to be available. The latest quotations for Ready and May-June is Rs. 21-14-0 per maund.

HIDES DULL

(*From Our Own Correspondent*)

KANPUR, 12*th May*

Dull conditions prevailed in the hides and skins market during the week under review. There was no new factor to take note of. The supply position was slightly easy. Demand for upper grade cow and buff was particularly strong, the purchasers being the local tanners. The Madras dealers were lukewarm. Owing to advent of summer, the volume of new arrivals of goat and sheep skins were lower. The latest available quotations are: Wet salted cow, 1st grade Rs. 380, 2nd grade Rs. 330 and 3rd grade Rs. 250 per score; wet salted buff, 1st grade lb. 4 ozs., 2nd grade 1 lb. 6 ozs. and 3rd grade lb. 8 ozs. per rupee; goat, 1st grade Rs. 350 and 2nd grade Rs. 325 per 100 pieces; sheep, 1st grade Rs. 320 and 2nd grade Rs. 300 per 100 pieces.

READY SILVER DROPS

(*From Our Own Correspondent*)

BOMBAY, 14*th May*

The bullion market ruled dull and the trend of prices in the forward section was somewhat erratic. The undertone was, however, fairly steady in both silver and gold. The noteworthy development of the week was the narrowing of the premium which ready metals commanded over the forward. In silver, the premium of ready over the current settlement, which had at one time stood at Rs. 3-8, was completely wiped out in the course of this week and in gold, it declined from Rs. 3-8 to Rs. 2. This is consequent on the drop in demand due to the onset of the slack season. Though the scarcity of floating stocks continued, the sudden fall in demand affected the ready prices. This was more marked in silver.

Forward silver (June settlement) moved up from Rs. 193-3 to Rs. 194 on Saturday before reacting to Rs. 192-6 yesterday. Today, however, there was again a marked recovery to Rs. 193-6 at the close. The July settlement came up from Rs. 191-3 to Rs. 192-7. After a retreat to Rs. 190-9 it again improved to Rs. 191-4.

Ready silver showed some recovery early in the week from Rs. 196-3 to Rs. 196-14, but slumped to a low of Rs. 192-6 yesterday. Today, it improved to Rs. 193-6 at the close. The floating stocks of silver are estimated at 250 bars. The daily average arrivals were 20 bars, while the offtake was less than 10 bars.

Gold for forward delivery (June settlement) advanced from Rs. 109-15 to Rs. 111-9, but shaded off to Rs. 110-7 yesterday. Today, it improved to Rs. 111-5. The July settlement hardened from Rs. 108-15 to Rs. 110-3 before relapsing to Rs. 109-4. There was a rise again today to Rs. 109-15.

Ready gold closed at Rs. 113-5, as against Rs. 112-15, after touching a high of Rs. 114-9. The floating stocks of gold are 20,000 tolas. While the daily average arrivals were 3,000 tolas, the offtake was 2,500 tolas.

In New York, silver was unchanged at 88⅝c. The London prices were also maintained at 76½d. for spot and at 75½d. for forward. After improving from 249*s.* 6½*d.* to 249*s.* 9*d.*, gold fell to 249*s.* 5*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	14-5-58	Highest	Lowest	7-4-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	113 5	114 9	112 3	112 15
Forward*	111 5	111 9	110 7	109 15
Sovereign	72 4	72 12	72 0	72 0
SILVER				
Ready (.996 fine Mint) ..	193 6	196 14	192 6	196 3
Forward†	193 6	193 14	192 6	193 3
London Silver Ready ..	76½d.	—	—	76½d.
London Forward	75¼d.	—	—	75¼d.
London Gold	249*s.* 5*d.*	249*s.* 9*d.*	249*s.* 5*d.*	249*s.* 6½*d.*
New York Silver	88⅛c.	—	—	88⅛c.

* 2nd June settlement.
† 3rd June settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

TIN RECOVERS

(*From Our Own Correspondent*)

CALCUTTA, 13*th May*

Tin and electrolytic zinc recorded a small recovery in prices enouraged by demand, during the week under review. On the other hand, lead sagged and the copper market continued to be at a standstill. Government's clarification as to whether forward contracts entered into prior to the coming into force of control would be affected was still awaited. However, it was noted that the tendency to withdraw from such contracts, if it suited buyers, was noticeable. This would certainly affect India's reputation in foreign markets. Possibly, forward contracts would not be affected by the control; if this were so, it would be better for the authorities to make the position clear, so that buyers could proceed honouring commitments on sure grounds. Controlling the price of raw material without controlling the finished products or semis of the controlled raw material presents an anomalous situation, as a result of which small consumers of the finished products would feel the difficulty. As already pointed out in these columns, the shortage of copper has been a result of restricted imports. The trade has urged that now that world production of copper is far higher than demand, further cut-backs in production might follow. If only sufficient opportunity is afforded to the trade to import reasonable quantities and carry an adequate stock, not only the price of the raw material would decline, finished products would be used only to meet the genuine demand of such products. On the other hand, if the finished products of copper are also brought under control, the difficulties now experienced by the trade and industry would also be felt by all consumers of the finished products too.

From Rs. 508 tin advanced to Rs. 511, following good demand from upcountry. Locally, buying was confined to meeting day-to-day requirements only, as consumers were aware of the comfortable supply position. Electrolytic zinc closed at Rs. 57 after opening at Rs. 56.50. The rise was was attributed not to any unsatisfactory supply situation but to suspension of sales of the metal refined in Japan from Indian zinc concentrates. The Government desired to find out the cost details before further sales. On the other hand, lead declined to Rs. 62 from Rs. 62.50. Sales of indigenous lead have been suspended by Government for enquiring into production costs. It is expected that the enquiry would be completed soon.

COTTON FUTURES BUOYANT

(*From Our Own Correspondent*)

BOMBAY, 14*th May*

The firm trend witnessed in the cotton futures market towards the close of last week gathered momentum during the week under review. The market, in fact, ruled buoyant throughout the week. The buoyancy was due to a number of factors. The comparatively small volume of tenders issued on 8th and 12th inst., the third and fourth notice days (600 and 450 bales respectively, as compared with 1,150 bales issued on the first notice day), had a bullish effect on the market. Sentiment was also affected favourably by the hope that the Government of India would take a helpful attitude in tackling the present crisis facing the cotton mill industry. The forthcoming visit of Mr. Lal Bahadur Shastri, to the City, it was expected, would result in some relief to the industry. Strong upcountry advices, following reduced pressure of new crop movements and the consequent hardening of values, imparted further strength to the market. Although optimism regarding an export quota for ¾" cotton was receding, certain quarters were inclined to believe that the Government might perhaps come out with another quota for 23/32" cotton, if not for staple variety. There was also the expectation that spinner demand would soon revive. Many were inclined to think that mills could not delay for long their normal purchases, and that soon they would have to build up stocks in view of the approaching monsoon season. All these factors resulted in fresh bull support and upcountry buying with the result that cotton futures staged an impressive rally.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 654.50 and steadily advanced to Rs. 663.75 yesterday. Commencing today's session at Rs. 665, the contract improved to Rs. 668 and closed at that rate. The net gain over the week was Rs. 13. Total tenders against the contract to date aggregae 2,750 bales.

I.C.C. Moglai Jarilla (August 1958) commenced the week at Rs. 664. The contract improved, on persistent buying, to Rs. 678.50 today and closed at that rate. The net gain over the week was Rs. 12.25.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	14-5-58	*High*	*Low*	7-5-58
I.C.C. Moglai Jarilla (May 1958) ...	668	668	654	655
I.C.C. Moglai Jarilla (August 1958) ...	678.50	678.50	662.50	666.25

The spot section was firm. Scarcity of cotton spinning 20 counts and above continued to be felt. Sustained mill demand was noted for staple varieties and values advanced by 10 to 25 rupees per candy over the week. The pressure of new crop movement has already passed its peak. Over 75 per cent. of new crop has been marketed.

In the export section, there was good demand for Bengal *Deshi*. The fire in the Bombay Dock on the 11th inst. destroyed about 8,070 bales of Bengal *Deshi* meant for export. This news resulted in a spurt in prices of Bengal *Deshi*. Kalyan and Wagads also evoked the interest of shippers. It has been notified that the ceiling of 50,000 bales in respect of export quota of Bengal *Deshi* issued on the first-come-first-served basis was reached on the 7th inst.

In the foreign section, a sizable volume of business in Egyptian cotton was done by Bombay and Ahmedabad mills. The delay in the announcement of the import allocation for American cotton is a matter of serious concern to mills. It is pointed out that they are already working on a hand-to-mouth basis in respect of foreign cotton. Mill interests are reported to have suggested to the Government that, in order to enable them to plan their production in advance, import of an additional quantity of 100,000 bales of East African cotton should be allowed. The ruling prices of East African are lower than those of comparable American growths.

The following are the latest available quotations—in rupees per candy of 784 lbs.—from the spot market at Sewri, the figures in brackets being last week-end closings:

Bengal *Deshi* 610 (590); Berar Jarilla 735 (725); Khandesh 785 (775); Oomra *Deshi* 650 (650); Vijay 890 (880); Hubli Laxmi 1,000 (975); Jayadhar 825 (785).

The Karachi cotton futures market ruled firm during the week. There was heavy bull buying, induced mainly by tender considerations, in the maturing May contract and some speculative support for the distant July. The latter was inspired by anticipations of better foreign demand especially from the U.S.S.R. following reports of the likelihood of a barter deal between Pakistan and Soviet Russia, involving cotton. N.T.R.G. May, which had closed at Rs. 74-13-6 last week-end, improved to Rs. 76-9. July contract gathered As. 2-6 to Rs. 73. The spot section also showed some improvement. Prices of *Deshi* varieties crept up. Sind *Deshi* and Punjab *Deshi* were quoted at Rs. 63-8 and Rs. 62-8, as compared with Rs. 63 and Rs. 62, respectively, last week-end. The following are the latest available spot quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 69; S.G. 68; 4F Punjab Roller 74-8; S.G. 79; 289F Punjab Roller 85; S.G. 96-8.

A fully steady trend was in evidence in the Alexandria cotton futures market during the week under review also. Under the impetus of a fair volume of export demand from a number of foreign countries and better advices from the spot section, futures values tended to move up. The fixation of one tender date (20th May), instead of the normal three, also imparted strength to the market. Oper-

ators thought that this would result in a smaller volume of tenders against the maturing May contract. The spot section was cheerful. Premiums, particularly for Ashmouni, hardened.

The shipments of Egyptian cotton from 1st September 1957 till the close of April aggregated 486,685 bales (of 720 lbs.), as against 389,063 bales in the corresponding period of the previous season.

The following are the latest available quotations —in tallaris per lb.—from Alexandria, the figures in brackets being last week-end closings:

Karnak: May 79.05 (78.00); July 79.80 (79.00). *Ashmouni*: June 69.90 (68.80); August 69.95 (69.25).

Cotton values in the Liverpool market were more or less maintained at last week's levels. In view of the absence of details regarding the operation of the American export subsidy, no parity idea could be formed. Operators were inclined to await further details. The volume of business was, therefore, small and prices moved narrowly either way. The Sudan contracts were quiet with values remaining unchanged. The latest available quotations—in pence per lb.—from Liverpool are as under:

American cotton one inch staple contract: May-June 24.77; July-August 25.27; October-November 25.89; December-January 26.27. *American cotton mixed growth contract*: May-June 25.65; July-August 26.10; October-November 26.60 December-January 26.90.

Cheerful conditions prevailed in the New York cotton futures market during the week. Bullish weather news and fixation of higher mid-April parity price announced last week, 38.59 cents per lb. as compared with the mid-March parity of 38.33 cents induced heavy trade and Commission House buying. Values, as a consequence, hardened. Nothing more was known about the payment in kind export programme, which will run concurrently with a programme similar to the one at present in force.

However, the details of the export sales programme for next season have been published. They are similar in all respects to those of the programme for the current season. The first bids under the new programme were received on the 12th inst. The next will be received on the 26th inst. and thereafter offers will be opened every week on Monday. Under the export programme for the current season, the Commodity Credit Corporation sold a fortnight ago a further quantity of 73,139 bales. Total sold thus far under the programme aggregates 5,645,305 bales. The average price accepted for Middling one inch cotton at average location in the latest sale was 28.44 cents per pound—up 10 points from that of the previous sale.

The Department of Agriculture has fixed a support rate of not less than 34.60 cents per pound for Upland cotton for next season. To the basic support rate of 30.75 cents per pound announced previously for Middling $\frac{7}{8}$" cotton at average location has been added 3.85 cents per pound to arrive at the support for Middling one inch. It will be recalled that the loan rate this season for Middling one inch cotton at average location is 32.31 cents per lb.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	13-5-58	6-5-58	29-4-58
Spot	36.45	36.05	36.05
May	—	36.00	35.97
July	36.59	36.33	36.37
October	36.95	36.87	36.82

RAYON YARN EASY

(From Our Own Correspondent)

BOMBAY, 14*th May*

A mixed trend prevailed in the yarn market during the week under review. While the rayon yarn section ruled distinctly easy, the staple fibre yarn section was fully steady. Cotton yarns continued to remain depressed. The weakness in art silk yarns was due to the prevailing high prices and consequent reluctance on the part of actual users to make any significant purchases. Hence business put through was restricted and even the small transactions that were noted were reported to be of a speculative nature among the dealers themselves. Staple fibre yarns were steady. For, despite huge arrivals of stocks in consuming centres against purchases made earlier, offtake from important centres like Punjab, Calcutta, Bhagalpur, Surat, etc. was very satisfactory. Spinning mills were also not inclined to lower their prices of yarn as the raw material prices did not show any signs of recession. Cotton yarns were dull. Coarse counts showed a further decline in values while in medium counts prices were unchanged. Stocks with mills continued to remain high and export prospects were far from encouraging due to keen competition from China, Italy, Pakistan and other countries.

Spot 120 Japan declined by 10 nP to Rs. 6.31. 150 Japan retreated by 12 nP to Rs. 6.22. 120 Italy were marked down by 25 nP to Rs. 5.87. 150 Italy were neglected at Rs. 6.50. Among indigenous yarns, National Rayons 150 bright cones first grade fell by 46 nP to Rs. 5.66. 120 bright cones first grade eased by 13 nP to Rs. 5.62.

Staple fibre yarns (40×2) June delivery evoked some support and rallied by Rs. 4 to Rs. 602. No transactions have been put through in the August delivery this week also. In the spot section, 40×2 Centurys put on 3 nP to Rs. 3.19. New Greats gathered 2 nP to Rs. 3.14. Kohinoors and Citys were fully steady, the former at Rs. 3.24 and the latter at Rs. 3.22. Foreign yarns, however, lacked support. Paramounts shed 6 nP to Rs. 7.19. Fujis softened by 3 nP to Rs. 7.31.

In the cotton yarn section, ten counts were neglected, Podars at Rs. 13 and Moderns at Rs. 14. Among twenty counts, Gokaks and Indus receded by 13 nP each to Rs. 16.87 and Rs. 16.37 respectively. Moderns lost 12 nP to Rs. 16.75. Forty counts Moderns were stagnant at Rs. 24. Minaxis, however, gained 12 nP to Rs. 23.37. Among sixty counts, Raghuvamshis were steady at Rs. 50.50 and Moderns at Rs. 60. Finlays, on the other hand, added 50 nP to Rs. 60.50. Eighty counts Mahendras were unchanged at Rs. 69.50 as also Moderns at Rs. 69.75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	14-5-1958	7-5-1958
	Rs.	Rs.
Art silk yarn **(per case of 200 lbs.)—**		
120 Japan (per lb.)	6.31	6.41
150 Japan (per lb.)	6.22	6.34
120 Italy (per lb.)	5.87	6.12
150 Italy (per lb.)	6.50	6.50
Staple fibre yarn **(per case of 200 lbs.)—**		
40 × 2 June	602 00	598 00
40 × 2 New Great (per lb.)	3.14	3.12
40 × 2 City (per lb.)	3.22	3.22
Cotton yarn **(per bundle of 10 lbs.)—**		
10s Podar	13.00	13.00
20s Modern	16.75	16.87
30s Indu	—	—
40s Minaxi	23.37	23.25
60s Raghuvamshi	50.50	50.50
80s Modern	69.75	69.75

SUGAR RISES FURTHER

(From Our Own Correspondents)

BOMBAY, 14*th May*

The sugar market continues to rule buoyant during the week under review and prices have improved to touch new high levels. The spot stocks of sugar in the market are extremely poor, being just 8,000 bags. Booking of sugar from the Bombay-Deccan area to Wadi Bunder has been closed temporarily. Arrivals of sugar into the market during the week are, of course, higher at 16,400 bags, as against 10,900 bags in the previous week.

Large grain sugar has rallied a rupee to Rs. 112-Rs. 116 per bag. Medium grain has gained 50 nP to Rs. 109.50-Rs. 111.50. Small grain has risen by a like amount to Rs. 108.50-Rs. 109.

Spot prices of sugar in the city have now fallen to parity with the ex-mill quotations obtaining in Northern India. Knowledgeable trade circles believe that, in the present context of circumstances, spot values and ex-mill quotations in the Bombay-Deccan areas have touched saturation point and the market must react to adjust itself to a more reasonable level of prices. It is felt that the Food Ministry is largely responsible for the confused state of affairs in the sugar market, owing to its failure to announce a clear-cut export policy, although, time and again since December last, Government spokesmen have been stating that the export policy will be shortly announced. Whatever may be the eventual decision of the Ministry in regard to sugar export, trade circles are still baffled as to how the consistent rise of Rs. 2 per maund in ex-mill quotations in the past eight weeks can be justified in the absence of any policy statement and in view of the fact that the movement of sugar from factories in the last six months certainly does not exceed that moved out in the corresponding period of the previous season.

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HAPUR, 12*th May*

Stimulated by buying interest from the South, sugar prices recorded further gains during the week. The continued rumours of a possible increase in the internal prices of sugar in order to encourage exports also acted as a bullish factor. The Government's decision regarding exports was awaited anxiously, but no concrete plans appeared to have been evolved as yet. Production and despatches of indigenous sugar during the current season (up to 30th April) amounted to 19.11 lakh tons and 9.91 lakh tons, as against 18.22 lakh tons and 10.35 lakh tons, respectively, in the corresponding period of last year. Stocks on this date were 13.49 lakh tons, as compared with 13.14 lakh tons a year before.

Steady to firm conditions prevailed in the sugar market at Muzaffarnagar in the past week and the ex-mill delivery prices advanced by 31 nP to 62 nP per maund. Substantial business was done for the Punjab and Delhi. Export prospects were the main bullish factor. The latest prevailing prices were: Meerut (D28) Rs. 37; Mansurpur (C29) Rs. 37.87; Daurala (B29) Rs. 38.12; Mawana (B29) Rs. 38; Shamli (B29) Rs. 38.25; Bijnore (E29) Rs. 36.

Sugar prices at Kanpur ruled steady, due to good buying support. Spot and ex-mill delivery prices (per bag and per maund) were:— (D29) Gola Rs. 101.50, Rs. 36.12; Walterganj, Lakhimpur and Hargaon Rs. 101, Rs. 35.94; (C29) Basti Rs. 104, Rs. 36.87.

Khandsari prices continued steady, due to good festive demand for marriage season and prices were quoted at Rs. 30 to Rs. 34 per maund according to quality.

The *gur* season has come to a close, but arrivals from producers' stocks averaged 200 maunds daily which were lifted upto Rs. 15.50 per maund. Demand from consuming centres has improved due to pre-monsoon buying and the week's offtake aggregated 14 wagonloads. The local stock is now put at 1.42 lakh maunds, as against 96,000 maunds at this time last year.

Despite poor demand, *gur* prices improved slightly in the Muzaffarnagar market, due to fall in daily arrivals. *Chaku gur* gained 50 nP per maund during the week. *Shakker dara* was in demand from Rajasthan side at unchanged prices. *Khandsari* prices continued steady at Rs. 30 to Rs. 34 per maund.

Future *gur* recorded a depressed trend. *Fagun* opened at Rs. 12.60 on Monday and, after touching the highest at Rs. 12.64 the same day and the lowest at Rs. 12.21, was quoted today at Rs. 12.44.

The standing cane is reported to be in fairly good condition.

OILSEEDS EASY

(From Our Own Correspondent)

BOMBAY, 14*th May*

Barring the linseed section which ruled fully steady, the oilseeds market depicted an easy trend during the week under review. Castorseeds were particularly depressed, thanks to nervous bull liquidation and bear offerings induced by weak U.K. advices for castor oil; the U.K. quotation for bulk commercial and B.S.S. quality was £110 and £117 per ton respectively. It was reported that Rumania had sold to the U.K. some portion of the castor oil purchased from India. China was also reported to be making a bid to offer surplus castor oil to the U.K. and the Continent at competitive rates. Enquiries from the U.S. were negligible, notwithstanding Brazil's reluctance to supply contracts at low price consequent on the damage to the castor crop. The castorseeds section was somewhat better today on emergence of buying support at low levels. Groundnut encountered selling due to easiness in spot groundnut oil and prices tended to move down. Today, however, there was a notable recovery in prices aided by absence of fresh speculative offerings in view of the limited inflow of groundnut and hopes of an early release of export quota for refined groundnut oil (salad oil). The initial losses were completely made up and, in fact, the closing rates were higher than those at the end of last week. Cottonseed failed to derive strength from firmness of raw cotton prices. Kardiseed and nigerseed were quiet, in the absence of any special support. Linseed, however, proved an exception in that it elicited good buying support in the wake of scarce offerings. Rumania and Australia were reported to be interested in buying Indian linseed oil. The U.K. quotation was nominally placed at £103-£104 per ton.

Groundnut May contract which stood at Rs. 168.75 last week-end receded to Rs. 167.25 on the 9th inst. and, after moving between this level and Rs. 168, wound up the week at Rs. 169.25. August contract dropped from Rs. 167 to Rs. 165.25 before finishing at Rs. 167.50. Over the week, bold ready rose by 12 nP to Rs. 33.87. Khandesh quality gained a like amount to Rs. 34.37. Coromandel improved from Rs. 34.25 to Rs. 34.37. Groundnut oil ex-mill dropped 25 nP to Rs. 18.12. Railway receipt shed 13 nP to Rs. 18.12.

Castorseeds May contract came in for persistent selling and moved down from Rs. 150.37 to Rs. 145.87 yesterday. Today, however, it advanced to Rs. 147.75 before closing lower at Rs. 147.25. September delivery fell from Rs. 154.12 to Rs. 149 yesterday, but recovered to Rs. 150.50. At the close, it was a shade easy at Rs. 150.25. Ready Madras declined by 37 nP to Rs. 29.25. Kanpur quality was done yesterday at Rs. 27.75, as against Rs. 28.37 last week-end. Castor oil B.S.S. gave way from Rs. 16.62 to Rs. 16.25. Commercial quality decreased by 37 nP to Rs. 15.

Linseed May contract elicited some support and rose from Rs. 30.12 to Rs. 30.44 today, although, towards the close, it was a shade easy at Rs. 30.37. September position fluctuated between Rs. 30.87 and Rs. 31 before finishing at Rs. 30.87. Bold ready spurted by 62 nP to Rs. 30.37. June-July hardened by 50 nP to Rs. 30.75. Linseed oil was firm at Rs. 15.69 today, as against Rs. 15.62 on Wednesday last.

Cottonseed May contract opened the week at Rs. 106.50 and improved to Rs. 108 on Monday. After declining to Rs. 107.75 yesterday, it recovered to Rs. 108 today. September contract moved narrowly and wound up the week at Rs. 108.50.

Kardiseed bold ready strengthened from Rs. 19.25 to Rs. 19.50 on the opening day, but eased in subsequent sessions, today's closing rate being Rs. 19.12. Nigerseed Madras quality which was steady at Rs. 28.50 throughout the week fell to Rs. 28.25 today for want of support.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	14-5-1958	7-5-1958	30-4-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	169.25	168.75	171.75
August 1958	167.50	167.00	169.75
Bold ready (per cwt.)	33.87	33.75	34.37
Linseed—			
May 1958	30.87	30.12	29.62
Sept. 1958	30.87	30.94	30.81
Bold ready (per cwt.)	30.87	29.75	29.37
Castorseed—			
May 1958	147.25	150.37	148.50
Sept. 1958	150.25	154.12	153.00
Madras (per cwt.)	29.25	29.62	29.37
Cottonseed—			
May 1958	108.00	104.75§	104.50
Sept. 1958	108.50	108.25	107.00
Groundnut oil*			18.62
Ex-mill ready (per quarter) ..	18.12	18.37	
Castor oil †			15.87
Commercial (per quarter) ..	15.00	15.37	
Linseed oil †			15.75
Ready	15.69	15.62	

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.
‡ Rate as on 6th May.

JUTE GOODS DECLINE

(From Our Own Correspondent)

CALCUTTA, 13*th May*

Prices of jute goods gave way during the week under review, but it should be noted that even after the fall they were well above the I.J.M.A. minimum levels, indicating the inherent strength of the market. The week's fall only nullified the rather abrupt increase in the previous week. The main cause of the fall was the sudden withdrawal of import licences by the Government of Argentina for importing hessian from India following an appreciation of the difficult foreign exchange situation facing that country. The apprehension of the impending action by Argentina followed the withdrawal of a steamer scheduled to leave for that country after loading with hessian had commenced. However, clarification as to whether the withdrawal of the import licences already issued was for good or this was only a suspension for facilitating an assessment of the foreign exchange needs and rationed allotment of the available funds was not forthcoming. Traders here hoped that foreign trade ethics would demand of the Argentine to revalidate the licences at least to the extent of commitments already made by its buyers.

Argentina is a big consumer of Indian hessian, and cannot possibly do without it. Its purchasing policy during recent years has undergone a considerable change, inasmuch as it buys only for direct consumption. In view of this, stocks in the Argentine were believed here to be insignificant and, therefore, it was hoped that before long import licences already issued would be revalidated and that fresh licences would also be issued to enable buyers on behalf of Argentina to honour commitments already made prior to the import squeeze and in anticipation of licences. These hopes apart, the sudden cancellation of the licences shook market sentiment, and shippers who had purchased hessian at higher prices in expectation of shipping the same to Argentina are now faced with losses. Nevertheless, they would be able to ship the quantities already purchased to other countries, if they do not like to wait for revalidation of licences by Argentina. Here again, they would incur loss as prices have moved down.

Another factor which precipitated the downward movement was reports of further incidence of rains in most jute-growing districts and of the healthy condition of plants, all of which led to expectation of a higher and earlier crop. The speeches of the East Pakistani Chief Minister and the Vice-President of the Pakistani Jute Mills Association at the Association's annual meeting held recently in Dacca drew attention here. While the latter's forecast of Indian jute production amounting to 7 or 8 million bales by 1961 should be dismissed, it was felt by a section of the trade here that India's production of the inferior varieties of *mesta* and *bimli* was now not only sufficient to meet internal needs but would also leave a margin for export. Any idea of India being able to export the superior varieties was not entertained by jute circles.

On Tuesday last, the price of ready hessian 40" 10 oz. was at one time as low as Rs. 39.90 following the cancellation of import licences by Argentina. However, the price registered a small recovery to Rs. 40.20, as some covering business was subsequently done. In sympathy, ready B. twills sagged earlier in the day to Rs. 100.90 and unlike hessian did not recover. On the following day, hessian 40" 10 oz. made a further recovery to Rs. 40.35 as, according to figures released, stock of hessian with mills as at the end of April amounted to 20,400 tons representing a decline of 4,100 tons. On the other hand, sacking held by mills increased to 60,000 tons from 54,800 tons and miscellaneous constructions to 16,800 tons from 15,000 tons. So, overall the increase in stock as compared to the end of March was 2,900 tons. However, ready B. twills moved up to Rs. 101 in sympathy with hessian. On Thursday, hessian 40" 10 oz. was quoted at Rs. 40.60 following some business with the United States. Ready B. twills were at Rs. 101.35. At this stage, buyers restrained their activity, and on Friday the above representative constructions sagged to Rs. 40.50 and Rs. 100.80, respectively. At these rates, some covering business was reported. Over the week-end, hessian 40" 10 oz. registered a small advance to Rs. 40.80 following some speculative activity, but ready B. twills eased to Rs. 100.70. Yesterday, prices improved following rumours that Argentina was revalidating the import licences. There was also speculative activity in the futures markets. In consequence, 40" 10 oz. hessian improved impressively to Rs. 41.30. In sympathy, B. twills at Rs. 101.05 registered a gain.

Mills bought raw jute in small quantities only. Sellers were anxious for business following reports of further rains in jute growing districts. Mills discounted rates by 25 nP, but at the lower rates sellers were disinclined to operate. Thus, Assam northern bottoms were throughout quoted at Rs. 25.50 and local *daissee* bottoms at Rs. 29.25 May-June delivery. Another factor why prices did not fall, despite the fall in prices of jute goods, was the reduced arrivals from up-country and also the up-country prices being higher than those ruling here.

GOOD INTEREST IN DUST TEAS

(From Our Own Correspondent)

CALCUTTA, 13*th May*

In the internal sales held on Tuesday last, dusts on offer amounting 19,318 chests met with strong demand. Exporters evinced keen interest in orthodox and C.T.C. teas. The clean leafy orthodox teas met with good demand and prices were firm. Other teas in this category advanced, although at opening of the sales they were lower by 4 to 6 nP. C.T.C. Assams were taken at higher rates, with particular attention being shown to the grainy teas. The rates were: best Assam C.T.C. Rs. 2.80 to Rs. 3.00, medium Assam C.T.C. Rs. 2.10 to Rs. 2.30, medium Assam grainy dust Re. 1.70 to Re. 1.74, and medium Dooars Re. 1.68.

Leaf on offer amounted to 77 chests only.

Now that the new season was expected to begin shortly, the trade was taking stock of the situation in relation to supply and demand in order to arrive at prospects.

Export sales have been completed, and the 1957-58 season is ending on a healthy stock position. On an all-India basis, deducting exports, the balance from the crop has been estimated at 250 million lbs. Of this, internal demand is believed to have accounted for some 225 million lbs. which represents an increase over the past year. This shows that internal consumption is on the advance, with the improvement in people's standard of living.

The carry-over (South and North India combined) for the next season would thus amount to 25 million lbs. This quantity is considered insignificant, although a cautious tendency on the part of buyers would not be a surprise.

Regarding North India, the crop up to the end of July is not expected to be higher than in 1956-57. Prices for the good quality teas would, therefore, tend to be steady in foreign markets, but with East Africa increasing tea exports to Great Britain and other countries, competition in foreign markets would be stiffer.

In this connection, the report from London that Argentina has an exportable surplus of 1,000 tons of tea a year and that the first consignment has already reached London has not escaped the attention of traders. This goes to show that not only East Africa but other small producing countries are also entering the export field.

It is being growingly realised here that it would become more and more difficult for common teas to be sold at prices economic to gardens.

It is, however, to be hoped that internal consumption will increase; but even after taking it for granted that the increase in consumption is faster than the increase in the cost of living, it is not to be expected that all the excess would be absorbed internally. Tax relief, the trade points out, would stimulate exports as well as pave the way for an economic return to the producer. The need for maintaining the foreign exchange earnings from teas is important, in view of the country's need for funds in foreign currencies. So, any move by which export of common teas would tend to fall even at the cost of increasing internal consumption would be contrary to the country's interests.

COARSE GRAINS MOVE UP

(From Our Own Correspondent)

HAPUR, 12*th May*

Divergent trend prevailed in the foodgrains market during the week. While wheat after early gains due to poor local arrivals eased towards the week-end, fresh gains were recorded in the prices of coarse grains. Abnormally low new crop arrivals at this time of the year in the face of good consumer demand was the main stimulating factor. Wheat in the Punjab where crop was reported to be fairly good fell to the extent that the State Government announced its attention to give price support and to begin purchases if wheat prices tended to fall below Rs. 12 per maund.

Wheat at Hapur, after touching the highest in the early session upto Rs. 15.75 for average quality and upto Rs. 17.12 for farm produce, declined to Rs. 15.50 and Rs. 16.50 per maund, respectively. Daily arrivals in the market improved to about 1,000 maunds, but, as the entire arrivals were being lifted by consumers, stocks with the trade were reduced to one *khatti* only. Apart from continued threshing, and reports of poor yield in U.P., the producer was still also retaining his stocks, expecting better prices later.

Rice prices recorded some gains during the week on reports of an overall rice shortage in the country and insufficient imports. Prevailing prices were:—*Basmati* Rs. 32 to Rs. 35.50; *Mainpuri* Rs. 26.50; coarse Rs. 22 per maund.

Gram was reaching here from Punjab and this accounted for an improvement in local stocks to 27 *khatties*, as against 20 *khatties* last week-end. Prices however, were steady, the local arrivals continuing to be meagre. Barley and *bejhar* improved fractionally, due to scanty local arrivals and poor stock position here. *Jowar* and *guwar* were attracting good demand at unchanged prices. The prevailing prices (in rupees per maund) on Monday were:—gram 11 to 11.25; barley 11; *bejhar* 10.25; *jowar* 12 to 13.25; *guwar* 15.50.

Pulses continued to rule steady and peas arrivals were at an average of 1,000 maunds and those of *arhar* at about 800 maunds daily. Some outside despatches were made of peas and *arhar dal*, most of which going to stocks. *Urd* and *moong* continued steady and week-end prevailing prices (in rupees per maund) were:—Peas *dara* 9.50 to 9.62; peas white upto 10.25; peas *dal* 11; arhar 11.75; *arhar dal* 15.75; *urd* 17.50 to 18.50; *moong* 22 to 23; *massoor* 14.50.

Pulses futures ruled quietly steady. The latest quotations on Monday were:—peas *jeth* Rs. 10.06; *bhadon* Rs. 10.51; *arhar jeth* Rs. 12.06; *urd baisakh* Rs. 16.

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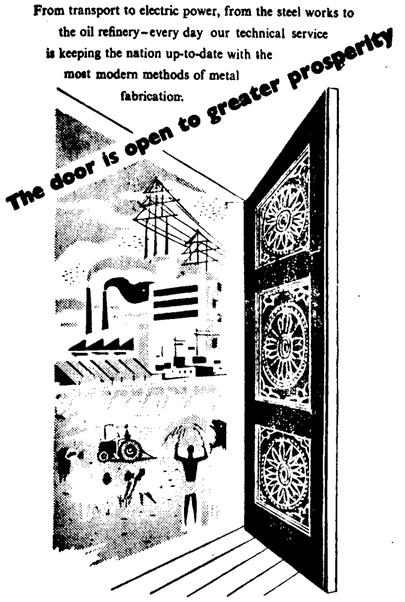

STRONG DEMAND FOR TEA

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN. 8*th May*

There was 1,194,123 lbs. on offer in Sale No. 11 which was held on Tuesday, 6th May. Quality showed a further seasonal decline, but there was however, a fairly useful selection on offer. The market opened to a strong general demand which emanated from all export buyers, particularly for low medium and medium fannings which were 10 to 20 nP dearer. The equivalent B.O.Ps. were 5 to 10 nP dearer. Good mediums advanced slightly. High growns met less demand and were upto 50 nP below valuation. Whole leaf met with some support and were about steady. The following are the quotations:—

	Rs. 1958
Plain B.P.	1.45
Low medium	1.65 to 1.80
Medium	1.85 to 2.05
Good medium	2.10 to 2.50
Quality	2.40 to 3.50

The average price realised was Rs. 2.13 per lb., as against Rs. 2.12 per lb. in the previous sale and Re. 1.74 per lb. in the corresponding sale of 1957.

Dust Sale "J".—There was 935,000 lbs. on offer at dust Sale "J" which was held on Thursday, 8th May. The market opened to a strong general demand. Buyers showed particular interest in milled dusts and these types advanced 5 to 10 nP. The strong demand was also evident for all other descriptions and the prices for these teas were fully firm to dearer. The sole exception was for best high grown dusts which were generally easier.

London Market—Sale of 5th May 1958.—Better liquoring irregular. Others fully steady.

Sale of 6th May 1958.—Market fully firm.

Colombo Market.—No sale this week.

Calcutta Market.—No sale this week

Export Quota.—A sizable quantity of business has been transacted at 3½ nP. A small quantity of new seasons quota has been sold at 19 nP. Today's quotation is sellers 17 nP and buyers 16 nP.

Forthcoming Auctions.—Sale No. 12 will be held on Tuesday, 13th May and Dust Sale "K" will be held on Thursday, 22nd May 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire as follows:

"*Sale* 12.—2,000,000 lbs. **Strong general demand, particularly for clean black leaf. Medium types which are irregularly 10 nP dearer. Low medium and medium brokens firm, but fannings dearer stalky kinds weak and sometimes neglected. Whole leaf firm to dearer.**"

SHEEP SKINS WEAK

(From Our Own Correspondent)

MADRAS, 12*th May*

In the Madras market, arrivals of E.I. tanned cow and buff hides were of the usual volume, and clearance was good at 5 to 6 nP lower than April levels. U.K. enquiries were patchy and mostly for lower ends. Better class tanners of cow hides were able to sell run, fourths and fifths in lightweights occasionally, while F.A.Q. marks were taken up if at low levels only. Inland demand for low grade cow hides continued at attractive prices. A small quantity of buff calf 2-2½ lbs. thirds was sold to the U.K. Importers in the U.S.A. were enquiring for buff calf at prices lower than U.K. levels and sellers were reserved. There was some call for lower ends in cow calf from the U.K., but stocks available were small.

In the May London auctions, prices of goat skins declined 3*d*. to 9*d*. below March average during the first three days and better sorts regained March levels towards the close. There was brisk trade at the lower prices due to a fair attendance of buyers. Sales of tanned sheep commence today.

In the Madras market, prices of goat skins ruled steady and of sheep weak; and stocks of common class sheep are accumulating.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	—	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	5th Feb., 1948	—	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July, 1933	5	4
Costa Rica	1st April, 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	1st May, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	Jan., 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	4th April, 1950	4½	4
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	—	3
Peru	13th Nov., 1947	5	6
Philippines	Sept., 1957	2	4½
Portugal	12th Jan., 1944	3	2½
South Africa	14th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May, 1955	5	4½
Switzerland	15th May, 1957	1½	2½
Thailand	4th Feb., 1945	7	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 9th May, 1958		Week ended 2nd May 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,25,068	64,87,80,000	3,37,658	74,31,93,000
Calcutta	1,69,000	52,85,00,000	1,80,000	64,30,00,000
Madras	85,018	8,98,99,314	88,583	9,76,39,961
All Centres—				
1956-57	..	..	37,199,000	79,56,21,00,000
1956-57	..	..	40,603,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,794,000	8,31,64,00,000
Feb., ,,	..	..	3,335,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 9th May, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	53,29,16,000
(2) Other Governments	15,72,76,000
(b) Banks	111,98,74,000
(c) Others	112,42,24,000
Bills Payable	14,96,76,000
Other Liabilities	44,02,71,000
Rupees	459,42,37,000

ASSETS	Rs.
Notes	9,35,73,000
Rupee Coin	3,24,000
Subsidiary Coin	2,06,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,90,59,000
Balances held abroad*	79,65,35,000
Loans and Advances to Governments†	57,53,03,000
Other Loans and Advances	59,35,42,000
Investments	244,05,91,000
Other Assets	15,94,03,000
Rupees	459,42,37,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 17,10,00,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	9,35,73,000	
Notes in circulation	1629,95,58,000	
Total Notes issued		1639,31,31,000
Total Liabilities		1639,31,31,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	184,83,19,000	
Total of A		302,59,22,000
B. Rupee Coin		129,25,44,000
Government of India Rupee Securities		1207,46,65,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1639,31,31,000

Scheduled Banks*

Statement of Affairs for the week ended 2nd May 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	18,77,09,000
(ii) Other demand liabilities	733,73,11,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,99,50,000
(ii) Other time liabilities	775,06,85,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	5,98,17,000
(ii) Time liabilities	80,00,000
Borrowings in India from the Reserve Bank of India‡	20,92,67,000 (18,16,00,000)
Cash in India	40,15,46,000
Balances with the Reserve Bank in India	99,16,21,000
Balances with other banks in current account in India	12,06,07,000
Money at call and short notice in India	55,31,62,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	444,06,19,000
Advances in India	798,26,89,000
Inland Bills purchased and discounted in India	15,52,78,000
Foreign Bills purchased and discounted in India	41,58,96,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	14th May 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	£. 1-5 31/32	1-5 31/32
Sellers T.T. D.D. upto six months	£. 1-5 31/32	1-5 31/32
Buyers T.T. spot to nine months	£. 1-6 1/32	1-6 1/32
Buyers T.T. 10 to 12 months	£. 1-6 1/32	1-6 1/32
Bombay on New York—		
Sellers T.T. D.D.	Rs. 475.75	475.50
Buyers T.T.	Rs. 472.00	472.00
London on New York	$ 2.811/2-811/2	2.811/2-811/2
London on Paris	Frcs. 1,181½	1,181½
London on Berne	Sw. Frcs. 12.23½-12.23½	12.23½-12.23½
New York on London	$ 2.811/2-811/2	2.811/2-2.811/2

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	83.50	..	2,079	249
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.88	..	475	267
Japan	1956	90.00	Y. 7,427,000	9,288	1,051
Philippines	1955	21.85	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9.40	£ (A.) 4,288	4,628	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 363,600	180,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.80	F.Fr. 13,999,900	17,640	4,046
W. Germany	1956	51.50	Dm. 147,900	16,849	3,279
Italy	1956	49.10	Lr. 11,476,900	5,760	1,821
Norway	1956	3.46	Kr. 26,990	1,408	4,858
Sweden	1956	7.40	Kr. 44,560	4,127	5,563
Netherlands	1956	10.80	Gn. 23,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1958	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 2nd May 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	79,55,76,000
(b) Provincial Governments	50,36,000
(c) Banks	19,10,29,000
(d) Others	5,16,80,000
Bills Payable	27,82,000
Other Liabilities	12,18,20,000
Rupees	122,79,32,000

ASSETS	Rs.
Notes	8,36,13,000
Rupee Coin	34,000
Subsidiary Coin	26,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	53,000
Loans and Advances to Governments	4,31,00,000
Provincial Governments' Debtor Balances	8,84,01,000
Other Loans and Advances	4,86,90,000
Investments	82,60,72,000
Other Assets	14,39,43,000
Rupees	122,79,32,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	8,36,13,000	
Notes in circulation	340,71,99,000	
Total Notes issued		349,08,12,000
Total Liabilities		349,08,12,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	66,79,51,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
	121,22,74,000	
B. Rupee Coin	3,77,61,000	
Government of Pakistan Securities	218,17,71,000	
Internal bills of exchange and other commercial paper	....	
	221,95,32,000	
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
Total Assets	5,90,06,000	349,08,12,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved foreign Exchange to total notes issued: 36.33 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	2nd May 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1619.62	1619.13	1619.69	1577.11
Notes held in Banking Department	35.05	21.16	32.04	7.94	9.04
Foreign Securities	59.50	290.71	228.89	216.07	412.52
Rupee Securities	37.39	1187.59	1173.50	1166.23	929.87
Banking Department					
Deposits of:					
Government of India	14.89	49.65	53.05	55.37	51.81
Other Governments	..	16.12	15.61	7.24	4.26
Balances held abroad	10.08	58.03	39.01	68.34	83.90
SCHEDULED BANKS					
Demand Liabilities	134.36	752.50 (18.77)†	774.70 (17.36)†	767.49 (15.95)†	723.31 (11.01)†
Time Liabilities	102.24	791.06 (16.00)†	768.70 (14.74)†	743.11 (15.02)†	505.47 (3.04)†
Borrowings from Reserve Bank	..	20.93 (18.16)‡	19.85 (17.72)‡	37.94 (24.19)‡	81.38 (59.98)‡
Borrowings from State Bank	..	6.78	6.55	11.31	10.31
Cash in India	6.70	40.15	41.97	41.74	58.95
Balances with Reserve Bank	25.17	99.16	90.78	83.08	64.50
Excess over statutory limits	15.52	45.71	36.67	29.88	18.24
Balances with other banks in current account in India	..	12.06	11.85	12.28	10.51
Money at call and short notice in India	..	55.32	56.02	43.29	18.00
Investments at book value)	..	444.06	445.01	440.56	344.47
Advances and bills	105.09	955.39	956.27	969.41	924.32
STATE BANK					
Deposits	87.76	422.39	422.12	434.25	296.95
Investments	51.99	190.97	190.79	190.76	105.36
Advances	30.35	205.89	206.40	209.99	187.92
Cash	14.69	40.38	37.37	32.23	24.07

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	December, 1956	December, 1957	Nine months, April to Dec., 1956	Nine months, April to Dec., 1957
Import Duties:				
Revenue	11.00	10.46	93.01	108.31
Protective	0.81	0.70	9.20	8.12
On surplus disposals	0.01	0.03	0.04	0.11
Total import duties	11.82	11.19	102.25	116.54
Export Duties	3.20	2.04	21.87	18.22
Land Customs	0.20	0.47	1.82	2.74
*Air customs.**	..	0.11	..	1.16
Miscellaneous	0.09	0.17	0.83	1.16
Gross total customs	15.31	13.98	126.77	140.39
Refunds and drawbacks	0.26	0.39	1.83	3.16
Net Customs	15.05	13.59	124.94	137.23
Gross excise	19.84	22.53	138.17	191.23
Refunds	0.18	0.30	1.50	2.51
Net Excise	19.66	22.23	136.67	188.72
Net total of customs and excise†	34.71	35.82	261.61	325.95

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 9th May 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital—		
20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	5,62,50,000
Reserve Fund and Other Reserves	..	6,62,50,000
Deposits and Other Accounts	..	418,27,66,000
Borrowings from Other Banking Companies, Agents, etc.	..	8,09,57,000
Bills Payable	..	
Bills for Collection being Bills Receivable as per contra	..	86,39,000
Acceptances, Endorsements and Other Obligations per contra	..	81,00,000
Other Liabilities (including Inter-Office Adjustments)	..	4,08,13,000
Total ..	Rs.	444,37,75,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank	..	51,71,77,000
Balances with other Banks	..	2,57,94,000
Money at Call and Short Notice	..	1,33,33,000
INVESTMENTS:	Rs.	
Government and other Trustee Securities	160,80,81,000	
Other Authorised Investments	10,38,34,000	171,19,15,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	185,38,23,000	
Bills Discounted and Purchased	19,28,09,000	204,66,32,000
Bills Receivable being Bills for Collection as per contra	..	86,39,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	..	81,00,000
Premises less Depreciation	..	1,19,75,000
Furniture and Fixtures less Depreciation	..	33,34,000
Other Assets (including Inter-Office Adjustments)	..	9,18,76,000
Total ..	Rs.	444,37,75,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A Outstandings	National Savings Certificates 7-Year B Outstandings	National Savings Certificates 12-Year B Outstandings	12-Year National Plan Savings Certificates C Receipts	12-Year National Plan Savings Certificates C Outstandings	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings	10-Year National Plan Certificates D Outstandings	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F Outstandings	10-Year Treasury Savings Deposit Certificates 4% G Receipts	10-Year Treasury Savings Deposit Certificates 4% G Outstandings	15-Year Annuity Certificates G Receipts	15-Year Annuity Certificates G Outstandings	Total Receipts	Total Outstandings H
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,64	..	..	..	..	146,83	211,95
1953-54	5,01	4,26	104,38	..	..	174,20	32,11	..	—36,20	32,11	..	..	..	..	192,71	252,96
1954-55	4,70	4,99	124,54	..	..	134,94	130,88	7,38	—36,35	37,15	..	..	55	54	177,35	319,59
1955-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	45	95	203,53	380,84
1956-57	3,00	6,01	163,88	..	..	176,97	196,50	25,38	—38,32	44,28	..	..	43	1,32	222,88	440,17
1957-58	..	..	..	..	..	..	..	..	..	43,58	5,88	5,88	63	1,87	..	..
1957																
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	20,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	452,72
September	2,60	5,39	158,23	6,36	20,17	14,05	198,12	25,17	—39,20	44,14	63	2,39	4	1,46	21,54	452,54
October	2,54	5,26	155,82	5,17	26,33	12,51	202,33	24,81	—39,33	44,07	42	2,81	2	1,47	19,12	452,45
November	2,48	5,14	153,40	6,48	32,82	13,25	202,68	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	478,65
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	19,90	478,65
1958																
January	2,37	4,94	148,57	7,95	47,18	13,88	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,63	479,29
February	2,31	4,83	146,14	10,24	57,42	14,22	203,12	23,45	—39,62	43,69	74	5,18	9	1,75	25,29	487,89
March	..	..	..	..	..	..	..	..	..	43,58	70	5,88	12	1,87	..	..

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1957. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'H' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 3rd May 1958	26th April 1958	5th April 1958	4th May 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.6	89.6	89.4	90.0
1. Government of India	89.4	89.3	89.2	89.7
2. Estate Governments	96.8	96.7	96.6	96.4
3. Municipal Port Trust, etc.	89.9	90.0	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.2	97.2	97.2	99.1
1. Electricity	98.5	98.5	98.5	99.0
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.6
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.0	100.0
7. Shipping	99.1	99.1	99.1	101.8
8. Others	94.2	94.2	94.1	100.6
PREFERENCE SHARES	70.3	70.2	70.5	78.8
1. Electricity	85.0	84.5	84.4	86.7
2. Cotton	67.3	67.0	67.8	78.1
3. Jute	58.4	58.3	58.3	70.8
4. Coal	72.0	72.4	72.7	81.8
5. Iron and Steel	78.4	78.4	78.7	82.2
6. Sugar	69.6	69.6	69.6	78.0
7. Paper	71.6	71.8	72.9	78.8
8. Plantations	86.6	86.6	86.6	96.8
9. Miscellaneous	64.9	65.1	65.5	75.2
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.6	98.9	98.8	105.7
(a) Financial	97.5	97.7	98.2	99.7
1. Banks	100.3	100.5	100.9	91.6
2. Insurance	92.0	91.8	91.7	82.4
3. Investment Trust	63.7	64.0	68.7	75.4
(b) Public Utilities	108.0	108.0	105.1	106.8
1. Electricity	103.3	103.2	102.7	106.8
2. Shipping and other Transport	122.3	123.5	121.3	113.6
3. Railways	80.8	67.1	67.8	76.4
(c) Manufacturing Industries	102.1	102.3	102.0	111.6
1. Cotton, Woollen and Silk	94.9	95.2	96.0	117.1
2. Jute	51.9	51.7	51.9	54.4
3. Iron and Steel	131.6	131.9	130.8	122.1
4. Paper	197.3	195.8	193.4	227.3
5. Cement	139.3	140.2	137.9	148.5
6. General Engineering	159.5	159.4	154.0	160.6
7. Sugar and Breweries	98.2	98.1	98.9	94.7
8. Chemicals	137.0	136.6	133.7	133.9
(d) Non-Manufacturing Industries	111.1	112.2	113.6	127.1
1. Coal	62.9	63.9	65.6	69.7
2. Mining and Oil	157.9	159.4	164.6	178.5
3. Plantations	127.3	121.6	121.3	140.3
(e) Miscellaneous	68.8	69.3	68.2	83.1
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:	89.0	89.0	88.9	89.3
1. Bombay	89.5	89.5	89.2	89.8
2. Calcutta	89.8	89.8	89.6	90.2
3. Madras				
DEBENTURES OF INDUSTRIAL CONCERNS:	96.6	96.6	96.5	99.0
1. Bombay	97.3	97.3	97.3	98.8
2. Calcutta	97.4	97.4	97.4	99.8
3. Madras				
PREFERENCE SHARES:	79.6	79.5	79.8	83.7
1. Bombay	61.6	61.0	61.9	72.5
2. Calcutta	84.0	84.1	83.9	92.6
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:	115.6	116.0	115.9	116.8
1. Bombay	84.1	84.2	84.1	91.9
2. Calcutta	108.4	108.9	109.4	117.5
3. Madras	120.6	121.6	120.4	115.9
4. Delhi				

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns§	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,819.2
1955-56	715	8,805.8	7,785.8
1956-57	769	9,877.8	8,703.1
January 1957	765	868.7	771.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	932.2	755.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.8
November ,,	822	930.2	740.5
December ,,	822	958.7	779.7
January 1958	825	973.6	788.1

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1956	1957	Nov., 1957	Dec., 1957	Dec., 1956
General Index	132.6	138.9	150.9	141.8	136.1
Coal	114.9	126.9	139.3	139.0	126.6
Steel*	166.5	182.8	198.7	204.2	191.7
Cotton textiles	106.0	105.8	98.4	107.5	88.1
Jute textiles	122.0	127.5	129.7	128.1	130.7
Paper and paperboards	127.5	120.5	129.0	126.0	118.7
Matches	146.6	159.3	177.1	176.7	157.3
Cement	106.6	99.9	107.9	101.1	98.2
Iron and steel	154.2	175.3	194.1	216.3	169.7
Non-ferrous metals	124.7	151.9	152.2	161.6	133.9
Rayon	355.8	459.3	516.8	560.1	360.6

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,272,690
1955	1,166	527,787	5,697,843
1956 R	1,203	715,130	6,992,040
January 1957	155	126,490	405,805
February ,,	124	48,733	269,041
March ,,	113	40,990	287,050
April ,,	161	61,280	414,535
May ,,	163	68,230	455,037
June ,,	153	100,220	734,545
July ,,	198	91,749	764,808
August ,,	205	144,851	821,211
September ,,	232	144,579	842,508
October ,,	222	102,884	533,206
November ,,	175	56,168	333,979
December ,,	155	88,471	512,381
January 1958	127	46,400†	324,154†

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	24th April 1958	9th April 1958	27th April 1957	March 1958	March 1957	Percentage of Increase (+) or Decrease (—) in Mar., 1958 as compared with Mar., 1957	Financial Year Average 1957-58	Financial Year Average 1956-57
Food Articles	504	105.7	105.9 R	105.4	102.3	102.3	—	106.4	102.3R
Cereals	192	98.1	97.4	101.0	95	99	— 4.0	101	96
Pulses	43	82.6	83.5	82.9	78	84	— 7.1	83	81
Fruits and Vegetables	23	112.5	111.9 R	122.8	98	111	—11.7	114	112
Milk and Ghee	47	106.0	106.7 R	106.4	103	98	+ 5.1	105	100
Edible Oils	47	122.8	123.5 R	124.5	118	123	— 4.1	126	125
Fish, Eggs and Meat	17	101.8	102.0 R	92.7	102	94	+ 8.5	98	97
Sugar and Gur	20	112.8	112.3	96.0	111	93	+19.4	108	98
Others	50	130.0	132.4 R	126.8	128	124	+ 3.2	121	128
Liquor and Tobacco	21	83.4	83.4	88.2	94.9	87.2	+ 8.8	84.0	84.3
Tobacco	..	91.7	91.7	86.1	94	85	+ 10.6	93	83
Fuel, Power, Light and Lubricants	39	114.5	114.6	107.8	114.5	106.5	+ 7.5	113.8	104.2R
Industrial Raw Materials	155	114.2	115.0	117.2	111.3	117.2	— 5.1	116.5	116.0
Fibres	61	112.7	113.4	119.2	110	121	— 9.1	118	116
Oilseeds	20	118.7	119.7	121.5	113	119	— 5.0	120	120
Minerals	2	105.1*	105.1	108.4*	108*	107	+ 0.9	108	102
Others	22	109.3*	109.7*	105.9	110	108	+ 1.9	108	102
Manufactures	298	108.2	108.2 R	106.5	107.6	106.2	+ 1.9	108.1	108.3
Intermediate Products	41	103.7	103.7	109.1	106.8	108.9	— 1.9	107.3	110.9
Finished Products	249	108.1	108.1	106.1	107.8	105.8	+ 1.9	108.2	108.6
Textiles	147	106.0	106.2	107.2	106	107	— 0.9	107	105
Cotton	—	115.4	115.4	115.8	115	115	+ 0.9	116	116
Jute	—	89.0	89.5	95.2	86	94	— 8.5	95	95
Woollen	—	103.1	103.1	103.0	103	100	+ 3.0	103	98
Silk and Rayon	—	93.4*	92.4	87.9*	92*	87*	+ 5.7	88	88
Metal Products	12

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop		Forecast	(In thousand acres) 1956-57	1955-56	(In thousand tons) 1956-57	1955-56
Cereals—						
Rice	..	final	79,027†	79,320††	24,821†	28,283††
Wheat	..	final	32,891	30,480	9,961†	9,969†
Jowar	..	final	41,411†	40,367††	8,056†	7,249††
Bajra	..	final	27,450†	27,884††	3,565†	2,885††
Barley	..	final	3,564	3,512	2,744	2,749
Maize	..	final	9,762†	9,197††	3,064†	3,009††
Ragi	..	final	5,897†	5,831††	1,716†	1,715††
Small millets	..	final	12,209	12 713	2,010	1,937
Total cereals	..	final	215,642	214,082	57,251	54,456
Pulses—						
Gram	..	final	23,990	24,157	5,930	5,331
Tur	..	final	5,696	5,627	2,047	1,880
Other Kharif pulses §	..	final	16,166	15,567	1,664	1,632
Rabi pulses‡	..	final	11,443	11,703	1,794	2,088
Total pulses	..	final	57,295	57,054	11,435	10,931
Total foodgrains	..		272,937	271,146	68,686	65,287
Oilseeds—						
Groundnut	..	final	14,457†	13,450††	4,271†	4,200††
Castorseed	..	final	1,403	1,405	129	124
Sesamum	..	final	5 433	5,653	451	457
Rape and Mustard	..	final	5,211	6,217	1,017	848
Linseed	..	final	2,758	2,781	849	414
Total oilseeds	..	final	29,906	29,848	6,028	5,705
Fibres—						
Cotton*	..	final	19,843	19,978	4,723	4,001
Jute A.	..	final	1,754†	1,908††	4,08+†	4,286††
Mesta A.	..	2nd	678†	688††	1,166†	1,411††
Other crops—						
Potato	..	final	702	691	1,674	1,880
Sugarcane	..	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	..	final	40	40	15	15
Pepper (Black)	..	final	224	233	32	32
Chillies (Dry)	..	final	1,450	1,490	354	355
Tobacco	..	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡Excluding Gram and Tur.
A: In thousand bales of 400 lbs. each. †Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During April 1958	85.8
	Corresponding month, 1957	84.7
	Nine months ended April 1958	790.9
	Corresponding period, 1957	771.0
Stocks	As the end of April, 1958	97.2
	Corresponding month, 1957	104.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	Mar., 1957	68.8
	Mar., 1958	65.5
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	Mar., 1957	15.2
	Mar., 1958	20.5
	RAW JUTE	(In lakh bales)
Consumption by Mills	March 1958	4.95
	Corresponding month, 1957	4.91
	Nine months ended Mar., 1958	45.87
	Corresponding period, 1957	44.75

IRON AND STEEL PRODUCTION (In tons)

		Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.				
Year ended	31st March, 1956	11,55,900	10,62,100	7,97,600
Do.	31st March, 1957	11,58,500	10,73,600	7,97,500
Do.	31st March, 1958	10,98,300	11,06,800	7,86,900
Feb., 1957	.. .. ..	90,000	81,300	63,400
Mar.,	.. .. ..	93,100	93,200	73,600
April	.. .. ..	92,300	89,300	62,500
Feb., 1958	.. .. ..	87,100	89,200	64,500
Mar.,	.. .. ..	94,800	100,200	71,300
April	.. .. ..	95,000	100,300	63,000
Indian Iron and Steel Co., Ltd.				
Year ended	31st March, 1956	7,06,986	5,81,505	4,50,607
Do.	31st March, 1957	6,95,156	5,82,815	4,41,488
Do.	31st March, 1958	7,38,945	5,07,580	4,10,558
Three months ended	Mar., 1957	1,83,857	1,89,380	1,30,878
" " "	June, 1957	1,72,325	1,39,651	1,05,096
" " "	Sept., 1957	1,71,307	1,19,172	98,816
" " "	Dec., 1957	1,90,484	1,35,194	1,02,146
" " "	Mar., 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October 1957	October 1956	Jan. to Oct. 1957	Jan. to Oct. 1956
Exports	52,52	52,73	537,74	474,94
Re-exports	1,12	1,16	4,48	7,27
Total Exports	53,64	53 15	542,20	482,21
Imports	73,07	70 94	833,98	667,49
Overall Balance of Trade	—19 43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	108,20
Jute yarns and manufactures	3,54	10,45	50,46	99,24
Cotton yarns and manufactures	5,26	4,87	59,75	50,02
Metallic ores and scrap iron or steel for re-manufacture	3,55	2,52	42,19	17,72
Cotton, raw and waste	69	89	17,39	21,94
Oils—vegetable, mineral and animal	1,75	90	22,28	21,51
Fruits and vegetables	1,76	1,19	15,49	15,25
Tobacco	32	78	12,08	12,61
Mica	61	74	7,80	7,10
Wool—Raw	41	99	10,14	8,95
Gums, resins and lac	64	99	7,86	8,34
Spices	52	69	7,22	7,82
Hides and skins, raw	51	58	6,28	4,82
Imports—				
Machinery of all kinds	20,17	18,46	187,93	125,26
Metals, Iron and steel and manufactures thereof	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal	6,89	3,24	96,17	55,84
Cotton, raw and waste	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines	5,17	3,87	65,90	36,37
Electrical goods and apparatus	5,32	2,30	49,08	17,04
Paper, pasteboard, etc.	89	1,15	11,35	13,61
Vehicles (excluding aircraft, ships and boats)	3,64	7,00	57,79	55,57
Fruits and vegetables	2,22	1,16	17,08	10,61
Spices	22	68	2,47	6,67
Dyes and colours	1,03	1,80	12,16	13,99
Woollen and worsted fabrics	15	11	1,14	1,99
Cotton fabrics	15	21	2,14	2,62

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,586	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
February 1957	12,280	2,684	929	197	96	52	190	22	520	388	27	350	51	159
March ,, ...	13,586	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April ,, ...	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May ,, ...	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June ,, ...	3,562	756	334	57	30	18	48	5	191	109	9	101	7	46
July ,, ...	4,063	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,, ...	5,781	1,379	529	84	39	25	67	8	208	183	13	177	19	81
September ,, ...	6,892	1,542	628	93	42	30	87	10	223	229	15	219	26	101
October ,, ...	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,, ...	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,, ...	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February ,, ...	13,011	2,874	1,123	191	93	49	202	23	519	456	36	435	49	176

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source*:—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 8th May, 1958	22,404(J)
	Corresponding week, 1957	53,438(J)
	1st Sept. to 8th May, 1957-58	1,182,861*
	Corresponding period, 1956-57	1,490,382*
Cotton Exports	Week ended 8th May, 1958	10,671
	Corresponding week, 1957	4,389
	1st Sept. to 8th May, 1957-58	171,228
	Corresponding period, 1956-57	226,792
Mill Consumption (Estimated)	1st Sept. to 8th May 1957-58	900,444
	Corresponding period, 1956-57	928,163
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 8th May, 1958	715,942
	Corresponding date, 1957	616,535
Cotton Exports from Bombay (by sea)	During March, 1958	10,438§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,583
Karachi (Pakistan)—		
Receipts	1st Sept., to 24th April, 1957-58	1,042,344
	Corresponding period, 1956-57	1,136,609
Exports	1st Sept., to 24th April, 1957-58	443,955
	Corresponding period, 1956-57	593,204

Particulars	From 1st September to 5th May 1957-58 Bales	From 1st September to 5th May 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	6,998	19,612
Continent	13,184	19,722
Hongkong	3,529	29,164
China	—	3,437
Japan	84,832	118,370
U.S.A.	6,124	2,324
Other Countries	741	811
Total to all foreign countries	115,408	193,440
Coastal Ports	54,360‡	29,463**
Total	169,768	222,903

Period		Quantity (Bale of 400 lbs.)
Consumption of Cotton—		
Indian		350,474
Foreign		49,866
Indian	February, 1958	2,296,661
Foreign	Six months ended Feb. 1957-58	293,286
Indian	Same Period 1956-57	2,324,414
Foreign		292,257
Stocks (Mills and Elsewhere)—		
Indian	As on 28th Feb., 1958	1,195,824
Foreign		162,019
Indian	As on 28th Feb., 1957	1,151,883
Foreign		185,816
	Week ended 25th April 1958	5,578
Corresponding week, 1957		105,443
1st Sept., to 25th April, 1957-58		2,192,207
Corresponding period 1956-57		2,410,292

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Mar., 1958. A.=Adjusted. § Includes Zoda and Yellow Pickings, etc.
** From 1st Sept., 1956 to 30th April, 1957. N. A.—Not available.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
		TERMINABLE LOANS		
4 % Bond	1926-27	66,30,26,000	1960-70	100.40
2½ % Loan	1926-29	116,17,44,000	1963-65	95.35
2½ % Loan	1930	30,33,10,000	1964	95.30
3 % Pr. Loan	1934	1,19,11,75,000	1966-68	92.75
3 % Dev. Loan	1945	1,15,65,86,000	1970-75	86.85
2½ % 2nd V. Loan	1945	1,13,65,54,000	1959-61	99.10
2½ % Loan	1945	59,36,66,000	1958	99.75
2½ % Loan	1946	44,66,07,000	1960	98.15
2½ % Loan	1946	57,00,60,000	1961	97.30
2½ % Loan	1946	14,77,46,000	1976	88.10
2½ % Loan	1947	78,54,75,000	1968	95.80
3 % N.P. Bonds	1953	75,29,00,000	1991	99.55
2½ % N.P. Loan	1954	1,56,17,90,000	1964	98.30
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1985	97.80
2½ % Loan	1956	57,27,26,000	1962	97.95
3 % N.P. Bonds	1956	32,81,82,000	1987	97.60
2½ % N.P. Bonds (4th Series)	1956	64,61,85,000	1974	98.25
4 % Loan	1957	58,22,00,000	1967	99.70
	1957	49,05,00,000	1972	100.20
		NON-TERMINABLE LOANS		
3 % Loan	1896-97	3,93,34,000	(At option or Government after three months notice. On 8th September, 1986 or later at option of Government after three months' notice.	71.25
3 % Loan	1946	2,48,91,41,000		71.25
		REPATRIATE STERLING LOANS		
4½ % Loan	1928	5,85,73,000	1956-65***	100.10
		STATE LOANS		
4 % Andhra	1955	5,05,15,000	1st Sept. 1967	97.90
4 % Andhra	1956	4,54,15,000	2nd Sept. 1968	97.80
4 % Bombay	1944	3,04,13,000	15th Aug. 1964	97.85
4 % Bombay	1949	5,48,76,000	1st Aug. 1962	99.75
3½ % Bombay	1950	12,19,74,000	31st July 1968	94.15
4 % Bombay	1951	2,80,05,000	17th Sept. 1962	97.75
4 % Bombay	1952	5,25,80,000	15th July 1963	98.10
4 % Bombay	1953	3,48,98,000	1st Aug. 1964	99.60
4 % Bombay	1954	8,57,51,000	3rd Sept. 1967	99.40
4 % Bombay	1955	3,07,06,000	1st Sept. 1967	98.80
4½ % Bombay	1957	6,00,00,000	16th Sept. 1970	98.00
4 % Bihar	1945	1,54,96,000	16th Sept. 1969	100.10
4 % Bihar	1956	2,12,15,000	1st Sept. 1967	97.60
4 % Gujarat	1956	1,00,00,000	2nd Sept. 1968	97.60
2½ % Gujarat	1956	70,09,000	16th Dec. 1955-58	98.00
2½ % Haryana			1st June 1956-61	97.75
Bridge (New)	1936-37	1,91,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.75
3 % Madras	1944	1,22,04,000	21st June 1959	98.00
3 % Madras	1945	1,07,93,000	16th Aug. 1958	99.45
4 % Madras	1945	2,78,44,000	14th Sept. 1961	97.65
3½ % Madras	1950	3,81,77,000	1st Sept. 1961	94.50
4 % Madras	1951	4,84,25,000	31st July 1960	97.65
4 % Madras	1952	3,61,43,000	17th Sept. 1962	97.80
4 % Madras	1953	10,32,71,000	15th July 1963	99.25
4 % Madras	1954	5,24,51,000	1st Aug. 1964	99.25
4 % Madras	1955	10,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	13,86,56,000	3rd Sept. 1968	97.75
4 % Mysore(J)	1944	2,86,88,800	1st Dec. 1953-63	100.75
4 % Mysore(J)	1945	5,00,72,000	30th Apr. 1956-61	99.00
4 % Mysore	1945	2,23,47,000	15th July 1962	97.80
4 % Mysore	1953	3,54,94,000	1st Sept. 1967	97.70
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.70
4 % Mysore	1957	2,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	25,60,000	15th Aug. 1959	99.50
3 % M.P.	1945	2,03,23,000	15th Sept. 1964	93.25
3½ % M.P.	1951	1,01,45,000	31st July 1960	97.20
4 % M.P.	1951	1,52,16,000	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	97.70
4 % M.P.	1954	1,68,12,000	1st Sept. 1967	97.70
4 % M.P.	1955	1,56,42,000	3rd Sept. 1968	97.60
4 % Maharashtra	1956	3,61,66,000	1st Sept. 1967	98.25
4 % Maharashtra	1956	2,74,65,000	2nd Sept. 1968	98.10
4 % Mysore	1956	3,26,61,000	15th July 1963	97.60
4 % Trav. Cochin	1956	3,34,73,000	3rd Sept. 1968	96.75
2½ % U.P.S.A.	1952	41,44,79600X		47.75
3 % U.P.	1944	1,50,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1945	2,87,01,000	16th Aug. 1958	99.65
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.80
2½ % U.P.	1946	2,16,39,000	1st Sept. 1961	94.50
4 % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	61,11,45,000	1st Aug. 1954	99.00
4 % U.P.	1953	5,68,16,000	15th July 1963	99.30
4 % U.P.	1956	9,82,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.75
4 % Orissa	1956	3,66,99,000	3rd Sept. 1968	97.60
4 % M. Bharat	1956	1,94,77,000	15th July 1963	99.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.60

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
Rs.				
26,56,000	4	1904	1944	
25,00,000	4	1905	1945	
18,00,000	4	1906	1967	
45,00,000	4	1907	1966	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
80,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,55,574	4	1913	1973	D
50,00,000	4	1914	1974	
1,00,00,000	4	1915	1974	96.20N
80,33,000	4	1916	1975	96.20N
18,00,000	4	1917	1940	
50,00,000	4	1918*	1975	
80,00,000	4	1918*	1976	
81,81,000	4	1919	1940	
11,81,000	4	1924*	1960	
10,35,000	3½	1926*	1960	
25,00,000	3½	1929*	1959	D
15,00,000	3½	1930*	1962	
12,50,000	3½	1931*	1961	
11,50,000	3½	1932*	1962	
24,50,000	3½	1933*	1975	
15,00,000	3½	1935*	1966	
48,04,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
93,24,300	4	1914	1974	97.75
76,99,100	4	1915	1975	97.75
80,00,000C	5††	1921	1981	82.00
80,00,000C	5	1921	1961	144.00N
49,30,000	5	1928	1958-88	101.00
80,00,000	4½	1931	1961	95.00
80,00,000	3½	1933	1963	87.50
25,00,000	3	1938	1963-68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	82.75
50,00,000	3	1949	1979	82.25
50,00,000	3	1949	1959	96.25
50,00,000	3	1950	1980	92.00
50,00,000	3	1950	2000	74.00
50,00,000	3	1951	1981	81.75
50,00,000	2½	1951	1981	68.50
50,00,000	4	1952	1982	97.00
50,00,000	4	1953	1983	97.50
50,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
24,80,000	4	1956	1986	97.25
	4½	1957	1987	99.50
STERLING LOANS				
£902,000	5	1922	1953-63£880	90
£901,000	5	1924	1954-64£880	85
£335,108	5½	1932	1962 £321	90
MADRAS				
Rs.				Rs.
81,47,156	3½	1947	1977	A
9,85,000	3	1947	1977	
5,00,000	4	1949	1979	
45,00,000	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.		**BOMBAY**		Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
60,00,000	4	1904	1964	97.75
32,00,000	4	1905	1965	N
15,00,000	4	1906	1966	
28,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50
25,00,000	4	1916	1976	N
40,00,000	5	1919	1957-79	116.00N
60,00,000	5	1919	1958-80	115.00N
25,00,000	5	1926	1956-86	98.00N
25,00,000	4	1927	1967-79	
10,00,000		1926	1966	
STERLING LOAN				
£356,600		1909	1969	95.50N
£333,000		1910	1970	100.00N
				Rs.
25,00,000	5½	1919	1964	104 00
50,00,000	4	1924	1964	94 00
25,00,000	5½	1925	1965	94 00
30,00,000	5	1926	1966	91 00
50,00,000	5	1927	1967	92 00
30,00,000	4	1928	1962-A.J	89 00
50,00,000	4	1952	1968	89 00
1,02,00,000	4	1953	1968	89 00
50,00,000	4½	1958	1968	89 00
CALCUTTA				
Rs.				Rs.
80,00,000	4	1912-16	1974	97.00
10,00,000	5	1930	1980	118.00
25,00,000	5	1928	1958	101.50
26,31,540	5	1929	1959	94.00
8,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1947	1979	82.25
4,00,00,000	3½	1950	1965	97.50
2,50,00,000	4	1950	1970	97.50
2,50,00,000	3½	1951	1966	97.50
1,00,00,000†	4	1952	1967	97.25
1,00,00,000†	4	1954	1967	97.25
2,50,00,000	4	1955	1968	
1,50,00,000	4	1956	1968	
MADRAS				
Rs.				Rs.
15,00,000	3½	198	19?1	100.00N
15,00 00x	3½	195	19?2	100.00

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
2½ % W. Bengal	1951	1,75,80,000	17th Sept. 1962	95.30
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,60,25,000	15th July 1963	99.30
4 % W. Bengal	1954	7,52,72,000	1st Sept. 1967	97.85
4 % W. Bengal	1956	7,11,16,800	3rd Sept. 1968	97.80

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	102.00xd	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Crew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80 00	100
Cawapore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	104 00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5 75	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16 15	£1
Gwalior Sugar T.R.O. ..	6,75,000	1940	7	Dec. ..	55 00	100
Do. (Non-redeem.) ..	5,00,000	1940	7	Dec. ..	55 00	100
Parbhpore Co. T.C.	6,00,000	1922	10	Oct. ..	13 00	10
Ramnagger Cane T.F.C. ..	4,00,000	1933-36	6	Aug. ..	86 00	100
Ramgagon Sugar	4,00,000	1943	5½	Oct. Apr.	65 00N	100
South Behar Sugar T....	20,00,000	1943	7	Oct. ..	20 00	100
Travancore C.T.F.	5,00,000	1936	7	Oct. ..	6 85	10
Upper Ganges T.F.C.	15,00,000	1946	5	Dec. ..	90 00N	100
Do. T.C.B.O...	12,00,000	1932	5	Dec. ..	70.00N	100
	15,00,000	1946	5	Dec. ..		100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borne T.F.C.	4,00,000	1895-97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	4,00,000	1901-19	7	Apr. Oct.	95 00	100
Do. (2nd) T.C.	22,99,800	1910	6	.. ..	4 50	10
Equitable T.F.	4,50,000	1946	7	Mar. Sept.	86 00	100‡
Karanpura Collieries T.C. ..	4,00,000	1895	7	.. ..	44 50	75p.
†Khas Kajora C.	9,99,500	1946	5½	Mar. Sept.	3 00N	10
New Beerbhoom T.F.C.	1,93,000	1931	5	Mar. Sept.	3 00N	10
Oudal T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
	2,00,000	1898-99	6	Apr. Oct.	88.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1929	7	Apr. Oct.	80.00	100
Bangalore C.T.F.	9,00,000	1905	7	Feb. Aug.	117.00	100
Bassali Cotton	6,00,000	1884	6	Jan. July	7.75	10
Bowrah 'A'	5,00,000	1925	6½	Nov. ..	7.75	10
Do. 'B'	6,00,000	1900	8	Feb. Aug.	113 00	100
Bradbury T.F.	6,00,000	1900	7	Feb. Aug.	60 00	100
Buckingham & Carnatic C.T.F. ..	14,75,000	1919	7	June Dec.	59 00	50
Cambodia C.T.F.	21,30,200

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. F.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciation is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.70	2	0.12(c)	0.19	0.19	*Nil*	12	Y.
40,00,000	24,00,000	1,40,93,314	76,99,035	17,302	M.											Y.P.T.
2,50,98,480	3,42,88,483	7,95,30,951	3 93,39,819	85,708	Bowreajee Wadia & Sons (Pvt.) Ltd.	50,516	1,031	B. K. Cotton Mills	20 00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
10,00,000	43,53,860	64,14,200	42,32,976	63,115	Ramnarain Sons Private Ltd.	2,23,436	3,646	Bombay Dyeing & Mfg. Z	53 00	25	2 00	2 50*	2 50	2 50	12	Y.P.
1,00,12,800	2,29,59,276	2,43,32,167	2,69,98,324	9,27,648	Birla Brothers Private Ltd.	44,784	869	Bradbury Mills	158 00	50	12 50	20 00	15 00	3	12	Y.P.
49,00,000	25,42,326	1,19,99,796	65,97,035	—33,98,097	V. J. Pilani (Chairman and Managing Director)	1,26,752	2,752	Century Spg. & Mfg.	429 50	100	22 00	22 00	22 00	12	12	Y.
26,00,000	13,03,380	99 15,907	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	50,596	698	Colaba Land & Mill	35 00	100	*Nil*	*Nil*			12	Y.
28,00,000	21,65,515	80,91,069	49,34,963	94,440	Ramnarain Sons Private Ltd.	30,984	680	Coorla Spg. & Wvg.	121 00	100	7 50	7 50	12 50*		3	Y.
84,00,000	40,06,485	1,13,54,400	62,28,676	2,28,170	Muranmal Bubna Sons	41,238		Dawn Mills	90 00	50	6 00	15 00	—	7 50F	3	Y.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	46,668	928	Edward Textiles	255 00	200	15 00	18 00	15 00		12	Y.P.
50,00,000	65,54,875	1,73,31,954	80,09,207	37,155	James Finlay & Co., Ltd.	45,396	886	Elphinstone Spg. & Wvg.	47 00	50	3 00	3 00	15 00		12	Y.
50,00,000	48,98,022	94,91,910	61,47,387	10,233	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	258 00	100	16 00	20 00	20 00	20.00	12	Y.
11,84,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,768	1,018	Gold Mohur Mills Ltd.	205 00	100	12 50	15 00	15 00	15.00	12	Y.
16,000									4,500 00	1,000	225 00	300 00	325 00	350 00*	3	Y.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	43,080	1,020	Hindoostan Spg. & Wvg. Mills.	992 50	250	56 25	75 00	81 25	87 50*	3	Y.P.
3,65,000	1,12,51,255	1,60,59,952	1,06,65,003	75,722	M.	2,44,150	6,278	India United Mills	9 12	0 100	*Nil*	0 94	0 92		12	Y.
35,000									1 12	0 10	*Nil*	0 19	0 18			
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	56,784	1,152	Indian Mfg.	4,510.00	1,000	225 00	300 00	300 00	325.00*	3	Y.P.
1,90,00,000	1,13,27,701	3,67,76,376	2,84,94,704	52,791	Kilachand Sons Private Ltd.				1,000	100	50 00	50 00	50 00	50 00	3	Y.
33,18,800	46,27,870	1,28,83,755	67,99,178	43,271	Kilnic Industries Ltd.	99,814	1,487	Khatau Makanji Spg. & Wvg.	160 50	100	12 25	12 00	10 00	10 00(c)	6	Y.
51,75,000	38,44,612	2,84,74,625	1,83,16,328	23,520	N. Sirur & Co. Private Ltd.	1,20,504	1,816	Kohinoor Mills	267 25	100	18 00	18 00	18 00	18 00	12	Y.T.
1,60,93,400	1,42,58,205	10,55,96,105	3,40,00,000	1,23,937	Piramal Sons Private Ltd.	49,000	644	Modern Mills	70 00N	50	5 00	8 00*	8 00*	5 00'C'	12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	Chimal & Co. Private Ltd.	71,604	1,652	Morarjee Goculdas Spg.& Wvg.	216 00	100	14 00	14 00	15 00	14.00(c)	6	Y.P.
30,00,000	11,77,134	101,83,402	63,37,034		W. H. Brady & Co., Ltd.			National Rayon Corporation	233 25	100	12 00	12 00	14 00*	14.00	12	Y.
48,00,000	54,20,707	1,61,26,302	1,02,32,011	4,06,677	W. H. Brady & Co., Ltd.		432	New City of Bombay Mfg.	195 00	100	10 00	10 00	10 00	5.00	12	Y.
40,00,000	45,64,554	48,69,967	24,25,000	4,72,683	Ramnarain Sons Private Ltd.	49,012	1,018	New Great Spg. & Wvg.	203 25	100	10 00	10 00	10 00	5.00	12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783		Podar Sons Private Ltd.	69,298	1,100	Phoenix Mills	120 00	100	8 00	10 00	10 00	*Nil*	3	Y.
87,70,100	1,19,98,715	2,11,34,514	1,39,87,248		M.	32,600	930	Podar Mills	135 50	100	10 00	12 00*	12 00*	12 50F	3	Y.P.
80,00,000	48 20,061	1,12,05,700	61,47,202	12,182	M. G. Investment Corp. Private Ltd	94,884	2,127	Saasoon & Alliance Silk Mill	10 00	10	10 00	12 00*	12 00*	4.001	12	Y.
42,00,000	31 94,178	1,20 01,790	76,42,061	6,90,795	Marwar Textiles Agency) Pvt. Ltd.			Saasoon Spg. & Wvg.	41 50	10	1 75	2 00	2 00	2.00	12	Y.P.
87,80,000	2,50,26,472	2,96,16,751	1,87,99,317	8,083	Forbes, Forbes Campbell & Co., Ltd.	77,160	1640	Shree Niwas Cotton Mills	135 50	100	14 00	12 00	12 00		12	Y.
1,00,00,000	98,08,485	2,51,02,081	1,33,02,735	1,55,642	Mafatlal Gazabhai & Sons	34,840	1,274	Simplex Mills	153 50	50	11 00	10 00	12 00	8.50	12	Y.P.
36,00,000	66,13,465	1,52,27,488	96,52,715	29,124	Tata Industries Private Ltd.	97,888	2,409	Standard Mills	424.00XR	100	20 00	20 00	22 50*	22.50*	12	Y.P.
65,57,875	56,74,500	2,01,67,222	80,31,256	26,092	James Finlay & Co., Ltd.	72,236	2,000	Svadeshi Mills	174 50	100	8 00	12 00	14 00*		12	Y.
12,00,000	1,21 85 655	1 45 81 207	95,78,967	17,925	Tata Industries Private Ltd.	49,328	549	Swan Mills	330 00	100	20 00	25 00	25 00	25.00	12	Y.
				93 935	M.	69,040	1,800	Tata Mills	37.00	25	2 50	4 00	3 50*		12	Y.P.
						54,136	1,212	Western India Spg. & Mfg.	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	
AHMEDABAD																
40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	152.50	100	5.00	7.00	12.00	5.00	6	Y.P.T.
10,00,000	94,58,068	94,37,306	76,10,164	27,288	P. M. Hutheesing & Co., Ltd.	42,768	912	Aruna Mills	540 00	100	20.00	37.00			12	Y.P.
40,00,000	2 97,83,861	1,95,82,779	97,29,292	15,274	Narotam Lalbhai & Co.	42,960	841	Arvind Mills	1,160.00	100	25.00	35.00*	35.00*		12	Y.P.
20,00,000	81 75,000	96,34,384	72,25,000	2,40,239	Manaklas & Bros., Ltd.	62,148	1,216	Arvindra Ginning & Mfg.	455.00	200	15.00	25.00*			12	Y.P.
12,00,000	1,43,05,808	95,70,783	63,81,739	17,257	Lalbhai Dalpatbhai & Co.	85,908	892	Asoka Mills	955 00	100	15 00	25 00*			12	Y.P.
1,37,50,000	3 49 64,819	5,14,69,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	37,368	914	Calico	489 00	125	18 00	30 00	30 00	30.00	12	Y.P.
62 91,000	32,38 059	1,20,33 243	95,76,063	8,458	Tricumal Bhoglal & Co., Ltd.	1,39,120	2,400	New Commercial Mills	445 00	250	70 00	80 00	100.00*		12	Y.
39 00 000	72,52,436	1,32,09,232	96,26,962	29,235	Mafatlal Chandulal & Co., Ltd.	45,836	866	New Shorrock Spg. & Wvg.	696.00	125	35.00	35.00			12	Y.
15 00 000	67,78,770	57 78 441	32,49,912	21,803	Jazabhai Bhoglal Nanavaty & Co., Ltd.	61,100	907	Nutan Mills	24.50	100	5.00	7.00	12.00	5.00	6	Y.P.T.
20,00,000	1 10,62,006	99,61,103	62,28,955	1,77,073	Lalbhai Dalpatbhai & Co.	24,840	572	Raipur Mfg.	380 00	100	30 00*	20 00	20 00		12	Y.P.
32,50,000	14,78,207	1,07,01,460	71,42,806	17,34,749	Lallubhai Gordhandas Ltd.	31,120	636	Rohit Mills	870 00	100	25 00	35 00*	35 00*		12	Y.P.
27,96,300	2,75,84,105	1,92,47 853	1,05,24 569	2,63,336	Harivallabhdas Kalidas & Co.	93,226	1,729	Shri Ambica Mills	138.75	100	9 00	*Nil*			12	Y.P.
19,52,500	62,31,263	78,08,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad) Ltd.				681 00	50	20.00	27.00*	30.00*		12	Y.
35,00,000	37,34,105	19,54,140	83,17,270	59,446	Haridas Achratlal & Co., Ltd.	36,648	720	Shorrock Spg. & Mfg.	462 50	100	25.00*	25.00			12	Y.
						40,176	780	Vijaya Mills	620.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	35,86,098	2,89,703	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	6.62	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
8,00,620																
24 00,000	1,50,000	1,06,25,544	51,27 758	743	R. Bhattacherjee & Co., Ltd.	42,960	841	Bowreah Cotton Mills	104 00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
50,08,000	85,968	76,97,325	21,97,325	3,50,315	Kettlewell Bullen & Co., Ltd.	42,444	853	Dunbar Mills	123 00	100	*Nil*	2 50	6 00	4.00	3	Y.T.
1,60,00,000	2,29,91 250	4,00,62,835	1,40,10,478	82,036	Birla Brothers Private Ltd.	4,852	206	Jay Shree Textiles Ltd.	6 56	10	*Nil*	*Nil*	0 37	0.50	12	Y.T.
19 17,7000	7,45,000	4 84,571	26 70,548	4,94,772	Birla Brothers Private Ltd.	75,040	1,992	Kesoram Cotton Mills	11 25	10	0 87	0 87	1 00	0.75	12	Y.
5,00,0001				3,936	Hazaremul Heerala,	23,036	795	Rampooria Cotton Mills	15 00N	10	0 62	*Nil*	0 34	0.26	6	Y.
									4.00N	1D						
SOUTH INDIA AND OTHER CENTRES																
1,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800		Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,03,000	17,82,554	1,87,65,119	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	58.00	100	*Nil*	3.50	5.00	3.50	9	Y.
1,21,50,000	1,47,74,079	3,67,98,866	2 76,43,043	2,90,471	Binny & Co. (Madras), Ltd.	49,250	1,157	Bangalore Woollen, Cotton and Silk Mills								
85,00 000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	164.00	100	30 00	30.00	30 00	10.00'C	12	Y.P.
1,78,47,800	2 99,20,000	6,93,67,943	4,19,07,472	1,92,471	Binny & Co. (Madras), Ltd.	1,20,288	2,452	Buckingham & Carnatic	27 50N	10	3 00	3 00	1 50	1 50	12	Y.P.
20,00,000	15,37,935	50,23,440	26,18,048		Peirce, Leslie & Co., Ltd.	37,536	4	Cambodia Mills	165.50	100	10 00	10 00	10 00	10.00	12	Y.P.
30,00,000	32,35,551	70,25,496	37,36,937	1,92,792	K. Damodaran, Esq.	20,600		Cannanore Spg. & Wvg.	8 45cd	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
9,37,470	5,00,000	55,16,220	56,32,015	48,855	Begg, Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Text Ins	144 00	100	20 00	12 00	15 00	20 00	3	Y.P.
35,21,392	22,00,767	1,06,66,559	21,85,420	96,659	R. Krishnaswami, Esq. (Chairman)	31,500		Cauvery Spg. & Wvg. Mills Ltd.	4 00	5	0 50	*Nil*	0 25	0 25	3	Y.
18,15,000	7,25,195	69,79,002	31,91,699	698	R. Bheema Naidu & Co.	30,864		Coimbatore Cotton Mills	12.00	10	*Nil*	0 62	0 75	0 90	12	Y.P.
20,00,000	19,26,000	77,42,628	34,29,633		T. A. R. Chettiar Sons & Co.	25,340	100	Coimbatore Mfg. Co.	141.00	100	25 00	25 00	25 00	9.00'C	12	Y.P.
20,76,900	2,05,076	1,24,06,676	88,06,979	13,314	T. N. Nadu & Co.	38,926		Coimbatore Pioneer Mills	119 00	100	17 50	20 00	12 00		12	Y.P.
46,87,500	27,24,735	2,42,10 703	1,54,86,354	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg.	222 00	100	20 00	20 00	20 00		12	Y.P.
24,44,911	15,50,000	92,40,552	40,27,014		Tata Industries Private Ltd.	67,452	1,620	Central India	50 00	50	6 00	8 00	10 00		12	Y.
3,38,36,225				15,780	R. Hanumanthappa & Son	28,814	300	Davangere Cotton Mills	84 00	100	2 00	3 00	*Nil*	*Nil*	6	Y.
1,00,583	3,10,24,830	11 79,09,463	6,78,07,135	77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills	112.50	100	12 00	9 00	9 00	9 00	6	Y.P.T.
47,98 296	26,25,000	84,28,224	49,84,057	1 965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills	29.12	24	0 28	0 22	0 25	2 50	2 00	6
63,00,000	1,05,56 192	1,09,12,744	1,41,98,839	75,531	Begg, Sutherland & Co. Private Ltd.	48,152	1,198	Ekin Mills	177 00	100	30 00	30 00	25 00	10.00'C	12	Y.P.
48,81,000	43 55,161	1,36,06,042	77,13,082	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286		Gokak Mills	11 00	10	1 00	1 00	1 25	1 00	12	Y.
2,50,00,000	2,25,000	4,52,38,758	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	143 00	100	13 00	15 00	15 00	8.00	12	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,718	K. L. Sekaran, Esq. (Chairman)	51,180	1,356	Indore Malwa United	11 06	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
8,00,000	10,65,683	31,40,455	19,97,477		G. V. Naidu & Co., Ltd.	23,784		Janardhana Mills	107 50	100	6 00	9 00	11 00		12	Y.
15,54,000	15,02,599	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)				76 50	50	5 00	10 00	10 00		12	Y.
4,63,45,300	3,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd.	20,212	512	Jam Shri Ranjitsinghji	1,450 00	1,000	20 00	50.00	60.00	40 00	6	Y.
42,00,000	19,25 000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41 040	800	Jiyajeerao Cotton	9 60	10	4 00§	4 00§	5 00	0.85	6	Y.
82,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,098	1,243	Kothari Textiles	10 10	10	0 50	1 00	1 00	0.50	6	Y.P.
35 64 100	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Cotton Mfg.	433.75	250	33 75	42 50	42 50	15.00	12	Y.
1,75,92,480	4,24,40,278	5,90,89,121	3,96,10,817	6,92,868	A. & F. Harvey Ltd.	4,53 000		Madura Mills	99.00	50	10 00	12 50	12 50	10 00	3	Y.P.
12,00,000	3,67,393	29,05,352	18,76,700	213	V. K. Ezati (Chairman)	22,592	100	Malabar Spg. & Wvg.	52.25	25	5 00	6 25	6 25	5 00		
60,00,000	69 14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd.	32.75	15	3 00	3 00	2 62	2.25	12	Y.
94,81,850	19,58,081	92,42,488	53,37,735	19 662	N. Sirur & Co. Private Ltd.	39,896	704	Minerva Mills	89 00	200	*Nil*	*Nil*	8 00		12	Y.
24 83,500	21,56,146	1,71,94,769	78,81,528	1,85 000	M.	52 408	952	Model Mills (Nagpur)	343 00	200	35 00	35 00	42 50	20.00	12	Y.
18 61,780	48,52,478	1,13,48,711	71,02,473	85,037	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	70 50	100	5 00(c)	5 00(c)	6 00		6	Y.
87,23,200	39,29,981	1,73,83,244	67,86,683	3,966	K. Tipperudriah (Chairman)	6,000		Mysore Spun Silk Mills	167 50	250	5 00(c)	7 50(c)	7 50		6	Y.
4,00,000A					M.	87,788	902	Omanakuttah Mills	92 50	50	8 00*	6 00(c)	9 00*	9.00*	3	Y.
6,00 000B	13,00,000	66,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600		Palani Andavar Mills	6 25N	10	*Nil*	*Nil*	*Nil*	*Nil*	9	
16 00 000		34,19,576	18,82,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	42.00	100	*Nil*	2 50(c)	5 00(c)	*Nil*	12	Y.
16,34,300A	29,95,000	1,00,48,582	54,00,069	3,885	A. G. Gurusamy Naidu & Co.	59,264	800	Radhakrishna Mills	135 00	50A	12 00	12 00	15 00		12	Y.
8,40,600B									45 00	100	*Nil*	4 00(c)	*Nil*		12	Y.
16,00,000	29,10,000	54 56,520	29,01,441	5,070	B. R. Naidu & Sons	37,096		Rajalakshmi Mills	122 00	100A	16 00	20 00	20 00		12	Y.
16 14,800	12,00,000	32,92,216	17 41,484	10 510	Ramco Agencies Ltd.	24,996		Rajapalayam Mills	55 50	50B	8 00	10 00	10 00		12	Y.
22 32,050	11,50,000	53 72,976	23,15 892	5,286	Rayalaseema Development Co.	21,200		Rayalaseema Mills	70 00	50	10 00	10 00	7 50		3	Y.
15,00,000									129 00	100	6 00	10 00	10 00		12	Y.
10,000	1,60,55,917	3,13,49 081	2,05,07,227	—1,85,20,796	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg.	105.00xd	100	9 00	10 00	10 00	10.00	12	Y.P.
36 69 700	20,26,385	96,26,665	70,67,084	19 643	H. N. Pallegar, Esq.	30,744	292	Sri Krishnarajendra Mills	450.00	1,000	*Nil*	*Nil*	*Nil*		3	Y.
15 00 000	58,80,150	99,62,153	79,58,795	80,60,552	Birla Brothers Private Ltd.	86,212	1,244	Sutlej Cotton Mills	79.00	500	4 50	5 00	7 00	7.00	3	Y.P.
17,50 0000									70 00N	10	5 00	6 00	6 00			
1,57,50 000PO	2,36,28,081	5,18,52,128	1,81,83,924	8,85,712	Jaipuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur)	60 00	100	5 00	6 00	6 00		12	Y.P.
1,00,06 205									100	10P.O.	7 50	10 00	10 00		12	Y.
13 98 ···	50,06,584	3,85,56,288	1,62,42,715	2,38,960	Ernesto & Sons (Travancore), Ltd.			Travancore Rayons	10 25	10P.O.	1 15	1 15	1 15		12	Y.P.T.
37 ···0	9,45,940	19,68,239	13,60,120	794	Moolji Ratnjee & Sons	18,000		Trichinopoly Mills	13 05cd	10	0 62	0 75	1 00		12	Y.
···00 000	25 50,000	80,73 634	47,22,519	44,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	11 70	10	0 90	0 90	1 12	0.90	12	Y.
32,00,000	18 73,770	1,85,96,083	1,17,44,692	—9,85 569	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	251.00cd	100	15 00	20 00	20.00		12	Y.P.
									101.00	100	4.00	8.00	8.00	*Nil*	12	

* Includes bonus. M—Managed by Board of Directors. X-R.—Ex-Right. (c) Paid out of Reserves. F—For fifteen months ended 31st March, 1957.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.

‡ Made up of 4,384 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'O'=On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
89,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8 22cd	5	*Nil*	0 50	0 75	0 85	5	Y.P.
16,20,630	26,75,014	29,38,961	10,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9 87	5	0 50	0 56	0 56		3	Y.
540,950	£1,19,464	£1,387,940	£1,01,435	£52,719	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	27 25	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	0,022	Vital Mallya, Esq. (Chairman)	United Breweries	139.00	75	15.00	15.00	15.00	15.00	3	Y.
CEMENT														
72,59,940														
43,14,6000	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50	B. 10	1.00	1.00*	1.00		12	Y.P.
14,70,9761	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	4 00	O. 10	*Nil*	*Nil*			3	Y.P.T.
12,71,80,070							0 87	D. 1						
3,07,44,575	9,62,91,082	30,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	153 25	100	8.50	10.00	10.00	9.00	7	Y.T.
46,00,0000														
5,00,0000	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	9 95	O. 10	1 00	1 25	1 25		12	Y.P.
1,02,09,450							2 87	D. 1	0 10	0 12	0 12			
7,50,000	26,00,000	2,09,03,054	61,98,184	1,80,704	Esen Private Ltd.	India Cements Ltd.	27 75	O. 25	1 25	1 87	2 06	2 06	3	Y.P.
1,50,00,000							5 35	D. 5	*Nil*	0 37	0 41	0 41		
1,00,00,000	4,00,000	4,72,60,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	11 92	10	...	0 75	1 25	*Nil*	3	Y.P.
2,06,67,800	31,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	12

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,541	2,12,38,403	1,56,73,314	4,805	M.	Bengal Paper Mills	60.50	25	3.12	4.69	2.50		12	Y.P.T.
63,00,000	63,91,258	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp ‡‡	20.00	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,48,27,889	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16.25	10	0.75*	0.75*	1.00*	1.00*	3	Y.P.T.
46,82,500	2,46,75,045	6,04,16,607	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	29.55	10	0.94	1.12	0.62	1.50	3	H.P.T.
28,49,070	67,75,503	1,56,40,302	1,00,79,791	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	15.10	10	1.50	1.25	1.25		6,12	
40,80,000	6,50,000	95,83,644	61,01,926	13,795	Bajoria & Co.	Star Paper Mills	4.00	O. 10	0.75	1.25	1.05		8,9	H.P.T.
1,00,000A.							11.00	A. 10	0.75	1.25	1.05			
18,55,240	48,43,060	3,85,20,949	75,56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	10.00xd	10	*Nil*	5.00‡	0.50	0.50	8	Y.P.
1,00,000A.							36.62	A. 10	1.50	2.00*	1.12*	2.37*		
1,84,800B.	3,70,50,474	6,78,46,967	2,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	36.62	B. 10	1.50	2.00*	1.12*	2.37*	8	
7,500P.O.							4.00	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,081	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
3,00,7860.	7,80,843	43,74,650	23,33,280	90,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60			Y.P.
1,90,000D.							2.25N	D. 1	*Nil*	*Nil*	0.05			Y.P.
94,00,000	25,22,469	7,32,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	22.00	100	4.00	3.00	*Nil*	*Nil*	4	
SAW MILLS AND TIMBER														
13,99,995	22,83,439	32,33,742	11,96,051	....	Bird & Co. (Private) Ltd. ..	Assam Saw Mills	1.94	2	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	554.50	Old125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							206.25	New50	8.00	15.00	13.75	16.00		
90,00,000	29,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	44.62	10	2.75	3.00	3.00	1.00‡	9	
SUGAR (U.P. and Bihar)														
14,00,000	15,30,406	42,92,220	31,12,074	57,702	M.	Balrampur Sugar	6.50	5	0.75	0.06	*Nil*	0.25	6	Y.
3,00,000A.	29,80,260	55,40,831	26,32,435	12,12,009	Narang Bros. & Co. Private Ltd.	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		4	Y.
1,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,75,000	33,83,770	25,68,270	74,946	Bangur Bros., Ltd.	Belsund Sugar	11.25	7½	0.75	0.75	1.00	1.00	9	Y.P.
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	18.25	10	1.50	1.50	1.50	1.50	6	Y.P.
32,00,000	25,22,515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	7.12	10	0.75	0.25	*Nil*	*Nil*	10	Y.
30,00,000	65,63,722	1,53,27,393	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.81	10	0.75	0.75	0.75		6	Y.T.
18,00,000	34,56,103	94,72,400	59,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	20.37	10	1.00	1.50	1.00	*Nil*	8	
9,88,252	2,59,762	25,14,152	16,38,382	5,404	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		6	Y.P.
3,00,000A.	44,95,000	1,02,71,005	67,86,074	32,122	Rashiraj & Co. Private Ltd.	Hindustan Sugar Mills	210.00	A. 100	15.00*	15.00*	15.00			Y.P.
9,00,000C.							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman)	Kesar Sugar	51.00	40	*Nil*	2.25	4.00	7.00	7	
7 89,100	22,50,288	48,09,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	25.00	10	2.50	2.50	2.50	2.50	6	Y.
11,00,000	4,45,000	47,92,061	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
18,21,100							200.00N	100	20.00	20.00	20.00	20.00	6	
38,275	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	50.00N	25	5.00	5.00	5.00	5.00	7	Y.
77,48,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd.	Oudh Sugar	120.00	100	11.00	11.00	11.00	12.50	10	Y.
15,00,000	12,99,574	21,99,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	6.00			10	Y.
9,00,000	19,64,817	43,99,385	31,54,228	30,705	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75		6	Y.
8,00,000	6 21 932	28,74,393	23 31,931	2,175	M.	Ryam Sugar	19.75N	10	0.50	*Nil*	1.75	1.50	6	Y.P.
11,99,000	16,33,214	47 23,583	25,13,422	—2,20,858	M.	Samastipur Central Sugar ..	11.25	10	0.50	*Nil*	1.75	*Nil*	8	
29,70,525	22,68,260	1,40,84,561	68,35,007	10,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	10.00	10	1.50	1.75	1.00	*Nil*	6	Y.
10,02,115	24,660	29,48,600	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)									
18,89,962	18,10,901	33,44,287	18,97,008	83,761	M.	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
9,15,000O.	46,462	29,66,360	11,46,770	—16,37,907	M.	Shri Sitaram Sugar	0.75N	O. 10	*Nil*	*Nil*			5	Y.P.
4,40,000D.						South Behar Sugar	0.50N	D. 2½	*Nil*	*Nil*			6	Y.
8,00,000	84,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	35 00N	10	2.50	2.50	3.00	5.00	9	
18,00,000	7,66,589	33,17,969	27,09,205	32,042	M.	United Provinces Sugar	14.25	10	1.25	1.50	0.69			
Other Centres														
38,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.60	1.60	1.25	9	Y.
79,49,559	1,18,43,608	1,50,47,702	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	242 50	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,56,285	41,35,701	23,96,314	30,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	19.75	10	1.00	1.00	1.50	2.00	9	Y.
15,00,000	37,08,165	82,89,314	8,24,393	23,344(		Shree Chandpee Sugar ..	26.00	12.50	1.00	2.00	0.00		9	Y.
16,93,900	12,63,978	40,71,311	23,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	70 00N	100	*Nil*	*Nil*	6.00		9	Y.
25,94,920	14,89,827	33,70,657	19,25,045	6,76,986	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	18 25	10	1.75	1.40	1.12		6	Y.
22,41,127	15,75,871	94,06,432	12,67,310	6,611	K. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	13.80	10	1.00	1.00	0.60	0.60	10	Y.
68,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	13.75	10	1.00	1.50	1.50	1.50Q	8	Y.
9,62,2000.	88,00,000	2,48,45,158	41,94,129	28,068	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	120.00	O.100	7.50	7.50	7.50	7.50	9	Y.
3,87,190D.							182.00	D. 10	10.00	10.00	10.00	10.00	6	
97,50,000	38,21,978	1,22 47,683	57,87,087	36,423	M. L. Dahanukar & Co. Pvt. Ltd.	Maharashtra Sugar Mills ..	33.75	10	2.00	2.00	2.00	2.00	9	Y.
21,79,280	56,24,043	1,54,89,192	89,25,545	2,10,463	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	143.00	50	8.00	8.00	9.00	12 00*	9	Y.
50,00,000	58,21,430	1,16,88,154	67,30,541	1,47,239	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	143.00	50	8.00	8.00	9.00	12 00*	8	
16,50,820	40,00,000	59,42,584	33,02,920	2,28,390	Anderson Wright Ltd.	Rammugger, Cane and Sugar ..	21.00	10	1.50	2.00	2.00	1.50		
0,00,000O.	42,07,214	1,04,79,940	59,30,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgoan Sugar Farm	124.00	O. 50	2.50	2.50	9.00	12.00	9	
4,00,000D.							30 00N	D. 10	*Nil*	0.07	0.70	3.75	10	
63,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd...	Raza Sugar	13.75	10	0.75	1.50	1.50Q		7	
20,00,000	23,40,000	62,19,329	24,74,579	77,353	Parry Co., Ltd.	Travancore Sugars	9.90	10	*Nil*	0.75	1.00	1.00	9	
01,00,000	1,08,46,263	2,23,80,653	99,17,710	1,75,789	Walchand & Co. Private Ltd.	Walchandnagar Industries ..	263.00	100	16.00	18.00	21.00			
TRANSPORT														
20,00,000	1,00,69,622	1,24,09,186	18,29,251	1,10,026	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	108.00	100	7.50	7.50	7.50		12	
80,00,000	82,00,000	4,21,63,342	1,45,20,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	
90,00,000	1,42,35,068	4,90,84,346	36,21,345	1,83,539	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19.84	10	1.00	*Nil*	1.00	1.50	6	
£555,550	£997,720	£5,665,834	£3,428,088	—£106,393	Kilburn & Co. Private Ltd.	India General Navigation & Rly. Co...	51.50	£10	Sh. 10	Sh. 10	*Nil*		12	
1,25,00,000	1,74,74,232	12,78,96,545	2,63,26,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.12	10	*Nil*	*Nil*	1.00	1.00	6	
1,40,19,673	10,86,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	17.44	20	0.50	0.50	1.00	1.25	12	
3,40,8000.							2.06	O. 1	0.12	0.14	0.14		12	
10,200P.O.	18,26,615	12,00,284	7,86,766	1,66,813	E. B. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.53	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,36,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500 00N	200	32.00	32.00	30.00	26.00	9	
25,00,000	1,00,000	26,18,544††		58,589†	M.	Devkaran Nanji Investment Co.	11.62	25	0.75	0.75	0.81	0.81	5	
1,87,00,000	2,01,70,510	4,79 59,818	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	21.38	10			1.25	1.40	12	
51,07,000	16,29,510	1,99,43,989	87,14,407	14,988	Birla Brothers Private Ltd. ..	Hind Cycles	135.00	100	10.00	10.00		12.50F.	3	
14,98,840	3,01,500	28,61,284	19,40,792	22,010	Choonilal Manilal Private Ltd. ..	Estrela Batteries	36.00	50	3.00	2.00	2.00		12	
99,99,250	20,13,147	1,25,61,398††	....	1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	72.84xd	100	4.50	4.50	5.00	5.50	12	
1,00,00,000	25,08,446	88,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	148.00	100	11.00	11.00	11.00	11.00	6	
3,25,325A.O.	63,14,265	3,43,78,324	1,69,93,078	6,31,752	Aero-Auto Private Ltd.	Premier Automobiles	81.20	100	*Nil*	*Nil*	6.00	6.00	15	
10,21,200	4,83,147	8 09,102	5,85,506	2,481	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00	1.20	12	
3,75,00,000	1,44,13,441	3,87,52,891	1,68,58,348	89,860	Mr. A. Hydari & Mr. A. Goldberg	Western India Match Co., Ltd.	163.50	100	11.00*	11.00*	11.00*	11.00*	15	
48,00,000	60,02,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	281.25	100	20.00	20.00	22.50	25.00		
Other Centres														
87,50,000	1,99,56,713	3,81,21,462	86,96,221	2,33,789	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	10.94	O. 10	*Nil*	*Nil*	0.50	0.00	3	Y.
2,50,000							5.00	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	82,25,000	68,17,870	28,12,981	66,539	Seshaayee Bros. (Trav.) Pvt. Ltd. ..	Aluminium Industries Ltd. ..	15.00	10	1.25	1.25*	1.25	1.25*	8	
99,00,000	86,20,717	34,97,377	23,60,352	3,61,289	Turner Morrison & Co. Private Ltd...	Angelo Bros., Ltd.	17.50	10	1.25	2.00*	2.00*	1.80*	6	
30,00,000	17,14,736	38,54,872	19 66,372	1,83,944	Mr. A. Hydari & Mr. S. Goldberg	Assam Match Co., Ltd.	15.50	10	1.25*	1.25*	1.25*	1.25*	3	
30,00,000	35,94,600	1,05,12,033	39,58,423	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	5.10	10	0.20	0.48	1.30	0.60	12	
90,81,400	98,61,293	69,52,105	37,02,106	6,03,375	M.	Balmer Lawrie & Co., Ltd. ..	150.00	100	12.50	12.50	15.00		12	
12,00,000	13,95,000	33,39,386	25,71,386	90,879	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	30.06	10	2.50	2.25	2.50		9	
20,00,000	8,05,715	62,28,492††		37,612	Lovejoy & Lewis	Birds Investment Ltd.	10.37	10	1.25	1.25	1.00	1.00	9	
45,97,228	84,61,814	1,14,81,095	37,07,455	1,84,683	K. Julius Scott, Esq. (Mg. Director) ..	Britannia Biscuits Co.	13.25	10	1.00	1.00	1.00	1.00	3	
2,25,00,000	1,55,55,371	3,05,28,577	2,23,50,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.64	5	0.06	*Nil*	0.10		12	
1,88,50,000	17,18,264	2,85,95,940††		8,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.75	10	0.20	0.56	1.25	0.75	12	
3,00,00,000	4,40,29,606	6,50,49,173	2,68,24,548	22,22,643	John Lackman, Esq. (Mg. Director) ..	Danlop Rubber (India) Ltd. ..	25.31	10	1.50	1.50	1.50	1.50	12	
41,25,000	54,81,535	1,04,12,908††		2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	106.00	100	9.00	9.00	9.00	9.00	3	
14,00,000	9,35,000	34,02,164	19,69,239	24,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	180.00	100	15.00	15.00	4.00	12.50	3	
55,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq. ..	Gillanders Arbuthnot & Co., Ltd.	10.75	10	0.75	1.40	1.60	1.00	3	
30,00,000	15,17,554	83,06,521	54,24,653	74,115	D. P. R. Syndicate	Great Eastern Hotel	163.00	100	6.25	6.25	15.00	15.00	12	
4,96,95,700	10,00,000	4,37,26,377	1,61,88,541	7,92,901	Birla Brothers Private Ltd.	Hindustan Motors	6 88	10	*Nil*	*Nil*	*Nil*		12	
8,84,88,900	1,17,58,800	7,37,43,612	2,21,77,726	7,20,182	K. C. Mahindra, Esq. (Chairman) ..	Indian Aluminium Co., Ltd. ..	13.81	10	*Nil*	0.90	1.00	0.60	12	
1,82,89,220	1,46,00,000	2,26,86,031	86,85,008	41,51,853	B. J. Wooding, Esq. (Mg. Director) ..	Indian Cables	30 56	10	1.00*	1.25*	1.50*	1.50*	3	
3,27,975	6,01,000	16,74,908	9,50,306	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	15.50	10	0.50	0.50	0.63		3	
5,16,90,900	24,92,01,694	9,85,79,293	1,62,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.87	10	0.50	0.50	0.50	0.70	3	
2,00,00,000	76,27,615	89,02,397	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director) ..	Jardine Henderson	51.00	100	7.50	7.50	7.50	2.50	3	
40,00,000O.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	O.100	17.00	22.50	8.00		12	
1,00,000D.							—	D.O.10	1.50	1.75	0.80			
1,45,23,500	90,58,531	25,54,434	14,97,332	2,35,312	T. Lasile Martin, Esq. (Mg. Director)	Martin Burn Ltd.	24 62	10	1.35	1.81*	2.12*	2.12*	9	
1,14,00,000	1,17,00,181	2,62,35,089	89,09,793	16,38,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	28.00	10	1.00	1.25	1.62	1.75	3	
6,35,585	1,821	7,65,669	2,80,987	—1,22,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	8.75N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	
6,54,540	6,92,500	11,29,680	5,97,802	8,349	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	14.40	10	1.00	0.75	0.90	1.25	3	
16,00,000	3,70,000	16,47,599	10,18,129	43,554	M. Mallesharya, Esq. (Chairman) ..	Mysore Tobacco	12.55	10	1.25	1.00	1.50	1.50	3	
2,00,00,000	58,55,505	2,14,82,470	91,33,262	23,42,424	J. L. Galloway, Esq. (Mg. Director) ..	National Carbon Co. (India) Ltd.	24.44	10	0.40	0.32	1.50	1.40	12	
48,00,000	74,71,173	83,98,314	41,82,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.									
40,00,000	15,00,000	93,19,295	21,17,402	75,726	Do.	National Insulated Cable Co. ..	26.94	10	1.00	1.50*	2.00*		3	
79,97,000	28,12,466	1,30,51,988	61,78,198	9,02,640	B. N. Elias & Co. Private Ltd. ..	National Rolling & Steel Repos	10.37	10	0.50	0.50	0.50		12	
2,25,00,000	4,85,498	1,22,26,543	60,08,534	—44,12,938	M. P. A. Paspatti, Esq.	National Tobacco Co.	11.00	10	0.50	0.50	0.70		3	
2,25,00,000	1,87,70,309	10,60,39,211	3,96,22,758	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	84.00	100	*Nil*	*Nil*		*Nil*	3	
4,75,200						Rohtas Industries	17.87	10	1.50	1.50	1.50	1.50	10	
5,13,400	51,824	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100	..	..	5.00	5.00	3	
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	50.00N	50	..	..	2.50	2.50	6	
75,00,000O.	17,19 608	37 68,035	7,66,723	5,64,354	S. M. Smith, Esq. (Mg. Director) ..	Shaw Wallace & Co., Ltd. ..	17.12	10	1.50	1.50	1.50	1.50	15	
9,98,880	19,925	14,88,995	5,18,593	—7,432	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	10.06	10	1.25	1.00	1.00		12	
							2.20	10	*Nil*	*Nil*	*Nil*	*Nil*	12	

M. Managed by Board of Directors †† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡ On old capital. ‡‡ Investments at cost. * Includes bonus. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co. Q.—The latest dividend and quotation relates to 'Rasa Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Rasa and Buland Sugar Companies

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
48,700	9,99,019	15,95,482	5,76,638	....	McLeod & Co., Ltd.	325	Amluckie	25.00N	10	72.00	19.00	5.00		12	Y.P.
76,800	5,71,500	11,19,537	3,89,763	22,129	M.	312	Ananda Assam) Tea	18.00	10	7.50	1.00	2.00		12	Y.
80,000	6,43,259	12,23,233	3,34,303	40,509	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	20.00	10	3.50	1.00	2.50		12	Y.
40,000	4,00,225	6,80,849	3,09,764	—19,195	McLeod & Co., Ltd.	573	Baghmari	18.75	10	8.00	1.50	2.00		12	Y.
10,000	19,21,541	18,70,289	7,47,902	33,593	Andrew Yule & Co., Ltd.	378	Baamatia	21.25	10	8.00	1.50	3.00		12	Y.
30,000	9,85,000	12,96,911	5,32,732	66,446	Williamson Magor & Co., Ltd.	570	Bateli	18.69	5	4.00	2.50	3.00		12	Y.P.
40,000	5,10,000	12,75,996	8,05,524	1,30,178	Gillanders Arbuthnot & Co., Ltd.	612	Batjan	22.50	10	10.00*	2.00	2.50		12	Y.
40,000	7,50,000	11,10,644	3,51,323	99,105	Williamson Magor & Co., Ltd.	2,067	Bihannath	18.75	10	5.50	2.00	2.00		12	Y.
00,000	15,33,333	63,33,222	23,40,322	3,16,326	Williamson Magor & Co., Ltd.	495	Bokakhat	12.50	10	1.00	*Nil*	0.50		12	Y.
00,000	2,50,000	11,47,111	2,50,637	38,031	Ostavius Steel & Co., Ltd...	450	Borrnah J

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Refer ence
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	3,97,505	24,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	3.45	2	0.25	0.30	0.21	0.45	5	Y.
20,91,900	24,50,000	52,61,466	5,69,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.70	5	0.75	0.45	0.75	0.52	3	Y.Y.
18,00,000	21,00,000	29,79,246	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	35.12	10	2.50	1.80	2.50	4.00	6	Y.Y.
71,55,000	54,13,964	1,25,54,765	26,69,976	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	25.10	10	1.75	2.25	2.00	4.00	6	Y.Y.
4,00,000	6,15,725	9,11,782	50,961	6,831	M.	Cottanad Plantations	14.00	10	1.50	1.75*	1.50	1.75	3	Y.
18,00,000	9,95,543	25,86,780	5,31,442	87,145	A. V. Thomas & Co., Ltd.	Highland Produce	13.45	10	2.50	2.00	2.00		12	Y.
4,00,000	10,92,899	18,01,199	3,65,016	18,068	A. V. Thomas & Co., Ltd.	Kalpetta Estates	25.00	10	2.00	2.75	2.00	2.00	4	Y.
18,50,000	8,71,449	19,82,913	3,00,273	6,847	K. T. Thomas Kaithanat, Esq.	Malankara Rubber	16.25	10	2.25	2.25	2.25	2.25	3	Y.
57,00,000	33,79,387	80,92,725	9,49,414	1,45,976	A. V. Thomas & Co., Ltd.	Midland Rubber	16.40	10	1.75*	2.50	2.00	2.00	3	Y.Y.
3,85,000	3,81,000	14,62,886	2,09,722	25,171	A. V. George & Co. Ltd. ..	Neameny Rubber	14.10cd	10	1.50	1.50	1.50		12	Y.Y.
2,00,000	3,90,000	5,49,417	54,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	12.85	10	1.00	1.50	1.50		12	Y.Y.
12,45,250	32,78,415	45,25,952	14,74,565	89,868	Peirce, Leslie & Co., Ltd.	Onchterlony Valley Estates ..	4.82	2	0.60	0.40	0.20	0.60	10	Y.
13,50,000	8,60,000	45,07,676	8,95,092	12,299	A. V. Thomas & Co., Ltd.	Rajagiri Rubber	15.90	10	1.75*	2.00	2.50	2.00	3	Y.
3,66,780	3,50,000	7,77,412	78,475	71,542	Peirce, Leslie & Co., Ltd.	Savamala Estates Ltd.	4.40	2	0.50	1.00	1.50		11	Y.
10,00,000	8,01,000	22,44,558	1,69,559	9,949	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.40	10	0.75	0.90	0.90	0.90	3	Y.Y.
2,50,000	1,48,000	5,48,449	24,741	23,963	A. V. George & Co., Ltd.	Thamarapally Rubber	25.00cd	10	3.00	3.00	3.00		12	Y.
9,15,800	4,80,000	22,40,087	1,87,485	23,927	Peirce, Leslie & Co., Ltd.	Thirumbadi Rubber Co., Ltd. ..	1.55	1	0.10	0.12½	0.12½	0.05	9	Y.
6,00,000	32,586	7,71,251	1,35,210	2,127	Kepan Thomas, Esq. (Mg. Director)	Travancore Rubber	14.50cd	10	2.00	2.00	2.00		12	Y.
41,00,000	18,81,221	81,07,622	12,64,248	8,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	6.65	10	1.50	1.25	0.75		12	Y.Y.
20,00,000	36,000	30,13,628	7,73,086	167	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	23.00cd	25	5.00	4.00	3.00	1.00	12	Y.
8,80,010	5,90,069	9,56,500	27,217	872	M.	Valkundam (Travancore) Rubber ..	20.00	10	2.25	2.50	2.50	3.50J	12	Y.
6,05,000	1,47,259	13,58,326	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.75	10	1.50	2.00	1.25	1.00	3	Y.Y.

J—Final dividend of Re. 1.50 is on the increased capital

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Refer ence
60,00,000	44,25,000	1,20,25,991	53,26,489	13,786	B. N. Elias & Co. Private Ltd. ..	879	Agarpara	7.56	10	0.62	0.62	0.25	0.25	3	Y.
6,00,000	10,25,000	25,02,953	58,46,892	1,70,290	McLeod & Co., Ltd. ..	446	Alexandra	105.00	100	7.50	10.00	10.00		5	Y.Y.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,881	McLeod & Co., Ltd. ..	1,264	Alliance	76.00	100	12.00	6.00	15.00	Nil	5	Y.Y.
49,50,700	67,00,000	2,11,92,975	2,08,15,000	1,77,881	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	142.00	100	7.50	8.50	8.50	7.00	3	Y.Y.
40,00,000	29,54,598	1,49,99,985	58,34,738	—3,79,016	Bird & Co. Private Ltd. ..	810	Ankhland	81.00	100	3.50	0.00	1.00	Nil	3	Y.Y.
20,00,000	22,50,915	96,91,411	65,65,994	65,802	Birla Brothers Private Ltd. ..	959	Bally	31.00	100	3.50	0.00	1.00	Nil	3	Y.Y.
6275,000	6471,5827	61,9928,482	69,28,149	..	Sir John H. Burder (Chairman) ..	141.00	100	3.50	3.50	Nil				3	Y.Y.
20,00,000	26,50,128	94,67,700	51,49,231	1,220	Andrew Yule & Co. Ltd. ..	1,589	Barnagore	83.00	£5	sh.15	sh.15	Nil	Nil	3	Y.
45,00,000	38,45,000	57,96,172	21,26,574	2,85,100	Soorajmull Nagarmull	820	Belvedere	83.00	100	10.00	7.50	Nil		12	Y.Y.
91,20,000	3,17,45,838	3,84,19,402	1,45,33,651	4,87,198	Birla Brothers Private Ltd. ..	400	Bengal	11.00	10	1.12	1.12			3	Y.
35,00,000	19,50,926	1,22,57,470	71,78,657	2,799	Andrew Yule & Co., Ltd. ..	1,378	Birla	15.25	10	1.00	1.00	1.00		3	Y.Y.
7,47,885	5,09,640	42,18,704	21,62,662	—2 51,478	Dayaram & Sons	991	Budge-Budge	77.00	100	9.00	7.50	Nil	Nil	10	Y.Y.
10,00,000	28,46,284	57,42,998	45,04,083	39,880	Andrew Yule & Co., Ltd. ..	602	Calcutta Jute Mfg.	7.00	10	0.75	Nil			6.12	Y.
80,14,400	78,49,238	2,32,45,578	1,19,62,843	—7,34,843	James Finlay & Co., Ltd. ..	616	Caledonian	121.00	100	9.00	6.50	Nil		11	Y.Y.
15,85,000	23,29,582	52,78,786	57,70,175	9,965	Andrew Yule & Co., Ltd. ..	600	Champdany	98.50	100	3.00	10.00	2.00	Nil	3	Y.
30,15,000	32,08,000	66,68,782	46,43,666	1,01,927	McLeod & Co., Ltd. ..	580	Cheviot	141.00	100	14.00	10.00	2.00		11	Y.Y.
24,00,000	9,00,000	91,08,885	57,19,327	25,925	Shree Krishna Investment Co., Ltd	900	Chhavalash	13.69	10	1.12	1.87	0.621		6.12	Y.
21,49,200	44,80,892	1,35,02,698	51,19,187	—6,75,881	Bird & Co. Private Ltd. ..	969	Clive	13.12	10	Nil	1.25x	0.50		6	Y.
28,00,000	49,51,578	77,35,542	47,06,110	4,547	Andrew Yule & Co., Ltd. ..	766	Dalhousie	64.75	100	2.50	4.00	Nil		3	Y.
15,00,000	24,50,000	58,93,104	60,58,656	76,491	McLeod & Co., Ltd. ..	779	Delta	107.00	100	12.00	10.00	5.00		11	Y.Y.
21,00,000	62,40,586	2,41,58,550	1,69,82,109	8,46,418	Ketilewell Bullen & Co., Ltd. ..	1,098	Empire	16.37	10	1.25	1.25	0.501		6.12	Y.
							Fort Gloster Industries Ltd.	818.00	100	5.00	15.00	10.00	10.00	3.9	Y.Y.
21,00,000	14,50,000	1,20,16,248	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	18.12	10	20.00	20.00	0.75x	1.50	3	Y.
84,12,100		3,11,07,474	1,82,82,825	—2,07,452	M.	1,709	Ganges Mfg.	44.50	100	9.50	9.50	Nil		3.9	Y.Y.
19,80,000	28,66,943	76,06,097	50,72,167	1,1810	Shaw Wallace & Co., Ltd. ..	907	Gondalpara	500.00	300	Nil	Nil	50.00		12	Y.Y.
24,00,000	24,50,000	2,32,46,943	1,58,31,965	45,245	Macneill & Harry Ltd.	1,894	Gourepore	241.00	100	10.00	15.00	2.50	2.50	3	Y.Y.
40,00,000	60,66,223	1,32,89,197	65,66,630	9,09,028	Bangur Bros., Ltd.	1,978	Hastings	104.00N	100	10.00	11.50	5.00		3	Y.Y.
16,80,000	18,61,916	46,47,781	47,91,416	—5,55,155	Balmuth Bajoria	720	Hooghly	9.50	10	0.50	1.25	Nil		3	Y.
46,92,100	32,68,428	2,24,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	15.12	10	1.25	0.87	0.25	Nil	3	Y.
62,50,000	20,87,124	2,93,21,907	1,57,51,907	1,14,986	Ramdutt Ramkissendas	5,272	Hukumchand	17.50	7.50	2.00	2.00	2.00	1.50	3	Y.
50,000	17,20,650	1,27,01,698	80,28,070	2,57,527	M.	1,076	India	113.00	O. 125	9.12	4.69	4.69		3	Y.
24,00,000	90,99,185	1,93,81,848	1,18,40,211	—8,79,997	Jardine Henderson Ltd. ..	1,797	Kamarhatty	{ 85.00	100	8.00	2.50	Nil		{6.12	H.P.
19,20,000 'B'								{ 80.50	'B' 100	8.00	2.50	Nil			
90,00,000	9,78,967	1,77,78,751	57,49,980	—21,87,149	Jardine Henderson Ltd. ..	1,527	Kankinarrah	{ 45.00	100	6.50	1.00	Nil		{6.12	H.P.
24,00,000								{ 45.00	'B' 100	6.50	1.00	Nil			
21,00,000	58,00,000	1,33,45,082	58,77,786	86,701	McLeod & Co., Ltd.	703	Kelvin	165.00	100	20.00	17.50	5.00	9.00	3	Y.
14,80,000	24,31,275	1,80,02,779	1,12,08,773	27,927	Anderson Wright Ltd.	1,530	Khardah	117.00	100	12.50	11.00	5.00	9.00	3	Y.Y.
48,00,000	31,53,585	2,36,20,709	93,50,479	2,77,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	102.00	100	7.00	13.00	6.00	Nil	3	Y.Y.
24,48,000	28,41,285	1,28,71,981	53,10,244	—9,06,440	Bird & Co. Private Ltd.	981	Lansdowne	76.00	100	2.00	7.00	Nil	Nil	3	Y.Y.
28,00,000	43,58,647	1,41,72,948	65,14,975	—7,72,846	Bird & Co. Private Ltd.	1,255	Lawrence	78.75	100	2.00	7.00	Nil	Nil	3	Y.Y.
21,45,700	36,96,545	1,24,97,984	1,04,97,843	1,64,942	M.	1,288	Megna	100.50	100	2.50	9.75	3.75	Nil	3.9	Y.
29,98,900	34,62,195	1,65,70,865	86,70,690	—13,86,714	M.	815	Naihati	54.00	100	Nil	Nil	Nil	Nil	3	Y.Y.
30,00,000	15,55,000	39,01,583	12,31,709	17,816	Howrah Trading Co., Ltd. ..	425	Naikarpara	12.25	10	1.12	1.25			4.10	Y.
35,00,000	39,51,326	48,49,737	12,31,378	19,604	Andrew Yule & Co., Ltd. ..	492	National	22.75	10	2.50	1.75	0.75	0.75	10	Y.Y.
28,58,000	2,86,81,171	4,48,82,845	1,06,43,534	9,83,691	Sahu Jain Ltd.	1,765	Naihati Jute	11.81	10	0.75	1.00	0.75	0.75	9.12	Y.Y.
14,79,584	40,56,583	1,58,54,182	56,28,490	9,327	Bird & Co. Private Ltd.	1,765	New Central†	14.94	10	17.00	1.50	1.50		12	Y.Y.
66,79,500	12,74,981	2,54,65,888	1,39,10,557	29,195	Macneill & Barry Ltd.	1,067	Northbrook	14.37	10	1.25	1.50	1.50		3	Y.Y.
24,81,000	29,75,049	75,86,619	51,41,490	11,998	Andrew Yule & Co., Ltd. ..	1,092	Naddea	37.25	50	1.50	1.50	1.00	Nil	3	Y.Y.
25,00,000	6,58,490	30,86,437	45,22,166	51,542	McLeod & Co., Ltd.	601	Orient	81.00	100	10.00	9.00	2.00		11	Y.
20,00,000	10,325	27,05,784	8,89,130	—3,01,529	Birla Brothers Private Ltd. ..	400	Presidency	4.00	5	0.81				6.12	Y.
49,50,000	4,50,000	1,34,76,470	64,70,616	—23,92,399	Jardine Henderson Ltd.	1,305	Rameshwara	4.50	10	Nil	Nil	Nil	Nil	3	Y.
£600,000	£1,095,713	£1,845,244	..	£48,994	Thomas Duff & Co. (India) Ltd..	2,013	Reliance	6.00	10	Nil	Nil	Nil	Nil	3	Y.
20,00,000	18,14,916	1,18,50,877	79,96,145	7,972	Thomas Duff & Co. (India) Ltd..	2,013	Samasangar	7.50	51	10%	5%?1			12	Y.
14,00,000	11,14,080	68,37,540	47,60,476	40,154	Rajatia Mers & Co., Ltd. ..	911	Shree Ambica	10.50N	10	1.00	0.50			5.9	Y.
58,19,600	31,10,501	1,36,48,701	67,89,513	—6,70,986	Hindustan Investment Corpn Ltd.	401	Soorah	15.00	10	1.00	1.50	1.50	1.50	12	Y.
£499,000	£925,119	£1,187,660	..	£35,543	Bird & Co. Private Ltd.	650	Standard	81.00	100	2.00	1.00			3	Y.Y.
25,00,000	60,30,143	2,01,42,857	89,47,895	—12,81,943	Thomas Duff & Co. (India) Ltd..	1,784	Titaghur	77.50	51	10%	5%?1	Nil	Nil	12	Y.
£400,000	£688,085	£1,154,819	..	£66,951	Bird & Co. Private Ltd.	1,326	Union	109.00	100	10.00	10.00	1.00	Nil	12	Y.
2,50,000	6,35,000	41,78,264	27,76,059	—4,16,285	Thomas Duff & Co. (India) Ltd..	1,331	Victoria	7.62	51	10%	5%?1			12	Y.Y.
					McLeod & Co., Ltd.	457	Waverley	2.62	1	0.50	0.37	Nil	Nil	5	

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Refer ence
25,50,000	23,26,620	99,26,429	69,26,429	29,726	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.00	10	1.81	1.87	0.50	1.25	3	Y.
12,60,000	5,49,590	37,45,675	35,36,182	76,917	Jardine Henderson Ltd.	Barares Coke	10.75	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,850	2,08,000	9,26,911	5,84,876	90,870	Kalyanji Mavji & Co.	Bengal-Bhatdee	5.87N	10	0.25	Nil	0.75		6.12	Y.
1,00,80,000	1,58,28,765	6,10,19,945	4,19,79,935	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	280.00	100	50.00*	55.00*P	17.50	7.50	12	Y.Y.
2,25,000	4,18,782	24,80,377	23,48,307	..	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13.50	10	Nil	Nil	Nil		12	Y.Y.
15,97,000	4,80,566	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd..	Bhalgora	6.60	10	Nil	Nil			3	Y.
40,00,000	10,25,290	1,44,83,027	77,59,407	2,128	Sahu Jain Ltd.	Bharat Collieries	5.91	10	0.62	0.62	0.62	0.60	3	Y.Y.
7,18,000	10,18,172	49,80,948	24,34,193	—4,93,530	M.	Chasbanbarasee	11.00N	10	Nil	Nil	Nil		3	Y.
7,50,000	24,10,419	45,67,882	27,10,562	19,888	F. W. Heilgers & Co. Private Ltd.	Borree	17.62	10	2.00	2.00	1.50		6.12	Y.
90,92,482	1,70,33,767	4,37,67,222	1,99,68,073	95,389	Bird & Co. Private Ltd.	Barrakur	22.00	10	2.00	2.00	1.50		6.12	H.P.
48,97,750		40,39,014	13,60,914	9,483	Hindustan Investment Corpn. Ltd.	Central India	7.62	10	0.50	0.62	0.62	0.37	6.12	Y.
8,00,000	13,30,590	49,11,827	38,08,484	69,000	M.	Central Karkend	11.00N	10	0.25	0.25	0.50	0.50	3	Y.
6,00,000	1,48,986	7,30,061(k)	..	4,240	F. W. Heilgers & Co. Private Ltd.	Charita	2.00	4	0.25	0.50	0.50		12	Y.
10,80,000	..	94,02,810	80,95,160	—2,20,508	Macneill & Barry Ltd.	Dhemo Main	7.25	10	0.12	0.00	0.00		12	Y.
£240,000	£943,875	£1,601,814	£764,050	£58,877	Jardine Henderson, Ltd.	East Indian	21.50	51	Nil	Nil	Nil		12	Y.
20,48,760	32,06,405	4,18,92,845	3,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	27.25	10	2.50	3.00	2.50	1.50	4	Y.Y.
10,00,000	1,40,999	12,81,144	4,28,557	23,853	Bhatter's Agency Ltd.	Ghanshi and Mulia	16.00N	10	0.50	1.50	1.50		12	Y.
13,00,000	1,17,000	42,84,480	25,30,978	..	Kilburn Industries Ltd.	Hingir-Rampur	30.75	50	Nil	2.25			6	Y.
5,00,000	7,52,000	23,49,450	19,21,205	45,210	Macneill & Barry Ltd.	Hurriladih	17.00	10	1.75	2.50	2.25	Nil	3	Y.
3,50,000	2,48,905	14,13,052	7,33,171	..	Andrew Yule & Co., Ltd. ..	Kalapahari	14.00N	10	Nil	Nil	1.50		3	Y.
50,00,000	2,31,575	23,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	23.50	100	Nil	Nil	Nil		3	Y.
10,00,000	19,90,985	67,70,511	37,70,952	1,83,228	Andrew Yule & Co., Ltd. ..	Katras Jharriah	55.00	10	4.00	2.50	Nil		3	Y.
1,58,400	5,72,940	10,85,941	5,78,960	—2,60,526	Bartwia & Co.	Khas Kajora	5.62N	10	0.00	4.50	0.50	0.50	1	Y.
11,00,340	64,5.4	16,80,220	10,86,399	10,611	H. V. Low & Co. (Private) Ltd..	Kuardi	2.76N	10	Nil	Nil			6.12	Y.
19,80,000	11,11,928	38,83,740	25,86,193	4,709	H. V. Low & Co. (Private) Ltd..	Lakarka	9.00N	10	Nil	0.12			6	Y.
7,48,240	2,90,000	15,13,208	9,66,219	21,201	Tantia Brothers Ltd.	Nastra	4.44	4	0.25	0.12			6	Y.
7,00,000	20,617	10,28,740	5,20,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Bansdeopur	9.00N	10	0.50	0.50			12	Y.
17,76,250	10,61,614	1,24,49,515	91,72,491	58,756	Andrew Yule & Co., Ltd. ..	New Boorboom	15.06	10	1.25				3.9	Y.
6,00,000	75,000	34,65,381	22,66,022	1,48,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	11.75	10	1.12	1.00	0.75		3.10	Y.
1,15,000							11.75	10	Nil	Nil	Nil		3	
1,57,500	2,47,092	13,06,689	8,96,110	17,816	Andrew Yule & Co., Ltd. ..	North West	17.25	10	Nil	Nil	1.50	0.50	3	Y.
1,50,000	13,06,447	2,97,666	2,77,466	27,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.50	7.50	Nil	1.00	1.12		6	Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	12.50	10	1.00	1.00	0.75		12	Y.
8,54,000	20,000	23,49,287	9,96,961	9,080	Deepchand Kishenlal	Parasea	7.00N	10	0.50	0.25			12	Y.
15,75,000	16,30,000	56,17,410	30,97,110	40,583	Shaw Wallace & Co., Ltd. ..	Panch Valley	12.94	10	0.75	1.00	0.50		12	Y.Y.
22,50,500	22,66,321	1,37,28,021	91,58,522	29,060	H. E. Elias & Co. Private Ltd.	Ramagoora	9.56	10	1.00	1.50	0.75	2.00	3	Y.
13,50,000	10,45,115	28,59,965	20,71,364	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	11.75	10	0.50	0.62	0.37	0.75	3	Y.
20,00,000	27,12,000	55,96,756	22,17,947	9,997	M.	Samla Collieries	11.75	10	1.87	0.87	0.75†		6.12	Y.
2,50,000	1,92,502	12,71,287	11,21,270	21,070	M.	Searsole	10.50N	10	0.75	1.00	1.25		12	Y.
3,30,000	3,11,566	39,02,167	19,75,252	82,200	Andrew Yule & Co., Ltd. ..	Seebpore	4.75N	2.50	0.62	0.75			1	Y.
8,00,000	5,08,216	52,491	32,957	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	28.25	7	2.00	2.50	2.25		12	H.
46,51,450	94,66,586	5,19,41,860	2,72,46,699	20,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)		7.25N	10	0.12	0.25	0.25		6.12	Y.
						Singareni								
17,50,000	10,89,992	33,86,664	16,16,434	19,407	Bird & Co. Private Ltd.	South Karanpura	11.00	10	0.70	0.75	1.00		12	Y.
2,50,000	14,01,065	1,09,37,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	9.56	10	0.12	0.12	0.25		2.6	H.
10,00,000	..	51,72,984	15,43,562	—6,62,907	.. ..	Talcher	13.80	10	1.50	1.00	1.00		12	Y.
3,50,000	3,39,000	18,97,534	14,54,234	77,105	Williamson Magor & Co., Ltd.	Union	1.69	2.50	Nil	Nil	Nil		12	Y.
40,00,000	60,764	65,72,208	24,15,906	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal	14.00	10	0.75	Nil	Nil		12	Y.
7,00,000	....	57,45,000	25,79,008	—2,80,068	Macneill & Barry Ltd.	West Jamuria	5.03	10	0.37	0.50	0.50	0.50	3	Y.
							5.09	10	Nil	Nil	Nil		12	Y.

N—Managed by the Board of Directors. † Less income-tax. (c) Clive Mills have paid dividend at As. 10/- on bonus shares for the year 1955. * Including bonus. (b) Investments.
‡ New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954. P—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 100 each.
K—Part William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. Also 1956 the dividend of Rs. 17-5 includes an interim dividend of Rs. 7-5 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 923*)

to have called for some concrete suggestions in this connection. The question was also raised at the recent meeting of the Informal Parliamentary Consultative Committee of the Finance Ministry. These give an indication that official circles are more favourably inclined to consider this question seriously, though the problem is by no means an easy one and its solution involves the setting up of complicated machinery. Discussing this problem, Mr. Shantilal Sonawala, a leading bullion broker of Bombay, in a note sent to us, points out that it is now high time that some efforts were made to see that this habit of gold hoarding is changed to a certain extent. "But no use of coercion or threat will be able to change this habit; on the contrary, it will be more harmful and will create fear in the minds of large and illiterate people and will shake the confidence of the people in the authorities. The only remedy is to take the people into confidence by creating an atmosphere which will prompt the public to return gold holdings to the Government Treasuries."

Mr. Sonawala attributes gold hoarding to two important factors. First, since bullion prices are continuously rising, there is always a gain in gold investment. Secondly investment in gold keeps the purchasing power of currency on a par with that of the commodities; the rupee has been depreciating in terms of goods since the last 20 years, while gold has continued to rise, so that it compensates for the fall in the price of the rupee. Naturally, investment in gold remains an attractive form of savings for a number of people. If, therefore, the dishoarding movement in gold is to be effected, it is necessary that the price of gold is lowered and that a substit

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
16,00,000	1,86,00,000	12,42,652	Allahabad Bank	860.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,40,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
1,91,000	18,04,000	1,910	Andhra Bank	100.00	100	7.50	6.50	8.00	6.00	6,12	H.
33,75,595				86.30	85	3.75	4.54	5.59	5.10		
1,80,00,000	1,28,00,000	4,10,731	Bank of Baroda	114.50	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	23,50,000	2,700	Bank of Bikaner	23.00	25	0.75	0.87	1.12		12	Y.
2,50,00,000				130.00	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000'A'	3,10,00,000	16,02,381	Bank of India	133.00	50'A'				8.00		
15,80,875	25,00,000	52,270	Bank of Indore	62.00N	25	3.80	3.50	4.00	4.25	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	40.00	50	2.00	2.00	2.50	3.00	12	Y.
80,00,000	91,95,513	1,87,085	Bank of Mysore	250.00	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
10,00,000	40,00,000	44,788	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75.00	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P
5,32,950'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170.00	100'A'	12.50	12.50	15.00	15.00	12	Y.
22,787'C'				1.71	1'C'	12½%	12½%	15%	15%		
2,62,11,875				51.80	25	3.00	3.00	3.50	3.50	12	R.L.Y.
52,42,375	4,03,60,521	18,44,046	Central Bank of India Ltd.	56.75	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	46.50	50	2.00	2.00	3.50	3.50	12	Y.
2,00,00,000	2,00,00,000	19,45,442	Habib Bank (P)	86.87	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	52.50xd	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,03,000	18,443	Hindustan Commercial Bank	10.00	50	Nil	Nil	Nil	Nil	12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	11.25	50	Nil	Nil	Nil	Nil	12	Y.
44,00,000				202.50	100	12.00‡	12.00‡	18.00	15.00‡		
22,40,000	1,00,00,350	2,04,876	Indian Bank	173.50	80	7.20‡	7.75	9.75	12.00‡	6,12	R.L.H.
56,38,350	46,36,200	2,32,067	Indian Overseas Bank	142.50	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	83,502	Pandyan Bank Ltd.	85.62	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,904	Punjab National Bank	52.30xd	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	16.80	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	7.96	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,44,00,000	49,452	United Commercial Bank	58.80	50	2.50	2.75	3.50	3.75	12	H.

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.)

£4,400,000	£5,700,000	£412,542	Chartered Bank	£2-0-1½	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£40‡	H.K.$125	5*	5*	5*	3 12½*		
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-3-6	£1	15†	12†	13†	13†	12	Y.
£2,940,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-10-7½	£1	14†	14†	14†	18‡†	12	Y.
£2,851,868	£3,104,637	£285,589	National Overseas and Grindlays Bank Ltd.	£1-2-6	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (F) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr=Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
			BREWERIES AND SUGAR			
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June 1962
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	106.00	27th December 1962-63
18,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November 1959-64
25-00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November 1959-64
			COAL			
20,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30thJune 1964
20,00,000	4½	30th June and 31st December	Barrakur Coal Co.	1947	87.00	30th June 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December 1969 (a)‡
			COTTON			
3,50,000	5½	30th June and 31st December	Bansali Cotton Mills Ltd.	1942	85.00	30th April 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	99.00	15th November 1966 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1923	90.00	1st March 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1937	100.50	1st April 1967-72
13,71,000	5½	30th June and 31st December	Jaybhee Textiles	1949	90.00N	1st January 1956-69
39,00,000	5	1st June	Tata Mills	1951	93.50	15th November 1966
			ELECTRICS			
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.		97.00	14th June 1960
93,25,000	6	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October 1950
13,00,000	4½	30th June and 31st December	Banaras Electric Light and Power Co., Ltd.	1940	90.00	31st December 1964 (a)
25,00,000	6	30th June and 31st December	Calcutta Electric Supply Corporation Ltd.	1950	97.25	1st January 1970 (a)
13,80,000	5	1st January and 1st July	Gwalpore Electric Supply Co., Ltd.	1945	84.00	31st December 1970
2,50,000	5½	31st March and 30th September	Sfax (Tharilab) Electric Supply Co., Ltd.	1951	91.00	30th June 1976 (a)
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1939	95.00	1st April 1958-61
47,75,000	5	1st April and 1st October	South Madras Electric Supply	1940	93.50	30th September 1953-68
2,50,00,000	4	1st April and 1st October	Tata Power	1940	89.00	1st July 1970
			Tata Power		85.00	15th September 1948-70
			ENGINEERING			
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December 1960
2,50,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1923	90.00	30th June 1958
20,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.00	1st July 1967-82
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1946	95.00	1st October 1966-85
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December 1960 (a)
			JUTE			
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March 1960
9,00,000	6½	30th June and 31st December	Alexandra	1939	91.00	30th June 1960
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1945	77.00	31st December 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June 1960
9,00,000	5	31st January and 31st July	Calcutta	1945	85.00	31st July 1960
10,50,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	80.00	30th June 1969
20,00,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March 1969 (a)
8,66,000	5	15th January and 15th July	Empire	1951	90.00	15th July 1966 (a)
30,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1946	90.00	31st March 1966
25,00,000	5	30th June and 31st December	Hukumchand Jute Mills Co., Ltd.	1946	90.00	31st December 1964 (a)
10,00,000	5½	30th June and 31st December	Kamarhati Co. Ltd.	1946	90.00	31st March 1967 (a)
5,00,000	4½	14th November and 14th May	Kelliemarie Jute Mills Co., Ltd.	1952	85.00	14th May 1969
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December 1964
8,00,000	6	30th June and 31st December	Presidency	1943	85.00	30th June 1965
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September 1965 (a)
12,00,000	5½	30th June and 31st December	Union	1947	90.00	31st December 1967
10,00,000	5½	31st January and 31st July	Waverly	1938	80.00	31st July 1968
			RAILWAYS; STEAMSHIP AND TRAMWAYS			
£850,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£199,363	5	1st April and 1st October		1923	£74.10N	1st October 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December 1969 (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£44	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September 1968
			PLANTING			
11,25,000	6	31st March and 30th September	Nilgiri Tea	1944	99.00	1st April 1958-62
1,56,500	5½	31st March and 30th September	Teakoy		100 00	31st March 1949-56†
			MISCELLANEOUS			
16,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December 1965
20,00,000	4½	1st January and 1st July	Associated Hotels of India	1942	85.00	31st December 1962
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1954	97.00	1st September 1964-69 (a)§
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October 1970
21,00,000	5½	1st February and 1st August	Chewringhee Properties	1915	85.00	1st February 1970
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1938	83.00	1st July 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September 1966
1,00,00,000	5	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	
1,00,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	97.75	1st January 1971(c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June 1969 (c)‡
18,75,000	5	2nd January and 2nd July	Motor Chemical Industries	1949	83.00	1966
13,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	810.00	30th September 1970 (c)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December 1973 (c)
75,00,000	5	1st April and 1st October	Maxwell and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	98.00	30th June 1968-76
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	90.00	31st March 1961 (c)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1952	97.25	1st May 1968(a)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. † With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,00,00,000 debentures will be redeemed at par annually by drawing from 1-8-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1954. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1954 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 15th May, 1958.

	Closing quotations 8-5-1958	High	Low	Closing quotations 15-5-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	142.00	155.00	150.00	155.00
Apollo (2)	1.74	1.74	1.70	1.74
Bombay Dyeing (25)	54.20xd	54.30	53.60	53.80
Bradbury (50)	158.00	—	—	158.00
Central India (100)	83.00	85.00	84.00	84.00
Century Mills (100)	432.00xd	432.00	426.25	427.00
Colaba (100)	38.00	38.00	35.00	35.00
Edward Textile (200)	255.00	—	—	255.00
Elphinstone (50)	47.00	—	—	47.00
Finlay (100)	258.00xd	258.00	256.00	257.00
Gokak (100)	145.00xd	145.00	142.00	142.00
Ind. Untd. Defd. (1)	1.12	1.18	1.12	1.18
Ind. Untd. Ord. (10)	9.16	9.21	9.04	9.12
Indore Malwa (100)	108.50	108.50	107.00	107.00
Khatau (100)	158.00	161.25	158.00	160.50
Kohinoor (100)	267.50	268.00	264.00	266.00
Lakshmi (250)	433.75	—	—	433.75
Minerva Mills (100)	70.50	—	—	70.50
Model Nagpur (250)	165.00	167.50	163.75	167.50
Morarji (100)	216.75	229.00	215.00	216.50
Mysore (50)	95.00	95.00	92.50	92.50
National Rayons (100)	234.25	236.75	230.50	231.75
New City (100)	105.00	—	—	105.00
New Great (100)	203.00	203.25	200.00	203.00
Phoenix (100)	121.25	120.00	115.00	115.00
Podar Mills (100)	138.75	136.00	135.50	135.50
Sassoon Silk (10)	10.00	—	—	10.00
Sassoon Spg. (10)	41.10xd	41.60	41.10	41.50
Sholapur (1,000)	450.00	—	—	450.00
Shrinivas (100)	136.00	135.00	134.00	134.00
Simplex (50)	154.50	154.00	153.00	154.00
Standard (100)	418.00xr	427.00	411.00	422.00
Svadeshi (100)	176.50	176.00	173.00	339.00
Swan (100)	331.00xd	340.00	329.00	37.00
Tata Mill (25)	37.50	37.50	37.00	102.00
Vishnu (100)	101.00	102.00	101.00	4,625.00
Western India (1,000)	4,625.00	—	—	
BANKS				
Bank of India (50)	130.00	130.00	128.75	129.50
Do. (New) (50)	133.50	133.00	132.50	133.00
Bank of Baroda (50)	116.00	116.00	114.50	114.75
Central (25)	53.00	53.00	51.00	51.00
Central 'A' (25)	56.75	—	—	56.75
Dena Bank (50)	46.50	—	—	46.50
Punjab National (25)	52.50xd	53.00	52.50	53.00
Union Bank (5)	8.06	8.00	7.90	7.96
United Com. (50)	59.50	59.00	58.50	58.80
ELECTRIC COS.				
Ahmedabad (100)	94.70	94.50	94.20	94.30
Amalgamated (10)	10.52	10.52	10.40	10.40
Andhra Valley (1,000)	1,155.00	1,155.00	1,151.25	1,151.25
Bom. Sub-El. (100)	105.75	106.00	104.75	104.75
Surat (100)	107.75	—	—	107.75
Tata Hydro (100)	118.25	118.50	117.75	118.50
Tata Power (1,000)	1,222.50	1,220.00	1,210.00	1,212.50
INSURANCE COS.				
British India (10)	13.76	13.76	13.68	13.76
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	47.00	—	—	47.00
Jupiter (10)	7.76	—	—	7.76
New India (15)	44.25	47.00	44.00	44.00
Oriental (200)	4,000.00	—	—	4,000.00
Universal (10)	11.00	—	—	11.00
Vulcan (10)	17.00	17.48	17.00	17.44
STEEL COS.				
Ind. Iron (10)	21.72	21.76	21.36	21.56
Tata Steel Ord. (75)	181.50	183.00	179.00	181.25
SUGAR COS.				
Belapur (50)	245.50	246.00	244.50	245.00
Bhopal (10)	19.76	19.76	19.08	19.76
Phalian (50)	141.25	143.75	140.50	142.50
Walchand Ind. (100)	263.00xd	265.00	263.00	263.00
CEMENT COS.				
Associated Cts. (100)	154.00	153.75	151.50	151.50
Digvijay (100)	146.00	145.50	143.00	148.50
MISCELLANEOUS				
Alcock Ashdown (100)	247.50	250.00	246.25	247.50
Bom. Burmah (125)	556.00	556.50	548.50	552.00
Do. (New) (50)	209.25	207.50	205.50	208.50
Br. B. Petrol (4 sh.)	2.02	2.02	1.94	1.96
Br. I. Corpn. (5)	3.48	3.72	3.48	3.60
C. P. Ely. (100)	56.00	—	—	56.00
Hindustan Motors (10)	6.84	6.92	6.80	6.88
Indian Copper (8 sh.)	3.14	3.14	3.08	3.10
Ind. Inv. Tr. (100)	72.50xd	—	—	72.50
Killicks (100)	147.50	148.00	147.00	148.00
Poleon (100)	188.25	—	—	189.25
Pre. Automobiles (100)	82.50	83.00	81.50	81.50
Premier Con. (80)	192.50	195.75	190.25	191.75
Scindia (20)	17.52	17.52	17.20	17.24
G. I. E. Shipping (10)	19.84	19.96	19.84	19.90
Shivaji Engr. (10)	92.00	94.00	89.00	90.00
Tata Chemicals (10)	15.04	15.08	14.84	14.92
Tata Locomotive (100)	166.00	169.00	165.50	166.50
Tata Oil (25)	38.00	38.00	37.00	37.75
W. I. Match (100)	178.75	187.50	175.00	185.00

GOVERNMENT SECURITIES	8-5-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	15-5-1958
	Rs. nP			Rs. nP
2½% 1961	95.30	—	4.06	95.30
2½% 1960	98.15	—	3.01	98.15
2½% 1962	95.30	—	3.90	95.30
2½% 1963	93.10	—	4.03	93.10
2 ¾% 1955	99.75	—	4.00	99.75
2 ¾% 1959-61	99.10	3.74	3.29	99.10
3 ¼% 1964	95.25	—	3.82	95.25
3 ¼% 1965-66	95.25	3.97	3.72	95.25
3 ¼% 1966-68	92.75	4.01	3.85	92.75
3 ¼% 1970-75	86.75	4.39	4.00	86.75
3 ¼% 1986 Con. Loan	71.25	—	4.21*	71.25
4 % 1960-70	100.40	3.82	3.96	100.40
4½% 1958-68**	100.10	—	1.71	100.10
2½% 1961 N.P. Bonds	99.60	—	3.64	99.60
2½% 1964 N.P. Loan	98.15	—	3.81	98.15
2½% 1965 N.P. Bonds	97.40	—	3.85	97.40
2½% 1962	97.95	—	3.78	97.95
2½% 1967 N.P. Bonds	97.60	—	3.80	97.60
2½% 1974	98.25	—	3.90	98.25
2½% 1967 N.P. Bonds	99.70	—	3.79	99.70
4 % 1972 Loan	100.20	—	3.98	100.25

BRITISH GOVERNMENT SECURITIES

	Closing Quotations 6-5-1958 £			Closing Quotations 15-5-1958 £
2½% Brit. Consols	50 ⅛	—	—	49⅜
3 % Savings Bonds 1965-75	72½	—	—	72⅜
3% War Loan 1955-59	98¼	—	—	98⅛
3½% War Loan	65⅜xd	—	—	65⅜
4% Victory Bonds 1976	92⅛	—	—	92⅛
4% Funding 1960-90	86⅜	—	—	85⅜

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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TEXTILE CRISIS

IT is now becoming increasingly clear that seldom in its recent history had the textile industry faced a worse crisis. The closure of an alarmingly large number of mills is only a symptom of a malady which has afflicted the industry for some time now. It was only two years ago that the industry itself pleaded for an upward revision in the target for the *per capita* consumption of cloth, viz., 18.5 yards, built into the second Plan. So swift has been the turn in the industry's fortunes that it now looks as though even this modest target will not be reached. Again, less than two years ago, the Government, without any fiscal qualms, imposed a heavy excise duty on the industry, justifying the measure by the argument that the industry was making enormously large profits. And yet, today a mill considers it fortunate if it maintains its profit and particularly favoured if it can avoid a loss. Unemployment in the industry is mounting. In many countries, textile employers make special efforts to retain the men they have. In India, textile men, who are an asset to the nation, go abegging for jobs. Clearly, the whole situation is depressing to a degree.

The accumulation of cloth stocks with mills which became apparent last year indicated the first signs of the approaching crisis. It is now beyond dispute that the industry's economic health has suffered a serious setback. Indeed, casualties in the industry have been many. Some 26 mills have completely closed down and another 37 mills have resorted to partial closure. Small wonder, then, that the Vice-Chairman of the Indian Cotton Mills' Federation, Mr. Krishnaraj M. D. Thackersey, devoted a large part of his speech at the recent meeting of the Committee of the Federation with the Union Minister for Commerce and Industry, Mr. Lal Bahadur Shastri, to unravelling the textile crisis. If his treatment of the subject was somewhat elaborate, the occasion certainly needed such elaboration. In any case, the gravity of the problem demands responsible statements.

It is a tribute to the Federation that it has been able to marshal so impressive an array of statistical data. Mr. Thackersey called attention to the fact that 16 out of 29 mills in the U.P. area have closed down and several mills are working short shifts. In Saurashtra, two mills have closed down and a few others are on the verge of closure. Two mills in Baroda have closed down. The same fate awaits several mills in Nagpur and Madhya Pradesh. In Bombay, one large mill has completely closed down; 21 mills are working short shifts. The number of casualties—actual closure of mills—tells only half the story. For many mills are making serious losses. In Baroda, seven mills are making losses, the average loss being Re. 1-8 per loom per shift. The loss sustained by the 11 mills in Nagpur area works out to Rs. 2 to Rs. 5 per loom per shift. The average loss is Rs. 4 per loom per shift in Madhya Pradesh. All mills in Saurashtra and most mills in Madhya Pradesh, Rajasthan and West Bengal report heavy losses. Out of 42 mill companies in Bombay which have so far supplied information to the Federation, as many as 26 companies have made losses in 1957. In Ahmedabad, 10 mills are reported to be working at a loss. It is not known how many of the mills which have reported profit on paper have been able to provide full depreciation on the plant and machinery. Since no mill can continue to work unprofitably for a long time, it should be evident that the mills facing losses may all be in the queue for the official liquidator's assistance.

The closure of mills, coupled with short shift working and cutting down of the number of shifts, has naturally had its effect on production. In the first four months of 1958, mills produced 411 million yards per month, as against 459 million yards in the corresponding period of 1957. This indicates a drop of 48 million yards per month or 32,000 bales of 1,500 yards each. Mr. Thackersey admitted that stocks with the mills had declined from 660,000 bales at the end of December 1957 to 505,300 bales at the end of April 1958, a reduction of 154,700 bales. But, as he rightly pointed out, a large part of the decline in stocks is due to the reduction in production which alone accounts for 128,000 bales. The yarn position has also considerably deteriorated. Unsold stocks with mills which stood at 27,000 bales in January 1957 increased to 111,800 bales at the end of March 1958. As we pointed out last week, the decline in cloth stocks merely reflects the combined effect of a fall in production and distress sales to which some mills, compelled by financial stringency and the need to find the necessary working capital, have resorted. The inability of the industry to make much headway on the export front has, of course, added to its difficulties. During the period January-April 1958, India's cloth exports aggregated only 216 million yards, as against 321 million yards in the corresponding period of 1957.

What explains the sudden and virtually total reversal of the industry's fortunes? To this question Mr. Thackersey provided a convincing answer. It is difficult not to agree with his broad and general conclusion that it must be attributed, on the one hand, to the decline in the purchasing power of the people and, on the other, to high taxation. The steep increase in food prices has left the Indian consumer in very difficult circumstances. Experience in all underdeveloped countries makes it clear that high food prices inevitably mean reduced offtake of consumer goods. In India, the index number of food prices (Base: 1952-53=100) has increased from 86.6 in 1955-56 to 106.4 in 1957-58. The decline in agricultural production in certain regions has also meant reduced incomes for the rural population, whereas the urban classes have been hit hard by the rise in prices. The steep increase in excise duty which took place in September 1956 has raised the prices of cloth to a level at which consumer resistance has become inevitable; its recent reduction has not meant any substantial relief to him. There never was any justification for adding to the burden on the industry. Quoting from a survey of the finances of Indian joint-stock companies for the period 1950-55, made by the Reserve Bank of India, Mr. Thackersey pointed out that the gross profits of mill companies represented some 8 per cent. of the gross sales in 1955, as against 26.2 per cent. in the iron and steel industry, 30 per cent. in the coal industry and 21.4 per cent. in the engineering industry and 44 per cent. in plantations other than tea. In any case, there is no longer any justification for continuing the levy at its present rates, considering that many mills have been compelled to close down.

The diagnosis of the industry's malady suggests its own remedy. In the first place, efforts should be made to improve the real income of the people by increasing agricultural and industrial production. At the same time, efforts should be made to hold the price line. Obviously, this is a long-term policy. In the immediate future, the situation calls for measures which will help reduce production costs and also for substantial fiscal relief to the industry. Mr. Thackersey suggested the scaling down of the dearness allowance to workers, abandoning the proposal for increase in provident fund contribution by industry to its workers from 6¼ per cent. to 8⅓ per cent., and reducing the excise duty to its 1955-56 level and its rationalisation through a change in the basis of duties from specific to *ad valorem*.

It will be folly on the part of the Government to ignore the industry's cast-iron case for fiscal relief. Mr. Shastri emphasised that it was not the Government's intention to paint a rosy picture of the industry at a time when it was really in great difficulties. He announced that a committee would soon be appointed to study the problems confronting the textile industry and make suitable recommendations to the Government. The question of reduction in excise duty, he said, would have to be considered at the highest ministerial level. But he declared that there was no possibility of a reduction in the excise duty on cloth in the near future. This statement is particularly unfortunate, for it just means that the Government is unwilling to face the textile facts. Again, it is not clear whether the committee which Mr. Shastri promised is different from the one which was suggested at the Indian labour conference at Naini Tal; the conference, it may be mentioned here, suggested the appointment of an expert committee to examine individual units which had closed down. There must be little that a committee can do by way of unearthing facts which are not already known. What is required is prompt fiscal relief to the industry rather than a prolonged examination of the crisis in committee rooms.

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LAND HOLDINGS

MUCH interesting light on the pattern of land ownership in rural India has been thrown by the First Report on Land Holdings, prepared by the Indian Statistical Institute, the full text of which has been published in the February issue of *Sankhya*, the Indian journal of statistics. The study gives the findings of the eighth round of the National Sample Survey, conducted in the period July 1954-March 1955. It is a first comprehensive enquiry of its kind undertaken on an all-India basis. It naturally ought to evoke considerable interest in the country. In conducting the survey, the authorities adopted the concepts, definitions and standards which were settled at a conference of Central and State statisticians, held in Calcutta in March 1954. Detailed discussions took place between the National Sample Survey, the Union Ministry of Food and Agriculture, the Planning Commission and the Central Statistical Organisation. The Indian Statistical Institute (Secretary: Professor P. C. Mahalanobis) was in charge of the design of the survey, the processing of the data and the preparation of the report.

The sample from which the data was drawn consisted of three groups of villages, one covering 1,424 villages for which the information was collected by the permanent whole-time field staff of the National Sample Survey; the information for two other groups, each covering about 1,500 villages, was collected by a field staff under the control of the respective State Governments. All these data have been collected and co-ordinated and have now been presented in a readable form. Briefly, the survey estimates that there are 65 million households in rural India which own about 310 million acres or 38 per cent. of the geographical area or 61 per cent. of the topographically usable area. For the whole of rural India, 84 per cent. of the total land owned is held under proprietory rights—71 per cent. by proprietors with right to transfer title and 13 per cent. by proprietors without such right. Only 2 per cent. of the land is held in the form of tenure. The percentage of land owned by occupancy tenants in the whole of rural India is 14. The average area owned is 4.72 acres. The percentage of households owning land below the average is 73. However, the percentage of area owned by households owning land below the average is only 16.

There is, of course, a large number of households with no land or less than one acre of land. They constitute 47 per cent. of the households; they, however, own only 1 per cent. of the total land. The proportion of landless households, including those who own less than 0.005 acre, varies from State to State. It is 7.99 per cent. in North India, 23.14 per cent. in East India, 28.13 per cent. in South India, 31.16 per cent. in West India, 22.45 per cent. in Central India and 22.75 per cent. in North-West India, the all-India average being 22.0 per cent. If the average were struck after excluding the landless households and also the households owning less than 0.005 acre, the average size of household ownership is 6.05 acres for the whole of rural India; the average (in acres) for North, East, South, West, Central and North-West India is respectively 3.93; 3.85; 4.75; 10.44; 10.57 and 9.28. Those who own 0-5 acres of land constitute 74 per cent. of the households which account for 17 per cent. of the total area. Another 13 per cent. of the households own between 5 and 10 acres of land and have 19 per cent. of the total land under their ownership. The remaining 13 per cent. of the households have ownership holdings of size larger than 10 acres; they account for 64 per cent. of the total land owned. The group with ownership of land in excess of 20 acres constitutes 5 per cent. of households and accounts for 41 per cent. of the total land; the share of 2½ per cent. of the households, each owning over 30 acres of land, amounts to 28 per cent. of the total land.

The general practice among rural households is to cultivate their land, though some of them lease out the land in their possession. Among rural households, there are 63.5 per cent. who do not lease out any land, 12 per cent. who lease out partly their own land and 2 per cent. who lease out all their land. The remaining 22 per cent. of the households are landless. It has been observed that, in the whole of rural India, 76 per cent. of operated land is owned and 24 per cent. taken on lease. The percentage of area leased in for management is only 13 in North India and it varies from 20 to 27 in East India, South India, West India and Central India. The report, however, warns that these zonal estimates are to be used with some caution, as they may not in all cases be sufficiently accurate.

In his foreword to the Report, Mr. Mahalanobis makes some notable observations. He rightly points out that all-India estimates of distribution of ownership can be used for studying the general implications of fixing ceilings and floors for such holdings. He calculates that, if the minimum is fixed at two acres for every household, both agricultural and non-agricultural, the total area of land required by those who do not have land or have less than two acres would be about 60 million acres. If the ceiling is fixed at 20 acres and all households holding more than 20 acres are required to hand over their excess holdings, the amount of land which would become available for distribution would be about 63 million acres. There would thus be available an excess of three million acres for distribution. With some slight adjustments, he estimates that a floor of two acres would be consistent with a ceiling of 20 acres. On the other hand, in a scheme of land redistribution which envisages the gift of land only to those whose main occupation is agriculture, it would be possible to raise the floor or the ceiling on land. This, of course, is an over-simplification of the problem, for, as Mr. Mahalanobis himself recognises, the distribution of land, its quality and the average size of the holdings differ from zone to zone and it would not be realistic to think in terms of uniform ceilings and floors on land holdings in different zones. He avers that, in actual practice, the details would have to be worked out for small homogeneous regions or even groups of villages.

We have consistently held the view that it is unwise to think in terms of ceilings on land in a country which already suffers from defects which flow directly from fragmentation of holdings. In any case, a scheme involving ceilings on land will assuage the land hunger of only the present generation. It would also leave the problem of agricultural production high and dry. Small-scale farming is bound to remain subsistence farming, involving scanty return for the farmer who is unwilling to improve the land because he has not the means for effecting such improvement. From this point of view, one wishes that the National Sample Survey had collected some statistics about agricultural productivity which would have served to indicate what constitutes an optimum size of holdings under Indian conditions. What India needs is legislation for prevention of excessive sub-division of land. So long as average holdings remain small and unrealistic land reform policies keep men with knowledge and capital out of rural areas, India must continue to face the problem of dismally low per-acre yields.

GENERAL INSURANCE

FROM many standards, the record of Indian general insurance is creditable. It has shown immense capacity for adjustment and ability to meet new situations. This is particularly commendable because it is more recent in origin than its counterpart, life insurance. General insurance owes its beginnings in this country to the pioneering efforts made by a few farsighted business men and industrialists in the early decades of this century. By and large, as Mr. B. K. Setalvad, President of the Indian Insurance Companies Association, pointed out in the course of his presidential address at the recent annual general meeting of the Association, held in Calcutta, the industry has given a "good account of itself." Nevertheless, time and again, one hears the plea for nationalisation of general insurance too. The Government, on its part, has in the past made it clear that it regards general insurance as part and parcel of private enterprise and that it is confident that business men know how best to safeguard their general insurance interests. All this has not apparently silenced its critics. It seems, therefore, necessary that general insurers should continue to educate public opinion, in general, and legislative opinion, in particular, in order to make them see how general insurance is playing an important part in building up trade and industry and also publicise its role as an earner of foreign exchange.

General insurance in India has kept pace with the country's industrial progress. Many large schemes and many new lines of general insurance have been explored by the insurers. Large risks, however, cannot be covered by insurers acting individually on their own. Reinsurance is vital to the very progress of general insurance. From this point of view, a notable development has been the setting up of the India Reinsurance Corporation Ltd. As Mr. Setalvad rightly stressed, it is desirable that the reinsurance facilities offered by the Corporation are exploited fully before any business is reinsured in the foreign markets. Nearer home, a somewhat intractable problem has been the existence of wasteful competition, excessive procuration cost and rebating which, according to Mr. Setalvad, are among the "major ailments" afflicting the business. The authorities have evolved a new code of conduct designed to suppress these evils. Explaining the importance of the new code, Mr. Setalvad said that, if the code were properly implemented, it should enable the companies to make sufficient underwriting profits, build up adequate reserves, and thus become strong and efficient units within the space of a few years. He added that, with the elimination of uneconomic competition and other undesirable features, it would also be possible to offer more attractive terms and more efficient service to the insuring public. We commend this counsel to the attention of general insurers. In some branches of general insurance, the loss ratio has been mounting steadily. This circumstance alone should make general insurers come together to devise ways and means of avoiding "wasteful competition" which only swells the loss ratios further.

Even in the immediate future, the prospects for general insurance are certainly bright. It cannot be too strongly emphasised that its progress is bound up with the implementation of the various programmes which form part of the second Five-year Plan. Progressive implementation of the schemes for the economic development of the country, as Mr. Setalvad pointed out, is bound to result in a gradual improvement in the general living standards of the people. This should give ample opportunities to insurance companies to add to their premium income by developing new lines of business as well as by improving further the lines in which they are already engaged. In this connection, he indicated that there was bound to be a growing demand in such new lines of general insurance as machinery erection and breakdown insurance, boiler insurance and contractor guarantee or performance bonds. The increasing tempo of the economic activity in the country, he said, would open up yet another profitable avenue of business for insurance companies in the form of "loss of profits" insurance. If people were made to appreciate the value of this form of insurance, it might mean a sizable increase in general insurance business in this country. Clearly, the vast potentialities for increase in business cannot be fully exploited, unless the base of general insurance is itself strengthened. This implies a well-organised and integrated market, composed of financially sound and healthy units. Although the number of general insurance companies is not very large for a country of India's continental size, the number is certainly large in relation to available business. A healthy merger movement deserves to be encouraged. We do not, of course, deprecate competition which must remain the watchword of general insurance.

There is, however, need for co-operation as well as for competition, both of which are necessary for the progress of general insurance. Insurance risks are becoming more and more complex. Not all of them can be faced singly by individual insurers. To take only one recent instance. It is now recognised that only through joint effort would insurers be able to meet the risks arising from the widening use of atomic energy. At a conference held in London in March last, 25 delegates representing the atomic insurance pools of several European countries reached agreement on the broad approach to the insurance of risks arising from the use of atomic energy reactor installations. The British Insurance Atomic Energy Committee, which organised the conference, itself represents British insurance companies and Lloyds Underwriters and is stated to be a means of marshalling the resources of British insurance market to form a single insurance pool to provide the underwriting capacity required to cope with the many millions of pounds involved in covering atomic energy risks. In addition, it also ensures maximum co-operation among individual insurers and facilitates the exchange of technical information. India too will do well to associate itself closely with efforts which are being made in the U.K. and the U.S. to cover atomic risks. There is thus great scope for profitable co-operation at both national and international levels. At the same time, general insurers cannot be oblivious of the fact that their business has widened their scope and varied their services only through competitive struggle. Without necessarily abandoning the essentially competitive nature of the insurance service, it should be possible for general insurers to evince a keen sense of co-operation in their mutual interest.

IMPLICATIONS OF T.I.S.CO. STRIKE

BEARS RAID BULLION—EXPORT QUOTA FOR COTTON—KILLICKS' NEW ISSUE

THURSDAY, 5 P.M.

THE Communist onslaught on India's steel town, Jamshedpur, has been in full swing for over a week now. The illegal sit-down and stay-in strike has continued unabated since the 15th inst., following the token strike on the 12th inst. Intimidation and violence, coupled with wanton vandalism directed against public and the Company's property, are part of the nefarious tactics the Communists have employed in order to terrorise loyal workers into submission to their behest. Sabotage of vital transportation from plant to plant of essential raw materials through threats against drivers has been reported. It would appear that, whereas in times of labour trouble in the past workers never attempted to interfere with the working of essential plants such as coke ovens and blast furnaces, the strike leaders have not spared such essential equipments this time. Surely, it is of the utmost importance to India's industrial future that the impression should not gain ground that workers can indulge in illegal strike and sabotage with impunity.

MARKET GOSSIP

Clearly, the whole aim of the extremist elements is to lay siege to India's coal and iron belt. Indeed, this has been evident for quite some time now. T.I.S.Co's Chairman, Mr. J. R. D. Tata, in his speech at the last annual meeting of the Company, pointed to the evidence of Communist infiltration into Jamshedpur. He said that, in the Communists' eyes, "success in achieving prosperity through a mixed economy and by democratic means would be a severe setback to their plans and must, therefore, be thwarted at all costs." He continued: "Progress and happiness must be achieved the Communist way or not at all and they cannot afford to let success in India disprove the necessity of the totalitarian methods used in some countries which they seem to love more than their own." He warned that there was evidence that the activities of these elements at Jamshedpur were part of a predetermined plan. He added: "Jamshedpur is one of their obvious and principal targets in the labour field, for control of the growing steel and heavy engineering industries there would provide them with a stronghold on one of the most vital and sensitive sectors of the economy." He indicated that the initial phase of the plan was marked by a series of localised incidents. Proceeding, he observed: "Agitation, coercion and intrigue, in the traditional pattern of Communist action, all play their part in this preliminary softening up process. If it succeeds, the pressure will be increased and extended to other units in the next stage until the present trade union movement and its leadership are destroyed. The last step would be to take over the whole labour movement at Jamshedpur and elsewhere." Recent incidents in the T.I.S.Co. town serve only to confirm Mr. Tata's dark predictions.

Sound industrial relations, like good health, seldom receive notice until they break down. Notwithstanding the recent unrest in Jamshedpur, it is noteworthy that the record of industrial relations in the city is the best of its kind in the country. The far-sighted management, conscious of its national responsibility as well as its responsibility to its workers, has been particularly solicitous of the interests of its employees. Apart from the fact that the T.I.S.Co. workers are provided with extensive facilities, including housing, medical care and education for children, on a scale not available to their counterpart elsewhere, they are now among the best paid industrial workers in the country. The average annual income per employee increased from Rs. 784 in 1939-40 to Rs. 2,337 in 1951-52 and still further to Rs. 2,437 in 1956-57. As a result of the steep increase in wages, the labour cost per ton of finished steel has also tended to move up. Thus, it was Rs. 27 in 1939-40, Rs. 93 in 1951-52 and Rs. 101 in 1956-57. Despite the increase in wages, the average output of finished steel per employee has actually declined. It was 28.9 tons in 1939-40 and only about 24.2 tons in 1956-57. The direct income of a worker in T.I.S.Co., besides provident fund and retiring gratuity, includes basic wage, production, maintenance or service bonus, incentive bonuses, dearness allowance, food rebate and emergency bonus, and annual profit-sharing bonus. The Company's profit-sharing bonus scheme, the first of its kind in the country, gives in its present form 30 per cent. of the Company's net profits to the employees. In 1956-57, the share of the workers in the total revenue of the Company aggregated 27.6 per cent., as against a mere 4.2 per cent. which was the share of the shareholders in the total revenue. It may be mentioned here that the number of individual shareholders, apart from institutional investors such as banks and insurance companies, is as large as 46,853, as against the direct employees of T.I.S.Co. of whom there are some 39,000 men in Jamshedpur. It should, therefore, be clear that the present labour unrest in T.I.S.Co. cannot possibly have any economic basis whatever.

Faced with an unpleasant task, the Bihar Government has been doing its duty in trying to maintain law and order under very difficult circumstances. After all, a Government has to govern or get out. It is to be hoped that the Central and State Governments are conscious of the issues involved in the recent events in Jamshedpur. If the extremist elements in the steel town are allowed to have their way, they are bound to engineer similar strikes all over the country, thereby bringing India's industrial machine to a halt and throwing the entire second Plan into a state of irreparable disrepair. It is best everybody knows what these elements are after.

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The serious labour unrest in Jamshedpur coupled with the Commerce and Industry Minister's "no" to the cotton millowners' request for a further reduction in excise duty for some time to come, provided the main inspiration for the bears to dominate the share market after a lapse of several weeks. Today, however, there has been a sizable recovery which has taken equity values well above the week's lowest, but it is too early to conclude from this sudden jump in prices today that the worst is over. Any further depression has, however, been prevented by the healthy technical position of the market. What is disturbing to the investors is that the T.I.S.Co. strike has spread to the Tata Locomotive and Engineering Company, and other industries under Tata management in Jamshedpur. The seriousness of the situation can be judged from the fact that the management of T.I.S.Co. has had to close down all departments, except certain essential services and departments and the Government has had to impose a 24-hour curfew. Consequent on these developments in Jamshedpur, Tata Ordinaries touched yesterday a low of Rs. 175.75 and Indian Irons Rs. 21.04, as against Rs. 181.25 and Rs. 21.56, respectively, a week ago. These low levels compare with the peak of Rs. 185 and Rs. 22.20 touched in the closing week of April.

Investors in textile shares have been disappointed by the Commerce and Industry Minister's refusal for the time being to cut the excise duty on cloth. But surely, they have reason to think that it is not altogether unexpected, in the light of the Planning Commission's suggestion that the Central and State Governments should raise by way of fresh taxation another Rs. 100 crores. The Minister has, however, promised to appoint an expert committee to look into the problems of the industry. The operators' disappointment is reflected in the dip of Bombay Dyeings from Rs. 53.80 to a low of Rs. 53 yesterday, of Centurys from Rs. 427 to Rs. 418 and of Kohinoors from Rs. 266 to Rs. 261.

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Another market in which "bears" have come to wield an upper hand is the bullion market, where the tables have turned suddenly within a span of a week against the bulls. This is particularly so in silver. Though the trend of prices has been somewhat irregularly lower since the middle of April, "bulls" continued to hold their grip till last week, thanks to scarcity of floating stocks of silver, sizable fall in arrivals and good demand for gold. The signs of loosening of the bull grip were evident towards the close of last week, as witness the narrowing of the carry-forward charges in their favour, but in the last few days the "bears" have gained the upper hand so rapidly that they have come to pay a penal margin of Rs. 500 per bar on their outstanding sales of silver in the July contract with effect from Tuesday. This has not, however, deterred them from hammering down the market, as the demand has already weakened considerably, with the result that ready silver has come to be done at the close today at Rs. 187-6, which represents a fall of Rs. 5-9 per 100 tolas over the week and of Rs. 15-2 from the peak of Rs. 202-8 touched on 17th April. Forward silver (current settlement) closed today at Rs. 187-14, as against Rs. 192-15 a week ago.

The slackness in demand for gold and the Bombay High Court's judgment invalidating Section 178A of the Sea Customs Act as *ultra vires* the Constitution, in so far as gold is concerned, have been the main bearish factors, with the result that ready gold has closed today at a low of Rs. 110-15, as against Rs. 113-4 a week ago and Rs. 114-15 a month ago. Forward gold has lost over the week Re. 1-9 per tola. Section 178A, which has now been held *ultra vires* the Constitution by Mr. Justice K. T. Desai, lays down that, where any goods seized under this Act in the reasonable belief that they are smuggled goods, the burden of proving that they are not smuggled goods shall be on the person in possession of the goods seized. The Judge has held that this section deprives a citizen to hold, acquire and dispose of gold or to carry on trade or business in gold, inasmuch as it is practically impossible for any person looking at gold to say whether it has been smuggled into India or whether duty has been paid on it or not.

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The cloud of uncertainty and anxiety that has for some time been overshadowing the cotton market has at last been cleared. The Government of India announced late on Tuesday this week a fresh export quota for 50,000 bales of cotton, comprising 35,000 bales of cotton of all varieties not above 23/32" in staple and 15,000 bales of cotton not above ¾" in staple. Exports as per this quota will be allowed on a first-come-first-served basis, subject to an individual quantity ceiling of 10 per cent. of the quantity allowed in each group per shipper. The announcement has been generally welcomed by the trade. The inclusion of ¾" cotton in the quota has been a matter of satisfaction to the trade, particularly to those who had entered into export commitments in anticipation of a quota for this cotton. The only complaint has been that the quantity permitted of ¾" cotton is small. The first-come-first-served basis for exports has also been welcomed, as it is thought that it will expedite exports.

As a sequel to the announcement, the spot prices of exportable varieties like Kalyan, Wagad, and Kalagin have firmed up by 20-25 points. The reaction of the futures market has been true to type. Following the quota announcement, the market, after a brief spell of hesitancy yesterday induced by the feeling that the quota for ¾" cotton was too small, improved later on firm spot advices. The I.C.C. Moglai Jarilla August contract, which had declined to Rs. 664 on Tuesday, improved to Rs. 679 yesterday and further to Rs. 683 today, although the closing was a shade lower at Rs. 682.50.

The total quantity allowed for export so far in the season, including the present quota, aggregates 250,000 bales, comprising 150,000 bales of Bengal *Deshi*, 85,000 bales of cotton of all varieties of staple length 23/32" and below and 15,000 bales of cotton of stapling ¾" and below. As regards the utilisation, the quota of 50,000 bales of Bengal *Deshi* released in October 1957 and the one for a like amount released on 17th March on a first-come-first-served basis have been completely absorbed. Of the 50,000 bales of Bengal *Deshi* released for export in February last, more than 30,000 bales have been sold. About 30,000 bales out of the quota of 50,000 bales of cotton stapling 23/32" announced on 25th March have also been sold. As regards the present quota, the general opinion among exporters is that it will be absorbed within a month. Already, about 10,000 to 12,000 bales out of the 15,000 bales of cotton of stapling ¾" permitted for export are reported to have been sold.

Shipment of cotton to various overseas destinations so far in the season has been slightly higher than in the last season. From 1st September 1957 till the 10th of this month 236,834 bales have been shipped, as compared with 218,003 bales in the same period last season.

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Details of the proposed "rights" issue by Killick Industries Ltd., an indication of which was given by the Company's Chairman at the last annual general meeting, are now available. The Company proposes to issue 25,000 shares of Rs. 100 each at a premium of Rs. 20 each and these will be offered in the first instance to the existing shareholders as on 7th May 1958 in the ratio of one share for every four shares held by them. The sum of Rs. 120 per share is payable thus: Rs. 20 on application (of which Rs. 10 is towards premium), Rs. 25 on allotment (of which Rs. 10 is on account of premium) and the balance of Rs. 75 in calls of not more than Rs. 25 per share at intervals of not less than two months.

The issue, for which the sanction of the Controller of Capital Issues has been obtained, is for the purpose of financing the Company's expansion programme. In view of the fact that the overdraft facilities which the Company had enjoyed so far to finance its expansion programme have reached their limit and the Company is undercapitalised, the Directors have decided to raise fresh capital.

The Company's present authorised capital is Rs. 1.50 crore, having been raised from Rs. 80 lakhs in 1951 through the creation of 70,000 shares of Rs. 100 each. Out of this, the Company issued 20,000 shares of Rs. 100 each at a premium of Rs. 20 per share in September 1951. It is out of the balance of 50,000 shares that the proposed issue is being made. The present issued and paid-up capital is Rs. 1 crore.

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The foreign exchange assets of India continue to move downward, although the pace of decline is slower than that a year ago, thanks to drastic cuts in imports. Over the first seven weeks (ended 16th May 1958) of the current financial year, the total foreign securities and balances held abroad recorded a fall of Rs. 15.49 crores to Rs. 251.51 crores. The drop in the corresponding period of the previous year was as much as Rs. 49.24 crores; the assets stood at Rs. 477.59 crores as on 17th May 1957. Thus, over the year ended 16th May 1958, the net contraction in foreign assets was of the order of Rs. 226.08 crores.

It looks as though the pace of decline in foreign assets will be accelerated in the coming months, despite the restrictive import policy. As the Planning Commission itself has clearly pointed out, the foreign exchange cost of several projects has gone up and there have been additional demands on the country's external resources, as, for example, for larger food imports and defence. A part of the expenditure of foreign exchange can, of course, be adjusted to what the country can earn from exports, but exports continue to be at a low ebb. In fact, there has been a distinct setback of late. The aggregate value of exports, particularly to the United Kingdom, during the first quarter of 1958 was lower by nearly Rs. 31 crores as compared with the same period last year. The setback to exports must be attributed partly to the American recession which has resulted in reduced offtake of Indian goods not merely by the U.S. but also by the countries depending largely on earnings from exports to the U.S. Indeed, the effects of the American recession are global in character and, since the recession has still not shown any signs of abatement, the question arises as to how to counter the world effects of the U.S. recession.

Posing the aforesaid question from the point of view of Britain, Prof. F. W. Paish, of London University, made a few interesting observations in London recently. In the opinion of Prof. Paish, Britain has the choice of three methods of maintaining demand for its products and services—to take steps to enable foreign customers to buy U.K. exports, even though they cannot pay for them at the moment; to attempt to expand home investment; and to augment home consumption. He recalled how, by the end of 1957, a margin of re-

(*Continued on page* 1011)

SHARE MARKET TURNS BEARISH

T.I.S. CO. STRIKE AFFECTS SENTIMENT

(From Our Own Correspondents)

BOMBAY, 22*nd May*

THE share market struck a bearish note during the week under review and prices, under the leadership of steels, declined sizably. The absence of any helpful development out of the Conference of Millowners and the Union Minister for Commerce and Industry in Bombay last week-end, coupled with the news of stay-in strike by the members of the Jamshedpur *Mazdoor* Union in the T.I.S.Co. works from the 15th inst., which entered its eighth day today and took a violent turn during the last few days, resulting in firing by the police and imposition of 24-hour curfew from yesterday, induced selling pressure. The spread of the strike to other industries like Tata Locomotives, etc. also depressed sentiment. It is feared that the strike in Jamshedpur during the last eight days would affect production and any prolongation of the strike further would seriously affect the output of T.I.S.Co. and, indirectly, the other industries which depend on steel.

The Union Minister for Commerce and Industry told the representatives of the textile industry in Bombay on Friday last that there was no likelihood of any further reduction in the excise duty in the near future. He, however, announced that an expert committee would soon be appointed to study the problems of the cotton mills and to make recommendations to the Government before coming to a decision on giving relief to the industry. The delay in the announcement of increased price for cement also depressed the sentiment. Towards the close, however, there was an all-round improvement in equity values which made good a sizable part of the earlier losses.

Tata Ordinaries were marked down from Rs. 181.25 to a low of Rs. 175.75, at which level there was some replacement buying and bear covering, which lifted up the price to Rs. 178.50 at the close. The new shares shed, over the week, Rs. 2.75 to Rs. 176. Indian Irons declined from Rs. 21.56 to Rs. 21.04, but gained back to Rs. 21.32 at the close.

Textile shares were depressed before staging a recovery today. Bombay Dyeings dipped from Rs. 53.80 to Rs. 53, but improved to Rs. 53.70 at the close. Centurys finished at Rs. 426 after having been depressed from Rs. 427 to Rs. 417.50. Kohinoors lost over the week Rs. 2.50 at Rs. 263.50, the lowest level touched being Rs. 261. Central Indias shed Rs. 3 to Rs. 81, while Finlays gained over the week Rs. 4 to Rs. 261. Gokaks were marked down by Rs. 5 to Rs. 137. Indu Ordinaries were done 12 nP better at Rs. 9.24 and Models Rs. 2.50 higher at Rs. 170. New Greats shed a rupee to Rs. 202. Osmanshahis put on Rs. 2 to Rs. 44, while Shree Niwas Cottons were unchanged at Rs. 134. Simplex gave way from Rs. 154 to Rs. 152. Standards were done at Rs. 390 *ex-div.*, as against Rs. 422 *cum-div.* a week ago. Svadeshis lost Re. 1 to Rs. 172, while Swans were done Rs. 5 higher at Rs. 344 and Tata Mills were unchanged at Rs. 37. Ahmedabad Advances shed Rs. 2.50 to Rs. 152.50 and Colaba Lands Rs. 5 to Rs. 30. Sassoon Silks were done 76 nP lower at Rs. 9.24.

Bank shares were fairly steady. Barodas were a fraction better at Rs. 115. Central Banks gained 30 nP to Rs. 51.30, while the new shares lost Rs. 2.25 to Rs. 54.50. Bank of Indias were a shade higher at Rs. 130, while their new shares lost Re. 1 to Rs. 132. United Commercials changed hands 50 nP higher at Rs. 59.30.

Among insurance shares, New Indias were well favoured and rose sharply from Rs. 47 to Rs. 49.75 before closing at Rs. 48.50. British India Generals were done 24 nP higher at Rs. 14.

Electricity shares presented a mixed pattern. While Ahmedabad Electrics gathered 20 nP over the week to Rs. 94.50, Bombay Suburbans shed 25 nP to Rs. 104.50 and Surat Electrics 50 nP to Rs. 107.25. Tata Hydros lost 75 nP to Rs. 117.75. Tata Powers gained Rs. 2.50 to Rs 1,215, but Andhra Valleys were lower by Re. 1.25 at Rs. 1,150.

In the sugar group, Belapurs reacted from Rs. 245 to Rs. 243.50, while Phaltans disclosed a gain of Re. 1.75 to Rs. 144. Walchandnagars were a shade better at Rs. 263.50. Kesar Sugars had business 30 nP lower at Rs. 50 and Ravalgaons 75 nP lower at Rs. 123.25. The delay over the announcement of cement prices caused selling in cement shares. Associated Cements dipped from Rs. 151.50 to Rs. 147, but the closing was sizably higher at Rs. 148.25. The new shares lost over the week Rs. 3 to Rs. 143.50. Digvijays lost Re. 1.50 to Rs. 142, Orissa Cements 76 nP to Rs. 11.56, Dalmias 14 nP to Rs. 9.86 and Jaipur Udyogs 24 nP to Rs. 11.76.

In the engineering and mining group, Alcock Ashdowns were done Re. 1.25 lower at Rs. 246.25. Tata Locomotives, after an initial improvement from Rs. 166.50 to Rs. 167.75, gave way to Rs. 162 yesterday. Today, however, they spurted to Rs. 166.25. Premier Constructions were placed at Rs. 183.50 *ex-div.* as against Rs. 191.75 *cum-div.* a week ago. Larsen and Toubros were steady at Rs. 16.32 and Mahindras were done today at Rs. 18 *ex-div.*, as against Rs. 19.20 *cum-div.* a week ago. Brady Engineerings were picked up Rs. 2 higher at Rs. 51. Shivrajpurs declined by Re. 1.50 to Rs. 80.50 and Indian Coppers were quiet at Rs. 3.08.

Scindias receded from Rs. 17.24 to Rs. 16.96, but gained strength to close at Rs. 17.24. Great Eastern Shippings showed no change at Rs. 19.92. Hindustan Motors declined by 16 nP to Rs. 6.72 and Premier Automobiles by Re. 1.20 to Rs. 80.30.

In the miscellaneous group, Bombay Burmahs (old) suffered a precipitous fall from Rs. 552 to Rs. 536, but rallied towards the close to Rs. 547. The new shares closed Re. 1.25 lower at Rs. 205. National Rayons were marked down from Rs. 231.75 to Rs. 226, but the loss was more than made good when the shares recovered to Rs. 232.50 at the close. Tata Chemicals were 12 nP lower at Rs. 14.80, while Tata Oils were unchanged at Rs. 37.75. Wimcos were done at Rs. 170 *ex-div.*, as against Rs. 173 *cum-div.* a week ago. Hindustan Levers put on 68 nP to Rs. 21.96 and I.C.D.C. were done at Rs. 73.50. Voltas were Re. 1.50 lower at Rs. 121.

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Calcutta Stock Exchange

CALCUTTA, 21*st May*

A reduction in the volume of transactions and a marking down in prices of speculative shares were the main features on the Calcutta Stock Exchange during the week under review. Reports of the deteriorating labour situation in both Jamshedpur and Burnpur kept the market anxious. These reports were followed by the news that the illegal strike in the T.I.S.Co. Works was palpably affecting production, resulting in the closing down of several departments. By strict import control, steel has become very short, and if indigenous production is affected as a result of labour troubles, this would cause untold hardship to the several industries dependent on Indian steel. The anxieties in this regard made buyers cautious, and the result was a lower volume of business. A tendency to reduce commitments was discernible. The settlement of the dispute in collieries over dearness allowance was noted with satisfaction, but the general trend of prices prevented coals from rising. On the other hand, jute shares were shown more attention, consequent on the decline in fibre prices and indications of a good crop. Textile shares were quiet in the face of reports of accumulating cloth stocks. The discussions of millowners with the Minister for Commerce and Industry in Bombay last week did not result in the much-hoped for relief in excise duty on cloth. Engineering shares were lethargic and there was a fall in prices. The anticipation that steel retention prices would be raised early failed to attract buying in view of the disquieting reports from the works.

Coals were generally dull. Burrakurs moved down to Rs. 21.62 from Rs. 21.75 and Central Indias to Rs. 7.69 from Rs. 7.81. East Indians were as low as Rs 20.25, as against Rs. 21.81 previously, while Bengals recovered to Rs. 241 from Rs. 230 and Karanpura Collieries to Rs. 94 from Rs. 93.50. Khatras Jherriahs at Rs. 55.50 were fractionally higher.

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In cottons, Bowreahs declined to Rs. 103.50 from Rs. 104, while Elgin Mills were better at Rs. 12.50.

Jutes put on an improved appearance. Anglo-Indias hardened to Rs. 147 from Rs. 142 and Barnagores at Rs. 87 gained Rs. 4. Megnas spurted to Rs. 103 from Rs. 100.50 and Fort Glosters to Rs. 320 from Rs. 318. Belvederes realised Rs. 90, as against Rs. 83 previously. Gourepores at Rs. 254 added Rs. 13. Northbrooks were fractionally raised to Rs. 15. Kanknarrahs picked Rs. 4 at Rs. 50. Chitavalsahs were better at Rs. 13.75, as were Kamarhatties at Rs. 91, while Nationals were quiet at Rs. 23.

Engineering shares were featureless. Indian Irons were subjected to renewed offerings, as operators were disinclined to lessen commitments, in view of the uncertainty created by labour trouble. Consequently, they gave way to Rs. 21.11 from Rs. 21.75. Following the announcement that the Government of India was taking over its management and that the Government would extend financial assistance, Jessop & Cos. received attention and in the transactions that followed the rate improved to Rs. 19.81 from Rs. 19.25. Bhartia Electrics were fractionally lower at Rs. 14.94, but Kumardhubis firmed to Rs. 9.62 from Rs. 9.12. Texmacos eased to Rs. 17.55 from Rs. 18.25. Indian Standard Wagons eased to Rs. 98.50 from Rs. 99, while Guest Keen Williams at Rs. 31 were higher by 25 nP.

Miscellaneous industrials accounted for some selected features. Indian Cables rose to quote as high as Rs. 33.50, as against Rs. 30.37 earlier in the week. Alkali and Chemicals were fully firm at Rs. 15. Titaghur Papers rose to Rs. 37.25 from Rs. 36.50, while Sirpur Papers received considerable attention this week and gathered strength to Rs. 10.56 from Rs. 9.94. Indian Oxygens continued to realise Rs. 18.25, while Indian Aluminiums spurted to Rs. 15 from Rs. 13.81.

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Madras Stock Exchange

MADRAS, 20*th May*

The Madras Stock Exchange continued to rule easy during the week under review also. With the diversion of funds from institutional and other investors to Central Government loans, buyers in the share market were somewhat scarce. Business was, therefore, restricted and prices tended to look down. Tea shares were generally subdued, despite the improvement in prices of medium and common teas. Rubber and coffee shares were also subdued. Select coffee shares, however, attracted some attention, although prices did not show any marked rise. Textile shares encountered selling, thanks to the categorical rejection by the Union Minister for Commerce and Industry of the plea for a further reduction in excise duty on cloth. the disappointment of operators over this statement was so much that even the Minister's assurance regarding the appointment of an expert committee to report on the present conditions of the textile industry failed to enthuse interest. Sugars were neglected. Miscellaneous industrials followed the general trend.

Among tea shares in the planting section, Peermades fell by Re. 1.25 to Rs. 20.25. Neelamalais were marked down by 38 nP to Rs. 4.35. Stanes Amalgamateds declined by 35 nP to Rs. 13.75. Kalasas receded by 25 nP to Rs. 15.40. Haileyburias retreated by 13 nP to Rs. 17.87. United Nilgiris and Kil Kotagiris eased by 10 nP each to Rs. 15.30 and Rs. 5.45, respectively. Blue Mountains shed 7 nP to Rs. 2.96, Periakaramalais 5 nP to Rs. 4.07 and Waterfalls 6 nP to Rs. 3.06. Alageswars, however, evoked some special support and hardened by 15 nP to Rs. 2.85. Among rubber shares, Tropicals dropped 55 nP to Rs. 20.70. Cochin Malabars receded by 30 nP to Rs. 4.40. Midlands lost a like amount to Rs. 16.10. Teekoys eased by 10 nP to Rs. 6.30. Woodlands and T.R. & T.'s softened by 5 nP each, the former to Rs. 7.70 and the latter to Rs. 6.60. Kalpettas, on the other hand, strengthened by 25 nP to Rs. 25.50, on special support. Among coffee shares, Consolidated Coffees encountered selling and dropped 55 nP to Rs. 24.55. Coffee Lands were lower by 27 nP at Rs. 34.85. Kumergodes, however, firmed up by 50 nP to Rs. 9.50. Savamalais hardened by 15 nP to Rs. 4.35. Sangameshwars gathered 3 nP to Rs. 3.03.

In the textile section, Lakshmis slumped by Rs. 5 to Rs. 94. Coimbatore Spinnings dropped a rupee to Rs. 49. Maduras shed 75 nP to Rs. 32. Buckinghams, Cannanores, Janardanas, and Ranga Vilas eased by 50 nP each to Rs. 165, Rs. 144.50, Rs. 76 and Rs. 60.50, respectively. Kotharis lost 10 nP to Rs. 10. Balasubramanias were quiet at Rs. 56, *cum-div.* reflecting the disappointment of operators over the cut in dividend to only 7½ per cent. for the year ended 31st December 1957, as against 15 per cent. in the previous year.

DUNLOP RUBBER CO., LTD.

The Dunlop Rubber Company, Ltd., London, has earned a higher net profit (after providing for taxation) of £3,016,600 for the year 1957, as against £1,943,591 in 1956. Consequently, the transfer to general reserve has been raised from £380,000 to £1,000,000. The dividend on the preference shares absorbs £451,447. The dividend on the ordinary shares has been stepped up from 10 per cent. in 1956 to 14 per cent., of which an interim of 3 per cent. was paid in November 1957, the corresponding distribution for 1956 being 2.5 per cent. A sum of £1,508,576 has been carried forward, as against £1,501,980 brought in.

NEWS IN BRIEF

THE Andhra Pradesh Government will shortly set up a small-scale industries board which will replace the existing advisory committee.

A six-man committee has been constituted under the Bombay State Family Planning Board to advise the Government on the question of sanctioning grants to family planning institutions for their publications.

The validity of the schedules attached to the Indian-Bulgarian Trade Agreement concluded in 1956 and revised in 1957 has been extended without any modification for a further period of one year, that is, upto 31st December 1958.

The new 53-mile branch line of the Bhilai-Dhalli-Rajhara section of the South-Eastern Railway was declared open on the 16th inst. The new branch line will lift every year approximately two million tons of iron ore from the Rajhara mines to the Bhilai steel plant.

The Bombay Government has relaxed the restrictions imposed on the distribution of cement for a period of three months. The free sale of cement earmarked for the non-agricultural public quota will be permitted in all areas of Bombay State, except the districts of Yeotmal, Buldhana, Chanda, Bhandara, Bhir and Osmanabad.

The Union Government has, in consultation with the Board of Trustees of the Employees' Provident Fund as well as the Trustees of the Coal Mines Provident Fund, decided to allow interest to the subscriptions of the Funds on their accumulations at the rate of 3½ per cent. during the year 1958-59, which was also the rate for the year 1957-58.

The Kerala Government has decided to constitute Managing Councils in all the State-owned industrial concerns, which will consist of the manager, one technician nominated by the manager and two representatives of the employees. The proposed Council will function as agencies for communications between managements and employees and will help evolve labour welfare measures, etc.

Exports of engineering goods showed a slight overall decrease in 1957, whereas those of diesel engines, electric fans, sewing machines, centrifugal pumps, agricultural implements and oil-mill machinery increased. The biggest customers of India were in the South-East Asian regions with purchases worth Rs. 1.3 crore out of total exports valued at Rs. 4.39 crores.

Training in scientific business management will be provided to another batch of small-scale industrialists at the Regional Small Industries Service Institute at New Delhi. Classes will be conducted in the evenings on three days in a week. The duration of the course is six months, on the completion of which a certificate is given to the trainees. No fees are charged for the training.

The total salt production in India by 164 factories during 1957 was 98.3 million maunds—an all-time record—as against 88.9 million maunds in 1956. This shows an increase of about 11 per cent. Export of salt in 1957 was about 11.929 million maunds which is 43 per cent. higher than in 1956 and represents the highest level of export so far reached since India became self-sufficient in salt in 1951-52.

An increase of 12 annas and one rupee in the prices of coal and hard and soft coke, respectively, has been made effective for a period of six months with effect from the 17th inst. The revision in prices is intended to enable the coal industry to pay the variable dearness allowance scheme for colliery wages as awarded by the Labour Appellate Tribunal last year.

The President has given assent to the Bombay Sales Tax (Validating Provisions) Bill, 1957. The Bombay Government has promoted the Bill to place on the Statute Book such amendments to the Bombay Sales Tax Act as were declared insufficient by the Bombay High Court for the purpose for which they were made. The amendments sought to validate Rule 6 of the Bombay Sales Tax Rules, 1952, which was declared *ultra vires* the rule-making power of the State Government. It also sought to change Rule 5 which was very similar and suffered from the same defects.

The temporary employees of the Central Government will, on discharge, receive a gratuity equal to one-third of a month's pay for every year of temporary service rendered by them. Persons who have attained quasi-permanent status which confers security of tenure as well as pensionary benefits analogous to those available to permanent employees are already entitled to half a month's pay for every year of service at the time of discharge. The temporary employees who have rendered approved service for three years and fulfil the age and educational qualifications prescribed for a particular grade can be declared quasi-permanent therein.

The all-India final estimates of *kharif* cereals (excluding small millets), namely, rice, *jowar*, *bajra*, maize and *ragi* for 1957-58 put the area and production at 163.55 million acres and 41.22 million tons, respectively, as against the partially revised estimate of 162.60 million acres and 43.14 million tons for 1956-57. The general decline in production is due to a substantial fall in production of rice from 28.28 million tons in 1956-57 to 24.82 million tons in 1957-58. The shortfall in rice production has been made up partially by the increase in production of *jowar* and *bajra* which has gone up from 7.25 million tons and 2.89 million tons to 8.06 million tons and 3.57 million tons, respectively. The increase in production of maize and *ragi*, however, was nominal. The estimated production of maize and *ragi* for 1957-58 is placed at 3.06 million tons and 1.71 million tons, respectively.

India had an adverse balance to the extent of Rs. 10.68 crores during the month of January 1958, according to the provisional figures of foreign trade by all routes—sea, air and land—on private and Government accounts, published by the Department of Commercial Intelligence and Statistics, Calcutta. Exports of merchandise (excluding transit trade of Pakistan and other overland foreign countries, namely, Nepal, Tibet, Sikkim and Bhutan) accounted for Rs. 53.25 crores, re-exports for Rs. 1.53 crores and imports for Rs. 65.48 crores. The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Exports (including re-exports) of currency notes amounted to Rs. 41 lakhs and of gold Rs. 5 lakhs, while those of current coins (excluding gold coins) were negligible. Imports of currency notes aggregated Rs. 4.21 crores and of gold Rs. 3 lakhs. There were no imports of current coins (excluding gold coins) during the month.

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From Abroad

A total of 133 Norwegian vessels with an aggregate 616,048 gross tons was laid up early this month, as compared with 118 ships of 515,731 tons a month before.

It is learned that Japanese construction experts and a Government engineer are on their way to the United Arab Republic to investigate the possibility of Japan's participation in the Suez Canal dredging and development operations.

A delegation of two men and two women from the Soviet textile industry is on a two-week visit to Lancashire to study conditions in the British cotton industry. The delegation has the invitation of the Weavers' Amalgamation of a Lancashire Cotton Union, which sent a fact-finding mission to inspect mills in the Soviet Union two years ago.

Sales of new passenger cars in Canada in the first quarter of this year were lower at 88,671, as against 91,843 in the same period last year. While unit sales declined by 3.5 per cent., dollar sales were lower by only 1.6 per cent. because of higher car prices. Sales of British and foreign-made cars in the quarter were higher at 5,852 units, as against 4,257 a year before.

A new record of 1,180,000 tourists, including business visitors, visited the U.K. during the year 1957. This was 7 per cent. more than in 1956. The estimated expenditure of overseas visitors in the U.K., excluding fares to and from the U.K., amounted to £129 million, as against £121 million. Visitors from the dollar area spent £44 million as compared with £43 million.

All branches of wool trade, from wool growers to cloth merchants, will be represented at the five-day annual conference of the International Wool Textile Organisation which commenced at Vienna on the 19th inst. About 200 delegates from 18 countries, including Britain, are discussing the main theme of the conference, namely, the establishment of the European Common Market and its repercussion on the wool trade.

The War Risks Rating Committee of the Institute of London Underwriters has announced that war and strike, riot and civil commotion cargo insurance rates for voyages to, from or between ports in Jordan, Lebanon and Syria are now "held covered." This means that cargoes can be insured but there is now no fixed rate. The rate for these three countries previously was 9*d.* per £100 of cargo insured.

The immediate suspension of the levy of $M.21 per picul imposed on tin to repay Malaya's contributions to the buffer stock has been urged by the owners of 600 Chinese mines in the Federation of Malaya. A delegation of these owners met the Minister of Natural Resources in Kuala Lumpur recently and stated that they were not able to pay the levy until the price of tin showed improvement. The Government's decision on the plea is expected to be announced later this month.

A five-man World Bank Mission, headed by Mr. Neil Perry, has arrived in Karachi for a first-hand survey of Pakistan's economic situation. During his recent visit to Washington, the Finance Minister, Mr. Amjad Ali, had discussions with World Bank officials regarding an aid programme for certain projects which include a scheme to end waterlogging and salinity in West Pakistan and construction of power transmission lines. The mission will be in Pakistan for a month.

Direct and indirect taxation per head of population in Australia during 1956-57 was £127 5*s.* 3*d.* as compared with £118 5*s.* 9*d.* in the previous year, according to the figures released by the Commonwealth Statistician. The percentage proportions of the different taxes in 1956-57 were: Customs duties 5.65, excise duties 17.92, sales tax 10.36, land taxes 0.97, pay-roll tax 4.01, income-taxes 51.12, probate and succession duties 3.06, stamp duties 1.76, motor taxes 2.78, and all other taxes 2.37.

In the course of a joint memorandum, the British, Belgian, French, German, Dutch and Italian papermakers have urged their Governments to exclude the pulp, paper and board industry from the proposed European free trade area. They state that, if the industry were included in the area, their Scandinavian competitors might gain a virtual monopoly. If a free trade area for paper were unavoidable, the papermakers want the Governments concerned to discuss appropriate safeguards with the industry as a matter of urgency.

England's premier agricultural exhibition, the Royal Show, will be held this year at Bristol from 1st to 4th July. The show, which is organised each year by the Royal Agricultural Society of England, will cover over 150 acres. The livestock section at the show will feature about 20 breeds of cattle, some 30 of sheep and several types of horses. There will also be classes for goats, and a poultry and pigeon section. Thirty-seven acres will be devoted to stands exhibiting machinery.

PERSONAL

MR. Rustom P. Masani has been elected Chairman of the All-India Life Policyholders' Association, at its first general meeting held in Bombay during last week-end.

Dr. L. A. Bhatt is leaving for Europe today and will be present in Philadelphia at the Golden Jubilee celebrations of the American Institute of Chemical Engineers which are being held there from 22nd to 27th June.

Mr. Rajeshwar Dayal, at present Ambassador of India to Yugoslavia and Greece, has been appointed High Commissioner for India in Pakistan, in succession to Mr. C. C. Desai. Mr. Dayal will take up his new post shortly.

Mr. A. B. Chatterjee has taken over charge as Chairman of the Union Government's Tea Board in Calcutta with effect from Monday, *vice* Mr. U. K. Ghosal, who has joined the Damodar Valley Corporation as its Secretary.

Mr. R. G. Saraiya, Chairman of the Bombay State Road Transport Corporation, left for New York on Sunday. During his stay in the United States, Mr. Saraiya will take the opportunity to visit various transport and automobile organisations.

Mr. S. N. Chid, Director-General of Tourism and Joint Secretary to the Ministry of Transport and Communications, Government of India, left Bombay for Paris *en route* to Frankfurt on Thursday last to attend an International Conference on Tourism to be held there.

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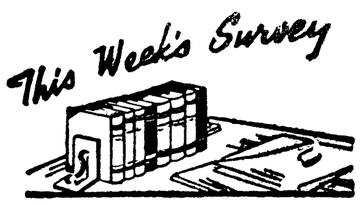

NEYVELI PAOJECT

THE inauguration of the experiment in the pilot briquetting and carbonising plant at Neyveli by Mr. Howard Houston, Head of the U.S. Technical Co-operation Mission in India, last week, marks an important step in providing smokeless domestic fuel of excellent quality. The tests conducted in well-known laboratories abroad are said to have shown that the Neyveli lignite is of a very good quality capable of being briquetted and carbonised to yield smokeless domestic fuel. Expert opinion suggested that pilot experiment should be conducted to determine the quality of domestic fuel. It is in pursuance of this suggestion that India had to seek the aid of the T.C.M. of the U.S. for supplying briquetting and carbonising equipment. The T.C.M. not only readily complied with the request but also erected the equipments in a record time of six weeks. The pilot experiment will play an important role in finalising the specification of the plant and machinery required for commercial purposes.

The Neyveli Project is a multi-purpose one, intended to harness the lignite reserves for providing the much-needed electricity for industrial development in the South, for manufacture of fertilisers for agricultural development and for production of briquettes for use as domestic and industrial fuel. The acute shortage of fuel in the South has been retarding the development of industries and agriculture. The development of the Madras State, as Mr. C. Subramaniam, Finance Minister, who switched the pilot plant into operation, put it, depended on the success of the Neyveli Project. Under this project, it is planned to establish a plant to produce 714,000 tons of lignite briquettes which will be carbonised to yield 380,000 tons of semi-coke. In view of the importance of this project, the mining part of the project has been included in the list of "core" projects under the second Plan. The total foreign exchange cost of the project (mining part only) provided in the second Plan period amounts to Rs. 10.50 crores, of which a sum of Rs. 6.70 crores has been incurred up to the end of March 1958. This leaves a fresh commitment of Rs. 3.80 crores necessary for the completion of the programme. It is significant to note that the first experiment in the pilot briquetting and carbonising plant was inaugurated last week, almost one year after the earth-moving operations of the first mine cut of lignite reserve at Neyveli was inaugurated by the Prime Minister.

OIL-BASED INDUSTRIES

One more Development Council—that covering the oil-based industries of soaps, paints and plastics—has been constituted by the Government of India; it is the thirteenth of its kind set up under the Industries (Development and Regulation) Act. This 21-member Council, which is presided over by Mr. P. A. Narielwala of Messrs. Tata Industries (Private) Ltd., was inaugurated at New Delhi the other day by Mr. Manubhai Shah, Union Minister for Industry. It is entrusted with the task of recommending to the Government targets of production, co-ordinating production programmes, and reviewing the progress of industries from time to time. It will also suggest the norms of efficiency, so that output is maximised, quality improved and cost reduced. Its other functions will be to promote standardisation of products manufactured by the soap, paints and plastics industries and put forward measures designed to raise productivity of labour and ensure general labour welfare. At its inaugural meeting, the Council decided to divide into three separate panels for the aforesaid industries in order to discuss their individual problems.

The constitution of the Development Council for the oil-based industries will be widely welcomed. These industries play a vital role in the economy of the country. With the improvement in the general standard of living of the people and with the expansion that is taking place in the different consuming industries, the demand for products like soaps, paints and plastics is bound to increase greatly. If this demand is to be met fully and at an economic price to the consumer, it is imperative that the pace of development of the oil-based industries should be speeded up and due attention paid to the need for avoiding any maladjustment in growth. Surely, the activities of the Development Council will be watched with much interest.

Inaugurating the Council, Mr. Manubhai Shah, Union Minister for Industry, did well to urge the soap industry to use non-edible oils to the maximum possible extent, to conserve oils like groundnut oil and coconut oil for edible purposes in the country, and to find out synthetic detergents which were not based on edible oils so that new chemical industries could spring up. Speaking on the problems of the paint industry, Mr. Shah rightly emphasised the importance of developing indigenous raw materials and increasing the production of pigments and nitrocellulose lacquers, as well as finishes based on synthetic resins. He also underlined the need for standardisation of quality of paints marketed and maintenance of standards. Given these, there is no doubt that a substantial export market for paint products can be built up. The Minister called upon the two groups in the paint industry to merge themselves into a central association of paint manufacturers which could pay attention to maintenance of standards and establishment of a central laboratory. Turning to the plastics industry, Mr. Shah commended the "enormous" progress made by the industry in the last few years; he said that the quality of the goods was satisfactory. He pointed out that there was vast scope for production and export of plastic goods. He revealed that a programme of expansion of raw materials and basic chemicals like styrene, formaldehyde and phenol had already been drawn up, and asked the Development Council to help implement it.

In conclusion, Mr. Shah assured the Council that the interests of all sectors of the industry—cottage, small, medium and big, foreign-owned or Indian-owned—would be safe in the hands of the Government and that there would be no discrimination between one segment and another. He also assured the Council that protection, if any, given to any sector would be based only on economic grounds. It is to be hoped that the steps taken by the Government for the development of the oil-based industries will be in conformity with the assurances given by Mr. Shah.

LABOUR CONFERENCE

In the course of his address to the sixteenth session of the Indian Labour Conference which began at Naini Tal on Monday, Mr. G. L. Nanda, Union Minister for Labour and Employment, touched upon some of the major labour problems facing the country. In view of the current disturbed condition of industrial relations in India, he did well to draw pointed attention to inter-union rivalry which was in no small measure responsible for much of the current industrial unrest. Inter-union rivalry, Mr. Nanda pointed out, was the bane of the Indian labour movement. Trade union conflicts have been undermining the strength and solidarity of the working classes. The only long-term remedy for this was to have a unified trade union structure which cannot materialise until trade unions were divorced from party politics or the bulk of labour found itself in a single party or the working class formed a party of their own. But none of these appear to be practicable in the present context. If multiplicity of unions was inevitable, was there not a way to arrange mutual relations between competing unions in the same field so that workers were saved from harm, the industry was not injured and the national interest did not suffer? Answering this poser, Mr. Nanda said that a code of conduct for trade unions, setting out the do's and dont's which they should observe, should be evolved. A trade union, which figured as such in the system of industrial relations, must satisfy and maintain certain minimum standards in respect of membership fees, their collection, union meetings, secret ballot for direct action and other essential features.

The problem of trade union recognition, he pointed out, was at the bottom of much of the friction between employers and employees. There were two aspects to this problem: which unions should be recognised?; should legal compulsion be provided? According to Mr. Nanda, if the labour organisations themselves arrived at an agreed basis for trade union recognition, regarding the choice of union as well as the minimum standards to which a union must conform, there would, in the present circumstances, be no resistance in the matter on the part of employers. It may be mentioned in this connection that the Labour Ministers' Conference which concluded its session on Monday recommended that no recognition should be given to a trade union unless it had been functioning for at least one year and had a membership of 15 per cent. of workers in the trade, occupation, or industry concerned. It was also suggested that the trade union should prescribe a membership fee and ensure proper collection of such fees. The Labour Ministers, however, held that these principles should be laid down on a voluntary basis and not through legislation.

Referring to the principal item on the agenda of the Conference, namely, industrial relations, Mr. Nanda said that the apparatus of industrial relations, as it was functioning today, was not giving complete satisfaction in some respects. He pointed out that there had been general reluctance on the part of labour to dispense with the machinery of compulsory adjudication. The consensus of opinion at the Labour Ministers' Conference was not in favour of even a limited suspension of the adjudication machinery. Mr. Nanda was, however, prepared for the adoption of such a course if the majority of workers preferred it. In any case, he emphasised, recourse to tribunals should be reduced to the minimum. Although it was not possible to evolve a rigid formula for all situations, it was possible, according to him, to frame norms and yardsticks which could be applied for voluntary settlement of disputes.

A partial suspension of compulsory adjudication in certain areas or industries for a specified period of time is not, in our view, the correct approach to the question. Those who are opposed to the abolition of compulsory adjudication will certainly do everything to discredit the policy, which though bristling with many practical difficulties in the current context in India, is sound in principle.

Finally, Mr. Nanda did well to touch upon a point of vital concern to the country when he observed, while referring to the frequent interruptions of work on account of strikes and lockouts: "the right to strike is not in question in terms of the law which govern industrial relations, but the exercise of that right has to be viewed in relation to the consequences of stoppages of work for the economy of the country, the progress of the Five-year Plan and the damage they cause to the workers' own interests." It is to be hoped that all those who swear by the interests of the country would ponder these words.

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TRAMP SHIPPING

The world tramp shipping industry is passing through a period of great stress and strain. The present freight rates, lowest as they are since 1952, coupled with mounting costs, have made operation of a tramp ship almost as uneconomic as during the early 1930s. It is not, therefore, surprising that the present tonnage of idle shipping has increased by over a million tons in less than a month to touch a high of seven million gross tons. It may be of interest to know that this represents about 6.4 per cent. of the world merchant fleet. Of this figure, that is 7 million gross tons, 3.78 million tons represent dry cargo vessels and in this 1.73 million tons or 277 ships are registered under tax-free flags. It is stated that the U.K. has 500,000 tons of dry cargo vessels laid up and Greek owners about 420,000 tons. Again, oil tankers account for 3.3 million gross tons of the world laid-up total.

The steady increase in laid-up tonnage is attributed to absence of any signs of recovery in tramp shipping freight rates in the foreseeable future. Hence, rather than keep the ships in commission against hopes of securing a new charter, shipowners have preferred to lay-up ships whenever their present charters expire. Against this background, the meeting convened by shipping representatives from 19 maritime countries assumes special significance. The Conference of the International Chamber of Shipping is scheduled to be held in London this week to discuss the "practicability or desirability" of international co-operation to control the amount of tramp shipping in the world sea trades. The meeting, it is stated, will consider the question of appointing a special committee to examine existing schemes for co-operation which may also be supplemented by some of its own suggestions. The committee thus constituted would take account of Greek proposals which advocate automatic laying-up of a ship if it cannot obtain a profitable freight rate and control over release of vessels from lay-up. The Tonnage Stabilisation Scheme formulated by the U.K. Chamber of Shipping several years ago will be yet another plan for consideration. It is recognised that, in the adoption of any such scheme, attention should be paid more to the controlled release of shipping from lay-up than to the actual process of laying-up, especially since there is a large volume of laid-up tonnage eager to re-enter the market once freight rates show a tendency to rise.

The proposal for international control of laid-up tonnage is, however, not likely to receive the support of a number of U.K. and Scandinavian owners. Again, there is a section of opinion which holds that the present depression might prove beneficial if it compels the retirement from service of pre-war and war-built ships. The only hope for a recovery in freight rates which will admit of an operating profit and some provision for depreciation lies in a world-wide expansion in trade. But when there is a recession in the U.S., such a revival does not appear to hold promise.

COMMUNITY DEVELOPMENT

In his message to the Community Development Conference held at Mount Abu on Tuesday this week, the Prime Minister, Mr. Nehru, very pertinently declared that community development had arrived at a crucial stage and that its future success would be measured not in vague impressions but in the actual production of foodgrains especially. The population of the country is continuously rising and the inflationary forces are gathering momentum. Unless the supply of food (and other agricultural commodities) is augmented, the pressure of inflationary forces is bound to increase enormously. As Mr. Nehru said, an increase in food output is of vital importance today; indeed, it is by far the most important problem that we have to face in the near future.

How valuable is the contribution which the Community Development programme would make from the point of view of the fulfilment of the second Five-year Plan, particularly of its agricultural production targets, was well brought out by Mr. V. T. Krishnamachari, Deputy Chairman of the Planning Commission, while addressing the Mount Abu Conference. The fundamental objective of the programmes for increased agricultural production embodied in the Plans, Mr. Krishnamachari said, was to raise substantially the level of rural life by the most efficient use of land resources, the application of modern scientific research and the evolution of a diversified economy. In this connection, he commended the following eight-point programme for enhanced agricultural production and community development:

(i) Multi-purpose, large and medium projects. Construction of the field channels needed to utilise the irrigation available and their maintenance in an efficient condition from day to day. In construction alone, there will be over 30,000-40,000 miles every year for 20 years over a large part of the country.

(ii) Minor irrigation works, including tube-wells. The responsibility for maintaining these works and for excavating and maintaining field channels is the responsibility of the village.

(iii) Contour-bunding, soil conservation and other programme for dry farming in the dry areas and construction and maintenance of bunds.

(iv) Scientific agriculture. Producing as a permanent arrangement in the village all the seeds and organic and green manure needed; arranging for the supply of these in kind to those who cannot pay for these in advance, recovering after harvest; arranging for the distribution of fertilisers received for the village and their supply to the smaller holders on credit in the first instance; promoting the use of Japanese method of cultivation in all areas suitable for it and other advanced techniques for wheat and other crops which are suggested by the technical departments, and in other ways, work for a diversified agricultural economy; and development of animal husbandry programme; dairy produce, fisheries, etc.

(v) Programmes for supplementary occupation. Cottage and small-scale industries, etc.

(vi) Consolidation of holdings. A programme of consolidation of holdings is essential, especially in areas which are irrigated or have assured rainfall for the effective implementation of the groups of programmes indicated above.

(vii) Works for the benefit of the community. Every family should devote a portion of its time to building up permanent assets of value to the community.

(*Continued on page* 1011)

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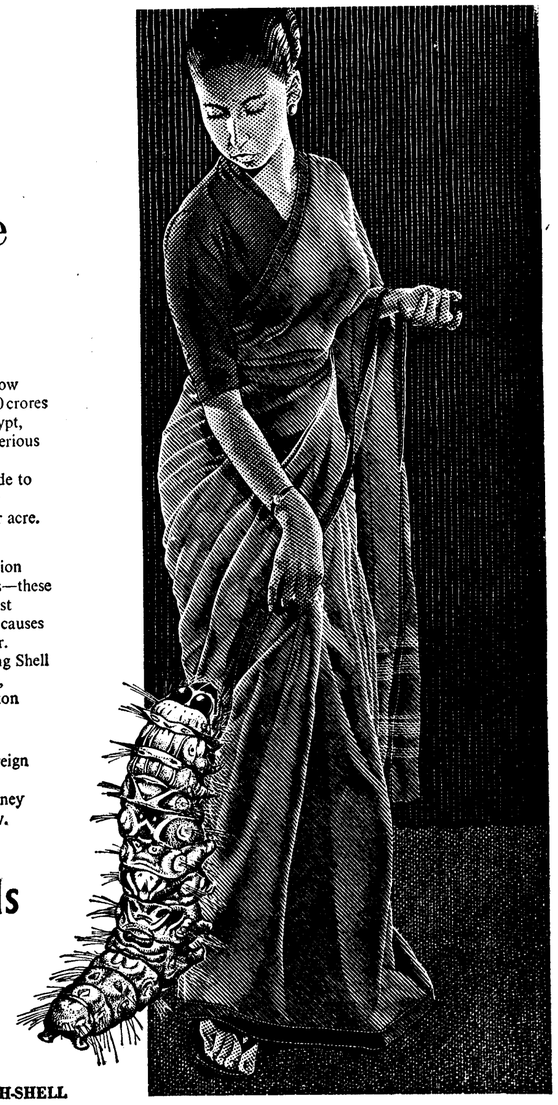

FOR AGRICULTURAL CHEMICALS ... BURMAH-SHELL

THREE RECENT OFFICIAL DOCUMENTS

SOME STRIKING FACTUAL FINDINGS HIGHLIGHTED

From A Special Correspondent

NEW DELHI, *20th May*

DELHI LETTER

THIS despatch highlights some striking factual findings of three recent official documents. The first of these documents is the *Economic Classification of the Central Government Budget for* 1958-59, issued later than the usual budget papers; the second is the Planning Commission's *Appraisal and Prospects of the Second Five-year Plan*, and the third is the Central Statistical Organisation's *Estimates of National Income*: 1948-49 *to* 1956-57.

It is seen from the economic classification of the Central Budget for 1958-59 that the wages and salaries component of consumption expenditure on current account of Government administration has increased from Rs. 170 crores in 1956-57 (Accounts) to Rs. 214 crores in 1958-59 (Budget), commodities and services component from Rs. 166 crores to Rs. 238 crores, grants to States from Rs. 66 crores to Rs. 125 crores, and subsidies from Rs. 1 crore to Rs. 27 crores. In spite of a net increase of Rs. 124 crores in revenue in 1958-59 over 1956-57, there is a deficit of Rs. 18 crores on current account in the former, as compared with a surplus of Rs. 98 crores in the latter year.

As for the current account of departmental commercial undertakings (including railways), wages and salaries (including those on repairs and maintenance) have increased from Rs. 182 crores in 1956-57 to Rs. 200 crores in 1958-59, commodities and services (including those in respect of repairs and maintenance) from Rs. 105 crores to Rs. 129 crores, and provision for depreciation from Rs. 47 crores to Rs. 48 crores. On the other hand, profits transferred to current account of Government administration have decreased from Rs. 13 crores in 1956-57 to Rs. 10 crores in 1958-59, while the retailed profits have increased from Rs. 29 crores to Rs. 43 crores. It is noteworthy that, whereas gross sale proceeds have increased by Rs. 65 crores (from Rs. 413 crores to Rs. 478 crores), gross profits (covering depreciation and retained and transferred profits) have also increased more or less proportionately from Rs. 89 crores to Rs. 100 crores.

Equally Revealing

The capital account of Government administration and departmental commercial undertakings together is equally revealing. On the receipts side, gross savings (covering saving on current account of Government administration and retained profits and depreciation provision of departmental commercial undertakings) have decreased from Rs. 174 crores in 1956-57 to Rs. 73 crores in 1958-59. On the disbursements side, however, gross fixed capital formation has increased from Rs. 234 crores to Rs. 324 crores. This capital formation in respect of buildings and other construction was Rs. 111 crores by way of new outlay in 1956-57, as against Rs. 158 crores in 1958-59, and Rs. 28 crores and Rs. 68 crores in the respective years by way of renewals and replacements. And the fixed capital formation in respect of machinery and equipment was Rs. 73 crores by way of new outlay in 1956-57, as against Rs. 71 crores in 1958-59, and Rs. 23 crores and Rs. 27 crores in the respective years by way of renewals and replacements. Again, grants for capital formation (to States, non-departmental commercial undertakings and others) have increased from Rs. 31 crores to Rs. 39 crores. And the capital account as a whole reveals, on the receipts side, a deficit of Rs. 285 crores in 1958-59, as against a deficit of Rs. 109 crores in 1956-57 on all transactions in commodities and services and transfers.

Without referring to the other types of deficits emerging from the operations of the Central Government, it may be pointed out that the Government's draft on real resources of the community for consumption and capital formation is Rs. 802 crores in 1958-59, as against Rs. 598 crores in 1956-57. And the Central Government's contribution to the generation of national income is Rs. 540 crores in the former as against Rs. 472 crores in the latter year. This contribution in the two respective years is composed of Rs. 214 crores and Rs. 170 crores by way of wages and salaries on current account of Government administration. Rs. 251 crores and Rs. 256 crores by way of net output of departmental commercial undertakings, and Rs. 75 crores and Rs. 46 crores by way of wages and salaries component of Government outlay on construction.

The Planning Commission's latest publication on the progress and prospects of the second Plan is particularly revealing where it states that the aggregate yield (Rs. 725 crores over the five-year period) from the measures of additional taxation so far adopted by the Centre represents an improvement of Rs. 500 crores over the target (Rs. 225 crores) for additional taxation suggested originally in the Plan. All this tax effort, according to the Planning Commission, however, has not provided resources for the Plan, because a *large* part of it has been absorbed by other demands like defence, non-development expenditures, and development expenditures outside the Plan. The balance from the Centre's current revenues utilised for the Plan is estimated at Rs. 305 crores over the first three years and Rs. 465 crores over the entire five-year period or an annual average of Rs. 93 crores. Here, the Planning Commission appears to have overlooked the fact that the balance at the 1955-56 level of revenue itself was about the same as the said annual average of Rs. 93 crores. If this fact is kept in mind, it will be seen that *almost* the entire *additional* tax revenue of Rs. 725 crores over the five-year priod will have been swallowed up in non-Plan expenditures. The Planning Commission's original estimate of an aggregate revenue balance of Rs. 252 crores in the entire five-year period at the 1955-56 rates of taxation was obviously an underestimate.

The Central Statistical Organisation's *Estimates of National Income* contains, among others, a table giving the current account of all public authorities: administration. It is seen from this table that the total tax revenue has increased from Rs. 770 crores in 1950-51 to Rs. 957 crores in 1955-56. At the same time, expenditure on civil administration and defence has increased from Rs. 524 crores to Rs. 661 crores. While national income (at 1948-49 prices) has increased by about 24 per cent. from Rs. 8,850 crores in 1950-51 to Rs. 11,010 crores in 1956-57, *per capita* income has increased by just 15 per cent. from Rs. 246 to Rs. 284. Another interesting fact is that agriculture, animal husbandry and ancillary activities accounted for 47.8 per cent. of national income (again at 1948-49 prices) in 1956-57, as against 49 per cent. in 1950-51, while the percentage contribution of mining, manufacturing and small enterprises remained the same in the two years. Land revenue (including agricultural income-tax), however, has increased by just Rs. 23 crores, from Rs. 52 crores in 1950-51 to Rs. 75 crores in 1955-56. This would mean that, as of 1955-56, land taxation is just 1.6 per cent. of the agricultural part of national income.

EFFECTS OF BUS STRIKE

From Our Own Correspondent

LONDON, *16th May*

LONDON LETTER

AT a cost of a 3 per cent. increase in wages, the Government and the British Transport undertaking have avoided a national rail strike and with that probably the danger of a general strike. But that does not mean that the London busmen stand alone. They have the sympathy of the whole trade union and labour movement and there is little doubt that if the leader of the Transport and General Workers' Union, whom the Government would like to see discredited, were to force the issue, he could bring out on strike the London railway workers who were indeed against accepting the overall railway settlement. But the Transport Workers Union has so far played its hand with great patience and they will no doubt continue to do this so long as there is any prospect of reaching a settlement between the London Transport undertaking and the busmen. Not that any settlement is going to be easy, for the Government is committed to showing the unions that they cannot hope to get their way against Government economic policy simply by going on strike. If both sides refuse to move then the danger of an extension of the bus strike to the London railways would rise again and the consequent cessation of all public transport would create an ugly situation.

Banking System

So far, the public have adapted themselves to busless movement about London, although one or two side effects are noticeable. For instance, far fewer people come into the Metropolis to shop so that less money is being spent, and along with this, the banking system is finding that the flow of cash through the branches has been diverted from its normal channels. After all, in an area of some ten million people with a daily expenditure on transport of the order of £1 million, the removal from the spending chain of a sizable part of this has a very noticeable effect on the receipts of banking branches. For instance, those that used to receive payments from the terminal garages of the London buses now get no payments at all, while those receiving payments from terminal points of the railway system receive very much larger sums—and they are taking a little while to sort out the flow of coin from one to the other. Many banks have, in fact, been unable to meet the normal demands put on them by their local public and traders for change.

The Parisian monetary troubles are much more serious than those afflicting the London banks as the result of a bus strike. The devaluation of the franc by 20 per cent. is accepted by everyone in France except the Government which still maintain the fiction of a franc rate of 980 with a discount of 20 per cent. for specified purposes. But, with the new crisis over Algeria, the franc has now weakened below 1,180 francs to the pound, and internally there is no confidence at all in the ability to hold this rate if France continues in its present disastrous divisions. Frenchmen are loth to part with real goods for francs and in the present uncertainties they are frequently loth to part with them at all for any currency. One could almost speak of a lack of confidence in money in France, at least in so far as the holders of goods which will bear stocking, such as wines, are concerned. Manufacturers must maintain a turnover to meet their outgoing costs but not so the wine shippers of Bordeaux who have already met their outgoings and held their wines. In an uncertain world, they feel that a cask in the cellar is worth more than money in the bank.

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GOVERNMENT IN THE ECONOMIC SYSTEM

GUIDE TO POLICY SHOULD BE AS LITTLE INTERVENTION AS NECESSARY

By Gabriel Hauge

CONTROVERSY will continue to surround the question of government's proper place in the economy. This, of course, is not surprising for the issue in most countries is not one of "whether-or-not" but one of "more-or-less" government. The issue is posed in practical situations that are often difficult and imprecise. It is in resolving these specific day-to-day questions that basic principles can show the way. Economic history, philosophy and political experience help one identify basic values and economic truths. They show that personal freedom in the economic sphere supports political freedom and other individual and social goals. This view leads to a predisposition to favour freedom, as against government intervention, whenever a compelling justification for such intervention is lacking.

This philosophical bent in the United States in favour of freedom is reinforced by the market system's success in providing an increasing level of material well-being for the whole community. By directing production towards meeting millions of individual choices, the market system produces the largest total of satisfactions, because it produces the most of what people want most. And it does this not by coercion but through free incentives. This system naturally does result in an equal distribution of income, but, as Professor Boulding has put it, "we now see that in practice the abolition of poverty can only come from development"—or growth—"not from redistribution, not from taking from the rich to give to the poor, but in making everybody richer." This, too, the market economy has done. Competition spurs that productivity which has been well described as "the mentality of progress."

No one holds, of course, that the competitive market system is perfect and automatic. Imperfections there are, and to deal with them, government has a vital role to play. First, to strengthen the operation of free markets; second, to moderate the fluctuation of the economy between inflation and deflation; and third, to supplement the market system in those areas where it alone cannot as well provide certain essential needs. In this way, government reinforces rather than replaces the market system. Our guide to policy should be this: as much freedom as possible, as little intervention as necessary.

Price Mechanism

The importance of the price mechanism defines the first economic function of government—to strengthen the market system. This obviously requires not only law and general order but also an institutional framework conducive to private economic activity: contract enforcement, an effective monetary and credit system, the protection of commerce against the unscrupulous few. We seek, as President Luigi Einaudi of Italy has said, not the abolition of all regulations but the use of those regulations within which the citizen can act freely.

Since private monopolies can obstruct the market, government should, in general, limit undue concentrations of economic power in the hands of persons, businesses or other groups—"in general," because some barriers such as the patent monopoly seem desirable; "undue," as a reminder of the subtle difficulties of identifying harmful market power. Our relatively pragmatic anti-trust laws wisely require a judgment upon the degree and use of market power. The results are not always neat, because the judgments are often elusive. On the whole, however, vigorous and effective enforcement of sound anti-trust laws can help assure a dynamic and workably competitive condition for most markets.

In addition, government can and should take positive steps to promote enterprise. An enlightened commercial policy can encourage mutually profitable trade across national boundaries as well as within them. At home, government's procurement can aid competition and also benefit from it, by making it easier for small and new businesses to deal with government agencies. Sound statistical and information programmes can help these businesses. The President of the United States recently acted in this direction by calling the first National Conference on Technical Distribution Research for the Benefit of Small Business. Government can also help meet the special credit needs of small and new businesses that are not adequately met by existing arrangements. Tax policy, furthermore, should encourage the savings which they need. In these ways, government recognises the vital contribution of new enterprise to innovation and to the vigour of competition.

Dynamic competition, however, is change, and the new products and new methods of economic growth may require some painful readjustments. Restrictive proposals to protect settled interests, large and small, are always forthcoming. Proposals abound, too, for the promotion of private profit at public risks. Especially tempting to some is the idea that broad socialisation of risk can somehow be linked with a vigorous private enterprise system. All such approaches need to be scrutinised and generally resisted.

Intervention Schemes

Intervention schemes by government often go beyond cushioning change; some seem designed to defeat it at the expense of the whole community. Even the intended beneficiaries of such efforts come to know a subsidised existence as a second-class existence. Moreover, special privileges irresistibly generate demands by others for "equal" treatment. And although the privilege may be described as "experimental" or "temporary," experience demonstrates the practical difficulty, greater as the beneficiaries become more numerous, of withdrawing special privileges. Such unsound intervention in the market is ominous, for government cannot long yield to powerful pressure groups without risking ultimate surrender to the fallacy of the corporate State. For the government to go heavily into the business of building "competition-shelters" is scarcely the way to serve the cause of economic progress in a free society.

The irregularity of economic growth poses the second great responsibility for government: to seek to moderate the ups and downs of the business cycle. Success in these efforts can discourage the exchange of personal security. Moreover, such success can lessen the anxieties that prompt fearful groups to demand public intervention in the price system.

To stimulate recovery in a slump, experience indicates government efforts and easy money can help; but they will not help much if government spending merely substitutes for private spending, if tax policies discourage private activity or if public policies create a climate of distrust or uncertainty which dampens confidence in the system or in the future. Private confidence—among consumers, workers, business men and investors—has proved far more potent for both recovery and growth than public expenditure. But whatever remedial measures in a slump can do, preventive medicine is still the best approach to the ills of business ups and downs. The wisest anti-depression policy is proper anti-inflation policy. Therefore, we cannot accept the pessimistic notion that prosperity needs the steady stimulus of inflation.

There can be little doubt that a policy of creeping inflation, based on public spending and easy credit, inhibits optimum prosperity and growth. It can, for example, prevent the adjustments required by economic progress where people do the wrong things or work at the wrong methods. To seek the miraculous elimination of all maladjustments in the economy through creeping inflation can only weaken the national fibre and resolution to maintain efficient and vigorous production and competition. To mistake a shortage of men and materials for a shortage of money and to seek a remedy through undue credit expansion can only overload the economic circuits and lead to a burning out of the fuses.

Fiscal policy obviously is one tool available to the government when inflationary pressures mount. Revenues should, at the very least, balance the budget, lest deficit spending should add to the demand pressure on the economy. The level of expenditures, even in a balanced budget, should be held down, lest price pressure on some critical resources should grow out of the shift from private to public consumption and lest taxes to cover the expenditure should absorb funds that taxpayers otherwise would have saved and invested to expand production. Moreover, management of the public debt, in such a

(*Continued on page 998*)

BANK OF RAJASTHAN'S PROFIT DOUBLES

DIVIDEND RAISED AGAIN

THE audited accounts of the Bank of Rajasthan Ltd. (General Manager: Mr. D. L. Gupta, Udaipur) for the year ended 31st December 1957 make impressive reading. The total working funds at the end of the year show a rise of Rs. 53 lakhs, of which the expansion of deposit resources alone account for Rs. 41 lakhs. There has been a further increase of Rs. 59 lakhs in advances and the profit has more than doubled itself from Rs. 1.23 lakh to Rs. 2.75 lakhs. The total working funds, deposits, advances and profit are all new records in the history of the Bank.

The rise of Rs. 1.52 lakh in the profit of the Bank is on top of an increase of Rs. 23,000 recorded in 1956 and, at Rs. 2.75 lakhs, the profit has exceeded the previous high of Rs. 2.06 lakhs earned in 1951. Following the increase in profit, the provision for taxation has been stepped up from Rs. 0.40 lakh to Rs. 1.04 lakh, the allocation to the general reserve from Rs. 34,119 to Rs. 55,213 and the gratuity fund has been further strengthened by the addition of Rs. 7,500. The Directors have also added Rs. 25,000 to the investment reserve fund. They have further set aside Rs. 28,000 for payment of bonus to staff. The dividend has been stepped up for the second year in succession, the latest increase being to 6 per cent. from 4½ per cent., after having been raised to that level from 3½ per cent. the previous year.

The progress of the Bank during the last three years can be judged from the following comparative table:

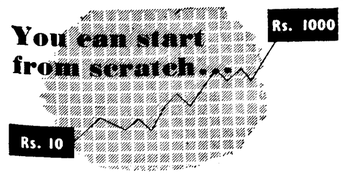
(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Interest and discount earned	14.27	10.95	7.90	6.81
Commission and exchange	5.32	3.62	2.81	2.75
Interest paid	8.29	6.73	4.72	3.46
Expenses	8.76	6.89	5.43	5.16
Depreciation	0.36	0.29	0.12	0.20
Profit	2.75	1.23	1.00	1.13
Provision for taxation	1.04	0.40	0.43	0.58
To reserves	0.88	0.42	0.25	0.24
Bonus to staff	0.28	..	..	..
Dividend	0.55 (6%)	0.41 (4½%)	0.32 (3½%)	0.32 (3½%)
Carry forward	0.01	0.01	0.01	0.01

	As on 31st December			
	1957	1956	1955	1954
Capital	9.23	9.23	9.23	9.23
Reserves	6.27	5.36	5.28	5.03
Deposits	3,81.14	3,39.99	2,69.82	2,05.79
Advances	1,81.49	1,22.77	1,09.54	58.37
Investments	1,02.62	1,06.61	1,05.89	79.46
Cash	1,35.28	1,42.45	1,13.06	87.00
Balance-sheet total	4,57.32	4,04.56	3,20.76	2,39.02
Ratio to deposits of—	%	%	%	%
Advances	47.6	36.1	40.6	28.3
Investments	26.9	31.3	39.2	38.6
Cash	35.5	41.9	41.9	42.3

The capital of the Bank is unchanged at Rs. 9.23 lakhs, while the reserves stand strengthened to Rs. 6.27 lakhs. As stated earlier, the Bank's deposits have gone up by Rs. 41 lakhs, the increase being shared by all classes of deposits. Thus, fixed deposits have risen from Rs. 170.52 lakhs to Rs. 187.74 lakhs, savings deposits from Rs. 70.53 lakhs to Rs. 78.70 lakhs and current and other accounts from Rs. 98.25 lakhs to Rs. 113.82 lakhs. There has been a sharp rise of Rs. 44.11 lakhs to Rs. 123.83 lakhs in loans, cash credits and overdrafts and of Rs. 14.61 lakhs to Rs. 57.66 lakhs in bills purchased and discounted. Consequent on the relatively larger rise in advances, the credit ratio has gone up from 36.1 per cent. to 47.6 per cent. Investments have consequently declined slightly by Rs. 4 lakhs and cash balances by over Rs. 7 lakhs. Nevertheless, the total liquidity ratio is very much higher than that of all Scheduled banks. The Bank's investments in Government securities at cost amount to Rs. 96.17 lakhs, the market value of the same being Rs. 94.85 lakhs. The difference is more than adequately covered by the investment reserve fund amounting to Rs. 1.65 lakh.

The Bank has obtained permission from the Reserve Bank for opening four branches in Rajasthan and is awaiting permission to open two more. All the proposed branches will be opened during the current year.



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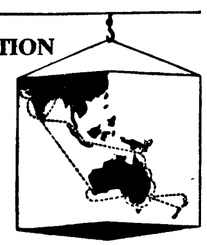

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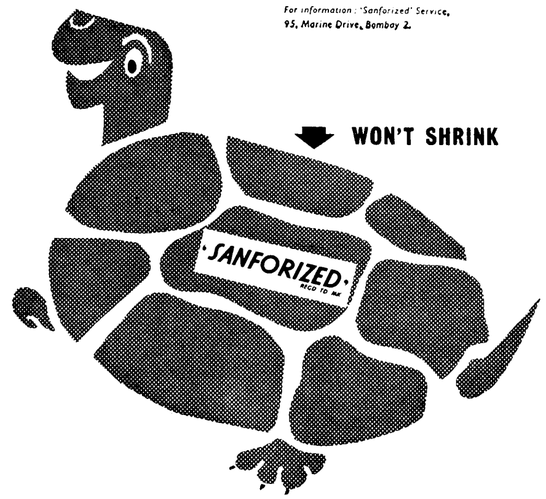

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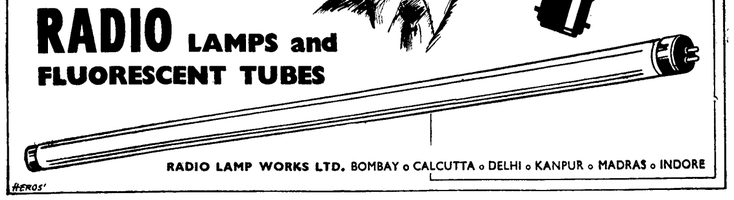

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EXTRA LONG-STAPLE COTTON

SUPPLY HIGHER THAN LAST SEASON

DESPITE the sharp fall in the production of extra long-staple cotton, that is, cotton of staple length above 1⅜". in the Sudan, one of the leading producers, the free world supply of this type of cotton in the current season is a shade higher than last season. This is because of the higher carryover stock at the beginning of the season and the fact that the fall in production in the Sudan was offset, to a large extent, by the increase in output in Egypt. According to the estimates of the International Cotton Advisory Committee, Washington. total free world supply of extra long-staple cotton this season is of the order of 2.052,000 bales (of 478 lbs. each), comprising a crop of 1,330,000 bales and a carryover of 722,000 bales as compared with 1.802,000 bales last season which consisted of crop of 1.385,000 bales and a stock of 417,000 bales. It may be noted that although production in the Sudan was lower, opening stocks in that country was two and a half times that of last season, making aggregate supply in that country slightly higher than last year's. Thus, the major change in supply occurred mainly in Egypt where aggregate supply, estimated at 968.000 bales, was 254.000 bales higher than last season's 714.000 bales. The following table indicates the free world supply position of extra-long-staple cotton during the 1957-58 season:

(In 1,000 bales of 478 lbs.)

Country	Production	Opening stock	Supply
Egypt	808	160	968
Sudan	320	460	780
Peru	90	10	100
U.S.*	81	82†	163†
Others	31	10	41
Total ..	1,330	722	2,052

* Excludes imported cotton.
† Includes 50,000 released from stock pile.

Lower production in the Sudan was due mainly to the sharp drop in yield. Acreage planted to extra long staples for 1957-58 shows a decline of about 14 per cent. but was still the second highest on record. Yields, however, were abnormally low—under 300 pounds per acre—and production, estimated at 320,000 bales, is not much more than half last season's record 585,000 bales. Recent trade reports indicate that the outturn may be even lower than this. The much smaller crop in the Sudan offsets the marked increase in opening carryover so that supply is roughly equal to last season.

As a result of much larger acreage and higher yield of the Menoufi variety, Egyptian production, estimated at slightly over 800,000 bales, is well ahead of last season. The Karnak outturn is about 5 per cent. less than in 1956-57. The combination of increased carryover and higher production means that supply of extra long staples in this country is about a quarter of a million bales more than in 1956-57. A smaller crop and lower opening stocks have resulted in a noticeable reduction in the supply of extra long staples in Peru this season.

In the U.S., the carryover at the beginning of the present season was the lowest for several years so that, despite a much larger crop, the supply of American-Egyptian cotton would have shown a marked reduction, as compared with last season, were it not for the release of 50.000 bales from the stockpile. The total supply of extra long staples (including imported cotton) is about the same as in 1956-57—namely, 228,000 bales. An additional 169,000 bales remaining in the stockpile would be released for sale over the next four seasons if a proposed plan is approved by Congress.

Free world exports of extra long staples in 1956-57 aggregated slightly more than one million bales. This rate was apparently maintained during the first five months of the present season but there have been distributional changes. Exports from Egypt were higher by over 50 per cent. but shipments from the other countries were much lower than a year ago. Egyptian exports till mid-February were 328,000 bales, as compared with 197,000 bales in the like period of 1956-57. Exports to India, the United States, and some of the smaller European countries were noticeably higher, but the most striking increase so far this season has been in Eastern Europe where demand for Egyptian extra long staples has just about doubled. Exports to the U.S.S.R. are much lower but China has been much more active in this market lately.

Till the end of December Sudan expotts were well down. but demand has picked up following the adjustments in the reserve prices. The most marked decline has been in trade with the U.K. Exports to India were about in line with last season's rate and trade with France is actually ahead of a year ago.

Exports of extra long staples from Peru to all the main consuming markets, except the United States, show declines this season. Last season. exports from the U.S. reached a record of 58.000 bales. But exports from the United States have so far this season been insignificant. This is attributed to the fact that foreign growths are now lower priced than comparable U.S. qualities, whereas the reverse was true last season.

The decline in prices of extra long staples has been very marked this season and prices are, in most instances. at their lows for the season. The reason is that buyers have received discounts on purchases of Egyptian cotton varying according to the currency used in settlement. Recently. the Egyptian Government introduced a new currency system which amounts in fact to a devaluation of the Egyptian pound. The persistent bearish trend of extra long staples has caused the reserve level for Sudan Sakels to be lowered several times this season. Prices of Peruvian Pima have followed the general trend but the decline so far this season has not been as marked as in Egypt and the Sudan. American Egyptian prices have also declined only moderately.

SUDAN COTTON

Untimely rains, serious thrip attacks, jassids and red spider infestation, have adversely affected the Sudan cotton crop this season. The season's crop failure is described as a "major disaster" in the history of Sudan cotton. The 1957-58 cotton crop, including Nuba Mountains, is now estimated at only 246,500 bales comprising 77,000 bales (of 350 lbs.) of Nuba Mountains, 37,500 bales of Sakels and 132,000 bales of Lamberts, as compared with 720,200 bales in the previous season comprising 36,200 bales of Nuba Mountains, 195,200 bales of Sakels and 488,800 bales of Lamberts.

On 15th March 1958, according to the estimates of Rand E. Huri and Co., the balance of old crop cotton still unsold was of the order of 300,000 bales which together with the estimated crop (excluding Nuba Mountains) of 169,500 bales make an aggregate supply of 469,500 bales for the season. Of this about 60,000 bales have been sold, leaving a balance of about 400,000 bales to be disposed of.

About 70 per cent. of the carry-over is composed of grades 6 and below in both Sakel and Lambert varieties. These grades are offered at very attractive prices, as compared with Good Middling and Strict Middling 1⅛" California, El Paso, Mexican, Tanguis and similar growths. A large proportion of this year's Sudan cotton stocks is expected to attract consumers of American type.

As regards the quality of the new crop, it is expected that higher grades will be very scarce. The Sudan Gezira Board has estimated that their entire production of higher Sakels will amount to 109 bales of XG3S, 1,400 of G3S and 1,700 of XG4S. Arrivals of Lamberts have not exceeded grade 4, of which 4,300 bales are officially classified. Some rare lots of higher grade are found in Private Estates but there again the bulk of the crop consists of grades 6 and below. Sakel staples are in general said to be finer, but irregular and slightly less resistant than last season. Lamberts, on the other hand, appear to have better staple this year.

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HOPES OF CEILING ON COTTON TEXTILE IMPORTS DISPELLED

LANCASHIRE MILLS GOING ON SHORT-TIME

From A Special Correspondent

MANCHESTER, *13th May*

MANCHESTER LETTER

A BRIEF statement issued by the Cotton Board in Manchester a few days after the end of the trade talks between Lancashire textile leaders and the representatives of the Indian and Pakistan industries effectively dispelled any lingering hopes which might have existed in this country that an effective ceiling could be enforced on the arrival of foreign goods into the United Kingdom. Unless there is a sharp and unforeseen change of view in Government circles, the situation will continue as at present with unrestricted imports of duty-free goods from Commonwealth countries. The *communique* said:

"Whereas there was acceptance by the Indian and Pakistan representatives of the principle of import limitation, no agreed formula has yet been arrived at whereby this could be carried out. This difficulty has been entirely due to differences of opinion about the ceilings which might be embodied in an understanding. Proposals have been made by the individual delegations in a genuine effort to find a solution, but, at the moment, it has not been possible to arrive at a basis that would be likely to lead to an all-round agreement, though consideration is still being given to various possibilities."

Some observers in Britain were optimistic enough to believe that the final sentence of the statement indicated a gleam of hope for Lancashire, but realists accepted the view that, if an arrangement could not be achieved with India and Pakistan, the likelihood of overcoming the well-known opposition to a ceiling by millowners in Hong Kong would prove an almost insuperable obstacle.

Meanwhile, from the mill centres in Lancashire almost daily reports are coming to hand of mills going on short-time or deciding to close down for an indefinite period. The Fine Spinners and Doublers group has shut 14 of its mills, including five belonging to one subsidiary operating in the Tyldesley area. Other firms in Nelson have put up the shutters and the general trend of production and employment is discouraging to a degree.

Lack of Animation

With the holiday season in the mill towns only a matter of weeks away, an inevitable reduction in output will occur and, from the viewpoint of producers generally, this development cannot take place too soon. Although it is rare to discover any substantial accumulation of stocks, the current phase of exceedingly dull trade in yarn and cloth has created the position where certain firms have been unable to avoid some build-up of supplies. The hopes that were entertained some months ago that a revival in demand would be encountered as the goods held by distributors were shifted have not been fulfilled. Merchants and wholesalers have managed to carry on with relatively small supplies on hand and so far there has been no sign of any embarrassment caused by the need for fresh stocks.

Commentators on trade affairs have on occasions been accused of describing current conditions in too depressing a manner, but anyone who mixes at all frequently with individuals connected with textiles must have been struck by the general mood of pessimism since the beginning of the current year. It is certainly true that adverse conditions have a cumulative effect, in that traders are inclined to depress the market by their own depressing views. A renewal of confidence in the future is the vital spark needed to bring animation back into an industry which has lately shrunk in upon itself to an even greater degree than in the recent past.

Inertia in one department too often leads to a lack of enthusiasm in others, and this has been singularly so in the case of raw cotton markets where virtual stagnation has existed for some little time. The numerous handicaps under which Liverpool has operated since its re-establishment four years ago are well known. Developments in the United States and the continued interference of the American Government in the agricultural projects affecting supplies and prices have been at the root of the problems encountered by futures markets both abroad and in this country.

Raw Cotton Stagnation

In the past week or two, the situation has, if possible, deteriorated and, on more than one occasion, no transactions at all have been recorded in Liverpool during the day's trading. Spinners, like their customers, are disinclined to secure more than modest supplies at the moment and are working on a hand-to-mouth basis in obtaining raw cotton. Hedging operations have been kept to a minimum and many of the leading mill groups are content to get their supplies direct and take the consequences, if prices react against them.

Relatively little change has taken place in the quantity of cotton in visible supply in this country since the beginning of the year. Available stocks reached a peak of 392,000 bales early in January and, by the end of last month, amounted to 338,000 bales, after falling to as low as 316,000 bales in March. The major part of these stocks consisted of United States cotton with moderate supplies of Sudan, Mexican and Central American also held.

With three-quarters of the present raw cotton season gone, the quantity of arrivals is somewhat below the corresponding imports 12 months ago. At the end of April, arrivals had aggregated 1,146,450 bales, as against 1,340,557 bales in 1957.

Russians' Visit

A delegation of four from the Soviet textile industry—including two women—are undertaking a two-week visit to the Lancashire textile industry as guest of the Weavers' Amalgamation, which two years ago sent a mission to the Soviet Union. Included in the Russians' programme was a visit to a C.W.S. mill at Radcliffe which is helping to produce textiles for export to the Soviet Union as part of a barter deal between the Co-operative Movements of Russia and Britain under which manufactured goods will be sent from this country in exchange for Russian wheat.

The other mills to be visited are in North-East Lancashire and at Stalybridge in Cheshire. The Russians will see modern textile research methods at Shirley Institute, Manchester, and tours of the Wythenshaw Housing Estate, Manchester College of Science and Technology and the cotton convalescent home at Poulton have been arranged.

Varied Reports

Textile companies are at present too close to the phase of restricted trading for the recession to have any vital effect on trading results now being announced. The more encouraging reports coming through at the beginning of the year, however, have been followed by some less favourable figures. Moreover, the possibility of lower returns in the future has been foreshadowed by a tendency to reduce interim payments.

The results announced by Crosses and Heatons, the Bolton spinning group, provided a shock, although recent adverse trading experience was expected to curb profit-earning. Over the year to the end of March, a net loss of £23,900 was incurred, as against a profit in the previous 12 months of £163,534. The dividend for the year was halved at 5 per cent.

As at almost any given period there are variations in the general trend, and certain firms have lately recorded useful profits which have been earned when order lists were much fuller than at present. Among these are the Sun Mill, the net profit of which exceeded £29,000, as against £19,000 in the previous year. The Bee Spinning Company, at Royton, was another to turn in higher earnings at nearly £56,000, as against £44,000, together with a higher dividend. The Slack Mills group, combining spinning and weaving, more than doubled its net profit at over £41,000 and raised the annual dividend from 5 to 10 per cent. Another spinning and weaving firm, Hartley Fabrics of Preston, made a net profit of £22,000, as against £7,000 and raised the dividend from 7½ per cent. to 10 per cent.

Lower Earnings

The other side of the picture contains the less promising aspect of the situation. The Eclipse Mill's profit has fallen from over £26,000 to £14,000 and the dividend is cut from 16⅔ to 12½ per cent. In the fine spinning section, Swan Lane Mills at Bolton made less than £20,000 during the half-year, as against nearly £26,000 in the previous half-year, while Bee Hive Spinning made £26,000, as against £39,000 during the year. H. F. Hartley Ltd., the Bingley textile group, reported profits halved at £92,296, as against £185,118.—*All Rights Reserved.*

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1956 Rs.	CAPITAL AND LIABILITIES	Rs. nP	Rs. nP
	1. Capital—		
	AUTHORISED—		
20,00,000	20,000 Shares of Rs. 100 each	20,00,000.00	
	ISSUED—		
20,00,000	20,000 Shares of Rs. 100 each	20,00,000.00	
	SUBSCRIBED—		
18,18,200	18,182 Shares of Rs. 100 each	18,18,200.00	
	CALLED AND PAID-UP CAPITAL—		
30,000	300 Shares of Rs. 100 each fully paid up	30,000.00	
8,94,100	17,882 Shares of Rs. 100 each, Rs. 50 per share called up	8,94,100.00	
9,24,100		9,24,100.00	
1,225	LESS—Calls unpaid	1,225.00	
9,22,875		9,22,875.00	
Nil	ADD—Forfeited Shares	Nil	
9,22,875			9,22,875.00
	2. Reserve Fund and Other Reserves—		
3,85,000	Reserve Fund	4,42,000.00	
1,40,000	Investment Reserve	1,65,000.00	
7,500	Gratuity Reserve	15,000.00	
	Rs. nP		
	Provision for Bad Debts 5,500.00		
	LESS—Doubtful debts not shown on the contra 234.56		
3,654		5,265.44	
5,36,154			6,27,265.44
	3. Deposits and Other Accounts—		
1,70,52,322	Fixed Deposits	1,87,73,622.61	
70,52,821	Savings Banks Deposits	78,69,961.95	
98,25,051	Current Accounts, Contingency (unadjusted)	1,13,81,949.52	
69,154	Staff Security Deposits	88,529.96	
3,39,99,348			3,81,14,064.04
	4. Borrowings from Banking Companies, Agents, etc.—		
Nil	(i) In India	Nil	
Nil	(ii) Outside India	Nil	
	PARTICULARS—		Nil
Nil	(i) Secured	Nil	
Nil	(ii) Unsecured	Nil	
			Nil
13,99,754	**5. Bills Payable**		21,70,756.09
	6. Bills for Collection Being Bills Receivable as per contra—		
19,57,643	(i) Payable in India	22,21,246.97	
218	(ii) Payable outside India	2,635.67	
19,57,861			22,23,882.64
	7. Other Liabilities—		
4,618	(i) Unpaid Dividends	13,606.16	
86,196	(ii) Provision for Income-tax	1,90,829.26	
Nil	(iii) Bonus to Staff	28,000.00	
125	(iv) Staff Benefit Account	124.71	
11,23,629	(v) Branch Adjustments	9,82,179.29	
37,960	(vi) Sundry Creditors Account	44,275.27	
12,52,528			12,59,014.69
3,45,000	**8. Acceptances, Endorsements and Other Obligations** as per contra		3,58,100.00
	9. Profit and Loss—		
33,162	Balance of last year's profit after appropriation	42,427.02	
32,299	LESS—Dividend for 1956	41,463.00	
863		964.02	
1,23,183	ADD—Profit for the year brought from Profit and Loss Account	2,75,040.91	
1,24,046		2,76,004.93	
	LESS—Appropriations— Rs. nP		
34,119	Reserve Fund 55,212.99		
Nil	Investment Reserve 25,000.00		
40,000	Provision for Income-tax 1,04,000.00		
Nil	Bonus to Staff 25,000.00		
7,500	Gratuity Reserve Fund 7,500.00		
81,619		2,19,712.99	
42,427			56,291.94
	10. Contingent Liabilities— Rs. nP		
	Claims against the Banking Company not acknowledged as debts 57,400.17		
4,04,55,947	Grand Total .. Rs.		4,57,32,249.84

1956 Rs.	PROPERTY AND ASSETS	Rs. nP	Rs. nP
	1. Cash—		
68,48,648	In hand and with Reserve Bank of India and State Bank of India	79,47,240.97	
14,35,900	Cash in Transit	56,476.00	
224	Currency Notes sent for exchange	420.00	
82,84,776			80,04,136.97
	2. Balances with Other Banks on Current Account—		
8,80,333	(i) In India	16,53,568.81	
Nil	(ii) Outside India	Nil	
8,80,333			16,53,568.81
50,80,000	**3. Money at Call and Short Notice**		38,70,000.00
	4. Investments—		
	(i) Securities of Central and State Government and other Trustees Securities including Treasury Bills of Central and State Governments of the face value of Rs. 96,96,000 (market value Rs. 94,84,598.80)		
1,00,36,358	(ii) Shares	96,17,110.25	
35,000	(iii) Debentures or Bonds	41,500.00	
5,11,790	(iv) Other Investments	5,11,789.87	
Nil	(v) Gold	Nil	
78,371		91,643.46	
1,06,61,519			1,02,62,043.58
	5. Advances—		
79,71,897	(1) Loans, Cash Credits, Overdrafts— (i) In India	1,23,82,823.78	
	(ii) Outside India	Nil	
43,04,879	(2) Bills Discounted and Purchased— (i) Payable in India	57,32,450.63	
	(ii) Payable outside India	33,499.97	
1,22,76,776			1,81,48,774.38
	6. Bills Receivable Being Bills for Collection as per contra—		
19,57,643	(i) Payable in India	22,21,246.97	
218	(ii) Payable outside India	2,635.67	
19,57,861			22,23,882.64
3,45,000	**7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations** as per contra		3,58,100.00
	8. Premises, Less Depreciation—		
1,20,160	Total Cost as on 31st December, 1956	2,36,009.42	
18	LESS—Sale of Old Materials	115.00	
1,20,142		2,35,894.42	
1,15,867	ADD—Additions during the year	55,595.07	
2,36,009		2,91,489.49	
7,231	LESS— Rs. nP		
	Depreciation as per last Balance Sheet 7,231.50		
	Depreciation during the year 4,787.68		
2,28,778		12,019.18	
	9. Furniture and Fixtures—		2,79,470.31
2,63,530	As per last Balance Sheet	3,49,189.21	
85,659	Additions during the year	60,973.16	
3,49,189		4,09,862.37	
	LESS— Rs. nP		
	Depreciation as per last Balance Sheet 1,08,729.39		
1,08,729	Depreciation of this year 25,906.84		
2,40,460		1,34,036.23	
	10. Other Assets—		2,75,226.14
5,128	(i) Silver		
29,685	(ii) Sundry Debtors	11,710.25	
43	(iii) Stamps	36,195.81	
5,344	(iv) Prepaid Insurance	73.50	
80,752	(v) Stationery in Stock	20,804.13	
2,23,421	(vi) Indian Income-tax deducted at source	99,131.91	
	(vii) Interest accrued on Call Money, Investment and Government of Rajasthan Account and Commission accrued	3,22,365.53	
1,32,553		1,50,576.03	
4,79,926		6,40,772.16	
	Library— Rs. nP		
8,466	As per last Balance Sheet 9,380.06		
914	Additions during the year 1,475.66		
9,380		10,855.72	
	LESS— Rs. nP		
	Depreciation as per last Balance Sheet.. 4,193.55		
3,383	Depreciation this year. 830.82		
810		5,024.37	
5,187			
	Conveyance (Motor Cars and Tongas)—		
40,197	As per last Balance Sheet	40,341.27	
144	Additions during the year	Nil	
40,341		40,341.27	
	LESS—Depreciation— Rs. nP		
	As per last Balance Sheet 25,010.30		
18,000	This year 4,887.47		
7,010		29,897.77	
15,331			
5,00,444		10,443.50	
Nil	**11. Non-Banking Assets Acquired in Satisfaction of Claims**		6,57,047.01
			Nil
4,04,55,947	Grand Total .. Rs.		4,57,32,249.84

Schedule of Particulars required by the Banking Companies Act X of 1949 attached to and forming part of the Balance Sheet as at 31st December, 1957

1956 Rs.	PARTICULARS OF ADVANCES	1957 Rs. nP
1,09,66,376	(i) Debts considered good in respect of which the Bank is fully secured	1,50,53,367.81
6,38,041	(ii) Debts considered good for which the Bank holds no other security than the debtors' personal security	7,03,214.94
	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors—	
68,543	(a) Debts guaranteed by the Government of Rajasthan	75,970.55
6,03,815	(b) Others	23,16,221.08
Nil	(iv) Debts considered doubtful or bad, not provided for	..
1,22,76,775		1,81,48,774.38

1956 Rs.	PARTICULARS OF ADVANCES	1957 Rs. nP
30,758	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	32,783.35
58,707	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in case of Private Companies, as Members	1,54,328.42
30,868	(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to Directors or Manager or Officers of the Banking Company or any of them either severally or jointly with any other persons	33,694.07
4,31,350	(viii) Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the banking company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as Members	3,12,674.45
Nil	(ix) Due from Banking Companies	Nil

(Continued on next page)

SOME LABOUR PROBLEMS REVIEWED

EVALUATION AND IMPLEMENTATION OF AWARDS AND AGREEMENTS

IN spite of, or perhaps because of, the numerous labour laws written into the Statute Book, industrial relations in this country are none too happy. Many of the labour problems facing the country today have formed part of the agenda of the Indian Labour Conference which began its sixteenth session in Naini Tal, this week. Most of them have already been discussed at the States Labour Ministers' Conference which concluded its deliberations on the 17th inst. Among the problems which have engaged the attention of the authorities, mention may be made of the question of implementation of labour enactments, awards, settlements, agreements, etc. Another important problem is the closure of factories and the consequent unemployment in certain industries, particularly the textile industry. Certain amendments to the Industrial Disputes Act, 1947, are also under consideration. Already, some spade-work is understood to have been done in this respect.

Machinery for Evaluation

The evaluation and implementation of labour enactments, awards and settlements were considered by the Standing Labour Committee at its sixteenth session held in October 1957. The Government of India has set up, in pursuance of the recommendations of this Committee, and Evaluation and Implementation Division in the Ministry of Labour to assess the extent of non-implementation of labour laws and awards and to assess the results achieved by such measures. The State Governments have also been requested to set up similar machinery. The Government of West Bengal has already finalised proposals for setting up an Evaluation Committee in that State. A small Evaluation and Implementation Cell has also been set up to examine cases of non-implementation. The proposal is under consideration by other State Governments.

With a view to assessing the extent of non-implementation of awards, etc., and to have a full appraisal of the problem, the Evaluation and Implementation Division in the Ministry of Labour and Employment issued, in January 1958, circular letters to all State Governments and all-India organisations of employers and workers requesting them to furnish, in specified questionnaires, information regarding cases of non-implementation or partial, delayed or defective implementation of labour enactments, awards, etc. It is proposed to collect such information periodically from the aforesaid agencies so that any case of non-implementation or partial or delayed implementation of an award or an enactment is immediately brought to the notice of the authority concerned and necessary action taken. Members of Parliament have also been requested to offer their suggestions in this connection and to bring to the notice of the Evaluation and Implementation Division any case of non-implementation or infringement of labour laws.

An analysis of complaints regarding non-implementation of awards and settlements reveals that they are mostly of the following nature: (1) complaints about non-implementation of some labour laws such as Payment of Wages Act, Minimum Wages Act, Industrial Employment (Standing Orders) Act, Workmen's Compensation Act, (2) complaints against non-implementation of certain awards or agreements, (3) complaints by individual persons regarding non-implementation of an award in respect of them or some injustice caused to them by the employer concerned, (4) general complaints about difficulties experienced in the working of certain Acts.

These complaints are being examined by the Union Ministry of Labour in consultation with the State Governments. A senior officer of the Ministry, it is stated, will go round the States to discuss the cases of non-implementation with officers of the State Government concerned. In cases where a general complaint about the working of a particular measure is made, it is proposed to set up a small *ad hoc* Evaluation Team of Experts to examine and report on its working. One such team has already been constituted to examine the working of the multi-purpose institutes set up under the Coal Mines Welfare Fund Scheme. The working of the Employees' State Insurance Scheme may also be examined by a similar committee.

Retrenchment and Unemployment

As regards the question of closure of factories and the consequent unemployment, the Conference is expected to consider whether the existing arrangements are adequate to meet the present crisis and threat of unemployment or whether additional measures are necessary. The closure of units is mainly attributed to "organisational or financial difficulties, or mismanagement." Shortage of raw materials, as a result of foreign exchange difficulties or import restrictions, is also considered as contributory factors. The Government is aware of the problem and steps have already been taken to avert closure and retrenchment. They may be summed up as follows: (1) In the case of mismanagement, the Government takes action under the Industries (Development and Regulation) Act and investigations are conducted wherever necessary. Last year, for instance, investigation committees were appointed in the case of eight textile mills. (2) To overcome financial difficulties of concerns, loans are granted for modernisation and rehabilitation by the Government through the National Industrial Development Corporation or the Industrial Finance Corporation. (3) Spinning mills of uneconomic size are permitted to expand to the economic size of 12,000 spindles and composite mills having less than 12,000 spindles and 300 looms are given facilities to expand to that size. (4) Mills experiencing difficulties in getting raw materials and in the movement of finished products are helped in getting raw materials and movement priority. Further, for watching the interest of workers in particular, the Ministry of Labour and Employment has set up an inter-Ministerial Working Group to study and review periodically the question of closure and to suggest remedies for avoiding retrenchment. The Group is called upon to build up an effective intelligence for getting such information as would help in spotting out uneconomic and weak units sufficiently in advance. The Government already has legislative powers under the Industries (Development and Regulation) Act to avoid and/or ban closure of units. It, therefore, does not feel it necessary at present, as suggested in some quarters, to take any extreme steps. The measures already taken are expected to meet effectively the present crisis which, it is believed, is of a transitory nature. But the question is whether the aforesaid provisions are adequate to meet the situation.

Amendments to Industrial Disputes Act

Some amendments to the Industrial Disputes Act 1947 are engaging the attention of the authorities. One is amendment of Section 7A(3) of the Act by inserting a new sub-section permitting the appropriate Government to appoint retired permanent District Judges as presiding officers of tribunals. This has been found necessary because of the complaints of certain State Governments that they are finding it difficult to select presiding officers for industrial tribunals with the qualifications prescribed under the Industrial Disputes Act. The proposed amendment, while widening the scope of selection, will restrict it to mature and responsible persons who have held responsible judicial posts before retirement. The Government of West Bengal, it is stated, has proposed that hospitals, educational and charitable institutions, etc., should be excluded from the purview of the Industrial Disputes Act. It has suggested that the operation of the Industrial Disputes Act should be confined to those institutions only which are concerned with "industries," that is, institutions which are concerned with the production, distribution or consumption of goods. Since hospitals and educational and charitable institutions are not industries in that sense, this Act should not apply to such institutions. It is recommended that the Industrial Disputes Act

(*Continued on page* 1011)

THE BANK OF RAJASTHAN LIMITED—*Continued*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1957

1956 Rs.	EXPENDITURE	Rs. nP	Rs. nP
6,78,397	1. Interest paid on Deposits, Borrowings, etc.		8,29,473.53
	2. Salaries, Allowances and Provident Fund—		
	General Manager	26,115.00	
4,40,926	Other Staff	5,22,110.57	
			5,48,225.57
929	3. Directors' and Local Committee Members' Fee and Allowances		795.75
45,460	4. Rent, Taxes, Insurance, Lighting, etc.		57,131.49
1,687	5. Law Charges		6,020.24
58,780	6. Postage, Telegrams and Stamps		80,676.65
5,015	7. Auditors' Fees and Allowances		7,382.12
	8. Depreciation on and Repairs to the Banking Company's Property (Safe, Furniture, Fixtures, Conveyance and Library, etc.)		36,498.33
29,017			
57,417	9. Stationery, Printing, Advertisement, Subscription to Newspapers and Uniforms for Servants, etc.		69,148.85
Nil	10. Loss from Sale of or Dealing with Non-Banking Assets		Nil
	11. Other Expenditure—		
	(i) Remittance Charges	30,100.25	
	(ii) Travelling Expenses and Conveyance Charges	29,344.72	
78,757	(iii) Other Miscellaneous Expenses	47,061.94	
1,23,183			1,06,506.91
	12. Balance of Profit (subject to Income-tax)		2,75,040.91
15,14,468	Total .. Rs.		20,16,900.35

1956 Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP	Rs. nP
10,95,162	1. Interest and Discount		14,27,086.01
3,62,308	2. Commission, Exchange and Brokerage		5,32,526.14
Nil	3. Rents		Nil
10,600	4. Net Profit on Sale of Investments, Gold and Silver, Land, Premises and Other Assets		Nil
Nil	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and Other Assets		Nil
Nil	6. Income from Non-Banking Assets and Profit from Sale of or Dealing with such Assets		Nil
46,398	7. Other Receipts		57,288.20
15,14,468	Total .. Rs.		20,16,900.35

AUDITORS' REPORT TO SHAREHOLDERS.

We have audited the foregoing Balance Sheet of the Bank of Rajasthan Limited, Head Office, Udaipur as at 31st December, 1957, and also the annexed Profit and Loss Account of the Bank for the year ended on that date. In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the sixth schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of audit and have found them to be satisfactory;

(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank;

(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books;

(d) The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;

(e) In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking Companies, and on such basis the said Balance Sheet gives a true and fair view of the state of affairs of the Bank as at 31st December, 1957, and Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date;

(f) The returns received from Branches for the year ended 31st December, 1957, were duly audited by Chartered Accountants.

B. D. GARGIEYA & CO.,
Chartered Accountants.

JAIPUR, 14th March, 1958.

D. L. GUPTA,
Ex-Officio Director and General Manager.

HARI SINGH,
AMAR SINGH,
G. S. PUROHIT,
} Directors.

The other Directors have not signed the Balance Sheet and Profit and Loss Account being absent.

SUGARCANE DEVELOPMENT IN MYSORE

A NEW COMPREHENSIVE SCHEME LAUNCHED

A UNIFIED comprehensive scheme for the development of sugarcane, covering the whole of Mysore, has been launched by the State Government. The scheme spreads over a period of three years commencing from 1st April 1958. It entails an estimated total expenditure of Rs. 5,31,976, of which the share of financial assistance sanctioned by the Indian Central Sugarcane Committee accounts for Rs. 1,92,900 (Rs. 64,750 for the current year), the entire balance being met by the Government of Mysore.

The scheme envisages the establishment of 10 Sugarcane Development Centres—two each in Belgaum and Mandya districts and one each in the districts of Gangavathi, Hospet, Bidar, Mangalore, Shimoga and Kolar. The proposed centres will conduct intensified research on the cultural, manurial, rotational and pathological aspects of sugarcane cultivation in the areas concerned. It is proposed to intensify activities relating to manuring campaign, distribution of improved seeds, demonstration and publicity, prize plots and subvention farms. Provision has been made for necessary technical staff and administrative set-up, as well as for the grant of subsidy to seed growers and compost makers and insecticides. There will be a sugarcane development officer in charge of the scheme, assisted by an assistant officer, two agricultural graduates and a number of fieldmen, to man the 10 centres.

Original Programme

The second Five-year Plan of Mysore originally covered three cane development schemes—a new cane improvement scheme (general), cane development in Bombay-Karnatak area, and cane development in South Canara. After the reorganisation of the State, the necessity for a unified comprehensive scheme was keenly felt. Accordingly, the Director of Agriculture in Mysore formulated a scheme which, after obtaining the approval of the State Government and the Central Sugarcane Committee, has since been launched.

Meanwhile, the project for the setting up of a major sugarcane research station as approved by the Sugarcane Committee is being given top priority. The station, it is stated, will be located at the Visvesvaraya Canal area, with two sub-stations, one at the Babbur Farm, and the other at the Hebbal Farm. The outlay on the station is put at Rs. 1,11,480. The Committee has agreed to share 50 per cent. of the pay and allowance paid to the staff. Under the scheme, it is proposed to have a sugarcane research officer, four gazetted assistants and four graduate assistants, besides agricultural assistants, fieldmen and other administrative staff.

Latest Position

The following table compares the position in respect of sugarcane area and production in the enlarged Mysore State with that obtaining before the Reorganisation:

	Before Re-organisation 1955-56	After Reorganisation 1956-57 (adjusted second estimate)	After Reorganisation 1957-58 (second estimate)
Area (thousand acres) ..	59	116	125
Production (thousand tons)			
Cane	1,482	2,889	3,133
Gur	148	289	313

Although sugarcane cultivation in Mysore is well established, there are good potentialities for further improvement. The area under cane is increasing with the completion of the several irrigation projects. There is also scope for augmenting the yields per acre though the per-acre yield in Mysore is above the all-India average. The total area devoted to sugarcane in the current season (1957-58—second estimate) amounts to 125,000 acres which represents about 2.6 per cent. in the aggregate area under cane for the whole of India. But its share in the production of cane is higher at 4.9 per cent., the output being 3,133,000 tons out of a total of 63,501,000 tons. In other words, the average per-acre yield of cane in Mysore is more than the all-India average, being over 25 tons, as against 13.5 tons. The quality of cane grown in the State is also superior to that produced in other States with the exception of Bombay. The average recovery per cent. of sugar in cane in 1957-58 (first estimate) is placed at 10.11, which compares favourably with the all-India average of 9.85.

Incidentally, it may be noted that the portion of sugarcane actually utilised for the manufacture of white sugar in Mysore State is just 23 per cent.; the entire balance is used for producing *gur* and *khandsari*. Out of the estimated cane output of 3,133,000 tons during 1957-58, the quantity crushed by sugar mills is expected to be 722,000 tons. The number of factories working in the current season is six, the anticipated total production of sugar being 73,000 tons. The average number of working days is 130.

SUGAR INDUSTRY IN EAST U.P.

Conditions in the sugar economy of East Uttar Pradesh continue to be none-too-satisfactory. At its meeting held at Gorakhpur recently, the Indian Sugar Mills Association (East U.P. branch) expressed grave concern over the steadily deteriorating position in the sugar industry in East U.P. and appealed to the State Government and the Centre to pay immediate attention to the development of sugarcane through improved facilities for irrigation and communications. The resolution adopted at the meeting contained the following points:

In east U.P., due to poor yield of cane crops, the duration of the season, the crush and the recovery are all much poorer than in other parts of the country. The industry is, therefore, getting crippled every year and the margin of profit decreasing, so much so that the sugar industry today is facing the same conditions which prevailed 15 years ago, during 1935-36. Although the Government has spent enormous money during all these years, the development of sugarcane has shown the least sign of improvement, mostly because of paper work, and most of the varieties of cane have become diseased. The contemplated merger of the Cane Development and Co-operative Departments is likely to worsen the situation, in view of the fact that the entire emphasis in that event will shift to supply and marketing of sugarcane and its development will be altogether neglected. The Government's policy of not allowing the sugar mill-owners to have any contact with the growers is also proving quiet unhelpful so far as development of cane is concerned.

The Association adopted another resolution in which it urged the Government to allow more despatches of sugar from east U.P. and to liberalise the policy of cess collection. It drew the attention of the authorities to the worsening financial condition of the industry and to the fact that, in view of the very slow disposal of sugar, the mills were not in a position to pay off the accumulated arrears of cess money. It suggested that the State Government should realise this in the same way as the realisation of excise duty by the Centre.

"INDIAN SUGAR—ANNUAL NUMBER"

This is the sixth *Annual* of *Indian Sugar* published by the Indian Sugar Mills Association, India Exchange, Calcutta 1 (Editor: Mr. J. S. Mehta. Price: Rs. 3). The *Annual*, like its predecessors, gives a brief resume of the proceedings of the Association's latest annual meeting and covers a wide range of subjects connected with the sugar industry in India and abroad. There are several interesting articles devoted to the study of the problems confronting the industry. The question of sugar exports has been discussed in three separate articles. The technical aspects of sugar and sugarcane have also been adequately dealt with. The utility of the publication is enhanced by the inclusion of a number of tables relating to the trend of sugar and cane production, recovery of sugar and duration of crushing season in the different States, comparative technological results of sugar factories in India and other countries, world sugar production and consumption, and international trade in sugar.

Production and despatches of sugar during the current season (up to 30th April 1958) amounted to 1,911,000 tons and 991,000 tons, as against 1,822,000 tons and 1,035,000 tons, respectively, in the corresponding period of last year. The total stocks with factories as on 30th April 1958 stood at 1,349,000 tons, as compared with 1,314,000 tons a year before.

(*Concluded from next column*)

coal washeries. The coal washing plant at Kargali is expected to be completed and brought into commission by about May 1958 and the remaining washeries are expected to be functioning before the end of the Plan period.

INCREASED D.A. TO COAL MINERS

The Joint Working Committee of the Indian Mining Association, Indian Mining Federation and Indian Colliery Owners' Association, have requested their member collieries to pay miners the additional dearness allowance of Rs. 4.87 for a full month's work. Payments at this rate will be made to weekly-paid workers on pay days which occur at the end of this week and for monthly paid staff at the end of May. Arrears of payments involving the industry in Rs. 70 lakhs, effective from 1st January 1958, will be made later. The decision of the Labour Appellate Tribunal laid down that, if the average of the monthly figures of the all-India average consumer price index numbers should rise by more than 10 points over 102, the dearness allowance for the succeeding half-year should be raised by a flat amount of Rs. 4.87 per month for each of such 10 points rise. As the all-India average consumer price index number during July-December 1957 rose by more than 10 points, collieries will pay the additional dearness allowance on the basis of Rs. 4.87 per month for a full month's work until the position is reviewed for the next half-year.

COAL IN SECOND PLAN

PLANNING COMMISSION'S APPRAISAL

THE view, expressed in these columns many times before, that the public sector would not be able to achieve its target of production under the second Five-year Plan, has now been confirmed by the Planning Commission in its memorandum on the Appraisal and Prospects of the Second Five-year Plan submitted by it to the National Development Council early this month. As is well known, the total coal production in 1955-56 amounted to 38 million tons and it was proposed to raise it by 22 million tons to 60 million tons by 1960-61. Of this expansion, the public sector was to contribute 12 million tons and the private sector 10 million tons. The programme in both the sectors is included in the core of the Plan.

Coal production in 1956-57 increased by about 1.84 million tons, of which the existing State collieries contributed 0.2 million tons. As against the target of additional production of about 3.2 million tons for 1957-58, the average monthly output during the first 11 months of the year is equivalent to an annual production of 43.3 million tons, which represents an increase of about 3 million tons over the level of production in 1956-57. On the basis of the present approved programmes, the Planning Commission's memorandum estimates that the public sector will contribute about 8.5 million tons of additional production in the last year of the Plan. Referring to the private sector's performance, the memorandum says that it seems likely to achieve its target of 10 million tons and is likely to exceed it, as it has been agreed that as a cushion against possible shortfalls elsewhere this sector should be permitted to raise an extra 1.4 million tons in the Central India coalfields. "Over the Plan period as a whole in terms of the existing programmes," the memorandum points out, "it appears that there may be a shortfall of 3 to 4 million tons in coal production against the target of 60 million tons."

It is clear from the above that the shortfall in target will only be in the public sector. If, therefore, the Planning Commission and the Government of India are anxious to reach the target of 60 million tons to meet the growing needs of the developing industries, the target of the private sector should be raised. The Planning Commission says that fairly good progress has been made in the programme for coal prospecting, but it adds that the progress in the programmes of the expansion of the Geological Survey of India and the Indian Bureau of Mines has been somewhat slow, with the result that surveys and investigations have not proceeded as rapidly as was expected.

The coal production programme and coal washeries are among the main projects in the second Five-year Plan for the development of mineral resources. The Plan provided Rs. 72.5 crores for these and related programmes. The total foreign exchange expenditure on account of the mineral development programme is of the order of Rs. 39.6 crores. Of this, the programme of coal production in the public sector was roughly estimated to involve an outlay of Rs. 60 crores, including Rs. 12 crores for housing, for which the Plan initially made a provision of Rs. 40 crores. The first two years of the Plan were taken up largely in work of a preparatory character, such as detailed prospecting of selected areas, preparation of project reports, acquisition of unworked areas of old coal leases, placing orders for equipment, etc. A total expenditure of about Rs. 12 crores, according to the Planning Commission, is expected to be incurred in the first three years of the Plan.

The total foreign exchange cost of all the "core" projects in both the public and private sectors is about Rs. 962 crores. Of this, coal accounts for Rs. 35.75 crores. The expenditure incurred or committed as on 31st March 1958 is Rs. 13.48 crores and fresh commitments necessary for completing the programme amount to Rs. 22.27 crores, as per details below:

(In crores of rupees)

Project	Total foreign exchange cost in the Plan	Expenditure incurred or committed as on 31-3-1958	Fresh commitments necessary for completing the programme
Public sector:			
1. N.C.D.C.	15.0	5.83	9.17
2. Singareni collieries..	3.25	1.85	1.40
Private sector	10.00	3.30	6.70
Washeries	7.50	2.50	5.00
Total ..	35.75	13.45	22.27

With a view to conserving metallurgical coal, the Plan provided for the setting up of four

(*Continued in previous column*)

THE
HONGKONG AND SHANGHAI BANKING CORPORATION
(Incorporated in Hong Kong with Limited Liability)
HEAD OFFICE: HONG KONG
Capital Authorised .. .. Hk. $50,000,000 (Rs. 4,16,66,667)
Capital Issued and Fully Paid-up.. Hk. $50,000,000 (Rs. 4,16,66,667)
Reserve Funds .. .. .. Stg. £8,000,000 (Rs. 10,66,66,667)

BRANCHES:
BORNEO — Colony of North Borneo: Jesselton, Labuan, Sandakan, Tawau; Sarawak: Kuching; State of Brunei: Brunei Town, Kuala Belait, Seria
BURMA — Rangoon
CAMBODIA — Phnom-Penh
CEYLON — Colombo
CHINA — Shanghai
DJAWA — Djakarta, Surabaja
EUROPE — Hamburg, Paris
HONG KONG — Hong Kong, Kowloon, Mongkok, North Point
INDIA — Bombay, Calcutta
JAPAN — Kobe, Osaka, Tokyo, Yokohama
MALAYA — Colony of Singapore: Collyer Quay, Orchard Road; Federation of Malaya: Cameron Highlands, Ipoh
MALAYA—contd. — Johore Bahru, Kuala Lumpur, Malacca, Muar, Penang, Sungei Patani, Teluk Anson
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OUTLOOK FOR INDIAN TEA

DEPENDS ON QUALITY PRODUCTION AND RISING INTERNAL CONSUMPTION

THE world production of tea during 1957 showed a further increase and record crops were produced in more than one country. While the total output in India was a shade lower at 666 million lbs. (as against 667 million lbs. in 1956), South Indian production set up a fresh record high of 144.7 million lbs., an increase of 17.7 million lbs. over the previous year. Although this record output was absorbed, prices were generally well below those of 1956. This was because the quality for the greater part of the year was rather below the standard of the previous year. Considering the increase in crop, the quality on the whole was fairly good, but it was in no way outstanding. With the quantity of plain tea now being manufactured throughout the world continuously on the increase and buyers showing a keen preference for better quality teas, the prices fetched were naturally lower.

In the export auctions held at Cochin, the average price realised in 1957 was Re. 1.93 per lb., as against Rs. 2.23 per lb. It may be noted here that the price had successively declined from the peak of Rs. 2.83 per lb. earned in 1954 to Re. 1.93 per lb. in 1957. The average price realised for dust teas in Cochin was Re. 1.61 per lb., as compared with Re. 1.75 for 1956. It is stated that the decline in price of dusts was due partly to the lower rates paid for the black grainy dusts and partly to the marketing of unattractive fibrous residue grades. The experience of 1957 showed that the consumer preference for quality was not confined to leafy teas alone. Internal buyers were far more discriminating in their purchases and there is every indication that part of the internal consumption is being diverted to leaf grades.

It will be seen from the foregoing that there is a growing emphasis on quality of tea produced, but there does not seem to be any restraint on production of plain teas. Referring to this important aspect, on which the future of Indian tea depends, Messrs. Forbes, Ewart and Figgis (Private) Ltd., Cochin, observe in their annual *Tea Review* 1957, as follows:

"The quantity of plain tea now being manufactured throughout the world continues to increase and should supply overtake demand, the producer of the poorer qualities will be the first to suffer. More than one producing country has considered measures to alleviate the lot of the producer of common teas. In framing a scheme, the difficulty lies in knowing where to draw the line. It would seem that the days of international control on production are past and the remedy must now lie with individual producers. That some restraint is necessary is undoubted, but the 1957 crop figures indicate that this fact is not readily acknowledged amongst planting companies."

Explaining the difficulty which stands in the way of improving the quality of tea output, Messrs. Forbes, Ewart and Figgis say:

"During the months of the heaviest cropping it became obvious that quite a number of factories were not fully equipped to cope with the quantities of tea which they were producing. This factor must place very heavy limitations on the overall quality. Whilst it is appreciated that, in these days of rising costs, increased crops are economically necessary, there must be a corresponding increase and improvement in the factory facilities if the best possible teas are to be made."

No doubt, some estates, through a policy of finer plucking and careful manufacture, maintained a good standard of clean black leaf throughout the year. On the whole, good manufacture is closely linked with adequate factory facilities.

While the average price realised was less than that in the previous year, there was a further increase in shipments of tea from Cochin from 80.2 million lbs. in 1956 to 85.4 million lbs. Of this increase, shipments to other Indian ports accounted for over 4.5 million lbs., so that exports to overseas countries showed only a slight increase. The following are the country-wise shipments during the past four years:

(In million lbs.)

Country	1957	1956	1955	1954
U.K.	47.37	45.09	44.36	53.72
U.S.	7.03	6.71	6.78	8.61
Canada	6.22	7.02	5.47	6.36
Australia ...	6.55	6.87	2.65	1.15
Indian ports ...	11.17	7.11	11.66	5.26
Other countries	6.48	7.38	5.00	2.94
Total ...	85.36	80.18	75.93	78.04

World production of tea is steadily increasing and at the same time production costs are also mounting. There is also some evidence of an increase in world consumption, but Messrs. Forbes, Ewart and Figgis warn the tea trade against any complacency. For, as they rightly point out, "competition is now being provided by many countries and the tea-growing areas in Africa are constantly expanding." "If the trade in India is to flourish," they add, "producers must find the economic balance between higher yields and the production of well-made teas. This will ensure that the market provides to the housewife the type of tea which she requires at a price she is prepared to pay. During the past year, it has become even more obvious that the consumer demands the best possible tea and producers of these types will always find a ready buyer." Messrs. Forbes, Ewart and Figgis, therefore, stress that increased outturn from under-equipped factories will only lead to

(*Continued on page* 1011)

GUNNY OUTPUT RISES

SHIPMENTS DECLINE

AFTER a break of three months, the production of gunnies has again gone up in April 1958. The output, which had risen sharply from 92,800 tons in December 1957 to 98,300 tons in the following month, suffered a drastic fall to 85,300 tons in February this year and was maintained at that level in March. In April 1958, however, there has been an increase of 2,700 tons in the total production to 88,000 tons. As compared to April 1957, last month's production shows a rise of 1,200 tons. The increase in output must be mainly attributed to the larger working period, namely, 200.5 hours, as against 197.5 hours in the previous month. In April 1957, the number of hours worked was 209. It will thus be seen that over the year the production of mills has risen, despite the decline in working hours; this is presumably the effect of modernisation.

The following comparative table shows the variety-wise production:

(In tons)

	April, 1958	March, 1958	February, 1958	April, 1957
Hessian	30,900	30,400	30,100	36,200
Sacking	50,600	49,500	49,300	44,800
Others	6,500	5,400	5,900	5,800
Total ..	88,000	85,300	85,300	86,800

The rise in production during April 1958 is shared by all the three main varieties, but it is not so marked in hessian as in others. Hessian output has gone up by 500 tons, thus maintaining the upward trend for the second year in succession. As compared with April 1957, hessian production in April this year is lower by 5,300 tons. In other words, the proportion of hessian to the total production has declined over the year from 41.7 per cent. to 35.1 per cent. Sacking output has gone up by 1,100 tons over the month and by 5,800 tons over the year. At 50,600 tons, the production of sacking represents 57.5 per cent. of the total, as against 51.6 per cent., thus indicating the shift in production over the year from hessian to sacking. The production of "other manufactures" also has risen by 1,100 tons to 6,500 tons (the sharpest rise in any month in recent times), thus nearly making good the fall in output in the previous two months. As compared with the corresponding month of 1957, the output of "other manufactures" shows an increase of 700 tons.

The aggregate production of gunnies for the first ten months of 1957-58 thus comes to 878,900 tons, as against 857,800 tons in the corresponding period of 1956-57.

The figures of gross shipments during the month under review show a fall from 60,956 tons to 50,276 tons. Hessian shipments have fallen from 33,143 tons to 24,063 tons. The fall in sacking is less marked, from 27,813 tons to 26,213 tons.

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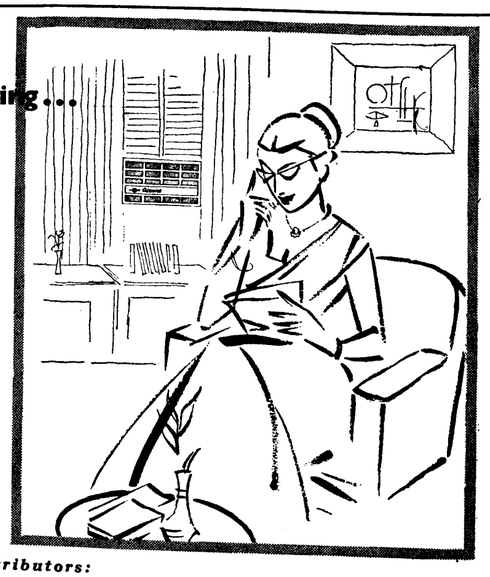

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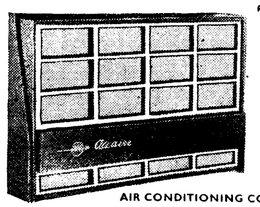

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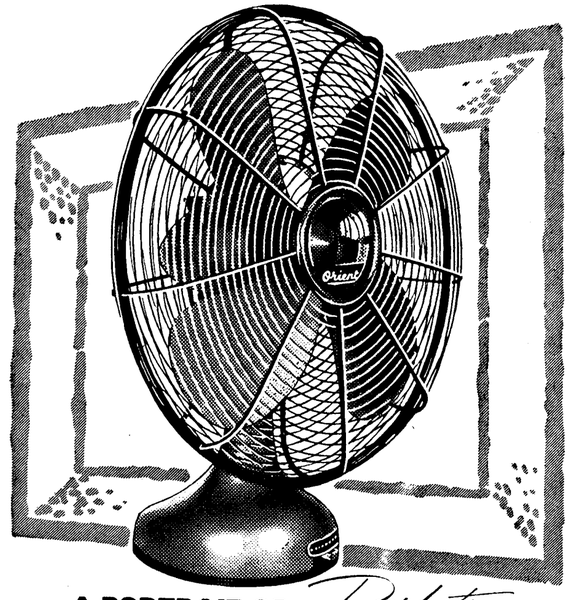

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IRRIGATION AND POWER TEAM'S REPORT ON CHAMBAL PROJECT

SUGGESTIONS FOR RAISING EFFICIENCY IN UTILISATION OF RESOURCES

THE Irrigation and Power Team (Chairman: Mr. N. V. Gadgil) appointed by the Committee on Plan Projects, in its report on the Chambal Project, has made certain valuable suggestions for improving the administrative machinery of the Project, securing speedy utilisation of irrigation water and power, and effecting economy in expenditure on the Rs. 77-crore (original estimate) Project. The Team, which was set up in February last year, was entrusted with the task of conducting investigations on the Chambal and Lankavalli Projects with a view to securing economy and efficiency in the utilisation of financial and other resources. It points out that one of the most important factors contributing to the success of the Project, namely, the development of agriculture consequent upon the changes from dry to wet farming, has not been given due attention either by the State Governments or by the Control Board. In its opinion, the first prerequisite of a project of the size and nature of Chambal is to prepare a master schedule, interlocking the various facets, in order to derive the maximum benefit from it. Apart from the master schedule, each constituent element should also be planned to a degree of detail that can be foreseen at the time of starting construction. The utilisation aspect, the Team points out, has to be interlocked and timed with various other aspects.

The reason why a master schedule for Chambal was not prepared, according to the Team, was that the two States concerned, namely, Rajasthan and Madhya Pradesh, lacked the necessary institutional arrangements for undertaking a job of that nature. The need for the appointment of a development committee, as was done in Mysore State, consisting of engineering, agricultural, administrative and revenue experts, to work out the details of utilisation as the construction proceeded was felt from the very beginning. But, due to a variety of reasons and lack of experience in this type of work, considerable delay has occurred in initiating work on the utilisation aspect of the Project. The Team has, therefore, urged the appointment of a committee comprising the representatives of both the States and a representative from the Centre who is familiar with the problem of agriculture on changeover from dry to wet farming. The committee may not only have to work out the details of the proposals, schemes, or experiments but also ensure their implementation without delay, supervise and modify the schemes in their details from time to time and avoid duplication of work wherever possible.

Agricultural Aspect

The Team does not agree with the assumption in the Project Report that it would take nearly 10 years for the benefits of irrigation to be utilised fully. This leisurely pace, it points out, was perhaps justified in olden days. With the progress of agricultural science and the vast experience that this country possesses of irrigation practices, it should be possible to realise the benefits from canal irrigation in not more than four to five years. The State's Department of Agriculture has also concurred with this opinion. The Team points out that the expectations of the Project authorities, in regard to both food production and financial return, are not likely to be realised. On the other hand, it believes that the financial calculations made for the Project could not only be realised but even exceeded if the agricultural aspect of the project is not given due attention at the proper time which unfortunately has not been the case so far. The Team emphasises that special efforts are necessary to make good, at least partially, the lapse by staging a double march in such matters as lie within the control of human effort.

The Team discusses the agricultural aspects of the Project under three headings: (1) changes in agricultural pattern, (2) serious problem already existing, (3) steps to be taken for deriving the maximum benefit from canal irrigation. With the advent of canal irrigation, the present pattern of agriculture will undergo a revolutionary change and the future crop pattern would depend upon the extent to which the State Agricultural Department is able to solve the problems of agriculturists under the altered conditions.

The Team has taken note of the "inordinate delays" in the implementation by the States of decisions taken by the Control Board and in the preparation of detailed estimates and schedule of rates. To remedy this, it has made certain recommendations which would render the job of the Chairman of the Board a whole-time function. It is suggested that the State Finance Secretaries should be *ex-officio* members of the Board and that technical designs should be regularly subjected to check by an independent technical agency. An agricultural expert should be made a member of the Board or at least consulted regularly. The Board should set up a machinery for carrying out the main functions assigned to it.

In order to keep a check on the quality of work being done at the Project, the Team recommends the practice followed on the Bhakra Project, namely, the appointment of a special Inspection and Control Organisation under the Chief Engineers so as to make an objective analysis of factors influencing quality of work. The Team has also proposed dovetailing of Rana-Pratab Sagar Dam with that of Gandhi Sagar Dam, accelerating canal construction and lining canals with limecrete instead of cement concrete. These proposals are expected to result in economies amounting to a crore of rupees in construction.

"INDIAN MINING JOURNAL"

India's mineral resources have long been utilised with little upgrading or processing of the ores. In view of the big industrial expansion envisaged in the Five-year Plans, it is necessary that appropriate mineral beneficiation and extractive metallurgical techniques should be developed so that the ores could be processed and dressed up. The *Indian Mining Journal* deserves to be complimented on its bringing out a special number on Mineral Beneficiation and Extractive Metallurgical Technique (Mg. Editor: P. K. Menon, 6/2 Madan Street, Calcutta 13. Price Rs. 15; pages 355). The number contains the papers read and discussions held at a symposium on mineral beneficiation and extractive metallurgical technique organised by the National Metallurgical Laboratory, Jamshedpur, in February 1957. It carries 52 research papers contributed by eminent Indian and foreign scientists dealing with such topics as ore-dressing and mineral beneficiation of ferrous and non-ferrous ores, thermal beneficiation and hydro-metallurgical upgrading of ores, pyro-metallurgical and electro-metallurgical extractive techniques and also extractive techniques based on chemical metallurgical methods. This is a valuable addition to the scientific literature on mining and metallurgy.

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BRITISH STEEL INDUSTRY

NO CASE FOR RE-NATIONALISATION

ANSWERING every one of the arguments advanced for the re-nationalisation of the British steel industry, as proposed by the Labour Party, Sir Andrew McCance, President of the British Iron and Steel Federation, has put in an earnest plea for a sensible approach to the issue. Addressing the annual general meeting of the Federation held recently in London, Sir Andrew detailed the solid achievements of the industry in the post-war period. These were, among others, a 75 per cent. rise in steel production, 40 per cent. improvement in productivity and the spending per week of £2 million on development activities. He pointed out that all the future plans of the industry, including the projected increase in the output of steel to 29 million tons by 1962, was overshadowed by the threat of re-nationalisation. The industry, Sir Andrew added, had been accused of inefficiency, but all standards of comparison, he said, proved the contrary. Answering the charge that the industry lacked proper check or supervision and that public ownership of the industry was necessary for the economic planning of the nation's affairs, the President said that for many years the industry had worked in the closest co-operation with the Government of the day and all targets in the post-war development plans had been discussed and agreed with the Government, irrespective of political persuasion. By virtue of the provisions of the Iron and Steel Act, 1953, the industry was under the constant and effective supervision of a strong and independent Iron and Steel Board appointed by the Government. The Board had the statutory duty of promoting the efficient, economic and adequate supply, under competitive conditions, of iron and steel products. Its members included steel consumers and the Board had strong powers in all the main fields of public concern, particularly in development and prices. These powers, with the reserve powers in the hands of the Government, Sir Andrew asserted, were amply adequate to secure that the industry fulfilled its national responsibilities.

Capacity Expands

Refuting the allegation that the industry's expansion was not adequate, Sir Andrew pointed out that it had consistently exceeded the production targets agreed with successive Governments. The industry's capacity had increased 75 per cent. since the end of the war and in the next five years, its rate of expansion was expected to be higher than ever before. It had raised its own exports to record levels and had enabled remarkable increase in the exports of metal-using industries to be sustained. The industry had provided for its own fleet of ore-carrying ships and had stakes in orefields abroad. "These are not," Sir Andrew asserted, "the signs of apathy and restrictionism."

Proceeding, Sir Andrew answered the argument that adequate finance could only be assured under nationalisation. Difficulties existing today, according to him, were caused primarily by the threat of nationalisation but the industry was proceeding with its plans confident that it would be able to finance them. It deserved credit for successfully financing expansion in the face of political uncertainty. "If the iron and steel industry has failed in its responsibilities," Sir Andrew declared, "it is entitled to be told wherein it has failed. That question has been asked; but there has been no reply. In fact, there is no case whatever for nationalisation of the iron and steel industry."

Sir Andrew drew attention to the fact that the threat of nationalisation was adding greatly to the industry's problems. It was raising, according to him, fresh doubts about the future of Britain's economy. The steel industry, he pointed out, was completely different from industries already nationalised. While the latter were services, the former was a manufacturing and trading industry whose products were the mainstay of the country's export balance. As the world moves towards sharper competition and freer trade, the need in British industry, he pointed out, would be for greater flexibility, greater enterprise. To quote his own words: "Nationalisation frustrates. The encouragement of individual responsibility is lost. Operating efficiency, overseas technical and commercial connections, internal harmony, all this will be impaired." The bad effects, he warned, could not be confined to the steel industry, the whole economy of the country would suffer.

The present system for steel in Britain, according to the President of the Federation, was suited to the conditions of the day. It was the fruit of many years' experience and which blended private enterprise with public supervision, individual initiative with central planning. If improvements were thought to be possible in the system, he suggested, let them be examined and discussed. This, he pointed out, was the traditional British approach which continued to be the only sensible approach to the issue.

EXPORT OF ENGINEERING GOODS

Exports of engineering goods from India recorded a slight increase in 1957, as compared with the previous year. Nearly 120 different items of engineering goods are exported from India to various countries. The exports of diesel engines, sewing machines, electric fans and centrifugal pumps, agricultural implements and oil mill machinery registered significant increases.

The value of diesel engine exports rose from Rs. 4.28 lakhs in 1956 to over Rs. 10 lakhs in 1957. Indian diesel engines were exported to 25 different countries, the principal buyers being Bahrein, Oman, Cyprus and Thailand. Sewing machines worth Rs. 5.6 lakhs were exported during the year, as compared with Rs. 4.3 lakhs in the previous year. These exports were made to 18 different countries; Australia, Ceylon and Kenya were the leading buyers. The export of electric fans amounted to slightly over Rs. 18 lakhs during 1957 as compared with Rs. 12.7 lakhs in the previous year. Thirty different countries bought Indian fans, the main buyers being Ceylon, Burma, Malaya, Singapore, Kuwait and Thailand. The value of centrifugal pumps exported was nearly Rs. 1.2 lakhs, as compared with Rs. 53,000 in 1956.

The exports of agricultural implements rose from Rs. 8.8 lakhs to Rs. 11.2 lakhs. The value of cutlery exports rose to nearly Rs. 8 lakhs, as compared with Rs. 4.8 lakhs in the previous year. Oil mill machinery worth Rs. 14.2 lakhs was exported in 1957, as compared with Rs. 8.6 lakhs in the previous year. The value of textile machinery exported rose to Rs. 2.2 lakhs from Rs. 1.5 lakhs and that of rice and flour mill machinery to Rs. 1.4 lakhs from Rs. 34,000. Shoe making machinery worth Rs. 3.85 lakhs was exported which was double the value of the export in the previous year.

Among other engineering goods which recorded rises were sugar mill machinery, bolts, nuts and rivets, galvanised iron products, cast iron products, water fittings and stainless steelware. The items which showed a downward trend in exports in 1957 were mainly hurricane lanterns, bicycle components and accessories, hardware, dry batteries and steel barrels and trunks.

Region-wise, South-East Asia is the biggest customer for Indian engineering goods. In 1957, out of the total exports worth nearly Rs. 4.39 crores, the exports to South-East Asia aggregated about Rs. 1.3 crores. West Asia took engineering goods worth nearly Rs. 1.28 crores and Africa about Rs. 76 lakhs. Exports to Australia were worth Rs. 5 lakhs and to New Zealand Rs. 2 lakhs. The exports to other parts of the world amounted to Rs. 98 lakhs.

MARITIME CONSULTATIVE ORGANISATION

The International Convention of the Inter-Governmental Maritime Consultative Organisation (I.M.C.O.) drawn up in 1948 for a United Nations specialised consultative agency in the field of shipping, came into force on 4th April, following the recent acceptance of the Convention by Japan bringing the total number of States which have accepted the Convention to 21, as required, and the clarification of certain administrative questions. One of the conditions for the coming into force of the Convention was its acceptance by 21 States of which seven have a tonnage of not less than 1,000,000 gross tons each. The 21 countries which have accepted the Convention are: *Countries owning 1,000,000 gross tons or more of shipping*: United States, United Kingdom, Netherlands, Japan, Italy, France, Canada and Argentina. *Others*: Australia, Belgium, Burma, Dominican Republic, Ecuador, Egypt, Haiti, Honduras, Iran, Ireland, Israel, Mexico and Switzerland.

The Inter-Governmental Maritime Consultative Organisation (I.M.C.O.) will be set up in London in the near future. A 12-member Preparatory Committee will meet in New York later this year to arrange for the first session of I.M.C.O.'s Assembly (or legislative body). I.M.C.O. will be the first inter-governmental body for maritime transport. It will be one of the 12 specialised agencies working with the United Nations in various economic and social fields.

The I.M.C.O. Convention was drafted at the U.N. Maritime Conference at Geneva in 1948, which was attended by 36 maritime countries including India. The proposed organisation is intended, among other things, to promote co-operation among Governments in the field of governmental regulation regarding shipping engaged in international trade and adoption of the highest practicable standards in maritime safety and efficiency of navigation; to encourage removal of discrimination by Governments in regard to shipping engaged in overseas trades (assistance and encouragement given by a Government for the development of national shipping and for purposes of security however not in itself constituting discrimination); and consideration of unfair practices by shipping concerns in international trade.

Last year, at the meeting of the Transport and Communications Commission of the United Nations in New York, attempts were made by some North European countries to modify the terms of the I.M.C.O. to restrict its activities to the technical aspects of shipping but the Commission considered it preferable to await the coming into force of the Convention.

NEW PRODUCTS AND PROCESSES

Waterproof Abrasive Papers

WITH technical help from their associated companies in the U.K. and U.S.A., Carborundum Universal Ltd., Madras, have commenced production of waterproof abrasive papers. Three different qualities of papers which are used as backings are specially treated to make them thoroughly waterproof. The abrasives are manufactured under the latest "electro coating" method wherein silicon carbide abrasive grains are coated in an upright position in a high voltage electrostatic field so as to make them absolutely uniform and very sharp. Waterproof paper is used for wet rubbing down of sealer, primer, under coat and finish coats of paints, lacquers, enamels, etc.

Photo Copying Machine

A Sydney firm has designed and developed a low-cost, portable photo copying machine. The equipment, manufactured by Photo Copying Equipment Co. Pty. Ltd., consists of a tubular plastic arrangement, lit internally by incandescent lamps for which power can be drawn from any normal supply. The only necessary ancillary is a compact plastic developing tank, fitted with squeegee rollers, which produces a copy of the desired material in less than a minute. The equipment uses photo-sensitive papers, which can be exposed in a room using normal lighting. The simplicity of the process makes it possible for office staff to do the work. Copies can be taken of sheets, pages in books or bound documents without detaching them. The developing unit consists of a small bath, containing developing solution and squeegee rollers mounted at the ends of the unit, through which papers are run. The unit is light and durable, simply designed and easy to clean. Additional advantage is the interchangeability of the parts. The Rolla-copy is designed to take all sizes up to brief 13"×13". The basic unit will take quarto and foolscap. A simple attachment, fitted in seconds, accommodates larger sizes. An additional feature of the Rolla-copy is that it is not limited by the size of a book if pages are to be copied. The equipment, it is claimed, will make copies from bound volumes of any thickness, even a 10 in. thick book like Webster's Dictionary. It operates with 110 volts, 220 volts or 240 volts power. Rolla-copy is, it is said, now being used in such places as libraries, universities, insurance companies, laboratories, hospitals, stores, factories, offices, Government and semi-Government organisations.

New Anæsthetic

A new type of rapid-acting anæsthetic has been developed by Parke-Davis. It has geen tried out on 70 patients at the Detroit Receiving Hospital, and is known as GP-121. It is said not to depress respiration or circulation, but induces a temporary amnesia in patients, leaving them insensible to pain. The compound, which is a form of phenylcyclohexyl piperidine monochloride, can be injected. It is said to open up new avenues in the use of drugs, other than barbiturates, as anæsthetics. It can be used either for superficial surgery, or in continuation with other drugs for major surgery.

New Use for Rubber

Exploration into the wider uses of natural rubber has led to the development of a revolutionary method of giving a rubber lining to flax canvas hose of the type used in fire-fighting. This method is now being used at the Aberdeen factory of a British firm, which reports that in little more than a day 6,000 ft. of hose can be treated. The rubber latex now being used comes from Malaya. The method of use is to pump the latex into tanks, from which it is then pumped through the hoses, which are suspended in units of 10 inside a brick tower 120 ft. high. By this means the hoses can be rubberised and dried within two hours. The process is repeated several times, depending on the thickness of rubber lining required. This method of rubber lining has permitted production to be considerably increased, and is claimed to have produced a hose ideally suited to its purpose, with the rubber latex giving the hose great flexibility as well as ensuring that it is completely watertight. The new process is part of a £750,000 development scheme being carried out by the firm, which has been making canvas hose since 1821. The joint manager of the company says that an outlet is being found for its hose in all parts of the world.

Improved Graphite Crucibles

A process for producing carbon bonded graphite crucibles has been developed at the National Metallurgical Laboratory, Jamshedpur. According to which the body ingredients are mixed hot and pressed in hydraulic or toggle presses into crucibles. The crucibles are aged, baked in a reducing atmosphere and then flashed at high temperature before storage. The process has been studied on semi-pilot plant scale and crucibles with a capacity of 20-25 lbs. of metal have been prepared. Crucibles sent for service trials have been favourably reported upon by industrial concerns. Although only one grade of carbon bonded crucibles has been perfected so far, with the data available, it may be possible to produce crucibles for specific temperature ranges. These crucibles can be used in non-ferrous and ferrous foundries and for highly corrosive melts also due to their higher corrosion resistance. Machinery and equipment required for producing these crucibles consists of size reduction units, mixers, crucible press, baking kilns and flashing furnaces. Parties interested in undertaking the commercial development of the process may contact the Secretary, National Research Development Corporation of India, New Delhi.

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AMENDING COMPANIES ACT—IV

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

IN this article, we shall examine the recommendations made by the Amendment Committee for amending the provisions concerning the directors.

Section 252 makes it obligatory on a private company which is a subsidiary of a public company to have at least three directors though such a private company could be formed with only two members under Section 12. A private company which is not a subsidiary of a public company need have only two directors. Accordingly, the Report observes that a private company which is a subsidiary of a public company need have only two directors. Section 252(1) and (2) are proposed to be amended by providing that "a public company shall have at least three directors and a private company shall have at least two directors."

Age Limit

The expectations of Parliament that persons above the age of 65 should retire to make room for younger people do not appear to have been realised to any appreciable extent because the company managements, after giving the necessary special notices, have got resolutions passed for continuance in office of their overaged directors. The Report observes that "on the other hand, in view of the unfavourable comment which this practice has evoked, we believe that within the next few years the provisions as they stand will achieve their object." The Report therefore does not recommend any change in the provisions of Sections 280 to 282. It is further observed that, in the case of directors appointed by managing agents under Section 377, or by debenture-holders, it is essential to obtain the approval of the general meeting for relaxing the age limit.

Tenure of Office

Under the Act, the appointment of a director may be made in any of the following ways:

(1) By the company at its general meeting (Sections 255-56), (2) by the principle of proportionate representation (Section 265), (3) by the directors in a casual vacancy (Section 262), (4) by the directors under Section 260 (appointment of additional directors), (5) by the directors under Section 313 (appointment of alternate directors), (6) by the managing agents (Sections 255 and 377), (7) by the third parties having a right under the articles (Section 255) and (8) by the Central Government (Section 408).

The Report does not propose any amendment to Section 260 (appointment of additional directors), Section 262 (appointment of directors in casual vacancy) and Section 265 (appointment of directors by proportional representation). The Report, however, proposes amendments to Sections 255, 256, 257, 313, 377 and 408 relating to the appointment of directors. It was suggested to the Amendment Committee that chambers of commerce, trade associations, clubs and companies licensed under Section 25 should be exempted from the operation of Section 255 because all directors generally retire simultaneously every year. The Report states that a general provision may, therefore, be made by adding at the beginning of Section 255(1) the words: "Unless the articles provide for the retirement of all directors at every general meeting."

The expression "retiring director" in Sections 256, 257(1) and 264(1), according to the Report, should be taken to refer to a director liable to retire by rotation and who is about to retire and not to additional or alternate director or director appointed by debenture-holders or financiers pursuant to the articles. The Report suggests that the words "a director retiring by rotation" should be substituted for the words "a retiring director" occurring in Sections 256 and 257. While we are on Section 257 we may note a further amendment of Section 257. The Report states that the amendment of Section 257(1) is necessary to prevent resolutions pursuant to notice signifying candidature being brought before the meeting at the last moment, sometimes on antedated notices. The Report recommends that the following words should be added at the end of Section 257(1):

"A copy of such notice shall be forwarded by the company to every member at least seven days before the date of the meeting."

As regards Section 313, the Report states that it is not possible to fix any definite period for the term of office of alternate directors. It suggests that Section 313(2) may be amended in the following terms:

"An alternate director appointed under sub-section (1) shall not hold office for a period longer than that permissible to the original director in whose place he is appointed and shall vacate office if and when the original director returns to the State in which meetings of the Board are ordinarily held."

Section 377 relates to restrictions on the right of a managing agent to appoint a director. The Report observes that "it has been claimed by some managing agents that, by an agreement with the company, they might acquire a right to nominate the Chairman of the Board of the managed company in the exercise of their power of appointment of directors." The Report states that managing agents cannot be permitted to force their nominee as chairman, on the board. It is open to the board to elect the nominee of the managing agents. To clear any doubt Section 377(1) is proposed to be amended by the addition of the words, namely, "but the Chairman of the Board, if any, shall always be elected by the directors."

Under Section 408, the Central Government has powers to appoint directors. The Committee observes in the Report that, in its opinion, the directors so appointed by the Government need not hold qualification shares under Section 270 nor need they be members of the company. They are removable by the Government before the expiry of the term of appointment. In practice, difficulties are felt in finding suitable members of the company who can be appointed by the Government. Government may appoint members if proper persons are available but need not be bound to appoint only members. Section 408(1) is, therefore, proposed to be amended by deleting the words "being members of the company" occurring therein.

It was represented to the Committee that the requirement that 200 members should join in the application to the Central Government under Section 408(1) is difficult of compliance. A suggestion is, therefore, made in the Report that the number may be reduced to 100 but the alternative provision of one-tenth of the voting strength should remain. As a consequential amendment of Section 408(1) it is suggested in the Report that the word "persons" should be substituted for the words "members of the company" occurring in Section 408(2). A new sub-section (4) is proposed to be added to Section 408:

"A director appointed by the Central Government under sub-section (1) or (2) shall not be required to hold any qualification shares nor shall be he liable to retire by rotation but may be removed by the Central Government at any time and another person appointed in his place."

Consent to Act as a Director

Section 264 requires the consent of a candidate for directorship to be filed with the Registrar. It is the view of the Committee that this requirement is a meaningless formality because it may happen that a director may not be elected at all. It is also of the view that it is sufficient if a director files such a consent within seven days of his appointment. Sub-section (1) of Section 264 is proposed to be amended accordingly. The Report on page 99 gives the form of the draft of the amended section on the above lines. It is significant that Section 264 is not applicable to a private company unless it is a subsidiary of a public company.

Qualification Shares

Section 271 requires a director to file with the company a declaration of the qualification shares held by him. The Report states that this is again a needless formality. The Report, however, suggests that such a declaration should be filed with the Registrar and not with the company as mentioned in the section itself. An amendment to Section 271 is proposed by substituting the words "file with the Registrar" for the words "file with the company." This is the only proposed change in this section.

Proportional Representation

The Report indicates that the opinion of the Committee was divided as regards the suggestions on Section 265. The majority of the Committee saw no reason to change the provisions of this section as it was enacted only in 1955 and no new facts were proved to warrant a change. It appears to be the view of the majority of the Committee that the system of proportional representation cannot be made obligatory in the case of public companies. It, however, appears to be the view of some of the members (not a majority) that having regard to the greater scope for oppression of minorities in private companies the system of proportional representation should and can be made obligatory in the case of private companies "without the difficulties attendant upon it in the case of public companies."

Managing or Whole-time Director

The Report states that, in Section 269, there is a drafting omission. On plain reading of the section it is difficult to understand why the appointment of a managing or whole-time director for the first time after the commencement of the Act in the case of an existing company should require the sanction of the Government, while the appointment of a managing or a whole-time director of a company incorporated after the commencement of the Act made within three months of its incorporation should be exempt from such a sanction. The Report observes that the intention of the legislature was obviously that, in such cases, the appointment shall not have effect beyond a period of three months from the date of incorporation, unless approved by the Central Government. The Report suggests that the whole Section 269 should be redrafted so as to indicate clearly the aforesaid intention of the Legislature. The draft of the amended section is given on page 102 of the Report.

Disqualification

The Report observes that a conviction by a foreign court involving moral turpitude is as much a disqualification as conviction by an Indian court. In order to give effect to the foregoing view, Section 274(1)(*d*) is proposed to be amended by deleting the words "in India" occurring after the word "court." Similar amendment is proposed also in Section 267(*c*).

Section 283(1), as it stands, makes it the duty of a director to vacate office on the happening of any of the contingencies specified therein. But, unfortunately, there is an omission of a provision compelling the disqualified director to quit his office as a director. To supply this omission the opening part of Section 283(1) is proposed to be started with the words "A director shall be deemed to have vacated his office if," etc. It is further suggested in the Report that it is desirable to attach a penal provision so as to deter a person from continuing to act as a director after he becomes disqualified. Under Section 283(1)(*e*), a conviction *per se* results in vacation of the office. The Report observes that it is desirable to have one uniform rule for Section 267(c), Section 274 and Section 283, and, in all these cases, conviction for an offence involving moral turpitude by any court, Indian or foreign, should be a disqualification or a ground for vacation of office. The following amendment of Section 283(1)(*e*) is proposed:

" (*e*) he is convicted by a court of any offence involving moral turpitude and sentenced therefor to imprisonment for not less than six months."

Section 283(1)(*h*) is proposed to be amended so as to prevent a director from evading this provision by obtaining a loan indirectly from the company in contravention of Section 295. It is possible that a director may avoid disqualification by taking a loan from the company through his near relative, say a son or a brother. To avoid a possibility of such an evasion, the words "directly or indirectly" are proposed to be inserted after the word "accepts" in Section 283(1)(*h*).

A new clause (L) is proposed to be added to Section 283(1). The word "or" is proposed to be added at the end of clause (K). The proposed new clause (L) is: "(L) having been appointed a director by virtue of his office in or employment by the company, or as a nominee of the managing agents he ceases to hold such office under or to be employed by the company or the managing agency ceases, as the case may be." This amendment is suggested to make it clear that an officer of a company who is appointed as director of the company must cease to be a director when he severs his connection with the company. Similarly, it is reasonable to provide that a director who is a nominee of the managing agents must vacate his office as a director when the managing agency ceases.

The Committee has tried to plug loopholes in the existing Section 294 which has been the subject of criticism ever since the Act came into force. The loopholes in the existing section have enabled the managements to violate the spirit of the law, if not its letter and unjustly enrich themselves at the expense of the shareholders. Space does not permit us to discuss as to how it is possible for the managements to evade this section. The suggestions of the Committee for the amendment of Section 294 appear to be on the right lines but it is a matter of anybody's guess as to what extent these suggestions will be acceptable to the corporate sector. New provisions are proposed to be introduced in Section 294 on the following lines:—

"(1) Where on or after the first of April 1956, a managing agent has resigned his office and taken up a sole selling agency of the company the managing agency of which he resigned, the sole selling agency agreement, whether taken in his name or in association with or in the names of others for his benefit, shall, unless approved by the Government within six months of the date on which the Amending Act comes into force, become void and inoperative.

"(2) The Central Government may, by notification in the official *Gazette*, specify industries or commodities in which sole selling agencies shall not be appointed by any company engaged in such industries or manufacturing such commodities except with the approval of the Central Government of the person, firm or company proposed to be appointed, the area in which such person, firm or company shall operate and the terms and conditions of the selling agency.

"(3) Any appointment of sole selling agencies existing at the date on which the above provision comes into force shall cease unless the approval of the Central Government to such appointment (including its terms and conditions) is obtained within a period of six months after such date."

The Report states that it was pointed out to the Committee that in the ordinary course of business it often becomes necessary to appoint sole selling agents for different areas and that it is inconvenient and needlessly expensive to call a general meeting within six months of each such appointment. The Report appreciates this inconvenience and suggests a remedy in the nature of the proposed amendments in Section 294(1) and (2). It is proposed that in Section 294(1), the words "a period of six months from the date on which the appointment is made" should be substituted by: "before the expiry of six months from the date on which the appointment as sole selling agent is made or at the next general meeting of the company, whichever is later." Section 294(2) is proposed to be amended by deleting the words "of six months" wherever they occur.

Director's Interest

Section 297 refers to contracts in which directors have interest. It was urged before the Committee that occasions might arise, when, in order to avert a stoppage of work or breakdown, it may be necessary to enter into contracts urgently with persons or companies coming within the restriction of the section and that it would be impracticable to obtain the consent of the Board before entering into contracts. The Report, therefore, proposes that a proviso be added to Section 297(1) in the following terms:—

"Provided that if, in the cases excepted under sub-section (2), and in circumstances of urgent necessity, the company has to enter into a contract of the above description with any of the parties aforesaid without obtaining the prior consent of the Board, such consent shall be obtained at the next meeting of the Board or within three months of the date of the contract, whichever is earlier."

It is proposed to amend Section 297(2) in the following terms:

"Section 297(2): Nothing contained in clause (*a*) of sub-section (1) shall affect:—

"(*a*) purchases of goods from the company for cash at prevailing market prices or any contract or contracts for sale, purchase or supply of any goods, materials or services in which either the company or the director, relative, firm, partner or private company as the case may be, regularly trades or does business provided that the value of such goods or the cost of such services do not exceed five thousand rupees in the aggregate in any calendar year with every company, director, relative, firm, partner or private company, aforesaid; and

"(*b*) in the case of a banking or an insurance company, any transaction in the normal or ordinary course of business of such company with any other company, director, relative, firm or partner aforesaid."

The rest of the provisions are not affected.

Disclosure of Interest

The Report states that Section 299 is wide in its terms and the holding of even one share in a public company may be considered as constituting an interest. This has been the law under the old Act and also under the English Act. The Report observes that the difficulty is not so great as is imagined because the director is required by Section 299 to give a general notice only once in a year regarding his interest in the firm or company concerned.

The real difficulty according to the Report arises under Sections 300 and 301. Under Section 300, an interested director cannot take part in the discussion of or vote on any contract or arrangement in which he is interested in terms of Section 299. Section 300 (2) exempts from the operation of sub-section (1) the contracts therein mentioned, but the exemption provided in clause (*d*) of Section 300(2) is very limited. The Report therefore states that the following words should be added at the end of clause (*d*):

"or holding not more than two per cent. of the paid-up capital of the company with which the contract or arrangement is proposed to be entered into."

As a result of the above proposed amendment a director will be able to take part in or vote upon any contract with a public company or its subsidiary provided he does not hold shares of such a company exceeding two per cent. of the paid-up capital.

Section 305 refers to duty of disclosure by directors. As the section includes within the meaning of a director "any person in accordance with whose instructions the Board of Directors of a company is accustomed to act" the reference to a disclosure within 21 days of his appointment is inappropriate. The Report, therefore, suggests that Section 305 should be amended so as to provide that in case of such a "deemed director" the notice should be sent 21 days before the first meeting of the Board held in a year or where he acquires such a position subsequently at the first meeting of the Board held thereafter. The Report further observes that Section 305 should be further amended on the lines of Section 308 so as to cast an obligation on the persons concerned to report to the companies affected any changes in the particulars relating to such persons within 20 days of the occurrence of the change.

Board of Directors

Sections 292 and 293 regulate the Board's powers and place restrictions thereon. These sections have been the subject of criticism. The Report states that it was pointed out to the Committee that these two sections have created hardships and dislocated business in a manner which probably the draftsman did not contemplate. The Report refers to the various difficulties placed before the Committee. Recognising the need to amend Section 292 so far as companies generally are concerned, the Report recommends that Section 292 might be amended so as to provide as follows:

(1) that in any company, it shall be permissible for the Board to delegate the power to borrow, to invest, or to make loan, to the principal officer at the head office or to the branch office, or to any such designated officer, and on such conditions as the Board may prescribe; (2) that the actual day-to-day operation of overdraft, cash credit and other similar accounts shall not be deemed to be borrowings; (3) that the acceptance of deposits by banking companies shall not be deemed to be borrowings; (4) that the placing of moneys by one banking company with another shall not be deemed to be making of a loan; (5) that the total amount on loan at any one time shall be the total amount outstanding after allowing for loans or drawings thereon previously repaid.

In order to give effect to the above recommendations the Report proposes to amend Sections 292(1) and (2). The draft amendments are laid down on page 108 of the Report.

Section 293 restricts the powers of Board of Directors. As regards this section, amendments are proposed in sub-section (1), clauses (*b*), (*c*) and (*e*), explanation to sub-section (1) and sub-section (5). Sub-section (6) is new. The relevant provisions of Section 293, when amended, will read as follows:

The Board of Directors of a public company, or of a private company which is a subsidiary of a public company, shall not, except with the consent of such public company or subsidiary in general meeting,

(*a*) (Same as before); (*b*) remit, or give time for the repayment of, any debt due by a director except in the case of a renewal or continuance of an advance to its director made by a banking company in the ordinary course of business; (*c*) invest, otherwise than in trust securities, compensation received by the company from the compulsory acquisition or requisitioning after the commencement of the Act, without the consent of company of any such undertaking as is referred to in clause (*a*), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (*d*) (same as before); or (*e*) .... (*Note*:—A minor drafting change has to be made in this clause by inserting the word "annual" after the word "average").

Explanation I. (Existing Explanation to be numbered as explanation I.) *Explanation* II. Every resolution passed by the company in general meeting relating to the exercise of the power referred to in clause (*d*) of sub-section (1) shall specify the total amount upto which moneys may be borrowed by the Board of Directors. *Explanation* III. Temporary "loans" in Section 293(1)(*d*) means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, discounting of bills, and issue of other short-term loans of a seasonal character, but not loans raised for the purpose of financing expenditure of a capital nature.

(2) (Same as before). (3) (Same as before). (4) (Same as before).

(5) No debt incurred by a company from or security given by a company to lender in excess of the limit imposed by clause (*d*) of sub-section (1) shall be invalid or ineffectual as against the company unless the lender had, at the time when the debt was incurred or security given, notice or could with reasonable care and diligence have found out that the limit imposed by clause (*d*) of sub-section (1) had been or was thereby exceeded.

(6) Every company shall disclose in its profit and loss account every donation made by it during the year of account to any political party, giving particulars of the amounts given and the name of the person or persons, association or party to whom or to which, such donation is made.

Reasons for Amendments

We have thus before us the amendments proposed in Section 293. It will be interesting to note why the Committee has proposed these amendments. The reasons may now be briefly stated. Section 293(1)(*b*) is proposed to be amended to avoid the difficulty in the case of advances by a bank to its directors. Section 293(1)(c) is sought to be amended so as to make its meaning sufficiently clear by deleting inappropriate words and adding appropriate words wherever necessary. Explanation II has been added to Section 293(1) because it was pointed out to the Committee that a blanket resolution of a general meeting without setting out any upper limit to the loan should not be permitted. Explanation III is added because the Act does not define the "temporary loans." The Report states that a well-known bank had sent a definition of "temporary loans" and that the Committee has adopted this definition in the form of "Explanation" with suitable modifications.

As regards the expression "free reserves" the Report states that it is sufficiently explained in Section 293(i)(*b*) itself. It is, however, stated in the Report that the foregoing expression refers to general reserves and does not include capital reserves, depreciation reserves or share premium account. As regards the proposed amendment of Section 293(5), it is stated in the Report that the majority of the Committee has desired that the existing Section 293(5) should be left as it is. The minority, however, was of the opinion that Section 293(5) has put undue burden on the lender and was at variance with the provisions of Regulation 79 of Table A of the English Act. The intention of the Committee behind the proposed amendment of Section 293(5) was to protect bankers and *bona fide* creditors advancing moneys to companies.

A new sub-section (6) is proposed to be added on account of the "strongly expressed" views of the High Courts of Bombay and Calcutta—(1) I.C. 199 of 1956. O.C.J. Appeal No. 15 of 1957; 59 Bom. L.R. 738 and (2) A.I.R., 1957 Calcutta, 234—while disposing of applications made by certain companies for confirmation of an alteration of their memorandum of association so as to permit contributions to political parties. It is unnecessary for us to discuss here the facts of those cases. The Report states that different views have been held on the propriety or expediency of allowing companies to contribute to the funds of political parties. On the one hand, it has been said that such contributions are an offer of a monetary temptation to the Government of the day run by the party in power to adopt policies that should help the donors in their business. On the other hand, it is said that there is no wrong-doing, moral or legal, in a company financially supporting a party whose economic and industrial policies the company considers to be or likely to be beneficial or profitable to it. Section 293(1)(*e*) places a limit on the amounts upon which the Board may, on its own authority, make contributions for the purposes therein specified. The Report observes that the legislature has enacted this section in terms wide enough to include contributions to political parties and that the High Courts of Bombay and Calcutta have also taken a similar view.

DEVELOPMENT OF SMALL INDUSTRIES

PROPER CO-ORDINATION OF ACTIVITIES VITALLY NECESSARY

THE eleventh session of the All-India Small-Scale Industries Board, held at Mussoorie last week, did well to focus attention on some of the outstanding problems—both short-term and long-term—confronting the small industries in the country. In particular, the Board expressed serious concern over the scaling down in the Plan in the outlay on small-scale industries from Rs. 200 crores to Rs. 160 crores, a reduction of 20 per cent., and shortage of foreign exchange. It was pointed out that the allocation of foreign exchange was inadequate even for maintaining the present rate of expansion and development of industries, what with the rising demand for external resources from various State Governments for financing the small-scale industries set up by them as well as from the National Small Industries Corporation to finance its hire-purchase scheme. The Board made a fervent appeal to the Government of India to ensure that the foreign exchange requirements of the industries in the private and public sectors were adequately met.

Another problem which came up for discussion at the session related to the difficulties experienced by industries in regard to availability of raw materials. The Board noted that there was shortage of iron and steel and non-ferrous metals. It also noted that the authorised dealers who are often handicapped by control regulations could not satisfy the raw material needs—quantitative and qualitative—of small units. The Board reiterated its plea to the State Governments to set up raw material depots and consult the Iron and Steel Controller to make available the right types of steel required by small units through the existing agencies.

Technical Personnel

The Board dwelt at length on the necessity of removing the lacuna of technical personnel. It recommended the creation of a special cadre of technical officers to serve as understudies to foreign experts in the sphere of industrialisation. It may be mentioned here that there are at present about 16 foreign experts whose entire expenditure is met out of the assistance received from the Ford Foundation. The experts advise the small-scale industrialists on the adoption of modern methods of manufacture, demonstrate use of improved tools and instruments, and assist in the preparation of model schemes and in conducting training courses. Indian technicians are also sent abroad for training in various small industries like battery separators, survey instruments, and shoe lasts industry. There are various institutes where training is imparted to small-scale industrialists in blue-print reading, heat treatment, electroplating, manufacture and assembly of batteries. Many prototype workshops and training centres are being established with foreign assistance (technical and financial) with a view to imparting practical and theoretical training for skilled workers and foremen drawn from small-scale industrial units, besides developing and building prototypes of machines and tools which can be taken up for production by small industrialists. A comprehensive scheme for the setting up of a centre of this type at Howrah has recently been drawn up following discussions between the Japanese Technical Mission (Leader: Mr. K. Tachibana) and officials of the Central Government. The details of the project, including the machinery and equipment and technical experts required for the Centre, are included in the agreed minutes of discussions signed in New Delhi on the 14th inst. This Centre is in addition to the two others now being established—one near the Industrial Estate at Okhla with the assistance offered by West Germany, and the other at Rajkot with the assistance of the U.S. Technical Co-operation Mission.

Meanwhile, the National Small Industries Corporation (N.S.I.C.) is making efforts to procure Government contracts for execution by small-scale units, supply machinery on hire-purchase basis to industrial units, give marketing assistance, and undertake construction and management of the Industrial Estates at Okhla and Allahabad. It is claimed that the scheme of assistance to small-scale industries to secure Government contracts has been very popular. The value of contracts received from the Director-General of Supply and Disposals and with the N.S.I.C's assistance during 1957-58 is put at as high as Rs. 62.15 lakhs, as against a bare Rs. 4.68 lakhs in 1957-58. Indeed, the progress made in this direction is, in the opinion of Mr. Kennard Weddel, Chief of the Small Business Programme in the U.S. Air Force Purchase Organisation, most encouraging. Mr. Weddel, it will be recalled, visited India recently and evaluated the assistance rendered to small industries in participating in the Central Government's stores purchase programme. In his report, Mr. Weddel has, while appreciating the progress made under the programme, warned against any possible duplication of and mutual encroachment in the functions of the various agencies entrusted to execute the Hire-Purchase Scheme. He has rightly urged co-ordination of activities among the States Directorates of industry, the Service Institutes and the National Small Industries Corporation. He observes:

"It should be a grave disservice to the programme, so well established as between the Corporation and the decentralised purchasing organisations of the Central Government, if the several Institute Directors were to set up their own individual 'lobbies' to contact the purchasing officers. It would even more seriously damage the programme, should the State Directors of Industry by-pass the liaison officers and set up their own direct contacts with the purchasing officers in the interest of the small concerns located within their own respective States. Where this has happened in other countries, the result has been the destruction of interest on the part of the purchasing officers and, consequently, a natural lack of effectiveness in the entire programme."

Price Differentials

Proceeding, Mr. Weddel stresses the need for vigilance to ensure economical production and competitiveness in price among small-scale units. He considers it necessary that price differentials upto a maximum of 15 per cent. must be allowed at the present stage of development in India, although he emphasises that such differentials should not be thought of as for ever necessary. In this connection, he makes the following interesting remarks:

"It is my positive recommendation that in every case of a price differential being paid a small concern, the institute Director be notified of the amount of the price differential as well as the percentage involved, and that the Director make a definite point of having his staff follow up with the concern in question, giving it all proper assistance in getting its costs more in line, so that on future procurements it could be truly competitive. In the event it is ever clearly established that a small industrial concern is abusing the price differential provision, this fact should be brought to the attention of the procurement officials through the Corporation's liaison officer, as being in the best interests of the Government's programme."

The recommendations made by Mr. Weddel are quite valuable especially in the light of the growing demand for assistance to small-scale units for securing Government contracts, as noted above. While the progress in the implementation of the hire-purchase scheme is notable, the fact remains that there is dearth of resources relatively to the expansion programmes included in the second Five-year Plan. It cannot be gainsaid that a readjustment in targets of production and outlays is essential. In its latest memorandum on the Appraisal and Prospects of the Plan, the Planning Commission has cut the allocation assigned to the programmes of village and small-scale industries from Rs. 200 crores to Rs. 160 crores. It, of course, says that, if resources were available, an outlay of Rs. 170-175 crores could be achieved. With the revision in allotment to Rs. 160 crores, the requirements of some programmes such as handloom, small-scale industries and industrial estates may not be fully met.

The Commission's review of the progress made by the small-scale industries in the past two years shows that the trend of production in the decentralised sector of the cotton textile industry falls considerably short of the target assigned to it. Thus during 1956-57, handloom production amounted to 1,600 million yards, that is, 130 million yards above that in 1955-56. In 1957-58, the estimated production is about 1,650 million yards. Upto the end of 1957, the total quantity of cloth produced from Ambar yarn was only about 7.0 million yards and it does not appear that even the revised target of 150 million yards will be achieved. The production of traditional *khadi* has been increasing at the rate of about 5 million yards per annum above the base level of about 35 million yards. No specific target was fixed for *khadi* production. The achievement in regard to the installation of powerlooms has so far been insignificant.

Out of the 62 sanctioned industrial estates, 11 had been completed in the first two years and another 19 are expected to be completed in 1958-59. For providing technical and marketing advice to small industries, 4 regional Small Industries Service Institutes, 12 major Institutes, 2 branch Institutes and 27 Extension Centres had been set up by the end of 1957-58. One more regional Institute, two major Institutes and another 33 Extension Centres will be set up during the course of 1958-59.

The total expenditure incurred during the first two years of the Plan amounted to about Rs. 59 crores and the Commission expects an estimated outlay of Rs. 91 crores by the end of the third year. The *khadi* and village industries account for two-fifths of the expenditure, small-scale industries and industrial estates for more than a quarter, and handloom and powerlooms for about a fifth.

Rise in Expenditure

There are indications that in most of the States, as continuing schemes are implemented and new schemes initiated, not only will the funds provided in annual plans be utilised more fully but demands will be pressed for an increase in allocations. Some programmes like the industrial estates are in increasing favour and in respect of other programmes also as the initial administrative and organisational difficulties are overcome, the tendency is to accelerate the pace of activity. Judging from the present rate of progress, the levels of expenditure in the last two years of the Plan period, it is said, can register an appreciable rise over those in 1958-59 unless inhibited by inadequacy of funds.

For the handloom programme substantially larger annual outlays than were provided in the first three years would be needed if a target of 700 million yards of additional production from mill yarn is to be achieved. The Reserve Bank of India would in future meet most of the requirements of the handloom industry for working capital and to that extent the outlay from the cess fund would diminish, but expenditure on improvement of production techniques, marketing organisation and sales rebate will have to be increased. The programme for the installation of powerlooms in the handloom sector has made a halting start and it does not appear that the progress in the coming years will be rapid. The provision for small-scale industries is likely to be utilised almost fully. Allocations to some of the States where the administrative and technical staffs have been strengthened for implementing the small industries schemes may have to be increased in the last two years. Commitments in respect of the industrial estates are being rapidly made by the States within the existing ceilings but the funds required for completing all the approved estates within the second Plan period may not be available and quite a few estates may have to be carried over to the third Plan period. Expenditure on handicrafts and village industries will show a fairly large shortfall. On the other hand, expenditure on traditional *khadi* might well exceed the allocation and the total expenditure on Ambar *khadi* may more than make up for the shortfall under village industries. Allocations for sericulture and coir are likely to be utilised to the extent of more than 80 per cent.

It would appear from the foregoing analysis by the Planning Commission that the progress in the implementation of the schemes for the development of small-scale industries in the coming years will be inhibited by paucity of resources. Viewed thus, the Government of India will do well to make proper readjustments in outlay on various items so that any misuse of resources is avoided. In conclusion, it must be stressed that the small-scale and village industries should be developed not as independent entities but as ancillaries to the more efficient large-scale industries.

EXPORT PROMOTION COUNCIL FOR CHEMICALS

An Export Promotion Council for chemicals and allied products has been set up with the support of the Government of India. The main object of the Council will be to maintain and promote exports of all chemical, pharmaceutical and allied products. The Council will consist of 11 panels, namely, for pharmaceuticals and fine chemicals, glass and glassware, ceramics and enamels, acids and fertilisers, alkalis, dyestuffs, salt and heavy chemicals, miscellaneous chemicals, soaps and toiletries, rubber and paints. Mr. Charat Ram, President of the Indian Chemicals Manufacturers' Association, Calcutta, will be the Chairman of the Council which will include representatives of manufacturers and exporters.

NEW PUBLICATIONS

Constitutional Developments in India. By Charles Henry Alexandrowicz. Published by Oxford University Press, Bombay, 1. Pages: 235. Price: Rs. 12.

COMING from a learned and experienced professor, this book on the Constitution of India is designed to meet the needs of both the students of Constitutional Law and the laymen and it serves the purpose well. The author has attempted a vivid summary in addition to the analysis of the provisions of the Constitution. Dealing with the subject in a realistic way, the author has wisely summed up the subject, not aiming at the detailed description of the text of the Constitution, as is being done by a majority of authors, and dweit upon it against the background of constitutional development and judicial interpretation. It is, therefore, hoped that the book would make substantial contribution to the general study of comparative Constitutional Law.

The Constitution of India is one of the bulkiest constitutions of the world; it comprises 395 Articles and 9 Schedules. This is due to the fact that it embodies not only the broad principles but also the details of the administrative machinery. What is more, at the time of its being framed, it had behind it the experience of the world regarding the essentials for the administration of a progressive State. Chapters dealing with "The Fundamental Rights," "Separation of Powers" and "Indian Federalism" form interesting reading and deserve special attention. The chapter on Fundamental Rights is framed on the elaborate model of the Irish, United States and the recent continental constitutions, particularly those wherein conditions are more or less analogous to those existing in India. It enshrines classic guarantees of individual liberty apart from various other rights such as right to equality, right against exploitation, right to property, right to freedom of speech, etc., cultural and educational rights and right to constitutional remedies.

The Constitution-makers, in shaping the various fundamental rights, have definitely laid down that in the interest of public order and security the State may impose reasonable restrictions on the enjoyment of these rights guaranteed by the Constitution. What would baffle an enquiring student of Constitutional Law here is the precise meaning of the qualifying word "reasonable" attached to the restrictions. The author points out, in this connection, that had the text stood in its original wording, legislatures would have been complete masters of the situation and could have imposed any restrictions on the fundamental rights. But as a result of later amendments introduced by one of the members of the Constituent Assembly it is now open to the judges to view the reasonableness of the restrictions. Further, in adjudging the merits of the restrictions the judges are called upon to apply an objective standard and it has also been held that the court, in the examination of the term "reasonableness," would go both to the substantive and procedural aspects of the law under consideration. Again, another controversial term in the Constitution, "public interest," has been decided to interpret public order, decency and morality and the interest of the general public and security of the State *inter se*. It was on this ground the Supreme Court in *Ramesh Thapper* vs. *The State of Madras*, held that the restrictions imposed under the Madras Maintenance of Public Order Act were void and unconstitutional in the absence of the expression "public order" having been covered by the Act.

In a similar manner, Prof. Alexandrowicz proceeds to examine "equality before law"—a concept which does not rule out concessionary provisions for backward classes; "freedom of religion" which does preclude the regulation of secular activities of religious bodies; "right to property" which does not deter the State from acquiring private property for public purposes. It will be recalled that the last mentioned right has been considerably modified by developments subsequent to the Sholapur Mills case. *Ubi jus ibi remedium*—no right without a remedy. The fundamental rights are a mockery unless there are adequate provisions to enforce them. The Constitution, therefore, guarantees the right to move the Supreme Court under various writs, namely, *habeas corpus, mandamus*, prohibition, *quo waranto* and *certiorari* for the enforcement of fundamental rights. The author regards these prerogative writs as the cornerstone of the Constitution of India.

The author elaborately examines the Parliamentary system of government embraced by the Constitution of India. The President of India, the head of the executive in theory, is by convention a mere figurehead. The Ministry headed by the Prime Minister assumes real executive power. Similarly, in the States which comprise the Union, the Governor constitutes the nominal head who, in fact, is the agent or the spokesman of the Centre and who is called upon to implement the policies laid down by the Centre in various States from a wider federal point of view. The Ministry headed by the Chief Minister in the State acts as the guiding star of the Governor in the implementation of policies.

Then, there are other traditional ideas of classifying the Constitution. That of India is obviously a written Constitution—it contains 367 Articles and 9 Schedules. Is it flexible or rigid? Such an elaborately written Constitution is apparently a rigid one. In practice, however, it has become flexible, as witness several amendments. However, the flexibility of the Constitution depends upon the ease with which it can be amended. The procedure of amending the Indian Constitution is fairly elaborate but due to the overwhelming majority of the Congress Party in Parliament, resort to that procedure has become easy. Circumstances may change and the Constitution may not after all be so flexible.

The question whether India is a unitary or a federal State continues to be a topic of polemics among the political pandits. The vastness of the country, the diversity of communities inhabiting this land, the historical background of "Provinces"—these and similar factors have necessitated a federal State. But there are other factors such as the prevalence of the federal authority in case of conflict in the concurrent list and the President's power to suspend the Constitution in any State and to assume control of the governmental machinery in the States (though in an "emergency"). Because of these considerations, the author is led to the conclusion that our Constitution is quasi-federal in character.

The author rounds off by summing up India's role as a sovereign body in the comity of nations. It has been felt by the Constitution-makers that India should adopt a policy of non-participation in the armaments race and non-alignment to any power bloc: all the same, the nation should pay full respect for international laws and treaty obligations and also strive for an abiding understanding and friendship with other nations in order to make its contribution to the solution of world problems.

India and the United Nations. Report of a Study Group set up by the Indian Council of World Affairs. Manhattan Publishing Company, New York. Pages: 213. Price: $3.

The Carnegie Endowment for International Peace (U.S.A.) has initiated a series of studies called "National Studies on International Organisation." These studies are prepared by unofficial national bodies. This ensures that national views would be represented and the strictly official viewpoint does not predominate. The result expected is a balanced presentation of the picture of a country in the context of world relations. The report on "India and the United Nations," prepared by a Study Group set up by the Indian Council of World Affairs, largely justifies this expectation. The study starts by recalling the Indian attitude of indifference to the League of Nations, dominated as it was by imperial powers, and contrasts this attitude with the intense interest India, as represented by the Congress, took in world affairs. There is, however, no paradox here. For India believed that the League of Nations was helpless against the machinations of imperial powers and that the League was not an instrument in the furtherance of the cause for which India was fighting. Secondly, Indians believed that their fight for freedom was a part of the larger fight of all oppressed peoples and, therefore, morally supported all struggles for national freedom. It is alleged that the same attitude inspired India's non-participation in the war against fascism. But the full and real story of this issue has been a matter of many acrid controversies and has to be read elsewhere.

Then there is an admirable narration of India's foreign policy objectives and activities in the United Nations in such matters as the future of dependent and trust territories, racial equality, elimination of want and misery. The authors of this study have done well in including a chapter on India's attitude on organisational and structural questions such as veto, membership and the Secretariat which normally are not within the knowledge of those who depend only on newspapers. It has been emphasised that India's attitude on such structural questions is only a projection of India's general foreign policy.

One of the fundamental objectives of India's foreign policy is the peaceful settlement of international disputes. In line with this objective, India has endeavoured to tackle the vexed problem of Kashmir. The book under review has described step by step this problem which, in the words of the Prime Minister, has got "curiouser and curiouser." But the dozen pages devoted to this question do not seem to cover the problem fully. There is also no attempt to argue the case. Facts are presented and a brief mention is made of the views of the Study Group. On questions of disarmament and nuclear power and weapons, India, being a minor power, could play only a minor role. However, the keen desire to exploit atomic energy for purposes of economic development has pushed India nearer to the Soviet Union on the question of international control of fissionable material. That may be purely accidental. But the fact remains that India has not played and is not likely to play any key role in the settlement of this question. Big Powers are big.

The study is rounded off with a brief survey of India's relationship with the international economic and financial organisations. There is, however, no searching analysis. A study made late in 1957 would have been able to see greater potential association of India with the I.M.F. and I.B.R.D. S.U.N.F.E.D., which was then only at the discussion stage, has been briefly mentioned in the book.

For a study attempting to cover such a large field, there are remarkably few sources of material mentioned in the footnotes. This may be so partly because the Study Group consisted of such well-informed men as Mr. M. C. Setalvad, Prof. D. R. Gadgil, Prof. Narayan Prasad, Mr. Frank Moraes, Dr. V. K. R. V. Rao, and Dr. Appadorai. The study is, of course, a committee report and naturally lacks the fervour of advocacy. But this should, in fact, be regarded as its merit.

Indian Economics. By A. N. Agarwala. Published by Kitab Mahal, Allahabad. Pages: 274. Price: Rs. 5.

"The number of books that have been written on economic conditions and problems of India is already very large, though that has not prevented the publication of still newer books on the subject." These are the words of the author of this book and yet, like others, he has some excuse to write a new book. There is, however, nothing new in the book to justify whatever excuse the author cares to put forth. It deals with the same old material collected from the same sources as other qualitatively similar books. The author has made a brave attempt to cover 24 subjects in 274 pages—less than 12 pages on the average per subject. The superficial treatment can well be imagined; the question, "Is India overpopulated?" is dealt with in less than a page, for example. Further, one fails to see what is Hicksian in the treatment of the subject, as claimed by the author.

It is high time Indian teachers of economics resisted the temptation of writing textbooks at the slightest provocation and instead turned their attention to more intensive research which would benefit them and their students.

Cost Accounting Problems. By R. S. Saksena. Published by Motilal Banarsidass, Publishers and Booksellers, Bankipur, Patna-4. Pages: 275. Price: Rs. 7.50.

In order to have a thorough grasp of the principles of cost accounting, one should not only acquire some practical experience but also work out the problems in that subject. The purpose of this publication is to guide the students of costing in working out problems. The author has made a careful selection of them. As stated by the author himself, the examinees should work out similar problems independently and use this book for reference and comparison. The author has solved problems under elements of cost, output cost accounts, process cost accounts, contract cost accounts and cost reconciliation. He has done well to give important specimen rulings of forms and analytical abstracts which will provide the necessary guidance to students. The book is bound to prove useful to students of commerce in general and to those who are preparing for specialised cost accounting examinations, in particular.

MYSORE SUGAR'S PROFIT DECLINES

SHARP FALL IN PRODUCTION

THE Mysore Sugar Company Ltd. (Chairman and Managing Director: Mr. B. M. Krishnan, B.A., I.A.S., Bangalore) has reported a sizable decline in profit in its working during the year ended 30th June 1957. This is attributed by the Directors to the lower production of sugar, consequent on inadequate supply of cane due to adverse seasonal conditions in the preceding year. The quality of cane too was not up to the mark and this led to a setback in the percentage of sugar recovery. Hence sales were appreciably lower and along with them, the profit also suffered a recession. Thus, the gross profit at Rs. 11.45 lakhs has fallen by Rs. 8.37 lakhs from Rs. 19.82 lakhs for the previous year. It is also Rs. 3.84 lakhs lower than that (at Rs. 15.29 lakhs) for 1954-55.

Despite the fall in profit, the Directors have decided to maintain the dividend on the Company's shares at the rate of 20 per cent. for the year under review. This is the eighteenth year in succession for which this level of distribution to shareholders has been kept without a change. It may be of interest to know that the Company stepped up its dividend from 15 per cent. to the present level of 20 per cent. in 1939-40. Until 1950-51, the distribution consisted of a dividend of 10 per cent. and a bonus of 10 per cent. In 1950-51, the bonus and dividend were consolidated together and, since then, this pattern of return has been kept up. The Directors have maintained the distribution at the rate of 20 per cent. irrespective of a rise or fall in the Company's prosperity. In this context, it is again worthwhile mentioning that the Company's gross profit touched a high of Rs. 69.04 lakhs in 1951-52 only to be followed by a gross loss of Rs. 10.38 lakhs in 1953-54.

The net profit, after raising the provision for depreciation from Rs. 5.70 lakhs to Rs. 7.12 lakhs and providing nothing for taxation, as against Rs. 5 lakhs in the previous year, stands at Rs. 4.33 lakhs. This is less than half of Rs. 9.12 lakhs for the previous year. The Directors state that no provision is made for taxation since the amount at credit of taxation reserve is estimated to be adequate to meet the year's tax liability also, inclusive of wealth tax. No amount has been allocated to the reserves for the second year in succession. The amount set aside to employees' gratuity fund has been reduced from Rs. 5 lakhs to Rs. 50,000.

The following comparative table brings out some of the salient features of the Company's working results for the last four years:

(In lakhs of rupees)

	For the year ended 30th June			
	1957	1956	1955	1954
Sale proceeds (sugar and distillery sections)	2,41.23	2,91.76	N.A.	N.A.
Other income	20.57	19.31		
Closing stocks (sugar and distillery including crops-in-progress)	37.18	67.50		
Expenses	2,20.01	2,97.78		
Gross profit (+) or loss (—) ..	+11.45	+19.82	+15.29	—10.38
Depreciation	7.12	5.70	5.29	4.63
Taxation	..	5.00	..	..
Net profit (+) or loss (—) ..	+4.33	+9.12	+10.00	—15.01
Unclaimed dividends paid ..	..	0.02	..	..
To employees' gratuity fund ..	0.50	5.00	..	..
Transfer to reserves	..	..	5.02	..
Dividend	4.36 (20%)	4.36 (20%)	4.36 (20%)	4.36 (20%)
Carry forward	2.10	2.63	2.90	2.28
Sugarcane crushed (in tons) ..	224,228	347,523	375,548	12,582
Sugar produced (in tons) ..	21,631	34,798	35,312	1,210
Recovery per cent.	9.64	10.14	9.4	N.A.

N.A.—Not available.

As is disclosed by the table, the Company's sale proceeds from its sugar and distillery sections made a sizable fall of Rs. 50.53 lakhs, as compared with the previous year. Expenses also have come down from Rs. 2.98 crores to Rs. 2.20 crores but this only reflects the decline in the Company's manufacturing activities.

The Company's sugar factory at Mandya is capable of crushing 2,000 tons of sugarcane per day. It has also a distillery attached to the factory. Cultivation is done by the Company on an area of 3,500 acres. The Company also manufactures country spirit for consumption in the State and for export. Crushing of sugarcane in the Company's factory at Mandya started on 19th August 1956 and closed on 13th February 1957. The factory actually worked for 175 days and a total quantity of 224,228 tons of sugarcane was crushed. The quantity of sugar produced was 21,631 tons, the percentage of recovery being 9.64. The working of the distillery continued to be normal, though, it is stated, there was a drop in production and sale of spirits, as compared with the previous year.

A sound financial position is disclosed by the Company's balance-sheet as at 30th June 1957. The reserves and surplus aggregate Rs. 88.34 lakhs, as against a paid-up capital of Rs. 21.79 lakhs in shares of Rs. 10 each. Of these reserves, the general reserve accounts for Rs. 62.50 lakhs, development reserve for Rs. 11 lakhs, dividend equalisation reserve for Rs. 10 lakhs and stores depreciation fund for Rs. 2.50 lakhs. The provision for taxation stands at Rs. 15.34 lakhs and other current liabilities total Rs. 100.35 lakhs. The gross block of Rs. 152.14 lakhs has been well written down to Rs. 62.88 lakhs. Additions to the gross block during the year were of the order of Rs. 22.32 lakhs. Capital works-in-progress aggregates Rs. 2.75 lakhs. The current assets aggregate Rs. 160.20 lakhs and cover the current liabilities and provision for taxation by a wide margin.

The Rs. 10 fully paid-up shares are being currently quoted at Rs. 33.75 *cum-div.* On an *ex-div.* basis, the year's dividend works out a yield of 6.3 per cent. per annum.

BOARD OF MANAGEMENT FOR JESSOP COMPANY APPOINTED

In February 1958, it was brought to the notice of the Government of India that Messrs. Jessop Co., Ltd., Calcutta, was passing through a severe financial crisis. On a preliminary examination of the facts, the Government found that it had reason to believe that this industrial undertaking was being managed in a manner highly detrimental to the scheduled industries in which it was engaged and to the public interest and also that there was likely to be a fall in its production.

In the circumstances, on 12th March 1958, the Government ordered an investigation into the affairs of this company under section 15 of the Industries (Development and Regulation) Act. The Committee, appointed to carry out this investigation, has submitted its report to Government. The report shows that, while this undertaking has adequate technical management at the top level, its financial position is extremely unsatisfactory, mainly as a result of gross mismanagement of its funds by certain private parties who were closely associated with its management till recently. After considering the report and after examining the working of the said undertaking, the Government of India has come to the conclusion that Messrs. Jessop Co., Ltd., is working in a manner highly detrimental to the scheduled industries and to public interests.

The Government has, therefore, decided that this undertaking which is engaged on works of great national importance, should be placed under a stable and sound management. In exercise of the powers conferred by section 18A(1) (B) of the Industries (Development and Regulation) Act, 1951, the Government of India has appointed a Board of Management to take over the management of the whole of this undertaking. Mr. B. P. Singh Roy, President of the Federation of the Indian Chambers of Commerce and Industry, will be the Chairman of the Board of Management. The other members of the Board are: Dr. B. D. Kalelkar, Industrial Adviser (Engineering), Ministry of Commerce and Industry; the Secretary to the Government of West Bengal, Industries Department; Mr. S. D. Srinivasan of the Life Insurance Corporation of India; Mr. S. S. H. Sitwell; Mr. C. V. Graham; Mr. C. E. Cargin and Mr. A. H. Mitchell. Mr. T. D. Markan, whose services have already been lent to Messrs. Jessop & Co., Ltd., by the Life Insurance Corporation of India, will be the Secretary of the Board. One more member will be added to the Board of Management shortly to function as a whole-time Financial Controller. These arrangements will be in force for a period of three years.

INDO-BURMA PETROLEUM EARNS MORE

DIVIDEND UNCHANGED

DESPITE a decline in sale proceeds of petroleum products, the audited statements of the Indo-Burma Petroleum Company, Ltd. (Managing Agents: Messrs. Steel Brothers and Company, Ltd., Calcutta), for the year ended 31st December 1957, show a rise in its profit. This comes in refreshing contrast to the recession noted in the previous year. The improved results are, no doubt, due to the substantial rise in "other income" and a sizable reduction in expenses. At Rs. 61.27 lakhs, the gross profit for the year under review compares well with Rs. 55.56 lakhs for 1956 and Rs. 60.61 lakhs for 1955. At this level, it is only a shade lower than Rs. 61.68 lakhs for 1953, the highest to be recorded since 1949.

After providing for Managing Agents' remuneration, depreciation and taxation, the net profit at Rs. 20.73 lakhs shows a rise of Rs. 2.84 lakhs over Rs. 17.89 lakhs for 1956. It is, however, Rs. 3.41 lakhs lower than the Rs. 24.14 lakhs for 1955. The provision for depreciation at Rs. 4.09 lakhs and that for taxation at Rs. 30.43 lakhs are both higher, as compared with Rs. 3.91 lakhs and Rs. 28.92 lakhs, respectively, in the previous year. The year's tax provision is inclusive of Rs. 2.32 lakhs provided as wealth tax for 1956 and 1957.

The dividend for the year under review has been maintained at 20 per cent. paid for the previous year. This is only just half of 40 per cent. paid two years earlier, consisting of a dividend of 30 per cent. and a cash bonus of 10 per cent. It will be of interest to know that the dividend of 40 per cent. for 1955 had been raised to this level in four successive years from 10 per cent. for 1951. After paying the preference dividend, the amount available for distribution is not enough to pay the dividend at 20 per cent.

The following comparative table will give an idea of the Company's progress during the last three years:

(In lakhs of rupees)

	For the year ended 31st December		
	1957	1956	1955
Sale proceeds and commission earned ..	2,04.45	2,35.36	2,24.02
Other income	1,31.65	1,17.54	1,13.89
Expenses	2,74.83	2,07.34	2,77.29
Gross profit	61.27	55.56	60.61
Managing Agents' remuneration ..	6.02	4.84	2.75
Depreciation	4.09	3.91	4.82
Taxation	30.43	28.92	28.90
Net profit	20.73	17.89	24.14
Adjustments relating to previous years, written back	3.08	..	5.62
Transfer from reserves and provisions ..	0.89	5.00	22.03
To adjustment relating to previous years	..	0.40	1.02
Provision for extra port trust charges ..	0.73	..	..
To reserves	1.00	..	2.00
,, Pakistan exchange loss written off ..	..	..	6.04
Dividends—			
7 per cent. preference	2.40	2.58	2.58
Ordinary	20.00 (D. 20%)	20.00 (D. 20%)	40.00 (D. 30% +B. 10%)
Carry forward	1.07	0.68	0.77

The Directors state that the main refinery erected near Rangoon by B.O.C. (1954) Ltd. in which this Company is interested, reached full production from indigenous crude oil in 1957 and that Burma is now virtually self-sufficient in the major petroleum products. As a result, the Company's sales on own account were reduced in Burma but sales on behalf of B.O.C. (1954) Ltd. on consignment increased considerably. In India, I.B.P. obtained a reasonable share of the greater demand, particularly for kerosene. It may be remembered that in the previous year, with the consent of the Government, the Company had entered into a joint venture with Messrs. Steel Brothers & Co., Ltd., in prospecting for oil in England. Referring to this, the Directors observe that selection and acquisition of the site for a well to test the second structure in Lancashire took longer than had been anticipated and it was not until December that erection of the derrick could be undertaken. The well commenced drilling in January 1958.

The paid-up capital of the Company as on 31st December 1957 is unchanged at Rs. 150 lakhs, divided into 1,000,000 ordinary shares of Rs. 10 each and 50,000 seven per cent. taxable cumulative preference shares of Rs. 100 each. The capital is supplemented by reserves and surplus aggregating Rs. 145.81 lakhs. The provision for taxation stands at Rs. 40.71 lakhs and current liabilities amount to Rs. 115.24 lakhs. The gross block of the value of Rs. 94.17 lakhs, including an addition of Rs. 15.87 lakhs made during the year, stands at the written down

(*Continued in previous column*)

(*Concluded from next column*)

value of Rs. 44.39 lakhs. Investments (at book value) together with interest accrued, aggregate Rs. 243.02 lakhs and other current assets Rs. 164.35 lakhs. Of the latter, cash balances alone account for Rs. 56.66 lakhs.

A great bulk of the Company's investments are in ordinary shares of companies. The Company holds 20,800 ordinary shares of Balmer Lawrie & Co., Ltd. These were acquired at Rs. 62.33 lakhs, but their market value on 31st December 1957 was only Rs. 30.99 lakhs. Another investment is in Burma Oil Company to the tune of Rs. 72.37 lakhs but the shares are not quoted. Investments in British Government securities amount to Rs. 103.34 lakhs, the market value of which in December last was Rs. 86.03 lakhs.

The Rs. 10 fully paid-up shares of the Company are being currently quoted at Rs. 24.50 *ex-div.* On this basis, the yield is 8.16 per cent. per annum.

MYSORE CHEMICALS AND FERTILISERS LTD.

CHAIRMAN, MR. K. NARAYANASWAMY'S SPEECH

THE Twenty-first Annual General Meeting of the Mysore Chemicals and Fertilisers Ltd. was held in Mysore on 25th April 1958. Addressing the shareholders on the occasion, Mr. K. Narayanaswamy, Chairman and Managing Director of the Company, observed as follows:

"GENTLEMEN,

"I deem it a pleasure to extend to you all, on behalf of the Board of Directors, a cordial welcome to this the twenty-first annual general meeting of our company.

"The audited accounts along with the Directors' report have already been circulated and, with your permission, I propose to take them as read.

"I regret very much the delay in presenting the balance-sheet and the Directors' report. This was unavoidable, because the Government of Mysore and also the Mysore State Electricity Board took time to communicate their final decision in regard to the rate of power supply.

"The profit of Rs. 1,30,751-11-6 shown in the accounts has been arrived at, after making reasonable provision for depreciation of the fixed assets to the tune of Rs. 1,61,763 which is about Rs. 35,000 more than that of last year; and for payment of income, super and wealth taxes of Rs. 1,45,600 which also exceeds from that of the provision made last year by about Rs. 91,000.

"I had made a reference last year to the growing use of commercial fertilisers on the part of our generally conservative agriculturist classes and the beneficial effect of this auspicious development on the economic health of the nation. In view of the fact that increased agricultural production is the only effective way open to this country for combating inflationary trends inherent in large-scale developmental expenditure under the Plan, let us all pray and hope that no efforts will be spared to arrange a steady and unfailing flow of fertilisers to agricultural fields, in spite of the foreign exchange crisis facing the country.

"Representation has been made to the Electricity Board and also to the Government of Mysore, by your Directors in regard to fixation of reasonable rates for supply of power to your factory. As you are aware, this Company was formed in 1937 on the initiative of the Mysore Government with active support and concessions—the most important then and even now—being the supply of power at low rates. I should, along with my colleagues on the Board and on behalf of you all, give public expression to our belief, that the Government and the Electricity Board will help this industry to thrive by continuing electric power supply at concession rates.

"Gentlemen, I think you will agree that taking a general survey over the past year, the working results are satisfactory. The amount brought forward together with the results of the year's trading totals to Rs. 1,36,236-10-2 and, as you will see from the report before you, your Directors have recommended payment of a dividend of 5 per cent. on the shares, thus maintaining the consistency in the rate of dividend.

"About the expansion activities of the factory, I may state that, though the new motor generator set is erected successfully and the new cells will be completely erected soon, commissioning of these new units need extra power. Running of these plants in alternation or in addition to the present ones is receiving active attention of your Directors.

"Cordial relationship continued between the management and the labour during the year and, as usual, your Directors evinced keen interest in their welfare. In appreciation of their loyal services, your Directors have paid them a bonus equivalent to one-twelfth of their basic earnings for the year 1956-57.

"On behalf of the Company, I wish to express our gratitude to both the Central and Mysore Governments for their continued sympathy towards this industry. I also wish to thank my colleagues on the Board for their co-operation and valuable guidance at all times.

"Gentlemen, with these observations, I now move that the Directors' report and the audited balance-sheet and profit and loss account for the year ended 31st March 1957, already circulated to shareholders, be approved."

N.B.—This does not purport to be a report of the proceedings of the general meeting.

Points From The Chair

Decimal Coinage

"THE report and accounts for the year 1957 cover a period during which two important factors came into being. The first in point of time was the introduction of decimal coinage. I said in my statement last year that the absence of exact equivalents in the decimal system for the units of the old coinage at the lower levels must inevitably lead to confusion about the prices of single cigarettes, which form a high proportion of the total sales. Confusion did in fact occur and it was not limited to the prices of cigarettes. Nevertheless, it was not as bad as the pessimists forecast and the worst of it did not last very long. There is still room for argument in the bazaar when units of the old coinage are tendered in payment but, generally speaking, the markets seem to have settled down to an accepted *modus operandi* and perhaps the opportunity for a little bargaining is not altogether unwelcome. Thus far there are few signs of any marked changes in demand in those price classes in which your Company's products sell. Such changes, indeed, were not to be expected immediately, since the two major products, which previously retailed at five annas and ten annas per packet of ten cigarettes, fell fairly naturally into the price classes of thirty and sixty naye paise. The second factor was the exemption of cigarettes and tobacco from sales tax and the imposition by Government of a surcharge on the excise rates to make good the loss."

D. S. BARRON,
Godfrey Phillips, India, Ltd.

Shortage of Exchange

"A feature common to the economy of the three countries where we operate and trade is a shortage of availability of overseas exchange. In India this stems from the application of foreign exchange control in the interests of the large capital requirements of the second Five-year Plan. Pakistan and Burma also have programmes for industrial development. The economy of these two countries, which is primarily agricultural in character, suffered from low rainfall resulting, in the case of Pakistan, in the need to import large quantities of food and, in the case of Burma, in a poor rice harvest which will seriously curtail the quantity of rice available for export. These economic stresses have repercussions on the rate of trade expansion but once they have been overcome we should be able to look forward to a steady increase in demand for petroleum products. It is of interest to note in this context that the *per capita* sales of these products per annum in India, Pakistan and Burma, with a total population of some 500 million, is less than 5 gallons, whereas the corresponding figure for the United Kingdom is around 120 gallons and for the U.S.A. 600 gallons."

W. E. EADIE,
Burmah Oil Company Ltd., Glasgow.

Pensions

"We consider that any State pension scheme should be limited to provision against basic needs. In the endeavour to build a responsible society it is essential that the independence of the individual and the necessity for personal thrift should not be undermined. This has always been fundamental to our British way of thinking and to depart further from this principle would be to court disaster in a progressive and highly competitive world. Nothing could be more harmful to the character than to create the impression that it was no longer necessary for the individual to think about his future or to make provision for his future. This is not solely a matter of destroying initiative. To provide for pensions by a State scheme above basic needs would add greatly to the obligations of the citizen to the State. The sum of such obligations for State benefits in infancy, in childhood, in education, and in the health and other welfare services is already substantial and will increase steeply as more of the elderly in our aging population claim old-age pensions at even the present level. Nor would we approve of any State scheme providing more than basic needs even if there were provision for opting out which is probably not feasible anyway. We cannot agree that citizens elect a Government to compete with them in their business."

THE RT. HON. LORD GRANTCHESTER,
London and Manchester Assurance Co., Ltd.

Investment in Gold

"There have been signs during the past year of a gradual resurgence of investment interest in South African gold mining companies. Although production costs have continued to rise in every field of mining activity, deflationary influences have, for the first time since the war, affected the market for certain metals and minerals. The gold mining industry, however, has not been similarly affected; while the prices of other metals have fallen, gold has continued to enjoy a stable market, at a uniform price. The yield attractions and prospects for growth and capital appreciation offered by many gold mining companies bear favourable comparison with those offered in other fields of investment, and the recognition of these qualities by a growing number of investors is a reassuring indication that the revived interest in gold mining is likely to widen. The renewed interest in gold has not yet developed into the broad demand that might be expected if a rise in the gold price were considered imminent. The possibility of an increase in the gold price is, however, an added inducement for investment in gold mining that should not be ignored. As the pressure exerted on international gold reserves steadily increases, so does the possibility that the price of gold may ultimately be raised."

H. F. OPPENHEIMER,
Orange Free State Investment Trust Ltd.

COMPANY MEETINGS AND DIVIDENDS

SHREE AMBICA JUTE MILLS LTD. Annual General Meeting, Calcutta, 29th May 1958. Dividend: Re. 0.50 per share. Transfer books remain closed from 22nd May to 5th June 1958, both days inclusive.

RADIO AND ELECTRICALS LTD. Annual General Meeting, Madras, 30th May 1958. Dividend: 0.45 per share or 9 per cent. Transfer books remain closed from 16th to 30th May 1958, both days inclusive.

GODFREY PHILLIPS, INDIA, LTD. Annual General Meeting, Andheri, Bombay, 30th May 1958. Dividend: Re. 1.50 per share. Transfer books remain closed from 24th to 30th May 1958, both days inclusive.

RAMNUGGER CANE AND SUGAR CO., LTD. Annual General Meeting, Calcutta, 30th May 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books remain closed from 15th to 30th May 1958, both days inclusive.

INDO-BURMA PETROLEUM CO., LTD. Annual General Meeting, Calcutta, 30th May 1958. Dividend: Rs. 2.00 per share (includes interim dividend of Re. 1.00 per share). Transfer books remain closed from 20th to 29th May 1958, both days inclusive.

MYSORE SUGAR CO., LTD. Annual General Meeting, Bangalore City, 30th May 1958. Dividend: Rs. 2.00 per share or 20 per cent. Transfer books remain closed from 24th to 30th May 1958, both days inclusive.

CAMBODIA MILLS LTD. Annual General Meeting, Coimbatore, 30th May 1958. Dividend: Re. 0.50 per share. Transfer books remain closed from 7th to 30th May 1958, both days inclusive.

SHREE KRISHNA GYANODAY SUGAR LTD. Annual General Meeting, Dalmianagar, 31st May 1958. Dividend: Re. 1.00 per share or 10 per cent. Transfer books remain closed from 20th to 31st May 1958, both days inclusive.

SRI BALASUBRAMANIA MILLS LTD. Annual General Meeting, Singanallur, Coimbatore, 5th June 1958. Dividend: 7½ per cent. Transfer books remain closed from 23rd May to 5th June 1958, both days inclusive.

PEERMADE TEA CO., LTD. Annual General Meeting, Pathirapally, Kerala State, 7th June 1958. Dividend: Rs. 2.50 per share (includes interim dividend of Re. 0.75 per share). Transfer books will remain closed from 25th May to 10th June 1958, both days inclusive.

RAJNAGAR TEA CO., LTD. Annual General Meeting, Calcutta, 9th June 1958. Dividend: Re. 1.10 per share or 11 per cent. Transfer books will remain closed from 3rd to 9th June 1958, both days inclusive.

ANIL HARDBOARDS LTD. Annual General Meeting, Bombay, 9th June 1958.

MAHARASHTRA SUGAR MILLS LTD. Annual General Meeting, Bombay, 9th June 1958. Dividend: Rs. 100.00 per share (includes bonus of Rs. 25.00 per share). Transfer books will remain closed from 2nd to 17th June 1958, both days inclusive.

NATIONAL RAYON CORPORATION LTD. Annual General Meeting, Bombay, 12th June 1958. Dividend: Rs. 14.00 per share, payable on and from 13th June 1958. Transfer books were closed from 16th April to 15th May 1958, both days inclusive.

SVADESHI MILLS CO., LTD. Annual General Meeting, Bombay, 20th June 1958. Dividend: Rs. 9.00 per share, payable on 21st June 1958.

TATA MILLS LTD. Annual General Meeting, Bombay, 25th June 1958. Dividend: Rs. 2.00 per share, payable on 26th June 1958.

SIVANANDHA MILLS LTD. Dividend of Re. 1.20 per share or 12 per cent. for the year ended 31st December 1957. Transfer books remain closed from 21st May to 4th June 1958, both days inclusive.

SPENCER & CO., LTD. Interim dividend of Re. 0.50 per share or 5 per cent. for the year ending 30th June 1958. Transfer books will remain closed from 2nd to 9th June 1958, both days inclusive.

SWINTON ESTATES CO., LTD. Interim dividend of 5 per cent. for the year ended 31st March 1958. Transfer books will remain closed from 2nd to 9th June 1958, both days inclusive.

ATHIMATTAM RUBBER CO., LTD. Dividend of 3½ per cent. for the year ended 28th February 1957. Transfer books remain closed from 19th to 26th May 1958, both days inclusive.

COMPANY REGISTRATIONS

MAKHANA (RAJASTHAN) PRIVATE LTD. (First Director: Mr. Baijnath C. Makhana.) Business: Selling agents, commission agents, etc. Authorised capital: Rs. 2,00,00,000. Private company. Address: 203, Kalbadevi Road, Bombay.

TEXTILE APPLIANCES AND INSTRUMENTS CO., PRIVATE LTD. (First Director: Mr. B. P. B. Joshi.) Business: Exporters and importers of textile appliances. Authorised capital: Rs. 5,00,000. Private company. Address: 81, Alkanevi, Baroda District.

AMAR JYOTI TRADING CO. PRIVATE LTD. (First Director: Mr. V. J. Kapur.) Business: Manufacture of carbons and stationery articles. Authorised capital: Rs. 5,00,000. Private company. Address: 155, Mody Street, Fort, Bombay.

EARNINGS OF RAMNUGGER CANE LOWER

GODFREY PHILLIPS REDUCE DIVIDEND

Ramnugger Cane and Sugar Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Anderson Wright, Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st August 1957.

The factory started crushing on the 30th November 1956 and continued till the 28th April 1957. A quantity of 25,17,752 maunds of sugarcane was milled, with an average sugar recovery of 8.84 per cent. as compared with 26,02,900 maunds and 10.46 per cent. respectively during the previous season.

The total crush was made up of 11,29,892 maunds of cane from the Company's own farms and 13,87,860 maunds from cultivators. The corresponding figures for the preceding season were 14,24,021 maunds and 11,78,879 maunds respectively. The percentage recovery of sugar from cane dropped in spite of higher manufacturing efficiency, because the cane had been impoverished by pest and floods.

The standing sugarcane crop was attacked by a pest called 'Chilo Tumidicostalis' and intensive measures were taken to control the infestation. Besides mechanical operations, a large acreage of sugarcane was sprayed with insecticides by means of hand-sprayers and power machines, and the remaining area was aerially sprayed with the help of a Beaver 'Plane obtained from the Plant Protection Department of the Government of India. The West Bengal Government gave every assistance for pest control work in the locality by lending staff and equipment and defraying a part of the expenses for this work. The results achieved from these operations have been satisfactory.

All crops in the districts of Nadia and Murshidabad were later heavily inundated by floods of a magnitude unrecorded heretofore. Damage was caused not only to the Company's standing sugarcane and paddy crops, but plantation for the 1957-58 crop was also considerably delayed. Both the factory and zamindary offices were deluged and, although sugar stocks were saved by the timely construction of a brick wall at the entrances of the godowns, certain items of stores and manure, especially those lying in various out-farms, were washed away. Some of the staff and labour quarters at Ramnugger either collapsed or were badly damaged. The Company had to undertake relief operations by way of providing food and clothing to flood-stricken people and repairing many residential quarters.

The expansion programme has progressed satisfactorily, and all the machinery ordered for this purpose, with the exception of a few units, has been installed. The crushing capacity of the factory during the Season 1958-59 is expected to be 1,200 tons of sugarcane per day.

The minimum price of sugarcane payable by factories was fixed at Re. 1.44 nP per maund for gate deliveries and Re. 1.31 nP per maund for outstation cane. As in the past four years, the Government did not exercise any statutory control on the price and distribution of sugar, *gur* and *khandsari*, but 25 per cent. of sugar produced was kept in reserve with factories to be requisitioned, if necessary, at fair ex-factory prices to be fixed by the Government. No requisition, however, was made from our factory during the period. Releases of sugar from factories were regulated by the Government as in the past. The rate of excise duty on sugar was increased from Rs. 5.62 nP per cwt. to Rs. 11.25 nP per cwt. with effect from the 16th May 1957. The factory's total production of molasses was requisitioned by the West Bengal Government for supply to distilleries in the State at a rate of Re. 1 per maund.

The Employees' Union submitted a charter of demands to the Company and conciliation proceedings were initiated by the Assistant Labour Commissioner, Barrackpore. All issues were conclusively settled, as a result of which salaries and rates of dearness allowance of the employees were increased with effect from the 16th April 1957.

In view of considerable reserves built by the Company from its year-to-year profits, it was decided to approach the Central Government for permission to issue bonus shares in the ratio of one bonus share for every ordinary share held by members. In the meanwhile, the rate of tax on bonus shares was increased from 12½ per cent. to 30 per cent. The Board then re-considered the matter, and it was decided to postpone the proposal.

The sugar production in the country during 1956-57 rose to an all-time record of 20,26,702 tons. It was possible, therefore, to export this commodity for the first time on a substantial scale. The export business was entrusted to the Indian Sugar Mills Association, which is reported to have shipped 1,52,911 tons to various countries.

The profit of the Company, after deducting all working charges and commissions, and after providing Rs. 1,94,445 (Rs. 2,28,656) for depreciation and Rs. 2,50,000 (Rs. 5,70,000) for taxation, amounts to Rs. 4,18,772 (Rs. 11,24,508) to which is added the amount brought forward from last year of Rs. 1,25,739 (Rs. 20,350) making a total of Rs. 5,44,511 (Rs. 11,44,858). This amount the directors recommend, should be dealt with as follows:—

In payment of dividends for the year ended 31st August 1957, without any deduction in respect of Indian Income-tax or Bengal Agricultural Income-tax paid by the company on preference shares at 6 per cent. per annum Rs. 24,000 (Rs. 24,000), on ordinary shares at 15 (20) per cent. per annum Rs. 2,48,973 (Rs. 3,31,964), provision for additional super-tax in respect of dividend on ordinary shares Rs. 23,238 (Rs. 43,155), and provision for wealth tax Rs. 20,000 (*nil*) leaving to be carried forward Rs. 2,28,300 Rs. 1,25,739 after transferring Rs. 5,00,000 to reserves and Rs. 1,20,000 to reserve for additional taxation.

Season 1957-58.—The factory completed the season after crushing 16,14,999 maunds of sugarcane with an average sugar recovery of 9.40 per cent. Cane yield per acre suffered as a result of drought, red-rot and untimely planting due to late recession of flood-water from the area. The Company was able to sustain a major portion of the crop in its own farms because of its irrigation resources and timely disease-control measures. The fall was more pronounced in cultivators' fields and they supplied considerably less cane to the factory than during the past few years. They also found it more profitable to convert their cane into *gur*. Excise duty on sugar has been rapidly increasing for some time now and *gur*-manufacture being exempt from any such levy, attracted appreciable quantities of cane from the factory area.

Additional excise duty on sugar was levied at the rate of Rs. 3.31 nP per cwt. with effect from the 14th December 1957 in replacement of Central and State Sales Taxes. There has been no change in the price of cane or in the Government's sugar policy.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	20,59,820	Block ...	25,79,664
Reserves ...	40,00,000	Machinery and buildings under erection ...	14,48,429
Provision for taxation ...	11,19,394	Stock-in-trade	33,52,364
Liabilities ...	39,50,924	Stores, spare parts and loose tools	14,96,772
Profit and loss account ...	2,28,300	Standing sugarcane	13,26,259
		Cane plantation in progress ...	1,39,535
		Other assets	11,975
		Debts, deposits and advances ...	9,50,969
		Cash	17,994
		Miscellaneous expenditure and losses	34,477
Rs.	1,13,58,438	Rs.	1,13,58,438

Godfrey Phillips India, Ltd.

The directors of the above Company (Chairman: Mr. D. S. Barron, Bombay) submit the audited accounts of the Company for the year ended 31st December 1957.

The Company made a net profit after provision for taxation, depreciation and all other charges, of Rs. 7,51,831 (Rs. 10,87,734). To this amount is added the balance brought forward from last year of Rs. 13,04,518 (Rs. 11,96,811) less short provision less excess provisions for previous years of Rs. 1,96,006 (Rs. 62,604) making an amount available of Rs. 18,60,343 (Rs. 23,32,206 including Rs. 1,10,265 being reserve for taxation written back). Out of this sum the directors have decided to transfer to reserve for gratuities Rs. 57,000 (Rs. 1,06,000) leaving a balance of Rs. 18,03,343 (Rs. 22,26,206). From this amount the directors recommend payment of a dividend on the preference shares at 5½ per cent. per annum subject to tax, absorbing Rs. 1,13,025 (Rs. 1,21,688) and a dividend on the ordinary shares at 15 (20) per cent. per annum absorbing Rs. 6,00,000 (Rs. 8,00,000) leaving a balance to be carried forward to next year of Rs. 10,90,318 (Rs. 13,04,518).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	70,00,000	Block ...	31,46,373
Reserves ...	9,44,000	Goodwill ...	62,587
Provision for taxation ...	24,21,417	Packing materials, stores & spare parts	15,55,767
Liabilities ...	45,67,592	Raw materials	62,97,717
Profit and loss account ...	10,90,318	Manufactured cigarettes	6,20,037
		Stock-in-transit ...	75,353
		Debts, deposits and advances ...	41,50,036
		Cash ...	1,15,457
Rs.	1,60,23,327	Rs.	1,60,23,327

Trichinopoly Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. Mooljee Ramjee and Sons, Ramjeenagar, Tiruchirapalli) submitted the audited accounts of the Company for the year ending 31st December 1957.

As anticipated in the directors' last report, the profit position is comparatively poor. The net profit after deducting all expenses including Rs. 75,551 being bonus to workers for the year 1956 and writing off Rs. 1,17,966 (Rs. 1,20,435) as depreciation on fixed assets is Rs. 1,81,435 (Rs. 4,67,686). Donations amounting to Rs. 1,652 (Rs. 2,339) have been paid therefrom. Along with Rs. 62,837 (Rs. 1,508) carried forward from last year, there is a sum of Rs. 2,42,620 (Rs. 4,66,855) to the credit of profit and loss account. The directors recommend that a sum of Rs. 55,000 (*nil*) be drawn from the dividend equalisation fund and propose the amount thus available viz., Rs. 2,97,620 (Rs.4,66,855) be disposed of as follows:—

To provide for development rebate reserve Rs. 50,940 (*nil*), to provision for taxes Rs. 1,20,000 (Rs. 1,75,000), to pay a tax free dividend of 9 (11½) per cent. to shareholders absorbing Rs. 1,25,886 (Rs. 1,57,350) and to carry forward to next year Rs. 794 (Rs. 62,837 after transferring Rs. 48,668 to general reserve, Rs. 13,000 to reserve for rehabilitation and Rs. 10,000 to dividend equalisation fund). Due to meagre earnings no workers' bonus liability for the year 1957 can arise.

Trade conditions have continuously deteriorated during the year under review. The Textile Industry is passing through a difficult phase and a crisis appears to be developing. There is overproduction of yarn and handloom products and glut in the market. Export possibilities are far from encouraging.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	13,98,730	Block ...	5,98,169
Reserves ...	9,45,940	Stock-in-trade	8,88,805
Provision for taxation ...	3,48,696	Stores, spare parts, etc.	2,51,347
Liabilities ...	2,53,919	Debts, deposits and advances ...	9,51,296
Profit and loss account ...	794	Investments ...	1,02,457
		Cash ...	1,56,005
Rs.	29,48,079	Rs.	29,48,079

Samastipur Central Sugar Co., Ltd.

The directors of the above Company (Kanpur, U.P.) submit the audited accounts of the Company for the year ended 30th June 1957.

The results for the year, after making the usual provisions charging depreciation and adjustments, show a loss of Rs. 2,24,407 (profit of Rs. 95,077) from which has been deducted the balance brought forward from the previous year of Rs. 3,554 (Rs. 8,477) leaving at debit of profit and loss account Rs. 2,20,853 (credit of Rs. 3,554 after placing Rs. 25,000 to contingencies reserve on stock realisation and Rs. 75,000 to rehabilitation reserve).

The crushing operations commenced on 29th October, 1956 and concluded on 16th May, 1957. The crop taken off amounting to 29,51,842 (28,35,276) maunds, was one of the highest on record. Unfortunately the recovery of 8.91 (9.32) per cent. was the lowest since the 1935-36 season and this adversely affected the working results of the Company.

The cane price remained at the high rate of Re. 1-7-0 per maund at the factory gate and Re. 1-5-0 per maund at outstations. These prices had to be paid irrespective of the quality of the cane supplied, and while Government are at last giving some attention to the possibility of paying for cane in accordance with its quality, the results of the Company for the year under review give a striking example of the unfair consequences to the manufacturer of paying for cane on the basis of weight.

The prospects for the current season are much brighter as the climatic conditions were much more favourable and the improvements in the factory and the work done in cane development should be reflected in the results of the year's working.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	11,99,000	Block ...	22,10,161
Reserves* ...	16,33,214	Stock-in-trade	9,86,052
Liabilities ...	24,88,812	Stores and spare parts	5,89,051
		Loose tools	67,362
		Debts, deposits and advances ...	12,59,237
		Investments	600
		Cash ...	2,08,563
Rs.	53,21,026	Rs.	53,21,026

*Reserves are shown after deducting the debit balance of Rs. 2,20,853 in the profit and loss account.

Punjab Minerals Co., Ltd.

The directors of the above Company [Managing Agents: Messrs. Bird & Co., (Private) Ltd., Calcutta] submit the audited accounts of the Company for the year ended 30th September 1957.

The profit and loss account after providing for all charges shows a profit of Rs. 660 (Rs. 3,477). From this amount is deducted the debit balance brought forward from the previous year of Rs. 1,34,831 (Rs. 1,38,308) leaving a debit balance of Rs. 1,34,171 (Rs. 1,34,831) to be carried forward.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,00,000	Block ...	1,62,218
Liabilities ...	31,390	Stock-in-trade	105
		Loans and advances ...	25,511
		Investments	89
		Cash ...	681
		Miscellaneous expenditure and loss ...	1,42,786
Rs.	3,31,390	Rs.	3,31,390

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

THE SVADESHI MILLS COMPANY LIMITED

NOTICE

IN SUPERSESSION OF THE NOTICE DATED the 11th April 1958, notice is hereby given that the SEVENTY-SECOND ANNUAL GENERAL MEETING of THE SVADESHI MILLS COMPANY, LIMITED, will be held at the Registered Office of the Company, Bombay House, Bruce Street, Fort, Bombay, on FRIDAY, the 20TH JUNE 1958 at 4-30 p.m. (S.T.), to transact the following business:—

(1) To adopt the Directors' Report and the audited Profit and Loss Account of the Company for the year ended 31st December 1957 and the audited Balance Sheet as at 31st December 1957.

(2) To declare Dividends.

(3) To appoint a Director in the place of Mr. J. R. D. Tata who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution as a Special Resolution in respect of which a special notice, as required by section 261 of the Companies Act, 1956, has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 261 and other applicable provisions, if any, of the Companies Act, 1956, Mr. J. R. D. Tata who retires by rotation and who is a director, officer, member and an associate of Tata Industries Private Ltd., the Managing Agents of the Company (which Managing Agents are authorised by the Articles of Association and the Managing Agency agreement to appoint ex-officio and Special Directors to the Board) be and is hereby re-appointed a Director of the Company."

The reasons which make this Special Resolution necessary are fully set out in paragraph 2 of the explanatory statement annexed to this Notice, and the same shall for the purpose of section 261 be deemed to be incorporated in this Notice.

(4) To appoint a Director in the place of Mr. D. D. Romer who retires by rotation and is eligible for re-appointment and to consider and, if thought fit, to pass the following resolution in respect of which a special notice, as required by section 281 of the Companies Act, 1956, has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 281 and other applicable provisions, if any, of the Companies Act, 1956, Mr. D. D. Romer who has attained the age of 83 years and retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under section 280 of the said Act shall not apply to him."

(5) To appoint a Director in the place of H.H. Maharaja Fatesinghrao Gaekwad who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.

(6) To appoint a Director in the place of Mr. C. H. Bhabha who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.

(7) To approve, pursuant to section 281 of the Companies Act, 1956, the appointment of Mr. T. V. Baddeley, C.B.E., as Special Director made by Tata Industries Private Limited, the Managing Agents of the Company, as authorised by the Company's Articles of Association and the Managing Agency agreement, and, if thought fit, to pass the following resolution in respect of which a special notice as required by section 281 of the said Act has been received by the Company:—

"RESOLVED that pursuant to the provisions of section 281 and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr. T. V. Baddeley, C.B.E., who has attained the age of 69 years, as a Special Director by Tata Industries Private Ltd., the Managing Agents of the Company, as authorised by the Company's Articles of Association and the Managing Agency agreement, be and is hereby approved and it is hereby specifically declared that the age limit for Directors prescribed under section 280 of the said Act shall not apply to him."

(8) To appoint Auditors for the current year and to fix their remuneration.

Notes:—(*a*) The relative explanatory statements pursuant to section 173 of the Companies Act, 1956, in respect of the special business under items 3 to 7 set out above are being posted to all shareholders.

(*b*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*c*) The Transfer Books of the Company were closed from Saturday the 22nd March to Saturday, the 19th April 1958, both days inclusive.

(*d*) If dividends on shares as recommended by the Directors are passed at the meeting, the payments will be made on and after Saturday, the 21st June 1958, to those members whose names were on the Register of the Company on the 19th April 1958.

By Order of the Board of Directors,

TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

BOMBAY, *16th May*, 1958.

ANNEXURE TO THE NOTICE

Explanatory Statements as required by Section 173 of the Companies Act, 1956.

The following explanatory statements as required by section 173 of the Companies Act, 1956, set out all material facts relating to the special business mentioned in the Notice dated the 16th May 1958.

2. *Item No.* 4: Mr. P. S. Mistry was appointed an additional Director in October 1957 by the Board of Directors under Article 136 of the Articles of Association of the Company. Under section 260 of the Companies Act, 1956, he can hold office only upto the date of this Annual General Meeting. As required by section 257 of the Act a notice has been received from some members signifying their intention to propose his appointment as a Director. Mr. P. S. Mistry is a young business man and a building contractor and it is desirable that he should continue to be a member of the Board.

3. *Item No.* 5: Mr. Kantilal Nahalchand was appointed an additional Director in November 1957 by the Board of Directors under Article 136 of the Articles of Association of the Company. Under section 260 of the Companies Act, 1956, he can hold office only upto the date of this Annual General Meeting. As required by section 257 of the Act a notice has been received from some members signifying their intention to propose his appointment as a Director. Mr. Kantilal Nahalchand is a business man of repute and it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board.

By Order of the Board of Directors,

TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

THE TATA MILLS LIMITED

NOTICE

IN SUPERSESSION OF THE NOTICE DATED the 11th April 1958, notice is hereby given that the FORTY-SIXTH ANNUAL GENERAL MEETING of THE TATA MILLS LIMITED will be held at the Registered Office of the Company, Bombay House, Bruce Street, Fort, Bombay, on WEDNESDAY the 25TH JUNE 1958 at 4-30 p.m. (S.T.), to transact the following business:—

1. To adopt the Directors' Report and the audited Profit and Loss Account of the Company for the year ended 31st December 1957 and the audited Balance Sheet as at 31st December 1957.

2. To declare a Dividend.

3. To appoint a Director in the place of Mr. B. C. Mehta who retires by rotation and is eligible for re-appointment.

4. To appoint a Director in the place of Mr. P. S. Mistry who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.

5. To appoint a Director in the place of Mr. Kantilal Nahalchand who was appointed an additional Director of the Company by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director.

6. To appoint Auditors for the current year and to fix their remuneration.

Notes:—(*a*) The relative explanatory statements pursuant to section 173 of the Companies Act, 1956, in respect of the special business under items 4 and 5 set out above are annexed hereto.

(*b*) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

(*c*) The Transfer Books of the Company were closed from Saturday, the 22nd March to Saturday, the 19th April 1958, both days inclusive.

(*d*) If dividend on shares as recommended by the Directors is passed at the meeting, the payment will be made on and after Thursday, the 26th June 1958, to those members whose names were on the Register of the Company on the 19th April 1958.

By Order of the Board of Directors,

TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
T. V. BADDELEY,
Director.

GOVERNMENT IN THE ECONOMIC SYSTEM

(*Concluded from page 978*)

situation, must seek to avoid aggravating inflationary pressures.

The other major tool for moderating the business cycle is credit policy. As Walter Bagehot said over a hundred years ago, "money does not manage itself." In the United States, primary responsibility for credit policy has been entrusted by the Congress to the independent Federal Reserve System. Its policy seeks to keep additions to money demand in balance with additions to resources. Credit restraint does, of course, create problems—there isn't enough money to go around. Although some desirable credit needs are not met, there appears to be only one comprehensive alternative: to replace the capital and credit rationing of the money market with government allocation as to who may obtain credit or capital and in what amounts and for what purpose. The risks of so pervasive a centralised decision-making power are hardly justified by the inability of every prospective borrower to meet his needs fully under a policy of credit restraint. There will be some uneven impacts with or without government allocation, as there are in every aspect of economic activity. And provided that we neither tamper basically with the rationing of the money market nor vitiate the policy of restraint, it is proper to have programmes that recognise the established national policy in such areas as small business, agriculture and housing.

To keep prosperity by keeping it healthy requires understanding, judgment and skill. In the words of the Scotch proverb, "it takes a steady hand to hold a brimming cup." This is not to say, however, that a steady hand on monetary and fiscal management offers a complete and effortless solution. The wage-cost-price spiral can be stubborn. For that problem, however, the rigidities of direct controls offer no satisfactory solution. To by-pass the market and make political pressure the route to economic advantage is not a promising way to foster economic responsibility. A short-run check to the wage-cost-price spiral may take the form of a profit-squeeze where consumers balk at higher prices in a climate of credit restraint.

Long-term Approach

A long-term approach to the problem requires either a re-examination of the great power in private economic groups or the exercise of restraint and responsibility by those who hold such power. Broader recognition of the fact that inflation can give, at best, only temporary advantage may induce increasing self-restraint. Perhaps strategically placed private decision-makers will reflect a little more on their responsibilities. This awareness is indispensable to stability with progress in a free economy.

As useful as the price mechanism is, it has never been expected to provide for every need. In addition, therefore, to measures strengthening markets and fostering stability, there is a third and less well-defined category of government economic activity: to supplement the market system in those areas where it alone cannot as well provide certain essential needs.

The first of such activities supplements the market by expediting unusual industrial developments of potential economic or social value. War-time necessity occasioned such hot-house development for atomic energy and synthetic rubber manufacture. In more unusual cases, government subsidies were provided to speed the development of the rail-roads in the last century and, more recently, of civil aviation. Far-sighted but rare intervention of this sort, when undertaken, should be designed to utilise the market mechanism as soon and as fully as possible.

The second and more traditional government activity supplementing the market is the conservation and development of natural resources through programmes for highways, waterways, natural parks, forests and wild life.

Personal Security

Personal security is the object of the third type of government supplement to the market. It seeks to cushion the human costs of a dynamic, but non-utopian society. The interdependent and complex nature of an industrial society and humanitarian impulses compel a deep concern for those who find themselves below a basic standard of living.

In meeting the need for personal security, we can help individuals satisfy their urgent material wants and lessen the anxieties that prevent the full enjoyment of freedom. Unemployment compensation can ease the burden of changes in job conditions. The reinforcement of health insurance plans can assist individuals to protect themselves, through their own efforts, from the often crushing financial burden of major illness. A social security system can protect a worker and his family against the dependency resulting from old-age or premature death.

A basic standard of living may be provided through various public assistance programmes for the relatively few who, for various reasons, may be unemployable. These and other meritorious measures do, indeed, use the coercive fiscal powers of government, but they do so to help individuals within the framework of a free economy and, at the same time, to create the climate most favourable to free, personal economic activity. Moreover, such programmes if properly conceived and administered, can widen rather than narrow individual freedom.

It should not be necessary—and yet it is—to emphasise that such welfare programmes must be carried out with judicious care. A cool head is needed in welfare as well as a warm heart. Public policy that encourages private laxity helps neither the individual nor the society as a whole. What the government does to help must remain consistent with the belief that the only real security is that which an individual wins for himself.

Much more, of course, is involved in promoting the general welfare than dealing only with the casualties of life. Public and private action, for example, should seek to remove the obstacles to equal economic opportunity for all persons. A society which values each individual must take steps to bring the first rung of the ladder of opportunity within the reach of all. Universal education and various vocational programmes are thus a social and moral necessity. So also is the unremitting discouragement of discrimination of all kinds. And the best climate for its elimination is the expanding volume of opportunities that a growing economy affords.

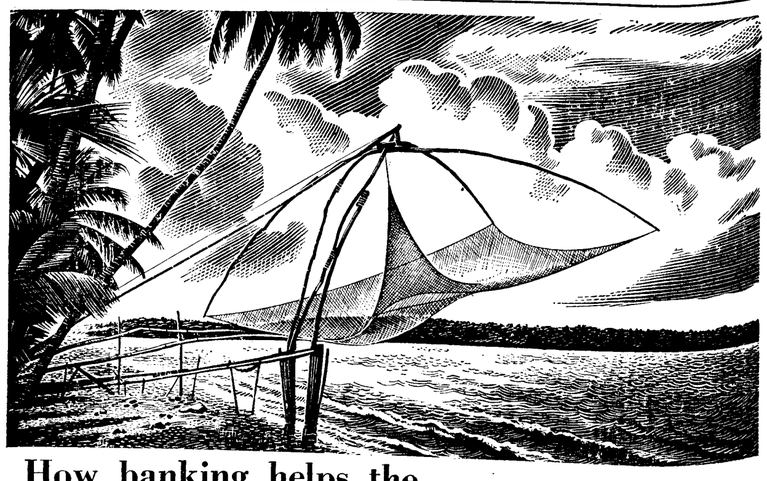
In these three areas—strengthening of competitive markets, moderating economic fluctuations and providing certain necessary supplements to the market system—is to be found the proper place of government in the economy. A proper role for government must rest on a proper regard for freedom. Such a belief emerges from the intimate relationship of personal security, material well-being and freedom. In approaching the difficult problems of the economy, it cannot be emphasised too frequently that material well-being is mainly a question of whether the economy remains dynamic and grows in a reasonably stable manner. Strengthened and supplemented in appropriate but clearly limited ways, the free economy best assures the rapid economic progress which allows a widespread and increasing standard of living. It is thus that plenty-in-freedom has become a reality in the United States.—*Reprinted from* Public Relations Journal.

WORLD BANK AT WORK

The International Bank for Reconstruction and Development has reported a net income of $32.4 million for the nine-month period ended 31st March 1958, as compared with $26.2 million for the corresponding period in 1957. This income was placed in the supplemental reserve against losses on loans and guarantees, raising the reserve to $226.7 million. Loan commissions amounted to $14.7 million and were credited to the Bank's special reserve, increasing that reserve to $108.5 million. Total reserves as on 31st March 1958 were $335.2 million. Gross income, exclusive of loan commissions, was $72.6 million, as compared with $53.6 million in 1957. Expenses, which included $34 million for interest on Bank borrowings and other financial expenses, amounted to $40.2 million for the period, as compared with $27.4 million last year.

During the third quarter of this fiscal year, the Bank made four loans aggregating $107.4 million in Brazil, Italy, Japan and Mexico. This brought the total number of loans to 193 in 46 countries and raised the gross total of commitments to $3,587.5 million. Disbursements on loans for the nine-month period were $407.4 million, bringing the total disbursements to $2,703.5 million.

Malaya became a member of the Bank on 7th March 1958, with capital subscription of $25 million, making the total subscribed capital of the Bank $9,358.4 million as on 31st March 1958.



How banking helps the

FISHING INDUSTRY

THE seas around India's 2,900 miles of coastline are rich in fish. In the South of India, particularly, fishing is an important industry. It supplies food and many valuable by-products, some of which are exported.

In South India alone, the fishing industry employs over 1½ lakhs of people, and its catches are worth about Rs. 3½ crores every year.

Banking has greatly helped the growth of the fishing industry. The facilities and guidance of a good bank, such as the availability of ready funds when needed, and the collection of dues in any part of the country, are an essential part of good organisation in the fishing industry.

We at Palai are proud that so many leading fishing firms, and indeed important firms in every field of business and industry in South India, employ the *complete* banking service we offer:

Current Accounts — Demand Drafts — Telegraphic Transfers — Investments — Letters of Credit — Bill Collection — Deposits — Loans and Overdrafts — Confidential Credit Reports, etc.

If you have business interests in the South, it will pay you to open an account with us. Our 25 branches are strategically located, 23 in important South Indian business centres and two in Delhi and New Delhi; and we have correspondents in all important Indian cities. We offer a fully comprehensive banking service at each office.

Our clients can make deposits at any of our correspondent banks, situated in all important Indian towns, and have the amounts credited to their accounts at any of our branches.

ESTD. 1927

PALAI CENTRAL BANK LTD.

Head Office: Palai, Kerala.
Branches at: Madras, Madurai, Cochin, Quilon, Trivandrum, Mangalore, Bangalore, etc. Also at: Delhi and New Delhi.

A LEADING BANK IN SOUTH INDIA

P.C.1851

MONEY FAIRLY COMFORTABLE

(From Our Own Correspondent)

BOMBAY, 21*st May*

With the busy season almost at an end, the short-term money market ruled fairly comfortable during the week under review. The subscriptions to the Central Government's loan, no doubt, drained away a substantial part of the surplus funds with banks and, in fact, a few of them appeared again as borrowers. Their demand was, however, easily met with the least strain on the market. There was, therefore, no change in interest rates. Inter-bank call money was placed at 3 per cent. among the Exchange banks and large Indian banks and at 3-3¼ per cent. among the smaller banks. House money at call continued to be quoted at 4¼ to 4⅜ per cent. and short-term deposits at 4⅛ to 4⅜ per cent. for one to six months.

The Reserve Bank of India statement for the week ended 16th May 1958 shows a contraction of Rs. 15.12 crores and a rise of Rs. 15.29 crores in notes held in the Banking Department. There has been an increase of Rs. 24.84 crores in foreign securities and a corresponding fall in rupee securities. The rise in foreign securities has been more than offset by a decline of Rs. 30.79 crores in balances held abroad (in the Banking Department), so that the drain on foreign assets in unabated with a drop of Rs. 5.95 crores during the week. Deposits of the Central Government have risen by Rs. 21.78 crores, while those of other Governments are lower by Rs. 2.04 crores. Deposits of banks have dropped by Rs. 38.11 crores, reflecting the withdrawal of funds for subscribing to the Central Government's loans. Loans and advances to Governments are higher by Rs. 2.27 crores and other loans and advances by Rs. 13.37 crores, of which advances to Scheduled banks against usance bills account for Rs. 9.21 crores. Investments have gone down by Rs. 17.92 crores.

A slight fall in deposits is indicated by the Scheduled banks' statement for the week ended 9th May 1958. Demand deposits have declined by Rs. 1.40 crores and time deposits by Rs. 1.10 crores. While borrowings from banks are higher by Rs. 1.31 crores, those from the Reserve Bank have declined by Rs. 2.29 crores. Advances have dwindled by Rs. 3.09 crores and bills purchased and discounted by Rs. 3.65 crores. There has been a sizable fall of Rs. 18.60 crores in investments, while cash balances have grown by Rs. 8.34 crores and money at call and short notice by Rs. 3.30 crores.

The Gilt-edged market ruled dull and the volume of business was restricted. Thanks to the enquiries in some of the medium and long-dated issues, the undertone remained steady. 3 per cent. 1986 Conversion Loan had business 10 nP lower at Rs. 71.15, while 2½ per cent. 1961 attracted buyers and gained 10 nP to Rs. 95.45. 2½ per cent. 1962 had buyers at Rs. 95.35 *ex*-voucher, as against Rs. 95.30 *cum*-voucher a week ago. 3 per cent. 1959-61 was steady at Rs. 99.10, while 3 per cent. 1963-65 was in demand and rose by 5 nP to Rs. 95.35. 3 per cent. 1964 put on 10 nP to Rs. 95.30 and 3 per cent. 1966-68 10 nP to Rs. 92.75. 3 per cent. 1970-75 also gathered 10 nP to Rs. 87. 3½ per cent. 1962 was marked down by 5 nP to Rs. 97.80. The new loan, 3½ per cent. 1963, was available at the quoted rate. 3½ per cent. 1964 was at Rs. 98.20. 3½ per cent. 1965 had also sellers, but the quotation was unchanged at Rs. 97.80, as also 3¼ per cent. 1967 at Rs. 97.55. 3¼ per cent. 1967 shed 5 nP to Rs. 99.45. 3¼ per cent. 1968 was available at Rs. 99.50. 4 per cent. 1960-70 dropped 5 nP to Rs. 100.40. Among State loans, 4 per cent. 1963 issues were in demand; West Bengal 1963 gained 5 nP to Rs. 99.40, as also U.P. 1963 to Rs. 99.35. 4 per cent. 1967 put on 5 nP to Rs. 98, while Andhra 1967 and 1968 were marked down by 5 nP to Rs. 97.80.

There was a further improvement in the rupee in terms of the U.S. dollar, in consonance with the strength of sterling abroad. Banks' selling rate of ready dollars declined from Rs. 475.50 to Rs. 475 per $100 and their selling rate from Rs. 472 to Rs. 471.75 per $100. In New York, spot sterling gained strength from $2.81.7/16-2.81.9/16 to $2.81.11/16-2.81.13/16 and three months' forward from $2.79-2.79⅛ to $2.79⅛-2.79⅜. Transferable sterling moved up from 279.50-279.60 cents to 279.55-279.65 cents.

KEEN BIDDING IN FINER TEAS

(From Our Own Correspondent)

CALCUTTA, 20*th May*

The 1958-59 season's first export sale will take place on 9th June. Since new season's Darjeelings have begun leaving the hills in larger quantities, a special sale is scheduled to be held on 26th May. One such special sale was held on 12th May, when new Darjeelings on offer amounted to 6,636 packages.

Keen competition was offered for the finest varieties which, as a result, realised high prices. Fair support was accorded by British buyers, and the subsequent report that the U.K. stocks for the week ended 9th May were lower by 2 million lbs., at 118 million lbs., was noted in the market as indicating that still larger interest from British buyers was in store. A remarkable feature was the fair buying done on Russian account. Possibly, the delay in tea movements in Colombo port, following labour troubles, should have made Russian buyers shift attention to Calcutta. Despite this fair buying as the sales came to a close, a few lots had to be withdrawn and a number of teas failed to realise the prices according to valuations.

Transferable export quota changed hands first at 2½ nP and then at 2 nP. Subsequently, the rate declined to 1½ nP. From 1½ nP, non-transferable shipping licence declined to 1 nP, but sellers demanded 2 nP. In new season's sellers demanded 17 nP, but buyers offered 16 nP.

SLUMP IN SILVER

(From Our Own Correspondent)

BOMBAY, 21*st May*

Trading in the bullion market during the week under review was noted for the sharp fall in the price of silver, which affected gold also to some extent. The precipitate decline in silver was due to the withdrawal of support by the erstwhile bulls on account of the approach of the slack season. While the supply position in silver showed signs of improvement, the offtake dwindled substantially. Consequently, there was a heavy unloading by "bulls" and "bears" pressed their sales. The waning demand and expansion in arrivals are reflected in a discount of As. 8 at which ready silver came to be quoted today, as against *nil* a week ago and a premium of Rs. 3 two weeks back.

As the closing price of forward silver (July contract) yesterday stood at more than Rs. 7 below the starting rate for that settlement, the bears were obliged to pay a margin of Rs. 500 per bar on their outstanding sales in that contract. The loosening of the bull grip is also reflected in the wiping out of the backwardation charge for the transfer of business from June to July contract from Rs. 2-2 at the close of the previous week to *nil* today.

Gold also softened in sympathy with silver. The fall in demand and the decision of the Bombay High Court holding that the provisions of section 178A of the Sea Customs Act were *ultra vires* the Constitution, so far as gold was concerned, also aided the bearish sentiment. The Bombay High Court's judgment, it is feared, would encourage smuggling activity.

Silver for forward delivery (June settlement) broke from Rs. 193-6 to a low of Rs. 187-10 today, before recovering at the close to Rs. 188-7. The July settlement dropped from Rs. 191-4 to Rs. 187-6, but closed higher at Rs. 188-7.

Ready silver slumped from Rs. 193-7 to Rs. 187-2 before closing at Rs. 187-15. The floating stocks of silver are estimated at 300 bars. The daily average arrivals were 40 bars (including unrefined metal), while the offtake was 10 bars per day.

Forward gold (June settlement), after an initial improvement from Rs. 111-5 to Rs. 111-13, dipped to Rs. 109-7 and closed at Rs. 109-10. The July settlement declined from Rs. 109-15 to Rs. 108-3 and finished at Rs. 108-6.

Ready gold fell sharply from Rs. 113-5 to Rs. 110-15. At the close, there was a partial recovery to Rs. 111-2. The floating stocks of gold are reported to be 25,000 tolas. The daily average arrivals were 2,000 tolas, while the offtake no more than the same quantity.

New York silver was unchanged at 88⅝c. In London also, silver held its ground at 76½*d.* for spot delivery and at 75⅞*d.* for forward. Gold fluctuated between 249*s.* 5½*d.* and 249*s.* 4*d.* before closing at 249*s.* 4¾*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	21-5-58	Highest	Lowest	14-5-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	111 2	113 15	110 15	113 5
Forward*	109 10	111 13	109 7	111 5
Sovereign	72 0	72 12	72 0	72 4
SILVER				
Ready (.996 fine Mint) ..	187 15	193 5	187 2	193 6
Forward†	188 7	193 5	187 10	193 6
London Silver Ready ..	76½*d.*	—	—	76½*d.*
London Forward	75¾*d.*	—	—	75¾*d.*
London Gold	249*s.* 4¾*d.*	249*s.* 5½*d.*	249*s.* 4*d.*	249*s.* 5*d.*
New York Silver	88⅛c.	—	—	88⅛c.

* 2nd June settlement.
† 3rd June settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

HIDES DULL

(From Our Own Correspondent)

KANPUR, 19*th May*

During the week under review, conditions in the local hides and skins market were dull, as operators were somewhat indifferent. There was a tendency for prices to sag in respect of wet salted buff. The volume of new arrivals declined slightly. The main purchasers were the local tanners. The Madras dealers and the country tanners were lukewarm in their support. The latest quotations are as follows:—

Wet salted cow 1st grade at Rs. 360, 2nd grade at Rs. 200 and 3rd grade at Rs. 140 per score; wet salted buff 1st grade at 1 lb. 6 ozs. and 2nd grade at 1 lb. 11 ozs. per rupee; goat 1st grade Rs. 300 to Rs. 280 and 2nd grade at Rs. 270 to Rs. 260 per 100 pieces; sheep 1st grade at Rs. 325 and 2nd grade Rs. 275 per 100 pieces.

During the internal sales held last week, dusts on offer amounted to 20,150 chests. Although demand was good, the price-trend was mixed. The best liquoring C.T.C. Assams eased by 20 nP below valuation, while the bright liquoring mediums tended dearer. Orthodox teas eased by 2 nP, although earlier in the sales these had eased by 4 nP. Darjeelings realised the price according to valuation and were of an ordinary description. The quotations were: Best Assam C.T.C. Rs. 2.80 to Rs. 3.00, medium Assam C.T.C. Rs. 2.15 to Rs. 2.25, medium Assam grainy dust Re. 1.70 to Re. 1.72, and medium Dooars Re. 1.68.

COTTON FUTURES RECOVER

(From Our Own Correspondent)

BOMBAY, 21*st May*

The cotton futures market began the week on a subdued note and, after a brief spell of firmness on Friday, declined again on Saturday. The market ruled easy on Monday and most part of Tuesday, but picked up strength towards the close of the day. The firm trend persisted today also. The firmness on Friday was due to the expectation of a possible cut in excise duty on medium and coarse cloth following talks in the city between Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, and the representatives of the cotton textile industry. But the categorical refusal of the Minister to agree to any reduction in duty caused much disappointment. The Minister's promise to set up a committee to examine the present crisis facing the industry failed to inspire confidence among operators. Sentiment was further adversely affected by the reported plea made by the representatives of mill interests that the Government should discourage export of ¾" staple cotton. The Government of India's decision to maintain the floor and ceiling prices of cotton for the 1958-59 season at last season's level also imparted weakness to the market. It was contrary to the general anticipation that the floor prices would be revised upwards as recommended by the Cotton Advisory Board. These factors induced heavy selling on Saturday and prices fell sharply. The market, however, gathered support yesterday following strong rumours—they proved true late in the day—that the Government would release immediately an export quota for 50,000 bales of cotton. The quota comprised 35,000 bales of all varieties not above 23/32" in staple and 15,000 bales of cotton of all varieties not above ¾" in staple to be exported on a first-come-first-served basis. The trade was awaiting a quota for ¾" cotton for a long time, and although the quantity presently allowed was considered small, it was widely welcomed. The announcement touched off fresh buying, with the result that values firmed up. Most of the lost ground was recovered, so that the week's closing rates were only a little lower than those at the end of the last week.

I.C.C. Moglai Jarilla (May 1958) opened the week at Rs. 666, as against the previous close of Rs. 668, and after rising to Rs. 670.50 the next day, declined to Rs. 654 on Tuesday. It recovered to Rs. 665 today. I.C.C. Moglai Jarilla (August 1958) commenced the week's trading at Rs. 677.50. After improving to Rs. 680.75 on the following day, it dropped to Rs. 664 yesterday before rising again to Rs. 675.50. After opening at Rs. 673 today, the contract hardened to Rs. 679, before finishing lower at Rs. 676.50.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	21-5-58	*High*	*Low*	14-5-58
I.C.C. Moglai Jarilla (May 1958) ...	665	670.50	654	668
I.C.C. Moglai Jarilla (August 1958) ...	676.50	679	664	678.50

Total tenders against the maturing May contract on the 15th and 19th inst. aggregated 250 bales and 650 bales respectively. The total today aggregates 3,650 bales.

The spot section was active though prices did not show any marked improvement. Mills which were keeping off the market hitherto came forward to make sizable purchases. Sustained demand was noted for staple varieties. Particular interest was evident in Khandesh, Laxmi, Jaydhar and 0394. The Ahmedabad mills were interested in Kalyan and a sizable volume of business was reported.

In the export section, although demand for Bengals was subdued shippers were interested in Kalyan early in the week in anticipation of a quota. Soon after the quota was announced, prices of exportable varieties like Kalyan, Wagad, Kalagin and Oomra *Deshi* improved. Exporters feel that the new quota will be utilised in about a month's time. Japan is expected to be the principal buyer. This country, it is reported, is releasing fresh foreign exchange allocation next month which will enable it to purchase more Indian cotton.

The import section was quiet. Shipment business was confined mainly to small quantities of Egyptian and Sudan cottons. Spot lots of U.S. styles also attracted the attention of spinners.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 593; Berar Jarilla 720; Khandesh 795; Oomra *Deshi* 660; Vijay 895; Hubli Laxmi 1,005; Jaydhar 840. *Delivery contracts*: Bengal 580; Wagad 608; Kalagin 605.

The Karachi cotton futures market continued to rule firm during the week under review. There was large-scale buying in May contract, in view of the approaching maturity date. The distant July delivery also met with heavy bull support in anticipation of better demand from foreign countries. Firm upcountry advices, following smaller crop arrivals, imparted further strength to the market. N.T.R.G. May improved from Rs. 76-9 last week-end to Rs. 77-4 on Monday. The July contract firmed up from Rs. 73 to Rs. 74-2-6. Yesterday, however, there was some reaction attributed mainly to profit-taking sales. Nevertheless, the closing rate were well above those last week-end. The spot section was active and prices improved. Sind *Deshi* was quoted a rupee higher at Rs. 64-8, while Punjab *Deshi* was a shade easy at Rs. 62-4. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 69-8; S.G. 78-8; 4F Punjab Roller 74; S.G. 79-8; 289F Punjab Roller 85; S.G. 95-8.

Quiet conditions prevailed in the Alexandria cotton futures market during the week. Values showed a declining trend. Overseas demand was slack and domestic spinner interest low. With the long-staple May contract expiring this month, interest has shifted to July which is now the basis on which offers are made. The latest available quotations—in tallaris per lb.—from Alexandria are given below:

Karnak: May 77.05; July 78.65. *Ashmouni*: May 69.10; August 69.56.

The delay in the announcement by the U.S. Department of Agriculture of the subsidy rate for U.S. cotton export under the new export subsidy payment-in-kind programme continued to restrict business in the Liverpool cotton futures market. Trading was characterised by large-scale switching operations from near to distant positions. The Liverpool American futures contracts showed modest improvement, while the mixed growths contracts were maintained at last week's levels. Sudan contracts were neglected with values remaining unchanged. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton one inch staple contract: May-June 24.89; July-August 25.36; October-November 25.98; December-January 26.35. *American cotton mixed growth contract*: May-June 25.65; July-August 26.10; October-November 26.60; December-January 26.99. *Sudan*: May-June 31.06; July-August 31.20; September-October 31.85.

Cotton futures values in the New York market registered a perceptible decline on hedge selling and liquidation prompted by reports of improved weather conditions in most of the cotton belts and further curtailment in operations in the domestic textile industry. Even the revised lower crop estimate for the season published by the Crop Reporting Board failed to lift values.

The Crop Reporting Board of the U.S. Department of Agriculture, in their revised estimates of the current crop, have placed area under cultivation as on 1st July 1957 at 14,066,000 acres, the harvested area at 13,558,000 acres the yield per acre at 388 pounds and production at 10,964,000 bales of 500 pounds each. Official Sept. 1957 estimate of the crop was as high as 12,713,000 bales. Persistent heavy rainfall during harvesting was responsible for the sharp cut in production. The crop also suffered in quality which resulted in a scarcity of good grade cotton.

New crop conditions are receiving very close attention even so early in the season because the planted acreage is reported to be the smallest on record. Out of 17.6 million acres of allotted acreage, about 5 million acres have gone out of cultivation as entries in the Soil Bank and only record high yields will lead to a crop exceeding 11 million bales.

It is reported that according to the Secretary of Agriculture cotton planting allotment would be cut to around 14 million acres in 1959 unless the present law is changed. The House of Representatives' Agricultural Sub-Committee is considering legislation to prevent such a drop in acreage which, it is said, would be "very drastic and very bad for cotton."

Operating provisions of the export subsidy "payment-in-kind" programme have been announced but the rate of subsidy has not been made known. It is, however, made clear that the rate of subsidy is subject to change at any time. According to present rules, sales under P.L. 480 funds will not be eligible for subsidy under this programme but steps are being taken to make them eligible. The programme, it may be recalled, applies only to export on and after 1st August 1958.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	20-5-58	13-5-58	6-5-58
Spot	36.30	36.45	36.05
May	—	—	36.00
July	36.25	36.59	36.33
October	36.76	36.95	36.87
December	36.87	—	—

YARNS IRREGULAR

(From Our Own Correspondent)

BOMBAY, 21*st May*

The yarn market ruled irregular during the week under review. Art silk yarns ruled easy, while staple fibre yarns were steady. The easiness of art silk yarns were due to enlarged supply as a result of deliveries effected by indigenous manufacturers and further arrivals of stocks from foreign countries. Towards the close of the week, however, the yarns picked up strength and the closing quotations were actually higher than those prevailing a week before. Although the offtake in staple fibre yarns was restricted due to tight money conditions and absence of support from important centres like Punjab, Bhagalpur, Calcutta and Surat, prices were not only fully maintained but actually registered a rise as compared with the previous week. Cotton yarns continued to rule dull. Buying support from weavers was at a low ebb, as the prices of handloom cloth did not show any signs of improvement.

It is learned that the existing scheme for the distribution of indigenous rayon yarn to the weaving industry may be modified so as to give a fair share in the supply of yarn to the small units which are experiencing difficulties in getting adequate supply of yarn at fair prices. The Textile Commissioner is reported to have called for information from weavers regarding the number of looms and shifts worked by them during the October-March 1958 period. Meanwhile, the Government of India has published draft amendment to the Customs and Excise Duties Drawback (Art Silk) Rules, 1957, providing for a rebate on exports of art silk fabrics at the following rates in place of the existing rates:

Art silk fabrics made from yarn

	Rebate (Rs. per lb.)
Below 75 deniers	2.00
75 deniers and above but not above 100 deniers	1.28
Above 100 deniers but not above 135 deniers	0.77
Above 135 deniers but not above 175 deniers	0.52
Above 175 deniers	1.12

Spot 120 Japan advanced by 6 nP to Rs. 6.37. 150 Japan rose by 8 nP to Rs. 6.30. 120 Italy rallied 13 nP to Rs. 6. 150 Italy, however, receded by 6 nP to Rs. 6.44, for want of follow-up support. Among indigenous yarns, National Rayons 120 bright cones first grade improved by 7 nP to Rs. 5.69, while 150 bright cones first grade shed 2 nP to Rs. 5.64.

Staple fibre yarns (40x2) June delivery evoked more enquiries and gained Rs. 6 to Rs. 608. Business in August delivery commenced today at Rs. 621. The contract came in for persistent selling and dropped to Rs. 613. Over the week, spot 40x2 New Greats strengthened by 5 nP to Rs. 3.19. Kohinoors and Citys gathered 4 nP each to Rs. 3.28 and Rs. 3.26, respectively. Centurys climbed up by 8 nP to Rs. 3.27. Foreign yarns, however, lacked support. Paramounts receding by 3 nP to Rs. 7.16 and Fujis by 6 nP to Rs. 7.25.

In the cotton yarn section, ten counts Moderns declined by 50 nP to Rs. 13.50. Podars were dull at Rs. 13. Among twenty counts, Gokaks eased by 12 nP to Rs. 16.75. Moderns were neglected at Rs. 16.75 and Indus at Rs. 16.37. Forty counts Minaxis were stagnant at Rs. 23.37, as also Moderns at Rs. 24. Sixty counts Moderns were on offer at Rs. 60, Raghuvamshis at Rs. 50.50 and Finlays at Rs. 60.50. Eighty counts Mahendras changed hands at Rs. 69.50, same as last week. Moderns were unchanged at Rs. 69.75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	21-5-1958	14-5-1958
	Rs.	Rs.
***Art silk* yarn (per case of 200 lbs.)—**		
120 Japan (per lb.)	6.37	6.31
150 Japan (per lb.)	6.30	6.22
120 Italy (per lb.)	6.00	5.87
150 Italy (per lb.)	6.44	6.50
***Staple fibre yarn* (per case of 200 lbs.)—**		
40 x 2 June	608 00	602 00
40 x 2 August	613.00	—
40 x 2 New Great (per lb.)	3.19	3.14
40 x 2 City (per lb.)	3.26	3.22
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	13.00	13 00
20s Modern	16.75	16.75
40s Minaxi	23.37	23.37
60s Raghuvamshi	50.50	50.50
80s Modern	69.75	69.75

SUGAR MOVES DOWN

(From Our Own Correspondents)

BOMBAY, 21*st May*

There was a sharp fall in prices in the sugar market during the week under review. Selling was quite pronounced, thanks to the special release of 100,000 tons of sugar for sale in the free market announced on the 14th inst., that is, just a fortnight after the previous normal monthly release of 166,000 tons. The special release was prompted by the exceptional firmness in sugar prices noted in recent weeks. Arrivals of sugar (by rail) into the market during the week were large, being 17,600 bags, as against 16,400 bags in the previous week.

Small grain sugar dropped Rs. 2 to Rs. 107 per bag. Medium grain fell by Re. 1.50 to Rs. 108-Rs. 110. Large grain receded from Rs. 112-Rs. 116 to Rs. 111-Rs. 116.

Sugar trade circles are greatly intrigued at the inordinate delay in the announcement of the Government's sugar export policy. Unless the announcement is made, the prices of sugar, they say, will not be maintained at a reasonable level. Meanwhile, a recent Press report from New Delhi avers that the Government of India has decided to set up a separate central organisation to handle the export of sugar. The decision, it is said, has been taken in view of the feeling that the State Trading Corporation would not be able to undertake the task. The proposed organisation is expected to enlist the full co-operation of the proprietors of sugar mills and benefit by the experience they have gained, specially last year, in exporting sugar.

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HAPUR, 19*th May*

After ruling steady to firm in during the past few weeks under the bullish influence of rumours suggesting the possibility of early exports, sugar prices registered an easy trend during the week under review. Absence of any concrete scheme for sugar exports and the release of a special quota of one lakh tons for free sale by the Government, were the main depressing factors. Crushing in sugar factories in west U.P. has finished and ex-mill delivery prices eased fractionally during the week-end.

Want of support from the consuming centres and easy supply position following release of special quota for free sale accounted for a fall of 50 nP to 62 nP per maund in *ex*-mill delivery prices of sugar in the Muzaffarnagar market during the past week. The offtake during the week was small and the latest prevailing *ex*-mill delivery prices are:—Meerut (D 28) Rs. 36.50, Simbhauli (E 29) Rs. 36.75, Iqbalpur (C 28) Rs. 37.12, Mansurpur (B 29) Rs. 38.50, Mawana (C 29) Rs. 37.12, Shamli (C 29) Rs. 37, Amroha (D 29) Rs. 35.62, Bijnore (E 29) Rs. 35.44.

In the absence of any definite policy regarding exports, sugar prices in the Kanpur market, which had risen out of all proportion in recent weeks, declined fractionally during the week under review. Buyers from the consuming centres were shy in transacting business at higher rates and the release of a special quota of one lakh tons besides the monthly quota of 1.66 lakh tons, released about a fortnight back for free sale, also had a dampening effect on the market sentiment. Latest spot and *ex*-mill rates there, respectively are:—(Per bag and per maund): (D 29) Gola Rs. 100.50, Rs. 35.50, Burhwal Rs. 100, Rs. 35.50, Hargaon Rs. 100, Rs. 3.56, Basti Rs. 104, Rs. 37.

Khandsari enjoyed fairly good demand and prices continued steady to be quoted in the week-end at Rs. 31 to Rs. 34 per maund.

Poor arrivals, due to off season and better pre-monsoon demand, accounted for slight gains in dry quality *gur* prices during the week. The local stocks were slowly running down and were put at 1.38 lakh maunds and arrivals averaged about 100 maunds daily. Dry quality *gur* was quoted at Rs. 15.75 per maund.

Ready *gur* prices in the Muzaffarnagar market advanced by 50 nP per maund during the week, due to good demand from Gujerat coupled with decreased arrivals. *Shakker dara* was in good demand from Rajasthan and prices were almost unchanged, *Masala shakker* prices, however, improved by Re. 1 per maund. Total arrivals of *gur* in the season in the Muzaffarnagar market amounted to 9.30 lakh maunds and the present stock is put at 1.25 lakh maunds, as against 1.75 lakh maunds in the corresponding period of last year. The prevailing prices are:—*Chaku Minja* Rs. 17.25 to Rs. 17.62, *Shakker dara* Rs. 18 to Rs. 19, *Masala* Rs. 22 to Rs. 24.50, *khandsari* Rs. 31 to Rs. 34 per maund.

Forward *gur* market ruled quiet during the week in the absence of new driving forces. *Gur fagun* having opened at Rs. 12.44 last Monday and touching the highest at Rs. 12.60 and lowest at Rs. 12.31 is today quoted at Rs. 12.52.

OILSEEDS RECOVER AT CLOSE

(From Our Own Correspondent)

BOMBAY, 21*st May*

After presenting a firm trend in the first three sessions of the week, the oilseeds market developed easiness on Monday which persisted yesterday. Today, the market staged a slight recovery. The initial firmness was aided by hopes of the removal of export duty on castor oil, revival of buying interest in spot groundnut oil from *vanaspati* manufacturers and bear-covering in linseed. There were, therefore, enlarged enquiries for oilseeds and oils and prices moved up. On Monday, however, the market staged a reaction, owing to bull liquidation and bear pressure in castor futures. The reaction gathered further momentum yesterday and today, thanks to weaker advices from Saurashtra and fresh selling in groundnuts by upcountry operators. Linseed was subdued, as fresh support was lacking; the U.K. rate for linseed oil was around £108 per ton. Cottonseeds were dull. Business put through in kardiseed and nigerseed was restricted. Castorseeds, however, were somewhat maintained on reports about the application of *Teji* options which encouraged traders to expect further relief in export duty. There were rumours that Russia was again in the market for a good quantity of castor oil. The U.K. quotation for commercial castor oil (bulk) was £111-112 per ton, as against the Indian quotation of £120.

Groundnut May contract advanced from Rs. 169.25 to Rs. 171-25 on Saturday, but relapsed to Rs. 170 yesterday before finishing at Rs. 170.50 today. August contract, after rising from Rs. 167.50 to Rs. 169.50, declined to Rs. 167.50. Over the week, bold ready was higher by 38 nP at Rs. 34.25. Coromandel quality and Khandesh both improved by 50 nP to Rs. 34.87. Groundnut oil ex-mill increased from Rs. 18.12 to Rs. 18.75, but thereafter moved down to touch Rs. 18.37 today. Railway receipt, after rising from Rs. 18.12 to Rs. 18.37, declined to Rs. 18.12 yesterday, but recovered to Rs. 18.37 today.

Castorseeds May contract stood at Rs. 147.75 on the opening day, as against Rs. 147.25 last week-end. It evoked good buying enquiries and spurted to Rs. 149.12 on the 17th inst. Under the influence of persistent selling orders, the contract gradually receded to Rs. 147.25 today. September contract rallied Re. 1.12 to Rs. 152.37 on Saturday. Subsequently, however, it came in for selling and lost much of the earlier gains, today's closing rate being Rs. 150.50. Ready Madras moved up from Rs. 29.25 to Rs. 29.87, but eased to Rs. 29.50 today. Kanpur quality, after rising from Rs. 27.75 to Rs. 28.44, relapsed to Rs. 28.25. Castor oil B.S.S. had some buying support in the earlier sessions of the week, the rate advancing from Rs. 16.25 to Rs. 16.50 on the 17th inst. Thereafter, the quotation tended to recede, today's rate being Rs. 16.25. Commercial quality put on 25 nP to Rs. 15.25, but declined to Rs. 15.12 today.

Linseed May contract which was done at Rs. 30.37 last week-end improved to Rs. 30.94 in the middle of the week. After declining to Rs. 30.69 yesterday, the contract recovered to Rs. 30.81 today. September contract recorded a rise of 50 nP to Rs. 31.37 on Saturday. This rate was maintained on the following day also. It, however, declined to Rs. 31.19 yesterday before finishing higher at Rs. 31.31 today. Over the week, bold ready gained 25 nP to Rs. 30.62. June-July was higher by 19 nP to Rs. 30.94. Linseed oil hardened by 25 nP to Rs. 15.94.

Cottonseed May contract was steady at Rs. 108 in the first three sessions of the week, but gave way subsequently on account of selling pressure, today's closing rate being Rs. 106. September contract dropped Re. 1.75 to Rs. 106.75.

Kardiseed bold ready elicited some support and strengthened from Rs. 19.12 to Rs. 19.25 on Saturday. After maintaining at this level on Monday, it declined to Rs. 19.12 yesterday. This rate was maintained today too. *Nigerseed* Madras quality was in request and improved from Rs. 28.25 to Rs. 28.50 on the 17th inst. Thereafter, selling ensued and the rate gradually declined to touch Rs. 28 today.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	21-5-1958	14-5-1958	7-5-1958
	Rs.	Rs.	Rs.
Groundnut—			
May 1958	170.50	169.25	168.75
August 1958	167.50	167.50	167.00
Bold ready (per cwt.)	34.25	33.87	33.75
Linseed—			
May 1958	30.81	30.37	30.12
Sept. 1958	31.31	30.87	30.94
Bold ready (per cwt.)	30.62	30.37	29.75
Castorseed—			
May 1958	147.25	147.25	150.37
Sept. 1958	150.50	150.25	154.12
Madras (per cwt.)	29.50	29.25	29.62
Cottonseed—			
May 1958	106.00	108.00	104.75
Sept. 1958	106.75	108.50	108.25
Groundnut oil*			
Ex-mill ready (per quarter) ..	18.37	18.12	18.37
Castor oil †			
Commercial (per quarter) ..	15.12	15.00	15.37
Linseed oil †			
Ready	15.94	15.69	£15.62

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

JUTE GOODS STEADY

(From Our Own Correspondent)

CALCUTTA, 20*th May*

Fairly steady conditions were in evidence in the jute markets during the week under review. Earlier, prices of jute goods made a fractional recovery encouraged by more business with foreign countries. In the meanwhile, further rains fell in most jute-growing districts and led to renewed reports of the excellent condition of the young plants. This naturally led to easiness in raw jute prices, with subsequent reflection in prices of jute goods. By the week-end, therefore, prices of jute goods returned to the week's opening levels, which were, however, higher than the I.J.M.A. minimum prices. Earlier, Argentina issued import licences in respect of goods which were due to have been shipped in April, but which were held back on account of that country's suspension of licences in order to have an appraisal of the foreign exchange commitments. Another good news for the gunny market was the reduction of the freight rate on gunnies to New Guinea via Hong Kong from 379s. to 365s. per 50 c.ft. less 10 per cent. deferred debate. It would be remembered that recently the freight rate on gunnies to the U.S. Atlantic and Gulf ports was also reduced. These revisions have followed shipping space having become noticeably in excess of cargo offering. Trade circles, therefore, take the view that more reductions might be in store, now that there is keen competition among shipowners to secure freight.

The slight increase in production in the month of April from 85,300 tons to 88,000 tons, mainly due to an increase in the number of working hours from 197.5 to 200.5, did not have any pronounced effect on the market, in view of the fair possibilities of business in both hessian and heavy goods. Egypt showed interest in B. twills, and its requirement was understood to be for a substantial quantity. Russian interest led to the placing of an order by the Russian Trade Agency. The quantity of cloth and bags covered was stated as being substantial, and shipment was to be completed by September. Trade circles hoped that more export business would be done during this month. Hessian shipped from 1st to 5th May was double, at 13,000 tons, as compared to that shipped from 1st to 5th April. Sacking shipment amounting to 6,300 tons recorded a similar rise.

There was some covering business on Tuesday last, and this erased the earlier decline in prices. Thus, ready B. twills were steady at Rs. 101.05 and hessian 40" 10 oz. at Rs. 41.25. On the next day, the news that the Government of Argentina would issue import licences for due-April hessian imparted some cheer to lift hessian 40" 10 oz. to Rs. 41.50. In sympathy, B. twills were fractionally higher at Rs. 101.10. At this stage, Egyptian interest in heavy goods was a significant factor which pushed B. twills up to Rs. 101.75 on Thursday, with hessian 40" 10 oz. remaining unchanged but steady, at Rs. 41.50. Russian interest followed and imparted a steadying influence. On Friday, although B. twills sagged slightly to Rs. 101.35, hessian 40" 10 oz. was steady at Rs. 41.50. Over the week-end, these two constructions moved down to Rs. 101.05 and Rs. 41.35, respectively. It was noted that, while forward quotations for B. twills were higher on balance, the trend was reverse in respect of hessian. Thus, Oct.-Dec. B. twills opened at Rs. 102.10 and after improving to Rs. 102.85 moved down to close at Rs. 102.20, which was 10 nP higher on balance. However, Oct.-Dec. hessian 40" 10 oz. closed at Rs. 41.20 after rising to Rs. 41.45 from Rs. 41.25. Yesterday prices eased as there was little buying on foreign account. Ready B. twills sagged to Rs. 99.85 and hessian 40" 10 oz. to Rs. 41.00.

With the continued reports about excellent conditions of fibre plants raw jute prices were marked down. May-June daisee bottoms gave way to Rs. 28.75 from Rs. 29.35. Assam bottoms were at one time as high as Rs. 27, as against Rs. 25.50 earlier, following fears of damage to crop consequent on excessive rains. However, information obtained subsequently disclosed that the young plants were above the water level and so far no damage had been caused. As a result, the price declined to Rs. 25.50. Buyers discounted old crop rates by 25 nP; sellers were nevertheless reserved. In new crop, Assam bottoms had business at Rs. 26 Aug-Sept. delivery. Aug.-Sept. Assam new middles were done at Rs. 29. The latest quotations for the old crop May-June delivery are:

	Middles Rs.	Bottoms Rs.
Pakistani:		
District	32.00	29.00
Northern	31.50	28.50
Indian:		
Northern	28.50	25.50
District	28.50	25.50
Assam	28.50	25.50
Orissa	30.00	27.00
Desal	27.25	24.25
Murshidabad	26.00	23.00
Jungli	—	21.50
Daissee	31.35	28.75
Uttar Pradesh	—	21.50
Daissee mesta	27.25	24.25
Bimli f.a.q.		Rs. 22.00

Pucca bales 1st marks Rs. 165.00 per bale ready.

WHOLE LEAF TEAS FIRM

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 15*th May*

There were 1,209,676 lbs. on offer in sale No. 12, which was held on Tuesday, 13th May. There was a useful all-round selection on offer, although Nilgiri teas showed a further decline. The sale opened to a strong general demand. This demand was particularly noticeable for clean black leaf medium teas which are irregularly 10 nP dearer. Low medium and medium brokens were firm, but the equivalent fannings were dearer. Stalky descriptions were the weakest feature and buyers were reluctant to purchase these teas. Whole leaf met a good market and were firm to dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.70 to 1.85
Medium	1.85 to 2.15
Good medium	2.15 to 2.45
Quality	2 40 to 3.60

The average price realised in Sale No. 12 was Rs. 2.14 per lb., as compared with Rs. 2.13 in the previous sale and Re. 1.74 in the corresponding sale of 1957.

London Market:—*Sale of 12th May* 1958.—Very strong plain dearer.

Sale of 13th May 1958.—Market firm to dearer.

Colombo Market.—No sale this week.

Calcutta Market:—*Export*.—Darjeeling sale 'A.' Strong general demand for everything, buyers following flavour and any flavoury teas sold above valuation.

Internal.—20,500 packages dust. Met strong general demand which strengthened as sale progressed. Orthodox descriptions up to 6 nP easier at the start, steady at close. Black leaf steady. Best C.T.C. irregular and up to 20 nP easier. Bright liquoring medium C.T.C. often dearer. Darjeelings about steady.

Export Quota.—Some business has been transacted over the week in Special Export Licence at 2 to 3 nP. Today's quotation is sellers 2 nP buyers 1½ nP. New season's quota quotation is sellers 17 nP buyers 16 nP.

Forthcoming Auctions.—Sale No. 13 will be held on Tuesday, 20th May 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:—

"*Sale No.* 13.—1,300,000 lbs. Strong general demand, particularly low medium and medium brokens, which are irregularly 5 nP dearer. Similar fannings about steady. Good mediums firm. Best liquoring easier with quality whole leaf strong."

FOODGRAINS STEADY

(From Our Own Correspondent)

HAPUR, 19*th May*

Steady conditions were witnessed in the food-grain markets during the past week, due mainly to comparatively restricted arrivals this year. Wheat prices here continued steady around the previous week's levels, while coarse grain prices continued to harden. In the Punjab, there was persistent decline in wheat prices which was attributed to the restriction on the movement of wheat following the formation of wheat zone.

Wheat prices at Hapur hovered around the week's opening level of Rs. 15.50 per maund for average quality and up to Rs. 16.50 per maund for farm produce. Daily arrivals which were at an average of 600 maunds for most part of the week improved to 1,000 maunds today which were small as compared to about 2,500 maunds in the corresponding period of last year and about the same amount in 1956 when average wheat was quoted at: Rs. 14.62 and Rs. 13.25 per maund, respectively.

Rice prices here also continued to be steady and latest prices on Monday were: Basmati *sela* Rs. 32 to Rs. 36, mainpuri Rs. 26, coarse quality Rs. 22.50 per maund. Gram is reaching here from Punjab in larger quantity and local gram stock is now put at 33 *khatties*, but due to quietly firm conditions in Punjab, gram prices improved here also slightly during the week. Paucity of local stocks coupled with poor arrivals accounted for further gains in the prices of barley and *bejhar* during the week. *Jowar* and *guwar* prices ruled steady and week-end prices (in rupees per maund) and latest stocks are as follows: Gram 11.25 to 11.44, barley 11, *bejhar* 10.50, *jowar* 12 to 13.25, and *guwar* white 15.50; stocks maize 6, gram 33, *bejhar* 10, *jowar* 7, *bajra* 5 *khatties*.

Peas arrivals continued fairly heavy at an average of 1,000 maunds per day, but prices eased slightly due to fast increasing stocks which are now placed at 175 *khatties* which includes about 15 *khatties* of old stocks. *Arhar* arrivals were also heavy from Punjab and Delhi bordering places and *arhar* stock here swelled to 110 *khatties*, corresponding figure last year being 25 *khatties*. Reported shortage of *arhar* in Madhya Pradesh and Mysore, however, accounted for steady conditions in *arhar* prices. Prices of *urd* and *moong* were also steady to be quoted in the week-end at: Peas *dara* Rs. 9.50, white quality Rs. 10.25, peas *dal* Rs. 11, *arhar* Rs. 12, *arhar dal* Rs. 15.62, *urd* Rs. 17.50 to Rs. 18.50, *moong* Rs. 22 to Rs. 22.50, *massoor* Rs. 13.25 to Rs. 14.50.

KIPS UNCHANGED

(From Our Own Correspondent)

MADRAS, 19*th May*

There was no noticeable change in the kip market during the week under review. Trading with U.K. was poor, and there were many enquiries for light weight and medium cow fifths and inferior fifths which were in short supply. Sellers were anxious to sell better grades than lower ends in light and medium weights and all grades combined in heavies. There was good demand for buff calf, but arrivals were small. Prices of tanned goat and sheep skins remained unchanged.

In the London auctions, demand for sheep skins was erratic, and prices were 1s. below March levels. The offerings sold comprised mostly old stock carried over from earlier auctions.

In the May sales, 360,000 goat skins out of 470,000 skins were sold and 530,000 sheep skins out of 900,000. The consignors state that the prices realised have been disastrous.

In view of the erratic prices realised in the May London public sales, the Southern India Skins and Hides Merchants' Association, Madras, adopted the following resolution passed by the Managing Committee on 15th May 1958.

"In the opinion of this Committee the present system of London public auctions is injurious to the E. I. tanned goat and sheep skins tanning industry. Hence, it is resolved to take steps to stop the present system of consignments to the public auctions and to request the Government of India to allow only exports on c.i.f. and exports on consignment for sale by private treaty only. The Committee authorises the following delegation to wait on the Hon'ble Minister for Commerce and Industry and present a memorandum to him and report the results to the Managing Committee."

COPPER SEMIS HARDEN

(From Our Own Correspondent)

CALCUTTA, 20*th May*

While an easier trend in electrolytic zinc, tin and lead was in evidence during the week under review in the metal market, prices of copper semis were hardening. Manufacturers raised the price of copper conductors to Re. 1.68 a lb. from Re. 1.60. Importers complained of accumulation of copper with them, as in the absence of permits nothing could be sold. From time to time, importers had been furnishing the Government details of arrivals as required of them under the Control Order. In the absence of sales, they were put to inconvenience on account of blocking of funds. At the same time, manufacturers felt acute difficulty for raw material, and as a result prices of semis and copper utensils were rising. Business in the copper market continued to be at a standstill. On the London Metal Exchange, copper moved down, as a result of restricted demand on account of the bus strike affecting industries. In New York, the downward movement was fractional. In the local market, tin moved down to Rs. 507 from Rs. 568. More arrivals were reported, and the supply position became easier to that extent. With more material in the market and consumers confident of getting their requirements without difficulty, the volume of business was low. That the metal continues to be surplus in producing countries was amply indicated in the International Tin Council's decision to maintain the 40 per cent. cut in export in the July-September quarter also, when exports would be limited to 23,000 tons. This is the only way to stabilise prices. It was stated that the Council thought that Russian tin exports to China were probably on the increase. Russian exports of tin to Western Europe were stated to have recorded an uptrend. In the local market, electrolytic zinc declined to Rs. 56 from Rs. 57.50 following more arrivals. Lead at Rs. 61 dropped by 50 nP, following lower demand, as also on reports of declining trend on the London Metal Exchange.

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MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956	4½	3½
Austria	17th Nov., 1955	6	5
Belgium	24th July, 1957	3½	4½
Bolivia	20th Sept., 1950	5	6
	Feb., 1948		3
Burma	11th June, 1954	3	2½
Ceylon	Feb., 1957	4½	6
Chile	18th July 1933	5	4
Colombia	1st April 1954	4	5
Costa Rica	19th April, 1958	4½	5
Denmark	18th May, 1948	7	10
Ecuador	16th Nov., 1953	2½‡	3
Egypt	Nov., 1957	3	4
El Salvador	April, 1957	5	6
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
	May, 1956	9	10
Greece	16th May, 1957	3½	4
India	1st April, 1946	4	3
Indonesia	20th Sept., 1957	5	6
Ireland	4th April, 1950	4½	4
Italy	8th May, 1957	7.67	8.40
Japan	4th June, 1942	4	4½
Mexico	24th Jan., 1958	5	4½
Netherlands	19th Oct., 1955	6	7
New Zealand	14th Feb., 1955	2½	3½
Norway	1st July, 1948	3	2
Pakistan	18th Nov., 1957	5	6
Peru	Sept., 1957	2	4½
Philippines	12th Jan., 1944	2	2½
Portugal	29th Sept., 1955	4	4½
South Africa	22nd July, 1957	4½	5
Spain	3rd May 1958	5	4½
Sweden	15th May, 1957	1½	2½
Switzerland	Feb., 1945		1
Thailand	6th June, 1956	4½	6
Turkey	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 16th May, 1958 Number of Cheques	Amount Rs.	Week ended 9th May 1958 Number of Cheques	Amount Rs.
Bombay	3,18,480	86,10,56,000	3,25,068	64,87,80,000
Calcutta	—	—	1,69,000	55,85,00,000
Madras	83,100	9,24,51,195	85,018	8,98,99,314
All Centres—				
1955-56	..	..	37,199,000	79,56,21,00,000
1956-57	..	..	40,003,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,794,000	8,31,64,00,000
Feb.,	..	..	3,535,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 16th May, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	75,06,93,000
(2) Other Governments	13,68,56,000
(b) Banks	73,88,09,000
(c) Others	113,18,92,000
Bills Payable	14,41,21,000
Other Liabilities	43,85,59,000
Rupees	441,09,39,000

ASSETS	Rs.
Notes	24,65,00,000
Rupee Coin	10,30,000
Subsidiary Coin	2,04,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	3,61,51,000
Balances held abroad*	42,83,35,000
Loans and Advances to Governments†	59,80,15,000
Other Loans and Advances	69,32,81,000
Investments	227,04,19,000
Other Assets	13,67,36,000
Rupees	441,09,39,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 26,31,50,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	24,65,00,000	
Notes in circulation	1614,83,13,000	
Total Notes issued		1639,48,23,000
Total Liabilities		1639,48,23,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India		
Foreign Securities	209,67,56,000	
Total of A		327,43,59,000
B. Rupee Coin		129,42,36,000
Government of India Rupee Securities		1182,62,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1639,48,23,000

Scheduled Banks*

Statement of Affairs for the week ended 9th May 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	19,83,84,000
(ii) Other demand liabilities	732,32,77,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,23,50,000
(ii) Other time liabilities	773,96,44,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	5,74,43,000
(ii) Time liabilities	95,00,000
Borrowings in India from the Reserve Bank of India†	18,63,87,000 (17,10,00,000)
Cash in India	40,35,37,000
Balances with the Reserve Bank in India	107,30,56,000
Balances with other banks in current account in India	12,48,03,000
Money at call and short notice in India	58,61,26,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	425,45,74,000
Advances in India	795,17,70,000
Inland Bills purchased and discounted in India	111,42,01,000
Foreign Bills purchased and discounted in India	42,04,61,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		21st May 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. Spot	s.	1-5⅝	1-5⅝
Sellers T.T. D.D. upto six months	s.	1-5⅝	1-5⅝
Buyers T.T. spot to nine months	s.	1-6¼	1-6¼
Buyers T.T. 10 to 12 months	s.	1-6¼	1-6¼
Bombay on New York—			
Sellers T.T. D.D.	Rs.	475·25	475·75
Buyers T.T.	Rs.	471·75	472.00
London on New York	$	2.81⅛-2.81½	2.81⅛-2.81½
London on Paris	Fcs.	1,181½	1,181½
London on Berne	Sw. Fcs.	12.23⅛-12.23½	12.23⅛-12.23½
New York on London	$	2.81⅛-2.81½	2.81½-2.81½

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	83.50	..	2,079	249
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.88	..	475	667
Japan	1956	90.00	Y. 7,427,000	9,285	1,031
Philippines	1955	21.85	Ps. 7,804	1,872	857
New Zealand	1956	2.17	£ (N.Z.) 564	1,175	5,422
Australia	1956	9.40	£ (A.) 4,228	4,022	4,918
U.K.	1956	51.20	£ 16,465	21,952	4,287
U.S.A.	1956	168.09	$ 343,000	142,554	9,781
Canada	1956	16.00	$ 23,716	10,787	6,742
France	1956	43.60	F.Fr. 19,990,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,889	3,279
Italy	1956	49.15	Lr. 11,474,000	8,760	1,821
Norway	1956	3.46	Kr. 20,999	1,408	4,856
Sweden	1956	7.30	Kr. 44,860	4,127	5,653
Netherlands	1956	10.80	Gn. 23,400	3,515	2,977
Denmark	1956	4.45	Kr. 24,856	1,590	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 9th May 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	81,58,87,000
(b) Provincial Governments	....
(c) Banks	16,60,79,000
(d) Others	5,11,22,000
Bills Payable	46,11,000
Other Liabilities	12,87,79,000
Rupees	122,64,78,000

ASSETS	Rs.
Notes	8,21,87,000
Rupee Coin	34,000
Subsidiary Coin	28,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	8,22,000
Loans and Advances to Governments	5,01,00,000
Provincial Governments' Debtor Balances	9,47,65,000
Other Loans and Advances	4,03,90,000
Investments	80,64,13,000
Other Assets	15,17,39,000
Rupees	122,64,78,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	8,21,87,000	
Notes in circulation	340,89,18,000	
Total Notes issued		349,02,05,000
Total Liabilities		349,02,05,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	67,06,84,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	3,71,55,000	121,50,07,000
Government of Pakistan Securities	217,90,37,000	
Internal bills of exchange and other commercial paper	....	
		221,61,92,000
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets		349,02,05,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 36·42 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	9th May 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1629.96	1619.62	1638.21	1595.36
Notes held in Banking Departments	35.05	9.36	21.16	13.18	9.87
Foreign Securities	50.50	184.83	204.71	226.07	412.62
Rupee Securities	37.39	1207.47	1187.59	1176.23	949.87
Banking Department					
Deposits of:					
Government of India	14.89	53.29	49.65	49.23	54.92
Other Governments		15.73	16.12	13.63	2.11
Balances held abroad	10.08	73.63	58.03	51.82	74.07
SCHEDULED BANKS					
Demand Liabilities	134.36	752.17	752.50	774.41	719.49
		(19.84)†	(18.77)†	(17.46)†	(11.83)†
Time Liabilities	102.24	790.20	791.06	757.62	517.22
		(16.24)†	(16.00)†	(15.12)	(3.18)†
Borrowings from Reserve Bank	..	18.64	20.93	22.16	89.64
		(17.10)†	(18.16)†	(19.06)†	(62.24)†
Borrowings from State Bank	..	6.69	6.78	8.77	11.13
Cash in India	6.70	40.35	40.15	39.92	38.06
Balances with Reserve Bank	25.17	107.31	99.16	75.89	61.42
Excess over statutory limits	15.52	53.90	45.71	22.02	15.10
Balances with other banks in current account in India	..	12.48	12.06	13.39	9.91
Money at call and short notice in India	..	58.61	55.32	55.82	18.86
Investments at book value)	105.09	425.46	444.06	441.44	344.11
Advances and bills		948.64	955.39	962.20	935.39
STATE BANK					
Deposits	87.76	418.28	422.20	427.25	300.82
Investments	51.90	171.19	190.97	190.75	105.43
Advances	30.35	204.66	205.89	209.35	193.10
Cash	14.69	54.30	40.38	32.81	20.17

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	December, 1956	December, 1957	Nine months, April to Dec., 1956	Nine months, April to Dec., 1957
Import Duties:				
Revenue	11.00	10.46	93.01	108.81
Protective	0.81	0.70	9.20	8.12
On surplus disposals	0.01	0.03	0.04	0.11
Total import duties	11.82	11.19	102.25	116.64
Export Duties	3.20	2.04	21.87	18.22
Land Customs	0.20	0.47	1.82	2.74
*Air customs.**	—	0.11	..	1.73
Miscellaneous	0.00	0.17	0.83	1.16
Gross total customs	15.31	13.98	126.77	140.39
Refunds and drawbacks	0.26	0.39	1.83	3.16
Net Customs	15.05	13.59	124.94	137.23
Gross excise	19.84	22.53	138.17	191.23
Refunds	0.18	0.30	1.50	2.51
Net Excise	19.66	22.23	136.67	188.72
Net total of customs and excise†	34.71	35.82	261.61	325.95

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 16th May 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
		5,62,50,000
Reserve Fund and Other Reserves		6,62,50,000
Deposits and Other Accounts		417,66,34,000
Borrowings from Other Banking Companies, Agents, etc.		6,00,00,000
Bills Payable		7,39,25,000
Bills for Collection being Bills Receivable as per contra		82,05,000
Acceptances, Endorsements and Other Obligations per contra		94,43,000
Other Liabilities (including Inter-Office Adjustments)		4,40,11,000
Total ..	Rs.	449,47,18,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		25,01,28,000
Balances with other Banks		2,30,63,000
Money at Call and Short Notice		1,80,00,000
INVESTMENTS:	Rs.	
Government and other Trustee Securities	160,75,91,000	
Other Authorised Investments	10,28,32,000	
		171,04,23,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	182,17,38,000	
Bills Discounted and Purchased	18,99,32,000	
		201,16,70,000
Bills Receivable being Bills for Collection as per contra		82,05,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		94,43,000
Premises less Depreciation		1,19,75,000
Furniture and Fixtures less Depreciation		82,85,000
Other Assets (including Inter-Office Adjustments)		44,35,26,000
Total ..	Rs.	449,47,18,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% G		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Receipts	Outstandings H
1952-53	6,83	3,26	84,17	..	..	113,35	32,03	..	—31,07	25,54	..	..	..	..	146,83	111,93	
1953-54	5,91	4,26	104,86	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	152,71	152,96	
1954-55	4,70	4,99	124,54	..	..	134,94	130,88	7,88	—36,35	37,16	..	..	55	54	177,85	210,29	
1955-56	3,76	5,48	144,37	..	..	158,11	167,35	15,38	—37,58	41,25	49	1,22	45	45	209,53	280,62	
1956-57	3,00	6,01	163,68	..	..	176,97	190,50	25,28	—38,82	44,28	..	..	43	1,32	225,88	449,17	
1957-58	..	..	..	..	..	..	..	..	..	43,58	5,88	5,88	63	1,87	..	..	
1957																	
July	2,74	5,51	162,36	5,20	3,38	15,03	200,57	28,16	—39,11	44,42	62	1,24	4	1,39	29,75	452,77	
August	2,68	5,49	160,38	5,02	13,31	12,64	201,68	25,61	—39,16	44,27	52	1,76	3	1,42	17,01	453,77	
September	2,60	5,39	158,23	6,86	20,17	14,05	203,17	25,17	—39,26	44,14	63	2,39	4	1,46	21,54	455,84	
October	2,54	5,26	155,82	6,17	26,33	12,51	202,83	24,81	—39,35	44,07	42	2,81	2	1,47	19,12	456,65	
November	2,48	5,14	153,40	6,48	32,82	13,25	202,66	24,47	—39,43	43,96	49	3,23	2	1,49	20,24	473,53	
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	1,90		
1958																	
January	2,37	4,94	148,57	7,95	47,18	13,86	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,68	479,29	
February	2,31	4,83	146,14	10,24	57,42	14,22	203,12	23,45	—39,62	43,69	74	5,18	9	1,75	25,29	487,89	
March	..	..	..	..	..	..	..	..	..	43,58	70	5,88	12	1,87	..	..	

Note:—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include these from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 16, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 10th May 1958	3rd May 1958	12th April 1958	11th May 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.7	89.6	89.5	90.0
1. Government of India	89.4	89.4	89.2	89.7
2. State Governments	96.9	96.8	96.6	96.4
3. Municipal Port Trust, etc.	89.9	89.9	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.2	97.2	99.1
1. Electricity	98.7	98.5	98.5	99.0
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.3	100.0
7. Shipping	99.1	99.1	99.1	101.8
Others	94.2	94.2	94.2	100.6
PREFERENCE SHARES	70.3	70.3	70.5	78.6
1. Electricity	85.2	85.0	84.4	86.6
2. Cotton	67.7	67.3	67.5	78.1
3. Jute	58.0	58.4	58.1	70.8
4. Coal	71.6	72.0	72.7	81.8
5. Iron and Steel	78.5	78.4	79.1	82.3
6. Sugar	69.8	69.6	69.3	77.0
7. Paper	71.6	71.6	72.4	78.6
8. Plantations	86.5	86.6	86.6	95.2
9. Miscellaneous	64.9	64.9	65.5	75.1
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.2	98.6	98.8	105.5
(a) Financial	97.3	97.5	98.2	98.9
1. Banks	100.1	100.3	100.9	91.8
2. Insurance	92.0	92.0	91.6	83.0
3. Investment Trust	62.4	63.7	67.8	75.4
(b) Public Utilities	105.7	106.0	106.4	108.4
1. Electricity	103.3	103.3	103.4	107.0
2. Shipping and other Transport	122.2	122.3	122.8	113.4
3. Railways	66.7	66.7	67.0	76.4
(c) Manufacturing industries	101.8	102.1	101.9	111.4
1. Cotton, Woollen and Silk	94.4	94.9	95.5	116.6
2. Jute	52.2	51.9	52.2	54.8
3. Iron and Steel	130.7	131.6	130.0	122.2
4. Paper	201.1	197.3	196.7	227.5
5. Cement	139.2	139.3	137.7	148.1
6. General Engineering	157.5	158.5	157.1	160.5
7. Sugar and Breweries	97.1	98.2	98.5	93.9
8. Chemicals	136.1	137.0	134.4	135.3
(d) Non-Manufacturing industries	109.8	111.1	134.4	127.0
1. Coal	63.5	62.9	65.2	69.5
2. Mining and Oil	156.4	157.9	168.5	178.4
3. Plantations	118.4	127.8	121.7	140.1
(e) Miscellaneous	88.4	88.8	88.2	82.0
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:				
1. Bombay	89.1	89.0	88.9	89.3
2. Calcutta	89.6	89.5	89.4	89.8
3. Madras	89.8	89.8	89.7	90.2
DEBENTURES OF INDUSTRIAL CONCERNS:				
1. Bombay	96.6	96.6	96.6	99.0
2. Calcutta	97.5	97.3	97.3	98.8
3. Madras	97.4	97.4	97.4	99.7
PREFERENCE SHARES:				
1. Bombay	79.8	79.6	80.1	83.8
2. Calcutta	61.4	61.6	61.8	72.4
3. Madras	84.1	84.0	83.9	91.8
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:				
1. Bombay	114.9	115.6	115.9	116.6
2. Calcutta	84.0	84.1	84.2	91.9
3. Madras	107.7	108.4	109.4	118.4
4. Delhi	119.8	120.6	119.8	113.9

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,819.2
1955-56	715	8,505.8	7,488.8
1956-57	769	9,877.8	8,703.1
January 1957	765	868.7	771.7
February "	767	811.0	716.7
March "	769	874.6	774.5
April "	770	901.4	794.5
May "	793	932.2	786.7
June "	799	898.4	776.1
July "	809	928.5	743.9
August "	811	923.0	751.0
September "	814	924.7	780.3
October "	822	917.5	781.3
November "	822	930.2	740.5
December "	822	958.7	779.7
January 1958	825	973.6	788.1

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1956	1957	Nov., 1957	Dec., 1957	Dec., 1956
General Index	132.6	138.9	150.0	141.8	138.1
Coal	114.9	126.9	139.3	139.0	126.6
Sugar*	398.7	204.2	191.7		
Jute	100.5	122.3	398.7	107.5	58.1
Cotton textiles	106.0	105.8	96.4	107.5	58.1
Jute textiles	122.0	127.5	129.7	123.1	130.7
Paper and paperboards	127.3	150.5	129.0	126.0	118.7
Matches	146.6	159.3	177.1	176.7	157.3
Cement	106.6	99.0	107.9	101.1	98.2
Iron and steel	154.2	178.3	194.1	216.3	169.7
Non-ferrous metals	119.4	119.3	152.5	121.1	120.9
Rayon	124.7	151.9	152.2	161.6	138.9
	355.8	459.3	516.8	580.1	380.6

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes†	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,272,630
1955	1,166	627,767	5,697,848
1956 R	1,208	715,180	6,992,040
January 1957	155	126,490	405,805
February "	124	48,733	269,041
March "	118	40,999	287,650
April "	161	61,260	414,535
May "	163	68,230	455,037
June "	153	100,220	764,545
July "	198	91,749	764,808
August "	205	144,851	821,211
September "	238	144,579	942,508
October "	222	102,884	533,206
November "	175	56,168	338,979
December "	155	82,471	512,381
January 1958	127	46,409†	324,154†

† Not known in 6 cases.
‡ In progress during the month. R = Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	3rd May 1958	24th April 1958	4th May 1957	March 1958	March 1957	Percentage of Increase (+) or Decrease (—) in Mar., 1958 as compared with Mar., 1957	Financial Year Average 1957-58	1956-57
Food Articles	504	105.8	105.7	104.4	102.3	102.3	—	108.4	102.3R
Cereals	192	98.3	98.0R	102.1	95	99	— 4.0	101	96
Pulses	43	81.3	82.6	82.5	78	84	— 7.1	83	81
Fruits and Vegetables	23	112.4	112.5	120.5	98	111	— 11.7	114	112
Milk and Ghee	84	105.5	106.0	109.7	103	98	+ 5.1	105	100
Edible Oils	47	121.5	122.8	123.7	118	123	— 4.1	126	125
Fish, Eggs and Meat	17	105.0*	102.3R	87.6	102	94	+ 8.5	98	97
Sugar and *Gur*	48	112.8*	113.6	96.3	111	93	+19.4	108	98
Others	50	131.9	130.0	111.2	123	124	+ 3.2	131	128
Liquor and Tobacco	21	92.1	93.4	88.9	94.9	87.2	+ 8.8	94.0	84.3
Tobacco	—	90.3	91.7	86.9	94	85	+10.6	93	83
Fuel, Power, Light and Lubricants	30	114.5	114.2	108.6	111.9	107.0	+ 7.5	113.6	104.2R
Industrial Raw Materials	155	114.3	114.2	118.6	111.3	117.3	— 5.1	116.5	116.0
Fibres	61	112.8	112.7	122.0	110	121	— 9.1	118	116
Oilseeds	60	119.1	118.7	122.3	119	119	— 0.8	120	120
Minerals	2	105.1*	105.1*	108.4*	105*	107	+ 0.9	108	102
Others	32	108.7	109.1* R	105.9	110	108	+ 1.9	108	109
Manufactures	290	108.4	108.2	108.8	107.6	108.2	— 1.3	108.1	108.3
Intermediate Products	41	108.5	108.7	109.3	106.8	108.9	— 1.9	107.3	110.9
Finished Products	249	108.4	108.4	107.8	105.8	108.1	— 1.9	108.2	105.6
Textiles	147	106.1	106.0	107.6	106	107	— 0.9	107	108
Cotton	—	115.4	115.4	115.8	116	115	+ 0.9	116	116
Jute	—	89.4	89.4	96.8	96	94	+ 3.0	95	95
Woollen	—	103.5	103.1	103.0	103	100	+ 3.0	103	98
Silk and Rayon	—	92.4*	86.2*	92*	87*	+ 5.7	86	88
Metal Products	12	143.0	143.0	130.8	143	131	+ 9.2	141	130
Chemicals	20	99.0	99.1	97.2

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Year	(In thousand acres)		(In thousand tons)	
		1956-57	1957-58	1956-57	1957-58
Cereals—					
Rice	final	74,013	73,304	34,937	34,937
Wheat	final	22,201	21,285	9,968	9,969
Jowar	final	18,411	19,567	8,059	7,180
Bajra	final	12,150	12,150	2,565	2,565
Ragi	final	3,658	3,658	2,741	2,741
Maize	final	5,742	5,742	3,043	3,043
Barley	final	3,307	3,311	1,749	1,754
Small millets	final	12,000	12,113	3,910	3,797
Total cereals	final	211,642	211,682	67,240	67,246
Pulses—					
Gram	final	26,906	24,137	5,566	5,461
Tur	final	5,626	5,637	2,047	1,889
Other Kharif pulses	final	16,165	15,567	1,564	1,612
Rabi pulses	final	11,143	11,762	1,758	2,058
Total pulses	final	57,295	57,064	11,135	10,971
Total food crops		272,937	271,746	68,375	68,217
Oilseeds—					
Groundnut	final	14,457	13,450*	4,271	4,200
Castorseed	final	1,406	1,405	129	127
Sesamum	final	3,163	3,053	151	155
Rape and Mustard	final	6,231	6,547	1,017	818
Linseed	final	3,757	3,781	349	344
Total oilseeds	final	29,013	29,518	6,032	5,765
Fibres—					
Cotton*	final	19,843	19,675	4,723	4,001
Jute A.	final	1,754‡	1,702‡‡	4,088‡	4,258‡‡
Mesta A.	2nd	673‡	683‡‡	1,166‡	1,141‡‡
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	2nd	4,784‡	4,475‡‡	63,501‡	58,783‡‡
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,400	354	355
Tobacco	final	1,022	1,012	309	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡ Excluding Gram and Tur.
A. In thousand bales of 400 lbs. each. † Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During April 1958	88.0
	Corresponding month, 1957	86.8
	Ten months ended April 1958	878.9
	Corresponding period, 1957	857.8
Stocks	At the end of April, 1958	97.2
	Corresponding month, 1957	104.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	Mar., 1957	68.8
	Mar., 1958	65.5
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	Mar., 1957	15.2
	Mar., 1958	20.5
	RAW JUTE	(In lakh bales)
Consumption by Mills	April 1958	5.10
	Corresponding month, 1957	5.03
	Ten months ended April 1958	50.07
	Corresponding period, 1957	49.78

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,74,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,000
Feb., 1957	90,000	81,300	63,400
Mar., "	95,100	93,200	78,600
April "	92,300	89,300	62,500
Feb., 1958	87,100	80,200	64,500
Mar., "	94,800	100,200	71,300
April "	95,000	100,300	63,000
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,156	5,32,315	4,41,483
Do. 31st March, 1958	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,830	1,20,578
" " " June, 1957	1,72,225	1,29,661	1,05,096
" " " Dec., 1957	1,71,397	1,19,172	99,315
" " " Mar., 1958	1,86,824	1,25,194	1,02,146
" " " Mar., 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October		Jan. to Oct.	
	1957	1956	1957	1956
Exports	52,52	52,73	537,74	474,94
Re-exports	1,12	42	4,46	7,27
Total Exports	53 64	53 15	542,20	482,21
Imports	73.07	70 94	833,98	667,49
Overall Balance of Trade	—19,43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	108,20
Jute yarns and manufactures	3,54	10,45	50,46	90,24
Cotton yarns and manufactures	5,26	4,87	59,75	50,02
Metallic ores and scrap iron or steel for re-manufacture	3,55	2,52	42,19	17,72
Cotton, raw and waste	69	89	17,39	21,94
Oils—vegetable, mineral and animal	1,75	90	22,28	21,51
Fruits and vegetables	1,75	1,19	15,49	16,25
Tobacco	32	78	12,28	12,61
Mica	61	74	7,30	7,10
Wool—Raw	41	96	10,14	8,98
Gums, resins and lac	64	99	7,36	8,84
Spices	52	69	7,22	7,82
Hides and skins, raw	51	58	6,28	4,82
Imports—				
Machinery of all kinds	20,17	13,46	187,93	125,26
Metals, iron and steel and manufactures thereof	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal	6,89	3,24	96,17	55,84
Cotton, raw and waste	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines	5,17	3,87	65,90	36,37
Electrical goods and apparatus	3,32	2,30	49,08	17,04
Paper, pasteboard, etc.	89	1,15	11,35	13,51
Vehicles (excluding aircraft, ships and boats)	3,64	7,00	57,79	55,57
Fruits and vegetables	2,22	1,16	17,98	10,61
Spices	22	68	2,47	6,87
Dyes and colours	1 08	1,50	12,16	13,99
Woollen and worsted fabrics	15	11	1,14	1,89
Cotton fabrics	15	21	2,14	2,63

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,762	974	213	111	67	149	29	517	412	41	330	48	145
1956-57	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
February 1957	12,280	2,854	929	197	96	52	190	22	520	388	27	350	51	159
March "	13,585	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April "	1,245	264	103	22	10	6	16	2	76	59	3	31	2	13
May "	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June "	3,582	756	334	57	30	18	48	5	161	109	9	101	7	48
July "	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August "	5,781	1,279	539	84	39	25	67	8	208	183	13	177	19	81
September "	6,893	1,542	625	93	42	30	87	10	223	220	15	219	25	101
October "	8,056	1,824	726	107	46	34	109	13	241	263	19	261	31	130
November "	9,240	2,087	844	129	53	37	137	16	272	309	24	302	37	154
December "	10,505	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February "	13,011	2,871	1,123	191	93	49	202	23	519	456	36	435	46	176

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.=2 M.G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source:*—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 15th May, 1958	23,302(J)
	Corresponding week, 1957	52,546(J)
	1st Sept. to 15th May, 1957-58	1,210,913*
	Corresponding period, 1956-57	1,485,578*
Cotton Exports	Week ended 15th May, 1958	8,941
	Corresponding week, 1957	5,538
	1st Sept. to 15th May, 1957-58	180,169
	Corresponding period, 1956-57	232,330
Mill Consumption (Estimated)	1st Sept. to 15th May 1957-58	968,915*
	Corresponding period, 1956-57	948,288
Stock (with exporters, dealers and mills) in Bombay (Estimated)	On 15th May, 1958	720,006
	Corresponding date, 1957	635,535
Cotton Exports from Bombay (by sea)	During March, 1958§	10,438§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,583
Karachi (Pakistan)—		
Receipts	1st Sept. to 1st May, 1957-58	1,050,284
	Corresponding period, 1956-57	1,142,733
Exports	1st Sept., to 1st May, 1957-58	465,160
	Corresponding period, 1956-57	610,165

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Mar., 1958. A.—Adjusted. § Includes Gola and Yellow Pickings, etc. ** From 1st Sept., 1956 to 30th April, 1957.

Particulars	From 1st September to 12th May 1957-58 Bales	From 1st September to 12th May 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	7,719	19,990
Continent	13,980	19,947
Hongkong	3,529	30,209
China		3,437
Japan	87,594	123,670
U.S.A.	6,875	2,324
Other Countries	741	811
Total to all foreign countries	120,346	200,297
Coastal Ports	54,360‡	29,463**
Total	174,706	229,760

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian	
March 1958	354,238
Seven months ended Mar., 1957-58	47,643
	2,650,049
	340,923
Same Period 1956-57	2,724,023
	338,725
Stocks (Mills and Elsewhere)—	
Indian	
As on 28th Feb., 1958	1,298,235
	147,089
As on 28th Feb., 1957	1,221,857
	200,043
Week ended 2nd May 1958	6,297
Corresponding week, 1957	104,400
1st Sept., to 2nd May 1957-58	2,240,325
Corresponding period, 1956-57	2,214,692

GOVERNMENT SECURITIES

Loan	Issued	Outstanding	Repayable	Latest Available Quotation Rs.
		Rs.		
TERMINABLE LOANS				
4 % Bond	1926-32	63,30,26,000	1950-70	100.40
3 ½ Loan	1958-59	1,16,17,46,000	1963-65	95.40
3 ½ Loan	1958	30,33,10,000	1964	95.40
3 ½ Fy. Loan	1943	1,10,11,78,000	1956-68	92.80
3 ½ Dev. Loan	1945	1,15,05,83,000	1970-75	86.95
3 ½ Rnd V. Loan	1945	1,13,65,64,000	1959-61	90.10
3 ½ Loan	1951	15,22,64,000	1958	99.75
2½ % Loan	1946	45,63,07,000	1960	98.15
2½ % Loan	1946	57,00,62,000	1961	96.80
2½ % Loan	1946	14,77,48,000	1976	88.10
2½ % Loan	1947	75,86,72,000	1992	95.80
2½ % Loan	1953	75,29,00,000	1991	99.55
2½ % N.P. Loan	1954	1,58,17,90,000	1994	98.20
2½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.80
3½ % Loan	1956	57,27,36,000	1992	97.95
3½ % M. P. Bonds	1957	33,81,83,000	1967	97.60
3½ % Loan	1958	66,63,53,000	1974	98 25
3½ % N.P. Bonds (4th Series)	1957	56,86,68,000	1967	99.70
4 % Loan	1957	49,16,87,000	1972	100.25
3½ % Loan	1958	58,06,00,000	1963	98.75
3½ % Loan	1958	34,34,00,000	1968	99.50
4% Loan	1958	49,47,00,000	1973	100.00
NON-TERMINABLE LOANS				
3% Loan	1896-97	8,93,34,000	M.	71.25
3% Loan	1946	2,48,91,41,000	N.	71.25
REPATRIATE STERLING LOANS				
4½% Loan	1928	5,85,73,200	1958-68***	100.10
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.90
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.80
3 ½ Bombay	1944	3,41,12,000	15th Aug. 1958	99.75
3 ½ Bombay	1949	5,49,75,500	1st Aug. 1959	99.15
3 ½ Bombay	1950	2,86,70,000	21st July 1960	97.75
3 ½ Bombay	1951	2,00,05,200	17th Sept. 1962	98.10
4 % Bombay	1953	7,25,20,200	15th July 1963	99.50
4 % Bombay	1952	3,45,94,500	1st Aug. 1964	99.60
4 % Bombay	1955	8,87,81,000	1st Sept. 1967	98.30
4 % Bombay	1956	8,67,06,500	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,60,00,000	16th Sept. 1968	100.10
4 % Bihar	1955	1,54,08,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.60
3 ½ Cochin	1945	10,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Howrah Bridge (New)	1936-37	1,95,06,700	1956-66	94.12
4 % Hyderabad	1955	12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,08,000	3rd Sept. 1968	97.70
3 % Madras	1939	1,23,99,000	21st June 1959	98.70
3 % Madras	1944	1,07,99,000	15th Aug. 1958	99.45
3 % Madras	1945	2,72,54,000	14th Sept. 1960	97.65
2½ % Madras	1946	3,81,77,200	1st Sept. 1961	94.60
3 % Madras	1950	4,28,25,400	21st July 1960	97.70
3½ % Madras	1951	3,01,49,800	17th Sept. 1962	97.85
4 % Madras	1953	10,85,71,000	15th July 1963	99.45
4 % Madras	1952	5,24,81,200	1st Aug. 1964	99.45
4 % Madras	1955	10,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	13,33,16,000	3rd Sept. 1968	97.90
3 % Mysore(J)	1938	2,95,55,300	1st Dec. 1953-68	101.00
3 % Mysore(J)	1936	5,99,73,000	30th Apr. 1956-61	99.25
3 % Mysore	1943	3,34,47,000	15th July 1958	99.00
4 % Mysore	1955	5,84,94,000	1st Sept. 1967	97.75
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.70
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	25,95,000	15th Aug. 1958	99.50
3 % M.P.	1948	2,03,36,800	15th Sept. 1964	99.25
3 % M.P.	1950	1,01,45,000	21st July 1960	97.20
3½ % M.P.	1951	1,99,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,19,19,000	15th July 1963	99.00
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,86,42,000	3rd Sept. 1968	97.60
4 % Saurashtra	1955	3,61,75,500	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,84,600	3rd Sept. 1968	98.10
4% Trav. Cochin	1953	3,25,61,000	15th July 1963	97.70
4 % Trav. Cochin	1954	2,24,78,000	3rd Sept. 1968	96.72
2½ % U.P.Z.A.	1952	41,44,790002	1st Sept. 1967	47.75
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,61,000	15th Aug. 1958	99.65
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.30
2½ % U.P.	1946	2,18,39,000	1st Sept. 1961	94.50
3½ % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	3,11,45,000	1st Aug. 1964	99.00
4 % U.P.	1953	3,66,16,000	15th July 1963	99.30
4 % U.P.	1955	5,25,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	6,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	1,58,94,000	3rd Sept. 1968	97.50
4 % M. Bharat	1953	1,04,77,000	15th July 1963	97.40
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.60

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				Rs.
26,50,000	4	1904	1954	
25,00,000	4	1905	1955	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
45,00,000	4	1908	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
30,00,000	4	1913	1974	96.20N
88,25,000	4	1914	1975	96.20N
10,00,000	4	1915*	1975	
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
51,51,000	4	1924*	1960	
18,25,800	3½	1926*	1980	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1980	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,53,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1980	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				Rs.
90,24,300	4	1914	1974	97.75
76,99,100	4	1915	1975	97.75
1,50,00,000C	3½†	1921	1981	82.00
1,50,00,000C	4	1921	1981	144.00N
49,38,600	5	1928	1938-88	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1965	97.50
24,00,000	3	1938	1953-68	96.00
58,66,600	3	1945	2095	74.00
59,98,200	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
58,99,700	3	1946	2006	74.00
50,00,000	2½	1947	1977	78.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1989	98.25
50,00,000	3	1949	1959	99.25
50,00,000C	3	1950	1980	82.00
75,00,000	3	1950	1960	97.00
1,00,00,000	3	1950	1980	97.00
50,00,000	2	1951	1981	81.75
4,50,00,000	3½	1951	1961	98.50
50,00,000	3	1953	1983	100.00
50,00,000	4	1953	1983	97.50
90,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
75,00,000C	4	1956	1986	97.25
4,24,00,000	4½	1957	1987	99.50
STERLING LOANS				Rs.
£892,500	5	1923	1953-68	£80.00
£901,000	5	1924	1954-84	£80.25
£885,106	5½	1932	1962	£91.00
MADRAS				Rs.
28,48,275	3½	1947	1977	A
3,00,000‡	3	1947	1977	
3,00,000‡	3	1949	1979	
45,00,000‡	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Market quotation
Rs.				
BOMBAY				Rs.
50,00,000	4	1899	1959	106.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1902	1962	
50,00,000	4	1904	1964	97.75
30,00,000	4	1905	1965	M
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
20,00,000	4	1908	1968	
25,00,000	4	1912	1972	
15,00,000	4	1913	1973	97.50
50,00,000	4	1914	1974	M
25,00,000	4	1916	1976	115.00N
40,00,000	5	1919	1957 70	115.00N
65,00,000	5	1920	1955-86	115.00N
25,00,000	5	1926	1956-86	98.00N
25,00,000	4	1927	1961-70	
10,00,000	2	1936	1966	
STERLING LOAN				Rs./
£566,600		1909	1968	£94.00
£338,000		1910	1970	£95.50N
CALCUTTA				
25,00,000	5½	1929	1958	104.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	91.00
50,00,000	3	1937	1967	91.00
20,00,000	3	1939	1967-83	99.00
50,00,000	4	1952	1982	99.00
1,02,00,000	4	1956	1986	99.50
50,00,000	4½	1958	1988	

MUNICIPAL LOANS

Rs.				Rs.
20,89,000	4	1913-16	1974	97.00
10,00,000	5	1930	1980	101.50
23,00,000	5	1939	1959	103.00
20,21,540	5	1939	1959	103.00
8,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1948	1978	84.00
2,50,00,000	3½	1949	1965	97.25
2,50,00,000	4	1952	1964	97.00
2,00,00,000	3½	1951	1966	97.25
1,50,00,000	4	1953	1963	97.25
1,50,00,000	4	1954	1966	97.25
1,50,00,000	4	1956	1968	
CALCUTTA				
Rs.				
30,00,000	5	1928	1958	106.00
25,00,000	5	1929	1959	106.00
10,00,000	5½	1932	1962	94.00
33,91,000	3½	1935	1965	90.00
60,00,000	4	1936	1966	96.00
47,50,000	3	1938	1968	96 50
17,64,409	3½	1942	1972	97 00
21,19,000	3½	1942	1972	97.00
10,33,000	3½	1951	1961	97.50
66,88,000	3½	1951	1966	97.25
87,34,000	4	1952	1982	100.00
78,50,000	4½	1954	1978	
2,22,72,000	4	1955	1985	
Rs.				Rs.
MADRAS				
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,80,000	17th Sept. 1962	98.10
3½% W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,60,23,000	15th July 1963	98.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.00
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	97.90

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. N—Nominal.
(J) Income-tax free. * Loans held entirely by the Trustees. C—Held by Commissioners. D—Domestic Loan not marketable.
‡Bombay State Transport. †† Rate of interest reduced from 6 to 5 per cent. with effect from 1st June 1944. *** Repay Counterparts.
† Rate of Interest reduced from 6½ to 6 per cent. with effect from 1st June 1944.
‡—Rs. four instalments but inclusive of accrued interest. ‡‡—Interest free to first 15 years. §—Interest free for first 7 years.
M—On September, 1966, or later at option of Government. M.—At the option of Government after three months' notice.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	102.00xd	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	104.00	100
Deccan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
East India Distilleries T.F.C.	£200,000	1937	7	Jan. July	10.12	£1
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec. ..	55.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	55.00	100
Puriabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.00	10
Ramnugger Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	86.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T...	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	95.00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.00xd	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	86.00	100½
Jharapura Collieries T.C.	9,89,500	1946	5½	.. ..	44.50	75p.
Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	8.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
Sudal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	88.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	7	Apr. Oct.	79.30	100
Bangalore C.T.F.	6,00,000	1884	6

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciation is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation Rs.	Paid-up Per Share Rs.	Dividend Per Ordinary Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
50,00,000	5,37,500	1,01,25,505	44,08,348	4,88,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,488	896	Apollo Mills	1.72	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,40,38,494	78,99,935	17,302	M.	50,596	1,031	B. B. Cotton Mills	20.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2,50,00,000	3,42,88,483	7,95,80,951	3,25,29,519	65,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Z	53.30	25	2.00	2.50*	2.50	2.50	12	Y.
10,00,000	43,53,860	64,14,209	43,32,976	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	158.00	50	75.00†	12.50	20.00	15.00	3	Y.
1,00,42,800	2,79,59,276	7,45,32,167	2,69,98,524	9,27,648	Birla Brothers Private Ltd.	1,26,752	2,752	Century *Spg. & Mfg.*	421.50	100	22.00	22.00	22.00	22.00	12	Y.
40,00,000	35,42,326	1,19,99,726	66,07,285	—25,06,077	V. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	32.00	100	*Nil*	*Nil*			12	Y.
26,00,000	12,08,880	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	120.00	100	7.50	7.50	12.50*		3	Y.
28,00,000	21,65,515	89,91,069	40,34,966	24,340	Ramnarain Sons Private Ltd.	41,328		Dawn Mills	90.00	50	6.00	15.00		7.50F	3	Y.
34,09,098	40,06,485	1,18,54,400	65,28,676	2,28,479	Puranmal Bubna Sons	46,568	928	Edward Textiles	255.00	200	15.00	15.00	15.00		12	Y.P.
29,86,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	45.00	50	3.00	5.00	15.00		12	Y.
50,00,000	65,54,876	1,67,84,054	89,96,207	87,155	James Finlay & Co., Ltd.	52,628	784	Finlay Mills	260.00	100	16.00	20.00	20.00	20.00	12	Y.
50,00,000	45,96,022	94,91,910	61,37,587	10,233	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd.	185.00	100	12.50	15.00	15.00	15.00	12	Y.
11,84,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills	4,590.00 / 992.50 / 9.12 / 4,510.00	1,000 / 250 / 0 10D. / 1,000	225.00 / 56.25 / *Nil* / 225.00	300.00 / 75.00 / 0.94 / 300.00	325.00 / 81.25 / 0.92 / 300.00	350.00* / 87.50* / / 325.00*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,819	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	9.16	0 10D.	*Nil*	0.94	0.19	0.18	12	Y.
5,65,000 / 25,000	1,12,51,255	1,60,59,952	1,06,65,998	75,722	M.	56,784	1,152	Indian Mfg.	4,510.00 / 500	1,000 / 100	225.00 / 112.50	300.00 / 150.00	300.00 / 150.00	325.00* / 162.50*	3	Y.P.
99,85,000	46,10,421	8,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	159.50	100	12.50	12.50	10.00	10.00(e)	6	Y.P.
1,00,00,000	1,18,27,791	3,67,76,376	2,84,04,794	52,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	261.75	100	18.00	18.00	18.00	18.00	12	Y.
33,18,800	46,27,870	1,28,83,753	67,99,178	43,271	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	50	5.00	8.00*	8.00*	5.00'C'	12	Y.P.
51,75,000	39,44,612	2,54,74,625	1,85,16,252	23,520	Piramal Sons Private Ltd.	71,504	1,652	Morarjee Goculdas Spg.& Wvg.	215.00	100	14.00	14.00	15.00	14.00(e)	6	Y.P.
1,50,83,400	1,42,58,205	10,55,96,105	3,40,00,000	1,23,937	Chinai & Co. Private Ltd.			National Rayon Corporation	239.75	100	10.00	12.00	14.00*	14.00	12	Y.
24,00,000	25,52,456	82,11,723	48,70,076	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	105.00	100	10.00	10.00	10.00	5.00	12	Y.
30,00,000	11,72,134	101,83,002	65,37,034		W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	202.00	100	7.50	10.00	10.00	*Nil*	3	Y.
45,00,000	54,30,707	1,01,28,302	1,02,32,041	4,06,077	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	115.00	100	8.00	10.00		12.50F	12	Y.P.
48,00,000	45,04,554	55,92,841	25,34,581	1,63,546	Podar Sons Private Ltd.	32,600	930	Podar Mills	133.00	100	10.00	12.00	12.00*	10.00	12	Y.
16,00,000	1,78,222	24,10,104	18,80,788		M.			Sassoon & Alliance Silk Mill	9.24	10	0.50	0.50	0.25(e)		12	Y.
57,70,100	1,19,98,715	2,11,34,514	1,30,57,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	41.50	10	1.75	2.00	2.00	2.00	12	Y.P.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills	134.00	100	14.00	12.00	12.00		12	Y.P.
42,00,000	31,94,178	1,20,04,790	76,42,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,274	Simplex Mills	152.00xd	50	11.00	10.00	12.00	8.50	3	Y.P.
37,50,000	2,50,26,472	2,90,16,751	1,87,99,317	1,55,642	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	384.00	100	20.00	20.00	22.50*	22.50*	12	Y.P.
1,00,00,000	98,88,485	2,61,02,081	1,33,02,735	29,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	169.00	100	8.00	12.00	14.00*		12	Y.
36,00,000	65,13,485	1,52,27,488	95,52,715	25,062	James Finlay & Co., Ltd.	40,328	549	Swan Mills	341.00	100	20.00	25.00	25.00	25.00	12	Y.
66,57,875	56,74,500	2,01,67,222	80,31,256	17,925	Tata Industries Private Ltd.	69,040	1,800	Tata Mills	37.00	25	2.50	4.00	3.50*		12	Y.P.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	98,935	M.	54,186	1,212	Western India Spg. & Mfg.	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	

AHMEDABAD

40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	152.50	100	5.00	7.00	12.00	5.00	6	Y.P.
10,00,000	94,59,968	94,37,898	76,10,154	37,388	P. M. Kothary & Co., Ltd.	43,768	913	Aruna Mills	540.00	100	20.00	30.00			12	Y.P.
48,00,000	2,97,33,561	1,04,18,770	97,39,203	15,374	Narottam Lalbhai & Co.	62,448	1,216	Arvind Mills	1,148.00	100	25.00	25.00*	35.00*		12	Y.P.
20,00,000	51,75,000	96,84,584	72,25,000	2,46,389	Mangaldas & Bros., Ltd.	35,908	892	Arvodaya Ginning & Mfg.	460.00	200	15.00	25.00*			12	Y.
12,00,000	1,42,05,808	95,70,783	63,81,789	17,257	Lalbhai Dalpatbhai & Co.	37,382	914	Asoka Mills	960.00	100	22.00	30.00	30.00		12	Y.P.
1,37,50,000	3,49,54,519	5,14,96,782	2,56,08,256	1,19,338	Kamasehand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	478.50	125	18.00	30.00	30.00	30.00	12	Y.
66,91,000	32,32,059	1,25,32,243	95,76,063	2,458	Trieumlal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	443.00	250	70.00	80.00	100.00*		12	Y.
33,00,000	72,53,456	1,32,09,222	96,26,962	19,331	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	690.00	125	35.00	35.00			12	Y.
15,00,000	67,78,770	57,78,441	32,40,912	21,803	Jamabhai Bhogilal Manavaiy & Co., Ltd.											
30,00,000	1,10,62,006	99,61,108	62,28,955	1,77,078	Lalbhai Dalpatbhai & Co.	31,120	636	Nutan Mills	386.00	100	30.00*	20.00	20.00		12	Y.P.
32,50,000	14,78,397	1,07,01,469	71,42,808	17,34,749	Lalubhai Gordhandas Ltd.	33,156	648	Rohit Mills	870.00	100	25.00	35.00*	35.00*		12	Y.P.
37,96,200	2,75,24,195	1,92,44,554	1,05,24,586	5,62,336	Harivallabhdas Kalidas & Co.	93,256	1,759	Shri Ambica Mills	136.25	100	9.00	*Nil*			12	
19,52,500		69,31,363		15,592	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg.	460.00	100	25.00*	25.00			12	Y.
35,60,000	37,34,108	19,54,140	83,17,270	50,449	Haridas Ashratlal & Co., Ltd.	40,176	780	Vijaya Mills	620.00	500	35.00*	35.00*	50.50*		12	Y.

WEST BENGAL

15,00,000	2,82,800	35,36,098	3,89,708	60,222	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	6.62	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280 / 3,60,620	10,08,297	80,04,522	55,58,258	49,228	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.
24,00,000	1,59,008	1,08,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd.	43,960	841	Bowreah Cotton Mills	103.50	100	*Nil*	*Nil*	*Nil*		12	Y.
19,00,000	26,17,431	1,15,16,740	74,81,779	3,50,338	Kettlewell Bullen & Co., Ltd.	42,944	533	Cambay Mills	123.00	100	*Nil*	2.50	6.00		12	Y.
36,00,000	58,988	76,97,235	31,97,285	82,036	Birla Brothers Private Ltd.	4,852	306	Jay Shree Textiles Ltd.	6.50	10	*Nil*	*Nil*	0.37	0.50	3	Y.
1,00,00,000	2,29,91,250	4,09,62,835	1,40,10,478	4,94,772	Birla Brothers Private Ltd.	75,040	1,992	Kesoram Cotton Mills	11.25	10	0.75	0.75	0.75	0.75	3	Y.
19,47,750 / 5,50,000D	9,50,000	48,59,254	28,75,466	9,388	Hazaremmul Heeralal	23,036	795	Rampooria Cotton Mills	15.00N / 4.00N	10 / 1D	0.62 / *Nil*	1.00 / 0.24	1.00 / 0.25	0.75 / 0.15	6	Y.

SOUTH INDIA AND OTHER CENTRES

11,98,600	5,57,619	39,87,104	19,12,220	16,018	Setna & Co.	24,800		Ashar Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	G. S. Tyabjee, Esq.	34,156	716	Asoka Jahi Mills	51.50	100	*Nil*	*Nil*	5.50(e)	6.00	3	Y.
1,31,50,000	1,47,74,679	3,67,98,866	2,76,43,045	2,90,471	Binny & Co. (Madras), Ltd.	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills								
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,396	1,068	Birla Cotton Spg. & Wvg., Delhi	164.00	100	20.00	30.00	30.00	10.00'C'	12	Y.
1,78,47,800	2,99,20,000	6,98,67,043	4,19,97,473	1,92,471	Binny & Co. (Madras), Ltd.	20,288	2,762	Buckingham & Carnatic	27.00N	10	2.00	2.50	2.50	1.50	12	Y.
20,00,000	15,37,935	50,23,440	28,15,043	1,92,792	Petrie, Leslie & Co., Ltd.	27,536	4	Cambodia Mills	165.00	100	10.00	10.00	10.00	10.00	12	Y.
10,00,000	5,11,500	53,33,411	37,36,927	1,92,792	K. Damodaran, Esq.	20,000		Cannanore Spg. & Wvg.	8.35cd	10	*Nil*	0.50	0.50	0.50(c)	3	Y.
30,00,000	23,35,551	70,25,496	56,32,918	48,855	Begg, Sutherland & Co. Private Ltd.	27,924	501	Cawapore Textiles	144.50	100	20.00	12.00	15.00	20.00	3	Y.
9,37,470	5,00,000	55,16,220	31,84,498	96,556	C. R. Srinivasan, Esq. (Chairman)	20,864		Century Spg. & Wvg. Mills Ltd.	4.09	5	0.50	*Nil*	0.25	0.25	3	Y.
32,21,562	22,09,767	1,29,70,077	91,91,699	698	R. Bheema Naidu & Co.	30,864		Coimbatore Cotton Mills	12.00	10	*Nil*	0.62	0.75	0.90	12	Y.
13,15,000	7,25,195	39,16,552	24,29,283		T. A. R. Chettiar Sons & Co.	25,840	100	Coimbatore Murugan Mills	141.00	100	25.00	25.00	25.00	9.00'C'	12	Y.
20,00,000	19,20,000	71,42,628	35,80,753	13,314	T. R. M. Naidu & Co.	115.00	100	Coimbatore Pioneer Mills	222.00	100	17.50	20.00	12.00		12	Y.
20,76,900	2,05,078	1,24,15,676	1,04,57,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg.	222.00	100	20.00	20.00	20.00		12	Y.
40,87,500	27,24,725	2,42,10,703	1,54,86,354	15,780	Tata Industries Private Ltd.	67,452	1,620	Central India	49.00	50	6.00	8.00	10.00		6	Y.
24,45,811	15,50,000	92,78,552	49,27,014	R. Hanumanthappa & Son		28,816	300	Davangere Cotton Mills	112.00	100	10.00	10.00	*Nil*		3	
2,33,50,525	3,10,24,830	11,79,09,468	6,78,07,135	2,77,503	B. E. Charat Ram & Co. Private Ltd.	1,41,180	2,852	Delhi Cloth & General Mills	29.12	25	2.25	2.25	2.50	2.00	6	Y.P.T.
1,00,563										24	0.22	0.22	0.25	0.20	3	
47,96,256	26,25,000	84,23,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills	177.00	100	20.00	20.00	25.00	10.00'C'	12	Y.
60,00,000	1,05,56,192	1,69,12,424	1,41,93,839	75,551	Begg, Sutherland & Co. Private Ltd.	42,453	1,198	Elgin Mills	12.50	10	1.00	1.00	1.25	1.00	3	Y.
48,81,000	43,55,101	1,36,08,342	1,01,26,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286		Gokak Mills	141.40	100	13.00	15.00	15.00	8.00	3	Y.
2,50,00,000	2,52,000	4,82,35,782	1,82,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	16.00	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
10,00,000	21,27,574	1,48,10,189	1,16,80,184	6,716	K. L. Sakaria, Esq. (Chairman)	51,189	1,356	Indore Malwa United	105.00	100	6.00	9.00	11.00	10.00	12	Y.
10,00,000	10,65,682	51,40,455	19,97,477		G. V. Naidu & Co., Ltd.	28,784		Jamardhana Mills	76.00	50	5.00	10.00	10.00		12	Y.
15,84,000	15,02,599	57,13,987	33,86,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450.00	1,000	29.00	50.00	60.00	40.00	6	Y.
4,68,65,800	8,24,06,204	4,84,59,296	3,18,54,000	2,43,717	Birla Gwalior Private Ltd.	1,14,376	1,884	Jiyajeerao Cotton	9.66	10	4.00§	4.00§	0.55	0.35	6	Y.
42,00,000	19,25,000	1,05,31,547	58,35,076	91,772	Kothari & Sons	51,640	800	Kothari Textiles	10.00	10	0.50	1.00	1.00	1.00	12	Y.
52,00,000	33,39,437	1,84,50,574	1,25,78,615	2,294	M.	51,998	1,248	Lakshmi Cotton Mfg.	482.75	250	33.75	42.50	42.50	15.00	3	Y.
71,29,200	66,35,960	2,13,88,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	94.00	50	10.00	10.00	12.50	15.00	3	Y.
35,64,100									45.00	25	5.00	6.25	6.25	5.00	12	
1,75,06,488	4,24,40,278	5,90,89,121	3,96,10,817	6,92,366	A. & F. Harvey Ltd.	4,53,000		Madura Mills	82.00	10	8.00	3.00	2.62	2.25	12	
12,00,000	2,87,563	39,08,552	18,76,708	212	V. K. Bradi (Chairman)	22,592	109	Malabar Spg. & Wvg.	197.50	100	13.00	15.00	15.00		12	Y.
66,00,000	69,14,000	65,94,181	45,90,145	5,187	W. A. Beardsell & Co. (Private) Ltd.	22,856	908	Meetur Industries Ltd.	247.00	100	22.50*	*Nil*	5.50	20.00	12	Y.
39,50,884	19,58,081	92,42,458	53,37,795	19,563	N. Sirur & Co. Private Ltd.	30,896	794	Minerva Mills	70.00	100	5.00(c)	6.00	6.00		12	Y.
94,91,850	21,56,146	1,71,84,768	71,01,423	1,85,008	M.	52,408	952	Model Mills (Nagpur)	170.00	250	5.00(c)	7.50(c)	7.50		12	Y.
84,25,500	48,55,479	1,18,48,711	71,02,473	25,937	N. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	90.00	50	9.00	6.00(c)	9.00	9.00*	3	
13,81,780		29,12,641	17,83,214	3,966	K. Tipperudrish (Chairman)	6,600		Mysore Spun Silk Mills	6.25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	
57,23,200	39,29,961	1,73,88,244	67,86,065		M.	37,768	902	Ganasashani Mills	44.00	100	*Nil*	2.50(e)	3.00(e)	*Nil*	12	Y.P.
4,00,800A	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600		Palani Andavar Mills	135.00	50	12.00	12.50	15.00		12	Y.
3,00,000B									197.50	75	18.00	18.75	22.50		12	
15,00,000		84,19,570	18,52,524	—9,89,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	45.00	100	*Nil*	4.00(e)	*Nil*		12	Y.
12,21,200A	29,96,008	1,00,48,582	54,00,689	3,982	A. G. Guruswamy Naidu & Co.	59,254	300	Radhakrishna Mills	123.00	100A	16.00	20.00	20.00		12	Y.
8,40,600B									65.50	50B	8.00	10.00	10.00		12	
15,00,000	22,19,008	84,56,529	29,01,441	5,079	B. R. Naidu & Sons	37,096		Rajalakshmi Mills	70.00	50	10.00	10.00	7.50		12	Y.
1,00,00,000	19,00,000	32,92,216	17,41,424	10,510	Ramco Agencies Ltd.	34,926		Rajapalayam Mills	129.00	100	6.00	10.00	10.00		12	Y.
1,00,000		1,00,000		5,336	Ramalingasamia Development Co.	21,200		Ramco Mills	105.00xd	100	9.00	10.00	10.00	10.00	3	
22,32,950	11,50,000	53,72,976	23,15,892						450.00	100						Y.P.
15,00,000	1,60,55,917	3,18,49,081	2,05,07,227	—1,66,30,786	Morarka & Co.	95,232	2,332	Sholapoor Spg. & Wvg.		500	*Nil*	*Nil*	*Nil*	*Nil*	3	
19,00,000									79.00	50	4.50	5.00	7.00	7.00	3	
26,26,700	20,00,000	96,26,666	70,67,094	19,343	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills	70.00N	10	5.00	6.00	6.00	6.00	3	
18,00,000	3,62,40,700	1,02,21,310	75,33,414	29,39,630	Birla Brothers Private Ltd.	86,212	1,544	Suitej Cotton Mills	13.25	100	1.00	0.75	0.75		12	Y.P.
17,50,0000									10.44	10P.O.	1.15	1.15	1.15		12	
1,87,50,000PO	2,26,28,061	5,18,52,130	1,81,33,924	8,35,712	Jaipuria Brothers	1,12,216	2,098	Swadeshi Cotton (Kanpur)	13.32cd	10	0.62	0.75	1.00	1.00	12	
1,00,00,000	60,00,000	3,88,81,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd.			Travancore Rayons	11.70	10	0.90	0.90	1.12	0.90	12	
13,96,730	9,45,940	19,58,289	13,60,120	794	Moolji Ramjee & Sons	15,000		Trichinopoly Mills	10.44	10	0.75	0.75	0.75	0.75	12	
21,00,000	39,86,738	86,30,895	51,76,507	12,000	R. K. Chettiy & Brothers	44,424	270	Vasanta Mills	230.00xd	100	15.00	20.00	20.00	12.00	12	
32,00,000	18,73,770	1,55,06,083	1,17,44,692	—9,85,559	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	102.00	100	4.00	8.00	8.00	8.00	12	

* Includes bonus. M=Managed by Board of Directors. X.R.=Ex-Right. (e) Paid out of Reserves. F=For fifteen months ended 31st March, 1956.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z=Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 20 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
39,54,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.00xd	5	*Nil*	0.50	0.75	0.85	3	Y.P.
16,20,680	26,75,014	29,33,961	16,23,422	89,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9.37	5	0.50	0.56	0.56		3	Y.
2549,950	£1,197,464	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	27.25	51	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
4,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	195.00	75	15.00	15.00	15.00	15.00	3	Y.

CEMENT

72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50	B. 10	1.00	1.00*	1.00		12	Y.P.
23,14,6000	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	3.84 / 0.87	O. 10 / D. 1	*Nil*	*Nil*			3	Y.P.T.
14,70,976D														
23,71,80,970	9,62,01,082	80,81,74,705	11,29,17,763	2,58,321	Cement Agencies (Private) Ltd.	Associated Cement Companies	147.75	100	8.50	10.00	10.00	9.00	7	Y.T.
8,07,44,575							9.95	O. 10	1.00	1.25	1.25		12	Y.P.
1,00,00,000D, 5,00,000D	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	2.87	D. 1	0.10	0.12	0.12			
1,02,09,450 / 7,50,000	26,00,000	2,09,03,054	61,08,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27.60 / 5.35	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06 / 0.41	2.06 / 0.41	3	Y.P.
1,50,00,000	4,00,000	4,72,60,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur Udyog Ltd.	11.80	10	0.75	1.25	1.25	*Nil*	3	Y.P.
1,00,00,000	81,40,712	2,43,40,188	98,68,535	11,02,397	Dalmia Agencies Private Ltd.	Orissa Cement Ltd.	11.88	10	0.50	0.50

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,01,841	2,13,33,493	1,56,73,314	4,805	M.	Bengal Paper Mills	60.50	25	3.12	4.69	2.50		12	Y.P.I
85,00,000	63,01,258	1,24,92,173	82,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	20.22	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
85,00,000	25,12,000	1,48,27,089	77,57,949	47,693	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16.00	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,25,500	2,49,75,045	6,04,16,697	1,37,53,042	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	29.15	10	0.94	1.12	0.62	1.50	3	Y.P.I
1,25,49,970	67,75,503	1,56,40,302	1,00,79,761	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	15.37	10	1.50	1.25	1.25		12	Y.P.I
50,00,000	7,20,123	71,98,586	38,86,559	4,828	Bajoria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
'A' 10,00,000							11.00	A. 10	0.75	1.25	1.05	0.60		
2,18,55,540	48,43,060	3,85,20,049	75,56,130	5,497	Birla Brothers Private Ltd.	Sirpur Paper Mills	10.16	10	Nil	5.00‡	0.50	0.50	6	Y.P.
55,00,000A.							37.37	A. 10	1.50	2.00*	1.12*	2.37*	3	
55,04,300B.	3,70,50,474	6,78,46,967	3,51,66,938	92,523	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	37.37	B. 10	1.50	2.00*	1.12*	2.37*		Y.P.
4,37,500P.O.							4.00	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,081	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	62.00xd	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,98,409	85,418	Andrew Yule & Co. Ltd.	Central Hydraulic	90.00	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,750O.	7,30,843	43,74,650	23,83,280	96,047	M.	Humayun Properties	10.75N	O. 10	0.60	0.60	0.60			Y.P.
2,00,000D.							2.25N	D. 1	Nil	Nil	0.05			
94,60,000	26,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	21.50	100	4.00	3.00	Nil	Nil	4	Y.P.
SAW MILLS AND TIMBER														
18,99,998	22,88,439	32,33,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	2.00	2	Nil	Nil	Nil		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	540.00	Old125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							202.50	New50	8.00	15.00	13.75	16.00		
30,80,000	20,40,000	19,48,737	15,66,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products..	44.62	10	2.75	3.00	3.00	1.00‡	6	
SUGAR (U.P. and Bihar)														
14,00,000	15,30,406	42,92,220	31,12,074	57,702	M.	Bairampur Sugar	6.50	5	0.75	0.06	Nil	0.25	6	Y.
12,00,000A.	29,80,350	55,40,831	26,32,435	12,12,000	Narang Bros. & Co. Private Ltd.	Basti Sugar	120.00N	A. 100	10.00	10.00	10.00		4	Y.T.
3,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,050	8,75,000	33,83,770	25,68,270	74,946	Bangur Bros., Ltd.	Belsund Sugar	11.25	7½	0.75	0.75	1.00	1.00	9	Y.P.
15,00,000	13,51,513	19,28,777	13,40,840	7,853	Cotton Agents Private Ltd. ..	Bharat Sugar	13.25	10	1.50	1.50	1.50	1.50	6	Y.P.I
23,00,000	25,22,515	1,45,76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	7.10	10	0.75	0.25	Nil	Nil	6	Y.P.I
25,00,000	68,69,722	1,63,27,398	85,27,323	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.81	10	0.75	0.75	0.75		10	Y.P.
18 00 000	34,56,103	84,72,400	59,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	20.37	10	1.00	1.00	1.00		6	Y.
9,58,252	2,59,762	25,14,152	16,98,383	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	1.50	1.00	Nil	8	Y.T.
50,00,000A.	44,95,000	1,02,71,005	67,56,074	32,122	Bachhraj & Co. Private Ltd.	Hindustan Sugar Mills	210.00	A. 100	15.00*	15.00*	15.00		6	Y.P.
10,00,000C.							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	50.30	40	Nil	2.25	4.00	7.00	7	Y.P.
7 89,100	22,50,288	48,69,619	26,90,926	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	25.00	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	2.50	2.50	2.50	2.50	6	Y.
13,21,100	49,91,797	78,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	200.00N	100	20.00	20.00	20.00	20.00	6	Y.
88,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	85,816	Cotton Agents Private Ltd.	Oudh Sugar	137.50	100	11.00	11.00	11.00	12.50	7	Y.P.
12,00,000	13,69,374	21,96,494	21,49,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	75.00N	100	10.00	10.00			7	Y.
9,00,000	19,54,517	43,99,255	31,54,223	20,736	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
8,00,000	6,21 932	28,74,393	23,31,931	2,175	M.	Ryam Sugar	10.75N	10	0.50	Nil	1.75	1.50	6	Y.P.
11,99,000	16,33,214	47,23,583	25,13,422	—2,20,853	M.	Samastipur Central Sugar ..	11.25	10	0.50	Nil	Nil		6	Y.
39,70,525	22,88,160	1,40,84,661	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	10.00	10	1.50	1.75	Nil		6	Y.P.
10,02,115	24,660	29,48,000	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2.37	10	Nil	Nil	Nil		6	Y.
18,80,000	13,52,431	35,59,550	20,58,359	40,666	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	Nil	1.00	8	Y.
9,15,9000.	46,462	29,66,350	11,46,770	—16,37,907	M	South Behar Sugar	0.75N	O. 10	Nil	Nil	Nil	0.50		Y.P.
4,40,000D.							0.50N	D. 2½	Nil	Nil	Nil		10	
8,00,000	24,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
16,90,000	7,66,589	23,17,959	27,09,205	32,042	M.	United Provinces Sugar	14.25	10	1.25	1.50	0.60		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	Nil	0.60	1.00	1.25	9	Y.
76,49,650	1,18,43,698	1,80,47,792	1,86,77,187	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company	243.50	50	16.00	16.00	16.00	16.00	9	Y.
12,50,000	12,56,316	41,36,701	23,96,319	30,927	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	19.76	10	1.00	1.00	1.50	2.00	9	Y.
18,00,000	37,08,155	32,89,314	3,24,898	33,344		Shree Chandee Sugar	12.50	10	1.00	1.00	1.50		9	Y.
15,93,900	12,68,972	40,71,311	22,64,596	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	25.00	10	1.00	1.00	2.00	5.00	9	Y.P.
35,94,920	14,80,827	33,70,627	19,25,045	6,76,986	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	70.00N	100	Nil	Nil	6.00	6.00	6	Y.
22,41,127	15,75,871	34,96,432	12,67,310	6,611	Begg, Sutherland & Co. Private Ltd.	Jaipore Sugar	13.25	10	1.00	1.00	1.12	0.75	9	Y.P.
63,59,400	85,59,866	67,92,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	13.00	10	1.00	1.00	0.60	0.60	6	Y.
1,00,00,000	88,00,000	2,48,45,158	41,94,129	28,068	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	120.00	O.100	1.00	1.50	1.50Q		10	Y.P.
2,87,100D.							132.00	D. 10	7.50	7.50	7.50	7.50	6	
67,50,000	38,21,978	1,22,47,683	57,87,087	36,423	M. L. Dahanukar & Co. Pvt. Ltd.	Maharashtra Sugar Mills ..	132.00	D. 10	10.00	10.00	10.00	10.00	9	Y.P.
21,79,280	86,24,043	1,54,89,192	89,25,545	2,10,465	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	950.00	250	..	..	100.00*	100.00*	9	Y.
50,00,000	53,21,480	1,16,88,154	67,80,841	1,47,239	Mafatlal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	33.75	10	2.00	2.00	2.00	2.00	6	Y.
16,59,820	49,00,000	50,42,584	33,52,920	2,28,390	Anderson Wright Ltd.	Rammugger, Cane and Sugar ..	141.25	50	8.00	8.00	9.00	12.00*	6	Y.P.
20,00,000O.	42,07,214	1,04,79,940	59,30,787	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	21.00	10	1.50	2.00	2.00	1.50	8	
4,60,000D.							124.00	O. 50	2.50	9.00	12.00	12.00	9	Y.P.
63,59,400	85,59,866	67,92,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Raza Sugar	80.00N	D. 10	Nil	0.07	0.70	3.75		
80,00,000	23,40,000	62,19,329	24,74,579	77,353	Parry Co., Ltd.	Travancore Sugars	14.00	10	0.75	1.50	1.50Q		10	Y.
1,01,00,000	1,08,46,263	2,23,80,653	99,17,719	1,75,786	Walchand & Co. Private Ltd.	Walchandnagar Industries ..	24.90	10	1.00	Nil	0.75	1.00	7	Y.
							263.50	100	16.00	18.00	21.00		9	Y.P.
TRANSPORT														
20,00,000	1,86,69,622	1,24,09,186	18,29,251	1,10,620	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	108.00	100	7.50	7.50	7.50		10	Y.
1,00,00,000	82,00,000	4,31,63,842	1,45,20,689	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,35,068	4,00,84,846	86,21,845	1,83,536	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	19.92	10	1.00	Nil	1.00	1.50	6	Y.
5655,550	5097,789	55,665,834	52,428,088	—$106,393	Kilburn & Co. Private Ltd.	India General Navigation & Bly. Co.	51.50	£10	Sh. 10	Sh. 10	Nil		12	Y.
2,25,00,000	1,74,74,222	12,78,06,545	2,63,26,759	2,70,084	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	10.88	10	Nil	Nil	Nil	1.00	12	Y.P.
10,40,19,573	10,58,51,342	27,06,48,271	15,79,99,512	5,84,102	M.	Scindia Steam Navigation Co. ..	17.04	20	0.50	0.50	1.00	1.00	3	Y.P.
5,40,360O.							2.03	O. 1	0.12	0.14	0.14	1.25	6	Y.
2,10,260P.O.	15,26,615	12,00,284	7,86,760	1,66,813	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.53	P.O. 1	0.11	0.12	0.12		12	Y.
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	824	Forbes, Forbes Campbell & Co. Prv. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
25,00,000	1,00,000	25,18,54§§		58,593†	M.	Dwarkaram Nanji Co.	11.52	25	0.75	0.75	0.75	0.75	4	Y.
5,87,00,000	2,01,70,510	4,79,59,818	1,35,62,169	89,94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	21.90	10	..	..	2.25	0.81	3	Y.
31,97,900	16,29,519	1,99,45,989	67,14,407	14,986	Birla Brothers Private Ltd. ..	Hind Cycles	127.50	£10	..	..	1.25	1.40	12	Y.P.
14,98,540	2,01,590	28,61,284	19,40,793	22,010	Cheonilal Manilal Private Ltd. ..	Estrela Batteries	36.00	50	10.00	10.00	..	12.50F.	12	Y.
20,00,250	20,13,147	25,51,598§§	....	1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	72.84	100	3.00	2.00	5.00		12	Y.
1,00,00,000	23,08,446	23,85,170	11,25,784	2,758	K. G. Milne, Esq. (Mg. Director)	Killick Industries	147.00	100	4.50	4.50	5.00	5.50	12	Y.
2,20,25,325A.O.	65,14,265	3,42,78,324	1,69,93,078	6,81,752	Aero-Auto Private Ltd.	Premier Automobiles	79.00	100	11.00	11.00	11.00	11.00	6	Y.
10,31,200	4,83,147	8,09,102	5,85,806	2,481	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.00	20	Nil	Nil	6.00	6.00	6	Y.
2,75,00,000	1,44,13,441	3,87,62,891	1,08,58,348	89,860	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co. Ltd. ..	169.00xd	100	11.00*	11.00*	2.00	1.20	12	Y.
45,00,000	60,62,390	8,64,935	5,24,956	75,054	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	150	20.00	20.00	11.00*	11.00*	12	Y.
											22.50	25.00	12	
Other Centres														
87,50,000	1,99,56,718	3,81,21,462	86,06,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	11.00	O. 10	Nil	Nil	0.50	0.90	3	Y.P.
2,50,000							5.00	D. 2½	Nil	Nil	Nil	Nil		
40,00,000	22,25,000	68,17,870	28,12,985	66,559	Seshasayee Bros. (Trav.) Prv. Ltd.	Aluminium Industries Ltd.	13.80	10	1.25	1.25*	1.25	1.25	3	Y.
30,00,000	36,20,717	34,97,377	23,60,832	3,61,289	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	17.69	10	1.25	2.00*	2.00*	1.80*	6	Y.
30,00,000	17,14,736	38,54,372	19,66,372	1,33,044	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	15.56	10	1.25	2.00*	2.00*	1.80*	6	Y.
25,00,000	35,94,000	1,05,12,033	39,56,523	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	5.12	10	0.20	0.40	1.25*	1.25*	12	Y.P.
26,01,400	28,61,293	69,52,166	37,02,106	5,03,376	M.	Balmer Lawrie & Co., Ltd. ..	150.00	100	18.00	12.50	15.00	0.50	5	Y.
12,00,000	12,56,000	22,30,386	25,71,386	90,379	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	30.06	100	18.00	12.50	15.00		12	Y.
20,00,000	8,05,715	62,25,49§§	....	37,612	Lovelock & Lewis	Birds Investment Ltd.	9.25	10	1.25	2.25	2.50		12	Y.
84,97,920	84,61,814	1,14,91,095	37,07,455	1,84,658	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	13.25	10	1.25	1.25	1.00		9	Y.
5,25,00,000	1,55,55,571	3,06,08,577	2,38,80,121	1,22,331	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.84	5	0.06	Nil	0.10	0.12	12	Y.
1,88,80,000	17,34,264	2,95,85,94§§	....	8,16,584	Andrew Yule & Co., Ltd.	Clive Row Investment	8.60	10	0.75	0.75	1.38	0.75	12	Y.
3,00,00,000	4,40,29,506	6,50,49,175	2,68,24,548	22,22,643	John Lockman, Esq. (Mg. Director)	Dunlop Rubber (India) Ltd. ..	26.00	10	1.50	1.50	1.50	1.50	12	Y.
81,36,000	54,81,685	1,64,12,90§§	....	2,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	106.00	100	9.00	9.00	9.00	9.00	12	Y.
14,00,000	9,35,000	34,02,164	19,08,239	34,584	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	180.00	100	15.00	15.00	4.00	12.50	8	Y.
65,00,000	34,20,010	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.75	10	0.75	0.75	0.75	0.75	9	Y.
20,00,000	15,17,354	38,95,921	24,36,683	74,215	B. P. R. Syndicate	Great Eastern Hotel	265.00	250	6.25	6.25	15.00	15.00	3	Y.
4,98,05,700	10,00,000	4,37,26,577	1,61,88,541	7,92,982	Birla Brothers Private Ltd.	Hindustan Motors	7.72	10	Nil	Nil	Nil	Nil	3	Y.
3,84,58,900	1,17,58,800	7,37,43,612	2,21,77,728	7,20,182	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	14.53	10	Nil	Nil	Nil	Nil	3	Y.
1,82,39,220	1,46,00,000	2,26,86,181	86,85,008	41,51,853	B. J. Weedley, Esq. (Mg. Director)	Indian Cables	33.50	10	1.00*	0.90	1.00	0.00	12	Y.
8,27,970	6,03,000	10,74,905	3,50,306	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	15.50	10	0.50	0.50	1.50*	1.50*	3	Y.
15,16,90,000	24,92,01,694	9,85,79,293	1,62,28,899	25,04,159	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	11.87	10	0.50	0.50	0.50		3	Y.
2,00,00,000	76,27,615	39,02,297	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	52.50	100	0.60	0.80	0.80	0.70	3	
40,00,000O.	82,86,900	48,53,407	10,43,712	2,57,153	M.	McLeod & Co.	202.00	O.100	6.00	7.50	7.50	2.50	3	Y.P.
5,00,000D.								D.O.10	17.00	22.50	8.00			
1,45,23,500	90,58,581	25,54,434	14,97,832	2,35,812	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	24.94	10	1.20	1.75	2.00		12	Y.P.
1,15,80,000	1,17,00,151	2,62,36,089	89,09,793	16,38,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	28.00	10	1.88	1.81*	2.12*	2.12*	9	Y.
6,35,585	1,851	7,85,066	2,50,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	8.75N	10	1.00	1.25	1.62	1.75	3	Y.
1,00,258	6,92,506	11,20,680	5,07,862	8,349	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	14.40	10	Nil	Nil	Nil	Nil	3	Y.
10,00,000	3,76,000	16,47,599	10,18,129	43,554	M. Mallesharyya, Esq. (Chairman)	Mysore Tobacco	12.55	10	1.00	0.75	0.90	1.25	3	Y.
2,00,00,000	53,55,505	2,14,82,470	61,33,962	28,42,624	J. R. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	25.37	10	1.00	1.25	1.50	1.50	3	Y.
40,00,000	74,71,172	63,80,914	41,52,901	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	26.25	10	0.40	0.32	1.50	1.40	12	Y.P.
40,00,000	15,00,000	93,19,295	21,17,403	75,726	Do.	National Rolling & Steel Ropes	10.25	10	1.00	1.50*	2.00*		3	Y.
29,97,000	38,12,466	1,20,51,899	61,75,185	9,67,640	B. N. Elias & Co. Private Ltd. ..	National Tobacco Co.	10.75	10	0.50	0.50	0.59		6	Y.P.
2,25,00,000	4,53,408	1,22,26,543	60,08,534	—44,12,938	M. P. A. Paspatti, Esq.	Rallis (India) Ltd.	34.00	100	2.50	2.50	0.70	1.50	12	Y.P.
2,25,00,000	1,37,70,309	16,60,39,311	3,96,22,763	49,402	Sahu Jain Ltd.	Rohtas Industries	17.56	10	Nil	Nil	Nil		5	
4,78,200	51,336	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100	1.50	1.50	1.50		10	Y.P.
5,13,400							50.00N	50	..	..	5.00	6.00	8	
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17 35xd	10	1.50	1.50	1.50	1.50	8	Y.P.
75,00,000O.	17,19,008	37,03,035	7,05,723	3,64,354	E. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10.25	10	1.50	1.50	1.50	1.50	12	Y.
9,98,380	19,925	14,83,995	5,18,593	—7,432	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.20	10	1.25	1.00	1.00		12	Y.

M. Managed by Board of Directors §§ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm of Shaw Wallace & Co., Ltd.

† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months endsed 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,09,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25.00N	10	13.00	4.75	5.00		12	Y.P.
2,76,800	5,71,590	11,19,637	3,89,763	22,129	M.	312	Ananda (Assam) Tea	18.00	10	7.50	1.00	2.00		12	Y.
7,00,000	8,43,250	12,23,333	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bagi	20.00	10	8.00*	1.00	1.25		12	Y.
5,50,000	13,21,841	18,70,339	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	20.00	10	3.50	2.50	2.50		12	Y.
5,10,000	9,85,000	12,96,911	5,32,732	53,592	Andrew Yule & Co., Ltd.	378	Bamatia	21.25	10	8.00	1.50	2.00		12	Y.
3,30,500	5,10,000	12,75,936	8,93,524	1,36,176	National Tea Corporation	570	Batell	18.50	5

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Remarks
PLANTING; PRODUCE AND RUBBER														
3,00,000	2,19,000	2,92,505	84,197	15,999	Planting Agencies (Private) Ltd.	Balmadies Plantations	3·45	2	0·25	0·30	0·21	0·45	5	Y.P.
26,01,900	24,50,000	53,61,466	5,49,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4·40	2	0·75	0·45	0·75	0·52	2	Y.P.
18,00,000	31,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	34·85	10	2·50	1·80	2·50	4·00	6	Y.P.F.
71,55,000	56,19,086	1,25,54,765	26,09,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	24·55	10	1·75	2·25	2·00	4·00	6	Y.P.F.
4,00,000	9,15,728	9,11,782	50,961	6,251	M.	Cottanad Plantations	14·50	10	1·50	1·75*	1·50	1·75	3	Y.P.
18,00,000	9,95,543	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13·50	10	2·50	2·00	2·00		12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,068	A. V. Thomas & Co., Ltd. ..	Kaipetta Estates	25·50	10	2·00	2·75	2·00	2·00	4	Y.
13,50,000	8,71,449	19,82,912	3,06,278	6,447	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16·50	10	2·00	2·25	2·00	2·00	4	Y.
27,00,000	28,79,387	50,82,726	9,49,414	1,48,976	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16·10cR	10	2·25	2·25	2·25	2·25	3	Y.
3,35,000	3,31,000	14,62,886	2,09,733	25,171	A. V. George & Co. Ltd. ..	Neamcey Rubber	14·10cd	10	1·75*	2·50	2·00	2·00	3	Y.
2,00,000	2,90,908	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	12·85	10	1·50	1·50	1·50		12	Y.P.F.
19,45,980	25,79,915	45,25,992	14,74,505	53,868	Peirce, Leslie & Co., Ltd. ..	Ouchterlony Valley Estates ..	4·75	2	0·60	1·50	1·50		12	Y.P.F.
13,50,000	8,60,000	45,07,576	3,95,093	12,299	A. V. Thomas & Co., Ltd. ..	Palagiri Rubber	15·00cd	10	1·75*	0·40	0·20	0·60	10	Y.
8,66,780	5,80,000	7,77,412	78,478	71,842	Peirce, Leslie & Co., Ltd. ..	Savamala Estates Ltd.	4·35	2	2·50	2·00	2·50	2·00	6	Y.P.
10,00,000	9,81,000	22,44,528	1,59,659	9,040	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6·30	10	2·50	1·00	1·50		11	Y.
2,50,000	1,40,000	5,58,440	84,741	23,958	A. V. George & Co., Ltd. ..	Thamaratally Rubber	26·00cd	10	0·75	0·90	0·90	0·60	3	Y.P.F.
9,15,300	4,00,000	22,40,057	1,87,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	10·00	10	3·00	3·00	3·00		12	Y.P.
5,00,000	32,566	7,71,251	1,36,210	2,287	Kapen Thomas, Esq. (Mg. Director)	Travancore Rubber	1·55	1	0·10	0·12½	0·12½	0·05	9	Y.P.
41,00,000	18,81,221	81,07,222	12,04,246	8,46,622	Asplinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6·60cd	10	2·00	2·00	2·00		12	Y.
20,00,000	36,000	30,13,628	1,73,086	167	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	20·70cd	25	5·00	4·00	3·00	1·00	12	Y.
8,80,010	5,00,000	9,56,500	27,217	872	M.	Vaikundam (Travancore) Rubber ..	20·20	10	2·25	2·50	3·50	3·50J	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7·70	10	1·50	2·00	1·25	1·00	3	Y.P.F.

J—Final dividend of Re. 1·50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Remarks
60,00,000	44,25,000	1,20,35,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	8·12	10	0·62	0·62	0·25	0·25	3	Y.
6,00,000	10,25,000	56,02,958	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	105·00	100	7·50	10·00	10·00		3	Y.P.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,381	McLeod & Co., Ltd.	1,204	Alliance	70·00	100	7·50	10·00	10·00	Nil	6·12	H.P.F.
49,50,750	67,00,000	3,11,92,070	2,08,15,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	147·00	100	12·00	6·00	Nil	Nil	5	Y.
46,00,000	29,44,998	1,49,09,985	88,14,728	—3,79,016,	Bird & Co. Private Ltd. ..	810	Ansbland	85·00	100	7·50	8·50	7·00	7·00	3	Y.P.
20,00,000	23,80,913	66,91,416	35,55,094	65,302	Birla Brothers Private Ltd. ..	959	Bally	141·00	100	8·50	9·00	1·00	Nil	3	Y.P.F.
2375,000	4474,807	51,628,482	49,28,159	....	Sir John H. Burder (Chairman) ..	1,589	Barnagore	87·00	100	Nil	3·50	Nil		3·9	H.P.
26,00,000	25,56,138	94,47,700	51,49,231	1,00,920	Andrew Yule & Co., Ltd. ..	920	Belvedere	91·00	100	sh. 15	sh. 15	Nil	Nil	3	Y.P.
45,00,000	35,45,000	57,05,173	31,25,574	2,35,100	Soorajmull Nagarmull	600	Bengal	11·00	10	1·12	1·12	Nil		12	Y.P.
91,26,000	2,17,48,888	2,34,10,402	1,48,82,651	4,37,998	Birla Brothers Private Ltd. ..	1,373	Birla	15·00	10	1·00	1·00	1·00		6	Y.P.F.
36,00,000	19,36,000	1,22,32,470	71,75,057	2,799	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	88·50	100	9·00	7·50	Nil	Nil	6·12	H.P.F.
7,47,880	5,09,040	24,11,704	21,85,683	—3 21,470	Jayaram & Sons	502	Calcutta Jute Mfg.	7·00	10	0·75	Nil	Nil	Nil	10	Y.P.F.
18,00,000	26,46,284	37,43,998	45,04,058	29,580	Andrew Yule & Co., Ltd. ..	616	Caledonian	118·00	100	9·00	6·50	Nil		6·12	H.P.F.
39,18,400	76,49,289	2,28,64,928	1,19,60,848	—7,24,048	James Finlay & Co., Ltd. ..	600	Champdany	93·50	100	9·00	6·50	Nil		11	Y.P.
15,95,000	22,59,182	37,70,775	8,666	Andrew Yule & Co., Ltd. ..	510	Cheviot	141·00	100	10·00	10·00	2·00	Nil	3	Y.
30,15,000	32,00,000	56,68,762	48,48,666	1,01,027	McLeod & Co., Ltd.	800	Chitavalsah	14·00	10	1·00	10·00	2·00		11	Y.P.
24,00,000	9,00,000	81,05,228	67,13,337	25,925	Shree Krishna Investment Co., Ltd	969	Clive	13·75	10	1·12	1·37	0·621		6·12	H.P.F.
21,45,000	44,50,393	1,35,27,998	51,19,167	—6,76,531	Bird & Co. Private Ltd.	766	Dalhousie	13·12	10	Nil	1·25x	0·50		3	Y.
28,00,000	40,51,679	77,55,542	47,66,110	4,547	Andrew Yule & Co., Ltd. ..	779	Delta	64·75	100	2·50	5·00	Nil	Nil	3	Y.P.
15,00,000	24,50,000	53,93,104	60,85,660	76,491	McLeod & Co., Ltd.	500	Empire	111·00	100	12·00	10·00	5·00		11	Y.P.
21,00,000	62,40,686	2,61,88,550	1,69,62,109	2,46,418	Kettlewell Bullen & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd. ..	16·19	10	1·25	1·25	0·50‡		6·12	H.P.F.
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	320·00	100	5·00	15·00	10·00	10·00	3·9	H.P.F.
24,32,100		3,11,07,824	1,82,86,822	—2,07,482	M.	1,709	Ganges Mfg.	18·12	10	20·00	20·00	0·75K	1·50	3	Y.
15,00,000	28,56,948	75,00,007	50,72,157	11,5410	M.	807	Gondalpara	44·50	100	0·50	2·50	Nil		3·9	H.P.
24,00,000	24,50,000	2,22,46,948	1,58,81,965	45,248	Macneill & Barry Ltd.	1,394	Gouripore	500·00	200	Nil	Nil	50·00		12	Y.
48,00,000	40,68,288	1,58,36,137	58,66,039	3,00,026	Bangur Bros., Ltd.	1,075	Hastings	253·50	100	10·00	15·00	2·50	2·50	3	Y.
15,60,000	13,61,968	66,47,751	47,79,916	—1,51,218	Baijnath Bajoria	720	Hoogbly	9·50	10	10·00	11·50	5·00		3	Y.
25,92,800	23,56,428	2,24,21,685	1,11,89,851	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	15·25	10	0·50	1·25	Nil		3	Y.
25,50,000	23,37,124	2,93,21,907	1,57,51,907	1,14,396	Ramdutt Ramkissendas	2,272	Hukumchand	17·37	10	1·25	0·87	0·25	Nil	3	Y.
37,00,000	17,20,650	1,37,01,498	80,28,070	2,57,287	M.	1,076	India	7·50	2·00	2·00	2·00	1·50		3	Y.P.F.
37,00,000								117·00	100	12·50	15·00	5·00‡	9·00	5	
24,00,000	29,99,185	1,93,81,848	1,18,40,511	—8,70,997	Jardine Henderson Ltd.	1,797	Kamarhatty	80·00	'O. 125	8·12	4·68	4·68		3	Y.
19,20,000 'B'								87·00	'B' 100	8·00	2·50	Nil		6·12	H.P.F.
30,00,000	9,78,987	1,77,78,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah	49·00	100	6·50	2·50	Nil			
54,00,000								45·00	'B' 100	6·50	1·00	Nil		6·12	H.P.F.
21,00,000	53,90,000	1,35,45,052	88,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	165·00	100	20·00	17·50	5·00‡	9·00	5	Y.P.
54,00,000	22,23,275	2,96,03,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,520	Khardah	117·00	100	12·50	11·00	5·00	8·00	3	Y.P.
45,00,000	31,53,808	2,36,20,709	99,80,679	32,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	102·00	100	7·50	11·00	5·00	8·00	3	Y.P.
24,48,000	28,41,325	1,28,71,981	83,10,344	—9,06,449	Bird & Co. Private Ltd.	921	Lansdowne	78·00	100	7·00	13·00	6·00	Nil	3	Y.P.
28,80,000	28,68,847	1,41,73,943	88,14,078	—7,78,368	Bird & Co. Private Ltd.	840	Lawrence	78·50	100	6·00	7·00	Nil	Nil	3	Y.P.
21,65,200	26,36,645	2,84,13,849	1,26,97,809	1,64,942	M.	1,283	Magna	103·00	100	6·00	6·00	Nil	Nil	3	Y.P.F.
20,96,800	24,62,126	1,65,70,868	86,70,699	—18,06,719	M.	815	Naihati	103·00	100	2·50	9·75	2·75	2·75	3·9	H.
22,50,000	15,58,000	58,21,709	17,81,108	29,01,743	Howrah Trading Co., Ltd. ..	425	Nasarpara	12·25	10	Nil	Nil	Nil	Nil	3	Y.
35,00,000	39,51,326	48,49,737	12,31,373	19,604	Andrew Yule & Co., Ltd. ..	852	National	23·00	10	1·12	1·25			6·12	H.P.
26,25,000	27,00,000	28,81,475	20,72,256	1,29,411	McLeod & Co., Ltd.	816	Nellimarla Jute	11·81	10	2·00	1·75	0·75	0·75	4·10	Y.P.
25,59,900	2,86,81,171	1,96,45,854	1,05,66,143	2,95,601	Sahu Jain Ltd.	1,765	New Central†	14·37	10	0·75	1·00	0·50‡	0·75	6·12	H.P.F.
16,79,350	16,58,383	1,13,84,123	56,38,490	9,237	Bird & Co. Private Ltd.	587	Northbrook	14·37	10	1·00	1·50	1·50		12	Y.
66,79,500	12,74,961	2,24,62,238	1,39,16,857	20,195	Macneill & Barry Ltd.	1,092	Nuddea	87·50	50	0·50	1·00	1·50	Nil	3	Y.P.F.
24,91,000	23,76,048	78,85,619	51,45,690	11,098	Andrew Yule & Co., Ltd. ..	601	Orient	90·00	100	0·50	1·00	Nil	Nil	3	Y.P.F.
25,00,000	6,35,490	80,86,437	51,98,166	81,580	Jardine Henderson Ltd.	1,000	Prasidency	3·69	5	0·31	0·50	2·00	11	3	H.P.
20,00,000	10,325	27,95,784	5,39,130	—8,31,539	Birla Brothers Private Ltd. ..	305	Rameshwara	4·50	10	Nil	Nil			6·12	H.P.
49,50,000	4,80,552	1,24,75,806	64,70,616	—83,95,390	Jardine Henderson Ltd.	1,276	Reliance	6·00	10	Nil	Nil	Nil	Nil	3	Y.
6569,000	61,098,713	41,245,144	....	458,994	Thomas Duff & Co. (India) Ltd. ..	2,018	Samnuggur	7·50	61	10%	10%31	Nil	Nil	3	Y.
80,00,000	13,14,910	1,13,80,577	79,96,145	7,972	Bagaria Mors & Co., Ltd. ..	911	Shree Ambica	10·50N	10	1·00	0·50			12	H.P.
14,00,000	11,14,980	68,87,540	47,50,476	40,154	Hindustan Investment Corpn Ltd.	401	Soorah	15·00	10	1·00	0·50			12	H.P.
28,19,600	31,10,401	1,26,68,701	57,29,612	—9,76,088	Bird & Co. Private Ltd.	950	Standard	81·00	100	1·00	1·50	1·50	1·50	3·9	Y.
6400,000	6985,118	41,187,950	....	688,548	Thomas Duff & Co. (India) Ltd. ..	1,794	Tibughur	7·50	61	10%	10%31	Nil	Nil	12	Y.
25,98,600	66,80,148	3,01,42,857	89,47,895	—18,81,940	Bird & Co. Private Ltd.	1,326	Union	115·00	100	6·00	10·00	1·00	Nil	12	Y.P.
6400,000	6688,085	41,134,819	....	680,801	Thomas Duff & Co. (India) Ltd. ..	1,331	Victoria	7·62	61	10%	10%31			12	Y.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,285	McLeod & Co., Ltd.	457	Waverley	2·12	1	0·50	0·37	Nil	Nil	12	Y.P.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Remarks
85,80,000	25,26,610	99,26,439	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.00	10	1·31	1·87	0·88	1·25	3	Y.
15,00,000	8,49,990	37,46,675	35,36,162	70,917	Jardine Henderson Ltd. ..	Bararee Coke	10·75	10	1·44	1·44	1·10	0·37	3·9	H.
6,49,850	1,05,000	9,25,911	5,64,876	90,370	Kalyanji Mavji & Co. ..	Bengal-Bhatdee	5·37N	10	0·25	0·62	0·75		3	Y.
1,00,00,000	1,60,25,725	6,10,16,849	4,19,73,926	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	241·00	100	30·00*	35·00*P	17·50	7·50	3·9	H.
2,25,000	4,13,788	24,88,117	22,40,960	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13·50	10	Nil	Nil	Nil		6·12	H.P.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd. ..	Bhalgora	6·60	10	Nil	Nil			12	Y.P.
49,00,000	10,28,269	1,44,83,027	77,89,407	2,128	Sahu Jain Ltd.	Bharat Collieries	5·75	10	0·62	0·62	0·62	0·60	3	Y.P.
7,15,000	10,15,172	49,80,946	34,84,101	—4,82,543	M.	Bhulanbararee	9·25N	10	Nil	Nil			6	Y.P.F.
7,80,000	24,16,419	44,97,765	27,10,803	19,588	F. W. Heilgers & Co. Private Ltd.	Borrea	17·62	10	2·00	2·00	Nil	0·60	12	Y.P.F.
90,92,450	1,70,33,767	4,37,67,223	1,99,68,073	95,339	Bird & Co. Private Ltd.	Burrakur	21·62	10	0·50	0·62	0·50		6, 12	H.P.
49,97,750	....	46,89,014	12,80,014	8,401	Hindustan Investment Corpn. Ltd.	Central India	7·75	10	0·50	0·62	0·62	0·37	6, 12	H.P.F.
8,00,000	12,80,599	49,11,857	33,08,469	68,009	M.	Central Kurkend	11·00N	10	0·25	0·25	0·50	0·50	6, 12	Y.
6,00,000	1,48,988	7,30,051(k)	....	4,240	F. W. Heilgers & Co. Private Ltd.	Chanlia	2·00	4	0·12	0·06	0·60‡		3	Y.
16,00,000	....	54,02,810	30,95,160	—3,86,508	Macneill & Barry Ltd.	Dhemo Main	7·25	10	Nil	Nil	0·06		12	Y.
4540,000	4362,875	51,001,816	4764,050	452,577	Jardine Henderson, Ltd.	East Indian	20·31	61	2·50	Nil	Nil		12	Y.
29,45,760	93,06,405	4,16,97,548	2,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	27·25	40	1·50	3·00	2·50	1·50	4	Y.P.F.
10,00,000	1,40,999	13,81,144	4,38,557	28,253	Bhatter's Agency Ltd.	Ghusick and Mualia	16·00N	10	0·50	0·25	1·50	1·50	12	Y.
12,00,000	1,17,609	42,84,406	25,20,978	....	Killick Industries Ltd.	Hingir-Rampur	80·75	80	Nil	2·25			3	Y.
8,00,000	7,45,000	22,40,854	19,51,895	45,810	Macneill & Barry Ltd.	Hurriladih	16·94	10	1·75	2·25	2·25	Nil	6	Y.
3,40,000	4,45,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	14·00N	10	Nil	2·50	1·50		12	Y.
20,00,000	2,21,575	23,87,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	94·00	100	Nil	Nil	1·50		3	Y.
5,00,000	18,90,888	47,85,511	37,70,923	1,53,326	Andrew Yule & Co., Ltd.	Katras Jherriah	55·50	10	Nil	2·50	5·00	Nil	3	Y.P.
1,85,400	5,72,960	12,85,941	5,72,960	—2,60,226	Beriwala & Co.	Khas Kajora	4·00	10	2·50N	4·50	6·50	6·50	3	Y.
11,00,240	64,5- 4	16,80,329	10,68,899	10,611	H. V. Low & Co. (Private) Ltd. ..	Knandi		10	2·75N	Nil			1	H.
9,00,000	11,11,926	23,38,749	23,86,198	4,708	H. V. Low & Co. (Private) Ltd. ..	Lakurka	11·00N	10	Nil	0·12			6, 12	Y.
7,48,248	2,00,000	18,13,208	9,66,319	31,201	Tantia Brothers Ltd.	Naxira	6·44	10	0·12	0·12			3	Y.
7,00,000	1,98,617	13,98,517	5,50,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Banadeopur ..	9·00N	10	0·50	0·50			4	Y.
17,76,230	19,51,814	1,24,49,218	91,72,491	55,598	Andrew Yule & Co., Ltd.	New Beerbhoom ..	15·06	10	1·25				12	Y.
6,00,000	75,000	23,25,331	22,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom ..	11·75	10	1·12	1·00	0·75		3·9	Y.
1,15,000	5,47,692	13,06,680	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	17·25	10	Nil	Nil	Nil		10	Y.
1,57,500							18·50	7·50	Nil	1·37	0·50	0·50	3	
1,50,000	15,66,447	3,07,666	2,77,666	27,244	F. W. Heilgers & Co. Private Ltd.	Ondal	12·50	10	Nil	1·03	1·50			Y.
10,00,000	1,10,000	41,24,518	19,79,271	25,430	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	7·00N	10	1·00	1·00	1·13		3	Y.
3,24,000	20,000	23,49,367	3,26,591	3,080	Deepchand Kishenlal	Parasea	13·12	10	1·00	1·00	0·75		12	Y.
15,75,000	16,30,000	56,17,410	39,02,419	46,383	Shaw Wallace & Co., Ltd. ..	Pench Valley	19·56	10	0·75	1·00			12	Y.
23,99,800	25,06,361	1,37,28,021	91,88,562	20,060	B. N. Elias & Co. Private Ltd. ..	Ranegunge	11·75	10	1·62	1·50	0·50		12	Y.
13,50,000	10,45,115	33,59,265	29,71,364	15,614	Shaw Wallace & Co., Ltd.	Rewa	16·00	10	0·50	0·62	0·75	2·00	3	Y.
30,00,000	37,13,000	85,86,756	32,17,947	9,787	M.	Samla Collieries ..	10·50N	10	0·50	0·37	0·37	0·75	3	Y.
3,00,000	1,98,305	13,78,480	12,21,227	21,070	M.	Searsole	4·75N	10	0·75	1·00	0·75‡		6, 12	Y.
2,00,000	9,11,996	29,92,167	19,75,255	52,208	Andrew Yule & Co., Ltd.	Seebpore	23·25	7	2·50	0·62	0·75	1·25	3	Y.
3,00,000	5,09,216	52,491	28,867	8,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7·25N	10	2·00	2·50	2·25	1	12	Y.
68,21,450	94,58,886	5,19,41,849	2,75,46,020	30,557	Industrial Trust Fund (Government of Andhra Pradesh)			10	0·12	0·25	0·25		6, 12	Y.
17,50,000	10,39,092	38,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	Singareni	11·00	10	0·75	0·75	1·00		12	Y.
20,00,000	14,91,068	1,09,57,570	27,510	F. W. Heilgers & Co. Private Ltd.	South Karanpura	9·56	10	1·12	0·12	0·25		3	Y.
10,00,000		21,92,994	15,43,902	—5,62,907	M.	Standard	13·00	10	1·50	1·00	Nil		2, 3	Y.
2,50,000	2,25,000	18,97,534	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Talcher	1·69	2·50	Nil	Nil	1·00		12	Y.
60,98,000	66,784	65,72,308	24,15,308	11,543	Hindustan Investment Corpn. Ltd.	Union	14·00	10	0·75	Nil	Nil		9	Y.
7,80,000	....	57,45,660	28,70,008	—8,20,068	Macneill & Barry Ltd.	Western Bengal	5·81	10	0·37	0·50			12	Y.
						West Jamuria	5·09	10	Nil	Nil	0·50	0·50	3	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (c) Clive Mills have paid dividend at As. 10‡ on bonus shares for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. P.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17·6 includes an interim dividend of Rs. 7·6 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 971*)

sources had become available in Britain sufficient to provide through additional exports a balance of payments of the size needed. Since the U.S. recession is expected to be temporary, it seems unwise, according to Prof. Paish, to absorb those resources now available for employment in export trades into work for the home market. He, therefore, feels that "it is preferable to expand credit facilities to Britain's temporarily embarrassed foreign customers to enable them to continue their development without a check." If, after achieving a suitable balance of payments surplus, there is still an unnecessarily large amount of unemployed resources, Prof. Paish thinks that it will be wise to give second priority to relaxation of restrictions on investment on which future prosperity so largely depends. He concludes that, only if, after these steps, there are still resources running to waste, is there a case for taking steps to absorb them by cutting taxes heavily and encouraging rise in consumption.

* * *

As we go to press, a report from London says that the British Bank rate has been cut from 6 per cent. to 5½ per cent. This cut follows the reduction of 1 per cent. made on 20th March last. The further downward revision in Bank rate, though it

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,65,00,000	12,42,552	Allahabad Bank	360.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				180.00	50	9.00‡	9.00	9.00	4.50‡		
1,91,000	18,04,000	1,910	Andhra Bank	100.00	100	7.50	6.50	8.00	6.00	6,12	H.
39,75,595				85.00	35	3.75	4.44	5.59	5.10		
1,00,00,000	1,25,00,000	4,10,731	Bank of Baroda	114.50	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	25,00,000	7,709	Bank of Bikaner	23.00	25	0.75	0.87	1.12	1.25	12	Y.
2,50,00,000				129.75	50	7.00	8.00	8.00	8.00		
50,00,000 'A'	3,10,00,000	16,02,381	Bank of India	122.50	50'A'				8.00	6,12	R.L.Y.
15,00,375	25,00,000	52,270	Bank of Indore	63.00N	25	3.00	3.50	4.00	4.25	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	50.50	50	2.00	2.00	2.50	3.00	12	Y.
50,00,000	91,25,613	1,87,085	Bank of Mysore	251.50	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	40,00,000	44,768	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.P.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75.50	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P
5,82,930 'A'				170.00	100'A'	12.50	12.50	15.00	15.00		
23,787 'C'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	1.71	1'C'	12½%	12½%	15%	15%	12	Y.
2,23,11,375	4,03,50,521	18,44,046	Central Bank of India Ltd.	51.00	25	3.00	3.00	3.50	3.50	12	R.L.Y.
23,43,375				54.50	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	45.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36.27	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,946	Hind Bank	52.00	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,25,000	18,442	Hindustan Commercial Bank	10.00	50	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	11.25	50	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
44,00,000	1,00 00,360	2,04,376	Indian Bank	261.00	100	12.00‡	12.00‡	13.00	15.00‡	6,12	R.L.H.
22,40,000				122.00	20	7.20‡	7.75	8.75	12.00‡		
56,32,350	46,56,800	2,32,067	Indian Overseas Bank	143.00	100	6.00	7.50	10.00	10.00	12	Y.
12,00,000	10,25,000	33,502	Pandyan Bank Ltd.	35.62	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,904	Punjab National Bank	52.50	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	24,17,000	9,628	Travancore Bank	15.80	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,832	Union Bank of India	7.88	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,34,00,000	49,432	United Commercial Bank	59.00	50	2.50	2.75	3.50	3.75	12	H.

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.)

£4,400,000	£5,700,000	£412,542	Chartered Bank	£2-0-1½	£1	15†	15†	15†	15†	12	Y.
H.K. $50,000,000	H.K. $128,000,000	H.K. $2,062,465	Hongkong and Shanghai Banking Corporation	£40‡	H.K. $125	5*	5*	5*	3 12½*		
£18,565 070	£18,800,000	£826,712	Lloyds Bank	£2-3-6	£1	15†	12†	18†	18†	12	Y.
£2,940,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-10-7½	£1	14†	14†	14†	18‡†	12	Y.
£2,851,563	£3,104,637	£355,589	National Overseas and Grindlays Bank Ltd.	£1-2-6	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * 5 per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1938	92.00	1st June .. 1963
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25 00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
26,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (e)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (e)‡
COTTON						
3,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	16th May and 16th November	Bengal-Nagpur	1897	89.00	15th November .. 1965 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1902	90.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.50	1st April .. 1967-72
13,71,000	5½	30th June and 31st December	Jaysheer Textiles	1949	90.00N	1st January .. 1958-59
99,00,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (e)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.		97.00	14th June .. 1960
98,58,900	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1969
13,50,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December .. 1964 (e)
54,045,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (e)
25,00,000	4	30th June and 31st December	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
18,80,000	5	1st January and 1st July	Sijua (Dhanbad) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (e)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1960-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September .. 1953-68
47,73,000	5	1st April and 1st October	Tata Power	1937	99.00	1st July .. 1978
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,50,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	93.00	30th June .. 1963
30,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.00	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.00	1st October .. 1965-85
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1960 (e)
JUTE						
13,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1966
6,00,000	5	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1959
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1946	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1960
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1959
10,00,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89.00	30th June .. 1966
10,43,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (e)
8,36,000	5	15th January and 15th July	Kamptie	1951	90.00	15th July .. 1966 (d)
20,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1935	94.00	31st March .. 1970
15,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December .. 1964 (e)
25,00,000	5½	30th June and 31st December	Naihati	1953	90.00	31st March .. 1967 (e)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	85.00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
8,00,000	4	30th June and 31st December	Presidency	1943	85.00	30th June .. 1958
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (e)
12,00,000	5½	30th June and 31st December	Union	1937	90.00	31st March .. 1967
10,00,000	5½	31st January and 31st July	Waverly	1925	80.00	31st July .. 1956
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	86.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,363	5	1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (e)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (e)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April .. 1958-68
1,56,500	5½	31st March and 30th September	Teakoy	1944	100 00	31st March .. 1949-59†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1965
95,80,000	4½	1st January and 1st July	Associated Hotels of India	1948	85.00	31st December .. 1963
3,00,00,000	5½	1st March and 1st September	Burmah-Shell	1934	97.00	1st September .. 1964-69 (e)§
2,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	98.50	1st October .. 1970
21,60,000	5½	1st February and 1st August	Chowringhee Properties	1915	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
20,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1966
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	97.25	1st January .. 1971(e)††
1,80,00,000	5	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (e)‡
1,00,00,000	5½	2nd January and 2nd July	Motor Chemical Industries	1946	88.00	1964
13,75,000	5	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	819.50	30th September .. 1976 (e)
12,07,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (e)
45,00,000					£4.00N	
75,00,000	5	1st April and 1st October	Mesmill and Barry Ltd.	1951	94.00	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	98.00	30th June .. 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	90.00	31st March .. 1961 (e)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1952	97.25	1st May .. 1968(e)‡‡

(e) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 5 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 13 years. † Rs. 1,00,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 22nd May, 1958.

	Closing quotations 15-5-1958	High	Low	Closing quotations 22-5-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	155.00	155.00	152.00	152.50
Apollo (2)	1.74	1.74	1.72	1.72
Bombay Dyeing (25)	55.80	54.10	53.00	53.70
Bradbury (50)	158.00	—	—	158.00
Central India (100)	84.00	84.00	80.50	81.00
Century Mills (100)	427.00	427.50	417.50	426.00
Colaba (100)	35.00	30.00	30.00	30.00
Edward Textile (200)	255.00	—	—	255.00
Elphinstone (50)	47.00	—	—	47.00
Finlay (100)	257.00	263.00	256.00	261.00
Gokak (100)	142.00	142.50	137.00	137.00
Ind. Unit. Defd. (1)	1.18	1.20	1.12	1.20
Ind. Unit. Ord. (10)	9.12	9.24	8.90	9.24
Indore Malwa (100)	107.00	107.00	103.00	105.50
Khatau (100)	160.50	160.50	159.00	159.50
Kohinoor (100)	266.00	266.50	261.00	263.50
Lakshmi (250)	433.75	—	—	433.75
Minerva Mills (100)	70.50	73.20	70.00	70.00
Model Nagpur (250)	167.50	170.00	163.75	170.00
Morarji (100)	216.50	216.50	215.00	215.00
Mysore (50)	92.50	—	—	92.50
National Rayons (100)	231.75	233.00	226.00	232.50
New City (100)	105.00	—	—	105.00
New Great (100)	205.00	202.00	201.50	201.50
Phoenix (100)	115.00	—	—	115.00
Pedar Mills (100)	135.50	135.50	133.00	135.00
Sassoon Silk (10)	10.00	10.00	9.24	9.24
Sassoon Spg. (10)	41.50	41.50	41.00	41.50
Sholapur (1,000)	450.00	525.00	450.00	525.00
Shrinivas (100)	134.00	134.00	133.50	134.00
Simplex (50)	154.00	154.00	151.50	152.00
Standard (100)	425.00	422.00	382.00	390.00xd
Svadeshi (100)	173.00	173.00	167.50	172.00
Swan (100)	339.00	345.00	336.00	344.00
Tata Mills (25)	37.00	37.25	36.50	37.00
Vishnu (100)	102.00	—	—	102.00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	129.50	130.00	129.00	130.00
Do. (New) (50)	133.00	133.00	132.00	132.00
Bank of Baroda (50)	114.75	115.00	114.50	115.00
Central (25)	51.00	51.30	50.70	51.30
Central A (25)	56.75	55.50	54.50	54.50
Dena Bank (50)	46.50	—	—	46.50
Punjab National (25)	53.00	53.00	52.50	52.50
Union Bank (5)	7.96	7.96	7.88	7.88
United Com. (50)	58.80	59.30	58.50	59.30
ELECTRIC COS.				
Ahmedabad (100)	94.30	94.50	94.20	94.50
Amalgamated (10)	10.40	—	—	10.40
Andhra Valley (1,000)	1,151.25	1,152.50	1,146.25	1,150.00
Bom. Sub-El. (100)	104.75	105.00	104.25	104.50
Surat (100)	107.75	107.75	107.25	107.25
Tata Hydro (100)	118.50	118.50	117.75	117.75
Tata Power (1,000)	1,212.50	1,215.00	1,208.75	1,215.00
INSURANCE COS.				
British India (10)	13.76	14.00	13.76	14.00
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	47.00	—	—	47.00
Jupiter (20)	7.76	—	—	7.76
New India (15)	47.00	50.00	48.00	48.50
Oriental (200)	4,000.00	—	—	4,000.00
Universal (10)	11.00	—	—	11.00
Vulcan (10)	17.44	—	—	17.44
STEEL COS.				
Ind. Iron (10)	21.56	21.56	20.96	21.32
Tata Steel Ord. (75)	181.25	181.25	175.75	178.50
SUGAR COS.				
Belapur (50)	245.00	245.00	243.00	243.50
Bhopal (10)	19.76	—	—	19.76
Phalton (50)	142.25	144.00	140.00	144.00
Walchand Ind. (100)	263.00	263.50	262.00	263.50
CEMENT COS.				
Associated Cts. (100)	151.50	151.75	147.00	148.25
Dirvijay (100)	143.50	143.50	142.00	142.00
MISCELLANEOUS				
Alcock Ashdown (100)	247.50	246.25	240.00	246.25
Bom. Burmah (125)	552.00	550.50	535.00	547.00
Do. (New) (50)	206.25	205.00	202.50	205.00
Br. Ind. Petrol (4 sh.)	1.94	1.94	1.86	1.94
Br. I. Corpn. (5)	3.72	3.76	3.70	3.70
C. P. Ely. (100)	56.00	60.00	56.00	60.00
Hindusthan Motors (10)	6.88	6.88	6.72	6.72
Indian Copper (2 sh.)	3.10	3.10	3.04	3.08
Ind. Inv. Tr. (100)	72.80	—	—	72.80
Killicks (100)	148.00	148.00	147.00	147.00
Polson (100)	183.25	183.25	145.00	145.00
Pre. Auto Products (100)	81.50	81.70	78.20	80.30
Premier Con. (30)	191.75	192.00	178.00	183.50xd
Scindia (20)	17.24	17.28	16.96	17.24
G. E. Shipping (10)	19.92	19.92	19.88	19.92
Shivalpur (10)	90.00	90.50	78.50	80.50xd
Tata Chemicals (10)	14.50	14.88	14.62	14.80
Tata Locomotive (100)	166.50	167.75	162.00	166.25
Tata Oil (25)	37.75	38.00	37.00	170.00xd
W. I. Match (100)	183.00	183.50	168.00	

GOVERNMENT SECURITIES	15-5-1958	Gross Yield Earlier Redemption	Later Redemption	22-5-1958
	Rs. nP			Rs. nP
2½% 1961	95.30	—	4.04	95.45
2½% 1960	98.15	—	3.61	98.15
2½% 1962	95.30	—	3.89	95.35
2½% 1976	83.10	—	4.03	83.10
2½% 1958	99.75	—	4.00	99.75
2½% 1959-61	99.10	3.74	3.29	99.10
2½% 1964	95.30	—	3.80	95.45
2½% 1963-65	95.30	3.95	3.70	95.30
2½% 1966-68	92.75	4.01	3.85	92.80
2½% 1975-76	86.85	4.38	4.04	87.00
3% 1966 Cons. Loan	71.25	—	4.21*	71.20
4% 1960-70	100.40	3.82	3.96	100.40
4½% 1958-68**	100.10	—	0.94	100.10
3½% 1961 N.P. Bonds	99.55	—	3.64	99.55
3½% 1964 N.P. Loan	98.20	—	3.81	98.20
3½% 1965 N.P. Bonds	97.80	—	3.85	97.95
3½% 1962	97.95	—	3.78	97.80
3½% 1967 N.P. Bonds	97.60	—	3.80	97.60
3½% 1974	98.25	—	3.90	98.25
3½% 1967 N.P. Bonds	99.70	—	3.79	99.70
4 % 1972 Loan	100.25	—	3.97	100.30

BRITISH GOVERNMENT SECURITIES	Closing quotations 13-5-1958 £			Closing quotations 20-5-1958 £
2½% Brit. Consols	49⅜	—	—	49⅜
3 % Savings Bonds 1965-75	73½	—	—	72⅝
3% War Loan 1955-59	98½	—	—	98
3½% War Loan	65⅛	—	—	65⅜
4% Victory Bonds 1976	92½	—	—	92⅛
4% Funding 1960-90	86⅛	—	—	86⅛

* Current Income. x.d.—Ex-dividend. ** Rupee Counterparts x.r.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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RECOGNITION OF TRADE UNIONS

INTER-UNION rivalry and political bias continue to be the twin evils which afflict trade unionism in this country. They have led to industrial strife, to considerable loss of production and, what is perhaps more deplorable, to deterioration in industrial discipline. If this trend has to be averted, labour leaders and employers must agree on some methods by which rivalry among unions could be eliminated. As recent events in Jamshedpur have shown, the introduction of politics into trade unionism is bound to end in unjustified strikes, loss of output and decline in morale. Inter-union rivalry is an ill-wind that blows nobody any good. Such rivalry, as the Union Labour Minister, Mr. Gulzarilal Nanda, pointed out at the recent Indian Labour Conference at Naini Tal, is the "bane" of the labour movement in the country and is the major factor in the present disturbed conditions of industrial relations.

Whether in the larger sphere of general employer-employee relations or in the somewhat narrow, though very important, issue of the recognition of a trade union, the only method by which some realism could be imported into the arena is to encourage direct negotiations, rather than compulsory adjudication. Unfortunately, the Naini Tal Conference could not reach any decision on the suspension of the adjudication laws. It was, however, agreed that voluntary arbitration, rather than adjudication, should receive special emphasis. The U.P. Governor, Mr. V. V. Giri, whose right to speak on labour questions is based on a lifelong experience in trade unionism, stressed that the only way in which industrial relations could be ideally maintained was by having a strong and well-organised trade union movement which did not believe too much in politics but believed in economics of industry and stood for bettering the workers' standards of living; if this was the primary basis, the subsidiary basis might be political. This, in a nutshell, is the principle by which trade unionism in this country must be guided, if it is to grow into a nationally constructive movement of the workers. The facts of the labour situation in India, however, are different and far from pleasant. Whereas Mr. Giri pleaded for one union for one industry, there are not only two or more unions in one industry but many such unions even in respect of single industrial enterprises. The West Bengal Labour Minister, Mr. Abdul Sattar, was certainly not wrong when he suggested, at the States Labour Ministers' Conference at Naini Tal, that there had been a "mushroom growth" of trade unions. This is not a situation which augurs well for the future of industrial relations.

The prevailing practice in respect of recognition of trade unions is not based on any law on the subject. In one sense, it is right that no legal cobwebs are allowed to grow over the recognition issue. There is now no legal obligation on the part of any employer to recognise and deal with a trade union. However, some States, notably Bombay, have laid down a few regulations for ensuring recognition for a trade union. In Bombay, as is well known, a "representative" union is one which can claim 15 per cent. membership from among the workers. Although in some of the major industries such as textiles there are large unions which can speak with some authority for a large proportion of the workers, there are industries and even individual industrial establishments which face the problem of multiplicity of unions. This makes it difficult for the employer to negotiate with workers. It is also easy to see that the workers themselves are bound to lose in the long run through their divided loyalty. This defect in India's trade unionism cannot obviously be removed without the active co-operation of the workers. The remedy lies in their hands.

A peculiar difficulty which a union recognised by the employer has to face is mendacious, scurrilous, vindictive propaganda by a rival union. Thanks to the illiteracy of the average Indian worker, it is often easy for a rival union to create conditions in which a recognised union will find it difficult to maintain its status. All that the rival union has to do is to act on the principle that nothing succeeds like excess, put forward impossibly high demands, create an illusion that it can wrest better and larger concessions from the employers and thereby cut the ground under the feet of the recognised union. This may be good "politics," but it is bad trade unionism. Both employers and labour leaders, although they know the essential weakness of the existing system which provides no legal basis for recognition of trade unions, have not demanded the institution of regulations for compulsory recognition. The enforcement of compulsory recognition may sometimes prove to be a remedy worse than the disease. The best solution obviously is one in which rival trade unions agree to abide by a code of conduct evolved as a result of mutual agreement. It is noteworthy that the representatives of the labour organisations who participated in the recent Labour Conference agreed to implement a code of conduct designed to maintain harmonious inter-union relations. The basic principles of the code, it is stated, are:

(1) Every employee in an industry or unit shall have freedom and right to join the union of his choice. No coercion shall be exercised in this matter. (2) There shall be no dual membership of unions. In the case of representative unions, it was agreed that this principle needed further examination. (3) There shall be unreserved acceptance of and respect for democratic functioning of trade unions. (4) There shall be regular and democratic elections of executive bodies and office-bearers of trade unions. (5) Ignorance and backwardness of workers shall not be exploited by any organisation. No organisation shall make excessive or extravagant demands. (6) Casteism, commun

parties, a committee composed of the representatives of all the central trade union organisations must go into the question and resolve the dispute. For this purpose, central trade union organisations which will act as standing machinery will provide necessary funds or persons for different localities. If this fails, the question should be left to an independent judicial decision. (7) Only those unions which observe the code of discipline will be entitled to recognition. (8) In the case of trade union federations not affiliated to any of the four central organisations of labour, the question should be dealt with separately.

If the code of conduct and the criteria were implemented in letter as well as in spirit, it would obviously go a long way towards placing trade unionism on a firm foundation. It is also necessary that the code of discipline which was evolved at the Labour Conference held last year should be observed by trade unions. Briefly, this code lays down that (1) there should be no strike or lockout without notice, (2) no unilateral action should be taken in connection with any industrial matter, (3) there should be no recourse to go-slow tactics, (4) no deliberate damage should be done to plant or property, (5) acts of violence, intimidation, coercion or instigation should not be resorted to, (6) the existing machinery for the settlement of disputes should be utilised, (7) awards and agreements should be speedily implemented, and (8) any action which disturbs cordial industrial relations should be avoided.

Finally, it seems necessary to call attention to one aspect of the issue of recognition of trade unions which has apparently not received the attention it deserves. Discussions on this issue often ignore the vital consideration that it is the community which pays heavily for inter-union rivalry. No one denies the right of a union to call a strike. The question is whether a union has a right to hold the community to ransom over the question of recognition. Trade unions are becoming increasingly powerful without there being any guarantee that they will use their strength wisely. The community has a right to demand that production and national interests are not sacrificed at the altar of inter-union rivalry. Nay, it has also a right to demand withdrawal of recognition to unions which indulge in anti-social acts in utter disregard of national welfare. In the absence of this safeguard, trade unionism would exert a baneful, rather than a beneficial, influence. A "recognition" issue, however important it may be, cannot be allowed to supersede wider national issues. And, in inter-union rivalry, if one of the unions involved has scant regard for the rule of law, a democratic community has the inherent right to intervene, to cry halt to such rivalry till saner counsels come to prevail.

COMMUNITY DEVELOPMENT

A GREAT deal of emphasis has been rightly laid on the Community Development (C.D.) and the National Extension Service (N.E.S.) Blocks in the second Plan. There is no doubt that this experiment in initiating rural India to live a better and fuller life is the most significant development in India's economic history. Having been conceived as an all-embracing programme for raising productivity levels in villages and also as a means of not merely improving the living standards of the rural population but inculcating in them the right methods of living, the Community Development programme has immense significance to the country's social and economic future. Naturally enough, both the Government and the public expect a great deal of improvement in the areas covered by this programme. At the end of the second Plan, it is expected to cover 276,000 villages with a population of 150 million. A sum of Rs. 200 crores has been set apart in the Plan for its implementation; in the first two years of the Plan, an expenditure of Rs. 53 crores was incurred and the anticipated outlay for the first three years ending 1958-59 is expected to be Rs. 87 crores.

More than in any other sector of Indian economy, Community Development cannot be measured in terms of monetary expenditure alone. Much depends on how rapidly rural India's attitude towards advanced agricultural practices is changed and how widely they are adopted. Further, it is of the utmost importance that people should see in the programme a meaning and a relevance to their lives. They must outgrow the static, convention-ridden and factious life which they have lived for several decades now. The primary aim should, of course, be to lift India's rural agriculture above its primitive levels. Much light on the success of the programme in achieving this objective has been shed by the Programme Evaluation Organisation (P.E.O.) of the Planning Commission in its fifth Evaluation Report on the Working of Community Development and National Extension Service Blocks. The Report represents the findings of a survey conducted in 82 blocks—36 Community Development Blocks and 46 National Extension Service Blocks—located in different States; in each State about one-fifteenth of the total number of blocks was selected, care being taken to ensure adequate representation for the different geographic areas within a State.

The findings of the survey are by no means very encouraging. It brings out very clearly the two important problems, namely, shortage of personnel and paucity of facilities which could make agriculture a more profitable proposition for the farmers. It would appear that about 40 per cent. of the blocks studied by the P.E.O. reported absence of block development officers for varying lengths of time, the average being five months. About 60 per cent. of the blocks, both N.E.S. and C.D., had to do without agricultural specialists for five and 10 months, respectively. Appropriately enough, the P.E.O. has suggested that the number of blocks should be increased only as the availability of personnel increases. It also urges that both personnel and finance for a block should be proportionate to its size. This suggestion stems from the Organisation's findings that some large blocks do not have proportionately larger personnel and finance; this has led to a certain "dilution" of the programme in these blocks. Because of delays in sanction and procedural defects, there have been shortfalls in budgeted expenditure. Thus, the *per capita* annual expenditure at Re. 1.4 in the case of N.E.S. blocks and Rs. 2.0 in the case of C.D. blocks is only 70 per cent. and 55 per cent. of the amounts envisaged in the block pattern. The Organisation has suggested that the procedure involved in making funds available to the blocks should be simplified.

People's participation in development programmes, it has been computed, works out to an average of Re. 1 per person per year in the N.E.S. blocks and Re. 1.8 in the C.D. blocks. A matter of serious concern, according to the Report, is that there is a decline in people's participation towards the close of the block period. This, the Report says, is contrary to what one would expect in the Community Development programme. It attributes this trend to the fact that educational efforts and the "radiational" influence have not been effective enough. Perhaps, it could also be attributed to the rise in the prices of the commodities which rural India has to buy and also to the fact that the programme has not given the results people originally expected from it. The authorities will do well to see that people continue to participate in the programme in an increasingly effective way.

The success of the agricultural programmes designed to raise productivity is largely dependent upon the use of fertilisers and improved seeds. From this point of view, it is somewhat disconcerting to note that the shortage of seeds and fertilisers continues in many community development regions. Only 24 of the 82 blocks studied have established seed farms and the number of blocks reporting the existence of some multiplication schemes is only 55. It is, however, gratifying to note that agriculturists are learning to use fertilisers on a somewhat larger scale.

The Report notes that facilities such as provision of finance and supply of fertilisers at the village do not seem to have any particular relevance to the adoption of superior cultural practices. Thus, most cultivators are prepared to continue to use improved seeds even if these facilities are withdrawn. Presumably, cultivators of cash crops show this preference; if so, it could be traced to the fact that it is more profitable to grow such crops. If this is correct, the conclusion is inescapable that no special inducement for adoption of better agricultural practices is necessary in respect of crops with attractive economic return. The level of agricultural prices obviously exerts a determining influence in the spread of advanced agricultural techniques. A sound price policy for agriculture is thus an important element in raising agricultural production. It is also noteworthy that those with larger holdings take more kindly to superior agricultural practices. One wishes that the Report had thrown more light on this question, for it would have shown what would be the optimum size of a holding for the use of better cultural practices in agriculture. Apart from the paucity of seeds and fertilisers and the absence of superior economic incentives for the farmers, there is an important reason why some households have failed to press into use the techniques by which agricultural output could be raised. This is the ignorance of the agricultural development programme. There is obviously great scope for more intensive educational efforts.

As regards the use of fertilisers, two contradictory trends are seen. More and more households have no doubt taken to it. At the same time, it is depressing to note that the proportion of households which are satisfied about the use of fertilisers has gone down. In this connection, the Report observes: "Among the reasons reported for dissatisfaction, the failure of the yield to come up to expectation is given as the most important. About three-fourths of the relevant households have not either adopted the fertilisers or given them up after a time or are dissatisfied with their use." Clearly, in the interests of agricultural production and fertiliser industry, the precise causes of this dissatisfaction with the use of fertilisers should be properly investigated. If such investigation reveals that wrong fertilisers have been used or fertilisers have been used in wrong doses or adequate preparation has not been made for the use of fertilisers, the appropriate remedial measures should be adopted.

The Report has brought to light a certain conflict between need and achievement in the Community Development programme. The level of programme activity, it is stated, is high only in areas which have a good rainfall. In other words, the regions which are blessed by nature are also those which receive the benefits from the man-made improved measures. It looks as though the whole programme illustrates the saying "the more one has the more one gets." Even in minor irrigation, maximum activity is reported from blocks which have already comparatively high percentages of the area under irrigation. This poses a somewhat difficult problem for the planners. By concentrating their time, energy and money on areas which are likely to benefit most from the programme, they will have put their resources to maximum use. On the other hand, such a policy will result in further decline in production in the less favoured areas. In the immediate future, however, it seems wise to devote more attention to areas which promise quick results rather than dissipate available resources on the less favoured areas. For, as the Report points out, the "favoured areas which are also better suited to adopt agricultural improvement practices can make much greater contribution to increase of agricultural production in the short run." This, however, does not mean that the less favoured areas should be neglected. Only, it would seem best to get maximum return from intensive development. At the last Development Commissioners' Conference, it was suggested that the target under the second Plan for an increase in agricultural production should be 50 per cent. in the favoured tracts, as against 30 per cent. increase in the less favoured areas. It would appear that the data on the agricultural efforts made in these two broad divisions of the country suggest that the contribution to increased agricultural output made by the less favoured areas *vis-a-vis* the more favoured ones will be substantially lower than what is envisaged.

An important conclusion reached by the P.E.O. is the absence of an all-round attack on the agricultural problems. Thus, its survey reveals that two-thirds of all relevant households have taken to the use of improved seeds for some crop or other. Again, the percentage of households which have adopted some fertiliser or other is almost equally high. But the number of households which use improved seeds, fertilisers and better techniques together is only one-third of the relevant households in the villages. This, as the Report rightly points out, would seem to indicate that different improved practices which complement one another are not being sponsored as parts of an integrated programme of farm development. From this point of view, the authorities will do well to implement the suggestion made at the recent conference on Community Development, held at Mount Abu, that increased production should be achieved by ensuring the "fullest utilisation and maximum benefit from all agricultural facilities." A concerted attack is bound to yield better results than individual programmes, however spectacular may be the achievements in these programmes taken individually.

END OF TWO-WEEK OLD T.I.S.CO. STRIKE

OIL PRICES REDUCED—WORLD COMMODITY PRICES—OUTLOOK FOR PAPER INDUSTRY

THURSDAY, 5 P.M.

MARKET GOSSIP

AFTER holding out for fourteen days, the strike in the T.I.S.Co. factory, which is reported to have resulted in a loss of over 19,000 tons of steel valued at over Rs. 1.11 crore, has been called off. In announcing the decision to withdraw the strike, the Jamshedpur *Mazdoor* Union advised the workers to go back to work and fulfil their usual duties and norms of production, as the country needs steel and more steel. If only the Union leaders had borne this fact in mind earlier, the aforesaid loss of steel could have been avoided. The withdrawal of the strike seems to have been a formal one, as workers were reported to have been gradually returning to work since the 23rd inst., that is, nine days after the strike began, and the number of such workers has been rising.

The share market, which had been lethargic till yesterday—a sharp fall in prices was averted by reports of growing improvement in the labour situation—responded well to the welcome development in the Jamshedpur labour situation; it is recognised that it will take several weeks before normal production is restored. Tata Ordinaries rose by Rs. 2 from yesterday's closing of Rs. 177.50 and Indian Irons by 20 nP to Rs. 21.48. This has also changed the market sentiment for the better. But textile shares continue to be a drag on the market. The fate of the industry's plea for a reduction in excise duty now rests on the Expert Committee's findings from its probe into the industry's problems. Except for a sympathetic rise today, albeit to a small extent, textile shares lack inspiration.

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The decision of the Tata Iron and Steel Company Ltd. to issue bonus shares in the ratio of one share of Rs. 75 for every five ordinary shares of Rs. 75 each to commemorate the Golden Jubilee of the Company has received the approval of the Controller of Capital Issues. It is to be approved by the shareholders at an extraordinary general meeting to be held on 19th June. The issue of bonus shares requires a sum of Rs. 3,83,72,100 to be capitalised. For this purpose, the full amount of Rs. 3,80,64,570 standing to the credit of the share premium account as on 15th May 1958 and such additional amount as may be received to the credit of the account up to the date of the meeting will be utilised and the balance, not exceeding Rs. 3,07,530, will be drawn from the general reserve to make up the required sum to issue 511,628 fully paid-up ordinary shares as bonus to the existing shareholders in the ratio of one share for every five shares. It is stated that certain shareholders holding 6,313 ordinary shares have not fully paid their calls in respect of the new issue made in May 1956 and such arrears of calls amounted as on 15th May 1958 to Rs. 2,20,955. The bonus shares will rank *pari passu* with the existing shares, except that they will not be entitled to the dividend in respect of the year 1957-58.

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It is a matter for general satisfaction that the Government of India and the major oil companies operating in the country have reached an agreement on oil prices, thus bringing to a close the protracted negotiations between them for reducing the prices of petroleum and petroleum products. The agreement will certainly serve to dispel the impression which unfortunately was tending to gain currency that the companies were taking too rigid a stand. The negotiations would not have borne fruit in the manner they did, had it not been for the patient and persistent efforts of Mr. K. D. Malaviya, Union Minister for Mines and Oil, and the co-operative attitude shown by the oil companies.

Under the agreement, the companies have consented to an *ad hoc* reduction, with effect from the 20th inst., in oil prices. Thus, the price of motor spirit has been cut by 14 nP per Imperial gallon, of kerosene (superior and inferior) by 48 nP per unit of 8 Imperial gallons, of high-speed diesel oil by 7 nP per Imperial gallon, of light diesel oil by Rs. 11.64 per ton, and of furnace oil by Rs. 13.91 per ton. The total of all these reductions is expected to be of the order of Rs. 83 lakhs per month or Rs. 9.96 crores annually. While a part of this amount represents the world-wide decline in petroleum prices that has been in evidence for some months now, the oil companies have also to forgo a portion of their profits, since the cut in prices results in lower realisations from sales. In this connection, it may be noted that, for the oil industry, the return on its investment is by no means excessive. In the past, the net return on the capital employed, estimated at Rs. 100 crores, has been only 6 per cent. or 3 per cent. of gross turnover. Further, for several years now, the companies have ploughed back their earnings into their Indian business.

The reduction in oil prices now effected will continue until a new price formula is evolved after the Government's cost accountant completes his examination of the accounts of the various oil marketing companies. On the suggestion of the Government, the companies have agreed to credit the entire savings to Government account, the final disposal of which is still under consideration. What is generally regarded as even more important than the *ad hoc* reduction in prices is that the oil companies have agreed to terminate the "valued stock account" procedure under which they were hitherto fixing prices of oil products. What is more, the companies have assured the Government their co-operation in the formulation of a new formula for determining oil prices in India. The Government will depute one of its own cost accountants to examine the accounts of the various oil marketing companies with a view to ascertaining what actually goes and should go into the prices of the different oil products sold in the country. This examination is expected to be completed in about six months' time and thereafter an agreed price formula will be settled for the different petroleum products, including those which are at present governed by the valued stock account procedure agreed upon with the Burmah-Shell. The new formula is likely to be given retrospective effect from May 1958. It is noteworthy that Burmah-Shell has agreed to terminate forthwith the price arrangement in force, instead of at the end of the six months' notice period as provided for in the agreement, and also to forfeit the deficit of Rs. 1.5 crore shown in its account at present, which it could, under the existing agreement, claim to recover through increased prices in future. Surely, the examination of the oil companies' accounts by a Government accountant should at least serve to remove the misapprehensions in certain quarters that there is some unexplained mystery about the way the oil prices are fixed.

The *ad hoc* reduction in oil prices now agreed upon works out to about 10 per cent. of the total value (c.i.f.) of oil and oil products consumed in India. The landed cost of the 5.5 million tons of oil and oil products in this country is estimated at about Rs. 95 crores, including cost, insurance and freight. But the actual cost to the consumer is double this amount. This is due partly to the heavy rail freight, excise duties, and other taxes which account every year for Rs. 45 crores and partly to distribution charges and profits of companies together amounting to Rs. 50 crores. Despite the reduction in oil prices, there are no prospects of the consumer getting any immediate relief. For the entire sum which the oil companies will credit to Government account every month is proposed to be utilised for oil exploration and prospecting. While the diversion thus of funds to projects which in the long run will prove beneficial to the country is to be welcomed, one feels that the consumer also deserves some relief. Cheaper petrol and diesel fuel will serve to impart a much needed fillip to motor transport, the development of which is as important as prospecting of oil. At any rate, the Government should concede the need for passing on, to some extent, the benefit of the cut in furnace oil price to industrial consumers who have been hit hard by mounting cost of production, following the all-round rise in wages, prices of raw materials and stores, and taxes.

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The continuing decline in world commodity prices has caused widespread concern in more than one country. It is true that, so far as India is concerned, world trends have a secondary significance, inasmuch as our foreign trade forms a small fraction of world trade. Even so, India cannot for long remain insulated from world trends. It is noteworthy that, in India too, there has been a certain decline in commodity prices. Thus, the index number of wholesale prices (Base: 1952-53=100) stood at 107.9 for the week ended 10th May 1958, as compared with 108.6 a year ago. In world market centres, prices have declined somewhat more steeply. The London *Financial Times* index of commodity prices (Base: 1st July 1952=100) was 80.40 on 26th May, as compared with 85.44 about 12 months ago. Over the same period, *Reuter's* commodity index (Base: 18th September 1931=100) receded from 469.0 to 412.2 and Moody's index (Base: 31st December 1931=100) from 414.6 to 403.2.

Many factors are responsible for the decline in world commodity prices. But the pride of place must, of course, be given to the recession in the U.S. and in a few other countries. This has resulted in reduced demand for commodities. Stocks have been kept low in most countries for fear that a further decline might reduce the value of the stocks held. Stockpiling has been abandoned by several governments. This applies particularly to non-ferrous metals. On the supply side, the declining price trend has been assisted by a larger production of a wide range of commodities, including non-ferrous metals. Commenting on the downward trend in commodity prices, the *Index*, the monthly economic review of Svenska Handelsbanken, Stockholm, says: "This general reduction in commodity prices has been welcome inasfar as it has been of help to the industrial countries in their efforts to stabilise domestic price levels. On the other hand, there have been disadvantages in that the inflow of foreign exchange to the raw material countries has diminished, making them less able to purchase the products of the industrial countries. This difficulty has been accentuated by the fact that the prices of manufactured goods have continued to rise and, as a result, the terms of trade of the primary producing countries have worsened. Thus, it has become more difficult for the industrial countries to export at the same time, as the primary producing countries are meeting greater obstacles in developing their internal economies and raising the generally low standard of living."

The problem for the free world is to halt the economic recession without bringing about inflation. The U.K. faces this dilemma. The fall in the rate of new orders which has characterised much of the British industry in the recent months, according to the London *Financial Times*, seems to be accelerating. Concern has been expressed by some industrialists about prospects later in the year. It is believed that it is unlikely that any major recovery in output can be expected this autumn failing some new stimulus from the Government or an unexpected early end to the U.S. recession. It would appear that the decline in orders has been most marked on the home market, though export orders have on the whole held up remarkably well. No drastic fall in production is, however, anticipated. The marked fall in the flow of home orders in the U.K. steel industry is symptomatic of the conditions which British industry is faced with. It remains to be seen whether the recent cut in the British Bank rate will provide the much-needed stimulus to British economy. However, so long as production costs remain high and demands for higher wages continue to be met, it must be difficult for British industry to hold its own against its rivals. Reviewing the prospects for British economy, the London *Financial Times* observes:

"Thus, we are left with an economy with every prospect of falling activity, and already possessing surplus capacity, one in which the only valid reason for refraining from expansion is the external position. The avoidance of expansion has not stabilised the price level, and rising production now seems on the whole the best hope of doing so. When and whether expansion can safely be resumed, without an external crisis, must be largely a matter of judgment. In any case, the restrictions on investment, through the banks and the Capital Issues Committee, should now obviously be relaxed. The two determining factors must be the course of the American recession and the development of unemployment in this country. An American recovery would provide a solid basis for expansion here, and rising unemployment might force the Government to take risks it would not otherwise choose to. For the moment, however, economic policy faces a great and cruel dilemma."

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In the context of the none too encouraging conditions in the world markets, much interest attaches to the meeting of the Commonwealth officials which is scheduled to open in London on 2nd June, which will be a prelude to the Commonwealth Trade and Economic Conference to be held in Montreal in September. The problem of commodity prices, the provision of capital for developing the Commonwealth and the measures which are needed to increase the sterling area's reserves are likely to figure prominently in the discussion. The sterling area is an important part of the free world, in that it finances nearly 40 per cent. of the world's trade. Clearly, in the interests of world trade, this area must be kept in a state of sound economic health. But the fortunes of the sterling area are also intimately connected with those of the dollar world. From this point of view, it is a matter for no small satisfaction that the economic recession in the U.S. is slowing down, though there are no signs that it has completely ended.

In his address to the Economic Mobilisation Conference of the American Management Association, President Eisenhower stressed that the improvement in the U.S. economy was "in the making." He, however, hastened to add: "Not all our economic troubles are over by any means." Reports from the country, he said, strongly indicated that the "economic decline of recent months is slowing down." He added: "Even in this recession year, business is spending more than $30,000 million to maintain productive equipment, expand capacity, and provide for the creation of new products. In the past five years, these outlays have reached the staggering sum of more than $150,000 million. State and local governments are spending nearly $10,000 million each year for new schools, better streets, and the other facilities that our people want and need. Nowhere is this faith in the future better exemplified than in the $7,000 million which will be spent by industry on research and development this year—outlays that have been growing at the rate of 10 per cent. a year. The wonders of recent years—nuclear energy, miracle drugs, synthetics, electronics—will be dwarfed by new wonders to come... In short, the future is bursting with vitality and promise." It remains to be seen whether, as in the past, American economy will emerge the better for its having gone through a recession.

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Shares of paper mills seem to have caught the fancy of investors, as witness the continuously upward trend in their values since the beginning of March this year. Orient Papers are now quoted at Rs. 31.30, as against Rs. 24.50 at the end of February. Similarly, Titaghurs have gained from Rs. 33.50 to Rs. 38.50, India Papers from Rs. 19.37 to Rs. 20.87 and Shree Gopals from Rs. 13.87 to Rs. 16.19. The increased interest of investors in paper company shares must be attributed to hopes of higher return. These hopes are quite justified. The prospects for the paper industry are certainly bright. Because of industrial development, increase in literacy and improvement in the general standard of living, the demand for paper and paper-board is moving up by 10 per cent. every year. The aggregate requirements in 1960-61 are expected to be as much as 350,000 tons. The paper manufacturers are endeavouring their best to meet the rising demand for their products through expansion and modernisation. The total annual installed capacity of the industry has gone up markedly from 186,204 tons in 1955 to 252,000 tons at present. The actual production also has increased from 184,884 tons to over 210,000 tons. It must, of course, be said that there has been a persistent

(Continued on page 1066)

EQUITIES RISE AT CLOSE

SEQUEL TO CALLING OFF OF T.I.S.CO. STRIKE

(From Our Own Correspondents)

BOMBAY, *29th May*

THE calling off of the T.I.S.Co. strike in Jamshedpur last evening, which followed the management's earlier announcement that the first phase of resumption of work would commence on the 28th morning and about 14,000 workers out of a total of 30,000 would be taken back consequent on the improvement in the labour situation, had an encouraging effect on the share market today. Prices, under the leadership of steels, scored small gains from yesterday's low levels and activity also broadened to some extent. The market derived comfort from the fact that, with the resumption of working, the loss of production of steel had been reduced. During the major part of the week, however, the market was lethargic and activity thinned down very much, with a further fall in prices. Reports of an improvement in the labour situation failed to enthuse sentiment, as it was feared that the loss of output due to the strike might affect the earnings of the current year. Reports of fresh tension in the Tata Locomotive factory also kept down the morale.

Tata Ordinaries moved narrowly between Rs. 179.25 and Rs. 177.50 before spurting to Rs. 180 today. At the close, they were done at Rs. 179.50. The new shares gained over the week Re. 1.50 to Rs. 177.50. Indian Irons were erratic. After an improvement from Rs. 21.32 to Rs. 21.56, the shares drifted yesterday to a low of Rs. 21.24. Today, however, they gained to Rs. 21.48.

Textile shares were quiet and prices were marked down. The loss was, however, made good to some extent by today's recovery. Bombay Dyeings dipped from Rs. 53.70 to Rs. 53, but recouped to Rs. 53.30. Centurys displayed an irregular trend. After an advance from Rs. 426 to Rs. 428, the shares sagged to Rs. 423.50. Today, they again improved to Rs. 427.50 before closing at Rs. 425.75. Kohinoors shaded off from Rs. 263.50 to Rs. 262, but gained to Rs. 263.25 at the close. Central Indias rose over the week by Re. 1 to Rs. 82, while Finlays were steady at Rs. 260.50, as also Gokaks at Rs. 137. Indu Ordinaries dropped 16 nP to Rs. 9.02, while Indore Malwas moved up by Rs. 2.50 to Rs. 108 and Khataus Rs. 3 to Rs. 162.50. Minerva were done Rs. 3 lower at Rs. 67, while Model Mills were unchanged at Rs. 170. Mysore Spinnings shed Re. 1.50 to Rs. 91. New Greats, however, gained Re. 1.50 to Rs. 203. Shree Niwas Cottons Rs. 2.50 to Rs. 136.50. Simplex were fully steady at Rs. 152.50, while Svadeshis were dull at Rs. 171.75. Swans lost Rs. 3 to Rs. 341, but Tata Mills shed 25 nP to Rs. 36.75. Osmanshahis had business Re. 1.50 lower at Rs. 42.50, while Azam Jahis gained 50 nP to Rs. 52. Ahmedabad Advances improved by Rs. 2.50 to Rs. 155 and Bradburys by Re. 1.50 to Rs. 159.50. New Kaiser-I-Hinds lost Rs. 2 to Rs. 68.

Banks were steady with an all-round rise in prices. Barodas made a fresh gain of Re. 1 to Rs. 116. Central Banks changed hands Rs. 2.20 higher at Rs. 53.50 and their new shares were taken up Re. 1.20 better at Rs. 55.70. Bank of Indias gained Re. 1.50 to Rs. 131.50. Punjab Nationals Re. 1 to Rs. 53.50 and United Commercials 70 nP to Rs. 60.

Electricity shares provided a mixed pattern. Ahmedabad Electrics picked up no more than 10 nP to Rs. 94.60, while Bombay Suburbans moved up by Re. 1.25 to Rs. 105.75. Surat Electrics were a shade better at Rs. 105.50. Tata Hydros were unchanged at Rs. 117.75, while Tata Powers lost Rs. 7.50 to Rs. 1,207.50 and Andhra Valleys Rs. 12.50 to Rs. 1,137.50.

In the sugar group, Belapurs advanced from Rs. 243.50 to Rs. 246, before closing at Rs. 245.50. Phaltans were 50 nP higher at Rs. 144.50, while Walchandnagars were unchanged at Rs. 263.50. Bhopal Sugars hardened from Rs. 19.76 to Rs. 19.84. Among cements, Associated Cements improved from Rs. 148.25 to Rs. 149.50. After a setback to Rs. 147.50, the shares closed better at Rs. 148.50. Their new shares were done 50 nP higher at Rs. 144. Digvijays gained over the week Re. 1.25 to Rs. 143.25. Dalmia Cements were featureless at Rs. 9.84. Orissa Cements were marked up from Rs. 11.56 to Rs. 11.72 and Jaipur Udyogs from Rs. 11.76 to Rs. 11.92. Among engineering and mining, Alcocks were marked down by Re. 1.25 to Rs. 245. Tata Locomotives, after going up from Rs. 166.25 to Rs. 167, drifted lower to Rs. 164. Today, however, they rallied to Rs. 166.50. Premier Constructions declined by Rs. 2.25 to Rs. 181.25. Larsen and Toubros gained 3 nP to Rs. 16.40 and Mahindras advanced by 52 nP to Rs. 18.52. Shivrajpur Syndicates were unchanged at Rs. 80.50 and Indian Coppers at Rs. 3.08.

After displaying some hesitancy, Scindias moved up gradually on institutional buying to Rs. 17.44. Great Easterns were unchanged on balance at Rs. 19.92. Among automobile shares, Hindustan Motors attracted some attention and gained 28 nP to Rs. 7. Premier Automobiles rose fractionally to Rs. 80.50.

In the miscellaneous section, Bombay Burmahs (old) moved up from Rs. 547 to Rs. 550, but drifted to Rs. 541 yesterday. Hopes of a cut in export duty on tea pushed up the shares again to Rs. 548.50 today. The partly paid-up shares showed no change at Rs. 205. National Rayons gained Re. 1.50 to Rs. 234. Their Rights were in demand and done Rs. 6.30 higher at Rs. 76.30. Tata Chemicals were steady at Rs. 14.84. While Tata Oils rose by 25 nP to Rs. 38, Hindustan Levers were done 48 nP lower at Rs. 22.48. Amar Dyes changed hands Re. 1.25 higher at Rs. 112.25. Hind Cycles had business Re. 1.25 higher at Rs. 133.75. I.C.I.C. were done at Rs. 74, West Coast Papers at Rs. 98 and Sirpur Papers at Rs. 11.72. W. H. Bradys were maintained at Rs. 280, while Wimcos gained Re. 1 to Rs. 171.

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Calcutta Stock Exchange

CALCUTTA, *28th May*

Earlier in the week under review, settlement considerations, weaker advices from Bombay, and the grave situation in Jamshedpur restricted business and prices tended to sag on the Calcutta Stock Exchange. Soon, however, the improvement in the situation at Jamshedpur and news that the Tisco Works would resume operations as from today led to some bear-covering and imparted a steadier trend. Had it not been for the anxiety about the strike notice served by the All-India Port and Dock Workers' Federation on the port authorities, transactions on the Exchange would have recorded an increase. The cease-fire agreement in the Assam border with Pakistan was considered a long-term favourable factor. The absence so far of any relief to the tea industry made tea shares dull, albeit the indication, after last week's Tea Board meeting, that a reduction in the excise and export duty was imminent. Jutes and miscellaneous industrials, however, registered a satisfactory trend. Although the working results of some mills announced this week disclosed losses, the belief in the market was that the current accounting period for the bigger units, which have fully rationalised production, must show good results and that buying at current levels should prove to be a satisfactory investment. Another encouraging factor was the declining trend in fibre prices and the prospect of a good crop. Miscellaneous industrials were steady counters in view of the improved prospects. Coal shares were featureless, and the increase in coal price by Re. 0.75 per ton and hard and soft coke price by Re. 1 a ton did not induce buying, since it was thought that the increase would not be of any special benefit to the industry and that it would only just cover the rise in dearness allowance granted. Two more shares, viz., Indian Cables and Indian Aluminiums, were added this week to the list of shares in which forward trading is permitted. With this addition, the clearing list now contains eight shares.

Depression in cloth markets and the absence of any hope for further reduction in the cloth excise duty made textiles listless. Bengal-Nagpurs gave way to Rs. 4 from Rs. 4.19 and Kesorams were quiet at Rs. 10.50.

A visible decline in the volume of business was recorded in coals. Burrakurs were unchanged at Rs. 21.87, while Central Indias lost to Rs. 7.56 from Rs. 7.65. Amalgamated were, however, a conspicuous feature for a rise to Rs. 17.87 from Rs. 17 on interested buying.

Selected jute shares were supported. Anglo-Indias hardened to Rs. 154 from Rs. 149. At Rs. 111, Kinnisons recorded the impressive gain of Rs. 9. Indias gained strength to quote Rs. 128, as against Rs. 117 earlier. Champadanies picked up Rs. 4 at Rs. 96. New Centrals were as high as Rs. 16, as against Rs. 14.37 earlier, Nuddeas rising to Rs. 39 from Rs. 37.50. Belvederes were fully steady at Rs. 102, as were Agarparas at Rs. 8.44. From Rs. 15.75 Howrahs were lifted to Rs. 16.50. Budge Budges hardened to Rs. 94 from Rs. 89, while Nationals receded to Rs. 22.25 from Rs. 23.

Engineering shares recovered. Indian Irons opened at Rs. 20.94 and made a steady recovery to Rs. 21.54 on Monday. On Tuesday, the rate sagged slightly to Rs. 21.36. Texmacos, after improving to Rs. 18.08 from Rs. 17.65, closed at Rs. 17.70. Burn & Cos. were higher at Rs. 342, as against Rs. 339 earlier. Jessop & Cos. were steady at Rs. 20.19, while Braithwaites were fractionally higher at Rs. 26.31.

Several features were recorded in the miscellaneous industrials section. Martin Burns rose to Rs. 26 from Rs. 24.94 and Alkali and Chemicals to Rs. 15.25 from Rs. 14.56. Metal Boxes realised Rs. 28.62, as against Rs. 28.50 previously. Rohtas Industries jumped to Rs. 18.94 from Rs. 17.43. Indian Oxygens firmed to Rs. 18.25 from Rs. 18.12 and National Carbons being better at Rs. 25.56.

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Madras Stock Exchange

MADRAS, *27th May*

The easy conditions continued on the Madras Stock Exchange during the week under review also. Business put through was at a low ebb and prices sought lower levels. The improvement in the labour situation at the Tata Iron and Steel Works at Jamshedpur did not evoke any favourable response. Advices from Bombay and Calcutta markets were also not encouraging. The cut in the British Bank rate by ½ per cent. to 5½ per cent. had no favourable impression in the market. Plantation shares were affected by the success of the Communist Party in the recent Kerala elections. Tea shares were generally quoted lower, despite the steadiness in tea prices and encouraging crop reports. The lower price levels, however, attracted some investment support and a mild improvement in prices was noticed towards the close of the week. Rubber shares were weak but coffee shares were favoured. Textiles were subjected to selling in the absence of support. Sugars were dull. Miscellaneous industrials were steady.

Among tea shares in the planting section, Twyfords and Neelamalais shed 10 nP each to Rs. 13.15 and Rs. 4.25, respectively. Kalasas lost a like amount to Rs. 15.30. Haileyburias, however, advanced by 13 nP to Rs. 18. Peermades gathered 12 nP to Rs. 20.37 *cum-div.* and Alageswars 10 nP to Rs. 2.95. Waterfalls were better by 10 nP at Rs. 3.16 and Periakaramalais by 5 nP at Rs. 4.12. Among rubber shares, Midlands declined by 35 nP to Rs. 15.75, Kalpettas by 25 nP to Rs. 25.25 and Tropicals by 20 nP to Rs. 20.50 *cum-div.* Pullangodes receded by 11 nP to Rs. 1.65. Anandams climbed down by 25 nP to Rs. 15.15 *cum-div.* T.R. & T.'s eased by 10 nP to Rs. 6.50 *cum-div.* Puthuthotams shed 7 nP Rs. 2.78. Cochin Malabars, however, attracted some support and added 20 nP to Rs. 4.60.

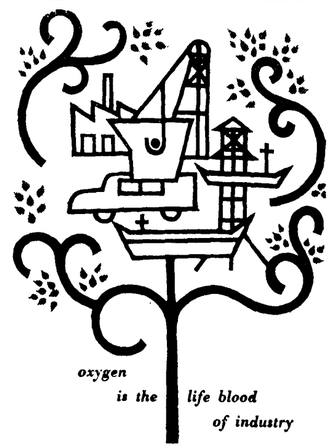
Among coffee shares, Consolidated Coffees were marked up by 55 nP to Rs. 25.10. On the announcement of a bonus share issue in the ratio of one share for every four shares held, Coffee Lands firmed up by 40 nP to Rs. 35.25. Kumergodes went up by 25 nP to Rs. 9.75. Savamalais gained 15 nP to Rs. 4.50.

In the textile section, Palani Andavars slumped by Rs. 5 to Rs. 130. Lakshmis dropped Rs. 3 to Rs. 91. Krishnarajendras and Coimbatore Cottons declined by Rs. 2 each to Rs. 77 and Rs. 139, respectively. Ranga Vilas shed Re. 1.50 to Rs. 59, Rajalakshmis Re. 1 to Rs. 69, Maduras 25 nP to Rs. 31.75 and Kotharis 13 nP to Rs. 9.87. Coimbatore Pioneers, however, evoked some support and improved by Rs. 5 to Rs. 227. Buckinghams added a rupee to Rs. 166.

Among miscellaneous industrials, Textools gained a rupee to Rs. 178. Aluminium Industries were marked up by 70 nP to Rs. 14. Mysore Chemical Manufacturings advanced by 40 nP to Rs. 15.40. Sen-Raleighs improved by 25 nP to Rs. 12.75 and Mysore Papers by a like sum to Rs. 16.25. Mettur Chemicals gathered 5 nP to Rs. 9.60. Orissa Cements, however, lost 40 nP to Rs. 11.85. Mysore Tobaccos receded by 25 nP to Rs. 12.30.

FORWARD TRADING IN MADRAS

The authorities of the Madras Stock Exchange have decided to commence forward trading on a fortnightly settlement basis with effect from 4th July. Trading in the initial stages will be confined to 12 popular scrips—five tea, four textiles and three other counters. The clearing work will be taken by the Bank of India. The counters that will be placed in the forward list are Blue Mountain, Periakaramalai, Cochin Malabar, Consolidated Coffee, Ouchterloney Valley, Travancore Rayon, Madura Mills, Lakshmi Mills (both Rs. 50 paid-up and Rs. 25 paid-up shares), Deccan Sugar and Abkhari and Aluminium Industries.



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NEWS IN BRIEF

LARGE deposits of high class fireclay valued at about Rs. 10 crores have been discovered recently in the State of Uttar Pradesh.

The export of gram including split gram and products thereof other than choori from Ganganager district in Rajasthan has been banned.

The Tariff Commission has taken up for investigation the claim of the electric motor industry for continuance of protection beyond 31st December next.

A meeting of the manufacturers of automobiles and automobile engines will be held in the Ministry of Commerce and Industry on 12th and 13th June 1958.

The Government of India has decided to allow those exporters whose cotton was burnt in the fire on the 11th inst. in Victoria Dock to ship fresh stock of cotton in lieu of the quantity burnt.

The Government of India has abolished the export duty on all varieties of oilcakes specified in item 21 of the Second Schedule of the Indian Tariff Act with effect from the 23rd inst.

Calcite deposits have been found in the various parts of Saurashtra region. The deposits in the Amreli and Junagadh areas are estimated at 58,000 tons and 28,000 tons, respectively.

A licence has been granted by the Government of India to the Bharat Electronics Company (Private) Ltd. for starting an electrical lamp bulb factory in the industrial estate at Pappanamcode, Kerala State.

The Union Government has decided not to grant further licences for the import of parts or C.K.D. (completely knocked down) packs to two motor cars, namely, Baby Hindustan and Standard Vanguard.

The Government of India has decided to construct a subsidiary deep water port south of Calcutta, according to the Chairman of the Calcutta Port Trust. The technical experts are now examining several sites.

The tenth International Conference of Agricultural Economists will be held in Mysore from 24th August to 4th September 1958. The general theme of the conference will be "agriculture and its terms of trade."

The Union Government has decided to permit the import of 13 items of refrigeration and air-conditioning machinery other than domestic refrigerators upto the full face value of quota licences issued during the current half-year (April-September 1958).

The Central Government has set up a 29-member Central Board of Fisheries under the Chairmanship of Mr. A. P. Jain, Union Minister for Food and Agriculture. The Board is expected to meet periodically and discuss at national level problems connected with fisheries research and development.

A Regional Handicrafts Training Institute for Women has been set up at Hyderabad under a scheme of the All-India Handicrafts Board and approved by the Government of India. The institute is expected to serve the States of Andhra Pradesh, Madras, Mysore, Kerala and the Union territory of Pondicherry.

An agreement has been reached between India and Russia to start a direct air service between the two countries. The agreement will result initially in a weekly service between Delhi and Moscow. The income from the service, operated by the Air-India International and Aeroflot, will be pooled and equally divided between the two undertakings.

At its meeting held in Bombay on Monday this week, the Board of Directors of the Central Warehousing Corporation decided to construct warehouses at Amravati (Bombay), Sangli (Bombay), Warangal (Andhra), Chandausi (Uttar Pradesh) and Devangere (Mysore). The total outlay on the construction of these was estimated at Rs. 10 lakhs during the current financial year. It was felt that, after further investigations, constructions might be undertaken at two or more centres during this year.

The Governments of India and the United States, signed in New Delhi on 27th inst., eight Indo-American Programme agreements under which India will receive $285,555 in technical assistance. This amount represents a portion of the $6.3 million programme of technical assistance to India under the U.S. fiscal year 1958 budget. The projects include groundwater exploration ($1.53 lakhs), livestock improvement ($41,100), health ($21,930), industry ($40,000), co-operation ($21,000) and agriculture ($8,525).

In pursuance of its policy to promote exports, the Government of India has decided to allow rebates of customs and Central excise duties paid on raw materials for the manufacture of French coffee and ground coffee, P.A.S. tablets and umbrella ribs exported from India. The existing rates of drawback on the export of galvanised iron wire products have been enhanced. Certain changes have also been made in the existing schemes of drawback for dyestuffs and jute manufactures. For further particulars regarding the procedure to obtain these concessions, exporters are advised to contact the Collectors of Customs at the ports of export.

The Central Government has announced a new policy for export of manganese ore during the period July 1958 to June 1959. The policy maintains the continuity in the existing export arrangements but discourages fragmentation of quotas and encourages bulk contracting and shipment of ore. A bonus export quota of 10 per cent. will be given to firms and parties who join together to form co-operatives with an aggregate export quota of 25,000 tons. Those who are able to secure bulk business in excess of their quotas or who are able to negotiate sales on long-term business for deliveries beyond June 1959 have been advised to approach the Chief Controller of Exports and Imports direct for working out satisfactory arrangements for the same.

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From Abroad

Japanese steel mills have concluded a contract to buy 300,000 tons of coal from Russia.

Japan and Nationalist China have signed a one-year trade pact under which each country will buy goods worth $85 million.

It is claimed that the United States Navy's latest atom-powered submarine which is to be launched shortly will be the fastest and the most deadly underwater craft in the world.

The Finance Minister of Ceylon is now in the United States exploring possibilities of raising a substantial loan which will finance development projects and also balance the country's forthcoming budget.

Czechoslovakia will give Poland a loan of 250 million roubles for the development of its coal mines. Czechoslovakia and Poland will exchange goods worth 100 million roubles (about £9 million) annually, in addition to those already being exchanged.

A further increase of 0.2 per cent. in the cost of living index in the United States was recorded in April, bringing it to a record level of 123.5 per cent. from the 1947-49 base period. It is, however, stated that some food prices are declining and the overall living costs show signs of settling down.

A deficit of £49.7 million was disclosed in New Zealand's overseas exchange transactions in the year ended 30th April 1958, as compared with a surplus of £4.6 million in the previous year. This adverse movement is due primarily to a rise of 13 per cent. in private import payments and a 4 per cent. reduction in the export income.

The Ceylon Government has assured the prospective private foreign investors that it will not consider the question of nationalising any new private foreign investment in the country for the next ten years. The Government has also assumed that foreign private enterprise will be permitted eventual repatriation of capital, including appreciation thereof, and remittance of dividends.

Prospecting for oil in an undersea area between Saudi Arabia and Kuwait is expected to be started next month by a Japanese Corporation, the Arabian Oil. The Company is now awaiting the outcome of negotiations with British officials in London for a political agreement which will enable the Company to recognise the position of the British in Kuwait. It is stated that the political agreement is a prerequisite for the signing of the agreement with Kuwait.

Pakistan will receive Rs. 20 crores (£15 million) as aid from the counterpart funds arising from imports of U.S. surplus commodities bought for local currency, according to the agreement signed between the U.S. and Pakistan Governments. The funds will be made available forthwith and used for various development projects. An additional sum of Rs. 25 crores is expected to be released for development schemes during the current financial year ending March 1959.

At a meeting held under the auspices of the International Chamber of Shipping in London last week, the deep sea tramp owners from 12 countries decided to set up a committee to prepare a scheme for introducing international co-operative measures to combat the present depression in freight rates in tramp shipping. France, Germany, Greece, Holland, Italy, Japan, Scandinavia and the U.K. have agreed to nominate one representative to the Committee. In addition, the Chairman of the Committee will be British.

The aggregate net profits of 77 leading Swedish companies, the shares of which are quoted on the Stockholm Stock Exchange showed only a minor rise in 1957, that is, from Kr. 556 million in 1956 to Kr. 560.5 million. Of the 77 companies, 37 reported a higher net profit than in 1956, 20 a lower profit and 20 an unchanged net profit. Dividends to shareholders rose by 1.4 per cent. to Kr. 385.5 million. While the dividend in the case of 58 companies was unchanged, 17 companies increased and two lowered the dividend.

PERSONAL

MR. Murarji J. Vaidya has been appointed Vice-Chairman of the Central Silk Board.

Mr. M. K. Kaul took over charge as the General Manager of the Western Railway on Saturday last.

Lt.-Col. Jaswant Singh, Deputy Director-General, Health Services, Government of India, has been appointed to officiate as Director-General in place of Lt.-Col. C. K. Lakshmanan who has been given leave preparatory to retirement.

Air Vice-Marshal A. M. Engineer, D.F.C., formally took over charge as the General Manager of the Hindustan Aircraft (Private) Limited, Bangalore, from Mr. J. M. Shrinagesh, I.C.S., on the 28th inst.

Mr. Rameshwar Dayal, Indian High Commissioner-designate to Pakistan, arrived in Bombay from Rome on Sunday. He will spend a few days in Bombay before leaving for Delhi for consultations with the Government of India.

Mr. Hari Shanker Chaturvedi, a retired judge of the Allahabad High Court, has been appointed Chairman of the British India Corporation, Kanpur, in place of Mr. Haridas Mundhra, pending the decision on the application filed by the Life Insurance Corporation of India under the Indian Companies Act for the appointment of a special officer to take charge of the assets and management and affairs of the B.I.C.

Mr. I. A. Macpherson of Titaghur Paper Mills Company, Ltd., and Mr. M. L. Zutshi of Shree Gopal Paper Mills Ltd., and Ballarpur Paper and Straw Board Mills Ltd., have been elected Chairman and Vice-Chairman, respectively, of the Indian Paper Makers' Association for the year 1958. The other members of the Committee are Mr. D. S. Birkbeck (Tribeni Tissues Private Ltd.), Mr. J. F. Brierley (India Paper Pulp Co., Ltd.) and Mr. P. H. Sykes (Bengal Paper Mill Co., Ltd.).

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COTTON TEXTILES	Dhoties—Sarees—Shirting—Longcloth—Coating—Mulls—Poplins—Cotton Blankets in multi-check designs and colours and woollen finish—Mineral Khaki Drills—Tapestry—Canvas—Yarn, etc.	ENGINEERING	Engineers Files—Baling Hoops for Jute Mills and Cotton Mills, etc.
WOOLLEN TEXTILES	Woollen Worsted—Cord Suitings—Tweed—Flannel—Serge—Knitting Wool—Rugs—Blankets, etc.	CHEMICALS	Heavy Acids, Chemicals, Disinfectants, Insecticides, Ayurvedic and Unani Medicines, etc.
JUTE TEXTILES	Canvas—Hessian—Bags—Twine—Chair cloth.	PAINTS	Paints for Marine and Industrial requirements, Paints for Buildings and other uses, Enamels and Varnishes and Distempers.
HOSIERY	Underwears—Shirts—Knickers—Socks, etc.	SUGAR	Quality " Majholia " Sugar
ALUMINIUM	Alloys—Sheets—Circles—Coil of Strips—Shots—Expanded Metal—Notched Bars, etc.	STRAWBOARDS	Strawboards, Mill Boards and Corrugated Boards.
STEEL	Bars—Rods—Steel Castings for Sugar Mills, Oil Mills and Railways.	PLASTICS	Electrical Fittings and other household utility materials, etc.
		OIL-SOAP-ICE	Industrial Oils, Mustard Oil, Soaps.

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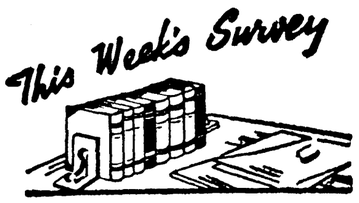

TEXTILE MILLS' CLOSURE

THE expert committee to report on the present conditions of the textile industry, which might be constituted soon by the Government of India, will examine the entire problem confronting the industry such as the cost structure and the impact of Central taxes on production as well as consumption of cloth. Disclosing this, the Union Minister for Commerce and Industry, Mr. Lal Bahadur Shastri, indicated at Coimbatore on Thursday last week that the Committee would be asked to submit its report at the earliest, preferably in six weeks' time, even though its tenure will be three months.

While the appointment of the expert committee on cotton textiles must be widely welcomed, it is to be hoped that the committee will thoroughly investigate the conditions of the textile industry and that the Government will implement its recommendations without any inordinate delay. The latter aspect is specially stressed because our experience with enquiry committees has shown that, while the committees take a very long time to complete their findings, an equally long time is taken by the Government before any measures are implemented. The Government sometimes takes many months even to release the report of committees to the public.

Be that as it may, the task to which the expert committee on textiles will address itself is, indeed, a difficult one. The cotton mill industry is today faced with a crisis of great magnitude, thanks to the severe impact of taxation, marked increase in cost of production following the all-round rise in wages and in the prices of raw materials and stores, continued retention of control on production of certain varieties of cloth, and stiff consumer resistance in internal and overseas markets. The cumulative effect of all these factors is that several mills have incurred heavy losses. How else can one explain the complete closure of 26 mills and the cutting down of production operations by another 37 units? This state of affairs cannot be allowed to continue for long, inasmuch as it will aggravate the problem of unemployment, besides adversely affecting the supply of such an essential item of consumption as cloth. Something must be done immediately to solve the problem, as, otherwise, there is the danger of the malady becoming too bad to be set right.

Viewed thus, the Indian Labour Conference held at Naini Tal last week certainly did well to focus attention on the need for dealing with the problem of textile mills' closure. It put forward a series of recommendations. Among these, there are three specific suggestions made with the object of giving immediate relief to the mills. First, steps may be taken to make available, if possible, long-staple cotton to the coarse and medium count mills as a special relief measure to enable them to produce finer varieties of cloth. Secondly, when adequate additional securities are available, the Scheduled banks, including the State Bank of India, should be requested to reduce the margin required by them for the advance of working capital. Thirdly, the lacuna in the present provision for lay-off compensation whereby labour can be denied compensation by working nominally for some days in a week after 45 days' lay-off to avoid payment of compensation should be immediately removed.

In addition to these specific suggestions, the Indian Labour Conference urged the adoption of several measures of a general character. Thus, according to the conference, where the Government is convinced on expert advice that certain old units are beyond the economic possibility of reopening, grant of licences for new units of equivalent capacity should be considered in the same place, if parties are willing to seek such licences; for the other closed mills or units which have given notice of closure, an expert committee should be appointed to examine each individual unit and recommend steps to restore normal working; grant of licences for rehabilitation and modernisation through the National Industrial Development Corporation may be expedited; for such units where working is found uneconomic, the question of granting licences for necessary balancing equipment—spindles, looms, or preparatory equipment—may be favourably considered after examining the unit concerned. In Kanpur and Indore where the situation is more difficult, special expert committees may be set up to enquire into the existing conditions of units located there and to suggest remedial action.

The aforesaid suggestions of the Indian Labour Conference are, indeed, quite pertinent and their implementation will doubtless go a long way towards alleviating the disquieting problem arising from the closure of textile mills. Equally pertinent is the recommendation relating to liquidation proceedings. It is common knowledge that these proceedings take an unconscionably long time. If the Government is convinced on competent advice that a cotton mill, company or a unit cannot be worked unless ownership is changed, it must devise some measures—legal, if necessary—designed to ensure an early completion of liquidation proceedings. of sale by transfer or open auction of such property even before liquidation, so that the new party can soon start working of the units. In the interim, the Government, as the conference suggested, should as far as possible work the mill as a measure of unemployment relief with such conditions as agreed to between the Government as an employer and the workers concerned. There will perhaps be no need to implement this suggestion if the other measures the conference recommended are adopted.

PORT WORKERS' STRIKE

A storm is gathering over another vital segment of the nation's economy. If nothing is done to prevent it, it will sweep over the major ports of the country, bringing to a halt cargo loading and unloading operations. The All-India Port and Dock Workers' Federation has issued a strike call to unions affiliated to it to be effective from 16th June. It hardly needs to be emphasised that a strike by port and dock workers at this moment will do much harm to the country. It will throw out of gear the development projects, put up the landed cost of the capital goods imported and interrupt the supply and inflate the prices of other essential imports.

Dock workers seem determined to tread the war path. The efforts made so far to persuade the Federation to call off the proposed strike have proved infructuous. What are the facts behind this unpatriotic decision? Has the Federation explored all avenues of peaceful settlement of disputes? Is there no other means of getting the grievances of workers remedied than direct action? What are the factors that inhibit a satisfactory settlement of the issues at dispute? These are some of the questions for which the public expect satisfactory answers both from the dock workers' organisation and the authorities concerned. It is indeed a sad commentary on industrial relations in this country that, notwithstanding the unanimous acceptance of codes of conduct for employers, employees and unions, strike is still considered the most handy weapon for getting things settled.

The Federation has demanded as a condition for withdrawal of the strike call positive assurances by the Government that some of its "basic demands" such as the implementations forthwith of the recommendations of Mr. P. C. Chaudhury, Officer on Special Duty appointed in 1956 and whose report was submitted in September 1957, in respect of the pay structure of class III and class IV dock workers, would be conceded. A spokesman of the Federation has pointed out that the Government was given enough time to consider the various demands. He charged the Government with "putting off things" and trying to force the issue on the Federation.

The Government in a statement issued recently has sought to justify its stand. The statement points out that Mr. P. C. Chaudhury's report, a document running into 394 printed pages, was discussed at length with the representatives of dock workers. Mr. Chaudhury himself had mentioned that some of the principles governing his proposals with regard to the pay scales and conditions of service might come up for review by the second Pay Commission appointed by the Government of India recently and that his recommendations might require modification to that extent. The Government urged various Port Administrations to examine the other recommendations in consultation with the representatives of labour. Special officers were appointed or departmental committees set up for the purpose. Since Mr. Chaudhury did not make detailed recommendations regarding the pay scales of the numerous categories of workers but had confined his recommendations to certain "test posts," the main task of examining the pay scales devolved on the Port Trusts.

While this work was proceeding and the unions were themselves engaged in discussions with the Port Authorities, the Federation, at the end of January 1958, passed a resolution calling a general strike on the 28th February 1958. In informal talks with the union representatives, the unrealistic approach adopted by them was pointed out. Apparently, realising the reasonableness of Government's point of view, the Federation postponed its decision to take a strike ballot to 7th May. It was in view of this threat of strike and, on the specific request of the Federation, that its representatives were invited to Delhi for discussions on the 8th and 9th May last.

By the end of April discussions on the recommendations of the Chaudhury report were completed only at the Port of Madras. This was the position when Mr. S. K. Patil, Union Minister for Transport and Communications, met representatives of the Federation last month. The Minister pointed out to them that, when proposals requiring Government sanction were received from the Port Authorities, Government would have to consider them in consultation with other Ministries concerned. It was, therefore, unrealistic, he said, to expect final decision to emerge within another two months. He requested the Federation's representatives to wait till the 15th of July 1958.

The representatives of the Federation said they could not wait any longer for the satisfaction of their demands. They suggested that further consideration of the matter at port level would not yield results satisfactory to the Federation and that the machinery for speeding up settlement of the question of pay scales should consist of a tripartite committee to be set up in Delhi with representatives of the Port Authorities, labour and of Government. Government was willing to consider the setting up of such a machinery and requested the Federation to submit a memorandum outlining its points of view on the various issues. In its memorandum, the Federation demanded that, as a precedent to its acceptance of such a committee, the Port Authorities should agree to a new structure of basic pay scales proposed by it in the memorandum. Some of these scales, it is pointed out, go to levels beyond what was recommended by the 1947 Pay Commission or by Mr. Chaudhury.

The Government also points out that the Federation has withdrawn co-operation to a committee appointed in last March to work out a piece-rate scheme for introduction in Calcutta. Experience has shown how greatly the earnings of workers at Bombay and Madras have increased under the piece-rate scheme.

The Federation seems to be impatient over the delay in the implementation of Mr. Chaudhury's recommendations. In a complicated issue like this some delay is inevitable. The Government, on its part, should take as early a decision as possible. In any case, a strike is not the way to settle the dispute and no solution can be found in an atmosphere of strife and conflict.

STATISTICAL QUALITY CONTROL

Judged by the standards attained by the industrially advanced countries in the West, the technical efficiency of machinery and other equipment employed in Indian industries is deplorably low. This is due primarily to the lack of adequate attention paid to statistical quality control. Considering that India is on the threshold of a new era of industrial development the need for the proper adoption of statistical quality control can hardly be overemphasised. For such control provides techniques which help greatly in reducing manufacturing costs through quantitative and qualitative improvement in output. That there is vast scope for the introduction of these techniques in our industries is amply borne out by the survey of some 50 Indian plants conducted recently by Dr. William R. Pabst, United Nations technical assistance expert, with a view to exploring the possibilities of applying the tools of statistical quality control in the various industries in the country.

The survey of Dr. Pabst has brought out the very interesting conclusion that, with the present plant and equipment, the Indian industry can augment output by as much as 20 to 50 per cent. In most industries and plants included in the survey, a substantial increase in production, it is stated, can be achieved by the proper balancing of machines and facilities, elimination of the return flow of products to scrap and rework, specification and adherence to standards, and utilisation of optimum materials for processing. Dr. Pabst points out, and rightly so, that the less advanced industrial countries like India stand to gain greater potential usefulness and larger initial saving by the introduction of statistical quality control methods than their counterparts in countries where industrialisation has matured.

In the considered opinion of Dr. Pabst, the area of great potential application is in the balancing of plant and equipment utilisation. The example of a steel foundry which he visited shows that some units within a plant were able to make 95 per cent. acceptable castings, whereas other units in the same plant, using the same moulds, the same sand and the same metal, were able to get only 60 per cent. of their product approved. These poorer units did the same work but failed to produce effectively. Dr. Pabst says that experience elsewhere is that training and psychology can bring those units to the same high level and make an overall gain of nearly 25 per cent. in production to the plant as a whole. Another instance showed that the efficiency of weavers in mills varied from 80 per cent. to 40 per cent. and that of pottery workers varied as much until the difference in their methods were spotted and removed. The other fields of potential usefulness in Indian industry include the more effective utilisation of raw materials and control of product weights and qualities. Dr. Pabst avers that many inferior items now on the Indian market can be substantially improved in quality without any increase in cost through application of statistical quality control methods.

The foregoing brief account will indicate the vital role played by statistical quality control techniques in industrial development. It is indeed gratifying to note that the Government of India has recognised this role. It has, for instance, invited, through the Indian Statistical Institute, foreign experts to train personnel and advise industry on the use of these techniques. Meanwhile, the Institute has established statistical quality control units in Calcutta, Delhi, Bombay and Bangalore in order to assist local industries in the actual implementation of these techniques and to provide training courses for plant personnel. Incidentally, it is said that the next statistical quality control training course will be given shortly at the Indian Statistical Institute, Calcutta, under the general guidance of Dr. Pabst.

SOIL CONSERVATION

It is now generally recognised that the success of India's second Five-year Plan, with its emphasis on industrial development of the country, depends on the expansion of agricultural output. Being a land with agrarian economy, any amount of industrial growth without a corresponding expansion in agricultural production will not bring prosperity. While the present production from land itself falls very much short of the normal requirements, the problem is rendered more difficult by the annual growth in population of 4.4 million. Agricultural production is thus the crux of the whole problem of national development. As Dr. Punjabrao Deshmukh, Union Minister for Co-operation, pointed out in his inaugural address at the All-India Soil Conservation Seminar, held in Ootacamund on the 25th inst., "the choice is to get on with the Plan by increasing agricultural production or not to get on with the Plan at all. There is no other way out."

The shortfall in agricultural production is due to the low yield of most of the crops, but Dr. Deshmukh pointed out that this could not be attributed to the vagaries of nature alone. The one single factor which has contributed to a large extent to the general low level of yields is the gradual deterioration of soil due to erosion which has been taking place for generations. Development of irrigational potential is, no doubt, one of the important ways of increasing agricultural output. As against a net area under irrigation of 56 million acres in 1955-56, the target under the second Five-year Plan is an additional 21 million acres, that is, a total area of 77 million acres in 1960-61. Another method —perhaps the cheapest—of raising output is the use of improved seeds and proper fertilisers. These methods will not, however, be adequate, unless proper care is taken to prevent soil erosion, because with the loss of soil, the very physical basis for production will be lost. In order to raise agricultural output, the main emphasis, therefore, should be on soil conservation.

On a conservative estimate, Dr. Deshmukh said, about 200 million acres, made up of 100

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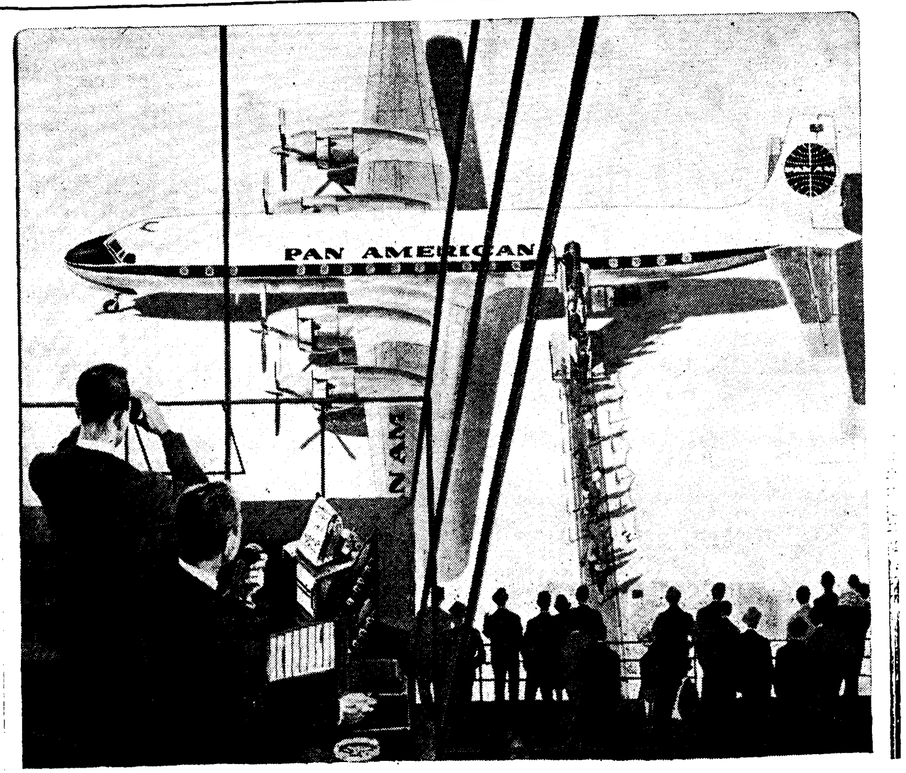

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F.I.C.C.I. ON ADMINISTRATION OF COMPANY LAW

FURTHER TIGHTENING OF PROVISIONS HELD HARMFUL TO CORPORATE ENTERPRISE

From Our Special Correspondent

NEW DELHI, *27th May*

SOME findings of the latest Annual Report on the Working and Administration of the Companies Act, 1956 have just been the subject of a representation to the Ministry of Commerce and Industry. The representation, made by Mr. G. L. Bansal, Secretary-General of the Federation of Indian Chambers of Commerce and Industry (F.I.C.C.I.) is based on certain relevant facts regarding registrations of new companies. In 1956-57, according to the aforesaid Report, 848 new companies were registered as against 1,448 in 1955-56 and 1,203 in 1954-55. The figures of authorised capital in respect of companies formed in 1956-57, Mr. Bansal points out, superficially show an increase from about Rs. 157 crores in 1955-56 to Rs. 211 crores. But this increase is mainly accounted for by 13 Government companies with a total authorised capital of Rs. 120 crores. The amount of paid-up capital actually raised by the new companies during 1956-57 was only Rs. 13 crores. About Rs. 26 crores was raised by existing companies in the market and by the issue of bonus shares.

DELHI LETTER

Capital Market

These facts, continues Mr. Bansal, lead to the conclusion that it has not been possible for the private corporate sector either to maintain the rate of new company flotations or to secure funds from the organised capital market. The new taxation measures adopted by Government since September 1956 and the consequent depression in the stock market have no doubt been contributory factors. But it cannot be gainsaid that the trend has also been accentuated by the severe and restrictive provisions of the new Companies Act. This setback has been attributed in the Report itself to "the exaggerated apprehensions about the provisions of the Act." It is also stated that company promoters and others interested in corporate activities might have wanted to understand the ramifications and implications of the new law before forming companies. It is further stated that because of the limit set on the number of companies with which a managing agent or a director could remain associated, it might have partially encouraged the recent tendency to set up new departments of existing companies rather than incorporate new companies. Finally, a hope has been expressed that the present setback in new registrations may prove to be only short-lived with the gradual realisation of the fact that the new Company Law placed no new impediments in the way of the formation of new companies and that the policy of Government continued to be to encourage the development and expansion of the private sector in conformity with the Plan.

Not sharing this hope, Mr. Bansal says that the stringency and the restrictions of the new law and its cumbersome and complicated provisions have not a little been responsible for the setback in new company formation. The apprehensions of the business community were fully voiced at the time of the passing of the Act. It is, therefore, surprising that the Company Law Administration has, in its Report, suggested certain further restrictions on the normal practices of companies in expanding existing undertakings and forming new ones. For instance, it is suggested that the restrictions regarding inter-company loans and investments in sections 370 to 372 should be enlarged. The Report refers to the suggestion of the Companies Act Amendment Committee for some changes in the definition of "companies under the same management" with the avowed object of "plugging some of the loopholes and for otherwise strengthening these sections." As if this were not enough, it is even suggested for consideration that the restrictions regarding inter-company loans and investments should be enlarged to make them applicable not only to companies under the same management but to all companies.

In this connection, Mr. Bansal emphasises that inter-company loans and investments are regarded everywhere as normal and necessary company practices. They are recognised as such all the world over and in our Act also. In case there are any abuses of the law in this regard, the remedy lies in the proper functioning of the administrative machinery. Any attempt to tamper with the law further will only result in the trend, referred to above, getting more accentuated and making expansion of corporate enterprise more and more difficult.

The Federation's Secretary-General has also dealt with the findings of the aforesaid Report that 227 public companies have been converted into private companies, presumably in order to escape from some of the restrictive provisions of the Act applicable only to public companies, and that 15 managing agencies have surrendered their office although some of them have got themselves appointed as selling agents of the companies which they had managed before. The Report comments that to the extent these trends are not quite desirable and run counter to the general spirit of the Act, they will be watched and steps to rectify them will be considered. The Report also complains of the difficulties and inadequate powers in regard to investigation and prosecution of companies. In the view of the Federation, however, these trends are only an indication of the severity and stringency of the provisions of the Act pointing to the need to soften them and not to tighten them up further. They are by no means an abuse of the Act. After all, the conversion of a public company into a private company requires the approval of Government and the appointment of selling agents the approval of shareholders.

Mr. Bansal's representation on behalf of the Federation refers, on the other hand, to the Report of the Company Law Advisory Commission for the year 1956-57 as being more realistic and constructive. The Commission has observed that both Government and the managements have generally found it possible to accept and abide by the advice of the Commission. They have also stated, in connection with the regulation of transfer of control as a result of the changes in the ownership of shares, that such regulation by an order can provide at best only an interim remedy since a majority of the shareholders cannot always be baulked of their right to elect a Board of their own choosing and prevented from having a say in the management in proportion to the voting rights they control. The Federation trusts that this realisation will be translated into practice.

Plan Targets

The Federation's representation, Mr. Bansal concludes, has been made in view of the need for rapid industrial development in the context of the second Plan and for the fulfilment of the targets in the private sector. Incidentally, it may be recalled here that the private industrial sector has still a long way to go before its second Plan

(*Continued on page* 1056)

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RECESSION CREEPS ON

From Our Own Correspondent

LONDON, *24th May*

UNEMPLOYMENT in Great Britain has now reached 450,000 or about 100,000 more than a year ago and about double the level of 1955. This is probably the most important factor in the Government's view—more important, for instance, than the rising gold reserves which have now reached £1,000 million or the hitherto satisfactory balancing of the trade accounts—in inducing them to support another cautious drop in Bank rate. The previous reduction to 6 per cent. was made two months ago and the ½ per cent. off brings the rate to 5½ per cent.

LONDON LETTER

The reduction was quite unexpected in the City and there are many who regard it as premature. They think it is further evidence that the Government, which is supposed to be determined upon deflation, really run away from it when it looks like being successful. The trade balance, they argue, may well have stopped improving and on the wages front there is little real resistance to continued concessions to meet the rising cost of living.

On the other hand, sterling is about as strong as it can be and the reduction in Bank rate will be seen as a measure of confidence that will enable strong sterling to be maintained at a cheaper price than hitherto. After all, in Western Germany the Bank rate is 2 per cent. less than that in London.

What future developments are possible in Bank rate policy? All money rates, of course, have now moved in sympathy with the Bank rate and the thinking is that the Treasury Bill rate will continue to fall away so that a further cut in Bank rate would be in line with market sentiment. The immediate response of gilt-edged prices to the drop is, of course, further evidence of this but the Bank is making out that a further fall should not necessarily be looked for. With a rate of 5½ per cent., it would be possible to have a rise instead of a fall; in other words, that Bank rate is now at a "normal" sort of level instead of at a "crisis" level. But most people in the City think this is said very much "tongue in the cheek" and that a rise in Bank rate now could only mean a crisis.

The recession does not seem to have altered the rise in retail prices and the cost of living index went up last month by a further 1 per cent. What then is one to make of the Government's concession to the New Zealand butter exporters of agreeing to clap quotas onto butter imports from Europe if the exporting countries do not do it themselves voluntarily? This move would raise butter prices by about 15 per cent. and so contribute towards increasing the cost of living. If the Government wants to hold wages down it must hold the cost of living down. In the case of British agriculture, the Government has achieved the twin objectives of cheap food and prosperous farmers by subsidising farmers out of general taxation. The New Zealand farmer is also subsidised and the Government there is prepared to bring the local butter support price down but it would still be about 25 per cent. higher than the low prices at which butter is being sent into this country from Europe. The question is whether it would not make more sense for the British Government to assure the New Zealand shipper of a given return, as it used to do until a few years ago when it was the sole importer of butter from the Dominion, than to make the British public pay for it in higher food prices. And this would really be a cheaper method for the nation than that proposed since those European countries who are prepared to spend their substance in financing cheap butter shipments to the United Kingdom would continue to do so and leave the Government only with the task of making up the difference to the Dominions shipper.

Another way of achieving the same object would be for the Government to offer a bonus on imports from New Zealand while the dumping from European countries continues. This method would be just as economic and would have the enormous advantage of letting people both in this country and in New Zealand know the true state of affairs. These quota techniques disguise what is really happening and are in fact methods of raising prices by inducing scarcity.

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AMERICAN LETTER

BIGGEST DROP IN INSURED UNEMPLOYED

SAVINGS CONTINUE TO RISE, BUT INCLINATION TO SPEND IS LESS

From Our Special Correspondent

NEW YORK, *17th May*

DESPITE a better tone in business, public opinion in the United States is gravely disturbed over developments throughout the world. Sputnik III was, of course, no novelty. But its size seemed awe-inspiring to many Americans. The latest propaganda round was won again by the Kremlin over the United States. The net result is that imaginations are running wild. "If the Russians are capable of sending one and a half ton of metal into space, they certainly can hit every spot on this globe," runs the reasoning—depressing thoughts in certain circumstances.

The political plight of France has had a deep impact here. The reaction was the same as that of a dear relative being hopelessly ill. Yet, when the end approaches, it is still a great shock. It should not be, but it is. What is happening now was discussed openly as long ago as last Christmas. The very thought of suggesting that Northern Africa under whatever name could ever be considered "territorial France" is just unthinkable to any outsider but the French. Rapidly succeeding governments, always ready to compromise every issue but this one, were never long enough in office to even approach a solution. Since de Gaulle has been turned down, the inevitable end seems to be that the extreme leftists will be taking over eventually. What will become of Africa, nobody cares to guess. One very well known U.S. foreign correspondent who just returned from France told me today that "the French do not seem to be ripe for democracy."

Another development disturbing to Americans is the growth of the United Arabs Republics and the hostile attacks against American property. All this was topped by the violent Latin American attacks upon Vice-President Nixon and his wife.

Rude Awakening

It was a very rude awakening for the United States to find out how strong the enemies are and, conversely, the relative weakness of this country's position. In the end, it was probably a salutary development, since no effort will be spared now to correct matters. What can be done as a practical matter remains to be seen. One U.S. trait is to assume that anything can be bought with a sufficient amount of dollars, victory on the battlefield, victory over cancer and infantile paralysis as well as victory in ideological matters. That illusion is now being shattered. How deep the shock has been is hard to tell at this time. The popular attitude is not too much removed from the French. Let's have a good time, let's go about our business—things will straighten out eventually.

So far as U.S. politics are concerned, the disastrous Latin American tour of Vice-President Nixon may have helped him and the Republican Party enormously—strange as it may seem. Mr. Nixon is now somewhat of a martyr who bore up well under a bit of adversity. He displayed restraint and dignity, coupled with a dash of naivete. In U.S. eyes, he is a hero and President Eisenhower was the first one to demonstrate it by receiving his No. 2 man in person at the airport instead of letting Mr. Nixon report at the White House. The multitude which was at hand at the airport to greet the Vice-President proved that psychology, too—although it was helped by a governmental ruling that U.S. employees may have time off for the pilgrimage.

There are quite a few political observers who predicted, even before Mr. Nixon's trip through Latin America, that the President may resign in favour of Mr. Nixon some time next year. This, it was felt, would give Mr. Nixon a chance to prove himself at the White House before the next elections came around. If this was true then, it is certainly truer today. In the meantime, President Eisenhower is labouring under a work-load that is hardly compatible with a convalescent from three serious illnesses at his age.

In the U.S. business and industrial picture, the most cheerful news was a drop of 70,900 in the number of insured unemployed in the week ended 3rd May. It was the biggest drop so far this year. Thus, the total drawing unemployment insurance was down to 3,194,800 out of a labour force of about 62 million. The report implied that much of the reduction was seasonal in the northern part of the country.

Building showed signs of life. On the basis of preliminary figures, April contracts for non-residential building in the 37 States east of the Rocky Mountains were up by 18 per cent. over April 1957. The other encouraging features included a 13 per cent. increase in contracts for apartments and other large residential buildings and a 16 per cent. boost in streets and highways construction.

Home Comes First

In the face of a steel and automobile industry still in the doldrums, building and construction is being favoured by the authorities, as, perhaps, capable of easier stimulation. A home is more basic than an automobile and a family buying a home these days any place in the U.S. certainly must have an automobile. But the home comes first.

Thus, the Administration asked Congress for an immediate $4,000-million increase in the Federal Housing Administration's authority to insure mortgages. The request covers the period through June 1959. The boost is needed, the Administration maintained, because the rise in the number of insurance applications so far this year has outplaced earlier estimates to such an extent that the present authorisations would be used up at an early date. The F.H.A. prescribes standards of building. It inspects the ground and finds out in the course of construction whether or not specifications are in order, before the insurance is issued.

Somewhat overlapping, but co-operating with the F.H.A., is the Veterans Administration. It issues guarantees on mortgages for qualified veterans on houses up to $12,500. They run for 30 years with an interest rate of 4½ per cent. It may be interesting to note that houses selling for, say, $13,000 today are being bought by people with an income of, say, $5,000 a year. Their monthly payments, including insurance and taxes, run in the neighbourhood of $85 a month. The old criterion was that a person should not spend more than one-fourth of his income on shelter. This still holds true in this income group.

Building Boom

Houses costing $17,000 to $20,000 are being bought by the $9,000 and $12,000 a year income group. Beyond that, one enters into the luxury category. It is probably difficult to understand the U.S. people's craving for their own homes. But families are again growing larger as a result of the enormous war and post-war prosperity, the cities are getting more crowded, city schools are getting poorer and the craving for fresh air is universal.

Personal income in the U.S. rose slightly in both March and April as against in 1957. April incomes were at a seasonally adjusted annual rate of $342,800 million, off only 1.3 per cent. from the peak of last August. They were up by $600 million from March and considerably above the figure of 12 months previously. Moreover, farm income has shown notable increases. Total personal incomes have held up well indeed. But people are cautious. Savings have been on the increase, but people do not seem to have any inclination to go on a spending spree. That is what is holding back the industrial economy of the U.S.—

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BRITAIN REDUCES BANK RATE AGAIN

NO RELAXATION OF MONETARY POLICY

THE British Bank rate was reduced by ½ per cent. to 5½ per cent. on the 22nd inst., two months after the previous cut of one per cent. was made on 20th March from the "crisis" rate of 7 per cent., at which it had stood since 19th September 1957. Thus, in the course of nine weeks, the British Bank rate has been reduced twice by 1½ per cent. in the aggregate. The latest cut has come just over five weeks after the Budget.

The main official explanation for the latest reduction in Bank rate, which determines the interest rates throughout Britain, is only "technical factors," and the same general considerations which governed the previous cut in March hold good for the latest step also, which, it is again explained, does not imply any general slackening of the British Government's economic policy. The reduction in March last has since been justified by the further rise of sterling in the international currency markets and the strengthening of the sterling area's gold and dollar reserves. Thus, in New York, spot sterling now stands at $2.81.11/16-2.81.13/16, as against $2.81.5/16-2.81.7/16 just immediately after the previous reduction and $2.78.3/16-2.78.5/16 on 19th September 1957, the day on which the Bank rate was last raised to the emergency level of 7 per cent. In fact, the spot rate for sterling almost touched the par value on 17th April 1958, when it came up to $2.81.13/16-2.81.15/16, but the authorities had deliberately kept down the rate by open market operations.

The sterling area's gold and dollar reserves, which had drained down to a low of £1,850 million at the end of September 1957, slowly accumulated themselves to $2,539 million at the end of February this year and further to $2,914 million at the close of April. Judged from the encouraging improvement in the country's economy, it was generally expected that a further cut in the Bank rate from the 20th March level was a certainty, but last week's announcement was not without an element of surprise. For, with the internal labour trouble on wage issue in full swing and with the political upheavals in France and Lebanon, it was least expected that a cut would be made now. Presumably, the Bank of England authorities thought that the technical considerations which had been in favour of a reduction in Bank rate for some time past outweighed the other considerations. The technical factors would have justified a cut earlier, but the events of the last two weeks would seem to have delayed it. Seeing that sterling had stood well against foreign developments, the Bank made bold, but cautiously, to enforce the cut, which was justified also by the trend of interest rates abroad.

Speaking on the distinctly encouraging resistance of sterling, Mr. Cameron Cobbold, Governor of the Bank of England, in his address to the Manchester Chamber of Commerce on the 19th inst. (that is, three days before the reduction in Bank rate), said:

"The behaviour of the U.K. balance of payments has continued the satisfactory showing of the early months of the year, suggesting that there is a real foundation of progress towards stable prices and a stable exchange situation. If that is so, it is a foundation very well worth consolidating. Our main effort in the coming months must be to consolidate it and to avoid another of the exchange crises which have plagued us in the last ten years."

Making it clear that he made no prophecy, Mr. Cobbold added:

"We must obviously keep our eyes wide open. If things should move further downwards during the summer and autumn, it is surely important that we must be as strong as we can be, and we shall be able to meet what may be coming to us if we start from a sound position."

While official circles emphasise that the latest cut in Bank rate, as on the previous occasion, does not indicate a general relaxation of the monetary policy, it, no doubt, reflects the Government's growing confidence that inflation does not offer a serious threat to the country's economy. There is, in fact, a section of opinion which thinks that the Bank rate could have been cut safely to 5 per cent. and by doing so, the U.K. authorities could have demonstrated to the world their confidence in the U.K.'s economic prospects without creating the impression that it was switching over to cheap money policy. For, it is pointed out that "anything over 4 per cent. or so is a crisis Bank rate by U.K. standards and by the standards of most other leading commercial countries." Moreover, a cut to 5 per cent., it is stated, would still have left short-term money rates in London so much higher than those prevailing in the other main international financial centres that there would have been little danger of the pound being adversely affected by a reversal of the recent steady inflow of liquid funds from abroad.

The cautious step taken by Britain in reducing the Bank rate by only ½ per cent. shows that the authorities intend relaxing their monetary policy slowly and effectively by consolidating the gain before another step is taken again. Expressing his satisfaction that the financial restrictions aimed at halting inflation and putting the brake on rising prices were working satisfactorily, the British Prime Minister, Mr. Harold Macmillan, gave an assurance in London on the 22nd inst. that the Government would not keep any of the measures any longer than was absolutely necessary. The main object of the various steps taken by the Government, he added, was to prevent a rise in costs, lesser employment at home, and a lower standard of living and to provide a sound base for future expansion. It is clear from Mr. Macmillan's speech that the latest lowering of the Bank rate is one of the steps to consolidate the country's position and to resume expansion slowly and cautiously.

WORLD BANK LENDING IN ASIA TOUCHES $1,000-MILLION MARK

The World Bank's loans to Asian countries will approach the $1,000-million mark when two new Indian loans, now approved, are signed, and two further electric power loans in Japan have been negotiated. According to World Bank figures, India leads the Asian countries as a recipient of bank loans to 1st May this year, with the amount committed amounting to $372.61 million. Pakistan is next with commitments amounting to $126.45 million. The two new loans to India that will swell World Bank's Asian lending to $873 million are $29 million for improvement of the Port of Calcutta and $14 million for similar works at Madras.

World Bank lending in Asia is running at record levels. Six weeks remain in the fiscal year, and new loan volume in Asia has already reached $274 million—more than $100 million higher than that in any other fiscal period. This is the third fiscal year in succession that Asian member countries have received the largest share of World Bank loans. Four loans to India—each in a different currency—which were made in the current year serve as good examples of the objectives of bank lending. These loans aggregating the equivalent of $90 million are helping India's railways meet two years' foreign exchange costs on its huge five-year improvement programme.

The World Bank has made seventeen loans in Asia aggregating $229 million directly to private enterprise or to official agencies re-lending to private enterprise. In India, the Bank has lent $195 million to private interests, with the biggest borrowers comprising the private sector of the country's steel industry—Tata Iron and Steel Company and Indian Iron and Steel Company. These concerns borrowed $159 million from the Bank to help them finance imports of equipment and services necessary to double their productive capacity. Two further loans amounting to $26 million were made to the Tata Power Company to help finance the initial construction and later expansion of the Trombay power plant. The original plant is now supplying 125,000 kw. capacity to the city of Bombay, and an additional 62,500 kw. will go on the line in this area in 1960.

In Pakistan, the Bank has lent $22.4 million for private enterprise. Sui Gas Transmission Company Ltd. borrowed $14 million to help finance construction of a pipeline which is now supplying natural gas to Karachi and other centres. A loan of $4.2 million financed a part of the costs of the plant of the Karnaphuli Paper Company Ltd.

Two other loans to private enterprises in Asia are one for $10 million to the Industrial Credit and Investment Corporation of India, Ltd., and one for $4.2 million to the Pakistan Industrial Credit and Investment Corporation. These organisations are designed to serve as a focus for capital formation and investment funds for development. In addition to lending funds to bolster the foreign exchange resources of these institutions, the Bank was active, through consultants, in the drawing up of their charters and in obtaining substantial equity investment from the United States and other sources abroad.

A breakdown of World Bank loans in member countries in Asia up to 1st May 1958, follows:

To Burma, two loans amounting to $19.35 million; to Ceylon, one loan of $19.11 million; to India, 16 loans of $372.61 million; to Iran, one loan of $75 million; to Iraq, one loan of $19.8 million; to Japan, nine loans comprising $92.9 million; to Lebanon, one loan of $27 million; to Pakistan, nine loans, comprising $126.45 million; to the Philippines, one loan of $21 million, and to Thailand, six loans comprising $106.8 million. The total is 47 loans or $873.02 million.

STATE BANK OF SAURASHTRA

The Government of Bombay has made it clear that it has no intention of departing from the policy laid down by the former Saurashtra Government in the matter of working of the State Bank of Saurashtra. It emphasises once again that the legal power vested in the State Bank of Saurashtra whereby arrears of dues owing to it could be recovered by a revenue process as arrears of land revenue will be exercised only in relation to the loans taken over by the Bank from the several banks through the amalgamation of which it was constituted and to long-dated loans granted to industrial undertakings, within the territories now comprising the Bombay State and which are outside the purview of normal commercial banking.

Under section 187 of the Bombay Land Revenue Code, 1879, as adopted and applied to the then State of Saurashtra, a provision was made whereby arrears of dues owing to the State Bank of Saurashtra were made recoverable by a revenue process as arrears of land revenue.

The then Saurashtra Government had made it clear in March 1954, that this provision would be exercised only in relation to the loans taken over by the State Bank of Saurashtra from the several banks through the amalgamation of which it was constituted and to long dated loans granted to industrial undertakings which were outside the purview of normal commercial banking. It was also made clear by the then Saurashtra Government that it was not their intention to place the State Bank of Saurashtra in a favourable competitive position *vis-a-vis* the other commercial banks operating in Saurashtra.

EXPORT-IMPORT BANK LENDING AUTHORITY INCREASED

President Eisenhower signed, on the 22nd inst. a Bill increasing the lending authority of the Export-Import Bank of Washington from $5,000 million to $7,000 million. Both branches of Congress acted favourably on the measure in response to a request included in the President's Budget Message of 13th January, and in his Economic Report of 20th January.

The Export-Import Bank was organised to assist in financing and to facilitate exports, imports and the United States' international exchange of commodities. The Bank is required by law to supplement and encourage private capital, not compete with it, and to make loans only on reasonable assurance of repayments. The funds for its operations are borrowed by the Bank from the U.S. Treasury. Since its organisation, the Bank has made loans in all parts of the world including the recent $150 million line of credit to India.

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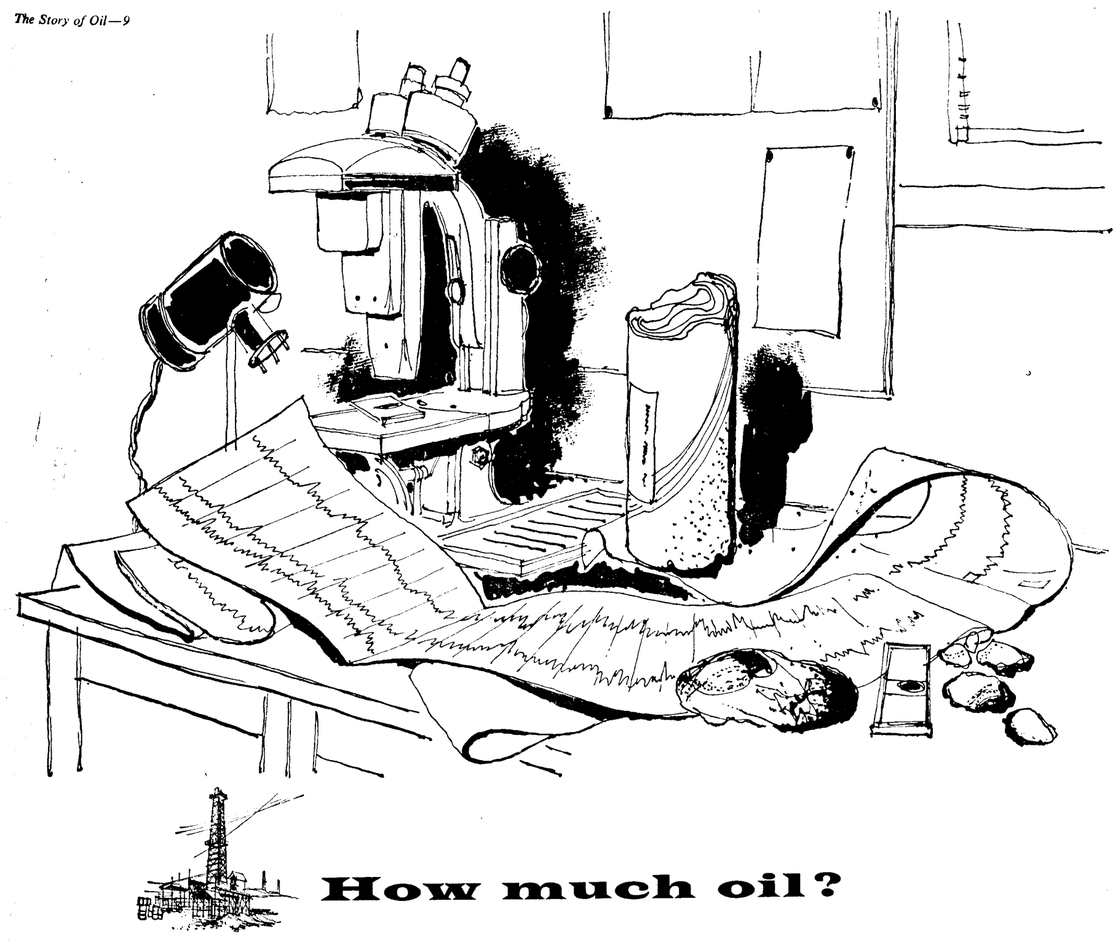
D. P. PARTHASARATHY
Secretary.

The Story of Oil—9



How much oil?

One oil well does not make an oilfield. As soon as the first well in a new area gives proof of steady production the next step is to establish the extent of the oil accumulation in its underground trap. This is done by drilling further wells, the programme for which is based on the results of scientific surveys and tests carried out during the drilling of the discovery well.

Surveys for such " down-the-hole " information are commonly made by recording instruments lowered into the well on a cable. One instrument produces a record in the form of wavy lines on a chart which, when interpreted, confirms the nature of the rocks penetrated by the drill and shows exactly where the oil zone lies. Another instrument gives records from which the amount and direction of the slope or dip of the rock layers can be calculated.

Tests carried out in oilfield laboratories include analyses of samples of rocks and oil recovered from the well. From rock samples it is possible to calculate how much room there is for the oil in the spaces between the grains of sand in a sandstone rock, and the amount of water associated with the oil. An analysis of a sample of crude oil gives data about its gas content and other characteristics.

With all this information to hand the development of the oil find can proceed on a planned basis, and decisions can be made on how far apart the wells should be drilled, how deep they should go, how many drilling outfits will be kept in operation, and what size of refinery will be required.

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SETBACK TO COTTON TEXTILE EXPORTS

TRADERS URGE IMMEDIATE AID MEASURES

DESPITE all the stress laid on boosting sales of Indian cotton piecegoods abroad and the activities of the Cotton Textiles Export Promotion Council, the business actually put through with foreign countries has suffered a distinct setback of late. The total exports of cloth during the first four months of the current calendar year amounted to not more than 216 million yards (preliminary estimate only), a drop of as much as 105 million yards as compared with the corresponding period of 1957 when exports aggregated 321 million yards. The downward trend in exports is expected to persist in the coming months also, so that the total shipments for the whole of 1958 would be around 650 million yards, as against 850 million yards in 1957.

The setback to cloth exports is, indeed, disquieting, especially in the present context of the none too happy foreign exchange position. Since cotton textiles constitute one of the staple earners of exchange, the situation demands immediate measures to relieve the crisis and this should be done on a concerted basis at both Government level as well as trade level. This aspect was impressively brought out by the All-India Exporters' Association, Bombay, in the course of a memorandum submitted to the Union Minister for Commerce and Industry, Mr. Lal Bahadur Shastri, during his recent visit to the city. It is gratifying to note that, in his reply to the memorandum and the suggestions made verbally by the members of the Association, the Minister expressed his full sympathy for the development of export trade in cotton textiles and assured the Association that the Government would try to help the trade as much as possible.

Trend of Exports

Before referring to the suggestions put forward by the Association for promoting exports of cotton textiles, it will be appropriate to indicate the trend of exports in the four months ended April 1958 as compared with the same period of 1957. Here are the relevant figures:

(In million yards)

	Total	Coarse	Medium	Fine	Superfine
1957					
January	90.66	22.07	63.07	2.90	1.62
February	71.47	17.59	50.93	1.58	1.06
March	83.99	20.97	59.80	1.32	1.90
April	74.90	18.67	52.62	1.87	1.74
Total ..	321.02	80.01	226.42	7.67	6.92
1958					
January	63.92	19.66	42.06	0.44	1.79
February	47.72	15.04	30.27	0.05	1.76
March	53.95	16.91	34.58	0.45	2.01
April	50.35	15.87	31.44	0.61	2.43
Total ..	215.97	67.48	138.35	2.15	7.99

The Association sought to impress upon the Minister for Commerce and Industry the fact that the export trade in cotton textiles was almost facing a "crisis of unprecedented magnitude." It was highly doubtful whether exports of even 700 million yards could be reached during 1958. The Association referred to certain disturbing trends in a few important markets for Indian textiles. The analysis reveals that Sudan has stopped the O.G.L. for cotton textiles which will seriously affect India's cloth trade with that country. Indonesia has become a trouble spot and hence exports from India to this country are not likely to be maintained. Canada is tightening its cloth import policy. The U.K. has been clamouring for a reduction in cloth exports from India, Pakistan and Hong Kong. All these factors, it was pointed out, were bound to affect adversely our cloth trade with these countries. The Association also drew the attention of the authorities to the more alarming news from the East African territories that the Governments of Kenya, Uganda and Tanganyika have imposed an enhanced import duty on grey and non-grey varieties of cloth as well as other textiles. It is reported that the incidence of import duty will be more than 50 per cent. on grey cloth, about 50 per cent. on non-grey cloth and nearly 100 per cent. on printed cloth. Incidentally, it may be noted that the quantity of cloth actually sold to East African markets last year was of the order of over 75 million yards, representing about 9 per cent. of the total exports to all destinations. With the imposition of higher import duties, the whole picture for the future, as the Association suggested, seems to be a bleak one; this is a situation which can be dealt with only at Government level.

The Association urged the Government of India to implement immediately the remedial steps suggested by the Export Promotion Committee which, it pointed out, were well thought out and represented a large measure of unanimity among the various associations. These steps, it will be recalled, relate to: relaxation of conditions attached to the licences issued to mills for the installation of automatic looms; permission for installation of a sufficient number of automatic looms to allow the production for export purposes only of 1,000 million yards of cotton cloth a year by way of replacement of existing plain looms; permission to mills to import modern machinery and equipment up to a certain percentage of the value of goods that may be exported by them in excess of their normal exports, say, about 50 to 75 per cent; removal of such restrictions as those formerly imposed on exports of mineral khaki cloth; permission to stockists of cloth to enter the export trade; a refund of excise duty already paid on cloth held in stock is recommended for the purpose; facility for the processing factories to clear cloth from mills without payment of excise duty which will be paid by the former in case the cloth is sold in India and not exported; and abolition of controls on the manufacture by mills of certain varieties of cloth for purposes of export.

Six Other Suggestions

Over and above these recommendations, the All-India Exporters' Association placed before Mr. Lal Bahadur Shastri six other suggestions. First, in order to have effective results, the incentive measures should be promptly announced so that advantage can be taken by exporters to negotiate business with foreign buyers. Secondly, a small portion of export proceeds must be allowed as currency retention for promoting exports; thirdly, the present structure of railway freight has increased the incidence of cost which ultimately affects the competitive character of Indian cloth in the foreign markets. It is, therefore, urged that the Government should immediately announce some rational basis of railway freight for the purpose of exports of cloth and other items which may go a long way towards reducing the prices of cloth exports. Fourthly, in place of free licensing of cloth, O.G.L. must be introduced. Fifthly, the present practice of compulsory tex-marking on the exports of cloth should be abolished. Finally, exporters other than manufacturers who are exporting ready-made garments in which duty-paid cloth is used should be given refund of excise duty as a measure of incentive, so that ready-made garments can get an acceleration in the neighbouring markets where there are prospects of increasing trade in these garments. At present, this facility is only for manufacturers of garments.

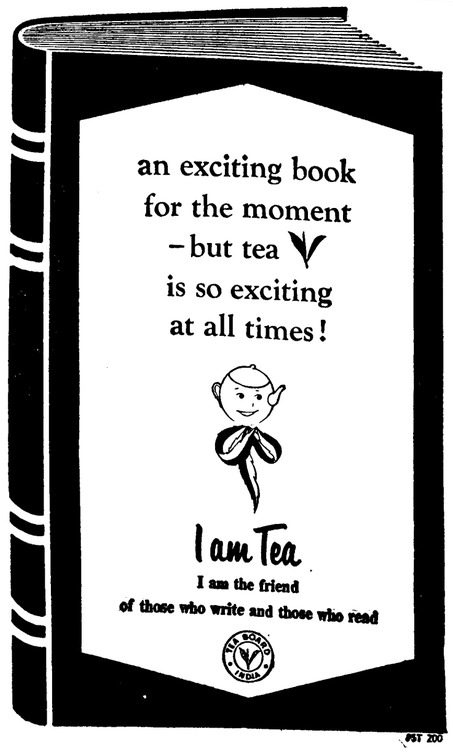
These are, indeed, quite sound suggestions and they merit the consideration of the Government. Equally sound are the two other suggestions made by the Association. In the first place, as against the loans advanced by India to the Burmese Government, Burma should be persuaded to purchase Indian cotton textiles through private trade channels. The second suggestion pertains to the recent regulations imposed by the Nigerian Government under which Indian exporters should henceforth produce manufacturers' invoices for the purpose of passing their goods from customs. It is stated that this condition is difficult to be fulfilled; exporters can produce the certificate of origin by a recognised chamber of commerce or association. The Association urged the Government to take up this question on a Government level and thus remove the hardship caused to exporters.

TEXTILE IMPORTS INTO AUSTRALIA

The Government of Australia has lifted the emergency restrictions on imports of printed cotton textiles. This decision was a sequel to the Tariff Board's recommendation against tariff protection for the printed textile industry. According to the Trade Minister of Australia, the textile printing industry's cotton cloth can be imported from the cheapest sources of supply and very little duty will be payable, but the industry's costs are such that extremely high duty on already printed textiles will be necessary if the industry is to be protected.

The Government has also revised duties on artificial silk piecegoods. The revised duty under the British preferential tariff is 2*s.* 6*d.* per square yard (as against the previous rate of 1*s.* 6*d.*) *less* 15 per cent. *ad valorem* with a minimum duty of 1*s.* 6*d.* Under the intermediate tariff, the duty proposed is 2*s.* and 8½*d* a square yard, less 15 per cent. *ad valorem* with a minimum duty of 1*s.* 8½*d.* The previous duty was 1*s.* 8½*d.* Under general tariff, the duty will be 3*s.* 1½*d.* a square yard less 15 per cent. *ad valorem* with a minimum duty of 2*s.* 1½*d.* The previous duty was 2*s.* 1½*d.* The increased duties on a sliding scale will operate when the value for duty is less than 80*d.* per square yard.

The Government of India has decided to consider applications from actual users on an *ad hoc* basis for the grant of advance licences for the import of wool raw and wool tops for the licensing period October 1958-March 1959. This has been done, it is stated, to ensure uninterrupted supply of this raw material to the woollen industry so as to enable the latter to draw up a planned production programme.



GOVERNMENT ACTION TO HELP COTTON INDUSTRY URGED

WEAVERS' UNION ON REDUNDANCY PLAN

From A Special Correspondent

MANCHESTER, 20*th May*

TEXTILE traders in Britain have been watching the progress of negotiations between the National Farmers' Union and the Government over the question of imports of foreign butter with more than usual interest. They cannot help but compare the attitude of the authorities on this matter with that taken up when imports of cotton goods are under consideration. A good deal of adverse criticism has been voiced at the decision to stop imports of Belgian butter on the ground that they represented "dumping" on the British market.

MANCHESTER LETTER

There can be no doubt that the supplies of foreign cotton cloth reaching this country are entering the home market at prices well below comparable goods made in Britain. That the Government refuses to take restrictive action is mainly due to the fact that the major proportion of these imports is from Commonwealth and Colonial sources.

Questions about this attitude may well be hurled at the Prime Minister when he addresses the Cotton Board's annual conference at Harrogate in October. Mr. Macmillan thus emulates the example of Mr. Thorneycroft in venturing within "the lion's den." His courage is to be commended, but, if precedent is followed, few members of the audience will be able to direct verbal arrows at him. At the same time, there will certainly be very great attention paid to what Mr. Macmillan has to say. Much can happen in the meantime to change the situation, but it looks as if there will have to be some move by the Government, rather than through trade sources, if any way out of the current impasse is to be found.

Views Vary

Conflicting opinions have been expressed within the trade about the outlook following the conclusion of talks between British and Eastern trade leaders. Much depends on the way in which the official statement issued at the end of the discussions has been interpreted. To many, the failure to secure an agreement in detail on the extent of future imports was taken to mean that the negotiations had proved unsuccessful. It was pointed out that the representatives of India and Pakistan had already accepted the principle of limitation during similar discussions last year.

Those with a more intimate knowledge of the progress of the discussions, however, are not discouraged. Their belief—and it must be soundly based—is that the continuance of negotiations has served its purpose in maintaining contact with the leading personalities in the two countries involved and that the door has not been closed on further discussions on the subject. The hopefulness of the position is centred on the final phrase of the official statement indicating that "consideration is still being given to various possibilities."

Further Action Urged

Leaders of the cotton trade unions, at a meeting in Manchester this week, decided to seek a meeting with Labour Members of Parliament representing textile constituencies in Lancashire and Cheshire to urge further action on the part of the Government to assist the industry. Alderman H. Chorlton of Rochdale, President of the United Textile Factory Workers' Association, said that there was a crisis in the cotton industry. Stoppages were taking place in numerous mills, short-time was being worked and was causing much unemployment. The Association, he added, was determined that something should be done to draw the attention of the Government to the increasing seriousness of the position.

Delegates to the annual conference of the Textile Officials Association have also decided to appeal to the Prime Minister for Government action to help the Lancashire cotton industry. A resolution said that spinning and weaving mills were closing down and there was a widespread decline in activity; unless the position improved Lancashire would become "impoverished."

Mr. William Abbott of Shaw, the President, referred to the difficulties Lancashire firms were meeting in export markets and suggested that the Cotton Board should consider sponsoring sales in overseas markets. Lancashire should intensify its salesmanship abroad, with more emphasis on the personal touch.

Redundancy Plan

It was only to be expected that the trade unions would resent the fact that they did not get prior intimation of the intention to launch Weaving Reorganisation Ltd. as a means of dealing with redundancy in the manufacturing section. This feeling is noticeably present throughout the comments on the subject in the annual report of the Weavers' Amalgamation. In its report, the Amalgamation gives a lukewarm blessing to the scheme, particularly if it can rid the industry of the weak sellers who have for so long been the bane of the weaving branch. "It is well known that there is a number of weaving sheds selling cloth cheaper than others by using up capital assets, ignoring sinking fund charges and letting the machinery gradually run down," the report adds.

Turning from the principle of redundancy to the practical application of such a plan, the union leaders are understandably anxious of the effect on individual operatives. They fear history repeating itself "in the Jarrow approach." If the industry must contract still further, the report continues, it were better that the weak sellers went first than that sound mills should be the victims of "take-over" bids by outside financial interests.

Supplementing its views by definite proposals, the weavers' union puts forward a programme for the consideration of the employers. They urge that long-term notice to close a mill should be given, suggesting that six months' margin would be little enough to enable operatives to seek other employment. In a number of areas, the village mill has for generations been the one source of work in the locality. Cases have occurred where the closing of such a firm has created a severe social problem. The union rightly stresses the need to keep mills running, particularly in such instances, wherever it is possible, by re-equipment or by changing policy to create an efficient unit.

Compensation Scheme

So far, the programme includes ideas which can be discussed and acted upon if the spirit moves those in control. The call for compensation is a tangible factor, which has already been the subject of a joint approach to the employers by all the cotton trade unions. "Adequate compensation should be made to displaced operatives to help them to readjust themselves to new circumstances," the report declares.

In another section of the document, more details are given of the actual claim for compensation which has been submitted. The establishment of a central fund on the basis of a levy equal to 0.25 per cent. of the wages bill in every mill would provide nearly £200,000 in a year, even taking average earnings at the low figure of £6 10*s.* a week.

The unions suggest no compensation for operatives with under five years' service in the industry, but, for others made redundant, they propose 13 weeks' wages, plus one additional week's pay for each year of service up to a maximum of 50 weeks. No compensation should be paid if employment is available in the same grade, but proportional adjustments should be made if lower grade work is offered. If a redundant operative refuses to accept reasonable alternative work, he or she would have no claim on the fund.

Production Contrasts

Although output of cotton and rayon goods in Lancashire in the first quarter of the current year exceeded the weekly average production during the whole of 1957, a comparison between recent returns and those issued 12 months ago underlines the inevitable fall in machine activity. Too many mills have closed down, while others have increasingly adopted short-time working, for the average output to be unaffected; even so, reports tend to accumulate of rising stocks in certain quarters.

Whereas activity in purely cotton goods was fairly well maintained during most of 1957 with a fall in production of both yarn and cloth in the man-made fibres range, the reverse has so far been the case in 1958. Output of fabric produced from man-made fibres is still lower than last year, but synthetic yarns have held their own, largely as a result of the widening number of end-uses in the industrial sector.

The main feature of the March returns issued by the Cotton Board was the reduction in

(*Continued on page* 1055)

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A DIFFICULT YEAR, DESPITE GROWTH IN SALES AND OUTPUT

STATEMENT OF THE MANAGING DIRECTOR, MR. H. M. L. WILLIAMS

THE Twenty-eighth Annual General Meeting of Guest, Keen, Williams, Ltd. was held in Calcutta on 29th May 1958. The following statement was made by the Managing Director of the Company, Mr. H. M. L. Williams, on the occasion:

"The year 1957 has seen a continuation in the growth of the Company's sales and output generally, but it has been a difficult year. In spite of the greater out turn, earnings have not been maintained at the previous year's level due to the continued rise in manufacturing costs and the increased costs of stores and of almost all commodities bought out. This experience is in common with that of many other enterprises in India and, if you recall the remarks I made to you last year, will not be any surprise.

"The year started with good order books, which were maintained throughout the succeeding months at a satisfactory level in the Company and its Subsidiary. During the year the deliveries of steel from overseas were most irregular, and from the end of February until the end of September imported spring steel billets and sleeper bars were generally not available. When these raw materials eventually arrived the deliveries were out of phase with the Works' consumption rates so that during the latter months of the year, and well into 1958, additional financing and handling costs have had to be borne.

"Raw materials remain the largest factor in the cost of production, and every rise in steel prices causes a commensurate rise in working Capital required. Salaries and wages continue to increase and are the second greatest cost factor; during the year under review they rose by over 15 per cent of the 1956 figure. The rate of taxation on the profits of 1957 is the highest in the history of the Company. In spite of a fall in the surplus before taxation the amount provided for Tax and directly attributable to the year's operation exceeds that actually provided in 1956 by almost Rs. 2½ lakhs; in addition there is a further liability of nearly Rs. 14 lakhs for 1956, which has had to be found from Reserves.

Accounts

"The Accounts are presented for the second year in succession under the 1956 Companies Act, and for the first time it is possible to show the comparative figures of the previous year. To assist in making this comparison two-colour printing has been used, and I hope you will find the general presentation of the Accounts brochure up to expectation. The practice adopted last year of showing a summary of the Profit and Loss Account in a simplified form has been continued, but modified in a way which it is thought will readily appeal to Shareholders.

"For the 52 weeks ended 28th December 1957 on a total of sales and miscellaneous income of Rs. 9,18,58,837, compared to Rs. 8,01,08,259 for the previous year, the surplus before taxation has fallen by Rs. 11,56,572 to Rs. 1,41,13,317. The provision for taxation at Rs. 72,00,000 shows an increase of Rs. 2,39,226 over 1956, but with regard to the taxation of that year reference is made under the heading of Appropriations. Included in the provision for 1957 is an amount of Rs. 2,40,512 for Wealth Tax.

Appropriations

"You will see from the Report of the Directors that having paid an Interim Dividend of 8 per cent without any deduction for Tax, they now recommend a final dividend of 12 per cent without any deduction for Tax, and a transfer to General Reserve of Rs. 25,90,741, appropriating the remaining balance at the credit of the Profit and Loss Account. In making these recommendations your Directors have given consideration to the rate of dividend and, in view of all the circumstances of the year, think that it is proper to maintain the Shareholders' distribution not very different from the previous year.

"I would like to draw your attention to the item in the Appropriation Account amounting to Rs. 13,75,133 for Taxation relating to the previous period. This further impost arose as a result of changes in the Tax rates and the introduction of the Wealth Tax, which were not announced until May 1957, and of course had to be found out of the unappropriated profits of 1956. Minor adjustments in the taxation structure between the years are not unexpected, but on this occasion the amount concerned is very substantial, and when looking back on the final surplus for the year 1956, must not be ignored.

Balance Sheet

"The additions to Fixed Assets during the 52 weeks ended 28th December 1957 amounted to Rs. 62,26,724 and shows a substantial increase in comparison with Rs. 36,38,362 for the previous year, reflecting the progress of implementation of the plant rehabilitation and of the new Development Schemes. In addition the cost of Capital works in progress and advances to suppliers of Capital equipment are very substantial at Rs. 1,15,13,531, the finance for which has been found mainly from Reserves.

"Stocks in hand have increased by Rs. 1,21,60,041 to Rs. 3,18,84,623 due to large quantities of construction stores being required for development work and the out-of-phase deliveries of imported raw materials which I mentioned in my opening remarks.

"Under Book Debts, customers' accounts have risen considerably to Rs. 1,96,00,364 due to an improved volume of sales, and to the inflationary effect brought about by the higher cost of raw materials. Also contributory are the delays in settling price amendments with Government. The problem of long term outstandings over three months is being constantly tackled, but with two statutory alterations in the price of steel during the year, together with the difficulties in realising Sales Tax between different Government Departments, great pressure is being put on the Company's liquid resources, and at the end of the year the Company had a Bank overdraft of Rs. 92,70,265.

Production

"The output of both Calcutta and Bhandup Works has shown a continuing rise in most of the major producing departments, which is very satisfactory; an exception is the fall in output of the Railway Switches and Crossings Department to which I refer later. The Steel Sleeper Department, contrary to earlier planning, had to be kept in spasmodic operation throughout the year converting imported bar into finished track sleepers as and when supplies became available; on account of this and delay in delivery of new plant the expected changeover to greater production of steel turnout sleeper has been delayed, but I am glad to tell you that since the end of the year it has been possible to overcome some of these difficulties.

"The Bolt and Nut Works continues to maintain its steady rise in output of the past few years and the tonnage sold in 1957 was over two and a half times that in 1953. Much of last year's sales relate to the heavier fastenings for the Railways which have to be executed at very low margins and do not reflect a commensurate rise in profits. The past year showed a marked increase in demand for bright finished specialised bolt and nut items. However, whilst raw material supplies improved towards the end of the year, they were still insufficient and too irregular to enable the major portion of the plant to be worked on a two-shift basis.

"The Steel Melting Furnace had another successful year and worked up to what must be considered as about its peak output of over 8,000 tons which, from this size of furnace making special quality steels, is most satisfactory. The production of forgings for wagon and other Railway needs such as signal and track appliances, continued at a high level. The Forging Section has in addition produced an increased variety of items for the automobile industry. The Railway Track Fitting Section which makes tie bars, cotters, keys, rail anchors and loose jaws was another department to achieve a record output, but the demand for these items appears to be nearing saturation point and, since the end of the year, plant capacity is not being fully utilised.

"The Screw Works at Bhandup has once again held its own in the race for greater production, and at nearly four million gross of wood screws shows a remarkable build-up over the past five years from nothing to a figure of about half the Country's requirements. At the same time this Works has continued to increase its production of most of its other items, and during the year added screw eyes to the range of products.

"Page 4 of the Report brochure gives a graphic illustration of the past year's output in most of the major production departments, and the general steadiness of the upward trend will, I hope, be considered as satisfactory. To these has also to be added the Calcutta Rolling Mills, which is the king pin of most of the fabricating departments and supplies them with rolled bars and sections.

"Throughout Calcutta and Bhandup Works continually mounting costs have now become a feature of production requiring the constant attention of management in our industry, and indeed in all industry today. Labour and material costs have again risen. Whilst improvements in productivity achieved by modernisation have helped to counteract this rising trend and keep our prices and quality standards competitive, there is a limit at which the level of costs must so affect the price of our products that employment can be endangered. The Company has always paid great attention to producing a quality of product acceptable by high standards, and the wisdom of following such a policy is certainly sound as a long term policy for an engineering enterprise supplying the Country's needs. Nevertheless, the fact must not be overlooked that customers in India are often conscious of price before quality, and it therefore behoves a Company such as yours with substantial overhead expenses (compared to many smaller units) to obtain the maximum effectiveness in operation, whether it be the use of man power, raw materials or machines.

Agency Department

"This Section continues to try hard, and much effort has been applied during the year to working up those Agencies which look like having a reasonable period of life ahead of them. Unfortunately, the restrictive Import Licence Policy now means that most sales are confined to forward delivery and put on the Company's customer the onus of obtaining an "Actual Users" import licence. The quota licences for items which at one time formed a good turnover as sales ex-stock are now almost non-existent.

"However, in spite of these difficulties Invoiced Sales and Commissions, which latter made a valuable contribution, totalled Rs. 42,36,174. The problem of clearing sea consignments through Calcutta Port, I am pleased to report, have eased during the year, but it still seems impossible to clear air and postal consignments expeditiously.

Development and Future Prospects

"The past year was the beginning of the large-scale additions (as apart from rehabilitation) to Calcutta Works, and it saw a progressive increase in plant installed at Bhandup. This expansion programme, as at present planned is for implementation over the years 1957 to 1959, during which time very substantial sums of money have to be found. Accordingly your Directors have been considering ways and means of increasing the Capital of the Company; unfortunately, their task is not made easy by today's atmosphere of heavy Taxation with the present deterrents to Capital formation, which check the natural evolution of Capital growth from within, and offer little inducement to the potential investor in Industry.

"Last year I mentioned that the new Tax proposals were no inducement to any investor and now that they have become facts, you can see from the Company's Accounts what a huge load has been imposed on our resources. To be successful any enterprise must continually keep itself up-to-date and introduce more efficient machinery and be constantly on the lookout to combat rising costs of manufacture. Your Management is fully aware of this need, and during the past year the new Central Tool Room has been completed, which should be a help i

(*Continued on page 1055*)

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CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
CALICUT
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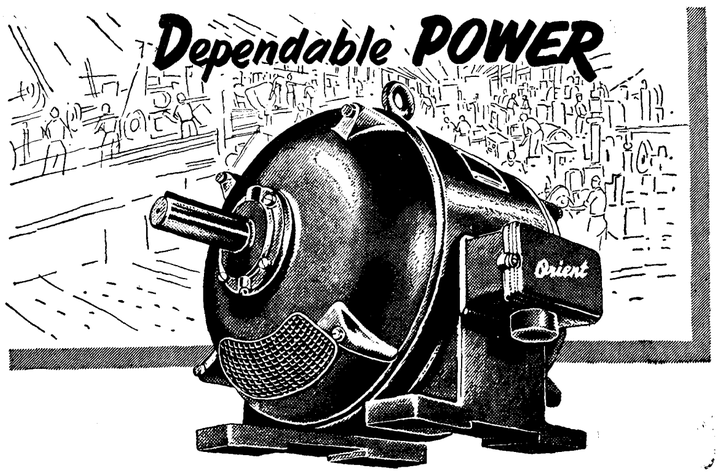
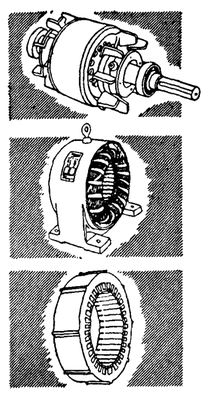
D. G. MOORE, Manager.





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SUGAR INDUSTRY IN INDIA'S ECONOMY

CANE ACCOUNTS FOR 60 PER CENT. OF VALUE OF MANUFACTURE

ALTHOUGH cultivation of sugarcane and production of sugar originated in India in ancient times, it was not until the grant of tariff protection in 1932 that a real beginning was made in the manufacture of sugar by the modern vacuum pan process. The progress achieved by the industry since then has been so phenomenal that it ranks today as the second biggest industry in India, next only to textiles. The industry produces such an essential article of food as sugar, provides the means of living to the workers in the mills and an army of cane growers, and contributes crores of rupees as taxes and levies to the Central and State Governments, as well as to local bodies. How vital is the role played by the sugar industry will be clearly evident from the latest official census of the industry (excluding the *gur* sector), which, though it relates to a year which is more than two years old, that is, 1955, gives some idea of the importance of the sugar industry in the national economy.

The salient features of the census of sugar industry are indicated in the table given at the bottom of the page. It will be seen therefrom that the number of factories registered in 1955 was 161, of which returns were received from 153 units, a coverage of 95 per cent. The value added by sugar manufacture during the year 1955 was as much as Rs. 29.64 crores. The value added by manufacture is arrived at after deducting the value at factory of materials, fuels, etc., consumed and amount paid to other concerns for work done for the factory which together aggregated Rs. 86.72 crores, as well as depreciation (Rs. 1.82 crores), from the ex-factory value (Rs. 118.18 crores) of products manufactured, by-products derived and work done for customers. The value of sugar production in the 153 sugar factories during 1955 amounted to Rs. 116.49 crores, while that of other products was Rs. 2.24 crores, or a total of Rs. 118.73 crores. Out of this, the share of the State of Uttar Pradesh (the biggest sugar-producing State) alone was Rs. 64.45 crores. The share of other important States was: Bihar Rs. 23.51 crores; Bombay Rs. 13.64 crores; Madras Rs. 4.86 crores; and Andhra Rs. 4.82 crores.

Productive Capital

The total productive capital employed in the 153 sugar factories in 1955 was of the order of Rs. 89.99 crores. The bulk of this—Rs. 65.10 crores—was accounted for by working capital, the balance of Rs. 24.89 crores representing the share of fixed capital. Of the working capital, the stocks of finished products and by-products alone were valued at Rs. 52.12 crores. The working capital utilised for holding stocks of raw material was Rs. 10.11 crores, cash in hand and at the banks was Rs. 2.51 crores, and semi-finished products in stock or in process accounted for Rs. 35.18 lakhs. The fixed capital of Rs. 24.89 crores consisted of plant and machinery, Rs. 14.39 crores; buildings, Rs. 7.10 crores; land, Rs. 52.42 lakhs; and other fixed assets, Rs. 2.88 crores.

The 153 sugar mills from which returns were received employed during 1955 about 121,380 workers, who represent over 4.1 per cent. of the entire labour force of 2,690,403 in factories (subject to the Factories Act) in 1955. The sugar industry is one of the biggest paymasters, the aggregate salaries and wages paid during 1955 having been Rs. 10.97 crores. The average annual income per employee in the sugar industry thus works out to Rs. 904; the *per capita* income (at 1948-49 prices) in India in 1955, it may be noted here, was Rs. 274. The major portion of the salaries and wages—Rs. 7.53 crores—was paid to persons other than workers. The money value of other benefits or privileges amounted to Rs. 56.33 lakhs.

Besides the heavy salaries and wages distributed to workers, the sugar industry pays every year considerable sums of money to agriculturists for the sugarcane supplied by them. An idea of such contribution can be had from the large value of cane consumed by factories during the year 1955 which aggregated Rs. 70.66 crores (the quantity involved was 17.23 million tons); this sum, of course, includes the price of cane grown on farms owned by several mills. The value of cane consumed, it will be interesting to note, represents as much as 60 per cent. of the total value of production of sugar and other by-products (estimated at Rs. 118.73 crores). It is the high cost of cane that is largely responsible for the continuing unconscionably high prices of sugar to the consumer. The obvious conclusion which emerges from these data is that, if the price of sugar is to be reduced to a level that suits the pockets of the common man, the heavy incidence of cane price must be lowered. Such a reduction can be effected, as this journal has ere now pointed out, in two ways. First, the price that the factory pays for cane should either be reduced or be linked to the sucrose-content of cane. Secondly, the heavy burden of cess on cane crushed for manufacturing sugar—amounting to 15 per cent. of the minimum price fixed for cane—must be brought down.

Packing and Fuels

In addition to the payment of huge sums of money for cane, the sugar factories together paid in 1955 Rs. 2.50 crores for packing; more than 17.18 million gunny bags were used. The value of other goods and commodities consumed was Rs. 6.65 crores. The sugar mills also paid a large sum of money—amounting to Rs. 1.71 crore—for fuels, electricity, lubricants, etc. The breakdown of the payments is:—Coal: Rs. 36.60 lakhs; 115,672 tons; electricity: Rs. 19.51 lakhs; 18.08 million kw.h.; lubricating oils: Rs. 34.03 lakhs; 714,467 gallons; others: Rs. 80.75 lakhs. The sugar industry also paid Rs. 4.63 crores as cost of transporting materials, fuels, etc., to the mills and commission to purchasing agents, etc., where these are not included in the reported value.

The aforesaid statistical data relating to the sugar industry will clearly show the contribution which the industry makes to the national wealth. With the steady increase in population and improvement in the standard of living, the consumption of sugar in the country is bound to rise in the coming years. Surely, the industry has vast scope for further growth and for contributing to the welfare of the nation's millions.

CENSUS OF MANUFACTURING INDUSTRIES—SUGAR 1955

Items	Bombay	Madras	Andhra	Uttar Pradesh	Bihar	Rajasthan	Other States	Total
Number of factories—								
Registered	14	4	8	93	31	3	8	161
Returns received	13	4	8	88	31	3	6	153
Average number of days worked	178	232	195	165	159	138	204	170
Number of persons employed	8,785	3,909	4,244	68,882	28,611	1,526	5,423	121,380
Productive capital employed	11.67	5.06	3.76	47.47	16.79	0.67	4.56	89.99
Of which:								
Fixed capital	4.38	2.88	1.58	10.96	3.33	0.18	1.58	24.89
Working capital	7.29	2.17	2.18	36.51	13.46	0.49	2.98	65.10
Salaries and wages paid	0.95	0.43	0.35	6.12	2.37	0.08	0.65	10.97
Materials, fuels, electricity, lubricants, etc., consumed	0.17	0.04	0.09	0.90	0.32	0.22	0.17	1.71
Materials consumed	7.94	2.91	3.13	44.19	17.36	0.62	3.98	80.13
Of which sugarcane	6.72	2.46	2.91	40.02	14.33	0.56	3.66	70.66
Value of output	13.64	4.86	4.82	64.45	23.51	1.01	6.42	118.73
Of which:								
Sugar	13.44	4.03	4.74	63.67	23.37	0.97	6.27	116.49
Other products	0.20	0.83	0.08	0.78	0.15	0.04	0.15	2.24
Value added by manufacture*	4.72	1.68	1.31	14.56	5.40	0.36	1.63	29.64

Note:—Excepting number of factories, days worked and persons employed, the figures are in crores of rupees.
* Calculated on the basis described in the article.

D.A. TO COAL MINERS INCREASED

STRIKE NOTICE WITHDRAWN

IN announcing the payment of an increased dearness allowance of Rs. 4.87 per month, in terms of the award of the Labour Appellate Tribunal, as reported briefly in these columns last week, the colliery owners have averted what would have been a serious situation resulting in a strike of workers in a number of collieries. The threatened strike by coal miners with effect from the 19th inst., coupled with the stay-in-strike of workers in the Tata Iron and Steel Company, Ltd., would have paralysed industrial activity for some time to come. Such a situation has been averted by the withdrawal of the strike notice by the workers, following the announcement of an increase in dearness allowance. It is stated that the workers of about 600 coal mines in West Bengal and Bihar controlled by the I.N.T.U.C. and those controlled by the Colliery *Mazdoor Sangh* had given notices of strike with effect from the 19th inst. Even without a strike the position of colliery owners would have been difficult, but this was overcome by the timely announcement of an increase in the selling price of coal by As. 12 per ton and of coke by Re. 1 per ton.

In terms of the Labour Appellate Tribunal's award, the Joint Working Committee of the Indian Mining Association, Indian Mining Federation and Indian Colliery Owners' Association advised their member collieries to start paying the additional dearness allowance of Rs. 4.87 for a full month's work. Payment at this rate was made for weekly-paid workers on pay days which occurred last week-end. A similar payment for monthly paid staff will be made at the end of this month. The Labour Appellate Tribunal, which gave its award in respect of colliery wages last year, laid down a scheme of variable dearness allowance, under which, when the cost of living index increased by over 10 points above the base of 102 within a particular half-year the dearness allowance for the succeeding half-year was to be increased by a flat amount of Rs. 4.87 per month for every such 10 point rise. The All-India Average Consumer Price Index Number (cost of living index) for the six months ended December 1957 rose by more than 10 points (to 113.2). The collieries were, therefore, obliged to pay an additional dearness allowance on the basis of Rs. 4.87 per month for a full month's work until the position is reviewed for the next half-year, that is, the half-year ending 30th June 1958, for which payment will be made during the following six months.

It may pertinently be asked in this connection why the colliery owners took more than four and a half months to announce the dearness allowance for the half-year July-December 1957 and thus gave an excuse for the workers to call for a strike. An explanation for this is that the official statistics of consumer price index for every month is not available in time and as such payment of dearness allowance from the beginning of each half-year on the basis of the average figure for the preceding half-year is not possible. It is thus pointed out that the final revised figures for December 1957 was available only early this month and the colliery owners could not have been expected to find the average consumer price index for the six months ended December 1957 earlier and pay the colliery workers accordingly.

As per the decision of the colliery owners, the additional dearness allowance of Rs. 4.87 has to be given with retrospective effect from 1st January 1958. The arrears from this date will be paid to those who have earned them and the details of these arrears to each worker will be announced later. If, however, any revision of dearness allowance, either upwards or downwards, is necessary from 1st July 1958, on the basis of the average index for the current six months, an announcement will duly be made and any such revision will be made as soon as figures for the full half-year are available.

In order to meet the increased cost of dearness allowance, the Government of India has raised the selling price of coal and of hard and soft coke by As. 12 and Re. 1 per ton, respectively, with effect from the 17th inst. The increased price of coal will be effective for six months. The industry does not benefit from this increase in selling prices, as it is said to be barely sufficient to cover the higher cost of dearness allowance. It is to be hoped that this increase in prices of coal is without prejudice to the recommendations of the Coal Prices Revision Committee, the report of which is long overdue.

ANNUAL MEETING OF THE TRAVANCORE RAYONS LTD.

CHAIRMAN, MR. AR. RAMANATHAN'S REVIEW

LIKELIHOOD OF FURTHER EXPANSION IN RAYON YARN PRODUCTION

SPEAKING at the Twelfth Annual General Meeting of The Travancore Rayons Limited held in Rayonpuram on 26th May 1958, Mr. AR. Ramanathan, Chairman, referred in brief to the part the Company would play in achieving the higher targets set for the industry under the second Plan. He said that rayon yarn output had reached 8.6 tons per day and that there was a likelihood of Government permitting further expansion provided suitable credit on deferred payments was arranged. A proposal to put up a sulphuric acid plant was already under way and licence for expansion of cellulose film manufacture had been obtained.

The following is the full text of Mr. Ramanathan's speech:

"GENTLEMEN,

"This is the twelfth annual general meeting of your Company, at which I have the pleasure of addressing you. I extend to you all a cordial welcome. The Directors' report and accounts have been circulated to you sufficiently in advance and, with your permission, I take them as read.

"Your Company has been growing in every way, year by year. Your Directors have been following a policy of successive expansion in the interests of your Company and of the nation. But the year 1957 has been exceptional in the sense that, although the sales have been an all-time peak, the production for the relevant year and the profits have registered a sharp fall. This is why I call 1957 as a year of 'profitless prosperity.' I am dealing with this aspect in detail later in my speech.

Working Results

"The year's working has resulted in a profit of Rs. 21,64,526.42, after providing the following:

			Rs.
Depreciation	...	...	34,54,811.14
Excise Duty	...	...	9,06,881.15
Wealth Tax	...	...	1,05,142.00

"With the sum of Rs. 2,63,689.54 brought forward from the previous year, the total amount available for appropriation is Rs. 24,28,215.96. Out of this, your Directors have recommended transfer of Rs. 10 lakhs to the general reserve, and payment of dividend at 10 per cent. on the equity shares, same as last year, and 5 per cent. on preference shares. The dividend will absorb Rs. 12,50,000. The balance of Rs. 1,78,215.96 will be carried forward.

"As I said last year, the market for cellulose film, which was dull in the second half of 1956, took a turn for the better in 1957. With our going into commercial production of moisture-proof heat sealing cellulose film and the popularity which this variety gained among the tobacco manufacturers, there was no difficulty in the market absorbing our production of the film in both the plain and moisture-proof varieties. I am glad to tell you that we are now in a position to meet the entire needs of the country in regard to this article.

"In the case of rayon yarn, the imposition of excise duty at the end of 1956 resulted in some accumulation of stock and consequent slowing down of production. The market became lethargic, with the consumers showing disinclination to bear the new burden. However, towards the latter half of the year, the situation improved and the sales were brisk, thanks to the austere *import policy of the Government* after July 1957, prompted by the acute foreign exchange crisis. Unfortunately, there was a labour strike of about a month's duration in October-November, which added its contribution to the fall in production and profits. You will, thus, see the causes which were responsible for the decline in production during 1957. However, a welcome relief is provided by the fact that owing to the favourable atmosphere in the third quarter of the year, the sales boomed up and the year recorded the highest sales thus far, representing an increase of 32 per cent. over that of 1956. We were able to meet these sales, despite the reduced production, because we carried an unusually huge opening stock of finished yarn at the beginning of the year.

"I just now explained to you the apparent paradox that, although the production was low, the sales were the highest during the year under review. But, then, there is yet another paradox, i.e., although the sales were high, the profits were much less than in 1956. This is explained by the following reasons: (1) the incidence of excise duty, amounting to Rs. 9,06,881 for the year; (2) the losses created by a month-old labour strike; (3) the Wealth Tax, by way of which we have paid Rs. 1,05,142. This tax is, in my opinion, as in those of many others, difficult to be justified in the case of companies, except, if I may say so, on the ground that, so far as Government is concerned, it is easier to levy this tax on companies and collect it from them too with greater ease. Fourthly, comes the dwindling of the margin of profit. While, on the one hand, prices of raw materials, auxiliary materials, spares and replacements, freight rates, and labour costs, taxation and duties were increasing, the prices of our products were pegged and there was a moral price control, so to say, to which we were committed, in the larger interests of the industry and of the country. I hope that, with the expanded capacity of the plants in full utilisation in the year 1958, we will be able to achieve better results.

Help from Governments

"I am glad to record that, as usual, we continued to receive due help and encouragement at the hands of the State and Central Governments. The country is faced with many problems, some of them intriguing and perplexing. It is a great credit to those at the helm of affairs that they are not borne down by the difficulties, and every situation is overcome in a remarkably able manner. Sweeping political, social and economic changes are overtaking us. I am sure it is equally recognised by all concerned that we, of business and industry, are trying to adapt ourselves to these revolutionary changes with appreciable resiliency.

"I do not wish to deal very much with the heavy burdens of taxation, the various disincentives to capital formation, the inflationary pressures, the foreign exchange crisis and so on. These are but the inevitable features of an expanding economy of an underdeveloped country. It is the duty of every one of us to put our shoulders to the wheel, despite differences here and there, keeping in mind the future prosperity of India, and help work out the second Five-year Plan to a fruitful conclusion. I am glad to see that the Government are now becoming more and more realistic and there is every reason to hope that as they gather more and more experience, they would, no doubt, be able to see the best means of attaining their ends with the least stresses and strains on the various sectors of the economy.

"Now, I wish to say a few words about the part your Company will play in achieving the higher targets set for your industry under the second Plan. As your Directors have already said in their report, the production of rayon yarn has been stepped up by another 1.8 tons a day, bringing up the present installed capacity to 8.6 tons a day. But, owing to some delay in the arrival of certain vital equipments, the relative new spinning machines could be commissioned only early in the current year. The proposal of manufacturing cellulose adhesive tape stands postponed as the Government has felt that the scheme could wait for some time. On the other hand, they have been good enough to grant us licence for expansion of the cellulose film manufacture, with every likelihood of permitting expansion of rayon also, subject to suitable deferred credit schemes being got. A proposal to put up a sulphuric acid plant of capacity 50 tons per day is already under way.

"You will note from the balance-sheet that, on the assets side, the gross block has gone up sizably and that on the liabilities side the borrowings have been reduced by as much as Rs. 24 lakhs. These have been possible by the usual prudent policy of your Directors in the matter of ploughing back the earnings into the business.

"Before I conclude, I think it quite necessary to refer to relations between the employees and the management. As I said earlier in my speech, we had during the year under review, a very unfortunate strike extending for about a month, with all its bad repercussions, both for labour and for the management. For the first time in the history of the Company, a reference had to be made to adjudication. The main issue involved is bonus for 1956. I would stress very strongly that the issue could easily have been solved, if the leaders of the workers had been reasonable in their demands. I note with consternation the pernicious tendency, which is manifesting itself too often nowadays, of workers refusing to obey reasonable orders and insisting on the granting of their terms on the spot, under threat of forthright direct action. This is a very dangerous situation, which I am sure no Government or employer can view with tolerance. This is certainly not the way of collective bargaining. Such a practice is in vogue in no civilised country. While I am all for genuine collective bargaining, I am firmly of the view that strikes are now an outmoded weapon. Strikes might have been justified years ago when there was no legal protection for the workers, but not now, when the statute book is replete with labour legislation and safeguards for their rights. Where differences cannot be resolved by mutual discussions and a spirit of 'give and take' it will be in the best interests of labour-management relations and of national productivity, that unsettled points be referred to independent adjudicators or arbitrators.

Strikes Unnecessary

"Strikes are quite unnecessary and unjustified, especially in the present state of our nation, when the crying need of the hour is production and more production. I commend this point, simple and well known though it is, to the earnest and sincere attention of the labour leaders and the State and Central Governments. Secondly, I very much wish that trade unions eschewed politics and functioned as independent, non-political agencies of genuine collective bargaining. To bring this into effect it is fundamentally essential that the office-bearers of unions are purely employees of the concerned industries and no outsiders find a place therein. Thirdly, I would request early legislation permitting only one union for each industrial unit, as too many unions in the same unit serve neither the cause of labour nor of production. Lastly, is the case of continuous process industries like ours, for inclusion among what are called 'public utility' concerns under the Industrial Disputes Act? Sudden strikes in such industries result in huge loss of semi-manufactured articles, besides causing considerable damage to the plant and machinery. Two weeks' notice of strikes and lock-outs in such industries would only be fair and reasonable. I hope all these points will receive due consideration at the hands of the Government and labour leaders.

"I now beg to move that the Directors' report, balance-sheet and profit and loss account for 1957 be approved and adopted."

Note:—This does not purport to be a record of the proceedings of the annual general meeting.

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TEA CULTIVATION IN SOVIET RUSSIA

NEW METHOD INCREASES YIELD SUBSTANTIALLY

RUSSIA has been one of the biggest tea-consuming countries in the world from very early times, but it had to depend on other countries for its requirements, as very little tea was produced at home till early this century. During the last 40 years of Soviet power, tea cultivation has made such vast strides that it is now one of the biggest tea-producing countries in the world. It is, however, still importing tea from other countries to meet its requirements. The rapid growth of the Soviet tea industry is illustrated by the fact that, whereas in 1917 the area under tea crop aggregated 995 hectares (1 hectare=2.5 acres) yielding 650 tons of tea leaves—there were only three primitively operated factories then producing about 150 tons of low quality tea—in 1957, the area under tea was 74,300 hectares giving a total yield of 112,300 tons of graded leaf.

In 1925, the Soviet Government started the Georgian Tea Joint-stock Company and later organised it into a trust. Soon after, a perspective plan for tea development was worked out and scientific research was organised, followed by careful tests of soils, selection of areas best suited for tea plantations and tracts where special State tea-growing farms were organised. By 1932 the tea acreage exceeded 25,000 hectares. Through collective and State farms the Georgian Republic planted large tracts with tea every year. Tea planting was started in the Azerbaijan Republic in 1932 and in the Krasnodar Territory in 1937, when the area under tea in the U.S.S.R. covered no less than 44,000 hectares. In 1950 it expanded to 54,300 hectares and further to 74,300 hectares in 1957.

Along with the expansion in area the U.S.S.R. kept the yield per unit of area also rising. Thus, while in 1937 the average yield of graded green leaf per hectare was 866 kilograms, it grew to 2,082 kilograms in 1950 and 2,353 kilograms in 1956. In some areas, the yield was very much higher than the average. Thus, in the Makharadze District, the yield per hectare was 3,606 kilograms and in the Batumi District it amounted to 3,680 kilograms. Kobuleti District produced still higher yield at 4,025 kilograms and the small Ochkhamuri Tea State Farm harvested as much as 4,514 kilograms per hectare. Consequent on the increasing yield, the total production of graded leaf rose more than four times from 23,600 tons in 1937 to 112,300 tons in 1957. In addition, 10,000 to 12,000 tons of coarse leaf is harvested annually for brick tea.

To a large extent, the rapid growth in tea cultivation in recent years has been due to the mechanisation of such labour-consuming work as deep ploughing, levelling of top soil, row-crop cultivation with application of chemical fertilisers and pruning of tea plants. Experimental tests are also being carried out since 1952 for harvesting of tea crop by machines.

Another feature of the development of tea cultivation in the U.S.S.R. is the extensive research work done by the All-Union Research Institute of Tea and Sub-tropical Crops since 1930. Explaining the work of the Institute, Mr. A. Ivanova, in an article on "Soviet Tea," says:

"This Institute made a study of the necessary conditions for tea cultivation and worked out zonal agronomic measures. It has established that the root system of tea planted densely in trelisses maintains the soil on slopes in fine condition. This is why the Institute has recommended to collective and state farms planting tea on slopes up to 25 degrees not to employ the costly terrace-building system. This method is now practised by tea growers on a wide scale.

"On the basis of many years' experience, the Institute has worked out and recommended a system of crop fertilisation for collective and state farms that boosts tea harvest yields. It has established the after-effect of phosphatic manure, and found its application once in four years as sufficient. The Institute has suggested that deep winter reworking of soil between rows be dropped. This measure decreases labour expenditure greatly. Now many collective and state farms have dropped winter reworking of soil. Scientists have worked out a system of pruning the plants, which increases harvest yields and facilitates even ripening of leaves on shoots. Valuable grades of tea have been developed and propagated, increasing the harvests and improving their quality. The collective and state farms are constantly aided by the scientists in choosing the methods best suited for their plantations."

In another article, Mr. N. Nikolozishvili gives details of the new method of tea cultivation adopted widely in the U.S.S.R., that is, the development of the root habit in tea plants. Thus, he says:

"It is known that on plantations where the soil is 'podzol,' with a layer of hard-pan lying close to the surface, tea bushes cannot develop an extensive root habit. And if the roots develop close to the surface, the plant cannot use the nutritive substances and moisture of the lower layers of soil to a sufficient extent. This causes an imbalance in the plant's nutrition and lowers the yield of the tea bush. Experiments show that active roots grow badly in an uncultivated layer of soil. Their main mass develops in mellow, cultivated layers. The lower layers of the soil in tea plantations grow more condensed as time goes on and this also causes a gradual fall in harvest yields.

"This can be avoided by deep loosening of the soil (to a depth of from 45 to 60 centimetres) at regular intervals. And deep loosening of the soil requires special machinery.

"Deep loosening of the soil, with the simultaneous setting in of dissolved mineral fertilisers and drain digging, helps the development of the root habit. Tea bushes will in consequence use the supplementary moisture and nutritive substances contained in the deep layers of fertilised and aerated soil. All this will undoubtedly have the effect of increasing the crop yield of the tea bushes."

By adopting this method of cultivation, the Georgian tea planters are stated to have increased their yield many times. In many collective and State farms of the Georgian Republic the yield of tea leaf is 4,000 kilograms or more per hectare.

The anxiety over the 1958-59 season coffee crop, consequent on the earlier reports about deficiency of showers, has now been relieved. Though somewhat belated, the showers are reported to have occurred in varying degree all over the coffee area and the earlier deficiency has to a large extent been made good. Consequently, the prospects for the ensuing season have brightened up considerably and the Coffee Board's latest estimate of 1958-59 crop is placed at about 45,000 tons. The revised estimate of 1957-58 crop is 41,687 tons, made up of 20,823 tons of Plantation, 7,179 tons of Arabica Cherry and 13,685 tons of Robusta. Despite the very cautious and conservative estimates made earlier in the year, the Coffee Board's latest monthly *News Letter* says, this year's crop may equal the record crop of 1956-57.

Receipts into the pool are 41,477 tons to end of April (20,973 tons Plantation, 7,551 tons Arabica Cherry and 12,953 tons Robusta), as compared with 39,515 tons received during the same period last year.

The exportable surplus from 1957-58 crop now stands at 11,684 tons (8,407 tons Plantation, 3,251 tons Arabica Cherry and 26 tons Robusta) and 5,499 tons (5,006 tons Plantation and 493 tons Arabica Cherry) have so far been sold for export till 10th May 1958. The prices have been more or less steady from mid-April, though they are low.

OUTPUT OF JUTE GOODS RISES IN 1955

VALUE ADDED BY MANUFACTURE, HOWEVER, DECLINES

THE summary of the *Tenth Census of Indian Manufactures, 1955*, released last week in advance of the main report, discloses that the number of jute textile factories (employing 20 or more workers on any day and using power) registered and in existence in 1955 was 112, as against 108 in 1954, the bulk of which continued to be concentrated in West Bengal. The number of factories from which returns were received was 107, as compared with 105 in the preceding year. Any change in the other data relating to the industry (referred to below) is, therefore, due, among other things, to the increase in the number of factories and the fall in coverage.

While there is a fall in the number of persons employed from 271,415 to 271,198, there has been an increase in the average number of days worked from 278 to 297. The decline in the number of persons employed is accounted for by employees other than workers, the number of which has declined from 16,485 to 16,116, whereas the number of workers has risen from 254,930 to 255,082. The total wage and salary bill of employees amounted to Rs. 30.06 crores, of which Rs. 25.56 crores were paid as wages, Rs. 3.77 crores as salaries and Rs. 73.08 lakhs as other benefits. In 1954, the total of all these aggregated Rs. 28.76 crores.

The total productive capital employed in the industry during 1955 was Rs. 71.48 crores, having gone up from Rs. 65.26 crores in 1954. The fixed capital aggregated Rs. 36.85 crores and working capital Rs. 34.63 crores, as compared with Rs. 31.30 crores and Rs. 33.96 crores, respectively. The increase in fixed capital is mainly accounted for by plant and machinery, the value of which rose from Rs. 17.01 crores to Rs. 22.60 crores.

The production of jute goods (excluding carpets) recorded an increase from 966,254 tons, valued at Rs. 124.60 crores, to 1,029,722 tons worth Rs. 136.78 crores. An area-wise break-up analysis of production shows that West Bengal produced 974,793 tons of jute goods valued at Rs. 129.81 crores, as against 909,672 tons of the value of Rs. 117.89 crores in 1954. In Andhra also, the output rose from 26,009 tons to 26,449 tons and the value from Rs. 3 crores to Rs. 3.27 crores and that in Bihar and M.P. from 11,968 tons (Rs. 1.33 crores) to 13,349 tons (Rs. 1.65 crores), while in Uttar Pradesh it fell from 18,605

(*Continued on page 1055*)

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NO. OF ACCOUNTS EXCEED	...	1,32,000

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EXPORT RISKS INSURANCE

FIRST MEETING OF ADVISORY COUNCIL

IT augurs well for the success of the Export Risks Insurance Corporation that the Government of India and the Corporation desire to avail themselves of the advice of non-official experts in the field of export trade and finance in the working of the Corporation. The constitution of a Central Advisory Council, as recommended by the Export Credit Guarantee Committee (Chairman: Mr. T. C. Kapur) set up by the Government of India in 1956 and in pursuance of whose recommendation the Corporation has been set up, is an earnest of the Government's wish to associate non-officials with the Corporation's work. The Committee had recommended the setting up of a Central Advisory Council consisting of not more than 21 members, representing the export trade, banks engaged in financing exports, various export Promotion Councils and Commodity Boards, to advise the Corporation regarding the insurance needs of the export trade, the changes taking place in the export trade and the steps to be taken to provide for new conditions.

The first meeting of the Central Advisory Council was inaugurated by Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, on the 17th inst. at Bombay. Inaugurating the meeting, Mr. Shastri observed that, in the context of the urgent need for augmenting exports, the question of export risk insurance assumed added significance. According to him, although the formation of the Corporation had been a step in the right direction, sufficient advantage had not been taken by exporters of the new organisation. Mr. Shastri observed that the Government had throughout been of the view that association of those who had experience of exports with the Corporation would be a great advantage. It was to promote close association between the Corporation and those whom it sought to serve that the Central Advisory Council had been set up. He hoped that this establishment of a firm link between the exporters and the Corporation would prove fruitful.

Mr. Shastri pointed out the close interrelation between export finance and credit insurance. He called upon the banks to provide more export finance facilities to exporters. Explaining the factors that influenced the financing of exports, he observed that it was necessary to appreciate the role the Corporation could play in making export finance more readily available. Banks generally made advances only to those exporters about whose financial position they had no doubt. To the extent to which these risks could be insured and the benefits under the policy were assigned to the banks, it should be possible for them to make export finance facilities more readily available to the exporters.

He also advised exporters to appreciate the banks' point of view. In every form of insurance, while the insurer underwrote the risk, the insured also undertook certain obligations. Failure of the insured to discharge his obligations under the policy freed the insurer from his liability. Insurance policy, therefore, could not be treated as the sole security by a bank. It could only be an additional security. There could be, and perhaps were, cases, said Mr. Shastri, in which banks had refused to make advances against shipping documents. Such refusal, he believed, was not the result of the non-appreciation of the value of the policies of the Corporation but was probably due to the lack of confidence in the exporter, or the exporter was trading beyond his loss-bearing capacity. The Minister urged banks to offer their full co-operation in promoting exports. Inasmuch as the risks involved in export on credit terms could be covered, the insured exporters deserved greater assistance.

Mr. Shastri also drew the attention of the financing banks to a facility which insured exporters deserved. Claims under the policies of the Corporation, he pointed out, were payable six months after the due date of payment. This practice was not peculiar to the Corporation. Similar was the position under the policies issued by other credit insurers. The bank, when a default in payment took place or where transfer of moneys to India was delayed, made recoveries from the exporter immediately. This, he pointed out, naturally placed the exporters in a serious handicap. Was it not possible, the Minister asked, for the banks in the case of insured exporters to defer recovery of advances made by them till the claims became payable? Advances made would continue to carry interest till payment was received from the Corporation. He suggested that banks could further secure themselves by getting admission of claim confirmed by the Corporation. This concession would keep the working capital of the exporter intact and enable him to carry on business. He hoped that this suggestion would receive sympathetic and favourable consideration from the banks.

The number of exporters, the Minister observed, who have so far insured was very small, as compared with that of the exporters' class as a whole. Although the number of policies issued was not even a hundred, yet the progress made, according to him, was encouraging, considering that credit insurance business was new to this country. Resistance to insurance was proverbial. Other types of insurance had to face very great resistance. By strong and persistent efforts made by insurers this resistance was diminishing. He added that the Corporation would also have to make great efforts to popularise this form of insurance.

In addition, there were many other difficulties to be faced. Mr. Shastri mentioned a few. The Corporation had to face difficulties arising out of the exporters' ignorance of the principles of credit insurance. Solutions should also be found for complicated problems posed by exporters. There was also the need to accustom the insured to carry out their obligations under policies which was not an easy task. These difficulties, Mr. Shastri pointed out, were not anything unusual. Every pioneer in a new field had to face similar problems.

POSTAL LIFE INSURANCE POLICIES

Arrangements have been made with the Government of Pakistan for the settlement of claims relating to Postal Life Insurance policies the liability for which rests with the Government of Pakistan and the holders of which had migrated to India by 30th June 1955. The Director-General of Posts and Telegraphs notifies that claims in respect of such policies supported by necessary documents and policies should be sent to the Director-General of Posts and Telegraphs, Life Insurance Section, Vinay Nagar, New Delhi, in the prescribed forms to be obtained from that office. After verification, the claims will be referred to the Director-General of Posts and Telegraphs, Karachi, for issue of valuation certificate which would constitute the authority for payment of the value of the policy to the claimant on behalf of the Government of Pakistan. Assignees in India of Pakistan liability policies assigned prior to 1st April 1948 may also send their claims in the same manner.

It has also been decided with the concurrence of the Government of Pakistan that any outstanding premia for the period after 31st March 1948 together with interest at 3½ per cent. will be deducted before payment is made in settlement of any policy which has become a claim.

Insurants whose policies have not so far become claims will have the facility of reviving their policies and keeping them alive by paying the premium due on such policies in cash at a post office in India. The insurant concerned will select the post office at which he wishes to deposit the premium and obtain the prior permission of the Director-General of Posts and Telegraphs, New Delhi, before making payment. Arrears of premium in respect of lapsed policies may be paid at a post office in India after ascertaining the amount from the Director-General of Posts and Telegraphs, Karachi (Pakistan), through the Director-General of Posts and Telegraphs, New Delhi. If the arrears of premium relate to any months between April 1948 and March 1958, the rate of interest chargeable for late payment will be 3½ per cent. per annum. The rate of interest for late payment will be 6 per cent. per annum on arrears of premia for any month after March 1958. Where revival of a lapsed policy is desired, the insurant will have to produce, at his own cost, satisfactory evidence of continued good health.

Indian holders of Postal Life Insurance policies which are the liability of the Government of India and which stand assigned (prior to 1st April 1948) to parties in Pakistan may also put in their claims to the Director-General of Posts and Telegraphs, New Delhi, if they have not so far been paid the portion of the value of the policy due to them. Similar applications should also be made by those wanting release or reassignment of policies financed from provident fund accounts and assigned prior to 1st April 1948 to corporate bodies in Pakistan. Such policies will be got reassigned in favour of the insurant without valuable consideration.

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LOCATION OF SECOND SHIPYARD

BRITISH MISSION'S FINDINGS—COCHIN RECOMMENDED AS BEST SITE

THE United Kingdom Shipyard Mission, which visited India last year under the auspices of the Colombo Plan, in its report submitted to the Government of India, has recommended a site near Ernakulam (in Cochin) as the best site for the location of the second shipyard. According to the Mission, the site near Ernakulam offers more chances for the successful development of the second shipyard than any other site examined by it. A model illustrating the proposed layout for the Cochin site has been submitted along with the report which also lists, in order of priority, four other sites which are considered suitable for locating the second shipyard. They are: Kandla, Trombay, Geonkhali (near Calcutta) and Mazagon (Bombay).

The terms of reference required the Mission to advise the Government of India on the site and the layout of a new shipyard and the equipment which would be required to establish it and to furnish the estimates of the capital cost of the shipyard and to prepare a report for consideration by the Government. The Mission formulated certain minimum and necessary requirements which a site should satisfy for being considered for location of the yard. The depth of water and tidal range should be adequate and suitable for the safe launching of the largest ships to be built. There should be good water channels from the sea or estuary. The site should be sheltered from storms, adequate in area and with adjoining grounds available for development. It should be near existing or projected major ports and township with industrial possibilities. Adequate services, including electric power, water power, road and rail access should be available. Applying these criteria, the Mission examined the conflicting claims of the various sites. None of the sites examined, according to it, is ideally suited for development. Nevertheless, the five sites mentioned above are, in its opinion, worthy of further consideration.

Advantages of Cochin

As regards the claims of Cochin, the Mission observes that it possesses more advantages at the Ernakulam site than any other site examined. It is an expanding port; a number of industries subsidiary to shipbuilding are already established there; rail transport and other services are good, and there is a working force of labour familiar with industrial process. The site at Cochin is not perfect from the civil engineering viewpoint. However, the problems in this connection, says the report, are not insuperable, as may be instanced by the extensive work already carried out by the Port Authorities.

Mazagon is a recognised ship repair centre. Redevelopment of the part of the present establishment for building of cargo ships upto 12,000 tons deadweight, the Mission feels, is a practical proposition. However, it points out that only four ships of this tonnage could be built a year and the output would thus fall substantially short of the target laid down for the second shipyard, that is, 60,000 tons, to be increased to 80,000 tons. The main advantage is that Mazagon Dock can be redeveloped quickly and at a reasonable cost. Further, the present organisation is experienced both in the building of ships and repairs.

Kandla, according to the Mission, would be a suitable site for shipbuilding, if it were not so remote from other industrial areas. In all probability, according to it, there would be difficulty in recruiting and retaining technicians and specialised labour. Trombay, it is pointed out, is advantageous from the civil engineering construction point of view; but the initial dredging of the yard frontage and of a channel connecting the site with existing deep water would be costly. Also, maintenance dredging would be a heavy recurring annual charge. Goenkhali, the Mission feels, is the better of the two sites near Calcutta, the other being Diamond Harbour. It is near the steel-making districts. The river Hooghly is, however, considered to be unreliable for safe launching and continuous heavy dredging might, in time, endanger the foundation works.

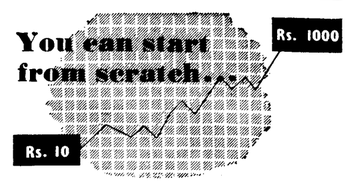
The Mission estimates the cost of the proposed shipyard at the five sites as follows: Cochin Rs. 19.16 crores, Kandla Rs. 20.31 crores, Trombay Rs. 17.38 crores and Geonkhali Rs. 20.88 crores. For the somewhat different proposals for the redevelopment of Mazagon Dock, the costs are estimated at Rs. 7.04 crores. Total foreign exchange payments necessary for the purchase of equipment abroad have been estimated at Rs. 2.75 crores. Payments in respect of the Mazagon Dock proposals have been placed at Rs. 1.3 crores. It may be noted that these estimates have been prepared on the assumption that the complete shipyard, including dry-dock and repair facilities, will be ready and in full use in a period of about three years. Items external to the main proposal, for example, railway and road construction, townships, etc., have been excluded, as has been the cost of acquiring the site.

The Mission points out that, however, well equipped the new shipyard may be, it is of utmost importance that the labour force should be of good quality and well trained. The labour content in Indian industries, it points out, is higher than in Europe. It, therefore, suggests that every means should be utilised to make sure that the considerable capital investment involved in the shipyard is economically employed.

Now that the Mission has submitted its report, it is for the Central Government to take a quick decision. Prompt action is also called for, considering that a great leeway has to be made up in the matter of shipbuilding. The question has so far been handled in a haphazard manner, with the result that, though more than a decade has passed since the founding of the first shipbuilding yard at Visakhapatnam, the country's output of new tonnage is very small. The experience so far gained and the additional advantages such as easier availability of the requisite materials and technical know-how that will be available, should enable shipbuilding to progress at a faster rate than in the past.

HIGH TENSILE STRUCTURAL STEEL

The Indian Standards Institution has published an Indian Standard specification for high tensile structural steel. This standard is one of a series of Indian standards being published for implementation of the I.S.I. Steel Economy Programme. The standard prescribes the requirements for high tensile structural steel (including fusion welding quality) in the form of bars, plates and sections, used in bridges and general building construction. The material specified in this standard has higher ultimate tensile stress and yield stress than ordinary structural steel. Copies of this standard (IS:961-1957), published in English, can be obtained from the Indian Standards Institution, 9 Mathura Road, New Delhi, or from its branch offices at Calcutta, Bombay and Madras.



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SLUM CLEARANCE

REPORT OF SELECTED BUILDINGS PROJECTS TEAM

AMONG the most urgent problems facing the industrial cities of India, the extreme shortage of housing and the menace of spreading slums occupy pride of place. They are the problems which demand positive and immediate action to meet the pressing social and economic needs of the community. Slum clearance in India is a new programme of national dimensions. In the past, it has been attempted on a local basis. It is for the first time that an endeavour is being made to evolve a national policy. The Government of India, realising that the prerequisite of the slum problem was the construction of low-rent housing for industrial workers, initiated a National Housing Programme in the first Plan. This programme included a subsidised industrial housing scheme and a scheme for low-income group housing. In 1956, the Government introduced the Slum Clearance and Sweepers' Housing Scheme and allotted a sum of Rs. 20 crores for its implementation in the second Plan.

Viewed against this background, the report of the Selected Buildings Projects Team on Slum Clearance just published is a document of considerable economic and sociological importance. The Team was set up with Mr. S. K. Patil as Chairman by the Committee on Plan Projects. It was required to review, among others, the slum clearance schemes of a few States and make general observations on the progress made and the policy underlying the schemes.

Statutory Corporations

The Team is of the opinion that the suitable agency for organising slum clearance activity is a statutory corporation or a Board with a Chairman and an appropriate number of Directors. It has, therefore, recommended the creation of autonomous, statutory Housing Corporations in every State and a Housing Corporation at the Centre to which the State Corporations may be subsidiaries. They should be charged with the responsibilities of implementing the programmes included in the Plan and be made the agencies for formulating regional planning policies.

It is suggested by the Team that the proposed Housing Corporation at the Centre should be entrusted with the funds earmarked in the Plan for housing schemes. It should be the Corporation's duty, the Team recommends, to allocate funds, on principles approved by the Government, to the various State Corporations. The Team also feels that the Corporation should establish close liaison with the National Buildings Organisation and the Central Buildings Research Institute. If for any reason it is not possible in the near future to set up a Central Housing Corporation, the Team suggests, all housing schemes of the Centre should be entrusted with one Ministry of the Government of India.

The Team points out the necessity of having one common and authoritative definition of what constitutes a 'slum,' and strongly recommends that the Government of India should frame a comprehensive definition of a slum. In its opinion, the definition given in the U.S.A. Housing Act of 1949 covers all the points. This Act defines a slum as "any predominantly residential area, where the dwellings which, by reason of dilapidation, overcrowding, faulty arrangement of design, lack of ventilation, light or sanitary facilities or in combination of these factors, are detrimental to safety, health or morals."

Certain remedial measures for stopping the influx of population from villages to cities are also mentioned. It is urged that no licences to start new industries or for expansion of any of the existing industries should be granted by the Central Government unless a 'no objection' certificate is produced from the Local Body. The need for a firm decision to limit employment expansion in the congested areas is also underlined by the Team. It suggests that the establishment of industrial estates should be co-ordinated with slum clearance schemes. An interesting suggestion of the Team for dealing with the influx of people into cities is the establishment of "satellite towns." It is better, the Team emphasises, to carry industries to the people than carry people to the industries."

It is obvious that the slum clearance job is neither cheap nor easy and there is no dramatic solution to it. An attempt to tackle it, as the Team emphasises, must comprise well-planned, well-organised and concerted action, using the tools of (1) slum prevention, (2) rehabilitation of sub-standard housing and (3) slum improvement and slum servicing.

NEW PRODUCTS AND PROCESSES

Srifirset Compounds for Celllulosic Fabrics

IN order to give better and permanent finishes on rayons, a series of *Srifirset* compounds have been successfully developed at the Shri Ram Institute for Industrial Research Delhi. Finishes obtained by these compounds are claimed to be quite fast and give permanent dimensional stability to the fabrics. The wear life, drape and crease resistance are also improved. *Srifirset I* is a light yellow coloured liquid with 50 per cent. active material. Basically it is a combination of formaldehyde and a carbohydrate derivative of urea. The method of preparation consists in reacting suitable carbohydrate and urea under specified conditions of temperature, time and pH. The product, after purification is dissolved in formalin to obtain a 50 per cent. solution which remains stable over long periods.

Srifirset II is a modification of Srifirset 1 wherein the free formaldehyde is replaced by a formaldehyde donor. This is a light yellow liquid containing 50 per cent. of active solids and is also stable to prolonged storage.

Srifirset III is essentially a tetra methylol derivative of modified urea containing some tri derivative also. The product obtained is a light yellow coloured liquid with 50 per cent. active material and is quite stable to storage over long periods.

Srifirset V is a modified composition obtained from Srifirset I and III in the form of methylol derivatives. The product is light yellow coloured liquid containing 60 per cent. active solids and does not deteriorate on storage.

Manufacture of these compounds has been studied in a pilot plant and batches of about 100 lbs. have been successfully prepared. The application of these resins on cellulosic fabrics imparts, it is claimed, dimensional stability and wrinkle resistance. The wash fastness of direct colours is considerably improved. There is up to 50 per cent. improvement of wet tensile strength of treated rayons. The wear life of the fabrics is considerably improved and they possess softer and fuller feel. All the compounds are miscible with water in all proportions. The application of these resins on the fabrics requires only the usual equipment for padding, drying and curing. Parties desirous of manufacturing these compounds may correspond with the Secretary, National Research Development Corporation of India, New Delhi 1.

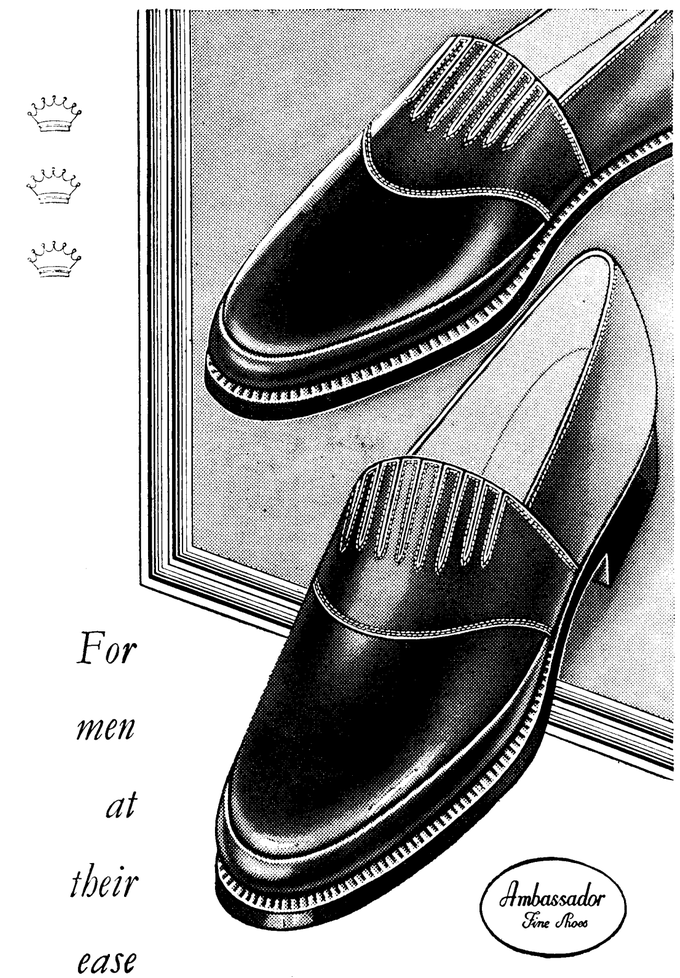
Stable Bath Catalyst

The application of amino-plast resins, such as urea formaldehyde and melamine formaldehyde resin precondensates, to textile materials is widely practised to impart crease and shrink-resistant effects. These resins are applied as aqueous solutions and to accelerate polymerisation in the fibre, catalysts are added to the bath. The commonly used catalysts are organic and inorganic acids or acid salts. Being acidic in nature these catalysts are likely to initiate premature condensation resulting in unstable treatment baths. Catalysts derived from organic amines overcome these defects but their use is not widespread because the treated fabrics develop fishy odours on storage; at the same time, they are costly and not readily available.

Catalysts to eliminate most of these defects have been developed at the Shri Ram Institute for Industrial Research, New Delhi. These stabilising catalysts are cream coloured powders or pastes, soluble in warm water, and produce nearly neutral pH in the resin treatment baths. The baths are therefore stable for long periods, the required low pH being developed during drying and baking stages only. Two grades of catalyst have been successfully prepared with different modifiers. Batches of 30-40 lbs. have been prepared in the pilot plant and tested successfully on large-scale mill trials. The use of these catalysts, it is said, does not involve any wastage of resin solution and the bath is stable for about 200 hours. Finish on the fabrics is uniform and the treated cottons show less impairment in tensile and tear strength. The treated fabrics have a softer handle. Manufacture of these catalysts is not costly and the raw materials are easily available. Parties interested in undertaking the development of the process may contact the Secretary, National Research Development Corporation of India, New Delhi 1.

New Method for Rot-proofing Jute

The discovery, after a period of intensive research, by the Indian Jute Mills Association Research Institute at Calcutta, of some simple and relatively inexpensive methods of rot-proofing jute is expected to go a long way in solving one of the jute manufacturing industry's perennial problems, namely protection of jute from damage by microbes. The most commonly used techniques for proofing of textile fibres in general against this kind of attack have been: (1) chemical modification of the fibre structure by the process of acetylation; (2) deposition on the fibre of certain toxic compounds, and (3) application of certain compounds which form a sort of plastic barrier on the surface of the fibres. The cost of acetylation and application of plastic films is usually very high, with the result that in practice the rot-proofing of vegetable fibres has been mostly confined to methods based on chemical deposition. But this process, however, has not been completely free from inefficiency and serious processing difficulties. The new process is expected to be free of these defects.



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AMENDING COMPANIES ACT—V

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

THE Report of the Amendment Committee has proposed several changes in respect of managerial remuneration and managing agents. Thus, it proposes amendments of Sections 198, 309, 310, and 311. It has suggested that the head note of Section 198 should be abrdjged into "Overall maximum managerial remuneration." The amended Section 198 will be:

"*Overall maximum managerial remuneration*".—In the case of a public company or a private company which is a subsidiary of a public company, the total managerial remuneration payable by the company to its directors, its managing agent or secretaries and treasurers, if any, and its manager, if any, in respect of any financial year, shall not exceed 11 per cent. of the net profits of the company for that financial year, computed in the manner laid down in Sections 349, 350 and 351, except that the remuneration of the directors shall not be deducted from the gross profits. Provided that nothing in this section shall affect the operation of Sections 352 to 354 and 356 to 360.

"*Explanation*.—For the purposes of this section and Sections 309, 310, 311, 348, 352, 381 and 387, 'remuneration' shall include:

"(*a*) The value of rent-free accommodation or any concession in the matter of rent charged by the company to the persons aforesaid;

"(*b*) the value of any other benefit or amenity granted or provided by the company free of charge or at a concessional rate to the persons aforesaid;

"(*c*) any sum paid by the company in respect of any obligation or service which, but for such payment, would have been payable by the persons aforesaid; and

"(*d*) any sum paid by the company to effect an insurance on the life of or provide a pension or annuity for the persons aforesaid."

2. The percentage aforesaid shall be exclusive of any fees payable to directors under Section 309(2).

3. Subject to the maximum remuneration provided in sub-section (1), a company may pay a monthly remuneration to its directors, including a managing or whole-time director in accordance with the provisions of Section 309 or to its manager, in accordance with the provisions of Section 387.

4. *Note*:—This sub-section has been proposed to be amended by inserting the words "subject to the approval of the Central Government" between the words "may" and "pay".

Section 309

Remuneration of directors:—

(1) (Same as before).

(2) A director may receive remuneration by way of a fee for each meeting of the Board or a Committee of the Board attended by him.

(3) A director who is either in the whole-time employment of the company or a managing director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by the one way and partly by the other, provided that such remuneration shall not exceed five per cent. of the net profits for one such director, and if there is more than one such director, ten per cent. for all of them together.

(4) (Same as before.)

(5) (Same as before.)

(5A) If any director draws or receives directly or indirectly, by way of remuneration, any sum in excess of the limit prescribed by this section or without the prior sanction of the Government, where it is required, he shall account to the company for such sum as if he held it in trust for the company.

6. (Same as before.)

7. (Same as before.)

8. This section shall come into force from 1st April 1956 and, if that date does not coincide with the commencement of the financial year of a company, it shall come into force with effect from the commencement of the company's financial year immediately succeeding that date.

9. (Same as before.)

Sections 310 and 311, to some extent, overlap each other. The Report proposes that these sections may be combined and replaced by a section reading as follows:

"In the case of a public company or a private company which is a subsidiary of a public company, any provision relating to the remuneration payable to any director including a managing director or a whole-time director in the case of companies incorporated on or after 1st April 1956, and in the case of any such company incorporated before that date, any amendment of any such provision which has the effect of increasing such remuneration directly or indirectly, or of making an alteration in the terms of appointment or re-appointment of managing or whole-time directors shall not have effect unless approved by the Central Government."

We have noted the proposed amendments of Sections 198, 309 to 311. We shall now see why the Committee has recommended a change in the law or a clarification of the meaning and effect of the foregoing sections. The Committee has proposed to add an "explanation" to Section 198(1), as noted above, because a question was raised whether the word "remuneration" in Sections 198(1), 309 and 348 would include perquisites such as motor car, rent-free accommodation, free passage and other benefits. The Committee observes in its Report that "if the provisions of Sections 198(1), 309 to 311, 348, 381, 387, fixing ceilings on the remuneration of various categories of managerial personnel are to be effective, any evasion thereof by the grant of perquisites or benefits having a money value should be checked."

A question came up before the Bombay High Court in a suit under Section 90 of the Civil Procedure Code as to whether, if a managing agent renders services to the company in a capacity other than that of a managing agent and which are not covered by Sections 352 and 354-360, he would be entitled to remuneration for such non-managerial service. It is possible to take the view that Section 198 covers all services rendered by a managing agent in any capacity, or the view that Section 198 covers only managerial services and no others. The Bombay High Court took the latter view that Section 198 covered only remuneration for managerial services. Section 198(1) is therefore proposed to be amended so as to make it clear that it applies only to remuneration for managerial services. It is significant that the word "managerial" has been introduced in Section 198 (1) for this purpose. The Report observes that this is, however, a matter of policy and it is for the legislature to decide whether the Sections 198 and 348, as they stand, carry out the intention of the legislature. Sections 198(2) and 309(2) are suggested to be amended to remove inconsistency between them. Section 198(2) speaks of fees payable to directors for attendance at Board meetings. Section 309(2) speaks of remuneration paid to directors by way of a monthly payment or by way of a fee for attendance at the Board meetings. The Report (*vide* page 124) observes that it is not possible to fix an absolute minimum or maximum limit with regard to directors' fees and remuneration and that a sitting fee should be reasonable having regard to the position of the company and the status of the directors.

Remuneration to Directors

The Report has recommended that Section 198(3)(*b*) should be deleted and for the existing sub-section 198(3)(*a*) a new sub-section as already noted above should be substituted. The proposed sub-section (3) is intended to bring out the real intention of the legislature that the payment of remuneration to directors and the manager need not be postponed till after the end of the financial year or till the accounts of that year are presented to the shareholders but may be made monthly, subject to the ceiling fixed by Sections 309 and 387. Overdrawings are subject to be refunded as proposed in the amendment to Section 309.

It was urged before the Committee that in cases falling within Section 198(4), it should be open to the board of directors to sanction payment of remuneration to managing agents or directors or a manager upto the limit of Rs. 50,000 without reference to anybody else, and irrespective of what the previous rate of remuneration was. The Report states that the foregoing section as it stands does not require even a resolution of the company or the approval of the Government for the payment of such remuneration. It points out that, in the case of a company which is not making enough profits to enable it to remunerate its management as agreed, it is proper that the shareholders or the Central Government should have a voice in determining such remuneration. In order to give effect to this recommendation, Section 198(4) is proposed to be amended. A new section 5A has been proposed to be introduced in Section 309 with a view to rendering the directors accountable for overwithdrawals on the footing of trustees and preventing them from raising a defence of limitation. Section 309(8) has been proposed to be amended as a result of the criticism of the Bombay High Court in *re. Ramaben vs. Jyoti Ltd. and others* (1956 Bom. L.R.P. 67.).

The Report (*vide* page 72) suggests that the drafting of Section 310 is unhappy. Again, it suggests (*vide* page 125) that Sections 310 and 311 overlap each other and that they may be combined and replaced by one section. We have seen this section as proposed in the Report. In combining Sections 310 and 311, the Report appears to have clarified the following three points:

(1) that if a person is appointed as a managing director or whole-time director under an agreement for a period of five years on a scale of say, Rs. 2,000-200-3,000, the increase in the monthly remuneration during the second, third and fourth years does not require Government approval under Section 309;

(2) that increase of dearness allowance from time to time according to a scale prescribed in a contract approved by the Government does not require Government's approval for every such increase;

(3) any appointment or re-appointment of a managing or whole-time director made after 1st April 1956, which involves no increase in the scale of remuneration previously paid for the post does not require Government's approval.

Managing Agency

The system of managing agency in India has become the subject of keen controversy both inside and outside Parliament. Public interest in this controversy has increased. The prospects of its survival appear to be dark and gloomy. One view, strongly held, is that the system has outlived its utility and leads to so much abuse that it should be abolished. The others take a sympathetic view that the system has still much useful role to play in the economic and industrial progress of our country and that it should be reformed instead of being ended. The Report observes that "the provisions embodied in the Act are the result of a compromise. On one view they provide for gradual abolition; on the other, the system is put on trial." Many managing agencies came to an end on 15th January, 1957, by virtue of Section 87A of the Act of 1913. Most of them have been renewed for a term of 10 years. A large number of managing agencies will come up for renewal after 15th August, 1958, by virtue of Section 328(1)(c). As regards the managing agencies which have been renewed for a term of 10 years, the Report states that "it is for consideration whether these renewals are covered by Section 330, so that these managing agencies will not come to an end by 15th August 1960."

We find from the Report that the Government has not laid down any policy regarding the future of the managing agency system. The Report (*vide* page 129) states that "it is true that these appointments and reappointments are made without prejudice to any action the Government may take under Section 324. It is now desirable that the Government should formulate a definite policy so that by the 15th August 1960, action can be taken under Section 324 and the present state of suspense removed."

Section 329

The Committee has made a healthy recommendation with regard to Section 329. It has clarified that the previous sanction of the Government is not necessary if the variation of the managing agency agreement is necessary only for the purpose of bringing it in conformity with the provisions of the Act. Section 329 is proposed to be amended by the addition of: "Except where the resolution seeks only to bring the terms of the managing agency agreement in conformity with the provisions of the Act." In view of the provisions of Section 325, read with Section 379, the words "secretaries and treasurers" in Section 332(4)(*b*) are proposed to be omitted.

Section 340 states the point of time when certain disqualifications of managing agents take effect. The language of Section 340(1) is very unhappy, and the Committee appears to have made a right approach to this section while suggesting its amendment. Section 340(1) when amended will read:

"The disqualifications imposed by Sections 334(*a*), 335(1), 336 and by any resolution passed in pursuance of clause (ii) of Section 337 shall take effect subject to the result of any appeal or petition of revision or review from the order of adjudication, appointment of receiver, sentence or finding of the court as the case may be."

The Report states that sub-sections (2) to (5) of Section 342 do not clearly carry out the intention underlying them. Resignation cannot absolve the managing agent of his liability for his acts of omission or commission during his

managing agency. The Report observes that "though he cannot be allowed to work after his resignation, the company may not desire to accept his resignation unconditionally or at all. In many cases, however, it would be necessary to require the managing agent, who has been in close touch with the affairs of the company, to prepare the statement of affairs and accounts of the company as provided by sub-section (3) and furnish such other information as may be necessary in order to enable the board of directors and the company to have a clear idea of the state of the company's affairs at the date of the notice of resignation by the managing agent." The Report, therefore, recommends that sub-section (2) should be amended and that sub-sections (3) to (5) of Section 342 should be redrafted in order to give effect to recommendations of the Committee as noted above. A provision has been proposed to be made in sub-section (4) that in the case of default by a managing agent to comply with the requisition to prepare a statement of affairs, the board may itself cause such a statement to be prepared together with a report from the auditors. The Report (*vide* page 132) gives the drafts of the proposed amendments.

Section 343 is proposed to be recast in the following terms:

"A transfer of his office by the managing agent of a company or any arrangement entered into by him which has the effect of transferring his right to manage the whole or substantially the whole of the affairs of the company to another person, shall not take effect unless it is approved both by the company in general meeting and by the Central Government."

In suggesting the above amendment, the Report observes that it was brought to the notice of the Committee that some managing agents had given an irrevocable power-of-attorney to third parties to manage the affairs of the company of which they were in charge, reserving to themselves a portion of the profits with a view to evading the provisions of Sections 332 and 343. Section 332 states that no person shall be a managing agent of more than 10 companies after 15th August 1960. Section 343 states that the transfer of the managing agency shall not take effect unless it is approved both by the company at its general meeting and by the Government. The amendment of Section 343 has been proposed to remedy its defects which enables a managing agent to evade its provisions.

Section 346

Section 346 is framed in a comprehensive manner in order to ensure that when a change likely to affect the composition of the managing agency as already approved by the Government occurs, the latter has an opportunity to re-assess the position. The Report observes that it was represented to the Committee that Section 346(1), as it stands, requires sanction to be obtained after a change takes place and, if for any reason, approval is not granted by the Government, the consequence is that the managing agent ceases to act as such. To remedy such a situation it is proposed to amend Section 346(1) so as to provide that the change does not take effect until approval is granted.

Managing Agency

It is pointed out in the Report that the attention of the Committee was invited to the fact that a director's remuneration even in the case of some of the biggest English concerns never exceeded two per cent. of the net profits whereas, in India, managing agents drew a much larger percentage of the profits. The Committee has, however taken the view that there were no sufficient grounds for revising the percentage of profits fixed by the legislature as recently as in 1955 after prolonged discussion.

Doubts were raised as to whether the commission payable to managing agents for buying agencies, selling agencies, etc., under Sections 356 to 360, would also fall within the overall ceiling of 10 per cent. of the net profits as fixed in Section 348. The Committee appears to have taken a reasonable view. It has suggested that the ceiling of 10 per cent. of the net profits is exclusive of such commission as mentioned above. A new sub-section (2) is proposed to be added to the existing section. [The existing section is proposed to be numbered as sub-section (1)] The new sub-section 2 to Section 348 will read: "Nothing contained in sub-section (1) shall be deemed to affect the operation of Sections 354 to 360."

Profits and Losses

The Report states that "net profits of a company in any financial year" in their ordinary, commercial sense, which no business man would misunderstand, mean the excess of revenue receipts over the revenue expenditure incurred for earning these profits in a given period and that it is in this light many of the expressions like "usual working charges," "outgoings," "repairs," occurring in Section 349(4) have to be understood. The Report rightly points out that any attempt at defining the foregoing expressions is not practicable.

The Report, however, recommends a change in Section 349(4). Clauses (J) and (L) are proposed to be amended. A new clause (O) is suggested to be added at the end of Section 349(4). This section, when amended, will read:

"S. 349(4). In making the computation aforesaid, the following sums shall be deducted. (Clauses (A) to (I) remain the same.)

"(J) All other outgoings inclusive of contributions made under Section 293 (1)(*e*). (Clause K remains the same.)

"(L) The loss (not including any loss of a capital nature) computed according to this section and incurred in any year which begins at or after the commencement of this Act, in so far as it has not been taken into account in arriving at the net profits of that year or of any subsequent year preceding the year in respect of which the net profits have to be ascertained. (Clauses (M) and (N) remain the same.)

"(O) Debts considered to be bad or doubtful in the year of account."

There are several reasons for amending Section 349(4). It was stated before the Committee that the expression "usual working charges" in Section 349(4)(*a*) was vague and pointed reference was made to the treatment for account purposes of contributions to religious and secular charities, funds of political parties and associations organised for sport, etc. The Committee took the view that the foregoing expression was not vague and that it meant revenue expenditure usually incurred by companies and treated as such. If these contributions were recurring and reasonable, they would, according to the view of the Committee, be part of the "usual working charges" in Section 349(4)(*a*) or "outgoings" in Section 349(4)(J). To put this matter beyond doubt, the Report has suggested an amendment of clause (J) of this sub-section as observed above. The loss contemplated by Section 349(4)(L) (according to the view of the Committee) is the loss appearing in the audited accounts and balance-sheet of the company and the entirety of this loss, in so far as it has been incurred in any financial year which begins at or after the commencement of the Act must be written off before the managing agent or managing director can claim a percentage of profits. Section 349(4)(L) has been suggested to be amended by the insertion of the words "computed according to this section and" before the word "incurred."

Bad debts might properly be included as one of the usual working charges referred to in Section 349(4)(*a*). As Section 349(4) descends into a few details but does not exhaust them, a managing agent might, without writing off bad debts, try to take a commission by way of a percentage on imaginary or inflated profits. To avoid that danger, a new clause (O) has been suggested to be added to Section 349(4). With reference to sub-sections (4)(*f*) and (*g*) of Section 349, it was stated before the Committee that interest on borrowings by way of debentures or otherwise should not be deducted in arriving at profits during the period of construction before the company starts manufacturing, such interest being attributable to capital and going to enhance the capital value of the asset. The Report in this context states that if this interest is not capitalised, it will be part of the loss, but it can be regarded as loss of a capital nature within the meaning of Section 349(4)(L) and there is no need for making change in this respect.

In Section 349(4)(*c*), a question was raised as regards bonus paid in subsequent year for work done by workmen in the previous year. In this connection, the Report says:

"If no appropriation for bonus has been made and the bonus is payable in a subsequent year, say, under an award of an industrial tribunal, the bonus is an outgoing of that year. However, a provision made to meet a bonus which, it is known at the time of the closing of the accounts, will have to be paid, is properly to be included as a working charge; any additional bonus awarded by a tribunal can only be treated, as we have already indicated, as an outgoing of the subsequent year in which the amount is ascertained or becomes payable."

Further, the Report has proposed the addition (*vide* page 309 of *Commerce* dated 1st March 1958) of a new section 362A so as to require every company to annex to its profit and loss account a statement giving the relevant details regarding the computation of the commission payable by way of a percentage of the profits to managing agents, directors, etc.

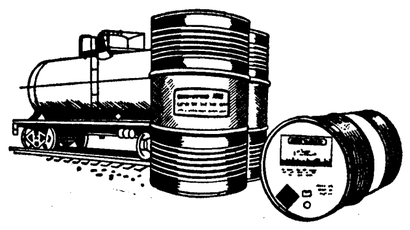
Depreciation

Before discussing the recommendations of the Committee for the amendment of Section 350 it is necessary to observe the amendments proposed in Section 205 which states that dividend should be paid only out of profits. The Report states that the Act does not define "profits" nor does it indicate the manner in which profits have to be computed for the purpose of declaration of dividend. Business men refer to "profits" as the excess of receipts over the expenditure for earning the profits during a year. The decisions as to the funds out of which dividends may be paid are not uniform. There are conflicting opinions as to the proper method of computing profits for the purpose of declaring dividend. There is also divergence of opinion as regards the question whether losses brought forward from previous years should be covered before any dividend can be declared from the profits of the current year as contemplated by note (*h*) in Part 1 of Schedule VI of the Act or whether the dividend could be paid out of the current profits leaving the previous losses to be recovered over a number of years, present and future, or even never to be recovered at all. The Report (*vide* page 74) states that the Committee, after due consideration of all relevant circumstances, has proposed the amendment of Section 205 in the following terms:

"Dividends may be declared or paid only out of the net profits of the company for the financial year arrived at after providing an amount for depreciation for that year on the scale prescribed by Section 350(*a*) of the Act or out of the undistributed profits of previous years or out of both."

Now we come to Section 350 which has presented difficulties regarding deduction of

Organic Chemicals



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depreciation. The Committee has proposed the amendment of Section 350 in the following terms:

"The amount of depreciation shall be the amount calculated with reference to the written down value of the asset as shown by the books of the company at the end of the financial year, ending on 1st April 1956, or immediately thereafter and at the end of each subsequent financial year, at the rates specified for the asset by the Income-tax Act and the rules framed thereunder for the time being in force, as normal depreciation including therein extra and multiple shift allowances, but not any special, initial or other depreciation or any development rebate, whether allowed by that Act or the rules framed thereunder or otherwise or any arrears of depreciation."

Note.—As regards proposals for the amendment of Sections 354, 356 to 361 and the addition of a new section 362A (*vide Commerce* dated 1st March 1958).

Loans to Managing Agents

Section 295 deals with loans to directors. Section 369 deals with loans to managing agents and their associates. Section 370 provides that loans or financial assistance to companies under the same management cannot be given without the consent of the lending company by a special resolution. The Report does not touch Section 295 but suggests significant amendments in Sections 369 and 370.

Section 369(1)(*a*) prohibits a public company or a private company which is a subsidiary of a public company from giving a loan to its managing agent or any associate of the managing agent. The Report observes that it is possible to avoid this restriction by giving a loan to a managing agent or its associate through an intermediary. To prevent this, the words "shall directly or indirectly make" are proposed to be substituted for the words "shall make" in Section 369(1)(*a*).

In order to prevent any abuse of the facility (of current accounts) given by Section 369(2) it is proposed in the Report that an "explanation" may be added to this section in the following terms:

"The credit referred to in sub-section (2) refers only to the cash advance given by way of a permanent advance or imprest for facilitating the carrying on of the company's business, transactions on such advance or imprest accounts being settled as far as possible on monthly basis."

As regards loans made before the Act, in contravention of Sections 369 and 370, the Report proposes that a provision similar to that of Section 295 should be inserted as Section 370A. The draft of the foregoing new section (page 146 of the Report) states that in respect of loans to managing agents and their associates, outstanding at the commencement of the Act, consent of the Central Government should be obtained within six months or such other time as may be granted by the Central Government or the loan should be enforced for repayment. As regards Section 370, the Report states (page 147) that "the restrictions in Section 370(1), explanation (ii), could be defeated if the majority are nominee directors representing a company having predominant shareholding interest in either the borrowing or lending company or in both. There may also be cases where the directors of the lending company, whether nominees of the holding company or not, are accustomed to act in accordance with the directions or instructions of other persons." The Report therefore proposes that clause (ii) of explanation to Section 370(1) may be amended so as to read as follows:

"If a majority of the directors of the one body constitute, or at any time within the six months immediately preceding constituted, a majority of the directors of the other body. For the purpose of this explanation, any person in accordance with whose instructions the board of directors of a company is accustomed to act, shall be deemed to be a director."

(The word "or" is proposed to be added at the end of this clause.)

A new clause (iii) is proposed to be added to explanation to Section 370(i) in the following terms:

"If the ultimate holding in the shares of the two bodies is controlled by the same company or individuals having or controlling share holding interest therein, despite the interposition of one or more companies in the chain of holding company and subsidiaries."

The object of suggesting the foregoing clause to the explanation to Section 370(1) is to prevent the inter-company loans which are opposed to the spirit of Section 370(2). The Report explains the purpose of the amendment by an illustration. Lending company A has subsidiaries B, C, D, and E, of which B alone is a public company. F, a subsidiary of B, gives loans to C, D and E as well as to A. The loans given by F would not strictly fall under Section 370(2). To make this position clear a new clause (iii), as observed above, has been proposed to be added to the explanation to Section 370(1).

A further new clause (iv) is proposed to be added to the explanation to Section 370(1) in the following terms:

"If the holding company of one is under the same management as the other within the meaning of the foregoing clauses (i) to (iii)."

As regards Section 370(ii), it was suggested that loans by a subsidiary to its holding company or to another subsidiary of the same holding company should be included in this section and exempted from the operation of Section 370(i). Sections 295 and 370 do not allow loans by a subsidiary to its holding company, evidently because such loans might be granted under pressure or compulsion from a quarter having a controlling interest and might not be to the advantage of the lending company. In view of these considerations the Committee has come to the conclusion that there is no sufficient reason to alter the law in this respect. The Report, however, suggests that a minor drafting omission in Section 370(2)(*b*) may be rectified by the insertion of the words "or for" after the word "to."

As regards Section 370(2)(*c*), the Report observes that, under the Banking Companies Act, banks cannot have managing agents. It, therefore, recommends that banks should be exempted from the operation of Section 370 so as to permit them not only to lend to other banks but also to companies under the same management in the usual course of business. In order to give effect to the above recommendation, the Report proposes to add a new subclause (c) to Section 370(2), namely, "(c) by a bank in the ordinary course of its business."

A further amendment of Section 370 has been proposed by the addition of a new sub-section (3) to the effect that nothing contained in Section 370 shall apply to a book debt unless the transaction represented by the book debt was, from its inception, in the nature of a loan or an advance.

Section 384 prohibits the appointment of a firm or a body corporate as a manager. The Report proposes that the words "no company" should be substituted for the words "no public company, and no private company which is a subsidiary of a public company" occurring in the opening part of Section 384. As regards Section 387 which refers to remuneration payable to a manager, the Report observes that the intention of the legislature appears to have been that even if the remuneration of the manager is fixed on the basis of a fixed monthly payment, the total remuneration drawn by him should not exceed 5 per cent. of the net profits. Section 387 is not explicit on the point. In order to make this point clear, the Report proposes that the words "not exceeding five" occurring in Section 387 may be dropped and the following words may be added at the end of the section

"but such remuneration shall not exceed in the aggregate five per cent. of the net profits."

The Report proposes that a new Section 388A may be added so as to exclude private companies from the operation of Sections 384 to 388. As a consequential amendment arising out of the proposed new Section 388A, the Report states that sub-section (5) of Section 386 should be deleted.

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INDIAN PAPER MAKERS ASSOCIATION

MR. J. F. BRIERLEY'S SPEECH AT ANNUAL GENERAL MEETING

GOVERNMENT'S POLICY ON PRICES CRITICISED

THE view that it was hard to reconcile Government's policy on paper prices with its exhortation to the industry to increase production was expressed by Mr. J. F. Brierley, Chairman, Indian Paper Makers Association, in the course of his speech delivered at the Annual General Meeting of the Association held at Calcutta on 23rd May 1958. Mr. Brierley pointed out that, if the Government was going to absorb for its own use about 30 to 40 per cent. of the paper produced in the country and at the same time pay prices which barely covered production costs, it was clearly impossible for the industry to set aside funds for expansion. He also said that, if it was intended that the shortfall should be recouped from prices charged to civilian consumers, the morality of such an attitude was questionable and at variance with the request which the Government had made to keep selling prices down.

The following is the full text of Mr. Brierley's speech:

"GENTLEMEN,

"On behalf of the Committee, I should like to extend a cordial welcome to our guests to this annual general meeting of the Indian Paper Makers Association. The annual report for 1957 has been sent to members. I regret that it has been issued somewhat late this year and that it has not been in your hands for longer.

Steady Progress

"1957 has been a year of steady progress and, although no new unit came into production, the substantial expenditure by existing units on modernising and expanding their plants is reflected in the continued increase in the production of paper. The final figures will probably show that, for the first time in the history of the Indian paper industry, production of paper has exceeded two lakh tons. This was an achievement of great merit and shows the very real effort the industry is making to reach the target laid down for it in the second Five-year Plan. However, one would not be being honest with oneself, if one tried to believe that the target was within reach, even at this comparatively early stage of the Plan. Nevertheless, very great strides have been made in the last seven years since the commencement of the first Five-year Plan, and the production of paper has almost doubled in this time. Such progress would be impossible without the combined efforts of all those concerned, and I think it would be fitting were I to place on record here the valuable assistance in implementing expansion schemes which is received from the Paper Development Wing of the Ministry of Commerce and Industry. For a rapidly expanding industry such as ours, it is essential to have a Government department working in close collaboration, and the paper industry is fortunate in being in this position. The help and advice which we need is always readily available from the Paper Development Wing, and it is comforting to know that the many problems, big as well as small, which face us from time to time are always fully appreciated.

Quality and Price

"While the industry can justifiably be proud of its achievement, still greater progress has to be made. This is particularly so if there is to be any substantial quantity of paper available for export, and this is a matter which must be given more direct consideration, in view of the country's foreign exchange position. But, before we can expect to sell our products on overseas markets, we must be able to satisfy overseas buyers as to their quality and we must also be able to offer paper at competitive prices.

"Mention of prices brings me to the other side of the picture for 1957. 1957 will be remembered as a year when production costs in the paper industry continued to rise steadily. Every one connected with the industry is all too fully aware of the rise in prices of essential materials and in other costs, which has taken place since paper was decontrolled in 1950. For instance, the price of coal, of which about 3½ tons are consumed for the manufacture of each ton of paper, has risen by nearly 30 per cent.; the price of hosiery cuttings has risen by 80 per cent; rosin by 48 per cent; and china-clay by 60 per cent. While labour costs, partly through increases in wage rates and partly through increased amenities, have risen, on an average, by about 35 per cent.

Electricity Duty

"A major contributory factor to the mills' rising costs of production has been Central and State Government duties or statutory price increases of one description or another. The latest of these, but I have no doubt not the last, is the enhancement of the electricity duty payable by mills in West Bengal with effect from 1st February 1958. While I appreciate the importance to the West Bengal Government of the increased revenue which follows from this measure, I wonder whether they fully realise its impact on the West Bengal paper industry. Is it realised that it will increase the cost of producing paper in West Bengal by 1 nP per lb.? This is, moreover, only the direct effect on mills of the enhanced electricity duty. There will, in addition, be an indirect effect, as the prices of any chemicals and stores produced in West Bengal are bound to be increased similarly.

"I understand that, more recently, the Government of Punjab have taken similar action which may affect even more drastically the costs of production of paper mills in that State.

"I feel most strongly that Government should pay far greater attention to the impact on the industry of measures which they enforce to increase revenue. At the moment, they appear to see this matter only from the point of view of increased revenue, and they should be aware of the fact that, when prices increase, it is very often some action on their own part which has been responsible for the increase.

Selling Prices

"The paper industry has always maintained selling prices at as low a level as possible. In spite of the increases in cost to which I have referred, mills have been able, by increasing their efficiency, to maintain relatively steady selling prices. It is to the industry's very great credit that, during the eight years since decontrol until March of this year, the selling price of standard white printing paper was kept down to only 12 per cent. above the price ruling in 1950. This does not, of course, include the increase of 16 per cent. since March 1955 as a result of the imposition of excise duty.

"There is, however, a limit to the extent to which any industry can absorb increases in costs. There will always come a stage when some of the increases must be passed on to the consumer, particularly if the industry is to expand and maintain its plant in efficient working order. Accordingly, in March of this year, Goverment was advised that the industry could no longer bear the whole of the increased cost of production which had taken place in the previous 12 months, and were asked for an increase of about 9 per cent. in the price for supplies against the Government rate contract for 1958-59. The industry's request for this increase was fully substantiated by figures, but, unfortunately, Government was prepared to increase the price by only 3.6 per cent. This increase was accepted by the industry, but not without very great misgiving, and it was made clear to Government that the increase was considered to be inequitable and thoroughly out of line with the increased cost of production.

Morality Questionable

"It is hard to reconcile Government's policy on paper prices with their exhortation to the industry to increase production. If Government are going to absorb for their own use between 30 and 40 per cent. of the paper produced in the country, and at the same time pay prices which barely cover production costs, it is clearly impossible for the industry to set aside funds for expansion. If it is intended that this shortfall should be recouped from the prices charged to civilian consumers, then I can only say that the morality of such an attitude is questionable and at variance with the request which Government have made to keep selling prices down.

"At the same time as discussing supplies to Government, representatives of the industry also discussed civilian prices with Government and the industry assured Government of its co-operation in assisting to keep them down. It was, however, made clear that, as in the case of supplies to Government consumers, a stage had been reached at which part of the increase in production costs would also have to be passed on to civilian consumers. Prices have accordingly been increased by about 5 per cent. with effect from 1st April 1958. Although there has been a certain amount of comment on this price increase in the Press, I am glad to say that it is generally appreciated that the cause of the high prices at which paper is selling in the bazaar is not the prices charged by the mills but the excessive profits taken by the bazaar. This Association has emphasised to its members that they must do everything within their power to see that paper sold to their distributors is thereafter sold to consumers at the prices recommended by the mills.

Bamboo Resources

"An address from this chair would be incomplete without a reference to bamboo. Bamboo is the industry's main raw material and to all intents and purposes, and until other raw materials can be developed, is the only raw material which can sustain the existing industry and its expansion. The bamboo resources of the country are vast, but not so vast as to justify the belief in many quarters that they are unlimited. Insufficient is known about the total extent of the resources and a scientific survey of them by Government is now an urgent necessity, as the future development of the industry depends on precise knowledge of the quantity of bamboo available. Meanwhile, I must repeat the warnings of my predecessors that the country's paper production capacity is in real danger of outstripping the supply of this essential raw material.

"The Raw Material Resources Sub-Committee of the Pulp and Paper Panel has produced some rough estimates placing total resources of bamboo on a sustained annual basis at about 1.8 million tons. The estimated annual requirement of the existing industry is 0.4 million tons and a further 0.85 million tons are estimated to be required for new projects and expansion of existing units authorised under the Industries (Development and Regulation) Act, 1951. It is recognised that the total resources include substantial quantities in regions which are incapable of being exploited economically. The Raw Material Resources Sub-Committee, therefore, feels that the balance of 0.55 million tons should, generally speaking, be considered as a reserve to meet possible eventualities, such as gregarious flowering. It is evident from these figures that the time has come when Central and State Governments must not only see that existing resources are utilised to the fullest extent, but also that steps are taken to increase the annual yield of bamboo areas.

Lease of Forests

"In this connection, I cannot emphasise too strongly that it is in the interest of State Governments to lease out forests direct to paper mills on a long-term basis. It is only in this way that the forests will be exploited fully and properly, and that full advantage will be taken of the resources of the country. Although the increasing outturn of bamboo from areas worked by long-term lease-holders makes it abundantly

(*Continued on page* 1055)

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EXCISE DUTY HITS TRAVANCORE RAYONS' PROFIT

EXPANSION SCHEMES PROGRESSING

A RISE in the cost of production, heavy excise duty on rayon yarn and curtailment of production due to labour unrest, all these have cumulatively resulted in a sizable decline in the profit of the Travancore Rayons Ltd. [Managing Agents: Messrs. Emcete and Sons (Travancore) Private Ltd., Rayonpuram, Kerala State] for the year ended 31st December 1957. The combined effect of all these factors was so great that even a substantial rise in sale proceeds could not offset the fall in profits. It may be of interest to note, in this connection, that the sale proceeds for the year under review at Rs. 255.50 lakhs are a new record in the Company's history, such having exceeded the previous best of Rs. 195.43 lakhs in 1955 by as much as Rs. 60.07 lakhs. Production of rayon yarn and cellulose film, however, fell by 1,559,000 lbs. from the previous year's peak of 7,070,000 lbs. to 5,511,000 lbs. as a result of interruption of work, due to strike, which lasted for nearly a month. The gross profit at Rs. 60.25 lakhs has dropped by Rs. 10.11 lakhs from the previous year's record of Rs. 70.36 lakhs.

After maintaining the provision for depreciation at Rs. 34.55 lakhs (Rs. 34.29 lakhs in 1956) and allocating Rs. 1.05 lakh as provision for wealth tax for 1953, the net profit at Rs. 21.64 lakhs shows a decline of Rs. 10.86 lakhs from the record level of Rs. 32.50 lakhs for 1956. In view of the fall in profits, the transfer to general reserve has been halved to Rs. 10 lakhs from Rs. 20 lakhs provided a year ago. No amount has been transferred to deferred taxation reserve for the second year in succession. The dividend on the ordinary shares has been maintained at 10 per cent. paid for the previous year, to which level it had been stepped up successively from the maiden distribution of 5 per cent. for 1953.

The following comparative table will give some idea of the salient features of the Company's results for the past four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	2,55.50	1,93.60	1,95.42	1,61.65
Closing stocks	18.03	61.22	25.70	31.00
Expenses	1,52.42	1,59.42	1,35.69	1,04.02
Gross profit	60.25	70.36	54.93	47.98
Managing Agents' remuneration	3.01	3.57	2.45	2.07
Provision for depreciation ..	34.55	34.29	27.08	23.59
Wealth tax provision for 1956 ..	1.05	..	..	..
Net profit	21.64	32.50	25.40	22.32
To deferred taxation reserve ..	..	..	14.00	12.75
,, general reserve	10.00	20.00	..	..
Dividends—				
5% preference (tax-free) ..	2.50	2.50	2.50	2.50
Ordinary	10.00	10.00	7.50	5.24
	(10%)	(10%)	(7½%)	(6½%)
Carry forward	1.78	2.64	2.64	1.23

As stated earlier, the sale proceeds during the year under review were the highest on record, representing an increase of 32 per cent. over those for 1956. It may sound paradoxical how the sales were so high when production had actually suffered on account of the strike. The answer to this is given in the large stocks carried over from the previous year. Expenses, on the other hand, have come down from Rs. 159.42 lakhs to Rs. 152.42 lakhs. These include a sum of Rs. 9.07 lakhs paid as excise duty during the year under review. The decline in expenses, despite higher manufacturing costs, reflects the fall in production. This is indicated by the cost of raw materials consumed which has come down from Rs. 80.39 lakhs in the previous year to Rs. 67.98 lakhs.

The plant for the manufacture of moisture-proof transparent cellulose film was in operation almost throughout the year. The demand for moisture-proof heat-sealing cellulose film was steady, the chief consumers being the tobacco manufacturing industries. The installed capacity of the cellulose film plant is five tons per day but this quantity was found to be in excess of the country's demand. Hence accumulation of stocks of plain cellulose film was noticed by the end of 1956. With the taking up of the manufacture of moisture-proof heat-sealing film in larger quantities during 1957, a balanced supply position was achieved and the Company is now in a position to meet the entire needs of the country in both varieties. The imposition of excise duty at the close of 1956 had an unfavourable effect on the selling price of rayon yarn and during the first half of 1957, sales left very little margin of profit. It was not possible, under the prevailing market prices, to pass on the new impost to the consumer and the manufacturers had to bear the burden in the form of increased cost in production. As the result of a decline in demand, production of rayon yarn during 1957 registered a fall as compared with 1956.

Commenting on the Company's schemes of expansion, the Directors in their latest report observe thus:

"The third stage in the expansion schemes—for enhanced production of rayon yarn by about 1.8 tons per day—which was taken up during 1956, has just been completed. Owing to some delay in the arrival of certain vital equipments, the machines could not be put into commission during the year under review. Another item in the expansion programmes recently taken up is the setting up of a sulphuric acid plant of about 50 tons capacity per day. Licence for the import of plant and equipment has been received, and implementation of the scheme is in progress. The Directors are considering further stepping up production of transparent cellulose film, both plain as well as moisture-proof heat-sealing varieties, by the installation of additional machines. Licence for substantial expansion has been obtained and the schemes will have to be taken up as soon as acceptable terms regarding finance, credit facilities for deferred payments, etc., are finalised."

The Directors state that although the import restrictions made effective in 1957 have reacted favourably towards the indigenous industry, difficulty is often felt in obtaining supplies of essential spares and replacements from abroad. Many of the items that could be procured in the Indian markets have also gone up in price which in turn has led to increase in the cost of production.

The Company's paid-up capital as at 31st December 1957 remains unchanged at Rs. 150 lakhs (in 500,000 five per cent. cumulative preference shares of Rs. 10 each and 1,000,000 ordinary shares of Rs. 10 each). Its reserves and surplus are small and aggregate only Rs. 61.93 lakhs. Of this, both the general reserve and deferred taxation reserve account for Rs. 30 lakhs each. The 4 per cent. first mortgage debenture liability stands reduced from Rs. 21.50 lakhs to Rs. 19 lakhs. The current liabilities aggregate Rs. 91.99 lakhs, of which secured and unsecured loans from banks and from the State Government account for Rs. 59.99 lakhs. The gross block of Rs. 388.81 lakhs stands written down to Rs. 193.68 lakhs. The current assets aggregate Rs. 129.24 lakhs and cover the current liabilities by a comfortable margin.

The Rs. 10 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 13.32 *cum-div.* On an *ex-div.* basis, the yield on the shares works out to 8.11 per cent. per annum.

INDIAN CABLE'S ISSUE

The Directors of the Indian Cable Co., Ltd. have decided to offer 828,848 new ordinary shares of Rs. 10 each at par. The new ordinary shares will be offered to existing shareholders whose names are on the register of the Company on 11th June 1958 in the proportion of one new ordinary share for every two ordinary or preference shares held, with the right to renounce all or any of the shares so offered in favour of third parties. It is stated that no fractional entitlement will be allowed. For this purpose, the register of members will remain closed from 28th May to 11th June 1958, both days inclusive.

(Concluded from next column)

a paid-up capital of Rs. 25.50 lakhs, made up of 21,000 ordinary shares of Rs. 100 each, 1,500 six per cent. cumulative preference shares of Rs. 100 each and 3,000 (6½ per cent.) cumulative preference shares of Rs. 100 each. It should be noted here that these reserves have been built up after capitalising a sum of Rs. 14 lakhs out of reserves in the past. The current liabilities stand at Rs. 53.65 lakhs and include a provision of Rs. 5.35 lakhs for taxation. Of the current liabilities, secured loans from a bank account for Rs. 22.03 lakhs and unsecured loans for Rs. 16.94 lakhs. The gross block of Rs. 86.31 lakhs has been written down to Rs. 34.54 lakhs. The current assets aggregate Rs. 84.60 lakhs and exceed the current liabilities and provision for taxation by a margin of Rs. 30.95 lakhs.

The Rs. 100 fully paid-up shares are being currently quoted at Rs. 239 *ex-div.*, at which rate and on the basis of the latest dividend, the yield on the shares works out to 5.02 per cent. per annum, free of income-tax.

VASANTA MILLS' PROFIT DECLINES

DIVIDEND ALSO LOWER

THE audited accounts of Vasanta Mills Ltd. (Managing Agents: Messrs. R. K. Shanmukham Chetty & Bros., Singanallur, Coimbatore District) for the year ended 31st December 1957 furnish yet another instance of the difficult conditions for the textile industry. The Company's profit has registered a steep fall, in sharp contrast to the marked improvement noted in the previous year. This is attributed to the general recession in the textile industry, the high incidence of sales tax on cotton and of excise duty on cloth, the heavy surcharge on electric power and, above all, the enhancement in the wage bill. The decline in the Company's profits has resulted in lower amounts being added to the reserves, as compared with the previous year. The shareholder also gets much less, for the distribution to him in the shape of dividend has been sizably reduced to 12 per cent. from 20 per cent. paid for the previous two years. The gross profit for the year under review at Rs. 12.26 lakhs is just half of Rs. 24.09 lakhs for 1956, to which level it had smartly risen from Rs. 18.53 lakhs for 1955.

The net profit amounts to Rs. 3.98 lakhs and makes an unfavourable comparison with Rs. 8.37 lakhs a year ago and Rs. 7.25 lakhs two years earlier. This is arrived at after lowering the provision for depreciation from Rs. 7 lakhs to Rs. 4.70 lakhs and that for taxation from Rs. 6.50 lakhs to Rs. 2.72 lakhs. The general reserve and the dividend equalisation reserve, both of which had received Rs. 2 lakhs each in the previous year, have not been provided with anything. A sum of Rs. 1.37 lakhs has, however, been added to a new development rebate reserve created in accordance with the provisions governing the allowance of development rebate as announced by the Government recently. The dividend, as stated earlier, has been lowered to 12 per cent. from 20 per cent. for the previous two years, to which level it had risen from 15 per cent. for 1954 and 12 per cent. for 1953. Thus the distribution is once again taken to the 1953 level.

The following comparative table provides a broad idea of the Company's progress during the last three years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds	1,73.81	1,73.99	1,61.59	1,60.57*
Closing stocks	30.23	18.97	12.93	N.A.
Manufacturing and other expenses	1,73.21	1,56.35	1,42.77	1,42.37
Gross profit	12.26	24.09	18.53	18.82
Managing Agents' commission ..	0.86	2.22	1.60	1.65
Depreciation	4.70	7.00	4.68	4.75
Taxation	2.72	6.50	5.00	6.00
Net profit	3.98	8.37	7.25	6.47
To general reserve	..	2.00	0.50	2.00
,, other reserves	1.37	2.00	2.00	0.01
,, donations and charities ..	0.13	0.01	0.01	
Dividends—				
Preference	0.28	0.28	0.28	0.28
Ordinary	2.52	4.20	4.20	3.15
	(12%)	(20%)	(20%)	(15%)
Carry forward	0.12	0.44	0.56	0.30

* Net sales.

It will be seen from the table that the Company's sale proceeds have been nearly maintained at the previous year's level. Sales of cloth registered a decline on account of the heavy incidence of excise duty while the fall in demand from the handloom consuming interests rendered the yarn market dull with low and uneconomic rates. The high prices for cotton was another adverse factor which cut into the profit margins. Manufacturing and other expenses have made a substantial rise of Rs. 16.86 lakhs to Rs. 173.21 lakhs. These are inclusive of three months' bonus paid to the employees of the Company in respect of the year 1956 in terms of an agreement with the workers' unions.

As regards the Company's schemes of expansion, the Directors state that further progress was made in the modernisation of the mills' spinning department and in the conversion of the spinning frames to high draft system as a means to eliminate the intermediate processing wherever possible. These measures, it is stated, will improve the quality of the Company's products. An additional generator has been installed in the mills which, with the existing two generators, will take care of 50 per cent. of the factory's current requirements in the event of a power cut.

A sound financial position is disclosed by the Company's latest balance-sheet. Its reserves and surplus aggregate Rs. 39.99 lakhs, as against

(Continued in previous column)

INDIA SUGARS SUFFER LOSS

MARKED FALL IN PRODUCTION

THE working results of the India Sugars and Refineries Ltd. (Managing Agents: The India Sugar Agencies Private Ltd., Madras) during the year ended 30th September 1957 makes uninteresting reading, for the Company has reported a loss of Rs. 3.58 lakhs for the year under review, as against a gross profit of Rs. 13.30 lakhs made in the previous year. As regards production too, the report reveals a sharp and unwelcome contrast with the encouraging performance noted in the previous year when the quantity of cane crushed and the output of sugar both touched new record levels. Thus, the output of sugar declined from 13,565 tons to 7,959 tons.

The year under review was beset by several difficulties for the Company. Thus, the erection of the Company's new plant was completed somewhat late in the season. Teething troubles usually experienced in new installations had to be dealt with and labour had to be trained to handle the modern units installed. There was also a breakdown of the electrical system for a period of three weeks during the season. Consequently, the season was unduly prolonged and the cane also deteriorated and was of poor quality.

After paying Rs. 30,000 as managing agents' remuneration, there is a net loss of Rs. 3.88 lakhs, which has been adjusted by the Directors against the general reserve. In view of the loss suffered, the Company has not been able to make any provision for depreciation. With the amount of Rs. 6.77 lakhs carried over as surplus from the previous year, the Directors have proposed to make payment of both the preference and ordinary dividends. Accordingly, a dividend of 10 per cent. on 319,760 shares and a *pro rata* dividend on 320,000 new shares issued in 1955-56 has been recommended by the Directors for the year under review, as against 11¼ per cent. paid for 1955-56.

The following comparative table brings out the progress of the Company during the past four years:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	82.23	97.72	99.37	90.24
Closing stock of finished goods ..	25.62	28.21	18.17	13.06
Other income	3.78	3.06	2.81	4.85
Expenses	87.00	97.53	1,07.14	82.89
Gross profit (+) or loss (—) ..	—3.58	+13.30	+13.21	+12.17
Managing Agents' remuneration	0.30	1.32	1.26	1.11
Depreciation	..	0.67	0.46	0.38
Provision for taxation and contingencies	..	5.35	6.00	5.50
Net profit (+) or loss (—) ..	—3.88*	+5.96	+5.59	+5.18
Refund of sales tax	..	0.04	..	..
Previous year's administrative expenses written off	..	0.10	..	..
Dividends—				
7½ per cent. preference ..	0.21	0.33	0.09	0.09
Ordinary	6.00	4.04	4.41	3.11
	(10%)†	(11¼%)‡	(14%)§	(17½%)
Carry forward	0.46	6.77	5.22	4.30
Cane crushed (in tons) ..	120,694	133,142	127,609	97,155
Sugar produced (in tons) ..	7,959	13,565	13,067	9,995

* Adjusted against general reserve.
† On a higher capital of Rs. 63.98 lakhs, fully called up on 31st March, 1957.
‡ On the increased capital of Rs. 55.95 lakhs brought about by the issue of 320,000 new ordinary shares of Rs. 10 each and 4,714 bonus shares.
§ On a higher capital of Rs. 31.48 lakhs raised by the issue of shares of the value of Rs. 2.80 lakhs.

During the year under report, the quantity of cane crushed fell from the previous year's record of 133,142 tons to 120,684 tons. Likewise, sugar produced, as already stated, declined from the peak level of 13,565 tons for 1955-56 to 7,959 tons. This is the lowest level since 1949-50 when a quantity of only 3,368 tons was produced.

The paid-up capital of the Company stands raised from Rs. 54.34 lakhs to Rs. 66.42 lakhs, consequent on the new shares having been fully called up. The present paid-up capital is made up of 6,900 (7½ per cent.) cumulative preference shares of Rs. 100 each and 639,760 ordinary shares of Rs. 10 each. Calls in arrears account for Rs. 3.56 lakhs. The reserves and surplus aggregate Rs. 11.49 lakhs. Besides this, there is a provision for taxation and contingencies amounting to Rs. 16.22 lakhs. The current liabilities aggregate Rs. 84.45 lakhs. The gross block of the value of Rs. 78.71 lakhs has been written down to Rs. 59.83 lakhs. The current assets aggregate Rs. 118.75 lakhs and cover the current liabilities and provision for taxation by a wide enough margin.

The Rs. 10 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 13.25 *cum-div.* On an *ex-div.* basis, the latest dividend works out a yield of 8.16 per cent. per annum, free of income-tax.

Points From The Chair

Revolutionary Changes

"I am glad to record that, as usual, we continued to receive due help and encouragement at the hands of the State and Central Governments. The country is faced with many problems, some of them intriguing and perplexing. It is a great credit to those at the helm of affairs that they are not borne down by the difficulties, and every situation is overcome in a remarkably able manner. Sweeping political, social and economic changes are overtaking us. I am sure it is equally recognised by all concerned that we, of business and industry, are trying to adapt ourselves to these revolutionary changes with appreciable resiliency. I do not wish to deal very much with the heavy burdens of taxation, the various disincentives to capital formation, the inflationary pressures, the foreign exchange crisis and so on. These are but the inevitable features of an expanding economy of an underdeveloped country. It is the duty of every one of us to put our shoulders to the wheel, despite differences here and there, keeping in mind the future prosperity of India, and help work out the second Five-year Plan to a fruitful conclusion. I am glad to see that the Government are now becoming more and more realistic and there is every reason to hope that as they gather more and more experience, they would, no doubt, be able to see the best means of attaining their ends with the least stresses and strains on the various sectors of the economy."

AR. RAMANATHAN,
Travancore Rayons Ltd.

National Superannuation

"At the very time when I was addressing you last year, the Labour Party was making public its outline of a national superannuation scheme. Hints also of a Government scheme continue to appear in the Press. The effects of such schemes on the country and on our business could be very important, whether for good or bad, and it is imperative that quiet and sober consideration should be given to the problem. The intervening year since the publication of the Labour Party's outline has given everybody time to think and I imagine that the general consensus of opinion would now be that the scheme was too ambitious. Moreover, closer examination of the scheme strengthens the grave doubts about its consequences for employees who are members of existing pension schemes, whether self-administered or insured. Pension arrangements are inevitably complex and it is not enough to have good intention about allowing members of existing schemes to contract out of an enlarged State scheme. The practical problems are formidable and can over-ride the good intentions. Detailed consideration of these problems and of the effects of such an enlarged scheme on the national economy confirms the conclusion that serious consequences would follow if the State should depart appreciably from its proper function of ensuring that the basic needs of the elderly are met. In this respect, I would not wish to interpret the phrase 'basic needs,' in a narrow sense. But I am convinced that it would be unwise for the State to go further than this."

SIR FRANK MORGAN, M. C.
Prudential Assurance Company Ltd., London.

Oil Industry

"So far as our industry is concerned, the stock position in the U.S.A. is better, owing to much reduced refinery runs and to severe curtailment of production of crude oil, which in the Texas fields has been reduced to eight days a month—the lowest ever recorded. In the world outside the United States, records of the year so far available suggest that as a whole consumption is being maintained, but without the full impetus to expansion which previous years' experience had led us to expect. Within the whole field, of course, some parts of the business have slackened and others have improved. Consumption of bunkers by shipping, for instance, is much lower, because of reduced activity in this sphere, consumption of gasoline and gas oil, on the other hand, still retains much of the characteristic buoyancy of previous years."

THE RIGHT HON. LORD GODBER,
"Shell" Transport and Trading Co., Ltd., London.

Steel Renationalisation

"I feel I must also make some reference to the possible renationalisation of the steel industry, for once again the industry is the subject of political controversy. As large consumers of steel, we must add our voice to those who fear the consequences of further nationalisation. This Company depends completely for a large part of its activities on an efficient steel industry providing supplies of high quality steel at an economic price; without this it would be impossible for us to compete in world markets. It is not easy to discover what are the reasons, or excuses, for nationalising steel again, particularly when it is possible for any Government to exercise a considerable measure of control over the industry through the existing Iron and Steel Board. Is renationalisation likely to result in a more efficient and progressive industry? Alternatively, is there a risk that renationalisation might have the opposite effect? Surely it is not asking too much of our politicians that issues of this magnitude should be settled on the merits of the case rather than on a mixture of political theory and spite."

HERBERT SMITH,
British Ropes Ltd., London.

COMPANY MEETINGS AND DIVIDENDS

SRI BALASUBRAMANIA MILLS LTD. Annual General Meeting, Singanallur, Coimbatore, 5th June 1958. Dividend: 7½ per cent. Transfer books remain closed from 23rd May to 5th June 1958, both days inclusive.

PEERMADE TEA CO., LTD. Annual General Meeting, Pathirapally, Kerala State, 7th June 1958. Dividend: Rs. 2.50 per share (includes interim dividend of Re. 0.75 per share). Transfer books remain closed from 25th May to 10th June 1958, both days inclusive.

MAHARASHTRA SUGAR MILLS LTD. Annual General Meeting, Bombay, 9th June 1958. Dividend: Rs. 100.00 per share (includes bonus of Rs. 25.00 per share). Transfer books remain closed from 2nd to 17th June 1958, both days inclusive.

RAJNAGAR TEA CO., LTD. Annual General Meeting, Calcutta, 9th June 1958. Dividend: Re. 1.10 per share or 11 per cent. Transfer books will remain closed from 3rd to 9th June 1958, both days inclusive.

ASPINWALL & CO., LTD. Annual General Meeting, Calvetty, Fort Cochin, 10th June 1958. Dividend: 6 per cent. or Re. 0.60 per share. Transfer books remain closed from 26th May to 11th June 1958, both days inclusive.

NEW CHURULIA COAL CO. LTD. Annual General Meeting, Calcutta, 10th June 1958. Dividend: *Nil.* Transfer books remain closed from 2nd to 10th June 1958, both days inclusive.

CHEVIOT MILLS CO., LTD. Annual General Meeting, Calcutta, 12th June 1958. Dividend: *Nil.* Transfer books remain closed from 29th May to 12th June 1958, both days inclusive.

DELTA JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 12th June 1958. Dividend: *Nil.* Transfer books remain closed from 29th May to 12th June 1958, both days inclusive.

ORIENT JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 12th June 1958. Dividend: *Nil.* Transfer books remain closed from 29th May to 12th June 1958, both days inclusive.

NATIONAL RAYON CORPORATION LTD. Annual General Meeting, Bombay, 12th June 1958. Dividend: Rs. 14.00 per share, payable on and from 13th June 1958. Transfer books were closed from 16th April to 15th May 1958, both days inclusive.

PODAR MILLS LTD. Annual General Meeting, Bombay, 16th June 1958. Dividend: Rs. 10.00 per share (includes interim dividend of Rs. 4.00 per share), payable on or after 17th June 1958. Transfer books will remain closed from 6th to 16th June 1958, both days inclusive.

INDIA SUGARS AND REFINERIES LTD. Annual General Meeting, Madras, 16th June 1958. Dividend: Re. 1.00 per share or 10 per cent. Transfer books remain closed from 1st to 16th June 1958, both days inclusive.

HOOGHLY FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 19th June 1958. Transfer books will remain closed from 12th to 19th June 1958, both days inclusive.

VICTORIA MILLS LTD. Annual General Meeting, Bombay, 19th June 1958. Dividend: Rs. 20.00 per share (includes bonus also), payable on and from 3rd July 1958. Transfer books will remain closed from 6th to 19th June 1958, both days inclusive.

MARSHALL, SONS AND CO. (INDIA) LTD. Annual General Meeting, Calcutta, 20th June 1958. Transfer books will remain closed from 6th to 20th June 1958, both days inclusive.

BENGAL FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 20th June 1958. Dividend: Re. 1.25 per share. Transfer books will remain closed from 6th to 20th June 1958, both days inclusive.

SVADESHI MILLS CO., LTD. Annual General Meeting, Bombay, 20th June 1958. Dividend: Rs. 9.00 per share, payable on 21st June 1958.

TATA MILLS LTD. Annual General Meeting, Bombay, 25th June 1958. Dividend: Rs. 2.00 per share, payable on 26th June 1958.

RAJAGIRI RUBBER AND PRODUCE CO., LTD. An interim dividend of 7½ per cent. or Re. 0.75 per share, for the year ending 30th June 1958.

SIVANANDA MILLS LTD. Dividend of Re. 1.20 per share or 12 per cent. for the year ended 31st December 1957. Transfer books remain closed from 21st May to 4th June 1958, both days inclusive.

SPENCER & CO., LTD. Interim dividend of Re. 0.50 per share or 5 per cent. for the year ending 30th June 1958. Transfer books remain closed from 2nd to 9th June 1958, both days inclusive.

SWINTON ESTATES CO., LTD. Interim dividend of 5 per cent. for the year ended 31st March 1958 Transfer books remain closed from 2nd to 9th June 1958, both days inclusive.

TRAVANCORE RUBBER AND TEA CO., LTD. Dividend of 4 per cent. or Re. 0.40 per share, for the year ended 31st December 1957. Transfer books will remain closed from 3rd to 20th June 1958, both days inclusive.

NENMENY RUBBER AND PRODUCE CO., LTD. Dividend of 7½ per cent. or Re. 0.75 per share, for the year ended 31st December 1957. Transfer books will remain closed from 17th to 21st June 1958 both days inclusive.

PENINSULAR PLANTATIONS LTD. Interim dividend of 15 per cent. or Re. 1.50 per share, for the year ended 28th February 1958.

DELTA JUTE SUFFERS LOSS

PODAR MILLS' RESULTS DISAPPOINTING

Delta Jute Mills Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th November 1957.

The accounts, after charging all expenses and providing for sales tax, show a loss of Rs. 2,70,304 (Rs. 3,12,615). The directors have transferred from dividend equalisation reserve Rs. 25,000 (Rs. 32,500) and from general reserve Rs. 2,70,000 (Rs. 2,90,000). With the balance brought forward from last year of Rs. 4,547 (Rs. 15,912) there is a total amount available for distribution of Rs. 29,243 (Rs. 1,69,547) which includes Rs. 38,000 being excess provision for taxation written back and Rs. 5,750 being provision against anticipated loss on jute written back). The directors recommend that a dividend of Rs. 5.00 (Rs. 5.00) per share be paid on the preference shares absorbing Rs. 25,000 (Rs. 25,000) leaving a balance to be carried forward of Rs. 4,243 (Rs. 4,547 after paying dividend on ordinary shares at Rs. 5 per share absorbing Rs. 1,40,000).

Wealth tax for the year ended 30th November 1956 is estimated to amount to Rs. 34,500 and this has been provided for by transfer of this sum from investment realisation surplus. No depreciation has been provided on such plant as, in the Board's opinion, stands in the Company's books at or below its scrap value.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	33,00,000	Block ...	33,46,704
Reserves ...	37,22,179	Stock ...	19,12,427
Provision for taxation (including wealth tax)	34,829	Stores, spare parts and loose tools	9,05,123
Liabilities ...	6,55,026	Work-in-progress ...	2,25,606
Profit and loss account ...	4,243	Debts, deposits and advances ...	2,60,836
		Investments	50,903
		Cash ...	10,14,678
Rs.	77,16,277	Rs.	77,16,277

Podar Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. Podar Sons Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 31st December 1957.

The profit for the year amounts to Rs. 1,30,863 (Rs. 10,00,006) adding thereto the balance brought forward from last year of Rs. 4,72,683 (Rs. 3,92,677) there is a total available balance of Rs. 6,03,546 (Rs. 13,92,683). The interim dividend already paid on ordinary shares at Rs. 4 (Rs. 5) per share free of income-tax absorbed Rs. 1,60,000 (Rs. 2,00,000). From the balance of Rs. 4,43,546 (Rs. 11,92,683) the directors have proposed dividend on 10,000 preference shares at Rs. 4 (Rs. 4) per share free of income-tax absorbing Rs. 40,000 (Rs. 40,000), a final dividend on 40,000 ordinary shares at Rs. 6 (Rs. 5) per share [making to Rs. 10 (Rs. 12 including a bonus of Rs. 2 per share) for the whole year] free of income-tax absorbing Rs. 2,40,000 (Rs. 2,00,000) leaving a balance of Rs. 1,63,546 (Rs. 9,52,683 from which the directors provided Rs. 4,00,000 for taxation and Rs. 80,000 for special bonus on ordinary shares at Rs. 2 per share; leaving Rs. 4,72,683) to be carried forward to next year's account.

The directors regret that the result for the year under review is disappointing. The year 1957 was a most difficult year for the cotton textile industry in general. The heavy increase in excise duty on mill cloth levied in September 1956 had very adversely affected the industry. Sluggishness in the cloth and yarn trade has reflected in the lower profits realised for the Company's products as well as in the higher stocks of finished cloth and yarn carried at the close of the year.

The third shift of the spinning department started by the mills of the Company in the month of February 1957 was closed by the end of the year, because of adverse market conditions.

Exemption has been granted to the Company from making the compulsory deposit with the Government for the year 1956, under the Income-tax Allowance (Current Profits Deposit) Rules 1957.

As there will not be any assessable income of the Company for the year after allowance of depreciation and development rebate, no provision has been made for taxation and the liability for the wealth tax has not been provided as it is covered by the provisions for taxation made in the previous year. Full provision has been made for necessary depreciation upto 31st December 1957.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	50,00,000	Block ...	28,58,260
Reserves ...	45,64,554	Stock-in-trade	55,05,008
Provision for taxation ...	18,40,194	Stores and spare parts	1,95,807
Liabilities ...	30,96,086	Other assets	16,258
Profit and loss account ...	1,63,546	Debts, deposits and advances ...	28,57,128
		Investments	31,78,508
		Cash ...	53,411
Rs.	1,46,64,380	Rs.	1,46,64,380

Cheviot Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th November 1957.

The accounts, after charging all expenses, providing for sales tax and writing back provision for anticipated loss on jute made during the previous year, show a loss of Rs. 82,708 (Rs. 4,16,015). The directors have transferred from dividend equalisation reserve Rs. 70,000 (Rs. 85,000) and from general reserve Rs. 80,000 (Rs. 4,25,000). With the balance brought forward from last year of Rs. 8,565 (Rs. 2,615) there is a total amount available for distribution of Rs. 75,857 (Rs. 1,16,100). The directors recommend that a dividend of Rs. 7.00 (Rs. 7.00) per share be paid on the preference capital absorbing Rs. 70,000 (Rs. 70,000) leaving a balance to be carried forward of Rs. 5,857 (Rs. 8,565 after placing Rs. 5,635 being provision against anticipated loss on jute and dividend on the ordinary shares at Rs. 2.00 per share absorbing Rs. 31,900). Wealth tax for the year ended 30th November 1956 is estimated to amount to Rs. 23,000 and this has been provided for by a further transfer of this sum from general reserve.

With a view to having direct contacts with overseas markets, the Board together with the Board of other Jute Mill Companies under the same group management resolved to form a company under the style of Budge-Budge & Allied Jute Mills Exports (Private) Ltd. This Company, having been registered, commenced business on 31st July 1957. Each of the participating Jute Mill Companies has subscribed equally to the capital, and the Company's share is shown against "Investments" in the balance-sheet. Andrew Yule & Co., Ltd., have no interest in Budge-Budge and Allied Jute Mills Exports (Private) Ltd., but have been appointed its secretaries on a fee of Rs. 1,000 per annum.

In accordance with the working time agreement of the Indian Jute Mills Association the mill worked 48 hours per week with 12½ per cent. of the total looms sealed. Trading during the period continued to be difficult owing to the disparity between prices of raw jute and those of manufactured goods.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	25,95,000	Block ...	26,24,126
Reserves ...	21,56,282	Stock ...	13,30,786
Provision for taxation (including wealth tax)	23,083	Stores, spare parts and loose tools	7,87,100
Liabilities ...	6,57,056	Work-in-progress ...	2,11,179
Profit and loss account ...	5,857	Debts, deposits and advances ...	2,66,806
		Investments	85,126
		Cash ...	1,30,155
Rs.	54,37,278	Rs.	54,37,278

Orient Jute Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th November 1957.

The accounts, after charging all expenses and providing for sales tax, show a loss of Rs. 55,117 (Rs. 2,24,955). The directors have transferred from general reserve Rs. 50,000 (Rs. 2,80,000) and the balance brought forward from last year was Rs. 11,098 (Rs. 5,783) leaving a balance to be carried forward of Rs. 5,981 (Rs. 11,098 after paying a dividend on the ordinary shares at Rs. 3 per share absorbing Rs. 74,730 which was possible only after transferring Rs. 25,000 from dividend equalisation fund)

Wealth tax for the year ended 30th November 1956, is estimated to amount to Rs. 22,000 and this has been provided for by a further transfer of this sum from General Reserve.

In accordance with the working time agreement of the Indian Jute Mills Association the mill worked 48 hours per week with 12½ per cent. of the total looms sealed. Trading during the period continued to be difficult owing to the disparity between prices of raw jute and those of manufactured goods.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	24,91,000	Block ...	24,09,748
Reserves ...	23,04,049	Stock ...	13,39,354
Provision for taxation (including wealth tax)	22,874	Stores and spare parts	7,83,695
Liabilities ...	4,44,846	Work-in-progress ...	2,30,277
Profit and loss account ...	5,981	Debts, deposits and advances ...	3,02,691
		Investments	71,901
		Cash ...	1,31,084
Rs.	52,68,750	Rs.	52,68,750

Rajnagar Tea Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Shaw Wallace & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The Company's profit for the year is Rs. 94,452 (Rs. 26,027). And after providing taxation on profits for the year Rs. 73,763 there is a balance of Rs. 20,689 (Rs. 26,027). To this amount added the balance brought forward from the previous year of Rs. 1,66,870 (Rs. 1,96,996) making a total of Rs. 1,87,559 (Rs. 2,39,870 which includes Rs. 16,347 being provision for taxation no longer required and Rs. 500 being reserve for bad debts no longer required) after deducting provision for taxation for previous years of Rs. 34,080 (Rs. 41,000) there remains a balance of Rs. 1,53,479 (Rs. 1,98,870). Out of this the directors recommend a dividend of 11 (10) per cent. payable without any deduction for income-tax paid by the Company Rs. 35,200 (Rs. 32,000) leaving a credit balance to be carried forward of Rs. 1,18,279 (Rs. 1,66,870).

It will be observed that an amount of Rs. 34,080 has been provided in respect of taxation for previous years. It has been considered advisable to make this provision as appeals which have been lodged against assessments made in Pakistan may or may not succeed.

During the year a sum of Rs. 34,300 was received from Pakistan on account of past profits and this was utilised in reducing the Company's outstandings with the managing agents to whom a balance of Rs. 1,53,249 remained due at the end of the year. The managing agents have agreed to grant a further loan to the Company sufficient to enable the directors to recommend the payment of a 11 per cent. dividend on the ordinary shares. A further sum of approximately Rs. 1,30,000 on account of past profits is due for remittance from Pakistan and sustained efforts are being made to obtain the necessary sanction from the State Bank of Pakistan.

Crop.—The total crop harvested during the year was 4,701 maunds as compared with 5,127 maunds in 1956. The average sale price realised for season 1957 was Rs. 1.97 per lb. compared with 1956 average of Rs. 1.77 per lb.

The area under tea is 648 acres. The gardens remain in good order.

The estimates for season 1958 provide for the production of a crop of 4,800 maunds at a total cost on revenue account of Rs. 6,64,422.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,20,000	Block ...	3,58,800
Reserves ...	1,40,000	Stock of tea	1,98,769
Provision for taxation ...	2,45,000	Stores and spare parts	1,52,715
Liabilities ...	2,46,725	Debts, deposits and advances ...	1,98,752
Profit and loss account ...	1,18,279	Investments	1,007
		Cash ...	1,59,961
Rs.	10,70,004	Rs.	10,70,004

Adoni Spinning and Weaving Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Kothari & Sons, Madras) submit the audited accounts of the Company for the year ended 31st December 1957.

Result of the Company's working for the period under review after providing a sum of Rs. 2,61,336 for depreciation is a profit of Rs. 8,061. To this amount is added the amount brought forward from last year of Rs. 1,007 making a total of Rs. 9,068 which the directors propose to carry forward to next year.

During the year under review, while cotton prices had been rather high, yarn prices showed steady deterioration-prices of 20's yarn coming down from Rs. 17.25 in September 1957 to Rs. 16 in December 1957. The present price is Rs. 15.50 per bundle. Because of these conditions, the Company was not able to make sufficient profits. The directors, therefore, regret that they are unable to recommend the payment of any dividend this year.

Since the requirements of cotton for the current financial year have been purchased at comparatively lower rates, the directors hope to obtain better results for the year 1958.

Expansion.—Expansion plan has been going on as per programme. Buildings for the installation of the balance 12,000 spindles are nearing completion. Erection of the machinery is expected to commence about July next and the directors expect to start the additional 12,000 spindles sometime in October 1958.

For the additional capital required for the above expansion and for working funds, the directors have raised debentures of Rs. 17,00,000 between the State Bank of India and the Life Insurance Corporation of India.

The directors have provided depreciation short only to the extent of Rs. 45,015 on fixed assets. This, they intend to provide next year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	49,67,907	Block ...	35,78,543
Liabilities ...	13,25,176	Stock ...	11,56,758
Profit and loss account ...	9,068	Stores and spare gear ...	95,958
		Materials for factory expansion ...	1,59,226
		Debts, deposits and advances ...	5,69,524
		Cash ...	6,08,440
		Miscellaneous expenditure and losses	1,33,702
Rs.	63,02,151	Rs.	63,02,151

N.B.—Figures within brackets relate to the corresponding period of the previous year.

NEW PUBLICATIONS

Readings in Land Utilisation. By the Indian Society of Agricultural Economics, 6-48, 4Esplanade Mansion, Mahatma Gandhi Road, Bombay. Pages: 234. Price: Rs. 10.

THE pace and progress of economic development is largely conditioned by the rate at which we can step up agricultural productivity. It calls for a judicious utilisation of land and water resources of the country. It must be admitted that the present pattern of land utilisation in India is quite defective and that, with the present method of land use, the available area is insufficient for the needs of an expanding economy. While one-third of the land is under crops, the crop-land *per capita* is only three-fourths of an acre. The productivity of the primary sector is deplorably poor with the result that it has become increasingly difficult to meet the existing demand for agricultural produce. The area under pasturage too is insufficient relatively to the large livestock population. As regards forestry, there is need for more careful exploitation as well as conservation of its products. Viewed thus, the book under review is quite timely and will be helpful in the framing and execution of national agricultural policies.

The book comprises six chapters on the various aspects of land use, with extracts drawn from different authoritative sources. The first chapter is a succinct review of the varying approaches to the problems of land utilisation. The second chapter deals with scope and methods of land utilisation and the third with land classification and land use planning. The fourth chapter is devoted to a discussion of the four important land use planning projects, i.e. Soil Conservation Districts in the U.S.A., Land Use Planning Programme in the T.V.A. area, "Rural Zoning" in Northern Lake State in the U.S.A. and Land Improvement Work in the Bijapur District of Bombay State. The next chapter is mainly concerned with the nature and extent of land misuse in India. The last chapter deals with the "Problems in formulation and execution of a National Land Policy." There are some interesting extracts in this chapter which throw light on the role of the technician in making optimum use of land resources, on the importance of soil surveys, soil conservation and afforestation. Against this background is set the land use policies in India.

The book gives a comprehensive account of the various problems involved in land utilisation. But one cannot overlook the fact that there is a certain lack of cohesion in the work. This is perhaps inevitable in a compilation of extracts, however carefully such compilation is done. Nevertheless, the book will be beneficial to students of agricultural economics, especially to research scholars no less to those who frame policies and programmes for efficient utilisation of land.

Practical Problems in Accountancy. By K. S. Gadre. Published by Panch Sheel Prakashan, Krishna Niwas, 281, Frere Road, Bombay-1. Pages: 370. Price: Rs. 6.00.

This book contains answers to questions in accountancy set for the examinations of the Bombay and Poona Universities. It is written by one who, besides being a chartered accountant himself, has had teaching experience in the subject for nearly three decades. Mr. Gadre deserves to be complimented on the lucid way in which he has solved the practical problems in accountancy. The problems cover, among others, bank reconciliation, bills of exchange, and branch, company, consignment, departmental, joint venture, partnership and single entry accounts, etc. The sums have been carefully selected. There is a chapter on abbreviations of accountancy terms commonly used and also an addendum to the chapter on company accounts. Surely, the publication will be very useful to both university students and those preparing for commercial diploma examinations.

Arthik Aur Vanijya Bhoogol. By Chaturbhuja Mammoria. Published by Gayaprasad and Sons, Agra. Pages: 1,204. Price: Rs. 15.

A distinguished professor and author of more than a dozen books—both in Hindi and in English—on various economic subjects, Mr. Mammoria is no doubt well qualified to write a book of this nature. The book under review, written in Hindi, gives a comprehensive account of the various branches of economic geography. The importance given to subjects relating to India is a welcome feature of the book. Needless to say that the book will be useful to students of B.Com. and M.Com. and other allied courses, who study economic geography in the Hindi medium.

Ankekshan ke Siddhanth. By Om Prakash Bajpai. Published by Lakshmi Narain Agarwal, Educational Publishers, Hospital Road, Agra. Price: Rs. 5-12.

To write a textbook on a technical subject in a language like Hindi, the power of abstract expression of which is somewhat limited, is a very difficult task indeed. The author of the book under review, Mr. Bajpai, has succeeded to *a certain extent in giving in Hindi a lucid exposition* of auditing. Even so, the Hindi equivalent of some of the English words perhaps need to be simplified. However, teachers and students of commerce will find the book a valuable Hindi textbook on auditing.

New Era of Science. By K. S. Krishnan. Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Delhi-8. Pages: 45. Price: Re. 0.50.

This is a reprint of the lectures delivered in 1956 by the well-known scientist, Dr. K. S. Krishnan. Here is a popular exposition of recent advances in science. Dr. Krishnan has succeeded in presenting a large and intricate subject in a way that appeals to laymen. Indeed, the book is an excellent introduction to modern science. We commend it to the attention of those who would like to be informed of the immense progress which science has made in recent years.

Indian Economics. By G. B. Jathar and K. G. Jathar. Published by Oxford University Press, Bombay. Pages: 479. Price: Rs. 12.

The two-volume *Indian Economics* by Messrs. G. B. Jathar and S. G. Beri has held the field as a classic work of reference for more than quarter of a century. The book under review, written by the surviving author, Mr. G. B. Jathar, in collaboration with his son, Mr. K. G. Jathar, is a compressed edition of the original volumes. In fewer than five hundred pages the book seeks to present a picture of the contemporary economic scene as it has emerged out of the turmoil of national adjustment. In its 23 chapters, the book gives a succinct, analytical survey of the course and progress of economic development in the country. The chapters on many topics, including those on agriculture, co-operation, industries, finance and taxation are well-nigh exhaustive. The last chapter on "Planning and Unemployment" is a critical appreciation of the first and second Plans. Almost all the subjects on Indian economics of topical importance are discussed in a lucid style. The academic detachment that pervades the discussions on many of the controversial subjects makes the book particularly useful to students of economics.

Millions Still Go Hungry. Published by Food and Agriculture Organisation of the United Nations, Rome. Pages: 102.

Although the world food production has increased in recent years, the fact remains that whereas there are large agricultural surpluses in some countries, millions go without sufficient food in others. The Food and Agriculture Organisation's (F.A.O's) publication under review is not an exhaustive study of the food problem as such, but it tells vividly the story of the efforts that are being made in order to raise agricultural yields. The F.A.O. has played an important role in this task. Summing up its rapid review of world agricultural and fisheries problem, the F.A.O. says:

"We hear, too, a great deal about the so-called underdeveloped countries, and the difficulties confronted by technical advisers have provided much of the material of this book. Fisheries have progressed little beyond the hunting stage, and even such weapons of the chase as the echo-sounder have come to it through the urge of a world war. Forestry is in many ways little further advanced: though it presents a picture of ruinous over-exploitation in some regions, very much the greater part of the world's forest resources are still untapped. In the agriculture of even the most advanced countries, the differences between average yields and those under the highest level of farming are still very wide."

As the Director-General of the F.A.O., Mr. B. R. Sen, rightly points out, "there are still millions of hungry people, there are unused resources, maladjustments of distribution, depressed rural populations." He adds: "Some of the obstacles loom even larger now that we see them closer." This book discusses some of these obstacles. Clearly, given international co-operation of the kind which the F.A.O. expects from its members, there is no doubt it would be less difficult to solve many of these problems.

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Notices

KAMARHATTY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE One Hundred and Fifty-ninth Annual General Meeting of Members will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 3-00 p.m. on Friday, the 20th June, 1958, for the following purposes:

(1) To receive and consider the Audited Accounts for the year ended 31st December, 1957, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.

(2) To appoint a Director in place of one retiring.

(3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 18th June to 20th June, 1958, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,

D. FORDWOOD,
Secretary,
Managing Agents.

4, CLIVE ROW,
CALCUTTA-1, 25*th April*, 1958.

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

KANKNARRAH COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE One Hundred and Forty-ninth Annual General Meeting of Members will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 4-00 p.m. on Friday, the 20th June, 1958, for the following purposes:

(1) To receive and consider the Audited Accounts for the year ended 31st December, 1957, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.

(2) To appoint a Director in place of one retiring.

(3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 18th June to 20th June, 1958, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,

D. FORDWOOD,
Secretary,
Managing Agents.

4, CLIVE ROW,
CALCUTTA-1, 25*th April*, 1958.

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

THE BENGAL FLOUR MILLS COMPANY, LIMITED

NOTICE IS HEREBY GIVEN TO THE members of the abovenamed Company that the Annual General Meeting (being the One Hundred and Twenty-fourth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta on Friday, the 20th June 1958, at 12 noon, to consider the Profit and Loss Account for the year ended 31st December 1957 and the Balance as at that date, the Report of the Auditors thereon, the Report of the Board of Directors, to declare a dividend, to transact other ordinary general business of the Company and the undermentioned special business.

Special Business.

NOTICE is also hereby given of the following Resolution which will be proposed as an Ordinary Resolution, of which special notice dated 8th May 1958, as required by Section 281 of the Companies Act 1956, has been received:—

"That pursuant to the provisions of Section 281 of the Companies Act 1956, it is hereby declared that the age limit imposed by Section 280 of that Act shall not apply to Mr. S. C. Law, a director of the Company, who has attained the age of 65 years on 14th January 1958 and that the said Mr. S. C. Law be and is hereby re-appointed a Director of the Company."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 6th June 1958 to 20th June 1958, both days inclusive.

By Order of the Board,

BALMER LAWRIE & Co. LTD.,

D. MANSON,
Secretary,
Managing Agents.

21, NETAJI SUBHAS ROAD,
CALCUTTA, 9*th May* 1958.

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

THE TRAVANCORE RUBBER AND TEA COMPANY, LIMITED

(Incorporated in India)

NOTICE IS HEREBY GIVEN THAT THE 14th Annual General Meeting of the Company will be held on Thursday, 19th June 1958, at the Registered Office of the Company at Pathirappally at 11.30 a.m. to transact the following business:—

1. To receive and adopt the Audited Accounts and Balance Sheet for the year ended 31st December 1957 and the reports of the Directors and Auditors.
2. To declare a Dividend.
3. To elect Directors.

Note:—Mr. K. V. Mathew, one of the Directors who is retiring and is eligible for re-election, will be 65 years of age at his next birthday in December 1958, *and a resolution* that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him, is necessary to enable him to continue in office beyond the next general meeting. Hence, special notice of the following resolution for exempting him from the age limit as required by Section 281 is hereby given:

"Resolved that Mr. K. V. Mathew who will be aged 65 years next birthday be and is hereby re-elected as a Director and that the age limit prescribed by Section 280 of the Companies Act 1956 shall not apply to him."

(A copy of the Explanatory Statement under Section 173 of the Companies Act 1956 is available for inspection to the shareholders at the Registered Office of the Company during office hours on all working days till the date of the above meeting.)

Mr. V. O. Markos, the other retiring Director, is now 67 years old but in his case a resolution exempting him from the age limit prescribed under Section 280 of the Companies Act 1956 has already been passed at the Annual General Meeting held on 4th June 1956.

4. To appoint Auditors.

The Transfer Books and Register of Members of the Company will remain closed from 3rd June 1958 to 20th June 1958 (both days inclusive).

Any shareholder unable to attend personally is entitled to appoint any person (whether a member or not) as his proxy to attend and vote instead of *himself*, subject to the provisions of Section 176 of the Companies Act 1956. Such proxy should reach the Registered Office of the Company at least 48 hours before the time fixed for the meeting.

By Order of the Board,

THE TRAVANCORE RUBBER & TEA CO., LTD.,

per pro. ASPINWALL & Co. (TRAVANCORE) LTD.,

V. C. THOMAS,
Managing Agents.

PATHIRAPPALLY, 26*th May* 1958.

THE WEST COAST ELECTRIC SUPPLY CORPORATION LIMITED

(Registered Office: MADRAS)

NOTICE OF THE 23rd ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 23rd Annual General Meeting of THE WEST COAST ELECTRIC SUPPLY CORPORATION LTD. will be held at the Registered Office of the Company, No. 20, Second Line Beach, Madras, on Monday the 23rd June, 1958, at 11 a.m.

I. To consider and adopt the Directors' Report and audited Accounts for the year ended 31st March 1957.

II. To appoint Auditors for the year ended 31st March, 1958 and fix their remuneration.

III. To elect Directors.

IV. To transact any other business that may be brought up before the Meeting.

The Share Transfer Books of the Company will remain closed from 20th June, 1958 to 23rd June, 1958, both days inclusive.

By Order of the Board,

FOR CHANDRIE & Co. PRIVATE LTD.,

S. VENKATARAMAN,
Director,
Managing Agents.

MADRAS, 12*th May*, 1958.

N.B.—A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE MODERN MILLS, LIMITED

NOTICE OF 17th DIVIDEND

NOTICE IS HEREBY GIVEN THAT A Dividend of Rs. 5 per share of Rs. 50 for the year ended 31st October 1957, sanctioned by the Shareholders at the Twenty-fourth Annual General Meeting held on the 21st May 1958, is made payable at the State Bank of India, Bombay, on and after Monday the 26th May 1958 to those Shareholders whose names stood on the Register of Members on the 25th April 1958, but only in respect of their holdings of shares allotted prior to 31st October 1957, i.e., shares bearing Nos. 1 to 66376. The dividend warrants are made negotiable at par at the State Bank of India, Bangalore.

By Order of the Board,

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

V. N. CHANDAVARKAR,
Managing Director.

Registered Office:—
TEMPLE BAR BUILDING,
70, FORBES STREET, FORT,
BOMBAY, 21*st May* 1958.

MONEY EASY

(From Our Own Correspondent)

BOMBAY, 28*th May*

The short-term money market displayed easy conditions during the week under review. With the onset of the slack season, the demand for bank credit continued to decline and, despite the subscriptions to the new loans, banks were reported to be having surplus of cash which they utilised to reduce their borrowing from the Reserve Bank. Activity in the market was, therefore, dull, with very few borrowers. There was, however, no sign of a fall in interest rates. Inter-bank call money rate was stagnant at 3 per cent. among the Exchange banks and at 3-3½ per cent. among the smaller Indian banks. House money at call continued to be offered at 4½ to 4⅝ per cent. and short-term deposits at 4½ to 4⅝ per cent. for one to six months.

The Reserse Bank of Ihdia statement for the week ended 23rd May 1958 shows a contraction of Rs. 16.14 crores and this is the second week in succession in which the active notes have declined, the aggregate fall in the last two weeks being Rs. 31.27 crores. Notes held in the Banking Department are up by Rs. 1.83 crores, so that the decline in total notes issued is of the order of Rs. 14.31 crores. This is covered by a fall of Rs. 15 crores in rupee securities and a fractional rise of Rs. 68 lakhs in rupee coin. There is no change in foreign securities, but balances held abroad (in the Banking Department) are lower by Rs. 4.44 crores. Deposits of the Central Government show a small rise of Rs. 99 lakhs and those of other Governments by Rs. 2.81 crores. Loans and advances to Governments have gone up by Rs. 1.03 crores, while other loans and advances are lower by Rs. 9.81 crores, of which advances to Scheduled banks against usance bills account for Rs. 6.28 crores.

A fall of Rs. 6.67 crores in demand deposits and of Rs. 2.53 crores in time deposits is seen in the Scheduled banks' statement for the week ended 16th May 1958. Inter-bank borrowings also have declined by Rs. 2.65 crores, while borrowings from the Reserve Bank have increased by Rs. 13.22 crores. Advances have been brought down by Rs. 6.87 crores and bills purchased and discounted by Rs. 1.89 crores. Investments have been strengthened by Rs. 14.85 crores, reflecting banks' subscriptions to the new loans, while cash balances and money at call have shrunk by Rs. 40.23 crores and Rs. 7.18 crores, respectively.

The Gilt-edged market ruled dull with very little business passing through in the absence of sellers. Consequent on the easy money conditions, institutional investors like banks would appear to be keen on strengthening their investment portfolio, but paucity of sellers restricted business. 3 per cent. 1986 Conversion Loan was marked down by 15 nP to Rs. 71.3 per cent. 1970-75 continued to be in demand and gained 5 nP to Rs. 87.05. 3 per cent. 1966-68 had buyers 5 nP higher at Rs. 92.80, as also 3 per cent. 1963-65 at Rs. 95.40. 3 per cent. 1959-61 was in request at Rs. 99.10, while 3 per cent. 1958 recorded a rise of 5 nP to Rs. 99.80. 2½ per cent. 1962 hardened by 10 nP to Rs. 95.40. 3½ per cent. 1961 was wanted 5 nP higher at Rs. 99.60, due to proximity of half-yearly interest payment. 3½ per cent. 1965 gained 5 nP to Rs. 97.85. 3½ per cent. 1967 was dull at Rs. 97.55 and 3¾ per cent. 1968 at Rs. 99.50.

The slight weakening of the sterling, following the announcement of a cut in British Bank rate, had its effect on the rupee as well. Banks' selling rate of U.S. dollars rose from Rs. 475 to Rs. 475.25 per $100, while their buying rate, after improving from Rs. 471.75 to Rs. 472, dropped to Rs. 471.75 per $100. In New York, spot sterling declined from $2.81.11/16-2.81.13/16 to $2.81½-2.81⅝, but soon improved to $2.81⅝-2.81¾. Three months' forward was 1/16c higher on balance at $2.79.5/16-2.79.7/16, while transferable sterling dropped from 279.55-279.65 cents to 279.35-279.45 cents.

COPPER SUPPLIES SCARCE

(From Our Own Correspondent)

CALCUTTA, 27*th May*

Quietness pervaded the metal market during the week under review. Shortage of copper for industrial consumption was very acute, and industries making alloys were naturally disinterested to enter into commitments for other metals also, which were available in the desired quantities without difficulties. Since copper is an ingredient for most alloys, without sufficient copper, the alloying industries as well as the manufacturers of non-ferrous metal semis and brass and copper utensils are suffering a shortfall in production. In this situation, the pity is that stocks of copper have accumulated with importers, but considerable delay ensues for release orders from the Government. The small-scale copper users are, in fact, threatened with elimination from their business. It was noted here that copper prices for spot as well as forward on the London Metal Exchange sagged, in view of the bus strike affecting industries in several ways, but the aversion of the threatened tube railway strike imparted a recovering trend subsequently. From Rs. 61, lead receded to Rs. 60.50 in the local market. Demand also declined. Further, reports from foreign markets recorded a declining trend. There were reports that the U.S. Administration's price support scheme for lead and zinc would depress prices, as, by such a measure, the main problem would remain unsolved. Those criticising the subsidy scheme suggested fixation of higher tariffs and quotas. In the local market, electrolytic zinc closed quiet at Rs. 57.50 after having risen from Rs. 56 to Rs. 58. Tin was unchanged throughout the week at Rs. 507. Owing to comfortable stock position and decline in industrial activity on account of shortage of copper, demand for tin also declined. Moreover, recent arrivals increased stocks with suppliers.

FURTHER DROP IN SILVER

(From Our Own Correspondent)

BOMBAY, 28*th May*

The bullion market ruled easy with a further fall in prices, which was more pronounced in silver than in gold. Paucity of demand in silver, coupled with large offerings induced by the imposition of heavier margin, subject to the approval of the Bombay Government, brought down prices rapidly, thus maintaining the downward trend noted last week. In gold, though the tendency was quiet, the demand from Madras for ready gold checked a sharp fall in prices.

At an extraordinary general meeting of the Bullion Association held on Friday last, the general body approved of the amendments to certain by-laws providing for enforcement of stricter margins, intended to curb unhealthy speculation in the market. The amendments, which are subject to the approval of the Bombay Government, provide for the imposition of a margin of Rs. 1,000 per bar in silver when the *budli* between the current and next settlement exceeds Re. 1 but not Rs. 2 and Rs. 2,500 per bar if it is above Rs. 2. Similarly in gold, a margin of Rs. 10 per tola is payable when the *budli* exceeds As. 8 but not Re. 1, and Rs. 25 per tola when it exceeds Re. 1.

Forward silver (June settlement) slumped from Rs. 188-7 to Rs. 185-15 on Saturday. As the closing rate in this settlement on that date stood at Rs. 186-6, that is Rs. 7 below the starting rate for the settlement, the "bears" were required to pay a margin of Rs. 500 per bar on their outstanding sales in June settlement. This was the second time within a span of five days that the sellers were obliged to pay a margin, but the previous payment on 20th May was in respect of their sales in July settlement. There was a further fall to Rs. 184-7 on Monday, but the lower levels attracted short-covering and prices recovered to Rs. 186 before closing at Rs. 185-7. The July settlement dropped from Rs. 188-7 to Rs. 185-1, but improved to close at Rs. 186-5. The *budli* rate which was *nil* at the close of the previous week suddenly rose to As. 8 in favour of bears and further widened to As. 14 at the close today.

Ready silver lost over the week Rs. 2-7 to Rs. 185-8 consequent on the slackness in demand and increase in floating stocks. The floating stocks of silver are estimated at 400 bars. The daily average arrivals were 40 bars, while the offtake was 15 bars on an average.

Gold for forward delivery (June settlement) moved down from Rs. 109-10 to Rs. 108-15 before closing at Rs. 109-2. The July settlement dropped over the week from Rs. 108-6 to Rs. 107-14. The *budli* charges were throughout against sellers.

Ready gold was marked down from Rs. 111-2 to Rs. 109-14. The floating stocks of gold are estimated at 25,000 tolas. The daily average arrivals were 3,000 tolas, while the offtake also was of the same order.

In New York, silver was unchanged at 88⅛c. and in London at 76½d. for spot and 75⅞d. for forward. Gold moved irregularly, but on balance showed a gain of ½d. at 249*s.* 5½d.

The following comparative table shows at a glance the trend of the market during the week under review:

	28-5-58	Highest	Lowest	21-5-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	109 14	111 7	110 1	111 2
Forward*	109 2	110 1	109 1	109 10
Sovereign	71 2	71 8	71 0	72 0
SILVER				
Ready (.999 fine Mint) ..	185 8	187 13	183 15	187 15
Forward†	185 7	188 5	184 7	188 7
London Silver Ready ..	76½d.	—	—	76¼d.
London Forward	75⅞d.	—	—	75⅛d.
London Gold	249*s.* 5½d.	249*s.* 5½d.	249*s.* 4½d.	249*s.* 4½d.
New York Silver	88⅛c.	—	—	88⅛c.

* 2nd June settlement.
† 3rd June settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

GOOD CALL FOR COW HIDES

(From Our Own Correspondent)

MADRAS, 26*th May*

Enquiries for kips from the U.K. were better and buying was selective. Emphasis was more on lightweights and lower grades. Arrivals into the Madras market were moderate and shippers were the active buyers. Prices ruled firmer for lightweight cow hides. There was good call for inferior fifths cow hides for inland demand and prices ruled 10 per cent. above U.K. levels. Arrivals of buff hides and calves and cow calf were small and prices remained unchanged.

In the tanned skins section, goat skins, especially light weights fifths and inferior fifths and 8/9 lbs. higher selections, ruled steady. Top-mark prime sheep and common quality sheep skins were unchanged.

The Southern India Skins and Hides Merchants Association has submitted a memorandum to the Minister for Commerce and Industry, Government of India, requesting the Government to ban all shipments of tanned goat and sheep skins to the U.K. for sale in the periodical London auctions for a period of six months, and to finance the tanners at this end to enable them to hold stocks. How far the Government can assist the trade is difficult to assess. However, if the E.I. tanners follow the law of supply and demand, much of their loss can be averted or minimised.

JARILLA MAY EXPIRES

(From Our Own Correspondent)

BOMBAY, 28*th May*

After commencing the week on a firm note the cotton futures market turned easy on Saturday. The easiness gathered further momentum yesterday and persisted till the close today. The earlier firmness was due to the following factors: (1) Strong hopes that the Government of India would allow a supplementary quota of about 35,000 bales of cotton of stapling ⅞" cotton. (2) The expectation that the expert committee to be set up for examining the present textile crisis would recommend suitable measures to tide over the difficulties faced by mills. The latter, it was thought, would thus be enabled to make larger purchases of cotton. (3) The firm trend of spot prices, following the announcement last week of an export quota, also influenced the futures sections. The larger-than-expected tenders against the May contract, which expired on the 24th inst., was responsible for the reaction in prices of the August contract on Saturday. Heavy selling induced by the continuing crisis in the textile industry, dull conditions in the domestic and export market for cloth, the downward trend in raw cotton consumption and the prevailing monetary stringency, resulted in a break in values yesterday. Prices moved to lower levels today.

I.C.C. Moglai Jarilla May (1958) opened the week firm and after improving to Rs. 672 went off the Board on the 24th inst., at Rs. 666. Total tenders against the contract aggregated 5,250 bales, comprising 2,900 bales of Laxmi A, 850 bales of Vijay, 200 bales of Jayadhar A, 50 bales of Gaorani, 700 bales of Cambodia, 450 bales of M.P., Jarilla and 100 bales of Jayadhar B.

I.C.C. Moglai Jarilla (August 1958) opened the week at Rs. 678.50, as against the previous close of Rs. 676.50 and improved to Rs. 682.50 the same day. It declined to Rs. 675.75 on Saturday and further to Rs. 675 yesterday. Opening today's session at Rs. 673.50, the contract gathered 75 nP before closing lower at Rs. 672.25.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	28-5-58	*High*	*Low*	21-5-58
I.C.C. Moglai Jarilla (May 1958) ...	666*	672	670.50	665
I.C.C. Moglai Jarilla (August 1958) ...	672.25	682.50	671.50	676.50

*On 24-5-1958.

In the spot section, mill demand was confined to staple varieties and their prices consequently improved. Short staples were, however, practically neglected.

In the export section, brisk business was reported in all exportable varieties. Prices of permissible varieties like Kalyan, Wagad, Kalagin moved higher. The Government of India has notified the export licensing procedure in respect of the export quota of 50,000 bales of cotton announced last week. Licences will be issued on the basis of shipping bills and will be valid for shipment within 30 days or till 31st August 1958, whichever is earlier. Licences for export will be issued only to those exporters who have to their credit exports of Indian raw cotton during any one of the last five years ending 30th April 1958. Not more than 10 per cent. of the quantity released, that is, 35,000 bales of cotton stapling not above 23/32" and 15,000 bales of cotton stapling not above ⅞", will be allowed for shipment by a single exporter from all ports. It has also been notified that there will not be any extension in the validity period of export licences issued against the quota of 50,000 bales of Bengal *Deshi* released on 5th February and 50,000 bales of 23/32" cotton on 25th March. These are due to expire at the end of June next.

The most important development of the week in the foreign section was the announcement by the Government on Saturday of an import quota for 30,000 bales of cotton stapling 1-3/16" and above from soft currency areas. A portion of the above quantity will be reserved for distribution to new mills which do not have the basic performance to their credit. The importers of Egyptian cotton have been advised to approach the State Bank of India regarding the procedure of payment against import of Egyptian cotton. Import licences issued for this quota would be valid for shipment up to 31st August 1958.

The varieties of cotton allowed to be imported are: all Karnak and Menoufi, Giza 30 fully good and better, Dandara (Giza 31) fully good and better, Ashmouni fully good and better, GS down to CG6S, GL down to G6L, private estate Sudans down to Grade VI, Tanguis and Pima cottons, BP 52—grade Unug and over up to Unwe, and Abyan cotton.

This brings the total quantity allocated for import from soft currency areas so far in the season to 195,000 bales, comprising 125,000 bales Egyptians and Sudans and 70,000 bales East Africans.

The following are the latest available quotations—in rupees per candy of 784 lbs.—from the spot market at Sewri:

Bengal *Deshi* 600; Berar Jarilla 740; Khandesh 785; Oomra *Deshi* 665; Vijay 900; Hubli Laxmi 1,015; Jayadhar 850. *Delivery Contracts*: Bengal 582; Wagad 620; Kalagin 611.

Firm conditions prevailed in the Karachi cotton futures market during the week under review. The firmness was due to encouraging foreign enquiries and better domestic spinner demand. The N.T.R.G. May contract moved up from Rs. 76-8 at the beginning of the week to Rs. 77-7 on the 3rd inst., before expiry at Rs. 76-12 the following day. July contract hardened from Rs. 73-12 to Rs. 75-15-6. The spot section also ruled firm, with values registering an improvement. *Deshi* styles,

however, lacked support and prices receded. The following are the latest available quotations—in rupees per 82 lbs.—for a few other popular varieties of Pakistani cotton prevailing at Karachi:

Sind *Deshi* 64; Punjab *Deshi* 61-8; 4F Roller 70-12; S.G. 79-12; 4F Punjab Roller 74-12; S.G. 81-4; 289F N.T. Roller 80-4; S.G. 91-4.

The Alexandria cotton futures market ruled easy during the week under review also. The continued stiff competition from Sudan and reports of satisfactory progress of new crop were responsible for the easiness. Even enquiries from the principal free world customers of Egypt failed to impart strength to the market. The latest available quotations—in tallaris per lb.—from Alexandria are as follows:

Karnak: May 76.10; July 77.65; *Ashmouni*: June 68.45; August 68.70.

A divergent trend was witnessed on the Liverpool Cotton Exchange during the week. While the American cotton contracts ruled easy, the mixed growths contracts were fully steady. The easiness of the former was due to lower New York advices, while short-covering imparted strength to the latter. Sudan contracts were neglected with values nominally unchanged. The latest available quotations—in pence per lb.—from Liverpool are given below:

American Cotton One Inch Staple Contract: May-June 24.95; July-August 25.32; October-November 25.95; December-January 26.35. *American Cotton Mixed Growth Contract*: May-June 26.00; July-August 26.13; October-November 26.62; December-January 26.94. *Sudan*: May-June 31.00; July-August 31.20; September-October 31.85.

Cotton futures values at New York eased during the week under review on trade and commission house selling prompted by reports of favourable weather and news of a sharp increase in repossession from Government loan during the week ended 16th May. A part of the selling was also attributed to reports that the National Cotton Council had favoured the policy of larger acreage and lower support prices. A section of the trade felt that new legislation along these lines would materialise in time to affect the 1959 production.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	27-5-58	20-5-58	13-5-58
Spot	36.30	36.30	36.45
July	36.27	36.25	36.59
October	36.68	36.76	36.95
December	36.82	36.87	—

IMPORT OF ART SILK AND STAPLE FIBRE YARNS

(From Our Own Correspondent)

BOMBAY, *28th May*

A notable development of the week under review in so far as the yarn market is concerned is the announcement of the Government of India's decision to issue licences for imports of art silk yarn and staple fibre yarn against exports of staple fibre fabrics and art silk and staple fibre mixed fabrics in accordance with the provisions contained in Appendix XLII to the current Red Book for the licensing period April to September 1958. Applicants are required to specify the proportion in which the licences should be issued for the import of art silk yarn and staple fibre yarn. The Government has also decided to permit the utilisation of licences granted for imports of art silk yarn under the provisions contained in the Appendix for import of nylon yarn. Those who have secured licences for imports of art silk yarn against exports of art silk fabrics can effect exports of staple fibre fabrics in place of art silk fabrics as required of them. Such exports will be accepted for redemption of the bonds executed by them.

The aforesaid announcement would appear to have had no significant effect on the market. This is perhaps because the operators wanted to study the implications of the Government's decision. In the absence of a clear picture about the supply position in respect of both art silk and staple fibre yarns, traders were hesitant to enter into fresh large commitments. There was also the imminent approach of the monsoon. Enquiries for art silk yarn from consuming centres had already slackened and upcountry consuming interests were said to be offering resistance to high prices. It was reported that a few mills in South India were somewhat anxious to sell their June and July deliveries. Cotton yarns continued to rule dull, thanks to easy advices from the cotton market and obscure export outlook. Consequently, the volume of transactions actually put through in the yarn market during the week was restricted, with values moving narrowly.

Spot 150 Italy receded by 7 nP to Rs. 6.37. 120 Italy were dull at Rs. 6. 150 Japan, however, evoked some support and rallied 14 nP to Rs. 6.44. 120 Japan gained 4 nP to Rs. 6.41. Among indigenous yarns, National Rayons 150 bright cones first grade softened by 2 nP to Rs. 5.62. But 120 bright cones first grade gathered 3 nP to Rs. 5.72.

There was some support for forward staple fibre yarn. 40x2 August delivery gained Rs. 4 to Rs. 617. June delivery hardened by Rs. 3 to Rs. 611. Spot 40x2 Centurys and Kohinoors shed 2 nP each to Rs. 3.25 and Rs. 3.26, respectively. Citys lost a naya paisa to Rs. 2.25. New Greats were neglected at Rs. 3.19. Foreign yarns, however, where in better form. Fuji strengthened by 6 nP to Rs. 7.31 and Paramounts by 3 nP to Rs. 7.19.

In the cotton yarn section, ten counts Podars receded by 37 nP to Rs. 12.63. Moderns were stagnant at Rs. 13.50. Twenty counts were dull. Indus being quoted at Rs. 16.37, Moderns at Rs. 16.75 and Gokaks at Rs. 16.75. Among thirty counts, Hinds were unchanged at Rs. 19.50. Forty counts Minaxis were quiet at Rs. 23.37, as also Moderns at Rs. 24. Among sixty counts, Moderns changed hands at Rs. 60, same as last week. Raghuvamshis were on offer at Rs. 50.50. Finlays, however, gathered 50 nP to Rs. 61. Eighty counts Mahendras were dull at Rs. 69.50 and Moderns at Rs. 69.75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	28-5-1958	21-5-1958
		₹
Art silk yarn (per case of 200 lbs.)—	Rs.	Rs.
120 Japan (per lb.)	6.41	6.37
150 Japan (per lb.)	6.44	6.30
120 Italy (per lb.)	6.00	6.00
150 Italy (per lb.)	6.37	6.44
Staple fibre yarn (per case of 200 lbs.)—		
40 × 2 June	611.00	608.00
40 × 2 August	617.00	613.00
40 × 2 New Great (per lb.)	3.19	3.19
40 × 2 City (per lb.)	3.25	3.26
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	12.63	13.00
20s Modern	16.75	16.75
30s Hind	19.50	19.50
40s Minaxi	23.37	23.37
60s Raghuvamshi	50.50	50.50
80s Modern	69.75	69.75

SUGAR DECLINES FURTHER

(From Our Own Correspondents)

BOMBAY, *28th May*

The sugar market continued to rule depressed during the week under review and there was a further fall in prices. The ex-mill quotations in the Bombay-Deccan area registered a drop of Re. 1 per maund. The sugar prices would have suffered a more marked setback but for slim spot stocks estimated at just 13,000 bags. Arrivals of sugar by rail into the market during the week were negligible, being 2,900 bags, as against 17,600 bags in the previous week.

Large grain sugar receded by a rupee to Rs. 110-Rs. 115 per bag. Medium grain declined by a like amount to Rs. 107-Rs. 109. Small grain lost 50 nP to Rs. 106.50.

Production and despatches of indigenous sugar up to 15th May 1958 amounted to 1,947,000 tons and 1,082,000 tons, respectively, as against 1,913,000 tons and 1,170,000 tons in the corresponding period of the previous year. Stocks with factories as on 15th May 1958 stood at 1,290,000 tons, as compared with 1,270,000 tons a year before.

* * * *

HAPUR, *26th May*

Sugar prices eased further during the week in the absence of any concrete scheme as yet finalised for exports. Lack of buying and ample stocks with traders were also the depressing factors. The supply position was easy.

Quiet conditions were witnessed in the sugar market at Muzaffarnagar on account of slackness in demand from consuming centres. Moderate business was transacted locally and prices of different varieties declined further by 6 nP to 25 nP per maund. The latest prevailing prices were:—Rampur (B29) Rs. 37.50; Buland (C29) Rs. 37; Iqbalpur (C29) Rs. 36.81; Mansurpur (C29) Rs. 37.25; Daurala (B29) Rs. 37.50; Mawana (C29) Rs. 36.87; Shamli (B29) Rs. 37.75; Amroha (D29) Rs. 35.50; Bijnore (C29) Rs. 35.37; Meerut (D28) Rs. 36.37; Simbhauli (E29) Rs. 36.62.

Fresh development lacking, the Kanpur sugar market ruled quiet. Quotations (spot and ex-mill) at the week-end were: (d29) Gola Rs. 100.87, Rs. 35.87; Burhwal Rs. 100.87, Rs. 36.12; Hargaon Rs. 100.37, Rs. 35.62; Basti Rs. 103.75, Rs. 37.

Khandsari prices were depressed during the week. Production from *gur* in some centres was still taking place. The prevailing prices were Rs. 30 to Rs. 33.50 per maund according to quality.

Poor arrivals due to off season with better premonsoon demand accounted for an improvement of about 75 nP per maund in the prices of dry quality *gur* during the week which was quoted at Rs. 16.75 per maund, while *kotha* quality was done upto Rs. 16. The week's offtake aggregated 12 wagon-loads and the local stock was put at 1.35 lakh maunds. The conditions of the new cane crop were reported to be fairly good in the irrigated areas.

As demand for ready *gur* was poor, prices ruled quiet in the Muzaffarnagar market. Arrivals declined further and there was moderate demand for *shakker dara* from Rajasthan at almost unchanged prices. The latest prices were:—*Chakku minja* Rs. 17.25 to Rs. 17.50; *shakker dara* Rs. 18 to Rs. 19; *masala* Rs. 22 to Rs. 24.50; *khandsari* Rs. 30.50 to Rs. 33.50.

Future *gur* ruled quiet in the absence of any new driving force. *Fagun* delivery transactions were to be governed by next crop yield which was as yet very uncertain. *Gur fagun* opened at Rs. 12.54 last Monday, touched the highest of the week at Rs. 12.85 and lowest at Rs. 12.49 and was quoted at Rs. 12.70 today.

OILSEEDS FIRM

(From Our Own Correspondent)

BOMBAY, *28th May*

Barring the groundnut section which ruled distinctly bearish, the oilseeds market presented a firm trend during the week under review. The firmness was aided to some extent by the abolition of export duty on all varieties of oilcakes specified in item 21 of the second schedule of the Indian Tariff Act. Castorseeds attracted good attention of operators, thanks to expectation of export business in castor oil with the U.K. and Russia. The expectation was based on hopes of a further cut in export duty and reduction in the British Bank rate. Meanwhile, it was reported that Brazil had increased castor bean price by $5 to $15 per ton with the object of reviving interest in castor oil by creating a disparity in price. A leading export house was reported to have bought a large quantity of oil B.S.S. at Rs. 16.44 per quarter yesterday. It was said that the speculative houses were busy applying call options, as they were hesitant to buy in futures due to the disparity of Re. 1 per cwt. in the price of castor oil and castorseed, the former being cheaper. Linseed was fully steady on reports that Australia was interested in buying Indian linseed oil. There would have been a marked rise in prices but for large upcountry offerings. Cottonseed was better. The groundnut section, however, ruled, as already stated, bearish. Offerings from upcountry interests, especially Saurashtra, were considerable, while fresh buying in oil from vanaspati producers was lacking. Operators feared that groundnut and groundnut oil might develop further weakness after the May contract matures. Owing to the weakness of the maturing contract, backwardisation charges in groundnut futures narrowed down from Rs. 3 on Monday to Re. 1 yesterday. Since the prices were not above Rs. 165, margin rule became inoperative yesterday. Today, however, there was a recovery in prices due to technical considerations.

Groundnut May contract which stood at Rs. 170.50 last week-end was subjected to continuous selling pressure and moved down to touch Rs. 165 yesterday, at which level the margin became inoperative. Today, however, the contract evoked some support and recovered to Rs. 166.25. August contract dropped from Rs. 167.50 to Rs. 164 before finishing higher at Rs. 164.24. Over the week, Bold ready dropped 25 nP to Rs. 34. Coromandel and Khandesh quality both fell by 50 nP to Rs. 34.37. Groundnut oil ex-mill improved from Rs. 18.37 to Rs. 18.62, but gradually receded to Rs. 17.87 today. Railway receipt was quoted today at Rs. 17.87, as against Rs. 18.37 at the close of last week.

Castorseeds May contract elicited good buying inquiries and spurted from Rs. 147.25 to Rs. 151.87. September contract also met with large buying orders, its quotation advancing by Rs. 4.12 to Rs. 154.62. Ready Madras registered a rise of 62 nP to Rs. 30.12. Kanpur quality strengthened by a like amount to Rs. 28.87. Castor oil B.S.S. had buyers at higher levels, today's closing rate being Rs. 16.50, as against Rs. 16.25 last week-end. Commercial quality hardened by 25 nP to Rs. 15.37.

In the linseed section, no transactions were put through in the May contract yesterday and today. The contract was nominally quoted at Rs. 30.94, a rise of 13 nP as compared with the previous week's closing rate of Rs. 30.81. September contract evoked enlarged buying inquiries and moved up from Rs. 30.31 to Rs. 31.37 on the opening day. After fluctuating between Rs. 31.25 and Rs. 31.12, the contract finished at Rs. 30.87 today. Bold ready was fully maintained at Rs. 30.94 till the close yesterday. It was, however, a shade easy at Rs. 30.75 today. Linseed oil, after improving from Rs. 15.94 to Rs. 16, declined to Rs. 15.87 yesterday, but recovered to Rs. 15.94 today.

Under the influence of persistent buying orders, cottonseed September contract scored a gain of Rs. 2.75 to Rs. 109.50. There was no business in the May contract during the major part of the week under review. Some stray transactions were put through at Rs. 106.75 on Friday.

Kardiseed bold ready was fully steady at Rs. 19.12 in the first two sessions of the week, but gave way on selling pressure to Rs. 18.75 on Monday. This rate was maintained yesterday also. Today, however, there was some recovery, the closing rate being Rs. 19. Nigerseed Madras quality recorded an improvement of 75 nP during the week, today's closing rate being Rs. 28.75.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:,

	28-5-1958	21-5-1958	14-5-1958
Groundnut—	Rs.	Rs.	Rs.
May 1958	166.25	170.50	169.25
August 1958	164.25	167.50	167.50
Bold ready (per cwt.)	34.00	34.25	33.87
Linseed—			
May 1958	30.94††	30.81	30.87
Sept. 1958	30.87	31.31	30.87
Bold ready (per cwt.)	31.10	30.62	30.87
Castorseed—			
May 1958	151.87	147.25	147.25
Sept. 1958	154.62	150.50	150.25
Madras (per cwt.)	30.12	29.50	29.25
Cottonseed—			
May 1958			
Sept. 1958	106.75§	106.00	106.00
Groundnut oil*	109.50	106.75	108.50
Ex-mill ready (per quarter)			
Castor oil†	17.87	18.37	18.12
Commercial (per quarter)	15.37	15.12	15.00
Linseed oil†			
Ready	15.94	15.94	15.00

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.
†† As on 26th May 1958.
§ As on 23rd May 1958.

JUTE GOODS GIVE WAY

(From Our Own Correspondent)

CALCUTTA, *27th May*

Both jute goods and raw jute suffered a setback in prices during the week under review. The weakness of jute goods was due to the possibility of work in port coming to a standstill as from 16th June judging from the strike notice served by the All-India Port and Dock Workers' Federation on the authorities of all major ports in the country. The decline in prices of jute goods and the reports of excellent condition of the jute crop contributed to the downtrend in the fibre market. If the strike notice resulted in stoppage of work in the country's

major ports, it would mean that the entire import and export trade would come to a standstill.

B. twills declined during this week to a level far below the I.J.M.A. minimum price, while hessian 40" 10 oz., despite the decline, was above the floor. Moreover, there was only routine business done with foreign buyers, although enquiries from several countries, including the U.S.S.R., Egypt and the United States, were received. That foreign buyers did not desire to rush in and lift as much as possible was indicated. Trade circles felt that foreign buyers were disinclined to take any step which would go to push up prices. It was, however, thought that if the strike was not averted and if indications continued to point out materialisation of the threat, foreign buyers might lift as much as possible before 16th June for quick shipment. Strong holders were, therefore, disinclined to rush in and sell at the decline.

On Tuesday last, ready B. twills dropped to Rs. 99.30 from Rs. 99.85 and buyers showed little or no interest. Ready hessian 40" 10 oz. gave way from Rs. 41.00 to Rs. 40.60. On Wednesday, rates were further affected by mills' sales of fair quantities for forward delivery. Thus, B. twills sagged to Rs. 99 and hessian 40" 10 oz. to Rs. 40.55. Shipments during the current month have proceeded satisfactorily and, up to 15th May, hessian shipped amounted to 16,250 tons, as against 11,400 tons in the corresponding period in April. Sacking shipments amounted to 12,900 tons, as against 9,500 tons only. On Thursday, hessian 40" 10 oz. recovered to Rs. 40.65 due mainly to price fluctuations in the futures trading. On the other hand, B. twills continued the recession and touched Rs. 98.70. On the next day, that is, Friday, conditions became worse, the two constructions declining to Rs. 40.45 and Rs. 98.00, respectively. The week's lowest levels were touched over the week-end, consequent on selling pressure. B. twills were as low as Rs. 97.10 and hessian 40" 10 oz. Rs. 40.05. Yesterday, B. twills declined further to Rs. 97.00, but hessian 40" 10 oz. were better at Rs. 40.60, although no business transpired.

In futures, May 40" 10 oz. hessian was at the highest at Rs. 40.72 and lowest at Rs. 39.86 before closing at Rs. 40.08. These rates for August 40" 10 oz. hessian were Rs. 40.92, Rs. 39.94 and Rs. 40.08, respectively. May B. twills at Rs. 98.80 were at the highest, and at Rs. 95.85 were the lowest before closing at Rs. 95.95. These rates for August B. twills were Rs. 101.25, Rs. 98.25, and Rs. 98.45, respectively.

Raw jute prices also fell, following decline in the goods market and reports of good condition of the crop. Northern bottoms declined from Rs. 25 to Rs. 24.75. The latest quotations for May-June delivery of the old crop are:

	Middles Rs.	*Bottoms* Rs.
Pakistani:		
District	31.50	28.50
Northern	31.00	28.00
Indian:		
Northern	27.75	24.75
Assam	27.75	24.75
Orissa	29.25	26.25
Desal	26.25	23.25
Murshidabad ...	25.00	22.00
Jungli	23.50	20.50
Daissee	30.75	28.25
Uttar Pradesh ...	23.50	20.50
Daissee mesta ...	26.50	23.50
Bimli f.a.q.	21.00	
Pucca bales 1st marks ready. ...	Rs. 157.50 per bale	

TEA IN DEMAND

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, *24th May*

There was just under 1,300,000 lbs. on offer in Sale No. 13, which was held on Tuesday 20th May. There was a useful selection on offer, but some teas showed a seasonal decline in quality and leaf appearance. The sale opened to a strong general demand, particularly for low medium and medium B.O.Ps, which were irregularly 5 nP dearer. However, the equivalent fannings were about steady. Good mediums, although meeting with good support, remained firm on last week's quotation. Best liquoring teas were easier following decline in quality. Whole leaf met a strong demand and were generally dearer. The following are the quotations:

	1958 Rs.
Plain B.P.	1.45
Low medium	1.70 to 1.90
Medium	1.90 to 2.15
Good medium	2.15 to 2.45
Quality	2.35 to 3.35

Dust Sale 'K':—

There was 1,137,646 lbs. on offer in Dust Sale 'K' which was held on Thursday 22nd May. The sale opened to a very good general demand which was maintained throughout the auction. All types were easier to purchases, and prices were irregularly 5 to 10 nP easier. The sole exception were the milled descriptions which are firm on last rates.

London Market:—Sale of 19th May 1958:— Market unchanged.

Sale of 20th May 1958:—Market strong to dearer all round, particularly plain and medium fannings grades, which were often 3*d.* dearer.

Colombo Market:—No sale this week.

Calcutta Market:—Sale of 20th May 1958:— 19,900 packages dust. Met fair demand at easier rates. Orthodox types 6 to 8 nP lower. Exportable types 2 to 4 nP easier. C.T.C. weakest feature. Best 20 to 25 nP easier.

Export Quota:—As the period of validity of special export rights draws to its close, the market has continued fairly active. Business has been transacted at 3½ nP. New season's quota quotation is sellers 15½ nP, buyers 15 nP. As we go to the press, it has been rumoured that the validity of special licence may be extended until 30th June 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale* 14:—1,250,000 lbs. General demand rather quieter. Prices irregularly 5 to 10 nP easier for low medium and medium descriptions. Less enquiry for fannings. Highgrowns lower, following quality. Whole leaf considerably easier."

BLACK PEPPER SAGS

(Messrs. Parekh & Co.)

BOMBAY, *27th May*

After drifting within a very narrow range with undertone quietly steady during the fortnight ended 21st May 1958, Malabar black pepper during the week showed a sagging tendency in sympathy with Singapore where white broke from Str.$130 to str.$120 and black from Str.$74 to Str.$69 for want of foreign demand. The price of specific delivery in Bombay worked down from Rs. 590 to Rs. 535 for June.

Alleppey was lowered from Rs. 600 to Rs. 562½. Garbled (ready) at Cochin moved down from Rs. 103.75 to Rs. 98.75. May delivery was finished at Rs. 105½, while July receded from Rs. 112.50 to Rs. 101.87 under pressure of heavy hammering by stale bulls who became tired-long, together with selling by bears who were encouraged to build up bear positions, in view of continuous absence of foreign enquiry.

In spite of business in May shipment to New York from both Singapore and India having remained very small, the dealers there seemed to be unwilling to make fresh purchases. They seemed to be buying from hand to mouth mostly from consignments. Such an attitude was attributed to the persistent talk of an imminent recession in almost all the newspapers in the U.S.A. Sales of various spices in chain stores having gone down, replacement buying by grinders was conspicuous by its absence, despite general expectation of pick-up in demand by now for the replenishment of their autumn requirements.

Reassuring news from Indonesia and absence of demand from the U.S.A. brought forth liquidation by holders at both Singapore and India, ending in recent fall in prices much against the general expectation. New York market did not pay any heed to worsening internal situation in France and Lebanon.

The future of pepper appeared to be uncertain, as, in spite of the prospect of smaller crop in Sarawak, the market at Singapore failed to show any revival either in turnover or in price. However, at the time of writing, the market at Cochin showed improvement, having its reflection on Bombay. Garbled at Cochin for July reacted to Rs. 105 under fresh buying by bulls and covering by bears. Specific delivery in Bombay for June improved to Rs. 550.

In A.S.T.A., July-Aug-Sept. was done from $0.26½ to $0.24½, while May and June changed hands from $0.26¼ to $0.24¼. The fall seemed to have been accelerated by the news that the Indo-American Conference Line was likely to reduce the freight from India to the U.S.A. in the near future.

Today's nominal quotations are: Ready delivery Rs. 78 per Bengal maund; June Rs. 550-Rs. 560 and July Rs. 555-Rs. 565 per candy of 5¼ cwts.

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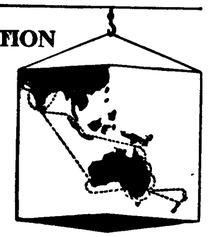

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BUFF AND COW EASY

(From Our Own Correspondent)

KANPUR, *26th May*

During the week under review, the conditions of the hides and skins market were unaltered except for the fact that this supply position in respect of the main items of buff and cow was slightly easy. Thanks to this rising summer temperature, the volume of goods from the local butcheries were lower. The main purchasers were the local tanneries and the Madras dealers. The country tanners were lukewarm.

The latest available quotations are: Wet salted cow 1st grade Rs. 330 to Rs. 350, 2nd grade Rs. 250 and 3rd grade Rs. 200 per score; wet salted buff 1st grade 1 lb. 6 ozs. and 2nd grade 1 lb. 11 ozs. per rupee; goat 1st grade Rs. 260 to Rs. 290 and 2nd grade Rs. 220 to Rs. 260 per 100 pieces; sheep 1st grade Rs. 300 and 2nd grade Rs. 275 per 100 pieces.

BLACK LEAFY TEAS STRONG

(From Our Own Correspondent)

CALCUTTA, *27th May*

Tea prices eased during last week's sales for domestic consumption. Dusts on offer aggregated 19,513 chests. There were withdrawals of C.T.C. Assams and those that sold realised very low prices. The best lots were the weakest features for the decline was of the order of 20 nP to 25 nP. Orthodox descriptions gave way by 6 nP to 8 nP. Black leafy teas fit for export were the strongest feature, inasmuch as the decline was only by 2 nP to 4 nP. On competition being offered, "teas for price" were steady. The quotations were: Best Assam C.T.C. Rs. 2.65 to Rs. 2.85; medium Assam C.T.C. Rs. 2.00 to Rs. 2.10; medium Assam grainy dust Re. 1.70; and medium Dooars Re. 1.64 to Re. 1.66.

The quantity of leaf on offer was meagre, being 551 chests.

Transferable export quota changed hands at 1½ nP, but, subsequently, sellers demanded 2 nP. Non-transferable quota realised 1½ nP. Sellers demanded 16½ nP for new season's quota, but, as buyers were prepared to offer only 16 nP, no business was done.

It was noted that there was a further decline in the U.K. tea stocks. For the week ended 16th May, these were only 116.83 million lbs., as against 118.56 million lbs. in the previous week. On this basis, it was expected that British buyers would show marked interest as and when the season's regular export sales opened next month.

A Tea Board announcement on Saturday last extended the period of validity of special export licences for tea against 1957-58 export quotas by a month up to 30th June.

After the meeting of the Tea Board last week at which the producers' schemes for according relief to the industry were considered and endorsed, an announcement from New Delhi reducing export and excise duties was believed to be imminent. Consideration was also accorded to the other problems of the tea industry, and the Board gave it to a committee to examine any demand for funds from gardens for renovation of plant and machinery and improvement of plantations. A Rs. 2-crore finance guarantee fund would be created from the accumulated balance of the Tea Improvement Fund. This new fund will be used as a guarantee for banks and other agencies making loans to the industry.

During the special Darjeelings sales held yesterday, offerings amounted to 7,113 packages, the quality of which registered a general decline. However, they contained a number of attractive teas with useful first flush flavour. Demand was good and prices were firm. Keen competition was offered to the more flavoury teas, with prices rising above valuations.

FOODGRAINS QUIET

(From Our Own Correspondent)

HAPUR, *26th May*

Steady to quiet conditions prevail in the foodgrains market. The Government of India is reported to be arranging for more imports in order to build up sizable reserves. Negotiations are already in progress with the United States for the import of 3.5 million tons of wheat and 500,000 tons of rice. The willingness of Burma to supply only 270,000 tons, as against its original commitment of 500,000 tons during the year, is stated to be an additional reason for increasing imports.

While wheat prices in the U.P., are steady, those in the Punjab zone are depressed. The wheat crop in the U.P. is said to be lower than last year and, with restricted arrivals which are sufficient to meet the day-to-day requirements of consumers, the trade has not been able to build up stocks.

Wheat at Hapur ruled quiet at almost unchanged levels of Rs. 15.50 per maund for average quality and about Rs. 16.50 for farm produce. Wheat arrivals averaged 1,000 maunds daily and local stock improved to four *khatties*. Threshing operation having finished, the agriculturists were hesitant to part with the produce in anticipation of higher prices in the coming months.

Rice continued to rule steady. *Basmati sela* quality was quoted at Rs. 32 to Rs. 36 per maund and mainpuri produce at Rs. 26.

Despite further heavy arrivals from Punjab which resulted in an improvement of local stocks from 33 *khatties* last week-end to 42 *khatties* now, gram continued to be steady on Punjab advices. Barley and bejhar, however, eased slightly, thanks to increased arrivals of new crop into the market, arrivals of both cereals averaging 150 maunds each daily. *Jowar* and *guwar* were steady during the week with good demand. The week-end prices (in rupees per maund) were:—Gram 11.25 to 11.44; barley 10.87; *bejhar* 10.25; *jowar* 12 to 13.25; *guwar* 15.50.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1936	..	3½
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	7½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July 1933	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	16th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	6th April, 1950	4½	4
Japan	9th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4½
New Zealand	19th Oct., 1956	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	3
Peru	13th Nov., 1947	5	6
Philippines	Sept., 1957	3	4½
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May 1958	5	4½
Switzerland	16th May, 1957	1½	2½
Thailand	Feb., 1945	3	7
Turkey	6th June, 1956	4½	6
United Kingdom	20th Mar., 1958	7	6
U.S.S.R.	1st July, 1936	3	4
U.S.A.	21st May, 1958	2½	1½
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 23rd May, 1958		Week ended 16th May 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,09,458	67,58,75,000	3,18,480	86,10,56,000
Calcutta	1,79,000	56,47,00,000	1,74,000	61,57,00,000
Madras	80,578	8,05,38,056	83,100	9,24,51,195
All Centres—				
1955-56	..	..	37,109,000	79,56,21,00,000
1956-57	..	..	40,003,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,704,000	8,31,64,00,000
Feb., ,,	..	..	3,535,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 23rd May, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits:—	
(a) Government—	
(1) Central Government	76,05,82,000
(2) Other Governments	16,49,32,000
(b) Banks	73,14,03,000
(c) Others	112,58,89,000
Bills Payable	13,72,69,000
Other Liabilities	43,52,38,000
Rupees	442,53,13,000

ASSETS	Rs.
Notes	26,48,08,000
Rupee Coin	10,38,000
Subsidiary Coin	2,17,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	1,80,29,000
Balances held abroad*	38,40,14,000
Loans and Advances to Governments†	60,83,40,000
Other Loans and Advances	59,51,82,000
Investments	241,63,56,000
Other Assets	13,73,29,000
Rupees	442,53,13,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 20,03,00,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Ps.
Notes held in the Banking Department	26,48,08,000	
Notes in circulation	1598,68,63,000	
Total Notes issued		1625,16,71,000
Total Liabilities		1625,16,71,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	209,67,56,000	
Total of A		327,43,59,000
B. Rupee Coin		130,10,84,000
Government of India Rupee Securities		1167,62,28,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1625,16,71,000

Scheduled Banks*

Statement of Affairs for the week ended 16th May 1958

	Rs.
Demand Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,34,56,000
(ii) Other demand liabilities	725,65,42,000
Time Liabilities in India:	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,08,00,000
(ii) Other time liabilities	771,42,90,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	5,37,79,000
(ii) Time liabilities	1,05,00,000
Borrowings in India from the Reserve Bank of India†	31,85,57,000 (26,31,50,000)
Cash in India	39,35,21,000
Balances with the Reserve Bank in India	68,07,43,000
Balances with other banks in current account in India	11,78,00,000
Money at call and short notice in India	51,42,80,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	440,30,61,000
Advances in India	788,31,08,000
Inland Bills purchased and discounted in India	110,76,93,000
Foreign Bills purchased and discounted in India	40,80,62,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	28th May 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5/16	1-5/16
Sellers T.T. D.D. upto six months	1-5/16	1-5/16
Buyers T.T. spot to nine months	1-6	1-6
Buyers T.T. 10 to 12 months	1-6	1-6
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.00	475.25
Buyers T.T. Rs.	471.75	471.75
London on New York $	2.81-2.81	2.81-2.81
London on Paris Frs.	1,181	1,181
London on Berne Sw. Frs.	12.23-12.23	12.23-12.23
New York on London $	2.81-2.81	2.81-2.81

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In million)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	85.50	..	2,079	249
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.35	..	475	567
Japan	1956	90.00	Y. 7,427,000	9,283	1,031
Philippines	1955	21.85	Pes. 7,804	1,873	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9.40	£ (A.) 4,238	4,023	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 343,600	163,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	F.Fr. 13,900,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,000	16,889	3,279
Italy	1956	48.10	Lr. 11,475,000	8,760	1,821
Norway	1956	3.46	Kr. 20,990	1,408	4,358
Sweden	1956	7.30	Kr. 44,580	4,127	5,653
Netherlands	1956	10.80	Gls. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,590	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source: *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 16th May 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits:—	
(a) Central Government	85,62,85,000
(b) Provincial Governments	....
(c) Banks	20,60,48,000
(d) Others	5,11,28,000
Bills Payable	47,32,000
Other Liabilities	12,34,11,000
Rupees	130,16,04,000

ASSETS	Rs.
Notes	10,25,04,000
Rupee Coin	38,000
Subsidiary Coin	26,000
Bills Purchased and Discounted:—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	8,33,000
Loans and Advances to Governments	5,01,00,000
Provincial Governments' Debtor Balances	9 47,65,000
Other Loans and Advances	4,08,95,000
Investments	85,92,75,000
Other Assets	15,31,86,000
Rupees	130,16,04,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	10,25,04,000	
Notes in circulation	339,01,58,000	
Total Notes issued	....	349,26,62,000
Total Liabilities	....	349,26,62,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	66,45,62,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	3,96,11,000	120,88,85,000
Government of Pakistan Securities	218,51,60,000	
Internal bills of exchange and other commercial paper	....	
II. Held with the Reserve Bank of India pending transfer to Pakistan:—		222,47,71,000
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	....	349,26,62,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued: 36.22 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	16th May 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1614.83	1629.96	1627.77	1590.23
Notes held in Banking Department	35.05	24.65	9.36	23.87	15.17
Foreign Securities	59.50	209.68	184.83	227.39	412.52
Rupee Securities	37.39	1182.62	1207.47	1174.91	949.87
Banking Department					
Deposits of:					
Government of India	14.89	75.07	53.29	52.41	49.87
Other Governments	..	13.69	15.73	13.09	3.08
Balances held abroad	10.08	42.84	73.63	42.48	65.07
SCHEDULED BANKS					
Demand Liabilities	134.36	743.00	752.17	772.88	717.74
		(17.35)†	(19.84)†	(18.18)†	(11.49)†
Time Liabilities	102.24	787.50	790.20	763.31	516.91
		(16.08)†	(16.24)†	(15.29)	(3.01)†
Borrowings from Reserve Bank	..	31.86	18.64	19.79	95.28
		(26.32)‡	(17.10)‡	(17.33)‡	(63.28)‡
Borrowings from State Bank	..	6.43	6.69	7.60	12.10
Cash in India	6.70	39.35	40.35	39.32	40.16
Balances with Reserve Bank	25.17	68.07	107.31	86.82	58.54
Excess over statutory limits	15.52	15.17	53.90	32.91	12.32
Balances with other banks in current account in India	..	11.78	12.48	12.54	9.88
Money at call and short notice in India	..	51.43	58.61	55.81	18.49
Investments at book value)	..	440.31	425.46	443.27	344.00
Advances on bills	105.09	939.89	948.64	957.44	937.87
STATE BANK					
Deposits	87.76	417.66	418.28	421.55	301.58
Investments	51.99	171.04	171.19	190.54	105.63
Advances	30.25	201.17	204.66	208.02	190.61
Cash	14.69	27.32	54.30	34.99	22.72

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	January		Ten months, April to Jan.,	
	1957	1958	1956-57	1957-58
Import Duties:				
Revenue	12.69	9.34	105.67	117.65
Protective	1.27	0.87	10.50	8.98
On surplus disposals	..	..	0.04	0.12
Total import duties	13.96	10.21	116.21	126.75
Export Duties	2.96	2.16	25.15	20.63
Land Customs	0.21	0.62	2.03	3.26
*Air customs,**	..	0.12	..	1.85
Miscellaneous	0.10	0.13	0.94	1.29
Gross total customs	17.23	13.24	144.33	153.88
Refunds and drawbacks	0.25	0.61	2.09	3.76
Net Customs	16.98	12.63	142.24	150.12
Gross excise	17.96	29.98	155.81	220.96
Refunds	0.25	0.31	1.75	2.82
Net Excise	17.71	29.67	154.06	218.14
Net total of customs and excise†	34.69	42.30	296.30	368.26

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 16th May 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up: 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves	..	5,62,50,000
Deposits and Other Accounts	..	6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.	..	416,20,69,000
Bills Payable	..	4,00,00,000
Bills for Collection being Bills Receivable as per contra	..	6,70,93,000
Acceptances, Endorsements and Other Obligations per contra	..	80,83,000
Other Liabilities (including Inter-Office Adjustments)	..	81,49,000
Total	.. Rs.	4,50,71,000
		445,29,65,000

PROPERTY AND ASSETS	Rs.
Cash in hand and with Reserve Bank	24,38,68,000
Balances with other Banks	2,40,20,000
Money at Call and Short Notice	1,63,83,000
INVESTMENTS: Rs.	
Government and other Trustee Securities 160,65,38,000	
Other Authorised Investments 10,28,07,000	170,93,45,000
ADVANCES:	
Loans, Cash Credits, Overdrafts, etc. 170,35,15,000	
Bills Discounted and Purchased 19,32,24,000	198,67,39,000
Bills Receivable being Bills for Collection as per contra	80,83,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	31,49,000
Premises less Depreciation	1,19,75,000
Furniture and Fixtures less Depreciation	86,50,000
Other Assets (including Inter-Office Adjustments)	43,68,03,000
Total .. Rs.	445,29,65,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% G		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Outstandings H
1952-53	6,83	3,26	84,17	..	..	113,85	32,03	..	—31,07	25,64	..	..	..	..	146,53	211,88
1953-54	5,91	4,26	104,38	..	..	117,37	106,29	..	—34,20	32,11	..	..	..	..	152,71	252,96
1954-55	4,70	4,99	124,54	..	..	134,94	130,88	7,38	—36,35	37,18	..	..	55	64	177,35	310,29
1956-56	3,76	5,48	144,37	..	..	158,11	167,85	16,38	—37,68	41,25	..	..	45	95	203,53	380,94
1957-58	3,00	6,01	163,68	..	..	176,97	196,50	25,88	—38,82	44,28	..	..	43	1,32	225,88	440,17
1957						..	..	..	..	43,58	5,88	5,88	63	1,87	..	..
July	2,74	5,61	162,36	5,20	8,28	15,03	200,57	26,16	—39,11	44,42	62	1,24	4	1,39	29,72	452,77
August	2,68	5,49	160,38	5,03	13,31	12,64	201,68	25,61	—39,18	44,27	52	1,76	3	1,42	17,91	456,09
September	2,60	5,39	158,23	5,86	20,17	14,95	203,17	25,17	—39,26	44,14	63	2,39	4	1,46	21,54	462,72
October	2,54	5,26	155,82	6,17	26,33	12,51	202,33	24,51	—39,33	44,07	42	2,81	2	1,47	19,12	465,94
November	2,48	5,14	153,40	6,48	32,82	13,25	202,58	24,47	—39,38	43,96	49	3,29	2	1,49	20,24	466,63
December	2,43	5,06	151,07	6,41	39,23	13,00	202,55	24,14	—39,47	43,89	46	3,76	2	1,50	1,90	473,65
1958						..	..	..	..	..	..	..	..	..	..	..
January	2,37	4,94	148,57	7,95	47,18	13,88	202,54	23,77	—39,55	43,80	68	4,44	18	1,68	22,68	479,29
February	2,31	4,83	146,14	10,24	57,42	14,22	203,12	23,45	—39,62	43,69	74	5,18	9	1,75	25,29	487,99
March	..	..	..	..	..	..	..	..	..	43,58	70	5,88	12	1,87	..	..

Contd.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base: 1949-50=100)

Group and Sub-Group	Week Ended 17th May 1958	10th May 1958	19th April 1958	18th May 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.7	89.7	89.6	89.9
1. Government of India	89.4	89.4	89.3	89.6
2. State Governments	96.9	96.9	96.6	90.4
3. Municipal Port Trust, etc.	89.9	89.9	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.3	97.2	99.1
1. Electricity	98.7	98.7	98.5	99.0
2. Jute	92.2	92.2	92.2	96.9
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	90.4	90.4	90.4	98.3
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.4	100.0
7. Shipping	99.1	99.1	99.1	101.3
8. Others	94.2	94.2	94.2	100.6
PREFERENCE SHARES	70.0	70.3	70.3	78.5
1. Electricity	85.3	85.2	84.5	86.6
2. Cotton	67.1	67.7	67.2	78.4
3. Jute	57.5	58.0	58.3	70.8
4. Coal	71.6	71.6	72.5	81.8
5. Iron and Steel	78.1	78.5	79.5	82.3
6. Sugar	68.9	69.8	69.5	77.7
7. Paper	71.6	71.6	72.4	78.0
8. Plantations	86.5	86.5	86.7	95.2
9. Miscellaneous	64.9	64.9	65.1	74.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.1	98.2	98.7	103.7
(A) Financial	97.1	97.3	97.7	98.6
1. Banks	99.8	100.1	100.5	91.5
2. Insurance	93.0	92.0	91.1	82.9
3. Investment Trust	61.7	62.4	65.3	75.3
(B) Public Utilities	105.3	105.7	105.9	105.4
1. Electricity	102.8	103.2	103.2	106.5
2. Shipping and other Transport	121.8	122.2	123.0	110.8
3. Railways	66.7	66.7	67.3	76.5
(C) Manufacturing Industries	101.8	101.8	101.9	108.6
1. Cotton, Woollen and Silk	93.9	94.4	95.3	114.4
2. Jute	52.6	52.2	51.7	54.9
3. Iron and Steel	131.3	130.7	131.0	113.6
4. Paper	205.4	201.1	197.2	226.8
5. Cement	139.1	139.2	137.4	141.8
6. General Engineering	157.6	157.5	157.9	157.7
7. Sugar and Breweries	97.3	97.9	97.9	92.6
8. Chemicals	136.0	136.1	136.1	135.0
(D) Non-Manufacturing Industries	109.7	109.8	109.8	126.0
1. Coal	63.5	63.5	64.8	69.4
2. Mining and Oil	157.8	156.4	161.6	175.7
3. Plantations	117.7	118.4	121.6	139.4
(E) Miscellaneous	68.8	68.4	68.2	81.0
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES:	89.1	89.1	89.0	89.2
1. Bombay	89.6	89.6	89.5	89.8
2. Calcutta	89.9	89.8	89.8	90.8
3. Madras				
DEBENTURES OF INDUSTRIAL CONCERNS:	96.6	96.6	96.6	99.0
1. Bombay	97.5	97.5	97.3	98.8
2. Calcutta	97.4	97.4	97.4	99.7
3. Madras				
PREFERENCE SHARES:	79.6	79.8	79.6	83.9
1. Bombay	61.1	61.4	61.6	72.2
2. Calcutta	83.8	84.1	84.0	91.8
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:	114.5	114.9	115.7	112.5
1. Bombay	84.3	84.0	84.7	91.4
2. Calcutta	107.0	107.7	108.8	118 3
3. Madras	119.8	119.8	120.8	109.6
4. Delhi				

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,319.2
1955-56	715	8,805.8	7,185.8
1956-57	769	9,877.8	8,103.1
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	932.2	756.7
June ,,	799	898.4	726.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.3
November ,,	823	930.2	740.5
December ,,	822	958.7	779.7
January 1958	825	973.6	788.1

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base: 1951=100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	132.6	136.9	142.0	143.5	139.9
Coal	114.9	126.9	139.0	135.4	124.4
Sugar	166.5	182.8	204.2	161.3	135.6
Salt	106.0	105.8	107.5	155.9	131.5
Cotton textiles	122.0	127.5	114.2	112.2	122.4
Jute textiles	127.3	120.5	126.0	133.8	123.8
Paper and paperboards	146.6	159.3	176.7	184.5	156.0
Matches	106.6	99.9	101.1	99.7	103.2
Cement	154.2	175.3	216.3	219.0	169.0
Iron and steel	119.4	119.3	121.1	121.4	129.3
Non-ferrous metals	124.7	151.9	161.6	147.7	129.2
Rayon	355.8	459.3	560.1	574.5	372.1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	2,372,630
1955	1,166	527,767	5,897,848
1956 R	1,208	715,130	6,992,040
January 1957	155	126,490	405 805
February ,,	124	45 733	259,041
March ,,	113	40 999	287,550
April ,,	161	61,260	414,535
May ,,	163	68,230	455,037
June ,,	153	100,230	784,545
July ,,	198	91,749	764,308
August ,,	205	144,851	821,211
September ,,	231	144,579	842,508
October ,,	222	102,584	583,206
November ,,	175	56,168	338,979
December ,,	155	82,471	512,381
January 1958	145	54,397†	354,185†
February ,,	133	79,177††	342,205††

INDEX NUMBERS OF WHOLESALE PRICES

(Base: 1952-53=100)

Particulars	Weight	10th May 1958	3rd May 1958	11th May 1957	April 1958	April 1957	Percentage of Increase (+) or Decrease (—) in April 1958 as compared with April 1957	Financial Year Average 1957-58	1956-57
Food Articles	504	106 7	105.9 R	106.8	105 2	104.3	+ 0.9	108.4	102.3R
Cereals	192	98 8	98.2 R	103.0	97.2	100.6	— 3.4	101	96
Pulses	43	81 3	81.4 R	83.6	82.4	83.2	— 1.0	83	81
Fruits and Vegetables	23	113 4	113.6 R	122.6	108.0	119.3	— 9.5	114	112
Milk and Ghee	84	105.0	105.5	107.6	105.2	103.9	+ 1.3	105	100
Edible Oils	47	120 3	121.4 R	125.4	122.8	122.2	+ 0.5	126	125
Fish, Eggs and Meat	17	106 9	106.5 R	91.0	102.3	92.4	+10.7	98	97
Sugar and Gur	48	115 8	112.8*	98.2	113.5	95.4	+19.0	108	98
Others	50	132 1	131.9	126 7	130.7	125.9	+ 3.8	131	128
Liquor and Tobacco	21	92 1	92.1	89.7	93.4	88 0	+ 6.1	94.0	84.3
Tobacco	—	90.3	90.3	87 7	91 7	85.9	+ 6.8	93	83
Fuel, Power, Light and Lubricants	30	114.4	114 5	108 3	114 6	107.7	+ 6.4	113 6	104.2R
Industrial Raw Materials	155	113.1	114 2 R	120 0	114 2 R	116 7	— 2.1	116 5	116 0
Fibres	61	110.7	112 8	122.4	112.1	119.5	— 6 2	118	116
Oilseeds	60	117.7	118.3 R	125.6	118.7	119.3	— 0.5	120	120
Minerals	2	107.3	105.1*	107.3*	108.2	107.3	— 1.0	108	102
Others	32	109.4*	108.8 R	105 5	110.0	106.4	+ 3.4	108	109
Manufactures	290	107 7	107.8 R	107.0	108.1 R	108 2	+ 1.8	108.1	108 3
Intermediate Products	41	108 4	108 5	109 3	108 8	106 3	+ 0 5	107 3	110 9
Finished Products	249	107 6	107.7 R	108 6	107.9	105.9	+ 1.9	108 2	105 6
Textiles	147	104.6	105.0 R	107.9	105.9	106.9	— 0.9	107	108
Cotton	—	113.5	113.6 R	115.8	113.4	115.4	—	116	118
Jute	—	97.8	99.4	97.8	88.1	94.7	— 7.0	95	95
Woollen	—	104.0	103.5	103.0	103.1	102.3	+ 0 8	103	98
Silk and Rayon	—	93.4*	92.4*	86.2	92.8	87.0	+ 6.7	86	88
Metal Products	12	143.0	143.0	130.8	143.4	130.8	+ 9.3	141	130
Chemicals	20	99.3	99.0	97.2	99.0	97.0	+ 2.1	98	93
Oil cakes	10	119.3	118.2	110.4	116.9	106.3	+10.1	115	108
Machinery and Transport Equipment	31	102.8	102.8	100.3	102.8	100.3	+ 2.5	102	99
Others	30	114.8	114.8

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Forecast	(In thousand acres) 1956-57	1955-56	(In thousand tons) 1956-57	1955-56
Cereals—					
Rice	final	79,027†	79,320††	24,821†	28,282††
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,411†	40,367††	8,050†	7,249††
Bajra	final	27,450†	27,881††	3,565†	2,885††
Barley	final	8,504	8,382	2,744	2,749
Maize	final	9,762†	9,197††	3,064†	3,009††
Ragi	final	5,897†	5,831††	1,716†	1,715††
Small millets	final	12,209	12,713	2,010	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses*	final	16,166	15,567	1,664	1,632
Rabi pulses†	final	11,443	11,703	1,794	2,038
Total pulses	final	57,295	57,064	11,435	10,831
Total foodgrains		272,937	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Castorseed	final	1,403	1,405	129	124
Sesamum	final	5,433	5,653	451	457
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,768	3,781	349	414
Total oilseeds	final	29,906	29,848	6,032	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,754†	1,908††	4,088†	4,288††
Mesta A.	2nd	678†	688††	1,166†	1,411††
Other crops—					
Potato	final	702	691	1,674	1,830
Sugarcane	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡ Excluding Gram and Tur.
A. In thousand bales of 400 lbs. each. † Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During April 1958	85.2
	Corresponding month, 1957	84.7
	Nine months ended April, 1958	790.9
	Corresponding period, 1957	771.0
Stocks	At the end of April, 1958	97.2
	Corresponding month, 1957	104.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	Mar., 1957	68.8
	Mar., 1958	65.5
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	Mar., 1957	15.2
	Mar., 1958	20.5
	RAW JUTE	(In lakh bales)
Consumption by Mills	March, 1958	4.95
	Corresponding month, 1957	4.91
	Nine months ended Mar., 1958	45.87
	Corresponding period, 1957	44.75

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,73,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,900
Feb., 1957	90,000	81,300	63,400
Mar., "	95,100	93,200	73,600
April "	92,300	89,300	62,500
Feb., 1958	87,100	89,200	64,500
Mar., "	94,800	100,200	71,300
April "	95,000	100,300	63,000
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,156	5,32,315	4,41,483
Do. 31st March, 1958	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,830	1,20,578
" " " June, 1957	1,72,225	1,29,651	1,05,096
" " " Sept., 1957	1,71,397	1,19,172	96,815
" " " Dec., 1957	1,90,484	1,25,194	1,02,146
" " " Mar. 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	October 1957	October 1956	Jan. to Oct. 1957	Jan. to Oct. 1956
Exports	52,52	52,73	537,74	474,94
Re-exports	1,12	42	4,46	7,27
Total Exports	53,64	53,15	542,20	482,21
Imports	73,07	70,94	833,98	667,49
Overall Balance of Trade	—19,43	—16,79	—291,78	—192,55
Exports—				
Tea	12,85	17,36	97,92	108,20
Jute yarns and manufactures	3,54	10,45	50,46	90,24
Cotton yarns and manufactures	5,26	4,87	59,75	50 02
Metallic ores and scrap iron or steel for re-manufacture	3,55	2,52	42,19	17,72
Cotton, raw and waste	69	89	17,39	21,94
Oils—vegetable, mineral and animal	1,75	90	22,28	21,51
Fruits and vegetables	1,75	1,19	15,49	15,25
Tobacco	32	78	12,08	12,61
Mica	61	74	7,30	7,10
Wool—Raw	41	96	10,14	8,95
Gums, resins and lac	64	99	7,36	8,84
Spices	52	69	7,22	7,82
Hides and skins, raw	51	58	6,28	4,82
Imports—				
Machinery of all kinds	20,17	13,46	187,93	125,26
Metals, iron and steel and manufactures thereof	10,81	11,22	129,64	99,92
Oils—vegetable, mineral and animal	6,89	3,24	98,17	55,34
Cotton, raw and waste	1,85	4,14	45,54	46,82
Chemicals, drugs and medicines	5,17	3,87	65,90	36,37
Electrical goods and apparatus	5,32	2,30	49,08	17,04
Paper, pasteboard, etc.	89	1,15	11,35	13,61
Vehicles (excluding aircraft, ships and boats)	3,64	7,00	57,79	55,57
Fruits and vegetables	2,22	1,16	17,08	10,61
Spices	23	68	2,47	6,6[illegible]
Dyes and colours	1,03	1,50	12,16	13,9[illegible]
Woollen and worsted fabrics	15	11	1,14	1,8[illegible]
Cotton fabrics	15	21	2,14	2,0[illegible]

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)*

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manganese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,885	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
February 1957	12,280	2,684	929	197	96	52	190	22	529	388	27	350	51	159
March "	13,586	2,953	1,022	219	108	58	207	24	610	427	30	388	52	180
April "	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May "	2,468	522	219	48	21	13	34	4	129	77	6	69	4	36
June "	3,592	756	334	57	30	18	48	5	164	109	9	101	7	52
July "	4,663	1,010	438	73	35	21	58	7	183	145	11	138	13	62
August "	5,781	1,279	539	84	39	23	67	8	206	183	13	177	19	81
September "	6,993	1,542	628	93	42	30	87	10	222	220	15	219	25	101
October "	8,056	1,824	736	107	46	24	109	13	241	263	19	261	31	126
November "	9,240	2,067	844	129	53	37	137	16	273	309	24	302	37	154
December "	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February "	13,011	2,874	1,123	191	93	49	202	23	519	456	36	435	46	176

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.–2 M.G.) and incorporate revision in respect of earlier months.
Source:—Ministry of Railways.
* Including sugarcane from November, 1955.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 22nd May, 1958	29,468(J)
	Corresponding week, 1957	64,339(J)
	1st Sept. to 22nd May, 1957-58	1,259,981*
	Corresponding period, 1956-57	1,550,967*
Cotton Exports	Week ended 22nd May, 1958	12,409
	Corresponding week, 1957	2,324
	1st Sept. to 22nd May, 1957-58	192,628
	Corresponding period, 1956-57	234,654
Mill Consumption (Estimated)	1st Sept. to 22nd May 1957-58	931,315
	Corresponding period, 1956-57	972,718
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 22nd May, 1958	723,378
	Corresponding date, 1957	662,080
Cotton Exports from Bombay (by sea)	During March, 1958§	10,438§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,583
Karachi (Pakistan)—		
Receipts	1st Sept. to 15th May, 1957-58	1,063,756
	Corresponding period, 156-579	1,153,650
Exports	1st Sept., to 15th May, 1957-58	496,789
	Corresponding period, 1956-57	648,761

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Mar., 1958. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 30th April, 1957.

Particulars	From 1st September to 26th May 1957-58 Bales	From 1st September to 26th May 1956-57 Bales
From Bombay		
Cotton Shipments to—United Kingdom	7,882	21,110
Continent	16,218	20,710
Hongkong	4,129	31,809
China		3,437
Japan	108,734	129,322
U.S.A.	7,393	2,324
Other Countries	741	881
Total to all foreign countries	145,097	209,543
Coastal Ports	54,360‡	29,463**
Total	199,457	239,006
Consumption of Cotton—	Period	Quantity (Bale of 400 lbs.)
Indian	March 1958	354,286
Foreign		47,648
Indian	Seven months ended Mar., 1957-58	2,650,940
Foreign		340,929
Indian	Same Period 1956-57	2,724,023
Foreign		338,725
Stocks (Mills and Elsewhere)— Indian	As on 28th Feb., 1958	1,298,235
Foreign		147,089
Indian	As on 28th Feb., 1957	1,221,857
Foreign		200,048
	Week ended 16th May 1958	5,398
	Corresponding week, 1957	81,883
Cotton Pressed in India (In running bales)	1st Sept., to 16th May 1957-58	2,462,172
	Corresponding period, 1956-57	2,775,515

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 ½ Bond	1926-33	63,30,26,000	1960-70	100.40
2 ½ Loan	1938-49	1,16,17,46,000	1963-65	95.45
2 ½ Loan	1950	30,33,10,000	1964	95.45
2 ½ Fg. Loan	1945	1,10,1,78,000	1966-68	92.80
2 ½ Dev. Loan	1945	1,15,05,83,000	1970-75	87.10
2 ½ 2nd V. Loan	1945	1,13,65,64,000	1959-61	99.10
2 ½ Loan	1951	15,22,64,000	1958	99.75
2 ½ Loan	1945	45,63,07,000	1960	98.15
2 ½ Loan	1946	57,00,60,000	1961	95.45
2 ½ Loan	1948	14,77,48,000	1976	83.10
2 ½ Loan	1947	12,89,72,000	1962	95.35
2 ½ N. P. Bonds	1953	75,29,00,000	1961	99.55
2 ½ N. P. Loan	1954	1,58,17,90,000	1964	98.20
2 ½ N. P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	97.85
2 ½ Loan	1956	57,27,36,000	1962	97.95
2 ½ N. P. Bonds	1956	33,81,83,000	1967	97.60
2 ½ Loan	1956	66,63,53,000	1974	98.20
2 ½ N. P. Bonds (4th Series)	1957	56,86,08,000	1967	99.70
4 ½ Loan	1957	49,16,87,000	1972	100.30
3 ½ Loan	1958	58,06,00,000	1963	98.75
3 ½ Loan	1958	34,34,00,000	1968	99.50
4% Loan	1958	49,47,00,000	1973	100.00
NON-TERMINABLE LOANS				
3% Loan	1896-97	8,93,34,000	M.	71.00
3% Loan	1946	2,48,91,41,000	N.	71.25
REPATRIATE STERLING LOANS				
4½% Loan	1928	5,85,73,000	1958-68***	100.10
STATE LOANS				
4 % Andhra	1955	5,00,15,000	1st Sept. 1967	97.80
4 % Andhra	1956	6,58,15,000	3rd Sept. 1968	97.75
3 % Bombay	1944	3,04,12,000	15th Aug. 1958	99.75
3 % Bombay	1949	5,49,75,500	1st Aug. 1962	94.15
3 % Bombay	1950	2,85,70,000	31st July 1960	97.75
3½% Bombay	1951	2,00,05,200	17th Sept. 1962	98.10
4 % Bombay	1953	5,25,90,200	15th July 1963	99.50
4 % Bombay	1952	3,45,91,500	1st Aug. 1964	99.40
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.30
4 % Bombay	1956	8,07,06,300	3rd Sept. 1968	98.25
4½% Bombay	1957	6,60,00,000	16th Sept. 1969	100.10
4 % Bihar	1955	1,54,62,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,12,15,000	3rd Sept. 1968	97.60
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	97.75
3½% Cochin	1948	70,00,000	1st June 1956-61	97.75
3½% Mewrah (Kaw)	1936-37	1,95,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,92,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,23,96,000	21st June 1959	98.75
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.40
3 % Madras	1945	2,78,44,000	14th Sept. 1960	97.65
3½% Madras	1946	3,81,77,200	1st Sept. 1961	94.60
3½% Madras	1948	4,58,25,400	31st July 1960	97.75
3½% Madras	1951	3,01,49,800	17th Sept. 1962	97.85
4 % Madras	1953	10,38,71,000	15th July 1963	99.42
4 % Madras	1952	6,74,61,200	1st Aug. 1964	99.42
4 % Madras	1955	10,47,17,800	1st Sept. 1967	97.75
4 % Madras	1956	13,82,56,000	3rd Sept. 1968	97.90
4 % Mysore(J)	1952	2,95,82,200	1st Dec. 1953-63	101.00
3½% Mysore(J)	1939	1,99,73,000	30th Apr. 1956-61	99.25
4 % Mysore	1953	3,38,47,000	15th July 1963	99.50
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.80
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.75
4 % M.P.	1957	5,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	25,00,000	15th Aug. 1958	99.50
3 % M.P.	1948	2,05,26,800	15th Sept. 1964	93.25
3 % M.P.	1950	1,01,45,900	31st July 1960	97.20
3½% M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	99.00
4 % M.P.	1955	1,63,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,56,42,000	3rd Sept. 1968	97.60
4 % Saurashtra	1955	3,61,65,500	1st Sept. 1967	98.20
4 % Saurashtra	1956	2,74,84,600	3rd Sept. 1968	98.10
4% Trav. Cochin	1953	2,25,61,000	15th July 1963	97.70
4% Trav. Cochin	1956	2,34,78,000	3rd Sept. 1968	98.75
2½% U.P.Z.A.	1952	41,44,79000Z		98.75
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.65
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.30
2½% U.P.	1946	2,16,39,000	1st Sept. 1961	94.50
3½% U.P.	1951	1,87,96,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	99.00
4 % U.P.	1953	5,65,16,000	15th July 1963	99.35
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	3,05,90,000	3rd Sept. 1968	95.40
4 % M. Bharat	1953	1,04,77,000	15th July 1963	99.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.60

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
24,50,000	4	1904	1964	
25,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
55,00,000	4	1910	1970	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
86,00,000	4	1914	1974	96.20N
94,25,000	4	1914	1975	96.20N
15,00,000	4	1915*	1960	D
55,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
18,25,000	3½	1926*	1960	D
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,50,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48 04,000	3½	1936*	1966	
10,08,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
99 24,300	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
50,00,000C	3½†	1921	1981	82 00
68,02,300C	6‡	1921*	1981	144.00N
1,49,36,600	5	1926*	1960-88	101.00
80,00,000	4½	1931	1991	95 00
80,00,000	3½	1935	1965	97.50
25,26,000	3	1937	1968-73	90 00
56,00,000	3	1945	2005	74 00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
55,00,000	3	1946	2006	81.75
50,00,000	2½	1947	1977	94.00
50,00,000	3	1947	1977	92.25
50,00,000	3	1948	1978	92.75
50,00,000	3	1949	1959	98.25
1,00,00,000	3	1949	1979	92.25
50,00,000	3	1950	1980	92.00
50,00,000	3	1951	1981	91.75
50,00,000	3½	1951	1981	98.50
50,00,000	4	1953	1983	100.00
50,00,000	4	1953	1983	97.00
50,00,000	4	1955	1985	97.25
50,00,000	4	1956	1986	97.25
50,00,000	4	1956	1986	97.25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£892,680	5	1923	1953-83	£80.00
£901,000	5	1924	1954-84	£80.25
£885,100	5½	1932	1962	£91.00
MADRAS				
Rs.				Rs.
28,48,275	3½	1947	1977	
9 88 000‡	3	1947	1977	A
3,00,000‡	3	1949	1979	
45,00,000‡	4½	1954	1964	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
50,00,000	4	1899	1959	106.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	97.75 M
30,00,000	4	1905	1965	
20,00,000	4	1906	1966	
25,00,000	4	1907	1967	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	97.50
50,00,000	4	1914	1974	M
25,00,000	4	1916	1976	115.00M
40,00,000	5	1919	1957-79	98.00M
68,00,000	6	1920	1955-80	115.00M
25,00,000	5	1926	1956-86	98.00M
25,00,000	4	1927	1961-70	
10,00,000	3	1938	1966	
STERLING LOAN				
£565,500		1909	1968	95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				Rs.†
25,00,000	5½	1929	1959	104.00
50,00,000	4	1934	1964	94 00
35,00,000	3½	1935	1965	94 00
30,00,000	3	1936	1966	91 00
50,00,000	3	1937	1967	91 00
28,00,000	3	1938	1963-68	95 00
80,00,000	4	1952	1982	99 25
1,00,00,000	4	1956	1986	99 25
50,00,000	4½	1958	1988	99.75

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,00,000	4	1913–18	1974	97.00
10,00,000	5	1920	1980	115.00M
25,00,000	5	1928	1958	101.50
25,00,000	5	1928	1958	101.50
2,25,00,000	3½	1947	1977	84.00
2,50,00,000	3½	1948	1978	84.00
2,50,00,000	3½	1949	1979	92.25
2,00,00,000	3½	1950	1980	92.25
2,50,00,000	3½	1951	1981	97.00
2,00,00,000	4	1953	1966	97.75
1,50,00,000	4	1954	1966	97.75
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.75
1,50,00,000	4	1956	1968	
CALCUTTA				
Rs.				Rs.
25,00,000	5	1923	1953	102.00
25,00,000	5	1923	1953	102.00
10,00,000	5½	1932	1962	100.00
33,31,000	3½	1935	1965	98.25
60,00,000	3	1938	1968	90.00
47,50,000	3	1938	1968	90.00
17,64,400	3½	1942	1972	97.25
31,19,000	3½	1942	1972	97.25
15,33,000	3½	1941	1971	97.25
66,85,000	3½	1951	1966	97.25
87,36,000	4	1952	1982	100.00
72,50,000	4½	1954	1975	97.25
2,22,72,000	4	1955	1985	100.00
87,00,00,000	4½	1958	1970	
Rs.				Rs.
MADRAS				
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,50,000	17th Sept. 1962	96.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,80,23,000	15th July 1963	99.25
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.05
4 % W. Bengal	1956	8,00,00,000		98.05

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	107.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905–24	8	Feb. Aug.	105.00	100
Deoria Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
I East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.12	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec. ..	55.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	55.00	100
Hariabpore Co. T.C.	6,00,000	1922	10	Oct. ..	13.00	10
Hazaribagh Cane T.F.C.	4,00,000	1933–36	6	Aug. ..	80.00	100
Kayalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
North Behar Sugar T.	5,00,000	1936	7	Oct. ..	20.00	100
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	90.00N	100
Do. T.C.R.C.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borsra T.F.C.	4,00,000	1896–97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	4,00,000	1901–19	7	Apr. Oct.	95.00	100
Do. (2nd) T.C.	4,50,000	1945	6	.. ..	6.00xd	10
Equitable T.F.	4,00,000	1895	6	Mar. Sept.	86.00	100‡
Karanpura Collieries T.C.	9,89,500	1946	5½	.. ..	44.50	75‡
Pykhas Kajora C.	1,93,000	1931	5	Mar. Sept.	3.00N	10
Tow Beerbhoom T.F.C.	2,00,000	1920	7	Jan. July	10.00	10
Undal T.F.C.	2,00,000	1898–99	6	Apr. Oct.	88.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	7	Apr. Oct.	79.30	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	110.00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Berrush 'A'	6,00,000	1900	8	Feb. Aug.	118.00	100
Do.

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation Rs.	Paid-up Per Share Rs.	Dividend Per Ordinary Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.72	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,40,93,494	78,99,035	17,302	M.	50,596	1,031	B. B. Cotton Mills	20.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2,50,98,000	3,42,88,483	7,95,30,951	3,93,39,819	85,708	Nowrojee Wadia & Sons (Pvt.) Ltd.	2,23,486	3,648	Bombay Dyeing & Mfg. Co.	53.20	25	2.00	2.50*	2.50	2.50	12	Y.
10,00,000	43,53,860	64,14,269	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills	158.00	50	75.00†	12.50	20.00	15.00	3	Y.
1,09,42,800	2,79,59,276	7,45,32,167	2,69,08,324	9,27,648	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg.	423.50	100	22.00	22.00	22.00	22.00	12	
49,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)											
26,00,000	13,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	50,596	698	Colaba Land & Mill	30.50	100	*Nil*	*Nil*			12	Y.
28,00,000	21,05,515	80,91,069	49,34,066	24,840	Ramnarain Sons Private Ltd.	30,984	680	Coorla Spg. & Wvg.	119.00	100	7.50	7.50			12	Y.
34,00,000	40,06,485	1,13,54,409	62,28,676	2,28,479	Puranmal Bubna Sons	41,338		Dawn Mills	90.00	50	3.00	5.00	15.00		12	Y.
29,98,050	16,71,233	1,29,97,050	78,22,600	95,787	M.	40,068	928	Edward Textiles	255.00	200	15.00	18.00	15.00	7.50F	12	Y.
50,00,000	65,54,875	1,67,34,054	89,06,207	37,155	James Finlay & Co., Ltd. ..	45,996	886	Elphinstone Spg. & Wvg. ..	45.00	50	3.00	5.00	15.00		12	Y.P.
50,00,000	48,98,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	258.50	100	16.00	20.00	20.00	20.00	12	Y.
11,84,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	45,768	1,018	Gold Mohur Mills Ltd. ..	185.00	100	12.50	15.00	15.00	15.00	12	Y.
15,000						43,080	1,020	Hindoostan Spg. & Wvg. Mills..	4,590.00	1,000	225.00	300.00	325.00	350.00*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	992.50	250	56.25	75.00	81.25	87.50*	12	Y.
3,65,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.				9.04	0 10D.	*Nil*	0.94	0.92		3	
35,000									1.20	0 1D.	*Nil*	0.19	0.18		12	
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	56,784	1,152	Indian Mfg.	4,610.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
1,90,00,000	1,13,27,791	3,67,76,378	2,84,94,794	52,791	Killick Industries Ltd. ..	99,544	1,487	Khatau Makanji Spg. & Wvg..	160.00	500	112.50	150.00	150.00	162.50*	6	Y.P.
33,18,800	46,27,870	1,28,83,753	67,99,178	43,271	N. Sirur & Co. Private Ltd. ..	1,20,504	1,846	Kohinoor Mills	262.25	100	12.25	12.00	10.00	10.00(c)	6	Y.
51,75,000	88,44,612	2,64,74,625	1,83,16,328	23,520	Piramal Sons Private Ltd. ..	71,604	1,652	Modern Mills	70.00N	50	5.00	8.00*	8.00*	5.00*C	12	Y.
1,60,63,400	1,42,58,205	10,55,96,105	3,40,00,000	1,23,937	Chinai & Co. Private Ltd. ..			Morarjee Goculdas Spg.& Wvg..	215.00	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
24,00,000	25,02,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..			National Rayon Corporation ..	231.50	100	10.00	14.00	15.00	14.00(c)	12	Y.
30,00,000	11,72,134	1,01,83,092	63,37,034	..	W. H. Brady & Co., Ltd. ..	45,944	432	New City of Bombay Mfg. ..	105.00	100	10.00	12.00	14.00*	14.00	12	Y.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	49,012	1,018	New Great Spg. & Wvg. ..	200.00	100	10.00	10.00	10.00	5.00	12	Y.
40,00,000	45,64,554	53,92,841	25,34,581	1,63,546	Podar Sons Private Ltd. ..	49,208	1,190	Phoenix Mills	115.00	100	7.50	10.00	10.00	*Nil*	3	Y.
10,00,000	1,78,222	24,10,104	18,80,783	..	M.	32,600	980	Podar Mills	133.00	100	8.00	10.00		12.50F	3	Y.
37,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon & Alliance Silk Mfg ..	183.00	100	10.00	12.00*	12.00*	10.00	12	Y.
80,00,000	48 20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1,640	Sassoon Spg. & Wvg.	41.50	10	0.50	0.50	0.25(c)		12	Y.
42,00,000	31 94,178	1,20,04,790	76,42,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,274	Shree Niwas Cotton Mills ..	135.00	100	14.00	12.00	12.00	2.00	12	Y.P.
87,80,000	2 50 26,472	2,96 16,751	1,87,90,317	1,55,542	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Simplex Mills	150.00xd	50	11.00	10.00	12.00	8.50	3	Y.
1,00,00,000	95,03,854	2,76,30,400	1,44,86,214	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Standard Mills	391.00	100	20.00	20.00	22.50*	22.50*	12	Y.P.T.
36,00,000	65,13,466	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd. ..	40,328	549	Swadeshi Mills	170.50	100	8.00	12.00	14.00*	9.00	12	Y.P.
55,57,875	2,53,20,115	2,18,15,540	90,53,601	17,923	Tata Industries Private Ltd. ..	70,332	1,800	Swan Mills	344.00	100	20.00	25.00	25.00	25.00	12	Y.
12,00,000	1,21 85 655	1 45 81 207	95,78,967	93 935	M	54,136	1,212	Western India Spg. & Mfg. ..	57.00	25	2.50	4.00	3.50*	2.00	12	Y.P.
AHMEDABAD																
40,00,000	81,81,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	155.00	100	5.00	7.00	12.00	5.00	6	Y.P.T.
10,00,000	94,58,068	94,37,898	76,10,164	27,288	P. M. Hatheesing & Co., Ltd.	42,768	912	Arvind Mills	540.00	100	20.00	20.00			12	Y.P.
40,00,000	2,97,83,861	1,95,82,179	97,29,203	18,274	Narottam Lalbhai & Co. ..	62,448	1,216	Arvind Mills	1,160.00	100	20.00	25.00*	35.00*		12	Y.P.
20,00,000	81,75,000	94,14,284	72,25,000	2,46,380	Mangaldas & Bros., Ltd. ..	35,908	892	Aryodaya Ginning & Mfg. ..	465.00	200	15.00	25.00*	35.00*		12	Y.P.
12,00,000	1,43,05,808	95,70,783	63,81,739	17,257	Lalbhai Dalpatbhai & Co. ..	37,288	914	Asoka Mills	960.00	200	15.00	25.00*			12	Y.P.
1,37,50,000	3,49,64,519	5,14,69,792	2,56,06,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	960.00	100	22.00	30.00	30.00		12	Y.P.
62 91,000	82,88,059	1,26,33,243	95 76,063	3,458	Tricumlal Bhogilal & Co., Ltd.	45,836	866	New Commercial Mills	476.50	125	18.00	30.00	30.00	30.00	3	Y.P.
89 00,000	72,56,436	1,32,09,232	96,26,962	19,221	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	440.00	250	70.00	80.00	80.00	80.00	12	Y.P.
15,00,000	67,78,770	57 78,441	32,49,912	21,803	Jambhai Bhogilal Nanavaty & Co., Ltd. (Managing Director)				687.00	125	35.00	35.00			12	Y.
20,00,000	1,10,62,006	99,61,103	62,28,955	1,77,075	Lalbhai Dalpatbhai & Co. ..	24,840	572	Nutan Mills	380.00	100	30.00*	20.00	20.00		12	Y.P.
32,50,000	14,78,207	1,70,21,496	1,01,45,308	17,74,749	Lallubhai Gordhandas Ltd. ..	33,156	646	Rohit Mills	870.00	100	25.00	35.00*	35.00*		12	Y.P.
57 96,300	2,88,74,105	2,17,82,370	1,17,57 907	1,76,451	Harivallabhbhai Kalidas & Co.	94,128	1,789	Shri Ambica Mills	137 50	100	9.00	*Nil*			12	Y.P.
19,52,500	62,31,263	78,08,018	66,84,701	15,592	Mafatlal Chandulal & Co. (Ahmedabad) Ltd.				686.50	50	20.00	27.00*	30.00*	25.00	12	Y.
35,00,800	87,34,106	19,54,140	83,17,276	59,446	Haridas Achratlal & Co., Ltd.	35,648	720	Shorrock Spg. & Mfg.	455.00	100	25.00*	25.00			12	Y.
						40,176	780	Vijaya Mills	620.00	500	35.00*	35.00*	50.50*		12	Y.P.
WEST BENGAL																
15,00,000	2,82,800	25,86,098	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	6.62	10	0.50	0.50	0.69		12	Y.P.T.
7,11,280	10,08,297	80,04,522	55,58,259	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)											
9,00,680																
24,00,000	1,80,000	1,06,25,544	51,27 758	743	Kettlewell Bullen & Co., Ltd.	43,950	985	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
19,00,000	25,17,431	1,16,16,740	74,67,879	2,50,335	Kettlewell Bullen & Co., Ltd	42,944	1,232	Bowreah Cotton Mills	104.00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
30,08,000	85,968	76,97,325	21,97,325	82,036	Birla Brothers Private Ltd. ..	4,852	308	Dunbar Mills	118.00	100	*Nil*	*Nil*	*Nil*		12	Y.
1,08,00,000	2,29,91,250	4,00,62,835	1,40,10,479	4,94,772	Birla Brothers Private Ltd. ..	75,040	1,992	Jay Shree Textiles Ltd. ..	6.56	10	*Nil*	6.00	12.00		12	Y.
19,47,750	9,50,000	48,59,254	28,75,466	9,388	Hasareemul Hesraj	23,036	795	Kesoram Cotton Mills	10.44	10	*Nil*	0.87	0.50	0.75	3	Y.
5,00,000								Rampooria Cotton Mills	15.00N	10	0.87	1.00	1.00	0.75	6	Y.
									4.00N	1D	*Nil*	0.34	0.26	0.15		
SOUTH INDIA AND OTHER CENTRES																
11,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,82,112	68,45,582	6,710	C. S. Tyabjee, Esq.	46,186	716	Assam Jahi Mills	51.50	100	*Nil*	3.50(e)	5.00	3.50	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,48,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills								
25,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,068	Birla Cotton Spg. & Wvg., Delhi	164.00	100	30.00	30.00	30.00	10.00'C'	12	Y.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	27.00N	10	3.00	3.00	1.50	1.50	3	Y.P.
20,00,000	15,37,935	50 23,440	26,18,048	..	Peirce, Leslie & Co., Ltd. ..	37,586	4	Cambodia Mills	166 00	10	3.00	10.00	10 00	10.00	12	Y.P.
15,00,000	5,11,500	53,32,411	27,36,937	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg. ..	8.37cd	10	*Nil*	10.00	10 00	10.00	12	Y.
30,00,000	32,35,551	70,25,496	56,32,015	48,555	Parry & Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Textiles	144.50	100	20 00	12.00	15 00	20 00	3	Y.P.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12.00	10	0.50	*Nil*	0 25	0 25	3	Y.P.
35,21,362	22,09,767	69 79 002	31,91,699	698	B. Bheema Naidu & Co. ..	30,864	..	Coimbatore Cotton Mills ..	139.00	100	0 62	0 75	0 90		3	Y.P.
18,15,000	7,25,195	89,16,552	24,20,632	..	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Murugan Mills ..	115.00	100	25.00	25 00	20.00	9.00'C'	12	Y.
20,00,000	19,20,091	71,43,628	35,30,753	13,314	T. R. Naidu & Co.	39,226	..	Coimbatore Pioneer Mills ..	227.00	100	17.50	20.00	12 00		12	Y.P.
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	E. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	49.00	100	12.50	15.00	15 00		12	Y.P.
46,87,500	27,24,735	2,42,10,703	1,54,86,354	..	Tata Industries Private Ltd. ..	67,452	1,620	Central India Mills	81.00	50	2.00	2.00	20.00		12	Y.P.
24,43,911	15,50,000	92,00,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,816	300	Davangere Cotton Mills ..	81.00	100	2 00	3.00	10.00		12	Y.P.
3,86,36,225	8,10,24,830	11 79,09,468	6,78,07,135	2,77,598	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,852	Delhi Cloth & General Mills ..	111.50	100	20.00	20.00	*Nil*	*Nil*	3	Y.
1,00,563									29.12	2½	2.25	2.50	2.50	2.00	6	Y.P.T.
47,98,296	26,25,000	84,28,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills		2½	0.28	0.50	0.50	0.50		
20,00,000	1,05,16 192	1,09,12,324	1,41,30,833	1,15,198	Begg, Sutherland & Co. Private Ltd.	45,453	1,198	Elgin Mills	177.00	100	30.00	30.00	25.00	10.00'C'	12	Y.P.
48,81,000	43,55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,256	..	Gokak Mills	12.50	10	1.00	1.00	1.25	1.00	12	Y.
2,50,00,000	2,25,000	4,52,38,745	1,32,00,000	72,17,374	Birla Gwalior Private Ltd. ..			Gwalior Rayon	137.00	100	11.00	11.00	12.00	8.00	12	Y.P.
50,00,000	21,27,574	1,48,10,139	1,16,80,154	5,716	K. L. Saksaria, Esq. (Chairman)	51,186	1,256	Indore Malwa United	12.12	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
5,00,000	10,05,583	31,40,455	19,97,477	..	G. V. Naidu & Co., Ltd. ..	23,784	..	Janardhana Mills	106.00	100	6.00	9.00	11.00		12	Y.
15,54,000	15,02,599	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)				75.00	86	5.00	10.00	10.00		12	Y.
4,63,65,800	3,24,05,304	4,34,59,294	3,18,54,080	2,48,717	Birla Gwalior Private Ltd. ..	20,212	512	Jam Shri Ranjitsinghji Jivajeerao Cotton ..	1,450.00	1,000	20.00	50.00	60.00	40 00	6	Y.P.
42,00,000	19.25 000	1,06,81,567	88,28,076	91,772	Kothari & Sons	61,040	200	Kothari Textiles	9.90	10	0.50	4.00§	4.00§	0.55	3	Y.P.
32,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,098	1,243	Lakshmi Cotton Mfg.	9.87	10	0.50	1.00	1.00	1.00	6	Y.P.
71,28,200									485.00	250	32.75	42.50	42.50	15.00	12	
25 14 100	66,85,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	91 00	50	10.00	12.50	12.50	10.00	3	Y.
1,75,02,480	4,24,40,278	5,90,89,121	3,96,10,817	6,92,366	A. & F. Harvey Ltd.	4,53,000	..	Madura Mills	44.00	25	5.00	6.25	12.50		3	Y.
12,00,000	5,67,363	29,03,352	18,76,700	213	V. K. Eradi (Chairman) ..	22,592	106	Malabar Spg. & Wvg.	31.75	15	3.00	3.00	3.75	3.00	12	Y.
60,00,000	60,14,002	65,94,151	45,89,145	5,187	W. J. Beardsell & Co. (Private) Ltd.	25,656	603	Mettur Industries Ltd. ..	89.00	200	*Nil*	*Nil*	8.00		12	Y.P.
29,80,884	19,58,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd. ..	30,296	704	Minerva Mills	349.00	100	5.00	5.00	5.00	5.00	3	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85,008	M.	52,408	962	Model Mills (Nagpur)	70.00	100	22.50*	35.00	42.50	20.00	3	Y.
24,88,500	48,52,478	1,13,48,711	71,02,478	35,987	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	163.75	250	5.00(e)	6.00	6.00		6	Y.
13 81,780		29,12,541	17,53,314	3,966	K. Tipperadiah (Chairman)	6,000	..	Mysore Spun Silk Mills ..	92.50	50	5.00*	6.00(e)	9.00*	9.00*	6	Y.
87,23,200	39,29,981	1,73,83,244	67,86,683	..	M.	57,786	902	Omanashahi Mills	9.25N	10	*Nil*	*Nil*	*Nil*		9	
4,00,000A	13,00,000	65,46,779	25,86,447	8,580	Bhaghyalakshmi & Co. ..	45,600	..	Palani Andavar Mills	44.00	100	*Nil*	12.50(e)	3.00(c)	*Nil*	9	
6,00 000B		34,19,570	18,32,524	—9,89,216	C. S. R. Mudaliar & Sons ..	27,980	..		150 00	50A	12.00	12.00	15.00		12	Y.
10,81,200A	29,95,009	1,00,48,582	54,00,059	2,882	A. G. Gurusamy Naidu & Co.	59,264	300	Pankaja Mills Ltd.	100.00	75B	18.00	18.00	20.00			
8,40 000B								Radhakrishna Mills	45.00	100	*Nil*	4.00(e)	*Nil*		12	Y.
15,00,000	29,10,000	54,56,520	29,01,441	5,070	B. E. Naidu & Sons	37,096	..	Rajalakshmi Mills	122.00	100A	16.00	20.00	20.00			
16,14,300	12,00,000	22,92,218	17,41,584	10,610	Ramco Agencies Ltd.	24,992	..	Rajapalayam Mills	65.50	50B	8.00	10.00	10.00		12	Y.P.
22,32,850	11,50,000	53,72,976	23,15 822	5,286	Rayalaseema Development Co.	21,200	..	Rayalaseema Mills	69.00	50	10.00	10.00	7.50		12	Y.
15,90,000	1,60,55,917	3,13,49 081	2,05,07,227	—1,56,20,796	Morarka & Co.	95,222	2,232	Sholapoor Spg. & Wvg. ..	129.00	100	9.00	10.00	10.00	10.00	12	Y.
10,000									525.00	1,000	*Nil*	*Nil*	*Nil*		3	Y.P.
26,09 700	20,26,385	96,26,666	70,67,094	19 543	H. N. Pallegar, Esq. ..	30,744	292	Sri Kshanaranjendra Mills	105.00	500	*Nil*	*Nil*	*Nil*		3	Y.
15,00,000	3,62,40,700	1,02,21,310	75,33,414	29,39,630	Birla Brothers Private Ltd. ..	66,212	1,244	Sutlej Cotton Mills	77.00	50	4.50	5.00	7.00	7.00	3	Y.
17,50,000									70.00N	10	5.00	6.00	6.00	6.00	3	Y.
57,50,000PQ	2,36,28,081	5,18,52,190	1,81,33,924	8,35,712	Jaipuria Brothers	1,12,216	2,998	Swadeshi Cotton (Kanpur) ..	10.00	100	0.75	0.75	0.75		3	Y.P.
1,00,00,000	60,00,000	3,88,81,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd.			Travancore Rayons	10.25	100.O.	1.15	1.15	1.15		12	Y.P.T.
12,96,720	9,45,940	19,58,289	13,60,120	794	Mooljl Ramjee & Sons	18,000	..	Trichinopoly Mills	18.50cd	10	0.62	0.75	1.10	1.00	12	Y.
31,00,000	39,86,738	86,80,895	51,76,507	12,000	R. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	11.70	10	0.90	0.90	1.12	0.90	12	Y.P.
32,00,000	18,73,770	1,85,96,983	1,17,44,092	—9,85,569	The Bombay Co. (Private) Ltd. ..	49,660	1,375	Vishnu Cotton	239.00xd	100	15.00	20.00	20.00	12.00	12	Y.P.
									102.00	100	4.00	8.00	8.00	*Nil*	12	Y.

* Includes bonus. M—Managed by Board o Directors. X.R.—Ex-Right. (c) Paid out of Reserves. F—For fifteen months ended 31st March, 1956.
† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.
‡ Made up of 4,384 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	7.97xd	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	10 00	5	0.50	0.56	0.56		6	Y.
4,49,950	£1,19,464	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27.40	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,05,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	195.00	75	15.00	15.00	15.00	15.00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50	B. 10	1.00	1.00*	1.00		12	Y.P.
48,14,600	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Assam Bengal Cement	8 31	O. 10	0.50	0.56	0.56		3	Y.P.T.
14,70,976	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	35,91,841	2,13,33,403	1,54,73,314	4,805	M.	Bengal Paper Mills	72.00N	25	3.12	4.69	2.50		12	Y.P.T.
63,00,000	63,91,258	1,24,92,172	82,76,687	33,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp †‡	21.00	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,48,27,689	77,57,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16.25	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,48,82,500	2,46,75,045	6,04,16,697	1,87,58,042	2,68,477	Birla Brothers Private Ltd. ..	Orient Paper	31.00	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,25,40,970	67,75,683	1,50,40,302	1,00,79,761	3,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	16.00	10	1.50	1.25	1.25		12	Y.P.T.
50,00,000														
'A' 10,00,000	7,29,123	71,98,586	36,86,550	4,828	Bajoria & Co.	Star Paper Mills	11.25cd	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
2,18,85,240	48,43,060	3,85,20,049	75 56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	11.25cd	A. 10	0.75	1.25	1.05	0.60	6	Y.P.
50,00,000 A.							11.24	10	*Nil*	6.00†	0.50	0.50		
50,04,800 B.	3,79,50,474	6,78,46,987	3,51,66,938	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ¢	38.50	A. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,37,800 P.O.							38.50	B. 10	1.50	2.00*	1.12*	2.37*		
							4.25	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,26,572	13,981	13,858	28,272	Andrew Yule & Co. Ltd. ..	Calcutta Hydraulic	50.00N	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,132	8,13,622	6,98,409	35,418	Andrew Yule & Co. Ltd. ..	Central Hydraulic	82.00N	100	5.00	5.00	0.00	10.00*	6	Y.
PROPERTY AND LAND														
10,00,7880.	7,30,842	43,74,650	23,83,286	96,047	M.	Hursayun Properties	13.00N	O. 10	0.60	0.60	0.60			Y.P.
2,99,9001.	25,24,469	7,33,363	52,646	—16,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	3.00N	D. 1	*Nil*	*Nil*	0.05	*Nil*	4	Y.P.
94,00,000							21.25	100	4.00	3.00	*Nil*	*Nil*		
SAW MILLS AND TIMBER														
12,99,998	22,83,439	32,83,742	11,96,031	....	Bird & Co. (Private) Ltd. ..	Assam Saw Mills	1.94	2	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	542.00	Old125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							205.00	New50	8.00	15.00	13.75	16.00		
20,60,000	20,40,000	19,48,737	15,06,208	1,44,843	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products.. ..	44.50	10	2.75	3.00	2.00	1.00	0	Y.
SUGAR (U.P. and Bihar)														
11,00,000	15,30,406	42,92,220	31,12,074	57,702	M.	Balrampur Sugar	6.37	5	0.75	0.06	*Nil*	0.25	6	Y.
12,00,000 A.	29,80,260	55,40,831	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd.	Basti Sugar	116.00N	A. 100	10.00	10.00	10.00		4	Y.T.
3,00,000 B.							11.50N	B. 10	1.00	1.00	1.00			Y.
19,40,050	8,75,000	33,83,770	25,63,270	74,046	Bangur Bros., Ltd.	Belsund Sugar	10.25	74	0.75	0.75	1.00	1.00	9	Y.P.
15,00,000	13,31,513	19,23,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	13.25N	10	1.50	1.50	1.50	1.50	6	Y.P.T.
22,00,000	25 22 515	1,45 76,657	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	7.19	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.
20,00,000	66,63,722	1,63,27,398	86,27,332	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.62	10	0.75	0.75	0.75		10	Y.
15,00,000	34,56,103	84,72,400	50,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	19.00	10	1.00	1.50	1.00	*Nil*	6	Y.T.
50,00,000 A.	44,95,000	1,02,71,005	67,56,074	33,123	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.
10,00,000 B.							210.00N	A. 100	15.00*	15.00*	15.00		6	Y.P.
					Baehhraj & Co. Private Ltd. ..	Hindustan Sugar Mills ..	100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,026	79,38,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	50.00	40	*Nil*	2.25	4.00	7.00	7	Y.P.
7 89,100	22,50,288	48,69,619	26,90,928	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills ..	22.25	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,649	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100	49,91,797	78,75,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	200.00	100	20.00	20.00	20.00	20.00	6	Y.
38,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,46,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	124.50	100	11.00	11.00	11.00	12.50	7	Y.P.
12,00,000	12,69,374	21,96,494	11,45,459	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	70.00N	100	10.00	6.00			10	Y.P.
9,00,000	19,64,817	43,90,285	31,54,228	30,765	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
8,00,000	6,21 932	28,74,393	23,31,931	2,175	M.	Ryam Sugar	10.00	10	0.50	*Nil*	1.75	1.50	6	Y.
11,00,000	16,33,214	47,23,588	25,15,422	—2,20,853	M.	Samastipur Central Sugar ..	12.25	10	0.50	*Nil*	1.75	*Nil*	6	Y.P.T.
39,70,525	22,65,560	1,40,84,561	68,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	10.00	10	1.50	1.75	1.00		8	Y.
10,02,115	24,660	29,48,606	14,35,491	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)									
15,89,000	18,52,431	35,59,550	20,58,359	40,666	M.	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
9,15,0000.	46,462	29,66,269	11,46,770	—16,37,907		Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00	0.50	8	Y.P.T.
4,40,0000.					M.	South Behar Sugar	0.75N	O. 10	*Nil*	*Nil*			10	Y.P.
5,00,000	34,74,348	1,27,30,247	80,57,764	9,663			0.50N	D. 2½	*Nil*	*Nil*				
16,00,000	7,66,589	23,17,959	27,09,205	32,042	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.
					M.	United Provinces Sugar ..	14.25	10	1.25	1.50	0.69		9	
Other Centres														
80,00,000	19,50,000	76,27,620	18,97,501	15,079	Ranganac & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.60	1.80	1.25	9	Y.
76,49,650	1,18,43,998	1,80,47,792	1,08,77,187	3,00,263	W. H. Brady & Co., Ltd. ..	Belapur Company	245.50	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,58,255	41,35,701	23,96,315	30,827	A. H. Bhiwandiwalla & Co. (Bombay)	Bhopal Sugar Industries Ltd.	7.84	10	1.00	1.00	1.00	2.00	9	Y.
15,00,000	37,86,165	82,89,914	34,39,358	38,844	Private Ltd.	Shree Changdeo Sugar ..	25.00	12.50	1.00	2.00	5.00		6	Y.P.
15,93,900	12,62,978	40,71,811	23,54,586	14,749	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	90.00N	100	*Nil*	*Nil*	6.00		6	Y.P.
63,97,600	11,02,669	78,71,515	18,88,285	46,085	India Sugar Agencies Private Ltd. ..	Jeypore Sugar	35.25cd	10	1.75	1.40	1.12	1.00	6	Y.
22,41,127	16,75,871	94,06,432	52,67,388	6,611	R. S. Ind. Corpn. Private Ltd. ..	Buland Sugar	13.30	10	1.00	1.00	0.60	0.60	6	Y.
63,50,400	85,59,866	67,02,760		5,00,653	Begg, Dunn & Co. (Rampur) Private Ltd.		14.00	10	1.00	1.50	1.50Q		10	Y.P.
10,52,2000.	88,00,000	2,48,45,158	41,94,129	28,068	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	120.00	O.100	7.50	7.50	7.50	7.50	9	
5,27,100 D.							132.00	D. 10	10.00	10.00	10.00	10.00		Y.P.
67,50,000	38,21,978	1,22 47,683	57,87,087	36,423	M. L. Dahanukar & Co. Pvt. Ltd. ..	Maharashtra Sugar Mills ..	915.00	250			100.00	100.00*	9	Y.
21,79,280	86,24,043	1,54,89,192	39,25,545	2,10,465	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	33.75	10	2.00	2.00	2.00	2.00	6	Y.P.
50,00,000	53,21,430	1,16,88,154	67,30,841	1,47,239	Mafatlal, Ajita and Kantilal Pvt. Ltd.	Phaltan Sugar	14.00	10	1.00	1.00	1.00	1.00	6	Y.P.T.
15,00,820	40,00,000	59,42,584	33,62,920	2,28,300	Anderson Wright Ltd. ..	Ramnugger, Cane and Sugar ..	20.50	50	8.00	8.00	9.00	12.00*	8	Y.P.T.
20,00,0000.	42,07,214	1,04,79,940	59,30,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	123.25	O. 50	2.50	9.00	12.00	12.00	9	Y.P.T.
4,00,0000.							80.00N	D. 10	*Nil*	0.07	0.75	3.75		
62,59,100	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur) Private Ltd...	Raza Sugar	14.00	10	0.75	1.50	1.50Q		10	Y.
58,00,000	23,40,000	2,29,19,329	24,74,579	77,353	Parry Co., Ltd.	Travancore Sugars	9.90	10	*Nil*	1.50	1.50Q		7	Y.P.T.
1,01,00,000	1,08,46,263	2,58,30,653	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	264.00	100	16.00	18.00	21.00		9	
TRANSPORT														
80,00,000	1,00,59,622	1,24,09,186	18,29,251	1,16,920	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co...	95.00	100	7.50	7.50	7.50		10	Y.P.
1,00,00,000	82,00,000	4,21,63,342	1,45,20,589	1,28,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,43,55,083	4,00,84,846	86,21,845	1,83,536	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd..									
4655,580	£997,739	£5,665,834	£3,422,088	—£106,393	Kilburn & Co. Private Ltd. ..	Great Eastern Shipping Co.	19.92	10	1.00	*Nil*	1.00	1.50	6	Y.P.
2,85,00,000	1,74,74,232	12,78,96,546	2,63,26,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India General Navigation & Rly. Co...	49.50	£10	Sh. 10	Sh. 10	*Nil*		12	Y.P.
9,40,19,672	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	India Steamship Co.	10.06	10	*Nil*	*Nil*	1.00	1.00	3	Y.P.
6,46,8800.						Scindia Steam Navigation Co.	17.36	20	0.50	0.50	1.00	1.25	6	Y.
2,10,260 P.O.	18,26,615	12,00,284	7,86,760	1,66,813	R. B. Alyer, Esq. (Manager) ..	Walford Transport Ltd. ..	2.00	O. 1	0.12	0.14	0.14		12	
							1.41	P.O. 1	0.11	0.12	0.12			
UNCLASSIFIED (Bombay)														
2,40,000	63,857	5,82,509	4,26,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Safe Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
25,00,000	1,00,000	26,18,544‡‡	....	58,580†	M.	Devkaran Nanji Investment Co.	11.62	25	0.75	0.75	0.81	0.81	3	Y.
8,57,00,000	2,01,70,510	4,79,59,818	1,85,62,169	89 94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	22.32	10			1.25	1.40	12	Y.P.T.
14,98,840	3,01,580	1,99,46,989	47,14,497	14,986	Birla Brothers Private Ltd. ..	Hind Cycles	133.75	100	10.00	10.00		12.50F.	3	Y.P.
99,99,250	20,13,147	28,91,284	19,04,798	23,018	Oriental Mantlal Private Ltd. ..	Estrela Batteries	36.00	50	3.00	2.00	3.00		3	Y.T.
1,00,00,000	22,08,448	1,25,61,398‡‡	....	1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	72.84	100	4.50	4.50	5.00	5.50	12	Y.
2,30,25,825 A.O.	63,14,265	33,85,170	11,25,784	2,768	G. K. Milne, Esq. (Mg. Director)	Killick Industries	145.00	100	11.00	11.00	11.00	11.00	6	Y.
10,31,200	4,83,147	8,09,102	5,85,506	2,481	Aero-Auto Private Ltd. ..	Premier Automobiles	80.20	100	*Nil*	*Nil*	6.00	6.00	6	Y.
2,75,00,000	1,44,13,441	3,87,52,891	1,68,58,348	89,866	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00	1.20	12	Y.
48,00,000	60,62,390	8,64,935	5,24,956	75,054	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	171.00	100	11.00*	11.00*	11.00*	12.00*	12	Y.
					Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd. ..	280.00	150	20.00	20.00	22.50	25.00	12	
Other Centres														
87,50,000	1,99,56,718	3,81,21,462	86,96,321	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	11.00	O. 10	*Nil*	*Nil*	0.50	0.90	3	Y.P.T.
2,50,800							11.00	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	22,25,000	68,17,879	28,12,985	66,539	Sashasayee Bros. (Trav.) Pvt. Ltd. ..	Aluminium Industries Ltd. ..	14.00	10	1.25	1.25*	1.25	1.25	3	Y.
36,00,000	36,20,717	84,37,377	28,60,352	3,61,289	Turner Morrison & Co. Private Ltd...	Alcock Bros., Ltd.	17.87	10	1.25	1.25*	1.25	1.25	3	Y.
30,00,000	17,14,736	38,54,872	19,66,372	1,68,944	M. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	14.75xd	10	1.25	2.00*	2.00*	1.50*	6	Y.
20,00,000	35,94,600	1,06,12,033	39,58,423	3,29,936	Oberoi Hotels (India) Private Ltd. ..	Associated Hotels of India ..	9.25	10	1.25*	1.25*	1.25*	1.25*	12	Y.
99,81,400	98,81,399	89,52,196	27,02,180	6,83,375	M.	Balmer Lawrie & Co., Ltd. ..	152.00	100	13.00	12.50	15.00	12.50	12	Y.
12,00,000	17,56,000	34,55,743	27,24,743	2,01,787	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	28.50	10	2.50	2.25	2.50	2.50	12	Y.
20,00,000	8,95,715	62,28,492‡‡	....	37,612	Lovelock & Lewis	Birds Investment Ltd.	9.10	10	0.75	0.75	0.75		12	Y.P.
44,37,250	24,61,814	1,14,31,995	37,97,455	1,84,688	W. Julian Scott, Esq. (Mg. Director) ..	Britannia Biscuits	13.44	10	1.25	1.25	1.00		3	Y.P.
8,25,00,000	1,98,58,571	2,90,98,577	2,88,90,131	1,25,521	W. E. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	3.56	5	0.06	*Nil*	0.10		12	Y.
1,38,80,000	17,24,264	2,06,96,944‡‡	....	8,16,884	Andrew Yule & Co., Ltd.	Clive Row Investment	8.81	10	0.20	0.56	1.38	0.75	3	Y.P.T.
3,00,00,000	4,40,29,606	6,50,49,175	2,58,24,548	22,22,643	John Lackham, Esq. (Mg. Director) ..	Dunlop Rubber (India) Ltd. ..	25.37	10	1.50	1.50	1.50	1.50	12	Y.P.
51,19,000	54,81,555	1,64,12,906‡‡	....	8,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	106.00	100	9.00	9.00	9.00	9.00	12	Y.P.
14,00,000	9,35,000	34,62,164	19,69,339	34,654	MacNeill & Barry Ltd.	Ganges Rodger Co., Ltd. ..	134.00	100	15.00	15.00	4.00	12.50	3	Y.
65,00,000	34,20,910	29,25,473	10,66,888	1,68,398	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.00	10	0.75	1.48	1.66	1.00	3	Y.
30,00,000	15,17,354	53,08,821	38,24,683	74,216	B. P. E. Syndicate	Great Eastern Hotel	265.00	250	6.75	6.25	15.00	15.00	3	Y.
4,95,75,700	10,10,00,000	4,21,25,577	1,61,38,451	7,97,288	Birla Brothers Private Ltd. ..	Hindustan Motors	7.04	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
8,84,58,900	1,17,58,300	7,87,43,612	2,21,77,728	7,20,182	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	14.69	10	*Nil*	*Nil*	0.90	0.60	12	Y.P.T.
1,52,89,220	1,46,00,000	2,26,86,031	86,85,092	41,81,853	B. J. Woodley, Esq. (Mg. Director) ..	Indian Cables	24.37	10	1.00*	1.25*	1.50*	1.50*	3	Y.P.T.
8,27,775	8,03,000	9,50,806	1,74,988	62,722	G. S. Moulton & Co. (India) Ltd. ..	Indian Rubber Manufacturers ..	16.25	10	0.50	0.50	0.63		3	Y.
15,16,80,000	24,02,01,694	9,85,79,293	1,62,23,899	25,04,159	Mr. G. H. J. Clarke (Chairman) ..	Imperial Tobacco Co. of India Ltd.	11.81	10	0.50	0.50	0.69	0.70	3	Y.P.
2,99,80,000	76,27,615	39,02,297	12,08,932	4,71,170	J. D. K. Brown, Esq. (Mg. Director) ..	Jardine Henderson	53.00	100	0.60	0.80	0.80	0.70	3	Y.P.
40,00,0000.	82,86,900	48,58,407	10,48,712	2,57,153	M.	McLeod & Co.	196.00N	O.100	17.00	22.50	6.00		12	Y.P.
3,00,0000 D.							—	D.0.10	1.20	1.75	0.30			
1,45,25,500	90,58,531	25,54,484	14,97,332	2,35,812	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	26.00	10	1.38	1.81*	2.12*	2.12*	9	Y.P.
1,16,00,000	1,17,00,151	2,62,36,089	89,09,793	16,33,569	H. Chiswell Jones, Esq. (Chairman) ..	Metal Box Co. of India, Ltd. ..	26.56	10	1.00	1.25	1.62	1.75	3	Y.P.
6,35,585	1,821	7,68,666	2,60,987	—1,52,648	Shankar Rao P. Ogale, Esq.	Mysore Glass and Enamel Works	3.75N	10	1.00	*Nil*	*Nil*	*Nil*	3	Y.
6,56,256	6,92,596	11,79,880	5,97,352	8,349	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	14.40	10	1.00	0.75	0.90	1.25	3	Y.
10,00,000	3,76,000	16,47,599	10,18,129	43,554	M. Malleshayya, Esq. (Chairman) ..	Mysore Tobacco	12.30	10	1.25	1.00	1.50	1.50	3	Y.
2,00,00,000	33,55,505	2,14,82,470	61,33,962	28,42,424	J. B. Galloway, Esq. (Mg. Director) ..	National Carbon Co. (India) Ltd.	25.37	10	0.40	0.32	1.50	1.40	12	Y.
40,00,000	74,71,172	63,89,914	41,52,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.									
48,00,000	15,00,000	93,19,395	21,17,403	75,726	Do.	National Insulated Cable Co. ..	27.06	10	1.00	1.50*	2.00*		3	Y.
79,97,000	38,12,466	1,20,51,899	61,76,106	9,02,640	B. N. Elias & Co.	National Rolling & Steel Ropes	10.44	10	0.59	0.59	0.59		3	Y.
2,39,00,000	4,83,496	1,22,28,543	60,06,584	—44,12,938	M. P. A. Sarvatti, Esq.	National Tobacco Co.	10.44	10	0.50	0.50	0.70		3	Y.
2,28,00,000	1,37,70,299	10,60,39,211	3,96,22,768	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	34.00	100	*Nil*	0.50	*Nil*	*Nil*	3	Y.P.
4,73,200	51,836	31,11,657	6,29,199	19,106	Sathe Food Inds. (Private) Ltd.	Rohtas Industries	18.94	10	1.50	1.50	1.50		10	Y.P.
8,13,400						Sathe Biscuit and Chocolate Co., Ltd...	106.00	100	..	..	5.00	6.00	3	Y.P.
40,00,000	88,41,163	1,21,89,272	72,08,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	50.00N	50	..	..	2.50	3.00	12	Y.P.
76,99,0000.	17,19,008	37,03,035	7,95,723	3,64,354	M. Smith, Esq. (Mg. Director) ..	Shaw Wallace & Co., Ltd. ..	17.35cd	10	1.50	1.50	1.50	1.50	6	Y.
9,98,380	19,925	14,88,995	5,18,593	—7,432	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	10.25	10	1.25	1.00	1.00		12	Y.
							2.20	10	*Nil*	*Nil*	*Nil*	*Nil*	12	

M. Managed by Board of Directors ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Exceeding Rs. 1,49,02,900 which represent share in the firm of Shaw Wallace & Co., Ltd.
† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Raza Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Raza and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Acreage under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
ASSAM															
4,45,700	9,99,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluxie	25.00N	10	18.00	4.75	5.00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	312	Ananda (Assam) Tea	17.75	10	7.50	1.00	2.00		12	Y.
7,60,000	8,43,250	12,23,233	3,34,393	42,752	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	20.00	10	3.00*	1.00	1.25		12	Y.
5,80,000	13,21,541	18,70,339	7,47,902	53,592	McLeod & Co., Ltd.	573	Baghmari	19.75	10	3.50	1.00	2.50		12	Y.
5,10,080	9,85,000	12,96,911	5,32,732	53,592	Andrew Yule & Co., Ltd. ..	378	Baramata	21.00	10	5.00	1.50	3.00		12	Y.
3,30,000	5,10,000	12,75,996	8,08,524	1,30,175	National Tea Corporation	612	Batjan	22.75	10	10.00*	2.00	2.50		12	Y.
3,40,000	7,40,000

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,10,000	2,97,506	24,197	15,999	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	3·35	2	0·25	0·30	0·21	0·45	5	Y.P.
26,91,900	24,50,000	52,61,466	5,99,575	71,795	Peirce, Leslie & Co., Ltd. ..	Cochin Malabar	4·60	2	0·75	0·45	0·75	0·85	2	Y.P.
18,00,000	31,00,000	39,79,846	3,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	35·25	10	2·50	1·50	2·50	4·00	6	Y.P.F.
71,55,000	56,12,026	1,76,54,765	26,59,076	1,18,211	B. C. Paterson, Esq.	Consolidated Coffee	55·25	10	2·50	1·50	2·50	4·00	6	Y.P.F.
4,99,950	6,15,725	9,13,792	50,961	6,831	M.	Cottanad Plantations	14·50	10	1·50	1·75	1·50	1·75	3	Y.P.F.
18,00,000	9,93,542	25,86,790	5,21,442	27,146	A. V. Thomas & Co., Ltd. ..	Highland Produce	13·50	10	2·50	2·00	2·00		12	Y.P.
4,99,000	16,92,899	16,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd. ..	Kaliretta Estates	25·25	10	2·00	2·75	2·00	2·00	4	Y.
13,50,000	8,71,449	19,82,913	3,09,272	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	16·80	10	2·25	2·25	2·25	2·25	3	Y.P.
27,00,900	23,79,387	50,92,725	9,49,414	1,48,978	A. V. Thomas & Co., Ltd. ..	Midland Rubber	15·75cR	10	1·75*	2·50	2·00	2·00	4	Y.
3,35,000	2,31,000	14,62,886	2,09,732	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	14 10cd	10	1·50	1·50	1·50	1·50	12	Y.P.F.
2,00,000	2,90,000	8,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	12 85	10	1·00	1·50	1·50	1·50	12	Y.P.F.
19,45,000	23,79,815	45,35,992	14,71,595	53,808	Peirce, Leslie & Co., Ltd. ..	Ouchterkony Valley Estates ..	4 75	2	0·00	0·40	0·20	0·60	12	Y.
13,50,750	3,60,000	48,97,575	8,99,093	12,799	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	15 80cd	10	1·75*	2·00	2·50	2·00	6	Y.
3,66,780	3,51,000	7,77,412	78,475	71,342	Peirce, Leslie & Co., Ltd. ..	Savannala Estates Ltd.	4 50	2	2·50	1·00	1·50		11	Y.
10,00,000	3,91,600	22,44,525	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6·00	10	0·75	0·90	0·90	0·60	3	Y.P.F.
2,50,000	1,40,000	5,58,440	24,741	22,948	A. V. George & Co., Ltd. ..	Thamaraiyally Rubber	26 00cd	10	2·00	3·00	2·00		12	Y.P.F.
9,15,300	4,00,000	22,40,057	1,37,485	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1 62	1	0·10	0·12½	0·12½	0·05	9	Y.P.
6,66,000	32,566	7,71,251	1,35,210	2,287	Kapen Thomas, Esq. (Mg. Director)	Travancore Rubber	15 25cd	10	2·00	3·00	2·00		12	Y.
41,00,000	12,81,221	51,07,222	12,84,248	3,48,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6 50cd	10	1·50	1·25	0·75		12	Y.
20,00,000	20,000	30,13,788	7,73,080	167	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	20·50cd	25	6·00	4·00	3·00	1·00	12	Y.
8,80,010	5,00,000	9,56,500	27,217	872	M.	Valkendam (Travancore) Rubber ..	20 20	10	2·25	2·50	3·50	3·50J	12	Y.
6,95,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7·70	10	1·50	2·00	1·25	1·00	3	Y.P.F.

J—Final dividend of Re. 1·50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,60,000	44,25,000	1,20,25,991	82,26,439	18,786	B. N. Ellias & Co. Private Ltd. ..	870	Agarpara	8·44	10	0·62	0·62	0·25	0·25	3	Y.P.
6,00,000	10,25,000	56,02,952	38,46,893	1,70,290	McLeod & Co., Ltd. ..	446	Alexandra	105 00	100	7·50	10·00	10·00		6·12	H.P.F.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,381	McLeod & Co., Ltd. ..	1,504	Alliance	82·00	100	12·00	6·00	Nil	Nil	5	Y.P.
45,20,700	57,00,000	2,11,97,070	2,03,15,000	1,77,851	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	154·00	100	7·50	8·50	8·50	7·00	3	Y.P.F.
40,00,000	29,54,500	1,49,98,885	84,34,758	—3,79,015	Bird & Co. Private Ltd. ..	810	Auckland	86·00	100	8·50	9·00	1·00	Nil	3	H.P.
20,00,000	23,30,915	96,91,416	65,45,084	65,302	Birla Brothers Private Ltd. ..	959	Bally	150·00	100	Nil	3·50	Nil		3·9	Y.P.
£274,000	£474,807	£1,028,482	£99,23,169	4,271	Sir John H. Burder (Chairman) ..	1,559	Barnagore	88·50	£5	sh. 15	sh. 15	Nil	Nil	3	Y.P.
36,00,000	58,45,000	57,98,172	31,28,574	2,61,100	Andrew Yule & Co., Ltd. ..	320	Belvedere	100 50	100	10·00	7·50	Nil		12	H.P.F.
91 26,000	£17,46,882	£54,10,402	1,46,82,661	4,87,892	Sanjamjali Nagarmull	600	Bengal	11 00	10	1·12	1·12			12	Y.
30,00,000	10 36,926	1,22,32,479	71,78,057	2,799	Birla Brothers Private Ltd. ..	1,572	Birla	15 50	10	1·00	1·00	1·00		3	Y.P.
7,47,380	3,09,950	43,18,704	31,82,883	—3 21,470	Andrew Yule & Co., Ltd. ..	991	Bridge-Budge	92·00	100	9·00	7·50	Nil	Nil	10	H.P.F.
18,00,000	26,46,284	57,43,998	45,04,038	20,580	Andrew Yule & Co., Ltd. ..	502	Calcutta Jute Mfg. ..	7 00	10	0·75	Nil			6·12	H.P.F.
59,18,400	76,49,729	2,28,64,628	1,19,60,842	—7,24,043	James Finlay & Co., Ltd. ..	816	Caledonian	117 00	100	9·00	6·50	Nil		11	Y.P.
15,95,000	21,50,282	85,92,301	58,78,175	5,857	Andrew Yule & Co., Ltd. ..	600	Champdany	96·00	100	3·00	10·00	2·00	Nil	3	Y.
30,15,000	32,00,000	69,85,762	48,43,860	1,01,927	McLeod & Co., Ltd. ..	530	Clermont	140 00	100	14·00	10·00	2·00	Nil	11	Y.P.F.
24,00,000	9,00,000	31,05,285	67,13,237	25,935	Shree Krishna Investment Co., Ltd.	500	Chitavalsah	13 87	10	1·12	1·37	0·621		6·12	H.P.F.
31,49,200	44,50,200	1,91,02,998	51,19,187	—6,75,631	Bird & Co. Private Ltd. ..	968	Clive	13 12	10	Nil	1·25x	0·50		3	Y.P.
28,00,000	37,22,170	82,37,464	48,80,760	4,243	Andrew Yule & Co., Ltd. ..	766	Dalhousie	65 00	100	2·50	4·00	Nil	Nil	3	Y.P.F.
15,00,000	24,80,000	53,98,104	60,65,660	76,491	McLeod & Co., Ltd. ..	779	Delta	114 00	100	12·00	10·00	5·00	Nil	11	H.P.F.
21,00,000	62,40,686	2,41,58,550	1,69,62,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	500	Empire	15·50	10	1·25		0·50		6·12	H.Y.P.
						1,092	Fort Glosier Industries Ltd.								
21,00,000	14,50,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	320·00N	100	5·00	15·00	10·00	10·00	3·9	H.P.F.
24,32,100		2,11,07,224	1,22,66,825	—2,67,452	M.	1,709	Gangee Mfg.	18 75	10	20·00	20·00	0·75K	1·50	3	Y.P.F.
10,50,000	25,66,945	50,78,307	50,72,167	11,510	M.	607	Gondalpara	48·00	100	0·50	2·50	Nil		3·9	H.P.
24,50,000	24,50,000	2,22,46,943	1,66,81,965	45,242	Mansell & Barry Ltd.	800·00	Gourepore	200 00	Nil	Nil	Nil	50·06		12	Y.P.
46,00,000	60,68,333	1,25,36,187	80,68,639	5,00,326	Bangur Bros., Ltd.	1,394	Gouripore	260 00	100	10·00	15·00	2·50	2·50	3	Y.P.
15,50,000	15,01,969	69,47,731	47,79,918	—2,95,253	Balmuth Bajoria	1,078	Hastings	104 00N	100	10·00	11·50	6·00		3	Y.P.
56,62,500	52,66,422	1,11,69,451	54,64,402	—2,66,402	Jardine Henderson Ltd.	720	Hooghly	10·75	10	0·50	1·25	Nil		3	Y.P.F.
55,50,000	58,87,124	2,93,21,907	1,87,61,907	1,14,396	Ramdutt Ramkissendas	2,272	Howrah	16·50	10	1·25	0·87	0·25	Nil	3	Y.P.F.
37,00,000	17,20,650	1,27,01,698	80,28,079	2,87,287	M.	1,076	India	17·75	7·50	2·00	2·00	2·00	1·50	3	Y.
20,000								128·00	O. 125	8·12	4·69	4·69		3	Y.
24,00,000	30,80,135	1,93,81,843	1,18,40,211	—6,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	97 00	100	8·00	2·50	Nil		6·12	H.P.F.
20,00,000								97·00	'B' 100	8·00	2·50	Nil			
24,00,000	9,73,987	1,77,73,751	37,49,860	—21,37,149	Jardine Henderson Ltd.	1,527	Kankinarrah	51 00	100	6·50	1·00	Nil		6·12	H.P.F.
								51·00	'B' 100	6·50	1·00	Nil			
21,00,000	52,00,000	1,85,45,082	88,77,236	58,701	McLeod & Co., Ltd.	702	Kelvin	166 00	100	20·00	17·50	5·00†	9·00	5	Y.P.
54,00,000	28,23,875	1,96,60,992	1,22,08,770	27,027	Anderson Wright Ltd.	1,530	Khardah	117·00	100	12·50	11·00	5·00	8·00	3	Y.P.F.
48,00,000	31,58,808	2,56,20,709	93,66,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	111·00	100	7·00	13·00	6·00	Nil	3	Y.P.F.
24,45,000	28,41,395	1,38,71,921	82,10,344	—9,08,440	Bird & Co. Private Ltd.	881	Lansdowne	79·00	100	2·00	7·00	Nil	Nil	3	Y.P.F.
23,80,000	45,33,647	1,41,73,942	66,17,675	—7,73,962	Bird & Co. Private Ltd.	849	Lawrence	75·00	100	6·00	6·00	Nil	Nil	3	Y.P.F.
21,45,200	26,36,645	2,64,13,349	1,26,97,309	1,54,943	M.	1,252	Magna	107 00	100	2·50	2·75	2·75	2·75	3·9	Y.P.F.
29,98,900	24,63,195	1,65,70,468	98,70,698	—13,98,719	M.	816	Naihati	58 00	100	Nil	Nil	Nil	Nil	3	Y.P.
36,00,000	15,55,000	99,01,443	18,51,709	17,816	Howrah Trading Co., Ltd. ..	422	Nakarpara	52·00	10	1·12	1·25			4·10	Y.
55,00,000	39,51,326	48,49,737	12,31,373	19,604	Andrew Yule & Co., Ltd. ..	852	National	16 80	10	2·25	2·25	2·25	2·25	3	Y.P.
27,00,000	27,00,000	28,31,476	20,72,256	1,39,411	McLeod & Co., Ltd.	816	Nellimarla Jute	12 44	10	0·75	1·00	0·50†	0·75	6·12	H.P.F.
25,50,000	2,86,31,171	4,68,52,843	1,00,43,824	5,25,601	Sahu Jain Ltd.	1,765	New Centralf	15 87	10	17·00	1·50	1·50		12	Y.P.F.
16,79,350	46,58,822	1,38,54,122	65,58,499	9,237	Bird & Co. Private Ltd.	887	Northbrook	15 00	10	1·25	1·50	1·50	Nil	3	Y.P.F.
56,79,500	12,74,961	2,24,62,228	1,39,15,517	29,191	Mansell & Barry Ltd.	1,092	Nuddea	39 00	50	0·50	1·50	1·50	Nil	3	Y.P.F.
24,91,000	23,04,010	76,55,438	52,45,690	5,981	Andrew Yule & Co., Ltd. ..	401	Orient	95 00	100	10·00	9·00	2·00	Nil	11	H.P.
15,00,000	30,85,490	80,85,437	61,22,168	81,498	McLeod & Co., Ltd.	406	Presidency	4·00	5	0·37				6·12	H.P.
30,60,000	10,225	27,95,784	3,39,120	—6,81,539	Birla Brothers Private Ltd. ..	305	Rameshwara	4 25	10	Nil	Nil	Nil	Nil	3	Y.P.
49,50,000	4,80,552	1,24,75,806	64,70,816	—25,94,390	Andrew Yule & Co., Ltd.	1,276	Reliance	6 06	10	Nil	Nil	Nil	Nil	3	Y.P.F.
£649,000	£1,093,712	£1,245,544		£58,994	Thomas Duff & Co. (India) Ltd. ..	2,012	Samnuggur	8 37	£1	10%	8%‡1			12	Y.P.
30,00,000	18,14,910	1,13,80,877	79,99,145	7,973	Begaria More & Co., Ltd.	911	Shree Ambica	10 50sdN	10	1·00	0·50			3·9	H.P.
14,00,000	11,14,980	68,87,540	47,50,676	40,184	Hindustan Investment Corpn. Ltd.	401	Sourah	14·50xd	10	1·00	1·00	1·50	1·50	12	Y.P.F.
£5,19,600	£1,10,601	£1,26,68,701	57,29,815	—8,76,083	Bird & Co. Private Ltd.	856	Standard	81·00	100	2·00	1·00	Nil	Nil	3	Y.P.
£693,118	£1,17,660	£1,57,87,660		£82,548	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	8 37	£1	10%	8%‡1			12	Y.P.
£5,98,800	£8,80,142	£21,47,282	£8,47,895	—13,81,849	Bird & Co. Private Ltd.	1,226	Union	122 00	100	6·00	10·00	1·00	Nil	3	Y.P.
£400,000	£688,035	£1,124,819		£80,491	Thomas Duff & Co. (India) Ltd. ..	1,251	Victoria	8 00	£1	10%	8%‡1			12	Y.P.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,285	McLeod & Co., Ltd.	457	Waverley	2·60	1	0·50	0·37	Nil	Nil	5	Y.P.F.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,76,638	99,36,489	69,86,489	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17 87	10	1·31	1·37	0·50	1·25	3	Y.
12,00,000	8,49,390	57,45,675	35,28,152	70,917	Jardine Henderson Ltd.	Bararee Coke	10 87	10	1·45	1·45	1·10	0·37	3·9	H.
4,49,380	1,06,000	9,25,811	5,64,876	90,370	Kajrayji Mayji & Co.	Bengal-Bhatdee	5 87N	10	0·25	0·62	0·75		6·12	Y.P.
1,00,00,000	1,60,26,785	6,10,16,840	4,19,73,535	9,44,957	Andrew Yule & Co., Ltd. ..	Bengal Coal	238 50	100	20·00*	55·00*F	17·50	7·50	12	Y.P.
25,97,000	4,13,782	24,88,187	22,43,080		Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	18 00	10	Nil	Nil	Nil		10	Y.P.
40,00,000	10,28,269	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd. ..	Bhalgora	6 56	10	Nil	Nil			12	Y.P.
7,19,000	10,15,172	49,80,946	37,80,407	2,128	Shaw Jain Ltd.	Bharat Collieries	5 75	10	0·62	0·62	0·62	0·00	3	Y.P.F.
7,80,000	24,18,419	45,67,883	34,84,101	—4,92,826	M.	Bhulanbararee	9 50N	10	Nil	Nil	Nil		12	Y.P.
90,95,450	1,70,33,767	4,37,67,223	27,10,502	19,555	F. W. Heilgers & Co. Private Ltd.	Borrea	17 56	10	2·00	2·00	1·50		6·12	H.P.F.
49,97,750		1,09,68,073	95,339		Bird & Co. Private Ltd.	Burrakur	21 87	10	0·56	2·00	1·50		6·12	H.P.F.
5,00,000	12,30,800	46,99,014	13,80,114	8,401	Hindustan Investment Corpn. Ltd.	Central India	7 56	10	0·25	0·25	0·62	0·37	6·12	Y.
9,00,000	1,43,984	49,11,857	33,03,469	69,009	M.	Central Kurkend	11 00N	10	0·25	0·50	0·50	0·50	3	Y.
16,00,000		7,30,061(k)		4,240	F. W. Heilgers & Co. Private Ltd.	Charlia	2 00	4	0·12	0·06	0·06		12	Y.
£240,000	£262,875	£4,05,810	£0,95,160	—2,35,508	Mansell & Barry Ltd.	Dhemo Main	7 00	10	Nil	Nil	Nil		12	Y.
36,53,750	91,06,405	4,16,93,845	3,00,75,857	41,725	Jardine Henderson, Ltd.	East Indian	20 25	£1	2·50	3·00	2·50	1·50	12	Y.
10,00,000	1,40,998	12,81,144	4,28,557	23,355	Mansell & Barry Ltd.	Equitable	26 00	10	1·50	1·50	1·50		4	Y.P.F.
13,00,000	1,17,609	24,84,400	24,50,978		Bhatter's Agency Ltd.	Ghusick and Mualia	15 50N	10	0·50	0·25			12	Y.
5,00,000	7,25,000	22,40,856	19,21,895	45,310	Killick Industries Ltd.	Hingir-Rampur	30 75	50	Nil	2·25	2·25	Nil	6	Y.
2,50,000	3,48,905	14,13,052	7,93,171		Mansell & Barry Ltd.	Hurriladih	17 00	10	1·75	2·50	1·50		12	Y.
20,00,000	3,21,578	32,87,576	5,71,779	1,962	Andrew Yule & Co., Ltd.	Kalapahari	14 00N	10	Nil	Nil	Nil		3	Y.
5,00,000	18,90,898	47,65,511	37,70,922	1,88,328	Bird & Co. Private Ltd.	Karanpura Collieries ..	93 00	100	Nil	2·50			3	Y.P.
1,86,400	5,72,960	13,85,941	5,72,960	—2,00,236	Andrew Yule & Co., Ltd.	Katras Jherriah	58 75	10	4·00	4·50	0·50	0·50	1	H.P.
11,00,240	64,25 4	16,80,329	10,68,599	10,611	Beriwala & Co.	Khas Kajora	2 75N	10	Nil	Nil			6·12	Y.
9,00,000	11,11,924	28,85,193	23,86,193	4,706	H. V. Low & Co. (Private) Ltd. ..	Kurardi	2·75N	10	Nil	0·12			6·12	Y.
7,48,240	2,00,000	13,12,208	9,86,219	81,201	Tantia Brothers Ltd.	Lakurka	10 50N	10	0·25	0·12			4	Y.
2,00,000	26,617	10,33,740	5,20,295	4,980	Amritlal Ojha & Co., Ltd. ..	Nasira	7 00	10	0·50	0·50			12	Y.
17,76,230	19,51,814	1,24,49,315	91,72,491	48,598	Andrew Yule & Co., Ltd.	New Searsdeopur	9 00N	10	1·25				8·9	H.
6,00,000	75,000	33,35,331	22,33,923	1,48,499	Octavius Steel & Co., Ltd. ..	New Sirsboorn	14 75	10	1·12	1·00	0·75		10	Y.
1,18,900						New Manbhoom	11 00	10	Nil	Nil	Nil		3	Y.
1,87,500	8,47,992	18,06,689	8,96,110	17,816	Andrew Yule & Co., Ltd.	North West	13 75	10	Nil	1·37	0·50	0·50	3	Y.
7,50,000							13 50	7·50	Nil	1·37	1·50			
12,00,000	15,69,447	3,97,666	2,77,666	37,244	F. W. Heilgers & Co. Private Ltd.	Ondal	12 50	10	Nil	Nil	1·12		3	Y.
10,00,000	1,10,000	41,74,513	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	1·00	10	1·00	1·00	0·75		12	Y.P.
2,54,000	20,000	23,49,307	9,35,591	2,080	Deepchand Kishenlal	Paraeca	7 00N	10	0·50	0·25			12	Y.P.
15,75,000	16,30,000	55,17,410	39,02,410	46,353	Shaw Wallace & Co., Ltd. ..	Panch Valley	13 00	10	0·75	1·00	0·50		12	Y.P.
23,99,400	23,99,400	1,37,37,021	91,86,582	29,000	F. W. Heilgers & Co. Private Ltd.	Ramagunge	20·75	10	1·62	1·50	0·75	2·00	3	Y.
12,50,000	10,45,115	58,59,365	39,71,364	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	11·50	10	0·50	0·62	0·37	0·75	3	Y.
20,00,000	17,19,000	52,55,755	37,17,847	9,297	M.	Samla Collieries	16 00	10	1·37	0·87	0·75‡		6, 12	H.
2,50,000	1,96,502	13,78,480	12,21,237	21,578	M.	Searsole	11·00N	10	0·75	1·00	1·25		12	Y.
2,50,000	9,11,996	39,21,787	19,74,253	52,399	Andrew Yule & Co., Ltd.	Seebpore	4·75N	2·50	0·62	0·75			3	Y.P.
3,00,000	5,09,216	52,491	28,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	23 25	7	2·00	2·50	2·25		12	H.
62,21,450	94,88,836	5,19,41,849	2,78,46,029	20,557	Industrial Trust Fund (Governors of Andhra Pradesh)		7·25N	10	0·12	0·25	0·25		6, 12	H.Y.
17,50,000	10,89,093	32,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	Sinrarenl	11 00	10	0·70	0·75	1·00		12	Y.
5,00,000	14,01,063	1,69,57,570	27,510	17,413	F. W. Heilgers & Co. Private Ltd.	South Karampura ..	9 50	10	0·12	0·12	0·25		2, 8	H.
10,00,000		31,92,624	15,43,502	—6,62,907	M.	Standard	13 00	10	1·50	1·50	1·00		12	Y.
3,00,000	3,35,000	18,97,534	14,54,235	77,105	Williamson Magor & Co., Ltd. ..	Talcher	1 75	2·50	Nil	Nil	Nil		12	Y.
40,96,800	66,784	68,72,368	24,16,506	11,643	Hindustan Investment Corpn. Ltd.	Union	14·00	10	0·75	Nil	Nil		9	Y.
7,00,000	.....	57,45,960	28,70,008	—3,50,065	Mansell & Barry Ltd.	Western Bengal	6·94	10	0·37	0·50	0·50	0·50	3	Y.
						West Jamaria	5·12	10	Nil	Nil	Nil		12	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (a) Clive Mills have paid dividend at Rs. 10‡ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
† New Central Jute Mills—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. F.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 300 and for 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1956 the shares of Rs. 300 were split into shares of Rs. 100 each.

SURVEY

(*Concluded from page 1019*)

million acres of agricultural land, 50 million acres of other non-cultivable land and 50 million acres of desert areas needed immediate protection by intensive soil conservation measures in Madras, Bombay, Punjab and the former Hyderabad State. The authorities did not pay any attention to tackle this problem on an all-India basis till 1953, when a Central Soil Conservation Board was set up by the Government of India. Judging from the vast area which needs protection, the progress made so far in this direction and the target fixed under the second Five-year Plan appear insignificant. Thus, according to Dr. Deshmukh, during the first Five-year Plan not more than 0.7 million acres of land were protected by soil conservation measures. The target for the second Plan was fixed at 3 million acres, out of which agricultural land accounted for 2 million acres. During the first year of the second Five-year Plan, soil conservation measures were extended over 177,000 acres with a financial assistance of Rs. 79.96 lakhs as loan and Rs. 31.68 lakhs as subsidy. In 1957-58, about 250,000 acres were protected with financial assistance to the tune of Rs. 151.80 lakhs as loan and Rs. 73.84 lakhs as subsidy. For the current year, 170 soil conservation schemes in different States have been sanctioned, costing the Centre Rs. 207 lakhs as loan and Rs. 96.78 lakhs as subsidy.

Dr. Deshmukh went on to point out that crop-cutting experiments in scarcity areas of Bomb

MARKET GOSSIP

(*Concluded from page 1015*)

decline in the extent of utilisation of capacity. During 1957, about 16·0 per cent. of capacity was lying idle, which compares unfavourably with 8·7 per cent in 1956 and 6·7 per cent. in 1955.

It is indeed unfortunate that, when the demand for paper is rising continuously, a large part of the capacity is lying idle. This is due to the fact that selling prices are steady, whereas the cost of production has risen. This aspect was well brought out by Mr. J. F. Brierley, the erstwhile President of the Indian Paper Makers' Association, in the course of his speech at the annual meeting of the Association held at Calcutta on Friday last. Mr. Brierley indicated that the percentage rise in prices of fuel and raw materials since paper was decontrolled in 1950 has been 30 in coal—22 tons of coal are required to produce one ton of paper—48 in rosin, 60 in china-clay and 80 in hosiery cuttings. Labour costs have risen on an average by about 35 per cent. He also referred to the Central and State Government taxes and the statutory price increases of one description or another. If the paper industry is to meet the expanding demand for paper at an economic cost, it is imperative that the burden of taxation on the industry should be reduced. The Government should, as Mr. Brierley rightly urged, pay far greater attention to the impact on the industry of measures which it adopts in the interests of its revenue. That the industry legitimately deserves such attention will be evident from the fact that, despite increases in production cost, it has sought to maintain relatively steady selling prices. White printing paper was kept down to only 12 per cent. above the price ruling in 1950; this does not include the increase of 16 per cent. since March 1955 as a result of the imposition of excise duty.

Mr. Brierley was quite right when he declared that there was a limit to the extent to which any industry could absorb increases in cost. Criticising the Government's policy on paper prices, he declared that it was hard to reconcile this policy with its exhortation to the industry to augment production. There is considerable force in this statement of Mr. Brierley, as also in his remarks that, "if the Government is going to absorb for its own use between 30 and 40 per cent. of the paper produced in the country, and at the same time pay prices which barely cover production costs, it is clearly impossible for the industry to set aside funds for expansion. If it is intended that this shortfall should be recouped from the prices charged to civilian consumers, then I can only say that the morality of such an attitude is questionable and at variance with the request which the Government has made to keep selling prices down." We commend this observation to the attention of the authorities.

DELHI LETTER

(*Concluded from page 1020*)

targets can be fulfilled. That against the revised five-year target of Rs. 840 crores (involving Rs. 440 crores of foreign exchange) of private industrial investment, only Rs. 275 crores has been invested in the first two years of the second Plan, has belied the impression in some circles that the private sector has already fulfilled or overfulfilled its targets.

The Federation's representation has just brought forth a reply, on behalf of the Minister for Commerce and Industry, from his Deputy Minister, Mr. Satish Chandra. This official reply confirms that the points raised by the Federation are being examined along with the recommendations of the Informal Committee on the amendment of the Companies Act.

First, Mr. Satish Chandra says, the extent to which the provisions of the new Companies Act have contributed to the decrease in the number of new registrations cannot be satisfactorily established, because of the impact of many other economic factors of deeper and wider significance which affected the working of both the public and the private sectors in the year 1956-57. The tentative figures available with the Ministry show that the number of new registrations in 1957-58 has been higher as compared to 1956-57.

Secondly, on the subject of conversion of public into private companies and conversion of managing agencies into selling agencies, the official reply says that while all genuine cases of conversion have been, and will continue to be, dealt with sympathetically, it would not be right for Government to connive at such conversions as are found to be only a device to evade some provisions in the new Act.

Thirdly, in regard to the working of sections 370-372 of the Companies Act, the Deputy Minister says that the Informal Committee on the amendment of the Companies Act went into these sections. There was no suggestion in the Report of the Company Law Administration that inter-company investments for the purpose of expanding existing undertakings or forming new ones should be discouraged.

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000 / 14,50,000 / 1,01,000	1,05,00,000	12,42,552	Allahabad Bank	{353·00 / 176·50	100 / 50	18.00‡	18.00	18.00	9.00‡	12	Y.P.
$9,75,595	18,04,000	1,910	Andhra Bank	{109·00 / 88·00	100 / 85	7.50	6.50	8.00	6.00	6,12	H.
1,00,00,000	1,28,00,000	4,10,731	Bank of Baroda	115·50	50	6.00‡	4.54	5.59	5.10	12	Y.
50,00,000	25,00,000	7,900	Bank of Bikaner	23·00	25	0.75	0.87	1.12	1.25	12	Y.
50,00,000 'A' / 15,30,875	3,10,00,000	10,02,381	Bank of India	{151·00 / 132·00	50 / 50'A'	7.00	8.00	8.00	8.00	6,12	B.L.Y.
15,30,875	28,00,000	52,270	Bank of Indore	63·00N	25	3.00	3.50	4.00	4.25	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	37·75	50	2.00	2.00	2.50	3.00	12	Y.
50,00,000	91,95,618	1,87,085	Bank of Mysore	231·50	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.P.
15,00,000	40,00,000	44,768	Canara Bank Ltd.	86·00	50	4.50	5.00	5.00	5.00	12	Y.P.
7,50,000	13,35,000	5,670	Canara Banking Corporation Ltd.	75·50	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.
5,82,930 'A' / 22,737 'C'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	{170·00 / 1·71	100 'A' / 1 'C'	12.50	12.50	15.00	15.00	12	Y.
2,62,11,871 / 53,43,375	4,03,60,821	18,44,046	Central Bank of India Ltd.	{53·30 / 55·50	25 / 25	3.00	3.00	3.50	3.50	12	B.L.Y.
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	45·75	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,45,442	Habib Bank (P)	36·87	5	0.81	0.87	1.37	1.06	12	Y.
40,00,000	22,75,000	1,61,948	Hind Bank	51·87	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,93,000	18,443	Hindustan Commercial Bank	10·37	50	Nil	Nil			12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	11·00	50	Nil	Nil	Nil	Nil	12	
44,00,000	1,00,00,360	2,04,876	Indian Bank	{200·00 / 171·00	100 / 80	12.00‡	12.00‡	13.00	15.00‡	6,12	B.L.H.
22,40,000	56,23,350	46,36,300	Indian Overseas Bank	143·00	100	6.00	7.50	10.00	10.00	12	Y.
56,23,350	10,00,000	10,25,000	Pandyan Bank Ltd.	85·00	25	1.56	1.87	1.87	1.87	12	Y.
10,00,000	1,25,00,000	33,502	Punjab National Bank	53·00	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	4,51,904	2,17,000	Travancore Bank	17·00	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	5,628	Union Bank of India	7·92	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,34,00,000	1,50,832	United Commercial Bank	60·00	50	2.50	2.75	3.50	3.75	12	H.
		49,452									

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.)					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£2-1-3	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,468	Hongkong and Shanghai Banking Corporation	£43½	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-4-6	£1	15†	12†	13†	15†	12	Y.
£3,940,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-10-7½	£1	14†	14†	14†	18‡†	12	Y.
£2,851,562	£3,104,687	£355,589	National Overseas and Grindlays Bank Ltd.	£1-2-6	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr=Ex-Right. Z.=The final dividend of £1-12-6 is on the increased Capital).

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
10,50,000	6	1st December and 1st June	Carew & Co.	1922	92.00	1st June .. 1963
4,00,000	6½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	90.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1963-67
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
25,00,000	4½		Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
$0,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30th June .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	87.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (a)‡
COTTON						
2,50,000	5½	30th June and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89.00	15th November .. 1966 (b)
12,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1973 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.50	1st April .. 1967-72
13,71,000	5½	30th June and 31st December	Jayshree Textiles	1949	90.00N	1st January .. 1956-59
99,90,000	5	1st June	Tata Mills	1951	98.50	15th November .. 1967
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.		97.00	14th June .. 1960
98,25,000	4½	1st April and 1st October	Andhra Valley Power Supply Co.	1946	97.00	1st October .. 1959
5,00,00,000	5½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	98.00	31st December .. 1964 (a)
21,00,000	5½	1st February and 1st August	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (a)
19,84,000	4½	1st July and 1st January	Gourepore Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
28,00,000	4	15th March and 15th September	Sijua (Dhenkal) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (a)
1,00,00,000	4	31st March and 30th September	South Madras Electric Supply	1939	95.00	1st April .. 1960-61
1,50,00,000	5	30th June and 31st December	Tata Power	1940	93.50	30th September .. 1965-66
47,72,000	5	1st April and 1st October	Tata Power	1940	89.00	1st July .. 1965-70
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1978
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1968
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1958
50,00,000	5½	15th September and 15th March	Indian Rums Pipe (Bearer)	1942	97.00	1st July .. 1957-62
12,00,000	4	31st May and 30th November	Kumardhubi Engineering Works Ltd.	1950	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1956	95.35	1st October .. 1966-68
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1969 (a)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1964
15,00,000	4	31st December and 30th June	Auckland Jute Co. Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	80.00	30th June .. 1969
9,00,000	5	31st January and 31st July	Calcutta	1945	86.00	30th June .. 1959
10,69,000	5	30th June and 31st December	Chitavalsah Jute Mills	1949	86.00	31st July .. 1968
20,48,000	5½	31st March and 30th September	Dalhousie Jute Co.	1951	89.00	30th June .. 1969
5,86,000	5	15th January and 15th July	Empire	1954	90.00	31st March .. 1969 (a)
$0,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1951	90.00	15th July .. 1966 (a)
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1955	94.00	31st March .. 1970
25,00,000	5½	30th June and 31st December	Naihati	1949	90.00	31st December .. 1964 (a)
5,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1952	90.00	31st March .. 1967 (a)
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1952	88.00	14th May .. 1959
3,00,000	4	30th June and 31st December	Presidency	1945	80.00	31st December .. 1964
25,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1948	85.00	30th June .. 1968
15,00,000	5½	30th June and 31st December	Union	1950	85.00	5th September .. 1965 (a)
10,00,000	5½	31st January and 31st July	Waverly	1937	90.00	31st March .. 1967
				1925	80.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£950,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,362		1st April and 1st October		1933	£74.10N	1st October .. 1974
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1946	85.00	31st December .. 1959 (a)
£800,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April .. 1965-66
1,56,500	5½	31st March and 30th September	Teakoy	1944	100 00	31st March .. 1963-69†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1948	92.00	31st December .. 1965
26,80,000	4½	1st January and 1st July	Associated Hotels of India	1946	85.00	31st December .. 1963
2,80,00,000	5½	1st March and 1st September	Burmah-Shell	1948	97.00	1st September .. 1964-69 (c)‡
5,00,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st September .. 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1916	85.00	1st October .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	83.00	1st February .. 1966
28,00,000	4	15th March and 15th September	Dalhousie Properties	1936	83.00	1st July .. 1969
1,80,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	78.00	18th September .. 1969
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1946	87.00	1971(c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1950	97.25	1st January .. 1969 (c)‡
18,75,000	5	2nd January and 2nd July	Metrur Chemical Industries	1954	101.00N	30th June .. 1964
12,07,208	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	82.00	1976 (c)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1946	810.00	30th September .. 1976 (c)
				1947	470.00	31st December .. 1973 (c)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.		(per note)	
1,50,00,000	5½	30th June and 31st December	National Rayon	1951	84.00N	1st April .. 1971
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1954	97.75	30th June .. 1965-70
1,00,00,000	6	30th June and 31st December	Rohtas Industries Ltd.	1951	90.00	31st March .. 1961 (c)
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1948	91.00	31st December .. 1969
				1953	97.25	1st May .. 1968(c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 12 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare." William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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FLOOD CONTROL

IN many parts of India, the onset of monsoon is never regarded as an unmixed blessing. The excess of rains which frequently alternates with failure of monsoon brings in its wake heavy floods so destructive of all that the peasant holds dear—his little cottage, his farm and his cattle. Apart from their "human"—or, one should say "inhuman"—aspects, floods are a source of grievious economic loss to the country. During the period 1950-56, the total damage inflicted by floods has been estimated at Rs. 323 crores, excluding the value of loss of cattle and losses arising from breakdown in transport, industry and other services; out of this, crop damage accounts for Rs. 228 crores, damage to houses and property for Rs. 74 crores and damage to public utilities for Rs. 21 crores. The Ganga river system alone accounted for Rs. 203 crores out of the total damage estimated at Rs. 323 crores. The annual *per capita* flood damage varies from State to State; it is heaviest in Assam where it was estimated at Rs. 6 for the 1950-56 period. The annual damage per acre of net area sown is also highest in Assam where it was of the order of Rs. 7.

Appropriately enough, the measures for preventing flood damage have received considerable notice in recent years. For a long time, the problem had not been lifted above the State level. This is surprising, considering that the problem cannot be successfully solved except on an all-India scale. Indeed, even international co-operation is often necessary, for rivers know no man-made borders. Fortunately, India's neighbours have evinced a keen interest in the solution of this problem. The Government too is engaged in perfecting the machinery for combating the flood menace. It has spelled out the flood control policy with greater clarity. In the second Plan, a provision of Rs. 60 crores was made for flood control measures; this allocation, in the context of the reappraisal of the resources of the Plan, has been reduced to Rs. 51 crores. Many expert bodies have kept the whole problem under perpetual scrutiny. Mention must be made of the Central Flood Control Board, the periodical meetings of which have served as a focal point for the discussion of the flood problem and of the measures designed to solve it. At the seventh meeting of the Board, held recently at New Delhi, Mr. Hafiz Mohammed Ibrahim, the Union Minister for Irrigation and Power, revealed that emergency protection works constructed in some of the worst flood-affected areas had given immunity to this region. Several schemes approved by the Board at the last meeting had been completed; they included embankment along the Bagmati, the Burhi Gandak and the Kamla-Balan, the Kosi and the Ghagra. The Minister emphasised that greater attention should be paid to the preparation of comprehensive integrated basin-wise plan for flood control.

A significant milestone in the evolution of the Government's flood control policy is the expert examination of the problem by the High Level Committee on Floods (Chairman: Mr. A. C. Mitra). The Committee has analysed the flood problem in relation to four specific regions, the North-West river system, the Ganges river system, the Brahmaputra river system and the Peninsular river system. Each system has its own peculiar problems; for instance, the Peninsular rivers do flood but not as frequently as the Himalayan rivers. Again, the flood problem is more serious in the eastern parts of the country than the western; it is more serious in the northern than in the southern part. The Committee has done well to emphasise that absolute or permanent immunity from flood damage is not physically attainable by known methods of flood control. Within this physical limitation, it has, however, done much not only to state the broad aspects of the problem but also to suggest the measures designed to control and prevent the menace of floods. The Committee has shown a high sense of realism in that it has emphasised the importance of relating the benefits accruing from flood control measures to the cost of carrying them out. Sanction of flood control schemes, as the Committee rightly points out, must depend in the main on their economic justification. Any flood control policy, if it is to be realistic, cannot obviously ignore cost considerations.

Among the measures for protection against floods, the construction of embankments has long been regarded as the most important. After discussing the controversy relating to the suitability and effectiveness of embankments as a measure of flood control, the Committee observes that, in general, embankments are a satisfactory means of flood protection "when properly designed, satisfactorily executed and adequately maintained in locations where construction of embankments is technically indicated." The Committee, however, emphasises that a suitable combination of this method with other methods of flood protection would be more efficient and desirable. In this connection, it has examined the other methods of controlling floods or reducing flood losses such as construction of works for storing the excess volume of flood flows in reservoirs and detention basins, channel improvements or enlargements for enabling the river to carry the flood flows at lower water levels, diversion of a part of flood discharged into other natural or artificial channels or spillways and water shed improvements. "The impression seems to exist in the minds of people that, by catering for power and other benefits by means of storage reservoirs," the Committee points out, "flood control can be secured as an incidental benefit." This belief, according to the Committee, is not justified. It adds: "To be effective, a reservoir must have adequate capacity set apart exclusively for flood control purposes and this means an extra height of the dam specifically for this purpose."

In the opinion of the Committee, the question as to whether embankments should have precedence over dams and detention reservoirs on a river which requires a combination of both is not one of priorities but is really a question of the best engineering and economic solution to the problem. The real criterion here is economic—that is, which of the combinations, each technically feasible and sound, would afford greater overall benefits at less cost. That, in fact, is the criterion which decides which plan has to be adopted. Once the plan has been adopted, it is then a problem more of phasing rather than of determination of priorities. Again, priorities, the Committee insists, must be decided by taking an integrated view of the various considerations involved, the human and social aspect receiving its due emphasis. The order of priorities which it recommends consists of: (1) emergent schemes, (2) continuing schemes, (3) schemes for the protection of important urban and industrial communities, (4) schemes which would help in augmenting food production in the country, and (5) schemes which combine other beneficial utilisation of waters.

A notable point made by the Committee is that control over excessive sediment is important for flood control. Soil conservation, it is stated, helps in reducing the sediment load in rivers by making them less liable to change their courses or erode their banks. The effect of these measures on high flood discharges is not, however, marked, but medium floods are moderated and their frequency reduced by these measures. The Committee lays particular emphasis on soil

conservation measures which comprise, among others, the maintenance of a mantle of vegetation, terracing, contour bunding, contour cultivation, gully plugging and check dams. It has rightly suggested that the soil conservation organisations in the States should be strengthened. This recommendation, no less than the Committee's other valuable suggestions, deserves the immediate and close attention of the authorities.

BUDGET REFORM—I

IT is now increasingly recognised both in India and abroad that a State's budget is more than a mere statement of revenue and expenditure. Many changes, political and economic, have taken place in this country since the first budget was presented in 1860 by the First Finance Member, James Wilson. Even before India attained independent status, the Finance Members of the Government of India had begun to take advantage of the budget session in order to give an exposition of the Government's economic policy. After the attainment of independence, however, the Government of India has been particularly anxious to utilise the budget as an instrument for directing economic trends. From a modest statement of accounts relating to civil and military expenditure of the Government, the budget has now become a source of immense power as well as significance for national economy. Successive Finance Ministers have always recognised the growing importance of the nature, purpose and function of the budget as an instrument for effecting economic changes. Accordingly, this instrument has been continuously refined, refashioned and altered to suit the growing demands of a developing economy. Apart from this consideration, the achievement of political independence by India, the financial integration of States, the dependence of States on loans and grants made to them by the Centre, and the continuing ramifications of the Central and State Governments' economic services have all served to invest the budget with a new significance. From this point of view, it is of the utmost importance that the budget should increasingly reflect popular will, on the one hand, and also expert knowledge and guidance, on the other. The finer this instrument the greater will be its utility to national economy. Appropriately enough, the Estimates Committee, in its report entitled *Budgetary Reform*, has spotlighted many of the defects which are at present found in the form in which the budget is presented and also suggested such changes as will make it a more valuable economic document. Although the Committee's suggestions have been made in the context of the Central Government's budget, they are capable of adoption by the State Governments. These suggestions, therefore, merit consideration by the Central and State Governments and also by the legislatures at the Centre and in the States.

One of the chief defects of the budget, according to the Estimates Committee, is that the budget documents do not indicate with sufficient clarity the programmes and schemes on which expenditure is proposed to be incurred and that the "subject rather than the object" of expenditure is given undue importance, with the result that many developmental and other projects get submerged under the plethora of sub-heads and minor heads, thus making it difficult to draw any rational conclusions. It is difficult not to agree with this conclusion, for the budget documents, valuable in themselves, are certainly defective in so far as it is often difficult, in the absence of any relevant reference in the Finance Minister's speech, to find out how exactly the various data presented in the budget reflect or impinge upon national economy. Indeed, the Committee's report, which is a painstaking document, insists again and again upon making available fuller and more intelligible information by the Government. Since the common man is called upon to contribute in an increasingly larger measure to the Central Exchequer and he is also affected by the changes in the budget, it is necessary that he should be enabled to know and appreciate the meaning and relevance of the budget to the business of everyday life. The Committee rightly observes that the present budget is dominated by the administrative and accounting approach which does not assist in the economic analysis of the programmes in the budget.

Because the Five-year Plan dominates the budget, it is obviously necessary to make some attempt at clarifying the Plan and the non-Plan expenditure incurred by the Government. It would, however, appear that this question was examined by the Government in 1955-56. But the authorities then felt that such a separation of estimates was not a practical proposition. The Committee learns that the whole issue is being examined again by the Government. It is to be hoped that the Government will be able to make the necessary clarification of expenditure in order to show how the budget is being continuously guided by the Plan. There are two specific suggestions which are particularly relevant to the formulation of the budget. One is the provision of lump sum or omnibus entries. The Committee rightly holds that, for proper budgeting and for a proper appreciation of the justification for expenditure provided in the budget, it is necessary that such lump sum entries should not ordinarily find a place in the budget and if, for some reason, this is inevitable, at least the sub-divisions of the proposed entries together with full justification therefor should be given in the budget documents. Another specific suggestion is that the Government's contribution to various international bodies should all be brought together under one list; brief explanatory statements should be provided as to their nature, purpose, etc.

A notable suggestion made by the Committee is in respect of presenting a performance budget which, as the term indicates, is based on functions, activities and projects undertaken by the Government; the emphasis in this form of budget is placed on the general character and the relative importance of the work to be done and the services to be rendered, rather than upon the means of accomplishment, such as personnel and services. The Committee observes that the performance-*cum*-programme system of budgeting would be ideal for a proper appreciation of the schemes and outlays included in the budget, especially in the case of large-scale developmental activities. Explaining the significance of this system of budget, it says:

> "Under this system, the functions of various organisational units would be split into programmes or activities, sub-programmes and component schemes, etc., and estimates would be presented for each. Before this is done, the schemes and programmes would have to be set in terms of measurable end-products which may differ from scheme to scheme, costs would have to be carefully determined for each, and targets in physical and monetary terms would have to be fixed. This would facilitate a review of the performance and of the proposed programme and consequently for decision making at a high level and is particularly suited to the requirements of overall budgetary planning. It is recognised, however, that the budget must also serve management purposes at and below the departmental level. The performance budget does not, therefore, rule out the existing accounting budget which is necessary for control purposes. In fact, it would be considered more or less an additional 'activity' statement, representing the information scattered over a number of budget documents or supplementing the annual reports, and split in terms of programmes, sub-programmes, projects, component schemes, etc."

In the course of a somewhat brief reference to the Defence budget, the Committee notes that the Defence estimates ought to give much fuller information about the important defence activities. It says: "It is, therefore, felt that the form of the Defence Service Estimates requires to be completely reviewed so as to show separately expenditure relating to various units, institutions, inter-service organisations, etc., and that they should contain more information than at present consistent with the requirements of the security of the country. Such a review woud have to be undertaken by the Ministry of Finance and Defence in consultation with the Chiefs of Staff." We are aware that there are many strategic considerations which generally prevent a fuller disclosure of details by the Defence Ministry. Even so, we commend the Committee's suggestion to the Government of India. After all, in a democratic State, defence of a country is as much the people's as the Government's responsibility. If their responsibility has to be appreciated by the people, it is necessary that the Government should, within the obvious limitations imposed by the strategic and other considerations, take the people into confidence.

Two topics of particular relevance to current fiscal and economic trends are the loans and grants made by the Centre to the States and the increasing volume of investments by the Central Government in industrial enterprises. The Committee insists on more detailed information in respect of these two activities. It suggests that a separate statement giving an up-to-date list of grants and loans made by the Centre and those proposed to be made should be provided; at the same time, the Government should explain the purpose of these loans and grants, their utilisation in the past and the benefits that have accrued or would accrue from the expenditure by the States of such loans and grants. As regards the Government's expenditure in the sphere of the public sector, the Committee rightly holds that Parliament has a responsibility to see that the money invested in an undertaking is properly utilised and has, therefore, the right to have all information relating to the working of public enterprises. The importance of the public sector will become clear when it is realised that, in the period of the second Plan, the Government hopes to invest some Rs. 500 crores in industrial enterprises. Unfortunately, the information provided by the Government is far too meagre to enable the public to judge the utility and the progress of the public sector.

An important suggestion made by the Committee is that the accounting years of all public enterprises should synchronise with the accounting year of the Government itself. Further, the undertakings, it is suggested, should prepare a performance and programme statement for the budget year together with the previous year's statement and it should be made available to Parliament at the time of the annual budget. Further, these bodies might also be encouraged to prepare business-type budgets which would be of use to Parliament at the time of the budget discussion. In addition, the latest accounts and balance-sheets as well as the annual reports should be made available to Parliament at the same time. It would also be desirable to bring out a consolidated volume containing the documents mentioned earlier for all the statutory bodies and private limited companies of Government, containing an "appreciation of their working and their net result on the budget, so that their impact on the national economy could be appreciated." It is certainly strange, if not also unjust, that the Government which compels by law the corporate enterprises in the private sector to disclose a large variety of details should be so chary of publishing similar information in respect of State-owned concerns.

T.V.A.

THE Tennessee Valley Authority (T.V.A) which is celebrating its twenty-fifth anniversary this year is deservedly known all the world over as an excellent instance of democratic planning. This $2-billion enterprise owes its origin to the farsightedness of the U.S. Government which foresaw the immense advantages which should accrue to the people of the Valley through harnessing the turbulent Tennessee. The T.V.A.'s activities are spread over seven American States, covering an area as large as England and Wales. Flood control, deep water navigation and hydro-electric power are among the benefits it has conferred on the people of the region. Its system of 31 dams serves to keep the Tennessee under check whilst its large hydro-electric plants generate 10 million kilowatts which are sold at 1.6 cents a unit or at only 50 per cent. of the national average. River traffic today is 25 times as large as it was before the T.V.A. came on the scene. Afforestation and measures designed to prevent soil erosion and to promote soil conservation have significantly raised soil fertility. Its savings to the nation through flood damage alone are estimated at $131 million, while the savings through low power rate policy are placed at $746 million. *Per capita* income in the region has improved from 45 per cent. of the national average to 63 per cent. Again, whereas only 3 out of 100 farms used electricity twenty-five years ago, nearly 80 per cent. of the farms use it today. Thanks to the power and other facilities made available by this enterprise, the Valley has witnessed the growth of many new industries, including food industries, fertilisers, shipbuilding, synthetic fibres, pharmaceuticals and drugs. If imitation is the sincerest form of flattery, it is certainly not without significance that 18 projects similar to the T.V.A. are already under way in different parts of the world. An enterprise which is as beneficial as it is gigantic and which is a concrete expression of America's pragmatic philosophy, the T.V.A. is for long bound to remain a source of genuine inspiration to the free world.

FOREIGN EXCHANGE CRISIS DEEPENS

GROUNDNUT OIL EXPORT—GOLD PRICES

THURSDAY, 5 P.M.

THE foreign exchange crisis confronting India has deepened considerably of late. During the first two months of the current financial year (1958-59), there was a net contraction of as much as Rs. 42 crores in foreign assets. Thus, the total of foreign securities and balances held abroad for the week ended 30th May 1958 stood at Rs. 242.42 crores, as against Rs. 284.41 crores for the week ended 4th April. If this trend were to persist—there are strong indications that it would—the country would have nothing left in its foreign assets portfolio when the ensuing year begins on 1st April 1959. Such a position cannot, of course, be allowed to occur without running serious risk to India's stability in the international economic sphere.

MARKET GOSSIP

The rapid rate at which the foreign exchange situation has deteriorated of late, notwithstanding the operation of a severely restrictive import policy, must be attributed largely to the marked setback to export trade, thanks to reduced purchases by the U.K., the biggest customer for India's products, prolongation of recession in the U.S. and slowing down of economic activity in several East European countries. It is true that the Government of India has adopted several measures designed to boost earnings from exports such as the downward revision in the export cess on tea, concessions in respect of manganese ore exports, grant of export quota for groundnut oil and H.P.S. groundnuts, and extension of the grant of rebates of customs and excise duties paid on raw materials for the manufacture of several goods exported from India. It is also true that the Government is contemplating new steps relating to export of sugar and cement, as also incentives like grant of export subsidies, tax relief and freight concessions on a number of commodities. Nevertheless, the possible improvement in export earnings as a result of all these measures may not be substantial, considering the huge import commitments that still remain to be fulfilled, especially with regard to payments for capital goods and defence imports. The production of foodgrains in the current season (1957-58) is lower by two million tons, as compared with the previous season, so that there is the need for meeting the deficit through imports which means large payment of foreign exchange. It must be remembered, too, that the scope for a further general cut in imports barring some marginal adjustments here and there is strictly limited.

Against this background, it remains to be seen what the Government proposes to do in order to ease the foreign exchange situation. There are two ways of augmenting the foreign exchange resources. First, the International Monetary Fund may be requested to grant another standby credit for a fairly large sum. Secondly, the Government may request the U.S. Administration for further substantial long-term assistance in the form of grants and loans. In any case, without substantial aid from abroad, it might prove difficult for the Government to implement even the "core" projects in the second Plan.

* * * *

Oilseeds traders have welcomed the latest decision of the Central Government to allow exports of groundnut oil (20,000 tons) and hand-picked selected groundnuts (10,000 tons), although they feel that the decision is a belated one. More than two years have elapsed, it will be recalled, since an export ban was imposed on groundnut oil and groundnuts. Traders have all along been urging the authorities to revive exports on the grounds that groundnut oil prices have declined considerably, there are good prospects for rapeseed and mustard seed crops, and internal stocks of edible oils are sizable. Even the Export Promotion Committee (August 1957) recommended that, since groundnut oil was in very great demand in overseas countries and fetched a good price, the Government should examine the ways and means of releasing a small quantity for export. The Central Oilseeds Committee also urged, on 20th March 1958, the Government to allow some export of groundnut oil. But the authorities had not conceded the plea so far on account of fears that exports of groundnut oil would raise the internal prices of oils and thereby affect the common man for whom groundnut oil is one of the articles of daily use. If the Government has since revised its decision, it is presumably because of the pressing need for earning foreign exchange.

The release of export quota for groundnut oil and H.P.S. groundnuts has not had any effect in so far as the local oilseeds market is concerned. Groundnut oil ex-mill, which had gone up from Rs. 18.12 per quarter to Rs. 18.37 yesterday following the announcement, declined today to Rs. 18.19. In the case of forward delivery (August) in groundnut, today's closing rate is Rs. 167.75 per candy, as against Rs. 167.50 before the announcement. For traders feel that the Government's decision to allow export of groundnut oil and H.P.S. groundnuts may not prove immediately helpful. The consensus of opinion seems to be that no export will be possible out of the current seasons's crop, as there is wide disparity between prices in India and those prevailing in overseas countries. The c.i.f. price of Indian groundnut oil works out to about Rs. 1,707 per ton (including the export duty of Rs. 150), as against the quotation of Rs. 1,360 in the U.K. Even with the complete abolition of export duty, the difference in price will be nearly Rs. 200. Some business is, of course, considered possible with Burma, countries in West Asia and Persian Gulf ports. The same position, it is stated, more or less holds good in the case of H.P.S. groundnuts. The export price (including the duty of Rs. 300) per ton of groundnuts (55-60 grains per ounce) works out to Rs. 1,267, which is stated to be very high. If the export duty is reduced, traders expect some business with overseas countries. Taking both oil and H.P.S. nuts together, it is felt that export business will be done out of the coming season's crop which starts arriving in the market in November. It will be interesting to note here that, on the basis of the currently ruling prices, the total foreign exchange that will be earned on exports of 20,000 tons groundnut oil and 10,000 tons H.P.S. groundnuts aggregates Rs. 3.40 crores and Rs. 1.26 crore, respectively.

The export of 20,000 tons of groundnut oil should not normally cause internal prices to shoot up, because this quantity is less than 3 per cent. of the total annual production. The Export Promotion Committee had suggested that a minimum of 50,000 tons should be exported every year and that the quantity could be increased to 100,000 tons or more a year when our crop position improved. It, of course, emphasised the need for the Government to examine the ways and means by which exports of groundnut oil did not greatly affect internal prices. In this connection, it suggested: (1) curbing internal demand for groundnut oil in difficult years by fiscal or other measures; (2) insistence on the *panaspati*, paints and varnish and soap manufacturers who are important consumers of groundnut oil to use cottonseed oil up to 25 per cent. of their requirements; and (3) imports of requisite quantities of cheaper oils like coconut oil and palm oil. A judicious use of all these measures could, in the opinion of the Committee, ensure fairly steady quantities of groundnut oil being made available for export year after year.

* * * *

In world financial circles, the question whether the U.S. would raise its official price for gold, fixed at present at $35 per ounce, has been the subject of considerable speculation. It is believed that the issue might figure somewhat prominently at the forthcoming Commonwealth Conference in September and also at the International Monetary Fund scheduled to meet in October this year. The London *Economist* has suggested that the U.S. price of gold should be raised at least three times its present level, considering the immense amount of inflation that has taken place since the price was fixed in 1933-34 when it was raised from the previous level of $20.67 per ounce. The U.S. and Canada are the two countries where the price of gold in local currency is the same as or lower than the price in 1934. The U.S. price has been unchanged since 1934. The Canadian price, in terms of Canadian dollars, has fluctuated 11-15 per cent. above and 6 per cent. below the price in 1934. In 1957, the price of gold in Canadian dollars was about 4 per cent. below that at the beginning of 1934. Neither country protects the domestic market for gold, but gold production is a much more important industry in Canada than in the U.S. In all other important gold-producing countries, the price of gold in local currency is now higher than in 1934.

The speculation over the possible increase in the official gold price in the U.S. has acquired some special significance, because of the continuing strain in balance of payments, loss of gold reserves, and economic recession in that country. Between 1956 and 1957, U.S.'s exports increased from $23,518 million to $26.262 million and imports from $20,447 million to $21.331 million. The visible balance of payments thus rose from $3,071 million to $4,931 million. However, because of the net outflow of U.S. capital which increased from $2,980 million to $3,035 million and Government loans and grants which increased from $2,321 million to $2,568 million and other transactions, there was a net transfer of gold and dollars to foreign countries to the tune of $625 million in 1957, as compared with a net gain of $923 million in 1956. Commencing from 1958, American imports have fallen only by 5 per cent., whereas exports, including economic aid and farm surplus disposals, are estimated to have fallen by 18 per cent. The net effect of this and other developments is that there has been a drain to the extent of $1,100 million on the U.S. gold stock.

The net outflow, which began in February, has brought the U.S. gold stock down to $21,700 million. This sum still exceeds the combined total of all other countries' known gold reserves. Examining the issue of an increase in the U.S. official price in the light of this trend, the June *Monthly Bank Letter* of the First National City Bank of New York points out that, of the $21.7 billion U.S. gold stock, $600 million are held in Treasury reserve account and $21.1 billion as backing for gold certificates held by the Federal Reserve Banks as their reserves. Only $11.4 billion of the Reserve Bank's holdings of gold certificates, it is stated, are needed to satisfy the legal requirements that they hold gold or gold certificates equivalent to 25 per cent. of their note and deposit liabilities. It adds: "This leaves well over $9 billion surplus gold reserves which can be used to redeem in gold the dollars held by foreign Governments and central banks. With beyond $9 billion of surplus gold reserves, there is obviously no question of any practical need to consider either raising the gold price or suspending U.S. Treasury sales at $35 an ounce and permitting the price to rise in free market." Thus the *Monthly Bank Letter* is not convinced of the argument for raising the gold price.

A somewhat plausible argument for raising the official price of gold in the U.S. is that such a measure would help arrest the recession in that country. Clearly, the effect of an increase in the price of gold on the American economy would be that of a devaluation of the dollar. Countries which are in a position to sell gold to the U.S. would find that they are able to buy American goods more cheaply. This would tend to augment U.S.'s export trade. Referring to this argument, the *Monthly Letter* observes:

> "Some observers abroad are inclined to think that the U.S. Government may be led to raise the price of gold as an anti-recession measure. The direct benefit of such an increase to American business would be minor for gold mining is of rather negligible importance. An increase would, of course, be helpful to gold-producing countries. They would gain buying power at the expense of non-producing nations. The last—and only—time the dollar price of gold was significantly changed was during the Great Depression. The situation was quite different. Then, the Federal Reserve had been embarrassed by gold shortage in fighting the depression. Now the Federal Reserve holds $9.7 billion excess gold reserves; gold is not a limiting factor in applying measures to increase money and credit supplies as aids to recovery. In 1934, the 69 per cent. increase in the gold price was designed to raise our prices generally—an object of dubious merit in the present instance. Then our policy was selfish and nationalistic; we sought to improve our trade position at the expense of other nations and incidentally threw the world currency system into a turmoil from which—with the war—it has never fully recovered. Now we have a higher respect for international responsibilities.
>
> "The dollar is used more commonly than gold in financial settlements among the nations and it is in our interest that this should be so. Any alteration in the ratio of gold to the dollar would have large implications, running far beyond a bonanza to gold miners. For example, an increase in the dollar price would penalise foreign Governments, banks, and individuals who have trusted the dollar; it would hand out windfall profits to those who have not. The intricate world-wide machinery of industry and trade needs credit and trust as lubricants. The very talk of a rise in the dollar price of gold is a threat to prosperity. The sooner the question ceases to disturb men's minds the better.
>
> "Any nation can raise the price it will pay in its own currency for gold. An increase in the price of gold is tantamount to—or a method of—currency devaluation. Many nations, sometimes more than once, have devalued their currencies over the post-war period. They have done so reluctantly, because they had to. It is natural that currency devaluations should be undertaken with greatest reluctance. For devaluation generally means higher prices and higher prices are unpopular. The United States is no exception to this rule. The dollar price of gold will scarcely be advanced unless the need to do so becomes imperative and inescapable.
>
> "The most imposing argument for an increase in the gold price is that the growth of world trade plus inflation create a need for more gold reserves which can be provided by marking up the price, world-wide. *The Economist*, for example, draws a conclusion that the price of gold should be trebled because dollar prices of many commodities have trebled over the past 20 years or since the last world-wide round of gold price increases was completed. This is getting the cart before the horse; the inflation of the past 20 years got its gold base out of the excessive rise in gold price and enormous stimulation to gold production. If the gold price were to be related to commodity prices and marked up every time commodity prices rose, it would cease to have use or meaning as an official currency standard. The use of any fixed gold price is to check excessive credit expansion and rising commodity prices.
>
> "Any comparison of the gold position today with 20 years ago would show a scarcity because we have indulged in so much inflation in the meantime. But to raise the price of gold dramatically at this juncture would be to destroy faith in all the currencies of the Western world. In the 1930's gold price increases had a legitimate object of encouraging recovery of a painfully and inequitably deflated world price structure. Inflation today is barely mastered. We should have no wish to give it a longer lease on life."

An increase in gold price would, of course, mean a substantial benefit to the world's gold producers. It would, however, also mean a special bonus to the Soviet Union which, as is well known, is a significant producer of gold. In 1957, world production of gold (excluding output in the Soviet bloc) aggregated $1,020 million, as against $980 million in 1956. South Africa increased its output from $556 million to $596 million; Canada from $154 million to $155 million; in the U.S., however, production declined slightly by $1 million to $64 million. No reliable estimates of gold production in the Soviet Union are available. The estimates for annual production in recent years vary from $150 million to $560 million. One estimate places Soviet gold production in 1957 at $600 million or nearly the same as in South Africa. In recent years, the Soviet Union has sold its gold to foreign countries; during the 12-year period 1946-57, such sales are estimated at $900-1,300 million. It can certainly afford to export its gold, because it is not only a large producer of gold but its gold holdings are also known to be very large; its gold holdings are believed to be $7 billion or more. Naturally enough, the U.S. would be reluctant to adopt a measure which would artificially buttress the economic strength of the Soviet Union in the international sphere.

SHARE MARKET DULL

UNDERTONE STEADY

(From Our Own Correspondents)

BOMBAY, *5th June*

IN the absence of any fresh incentives, the share market ruled dull during the week under review. The undertone over the week was, however, steady with modest gains in prices in all sections except in textile counters. The recovery in prices which followed the withdrawal of the strike in T.I.S.Co. works at Jamshedpur was well maintained in the new account which opened on Monday this week also, but subsequently the market became lethargic and a minor setback was recorded in prices. Despite the easy money conditions, the market would appear to be in no mood to forge ahead. The none too encouraging reports from the cloth market and fears about fresh crisis in foreign exchange were the main disquieting factors. There was, however, no heavy selling pressure and prices managed to score small gains in most counters.

In the steel section, Tata Ordinaries advanced early in the week from Rs. 179.50 to Rs. 182.25, but subsequently shaded off to Rs. 181.25 at the close. The sharp fall in the Company's production last month did not have any notable effect on the shares, as it had already been discounted in prices. The output of saleable steel in May fell to 28,500 tons from the previous month's figure of 63,000 tons and 65,100 tons in the corresponding month of 1957. Steel ingots have declined from 100,300 tons to 52,900 tons and pig iron from 95,000 tons to 57,400 tons, the corresponding figures for May 1957 being 86,660 tons and 91,300 tons respectively. The new shares gained over the week Re. 1.25 to Rs. 178.75. After an early rise from Rs. 21.48 to Rs. 21.68, Indian Irons slowly receded to Rs.21.44.

Among textiles, Bombay Dyeings gained from Rs. 53.30 to Rs. 53.50 before receding to Rs. 52.90 yesterday. Today, however, they improved to Rs. 53.20 at the close. Centurys rose from Rs. 425.75 to Rs. 427.50, but staged a sharp fall to Rs. 419.50. The closing was better at Rs. 421.75. Kohinoors gave way from Rs. 263.25 to Rs. 256.50. Central Indias were featureless at Rs. 81.50, as also Finlays at Rs. 260. Gokaks were marked down by Rs. 7 to Rs. 130 and Indu Ordinaries by 36 nP to Rs. 8.72. Indore Malwas shed Rs. 3.25 to Rs. 104.75, while Khataus gathered Rs. 5 to Rs. 167.50. New Greats were done Rs. 2 lower at Rs. 200.

Bank shares were featureless. Barodas showed no change at Rs. 116, while Centrals were a shade quiet at Rs. 53.30. Their new shares were maintained at Rs. 55.70, while Bank of Indias gained Re. 1.50 to Rs. 133. Bank of Bikaners were done at Rs. 21.52 *ex-div.* and Jodhpur had business at Rs. 1.30.

Fractional gains were recorded in electricity shares. Ahmedabad Electrics picked up 35 nP to Rs. 95 and Bombay Suburbans 25 nP to Rs. 106. Tata Hydros were 25 nP higher at Rs. 118 and Tata Powers by Rs. 7.50 at Rs. 1,215, while Andhra Valleys were unchanged at Rs. 1,137.50.

Sugar shares ruled better. Belapurs moved up over the week by Re. 1.50 to Rs. 247. Bhopals gathered Re. 1.16 to Rs. 21 and Phaltans Re. 1.50 to Rs. 146. Walchandnagars were unchanged over the week at Rs. 263.50. Cements were also marked up. Associated Cements moved up from Rs. 148.50 to Rs. 150.75, but shaded off to Rs. 149.75 at the close. Their new shares were unchanged at Rs. 144. Digvijays hardened by Re. 1.75 to Rs. 145 and Orissa Cements by 44 nP to Rs. 12.16. In the engineering and mining group, Alcocks were featureless at Rs. 243.75, as against Rs. 245. Tata Locomotives were in good favour early in the week and rose from Rs. 166.50 to Rs. 171.50, but sagged subsequently to Rs. 168.75. Premier Constructions staged a spurt from Rs. 181.25 to Rs. 186.50 and Mahindras gained 44 nP to Rs. 18.96. Shivrajpurs were unchanged at Rs. 80.50, while Indian Coppers were steady at Rs. 3.10.

In the shipping group, Great Easterns provided a feature with a spurt of Re. 1.20 to Rs. 21.12 on reports about the Company's expansion programme. Scindias moved narrowly between Rs. 17.60 and Rs. 17.40 and closed at Rs. 17.44 with no change over the week. Among automobiles, Hindustan Motors were dull at Rs. 6.96, while Premier Automobiles scored a gain of Re. 1.30 to Rs. 31.80.

In the miscellaneous section, Bombay Burmahs (old) improved from Rs. 548.50 to Rs. 555.50, following the cut in excise duty and export cess on tea, but gave way to close at Rs. 549.50. National Rayons advanced from Rs. 234 to Rs. 239.25, before reacting to close at Rs. 236. Gwalior Rayons had business Re. 1 higher at Rs. 13.12. Tata Chemicals gained 44 nP to Rs. 15.28. Alembic Chemicals shot up by Rs. 21 to Rs. 156 on reports that the Company had decided to put up a plant for manufacture of penicillin and in order to finance the expansion programme the Company proposed to raise fresh capital to the tune of Rs. 23 lakhs. Tata Oils spurted by Rs. 2.25 to Rs. 40.25. Killick Industries were Re. 1.75 lower at Rs. 147.25.

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Calcutta Stock Exchange

CALCUTTA, *4th June*

Although there was a spell of profit-taking on the Calcutta Stock Exchange earlier in the week under review, steadier conditions set in as the week progressed. There was an increase in the volume of business, but gains were fractional in character, reflecting the caution of operators, in view of the economic uncertainties arising from the port workers' threat to go on strike as from 16th June and the fresh foreign exchange crisis. In view of the cut in imports of raw materials and spares for plants, industrial production, particularly engineering, has slowed down, and there have been recent instances of lay-off in view of paucity of raw materials, especially in the steel fabricating industry. These factors naturally justified the caution of operators. After remaining quiet for most part of the week, tea shares ruled steady from Monday and more scrips changed hands. This was naturally attributed to the scaling down of the excise duty and the cut in export cess announced by Government over the week-end. Reports from Jamshedpur were encouraging, and it was hoped that the loss of production, estimated at Rs. 1 crore, consequent on the recent labour troubles would be made up in the current working year itself. Engineering shares were steady and attracted investment buying. There were more sellers in cotton textiles in view of the unfavourable conditions facing the industry and Government's shelving of the question of further relief to the industry by appointing an investigating committee. Among jutes, shares of the fully modernised mills which were understood to be working better, continued to attract support. Coals, on the other hand, were quiet.

With restricted turnover, a sagging tendency was in evidence in coals. Pench Valleys moved down to Rs. 19.25 from Rs. 19.56, while Burrakurs were unchanged at Rs. 21.87. At Rs. 11.37, Raneegunges were fractionally lower.

Jutes continued to respond to selective enquiry. From Rs. 15.37 New Centrals gained to Rs. 15.81. Fort Glosters were accorded support to rise from Rs. 320 to Rs. 333. Ganges were taken to Rs. 51.50 from Rs. 48.00. Nuddeas hardened to Rs. 39 from Rs. 38.50. On the other hand, Kanknarrahs gave way to Rs 47 from Rs. 51, consequent on the Director's decision to skip over the dividend for 1957 when the loss amounted to over Rs. 20 lakhs.

Shares of paper mills changed hands at advancing rates. From Rs. 11.19 Sirpurs rose to Rs. 11.75. Shree Gopals realised Rs. 15.87, as against Rs. 14.62 previously. Orients picked Re. 1.25 at Rs. 32.25. Titaghurs were fractionally higher at Rs. 38.75, as were India Pulps at Rs. 21.12.

Engineering shares moved within narrow limits. Indian Irons opened at Rs. 21.53 and rose to Rs. 21.57 to close at Rs. 21.52. Marshalls moved up to Rs. 5.87 from Rs 5.50 on publication of a good working report. For the year ended June last, the gross profit increased to Rs. 7.08 lakhs from Rs. 5.19 lakhs and the dividend has been maintained at 20 per cent. Texmacos recovered to Rs. 18.50 from Rs. 17.70, while Burn & Cos. sagged to Rs. 338 from Rs. 342.

Miscellaneous industrials accounted for several features. Indian Oxygens at Rs. 18.50 registered a further rise by 25 nP. Bengal Flour Mills changed hands at Rs. 30, as against Rs. 28.50 previously. At Rs. 18.37, Angelo Bros. gained one point. Firm support raised Orissa Minerals to Rs. 25.62 from Rs. 25.37. Dunlop Rubbers were steady at Rs. 26.25 as were Hindusthan Levers at Rs. 25.27. Rohtas Industries were taken up to Rs. 19.31 from Rs. 18.37, and Indian Aluminiums to Rs. 15.50 from Rs. 14.84. Indian Cables gained strength to Rs. 35.50 from Rs. 34.37.

Teas firmed up in the latter part of the week following the cut in excise duty and export cess and official promise of early relief to producers of common teas. Methonis improved to Rs. 17.37 from Rs. 16.62 and Rangamattees to Rs. 68 from Rs. 67. Brooke Bonds recovered to Rs. 17.50 from Rs. 17.06.

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Madras Stock Exchange

MADRAS, *3rd June*

The Madras Stock Exchange presented a fully steady trend during the week under review with the exception of textile shares which continued to remain depressed. Transactions put through were larger in the previous week and prices registered an improvement. Plantation shares came in for good attention of operators, thanks to the cut in export cess on tea from Rs. 4 to Rs. 2 per 100 lbs. and the reduction in excise duty on teas which are not used in the manufacture of packaged tea from an anna to half an anna per lb. with effect from the 1st inst. Coffee and rubber shares were also well supported. The sugar, electrics and miscellaneous industrials were fully steady. Textiles, however, were featureless in the absence of encouraging offtake.

Among tea shares in the planting section, Parksides were marked up by 53 nP to Rs. 16.85. Peermades and Nonsuch Teas improved by 13 nP each to Rs. 20.50 and Rs. 21.75 respectively. Neelamalais and Kil Kotagiris rose by 10 nP each, the former to Rs. 4.35 and the latter to Rs. 5.60. Chembras were quoted 6 nP higher at Rs. 3.73. Periakaramalais gathered 4 nP to Rs. 4.16 and Blue Mountains 3 nP to Rs. 3. Balanoors increased by 25 nP to Rs. 16.25 *cum-div.*, despite the cut in dividend to 17½ per cent. for the year ended 31st March 1957 from 25 per cent. in the previous year. Among coffee shares, Consolidated Coffees firmed up by 35 nP to Rs. 25.45. Bababudins were better by 12 nP at Rs. 12.12. Coffee Lands put on 5 nP to Rs. 35.30. Among rubber shares, Mercaras strengthened by 35 nP to Rs. 7. Vaikundams hardened by 23 nP to Rs. 20.43, Malankaras by 20 nP to Rs. 17, Cochin Malabars by 15 nP to Rs. 4.75, Pulangodes by 5 nP to Rs. 1.70 and Nelliampathys by 3 nP to Rs. 3.08.

Textiles as stated earlier, encountered selling. R.C. Ambikais were pushed down by Rs. 20 to Rs. 126. Vasantas slumped by Rs. 9 to Rs. 230. Coimbatore Murugans dropped Rs. 5 to Rs. 110. Janardans eased by Rs. 3 to Rs. 72. Loyals and Coimbatore Cottons lost Rs. 2 each to Rs. 33.50 and Rs. 137 respectively. Ranga Vilas receded by Re. 1.50 to Rs. 57.50. Metturs softened by a rupee to Rs. 348.

Among miscellaneous industrials, Textools evoked good support and rallied Rs. 2 to Rs. 180. Spencers advanced by 40 nP to Rs. 17.75 *cum-div.* Mysore Chemical Manufacturings improved by 60 nP to Rs. 16. Aluminium Industries increased by 35 nP to Rs. 14.35 and F.A.C.Ts by 28 nP to Rs. 5.40.

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NEWS IN BRIEF

ORDINARY coconut shell charcoal has been decontrolled for the purpose of export with effect from 29th May 1958.

The Government of India has decided to award 45 scholarships to Indian nationals for practical training in West Germany in different branches of engineering and technology excepting chemical engineering and technology.

A new oil spring has been traced at Longsilil, six miles from Sibsagar town (Assam), by the Natural Gas and Oil Research Department. Drilling operations are expected to start in the current month, with the assistance of some Russian experts.

India and Czechoslovakia have reached agreement on the establishment of an assembly plant of electrical meters in India with Czech technical help. The planned yearly output of the plant is put at 60,000 electrical meters.

The Government of India has fixed the price of tea for the purpose of determining the export duty at Rs. 3.50 per pound, as against Rs. 3.24 per pound in force from 1st May 1958. There is no change in the existing rate of duty of 38 nP per pound.

The Union Ministry of Works, Housing and Supply has appointed an *ad hoc* committee to assist the Government in implementing the announcements in the Lok Sabha that a part of the work-charged staff will be brought on to the regular categories which had been in existence for at least three years, would be made permanent.

The Committee of the Indian Jute Mills' Association has unanimously decided that the minimum selling prices for gunnies fixed by the Committee last February should be maintained by the mills. The Committee has agreed that the reasons for fixing the minimum prices are still valid and that the statistical position does not warrant the downward pressure on prices brought about in the past few days by the manipulations of bear operators.

The Government has decided that the procedure for export out of India of articles under claim for rebate of duty on excisable goods used in their manufacture should be extended to cotton sola hats as well. It is already applicable to ready-made apparel, tents, sugar products, cotton bags, umbrella cloth, chaddars, pillow cases, table covers, embroideries, laces, tarpaulins, mosquito nets and ground-sheets.

With a view to imparting knowledge of efficient management to small *entrepreneurs*, the Small Industries Service Institute of the Government of India is organising a business management training course. This course will be held thrice a week in the evening. Full particulars about the course can be had from the Deputy Director, Business Management and Training, Small Industries Service Institute, 40-40A, Cawasji Patel Street, Bombay-1.

The eleventh annual conference of the All-India Plastics Manufacturers' Association will be held in Bombay on the 13th and 14th inst. The conference will be inaugurated by Mr. Manubai M. Shah, Union Minister for Industry, and presided over by Mr. Ambalal Kilachand. The conference will discuss the various problems confronting the plastics industry and take suitable decisions. A symposium is also proposed to be organised during the conference at which eminent persons in the field of plastics will read papers on the technical aspects of plastics industry. The organisers of the conference are, besides, arranging a film show on plastics.

The Government of India has decided to grant licences for import of copra to non-scheduled soap manufacturers also although, such licences will be restricted to those units which are registered under the excise regulations and have been paying excise duty. The Government has also decided to validate licences issued to soap manufacturers, both in the scheduled and non-scheduled sectors on an *ad hoc* basis to permit imports of coconut oil upto a certain extent against licences for copra granted to them. This import will have to be arranged within the face value of the licences granted to them for import of copra.

A committee has been set up by the Government of India, with Mr. Mahavir Tyagi, M.P., as Chairman, to go into the question of the administration and procedure of the Income-tax Department. The other members of the Committee are: Mr. Rajendra Pratap Sinha, M.P., Mr. B. M. Gupte, Mr. G. P. Kapadia, President of the Indian Merchants' Chamber, Bombay, and Mr. K. S. Sundara Rajan, Member, Central Board of Revenue. Mr. F. M. Vallibhoy, Commissioner of Income-tax, Bombay South, will act as Secretary. The Committee will advise the Government on the administrative organisation and procedures necessary for implementing the integrated scheme of direct taxation to eliminate evasion and avoid inconvenience to the assessees. It is expected to submit its report before 31st March 1959.

The prices of "Hindustan Machines" have been substantially reduced according to an announcement by the State-owned Hindustan Machine Tools. The 1,000-mm. lathe which was hitherto costing Rs. 36,000 will now cost Rs. 29,500 only. This reduction will be applicable in respect of all orders booked from 1st June 1958. When the Factory started production in May 1956, the lathe price was fixed at Rs. 30,000, as against the imported landed cost of corresponding Swiss lathe at Rs. 40,500. The same was reduced to Rs. 36,000 with effect from 1st June 1957. The sale prices of 1,500-mm. lathes and six types of milling machines have also been progressively reduced so that all machines produced by the Company are sold below the landed cost of imported machines of equivalent quality.

India produced minerals worth Rs. 125.70 crores during 1957 as against Rs. 19.82 crores in 1956. The increase of Rs. 17.5 crores or 16 per cent. was due mainly to higher production of coal, iron ore, lead and zinc ore, limestone and salt. The higher prices of manganese ore and coal in the first and latter halves of year also accounted for this increase. Coal with an output of 43.5 million tons was the leading commodity and was valued at Rs. 81.4 crores, an increase of 4.1 million tons over that in 1956. The share of the State collieries in the increase was about 390,000 tons. Next in order of importance were manganese ore (Rs. 13.9 crores), salt (Rs. 7.4 crores), gold (Rs. 5.1 crores), iron ore (Rs. 4.3 crores), limestone (Rs. 3.8 crores), copper ore (Rs. 2.7 crores), mica (Rs. 2.3 crores), and ilmenite (Rs. 1.7 crore). The overall position is indicated by the quantity index of mineral production which stood at 123.2 in 1957 (base: 1951=100), as compared with 116.7 in 1956.

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From Abroad

The United States has given a loan of $25 million (about £9 million) to Chile for economic development.

The United States has lent to the Burmese Government $10 million to help strengthen its internal security forces. The loan covers a period of 40 years and is repayable in either Burmese or American currency.

The Government of Malaya has announced that it is going ahead with plans to establish a Central Bank. Under the proposed Malayan legislation, Singapore will come under the jurisdiction of the Malayan Central Bank.

The turnover of the West German chemical industry in the first quarter of 1958 amounted to £370 million which is 5 per cent. higher as compared with the corresponding quarter of last year, when the annual rate of increase was 16 per cent.

The U.S. Government and private banks have lent Colombia $103 million to help fill the gap caused by declining coffee prices. It is said that in addition to this, Brazil is also conducting aid discussions with the International Monetary Fund.

Bulk buying of tea in the Republic of Ireland came to an end on Sunday this week, with the winding-up of the State-sponsored firm, Tea Imports Ltd., the sole authority for importing tea. Henceforward individual importers will buy tea direct from foreign exporters.

The Government of Pakistan has decided to float two new loans, 3 per cent. loan 1963 and 3½ per cent. loan 1970-71, for financing the development plans of the Central and Provincial Governments. Subscriptions to the loans will be received from the 14th inst. The 3 per cent. loan will be kept open until further notice.

A report from Canada's Trade Department states that 136 foreign companies set up new plants in Canada last year as compared with 150 in the preceding year. The 1957 total included 105 from the U.S., 19 from the U.K. and 12 from other countries. The new plants covered a wide range of products, including electronic equipments, steel mill equipment, electric tools and transformers.

German Borgward cars and lorries will soon be built in Argentina by Borgward-Argentina, a subsidiary, and Dinfia, an Argentine aircraft company. The new plant, which will be built at Cordoba, is expected to turn out 10,000 vehicles a year within three years after it goes into production.

The United States will provide $2.5 million (about Rs. 1.25 crore) towards the cost of the Jordan Valley irrigation project under an agreement signed in Amman on the 1st inst. The project is expected to help greatly the planting of sugarcane and beet, rice and other important produce. The total cost of the scheme is £4.5 million (about Rs. 5.85 crores).

The Persian Senate has ratified the Persian Pan-American Oil Agreement under which the National Iranian Oil Company will grant an exploration concession in the remaining area of the "open" district No. 1 in the Persian Gulf to Pan-American Petroleum which is a subsidiary of Standard Oil. The agreement provides for the setting up of a joint concern to be known as the Iran Pan-American Oil Company and under it Persia will receive a cash bonus of $25 million.

The U.S. Atomic Energy Commission and the Department of Defence have announced plans to build a cobalt 60-gamma food irradiator which will become a part of the projected U.S. Army Ionizing Radiation Centre at Lathrop, California. The gamma facility will be used by the Army Quartermaster Corps in connection with its food preservation project, replacing the food irradiation reactor previously proposed as the gamma radiation source for the centre. Source of the gamma facility's radiation will be approximately two million curies of radioactive cobalt 60. This amount of radioactive cobalt is several times greater than the quantity of cobalt 60 now in use in the U.S. (approximately 350,000 curies).

International air cargo movements to and from the United States in 1965 will be equivalent to moving 328,110 tons between Bombay and New York City, according to a forecast made by an American air transportation expert, Mr. Stanley E. Brewer. International air cargo moved to and from the United States in 1965 will be more than ten times the quantity moved in 1956. The rate of growth of U.S. international air cargo for the period 1961 to 1965 will be between 27 and 32 per cent. per year, according to a forecast by Mr. Brewer. The Brewer study states that the air cargo potential is greater in the U.S. international market than in the U.S. domestic market because of the longer distances to cover and the slower speed of competing forms of transportation.

PERSONAL

MR. A. R. H. Ismail, a Bombay City business man, has been appointed Consul for the Dominican Republic in Bombay.

Mr. J. N. Sen Gupta has joined the Forward Markets Commission as a member. He was a member of the Trades Sub-Committee of the National Planning Committee set-up by the Indian National Congress in 1939-40.

Mr. Gopala Menon, India's Consul-General in New York, has been elected President of the 68-member Society of Foreign Consuls at its annual meeting. Mr. Menon was Secretary of the Society last year.

Mr. M. Ganapati, till recently General Manager of the Western Railway, left Bombay for Rourkela on Wednesday last to take up his new appointment as Resident Director of the Rourkela steel plant.

Dr. H. J. Bhabha, Chairman of the Atomic Energy Commission, returned to Bombay from Paris on Friday last after attending the meeting of the U.N. Scientific Advisory Committee on Peaceful Uses of Atomic Energy held at Geneva last month.

Mr. R. Venkataraman, Minister for Industries and Labour, Government of Madras, is the leader of the Indian Delegation to the 42nd session of the International Labour Conference, which commenced at Geneva on 4th June. The other members of the delegation are: Mr. L. N. Mishra, M.P., Parliamentary Secretary to the Minister for Labour and Employment (Government), Mr. Babhubhai M. Chinai, M.P. (Employers' group) and Mr. G. Ramanujam, President, I.N.T.U.C. (Workers' group).

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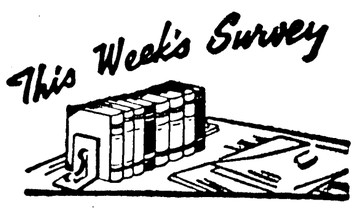

RELIEF TO TEA INDUSTRY

THE Government of India has at last granted some relief to the Indian tea industry, which is overburdened with heavy taxation and is at the same time facing increasing competition from other countries which have a lower cost of production than India. It has thus reduced by 50 per cent., that is, from Rs. 4 per 100 lbs. to Rs. 2, the cess on export of tea with effect from the 1st inst. Simultaneously, the Government has halved the excise duty on tea leviable at the factory stage with effect from the same date. While the former relief is intended to promote exports of Indian tea, the latter step is expected to promote internal consumption. The cut in export cess, it is stated, is only a temporary relief, effective for two or three months, till the Government is able to formulate a scheme of giving relief to the tea export trade on a permanent basis. It is common knowledge that the tea producers, particularly those of common tea, have been asking for a reduction, if not the abolition, of export duty on common tea, which constitutes the major portion of India's tea output. While the Government in recent months has given expression to its appreciation of the tea industry's difficulties and has promised some relief, it has not been able to announce immediately a reduction in export duty, particularly on common teas, consequent on the difficulty of ascertaining what is "common tea."

Announcing the decision to give the aforesaid relief, the Government, in the course of a Press note, says:

"The question of affording some relief to the tea industry has been engaging the attention of the Government. It has not, however, been possible yet to devise a scheme by which a greater quantum of relief is secured by the producers of the common teas as distinct from the superior categories.

"Pending a further study of this problem, which is bound to take some time, in order to provide some immediate relief the Government of India has decided that the excise duty on teas which are not used in the manufacture of packaged tea should be reduced to half anna per pound (lb.); and the cess of Rs. 4 per 100 pounds levied on teas exported outside India under the provisions of Section 25(1) of the Tea Act, 1953, should be halved."

The present rate of excise duty is one anna on internal loose tea and As. 4 per lb. for packet tea up to 60 lbs. packet. These rates of duties were brought into effect on 15th April 1953, as against a flat rate of As. 3 per lb. on all teas which prevailed earlier. In reducing the export cess from Rs. 4 to Rs. 2 per 100 lbs., the Government has restored it, albeit temporarily, to the level which prevailed before 25th November 1954, from which date it was raised to Rs. 4. The year 1954, it will be remembered, was a boom period for the tea industry and the Government wanted to share the prosperity of the industry. Accordingly, it raised the export duty on tea from As. 4 to As. 7 with effect from 3rd October 1954. This was followed by the increase in export cess from 25th November 1954. On 7th January 1955, the Government once again raised the export duty to As. 10 per lb. Along with this increase, the Government announced its intention to introduce a slab system of export duty on lines adopted in Ceylon. The slab system of export duty came into effect from 1st March 1955 and remains in effect till date, but the slabs were modified on 1st April 1956, as the following table shows:

Price per lb.	*Duty per lb. from 1-3-1955*	*Duty per lb. from 1-4-1956*
	As.	As.
Up to Rs. 2-8 ..	4	4
Rs. 2-8 to Rs. 3-4 ..	6	6
Rs. 3-4 to Rs. 4 ..	8	
Rs. 4 to Rs. 4-12 ..	10	10
Above Rs. 4-12 ..	12	12

The price of tea for the purpose of determining the export duty for a particular month is fixed by the Government on the first of that month on the basis of "world price" which prevailed in the preceding month. The main defect of this system of export duty is that all varieties of tea irrespective of the prices fetched by them have to bear the same rate of duty.

As the bulk of India's production consists of common tea, the average prices fetched in the export and internal auctions in recent years have fallen within the lowest slab. Thus, in 1957-58, the average price realised in the Calcutta export auctions was Rs. 2.10 per lb., as against Rs. 2.37 in 1956-57, Rs. 2.03 in 1955-56 and Rs. 3.09 in 1954-55, with the result that the burden of export duty has proved to be heaviest on common teas which fetch much below the general average and which are becoming increasingly difficult of sale in world markets. While the cost of production of these teas has also grown substantially, the African countries, which are able to produce at a much lower cost, are successfully competing with Indian teas. To give relief to tea producers in India, the tea growers had suggested two alternative measures: (1) to levy export duty on an *ad-valorem* basis or (2) to fix the price for the purpose of levying export duty on the basis of the averages of Calcutta and Cochin sales, instead of on the basis of the London price. The Plantation Enquiry Commission suggested that the previous six months' weighted average price of Indian tea sold in the London auction might be taken, instead of determining the weighted average of the preceding month's auctions in London. None of these suggestions were acceptable to the Government of India.

There has, however, been a welcome change recently in the Government's attitude towards the industry and has promised to give some relief in export duty, but the main difficulty lies in evolving a practical definition of "common teas." The Government has not, of course, given up the idea of studying the problem. It has thought fit, in the meantime, to give an interim relief, as stated at the outset. The falling level of foreign exchange earnings has obviously prompted the Government to provide some reliefs to the industry. In 1957, India exported 447 million lbs. of tea valued at Rs. 107 crores, as against 523 million lbs. of the value of Rs. 143.3 crores in 1956 and 367 million lbs. (Rs. 113.53 crores) in 1955. It will thus be seen that, though the quantity exported in 1957 was higher than in 1955, the foreign exchange earnings were Rs. 6.5 crores lower. It is to be hoped that the Government will be able to work out a rationalised system of export duty before the next session of Parliament commences, when a Bill based on the system can be introduced and passed.

PRODUCTIVITY

The commendable awareness of the importance of productivity as a factor contributing to higher production and better living standards shown by both employers and labour union leaders augurs well for the success of the productivity movement in India. As the experience of other countries, notably that of Israel, has shown, the movement can succeed only if productivity-consciousness seeps through every section of the community and an attitude receptive to the idea of higher productivity develops among workers, employers and the general public. It was this realisation that led to the establishment by the Government last year of the National Productivity Council. The Council, as is well known, is intended to be a central institution for stimulating productivity-consciousness and for organising training programmes in the technique of productivity improvement. It is proposed to set up 15 local productivity councils which will be the main vehicles for propagating productivity concepts. A few local councils have already been established.

Inaugurating a meeting of employers and employees convened to discuss the formation of the Madras Productivity Council, Mr. R. Venkataraman, the State's Minister for Industries and Labour, underlined the importance of higher productivity and indicated some of the methods of achieving it. He also drew attention to certain essential prerequisites for the success of the productivity drive. He maintained that higher productivity was one of the major factors which could make the Plan a success.

The Minister rightly emphasised that, if higher productivity were to be achieved, it was necessary to secure the most effective utilisation of men, materials and machines. That these are not being put to the optimum use and that there is scope for improvement in their utilisation was pointed out by Dr. Pabst, U.N. Technical Assistance Expert on statistical quality control, who recently made a survey of Indian industries. According to him, a 20 to 50 per cent. increase in output could be achieved, without any expansion in plant capacity, by a rational balancing of machines and facilities, by specifying and holding to standards and optimum utilisation of materials. By increasing the operational efficiency of existing factors and industries higher production could be achieved and capital investments on new units could be saved.

An important factor to be reckoned with, in introducing high productivity techniques in industries. is the attitude of labour. As. Mr. Venkataraman pointed out, since the problem is one of human relations it requires cautious and careful handling. Labour should be made to feel that its interest will not be harmed. The fear of unduly high level of expected work performance, unemployment and doubts as to the other consequences of increased productivity should be removed from their minds. Oftentimes, labour's opposition springs from exaggerated fears of the effects of higher productivity on employment. The assurance given by the Government of India that surplus labour resulting from higher productivity would not be made to suffer should dispel these fears. It is good to remember that the scheme can succeed only in a climate of good employer-employee relations. This is the reason why the I.L.O. Productivity Mission to the underdeveloped countries is careful to see that the technique of productivity improvement is introduced only in industries or units having reasonably satisfactory labour-management relations.

The drive for higher productivity may have to face many obstacles but the goal is worth striving for. Higher productivity and higher standards of living go hand in hand. As J. B. Shearer, Chief of the I.L.O. Productivity Mission to India observed, "the higher productivity approach is the cheapest way to increase the standard of living."

TONING UP ADMINISTRATION

It is a truism that the success of any scheme for economic development will depend to a very great extent on the way in which those who are in its charge implement it. In the present context of the increasing scope and tempo of commitments under the second Five-year Plan, the need for maintaining efficiency, integrity and economy in administration cannot be stressed too strongly. This is possible only if each executive devotes continuous attention to the problem. Viewed thus, the Prime Minister, Mr. Jawaharlal Nehru, has, indeed, done well to urge his colleagues in the Government personally to keep in touch with the work of the Organisation and Methods Division as part of the general drive to improve the speed and efficiency of the administrative machinery. A communication to this effect is reported to have been addressed to Cabinet Ministers and Ministers of State in the Central Government.

Thanks to the growth in the magnitude and complexity of Government business, as well as to the importance of taking quick decisions, greater attention has been given in recent years to administrative organisation, as witness the setting up of the Organisation and Methods Directorate in the Central Cabinet Secretariat sometime ago. Although some improvement has taken place since the time the Directorate was set up, there are still, as Mr. Nehru is believed to have pointed out, too many instances of avoidable delay, neglect, and faulty planning and execution, especially in matters which require joint or co-ordinated action by several Ministries or Departments. How else can one explain the liberalisation of import restrictions during the years 1955 and 1956 and the issue of large licences for a variety of merchandise? It is the lack of co-ordination (of policies) and co-operation (in their administration) among the various ministries as a whole and the Planning Commission that has been responsible for the present none too happy position on the foreign exchange front. Otherwise, it is difficult, as this journal stated on an earlier occasion, to understand why, during the years 1955 and 1956, the Finance Ministry remained silent when heavy import licensing was going on and why the Planning Commission did not act promptly in warning the public and the authorities.

Mr. Nehru has drawn special attention to the delay in execution which is one of the chief reasons for waste and misdirection of resources. The delay in execution, in turn, is attributed to delay in according sanctions. It is needless to say that the remedy for this lies in greater decentralisation, so that each Ministry is made more responsible for carrying out its project

than it has been in the past. Mr. Nehru has also made special mention of the activities of the Administrative Vigilance Division created in 1955 for the maintenance of integrity in public administration. His review reveals that in 1957, as many as 578 preliminary enquiries and 483 regular cases were registered. These involved 180 gazetted officers and 684 non-gazetted personnel. Convictions were secured against 84 Government servants and 247 other Government servants were punished departmentally. The officers against whom action was successfully taken included a Secretary to the Government, a Joint Secretary, other heads of departments, senior officers of Railways and of the Supplies, Central Public Works and other departments. It is to be hoped that these stern measures will be reflected in a significant improvement in the integrity of the services.

SOUTHERN ZONAL COUNCIL

Ootacamund was the venue of the third meeting of the Southern Zonal Council, inaugurated by Mr. Govind Ballabh Pant, Union Home Minister, on the 1st inst. The Zone, it will be recalled, came into being in July last and consists of four States, namely, Andhra Pradesh, Kerala, Madras and Mysore. It covers an area of 248,130 sq. miles and a population of about 99 million, representing nearly 25 per cent. of the country's entire population. The Council has been set up, as in the case of the four other Zonal Councils, primarily with the object of bringing the contiguous States on a common platform for considering the administrative and economic issues of mutual interest.

Inaugurating the meeting, Mr. Pant expressed particular satisfaction at the improvement in the food position since the Council met last (in September 1957). He observed that, although the Southern Zone for rice had been in existence for less than a year and despite some stresses and strains, the overall result of movement control had been to stabilise the price level and to make surplus foodgrains available to areas where it was needed most. Incidentally, he disclosed that the Union Government had agreed to supply 12,000 tons of rice per month to Kerala during the three months, May to July 1958. Mr. Pant, however, made it clear that the Centre, despite pressing demands from States was rather unable to supplement the available rice stocks, in view of the serious difficulties involved in importing rice. He made a fervent plea for stepping up rice production in the Zone locally, especially in the coastal districts which can be fertilised by the maximum utilisation of Andhra rivers and in the dry belt in South India bordering the eastern side of the Western Ghats.

One of the most effective ways of raising food production lies in harnessing water resources within the Zone on a co-operative basis. Stressing this aspect, Mr. Pant alluded to the willingness of the Andhra Government, from the very inception of the Council, to make available the Krishna and the Godavari waters for irrigation and water-supply in north Madras. According to him, among the three river basins —the Chalakudy, the Periyar and the Pamba— the claims of the areas to the east and west of the ghats and the Chalakudy river basins have already been investigated by the joint team of engineers from Madras and Kerala. The Periyar river is being used for both irrigation and power. As he stated, it will also be worthwhile to investigate the possibility of utilising the available waters of the Pamba basin in the interest of both the States. The Home Minister did well to emphasise that, in the proposed discussions between the Chief Ministers of Kerala and Madras, adequate consideration would be given to the alternative ways in which these waters could be used and that the guiding consideration in choosing between the various alternatives would be the overall effects on the economy of the Southern Zone as a whole, rather than that of individual States.

Speaking in general terms on the progress made by the South as a whole, Mr. Pant said that the emphasis in the area had recently been on economic development. In particular, he referred to Madras, Visakhapatnam, Kundah and Neiveli, where one saw evidence of expanding developmental activity and promise for the future. He noted that expansion was taking place not only in the public sector but also in the private sector. He claimed that the rate of formation of new companies in the States represented on the Southern Council had increased in the last two or three years. This may be true, but the pace of expansion would have been more appreciable but for the unhelpful official policies and heavy fiscal burdens.

At the end of its meeting, the Council resolved to get a proposal for the setting up of a regional grid, linking the power systems of the constituent States, examined by a technical committee. It also approved the scope and procedure of the work of the Manpower Planning Committee, appointed earlier by the Council. At the request of the Committee, the State Manpower Officers have taken up the examination and assessment of the existing position in respect of skilled manpower, as also the review of the available training facilities with a view to exploring the possibilities of improvement and additions to training arrangements.

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FOREIGN CREDIT FACILITIES

F.I.C.C.I.'S SURVEY PROVIDES BASIC INFORMATION

From Our Special Correspondent

NEW DELHI, *3rd June*

DELHI LETTER

THE Federation of Indian Chambers of Commerce and Industry (F.I.C.C.I.) has just issued what it calls "a survey" of foreign credit and exchange for the private sector. This, however, is no survey in the sense of an estimate of the private sector's requirements of foreign exchange for its projects under the second Plan and of the extent to which they have been met up till now. What, on the other hand, is given in the Federation's *Survey* is basic information to Indian businessmen about "the various institutions and facilities that are available in regard to obtaining foreign exchange and credit for purposes of financing the importation of capital goods."

The foreign agencies and the facilities available from them alone are covered in this despatch. The leading lender is the *International Bank for Reconstruction and Development* which has, up to the end of 1957, provided loans to the tune of $194 million to the private sector (as against $163 million to the public sector) in India. Recently, the Bank has also sanctioned two loans ($43 million) to the public sector for improving port facilities at Calcutta and Madras. The periods for loans secured so far vary from 11 to 20 years and the rate of interest ranges from 4¾ to 6 per cent. Private parties are eligible to get loans from the World Bank only if they are guaranteed by the Government of India and, that too, only in respect of fairly big projects.

The *International Finance Corporation* (with its headquarters in Washington, U.S.A.), on the other hand, requires no such Government guarantee or intervention. It deals directly with private businessmen and would finance only private enterprise. It can invest in productive private enterprises in association with private investors who provide competent management. This agency can finance either the expansion of an existing enterprise or the creation of a new one and deal with companies whose assets, after financing, equal at least $500,000. The I.F.C's investments will have the character of loans because they carry interest and also the character of share capital because they carry some right to participate in the growth of the business concerned. Another requirement is that a part of the investment should be in the form of convertible debentures or common stocks options. The rate of interest has to be negotiated in each case, and the usual period of the loan is from 5 to 15 years. It is noted that the rate of interest charged so far has been around 7 per cent. and the effective interest rate may work out higher because the I.F.C. has the right to convert its investment or part thereof into equity capital. No private enterprise project in India appears so far to have availed of the I.F.C's financing facilities.

The *Export-Import Bank of U.S.A.* (with its headquarters in Washington), in its lending operations, has the objective of stimulating American exports. The rate of interest charged varies from project to project but, by and large, it is comparatively less than the rate charged by other sources. The loan periods range from 1½ to 15 years. And the credit obtained has to be used for purchasing American equipment. It is noted that, in 1957, an Indian manufacturing concern secured a credit of $1.8 million from the Bank. Since then, the Bank has announced a credit of $150 million to India for financing the purchase in America of capital equipment, machinery and technical services needed by India in the 12-month period (1958-59) for projects in both the public and private sectors.

With the conclusion of this loan agreement with the U.S. Export-Import Bank, it is stated, the possibilities (to the private sector) of obtaining further funds directly from the Bank are limited. This means that private parties in India may have to be mostly contended with that small part of the $150-million credit made available under specified broad heads, namely, engineering, chemical, cotton textile, automobile and coal mining industries, and purchase of machine tools. As far as these industries are concerned, private parties would be given import licences without any conditions regarding deferred payment. The applicants for import licences under this credit arrangement would have to mention the total estimated f.o.b. value of equipment to be purchased in the U.S.A. Payments would have to be made for imports by the purchasers on normal trade account, and the Government of India will then seek reimbursement from the Export-Import Bank.

The Development Loan Fund, operated by the U.S. Government, does not give grants or purchase equity securities. Financing from this Fund is available for projects in underdeveloped countries only, preference being given to private enterprise and to projects which are unable to obtain finance on reasonable terms from other sources including private investment, the Export-Import Bank, the World Bank and the I.F.C. For extending loans, guarantee of repayment by Government is not necessarily required. However, loans for private investment from the Fund will not be made if such investment is unacceptable to the Government of the country in which the investment is proposed. The project for which financing can be proposed must have a total value of $500,000 and the minimum amount for which a loan may be requested is $100,000.

The Government of India has recently entered into an agreement with the Fund for obtaining a credit of $75 million from this source in the 12-month period 1958-59. Out of this, the private sector will have up to $5 million for equipment purchases necessary for the modernisation and expansion of the jute industry. As there are some cement units in the public sector, it is not clear whether the other allocated sum of $5 million would be available exclusively to the private sector for equipment purchases necessary for the expansion of the cement industry. On the other hand, it looks as though the sum of $25 million (allocated from the said $75 million Fund Credit) for the assembly of trucks, jeeps and bus components into complete units would be available mostly to the private sector. These credits (aggregating $35 million) would bear interest at 5¼ per cent. and have to be discharged in 30 semi-annual instalments, beginning from March 1959, possibly in rupees. The other part ($40 million) of the credit is intended for railways; it carries interest at 3½ per cent. and is repayable in 40 semi-annual instalments It is emphasised that although private parties can directly approach the Fund or apply to the T.C.M. in India, in this case (that is, the $75-million credit) they would have to apply to the Government of India.

The Commonwealth Development Finance Company, Ltd. (with its headquarters in London) primarily helps the financing of private enterprise. According to circumstances it may make a direct loan, take up debenture-stock or subscribe to equity capital or it may combine all these forms of investment. In appropriate cases, it can underwrite or guarantee an issue. The loans given by the Company are not tied to expenditure in the sterling area. Normally, the Company does not deal in amounts less than £250,000. The Company has so far taken up about 20,000 shares of Rs. 100 each in the Industrial Credit and Investment Corporation of India.

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A TALE OF TWO COUNTRIES

From Our Own Correspondent

LONDON, *31st May*

LONDON LETTER

DOMESTIC news in the City after the Whitsun holiday could not be duller, even the long-term problems are being shelved with the thought of the coming Commonwealth Economic Conference in September. That Conference will discuss the hardy annuals—strengthening sterling, promoting dollar exports and investing in the more backward parts of the Commonwealth. The industrial ordinary share index stands only a fraction higher than just before the holiday and 2 per cent. higher than a couple of months ago, but no one expects it to climb in the foreseeable future to the levels of last September. Government securities stand fractionally higher than the September level as a result of the Bank rate cuts.

The one item of City interest which will be with industrial companies for the whole year ahead is the effect of the change in the method of taxing undistributed profits. Hitherto, these have borne a special tax of only 3 per cent., while distributed profits have borne 30 per cent. Under the Budget arrangements, all profits will bear 10 per cent. and several progressive companies, which have been making 100 per cent. on their capital, and ploughing it back into expanding businesses paying only 3 per cent. additional tax, will now find that their tax bill goes up and they have no financial advantage in not pushing up their dividends. The net effect, of course, is going to be some increase in dividend distributions, but what the benefit of that to the economy is supposed to be as against capital investment, no one is very clear.

With the lack of City news proper, the twin topics of national interest have been the developments of the bus strike in London and the not immediately economic but highly significant revolution in France. As for the bus strike, the employers and the union are having sporadic, but so far completely fruitless, meetings, with the Government hovering uncertainly on the side-lines saying it doesn't want to intervene unless there is complete deadlock. Meanwhile, the Transport Workers Union, having made an abortive attempt to get the London Underground Railway men on the side of the bus men, are now having a go at the petrol distribution workers in the London area. The Trades Union Congress is doing its best to dissuade the Transport Workers' Union from pressing on with this line, but the Government's step in getting troops standing by to take over petrol distribution has done nothing to help. The T.U.C. likes to fight its battles according to certain gentlemanly rules, one of which is that, without provocation, it does not seek to bring unions other than those directly involved in a dispute into the battle; but it likes handling these things on its own and does not welcome Government intervention. Indeed, there is nothing so likely to make the trade union organisations as a whole behave awkwardly than a threat of Government intervention at the wrong time. The Government, of course, can always come in, if there is no hope of settling whatever the problem is in other ways.

As for France, until the last few days there has probably been more interest in this country than in France herself. The British Press has given priority coverage to the developments in France and has attempted to explain to its readers the significance of what was going on without trying to paint the whole picture in black and white. The return to power of General de Gaulle is seen as the end of parliamentary government in France, since the General plans to put Parliament into cold storage for a year, while he handles affairs directly and proposes changes in the constitution. These changes would, it is feared, mean the end of government by parliament indefinitely.

The French have caught themselves in a net of their own weaving; government by Parliament has been in disrepute since the parties have never been able to combine sufficiently for effective government. The country has been unable to see the need for a liberal outlook in colonial affairs and the breaking up of the French Empire in Madagascar, Indo-China, Morocco and Tunisia has been evidence of this. As for Algeria, enlightened Frenchmen realise

(*Continued on page 1100*)

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GOVERNMENT'S BORROWING PROGRAMME

ESTIMATES COMMITTEE'S SUGGESTION

AN important source of internal finance on which much reliance is being placed for carrying out the second Five-year Plan is the net receipts of borrowing from the public. Out of the total estimated requirements of Rs. 4,800 crores for the Plan, it was planned to borrow from the public to the tune of Rs. 700 crores during the second Plan period, that is, at an average of Rs. 140 crores per annum. This meant that the annual receipts from this source will, on an average, be about 40 per cent. higher than they had been before the beginning of the Plan period. While the Planning Commission did not consider this target as an over-ambitious one, it was conscious of the fact that maturities during the second Five-year Plan aggregated Rs. 430 crores, so that the gross borrowings over the five-year period would have to be of the order of Rs. 1,130 crores. In view of the anticipated brisk demand for funds in the private sector, the Planning Commission did not consider the task of mobilising a net amount of Rs. 700 crores for public investment as easy of fulfilment.

As against the original target of Rs. 140 crores per annum, the actual public borrowings during the first year of the Plan amounted to Rs. 141 crores and Rs. 72 crores in 1957-58. The budget estimates of borrowing in 1958-59 were placed at Rs. 137 crores. Though the borrowing programme for 1958-59 is higher than in the previous year, the Planning Commission, in its *Appraisal and Prospects of the Second Five-year Plan*, has emphasised that the performance in the coming years will have to be even better if the Plan targets in this respect are to be reached.

Parliamentary Control

In view of the importance of public borrowing in the larger financial management of a democratic government, in general, and in the financing of the second Five-year Plan, in particular, the question arises how far Parliamentary control should be exercised over the Government's borrowing programme, which is carried out by the Reserve Bank. This question has been discussed in some detail by the Estimates Committee in its latest report on Budgetary Reform. The powers of the Government of India regarding borrowing are conferred by Article 292 of the Constitution which lays down:

"The executive power of the Union extends to borrowing upon the security of the Consolidated Fund of India within such limits, if any, as may from time to time be fixed by Parliament by law and to the giving of guarantees within such limits, if any, as may be so fixed."

Article 292 of the Constitution thus provides for the enactment of a law fixing the limits of borrowing, as well as for giving guarantees by the Government. But so far no such law has been enacted. This question of enacting a law for this purpose has no doubt been discussed by the Government of India on a number of occasions, but the Government has not thought it necessary or advisable to introduce any legislation on the subject. The main grounds for such a decision of the Government, according to the Estimates Committee, are:

(1) The enactment of law under Article 292 is permissive and not mandatory.

(2) The extent of Government borrowings including deficit financing, if any, is clearly indicated in the budget documents and is, in effect, determined by Parliament in approving the budget.

(3) Government is functioning within a Plan which has been approved by Parliament. The Plan contemplates deficit financing of a substantial order. The annual budget is merely a projection of the approved Plan in the light of the requirements of that year. Thus, the Government borrowings in a year are regulated within the limits provided in the budget for the execution of the Plan.

(4) The limits, if any, to be imposed by law must necessarily cover both the market borrowings as well as the extent of deficit financing. They will thus have to be sufficiently high. While wide limits would provide no real checks, narrowing them would be impracticable.

(5) In a system of Government responsbile to Parliament where Government policies including borrowings are governed by and regulated under the wishes expressed by Parliament imposition of limits on borrowings by law would hardly offer any additional safeguards.

The Estimates Committee is inclined to concede that, from the point of view of practical considerations, it might be difficult to fix rigid limits on borrowings by Government, at least in the present developmental stage of economy. Nevertheless, it is of the view that "it is desirable that the Government should report to Parliament every time it goes in for borrowing." It adds: "Further, the details of the individual borrowing might also be brought to the notice of Parliament both before going to the market and after."

Difficult to Appreciate

It is rather difficult to appreciate the point of view of the Estimates Committee. In the first instance, Parliament is informed of, and its approval sought for, the Government's borrowing programme for each year when the budget is discussed and passed. It, therefore, serves no additional purpose if the Government is asked to inform Parliament of its borrowing programme again. Secondly, the details of the loan or loans and the timing thereof are decided by the Reserve Bank of India in the light of the prevailing market conditions. For instance, this year, the Central Government came to the market two months earlier than last year, because it found that the money conditions were much easier than in 1957. Last year, it was early in August that the Government entered the market and in 1956 it was in July, when Parliament was not in session. The Government and the Reserve Bank must be permitted the necessary freedom to decide the details of the loan programme and also time its announcement. Is it not enough if Parliament knows and approves the outline of the Government's loan programme? The Government cannot certainly be expected to announce the details of the loans in advance. There can be no harm in announcing the details after the borrowing is over, but even in this case, no useful purpose will be served unless the Government announces the extent of support the Reserve Bank of India and the State Bank of India had to give to the loan programme. Surely, the Reserve Bank, as the custodian of the Government's public debt, can be trusted to exercise all necessary vigilance in implementing the borrowing programme once it has been approved by Parliament.

U.S. DEVELOPMENT LOANS

The United States Government has announced plans for eight loans from the Development Loan Fund, amounting to $39,386,000 for economic development in Ceylon, Pakistan, Turkey, Israel and the Nationalist Republic of China. Three of the loans aggregating $6,386,000 are for the Republic of China on Taiwan; two amounting to $2.5 million for Ceylon; one of $15 million for Israel, one of $5.5 million for Pakistan, and one of $10 million for Turkey. The formal agreements for these loans are expected to be executed in the near future.

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CORRESPONDENTS ALL OVER THE WORLD

These loans bring the total of authorised loans announced under the D.L.F. programme to $119,386,000. The Fund was established last year by the Congress to help finance economic development projects in the newly developing countries of the free world and to encourage the participation by private investment and enterprise in the development of these areas. The funds to be made available under the loans to be granted to the five countries will be used to assist them, both through private enterprise and governmental operations, to finance the purchase of equipment and materials needed for a varied list of development projects.

Terms of the loans will vary according to the type of the agreement being negotiated. Details of the loans being authorised are as follows:

Ceylon.—$1.6 million to assist in financing the purchase and import of equipment and materials for irrigation and land development and for the rehabilitation of reservoirs damaged by severe floods last winter. This loan would be repayable over a period of 20 years. $800,000 to assist in highway maintenance and development, repayable over 10 years.

Republic of China.—The three loans being authorised for economic development in the Republic of China include $3.2 million for the Taiwan Railway Administration, $2.5 million for the Asia Cement Corporation and $686,000 to the Land Bank of Taiwan for fisheries development.

Israel.—The $15 million loan authorised for the Government of Israel will be used to assist in financing the import of equipment and materials for development in electric power, transportation, industry, agriculture, quarrying, mining and public works. A substantial amount of the equipment being financed will go to private business. The loan would be repayable in 15 years.

Pakistan.—A $5.5 million loan is being established to assist the Government of Pakistan in financing the import of equipment and materials for use in connection with building a better water-supply and sewage disposal system for Karachi, the capital. The sum will be supplemented by the equivalent of $8.4 million in United States-owned Pakistani rupees received from the sale of surplus American agricultural commodities which will be loaned to Pakistan to meet local currency costs relating to the project. The total loan would be repayable over a period of 30 years.

Turkey.—The authorised loan of $10 million for Turkey is for the Industrial Development Bank of Turkey to assist this institution in financing loans to meet foreign exchange costs of private industrial development in Turkey. This loan would be repayable over a period of 10 years.

GIFT TAX ACT, 1958

The Gift Tax Act received the assent of the President on 15th May 1958. The Act is deemed to have come into force on 1st April 1958. The Gift Tax rules framed by the Central Board of Revenue under section 46 of the Act have been published in the *Gazette of India*, dated 31st May 1958. The rules also take effect from 1st April 1958.

Gift tax is payable by individuals, Hindu undivided families, companies, firms or associations of persons on the value of taxable gifts made by them during the previous year which would generally be the same as for income-tax assessment. In respect of the first assessment under this Act, that is, for 1958-59, gift tax is payable only on those gifts made on or after 1st April 1957, whatever be the previous year. In order to arrive at the figure of taxable gifts from the total value of the gifts made during a previous year, the various items of gifts exempt under section 5(1) of the Act should first be deducted. If the balance exceeds Rs. 10,000 in one previous year, the excess constitutes the value of taxable gifts on which the donor will have to pay the tax at the rates mentioned in the Schedule to the Act.

Every person who has made any taxable gift during the previous year is required to submit a return of his gifts before 30th June of the corresponding assessment year. The returns of gifts for 1958-59 have, therefore, to be furnished to the Gift Tax Officer before 30th June 1958.

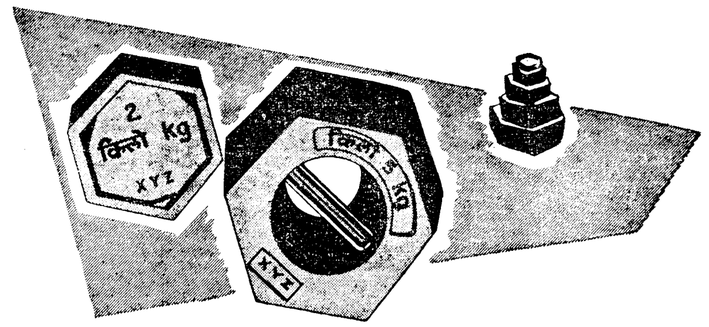
The Government of India has decided to allow the State Governments to retain the whole proceeds of the market loans that they may float in the current. Announcing this, a Ministry of Finance Press note says:

"Last year, when it was decided that two-thirds of the net proceeds from small savings should be released to the States for development purposes, it was the intention that, if, during a year any State Government went in for market loans, a third of its borrowing from this source should be set off against the State's share of small savings. The Finance Ministry has since reconsidered the matter in consultation with the Planning Commission and it has been decided that the States may be allowed to retain the whole of the proceeds of market loans that they may float in the current year."

Central loans of the order of Rs. 980.52 crores were outstanding against the States, as on 31st March 1957, according to a Survey made by the Ministry of Finance. The highest amount due from any single State was from the Punjab which owed the Centre a sum of Rs. 192.84 crores. The loans outstanding against West Bengal and Uttar Pradesh amounted to Rs. 153.55 crores and Rs. 114.98 crores, respectively. The dues from other States were: Andhra Pradesh Rs. 62.15 crores; Assam Rs. 22.24 crores; Bihar Rs. 62.94 crores; Bombay Rs. 86.42 crores; Kerala Rs. 11.54 crores; Madhya Pradesh Rs. 48.21 crores; Madras Rs. 84.01 crores; Mysore Rs. 23.54 crores; Orissa Rs. 78.93 crores; Rajasthan Rs. 34.20 crores and Jammu and Kashmir Rs. 4.97 crores.

CHANGING OVER TO

THE METRIC SYSTEM



India has at present no common system of weights and measures. There are not less than 143 systems in use. This multiplicity gives room for malpractices. The introduction of a uniform system throughout the country based on Metric Weights and Measures will be very convenient and make calculations extremely easy, especially because the country has already adopted the decimal coinage. The Standards of Weights and Measures Act, 1956 has laid down the basic units under the metric system. The reform will be gradual so as to cause minimum inconvenience to the people.

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PROBLEMS OF COTTON MILL INDUSTRY

ENQUIRY COMMITTEE SET UP TO SUGGEST REMEDIAL MEASURES

SOON after we went to press last week, the Union Ministry of Commerce and Industry announced the setting up of a Committee, with Mr. D. S. Joshi, I.C.S., Textile Commissioner, as Chairman, to enquire into the various problems confronting the cotton textile industry and to suggest remedial measures The Committee has been asked to study, among other things, the issues relating to rated capacities, incidence of different elements of cost in the different parts of the country, finance, modernisation of machinery, management efficiency and production patterns. It has also been asked to make a reassessment of the phased requirement of cotton piecegoods for both domestic consumption and export.

The Commerce and Industry Ministry has certainly done well in not only broad-basing the terms of reference of the Committee but also choosing as members persons who have an intimate knowledge of the textile industry's affairs. The Committee thus consists of Messrs. D. G. Karve, N. Majumdar, Kanhaiyalal Mehta, Padampat Singhania, Krishnaraj M. D. Thackersey, S. R. Vasavada, R. Venkataswamy Naidu, and K. R. Aravamuthan (Member-Secretary).

The Committee has to address itself to a very difficult task. The cotton textile industry, as this journal has pointed out on more than one occasion in the recent past, is facing a crisis of great magnitude, as witness the accumulation of stocks, decline in exports and curtailment of production. The aggregate stocks of cloth held by mills as on 10th May 1958 were 705 million yards (including the 255 million yards of cloth sold but not lifted by the trade). Although this quantity is less than that held in the previous months, it is nevertheless quite large. The heavy stocks of cloth have caused untold hardship to mills, especially to the marginal units, inasmuch as the carrying of stocks entails a financial burden, not to speak of the pressure on their storage space. Over Rs. 46 crores of finance, it is said, has been locked up consequent on the heavy accumulation of stocks, imposing a severe strain on the finances of mills. The position in respect of stocks would have been worse but for the distinct setback in production of late. The quantity of cloth that actually came off the looms of mills in the four months ended April 1958 was only 1,641 million yards which compares unfavourably with 1,836 million yards in the corresponding period of 1957. The drop in production has followed the complete closure of 26 mills and the cutting down of production operations by another 37 units. Exports of cloth have also suffered a setback. Total exports of mill-made cloth are now running at an annual rate of only 600-650 million yards, as against the actual exports of 850 million yards in 1957 and 744 million yards in 1956.

What is the aforesaid state of affairs in the cotton mill industry due to? For the answer to the poser, one has only to peruse the interesting speech made by Mr. Krishnaraj M. D. Thackersey, Vice-Chairman of the Indian Cotton Mills Federation, at the Federation's meeting with Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, recently, a reference to which was made in the course of an editorial two weeks ago (*vide* page 969 of *Commerce* dated 24th May 1958).

In brief, the crisis in the textile industry has been brought about largely by the impact of heavy taxation. The revenue from excise duty (inclusive of handloom cess) on mill-made cloth expected in 1958-59 amounts to Rs. 53 crores, as against Rs. 9.26 crores in 1950-51. In addition, the rates of additional excise duty in replacement of sales tax may yield a revenue of Rs. 22.87 crores on the basis of normal production, as against Rs. 19.16 crores which represented the sales tax collections of all the States. Following the replacement of sales tax by additional excise duty, the Bombay Government has withdrawn the concessions which were available to the industry in regard to purchase, free of sales tax, of its requirements of machinery, raw materials, stores, etc. As a result, the industry is called upon to bear an additional burden of about Rs. 2 crores. Similar is the position in this regard obtaining in States like Madhya Pradesh and Uttar Pradesh. Even fents are not spared from sales tax in these two States. There is also sales tax on yarn in U.P. What is worse, the Bombay Government has published a Bill seeking to abolish certain land tenures obtaining in the City of Bombay with a view to subjecting them to full revenue assessments. This again is calculated to impose a heavy burden on the mill industry in the City.

There are two other factors which have led to the crisis in the cotton mill industry. First, offtake of cloth continues to be low, thanks to high excise duty and the sharp rise in the prices of food and other commodities. Secondly, the cost structure of the industry is persistently rising, on account of increase in raw cotton prices, enhanced fuel and power cost, and rise in basic wages, dearness allowance and other direct or indirect benefits conferred on the workers by statute or otherwise. The rise in dearness allowance has been spectacular. The amount of dearness allowance paid to cotton mill workers in Bombay City for 26 working days during the month of April 1958 was Rs. 78.10, as against the average of Rs. 73.99 paid in 1957, Rs. 68.77 in 1956 and Rs. 64.81 in 1955.

The advance in the cost of production has not been accompanied by a corresponding advance in prices of cloth. On the contrary, several mills have had to reduce prices with a view to stimulating consumption. The result has, therefore, been, as Mr. Thakersey said, "continuous losses for a period extending over 20 months, which have thus created a big dent in the mill finances. The inevitable consequence of these losses is that production of cloth has been curtailed by putting certain looms out of commission, by closure of shifts and, in certain cases, by complete closures." If, in spite of the adverse conditions, many mills are trying their best not to close down, it is due to the fact that they are reluctant to undertake the commitments in respect of compensation and gratuity on retrenchment.

The foregoing account will clearly reveal that the malady of the cotton mill industry "is not just a superficial one but is deep-seated" and that "half-hearted measures will not go to help the industry to tide over the crisis." Emphasising this aspect, Mr. Thackersey put forward the following suggestions:

(1) Reasonable reduction in labour cost (this accounts for as much as 30 per cent. of the total cost) by scaling down suitably the dearness allowance payable to workers on the basis of recent family budget enquiries and more scientific method of collecting prices;

(2) revision in the rates of excise duty on mill cloth to a level which existed in 1955-56 when the Government collected Rs. 28.18 crores from the industry;

(3) change in the basis of levying excise duty from specific to *ad valorem* so as to make the incidence equitable according to the price and category of cloth, the *ad valorem* rates being fixed on tariff values of cloth fixed in terms of the Tariff Board formula (and not on wholesale prices, that is, contract prices);

(4) provision of some incentive designed to enhance the competitive capacity of the industry in the international textile market, especially in so far as coarse and medium varieties are concerned; a specific suggestion made here is that the Government should consider the measure adopted in Japan where exporting firms are allowed to deduct 9 per cent. of export earnings from taxable income;

(5) assistance to mills situated beyond a radius of 150 miles from the port towns in their export efforts through concessional freights, movement priority, warehousing facilities at ports, etc.;

(6) "very serious" efforts to grow longer staple cotton in India and to reduce the production of shorter staple cotton;

(*Continued on next page*)

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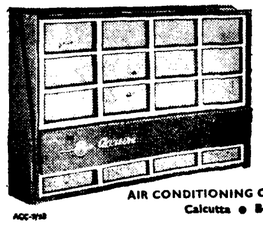

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OUTLOOK FOR TEXTILE INDUSTRY

MORE COMPANIES SEEKING NEW PRODUCTS AND OUTLETS

From A Special Correspondent

MANCHESTER LETTER

MANCHESTER, *28th May*

WITH the outlook for the Lancashire textile industry clouded by so many uncertainties, more companies are seeking new products and outlets in a bid to broaden their scope and buttress their foundations against whatever difficulties and problems may beset the cotton industry in the future. The search for new ideas is not confined to the small fry of the industry. Some of the best known names in the trade have joined in the hunt to diversify their interests, the latest to disclose its activities in this field being the British Cotton and Wool Dyers' Association, Manchester. Mr. Edgar Isles, the Chairman of this £2,000,000 group, revealed in his annual report a surprising development—the group's entry into the "high-class catering trade." A new subsidiary, Patisserie Coffee Houses Ltd., has been established as part of a policy of diversificaton.

Other Lancashire cotton firms have gone into engineering, plastics and dry-cleaning as an insurance against the dangers of having too many eggs in one basket. A growing number have also branched out into the tufted carpeting industry. One of these is Hayeshaw Ltd., the Lancashire cotton, rayon spinners and doublers. Mr. Richard H. Taylor, the Chairman, says that the introduction of new pattern-yarns, mainly for tufted carpets, has enabled the company to open new markets and increase output. He tells shareholders that the tufted carpet industry in Britain is still a young one and for this reason it was difficult to forecast with any accuracy the future level of activity.

Japanese Visitors

A team of eight millowners representing the All-Japan Cotton Spinners' Association has made a two-day visit to Lancashire for discussions in Manchester with leaders of the International Federation of Cotton and Allied Textile Industries.

The party is on an informal tour of Europe to study new developments in blended textiles. A spokesman said that they were eager to increase the consumption of blended fabrics on the domestic market in Japan.

International Talks

There has been widespread discussion in Lancashire on the reported statement of Mr. Kasturbhai Lalbhai, made at Bombay, that a "definite understanding" was reached during the recent three-nation talks in London on the ceiling of Indian textile exports to Britain. On the surface, this statement clashes with the official *communique* of the Cotton Board at the close of the conference that no agreement had been reached on the ceilings to be fixed, although both India and Pakistan had accepted the principle of a limit being set. The Indian delegation leader's statement when he returned home was at once discussed by Cotton Board officials with the leader of the Lancashire delegation, Sir Cuthbert Clegg. Later, a Board spokesman said: "The Board's statement of 13th May still stands. But although it has not been possible to arrive at a basis likely to result in an all-round agreement, consideration is still being given to a number of possibilities."

The spokesman added that no further information could be given at this stage about the nature of the "possibilities" now under consideration. But the Bombay message has at least rekindled hopes in Lancashire that a "gentleman's agreement" on the imported cloth problem might yet be reached. It is clear that the last word has not yet been said, in spite of the great disappointment among the majority of Lancashire traders at what seemed to be a negative outcome of the three-nation talks. Mr. Kasturbhai Lalbhai's view gives force to the views of those Lancashire trade leaders who refused to regard the conference as a failure.

Lancashire textile leaders are keeping a close watch on the duties operated by other countries on imports of cotton piecegoods. The industry has recently been represented at a number of overseas enquiries and Mr. D. C. Shaw, Director of the Statistics Department of the Cotton Board, left London by air at the week-end for Ottawa where he will appear as the United Kindom cotton industry's representative at the resumed enquiry by the Canadian Tariff Board into the current duties on cotton piecegoods.

A familiar figure to both home and overseas textile leaders will shortly disappear from the principal "shop window" for Lancashire textile designs—the Cotton Board's Colour, Design and Style Centre in Manchester. She is Miss Kathleen Glover who has been Secretary of the Centre for 18 years. During that time, visitors to the Centre have seen many thousands of Lancashire and overseas fabric in the scores of exhibitions which Miss Glover has helped to arrange.—*All Rights Reserved.*

The Sri Ram Institute for Industrial Research, Delhi, has recently developed a process to manufacture stable bath catalysts for amino plast resins for application in textile finishing. Amino plast resins are widely used to impart crease and shrink-resistant effects. These resins are applied as aqueous solutions and, to accelerate polymerisation in the fibre, catalysts are added to the bath. Two grades of catalysts have been successfully prepared with different modifiers. Batches of 30-40 lbs. have been prepared in the pilot plant and tested successfully on large-scale mill trials. The use of these catalysts does not involve any wastage of resin solution and the bath is stable for about 200 hours. Finish on the fabrics is uniform and the treated cottons show less impairment in tensile and tear strength. The treated fabrics have a softer handle. Manufacture of these catalysts is not costly and the raw materials are easily available.

(*Concluded from previous page*)

(7) permission to mills to import foreign cotton in larger quantities against exports of cotton textiles;

(8) assistance to mills which are in a position to change the pattern of production from coarser to finer categories of cloth to import their cotton requirements over and above the quota allotted to traditional users;

(9) ban on export of cotton of ¾" staple;

(10) abandonment of the proposed increase in the provident fund contribution from 6¼ to 8¼ per cent;

(11) suitable amendment of the provisions in the Industrial Disputes Act relating to payment of retrenchment compensation, so as to provide relief to mills which are in financial difficulties; wherever there is provision for gratuity, it should not be compulsory for them to pay retrenchment compensation as well;

(12) permission to mills to adjust their labour complement and to introduce other efficiency methods subject to general standards which should be laid down;

(13) provision of enlarged credit to cloth trade; and

(14) suspension for the time being of clauses 12(1) and 12(2A) of the Cotton Textiles (Control) Order which compulsorily require mills to sell certain fixed quantity of yarn.

The series of suggestions made by Mr. Thackersey are indeed interesting and merit the due consideration of the Cotton Textiles Enquiry Committee. How far and to what extent will the Committee favour the suggestions and commend them to the acceptance of the Government it is difficult to say. It must, however, be admitted that, since the cotton mill industry plays a vital role in the economy of the country as the producer of such an essential item of consumption as cloth, a source of employment to many thousands of workers, and contributor of large amounts of tax to the Central and State Governments, the situation calls for measures which will help reduce production costs and also for substantial fiscal relief.

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MR. B. M. KRISHNAN'S SPEECH AT ANNUAL GENERAL MEETING

REVISION OF FORMULA FOR LINKING CANE PRICE TO SUGAR PRICE URGED

THE Twenty-fourth Annual General Meeting of the Mysore Sugar Company Limited, was held at the Registered Office of the Company at Bangalore on Friday, 30th May 1958. The meeting was attended by a large number of shareholders and was presided over by Mr. B. M. Krishnan, I.A.S. (Retd.), Chairman and Managing Director of the Company. The following is the speech of the Chairman at the meeting:

"GENTLEMEN,

"I welcome you to the twenty-fourth annual general meeting of the shareholders of the Mysore Sugar Company Limited. The occasion is a particularly happy one, as we are meeting in the Silver Jubilee year of the Company. During 25 years of its existence, the Company has steadily progressed from strength to strength and has come to occupy a pre-eminent place in the sugar industry of the country. It has succeeded, in a remarkable degree, in satisfying the consumption potential of our State in respect of an essential commodity like sugar, enriched the Mandya District by generally improving the economic condition of the agricultural classes in the area, created wide range of employment opportunities and, above all, made substantial contributions to the Central and State exchequers.

"The report of the Directors and the audited statements of accounts for the year 1956-57 have been in your hands for some time and I shall, with your leave, assume that they may be taken as read. This meeting should, in the ordinary course, have been held a few months ago and, due to reasons beyond the control of your Directors, there has been some unavoidable delay. This will be appreciated when it is remembered that yours is a Government Company which is subject to certain special provisions regarding audit by the Comptroller and Auditor-General of India. With a view, therefore, to mitigating the inconvenience to shareholders from the delay in holding the meeting and the consequent delay in payment of dividend, your Directors have already declared and disbursed, in anticipation of your approval, the dividend of 20 per cent. which they have proposed in their report. Permit me to say that this action of your Directors meets with your approval.

"Sri S. Muninanjappa, I.A.S. (Retd.), who was the Chairman and Managing Director of your Company for the major part of the year 1956-57, relinquished his office on the 7th April 1957, on his appointment as the Managing Director of the recently nationalised Kolar Gold Mines. He was succeeded by Sri K. Thipperudriah, I.A.S. (Retd.), who has signed the balance-sheet, and, on his resignation, I took over as Chairman and Managing Director with effect from the 6th February 1958. Although I have been in office for only a short time, I shall, following the usual practice, say a few words about the position of the industry and the working of your Company.

A Disturbing Factor

"The year 1956-57 was a notable one for the sugar industry of India, when production of sugar reached a high level of 20.3 lakh tons, representing an increase of 1.7 lakh tons over the previous year's record. With the increase in the number of factories and the expansion of the several existing factories, already licensed, there is every reason to hope that production during the current year will register a further increase and that the second Plan target of 22.5 lakh tons of sugar will be easily achieved next year. But, the sudden expansion of the *khandsari* process of sugar manufacture in Northern India seems to be becoming a disturbing factor in the sugar economy of the country.

"Another creditable achievement of the industry was that India was able to enter the international sugar market as an exporter and earn valuable foreign exchange to the tune of Rs. 12 crores. The subsequent steep fall in world prices of sugar has, however, hampered the prospects of building up a permanent export market. And even if sugar is to be exported for earning the much-needed foreign exchange, the price to be paid becomes prohibitive. Considering both the immediate necessity and the long-range advantages of a regular export market for our sugar, the Indian Sugar Mills Association has submitted certain proposals to the Government of India for promoting exports on a subsidised basis and an early announcement of a sugar export policy on an all-India basis is now awaited. While production has been steadily on the increase, contrary, perhaps, to expectations, demand for internal consumption has not improved but has been somewhat stationary at 19.5 lakh tons per annum. This can probably be attributed to the prevailing high prices of sugar in India and also, to some extent at least, to a long-standing imbalance in production between the Southern and Northern regions of the country.

Price of Sugar

"The high price of Indian sugar has been a standing complaint from the general public and the current wide disparity in the prices ruling for Indian and foreign sugars points to the need for a policy of scientific rationalisation in our sugar prices. But what is not realised, or is not so well known, is that the industry is helpless in regard to this matter, as the major elements in the cost structure are entirely beyond its control. A break-up of the sugar price will show that sugarcane, the price of which is statutorily fixed, accounts for 42 per cent., while excise duty and cane cess together account for another 35 per cent. With salaries and wages and cost of labour amenities increasing year after year and the appreciating costs of spares and stores, fuel and even water in some cases, there appears to be little scope for the industry to effect economies in manufacturing costs. A Central Wage Board for the Sugar Industry has recently been set up, and it remains to be seen to what extent the wage bill is likely to be altered as a result of the Board's recommendations.

"Here, I would like to make a reference to a matter of urgent and topical importance to the sugar industry at the present moment. In pursuance of their policy of making the cane growers share in the prosperity of the industry, the Government of India have very recently announced their acceptance of the principle of linking the price of sugarcane with the price of sugar, by the application of a formula, recommended by an Expert Committee. From such details as are now available, it is apprehended that the formula, if enforced in its present form, will cause great financial hardship and cripple a large segment of the industry in the country. Your own Company will be the one that would, in all probability, be hard hit. According to our appreciation of the effects of the suggested formula of the proposed deferred price for cane over and above the statutory price, it is seen that, far from there being any profit, we will have to register a certain loss.

Fair Price of Cane

"While the ryots should get a fair and even liberal price for their cane, consistent with returns which they would derive from alternative crops and the earnings and paying capacity of individual units, the application of the present formula will put the sugar industry in a financial predicament and may lead to results which it is obviously nobody's intention to achieve. I earnestly hope that the authorities concerned will give due consideration to the appeals and suggestions made by the industry and suitably revise the formula, so that the fortunes of the industry are left in a sound position to help the ryot on the one side and all other sections intrinsically concerned with its future place in the industrial economy of the country, on the other. More details, I am not in a position to place before you because the several financial and economic implications and consequences of the proposal are still *sub judice*, as it were, and have not crossed the stage of negotiation and appeal.

"Finally, let me assure you that your Directors are doing their best in this matter to secure a solution of the problem which, I am sure, will find acceptance to the industry as a whole and all sectors concerned with its well-being and prosperity.

"I shall now turn to the affairs of your Company. As you would have observed from the Directors' report and the audited accounts, the results of the year under review were somewhat unfavourable. This was not altogether unexpected and had been forecast by my predecessor while addressing you in December 1955. Ours being an industry based on agriculture, monsoons play a large part in its fortunes. Cane cultivation in the Mandya District suffered a setback in 1955, due to poor monsoons, and on account of the inadequate cane supply, our factory could not work to full capacity. The result has been less production at greater cost and the consequent financial results are fully reflected in the accounts. Crushing of cane started on the 19th August 1956 and closed on the 13th February 1957, the number of working days being 175, as against 266 in the preceding season. Cane crushed during the season was 2,24,341 tons and the output of sugar 21,631 tons. The corresponding figures for the preceding season were 3,47,523 tons and 34,798 tons.

"There was no change in the sugarcane price which continued to be Rs. 39-2-1 per ton. Unlike the previous two years, no provision has been made for the payment of any additional cane price, in view of the shortfall in earnings. The cess on sugarcane continued at the high rate of Rs. 6 per ton. In this context, the assurance of the Mysore Government to rationalise the levy of sugarcane cess in the different parts of the reorganised State is only to be welcomed.

Sugar Sales

"Sugar sales during the year under review dropped to 26,325 tons, as against 35,540 tons in the year preceding. The realisations therefrom amounted to Rs. 2,32,71,910 as against Rs. 2,79,13,587 in the preceding year. Towards the close of the year, that is, from 15th May 1957, the excise duty on sugar was doubled from Rs. 112-8 to Rs. 225 per ton. Another event of importance to the sugar trade occurred on the 13th December 1957 when the sales tax on sugar, levied by State Governments at varying rates, was integrated with the Central excise duty by raising the latter to Rs. 291-4 per ton. Trading conditions were favourable and we were able to realise a slightly higher net price on sales. But this advantage was more than offset by the higher cost of production resulting from lower output.

"The trading operations of the Company during 1956-57 have resulted in a gross profit of Rs. 15,65,562-1-7. After meeting administrative charges and setting aside Rs. 6,62,761-0-6 for depreciation, there is a net profit of Rs. 4,33,214-15-2, as against Rs. 9,11,573-11-4 in the preceding year. No provision has been made for payment of taxes, as the amount at credit of the taxation reserve is estimated to be sufficient to meet the current year's liability, inclusive of wealth tax. The decline in profit is to be attributed to the lower production at higher cost and the consequent reduced profit margin on sales, despite the higher realisation per ton of sugar. The cost of production in our factory is above the standard cost incidence, even in normal years, and this was particularly so during the year under review. The earnings from the Distillery were also below normal due to a reduced offtake of alcohol and to lower prices realised on sales. The profit available for distribution, inclusive of the balance of Rs. 2,63,106-11-3 brought forward, comes to Rs. 6,96,321-10-5. Notwithstanding the sizable fall in profits, your Directors have recommended, and since paid in anticipation of your approval, a dividend at the usual rate of 20 per cent., which absorbs Rs. 4,35,800. After making a contribution of Rs. 50,000 to the employees' gratuity fund which was created last year with an initial contribution of Rs. 5 lakhs, there remains a balance of Rs. 2,10,465-10-5 which is proposed to be carried forward.

Utilisation of Reserves

"A matter that is closely related to the dividend policy of the Company and which has exercised the minds of shareholders for some years past is the utilisation of a part of our huge reserves for issue of bonus shares. We are technically advised that the capital block and the reserves and surpluses must be more rationally placed in our financial set-up than at present. The proposal, for one reason or another, has failed to materialise so far and the high rate of tax on bonus issues that is now in force renders the problem still more difficult. All the same, your Directors are keenly alive to the urgent need for bringing about a reorganisation of the capital structure of the Company and it is their earnest desire to finalise a scheme to meet the aspirations of the shareholders for bonus shares during this memorable year of the Silver Jubilee of the Company. As a first step in this direction, you will be glad to hear that in the revised Articles of Association, that are now placed before you for approval, a clause has been added providing for capitalisation of reserves and issue of bonus shares. The existing Articles, you will please note, do not contain such a provision.

"The expansion scheme of the factory designed to achieve a balanced capacity of 2,000 tons of cane per day has made satisfactory progress. In reality, the scheme envisaged not only expansion by a balancing of the units, but also replacement and modernisation of machinery, which are essential for achieving a greater all-round efficiency of operation. In order to realise the full benefits of the expansion scheme and to ensure a comfortable crushing of 2,000 tons of cane per day, we need some more machinery and equipments. The existing difficult foreign exchange position stands in the way of our programmes for expansion. A scheme for the expansion of the distillery so as to step up production to 12 lakh gallons of alcohol per annum, as against its present average capacity of 8 lakh gallons, is under execution.

Alcohol Prices

"We are now receiving large orders from the Government of India for our alcohol and, if we continue to get these orders and also take measures to improve and strengthen our market, there need be no difficulty in disposing of the entire output of the expanded distillery. But the prices realised on sale of alcohol to large industries are so low and uneconomical that we can hardly make a profit on this business. Here, I may say that the recent recommendations of the Industrial Alcohol Committee for the fixing of ceiling prices for alcohol are not very encouraging. While the Committee has made certain recommendations for the development of alcohol-based industries, for facilities for export of alcohol, and for the constitution of a Development Council for alcohol and products based on it, which are to be welcomed, the price for alcohol suggested by the Committee is so low as to make alcohol manufacture an uneconomical proposition.

"From what I have stated above, it will be apparent that both our sugar factory and distillery are well on the road for achieving higher production in the near future and, given favourable conditions, we can look forward to better results from their working in the years to come. You will be glad to hear that the factory has crushed very nearly four lakh tons of sugarcane during the current year and has achieved a record production of 39,545 tons of sugar. Similarly, under the pressure of heavy orders the production of alcohol has registered an appreciable increase. As against these encouraging achievements and prospects, one disquieting aspect is the uneconomical working of our sugarcane farms. By reason mainly of the high cost of wages and overheads and due to the prevailing practice of keeping the labour all through the year regardless of the seasonal nature of agricultural operations, the labour costs on the farms have been steadily rising without any corresponding benefits. The economics of our farm operations are thus intimately bound up with labour problems and a decision taken a few years ago to close down some of the farms could not, therefore, be implemented so far.

Labour Relations

"In the sphere of labour relations, I am happy to say that the relationship between the management and labour in our Company was cordial during the year under review and that several points of difference were amicably settled after discussion and negotiation. A few disputes, perforce, have had to be referred for adjudication and one of these is the vexed question of bonus. Among the terms of reference of the Central Wage Board for the Sugar Industry, which is presently examining the wage structure of the industry, is the working out of principles governing the grant of bonus to workers. The recommendations of the Board in regard to this important matter will be awaited with great interest by industries in general and the sugar industry in particular.

"In conclusion, I desire to express my sincere thanks to my colleagues on the Board

(*Continued on page* 1099)

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D. G. MOORE, *Manager.*

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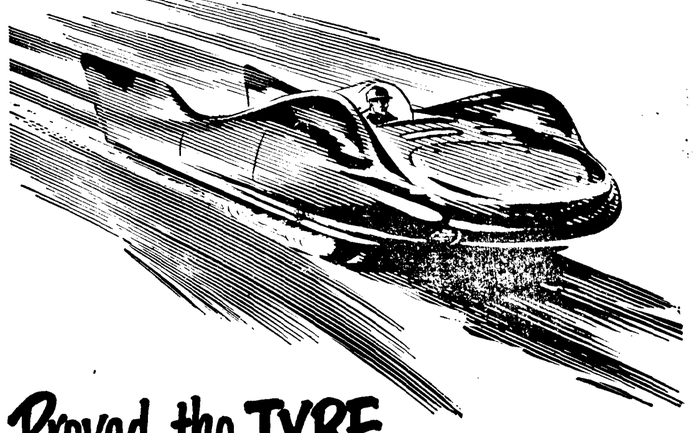

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N. 69

ASHOK LEYLAND LIMITED

SIR A. RAMASWAMI MUDALIAR'S REVIEW

The following is the speech delivered by Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), Chairman, Ashok Leyland Ltd., to the shareholders at the Ninth Annual General Meeting of the Company held on 26th May 1958, at 11 a.m., at the Company's Registered Office at Ennore.

Ladies & Gentlemen,

I have pleasure to extend to you a cordial welcome to the Ninth Annual General Meeting of your Company.

The Directors' Report, Audited Balance-Sheet and Profit and Loss Account for the year ended 31st December 1957 have been in your hands for some time and, with your permission, I shall take them as read.

Last year, I expressed the hope that, in spite of many difficulties in our path which had to be overcome, we should be able to make steady progress towards the full manufacture of heavy duty commercial vehicles, while at the same time being able to make modest dividend payments to those whose investments enable us to provide capital equipment. It is, therefore, gratifying to your Directors to find the Company is in a position to justify their recommending the payment of a dividend at the rate of 6 per cent per annum, free of Income-Tax.

During the year 1957 very considerable progress was made in the expansion of your Company's buildings and in the installation in them of plant and equipment required for the further implementation of our Phased Manufacturing Programme. The total expenditure during the year on buildings amounted to Rs. 16.75 lakhs; and the total expenditure on plant and equipment Rs. 34.5 lakhs. This by no means represents the end of our expansion.

Early in 1957 it became obvious that in order to meet the heavy expenditure on buildings and equipment additional capital would be required. In the month of August, therefore, 20,34,522 shares of Rs. 5 each were offered for subscription, of which 10,45,834 shares were, in terms of a resolution passed by you, offered to Messrs. Leyland Motors Ltd. The whole of this issue was taken up and the financial difficulty of managing with too little capital in relation to the magnitude of our manufacturing project was thereby removed.

Your Company's objective is the establishment of the production at its Ennore Factory of the complete range of Leyland heavy duty commercial vehicles, as the development of roads and, consequently, of road transport in India progressively increases the demand for such vehicles. In accordance with this policy, a proposal for the expansion of our project to include the manufacture of Leyland 'Tiger' and 'Titan' chassis in our Programme was submitted to the Government of India at the end of 1956. This new Phased Manufacturing Programme has now been accepted. Planning is already in progress and physical implementation will commence towards the end of 1958.

This first step in the extension of our activities to include the manufacture of commercial vehicles with heavier load capacities than the 'Comet' is of very great importance to us for two reasons. The trend towards heavier vehicles as India's roads continuously improve and bridges and culverts are strengthened or rebuilt is inevitable. While, therefore, it may appear uneconomic from the point of view of the existing sales potential to engage in the production of vehicles with gross loading capacities exceeding 12 tons, there is no doubt that by the time manufacture is fully established the demand will justify the new project. The second reason, and initially the more important, is that the new programme provides in the first phase for the manufacture of the Leyland '600' and '680' diesel engines which are alternative fittings in the heavier chassis. These engines are suitable for most heavy transport requirements and they are the standard power units in Leyland trucks up to the 'Octopus' which is designed for 54,000 lbs. gross loads.

To enable the production of 'Comet' chassis to be increased without delay to 3,000 chassis per annum and to provide for the addition of the 'Tiger/Titan' Programme, your Company's authorised capital has been increased to Rs. 3.25 Crores, of which Rs. Two Crores only will be fully paid-up until such time as a new capital issue may prove expedient.

In my address last year I referred to difficulties we experienced due to certain anomalies in regard to gross vehicle weight restrictions. This question has continued to engage the attention of the Central and State Governments and of manufacturers and operators. Happily, it now appears not only that a serious attempt will be made to increase permissible gross laden weights on all roads which will bear them but also that steps will be taken to limit registered laden weights in all cases to a figure not exceeding, in any circumstances, the manufacturers' specified gross vehicle weights. This is a most important step and in the right direction and all those responsible for it are to be congratulated. There is, however, still scope for a great deal of progress in the development of a road system which will enable heavier, and therefore, more economic, load units to be carried over our highways. Gross vehicle weights have been restricted to such a low level in the past that the present tendency to consider 12 tons the ultimate limit is understandable. 12 tons may very well be an immediately desirable target, but it is quite inadequate as an ultimate one. If India's roads are to play their part in solving the tremendous problem of transporting goods and persons as industrial and agricultural production continue to develop, then 25 tons and not 12 must be the ultimate target for commercial vehicles. It is only by such a re-orientation of thinking on this question that full use will be made of the ability of heavy road transport vehicles to solve the country's transport problem.

The sales of 'Comet' chassis have increased steadily since the Manufacturing Programme was inaugurated and there is every indication that this trend will continue. We are fortunate to enjoy the confidence of State and Municipal Transport organisations and repeat orders from these important operators continue to encourage us. More recently, private operators have been purchasing our vehicles in a continuously increasing volume and sales to the latter now exceed those to the former. We can without doubt look forward to 1958 being an outstanding year in your Company's history both with regard to sales and to progress with the Manufacturing Programme. At some point towards the end of this year we shall pass the half-way mark in manufacture. That is, more than half the value of a 'Comet' chassis will become made in India. At the end of 1957, 36 per cent of the value of the chassis was produced at your Factory; and at the end of 1958 the percentage will become 55. In this connection, I would like to draw your attention to the fact that these percentages indicate nett savings in foreign exchange. To arrive at these figures, the value of materials which are still imported for fabrication in your Factory is deducted from the gross savings represented by the deletion of units and components from C.K.D. packs imported from Leyland.

Unfortunately, just when we have surmounted all our initial difficulties, are well ahead with our production programme and are beginning to enjoy a sales demand which will ensure our efforts shall be financially sound, a shortage of foreign exchange has intervened. We are, therefore, continuously in the position of not knowing whether our own efforts to increase our local production to meet the sales demand will be matched by our ability to import from Leyland Motors those portions of the chassis still manufactured by them. This is a most unsatisfactory state of affairs, because it obviates planning sufficiently far ahead to ensure complete co-ordination of our own and of Leyland Motors' effort to keep strictly to our programme. It is suggested that Government might relieve manufacturers of this anxiety by issuing licences for import at least six months in advance of the beginning of the period in which import will take place. Such an arrangement would enable manufacturers in India, still dependent on the import of some parts of their products, to order imported material in time to ensure its delivery at the right time.

Leyland Motors have continued to assist us in every way possible and we owe them a debt of gratitude. In this connection, I am sure you will wish that I shall convey to Sir Henry Spurrier and Mr. D. G. Stokes our special thanks for their personal help and guidance, which has proved so valuable in assisting us to deal with the problems incidental to the establishment of a modern commercial vehicle factory. I should like also to pay a special compliment to the Executives and staff and all the employees of the Company who have done commendable work and who deserve recognition for their loyal service throughout the year.

Note.—This does not purport to be a record of the proceedings of the Annual General Meeting.

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INDIAN COFFEE IN A PARLOUS POSITION

COFFEE BOARD CHAIRMAN'S REVIEW

THE world coffee industry is passing through a strenuous period. While some Latin American countries are making tremendous efforts to keep the load of growing output off the world markets, with a view to avoiding a depression in prices, through "support" schemes, a few other countries, especially those in Africa, are increasing their acreage under coffee and have even drawn up programmes for further large-scale expansion. While, as it is, the carry-over at the end of the current season is expected to be of the order of 20 million bags, the highest since 1946-47, the further expansion in acreage under coffee in African countries cannot but add to the imbalance between production and consumption in the years to come, unless the rate of world consumption is increased at a rate commensurate with the rise in output. Despite all the efforts now being made to increase world consumption, the prospects of the surplus output being mopped off are dim.

The production of Indian coffee is also increasing. No doubt, India possesses a large internal market, but the exportable surplus is at the same time growing, so that the coffee growers have to depend on the external markets, which fetch a higher price than the internal market. With a steady decline in prices of mild coffee—India is known for its good quality of mild coffee—and with a growing preference abroad for low-priced and low-quality coffees, the margin of profit on exports is rapidly declining. It is against this background that Mr. K. Srinivasan, Chairman of the Coffee Board, examined the present position of, and outlook for, the Indian coffee industry in his address at the half-yearly meeting of the Board held on 30th May 1958. He said that the recent developments in the world coffee markets have placed India "in a very parlous position."

During the season 1956-57, India produced 42,200 tons of coffee and the latest estimates of the current season's crop placed it at 41,687 tons. Production in 1958-59 is expected, according to the Coffee Board Chairman, to be above 45,000 tons and possibly nearer 50,000 tons. Earlier estimates placed the coming season's crop at over 50,000 tons, in view of the excellent condition of the plants and the prospects of timely rains and good supply of fertilisers. The blossom showers were scanty in most areas and patchy in some and this caused some anxiety about the crop up to the end of April. Latterly, however, the position seems to have improved a good deal. Though the position is still unsatisfactory in some areas, the general outlook is now said to be very much better than what was feared once.

The total receipts into the pool out of the 1956-57 crop amounted to 41,660 tons, all of which had been sold by the middle of April last. The releases for internal consumption during 1957 amounted to 26,202 tons, as against the Coffee Board's estimate of 25,810 tons made in November 1956 and 23,807 tons in 1956. Prices remained more or less steady, but a shade higher than usual, after the spurt in May 1957 when the short-lived increase in excise duty was made. The final export figure for the 1956-57 crop stands at 15,228 tons, as against the official allotment of 15,155 tons. This is a fresh record for export of Indian coffee during the last two decades. Though prices were ruling fairly low at about Rs. 300 per cwt. for Plantation A throughout the year, the increased quantity of coffee exported made up for the shortfall in price. The year's marketing enabled the Board to make a payment so far of Rs. 2.65 per point. The final payment will be made this month.

The estimated consumption during 1958 is about 29,000 tons. The exportable surplus out of the 1957-58 crop has been revised to 11,708 tons made up of 8,407 tons of Plantation, 3,251 tons of Arabica Cherry and 50 tons of Robusta for experimental monsooning and export. If the trend of prices during February and March this year continues during the rest of the year, the Coffee Board Chairman expects a larger fall in consumption than the one estimated and it may stand somewhere between 27,000 and 28,000 tons. This, as he points out, would release a larger quantity for export, but unfortunately the prices in the overseas markets are even more disappointing than in 1957. The export programme commenced late this year, as coffee was not ready, and the opening sales in February fetched about Rs. 300 per cwt. for Plantation A for only a part of the coffee offered. The prices, according to Mr. Srinivasan, were far lower than those fetched at any time during the previous eight years.

Despite the restriction on exports imposed on themselves by some Latin American countries under the Mexico City agreement, the "support buying" scheme and certain financial arrangements in Brazil, prices of mild coffee sagged, forward quotations reached new low levels, consumers sought cheaper coffees and roasters and others in the U.S.—the largest market for coffee—began to limit their purchases to the minimum. The general recession also had its own adverse effect on consumption. Consequently, the prices fetched for Indian mild coffee suffered a steep decline and remained steady at about Rs. 240 per cwt. *ex*-works in April and May. During the current year, India has so far sold 5,499 tons (5,006 tons of Plantation and 493 tons of Arabica cherry) overseas, besides shipping 90 tons of Plantation to London out of selected estates for assessing market reactions and setting aside 770 tons for monsooning. These still leave 3,311 tons of Plantation and 1,988 tons of Arabica to sell. The Board is no doubt making efforts to promote sales abroad, but according to the Board Chairman, "the general position is, however, one of nervous and hesitant buying and trying to buy limited quantities and at the cheapest prices possible, in view of the uncertainty in the world market."

In view of the changed circumstances in the world market, there is urgent need for changing the method of marketing and for improving the quality of coffee exported abroad. In fact, the Coffee Board is conscious of this, as will be seen from the following extract from Mr. Srinivasan's speech:

"The need to re-examine our method of marketing, especially for export, has been felt for some time, and we took the decision sometime ago to have an Expert Committee to go into this question and to make recommendations. The matter was then taken up with Government and I am glad to state that we are very near constituting such a committee.

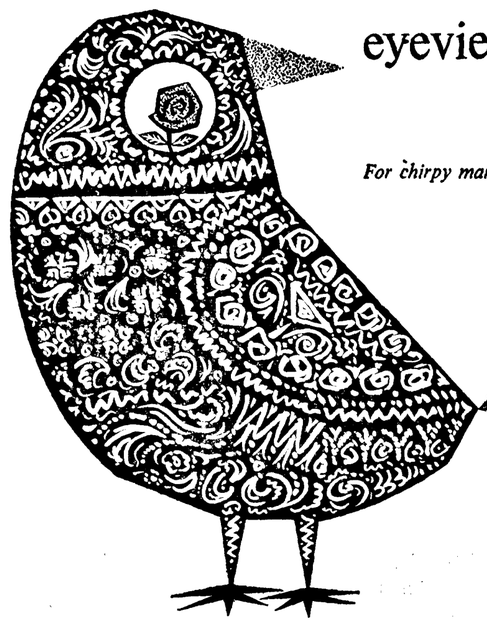
"We have not yet been able to secure a Cup Taster; but it is felt we should introduce tests for roasting at least, to supplement the system of screening introduced last year. The Board had set up a Committee for improving standards for quality of Indian coffees and the recommendations of that Committee are being implemented now. In an increasingly competitive and price conscious market, we have continually to give attention to improvement of quality and grading, as other countries are doing. In some countries, at any rate, the impression is that Indian coffees are priced far too high, even making allowance for the fact that a relatively higher price is inevitable because of superior quality."

The falling export prices, coupled with the increased cost of production, would necessarily mean a revision of the basic price of coffee released to the internal market, so as to compensate the grower adequately. But the Coffee Board does not seem to be in a mood to revise the present price policy. Thus, Mr. Srinivasan observed:

"After a good deal of anxious consideration it was decided to wait and watch the trends a little longer, and not to raise the basic release prices immediately. The view taken was that as the industry had had fairly high dividends during the last few years, a setback in this particular year may not very materially affect the industry, while, on the other hand, a rise may even have an adverse effect on consumption in India and on the industry itself. It should not perhaps matter if this were a temporary or passing phase, but it is

(Continued on page 1099)

The early bird's eyeview...



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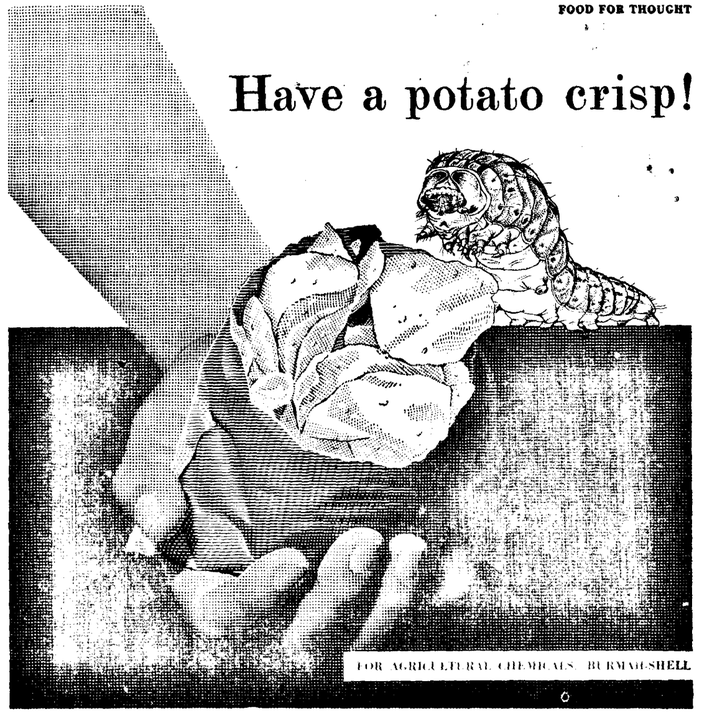

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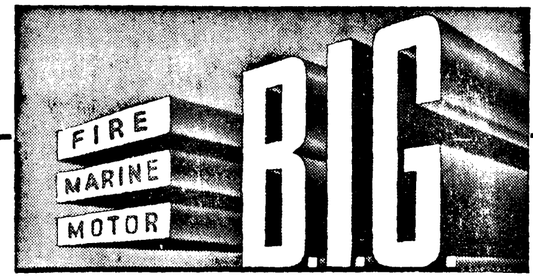

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RAISING NEW CAPITAL FOR ELECTRIC SUPPLY INDUSTRY

FEDERATION OF ELECTRICITY UNDERTAKINGS OF INDIA URGES CHANGES IN LEGISLATION

IF public utilities are to have firm financial foundations, legislative enactments regulating them should be such as would allow them to maintain their financial integrity, attract capital and give a reasonable return to investors. The rate of return to be permitted on investment in public utilities is the core of the problem of their regulation. Reasonable return has been interpreted to mean, in the United States, as that which will enable the undertaking to raise, in the market, funds necessary for the proper continuity of its public duties. In India, this principle was embodied in the Electricity (Supply) Act, 1948, which permitted licensees a return which would "enable them to raise finance in the market for the proper continuity of their public duties."

The capacity of electricity undertakings in the private sector to raise finance for development seems to have been overestimated. It was was thought that the future pattern of electricity development in the country would largely be in the form of multi-purpose projects undertaken by the State and that the main role of undertakings in the private sector would be to purvey the power generated. The quantum of finance necessary for this limited purpose, it was thought, could be easily raised. Subsequently, it has been realised that the scope of expansion of units in the private sector, is wide in the context of the country's huge industrial programmes and that heavier investments are, therefore, required. The Planning Commission, in its recent memorandum—*Appraisal and Prospects of the Second Plan*—submitted to the National Development Council, observed that the postponement of any part of the approved power programmes was likely to create a difficult situation towards the end of the present Plan and the beginning of the next. The implementation of the Plan programmes in respect of electricity should receive top priority. The question of raising the necessary resources, therefore, assumes special urgency.

The problems and prospects of raising the necessary development finance for implementing expansion schemes of electricity undertakings operated by licensees are outlined in a memorandum submitted by the Federation of Electricity Undertaking of India to the Union Ministry of Irrigation and Power. The Federation submits that while the industry's need for sustaining investors' confidence has increased, its economic strength has actually deteriorated because of "ill-conceived measures of nationalisation sought to be enforced by some of the States, rigidity in regulation sought to be enforced by statutory audits functioning under the electricity law" and other reasons.

Hopes Belied

The memorandum points out that the hope that some substantial relief to the financial difficulties of the industry would result from capital being made available by institutions such as the Industrial Finance Corporation or the State Finance Corporations founded on the restrictive provisions of the Indian Electricity Act 1910, read with the Electricity (Supply) Act. These provisions resulted in these institutions applying standards other than the normal creditworthiness of the applicants when considering loan applications from electric supply concerns. Even where loans have been given, adds the memorandum, the rate of interest quoted is higher than what the Electricity (Supply) Act has contemplated. An objection (very valid from a creditor's point of view) which has especially influenced the Finance Corporations, the memorandum adds, is the bare-bone return to the investor in the industry, which precludes the possibility of the management having recourse to amortisation of the loan—a normal procedure in Corporation financing. The framers of the Electricity (Supply) Act, the memorandum furthers adds, had evidently visualised the possibility of loans to undertakings by State Electricity Boards. Here too, there has been no relief, either because Electricity Boards were not constituted at all or because the Boards, in States where they have been formed, were themselves in financial strait jackets.

The Electricity (Supply) Amendment Act, 1956, introduced a slight increase in the standard rate, and made provision for undertakings to benefit in some measure from the development rebate introduced by the Finance Act of 1955. But experience has now clearly demonstrated, the memorandum points out, that the overall impact of the amendments has not had the desired effect of improving the investment attracting capacity of the industry. The continuing difficulty of raising money (whether on equity or loan basis) has rendered it practically impossible for undertakings to go ahead with expansion schemes assigned to them under the Plan. In 1948, when the financial provisions embodied in the Electricity (Supply) Act came into operation, the capital base of many an undertaking bore a healthy relation to the paid-up share capital. There had been a healthy past practice of ploughing back profits into the business (or base), resulting in reasonable dividends being possible to investors even with a limit of 5 per cent. as the standard rate. With all fresh capital ranking for only the limited standard rate, however, and no significant surpluses being any more available to be ploughed back, the situation has steadily deteriorated from this point of view also.

Small Units

While large-sized undertakings with large expansion schemes have been penalised by erosion of dividend and other factors, the small-sized undertakings, on their part, says the memorandum, have not been without their special difficulties. These, being mostly diesel undertakings, have had to face a continuously increasing price of fuel, resulting in electricity rates having to be fixed too high. They too have been faced with the difficulty of raising equity capital and having to resort, if and where possible, to loans bearing interest at rates very much higher than the standard rate.

Borrowing of loan capital, the memorandum emphasises, cannot be the basic solution of the industry's problem. In fact, after a certain point, it tends to complicate matters by further reducing the security of the genuine investors' shareholding and thus scaring him away still more. Healthy growth demands that the Government does not shut its eyes to the inescapable economic fact that one cannot force the public to invest, but must make investment sufficiently attractive. The memorandum, therefore, urges the Government to take practical steps without delay to restore the confidence of investors.

Basic Remedy

The basic remedy is of course to revise the permissible "standard rate" so as to fix the limit at a rate which compares more favourably with the actual cost of attracting money. If, however, Government considers that, as Parliament has only recently fixed the "standard rate," it would be embarrassing on its part to reopen the subject, the Federation would appreciate Government's difficulty, while regretting that expediency of that kind should be allowed to stand in the way of the truer interests of the country.

The request for an increase in the standard rate, the memorandum avers, is not part of any special pleading, but is the reflection of widespread anxiety that, failing adequate incentive, not only will the industry be unable to expand but there is even real danger of it facing atrophy for want of funds.

As regards loans which are the only alternative method open for raising development finance in the market, the rate of interest payable on such borrowings will, according to the memorandum be very much higher than the present limit imposed by the standard rate. To meet this difficulty, the memorandum suggests that the Electricity (Supply) Act be suitably modified so as to treat any loans approved by the State Electricity Boards as on par with loans advanced by the Boards themselves. In other words, that the law be suitably amended so as to provide for the actual interest payable on such approved borrowings being treated as an operating expenditure with half per cent. accruing to the undertakings in addition as risk money. Such treatment, it is suggested, should also be accorded to preference capital which might stand a chance of being raised on the basis of a higher return.

Creditworthiness

The memorandum emphasises the need for strengthening the reserves of the industry both as a buffer against misfortune and to provide a measure of internal finance. Without such reserves, the industry will not be considered creditworthy to receive loans from foreign financial institutions. The Federation, therefore, suggests the reopening of the question of providing for a rehabilitation reserve as a source of internal finance. It had earlier sponsored such a move, the suggested rate of appropriation to the rehabilitation reserve being one per cent.

The purpose of regulation, in essence, is to maintain public utility services at levels which will cover all costs, including taxation. The present situation under the law, according to the Federation, is tantamount to charging future consumers some portion of true costs (tax deferred) properly attributable to current customers.

The memorandum pleads that, if all this fails, and pending, in any case, suitable amendments to the Electricity (Supply) Act, the Central Government should advise all State Governments that they may exercise individual discretions to allow special appropriations under the provisions of the Act, in such a way, as they think desirable, to ensure that the undertakings can earn sufficient profit to attract new capital, whether loan or equity. In this way, the memorandum says, each State can take its own view of the cost of developing its essential electricity services *versus* the alternative disaster of going short of them.

STAINLESS STEEL INDUSTRY

Faced with acute shortage of raw material, many units of the stainless steel fabricating industry are threatened with imminent closure. A leading Bombay factory, Messrs. Devidayal Stainless Steel Industries (Private) Limited, has served notice of closure of factory from 9th June 1958. This would result in retrenchment of about 500 workers.

The present crisis, though temporary, is due to the heavy restrictions on the import of stainless steel sheets during the last two licensing periods, non-issue of licences during July-September 1957 and issue of only 25 per cent. of licences during October-March 1958. The industry is actually starved of raw materials. Representations have been made to the Government to evolve a policy which would help the young industry to survive. It was the contention of the Engineering Association of India when its representatives recently met Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, in Bombay, that the material in the market and the incoming stocks of stainless steel against the licences of established importers should be frozen and channelised to the actual users. The Association felt that such a scheme would help the industry survive and would prevent unemployment of thousands of workers. In the Bombay region, actual users have received during the October-March 1958 period, a meagre quantity of about 140 tons, while the allocation to established importers aggregated about 800 tons. It is the contention of the industry that, if the material of the established importers is diverted to the actual users, the latter will be able to keep the factories running for three to four months when the material against the licences for April-September 1958 is expected to arrive. The Government should seriously consider the situation and evolve a formula which would be satisfactory both to actual users and established importers.

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AMENDING COMPANIES ACT—VI

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

AMONG the proposals of the Company Law Amendment Committee with regard to the remaining sections of Part VI of the Act, mention must be made of the suggested changes in Section 210 which refers to annual accounts and balance-sheets and Section 211 which prescribes the form and contents of balance-sheet and profit and loss account. The Report observes that different companies have different accounting years according to their convenience or the seasonal nature of the industries in which they are engaged and it may not be practicable to prescribe a uniform financial year for all companies or even for companies engaged in a particular industry. A suggestion was made to the Committee that power may be given to the Government to prescribe a uniform financial year for all companies on the grounds that it may help collection of statistical data and facilitate the assessment of cost data and may also deter interlocking of funds by companies and the abuses incidental thereto. On the other hand, it was stated before the Committee that a uniform financial year may cause practical difficulties and cast a heavy burden upon managements and company auditors. The Report states that the Committee was, therefore, unable to accept a suggestion that there should be a uniform financial year for all companies.

Rigidity of Accounts

It was pointed out to the Committee that Section 211(1) read with the provisions of Schedule VI of the Act imposes such rigidity in the form in which accounts are to be presented to shareholders that a true and fair view of the state of a company's affairs and of its profits or losses for the relevant financial year may not emerge in an intelligible shape. It was further pointed out to the Committee that the present form in Schedule VI retards the development of accounting and costing techniques in this country and that it is so involved and cumbersome that it is hardly intelligible to an ordinary shareholder. The Report states that it is important that information should be given to the shareholders in a manner they could understand and which has the effect of giving, in the opinion of the auditor, a true and fair view of the state of the Company's affairs and of its profit and loss for the relevant year. Taking all the practical difficulties into consideration, the Committee has proposed certain amendments to Schedule VI which are contained in the Annexure to the Report. These recommendations are based upon the suggestions made by the Institute of Chartered Accountants of India. The modifications as proposed by the Committee will bring the balance-sheet more in conformity with acceptable accountancy concepts. Besides rectifying technical accounting defects in the present classification, the Committee has to some extent attempted at streamlining the headings of the balance-sheet. It may be observed that inasmuch as the Schedule can be altered by notification of Government, any further difficulties that might arise, even after companies have begun to adopt the slightly revised form, may be met by making such changes as may be necessary in the light of subsequent practical experience.

Sections 210 and 211

The proviso to Section 210(4), according to the Report, might lend itself to abuse by companies seeking to avoid a prompt presentation of the accounts to the shareholders. The Report, therefore, proposes that this proviso may be deleted. The words "that he had reasonable ground to believe, and did believe," occurring in the proviso to Section 210(5) are also suggested to be deleted.

The following amendments are suggested in Section 211:

(1) In the provisos to sub-sections (1) and (2), the words "or any company engaged in the generation or supply of electricity" are proposed to be inserted after the word "company" and before the word "or".

(2) As regards Section 211(5) (iii), the reference should be to the Indian Electricity Act, 1910.

(3) The proviso to Section 211(7) may be amended in a manner similar to that suggested for the amendment of the proviso to Section 209(5).

In view of the amendments suggested to Schedule VI, the Report proposes to re-draft Section 296 in the following terms:

"Section 295 shall apply to any transaction represented by a book debt, which was from its inception in the nature of a loan or an advance."

Accounts of Subsidiaries

Section 212 states that the balance-sheet of a holding company should include certain particulars as to its subsidiaries. The Report observes that on the wording of Section 212(2)(a), as it stands, if the financial year of a subsidiary coincides with that of its holding company, the balance-sheet of the subsidiary to be attached to the holding company's balance-sheet would be the subsidiary's balance-sheet in respect of the immediately preceding financial year. This was presumably not the intention of the legislature, particularly when Section 212(2)(c) provides that the financial year of the subsidiary shall not end on a day which precedes the day on which the holding company's financial year ends by more than six months. To remove the aforesaid difficulty, Section 212(2)(a) is proposed to be amended as under:

"The balance-sheet referred to in clause (a) of sub-section (1) shall be made out in accordance with the requirements of this Act at the end of the financial year of the subsidiary, where such financial year coincides with the financial year of the holding company or if it does not so coincide, as at the end of the financial year of the subsidiary last before that of the holding company."

The Report clarifies that Section 212(3) (b) and (c) would apply only to profits and losses of a subsidiary which might properly be treated as revenue profits and losses (*vide* Buckly on Companies Act, 12th Edition, page 973). The proviso to Section 212(9) is proposed to be amended by omitting the words "that he had reasonable ground to believe and did believe." We have already noted that the Report has suggested similar amendments in Sections 209(5), 210(5) and 211(7).

Authentication of Balance-sheet

The balance-sheet and the profit and loss account have to be prepared and approved by the board of directors before they are submitted to the auditors for their report thereon. It was suggested to the Committee that the auditors should draw up a tentative balance-sheet and profit and loss account, draw the attention of the directors to any irregularities that come to light in the course of the audit, consider the explanation of the directors and then submit a report and that the directors should thereafter sign the balance-sheet and profit and loss account as finally settled. The Report has rejected the foregoing suggestion on the ground that it amounts to an inversion of the wholesome rule laid down both by the Indian and the English Acts. So far as the sequence of events leading upto the signature by the auditor on his report is concerned, the present Act makes no change as compared with the outgoing Act of 1913.

Board's Report

The Report observes that "the complaint has often been heard that directors' reports are colourless documents which do little to inform or educate the shareholders." A suggestion was made to the Committee that besides the matters required to be stated in the report to be attached to the balance-sheet, it should contain express declarations regarding commitments in respect of purchase or sale of investments and capital expenditure other than those shown in the balance-sheet, the correctness of the book debts or loans and advances due from directors, officers, and connected firms or companies and charges on the company's assets, the sufficiency of the provision for depreciation on fixed asset and the provision for a fall in the value of current assets, etc. The Report states in very plain terms that these are matters for the auditors to look into in the course of their audit and the directors to explain in their report.

The Report, however, recommends that new clauses (d) and (e) may be added to Section 217(1) in the following terms:

"(d) any material changes which have occurred between the end of the financial year of the company and the date of the report which affect the financial position of the company;

(e) any commitments in respect of the purchase or sale of investments and capital expenditure other than those shown on the face of the balance-sheet."

In the context of the above proposed amendments, the Report states that a period of six months or more, often elapses between the close of the financial year and the publication or directors' report and during this period material changes might have occurred. It is, therefore, fair that such changes should be brought to the notice of the shareholders.

As regards Section 217(1)(b) an amendment is proposed by deleting the word "either" and the words "or in a subsequent balance-sheet." In suggesting the foregoing amendment, the Report observes: "If, acting under the articles, the directors transfer an amount to reserve, it should be carried into the balance-sheet. In other cases, they can only recommend the proposal to the shareholders. In view, however, of the explanation of 'surplus' as the balance after the proposed allocation for dividend, bonus, or reserves given in Schedule VI, Part I, it would be seen that, if the Board recommends an appropriation for reserve it has to be incorporated in the balance-sheet at the close of the year and not left to be shown as a 'reserve' in a subsequent balance-sheet."

Copies of Balance-sheet

Section 219 requires that a copy of the balance-sheet and auditor's report should be sent to every member of a company not less than 21 days before the date of the general meeting. The Report suggests that Section 219 (1) should be amended by substituting the words "twenty-eight days" for twenty-one days."

Private Companies

It was suggested to the Committee by the Department that a provision should be made requiring private companies to file before the Registrar copies of their profit and loss account along with their balance-sheets. There are private companies carrying on business on a large scale and managing a number of public companies with substantial capital. The balance-sheet contains an item relating to the debit or credit balance of the profit and loss account. The profit and loss account also explains how this particular item has been arrived at. The Report, while accepting the foregoing suggestion of the Department, observes that "no harm would be caused if the profit and loss account is filed with the Registrar provided non-members are not entitled to inspect or get copies from him." To give effect to the above recommendation it is proposed that the words "in the case of a public company" occurring in Section 220(1) (a) may be omitted and that Section 220(1) (b) may be deleted and a new proviso may be added to Section 220(1) in the following terms:

"Provided that persons who are not members of the company shall not be entitled to inspect or obtain copies of the profit and loss account of a private company, not being a subsidiary of a public company, under Section 610."

As regards Section 220(2), the words "public or private" are suggested to be dropped.

Inter-company Investment

Section 372 refers to purchase by a company of shares, etc., of other companies in the same group. The Report states that clarification has been sought on the point whether investments made within the same group during the course of the year, but which do not exist at the date of the balance-sheet should be entered in the list required to be filed under Section 372(9). The Report recommends that the meaning of Section 372(9) should be made clear by inserting the words "during the course of the financial year as well as those in which shares or debentures held by it at the end of such year" after the words "made by it."

Section 416 lays down the formalities relating to contracts where a company is an undisclosed principal. Under the law as it stands, such a contract, at the option of the company, is voidable against the company if it does not comply with the requirements of Section 416. The Report proposes that in Section 416(3) (a) the word "unenforceable" should be substituted for the word "voidable." The effect of the proposed amendment is significant.

On the language of Section 417, as it stands, when a company with which moneys or securities of employees have been deposited, is itself a scheduled bank, the retention of the moneys or securities by the bank itself in a special account opened for the purpose would not be a compliance with the section and the bank would have to deposit the moneys and securities with another scheduled bank. To avoid this difficulty, Section 417(1) is proposed to be amended in the following terms:

"All moneys or securities deposited with a company by its employees in pursuance of their contracts of service with the company shall be kept or deposited by the company in a post office savings bank account or in a special account to be opened by the company for the purpose in a scheduled bank or where the company itself is a scheduled bank, in a special account to be opened for the purpose with that or any other scheduled bank."

Provident Funds

Section 418(1) requires that the provident funds moneys of employees of the company should be invested either in approved or trust securities or in the post office savings bank accounts, the excess may be deposited in a scheduled bank. There are no restrictions at present on the maximum amount that may be deposited in a post office savings bank and all the provident fund moneys have, therefore, to be kept only in the post office savings bank till they are invested in trust securities. The Report states that it was pointed out that there were practical difficulties in adopting this course because contributions received from branch offices in the shape of cheques, interest warrants, etc., could not be credited in the post office savings bank account. It was further pointed out that restrictions relating to deposit into and withdrawals from post office savings bank accounts, despite relaxations recently introduced, render it difficult for companies to keep their moneys in the post office savings bank and operate upon it as and when occasion arises. It was also urged that payments have to be made on account of withdrawals, refunds, etc., of provident fund deposits and large establishments have to keep a certain amount of liquid cash at the disposal of the trustees of the provident fund. To remove some of the foregoing practical difficulties it is suggested in the Report that the proviso to Section 418(1) may be deleted and the words "or in the State Bank of India in an account opened for the purpose" may be added after the words "post office savings bank account" in Section 418(1).

As regards Section 418(4) it was suggested to the Committee that this section impinges unnecessarily on the law of trusts and should be deleted. The Report observes that Section 418(4) is intended to facilitate collection of contributions of employees through the agency of the company and, therefore, it is appropriate. The only amendment desirable, according to the Report, is the omission of the unnecessary word "separate" in the opening part of Section 418(4).

Auditors

Section 224 relates to appointment of auditors and their remuneration. Section 224(1) is proposed to be amended so as to require an auditor appointed at the annual general meeting to "signify his written consent to act as such to the Registrar within a week of his appointment."

As regards Section 224(2), the Report suggests that the management by the exercise of its voting strength and through proxies secures the appointment of its own nominees as auditors and thereby attempts to avoid an independent auditor. In order to remedy such a situation, a suggestion was made to the Committee that the Government should be authorised to appoint auditors in appropriate cases. The Committee took the view that such a power to the Central Government was not an adequate remedy and that the increased vigilance on the part of the shareholders and the high sense on the part of the company auditors was the only effective remedy against the unsatisfactory state of company audits. The Committee was also unable to support the suggestion that the reappointment of auditors should be left to the absolute and unfettered discretion of the general body, particularly where the management has a predominant strength.

As regards the suggestion that it is undesirable for the statutory auditor to act as taxation adviser or serve in any other consultative or advisory capacity and provide himself with an additional source of remuneration or depend on the patronage of the Board, the Report states that there is a possibility of the independence of the auditor being impaired by his taking up the dual role. The Report, however, states that no hard and fast rule can be laid down and it must be left to the good sense and honour of the profession to preserve its independence and integrity. It must not be forgotten that by reason of his close knowledge of the accounts and dealings of the company an auditor is in a position to give the company his useful advice and guidance.

The Report states that the accountancy profession is anxious that it should continue the practice of signing audit reports in the auditor's business name without stating in the report the name and identity of the individual who actually signs it and that in the case of a firm of auditors any partner of the firm should be entitled to sign in the name of the firm without stating the name of the partner who actually signs the report. The Report states that this matter may be solved by providing that the report might bear the name of the auditor's firm but should indicate in addition the name or names of the auditors actually responsible for the audit. The Report indicates that the foregoing solution is not acceptable to the accountancy profession. The Report refers to the notification No. 60-CA (1)/57 dated the 27th August 1957, issued under the Chartered Accountants Act by the Council of the Institute of Chartered Accountants in consultation with the Government. This notification fixes the responsibility for the audits on the individual who signs the report. The Committee, after considering all the aspects of the matter, has not recommended any change in the existing law.

As regards the question of making "restricted state auditors" eligible for appointment as auditors of companies throughout India, the majority of the Committee has recommended that Section 226(2) should be amended by substituting the word "India" for the words "that state" so as to allow them to act as company auditors throughout India. The foregoing recommendation is made by the majority of the Committee after considering that a small number of "restricted auditors" are not likely to abuse their position as auditors in view of the stringent provisions of the Act. The majority of the Committee are of the opinion that there is no room for any substantial apprehension regarding any permanent dilution of standards in the accountancy profession.

Auditor's Functions

The object of Section 227(5) is that where a company, by virtue of other statutory provisions applicable to it, is not required to disclose certain matters, which under the Act, the company is required to disclose, the balance-sheet would, nevertheless, be regarded as presenting a true and fair view of the company's affairs, provided the relevant statutory provisions are specified therein. The Report states that the foregoing section which runs into 17 closely printed lines is capable of being expressed in a shorter manner with a few simple words.

Branch Audits

The Report has suggested a new definition of "branch office" in Section 2(9) as meaning "any establishment described as a branch by the company or any establishment carrying on either the same on substantially the same activity as that carried on at the head office of the company or engaged in any production, processing or manufacture."

Section 228 which relates to audit of accounts of a company's branch office has created doubts as to its precise import on account of its ambiguous language. The Committee proposes the amendment of sub-sections (1) and (2) and the addition of a new sub-section (3) in the light of the following considerations:

(1) The branch accounts must be audited by a qualified person. (2) The qualifications, rights and duties of such persons must be the same as those of a statutory auditor but confined to the audit of the accounts of the branch office or offices entrusted to him. (3) The statutory auditor should have the right but not the duty to examine the branch office accounts, if he so desires. (4) The branch audit reports should be returned to the statutory auditor. (5) The provisions of Sections 216, 224, 225, and 229 would apply to branch auditors also.

Investigation

Sections 234 to 251 have been modelled on Sections 164 to 175 of the English Act with some modifications. The Report states that though these provisions are stringent they are practically ineffectual and very little has been achieved by setting them in motion. The Report further states that though steps have been taken under these provisions against a few companies, they have proved mostly infructuous. The Report makes out a case for amendment of these provisions so that they may not remain a dead letter. The shareholders and the Department stressed the need for tightening up these provisions. On the other hand, the managements described them as unduly inquisitorial and harmful.

Section 234(1) is proposed to be amended by giving the Registrar power to call for and inspect such books of account or documents of the company as he might require. In view of the above proposed amendment of Section 234(1), consequential amendments are suggested in Section 234 (2), (3), and (4). Section 239 refers to inspector's power to carry out investigation into affairs of related companies or of managing agent or associate. In order to make an investigation under Section 239 effective, it is suggested in the Report that Section 239(1) (c) should be amended in the following terms:

"If an inspector appointed under Section 235 or 237 to investigate the affairs of a company thinks it necessary for the purposes of his investigation to investigate also the affairs of:

(a) Same as before. (b) Same as before. (c) Any other body corporate which is, or has at any relevant time been, managed by the company or the board of which comprises nominees of the company or is accustomed to act in accordance with the directions of the company or any of the directors or related companies any directorships in which are held by employees or nominees of those controlling the management of the first mentioned company."

It was stated before the Committee that some companies have taken the advantage of the wording of the existing Section 239 and have escaped the investigation of questionable inter-company loans or advances or investments of questionable or fraudulent character. The amendment of Section 239(1) (c), as observed above, is intended to cover such cases. In order to prevent any harassment, it is proposed to amend Section 239(2) by providing that the Central Government before according its approval to investigation to be made by an inspector shall give an opportunity to a person or body corporate concerned to show cause against the proposed investigation.

The Report states that difficulties have been felt by inspectors in the matter of securing production of documents and evidence under Section 240. To remove this defect suitable amendment of Section 240(1) is suggested in the Report.

The Committee is of the opinion that considerable delay is caused by attempts to refuse

(*Continued on page* 1099)

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Secretary.

PROFITS OF TATA AND SVADESHI MILLS DECLINE

DIVIDEND ALSO LOWER

THE slump prevailing in the cotton textile industry, consequent on the drastic increase in excise duties with effect from 1st September 1956, higher costs of the essential raw material, namely, cotton, and increased emoluments to labour, have led to a sharp decline in the profits of the Tata Mills Ltd. and the Svadeshi Mills Company Ltd., both under the management of Tata Industries Private Ltd., Bombay, for the year ended 31st December 1957. In addition to the above factors which are common to all units in the textile industry, the profit of the Svadeshi Mills Company, Ltd., was affected by the closure and partial working of the mills for about 30 days. The gross profit of the Tata Mills at Rs. 12.95 lakhs shows a decline of Rs. 18.88 lakhs from Rs. 31.83 lakhs for the previous year, to which level it had risen from Rs. 9.73 lakhs for 1954. The gross profit of the Svadeshi Mills at Rs. 23.87 lakhs is less than half of Rs. 49.67 lakhs for 1956, the highest earned by the Company since 1951 when the profit amounted to Rs. 50.99 lakhs.

In conformity with the fall in gross profits, the net profits, too, of both the Companies show a substantial drop. Tata Mills' profit has declined from Rs. 18.27 lakhs to a low of Rs. 1.70 lakhs. This is after lowering the provision for depreciation from Rs. 11.87 lakhs to Rs. 10.25 lakhs and providing Rs. 50,000 for wealth tax, after taking into account the surplus provision of income-tax of previous years amounting to about Rs. 30,000. A note attached to the balance-sheet states that the depreciation provided in the year is inadequate to the extent of about Rs. 2.25 lakhs. Svadeshi's net profit has gone down from Rs. 31.76 lakhs to Rs. 6.79 lakhs. A sum of Rs. 2.50 lakhs has been made as provision for wealth tax including Rs. 1.11 lakhs for 1956. No provision has been made for income-tax by both the Companies this year also as their assessable income for the year under review is estimated to be *nil*.

Dividends

The dividends of both the Companies have been lowered from their previous year's rate of 14 per cent., consisting of a dividend of 12 per cent. and a cash bonus of 2 per cent. Tata Mills have lowered the distribution to 8 per cent. and Svadeshis to 9 per cent. Even payment of this attenuated dividend has been made possible only by a withdrawal by the Companies from their No. 1 general reserve. Tata Mills have withdrawn Rs. 5.25 lakhs and Svadeshi Rs. 9.75 lakhs, the actual amounts required for distribution. The net profits, amounting to Rs. 1.70 lakhs in the case of Tata Mills and Rs. 6.79 lakhs in the case of Svadeshis, have been transferred to their No. 2 general reserve. It may be mentioned here that the general reserve of both the Companies have been split into two accounts, namely, general reserve No. 1 and general reserve No. 2. This has been done with the object of segregating in general reserve No. 1 profits which have already been taxed and which are available, if required, for payment of non-taxable dividends. General reserve No. 2 consists of other profits of the Companies, namely, profits which have either not been taxed or which for income-tax purposes have been deemed to have been utilised for payment of non-taxable dividends in the past.

The comparative table in the next two columns will provide an idea of the Companies' progress during the past four years ended 31st December 1957.

Tata Mills

The sale proceeds of Tata Mills have risen by Rs. 26.25 lakhs to Rs. 3.34 crores. But this has been more than offset by the rise in manufacturing and other expenses from Rs. 3.06 crores to Rs. 3.35 crores. Of this rise, raw materials consumed alone show a rise from Rs. 131.41 lakhs to Rs. 151.25 lakhs and electric energy from Rs. 5.89 lakhs to Rs. 7.36 lakhs. The accounts for the year also include a sum of Rs. 6.27 lakhs, representing 15.7 per cent. of the basic wages, paid as bonus for the year 1956 in terms of the agreement arrived at between the Mill-owners' Association, Bombay and the Rashtriya Mill *Mazdoor Sangh*.

The Company's plan for the reorganisation and renovation of the mill is making satisfactory progress. Machinery of the value of about Rs. 14 lakhs was installed during 1957. At the end of the year, machinery of the value of about Rs. 6 lakhs was awaiting installation. The Directors have placed additional orders for carding engines, a humidification and ventilation plant for the carding department and equipment to increase the processing and finishing capacity from 50 to 75 per cent. of the Company's total production.

The Company's paid-up capital as at 31st December 1957 stands at Rs. 65.58 lakhs, all in ordinary shares of Rs. 25 each. It may be remembered, the paid-up capital of the Company was increased in 1956 to this level from Rs. 32.79 lakhs in 1955 by a fresh issue of 131,157½ new ordinary shares to the holders of the then existing ordinary shares for subscription at par in the proportion of one new share for every ordinary share held by them with the option to the shareholders to apply for additional shares. The reserves and surplus stand at Rs. 53.37 lakhs. There is a 5 per cent. convertible debenture liability of Rs. 39.51 lakhs. The current liabilities aggregate Rs. 133.71 lakhs, of which secured loans from a bank account for Rs. 61.62 lakhs. The gross block of Rs. 218.16 lakhs, including additions made during the year of Rs. 16.57 lakhs, stands written down at Rs. 127.63 lakhs. Works under construction and machinery awaiting installation (at cost) amounts to Rs. 9.09 lakhs. The current assets aggregate Rs. 155.48 lakhs and cover the current liabilities and provision for taxation by a comfortable margin.

Svadeshi Mills

The Directors of the Svadeshi Mills state that further progress was made in 1957 in the reorganisation and renovation of the mills. Machinery of the value of about Rs. 24.27 lakhs was installed during the year under review. This included carding machines, a hot-air sizing machine, an evaporating cooling plant, a dyeing plant and a continuous peroxide bleaching range. At the end of the year, machinery of the value of about Rs. 7.40 lakhs was awaiting installation.

Against a paid-up capital of Rs. 115 lakhs, made up of Rs. 100 lakhs in ordinary shares of Rs. 100 each and Rs. 15 lakhs in 5 per cent. tax-free cumulative preference shares of Rs. 100 each, the reserves and surplus aggregate Rs. 95.33 lakhs. The gross block of Rs. 276.30 lakhs has been written down to a book value of Rs. 131.44 lakhs. Additions during the year were of the order of Rs. 28.43 lakhs. Works under construction and machinery awaiting installation (at cost) amount to Rs. 9.90 lakhs. The current assets aggregate Rs. 186.60 lakhs, against which the current liabilities stand at no more than Rs. 117.62 lakhs.

The Rs. 25 fully paid-up ordinary shares of the Tata Mills Ltd. are currently quoted at Rs. 36.75 *cum-div.* On an *ex-div.* basis, the latest dividend works out a yield of 5.75 per cent. per annum.

The Rs. 100 fully paid-up ordinary shares of the Svadeshi Mills Co., Ltd., are presently quoted at Rs. 171 *cum-div.* On an *ex-div.* basis, the yield is 5.55 per cent. per annum.

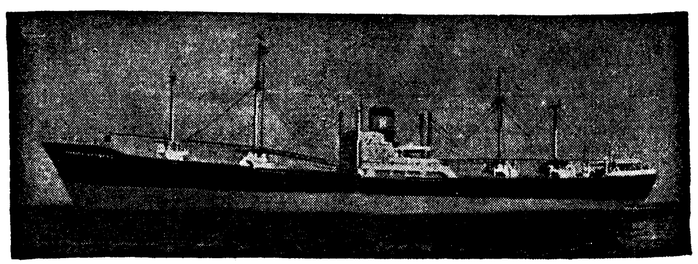
NATIONAL RAYON'S NEW ISSUE

The Directors of the National Rayon Corporation have decided to raise additional capital by the issue of 80,500 new ordinary shares of Rs. 100 each to finance the installation of a rayon tyre cord plant with an annual capacity of 4 million lbs. The new ordinary shares will be issued at a premium of Rs. 25 per share and will, in the first instance, be offered to the existing shareholders in the proportion of one new share for every two shares held. Members whose holding of shares is less than two or not a multiple of two will be offered one coupon in respect of every ordinary share held. Each coupon, when presented to the Company along with a similar coupon and a sum of Rs. 25 payable on application will entitle the holder to one partly paid share. The shareholders are also free to apply for any additional shares. The new ordinary shares will rank *pari passu* for dividend along with other shares from 1958. The sum of Rs. 100 for capital and Rs. 25 for premium in respect of each new ordinary share will be payable in five equal instalments of Rs. 25 each, commencing from 30th June 1958 with an interval of two months between each payment. The share certificates will be available for delivery within nine months from the date of allotment.

(In lakhs of rupees)

	TATA MILLS				SVADESHI MILLS			
	For the year ended 31st December				For the year ended 31st December			
	1957	1956	1955	1954	1957	1956	1955	1954
Sale proceeds of cloth, yarn and waste	3,34.41	3,08.16	3,15.34	3,34.07	3,71.81	3,46.99	3,71.70	3,62.41
Closing stocks of cloth, yarn and waste	79.72	67.71	42.66	54.25	84.13	84.91	47.58	88.87
Manufacturing and other expenses	3,34.58	3,05.66	2,77.23	3,00.81	3,46.31	3,36.61	2,97.39	3,22.79
Gross profit	12.95	31.83	29.83	9.73	23.87	49.67	36.18	11.98
Managing Agents' commission	0.50	1.69	1.57	0.58	0.89	3.52	1.71	0.67
Depreciation	10.25	11.87	20.00	5.75	13.69	14.39	19.00	3.00
Provision for taxation	0.50*	..	0.56	..	2.50*	..	..	8.31
Net profit	1.70	18.27	7.70	3.40	6.79	31.76	15.47	..
Transfer from reserves	5.25	..	..	..	9.75	..	2.89	..
To reserves	1.70	8.00	1.27	..	6.79	16.00	0.35	0.28
„ gratuities account	..	1.35	0.85	0.35	..	1.40	..	..
Dividends—								
5 per cent. preference	..	..	..	..	0.75§	0.75	0.75	0.75
Ordinary	5.25§ (D. 8%)	9.18 (D. 12% + B. 2%)‖	5.25 (D. 16%)	3.26‡ (D. 10%)	9.00§ (D. 9%)	14.00 (D. 12% + B. 2%)‖	12.00† (D. 12%)	8.00† (D. 8%)
Carry forward	0.18	0.18	0.43	0.11	0.29	0.29	0.68	0.44

* Provision for wealth tax. † Rs. 75,000 paid out of dividend reserve. ‡ Rs. 25,944 paid out of dividend reserve.
§ Paid out of general reserve No. 1. ‖ On the increased capital of Rs. 65.58 lakhs.



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LIONEL EDWARDS (PRIVATE) LIMITED.

INDIAN WOOD PRODUCTS MAINTAIN PROFIT

DIVIDEND, HOWEVER, CUT

THE audited accounts of the Indian Wood Products Company, Ltd. (Managing Agents: Messrs. Gillanders Arbuthnot & Co., Ltd., Calcutta) for the year ended 30th September 1957 disclose that although the Company's sale proceeds during the year under review have made a sizable rise from Rs. 41.81 lakhs in the previous year to Rs. 46.16 lakhs, its profit has only been very nearly maintained at the 1955-56 level. Thus, at Rs. 16.45 lakhs, the gross profit shows no change from Rs. 16.48 lakhs for the previous year. It may be mentioned here that the Company earned a record profit of Rs. 20.24 lakhs in 1954-55, but this level has not been kept up in the subsequent two years. This is not surprising, for the Directors had, in their report for 1954-55, drawn attention to the prospect of an increase in production costs as a result of the higher royalty charged on the Company's timber by the U.P. Government. Thus, manufacturing costs have risen from Rs. 22.88 lakhs in 1955-56 to Rs. 27.29 lakhs. The yield of timber per tree was considerably lower during the year on account of the smaller size of trees marked for the Company. Indeed, the profit would have been still lower had it not been for the better prices realised for the Company's products.

The net profit, after providing for Managing Agents' remuneration, depreciation and taxation, is, however, slightly higher at Rs. 4.84 lakhs, as compared with Rs. 4.69 lakhs a year ago. The Directors have made a provision of Rs. 9.23 lakhs for taxation, as against Rs. 9.99 lakhs in the previous year. This is inclusive of a sum of Rs. 45,000 as provision for wealth tax. It also includes Rs. 97,000, representing the additional super-tax payable on the interim dividend and proposed final dividend. The dividend has been cut to 27½ per cent. from 30 per cent. paid for the previous two years by lowering the final distribution from 20 per cent. to 17½ per cent. By this reduction, the distribution is taken back to the 1953-54 level. The net profit for the year under review is not sufficient even to pay this lower dividend but this has been made possible by bringing in the surplus from the previous year. No amount has been transferred to the reserves for the second year in succession.

The following comparative table will give some idea of the Company's progress during the last four years:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	46.16	41.81	41.81	37.41
Closing stocks of manufactured goods	0.82	0.41	0.76	0.68
Cost of manufacturing	27.29	22.88	20.39	20.07
Other expenses	2.95	2.52	1.33	1.29
Gross profit	16.45	16.48	20.24	16.18
Managing Agents' remuneration	1.58	1.07	2.13	1.82
Provision for—				
Depreciation	0.80	0.73	0.83	0.86
Taxation	9.23	9.99	7.31	5.84
Net profit	4.84	4.69	9.97	7.66
To reserves	..	..	3.00	2.00
Dividend	5.50 (27½%)	6.00 (30%)	6.00 (30%)	5.50 (27½%)
Carry forward	0.78	1.45	2.77	1.80

The Company manufactures cutch and katha by a patent process. The factory is situated at Izatnagar in Bareilly District, Uttar Pradesh.

The financial position of the Company, as disclosed by its latest balance-sheet, is quite sound. Its paid-up capital is Rs. 20 lakhs, all in ordinary shares of Rs. 10 each. Of this capital, a sum of Rs. 8 lakhs represents the amount capitalised out of reserves in the past. Even after this capitalisation, its reserves and surplus aggregate Rs. 21.21 lakhs. The provision for taxation stands at Rs. 6.91 lakhs. The current liabilities amount to Rs. 13.59 lakhs. The gross block of the value of Rs. 19.96 lakhs stands well written down at Rs. 4.20 lakhs, the difference, namely, Rs. 15.76 lakhs, being the amount of depreciation provided up to the end of the year of review. The current assets aggregate Rs. 57.51 lakhs, of which cash balances alone amounting to Rs. 11.28 lakhs provide a substantial cover to the current liabilities and provision for taxation.

The Rs. 10 fully paid-up ordinary shares are being currently quoted at Rs. 44.25 *cum-div.* (final dividend Re. 1.75). On an *ex-div.* basis, the yield on the shares works out to 6.47 per cent. per annum, free of income-tax.

Points From The Chair

"Comet" Chassis

"THE sales of 'Comet' chassis have increased steadily since the manufacturing programme was inaugurated and there is every indication that this trend will continue. We are fortunate to enjoy the confidence of State and Municipal transport organisations and repeat orders from these important operators continue to encourage us. More recently, private operators have been purchasing our vehicles in a continuously increasing volume and sales to the latter now exceed those to the former. We can without doubt look forward to 1958 being an outstanding year in your Company's history both with regard to sales and to progress with the manufacturing programme. At some point towards the end of this year, we shall pass the half-way mark in manufacture. That is, more than half the value of a 'Comet' chassis will become made in India. At the end of 1957, 36 per cent. of the value of the chassis was produced at your factory; and at the end of 1958 the percentage will become 55. In this connection, I would like to draw your attention to the fact that these percentages indicate net savings in foreign exchange. To arrive at these figures, the value of materials which are still imported for fabrication in your factory is deducted from the gross saving represented by the deletion of units and components from C.K.D. packs imported from Leyland."

SIR A. RAMASWAMI MUDALIAR,
Ashok Leyland Ltd.

Price Policy for Paper

"It is hard to reconcile Government's policy on paper prices with their exhortation to the industry to increase production. If Government are going to absorb for their own use between 30 and 40 per cent. of the paper produced in the country, and at the same time pay prices which barely cover production costs, it is clearly impossible for the industry to set aside funds for expansion. If it is intended that this shortfall should be recouped from the prices charged to civilian consumers, then I can only say that the morality of such an attitude is questionable and at variance with the request which Government have made to keep selling prices down. At the same time as discussing supplies to Government, representatives of the industry also discussed civilian prices with Government and the industry assured Government of its co-operation in assisting to keep them down. It was, however, made clear that, as in the case of supplies to Government consumers, a stage had been reached at which part of the increase in production costs would also have to be passed on to civilian consumers. Prices have accordingly been increased by about 5 per cent. with effect from 1st April 1958. Although there has been a certain amount of comment on this price increase in the Press, I am glad to say that it is generally appreciated that the cause of the high prices at which paper is selling in the bazaar is not the prices charged by the mills but the excessive profits taken by the bazaar."

J. F. BRIERLEY,
Indian Paper Makers' Association.

Cost of Production

"Throughout Calcutta and Bhandup Works, continually mounting costs have now become a feature of production requiring the constant attention of management in our industry, and indeed in all industry today. Labour and material costs have again risen. Whilst improvements in productivity achieved by modernisation have helped to counteract this rising trend and keep our prices and quality standards competitive, there is a limit at which the level of costs must so affect the price of our products that employment can be endangered. The Company has always paid great attention to producing a quality of product acceptable by high standards, and the wisdom of following such a policy is certainly sound as a long-term policy for an engineering enterprise suppling the Country's needs. Nevertheless, the fact must not be overlooked that customers in India are often conscious of price before quality, and it therefore behoves a Company such as yours with substantial overhead expenses (compared to many smaller units) to obtain the maximum effectiveness in operation, whether it be the use of man-power, raw materials or machines."

H. M. L. WILLIAMS,
Guest, Keen, Williams, Ltd.

Copper Prices

"It is usual in this statement to refer to experience during the year with our most important raw material—copper. And it gives me great pleasure to express appreciation to our suppliers for their service and co-operation. As I have already mentioned, the price has fallen persistently; this has undoubtedly made for uncertainty in the trade and been a factor, among others, in the extremely short order books on which we have recently been operating. Since the end of the year, when the London Metal Exchange price stood at £181 10*s.*, there has been a further fall of approximately £20 per ton which has now, I am glad to say, been recovered. In spite of reduced demand for copper in North America, world consumption was in fact maintained in 1957 due to increased usage in other territories. The fall in price, therefore, can be attributed to production outstripping demand. Producers have now taken steps to correct this situation and there would seem to be a basis for further gradual recovery. Up till the 7th October 1957, two methods were in use for pricing copper sold in the United Kingdom—the London Metal Exchange price and the Rhodesian Selection Trust Price. With two different prices operating, the trade was faced with great difficulties, and we welcomed the decision to revert to one price only."

E. L. WILDY,
London Electric Wire Co. & Smiths Ltd.

COMPANY MEETINGS AND DIVIDENDS

SONEPUR COALFIELDS LTD. Annual General Meeting, Calcutta, 16th June 1958. Transfer books will remain closed from 9th to 16th June 1958, both days inclusive.

TRAVANCORE RUBBER AND TEA CO., LTD. Annual General Meeting, Pathirapally, Kerala State, 19th June 1958. Dividend: 4 per cent. or Re. 0.40 per share. Transfer books remain closed from 3rd to 20th June 1958, both days inclusive.

HOOGHLY FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 19th June 1958. Transfer books will remain closed from 12th to 19th June 1958, both days inclusive.

VICTORIA MILLS LTD. Annual General Meeting, Bombay, 19th June 1958. Dividend: Rs. 20.00 per share (includes bonus also), payable on and from 3rd July 1958. Transfer books remain closed from 6th to 19th June 1958, both days inclusive.

KANKNARRAH CO., LTD. Annual General Meeting, Calcutta, 20th June 1958. Dividend: *Nil*. Transfer books will remain closed from 18th to 20th June 1958, both days inclusive.

KAMARHATTY CO., LTD. Annual General Meeting, Calcutta, 20th June 1958. Dividend: *Nil*. Transfer books will remain closed from 18th to 20th June 1958, both days inclusive.

MARSHALL, SONS AND CO. (INDIA) LTD. Annual General Meeting, Calcutta, 20th June 1958. Dividend: 20 per cent. or Re. 0.40 per share. Transfer books remain closed from 6th to 20th June 1958, both days inclusive.

BENGAL FLOUR MILLS CO., LTD. Annual General Meeting, Calcutta, 20th June 1958. Dividend: Re. 1.25 per share final. Transfer books remain closed from 6th to 20th June 1958, both days inclusive.

VIJAYA MILLS CO., LTD. Annual General Meeting, Ahmedabad, 23rd June 1958. Dividend: Rs. 40.00 per share (includes bonus of Rs. 5.00 per share). Transfer books will remain closed from 16th June to 6th July 1958, both days inclusive.

CHRESTIEN MICA INDUSTRIES LTD. Annual General Meeting, Calcutta, 23rd June 1958. Transfer books will remain closed from 16th to 23rd June 1958, both days inclusive.

EMPIRE JUTE CO., LTD. Annual General Meeting, Calcutta, 23rd June 1958. Transfer books will remain closed from 9th to 23rd June 1958, both days inclusive.

JAYA SHANKAR MILLS BARSI LTD. Annual General Meeting, Barsi, 23rd June 1958. Transfer books will remain closed from 16th to 30th June 1958, both days inclusive.

ALCOCK ASHDOWN & CO., LTD. Annual General Meeting, Bombay, 23rd June 1958. Dividend: Rs. 12.50 per share, payable on and after 30th June 1958. Transfer books were closed from 9th to 22nd May 1958, both days inclusive.

WEST COAST ELECTRIC SUPPLY CORPORATION LTD. Annual General Meeting, Madras, 23rd June 1958. Dividend: Re. 1.00 per share or 10 per cent. (made up of two interim dividends paid already) free of income-tax. Transfer books will remain closed from 20th to 23rd June 1958, both days inclusive.

INDIAN WOOD PRODUCTS CO., LTD. Annual General Meeting, Calcutta, 24th June 1958. Dividend: Rs. 2.75 per share (includes interim dividend of Re. 1.00 per share). Transfer books will remain closed from 12th to 24th June 1958, both days inclusive.

CHITAVALSAH JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Transfer books will remain closed from 12th to 26th June 1958, both days inclusive.

ASSAM SAW MILLS AND TIMBER CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: *Nil*. Transfer books will remain closed from 12th to 26th June 1958, both days inclusive.

INDIAN STANDARD WAGON CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: Rs. 5.00 per share. Transfer books will remain closed from 18th to 26th June 1958, both days inclusive.

EAGLE ROLLING MILLS LTD. Annual General Meeting, Calcutta, 27th June 1958. Dividend: 7½ per cent., payable on or after 1st July 1958. Transfer books will remain closed from 18th to 27th June 1958, both days inclusive.

HOARE MILLER & CO., LTD. Interim dividend of Re. 0.50 per share, for the year ended 31st December 1957, payable on or after 7th June 1958.

RAJGARH TEA CO., LTD. Dividend of Rs. 2.50 per share, for the year ended 31st December 1957.

CENTRAL PROVINCES RAILWAYS CO., LTD. *Ad-interim* dividend of 4 per cent. per annum, less income-tax, for the half-year ended 31st March 1958, payable on 8th July 1958.

SEN-RALEIGH INDUSTRIES OF INDIA LTD. Dividend of 6 per cent. or Re. 0.60 per share, for the year ended 30th September 1957. Transfer books will remain closed from 18th to 27th June 1958, both days inclusive.

BALANOOR TEA AND RUBBER CO., LTD. Dividend of Re. 1.75 or 17½ per cent. for the year ended 31st March 1958. Transfer books will remain closed from 25th June to 1st July 1958, both days inclusive.

PROFIT OF BENGAL FLOUR MILLS HIGHER

MARSHALL SONS REPEAT DIVIDEND

Bengal Flour Mills Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Balmer Lawrie & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The profit for the year (including items relating to previous years) after providing for taxation and depreciation, was Rs. 9,10,908 (Rs. 5,13,605) to which is added the balance brought forward from 1956 of Rs. 90,879 (Rs. 76,830) making a total of Rs. 10,01,787 (Rs. 7,36,879 including Rs. 1,46,444 being provision for taxation no longer required). Out of this total, the Board paid an interim dividend of 12½ (11½) per cent. on 28th December 1957, amounting to Rs. 1,50,000 (Rs. 1,35,000). The Board has transferred Rs. 5,00,000 (Rs. 2,00,000) to general reserve, leaving a balance of Rs. 3,51,787 (Rs. 2,55,879 after placing Rs. 1,46,000 to tax contingency reserve) available for distribution, which it is recommended be dealt with as follows:—

To payment of a final dividend of 12½ (13½) per cent. absorbing Rs. 1,50,000 (Rs. 1,65,000) leaving a balance to be carried forward of Rs. 2,01,787 (Rs. 90,879). No provision has been made for liability to wealth tax. Payment of wealth tax is not considered to be a charge against the current profits of the Company, and the Board therefore intends to charge against reserves any payment made in respect of such assessments.

Operations.—Increasing extraction of residual *atta* continued throughout the year and resulted in a substantial reduction in flour produced. This again contributed towards making *atta* available to the public at reasonable prices. Restrictions on the movement of wheaten products imposed by Government early in the year interfered considerably with the company's goodwill in many parts of India. The good results are due to the new milling plant, the installation of which was reported by the Board last year.

The Board has planned a further extensive programme of modernisation and improvement. This is at present held up owing to the difficulty in obtaining foreign exchange, but it is necessary to build up funds against the time when it will be possible to purchase imported plant. The transfer of Rs. 5 lakhs to general reserve has been made with this in view.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	12,00,000	Block ...	7,31,000
Reserves ...	17,56,000	Stock of wheat, flour etc. ...	6,08,612
Provision for taxation ...	8,97,639	Stores and spare parts	2,05,536
Liabilities ...	14,27,327	Debts, deposits and advances ...	22,02,026
Profit and loss account ...	2,01,787	Investments	34,649
		Cash ...	17,00,930
Rs.	54,82,753	Rs.	54,82,753

Marshall, Sons and Co. (India) Ltd.

The directors of the above Company (Managing Agents: Marshalls (Direction) Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 30th June 1957.

The profit and loss account shows a profit of Rs. 7,08,571 (Rs. 5,19,244) to which is added the dividend income from John Fowler (India) Private Ltd. of Rs. 12,258 (Rs. 12,500) making a total of Rs. 7,20,829 (Rs. 5,39,851 including profit on sale of furniture and vehicles of Rs. 8,107). From this amount is to be deducted general depreciation amounting to Rs. 86,393 (Rs. 1,17,488), adjustments in respect of previous years Rs. 39,322 (Rs. 33,893), loss on sale of furniture Rs. 428 (*nil*) and provision for taxation including wealth tax Rs. 3,50,000 (Rs. 1,90,000) leaving a net profit of Rs. 2,44,686 (Rs. 1,98,470). With the balance brought forward from the previous year of Rs. 1,01,088 (Rs. 1,12,618) there is a total amount available for disposal of Rs. 3,45,774 (Rs. 3,11,089). It is recommended that this balance be disposed of as follows:—

To payment of a dividend of 20 (20) per cent. free of Indian income-tax amounting to Rs. 2,10,000 (Rs. 2,10,000) and leaving a balance of Rs. 1,35,774 (Rs. 1,01,089) to be carried forward.

In the year under review, there was a further slight improvement in turnover as compared with the previous financial year, and it is gratifying to note that the trading profit also showed a slight increase in spite of the very competitive market conditions which generally entailed a reduction in the normal realizable margins of profit. The directors, however, feel justified in again recommending a dividend of 20 (20) per cent. free of tax.

Due to various factors, there was a tendency towards an upward trend in expenditure. There were the usual annual increments to staff, and the fact that throughout the year the dearness allowance paid has remained high based on the cost of living index. The interest on overdraft was higher, and it will be appreciated, that this was necessitated by the increased trading. Congestion experienced at ports during the year under review also led to a considerable advance in delivery charges, but it is hoped that the steps now being taken by Government will lead to an improvement in this direction.

A sum of Rs. 3,50,000 (Rs. 1,90,000) has been provided for taxation, and the increased figure is due to the higher rate of taxation and includes wealth tax.

The directors have pleasure in reporting satisfactory co-operation with the Britannia Engineering Company in regard to the manufacture and supply of tea machinery, which is sold and serviced by the Company, and this business has assisted in no small measure in maintaining the turnover.

As a result of the co-operation between Marshall, Sons & Co., Ltd., Gainsborough, and the Britannia Engineering Company in the production of *Diesel Road Rollers* in this country, the Company, as the selling agent, will shortly feel the benefits. The first batch of *Diesel Road Rollers* are now coming off the line and it is hoped in the very near future that the *Steam Road Rollers* will also be ready for delivery. The production of these items will materially assist the Company in combating the difficult position arising from the non-availability of import licences.

Another indigenous production from which the Company is receiving material benefit is the range of Marshall Electric Motors produced by the Motor and Machinery Manufacturing Company, who have raised production during the year, and although not yet actually fulfilling demand the position is rapidly improving.

The Marshall Baxter range of Stonebreakers being made by the Company in India is developing satisfactorily and various sizes of these machines can now be offered from stock.

Bearing in mind the Government's desire that India should become more self-sufficient in her local productions the Company is endeavouring to associate itself with other indigenous manufacturers to whom the Company have offered the benefits of its sales organisation. In continued associations of this kind lies the future prosperity of the Company, and the directors are in close touch with developments.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	10,50,000	Block ...	3,60,934
Reserves ...	18,90,000	Stock-in-trade	1,22,86,160
Provision for taxation ...	6,05,971	Stores and loose tools, etc. ...	42,458
Liabilities ...	1,68,83,647	Debts, deposits and advances ...	74,23,967
Profit and loss account ...	1,35,774	Investments	1,83,840
		Cash ...	2,68,033
Rs.	2,05,65,392	Rs.	2,05,65,392

Aruna Mills Ltd.

The directors of the above Company (Ahmedabad) presented the audited accounts of the Company for the year ended 31st December 1957.

The profit and loss account shows a loss of Rs. 6,91,695 (profit of Rs. 8,79,789 which is adjusted against the reserve fund). The balance brought from last year is Rs. 37,011 (Rs. 27,287) to which is added the excess of preference share dividend account viz. Rs. 2,625 (*nil*) making a total of Rs. 39,636 (Rs. 9,07,076). The directors have transferred from reserve fund Rs. 2,85,614 (*nil*), from dividend equalisation fund Rs. 2,50,000 (*nil*) and from contingency fund Rs. 2,50,000 (*nil*) making a total of Rs. 8,25,250 (Rs. 9,07,076). Short provision of taxation of the previous year absorbs Rs. 4,16,000 (*nil*) leaving an available balance of Rs. 4,09,250 (Rs. 9.07,076). The directors recommend payment of a dividend on 10,000 5 per cent. cumulative preference shares for the year (less income-tax) absorbing Rs. 34,250 (Rs. 36,875) and a dividend of Rs. 25 (Rs. 25) per share, income-tax free, on 15,000 ordinary shares for the year absorbing Rs. 3,75,000 (Rs. 3,75,000) leaving to be carried forward a balance of rupees *nil* (Rs. 37,011 after placing Rs. 2,58,190 to reserve fund, Rs. 1,00,000 to dividend equalisation fund and Rs. 1,00,000 to contingency fund).

The stalemate created by the imposition of increased excise duties in September 1956 continued to depress the conditions of the cloth market, all throughout the year under review, and many textile manufacturing units were faced with accumulated stocks. In December 1957, however, the Central Government, at the time of amalgamation of sales tax with excise duties, reduced the excise duty on medium cloth by six pies per sq. yard. The Company's mills are manufacturing fine, superfine and medium varieties and the burden of excise duties on fine and superfine categories is excessive, and the reduction in excise duty on the medium varieties in the last month of the year, did not prove of much help.

During the year under review, the manufacturing cost continued to increase owing to rise in wages in certain occupations as well as the introduction of the scheme of gratuity under the Industrial Court Award, and higher prices paid for stores, dyes, chemicals and spare parts.

Further progress was made on the mills' reorganisation and renovation programme during the year. A sum of Rs. 27,79,197 was spent on extension of buildings and installation of new machinery and equipment. The main items covered by this expenditure included blow room machinery, revolving flat carding engines, mercerising range, singeing, shearing and cropping machines and electrical equipments and buildings for housing blowroom and cards.

The Board of directors of the Company resolved in June 1957, to increase the capital of the Company by Rs. 5,00,000 by the issue of 5,000 fully paid bonus ordinary shares of Rs. 100 each, to be issued and allotted to the shareholders of the Company in proportion of one ordinary share to three ordinary shares held by them and that the said shares should rank for dividend from 1st January 1958. An application was made to the Central Government for a consent thereto. The directors state that the Company has received the sanction of the Central Government. One of the conditions on which the sanction is granted is that the bonus shares should be issued in the year in which there would be assessable income. Looking to the working of the year 1957, the present market conditions and amount of depreciation in respect of expected installations of new machinery of the value of about Rs. 27 lakhs during the year 1958, the directors did not think it proper to recommend the issue of bonus shares at this stage but decided to consider the matter at a later date.

The installed capacity of the mills is 42,768 spindles, 1,452 doubling spindles and 912 looms with complete dyeing, bleaching, mercerising and sanforizing plants.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	25,00,000	Block ...	55,68,608
Reserves ...	98,23,189	Stock-in-trade	73,30,822
Provision for taxation ...	14,23,640	Stores, spare parts, etc.	14,93,779
Liabilities ...	61,57,948	Debts, deposits and advances ...	45,16,808
		Investments	7,27,534
		Cash ...	2,67,226
Rs.	1,99,04,777	Rs.	1,99,04,777

Arvind Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. Narottam Lalbhai & Co., Ahmedabad) presented the audited accounts of the Company for the year ended 31st December 1957.

The profit for the year after providing Rs. 18,54,118 (Rs. 24,44,677) for depreciation and development and rehabilitation and Rs. 33,60,000 (Rs. 37,00,000) for tax provision amounted to Rs. 14,89,807) (Rs. 26,37,852). The ad-interim dividend of Rs. 12.50 (Rs. 7.50) per share for the first-half of the year 1957 absorbed Rs. 5,00,000 (Rs. 3,00,000) leaving a balance of Rs. 9,89,807 (Rs. 23,37,852). To this amount is added the balance brought forward from the previous year's account of Rs. 15,274 (Rs. 72,768) and surplus of preference shares dividend account of 1956 Rs. 6,339 (*nil*) making a total of Rs. 10,11,420 (Rs. 24,10,620). The directors recommend the payment of dividends as follows:—

To the payment of a dividend of 12.50 (Rs. 17.50) and a bonus Rs. 10.00 (Rs. 10.00) per ordinary share, income-tax free, on 40,000 ordinary shares for the second-half of the year 1957 absorbing Rs. 9,00,000 (Rs. 11,00,000), to the payment of a dividend on 5,250 5 per cent. cumulative preference shares for the year 1957 (less income-tax) absorbing Rs. 17,981 (Rs. 19,359), to the payment of a dividend on 10,500 4½ per cent. cumulative preference shares for the year 1957 (less income-tax) absorbing Rs. 32,367 (Rs. 34,847), to the payment of a dividend on 5,250 4½ per cent. 'B' class redeemable cumulative preference shares for the year 1957 (less income-tax) absorbing (Rs. 16,183 (Rs. 17,423) and to the payment of a dividend on 5,250 4½ per cent. 'C' class redeemable cumulative preference shares for the year 1957 (less income-tax absorbing Rs. 16,183 (Rs. 17,424 leaving to be carried forward to next year's account Rs. 28,706 (Rs. 15,274 after placing Rs. 6,06,293 to reserve fund Rs. 5,00,000 to dividend equalisation fund and Rs. 1,00,000 to contingency fund).

The stalemate created by the imposition of increased excise duties in September 1956 continued to depress the conditions of the cloth market, all throughout the year under review, and many textile manufacturing units were faced with accumulated stocks. In December 1957, however, the Central Government, at the time of amalgamation of sales tax with excise duties, reduced the excise duty on medium cloth by six pies per sq-yard. The Company's unit is manufacturing fine and superfine varieties and the burden of excise duties on these categories is excessive and the directors' hopes for relief have been frustrated.

The Board of directors of the Company resolved in June 1957, to increase the capital of the Company by Rs. 20,00,000 by issue of 20,000 ordinary fully paid bonus shares of Rs. 100 each, to be issued and allotted to the shareholders of the Company in proportion of one share to two ordinary shares held by them and that the said shares should rank for dividend from 1st January 1958. An application was made to the Central Government for consent thereto. The directors have pleasure to inform that the Company has received the sanction from the Central Government, and that necessary resolutions for issue of bonus shares shall be moved at the extraordinary general meeting of the Company to be held on 6th June 1958.

The installed capacity of the mills is 62,448 ring spindles, 3,964 doubling spindles and 1,216 looms with complete dyeing, bleaching and printing plants.

Accounts in brief were as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	66,25,000	Block ...	1,07,11,113
Reserves ...	3,03,12,127	Stock-in-trade	99,86,303
Provision for taxation ...	29,54,702	Stores, spare parts etc.	23,95,602
Liabilities ...	44,10,600	Debts, deposits and advances ...	65,71,386
Profit and loss account ...	28,706	Investments ...	1,15,60,541
		Cash ...	31,06,190
Rs.	4,43,31,135	Rs.	4,43,31,135

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

THE BURDWAN-CUTWA RAILWAY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Fifty-first Annual General Meeting of the Members of The Burdwan-Cutwa Railway Company, Limited, will be held at No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 4-05 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st March, 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. O. N. Goenka, the Director retiring by rotation at the Meeting.
4. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Mr. S. K. Mukherjee be and is hereby appointed a Director whose period of office is liable to determination by retirement of Directors by rotation."

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Secretaries & Treasurers.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *29th May* 1958.

Note:—1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

2. Payment of the proposed dividend, if declared, will be made on receipt of the balance subsidy from the Government of India only to those Members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees.

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

EXPLANATORY STATEMENT

Mr. S. K. Mukherjee was appointed by the Board as an Additional Director in August 1957 and vacates office at this Annual General Meeting under Article 113 of the Company's Articles of Association and Section 260 of the Companies Act, 1956. The resolution mentioned in item 5 of the above Notice is intended to effect the reappointment of Mr. Mukherjee as a Director liable to retirement by rotation.

THE AHMADPUR-KATWA RAILWAY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Fiftieth Annual General Meeting of the Members of The Ahmadpur-Katwa Railway Company, Limited, will be held at No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 4-00 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st March, 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Rai Bahadur N. Singh Roy, the Director, retiring by rotation at the Meeting.
4. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Mr. S. K. Mukherjee be and is hereby appointed a Director whose period of office is liable to determination by retirement of Directors by rotation."

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Secretaries & Treasurers.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *29th May* 1958.

Note:—1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

2. Payment of the proposed dividend, if declared, will be made on receipt of the balance subsidy from the Government of India only to those Members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees.

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

EXPLANATORY STATEMENT

Mr. S. K. Mukherjee was appointed by the Board as an Additional Director in August, 1957 and vacates office at this Annual General Meeting under Article 113 of the Company's Articles of Association and Section 260 of the Companies Act, 1956. The resolution mentioned in item 5 of the above Notice is intended to effect the reappointment of Mr. Mukherjee as a Director liable to retirement by rotation.

THE BANKURA-DAMOODAR RIVER RAILWAY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Fifty-first Annual General Meeting of the Members of The Bankura-Damoodar River Railway Company, Limited, will be held at No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 4-10 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st March, 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare a dividend.
3. To appoint a Director in place of Mr. T. K. Basu, the Director retiring by rotation at the meeting.
4. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Mr. S. K. Mukherjee be and is hereby appointed a Director whose period of office is liable to determination by retirement of Directors by rotation."

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Secretaries & Treasurers.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *29th May* 1958.

Note.—1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

2. Payment of the proposed dividend, if declared, will be made on or after 18th July, 1958, only to those Members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees.

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

EXPLANATORY STATEMENT

Mr. S. K. Mukherjee was appointed by the Board as an Additional Director in August, 1957, and vacates office at this Annual General Meeting under Article 113 of the Company's Articles of Association and Section 260 of the Companies Act, 1956. The resolution mentioned in item 5 of the above Notice is intended to effect the reappointment of Mr. Mukherjee as a Director liable to retirement by rotation.

THE KATAKHAL-LALA BAZAR RAILWAY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Forty-seventh Annual General Meeting of the Members of The Katakhal-Lala Bazar Railway Company, Limited, will be held at No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 4-20 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st March 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. M. R. C. Thomas, the Director retiring by rotation at the Meeting.
4. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Mr. S. K. Mukherjee be and is hereby appointed a Director whose period of office is liable to determination by retirement of Directors by rotation."

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Secretaries & Treasurers.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *30th May* 1958.

Note:—1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

2. Payment of the proposed dividend, if declared, will be made on or after 18th July, 1958, only to those Members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees.

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

EXPLANATORY STATEMENT

Mr. S. K. Mukherjee was appointed by the Board as an Additional Director in August, 1957, and vacates office at this Annual General Meeting under Article 113 of the Company's Articles of Association and Section 260 of the Companies Act, 1956. The resolution mentioned in item 5 of the above Notice is intended to effect the reappointment of Mr. Mukherjee as a Director liable to retirement by rotation.

THE KALIGHAT-FALTA RAILWAY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Forty-ninth Annual General Meeting of the Members of The Kalighat-Falta Railway Company, Limited, will be held at No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 4-15 p.m., for the following purposes:—

1. To receive and consider the Profit and Loss Account for the year ended 31st March, 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. M. R. C. Thomas, the Director retiring by rotation at the Meeting.
3. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Mr. S. K. Mukherjee be and is hereby appointed a Director whose period of office is liable to determina-

tion by retirement of Directors by rotation."

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

By Order of the Board,

KALIGHAT-FALTA RAILWAY COMPANY, LTD.,
A. T. DOIG,
Director.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *29th May* 1958.

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

EXPLANATORY STATEMENT

Mr. S. K. Mukherjee was appointed by the Board as an Additional Director in August, 1957, and vacates office at this Annual General Meeting under Article 113 of the Company's Articles of Association and Section 260 of the Companies Act, 1956. The resolution mentioned in item No. 4 of the above Notice is intended to effect the re-appointment of Mr. Mukherjee as a Director liable to retirement by rotation.

MINERVA MILLS, LIMITED

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE Thirty-eighth Annual General Meeting of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70 Forbes Street, Fort, Bombay on Tuesday the 15th day of July 1958 at 4.30 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st December 1957.
2. To appoint Directors in place of those who retire but are eligible for re-appointment.
3. To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 20th day of June 1958 to the 12th day of July 1958, both days inclusive.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

Detailed Notice of the above Meeting is being published in the Press and is also being posted to the shareholders individually.

By Order of the Board,

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

V. N. CHANDAVARKAR,
Managing Director.

BOMBAY, 21*st May*, 1958.

THE EMPIRE JUTE COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Eighty-ninth Annual General Meeting of the Members of THE EMPIRE JUTE COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday, the 23rd day of June, 1958, at 3 o'clock in the afternoon, for the following purposes:—

1. To receive and consider the Profit and Loss Account for the thirteen months ended 31st July, 1957, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare Dividends.
3. To appoint a Director in place of Mr. B. L. Bajoria, the Director retiring by rotation at the Meeting.

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

   "That Mr. B. L. Bajoria be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

   Special Notice of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Mr. B. L. Bajoria is an "associate" of the Managing Agents within the meaning of the Act, and that therefore he can only be re-appointed by a special resolution as a Director of the Company liable to retirement by rotation.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

5. To appoint a Director in place of Mr. R. G. Edwards who resigned from the Board in March, 1958, and in this connection, to consider, and if thought fit, to pass the following Resolution which will be proposed as a Special Resolution of which Special Notice as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which, as required by Section 173 of the said Act, is annexed hereto:—

   "That Mr. D. N. Kapur be and is hereby appointed a Director of the Company liable to retirement by rotation in place of Mr. R. G. Edwards."

The Share Transfer Books of the Company will be closed from 9th to 23rd June, 1958, both days inclusive.

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

By Order of the Board,

McLEOD & CO., LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *29th May*, 1958.

Note.—Payment of the proposed dividends, if declared, will be made on or after 7th July, 1958, only to those members whose names are registered in the Books of the Company on 23rd June, 1958, or to their Mandatees.

Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS

Mr. R. G. Edwards resigned from the Board at the end of March, 1958, and a Special Notice has been received from a member of the Company notifying his intention to propose a special resolution as set out in item 5 of the above notice appointing Mr. D. N. Kapur as a Director of the Company liable to retirement by rotation, in the place of Mr. R. G. Edwards. In the said Special Notice it has been pointed out that Mr. D. N. Kapur is an "associate" of the Managing Agents within the meaning of the Companies Act, 1956, and that, in view thereof, it will be necessary for the members to pass a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956, if they decide to appoint him as a Director of the Company liable to retirement by rotation since McLeod & Co., Ltd., the Managing Agents of the Company, are authorised by the Articles to appoint a Director or Directors on the Board of the Company.

PRESIDENCY JUTE MILLS COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Seventy-third Annual General Meeting of the Members of PRESIDENCY JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 27th day of June, 1958, at 3 o'clock in the afternoon, for the following purposes:

1. To receive and consider the Profit and Loss Account for the thirteen months ended 31st July, 1957, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare a Dividend.
3. To appoint Directors in place of Mr. Alec. A. Leslie and Mr. B. L. Bajoria, the Directors retiring by rotation at the Meeting.

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

   "That Mr. B. L. Bajoria be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

   Special Notice of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Mr. B. L. Bajoria is an "associate" of the Managing Agents within the meaning of the Act, and that therefore, he can only be re-appointed by a special resolution as a Director of the Company liable to retirement by rotation.
4. To appoint Auditors and fix their remuneration.

As Special Business

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

   "That Dr. S. C. Law, who attained the age of sixty-five years in July, 1957, and who was, at a General Meeting held on the 21st May, 1957, appointed a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation be and is hereby permitted to continue in office as such Director, and it is hereby declared in conformity with the provisions of Section 281 of the Companies Act, 1956, that the age limit prescribed by Section 280 of the Act shall not apply to him."

   Special Notice of intention to propose the foregoing resolution has been received by the Company.

The Share Transfer Books of the Company will be closed from 13th to 27th June, 1958, both days inclusive.

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

By Order of the Board,

McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *28th May*, 1958.

Note:—Payment of the proposed dividend, if declared, will be made on or after 15th July 1958, only to those members whose names are registered in the Books of the Company on 27th June, 1958, or to their Mandatees.

Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT

Dr. S. C. Law, who has been a Director of the Company since 19th April 1945, attained the age of sixty-five years in July 1957. Unless, therefore, as provided by Section 281 of the Companies Act, 1956, a resolution is passed by the Company in general meeting approving his appointment and specifically declaring that the age limit prescribed in Section 280 shall not apply to him, he will be required to vacate his office at the conclusion of the forthcoming Annual General Meeting in terms of the provisions of the proviso to sub-section 2 of Section 280 of the Companies Act, 1956.

The resolution in item 5 of the above Notice, of which special notice of the intention to propose it has been received by the Company, is intended to satisfy the statutory requirements and will enable Dr. S. C. Law to continue in office as a Director of the Company after the conclusion of the forthcoming Annual General Meeting and to be reappointed as a Director of the Company at all material times in the future.

MONEY SUPPLY EXPANDS

(From Our Own Correspondent)

BOMBAY, *4th June*

With a further expansion in supply of funds and a fall in demand for bank credit, the short-term money market continued to rule easy for yet another week. The activity in the market was therefore, poor and banks were able to reduce further their outstanding borrowings from the Reserve Bank. Despite the easy conditions, money rates were well held at the previous week's levels. Thus, inter-bank call money continued to be quoted at 3 per cent. by almost all banks, large and small. House money at call was placed at 4 to 4½ per cent. and short-term deposits at 4½ to 4¾ per cent. for one to six months.

A further contraction of Rs. 10.90 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 30th May 1958. This brings the total fall in active notes in the past three weeks to Rs. 42.17 crores. A rise of Rs. 1.39 crores is noted in notes held in the Banking Department, so that the net decline in total notes issued is Rs. 9.51 crores. This is covered by a contraction of Rs. 10 crores in rupee securities and a small rise of Rs. 49 lakhs in rupee coin. Deposits of the Central Government show a decline of Rs. 16.94 crores, while deposits of other Governments are higher by Rs. 3.49 crores and those of banks by Rs. 4.66 crores. There has been a drop of Rs. 6.76 crores in loans and advances to Governments and of Rs. 2.73 crores in other loans and advances. The decline in the latter is mainly due to a fall of Rs. 5.08 crores in advances to Scheduled banks against usance bills. Investments have gone up by Rs. 8.73 crores, while Government Treasury Bills purchased and discounted are lower by Rs. 1.11 crores.

The Scheduled banks' statement for the week ended 23rd May 1958 shows a small decline of Rs. 82 lakhs in demand deposits and a rise of Rs. 5.19 crores in time deposits. Inter-bank borrowings are lower by Rs. 1.21 crores and borrowings from the Reserve Bank by Rs. 10.69 crores. Advances have been further reduced by Rs. 4.13 crores and bills purchased and discounted by Rs. 1.96 crores. Cash balances show no worthwhile change, but money at call and short notice are higher by Rs. 4.86 crores.

The Gilt-edged market ruled firm with most of the securities in good demand, on account of the very comfortable money conditions. Business passing was, however, small, in the absence of sellers and due to scarcity of stocks. For the first time after the flotation of the Central Government's loans, the Reserve Bank of India entered the market as a seller of some securities and put up their selling rates during the week under review. Thus, last week-end the Bank started selling 3½ per cent. 1965 at Rs. 98, as against the market quotation of Rs. 97.85, and stepped up its price by another 10 nP to Rs. 98.10 yesterday. It began offering 3½ per cent. 1968 at the issue price of Rs. 99.50 and 4 per cent. 1973 at 5 nP higher at Rs. 100.05.

3 per cent. 1986 Conversion Loan gained 5 nP to Rs. 71.05, as also 3 per cent. 1970-75 to Rs. 87.10. 3 per cent. 1966-68 was unchanged at Rs. 92.80, while 3 per cent. 1964 gathered 10 nP to Rs. 95.40. 3 per cent. 1963-65 was placed at Rs. 95.45 *ex*-voucher, as against Rs. 95.40 *cum*-voucher. 3½ per cent. 1962 was in demand and rose by 10 nP to Rs. 97.90. 3½ per cent. 1961 was stagnant at Rs. 99.60 and 3¼ per cent. 1963 at Rs. 98.75. 3½ per cent. 1964 was in keen demand and picked up 15 nP to Rs. 98.35 and 3¼ per cent. 1965 rose by 25 nP to Rs. 98.10, consequent on the increase in Reserve Bank's selling price. 3½ per cent. 1967 was unchanged at Rs. 97.55 and 3¾ per cent. 1967 at Rs. 99.65. 3¾ per cent. 1974 gained 5 nP to Rs. 98.25 and 4 per cent. 1972 by a similar extent to Rs. 100.30.

The rupee was somewhat irregular in terms of the dollar, in consonance with the trend of sterling. Thus, banks' selling rate, after declining from Rs. 475.25 to Rs. 475 rose back to Rs. 475.25 per $100. Their buying rate moved between Rs. 472 and Rs. 471.75 before closing at Rs. 472 per $100. In New York, spot sterling was erratic moving between $2.81⅝-2.81¾ and $2.81½-2.81⅝, but finished ⅛c lower at $2.81½-2.81⅝. Three months' forward also declined over the week from $2.79.5/16-2.79.7/16 to $2.79¼-2.79⅜. Transferable sterling was, however, unchanged at 279.35-279.45 cents.

METALS STEADY

(From Our Own Correspondent)

CALCUTTA, *3rd June*

Fully steady conditions were in evidence in the metal market during the week under review. Prices of tin and electrolytic zinc were well maintained, while lead registered a nominal decline. Consuming industries continued to be inconvenienced by the acute shortage in copper and the delay involved in the permit system. In this context, a scheme for the equitable and more efficient distribution of copper as formulated by a Calcutta merchant and submitted to the Union Commerce and Industry Minister has received attention here. The scheme envisages the setting up of two regional committees, one in Calcutta and another in Bombay. Each committee will be comprised of two representatives each of importers, scheduled industries, and non-scheduled industries to be nominated by the East India Metal Merchants' Association of Calcutta and the Bombay Metal Exchange, respectively. Industries consuming 10 cwts. and above should submit details of their needs to the respective committees, which would issue entitlement permits according to availability of copper on an equitable basis. Importers' profit should not exceed 5 per cent. including retailers' commission and brokerage, if any. If the scheme is accepted, it would amount to decontrolling of copper. If Government's intention is not to decontrol so soon, at best it can call for recommendations from the committees as to distribution and expedite the issue of permits. This would relieve the acute difficulty now experienced by both importers and consumers as a result of the delay ensuing in the issue of permits. In the meantime, it was noted here that in both New York and London copper prices tended upward in the week under review, despite reports about the possibility of resumption of work in the Chuquicamatia copper mines in Chile. There was more demand for zinc in this week, and the price was firm at Rs. 47.50. Tin was steady at Rs. 507, and Calcutta attracted some mofussil business which should have normally gone to Bombay, where the price was higher at least by Rs. 5. On the other hand, lead sagged to Rs. 59.50 from Rs. 60.50 on limited demand.

BULLION RECOVERS AT CLOSE

(From Our Own Correspondent)

BOMBAY, *4th June*

A sharp rise in bullion prices during the last two days, in refreshing contrast to the downtrend noted in the past few weeks, was the most notable feature of trading in the bullion market during the week under review. Replacement buying and heavy short-covering, on reports of slackness of arrivals of Tibetan coins and paucity of gold supplies, pushed up the prices sizably from the lowest levels touched on Monday. Another factor which was responsible for the upward trend in prices was the rumour that the Bombay Government did not seem to be in favour of approving the recently amended by-laws of the Bullion Association. But these rumours lack confirmation.

Earlier in the week witnessed a further depression in bullion prices on persistent "bear" hammering. The increase in floating stocks, reports about the prospect of large arrivals of coins from Tibet and about unauthorised arrivals of gold were the main bearish factors. The heavy fall in the price of gold resulted in the enforcement of a margin of Rs. 7 per tola on all outstanding sales of gold in that settlement on Friday last, as the day's closing rate stood more than Rs. 5 below the starting rate of that settlement. As the closing price of silver in June settlement stood on Friday more than Rs. 5 below the last clearing rate, a special clearing was also enforced.

Silver forward (June settlement) slumped from Rs. 185-7 to Rs. 181-3 before the settlement ran out yesterday at Rs. 182-12. The July settlement receded from Rs. 186-5 to Rs. 182-3 on Monday, but recovered to close at Rs. 185-9.

Ready silver was marked down from Rs. 185-8 to Rs. 181-7, but soon gained ground to Rs. 185-1 today. The closing was done at Rs. 184-13. The floating stocks of silver are reported to be 500 bars. The daily average arrivals were 30 bars (including unrefined metal), while the offtake was 10 bars on an average.

Gold for forward delivery (June settlement) reacted from Rs. 109-2 to Rs. 106-8 before the settlement ran out on Monday at Rs. 106-15. The July settlement was marked down from Rs. 107-14 to Rs. 106-1, but rallied to close at Rs. 107-9.

Ready gold finished at Rs. 108-9, after touching a low of Rs. 107-1 from Rs. 109-14. The floating stocks of gold are estimated at 40,000 tolas. While the daily average arrivals were 3,000 tolas, the offtake was of the order of 2,500 tolas.

In New York, silver was unchanged at 89⅝c., while in London spot silver dropped from 76½d. to 75½d. and forward from 75½d. to 75⅛d. Gold also declined from 249s. 5½d. to 249s. 4d.

The following comparative table shows at a glance the trend of the market during the week under review:

	4-6-58	Highest	Lowest	28-5-58
GOLD	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Ready (.99 fine Mint)	108 9	109 1	107 1	109 14
Forward*	107 9	107 10	106 1	107 14
Sovereign	70 0	70 8	69 8	71 2
SILVER†				
Ready (.996 fine Mint) ..	184 13	185 1	181 7	185 8
Forward†	185 9	185 14	182 3	186 5
London Silver Ready ..	75½d.	76¼d.	75½d.	76¼d.
London Forward	75⅛d.	75⅝d.	75⅛d.	75⅝d.
London Gold	249s.4d.	249s.5⅝d.	249s.3½d.	249s.5½d.
New York Silver	89⅛c	—	—	89⅛c.

* 2nd July settlement.
† 3rd July settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

GOOD DEMAND FOR LOWER GRADE KIPS

(From Our Own Correspondent)

MADRAS, *2nd June*

There was no change in the pattern of kip trade or prices this week. Demand for lower grades for local use was good. U.K. inquiries were mostly for lower ends of hides and calves which were in short supply, and sellers were not eager to make forward sales, in view of the reported reduction in the output of various tanneries. There was patchy demand from the U.S.A. for tanned buff calf skins.

As regards tanned skins, importers on the Continent were not keen buyers, and hence prices ruled weak. E.I. tanners were in a well sold position, and the urge to sell would not be evident for a fortnight or two. Owing to good clearance of common sheep in the local market, prices were steady for these classes, but weak for other sorts, because shipment business was poor.

COTTON FUTURES DULL

(From Our Own Correspondent)

BOMBAY, *4th June*

The cotton futures market was dull and featureless throughout the week under review. In the absence of any important development, trading interest was subdued. Rumours regarding an additional export quota for ¾" staple cotton induced some scattered buying, but in the absence of follow-up support the market failed to improve. On the other hand, profit-taking and hedge selling led to a slight fall in prices. The main consideration which prompted the selling was the discouraging textile outlook. Traders feared that, with the crisis facing the textile industry continuing unabated, there would be a further decline in mill consumption of raw cotton and that purchases of raw cotton, both for immediate consumption and stock building, would be curtailed more drastically. The export subsidy in kind for U.S. cotton, announced by the U.S. Department of Agriculture on 29th May, also imparted weakness to the market. It was thought that this would affect exports of Indian cotton as the subsidy would improve the competitive position of U.S. cotton *vis-a-vis* Indian short staples. Advices from the spot and upcountry markets were also not encouraging. However, the main factor which prevented a steep fall in price was the support extended by a section of traders. This was based on the expectation that the expert committee studying the cotton textile situation would make suitable recommendations to enable the industry to tide over the crisis.

I.C.C. Moglai Jarilla (August 1958) opened the week at Rs. 673.50, as compared with the previous close of Rs. 672.25 and, after fluctuating in a narrow range, declined to Rs. 666.75 on Monday. It improved to Rs. 673.50 yesterday. Opening today's session at Rs. 667.50, the contract gained Rs. 4.25 before finishing at Rs. 670.25. The net loss over the week was Rs. 2.

The following table indicates the trend of prices of contract during the week:

(In rupees per candy of 784 lbs.)

	4-5-58	*High*	*Low*	28-4-58
I.C.C. Moglai Jarilla August 1958 ...	670.25	676	666.75	672.25

The spot market was easy. The brisk activity which followed in the wake of the recent export quota announcement, subsided. There was only moderate mill activity. Spinner interest was confined to staple styles like Jarilla, Vijay, Khandesh and Jayadhar. Short staples continued to be neglected.

In the export section, shippers' interest was noted in Kala, Kalyan and *Deshi* varieties. Renewed demand was evident for Kalyan and Berar Jarilla in anticipation of an additional export quota for ¾" cotton. The Joint Chief Controller of Exports notified on 29th May that the ceiling of 15,000 bales fixed for export of cotton of staple length ¾" had been reached and that no further application for the export of that variety would be entertained.

In the foreign section, good business was reported in East African varieties subject to availability of import licences. Busoga and Bukhedi were in the limelight. The Government of India announced on Monday that a "small quantity" of U.S. cotton would be permitted to be imported under the Indo-Burma-U.S. Tripartite Agreement of 1956. Contracting and shipment periods will commence on 2nd inst., and would terminate on 30th June and 31st July, respectively. The announcement has been welcomed by importers although they are not enthused over it. Although the exact quantity of the import quota for U.S. cotton has not been fixed, heavy applications for licences are reported to have been made by importers. Trade quarters point out that the Government would be well advised to announce an import quota for East African cotton. An early announcement, it is felt, will enable mills to secure sufficient raw material to spin finer counts.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri, the figures in brackets being last week-end closings:

Bengal *Deshi* 590 (600); Berar Jarilla 725 (740); Khandesh 775 (785); Oomra *Deshi* 660 (665); Vijay 890 (900); Hubli Laxmi 1.010 (1,015). *Delivery contracts*: Bengal 578 (582); Wagad 616 (620); Kalagin 607 (611).

Although the Karachi cotton futures market ruled firm early in the week, it suffered a sharp setback on 31st May following the announcement, by the U.S. Department of Agriculture, of a cotton export subsidy of 6½ cents a lb. payable in kind for fibre exported after 1st August 1958. Traders' apprehension was that, as a result of the subsidy, Pakistan cotton will face increasing competition from U.S. short staples in international markets. Heavy selling prompted by this fear depressed values. N.T.R.G. July reacted from Rs. 76-5 on the 28th May to Rs. 75-6 on the 31st. The January 1959 contract declined from Rs. 76-5 to Rs. 75-10. The former receded further to Rs. 75-1-6 yesterday while the latter ruled unchanged at that rate. The spot market was depressed. *Deshi* varieties, in particular, came in for heavy selling. Prices of all varieties declined sharply. Sind *Deshi*, which was quoted at Rs. 69 last week-end, dropped to Rs. 59-4. Punjab *Deshi* receded from Rs. 61-8 to Rs. 54-8. The following are the latest available spot quotations—in rupees per maund of 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi:

4 F Roller 69-10; S.G. 78-10; Punjab Roller 73-10; S.G. 80-2; 289F Punjab Roller 85-2; S.G. 95-10; 289F N.T. Roller 78-10; S.G. 89-10.

Alexandria cotton futures market ruled quiet during the week. Shippers' interest was subdued

and local spinner demand slack. The Karnak May contract expired on the 28th inst., at 76.10 tallaris. Shipments of Egyptian cotton from the commencement of this season till the 14th of last month aggregated 529,277 bales, comprising 135,631 bales of Karnak, 148,217 bales of Menoufi, 49,998 bales of Giza-30, 181,425 bales of Ashmouni, 11,768 bales of Giza-31 and 2,238 bales of other varieties.

The latest quotations—in tallaris per lb.—from Alexandria are as follows:

Karnak: July 77.00; November 79.50; *Ashmouni*: June 68.50; August 68.50.

After commencing the week on a firm note, the Liverpool cotton futures market reacted sharply on Monday as a sequel to the announcement of U.S. cotton export subsidy. The market was closed on 30th and 31st May. The expectation that the subsidy would stimulate larger exports of U.S. cotton abroad prompted heavy selling, with the result that prices declined. Yesterday, however, the market staged a partial recovery due mainly to small trade buying. Both the American and American type contracts recovered a part of the earlier gains. The closing rates were higher than last week-end rates. Sudan contracts attracted buyers. Values improved slightly. The following are the latest available quotations—in pence per lb.—from Liverpool:

American cotton One Inch Staple Contract: July-August 25.40; October-November 26.00; December-January 26.40; March-April 26.70; *American cotton mixed growth contract*: July-August 26.12; October-November 26.61; December-January 26.93; March-April 27.23. *Sudan*: July-August 31.30; September-October 31.95; November-December 31.95.

Presumably influenced by the statement of the Department of Agriculture that U.S. cotton stocks on 1st August next would be down by 2.6 million bales and that the quality of this season's crop was the lowest on record, the New York cotton futures market ruled fully steady during the first two sessions of the week. An easy trend, however, set in on Monday following reports of favourable weather in most cotton belts. The easiness persisted till the close of the week.

The Department of Agriculture announced on the 29th inst., a cotton export subsidy rate of 6¼ cents a lb. for fibre exported after 1st August. This rate is subject to change without notice. The subsidy will be paid in kind. Payments will make up the difference between the higher U.S. price paid by exporters for cotton shipped overseas and the lower world price at which the fibre is sold abroad.

The U.S. Department of Agriculture announced the export sale of 265,728 bales of U.S. Government-owned cotton at 28.58 cents per lb. basis middling inch cotton. This was the second sale made by the department under its new 1958-59 disposal programme. Bids for the cotton were received on 26th May. The cotton cannot be exported until 1st August next. No sales have been made under the second part of the 1958-59 disposal programme, the payment-in-kind scheme.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	4-6-58	27-5-58	20-5-58
Spot	36.30	36.30	36.30
July	36.12	36.27	36.25
October	36.40	36.68	36.76
December	36.54	36.82	36.87

YARNS FIRM

(From Our Own Correspondent)

BOMBAY, 4th June

Barring cotton yarns which continued to rule dull, the yarn market presented a firm trend during the week under review. Both art silk yarn and staple fibre yarn evoked good buying enquiries at higher prices. Buying was induced by fears of growing acute scarcity in supplies. Even the Government of India's decision to issue licences for imports of art silk yarn and staple fibre yarn against exports of staple fibre fabrics, as well as art silk and staple fibre mixed fabrics, failed to have any effect on the market, since the decision is applicable only to actual users, that is, weaving mills, and not to traders. The permission lately given by the Government for the utilisation of licences originally granted for art silk yarn imports to import nylon yarn, however, led to a fall of about Rs. 2 per lb. in the prices of nylon yarn. The traders felt that, as a result of the latest policy, imports of nylon yarn in the coming weeks would be larger. Cotton yarns, as already stated, continued to rule dull, thanks to decline in raw cotton prices, lack of encouraging export outlook and poor enquiries from weavers.

Concern over the severe shortage of indigenous and foreign rayon yarn supplies was expressed by the Silk and Art Silk Mills' Association, Bombay, at an extraordinary general meeting held on the 2nd inst. In the course of a resolution adopted, the Association warned that the continuation of such a situation would result in the inevitable closure of several units, resulting in unemployment. The Association estimated the minimum yarn requirements of the weaving industry (for avoiding unemployment) at 4 lbs. per loom per shift and urged the Government to keep this in view while fixing the ceiling for imported yarn. Incidentally, it unanimously recommended that the distribution of indigenous yarn to members should be on the same basis as imported yarn, namely, on a loom-shift basis. The Directors of the Association were authorised to undertake the distribution of the available supplies of indigenous yarn on this basis.

Spot 120 Japan advanced by 9 nP to Rs. 6.50. 150 Japan were firm at Rs. 6.44. 120 Italy spurted by 25 nP to Rs. 6.25. 150 Italy rose by a like sum to Rs. 6.62. Among indigenous yarn, National Rayons 150 bright cones first grade strengthened by 8 nP to Rs. 5.70. 120 bright cones first grade rallied 19 nP to Rs. 5.91.

Staple fibre yarns 40x2 June delivery elicited good support and climbed up by Rs. 15 to Rs. 626. August delivery hardened by Rs. 14 to Rs. 631. Spot 40x2 Kohinoors and Citys gained 8 nP each to Rs. 3.34 and Rs. 3.33, respectively. Centurys put on 7 nP to Rs. 3.32 and New Greats 2 nP to Rs. 3.21. Among foreign yarns, Paramounts increased by 18 nP to Rs. 7.37. Fujis strengthened by 13 nP to Rs. 7.44.

In the cotton yarn section, ten counts Moderns were neglected at Rs. 13.50, as also Podars at Rs. 12.62. Among twenty counts, Indus were unchanged at Rs. 16.37, Moderns at Rs. 16.75 and Gokaks at Rs. 16.75. Thirty counts Hinds were dull at Rs. 19.50. Among forty counts, Moderns were stagnant at Rs. 24. Minaxis, however, added 13 nP to Rs. 23.50 on special support. Sixty counts Finlays receded by 25 nP to Rs. 60.75. Raghuvamshis were done at Rs. 50.50. Moderns were on offer at Rs. 60. Among eighty counts, Mahendras changed hands at Rs. 69.50, same as last week. Moderns were quiet at Rs. 69.75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	4-6-1958	28-5-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 Japan (per lb.)	6.50	6.41
150 Japan (per lb.)	6.44	6.44
120 Italy (per lb.)	6.25	6.00
150 Italy (per lb.)	6.62	6.37
Staple fibre yarn (per case of 200 lbs.)—		
40 × 2 June	626.00	611.00
40 × 2 August	631.00	617.00
40 × 2 New Great (per lb.)	3.21	3.19
40 × 2 City (per lb.)	3.33	3.25
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	12.62	12.63
20s Modern	16.75	16.75
30s Hind	19.50	19.50
40s Minaxi	23.50	23.37
60s Raghuvamshi	50.50	50.50
80s Modern	69.75	69.75

SUGAR FORGES AHEAD

(From Our Own Correspondents)

BOMBAY, 4th June

The bearish trend noted in the sugar market in the past two weeks abated during the week under review. In fact, the market at present rules distinctly firm with a sharp advance in prices. The bullish fervour of the market has been fanned principally by reports that the Union Food Ministry is contemplating to set up a separate corporation to handle the export business in sugar. The Corporation, it is said, will be authorised to collect a specified commission on domestic sales of released stocks so as to enable it to meet the anticipated losses on exports. It will be recalled that there has been inordinate delay in the announcement of a clear-cut export policy. Thanks to this delay and to the number of official statements clearly indicating an upward trend of sugar prices in the domestic market, manufacturers have in the past four months put up the ex-mill quotations by Re. 1-8 per Bengal maund on an average. The delay in the announcement of policy and the official statements have also led to the creation of artificial price movements and artificial pockets of scarcity, with traders resorting to hand-to-mouth policy in regard to sugar purchases.

It is understood that trade bodies have drawn the attention of the Ministry to these factors. Some responsible quarters have also advised the Ministry to go slow with the export policy, as the production of sugar during the current season is not likely to exceed that of last season, in spite of the fact that a number of factories have carried out their expansion programmes and that a few new factories went into production during the season. Domestic consumption is estimated at 1.9 million tons, which, it is said, will leave a very small surplus to be added to last year's carry-over of 465,000 tons.

The arrivals of sugar (by rail) into the market was higher than those in the previous week. They aggregated 11,300 bags, as against 2,900 bags.

Large grain sugar forged ahead from Rs. 110-Rs. 115 to Rs. 113-Rs. 118 per bag. Medium grain was quoted as high as Rs. 109-Rs. 112, as against Rs. 107-Rs. 109. Small grain jumped up by Re. 1.50 to Rs. 108.

* * * *

HAPUR, 2nd June

Sugar prices which ruled dull and depressed during the major part of last week recorded some gains towards the week-end, following revival of demand at lower levels. Early export prospects in view of the deteriorating foreign exchange also helped the bullish trend. It is understood that the Government of India is likely to set up a sugar export corporation soon, but, as world prices of sugar are below those of Indian sugar, a measure of subsidy through higher domestic prices, which in turn can be achieved by the levy of an excise duty, is being envisaged by the Government. Production and despatches of indigenous sugar amounted to 19.47 lakh tons and 10.82 lakh tons upto 15th May, as against 19.13 lakh tons and 11.70 lakh tons, respectively, in the corresponding period of last season. Stocks with factories on this date stood at 12.90 lakh tons, as compared with 12.70 lakh tons a year before.

Sugar prices ruled steady in the Muzaffarnagar market on export prospects. The latest ex-mill delivery prices were:—Meerut (D28) Rs. 36.25; Simbhauli (E29) Rs. 36.50; Iqbalpur (C29) Rs. 37; Mansurpur (B29) Rs. 38.25; Shamli (B29) Rs. 37.75; Daurala (B29) Rs. 37.50; Mawana (C29) Rs. 36.87; Modinagar (C29) Rs. 36.62; Amroha (D29) Rs. 35.50; Bijnore (E29) Rs. 35.37.

Sugar prices in the Kanpur market staged a handsome recovery towards the week-end, following early export expectations. In the context of such rumours, every operator had turned a buyer. Although most of the north Indian factories stopped crushing for the season, a few units in the South were still working and the total output is likely to go up to 20 lakh tons. Spot and ex-mill delivery, respectively, per bag and per maund were:—(C29) Gola Rs. 102, Rs. 36; Basti Rs. 104, Rs. 37; (D29) Gola Rs. 101.25, Rs. 35.75; Waltergunj ready (unstocked) Rs. 35.50; Lakhimpur ready (unstocked) Rs. 35.37; Burhal Rs. 101.25, Rs. 36; Hargaon Rs. 101.50, Rs. 35.50.

Khandsari prices ruled steady during the week, due to good marriage season demand. Production in some centres is being continued from wet gur. The latest prevailing prices were Rs. 30.50 to Rs. 33.50 per maund according to quality.

Poor arrivals at an average of about 100 maunds daily from producer's stocks and good demand accounted for steady conditions in ready gur prices. Dry quality was quoted at Rs. 16.75 and kotha mixed dry-wet at Rs. 15 to Rs. 16.25 per maund. Local stock ran down to 1.30 lakh maunds.

The sprouting reports of the next cane crop have been fairly encouraging, but the future outlook of the crop as a whole is difficult to predict. For much will depend on weather conditions and rains in the coming months. An increased sugarcane sowing acreage is reported.

Gur prices improved by about Re. 1 per maund in the Muzaffarnagar market where arrivals are at an average of 500 maunds. The latest prevailing prices were:—Chakku minja Rs. 18.25 to Rs 18.62; Kotah mixed Rs. 17.50 to Rs. 18.25; shakker dara Rs. 19 to Rs. 20; shakker masala Rs. 21 to Rs. 23; khandsari Rs. 31 to Rs. 33.50 per maund.

Under the lead given by pulses futures which recorded appreciable advance during the week, gur futures here also improved slightly despite no fresh incentive. Fagun delivery opened at Rs. 12.70 on Monday last and was quoted today at the highest level of the week at Rs. 12.90.

EXPORT QUOTA FOR GROUNDNUT OIL

(From Our Own Correspondent)

BOMBAY, 4th June

The notable event of import to the oilseeds market is the announcement—made yesterday—of the release for export of 20,000 tons groundnut oil and 10,000 tons hand-picked selected groundnuts. The export of oil will be allowed by traders who have exported outside India during any of the three years ended 1955-56, while that of H.P.S. groundnuts will be allowed by parties who have exported either H.P.S. or ordinary groundnuts in any of the years from 1949 to 1955. The traders are required to establish, with usual documentary evidence (bills of lading and invoices), their best year's exports within a period of 15 days with effect from the 3rd inst.

The groundnut section ruled distinctly firm during the major part of the week. Induced by rumours of export quota for oil, prices showed a hardening tendency. The tendency persisted till the close today when there was a reaction following the belief that there might not be any export business in groundnut oil, in view of wide disparity between Indian and foreign prices. In sympathy with groundnut and on renewed hopes of removal of expert duty on castor oil, the castorseed section also ruled firm with values moving upward. Linseed met with good support following reports that offers of 700 tons of linseed oil has been accepted by Australia. There was also a possibility of additional overseas enquiries for linseed oil. Cottonseeds elicited enlarged buying enquiries from crushers and prices registered an improvement. In sympathy with the general trend, nigerseed and kardiseed were fully maintained.

The Government has approved, under section 11 of the Forward Contracts (Regulation) Act 1952, the by-laws passed by the Bombay Oilseeds and Oils Exchange in connection with the delivery contracts and ready contracts in vegetable oils. The members are advised to enter into transactions for oils on terms and conditions specified in the by-laws of the Exchange, so that in cases of dispute they can have the facility of arbitration and the laboratory of the Exchange. They are informed that the Exchange has begun to register rates of vebetable oils and oilcakes with effect from Monday the 2nd inst.

Groundnut August contract which stood at Rs. 164.25 last week-end rose to Rs. 165.25 on the opening day. This rate was maintained in the subsequent two sessions also. On Monday, there was good buying support and the contract advanced to Rs. 166. It rose further to touch Rs. 168.50 today before closing at Rs. 167.25. May contract went off the board at Rs. 164.25 on Friday, as against Rs. 166.25 on Wednesday last week. Over the week, bold ready spurted by 75 nP to Rs. 34. Coromandel and Khandesh quality both rallied a like amount to Rs. 35.12. Groundnut oil ex-mill advanced from Rs. 17.87 to Rs. 18.62. Railway receipt strengthened by 50 nP to Rs. 18.37.

Castorseed September contract spurted from Rs. 154.62 to Rs. 157 today. Towards the close, however, it was a rupee lower. May contract went off the board at Rs. 152.37 on the 30th ultimo. Ready Madras hardened by 25 nP to Rs. 30.37. Kanpur quality gathered a like amount to Rs. 29.12. Castor oil B.S.S. put on 25 nP to Rs. 16.75. Commercial quality was higher by 7 nP at Rs. 15.44.

Linseed September contract attracted good attention of operators and increased from Rs. 30.87 to Rs. 31.69 before finishing at Rs. 31.56. May contract terminated at Rs. 30.81 on the 30th ultimo. Bold ready was quoted today at Rs. 31.12, as against 30.62 on the opening day. June-July improved from Rs. 30.75 last week-end to Rs. 31.06.

Cottonseed September contract which stood at Rs. 109.50 last week-end elicited good support and advanced to Rs. 112.75 today. At higher levels, profit-taking set in and the quotation declined to Rs. 111.75.

Among other seeds, kardiseed bold ready fluctuated between Rs. 18.37 and Rs. 18.50 before winding up at Rs. 18.75. Nigerseed Madras quality came in for selling in the first two sessions of the week, with the value declining from Rs. 28.75 to Rs. 28.25 on Friday. It recovered to Rs. 28.62 on Saturday and, after easing again to Rs. 28.37 in the subsequent two sessions, moved up to finish at Rs. 28.75 today.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	4-6-1958	28-5-1958	21-5-1958
	Rs	Rs.	Rs.
Groundnut—			
May 1958	164.25††	166.25	170.50
August 1958	167.25	164.25	167.50
Bold ready (per cwt.) ..	34.75	34.00	34.25
Linseed—			
May 1958	30.81††	30.94	30.81
Sept. 1958	31.56	30.87	31.31
Bold ready (per cwt.) ..	31.12	31.19	30.62
Castorseed—			
May 1958	152.37††	151.37	147.25
Sept. 1958	156.00	154.62	150.50
Madras (per cwt.) ..	30.37	30.12	29.50
Cottonseed—			
May 1958	—	108.75	106.00
Sept. 1958	111.75	109.50	106.75
Groundnut oil—			
Ex-mill ready (per quarter) ..	18.62	17.87	18.37
Castor Oil—			
Commercial (per quarter) ..	15.44	15.37	15.12
Linseed oil—			
Ready	16.00	15.94	15.94

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.
†† As on 30th May 1958.

JUTE GOODS DULL

(From Our Own Correspondent)

CALCUTTA, 3rd June

With the threat of dock workers to go on strike as from 16th June hanging like Damocles' sword, buyers in jute goods market were extremely cautious during the week under review and entered into commitments only to the extent they could get them shipped prior to the strike, if it unfortunately materialised. Conditions were naturally lethargic, and prices of jute goods moved within a narrow groove. Hessian 40" 10 oz. was throughout maintained above the I.J.M.A. minimum of Rs. 39.50, but the price of B. twills did not yet recover from below the minimum, to which it had sunk in the previous week. To take stock of the situation, a committee meeting of the Indian Jute Mills Association was held earlier in the week, and it was subsequently announced that nothing had developed to give up the floors originally fixed. In spite of this, the price of B. twills was quoting below the minimum in the open market. At this level, mills naturally could not sell and the fall was attributed to speculative activity.

During the week, there was anxiety in the market in regard to the difficulty being experienced by Egypt to open letters of credit to cover the recent purchases of Egyptians. So far, there had been no development to indicate that the dock workers' strike would be averted. Therefore, operators having little or no holding power began selling their holdings even at a loss. This was a factor which prevented the price of B. twills to touch the hundred mark. At one stage during the week, fair business was done in hessian with both the United Kingdom and the United States, and soon export business in heavy goods followed. A slight recovery in the price of B. twills set in, but since the buying support was not sustained, the recovery was lost and the price moved down to the opening level.

Another reason why foreign buyers of jute goods preferred to purchase only in small quantities was presumably due to their belief that there would be no hectic advance in prices of jute goods, in view of the excellent condition of this season's jute plants. On Tuesday last, ready B. twills improved to Rs. 97.50 from Rs. 97, while ready hessian 40" 10 oz. was steady at Rs. 40.60. Small business was done with both the U.K. and the U.S.A. At lower levels, some covering business was also transacted. Soon, fair quantities in B. twills changed hands for near delivery position, and on Wednesday B. twills moved up further to Rs. 97.75, while hessian 40" 10 oz. was quiet at Rs. 40.55. At this stage, fears about the implications of the dock strike forced speculators to sell, and, therefore, on Thursday B. twills gave way to Rs. 97.60 and hessian 40" 10 oz. to Rs. 40.45. On the next day, prices were further affected, as there was no business forthcoming. Prices for the above two representative constructions declined to Rs. 97.30 and Rs. 40.30, respectively. At lower levels, some covering business was done. Over the week-end, the quotations stood nominally at Rs. 97.35 and Rs. 40.30, respectively. Yesterday, only little business was done and prices were quiet. B. twills were quoted at Rs. 97.50 and hessian 40" 10 oz. at Rs. 40.25.

During mid-week, fair business was done in raw jute, and prices improved fractionally. By the week-end, the trend soon reversed as buyers were reluctant to increase their purchases. Some transactions were also put through in new crop for forward positions. Latest quotations for the different constructions, June-July delivery, old crop, are as follows:

	Middles Rs.	Bottoms Rs.
Pakistani:		
District	31.50	28.50
Northern	31.00	28.00
Indian:		
Northern	27.75	24.75
Assam	27.75	24.55
Orissa	29.25	26.25
Desal	26.50	23.00
Murshidabad ...	25.00	22.00
Jungli	24.00	21.00
Daissee	30.50	29.00
Uttar Pradesh ...	24.00	21.00
Daissee mesta ...	26.50	23.50
Bimli f.a.q.	21.00	

Pucca bales 1st marks ... Rs. 157.50 per bale ready.

TEA PRICES LOWER

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 29th May

The catalogues for Sale No. 14 which was held on Tuesday, 27th May amounted to 1,243,495 lbs. The quality of teas which has been exceptionally useful throughout the first five months of the year showed a further seasonal decline. The appearance of most teas was satisfactory for the time of year, although some low growns showed signs of stalk and fibre. The sale opened to a general demand, which was, however, quieter than in previous weeks. Low mediums and medium descriptions were irregularly 5 to 10 nP easier. There was less enquiry for fannings. Highgrowns were easier to purchase and these descriptions were irregularly 30 nP easier following quality. Whole leaf teas were considerably easier. The tippy teas on offer were neglected. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.50
Low medium	1.65 to 1.80
Medium	1.80 to 2.10
Good medium	2.10 to 2.45
Quality	2.30 to 3.30

London Market:—No sales in London this week, due to Whitsun holiday.

Colombo Market:—No sales this week.

Calcutta Market:—*Export*.—Darjeeling sale 'B'. Good general demand. Prices irregular and generally dearer following quality.

Internal:—21,000 dust. Only fair demand. Orthodox 12 to 16 nP easier. C.T.C. up to 30 nP easier.

Export Quota:—Due to the extension of the validity of 1957-58 quota to the end of June 1958, large quantities of business has been transacted and, as a result, the price for special quota has advanced considerably to 9 nP. The price of new seasons quota is 15 nP.

Forthcoming Auctions:—Sale No. 15 will be held on Tuesday, 3rd June 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd. wire:

"*Sale 15*:—1,069,000 lbs. Good general demand for everything except low medium and medium fanning which are neglected. Low medium brokens irregularly 5 nP easier. Medium firm. Best liquoring stronger and dearer."

BLACK PEPPER MOVES NARROWLY

(Messrs. Parekh and Co.)

BOMBAY, 4th June

Malabar black pepper moved both ways within a narrow groove with undertone fairly steady during the week. Prices in Singapore were steadily held, the quotations for white and black being Str.$118 and Str.$68, respectively. Arrivals of new Sarawak in Singapore were poorer as compared with the corresponding period last year. The quality of new crop Sarawak was said to be inferior. Stocks of Lampong pepper were reported to be in strong hands. There were some enquiries for white pepper from the Continent, but packers were not well disposed to sell at the present low prices, as they expected expansion of demand very soon.

Spot in New York was quoted at $0.24½. In view of higher replacing parity, holders there were unwilling to lower their prices. In the forward ring at Cochin, prices were moving erratically. Small buying enquiries were sufficient to push up the prices. Ready garbled was quoted at Rs. 98.50 while July and August were quoted at Rs. 102.50 and Rs. 103.75, respectively. Ungarbled at Alleppey was quoted at Rs. 572.50, and Calicut at Rs. 600. Inflow in all the primary markets was also said to be smaller. Off and on, enquiries from Eastern Europe was a supporting factor.

It is now high time that the Forward Market Commission allowed the establishment of a forward ring at Bombay which is the largest distributing centre for ungarbled pepper in India. Arrivals of ungarbled pepper in Bombay was estimated to be more than 4,500 tons during November 1957 to May 1958.

The turnover in specific delivery for the months of July and August was very much restricted, as most of the floating stock was held by strong parties. June and July-Aug.-Sept. shipments in A.S.T.A. were quoted at $0.24½ with small sellers.

The future of pepper appeared leaning mostly towards the bull side, as most of the consuming countries were living upon their inventories and arrivals from March and April commitments since purchases during May were small. Holders at the origin were firmly inclined, in view of poor prospect of new crop Sarawak and uncertainty in future marketing of Lampong during the new season. Everybody in New York and Europe was watching closely the attitude of the growers in Sarawak.

Today's nominal quotations are: Ready Rs. 78 per Bengal maund and June Rs. 558-Rs. 568 and July Rs. 560-Rs. 570 per candy of 5¼ cwts.

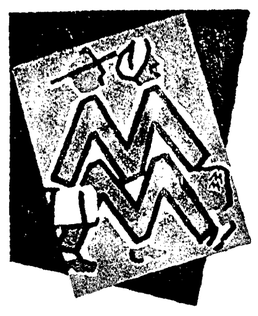
TEA DECLINES

(From Our Own Correspondent)

CALCUTTA, 3rd June

The extent of the decline in tea prices in the domestic sales held last week naturally caused anxiety in the market and speaks much in favour of the reduction in the excise duty announced on Saturday last. The Government had no doubt announced earlier its intention to give relief to producers of common teas only. But the difficulty would appear to be one of working out a scheme to benefit common teas only. Since most gardens produce common as well as high quality teas, the obvious solution, trade circles thought, would have been to announce a general revision on excise duty as well as export duty.

(Continued on page 1099)



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* (German Democratic Republic)

7th-14th September 1958

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GDR/HI

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	1st Mar., 1956	4½	5
Austria	17th Nov., 1955	5	6
Belgium	24th July, 1957	3½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1945	3	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	18th July 1952	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	1st April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	30th Sept., 1957	5	6
Italy	7th April, 1950	4½	5
Japan	5th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	24th Jan., 1958	5	4
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	3	3
Peru	15th Nov., 1947	5	6
Philippines	Sept., 1957	2	4½
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May 1955	5	4½
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	7	7
Turkey	6th Jan., 1956	4½	6
United Kingdom	26th Mar., 1953	7	6
U.S.S.R.	1st July, 1938	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 30th May, 1958		Week ended 23rd May 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,98,027	64,39,69,000	3,09,458	67,68,75,000
Calcutta	1,57,000	54,94,00,000	1,70,000	58,47,00,000
Madras	79,996	9,04,86,582	80,578	8,65,38,056
All Centres—				
1955-56	..	..	37,199,000	79,56,21,00,000
1956-57	..	..	40,008,000	87,23,93,00,000
Dec., 1957	..	..	3,514,000	7,74,84,00,000
Jan., 1958	..	..	3,794,000	8,31,64,00,000
Feb., "	..	..	3,535,000	7,64,27,00,000

Reserve Bank of India

Statement of Affairs for the week ended 30th May, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	59,11,87,000
(2) Other Governments	19,97,98,000
(b) Banks	77,80,13,000
(c) Others	113,24,96,000
Bills Payable	16,77,86,000
Other Liabilities	42,77,19,000
Rupees	436,70,01,000

ASSETS	Rs.
Notes	27,87,39,000
Rupee Coin	10,98,000
Subsidiary Coin	2,32,000
Bills Purchased and Discounted—	
(a) Internal	.....
(b) External	.....
(c) Government Treasury Bills	69,30,000
Balances held abroad*	32,74,71,000
Loans and Advances to Governments†	54,07,03,000
Other Loans and Advances	56,78,88,000
Investments	250,36,83,000
Other Assets	14,02,57,000
Rupees	436,70,01,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 14,95,00,000/- advanced to Scheduled banks against usances bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	27,87,39,000	
Notes in circulation	1587,78,25,000	
Total Notes issued		1615,65,64,000
Total Liabilities		1615,65,64,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	209,67,56,000	
Foreign Securities		
Total of A		327,43,59,000
B. Rupee Coin		130,59,77,000
Government of India Rupee Securities		1157,62,28,000
Internal Bills of Exchange and other commercial paper		
Total Assets		1615,65,64,000

Scheduled Banks*

Statement of Affairs for the week ended 23rd May 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,72,39,000
(ii) Other demand liabilities	724,83,42,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	16,40,00,000
(ii) Other time liabilities	776,62,44,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	4,78,60,000
(ii) Time liabilities	1,05,90,000
Borrowings in India from the Reserve Bank of India‡	21,16,12,000 (20,03,90,000)
Cash in India	38,56,31,000
Balances with the Reserve Bank in India	69,38,13,000
Balances with other banks in current account in India	11,68,25,000
Money at call and short notice in India	56,29,23,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	439,85,50,000
Advances in India	784,15,32,000
Inland Bills purchased and discounted in India	108,98,31,000
Foreign Bills purchased and discounted in India	40,98,20,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

		4th June 1958	Previous week
Bombay on London—			
Sellers T.T. D.D. 5pot	£.	1-5⅝	1-5⅝
Sellers T.T. D.D. upto six months	£.	1-5⅜	1-5⅜
Buyers T.T. spot to nine months	£.	1-4¼	1-4¼
Buyers T.T. 10 to 12 months	£.	1-4¼	1-4¼
Bombay on New York—			
Sellers T.T. D.D.	Rs.	475.50	475.00
Buyers T.T.	Rs.	471.75	471.75
London on New York	$	2.81⅛-2.81½	2.81⅛-2.81½
London on Paris	Fcs.	1.181¼	1.181¼
London on Berne	Sw. Fcs.	12.23½-12.23½	12.23-12.23½
New York on London	$	2.81⅛-2.81½	2.81⅛-2.81⅜

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.68		11,019	284
Pakistan††	'56-57'	83.50		2,079	249
Burma	1956	19.48	Kyats 4,087	409	210
Ceylon	1955	8.35		476	567
Japan	1956	90.90	Y. 7,427,000	9,283	1,021
Philippines	1955	21.85	Ps. 7,364	1,675	357
New Zealand	1956	2.17	£(N.Z.) 884	1,178	5,428
Australia	1956	9.40	£(A.) 4,238	4,623	4,918
U.K.	1956	51.29	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 348,600	163,854	9,731
Canada	1956	16.00	$ 22,719	10,787	6,742
France	1956	43.60	Fr.fr. 13,096,000	17,640	4,044
W. Germany	1956	51.59	Dm. 147,000	16,589	3,279
Italy	1956	48.19	Lr. 11,476,000	8,766	1,821
Norway	1956	3.46	Kr. 20,900	1,404	4,056
Sweden	1956	7.39	Kr. 44,580	4,127	5,583
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,956	1,660	3,789
Switzerland	1956	5.09	Sw. Fr. 24,700	2,714	5,458

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organization.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 23rd May 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	84,98,92,000
(b) Provincial Governments	.....
(c) Banks	28,31,50,000
(d) Others	5,11,75,000
Bills Payable	60,44,000
Other Liabilities	11,71,84,000
Rupees	131,74,45,000

ASSETS	Rs.
Notes	12,87,69,000
Rupee Coin	86,000
Subsidiary Coin	26,000
Bills Purchased and Discounted :—	
(a) Internal	.....
(b) External	.....
(c) Government Treasury Bills	3,33,000
Loans and Advances to Governments	5,01,00,000
Provincial Governments' Debtor Balances	3,47,41,000
Other Loans and Advances	4,29,55,000
Investments	86,02,84,000
Other Assets	14,97,01,000
Rupees	131,74,45,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	12,87,69,000	
Notes in circulation	336,60,17,000	
Total Notes issued		349,47,86,000
Total Liabilities		349,47,86,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	.....	
Approved Foreign Exchange	66,45,62,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		120,88,85,000
B. Rupee Coin	4,17,35,000	
Government of Pakistan Securities	218,51,60,000	
Internal bills of exchange and other commercial paper	.....	
		222,68,95,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,83,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	.....	349,47,86,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 36.20 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	23rd May 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1598.69	1614.83	1619.13	1578.40
Notes held in Banking Department	35.05	26.48	24.65	32.94	27.58
Foreign Securities	59.50	209.68	209.68	228.80	412.52
Rupee Securities	37.39	1167.62	1182.62	1173.50	949.87
Banking Department					
Deposits of :					
Government of India	14.89	76.06	75.07	53.05	54.92
Other Governments		16.49	13.69	15.64	2.11
Balances held abroad	10.08	38.40	42.84	39.01	74.07
SCHEDULED BANKS					
Demand Liabilities	134.36	740.56	743.00	774.79	727.04
		(15.72)†	(17.35)†	(17.30)†	(11.34)†
Time Liabilities	102.24	793.11	787.50	788.70	519.81
		(16.49)†	(16.08)†	(14.74)	(3.07)‡
Borrowings from Reserve Bank	..	21.10	31.86	19.85	36.27
		(20.03)‡	(26.32)‡	(17.72)‡	(59.65)‡
Borrowings from State Bank	..	5.84	6.43	6.55	9.37
Cash in India	6.70	38.56	39.35	41.97	39.88
Balances with Reserve Bank	25.17	69.38	68.07	90.78	54.85
Excess over statutory limits	15.52	16.50	15.17	36.67	8.10
Balances with other banks in current accounts in India	..	11.68	11.78	11.85	10.33
Money at call and short notice in India	..	56.29	51.43	66.02	20.58
Investments at book value)	..	439.86	440.31	445.01	343.34
Advances and bills	105.09	934.15	939.89	956.27	933.11
STATE BANK					
Deposits	87.76	416.21	417.66	422.12	304.09
Investments	51.99	170.93	171.04	166.79	105.61
Advances	30.35	198.67	201.17	206.40	189.17
Cash	14.69	26.79	27.32	37.37	23.68

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	January		Ten months, April to Jan.,	
	1957	1958	1956-57	1957-58
Import Duties :				
Revenue	12.69	9.34	105.67	117.65
Protective	1.27	0.87	10.50	8.98
On surplus disposals	..	..	1.82	0.19
Total import duties	13.96	10.21	116.21	126.75
Export Duties	2.96	2.16	25.15	20.63
Land Customs	0.31	0.02	2.03	3.86
*Air customs.**	..	0.12	..	1.85
Miscellaneous	0.10	0.13	0.94	1.29
Gross total customs	17.23	13.24	144.33	153.88
Refunds and drawbacks	0.23	0.61	2.09	2.76
Net Customs	16.98	12.63	142.24	150.12
Gross excise	17.96	29.98	155.81	220.96
Refunds	0.25	0.81	1.75	2.82
Net Excise	17.71	29.67	154.06	218.14
Net total of customs and excise†	34.69	42.30	296.30	368.26

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 30th May 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL :—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		420,51,64,000
Bills Payable		.....
Bills for Collection being Bills Receivable as per contra		6,72,62,000
Acceptances, Endorsements and Other Obligations per contra		88,34,000
Other Liabilities (including Inter-Office Adjustments)		81,45,000
Total	Rs.	4,66,45,000
		445,85,50,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		26,95,60,000
Balances with other Banks		2,28,21,000
Money at Call and Short Notice		1,06,67,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	196,27,74,000	
Other Authorised Investments	10,28,06,000	
		206,55,80,000
ADVANCES :		
Loans, Cash Credits, Overdrafts,	175,73,90,000	
Bills Discounted and Purchased	10,03,27,000	
		194,77,17,000
Bills Receivable being Bills for Collection as per contra		88,34,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		81,45,000
Premises less Depreciation		1,19,73,000
Furniture and Fixtures less Depreciation		86,92,000
Other Assets (including Inter-Office Adjustments)		10,45,61,000
Total	Rs.	445,85,50,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A		7-Year B		12-Year B		12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D		Post Office Cash Certificates, Defence Savings Bank Deposits, Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% G		15-Year Annuity Certificates G		Total	
	Out-standings		Out-standings		Out-standings		Receipts	Out-standings	Receipts	Out-standings	Out-standings			Out-standings	Receipts	Out-standings	Receipts	Out-standings	Receipts	Out-standings H
1952-53	6.83		3.26		84.17		..	..	113.35	32.63	..		—31.07	25.64	..	..	..	..	146.88	211.95
1953-54	5.91		4.26		104.38		..	..	117.37	106.29	..		—34.20	32.11	..	..	..	..	157.71	252.96
1954-55	4.70		4.98		124.64		..	..	134.94	139.88	7.38		—36.35	37.15	..	..	55	54	177.35	310.29
1955-56	3.76		5.48		144.37		..	..	158.11	167.85	16.33		—37.68	41.25	..	..	45	95	202.52	350.94
1956-57	3.00		6.01		163.68		..	..	176.97	196.50	23.38		—38.82	44.28	..	..	43	1.35	225.88	440.17
1957-58	..		..		..		..	..	..	..	..		..	43.58	5.88	5.88	63	1.87	..	..
1957																				
July	2.74		5.61		162.36		5.29	8.28	15.03	200.57	23.16		—39.11	44.42	62	1.24	4	1.39	20.72	452.77
August	2.48		5.49		160.38		5.03	13.31	12.64	201.48	23.61		—39.18	44.27	52	1.76	3	1.42	17.91	454.80
September	2.60		5.39		158.22		6.86	20.17	14.05	203.17	23.17		—39.26	44.14	63	2.39	4	1.46	21.54	462.13
October	2.54		5.26		155.82		6.17	26.33	12.51	202.85	24.61		—39.33	44.07	42	2.81	2	1.47	19.15	465.94
November	2.45		5.14		153.40		6.48	32.82	13.25	202.58	24.47		—39.33	43.96	49	3.29	2	1.49	20.24	469.63
December	2.43		5.06		151.07		6.41	39.23	13.90	202.55	24.14		—39.47	43.89	46	3.76	2	1.50	1.99	472.65
1958																				
January	2.37		4.94		148.57		7.95	47.18	13.88	202.54	22.77		—39.55	43.80	68	4.44	18	1.68	22.68	479.28
February	2.31		4.83		146.14		10.24	57.42	14.22	203.12	22.45		—39.62	43.69	74	5.13	9	1.75	25.29	487.89
March	..		..		..		..	..	..	..	..		..	43.58	76	5.88	12	1.87	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1955. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of items in column 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(*Base : 1949-50=100*)

Group and Sub-Group	Week Ended 24th May 1958	17th May 1958	26th April 1958	25th May 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.7	89.7	89.8	89.8
1. Government of India	89.5	89.4	89.3	89.4
2. State Governments	90.9	90.9	90.7	90.4
3. Municipal Port Trust, etc.	89.9	89.9	90.0	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.3	97.3	97.2	98.0
1. Electricity	98.7	98.7	98.5	98.9
2. Jute	92.2	92.2	92.2	95.9
3. Plantations	97.9	97.9	97.9	98.4
4. Sugar	96.4	96.4	96.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.4	100.0
7. Shipping	90.1	90.1	99.1	101.8
Others	94.2	94.2	94.2	100.6
PREFERENCE SHARES	69.6	70.0	70.2	78.0
1. Electricity	84.5	84.5	84.5	86.4
2. Cotton	67.0	67.1	67.0	78.5
3. Jute	57.4	57.5	58.3	70.8
4. Coal	71.6	71.6	73.4	81.8
5. Iron and Steel	77.9	78.1	78.4	82.6
6. Tea	68.9	68.9	69.6	77.7
7. Paper	71.6	71.6	71.8	78.0
8. Plantations	86.5	86.6	86.6	94.9
9. Miscellaneous	64.9	64.9	65.1	72.5
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	97.8	98.1	98.9	103.2
(a) Financial	97.1	97.1	97.7	99.1
1. Banks	99.7	99.8	100.5	91.8
2. Insurance	93.9	93.0	91.8	84.5
3. Investment Trust	61.0	61.1	61.0	74.7
(b) Public Utilities	105.0	105.3	106.0	104.9
1. Electricity	102.7	102.8	103.2	105.9
2. Shipping and other Transport	121.0	121.8	122.5	110.4
3. Railways	67.3	66.8	67.1	77.0
(c) Manufacturing industries	101.3	101.8	102.3	107.5
1. Cotton, Woollen and Silk	93.3	93.9	95.2	132.2
2. Jute	53.9	52.6	51.7	54.7
3. Iron and Steel	129.5	131.3	131.9	110.8
4. Paper	209.6	205.4	196.3	222.9
5. Cement	134.9	138.1	140.2	141.7
6. General Engineering	156.7	157.6	159.4	157.3
7. Sugar and Breweries	97.3	97.3	93.1	92.4
8. Chemicals	135.8	139.0	136.6	125.0
(d) Non-Manufacturing industries	109.3	109.7	112.2	125.7
1. Coal	64.0	63.5	63.9	69.4
2. Mining and Oil	156.5	157.3	159.4	175.4
3. Plantations	117.0	117.7	121.6	138.9
(e) Miscellaneous	89.7	88.8	89.3	89.9
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :	89.1	89.1	89.0	89.1
1. Bombay	89.7	89.6	89.5	89.5
2. Calcutta	89.9	89.9	89.8	89.0
3. Madras				
DEBENTURES OF INDUSTRIAL CONCERNS :	98.7	98.6	98.6	99.0
1. Bombay	97.5	97.5	97.5	98.6
2. Calcutta	97.4	97.4	97.4	99.7
3. Madras				
PREFERENCE SHARES :	79.4	79.6	79.5	84.1
1. Bombay	61.0	61.1	61.0	71.3
2. Calcutta	83.8	83.8	84.1	91.8
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :	113.8	114.5	116.0	111.6
1. Bombay	84.7	84.8	84.2	91.2
2. Calcutta	106.5	107.0	108.9	117.5
3. Madras	113.8	113.8	121.6	108.4
4. Delhi				

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns †	Units Generated‡	Total Units Sold
1954-55	636	7,760.9	6,919.3
1955-56	715	8,966.8	7,986.8
1956-57	780	9,877.9	8,809.1
January 1957	765	868.7	771.7
February "	767	811.6	677.7
March "	769	874.6	716.5
April "	770	901.4	784.5
May "	793	923.1	794.7
June "	793	880.4	758.1
July "	809	928.5	743.9
August "	811	928.0	781.0
September "	814	874.7	779.3
October "	822	917.5	781.3
November "	823	930.2	740.5
December "	822	955.7	779.7
January 1958	825	972.6	788.1

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. †Including purchases from non-electric utilities.
‡ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	122.0	128.9	142.9	143.5	138.9
Coal	114.9	126.9	139.0	135.4	124.4
Sugar*	166.5	182.8	204.2	161.3	135.6
Tea*	106.0	105.8	107.5	156.9	121.5
Cotton textiles	125.0	127.4	114.2	113.2	122.4
Jute textiles	127.3	120.5	126.0	133.8	123.8
Paper and paperboards	145.6	159.3	176.7	183.5	156.0
Matches	100.8	99.9	101.1	99.7	103.2
Cement	154.2	173.3	218.3	219.0	169.9
Iron and steel	119.4	119.3	121.1	121.4	129.3
Non-ferrous metals	124.7	151.9	161.6	147.7	129.2
Rayon	358.8	459.3	580.1	574.5	372.1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes†	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,372,690
1955	1,166	527,767	5,097,843
1956 R	1,203	715,130	6,992,049
January 1957	155	126,490	405 805
February "	124	45,783	269,041
March "	113	40,999	237,650
April "	161	61,250	414,535
May "	163	65,250	455,037
June "	153	100,220	734,545
July "	195	91,749	764,306
August "	206	144,851	851,211
September "	223	144,579	642,508
October "	222	102,884	533,206
November "	176	56,168	333,979
December "	156	82,471	513,851
January 1958	145	54,997†	354,166†
February "	152	79,177††	342,208††

† Not known in 6 cases. †† Not known in seven cases.
‡ In progress during the month. R—Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	17th May 1958	10th May 1958	18th May 1957	April 1958	April 1957	Percentage of Increase (+) or Decrease (—) in April 1958 as compared with April 1957	Financial Year Average 1957-58	1956-57
Food Articles	504	108.8	108.5 R	108.2	105.2	104.3	+ 0.9	106.4	102.3R
Cereals	192	99.0	98.4 R	103.8	97.2	100.6	— 3.4	101	96
Pulses	42	82.0	81.2 R	83.5	82.4	83.2	— 1.0	82	81
Fruits and Vegetables	53	114.9	111.6 R	120.8	108.0	119.3	— 9.5	114	112
Milk and Ghee	84	106.2	107.9 R	109.1	105.2	103.9	+ 1.3	105	100
Edible Oils	47	121.2	120.3	123.7	122.8	122.2	+ 0.5	126	125
Fish, Eggs and Meat	17	107.1	106.0 R	90.7	102.3	92.4	+10.7	98	97
Sugar and *Gur*	43	115.9	115.8	113.5	95.4	95.4	+19.0	108	98
Others	50	132.6	132.1	128.1	130.7	125.9	+ 3.8	131	128
Liquor and Tobacco	21	92.1	92.1	91.2	93.4	88.9	+ 0.1	94.9	84.3
Tobacco	—	90.3	90.3	89.3	91.7	85.9	— 6.8	93	83
Fuel, Power, Light and Lubricants	36	113.5	113.6 R	111.9	114.6	107.7	+ 6.4	113.6	104.2R
Industrial Raw Materials	155	113.5	113.1	121.3	114.2 R	118.7	— 2.1	116.5	116.0
Fibres	61	110.8	110.7	125.7	112.1	119.5	— 6.2	118	116
Oilseeds	66	113.1	112.8 R	125.8	113.7	118.7	— 4.2	120	120
Minerals	2	107.3	107.3	109.2	108.2	107.3	— 1.0	108	103
Others	32	110.2*	109.4*	105.2	110.0	106.4	+ 3.4	108	109
Manufactures	280	107.7	107.6 R	108.2	108.1 R	108.2	— 0.1	108.2	108.2
Intermediate Products	41	107.5	108.3	109.4	108.8	108.3	+ 0.5	107.3	110.3
Finished Products	240	107.7	107.5 R	108.0	107.9	108.4	+ 1.0	108.2	108.6
Textiles	147	104.7	104.5 R	108.0	105.9	106.9	— 0.9	107	106
Cotton	—	113.3	113.4 R	115.8	115.4	115.4	—	115	114
Jute	—	88.8	87.8	98.0	88.1	94.7	— 7.0	95	95
Wooll

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Forecast 1957-58	(In thousand acres) 1956-57	1955-56	(In thousand tons) 1956-57	1955-56
Cereals—					
Rice	final	29,677	31,893†	21,431	23,251†
Wheat	final	22,547	20,287	9,005	8,570
Jowar	final	41,116	40,561‡	9,500	9,211‡
Bajra	final	21,150*	21,561‡	3,760	3,911‡
Barley	final	3,743	3,827	2,741	2,749
Maize	final	6,473	6,222	3,663	3,288‡‡
Ragi	final	5,962	5,891‡	1,716	1,711‡
Small millets	final	12,990	12,713	3,066	3,021
Total cereals	final	215,662	214,062	57,382	54,456
Pulses—					
Gram	final	22,600	24,137	5,900	5,971
Tur	final	5,628	5,667	2,257	1,830
Other Khaqrif pulses§	final	16,165	15,567	1,641	1,547
Rabi pulses‡	final	11,435	11,762	1,754	2,008
Total pulses	final	55,828	57,067	11,552	10,971
Total food-grains		272,987	271,146	68,934	65,427
Oilseeds—					
Groundnut	final	14,457*	15,150	4,724	5,200‡‡
Castor-seed	final	1,107	1,147	150	124
Sesamum	final	3,432	3,563	537	427
Rape and Mustard	final	6,214	6,217	1,017	818
Linseed	final	3,736	3,781	599	414
Total oilseeds	final*	29,906	29,848	6,022	5,705
Fibres—					
Cotton*	final	19,813	19,978	4,732	4,901
Jute A	final	1,554†	1,708‡†	4,183†	4,288‡†
Mesta A.	final	678†	666††	1,166†	1,111††
Other crops—					
Potato	final	702	691	1,674	1,839
Sugarcane	final	4,754†	4,475††	63,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	223	223	22	22
Chillies (Dry)	final	1,450	1,190	354	255
Tobacco	final	1,022	1,013	396	295

Source:—Ministry of Food and Agriculture. § Excluding Tur.
* In thousand bales of 392 lbs. each. ‡ Excluding Gram and Tur.
A. In thousand bales of 400 lbs. each. † Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During April 1958	88.0
	Corresponding month, 1957	86.8
	Ten months ended April 1958	857.9
	Corresponding period, 1957	857.3
Stocks	At the end of April, 1958	97.2
	Corresponding month, 1957	101.2
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.0
	April 1957	60.7
	April 1958	65.9
For Internal Consumption	1955-56	170.0
	1956-57	179.0
	April 1957	18.3
	April 1958	18.0
	RAW JUTE	(In lakh bales)
Consumption by Mills	April, 1958	5.10
	Corresponding month, 1957	5.09
	Ten months ended April 1958	50.97
	Corresponding period, 1957	49.78

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,73,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,900
Mar., 1957	95,100	93,200	73,600
April ,,	92,300	89,300	62,500
May ,,	91,300	86,600	65,100
Mar., 1958	94,800	100,200	71,300
April ,,	95,000	100,300	63,000
May ,,	57,400	52,900	28,500
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,086	5,31,505	4,50,697
Do. 31st March, 1957	6,95,156	5,22,315	4,41,483
Do. 31st March, 1958	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,820	1,20,578
,, ,, ,, June, 1957	1,72,225	1,29,651	1,05,096
,, ,, ,, Sept., 1957	1,71,397	1,19,172	96,815
,, ,, ,, Dec., 1957	1,90,484	1,25,194	1,02,146
,, ,, ,, Mar. 1958	1,99,829	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	November		Jan. to Nov.	
	1957	1956	1957	1956
Exports	58,74	55,35	596,52	530,29
Re-exports	28	54	4,74	7,81
Total Exports	59,02	55,89	601,26	538,10
Imports	78,18	69,93	912,11	737,42
Overall Balance of Trade	—19,16	—14,04	—310,85	—199,32
Exports—				
Tea	15,90	15,97	113,83	124,17
Jute yarns and manufactures	5,56	12,76	66,03	103,00
Cotton yarns and manufactures	5,66	6,12	65,42	56,14
Metallic ores and scrap iron or steel for re-manufacture	4,58	2,31	46,78	20,03
Cotton, raw and waste	63	1,02	18,02	22,06
Oils—vegetable, mineral and animal	1,15	1,40	18,67	22,91
Fruits and vegetables	1,83	1,52	17,32	16,77
Tobacco	29	35	12,38	12,96
Misc.	67	77	7,97	7,87
Wool—Raw	1,23	91	11,45	9,86
Gums, resins and lac	1,16	1,10	8,25	10,00
Spices	56	61	7,79	8,43
Hides and skins, raw	50	39	6,77	5,21
Imports—				
Machinery of all kinds	22,03	14,89	210,00	140,15
Metals, iron and steel and manufactures thereof	8,98	12,08	138,62	112,00
Oils—vegetable, mineral and animal	7,72	3,09	103,72	58,43
Cotton, raw and waste	85	3,68	46,40	50,50
Chemicals, drugs and medicines	5,42	3,76	71,32	40,13
Electrical goods and apparatus	5,51	1,59	54,60	18,63
Paper, pasteboard, etc.	80	1,17	12,16	14,78
Vehicles (excluding aircraft, ships and boats)	3,41	8,60	61,20	64,17
Fruits and vegetables	1,90	1,12	13,98	11,73
Spices	32	75	2,79	7,47
Dyes and colours	92	1,33	13,07	15,31
Woollen and worsted fabrics	19	13	1 24	2,0
Cotton fabrics	14	22	2,28	2,2

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total (all classes) Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manufactures	Raw Jute	Jute Manufactures	Sugar*	Cement	Pig-iron	Iron and Steel (others)	Tea	Manganese Ore
1955-56	12,774	2,762	974	234	141	67	149	99	417	412	41	320	48	145
1956-57	13,503	2,993	1,022	219	108	58	207	84	510	427	36	388	52	180
February 1957	12,290	2,784	929	197	96	52	190	22	529	348	27	350	51	159
March ,,	13,503	3,005	1,022	219	108	58	207	24	510	427	36	388	52	180
April ,,	12,245	2,631	993	223	110	61	196	22	516	397	34	364	52	158
May ,,	12,468	2,622	919	211	103	57	189	21	503	396	33	354	49	153
June ,,	12,465	2,706	934	219	92	43	171	21	484	377	31	369	49	153
July ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
August ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
September ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
October ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
November ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
December ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
January 1958	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154
February ,,	12,563	2,669	938	219	93	42	170	22	510	396	33	369	48	154

Note.—The Railway rates on sugar are not uniform throughout the country. The monthly figures are progressive from April, equated to M. G. Wagons (4 tons) and do not represent the actual position in respect of number of wagons loaded.

Source:—Ministry of Railways.

* Including shipments from Coimbatore, 1956-57.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 29th May, 1958	44,414(J)
	Corresponding week, 1957	34,296(J)
	1st Sept. to 29th May, 1957-58	1,330,549*
	Corresponding period, 1956-57	1,588,093*
Cotton Exports	Week ended 29th May, 1958	7,738
	Corresponding week, 1957	5,386
	1st Sept. to 29th May, 1957-58	209,366
	Corresponding period, 1956-57	240,052
Mill Consumption (Estimated)	1st Sept. to 29th May 1957-58	953,715
	Corresponding period, 1956-57	997,148
Stock (with exporters, dealers and mills) in Bombay (Estimated)	On 29th May, 1958	754,051
	Corresponding date, 1957	647,398
Cotton Exports from Bombay (by sea)	During March, 1958§	10,428§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,583
Karachi (Pakistan)—		
Receipts	1st Sept. to 15th May 1957-58	1,063,756
	Corresponding period, 1956-57	1,153,650
Exports	1st Sept., to 15th May, 1957-58	496,789
	Corresponding period, 1956-57	648,761

Particulars	From 1st September to 2nd June 1957-58 Bales	From 1st September to 2nd June 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	7,892	21,955
Continent	16,457	21,185
Hongkong	4,129	33,107
China	—	3,437
Japan	109,592	122,701
U.S.A.	7,393	2,224
Other Countries	741	831
Total to all foreign countries	146,214	215,540 A.
Coastal Ports	54,360†	37,731**
Total	200,574	253,271

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian — March 1958	354,288
Foreign — March 1958	47,643
Indian — Seven months ended Mar., 1957-58	2,650,949
Foreign — Seven months ended Mar., 1957-58	340,929
Indian — Same Period 1956-57	2,734,023
Foreign — Same Period 1956-57	338,725
Stocks (Mills and Elsewhere)—	
Indian — As on 31st March 1958	1,298,235
Foreign — As on 31st March 1958	147,089
Indian — As on 31st March 1957	1,221,857
Foreign — As on 31st March 1957	200,943
Cotton Pressed in India (In running bales) — Week ended 16th May 1958	5,393
Corresponding week, 1957	81,833
1st Sept., to 16th May 1957-58	2,452,172
Corresponding period, 1956-57	2,775,515

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 31st Mar., 1958. A. = Adjusted. § Includes Zoda and Yellow Pickings, etc. ** From 1st Sept., 1956 to 31st May 1957.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1928-33	63,39,26,000	1960-70	100.40
3 % Loan	1938-39	1,16,17,16,000	1963-65	95.45
3 % Loan	1950	30,35,10,000	1964	95.45
3 % Fg. Loan	1943	1,10,11,78,000	1966-68	92.80
2 % Inv. Loan	1946	1,15,80,83,000	1970-75	87.75
3 % 2nd V. Loan	1945	1,13,65,64,000	1959-61	99.10
3 % Loan	1951	15,22,64,000	1958	99.75
2½ % Loan	1946	45,63,97,000	1960	98.15
2½ % Loan	1946	57,00,69,000	1961	98.45
2½ % Loan	1946	14,77,48,000	1976	83.10
2½ % Loan	1947	75,86,72,000	1962	95.35
3½ % N. P. Bonds	1953	75,29,60,000	1961	99.60
3½ % N. P. Loan	1954	1,58,17,90,000	1964	98.40
3½ % N.P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	98.10
3½ % Loan	1956	57,27,36,000	1962	97.95
3½ % N. P. Bonds	1956	33,31,33,000	1967	97.60
3½ % Loan (4th series)	1956	66,63,53,000	1974	98.20
	1957	56,86,68,000	1967	99.70
4 % Loan	1957	49,16,87,000	1972	100.30
3½ % Loan	1958	58,06,16,000	1963	98.75
3½ % Loan	1958	34,34,00,000	1968	99.50
4% Loan	1958	49,47,00,000	1973	100.05
NON-TERMINABLE LOANS				
3% Loan	1896-97	8,93,34,000	M.	71.00
3% Loan	1946	2,48,91,41,000	N.	71.05
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.80
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.75
3 % Bombay	1944	3,04,12,000	15th Aug. 1958	99.75
3 % Bombay	1949	5,49,75,500	1st Aug. 1962	94.15
3 % Bombay	1950	2,83,70,000	31st July 1962	92.75
3½ % Bombay	1951	2,00,05,200	17th Sept. 1962	98.10
4 % Bombay	1953	5,25,90,200	15th July 1963	99.50
4 % Bombay	1955	3,45,94,500	1st Aug. 1964	99.40
4 % Bombay	1955	9,87,51,000	1st Sept. 1965	98.30
4 % Bombay	1956	8,07,06,300	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,66,00,000	16th Sept. 1969	100.10
4 % Bihar	1955	1,54,02,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.60
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,00,000	1st June 1956-61	97.75
3½ % Dhorrah Bridge (New)	1936-37	1,95,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,23,96,000	21st June 1959	98.75
3 % Madras	1944	1,07,98,000	15th Aug. 1958	99.45
3 % Madras	1945	2,78,44,000	14th Sept. 1960	97.65
3½ % Madras	1946	3,81,77,200	1st Sept. 1960	94.60
3 % Madras	1950	4,38,25,400	31st July 1960	97.70
3½ % Madras	1951	3,01,49,300	17th Sept. 1962	97.85
4 % Madras	1951	19,21,71,000	15th July 1963	99.45
4 % Madras	1952	5,24,81,200	1st Aug. 1964	99.45
4 % Madras	1955	16,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	13,83,86,000	3rd Sept. 1968	97.90
4 % Mysore(J)	1933	2,96,55,200	1st Dec. 1955-63	101.50
4 % Mysore(J)	1936	5,99,73,000	30th Apr. 1956-61	99.25
4 % Mysore	1942	3,32,47,000	15th July 1963	99.25
4 % Mysore	1955	3,56,94,000	1st Sept. 1967	97.80
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.75
4 % Mysore	1957	3,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	25,68,000	15th Aug. 1958	99.50
3 % M.P.	1949	2,69,25,000	15th Sept. 1964	93.25
3 % M.P.	1950	1,01,45,000	31st July 1960	97.70
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	99.00
4 % M.P.	1955	1,83,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,56,42,000	3rd Sept. 1968	97.60
4 % Saurashtra	1955	3,61,65,500	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,84,000	3rd Sept. 1968	98.10
3 % Trav. Cochin	1953	3,25,81,000	15th July 1963	97.70
4% Trav. Cochin	1956	2,24,78,000	3rd Sept. 1968	96.75
2½ % U.P.Z.A.	1952	41,44,70000Z		48.75
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,97,01,000	15th Aug. 1958	99.60
3 % U.P.	1948	2,17,22,000	14th Sept. 1960	97.30
3 % U.P.	1946	2,16,39,000	1st Sept. 1961	94.50
3 % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
3½ % U.P.	1952	6,11,45,000	1st Aug. 1964	99.00
4 % U.P.	1953	5,65,16,000	15th July 1963	99.35
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.80
4 % Orissa	1956	3,06,90,000	3rd Sept. 1968	97.60
4 % M. Bharat	1955	1,84,77,000	15th July 1963	97.40
4 % M. Bharat	1956	1,11,28,000	3rd Sept. 1968	99.00
				97.80

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
26,58,900	4	1904	1944	
35,00,000	4	1905	1945	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
80,00,000	4	1913	1974	96.20N
88,25,600	4	1914	1975	96.20N
10,00,000	4	1915*	1960	
55,00,000	4	1915*	1975	
81,81,000	4	1923*	1960	
11,51,000	4	1924*	1960	
18,25,000	3½	1926*	1960	
35,00,000	3½	1929*	1959	
12,50,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
13,50,000	3½	1932*	1962	
24,53,000	3½	1934*	1975	
15,09,000	3½	1936*	1966	
48,04,600	3½	1936*	1966	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
99,24,300	4	1914	1974	97.75
78,39,100	4	1915	1975	97.75
1,50,00,300C	4	1921	1981	82.00
68,92,300C	6½	1921	1981	144.00N
1,49,30,000	5	1928	1958-88	101.00
50,00,000	4½	1931	1991	95.00
88,80,000	3½	1935	1975	97.50
25,00,000	3	1938	1963-68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1959	98.25
50,00,000	3	1949	1959	98.25
1,00,00,000C	3	1950	1960	97.00
80,00,000	3	1950	1960	97.00
1,00,00,000	3	1951	1961	81.75
50,00,000	3½	1951	1961	88.50
50,00,000	4	1953	1983	100.00
50,00,000	4	1953	1983	97.50
50,00,000	4	1955	1985	97.25
77,00,000C	4	1956	1986	97.25
75,00,000C	4	1956	1986	97.25
24,00,000	4½	1957	1987	99.50
STERLING LOANS				
£402,600	5	1923	1953-63	£60.00
£901,900	5	1924	1954-64	£60.25
£335,100	5½	1932	1962	£91.00
MADRAS				
Rs.				Rs.
28,48,275	3½	1947	1977	
9,88,000C	3	1947	1977	A
3,00,000	3	1949	1979	
45,00,000†	4½	1954	1964	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repayable	Latest Available Quotation Rs.
BOMBAY				
Rs.				Rs.
50,00,000	4	1899	1959	100.00
39,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	97.75 M
30,00,000	4	1905	1965	
20,00,000	4	1908	1968	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
18,00,000	4	1913	1973	97.50 M
50,00,000	4	1914	1974	118.00N
25,00,000	4	1916	1976	
40,00,000	5	1917	1957-72	118.00N
68,00,000	5	1920	1960-80	118.00N
25,00,000	5	1926	1956-86	118.00N
25,00,000	4	1927	1961-76	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£556,600		1909	1968	£95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				Rs.
25,00,000	5½	1929	1959	102.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1967	91.00
20,00,000	3	1938	1963-68	90.00
80,00,000	4	1952	1982	99.00
1,02,00,000	4	1956	1986	99.00
50,00,000	4½	1958	1988	99.75

MUNICIPAL LOANS

Rs.				Rs.
BOMBAY				
20,80,000	4	1913-16	1974	97.00
50,00,000	4	1919	1980	113.00
3,25,00,000	3½	1947	1979	101.50
2,58,00,000	3½	1949	1979	84.00
4,00,00,000	3½	1950	1965	97.25
2,50,00,000	4	1952	1966	97.00
2,50,00,000	4	1953	1968	97.00
1,00,00,000†	4	1954	1968	97.75
1,00,00,000†	4	1954	1967	97.25
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	
CALCUTTA				
35,00,000	5	1923	1953	102.00
25,00,000	5	1929	1958	102.00
10,00,000	5½	1932	1962	104.00
33,31,000	3½	1935	1965	94.00
60,00,000	3	1936	1966	90.00
47,56,000	3	1938	1968	90.00
17,01,000	3½	1938	1968	95.00
21,10,000	3½	1942	1972	97.50
16,33,000	3½	1951	1961	97.50
68,88,000	3½	1951	1968	99.25
87,98,000	4	1952	1962	109.00
72,50,000	4½	1954	1979	
2,22,72,000	4	1955	1985	100.00
87,00,00,000	4½	1958	1970	
MADRAS				Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,80,25,000	15th July 1963	99.40
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.20
4 % W. Bengal	1956	7,11,16,000	3rd Sept. 1968	98.00

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	107.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.F.C.	5,00,000	1931	5	Dec. ..	70.00	100
Carew & Co. T.F.B.C.	5,00,000	1875	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	105.00	100
Dalmia Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	16.12	£1
Gwalior Sugar T.B.O.	6,75,000	1940	7	Dec. ..	55.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	55.00	100
Parbhoome Co. T.C.	6,00,000	1922	10	Oct. ..	13.00	10
Ramnagar Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	86.00	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	65.00N	100
South Behar Sugar T.	5,00,000	1926	7	Oct. ..	20.00	100
Travancore C.T.P.	15,00,000	1946	5	Dec. ..	6.95	10
Upper Ganges T.F.C.	15,00,000	1922	6	Dec. ..	90.00N	100
Do. T.C.R.C.	15,00,000	1946	5	Dec. ..	70.00N	100
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Burrea T.F.C.	4,00,000	1895-97	6½	Oct. Apr.	83.00	100
Burrakur (1st) T.F.C.	22,00,000	1901-19	7	Apr. Oct.	95.00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.00xd	10
Equitable T.F.	4,00,000	1898	5½	Mar. Sept.	86.00	100
Kanpagara Collieries T.C.	4,00,000	1946	5½	.. ..	44.50	75p.
Kharkharee T.C.	9,00,000	1946	6	Mar. Sept.	8.00N	10
Loyabad Bamphoom T.F.C.	1,93,000	1931	5	Mar. ..	10.00	10
Oudal T.F.C.	2,00,000	1920	7	Jan. July	10.00	100
.. ..	2,00,000	1898-99	6	Apr. Oct.	88.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1909	7	Apr. Oct.	79.80	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	110.00	100
Bansilal Cotton	5,00,000	1925	6½	Nov. ..	7.75	10
Barwah (A)	5,00,000	1926	8	Feb. Aug.	118.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	80.00	100
Bellary T.F.	6,00,000	1919	7	June Dec.	89.

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	References
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,87,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd	56,468	898	Apollo Mills	1.68	2	0.12(c)	0.19	0.19		12	Y.
40,00,000	24,00,000	1,40,33,494	78,99,035	17,802	M.	50,596	1,031	B. R. Cotton Mills ..	20·00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2,50,98,000	3,42,88,483	7,65,30,951	3,93,39,819	55,708	Nowrojee Wadia & Sons (Pvt.) Ltd.	2,23,486	3,646	Bombay Dyeing & Mfg. Z	53·00	25	2·00	2·50*	2·50	2·50	12	Y.
10,00,000	43,53,960	64,14,209	42,82,976	63,115	Ramnarain Sons Private Ltd. ..	44,784	860	Bradbury Mills ..	158·00	50	75·00†	12·50	20·00	15·00	3	Y.
1,09,42,800	2,79,59,276	7,45,32,167	2,66,98,324	9,27,048	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg. ..	422·25	100	22·00	22·00	22·00	22·00	12	
49,00,000	25,42,326	1,19,99,766	55,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill ..	32·50	100	*Nil*	*Nil*			12	Y.
26,00,000	13,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	30,984	680	Cooria Spg. & Wvg. ..	119·00	100	7·50	7·50	12·50*		3	Y.
28,00,000	21,65,515	80,91,060	49,34,986	24,840	Ramnarain Sons Private Ltd. ..	41,328		Dawn Mills	90·00	50	6·00	15·00	—	7·50P	3	Y.
54,00,000	40,06,485	1,13,54,499	62,24,676	2,28,479	Puranmal Bubna Sons	48,688	928	Edward Textiles	251·25	200	15·00	18·00	15·00		12	Y.
29,98,050	16,71,233	1,29,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg. ..	45·00	50	3·00	5·00	15·00		12	Y.P.
50,00,000	65,54,875	1,67,34,054	89,90,207	37,155	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	260·00	100	16·00	20·00	20·00	20·00	12	Y.
50,00,000	48,98,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd. ..	45,768	1,018	Gold Mohur Mills Ltd. ..	185·00	100	12·50	15·00	15·00	15·00	12	Y.
11,84,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills.	4,990·00 / 992·50 / 1 16	1,000 / 250 / 0 1D	225·00 / 56·25 / *Nil*	300·00 / 75·00 / 0·19	325·00 / 81·25 / 0·18	350·00* / 87·50*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	8 72 / 4,510·00	0 10D. / 1,000	*Nil* / 225·00	0 19 / 300·00	0 18 / 300·00	325·00*	12 / 3	Y.
3,85,000 / 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	—	500	112·50	150·00	150·00	162·50*	3	Y.P.
59,85,000	46,10,421	8,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	187·50	100	12·50	15·00	15·00	10 00(c)	6	Y.
1,90,00,000	1,13,27,701	3,67,76,376	2,84,94,794	52,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	257·50	100	12·25	12·00	10·00	10·00	12	Y.
33,18,800	46,27,870	1,28,83,753	67,99,178	43,271	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	70 00N	50	5·00	8·00*	8·00*	5·00 C	10	Y.P.
51,75,000	38,44,612	2,64,74,623	1,33,18,328	23,520	Piramal Sons Private Ltd. ..	71,604	1,552	Morarjee Goculdas Spg. & Wvg.	215·00	100	14·00	14·00	15·00	14·00(c)	6	Y.P.
1,60,63,400	1,42,58,295	10,55,90,105	3,40,00,000	1,23,937	Chinai & Co. Private Ltd. ..			National Rayon Corporation ..	237·75	100	10·00	12·00	14·00*	14·00	12	Y.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,944	432	New City of Bombay Mfg. ..	105·00	100	10·00	12·00	14·00*	14·00	12	Y.
30,00,000	11,72,134	101,83,002	63,37,034		W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	291·00	100	7·50	10·00	10·00	5·00	12	Y.P.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,208	1,190	Phoenix Mills	116·25	100	10·00	10·00	10·00	*Nil*	12	Y.
40,00,000	46,64,554	53,32,341	23,34,581	1,63,546	Podar Sons Private Ltd. ..	32,000	930	Podar Mills	133·00	100	8·00	10·00	10·00	12 50F	3	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	....	M. G Investment Corp. Private Ltd.	94,884	2,127	Sassoon & Alliance Silk Mill ..	9·88	100	1·00	1·00	12·00*	12 00*	12	Y.
37,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Sassoon Spg. & Wvg. ..	41·50	10	1·75	2·00	2·00	2·00	12	Y.P.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	137·00	100	14·00	12·00	12·00		12	Y.
42,00,000	31,94,178	1,20,04,790	76,42,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	84,840	1,274	Simplex Mills	158·00	50	11·00	10·00	12·00	8·50	12	Y.
87,80,000	2,50,26,472	2,96,16,751	1,87,09,317	1,55,642	Mafatlal Gagalbhai & Sons ..	97,588	2,409	Standard Mills	388·50	50	10·00	10·00	12·00	12·00	12	Y.P.
1,00,00,000	95,03,854	2,70,30,406	1,44,86,214	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	170·50	100	8·00	12·00	14·00*	9·00	12	Y.P.
30,00,000	65,13,465	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	343·00	100	20·00	25·00	25·00	25·00	12	Y.
65,57,875	53,20,412	2,18,16,540	90,53,601	17,925	Tata Industries Private Ltd. ..	70,832	1,800	Tata Mills	37·00	25	2·50	4·00	3·50*	2·00	12	Y.P.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	93 985	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,525·00	1,000	225·00	300·00	300·00	325·00*	3	Y.
AHMEDABAD																
40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	160·00	100	5·00	7·00	12·00	5·00	6	Y.P.T.
15,00,000	98,23,183	1,29,00,836	73,32,228	....	P. M. Hutheesing & Co., Ltd. ..	44,220	912	Aruna Mills	540·00	100	20·00	30·00	25·00	25·00	12	Y.P.
40,00,000	3,03,12,127	2,17,78,010	1,10,66,897	28,706	M.	60,412	1,216	Arvind Mills	1,200·00	100	25·00	35·00*	35·00*	35·00*	12	Y.P.
85,00,000	45,67,635	1,05,70,049	71,81,393	92,293	Mangaldas & Bros., Ltd. ..	35,908	892	Arvindas Ginning & Mfg. ..	470·00	100	25·00	35·00*	35·00*		12	Y.P.
12,00,000	1,40,46,694	99,92,464	67,28,819	728	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	941·25	100	22·00	30·00	30·00	30·00	12	Y.P.
1,87,50,000	3,49,64,519	5,14,59,792	2,56,08,236	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,403	Calico	485·50	125	18·00	30·00	30·00	30·00	3	Y.P.
62,91,000	32,88,059	1,26,33,243	96,76,063	2,438	Tricumlal Bhoolai & Co., Ltd. ..	45,836	866	New Commercial Mills ..	445·00	250	70·00	80·00	100·00*	80·00	12	Y.
52,00,000	91,54,187	1,55,49,668	1,07,88,296	2,07,784	Mafatlal Chandulal & Co., Ltd. ..	51,100	907	New Shorrock Spg. & Wvg. ..	692·00	125	35·00	35·00	40·00*	30·00	12	Y.
15,00,000	64,29,775	69,45,965	35,66,652	....	Jagabhai Bhoglal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	380·00	100	30·00*	20·00	20·00	20·00	12	Y.P.
20,00,000	1,08,87,132	1,07,38,484	66,60,480	105	Lalbhai Dalpatbhai & Co. ..	32,328	636	Raipur Mfg.	870·00	100	25·00	35·00*	35·00*	35·00*	12	Y.P.
48,75,000	28,41,580	1,33,79,014	73,60,111	9,983	M.	35,196	648	Rohit Mills	175·00	100	9·00	*Nil*	8·00*	8·00*	12	Y.P.
57,96,300	2,88,74,105	2,72,82,370	1,17,57,907	18,346	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg. ..	640·00	50	20·00	27·00*	30·00*	25·00	12	Y.
29,25,000	69,60,633	1,00,70,063	73,48,312	....	Haridas Achratlal & Co., Ltd. ..	41,056	780	Vijaya Mills	620·00	500	35·00*	35·00*	50·50*	40·00*	12	Y.P.
85,00,000	33,00,929	1,28,90,368	90,20,784	23,300												
WEST BENGAL																
15,00,000	2,82,800	35,56,096	2,89,703	60,222	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	6.44	10	0.50	0.50	0.60		12	Y.P.T.
7,11,280 / 2,00,620†	10,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill ..	35·00N	50	4·00	4·00	4·00	4·00	3	Y.P.
24,00,000	1,50,000	1,06,25,544	51,27,758	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills	104·00	100	*Nil*	*Nil*	*Nil*		12	Y.
19,00,000	26,17,481	1,12,54,740	74,87,879	3,50,835	Kettlewell Bullen & Co., Ltd. ..	42,944	523	Dunbar Mills	116·00	100	*Nil*	*Nil*	*Nil*		12	Y.
30,00,000	58,968	76,97,825	21,97,325	82,086	Birla Brothers Private Ltd. ..	45,252	906	Jay Shree Textiles Ltd. ..	6·56	10	*Nil*	2·50	6·00	6·50	12	Y.P.
1,56,00,000	2,29,91 250	4,00,62,835	1,40,10,478	4,94,772	Birla Brothers Private Ltd. ..	75,040	1,992	Mayoran Cotton Mills	10 40	10	0·87	0·87	1·00	0·75	3	Y.
19,47,7500 / 5,00,000D	19,50,000	48,59,254	28,75,466	9,388	Hazaresmul Heeramal	23,086	795	Rampuria Cotton Mills	15·00N / 4·00N	10 / 1D	0·62 / *Nil*	1·00 / 0·34	1·00 / 0·26	0·75 / 0·15	6	Y.
SOUTH INDIA AND OTHER CENTRES																
11,96,600	5,57,619	29,87,103	19,12,220	16,013	Setna & Co.	24,800	..	Ashor Textiles Ltd.	217·00N	100	*Nil*	12·50	15·00	12·50	6	Y.
72,00,000	17,82,554	1,87,86,117	69,45,582	6,716	C. S. Tyabjee, Esq.	36,136	716	Azam Jahi Mills	51·50	100	*Nil*	3·50(e)	5·00	3·50	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,48,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	164·00	100	30·00	30·00	30·00	10·00 C	12	Y.P.
35,00,000	99,61,544	1,23,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	27 00N	10	3·00	3·00	3·00	1·50	3	Y.P.T.
1,78,47,800	2,99,20,000	6,93,57,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic ..	166·00	100	10·00	10·00	10·00	10·00	12	Y.P.
20,00,000	19,37,935	50,23,440	26,18,048	....	Pelree, Leslie & Co., Ltd. ..	17,558	4	Cambodia Mills	8 00xd	10	*Nil*	*Nil*	0·50	0 50(c)	12	Y.
15,00,000	5,11,500	53,32,411	27,36,037	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg. ..	144·50	100	20·00	12·00	15·00	20·00	3	Y.
30,00,000	32,35,551	70,25,496	54,32,015	48,855	Begg, Sutherland & Co. Private Ltd	27,624	591	Cawnpore Textiles	100·00	100	12·00	15·00	15·00	20·00	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd	5 00	*Nil*	0·50	*Nil*	0·25	0 25	3	Y.
35,21,562	22,09,767	69,79,002	31,91,699	698	R. Bheema Naidu & Co. ..	30,564	..	Coimbatore Cotton Mills ..	137·00	100	10·00	0·62	0·75	0·90	12	Y.P.
18,15,000	7,25,195	89,16,552	29,29,633	....	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Murugan Mills ..	110·00	100	25·00	25·00	25·00	9·00 C	12	Y.P.
20,00,000	19,26,796	1,03,67,833	35,30,753	18,814	T. R. N. Naidu & Co.	38,226	..	Coimbatore Pioneer Mills ..	227·00	100	17·50	20·00	12·00		12	Y.P.
20,76,900	2,95,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	48·00	50	20·00	20·00	20·00		12	Y.
46,87,500	27,24,735	2,42,10,703	1,54,86,554	....	Tudor Textiles Private Ltd. ..	72,452	1,020	Central India Mills	81·50	100	2·00	3·00	10·00		6	Y.P.
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,816	300	Davangere Cotton Mills ..	112·00	100	2·00	3·00	*Nil*		6	Y.
3,38,36,225 / 1,00,563	3,10,24,830	11 79,09,463	6,78,07,185	2,77,593	B. R. Charat Ram & Co. Private Ltd	1,41,180	2,352	Delhi Cloth & General Mills ..	29·12	100 / 2½	12·00 / 0·28	9·00 / 0·22	9·00 / 0·25	9·00 / 2·00	6	Y.P.T.
47,98,296	26,25,000	84,28,224	49,84,057	1 966	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills	177·00	100	20·00	22·50	25·00	20·00	12	Y.
63,00,000	1,05,56,192	1,09,12,424	1,41,93,839	75,531	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	132·50	100	10·00	10·00	10·00	10·00 C	12	Y.P.
48,81,000	43,55,161	1,36,06,642	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286	..	Gokak Mills	132·00	100	1·00	1·00	1·25	1·00	12	Y.
2,50,00,000	2,25,000	4,52,38,745	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..			Gwalior Rayon	100·00	100	15·00	15·00	13·00	8·00	3	Y.
50,00,000	21,27,574	1,48,10,139	1,16,80,184	6,716	K. L. Seksaria, Esq. (Chairman)	51,180	1,856	Indore Malwa United	13·12	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
8,90,000	10,65,683	31,40,455	19,97,477	....	G. V. Naidu & Co. Ltd.	23,784	..	Janardhana Mills	72·00	50	5·00	10·00	10·00		12	Y.
15,54,000	15,02,699	57,13,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji	1,450·00	1,000	20·00	50·00	60·00	40 00	6	Y.P.
4,63,65,300	3,24,05,304	4,34,59,294	3,18,54,080	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,680	Jiyajeerao Cotton	9 00	10	4 00§	4 00§	0 55	0 35	6	Y.P.
42,00,000	19 25 000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41 040	800	Kothari Textiles	9 87	10	0 50	1 00	1 00	1 00	12	Y.P.
32,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,098	1,243	Lakhamni Cotton Mfg. ..	437 50	250	33 75	42 50	45 00	15 00	12	Y.
71,28,200	66,35,960	2,12,83,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	93 50 / 46 00	50 / 50	10 00 / 5 00	12 50 / 6 25	12 50 / 6 25	10 00 / 5 00	3	Y.
35 64 160	....	....	....	6,92,368	A. & F. Harvey Ltd.	4,53 000	..	Madura Mills	31 40	15	3 00	6 25	6 25	5 00	12	Y.
1,75,02,480	4,24,40,278	5,90,89,121	3,96,10,817	213	V. K. Eradi (Chairman) ..	22,592	100	Malabar Spg. & Wvg. ..	89 00	100	7 50	10 00	10 00	2 25	12	Y.
12,00,000	3,67,363	29,08,352	18,76,706	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	503	Mettur Industries Ltd. ..	45 00	200	*Nil*	*Nil*	8 00		12	Y.
60,00,000	99 14,000	65,94,311	45,89,145	19 662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	67·50	100	22 50*	35 00	42 50	20 00	12	Y.
29,80,884	19,58,081	92,42,488	53,37,735	1,85 098	M.	52 408	952	Model Mills (Nagpur) ..	176·25	250	5 00(c)	6 00	6 00		6	Y.
94,91,850	21,56,146	1,71,94,769	78,81,528	35,397	N. Sirur & Co. Private Ltd. ..	52,492	800	Mysore Spg. & Mfg. ..	91 00	50	8 00*	6 00(e)	6 00(e)	9 00*	12	Y.
24,88,500	48,52,478	1,12,48,711	71,02,473	3,966	K. Tipperudriah (Chairman)	6,000	..	Mysore Sugar Silk Mills ..	6 25N	10	*Nil*	*Nil*	*Nil*	*Nil*	9	
13 61,780	....	....	17,83,214	....	M.	87,788	902	Osmanshahi Mills	42·50	100	*Nil*	2·50(c)	3 00(c)		12	Y.P.
87 23,200	39,29,981	1,73,83,244	87,86,663	....	Bhaghyalakshmi & Co. ..	45,600	..	Palani Andavar Mills	130 00	50A	12 00	12 00	12 00		12	Y.
6,00,000A / 6,00,000B	18,00,000	68,46,779	25,36,447	8,530	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	190·00	75B	18 00	18 00	22·50		12	Y.
15 00 000	....	84,19,570	18,82,524	—9,80,216	A. G. Gurusamy Naidu & Co.	59,264	300	Radhakrishna Mills	121·00	100A	10 00	20 00	20 00		12	Y.P.
16,81,200A / 8,40,000B	29,95,000	1,00,48,582	54,00,059	3,882	S. R. Naidu & Sons	37,096	..	Rajalakshmi Mills	65 50	50B	8 00	10 00	10 00		12	Y.P.
15,00,000	29,10,000	54 56,529	29,01,441	5,070	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	88 00	50	10 00	10 00	7 50		12	Y.
16,14,300	12,00,000	32,92,216	17,41,454	10 510	Rayalaseema Development Co.	21,200	..	Rayalaseema Mills	129 00	100	6 00	10 00	10 00		12	Y.
72,32,960	11,50,000	53,72,976	23,15,892	5,286					105 00	100	9 00	10 00	10 00	10 00	3	Y.P.
15,00,000	1,60,56,917	3,13,49 081	2,06,07,227	—1,66,20,798	Monarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	375·00 / 500	1,000 / *Nil*	*Nil*	*Nil*	*Nil*		3	Y.
10 000				19 843	H. N. Pallegar, Esq.	80,744	292	Sri Krishnarajendra Mills	75·00	50	4·50	5·00	7·00	7·00	3	Y.
26 69 700	30,26,386	96,28,665	70,67,004	29,39,630	Birla Brothers Private Ltd. ..	86,212	1,244	Sutlej Cotton Mills	70 00N	10	5 00	6 00	6 00	6 00	3	Y.
15,00,000	2 62,40,700	1,02,21,310	75,33,414	....					10 00	100	0 75	0 75	0 75		12	Y.P.T.
17,50,0000 / 1,87,50,000PO	2,36,28,061	5,13,52,136	1,81,83,024	8,35,712	Jaipuria Brothers	1,12,216	2,086	Swadeshi Cotton (Kanpur) ..	10 50	10P.O.	1 15	1 15	1 15	1 00	12	Y.P.
1,00,00,000	69,00,000	3,88,81,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd...		..	Travancore Rayons	13 20xd	10	1 00	1 00	1 00	1 00	12	Y.P.
13,98,780	9 45,940	19,58,289	13,60,120	704	Moolji Ramjee & Sons	18,000	..	Trichinopoly Mills	11 50	10	0 90	0 90	1 12	0 90	12	Y.P.
21,00,000	39,86,738	86,30,895	51,76,507	12,000	R. K. Chetty & Brothers ..	44,424	270	Vasanta Mills	230 00	100	15 00	20 00	20 00	12 00	12	Y.P.
82 00 000	18 73,770	1,85,96,083	1,17,44,592	—9,85,560	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	99 00	100	4 00	8 00	8 00	*Nil*	12	Y.

* Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (c) Paid out of Reserves. F—For fifteen months ended 31st March, 1958.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1958.

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 90 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	References
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,824	62,38,314	1,16 220	Parry & Co., Ltd.	Deccan Sugar & Abkhari ..	8·35	5	*Nil*	0·50	0·75	0·85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,425	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	9·75	5	0 50	0 56	0 56		9	Y.
4549,950	£1,19,464	£1,38,940	£.01,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27·50	£1	Sh. 3	Sh. 4	Sh. 3	Sh. 3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	197·00	75	15·00	15·00	15·00	15·00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd. ..	Andhra Cement Co.	11·50	B. 10	1.00	1.00*	1.00		12	Y.P.
18,14,6000							3·02	Q. 10	*Nil*	*Nil*			3	Y.P.T.
14,70,976D	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement	0·81	D. 1						
2,71,80,070	9,62,91,082	80,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private)

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
						PAPER								
45,00,000	25,91,841	2,13,38,402	1,56,73,214	4,805	M.	Bengal Paper Mills	91.50	25	3.12	4.69	2.50		12	Y.P.T.
80,00,000	65,91,258	1,24,92,173	83,76,687	83,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp †‡	21.12	10	14.00	1.25 2/5	1.25 2/5	1.40	3	Y.
80,00,000	25,12,500	1,48,27,689	77,67,046	47,698	T. Shanmuma, Esq. (Chairman)	Mysore Paper Mills	16.50	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,44,12,500	2,46,75,045	6,04,16,597	1,87,53,062	2,52,477	Birla Brothers Private Ltd. ..	Orient Paper	31.95	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,35,49,870	67,75,582	1,56,40,382	1,00,79,761	8,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	15.87	10	1.50	1.25	1.25		12	Y.P.T.
59,00,000	7,29,123	71,98,586	58,86,550	4,828	Bajoria & Co.	Star Paper Mills	{ 11.25cd	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
'A' 10,00,000	48,43,066	3,85,20,949	75,56,130	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	{ 11.25cd	A. 10	0.75	1.25	1.05	0.60	6	Y.P.
59,00,000 A.							11.48	10	*Nil*	5.00‡	0.50	0.50		
56,04,800 B.	3,70,50,474	6,78,46,967	3,51,66,038	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	{ 38.87	A. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,27,500 P.O.							38.87	B. 10	1.50	2.00*	1.12*	2.37*		
							4.25	P.O. 2½	0.25	0.25	0.12	0.25		
						PRESSING								
3,60,000	2,26,572	15,981	13,858	28,272	Andrew Yule & Co. Ltd. ..	Calcutta Hydraulic	50.00N	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,182	8,48,622	6,98,409	35,418	Andrew Yule & Co. Ltd. ..	Central Hydraulic	82.00N	100	5.00	5.00	0.00	10.00*	6	Y.
						PROPERTY AND LAND								
10,00,750 O.	7,30,342	43,74,459	23,33,280	96,047	M.	Humayun Properties	{ 13.00N	O. 10	0.60	0.60	0.60			Y.P.
2,00,000 D.							8.00N	D. 1	*Nil*	*Nil*	0.05			
94,00,000	25,22,469	7,33,363	52,546	—16,57,206	Andrew Yule & Co., Ltd. ..	Midnapore Zamindary	250.50	100	4.00	3.00	*Nil*	*Nil*	4	Y.P.
						SAW MILLS AND TIMBER								
12,99,996	22,83,439	32,83,742	11,96,031	....	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.94	2	*Nil*	*Nil*	*Nil*		9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	{ 651.00	Old 125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							250.50	New 50	8.00	15.00	15.75	16.00		
26,80,000	20,40,000	19,48,737	15,96,208	1,44,843	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products	44.50	10	2.75	3.00	3.00	1.00‡	6	Y.
						SUGAR (U.P. and Bihar)								
11,00,000	15,36,406	42,92,220	31,12,074	57,702	M.	Bairampur Sugar	6.37	5	0.75	0.06	*Nil*	0.25	6	Y.
13,00,000 A.	29,80,260	55,40,831	36,32,435	12,13,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	{ 116.00N	A. 100	19.00	10.00	10.00			Y.T.
2,00,000 B.							11.50N	B. 10	1.00	1.00	1.00		4	
12,40,050	8,75,000	33,83,770	25,68,270	74,946	Bangur Bros., Ltd.	Belsund Sugar	10.25	7½	0.75	0.75	1.00	1.00	9	Y.
15,00,000	13,81,513	19,28,777	13,40,840	7,553	Cotton Agents Private Ltd. ..	Bharat Sugar	14.00	10	1.50	1.50	1.50	1.50	6	Y.P.
22,00,000	25 22 515	1,45,76,557	98,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	7.19	10	1.50	1.50	1.50	1.50	6	Y.P.T.
50,00,000	68,63,722	1,63,27,398	86,37,323	91,991	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	10.62	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.
13,00,000	24,56,103	84,72,400	59,12,695	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	10.62	10	0.75	0.75	0.75		10	Y.P.
9,88,252	2,59,762	28,14,152	16,95,382	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00	10	1.00	1.50	1.00	*Nil*	6	Y.T.
50,00,000 A.	44,95,000	1,03,71,005	67,56,074	33,128	Bashiraj & Co. Private Ltd. ..	Hindustan Sugar Mills	10.00N	10	0.75	0.50	0.50		8	Y.P.
19,00,0000.							{ 210.00N	A. 100	15.50*	15.00*	15.00		6	
							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,38,781	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman) ..	Kesar Sugar	50.00	40	*Nil*	2.25	4.00	7.00	7	Y.P.
7 80,100	22,50,288	48,59,619	26,90,926	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills	22.25	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	23,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100	49,91,797	73,78,775	27,02,363	6,855	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill ..	200.00	100	20.00	20.00	20.00	20.00	6	Y.
33,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,09,028	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	126.25	100	11.00	11.00	11.00	12.50	7	Y.P.
13,00,000	12,69,374	31,98,494	21,49,450	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	70.00N	100	10.00	6.00			10	Y.P.
9,00,000	19,64,517	48,99,335	31,54,228	20,705	Begg, Sutherland & Co. Private Ltd.	Puriahpore Co.	10.25	10	0.75	0.75	0.75		10	Y.P.
8,00,000	6,21,932	28,74,393	23,31,231	46,085	M.	Ryam Sugar	20.00	10	0.50	*Nil*	1.75	1.50	6	Y.P.
11,99,000	16,33,214	47,25,583	25,13,422	—2,20,853	M.	Samastipur Central Sugar ..	12.25	10	0.50	*Nil*	1.75	1.50	6	Y.P.
20,70,525	23,58,460	1,40,84,561	68,35,007	16,351	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.25xd	10	0.50	*Nil*	1.75	*Nil*	6	Y.P.T.
10,02,115	24,660	29,48,606	14,35,401	—8,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
18,80,000	18,52,431	35,59,550	20,58,359	40,666	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00	0.50	8	Y.
0,15,0000.	46,462	29,66,360	11,46,770	—16,37,907	M.	South Behar Sugar	{ 0.75N	O. 10	*Nil*	*Nil*	*Nil*		10	Y.P.T.
4,40,000 D.							0.50N	D. 2½	*Nil*	*Nil*				
8,00,000	24,74,348	1,27,80,247	80,57,754	9,663	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	35.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
16,00,000	7,66,589	33,17,949	27,00,205	32,042	M.	United Provinces Sugar	14.25	10	1.25	1.50	0.50		9	Y.
						Other Centres								
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangaroo & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.50	1.50	1.25	9	Y.
70,49,650	1,18,48,606	1,56,47,762	1,09,77,187	3,80,384	W. H. Brady & Co., Ltd. ..	Belapur Company	246.50	50	16.00	10.00	16.00	16.00	9	Y.
87,50,000	12,85,255	41,16,701	23,00,310	50,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	{ Bhopal Sugar Industries Ltd.	20.24	10	1.00	1.00	1.00	1.00	9	Y.P.
18,00,000	17,99,163	32,89,514	8,24,388	23,344		{ Shree Chandgee Sugar ..	25.00	10	1.00	1.50	2.00		9	Y.
15,03,900	12,63,973	48,71,811	23,64,696	14,799	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	90.00N	100	12.50	1.00	2.00	5.00	9	Y.P.
63,97,600	11,92,669	78,71,515	18,58,295	46,085	India Sugar Agencies Private Ltd.	Indian Sugar and Refineries ..	13.00cd	10	*Nil*	*Nil*	*Nil*	6.00	6	Y.P.
22,41,127	15,75,571	94,06,433	12,67,310	6,611	B. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.30	10	1.75	1.40	1.12	1 00	9	Y.P.
62,50,400	85,89,886	87,62,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14.00	10	1.00	1.00	0.66	0.00	10	Y.
10,55,2000.	88,00,000	2,48,45,158	41,94,129	26,068	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	{ 120.00	O.100	1.50	1.50	1.50Q	7.50	9	Y.P.
9,97,190 D.							134.00	D. 10	7.50	7.50	7.50			
67,50,000	38,21,973	1,22 47,688	57,87,087	36,423	M. L. Dahanukar & Co. Pvt. Ltd.	Maharashtra Sugar Mills ..	916.00	250	10.00	10.00	10.00	10.00	9	Y.P.
21,79,280	86,24,043	1,54,89,192	89,25,545	2,10,465	B. M. Krishnan, Esq. (Mg. Director).	Mysore Sugar	33.75	10			100.00*	100.00*	9	Y.
50,00,000	53,21,480	1,16,82,154	57,30,941	1,47,299	Malalal, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	148.25	100	2.00	2.00	2.00	2.00	9	Y.
12,59,250	40,00,000	59,57,584	33,02,920	2,28,800	Anderson Wright Ltd.	Ramnuggur, Cane and Sugar ..	8.06	10	8.00	0.00	0.00	12.00*	8	Y.P.T.
20,00,0000.	42,07,214	1,04,79,940	59,86,787	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	{ 123.25	O. 50	2.50	2.00	2.00	1.50	8	Y.P.T.
4,00,000 D.							30.00N	D. 10	*Nil*	0.00	12.00	12.00	9	
68,59,400	88,59,866	67,02,760	25,07,388	27,711	Govan Bros. (Rampur), Private Ltd.	Rana Sugar	14.00	10	0.75	0.70	0.70	3.75	10	Y.
80,00,000	23,40,000	62,19,329	24,74,879	77,258	Parry Co., Ltd.	Travancore Sugars	9.80	10	1.50	1.50Q	1.50		7	Y.
1,01,00,000	1,66,46,243	2,28,80,683	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	263.00	100	16.00	0.75	1.00	1.00	7	Y.P.T.
											21.00		9	
						TRANSPORT								
30,00,000	1,06,60,622	1,24,69,186	18,29,251	1,10,020	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	95.00	100	7.50	7.50	7.50		10	Y.P.
1,00,00,000	22,00,000	4,21,63,242	1,45,98,000	1,26,615	Dimbaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
60,00,000	1,42,35,053	4,99,84,246	4,99,84,246	1,83,539	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.								12	
						Kilburn & Co. Private Ltd. ..	Great Eastern Shipping Co. ..	20.48	10	1.00	*Nil*	1.00	1.50	6	Y.P.
£443,550	£997,726	£5,665,854	£2,452,088	—£106,382	Lionel Edwards (Private) Ltd. ..	India General Navigation & Rly. Co.	49.50	£10	1.00	*Nil*	1.00		6	Y.P.
2,25,00,000	1,74,74,322	12,76,54,545	3,63,26,759	3,76,864	M.	India Steamship Co.	10.92	10	*Nil*	*Nil*	1.00	1.00	12	Y.P.
9,40,10,575	10,85,51,242	37,66,45,271	5,73,99,512	5,84,102		Scindia Steam Navigation Co. ..	17.62	20	0.50	0.50	1.00	1.25	6	Y.P.
5,40,9800.	18,36,615	12,00,284	7,86,769	1,66,818	B. R. Aiyer, Esq. (Manager) ..	Walford Transport, Ltd.	2.00	O. 1	0.50	0.50	1.00	1.25	6	Y.
1,16,200 P.O.							1.41	P.O. 1	0.11	0.12	0.12		12	
						UNCLASSIFIED (Bombay)								
3,40,000	63,837	4,82,509	4,36,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Sale Deposit	500.00N	200	32.00	32.00	30.00	26.00	9	Y.
25,00,000	1,90,000	79,18,548‡‡		58,589†	M.	Devkaran Nanji Investment Co. ..	11.62	25	0.75	0.75	0.81	0.81	3	Y.
5,07,50,000	2,01,70,510	4,79,59,818	1,35,62,169	89 94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	22.56	10			0.60	0.75	12	Y.
21,07,000	16,29,819	1,09,45,985	67,14,497	14,986	Birla Brothers Private Ltd. ..	Hind Cycles	133.75	100			1.25	1.40	12	Y.P.T.
14,98,540	2,91,590	25,61,284	19,49,792	23,010	Chemical Manufac Private Ltd. ..	Kaivan Batteries	36.00	50	3.00	0.00	3.00	12.50‡	3	Y.P.
99,00,250	20,15,147	1,29,01,390‡‡		1,74,683	Premeshand Roychand & Sons ..	Industrial Investment Trust ..	72.84	100	4.50	4.50	5.00	5.50	12	Y.
1,60,00,000	23,26,446	33,85,176	11,25,734	2,788	K. G. Milne, Esq. (Mg. Director) ..	Killick Industries	147.00	100	11.00	11.00	11.00	11.00	6	Y.
30,25,325 A.O.	63,14,265	1,69,93,078	63,81,752	2,42,788	Asso-Auto Private Ltd.	Premier Automobiles	80.20	100	*Nil*	*Nil*	6.00	6.00	6	Y.
10,31,200	4,85,147	8,90,152	5,31,506	2,431	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	2.00	6.00	6	Y.
2,75,00,000	1,44,15,441	3,90,12,672	1,66,58,348	89,866	Sir Joseph Kay, K.B.E. (Mg. Director)	Western India Match Co. Ltd. ..	171.25	100	11.00*	11.00*	11.00*	11.00*	12	Y.
48,00,000	60,62,390	8,64,935	5,24,056	75,084		W. H. Brady & Co., Ltd.	280.00	100	20.00	20.00	22.50	25.00	12	Y.
						Other Centres								
87,50,000	1,99,36,718	3,81,21,462	86,96,821	2,33,759	J. K. Industries Private Ltd.	Aluminium Corporation of India Ltd.	{ 11.37	O. 10	*Nil*	*Nil*	0.50	0.90	3	Y.P.T.
1,50,000							5.00	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	22,25,000	68,17,870	28,12,985	66,520	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	14.25	10	1.25	1.25*	1.25	1.25	3	Y.
30,00,000	36,20,717	34,97,377	23,60,332	2,61,289	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	17.87	10	1.25	1.25*	1.25	1.25	3	Y.
80,00,000	17,14,736	38,54,572	19,66,372	1,53,044	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	14.75xd	10	1.25	2.00*	2.00*	1.50*	12	Y.
25,00,000	20,94,000	1,05,12,083	38,58,422	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	6.35	10	0.20	0.40	1.20	0.60	3	Y.P.
30,01,400	23,01,292	69,53,106	37,02,106	5,66,375	M.	Balmer Lawrie & Co., Ltd. ..	152.00	100	12.00	12.50	15.00	6.50	3	Y.
12,00,000	17,56,000	34,55,743	27,24,743	31,197	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	28.50	10	2.50	2.50	2.50		3	Y.
28,00,000	3,95,715	69,33,495‡‡		87,011	Lovalcok & Lewis	Birla Investment Ltd.	9.19	10	1.25	1.25	1.00	2.50	12	Y.P.
24,97,284	24,61,314	1,14,81,095	37,07,455	1,84,688	K. Jullan Scott, Esq. (Mg. Director)	Britannia Biscuits	9.19	10	1.25	1.25	1.00		3	Y.P.
3,25,00,000	1,85,55,571	3,06,96,577	2,88,59,121	1,22,521	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	13.44	10	1.00	1.00	1.00	1.00	3	Y.P.
1,80,00,000	17,24,224	2,06,86,495‡‡		3,10,584	Andrew Yule & Co., Ltd. ..	Clive Row Investment	3.70	5	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
3,00,00,000	6,40,39,006	6,50,49,175	2,68,24,548	23,22,643	John Leckman, Esq. (Mg. Director)	Dunlop Rubber Co. (India) Ltd. ..	8.56	10	0.20	0.56	1.25	0.75	3	Y.P.T.
51,25,000	54,81,525	1,64,12,906‡‡		2,43,272	Bird & Co. Private Ltd.	Eastern Investments Ltd.	106.00	100	1.50	1.50	1.50	1.62	12	Y.P.
14,80,000	9,55,000	34,07,164	19,99,329	34,634	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	184.00	100	9.00	9.00	9.00	9.00	12	Y.
65,00,000	34,30,910	1,03,25,475	10,96,588	1,58,596	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.75	10	0.75	1.50	1.50	12.50	3	Y.P.
30,00,000	19,17,284	33,06,521	16,24,682	74,215	B. P. E. Syndicate	Great Eastern Hotel	265.00	250	6.25	6.25	15.00	15.00	3	Y.
4,88,66,700	10,00,000	4,87,26,577	1,61,38,541	7,92,903	Birla Brothers Private Ltd. ..	Hindustan Motors	7.00	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
3,84,58,000	1,17,85,209	7,37,43,612	2,21,77,782	2,20,188	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	15.06	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
1,92,85,220	1,46,96,900	2,56,66,091	96,55,203	41,81,855	B. J. Woodier, Esq. (Mg. Director)	Indian Cables	35.12	10	1.00*	1.25*	1.00	0.00	12	Y.P.
1,37,87,975	6,63,900	16,74,988	9,50,206	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	26.25	10	0.50	1.25*	1.50*	1.50*	3	Y.P.
15,16,80,000	24,62,91,094	9,25,79,292	1,62,23,909	23,04,189	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	12.00	10	0.50	0.50	0.62		3	Y.P.
2,00,00,000	76,27,615	39,02,397	12,06,982	4,71,176	J. D. K. Brown, Esq. (Mg. Director).	Jardine Henderson	54.50	100	7.50	7.50	7.50	9.70	3	Y.P.
60,00 0000.	82,86,000	48,58,407	10,43,712	2,87,183	M.	McLeod & Co.	{ 190.00N	O.100	17.00	22.50	8.00		12	Y.P.
5,00,0000 D.								D.O.10	1.25	1.75	0.80			
7,45,33,500	90,58,581	25,54,484	14,97,332	2,25,212	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	25.50	10	1.25	1.25*	2.12*	2.12*	9	Y.P.
1,15,00,000	1,17,00,151	2,65,56,869	89,60,792	16,28,669	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	28.56	10	1.00	1.25	1.25	1.75	3	Y.P.
6,25,585	1,831	7,66,660	2,66,267	—1,54,548	Bhaskar Rao P. Naik, Esq. ..	Mysore Glass and Enamel Works	5.75N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
6,56,250	6,97,500	11,39,000	5,97,362	8,340	M. J. L. D'Sa (Chairman) ..	Mysore Lamp Works	14.50	10	1.00	0.75	0.90	1.25	3	Y.P.
10,00,000	3,79,000	19,47,599	10,18,139	49,554	M. Mallesbayya, Esq. (Chairman)	Mysore Tobacco	12.50	10	1.25	1.00	1.00	1.50	3	Y.P.
2,00,00,000	53,55,505	2,14,82,470	61,23,063	23,42,424	J. R. Galloway, Esq. (Mg. Director).	National Carbon Co. (India) Ltd.	25.25	10	0.40	0.32	1.50	1.40	12	Y.
40,00,000	74,71,172	63,99,914	41,83,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.									
						Do.	National Insulated Cable Co. ..	27.06	10	1.00	1.50*	2.00*	3	Y.
40,00,000	15,00,000	92,19,295	31,17,408	78,726	B. N. Elias & Co. Private Ltd.	National Rolling & Steel Ropes	10.44	10	0.50	0.50	0.50		6	Y.P.
79,97,900	38,13,466	1,38,61,909	61,75,193	9,02,649	M. P. A. Pazpetti, Esq.	National Tobacco Co.	11.12	10	0.50	0.00	0.75	0.75	3	Y.P.
2,25,00,000	6,32,408	1,22,25,543	60,06,554	—44,12,938	Sahu Jain Ltd.	Rallis (India) Ltd.	94.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.
2,38,00,000	1,87,79,309	10,00,39,211	3,96,32,766	49,402		Rohtas Industries	19.31	10	1.50	1.50	1.50	1.50	10	Y.P.
4,72,200	51,836	31,11,697	9,29,190	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	{ 100.00N	100	..	..	5.00	6.00	3	Y.P.
5,15,400							50.00N	50	..	..	2.50	3.00	6	
40,00,000	88,41,163	1,21,89,272	72,08,590	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	17.75xd	10	1.50	1.50	1.50	1.50	3	Y.P.
75,00,0000.	17,19,008	37,63,035	7,06,722	3,64,854	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	10.25	10	1.25	1.00	1.00		12	Y.
9,96,350	10,925	14,83,995	5,18,593	—7,432	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.26	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

M.—Managed by Board of Directors. †† Investments at cost. * Includes bonus. ‡ On old capital. § Rs.nding Rs. 1,49,02,600 which represent share in the firm of Shaw Wallace & Co., Ltd.
† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs. of 100 each which subsequently were divided into shares of Rs. 10 each. O.—The latest dividend and quotation relates to Bara Buland Sugar Co., Ltd.* subsequent to the amalgamation of the Bara and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Average under Tea	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
							ASSAM								
4,45,700	9,69,019	15,95,482	5,76,688	....	McLeod & Co., Ltd.	325	Amluckie	25.90N	10	18.00	4.75	5.00		12	Y.P.
2,75,500	5,71,500	11,19,537	2,89,763	22,129	M.	312	Ananda (Assam) Tea ..	17.75	10	7.50	1.00	2.00		12	Y.
7,00,000	6,43,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	20.00	10	5.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	42,752	McLeod & Co., Ltd.	573	Baghmari	29.12	10	3.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,96,911	5,32

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,19,000	3,92,506	84,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	3.35	2	0.25	0.30	0.21	0.45	5	Y.
26,91,909	24,50,000	85,81,458	5,89,876	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.75	3	0.75	0.45	0.75	0.52	3	Y.
16,00,000	21,00,000	39,79,846	8,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	35.50xR	10	1.50	1.80	2.50	4.00	6	Y.P.E.
71,55,000	56,13,036	1,24,54,765	26,09,076	1,13,211	K. C. Paterson, Esq.	Consolidated Coffee	25.25	10	1.75	2.25	2.00	4.00	6	Y.P.E.
4,00,000	6,15,723	9,11,783	50,961	6,821	M.	Cottanad Plantations	14.75xd	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,548	25,86,780	3,31,443	37,146	A. V. Thomas & Co., Ltd. ..	Highland Produce	13.40	10	2.50	2.00	2.00	..	12	Y.P.
4,00,000	10,92,899	18,91,159	2,63,016	18,068	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	25.00	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	3,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	17.00	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	22,79,357	80,92,726	9,49,414	1,43,972	A. V. Thomas & Co., Ltd. ..	Midland Rubber	15.75xR	10	1.75*	2.50	2.00	2.00	3	Y.
3,35,000	3,81,000	14,62,886	2,09,732	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	14.10xd	10	1.50	1.50	1.50	..	12	Y.P.
2,00,000	2,90,000	8,40,417	55,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	12.85xd	10	1.00	1.50	1.50	..	12	Y.P.E.
19,45,980	23,79,615	45,25,952	14,74,595	53,898	Peirce, Leslie & Co., Ltd. ..	Ouchterkony Valley Estates ..	4.85	2	0.60	0.40	0.20	0.60	10	Y.
13,50,000	8,60,000	45,07,578	3,95,098	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	15.80xd	10	1.75*	2.00	2.50	2.00	6	Y.
3,66,780	3,50,000	7,77,412	78,478	71,342	Peirce, Leslie & Co., Ltd. ..	Savamain Estates Ltd.	4.55xd	2	2.50	1.00	1.50	..	11	Y.
10,00,000	3,01,900	22,44,525	1,59,659	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.30	10	0.75	0.90	0.90	0.60	3	Y.P.E.
2,50,000	1,49,000	5,55,440	54,741	25,968	A. V. George & Co., Ltd. ..	Thamarapally Rubber	26.50xd	10	3.00	3.00	3.00	..	12	Y.P.
9,15,300	4,90,000	22,40,057	1,37,455	23,927	Peirce, Leslie & Co., Ltd. ..	Thirumbadi Rubber Co., Ltd. ..	1.55	1	0.10	0.12½	0.12½	0.05	9	Y.
6,00,000	22,566	7,71,251	1,36,210	2,287	Rapei Thomas, Esq. (Mg. Director)	Travancore Rubber	15.75xd	10	2.00	2.00	2.00	..	12	Y.
41,00,000	18,61,721	81,07,222	12,54,246	3,46,523	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6.55xd	10	1.50	1.25	0.75	..	12	Y.
20,00,000	50,000	30,13,028	7,72,786	107	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	19.35xd	25	5.00	4.00	3.00	1.00	12	Y.
8,80,010	5,00,000	9,50,500	27,217	872	M.	Valkundam (Travancore) Rubber ..	20.43	10	2.25	2.50	3.50	3.50J	12	Y.
6,95,099	1,47,259	13,88,886	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.70	10	1.50	2.00	1.25	1.00	3	Y.P.E.

J—Final dividend of Re. 1·50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,00,000	44,26,000	1,30,25,901	58,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	870	Agarpara	8.37	10	0.62	0.62	0.25	0.25	3	Y.
6,00,000	10,25,000	55,02,958	38,40,893	1,70,290	Mcleod & Co., Ltd.	446	Alexandra	105.00	100	7.50	10.00	10.00	..	3	H.P.E.
30,00,000	5,25,000	1,25,28,740	95,78,001	—5,74,381	Mcleod & Co., Ltd.	1,254	Alliance	60.00	100	12.00	6.00	Nil	Nil	6.12	H.P.E.
49,20,700	67,00,000	3,11,92,070	3,08,15,000	1,77,321	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	151.00	100	12.00	6.00	Nil	Nil	5	H.P.
46,00,000	58,54,106	1,49,00,985	85,34,732	—5,79,016.	Bird & Co. Private Ltd.	810	Auckland	86.00	100	3.50	0.00	1.00	Nil	3	H.P.
80,00,000	25,50,913	96,91,416	65,65,094	65,802	Birla Brothers Private Ltd.	959	Bally	147.00	100	Nil	3.50	Nil	Nil	3.9	H.P.
4578,000	4474,807	41,68,482	49,28,169	....	Sir John H. Burdar (Chairman) ..	1,889	Barnagore	89.00	45	sh. 15	sh. 15	Nil	Nil	3	Y.P.
28,00,000	25,55,128	94,67,700	51,49,181	1,930	Andrew Yule & Co., Ltd. ..	820	Belvedere	109.50	100	10.00	7.50	Nil	Nil	12	H.P.
45,00,000	23,45,000	57,08,172	31,28,874	2,65,100	Soorajmull Nagarmull	600	Bengal	11.37	10	1.12	1.12	Nil	..	6	Y.P.E.
91,25,000	2,17,45,383	3,84,10,402	1,45,32,651	4,87,393	Birla Brothers Private Ltd.	1,878	Birla	15.31	10	1.00	1.00	1.00	..	3	H.P.E.
38,00,000	10 36,926	1,22,32,479	71,78,657	2,799	Andrew Yule & Co., Ltd. ..	991	Budge-Budge	88.00	10	9.00	7.50	Nil	Nil	3	H.P.
7,47,580	8,09,540	45,18,704	31,87,883	—8 81,470	Dayaram & Sons	502	Calcutta Jute Mfg. ..	7.00	10	0.75	Nil	Nil	Nil	6.12	H.P.E.
15,00,000	26,46,284	87,43,998	45,04,058	10,586	Andrew Yule & Co., Ltd. ..	616	Caledonian	141.00	100	9.00	6.50	Nil	..	6.12	H.P.
59,16,400	76,49,239	2,28,64,628	1,19,60,842	—7,24,043	James Finlay & Co., Ltd. ..	600	Champdany	96.00	100	8.00	10.00	2.00	Nil	3	H.P.
15,95,000	21,56,252	85,02,231	58,75,175	6,887	Andrew Yule & Co., Ltd. ..	520	Cheviot	141.00	100	8.00	10.00	2.00	Nil	11	H.P.
80,13,000	83,00,000	66,63,702	48,43,666	1,01,827	Mcleod & Co., Ltd.	500	Chitavalsah	14.00	10	1.00	1.00	2.00	Nil	12	Y.
24,00,000	9,00,000	31,05,335	57,13,337	25,955	Shree Krishna Investment Co.,Ltd	959	Clive	13.12	10	1.12	1.87	0.621	..	6.12	H.P.
31,49,200	44,50,302	1,35,05,068	51,19,167	—8,76,531	Bird & Co. Private Ltd.	766	Dalhousie	65.00	10	Nil	1.25x	0.50	..	3	Y.
52,00,000	37,32,170	82,37,451	48,09,750	4,213	Andrew Yule & Co., Ltd. ..	779	Delta	114.00	100	2.50	4.00	Nil	Nil	3	Y.P.E.
15,00,000	24,50,000	88,98,104	60,85,660	74,491	Mcleod & Co., Ltd.	500	Empire	16.25	10	1.25	1.25	0.50	Nil	6.12	H.P.E.
21,00,000	63,40,566	2,61,68,550	1,69,62,109	2,46,413	Kettlewell Bullen & Co., Ltd. ..	1,095	Fort Gloster Industries Ltd.	333.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.E.
21,00,000	14,50,000	1,30,16,848	58,00,792	1,70,922	Rangur Bros., Ltd.	1,014	Fort William	18.87	10	20.00	20.00	0.75K	1.50	3	H.P.
84,32,100	....	2,11,07,324	1,32,86,525	—2,07,462	M.	1,709	Ganges Mfg.	51.00	100	0.50	2.50	Nil	..	3.9	H.P.
10,80,000	28,68,948	76,08,007	50,72,167	11,510	M.	607	Gondalpara	500.00	500	Nil	Nil	Nil	..	3	Y.
24,00,000	24,50,000	2,22,45,948	1,58,91,965	48,348	Bansilli & Barry Ltd.	1,394	Gourepore	262.00	100	10.00	15.00	2.50	2.50	12	Y.
48,00,000	60,68,288	1,58,86,137	58,66,689	8,00,036	Rangur Bros., Ltd.	1,078	Hastings	104.00N	100	10.00	15.00	2.50	2.50	3	H.P.
18,60,000	18,61,989	66,47,781	47,79,916	—2,95,252	Baijnath Bajoria	720	Hoogbly	10.75	10	10.00	11.50	5.00	..	3	Y.
54,62,500	28,68,428	2,84,21,836	1,11,59,551	—24,25,402	Jardine Henderson Ltd.	1,940	Howrah	16.25	10	0.50	1.25	Nil	..	3.9	Y.P.E.
33,50,000	28,87,184	2,93,21,907	1,87,31,907	1,14,896	Ramdutt Ramkissendas	2,272	Hukumchand	17.75	7.50	2.00	2.00	2.00	1.50	3	Y.P.E.
37,00,000	17,20,650	1,27,01,698	80,28,070	2,87,227	M.	1,076	India	125.00	O. 125	3.12	4.69	4.69	..	3	Y.
50,000								97.00	100	8.00	2.50	Nil	..	6.12	H.P.E.
24,00,000 } 19,50,000 'B' }	50,98,135	1,92,81,848	1,18,40,211	—8,79,997	Jardine Henderson Ltd.	1,797	Kamarhatty	97.50	'B' 100	8.00	2.50	Nil	..		
50,00,000 }								47.00	100	6.50	1.00	Nil	..	6.12	H.P.E.
24,00,000	9,78,987	1,77,73,751	87,49,860	—21,37,149	Jardine Henderson Ltd.	1,327	Kankinarrah	46.50	'B' 100	6.50	1.00	Nil	..		
64,00,000	52,00,000	1,54,45,082	58,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	176.00	100	20.00	17.50	5.00	9.00	5	Y.P.
64,00,000	52,52,870	1,52,08,779	1,12,08,977	Adjustment	Anderson Wright Ltd.	1,580	Khardah	116.00	100	12.50	11.00	5.00	9.00	3	Y.P.
42,00,000	31,52,808	2,86,20,709	98,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,350	Kinnison	101.00	100	7.00	13.00	6.00	Nil	3	Y.P.E.
24,48,000	25,41,385	1,28,71,981	85,10,344	—9,06,448	Bird & Co. Private Ltd.	931	Lansdowne	70.00	100	2.00	7.00	Nil	Nil	3	Y.P.E.
28,00,000	45,58,647	1,41,72,948	85,14,975	—7,72,368	Bird & Co. Private Ltd.	840	Lawrence	76.50	100	2.00	7.00	Nil	Nil	3	Y.P.E.
61,68,200	39,98,540	2,64,13,649	1,56,97,209	1,64,942	M.	1,753	Megna	113.00	100	6.00	6.00	Nil	Nil	6	Y.
39,96,800	34,42,195	1,65,70,565	86,70,690	—13,96,719	M.	815	Naihati	68.00	100	2.50	9.75	5.75	5.0	3.9	Y.P.E.
20,00,000	15,58,000	19,01,552	18,31,709	17,818	Howrah Trading Co., Ltd. ..	425	Naskarpara	68.00	100	Nil	Nil	Nil	Nil	3	H.P.
35,00,000	39,51,326	12,31,373	19,00,454	1,30,837	Andrew Yule & Co., Ltd. ..	852	National	12.00	10	1.12	1.25	..	..	6.12	Y.
90,25,000	17,00,000	2,28,31,475	80,72,256	1,39,411	Mcleod & Co., Ltd.	516	Nellimarla Jute	22.00	10	2.50	1.75	0.75	0.75	10	H.P.E.
35,50,000	2,86,81,171	4,65,82,243	1,06,42,524	3,35,601	Sahu Jain Ltd.	1,765	New Central†	12.44	10	0.75	1.00	0.50	..	6.12	Y.P.
16,79,850	46,58,582	1,52,84,122	86,58,490	9,227	Bird & Co. Private Ltd.	867	Northbrook	15.87	10	17.00	1.50	1.50	..	12	Y.P.E.
66,75,000	19,74,981	2,24,55,223	1,39,16,587	20,195	Maxwell & Barry Ltd.	1,095	Nuddea	15.69	10	1.50	1.50	1.50	Nil	3	Y.P.E.
24,01,000	23,04,049	76,55,438	62,45,690	5,081	Andrew Yule & Co., Ltd. ..	401	Orient	38.75	50	0.50	1.00	Nil	Nil	3	Y.
25,00,000	6,25,490	80,86,437	68,32,166	81,595	Mcleod & Co., Ltd.	400	Presidency	95.00	100	10.00	9.00	2.00	Nil	12	H.P.
90,00,000	10,525	27,95,784	5,38,189	—8,81,389	Birla Brothers Private Ltd. ..	808	Rameshwara	4.00	5	0.31	..	..	..	6.12	Y.
40,50,000	4,80,588	1,24,74,806	44,70,616	—88,95,290	Jardine Henderson Ltd.	1,276	Reliance	4.25	10	Nil	Nil	Nil	Nil	3	Y.P.E.
4669,000	41,098,718	41,246,244	....	458,996	Thomas Duff & Co. (India) Ltd.	2,013	Samnagore	6.06	10	Nil	Nil	Nil	Nil	3	Y.P.
30,00,000	18,14,916	1,18,50,877	79,96,145	7,978	Bagaria Mors & Co., Ltd. ..	911	Shree Ambica	8.37	51	10%	8%21	..	..	12	H.P.
14,00,000	11,14,980	68,87,540	47,50,476	40,154	Hindustan Investment Corpn Ltd.	401	Sourah	10.50xdN	10	Nil	Nil	Nil	..	9.5	Y.
25,19,600	31,10,801	1,26,68,701	57,29,512	—9,76,068	Bird & Co. Private Ltd.	850	Standard	14.50xd	10	1.00	1.50	1.50	1.50	12	Y.P.E.
4600,000	4925,119	61,187,660	....	458,946	Thomas Duff & Co. (India) Ltd.	1,794	Titaghur	81.00	100	8.00	1.00	Nil	Nil	3	Y.P.
25,96,600	68,50,148	2,01,42,857	89,47,895	—18,81,940	Bird & Co. Private Ltd.	1,826	Union	8.37	51	10%	8%21	..	..	12	Y.P.E.
4600,000	4588,085	61,134,819	....	480,801	Thomas Duff & Co. (India) Ltd.	1,331	Victoria	122.00	100	6.00	10.00	1.00	Nil	3	Y.P.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,286	McLeod & Co., Ltd.	457	Waverley	8.00	51	10%	8%21	..	..	12	Y.P.E.
								2.94	1	0.50	0.37	Nil	Nil	5	

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,26,630	99,26,489	69,26,489	99,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.87	10	1.81	1.87	0.50	1.25	3	Y.
12,00,000	8,49,899	37,46,675	25,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 87	10	1.46	1.46	1.10	0.37	3	H.
4,49,350	1,05,000	9,35,911	5,54,878	90,179	Kajra[i Mardi & Co.	Bengal-Bhatdee	5 87N	10	0.25	0.62	0.25	..	3.9	H.P.E.
1,00,00,000	1,60,25,785	6,10,16,849	4,19,78,985	9,44,657	Andrew Yule & Co., Ltd. ..	Bengal Coal	245.00	100	20.00*	25.00*P	17.50	7.50	12	Y.P.
2,25,000	4,18,782	24,88,187	22,42,080	....	Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	13.00	10	Nil	Nil	Nil	..	10	Y.
15,97,000	4,88,558	48,14,600	24,22,290	—94,879	H. V. Low & Co. (Private) Ltd...	Bhalgora	6.56	10	Nil	Nil	Nil	..	9	Y.
49,00,000	10,52,259	1,44,37,257	77,67,407	2,129	Sahu Jain Ltd.	Bharat Collieries	5.81	10	0.62	0.62	Nil	..	6	Y.P.E.
7,15,000	10,15,172	49,80,946	24,84,101	—4,93,536	M.	Bhutanbarasree	9.50N	10	0.62	0.62	0.62	0.60	12	Y.
7,80,000	24,16,419	48,87,588	27,10,508	19,888	F. W. Heilgers & Co. Private Ltd.	Borrea	17.56	10	Nil	Nil	Nil	..	12	H.P.
90,92,450	1,70,33,767	4,39,77,223	1,09,69,073	95,393	Bird & Co. Private Ltd.	Barrakur	21 87	10	2.00	2.00	1.50	Nil	6.12	Y.P.E.
49,97,750	....	45,39,014	12,80,014	5,401	Hindustan Investment Corpn.Ltd.	Central India	7.62	10	0.50	0.62	0.62	0.37	6.12	H.P.
8,00,000	12,80,899	49,11,827	32,08,469	69,009	M.	Central Kurkend	11.00N	10	0.25	0.25	0.50	0.50	3	Y.
6,00,000	1,42,986	7,30,061(k)	....	4,249	F. W. Heilgers & Co. Private Ltd.	Charlia	2.00	4	0.25	0.50	0.50	..	12	Y.
16,00,000	....	54,05,810	30,95,160	—8,56,806	Macneill & Barry Ltd.	Dhemo Main	7.00	10	0.13	0.06	0.06	..	12	Y.
4240,000	4362,875	41,001,816	4764,050	426,677	Jardine Henderson, Ltd.	East Indian	10	Nil	Nil	Nil	Nil	..	12	Y.
29,65,760	93,06,406	4,16,92,845	3,00,75,357	41,725	Macneill & Barry Ltd.	Equitable	19 37	51	2.50	3.00	2.50	1.50	4	Y.P.E.
10,00,000	1,40,999	15,81,144	4,28,557	23,253	Bhatter's Agency Ltd.	Ghusalek and Mualia ..	26 00	50	Nil	Nil	Nil	..	6	Y.
12,00,000	1,17,509	42,84,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	17 00	10	0.50	0.25	..	..	12	Y.
5,00,000	7,35,000	22,40,856	19,21,895	45,210	Macneill & Barry Ltd.	Hurriladih	30 75	50	Nil	2.25	2.25	Nil	6	Y.
2,50,000	2,45,905	14,19,052	7,88,171	....	Andrew Yule & Co., Ltd... ..	Kalapahari	14 56	10	1.75	2.50	1.50	..	12	Y.
20,00,000	2,21,576	38,57,576	8,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	13 75	10	Nil	Nil	Nil	..	3	Y.
5,00,000	18,90,898	47,05,811	37,70,923	1,85,336	Andrew Yule & Co., Ltd... ..	Kajra[i Jharriah... ..	93 00	100	Nil	2.50	5.00	Nil	3	Y.
1,88,400	5,72,960	12,55,941	5,72,960	—2,60,236	Beriwala & Co.	Khas Kajora	68 75	10	4.00	4.50	6.50	6.50	3	H.P.
11,00,340	66,5- 4	36,80,899	10,85,899	10,511	H. V. Low & Co. (Private) Ltd...	Kuardi	2.75N	10	Nil	Nil	..	..	6.12	Y.
9,80,000	11,11,788	25,37,454	22,86,198	4,708	H. V. Low & Co. (Private) Ltd...	Lakurka	2.75N	10	Nil	0.12	..	..	6	Y.
7,48,340	2,00,000	18,18,208	9,66,219	81,201	Tantia Brothers Ltd.	Kasira	10 50N	10	0.25	0.12	..	..	4	Y.
7,00,000	20,617	10,33,740	6,30,295	4,560	Amritlal Ojha & Co., Ltd. ..	New Banadeopur	6.04	10	0.50	0.50	..	..	12	H.
17,78,330	19,81,814	1,32,93,315	91,72,491	85,899	Andrew Yule & Co., Ltd... ..	New Beerbhoom	9.00N	10	1.25	..	..	..	8.12	Y.P.
6,00,000	1,75,000	22,55,321	22,28,922	1,48,499	Octavius Steel & Co., Ltd. ..	New Maubhoom	14 75	10	1.13	1.00	0.75	..	10	Y.
1,15,008 } 1,87,500 }	3,47,592	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd... ..	North West	11.00	10	Nil	Nil	Nil	0.50	3	Y.
							18 75	10	Nil	1.87	1.50	..	3	Y.
7,50,000	15,69,447	3,97,666	2,77,666	27,244	F. W. Heilgers & Co. Private Ltd.	Ondal	13.50	7.50	Nil	1.03	1.12	..	12	Y.P.
1,00,000	1,10,000	41,24,515	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	12.50	10	1.00	1.00	0.75	..	12	Y.P.
3,24,000	20,000	22,40,367	9,36,591	3,080	Deepchand Kishenlal	Parsora	7.00N	10	0.50	0.25	..	..	12	Y.P.E.
15,75,000	16,30,000	55,17,410	39,02,410	46,383	Shaw Wallace & Co., Ltd. ..	Pench Valley	13 00	10	0.75	1.00	0.50	..	12	Y.
23,90,166	28,66,361	1,37,38,021	91,88,482	20,060	B. N. Ellias & Co. Private Ltd.	Ranegunge	19 25	10	1.13	1.13	0.76	2.00	3	Y.
13,50,000	18,45,118	58,59,955	39,71,364	15,614	Shaw Wallace & Co., Ltd. ..	Rewa	11.44	10	0.50	0.62	0.37	0.75	3	H.
39,00,000	37,13,000	85,55,756	33,17,867	9,297	M.	Samla Collieries	16 00	10	1.37	0.87	0.751	..	6.12	Y.
2,50,000	1,95,302	13,78,480	12,21,227	21,978	M.	Searsole	11.00N	10	0.75	1.00	1.25	..	12	Y.
2,00,000	9,11,598	29,92,167	19,75,752	52,209	Andrew Yule & Co., Ltd. ..	Seebpore	4.75N	2.50	0.62	0.75	..	..	1	Y.P.
5,00,000	5,09,215	22,491	22,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	25 25	7	2.00	2.50	2.25	..	12	H.P.
68,21,450	94,88,536	5,19,41,849	2,78,46,020	20,557	Industrial Trust Fund (Government of Andhra Pradesh)	.. ..	7.25N	10	0.12	0.25	0.25	..	6.12	
17,50,000	10,89,598	35,95,664	16,16,434	19,407	Bird & Co. Private Ltd.	Singareni	11.00	10	0.70	0.75	1.00	..	12	Y.
3,00,000	14,01,063	1,60,87,570	27,610	17,411	F. W. Heilgers & Co. Private Ltd.	South Karanpura	9.50	10	0.12	0.12	0.25	..	3.9	H.
10,00,000	....	31,92,604	15,43,502	—5,62,907	M.	Standard	13.00	10	1.50	1.00	1.00	..	12	Y.
3,50,000	3,35,000	18,97,038	14,54,234	77,105	Williamson Magor & Co., Ltd.	Talcher	1.75	2.50	Nil	Nil	Nil	..	9	Y.
40,96,000	66,784	69,72,308	24,15,306	11,543	Hindustan Investment Corpn.,Ltd.	Union	14.00	10	0.75	Nil	Nil	..	12	Y.
7,00,000	....	57,45,660	25,70,008	—8,20,068	Macneill & Barry Ltd.	Western Bengal	5.87	10	0.37	0.50	0.50	0.50	3	Y.
						West Jamuria	5.12	10	Nil	Nil	Nil	..	3	Y.

M—Managed by the Board of Directors. † Less income-tax. (c) Clive Mills have paid dividend at As. 10½ on bonus shares for the year 1955. * Including bonus. (k) Investment.
† New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
M—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. F.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 250 each.
For 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1956 the shares of Rs. 500 were split into shares of Re. 100 each.

THE MYSORE SUGAR COMPANY, LIMITED

(*Concluded from page 1071*)

for their kind co-operation and guidance. On their behalf, as well as on my own, I tender our grateful thanks to the Central Government and to the Government of Mysore for their assistance and support. Finally, it is my pleasant duty to pay a tribute to the good work put in by our officers and workmen and to their sense of discipline.

"Gentlemen, I now move that the Directors' report and audited statements of accounts for the year ended 30th June

LONDON LETTER

(*Concluded from page 1064*)

that independence on Tunisian lines was the only solution, with Arabs and French settlers enjoying complete equality; but the Generals in command of the Algerian war and the settlers themselves decided to hang on to the fiction of complete unity with Metropolitan France and, in this, they have been encouraged by those commercial and financial interests which recognise the enormous economic potential of the Sahara. Saharan oil, minerals and probably atomic materials was too rich a prize to concede to an independent Algeria. It is these interests which will support and may in the end dominate General de Gaulle after his return to power. Much British comment has relied on the possibility that the General would not allow himself to be used as a tool of fascism, but he may have no option.

An independent Algeria working in close economic liaison with France would only be possible under a Popular Front government, but a coalition of the Left has been impossible ever since the cold war began in Europe, for a quarter of the French population support the Communist party and the Socialists will have nothing to do with them. The Socialists would rather see the end of parliamentary government than ally themselves with the Communists, even for the purpose of maintaining it. Of course, by now, the development of military opposition to Parliament in France has gone to the point that a decision to form a Popular Front government would be met by an attempted military coup. This could only be resisted by an effective popular uprising in support of a parliamentary government. The most restrained British comment on this has been that, if the choice was between General de Gaulle and civil war, then it would be better to have General de Gaulle; but, if the choice was between parliamentary Government and civil war, then it would be better to face the risk of civil war.

The task of the Left has not been made any easier by the fact that Russia, which does not understand parliamentary democracy anyway, was less interested in giving encouragement to a Popular Front government than to giving encouragement to de Gaulle whom it believes would prefer to see France restore her ancient military pacts with the Soviet Union than remain part of N.A.T.O.

The final conclusion of the British Press can be put as expecting that something had to happen but nothing else than what has happened ever seemed likely to happen and that Britain won't do any good by worrying about it, but must watch what happens next very carefully to see that there is nothing dangerous for this country in whatever does happen next. It is back to the old Liberal political dictum of "wait and see."—*All Rights Reserved.*

Notices

CHITAVALSAH JUTE MILLS COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Sixty-first Annual General Meeting of the Members of CHITAVALSAH JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 26th day of June, 1958, at 3 o'clock in the afternoon, for the following purposes:—

1. To receive and consider the Profit and Loss Account for the thirteen months ended 31st July, 1957, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare Dividends.
3. To appoint a Director in place of Mr. B. L. Bajoria, the Director retiring by rotation at the Meeting.

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

   "That Mr. B. L. Bajoria be and is hereby re-appointed a Director of the Company liable to retirement by rotation."

   Special Notice of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company wherein it is stated that Mr. B. L. Bajoria is an "associate" of the Managing Agents within the meaning of the Act, and that therefore he can only be re-appointed by a special resolution as a Director of the Company liable to retirement by rotation.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 12th to 26th June, 1958, both days inclusive.

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

By Order of the Board,
McLEOD & Co., LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

3, NETAJI SUBHAS ROAD,
CALCUTTA, *28th May*, 1958.

Note.—Payment of the proposed dividends, if declared, will be made on or after 14th July, 1958, only to those members whose names are registered in the Books of the Company on 26th June, 1958, or to their Mandatees.

Applications for warrants will not be necessary. *Claims from or on behalf of holders of* shares on blank transfer will not be entertained.

THE ALEMBIC CHEMICAL WORKS COMPANY LTD., BARODA

NOTICE

NOTICE IS HEREBY GIVEN THAT FIFTY-first Ordinary General Meeting of the Shareholders of the Alembic Chemical Works Company, Ltd., will be held at the Office of the Company at Baroda (Alembic Road, Industrial Area) on Monday the 30th June 1958, at 3-30 p.m. (S.T.), to transact the following business:

(1) to receive Directors' Report and Audited Accounts for the year ending 31st December 1957,
(2) declaration of Dividends,
(3) election of Directors,
(4) appointment of Auditors,

and other Special Business specified in the Notice posted to each shareholder.

Note.—Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

(1) The Transfer Books of the Company will remain closed for the purpose of payment of dividends from Friday the 13th June 1958 to Monday the 30th June 1958 (both days inclusive).

(2) The Transfer Books of the Company will remain closed for the purpose of issue of ordinary shares from Friday the 25th July 1958 to Friday the 1st August 1958 (both days inclusive).

By Order of the Board,
For BHAILAL AMIN & SONS (PRIVATE) LTD.,
Managing Agents,
RAMAN B. AMIN,
Director.

BARODA, *28th May* 1958.

Note.—The Dividends when sanctioned will be made payable on or after the 31st July 1958 to those shareholders whose names stand on the Register of the Company on the 30th June 1958 and to whom the Dividend Warrants will be posted.

Shareholders are requested to notify, at once, any change of address.

HARINAGAR SUGAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-sixth Annual General Meeting of the Shareholders of Harinagar Sugar Mills, Limited, will be held at the Registered Office, No. 207, Kalbadevi Road, Bombay, on Monday, 30th June 1958, at 4 p.m.

The Share Transfer Books will remain closed from 23rd June to 7th July 1958 (both days inclusive).

By Order of the Board,
HARINAGAR SUGAR MILLS, LIMITED,
NARAYANLAL BANSILAL,
Chairman.

BOMBAY, *31st May* 1958.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 5th June, 1958.

	Closing quotations 29-5-1958	High	Low	Closing quotations 5-6-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	155.00	160.00	155.00	160.00
Apollo (2)	1.79	1.72	1.68	1.68
Bombay Dyeing (25)	53.30	53.50	52.90	53.20
Bradbury (50)	159.50	—	—	159.50
Central India (100)	82.00	82.00	81.50	81.50
Century Mills (100)	425.75	427.50	419.50	421.75
Colaba (100)	30.50	35.00	31.25	31.25
Edward Textile (200)	255.00	255.00	251.25	252.50
Elphinstone (50)	47.00	—	—	47.00
Finlay (100)	260.50	262.00	260.00	260.00
Gokak (100)	137.00	136.00	129.00	130.00
Ind. Untd. Defd. (1)	1.22	1.22	1.14	1.16
Ind. Untd. Ord. (10)	9.06	9.12	8.56	8.72
Indore Malwa (100)	108.00	108.50	108.00	104.75
Khatau (100)	162.50	171.25	163.75	167.50
Kohinoor (100)	263.25	263.75	256.50	256.50
Lakshmi (250)	435.00	437.50	435.00	437.50
Minerva Mills (100)	67.00	67.50	67.00	67.50
Model Nagpur (250)	170.00	175.25	170.00	176.25
Mersarji (100)	215.00	217.00	214.50	217.00
Mysore (50)	91.00	—	—	91.00
National Rayons (100)	234.00	239.25	233.75	236.00
New City (100)	105.00	—	—	105.00
New Great (100)	203.00	203.00	200.00	200.00
Phoenix (100)	118.00	116.25	115.00	116.25
Podar Mills (100)	133.00	—	—	133.00
Sasoon Silk (10)	9.88	—	—	9.88
Sasoon Spg. (10)	41.50	—	—	41.50
Shahpur (1,000)	440.00	440.00	375.00	375.00
Shrinivas (100)	136.50	137.00	134.00	135.00
Simplex (50)	152.50	159.50	151.50	159.00
Standard (100)	390.50	391.00	383.00	390.00
Svadeshi (100)	171.75	172.00	169.00	170.50
Swan (100)	341.00	346.00	341.00	343.00
Tata Mill (25)	36.75	37.25	36.75	37.00
Vishnu (100)	102.00	102.00	99.00	99.00
Western India (1,000)	4,225.00	—	—	4,225.00
BANKS				
Bank of India (50)	131.50	133.50	131.50	133.00
Do. (New) (50)	132.00	133.50	132.00	133.05
Bank of Baroda (50)	116.00	118.50	116.00	116.00
Central (25)	53.30	53.50	53.00	53.30
Central 'A' (25)	55.70	56.30	55.70	55.70
Dena Bank (50)	45.75	45.75	45.50	45.50
Punjab National (25)	53.50	54.00	53.20	54.00
Union Bank (5)	7.92	—	—	7.92
United Com. (50)	60.00	—	—	60.00
ELECTRIC COS.				
Ahmedabad (100)	96.60	95.00	94.50	95.00
Amalgamated (10)	10.40	10.48	10.40	10.48
Andhra Valley (1,000)	1,137.50	1,142.50	1,127.50	1,137.50
Bom. Sub-El. (100)	105.75	106.00	105.50	106.00
Surat (100)	107.50	—	—	107.50
Tata Hydro (100)	117.75	118.00	117.50	118.00
Tata Power (1,000)	1,207.50	1,220.00	1,207.50	1,215.00
INSURANCE COS.				
British India (10)	14.00	—	—	14.00
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (50)	47.50	—	—	47.50
Jupiter (15)	7.76	—	—	7.76
New India (15)	48.25	49.75	48.25	48.50
Oriental (200)	4,000.00	—	—	4,000.00
Universal (10)	11.00	12.00	11.00	12.00
Vulcan (10)	17.44	—	—	17.44
STEEL COS.				
Ind. Iron (10)	21.48	21.68	21.44	21.44
Tata Steel Ord. (75)	179.50	182.25	179.00	181.25
SUGAR COS.				
Belapur (50)	245.50	247.00	245.25	247.00
Bhopal (10)	19.84	21.00	20.00	21.00
Phaltan (50)	144.50	146.00	144.50	144.00
Walchand Ind. (100)	263.50	264.00	262.00	263.50
CEMENT COS.				
Associated Cts. (100)	148.50	150.75	148.25	149.75
Dirvlay (100)	143.25	145.00	143.50	145.00
MISCELLANEOUS				
Alcock Ashdown (100)	245.00	245.00	241.25	243.75
Bom. Burmah (125)	548.50	555.50	545.00	550.50
Do. (New) (50)	205.00	—	—	207.50
Br. B. Petrol (4 sh.)	1.92	1.94	1.90	1.92
Br. I. Corpn. (5)	3.56	—	—	3.70
C. P. Rly. (100)	60.00	60.50	60.00	60.50
Hindusthan Motors (10)	7.00	7.08	6.96	6.96
Indian Copper (2 sh.)	3.08	3.12	3.06	3.10
Ind. Inv. Tr. (100)	72.80	—	—	72.90
Killicks (100)	149.00	147.50	145.50	147.25
Polsons (100)	145.00	—	—	145.00
Pre. Automobiles (100)	80.50	82.00	80.50	81.80
Premier Con. (50)	181.25	187.00	180.75	186.50
Scindia (20)	17.44	17.60	17.40	17.44
G. E. Shipping (10)	10.92	21.12	19.92	21.12
Shivrajpur (10)	80.50	81.00	80.00	80.50
Tata Chemicals (10)	14.84	15.36	14.80	15.28
Tata Locomotive (100)	166.50	172.00	166.00	168.75
Tata Oil (25)	39.00	40.25	37.50	40.25
W. I. Match (100)	171.00	172.50	171.00	171.25

Gross Yield

GOVERNMENT SECURITIES	29-5-1958 Rs. nP	Earlier Redemption	Later Redemption	5-6-1958 Rs. nP
2½% 1961	96.45	—	4.03	95.50
2½% 1960	98.15	—	3.61	98.15
2½% 1962	95.35	—	3.89	95.35
2½% 1976	93.10	—	4.03	93.10
3 % 1958	99.75	—	4.24	99.75
3 % 1959-61	99.10	3.74	3.29	99.10
3 % 1964	95.45	—	3.80	95.45
3 % 1963-65	95.45	3.93	3.89	95.50
3 % 1966-68	92.80	4.01	3.84	92.85
3 % 1970-75	87.10	4.85	4.04	87.20
2½% 1986 Con. Loan	71.00	—	4.23*	71.05
4 % 1960-70	100.40	3.82	3.96	100.35
2½% 1961 N.P. Bonds	99.65	—	3.82	99.60
2½% 1964 N.P. Loan	98.20	—	3.78	98.40
2½% 1965 N.P. Bonds	97.85	—	3.81	98.10
2½% 1962	97.95	—	3.78	97.95
2½% 1967 N.P. Bonds	97.60	—	3.80	97.60
2½% 1974	98.20	—	3.79	98.20
2½% 1967 N.P. Bonds	99.70	—	3.97	99.70
4 % 1972 Loan	100.30	—	—	100.30

BRITISH GOVERNMENT SECURITIES

	Closing quotations 28-5-1958 £			Closing quotations 2-6-1958 £
2½% Brit. Consols	50½	—	—	49½
3 % Savings Bonds 1965-75	73½	—	—	72½
3% War Loan 1955-59	98⅞	—	—	98⅝
3½% War Loan	86⅜	—	—	86⅛
4% Victory Bonds 1976	93½	—	—	94⅛
4% Funding 1960-90	87½	—	—	87⅝

* Current Income x.d.—Ex-dividend.
xr.—Ex-Right.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent
Who else must sweat and toil and gain but scanty fare."
William Blake.

VOL. XCVI. No. 2465 BOMBAY, 14th JUNE 1958 PRICE: Re. 1.50

Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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Comments on the working of companies are based on such facts and figures as are available in the published reports and accounts of the companies concerned. We do not accept responsibility in respect of conclusions drawn from such sources, if the information supplied should prove to have been inadequate.

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DOCK LABOUR RESTLESS

THE docks are being cleared for staging a strike which is bound to paralyse the country's foreign trade and disturb industrial production. It is a pity that the dock workers who constitute a class of well-paid employees among the country's wage- earners are being perpetually stampeded into strike decisions. So far, few such decisions have been carried out for any extended period of time. But the strike scheduled to start on the 16th inst. is one which, more than any of its predecessors, deserves to be called off, if only because the justification for it is less thin than the earlier threats of strike. In any case, in the context of the steadily progressing industrial schemes and the continuing difficulties on the foreign exchange front, a dock strike is nothing short of an economic sacrilege.

In Bombay, the strike has, in fact, virtually commenced. The stevedore workers are already on the war path. In order to back their unconscionable demand for a straight 33⅓ per cent. rise in wages, the supervisory staff have struck work. This has brought work in the docks to a standstill. The subordinate staff are, however, on a paid holiday. It is not clear what all this means in terms of national wealth. No country can live, much less progress, if it pays its workers for work neither undertaken nor completed. But the strange behaviour of the stevedore supervisory staff is of a piece with all the traditional irrational behaviour of the dock workers. Some time ago, workers in the major ports resorted to go-slow tactics which imposed much real, if not immediately visible, burden on shipowners and the community. This situation was happily set right. But the leaders of dock workers have again fallen into one of their rebellious moods in which they apparently feel that they serve their followers best only by calling them away from their work.

If there is one thing at which the dock workers are good, it is in drawing up an impressive list of demands. It seems never to occur to them that it is infinitely more difficult to concede demands than to make them. These demands have been the subject of special enquiry by Mr. P. C. Chaudhury who was appointed Officer on Special Duty. Mr. Chaudhury submitted an interim report in July 1957 and the final report in September 1957. The manner of implementing the recommendations was discussed and agreed upon with the representatives of the Port and Dock Workers Federation in November 1957. It was then agreed that decision on matters which have a bearing on the terms of reference to the new Pay Commission should await the Government's decision on the Commission's recommendations.

Indeed, this consideration explains much of the delay which has so far taken place in implementing Mr. Chaudhury's report. Mr. Chaudhury himself admitted that his recommendations would need revision in the light of the new Pay Commission's findings. It is also noteworthy that Mr. Chaudhury's report did not make detailed recommendations as to the pay scales of numerous categories of workers but had confined itself to certain "test" posts. Clearly, it is difficult for the authorities to implement straightaway the recommendations contained in the Chaudhury Commission's report. It may be mentioned in this connection that dock workers do not by any means fall under a single category of workers. There are numerous categories. Further, the problem is complicated by the fact that they are employed under different administrations. Thus, the Government is the employer in the ports of Cochin, Visakhapatnam and Kandla. They work under the autonomous Port Trusts, like Madras, Bombay and Calcutta. Stevedore labour works for private employers. There is also an indistinct mass of workers who work for contractors.

The nature of the work and the responsibility of the workers, it is stated, differ not only from port to port but also, in some cases, from one department to another within a port. To reconcile the conflicting interests of these various classes of workers in a way that would neither impose a serious burden on the employers nor create a system of unjustified wage differences is a task which cannot be completed in a few weeks or months. Lest this should be interpreted to mean the postponement of consideration of the workers' demands to some unnamed future date, it is well to recognise that the Government itself wants no more than a few more weeks within which to consider how best it could implement the Chaudhury Commission's report. It has promised to announce its decision before 15th July. Nothing would be lost and a great deal may be gained by the workers acceding to the Government's appeal for time.

A notable aspect of the dispute over the dock labour's wages which has not so far received much notice is that their emoluments have in recent months moved up to levels at which they compare favourably with the levels of wages in other industries and services. After all, there can be no absolute scale of wages as such. From this point of view, it is perhaps not a low level of wages if dock workers are able to earn—as they, in fact, do now—an average monthly wage of Rs. 150. There has been a sizable increase in dock workers' income as a result of the implementation of the piece-rate system of wages. Workers themselves will readily admit that they have benefited by the piece-rate system. The system has given all-round satisfaction. Apart from the increased income which dock workers have received, they have been given many facilities which are not available to most classes of outdoor workers. They have fairly extensive medical facilities; a housing colony consisting of more than 500 tenements will soon come into existence. It is not as if they suffer from unduly low wages and poor amenities. It is true there is room for improvement in their conditions of work and even in the amenities provided for them. But little will be gained by hustling the authorities into a decision.

Again, it must be noted that many favourable decisions have been taken in order to improve the dock labour's wages and conditions of work. For instance, the port authorities have decided to extend leave travel concessions to their employees on terms and conditions similar to those applicable to Central Government employees. The number of shore workers of the permanent category has been increased from 2,700 to 3,400 in Bombay and from 750 to 900 in Madras. In Calcutta, the wages of the secondary gang workers have been brought on a par with those of primary gang workers. Wages of casual workers in the Visakhapatnam port have been increased to a level higher than the wages of casual workers under other employing authorities in that port. The attendance allowance to stevedore workers in Bombay and Madras has been increased from Re. 1 to Re. 1.50. In Bombay, Calcutta and Madras, these workers are entitled to a guaranteed minimum wage of 20 days, irrespective of the number of days they work. As the country's economy improves and foreign trade develops, the system of piece-rate wages adopted in some of the ports is bound to provide a steadily higher level of earnings to the workers. There can obviously be no public sympathy for a strike by the dock workers who are a comparatively well-paid class of employees and who also have before them prospects of increased earnings.

BUDGET REFORM—II

IT cannot be too strongly reiterated that the budget is an important instrument of economic policy. Naturally enough, most governments present along with the budget a comprehensive account of the economic trends in their countries. In India, the white paper on the budget presents such a study. The Estimates Committee, in its report on Budgetary Reform, has rightly stressed the importance of a comprehensive economic survey. Thus, it emphasises that the economic situation in the country should be analysed, related to objectives and proposals and explained by Government experts in a manner which would enable the correct position to be understood and appreciated by all. It should also explain the position relating to foreign exchange, balance of payments, trade and commerce, production, national product and income, cost of living, imbalances in economy, world trends, etc. Further, such an analysis should be made available to Parliament sufficiently early so that it could be made use of during budget discussions. Obviously, a survey of this kind presupposes the existence of a large variety of statistical data. It calls for a more extended system of statistical compilation and classification. In this connection, the Committee has drawn attention to discrepancies in the presentation of data by the Government itself. One such example of discrepancy, to which the Committee has referred, is that, whereas the Planning Commission estimated the total import of consumer goods in five years at Rs. 392 crores, the Ministry of Commerce and Industry placed such imports at Rs. 1,185 crores. There is certainly room for improvement in the statistical concepts which are employed by the Government. The discrepancy which the Committee has cited is clearly due to some confusion over the concept of consumer goods.

The classification of the overall budget into the revenue and capital budgets and the practice of calculating the surplus or deficit in the two divisions separately are now a recognised part of budgetary procedure. Commenting on this system of classification, the Committee observes that the system, in the form in which it is now followed, is designed mainly to suit the needs of accountability. It then proceeds to state that the system does not assist in proper programme formulation and appreciation as well as execution which would make clear whether optimum results have been achieved or would be achieved with a given outlay. It has, therefore, suggested that it is necessary that there should be some functional classification of governmental expenditure so as to focus attention on the various functions of the Government and their relative importance. It is a pity that the Committee is somewhat vague in this part of the report. It is not clear what precisely the Committee wants the Government to do. The Government, as is well known, has attempted a certain refinement of the system of economic classification. The report entitled *An Economic Classification of the Central Government Budget* classified the 1957-58 budget under six accounts: (1) transactions in commodities and services, and transfers: current account of Government administration; (2) transactions in commodities and services, and transfers: current account of departmental commercial undertakings; (3) transactions in commodities and services, and transfers: capital account of Government administration and departmental commercial undertakings (combined); (4) changes in financial assets: capital account of Government administration and departmental commercial undertakings; (5) changes in financial liabilities: capital account of Government administration and departmental commercial undertakings, and (6) cash and capital reconciliation account of Government administration and departmental commercial undertakings.

The report itself recognised that the impact of governmental activity on the rest of the economy was felt in a variety of ways and that no system of economic classification by itself could "unravel" these diverse ramifications of governmental activity. It also recognised that there was a certain arbitrariness in this classification itself. Further, the classification did not include all commercial undertakings of the Central Government. Nor did it include the accounts of the State Governments and other public enterprises. There can be certainly no point in presenting an elaborate classification of the budget if such classification takes into account only the Central Government's budget. It is noteworthy that the Estimates Committee too has realised this inherent difficulty. It says: "It is evident that for an economic classification to be really useful it would have to take into account the expenditure and proposed outlay on various functional activities in the entire country, i.e., Central and State budgets, the autonomous and other Government undertakings and the private sector also." It is a moot point whether an adequate machinery exists in the Government today which could undertake such an analysis and publish it promptly enough to be available for use by Parliament during the budget session. While we have no doubt that a beginning should be made in this direction, it might take some time before such a survey could become very much more useful than the material contained in the white paper on the budget. Again, it will be remembered that a survey of this kind cannot be entirely divorced from vital considerations of economic policy. It is somewhat difficult for permanent officials to present an account, the objectivity of which could commend itself to both the Government and the opposition.

An interesting section of the Estimates Committee's report is the one which deals with the reorganisation of the Government's financial year. The existing system was adopted in 1867; prior to that year, the financial year used to commence on 1st May. In Japan, the U.K., Germany and Canada, the financial year begins, as in India, on 1st April. France and Belgium are among the countries which have adopted the calendar year, while, in the U.S., Australia and Italy, the financial year commences on 1st July. The Chamberlain Commission, in the course of its examination of the case for revision of the financial year, commented that, from the financial point of view, the present date is "most inconvenient possible for the budget." It suggested the commencement of the year from 1st November or 1st June. The Committee notes that, since the budget is followed by the outbreak of the monsoon, many development works have to commence late in the financial year or have to be dropped; either grants remain unspent or there is a rush of expenditure towards the end of the financial year. Accordingly, the Committee has suggested that the financial year should commence from 1st October. The subject requires extended investigation by the Central and State Governments.

The Committee has made several notable suggestions for a more thorough pre-budget scrutiny and for facilitating the discussion on the budget. It draws attention to the fact that, because of delay in sanctions and somewhat hasty provisions, there is considerable lapsation of the funds provided in the budget; the total funds which lapsed during 1954-55 amounted to about Rs. 238 crores. The Committee emphasises that the administrative ministries should submit their respective schemes to the Ministry of Finance for inclusion in the budget only when all relevant details necessary for having a sufficiently clear picture of a particular scheme have been worked out. For this purpose, the prospective schemes should be processed throughout the year so that the rush at the time of the preparation of the budget is avoided. It also suggests that a procedure should be evolved whereby the necessity of a further sanction after the budget should be done away with and also an assurance would be given to the various authorities, including the State Governments, that, in respect of funds provided for approved projects, the unspent amount would be available in the next financial year. Apart from having a psychological effect on the minds of State Governments and spending departments, such a promise would also facilitate the execution of the projects on smoother lines and prevent rush of expenditure towards the end of the year.

Finally, the Committee advocates the revival of the system of the Standing Finance Committee for purposes of the pre-budget scrutiny. It may be recalled that, before the advent of responsible government in India, the Standing Finance Committee, consisting of members of the Legislature, scrutinised the expenditure schemes of Government above a certain limit before they were included in the budget. Obviously, such a committee could only have an advisory status. Even so, it might enable Members of Parliament to acquaint themselves with the different activities of the Government and enable them to make a constructive contribution towards the formulation of a generally acceptable budget.

(Concluded)

TAX LAWS

IT is now being increasingly realised that national tax policies have an international aspect. Fiscal measures adopted by a country, such as export and import duties, have, of course, a direct influence on other countries which have trade relations with it. But even such tax laws as income-tax and death duties have an international aspect in the sense that they affect the movement of capital and technical personnel from one country to another. International implications of tax laws have acquired a new significance not only in the context of the growing economic collaboration through bilateral and other trade agreements, but also because of the need for underdeveloped countries to attract foreign capital to their territories. Further, the movement towards the formation of the European Market adds to the urgency of considering the future of tax laws in European countries. In this context, the Report of the International Bureau of Fiscal Documentation, Amsterdam, is of more than academic interest. Being a body interested in the study of world fiscal problems, the Bureau, in its report for 1957, rightly warns against what it calls "blank cheque" legislation. The Bureau is constrained to point out that, in many countries, there is a tendency to enact tax legislation in a form which in effect gives the Government a "blank cheque" to change the law without consulting the legislature whenever it thinks that the economic situation in its country calls for it.

The Bureau points out that, as international relations have increased, taxation is no longer an exclusively national problem. It, therefore, urges that governments and parliaments should bear in mind that the regular changes in taxation Acts present more difficulties to foreign connections than for their own citizens. It commends the Anglo-Saxon practice which ensures that changes in the taxation Acts are normally made only once a year, at a regular time fixed beforehand. India cannot, of course, be made a target for this charge, considering that the major tax changes occur only once a year, at the time of the budget. Nevertheless, many changes are introduced in respect of other taxes and duties in the course of a year. Perhaps the authorities will do well to keep such changes to a minimum. Again, in the interests of international co-operation, some measure of uniformity is itself a desirable objective to pursue. The Bureau draws attention to the fact that "harmonisation" of tax laws is now being advocated more and more strongly. It is true that complete uniformity in tax laws is neither practicable nor desirable. It should, however, be possible to achieve some broad similarity in methods of treatment or of collection of tax.

Since the Bureau acts as a clearing-house for fiscal information, it is in a position to know what questions agitate the taxpayers most. It is interesting to be told that, in nearly all countries, high rates of taxation continue to be regarded as the worst disincentive to savings and investment The disadvantage of high rates of taxation in those cases where no exemptions apply, according to the report, is that they may lead to an expenditure which is not justified economically, since such expenditure is largely borne by the Revenue. These considerations have led to a number of interesting studies on the extent to which the present progressive taxation of income for individuals could be replaced by a new form of taxation. In the U.S. and France, many leading periodicals are pleading for an income-tax at lower rates and without too many exemptions. Judging from the number of enquiries received by the Bureau, the problems which agitate many enterprises are those relating to the tax liability of non-residents, insurance and superannuation funds, death duties and treatment of royalties. Presumably, these questions have emanated from enterprises which intend opening branches abroad.

As regards new fiscal measures actually adopted in several countries in 1957, the Bureau has cited the imposition of wealth tax in India; studies in wealth tax have been initiated in Eire and Norway. Further, from the point of view of international aspects of tax laws, it is gratifying to note that a number of tax conventions have been concluded in 1957. The U.S. concluded such conventions with Canada and Pakistan, Canada with the Netherlands, Germany and Australia, and the U.K. with Switzerland, Australia, Pakistan and Austria. The Bureau regards these conventions as a "favourable" development, because they cover a number of territories in need of economic development. However, it points out that the present tax conventions are "far from being ideal." This is because they display a marked lack of uniformity and the solutions contained therein are in most cases based on the tax laws of the more developed countries.

SHARE MARKET TURNS CAUTIOUS

YARN EXPORT POLICY—JOINT-STOCK COMPANIES—WORLD COTTON

THURSDAY, 5 P.M.

HARDLY has the share market recovered from the adverse effects of the labour strike at Jamshedpur than the shadows of an equally serious strike by port and dock workers at the six major ports of India which has been called from the 16th inst. have been cast on the market. *Naturally, the* operators have in the last few days not shown the same enthusiasm as they did earlier. Though the operators' apathy has not developed into a wave of selling pressure, presumably because of their hope that something would be done at the last moment to avert the dock strike, they prefer to sit on the fence and watch further developments. The efforts of the Government and Port authorities to avert the showdown have so far failed. The seriousness of the strike, if it materialises, has not been understood by those who are sponsoring it; it is coming off at a time when the country is making an all-out effort to increase its exports in order to earn the much-needed foreign exchange. What is more disquieting is that a similar strike is going on in the Port of London, involving 20,000 men, so that, if the two strikes go on simultaneously, the trade between the two countries will be jeopardised seriously. It may be noted, in this connection, that the U.K. is the biggest customer for Indian products, particularly Indian tea. The dock strike in London and the difficulty of obtaining samples from warehouses have had the effect of reducing the offerings in London tea sales this week and, if supplies are withheld from India, the U.K. has to run down its stocks considerably. The Government of India is, no doubt, taking all necessary steps to meet the emergency caused by the proposed strike, but it is feared that the strike, if it materialises, will seriously dislocate loading and unloading operations at all the major ports.

MARKET GOSSIP

These thoughts have, as already pointed out, not yet seriously disturbed the market. However, the operators are somewhat cautious. This is reflected in the fall of Tata Ordinaries from Rs. 183.75 touched on Monday to Rs. 181.25 today. Indian Irons have come down from Rs. 21.80 to Rs. 21.36. Textile shares have staged a smart recovery this week, though the closing rates are well below the week's peak levels. Thus, Bombay Dyeings have dropped from a high of Rs. 54 to Rs. 53·60 and Centurys from Rs. 429 to Rs. 425.50. In Calcutta, however, the imminence of the dock strike has already affected jute goods which have recorded a sharp fall during the last few days. Thus, hessian 40″×10 oz. (June delivery) has declined from Rs. 40.35 per 100 yards to Rs. 39.60 and sacking B. twills from Rs. 98.35 to Rs. 96 per 100 bags.

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The Government of India has announced the cotton yarn export policy for the three years 1959, 1960 and 1961. Under the policy, the mills will be permitted to ship yarn to the same extent as exported by them during 1957 or 1958, whichever is higher. In addition, 48 million lbs. of yarn will be allowed to be exported annually by trade and industry on first-come-first-served basis.

The announcement of export policy for cotton yarn much in advance will be welcomed, because it marks a departure from the uncertain and vacillating policy hitherto pursued by the Government. The yarn interests had all along been urging a revision in policy. The plea was based on the ground that, owing to the lack of certainty in regard to yarn exports, the overseas buyers usually turned to other sources of supply for covering their requirements.

The latest policy is, however, only of academic importance, notwithstanding the removal of the aforesaid deficiency. The demand for Indian cotton yarn from overseas countries, including the traditional customers like Burma, Hong Kong, Sudan, Ethiopia, British Somaliland, Ceylon, Aden and East Africa has all along been at a very low ebb and it looks as though it will continue to be so in future, what with the stiff competition offered by Japan, Pakistan and China. The total quantity of yarn actually exported during 1956 was not more than 12 million lbs. It went down further in 1957 to 8.24 million lbs., as against the quota of 20 million lbs. granted for the year. Even after the marked fall in Indian prices of yarn lately, exports from this country continue to be slack. During the first five months of 1958, the aggregate exports amounted to just 3.58 million lbs. With the general situation in the world textile trade unhelpful, yarn exporters consider that the prospects of any appreciable improvement in foreign business in Indian yarn are not encouraging. In their opinion, the mere announcement of a long-term policy cannot by itself help exports.

It would not be out of place here if a brief reference were made to the latest position in respect of yarn supplies. The total production of yarn in the first four months amounted to about 555 million lbs. (provisional) which represents a decline of 49 million lbs. as compared with the corresponding period of 1957. Despite the fall in output, the stocks of yarn lying unsold with mills have gone up considerably; the total of these stocks is now said to be of the order of 44-45 million lbs., as against 36 million lbs. in January. This is due to the comparatively reduced utilisation in the mills themselves for weaving cloth, thanks to the heavy impact of excise duty, slack export business, and low offtake by handlooms as well as powerlooms. It is not surprising, therefore, that the prices of cotton yarns have suffered a distinct setback. An idea of the extent of setback can be had from the following latest available quotations for a few varieties of yarn as compared with those at the end of last year (1957):

(In Rs. per bundle of 10 lbs.)

	Latest available	*31st December 1957*
10 counts Modern	13.50	14.50
20 counts Gokak	16.75	17.50
40 counts Minaxi	23.87	24.75
60 counts Raguvamshi ...	50.75	51.75
80 counts Modern	69.75	72.00

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The price of intransigence and indecision can often be very dear. But when they creep into the field of business, their consequences are disastrous. India's manganese ore export trade finds itself in an unenviable position, for it has almost lost its traditional and long-established markets, particularly the U.S., the U.K. and the Continent. High price ores, irregular supplies, and frequent changes in export policy seem to have forced these countries to turn to alternative sources of supply. To add to this, the U.S. recession has hit manganese ore exports hard and prices have declined sharply.

The export policy for manganese ore for the period 1st July 1958 to 30th June 1959, announced by the Government of India on 23rd May, does not hold out any promise of getting things improved. The Government seems to have totally disregarded the unanimous opinion of the manganese trade and mining industry that it should declare a long-term policy which is essential for manganese ore exports, considering that manganese ore is a peculiar type of raw material which requires that the buyers should plan their purchases and the mine-owners the development of mines and disposal of ores well in advance. Nor did it pay heed to the suggestion of the trade and industry to abolish the export duty of Rs. 30 per ton on manganese ore so as to make it competitive in world markets. The current price of Indian manganese ore is about $6 higher per ton than that of other countries. The price of high grade Indian ores is $36, as against $30 quoted by other countries for ores of the same grade and quality.

The State Trading Corporation which is now largely responsible for the export trade in manganese ore has landed the export trade and industry in a mess. Mine-owners and exporters had sold to the S.T.C. nearly 150,000 tons of manganese ore a year ago. This huge quantity is still lying with the former, as the S.T.C. has not taken delivery of it. The current world prices are very much lower than those ruling at the time the S.T.C. purchased the ore. Mine-owners and traders are, therefore, experiencing great difficulties. They have been crippled financially. The movement of ores has also been blocked. A number of mines have closed down, rendering thousands of workers jobless, and many are threatened with imminent closure. It is said that the S.T.C. has not got any export contracts with foreign buyers at all.

What is the way out of this impasse? Mr. Amirchand T. Gupta, Chairman of the Western India Minerals Association, suggests that the best course will be for the S.T.C. to close down its manganese ore export as, in the event of its continuance, according to him, it is likely that the country will lose its export trade in manganese entirely. Alternatively, he maintains, the business of manganese ore export by the S.T.C. should be headed by men of experience in the field. An independent advisory committee, he suggests, should also be formed to guide the ore business of the S.T.C.

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Some light on the size and management pattern of joint-stock companies has been thrown by the information broadsheet, issued by the Department of Company Law Administration. The total number of new registrations in 1957-58 was 961, with a total authorised capital of Rs. 103 crores, as against 848 with a total authorised capital of Rs. 211 crores in the previous year. Of the total number of companies registered in 1957-58, the number of companies with an authorised capital below Rs. 1 lakh accounted for 25 per cent. About 40 per cent. of the companies fell in the group Rs. 1-5 lakhs in respect of authorised capital. In absolute terms, 605 companies out of a total of 961 have been formed with an authorised capital of less than Rs. 5 lakhs in 1957-58, as against 478 out of a total of 848 in 1956-57. If to these two groups were added the third group of companies having an authorised capital of Rs. 5-10 lakhs, the total percentage of companies having an authorised capital of less than Rs. 10 lakhs would work out to 87 in 1957-58, as against 83 in 1956-57.

The broadsheet points out that, in the last three years, despite the fluctuations in the number of new companies, there has been very little change in the share of small companies in the total number. The total number of companies with an authorised capital in excess of Rs. 10 lakhs was 127 in 1957-58 (96 private companies and 31 public companies), as against 140 companies (95 private companies and 45 public companies) in 1956-57. As regards giant incorporations, there were 28 companies with an authorised capital of Rs. 66 crores in 1957-58, as against a similar number with an authorised capital of Rs. 170.5 crores in 1956-57. These giant incorporations included two Government companies (both private companies) with a capital of Rs. 8 crores. Of the 26 non-Government companies with a total authorised capital of Rs. 58 crores, 17 were public companies with an authorised capital of Rs. 48 crores and 9 private companies with an authorised capital of Rs. 10 crores.

The total authorised capital of 18 new Government companies formed during 1957-58 accounts for 8.5 per cent. of the total authorised capital of the 961 companies formed during the year. It may be recalled here that 13 Government companies were set up during 1956-57, of which 12 survived. The Government companies formed during 1957-58 and their authorised capital are:

Export Risks Insurance Corporation Private Ltd.—Rs. 5.00 lakhs; National Instruments Private Ltd.—Rs. 3.00 lakhs; Mysore Fruit Products Ltd.—Rs. 10 lakhs; Madhusudan Chemical Industries Ltd.—Rs. 0.50 lakh; Cuttack Iron and Steel Products Private Ltd.—Rs. 0.75 lakh; Kalinga Ceramic Industries Private Ltd.—Rs. 5 lakhs; Spark Manufacturing Works Private Ltd.—Rs. 0.80 lakh; Konark Processing Works Private Ltd.—Rs. 0.90 lakh; Orissa Boat Builders Private Ltd.—Rs. 0.90 lakh; Utkal Fruit Products Private Ltd.—Rs. 0.20 lakh; Rourkela Fruit Products Private Ltd.—Rs. 0.20 lakh; Kalinga Fruit Products Private Ltd.—Rs. 0.20 lakh; Kalinga Foundry *Private Ltd.—Rs. 5 lakhs; Balanga Iron Works* Private Ltd.—Rs. 2.80 lakhs; Orissa Foundry Company Private Ltd.—Rs. 2.75 lakhs; Orissa Electrical Manufacturing Private Ltd.—Rs. 5 lakhs; Barbati Fruits Products Private Ltd.—Rs. 0.20 lakh and Kerala Cycles *Private Ltd.—Rs. 25 lakhs.*

As regards the pattern of management of the companies registered in 1957-58, 11 public companies and four private companies had managing agents, one private company had managers, one private company secretaries and treasurers, 212 private companies and 15 public companies managing directors. Again, 678 private companies and 39 public companies had only directors. The statistics relating to management of companies for 1957-58 thus confirm the observations made in the Department's first statutory report that there had been a perceptible shift towards the management of companies by

(Continued on page 1147)

EQUITIES RULE DULL AT CLOSE

TEXTILES ATTRACT SUPPORT

(From Our Own Correspondents)

BOMBAY, 12*th June*

AFTER maintaining cheerful conditions early in the week under review, equities ruled dull with fluctuations confined to a narrow range. The earlier cheerfulness, in which activity also broadened considerably, was attributed to rumours of devaluation of the rupee in order to boost exports and optimism that the Government would help the textile industry by giving some relief in excise duty. These hopes brought fresh speculative buying and bear covering, pushing up values well above last week's closing rates. It is noteworthy that textile shares took the lead in the upward movement. Reports of good investment support to some of the cash scrips of leading engineering and miscellaneous industrial concerns also enlivened sentiment.

In the latter half of the week lethargic conditions came to prevail for want of follow-up support. Though there was no selling pressure, equities failed to forge ahead. The most important factor which has chilled the operators' enthusiasm is the threatened dock strike, the efforts to avert which have so far failed. Another restraining factor is the delay in the monsoon, which if prolonged may affect the crops. The volume of business also thinned down considerably. On balance, equities disclosed some gains over a wide front.

In the steel section, Tata Ordinaries hardened early in the week from Rs. 181.25 to Rs. 183.75 and remained fairly steady around this week. Today, however, there was a setback to Rs. 181.25 on liquidation by a leading "bull." The new shares gained over the week 50 nP to Rs. 179.25. Indian Irons crept up from Rs. 21.44 to Rs. 21.84, but relapsed to Rs. 21.36 at the close.

Textile shares were prominent and, despite the profit-taking towards the close, values disclosed moderate gains over the week. Bombay Dyeings moved up from Rs. 53.20 to Rs. 54, before reacting to Rs. 53.60. Centurys shot up from Rs. 421.75 to Rs. 429 and, after a setback to Rs. 424.50, gained ground again to Rs. 430.50. At the close, they dropped to Rs. 425.50. Kohinoors were marked up from Rs. 256.50 to Rs. 260.50, but the gain was wiped out when the shares finished today at Rs. 256.50. Central Indias rose by Rs. 5 to Rs. 86.50, Finlays by Re. 1 to Rs. 261 and Gokaks by Rs. 5 to Rs. 135. Indu Ordinaries were done 32 nP higher at Rs. 9.04. Indore Malwas changed hands Rs. 3.25 higher at Rs. 108 and Khataus gathered Rs. 23.75 to Rs. 191.25. Model Mills provided an exception with a drop of Rs. 8.75 to Rs. 167.50. Morarjee Mills picked up Rs. 15.50 to Rs. 232.50, while New Greats were dull at Rs. 199.50. Podars improved by a rupee to Rs. 134 and Shree Niwas Cottons by Rs. 4 to Rs. 139. Simplex was another scrip which slowly gained ground from Rs. 159 to Rs. 164. Standards advanced from Rs. 390 to Rs. 404 and Svadeshis from Rs. 170.50 to Rs. 176.50. Tata Mills were steady at Rs. 37.50.

Bank shares attracted some support and scored useful gains. Barodas rose by 50 nP to Rs. 115.50. Centrals recorded a rise of 70 nP to Rs. 54 and the new shares Re. 1.60 to Rs. 57.30. Bank of Indias looked up from Rs. 133 to Rs. 134.50 and their new shares from Rs. 133.25 to Rs. 135. Punjab Nationals and United Commercials put on Re. 1 each to Rs. 55 and Rs. 61 respectively.

Some business was done in insurance shares. New Indias were a fraction lower at Rs. 48.25 and Orientals were down by Rs. 15 at Rs. 3,985. British India Generals gained Re. 1.24 to Rs. 15.24 and All-India Generals rose by Re. 1 to Rs. 4.50.

The electrical section was featureless. Ahmedabad Electrics were 30 nP lower at Rs. 94.70, while Bombay Suburbans were unchanged at Rs. 106. Surat Electrics improved by a fraction to Rs. 108.25. Tata Hydros were 50 nP lower at Rs. 117.50. While Tata Powers changed hands Rs. 5 higher at Rs. 1,220, Andhra Valleys were maintained at Rs. 1,137.50.

In the sugar group, Belapurs were erratic, moving between Rs. 248 and Rs. 246.50, before closing at the latter level with a fractional decline over the week. Bhopal Sugars put on 48 nP at Rs. 21.48. Phaltans advanced by Rs. 2 to Rs. 148 and Walchandnagars by Rs. 10.25 to Rs. 273.75. Cements attracted attention on hopes of an increase in cement prices. Associated Cements moved up from Rs. 149.75 to Rs. 153.25, before closing at Rs. 150.75. Their new shares were up by Re. 1 at Rs. 145. Digvijays gained over the week Rs. 2.75 to Rs. 147.75. Orissa Cements recorded a rise of Re. 1.16 to Rs. 13.32. Dalmia Cements improved by 56 nP to Rs. 10.48 and Jaipur Udyogs by 28 nP to Rs 13.12.

In the engineering and mining section, Alcock Ashdowns were a firm feature with a sharp jump of Rs. 17.50 to Rs. 261.25. Tata Locomotives crept up from Rs. 168.75 to Rs. 173.75 before closing at Rs. 172. Larsen and Toubros were maintained at Rs. 16.40, while Premier Constructions appreciated from Rs. 186.50 to Rs. 192. Mahindras were taken up 52 nP higher at Rs. 19.48. Shivrajpurs were unchanged at Rs. 80.50, while Indian Coppers were a shade better at Rs. 3.20 and B.B. Petrols at Rs. 2.

In the shipping group, Great Easterns were again in the limelight on good support and recorded a rise of Re. 1.28 to Rs. 22.40. After an early spurt from Rs. 17.44 to Rs. 17.72, Scindias lost ground to Rs. 17.44 at the close. Among automobiles, Premier Automobiles were a fraction better at Rs. 82, while Hindustan Motors were dull at Rs. 6.92.

In the miscellaneous industrial group, Bombay Burmahs (old) staged a spurt from Rs. 549.50 to Rs. 557 early in the week, but slowly lost ground before closing at Rs. 552. National Rayons moved from Rs. 236 to Rs. 240.75, but closed a fraction lower at Rs. 239.50. Gwalior Rayons hardened by 12 nP to Rs. 13.24. Tata Chemicals were 32 nP better at Rs. 15.60, while Tata Oils were done 50 nP down at Rs. 39.75. Alembic Chemicals, which had staged a sudden spurt last week, attracted profit-taking and lost Rs. 2.75 to Rs. 153.25. Amar Dyes were in good shape rising by Rs. 4.75 to Rs. 116.75. Hindustan Levers were a fraction higher at Rs. 22.84. Killick Industries declined by Rs. 3.75 to Rs. 143.50. Wimcos changed hands Re. 1.25 lower at Rs. 170.

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Madras Stock Exchange

MADRAS, 10*th June*

Despite deterioration in foreign exchange position and further cut in supply of electricity to industry from 50 to 75 per cent. with effect from the 7th inst., the Madras Stock Exchange presented a fully steady trend during the week under review, barring, of course, textiles, which continued to remain depressed. The steadiness was induced by expectations of better conditions at least in counters in which forward trading on a settlement basis would continue from next month. The other favourable factors were rumours of the devaluation of the rupee and hopes of rebate on exports. Plantation shares, particularly teas, elicited very good attention of operators, thanks to expectations of a reduction in export duty on tea. Sugar, banks, electrics and miscellaneous industrials also ruled steady. Textiles were subdued, thanks to persistent reports of large stocks of yarn and cloth with mills. The Government of India's decision to announce the cotton yarn export policy for the three years 1959, 1960 and 1961 much in advance, and anticipation of downward revision in excise duty on coarse cloth, failed to have any effect.

Among tea shares in the planting section, Peermades were marked up by 75 nP to Rs. 21.25 *cum-div.* Parksides firmed up by 52 nP to Rs. 17.37. Neelamalais advanced by 25 nP to Rs. 4.60. Chembras improved by 22 nP to Rs. 3.95. Twyfords strengthened by 20 nP to Rs. 13.20, Periakaramalais by 16 nP to Rs. 4.32, Kil Kotagiris by 15 nP to Rs. 5.75, Nonsuch by 12 nP to Rs. 21.87. Blue Mountains were better by 8 nP at Rs. 3.08. Cottonads, however, were quiet at Rs. 14.75 *cum-div.* reflecting disappointment of operators over the cut in dividend to 15 per cent. for the year ended 31st March 1958 from 17½ per cent. in the previous year. Among coffee shares, Consolidated Coffees were lifted by 30 nP to Rs. 25.75. Coffee Lands increased by 20 nP to Rs. 35.50 Amalgamated Coffees rose by 25 nP to Rs. 11.50. Among rubber shares, Nilamburs forged ahead by 90 nP to Rs. 13.75 *cum-div.* T.R. & T's strengthened by 30 nP to Rs. 6.85 *cum-div.* Velimalais increased by 23 nP to Rs. 5.35. Midlands rallied 25 nP to Rs. 16. Thirumbadis gained 12 nP to Rs. 1.67, Cochin Malabars 10 nP to Rs. 4.85, Pullangodes 7 nP to Re. 1.77 and Kailas 5 nP to Rs. 4.25.

In the textile section, Ramakrishnas were hammered down by Rs. 10 to Rs. 165 *cum-div.* Vijayalakshmis slumped by Rs. 5 to Rs. 92. Metturs and Coimbatore Pioneers declined by Rs. 4 each to Rs. 344 and Rs. 231 respectively. Dhanalakshmis and Coimbatore Cottons receded by Rs. 3 each, the former to Rs. 174 and the latter to Rs. 134. R. C. Ambikais shed Rs. 2 to Rs. 124. Coimbatore Spinnings eased by a rupee to Rs. 47. Travancore Rayons, however, improved by 65 nP to Rs. 13.85 on special support.

Among sugar shares United Breweries attracted good attention and marched ahead by Rs. 3 to Rs. 200. Mysores rallied Re. 1.25 to Rs. 35. Deccans were quoted 35 nP higher at Rs. 8.70.

Among miscellaneous industrials, Textools advanced by Re. 1.50 to Rs. 181.50. Orissa Cements climbed up by Re. 1.30 to Rs. 13. Sen-Raleighs hardened by a rupee to Rs. 14 *cum-div.* T. Stanes strengthened by 75 nP to Rs. 21.50. Mettur Chemicals increased by 30 nP to Rs. 9.90. Spencers gained 50 nP to Rs. 18.25 *cum-div.* Hindustan Levers rose by 38 nP to Rs. 22.92. Mysore Tobaccos, on the other hand, lost 15 nP to Rs. 12.15.

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NEWS IN BRIEF

THE proposed optical glass factory of the Government of India will be set up at Durgapur in West Bengal and not at Allahabad.

The Government of India is setting up a corporation for making arrangments to export handloom cloth, according to Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry.

An Indian delegation led by Mr. K. K. Sahni, Oil Adviser to the Government of India, will visit Bucharest next month to discuss details of the Rumanian offer to help establish an oil refinery at Gauhati, Assam.

The production of copper ore in India during the first quarter of 1958 was 94,144 tons. The entire production was reported from Singhbhum District of Bihar. The production of copper metal during the first quarter of 1958 was 1,667 tons, as compared with 1,781 tons in the corresponding period of last year.

Four new polytechnics will come into being in Madras State from the current academic year. The Union Government has accepted the recommendations of the All-India Council for Technical Education in this behalf. The institutions will be opened in the private sector and will be located in Salem, Tanjore, Tirunelveli and Virudhunagar.

The Union Government has decided to grant on an *ad hoc* basis advance licences for import of certain non-ferrous metals to the Scheduled industries for the period October 1958-March 1959. These licences will be valid for shipment only after 30th September 1958. Facilities for remittance of foreign exchange involved will not be allowed before 1st October 1958.

A mooring vessel, the first ship to be built for the Indian Navy at the Hindustan Shipyard, is to be launched by about the middle of next month. Built at an estimated cost of Rs. 30 lakhs, the ship is especially designed to handle moorings used for securing ships in harbour. These moorings lying on the ocean bed are required to be lifted and inspected at frequent intervals. The mooring vessel can also be used for the laying of boom defences in harbours and for limited salvage work.

The Government of India has decided not to change for the present the age of superannuation which is 55 years for the great majority of Government servants. As regards continuance in service, the Government has decided that the services of scientific and technical personnel should be freely availed of, as at present, even beyond the age of superannuation. With regard to others, the officers will be continued in service only where it is clearly in the public interest to do so.

The Union Government has published draft rules detailing the procedure for allowing drawback of customs and Central excise duties paid on raw materials used in the manufacture of hurricane lanterns, sparking plugs and paints when such finished products are exported from India. Accordingly, the proposed refund will be at a rate of Rs. 60 per ton of tin plate used in the manufacture of hurricane lanterns. The rate of drawback in respect of the other two schemes will be calculated on the basis of particulars furnished by the manufacturers interested in these drawbacks who are to contact the Ministry of Finance, Department of Revenue, New Delhi, in this respect.

The Government of India has issued notification applying sub-section (3A) of section 3 of the Essential Commodities Act to the State of Uttar Pradesh and Rajasthan in respect of wheat. The object is to control rise in prices and prevent hoarding of wheat in these States. The effect of this notification will be that, in the event of stocks of wheat being taken over by the Government, the price payable shall be the average of three months' prices before the date of the notification, and not the market rate prevailing at the time of taking over. The notification will be in force for a period of three months.

A Japanese firm has been given orders for the supply of 2,600 broad-gauge 20-ton capacity wheel sets by the Indian railways. The value of the contract is about Rs. 32 lakhs. Two Calcutta firms and one Bombay firm have been given orders for the supply of goods wagons to the Indian railways. One Calcutta firm has received orders for nearly 1,300 broad-gauge and metre-gauge wagons, while another Calcutta firm has received orders for the supply of 1,250 wagons. The Bombay firm has received orders for supplying 675 broad-gauge wagons. The total value of the orders placed with the three Indian firms is about Rs. 422 lakhs.

Production of rice in Madras State has registered an increase of about 15 per cent. during the last five years following the "Grow More Food" measures undertaken by the Government. In regard to millets, the output has remained more or less stationary, as very little had been done for increasing its production. Under the prevailing prices and on the basis of the prevailing purchasing power of the people, consumption of foodgrains per adult per day is estimated at about 15 ounces. On this scale of consumption, the total foodgrain requirements of the State are estimated at about 40 lakh tons. If the harvest is good this will leave a surplus of about 230,000 tons for export.

It is reported that Switzerland has expressed its willingness to grant India substantial concessions regarding postponement of payments for its Swiss imports in order to ease the present drain on the country's foreign exchange reserves. Negotiation in this connection have been going on for some time following a request from the Indian Government whether certain payments for Swiss imports could be postponed so that this money might be turned by India towards much needed long-term capital investments. The Swiss are said to have now given a guarantee that India may withdraw substantial sums from Switzerland and that these sums can be used for long-term capital investment.

An order for plant and machinery for the Matatila power house, valued at over Rs. 42 lakhs, is being placed with a concern in Czechoslovakia on barter system as a measure of economy in foreign exchange through the State Trading Corporation, New Delhi. With the installation of this plant the Matatila power house, which will have an installed capacity of about 15,000 kw., will be enabled to start supplying power to the districts of Jhansi, Jelaun and Hamirpur. There is no power available in these districts at present. It is also proposed to electrify some of the nearby towns having a population of 5,000 or thereabouts. The project is expected to cost the Exchequer about Rs. 374.25 lakhs, of which a sum of Rs. 300 lakhs is proposed to be spent during the second Five-year Plan period and the balance in the third Plan period.

The Hindustan Machine Tools Factory, Bangalore, has entered into a technical collaboration agreement with Messrs. Hermann and Kolb of Koeln, the well-known West German manufacturers of radial drills, under which the factory will manufacture under licence ten types of radial drills in 1¼" and 2" sizes; the first drill is expected to be on the market by December 1958. The sale prices of these machines are expected to be below the landed cost of imported machines of equivalent quality. The addition of these radial drills to their existing range of six types of milling machines and two types of lathes, it is claimed, will give further flexibility to the production programme of the Factory. This will enable the country to be self-sufficient in the matter of medium/heavy radial drills, as a result of which the country will save annually about Rs. 75 lakhs to Rs. 1 crore of foreign exchange on these machines which have been hitherto imported. According to the terms of the agreement, Messrs. Hermann Kolb will arrange to train ten employees of the Hindustan Machine Tools Factory at their works in Koeln in West Germany. The firm has further agreed to depute to the Factory suitable expert technicians.

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From Abroad

The Jamaican Government and a newly-formed company, namely, Jamaica Oil and Chemical, have decided to construct a $1-million oil refinery capable of processing 30 million gallons of oil and gasoline annually.

The Peoples' Republic of China and Pakistan have signed a one-year barter agreement, under which China will supply 150,000 tons of coal to Pakistan in exchange for cotton which will be purchased in the open market.

The U.S. Joint Congressional Atomic Energy Committee has supported a recommendation allowing Britain to buy an American nuclear submarine propulsion plant. The present Atomic Energy Law will have to be modified to permit a U.S. company to sell the plant to a British company.

The International Tin Council has confirmed that the total exports of tin from the six participating countries during the first control period (15th December 1957 to 31st March 1958) were just one per cent. higher than the total permissible export quota of 27,000 tons.

Indonesia is contemplating to buy 24 ships from Poland, according to Mr. Nasir, the Indonesian Shipping Minister. Indonesia is also negotiating with Japan for the purchase of ten ships. It is likely to buy one ship in Finland, four in Italy and two in Germany. The capacity of the ships will be all in the 2,000-3,000 tons range.

An air agreement providing for the running of Pakistan and Portuguese planes from Lisbon to Goa has been signed between the Governments of Pakistan and Portugal. The agreement provides for operation from Goa to East African possessions of Portugal via Karachi and also the Karachi-Goa service. At present, the Portuguese airlines have facilities to run planes from Goa to Karachi.

The construction of Canada's first atomic power station at a river site 150 miles west of Ottawa is expected to be resumed in July. Work on this project had to be stopped in April last year to allow important technological advances to be incorporated in the design of the reactor. The station which will have a production capacity of about 20,000 kilowatts, is expected to go into operation in 1961.

A combine of two leading Netherlands engineering works has received an order from the Pakistan Industrial Development Corporation, Karachi, for the supply of two complete cane sugar factories. The daily capacity of each factory will be 1,500 tons of cane, with facilities for expansion to 2,000 tons. The factory plant to be supplied will comprise the complete manufacturing process from the arrival of the cane to the delivery of the sugar in bags. Supplies of boilers and turbo-generators will also be made.

The total value of orders for materials and equipment placed in the U.K. by oil companies during the first quarter of this year amounted to £32.5 million, as compared with £36.0 million in the same period a year ago. Of this, the largest single category was bulk chemicals, catalysts, barytes, etc., which together accounted for £5.2 million. Next came specialised equipment for oil drilling and production, including oil casing, tubing, etc., with £3.5 million and specialised equipment for oil refineries, etc., excluding pumps and valves, at £3.3 million. Orders for electrical equipment were worth £2.5 million during the quarter, while automotive equipment orders were valued at £2.4 million.

The Government of Nepal has invited foreign capital for industrial development under a new industrial policy, announcement. The new policy welcomes foreign capital in industries other than those manufacturing arms, ammunition and other explosive materials and also assures the investors all possible guarantees for transfer of profit. Withdrawal of capital would be provided under an agreement to be concluded between the Nepalese Government and investing party. The Nepal Government will itself take interest in co-operating with foreign investors in the development of industries like railways, electric ropeways and power generation. It will also guarantee that taxes on foreign investment here will not be more than those in the investors' own country and the Government will try its best to make available foreign currency to import plants and acquire foreign technicians.

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PERSONAL

MRS. VIJAYALAKSHMI Pandit, India's High Commissioner in the United Kingdom, left Bombay for London on Sunday.

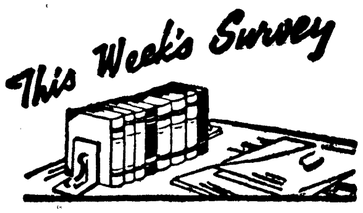
Mr. K. N. Mookerjee, Chairman of the National Rubber Manufacturers Ltd., is going abroad on the 19th inst. on a business tour.

Mr. H. V. R. Iengar, Governor of the Reserve Bank of India, who had gone to Australia, returned to Bombay from Singapore on Thursday last.

Mr. Abheraj H. Baldota, Partner, Messrs. Baldota Brothers, and Vice-President of the Bombay Metal Exchange, left last week on a business tour to the Continent, the U.K., the U.S.A. and Japan.

Mr. B. K. Nehru, Secretary, Department of Economic Affairs in the Union Ministry of Finance, left Bombay for London on Thursday last to attend the preparatory meeting of the Commonwealth Trade and Economic Conference.

Mrs. Sumati Morarjee, nominee of the Indian National Steamship Owners' Association, has been appointed a member of the National Harbour Board, representing the shipping industry, for a period of three years, from 22nd May 1958. The non-official members of the National Harbour Board as reconstituted are: Mr. M. A. Master, representative of Trade and Industry; Mrs. Sumati Morarjee, representative of Shipping; Mr. N. Bhaktavatsalam, representative of Sailing Vessels Industry and Mr. Dhara Singh, representative of Labour.



INCOME-TAX DEPARTMENT

IT was an American writer on public finance who once aptly remarked that a haphazardly run office could no more be successful in its operations than a carelessly conducted business enterprise. The same writer emphasised that, if evasion was not to be widespread and if the taxpayer's money was not to be wasted in inefficient tax assessment and collection, a technique of tax administration should be developed. Judged by this standard, it must be said that the Income-tax Department in India is certainly efficient and compares well with its counterparts in many countries. Even so, some feeling of distrust and discontent exists in the public mind against the administration of the tax. Further, tax evasion continues to persist. The Government of India has no doubt lately adopted an integrated scheme of direct taxation, but its successful implementation will depend solely on the administrative organisation and procedures, with due regard to the need for eliminating tax evasion and avoiding inconvenience to the assessee. Viewed thus, the setting up of a special committee (Chairman: Mr. Mahavir Tyagi, M.P., a former Minister of State at the Centre) to go into the question of the administration and procedure of the Income-tax Department must be widely welcomed.

The task to which the Committee will have to address itself is indeed vast. The Government of India has evolved a rather complicated system of direct taxation which is considerably broad-based, covering as it does taxes on wealth, expenditure and gifts, not to speak of the reduction in the exemption limit for income-tax payment. The entire work in connection with the assessment and collection of these taxes has fallen on the Income-tax Department. It is the imposition of such new burdens on the Department that invests the need for improving administrative organisation and procedures with special significance. It is to be hoped that the Mahavir Tyagi Committee will suggest measures designed so to improve the administrative machinery as to make it function without giving any scope for public complaint.

It will be interesting to note that the integrated scheme of direct taxation evolved by the Government of India has resulted in an appreciable rise in revenues to the exchequer. On the basis of the budget estimates for the current financial year (1958-59), the total collections from direct taxes (taxes on income, corporation tax, wealth tax, expenditure tax, gifts tax and estate duty) amount to Rs. 241 crores which represent as much as 30 per cent. of the aggregate revenue receipts. When the assessees contribute so largely to the Central exchequer, they have a right to expect from the tax-collecting officers courtesy and politeness. Instances are not wanting to prove the hardship and inconvenience caused to assessees as a result of the unhelpful attitude of the officers. The Income-tax Officer must, as the Income-tax Investigation Commission (1949) rightly stressed, show by his conduct that "he is not the tax grabber he is described to be but a referee standing between the State, on the one hand, and the taxpayer, on the other, with the sole idea and desire that both get a square deal." The Tyagi Committee will do well to lay down a code of conduct for observance by all those who are in charge of income-tax administration.

AGRICULTURAL SERVICE

No other factor plays a more important part in the execution of a network of development programmes in the field of agriculture than an efficient agricultural service. It is only such a service which can give judicious guidance to the rural people in the task of stepping up the production of primary products. Appropriately enough, due consideration must be given not only to provision of adequate facilities for intensive training but also to making the service sufficiently attractive to persons of high calibre. Viewed thus, some of the recommendations made by the Committee on Agricultural Services in the States, one of the ten Committees appointed by the Crops and Soils Wing Conference of the Indian Council of Agricultural Research held at Simla last week, are, indeed, of far-reaching importance.

The major recommendation of the Committee relates to the in-service training of the personnel of State Agricultural Departments. The Committee proposed the establishment of an Agricultural Staff College at the Indian Research Institute, New Delhi, to train senior personnel of Agricultural Departments and four regional staff colleges for junior officers. Surely, the implementation of this suggestion will go a long way towards ensuring adequate and regular opportunities and incentives for professional improvement to agricultural workers. The Committee did well to urge the need for imparting the more elementary types of agricultural education right from the school stage, instead of at agricultural colleges. This will provide suitably trained students for admission later to the agricultural colleges. The Committee also urged the establishment of agricultural schools in all districts to provide suitably trained students for admission later to the agricultural colleges, one school being attached to each college.

The Committee also put forward a suggestion so to improve the scales of pay in the agricultural departments, as to bring them on a par with those in other Government departments in order to attract the better type of persons. This is certainly a valuable suggestion. A major defect in the agricultural service, as Mr. A. P. Jain, Union Minister for Food and Agriculture, observed in the course of his inaugural speech at the Conference, lay in the organisational set-up. He was right when he declared that the human factor which is more important than the material resources should be given sufficient attention. Another notable recommendation made by the Committee relates to the development of the Agricultural Departments of the States, especially in the spheres of agricultural engineering, land reclamation, soil conservation, farm management and agricultural marketing. These are the fields in which there is vast scope for development and, to the extent such development takes place, the conditions in the agricultural economy will improve, thereby bettering the lot of those who depend mainly on agriculture for their living.

RAILWAY FREIGHT

The Committee of the Indian Chamber of Commerce, Calcutta, in a memorandum addressed to the Chairman of the Railway Board, has submitted that the freight structure recommended by the Railway Freight Structure Enquiry Committee has far-reaching implications. It has expressed concern over some of the principles laid down for the revision of freight structure. A study of the principles by the Committee indicates that the entire freight schedule would be up-graded, on an average, by 20 to 100 per cent. over the typical ranges of traffic movement and that, in case of some telescopic classes, the increase in freight would be higher still. The Committee observes that such a large increase in railway freight for all classes of commodities, raw materials as well as finished products, will have severe adverse effects on the entire cost structure of the economy and will aggravate the inflationary trends, especially because the average lead of raw materials traffic normally falls within the range of 300 miles, the first leg of the existing telescopic freight structure in which the Enquiry Committee had proposed the highest increase. The cumulative impact on the cost of manufactured goods of additions to the freight charges at every stage of manufacture would make it difficult for industries to implement their expansion programmes and would adversely affect the Plan itself.

It is common knowledge that there has been increasing consumer resistance in the case of many commodities in recent times. The increase in the price to the consumers that would result from the substantial increase in the production cost of consumer goods consequent on the upward revision of railway freight would, the Committee points out, further deteriorate the position. In the case of coal, the freight increase under the percentage class rate would be nearly 41 per cent. over a distance of 800 miles and 19 per cent. under separate coal scale. The increase in freight for movement of paper for 300 miles will be 13 per cent.; sugarcane 60 to 90 per cent. for 50 miles; sugar 52 per cent. for 75 miles, 34 per cent. for 150 miles, 16 per cent. for 300 miles; asbestos cement 50 per cent. for 75 miles, 33 per cent. for 150 miles and 16 per cent. for 300 miles; *vanaspati* 69 per cent. for 25 miles, 57 per cent. for 75 miles, 37 per cent. for 150 miles and 18 per cent. for 300 miles.

The Committee estimates that, in respect of export industries, the percentage increase in freight for tea would be 182 per cent. for 20 miles and 45 per cent. for 500 miles for smalls, 128 per cent. for 20 miles and 23 per cent. for 500 miles for wagon-loads; for cotton texiles, 148 per cent. for 20 miles and 34 per cent. for 500 miles for smalls, 107 per cent. for 20 miles and 11 per cent. for 500 miles for wagon loads; in the case of jute manufactures, 145 per cent. for 20 miles and 42 per cent. for 500 miles for smalls, 111 per cent. for 20 miles and 22 per cent. for 500 miles for wagon-loads.

The effect of such a large increase in rail freight for these goods, the Committee emphasises, would be to further impair the ability of the Indian industries to compete in foreign markets where they are already facing severe competition. Attention is also drawn to the adverse effects of the proposed increase in freight over short-distance traffic on existing industries which have been located near the sources of raw materials and markets. It would be undesirable, the Committee maintains, to penalise short-distance traffic and thereby encourage cross-movements involving wastage of carrying capacity of the railways at a time when its optimum utilisation is of paramount importance.

It must, however, be pointed out that so far as the Committee's criticism of increase in freight rates for short-distance traffic is concerned, it ignores the fact that such increase might give a fillip to motor transport. After all, in respect of transport of many goods over short distances road transport can give a more efficient service than the railways.

REVENUES FROM LAND

There is a growing tendency among State Governments to look to land as a source of enlarged revenues. This must be attributed to the increasing financial needs in the context of the implementation of development schemes, a majority of which are for the benefit of the rural areas. How the new tempo of agricultural development as well as the reforms in the sphere of ownership and tenure have been responsible for the State Governments turning their fiscal focus largely on land is indicated in the course of an interesting article appearing in the latest issue of *Agricultural Situation in India*. According to this survey, in the past two years, taxes or levies of some kind or other on land and its produce have figured prominently in State taxation. A comparison of the budget estimates for the current year (1958-59) with the revised estimates for 1957-58 will show that the share of land revenue in the total tax revenue of all the State Governments with the exception of Andhra Pradesh and West Bengal has gone up from 18.40 per cent. to 18.80 per cent. Similarly, the percentage share of agricultural income-tax and irrigation has risen from 1.44 and 1.42 to 1.50 and 2.12, respectively. The table below gives the anticipated yields from different sources pertaining to land in the different States during 1958-59, the figures in brackets relating to yields during 1957-58:

(In lakhs of rupees)

States	Total tax revenue	Land revenue	Agricultural income-tax	Irrigation	Forests
Assam	15,68	2,37	1,45	1	94
	(15,65)	(2,37)	(2,00)	(0,3)	(95)
Bombay	92,23	13,26	..	1,18	16
	(94,03)	(13,05)	..	(95)	(18)
Bihar	42,54	12,21	10	1,55	1,14
	(34,23)	(8,39)	(10)	(28)	(1,02)
Kerala	21,85	1,68	2,31	9	2,82
	(19,68)	(1,37)	(1,81)	(6)	(2,57)
Madras	40,60	4,87	1,10	64	92
	(39,92)	(4,53)	(1,03)	(37)	(1,30)
Madhya Pradesh ..	38,85	9,03	3	1,28	4,37
	(33,27)	(8,44)	(3)	(45)	(4,15)
Mysore	30,45	4,58	80	2	3,75
	(26,81)	(4,11)	(50)	(0,54)	(3,67)
Orissa	14,64	2,24	5	16	2,44
	(13,65)	(2,29)	(4)	(12)	(2,36)
Punjab	29,80	4,34	..	1,73	72
	(28,79)	(3,79)	..	(1,90)	(65)
Rajasthan	21,74	6,20	..	26	76
	(20,33)	(5,35)	11	(26)	(70)
Uttar Pradesh ..	79,07	21,13	(4)	2,30	4,82
	(72,73)	(20,14)	70	(1,99)	(4,62)
Jammu and Kashmir.	6,03	96	(40)	22	2,22
	(4,21)	(62)	..	(6)	1,54
Delhi	4,74	6	..	0,01	0,04
	(5,17)	(6)	..	(0,01)	(0,04)
Himachal Pradesh ..	1,79	19	..	0,50	1,34
	(1,79)	(19)	..	(0,10)	(1,34)
Andaman and Nicobar Islands ..	1,04	3	..	..	99
	(98)	(3)	..	..	(92)
Manipur	28	14	..	0,15	4
	(28)	(14)	..	(0,15)	(4)
Tripura	29	10	..	..	8
	(28)	(10)	..	..	(8)
Total ..	4,41,71	83,39	6,65	9,40	27,56
	(4,11,80)	(75,87)	(5,95)	(6,15)	(26,09)

This table does not include yields from betterment levy.

The year 1957-58 witnessed the imposition of a cess on cotton, groundnuts and chillies and extension of land revenue surcharge along with a special surcharge in the form of agricultural income-tax to the P.E.P.S.U. area in the Punjab; introduction of agricultural income-tax, irrigation levy and betterment tax in Rajasthan; increase in yield from agricultural income-tax through certain amendments in Uttar Pradesh; levy of an educational cess on land revenue and betterment levy in Bihar; and imposition of a tax on agricultural wealth and upward revision in super-tax rates on agricultural income. In their number and the extent of yield, the new imposts on agriculture represented a respectable proportion of the entire new tax proposals of the State Governments in 1957-58.

The preference for taxation of agriculture has continued to be conspicuous during 1958-59, although, in some cases, it has been no more than the enforcement of levies held in abeyance for some reason or other in the previous year. The additional tax measures are: sales tax on foodgrains, including pulses, in the Punjab; rationalisation of irrigation rates and increase in irrigation rates on commercial crops in Rajasthan; betterment levy in Madhya Pradesh; betterment levy and water rates in Mysore; water rates, standardisation of rent, bringing in larger cultivated areas which had till now escaped taxation and cess on sugarcane purchased by factories in Orissa; and extension of agricultural income-tax to include all land holdings (as against only plantation holdings hitherto) in Madras.

It is thus seen that, barring Bombay, the agricultural income-tax is being extended to new areas and State expenditure on the development of agricultural land is being sought to be reimbursed in more and more States through levies under some name or other. Incidentally, it may be noted that the betterment levy and the irrigation fee are not always distinctive. Betterment levy is in vogue only in four States—Bombay, Assam, Kerala and Mysore. The estimated yields in 1958-59 are Rs. 34.86 lakhs, Rs. 1.00 lakh, Rs. 50,000 and Rs. 35,000, respectively. In some States where no new taxation has been proposed, the revenue from land is expected to register a substantial rise. The extent of the rise estimated during 1958-59 as compared with 1957-58 is Rs. 76 lakhs in Andhra Pradesh and Rs. 46 lakhs in West Bengal.

SMALL SAVINGS

The successful implementation of the second and the subsequent Five-year Plans depends largely on the effective mobilisation of domestic resources. And small savings constitute one of the fruitful sources of such mobilisation. The Planning Commission has naturally attached great importance to the need for raising a large amount by way of small savings. Out of the original second Plan outlay of Rs. 4,800 crores, the target fixed for small savings is Rs. 500 crores, or over 10 per cent. of the total. Despite the stress laid on stepping up small savings collections, the progress actually achieved has been deplorably poor. During the first two years of the Plan 1955-57 and 1957-58), the total amount raised through small savings by the Centre and the States was no more than Rs. 114 crores, as against the target of Rs. 200 crores.

Whatever may be the factors responsible for the poor progress, the need for intensifying the small savings drive cannot be overemphasised. For the importance of small savings, as Mr. Morarji Desai, Union Finance Minister, pertinently pointed out while inaugurating the third meeting of the National Savings Central Advisory Committee held at New Delhi last week, lies not merely in the amount of money that it brings but in the fact that it is also an indication of the efforts which the people, the masses, are prepared to make in the interests of the Plan. He conceded that the standard of living of the masses was low. Nevertheless, he felt that the standard was definitely rising and that it was not too much to expect them to save what they were getting as additional earnings. Mr. Desai went to the extent of stressing that the people must be persuaded "to see the necessity of saving even at the cost of not raising their standard of life to a level where people would be satisfied immediately and to use just a little for raising the present standard of life and to utilise the bulk of the increase for augmenting the resources for achieving our goal." He called for correct pro-

(*Continued on page 1147*)

COMPANY REGISTRATIONS IN 1957-58

ADMINISTRATION'S VIEWS EXAMINED

From Our Special Correspondent

NEW DELHI, 10*th June*

THE Department of Company Law Administration has just released statistical information bearing on new company registrations in 1957-58. The trends revealed in that year represent, in the opinion of the Department, an improvement over 1956-57. This opinion is based on the fact that the total number of new company registrations in 1957-58 was 961 as against 848 in 1956-57. The Department's claim is only of limited validity because the total authorised capital of new companies registered in 1957-58 aggregated Rs. 103 crores only, as against Rs. 211 crores of those registered in the previous year. As the new companies in the public sector accounted for nearly Rs. 9 crores, the total authorised capital of new companies in the private sector was Rs. 94 crores in 1957-58, as against Rs. 91 crores in 1956-57. In the matter of authorised capital structure of new companies in the private sector, it could thus be seen, there was practically no improvement in 1957-58 over the previous year.

DELHI LETTER

This was not all, for the amount of paid-up capital actually raised by new companies in both the sectors in 1957-58 (ten months) was just Rs. 4 crores as against Rs. 13 crores in the previous year. Of this Rs. 4 crores, probably not more than Rs. 2 crores was accounted for by new companies in the private sector. This is a further confirmation of the F.I.C.C.I.'s contention (*vide* Delhi Letter in *Commerce* of 31st May 1958) that it has not been possible for the private corporate sector to secure adequate funds from the organised capital market for new company flotations. But the Department of Company Law Administration has tried to establish that the activity of the corporate sector has not been shrinking. In the opinion of the Department, "the correct position of the corporate sector is better gauged by the figures of net increase or decrease in the paid up capital of the companies." The Department's argument is as follows:

Paid-up Capital

During the first ten months of 1957-50 an increase of about Rs. 57 crores had taken place in the paid-up capital of companies at work and of this increase, Rs. 4 crores is accounted for by companies registered during 1957-58 and Rs. 53 crores by old companies. Of the net increase of Rs. 57 crores in the first ten months of 1967-58, an increase of about Rs. 17 crores has been effected by Government companies while Rs. 40 crores by non-Government companies. The overall position, after taking into account the net increase in paid-up capital of the existing companies, the capital raised by the new companies registered during 1957-58 and the loss of capital in the companies that have gone into liquidation or struck off the register, is that up to the end of January, 1958, there has been a net increase to the tune of Rs. 49 crores in the paid-up capital of all companies at work.

No Conclusive Answer

The reference in the Department's argument to the increase (Rs. 40 crores *minus* Rs. 2 crores) in the paid-up capital of old companies in the private sector is, however, not a conclusive answer to the Federation's contention. The ability of old-established companies to raise their capital in the market and by the issue of bonus shares is one thing and the ability of new companies to attract capital quite another. From this point of view, while expansion in the activity of the corporate sector in established directions may be a fact, corporate activity in new directions does not appear to have expanded significantly. To say, as the Department of Company Law Administration does, that the size and activity of the corporate sector has not been shrinking in recent years is to overlook the fact that the possibilities for expansion in corporate activity in the private sector have been somewhat shrinking.

There are other facts bearing on this question. In the first place, the paid-up capital of all companies at work in the latest three-year period has gone up by Rs. 137 crores, from the total of Rs. 970 crores in 1954-55 to Rs. 1,107 crores in 1957-58. This may be compared with the previous three-year period when the paid-up capital of all companies at work had gone up by Rs. 114 crores, from the total of Rs. 856 crores in 1951-52 to Rs. 970 crores in 1954-55. It would appear from these figures that the supposed far higher tempo of industrialisation in the latest three-year period than in the previous three-year period was reflected in a paid-up capital increase of only Rs. 23 crores (Rs. 137 crores *minus* Rs. 114 crores). Secondly, out of the increase of Rs. 137 crores in total paid-up capital in the 1955-58 period, Government companies have accounted for about Rs. 70 crores, as against an estimated Rs. 35 crores in the previous three-year period and non-Government companies for about Rs. 67 crores as against an estimated Rs. 79 crores in the 1952-55 period. A slight shrinkage in expansion of corporate activity in the private sector is thus a fact. The most optimistic construction on this can only be that expansion in the private sector's corporate activity in the 1955-58 period has maintained the same rate as in the previous three-year period.

Giant Corporations

The Department of Company Law Administration has also tried to refute the contention that, in the matter of giant incorporations, the promotional activity in the private sector has considerably been reduced. The Department's argument in this connection is that while giant flotations during 1957-58 accounted for a little more than two-thirds of the authorised capital *of all the companies formed in that year*, the share of new giant Government companies in the total authorised capital of all the new companies was only 8 per cent., as against 60 per cent. in 1956-57 and 20 per cent. in 1955-56. As talking in terms of percentages is apt to be misleading sometimes, it is necessary to examine the absolute figures in this connection.

Statistics pertaining to new giant companies with an authorised capital of Rs. 1 crore and more are as under:

	1955-56		1956-57		1957-58	
	No.	Authorised capital (Rs. crores)	No.	Authorised capital (Rs. crores)	No.	Authorised capital (Rs. crores)
Government ..	2	31	7	119	2	8
Non-Government..	24	62	21	52	26	58
Total ..	26	93	28	171	28	66

It will be seen from the above figures that the authorised capital of giant incorporations in the private sector has, at best, been steady at an annual level of Rs. 50-60 crores. While it has not declined significantly, it has not increased either. But even this is no reliable index of new corporate activity in the private sector because while new Government companies may be taken as established when once registered, it is by no means certain that all new non-Government companies are actually established, without any casualties, after registration. Figures of such possible casualties are lost in the figures of companies (old and new) ceasing to work. Incidentally, the rate of cessation of companies has been pretty high from 1951-52 (about 1,250 casualties) to 1956-57 (about 1,000 casualties.

The Government of India has decided to continue the special rebate of 6 nP in the rupee on sales of handloom cloth up to the end of August 1958. The grant of special rebate, which was announced on 10th April 1958, was for two months from 11th April 1958. This special rebate, is in addition to the usual rebate of 6 nP in the rupee and will be allowed on all retail sales of handloom cloth by weavers' co-operative societies and State-owned depots and on wholesale sales by weavers' co-operative societies.

(Concluded from next column)

took the opportunity of saying that the Government was persevering in its efforts to bring the Free Trade Area in Europe into being because it believed that was the only way in which the European countries could make the best use of their potential. Side by side with this, the Government was anxious to make the forthcoming Commonwealth Economic Conference which is to be held in Canada in the autumn, a great success and he emphasised they would have particularly in mind the question of Commonwealth investment and development policies.—*All Rights Reserved.*

GOLD AND DOLLAR RESERVES

From Our Own Correspondent

LONDON, 6*th June*

THIS week has recorded a further increase in the gold and dollar reserves of $125 million to a total of $3,039 million. This is about £70 million higher than a year ago and as much as £430 million above the crisis level of last September. As a result, the Chancellor of the Exchequer, in one of his speeches, this week, has been able to say that the economic position of the United Kingdom has been greatly strengthened and that confidence in sterling has been re-established with a corresponding strength in the sterling exchange rate. Furthermore, over the past year the total of sterling obligations, that is, balances held in this country, have been reduced by £265 million, and there has also been substantial fresh investment overseas mainly in the Commonwealth and the sterling area. The Chancellor added that as a result in the main of lower import prices we were at present earning a satisfactory surplus on our balance of payments.

LONDON LETTER

So much for the brighter side of the picture. The Chancellor, however, sets against this the general trend of world trade, in the context of which it might prove difficult to maintain the existing level of British exports. Export prices would then tend to fall so that the terms of trade would no longer continue as favourable as at present.

At home, unemployment has been rising against the seasonal trend although the rise has for the moment been halted. Production has also levelled off and the indices only stand at a point or two higher than a year ago, i.e., an increase of no more than 1 per cent. The Chancellor considered that the answer to the question whether the economy had reached a degree of stability which would make it unnecessary to continue with the present restrictions on credit and investment, would depend on the trend of wage settlements over the next few months. The Government appears to be upset because a number of voluntary wage settlements have been reached recently which seem to them to go beyond any probable increase in national productivity and so to hold potential inflation dangers. The Chancellor was probably quite honest when he said that the Government did not want a wage freeze; it has always said that it favours improving wages combined with increasing output. Similarly, the Government would like to see a steadily expanding economy but one in which prices are not constantly being pushed up. It does, therefore, envisage an end to financial restrictions subject to its being satisfied on this question of rising wages.

Stubbornness of Both Sides

The view thus clearly put by the Chancellor throws fresh light on the stubbornness of both sides in the London bus dispute. As these Letters have sought to point out, the dispute is much more than a local issue. It has become a symbol between the Government and trade unions on wage policy. If the dispute can be settled giving victory to the Government then it feels that it will have enormously strengthened its position on the general principle of holding down wage increases unless increasing output justifies a rise. While if it gives way it feels that it will have done nothing to prevent the continuous pressure for further general wage rises. The trade unions are as aware of the issues hanging on the struggle as is the Government and as reluctant to lose this particular battle as the Government is anxious to win it. But the answer may turn out to be a face-saving compromise on both sides!

In his same speech, which was made to the Association of British Chambers of Commerce, the Chancellor then developed the theme of the prospects for prices. He visualised not only a greater stability in prices generally but the possibility of reductions, particularly in the export trade. British exporters have, against the background of falling world demand, not been doing too badly and in some markets exceptionally well. For instance, shipments to the U.S.A. have been higher this year by 9 per cent. It is only realism to appreciate that competition for markets is going to intensify if world trade continues to shrink and that is going to be reflected in lower prices. The Chancellor then

(Continued in previous column)

AMERICAN LETTER

SIGNS OF UPTURN IN U.S. ECONOMY

GROUP INSURANCE MAKES HEADWAY

From Our Special Correspondent

NEW YORK, 3*rd June*

THE United States, as this is being written, is suffering from a bad case of inferiority feeling. This has two basic reasons. The abuse Vice-President, Mr. Nixon received in Latin America on his recent tour and the collapse of constitutional government in France. The fiasco of the Nixon tour is hardly understandable. The U.S. Central Intelligence Agency appears to have been well informed of the true conditions encountered by the Vice-President. Reports to that effect were distributed, but nobody, apparently, paid any attention to them. Strange as it may seem, Mr. Nixon is now a national hero, because he was crucified, in a way.

The dilemma in France raises a number of questions in American minds. General de Gaulle's record is not very impressive. He got along with very few people in his life. The Press disliked him and he distrusted the Press. His provisional government did not last and there is very little tangible in his career which speaks strongly in his favour. He has said nasty things about the United Kingdom and the United States and, rightly or wrongly, there is a suspicion here that, if his terms are not accepted by the West, he will cast his lot with the East.

France being the headquarters of the North Atlantic Treaty Organisation and the hub of the lifeline providing the sinews for U.S. installations in Europe, Gen. de Gaulle's ascendancy to power raises more questions than it answers. The entire N.A.T.O. structure is involved. Will the General, *the former uncompromising foe of* Germany, be able to maintain friendly terms with West Germany's able Defence Minister, Mr. Strauss? What will be the role of France from here on in so far as the steel-coal community is concerned and the common market area which has been voted into existence? Only time can tell.

"France is simply not ripe for democracy," a *New York Times* correspondent told me the other day after his return from Paris. But what about Africa? How *long* can Algeria remain part of continental France? Every Frenchman maintains it is and many Americans do, too. There is very little logic in history—even though *la logique est la logique* in French. Frankly, thinking Americans are afraid the net result of all this might be blood baths and/or civil war. It might easily lead to a major explosion with uncontrollable consequences some time this year.

Indeed, if this line of reasoning is pursued and the Kremlin takes advantage of the openings, the memories of 1958 may not be very happy ones at Washington and London. This, in brief, sums up U.S. fears. Perhaps, they are exaggerated—perhaps, they are not. It seems fairly obvious, however, that in the event of serious trouble in France, U.S. troops in that country would be moved to Africa and West Germany.

Recession

Domestically, the recession is still the most important question. It all depends where one sits. In Detroit, the capital of the automobile industry, it's a calamity. In the farming areas, everything is fine. Farm prices are 8 to 9 per cent. higher than last year. Most chemical industries are doing better than last year and the number of those receiving unemployment insurance is dropping seasonably as non-factory employment is gaining.

The major trouble is lack of leadership. There are cheerful words from Washington that all is well, but the people are not convinced. They are saving their money against the possibility of a debacle of unknown magnitude. They are *not* spending. Caution reigns everywhere. The Administration is not quite certain whether it wants to fight inflation—which is inevitable to a degree—or whether it wants to fight the recession. Hence, the average man in the street is just as bewildered. He is not taking any chances. He saves his money.

Yet, there are signs of an upturn. There has already been a slight increase in steel production. General Electric reported a notable gain in orders in both April and May. There have been reports of greater television set sales. In six south-eastern States, there was a pick-up in furniture sales. Women's apparel sales are holding up well. Food companies, generally, reported no slump in business.

Machine tool sales are still on the upgrade, giving evidence of industrial expansion plans. International Business Machines has been virtually depression-proof. I.B.M. has a record of no layoffs since 1921, even though the backlog of orders is off somewhat from the level of eight months ago.

Housing

In the housing field, the upturn is unmistakable. It is spearheaded by military housing in innumerable areas of the U.S. It may be interesting to note that the cheapest dwelling, outside of military housing, is the most successful. An $8,000 or $10,000 home sells twice as fast as the $16,000 to $20,000 variety.

A $15,000-house is bought by individuals with an income of about $5,000 a year. They may be veterans of one of the recent wars and they get 30-year mortgages, partly guaranteed by the Veterans Administration. Their mortgages may run about $13,000 and their monthly payments, including insurance, taxes and so on, may average $80 a month. This is less than one quarter of their monthly pay, a conservative average for U.S. standards. These buildings are adequate and sanitary for a growing family. They are usually located in the outlying sections. They all look alike. They are just painted a different colour.

The companies doing well in the U.S. today are those which have intensified their sales and advertising efforts. A notable example is life insurance. While writings of ordinary life insurance policies are off, sales of new group insurance plans are booming.

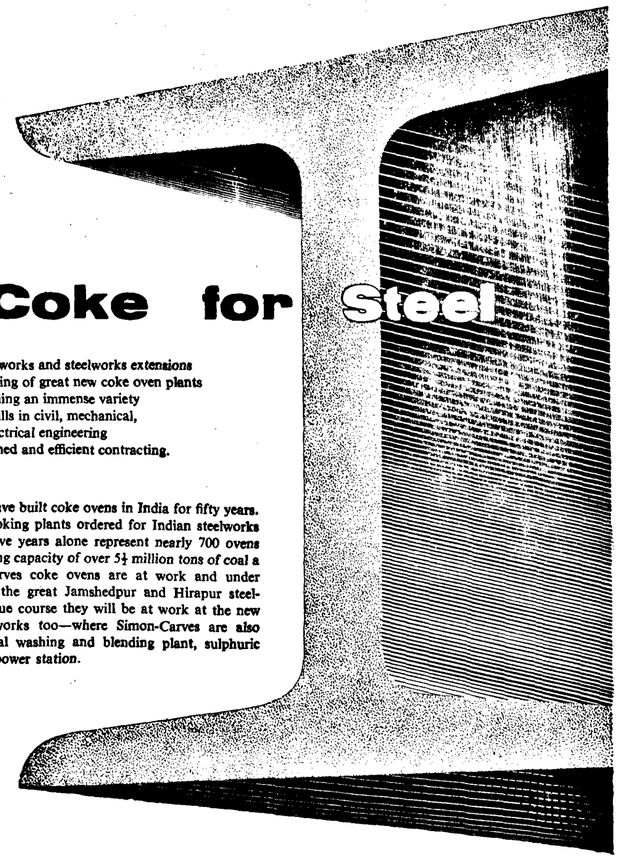
It is a way of saying that the U.S. is becoming a group economy. Mutual funds are booming. The monthly investment plan of the New York Stock Exchange is a relative success. Any employed person in an average company is subject to group benefits. They are most likely the only benefits, or potential benefits, he or she has. It is all done on the basis of acturial tables.

They show how many people die and survive, in what age groups, from whatever causes. It has been extremely good business for the underwriters and it has been a great factor of stability for the U.S. economy. How these actuarial tables would show up under the stress of atomic warfare is another question. There are also such unknown factors as radio-active dust, nerve gases, psycho-chemicals and various disease agents which may be applied in future warfare.

Group Economy

So far, the group economy of the U.S. is doing all right, despite the recession. Pleasure boats have reached a new high in numbers and the luxury trades are still booming. Tourists trade is not too far from its peak and the average American remains well fed, well housed and well clothed by any standard.

Meanwhile, the two major political machines, Republican and Democratic, are being primed for the Congressional elections this fall, It is not a very exciting contest. Both parties are enmeshed in the same foreign policy dilemma. The Democrats, no doubt, will make capital out of Secretary Dulles' mistakes abroad, the recession is and is not a vital issue and Federal deficit financing does not interest anybody but Government bond traders who have a fair understanding of fiscal matters. The average voter is concerned with his weekly pay-cheque and more than 62 million are getting it regularly.—*All Rights Reserved.*



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MEDIUM-TERM LOANS TO INDUSTRIES

REFINANCE CORPORATION SET UP

AFTER a lapse of more than a year since the broad outline of the scheme for providing medium-term loans to medium-sized industries had been settled, the institution through which such credit is to be made available was registered on the 5th inst. as a private limited company under the name of Refinance Corporation for Industry (Private) Ltd. The idea of providing credit to private enterprise through specified banks can be traced to the Agricultural Commodities Agreement signed between the Government of India and the U.S. Government in August 1956, under which a sum of about $55 million or Rs. 26 crores from the counterpart funds was reserved for the purpose of relending to industries.

The Board of Directors of the Refinance Corporation consists of seven members, including the Governor of the Reserve Bank (who will be Chairman) and one of the Deputy Governors, the Chairman of the State Bank of India, the Chairman of the Life Insurance Corporation and three representatives of the banks associated with the scheme.

This is the second institution of its kind to be set up through U.S. aid for giving credit to private industries, the first one being the Industrial Credit and Investment Corporation Ltd. (I.C.I.C.). There is, however, one difference between the two institutions. While the I.C.I.C. can lend directly to industries, the Refinance Corporation cannot do so. As the latter's name itself implies, it is designed to lend to industries through selected Scheduled banks. The aim is to encourage banks to extend medium-term lending facilities to industries. There are several institutions for meeting long- and short-term credit needs of industries, but none to give exclusively medium-term credit. The various Financial Corporations, I.F.C. and State institutions give long-term, and Scheduled banks, short-term loans. It is true that a large volume of the Scheduled banks' advances, which is theoretically short-term credit, is being renewed periodically, so that the loans are in effect medium-term credit. The banks cannot, however, openly take the risk of locking up their funds in medium-term loans. It is to help banks in doing so that the Refinance Corporation has been set up. The setting up of the Corporation is, therefore, a welcome experiment in the history of banking in India.

The authorised capital of the Corporation is Rs. 25 crores. It will have an initial issued capital of Rs. 12.5 crores, contributed jointly by the Reserve Bank of India, Life Insurance Corporation and 15 of the larger Scheduled banks. These banks are: the State Bank of India, Central Bank of India, Punjab National Bank, Bank of India, Bank of Baroda, National Overseas and Grindlays Bank, United Commercial Bank, Lloyds Bank, Allahabad Bank, Chartered Bank, Indian Bank, United Bank of India, Mercantile Bank, Devkaran Nanjee Banking Co. and State Bank of Hyderabad. It will be recalled that, in May 1957, the Reserve Bank of India Act and the State Bank of India Act were amended in order to enable the two institutions to participate in the share capital of the Refinance Corporation for Industry. The share of the Reserve Bank in the capital of the Refinance Corporation is Rs. 5 crores and that of the State Bank of India Rs. 2.5 crores. The L.I.C. will provide Rs. 2.5 crores and the balance will be met by the other Scheduled banks. The issued capital will be supplemented by the American counterpart funds to the extent of Rs. 26 crores, so that the total resources that will be available to the Corporation will amount to Rs. 38.5 crores.

The procedure to be followed in making available loans to medium-scale industries is somewhat circuitous. Thus, the Government of India will make available to the Corporation the amounts required by the latter from time to time in the form of interest-bearing loans for distribution to Scheduled banks and arrange to obtain reimbursement in due course from the counterpart funds. The Scheduled banks in their turn will give loans to creditworthy industries from their funds and get themselves reimbursed by the Corporation. This part of the procedure is somewhat analogous to getting loans from the Reserve Bank against usance bills. Consequently, the banks will take the entire risk and responsibility for the creditworthiness of the industries to be financed. Out of the total amount of Rs. 38.5 crores thus available, each of the participating Scheduled banks will be allocated a quota within which it will be eligible to obtain refinancing facilities from the Corporation. The quota of each bank has not been announced, but it must obviously depend on the size of the bank.

Loans given by the member-banks to be eligible for assistance from the Corporation, must be for medium-sized industrial concerns for amounts not exceeding Rs. 50 lakhs in any one case and the period of the loans should not be less than three or more than seven years. These facilities will be available only to industrial concerns the paid-up capital and reserves (excluding reserves for the payment of taxes and normal depreciation reserves) of which do not exceed Rs. 2½ crores in any particular case. Loans must be for the purpose of increased production, primarily in industries included in the second Five-year Plan and succeeding Plans.

The next important question which arises is the rate of interest to be charged by banks on their advances to industries given out of the funds of the Refinance Corporation and that to be charged by the latter on loans given to banks. No indication of the rates of interest to be charged is available, as the Board of Directors of the Corporation has yet to meet themselves and then have a discussion with the representatives of banks on the details. In discussing the details, the Directors have to take into consideration the change in the conditions of the money market during the last one year. With the sharp rise in interest rates on deposits paid by banks and with the credit restrictions imposed on banks, their margin of profit has thinned down very much during the last 12 months. It is, therefore pointed out that the margin of profit earned on providing medium-term credit to industries should be at least as much as that earned by banks on their other advances. If this is to be so, the rate of interest charged by the Refinance Corporation cannot be more than the general rate of interest on deposits.

It may, on the contrary, be argued that the rate of interest on loans to banks (which are also of a medium-term nature) cannot be linked to or related to deposit rates of banks, as the deposits of banks are utilised to give advances repayable on demand, while the funds received from the Corporation are lent to industries for fixed periods and as such should bear a higher rate of interest than deposit rates. It is also argued that banks should not view the proposition from the point of profit motive alone but in the larger interests of industrial development. It should also be noted that the counterpart funds actually belong to the U.S., on which the Refinance Corporation has to pay interest when it borrows them through the Government of India. The rate of interest on loans to banks can, therefore, be expected to be fixed with an eye on a reasonable margin of profit to the Corporation. Anyway, it is to be hoped that an amicable and workable settlement on the details will be arrived at between the Corporation and the banks to make the venture a success.

BOMBAY STATE FINANCIAL CORPORATION

The working of the Bombay State Financial Corporation (Managing Director: Mr. O. H. Gheewala, Bombay) during the year ended 31st March 1958, the second year of its operation after the amalgamation of the two former financial corporations of the States of Bombay and Saurashtra, following the integration of the States, has been encouraging, in that the profit for the year has gone up from Rs. 7.38 lakhs for 1956-57 to Rs. 8.29 lakhs. It compares more favourably with that of Rs. 6.78 lakhs earned by the two former corporations in 1955-56. The higher profit has been achieved, despite a decline in the number of applications for loans and the amount of loan sanctioned. Notwithstanding the rise in profit, the Corporation has had to ask for a higher subvention from the Government of Bombay to pay the guaranteed minimum dividend of 3½ per cent. per annum for the year under review, consequent on the increase in the provision for taxation and the allocation to the reserves.

Out of the profit of Rs. 8.29 lakhs, the Directors have set aside Rs. 44,000 each for the statutory reserve fund and the reserve for bad and doubtful debts, having raised the allocation to each from Rs. 37,500 made a year ago. The provision for taxation has been stepped up from Rs. 3.04 lakhs to Rs. 4.40 lakhs, leaving a balance of Rs. 3.01 lakhs, which falls short of the amount required (Rs. 7 lakhs) to pay the guaranteed minimum dividend by Rs. 3.99 lakhs (as against Rs. 3.41 lakhs a year ago). This shortfall is being taken as subvention from the Bombay Government bringing the total contingent liability under this head to Rs. 17.34 lakhs so far.

During the year under review, the Corporation received 84 applications, for loans aggregating Rs. 267.74 lakhs as against 97 for Rs. 301.31 lakhs in the previous year. Of these, 25 applications were sanctioned loans for Rs. 53.30 lakhs, while in the previous year 37 applications for Rs. 72.47 lakhs had been sanctioned. The number of applications pending as at the end of the year was 39 for Rs. 130.59 lakhs, as compared with 17 for Rs. 68.79 lakhs a year ago. These bring the total number of applications for loans sanctioned so far to 154 for Rs. 317.45 lakhs.

Out of the loans aggregating Rs. 321.20 lakhs sanctioned, a sum of Rs. 201.99 lakhs has been disbursed so far and Rs. 18.49 lakhs may be disbursed from time to time as may be required by the industrial concerns for implementing their respective programmes of expansion. A further sum of Rs. 55.70 lakhs may be disbursed as soon as the legal formalities are satisfactorily completed. The Corporation's total commitments thus amount to Rs. 276.18 lakhs, as against a paid-up capital of Rs. 200 crores. In order to augment its lendable resources, the Corporation issued during the year bonds of the face value of Rs. 1 crore with a maturity of 10 years. The issue price was fixed at Rs. 98.50 per cent. The bonds are repayable at par in 1967 and carry interest at 4½ per cent. per annum. The bonds were oversubscribed, the total subscriptions amounting to Rs. 116.51 lakhs. Of these, bonds to the value of Rs. 3 lakhs were repurchased, so that the total outstanding amount on this account as at the close of the year was Rs. 113.51 lakhs. The Directors point out in their report that the Corporation may have to approach again the money market for additional funds with a view to expanding its activities in the enlarged State, which, in their opinion, has considerable industrial potentialities.

The paid-up capital of the Corporation is Rs. 200 lakhs, as against which the reserves aggregate Rs. 3.31 lakhs. The outstanding loans as at the close of the year aggregate Rs. 171.13 lakhs. Investments in Government securities amount to Rs. 11.95 lakhs and cash balances Rs. 130.25 lakhs.

PUNJAB FINANCIAL CORPORATION

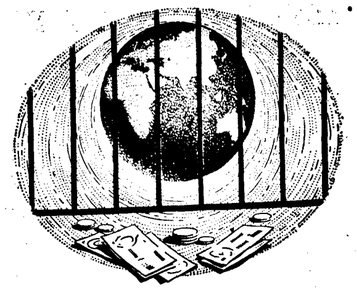
A further small rise from Rs. 3.70 lakhs to Rs. 3.79 lakhs in profit is disclosed by the audited accounts of the Punjab Financial Corporation (Managing Director: Mr. H. L. Bahl, Jullundur) for the year ended 31st March 1958. With this increase—albeit small—the upward trend in the profit of the Corporation has been maintained since its inception, having gone up from a mere Rs. 71,518 in the first year of its working. The accounts also reveal that there has been a substantial increase in the demand for loans, the aggregate amount sought for being Rs. 112.54 lakhs, as against Rs. 56.49 lakhs in 1956-57.

The number of applications sanctioned has fallen from 28 to 19, but the amount of loans has grown from Rs. 26.35 lakhs to Rs. 31.32 lakhs, in contrast to the sharp fall from Rs. 39.57 lakhs to Rs. 26.35 lakhs in 1956-57. Eleven applications for Rs. 9.37 lakhs were rejected, as against six for Rs. 2.55 lakhs in the previous year. As many as 15 applications for Rs. 36.40 lakhs either lapsed or were withdrawn, the corresponding figures for 1956-57 being 11 and Rs. 10.81 lakhs, respectively. Thirty-one applications for Rs. 69.95 lakhs were pending at the end of the year, as compared with 21 for Rs. 40.38 lakhs a year before. The total amount of loans sanctioned so far is Rs. 146.53 lakhs, of which loans declined by the parties or cancelled by the Corporation amount to Rs. 23.04 lakhs. Out of the balance of Rs. 123.49 lakhs, the amount of loans disbursed comes to Rs. 91.81 lakhs, leaving a balance of loan commitments at Rs. 31.67 lakhs.

As the Corporation had sanctioned by the end of June 1957 loans in excess of its paid-up capital and the scope of its activities had been expanded, the Corporation had to increase its resources by issuing bonds to the tune of Rs. 1 crore at Rs. 98.50 per cent. The bonds carry interest at the rate of 4½ per cent. and are repayable in 1968.

Out of the profit of Rs. 3.79 lakhs, the Directors have set aside Rs. 5,000 to the statutory reserve fund, raising it from Rs. 3,000 provided a year ago. The allocation to the investment reserve has also been raised from Rs. 27,000 to Rs. 30,000 and the provision for taxation from Rs. 1.70 lakhs to Rs. 2.05 lakhs. The balance available for paying the guaranteed minimum dividend of 3 per cent. is Rs. 1.39 lakhs, as against Rs. 1.70 lakhs, with the result that the Corporation has to take a larger subvention of Rs. 1.60 lakhs (Rs. 1.29 lakhs) from the State Government.

The Corporation's paid-up capital is Rs. 100 lakhs, while the reserves aggregate Rs. 10 lakhs, including an investment reserve of Rs. 57,000. The outstanding liability on account of the 4½ per cent. bonds issued is Rs. 102.17 lakhs. The amount of loans and advances outstanding is Rs. 75.46 lakhs. Investments in Government securities aggregate Rs. 30.78 lakhs and cash balances Rs. 98.08 lakhs.



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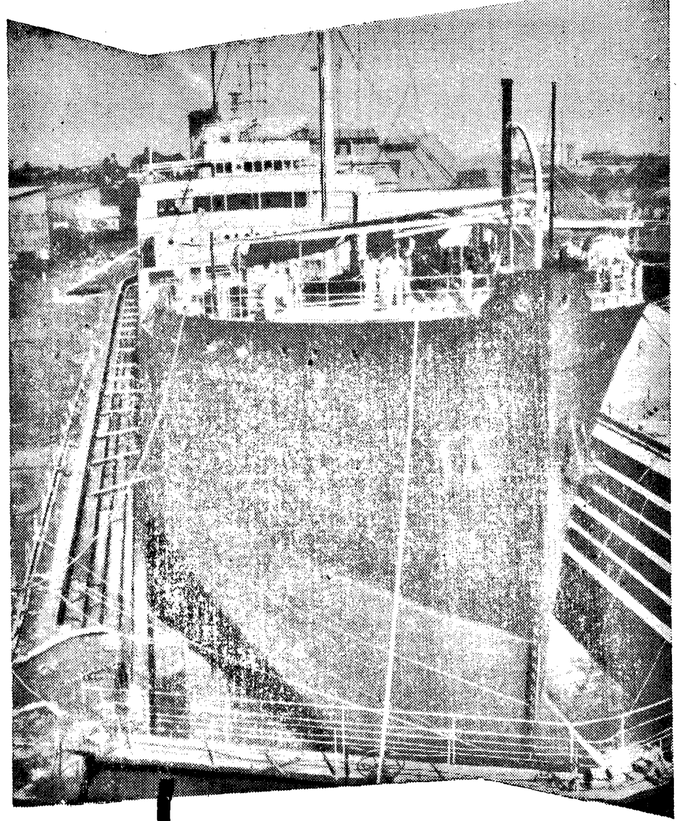

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MODERNISATION IN TEXTILE INDUSTRY

TECHNICAL DEVELOPMENTS WILL INCREASE EMPLOYMENT, SAYS I.L.O. COMMITTEE

NEVER in the history of the cotton mill industry in India had the need for modernisation and rehabilitation been so urgent as it is today. Besides its obsolescence, much of the machinery and equipment of the industry has outlived the period of efficient and economical service. It is not surprising, therefore, that the rate of productivity in the textile industry is markedly lower than that in countries like Japan, the U.K. and the U.S. One of the serious impediments that has all along been lying in the way of rehabilitation and modernisation is the opposition from workers. This opposition is prompted by the fears that modernisation of equipment in cotton mills will lead to serious dislocation in the ranks of labour. That these fears are ill-founded was clearly brought out by the Textile Committee of the International Labour Organisation in the course of a resolution adopted at the end of the meeting held in Geneva recently; the meeting was attended by delegates representing the Governments, employers and workers of the 20 member-countries belonging to the Committee. The resolution, which concerns the effects of technological developments, states that the introduction of such developments should lead to lower production costs and higher consumption of textile goods, thus creating a situation leading to social progress, whereby a steadier and higher level of employment can be provided and good working conditions and amenities can be created, together with a higher level of real earnings.

Among the reasons for the introduction of technological developments to which the resolution refers are the need to improve quality or to change the pattern of production for competitive reasons, or for a combination of these causes. The resolution also alludes to the fact that technological developments are sometimes introduced to prevent losses and to enable the textile concerns to continue in business. Higher profits may or may not, therefore, result. It urges maintenance of close co-operation between the representatives of managements and labour with a view to the smooth introduction of technological changes. To quote it: "Both the management and the workers' representatives have a positive part to play in encouraging these changes. Work study and job evaluation can serve as a useful guide and protection for both employers and workers."

Distribution of Benefits

Discussing the distribution of benefits resulting from technological developments, the I.L.O. Textile Committee points out that the benefits may arise in very different forms, including, for example, a varying margin between cost of production and previously existing sale price levels, reduced costs enabling a concern to maintain production and employment, and improved conditions with or without a change in costs. The Committee accordingly considers that it is impossible to lay down a general formula or formulæ in relation to distribution of benefits, but both workers and employers are in agreement that the benefits should be shared between the capital and the labour engaged in the industry and the consumers of textile products. In this connection, it is stressed that, when technological developments involve changes in skills, vocational training should take into account the new requirements and that older workers must be allowed a reasonable period to adapt themselves to the new conditions.

The resolution adopted by the I.L.O. Textile Committee then gives a number of measures to reduce to a minimum the unfavourable effects of technical developments, including redundancy. In the considered opinion of the Committee, in cases of surplus labour, it is the responsibility of employers' and workers' representatives and Governments, each in their own sphere, to foresee as far as possible the effect on existing unemployment and to reduce to the maximum possible extent the effects of redundancy due directly or indirectly to technological or other changes. Technological improvements in the textile industry should, it is felt, play their part in enabling a reduction in the hours of work without loss of real wages and achievement of increased leisure, including paid holidays. This question will, of course, have to be considered in the light of all relevant social and industrial factors.

The I.L.O. Textile Committee also adopted a memorandum in which it discussed the conclusions it had reached on the working conditions in the textile industry. It recommended a series of measures that should be taken by the textile factories in order to ensure satisfactory working conditions. Many of these measures concern the environmental factors—cleanliness; lay-out and spacing; temperature, humidity and ventilation; lighting, noise and vibration; dusts, fumes, gases and vapours; and lifting and carrying of heavy weights. Other measures relate to prevention of industrial diseases and research to improve working conditions.

As regards the action taken by the International Labour Organisation, the Committee has invited the Governing Body to request the Governments of the member-States, as well as the appropriate employers' and workers' organisations and research institutions in each country, to communicate to the Office the results of research into working conditions in the textile industry. It has also invited the Governing Body to instruct the I.L.O. to ensure that these results and other information are made known to all concerned, as also to convene meetings of experts whenever necessary to improve international standards of working conditions in the textile industry. In the course of another resolution, the Committee asked the Body to instruct the I.L.O. to institute a comprehensive enquiry into work study methods used in the textile producing countries.

THE "HANDBOOK OF INDIAN COTTON TEXTILE INDUSTRY—1958"

This *Handbook* (published by the Cotton Textiles Export Promotion Council, Cecil Court, 26, Lansdowne Road, Apollo Bunder, Bombay-1. Price: Rs. 3.00) is designed to serve as an exhaustive reference book for the textile trade in India and overseas. The edition is an improvement on the previous publication and every effort has been made to secure the most authentic information, based on a comprehensive questionnaire issued to the individual units in the various branches of the cotton textile industry. The *Handbook* contains a brief survey of the cotton mill, hosiery and apparel industries in India.

As part of the survey of the cotton mill industry, the publication gives a list of the composite and spinning mills with their production capacity, plant and equipment, as well as the range of yarn and fabrics manufactured by them. Particular attention is paid to the export qualities manufactured by the mills so as to make it convenient for the exporters in India and importers overseas to locate sources of supply for the range of goods required by them. An interesting part of the *Handbook* is an analysis of the hosiery and apparel industries in India. These sections contain an exhaustive list of the names and addresses of the hosiery and apparel manufacturers and range of goods manufactured by them. The publication is also well illustrated with photographs of several manufacturing processes in the mill, hosiery and apparel industries.

(Concluded from next column)

production line for the preparatory operations in fine-combed spinning of wool. The Research organisations of the U.S.S.R. Ministry of Light Industry and the Ministry of the Machine-building Industry worked on designs of machines and devices for the first automatic transfer machines for cotton spinning

The review of the progress in weaving machinery manufacture reveals constant improvement —quantitative and qualitative—in production. Automatic looms are widely used in production; in 1956, the output of such looms amounted to 92 per cent. of the total loom production. A still greater application of modern technique is being foreseen. In the Moscow region alone, it is planned to install 1,000 new automatic looms during 1958. In compliance with the plan of development of the U.S.S.R. National Economy in 1958, it has been decided to put into operation 224,000 spinning spindles and over 8,000 looms Soviet engineers are now elaborating new types of looms and machines.

The Ivanovo Textile Machine Works, for instance, has installed VZN-4SL model range which enables continuous boiling of crepe-de-Chine and crepe-georgette type silk fabrics in rope form. The time of boiling of silk fabrics in the new range is reduced by 2.2 times as compared with the boiling process in ordinary machines of periodical action.

TEXTILE INDUSTRY IN SOVIET RUSSIA

GROWING APPLICATION OF AUTOMATION

THE textile industry in Soviet Russia is making great strides towards rapid development in various fields—growing production of raw materials like cotton, flax, wool, hemp, kenaf and rayons, construction of new mills, and development of the engineering industry which, it is claimed, is in a position to meet the full demand of the industry for textile machinery. The preliminary estimates for 1957 as given by Mr. N. Tarasov, show that the U.S.S.R. produced 5,565 million metres (0.914399 metre=1 yard) of cotton fabrics, 425 million metres of linens, 278 million metres of woollens and 802 million metres of silks. These compare very favourably with 2,582 million metres, 120 million metres, 103 million metres, and 43 million metres, respectively, in pre-revolutionary Russia (1913). It is recalled that, in 1913, some branches of the textile industry did not exist at all, or were in their embryonic stage and that there were no factories for primary processing of flax, kenaf and hemp, no cocoon-reeling industry, and cotton ginneries were very few.

According to Mr. Tarasov, in recent years, many new textile producing centres have been developed, their locations being chosen, in according with scientific principles of distribution of the socialist industry, namely, location of industry close to the sources of raw materials, fuel and power resources, and to the consuming districts; industrialisation of the formerly backward regions; and rational division of labour between districts through the correct synchronisation, specialisation and overall economic development of these regions. It is pointed out that the industry had a lopsided and haphazard development in pre-revolutionary Russia. For instance, 90 per cent. of all the spindles and 96 per cent. of the weaving looms were concentrated in the Central industrial area, the North West (Leningrad) and West (Baltic), while nothing was done to develop textile production in the main cotton-growing regions of Central Asia and the Transcaucasus. Textile production, however, was restored in these regions during the period 1921-27. In the first and second plans, attention was focussed on the development of textile industry in the principal cotton-growing regions of the U.S.S.R. Along with construction of textile mills in the new regions, the industry was expanded in the central region. Altogether, the number of spindles was raised by 1,660,000 and of weaving looms by 16,000, the corresponding increases in the new regions being 696,000 spindles and 12,885 looms, respectively.

Automation

A most striking feature of development in the Soviet textile industry is the growing application of automation and industrial research in the field. In 1956, the proportion of new machinery went up considerably in all branches of textile industry. Cotton-spinning mills received a great many units in which all operations such as loosening, cleaning, and scutching, and production of the cloth were completely combined and automatised. Engineering works furnished the textile industry over 12,000 automatic looms and Soviet designers and engineering plants worked on designs of new types of the highly-productive automatic looms for the different branches of the textile industry. Of special interest among others is a new automatic loom with a change of bobbins for silk mills. It is pointed out that it operates at a much higher speed than that of mechanical looms.

A project had been worked out for the establishment of an automatic factory for bleaching fabrics by means of hydrogen peroxide instead of calcium hypochlorite. A new unit AOZH-2 is also reported to have been manufactured by the Ivanovo Textile Machinery Works for continuous bleaching of cotton fabrics. By using this unit, which is made up of 15 machines and apparatus, it is possible to cut the bleaching process from 36-48 hours to 2½-3 hours. Further, at the Naro-Fominsk works, the automatisation of the whole weft winding shop was completed, which made it possible to release over 100 workers from that shop and put them to work elsewhere in the factory where workers were needed, to increase labour productivity and raise shop output by approximately 50 per cent. The Central Woollen Industry Research Institute and the Textile and Light Industry Engineering Research Institute completed a joint project for

(Continued in previous column)

SLUMP IN EXPORTS OF COTTON GOODS

NEW SYMBOL FOR CALCULATING AMERICAN TYPE YARN PRICES INTRODUCED

From A Special Correspondent

MANCHESTER, *3rd June*

THE slump in exports of United Kingdom cotton goods in the month of April cannot be entirely explained away by the fact that Easter fell during that period. It is more than ten years since any monthly total of cloth shipments was so low, excluding a couple of occasions when strikes interfered with the flow of goods to the ports. The total of 31,595,000 square yards of cotton cloth exported compared with 37,663,000 square yards in the same month in 1957 and 40,262,000 square yards in March this year. As a result of this sharp decline in exports, the four-month total of cotton cloth shipments is now 10,000,000 yards below the 1957 level at 147,797,000 square yards, and the earnings from this trade have declined by more than £1,300,000 to £19,419,480.

MANCHESTER LETTER

Individual markets absorbing Lancashire cotton cloth have not shown any marked change, although shipments to India and Pakistan are distinctly lower than during recent years. To the end of April, South Africa increased takings by more than 4,000,000 square yards at 24,954,000 square yards and shipments to Australia are also up compared with 1957 at 24,855,000 square yards. The other main buyers include New Zealand with 11,074,000 square yards and Nigeria with 10,264,000 square yards.

Yarn Sales Lower

Shipments of cotton yarn have lately shown a similar downward trend and the April total of 2,293,200 lbs. was practically 1,000,000 lbs. lower than in the same month last year. Yarn exports for the four months amounted to 10,330,000 lbs., as against 13,309,000 lbs., while the value of these goods fell from over £6,000,000 to £4,400,000. Australia accounted for nearly one-third of this trade, having absorbed over 3,000,000 lbs., but, in most other directions, shipments were substantially lower, notably to India, Pakistan, Canada and European textile centres.

Traders in Lancashire can take little comfort from the fact that imports during April were also substantially lower. The quantity of grey cloth arriving in British ports was 20,170,000 square yards, as against the record level of 44,617,000 square yards in the previous month. The door is still wide open for these foreign cloth purchases.

Over the four months, arrivals of cotton cloth of all kinds were almost identical to the 1957 level at 139,875,000 square yards and very similar totals were recorded of rayon cloth imports, at 21,111,000 square yards. The major suppliers remain the same, although some appear to be gaining at the expense of others.

Hong Kong has stepped up shipments from 17,568,000 square yards to 31,365,000 square yards and China has sent 28,884,000 square yards, as against 5,626,000 square yards. Arrivals from India have declined from 63,460,000 square yards last year to 44,035,000 square yards and imports of Japanese grey cloth have fallen from 18,677,000 square yards to 13,481,000 square yards.

American Yarn Basis

Some background to the reasons which prompted the Yarn Spinners' Association to introduce a new symbol for calculating American type yarn prices during April was provided in the President's statement made at the annual meeting. The advantages of the former system were largely based on the fact that the "ATS" symbol was not related to any particular description of cotton. The pattern of price relationship between the different growths, grades and staples never remains static for long, and the idea of having a symbol unrelated to a definite type was at the time felt to outweigh the disadvantages.

The main argument against the previous symbol was that publication of the figure alone had no significance, while the non-disclosure of the basic price created misunderstandings. Criticism of the price pacts in certain quarters of the industry is vociferous enough without offering a loophole for opponents of the scheme to complain still further.

The decision to pivot American type yarn prices on American *middling one-inch* cotton and to give the symbol price wide publicity was taken after consultation with the Liverpool Cotton Association and all the committees involved. Variations in the basis have not been quite as frequent as was at first anticipated, but, if changes are required, adjustments can be made expeditiously. The rise of 20 points in the "AMI" symbol shortly before the Whitsuntide holiday was complicated by differential changes which resulted in an actual decline in yarn quotations, in some cases amounting to nearly ½*d.* per lb.

It has been a bone of contention for some considerable time among members of the Liverpool Cotton Association that the Yarn Spinners' Association has been unwilling to link its prices with those ruling in Liverpool. The latest move is that a request has come from the Cotton Association for joint discussions about published prices. The representatives of the spinners are apparently ready to consider any practical arrangement which would improve their existing methods of pricing and, although such talks will, of necessity, be lengthy in character, the possibility of increased collaboration between the two bodies seems in prospect.

Price Falls Hit Trading

Many of the firms in the Lancashire cotton industry which are dependent for their supplies on the finer grades of the raw materials have been adversely affected by recent reductions in quotations brought about by the changes introduced by the Sudan Government. The inability to obtain Egyptian cotton has also reacted unfavourably on owners of such mills. Comment on the situation has lately come from several quarters in the form of annual statements made by chairmen of leading concerns of this branch of the trade.

Col. B. W. Heaton, Chairman of Crosses and Heatons Ltd., the Bolton spinning group, has pointed out that the decline in the Company's trading results has been due mainly to the drastic fall in the prices of long-staple cottons. In order to maintain the quality of this yarn, the group is forced to carry stocks of fine cottons and, although a decline in price may be anticipated by reducing commitments to the lowest possible minimum, the tendency is for such firms to be exposed to considerable risk, as it is essential to carry sufficient stocks not only to keep mills in production, but, in the absence of adequate spot supplies in Liverpool, time must be allowed for the raw material to be shipped from abroad. "This means carrying several weeks' additional supply against which risks we have no cover other than our order book," adds Mr. Heaton, "and, when customers are only placing orders sparingly, this order book cover is very limited."

Switch to Synthetics

Similar difficulties were experienced by the leading sewing thread firm of J. and P. Coats Ltd., whose Chairman, Mr. R. Laidlaw, commented on the difficult year experienced in the purchase of raw cotton supplies. "It is still not possible to buy Egyption cotton due to conditions laid down by H. M. Government," he pointed out. "The same handicap is not experienced by any of our foreign competitors. In certain top grades, substitute cotton has cost us some 18*d.* per lb. more than the price paid for equivalent Egyptian cotton by these competitors."

The prices asked by the authorities in the Sudan for their last season's crop were quite out of line with other market conditions, continued Mr. Laidlaw. Only when a large part of the crop in the lower varieties remained unsold were reserve prices adjusted.

Whereas companies dealing largely in the finer qualities of textile goods have been finding conditions difficult, other firms concentrating on specialist products have not found the outlook entirely unfavourable. Mr. E. P. Andreae, Chairman of John Bright and Brothers Ltd., the Rochdale group engaged in the manufacture of heavy canvas and cord fabric, points out in his annual review that the recession in the spinning and weaving industry in Lancashire had induced certain textile companies concerned only with the lighter side of the trade to embark on production of industrial fabrics to make good deficiencies encountered in their normal spheres.

Although there had been an increase of about 17 per cent. in group turnover, the modest improvement in the trading profit emphasised the exceedingly difficult trading conditions prevailing. "The handicap from which our trade is suffering today is due not so much to a general falling off in demand from customers but to a productive capacity far in excess of their needs." Mr. Andreae continued. "Such conditions inevitably lead to price cutting which, if not checked, could well degenerate into an irresponsible struggle for survival and might even prove disastrous to some of the weaker producers whilst certainly affecting our profits for the ensuing year."—*All Rights Reserved.*

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MR. K. N. MOOKERJEE'S SPEECH AT ANNUAL GENERAL MEETING

LIBERALISATION OF ESSENTIAL RAW MATERIAL IMPORTS URGED

PRESIDING over the Twelfth Annual General Meeting of the National Rubber Manufacturers Ltd. held at Calcutta on 9th June 1958, Mr. K. N. Mookerjee, Chairman of the Company, observed as follows:

"GENTLEMEN,

"I welcome you to the 12th annual general meeting of the shareholders of the Company. The Directors' report and the audited accounts in respect of the year ended December 1957, have been in your hands for some time and, with your permission, I shall take them as read.

"The Company, hitherto a private limited company, was converted in 1957 into a public limited company. The Company offered for subscription fresh share capital comprising 420,000 ordinary shares of Rs. 10 each and 10,000 6 per cent. cumulative preference shares of Rs. 100 each, as per prospectus dated 31st October 1957. The subscription lists which opened on 22nd November 1957 were closed within the earliest possible period of four days, owing to heavy oversubscription. This is ample testimony to the confidence which the investing public throughout India has in the future of your Company. Consequent to the public issue of shares, the subscribed capital of the Company now stands at Rs. 60,00,000. The shares, as you are aware, are officially listed in the Calcutta Stock Exchange and are freely transacted.

"The accounts for 1957 indicate that the steadily upward trend of sales in the past years has been maintained and reached a figure of Rs. 1,32,17,358. Although the funds arising out of the fresh issue of capital, mentioned above, were in the hands of the Company at the close of the year under review and could not be utilised for securing additional production during that year, your Directors have been glad to recommend dividends at full rates on all shares, including those representing the new issue.

Expansion Schemes

"The Company's fresh issue of capital last year was primarily intended for raising additional finance for the purpose of carrying out the following expansion schemes:

"(1) To increase the production of cycle tyres and tubes under a licence granted by the Government for this purpose. With the construction of new roads, the overall demand in the country for cycle tyres and tubes has been progressively increasing. The output of cycle tyres and tubes in India in 1957 was about 7.15 million and slightly over 7 million, respectively, as against the current domestic demand of 9 million each per year. The Planning Commission originally estimated that the target for cycle tyre production is to be fixed at 11.8 million per year. It is understood that this target under the second Five-year Plan has been revised to 26 million tyres and tubes per year. It is expected that the domestic demand will rise to 16 million tyres and tubes each by 1960, as there will be a steady increase in the number of bicycles, with improved road conditions. Indigenous production at present substantially lags behind demand and the Government has to permit limited imports to meet the deficit.

Cycle Tyres

"Your Company has undertaken a programme of substantial expansion of cycle tyre production. Most of the additional plant and machinery required for this purpose have arrived and others are on the way. Installation of the new machinery is partly complete and is already contributing to increased production. It is expected that, in early 1959, we shall reach our target production of cycle tyres and tubes with rated annual capacity of 3.0 million tyres and 1.2 million tubes.

"(2) Your Company undertook substantial expansion of its production of V-belts and fan belts. As estimated by the Planning Commission, the capacity in respect of V-belts and fan belts would be raised to 1.5 million by 1960. The installation of additional plant and machinery at the Company's factory for the production of V-belts and fan belts has been completed as per licence issued by the Government.

"(3) The demand for conveyor belting in the country is increasing steadily. The gap between production and the country's requirements of conveyor belting is gradually widening and, according to available estimates, import of conveyor belting alone involves a drain on our foreign exchange resources of more than Rs. 60 lakhs annually. Your Directors are going ahead with the arrangements for installation of additional capacity for conveyor belting and flat belting as per manufacturing licence granted by the Government of India.

Production

"During 1957, production increased in all directions but was inadequate to meet all the demands for our products; there is, however, ample scope for raising further the production of the items already handled by your Company. Given reasonable opportunities and operating conditions, I see no reason why this Company should not continue to expand steadily on a firm footing with a view to bridging the gap between production and demand. Much, however, will depend on Government policies with regard to imports of raw materials and finished goods and availability of foreign exchange.

"During the year 1957, the supply position of raw materials was not fully satisfactory and, at times, production had to be curtailed due to shortage of raw materials, particularly of imported items. Conditions with regard to raw rubber is particularly unsatisfactory. Although the rubber manufacturing industry is required to pay very high prices for Indian rubber for helping the indigenous rubber plantation industry to expand its production, the gap between demand and production has been increasing and the prospect of any improvement in the future is not very bright. No relief is available by importing rubber as allowed by the Government to meet the deficit, because any price advantage arising therefrom has to be credited to the Rubber Board, according to existing regulations governing the issue of import licences for raw rubber. In the circumstances, active steps should be taken for implementation of the Government project for early setting up of a synthetic rubber plant in this country in order to meet the deficit in indigenous production of rubber. Here is a sphere wherein the synthetic rubber project of the public sector can be co-ordinated with the rubber industry in the private sector with advantage to all concerned.

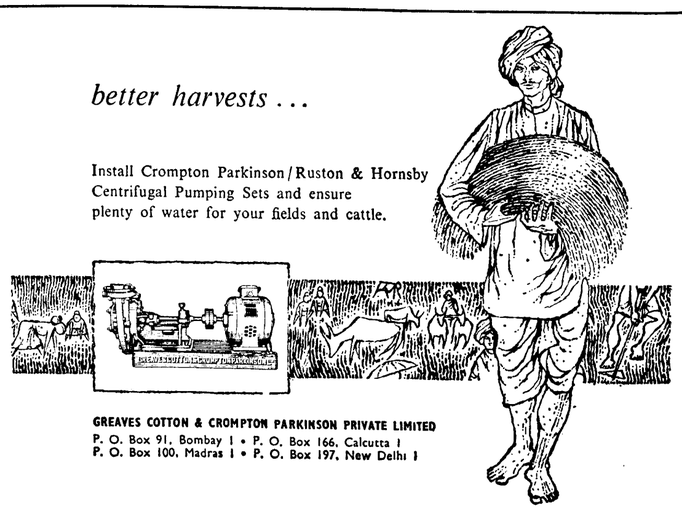
"The position of the rubber manufacturing industry in India at present is, in my opinion, paradoxical. At a time when it is expected to expand rapidly, it has to halt at every step on account of the restrictive policy of the Government in the matter of imports of raw materials. Many of these obstacles could be eliminated by the licensing of essential items on a more liberal and long-term basis than at present. The net cost of imported materials increased during 1957 due to a rise in the rates of import duty on certain items and imposition of such duty on others. It is also high time that vigorous steps were taken for the manufacture of certain essential materials required by the industry. I am happy to note that arrangements have been and are still being made for the production of some important items like carbon black, sulphur and lithopene.

"I am glad to be able to tell you that our labour relations throughout the year 1957 were cordial and that no loss of production was suffered by your Company on account of any dispute between the management and labour. This is an especially encouraging feature against the background of the generally unsatisfactory industrial relations in the country as a whole. I refer with pleasure to an agreement entered into in 1957 between the Company and the Workers' Union by which the workers have undertaken to contribute and maintain production at a high level in line with the Company's expansion programme.

Research

"During the year under review, the technical and research wing of the Company dealing with control of raw materials, processes and finished goods was enlarged in pursuance of the firm belief of your Directors in scientific development and technical control of the Company's products. It gives me great pleasure to inform you that the Indian Rubber Manufacturers' Research Association has been formed recently for the promotion of research and scientific work in connection with the rubber manufacturing and other trades and industries allied therewith or ancillary thereto, which is so essential for the proper growth and progress of the rubber industry in this country. I am sure this body will render useful service to the different units of the industry by solving its various technical problems from time to time.

"Before coming to the formal business of this meeting, I would like to thank all the shareholders of the Company for the valuable support they have extended in respect of its new issue of capital and the officers, staff and workers for their loyalty and hard work throughout the past year."



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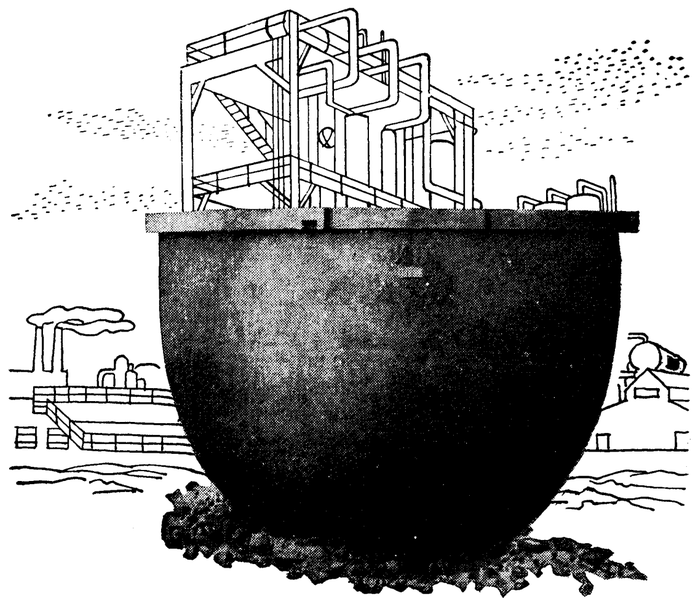

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BUILDING UP EXPORT MARKET FOR INDIAN SUGAR

REDUCTION OF PRICES IMPERATIVE

THE Government of India is expected to announce the export policy for sugar any day. A meeting of the representatives of the Ministry of Food and the Indian Sugar Mills Association was held in New Delhi early this month to consider the draft proposals finalised by the Ministry. Details regarding the deliberations of the meeting and the decisions arrived at therein are not known. From the reports available, it is, however, gathered that the Food Ministry is contemplating to set up a separate statutory corporation to handle the export business in sugar. The sugar factories may be asked, on a compulsory basis, to export 10 per cent. of their current season's production, that is, about 200,000 tons out of a total estimated output of 2,000,000 tons. With a view to meeting the loss on exports, a small levy is likely to be imposed on sugar released for domestic consumption. Any mill which fails to export the required quantity may have to pay a preferential excise duty on their domestic sales out of the export quotas.

While we do not wish to comment on the aforesaid scheme till the actual official announcement is made, we wish to reiterate that the sacrifice involved in sugar exports far outweighs the foreign exchange earned. The world price of sugar is currently ruling at about Rs. 415 per ton, as against the average price of Rs. 746 for Indian sugar, even after the full remission of excise duty (Rs. 291.20) and cane cess (Rs. 50.90). The loss on every ton of sugar sold abroad thus comes to as much as Rs. 331. On this basis and taking the export target at 200,000 tons, the aggregate loss on overseas sugar sales works out to Rs. 6.62 crores. This amount, together with the loss of Rs. 5.82 crores by way of excise duty remission and Rs. 1.02 crore by way of cane cess, will be Rs. 13.46 crores, as against the foreign exchange amounting to about Rs. 8.20 crores earned by exports.

It may, of course, be argued that, considering the critical position of foreign exchange in which the country finds itself today, whatever exchange that is earned from exports is most valuable. But this argument cannot be extended to such an extent as to overlook completely the long-term issue involved. The long-term issue is: How to build up a stabilised permanent export market for Indian sugar? The question is specially stressed because the prices of Indian sugar are high in all conscience and, unless they are reduced, the competitive capacity in world markets will continue to be very poor. Surely, the country cannot afford to go on exporting sugar at a loss continuously. The current wide disparity in the prices ruling for Indian and foreign sugars points to the need for a policy of rationalisation of sugar prices. This aspect was forcefully brought out by Mr. B. M. Krishnan, Chairman and Managing Director of the Mysore Sugar Company, Limited, when he addressed the twenty-fourth annual general meeting of the Company held at Bangalore on 30th May 1958; the full text of his speech was published in our last week's issue (*vide* pages 1070-1071).

What is not realised or is not so well known is, as Mr. Krishnan pertinently pointed out, that the sugar industry is helpless in regard to the matter of reducing prices, as the major elements in the cost structure are entirely beyond its control. Taking the average price of Indian sugar as 50 nP per lb., the cost of sugarcane that goes into the manufacture of sugar alone accounts for 21 nP, while excise duty and cane cess together account for another 18 nP. Viewed thus and considering the persistently upward trend in salaries, wages and other amenities for labour, as well as the appreciating costs of stores, spares and fuel, there is no exaggeration whatever in the statement of Mr. Krishnan that there appears to be little scope for the sugar industry to effect economies in manufacturing costs.

If the price of sugar is to be reduced to an economic level, it is imperative that the price of sugarcane is lowered and the heavy burden of taxation reduced. It is regrettable that this point has not received due recognition at the hands of the authorities. How else can one explain the recent decision of the Central Government to accept the principle of linking the price of sugarcane to that of sugar? It is unnecessary to go into this question, as it has been discussed in detail in our issue dated 29th March 1958 (*vide* page 573). Suffice it to say that the enforcement of the formula in its present form will, as Mr. Krishnan rightly said, cause great financial hardship and cripple a large segment of the industry in the country. Citing the example of his own Company which would in all probability be hit hard, Mr. Krishnan observed:

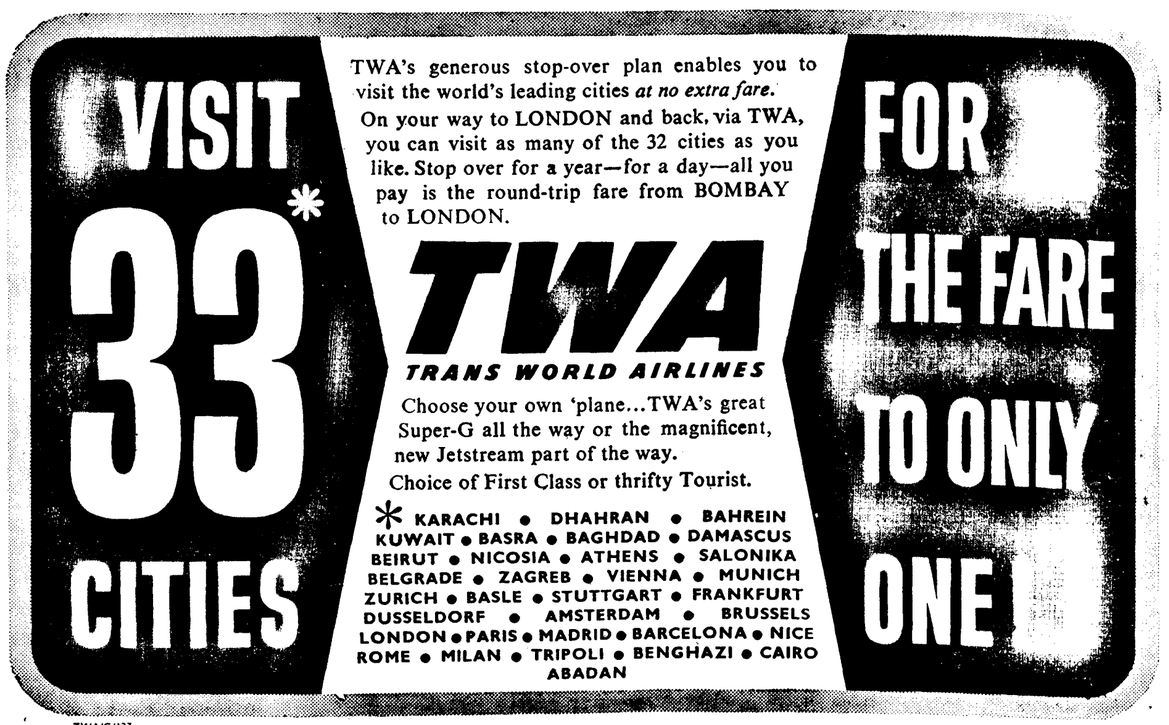
"According to our appreciation of the effects of the suggested formula of the proposed deferred price for cane over and above the statutory price, it is seen that, far from there being any profit, we will have to register a certain loss. While the ryots should get a fair and even liberal price for their cane, consistent with returns which they would derive from alternative crops and the earnings and paying capacity of individual units, the application of the present formula will put the sugar industry in a financial predicament and may lead to results which it is obviously nobody's intention to achieve. I earnestly hope that the authorities concerned will give due consideration to the appeals and suggestions made by the industry and suitably revise the formula, so that the fortunes of the industry are left in a sound position to help the ryot, on the one side, and all other sections intrinsically concerned with its future place in the industrial economy of the country, on the other."

There is considerable force in these observations. Instead of linking the price of sugarcane to the price of sugar realised by the mills, the Government can adopt the better and more rational policy of fixing a minimum price for cane at a level sufficient to ensure an economic return to the grower, leaving the maximum price to fluctuate in accordance with the law of supply and demand.

SUGAR MILLS IN EAST U.P.

At a meeting held in Gorakhpur last week, the East U.P. Branch of the Indian Sugar Mills Association requested the Wage Board for Sugar Industry to give, while fixing wages on region-wise basis, particular attention to some special factors obtaining in eastern Uttar Pradesh. The plea is based on the ground that the east U.P. factories, owing to adverse conditions for a number of years, have not been able to build up any reserves, to rehabilitate and modernise their plans, and to increase their capacity or renovate their plants, which are generally of small capacity and uneconomic, so that their cost of production is higher than those in other regions. It is said that, geographically, these factories are situated away from the consuming markets and have to pay higher rates of freight.

The future prospects for sugar mills in east U.P. are considered to be gloomy and its competitive capacity is rapidly dwindling. According to the Association, in certain regions, the factories have their own raw materials which reduce their cost of production and yield them additional profits. Most of the factories in east U.P. do not have their own farms. What is more, the paying capacity of the factories in this region is very low. In the opinion of the Association, the wages prevailing in a particular region in the agricultural and other occupations should also have a direct bearing on the wages to be paid in sugar industry. In east U.P., there is no other industry excepting sugar. As such, the Association points out, the agricultural wages should be considered before recommending revision of sugar industry wages, lest the labour from agriculture should be wholly driven away from agriculture to sugar industry to the great detriment of farming in east U.P.



DEMAND FOR HARD COKE TO BE REASSESSED

COMMITTEE TO STUDY FUEL ECONOMY

THE Government of India has appointed two committees, one to reassess the demand for hard coke in the country and the other, called the Fuel Efficiency Committee, to evolve suitable and adequate measures for achieving optimum economy and efficiency in the use of fuel resources in the country, particularly coal. The task of the first Committee is to make an overall assessment of the demand for sized hard coke that would arise by 1962 and to estimate the gap between the demand and availability of hard coke. The Chairman of both the Committees is Mr. P. M. Nayak, Coal Controller.

It will be recalled that, in May 1955, the Coke Oven Project Enquiry Committee estimated the demand for hard coke in the country by 1960 at 831,000 tons. Since then, there has been a rapid expansion of engineering and manufacturing industry consuming coke, and the demand for hard coke has far outstripped the supply. The problem will become more acute in the years to come, when the demand is expected to increase still further. It has, therefore, become necessary to reassess the requirements of hard coke and to plan for additional coal production to cover the gap between demand and supply. Accordingly, the Committee has been asked to recommend whether the required additional capacity can be obtained by expanding the existing coke oven plants including the Government plants at Sindri and Durgapur or by establishing new units at new locations.

In making its recommendations, the Committee will also go into the comparative advantages from the point of view of (1) availability of sources of supply of raw coal of the desired grade and quantity to be used in the plant with or without blending, (2) adequacy of transport, subject to the operating convenience of the railways, for the movement of these coals from pithead to the plant and of the finished products, including by-products such as tar, etc., from the plant to the ultimate points of demand, and (3) mode of disposal and extent of utilisation of the by-products, including coke oven gas and coal tar. The Committee has been asked to report to the Government within four months.

The second committee, namely, the Fuel Efficiency Committee, will deal with the broader problem of evolving suitable and adequate measures for making the maximum use of the available fuel resources.

The Committee will work in close co-ordination with the Department of Iron and Steel as well as with the railways and will be assisted in matters relating to research, technical investigations, etc., in the field of fuel efficiency and economy by a Fuel Efficiency Cell which will be located in the Central Fuel Research Institute. The Committee will evolve a pattern of survey, investigation and research in consumption of coals used in steam raising, power generation, processing and combustion in the various industrial furnaces and determine the combustion characteristics of different types of coals.

It will study the fuel problems of industries and advise them on the use of proper type of appliances. It will also draw up a comprehensive schedule of types, grades and sizes of coal for the various classes of consumers. The Committee will initiate and organise studies and surveys to ensure that the coals allotted to consumers are consumed with due regard to maximum fuel efficiency. It will also make recommendations for building up suitable technical organisations for fulfilling the above objectives.

It is true that the generation of other sources of power, such as atomic energy, will be more economic, but so far as India is concerned, with its limited financial resources, the replacement of coal by atomic energy as fuel cannot be thought of for several years to come. The general opinion among fuel technologists is that coal will still hold the field for a long time to come as the main source of fuel for the iron and steel industry and will, perhaps, continue to be the cheapest fuel until world's coal resources reach the stage of exhaustion. Coal is a wasting asset. In the context of the growing demand for coal by the developing iron and steel and other industries, there is a case for conservation of coal resources. At the same time, there is need to ensure that, in the name of conservation, excessive restrictions are not placed on the industry.

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PRICE STABILISATION FOR RUBBER

MALAYA DOES NOT FAVOUR WORLD AGREEMENT

THE fourteenth annual meeting of the International Rubber Study Group, which is now in session (from the 9th to 16th inst.) at Hamburg, is expected to discuss, among other things, the question of stabilising world prices of natural rubber. The meeting which will be attended by 100 to 200 delegates from the U.S., Australia, Austria, Belgium, Britain, Burma, Cambodia, Canada, Ceylon, Czechoslovakia, Denmark, France, Hungary, Indonesia, Italy, Japan, Liberia, Malaya, the Netherlands, Thailand, Vietnam and West Germany.

This is not the first time that the proposal for stabilisation of rubber prices comes up before the International Rubber Study Group or any other international gathering. It has been the subject of discussion almost every year for some years now. Even at last year's gathering of the I.R.S. Group, held in Indonesia, the question was raised by France and it also received some attention at the Economic Conference for Asia at its meeting in March this year. France wants to stabilise natural rubber price in order to ensure better living standards in South-East Asia. Malaya, as one of the largest producers of natural rubber, does not seem to be in favour of an international agreement for stabilising natural rubber prices, because of the inherent difficulties in implementing such a scheme. Moreover, Malaya does not feel the necessity of bringing in any such measures now, as statistics have proved that price has been stable for some time now. However, since rubber is a free market, some fluctuations are inevitable. Thus, the average price last month in Singapore was 73.13 cents f.o.b., as against 76.64 cents in April and 90.23 cents in the corresponding month of 1957. For the first five months of the current year the average price was 76.54 cents, as against 91.93 cents in the corresponding period of last year.

Earlier Talks Break Down

Some years ago, when the price of natural rubber fluctuated very widely on account of the Korean War, some schemes for stabilising its price were discussed seriously, but eventually the talks broke down. If nothing was achieved even in a period when fluctuations varied widely, it is doubtful whether the scheme will succeed now when prices, as already pointed out, are fairly stable.

When the question of price stabilisation for natural rubber was raised at last year's meeting of the I.R.S. Group, Indonesia and Ceylon, among the producing countries, were broadly in favour of the proposals. Though Malaya was sceptical about the success of the scheme, it did not express its view openly at the meeting, but diplomatically suggested further consideration. The U.S. and most other consuming countries were also opposed to it. At the end, the I.R.S. Group decided to continue at its next regular meeting, consideration of the need for possible action to reduce fluctuations in the natural rubber market.

It is quite true that few commodities have met with more severe competition from a synthetic product than natural rubber. With an improvement in both production and quality, synthetic rubber has become a severe competitor to natural rubber, but the price of the synthetic product has remained constant and has had a steadying influence on natural rubber for some time now. It is for this reason that the price stabilisation scheme is considered as ill-timed. Expressing this view, Sir John Hay, in his speech as Chairman of the United Sua Betong Estates Ltd., at the annual meeting of the Company held last week, said:

"The strange thing is that it should be revived at a time when rubber in its price has, for some time now, shown a greater degree of stability than is historically associated with that commodity. This new behaviour is, no doubt, due to the steadying influence of the synthetic product, the price of which scarcely varies. The untimeliness of this proposal and the arguments advanced in its support give colour to the belief that the term stabilisation is used on this occasion as a euphemism for a price support scheme conjuring up in some minds the inviting prospect of an unvarying profit for the producer with the comforting assurance of a regular revenue for his Government, a pleasant prospect indeed, but one, alas, remote from economic realities."

Fraught with Danger

Sir John was sceptical about the success of the scheme, unless it was truly international in character. In this connection, he quoted the instance of the International Tin Scheme and pointed out the dangers which any such scheme was fraught with. Thus, he observed:

"Rubber is produced in over a dozen territories spreading over four continents. It is a world commodity with a world market and selling at a common basic price. Any scheme for regulating price would require international agreement on a world scale, the provision of large funds for the acquisition of stocks, the power to restrict output and the administrative ability to do so effectively and equitably. It is difficult to believe that the many widespread producing territories in all their variability could conform to these essential conditions. The dangers of anything short of universal agreement are unhappily exemplified in the present tin scheme which by its omissions has given great impetus to production in Russia and China, necessitating increasing and burdensome restrictions on others. To embark on any such scheme for natural rubber would be fraught with great danger. The inevitable increase in costs, the depletion of cash resources tied up in stocks and restrictions on output would create intolerable burdens on an industry which must meet the severe competition of a synthetic product not so handicapped. The natural rubber industry could not afford any addition to existing burdens. Above all, its access to world markets must remain unimpeded and its capacity to produce unfettered, for only under such conditions could it hope to survive as a dynamic force in a rapidly changing world."

Outlook

Sir John was cautious in discussing the outlook for natural rubber price. "Events are too unpredictable," he said, "to justify a firm expression of opinion regarding the future course of prices." The future of automobile industry is, for instance, uncertain. In America, car production in 1958 is not expected, according to Sir John Hay, to exceed 4.5 million, as against over 6 million in 1957, while Europe, which is now said to be a larger consumer of natural rubber than the U.S., is said to have shown little contraction in demand. Whether this trend will continue depends on the early recovery in the U.S. and on political developments in Europe. Russia, its satellites and China together consumed about 280,000 tons in 1957, but no data is available to estimate their requirements in 1958. Figures of exports from Indonesia during the first two months of the current year show a fall of over 20,000 tons. It is, however, believed that the published returns of exports from Indonesia do not show a correct picture, as some exports have escaped official computation. Moreever, despite the internal political strife, Indonesia is expected to maintain production and export of rubber, in view of the dire need for earning foreign exchange. In translating the various speculations into figures, Sir John Hay estimated the production of natural rubber in 1958 at 1.92 million tons and consumption at 1.86 million tons. He, however, qualified his statement by saying that any such figures should, in all circumstances, be received with reserve.

U.K. PURCHASES OF CEYLONESE RUBBER

Britain's purchases of Ceylonese rubber in the first four months of this year were nearly triple those of 1957. Figures published by the Board of Trade in London show that from January to April the United Kingdom imported 11,576 tons (worth £2,486,000), as against only 3,509 tons (valued at £907,000) in the same period last year. In fact, the amount of rubber sold to Britain by Ceylon in the first four months of this year was not far short of the sales for the whole of 1957, which aggregated 12,689 tons, valued at £2,972,000.

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AB-14

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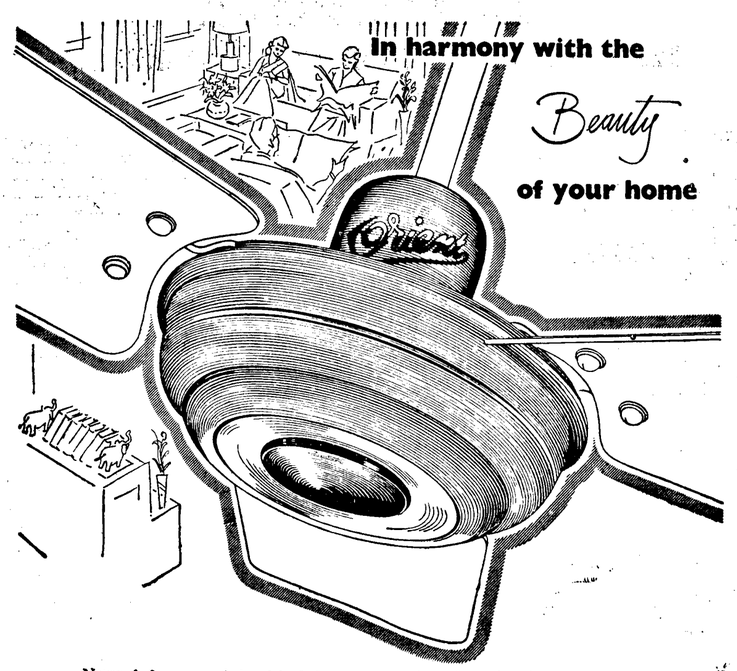

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OG-1/58

WORKING RESULTS AT A GLANCE
STATEMENT OF ACCOUNTS AS ON 31-12-1957

P.N.B.

63rd Year

LIABILITIES

i. Paid up Capital	Rs.	1,25,00,000
ii. Reserve Fund and other Reserves	Rs.	1,10,00,000
iii. Deposits	Rs.	1,24,60,98,458
iv. Other Liabilities (including contra items such as Bills for Collection and Acceptances, endorsements and other obligations)	Rs.	25,02,43,227
Total...	Rs.	1,51,98,41,685

ASSETS

i. Cash and Balances with Bankers	Rs.	24,48,48,166
ii. Investments		
(a) Investment in G. P. Notes, Municipal Loans, Shares and Debentures guaranteed by the Central and State Governments ... ... Rs. 37,56,76,496		
(b) Other Investments ... ... Rs. 1,26,38,414	Rs.	38,83,14,910
iii. Loans and Advances	Rs.	67,95,88,912
iv. Other Assets (including contra items such as Bills Receivable being Bills for Collection and constituent liabilities for acceptance, endorsements and other obligations)	Rs.	20,70,89,697
Total...	Rs.	1,51,98,41,685

Chairman
S. P. Jain,
General Manager
A. M. Walker

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Head Office: Delhi

DEVELOPING PEACEFUL USES OF ATOMIC ENERGY IN THE U.S.

PARTNERSHIP BETWEEN GOVERNMENT AND PRIVATE INDUSTRY

THE subject of a lively controversy in the U.S. is the role of private enterprise in development of atomic power for peaceful uses. At issue is the part to be played by private enterprise, on the one hand, and the part to be played by the Government, on the other, in ushering in the atomic age. In the U.S. until a few years ago, the Government had monopolised atomic energy and shrouded its development in mystery. There has of late been much criticism of the rate of progress achieved in the development of peaceful uses of atomic power or the lack of it. The controversy, of course, reflects honest differences of opinion among experts in a highly technical field still in its infancy. But much of it appears to stem from cleavages in political and economic philosophies, as the debate has crossed over from the purely scientific to the political arena. To complicate the matter there is the opinion that, unless the U.S. does something big, Soviet Russia will steal a march over it in developing atomic power plants and score another major propaganda victory. Finally, there is the consideration of developing goodwill under President Eisenhower's "Atoms-For-Peace" programme by increasing electric energy resources of fuel-needy and underdeveloped nations. Reduced to its essentials, the complicated controversy, according to the June *Monthly Bank Letter* of the First National City Bank of New York, turns on two questions: First, does private industry or Government offer the better means of tapping the nuclear power house for the beneficial use of mankind? Second, how fast should it be done?

Prior to 1954, the U.S.'s atomic energy programme was entirely in the hands of the Atomic Energy Commission (A.E.C.), which had been concentrating its efforts on other than nuclear power reactors. The Cole-Hickenlooper Atomic Energy Act became law in the summer of 1954, removing the shackles of Government monopoly and encouraging the participation of private industry in the atomic energy programme. Though still exercising strict control and supervision, the A.E.C., in effect, instituted a "partnership" with industry.

Politically-motivated Criticism

Almost continually since then, those who favour Government development of the atom have sharply criticised private industry for not making fast enough progress, and thus contributing to "an atomic power deficiency in the country." Senator Albert Gore of Tennessee, author of a Bill introduced in Congress last year that called for the Government to build $400 million of atomic power plants and a Bill at this session authorising expenditure of one billion dollars for a wide range of nuclear projects, complained: "Today the U.S. is further behind in the actual construction and operation of large-scale atomic power plants than ever before. Moreover, under the present A.E.C. programme and policies the situation will grow comparably worse instead of better." Hearings of the Joint Committee on Atomic Energy earlier this year provided other examples of politically-motivated criticisms. For instance, Andrew J. Biemiller, Director of the A.F.L.-C.I.O.'s Legislation Department, testified: "... America's rate of atomic power development is still highly inadequate. The Government should undertake promptly to construct and operate several large-scale atomic power plants to gain the practical experience and knowledge necessary for the United States to be able to provide effective world leadership in this field and to provide needed impetus for development for domestic needs as well."

The private industry-A.E.C. approach to nuclear power development might be described as working towards atomic "quality," as opposed to "quantity." The idea, it is stated, is to amass technical know-how through intensive research, with experimental reactors getting first priority. As the best types work out, they become the basis for large-scale power-producing prototypes. The idea of a "kilowatt race" was rejected because of the abundance of conventional fuels (coal, oil, gas) which, together with the advanced electric power technology achieved, provide the U.S. with the cheapest power in the world. The situation, it is recognised, is quite different in high-cost fuel areas such as Western Europe and the U.K. But it is also felt that the U.S.'s enviable conventional fuel position will not last for ever; coal deposits, while huge, are not limitless. It is, therefore, also recognised that now is the time to "advance the art" of nuclear technology so that the country will be in a position to produce atomic power economically when the need arises.

There are, however, differences of opinion when that date will arrive, but all parties are agreed that it is a long way off. The Atomic Industrial Forum estimated recently, on the assumption of continued reductions in nuclear power costs, that of the 8.9 million kw. of new generating capacity to be installed between 1965-70 in high-cost fuel areas, some 75 per cent. will come from atomic plants. According to Secretary Fred Seaton, atom power will compete with conventionally-produced power throughout the nation within two decades "if present trends continue." And Mr. Spron, President of the American Electric Power Company, foresees that by 1975 between 7 and 8 per cent. of the electricity produced in the U.S. will come from atom power plants.

A Vigorous Infant

In the meantime, while the industrial atom industry is only an infant, it is a decidedly vigorous one. The electric utility companies' programme includes 15 announced nuclear power plant construction projects involving a total investment of over $520 million. By the end of this year, electric utility companies will have spent about $140 million in furtherance of nuclear power development. Another $100 million will be spent in 1959.

It should be emphasised, however, that the A.E.C. has played an important part in the development of civilian power reactors. In the fiscal 1956-59 period, it is estimated that the A.E.C. will have spent some $265 million on research, development and construction of at least 12 different reactor types. In addition, it will have paid out some $38 million under the co-operative programme with private electric utilities and public power agencies. Moreover, the free flow to industry of information developed through A.E.C. research programme has been of immeasurable value.

In the battle over the industrial atom, advocates of public and private power at least agree on one thing: there is no question but that the Government will continue to play some kind of role. The very nature of the basic fuel—uranium—makes this inevitable. The same material and a great deal of the same knowledge can be used either to spin a turbine supplying power for the wheels of industry or to produce an atom warhead. Production and stockpiling of atomic weapons—and the need to keep abreast of all forms of nuclear technology—will be a continuing task for the Government. Thus, the hard fact is that the Government will continue to be deeply involved in all areas involving the atom. The real question, then, is: What kind of a role will it play, how large, and by what means?

If the Government launches a reactor "crash programme" and tries to develop the whole job, it will not only be costly for taxpayers but will retard advances in reactor design. Moreover, it is pointed out by representatives of private industry, that such a programme would greatly expand Government intrusion into the electric power industry. The Atomic Energy Act of 1954 stated that the development, use and control of atomic energy shall be directed so as to "... strengthen free competition in private enterprise." Yet "preference clauses" in the Act run, it is pointed out, contrary to such principles. One such clause gives public power groups preferred consideration in granting of licences for facilities to generate atomic electric power. The long time "preference clause" gives priority to public power users and co-operatives in purchasing power produced in Government-owned power plants which, of course, would include atomic plants.

Best Approach

For the years immediately ahead, according to the *Letter*, continuance of the partnership between Government and private industry, with heavy emphasis on research and development looking toward achieving competitive costs, offers the best approach for meeting the economic challenges of nuclear power. The Government's role, the *Letter* adds, should continue to be confined mostly to providing research and development assistance—though this approach will not be without its problems. As the Twelfth American Assembly session on "Atoms for Power" declared in December: "The dependence of private industry upon Government assistance in atomic power development is inescapable. In such a situation, there will remain, for a considerable time, the problem of finding a formula for equitable distribution of costs between the stockholder, the consumer, and the taxpayer."

Looking farther ahead, an independent nuclear power industry—free of Government domination or subsidy—holds the greatest promise. Under the free enterprise system, power from conventional fuels has been developed to a state of efficiency that is the envy of the world. This same system, with its incentives and competition, the *Letter* avers, offers the "best hope" for maintaining and extending atomic power supremacy.

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OUTPUT OF INDUSTRIAL MACHINERY IN INDIA

There was a considerable rise in the output of heavy and light industrial machinery and machine tools during 1957. A significant rise was recorded by the textile machinery industry. The number of carding engines manufactured during the first 11 months of 1957 was 883, as against 726 during the comparable period in the previous year. Similarly, the number of ring frames rose to 1,225 from 1,110, drawing frames to 30 from 24, automatic looms to 282 from 161 and reeling machines to 1,841 from 1,158. The output of speed frames, bundling and baling presses also went up, while there was a slight decline in the production of plain looms. During the short period of its existence the industry has made appreciable progress. In regard to three major items particularly, ring frames, looms and carding engines, the indigenous manufacturers are in a position to meet a large part of the country's demand.

There was a considerable rise in the production of jute mill machinery during the year under review. The production of sugar mill machinery also showed an upward trend. A Bombay firm has completed preliminary arrangements for taking up the assembly of cane crushing plant, one of the major items of a sugar plant. This is being done in collaboration with a Czech firm. The firm is also producing other items of sugar machinery like vacuum pans, evaporators, condensers, etc. Another firm, which has West German collaboration, has installed most of the plant and machinery required. A Madras firm is reported to have manufactured sugar machinery for four co-operative sugar factories in Bombay State.

A printing machinery manufacturer turned out the proto-type of stereo rotary printing machine of the Duplex type during the year. The production of new ranges of stone breakers and granulators was taken up by a firm with British collaboration. The possibility of manufacturing paper machinery is being examined by a committee. Some firms in the U.K., Sweden and Germany have shown interest in collaborating in the manufacture of paper machinery. A scheme for the manufacture of the domestic type hand-operated knitting machines in collaboration with a Japanese firm has been received from an industrialist and is being examined by the Government. Knitting machines of the industrial type are already being produced in the country.

The increase in the production of machine tools over 1956 was almost 100 per cent. This is largely attributed to the remarkable increase in the output of the Hindustan Machine Tools. Bangalore, which reached the monthly production rate of nearly 30 machine tools. The Hindustan Machine Tools has also taken up a fresh programme for the manufacture of milling machines.

NEW PRODUCTS AND PROCESSES

New Device for Sugar Plantation

SUBSTANTIAL saving in time and labour in sugarcane plantation is expected when a new mechanical device for planting sugarcane, developed at the Indian Institute of Sugarcane Research, Lucknow, comes into wider use. The device is in the form of a tractor-drawn attachment which can be used, with minor modifications in each case, with all the major types of tractors.

It consists of a planter attachment capable of sowing three rows at a time. The rear mounted tool bar fitted with three standard ridger bodies is used as the basic unit for design. Three wooden seats are fitted above these ridger bodies and to the rear of these seats are fixed three chutes leading vertically down to the furrows made by the ridger bodies. Wooden boxes carrying the seeds to be planted are provided between the seats. The fertiliser distributor, divided into three compartments, is also provided for applying the fertiliser in the furrows.

A wooden board fixed behind the tool bar levels the ground immediately after the planting is done. This new machine reduces the labour involved in manual planting and also speeds up the operation so that the cost of planting in the long run is substantially reduced. It has been found possible with the help of this attachment to plant six acres of land in eight hours maintaining a tractor speed of about two miles per hour.

New Process for Polishing Aluminium

A new chemical process for polishing aluminium articles has been developed at the National Metallurgical Laboratory, Jamshedpur. This method, it is claimed, will not only cut down the cost of polishing aluminium, but is also expected to yield a degree of brightness not obtainable by mechanical and electro-chemical methods at present in use.

Mechanical polishing is, of course, the simplest and the cheapest method of polishing aluminium. Its major defect, however, lies in the fact that it cannot reach deep recesses of the article to be polished. Moreover, it does not give as high a degree of brightness as yielded by some of the electro-chemical processes. The electro-chemical processes in their turn, however, are handicapped by a high cost of operation which limits their range of application.

The chemical process now developed has been found to be free from these defects. Its extreme simplicity is its major advantage. The simplicity and low cost of this process lends it to easy adoption on a small as well as a large scale with great advantage.

Removing Metal from Castings

The removal of excess unwanted metal from certain types of castings is often difficult when the areas where it occurs cannot easily be reached by hand grinding. A new "flame washing" process which has been developed by British Oxygen Gases is said not only to provide a cheaper and more efficient method for removing excess metal from steel castings, but also to be fully effective in areas where hand grinding is not easy to apply. The equipment used for application of the process is simple, being much the same as that for normal oxygen cutting processes, except that a special curved nozzle is used and propane is the fuel gas. It is claimed that it is possible to train skilled oxy-acetylene operators to become proficient in the technique after only about a week's training. One limitation of the process is the fact that its application is generally limited to castings which can be cut safely and readily by normal oxygen cutting methods. Likewise, it is not effective when sand is encountered to any great extent, or for stainless or high alloy steels.

Incombustible Tiles

A new type of incombustible tile which can be applied to walls and ceilings has been developed in the U.K. The tiles, which are made from fissured mineral wool, are also said to have excellent noise-absorbing properties. The material from which they are made has a low density and is stated to be efficient in blocking the passage of heat. The tiles can also be used, therefore, to provide some thermal insulation, thereby saving heating costs in rooms to which they are applied. Each tile is ½ inch thick and has a white painted surface. Two sizes are being made available, one 12 inches square and the other 12 inches by 24 inches. It is claimed that the tiles will adhere easily to any firm, flat, dry surface, including gypsum lath.

Fish Flour

A process for the conversion of fish into high quality food in the form of fish flour has been developed at the Central Marine Research Station at Mandapam in Madras State. The project was initiated primarily to help fishermen in making use of the surplus fish, when occasionally there were big catches, and which otherwise would have gone waste. The raw material used in investigations was shark fish having high urea content. By the fermentation process, it had been found possible to remove major part of the odour preventing development of rancidity to a great extent and almost completely eliminating urea. The cost of processing 100 lbs. of fish worked out to not more than 25 nP. The researchers attached to the Institute have designed a simple device in the form of a processing unit which can be used by the fishermen individually or through co-operatives. The cost of each unit is about Rs. 500.

THE ATUL PRODUCTS LIMITED

MR. KASTURBHAI LALBHAI'S SPEECH AT ANNUAL MEETING

THE Tenth Annual General Meeting of the Atul Products Limited was held in Ahmedabad on 3rd June 1958. Addressing the shareholders on the occasion, Mr. Kasturbhai Lalbhai, Chairman, disclosed that the Company was proceeding ahead with its scheme of manufacture of some basic intermediates and some additional dyes and that it would have to raise funds of its own to meet a part of the cost of expansion.

The following is the full text of Mr. Kasturbhai Lalbhai's speech:

"GENTLEMEN,

"The Directors' report, the statement of accounts and other papers relating to the working of the Company during the year 1957 have been circulated to you and they have been in your hands for some time. So, if you will kindly agree, we will take them as read for the purpose of this meeting.

"You will please see from the statement of accounts that the Company has maintained its progress. The sales for this year are Rs. 2,71,86,336, as against the sales of the last year and are, therefore, higher by Rs. 88,44,408. The profits for the year also show a corresponding increase, the profit subject to depreciation being Rs. 51,27,924, as against a similar figure of Rs. 30,95,549 for the last year. Out of this amount a provision of Rs. 22,66,113 has been made for depreciation for the year as well as the arrears of depreciation. Also a provision of Rs. 3,50,000 for development rebate reserve and a provision of Rs. 1,50,000 for wealth tax for the years 1956 and 1957 have been made. So this leaves a disposable income in the hands of the Company of Rs. 23,61,811. If you will please refer to the Directors' report, you will find the recommendations made by the Directors in respect of this.

Prices Unchanged

"It will be interesting for you to know that the Company maintained an unchanged level of prices for its products throughout the whole of the year under review and this policy continues even today. In consequence, the increase in the amount of sales is not due to an increase in prices, but is due to an increase in the volume and range of production during the year. The Naphthol plant, the Cibagenes and Cibanogenes plant and the Coramine and Vioform plant started working in the first quarter of the year; there was also a larger production from the expanded Sulfar Black plant. It may be mentioned that these new plants have not gone into normal working conditions and it will be possible to have a larger volume of production from these plants in course of time. So far as the plant for direct and acid dyes is concerned, the Company concentrated mainly in increasing the range of the dyes it manufactures. You will be pleased to note that the Company is now able to offer 29 direct dyes and 10 acid dyes to the market.

"Your Company caters to the requirements of a number of industries of which the cotton textile industry is the biggest customer. As such the working of your Company is naturally affected by the prosperity or otherwise of the cotton textile industry and, as you know, recently this industry is showing signs of passing through a bad time. In consequence, the sales of the products of your Company during the last two months of the year under review and the first three months of the year 1958 were rather below normal. They have now begun to pick up but it is obvious that their course will be dependent upon the condition of the cotton textile industry. As you can easily appreciate, a market, in which money is scarce and credits become sticky, is not a favourable market for good sales. I hope that both these difficulties will gradually disappear during the remaining part of this year.

Work Done by Laboratories

"I have referred above to the increased range of dyes that the Company now manufactures. If you will please recollect a couple of years back, I had referred to the extensions to the laboratories that the Company was going to make both for development and research. Those extensions were completed last year and now the Company has a group of trained chemists and also the necessary equipment, including a pilot plant, to undertake work which will improve the quality of our present production and widen its range. I would not like to describe this work as 'research' because the word 'research' connotes something definitely original and fundamental; but it may perhaps be described as the application and extension of the research work done by others. Our laboratories are at present engaged mainly in this type of work and the contribution they have made to the progress of the Company can be appreciated from the fact that out of 80 dyes that the Company manufactures it now pays royalty only on 22 dyes. However, if we want to be independent of foreign technical assistance, our laboratories will have to take up some independent and advanced work. You will be glad to know that the Board of Directors is alive to this aspect of the problem and giving it the necessary attention.

Development Plan

"I had referred last year to a comprehensive plan of development intended to be undertaken with the assistance of Imperial Chemical Industries Limited. The negotiations in this behalf were completed last year and the conclusions reached were embodied in a document which was approved by the Board of Directors of your Company. Unfortunately, when it came to the question of drawing up legal documents based on it, certain difficulties were encountered in conforming with the Indian law. The present position is that both the Companies are exploring fresh avenues for closer collaboration. It may be mentioned, however, that these difficulties do not materially affect the schemes of development the Company had in view. The Company is proceeding with the scheme of the manufacture of some basic intermediates and some additional dyes in consultation with the Atic Industries Private Limited which is also expected to follow a similar course in respect of products which are logically connected with its present line of production. Naturally, the Company will have to raise some funds on its own and also request the Government to accommodate the foreign exchange requirements of the Company in the various foreign loans the Government is receiving from abroad for the development of the country. However, your Directors are satisfied that, although this may affect the rate at which your Company is expanding, yet it will not impede progress.

Workers' Strike

"All of you know that under the guidance of the Atul Products Employees' Union, the workers of our various plants went on a general strike on the 13th May, 1958 and that strike has still not been withdrawn. In the meanwhile, the Company has restarted all the plants with some old and some new workers and they are today working at 70 per cent. capacity. I may say that I have not seen another instance of such an irresponsible strike. On 26th February 1958 the Union presented a list of demands and also stated that all of them should be referred to arbitration. Some of the demands related to the reinstatement of some workers whose discharge or dismissal had already been confirmed by Industrial Tribunals; other demands related to dearness allowance, gratuity, leave, etc.—matters which had already been considered by Industrial Tribunals about a year and a half back. Even so, the Company suggested that the Union might resort to the machinery of the Industrial Disputes Act, if it so desired. Instead of this course, the Union presented an ultimatum to the Company on 10th May 1958 that, unless the demands were accepted within 72 hours, the workmen would go on a general strike. Actually this call for a strike was given even before the expiry of 72 hours and even before the Company's letter of reply was in the hands of the Union. I wonder whether it is proper to thrust 'voluntary arbitration' on anyone by the weapon of a strike or to ask arbitrarily to accept their demands, particularly when the whole legal machinery evolved for the settlement of industrial disputes still exists or specifically when the employer has given them no cause to go on a strike by way of any malpractice of labour, etc. It may be that some labour leaders may feel that this machinery no longer suits their interests; but even so, it should be realised that they themselves evolved it, and they should respect it till it is changed.

(*Continued on page* 1147)

INSURANCE AND EUROPEAN COMMON MARKET

SOME IMPLICATIONS ANALYSED

THE Treaty of Rome signed by France, Germany, Italy and the Benelux countries, under which the European Economic Community was established in December 1957, laid down, under Article Two, that it should be the aim of the Community, by establishing a Common Market and progressively approximating the economic policies of member-States, to promote, throughout the Community, harmonious development of economic activities, continuous and balanced expansion and increased stability, accelerated raising of living standards and a closer relation between its member-States. In pursuance of this objective the Common Market was brought into being on 1st January 1958. The Rome Treaty envisages three periods, covering 12 to 15 years, before the Community is in full operation. During these periods there will be a progressive liberalisation of economic relations between the member-countries. The latter agreed, *inter alia*, to eliminate duties and restrictions on the import and export of goods among themselves, establish a common customs tariff and a common commercial policy, abolish obstacles to the free movement of persons, services and capital, inaugurate a common transport and agricultural policy, co-ordinate economic policies, remedy disequilibria in the balance of payments, bring their respective laws into harmony to the extent necessary to secure the functioning of the Common Market, and establish a European investment bank and a social fund.

Although nothing appears specifically in the Treaty dealing with insurance, it has been widely assumed that the process of liberalisation will be carried to the field of insurance as well. An analysis of the implications and possible bearings of the European Common Market on insurance contained in a recent issue of the *Post Magazine and Insurance Monitor* is of topical interest.

Since the Common Market is a reality, it is difficult to see, according to the author of the article, how insurance, as it now operates in the member-countries, can be unaffected for long. Is there any likelihood of the Common Market establishing one insurance control law embracing all its members and superseding the present national laws? Posing this question, the author points out that this will be an ambitious project, for widely differing concepts of insurance control will have to be reconciled. To an important degree, the national economies of the six member-countries of the Common Market are complementary, but this is not the case with insurance. Each country has its own long-established and strongly organised insurance industry. Indigenous companies in each country are able to provide the greater part of the insurance protection needed by each country's economy, subject always to reinsurance internationally. In each country foreign companies operate, some of them having been established for a century or more, and play a very useful but subordinate part.

Small Insurers

In one or two of the member-countries, an important role is played by very small insurance companies, particularly in Holland. In France, on the one hand, mutual companies are important, regionally. A Common Market insurance control law would have to take into account all these varying interests if they were not to be injured. "Perhaps the most that could be achieved," according to the author, "would be some harmonisation of the present national laws governing the establishment and official supervision of insurance undertakings." It would certainly be contrary to the whole movement of European economic co-operation and the liberalisation of trade and services, it is pointed out, if in the process, insurance companies not of Common Market nationality should find that their present freedom to establish themselves and transact business in each of the Common Market countries subject to the laws thereof, were reduced.

One consideration, says the author, that must be prominently borne in mind of the insurance industry in the Common Market countries is that of competition. It is one thing to accept the theory of free competition as economically desirable and quite another to open all doors and windows wide to the fierce winds of competition. In the last two or three years, fire and accident (particularly motor car) insurance in a number of the Common Market countries have fallen upon difficult times. Premium rates are too low to meet claims and expenses and produce a profit but attempts to raise the level of rates break down on competition between companies and Government objections.

It should not be assumed, the author emphasises, that, on a short-term view, all the insurance companies at present organised in one or other of the Common Market countries necessarily discern any great attraction in extending their activities to the other Common Market countries. It is possible that the view is widely held that, before any such movement develops, efforts should be made by the national insurance industries concerned to establish the business within the national frontiers on a reasonably profitable base. Some experts, in fact, consider that the successful transaction of insurance depends upon local companies serving local interests, and that if, as is already the case, insurance needs are fully met within the frontiers of each country by the insurance markets as at present organised, the "removal" of these frontiers would only precipitate disastrous and unnecessary competition.

Another aspect of the same problem is that of the organisation and licensing of insurance agents and brokers. Here, again, it is pointed out, the present legal requirements are various and the standards of qualification widely different. A uniform Common Market law on this subject might well bear too severely upon the insurance agents and brokers of one member-country, as compared with another. On the other hand, to grant complete freedom of activity throughout the whole Common Market to insurance intermediaries could easily lead to the breakdown of those standards of professional responsibility which have been established in some of the major countries after great efforts.

A Long Vista of Problems

Beyond these two most knotty problems stretches a long vista of others. Insurance law, as it governs the contract of insurance, has, of course, developed along national lines; the fundamental principles are the same but there are wide differences of detail. This applies also to the great mass of legislation which, although not directly related to insurance, gives rise to the need for insurance of all kinds, particularly in the field of civil responsibility. Terms and conditions of policies have become established over many years in each country in accordance with the laws of that country. The task of reconciling these laws and the insurance policy conditions as between one member-country of the Common Market and the others is formidable, although not perhaps impossible.

So far little is known of how the various national insurance industries of the Common Market countries are regarding these and related matters. They are considering them within the framework of the *Comité Européen des Assurances*. A working group of representatives of the six countries commenced its studies at the Monte Carlo Meeting on the 11th and 12th September, 1957. This Working Group has undertaken to keep the European National Insurance Association outside the Common Market countries informed of the developments of their studies and to pursue with their co-operation in the examination of problems which may present themselves as within the ambit of O.E.E.C. It is understood that a move has been made to secure that the insurance industries of the six countries shall be represented authoritatively in the Economic and Social Council of the Common Market.

The U.S. Example

There is a disposition to look to the United States as an example of an effective Common Market and to assume that all the problems touched upon above in the insurance sphere have been satisfactorily mastered in that country. This disposition, however, it is pointed out, tends to overlook the way in which the regulation of insurance by the public authorities in the United States rests upon the powers of the individual States and that instead of State legislation developing independently, as it has done in Europe, it was evolved as each State grew to manhood in imitation of the measures taken by New York State, which has effectively led the others. At the same time, Insurance Commissioners or Superintendents of all the States have achieved effective co-operation and the insurance industry itself has long been organised on national lines rather than State by State. Moreover, there is a common language, a common currency and a common legal system. The success of the United States "Common Market" can, therefore, be attributed to circumstances which it would be impossible, at this point in history, to reproduce in Europe.

It is a fair summing up of insurance opinion in the Common Market countries to say that the problems presented to insurers by the Treaty of Rome are numerous and some of them red-hot, but that it is useless to ignore them. As the aim of the Treaty coincides with an ideal which is similar to that of insurance itself, namely, the ideal of internationality, it is only reasonable that insurers should endeavour in a practical manner to develop the most constructive programme possible in the spirit of the Treaty. All the insurance companies concerned will have to be prepared for the competition which is bound to arise as the Common Market is progressively realised, for an improvement of the services the industry can render and for a submission to the intelligent discipline of the Market. "It is conceivable in fact," the author says, "that insurance within the Common Market may move towards a vast cartel however much this may be opposed to the traditional outlook of certain of the countries involved."

Two Fundamental Principles

Much, however, will probably, be heard of two fundamental principles established by the Treaty of Rome in the matter of "services." These are, "liberty of establishment" and "liberty of circulation." The first visualises progressive removal of restrictions relating to the opening of agencies, branches or subsidiary companies by citizens of a member-country upon the territory of another member-country. Its implementation would open the internal frontiers of the Common Market. How to reconcile the protection of the insured with the competition which this would introduce is a most difficult

(*Continued on page 1147*)

THE BANK OF BARODA
LIMITED

WE are pleased to announce that the Scheme of Amalgamation of the Hind Bank Ltd. with the Bank of Baroda Ltd. has been sanctioned by the Reserve Bank of India on 31st May, 1958, as required by the Banking Companies Act, 1949 and that the entire business of the Hind Bank Ltd. (at its Head Office and Branches) will form part of the business of the Bank of Baroda Ltd. with effect from **1st August, 1958.** The Bank of Baroda Ltd. will carry on business including the business of the Hind Bank Ltd. absorbed by this Bank in its own name.

Bombay, 5th June, 1958.

N. M. CHOKSHI,
General Manager.

AMENDING COMPANIES ACT—VII

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

PART VII of the Act—this part contains 136 sections from 425 to 560; 29 sections are proposed to be amended—contains provisions for the winding-up of a company which may be either by the Court, or voluntary or subject to the supervision of the Court. The Companies Act Amendment Committee has made many valuable and helpful suggestions with regard to this branch of the Company Law. The Committee, while recommending the changes, appears to have strenuously concentrated its attention on the need for clarifying ambiguities, solving the difficulties of official liquidators, and enlarging the powers of official liquidators and Registrars of Companies in order to ensure the proper conduct of the liquidation proceedings and to speed up their disposal. We shall now observe the changes which have been recommended in the Report.

Section 426 refers to liability of present and past members as contributories in the event of a company being wound-up. Clause (*g*) of sub-section (1) is not happily worded and its meaning is obscure. The words "who is not a past or present member" occurring in the latter part of this clause creates an anomaly, restricting the protection granted by the clause only to debts of creditors who have not been past or present members. The Report states that there is no reason why a debt due to a creditor who is a past or present member, for loans made to the Company or for the price of goods sold to the Company by such member, should not have priority over debts due to a past or present member by way of dividends, etc., in his character as a member. To remove this anomaly, clause (*g*) is proposed to be amended so as to read as follows:

"(*g*) a sum due to any past or present member of the company in his character as such, by way of dividends, profits or otherwise, shall not be deemed to be a debt of the company payable to that member, in a case of competition between himself and any creditor not claiming in his character as a past or present member of the company; but any such sum shall be taken into account for the purpose of the final adjustment of the rights of the contributories among themselves."

Other Proposals

The other proposals are:

(1) Section 439 contains provisions as to applications for winding-up. The Report points out an omission in sub-section (5) of this section and suggests that for the words "clauses (b), (c), and (e)" the words "clauses (b), (c), (d) and (e)" should be substituted.

(2) The existing Section 521 states that the voluntary winding-up of a company shall not bar the rights of creditors and contributories to have it wound-up by a Court. The Report points out that this section may well be repealed for it is partly repetitive and partly inconsistent with Section 440(2). It may be observed here that the Company Law Committee had suggested the deletion of Section 218 of the Act of 1913 (corresponding to Section 521).

(3) Section 446 states the effects on a suit or other legal proceeding when a winding-up order is made or the official liquidator is appointed as provisional liquidator. The Report states that a suggestion was made to the Committee that the Court winding-up the company should have full powers to decide all claims made by or against any company and all questions of priorities and all other questions whatsoever, whether of law or fact, which may relate to or arise in the course of the winding-up of the company coming within the cognizance of the Court. The Report, while accepting this suggestion, states that such a provision should be made on the lines of Section 4 of the Provincial Insolvency Act, Section 7 of the Presidency Towns Insolvency Act and Section 45-B of the Banking Companies Act. The Report observes that such a provision would speed up the winding-up proceedings and that there could be no danger of the provisions being abused in view of the fact that it is the High Court or the District Court that has jurisdiction under the Act and there is a right of appeal.

(4) Section 449 states that, on a winding-up order being made in respect of a company, the official liquidator shall, by virtue of his office, become the liquidator of the company. As regards this section, the Report observes that there may be cases where the official liquidator is interested in the directors or managing agents or those who have had transactions and commitments with the Company. Such cases would be very few and the official liquidator should normally be the liquidator of the company. The Report recommends that Section 449 may be amended so as to empower the Court to appoint as liquidator a person other than the official liquidator stating the reasons for the appointment.

(5) Section 454 requires that a statement of affairs relating to the company (being wound-up) should be furnished to the official liquidator in a manner provided therein. The existing section does not contain any provision to punish the officers of the company for default or delay in filing the required statements. In order to facilitate the official liquidator in his work and speed up the winding-up of companies, Section 454 is proposed to be suitably amended so as to empower a winding-up Court to take cognizance of any default or delay in filing the required statement of affairs of a company with the official liquidator.

Extension of Time

As regards Section 455, the Report states that power should be given to the winding-up Court to extend the time of six months in cases where, on account of the time taken by the directors and chief officers of a company in filing the statement of affairs under Section 454, difficulty is experienced by the official liquidator in complying with the requirements of this section.

(6) Section 456 states that after the winding-up order all the property and effects of the company shall be deemed to be in the custody of the winding-up Court and that the liquidator shall take into his custody the property and effects of the company. The Report states that, in one particular case, the official liquidator had experienced considerable difficulty in taking into his possession the books, papers, properties and assets of the company. In order to avoid such a difficulty, it is proposed in the Report to insert a new sub-section in Section 456. The new sub-section will enable the official liquidator to request in writing the Chief Presidency Magistrate or the District Magistrate concerned to take possession of the property of the company (after giving due notice to the company) and forward the same to him. For the purpose of securing due compliance of the order, made under this sub-section, the Chief Presidency Magistrate or its District Magistrate has been empowered to take such steps or use such force as may be necessary in his opinion. The Report gives the draft of the new sub-section (2). The existing sub-section(2) is proposed to be numbered as sub-section (3).

(7) Section 457(2) enumerates the powers of a liquidator of a company being wound-up by the order of the Court. It is proposed to add a new clause in sub-section (2) so as to empower the official liquidator to inspect the records and returns of the company in liquidation on the file of the Registrar without payment of any fee.

(8) Section 463 relates to the control of the Central Government over liquidators. It is proposed to amend sub-section (1) by adding the words "or by the Indian Companies Act, 1913 (VII of 1913)" after the words "requirements imposed on him by this Act" (*vide* also paragraph 207 of the Report).

Committee of Inspection

(9) Section 464 relates to appointment and composition of committee of inspection. Section 465 relates to the constitution and proceedings of the committee of inspection.

The committee of inspection under the Indian Act has hardly any functions other than the "right to inspect the accounts of the liquidator at all reasonable times" according to Section 465(2). In our Act, all the powers exercisable by a committee of inspection as understood in the English Act can be exercised only by the Court. The elaborate provisions of the English Act relating to the committee of inspection are repeated in our Act though the inspection committee has hardly any important functions to perform. The utility of such a committee cannot be supported even on the ground that it is needed for vigilance. The need for vigilance is much less under the present Act because an officer appointed by the Central Government functions as official liquidator. Sub-section (3) requires that the committee should meet at least once every month, unless it decides to meet at shorter or longer intervals. Monthly meetings of the committee might consume a good part of the assets of the Company. In any case, the Report suggests that the obligation cast by Section 465 on the committee of inspection to meet once a month should be removed and the members should be left free to meet whenever necessary.

(10) The Report suggests that Section 468 should be suitably amended on the lines of Section 36 of the Presidency Towns Insolvency Act so as to empower an official liquidator to file in the winding-up Court an application for an order against any person for payment of money or delivery of property with him to which the company in liquidation is *prima facie* entitled.

It is suggested in the Report that this section should be further amended by inserting the words "or employee" after the words "or officer." The words "in his custody or power" may be substituted for the words "in his hands."

(11) Sub-section (1) of Section 469 provides that at any time after making a winding-up order, the Court may make an order against a contributory for the payment of any money due from him or from the estate of the person whom he represents "exclusive of any money payable by him or the estate by virtue of any call in pursuance of this Act." Section 470 which relates to the power of the Court to make calls came up for consideration before the Madras High Court—application No. 1598 in O.P. No. 187 of 1955—and on a construction of the words quoted above, the Court took the view that it had no power to make an order for payment against a contributory in respect of moneys due for calls made prior to the winding-up. This could not have been the intention of the legislature while enacting Section 469. The Report suggests that Section 469(1) should be amended by substituting the words "made in pursuance of Section 470 of this Act" for the words "in pursuance of this Act." The object of this proposed amendment is to enable the Court to make an order under Section 469 for payment of moneys due on calls made prior to the winding-up as moneys due from a contributory to the Company.

(12) Section 477 provides, *inter alia*, for the summoning and examination of any person suspected to be indebted to the company to be in possession of the property of the company. Under the analogous provisions of the Presidency Towns Insolvency Act where a person examined admits his indebtedness, or admits possession of property belonging to the insolvent, the insolvency Court is empowered to pass an order against such person for payment of such a sum or delivery of such property to the official assignee (*vide* Section 36 (4) and (5) of the Presidency Towns Insolvency Act). The Report states that it is desirable to have similar provisions in the present Act. It may be noted that the provisions of Section 446 (2) and (3) are not adequate for the purpose.

Winding-up of Companies

(13) Section 481(1) provides that when the affairs of a company have been completely wound-up, the Court shall make an order that the company shall stand dissolved from the date of the order and the company shall stand dissolved accordingly. But this does not cover a case when the official liquidator is not in a position to proceed in the matter for want of funds. In such a case, it cannot be said that the company's affairs are completely wound-up. Instances are not rare when the petitioning creditor or other creditors are not prepared to put the official liquidator in funds. With this view in mind the Committee has suggested that Section 481(1) should be amended so as to read: "When the affairs of a company have been completely wound-up, or the Court is of opinion that the liquidator cannot proceed with the winding-up of the company for want of funds or for other reasons, the Court shall make an order that the company be dissolved from the date of the order, and the company shall be dissolved accordingly."

(14) To enable a liquidator to draw his remuneration at intervals without waiting till the liquidation proceedings are over it is proposed to amend Section 490(1)(*b*) so as to read: "fix the remuneration, if any, to be paid to the liquidator or liquidators and the time and manner of such payment."

(15) It is desirable to provide in Section 502(2) that where the Court appoints a liquidator in a voluntary winding-up, it shall fix his remuneration after taking into consideration the views of the committee of inspection or creditors or contributories as the case may be. If the official liquidator is appointed in a creditor's voluntary winding-up under Section 502(2), the remuneration so fixed should be credited to the Central Government (*vide* paragraph 177 of the Report).

(16) Section 515 gives power to the Court to appoint a liquidator in a voluntary winding-up. The Report suggests that in case the official liquidator himself is appinted liquidator, the remuneration fixed by the Court should be credited to the Central Government. Section 515 is proposed to be amended accordingly.

(17) Section 512 which deals with the powers and duties of a liquidator in a voluntary winding-up, discloses an anomalous situation when we read Section 512(1) (*a*) and (*b*) with Section 457(2) (i) to (iv). We find that in a voluntary winding-up the liquidator has to obtain sanction of the appropriate authority mentioned in Section 512(1)(*a*) for the exercise of routine powers as executing receipts for moneys received, taking out letters of administration to the estate of the deceased contributory, etc. In respect of more serious matters like instituting a suit, to raise money on the security on the assets of the company, etc., as set out in Section 457(1) (*a*) to (*e*) he is not required to obtain any sanction. It appears strange that while he can exercise important powers without sanction, sanction should be necessary for much less important routine matters. The Report, after exhaustive consideration, recommends that the provision in Section 512(1)(*a*) requiring sanction for the exercise of the routine powers under Section 457(2) (i) to (iv) should be deleted.

If sanction is considered necessary for the exercise of any of the other powers mentioned in Section 457 which are of substantial character, Section 512(1) should be suitably amended as stated in the Report.

Who Can be a Liquidator?

(18) Section 513 states that a body corporate is prohibited from being appointed as liquidator in a voluntary winding-up. This section is silent as to firms. Section 513(1) is, therefore, suggested to be amended as follows: "No firm or body corporate shall be appointed as liquidator in the voluntary winding-up of a company."

(19) Under the law as it stands it is only the creditor or a contributory who is entitled to make the application for the appointment or removal of a liquidator and not the Registrar. In order to speed up liquidation proceedings and to ensure the proper conduct of the liquidation by a liquidator, suggestions are made in the Report to add a new sub-section (3) to Section 515 in the following terms: "The Registrar shall be entitled to make an application to the Court under this section."

Similarly, new sub-sections are proposed to be added in Sections 522 and 524.

As regards Section 524, the Report proposes an amendment as there is no provision in this section similar to the proviso in Section 502(2) enabling the Court, if it thought fit, to appoint the official liquidator, as liquidator in the place of the liquidator already acting. The Report suggests that

Section 524 should be amended so as to provide for the situation.

(20) The insolvency law contained in Schedule II to the Presidency Towns Insolvency Act and Section 47 of the Provincial Insolvency Act relating to the rights of the secured creditors is applicable in the winding-up of an insolvent company. The Report suggests that there should be a provision in the Act requiring a secured creditor (who realises his security) to reimburse the liquidator in respect of amounts spent for the preservation or protection of the asset before it is sold by or at the instance of the secured creditor. A new sub-section to this effect is proposed to be added to Section 529.

(21) A new section, 531A, is proposed to be added because Sections 531 and 533 which provide for cases of fraudulent preference do not contain a provision applicable to voluntary transfers dealt with in Section 55 of the Presidency Towns Insolvency Act and Section 53 of the Provincial Insolvency Act. A new sub-section reads: "Any transfer of property, moveable or immoveable, or delivery of goods made by a company not being a transfer or delivery made in the usual course of business or in favour of a purchaser or incumbrancer in good faith and for valuable consideration, if made within a period of one year before the presentation of a petition for winding-up by or subject to the supervision of the Court or the passing of a resolution, for the voluntary winding-up of the company, shall be void against the official liquidator or liquidator, as the case might be."

(22) Section 535 provides for disclaimer of onerous property in case of a company being wound-up. The Report draws attention to sub-section (4) and states that the words "company shall be deemed to have adopted it" occurring at the end of the sub-section are not appropriate. It is rather incorrect to say that in default of disclaimer, the company shall be deemed to have adopted the contract. The contract is already the company's contract. It is therefore suggested in the report that the concluding portion of the sub-section should be amended so as to read "the liquidator shall be deemed to have adopted it."

(23) Section 537(2) states that "nothing in this section applies to proceedings by the Government." The Report states that the foregoing sub-section is vague and general in its terms. The intention of the legislature apparently was to enable the Government to realise its dues from the assets of a company by attachment, distress or sale. This sub-section is proposed to be amended as follows: "Nothing in this section shall apply to any proceedings for the recovery of any tax, cess or dues payable to the Central Government."

(24) The Report recommends that it would be desirable to make it clear in Section 555 that all unclaimed dividends and undistributed assets should be deposited into the companies' liquidation account in the Reserve Bank of India. Though these words occur in the head-note to the section, they are omitted in the body of the section.

Section 555(9)(c) provides that where the winding-up is by or under the supervision of the Court, the liquidator retaining any moneys which should have been paid by him into the companies' liquidation account shall be liable to have all or such part of his remuneration, as the Court may think just, disallowed and to be removed from the office. This sub-section is apparently in conflict with the general scheme of the Act and particularly Section 463 which states in clear terms that the official liquidator functions under the control of the Central Government and it is for the Central Government to inquire into his conduct and take such action thereon as it may think expedient. The official liquidator is the paid official of the Central Government and no remuneration is allowed to him. It is here the conflict begins between this sub-section and Section 463. The Report states that this anomaly might be removed. It however adds that if the power of removal of the official liquidator is to be vested in the Court it must be so provided with due regard to Article 311 of the Constitution.

The Report does not suggest any amendment in the provisions of Parts VIII and IX of the Act. Part VIII contains four sections from 561 to 564 and Part IX contains 17 sections from 565 to 581. We therefore turn to Part X of which only Section 582(*b*) is proposed to be amended; Part X contains nine sections from 582 to 590.

Winding-up

Section 582(*b*) is corresponding to Section 270 of the Act of 1913, the meaning and effect of which were the subject of a difference of opinion between the Courts in India. One view was that a foreign company could not be wound-up as an unregistered company under the Act (Act of 1913) unless it consisted of more than seven members. The other view was that it could be so wound-up even if it did not consist of more than seven members. The object of the existing Section 582(*b*) read with Section 583 is to authorise the winding-up of a company incorporated in another country, but not in this country, which has an office and assets here. Even the pendency of a foreign liquidation does not affect the jurisdiction of Courts in India to make a winding-up order. If at the date of the petition for winding-up, the members are not more than seven in number, there is no jurisdiction under the present Act to wind-up an unregistered company and the remedy against the company lies by way of a suit. To make this meaning clear, it is suggested in the Report to amend Section 582(*b*) so as to read: "Save as aforesaid, shall include any partnership, association or company *if it consists* of more than seven members."

We now come to the remaining Parts XII and XIII of the Act. Part XI relates to companies incorporated outside India. The Report has suggested an amendment of Section 595(*c*). This section has been discussed with Section 149. The Amendment Committee while making suggestions for tightening up the penal provisions of the Act has not lost sight of the other features which make the Act cumbersome or defective or difficult of application.

Part XII contains provisions—Part XII contains six sections from 609 to 614 and out of these three sections are proposed to be amended—under the heading "Registration Offices and Officers and Fees." Section 610 relates to inspection of Registrar's records. As regards this section, the Report states that its sub-section (4) is inappropriate inasmuch as clause (ii) of the proviso to sub-section (1) does not require a person, desiring to inspect, to state that he is a creditor or member. Section 610(4) is corresponding to Section 426(4) of the English Act, where it was appropriate. This is however a matter for the legislature to consider.

As regards the copying charges prescribed by Section 610, the Report states that they might be increased to 75 nP from 36 nP for every 100 words. Similar recommendation has been made in respect of copying charges payable under Section 163(3).

Scale of Fees

Section 611 refers to scale of fees. It was stated before the Committee that the existing scale of filing fees (which has been raised) is unduly burdensome to companies in view of the large number of returns and documents required to be filed with the Registrar. The Report answers this criticism by stating that in view of the machinery set up for the administration of the Act, the levy cannot be said to be disproportionate to the service rendered.

The Report observes that, in spite of successive warnings, returns are either not sent or delayed inordinately in some cases. Prosecutions, except in cases of gross default, involve time and expense. To meet the situation the Report states that a second proviso may be added to Section 611 in these terms:

"Provided further that where any document, return or statement required or authorised by this Act to be filed or registered with the Registrar, is not filed or registered within the time specified in this Act, the Registrar may file or register such document, return or statement on payment of the prescribed fees and such penalty as may be imposed by him not exceeding the amount specified in Schedule X as fees payable for the document, return or statement, as the case may be."

The Report states that the present Act has multiplied the number of returns or documents to be filed with the Registrar and the fees under Schedule X have, in some cases, been doubled. It may be noted that returns or documents are required to be filed frequently, particularly under Sections 192, 264 and 303(2). The Committee has proposed to amend Sections 264 and 303(2) so as to cause appreciable reduction in the number of returns or documents to be filed.

Section 192

As regards Section 192, it was contended by the companies before the Committee that it should be open to them to file under one return all resolutions passed at one meeting, instead of having to file a separate return for each resolution or agreement. The Report indicates that, according to the view of the Department, Section 192, read with items 5 and 13 of Schedule X means that every resolution or agreement under Section 192 should be separately filed. The Report, however, does not agree with the foregoing interpretation as it is likely to cause hardship to companies which have to file numerous returns. The Report therefore suggests that it should be open to companies to file under one return copies of all resolutions passed at a particular meeting as prescribed by form No. 23 on payment of only one fee for such return. This suggestion of the Committee appears to be consistent with the object of the legislature. If in order to give effect to the above view of the Committee, an amendment of Section 192 or any of the items in Schedule X is necessary (which, the Report states, is not the case) such Amendment should be made. It may be pointed out here that this is, really speaking, a practical difficulty and it is within the power of the Government to remove it by issuing departmental instructions.

Section 614 provides for enforcement of duty on the part of the company to file with the Registrar the documents specified therein. In case of any default in filing the documents contemplated by this section, the Registrar has power to call upon the company to make good the default within 14 days after the service of a notice on the company requiring it to do so. It was pointed out to the Committee that Section 614 does not provide for any punishment for disobedience of the order made by the Court, upon the application made by the Registrar or any member or creditor of the company, directing the company and any officer thereof to make good the default within such time as may be specified in that behalf. It was further pointed out to the Committee that even where a prosecution is launched and a conviction and sentence follow there is no provision for compelling the performance of the duty of filing the returns, accounts, or other documents. In this context, the Report observes that it is necessary that the Registrar should have filed with him up-to-date statement of accounts, returns and documents, etc., but criminal Courts trying these offences do not direct the filing of these documents for want of statutory authority. In order to remedy this state of affairs, the Report suggests the renumbering of the existing sub-section (3) as (4) and the addition of a new sub-section (3) so as to enable the Court while convicting, acquitting or discharging the accused to direct the accused (whether the company or its officers) to file or register with or deliver or send to the Registrar, such return, account or other document within such time as may be specified in the order on payment of the penalty prescribed in Section 611. The disobedience of the order as aforesaid is proposed to be made an offence punishable with imprisonment which may extend upto six months.

Now to the last part, XIII—the last part contains 44 sections from 615 to 658 and out of these 10 sections are proposed to be amended—which contains general provisions and it is here that the Report becomes of absorbing interest.

Section 615

Section 615 empowers the Central Government to direct companies to furnish information or statistics. It appears from the Report that an Incorporated Law Society expressed the view that the Central Government has unduly wide powers under this section and they are capable of being exercised in such a manner as to involve the company in considerable expense in furnishing statistics or other information. This suggestion was rejected on the ground that the Government would not act unreasonably or put companies to needless expenditure. This section was enacted by the legislature with a view to enabling the Government to obtain such statistics or information as may be necessary to guide its industrial or economic policies.

Under the Act of 1913, prosecutions were made in consultations with the law officers of the State Governments because the administration of that Act was left to the States which had little interest in its enforcement. The Central Government has now taken over the enforcement and administration of the Act and has set up an organisation for its proper working. The Department of Company Law Administration in its present shape consists of a secretariat organisation in New Delhi. There are four regional offices under that Department and are located at Bombay, Calcutta, Madras and Kanpur. Each State has one Registrar of Companies. Each regional organisation has a qualified accounts officer and a solicitor to help and advise the Regional Director and the Registrar in the region. The Department entrusts prosecutions to public prosecutors appointed by the State Governments. This practice is not conducive to the efficient or speedy conduct of the proceedings. The previous Act had failed in its objectives due to lack of adequate and efficient machinery for its enforcement. It is therefore appropriate that in order to achieve the objectives of the New Act the administrative set-up should be streamlined by the Central Government. It is also desirable that the Central Government should provide the machinery for conducting prosecutions under the Act so as to reduce the current dependence of the Administration on the public prosecutors of the State Governments. The Report recommends that a legal practitioner with adequate knowledge of Company Law who could give his whole time to the task should be entrusted with the work of conducting prosecutions and filing appeals from the orders of the criminal Courts in trials for offences under the Act.

The offences under the Act are non-cognizable and action could be taken by the Court on a complaint by the Registrar or a shareholder or a person authorised by the Central Government. The Registrar has now power under the Act to prosecute for minor offences such as default in filing returns. In respect of more serious offences disclosed in reports of inspectors, the responsibility now lies with the Central Government under Section 242 to prosecute the offenders.

In spite of the stringent provisions of the Act there has not been sufficient awareness of the objectives of the legislation. Again, as stated in the Report, offenders are let off with very light fines and they leave the Court with an impression that on payment of fine they are absolved from filing the required documents with the Registrar. The fines imposed by the Courts are passed on by the managements to the companies. In order to remedy this state of affairs the following proposals are made in the Report:

(1) A new section 614(3) is proposed to be introduced so as to remove the defects in the existing Section 614.

(2) A general provision in shape of a new Section 629A on the lines of Section 138 of the Indian Penal Code or the relevant section of the Banking Companies Act, 1949, is proposed to be introduced in the following terms: "In cases not expressly provided for in the Act, if any provision of the Act is contravened, or if any default is made in complying with any requirement of the Act, or of any order made thereunder, every director and other officer of the Company who is knowingly a party to the contravention or default shall be punishable with a fine not exceeding five hundred rupees, and where the contravention or default is a continuing one, with a further fine not exceeding fifty rupees for every day during which it continues."

(3) The Act being a Central legislation, the Central Government should provide the machinery for conducting prosecutions under the Act. A new Section 624A is proposed to be introduced in the Act so as to empower the Central Government to appoint prosecutors for the conduct of prosecutions arising out of the Act generally for a specified local area or in particular cases (*vide* New Section 624A (1) at page 180 of the Report).

(4) The power to prefer an appeal against the order of acquittal made by a criminal Court rests with the State Government concerned. Since the Act is a Central legislation it is proposed in the new Section 424A(2) that the Central Government should have such power.

The above proposals will indicate that the time has arrived for tightening up the Company Law so that its provisions may be honoured more in their observance rather than in their breach.

Application of Fines

The existing Section 626 is proposed to be amended in the following terms:

(1) The Court imposing any fine under this section may direct that the whole or any part thereof shall be applied in or towards payment of the costs of the proceedings, or in or towards the rewarding of the person on whose information or at whose instance the prosecution has been made.

(2) Notwithstanding anything contained in sub-section (1), if, in any proceedings instituted by a shareholder against a company or any officer thereof in respect of an offence under this Act, such company or officer is convicted, the Court may, by an order, direct the payment by the company or such officer, of any reasonable expenses incurred by the shareholder aforesaid.

Government Companies

Section 617 defines a "Government company." As regards this section the Report proposes that for the words "share capital" the words "paid-up share capital" may be substituted.

As regards Section 620, which has been the subject of criticism, the Report states that it is of a wide and sweeping character and it is desirable that these companies should, as far as possible, be put on the same footing as other public companies.

Section 643

The Report has discussed the rule-making powers of the Supreme Court in paragraphs 21, 187 and 205. We have observed the recommendations of the Committee for the amendment of Section 2(33) and Section 643 so as to take away the power of the Supreme Court to frame rules in respect of matter provided for in Sections 552 and 555(3) of the Act and vesting it with power to make rules in respect of the matter provided for in Section 549.

The Report suggests that Section 643 should be amended as follows:

(1) Section 643(1)(*a*) should be amended by adding the words "and Section 552 and sub-section (3) of Section 555" after the words "sub-section (3) of Section 550." As suggested in paras 21 and 187 of the Report the reference to "sub-section (1) of Section 549" in Section 643(1)(*a*) should be omitted.

(2) Section 643(1)(b) requires that the rules should be "consistent with the Code of Civil Procedure." The adoption of the word "Code" as given in the Code of Civil Procedure would result in the anomaly that the rules made under Section 643 of the Companies Act will have to be consistent not only with the main body of the Code, but, in respect of each High Court, with the rules in the first Schedule as annulled, altered or added to by that High Court. The Report states that the anomaly can be avoided if the rules to be made under the Companies Act are required to be consistent with the sections in the body of the Code of Civil Procedure. (3) There is an express provision in Section 94(2) that the powers under that section which include the power to sub-divide the shares, shall not require to be confirmed by the Court. Nevertheless, Section 643 of the Act provides that the rules are to be made for giving effect to the "provisions of the Act" relating to sub-division of shares, and the only provision in the Act relating to sub-division of shares as such appears to be in Section 94. The Report therefore points out that the words "and the sub-division of the shares of a company" occurring in Section 643(1)(b)(iv) are inappropriate and should be deleted.

Section 616

Section 616 states that the Companies Act is applicable to insurance, banking, electricity supply and other companies governed by special Acts. As regards Section 616(*c*), the Report states that the words "The Indian Electricity Act, 1910 (IX of 1910) or" should be inserted after the words "the provisions of."

Section 647

The Report notes that the liquidation proceedings begun under the Act of 1913 in respect of a large number of companies have been going on for years and in most of the cases the companies have no assets worth the name. It may be desirable in some cases that the liquidators appointed under the 1913 Act should be discharged and the cases transferred to the official liquidators appointed under Section 448 of the Act. Again, there has been some difference of opinion on the question whether the official liquidator could take charge of pending liquidations. It has been the view of some Courts that a liquidator appointed under the Act of 1913 does not become *functus officio* until the winding-up is completed. An amendment of Section 647 is proposed in the following terms:

"Where the winding-up of a company which commenced before the date of the coming into force of this Act is pending on that date—

(i) Sections 471, 472, 552 and 555 shall apply in respect of any moneys paid into the companies liquidation account, whether before or after such commencement;

(ii) the further proceedings in liquidation after the order for winding-up made by the Court may, on an application made to the Court by the Registrar or any person interested, stand transferred to the official liquidator appointed under this Act;

(iii) in other respects the company shall be wound up in the same manner and with the same incidents as if this Act had not been passed."

The Report states that Sections 645, 647(2), 648, 656 and 658 are redundant in view of Section 6 (*a*) to (*e*) of the General Clauses Act. In view of the definition of "company" in Section 3, Section 656 is unnecessary and therefore it is proposed to be omitted. Section 658 is also otiose and it is proposed to be deleted.

There are a large number of concerns in South India variously styled as *nidhis*, mutual benefit societies, permanent funds, etc. This is a class of companies which are *sui juris* and which present peculiar features. They are companies incorporated and registered under the 1913 Act or the earlier Companies Acts and their objects, *inter alia*, are to enable the members to save money, to invest their savings, and to secure loans at favourable rates of interest. They inculcate the idea of thrift and compulsory saving in the minds of the poor and middle class people. These companies have transactions only with the members and not with the public. Their shares are only allotted to those who desire to take advantage of the benefits offered for depositing or borrowing money. Loans are granted to members on the security of their recurring deposits or of jewels or house property repayable with a moderate rate of interest during a period of four to seven years in monthly instalments.

The Report states that it was represented to the Committee that some of the provisions of the Act have caused hardship to the type of companies which have been discussed above and have seriously crippled their slender resources. The Report points out the difficulties experienced by these companies and suggests amendments of the relevant sections of the Act. These suggestions may be briefly stated as under:

(1) In case of *nidhis* whose membership runs into several thousands, publication on the notice board of the company and an advertisement in one or two issues of a local paper should be deemed to be a sufficient compliance of Section 53.

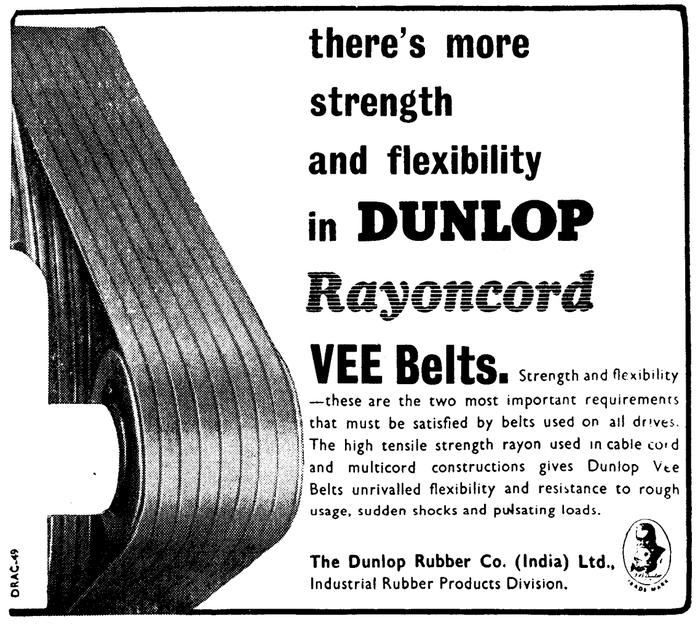
(2) *Nidhis* should be exempted from Section 159 which imposes obligation to file every year the return of members, past and present. It is enough if the changes in membership that have taken place during the year are alone returned.

(3) Suitable amendments are proposed to relax the provisions of the following Sections, namely, Sections 166, 207, 219, 270, 280 (relating to age limit of the directors) and 295.

The Report states that there is no justification for exempting these companies from the operation of Section 314 in view of the amendments proposed in that section.

As regards Section 75(1), the Report states that in the case of *nidhis* the fee leviable in respect of the return of allotments to be filed should be considerably reduced so as to enable them to extend their usefulness and service to the poor and the lower middle class people. It is open to the Central Government to reduce the fee in exercise of powers under Section 613 of the Act.

The *S.N.D.P. Yogam*, a non-profit-making concern, had represented before the Committee that it should be exempted from the operation of certain provisions of the Act, in view of its large membership of over 12,000, its numerous branches numbering 1,270 and its social and educational activities. The Report suggests that the considerations that apply to the case of *nidhis* should also apply to the *Yogam* and there is no need to grant any special exemptions.



TENNESSEE VALLEY AUTHORITY COMPLETES 25 YEARS

HOW IT SERVES U.S.'S NATIONAL ECONOMY

THE Tennessee Valley Authority, whose initials "T.V.A." have become synonymous throughout the world with the integrated development of natural resources, celebrates its twenty-fifth anniversary this year. It was on 18th May 1933 that the T.V.A. Act of Congress was signed into law. The owners of this enterprise, the people of the United States, made a substantial investment in T.V.A. The investment now is paying dividends in dollars and cents, in the vigour of economic life, and in its outstanding contribution to the national defence. In the beginning, T.V.A. was frankly called an experiment. Today it is a $2-billion going concern. Resources once idle are at work. Resources once wasted are being conserved and used.

The purpose of T.V.A., as delineated in its Congressional charter, was clear. The natural resources of the 40,910-sq. mile watershed of the Tennessee river system were to be developed to their maximum usefulness. The waters of the river system were to be harnessed for maximum flood control, deep water navigation, and maximum hydro-electric power production consistent with the operation of the dams for flood control and navigation. The great World War I chemical plants were to be used for the development of new forms of fertilisers which would be cheaper to the farmer as applied to the land—plant nutrients the soils of the country needed. The plants were to be available on overnight notice for the production of munitions should an emergency arise.

River System

What has happened in these 25 short years? The Tennessee river system, fourth largest in the country, has been brought under control. Every basin-wide flood, including the greatest in 90 years, has been passed downstream with little harm. An all-year navigation channel connects the great trans-Appalachian region with the inland waterway system directly connecting 20 states. Thirty-one major dams and seven large steam plants generate electricity in quantities that dwarf the demands of America's largest cities and more than half of it goes to atomic defence plants. At Muscle Shoals, Alabama, the Fertiliser-Munitions Development Centre provides for the nation's farmers and for the fertiliser industry the country's only public research organisation equipped for complete development of fertilisers from laboratory to demonstration-scale production. In war-time, it serves as a chemical defence plant.

In 18 states, team research in fertiliser problems has been established with the agricultural colleges. Also with college collaboration, education programmes are in operation in 34 states to bring the latest findings in fertiliser science and fertiliser use to the practical farm, as well as to fertiliser distributors and their local dealers. Tennessee Valley farms are steadily turning from row crops to pasture agriculture. Green fields are healing the open wounds of erosion and providing feed for livestock to supplement one-crop farming.

Forest Management

The forests, which cover over half the valley, are gradually being placed under scientific management by their owners. Idle, eroded areas are being reforested. The products of wood-using industries are valued at almost $450 million a year.

Malaria, which once sapped the strength of a third of the people along some stretches of the Tennessee, has not been detected for nine years.

Recreation, the bonus of river development, has become a major industry in which states, counties, cities and private individuals have invested over $72 million.

Perhaps most important of all, when the security of the nation was in peril in two terrible wars, the resources of a strategic region were mobilised quickly into the nation's scheme of defence to produce aluminium, chemicals, and the materials for atomic weapons. As this contribution to security and defence was national in significance, so have the region's resources been brought to the service of the nation's commerce, agriculture and industry. The new navigation channel is being used on an increasing scale by shippers in many mid-western and southern states to bring oil, steel, coal, grain and other commodities into the valley, or to receive goods from valley producers.

The structures regulating floods are designed and operated to help protect the lower Ohio and lower Mississippi valleys, benefiting millions of acres of land in those areas. Research into new fertiliser materials and processes, resulting in more than a hundred patents, has been made available without charge to scores of private industrial firms. This same type of research has helped make possible the economical development of the vast phosphate fields in western states and extended the utilisation of the nation's phosphate reserves. Farmers in every major agricultural region are making better use of fertilisers—and of their land—because of T.V.A.-sponsored educational activities.

Most of the dollars that bought the heavy equipment T.V.A. needed for its dams and steam plants was spent in states outside the valley. And as electric power has become widely available at low cost, the great plants manufacturing appliances, most of them in the north and east, have supplied an estimated two-billion dollars worth of their products to citizens of the region.

The past 25 years have been years of growth, sometimes rapid, sometimes painstaking and slow. Twice during that period the pace was quickened by war. During World War II, when the defence programme required power, 12 dams were simultaneously under construction. Again, during and after the war in Korea, T.V.A. undertook a programme of steam plant expansion to furnish the power needed for a tremendous enlargement of atomic energy facilities, for other defence plants, and for the rapidly growing demand from homes, farms, and industries. This surge of activity reached a peak in the past five years when installed capacity burgeoned from five to ten million kilowatts.

There were years of painstaking, though sometimes urgent, research to find fertiliser materials that would be cheaper to the farmer as applied to the land, and containing minerals the land needed. There were years of patient progress in reforestation efforts, in stimulating timber owners to greater and more scientific production, and in assembling data useful to industry in planning investment for future expansion.

There were years of building—the building of many structures, dams of beauty and utility, bridges, transmission lines, and in later years great coal-consuming generating stations, some of the largest in the world. There was building, too, that was less tangible but just as important: the foundations have been laid and much progress achieved in the relationship of T.V.A. with state and local agencies of government in the valley, with educational institutions, with industries and with individuals. Their co-operation has been, and always will be, essential to the success of the work.

Measured in dollars, the success of the work thus far is significant. Directly traceable savings in flood damage prevented is $131 million. Savings to shippers using the navigation channel in lowered transportation costs are more than $20 million a year. T.V.A.'s low electric rate policy has saved power consumers $746 million over what they would have paid for the same amount of electricity priced at the average of rate schedules in effect throughout the country.

To the expanded market for electric appliances has been added the entirely new market for boats, motors, lakeshore housing, and services and products related to water use. The valley is a national playground. There is no way of putting a dollar value on the victory over malaria, on the value to industry of research in new fertilisers, of better forests, and of improved farming systems. It is difficult to assess dollarwise the satisfaction of a farmer and his wife

(*Continued on page* 1147)

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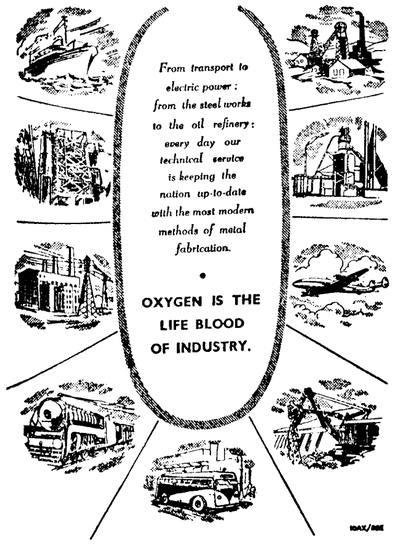

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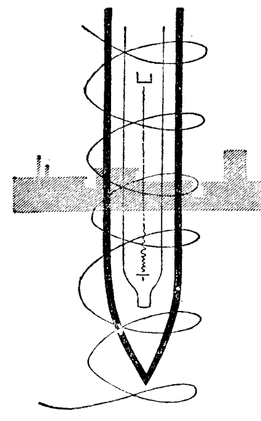

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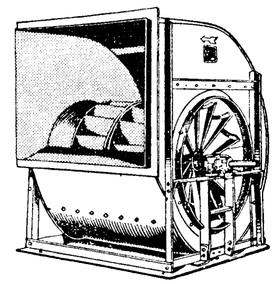

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INDUSTRIAL PRODUCTION IN ASIAN COUNTRIES

SLOWING DOWN IN PACE OF INCREASE

FOR some years now, the countries in Asia and the Far East have been making concerted efforts to bring about rapid economic development with a view to ensuring improvement in the living standards of the masses which are at present deplorably low as compared with those in the industrially advanced countries in the West. The progress actually made, however, has been slow, especially of late. For, partly because of the drain on resources arising from internal and international tensions and partly because of pressures generated by economic development efforts, thanks to limitations in domestic supplies and resources, the external accounts are very adverse. Another impediment has been the growing pressure of population. How far these factors have checked the rapid growth in industrial production has been well brought out in the *Economic Survey of Asia and the Far East* 1957 prepared by the Secretariat of the Economic Commission for Asia and the Far East (E.C.A.F.E.), Bangkok.

The *Survey* reveals that, although manufacturing and mining production during the year 1957 rose by about 11 per cent. (on the basis of returns for the first three quarters), as against only 3.5 per cent. for the world as a whole, there was a definite slowing down in the pace of industrial progress. This tendency was more pronounced in the second half of the year than in the first half and was noticed in Japan and India, which between them produce about three-quarters of the manufacturing and mining output of the region, excluding Mainland China. The limiting factors, according to the *Survey*, are mainly on the supply side which included foreign exchange difficulties, bottlenecks in supply and distribution of raw materials, relative increase in raw material prices, and continued scarcity of capital and technically trained personnel.

Major Trends

It is against this general background that the *Survey* analyses the major trends in industrial production in the E.C.A.F.E. region. The analysis classifies the countries into three distinct groups. The first group consists of the comparatively advanced economies such as Japan, India and China; the rate of industrial growth in these countries, after achieving peak levels in 1956, slowed down in 1957, owing to temporarily reduced rates of capital formation. The second group consists of Hong Kong, Southern Korea, Pakistan and the Philippines which continued or even accelerated growth in industrial production in 1957, though in Pakistan and the Philippines there was a slight tapering off. All the other countries which experienced only a little industrial growth are included in the third group.

Among the countries in the first category, Japan is said to have shown a continued growth of industrial production during the first half of 1957. In the second half, however, it was compelled to cut the rate of investment and induce downward adjustments in production and inventories, thanks to the restrictive monetary and investment policy necessitated by the rapidly deteriorating balance of payments. As regards India, the index of industrial production (1953=100) which had reached 135 in 1956 fell to 133 in the first quarter of 1957. This decline is attributed to the difficulties in the balance of payments, with large expenditures on food imports interfering with imports of machinery and replacement parts, which led to revision or cut-back in some industrial projects. The closure of the Suez Canal late in 1956 also interrupted the regular supply of capital goods. Industrial production, however, picked up rapidly in the second quarter of 1957, the index reaching a peak of 149. It tended to decline again in the third quarter, the index being 141. In Mainland China, production is reported to have increased by 7 per cent. in 1957 as against 31 per cent. in 1956, while in Taiwan, production excluding sugar rose by 13 per cent. as against 6.1 per cent.

The countries in the second group registered substantial gains in industrial production during 1957. In Pakistan, for instance, the index of production (1954=100) rose to 142 in 1956 from 126 in 1955 and the rise continued in 1957. But the utilisation of capacity was somewhat limited on account of heavy food imports which did not permit imports of the required quantities of raw materials and spare parts and inadequacy of power supply. In the Philippines, production continued to increase in the first half of 1957, the rise being 8 per cent. as compared with the corresponding period of 1956. The *Survey* observes that the slowing down of advance occurred despite steadily rising domestic demand for consumer goods and Government encouragement by way of tax concessions and liberal dollar allocations for essential imports. It is stated that the shortage of imported raw material was one of the causes for the decline in production. South Korea showed a continuously upward trend in production, the index (1956=100) having risen from 143 in 1956 to 211 in October 1957. The pace of development in Hong Kong slowed down a little.

Indonesia and Burma are among the countries of the third group with comparatively small increases in industrial activity. There was more or less a steady decline in output in Ceylon during 1957. The difficulties in these countries resulted largely from acute foreign exchange shortages. There were a number of disincentives to investment in both the public and private sectors such as shortage of efficient management and skilled labour, limited size of the domestic market and inability to compete fully with foreign suppliers.

National Income

The *Survey* stresses that, though industrial production continued to expand in several E.C.A.F.E. countries, its relative contribution to national income as a whole remained at a low ebb, with the possible exception of Japan. The share of industrial production in Japan (according to 1956 estimates) was 28.3 per cent. which has been found more or less stable over years, in view of the already developed capacity in the country. In the 'semi-industrialised' countries like China, Hong Kong, India, Malaya and Singapore, there was a steady growth in the relative share of industries in the net domestic product. For example, the share of manufacturing, mining and construction in net domestic product in India has steadily gone up from 16 per cent. in 1950 to 19 per cent. in 1955. Some of the 'non-industrialised' countries in the region like South Korea and Pakistan, maintained a relatively high rate of industrial expansion.

The level of industrial production on a *per capita* basis is by and large too low in these countries. The *per capita* production (1956) of electricity was 25 kw.h. in India, 30 kw.h. in Mainland China, and 801 kw.h. in Japan, as against 1,702 kw.h. in the U.K. In regard to coal, it was 104 kg. in India, 189 kg. in Mainland China, 506 kg. in Japan, as compared with 4,405 kg. in the U.K.

The industry-wise review of production during the year shows that, while fuels (coal and petroleum) raised or kept up their relatively high rates of increase, there was definite retardation in the case of textiles (which actually declined), power, fertilisers and cement (based on the estimates for the first half of 1957), as is indicated below:

Item and unit	1955	1956	1957	Percentage increase	
				1957 over 1956	1956 over 1955
Coal (million tons) ..	179.69	197.79	225.68	14.1	10.1
Petroleum, crude (million tons) ..	18.87	20.40	22.28	9.2	8.1
Electricity (billion kw.h.) ..	91.13	106.23	114.29	7.6	16.6
Iron and steel—					
Pig iron (thousand tons) ..	10,779	12,611	14,531	15.2	17.0
Crude steel (thousand tons).	14,060	17,172	20,053	16.8	22.1
Cement (million tons).	22.13	27.04	30.21	11.7	22.2
Ammonium sulphate (thousand tons) ..	2,968	3,302	3,381	2.4	11.3
Cotton textiles—					
Cotton yarn (thousand tons).	2,099	2,438	2,433	—0.2	16.2
Cotton cloth (thousand tons).	11,492	14,320	14,109	—1.5	24.6
Paper (thousand tons) ..	3,059	3,606	4,164	15.5	17.9

Production of coal, we are told, was at a high rate in Mainland China, Japan and India. Petroleum output also recorded a rise, particularly in Indonesia. In contrast, the increase in electricity generation was relatively much less, though the total supply was higher. Similarly, production of iron and steel in the three main producing countries (India, China and Japan) continued to rise but at a slower rate. Mainland China and Japan accounted for the increase in production. India was operating the existing plants at capacity and did not show any appreciable increase in these years. The combined share of the three countries' crude steel output in the aggregate world output rose steadily from 5.7 per cent. in 1952 to 6.4 per cent. in 1955, 7.5 per cent. in 1956 and 8.4 per cent. in 1957. Cement is produced in several Asian countries. As the *Survey* shows, production doubled during 1952-57, the largest increase being registered by China (Mainland), Japan and Pakistan. The rate of increase, however, fell by 50 per cent. last year as compared with 1956. Another significant trend was the slight decline (on the basis of the first half) in cotton textile output.

The *Survey* proceeds next to the review of the current trends in industrial development programming. It is pointed out that, while agriculture has been accorded pride of place in the economic development plans in most of the countries and much attention has also been given to the infra-structure items such as transport and power, a comparatively small allocation of funds and other resources has usually been made for the development of industry as such (manufacturing and mining), though industrialisation is an almost universal objective of the countries of the region. In this connection, the *Survey* observes:

"The experience of 1957 has once again shown that, unless agricultural production is on a satisfactory basis, intensified efforts to achieve industrial development will generally result in increased inflationary pressure and balance of payments difficulties, and that the planned increase in industrial output is itself likely to be frustrated by certain supply shortages. In view of difficulties of this kind that have actually occurred or are in prospect, it is probably true to say that programmes of industrialisation are now being viewed with considerable realism and with less exaggeration than was sometimes apparent in the past. The need for fairly rapid industrialisation still seems to be a basic postulate of almost all countries in the region, but it is realised that a somewhat broader and more balanced approach to the objective is necessary."

The *Survey* refers to another significant feature in the industrial development programming in S.E. Asia, namely, the important role assigned to Government. At the same time, however, in some countries, this leading role of the Government is combined with a policy of encouraging private enterprise to take an active part in industrial development. The formation of development corporations, such as the Pakistan Industrial Development Corporation, the new investment policy outlined in August 1957 by the Philippine Government to withdraw from fields where private enterprise is expected to take over and greater stress laid by Burma on the utilisation of resources in the private sector, etc., are cited as instances in point. As regards India, it is stated that it is regarded as essential that encouragement is given to private industry, and, at the same time, a basic premise underlying the Five-year Plan is the continued relative as well as absolute expansion of the public sector.

Small Industries

The objective of import substitution receives considerable attention in the planning of industrial development. Efforts are also made to diversify exports by increasing the share of industrial products, and thus to achieve greater stability in foreign exchange earnings and, consequently, of imports of capital goods necessary for further economic development. The *Survey* refers to the relatively greater emphasis placed on heavy industries, particularly in India and China. Another trend in industrial development programming has been towards decentralisation through the development of small-scale industries in rural areas.

According to the *Survey*, the basic consideration in favour of placing greater emphasis on the development of small and cottage industries has generally been the shortage of capital and managerial and labour skills, together with general abundance of manpower. To quote it: "In short, the peculiar proportions of factor supply in the region are the main determining factor." The *Survey* clearly warns that, unless specific types of manufacturing are developed which use less of the productive factors in short supply and more of the abundant resources, the joint problems of increasing the immediate availability of goods and creating job opportunities cannot readily be solved. It no doubt admits that, in this connection, attention is being increasingly directed to the need to adapt the Western technology to the particular situation of the countries of Asia and to develop indigenous techniques of production and that care is also being taken to prevent the rise of new technological unemployment, stemming from the application of modern techniques. Nevertheless, the *Survey* emphasises that a basic problem facing small-scale operation has been that of raising productive efficiency, in general, and productivity of labour, in particular, without extensive mechanisation.

NEW PUBLICATIONS

The Design of Development. By Professor Jan Tinbergen. Published by Johns Hopkins Press, Baltimore, Maryland. Pages: 91. Price: $2.50.

THE *Design of Development* by Professor Jan Tinbergen of the Netherlands School of Economics is the second publication of documents in use at the Economic Development Institute, which the World Bank established in 1955 as a centre for the study of development problems by senior officials from the less developed countries. The author served as an economic consultant to the World Bank in 1955-57 and this book was written at that time.

The background of *The Design of Development* is the revolutionary change in the economic outlook of peoples all over the world since World War II. Almost without exception, nations have come to view the rate of economic growth as something that can and ought to be accelerated by deliberate policy. But the framing of such policies to suit the aspirations, needs and capacities of individual countries is an intricate and difficult task. There is no uniform answer to the development problems of, for example, India and Brazil, Ceylon and Colombia. But there are certain principles of economic policy whose observance can ensure a more effective use of productive resources.

It is on such basic matters that Professor Tinbergen concentrates in this book. He explains in non-technical language the essential characteristics of a "development programme"—using that term to cover development in both the Government and private sectors. He then suggests methods of appraising projects that are parts of such a programme and comments on the problem of stimulating private investment. The book is concerned with methods of assessment rather than with specific policy prescriptions. As Professor Tinbergen says: "Programming is not an alternative to common sense ... The role to be played by scientific knowledge and insight in the field of development will for a long time to come be only a modest one. The relevant facts of life are too many and too varied to make it possible to reach decisions without a strong intuitive feeling for human relations."

New Japan Vol. 10, 1958. Published by the Mainichi Newspapers, Yuraku-cho, Chiyoda-Ku, Tokyo, Japan. Pages: 354.

This tenth edition of *New Japan* is, in both contents and appearance, a publication *par excellence*. Grand in conception, elegant in design and layout, it is an outstanding showpiece of the Japanese publishing industry. *New Japan* is truly a symbol of the accomplishments of the Japanese people in every field of activity. Through maps, charts and illustrations and with the aid of crisp notes, it tells the story of Japan, its colour and customs, moods and manners, life and literature. A remarkable feature of the publication is that there are reproductions, with brief explanatory notes, of some of the masterpieces of Japanese paintings. Among topics of commercial interest contained in it, particular mention may be made of the directory of leading companies in Japan, the industrial map of the country and a number of sketchy, well written articles on the major industries of Japan. The enticing picture of the country presented through exquisite vignettes of places of scenic beauty has considerable tourist appeal. This publication is indeed Japan's "visiting card" to the world outside.

Citadel Market and Altar. By Spencer Heath. Published by The Science of Society Foundation, 1502, Montgomery Road, Elkridge 27, Maryland. Pages: 259. Price: $6.00.

The title of the book is a symbolism for the chief forces that make for social progress. The author of the book, Mr. Spencer Heath, is a student of the sciences, philosophy and history, and retired from active engineering research in order to pursue horticulture. The subject he deals with cannot be properly brought under either sociology or economics or philosophy. But it does deal with all the subjects. His chief concern is, of course, the dynamic expansion of human personality. As Mr. John Chamberlain in his foreword points out, Mr. Heath envisages the citadel as the protector of the market place. This is its role. When the citadel stays within the bounds of its purely protective function, human spirit is left free to devote itself to the spontaneous side of life symbolised by the altar. But if the citadel encroaches on the domain of the market, usurping its functions, man's creative faculties receive a setback. Mr. Heath insists that ownership is what confers freedom. To be a free man, one must have the right to a home base, something to stand on without asking any politician's permission. Emphasising the role of private property in land, Mr. Heath says:

"First and foremost of these benefits will be security of possession. The occupant obtains this security by an exchange process that is inviolate only so far as private property in land is respected and upheld. While this institution stands, a civilised society with secure and definite places of work and abode and exchange is possible; when it is destroyed, there can be no security either of ownership or possession, no respecting of property or freedom in any form; for then no occupancy or possession can rest on any sanction but the arbitrary will and power of a self-constituted or an elected coercive authority. Respecting the prerogative of ownership, and thereby of the exchange relationship between owners and tenants, is all that stands between the peaceable possession and use of land, between the amenities of civilised relationships and finally the dearth and darkness of utter slavery or a nomadic barbarism. These dire alternatives to private ownership and, thereby, security in the possession of land make plain the absolute indispensability of that institution to any social or civilised order of life."

This is a book with a challenge. It is fresh and vigorous. Above all, it owes not a little of its interest to the obvious sincerity of the author and his insight into social problems.

Bhadkad—Social and Economic Survey of a Village. Published by the Indian Society of Agricultural Economics, 46-48, Esplanade Mansion, Mahatma Gandhi Road, Bombay-1. Pages: 71. Price: Rs. 4.00.

The book under review presents the results of two surveys conducted at an interval of 40 years. From this point of view, this is perhaps a unique contribution to the literature on Indian economic surveys. The first survey was conducted in 1914-18, whereas the second survey was conducted in 1955. The results of the two surveys, as the authors themselves point out, bring out "the stark reality that the progress in development either in the economic sphere or in social change has been very slow." Conditions of stagnancy have prevailed over a period of nearly 40 years. This, of course, is disconcerting. In conclusion, the Study says:

"The case of Bhadkad is illustrative of the various problems confronting Indian villages and agriculture, the difficulties and handicaps of the Indian farmers and the social stratification and beliefs which have arrested the progress of the rural community. The differences are only one of degree, introduced by local conditions. Similarly, the magnitude of the task of reconstruction of a typical Indian village which has had the impact of partial development due to facilities of communication and contact with the industrial centres of district is exposed. It is seen that the cultural development of the various groups of the population has varied and synchronised with their social contact with the urban structure of the society living outside the village. In this context, the survey also illustrates clearly the factors that resist development and the effect of piecemeal change in the traditional institutions without properly conceived substitute organisation to replace them. The problem in Bhadkad is therefore the same problem as that in many of the hundreds of thousands of Indian villages, viz., that of creating conditions for full employment and higher incomes and the need for visualising institutional changes which would so alter the pattern of the social and economic behaviour as to be responsive to this need for rapid economic development."

This observation must provide much food for thought for those who are engaged in the reconstruction of rural India.

The Indian Central Oilseeds Committee, Hyderabad, has published two monographs, one on the *Vanaspati Industry* by Dr. G. S. Hattiangdi and the other on *Solvent Extraction of Vegetable Oils* by Mr. H. V. Parekh, in a series of 12 monographs which it intends to bring out by the end of this year. Written by specialists in the line, these monographs should prove valuable guides to trade and industry, university students and researchers in the fields of allied science and technology. The monograph on the *Vanaspati Industry* (Price: As. 8) deals with vegetable oil products, hydrogenation of oils, fundamentals of vanaspati manufacture, its production, marketing and consumption and its nutrition value. The monograph on *Solvent Extraction of Vegetable Oils* (Price: As. 12) contains, among other things, a review of various methods of production of vegetable oils and application of solvent extraction processes to various oilseeds and to the village *ghani*.

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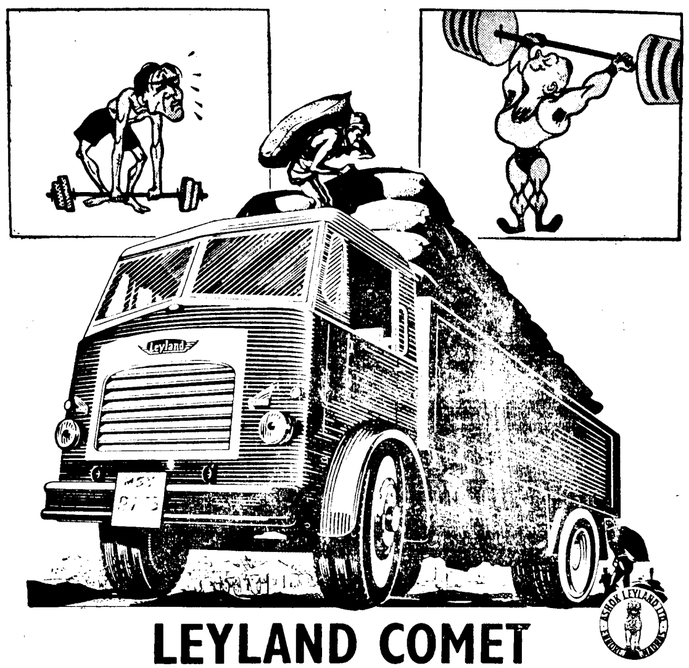

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KANKNARRAH AND KAMARHATTY JUTES SUFFER LOSS

PREFERENCE DIVIDEND AGAIN IN ARREARS

THE jute industry has been passing through a period of heavy stress and strain for some time past. Its problems are wide and varied but some of the chief ills which do not admit of an easy solution are difficulty of getting raw jute at economic price levels, the low price of the manufactured goods, as compared with the higher price of raw materials, the dwindling export market due to keen competition from Pakistan and resort to other new substitutes for jute goods by importing countries. The inevitable result has been that several mills in recent years are incurring heavy losses year after year and carrying forward such losses. The plight of the investor in the shares of these companies hardly requires any elaboration.

A typical example to illustrate the above conditions is provided by the working results of the Kanknarrah Company Ltd. and the Kamarhatty Company Ltd. (both under the managing agency of Messrs. Jardine Henderson, Ltd., Calcutta) for the year ended 31st December 1957. Both the Companies have suffered losses during the year under review. This is the third year in succession for which these Companies have incurred losses, although there is great variation in the extent of the loss each has suffered. A slightly encouraging feature of the year's working, however, is that even though there have been losses, they are far less pronounced than those in the previous year. This is evidently due to the better working conditions during the second half of the year and no less to the economies effected by carrying out a programme of modernisation. Thus, Kanknarrah has incurred a gross loss of Rs. 9.71 lakhs, as against Rs. 19.39 lakhs in the previous year and Kamarhatty's loss has come down from Rs. 7.50 lakhs to Rs. 4.48 lakhs. The wide variations in the fortunes of the two Companies within a short period can be gauged when it is realised that only as recently as in 1954 Kanknarrah had made a gross profit of Rs. 14.76 lakhs, while Kamarhatty earned as much as Rs. 18.54 lakhs.

After providing for Managing Agents' remuneration and depreciation, the net loss of Kanknarrah stands at Rs. 20.22 lakhs, as against a net loss of Rs. 22.19 lakhs a year ago. The net loss of Kamarhatty at Rs. 9.22 lakhs is slightly lower, as compared with Rs. 9.34 lakhs in the previous year. Both the Companies have raised the provision for depreciation substantially; Kanknarrah having increased it from Rs. 1.75 lakhs to Rs. 10.01 lakhs and Kamarhatty from Rs. 60,000 to Rs. 4.24 lakhs. Utilisation of the new machinery during the year under review is stated to be the cause for the greatly increased charge for depreciation. The total net loss carried forward for the two years, 1956 and 1957, amounts to Rs. 41.59 lakhs in the case of Kanknarrah and Rs. 18.02 lakhs in the case of Kamarhatty. Both the Companies have passed over the dividend on the preference as well as ordinary shares for the second year in succession.

The table at the bottom of the page will enable one to make a comparative study of the working of these two Companies during the past three years.

In compliance with the working time agreement of the Indian Jute Mills Association, the mills continued working the equivalent of a single shift for 48 hours per week throughout the year with 12½ per cent. of the total looms sealed. Triple shifts were worked in the mill on the new machinery and double shifts in the factory for some months in the year. According to the Directors' report the setting up of a few jute buying agencies in selected areas in order to ensure for mills regular and suitable supplies of raw material is promising enough to encourage a substantial extension of this system of purchase during the current season. This has resulted in a satisfactory reduction in the wastage percentage in the mills and the agencies themselves are now operating on an economical basis. During the year under review, the Kanknarrah Company purchased 19,968 and Kamarhatty 20,640 loom hours per week from the Reliance Jute Mills Company under the same managing agency. The purchase was for an initial period of six months from September 1957. This arrangement has been renewed for a further period of six months until 8th September 1958.

Commenting on the trading conditions during the year under review and the prospects for the current year, the Directors observe:

"In their last previous report dated the 30th August 1957, your Directors stated that substantial losses continued to be incurred until the end of March 1957, after which they had been much reduced but that, unfortunately, the full economies to be expected from the installation of modern spinning machinery had not at that date so far been achieved. Of the loss incurred during the year, much the greater part had already accrued by the end of June and, with the exception of the month of October, working results were distinctly better in the second half of the year, net profits being earned in some months. At the same time, while very considerable improvements are evident in the mill working and while substantial reductions in costs have in fact been achieved, as recorded in the last report, it is evident that still further reductions will have to be achieved in the cost of the raw material which is being processed before profits on a scale commensurate with the Company's capital can be earned.

"Increased availability of raw jute and the realisation by the market that the current year's crop would prove comparatively plentiful has resulted in raw jute prices being maintained at a level at which it has generally been possible in recent months to buy jute and simultaneously sell goods at a profit. While this is a welcome change from the situation which has confronted these Companies for some time past, it will be appreciated that the industry, being largely dependent as it is on the export of its products for its prosperity and indeed for its survival, is particularly vulnerable to any general recession in the volume of foreign trade throughout the world. The stock position is, however, sound and, with the foregoing reservation regarding world market conditions, your Directors are of the opinion that despite the very disappointing results for the past year the Companies are now in a better position to face the future than it has been for some years."

The following synopses of the Companies' latest balance-sheets give an idea of their financial position:

	As on 31st December 1957	
	Kanknarrah	Kamarhatty
LIABILITIES	Rs.	Rs.
Capital	68,22,700	59,20,000
Reserves	9,73,967	21,09,435
5½ per cent. debentures	12,69,000	13,04,000
Provision for taxation	2,74,788	72,924
Liabilities	1,53,21,839	1,44,96,472
Rs.	2,46,62,294	2,39,02,831
ASSETS		
Gross block	1,76,13,612	1,96,91,608
Less—Depreciation	97,33,167	1,14,05,986
Net block	78,80,445	82,85,622
Fixed assets under installation and machinery stored in godown	46,550	
Stores and spares	14,86,682	21,07,698
Stock-in-trade and work-in-progress	69,05,538	72,65,579
Loans and advances	14,19,233	15,24,330
Investments	25,84,818	26,97,141
Cash balances	1,80,235	1,60,349
Profit and loss account	41,58,784	18,02,112
Rs.	2,46,62,294	2,39,02,831

(In lakhs of rupees)

	KANKNARRAH				KAMARHATTY			
	For the year ended 31st December				For the year ended 31st December			
	1957	1956	1955	1954	1957	1956	1955	1954
Sale proceeds	2,95.82	2,40.27	2,71.99	2,35.28	3,39.14	3,00.39	3,25.13	2,74.22
Stocks of finished goods and in process	32.49	35.88	17.45	22.43	41.20	37.11	19.35	26.42
Manufacturing and other expenses	3,03.26	2,80.55	2,89.98	2,24.47	3,50.23	3,29.24	3,17.68	2,65.74
Gross profit (+) or loss (—)	—9.71	—19.39	—0.45	+14.76	—4.48	—7.50	+2.53	+18.54
Managing Agents' remuneration	0.50	1.05	1.34	4.14	0.50	1.24	1.53	4.82
Depreciation	10.01	1.75	1.25	2.50	4.24	0.60	1.50	3.00
Taxation			0.35	4.10			0.95	5.50
Net profit (+) or loss (—)	—20.22	—22.19	—3.39	+4.02	—9.22	—9.34	—1.46	+5.22
To reserves and provision for doubtful debts and other contingencies			0.80	0.23		0.23	1.11	2.61
Transfer from reserves			5.53				4.63	2.00
Dividends—								
6 per cent. preference			0.60	0.60			0.96	0.96
Ordinary			0.54 (2%)	3.51 (6½%)			1.08 (5%)	3.46 (8%)
Carry forward	—41.59	—21.37	0.82	0.62	—18.02	—8.80	0.87	0.84

INDIAN STANDARD WAGON'S PROFIT LOWER

SHARP RISE IN SALE PROCEEDS

DESPITE a substantial improvement in sale proceeds, the working results of the Indian Standard Wagon Company Ltd. (Managing Agents: Messrs. Martin Burn Ltd., Calcutta) show a slight diminution in its gross profit for the year ended 31st March 1958. The reason is obviously to be found in the higher manufacturing expenses as a result of increased cost of raw materials and stores and spare parts consumed. Thus, the gross profit at Rs. 64.68 lakhs has declined by Rs. 6.04 lakhs or 8.5 per cent. from Rs. 70.72 lakhs for the previous year. Although this recession by itself is not very serious or marked, it has reversed the unbroken upward trend in profit since 1949-50, when the profit amounted to a mere Rs. 10.50 lakhs.

The net profit at Rs. 29.95 lakhs, on the other hand, stands higher, as compared with Rs. 26.48 lakhs for 1956-57, thanks to the cut in the provision for taxation from Rs. 35.20 lakhs to Rs. 26 lakhs. The tax provision for the year under review, in spite of the cut, still works out to about 40 per cent. of the Company's gross profit and the Directors have, in addition to the aforesaid provision, set aside Rs. 1 lakh for tax contingencies, as against Rs. 1.20 lakh provided a year ago. The distribution to the shareholders has been lowered to 20 per cent. from 30 per cent. paid for the previous two years (made up of a dividend of 25 per cent. and a cash bonus of 5 per cent.), to which level it had been stepped up from 25 per cent. paid in 1954-55. It should, however, be noted that the year's dividend is on a higher capital of Rs. 38.98 lakhs, doubled by the capitalisation of Rs. 19.49 lakhs in December 1957.

The Directors have created a new reserve, styled development rebate statutory reserve, and have made an initial contribution of Rs. 9,528, representing 75 per cent. of the development rebate allowable on plant and machinery installed after 31st December 1957. Also a sum of Rs. 75,000, being tax saving on account of the development rebate allowable on plant and machinery installed during the nine months to 31st December 1957, has been set aside to general development reserve, to which account the balance of the old development rebate reserve as at 1st April 1957, representing previous tax savings, has now been transferred. The transfer to plant replacement reserve has been raised from Rs. 5.25 lakhs to Rs. 5.74 lakhs, while that to general reserve has been maintained at Rs. 1 lakh.

(In lakhs of rupees)

	For the year ended 31st March			
	1958	1957	1956	1955
Sale proceeds	6,31.67	3,82.56	4,49.37	3,31.58
Departmental orders and items used in works	28.23	28.61	32.31	..
Other income	3.29	2.25	2.23	3.37
Work-in-progress	2,89.72	3,03.37	2,87.32	2,76.29
Raw materials and stores and spares consumed	3,86.62	2,93.36	3,13.35	3,23.00
Other expenses	1,38.24	1,34.90	1,29.40	96.40
Gross profit	64.68	70.72	53.19	44.16
Managing Agents' commission	5.55	6.22	5.19	5.35
Provision for—				
Depreciation	3.18	2.82	1.83	1.04
Taxation	26.00	35.20	17.80	14.00
Net profit	29.95	26.48	28.37	23.76
Transfer to—				
Reserves	7.58	7.25	10.37	13.00
Labour, bonus, gratuity and housing	11.99	10.82	10.10	4.18
Tax contingencies	1.00	1.20	0.80	0.25
Dividends—				
7% preference (tax-free)	1.38	1.38	1.38	1.38
Ordinary	7.80 (D. 20%)*	5.85 (D. 25% + B. 5%)	5.85 (D. 25% + B. 5%)	4.87 (D. 25%)
Carry forward	0.43	0.24	0.24	0.37

* On the increased capital of Rs. 38.98 lakhs doubled by the capitalisation of Rs. 19.49 lakhs from the plant replacement reserve in December 1957.

The Directors observe that, although the orders on the books are not unsatisfactory, the prospects of steady work during the current year are somewhat uncertain, thanks to the shortage of steel.

A sound financial position is disclosed by the Company's balance-sheet as at 31st March 1958. The paid-up capital which stands raised from Rs. 39.85 lakhs in the previous year to Rs. 59.35 lakhs by the capitalisation of reserves as aforesaid, is supplemented by reserves and surplus aggregating Rs. 55.07 lakhs. The gross block of the value of Rs. 100.41 lakhs has been written down to Rs. 35.45 lakhs. Expenditure on uncompleted work amounts to Rs. 8.66 lakhs. The current assets aggregating Rs. 597.81 lakhs exceed the current liabilities (Rs. 494.98 lakhs) and the provision for taxation (Rs. 32.54 lakhs) by a large margin.

The Rs. 25 paid-up shares of the Company are being currently quoted at Rs. 98 *cum-div.* On an *ex-div.* basis, the yield on the shares works out to 5.37 per cent. per annum, free of income-tax.

ALCOCK ASHDOWN FARES BETTER

DIVIDEND, HOWEVER, LOWER

A MODEST improvement in sale proceeds and a rise in gross profit are the features which characterise the working of Alcock, Ashdown & Company Ltd. (Managing Agents: Messrs. Turner, Morrison & Co., Private Ltd., Bombay) during the year ended 31st December 1957. The gross profit at Rs. 12.63 lakhs has advanced by Rs. 3.24 lakhs from Rs. 9.39 lakhs for the previous year. This is a welcome improvement over the decline suffered in the previous year when the gross profit fell by Rs. 5.87 lakhs from Rs. 15.26 lakhs for 1955. After lowering the provision for depreciation from Rs. 2.03 lakhs to Rs. 1.51 lakhs and that for taxation (both India and Pakistan) from Rs. 6.10 lakhs to Rs. 4.75 lakhs, the net profit at Rs. 5.49 lakhs compares well with a net loss of Rs. 1.39 lakhs suffered a year ago.

It may be recalled that, during the year 1956 the fixed assets and stock of the Company's Karachi branch were sold to the Government of Pakistan. The profit of Rs. 15.09 lakhs arising out of this deal came in handy and the Directors were able not only to wipe out the loss referred to above but also to make some essential provisions and a slight enhancement in the rate of dividend distribution. The higher amount provided for taxation in the previous year is obviously due to the fact that tax is payable on the profit derived from the above transaction.

The Directors have declared a dividend of 12½ per cent. for the year under review, as against 15 per cent. for the previous year to which level it had been stepped up from 12½ per cent. paid in 1955. A sum of Rs. 46,250 has been set aside as provision for bonus for the year 1955 in terms of the Industrial Tribunal Award dated 16th January 1958, as against *nil* in the previous year. The Directors have raised the provision for leave travelling expenses, leave salaries, etc., from Rs. 80,000 to Rs. 96,000 but have lowered the reserve for pensions and gratuities from Rs. 82,546 to Rs. 75,000. The capital reserve and reserve for tax contingencies which were recipients of Rs. 6.70 lakhs and Rs. 40,000, respectively, in the previous year, have not been provided with anything.

The following comparative table will give some idea of the Company's progress during the last four years:

(In lakhs of rupees)

	For the year ended 31st December			
	1957	1956	1955	1954
Sale proceeds and work done	85.54	86.29	1,46.38	1,32.60
Work-in-progress and incomplete orders at close	50.03	28.08	26.17	51.23
Expenses	96.54	79.67	1,06.79	1,20.91
Gross profit	12.63	9.39	15.26	10.24
Managing Agents' commission	0.88	2.65	1.42	0.88
Provision for—				
Depreciation	1.51	2.03	3.21	2.78
Taxation	4.75	6.10	4.75	1.30
Net profit (+) or loss (—)	+5.49	—1.39	+5.88	+5.28
Profit from sale of Karachi Branch assets, etc.	..	15.09	..	..
To pensions and gratuities	0.75	0.83	1.20	0.57
,, miscellaneous provisions	1.42	0.80	..	..
Transfer to reserves	..	7.10	0.72	..
Dividends	4.18	5.01	4.18	4.18
,,	(12½%)	(15%)	(12½%)	(12½%)
Carry forward	0.25	1.11	1.14	1.86

It will be seen from the table that work-in-progress and incomplete orders at the close of the year show a sharp rise from Rs. 28.08 lakhs in 1956 to Rs. 50.03 lakhs. The Company is engaged in the business of structural, mechanical and electrical engineers, shipwrights, launch, tug and barge builders, etc. Its workshop is situated in Mazagon, Bombay. They are also agents for mill stores and importers of iron and brass founders.

The Company's financial position, as disclosed by its latest balance-sheet, is quite satisfactory. Its reserves and surplus aggregate Rs. 52.57 lakhs, as against a paid-up capital of Rs. 33.42 lakhs, all in ordinary shares of Rs. 100 each. Of this reserve, the general reserve alone accounts for Rs. 24.90 lakhs. The gross block of the value of Rs 74.22 lakhs stands well written down to Rs. 11.39 lakhs. Workshop under construction at Bhavnagar branch costs Rs. 5.54 lakhs and plant and machinery not yet installed at Bhavnagar branch Rs. 7.83 lakhs. The current assets aggregate Rs. 110.03 lakhs, against which the current liabilities amount to no more than Rs. 48.80 lakhs.

The Rs. 100 fully paid-up shares are being currently quoted at Rs. 250 *cum-div.* On an *ex-div.* basis, the shares provide a yield of 5.26 per cent. per annum, free of income-tax.

Points From The Chair

Need for Synthetic Rubber

"DURING the year 1957 the supply position of raw materials was not fully satisfactory and at times production had to be curtailed due to shortage of raw materials, particularly of imported items. Conditions with regard to raw rubber are particularly unsatisfactory. Although the rubber manufacturing industry is required to pay very high prices for Indian rubber for helping the indigenous rubber plantation industry to expand its production, the gap between demand and production has been increasing and the prospect of any improvement in the future is not very bright. No relief is available by importing rubber as allowed by the Government to meet the deficit because any price advantage arising therefrom has to be credited to the Rubber Board according to existing regulations governing the issue of import licences for new rubber. In the circumstances, active steps should be taken for implementation of the Government project for early setting up of a synthetic rubber plant in this country in order to meet the deficit in indigenous production of rubber. Here is a sphere wherein the synthetic rubber project of the public sector can be co-ordinated with the rubber industry in the private sector with advantage to all concerned."

K. N. MOOKERJEE,
National Rubber Manufacturers Ltd.

Sugar Prices

"The high price of Indian sugar has been a standing complaint from the general public and the current wide disparity in the prices ruling for Indian and foreign sugars points to the need for a policy of scientific rationalisation in our sugar prices. But what is not realised, or is not so well known, is that the industry is helpless in regard to this matter, as the major elements in the cost structure are entirely beyond its control. A breakup of the sugar price will show that sugarcane, the price of which is statutorily fixed, accounts for 42 per cent., while excise duty and cane cess together account for another 35 per cent. With salaries and wages and cost of labour amenities increasing year after year and the appreciating costs of spares and stores, fuel and even water in some cases, there appears to be little scope for the industry to effect economies in manufacturing costs. A Central Wage Board for the sugar industry has recently been set up, and it remains to be seen to what extent the wage bill is likely to be altered as a result of the Board's recommendations."

B. M. KRISHNAN,
Mysore Sugar Company Ltd.

European Free Trade Area

"Negotiations for a European Free Trade Area have met with strong opposition from certain continental countries, who would prefer the Common Market to be established alone with a high tariff wall around it. If this view prevails it will have most harmful consequences for the countries concerned by dividing the free countries of Europe into two competing and antagonistic trading communities. It is hoped that wise counsels will prevail and that a European Free Trade Area will be established side by side with the Common Market of the six countries. Should Britain join a European Free Trade Area your Board considers that the steps which have been taken to modernise our methods of production will enable us to take full opportunity of the benefits which the European Free Trade Area can bring to this country. This large market should enable British worsted spinners and worsted manufacturers to increase the volume of their exports which at the present time are being restricted by import duties. The development of the European Free Trade Area can be confidently expected to raise considerably the standard of living of the people in the various member-countries. This in turn should lead to an increased demand for better qualities of wearing apparel."

SIR E. BEDDINGTON BEHRENS, K. B.,
Jeremiah Ambler Ltd., London.

Production Lacking Behind Demand

"This leads me to say something about the general economic conditions in the country. It is perhaps academic to discuss whether deficit financing has led and is leading to inflation in the country. The fact remains, however, that current production of various commodities is not keeping pace with the demand. In some cases this is due to comparatively temporary bottlenecks which are perhaps normal in a free developing economy, but which should not be there in a planned economy. But in other cases, the trouble lies in the imbalance between costs and prices, between the requirements of funds and the willingness to invest and between consumption and saving. It cannot be denied that costs are not under the full control of the producer, and prices are not governed by the business link between one product and another, or between one stage of production and another, but other outside factors. It also cannot be denied that there is a tendency for a consumption larger than what would be justified by either the immediate current production or by the requirements of the economy in general for larger savings and investments."

KASTURBHAI LALBHAI,
The Atul Products Ltd.

COMPANY MEETINGS AND DIVIDENDS

GANGANAGAR SUGAR MILLS LTD. Annual General Meeting, Jaipur, 23rd June 1958. Transfer books will remain closed from 20th June to 6th July 1958, both days inclusive.

CHITAVALSAH JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: Re. 1.10 per share (includes interim dividend of Re. 0.60 per share). Transfer books remain closed from 12th to 26th June 1958, both days inclusive.

BENGAL COAL CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: Rs. 17.50 per share (includes interim dividend of Rs. 7.50 per share). Transfer books remain closed from 13th to 26th June 1958, both days inclusive.

ASSAM SAW MILLS AND TIMBER CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: *Nil.* Transfer books remain closed from 12th to 26th June 1958, both days inclusive.

INDIAN STANDARD WAGON CO., LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: Rs. 5.00 per share. Transfer books will remain closed from 18th to 26th June 1958, both days inclusive.

SIRSILK LTD. Annual General Meeting, Somajiguda, Hyderabad-Deccan, 27th June 1958. Dividend: *Nil.* Transfer books remain closed from 14th to 27th June 1958, both days inclusive.

AHMADPUR-KATWA RAILWAY CO., LTD. Annual General Meeting, Calcutta, 27th June 1958. Dividend: Rs. 2.25 per share, less income-tax. Transfer books remain closed from 13th to 27th June 1958, both days inclusive.

KALIGHAT-FALTA RAILWAY CO., LTD. Annual General Meeting, Calcutta, 27th June 1958. Dividend: *Nil.* Transfer books remain closed from 13th to 27th June 1958, both days inclusive.

BANKURA-DAMOODAR RIVER RAILWAY CO., LTD. Annual General Meeting, Calcutta, 27th June, 1958. Dividend: Rs. 2.12 per share, less income-tax, payable on or after 18th July 1958. Transfer books remain closed from 13th to 27th June 1958, both days inclusive.

BURDWAN-CUTWA RAILWAY CO., LTD. Annual General Meeting, Calcutta, 27th June 1958. Transfer books remain closed from 13th to 27th June 1958 both days inclusive.

KATAKHAL-LALA BAZAR RAILWAY CO., LTD. Annual General Meeting, Calcutta, 27th June 1958. Transfer books remain closed from 13th to 27th June 1958, both days inclusive.

PRESIDENCY JUTE MILLS CO., LTD. Annual General Meeting, Calcutta, 27th June 1958. Transfer books remain closed from 13th to 27th June 1958, both days inclusive.

UNITED SALT-WORKS AND INDUSTRIES LTD. Annual General Meeting, Bombay, 27th June 1958. Transfer books will remain closed from 21st June to 4th July 1958, both days inclusive.

SEN-RALEIGH INDUSTRIES OF INDIA LTD. Annual General Meeting, Calcutta, 27th June 1958. Dividend: Re. 0.60 per share or 6 per cent., payable on or after 31st July 1958. Transfer books will remain closed from 18th to 27th June 1958, both days inclusive.

CALCUTTA GAS CO. (PROPRIETARY) LTD. Annual General Meeting, Calcutta, 27th June 1958. Transfer books will remain closed from 20th to 27th June 1958, both days inclusive.

SHREE GOPAL PAPER MILLS LTD. Annual General Meeting, Calcutta, 27th June 1958. Transfer books will remain closed from 17th to 27th June 1958, both days inclusive.

SAVAMALAI ESTATES LTD. Annual General Meeting, 28th June 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books will remain closed from 21st to 28th June 1958, both days inclusive.

ALEMBIC CHEMICAL WORKS CO., LTD. Annual General Meeting, Baroda, 30th June 1958. Dividend: Rs. 12.00 per share, payable on or after 31st July 1958. Transfer books remain closed from 13th to 30th June 1958, both days inclusive.

HARINAGAR SUGAR MILLS LTD. Annual General Meeting, Bombay, 30th June 1958. Transfer books will remain closed from 23rd June to 7th July 1958, both days inclusive.

CAWNPORE SUGAR WORKS LTD. Annual General Meeting, Kanpur, U.P., 4th July 1958. Dividend: *Nil.*

ASPINWALL AND CO. (TRAVANCORE) LTD. Annual General Meeting, Pathirapally, Mararikulam South P.O., Kerala State, 4th July 1958. Dividend: *Nil.* Transfer books will remain closed fom 20th June to 3rd July 1958, both days inclusive.

MINERVA MILLS LTD. Annual General Meeting, Bombay, 15th July 1958. Dividend: *Nil.* Transfer books will remain closed from 20th June to 12th July 1958, both days inclusive.

METAL BOX CO. OF INDIA LTD. Twenty-fifth Annual General Meeting, Calcutta, 17th July 1958. Final dividend of 11¼ per cent, tax-free (making 17½ per cent. tax-free for the year).

BENGAL ASSAM STEAMSHIP CO., LTD. Dividend of Rs. 5.00 per ordinary shares, for the year ended 31st October 1957.

MURPHULANI (ASSAM) TEA CO., LTD. Dividend of Rs. 2.25 per preferred ordinary share and Re. 1.75 per ordinary share, for the year ended 31st December 1957.

TRAVANCORE RUBBER AND TEA SUFFERS LOSS

CAWNPORE SUGAR PASSES OVER DIVIDEND

Travancore Rubber and Tea Co., Ltd.

THE directors of the above Company (Managing Agents: Messrs. Aspinwall and Co. (Travancore) Ltd., Pathirapally, Kerala State) submit the audited accounts of the Company for the year ended 31st December 1957.

The working of the company for the year resulted in a net loss of Rs. 57,573 (profit of Rs. 4,47,842), after making necessary provision for depreciation on buildings and machinery and also agricultural income-tax on account of rubber. Wealth tax is a new item and the provision for this amounts to Rs. 3,500 whilst provision amounting to Rs. 63,918 has been made for rubber rehabilitation. The decrease in earnings in 1957 is due partly to a poor rubber crop and partly on account of lower prices realised for the tea crop.

Rubber.—As against an estimate of 10,75,000 lbs., the crop harvested was only 9,37,218 lbs. As in 1956, a portion of the rubber crop was with advantage sold on the Estate as liquid latex. Expenditure and average sale prices for the last three years are given below:—

	Crop	Estate expenditure	All-in cost	Average sale price
		Cts. per lb.	Cts. per lb.	Cts. per lb.
1955 ..	10,35,280	70.88	110.95	144.64
1956 ..	10,32,428	77.78	112.55	145.72
1957 ..	9,37,218	97.72	127.07	145.90

It is conservatively estimated that a crop of 10,10,000 lbs. of rubber will be collected during 1958 at an Estate expenditure of 90.48 cts. per lb.

Tea.—The crop harvested, 10,02,302 lbs., is more than 1,00,000 lbs. over the last year's crop but about 50,000 lbs. below estimate. The shortfall was due to unfavourable weather conditions and the continued effect of the 1956 drought. Comparative figures of tea crops, cost and revenue for the year under review and 2 previous years are given below:

	Crop	Estate expenditure	All-in cost	Average sale price
		Cts. per lb.	Cts. per lb.	Cts. per lb.
1955 ..	11,65,729	134.87	178.77	204.06
1956 ..	8,89,643	183.13	210.54	210.90
1957 ..	10,02,302	168.71	186.47	158.79

The year 1958 started with more favourable conditions, and as at 31st March 1958 the crop is up by about 1,00,000 lbs. over the same period in 1957. In 1958 it is estimated that the tea crop will be 10,50,000 lbs. to be secured at an Estate expenditure of 154.55 cents per lb.

General.—Labour relations in the two Groups during 1957 have been barely satisfactory. Bonus to labour for 1955 and 1956 was settled which added to the labour costs. The year 1958 opens with an increase in wages to labour amounting to approximately 8½ per cent. with retrospective effect from 1st November 1957. From 1st October 1957 tea became subject to a single point sales tax of 5 nP in the rupee—as against 2 nP in the rupee previously when tea was subject to multipoint sales tax.

Tea prices generally during the year under review were much lower than 1956 and this factor together with the incidence of increased costs and higher taxation over a low crop, has resulted in the loss recorded (i.e., 27,68 cts. per lb.). The controlled price of rubber remained unchanged throughout the year under review.

A sum of Rs. 3,46,523 was carried forward in the profit and loss account in respect of 1956 working, and from this figure must be deducted the sum of Rs. 4,296 being charges short-provided for the previous year, also a sum of Rs. 57,573 being loss incurred on 1957 working which leaves Rs. 2,84,654. During the year under review the directors have distributed Rs. 96,000 (Rs. 96,000) being dividend at the rate of 6 per cent. free of income-tax on preference shares thus leaving a balance of Rs. 1,88,654 (Rs. 6,54,023) in the profit and loss account. In view of the loss incurred by the Company during 1957 and having regard to the dividend equalisation reserve built up in the years of prosperity, the directors have considered it expedient to transfer a sum of Rs. 82,000 (*nil*) from that reserve to the profit and loss account and recommend that a first and final dividend of 4 (7½) per cent. free of income-tax on the ordinary shares be paid (being 2 per cent. from the dividend Equalisation Reserve and 2 per cent. from the balance in the profit and loss account). This absorbs Rs. 1,64,000 (Rs. 3,07,500) leaving a sum of Rs. 1,06,654 (Rs. 3,46,523) to be carried forward in the profit and loss account.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	57,00,000	Block ...	69,68,437
Reserves ...	12,79,221	Stock-in-trade	4,60,430
Provision for taxation ...	4,05,747	Stores and spare parts	2,00,163
Liabilities ...	9,01,319	Nursery and loose tools	55,157
Profit and loss account	1,06,654	Debts, deposits and advances ...	46,053
		Investments	4,80,973
		Cash ...	1,81,728
Rs.	83,92,941	Rs.	83,92,941

Cawnpore Sugar Works, Ltd.

The Directors of the above Company (Managing Agents: Messrs. Begg, Sutherland & Co. Private Ltd. Kanpur, U.P.) submit the audited accounts of the Company for the year ended 31st October, 1957.

The results for the year, after making the usual provisions for taxation, depreciation and adjustments, show a loss of Rs. 9,27,781 (profit of Rs. 6,64,968) from which has been deducted the amount brought forward from the previous year of Rs. 91,991 (Rs. 82,023 leaving at debit of profit and loss account Rs. 8,35,790 (credit of Rs. 7,46,991 from which Rs. 3,50,000 was transferred to rehabilitation reserve; Rs. 80,000 was paid as dividend on preference shares; Rs. 2,25,000 to payment of dividend on ordinary shares) a 7½ per cent. or Re. 0.75 per share, leaving to be carried forward Rs. 91,991).

The adverse trading results during the year have been primarily due to heavy losses incurred by the Padrauna and Kathkuiyan Factories. The fall in recovery of sugar due to the fall in the quality of sugarcane supplied to the factories has further added to the losses.

The poor quality of sugarcane has been engaging the attention of the directors and efforts continue to be made to improve the supplies but the abnormal climatic conditions have consistently presented difficulties in achieving the desired results. The Industry continues to pursue the matter of poor cane quality with the State Governments of U.P. and Bihar and it is hoped that some effective measures in this direction will be taken. It must be remembered that in the U.P. all the Cane Development has to be done through the agency of the Co-operative Unions and this is largely the case in Bihar.

Last year it was reported that the Company's title to Padrauna and Kathkuiyan had been challenged but this title has now been confirmed. Pending the confirmation the Company was not able to spend money on a much needed overhaul.

The requirements of finance for the execution of the full reconstruction and replacement programme will be substantial. The matter is receiving the earnest consideration of the directors and every effort is being made to finance and carry out a good overhaul and a measure of rehabilitation sufficient to make these two Factories into profit making units.

The cane price remained at the previous rate of Re. 1-7 per maund at the Factory gate and Re. 1-5 per maund at outstations and these prices had to be paid irrespective of the quality of cane supplied. While it is understood that increasing attention is being given in Government circles to the possibility of relating cane prices to quality, the results of the Company for the year under review afford a striking example of the consequences of paying for cane on the basis of its weight only.

During the year, the Government increased the excise duty on sugar by 100 per cent. and thus increased the price of sugar to the consumer without in any way increasing the profits to the manufacturer. Indeed, for some time after the increase in excise duty a part of it had to be borne by the Company as the market would not absorb the extra price. An additional excise duty of Rs. 2.43 nP per maund has been further imposed with effect from 14th December 1957. The stocks of sugar remaining as at 31st October 1957 have been valued taking into consideration the new excise duty and accordingly it is not necessary to make provisions for a fall in the value of stocks and in fact the prices obtained for Marhowrah and Gauri sugars were slightly higher than in the previous year, but profit margins are very narrow when it is realised that of the price of a maund of sugar no less than Rs. 13-3 is represented by excise duty, cane cess and Co-operative Society charges. Of the total cost of manufacture 79 per cent. is accounted for by the cost of sugar cane and taxes.

The sugar produced was in good demand. The efficiency of the Marhowrah and Gauri Factories was maintained at a high level despite the poor quality of raw material crushed. Padrauna and Kathkuiyan suffered from the lack of a proper overhaul in the past.

It will be observed that a sum of Rs. 2,25,000 has been transferred from capital reserve to provision for taxation on account of tax liability on the sum of Rs. 4,43,000 representing surplus on the revaluation of Padrauna and Kathkuiyan Factories stores which was credited to capital reserve in the preceding year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	40,00,000	Block ...	71,86,723
Reserves ...	54,39,509	Stock-in-trade	48,33,122
Provision for taxation ...	4,33,619	Stores and spare parts	33,76,463
Liabilities	1,08,75,993	Loose tools etc. ...	1,73,203
		Debts, deposits and advances ...	43,84,748
		Investments	3,54,273
		Cash ...	4,40,589
Rs.	2,07,49,121	Rs.	2,07,49,121

Empire Jute Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. McLeod and Co., Ltd., Calcutta) submit the audited accounts of the Company for the thirteen months ended 31st July 1957.

The profit for the period after providing for depreciation Rs. 2,21,805 and taxation Rs. 1,55,000 including wealth tax, amounts to Rs. 2,21,705 to which must be added the credit balance brought forward from the previous half-year of Rs. 76,491 and overprovision of liability in respect of previous period written back Rs. 1,371 making a total of Rs. 2,99,567. From this must be deducted dividends previously forfeited now paid Rs. 375 and the amount transferred to development reserve of Rs. 1,06,600 leaving a balance of Rs. 1,92,592. The interim dividends for the period ended 31st July 1957 on 10,000 preference shares at Rs. 3.50 nP per share absorbed Rs. 35,000 and on 1,50,000 ordinary shares at 0.40 nP per share absorbed Rs. 60,000 leaving an available balance of Rs. 97,592. This amount the directors recommend should be distributed as follows:—

A final dividend on 10,000 preference shares at Rs. 4.09 nP per share for the period ended 31st July 1957 absorbing Rs. 40,900 and a final dividend on 1,50,000 ordinary shares at 0.35 nP per share for the period ended 31st July 1957 absorbing Rs. 52,500 leaving to be carried forward Rs. 4,192.

Jute stocks are shown at cost. Sold stocks of goods have been calculated at contract sale price and goods unsold on 31st July 1957, have been valued at market rates.

In accordance with the working time agreement of the Indian Jute Mills' Association working hours were 48 hours per week with 12½ per cent. of the total looms sealed. The Company purchased loom hours during the period and worked 275 looms on a double shift basis from 13th May 1957.

Trading conditions continued to be difficult during the period and it was not possible to transact simultaneous business at a profit.

Further installation of modern spinning plant was completed during the period catering for hessian warp and part of the sacking warp yarn requirements. Orders have been placed for the balance of sacking warp and also sacking weft requirements. Installation of sacking weft machinery should be completed by July 1958, and other machinery by March 1959.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	25,00,000	Block ...	29,44,013
Debentures	8,86,000	Machinery-in-transit ...	2,12,538
Reserves ...	35,56,600	Stock-in-trade	25,92,236
Provision for taxation ...	7,81,648	Stores and spare parts	7,73,787
Liabilities ...	27,98,097	Debts, deposits and advances ...	29,23,597
Profit and loss account	4,192	Investments	9,37,003
		Cash ...	1,43,363
Rs.	1,05,26,537	Rs.	1,05,26,537

Sirsilk Ltd.

The directors of the above Company (Chairman: Mr. G. P. Birla, Bombay) present the audited accounts of the Company for the year ended 30th September 1957.

The profit and loss account, after providing a sum of Rs. 14,68,978 (Rs. 14,07,094) being interest on loans, shows a surplus of Rs. 49,292 (Rs. 23,562) which has to be adjusted against the loss brought forward. No provision for depreciation has been made on account of inadequacy of profits.

The steps taken by the management have resulted in improvement in the working and efficiency of the various plants. The production of yarn and fabrics, registered a rise in the year as compared with that of the previous year. The repairs and renovations programme of the Chemicals and Cellulose and Acetate Sections has almost been completed and in consequence, further improvement in production is expected during the current year.

Despite a substantially higher turnover of the Company's products during the year, it is regretted that the financial results cannot be considered to be satisfactory by reason of the rise in the cost of linters, chemicals, coal and other charges as also levy of excise duty on artificial silk yarn since 1st December 1956, while necessary increase in the selling prices could not be effected and they continue to be lower than the cost of production.

The Minister of Commerce and Industry had issued a circular to all the industries requesting them not to increase their prices over those ruling as on 31st March 1957 without consulting the Government. As the Company's selling prices have been lower than the cost of production, an application has been made to the Government of India for cost accounting and for fixation of a fair selling price. The matter is still under examination of the Government.

The Government of India in consultation with the State Governments has levied an additional excise duty at 3 nP per square yard on fabrics in lieu of sales tax with effect from the 14th December 1957.

The Labour Union had raised disputes, as a result of which the agreement entered into with it could not be implemented. However, the said disputes have now been amicably settled and consequently all pending cases before the Industrial Tribunals and High Court have been withdrawn and the relationship between the workmen and the management now continues to be quite cordial.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	3,01,99,778	Block ...	5,56,31,282
Share money adjustment account ...	8,283	Stock-in-trade	67,16,490
Liabilities	4,46,45,609	Stores and spare parts	33,09,781
		Debts, deposits and advances ...	62,67,263
		Investments	250
		Cash ...	2,81,110
		Miscellaneous expenditure and losses	26,47,494
Rs.	7,48,53,670	Rs.	7,48,53,670

Vijaya Mills Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Haridas Achratlal and Co., Ltd., Ahmedabad) submit the audited accounts of the Company for the year ended 31st December 1957.

During the year under report, the company has made a gross profit of Rs. 12,12,567 (Rs. 23,77,766). Out of this the following amounts have been debited to revenue account as per requirements of the Companies Act 1956: To managing agents' remuneration Rs. 72,585 (Rs. 6,29,051), to depreciation for machinery and buildings Rs. 7,10,304 (Rs. 6,63,670), to development rebate Rs. 2,00,824 (Rs. 2,00,243) and to provision for taxes Rs. 1,50,000 (Rs. 4,50,000). There now remains a sum of Rs. 78,854 (Rs. 4,34,802) to which is added the balance brought forward from the last year's account of Rs. 59,446 (Rs. 34,644) making a total of Rs. 1,38,300 (Rs. 4,69,446). The directors recommend the following allocations from the above amount—To general reserve fund Rs. 1,00,000 (*nil*), to doubtful debt reserve fund Rs. 5,000 (*nil*), to charity account Rs. 10,000 (Rs. 10,000) and to carry forward to next year's account Rs. 23,000 (Rs. 59,446 after placing Rs. 3,75,000 to special reserve and Rs. 25,000 to gratuity reserve). The directors recommend to transfer a sum of Rs. 3,06,600 (Rs. 3,76,600) from the general reserve fund of the Company for the payment of following dividends:—To payment of, income-tax free interest on 3,500, 2nd cumulative preference shares of Rs. 100 each at 4 per cent. for the year 1957 Rs. 14,000), to payment of, subject to income-tax interest on 2,800 3rd cumulative preference shares of Rs. 100 each at 4½ per cent. for the year 1957 Rs. 12,600 (Rs. 12,600) and to payment of dividend at Rs. 35 (Rs. 35) per share and bonus at Rs. 5 (Rs. 15) totalling Rs. 40 (Rs. 50) per share both income-tax free on 7,000 ordinary shares of Rs. 500 each for the year 1957 Rs. 2,80,000 (Rs. 3,50,000). The directors have transferred a sum of Rs. 9,72,035 being the amount of undervaluation in stock up to the year 1955 and which was debited to development and rehabilitation reserve fund by the end of 1956 to general reserve fund during this year, because there is sufficient amount in this account.

The Mill has worked for two shifts during the year. There are 41,056 ring spindles and 780 looms along with necessary processing plants.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	41,30,000	Block ...	38,69,584
Reserves ...	38,00,929	Stock-in-trade	53,08,744
Provision for taxation ...	6,08,300	Stores and spare parts etc.	9,94,562
Liabilities ...	78,03,011	Debts, deposits and advances ...	54,00,565
Profit and loss account ...	23,300	Investments	5,62,024
		Cash ...	2,30,061
Rs.	1,63,65,540	Rs.	1,63,65,540

Anyodaya Spinning and Weaving Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Mangaldas and Balabhai & Co., Ahmedabad) submitted the audited accounts of the Company for the year ended on 31st December 1957.

The gross profit of the year under report is Rs. 8,05,735 (Rs. 12,10,848). After deducting Rs. 4,97,097 (Rs. 3,70,290) for depreciation on various assets and Rs. 1,99,153 (Rs. 2,01,051) for development and rehabilitation reserve, and Rs. 50,000 (Rs. 60,983) provided for the remuneration of the managing agents there remains a profit of Rs. 59,485 (Rs. 4,25,804 after donating Rs. 2,720 and placing Rs. 1,50,000 for taxation). With Rs. 3,30,900 (Rs. 1,71,696) being the amount brought forward from the previous accounts the profit amounts to Rs. 3,90,385 (Rs. 5,97,500).

The directors have made appropriations thereof as under: To Shubha Khata Rs. 5,000 (Rs. 5,000) and to carry forward to profit and loss account Rs. 3,85,385 (Rs. 3,30,900 after placing Rs. 2,600 to doubtful debt reserve). The directors recommend that the following dividends be paid from reserve fund account No. 1 out of the amount credited in that account from the profits of the year 1951. For this purpose Rs. 2,59,000 (Rs. 2,59,000) have been transferred from reserve fund account No. 1 to the appropriation account.

To payment of dividend on 6,000 'A' capital ordinary shares each of Rs. 200 for 1957 at Rs. 35 (Rs. 35) [Rs. 30 (Rs. 30) plus Rs. 5 (Rs. 5) as bonus] per share Rs. 2,10,000, to payment of dividend on 2,000 'B' capital preference shares each of Rs. 250 for 1957 at Rs. 12.50 nP per share Rs. 25,000 (Rs. 25,000) and to payment of dividend on 12,000 'C' capital 4 per cent. cumulative redeemable second preference shares each of Rs. 50 for 1957, (all issues) at Rs. 2 (Rs. 2) per share Rs. 24,000 (Rs. 24,000).

A provision of Rs. 50,000 is made in the accounts for the remuneration of the managing agents. The company had applied to the Central Government for approval of a new managing agency agreement. It has become necessary to make a fresh managing agency agreement in order to make it conformable to the provisions of the Companies Act. The Central Government has approved the same with effect from 1st January 1957 and it includes the payment of Rs. 50,000 to the managing agents by way of minimum remuneration if the profits of the company are inadequate or there be a loss in any year.

Since the imposition of heavy additional excise duty in September 1956 the market did not recover from the depression which set in and throughout the year, the trade conditions were unfavourable. Goods had to be sold at low prices. There was great stringency in the money market and the offtake was slow. The impact of the enhanced excise duty on Industry has been severe. This has reflected on the results of the working.

There was a balance of Rs. 14,69,960 at the credit of the provision for taxation fund account and out of this Rs. 8,00,000 have been transferred to reserve fund account. No provision has been made in the accounts for income-tax and corporation-tax and also for wealth tax for the years 1956 and 1957 as there is adequate provision in the aforesaid provision for taxation fund. Adequate provision for bonus to the employees is made in the accounts under the item of "wages, bonus etc."

Accounts in brief were as under.—

Liabilities	Rs.	Assets	Rs.
Capital ...	23,00,000	Block ...	33,07,577
Reserves ...	42,81,303	Stock-in-trade	68,19,611
Provision for taxation ...	6,69,960	Stores etc. ...	13,29,854
Liabilities ...	64,40,675	Debts, deposits and advances ...	24,65,473
Profit and loss account ...	3,85,385	Investments	80,470
		Cash ...	74,338
Rs.	1,40,77,323	Rs.	1,40,77,323

Rohit Mills Ltd.

The directors of the above Company (Chairman: Mr. Rohitbhai Chinubhai, Ahmedabad) present the audited accounts of the Company for the year ended 31st December 1957.

The accounts show that the profit for the year after deducting the managing agents' commission Rs. 50,000 (Rs. 3,12,516), depreciation Rs. 10,21,534 (Rs. 8,48,936) and taxation provision Rs. 50,000 (Rs. 10,90,000) amounts to Rs. 1,63,145 (Rs. 11,69,435) to which is added the amount brought forward from previous year of Rs. 6,838 (Rs. 3,686) making a total of Rs. 1,69,983 (Rs. 11,73,121). Out of the above amount the directors have transferred Rs. 1,60,000 (Rs. 1,50,000) to contingency taxation fund and the balance of Rs. 9,983 (Rs. 6,838 after paying dividends on preference shares amounting to Rs. 58,563; paying dividend on ordinary shares at Rs. 8 per share including bonus of Re. 1 per share absorbing Rs. 3,90,000; placing an amount of Rs. 3,27,720 to development rebate reserve; Rs. 1,50,000 to contingency taxation fund and Rs. 2,40,000 to general reserve) is carried forward to the next year's account. The directors recommend that a sum of Rs. 4,48,600 (*nil*) be transferred from the reserve fund of calendar year 1955 to the profit and loss appropriation account for paying dividends for the year 1957. The directors recommend that the said amount of Rs. 4,48,600 be distributed as under:—

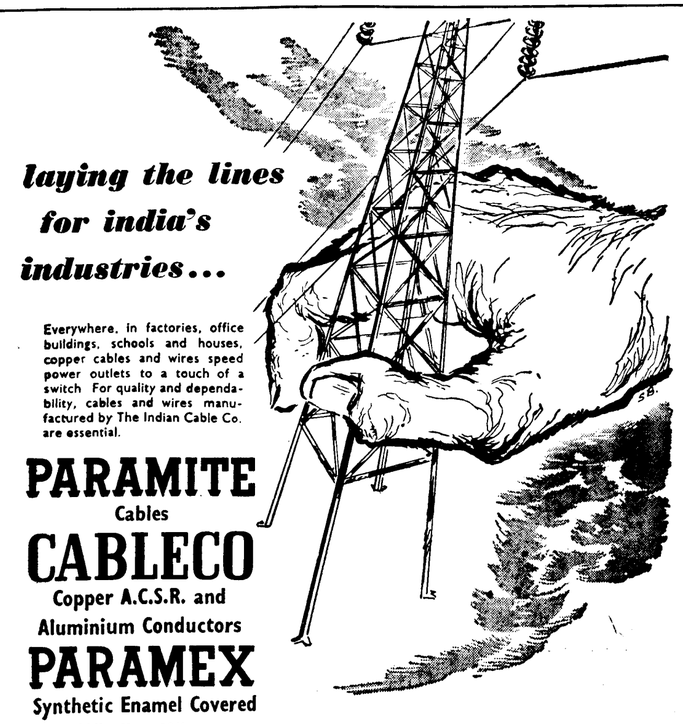
To dividend for the year 1957 on 10,000 5½ per cent. cumulative preference shares (deducting income-tax) Rs. 40,600 (Rs. 40,563 from profit), to dividend for the year 1957 on 2,000 4 per cent. redeemable cumulative 2nd preference shares Rs. 8,000 (Rs. 8,000 from profit), to dividend for the year 1957 on 2,500 4 per cent. redeemable cumulative 5th preference shares Rs. 10,000 (Rs. 10,000 from profit) and to dividend for the year 1957 on 48,750 ordinary shares at the rate of Rs. 7 (Rs. 7) per share plus Re. 1 (Re. 1) per share as bonus Rs. 3,90,000 (Rs. 3,90,000).

During the most part of the year the market conditions for cloth were not very favourable and as a result it was not possible to realise good prices for the Mills' cloth. It was also not possible to reduce the stocks of cloth in the mills. Recently there have been signs of improvement in the market conditions. Because of that and the reduction in excise duty, the next year is expected to be better year for the Textile Mills.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	63,25,000	Block ...	60,14,803
Reserves ...	28,46,580	Uninstalled machinery and machinery in progress ...	5,34,814
Provision for taxation ...	20,68,953	Stock-in-trade	93,95,066
Contingency taxation fund	3,10,000	Stores, spare parts etc. ...	26,14,619
Liabilities ...	1,41,98,241	Debts, deposits and advances ...	67,25,709
Profit and loss account ...	9,983	Investments	1,40,836
		Cash ...	3,32,910
Rs.	2,57,58,757	Rs.	2,57,58,757

N.B.—Figures within brackets relate to the corresponding period of the previous year.



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Notices

THE TATA IRON AND STEEL COMPANY, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Register of Members and the Transfer Books of the Company will be closed from Thursday, the 3rd July to Thursday, the 31st July 1958, both days inclusive.

Notice is also hereby given that the dividends for the year ending 31st March 1958, when sanctioned, will be made payable to those shareholders whose names stand on the Share Registers of the Company on Thursday, the 31st July 1958.

Notice is also hereby given that pursuant to the Special Resolutions to be passed at the Extraordinary General Meeting of the Company to be held on Thursday, the 19th June 1958, the holders of Ordinary shares on the Register of Members of the Company on Thursday, the 31st July 1958, being the date fixed by the Directors pursuant to the above Resolutions, will be entitled to the issue of bonus Ordinary shares.

By Order of the Directors,

TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
J. D. CHOKSI,
Director.

THE ONDAL COAL COMPANY LIMITED

AT A MEETING OF THE BOARD OF Directors held on the 29th May, 1958, the following Dividends were recommended to be paid for the year ended 31st December, 1957, without any deduction for Income Tax payable by the Company.

On Preference Shares ... 6½% per annum
On Ordinary Shares ... 5 % do.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agents.

CHARTERED BANK BUILDINGS,
CALCUTTA, *31st May,* 1958.

THE SENDRA COAL COMPANY LIMITED

AT A MEETING OF THE BOARD OF Directors held on the 29th May, 1958, a Dividend of 2½ per cent. per annum was recommended to be paid for the year ended 31st December, 1957, without any deduction for Income Tax payable by the Company.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agents.

CHARTERED BANK BUILDINGS,
CALCUTTA, *31st May,* 1958.

THE CALCUTTA TRAMWAYS COMPANY, LIMITED

(Incorporated in England)

NOTICE IS HEREBY GIVEN THAT THE Preference Shares Transfer Books will be closed from the 18th to 30th June, 1958 (both days inclusive) for the preparation of Dividend Warrants in respect of the Interim Dividend of 2½ per cent., less Income-tax, payable on the 1st July, 1958, on account of the profits for the year ending 31st December, 1958.

By Order of the Board,

A. C. T. BLEASE,
Agent.

P4, MISSION ROW EXTENSION,
CALCUTTA-1, *3rd June,* 1958.

THE NEW INDIA ASSURANCE COMPANY, LIMITED, BOMBAY

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Share Transfer Books of the Company will be closed from 30th June to 29th July 1958, both days inclusive.

By Order of the Board,

B. K. SHAH,
Managing Director.

BOMBAY, *9th June* 1958.

HOWRAH MILLS COMPANY, LIMITED

MEMBERS OF THE ABOVENAMED COMpany are informed that the prescribed notice convening a general meeting to be held on the 4th July, 1958, at 3 p.m., has been issued by post separately to each member concerned.

JARDINE HENDERSON, LTD.,
D. FORDWOOD,
Secretary,
Managing Agents.

4, CIVE ROW,
CALCUTTA-1, *10th June,* 1958.

THE RELIANCE JUTE MILLS COMPANY, LIMITED

MEMBERS OF THE ABOVENAMED COMpany are informed that the prescribed notice convening a general meeting to be held on the 4th July, 1958, at 3-15 p.m., has been issued by post separately to each member concerned.

JARDINE HENDERSON, LTD.,
D. FORDWOOD,
Secretary,
Managing Agents.

4, CIVE ROW,
CALCUTTA-1, *10th June,* 1958.

KAMARHATTY COMPANY, LIMITED

MEMBERS OF THE ABOVENAMED COMpany are informed that the prescribed notice convening a general meeting to be held on the 4th July, 1958, at 3-30 p.m., has been issued by post separately to each member concerned.

JARDINE HENDERSON, LTD.,
D. FORDWOOD,
Secretary,
Managing Agents.

4, CIVE ROW,
CALCUTTA-1, *10th June,* 1958.

KANKNARRAH COMPANY, LIMITED

MEMBERS OF THE ABOVENAMED COMpany are informed that the prescribed notice convening a general meeting to be held on the 4th July, 1958, at 3-45 p.m., has been issued by post separately to each member concerned.

JARDINE HENDERSON, LTD.,
D. FORDWOOD,
Secretary,
Managing Agents.

4, CIVE ROW,
CALCUTTA-1, *10th June,* 1958.

THE BENGAL PAPER MILL CO., LTD.

THE BOARD OF DIRECTORS HAS DECIDED to recommend to the forthcoming Annual General Meeting of the Company the following final dividends for the year ended 31st December 1957:

	Per cent.
Ordinary Shares	6½
Cumulative Preference Shares	3½
"A" Cumulative Preference Shares ...	3½
"B" Cumulative Preference Shares ...	3

By Order of the Board,

For THE BENGAL PAPER MILL CO., LTD.,
BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary.

21, NETAJI SUBHAS ROAD,
CALCUTTA, *6th June,* 1958.

THE INDO-BURMA PETROLEUM COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Preference Register of Members of the Company will be closed from the 23rd June 1958 to 1st July 1958, both days inclusive, for the purpose of payment of the dividend for the half-year ending 30th June 1958 on the 2nd July 1958.

By Order of the Board,

STEEL BROTHERS & COMPANY LTD.,
Managing Agents.

GILLANDER HOUSE,
NETAJI SUBHAS ROAD,
CALCUTTA, *9th June,* 1958.

MUTTRA ELECTRIC SUPPLY COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT AN Annual General Meeting within the meaning of the Companies Act, 1956 (being the fifty-ninth Ordinary General Meeting of the Company) of the abovenamed Company will be held at its Registered Office, No. 15, Shib Thakur Lane, Calcutta-7, on Monday the 23rd June, 1958, at 4-30 p.m., for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1957 the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on the Ordinary shares.
3. To appoint Directors in place of those retiring. And, in this connection, Special Notice as required by Sections 280 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolutions will be proposed as a Special Resolution, namely:—

   "That Mr. G. D. Bhagat who has attained the age of 71 years, be and is hereby re-appointed a Director of the Company and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."
4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 17th June, 1958 to the 23rd June, 1958, both days inclusive.

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

By Order of the Board,

G. D. BHAGAT,
Chairman.

15, SHIB THAKUR LANE,
CALCUTTA-7, *2nd June,* 1958.

EXPLANATORY STATEMENT

In connection with item No. 3 of the above notice, it will be necessary, in accordance with Section 281 of the Companies Act, 1956, for the resolution re-appointing him as a Director to declare that the age limit provided under Section 280 shall not apply to him. Special Notice of the intention to move this resolution, as required by both Section 280 and Section 281 of the Act, has been received by the Company.

The Directors, including Mr. K. C. Bhagat who is also a Director and shareholder of the Company, have no interest in the resolution to be proposed.

SHAW WALLACE AND COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twelfth Annual General Meeting of the Members will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta, on the 10th July 1958 at 3 p.m., for the following purposes:—

(1) To consider the Profit and Loss Account for the year ended 31st December, 1957, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.

(2) To declare a Dividend on the Ordinary Shares.

(3) To appoint Auditors and to fix their remuneration.

(4) To elect Directors in the place of two Directors retiring by rotation.

The Share Transfer Registers of the Company will be closed from the 1st July 1958 to the 10th July 1958, both days inclusive.

N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.

By Order of the Board,

D. A. HOUGHTON,
Secretary.

4, BANKSHALL STREET,
CALCUTTA, *4th June,* 1958.

GILT-EDGED FIRM

(From Our Own Correspondent)

BOMBAY, *11th June*

With an increase in the pace of return of funds and a further slackness in the demand for bank credit, the conditions in the money market eased further during the week under review. Consequent on the expansion in deposit resources, banks were eager to find profitable avenues of investments and to reduce their own borrowings from the Reserve Bank. There was, however, no notable decline in the interest rates. Inter-bank call money continued to be quoted at 3 per cent. among all sections of banks. House money at call was placed at 4 to 4⅛ per cent. and short-term deposits at 4 to 4⅛ per cent. for one to six months.

After a break of three weeks, an expansion of Rs. 20.80 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 6th June 1958. Notes held in the Banking Department are lower by Rs. 12.76 crores, so that the rise in total notes issued is Rs. 8.04 crores. Rupee securities have gone up by Rs. 9.94 crores, while rupee coin is lower by Rs. 1.90 crores. Deposits of the Central Government have declined by Rs. 8.76 crores and those of the other Governments by Rs. 6.07 crores. Deposits of banks too are lower by Rs. 1.89 crores. Balances held abroad have further dropped by Rs. 2.84 crores. Loans and advances other than to Governments have gone up by Rs. 98 lakhs; the advances to Scheduled banks against usance bills alone account for a rise of Rs. 1.21 crores. A rise of Rs. 3.07 crores is noted in investments.

Demand deposits of Scheduled banks have gone up by Rs. 4.25 crores and time deposits by Rs. 52 lakhs during the week ended 30th May 1958. Borrowings from the Reserve Bank stand reduced by Rs. 5.09 crores. A drop of Rs. 6.53 crores is noted in advances and of Rs. 4.80 crores in bills purchased and discounted. Investments have risen by Rs. 39.31 crores. Cash balances have gone up by Rs. 5.90 crores, while money at call and short notice is lower by Rs. 1.20 crores.

With the change in money conditions, there was an all-round demand for securities which as a result ruled firm during the week. Banks figured prominently as buyers of short and medium dated issues. The bullish sentiment was further strengthened by the Reserve Bank's open market operations at higher prices. The Bank, which had put up its selling price of 3½ per cent. 1965 by 25 nP to Rs. 98.10 during the previous week, raised it further to Rs. 98.25 in the week under review. It started selling 3½ per cent. 1974 at Rs. 98.30, that is, 5 nP more than the market price and 4 per cent. 1972 5 nP higher at Rs. 100.35. The Bank also started buying some securities against 'switches' during the week at quoted prices. These were: 2½ per cent. 1961 at Rs. 95.50, 2½ per cent. 1962 at Rs. 95.40 and 3½ per cent. 1961 at Rs. 99.60.

3 per cent. 1986 Conversion Loan was marked up further by 5 nP to Rs. 71.10. 3 per cent. 1970-75 hardened by 10 nP to Rs. 87.20. 3 per cent. 1966-68, 3 per cent. 1964 and 3 per cent. 1963-65 each gained 5 nP to Rs. 92.85, Rs. 95.45 and Rs. 95.50, respectively. 2½ per cent. 1960 gathered 15 nP to Rs. 98.15. 3½ per cent. 1962 put on 10 nP to Rs. 98. 3½ per cent. 1963 rose by 5 nP to Rs. 98.80 and 3½ per cent. 1964 by 10 nP to Rs. 98.45. 3½ per cent. 1965 was quoted at the Reserve Bank's selling price of Rs. 98.25.

In consonance with the weakening of sterling abroad, the rupee also lost some ground during the week. Thus, banks' selling rate of ready dollars rose from Rs. 475.25 to Rs. 475.75 per $100 and their buying rate from Rs. 472 to Rs. 472.50 per $100. In New York, spot sterling declined from $2.81½-2.81⅝ to $2.81.5/16-2.81.7/16 and three months forward from $2.79½-2.79⅝ to $2.79.3/16-2.79.5/16. Transferable sterling was marked down from 279.35-279.45 cents to 278.95-279.05 cents.

SLOW CLEARANCE IN KIPS

(From Our Own Correspondent)

MADRAS, *9th June*

Arrivals of E.I. tanned cow hides and calves were of the usual volume, and clearance by shippers was slow. There was good call for lower grades for inland trade. As the U.K. demand for these selections was 5 per cent. below current levels, shippers were not able to book orders for shipment. There were more enquiries for light-weight kips, and prices were a shade firmer. It was believed that mediums also would advance in sympathy, while heavyweight cow hides and buff hides would not attract good attention, due to the change in the pattern of shoe manufacture.

There were a few enquiries for 5½/6 and 8/9 lbs. goat skins from the U.K. and Continent at 3*d.* lower than May levels. Demand for sheep was not insistent and prices ruled quiet. Although importers were asking for offers of goat and sheep skins of common tannages, business did not result on account of price disparity.

Shipments during May were: 1,588 bales cow hides, 181 cow calf, 289 buff calf, 711 goat and 421 sheep to the U.K.; 15 bales cow, 3 cow calf, 1 buff calf, 523 goat and 115 sheep to the Continent; 5 bales cow calf, 32 buffs, 43 buff calf and 56 goat to the U.S.A.; 45 bales sheep to Japan.

TIN AND ZINC DECLINE

(From Our Own Correspondent)

CALCUTTA, *10th June*

Prices of base metals moved within narrow limits during the week under review. From Rs. 60, virgin lead spurted to Rs. 61.50, as alloy-makers and lead sheet rollers showed interest. Interest was also shown in copper and brass scrap. The sellers who had commitments to sell at the time control in copper was introduced have been unable to meet these, in view of Government allotment of their stocks to other purchasers. The buyers who bought forward prior to 1st April and had not taken delivery as on that date should, therefore, apply to Government for permits. In the meantime, it was noted that the trend in both New York and London was upward. There was a rise in the U.S. custom smelter prices. The rise in London prices would have been more pronounced had it not been for the troubles facing industry there. In tin, the price gave way from Rs. 507 to Rs. 504. Demand was less and there were fresh arrivals. Electrolytic zinc eased from Rs. 57.50 to Rs. 50.

BULLION IRREGULAR

(From Our Own Correspondent)

BOMBAY, *11th June*

The bullion market was indecisive and prices moved both ways during the week under review. After a slight hardening in values in the earlier half of the week, both silver and gold suffered a reaction, but at the close they again ruled steady. Over the week, while silver recorded a fall, gold gained a little.

The earlier rise was due to fresh speculative buying in gold on good offtake in the ready section and the absence of sales of Mysore gold, which was interpreted in some quarters that the supplies from this source would stop. Silver also improved in sympathy. Subsequently, reports of large arrivals of Tibetan coins and of influx of contraband gold induced bull liquidation. There were also reports that the Government of Bombay had approved of the amended by-laws of the Bullion Association, and these caused a further setback. It was, however, disclosed that the Government had not given its approval without proposing some changes. Consequently, prices hardened a little towards the close.

The Bombay Government gave its approval to the by-laws amended and approved by the general body of the Bullion Association on 23rd May last, but suggested that the penal margins should be made applicable to sellers as well as buyers, according to the circumstances. The Association had proposed that in the case of silver, the purchasers had to pay a margin of Rs. 1,000 per bar on their outstanding purchases, if the *budli* against sellers exceeded Re. 1 and a margin of Rs. 2,500 per bar if it exceeded Rs. 2. In the case of gold, it had been proposed that a margin at the rate of Rs. 10 per tola should be made payable on outstanding purchases if the *budli* against sellers exceeded As. 8 and of Rs. 25 per tola if the *budli* rose to more than a rupee. The Government, however, suggested that the sellers should also pay similar margins, if the *budli* against purchasers exceeded the stipulated levels. The Association has accepted the suggestion and the modified by-law will be applicable from the *Shravan* (August) second delivery onwards, that is, on *budli* between *Shravan* (second) delivery and *Bhadrapad* (September) contracts.

Silver for forward delivery (July settlement) advanced from Rs. 185-9 to Rs. 186-13, but soon gave way to Rs. 183-8 yesterday. Today, however, it again recovered partially to Rs. 184-15 and closed at Rs. 184-7. The August settlement (first delivery) rose from Rs. 185-7 to Rs. 187-2 but relapsed to close at Rs. 184-11.

Ready silver hardened from Rs. 184-13 to Rs. 186-1. After a recession to Rs. 182-12, it improved to close at Rs. 183-11. The floating stocks of silver are estimated at 500 bars. The daily average arrivals were 30 bars (including unrefined metal), while the offtake was 10 bars on an average.

Forward gold (July settlement) rose from Rs. 107-9 to Rs. 109-4, but the gain was nearly wiped out when the price touched Rs. 107-13 yesterday. It, however, regained to Rs. 108-3 at the close. Business in August settlement (First delivery) began yesterday at Rs. 107-6 and the closing today was done at Rs. 107-7.

Ready gold closed at Rs. 110-3, with a gain of As. 10 over the week. The floating stocks are reported to be 30,000 tolas. The daily average arrivals were 3,000 tolas, while the offtake was about 4,000 tolas on an average.

In New York, silver was unchanged at 88¾c., while in London there was a fall, the spot metal declining from 75⅞*d.* to 75½*d.* and the forward from 75⅝*d.* to 75¼*d.* Gold rose from 249*s.* 4*d.* to 249*s.* 6½*d.*, before receding to 249*s.* 5½*d.*

The following comparative table shows at a glance the trend of the market during the week under review:

	11-6-58	Highest	Lowest	4-6-58
GOLD	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Ready (.99 fine Mint) ..	110 3	110 12	108 15	108 9
Forward*	108 3	109 4	107 13	107 9
Sovereign	70 0	70 8	70 0	70 0
SILVER:				
Ready (.996 fine Mint) ..	183 11	186 1	182 12	184 13
Forward†	184 7	186 13	183 8	185 9
London Silver Ready ..	75½*d.*	75⅝*d.*	75½*d.*	75⅝*d.*
London Forward	75¼*d.*	75⅝*d.*	75¼*d.*	75⅝*d.*
London Gold	249*s.* 5½*d.*	249*s.* 6½*d.*	249*s.* 3½*d.*	249*s.* 4*d.*
New York Silver	88½c.	—	—	88½c.

* 2nd July settlement.
† 3rd July settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

COTTON FUTURES FIRM

(From Our Own Correspondent)

BOMBAY, *11th June*

The cotton futures market ruled distinctly firm during the week under review, in contrast to the dull trend noted last week. The firmness was not, of course, due to any basic change in outlook for the textile industry (the present crisis in which has been mainly responsible for the poor demand for raw cotton and the consequent low prices) which continued to be gloomy, although a section of operators was optimistic about the outcome of the study of the textile crisis by the special enquiry committee. The strength of the market was attributed to renewed rumours of an additional export quota for ¾" cotton. The official announcement of the quota was expected at any moment. The expectation led to speculative purchases in cotton futures the values of which were pushed up. The bullish implications of the delayed monsoon and the firmness of the oilseeds market were the other helpful factors. Under persistent local and up-country buying orders, cotton futures staged a smart rally. The improvement in prices would have been more marked but for the continued discouraging news from the cotton piecegoods market and reports of downward trend in raw cotton consumption in mills.

I.C.C. Moglai Jarilla (August 1958) opened the week at Rs. 673.00, as against the previous close of Rs. 670.25, and steadily advanced to Rs. 680.50 yesterday. Opening higher at Rs. 681.50 today, the contract gathered Rs. 2.75 before closing at Rs. 683.50. The net gain over the week was Rs. 13.25.

The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	11-6-58	*High*	*Low*	4-6-58
I.C.C. Moglai Jarilla (August 1958) ...	683.50	684.25	671	670.25

The sub-committee appointed by the East India Cotton Association is reported to have decided to maintain the *status quo* in respect of the basic structure of the present hedge contract and also in respect of delivery months. Trading in new crop hedge contract is expected to begin early in July for which permission is being sought from the Forward Markets Commission.

The spot section was also cheerful and brisk activity was reported. Both local and upcountry mills did substantial business in popular styles such as Jarilla, Vijay, CO2, Surti and Laxmi. The Southern mills were particularly interested in good quality Kalyan and Jarilla earlier in the week, but, towards the close, they withdrew from the market due to the severe power cut in Madras State.

In the export section, following quota rumours, demand for exportable styles became keen. Shippers purchased Wagad, Kala, Dhollera and *Deshi*, the prices of which registered sizable improvement.

In the foreign section, good business was reported in U.S. styles and selected East African growths, subject to availability of licence. Importers were anxiously awaiting the import allocation for sterling area cotton, as also American cotton.

Importers are very much perturbed over the new notification issued by the Joint Chief Controller of Imports concerning the import of Egyptian cotton. According to this notification, issued on 6th June, licence-holders of Egyptian cotton should open, if they have not already done so, the requisite letters of credit within two weeks from the date of the issue of the trade notice. It further stipulates that, in respect of licences for import of raw cotton from Egypt that will be issued in future, licence-holders should open the requisite letters of credit within two weeks from the date of issue of the licence. The notification thus modifies the procedure now in force for import of Egyptian cotton, namely, cash against documents on arrival of ship. According to the new payment agreement concluded between India and Egypt recently, import of Egyptian cotton has to be paid for in Egyptian pounds and for this, a certain amount of Egyptian pounds has been credited to the account of the State Bank of India by the National Bank of Egypt. Importers or mills who intend to import Egyptian cotton have to book exchange 'forward' or make payment against documents to the State Bank of India. The new procedure seeks to change this procedure and importers or mills have now to open letters of credit in favour of their suppliers in Egypt which it is said, means that they will have to incur additional expenditure, besides blocking their funds. Trade quarters point out that it is difficult to appreciate the Government's reason for this change, the more so because it is believed that the shippers in Egypt are quite agreeable to the present practice. Importers wonder what prompted the Government to change the existing procedure which has been working so smoothly and opt out for one which would only create considerable hardship to the trade.

The following are the latest available quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 600; Berar Jarilla 735; Khandesh 790; Oomra *Deshi* 660; Vijay 890; Hubli Laxmi 1,020; *Delivery Contracts*: Bengal 585; Wagad 618; Kalagin 620.

The Karachi cotton futures market, after a quiet start, picked up strength on the 7th inst., and ruled firm till the close of the week. The firmness was induced by higher New York advices, better export demand and encouraging domestic spinner enquiries. N.T.R.G. July opened the week at Rs. 75-1 and, after declining to Rs. 74-7 on the 6th inst., improved Rs. 75-12 yesterday. January (1959) contract, which fell from Rs. 75-12 to Rs 75-6 in the earlier sessions, recovered to Rs. 77-6. In the spot section, barring *Deshi* styles which were better, most other varieties tended to look down. Sind *Deshi* and Punjab *Deshi* were

quoted at Rs. 60 and Rs. 56-6, as compared with Rs 59-4 and Rs. 54-8, respectively, last week-end. The following are the latest available quotations—in rupees per 82 lbs.—for a few other popular varieties of Pakistan cotton prevailing at Karachi:

4F Roller 69-6; S.G. 78-6; Punjab Roller 72-6; S.G. 79-14; 289F Punjab Roller 84-6; S.G. 89-6; 289 F.N.T. Roller 77-14; S.G. 90-6.

The Alexandria cotton futures market was subdued during the week under review also. Slack domestic and export demand in the wake of favourable weather and satisfactory crop reports led to selling. Prices, as a consequence, declined. In the spot section, however, premiums for Karnak and Giza 30 remained firm. The following are the latest available quotations—in tallaris per lb.—from Alexandria:

Karnak: July 75.80; January 77.75. *Ashmouni*: June 68.10; August 67.70.

Cotton futures values in the Liverpool market suffered a setback, thanks to liquidation and commission house selling which were only partly absorbed by local mill buying. The fact that the U.S. export subsidy of 6½ cents per lb. for cotton announced last week is subject to change at any time had an unsettling effect on the market. The volume of transactions was small, as traders were reluctant to enter into large commitments. Sudan contracts were practically neglected, although values were unchanged. The latest available quotations—in pence per lb.—from Liverpool are as follows, the figures in brackets being last week-end closings:

American Cotton One Inch Staple Contract: July-August 25.15 (25.40); October-November 25.80 (26.00); December-January 26.15 (26.40); March-April 26.45 (26.70). *American Cotton Mixed Growth Contract*: July-August 25.85 (26.12); October-November 26.33 (26.6); December-January 26.60 (26.93); March-April 26.90 (27.23). *Sudan*: July-August 31.30 (31.3); September-October 31.95 (31.95); November-December 31.95 (31.95).

The New York cotton futures market reported small gains during the week. There was a fair volume of trade covering and Commission House buying. The main influencing factors were the higher mid-May parity price of 38.68 cents per lb., as compared with the Mid-April parity of 38.59 cents, announced by the Bureau of Agricultural Economics, and prospects of a sharp reduction in carryover stocks at the beginning of the next season. A further rise in rates was, however, checked by reports of favourable weather and rumours of the probability of new legislation providing for higher acreage and lower price-supports materialising. Over the week, values showed modest improvement.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	10-6-58	4-6-58	27-5-58
Spot	36.30	36.30	36.30
July	36.16	36.12	36.27
October	36.62	36.40	36.68
December	36.83	36.54	36.82

EXPORT OF COTTON YARN

(From Our Own Correspondent)

BOMBAY, 11*th June*

An important development of the week in so far as the yarn market is concerned relates to the Government of India's decision to allow export of cotton yarn during the years 1959, 1960 and 1961. Accordingly, the mills will be allowed to export to the same extent as in 1957 or up to the quantity to be exported during the current year, whichever is lower. In addition, exports of 120,000 bales per annum will be allowed to the industry and trade on a "first-come-first-served basis." Another important development relates to distribution of rayon yarn. It is learned that the existing scheme of distribution of indigenous rayon yarn to the weaving industry has been modified and a more equitable distribution scheme evolved which will come into effect from the next quarter (commencing from July). The revised scheme lays down that 5 per cent. of the total production will have to be kept as reserve in order to meet some special needs. Out of the balance, 70 per cent. will have to be distributed direct to consumers and 30 per cent. to consumers through dealers. The latter quota will be divided equally between the newcomers and the manufacturers of gas mantles, hosiery and other items. At least 10 per cent. will have to be set apart for handloom weavers. The revised scheme will treat doublers and twisters not as consumers but as processors. This category of users will be given supplies equal to their quota for 1½ months for the time being. The needs of handloom weavers will not get acetate yarn, but their requirements for viscose yarn will be met by Travancore Rayons.

The yarn market depicted a firm trend during the week under review also with the exception of cotton yarns which continued to remain depressed. Both rayon and staple fibre yarns evoked good buying support on fears of growing acute shortage in supplies. The total imports of art silk yarn into Bombay port during the month of May 1958 amounted to only 2.03 million lbs. The firmness of staple fibre yarn was aided by reports that the production of indigenous staple fibre yarn had been hampered by scarcity in supplies of raw staple fibre. Cotton yarns, as already stated, were depressed, notwithstanding the liberal export policy announced by the Centre. Operators would appear to feel that prospects for larger exports were bleak, due to keen competition from Pakistan, Japan and Hongkong.

Spot 120 Japan advanced by 12 nP to Rs. 6.62. 150 Japan improved by 15 nP to Rs. 6.59. 120 Italy rallied 37 nP to Rs. 6.62. 150 Italy, however, receded by 12 nP to Rs. 6.50. Among indigenous yarns, National Rayons 150 bright cones first grade gathered 2 nP to Rs. 5.72. 120 bright cones first grade strengthened by 9 nP to Rs. 6.

Staple fibre yarn 40x2 August delivery met with excellent support and climbed up by Rs. 20 to Rs. 651. June delivery hardened by Rs. 15 to Rs. 641. Spot 40x2 Kohinoors and New Greats put on 3 nP each to Rs. 3.37 and Rs. 3.24, respectively. Citys gathered 4 nP to Rs. 3.37. Centurys were better by 5 nP at Rs. 3.37. Among foreign yarns, Paramounts increased by 7 nP to Rs. 7.44. Fujis rose by 6 nP to Rs. 7.50.

In the cotton yarn section, ten counts Moderns were dull at Rs. 13.50 and Podars at Rs. 12.62. Twenty counts were neglected, Indus being quoted at Rs. 16.37, Moderns at Rs. 16.75 and Gokaks at Rs. 16.75. Among thirty counts, Hinds were unchanged at Rs. 19.50. Forty counts Moderns were stagnant at Rs. 24. Minaxis, however, advanced by 37 nP to Rs. 23.87. Among sixty counts, Moderns were on offer at Rs. 60. Finlays and Raghuvamshis, on the other hand, gathered 25 nP each to Rs. 61 and Rs. 50.75, respectively. Eighty counts Mahendras changed hands at Rs. 69.50, same as last week. Moderns were quiet at Rs. 69.75.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	11-6-1958	4-6-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 Japan (per lb.)	6.62	6.50
150 Japan (per lb.)	6.59	6.44
120 Italy (per lb.)	6.62	6.25
150 Italy (per lb.)	6.50	6.62
Staple fibre yarn (per case of 200 lbs.)—		
40×2 June	641.00	626.00
40×2 August	651.00	631.00
40×2 New Great (per lb.)	3.24	3.21
40×2 City (per lb.)	3.37	3.33
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	12.62	12.62
20s Modern	16.75	16.75
30s Hind	19.50	19.50
40s Minaxi	23.87	23.50
60s Raghuvamshi	50.75	50.50
80s Modern	69.75	69.75

SUGAR SLUMPS

(From Our Own Correspondents)

BOMBAY, 11*th June*

The sugar market was in the grip of bears during the week under review and there was a heavy landslide in prices. Those who had made large purchases previously on rumours of an imminent announcement of sugar export policy with some levy on sugar consumed domestically in order to meet the loss on export turned out to be sellers, thanks to the delay in announcement. The ex-mill quotations in the Bombay-Deccan went down by Rs. 2 per bag. The co-operative sugar factories were reported to have sold substantial quantities of E and D grade sugar at Rs. 101.25 and Rs. 102 per bag, respectively. The Government of India announced this week the normal monthly release of 168,000 tons for sale in the free market.

Arrivals of sugar by rail into the market were considerable. They aggregated 21,600 bags, as against 11,300 bags in the previous week.

Large grain sugar slumped by Rs. 3 to Rs. 110-Rs. 116 per bag. Medium grain fell from Rs. 107-Rs. 112 to Rs. 107-Rs. 109. Small grain dropped Re. 1.50 to Rs. 106.50.

* * * *

HAPUR, 9*th June*

After ruling steady during the major part of the week on heavy outside buying inspired by rumours of an increase in excise duty for enabling exports, the sugar market turned quiet towards the week-end in the absence of any such announcement and with the release of a further quantity of 168,000 tons for sale in the free market. The Government's policy regarding exports is expected to be finalised soon and indications are that the mills may be required to export 10 per cent. of their current year's output and the losses in exports will be met by a small levy on sugar released for domestic consumption.

The ex-mill delivery prices rose by 25 nP to 44 nP per maund on good buying support from Punjab, Delhi, Rajasthan, Saurashtra and Gujerat, but eased slightly towards the week-end. The trade was anxiously awaiting the Government of India's export policy. The latest ex-mill delivery prices were Deoband (B29) Rs. 38; Khatauli (B29) Rs. 38.25; Iqbalpur (D29) Rs. 36.87; Rampur (B29) Rs. 37.50; Mansurpur (B29) Rs. 38.75; Daurala (B29) Rs. 37.87; Amroha (D29) Rs. 35.81; Bijnore (E29) Rs. 35.56; Meerut (D28) Rs. 36.44; Simbhauli Rs. 36.56.

Sugar prices ruled quiet in the Kanpur market, following the release of the monthly quota for free sale. The latest prevailing prices spot and ex-mill, respectively, per bag and per maund were: (C29) Basti Rs. 104; Rs. 36.50; Gola ready unstocked Rs. 35.69; Gurhwal Rs. 101 Rs. 35.95; Walterganj unstocked Rs. 35.44.

Good pre-monsoon demand from consuming areas accounted for an offtake of about 10,000 maunds during the week, reducing the local stocks to 120,000 maunds and the prices of *gur* improved by about a rupee per maund to Rs. 18 for dry quality and Rs. 16 to Rs. 17.25 for *kotha* mixed dry-wet. The standing cane crop reported fairly good is badly in need of rains now.

Arrivals of *gur* declined to about 200 maunds daily in the Muzaffarnagar market and, due to good support from Punjab and Gujerat coupled with sharp rise in future section prices, *gur* prices there advanced by 69 nP per maund for *Chakku kotha* quality. Demand from Rajasthan for *shakker dara* was good and the prices of this variety gained by 50 nP per maund. *Khandsari* ruled quiet from Rs. 31 to Rs. 33.50 per maund. Prevailing prices of *gur* were: *Chakku Minja kotha* dry Rs. 19; *kotha* wet Rs. 16.75; *shakker massala* Rs. 21 to Rs. 23, *shakker dara* Rs. 20 to Rs. 21.25 per maund.

OILSEEDS MOVE UP

(From Our Own Correspondent)

BOMBAY, 11*th June*

The oilseeds market presented a firm trend during the week under review. The firmness was aided principally by persistent rumours of an export quota for groundnut oilcake. Renewed expectations of the complete abolition of export duty on castor oil also aided the sentiment of operators. The buying fervour was fanned further by buoyant advices in the North Indian commodity markets. All these factors induced good buying support, while offerings were comparatively less. Consequently, oilseeds and oil prices registered a notable improvement. The groundnut section was particularly active during the week. Traders would appear to feel that some export business might be possible in H.P.S. groundnut with the U.K. and the Continent. Burma was also expected to purchase Indian groundnut oil shortly.

Groundnut August contract attracted good attention of operators and spurted from Rs. 167.25 last week-end to Rs. 173 on the 7th inst. After receding to Rs. 171 on Monday, the contract recovered to touch Rs. 172.50 today, before finishing at Rs. 172.37. Over the week, bold ready rallied 37 nP to Rs. 35.12. Coromandel and Khandesh quality both strengthened by 65 nP to Rs. 35.75. Groundnut oil ex-mill hardened from Rs. 18.62 to Rs. 19, although, on Saturday, it was higher still at Rs. 19.25. Railway receipt improved from Rs. 18.37 to Rs. 18.75 but wound up the week lower at Rs. 18.62.

Induced by persistent hopes of abolition of export duty on castor oil, castorseed September contract moved up, the closing rate on Saturday being Rs. 158.75, as against Rs. 156 on Wednesday last. After declining to Rs. 157.12 the following day, it recovered to Rs. 158.25 today; towards the close, however, it was a shade easy. Ready Madras picked up 13 nP to Rs. 30.50. Kanpur quality gathered a like amount to Rs. 29.25. Castor oil commercial quality rose by 6 nP to Rs. 15.50. B.S.S. was fully maintained at Rs. 16.75 today, same as last week.

The linseed section ruled distinctly firm. The floating stocks were reported to have decreased, while the new crop was not expected to come for several months. Linseed September delivery evoked enlarged buying inquiries and climbed up from Rs. 31.56 to Rs. 32.44 today before finishing at Rs. 32.37. Bold ready increased from Rs. 31.12 to Rs. 31.87. Linseed oil was on request at Rs. 16.31, that is, 31 nP higher as compared with the last week-end rate.

Cottonseed met with excellent support from operators following firm advices from cotton market. The September contract which stood at Rs. 111.75 last week-end forged ahead to touch a high of Rs. 115.50 today. At higher levels, however, some profit-taking set in and the rate finished lower at Rs. 115.

In sympathy with the general trend, kardiseed bold ready improved by 25 nP to Rs. 19. Nigerseed Madras quality gained a like amount to Rs. 29.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	11-6-1958	4-6-1958	28-5-1958
	Rs.	Rs	Rs.
Groundnut—			
August 1958	172.37	167.25	164.25
Bold ready (per cwt.)	35.12	34.75	34.00
Linseed—			
Sept. 1958	32.37	31.56	30.87
Bold ready (per cwt.)	31.87	31.12	31.19
Castorseed—			
Sept. 1958	158.00	156.00	154.62
Madras (per cwt.)	30.50	30.37	30.12
Cottonseed—			
Sept. 1958	115.00	111.75	109.50
*Groundnut oil**—			
Ex-mill ready (per quarter)	19.00	18.62	17.87
Castor Oil—			
Commercial (per quarter)	15.50	15.44	15.37
Linseed oil†—			
Ready	16.31	16.00	15.94

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

JUTE GOODS DEPRESSED

(From Our Own Correspondent)

CALCUTTA, 10*th June*

In the absence of fair interest being shown for export, depressed conditions continued to prevail in jute goods during the week under review. A reaction was also in evidence in raw jute, although it was not to such an extent as to absorb fully the welcome reports of an early crop. The jute districts reported further thunder-showers, and the earlier fears of the crop having been affected by drought were not stressed in the market. In jute goods, foreign buyers showed interest in small quantities only. In view of the favourable crop reports, their buying policy was one of hand-to-mouth. Further dullness set in when the stock figures were announced towards the week-end. The increase at the end of May was as much as 14,500 tons. Sacking went up by 11,600 tons and hessian by 4,600 tons, while miscellaneous constructions declined by 1,700 tons. Throughout the week, B. twills were quoted below the I.J.M.A. floor price, and the huge increase in stock in heavy goods affected sentiment further. In hessian, the U.S. continued buying sparingly, in view of the economic recession there.

The present recession in prices was due not to excessive speculation but to a decline in buying for export. In recent months, production has been increasing, while no such expansion has taken place in exports. This is not reflected in the statistical position, only in view of an increase in offtake for internal consumption. The decline in prices was due also to slowing down of buying by shippers, in view of the apprehended dock workers' strike as from the 16th inst.

Ready B. twills were quoted on Tuesday last at Rs. 97.75 and hessian 40" 10 oz. at Rs. 40.30. No business was reported at these rates. On Wednesday, B. twills at one time spurted to Rs. 100.10. Since this rate was above the I.J.M.A. minimum price, the mills exhibited an anxiety to sell. Following this, the rate soon fell to Rs. 98.35, while hessian 40" 10 oz. steadied up to Rs. 48.45. Mills sold fair quantities in both hessian and B. twills for forward deliveries. B. twills July-September advanced from Rs. 99.60 to Rs. 100.05 and hessian 40" 10 oz. from Rs. 40.25 to Rs. 40.45. On Thursday, prices were affected on favourable weather reports from jute-growing districts. Thus, ready B. twills sagged to Rs. 97.75 and ready hessian 40" 10 oz. to Rs. 40.30. On the next day, prices were further affected on account of lack of business. Hessian 40" 10 oz. declined to Rs. 40.15 and B. twills to Rs. 97.50. There was no change to these rates at the close of the week. Although the market was featureless yesterday, B. twills were better at Rs. 98.00, with hessian 40" 10 oz. quoting at Rs. 40.10. It was stated that Argentine had opened letters of credit for May shipments.

Only little business passed through in the raw jute market. Sellers however, were reserved and this prevented prices from falling. The latest quotations for the old crop, June-July delivery are:

	Middles Rs.	*Bottoms* Rs.
Pakistani:		
District	31.50	28.50
Northern	31.00	28.00
Indian:		
Northern	27.75	24.75
Assam	27.75	24.75
Orissa	29.50	26.50
Desal	26.50	23.50
Murshidabad	25.50	22.50
Jungli	24.00	21.00
Daissee	31.00	28.50
Uttar Pradesh ...	24.00	21.00
Daissee mesta ...	26.75	23.75
Bimli f.a.q.	21.00	

Pucca bales 1st marks ... Rs. 160.00 per bale ready.

DUST TEAS DECLINE

(Messrs. Forbes, Ewart and Figgis (Private) Ltd.)

COCHIN, 6*th June*

Offerings in Sale No. 15, which was held on Tuesday, 3rd June aggregated 1,069,666 lbs. Quality showed a further seasonal decline. Teas of rush production manufacture were also in evidence, particularly from the lower elevations. The sale opened to a good general demand for everything except low medium and medium fannings which were neglected. Low medium brokens are quoted irregularly 5 nP easier on last rates. Medium and good medium teas met with good competition and remained firm on the previous week's quotation. Best liquoring met a better market, and were stronger and dearer. Whole leaf were irregularly firm to dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.65 to 1.75
Medium	1.75 to 2.05
Good medium	2.10 to 2.45
Quality	2.35 to 3.35

Dust Sale "L".—The catalogues for this sale which was held on Thursday, 5th June, amounted to 1,062,538 lbs. The market opened with a good demand and prices were irregularly 10 nP lower. As the sale progressed, the market eased considerably, and towards the close there were many withdrawals.

London Market—Sale of 2nd June 1958.—Dearer 1*d.* to 3*d.*

Sale of 3rd June 1958.—Unchanged.

Colombo Market.—6.75 million lbs. Good general demand. Low and low medium firm. Better sorts slightly below last rates at opening became considerably easier, Russia buying. Off grades steady.

Calcutta Market.—No sale this week.

Export Duty.—The Government has issued a notification fixing the price of tea for the purpose of determining the export duty at Rs. 3.50 per pound, as against Rs. 3.24 per pound in force from 1st May 1958. There is no change in the existing rate of duty of 38 nP per pound.

The Government of India announced today two measures of interim relief to the tea industry. With effect from 1st June, the excise duty on teas which are not used in the manufacture of packaged tea will be reduced to half anna per lb., and the cess of Rs. 4 per 100 pounds levied on teas exported outside India under the provisions of Section 25 (1) of the Tea Act, 1953, will be reduced to Rs. 2.

Export Quota.—A fair amount of business has been transacted in special licence at 8/8½ nP. The market has remained firm throughout this week and today's quotation is sellers 8½ nP with probable buyers at 8 nP. New quota quotation is sellers 15½ nP. Buyers 15 nP.

Forthcoming Auctions.—Sale No. 16 will be held on Tuesday, 10th June 1958.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd., wire:—

"*Sale* 16.—1,050,000 lbs. Much less demand for everything. Low medium and mediums 10 to 20 nP easier. Good mediums irregularly 10 nP, best liquoring 20 to 30 nP. Whole leaf about steady."

FOODGRAINS FIRM

(From Our Own Correspondent)

HAPUR, 9*th June*

Firm conditions prevailed in the foodgrains markets during the week. This is very unusual as, during the summer months, the markets are supposed to be receiving a constant flow of supplies of *rabi* grains just harvested. But, this year, *rabi* grain arrivals have been very small and, naturally, there has been a marked advance in prices. Although official circles describe the food situation in east U.P. to be under control, other sources indicate that east U.P. districts are facing scarcity conditions. Offtake from the fair-price shops there is increasing and wheat prices have touched new heights at Rs. 21 per maund.

In Hapur, wheat recorded an advance of Re. 1.50 per maund during the week to be quoted at Rs. 17.75 per maund for average quality and upto Rs. 19 for farm produce. Daily arrivals continue to be small at an average of 500 maunds and they are being lifted by consumers and stocks are unchanged at five *khatties*. Wheat was being smuggled from Punjab in large quantity, but, due to strict vigilance, there has been a fall in arrivals from that side and this has accounted for spurt in wheat prices. Rice prices also ruled firm during the week, due to shortage of supplies and in line with wheat prices. The latest prices were: *Basmati sela* Rs. 37 to Rs. 40, *mainpuri* Rs. 27-50; coarse Rs. 24 per maund.

Firm advices from Punjab accounted for sharp gains in the prices of gram during the week. A small quantity continued to arrive from Punjab and local stock improved slightly to 46 *khatties*. Barley and *bejhar* spurted to touch new heights, due to poor arrivals and scanty local stocks. *Jowar* and *guwar* also hardened. The week-end prices (in rupees per maund) were gram 12.87 to 13.25: barley 12.62; *bejhar* 12; *jowar* 14 to 15; *guwar* 15.63.

A further gain of Re. 1 per maund was recorded in the prices of peas and *arhar* during the week, despite slack outside demand. An appreciable advance in future prices and general bullish sentiment in all grain prices were the main hardening factors. Arrivals were modest at an average of 500 to 750 maunds daily each. *Urd* and *moong* also registered gains during the week and prevailing prices (in rupees per maund) were: Peas *dara* 11.50; farm quality upto 12; peas *dal* 13.50; *arhar* 14.50; *arhar dal* 17.94; *urd* 19 to 20; *moong* 24; *massoor* 14 to 15.

Pulses futures spurted to touch new heights of the season on continued bull support and latest quotations were at the best of the week. Quotations were: Peas *bhadon* Rs. 12.28; *arhar bhadon* Rs. 15.10; *urd maha* Rs. 17.85.

EXPORT TEAS IN GOOD DEMAND

(From Our Own Correspondent)

CALCUTTA, 10*th June*

The cut in excise duty and the reduction in cess have been welcomed as signifying the Government's recognition of the tea industry's case for tax relief. Both the measures will amount to relief worth Rs. 120 lakhs. The relief will enable the industry to reduce cost of production to that extent and strengthen the competitive capacity of Indian teas in foreign markets. Trade circles, of course, feel that the Government's decision is a belated one. It is pointed out that, if only these concessions had been granted months ago when the industry eloquently began pleading for relief, such a great decline in exports as has occurred woud have certainly been avoided.

Relief to common teas has not so far been granted. This has caused disappointment, although it is said that a scheme in this regard is being worked out. Mr. B. C. Ghose, Senior Vice-Chairman of the Indian Tea Planters' Association, who is also a member of the executive committee of the Tea Board, declared here that the above concessions, equivalent to relief of 8 pies per lb of tea, did not touch a fringe of the problem of common tea. He stated that common tea needed a relief of a minimum of As 4 per lb of the various taxes on production, Central and State, to enable it to stand world competition in the face of overproduction.

Dusts amounting to 21,214 chests were offered at the internal auctions held last week. Although general demand was fair, prices declined. C.T.C. Assams were lower. The liquoring kinds eased by 20 nP, and the mediums and the plainer kinds by 10 nP. The grainy teas were occasionally higher. Black leafy grades, on competition, were firm to dearer. Orthodox teas were, however, easier by 8 nP. The quotations were: best Assam C.T.C. Rs. 2.40 (nominal); medium Assam C.T.C. Re. 1.70 to Re. 1.90; medium Assam grainy dust Re 1.52; and medium Dooars Re. 1.48 to Re. 1.50. Leaf on offer was only 414 chests.

The 1957-58 non-transferable shipping licence changed hands at 7½ nP, but sellers soon raised the price to 8 nP which failed to find buyers. At 8½ nP, business was done in the 1957-58 transferable special export licence. The 1958-59 export rights realised 16 nP before sagging to 15½ nP.

The season's first export sales were held yesterday when offerings amounted to 26,716 packages, of which 132 chests were of the old season's manufacture and the balance the new season's. There was fair support from all sections of the foreign buyers, and the best teas attracted considerable attention. Buyers from the U.S.S.R. and the United Kingdom were keen on bidding. This was attributed here to the delay in shipments from Ceylon. Russia is expected to continue showing more and more interest in Calcutta teas, thanks to the dock labour situation in Ceylon. The strongest features of the sales were the O.F's, B.O.Ps and orthodox Dooars possessing flavour. Keen competition was offered to the brighter liquoring C.T.C. Assams, the prices of which gained remarkably. Plain black B.O.Ps without liquor and the more ordinary C.T.C. kinds were less in demand. The plain B.Ps and fannings, however, found support from internal buyers and rose above valuations. Non-wither legg cut Dooars were about steady, as were stylish whole leaf grades. Darjeelings met with ready bidders. There are no quotations, owing to lack of representative selections.

No business was done in the 1957-58 transferable special export licence, for which sellers asked 7½ nP.

HIDES FEATURELESS

(From Our Own Correspondent)

KANPUR, 9*th June*

During the week under review, the hides and skins market ruled featureless. Thanks to extreme heat, fresh arrivals of goat and sheep went down further. The Madras dealers were brisk in the goat sector, whereas the local tanners were interested mainly in the superior cow and buff.

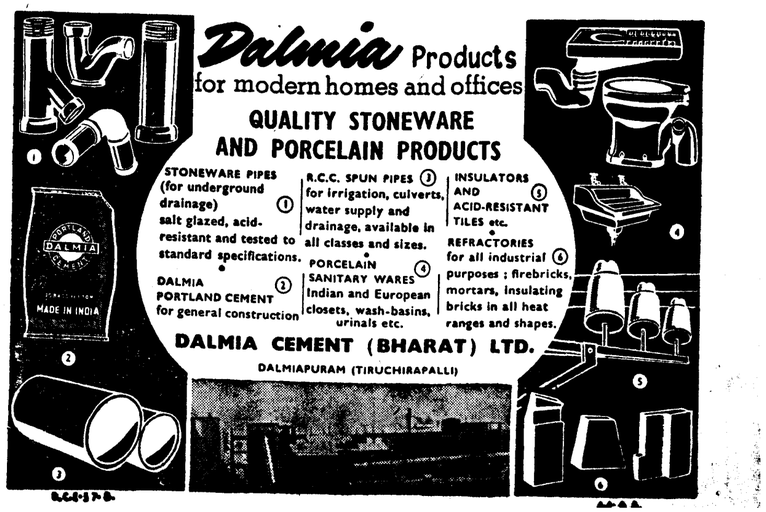
The latest available quotations are: wet salted cow 1st grade Rs. 300 and 2nd grade Rs. 225 per score; wet salted buff 1st grade 1 lb, 6 ozs. and 2nd grade 1 lb. 11 ozs. per rupee; Goat 1st grade Rs. 300 and 2nd grade Rs. 270 per 100 pieces; Sheep 1st grade Rs. 275 and 2nd grade Rs. 250 per 100 pieces.

LINSEED FIRMER

(Messrs. A. Bradley and Co.)

CALCUTTA, 9*th June*

A generally firmer tendency prevails in the linseed market and there has been an all-round advance in the price of seeds, oil and cake. Arrivals are still very meagre and sellers are reserved. In the oil section, offtake continues to be dull and sellers are hesitant. Shippers are not showing much interest at prevailing rates. U.K. markets are still out of line with ours. The latest quotation for ready and June is Rs. 22-14 per maund.



MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	Dec., 1957	3½	5
Austria	17th Nov., 1955	4½	5
Belgium	24th July, 1957	3½	4½
Bolivia	20th Sept., 1950	5	6
Burma	Feb., 1948	..	3
Ceylon	11th June, 1954	3	2½
Chile	Feb., 1957	4½	6
Colombia	15th July, 1933	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	3
Ireland	20th Sept. 1957	5	6
Italy	7th June, 1958	4	3½
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	31st Mar., 1958	4.50	4.00
New Zealand	19th Oct., 1956	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	13th Nov., 1947	5	6
Philippines	Sept. 1957	2	4½
Portugal	12th Jan., 1944	3	2½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May 1958	5	4½
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	7	7
Turkey	6th June, 1956	4½	6
United Kingdom	22nd May, 1958	6	5½
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 6th June, 1958		Week ended 30th May 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	2,91,893	62,36,81,000	2,98,027	64,39,69,000
Calcutta	1,72,000	64,92,00,000	1,57,000	54,94,00,000
Madras	79,988	10,19,72,735	79,996	9,04,86,582
All Centres—				
1956-57	..	..	40,003,000	87,22,93,00,000
1957-58	..	..	41,637,000	89,51,12,00,000
Feb., 1958	..	..	3,535,000	7,64,27,00,000
Mar., ,,	..	..	3,781,000	8,72,29,00,000
Apr., ,,	..	..	3,828,000	7,90,69,00,000

Reserve Bank of India

Statement of Affairs for the week ended 6th June, 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	50,35,88,000
(2) Other Governments	13,90,64,000
(b) Banks	75,91,10,000
(c) Others	113,42,91,000
Bills Payable	21,82,16,000
Other Liabilities	43,04,77,000
Rupees	425,47,46,000

Assets	Rs.
Notes	15,11,07,000
Rupee Coin	3,90,000
Subsidiary Coin	2,22,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	1,11,02,000
Balances held abroad*	29,90,81,000
Loans and Advances to Governments†	53,97,91,000
Other Loans and Advances	57,77,25,000
Investments	253,43,68,000
Other Assets	14,09,99,000
Rupees	425,47,46,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 16,15,59,000/- advanced to Scheduled banks against issues bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	15,11,07,000	
Notes in circulation	1608,58,56,000	
Total Notes issued		1623,69,63,000
Total Liabilities		1623,69,63,000

Assets	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	209,67,56,000	
Total of A		327,43,59,000
B. Rupee Coin		128,70,01,000
Government of India Rupee Securities		1167,56,03,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1623,69,63,000

Scheduled Banks*

Statement of Affairs for the week ended 30th May 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	17,32,85,000
(ii) Other demand liabilities	729,08,13,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	15,91,00,000
(ii) Other time liabilities	777,14,88,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	4,02,44,000
(ii) Time liabilities	1,05,00,000
Borrowings in India from the Reserve Bank of India‡	16,07,32,000 (14,95,00,000)
Cash in India	38,99,54,000
Balances with the Reserve Bank in India	74,84,93,000
Balances with other banks in current account in India	12,19,48,000
Money at call and short notice in India	55,09,16,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	479,16,23,000
Advances in India	777,65,07,000
Inland Bills purchased and discounted in India	105,63,49,000
Foreign Bills purchased and discounted in India	39,23,13,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	11th June 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5⅜	1-5⅜
Sellers T.T. D.D. upto six months	1-5⅜	1-5⅜
Buyers T.T. spot to nine months	1-6⅛	1-6⅛
Buyers T.T. 10 to 12 months	1-6⅛	1-6⅛
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.50	475.50
Buyers T.T. Rs.	473.50	471.75
London on New York $	2.81½-2.81¾	2.81½-2.81¾
London on Paris Frs.	1,186¾	1,186¼
London on Berne Sw. Frs.	12 22¾-12 23	12 22¾-12 23¼
New York on London $	2.81⅜-2.41⅝	2.81½-2.81¾

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita Income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	83.50	..	2,079	249
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.88	..	475	567
Japan	1956	90.90	Y. 7,427,000	9,883	1,031
Philippines	1955	21.85	Ps. 7,804	1,873	857
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,428
Australia	1956	9.46	£ (A.) 4,235	4,623	4,918
U.K.	1956	51.20	£ 16,465	21,953	4,287
U.S.A.	1956	168.09	$ 343,600	163,554	9,731
Canada	1956	16.00	$ 22,710	10,787	6,742
France	1956	43.60	Fr. fr. 13,990,000	17,040	4,046
W. Germany	1956	51.50	Dm. 147,000	16,389	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 29,990	1,408	4,358
Sweden	1956	7.36	Kr. 44,580	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	3,215	2,977
Denmark	1956	4.46	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 30th May 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	86,00,53,000
(b) Provincial Governments	....
(c) Banks	25,60,96,000
(d) Others	5,20,70,000
Bills Payable	40,41,000
Other Liabilities	11,71,83,000
Rupees	133,02,59,000

Assets	Rs.
Notes	14,92,70,000
Rupee Coin	35,000
Subsidiary Coin	30,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	8,33,000
Loans and Advances to Governments	5,01,00,000
Provincial Governments' Debtor Balances	8,92,47,000
Other Loans and Advances	4,12,60,000
Investments	85,40,73,000
Other Assets	14,54,11,000
Rupees	133,02,59,000

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	14,92,70,000	
Notes in circulation	334,72,36,000	
Total Notes issued	....	349,65,06,000
Total Liabilities	....	349,65,06,000

Assets	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	65,97,28,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
B. Rupee Coin	4,34,56,060	120,40,51,000
Government of Pakistan Securities	218,99,93,000	
Internal bills of exchange and other commercial paper	....	
		223,34,49,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,63,000	
Government of India Securities	1,00,00,000	
Rupee Coin	29,51,000	
Total Assets	....	5,90,06,000
		349,65,06,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 36.04 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	30th May 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1587.78	1598.69	1619.62	1570.00
Notes held in Banking Department	35.05	27.87	26.48	21.16	26.00
Foreign Securities	59.50	209.68	209.68	204.71	412.52
Rupee Securities	37.39	1157.62	1167.62	1187.59	939.87
Banking Department					
Deposits of :					
Government of India	14.89	59.12	76.06	49.65	53.65
Other Governments	..	19.98	16.49	16.12	6.83
Balances held abroad	10.08	32.75	38.40	58.03	42.55
SCHEDULED BANKS					
Demand Liabilities	134.36	746.41 (17.33)†	740.56 (15.72)†	752.50 (18.77)†	730.93 (11.77)†
Time Liabilities	102.24	793.06 (15.91)†	793.11 (16.49)†	791.06 (16.00)	522.88 (3.33)†
Borrowings from Reserve Bank	..	16.07 (14.95)†	21.16 (20.03)†	20.93 (18.16)†	80.79 (68.17)†
Borrowings from State Bank	..	5.97	5.84	6.78	9.19
Cash in India	6.70	39.00	38.56	40.15	39.26
Balances with Reserve Bank	25.17	74.85	69.38	99.16	59.37
Excess over statutory limits	15.52	21.67	16.50	45.71	12.37
Balances with other banks in current account in India	..	12.19	11.68	12.06	10.15
Money at call and short notice in India	..	55.09	56.29	55.32	22.40
Investments at book value)	..	479.16	439.86	444.06	340.65
Advances and bills	105.09	922.82	934.15	955.39	932.99
STATE BANK					
Deposits	..	87.76	420.52	416.21	422.20	306.90
Investments	..	51.99	206.56	170.93	190.97	105.60
Advances	..	30.35	194.77	198.67	205.80	189.19
Cash	..	14.69	29.24	26.79	40.38	27.56

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R=Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	January		Ten months, April to Jan.	
	1957	1958	1956-57	1957-58
Import Duties :				
Revenue	12.69	9.34	105.67	117.65
Protective	1.27	0.87	10.50	8.98
On surplus disposals	..	..	0.04	0.12
Total import duties	13.96	10.21	116.21	126 75
Export Duties	2.96	2.16	25.15	20 63
Land Customs	0.21	0.62	2.03	3 36
*Air customs.**	..	0.12	—	1.85
Miscellaneous	0.10	0 13	0.94	1.29
Gross total customs	17.23	13.24	144.33	153.88
Refunds and drawbacks	0.25	0 61	2 09	3.76
Net Customs	16.98	12.63	142 24	150 12
Gross excise	17.96	29.98	155.81	220.96
Refunds	0.25	0 31	1.75	2 82
Net Excise	17.71	29.67	154.06	218.14
Net total of customs and excise†	34.69	42.30	296.30	368.26

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 6th June 1958

Capital and Liabilities	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
		5,62,50,000
Reserve Fund and Other Reserves	..	6,62,50,000
Deposits and Other Accounts	..	419,39,47,000
Borrowings from Other Banking Agents, etc.	Companies,	2,00,00,000
Bills Payable	..	6,63,98,000
Bills for Collection being Bills Receivable as per contra	..	95,48,000
Acceptances, Endorsements and Other Obligations per contra	..	81,29,000
Other Liabilities (including Inter-Office Adjustments)	..	5,03,37,000
Total	.. Rs.	447,08,59,000

Property and Assets	Rs.	Rs.
Cash in hand and with Reserve Bank	..	23,01,66,000
Balances with other Banks	..	2,20,86,000
Money at Call and Short Notice	..	1,06,67,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	196,29,45,000	
Other Authorised Investments	10,28,05,000	
		206,57,50,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	174,00,06,000	
Bills Discounted and Purchased	18,96,53,000	
		192,96,59,000
Bills Receivable being Bills for Collection as per contra		95,48,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		81,29,000
Premises less Depreciation		1,19,75,000
Furniture and Fixtures less Depreciation		17,32,000
Other Assets (including Inter-Office Adjustments)		17,32,09,000
Total	.. Rs.	447,08,59,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F		4% C		15-Year Annuity Certificates G		Total	
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings	Receipts	Receipts	Outstandings H
1952-53	6.83	3.26	84.17	..	..	113.35	32.03	..	—31.07	25.64	..	..	..	..	..	140.33	211.93
1953-54	5.01	4.76	104.38	..	..	117.37	106.29	..	—34.20	32.11	..	..	..	..	..	152.71	252.96
1954-55	4.70	4.99	124.64	..	..	134.94	130.83	7.33	—36.33	37.15	..	..	..	..	..	177.35	312.29
1955-56	3.76	5.48	144.37	..	..	158.11	167.85	16.38	—37.68	41.25	..	..	55	54	..	217.30	390.64
1956-57	3.00	6.01	163.68	..	..	176.97	196.50	25.38	—38.82	44.28	..	..	45	1.32	..	225.88	446.17
1957-58	2.23	4.73	143.59	71.39	71.36	172.40	207.96	23.13	—39.71	43.58	5.88	5.88	63	1.87	..	256.80	504.33
1957																	
July	2.74	5.61	162.36	5.20	3.28	13.63	200.57	26.16	—39.11	44.42	62	1.24	4	1.39	29.72	452.77
August	2.68	5.49	160.38	5.02	13.31	12.64	201.68	25.61	—39.18	44.27	52	1.76	3	1.42	17.91	454.00
September	2.60	5.39	158.23	6.86	20.17	14.95	203.17	25.17	—39.28	44.14	63	2.39	4	1.46	21.54	452.75
October	2.54	5.26	155.82	6.17	26.33	12.51	202.83	24.81	—39.33	44.07	42	2.81	2	1.47	19.12	446.94
November	2.48	5.14	153.46	6.48	32.82	13.25	202.58	24.47	—39.38	43.96	49	3.29	2	1.49	20.24	440.63
December	2.43	5.06	151.07	6.41	39.23	13.00	202.55	24.14	—39.47	43.89	46	3.76	2	1.50	1.00	473.63
1958																	
January	2.37	4.94	148.57	7.95	47.18	13.88	202.54	23.77	—39.55	43.80	68	4.44	18	1.68	22.68	479 29
February	2.31	4.83	146.14	10.24	57 42	14.22	203.12	23 46	—39.62	43.69	74	5.18	9	1.75	25.29	487.89
March	2.23	4.73	143.59	13.97	71.36	19.89	207.96	23.13	—39.71	43.58	70	5.88	12	1.87	84.68	504.33
April	..	..	..	..	..	..	..	..	..	43.47	77	6.65	11	1.97	..	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin columns 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 31st May 1958	24th May 1958	3rd May 1958	1st June 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.7	89.7	89.6	89.7
1. Government of India	89.5	89.5	89.4	89.4
2. State Governments	96.9	96.9	96.8	96.4
3. Municipal Port Trust, etc.	90.0	89.9	89.9	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.4	97.3	97.2	99.0
1. Electricity	98.7	98.7	98.5	98 8
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	96.4	96.4	96.4	98.6
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.4	100.0
7. Shipping	99.9	99.4	99.1	101.8
8. Others	94.2	94.2	94.2	100.6
PREFERENCE SHARES	69.9	69.9	70.3	77 8
1. Electricity	85.8	85.5	85.0	86.6
2. Cotton	67.0	67.0	67.0	73.4
3. Jute	57.5	57.4	58.4	70.8
4. Coal	71.6	71.6	72.0	81.7
5. Iron and Steel	78.0	77.9	78.4	83.0
6. Sugar	68.9	68.9	69 6	77.7
7. Paper	71.6	71.6	71.6	78.0
8. Plantations	86.3	86.5	86.6	95.1
9. Miscellaneous	64.8	64.9	64.9	71.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.0	97.8	98.6	103.4
(A) Financial	97.5	97.1	97.8	99.3
1. Banks	100.2	99.7	100.0	92 0
2. Insurance	94.1	93 9	92 0	84 9
3. Investment Trust	60.4	61 0	63.7	74 6
(B) Public Utilities	105.2	105.0	106.0	105.4
1. Electricity	102.7	102.7	103.3	106.0
2. Shipping and other Transport	121.4	121.0	123.3	112.1
3. Railways	68.2	67.8	66 8	76 4
(C) Manufacturing Industries	101.5	101.3	102.1	108.0
1. Cotton, Woollen and Silk	92.8	93 3	94.9	112.8
2. Jute	55.1	53.9	51 9	54 4
3. Iron and Steel	130.1	129 5	131 6	113 9
4. Paper	213.0	209 6	197 3	226 7
5. Cement	134.8	134 9	139 3	143 8
6. General Engineering	154.6	155.7	158.5	157.5
7. Sugar and Breweries	97.4	97.3	98 2	92 3
8. Chemicals	137.0	135.8	137.0	135 8
(C) Non-Manufacturing Industries	109.0	109.3	111.1	125.0
1. Coal	64.2	64 0	62 9	69 4
2. Mianing and Oil	155.0	156.6	157 9	170 0
3. Plantations	117.0	117.0	127.8	137 2
(c) Miscellaneous	68.9	68.7	68.8	81.1
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :				
1. Bombay	89.1	89.1	89.0	89.1
2. Calcutta	89.7	89.7	89.5	89.6
3. Madras	89.9	89.9	89.8	89.9
DEBENTURES OF INDUSTRIAL CONCERNS :				
1. Bombay	97.	96.7	96.6	99.0
2. Calcutta	97.5	97.5	97.3	98.6
3. Madras	97.4	97.4	97.4	99.7
PREFERENCE SHARES :				
1. Bombay	79.6	79.4	79.6	84 4
2. Calcutta	61.0	61.0	61.6	70 6
3. Madras	83.7	83.8	84.0	91.6
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :				
1. Bombay	113.8	113.8	115 6	112.8
2. Calcutta	84.8	84.7	84.1	91 2
3. Madras	106 5	106 5	108 4	116 7
4. Delhi	118.8	118.8	120.6	109.8

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns‡	Units Generated‡	Total Units Sold
1954-55	636	7,760.9	6,919.2
1955-56	715	8,806.8	7,785.8
1956-57	769	9,877.9	8,103.1
January 1957	765	868.7	711.7
February ,,	767	811.0	677.7
March ,,	769	874.6	716.5
April ,,	770	901.4	734.5
May ,,	793	932.2	756.7
June ,,	799	898.4	725.1
July ,,	809	928.3	743.9
August ,,	811	923.0	731.0
September ,,	814	924.7	739.3
October ,,	822	917.5	731.3
November ,,	822	930.2	740.5
December ,,	823	958.7	779.7
January 1958	825	973.6	788.1
February ,,	823	919.7	748.2

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. ‡ Including purchases from non-electric utilities.
§ At the end of period. *Source* :—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	132.6	136 9	142 6	143 5	139.9
Coal	114.9	126.9	139.0	135.4	124.4
Sugar	166.5	182 8	204.2	161 3	135.6
Tea	106.0	105.8	107.5	105.9	131.5
Cotton textiles	122 0	127 5	114.2	112.2	122 4
Jute textiles	127 3	120 5	125.0	133.8	123.8
Paper and paperboards	146.6	159 3	176.7	184 5	156 0
Matches	106.6	99.9	101.1	99.7	103 2
Cement	164.2	175.3	216.3	219 0	169.0
Iron and steel	119.4	119.3	121.1	121.4	129 3
Non-ferrous metals	124.7	151.9	161.6	147.7	129 2
Rayon	555.8	459.3	560.1	574.5	372 1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes†	Total of average Number of workers involved	Number of man-days lost
1954	840	477,123	3,372,630
1955	1,166	527,767	5,597,848
1956 R	1,203	715,130	6,992,040
January 1957	155	126,490	405 805
February ,,	124	48 732	289.041
March ,,	118	40 998	267.650
April ,,	161	61,260	414,585
May ,,	168	68,280	455,037
June ,,	158	100,230	734,545
July ,,	198	91,749	764,308
August ,,	205	104,581	821,211
September ,,	221	144,579	942,505
October ,,	222	102,884	833,306
November ,,	175	84,166	682,979
December ,,	155	82,471	612,281
January 1958	145	54,207†	354,185†
February ,,	123	79,177††	542,205††

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	24th May 1958	17th May 1958	25th May 1957	April 1958	April 1957	Percentage of Increase (+) or Decrease (—) in April 1958 as compared with April 1957	Financial Year Average 1957-58	Financial Year Average 1956-57
Food Articles	504	106.2	106.8	108.6	105.2	104.3	+ 0.9	106.4	102.3R
Cereals	192	100.2	99.3R	104.3	97.2	100.6	— 3.4	101	96
Pulses	43	83.2	82.0	84.5	82.4	83.2	— 1.0	83	81
Fruits and Vegetables	23	112.4	113.2R	120.5	108.0	119.3	— 9.5	114	112
Milk and Ghee	84	109.7	106.1R	108.0	105.2	103.9	+ 1.3	105	100
Edible Oils	47	120.3	121.2	128.8	122.8	122.2	+ 0.5	126	125
Fish, Eggs and Meat	17	104 4	106 9R	92.3	102.3	92.4	+10.7	98	97
Sugar and *Gur*	48	119.2	115.0	108.5*	113.5	95.4	+19.0	108	98
Others	50	134.5	132.6	127.6	130.7	125.9	+ 3.8	121	123
Liquor and Tobacco	21	92.1	92.1	92.7	93.4	88 0	+ 6.1	84.0	84.3
Tobacco	—	90.3	90.3	91.0	91.7	85.9	+ 6.8	93	83
Fuel, Power, Light and Lubricants	38	114.9	113.5	119.3	114.0	107.7	+ 5.4	113.6	104.2R
Industrial Raw Materials	155	112.3	113.5R	121.6	114.2R	116.7	— 2.1	116 5	116 0
Fibres	61	109.5	110.6R	125.8	112.1	119.5	— 6.2	118	116
Oilseeds	32	118 7	117.9R	125.6	118.7	119.3	— 0.5	120	120
Minerals	2	107.3*	107.3	109.2	106.2	107.3	— 1.0	108	102
Others	32	110.5*	110.2*	106.5	110.0	106.4	+ 3.4	108	109
Manufactures	290	107.6	107.7	108.3	108.1R	106.2	+ 1.8	108.1	106.3
Intermediate Products	41	107 8	107 5	109.1	108.8	108.3	+ 0.5	107.3	110.8
Finished Products	249	107.6	107.8R	108.0	107.9	105.8	+ 1.9	108 2	106.6
Textiles	147	104 5	104.9R	108 2	105.9	106.9	— 0.9	107	108
Cotton	—	113.7	113.7R	115.8	115.4	115.4	—	116	116

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Fore-cast	(In thousand acres) 1956-57	(In thousand acres) 1955-56	(In thousand tons) 1956-57	(In thousand tons) 1955-56
Cereals—					
Rice	final	79,027†	79,320††	24,821†	28,282††
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41,411†	40,367††	8,056†	7,249††
Bajra	final	27,453†	27,884††	3,565†	2,885††
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,762†	9,197††	3,064†	3,009††
Ragi	final	5,897†	5,831††	1,716†	1,715††
Small millets	final	12,209	12,713	2,010	1,937
Total cereals	final	218,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses‡	final	15,832†	16,484††	1,401†	1,515††
Rabi pulses‡	final	11,443	11,703	1,794	2,038
Total pulses	final	57,295	57,064	11 435	10,831
Total foodgrains		272 937	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Castorseed	final	1,325†	1,415††	472†	442††
Sesamum	final	5,268†	5,446††	363†	442††
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,758	3,781	849	414
Total oilseeds	final	29,906	29 848	6,032	5,705
Fibres—					
Cotton*	final	19,843	19,978	4,723	4,001
Jute A.	final	1,754†	1,908††	4,088†	4,288††
Mesta A.	final	726†	733††	1,211†	1,478††
Other crops—					
Potato	final	702	691	1,674	1 830
Sugarcane	2nd	4,784†	4,475††	68,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	354	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. $ Excluding Tur.
* In thousand bales of 392 lbs. each. ‡ Excluding Gram and Tur.
A. In thousand bales of 400 lbs. each. † Refers to 1957-58.
†† Refers to 1956-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In '000 tons)
Production	During April 1958	88.0
	Corresponding month, 1957	86.8
	Ten months ended April, 1958	875.9
	Corresponding period, 1957	857.8
Stocks	At the end of May, 1958	112.0
	Corresponding month, 1957	109.4
	DESPATCHES OF GUNNIES	(In '000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	April 1957	60.7
	April 1958	65.9
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	April 1957	18.3
	April 1958	18.0
	RAW JUTE	(In lakh bales)
Consumption by Mills	April, 1958	5.10
	Corresponding month, 1957	5.03
	Ten months ended April 1958	50.97
	Corresponding period, 1957	49.78

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,73,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,900
Mar., 1957	95,100	93,200	73,600
April ,,	92,800	89,300	62,500
May ,,	91,300	86,600	65,100
Mar., 1958	94,800	100,200	71,300
April ,,	95,000	100,300	63,000
May ,,	57,400	52,900	28,500
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,156	5,32,315	4,41,483
Do. 31st March, 1958	7,33,945	5,07,580	4,10,558
Three months ended Mar., 1957	1,83,857	1,39,830	1,20,578
,, ,, ,, June, 1957	1,72,225	1,29,851	1,06,996
,, ,, ,, Sept., 1957	1,71,397	1,19,172	97,315
,, ,, ,, Dec., 1957	1,90,484	1,25,194	1,02,146
,, ,, ,, Mar. 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	November 1957	November 1956	Jan. to Nov. 1957	Jan. to Nov. 1956
Exports	58,74	55,35	596,52	530,29
Re-exports	28	54	4,74	7,81
Total Exports	59,02	55,89	601,26	538,10
Imports	78,18	69,93	912,11	737,42
Overall Balance of Trade	—19,16	—14,04	—310,85	—199,32
Exports—				
Tea	15,90	15,97	113,83	124,17
Jute yarns and manufactures	5,56	12,76	66,03	103,00
Cotton yarn and manufactures	5,66	6,12	65,42	56,14
Metallic ores and scrap iron or steel for re-manufacture	4,58	2,31	46,78	20,03
Cotton, raw and waste	63	1,02	18,02	22,96
Oils—vegetable, mineral and animal	1,15	1,40	13,67	22,91
Fruits and vegetables	1,33	1,52	17,32	16,77
Tobacco	29	35	12,38	12,96
Mica	67	77	7,97	7,87
Wool—Raw	1,33	91	11,45	9,86
Gums, resins and lac	88	1,16	8,25	10,00
Spices	56	61	7,79	8,43
Hides and skins, raw	50	39	6,77	5,21
Imports—				
Machinery of all kinds	22,03	14,89	210,00	140,15
Metals, iron and steel and manufactures thereof	8,98	12,08	138,62	112,00
Oils—vegetable, mineral and animal	7,72	3,09	103,72	58,43
Cotton, raw and waste	85	3,63	46,40	50,50
Chemicals, drugs and medicines	5,42	3,76	71,32	49,13
Electrical goods and apparatus	5,51	1,59	54,60	18,63
Paper, pasteboard, etc.	89	1,17	12,16	14,78
Vehicles (excluding aircraft, ships and boats)	3,41	3,60	61,20	64,17
Fruits and vegetables	1,90	1,12	18,98	11,72
Spices	32	75	2,79	7,42
Dyes and colours	92	1,88	18,07	15,37
Woollen and worsted fabrics	10	13	1,24	5,02
Cotton fabrics	14	22	2,28	22,5

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manu-factures	Raw Jute	Jute Manu-factures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manga-nese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,586	2,953	1,022	219	108	58	207	24	610	427	30	389	52	160
1957-58	14,335	3,150	1,225	214	104	52	217	25	596	504	39	476	47	194
April 1957	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May ,,	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June ,,	3,562	756	334	57	30	18	48	5	164	109	9	101	7	48
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,,	5,781	1,279	539	84	39	25	67	8	208	183	13	177	19	81
September ,,	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,,	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,,	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February ,,	13,011	2,874	1,123	191	93	49	202	23	519	456	36	435	46	176
March ,,	14,335	3,150	1,225	214	104	52	217	25	596	504	39	476	47	194

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.-2 M. G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955. *Source* :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 5th June, 1958	35,581(J)
	Corresponding week, 1957	38,877(J)
	1st Sept. to 5th June, 1957-58	1,971,930*
	Corresponding period, 1956-57	1,659,204*
Cotton Exports	Week ended 5th June, 1958	1,223
	Corresponding week, 1957	3,232
	1st Sept. to 5th June, 1957-58	201,589
	Corresponding period, 1956-57	253,640
Mill Consumption (Estimated)	1st Sept. to 5th June 1957-58	976,365
	Corresponding period, 1956-57	1,023,168
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 5th June, 1958	762,222
	Corresponding date, 1957	651,077
Cotton Exports from Bombay (by sea)	During March, 1958§	10,438§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,583
Karachi (Pakistan)—		
Receipts	1st Sept., to 29th May, 1957-58	1,073,460
	Corresponding period, 1956-57	1,156,252
Exports	1st Sept., to 29th May, 1957-58	533,598
	Corresponding period, 1956-57	675,904

Particulars	From 1st September to 9th June 1957-58 Bales	From 1st September to 9th June 1956-57 Bales
From Bombay		
Cotton Shipments to—		
United Kingdom	7,757A.	21,955
Continent	17,049	21,515
Hongkong	4,229	33,366
China		3,437
Japan	110,863A.	132,941
U.S.A.	7,643A.	2,324
Other Countries	741	831
Total to all foreign countries	148,882A.	216,369
Coastal Ports	64,629‡	37,731**
Total	213,511	254,100

Period	Quantity (Bale of 400 lbs.)
Consumption of Cotton—	
Indian	354,288
Foreign	47,643
March, 1958	2,650,949
Indian	340,029
Foreign	2,724,023
Same Period 1956-57	338,725
Stocks (Mills and Elsewhere)—	
Indian	1,298,235
Foreign	147,089
As on 31st March 1958	1,221,857
As on 31st March 1957	200,048
Week ended 30th May 1958	5,925
Corresponding week, 1957	89,002
1st Sept., to 30th May 1957-58	2,529,471
Corresponding period, 1956-57	3,086,846
Cotton Pressed in India† (In running bales)	

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 30th April, 1958. A.—Adjusted. § Includes Zoda and Yellow Pickings, etc
** From 1st Sept., 1956 to 31st May, 1957.

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1960-70	100.30
3 % Loan	1939-39	116,17,46,000	1965-85	95.55
3 % Loan	1950	30,33,10,000	1964	95.40
3 % Fg. Loan	1943	1,10,11,78,000	1966-68	92.95
3 % Dev. Loan	1945	1,15,05,83,000	1970-75	87.30
3 % 2nd V.Loan	1945	1,13,65,54,000	1959-61	99.10
3 % Loan	1951	15,22,64,000	1958	99.85
2½ % Loan	1946	45,63,07,000	1960	98.15
2½ % Loan	1946	57,00,69,000	1961	95.50
2½ % Loan	1946	14,77,48,000	1976	83.10
2½ % Loan	1947	75,86,72,000	1962	95.35
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.60
3½ % N. P. Loan	1954	1,58,17,00,000	1964	98.45
3½ % N. P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	98.25
3½ % Loan	1956	57,27,38,000	1962	97.95
3½ % N. P. Bonds	1956	33,81,83,000	1967	97.60
3½ % Loan	1956	66,63,53,000	1974	98.30
3½ % N. P. Bonds (4th Series)	1957	56,86,08,000	1967	99.65
4 % Loan	1957	49,16,87,000	1972	100.35
3½ % Loan	1958	58,00,00,000	1963	98.75
3½ % Loan	1958	34,34,00,000	1968	99.50
4 % Loan	1958	49,47,00,000	1973	100.05
NON-TERMINABLE LOANS				
3% Loan	1896-97	8,93,34,000	M.	71.25
3% Loan	1946	2,48,91,41,000	N.	71.10
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.80
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.75
3 % Bombay	1944	3,04,12,000	15th Aug. 1958	99.75
3 % Bombay	1949	5,49,75,500	1st Aug. 1962	94.15
3 % Bombay	1950	2,83,79,200	31st July 1960	97.75
3½ % Bombay	1951	2,00,05,200	17th Sept. 1962	98.15
4 % Bombay	1953	5,25,90,200	15th July 1963	99.50
4 % Bombay	1952	3,45,94,500	1st Aug. 1964	99.40
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.30
4 % Bombay	1956	8,07,06,300	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,60,00,000	16th Sept. 1969	100.10
4 % Bihar	1955	1,54,05,000	1st Sept. 1967	97.60
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.60
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1936	70,09,000	1st June 1956-61	97.75
3½ % Howrah Bridge (New)	1936-37	1,95,98,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,18,02,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,23,96,000	21st June 1959	98.10
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.50
3 % Madras	1945	2,78,44,000	14th Sept. 1960	97.68
3½ % Madras	1946	3,31,77,200	1st Sept. 1961	94.80
3 % Madras	1950	4,38,25,400	31st July 1960	97.68
3½ % Madras	1951	3,01,49,300	17th Sept. 1962	97.85
4 % Madras	1953	10,33,71,000	15th July 1963	99.45
4 % Madras	1952	5,24,81,300	1st Aug. 1964	99.45
4 % Madras	1955	10,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	13,33,56,000	3rd Sept. 1968	98.06
4 % Mysore(f)	1933	2,95,35,200	1st Dec. 1953-63	101.00
3 % Mysore(f)	1936	5,99,73,000	30th Apr. 1956-61	99.25
4 % Mysore	1953	3,38,47,000	15th July 1963	99.25
4 % Mysore	1955	3,54,94,000	1st Sept. 1967	97.80
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.75
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	100.10
3 % M.P.	1944	25,60,800	15th Aug. 1958	99.50
3 % M.P.	1948	2,03,28,800	15th Sept. 1964	93.25
3 % M.P.	1950	1,01,49,000	31st July 1960	97.70
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	99.00
4 % M.P.	1955	1,63,12,000	1st Sept., 1967	97.70
4 % M.P.	1956	1,58,43,000	3rd Sept. 1968	97.80
4 % Saurashtra	1955	3,61,65,500	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,84,800	3rd Sept. 1968	98.10
4½ % Trav. Cochin	1953	3,25,61,000	15th July 1963	99.70
4 % Trav. Cochin	1956	2,54,73,000	3rd Sept. 1968	98.70
2½ % U.P.Z.A.	1952	41,44,79,000Z		49.50
3 % U.P.	1936	1,56,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.85
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.80
2½ % U.P.	1946	2,16,39,000	1st Sept. 1961	94.50
3½ % U.P.	1951	1,87,98,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	99.00
4 % U.P.	1953	5,65,16,000	15th July 1963	99.35
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.60
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	97.40
4 % M. Bharat	1953	1,04,77,000	15th July 1963	99.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.80

PORT TRUST LOANS

Amount	Interest per cent	Year of Issue	Repayable	Market quotation
BOMBAY				
Rs.				Rs.
36,50,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
50,00,000	4	1913	1974	96.20N
88,25,000	4	1914	1977	96.20N
10,00,000	4	1915*	1960	
10,00,000	4	1915*	1975	
61,61,000	4	1922*	1960	
11,51,000	4	1924*	1960	
18,25,000	4	1926*	1960	
35,00,000	4½	1929*	1959	
12,50,000	4½	1930*	1959	D
12,50,000	4½	1931*	1961	
13,50,000	4½	1932*	1962	
24,58,000	4½	1935*	1975	
15,00,000	4½	1936*	1966	
48,04,000	4½	1936*	1960	
10,00,000	4½	1936*	1968	
7,00,000	4½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,54,300	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
1,50,00,000C	3††	1921	1981	82.00
68,02,300C	6‡	1921	1981	144.00N
1,45,30,000	5	1938	1958-88	101.00
80,00,000	4½	1931	1991	91.00
80,00,000	3½	1935	1965	97.50
50,00,000	3	1938	1963-68	90.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	3	1947	1977	79.50
50,00,000	3	1948	1978	83.75
50,00,000	3	1949	1979	98.25
50,00,000	3	1950	1980	82.00
50,00,000	3	1950	1960	97.00
50,00,000	3	1950	1970	97.00
50,00,000	3	1951	1981	81.75
1,50,00,000	3	1951	1961	98.50
	3	1953	1963	100.00
	4	1953	1983	97.50
	4	1955	1985	97.25
	4	1956	1986	97.25
	4	1956	1986	97.25
	4½	1957	1987	99.50
STERLING LOANS				
£892,800	5	1923	1953-88	£80.00
£901,000	5	1924	1954-84	£80.25
£835,100	5½	1932	1962	£91.00
MADRAS				
Rs.				Rs.
28,48,275	3½	1947	1977	A
9,68,000‡	3	1947	1977	
3,00,000‡	3	1949	1979	
45,00,000‡	4½	1954	1984	

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent	Year of Issue	Repay-able	Market quota-tion
Rs.				
BOMBAY				
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
60,00,000	4	1903	1963	
50,00,000	4	1904	1964	
30,00,000	4	1905	1965	97.75 N
20,00,000	4	1906	1966	
15,00,000	4	1907	1967	
30,00,000	4	1908	1968	
25,00,000	4	1912	1972	
13,00,000	4	1913	1973	
50,00,000	4	1914	1974	97.50 N
25,00,000	4	1916	1976	
40,00,000	5	1919	1957-76	118.90
60,00,000	5	1925	1955-80	
25,00,000	5	1926	1956-86	115.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1968	95.50N
£388,000		1910	1970	£95.50N
CALCUTTA				Rs.
25,00,000	5½	1929	1959	102.00
50,00,000	4	1934	1964	99.00
35,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1962	91.00
20,00,000	3	1938	1963-68	90.00
80,00,000	4	1952	1962	99.25
1,02,00,000	4	1956	1968	99.00
50,00,000	4½	1958	1968	99.75

MUNICIPAL LOANS

Rs.				Rs.
20,00,000	4	1913-18	1974	97.00
10,00,000	5	1920	1980	113.00
25,00,000	5	1928	1958	101.50
25,21,000	5	1929	1959	101.50
8,25,000	3½	1947	1977	84.00
2,50,00,000	3½	1949	1979	84.00
4,00,00,000	3½	1950	1965	92.25
2,50,00,000	4	1952	1964	97.85
2,00,00,000	3½	1951	1966	97.00
1,30,00,000	4	1953	1963	97.85
1,00,00,000	4	1954	1964	97.85
1,00,00,000†	4	1954	1966	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
Rs.				Rs.
CALCUTTA				
86,00,000	5	1928	1958	102.00
25,00,000	5	1929	1958	102.00
10,00,000	5½	1932	1962	103.00
33,91,000	5½	1925	1965	94.00
60,00,000	4	1935	1965	90.00
47,50,000	3	1938	1963	90.00
17,84,400	3½	1942	1959	96.50
21,10,000	3½	1942	1972	97.50
16,88,000	3½	1951	1966	97.50
66,88,000	3½	1951	1966	97.50
97,36,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	100.00
2,22,72,000	4½	1955	1985	
87,00,00,000	4½	1958	1970	100.00
Rs.				Rs.
MADRAS				
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1962	107.50

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½ % W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,50,23,000	15th July 1963	99.40
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.05

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	107.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1921	5	Dec. ..	70.00	100
Carew & Co. T.F.R.C.	5,00,000	1875	6½	Mar. Sep.	80.00	100
Cawapore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	105.00	100
Dcoan Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
¶ East India Distilleries T.F.C.	£200,000	1927	7	Jan. July	16.12	£1
Gwalior Sugar T.R.C.	6,75,000	1940	7	Dec. ..	85.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec. ..	12 00	10
Furlabpore Co. T.C.	6,00,000	1922	10	Oct. ..	85.00	100
Kamaggar Cane T.F.C.	4,00,000	1933-36	6	Aug. ..	4.00N	100
Kayalgon Sugar	20,00,000	1943	5½	Oct. Apr.	20.00	100
South Behar Sugar T.	5,00,000	1928	7	Oct. ..	6.95	10
Travancore C.T.F.	15,00,000	1946	5	Dec. ..	90.00N	100
Upper Ganges T.F.C.	12,00,000	1932	5	Dec. ..	70.00N	100
Do. T.C.R.C.	15,00,000	1946	5	Dec. ..		
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Bonsea T.F.C.	4,00,000	1896-97	6½	Oct. Apr.	83.00	100
Burakur (1st) T.F.C.	22,99,800	1901-19	7	Apr. Oct.	95.00	100
Do. (2nd) T.C.	4,50,000	1946	6	.. ..	6.00xd	10
Equitable T.F.	4,00,000	1905	6	Mar. Sept.	86.00	100½
Kamaguora Collieries T.C.	9,99,500	1946	5½	.. ..	44.50	75p.
¶ Khas Kajora C.	1,93,000	1931	5	Mar. Sept.	5.00N	10
New Beerbhoom T.F.C.	2,00,000	1920	6	Apr. July	10.00	100
Ondal T.F.C.	2,00,000	1898-99	6	Apr. Oct.	83.00	100
COTTON						
Ahmedabad Advance T.F.	10,00,000	1939	7	Apr. Oct.	79.30	100
Bangalore C.T.F.	6,00,000	1884	6	Jan. July	110.00	100
Basanti Cotton	5,00,000	1938	6½	Nov. ..	7.75	10
Berwah 'A'	6,00,000	1900	8	Feb. Aug.	118.00	100
Do. 'B'	6,00,000	1900	7	Feb. Aug.	59.00	100
Bradbury T.F.	14,75,000	1919	7	June Dec.	59.00	50
Buckingham & Carnatic C.T.F.	21,30,200	1920	7½	Jan. July	128.00	100
Cambodia C.T.F.	1,00,000	1928	7	Apr. ..	108.00	100
Central India T.F.

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. I=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

BOMBAY CITY AND ISLAND

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
50,00,000	5,37,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1.68	2	0.12(c)	0.19	0.19		12	Y.
40,06,000	24,50,000	1,40,23,304	78,59,235	17,302	M.	50,596	1,031	B. R. Cotton Mills	20 00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2,50,00,000	3,42,88,483	7,05,30,951	3,93,39,819	35,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,846	Bombay Dyeing & Mfg. Co	53.70	25	2 00	2 50*	2 50	2 50	12	Y.
10,00,000	43,53,860	64,14,209	42,32,975	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	154.99	50	25 00†	12 50	20 00	15 00	3	Y.P.
1,09,42,800	2,79,59,376	2,45,32,167	2,09,08,324	9,27,048	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg.	427.00	100	22 00	22 00	22.00	22.00	12	Y.
49,00,000	25,42,326	1,19,99,766	95,07,035	—33,08,067	V. J. Pilani (Chairman and Managing Director)	50,596	898	Colaba Land & Mill	32 50	100	*Nil*	*Nil*			12	Y.
26,00,000	13,03,380	90,15,897	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Coorla Spg. & Wvg.	119.00	100	7 50	7 50	12.50*		3	Y.
28,00,000	21,66,515	80,91,069	49,34,980	24,340	Ramnarain Sons Private Ltd.	41,328	..	Dawn Mills	90 00	50	6 00	15 00	—	7.50F	3	Y.
24,00,000	40,06,485	1,13,54,400	62,28,676	2,29,479	Puranmal Bubna Sons ..	46,888	928	Edward Textiles	252 50	200	15 00	18 00	15 00		12	Y.
29,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg. ..	45 00	50	3 00	5 00	15 00		12	Y.P.
50,00,000	65,54,875	1,67,34,054	80,06,267	37,155	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	261 00	100	16 00	20 00	20 00	20 00	12	Y.
50,00,000	46,98,022	94,51,910	51,37,387	10,233	James Finlay & Co., Ltd. ..	45,768	1,018	Gold Mohur Mills Ltd.	185.00	100	12 50	15 00	15 00	15.00	12	Y.
11,84,900	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills..	4,999 00	1,000	225 00	300 00	325 00	350 00*	3	Y.P.
16,000									992 50	250	56 25	75 00	81 25	87.50*		
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,069	Agarwal & Co.	2,44,150	6,278	India United Mills	8 96	0 100	*Nil*	0 94	0 92		12	Y.
									1 18	0 1D	*Nil*	0 19	0 18			
5,65,000	1,12,51,255	1,60,59,952	1,06,63,993	75,722	M.	56,784	1,152	Indian Mfg.	4,510 00	1,000	225 00	300 00	300 00	325.00*	3	Y.P.
55,00,000										1,000	225 00	300 00	300 00	162.50*		
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	190 00	100	12 50	15 00	15 00	10 00(c)	6	Y.P.
1,90,00,000	1,13,27,791	3,67,76,376	2,84,94,794	52,791	Killick Industries Ltd.	1,20,504	1,846	Kohinoor Mills	258 25	100	18 00	18 00	18 00	18.00	12	Y.
33,18,800	46,27,370	1,29,83,753	67,90,178	43,271	N. Sirur & Co. Private Ltd. ..	49,000	844	Modern Mills	70 00N	50	5 00	8 00*	8 00*	5 00(c)	10	Y.P.
51,75,000	28,44,812	2,84,74,823	1,83,16,325	23,820	Piramal Sons Private Ltd. ..	71,604	1,552	Morarjee Goculdas Spg. & Wvg.	232 50	100	14 00	14 00	15 00	14.00(c)	6	Y.P.
1,60,83,400	1,42,68,205	10,55,96,105	3,40,00,000	1,23,937	Chinai & Co. Private Ltd. ..		..	National Rayon Corporation	239 00	100	10 00	12 00	14 00*	14.00	12	Y.P.
24,00,000	25,62,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..		..	New City of Bombay Mfg. ..	105 00	100	10 00	10 00	10 00	5.00	12	Y.
30,00,000	11,72,134	101,83,002	63,37,034	..	W. H. Brady & Co., Ltd. ..	45,944	432	New Great Spg. & Wvg. ..	201 00	100	7 00	10 00	10 00	*Nil*	12	Y.P.
48,00,000	24,20,707	1,61,28,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	49,012	1,018	Phoenix Mills	116 00	100	8 00	10 00		12 50F	3	Y.
40,00,000	45,54,554	53,92,841	25,34,581	1,63,546	Podar Sons Private Ltd. ..	69,208	1,190	Podar Mills	134.00	100	10 00	12 00*	12 00*	10.00	12	Y.P.
10,00,000	1,78,222	24,10,104	18,80,783	..	M.	32,600	930	Sassoon & Alliance Silk Mill	0 88	10	0 50	0 50	0 25(c)		12	Y.
37,70,100	1,19,98,715	2,11,34,514	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd	94,884	2,127	Sassoon Spg. & Wvg.	45 00	10	1 75	2 00	2 00	2.00	12	Y.P.
80,00,000	48 70,061	1,12,05,790	61,47,226	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	136 00	100	14 00	12 00	12 00		12	Y.P.
42,00,000	31 94,178	1,20,04,790	76,42 061	8,089	Forbes, Forbes Campbell & Co., Ltd.	31,840	1,274	Simplex Mills	163 00	50	11 00	10 00	12 00	8.50	12	Y.P.
87,80,000	2,59,28,472	2,96,16,751	1,87,99,317	1,55,642	Maiatlal Gazalbhai & Sons ..	97,588	2,409	Standard Mills	401 00	100	20 00	20 00	22 50*	22.50*	12	Y.P.
1,00,00,000	95,35,854	2,70,30,400	1,41,86,214	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	177 50	100	8 00	12 00	14 00*	9.00	12	Y.P.
36,00,000	65,13,465	1,52,27,488	96,52,715	25,062	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	343.00	100	20 00	25 00	25 00	25 00	12	Y.
65,57,875	53,20,412	2,18,16,540	90,53,601	17,925	Tata Industries Private Ltd. ..	70,832	1,800	Tata Mills	37 50	25	2 50	4 00	3 50*	2.00	12	Y.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	98 935	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,525.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.

AHMEDABAD

40,00,000	31,21,987	1,75,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	156 25	100	5.00	7.00	12.00	5.00	6	Y.P.T
15,00,000	98 23,183	1,29,00,836	73,32,228	....	P. M. Hutheesing & Co., Ltd.	44,220	912	Aruna Mills	540 00	100	20.00	30.00	25.00	25.00	12	Y.P.
40,00,000	3,03,12,127	2,17,79,410	1,10,66,897	28,706	M.	66,412	1,216	Arvind Mills	1,226 00	100	25.00	35.00*	35.00*	35 00*	12	Y.P.
35,00,000	45,67,635	1,05,70,049	71,81,383	92,283	Mangaldas & Bros., Ltd. ..	35,908	892	Aryodaya Ginning & Mfg. ..	470 00	200	15 00	25 00*	30 00*		12	Y.P.
12,00,000	1,40,40,694	99,92,464	67,28,819	728	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	470 00	200	15 00	25 00*	30 00*		12	Y.P.
1,37,50,000	3,49,84,519	5,14,82,793	2,56,08,328	1,18,338	Karamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	498 00	125	18 00	..	30 00	30 00	3	Y.P.
63,00,000	28,51,630	1,44,37,907	1,02,61,820	20,815	Tricumal Bhoglal & Co., Ltd.	45,836	866	New Commercial Mills	454 00	250	70 00	80 00	100 00*	25.00*	12	Y.
52,00,000	91,54,187	1,55,49,668	1,07,88,296	92,673	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg. ..	710.00	125	35.00	35.00	40.00*	30.00	12	Y.
15,00,000	64,29,775	69,45,065	35,66,652	....	Jagabhai Bhoglal Nanavaty & Co., Ltd.											
30,00,000	1,08,87,132	1,07,38,484	66,60,480	105	Lalbhai Dalpatbhai & Co. ..	25,560	572	Nutan Mills	380 00	100	30 00*	20.00	20.00	20 00	12	Y.P.
48 75,000	28,41,580	1,33,74,014	78,30,135	9 983	M.	32,828	636	Raipur Mfg.	882.50	100	25 00	35.00*	35 00*	35 00*	12	Y.P.
57 96,300	2,88,74,105	2,17,82 370	1,17,57 907	1,76,451	Harivallabhdas Kalidas & Co.	94,128	1,789	Shri Ambica Mills	137 50	100	9 00	*Nil*	8.00*	8 00*	12	Y.P.
29,25,000	69,60,633	1,00,70,063	73,48,312	18,840	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.				648 00	50	20.00	27.00*	30.00*	25.00	12	Y.
35,00,000	38,00,929	1,28,90,368	90,20,784	23,300	Haridas Achratlal & Co., Ltd.	35,648	726	Shorrock Spg. & Mfg.	450.00	100	25.00*	25.00	30.00*	20.00	12	Y.
						41,056	780	Vijaya Mills	620.00	500	35.00*	35.00*	50.50*	40.00*	12	Y.

WEST BENGAL

15,00,000	3,05,455	38,27,581	24,03,641	1,14,855	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills	6.00xd	10	0.50	0.50	0.60	0.60	12	Y.P.T.
7,11,280	10,08,297	80,04,522	55,58,288	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)											
24,00,000	1,50,000	1,08,25,544	51,27 758	743	Kettlewell Bullen & Co., Ltd. ..	33,336	935	Bengal Luxmi Cotton Mill ..	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
19,00,000	26,17,431	1,15,16,740	74,67,879	3,50,335	Kettlewell Bullen & Co., Ltd.	42,944	523	Bowreah Cotton Mills	104 00	100	*Nil*	*Nil*	*Nil*		12	Y.P.
50,08 000	85,958	76,97,825	21,97,825	82,036	Birla Brothers Private Ltd. ..	4,852	206	Jay Shree Textiles Ltd. ..	115 00	100	*Nil*	2.50	6.00		12	Y.
1,00,00,000	2,29,91,250	4,00,62,835	1,40,10,478	4,94,722	Birla Brothers Private Ltd. ..	75,040	1,992	Kesoram Cotton Mills	6 75	10	*Nil*	*Nil*	0 37	0 50	12	Y.P.
19,47,750O									11 00	10	0 87	1 00	1 00	0 75	12	Y.
5,00,000D	9,60,000	48,59,254	28,75,466	9,388	Hazaremal Heeralal	23,036	795	Rampuria Cotton Mills	15.00N	10	0.62	1.00	1.00	0.75	6	Y.
									4.00N	1D	*Nil*	0.34	0.26	0.15		

SOUTH INDIA AND OTHER CENTRES

11,98,600	5,57,619	39,87,104	19,12,220	16,013	Setna & Co.	24,800	..	Asher Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	6	Y.
72,00,000	17,82,554	1,87,85,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,136	716	Asam Jahi Mills	52.00	100	*Nil*	3.50(c)	5.00	3.50	9	Y.
1,21,50,000	1,47,74,679	3,67,98,866	2,76,43,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	164.00	100	30.00	30.00	30.00	10.00'C'	12	Y.P.
35,00,000	99,61,544	1,33,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,088	Birla Cotton Spg. & Wvg., Delhi	27 00N	10	3 00	3 00	1 50	1 50	12	Y.P.
1,78,47 800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckinnaham & Carnatic ..	166 00	100	10 00	10 00	10 00	10.00	12	Y.P.
20,00,000	15,37,935	59,23,440	26,18,043	..	Peirce, Leslie & Co., Ltd. ..	37,536	4	Cambodia Mills	8 50	10	0 50	0 50	0 50	0 50(c)	12	Y.P.
15,00,000	5,11,500	53,32,411	27,39,927	1,92,792	K. Damodaran, Esq.	20,600	..	Cannanore Spg. & Wvg. ..	144 50	100	10 00	0 50	0 50	0 50(c)	12	Y.P.
30,00,000	32,35,551	70,55,496	56,32,016	48,855	Begg, Sutherland & Co. Private Ltd.	27,924	591	Cawnpore Textiles	4 06	5	0 50	12 00	15 00	20 00	3	Y.
9,37,470	5,00,000	55,16,220	21,85,420	96,659	C. R. Srinivasan, Esq. (Chairman) .	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12 00	10	*Nil*	0 62	0 75	0 90	3	Y.P.
35,21,362	22,99,767	69,79,002	31,91,699	698	R. Bheema Naidu & Co.	30,864	..	Coimbatore Cotton Mills ..	134 00	100	25 00	25 00	25 00	9.00'C'	3	Y.P.
18,15,000	7,25,195	39,16,552	24,39,633	....	T. A. R. Chettiar Sons & Co. ..	25,340	100	Coimbatore Murugan Mills ..	110 00	100	17 50	25 00	25 00		12	Y.P.
20,00,000	19,20,000	71,42,628	35,30,753	13,314	T. R. N. Naidu & Co.	38,226	..	Coimbatore Pioneer Mills ..	231 00	100	20 00	20.00	12 00		12	Y.P.
20,76,900	2,06,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg. ..	47 00	50	6 00	8.00	10.00		12	Y.P.
46,87,500	27,24,735	2,42,10,703	1,54,86,354	....	Tata Industries Private Ltd. ..	67,452	1,620	Central India	86 00	100	6 00	8.00	10.00		12	Y.
24,43,911	15,50,000	49,37,014	15,78,780	8,321	R. Ramanathan Chetty & Son ..	31,028	360	Davangere Cotton Mills ..	112 00	100	12 00	9 00	*Nil*	*Nil*	6	Y.
3,38,36,225	3,10,24,830	11,79,09,463	6,78,07,185	2,77,593	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,352	Delhi Cloth & General Mills ..	29.12	25	2.25	2.25	2.25	2.50	2	Y.
1,00,563										24	2 00	2 00	2 00	2 00	6	Y.P.T.
47,98,296	26,25,000	84,28,224	49,84,057	1 965	M. N. Chettiar & Sons	42,212	201	Dhanalakshmi Mills	174 00	100	30 00	0 22	0 25	0 20	4	Y.P.
48,00,000	1,05,59,192	1,59,12,424	1,41,93,839	75,531	Begg, Sutherland & Co. Private Ltd.	48,452	1,198	Elgin Mills	12 25	10	1 00	30.00	25.00	30.00	12	Y.
48,81,000	48 55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286	..	Gokak Mills	12 25	10	1 00	1 00	1 25	1 00	9	Y.P.
2,50,00,000	2,25,000	4,62,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..	133,440	3,000	Gwalior Rayon	13 12	100	13 00	15.00	13.00	8.00	12	Y.
50,00,000	21,27,574	1,48,13,183	1,18,80,184	6,716	K. L. Sekaaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	107 50	100	6 00	9 00	*Nil*	*Nil*	3	Y.P.
9,90,000	10,65,683	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd.	23,784	..	Janardhana Mills	72.00	50	5.00	10.00	10.00		12	Y.
15,54,000	15,02,599	57,18,937	33 88,095	7,012	Mr. Bhairuratan Damani (Managing Director)											
4,85,65,300	3,24,05,304	4,34,59,294	3,18,54,030	2,48,717	Birla Gwalior Private Ltd. ..	54,876	1,680	Jam Shri Ranjitsinghji	1,450.00	1,000	20.00	50.00	60.00	40.00	6	Y.
42,00,000	19.25 000	1,05,81,567	38,28,076	91,772	Kothari & Sons	41 040	300	Jiyajerao Cotton	9 00	10	4.00	4.00	0.00	0.55	6	Y.P.
32,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	41,058	1,243	Kothari Textiles	9 75	10	0 50	1 00	1 00	0 85	6	Y.P.
71,28,200	66,35,960	2,12,33,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	435 00	250	33 75	45 00	42 50	15.00	12	Y.P.
35 64 100									93.50	50	10.00	12 50	12 50	15.00	12	Y.
1,75,02 480	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd.	4,53 000	..	Madura Mills	46.00	25	5.00	6 25	6 25	5 00	3	Y.
12,00,000	3,67,363	29,03,852	18,76,700	213	V. K. Eradi (Chairman)	22,592	100	Malabar Spg. & Wvg.	81 35	15	3.00	3 00	2 62	2.62	12	Y.
60,00,000	69 14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	603	Meiur Industries Ltd.	89 00	200	*Nil*	*Nil*	2 62	2.25	12	Y.
29,80,884	19,58,081	92,41,554	58,37,735	19 662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	344 00	100	22 50*	35 00*	42 50*		3	Y.P.
94,91,850	21,56,146	1,71,94,769	78,81,528	1,85 008	M.	52,408	952	Model Mills (Nagpur)	74 25	50	5.00(c)	6 00	6 00		12	Y.
24,88,500	48,52,478	1,13,48,711	71,02,473	35,037	N. Sirur & Co. Private Ltd. ..	50,492	500	Mysore Spg. & Mfg.	167 50	250	7 00(c)	7 50(c)	7 50		6	Y.
18 81,780		29,12,541	17,83,314	3,966	K. Tipperudriah (Chairman)	6,000		Mysore Spun Silk Mills ..	91 00	50	8.00*	6 00(c)	9 00*	9.00*	6	Y.
87 25,200	39,29,981	1,73,83,244	67,86,683	....	M.	87,788	902	Osmanshahi Mills	6 25N	10	*Nil*	*Nil*	*Nil*		2	Y.
4,00 000A	13,00,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600	..	Palani Andavar Mills	42.50	100	*Nil*	2 50(c)	3 00(c)	*Nil*	9	Y.
6,00 000B									130 00	50A	12 00	12 00	15 00		12	Y.P.
15 00 000	....	34,19,576	18,82,524	—9,80,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd.	190.00	75B	18 00	18 00	22 50			
16,20,A 200	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	59,264	800	Radhakrishna Mills	45 00	100	*Nil*	4 00(c)	*Nil*		12	Y.
8,40,G 00B									121.00	100A	16 00	20 00	20 00			
15,00,000	29,10,000	54 56,520	29,01,441	5,079	B. R. Naidu & Sons	37,096	..	Rajalakshmi Mills	65 50	50B	8 00	10 00	10 00		12	Y.
16,14,300	12,00,000	22,92,216	17,41,484	10 510	Ramco Agencies Ltd.	24,996	..	Rajapalayam Mills	68 00cd	50	10 00	10 00	7 50		12	Y.P.
22,22,850	11,50,000	53,72,976	23,15 892	5,786	Rayalaseema Development Co. ..	21,200	..	Rajapalayam Mills	133 00	100	6 00	10 00	10 00		3	Y.
15,00,000	1,80,55,917	3,13,49 081	2,06,07,227	—1,65,20,792	Morarka & Co.	95,232	2,232	Rajapalayam Mills	105 00	100	6 00	10 00	10 00	10.00	12	Y.
10,000									375.00	1,000	*Nil*	*Nil*	*Nil*		3	Y.P.
20,00 700	20,26 386	96,26,666	70,67,094	19 543	H. N. Pallegar, Esq.	30,744	292	Shoiapoor Spg. & Wvg. ..	75.00	500	*Nil*	*Nil*	*Nil*			
15,00,000	3,62,40,700	1,02,21,310	75,33,414	29,39,630	Birla Brothers Private Ltd. ..	86,212	1,244	Sri Krishnarajendra Mills ..	70.00N	50	4.50	5.00	7.00	7.00	3	Y.
17,50,000O	2,86,28,061	5,18,52,120	1,81,83,924	8,85,712	Jaipuria Brothers	1,12,216	2,098	Sutlej Cotton Mills	10 00	10	0 75	0 75	0 75	0 75	3	Y.
1,57,50,000PO								Swadeshi Cotton (Kanpur) ..	10 57	10O.	0 75	0 75	6 00	6.00	3	Y.
10,00,000	60,00,000	3,88,81,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd...		..	Travancore Rayons	10 57	10P.O.	1 15	1 15	0 75	0 75	3	Y.
18,96,720	9 45,940	19,58,289	13,60,120	794	Moolji Jaraljee & Sons	16,000	..	Trichinopoly Mills	13 85xd	10	0 62	0 75	1 00	1.00	12	Y.P.
21,00,000	39,86 738	86,30 395	51,76,507	12,000	K. R. Chetty & Brothers	44,424	270	Vasanta Mills	11 50	10	0 90	0 90	1 12	0 90	12	Y.P.
32,00,000	18 73,770	1,85,96,083	1,17,44,692	—9,85 569	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	230 00	100	15.00	20 00	20.00	12.00	12	Y.P.
									100 00	100	4.00	8.00	8.00	*Nil*	12	Y.

* Includes bonus. M=Managed by Board of Directors. X.R.=Ex-Right. (c) Paid out of Reserves. F=For fifteen months ended 31st March, 1957.

† The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z=Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.

‡ Made up of 4,354 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

BREWERIES AND DISTILLERIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
39,24,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari ..	8.70	5	*Nil*	0.50	0.75	0.85	5	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,756	Mr. K. G. Khanna	Dyer Meakin Breweries	10.19	5	0.50	0.56	0.56		3	Y.
£549,950	£1,19,404	£1,387,940	£701,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27.50	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,65,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	200.00	75	15.00	15.00	15.00	15.00	3	Y.

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MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
						PAPER								
45,00,000	25,91,841	2,12,28,402	1,54,72,814	4,805	M.	Bengal Paper Mills	91.50	25	3.12	4.99	2.50		12	Y.P.T.
60,00,000	63,91,238	1,34,92,173	62,76,687	23,544	Andrew Yule & Co., Ltd. ..	India Paper Pulp ‡‡	20.75	10	14.00	1.39 2/5	1.89 2/5	1.40	12	Y.
25,00,000	25,12,500	1,45,27,589	77,57,946	47,695	T. Shanmanna, Esq. (Chairman)	Mysore Paper Mills	16.60	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,92,500	2,46,75,045	6,04,16,597	1,37,53,042	2,63,477	Birla Brothers Private Ltd.	Orient Paper	32.10	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,58,49,970	67,75,503	1,56,49,302	1,00,79,761	8,18,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills ..	16.19	10	1.50	1.25	1.25		12	Y.P.T.
50,00,000	7,29,123	71,98,586	38,86,550	4,828	Bajoria & Co.	Star Paper Mills	11.25cd	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
'A' 10,00,000							11.25cd	A. 10	0.75	1.25	1.05	0.60		
2,15,55,340	48,43,060	3,85,20,949	75,56,180	5,497	Birla Brothers Private Ltd.	Sirpur Paper Mills	11.52	10	*Nil*	5.00†	0.50	0.50	6	Y.P.
55,94,800A.							32.10	A. 10	1.50	2.00*	1.12*	2.37*		
55,94,800B.	3,70,50,474	6,78,46,967	3,51,66,928	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd.	32.10	B. 10	1.50	2.00*	1.12*	2.37*	8	Y.P.
4,27,56[illegible]P.O.							4.25	P.O. 2½	0.25	0.25	0.12	0.25		
						PRESSING								
5,00,000	2,16,572	13,961	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	50.00N	100	4.00	*Nil*	*Nil*	3.00	6	Y.
5,00,000	2,47,182	8,48,622	6,98,409	36,418	Andrew Yule & Co. Ltd.	Central Hydraulic	82.00N	100	5.00	5.00	0.00	10.00*	6	Y.
						PROPERTY AND LAND								
10,00,7360.	7,39,843	48,74,650	32,33,230	96,047	M.	Humayun Properties	13.00N	O. 10	0.60	0.60	0.60			Y.P.
2,00,000D.							8.00N	D. 1	*Nil*	*Nil*	0.05			
84,00,000	25,32,469	7,33,263	52,546	—16,57,206	Andrew Yule & Co., Ltd.	Midnapore Zamindary	19.75	100	4.00	3.00	*Nil*	*Nil*	4	Y.P.
						SAW MILLS AND TIMBER								
13,99,998	22,88,889	32,79,430	13,61,671	—4,90,122	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.95	2	*Nil*	*Nil*	*Nil*	*Nil*	9	Y.
50,00,000	3,81,14,271	4,60,47,879	1,88,06,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corpn.	554.00	Old125	20.00	37.50	40.00	40.00	5	Y.
20,00,000	20,43,037	19,96,436	15,76,148	78,140	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products	209.00	New50	3.00	15.00	13.75	16.00		
							44.50	10	2.75	3.00	3.00	2.75	9	Y.
						SUGAR (U.P. and Bihar)								
11,00,000	15,96,486	42,92,229	31,12,974	57,762	M.	Balrampur Sugar	6.37	5	0.75	0.06	*Nil*	0.25		Y.
18,00,000A.	29,80,260	55,40,581	36,32,435	12,12,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	116.00N	A. 100	10.00	10.00	10.00			
9,00,000B.							11.50N	B. 10	1.00	1.00	1.00		4	Y.T
19,49,969	8,75,000	33,88,770	25,68,276	74,946	Bangur Bros., Ltd.	Belsund Sugar	10.25	7½	0.75	0.75	1.00	1.00	9	Y.
15,00,000	13,61,512	19,28,777	13,40,846	7,653	Cotton Agents Private Ltd.	Bharat Sugar	14.00	10	1.50	1.50	1.50	1.50	6	Y.P.
68,50,400	85,89,866	67,82,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14.00	10	1.00	1.50	1.50Q		10	Y.P.
22,00,000	25 22 515	1 45 76,657	98,94,325	—2,23,014	Gladstons Lyall & Co., Ltd.	Carew & Co.	6.75	10	0.75	0.25	*Nil*	*Nil*	6	Y.P.
30,00 000	54,39,509	1,65,39,057	93,52,334	—8,85,790	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	9.19	10	0.75	0.75	0.75	*Nil*	6	Y.P.
18 00 000	24,56,103	84,72,400	39,12,698	—3,48,163	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	10.00	10	1.00	1.50	1.00	*Nil*	6	Y.
2,93,253	2,59,782	24,14,182	16,98,283	5,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T
50,00,000A.	44,95,000	1,02,71,005	67,56,074	33,123	Bashbiraj & Co. Private Ltd. ..	Hindustan Sugar Mills ..	210.00N	A. 100	15.80*	15.00*	15.00			
10,00,000C.							100.00	O. 100	15.00*	15.00*	15.00		6	Y.P
18,00,000	12,51,026	79,38,731	49,86,047	1,05,664	Mr. Tuladas Kilachand (Chairman) ..	Kesar Sugar	50.00	40	*Nil*	2.25	4.00	7.00	7	Y.P
7 80,100	22,50,288	48,60,619	26,90,028	70,525	Cotton Agents Private Ltd.	New India Sugar Mills	22.25	10	2.50	2.50	2.50	2.50	6	Y.P
11,00,000	4,45,000	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100														
33,275	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	200.00	100	20.00	20.00	20.00	20.00	6	Y.
77,45,500	64,48,618	2,15,99,028	1,18,25,000	35,816	Cotton Agents Private Ltd.	Oudh Sugar	59.00N	25	5.00	5.00	5.00	5.00		
13,00,000	13,69,374	51,98,494	31,49,456	24,662	Narang Bros. & Co. Private Ltd.	Punjab Sugar	126.25	100	11.00	11.00	11.00	12.50	7	Y.P.
9,00,000	10,64,146	43,88,090	32,94,228	15,662	Begg, Sutherland & Co. Private Ltd.	Partabpore Co.	70.00N	100	10.00	6.00	6.00		10	Y.
68,59,400	85,59,866	67,02,760	25,67,388	27,711	Govan Bros. (Rampur), Private Ltd.	Rana Sugar	10.25	10	0.75	0.75	0.75	*Nil*	10	Y.P.
8,00,000	6,21 932	28,74,393	22,31,981	2,175	M.	Ryam Sugar	14.00	10	0.75	1.50	1.50Q		10	Y.
11,99 000	16,83,214	26,73,583	25,18,422	—2,30,858	M.	Samastipur Central Sugar ..	80.00	10	0.50	*Nil*	1.75	1.50	6	Y.P.
30,70,525	22,68,160	1,40,84,561	69,35,007	16,381	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar ..	12.25	10	0.50	*Nil*	1.75	*Nil*	6	Y.
10,02,115	24,660	29,48,600	14,35,401	—3,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)		9.19	10	1.50	1.75	1.00		6	Y.P.
13,30,000	13,52,431	35,59,550	20,58,359	40,666	M.	Sitalpore Sugar	2.37	10	*Nil*	*Nil*	*Nil*	*Nil*	6	Y.
9,18,0600.	46,462	29,66,260	11,46,770	—16,37,907	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00	0.50	8	Y.
4,40,000D.							0.75N	O. 10	*Nil*	*Nil*				
8,00,000	34,74,348	1,27,30,247	80,57,754	9,662	Cotton Agents Private Ltd.	South Behar Sugar	6.50N	D. 2½	*Nil*	*Nil*			10	Y.P.T
16,80,000	7,66,599	22,17,059	27,09,205	82,042	M.	Upper Ganges Sugar	2.50N	10	2.50	2.50	3.00	5.00	6	Y.P.
						United Provinces Sugar	14.25	10	1.25	1.50	0.68		6	Y.
						Other Centres								
30,00,000	19,50,000	76,27,620	18,97,501	15,079	Rangaroo & Co.	Andhra Sugars Ltd.	16.50	10	*Nil*	0.60	1.60	1.25	9	Y.
76,40,656	1,15,48,666	1,60,47,792	1,02,77,197	3,00,263	W. H. Brady & Co., Ltd.	Belapur Company Ltd.	247.50	50	16.00	16.00	16.00	18.00	9	Y.
12,50,000	12,58,515	41,35,701	23,96,315	20,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	21.63	10	1.00	1.00	1.50	2.00	9	Y.
15,00,000	37,88,165	83,91,615	34,33,913	38,544		Shree Chandee Sugar ..	26.50	12.50	1.00	1.00	1.50		9	Y.
15,93,000	15,50,520	43,30,767	25,77,714	9,691	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	90.00N	100	*Nil*	*Nil*	6.00	10.00	6	Y.P.
63,97,600	31,02,669	78,71,515	18,88,286	46,085	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	19.00cd	10	1.75	1.40	1.12	1.00	9	Y.P.
55,41,127	15,75,871	94,06,483	12,67,310	6,611	E. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13.50	10	1.00	1.00	0.62	0.50	6	Y.
10,58,2600.	88,00,000	2,48,48,158	41,94,129	26,068	V. Ramakrishna Sons (Private) Ltd.	K. C. P. Ltd.	130.00	O.100	7.50	7.50	7.50	7.50	6	Y.P.
9,97,190D.							134.00	D. 10	10.00	10.00	10.00	10.00		
07,50,000	38,21,978	1,22,47,683	57,87,067	36,425	M. L. Dahanukar & Co. Pvt. Ltd.	Maharashtra Sugar Mills	915.00	250			100.00*	100.00*	9	Y.P.
21,79,280	86,24,043	1,64,99,192	89,35,545	2,10,445	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	35.00	10	2.00	2.00	2.00	2.00	9	Y.P.
60,00,000	58,21,430	1,16,88,154	67,30,841	1,47,289	Matalial, Apte and Kasilial Pvt. Ltd.	Phaltan Sugar	148.50	66	8.00	8.00	9.00	12.00*	9	Y.P.
1,00,00,250	40,00,000	59,42,584	33,62,920	2,28,300	Anderson Wright Ltd.	Rammugger, Cane and Sugar ..	20.50	10	1.50	2.00	2.00	1.50	8	Y.P.
4,60,000D.	42,07,214	1,64,79,940	50,30,787	70,575	Walchand & Co. Private Ltd.	Ravalgaon Sugar Farm	124.00	O. 50	2.50	2.00	2.00	1.50	8	Y.P.
84,00,000	23,40,000	62,19,329	24,74,879	77,252	Parry Co., Ltd.	Travancore Sugars	80.00N	D. 10	*Nil*	0.07	0.75	2.75	9	Y.P.T
1,01,00,000	1,08,48,258	2,28,80,442	99,17,718	1,75,780	Walchand & Co. Private Ltd.	Walchandnagar Industries ..	270.00	100	16.00	18.00	21.00		7	Y.P.T
						TRANSPORT								
20,00,000	1,99,59,622	1,24,60,186	18,30,351	1,10,079	Andrew Yule & Co., Ltd	Bengal-Assam Steamship Co. ..	95.00	100	7.50	7.50	7.50		10	Y.P
1,00,00,000	52,00,000	4,21,63,242	1,45,30,689	1,23,512	Dalmia (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,42,36,063	4,09,84,246	56,21,345	1,83,580	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.									
4655,580	4997,730	45,665,834	43,423,068	—4106,293	Kilburn & Co. Private Ltd.	Great Eastern Shipping Co. ..	22.40	10	1.00	*Nil*	1.00	1.50	6	Y.P.
2,25,00,000	1,74,74,222	12,78,06,545	62,26,759	2,79,284	Lionel Edwards (Private) Ltd. ..	India General Navigation & Rly. Co.	49.00	£10	Sh. 10	Sh. 10	Sh. 10	Sh. 10	6	Y.P.
9,40,19,675	10,85,51,342	27,66,48,271	5,78,99,812	5,84,102	M.	India Steamship Co.	11.00	10	*Nil*	*Nil*	1.00	1.00	12	Y.P.
2,42,2600.						Scindia Steam Navigation Co. ..	17.38	20	0.50	0.50	1.00	1.00	6	Y.P.
2,16,2667P.O.	18,26,615	12,00,284	7,86,760	1,46,813	R. B. Aiyer, Esq. (Manager) ..	Watford Timsport Ltd.	2.00	O. 1	0.12	0.14	0.14		12	Y.
							1.41	P.O. 1	0.11	0.12	0.12		12	Y.
						UNCLASSIFIED (Bombay)								
2,40,000	63,857	5,82,509	4,86,185	324	Forbes, Forbes Campbell & Co. Pvt. Ltd.	Bombay Sale Deposit	560.00N	200	32.00	32.00	30.00	26.00	9	Y.
25,00,000	1,00,000	26,18,54[illegible]‡		55,559†	M.	Devkaran Nanji Investment Co. ..	11.52	25	0.75	0.75	0.81	1.25	9	Y.
5,97,00,000	2,01,70,510	4,79,59,818	1,35,02,109	89 94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	32.50	10			1.25	1.40	12	Y.
21,00,000	18,89,816	1,99,24,883	67,14,467	14,088	Birla Brothers Private Ltd.	Hind Oyster	132.50	100	10.00	10.00	10.00	12.50‡	3	Y.P.T
24,24,240	1,91,590	25,61,284	19,40,796	22,018	Chamanlal Nanabhai Private Ltd. ..	Hutsan Batteries	36.00	50	3.00	2.00	3.00	3.00	3	Y.P.T
99,99,250	20,19,147	1,25,61,2986‡‡		1,74,683	Premchand Roychand & Sons ..	Industrial Investment Trust ..	71.50	100	4.50	4.50	5.00	5.50	12	Y.
1,00,00,000	28,66,448	28,85,170	11,25,784	2,783	K. G. Mitra, Esq. (Mg. Director)	Killick Industries	145.00	100	11.00	11.00	11.00	11.00	6	Y.
2,37,25,250A.O.	69,14,256	3,42,75,324	1,09,26,978	6,81,752	Lazo-Arte Private Ltd.	Premier Automobiles	88.80	100	11.00	11.00	11.00	11.00	6	Y.
10,21,200	4,88,147	8,09,102	5,85,508	2,481	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	*Nil*	*Nil*	0.00	0.00	6	Y.
2,75,00,000	1,44,18,441	3,87,62,891	1,68,56,348	89,866	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd. ..	171.00	100	2.00	2.00	2.00	15.00	12	Y.
45,00,000	60,68,390	8,64,935	5,24,956	75,084	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	100	20.00	20.00	22.50	25.00	12	Y.
						Other Centres								
87,50,000	1,99,56,718	2,81,21,462	86,96,221	2,33,759	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	12.12	O. 10	*Nil*	*Nil*	0.50	0.90		Y.P.T
2,50,000							5.25	D. 2½	*Nil*	*Nil*	*Nil*	*Nil*		
40,00,000	22,25,000	68,17,879	28,12,935	66,589	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd.	16.50	10	1.25	1.25	*Nil*	*Nil*	3	Y.
30,00,000	32,50,717	34,07,377	14,57,999	2,61,259	Messrs. Mesenco Co. Private Ltd.	Angelo Bros., Ltd.	17.87	10	1.25*	1.25*	1.25*	1.25	3	Y.
30,00,000	17,14,736	38,54,572	19,66,372	1,83,944	Mr. A. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	14.75cd	10	1.25	1.25	1.25*	1.25*	3	Y.
20,00,000	35,94,600	1,05,12,032	39,58,422	2,79,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	8.50	10	2.50	2.25	2.50	2.50	12	Y.
20,91,500	28,61,252	69,53,196	27,02,196	5,08,375	M.	Balmer Lawrie & Co., Ltd.	154.00	100	15.00	12.50	15.00	20.00	3	Y.
15,00,000	17,46,989	34,55,743	27,54,743	2,01,767	Balmer Lawrie & Co., Ltd.	Bengal Flour Mills Co., Ltd. ..	28.50	10	2.50	2.50	2.50	2.50	12	Y.
20,00,000	5,95,715	62,38,492‡‡		37,612	Lovelock & Lewis	Birds Investment Ltd.	9.19	10	1.25	1.25	1.25	1.00	3	Y.P.
45,97,920	24,61,814	1,14,81,998	37,07,485	1,34,588	K. Julian Scott, Esq. (Mg. Director)	Britannia Biscuits	18.12	10	1.25	1.25	1.50	1.50	3	Y.P.T
1,50,00,000	1,55,55,571	7,97,45,577	2,38,56,131	1,25,193	W. H. J. Chaplin, Esq. (Mg. Director)	British India Corporation Ltd. ..	8.56	5	0.00	1.00	1.00	1.00	3	Y.P.T
1,25,00,000	17,34,284	3,06,95,9405‡‡		3,16,584	Andrew Yule & Co., Ltd.	Otive Row Investment	8.56	10	0.00	*Nil*	*Nil*	*Nil*	3	Y.
3,00,00,000	4,40,29,006	6,66,49,175	2,68,24,648	22,22,648	John Leakham, Esq. (Mg. Director)	Dunlop Rubber Co. (India) Ltd. ..	26.50	10	0.26	0.56	1.25	0.75	3	Y.P.T
51,18,900	54,81,635	1,04,12,9085‡‡		3,43,372	Bird & Co. Private Ltd.	Eastern Investments Ltd.	106.00	100	1.50	1.50	1.50	1.75	12	Y.P.T
1,65,00,000	34,05,154	84,09,154	19,09,139	34,554	MacNeill & Barry Ltd.	Ganges Rope Co., Ltd.	184.00	100	15.00	15.00	15.00	9.00	12	Y.P.
65,00,000	24,20,910	29,25,473	10,66,888	1,68,398	F. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.50	10	0.75	1.40	1.62	12.50	3	Y.
30,00,000	15,17,354	33,06,821	26,24,683	74,315	B. P. B. Syndicate	Great Eastern Hotel	265.00	100	0.25	0.25	1.00	1.00	3	Y.
40,96,700	19,90,000	4,87,25,577	1,61,58,541	7,52,002	Birla Brothers Private Ltd.	Hindustan Motors	7.04	10	0.25	0.25	15.00	15.00	3	Y.
1,00,00,000	1,17,55,000	1,97,45,013	2,31,77,722	1,20,198	V. G. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd.	15.12	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
1,52,52,228	1,46,00,000	2,26,86,031	86,85,093	41,51,858	B. J. Woodley, Esq. (Mg. Director)	Indian Cables	28.37	10	*Nil*	0.00	1.50	0.00	3	Y.P.
3,37,975	6,03,000	10,74,906	9,50,206	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufactures ..	16.25	10	1.25*	1.25*	1.50*	1.50*	3	Y.P.
15,10,00,000	24,92,01,094	9,35,79,238	1,63,22,809	25,84,190	Mr. G. H. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	12.00	10	0.50	0.50	0.62		3	Y.P.
2,50,00,000	76,37,615	39,02,397	12,06,953	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	54.50	100	7.50	7.50	7.50	9.70	3	Y.P.
40,00,0000.							190.00N	O.100	17.00	22.50	8.00	2.50	3	Y.P.
5,00,000D.	82,56,900	48,58,407	10,48,712	2,87,153	M.	McLeod & Co., Ltd.		D.O.10	1.20	1.75	0.80		12	Y.P.
1,45,23,500	90,55,581	22,54,424	14,97,382	2,35,512	M. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	26.00	10	1.25	1.25	1.25	2.12*	9	Y.
1,18,00,000	1,17,00,151	2,52,56,060	89,00,793	10,58,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	28.50	10	1.25	1.25	1.25*	*Nil*	3	Y.
63,585	1,331	7,58,568	2,66,987	—1,82,648	Shankar Rao F. Ogale, Esq.	Mysore Glass and Enamel Works	1.00	1	0.25	0.25	0.25	0.25	3	Y.
6,84,360	6,92,560	11,30,600	5,97,362	8,949	Mr. J. L. D'Sa (Chairman)	Mysore Lamp Works	14.40	10	1.00	0.75	0.00	1.25	3	Y.
10,00,000	3,78,000	16,47,899	10,18,122	48,854	M. Mallesharya, Esq. (Chairman)	Mysore Tobacco	12.15	10	1.25	1.00	0.00	1.25	3	Y.
2,50,00,000	53,55,917	2,14,52,470	61,32,903	22,42,424	J. K. Galloway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	25.62	10	0.40	0.32	1.50	1.40	12	Y.
40,00,000	74,71,172	63,86,914	41,52,961	1,44,445	Associated Industrial Development Co. (Private) Ltd.									
40,00,000	15,00,000	92,19,295	21,17,426	75,736	M.	National Insulated Cable Co. ..	27.12	10	1.00	1.50*	2.00*		9	Y.
77,77,000	38,13,400	1,30,51,999	61,75,196	9,22,648	B. N. Elias & Co. Private Ltd. ..	National Rolling & Steel Ropes ..	10.44	10	0.50	0.50	0.50		6	Y.
2,25,00,000	4,33,406	1,22,26,543	60,06,534	—44,12,928	M. P. A. Pappotti, Esq.	National Tobacco Co.	11.75	10	0.50	0.50	0.75	1.00	12	Y.
2,25,00,000	1,97,70,360	10,66,39,211	2,94,22,764	49,402	Sahu Jain Ltd.	Rallis (India) Ltd.	84.00	100	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
4,72,800						Rohtas Industries	20.19	10	1.50	1.50	*Nil*	*Nil*	12	Y.P.T
5,12,400	51,336	21,11,697	9,29,199	19,106	Sathe Food India, (Private) Ltd. ..	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100	..	..	5.00	6.00	3	Y.P.
40,00,000	88,41,163	1,31,80,272	72,06,599	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	50.00N	50	..	..	2.50	2.50	3	Y.P.
75,00,0000.	17,19,992	97,62,935	37,86,725	2,54,154	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	18.62	10	1.25	1.50	1.50	1.50	3	Y.
9,98,380	19,925	14,83,995	5,16,593	—7,432	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.80	10	1.25	1.00	1.00	0.50	12	Y.
							10.37	10	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.

M.—Managed by Board of Directors. ‡‡ Investments at cost. * Includes bonus. ‡ On old capital. § Excluding Rs. 1,49,02,000 which represent share in the firm[illegible] Shaw Wallace & Co., Ltd.
† Subject to taxation. F.—Hind Cycles. The latest dividend of Rs. 12-6 per share, is for fifteen[illegible]months ended 31st March, 1957. ‡‡ India Paper Pulp—The dividends paid upto 1954 were on shares Rs.50 100 each which subsequent y were divided into shares of Rs. 10 each. Q.—The latest dividend and question relates to 'Rana Buland Sugar Co., Ltd.' subsequent to the amalgamation of the Rana and Buland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries.	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. aP	1955 Rs. aP	1956 Rs. aP	1957 Rs. aP	Accounts Closed	Reference
						ASSAM								
4,45,700	9,09,019	15,95,482	5,76,685	....	McLeod & Co., Ltd.	Amluskie	25.00N	10	18.00	4.75	5.00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,703	22,139	M.	Amanda (Assam) Tea	17.75	10	7.50	1.00	2.00		12	Y.
7,00,000	8,42,250	12,23,233	3,34,393	49,669	Gillanders Arbuthnot & Co., Ltd.	Ananda Bag	19.50	10	3.00*	1.00	1.25		12	Y.
5,50,000	19,21,541	18,70,829	7,47,802	42,752	McLeod & Co., Ltd.	Baghmari	20.75	10	2.50	1.00	2.50		12	Y.
5,10,000	9,85,000	12,95,911	5,33,782	53,593	Andrew Yule & Co.,

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
5,00,000	2,19,000	3,97,595	84,197	15,999	Planting Agencies (Private) Ltd. ..	Balmadies Plantations	3.35	2	0.25	0.30	0.21	0.45	5	Y.P.
25,91,900	54,58,000	52,61,443	5,60,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.85	2	0.75	0.45	0.75	0.52	5	Y.P.
18,00,000	31,00,000	29,79,846	3,06,541	1,21,826	Cona. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	35.50cR	10	2.50	1.80	2.50	4.00	6	Y.P.T.
71,55,000	56,13,026	1,25,84,765	26,59,076	1,13,211	R. C. Paterson, Esq. ..	Consolidated Coffee	25.75	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,11,782	59,961	6,881	M.	Cottanad Plantations	14.75cd	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,443	25,35,790	5,31,442	97,145	A. Y. Thomas & Co., Ltd. ..	Highland Produce	13.40	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	13,91,160	2,63,016	13,088	A. Y. Thomas & Co., Ltd. ..	Kalpetta Estates	24.50	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	3,71,449	13,82,912	3,09,278	6,347	K. T. Thomas Kathanar, Esq. ..	Malankara Rubber	17.00	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	32,79,387	50,92,726	9,49,414	1,48,976	A. Y. Thomas & Co., Ltd. ..	Midland Rubber	16.00cR	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,81,000	14,62,886	2,99,733	23,171	A. Y. George & Co. Ltd. ..	Neanmery Rubber	14.10cd	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,00,000	6,40,417	58,785	4,271	Associated Planters Private Ltd. ..	Nilambur Rubber Co.	13.75cd	10	1.00	1.50	1.50		12	Y.P.T.
19,45,980	23,79,615	45,25,982	14,74,565	53,868	Peirce, Leslie & Co., Ltd.	Ouchterlony Valley Estates ..	4.88	2	0.60	0.40	0.50	0.60	10	Y.
13,50,000	8,80,909	45,07,576	5,95,098	12,299	A. Y. Thomas & Co., Ltd. ..	Rajagiri Rubber	15.50cd	10	1.75*	2.00	2.50	2.00	6	Y.
3,66,780	4,00,000	8,17,112	92,732	708	Peirce, Leslie & Co., Ltd.	Savamala Estates Ltd.	4.63cd	2	2.50	1.00	1.50	1.50	11	Y.
10,00,000	5,01,500	22,44,528	1,59,559	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.15	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,50,000	1,49,000	3,58,449	34,741	23,968	A. Y. George & Co., Ltd. ..	Thamarapally Rubber	27.00	10	2.00	2.00	2.00		12	Y.P.
9,15,300	4,60,000	22,40,087	1,87,488	23,927	Peirce, Leslie & Co., Ltd.	Thirumbadi Rubber Co., Ltd. ..	1.67	1	0.10	0.12½	0.12½	0.05	9	Y.
6,00,000	82,566	7,71,251	1,36,210	2,287	Kejwa Thomas, Esq. (Mg. Director)	Travancore Rubber	15.75cd	10	2.00	2.00	2.00		12	Y.
41,00,000	12,79,221	84,25,080	14,56,643	1,06,654	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6.85cd	10	1.50	1.25	0.75	0.40	12	Y.
20,00,000	38,000	30,13,928	7,73,986	107	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	19.35xd	25	5.00	4.00	3.00	1.00	12	Y.
8,80,010	5,90 069	9,56 590	27,217	872	M.	Valkundam (Travancore) Rubber ..	26.43	10	2.25	2.50	3.50	3.50J	12	Y.
6,05,000	1,47,259	13,88,336	39,744	10,289	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7.70	10	1.50	2.00	1.25	1.00	3	Y.P.T.

J—Final dividend of Re. 1.50 is on the increased capital

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,80,000	44,25,000	1,20,25,991	58,26,489	18,786	B. N. Ellias & Co. Private Ltd. ..	879	Agarpara	8.37	10	0.62	0.62	0.25	0.25	3	Y.T.
6,00,000	10,25,000	56,02,953	58,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	105 00	100	7.50	10.00	10.00		6.12	H.P.T.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,361	McLeod & Co., Ltd.	1,264	Alliance	86.00	100	12.00	6.00	Nil	Nil	5	Y.P.
49,20,700	67,00,000	2,11,92,070	2,03,16,000	1,77,821	Duncan Brothers & Co., Ltd. ..	2,561	Anglo-India	153.00	100	7.50	8.50	8.50	7.00	3	Y.
40,00,000	29,54,500	1,49,09,986	55,84,728	—8,79,018	Bird & Co. Private Ltd.	810	Auckland	86.00	100	3.50	0.00	1.00	Nil	3	Y.P.
20,00,000	23,80,918	96,91,416	65,45,094	65,802	Birla Brothers Private Ltd. ..	959	Bally	147.00	100	Nil	3.50	Nil	Nil	3	Y.P.T.
£275,000	£474,807	£1,628,482	£9,23,169	....	Sir John H. Birder (Chairman) ..	1,559	Barnagore	89.00	£5	sh. 15	sh. 15	Nil	Nil	3.9	H.P.
26,00,000	26,56,123	94,67,700	51,49,231	1,330	Andrew Yule & Co., Ltd.	820	Belvedere	101.00	100	10 00	7.50	Nil	Nil	3	Y.P.
45,00,000	58,45,000	87,98,172	31,28,874	2,68,100	Soorajmull Nagarmull	600	Bengal	11.31	10	1.12	1.12			12	Y.P.
91,26,600	2,17,48,382	2,34,16,405	1,45,32,661	4,57,893	Birla Brothers Private Ltd. ..	1,373	Birla	15.62	10	1.00	1.00	1.00		3	Y.P.T.
36,00,000	19 36,926	1,22,32,479	71,78,057	2,709	Andrew Yule & Co., Ltd.	991	Budge-Budge	89.60	100	9.00	7.50	Nil	Nil	3	Y.P.
7,47,380	3,09,640	43,13,704	31,62,853	—3 31,470	Dayaram & Sons	502	Calcutta Jute Mfg.	7.00	10	0.75	Nil			10	Y.P.
13,90,000	24,46,224	87,42,998	45,04,058	20,550	Andrew Yule & Co., Ltd.	616	Caledonian	117.50	100	9.00	6.50	Nil		6.12	H.P.T.
59,16,400	76,49,228	2,28,64,828	1,19,50,843	—7,24,043	James Finlay & Co., Ltd.	600	Champdany	91.00	100	8.00	10.00	2.00	Nil	3	Y.
15,95,000	21,56,282	85,02,301	58,76,175	5,857	Andrew Yule & Co., Ltd.	520	Cheviot	141.00	100	8.00	10.00	2.00	Nil	3	Y.
30,15,000	32,75,000	77,91,313	51,51,350	73,099	McLeod & Co., Ltd.	500	Chitavalsah	34.12	10	1.12	1.37	0.621	1.10	11	Y.P.
24,00,000	9,00,000	81,09,333	67,13,327	25,936	Shree Krishna Investment Co., Ltd	969	Clive	13 12	10	Nil	1.25x	0.50		7	Y.P.T.
31,49,200	44,80,392	1,35,02,698	81,19,167	—8,75,531	Bird & Co. Private Ltd.	756	Dalhousie	65 00	10	2.50	4.00	Nil	Nil	3	Y.P.
28,00,000	37,22,179	82,37,464	48,90,766	4,243	Andrew Yule & Co., Ltd.	779	Delta	109.00	100	12.00	10 00	5.00	Nil	3	Y.P.
15,00,000	25 56,000	92,51,058	43,97,045	4,192	McLeod & Co., Ltd.	500	Empire	15.75	10	1.25	1.25	0.501	0.75	7	Y.P.T.
21,00,000	62,40,536	2,41,85,550	1,69,02,109	2,45,413	Kettlewell Bullen & Co., Ltd. ..	1,093	Fort Gloster Industries Ltd.	333.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	14,50,000	1,70,16,348	88,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	18 87	10	20.00	20.00	0.75x	1.50	3	Y.P.T.
54,22,100	....	2,11,07,224	1,32,88,825	—2,67,452	M.	1,709	Ganges Mfg.	56.25	100	0.50	2.50	Nil		3.9	H.P.
10,80,000	28,68,942	76,08,097	50,72,167	11,510	M.	607	Gondalpara	500.00	Nil	Nil	Nil	50.00		12	Y.L.
24,00,000	24,50,000	2,22,46,948	1,58,81,985	46,348	Macneill & Barry Ltd.	1,394	Gourepore	261.00	100	10.00	15.00	2.50	2.50	12	Y.P.
48,00,000	40,82,233	1,38,36,217	84,58,239	2,00,036	Bangur Bros., Ltd.	1,078	Hastings	104 00N	100	10.00	11.50	5.00		3	Y.P.T.
16,80,000	18,61,989	66,47,751	47,79,916	—2,95,253	Baijnath Bajoria	720	Hooghly	10 75	10	0.50	1.25	Nil		3	Y.P.
85,82,500	23,58,428	2,34,21,655	1,11,49,661	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	15.37	10	1.25	1.25	Nil		3	Y.P.
23,40,000	28,87,124	2,93,21,907	1,57,81,907	1,14,296	Ramdutt Ramkissendas	2,272	Hukumchand	17.75	7.50	2.00	2.00	2.00	1.50	3.9	H.P.T.
57,00,000 } 30,000 } 24,00,000 } B'19,20,000 } 30,00,000 } B'24,00,000 }	17,20,650	1,27,91,698	80,28,070	2,57,287	M.	1,076	India	125.00 97.00 97.50 47 00 46.50	O. 125 100 'B' 100 'B' 100	3.12 2.50 2.50 2.50 1.50	4.69 2.50 2.50 1.00 1.00	4.69 Nil Nil Nil Nil	Nil Nil Nil Nil Nil	3 12 12	Y. Y.P.T. Y.P.T.
21,09,435	1,96,91,608	1,14,05,986	—18,02,112	Jardine Henderson Ltd.	1,797	Kamarhatty									
9,73,967	1,76,13,612	97,33,167	—41,58,784	Jardine Henderson Ltd.	1,527	Kankinarrah									
21,00,000	33,00,000	1,35,45,052	88,77,736	86,701	McLeod & Co., Ltd.	702	Kelvin	174.00	100	20.00	17.50	5.00	9.00	5	Y.P.
54,00,000	23,83,375	1,95,60,992	1,22,03,770	27,027	Anderson Wright Ltd.	1,530	Khardah	116.00	100	12.50	11.00	5.00	5.00	3	Y.P.
48,00,000	31,48,808	2,36,20,709	98,60,479	22,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	105.00	100	7.50	12.50	11.00	8.00	3	Y.P.
24,48,000	28,48,000	1,35,71,981	83,16,244	—9,06,440	Bird & Co. Private Ltd.	921	Lansdowne	79 00	100	7.00	13.00	6.00	Nil	3	Y.P.T.
23,00,000	45,82,647	1,41,73,943	65,14,075	—7,75,365	Bird & Co. Private Ltd.	840	Lawrence	76 50	100	6.00	7.00	Nil	Nil	3	Y.P.T.
31,45,200	26,26,645	2,64,13,349	1,26,97,309	1,64,942	M.	1,253	Megna	116.00	100	6.00	6.00	Nil	Nil	3	Y.P.T.
29,98,800	24,82,196	1,65,70,546	86,70,599	—12,90,719	M.	815	Naihati	51.00	100	2.50	9.75	5.75	5.75	3.9	H.
30,00,000	19,58,000	97,01,583	17,31,709	17,816	Howrah Trading Co., Ltd. ..	456	Naskarpara	12.00	10	Nil	Nil	Nil	Nil	3	Y.P.T.
35,00,000	39,51,326	48,49,737	12,31,373	19,604	Andrew Yule & Co., Ltd.	852	National	21.75	10	1.25	1.25			4.10	H.T.
26,25,000	27,90,000	23,31,475	20,72,256	1,29,411	McLeod & Co., Ltd.	316	Nellimarla Jute	12.44	10	2.00	1.75	0.75	0.75	10	Y.
85,18,000	2,85,31,124	1,45,32,343	1,06,43,534	2,35,661	Birla Jute Mfg. Ltd.	1,765	New Central†	15.87	10	1.00	1.00	0.501	0.50	6.12	H.P.T.
16,79,880	46,58,382	1,38,84,122	86,38,490	9,227	Bird & Co. Private Ltd.	867	Northbrook	15.60	10	1.25	1.50	1.50		12	Y.P.
66,79,560	12,74,961	2,34,62,288	1,39,16,857	20,195	Macneill & Barry Ltd.	1,092	Nuddea	40.00	50	0.50	1.00	1.00	Nil	3	Y.P.T.
24,81,000	23,04,049	76,55,438	52,45,090	5,081	Andrew Yule & Co., Ltd.	601	Orient	92.00	100	10.00	1.00	Nil	Nil	3	Y.P.T.
25,00,000	7,83,173	86,18,353	67,97,672	7,049	McLeod & Co., Ltd.	600	Prasidency	4.12	5	0.51	0.31	0.20	0.30	11	Y.
80,00,000	10,322	27,95,784	2,39,180	—2,81,529	Birla Brothers Private Ltd. ..	305	Rameshwara	4.75	10	Nil	Nil	Nil	Nil	7	Y.T.
49,80,000	4,80,553	1,24,75,806	64,70,616	—23,95,190	Jardine Henderson Ltd.	1,276	Reliance	5.75	10	Nil	Nil	Nil	Nil	3	Y.P.
4469,000	£1,082,713	£1,245,744	....	£68,994	Thomas Duff & Co. (India) Ltd. ..	2,013	Samasuggar	8 87	£1	10%	8%21	Nil	Nil	3	Y.P.T.
20,00,000	13,14,910	1,15,80,877	79,06,145	7,972	Bagaria More & Co., Ltd.	911	Shree Ambica	10.50cN	10	1.00	0.50			12	Y.
14,00,000	11,14,980	68 87,540	47,50,476	40,164	Hindustan Investment Corpn Ltd.	401	Soorah	14 50xd	10	1.00	0.50			3.9	H.P.
25,19,600	31,10,801	1,26,68,701	57,29,513	—2,76,083	Bird & Co. Private Ltd.	650	Standard	81.00	100	2.00	1.00	1.50	1.50	12	Y.
£600 000	£975,119	£1,137,660	....	£33,548	Thomas Duff & Co. (India) Ltd. ..	1,794	Titaghur	8 87	£1	10%	Nil	Nil	Nil	3	Y.P.T.
85,98,600	68,80,148	2,01,42,557	89,47,895	—12,51,940	Bird & Co. Private Ltd.	1,326	Union	119.00	100	6.00	10.00	1.00	Nil	12	Y.P.
£400,000	£688,038	£1,124,819	....	£80,581	Thomas Duff & Co. (India) Ltd. ..	1,231	Victoria	8 00	£1	10%	8%21			3	Y.P.T.
2,50,000	6,35,000	41,78,254	27,76,059	—4,15,286	McLeod & Co., Ltd.	457	Waverley	2 94	1	0.50	0.37	Nil	Nil	12	Y.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,800	25,26,830	99,36,489	69,86,489	29,730	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	17.87	10	1.31	1.87	0.50	1.25	3	Y.
12,00,300	9,40,890	37,46,675	25,26,182	70,917	Jardine Henderson Ltd.	Bararee Coke	10 87	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,550	1,05,000	9,25,911	5,64,876	90,270	Kalyanji Mavji & Co.	Bengal-Bhatdee	5 87N	10	0.62	0.62	0.75		6.12	H.
1,00,00,000	1,02,13,157	6,35,12,705	4,41,60,343	11,48,000	Andrew Yule & Co., Ltd.	Bengal Coal	246 00	100	30.00*	30.00*P	17.50	17.50	3	Y.
2,15,000	4,18,763	8,85,187	37,43,086	....	Macneill & Barry Ltd.	Bengal-Nagpur	13.00	10	Nil	Nil	Nil		10	Y.P.
15,97,000	4,88,558	48,14,600	24,42,290	—94,879	H. V. Low & Co. (Private) Ltd. ..	Bhalgora	6.56	10	Nil	Nil	Nil		3.9	H.
40,00,000	10 28,269	1,44,38,027	77,89,407	2,129	Sahu Jain Ltd.	Bharat Collieries	5.87	10	0.62	0.62	0.60		6	Y.P.
7,15,000	10,15,171	29,80,346	24,84,101	—4,92,538	M.	Bhojudarabaree	9.50N	10	Nil	Nil	Nil		6	Y.P.T.
7,50,800	24,16,419	45,67,882	27,10,402	19,851	F. W. Heilgers & Co. Private Ltd.	Borree	17.56	10	2.00	2.00	1.50		12	Y.P.
90,92,450	1,70,33,767	4,37,67,223	1,99,68,073	95,339	Bird & Co. Private Ltd.	Burrakur	21.37	10	1.50	2.00	1.50	1.50	6.12	H.T.
48,97,750	....	46,39,014	12,86,014	3,491	Hindustan Investment Corpn. Ltd.	Central India	7.75	10	0.25	0.62	0.62	0.37	6.12	H.P.T.
3,00,000	13,80,590	49,11,827	33,03,469	69,006	M.	Central Kurkend	11.00N	10	0.25	0.25	0.50	0.50	3	Y.
6,00,000	1,43,986	7,20,061(k)	....	4,248	F. W. Heilgers & Co. Private Ltd.	Charlia	2.00	4	0.12	0.06	0.06		12	Y.
16,00,000	....	54,02,810	30,95,160	—2,36,506	Macneill & Barry Ltd.	Dhemo Main	7.00	10	Nil	Nil	Nil		12	Y.
£540,000	£362,875	£1,001,816	£784,050	£26,677	Jardine Henderson, Ltd.	East Indian	19.81	£1	2.50	2.00	2.50	1.50	12	Y.
39,58,750	92,06,405	4,16,92,845	2,00,75,857	41,728	Macneill & Barry Ltd.	Equitable	26 00	10	1.50	1.50	1.50		12	Y.
10,00,000	1,40,999	13,81,144	4,28,557	23,353	Bhatter's Agency Ltd.	Ghusick and Mualia	17.00	10	0.50	0.25			12	Y.P.T.
12,00,000	1,17,609	43,84,400	25,20,972	....	Killick Industries Ltd.	Hingir-Rampur	30 75	50	Nil	2.25	2.25		3	Y.
5,00,000	7,50,000	22,49,856	19,21,895	45,210	Macneill & Barry Ltd.	Jhanjhra	14 56	10	1.75	2.50	1.50		6	Y.
8,50,000	2,48,905	14,13,052	7,33,171	....	Andrew Yule & Co., Ltd.	Kalapahari	13.75	10	Nil	Nil	Nil		12	Y.
20,00,000	2,21,875	32,57,576	5,71,179	1,962	Bird & Co. Private Ltd.	Karanpura Collieries ..	94 00	100	5.00	5.00	5.00		3	Y.
5,00,000	18,80,898	47,65,511	37,70,922	1,88,238	Andrew Yule & Co., Ltd.	Katras Jherriah	58.75	10	4.00	2.50	5.00		3	Y.
1,38,400	3,72,900	15,58,841	12,72,900	—2,60,246	Beriwala & Co.	Khas Kajora	2.75N	10	Nil	0.12	0.50		3	Y.
11,00,240	64,5 4	16,80,329	10,66,899	10,611	H. V. Low & Co. (Private) Ltd.	Kuardi	2.75N	10	Nil	0.12			6.12	H.P.
9,60,000	11,11,926	28,88,749	22,86,193	4,708	H. V. Low & Co. (Private) Ltd.	Lakurka	10 50N	10	0.50	0.25			6	Y.
7,48,240	2,00,000	13,13,208	9,66,219	31,201	Tantia Brothers Ltd.	Nasira	6 04	10	0.50	0.12			4	Y.
7,96,000	3,39,517	10,32,140	5,20,595	4,950	Martind Ojha & Co., Ltd.	New Ranadeepur	9 00N	10	1.25				12	H.
17,76,328	19,51,814	1,24,49,315	91,72,491	53,598	Andrew Yule & Co., Ltd.	New Beerbhoom	14 75	10	1.12	1.00	0.75		12	H.
6,00,000	75,000	82,35,331	82,38,923	1,43,499	Octavius Steel & Co., Ltd. ..	New Manbhoom	11 00	10	Nil	Nil	Nil		10	Y.P.
1,16,000 } 1,57,500 }	3,47,592	13,06,689	8,96,110	17,516	Andrew Yule & Co., Ltd.	North West	18 75	10	Nil	1.37	0.50		3	Y.
7,50,000	15,69,447	5,97,666	2,77,666	27,344	F. W. Heilgers & Co. Private Ltd.	Ondal	13.50	7.50	Nil	1.03	1.12		3	Y.
10,00,000	1,10,000	41,24,515	19,79,271	25,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	7.00N	10	1.00	1.00	0.75		12	Y.P.
2,00,000	20,000	23,49,367	9,36,591	5,080	Deepchand Kishenlal	Parasea	13.00	10	0.50	0.25			12	Y.P.T.
18,75,000	16,50,000	55,17,410	39,92,410	44,353	Shaw Wallace & Co., Ltd.	Pench Valley	19.25	10	0.75	1.00	0.50		12	Y.P.
22,99,500	23,96,351	1,37,28,021	91,88,883	39,066	B. N. Elias & Co. Private Ltd. ..	Ranegunge	11.81	10	1.00	1.50	0.75	2.00	3	Y.
13,50,000	19,45,115	58,59,365	29,71,344	15,614	Shaw Wallace & Co., Ltd.	Rewa	15.81	10	1.37	0.87	0.62	0.75	3	Y.
20,00,000	37,12,000	82,83,756	52,17,847	9,397	M.	Samla Collieries	11.00N	10	0.75	0.87	0.751		6.12	H.
2,50,000	1,95,892	13,79,482	13,21,287	21,270	M.	Searsole	4.75N	10	0.75	1.00	1.25		12	Y.
2,00,000	9,11,598	29,92,167	19,76,253	52,200	Andrew Yule & Co., Ltd.	Seebpore	22.25	2.50	2.00	0.25			1	Y.
5,00,000	5,09,516	52,491	22,867	5,166	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0.12	0.50	0.25		12	H.
68,21,460	94,58,186	5,19,41,849	2,73,46,239	29,557	Industrial Trust Fund (Govern- ment of Andhra Pradesh)	Singareni	11.00	10	0.70	0.75	1.00		6.12	H.
17,50,000	10,89,092	28,95,664	16,16,434	10,407	Bird & Co. Private Ltd.	South Karanpura	9 50	10	0.12	0.12	0.25		12	Y.T.
5,00,000	14,01,063	1,09,57,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	12 50	10	1.50	1.50	1.00		4.12	H.
10,00,000	....	81,92,994	19,48,502	—5,92,907	M.	Talcher	9.75	2.50	Nil	Nil	Nil		12	Y.
3,50,000	2,35,000	18,97,534	14,54,234	77,106	Williamson Magor & Co., Ltd. ..	Union	14.00	10	Nil	Nil	Nil		9	Y.
49,98,600	66,784	45,72,308	24,15,806	11,843	Hindustan Investment Corpn. Ltd.	Western Bengal	5.00	10	0.75	Nil	0.50		12	Y.
7,00,000	....	87,45,660	28,70,006	—2,30,054	Macneill & Barry Ltd.	West Jamuria	5.12	10	0.37	0.50	Nil	0.50	12	Y.

K—Managed by the Board of Directors. † Less income-tax. (c) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. * Including bonus. (k) Investments.
1 New Central Jute Mills.—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian Jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each. Y.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each.
For 1956 the dividend of Rs. 17-8 includes an interim dividend of Rs. 7-8 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

(*Concluded from page 1103*)

boards of directors. This trend is in conformity with the underlying objectives of the Act which imposes stringent restrictions on remuneration for, and the contract of company forms by, managing agents.

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Delegates from 32 member countries and observers from a number of others were recently in conclave in London to deliberate upon the free worl'd raw cotton problems. The occasion was the 17th Plenary Meeting of the International Cotton Advisory Committee, Washington—the first to be held in London. The delegates discussed such topics as the current trends in world cotton economy, with particular reference to the present and prospective supply and demand situation, present trends in production, effects of business conditions competition from man-made fibres and other factors on cotton consumption, measures taken by member-Governments to market surplus stocks and the supply and demand for extra long-staple cotton.

In a review of the world cotton situation presented to the meeting, the Committee stated that the basic fact about the present situation was that world carryover on 1st August 1958 would be the smallest for several years. Optimism over the future, however, the Committee added, must be tempered by the reappearance of certain adverse elements. After several years of continuous expansion, consumption was declining in many countries, and competition from substitute fibres and materials, particularly the newer synthetics, continued to be a very real threat to cotton. In contrast to the last season,

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,68,00,000	12,42,652	Allahabad Bank	353.00	100	18.00‡	18.00	18.00	9.00‡	12	Y.P.
14,50,000				175.00	50	9.00‡	9.00	9.00	4.50‡		
1,01,000	18,04,000	1,910	Andhra Bank	109.00	100	7.50	6.50	8.00	6.00	6,12	H.
20,75,595				50.00	25	3.75	4.54	5.59	5.10		
1,00,00,000	1,38,00,000	4,10,731	Bank of Baroda	116.00	50	6.00‡	6.00‡	7.00	7.00	12	Y.
80,00,000	25,00,000	7,900	Bank of Bikaner	23.00	25	0.75	0.87	1.12	1.25	12	Y.
2,50,00,000	3,10,00,000	16,02,381	Bank of India	131.50	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000'A'				134.00	50'A'	...	...	...	8.00		
15,80,875	28,00,000	52,270	Bank of Indore	63.00N	25	3.00	3.50	4.00	4.22	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	37.15	50	2.00	2.00	2.50	3.00	12	Y.
50,00,000	91,95,613	1,87,085	Bank of Mysore	251.50	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	40,00,000	44,788	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.F.
7,50,000	13,55,000	5,670	Canara Banking Corporation Ltd.	75.50	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.F
5,52,930'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170.00	100'A'	12.50	12.50	15.00	15.00	12	Y.
22,797'C'				1.71	1'C'	12½%	12½%	15%	15%		
2,82,11,875	4,03,60,821	18,44,046	Central Bank of India Ltd.	53.00	25	3.00	3.00	3.50	3.50	12	R.L.Y.
56,42,375				57.00	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	45.75	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	18,45,442	Habib Bank (P)	86.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	29,75,000	1,61,944	Hind Bank	52.25	50	1.50	3.00	3.00		12	Y.
1,25,00,000	6,93,000	18,448	Hindustan Commercial Bank	9.75	50	Nil	Nil	...		12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	11.00	50	Nil	Nil	Nil	Nil	12	Y.
44,00,000	1,00 00,350	2,04,376	Indian Bank	197.50	100	12.00‡	12.00‡	13.00	15.00‡	6,12	R.L.H.
22,40,000				169.00	80	7.20‡	7.75	9.75	12.00‡		
56,23,250	46,86,800	2,32,067	Indian Overseas Bank	144.50	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	38,502	Pandyan Bank Ltd.	35.00	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,80,000	4,51,904	Punjab National Bank	53.50	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	17.25	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8.00	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,34,00,000	49,432	United Commercial Bank	61.00	50	2.50	2.75	3.50	3.75	12	H.

PRINCIPAL EXCHANGE BANKS

Dividend (per cent.

£4,400,000	£5,700,000	£412,542	Chartered Bank	£2-1-9	£1	15†	15†	15†	15†	12	Y.
H.K.$50,000,000	H.K.$128,000,000	H.K.$2,062,463	Hongkong and Shanghai Banking Corporation	£42½	H.K.$125	5*	5*	5*	3 12½*	12	Y.
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-5-6	£1	15†	12†	13†	13†	12	Y.
£2,940,000	£2,100,000	£231,452	Mercantile Bank Ltd.	£1-10-9	£1	14†	14†	14†	18½†	12	Y.
£2,851,562	£3,104,687	£365,589	National Overseas and Grindlays Bank Ltd.	£1-2-3	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right.
Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1933	92.00	1st June .. 1962
4,00,000	5½	1st March and 18th September	Carew & Co. (2nd mortgage)	1941	96.00	28th February .. 1960
10,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	97.00	1st November .. 1959-64
25-00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
30,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30thJune .. 1964
20,00,000	4½	30th June and 31st December	Burrakur Coal Co.	1947	97.00	30th June .. 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14thDecember .. 1969 (a)‡
COTTON						
2,50,000	5	30th Jun. and 31st December	Basanti Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89.00	15th November .. 1965 (b)
72,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	99.00	1st March .. 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1957	100.50	1st April .. 1967-72
19,71,000	5½	30th June and 31st December	Jaykaur Textiles	1949	99.00N	1st January .. 1956-59
89,90,000	5	1st June	Tata Mills	1951	93.50	15th November .. 1966
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co.		97.00	15th June .. 1960
38,38,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	97.00	1st October .. 1959-64
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	99.00	31st December .. 1964 (a)
44,045,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	1st January .. 1970 (a)
25,00,000	4	30th June and 31st December	Goureepore Electric Supply Co., Ltd.	1945	84.00	30th June .. 1970
12,50,000	5	1st January and 1st July	Sijua (Dhenkal) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1976 (a)
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1930	95.00	1st April .. 1959-61
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	93.50	30th September .. 1953-58
47,75,000	6	1st April and 1st October	Tata Power	1940	99.00	1st July .. 1979
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1928	98.00	30th June .. 1955
30,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1942	97.00	1st July .. 1957-62
10,00,000	4	31st May and 30th November	Kirloskarvadi Engineering Works Ltd.	1946	80.00	31st May .. 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.35	1st October .. 1966-85
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	97.00	31st December .. 1966 (a)
JUTE						
18,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
9,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1969
9,00,000	5	31st January and 31st July	Calcutta	1949	86.00	31st July .. 1959
10,69,056	5	30th June and 31st December	Chitavalsah Jute Mills	1951	80.00	30th June .. 1966
26,25,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	90.00	31st March .. 1969 (a)
5,56,000	6	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (a)
60,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1935	94.00	31st March .. 1970
28,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1950	90.00	31st December .. 1964 (a)
25,00,000	5½	30th June and 31st December	Mahail	1952	90.00	31st March .. 1967 (a)
15,00,000	4½	14th November and 14th May	Nellimarla Jute Mills Co., Ltd.	1939	88.00	14th May .. 1959
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	80.00	31st December .. 1964
2,00,000	4	30th June and 31st December	Presidency	1948	85.00	30th June .. 1968
13,00,000	5	31st March and 30th September	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September .. 1965 (a)
13,00,000	5½	30th June and 31st December	Union	1937	90.00	31st March .. 1967
10,00,000	5½	31st January and 31st July	Waverly	1935	80.00	31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
$850,000	4½	1st January and 1st July	Calcutta Tramways	1900	$66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
$189,863		1st April and 1st October		1933	$74.10N	
6,50,000	3½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	1st October .. 1974 31st December .. 1959 (a)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.00	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April .. 1958-66
1,56,500	5½	31st March and 30th September	Teaboy	1944	100 00	31st March .. 1949-56†
MISCELLANEOUS						
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December .. 1965
80,80,000	4½	1st January and 1st July	Associated Hotels of India	1946	85.00	31st December .. 1962
2,00,00,000	5½	1st March and 1st September	Burmah-Shell	1934	97.00	1st September ..1964-69 (a)‡
2,50,00,000	5½	1st April and 1st October	Caltex Oil Refining (India) Ltd.	1955	96.50	1st October .. 1970
21,60,000	5½	1st February and 1st August	Chowringhee Properties	1918	85.00	1st February .. 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1966
80,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1966
1,80,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1969
1,80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	97.25	1st January .. 1971(c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1969 (c)‡
12,75,000	5	2nd January and 2nd July	Metter Chemical Industries	1949	83.00	1964
13,07,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	810.00	30th September .. 1976 (c)
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1973 (c)
75,00,000	5	1st April and 1st October	Mazagaon Dock Ltd.	1951	84.00N	1st April .. 1971
1,50,00,000	5½	30th June and 31st December	National Rayon	1955	97.75	30th June .. 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	90.00	31st March .. 1961 (c)
1,00,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1959
4,00,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1955	97.25	1st May .. 1968(c)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 3 per cent. premium.
‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 12 years. † Rs. 1,50,00,000 debentures will be redeemed at par annually by drawing from 1-9-1955. § Any debentures outstanding on 1-6-1960 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1966.

WEEK'S STOCK EXCHANGE TRENI

THE following quotations indicate the trend a transactions on the Bombay Stock Exchang during the week ended 12th June 1958.

	Closing quotations 5-6-1958	High	Low	Closing quotation 12-6-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Abm. Adv. (100)	160.00	156.25	152.50	156.25
Apollo (2)	1.68	1.70	1.66	1.66
Bombay Dyeing (25)	53.20	54.00	53.20	53.60
Bradbury (50)	159.50	154.00	153.50	154.00
Central India (100)	81.50	88.00	81.50	86.50
Century Mills (100)	421.75	430.50	422.00	425.50
Colaba (100)	31.25	33.75	31.25	33.75
Edward Textile (200)	252.50	—	—	252.50
Elphinstone (50)	47.00	—	—	47.00
Finlay (100)	260.00	261.00	258.00	261.00
Gokak (100)	130.00	135.00	129.50	135.00
Ind. Untd. Deld. (1)	1.16	1.20	1.16	1.18
Ind. Untd. Ord. (10)	8.72	9.24	8.72	9.04
Indore Malwa (100)	104.75	108.00	104.50	108.00
Khatau (100)	167.50	191.25	168.75	191.25
Kohinoor (100)	256.50	260.50	256.50	256.50
Lakshmi (250)	437.50	437.50	435.00	435.00
Minerva Mills (100)	67.50	—	—	67.50
Modal Nagpur (250)	176.25	176.25	167.50	167.50
Morarji (100)	217.50	232.50	220.00	232.50
Mysore (50)	91.00	—	—	91.00
National Rayons (100)	236.00	240.75	236.00	239.50
New City (100)	105.00	—	—	105.00
New Great (100)	200.00	201.00	199.00	199.50
Phoenix (100)	116.25	116.25	115.00	115.00
Podar Mills (100)	135.00	134.00	133.00	134.00
Sassoon Silk (10)	9.88	—	—	9.88
Sassoon Spg. (10)	41.50	46.00	41.50	45.75
Shahpur (1,000)	375.00	—	—	375.00
Shrinivas (100)	135.00	139.00	132.75	139.00
Simplex (50)	159.00	164.00	160.00	164.00
Standard (100)	399.00	408.00	389.00	404.00
Svadeshi (100)	170.50	179.50	170.00	176.50
Swan (100)	340.00	—	—	343.00
Tata Mill (25)	37.00	38.00	37.25	37.50
Vishnu (100)	99.00	100.00	99.00	100.00
Western India (1,000)	4,525.00	—	—	4,525.00
BANKS				
Bank of India (50)	133.00	134.50	133.00	134.50
Do. (New) (50)	133.25	135.50	133.25	135.00
Bank of Baroda (50)	116.00	116.00	115.50	115.50
Central (25)	53.50	54.00	53.25	54.00
Central 'A' (25)	55.70	57.30	55.70	57.30
Dena Bank (50)	45.50	45.75	45.50	45.75
Punjab National (25)	54.00	55.00	53.50	55.00
Union Bank (5)	7.92	8.00	7.92	8.00
United Com. (50)	60.00	61.00	60.00	61.00
ELECTRIC COS.				
Ahmedabad (100)	95.00	95.00	94.50	94.70
Amalgamated (10)	10.48	—	—	10.48
Andhra Valley (1,000)	1,137.50	—	—	1,137.50
Bom. Sub-El. (100)	106.00	106.00	105.00	106.00
Surat (100)	107.50	108.75	107.50	108.25
Tata Hydro (100)	118.00	118.50	117.25	117.50
Tata Power (1,000)	1,215.00	1,235.50	1,210.00	1,220.00
INSURANCE COS.				
British India (10)	14.00	15.24	15.00	15.24
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (20)	47.50	—	—	47.50
Jupiter (15)	7.76	—	—	7.76
New India (15)	48.50	48.75	47.75	48.25
Oriental (200)	4,000.00	4,000.00	3,985.00	3,985.00
Universal (10)	12.00	—	—	12.00
Vulcan (10)	17.44	—	—	17.44
STEEL COS.				
Ind. Iron (10)	21.44	21.84	21.36	21.36
Tata Steel Ord. (75)	181.25	183.75	180.75	181.25
SUGAR COS.				
Belapur (50)	247.00	250.00	246.50	246.50
Bhopal (10)	21.00	21.48	21.00	21.48
Phaltan (50)	146.00	149.50	140.00	148.00
Walchand Ind. (100)	263.50	275.00	263.25	273.75
CEMENT COS.				
Associated Cts. (100)	149.75	153.25	149.50	150.75
Digvijay (100)	145.00	146.00	147.75	147.75
MISCELLANEOUS				
Alcock Ashdown (100)	243.75	265.00	243.75	261.25
Bom. Burmah (125)	550.50	557.00	548.50	552.00
Do. (New) (50)	207.50	209.00	207.50	209.00
Br. B. Petrol (4 sh.)	1.92	2.04	1.94	2.00
Br. I. Corpn. (5)	3.70	3.70	3.56	3.56
C. P. Ely. (100)	60.50	60.50	59.50	60.00
Hindustan Motors (10)	6.98	7.08	6.92	6.92
Indian Copper (2 sh.)	3.10	3.26	3.10	3.20
Killicks (100)	72.00	72.00	71.50	71.50
Polson (100)	147.25	147.25	143.50	143.50
Pre. Automobiles (100)	145.50	150.00	145.00	150.00
Premier Co. (20)	81.80	84.30	81.50	82.00
Scindia (20)	186.50	195.50	189.25	192.00
G. E. Shipping (10)	17.44	17.72	17.40	17.44
Shivraipur (10)	21.12	23.00	22.24	22.40
Tata Chemicals (10)	89.50	94.00	89.50	89.60
Tata Locomotive (100)	15.28	15.72	15.28	15.60
Tata Oil (25)	168.75	173.75	168.25	172.00
W. I. Match (100)	171.25	171.50	170.00	170.00
		40.25	39.50	39.75

GOVERNMENT SECURITIES	5-6-1958	Gross Yield Earlier Redemption	Later Redemption	12-6-1958
	Rs. nP			Rs. nP
2½% 1961	95.50	—	4.03	95.50
2½% 1960	98.15	—	3.61	98.15
2½% 1962	95.85	—	3.89	95.85
2½% 1976	88.10	—	3.89	88.10
3% 1958	99.75	—	4.08	99.85
3% 1959-61	99.10	—	3.73	99.10
3% 1964	95.45	3.74	3.29	95.45
3% 1965-65	95.50	—	3.80	95.55
3% 1966-68	92.85	3.91	3.68	92.95
3% 1970-75	87.20	4.00	3.82	87.30
3% 1986 Con. Loan	71.05	4.36	4.03	71.15
3% 1960-70	100.35	—	4.22‡	100.30
2½% 1961 N.P. Bonds	99.60	3.83	3.97	99.50
2½% 1964 N.P. Loan	98.40	—	3.65	98.45
2½% 1965 N.P. Bonds	98.10	—	3.77	98.25
2½% 1962	97.95	—	3.79	97.95
2½% 1967 N.P. Bonds	97.60	—	3.78	97.75
2½% 1974	98.20	—	3.89	98.30
2½% 1977 N.P. Bonds	99.70	—	3.89	99.65
4% 1972 Loan	100.30	—	3.91	100.30
3½% 1963 N. P. Bonds	98.75	—	3.97	98.80
3½% 1966 N. P. Bonds	99.50	—	3.77	99.50
4 % 1973 Loan	100.05	—	4.00	100.05

BRITISH GOVERNMENT SECURITIES	Closing quotations 4-6-1958 £			Closing quotations 11-6-1958 £
2½% Brit. Consols	50½	—	—	50½
3 % Savings Bonds 1965-75	73½	—	—	73⅞
2¾% War Loan 1955-59	98½	—	—	98⅝
3½% War Loan	66⅜	—	—	66⅛
4% Victory Bonds 1976	94⅜	—	—	94⅝
4% Funding 1960-90	87¼	—	—	87⅜

* Current Income x.d.—Ex-dividend.
x.r.—Ex-Right.

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COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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UNIVERSITY EDUCATION

THE report of the Banaras Hindu University Enquiry Committee is a shocking revelation of a deplorable state of affairs in that illustrious seat of learning. "We regret to have a state that, from all the material placed at our disposal," the Committee observes, "we cannot help feeling that it has become a hot-bed of intrigue, nepotism, corruption and even of crimes of various description." While it is to be hoped that the Ordinance issued by the President will help correct the situation in the Banaras Hindu University, it cannot altogether be denied that, in several Indian universities, the academic atmosphere and the educational attainments of the students leave much to be desired. There is little doubt that academic standards have fallen and are falling. The Union Public Service Commission, in its recent report, declared that, "as a general rule, candidates do not show any real grasp of their subjects and their answers are mainly based on cramming." It cannot be a matter of unconcern to trade and industry that university education in India is in a very bad shape. After all, recruitment to the higher technical and administrative cadres in industry has necessarily to be made from among the university men and, if these men are not intellectually well equipped nor possess the character and leadership which may legitimately be expected of them, it is time the community made a serious effort at arresting any further decline in university standards.

There has undoubtedly been much unplanned increase in the number of universities, thanks to the fact that the Central and State Governments have had to accede to many linguistic and regional claims for separate universities. There are at present about 37 universities with over 750,000 students on their rolls; in 1947, there were no more than 240,000 students and by 1951-52, the number had risen to 400,000. It has been computed that about 2.2 per cent. of the university-age group (estimated at 10 per cent. of the national population) are in our universities; this compares with about 2.5 per cent. in the U.K., 7 per cent. in Japan and over 16 per cent. in the U.S. Clearly, before any further increase in university education takes place, it is necessary to ensure that the available facilities are utilised by men capable of benefiting from them. The University Grants Commission, in the course of its reference to the expansion of university education in India, rightly observed that "consolidation rather than expansion is the need of the day." Although university education in India is cheap by Western standards, the cost of such education is not inconsiderable in relation to India's resources and income. The average direct expenditure per university student in India, according to the Commission, is about Rs. 500 per year, as against over Rs. 5,000 in the U.K. and the U.S. What is necessary is to make available increasingly larger funds to university education and also to see that universities fulfil their high mission. The University Education Commission (Chairman: Dr. S. Radhakrishnan) stated that "dissemination of learning, incessant search for new knowledge, unceasing effort to plumb the meaning of life, provision for professional education to satisfy the occupational needs of our society are the vital tasks of higher education."

Here is, as in other departments of activity, a certain conflict between quality and quantity. The University Grants Commission recognised this conflict when it affirmed that it was difficult to lay down any fixed principle on which the optimum numbers in universities may be determined. It went on to observe: "In a free democratic society, the supply of facilities for higher education will, have to respond in some measure at least to public demand." It added: "In our particular national situation, as the country's development projects progress, there will be a growing demand for men and women with high academic qualifications in the various avenues of industry, commerce and administration. There will be an ever-growing demand for professionally trained people, including especially teachers. We are, therefore, conscious of the need for a responsive flexibility in our plans." Appropriately enough, the Commission stressed the need for measures both to control numbers and to provide for expansion, though it felt that the country's primary concern at present was the improvement of standards and facilities.

A major cause of deterioration in academic standards as well as of indiscipline in universities is, of course, the low teacher-pupil ratio. The teacher-student ratio is now of the order of 1:20; the actual ratio in many of the arts colleges is considerably higher. The Estimates Committee, in its report on University and Rural Higher Education, rightly pointed out that, as a result of the low teacher-pupil ratio, the intimate personal contact between the teacher and the taught, which is the essence of a good tutorial system, is practically lost. The Committee, therefore, recommended that effective steps should be taken to reduce the ratio and to make the education pupil-centred. In this recommendation lies the seed of further progress in university education. A notable point made by the Estimates Committee is that arts education in universities should be suitably limited to those who have special attitude for literary and academic studies and more and more avenues and facilities provided for scientific and technical education. We have no doubt this is sound advice. Many students drift into arts education not because they have any real aptitude for it, but because there are not enough facilities for technical education. All this merely serves to swell the ranks of the educated unemployed.

It is of the utmost importance that technological education at all levels should receive more attention than now. It is, however, gratifying to note that the authorities are fully alive to the need for avoiding duplication of educational efforts and also for expanding the facilities for higher scientific and technical education. Thus, the study in spec

India must strive to make good the lost time and effort in the sphere of technical education. Indeed, there has been a world-wide interest in higher technical education and training. Even in the U.S. which has extensive facilities for scientific education, it has been felt that further fillip to such education is now necessary. An official report on Soviet education published by the U.S. Government noted that Soviet university students were encouraged to specialise in many branches of science and technology by means of subsidies and subsistence grants. It stated that 80,000 students took degrees in engineering each year in the U.S.S.R., as compared with only 30,000 in the U.S. and that 70 per cent. of the higher degrees were in scientific and technological fields. Dr. Bevis, the Chairman of the U.S. President's Committee on Scientists and Engineers, observed that, in the 1930s, Russia imported American engineers and American machinery for such relatively simple tasks as building dams. But it had now more scientists, engineers and technicians than the U.S. Russia's scientific achievements have been traced to the quality of the education imparted in that country. It would appear that China too is making much headway in the matter of technological education. Lord Boyd Orr, after his recent visit to Communist China, declared that China was industrialising more quickly than the Soviet Union. He added: "The Chinese are a highly intelligent people and they are going on a big drive for education. It is like a new religion in China." India's national interests demand a similar zeal for higher technological and scientific education.

FATS AND OILS

THE level of consumption of fats and oils constitutes a significant pointer to world economic activity. For, while the consumption of edible oils is determined by the level of incomes, the consumption of non-edible oils is influenced by the state of industrial activity. With a rising living standard and widening industrial application of oils, there has been in recent years a sizable increase in consumption of oils and fats. It is noteworthy that the *per capita* consumption of all fats and oils, according to the report of the Food and Agriculture Organisation (F.A.O.), was 11.4 kg. in 1955-56, as against 10.6 kg. in 1948-52 (average) and 11.0 kg. in 1934-38 (average). This, of course, is the overall figure. There were geographical variations. For instance, in 1955-56, the *per capita* consumption in North America was as high as 29.4 kg., whereas it was as low as 4.7 kg. in Asia (excluding Mainland China).

The rising trend in *per capita* consumption in post-war years has been facilitated by the increase in the output of world oils and fats. The preliminary estimate for 1957 places the world (excluding the U.S.S.R.) production at 26.8 million tons (in terms of oil), as against 25.8 million tons in 1956 and 21.5 million tons in 1948-52 (average). Of the following two tables, the first gives the variety-wise analysis of world output of oils and fats and the second the distribution of production:

World Production of Fats and Oils

(In thousand metric tons)

	1955	1956	1957
World total*	**25,135**	**25,870**	**26,784**
Of which—			
Butter and ghee	3,324	3,404	3,391
Lard	3,540	3,664	3,890
Total edible oils	**9,970**	**10,081**	**10,890**
Of which—			
Soyabean oil	2,381	2,545	2,778
Groundnut oil	1,919	2,032	2,171
Rapeseed oil	1,008	1,978	2,122
Cottonseed oil	1,437	1,469	1,395
Olive oil	1,191	817	1,202
Sesame oil	623	594	608
Total acid oils	**2,432**	**2,571**	**2,610**
Of which—			
Coconut oil	1,989	2,092	2,143
Total other fats	**4,141**	**4,357**	**4,329**
Of which—			
Tallow and greases	2,648	2,807	2,779
Total technical oils	**1,105**	**1,165**	**1,408**
Of which—			
Linseed oil	808	869	1,097
Castor oil	180	179	189

Chief Producing Countries

	1955	1956	1957
World total*	**25,135**	**25,870**	**26,784**
Of which—			
U.S.A.	6,215	6,625	6,567
Canada	402	524	667
Argentina	521	648	748
Brazil	517	517	503
India	2,219	2,046	2,131
China	3,421	3,546	3,708
Philippines	712	838	870
Indonesia	694	655	655
Malaya	156	164	164
Pakistan	294	299	300
Turkey	308	254	304
Nigeria	802	902	836
French West Africa	314	347	334
Belgian Congo	302	336	337
Western Europe	3,888	3,544	3,822
Eastern Europe	1,014	1,016	1,019

* Excluding U.S.S.R.

Explaining the changes in world output of oils and fats, the report points out that, in 1956, the U.S. output reached a new record volume of 6.6 million tons. The output in India declined by 8 per cent. to 2 million tons, but some further advance was apparently made in China which recovered the pre-war level of 3.4 million tons. Production in the U.S.S.R. is believed to be in the range of 2.5 to 3 million tons. For 1957, world output is provisionally estimated to have risen by 4 per cent. to 26.8 million tons. The upward trend in liquid edible oil output was resumed and production reached 10.9 million tons. Among non-edible oils, the 1956-57 world crop of linseed was the largest post-war crop. A reversal of the downward trend in plantations in Argentine, together with expansion in North America, accounted for an increase in the world linseed crop. The report forecasts that, during the current year, world output of oils and fats might remain at least as much as in 1957. Supplies of liquid edible oils, as a whole, are likely to be larger in 1958. Record groundnut crop in West Africa, it is stated, is expected from the harvest in progress and larger crops are forecast in most of the major producers, except China.

Because of the increase in consumption, world exports of oils and fats have risen in recent years. In 1956, they rose to 7.3 million tons (oil equivalent) or 7 per cent. above the previous year. The report brings out the fact that world trade has increased at a faster rate than production. The proportion of world output traded internationally in 1956 was 30 per cent. and moderately higher than in 1950-52. U.S. shipments of all fats and oils rose to 2.2 million tons, supplying 30 per cent. of world exports. Although world trade continued to expand in 1957, the increase in total volume was somewhat moderate. The trade situation for drying oils in recent years, it is stated, has been dominated by changes in the pattern in linseed and linseed oil exports. In 1956, the low volume of world trade in these commodities was chiefly caused by the sharp contraction in linseed cultivation in Argentine which was not offset by the expansion in North America. Exports of oils and fats from different countries and the variety-wise distribution of exports are summarised in the two tables given below:

Exporting Countries

(In thousand metric tons)

	1954	1955	1956
World total*	**6,420**	**6 837**	**7,297**
Of which—			
U.S.A.	1,711	1,782	2,182
Argentina	294	190	126
Western Europe	379	366	362
West Africa	719	685	699
French West and Equatorial Africa	302	262	224
Belgian Congo	211	224	226
Philippines	556	589	729
India	84	359	163
China	204	277	330
Indonesia	376	304	331
Ceylon	109	143	124
Malaya	93	105	113
Australia and New Zealand	240	308	317

Variety-wise Exports

	1954	1955	1956
World total*	**6,420**	**6,837**	**7,297**
Of which—			
Butter (fat content)	364	455	446
Lard	299	345	369
Total edible oils	**1,603**	**1,952**	**2,269**
Of which—			
Groundnut (and oil)	679	791	813
Soyabean (and oils)	299	481	745
Cottonseed (and oils)	347	358	376
Rapeseed (and oils)	40	46	63
Olive oil	118	106	104
Sesameseed (and oil)	38	47	61
Total acid oils	**1,551**	**1,599**	**1,752**
Of which—			
Copra (and oil)	1,147	1,202	1,350
Palm kernels (and oil)	404	397	402
Total edible—soap oils	**1,672**	**1,858**	**1,758**
Of which—			
Whale oil	407	370	334
Palm oil	578	641	559
Tallow and greases	641	703	816
Total technical oils	**802**	**700**	**571**
Of which—			
Linseed oil	639	489	379
Castorseed (and oil)	108	131	110
Fish oil (excluding fish liver oil)	**129**	**128**	**132**

* In terms of oil.

The overall world level of consumption of fats and oils, as indicated briefly at the outset, conceals the fact that there are regions of very high and very low consumption of oils and fats. The areas of high level plateaus are Western Europe and North America. In 1956, the *per capita* consumption in Western Europe was 23.8 kg., as against 20.0 kg. in 1948-52 (average) and 23.6 kg. in 1934-38 (average); the corresponding figures for North America are 29.4 kg., 31.6 kg. and 29.3 kg. Both Asia and Africa are low fat consumption areas. In 1955-56, it was as low as 4.7 kg. in Asia, although it was an improvement over the level of 4.1 kg. which was the *per capita* consumption in both 1948-52 (average) and 1934-38 (average). In Africa, the *per capita* level of consumption rose from 5.1 kg. in 1934-38 (average) to 5.4 kg. in 1948-52 (average), but declined to 5.1 kg. in 1955-56; the corresponding figures for Latin America are 7.5 kg., 9.2 kg. and 10.8 kg. It must, however, be pointed out that consumption estimates for Africa may not necessarily reflect the correct position, inasmuch as little information, as the report itself suggests, is available on the quantities of fats and oils produced in subsistence agriculture and national estimates of total production are frequently based on the volume marketed for export together with conventional estimates of retention by producers and quantities marketed locally. So long as living standards do not improve, the fat intake in the Asian, African and Latin American countries, as the report forecasts, is bound to remain extremely low by any comparison with the high levels in other areas or with desirable standards in tropical and subtropical countries.

DOCK STRIKE

THE all-India dock strike, which commenced from the 16th inst., has brought activity in major ports virtually to a standstill, though Kandla is reported to be free from strike. Naval personnel, volunteer corps and some loyal workers are trying to maintain unimpaired essential services, including the unloading of foodships. Minor ports have not been seriously affected. The diversion of cargo through these ports should serve to soften the rigour of the impact of the strike on India's foreign trade. Nevertheless, if the strike continues, much damage will be done to national economy. An official Press note has appealed to all patriotic workers to desist from supporting the All-India Port and Dock Workers' Federation which has sponsored the strike. In the event of the continuation of the strike, the Government, the Press note warns, will be compelled to take all possible steps to maintain the flow of goods essential to the life of the community.

While the Government cannot perhaps altogether escape blame for what is apparently an unconscionable delay in implementing the Chaudhury Commission's report, it must be remembered that, till recently, the union leaders themselves were not unaware of the Government's difficulties in implementing the Commission's recommendations which have a relevance to the many thousands of Government and quasi-Government employees. Clearly, there is some "prestige" element involved in the strike. For there is little doubt that the dock workers' income has gone up significantly since the time the authorities implemented the piece-rate system of wages. In Madras, it has resulted in a 100 per cent. increase in the earnings of workers. Again, on the basis of the Chaudhury Commission's report, the Madras and Bombay Port Trust authorities have taken decisions which are designed to revise the scales of pay of over 3,000 employees. All this would suggest that not all port employees have reasonable grounds for grievance. Indeed, a trade union leader in Cochin is reported to have admitted that their main demand had been conceded by the Port authorities. Only the workers in that port could not avoid or evade the strike, because they form part of the Federation. Surely, it is not right for the labour union to hold the community to ransom even in the interests of maintaining unity in the ranks of the workers. It is noteworthy that the labour union in Cochin has called off the strike.

Both the union leaders and the authorities will do well to strive to reach a settlement on an all-India basis in respect of the general principles which should govern the implementation of the Chaudhury Commission's report. As recent events in Jamshedpur and other centres have demonstrated, a strike seldom remains peaceful for a long time. Mischievous elements will always try to exploit the situation for nefarious ends. In the final analysis, workers lose, rather than gain, through a prolonged strike. It is to be hoped that better counsels will prevail and the union leaders will see their way to an early settlement of the dispute. The Union Transport Minister, Mr. S. K. Patil, has done well to affirm that, despite the strike decision by the unions, the Government will do its best to give a "square deal" to its employees. This assurance should augur well for the termination of the strike and the resumption of negotiations.

SHARE MARKET TAKES A CHEERFUL TURN

JUTE INDUSTRY—NON-FERROUS METALS—WORLD WHEAT POSITION—U.K. BANK RATE

THURSDAY, 5 P.M.

ALTHOUGH the wave of labour unrest in the city docks and elsewhere has not so far shown any sign of subsiding, the share market has struck a cheerful note. Values have surged forward on a fairly wide front. Although there are no reports of any encouraging improvement in the cloth position, textile shares have led the market this week. Thus, Bombay Dyeings have gained over the week Rs. 1.40 to Rs. 55 and Centurys Rs. 14.50 to Rs. 440. This spurt is attributed to general buying on expectations of further relief in excise duty on cloth. Despite the various ministerial statements made so far against a further reduction in excise duty on cloth, the market seems to be in an optimistic mood in that it regards further relief inevitable in the general interest of the industry, the workers and the country. Another group of shares which has been well favoured this week is cement, in anticipation of an increase in cement prices. Sugars, chemicals, engineering and mining scrips have all been sought for and they have scored handsome gains.

MARKET GOSSIP

Whereas the share market is cheerful, jute and tea markets in Calcutta are in a none too happy position. The jute mills are once again worried about the accumulated stocks, a more detailed reference to which is made below. The strike in Calcutta docks has resulted in the suspension of the export sale of tea scheduled to be held this week at that centre. The sales in Cochin have not been affected, because the strike in Cochin harbour was called off after two days. If the strike in Calcutta docks were to continue, the tea industry and trade will be faced with the problem of storing and financing the stocks. Meanwhile, Ceylon has been making all efforts to speed up shipments of tea to all parts of the world. The Trincomalee Tea Administration, an organisation of tea traders receiving Government co-operation, is organising the port of Trincomalee for tea shipments. Even shipments to Egypt, which stopped last month, as all Egyptian credit in Ceylon had been exhausted, are being resumed. It is stated that a fresh credit to the extent of Rs. 4 million in favour of Egypt has been secured by imports of Egyptian commodities into Ceylon through Japanese credit for cotton purchases from Egypt, under the tripartite pact among Ceylon, Japan and Egypt.

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The gradual accumulation of stocks of gunnies with jute mills in India from a low of 71,000 tons at the end of November last to a high of 112,000 tons at the close of May this year—this is the highest level since June 1957—coupled with the dock strike which is on from the 16th inst., has caused a shake-out in the jute goods market during the last few days. While the prices of hessian are now almost at the minimum price fixed by the I.J.M.A. recently, those of B. twills have pierced the bottom and stand at nearly Rs. 3 below the I.J.M.A.'s minimum prices. In the absence of any overseas demand, mills have been depending only on the internal demand and on Government orders. Naturally, mills are greatly concerned over the accumulation of stocks and the implications of the dock strike.

The dock strike and its repercussions on the industry may turn out to be temporary, but the accumulation of stocks has served to focus attention on the long-term problem of the industry, namely, that of meeting competition in overseas markets and from substitutes by making its goods more competitive in price. It was to meet this problem that mills embarked on a programme of rationalisation and modernisation with Government's financial assistance. In this process of modernisation, some of the surplus capacity which the mills have been carrying for years has been got rid of, although many have found it difficult to dispose of the surplus labour at the same time. The process is still going on. Some of the mills have, in the process, had to close down. The closure of mills in the past few months has created a misapprehension and has tended to obscure the circumstances attending their closure. The I.J.M.A. has, therefore, sought to remove this misapprehension in the course of a Press note. It emphasises the need for viewing the recent closure of mills against the proper background. Explaining this, the I.J.M.A. says:

"The paramount importance of the rationalisation of the industry has been repeatedly stressed by the I.J.M.A. and has been officially acknowledged by the Government of India. The workers' unions themselves have recognised that there is no alternative course, if the jute industry in this country is to survive. The unrelenting competition from jute substitutes, the gradual introduction of new marketing methods, such as bulk handling, the steady growth of jute manufacturing industries overseas—all these are indisputable facts, requiring no substantiation, and it is these factors which have dictated the policy of rationalisation and modernisation of the Indian jute industry. The market conditions prevailing today are a stern reminder of the fact that the jute industry is predominantly an export industry and serve to underline the pressing need for the adoption of modern production techniques to enable the Indian mills to maintain the competitive position of their products in the world markets. The recessionary trend in the U.S.A. has been reflected in a weakening economy in the jute industry's markets generally, and the mills are at present faced with rapidly accumulating stocks of finished goods. It would be folly on the part of the Government, the manufacturers or the workers to shut their eyes to this situation."

The I.J.M.A., however, makes it clear that these closures have not resulted in a curtailment of the industry's output and that the impact on labour has been reduced to the minimum. This has been done by transferring the looms of the closed mills to other modernised mills, thus giving a closer and more economic concentration of the manufacturing potential. All permanent workers affected by the closures have been offered alternative employment, with continuity of service and no loss of pay, in the concerns to which the looms have been transferred. In most cases, the I.J.M.A. adds, the workers have also been given living accommodation in the vicinity of their new place of work.

The whole problem of the jute industry, with particular reference to the recent or prospective closure of jute mills, is expected to be reviewed by the Tripartite Committee for Jute Industry—this Committee is scheduled to meet shortly in Calcutta —appointed by the Government of India, following the recommendations of the Indian Labour Conference held recently at Naini Tal.

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Last week's announcement of the Central Government's decision to grant *ad-hoc* advance licences for import of unwrought copper, zinc, lead and tin to the scheduled industries for the six-month period ending March 1959 has not had any effect on the non-ferrous metal market. Despite the announcement, the prices of non-ferrous metals have gone up quite markedly. Tin has risen by Rs. 15 to Rs. 146 per quarter, zinc by Rs. 9 to Rs. 66 per cwt. and lead by Rs. 4 to Rs. 67 per cwt. The prices of scraps also have improved. Copper scrap is now quoted at Rs. 190 per cwt., as against Rs. 185 a week before, and brass scrap at Rs. 138, as against Rs. 135.

The spurt in the prices of non-ferrous metals, notwithstanding the grant of advance import licences for the ensuing half-year, is not surprising for three important reasons. First, it has been specifically laid down by the Government that licences will not be valid for shipment earlier than 30th September 1958, nor will facilities for remittance of foreign exchange involved be allowed before 1st October 1958. Secondly, traders seem to fear a growing scarcity in supplies of non-ferrous metals in the coming months. These fears are based partly on expectations of prolonged strike by dock workers which affects imports from abroad and partly on rumours of the Government contemplating extension of the foreign exchange allocations for the current half-year to cover the next three months, that is, October-December. Thirdly, there are apprehensions of an appreciable increase in the cost of imported metals, especially copper.

World prices of copper have registered a smart rally of late, thanks to the upward revision in prices effected by the U.S. custom smelters following the Administration's plan for a one-year stockpiling programme for domestically-produced copper. The programme envisages purchase of copper up to 150,000 tons at market prices but not over 27½ cents per lb: the Administration is being urged to raise the quantity to 175,000 tons. The firmness in tin prices must be attributed to the rise of £10 per ton in prices in Singapore which in turn is due to restrictions on output and buying support for the Far East and the U.S. The attention of metal traders the world over is now focussed on the question whether the U.S. Government will extend the stockpiling programme also to tin and zinc, instead of the higher tariff recommended by the Tariff Commission, or whether it will persevere with its suggestion for subsidising the domestic lead and zinc industry.

In the meantime, the International Tin Council commenced its sitting in Paris on Tuesday last. The Council is expected not to make any change in the current 40 per cent. restriction on tin exports but to content itself with a review of developments since its last meeting at the end of April. During this period, prices in London have remained around the floor level of £730 per ton, despite the extension of 40 per cent. restriction on member countries' exports till the end of September next and fair amount of buying by the Buffer Stock Manager. The Manager is believed to have used up all the original contributions sufficient to buy 23,000 tons of tin. Considering that Russia is now exporting more high-grade tin, the Council may decide to approach it for joining the Agreement.

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The prospective bumper winter wheat crop in the U.S. in this (1958-59) season is casting dark shadows over the world wheat trade. Wheat prices, which are already ruling at low levels, seem to be in for a further slump if the huge winter crop, anticipated at present, materialises. Mr. Galvin, an American expert, forecasts the crop at 1,060 million bushels which, together with the 202 million bushels expected from the spring wheat harvest, would give a total U.S. crop of 1,262 million bushels this year, the highest since 1952-53. Given good weather, the figure, it is said, could easily rise to a new peak. Reports from elsewhere too indicate the possibility of a good crop. The main exceptions, however, are Canada and the Middle East. Lack of rain in the former and drought in the latter seem to have made the crop outlook in these countries somewhat gloomy. Seeding in Australia and Argentine, on the other hand, has gone ahead in good condition. France too expects a large crop.

The world wheat picture thus remains one of surplus supplies. Stocks in the six major exporting countries on 1st April last aggregated nearly 2,000 million bushels, in spite of the fact that they were reduced by about 10 per cent. in the preceding 12 months. This reduction was assisted by smaller crops in many areas in 1957-58. Present indications are that this is unlikely to happen again this year.

The threat posed by the huge U.S. crop is of major concern to the world wheat trade. Why are the estimates of the crop so high, despite the fact that the U.S. Government has been trying, over the past few years, through Soil Bank and acreage controls, to reduce sowings to a manageable level? According to Mr. George Broomhall, a number of the large farmers probably sow above their allotments, either because some land may have to be abandoned later owing to bad weather or with the idea that it may be better to sell a large output at a discount in the open market than to have a smaller output eligible for the U.S. Government's loan. Latest U.S. reports suggest that an unusually large part of this year's winter crop will not be eligible for the loan. Estimates of how much, however, varies from 100 million to 350 million bushels. Eligibility for the loan is on harvested and not on seeded acreage.

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In the U.K., the possibility of a further reduction in the Bank rate has been the subject of considerable discussion. Although it is not seriously contended that inflationary forces have been completely mastered, the general feeling is that the dear money tide has turned and the "crisis" 7 per cent. rate, effected in September last, has yielded results. It is interesting to recall that many other countries, besides the U.K., have reduced their Bank rates in recent months. Thus, since September last, the U.K. has reduced the Bank rate from 7 per cent. to 5½ per cent., Denmark from 5½ per cent. to 5 per cent., Sweden from 5 per cent. to 4½ per cent., the Netherlands from 5 per cent. to 4 per cent., Belgium from 4½ per cent. to 4 per cent., Germany from 4 per cent. to 3½ per cent. and the U.S. from 3½ per cent. to 1¾ per cent. A notable trend in British economy is that, in the eight months following the crisis of last September, it has replenished its gold and dollar reserves to the extent of £336 million, excluding the $215 million drawn under the "Suez" credit granted by the Export-Import Bank.

Apart from this development, it is not perhaps without significance that the U.K.'s visible trade gap last month was one of the lowest since the war; it was just £6.6 million. Between April and May 1958, exports increased from £277.3 million to £301.9 million and imports declined from £310.6 million to £308.6 million; the adverse trade balance thus moved down from £33.6 million to £6.6 million in May. During the first five months of 1958, exports aggregated £1,441 million, as compared with £1,470.5 million in the corresponding period of 1957. Imports in the first five months of the current year aggregated £1,553.3 million, as against £1,783.3 million. The adverse trade balance in the five months ended May 1958 thus stands reduced to £112.5 million, as compared with £312.8 million in the corresponding period of 1957. It is admitted that the gap in May would have been a little wider had not the London dock strike affected the import figures earlier than exports. It has, however, been computed that, even when allowance has been made for this factor, the gap is significantly small.

A factor which serves to strengthen hopes of a cut in the U.K.'s Bank rate is the recent fall in the Treasury bill rates. Thus, the Treasury bill rate fell sharply from £4-14-5.72 to £4-10-1.77. The bill rate, it is stated, is now at its lowest since mid-September. The fall in the bill rate is attributed to a general expectation that a further cut in Bank rate will not be long delayed. The fact that the market rate for bills has been allowed to fall so far is interpreted to mean than the authorities are not anxious to discourage hopes of a cut in Bank rate. It remains to be seen whether the authorities will, in fact, reduce the Bank rate—and do that soon. Referring to the possibility of a reduction in the rate, the London *Economist* points out that "experience shows that operators are seldom right in guessing the timing with which the Bank of England plays its hand." It adds: "This is partly because the Bank frequently does aim at tactical surprise and partly because the weight of the other forces that the Bank has to consider, for example, the movement of short-term money, cannot be assessed by the outside public." On purely tactical grounds, the journal contends, there is an argument in favour of further delay: "funding by sales from the Government broker's supply are normally higher in anticipation of a Bank rate move than when hopes have been realised." The journal, however, admits that tactical considerations are seldom decisive.

As these lines are written comes the announcement that the British Bank rate has been reduced from 5½ per cent. to 5 per cent.

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It is hardly a month since the three-nation talks on exports of cotton goods from India and Pakistan to Britain broke down on the crucial issue of the import "ceiling" to be fixed by the U.K. Now comes news from Manchester that the Lancashire textile industry is hoping for an early negotiation of a gentlemen's agreement with India and Pakistan. Addressing the annual meeting of the Cotton and Rayon Merchants' Association at Manchester the other day, Mr. J. S. T. Hawke, the Chairman, stated, for instance, that a really trivial gap now separated the parties and this might be bridged during this month, the way being thus paved for a further visit to Hong Kong. It is, however, not known whether any mission, from

(*Continued on page* 1191)

EQUITIES BUOYANT

TEXTILES IN THE FOREFRONT

From Our Own Correspondents

BOMBAY, 19*th June*

THE Stock Exchange struck a firm note during the week under review. Despite the strike of dock workers, which commenced on the 16th inst., with its serious repercussions on the country's economy, there was a fresh wave of buying in almost all counters and prices scored handsome gains. Hopes that the strike in the ports would soon be called off—the Kandla port workers did not join the strike and Cochin port workers called off the strike yesterday—and the expectations that the Government of India's determination to tackle the foreign exchange situation would result in more helpful attitude on the part of the Government towards the private sector and in further reduction of fiscal levies in order to promote exports of goods induced buying and made sellers reserved. Textiles were in the forefront on expectations of early relief in excise duty, while steels were well supported on reports that the steel production in Jamshedpur had substantially recovered from the effects of the recent strike. The good investment support to cash scrips of industries which have a promising future also added colour to the market.

In the steel section, Tata Ordinaries gathered strength from Rs. 181.25 to Rs. 185, but shaded off to Rs. 184 at the close. The new shares gained Rs. 2.75 to Rs. 182. Indian Irons crept up from Rs. 21.36 to Rs. 22.08 before closing at Rs. 22.

As already pointed out, textile shares were in the limelight and keen enquiries were in evidence in almost all counters. Bombay Dyeings appreciated from Rs. 53.60 to Rs. 55.20 and closed at Rs. 55. Centurys were picked up on rising prices on reports that the Company had received sanction from the Controller of Capital Issues for the issue of new shares in the ratio of one share for every eight shares. The shares gained ground from Rs. 425.50 to Rs. 442.50, but closed a shade lower at Rs. 440. Kohinoors came up to Rs. 260 from last week's closing of Rs. 256.50, before finishing at Rs. 258. Central Indias spurted further from Rs. 86.50 to Rs. 94. Finlays gained Rs. 7 to Rs. 268, Gokaks Rs. 16 to Rs. 151 and Indu Ordinaries 28 nP to Rs. 9.32. Indore Malwas were up by Rs. 2 at Rs. 110, while Khataus were lower by Rs. 5 at Rs. 186.25. Minervas were unchanged at Rs. 67.50, while Models lost Rs. 2.50 to Rs. 165. Morarjees were steady at Rs. 233. Mysore Spinnings showed no change at Rs. 91. Shree Niwas Cottons hardened by Rs. 8 to Rs. 147 and Simplex by Rs. 7 to Rs. 171. Standards rose from Rs. 404 to Rs. 417 and Svadeshis from Rs. 176.50 to Rs. 185. Swans shot up by Rs. 22 to Rs. 365 and Tata Mills by Re. 1.50 to Rs. 39.

Bank shares were steady and fractional gains were recorded. Barodas were up by 50 nP at Rs. 116. While Centrals were done 50 nP lower at Rs. 53.50, their new shares put on 50 nP to Rs. 57.80. Bank of Indias, old and new, were a shade better at Rs. 135 and Rs. 135.50, respectively. Punjab Nationals gained Re. 1.50 to Rs. 50, while United Commercials were unchanged at Rs. 61.

Electricity shares were steady. Ahmedabad Electrics changed hands 30 nP higher at Rs. 95 and Surat Electrics 50 nP better at Rs. 108.75. Bombay Suburbans were a fraction quiet at Rs. 105.75. Tata Hydros were well maintained at Rs. 117.50 and Andhra Valleys at Rs. 1,137.50. Tata Powers moved up by Rs. 10 to Rs. 1,230.

Sugar shares were well supported. Belapurs scored a gain of Rs. 7.50 to Rs. 254. Bhopals moved up by Re. 1 to Rs. 22.48 and Phaltans by Rs. 4.50 to Rs. 152.50. Walchandnagars spurted from Rs. 273.75 to Rs. 291.25, before closing at Rs. 285. In the cement group, Associated Cements gained ground from Rs. 150.75 to Rs. 155.75 and their new shares put on Rs. 3 to Rs. 148. Digvijays were a fraction better at Rs. 148.25. Orissa Cements rose by 48 nP to Rs. 13.80. Ashoka Cements were in good favour and gained Re. 1.24 to Rs. 10.24. Bagalkots were done 16 nP higher at Rs. 9.16. Dalmia Cements rose by 24 nP to Rs. 10.72 and India Cements by 80 nP to Rs. 268.

In the engineering and mining group, Alcock Ashdowns continued to maintain their upward trend with a rise of Rs. 3.75 to Rs. 265. Premier Constructions scored a gain of Rs. 9 to Rs. 201. Tata Locomotives were a bit erratic. After a decline from Rs. 172 to Rs. 169.25, the shares advanced to Rs. 174 before closing at Rs. 173. Larsen and Toubros gained 16 nP to Rs. 16.56 and Texmacos a like amount to Rs. 18.56. Mahindras were a shade quiet at Rs. 19.40. Shivrajpurs hardened by no less than Rs. 11 to Rs. 91.50. Indian Coppers were done 18 nP higher at Rs. 3.38 and B.B. Petrols 16 nP better at Rs. 2.16.

Among shipping and automobiles, Scindias gradually moved up from Rs. 17.44 to Rs. 17.88. Great Easterns gained strength from Rs. 22.40 to Rs. 23.08. Premier Automobiles advanced by Rs. 2.30 to Rs. 84.30 and Hindustan Motors by 28 nP to Rs. 7.20.

Among miscellaneous shares, Bombay Burmahs (old) staged a smart rise from Rs. 552 to Rs. 569, but closed at Rs. 565.50. National Rayons closed at Rs. 233.25 *ex-div.* (div. Rs. 14), as against Rs. 239.50 *cum-div.* a week ago. Gwalior Rayons were done 52 nP higher at Rs. 13.76. Chemical shares continued to be in favour. Tata Chemicals closed 92 nP higher at Rs. 16.52. Alembic Chemicals were taken Re. 1.75 higher at Rs. 155. Dharamsi Chemicals moved up by Rs. 4 to Rs. 65 and Amar Dyes by Re. 1.25 to Re. 118. Tata Oils gathered Re. 1.25 to Rs. 41. On being placed in the forward list, Voltas spurted from Rs. 121.50 to Rs. 136.50. Wimcos gained over the week Rs. 4.50 to Rs. 174.50. Hindustan Levers were 48 nP higher at Rs. 23.32. West Coast Papers finished Re. 1.50 lower at Rs. 95. Greaves Cotton (new) had business at Rs. 101.

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Calcutta Stock Exchange

CALCUTTA, 18*th June*

Dull conditions prevailed in the share market early in the week under review and profit-taking pushed down equity prices. At lower levels, however, buying support was accorded by both investors and operators, and, despite the dock workers' strike, the number of transactions on Monday this week was higher. It was, however, realised in the market, that the strike, if continued, would bring many an industry irreparable damage, at least in the current accounting period. Stoppage of exports would accentuate the foreign exchange crisis, and it was noted that in February the foreign trade deficit mounted up to Rs. 24.74 crores, as against Rs. 16.17 crores in the previous month. There were some favourable factors, which, had it not been for the situation in ports, would have had a greater play in moulding the market's trend. The resumption of full production in the T.I.S.C.O. works and the lessons the strike brought to bear on labour leadership were factors that were noted with satisfaction, while the increase in stocks and the decline in prices of jute goods, weakened jute shares, except for some interest in selected counters. Despite the good beginning of this season's export sales, teas were neglected, because of the port workers' strike affecting exports and causing postponement of export auctions. Coals were subdued for some time, but there were a few features in anticipation of an increase in the fuel prices. Cement shares were favoured on expectation of an early price increase. Shares of paper mills continued, to be bought at higher levels, in view of the rising trend in paper consumption. Generally, fair interest was shown yesterday also.

Among textiles, Elgin Mills, after rising to Rs. 12.37, receded to Rs. 12.25. Earlier, Kesorams were done at Rs. 10.75, but closed at Rs. 10.50. Bengal-Nagpurs declined to Rs. 4.19 from Rs. 4.37.

A few features were recorded in coals on interested buying. Western Bengals advanced to Rs. 6.37 from Rs. 6.31, and New Beerbhooms to Rs. 14.94 from Rs. 14.87. Raneegunges were raised to Rs. 12.12 from Rs. 11.31. Bengals, though unchanged, were steady at Rs. 245. South Karanpuras hardened to Rs. 10.12 from Rs. 9.25. At Rs. 20.50, Pench Valleys were higher by a few nP.

A decline in the volume of transactions was recorded in jutes, while earlier in the week a few counters firmed up on good support. Birlas improved to Rs. 16.50 from Rs. 15.57 and Megnas were traded at rates up to Rs. 116 from Rs. 114. Indias were steady at Rs. 134, as were Kinnisons at Rs. 108.

Engineering shares moved narrowly. Indian Irons opened at Rs. 21.71, and after giving way to Rs. 21.39 recovered to close at Rs. 21.56. From Rs. 18.75, Texmacos lost to Rs. 18.30, but closed at Rs. 18.65. Guest, Keen Williams were on demand at Rs. 31.50 and Braithwaites at Rs. 26.87 were better. Burn & Cos. were unchanged at Rs. 336.

Cement shares were on demand. Asokhas hardened to Rs. 9.25 from Rs. 8.62. At Rs. 5.44, Sone Valleys were better by a few nP. Orissas hardened to Rs. 13.44, as did Jaipur Udyogs at Rs. 13.19.

Among miscellaneous industrials, Imperial Tobaccos were on demand at the higher rate of Rs. 12.12, as against Rs. 12 earlier. Indian Coppers, on steady demand, improved to Rs. 3.37 from Rs. 3.20. India Steamships maintained the earlier improvement at Rs. 11.12. Sirpur Papers recorded a further rise to Rs. 11.56 from Rs. 11.31. Orient Papers spurted to Rs. 32.25 from Rs. 31.90. Aluminium Corporations were bought at Rs. 11.94, as against Rs. 11.62 previously. There was a further rise in Indian Oxygens to Rs. 18.75, while National Cables were maintained at Rs. 27.19. National Rollings were in request at Rs. 10.44.

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Madras Stock Exchange

MADRAS, 17*th June*

Barring textile shares which continued to rule easy, the Madras Stock Exchange presented a fully steady trend during the week under review also. Transactions put through were larger and prices were generally marked up. Tea shares met with good demand, thanks to rising tendency in tea prices and reports of better crop harvests. Coffee shares also evoked enlarged buying support induced by reports of larger production of coffee in several estates. Even the downward trend in export prices of coffee did not have any effect. Textiles were depressed, although there were rumours of a further downward revision in excise duty and some fresh move to step up exports. Sugar shares were firm on hopes of better return following the continued rise in prices. Banks, electrics and miscellaneous industrials were fully maintained.

Among tea shares in the planting section, Balanoors advanced by 50 nP to Rs. 17.25 *cum-div.* Parksides rallied 63 nP to Rs. 18. Twyfords strengthened by 30 nP to Rs. 13.50. Haileyburias hardened by a like amount to Rs. 18.30. Kil Kotagiris gathered 29 nP to Rs. 6.04. Nonsuch Teas improved by 25 nP to Rs. 22.12. Waterfalls and United Nilgiris gained 10 nP each to Rs. 3.30 and Rs. 15.40, respectively. Among coffee shares, Rajendras were better by 25 nP at Rs. 11. Coffee Lands increased 10 nP to Rs. 35.60. Consolidated Coffees put on 5 nP to Rs. 25.80. Among rubber shares, Mercaras forged ahead from Rs. 7 to Rs. 7.70. Midlands spurted by 22 nP to Rs. 16.22. Nenmenys rose by 15 nP to Rs. 14.25 *cum-div.* Vaikundams hardened by 17 to Rs. 20.60 and Velimalais by 15 nP to Rs. 5.50.

In the textile section, Mettur Industries were pushed down by Rs. 9 to Rs. 335 *cum-div.*, reflecting disappointment of operators over the Directors' decision to maintain the dividend at 20 per cent. for the year ended 31st March 1958, same as in the previous year. Vijayakumars and Vasantas declined by Rs. 2.50 each to Rs. 105 and Rs. 227.50, respectively. K. Rajendras receded by Re. 1.50 to Rs. 73.50. Dhanalakshmis and Bangalore Woollens retreated by Rs. 2 each, the former to Rs. 172 and the latter to Rs. 162. Coimbatore Spinnings softened by 50 nP to Rs. 46.50.

Among sugar shares, United Breweries were pushed up by Rs. 15 to Rs. 215. Mysores hardened by Re. 1.50 to Rs. 36.50. Travancores advanced by 45 nP to Rs. 10.25. Indias rose by 35 nP to Rs. 13.35 *cum-div.* E.I.Ds increased by 30 nP to Rs. 27.80 and Deccans by 4 nP to Rs. 8.74.

Among miscellaneous industrials, Binnys gained a rupee to Rs. 160. Mettur Chemicals hardened by 70 nP to Rs. 10.60. F.A.C.Ts. strengthened by 55 nP to Rs. 6 and Aluminium Industrials by 90 nP to Rs. 15.50. Sen Raleighs gained 50 nP to Rs. 14.50 *cum-div.*, Mysore Tobaccos 22 nP to Rs. 12.87, Mysore Chemical and Fertilisers 30 nP to Rs. 7 and Travancore Ogales 55 nP to Rs. 2.85.

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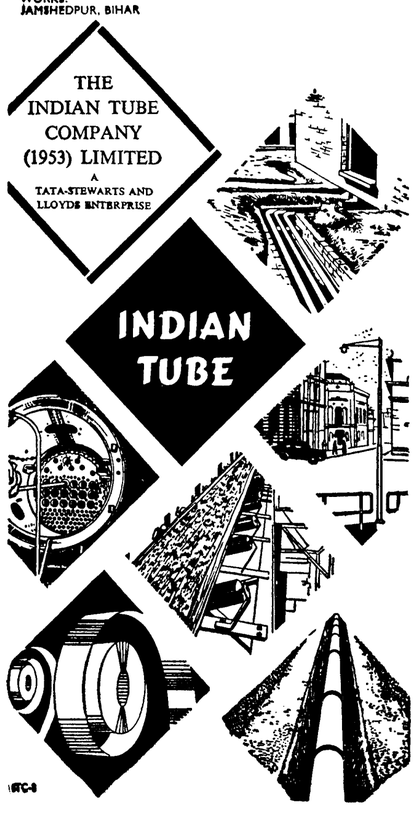

ITC-8

NEWS IN BRIEF

THE Government of India has decided to release a quota of 5,000 tons of kardiseed for export during the period June-October 1958, by exporters who are able to effect shipment of kardiseed oil.

The Government of India has (through the National Industrial Development Corporation) so far granted Rs. 2.28 crores as loans to 12 jute mills in pursuance of its policy to expedite modernisation of jute mills.

India and West Germany have agreed on the draft of a convention to avoid double taxation of income. When ratified, the Convention will have effect in India for the 1958-59 assessment year and in West Germany for the 1957 assessment year.

A four-man delegation led by Mr. T. Sivasankar, Secretary, Ministry of Irrigation and Power, Government of India, will proceed to the U.S.A. shortly to negotiate with the World Bank a further loan for the Damodar Valley Corporation.

The production of chromite during the first quarter of 1958 was 18,451 tons as against 21,734 tons in the previous quarter, and 18,146 tons in the corresponding period last year. Orissa, Mysore, and Bihar accounted for 15,704 tons, 1,894 tons and 853 tons, respectively.

Booking of one-third rate trunk telephone calls between midnight and 6 a.m. can from now onwards be done in advance between 11 p.m. and midnight. Even if the call matures before midnight it will be charged only the one-third rate.

Cotton sewing thread and cotton thread other than sewing thread will continue to be freely licensed for export till 31st December 1958. The Government has also decided to continue the free licensing of umbrella cloth, medium variety for export till 31st December 1958.

The Central Fuel Research Institute at Digwadih, near Jharia, is reported to have completed investigation of the design and specification for a central washery to be set up at a cost of Rs. 2.5 crores at Bhojudih for the supply of one million tons of cleaned coal annually to the Tata Iron and Steel Company.

According to a trade agreement signed at New Delhi recently between the Chinese State Trading Company and the Indian State Trading Corporation, the two countries will export goods worth Rs. 2.9 crores each way during the period of six months from May to October this year. Exports from India will include cotton, pepper, tobacco etc., while imports from that country will be caustic soda, soda ash, newsprint, calcium carbide, and other industrial raw materials.

During the 11 months ended February 1958, the grand total of gross customs and Union excise revenue realised was Rs. 413.25 crores as compared with Rs. 330.28 crores during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 138.04 crores, as against Rs. 127.69 crores, export duties for Rs. 22.49 crores as against Rs. 28.14 crores, land customs and miscellaneous for Rs. 4.97 crores, as against Rs. 3.31 crores and Union excise duties for Rs. 245.81 crores as against Rs. 171.14 crores and air customs for Rs 1.94 crore.

The U.S. Department of Agriculture has authorised the purchase by India of some $2.74 million worth of unmanufactured tobacco with Indian currency. About 1,200 metric tons of tobacco is involved in the agreement which is part of the accord reached nearly two years ago whereby some $360 million worth of American agricultural products were to be sold to India. Under that agreement, the Indian Government pays for the commodities in rupees, a substantial portion of which is loaned back to the Government of India for economic development projects. Approximately, half of the commodities covered by the agreement have already been delivered. All outstanding deliveries are expected to be completed in another year. It is stated that the tobacco will be shipped from American ports during the period between 17th June 1958 and 30th June 1959.

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From Abroad

The Australian Government has decided to approach the World Bank for a loan of about £A90 million to £A100 million to build a railway from Mount Isa to Townsville in New South Wales.

Sudan will receive a £14-million loan from the World Bank for a five-year railway development programme. The loan is to be repaid within 20 years.

Japan is expected to build as many vessels as possible under the terms of its reparations agreements with various South-East Asian nations. Japan's shipyards will be kept filled with orders for a long time.

A Bill, known as the Pioneer Industries (Relief from Income-tax) Bill, is expected to be introduced in the Malayan Legislative Council shortly. It is designed to encourage investment by relieving new industries from income-tax for periods extending from two to five years.

The Union Oil Company of the U.S. has cut the price it will pay to suppliers of Californian crude oil with effect from the 10th inst. The cuts range from 10 to 25 cents a barrel. This is a sequel to similar action by the General Petroleum Corporation.

The United States and Japan have formally signed a 10-year atomic agreement under which Japan will be provided with 2,700 kilograms of enriched uranium-235 to fuel nuclear power reactors expected to start operation by the end of this year.

The Pakistan Government's 1963 loan which was opened for subscription in Karachi on 14th inst., was closed after about an hour. According to official sources subscriptions to the loan exceeded Rs. 30 crores. The loan is to raise money to finance economic development plans.

Air fares from Moscow to destinations outside the Soviet Union were increased 150 per cent. from the 16th inst. This decision follows the introduction of a tourist rate of exchange of 27.6 roubles to £1 which is almost a 150 per cent. increase on the official rate. The price change brings rouble fares in line with Western currency charges.

Britain would welcome an expansion of East-West trade and would continue to take steps to reduce the list of strategic restrictions on trade with the Sino-Soviet bloc to the lowest level permissible within the limits of national security. This was disclosed by the Minister of State for Foreign Affairs, Mr. David Ormsby-Gore, in the House of Commons recently.

The U.N. expanded programme of technical assistance attained new levels of achievements during 1957 and its operation set a new record in expenditure. Thus as much as $31.5 million (about Rs. 15.7 crores) were spent in 1957—a million dollars more than in 1956. Contributing Governments increased from 77 to 84 and the number of countries or territories receiving the benefit was 132 as compared with only 10 in 1956. The number of experts provided by the programme was 2,513.

A Presidential decree ratifying the protocol concluded in Rome for the compensation of stockholders of the former Suez Canal Company was published in Cairo on the 15th inst. The decree ratifies all clauses of the protocol of 29th April and gives the Company a legal personality entitling its representatives to sign a final agreement with Egypt. The decree also authorises the Company to safeguard funds left for stockholders until a decision is made under the final agreement.

Under an agreement entered into with Britain, Japan will purchase from Britain an atomic electric power plant designed to resist any earthquake. The cost of the atomic power station is estimated at £30 million and will be in the 140,000-kilowatt class with such modifications as would provide protection against earthquakes. Japan is seeking aid from four British concerns for its construction. The agreement which will run for ten years contains safeguards to ensure that material and equipment supplied by the British will not be used for military purposes.

Foreign long-term investment in Canada rose by more than $2,000 million to a record of $15,600 million in 1958 and is expected to have reached $17,000 million by the end of 1957. It is stated the flow is still continuing to rise this year, albeit at a reduced rate. With the decline in business, the flow of foreign capital into Canada was lower at $293 million in January-March, as against $417 million in the corresponding quarter of the previous year. This amount is equivalent to the Canadian trade deficit in goods and services.

The Chairman of the Singapore Rubber Packers' Association has warned that Malaya is in danger of losing its rubber trade with Mainland China to Indonesia unless remedial measures are taken immediately. According to him, China is prepared to buy unlimited quantities of rubber from Indonesia. It appears that China has complained about the quotas of rubber shipped from Malaya. Hence, in order to straighten out things, traders are proposing to send a mission to China and the proposal is stated to have met with the support of the Singapore Ministry of Commerce and Industry.

The International Bank for Reconstruction and Development has arranged to borrow an additional $115 million (about £41 million) from the Deutsche Bundesbank (German Federal Bank). Of this sum, $40 million (about £14.25 million) will be for three years at 2½ per cent. and will replace a $40 million maturity due on 11th July on a previous loan. The other $75 million (about £26 75 million) will be a new loan maturing in one, two and three years at $25 million (about £8.9 million) each year. The loan will also bear interest at 2½ per cent. This transaction will bring to an aggregate $250 million (about £89 million) the amounts loaned by the Deutsche Bundesbank to the World Bank since the middle of 1957.

A U.N. summary of foreign economic aid to the newly developing countries through both bilateral and multilateral channels puts the total of United States aid at approximately $5,000 million a year. The U.S. total for the fiscal year 1956-57 includes Governmental grants, loans and commodity supply arrangements, and also private loans, bond purchases and similar investment. U.S. aid went to 65 countries. Soviet economic aid outside the Soviet bloc is estimated to have aggregated about $1,500 million over several recent years, but the Soviet Government does not submit data and figures are gathered from various official publications. The precise period covered is uncertain. The U.N. report does not include the recent Soviet "postponement" of economic development credits to Yugoslavia. It shows that the United States is the largest contributor to United Nations' multilateral aid programmes.

The construction of the oil refinery planned by Esso-Raffineriet A/S, the Norwegian subsidiary of the Standard Oil Company, New Jersey, will commence in the near future. The refinery will be situated at Slagen, near Tonsberg, on the western side of the Oslo Fjord. Two of Standard Oil's most experienced American experts have been appointed to act as managing directors during the initial period. Later on, they will be replaced by Norwegian directors. The construction will be financed by the floating of a loan on the Norwegian market. The refinery will have a capacity of 40,000 barrels per day. Part of the production will be exported, mainly to Sweden. It is estimated that the refinery will save Norway 70 million kroner (£3.5 million) annually in foreign currency.

PERSONAL

MR. S. V. Rayan, Editor, *Commerce*, returned to Bombay on Monday after a ten-week tour of the United States.

Mr. Bhishma Arora took charge as General Manager of the Central Railway from Mr. M. N. Chakravarti in Bombay on Monday.

Nawab Ali Yavar Jung Bahadur, Ambassador of India to Yugoslavia, has been concurrently accredited as Minister of India to Bulgaria.

Dr. Nagendra Singh, Director-General of Shipping, who led the Indian delegation to the I.L.O. Maritime Session held at Geneva recently, returned on the 13th inst.

Mr. Chinubhai Kilachand has been elected Chairman of the Indian Society of Advertisers Ltd. He succeeds Mr. Dharamsey M. Khatau who has been the Chairman of the Society for the past two years.

Mr. T. K. Ramasubramaniam, Chief Officer, Industrial Finance Department of the Reserve Bank of India, has been appointed General Manager of the Refinance Corporation for Industry (Private) Ltd.

Mr. G. L. Mehta, till recently Indian Ambassador to the U.S., arrived in Bombay on Friday last. He was appointed Indian Ambassador to the U.S. in September 1952 for a term of five years, which was extended last year by another six months.

"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, 24*th June*

Indian Cotton for Lancashire

In view of the threat held out by certain Japanese associations of a boycott of Indian cotton, it is of considerable interest to note that experiments have of late been made by a committee established by the British Board of Trade to encourage the greater use of Indian cotton in Lancashire mills. Sir Richard Jackson, Chairman of the Committee, states that they have been able to spin up to 44s twist and up to 60s weft from the Indian cotton submitted, and the Committee is pleased with the results. Forty samples of cloth have been woven in styles which it is believed would appeal to a variety of markets. The samples include several standard cloths. If these cloths meet with a good demand it would at once be followed by a substantial increase in the amount of Indian cotton used in Lancashire. It may be recalled here that the Indian Cotton Enquiry Committee was set up as a result of the clause in the Indo-British agreement at the Ottawa Conference, whereby the United Kingdom agreed to co-operate in encouraging a greater use of Indian cotton in the United Kingdom. The Committee decided, in the first place, to find out what was required to make Indian cotton more popular in Lancashire, and if difficulties were found to take steps to remove them. Six small bales of types of Indian cotton which the Indian Central Cotton Committee wished to have thoroughly tested were spun, and it is stated that the Committee is pleased with the results of the yarn, some of which has already been woven into cloth. The Committee has, therefore, arranged to purchase larger quantities of various types so as to carry out further tests on a commercial scale. The Committee fully realises that although it is its function to arrange experiments which prove what is possible, and point the way, it will be for the trade at large to put the fruits of its work to practical work. The Committee therefore wishes to keep everybody concerned, and particularly the exporter who would be able to deal with the selling side, fully informed of the progress it is making and the aims it has in view. A meeting of members of the Indian and other export trade sections will shortly be held when the Committee will make a report on its activities and exhibit samples of yarn and cloth made from Indian cotton for examination.

U.S. AID TO INDIA

IN the present context of the critical foreign exchange position confronting India, the agreement covering the utilisation of the $150-million credit (Rs. 71.4 crores) from the U.S. Export-Import Bank, signed at Washington on Thursday last week by the President of the Bank and the Indian *Charge d'Affaires*, is of special significance. The agreement is, of course, a formal one, since the purpose for which this credit is made available, together with the loan of $75 million (Rs. 35.7 crores) from the Development Loan Fund, was announced early in March. The rate of interest charged on the credit would appear to be quite reasonable, being 5¼ per cent. It will be interesting to note that this rate is ¼ per cent. lower than that usually charged by the World Bank. The term of the loan is also sufficiently long, namely, 15 years, and, what is more, the repayment of the principal will commence only on 15th January 1964.

The grant of the $150-million credit to India by the U.S. Export-Import Bank is, indeed, very timely, inasmuch as it has come at a time when the wide foreign exchange gap threatens to hold up many programmes in the second Five-year Plan. Thanks to this credit, the pace of the implementation of several development projects in both public and private sectors will be greatly accelerated. The amount will be utilised for financing the purchase in the U.S. of capital equipment (these will be transhipped in U.S. flag ships) for a number of projects. It is expected that orders for equipment will all be placed within the next 12 months. Out of the $150 million, irrigation and reclamation account for $27 million, power $33 million, mining $36 million, transport and communications $16 million, and certain selected industries (such as textiles, chemicals, fabrication of heavy structurals and electrical equipment, and machine tools) $38 million. The details of the allocations (in million dollars) for the projects that will be financed out of the credit are given below:

Irrigation and reclamation: Commitments: none reported; earthmoving and construction equipment for irrigation projects 24.00; equipment for clearance of jungle and reclamation in the Dandakaranya area 3.00.

Power: Commitments: equipment for power projects 2.28; equipment for generating and transmission projects 30.72.

Mining: Commitments: equipment for Rourkela iron ore mines 3.80; shovels and dumpers for iron ore mines (ordered through Voltas) 1.44; diesel locomotives for the above 1.56; earthmoving machinery and spares for Neiveli lignite 0.44; earthmoving machinery for National Coal Development Corporation 2.34; earthmoving machinery for National Coal Development Corporation 5.00; coalmining machinery for the above 10.00; machinery for Neiveli lignite (mining and earthmoving) 1.00; equipment for private coal mines 10.00.

Transport and communications: Commitments: aerodrome equipment for Indian Airlines Corporation 0.66; telecommunications equipment 0.14; equipment for Posts and Telegraphs Department 0.06; equipment for truck and jeep manufacture 1.56; equipment for ports 5.00; equipment for manufacture of road carriers 5.00; equipment for construction of roads and bridges 4.00.

Industry: Commitments: equipment for Fertilisers and Chemicals, Travancore, 0.60; miscellaneous orders for machinery placed through Director-General, Supplies and Disposals, 1.04; equipment for textile industry 10.00; equipment for fabrication of heavy structurals and manufacture of electrical equipment 10.00; machine tools 10.00; and chemical industries 10.00.

The aforesaid Export-Import Bank credit of $150 million is in addition to the loan of $75 million which India will be receiving from the U.S. Development Loan Fund. This loan, the terms of which are now being discussed between the Union Finance Ministry and the Fund, will be utilised for the purchase of steel for railways ($40 million), import of components for automobile industry ($25 million), cement industry ($5 million) and jute industry ($5 million). Incidentally, it may be noted that, while the Export-Import Bank credit is to be utilised only for the purchase of equipment in the U.S., the Development Fund Loan can be spent anywhere in the world, although it is believed that the bulk of the purchase will be made in the U.S.

The grant is yet another indication of the continued interest which the U.S. is evincing in the economic development of India. It was in 1951, it will be recalled, that the U.S. Government first granted a loan of $190 million (Rs. 90.44 crores) for the purchase of two million tons of wheat. Since then, the U.S. has made available to India, through the surplus disposal programme and the International Co-operative Administration, commodities and money of the value of about $1,000 million (Rs. 476 crores) in all. This, together with the Export-Import Bank credit of $150 million (Rs. 71.4 crores) and the Development Fund Loan of $75 million (Rs. 35.7 crores), brings the total U.S. aid to India to as much as $1,225 million (Rs. 583 crores). While the gesture of the U.S. to help India in its economic development programme is to be greatly appreciated, it remains to be seen what part of the $3,713 million foreign aid programme authorised by the U.S. early this month will be made available to India.

AGRICULTURAL PRODUCTION

Seldom in the economic history of India was the need for augmenting agricultural production more pressing and urgent than it is today. The population of the country continues to grow at an alarming rate, the annual rate of increase being over 4.5 million. If this growing population is to be well fed and well clad and if the inflationary trends that arise from the accelerated development of public and private expenditure are to be kept down, it is of the utmost importance that the output from land must be stepped up. Indeed, agriculture, as Mr. M. S. Sivaraman, I.C.S., Adviser, Programme Administration, Planning Commission, very pertinently remarked when he addressed the Central Institute of Community Development at Mussoorie last week-end, has to play a significant role in fostering industrialisation, in raising the level of rural life through a more efficient and diversified use of land and human resources. What is more, "exportable surplus of agricultural commodities in demand in other countries," to quote Mr. Sivaraman, "has to be produced from land in order to earn the foreign exchange required for rapid industrialisation."

Viewed thus, the Planning Commission has certainly done well in fixing the annual target for additional agricultural production under the second Five-year Plan at the high level of 27.8 per cent., including an extra food output of 15.4 million tons over 65 million tons produced at the end of the first Plan. Some observers are inclined to feel that the target is too high, considering the present vicious circle of low productivity of land, consequent poverty and inability to improve production, and perpetuation of low yields. Mr. Sivaraman, however, would appear to be confident that this vicious circle can be changed into a spiral of ascending production and brighter economic future, if the suggestions made by him for solving the problems of manuring are rapidly implemented, with due stress on self-help and self-reliance.

In the considered opinion of Mr. Sivaraman, no effort for improving total agricultural production will succeed unless the overall deficiency of nitrogen is made good on cultivated areas. At the present low average level of output, the major agricultural crops we are told, remove over 3.8 million tons of nitrogen from land, while the quantity supplied by way of manures and fertilisers is less than a million tons. Taking an overall picture of more than 350 million acres of cropped area, Mr. Sivaraman emphasises that the aim should be to produce about four tons of plant wastes per acre without depleting soil nitrogen or soil moisture or any of the other growth factors to the detriment of the crops now grown. He feels that it is possible to produce, without affecting the usual crops, the complete requirements of organic manure by way of composts for use on dry and garden lands and green manure for use on irrigated lands or in areas of abundant rainfall by border planting of green manure shrubs and perennial shrubs.

Mr. Sivaraman urges next "a more directed attention" to plant breeding which will help evolve high-yielding strains of different crops with different optimum periods of sowing, transplantation or harvesting. In particular, he stresses the need for proper extension of research work to the cultivators' lands as well as improvement of storage and distribution facilities for seeds. He suggests that each village has to be taken as a unit in itself and a programme should be drawn with the help of the village *panchayats* and leading cultivators to cover every holding with the available improved varieties.

The aforesaid two major approaches to the problem of raising agricultural production are quite valuable and deserve to be adopted widely by the farmers. There is no exaggeration whatever in the statement of Mr. Sivaraman that it is a mistake to think that the farmer can produce more only if there is a constant supply of credit facilities from year to year. It is, of course, not suggested that these are not important. But what deserves to be stressed is that reliance should be placed more on self-help and local initiative than on official spoon-feeding.

AFRICAN ECONOMY

Like India, the primary-producing countries in Africa have been very much affected by the downward trend in the prices of raw materials, on the one hand, and the continued rise in those of manufactured goods, on the other. Such a trend, according to a recent U.N. Survey, has resulted in financial setbacks, forcing the majority of countries either to cut expenditure or to postpone their plans for economic development, and the projects already initiated are being continued often with greater resort to foreign loans. The Survey reveals that the terms of exchange between primary commodities and manufactured goods became progressively less favourable to the primary-producing countries of Africa in 1957. The withdrawal of American programme of stockpiling of strategic minerals and the effect of the U.S.'s recession on the diamond market also had repercussions on the economy of Africa. The Survey warns that, if the U.S. recession were to spread to Europe, the African countries would be still more adversely affected. This is so because African exports to the European countries account for 70 per cent. of the total, whereas the share of the U.S. is less than 10 per cent.

The analysis of the recent trends in exports from African countries, as given in the Survey, shows the nature and extent of difficulties experienced by them. Among the primary commodities, metals, particularly copper, suffered the steepest price decline in 1957. Such a fall has hit hard the Federation of Rhodesia and Nyasaland and the Belgian Congo. During 1957, the Federation had an adverse balance of trade to the extent of as much as £21.3 million, which compares very unfavourably with surplus of £22.5 million in 1956. Exports from the Belgian Congo fell from 27.4 billion francs in 1956 to 23.9 billion francs in 1957. The African territories most affected by the fall in the price of lead were Morocco, Tunisia, North Rhodesia and South West Africa. The drop in the price of tin was felt chiefly by the Belgian Congo and Nigeria, while the price of zinc mainly concerned the Belgian Congo, Morocco, Algeria, North Rhodesia and South-West Africa. As regards the diamond industry, the Survey does not anticipate any immediate threat from synthetic stones, in view of the short supply of industrial diamonds. Concern, however, is expressed over the U.S. recession.

According to the U.N. Survey, the African producers of coffee were not affected by the difficulties experienced by Latin American coffee-exporting countries. While the coffee market is once again faced with the prospect of overproduction, the demand for African coffee, mainly *robusta*, has been growing. This is due largely to the popularity of "instant" coffee in the manufacture of which *robusta* coffee is being used. Cocoa has been the exception to the downward price trend. After a decline from 1955 through March 1957, cocoa doubled in price by the end of 1957, due mainly to a low West African crop. As for cotton, Uganda was able to dispose of its crop at only slightly lower prices than in the previous year. However, in Sudan, low cotton sales and increased imports created an unfavourable balance of trade.

It will be evident from the foregoing account that the trend of commodity prices has been unfavourable to the primary-producing countries of Africa. But one need not be unduly pessimistic about the future, in view of the indications that the American economy shows signs of recovery.

EXPORT CREDIT INSURANCE

Export credit insurers representing Australia, Austria, Belgium, Canada, Denmark, France, Germany, India, Israel, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland, the U.K. and the U.S.A. were recently in conference in Venice. The occasion was the annual meeting of the Union of International Credit Insurers, known as the Berne Union. An observer from the International Bank for Reconstruction and Development also attended the conference. The delegates discussed, as usual, business experience during the previous 12 months, common problems of export credit insurance and guarantee techniques, the terms of payment appropriate to particular classes of goods and economic outlook in various countries. The Israel Foreign Trade Risks Insurance Corporation was elected a member of the Berne Union. Mr. Jacques Levy, of Coface, the French Export Credit Insurers, was re-elected President of the Union for the coming year and Mr. Hugh Aitken, President of the Export Credit Insurance Corporation of Canada, as Vice-President.

Particular attention was paid at the conference to the maximum period of credit for which members would grant insurance in respect of the largest capital goods transactions, a matter which has recently formed the subject of comment in international commercial circles and in the Press of many countries. Examination of the matter revealed that a certain misunderstanding of the policy and practice of credit insurance had given rise to the incorrect impression that the unanimity of opinion among insurers on this subject had been impaired.

A large part of that misunderstanding was due to the inadequacy of explanations regarding the true nature of operations involving credit insurers who are primarily concerned with suppliers' credits. Terminology, too, led to misunderstanding. In Germany, for example, the phrase "long-term" is applied to credit periods which in other countries would be called only "medium term." The conference reaffirmed its view that a maximum of five years post-shipment or delivery credit should not be exceeded. Even in cases where Governments chose to use credit insurance machinery in an unorthodox way for declared political purposes the same maximum might well be desirable.

Credit insurers heard a statement from the Export-Import Bank of Washington which, although not an export credit insurer, is an associate member of the Berne Union since some of its loans serve a purpose related to that of the Union's members. A small part of the Bank's dollar loans in recent years have financed individual foreign sales of U.S. capital equipment on medium-terms. Of these "exporter credits"—which are to be distinguished from the long-term development and other loans that comprise the major activity of this U.S. Government Bank—more than 80 per cent. have had maturities of not more than three years from date of shipment of the equipment being financed. In providing this "exporter credit" financing, the Export-Import Bank strongly supports the principles and co-operates closely with the activities of the members of the Berne Union which are designed to maintain on a sound basis the extension of international credit on medium terms.

The German delegate explained the true nature of the new facilities now being set up in Germany to finance export trade which have been the subject of extensive and inaccurate comment in certain quarters. The conference welcomed an assurance from him, given with the authority of the Federal Minister for Economics, that the Federal Government had no intention of initiating a race in the field of export credit terms.

WORLD EMPLOYMENT SITUATION

Unemployment has again shot into the forefront of the problems of the economically developed countries too. After several years during which unemployment was of limited importance in most industrialised countries, it has now become a matter of grave concern to Governments, employers and workers. The current U.S. recession, though not as severe as the depression of the thirties, is, nevertheless the most serious economic problem the U.S. and the rest of the world were called upon to face since the end of the second World War.

The present recession is both a challenge to the statesmanship of the leaders of Government in developed countries as well as an opportunity for them to demonstrate that they will not tolerate severe or persistent unemployment and that they can effectively combat it with the wide range of fiscal, monetary and other measures that have been developed since the thirties of this century. The recession is severe enough to provide an opportunity to gauge the effectiveness of many of the measures against unemployment that *a priori* seem workable but have not so far been put to the acid test of actua

(*Continued on page* 1191)

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PAA 208

RELIEVING UNEMPLOYMENT AMONG EDUCATED CLASSES

GOVERNMENT'S SCHEME REVIEWED

From Our Special Correspondent

NEW DELHI, *17th June*

DELHI LETTER

IT is just announced that the Government of India has decided on implementing a scheme to relieve unemployment among the educated through expansion of primary education in the three-year period 1958-61. The employment potential of the scheme is 60,000 teachers—15,000 to be appointed in the current year, 20,000 in the second and 25,000 in the last. It is proposed to utilise these teachers mainly for opening junior basic or primary schools in schoolless villages, especially in the more backward areas of a State. Preference, it is stated, will be given to women teachers while making appointments under the scheme because the emphasis in primary education in most of the States at the present time is to bring girls to school. The minimum academic qualifications for these teaching posts would be matriculation or post-basic. Provision is also made for organising short orientation courses where untrained teachers are recruited.

This scheme will involve Central assistance of about Rs. 14 crores to the States. This assistance over the three-year period will be given on a 100 per cent. basis for certain purposes, namely, emoluments of teachers, equipment grant at the rate of Rs. 250 per teacher, cost of training of teachers at the rate of Rs. 10 per trainee per month, emoluments of 1,200 inspectors to be newly appointed and construction of rural residential quarters, numbering in all 6,000, for women teachers at the rate of Rs. 2,500 per quarter. It is emphasised that this Centrally-sponsored scheme will not replace or reduce the magnitude of the programmes which the State Governments are to undertake under their second Five-year Plan for expanding primary education.

New Matriculates

On the face of it, the scheme looks laudable and essential because of the total number (74 million) of children in the age-group 6-14, only about 28 million attend primary schools now. On a rough estimate, the scheme may be expected to add two million children to the latter number (28 million). This gain may appear small, but it is not negligible. Again, of the estimated number of new matriculates (0.8 million boys and 0.2 million girls) who will enter the employment market in the three-year period 1958-61, only 6.0 per cent. can be employed as teachers under the latest Centrally-sponsored scheme. This is the most optimistic result that can be expected from the scheme even if it is assumed that there are no unemployed matriculates already in the market seeking jobs.

Employment Exchanges

No such assumption can, of course, be made in the absence of a survey of educated unemployment in the country. The number of unemployed persons on the live registers of employment exchanges can only provide a partial clue to the situation because not all the educated unemployed in the category of matriculates may be getting themselves registered. The number (300,000) of unemployed men and women seeking clerical and educational jobs and on the live registers of employment exchanges, as at the end of March 1958, is revealing in so far it goes. As the number of women job seekers has trebled in the last five years, it can be estimated that the number of educated ones among them must be anything between 30,000 and 40,000 on the live registers of employment exchanges. With placings in employment amounting to just 10 per cent. of registrations, there is *prima facie* evidence that educated unemployment is becoming more and more acute from year to year.

This should not be surprising if an idea is had of the number of matriculates who have not entered colleges or technical institutions and who, therefore, should have largely entered the employment market in the last three years. This number in the period 1955-58 can be deduced as 0.9 million. This number, by itself, was more than the 1955-56 number of trained and untrained men and women teachers to the tune of 0.7 million who had completed their schooling before 1955-56 and taken up jobs in primary schools. Judging by the fact that a first Plan scheme to relieve educated unemployment had led to the appointment of about 80,000 rural teachers by 1955-56, an optimistic estimate could be that 100,000 (out of 900,000) new matriculates have been similarly absorbed in the three-year period ending 1957-58.

What has happened to the remaining 800,000 new matriculates of the 1955-58 period? Judging by the trends of registrations and placings by the employment exchanges, it could again be estimated that 225,000 should have found jobs through the exchanges at the monthly rates of 1,250 in the Central Government offices, 2,750 in the State Governments' offices 1,000 under quasi-Government and local bodies and 1,000 in non-Government organisations. How many of the remaining 5.75 lakhs of matriculates in the period found employment, without the help of the exchanges, in private commerce, industry and transport cannot, of course, be figured out. The proportion of unemployed amongst them must, however, be fairly large. This number will be further swelled by the number of unemployed matriculates who will be entering the market in the 1958-61 period.

Restricted Market

It is in this context that a country-wide survey of educated unemployment is considered desirable, more so because this problem has acquired in recent years a new dimension by way of job-seeking by women. Quite apart from the fact that frustrated and unemployed educated youths add strength to Communist and other extremist movements in different parts of the country, there is the problem of psychological tensions that may be expected to result from the competition between the two sexes for jobs in a severely restricted market. From this point of view, the provision in the Central Government's latest scheme for rural quarters at a cost of Rs. 2,500 each for women teachers is a kind of unwise solicitude for women when there is no provision for quarters for men teachers. Surely, it cannot be supposed that vacant houses are not available for rent by women teachers in villages. Apart from this, there is the prospect of more girls getting educated in the next three years and more of them entering the employment market partly because of need and partly because of the greater attractiveness that is sought to be imparted to their prospective jobs. The special effort to recruit more women teachers is questionable because it is based on the assumption that men teachers are not quite suitable for imparting instruction to young girls. The Government of India is clearly adding to its problems by attracting more educated women to the employment market.

The Government of India has decided to include a few more industries in the list of industries for which licences have been granted for the import of raw materials under the export promotion scheme. They are fruit and vegetable preservation, biscuits, confectionery, coco, butter, pearl barley, corn flakes and rolled oats and cigarettes. The list which has been published in the current Red Book already contains over 70 industries. Under the export promotion scheme licences are granted for import of raw materials against exports effected in the preceding quarter on the following basis: Seventy-five per cent. of the value of the goods exported in excess of the exports made by the manufacturer in the year 1956 or twice the value of the imported raw material used in the manufacture of the goods exported whichever is less.

(Concluded from next column)

rest just because it could provide a substantial outlet for underemployed industry.

Final evidence of the state of balance of the economy can be seen in the index of industrial production which has only been brought up to date to March this year. It then showed no change compared with February and exactly the same as the average of February and March last year.—*All Rights Reserved.*

STRIKES AND U.K.'S ECONOMY

From Our Own Correspondent

LONDON, *14th June*

THE important dock workers' unions in this country are an exception to the general principle that trade unions are not given to striking merely in sympathy with others. Dock workers are very given to striking, particularly unofficially. The one that is paralysing the Port of London now began very curiously out of raising the speed limit for lorries from 20 m.p.h. to 30 m.p.h. That caused the lorry drivers to suppose that they would be required to do more work in the same time and at Smithfield meat market they went on strike, and that led to a use of voluntary labour which spread the strike to the porters, and so to the dockers. These last named came out when they were asked to handle meat that should have stayed in refrigeration while the Smithfield market strike was on. But the dockers do not strike simply out of sympathy, they have a basic discontent in that their national wage claim has been twice turned down by the employers.

LONDON LETTER

The Trade Union Congress, representing the body of trade unions, is opposed to the dockers' strike which is regarded as unofficial although nearly all 20,000 are out. It may be that the Government may feel inclined to let the wage claims be met and so take an important step towards ending the strike. Meanwhile, substantial quantities of food are being held up at the London Docks and there is a growing danger that some may have to be destroyed.

The estimate of the total import of foodstuffs and other goods held up is between £10 million and £15 million and since imports are affected out of all proportion to exports, the trade gap figures for May, £6½ million, are somewhat artificial, but even if the true trade gap were nearer £20 million it would compare with an average of £24 million a month for the first quarter of this year, and £33 million in April. However, it is significant that import prices are no longer falling but, on the other hand, the value of exports is still falling. The May figures were exceptional in being the highest for a year (but lower than in May last year) but the first five months of the year showing nearly 2 per cent. less on a year ago. On the other hand, imports for the same period were 13 per cent. less.

Bank Rate

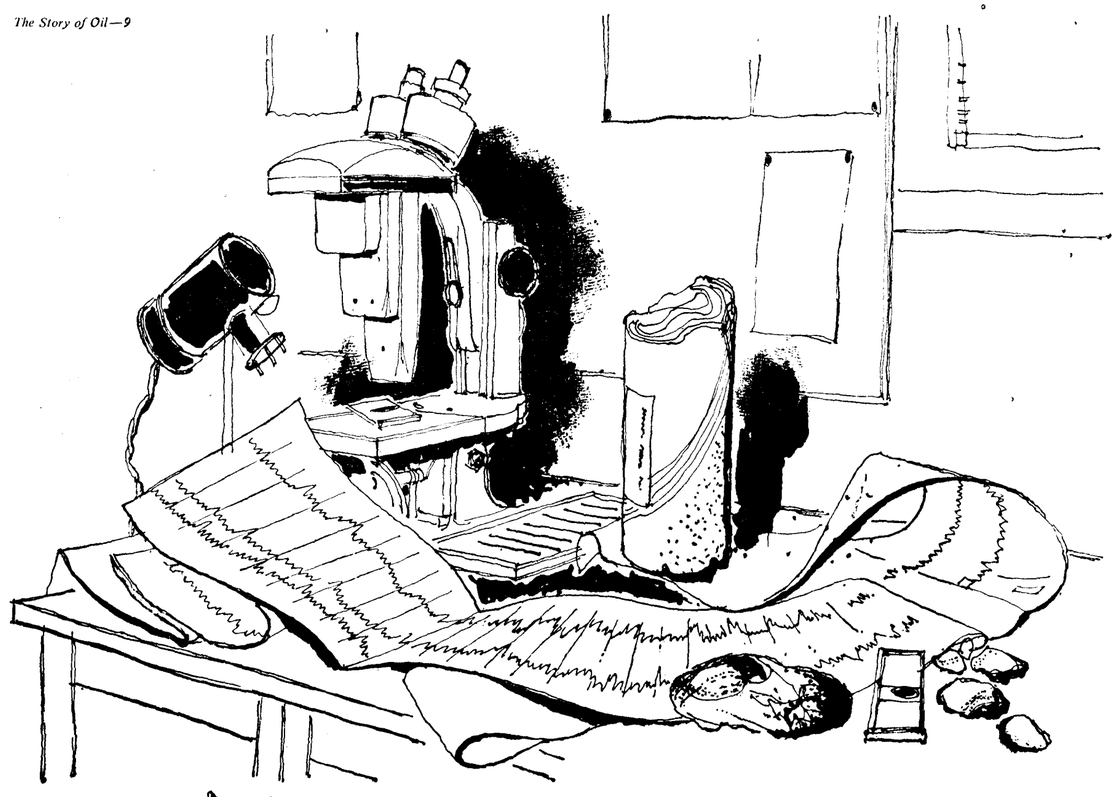
These figures fit into the general picture of a quiet recession which leaves the balance of payments on the whole stronger than it has been for the last few years and leaves sterling strong. In short, it is a classic example of an economy balancing at a lower level of activity. In this atmosphere the City is expecting a further fall in the Bank rate.

The dullness on the domestic economic front is matched by a similar dullness internationally; even the European free trade area is not provoking much discussion at the moment and there is a tendency to say that the holiday season has begun and to leave serious economic discussion to the meeting of the International Monetary Fund later this year and the Commonwealth Ministers in September. Even the American recession has stopped receding, and while uncertainty remains in that country it is more of the nature that wonders whether things after all are going to be as serious as they once seemed.

Whether the recession is on the turn or not, the Treasury is inclined not to take risks about letting it become any worse. There is the continuous evidence of by-elections to show that the Government remains as unpopular as ever and it is not anxious to let that sort of feeling stay through the country too long. The fact that the stock markets are improving is not an indication that nothing needs to be done to influence the general level of employment and business activity. They are improving as the result of a reaction from last year's crisis which reached its nadir in February of this year when the *Economist* industrial share index sank to 166. Its rise from that point has been more or less steady and it now stands at 188. In America, the trend has been similar and yet the Russian offer to buy American goods has inspired inte-

(Continued in previous column)

The Story of Oil—9



How much oil?

One oil well does not make an oilfield. As soon as the first well in a new area gives proof of steady production the next step is to establish the extent of the oil accumulation in its underground trap. This is done by drilling further wells, the programme for which is based on the results of scientific surveys and tests carried out during the drilling of the discovery well.

Surveys for such " down-the-hole " information are commonly made by recording instruments lowered into the well on a cable. One instrument produces a record in the form of wavy lines on a chart which, when interpreted, confirms the nature of the rocks penetrated by the drill and shows exactly where the oil zone lies. Another instrument gives records from which the amount and direction of the slope or dip of the rock layers can be calculated.

Tests carried out in oilfield laboratories include analyses of samples of rocks and oil recovered from the well. From rock samples it is possible to calculate how much room there is for the oil in the spaces between the grains of sand in a sandstone rock, and the amount of water associated with the oil. An analysis of a sample of crude oil gives data about its gas content and other characteristics.

With all this information to hand the development of the oil find can proceed on a planned basis, and decisions can be made on how far apart the wells should be drilled, how deep they should go, how many drilling outfits will be kept in operation, and what size of refinery will be required.

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ADDITION OF GOLD TO INTERNATIONAL MONETARY RESERVES

RISE OF 20 PER CENT. EXPECTED IN 1956-65

THE trend of world production (excluding that of Soviet block countries) of gold during the post-war period shows that, except in the years 1951 and 1953, the output has increased every year. In terms of value (at $35 per fine ounce), the production in 1957 reached a high of $1,020 million, as compared with $736 million in 1945, the average rate of increase being 2.7 per cent. per annum, though in the last five years, the rate of increase was much higher at 4.7 per cent. per annum, because of the expanding production in South Africa. In addition to the production of gold, the free countries have also been receiving substantial quantities of gold through sales by the Soviet block countries. Out of the total quantity of gold thus available, some amount is being used for industrial and artistic purposes and a large quantity is acquired privately for saving or hoarding. A large part of the gold produced and bought from Russia has also gone to strengthen the monetary reserves of various countries. An interesting survey of the flow of gold to the monetary reserves has been made by Mr. Oscar L. Altman, Adviser in the Research and Statistics Department of the International Monetary Fund, in a *Note on Gold Production and Additions to International Gold Reserves*, published in the latest issue of *I.M.F. Staff Papers*. According to this note, the additions to the monetary reserves during the post-war years account for more than 50 per cent. of the cumulative production of gold. On the basis of the trend of gold production and the flow thereof to monetary reserves so far, Mr. Altman has made an attempt to estimate the increase in production and the probable additions of gold to international reserves in the next decade.

Production in S. Africa

The major determinant of changes in world gold production in the next decade is, according to Mr. Altman, likely to be production in South Africa. In this connection, he says:

"If output there remains at present levels, and production in all other countries does not decrease, world production in the next decade is likely to be of the order of $1,050 million per year. If South African production increases significantly in the years to about 1961, and slowly thereafter, and production in other countries does not decrease, total production in the next decade is likely to average $1,150 million per year. An increase in South Africa and a decrease in the rest of the world are likely to result in an average production of at least $1 billion per year. A depression in this period would increase these figures."

As regards the accretion of gold to monetary reserves, the author points out that the proportion of gold production that has flown into monetary gold stocks has varied considerably from year to year. In the years 1931 and 1945, gold production amounted to $14,455 million and the quantity of gold received by monetary authorities from the U.S.S.R. was estimated to be at least $365 million. During the same period, official gold reserves increased by $15,670 million, equivalent to 108 per cent. of the new production and 106 per cent. of the estimated total new supplies. Thus, there was a net outflow of gold from private channels to the extent of $850 million during 1931-45. The data of gold production and addition to monetary reserves during the post-war period show that gold reserves increased by $5.4 million, equivalent to 52 per cent. of the estimated production, as will be seen from the following comparative table:

(In millions of U.S. dollars)

Year	Gold reserves: At end of year	Gold reserves: Yearly additions	Gold production	Cumulative additions to reserves since 1945	Cumulative production of gold since 1945
1945 ..	33,770	..	..	..	..
1946 ..	34,120	350	752	350	752
1947 ..	34,550	430	787	780	1,539
1948 ..	34,930	380	795	1,160	2,304
1949 ..	35,410	480	818	1,640	3,122
1950 ..	35,810	400	846	2,040	3,968
1951 ..	35,960	150	837	2,190	4,795
1952 ..	36,260	300	852	2,490	5,647
1953 ..	36,680	420	849	2,910	6,496
1954 ..	37,340	660	897	3,570	7,393
1955 ..	38,000	660	944	4,230	8,337
1956 ..	38,490	490	980	4,720	9,317
1957 ..	39,200	710	1,020	5,430	10,337

As a first approximation, Mr. Altman does not consider it unreasonable to assume that in the next decade gold additions to monetary reserves may average from one half to two-thirds of gold production. "The percentage," he adds, "has rarely been less than 50 over any substantial period, and it may be two-thirds or more, under certain conditions." Discussing these conditions, the author goes on to observe:

"The variability of additions to gold stocks, in any year or in comparatively short periods, depends very much more on demand than on supply factors. The variability of gold production (leaving aside trend) is not great. On the assumption that there is no net dishoarding of gold on private account, the only other short-term variable factor affecting supply is sales of gold by the U.S.S.R. These sales are unpredictable, and they have never been measured with any accuracy. Incomplete tabulations for 1931-43 show that gold shipments by the U.S.S.R. to official recipients, excluding sales in gold markets, averaged $70 million per year. Such shipments were equivalent to 7 per cent. of average annual world gold production. Estimates of U.S.S.R. shipments in post-war years vary widely, and none can be accepted as authoritative. The estimates that have been published suggest that sales in some years were negligible; that in a number of years they were of the order of $150 million; and that in 1957 they reached a post-war high of about $250 million. Sales since 1950 have been much larger than in the years immediately following World War II. It is not unlikely that for the 12-year period 1946-57 they may have come to $900-1,300 million. These figures are equivalent to 9-13 per cent. of world gold production during the period."

Three Main Factors

In estimating the quantity of gold sales that Russia is likely to offer in the next decade, Mr. Altman has taken into account three main factors. In the first place, during the last 25 years, the U.S.S.R. has sold gold more or less continuously, but in differing quantities, to meet its trade deficit. Secondly, during the post-war period, it has commonly been considered the second largest producer of gold in the world. The third factor rests on political and economic grounds. On the basis of these considerations, he considers that the average sales of $100 million per annum may not be unlikely in the next decade.

The private demand for gold rises from its three uses: for money, for industry and the arts and as a means of saving or "hoarding." Of these, *bona fide* industrial and artistic demands are relatively the most stable. The net usage in the U.S. during the ten years 1946-55 averaged $80 million per year, but in four of these ten years it was less than $50 million per year. The latter figure, is, however, taken as a better approximation of *bona fide* uses than the former. On the assumption that the U.S. accounted for perhaps two-fifths of the gold used for world industrial artistic purposes, world demand for this purpose would be of the order of $125-200 million per year. Assuming that the increase in real income will be of the order of 3-5 per cent. It is estimated that the average demand for industrial purposes in the next decade will be $130-210 million per year. The most variable component in the demand for gold is for the purpose of saving or hoarding. During the 11 post-war years, the average demand for this purpose is estimated at $300 million per annum. Some of the private demand for gold is to be regarded as normal and is expected to continue. On the whole, Mr. Altman does not consider it unreasonable to suggest that the movement of gold into private hoards in the next decade might be no larger than in the past one, that is, $300 million per year and that it might indeed be smaller. The probable limits of such a movement would appear to be from $200 million to $450 million per annum.

Rise in Next Decade

What will be the increase in monetary gold stocks in the next decade, on the assumption that the present price of $35 per ounce is continued? To this question, Mr. Altman says, there can be no categorical answer. "The best that can be done," he says, "is to determine a range within which the actual result is likely to fall." Explaining in detail how he arrived at the range, Mr. Altman says:

"Average annual production of gold in the next decade may be assumed to fall within the limits of $1,050 million and $1,150 million. Additions to gold reserves may be assumed to be equivalent, on the average, to from one-half to two-thirds of gold production. These two sets of assumptions delimit the maximum and minimum additions to monetary gold stocks during the next decade as follows:

Assumptions:	Average yearly addition to gold reserves (Million dollars) Minimum	Maximum
1. If average annual gold production is $1,050 million and		
(a) One-half is added to reserves	525	
(b) Two-thirds is added to reserves		700
2. If average annual gold production is $1,150 million and		
(a) One-half is added to reserves	575	
(b) Two-thirds is added to reserves		770

"The question may also be approached by combining the individual demand and supply elements already described to yield a minimum-maximum range. This is done in the following summary, where values are stated as annual averages for the decade:

	Million dollars
1. Production of gold	1,050-1,150
2. Sales of gold by U.S.S.R.	100
3. Total supply of gold	1,150-1,250
4. Industrial and artistic uses (net) ..	130-210
5. Private demand for saving and "hoarding"—	
Range	206-450
Probable value	300

These figures add up to a minimum addition to monetary gold stocks of $500 million per year, and a maximum addition of $920 million per year. A probable value within this range would be of the order of $730 million, equivalent to about two-thirds of gold production.

At the end of 1957, the gold reserves of all countries, except the Soviet block, were $37 billion; excluding the U.S., they amounted to $14 billion. Reserves of gold and official holdings of exchange (largely dollar and sterling) were $53 billion and $30 billion, respectively. During the next decade, the gold holdings may, as shown above, be expected to increase by $7.3 billion. In any event, the actual increase will fall within the range of $5 billion and $9.2 billion.

DEPRECIATING MONEY

The First National City Bank of New York had published, in its *Monthly Letter* for December 1956, under the heading of "The Cost of Depreciating Money," a table comparing, for 16 countries, rates of interest and depreciation of money over the period of 1946-56. This tabulation evoked so much interest that the Bank has not only enlarged it by extending it to 24 countries but made it up-to-date by covering it for the decade 1947-57. The revised table is published in its latest *Monthly Letter* for June 1958.

The depreciation of money is measured in each case by the rise in the official cost of living or consumer price index:

Rates of Interest and Depreciation of Money

	Indexes of value of money* 1947	Indexes of value of money* 1957	Annual rate of depreciation (compounded)	Rates offered on Government's bonds† 1947	Rates offered on Government's bonds† 1957
			%	%	%
Switzerland	100	89	1.2	3.17	3.65
Germany	100¶	87	1.5	N.A.	5.50
Venezuela	100¶	87	1.5	5.00	6.00
United States ..	100	89	2.2	2.25	3.47
India	100	79	2.3	2.66	4.13
Belgium	100	77	2.6	4.45	4.69
Italy	100	74	3.0	4.43	6.81
Canada	100	70	3.5	2.57	4.17
Denmark	100	69	3.6	3.65	5.77
Norway	100	67	4.0	2.50	3.12
South Africa ..	100	66	4.0	2.63	4.75
Netherlands ..	100	66	4.1	3.06	4.58
Sweden	100	65	4.2	3.02	4.33
United Kingdom ..	100	62	4.7	2.76	5.01
New Zealand ..	100	61	4.8	3.00	4.82
France	100¶	56	6.2	3.91	5.92
Mexico	100	49	6.9	9.94	10 32§
Uruguay	100	47	7.3	5.09	5.61
Australia	100	46	7.5	3.17	5.02
Finland	100	39	8.9	N.A.	8.00
Peru	100	37	9.5	6.66	7.69
Brazil	100	28	12.1	N.A.	12.00
Argentina	100	16	16.5	3.20	3.28
Chile	100	5	25.5	9.40	12.58

Note:—Depreciation computed from unrounded data; N.A.—not available; * measured by rise in official cost of living or consumer price index; † except for mortgage bond yield in Germany, commercial paper in Mexico, and prime loan rate in Brazil, Chile, Finland, and Venezuela; § 10-month average; ¶ 1948.

REFINANCE CORPORATION

The first meeting of the Board of Directors of the Refinance Corporation for Industry (Private) Ltd. was held in Bombay on Tuesday last. At this meeting, the Board decided to fix the issued capital of the Corporation for the present at Rs. 12.5 crores, made up of 1,250 shares of Rs. 1 lakh each. The issue will be confined to the Reserve Bank of India, the Life Insurance Corporation, the State Bank of India and 14 other Scheduled banks. Out of the issued capital, 10 per cent. will be paid on application and further 10 per cent. on allotment. One of the items considered by the Board related to the execution of an agreement with the President of India so as to enable the Corporation to avail itself of loans to the extent of Rs. 26 crores, being the equivalent of $55 million reserved for relending to private enterprise in India under the Agricultural Commodities Agreement between the Governments of India and the U.S.

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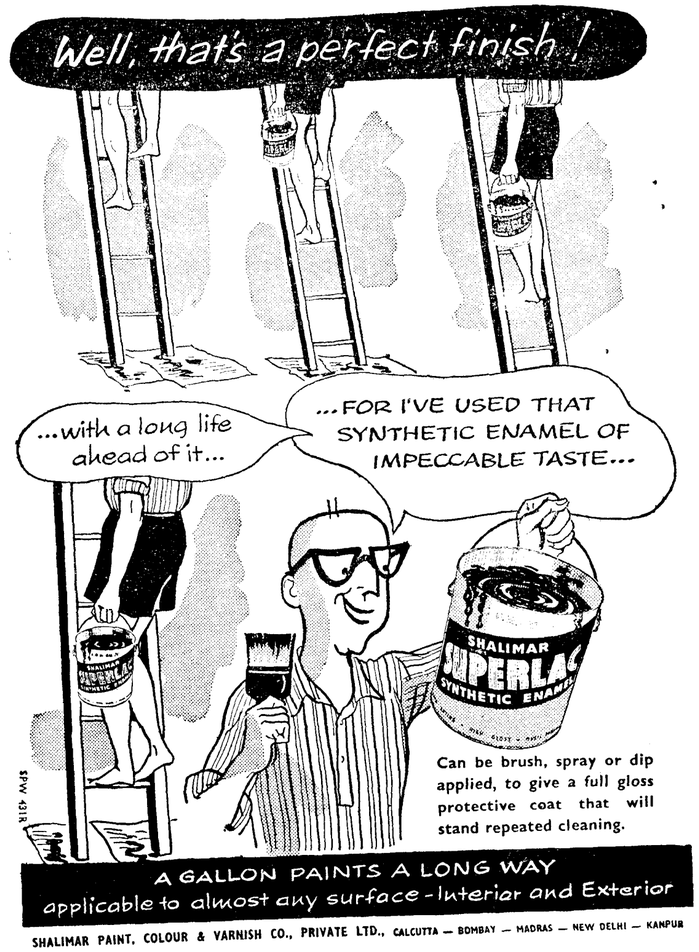

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SETBACK TO COTTON TEXTILE EXPORTS

CHINA EMERGES AS A STRONG COMPETITOR

COTTON textile exports have suffered a distinct setback of late. The aggregate quantity of mill piecegoods actually shipped during the first five months of the current calendar year was no more than 267 million yards (preliminary estimate only), as against over 388 million yards in the corresponding period of 1957, representing a drop of 121 million yards or 31 per cent. If the present trend were to continue—there are indications that it would—the aggregate exports of mill-made cloth from India in the whole of 1958 will be just 650 million yards, which compares very unfavourably with 800 million yards in 1957 and 744 million yards in 1956.

The decline in mill cloth exports during the period January-May 1958 was accounted for by all varieties, barring superfine counts which showed some improvement. The decline was particularly marked in the case of medium cloth, the total shipment of which fell to 169.63 million yards in the five months ended May 1958, as against 273.83 million yards in the corresponding period of the previous year. Exports of coarse cloth were lower by 13.89 million yards at 83.95 million yards and of fine cloth by 5.38 million yards at 2.59 million yards. Exports of superfine categories, however, were slightly higher at 9.92 million yards, as against 8.72 million yards.

The following table indicates the trend of exports of different varieties of cloth during the first five months of 1958 as compared with the same period last year:

(In million yards)

	Coarse	Medium	Fine	Superfine	Total
1957					
January	23.07	63.07	2.90	1.62	90.66
February	17.30	50.93	1.58	1.66	71.47
March	20.97	59.89	1.32	1.90	83.99
April	18.67	52.62	1.87	1.74	74.90
May	17.83	47.41	0.30	1.80	67.34
Total ..	97.84	273.83	7.97	8.72	388.36
1958					
January	19.66	42.06	0.44	1.79	63.95
February	15.04	30.27	0.65	1.76	47.72
March	16.91	34.58	0.45	2.01	53.95
April	15.87	31.44	0.61	2.43	50.35
May	16.47	31.25	0.44	1.93	50.12
Total ..	83.95	169.63	2.59	9.92	266.09

One of the factors adversely affecting India's export trade in cotton piecegoods is the emergence of communist China as a formidable competitor in world textile markets, especially in the Far East. Detailed information about the extent of the Chinese textile industry is not easily obtained, but Japanese sources have lately disclosed figures which indicate that, however vast the domestic Chinese market may be, overseas trade in textiles is clearly the aim of the industry. China, like many other rapidly industrialising areas, is said to be planning to build up a textile trade to assist in the gradual construction of heavy capital industry. Considering that India is making an all-out drive to step up exports of cloth in order to earn the much-needed foreign exchange, a review of the progress made by the cotton industry in China will, indeed, be both interesting and valuable.

The installed capacity of the Chinese cotton textile industry has expanded considerably in the past two decades. The total number of spindles in place at the end of 1957 is estimated at 7.5 million. The addition to spindleage during the four years 1953-56 alone had been of the order of 1.2 million. About 50 cotton and allied textile mills had been erected in the four years ended November 1956. Thanks to the marked rise in capacity, the production of yarn has gone up appreciably. During 1956, about 2,107 million lbs. of cotton yarn came off the spindles of Chinese mills, as compared with the pre-war peak output of 997 million lbs. The preliminary estimate for the year 1957, however, places the yarn output lower at 1,839 million lbs. Even more marked was the rise in cloth production which expanded from about 1,362 million yards in 1936 to as much as 5,354 million yards in 1956.

The cotton textile industry in China is expected to play a vital role in financing the large expansion planned for the country's heavy industry. The cost of equipping a cotton mill with 100,000 spindles and 3,500 looms is estimated at £5.2 million (Rs. 6.9 crores), but this sum can be recovered in the first full year of operation itself. Under the first Five-year Plan, a sum of about £1,500 million (Rs. 2,000 crores) or about 38 per cent. of the total industrial investment was believed to have been invested in the textile industry. By the end of 1957, the number of spindles installed, as already noted, was 7.5 million, while 12 cotton mills with a projected total of 968,000 spindles and 27,000 looms were under construction.

Under the second Five-year Plan of China, the production target fixed for the end of 1962 is 7,750 million lbs. of yarn and 7,880 million yards of cloth. This is an ambitious programme, involving a rise of 80 per cent. for yarn and 60 per cent. for cloth over the estimated 1957 output. Remarkable progress has already been made in the Chinese textile industry in the first Five-year Plan and, even if the second Plan targets are not fully hit, a further rise in production will ensue. "The dual mission of the industry," to quote a report, "is not only to satisfy domestic demand for cotton goods but also to contribute financially to the industrialisation of the country. In the long run, it seems inevitable that China will become a really powerful exporter of cotton cloth to world markets, as has already been demonstrated by its growing shipments to the territories in South-East Asia." The *per capita* cloth consumption increased from 4.4 yards in 1947 to 10.2 yards in 1956, but it is still low, as compared to 32.4 yards in Soviet Russia and 17 yards in India. This factor, however, is unlikely to have much influence on the level of exports which may be expected to continue to rise.

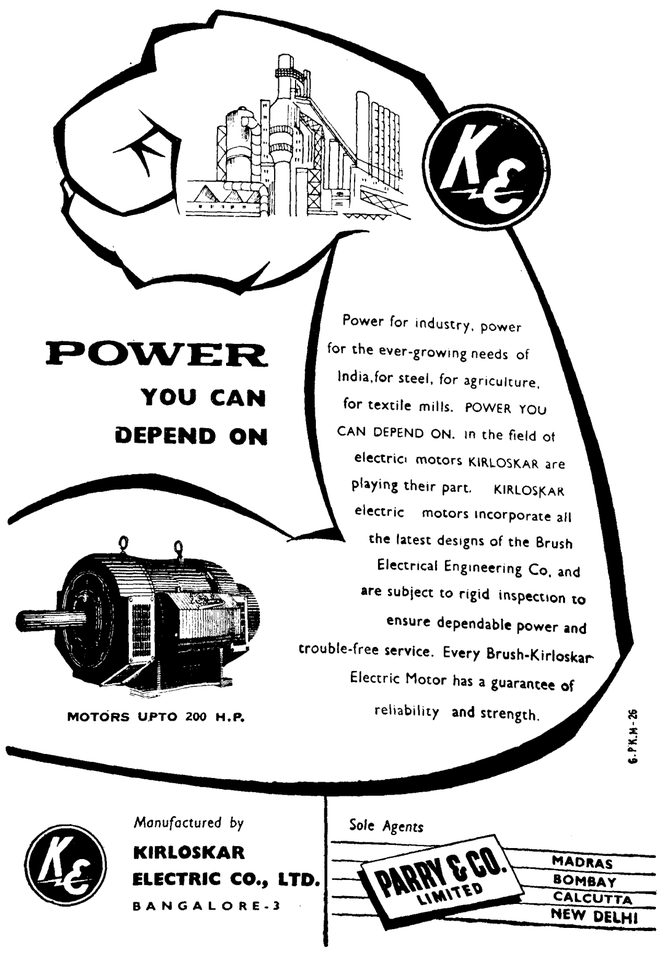
Alongside efforts to step up the production of cotton textiles, attempts are being made to raise the supply of cotton. Raw cotton production in China has also increased remarkably in recent years, the acreage by 1956 having risen by 127 per cent., as compared with 1949. This was 75 per cent. higher than 1936, the record pre-war year. According to figures now available to the International Cotton Advisory Committee, the Chinese cotton crop in 1956 amounted to 6,700,000 bales, as against 2,700,000 bales in 1948 and 3,900,000 bales in 1936. The peak post-war output was 7,000,000 bales in 1955.

As regards textile machinery in China, it is stated that there is much to be desired both technically and in basic construction, but, as far as conventional type cotton spinning and weaving machines are concerned, the capacity is said to be 1 million spindles and 25,000 looms annually. The country is, therefore, now almost self-sufficient in this field and is in a position to export textile machinery when it is found to be in the interest of the planned economy to do so. It is noted, however, that the present organisation is quite inadequate to meet the demands for new and improved types of machinery particularly for fibres other than cotton.

WORLD WOOL CLIP

For the first time since the war, world wool production is expected to show a fall in the current season, according to a statistical report presented recently to the International Wool Conference in Vienna. The report was prepared in conjunction with the Commonwealth Economic Committee. World output in 1957-58 is estimated at about 5,020 million lbs. (greasy basis), or one per cent. less than the revised total of 5,070 million lbs. in the previous season. The reduction affects only merino wool, which is down by 4 per cent., while crossbred and "other" (or carpet type) wools are expected to rise by 1 and 2 per cent., respectively.

Wool textile activity in the free world was slightly higher in 1957 than 1956, but the Committee emphasises a marked difference between the first six months or so, when most branches of the industry were working at near-record levels, and later months when activity was sharply reduced. Wool consumption in the free world during 1957 is estimated at about 1 per cent. more than in 1956 and constituted a new record. Italy showed the greatest proportionate increase, though improvements were also recorded in Japan, France, Western Germany and Australia, but the United Kingdom and Belgium showed little change. By contrast, consumption in the U.S.A. registered a sharp fall and was the lowest for nearly 20 years. A substantial reduction occurred in Uruguay, while more moderate falls were reported from the Netherlands and Canada.



RETURNS RELATING TO MILL CLOSURES

FURTHER DROP IN CLOTH PRICES EXPECTED

From A Special Correspondent

MANCHESTER, 10*th June*

MANCHESTER LETTER

VARIATIONS in the estimates of the number of mills which have closed down in Lancashire over the past few years have caused argument for some time past. Conflicting figures have been bandied about the trade and, in some cases, the rate of stoppages has undoubtedly been exaggerated. The latest authoritative returns on this subject have been disclosed by the Cotton Board covering not only spinning and weaving concerns but also textile finishing works.

The number of mills which have gone out of existence between the beginning of 1955 and the end of March this year was 344. A large majority of these units are weaving concerns, but it is interesting to note that the number of doubling mills which have closed, at 55, is only one less than the closures among spinners and waste spinners.

Earlier statistics dealing with cotton mill stoppages were given in a paper delivered at the Cotton Board's annual conference in 1956. It was then stated that 265 mills had closed from the beginning of 1952 to mid-1956. The current figures overlap this period, but it is obvious that recent trends have intensified the contraction which is taking place in the industry at this very minute.

Level of Closures

The level of closures in the first quarter of this year slightly exceeded 100 per annum, as compared with 83 mills going out of existence during the whole of 1957. The figure in the previous year was 125, while 1955 closures numbered 109. The fact remains that an average of two mills in Lancashire are at present shutting their doors every week.

In the circumstances it is hardly surprising that the available labour force has diminished to a marked extent. Including the textile finishing trade, the manpower at the beginning of 1955 was practically 333,000, but, by the end of the first quarter this year, it had shrunk to below 278,000. The major drop was in the weaving industry, where the operatives employed had dwindled from 140,700 to 112,300.

Still Sizable

At the same time, the extent of the cotton and allied textile industry in Britain should not be underestimated. The tendency in many quarters outside the trade has been to receive a wrong impression from the almost weekly tally of mills closing and diminishing activity.

The official journal of the Manchester Cotton Association has lately quoted figures to show the size of cotton textiles in the British Commonwealth and Empire, excluding Canada. Raw cotton stocks held last year amounted to nearly 3,000,000 bales and production during last season was over 6,000,000 bales. Consumption of raw cotton aggregated 7,361,000 bales and some 2,300,000 bales were imported and 910,000 bales exported. British Commonwealth mills contain 37,351,000 spindles and the latest survey of weaving machinery shows 534,700 looms in place. Average quarterly yarn production is practically 950,000,000 lbs. and cotton cloth output exceeds 2,350,000,000 yards per quarter.

Sir Ernest Goodale, President of the Textile Institute, has always been a keen advocate of textiles being regarded as a single industry with interdependent sections. Stressing the importance of the trade at the recent annual meeting of the Institute, he pointed out that textile firms employed over a million operatives and spent over £1,150,000 a year on co-operative research, while the "staggering sum" of several hundreds of millions of pounds had been expended on re-equipment of machinery since the war. Annual production value of the textile industry, he added, was over £2,000 million. In 1957, textiles were still responsible for 11¾ per cent. of the country's total export trade.

Lower Output

Reports from Lancashire cotton mill centres indicate a lack of enterprise among customers and a continuing general disinclination to undertake fresh commitments. This mood has been engendered by uncertainty over future prospects for the industry and the overall belief that prices will eventually move in favour of the customer. Underlining this situation has been the curbing of output in several Court-aulds' weaving establishments recently.

The man-made fibres industry encountered a recession in trading earlier than those mills predominantly using cotton fibre, and the more difficult conditions have persisted, so that, in all sections of the cotton and allied textile industries, the position is at present discouraging.

So far as raw cotton is concerned, there are many observers within the trade who are convinced that higher prices will have to be paid by consumers before very long. They point to the probability of smaller supplies of American raw cotton in the coming season and in particular to the limited quantity of top-grade cotton likely to be available. The dependence of the industry on home trade purchases and the important role taken by some of the larger chain stores are vital factors in assessing the future trend of events. The decision to enter the market and buy supplies on a large-scale by one of the prominent consuming groups could initiate a much wider demand than the original orders indicated.

Considerable attention has lately been centred on the reduction in the output of man-made fibres. In this connection, it is possible to adjust the volume of output more into line with the current level of demand. Consumers are requiring smaller quantities of fibre and the latest figures show a drop of 8 per cent. in total output of synthetics compared with the month of April last year.

Output of filament yarn was, in fact, at its lowest level for some time past and at 16,000,000 lbs. during April was 3,700,000 lbs. below the 1957 level. Production of staple showed a further advance as compared with the two previous months, but at 20,900,000 lbs. was nearly 2,000,000 lbs. below the comparable monthly total in 1957. During the first four months of the year, output of filament yarn declined by over 10,000,000 lbs. at 68,800,000 lbs. and a similar decline was noted in production of staple fibres at 81,500,000 lbs.

Foreign Competition

Commenting on the trade talks between British textile leaders and representatives of the Indian and Pakistani cotton industries, Mr. Charles Schofield, Secretary of the Operative Spinners' Amalgamation, one of the Lancashire textile trade unions, says in his latest quarterly report: "These talks will probably be the last of the series and should they fail it is difficult to envisage the conditions under which further talks can take place." Writing before the discussions actually began, Mr. Schofield expressed the hope that any agreement reached would cover all stages of manufacture, including not only yarn and cloth but apparel and household textiles. "Failure to make such provision would leave the door wide open to unlimited imports in that particular section and would encourage the switching of imports to the type left open," he declared.

The only possible likelihood of a resumption would be for the Government to turn completely round and commence negotiations with their opposite numbers, but, in view of their obstinate refusal to do anything during the four years that the subject has been under examination, it hardly seems likely that this course will be followed.—*All Rights Reserved.*

SWEDEN'S TEXTILE CONSUMPTION

Sweden's textile consumption is likely to rise after the stagnation in the past few years and is estimated to become 25 per cent. larger in 1965 than it was in 1955, provided personal incomes continue to increase, according to a survey by the Swedish Industrial Research Institute. Textile prices are expected to rise more slowly than other commodity prices. However, the share of clothing in total purchases is likely to remain unchanged at 12 per cent.

Considerable shifts in consumption among different groups and qualities of textiles are to be expected, the Institute says. The proportion of industrial products will increase and man-made fibres with improved properties will grow in popularity. The consumption of ready-made garments is likely to rise by 40 per cent. and knitwear by 25 per cent. Home-made textiles and handicraft products, on the other hand, are expected to show a drop of 10 per cent., while consumption of textiles for interior decoration will rise somewhat faster than the average for overall textile consumption.

Sweden's present textile consumption amounts to close on 11 kg. per head of the population. Over the past 25 years the consumption of ready-made garments has shown a more than three-fold increase, while the consumption of other textile goods has risen considerably less.

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FREE WORLD COTTON PRODUCTION AND CONSUMPTION

SOME RECENT TRENDS ANALYSED

DURING the last cotton season, namely, 1956-57, the free world, taken as a whole, moved a step nearer a position of equilibrium in the supply of and demand for cotton. This was due to the sharp increase in cotton consumption from 28.5 million bales (of 478 lbs.) in 1955-56 to 29.5 million bales in 1956-57 and the marked decline in production from 30.8 million bales to 28.9 million bales. In the current season also the gap between supply and disappearance will have been considerably narrowed down and the end-season stocks scaled down substantially. Free world production and consumption this season are estimated to aggregate 27.40 million bales and 28.1 million bales respectively. In contrast to the last season, however, when the improvement in the situation was assisted by a marked increase in consumption, the reduction in stocks this season was entirely the result of lower production brought about by control of acreage. Consumption this season, though smaller than in the previous season, will have outstripped production by 1,300,000 bales. Stocks at the end of this season would be the smallest for many years.

Production in the free world is estimated at 27.3 million bales of which 10.9 million bales are accounted for by the U.S. and 16.4 million bales by other free world countries. According to the final ginning report, the U.S. crop at 10.9 million bales was virtually unchanged from the December figure. The Mexican crop estimate has been lowered to 2,085,000 bales, while the Sudan crop is now put at only 285,000 bales, as against an earlier estimate of 385,000 bales and last season's record outturn of 620,000 bales. Estimates of production in Turkey, Brazil and Egypt have, in contrast, been raised. The table at the foot of column 2 gives the latest estimate of world cotton production.

As regards consumption, free world consumption is estimated to aggregate 28.8 million bales, as compared with 29.5 million bales during last season. Consumption in the United States is presently running about five per cent. under last season's rate. The extent of the curtailments in U.S. textile production can be seen in the data for the daily rate of cotton consumption. The rate this season has been consistently lower than a year ago. In February, which is normally one of the peak months, consumption was unchanged from January and was the lowest for any similar month since before the war. On a calendar month basis, consumption during the first seven months was 4,896,000 bales, as against 5,174,000 bales in the comparable 1956-57 period, a decline of some 300,000 bales, or about 5 per cent. At its present rate, therefore, consumption for the full season would fall to under 8 million bales or to near its lowest level for the whole post-war period.

Consumption in Canada declined contra-seasonally during February and for the first seven months showed a decline of 25,000 bales or over 10 per cent., as compared with a year ago. Faced with a declining market for domestically produced textiles, the Canadian Tariff Board has held a series of hearings in respect of the tariff structure on imported cotton textiles. Japan has submitted details of a plan to put textile exports to Canada under quota. The suggested quota for 1958 is 19.5 million square yards, as compared with actual shipments of 14.8 million in 1956.

Till the end of December, consumption in the United Kingdom was about 2 per cent. higher than the comparable 1956-57 rate. Consumption in December was only fractionally less than a year ago. After being ahead in each of the first three quarters of 1957, cotton yarn production levelled off in the final quarter to about par with the same period in 1956. More recently, there has been an increase in short working. Indications are that cotton consumption during the last half of the season will be under the comparable 1956-57 level. Production of cotton and cotton waste yarns has declined by about 6 per cent. since November, with a particularly sharp reduction in output of Egyptian type yarns. In the weaving section, productive capacity is in excess of current needs and proposals are afoot to set up a company to ensure an orderly contraction of the industry.

On the Continent, conditions are much the same as in the United Kingdom—declining textile exports in several instances, deliveries not keeping up with production, rising stocks of cotton yarns and textiles and declining orders. So far, Belgium seems to be the most affected and cotton consumption during the first six months was lower by nearly 5 per cent. as compared with last season's rate. In France, consumption declined sharply in November and it was thought that this might be a turning point. However, there was an increase in December and again in January and consumption for the first half of the season rose by about 5 per cent. to set a new all-time high. In West Germany, too, consumption continues to forge ahead and to the end of December was up by about 5 per cent. In Italy, except for November, consumption each month has been significantly higher

(*Continued on page* 1191)

(In 1000 bales of 478 lbs.)

Country	1957-58	1956-57
United States	10,000	13,029
Other free world	16,413	15,921
Of which:		
Mexico	2,085	1,775
Central America	404	383
India	4,225	4,180
Pakistan	1,435	1,400
Turkey	550	700
Syria	460	428
Iran	280	285
Egypt	1,570	1,498
Sudan	285	620
Uganda	270	312
Belgian Congo	220	230
Brazil	1,340	1,340
Argentina	650	520
Peru	430	450
Greece	255	235
Others	1,644	1,565
Total free world	27,313	28,950
U.S.S.R.	5,700	6,200
China	6,200	6,000
E. Europe	145	138
Total Communist	12,045	12,338
Total world	39,358	41,288

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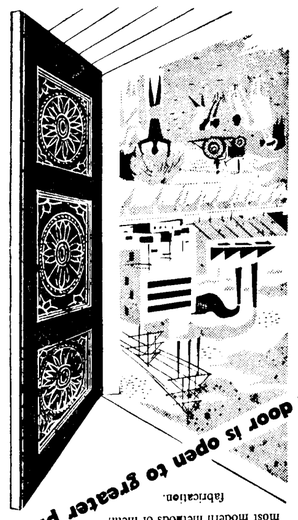

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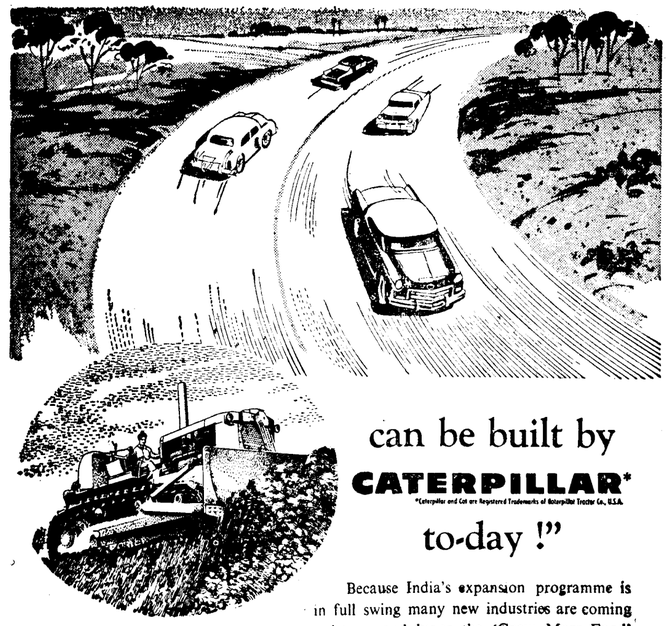

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TRENDS IN WORLD SUGAR ECONOMY

SUPPLIES ARE AMPLE, WHILE DEMAND IS UNLIKELY TO IMPROVE MUCH

WHILE the Government of India has still not announced the export policy for sugar, the world sugar market has turned weaker. Spot Cuban raw sugar in the New York market which had staged a rally towards the end of May has since moved down; it is now quoted at 3.40 cents per lb. (f.o.b. Cuba), as against 3.60 cents three weeks before. Now that the three factors for the increase in price which occurred towards the of May, namely, the French situation, the Hawaii strike and the threat that the Brazilian surplus might pass into the hands of a Cuban operator, have faded into the background, the world sugar market again finds itself dull and featureless. Barring further developments, the chances of firmness in the world sugar market are considered to be small. This view is based on the expectation that, statistically, sugar will remain in ample supply for some time yet, whereas demand is unlikely to improve much, because the customers see little point in building up stocks.

Cuba, the largest producer of sugar in the world, is said to have almost reached the official production limit of 5.6 million Spanish tons, despite the rebel activity, but sales of Cuban sugar up to the end of May aggregated just under 1.8 million English long tons, as against over 2.3 million tons in the corresponding period of 1957, according to the latest market report of Messrs. J. V. Drake. The present export quota of Cuba under the International Sugar Agreement is 2.4 million tons, so that this country has still about 650,000 tons of sugar to market.

As regards the Cuban sugar situation, Messrs. C. Czarnikow point out that it should not be particularly difficult for Cuba to dispose of its permitted quota. It must, however, be said that Cuban sellers will have to be competitive. Stressing this aspect, a report in the *Financial Times*, London observes: "They (Cuban sellers) will shortly be faced with the full flush of the Brazilian crop. In the last quarter of the year, there will also be the European beet crop with which to contend." According to the report, it has been announced that Brazil will have at least 720,000 tons available for shipment in the year beginning this July, of which 360,000 tons or more will be ready this year. Brazil's sales are limited only by the restrictions put on Sugar Agreement countries' imports from non-member countries. Cuba's export quota under the Agreement will probably be increased later, to fill the gap left by exporters unable to ship up to their permitted level. Current total reserves in Cuba are 765,000 tons, of which 324,000 tons are earmarked for the U.S. Of the remaining 441,000 tons, some will be required to cover early January shipments.

Market Depressed

Viewed thus, it is not surprising that the world sugar market continues to rule depressed. Spot Cuban raw sugar at New York now stands, as already stated, at 3.40 cents per lb., as against 6.85 cents per lb. in April 1957. The world price of sugar has thus fallen by nearly half in about a year's time. An interesting account of the latest trends in the world sugar economy is contained in a recent issue of the *Times Review of Industry*. According to the *Review*, the fluctuations in world sugar price in recent months have been due to conflicting influences. On the one hand, there is political unrest in Cuba and, since the free market in sugar, which is only a small part of the total market, is strongly affected by the Cuban surplus, the rebellion has naturally tended from time to time to cause sudden increase in world price of sugar. The effect of this is, of course, limited. The rebels have burned some sugarcane in Cuba, but, as the potential production in this country presses hard upon its market outlets, a moderate reduction in capacity does not cause much alarm. Fears of prolonged strikes have been more significant, but they seem to have had little foundation, at least up to the middle of April. There has, however, been a prolonged labour dispute in Hawaii which has held up sugar supplies in the United States.

To the short periods of firmness of sugar produced by the rebellion can be added the effect following rumours of buying by Russia which, in fact, made some purchases of sugar early this year. But on the other hand, the production of world beet sugar has been exceptionally high, and there have been further occasional offers from Brazil. It is thus evident that the periods of firmness have been no more than interruptions in the declining trend of prices. It is difficult to say how far this decline has been further affected by the inventory recession in the U.S. or by trends in prices of other commodities. At the beginning of the new crop year, with ample supply of beet sugar in prospect, there might well be a tendency to hold off the market in the belief that the general trend of sugar price must be the same as that for other commodities.

It will be interesting to note here that world production of sugar has gone up markedly of late. The estimate of the total output in the current year, that is, 1957-58, is put at as much as 46.02 million tons (raw value) which compares very favourably with 42.98 million tons in 1956-57 and 39.40 million tons in 1955-56. The estimated level of output in the current season is more than half as much as that before the Second World War.

Trend of Production

The following table indicates the trend of world sugar production in the different regions during the year 1957-58 as compared with the previous two seasons:

(Thousand tons—raw value)

	1957-58 (Estimate)	1956-57	1955-56
Cane sugar:			
Cuba	5,577	5,582	4,664
India	2,000	2,026	1,562
Brazil	2,552	2,213	2,079
Mexico	1,297	1,138	803
Australia	1,261	1,187	1,135
Philippines	1,116	1,020	1,088
Hawaii	1,025	1,004	982
Formosa	930	889	895
China	925	945	935
Puerto Rico	930	884	1,028
Other countries	10,314	9,944	8,369
Total	27,927	26,832	23,750
Beet sugar:			
U.S.S.R.	5,150	4,700	3,720
U.S.A.	1,989	1,757	1,544
France	1,571	1,380	1,606
W. Germany	1,545	1,139	1,277
Poland	1,136	848	1,072
Italy	831	990	1,163
Czechoslovakia	768	649	718
U.K.	597	744	676
Other countries	4,508	3,937	3,871
Total	18,095	16,144	15,647
Grand Total	46,022	42,976	39,397

Generally speaking, the persistently rising trend of world sugar output has been matched by expanding consumption, especially in some of the areas which had previously been regions of low *per capita* consumption. It is not, however, surprising that such a rate of increase should bring periods of weakness in prices accompanied by attempts to restrict output by local arrangements, with a view to holding stocks off the market or by auction under the International Sugar Agreement. The first prospects for the coming season (1958-59) suggest that there will at least be a large increase in the area under sugar beet in both the West European and the Communist countries. The extent to which the improvement in area will result in an increase in output will, of course, depend on weather conditions. This aspect must be stressed because it is reported that long spells of cold have already delayed the spring sowings of sugar beet.

The increase in beet sugar production during 1957-58 as compared with the previous year is accounted for by a number of countries, the bulk of the increase coming from Germany, France, Poland and the U.S. Production in the U.K., however, was lower than in all the preceding six years, the estimated output being only 600,000 tons. As regards cane sugar production, a large part of the rise is accounted for by Mexico, Brazil, South Africa, Australia and Formosa. Brazil is producing 2½ times as much sugar as before the war. In India, white sugar production alone is expected to aggregate over 2 million tons.

SALARIES AND WAGES IN SUGAR INDUSTRY

Analysing the salient features of the latest official census of sugar industry in these columns three weeks ago (*vide* page 1028 of issue dated 31st May 1958), it had been inadvertently stated that, during 1955, the major portion of the salaries and wages—Rs. 7.5 crores—was paid to persons other than workers. This is not correct. The actual position is that the amount of Rs. 7.53 crores was paid as salaries and wages to workers and not to those other than workers, the latter getting only Rs. 2.87 crores.

SAFETY IN COAL MINES

I.M.A. SUGGESTS CODE OF DISCIPLINE

THE problem of safety in coal mines is not only a perennial one but a universal one. It is a complex one and requires a dispassionate study with all relevant facts and figures. The subject has aroused some interest and assumed special importance now in this country following the two serious accidents in the Chinakuri and Central Bhowra Collieries in February last. The Government of India lost no time in ordering an enquiry into these accidents and constituting a fifteen-member Steering Group to prepare the ground for a conference which will consider the question of safety in mines in relation to management practices, workers' training, arrangements for check and inspection and measures designed to prevent accidents in mines.

Generally speaking, colliery owners, more than anyone else, are fully alive to the importance of safety and the necessity at all times to reduce the risk of accidents to a minimum. It is, therefore, in the fitness of things that the Indian Mining Association, one of the three representative associations of colliery owners, has submitted a detailed memorandum to the Steering Group, so that the proposed conference can study all the relevant facts dispassionately and evolve some concrete and effective steps in order to improve the already high standard of safety in India.

Accident Rates

The statistics of accidents in coal mines of various countries compiled by the I.L.O. show that the rate of accident in India compares favourably with that in many others. Thus, in India the accident rate has declined from 0.72 in 1950 to 0.51 (estimated) in 1957, whereas in the U.S. it has gone up from 2.17 to 2.21 during the same period. In the U.K., it was estimated at 0.67 in 1957, as against 0.83 in 1950. In Canada, it has declined from 2.84 to 2.44 in 1955, while in Japan it has risen from 1.86 to 1.91. Another encouraging feature of the accidents in coal mines in India is that the death rate per million tons of coal raised declined from 9.3 in 1951 to 8.1 in 1955, in spite of the fact that there were major accidents in 1954 and 1955. The memorandum points out that the major disasters in collieries of India, constituting only 10 per cent of the total fatalities receive far more publicity than the other 90 per cent., which needs closer scrutiny. It is further stated that the majority of the accidents are not due to mechanical failures but to the human element which requires urgent attention. The memorandum emphasises that the risk of this element can be obviated by better education, training and discipline.

Bearing this in mind, the I.M.A. has attempted a practical approach to the problem. In this connection, it draws attention to the spate of legislative enactments, awards regulations, etc., affecting the coal industry, the colliery owners are being asked to comply with as many as 3,092 regulations involving the maintenance of 215 statutory books and forms. Any further legislative measures, instead of improving matters, may, it is feared, cause a deterioration, because the problem is one of scrupulous compliance with them. Even as it is, some of the existing legislative measures are not immediately enforceable due to paucity of materials and equipment, as well as trained personnel. The paucity of materials and equipment is, in turn, attributed to the drastic cut in imports, the procedure delays in obtaining licences for the permitted imports and the acute short supply of indigenous manufactures.

Recruitment of Labour

The I.M.A. suggests that until a better system of recruitment of labour is devised and proved satisfactory in operation, the present system of recruitment through sirdars and the Coalfields Recruiting Organisation should be continued. It is pointed out that "for geological reasons, conditions of work in Indian coal mines as a whole are easier than those in most other countries," so that there is no necessity for reduction of the present working hours. Any reduction in the present working hours, it is stated, would necessitate additional staff, thereby increasing the housing shortage and overcrowding. In fact, according to the I.M.A., in actual practice, a colliery worker does not put in more than six hours per day. The Association draws attention, in this connection, to the fact that the mining staff in the U.K. work longer hours than other employees in mines and that this is not regarded as detrimental to their ability to carry out their statutory duties.

What is more important is the inculcation of safety-consciousness through training and safety propaganda, but, as the I.M.A. points out, the problem of organising and putting into operation a planned programme for this purpose is not an easy one, in view of the illiteracy or semi-literacy of a large proportion of colliery workers and due to the migratory habits of many of these men. The I.M.A., therefore, suggests that safety councils should be set up on a coalfield basis which should study the problem of the particular field in question and then draw up suitable programmes. These councils should also assist colliery managements in putting these programmes into operation. The I.M.A. is of the opinion that research should be undertaken on (*a*) explodability of different types of coal dust in different seams, (*b*) quality and methods of stone dusting, (*c*) use of automatic detectors for fire damp, (*d*) methods of communication between the underground workings and the surface, and (*e*) the factor of safety in deep and fast winding installations. The Association also desires that the present legislative enactments regarding danger due to fire, if implemented rigidly, can eliminate this risk. It is stated that the research on the subject of "strata control" in this country is scanty and more research is required. The Association emphasises that stowing is essential in deep and gassy mines and, in view of the fact that stowing is an expensive operation, owners should be compensated more adequately than at present.

Rehabilitation

The I.M.A. draws attention to the need for serious attention to the question of rehabilitating partially disabled men. Most collieries, no doubt, reserve certain types of employment for such men, but the procedure needs to be systemised and extended. The reservation of certain types of work, even if systemised, will touch only the fringe of the problem. The I.M.A., however, suggests that programmes of training for partially incapacitated men and also for members of their families in order to fit them for other remunerative work are urgently required.

The chronic shortage of many items of safety equipment is another handicap which mines are faced with. Many of these items are not manufactured in India and, where available, the problem is one of getting them and in time. The imports of these items have been drastically cut.

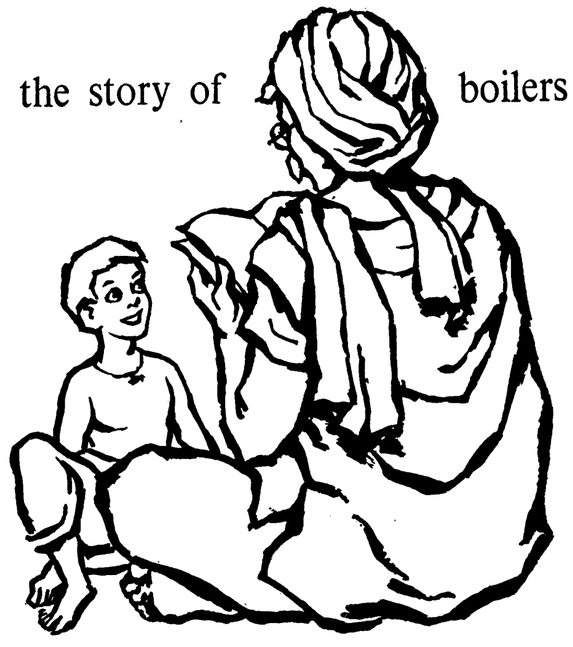
As regards enquiries into accidents, the I.M.A. is strongly of the view that the practice, in the U.K. and elsewhere, of having a full-scale enquiry by technical men should be followed, since technical factors usually play a very large part in such accidents. If, however, it is felt desirable, a commission of enquiry should take up the work after the technical enquiry is over.

In conclusion, the I.M.A. draws attention to the serious source of trouble, namely, the multiplicity of labour unions, which, in their fight with each other as much as in their fights with management, have done a great deal to undermine discipline and the carrying out of legitimate orders. "The problem of indiscipline," the I.M.A. concludes, "must be seen in its wider context. Recriminations and counter-recriminations lead us nowhere. As a matter of fact, they only vitiate the atmosphere still further." It is, therefore, suggested that the causes of indiscipline should be thoroughly investigated and remedies suggested. In fact, as the I.M.A. suggests, a code of discipline should be applied to the coal industry.

DOMESTIC COAL DECONTROLLED IN U.K.

The rationing and price control of house coal, which has been in existence since the beginning of the war, will be ended from the middle of July. Announcing the decision in the House of Lords, the Minister of Power, Lord Mills, and in the Commons, the Paymaster General, Mr. Reginald Maulding said that the restoration of free competition and freedom for the householder to buy from any merchant should encourage producers and distributors to offer the public the qualities of coal they need at the most competitive prices. The Government appears to take the view that the end of price control does not imply any general increase in prices. In fact, one of the objects of the Government in removing control was to let competition exercise its influence. As a result of decontrol, the Government will make a saving in administrative expenditure to the tune of £1 million. Prices charged by the National Coal Board to the merchants will continue to be settled under the same procedure as before, "the gentleman's agreement," which provides the Board and the Minister should consult together before the Coal Board fixes prices.

In an old temple in Egypt, a scientist named Hero devised an instrument using steam pressure to force wine along a tube to be poured out on a sacrificial altar. That was in 100 B. C. Nearly two centuries ago, a small storm in a tea-kettle, noticed by James Watt, made it possible to use the mighty power of steam to change the face of the world. In India today more than 50% of the power produced is derived from steam. Texmaco in 1952, was the first to build a Lancashire boiler in India. It has since considerably expanded its range of production. With the fabrication of water-tube boilers, for the first time in India, in collaboration with the world's best technical know-how, Texmaco is now equipped to manufacture and supply the complete range of industrial Fire Tube, Water Tube and Locomotive boilers. This is how Texmaco serves India's basic industries.



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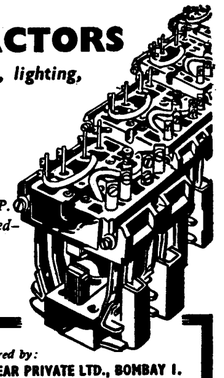

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OUTLOOK FOR INDIAN TEA INDUSTRY

GAP BETWEEN PRICES OF QUALITY AND POOR TEAS EXPECTED TO CONTINUE

THE season 1958-59 for Indian tea has opened in inauspicious circumstances, with the declaration of strike in five major ports of India with effect from the 16th inst. and the continuation of the dock strike in London. The opening sale for exports of the current season's crop held last week, no doubt, indicated a good start to the season. As was generally expected, there was good demand from overseas buyers, particularly from the U.K. and Russia. It was well known that the stocks in the U.K. had already been depleted to a considerable extent and that it augured well for the new season. On account of drought conditions in most tea-growing districts in North India early in the season, the manufacturing of tea made a slow start and production was, therefore, expected to be below normal. Further, the strikes in Ceylon and political unrest in Indonesia were expected to give a stimulus to the demand when the new season opened.

Subsequent developments, namely, the declaration of strike in Indian ports and the persistence of the dock strike in London have, however, somewhat obscured the outlook for the current season. The effect of the dock strike in London was already felt in the London tea sales held last week; auctions were held only on two days instead of three days and only a part of the quantity originally catalogued was offered for sale. There was no evidence on the part of buyers of any anxiety to buy as much as possible, because of the prospect of large offerings once supplies started arriving in London. While the interruption of exports from India on account of the dock strike in this country may prove to be temporary—one cannot, however, be dogmatic about it, if the recent Colombo dock strike were any guide—the general outlook for North Indian tea depends on many factors, which are equally applicable to South Indian tea.

Discussing the factors which go to shape the outlook for the tea industry during the current year, Messrs. J. Thomas & Co. Private Ltd., the well-known firm of tea brokers of Calcutta, in their annual report for the season 1957-58, point out that the wide fluctuations in prices, which began in 1951, following the restoration of free trading in tea in the U.K., show no signs of settling yet. The only perceptible pattern—a disturbing one too—that has emerged is the divergence in prices between the best and the poorest quality teas. The main reason for this is the growing production of teas, particularly, the common varieties, outstripping demand, and the buyers' preference for top quality teas. So long as consumption lags behind production, Messrs. Thomas & Co. observe, this trend is likely to continue in the forseeable future. In most of the North Indian tea districts, the plans for replanting and replacing essential parts of the factory are going ahead. New methods of hedge planting and manuring have been adopted and these will inevitably result in a larger yield per acre, and a sharp increase in production is likely during the next few years.

When the full impact of increased production begins to be felt, the question that will arise is whether there will be sufficient markets to absorb the larger Indian tea. The mainstay of Indian tea has long been its foreign markets and, with the present need for increasing our foreign exchange earnings, exports of tea have to be considerably increased. At the same time, the potentially large internal market has to be sufficiently developed to consume the surplus production. Though no accurate estimate of internal consumption has so far been made, the indications are that it is increasing.

The next important factor, on which the outlook for the Indian tea industry depends, is the quality of its production, particularly because the market has become competitive. In fact, the producers have come to realise this and have taken steps to improve the standards of manufacture. Their efforts are, however, "fettered to a great extent by the relentlessly increasing levies imposed by the Government which have brought the cost structure to an inflexible level regardless of whether the prices fetched allow the producer a margin of profit or not." This is unfortunate in view of the fact that "several gardens are in dire need of finance to carry out improvements for their continued existence." It is noted that "the high cost of production has also meant that the competitive capacity of the producer has been greatly reduced in some of India's traditional outmarkets where other countries have not only gained a firm foothold but also, in some instances, made alarming advances at the expense of our trade."

A feature of the market in the past few years has been the development of demand for particular grades from particular countries. For instance, Russia absorbed last year a large quantity of Assam broken orange pekoes and Darjeeling leaf grades. Turkey and Iran bought whole leaf grades and tippy teas, respectively, and the Middle Eastern countries sought black fannings types. These countries are expected to continue their purchases for the respective varieties of tea.

Messrs. Thomas & Co. seek to remove a misconception in the minds of producers of certain types of teas. Thus, they observe:

"The recent increase in the amount of tea manufactured by types of machines, such as the C.T.C., leads to the fear that more of this sort of tea will be made than can be readily absorbed. Some producers seem to think that the mere installation of a C.T.C. machine is a sure road to higher prices for their produce and that adequate knowledge and care in manufacture is not so important as with the making of ordinary orthodox black teas. A possible result of this trend is that, while well-made teas manufactured by the C.T.C. process will continue to find a ready market with the United Kingdom blenders, those teas which have neither attractive leaf appearance nor desirable liquor characteristics, will not only fetch uneconomic prices but will be difficult of sale."

As regards the future of low, medium and common teas, which form the bulk of North India's production, Messrs. Thomas & Co. observe that it will depend largely on whether the world demand for such teas is more than the world supply. They rule out bulk buying for stockpiling by the U.K., because of the tight financial position, unless there are positive threats to regular supplies from producing countries such, for instance, as the Suez Canal crisis. In conclusion, they point out that the absence of sizable stocks to cushion the vagaries of supplies will tend to make the market more sensitive and, therefore, fluctuations in prices may become a normal feature.

(*Continued on page* 1191)

STOCKS OF GUNNIES SHOOT UP

OUTPUT RISES FURTHER

REPORTS that the Indian Jute Mills' Association is considering ways and means to reduce the stocks with mills lack official confirmation. It is, however, clear that mills are concerned over the slackness in overseas demand for jute goods and the consequent accumulation of stocks with them. The prospect of further accumulation of stocks due to the strike at the major ports of India which commenced on the 16th inst. cannot be ruled out unless the strike is called off soon or serious efforts are made to maintain the work in ports intact.

As at the close of May 1958, the stocks of gunnies with mills show a rise of 14,500 tons, the sharpest rise in any month since January last, to 112,000 tons. With this increase, the upward trend in stocks has been maintained for the second month in succession, bringing the total stocks to the peak level since June 1957. The following comparative table shows the variety-wise break-up figures of stocks:

Jute Goods: Stocks

(In tons)

	As on 31st May, 1958	As on 30th Apr., 1958	As on 31st Mar., 1958	As on 31st May, 1957
Hessian	25,000	20,400	24,500	40,400
Sacking	71,800	69,200	54,800	58,000
Others	15,200	16,900	15,000	11,000
Total ..	112,000	97,500	94,300	109,400

The increase in stocks has been mainly shared by hessian and sacking. Hessian stocks have gone up by 4,600 tons, thus reversing the successive decline noted since January. The rise in sacking stocks is disturbing; they have gone up by 11,600 tons to the highest level since October 1956. For the first time in the past nine months, the stocks of "other manufactures" have suffered a shrinkage of 1,700 tons. Over the year, the total stocks of all goods show an increase of 2,600 tons, which would have been much larger but for the drop of 15,400 tons in hessian stocks over the year.

The enlargement in stocks is partly due to the expansion in production to the tune of 6,900 tons during the month, which followed the rise of 2,700 tons noted in the previous month. At 94,900 tons, the total output represents the highest level since January 1958. The following comparative table shows the variety-wise production:

Jute Goods: Production

(In tons)

	May, 1958	April, 1958	March, 1958	May, 1957
Hessian	34,200	30,900	30,400	35,600
Sacking	53,700	50,600	49,500	45,000
Others	7,000	6,500	5,400	6,700
Total ..	94,900	88,000	85,300	87,300

Hessian production has gone up by 3,300 tons to 34,200 tons and sacking output by 3,100 tons to 53,700 tons. Other manufactures too have risen by 500 tons to 7,000 tons. Though this increase in "other manufactures" does not compare well with that in the previous month, it has taken production to a record level. The rise in total production of all goods was due to the larger working period during the month, the number of hours worked being 214.5, as against 200.5 in the previous month.

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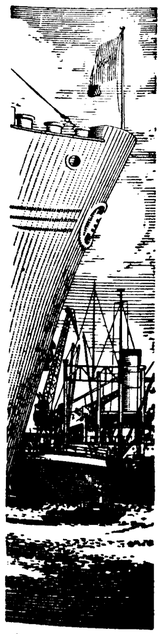
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I.L.O. IN A CHANGING WORLD

PROGRAMME OF WORK CLOSELY RELATED TO SOCIAL REALITIES

THE International Labour Organisation is among the most successful of the specialised agencies of the U.N. working in the international field and is the only institution to survive World War I and the League of Nations, the parent body. It has responded remarkably to the changes and challenges of the post-war situation. This may perhaps be one of the reasons for its survival and successful working. The scope and emphasis of social policy throughout the world have changed markedly, particularly since World War II, and the setting within which the I.L.O. does its work has also undergone radical transformation. Of the 79 nations which are members of the I.L.O., more than 25 per cent. are newly independent countries. All of them are committed to programmes of conquering poverty and combating social evils. Social policy is, therefore, in the forefront of their concern. Their needs, however, are different from those of the industrialised countries which were formerly preponderant in determining the direction of the I.L.O. activities. In the underdeveloped countries, much of legislation on standards of working conditions is inspired by or modelled on I.L.O. conventions or recommendations. But the primary concern of these countries in this field is not so much with legislation as with creating the institutions needed to give practical content and effect to legislations. Thus it was necessary for the I.L.O. to find means of assisting these countries to build up the necessary institutions. The expansion of technical assistance activities has in large part, been a response to this need. The problem is one of creating the means to improve working conditions and not only to protect the workers. More attention was required to be paid to those aspects of social policy conducive to expanding production, such as training, the organisation of employment and the raising of productivity. These needs have been reflected in the I.L.O.'s work through the development programmes in the field of manpower and productivity.

In the industrial countries, the pre-war concern with unemployment has become a concern for maintaining full employment. Pre-war social insurance, focussed mainly on benefit payments, has been transformed into a post-war concern with social security which comprises also preventive aspects of health and welfare and the attainment of conditions in which insecurity is less prevalent. There is more concern today with youth problems and, in the realm of women's work, less attention is now given to protective legislation and more to the creation of equal opportunities. The area of social policy has thus extended to include more and more the promotion of positive welfare and to become more closely integrated with national development as a whole. These trends have found their reflection in the I.L.O.'s work in the field of full employment, social security, workers' welfare vocational training and guidance, etc.

Notable Features

In his Annual Report submitted to the 42nd session of the International Labour Conference which opened in Geneva on 4th June Mr. David A. Morse, Director-General of the I.L.O. has surveyed the activities of the I.L.O. in a changing world. He points out the ways in which the I.L.O., has responded to the post-war situation and how it proposes to meet similar challenges in the future. The Report notes that among the notable features of recent development in the activity of the I.L.O., the widening use of the collective bargaining process and of education as instruments of social action are important. The I.L.O. was, for a number of reasons, initially concerned with industrial workers; there is now a widespread movement, says the Report, to extend to agriculture some of the benefits acquired by industrial workers, while the problems of the increasing non-manual segment of labour force are attracting more and more attention. The various approaches made by the I.L.O. in its work since were related to social and economic realities.

Soon after the Second World War, the first Industrial Committees, composed of representatives of industries themselves, were set up to deal with the problems of certain basic world industries: coal mining, inland transport. iron and steel, metal trades, textiles, building, civil engineering and public works, petroleum and chemical industries. Later, two other committees—the Advisory Committee on Salaried Employees and Professional Workers and the Committee on Work on Plantations—were set up on an analogous basis. To some extent the Industrial Committees have been asked to break new ground. They have made it possible to widen the range of social issues brought under review and have paved the way for the consideration by the conference of problems relating to particular groups of workers.

Examining the positive results obtained by this new working method, the Report notes (1) that the Committees have widened the channel through which people in the industrial world tell the I.L.O. what they want and through which the I.L.O. renders the services required, (2) there is no lack of proof of active interest in the work of the Committees, (3) that the number of Governments reporting on action taken in the light of the Committees' conclusions has increased considerably in recent years, (4) that the discussions of the Committees have often provided useful guidance to governments and to employers' and workers' organisations.

Technical Assistance

Since the introduction in 1950 of the technical assistance programme of the United Nations, in which I.L.O. takes part, I.L.O. has sent out more than 800 experts on mission. The fields in which they work include vocational training (more than 50 per cent.), labour conditions and administration (23 per cent.), productivity, co-operation and handicrafts and social security. The results have varied from country to country and from project to project. There have been a few disappointments, but in a very substantial proportion of cases positive results have been achieved, and there has been a gratifying measure of success in a great many cases, especially where new training or productivity centres and new labour services have been created.

"Technical assistance by the I.L.O.," observes the Report, "not only is inspired by the standards and polices worked out through tripartite discussion, but brings the I.L.O. into new types of contact in the field with workers and employers."

As regards the productivity programme, two things, says the Report, can safely be said: first, the sum total of accomplishment has been out of all proportion to the relatively small amount of time and money expended; and secondly, direct practical results, sometimes quite impressive, have been achieved in nearly all the projects.

The Report points out that the I.L.O. may have to review its programme and activities in the field of employment and unemployment to ensure that it is properly concentrating its work on the major problems in this field of economic and social policy and, in particular, that it is in a position to deal effectively with any problem of unemployment which may emerge with industrialisation and technological progress.

In the field of human rights, the Organisation has sought both to defend basic rights and freedoms essential to the achievement of its objectives and to promote the extension of such rights and freedoms in all countries. A great many of its activities converge towards these ends. In recent years, the main areas of concentration of effort have been trade union rights, forced labour and discrimination in employment and occupation.

The Organisation's approach to these problems may perhaps be characterised as eminently practical. It has sought to identify and isolate particular problems requiring urgent solution and to deal with them through its existing machinery and through such special machinery as may be required. Yet all of the problems are deeply rooted in the whole complex of political, economic, social and cultural factors which make up national and international society today. Hence the need to approach them through activities which take account of these various factors. Hence, too, the need to proceed in many respects through methods of persuasion.

Discussing educational activities, the Report says: "It has been necessary to find ways by which the Organisation can come nearer to the peoples it serves and nearer to the problems with which it deals. This has led to the evolution of the educational approach which has just begun to take shape and which will usefully supplement the other approaches to the social problems of today.

"In principle the educational approach extends over all the various fields of activity with which the I.L.O. deals. In practice, it has so far been applied primarily in the field of labour-management relations."

In the field of international assistance, the new programme is dependent on the force of education, persuasion and promotion. Its basic aim is to spread the idea of labour-management co-operation in ever-widening circles within each country through nationals of the country. There can be no international interference in national labour-management patterns but there can be effective international assistance at the points where the problems have been identified nationally, where the need is for objective advice, well grounded in experience but adapted to national conditions. The job has to be done by nationals in their own way.

Workers' Education

In 1956 the workers' education programme was launched and the first steps taken towards planning and implementing it. Its aim is to help equip the workers with the knowledge and understanding they need, not only to carry out their function and civic responsibilities in modern society, but also to contribute fully to the whole process of economic growth and social development. Under this programme, the I.L.O. is not, of course, seeking to substitute itself for the trade unions or to undertake tasks properly theirs. It is simply trying to meet certain needs by providing services appropriate to its own status, structure, terms of reference and methods of operation. The bulk of the programme consists of education in questions dealt with by the Organisation and directly related to the interests of workers as workers, as, for example, labour law and administration, methods of collective negotiation and social security.

LABOUR DISPUTES

Time-loss due to industrial disputes during March 1958 increased by 292,413 man-days, as compared with the previous month. The average duration of disputes, current at any time during the month, was 9.5 days as against 4.5 days in February. There were 117 fresh disputes in March, bringing the total number of disputes current at any time during the month to 148, including 22 lockouts. One hundred and four disputes terminated during March. Of these, 70 lasted not more than five days each and only four lasted more than 30 days each. During the month, time-loss increased in "construction" to 2,70,500 in "manufacturing" to 3,61,734, in "mining and quarrying" to 66,482 and in "agriculture and allied activities" to 12,006, while it decreased in the remaining groups.

West Bengal recorded the highest time-loss (497,459), followed by Mysore (81,003), Bihar (53,711) and Madras (29,923). As compared with the previous month, time-loss increased in West Bengal, Assam, Madras, Bihar, U.P., Kerala and Tripura and decreased in all other states. For the manufacturing industry group, the index of industrial unrest for March (base 1951=100) was 105, as against 77 in the previous month).

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NEW PRODUCTS AND PROCESSES

Quick Method of Evaluating Ores

THE U.S. Bureau of Mines has developed a simple and accurate method for using X-ray equipment to analyse certain earth ores, metals, and compounds which are of growing military and industrial importance. The new technique makes it possible to analyse 40 samples in a single day. By contrast, only about a dozen samples could be analysed in a week by methods formerly used. The basis of the new technique, known as X-ray emission spectroscopy, is that every element has a characteristic, simple X-ray line spectrum. High energy X-rays cause the atoms of the sample to become excited and re-emit fluorescent X-rays, which are characteristic of the elements in the sample. In the Bureau's method, these rays strike a special crystal, which reflects the characteristic line spectra of the various elements at different angles as its face is rotated. Use of instruments or automation in the method virtually eliminates the chance of human error, and so within limits provides an accurate method for determining the purity and for making quantitative analyses of rare earth preparations. One of its advantages is the ease with which technicians can be trained to prepare samples and operate the X-ray machine.

Fabric-drying Cylinder Machine

A textile machinery factory at Enschedé (the Netherlands) has put on the market a new cylinder drying machine which can be used for most fabrics including cellulose fibre. Each cylinder of this machine has a separate elastic drive eliminating any tension in the cloth, which can, therefore, be dried crease-free and smooth. The r.p.m. of each cylinder corresponds exactly to the speed of the cloth. The speed can be controlled manually by means of push-buttons or automatically by means of a built-on hygrometer. The formation of marks due to the exchange of batches is prevented by the use of creep-drive. The cylinders are made of stainless steel, the conventional stuffing boxes are replaced by special, practically frictionless, sealing joints, thus reducing losses of steam and power. The special belt drive guarantees noiseless running of the machine. Each cylinder has a separate steam trap, increasing the drying capacity by 15 to 20 per cent. The cloth velocity can be read on a built-in speed indicator.

Heat by the Yard

A kit that will enable laboratory technicians and process engineers to "cut themselves a length of heat" and apply it to any complex shape that would otherwise pose a difficult heating problem was displayed at a recent Chemical Engineering Exhibition at Frankfurt, by a British firm. Known as "Heat-by-the-Yard," the system consists of a continuous network of resistance wires enclosed in a knitted elastic sleeve of glass-fibre yarn that can be wrapped like tape around any shape. The tape is made in half-inch and one-inch overall widths and supplied in kits in lengths of 25-ft. or 50-ft. together with terminal fixings. The electrical resistance has been so arranged that a normal working length of 12-ft. would require 120 volts, while a 23-ft. length would need 230 volts to obtain maximum temperatures. Nickel wire is used in the resistance network, and this will attain its nominal rating of 200-250°C.

Dust Control

Dust control applied to sack-emptying is one of the latest problems tackled by a British firm in order to improve working conditions and to increase production. The firm claims that its dust control unit cuts out dust hazards and breakdowns caused by dust penetration into the moving parts of machines. Wherever sacks are emptied of their contents this unit, the manufacturers claim, can be applied with equal success and the dust satisfactorily controlled. The unit is designed for easy positioning over hoppers, conveyors, storage silos, or wherever it is required. A fabric filter provides 100 sq. ft. of filtration area in spite of the small space it occupies. Various filter fabrics are available for dusts having peculiar characteristics.

Colour Pictures in One Minute

Full colour photographs can be taken and printed in one minute by use of a new film perfected by the Polaroid Corporation in the United States. The Company has been marketing, for a number of years, a camera and film that produce black and white photographs in a minute. Like the present black and white film rolls, the colour film rolls will consist of two parts—a roll of negative and a roll of self-processing positive paper. It has not yet been reported when the new colour film will be ready for marketing. According to the Company, preparing for its production is a "major undertaking involving several stages."

Space Radios

Two large radio telescopes, designed for more accurate reception of signals from outer space, will be developed by the Blaw Knox Company of Pittsburgh, Pennsylvania. The devices, with dish-like receivers 85 feet in diameter, would pick up and transmit radio waves given off by the sun, the planets and other galaxies. The telescope would be directed at a space object and moved to follow its course. The receiver would pick up radio waves from its target which would be transmitted to electronic instruments where they would be amplified and analysed.

NATIONAL RAYON CORPORATION LTD.

SPEECH OF THE CHAIRMAN, MR. KASTURBHAI LALBHAI

THE following is the speech delivered by Mr. Kasturbhai Lalbhai at the Eleventh Annual General Meeting of the Company held in Bombay on 12th June 1958:

"GENTLEMEN,

"I have great pleasure in welcoming you this afternoon and presenting to you for adoption the eleventh Directors' report and the audited statement of accounts for the year ended 31st December 1957. These have been in your hands for some time now and I believe I have your permission to take them as read.

"The accounts as usual contain the corresponding figures for the last year for comparison. You will have noticed that the provision for taxation this year amounts to Rs. 12,00,000 including a provision of Rs. 6,50,000 for 1956. Our anticipation that provision made last year would take care of the increased incidence of tax liability due to increased rate of income-tax and corporation tax and the new levy of wealth tax has not unfortunately come out true. This was mainly due to non-allowance of the expenses incurred for issue of debentures for the purposes of assessment. The provision of Rs. 5,50,000 made for current year's tax liability is slightly on a higher side than the estimated incidence and is expected to cover eventualities, if any, such as those we had to encounter in respect of last year's assessment.

Development Rebate

"It is a happy augury that the provisions with regard to the current profits deposits, introduced in November 1956, have been kept in abeyance this year. We hope, in due course, these provisions will be entirely removed from the Statute Book. The incidence of tax on corporations, however, still continues to be very heavy and is working as a drag on capital formation required for starting any new industry or expanding the existing ones. If the targets fixed by the second Five-year Plan for the private sector have to be achieved, it is essential that quite a few irksome provisions contained in the tax statute are removed as early as possible. I may particularly mention here the recent provisons regarding the development rebate. Though the rigours of the original provisions have been watered down to a certain extent, still the provisions continue to act as a disincentive and require some further consideration. Any new industry would find it extremely difficult to make any profits as such during the first year of its operation, much less a profit up to 75 per cent. of the development rebate. If, therefore, the development rebate is to act as an encouragement to the establishment of new industries as originally conceived, it is high time that the recent provisions made with regard thereto are amended as early as possible and the *status quo* restored. Capital required by private enterprise for meeting the obligations cast upon it under the National Plan is likely to come forth only if the role the risk capital has to play is recognised and its due rewards commensurate with the risks involved are not unnecessarily whittled down.

Imports of Yarn

"You may recall that, last year, I referred pointedly to the figures of imports of yarn made into the country for the year ended 31st March 1957. The actual imports for that year came to as much as 62 million lbs. of yarn which combined with the indigenous production of 21 million lbs. for the year made available to the country as much as 83 million lbs. of yarn. This quantity was evidently far in excess of the requirements of the country and had its natural effect, resulting in bringing down the prices of rayon yarn for the first two quarters of 1957 to very low levels. The situation, however, has completely changed now. Due to the paucity of foreign exchange the Government has been compelled to restrict imports of yarn considerably which has resulted in a steep rise in prices. Your Directors, nevertheless, have continued to maintain the prices of the Company's products at reasonable levels and I believe you will all agree that, under the circumstances in which the country is placed at present, that is the best policy for everyone concerned to follow.

"With a view to equitable distribution of the Company's products amongst the several consumers, your Company in concurrence with the authorities concerned have evolved a scheme whereby 70 per cent. of the yarn will be distributed directly amongst the consumers at the prices fixed by the Company and 30 per cent. will be distributed through dealers at a margin of not more than As. 3 over the Company's prices. We have also taken a stand that the regular consumers of the Company's yarn would first be given their due quota based on the average offtake of yarn by them during the past three years before considering distribution of yarn to any newcomers. Happily this stand has been appreciated and accepted by the authorities.

"The import policy of the Government with regard to the import of essential raw materials permits imports of requisite quantities of these raw materials for running the plant to its full capacity. The foreign exchange position of the country, however, is giving cause for great anxiety in every quarter irrespective of the foreign aid received by the Government of India recently. It is only to be wished that the country's position in this regard would improve and it would be possible for the Government of India not only to permit continuance of this policy of allowing full imports of all essential raw materials but also permit imports of essential capital goods for expanding the capacities of several industries.

"Before I conclude, I take this opportunity to express my sincere appreciation of the very good work done by the workers and the staff, technical and non-technical alike, whose efficiency, loyalty and co-operation have contributed in no small measure to the satisfactory working of the Company."

Note.—This does not purport to be a record of the proceedings of the annual general meeting.

AMENDING COMPANIES ACT—VIII

SUGGESTIONS OF SASTRI COMMITTEE ANALYSED

By F. R. Ginwalla

"LAWS are like cobwebs which may catch small flies, but let wasps and hornets break through." This saying seems to have been in the mind of the Committee when it attempted to interpret the obscure and ambiguous provisions of the Act and plug all its loopholes. It is obvious that for the effective implementation of an Act of such magnitude and complexity a great deal has to be left to the goodwill of those who are concerned with the working of joint-stock enterprise. In the preceding articles we discussed the positive aspect of the Report. There were, however, a few suggestions which, after due consideration, were rejected by the Committee. This negative aspect of the Report also deserves examination.

Managing Director

Section 2 (26): A suggestion was made to the Committee that Section 2(26) should be amended so as to replace the words "any powers of management which would not otherwise be exercisable by him" by the words "the management of the whole or substantially the whole of the affairs of the company." The Report observes that this suggestion was rejected because the suggested change would place the managing directors in the same position as a manager or a managing agent and would exclude persons who, though not entrusted with the management of the whole or substantially the whole of the affairs of the company, were entrusted with important powers of management. This was not the intention of the Act and the adoption of the suggested change would remove from the control of the Government the appointment and remuneration of directors who, though exercising important functions and powers of management, were yet not entrusted with the whole or substantially the whole of the management of the affairs of the company.

Agreements and Articles

Section 33(1)(c): Under this section any proposed agreement for managing agency or for appointment of secretaries and treasurers has to be filed at the time of the registration of the memorandum. It was pointed out to the Committee that if the terms of the agreement were altered at any time after the registration of the company, the filing of the proposed agreements would be a needless requirement and that Section 33(1)(C) might as well be omitted. The Committee was unable to accept the foregoing suggestion on the ground that this provision was necessary to enable the investing public to know the arrangements proposed to be made for the management of the company before they subscribed for shares.

Section 49(4) states that sub-section (1) of Section 49 shall not apply to investments made by a company whose principal business consists of the buying and selling of shares or securities. The Report states that the Committee was informed that difficulties were experienced over the interpretation of the words "whose principal business" occurring in Section 49(4) and therefore a suggestion was made to define the foregoing expression or to amend suitably Section 49(4). The Committee, while rejecting this suggestion, observes:

"We consider that any amendment might seriously impair the effectiveness of the section to achieve its object and that, in this context, Parliament intended to exclude from the operation of the provisions of sub-section (1)(*a*) only those companies which were mainly engaged in the buying and selling of shares and securities. The question of what is or is not a company's principal business is a question of fact which has to be decided having regard to the circumstances in each particular case and we do not feel that any amendment to Section 49(4) is required."

Further Issue of Capital

Section 81 corresponds to Section 105C of the 1913 Act. The Report states that the precise connotation of the words "first allotment of shares," "issue of new shares" and "directions which may be given by the company in general meeting" has been the subject of much discussion. Before formulating any amendment, the Report briefly discusses the object and purpose of Section 81. The capital of a company may be of four kinds:—

(1) Nominal, authorised or registered capital which, if it has to be increased, requires a resolution of the company at a general meeting under Section 94. (2) Issued capital. The whole of the authorised capital is not generally issued at once. Only a portion is issued in the first instance, which is styled as issued capital and further issues are made as and when necessary. (3) Subscribed capital. It is that portion of the issued capital which has been subscribed or taken up by the public. (4) Paid up capital. It is that part of the capital which is actually paid.

Section 81(1) does not deal with the increase of the authorised capital but only with the second and third kinds of capital referred to above. Companies do not always declare their issued capital, though all good companies do so. All issued capital is not fully subscribed in all cases during first allotment and further allotments continue to be made over a period of time. Unsubscribed but issued capital can be allotted at any time at the discretion of the directors. Where a part of the capital has been issued and fully subscribed and the company wants to expand its business and is in need of more resources, the company may increase its issued capital.

Under Section 105C of the Act of 1913, it was competent for the directors to increase the issued capital, subject to the condition that the new shares were offered *pro rata* to all the shareholders of the Company. Shares issued by the directors but not thus subscribed for could be allotted by the directors to anybody at any time and on any terms at their discretion. Thus, under the old Act, there was a possibility of the directors abusing their powers by allotting the shares to themselves or their nominees or friends on favourable terms. To avoid such abuses, Section 81 was enacted in the present Act, but it has been so worded as to make its interpretation difficult. It refers to increase of the "subscribed capital of the company by the issue of the new shares" "at any time subsequent to the first allotment." If the issued capital has been fully subscribed, the subscribed capital would be increased by the issue of new shares and Section 81 would apply to the case. Where, however, the issued capital has not been fully subscribed, the subscribed capital could be increased by the directors by making allotments against applications received by the company from time to time till the limit of the issued capital is reached. In that case, according to Report, the subscribed capital would be increased by the "allotment" and not by the "issue" of new shares and the section might not be applicable.

Sensible Interpretation

This interpretation, according to the Report, is sensible because observance of the conditions laid down in Section 81(1) (*a*) to (*d*) each time an allotment is made by the director out of the issued capital would be impracticable in many cases. But Section 81 refers to an increase of "subscribed capital" at any time subsequent to the first allotment of shares. Moreover, the words "issue of shares" are wide enough to cover "allotment of shares" and add to the difficulty of interpretation. The section does not define when the first allotment is deemed to be made. Again, Section 81(1) does not make it clear whether the proposal to increase the subscribed capital has to emanate from the company in its general meeting or from the directors as under Section 105C of the repealed Act of 1913. The Report observes that "on a reading of Section 81(1) as a whole, it looks as if the directors can *suo moto* increase the issued capital of the company and a contrary inference cannot be drawn from Section 81(1) (*a*) to (*d*) because the conditions therein specified might come into play when the company in general meeting has passed a resolution increasing the issued capital of the company without at the same time giving any directions as to how the shares are to be disposed of."

The object of Section 81, as already stated, is to provide against the contingency of shares offered *pro rata* to the shareholders but not subscribed for by them, being allotted by the directors to themselves or their nominees or friends if such shares happen to go up in market value. At the same time, it would be impracticable, if not impossible, to compel directors to make a *pro rata* offer to the existing shareholders from time to time before making any allotments against applications received by them over a period of months. The Report suggests that "one method of reconciling these points of view is to impose a time limit on the exercise of the power of directors to make allotments from time to time. They might be allowed to make such allotments, say, till the date of the next following annual general meeting or till the expiry of 6 or 12 months from the date of the offer to the shareholders of the further shares.

Having considered all these factors and the suggestions it had received, the Committee has proposed to amend Section 81(1). The text of of the proposed amendment will be found in Article II.

On the language of Section 81, as it stands, those preference shareholders who, by virtue of Section 85 become equity shareholders, would be entitled to participate in the new issue but not those preference shareholders who remain such under Section 85 (1) and (2). The Report does not recommend any change in this respect. It points out that, in the opinion of a minority of the Committee, preference shareholders who continue to remain as such under Section 85 should be entitled to participate in any further issue of preference shares along with equity shareholders. But the majority of the Committee preferred to accept the view of the Bhabha Committee embodied in Section 81 that the offer of further issues, whether of equity or preference shares, should be made only to the equity shareholders unless the company in general meeting gives other directions.

It was suggested by a stock exchange that an amendment of Section 82 should be made so as to bring shares within the category of actionable claims. The Report has rejected this suggestion on the ground that, if a change in the law is desirable, it has to be effected in other enactments and not in the Companies Act. Furthermore, the consensus of judicial opinion indicated that shares were goods within the meaning of the Sale of Goods Act, though shares partook of some of the attributes of negotiable instruments.

Preference Shares

As regards Section 86, a chamber of commerce pointed out to the Committee that specific provision should be made to protect the rights of preference shareholders who have taken shares on the faith of a statement in the prospectus that the shares will carry a fixed cumulative dividend of, say, five or six per cent. "free of income-tax." In support of this suggestion, it was stated before the Committee that there might arise a case when a company concerned was not liable to pay tax as a result of some special, initial or other depreciation allowance or development rebate allowed to it under the Income-tax Act or on account of the set-off of losses, and, in such an eventuality, the dividends received on such preference shares were taxed in the hands of the preference shareholders. In order to protect the preference shareholders it was urged that there should be a specific provision in the Act to compel the company to pay to the Government the tax payable by the shareholder. The Report states that in the opinion of the Committee no special provision in the Act was necessary because if the shareholder had a contractual or quasi-contractual right to be reimbursed or indemnified by the Company, his right, if any, arose under the ordinary law.

Tax-free Payments

The Report states that Section 200 was enacted after discussion and is prospective in its application. The objection to this provision has been raised by foreign concerns which have in their employment foreign personnel on a guaranteed minimum remuneration. Such remuneration, though in some cases subject to tax in foreign countries, is, according to the terms of the contract of service, free of Indian income-tax payable by them on their remuneration. In the case of approved foreign technicians, a limited measure of exemption has been provided by Section 4(3) (vi *a*) of the Income-tax Act as amended by the Finance Act of 1955. In other cases, the company concerned has to bear the tax and pay its employee a sum which would include the salary plus the tax payable thereon. Under Section 189 of the English Act, tax-free payments are prohibited to directors but Section 200 of the Indian Act goes a step further and covers all officers and employees of a company. Furthermore, Section 200 serves to ensure that the accounts prepared in accordance with Part II of Schedule VI reflect the full cost of staff salaries. It is a wholesome provision and the Committee sees no reason to suggest any amendment.

Section 271 exempts a technical director or director appointed by the Government from filing the required declaration of qualification

shares. The Report states that it was difficult to evolve a comprehensive definition of the expression "technical director" though, in a given case, it would not be difficult to say whether or not a director was technical director, having regard to his special qualifications, the nature and the extent of the work done by him for the company, and of the business of the company.

The Report rejected the suggestion made on behalf of the shareholders that directors should be persons who have a stake in the company and own a minimum of at least one per cent. of the equity share capital where its capital is less than a crore of rupees and one-half of one per cent. of such capital in the case of companies with a capital of over a crore of rupees. The Report, however, observed that though it was not possible to lay down a uniform rule as to share qualifications in all cases, it was desirable that directors should have a real or substantial interest in the fortunes of the company.

Section 275 restricts the number of directorships capable of being held by an individual to 20. Section 316 restricts managing directorships to two companies and Section 332 limits managing agencies to 10 companies. It was pointed out to the Committee by some chambers of commerce that in view of the paucity of capable business men in India the foregoing restrictions were inappropriate and unnecessary. On the other hand, the Report states that there were complaints that the limit of 20 directorships and 10 managing agencies was too high and there was a noticeable tendency for a few business men and their relations to concentrate in their hands enormous industrial power by virtue of their position as managing agents of a large number of public companies. In practice, the average number of directorships held by an individual in the United Kingdom or in the U.S. was much less than the number permitted by the Indian Companies Act of 1956. The Report states that after careful consideration the Committee was unable to accept any suggestion for the alteration of Sections 275, 276, 316 and 332. Parliament had enacted them quite recently and no new facts or unexpected difficulties were brought to the notice of the Committee to warrant a change.

Private Companies

In the case of private companies, the appointment of a managing agent or the variation of the terms of the managing agency agreements is subject to the approval of the Government under Sections 326 and 329. The remuneration payable to the managing agents is, however, not subject to the control of Government and there is no ceiling on such remuneration as has been provided for by Section 198 or Section 348 in the case of managing agencies of public companies or of private companies which are subsidiaries of public companies. The Report states that the result, therefore, is that there is no control over the remuneration payable to managing agents of private companies except under Section 326(2)(b). Section 355 lays down that the provisions of Sections 348 to 354 shall not apply to a private company unless it is a subsidiary of a public company and thereby makes it clear that the remuneration of the managing agents of private companies is not subject to any ceiling under the present Act. While the appointment of managing agents of private limited companies is subject to the control of the Government, the remuneration payable to them which is an integral part of the terms of such appointment, is left uncontrolled by Government. To this extent, the principle underlying Section 355 may be said to be inconsistent with the principle of Sections 326, 327 and 329. The Report points out that the logical position would be to delete Section 355 and make the ceiling on managerial remuneration provided in Sections 198 and 348 applicable to managing agents of private companies also. Alternatively, it is proposed that Section 327 (C) should be deleted. After detailed consideration, the Committee came to the conclusion that as these matters were so recently, as in 1955, debated in Parliament and the decision embodied in Section 355 was arrived at, it was too soon to suggest a change in the law.

Approval of Government

A chamber of commerce pleaded for abrogation of the control of the Central Government in the matter of fixing the remuneration of managing agents within the limits prescribed by Section 198(1). The Committee took the view that there was no need for amendment of Section 326 as it was advisedly enacted so as to empower the Government to consider whether the conditions of the managing agency agreement proposed are fair and reasonable, having regard to the financial resources of the company, the nature of the business and the qualifications and fitness of the managing agent.

The Report appears to have given detailed consideration to the Section 409 which empowers the Government to prevent a change in the board of directors likely to affect the company prejudicially. In the case of public companies, with appreciable reserves and good annual profits, attempts are sometimes made by speculators to corner shares with a view to superseding the existing management or to compelling the management to purchase the shares at extortionate prices in order to retain their control. The Report states that the power given to the Government under Section 409 is primarily intended to check this evil.

Shares of public companies are a valuable form of property intended to be transferable by the holder and any restriction upon the right to hold, enjoy or dispose of shares or on the right to exercise the rights and privileges appurtenant to the holding of shares must be reasonable and in the interest of the general public under Article 19 of the Constitution. As against the argument that Section 409 violates the fundamental right to hold and enjoy property, the Report states that it might be urged that some restriction on this right is reasonable in the public interest. Section 247 provides for investigation of the ownership of a company whose shares have been cornered or acquired to a considerable extent with a view to controlling the policy of the company and the management of its affairs.

An amendment of section 250 is suggested in the Report to empower the Government to direct that for a specified period (say three years), voting rights should not be exercised by transferees of shares if, owing to such a transfer, a change in the managing agency or directorate of a company prejudicial to the public interest is likely to take place. It may be noted here that the aggrieved party has the right to move the Court for an appropriate relief against any order made by Government pursuant to Section 250. The Government also has special powers under Section 408 to prevent oppression or mismanagement by the appointment of directors of its choice. Section 346 requires the approval of the Government for changes in the constitution of a managing agency. Sections 397 and 398 give the right to members to apply to the Court for a relief in case the affairs of a company are conducted in a manner oppressive or prejudicial to their interest. Section 402 enumerates the powers of the Court to pass orders on applications under the aforesaid Sections 397 and 398. The Report observes that "the powers of the Court under Section 402 are extensive, but very often, by the time these powers are exercised, the mischief might have been done." In addition to these provisions as discussed above, Section 409 empowers the Government to prevent changes in the board of directors. The Report points out that the paramount consideration in the exercise of this power is the interest of the company.

The Report discusses the merits of the Private Member's Bill (I of 1957) recently introduced in Parliament and withdrawn in view of the reference to the Amendment Committee. The Bill proposed the addition of a sub-section in existing Section 409 in the following terms:

"Subject to Section 324 of the Act, in the case of a scheduled industry, the Central Government may, if they are of the view that a change in the ownership of the shares would involve a change in the board of directors or in the managing agents of the company or the non-renewal or termination of the agreement in this regard, pass orders suspending for a period not exceeding three years the exercise of voting rights by the owners of the shares concerned in the cornering."

According to the Report, the result of such an amendment would be the maintenance of the existing management for a period of three years, if the Government chose to take action under the proposed legislation. Apart from this, the proposal contained in the Bill would cast upon the Government a large measure of responsibility by making it a sort of surety or guarantor for the existing management for a number of years. As it is, the Government has very wide powers under the Act for regulating the management of companies.

Cornering of Shares

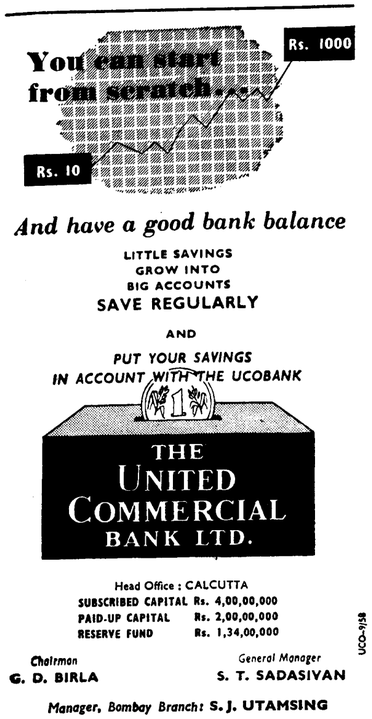
The Report discusses the possible methods of preventing cornering of shares. One such method would be to restrict the maximum number of shares that could be held by a single person, but this too might not be effective in the face of the prevalent practices of *benami* shareholdings. Another method would be to restrict the right of voting by proportionately reducing the voting rights on a sliding scale, i.e., by providing that if the holder of 10 shares has one vote, the holder of 100 shares would not have 10 votes but only, say, four votes. But the Report states that this proposal would run counter to the principle of Section 87 and is not acceptable to certain sections of the investing public or to the majority of the Committee. All cornering is not evil and the problem of cornering of shares of companies is not peculiar to this country. Viewing the problem in all its aspects, the Committee is constrained to note that no case has been made out for amendment of Section 409 as proposed by the Private Member's Bill and that, in the absence of adequate experience of the working of the Act, it would be premature to suggest any change in the existing law.

Advisory Commission

The Advisory Commission was constituted under the Act in the place of the Central Authority recommended by the Bhabha Committee. The object of constituting this Commission was to maintain flexibility in administration and effective regulation of company affairs. We find from the Report that, though the Commission was only advisory in character, its advice, except in a very few cases, was accepted by Government. The Commission has no separate staff of its own but the Department made the necessary enquiries and gathered information in respect of the applications referred to the Commission and the Commission made its recommendations on the basis of the information so obtained. It has been functioning in close contact with the Department with a common secretariat, thereby achieving a certain amount of economy and uniformity in administration.

Section 411 imposed a duty on the Commission to enquire into and advise the Government on all applications made under the enumerated sections. Section 413 confers upon the Commission certain powers of examining as witnesses officers of the company and others engaged in management of companies, for the purpose of making enquiry under Section 411. According to the Report, the Commission at present does not make the whole of the enquiry itself nor does it exercise the powers referred to in Section 413 but acts upon the information gathered by the Department.

The applications referred to the Commission, according to the Report under Section 411 do not include applications under Sections 234 and 235. The result is that if the Commission were to function as envisaged by Section 411, making its own enquiry on the applications referred to it, particularly under Sections 408 and 409, there would be a parallel enquiry or investigation by the Government on the one hand, and on the other hand, by the Commission and this would not be a satisfactory state of affairs. The Committee has, therefore, suggested that it is



desirable that the Commission should make its own enquiries and exercise the powers under Section 413 in order to be able to advise Government as required by the Act.

It was pressed upon the Committee on behalf of the Government that applications under Sections 408 and 409 should be removed from Section 411 (b) and left to be covered by Section 411(c) in appropriate cases. It was suggested that in view of Sections 235 to 240 and 248 providing for investigation of the affairs of a company under the directions of the Central Government without reference to the Commission, a parallel enquiry by the Commission into allied matters arising out of the applications under Sections 408 and 409 was not only unnecessary but also a source of embarrassment. On the other hand, it was suggested to the Committee that, in view of the wide powers vested in the Advisory Commission under Section 413 in the matter of compulsory production of evidence and the non-availability of similar powers to the agency constituted by the Central Government, it was desirable to entrust investigations under Sections 235 to 240 and 248 to the Advisory Commission in addition to the matters specified in Section 411(b).

Screening of Applications

As regards the right of the Department to screen applications made to the Central Government under Sections 408 and 409 and to refer to the Commission only such applications as it considered deserving of enquiry, the Report has observed that this practice is not in consonance with the language of Section 411 and that if any change in that direction is necessary it could be made by an amendment of Section 411. It may be noted here that the majority of the Amendment Committee were of the opinion that it was premature to suggest any amendment of existing law until sufficient experience was gained of the actual working of the aforesaid provisions of the Act.

A suggestion came up before the Committee on behalf of an Advocates' Association that when winding-up proceedings take a much longer time than originally estimated, the remuneration of the liquidator should be enhanced to an extent commensurate with the work done. As the legislature deliberately and for intelligible reasons inserted a provision to the contrary in Section 490(2), the Committee saw no reason to recommend any change on this point. Section 490(2) makes it clear that the remuneration of the liquidator fixed by the company at its general meeting should not be increased in any circumstances whatever, with or without the sanction of the Court.

Sections 591 to 602 of Part XI of the Act apply to foreign companies which "establish a place of business within India." According to the Report, the precise meaning and scope of the aforesaid phrase have been the subject of debate. Under Section 602(c), a share transfer or share registration office would be a place of business. Under Section 406 of the English Act (which corresponds to Section 591 of the Companies Act, 1956), it was held that a company incorporated outside the United Kingdom which employed agents within the United Kingdom, but had no office there, had not established a place of business within the United Kingdom within the meaning of Section 406 of the English Act. There are foreign companies which ostensibly carry on their business in India through agents, but, in fact, the office and the staff of the agency are mainly, if not solely, intended for the foreign companies. In such cases, though the agent is supposed to maintain the office and staff as his own, the foreign companies could be considered as having really established their places of business on Indian soil. A company, like an individual, could have more than one residence, and therefore a foreign company having an office and staff and carrying on business in this country would fall within the meaning of Section 591 of the Indian Act. The case, of course, would be different if the only office in India was an agent's office and not the company's office and no person in the company's service was working there. The Report ends the discussion here by observing "Border line cases are likely to arise from time to time where a conclusion has to be reached on a conspectus of all the facts and circumstances."

It was brought to the notice of the Amendment Committee that several foreign companies which have places of business in this country have failed to comply with the provisions of Part XI of the Act. The Report suggested that, in such cases, the proper course would be to take appropriate action in the Courts which would decide, on the facts of each case, whether the company had established a place of business in India.

Some chambers of commerce drew the attention of the Committee to the fact that the foreign shipping companies and other trading companies carrying on world-wide trading operations in India found it difficult to comply with the provisions of Section 594 and also with those of Section 211 and Schedule VI. It was stressed that the particulars of the accounts of subsidiaries and branches of foreign companies need not be filed when such subsidiaries or branches were carrying on business wholly outside India. As regards these and other points raised by the chambers of commerce, the Report stated that the power given to the Central Government under the proviso to Section 594(1) to grant exemption from the operation of Section 594(1) (a) and (b) to foreign companies in cases of genuine hardship or difficulty taken with the Government's general powers to relax the provisions of Section 211 in regard to the form and content of accounts of companies, would be sufficient to meet the situation.

The analysis of the Report would be incomplete if one failed to realise the following facts which seem to be established by the Committee as a result of careful consideration of all the materials placed before it:

(1) It is possible to have a different lay-out of the Act on the basis of subject-wise arrangement and regrouping and recasting of its different provisions but the balance of convenience lies in retaining the scheme and arrangement of the Act as at present.

(2) There are loopholes, omissions, ambiguities, mistakes and inconsistencies in the Act and that some of its provisions are unnecessary.

(3) The Act, to some extent, reflects the prevalent trends of public opinion and that the time is ripe for amending the Act so as to ensure efficient and honest management of companies and check unfair business methods and anti-social activities.

(4) The Act needs amendment so as to overcome practical difficulties in its working and eliminate the doubts arising out of considered legal opinions and judicial pronouncements.

(5) There is need to tighten up the penal provisions of the Act so that the offenders are made to realise that by courting punishment they are not absolved from the performance of their statutory duties.

(6) There should be a due recognition of the legitimate interests of the shareholders and creditors.

(7) Government companies should be placed, as far as possible, on the same footing as other public companies.

(8) It is desirable that the Government should formulate a definite policy regarding the managing agents so that by the 15th August, 1960, action could be taken under Section 324 and the present state of suspense removed.

(9) As the companies and the shareholders become gradually familiarised with the Act, as proposed to be amended, the practical difficulties which they are experiencing at present will gradually disappear and the object of the Act realised.

(10) The recommendations of the Committee being strictly within the terms of reference, any reassessment of considerations of general, economic or social policy underlying the Act is outside the ambit of the enquiry.

Conclusion

In conclusion, it may be observed that there may be some shortcomings in the Report. But the critics must view the shortcomings, if any, in the context of the inordinate length of the Act and the complexity of its structure. Moreover, the time allowed to the Committee was too short for a complete overhaul. Although the Committee has strictly adhered to its terms of reference in making its recommendations, it has, at the same time, attempted to furnish solutions to several problems mainly relating to the interpretation of obscure and ambiguous provisions of the Act which confronted business men, company managements, shareholders, auditors, lawyers and judges. The details of the Report should, however, be left to the interested and the inquisitive reader.

(Concluded)

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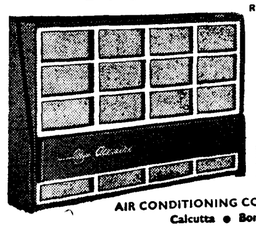

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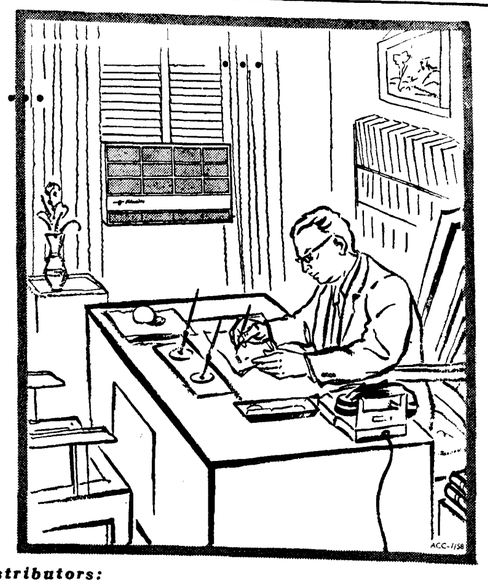

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PLASTICS INDUSTRY IN INDIA

SELF-SUFFICIENCY IN RAW MATERIALS AND MACHINERY ESSENTIAL

ALTHOUGH the plastics industry took its birth in India only after the end of the Second World War, the progress it has achieved since then is indeed remarkable. The production of compression and injection moulding, for instance, has gone up by ten times over the period 1948 to 1957. A similar rise has been recorded in the case of P.F. moulding powder. The output of P.V.C. base and nitrocellulose base has increased eightfold. In terms of value, the total production of plastics goods in 1957 amounted to Rs. 12 crores, as against Rs. 8 crores in 1956 and Rs. 75 lakhs in 1946. The industry is today claimed to be in a position not only to meet the entire domestic demand but also to export a part of its products to several countries.

The progress of the plastics industry has thus been so notable that there is surely no exaggeration in the statement made by Mr. B. D. Garware, in his welcome speech at the eleventh All-India Plastics Manufacturers' Conference held in Bombay on Friday last week, that the development of the plastics industry, which is practically an infant industry, has been quite phenomenal. According to Mr. Garware, the total investment in the industry at present is more than Rs. 10 crores and this is likely to reach about Rs. 15 crores in the next three to five years. There are about 250 compression presses in the country, with a total pressing capacity of nearly 13,000 tons. In the injection moulding line, there are 450 machines with a total capacity of approximately 1,000 ounces. The present trend, we are told, is towards installation of bigger capacity machines, with a view to manufacturing larger and larger mouldings. The industry is expected to import injection machines of about 60 ounces capacity. The number of machines in the extrusion section of the industry is 60, with capacity ranging from 1" to 4½".

Growth of the Industry

An interesting account of the growth of the plastics industry since its inception to the present day was given by Mr. Manubhai Shah, Union Minister for Industry, while inaugurating the Conference. The review is divided into three periods, namely, 1946 to 1951, the first Plan period 1951-56 and the second Plan period 1956-61. The first period 1946-51 witnessed a remarkable development of plastics processing industries, a prerequisite for the setting up of economical units for the manufacture of chemical raw materials. Rapid expansion took place in the moulding branch of the plastics industry, including extrusion, lamination, calendering and coating, as well as in the manufacture of synthetic resins and moulding powders from imported basic chemicals. Further, the use of P.V.C. in the manufacture of leather cloth and for the production of insulated cables, wires and flexibles made a welcome start. The value of plastics goods produced rose from Rs. 75 lakhs in 1946 to Rs. 2 crores in 1951. Such rapid strides in the plastics industry must be attributed to three factors: (1) activities of the Development Committee for the Plastics Industry (appointed in 1948) to implement the recommendation of the Plastics and Celluloid Industries Panel; (2) rich experience gained by the delegation of plastics manufacturers which visited the U.K. and the U.S.; and (3) protection for phenol formaldehyde moulding powder and bakelite electrical accessories.

During the second stage which coincided with the first Five-year Plan, the plastics industry concentrated its attention on the production of industrial goods—radio cabinets, telephone receiver sets, gramophone records, of polystyrene, injection and blow mouldings of polythene, spectacle frames, fountain pens, injection and blow mouldings of polythene and tooth brushes. Remarkable progress was also achieved in the production of paper and textile base phenolic resin boards by lamination for general industrial applications and for the electrical industries; polythene film and layflat tubing for packaging and manufacture of P.V.C. unsupported sheets by extrusion process. The production of the only raw material in the country, namely, formaldehyde moulding powder, was stabilised. The production of plastics goods and raw materials amounted to Rs. 8 crores in 1956. Export of plastics goods rose from Rs. 6.44 lakhs in 1951-52 to Rs. 14.07 lakhs in 1954-55. It is gratifying to note that import of moulds fell from 261 in 1953 to 87 in 1955.

The third stage is the present stage and coincides with the second Plan. A landmark in the development of the industry was the establishment of production of polystyrene (the large tonnage thermoplastic raw material used by the processing industry) in 1957. A beginning has also been made in the production of urea formaldehyde moulding powder suitable for moulding buttons and electric lighting accessories. Two calendering plants commenced operations for making P.V.C. unsupported film. The use of polythene for injection and blow moulding became popular and extrusion of polythene piping commenced. Large-size articles of polythene such a carboys, buckets, baskets and basins began to be moulded. Industrial items such as steering wheels, grills for air conditioners, refrigerator parts have claimed the attention of moulders. During this period, a beginning has been made in formulation of standards for the industry as well.

Latest Position

The following table shows the latest position of the plastics industry:

Description	Unit	Production			Installed capacity 1958
		1955	1956	1957	
P.F. moulding powder	000 lbs.	1,600.8	2,205.6	2,631.6	2,350
Plastics moulding	000 lbs.	2,478.8	3,603.6	3,800.0	51,608
Plastics laminated sheets	Tons	140.3	232.4	334.5	446
Tooth brushes	Mill. pcs.	4.6	9.6	13.5	N.A.
Fountain pens	Mill. pcs.	6.0	9.2	7.3	N.A.
Spectacle frames	Mill. pcs.	0.7	1.3	1.6	N.A.
Buttons	Mill. pcs.	1.3	3.0	2.9	N.A.
P.V.C. cables and wires	Mill. yds.	10.9	28.0	10.3	N.A.
Leather cloth	Mill. yds.	2.6	2.6	3.7	8.7
P.V.C. sheets	Sq. yds.	6,14,045	2,63,371	331.7*	3,700*
Plastics radio cabinets	Nos.	N.A.	98,557	59,000	N.A.
Polythene films and layflat tubings	Mill. lbs.	0.9	1.2	1.8	1.9

* Thousand lbs. N.A.—Not available.

The development programme drawn up for the plastics industry under the second Plan is on the basis of an estimated demand of 11,600 tons of different varieties of moulding powders. The targets of capacity fixed for moulding powders is 12,810 tons, including phenol formaldehyde (1,310 tons), urea formaldehyde (500 tons), cellulose acetate (900 tons), polystyrene (3,500 tons), polyvinyl chloride (1,500 tons) and polyethelene (5,100 tons).

Notwithstanding the phenomenal progress in the past few years, the plastics industry is now entering, as Mr. Manubhai Shah pointed out, a critical stage of development, thanks to the austere import policy. The Minister rightly emphasised, that the key to prosperity lay in building up self-sufficiency in raw materials, equipment and tools. He revealed in this connection that the Government had already licensed two schemes with a total capacity of about 14 million lbs. for the manufacture of polythene. According to him, one of the plants will be located in Calcutta and the other in Bombay. Besides, the scheme for P.V.C. from calcium carbide has been finalised. By 1961, the production of three raw materials, namely, polystyrene, polythene and P.V.C., is expected to go up to at least 16 million lbs. As against this quantity, the actual consumption in 1957 was only 7 million lbs. Mr. Shah did well, therefore, to stress the need for building up large volume of uses for these raw materials. In order to increase the demand for plastics goods, the industry must, as Mr. Shah pertinently remarked, have a collective programme for educating the consumers in plastics and improving the methods of marketing of plastics goods. The industry must keep abreast of the technical progress in other countries. Attention should also be devoted to the use of right plastics for the job, thoughtful design and maintenance of quality standards, which will ultimately enable the processing industry to consume more and more of raw materials.

Mould Manufacturing Capacity

While rapid development is taking place in the fields of raw material manufacture as well as in moulding and fabricating industry, it is essential that due attention be paid to the expansion of machine capacity for moulding, extrusion and fabrication, which, according to Mr. Ambalal Kilachand who presided over the Conference, is not keeping pace with the other sectors. Mr. Kilachand said that it was a matter of serious concern that licences were not obtainable for better and large-sized machines for even replacement purposes, let alone for expansion of the much needed additional capacity which alone would make for the fuller utilisation of raw materials production now being developed. He called upon the All-India Plastics Manufacturing Association to collect data regarding the present status of machines, needs for replacement and additional machinery required. Stressing the importance of building up mould manufacturing capacity, Mr. Kilachand suggested that possibilities must be explored to utilise the surplus engineering workshop capacity in the defence installations for manufacturing moulds for the plastics industry. He urged the Government to reduce the existing customs duty on moulds from 37½ per cent. to 5½ per cent., thus bringing it on a par with the capital equipment rate.

As regards mould manufacturing capacity, Mr. Manubhai Shah estimated the value of equipment and moulds required for the expansion of the processing industries in the next three years at Rs. 2 crores. He urged the industry to manufacture these items in the country itself. He disclosed, in this connection, that the services of a second expert on mould making would soon be available for the industry and that the Government had already placed at the disposal of the industry a blue-print with complete details for the establishment of a central tool making unit for the design and manufacture of moulds for those moulders who could not afford to have the equipment necessary for the making of moulds.

Plastics Technology

Another problem to which Mr. Kilachand referred related to the woefully inadequate facilities for education in plastics technology. He stressed that it was essential to provide more elaborate facilities for applied research and development in the higher technological institutes. He also stressed the necessity of statistical quality control and put forward the following suggestions:

Appointing more technical men wherever possible to run the operations in the interest of quality and right use of raw materials;

augmenting the technical service facilities to assist moulders;

concentration of the organised industry on the manufacture of industrial products in preference to others which could be made on smaller machines;

organised drive for the education of the general public about plastics materials and their usage through exhibitions, slides, lucid pamphlets and publicity; and

intensive study of many industries and machines in the hope of substituting the conventional components with more attractive and desirable plastics components.

These measures are indeed valuable and will, there is no doubt, go a long way towards improving the quality of plastics goods and reducing the prices. This is especially important considering the vast scope that exists for exports. Exports of plastics goods are important not only because they earn foreign exchange but also because an expanding export market is a pre-condition for the stability of the industry. It is gratifying to note that the plastics industry has endeavoured to export a part of its products to the industrially less advanced countries such as Ceylon, Burma, Thailand, East Africa, and Middle East countries. The total value of plastics goods exported has improved from about Rs. 6.40 lakhs in 1951 to Rs. 12.47 lakhs in 1957. The Exports Promotion Council started functioning in the beginning of the second Plan. It sent two delegations to study the prospects of exports—one to East Africa and Middle East countries and the other to South-East Asian countries. Meanwhile, the Government of India has granted refund of duty paid on imported raw materials and issued import licences to replace the raw materials content of exported goods. It is learned that a special licensing scheme has also been evolved and operated by the Plastics Export Promotion Council for grant of licences for raw materials against anticipated exports. It is to be hoped that all these measures will result in a steady improvement of the export trade in plastics goods.

SHARP RISE IN BENGAL COAL'S GROSS PROFIT

PRODUCTION AT A RECORD LEVEL

HIGHLY encouraging results are disclosed by the audited accounts of the Bengal Coal Company Ltd. (Managing Agents: Messrs. Andrew Yule & Co., Ltd., Calcutta) for the year ended 31st October 1957. Raisings of coal during the year at 2,801,164 tons were a record in the Company's history. Simultaneously with this, despatches as well as sale proceeds also made a substantial improvement, resulting in a sharp rise in the Company's gross profit over the preceding year. This is particularly significant in the context of a decline suffered in the previous year when a sharp recession was noted in all the above factors. Thus, the gross profit for the year under review at Rs. 109.19 lakhs has jumped up by as much as Rs. 24.91 lakhs or 29.5 per cent. from Rs. 84.28 lakhs for the previous year, to which level it had receded from Rs. 95.33 lakhs for 1954-55 after having shot up from Rs. 67.80 lakhs for 1953-54.

Although the gross profit has made a strident advance, this has been more than neutralised by the substantial addition to the provision for taxation and cesses. Thus, almost about 50 per cent. of the gross profit or Rs. 52.10 lakhs has been taken up by the provision for taxation and cesses alone, as against Rs. 21.37 lakhs in the previous year. Of this, the provision for taxation shows a rise from Rs. 18 lakhs to Rs. 42.65 lakhs and that for cesses from Rs. 3.37 lakhs to Rs. 6.20 lakhs. The above provision is also inclusive of a sum of Rs. 3.25 lakhs made as provision for wealth tax which, again, includes Rs. 1.56 lakhs for 1955-56. The provision for the latter, namely, wealth tax, has been made by transfers from capital reserve, investment realisation surplus and taxation reserve. The net profit, after making the above provisions, at Rs. 26.67 lakhs, stands appreciably lower, as compared with Rs. 33.99 lakhs a year ago.

The lower net profit has meant smaller allocations to the reserves. Thus, a sum of only Rs. 9.79 lakhs has been conserved, as against Rs. 13.69 lakhs in the previous year. A breakdown of this total shows that general reserve gets Rs. 7 lakhs, as against Rs. 2 lakhs in the previous year and provision for royalties Rs. 2.79 lakhs, as against Rs. 3.69 lakhs. The reserve against reduction in valuation of stores and coal stocks which had been allocated Rs. 8 lakhs in the previous year has not been provided with anything. The distribution to shareholders, however, is proposed to be maintained at 17½ per cent. paid for the previous year. This is the third year in succession for which this distribution has been maintained, having been stepped up from 15 per cent. for 1953-54 by raising the bonus part from 5 per cent. to 7½ per cent. The distribution for the year under review, as in the case of the previous year, is all in the form of dividend, the bonus part having been merged with the dividend.

The following comparative table indicates the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st October			
	1957	1956	1955	1954
Sale proceeds	7,60.46	5,83.33	6,61.77	6,04.15
Other income	25.20	44.45	13.69	9.27
Stocks	17.79	13.92	8.63	9.02
Coal purchases	61.66	39.88	46.17	44.20
Freight, shipping charges, etc.	1,55.42	1,52.39	2,24.26	1,83.53
Mining, establishment and other expenses	4,63.26	3,49.15	3,09.30	3,07.68
Gross profit	1,09.19	84.28	95.33	67.80
Managing Agents' remuneration	6.42	3.92	4.79	3.04
Provision for—				
Depreciation	24.00	25.90	26.27	24.21
Taxation and cesses	52.10	21.37	31.45	17.19
Net profit	26.67	33.99	32.82	23.36
Transfer from reserves	3.27			
To reserves	9.79	13.69	13.23	7.76
Dividends—				
4½% preference	0.62	0.66	0.66	0.66
Ordinary	17.50 (D. 17½%)	17.50 (D. 17½%)	17.50 (D. 10% + B. 7½%)	15.00 (D. 10% + B. 5%)
Director's commission			0.18	0.18
Carry forward	11.48	9.45	7.32	6.07
	Tons	Tons	Tons	Ton
Raisings	2,801,164	2,320,350	2,509,787	2,341,930
Despatches (including purchased coal)	3,101,282	2,559,083	2,809,167	2,672,529

It will be seen from the above table that raisings of coal during the year improved by 480,814 tons from that for the previous year; so also, the despatches by no less than 542,199 tons. As stated earlier, the raisings for the year under review are a new record for the Company and the Directors observe that these were the result of the planned expansion to meet the requirements of the second Five-year Plan. As regards despatches, however, they state that although they have shown a satisfactory increase over the previous year, the position has since deteriorated and that there is continued reason to doubt whether the railways will be able to maintain movement of the ever-expanding output. The rise in despatches of coal has lifted up the sale proceeds from Rs. 5.83 crores to as high as Rs. 7.60 crores. Mining, establishment and other expenses have increased from Rs. 3.49 crores to Rs. 4.63 crores and this is partly accounted for by the rise in salaries and wages of colliery workers from Rs. 198.82 lakhs to Rs. 278 lakhs.

A strong financial position is disclosed by the Company's balance-sheet as at 31st October 1957. Its reserves and surplus aggregate Rs. 173.61 lakhs, as against a paid-up capital of Rs. 120 lakhs, made up of Rs. 20 lakhs in 4½ per cent. (taxable) cumulative preference shares of Rs. 100 each and Rs. 100 lakhs in ordinary shares of Rs. 100 each. The provision for taxation stands at Rs. 51.65 lakhs and that for cesses at Rs. 9.79 lakhs. The current liabilities amount to Rs. 184.31 lakhs. There has been an addition of Rs. 31.82 lakhs to the gross block during the year, bringing its total value to Rs. 638.13 lakhs. This has been written down to Rs. 196.52 lakhs. The current assets aggregate Rs. 342.84 lakhs and include stores and spare parts Rs. 115.56 lakhs, stocks of coal Rs. 17.79 lakhs, sundry debtors Rs. 142.93 lakhs, loans and advances Rs. 18.84 lakhs and cash balances Rs. 34.63 lakhs. The excess of current assets over current liabilities and provision for taxation and cesses is as much as Rs. 97.09 lakhs.

The Rs. 100 fully paid-up ordinary shares of the Company are being currently quoted at Rs. 245 *ex-div.* at which rate and on the basis of the latest dividend, the shares provide a yield of 7.14 per cent. per annum, free of income-tax.

NATIONAL RUBBER MANUFACTURERS LTD.

The National Rubber Manufacturers Ltd. (Managing Director: Mr. K. N. Mookerjee, Calcutta) was converted into a public limited company during the year 1957 and in order to implement successfully the expansion schemes on which it had actively embarked, the Company offered for public subscription 420,000 ordinary shares of Rs. 10 each and 10,000 six per cent. tax-free cumulative preference shares of Rs. 100 each in November 1957. These were fully subscribed. But the Company has called up only Rs. 5 per share on the ordinary shares and Rs. 50 per share on the preference shares. The fresh issue of capital was primarily intended to finance its expansion schemes.

The excellent response from the public to the Company's issue of shares and its encouraging performance during the year ended 31st December 1957 are an indication of the bright prospects fot the Company in the context of the country's continuing industrial progress. Its sale proceeds during the year under review show a sharp rise from Rs. 109.93 lakhs in 1956 to Rs. 132.17 lakhs. Indeed, sales would have reached even higher levels had it not been for the fact that the Company had at times to curtail its production due to shortage of some essential raw materials like raw rubber, reclaimed rubber, bead wire, imported chemicals, etc. In this connection, it must be remembered that the effect of the fresh issue of capital has not been reflected in the Company's working during 1957 as the funds from this source were received only towards the end of the year. In addition, the extra production capacity from the new plant and machinery was also not available during the year under review. Despite these shortcomings, the gross profit at Rs. 7.19 lakhs compares well with Rs. 6.80 lakhs for the previous year. After raising the provision for depreciation from Rs. 1.81 lakh to Rs. 2.20 lakhs and that for taxation from Rs. 1.50 lakh to Rs. 1.53 lakh (including Rs. 22,000 as provision for wealth tax for 1957), the net profit at Rs. 3.46 lakhs stands a shade lower, as compared with Rs. 3.49 lakhs a year ago. No amount has been transferred to the dividend equalisation fund which received Rs. 2 lakhs in the previous year. The Directors have proposed a dividend of 10 per cent. for the year under review, as against 20 per cent. in the previous year. It must, however, be noted that the dividend for 1957 is on a higher capital of Rs. 29 lakhs raised by the issue of shares as aforesaid. Although additional capital was raised only at the end of the year, dividend has been recommended on all ordinary shares including the new issue at the full rate for the whole year. The dividend absorbs Rs. 2.90 lakhs (Rs. 1.60 lakh in the previous year), leaving a sum of Rs. 1.80 lakh to be carried forward, as against Rs. 1.27 lakh brought in.

Commenting on the Company's progress in expansion and its outlook for the current year, the Directors in their latest report observe:

"Progress with regard to construction of additional structures and provision for additional power and other services in connection with the Company's expansion of production, particularly of cycle tyres, industrial V-belts and fan belts, and belting was satisfactory during 1957. Many of the plant and machinery required for the expansion programme already arrived and were under installation, while others were being shipped. Towards the end of 1957 production of all items started increasing. It is expected that during 1958 there will be substantial increase in both production and sales as some of the new plant and machinery have already gone into production. While there may be some increase in the profits of the Company in 1958, provided there is no shortage of raw materials or of foreign exchange, the full benefit of additional profit arising out of the expansion programme is expected to be derived from 1959 onwards."

The balance-sheet as at 31st December 1957 shows the Company's paid-up capital at Rs. 34 lakhs, made up of 10,000 six per cent. tax-free cumulative preference shares of Rs. 100 each, of which Rs. 50 per share has been called up, 80,000 ordinary shares of Rs. 10 each fully called up and 420,000 ordinary shares of Rs. 10 each on which Rs. 5 per share has been called up. This is supplemented by reserves and surplus aggregating Rs. 7.80 lakhs. The gross block of Rs. 50.22 lakhs, including additions during the year of Rs. 8.98 lakhs, stands written down at Rs. 21.61 lakhs. The current liabilities aggregate Rs. 73.27 lakhs, against which there are current assets amounting to Rs. 92.59 lakhs. Miscellaneous expenditure accounts for Rs. 87,762.

The Rs. 10 fully paid-up shares are being currently quoted at Rs. 12.37 *ex-div.*, at which rate and on the basis of the latest dividend, the yield works out to 8.08 per cent. per annum.

SAVAMALAI ESTATE REPEATS DIVIDEND

Slightly better results are disclosed by the audited accounts of the Savamalai Estates, Ltd. (Secretaries and Treasurers: Messrs. Peirce Leslie & Co., Ltd., Calicut), for the year ended 30th November, 1957. The gross profit at Rs. 1.47 lakh shows a slight increase from Rs. 1.43 lakh for the previous year. This small rise is in refreshing contrast to the setback noted in 1954-55 when the gross profit declined from Rs. 1.43 lakh for 1953-54 to Rs. 1.26 lakh. The Directors have raised the provision for taxation in order to meet the increase in agricultural income-tax rates imposed by the Madras Government in 1957-58 and also to cover the deficiency in the amount provided in the previous year. The net profit, after making the above provision, at Rs. 58,997, stands lower than Rs. 80,493 provided for the previous year. The Directors have transferred a sum of Rs. 50,000 to the general reserve, same as in the previous year. There is also no change in the rate of dividend which is proposed to be maintained at 15 per cent. paid for the previous year, to which level it had been stepped up from 10 per cent. for 1954-55. It may be stated in this connection that the dividend had been progressively reduced to the 10 per cent. level from 30 per cent. for 1952-53 and 25 per cent. for 1953-54.

The following comparative table will give some idea of the Company's progress during the past four years:

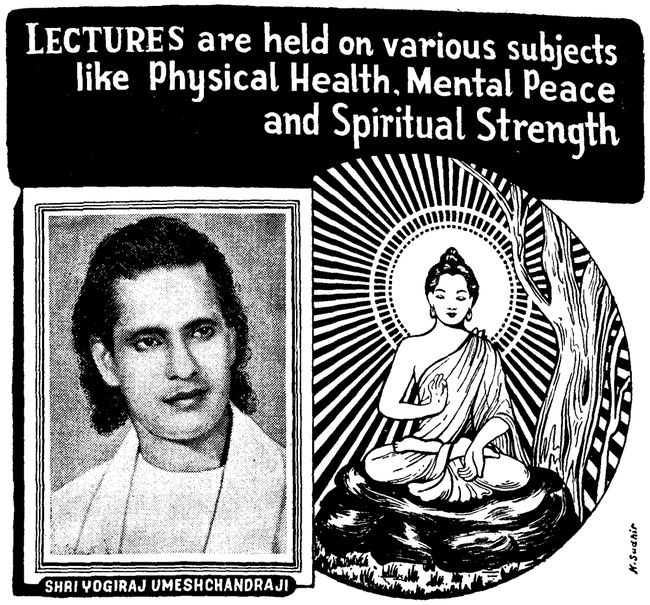
	For the year ended 30th November			
	1957	1956	1955	1954
Proceeds of coffee	6,27,032	7,25,590	6,45,372	..
Other income	1,237	6,065	3,890	8,546
Closing stocks	2,08,975	56,345	90,490	65,735
Expenses	3,14,821	2,82,604	2,60,015	2,29,536
Gross profit	1,46,838	1,43,340	1,26,412	1,43,498
Secretaries' and treasurers' remuneration	9,889	5,853	6,938	7,986
Depreciation	14,984	17,817	16,108	13,625
Taxation	62,968	30,177	25,250	41,909
Net profit	58,997	80,493	68,116	79,979
Transfer to reserves	50,000	50,000	50,000	..
Dividend—				
Ordinary	55,017 (15%)	55,017 (15%)	36,678 (10%)	91,695 (25%)
Carry forward	798	46,818	71,342	59,004
Coffee crop (in cwts.)	3,111	2,396	2,860	2,203

The Company's harvest of coffee during the 1956-57 season at 3,111 cwts. is a record and shows a sizable improvement over 2,396 cwts. in the previous season. Coffee has been valued at Rs. 2.50 per point which was the same in the previous season. Payments received up to the end of May amounted to Rs. 2.65 per point. This works out at approximately Rs. 132.50 per cwt. for robusta and Rs. 195 per cwt. for arabica, as against Rs. 132.50 and Rs. 192.50, respectively, for the previous season. The crop for 1957-58 is estimated at 3,300 cwts. and the present indications are that this will be harvested.

The Company's total area of 671.74 acres is made up of 357.03 acres under mature coffee (robusta 228.90 acres and arabica 128.13 acres) and 134.40 acres under immature coffee (robusta 49.82 acres and arabica 84.58 acres).

The Company's paid-up capital as on 30th November 1957 remains unchanged at Rs. 3.67 lakhs, all in ordinary shares of Rs. 10 each. Since the close of the year, the Company has sub-divided the Rs. 10 paid-up shares into shares of Rs. 2 each. Half of the above capital was raised by capitalisation of reserves in 1952-53. The reserves and surplus aggregate Rs. 4.01 lakhs. The provision for taxation less advance payments stands at Rs. 49,244 and current liabilities amount to Rs. 1.89 lakhs. The gross block of Rs. 8.17 lakhs has been written down to a book value of Rs. 7.24 lakhs. A sum of Rs. 38,081 was spent during the year on upkeep of immature areas. No new area was opened during the year for want of funds. The current assets amount to Rs. 2.81 lakhs and are enough to cover the current liabilities and provision for taxation.

The Rs. 2 fully paid-up shares of the Company are being currently quoted at Rs. 4.63 *cum-div.* On an *ex-div.* basis, the yield is 6.93 per cent. per annum.



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Points From The Chair

Development Rebate

"IT is a happy augury that the provisions with regard to the current profits deposits, introduced in November 1956, have been kept in abeyance this year. We hope, in due course, these provisions will be entirely removed from the Statute Book. The incidence of tax on corporations, however, still continues to be very heavy and is working as a drag on capital formation required for starting any new industry or expanding the existing ones. If the targets fixed by the second Five-year Plan for the private sector have to be achieved, it is essential that quite a few irksome provisions contained in the Tax Statute are removed as early as possible. I may particularly mention here the recent provisions regarding the development rebate. Though the rigours of the original provisions have been watered down to a certain extent, still the provisions continue to act as a disincentive and require some further consideration. Any new industry would find it extremely difficult to make any profits as such during the first year of its operation, much less a profit upto 75 per cent. of the development rebate. If, therefore, the development rebate is to act as an encouragement to the establishment of new industries as originally conceived, it is high time that the recent provisions made with regard thereto are amended as early as posssible and the *status quo* restored."

KASTURBHAI LALBHAI,
National Rayon Corporation Ltd.

Local Manufacture

"With so many countries restricting imports because of shortage of ready cash and/or development of local manufacture, we are continuing our efforts to open all possible new markets. The development of local manufacture is of course not a new problem and where it seems inevitable or justified our policy for many years has been to enter into partnership with the nationals concerned. It invariably means a loss of the export of some products from this country, but this is gradually compensated by the export of more technical goods as the country develops and by the fees received for technique and technical services in addition to the expected return on shareholding."

W. H. MCFADZEAN,
British Insulated Callender's Cables Ltd.

Aircraft

"We have been fortunate in having had a good share of the aircraft manufacturing business of this country. It is particularly satisfactory that with the successful Viscount and the new Vanguard and V.C.10 our aircraft interests are so largely in the civil field at a time when military orders have almost disappeared—though perhaps not for all time. But I feel that it is equally important to ensure that in a group such as ours the stake in various fields of engineering should be as well balanced as possible. Therein, in my opinion, lies the strength of the Vickers Group. We can, with well spread investments, afford to accept the fluctuating results which are inherent in the aircraft industry as it is today and also to develop new businesses either at home or abroad which may not give an immediate return, because we know that we have a steady foundation in generally stable interests such as general engineering, the steel products of English Steel Corporation, transportation products of Metropolitan-Cammell and, for most of the time, shipbuilding and ship repairing. That is why I believe that the rather lower proportion which our aircraft interests now bear to our total turnover is not a bad thing."

VISCOUNT KNOLLYS,
Vickers Ltd.

Cable Industry in England

"There is no doubt that the cable industry of this country is passing through a period of difficulty. The large-scale expansion of the industry which has taken place since the last war has resulted in excess capacity which in the present state of world demand cannot be fully employed. The curtailment in profit margins has occurred at a time when as never before industry has had to build up reserve in order to be self-financing and meet demands for expenditure to keep pace with technical developments, many of which are necessary due to the introduction of entirely new materials. Thus there is a tendency to stimulate a degree of rationalisation in the industry, with the object of securing maximum economies in production, administration and selling. Much ingenuity and enterprise will be required to solve our problems, but the history of the industry is such that I am confident that it will be successful in adapting its structure and organisation to meet its difficulties."

SIR JOHN DALTON,
W. T. Henley's Telegraph Works Co., Ltd., London

COMPANY MEETINGS AND DIVIDENDS

WEST COAST ELECTRIC SUPPLY CORPORATION LTD. Annual General Meeting, Madras, 23rd June 1958. Dividend: Re. 1.00 per share (made up of two interim dividends). Transfer books remain closed from 20th to 23rd June 1958, both days inclusive.

MUTTRA ELECTRIC SUPPLY CO., LTD. Annual General Meeting, Calcutta, 23rd June 1958. Transfer books remain closed from 17th to 23rd June 1958, both days inclusive.

JAGATJIT COTTON TEXTILE MILLS LTD. Annual General Meeting, Calcutta, 24th June 1958. Transfer books will remain closed from 14th to 24th June 1958, both days inclusive.

INDIAN WOOD PRODUCTS CO., LTD. Annual General Meeting, Calcutta, 24th June 1958. Dividend: Rs. 2.75 per share. Transfer books remain closed from 12th to 24th June 1958, both days inclusive.

STAR TEXTILES LTD. Annual General Meeting, Calcutta, 26th June 1958. Dividend: *Nil.* Transfer books remain closed from 16th to 26th June 1958, both days inclusive.

TUNGABHADRA INDUSTRIES LTD. Annual General Meeting, Calcutta, 27th June 1958. Dividend: *Nil.*

KAMANI ENGINEERING CORPORATION LTD. Annual General Meeting, Bombay, 30th June 1958. Dividend: *Nil.* Transfer books remain closed from 10th to 30th June 1958, both days inclusive.

TIDE WATER OIL CO. (INDIA) LTD. Annual General Meeting, Calcutta, 1st July 1958. Dividend: Re. 1.25 per share (includes interim dividend of Re. 0.50 per share). Transfer books remain closed from 18th June to 1st July 1958, both days inclusive.

EQUITABLE COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books remain closed from 20th June to 3rd July 1958, both days inclusive.

DHEMO MAIN COLLIERIES LTD. Annual General Meeting, Calcutta, 3rd July 1958.

HURRILADIH COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958.

WEST JAMURIA COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958.

AJIT MILLS LTD. Annual General Meeting, Ahmedabad, 7th July 1958. Dividend: Rs. 28.00 per share, payable from 24th to 26th July 1958. Transfer books remain closed from 17th June to 7th July 1958, both days inclusive.

BHARTIA ELECTRIC STEEL CO., LTD. Annual General Meeting, Calcutta, 8th July 1958. Transfer books will remain closed from 25th June to 8th July 1958, both days inclusive.

HOYLE'S PAINTS LTD. Annual General Meeting, Calcutta, 8th July 1958. Dividend: *Nil.* Transfer books will remain closed from 1st to 8th July 1958, both days inclusive.

PURTABPORE CO., LTD. Annual General Meeting, Kanpur, U.P., 8th July 1958. Dividend: *Nil.*

SHAW WALLACE AND CO., LTD. Annual General Meeting, Calcutta, 10th July 1958. Transfer books will remain closed from 1st to 10th July 1958, both days inclusive.

BRUSHWARE LTD. Annual General Meeting, Kanpur, U.P., 16th July 1958. Dividend: Re. 0.75 per share, free of income-tax.

BISRA STONE LIME CO., LTD. Interim dividend of Re. 0.87 per ordinary share, for the year ended 31st March 1958, payable on or after 14th July 1958. Transfer books will remain closed from 24th June to 8th July 1958, both days inclusive.

NEW INDIA ASSURANCE CO., LTD. Dividend of Rs. 3.00 per share, for the year ended 31st December 1957. Transfer books will remain closed from 30th June to 29th July 1958, both days inclusive.

ONDAL COAL CO., LTD. Dividend of 5 per cent. or Re. 0.50 per ordinary share, for the year ended 31st December 1957.

SENDRA COAL CO., LTD. Dividend of 2½ per cent. or Re. 0.25 per share, for the year ended 31st December 1957.

BENGAL PAPER MILLS CO., LTD. Dividend of 6½ per cent. on ordinary shares, for the year ended 31st December 1957.

RAJALAKSHMI MILLS LTD. Dividend of Rs. 4.50 per share or 9 per cent. for the year ended 31st December 1957. Transfer books will remain closed from 7th to 14th July 1958, both days inclusive.

COMPANY REGISTRATIONS

THE BARODA RAYON CORPORATION LTD. (First subscriber: Mr. Babubhai M. Chinai.) Business: Manufacturers, importers, exporters and dealers in rayon yarn, staple fibre and allied products. Authorised capital: Rs. 10,00,00,000. Public company. Address: Lalji Naranji Memorial Building, 76, Veer Nariman Road, Bombay.

VIJAY VILAS AGRONOMICS LTD. (First Director: Mr. K. S. Fatehsinghji.) Business: To carry on agricultural operations. Authorised capital: Rs. 5,00,000. Public company. Address: Khandelwal Bhavan, 2nd Floor, 166, Dr. Dadabhai Naoroji Road, Bombay 1.

RESULTS OF KAMANI ENGINEERING CORPORATION BETTER

GWALIOR SUGAR RAISES DIVIDEND

Kamani Engineering Corporation Ltd.

THE directors of the above Company (Managing Agents: Messrs. Kamani Brothers Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 30th September 1957.

The profits for the year come to Rs. 6,23,599 (Rs. 4,45,119). After deducting therefrom provisions for depreciation amounting to Rs. 3,49,037 (Rs. 2,89,962), for taxation Rs. 25,000 (*nil*), for gratuity Rs. 40,000 (Rs. 40,000) and for doubtful debts Rs. 25,000 (Rs. 10,000) the amount available together with the amount of Rs. 36,664 (Rs. 16,007) brought forward from last year comes to Rs. 2,21,226 (Rs. 1,19,164). The directors recommend that this amount be disposed of as under:—

To payment of dividend on 5½ per cent. (less income-tax) cumulative preference shares of Rs. 100 each for the years ended 30th September 1956 and 1957 (for 1955) at Rs. 5.50 per share absorbing Rs. 1,65,000 (Rs. 82,500) leaving a balance to be carried forward of Rs. 56,226 (Rs. 36,664).

Manufacture and Galvanization of Steel Transmission Line Towers. For the first half-year of the period under report, the Factory was unable to achieve the planned production due to non-availability of the required sections of steel regularly. However, the production was improved in latter part of the year. During the current year, it has been planned to increase its production and it has achieved record figure of about 800 tons per month since January 1958. During the period under review it was possible to supply transmission line towers to projects like Utran-Baroda, Calcutta Electrification, Rampur-Moradabad, Delhi Electricity Board, Korba-Bhilai, etc., successfully, totalling 4,456 tons, as compared to 3,357 tons in the previous year. Further orders were secured which total to 9,200 tons. The erection work of transmission line towers is being carried on at various projects and during the year under review it has completed 49 miles route.

Wagon Assembly Plant at Okha: The Company assembled and supplied 5,940 wagons to the Railway during the period under review. As indicated last year, the Company had to close the plant on account of stoppage of import of wagon parts in the country.

Manufacture of Road-rollers:—Due to appreciable demand for heavy type of road-rollers, the production thereof had to be switched on from light type of road-rollers. The production during the year was slowed down as a result of changes required to be made in designs of manufacture etc. The total production during the year under review was 52 numbers.

The working of the agency business showed good progress in spite of difficulties of obtaining plant and machinery on deferred payments. The extent of orders secured during the year under review is quite satisfactory as compared to previous year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	59,98,125	Block ...	38,88,330
Reserves ...	2,57,957	Stock-in-trade	45,96,062
Provision for taxation ...	37,713	Stores, dies and tools ...	6,45,527
Liabilities ...	1,11,37,583	Debts, deposits and advances ...	69,03,903
Profit and loss account ...	56,226	Investments	1,84,525
		Cash ...	4,36,515
		Lahore assets	8,32,742
Rs.	1,74,87,604	Rs.	1,74,87,604

Gwalior Sugar Co., Ltd.

The directors of the above Company [Managing Agents: Messrs. J. P. Srivastava & Sons (Madhya Bharat) Private Ltd., Dabra, Madhya Pradesh] submit the audited accounts of the Company for the year ended the 30th June, 1957.

The results, after providing Rs. 2,43,603 (Rs. 2,27,011) for depreciation and Rs. 9,10,000 (Rs. 3,68,000) for taxation show a profit of Rs. 2,33,532 (Rs. 2,76,529) to which has to be added a sum of Rs. 14,799 (debit of Rs. 1,596) brought forward from the previous year, leaving at the credit of the profit and loss account a sum of Rs. 2,48,331 (Rs. 2,74,933) which the directors recommend to be disposed of as under:—

To dividend at 7 per cent. on 6,750 redeemable cumulative preference shares of Rs. 100 each for the year ended 30th June, 1957 Rs. 47,250 (Rs. 94,500 for the years 1955 and 1956, to dividend at 7 per cent. on 5,000 cumulative preference shares of Rs. 100 each for the year ended 30th June, 1957 Rs. 35,000 (Rs. 70,000 for the years 1955 and 1956), to dividend at 10 (6) per cent. on 15,939 equity shares of Rs. 100 each for the year ended 30th June, 1957 (free of Indian income-tax) Rs. 1,59,390 (Rs. 95,634) and to carry over to next year Rs. 6,691 (Rs. 14,799).

Full provision for cane cess has been made in the accounts for the year under review as the cross appeals filed by the Government of Madhya Pradesh and the Company remain pending with the Supreme Court of India.

The directors report that the Company's factory had a record season both in respect of duration and quantity of cane crushed during the year under review. The factory attained the highest ever crush of 39,61,651 maunds of cane as against 26,91,209 maunds of the previous year, necessitating the prolongation of the season to 197 days and resulting in a small drop in the recovery of sugar from 10.06 per cent. to 10.02 per cent.

The directors are fully alive to the importance of increasing the present capacity of the factory plant so as to cope with the increased supply of sugarcane and to crush it economically during a season of normal duration. They regret to report that apart from being able to carry out a partial extension and improvements in the present plant, they have not so far been successful in obtaining the requisite import licences for certain essential machinery that has to be imported for carrying out any substantial extension, due to the Government's restrictive import policy. The management is actively pursuing this matter with the Government authorities and it is hoped that some progress will be made in this regard in the near future.

The directors report that the supplementary irrigation schemes envisaged by the former Government of Madhya Bharat in the Harsi and other cane growing areas of the factory, have not received the attention that they merit by the successor Government of Madhya Pradesh. The Company is making further representations at various levels for the implementation of these irrigation projects during the second Five-year Plan. In the meanwhile the directors have given serious consideration to the fullest exploitation of the existing resources of land and water so as to maximise the cultivation and yield of sugarcane on the fulfilment of which the future prosperity of the Company will greatly depend. In conformity with this objective of more intensive and extensive cultivation of sugarcane, the directors have recommended the acquisition and control of the Gwalior Agriculture Co. Ltd., which owns extensive sugarcane farms in the vicinity of Dabra, by making it into a subsidiary of the Company.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	27,68,900	Block ...	17,53,053
Reserves ...	15,86,419	Stock of Sugar and molasses	58,00,419
Provision for income-tax	13,25,889	Stores, tools, etc. ...	8,00,352
Provision for wealth tax	40,000	Debts, deposits and advances ...	18,22,565
Liabilities ...	51,68,449	Investments	1,70,100
Profit and loss account ...	6,691	Cash ...	5,49,859
Rs.	1,08,96,348	Rs.	1,08,96,348

Purtabpore Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Begg, Sutherland and Co., Ltd., Kanpur, U.P.), submit the audited accounts of the Company for the year ended 31st October 1957.

The results for the year, after making the usual provisions for taxation, depreciation and adjustments, show a surplus of Rs. 20,257 (Rs. 3,91,334) to which has been added the balance brought forward from the previous year of Rs. 20,705 (Rs. 6,871) making a total of Rs. 40,962 (Rs. 3,98,205). The directors have transferred to rehabilitation reserve Rs. 25,000 (Rs. 2,50,000) leaving at credit of profit and loss account Rs. 15,962 (Rs. 20,705 after paying a dividend of 10 per cent. on the preference shares absorbing Rs. 60,000 and a dividend on the ordinary shares at Re. 0.75 per cent. per share absorbing Rs. 67,500).

The quantity of cane crushed by the factory during the season was 24,74,745 maunds with an extraction of 9.38 per cent. as against 25,97,018 maunds with an extraction of 10.22 per cent. in the previous season. The factory commenced crushing on the 26th November 1956 and completed the season on the 5th April 1957.

The unsatisfactory results during the year have almost entirely been due to the poor quality of sugarcane supplied to the Factory. The Industry continues to pursue the matter of the poor cane quality with the State Governments of U.P. and Bihar and it is hoped that some effective measures in this direction will be taken.

The net price received for sugar was slightly higher than in the previous year but cannot be considered to be remunerative particularly when it is realised that of the price of a maund of sugar no less than Rs. 13-3 is represented by excise duty, cane cess and Co-operative Society charges. Of the total cost of manufacture 79 per cent. is accounted for by the cost of sugar cane and taxes.

The cane price remained at the previous rate of Re. 1-7 per maund at the Factory gate and Re. 1-5 per maund at outstations and these prices had to be paid irrespective of the quality of cane supplied. While it is understood that increasing attention is being given in Government circles to the possibility of relating cane prices to quality, the results of the Company for the year under review afford a striking example of the consequences of paying for cane on the basis of its weight only.

The efficiency of factory operation continued at a very high level while the Company's estates continued to supply cane to the factory and seed-cane to growers to assist in improving both the quantity and the quality of the cane offered for crushing.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	15,00,000	Block ...	14,06,755
Reserves ...	19,64,146	Stock-in-trade	18,28,613
Provision for taxation ...	1,36,840	Stores, spare parts and loose tools	8,82,001
Liabilities ...	22,77,169	Debts, deposits and advances ...	17,03,318
Profit and loss account ...	15,962	Investments	34,760
		Cash ...	38,670
Rs.	58,94,117	Rs.	58,94,117

Tide Water Oil Co. (India) Ltd.

The directors of the above Company (Managing Agents: Messrs: Andrew Yule & Co., Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st October 1957.

The accounts show a profit after charging all expenses, of Rs. 2,76,256 (Rs. 1,84,154) on which provision for income and super-tax requires Rs. 1,70,000 (Rs. 73,000) leaving a balance of Rs. 1,06,256 (Rs. 1,11,154). The balance brought forward from last year was Rs. 57,636 (Rs. 28,582) making a total available for appropriation of Rs. 1,63,892 (Rs. 1,89,736 including Rs. 50,000 being excess provision for taxation in previous years written back). The directors have transferred to provision for bad and doubtful debts Rs. 20,000 (Rs. 57,100 to general reserve). From the balance of Rs. 1,43,892 (Rs. 1,32,636) an interim dividend of 50 (50) naye Paise per share was paid on 19th September, 1957 Rs. 30,000 (Rs. 30,000). The directors now recommend that a final dividend of 75 (75) naye Paise per share be paid absorbing Rs. 45,000 (Rs. 45,000) leaving a balance to be carried forward of Rs. 68,892 (Rs. 57,636). Rs. 11,500 has been provided for wealth tax by a transfer of this amount from special reserve.

Gross sales have again shown an appreciable increase over those of the previous year and prospects for the current year are satisfactory.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	6,00,000	Goodwill ...	2,00,000
Reserves ...	9,41,500	Block ...	63,232
Provision for taxation ...	2,27,114	Stock-in-trade	29,61,529
Provision for wealth tax	11,500	Debts, deposits and advances ...	19,68,867
Liabilities ...	37,25,486	Cash ...	3,80,864
Profit and loss account ...	68,892		
Rs.	55,74,492	Rs.	55,74,492

Tungabhadra Industries Ltd.

The directors of the above Company (Managing Agents: The Cotton Agents Private Ltd., Bombay) submit the audited accounts of the Company for the year ended 30th September 1957.

The profit and loss account, after providing Rs. 4,49,800 (*nil*) for depreciation and Rs. 9,000 (*nil*) for the wealth tax, shows a profit of Rs. 61,543 (loss of Rs. 2,03,098) which has been adjusted against the debit balance brought forward from the previous year.

During the year under review, the production of vanaspati and refined oil in aggregate was about 11,600 tons in comparison to about 13,200 tons in the previous year, due to the fact that the factory could be worked only partially for a period of 1½ months on account of a breakdown in the D.C. generator and also due to scarcity of raw-materials at the fag end of the season.

Due to heavy fall in the International prices of hydrogenated groundnut oil and other edible oils, the company could not export its products to foreign market as the prices prevailing there were unremunerative. However, the demand for the company's products in the home market was satisfactory in spite of keen competition from other manufacturers.

The rate of excise duty on groundnut oil has been enhanced from Rs. 70 to Rs. 112 per ton, with effect from the 16th May 1957. This is in addition to the excise duty of Rs. 140 per ton already in force on vanaspati.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	30,58,950	Block ...	61,05,362
Debentures	15,03,000	Stock-in-trade	17,37,643
Reserves ...	17,463	Stores and spare parts	6,07,936
Provision for sales tax ...	3,61,585	Debts, deposits and advances ...	27,37,723
Provision for wealth tax	9,000	Investments	25,451
Liabilities ...	71,62,717	Cash ...	2,39,169
		Profit and loss account ...	6,59,431
Rs.	1,21,12,715	Rs.	1,21,12,715

N.B.—Figures within brackets relate to the corresponding period of the previous year.

THE BANK OF INDIA, LTD.

ESTABLISHED 7th SEPTEMBER 1906

CAPITAL—AUTHORISED, ISSUED AND SUBSCRIBED .. .. Rs. 5,50,00,000
CAPITAL PAID-UP .. .. Rs. 3,00,00,000
RESERVE FUND .. .. Rs. 3,10,00,000

Head Office:
MAHATMA GANDHI ROAD, FORT, BOMBAY

BRANCHES IN INDIA:

AHMEDABAD, Bhadra (Main Office), Ellis Bridge, Gandhi Road, Manek Chowk, Station Branch
AMRITSAR
BANGALORE
BOMBAY, Andheri, Bandra, Bullion Exchange, Colaba, Kalbadevi, Malabar Hill
BHUJ (Kutch)
CALCUTTA, 23-B, Netaji Subhas Road (Main Office), Bara Bazar, Chowringhee Square
CALICUT
COIMBATORE
DELHI
GANDHIDHAM (Kutch)
HYDERABAD (Deccan)
JAMSHEDPUR
JUNAGADH
MADRAS
NAGPUR, Kingsway, Itwari Bazar
NEW DELHI
PALANPUR
POONA, POONA CITY
RAJKOT
SURAT
SHOLAPUR
VERAVAL
VISAKHAPATNAM

BRANCHES OUTSIDE INDIA:
LONDON—17, Moorgate, London, E.C. 2.
ADEN, DAR-ES-SALAAM, JINJA, KAMPALA, KARACHI, MOMBASA, NAIROBI, OSAKA, SINGAPORE, TOKYO.

DIRECTORS
SIR COWASJEE JEHANGIR, Baronet, G.B.E., K.C.I.E. (Chairman).
Mr. AMBALAL SARABHAI.
SIR JOSEPH KAY, K.B.E.
Mr. RAMNIWAS RAMNARAIN.
Mr. BHAGVANDAS C. MEHTA.
Mr. KRISHNARAJ M. D. THACKERSEY.
Mr. A. D. SHROFF.
Mr. MADANMOHAN MANGALDAS.
Mr. N. K. PETIGARA.
SIR VITHAL N. CHANDAVARKAR.

Current Deposit Accounts.—Except at certain places Interest is allowed on daily balances from Rs. 500 to Rs. 1,00,000 at ½ per cent. per annum. No credit will be given for interest amounting to less than Re. 1 per half-year.
Fixed, Short and Savings Bank Deposits received on favourable terms. Rates on application.
Foreign Exchange Business Transacted and Letters of Credit opened for approved customers.
The Bank acts as Executor and Trustee under Wills and Settlements and undertakes Trustee business generally.
Every Description of Banking Business Undertaken.

T. R. LALWANI, *General Manager.*

THE SOUTH INDIA INSURANCE CO., LTD.

Incorporated in India
(Established 1934)

FIRE, MARINE, ACCIDENT AND MISCELLANEOUS INSURANCE BUSINESS

Head Office:
Jehangir Building
133, Mahatma Gandhi Road
Fort, BOMBAY

THE CANARA BANKING CORPORATION LIMITED
(A Scheduled Bank)

Estd: 1906 *Head Office:* UDIPI (S. India)

The 53rd Branch of our Bank was opened at **9, Royal Exchange Place, CALCUTTA,** on Friday, the 2nd May, 1958, and from that day onwards, it has begun to transact regular Banking business of every description.

FOOD FOR THOUGHT

One for the pot!

Some people say that to make a good cup of tea you need a spoonful for each person—and one for the pot. Some freshly boiled water...a few minutes to stand...and you have one of the most refreshing and popular drinks in the world.

We might have our pet theories on the best way of making tea, but we are all agreed that it is one of the most important cash crops grown in this country. India grows—and exports—more tea than any other country in the world. Each year, the tea industry earns over Rs. 100 crores of valuable foreign exchange—exchange which the country needs so badly at the present time.

Tea planters continue to improve methods of cultivation to ensure that Indian tea will hold its own in highly competitive export markets. Control of pests and diseases is vital to improve the quality and to increase the yield per acre. One of the major pests—particularly in Assam—is the tea termite which attacks the roots of the tea bush and causes considerable losses.

A Shell chemical called dieldrin provides effective, persistent control of termites and prevents re-infestation for as long as two years. True, dieldrin has to be imported because it is not manufactured in India. But for every rupee spent on importing dieldrin enough extra tea can be produced to earn as much as six rupees of foreign exchange. This is a sensible way of spending money, whichever way you look at it: food for thought, in fact.

SHELL Chemicals can save crops

and Foreign Exchange too!

THE BRITISH INDIA GENERAL INSURANCE COMPANY, LIMITED
(INCORPORATED IN INDIA)
HEAD OFFICE:—MEHTA HOUSE, APOLLO STREET, BOMBAY
Chairman: JAL H. MEHTA *General Manager:* M. S. DASTUR

TRAVANCORE CEMENTS LIMITED

CHAIRMAN'S SPEECH

THE Eleventh Annual General Meeting of the Travancore Cements Ltd. was held in Kottayam on 11th June 1958. Addressing the shareholders on the occasion, Mr. C. S. Loganathan, the Chairman of the Company, expressed the hope that the Government would soon sanction such an enhanced price for the Company's cement as would cover the rising costs of production, taking into consideration also the special factors relating to Company.

The following is the full text of Mr. Loganathan's speech:

"GENTLEMEN,

"On behalf of myself and my colleagues on the Board, I extend to you all a warm welcome to this eleventh annual general meeting of the Company. The directors' report and audited accounts for the year 1957 have been in your hands for some time and, with your permission, I shall take them as read.

"In my speech last year, I had mentioned that the Government of India had directed the Tariff Commission to examine afresh the cost of production of cement and determine a fair price to be paid to cement producers. Your Company placed its case fully before the Commission for a fair increase in our price. It is understood that the Tariff Commission's report is now before the Government and we may hope that the Government would soon sanction such an enhanced price as would cover the rising costs of production, taking into consideration also the special factors relating to this factory.

Excise Duty on Cement

"The excise duty on cement which was Rs. 5 per ton was increased to Rs. 20 per ton with effect from 16th May 1957 and again to Rs. 24 per ton from 1st March 1958. However, the ex-works price at which we sell our cement to the State Trading Corporation remains the same, i.e., Rs. 73 per ton of loose cement.

"During the year 1957, our production of cement has been more than the rated capacity of the factory and our production for the year was 52,800 tons of cement. Our sales during the year was only 47,793 tons, out of which 25,260 tons have been sold to Government departments. The offtake of cement in the latter part of the year was very poor and this has resulted in accumulation of stock. However, the position has improved since the beginning of 1958.

"*White Cement*: The extension work for the manufacture of white cement is in good progress. All the machinery required for the white cement scheme have already arrived and it is hoped to start manufacturing operations by the end of this year.

Profit and Taxation

"The net profit for the year 1957, after providing for depreciation, is Rs. 5,18,136, to which is added the balance brought forward from the previous year, Rs. 7,08,101, making a total of Rs. 12,26,237.

"On account of the extra depreciation allowances, the Company's profits have not been subjected to income-tax so far. The unabsorbed depreciation amount as on 31st December 1957 stands at Rs. 12,35,216. As we have been allowed additional, shift and initial depreciation in previous years, the depreciation allowable in future years will be less and, therefore, the taxable profit will be more in future years. In order to meet the tax liabilities, a sum of Rs. 6,00,000 has been transferred to taxation reserve.

"After deducting the sum of Rs. 6,00,000 transferred to taxation reserve and income-tax paid in respect of the years 1947-48 Rs. 1,556, the balance available is Rs. 6,24,681. Your Directors recommend a dividend of 6 per cent. per annum, free of income-tax, which will absorb Rs. 3,00,000, leaving a balance of Rs. 3,24,681 to be carried forward.

"I also take this opportunity of expressing our grateful thanks to the officers, staff and workmen of the Company for the valuable services rendered by them."

Note:—This does not purport to be a record of the proceedings of the annual general meeting.

Notices

THE METAL BOX COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN THAT THE Twenty-fifth Annual General Meeting of the Company will be held at the Registered Office, 59C, Chowringhee Road, Calcutta, on Thursday, the 17th day of July, 1958, at 12-30 p.m., for the following purposes:

1. The consideration of the Accounts, Balance Sheet and the Reports of the Board of Directors and Auditors.
2. The declaration of Dividends.
3. The appointment of Directors. Special notice of intention to propose the re-election of Sir Robert Barlow, who is sixty-six years of age has been received.
4. The appointment of and the fixing of the remuneration of the Auditors.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

NOTICE is hereby also given that the Ordinary Share Register of the Company will be closed from the 1st to the 17th July 1958, both days inclusive.

By Order of the Board,
F. P. GILBERT,
Secretary.

59C, CHOWRINGHEE ROAD,
CALCUTTA, 18*th June* 1958.

BURN AND COMPANY, LTD.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Board of Directors has sanctioned payment of the dividend on 6 per cent. and 7 per cent. Preference shares of the Company for the half-year ending 30th June, 1958. Payment will be made on or after the 10th July, 1958, to those shareholders whose names appear on the Company's Registers on the 30th June, 1958, or in accordance with their instructions.

By Order of the Board.
MARTIN BURN LTD.,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

12, MISSION ROW,
CALCUTTA, 16*th June*, 1958.

THE EQUITABLE COAL CO., LTD.

NOTICE IS HEREBY GIVEN THAT THE payment of Interest for the period from 1st January to 30th June, 1958, on the 5½ per cent. Registered Debenture Stock 1963/68 of the Company will be made to those Stockholders whose names appear on the Company's Register on the 30th June, 1958 or in accordance with their instructions.

For THE EQUITABLE COAL CO., LTD.,
MACNEILL & BARRY LTD.,
J. H. G. WHITFIELD,
Secretary,
Managing Agents.

2, FAIRLIE PLACE,
CALCUTTA-1, 11*th June*, 1958.

FOR INTERNATIONAL EXPERIENCE & SERVICE...

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DAILY CONVAIR * FLIGHTS

Refreshments and full bar service (outside Prohibition Areas) on all flights.

Ex Bombay: 14.30 hrs. arriving Karachi 16.45 hrs.
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Connections at Karachi (with optional stopover) to Baghdad, Damascus, Rome, Geneva, London. Every Tuesday Thursday and Saturday at 17.00 hrs., a P.I.A. Super-Constellation leaves Karachi for London. P.I.A. can book you straight through to any destination in the world.

Reserved Air Cargo Space is available on all P I A flights: fast transit and prompt delivery is assured.

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PIA/G/44

DEMAND FOR FUNDS SHRINKS

(From Our Own Correspondent)

BOMBAY, 18*th June*

As the slack season progressed, the demand for bank credit shrunk further during the week under review, while the pace of return of funds to banks maintained an upward trend. Consequently, the short-term money market continued to experience easy conditions for yet another week. While banks were able to add to their investment portfolio to some extent and reduce their borrowings from the Reserve Bank, they were still left with large cash balances, but the money rates were unchanged. Inter-bank call money among Exchange banks and large Indian banks, as well as smaller banks was quoted at 3 per cent. House money at call was placed at 4 to 4½ per cent., while short-term deposits were offered 4⅛ to 4⅜ per cent. for one to six months.

The Reserve Bank of India statement for the week ended 13th June 1958 shows a fall of Rs. 3.60 crores in notes in circulation, while the notes held in the Banking Department are higher by Rs. 3.90 crores. There is no change in rupee securities or foreign securities, but balances held abroad (in the Banking Department) have further declined by Rs. 6.29 crores. Central Government deposits have gone up by Rs. 1.06 crores and deposits of banks by Rs. 5.18 crores. Loans and advances to Governments are lower by Rs. 3.65 crores and other loans and advances by Rs. 97 lakhs. The fall in the latter is mainly due to the decline of Rs. 1.70 crores in advances to Scheduled banks against usance bills. There has been a rise of Rs. 9.01 crores in investments.

A fall of Rs. 1.94 crores in demand deposits and of Rs. 7.42 crores in time deposits is disclosed by the Scheduled banks' statement for the week ended 6th June 1958. Borrowings from banks have shot up by Rs. 10.54 crores and those from the Reserve Bank by Rs. 1.22 crores. The downward trend in advances has been maintained with a further drop of Rs. 2.89 crores during the week under review. Bills purchased and discounted are, however, a shade higher by Rs. 50 lakhs. Investments have been strengthened by Rs. 4.62 crores, but cash balances show no notable variation. Money at call and short notice has risen by Rs. 99 lakhs.

The Gilt-edged market continued to rule firm with a further marking up in prices of some scrips, on good demand from institutional investors. Scarcity of stocks and absence of sellers, however, restricted the volume of business. There was a slight change in the Reserve Bank's open market operations. While the Bank stopped sales of 3½ per cent. 1965, it commenced sale of 3½ per cent. 1964 at Rs. 98.50, as against the market rate of Rs. 98.45.

3 per cent. 1986 Conversion Loan improved further by 5 nP to Rs. 71.15. While 3 per cent. 1970-75 was unchanged at Rs. 87.20, 3 per cent. 1966-68 was marked up by 10 nP to Rs. 92.95. 3 per cent. 1964 was in demand due to half-yearly payment of interest, and closed at Rs. 95.50 *ex*-voucher, as against Rs. 95.45 *cum*-voucher a week ago. 3 per cent. 1963-65 gained 5 nP higher to Rs. 95.55. 2½ per cent. 1961 gathered 10 nP to Rs. 95.60. 3½ per cent. 1961 dropped 10 nP to Rs. 99.50, while 3½ per cent. 1963 and 1964 were unchanged at Rs. 98.80 and Rs. 98.45, respectively. 3½ per cent. 1965 was placed 5 nP higher at Rs. 98.30. 3½ per cent. 1967 was unchanged at Rs. 97.55, 3¾ per cent. 1967 at Rs. 99.65 and 3¾ per cent. 1968 at Rs. 99.50.

In the foreign exchange market, the rupee was somewhat erratic, in tune with the trend of sterling abroad. Banks' selling rate of U.S. dollars (ready) declined from Rs. 475.75 to Rs. 475.50 before moving up to Rs. 476 per $100. Likewise, the buying rate was marked down from Rs. 472.50 to 472.25, but it rose again to Rs. 472.75 per $100. In New York, spot sterling fell over the week from $2.81.5/16-2.81.7/16 to $2.81½-2.81½ and three months' forward from $2.79.3/16-2.79.5/16 to $2.79-2.79½. Transferable sterling gained from 278.95-279.05 cents to 279.15-279.25 cents, but reacted to 279.05-279.15 cents at the close.

TRADING IN KIPS PATCHY

(From Our Own Correspondent)

MADRAS, 16*th June*

Shipment business in kips with the U.K. has been disappointing. Importers seem to be following hand-to-mouth policy in the matter of purchases and bid low prices for selected grades. Sellers wish to offer all grades combined, but there was no response. Trading, therefore, continues to be patchy. Emphasis has been on lower grades in cow hides, cow calf and buff calf.

There is no change in the tanned skins section and shipment business is small. Stocks of common tannages have been cleared in the local market and prices rule steady. There are a few enquiries from Japan for medium sheep skins.

HIDES SUPPLIES LOWER

(From Our Own Correspondent)

KANPUR, 16*th June*

During the week under review the hides and skins market was indifferent. Supplies were lower due to extreme heat of the season. The supplies of goat and sheep sector were particularly affected. The main purchasers were the local tanners and the Madras dealers. The latest available quotations are:

Wet salted cow 1st grade Rs. 350 and 2nd grade Rs. 250 per score; wet salted buff 1st grade 1 lb. 7 ozs. and 2nd grade 1 lb. 11 ozs. per rupee; goat 1st grade Rs. 300 to Rs. 280 and 2nd grade Rs. 270 to Rs. 260 per 100 pieces; sheep 1st grade Rs. 325 and 2nd grade Rs. 275 per 100 pieces.

BULLION DULL

(From Our Own Correspondent)

BOMBAY, 18*th June*

The bullion market ruled dull during the week under review and activity was very restricted, thanks to the penal margin system, as recently approved by the Bombay Government, which became operative in silver early in the week with the commencement of business in *Shravan* (second delivery) contract. With the onset of the slack season, the demand for both the metals was on a small scale, but during the last two days offtake in ready gold suddenly increased. The suspension of sales of Kolar gold by the National Overseas and Grindlays Bank—no official explanation for which is available—and the slackness in arrivals of Tibetan coins kept the undertone steady.

Silver forward (July settlement), moved within a narrow range of Rs. 184-14 and Rs. 183-11 and closed a fraction higher over the week at Rs. 184-13. The August settlement (first delivery) closed at Rs. 185-3, as against Rs. 184-11 a week ago. Business in second delivery began on Wednesday last week and the quotation improved over the week from Rs. 184-11 to Rs. 185-2.

Ready silver gained over the week from Rs. 183-11 to Rs. 184-5. The discount at which the ready metal was quoted under the current settlement narrowed down from As. 12 to As. 8, thanks to the fall in stocks from 500 bars to 400 bars. The daily average arrivals (including unrefined metal) were reported to be 30 bars, while the offtake was 5 bars per day on an average.

Forward gold (July settlement) fell from Rs. 108-3 to Rs. 106-13, but regained partially to Rs. 107-12 at the close. August (first delivery) settlement was unchanged over the week at Rs. 107-7.

Ready gold dropped from Rs. 110-3 to Rs. 108-1 before recovering at the close to Rs. 109. The floating stocks of gold are reported to be 30,000 tolas. The daily average arrivals were 3,000 tolas, while the offtake was 2,500 tolas on an average.

In New York, silver was maintained at 88⅛c., while there was a further reduction in London prices. Thus, spot silver dropped from 75¼*d.* to 75⅛*d.* and forward from 75½*d.* to 75*d.* Gold advanced from 249*s.* 5½*d.* to 249*s.* 6½*d.*, but weakened to 249*s.* 5*d.* at the close.

The following comparative table shows at a glance the trend of the market during the week under review:

	18-6-58	Highest	Lowest	11-6-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.99 fine Mint) ..	109 0	110 4	108 1	110 8
Forward*	107 12	108 4	106 13	108 3
Sovereign	69 12	70 8	69 12	70 0
SILVER				
Ready (.996 fine Mint) ..	184 5	184 6	182 15	183 11
Forward†	184 13	184 14	183 11	184 7
London Silver Ready ..	75¼*d.*	75½*d*	75¼*d.*	75½*d.*
London Forward	75*d.*	75½*d*	75*d.*	75⅝*d.*
London Gold	249*s.* 5*d.*	249*s.* 6½*d.*	249*s.* 4½*d.*	249*s.* 5½*d.*
New York Silver	88⅛*c.*	—	—	88⅛*c*

* 2nd July settlement.
† 3rd July settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

BASE METALS FIRM

(From Our Own Correspondent)

CALCUTTA, 17*th June*

Prices of base metals were firm during the week under review. The Government's announcement to grant to scheduled industries advance licences on an *ad hoc* basis for the import of unwrought copper, zinc, lead and tin was welcomed both by the trade and industry. The trade, however, pointed out that the present shortage could be relieved only by more imports. It was also felt that, if the port workers' strike were to prolong, the working of the non-ferrous metals industry would be greatly affected and manufacturers of metal products would have no alternative other than to stop working until the situation in the port improved and more imports of raw materials were permitted. If only manufacturers and stockists could have carried adequate stocks, the trouble in the port would not start affecting the industry so immediately as it threatens now. Another important news of the week was the announcement by three major sheet mill rollers of a nominal reduction in prices of brass and copper sheets. The price of 4′×4′ copper sheet has been fixed at Rs. 209, as against Rs. 210 and that of the same size of brass sheet at Rs. 156, as against Rs. 162. The extent of the reduction was not considered satisfactory by consumers of these two products. However, it would be necessary for the Government to review the present system of granting permits in order to ensure a more equitable distribution. From Rs. 503, tin at one time receded to Rs. 501, but closed higher on balance at Rs. 505. At the lower level, there were good enquiries on commercial account and from the motussil. Fair business was also done. Although the supply position was comfortable, the lower trend did not alarm stockists. Soon, the trend was reversed, and there was a Government enquiry for a substantial quantity. Lead was unchanged, but firm throughout at Rs. 62, as was electrolytic zinc at Rs. 56.50.

COTTON FUTURES EASY

(From Our Own Correspondent)

BOMBAY, 18*th June*

The cotton futures market ruled easy during the major part of the week under review. The easiness was due to pressure of offers by upcountry centres in the wake of slack demand from mills. The reports from the spot market indicated heavy arrivals. The continued poor offtake in both yarn and piecegoods was another unhelpful factor. There was, therefore, selling which pushed down cotton futures values. Even strong and persistent export quota rumours failed to have any marked influence on the market. It was reported that China was keenly interested in Indian cotton and that it had already concluded a sizable volume of business subject to the availability of export licences. A barter trade agreement was also said to have been signed between India and China providing for the export of Indian cotton, pepper, tobacco and other items in exchange for Chinese industrial raw materials. Some cotton traders were inclined to believe that the Government might release an *ad hoc* export quota for China. This news failed to lift up cotton values to any significant extent, since Akola and Ahmedabad interests sold heavily, followed by local operators. Yesterday, however, a *mild* recovery set in which gathered momentum today. This was due mainly to short covering. The closing rates were below last week-end quotations. The following table indicates the trend of prices of the contract during the week:

(In rupees per candy of 784 lbs.)

	18-6-58	*High*	*Low*	11-6-58
I.C.C. Moglai Jarilla (August 1958) ...	681.25	684.50	675.50	683.50

The Board of the East India Cotton Association, at its weekly meeting held on the 13th inst., is reported to have finalised its recommendations with regard to the hedge contract for the ensuing 1958-59 season. These recommendations will be considered at a general body meeting of the Association to be held on 24th June and later submitted to the Forward Markets Commission for approval.

In the spot section, there was moderate mill activity. Interest continued to be confined to popular styles like Laxmi, Jaydhar, and Jarilla. The outbreak of the monsoon in the South and the very low offtake of piecegoods discouraged buying. Prices of most varieties declined.

The Board of the East India Cotton Association is reported to have made the following recommendations in regard to trading in delivery contracts on 'on call' basis: (1) Trading in delivery contracts on 'on call' basis be permitted subject to fortnightly settlement clearing and the special clearing as provided in By-law 52(C). (2) If the price in the hedge contract added to the rate of 'on call' touches the ceiling rate fixed by the Textile Commissioner for that particular description, then the call price shall be deemed to be automatically fixed at the ceiling rate on the date of such occurrence at that rate by mutual consent or the buyer should give a hedge contract at the rate referred to above and the seller shall be bound to accept the same. (3) Provision for super appeal be made in delivery contracts as in the case of hedge contract.

Exportable varieties evoked brisk buying. There were good inquiries from China and business to the tune of about 20,000 bales was reported to have been done so far with this country, subject, of course, to the availability of licences. Towards the close of the week, business slackened, due to the delay in the announcement of the quota and the dock workers' strike. Inquiries from the U.K. and the Continent were noted for Kala and Wagad.

In the foreign section, spot lots of Egyptian and Sudan cotton attracted attention. American styles also evoked some interest. The following are the latest available spot quotations—in rupee per candy of 784 lbs.—from Sewri, the figures in brackets being last week-end rates:

Bengal *Deshi* 600 (600); Berar Jarilla 725 (735); Khandesh 780 (790); Oomra *Deshi* 650 (660); Vijay 885 (890); Hubli Laxmi 1,020 (1,020). *Delivery Contracts:* Bengal (June) 585 (585); Wagad (June) 630 (618); Kalagin (June) 625 (620).

The firm trend noted in the Karachi cotton futures market towards the close of last week gathered considerable momentum during the week under review. The renewed firmness was aided by better inquiries from overseas buyers, especially China, and higher domestic spinner demand. There was keen local and upcountry buying. Consequently, cotton prices moved up. Yesterday, however, there was a mild reaction, due mainly to profit-taking sales. N.T.R.G. July after rising to Rs. 77-2-6 on the 16th inst. finished lower at Rs. 76-8 yesterday. January contract advanced to Rs. 78-7-6 but eased to Rs. 78-3 yesterday. The spot section was active and prices, barring those of *Deshi* styles which remained unchanged, registered an improvement. The following are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

Sind *Deshi* 60; Punjab *Deshi* 56; Punjab Roller 73-15; S.G. 81-7; 289F Punjab Roller 85-15; S.G. 98-15; 289F N.T. Roller 79-3; S.G. 91-15.

The Alexandria cotton futures market ruled steady during the week. There were fairly good export inquiries and sizable domestic mill support. A marked rise in price, however, was prevented by reports of favourable weather and satisfactory crop progress. The latest available quotations—in tallaris per lb.—are as follows:

Karnak: July 75.90; November 77.00. *Ashmouni*: June 69.00; August 68.15.

Limited turnover, with prices showing a sagging tendency, characterised trading in the Liverpool cotton futures market during the week. Both the American cotton contracts and the mixed growth contracts drifted lower under scattered hedge selling which met with only small buying. Weak

New York advices also weakened sentiment. The Sudan contracts, however, were steady, with values remaining unchanged. The latest available quotations—in pence per lb.—from Liverpool are as follows:

American Cotton One Inch Staple Contract: July-August 25.03; October-November 25.68; December-January 26.03; March-April 26.33. *American Cotton Mixed Growth Contract*: July-August 25.87; October-November 26.30; December-January 26.57; March-April 26.87. *Sudan*: July-August 31.30; September-October 31.95; November-December 31.95.

Quiet conditions prevailed on the New York Cotton Exchange during the week under review, reflecting the uncertainty regarding the new cotton legislation. Reports of favourable weather and excellent crop progress touched off a fair volume of selling which met with only limited support.

The U.S. Agriculture Department has announced the export sale of 97,697 bales of Government-owned cotton at 28.76 cents per pound basis middling 1" cotton. This is the third sale made by the Department under its new two-part 1958-59 disposal programme.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	17-6-58	10-6-58	4-6-58
Spot	36.25	36.30.	36.30
July	36.02	36.16	36.12
October	36.53	36.62	36.40
December	36.79	36.83	36.54

CEILINGS FIXED FOR STAPLE FIBRE YARN

(From Our Own Correspondent)

BOMBAY, 18*th June*

The most outstanding development of the week in the yarn market was the move of the Bombay Yarn Merchants Association and Exchange Ltd. to curb unhealthy speculative activity in the staple fibre yarn section. On Monday, the Association announced imposition of a margin of Rs. 100 per case on the outstanding bull position above 100 bales. This step, however, failed to have any restraining effect on the market. In fact, there was a fresh bout of speculative buying which lifted up the prices of staple fibre yarn further. In view of this and with a view to preventing a still further rise in prices, the Association announced yesterday the fixation of ceiling prices for the June and August contracts at Rs. 715 and Rs. 730 per bale, respectively. The Association also fixed a penalty of Rs. 10 per bale for non-delivery. The practice in vogue formerly was to levy no charge for the first 300 packages and to charge a deposit of Rs. 30 per package on every subsequent package.

The aforesaid move of the market authorities was a sequel to the steep rise of as much as Rs. 100 per bale in the price of staple fibre yarn in the past fortnight. This was occasioned by hectic speculative buying induced by reports of an acute shortage of supplies from indigenous manufacturers. It was stated that there would be a reduction of 75 per cent. in production in South Indian mills due to cut in electric power supply and scarcity in supply of indigenous raw staple fibre. The latter factor would appear to have resulted in several cotton mills paying high prices for the raw material.

In sympathy with staple fibre yarn and on fears of a further cut in imports in the ensuing half-year rayon yarns ruled strong. Even slackness in demand for art silk fabrics in both local and export markets failed to have any effect on the market.

The Government of India has decided to allow import of synthetic yarn against actual users' licences issued to art silk weaving units and hosiery factories for the import of artificial silk yarns. The procedure laid down is that, up to 50 per cent. of the face value of the licences for art silk weaving units (category A, B and C) and up to 100 per cent. of the face value of the licences for art silk hosiery factories (category D), the customs authorities will accept such licences for clearance of synthetic yarn up to the face value restriction and it is not necessary for the licensees to submit their licences to the licensing authority for specific endorsement to this effect.

Staple fibre yarns 40×2 June delivery shot up from Rs. 641 last week-end to Rs. 694 on Monday. Even after the introduction of margin, prices continued to rise, yesterday's rate being Rs. 715. Following the fixation of ceiling, the contract reacted to Rs. 701 today. August delivery was marked up from Rs. 651 last week to Rs. 708 on Monday and further to Rs. 730 yesterday. It, however, dropped to Rs. 712 today. Over the week, spot 40×2 New Greats climbed up by 36 nP to Rs. 3.60. Citys rallied 33 nP to Rs. 3.70. Kohinoors strengthened by 39 nP to Rs. 3.76 and Centurys by 38 nP to Rs. 3.75. Among foreign yarns, Paramounts made a strident advance of 93 nP to Rs. 8.37. Fujis hardened by 87 nP to Rs. 8.37.

Among rayon yarns, spot 120 Japan strengthened by 44 nP to Rs. 7.06. 150 Japan improved by 28 nP to Rs. 6.87. 120 Italy advanced by 38 nP to Rs. 7. 150 Italy rallied 50 nP to Rs. 7. Among indigenous yarns, National Rayons 150 bright cones first grade increased by 16 nP to Rs. 5.88. 120 bright cones first grade put on 44 nP to Rs. 6.44.

In the cotton yarn section, ten counts Moderns were stagnant at Rs. 13.50 and Podars at Rs. 12.62. Among twenty counts, Moderns receded by 25 nP to Rs. 16.50. Indus were dull at Rs. 16.37, and Gokaks at Rs. 16.75. Thirty counts Hinds were unchanged at Rs. 19.50. Among forty counts, Moderns were quiet at Rs. 24. Minaxis, however, improved by 63 nP to Rs. 24.50. Sixty counts Moderns changed hands at Rs. 60, same as last week. Finlays were on offer at Rs. 61. Raghuvamshis on the other hand, gathered 25 nP to Rs. 51. Among eighty counts, Moderns retreated by 25 nP to Rs. 69.50. Mahendras were unchanged at Rs. 69.50, as also Finlays at Rs. 76.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	18-6-1958	11-6-1958
Art silk yarn (per case of 200 lbs.)—	Rs.	Rs.
120 Japan (per lb.)	7.06	6.62
150 Japan (per lb.)	6.87	6.59
120 Italy (per lb.)	7.00	6.62
150 Italy (per lb.)	7.00	6.50
Staple fibre yarn (per case of 200 lbs.)—		
40×2 June	701.00	641.00
40×2 August	712.00	651.00
40×2 New Great (per lb.)	3.60	3.24
40×2 City (per lb.)	3.70	3.37
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	12.62	12.62
20s Modern	16.50	16.75
30s Hind	19.50	19.50
40s Minaxi	24.50	23.87
60s Raghuvamshi	51.00	50.75
80s Modern	69.50	69.75

OILSEEDS RECEDE

(From Our Own Correspondent)

BOMBAY, 18*th June*

Despite the releases of export quotas for expeller variety groundnut oilcake (30,000 tons), linseed oilcake (5,000 tons) and kardiseed (5,000 tons), the oilseeds market put on a distinctly easy appearance. This was due to poor prospects for exports at least in the immediate future, on account of the dock strike throughout the country. Today the market staged a slight recovery in prices purely on technical considerations. The castorseed section ruled depressed. There was speculative selling induced by fears of keen competition from Brazilian castor oil following the devaluation of this country's currency. Prices would have shown a more marked fall but for renewed expectations of the abolition of export duty on castor oil and upward revision in the present excise rebate on export from Rs. 88 per ton to Rs. 112. The groundnut section reacted to weakness in groundnut oil and oilcake in Rajkot. The outlook for export of these items at current rates were also considered to be poor. Linseed was quiet, notwithstanding Australian enquiries for Indian oil and higher London advices. Cottonseed encountered selling, owing to lack of fresh incentives and decline in cotton prices. Kardiseed and nigerseed were, however, firm.

Groundnut August contract was subjected to selling pressure and fell from Rs. 172.37 last week-end to Rs. 167.12 yesterday. Today, however, the contract recovered to Rs. 168.75. Bold ready declined from Rs. 35.62 on the opening day to Rs. 35.12 before finishing higher at Rs. 35.25 today. Coromandel, after declining from Rs. 35.75 to Rs. 35.62, recovered to Rs. 35.87. Khandesh quality was quoted today at Rs. 35.87, as against Rs. 36 early in the week. Groundnut oil ex-mill dropped 25 nP to Rs. 18.75. Railway receipt eased by 12 nP to Rs. 18.50.

Castorseed September contract was on offer, the rate moving down from Rs. 158 to Rs. 155.50 yesterday. Today, however, there was some support and the rate rose to Rs. 157.62 at the close. Ready Madras which stood at Rs. 30.69 on the 12th inst. decreased to Rs. 30.25 yesterday, but recovered to Rs. 30.37 today. Kanpur quality moved down from Rs. 29.25 to Rs. 28.87 before finishing at Rs. 29.12. Over the week, castor oil B.S.S. shed 13 nP to Rs. 62. Commercial quality lost a like amount to Rs. 15.37.

Linseed September contract lacked support in the earlier sessions, the rate declining from Rs. 32.37 to Rs. 31.37 on Monday. Thereafter, recovery ensued, today's closing rate being Rs. 32.31. Bold ready fell by 12 nP to Rs. 31.75. Linseed oil was depressed during the major part of the week, yesterday's rate being Rs. 16.12, as against Rs. 16.31 last week-end. There was, however, a notable recovery today and the price stood at Rs. 16.37 at the close.

Cottonseed September contract was taken down on selling from Rs. 115 to Rs. 112 on the 16th inst. Some support was lent to the contract yesterday and the price advanced to Rs. 113. There was a further addition of 75 nP today.

Kardiseed bold ready ruled irregular in the first three sessions of the week, the quotation declining from Rs. 19 to Rs. 18.50. It, however, improved subsequently, today's closing rate being Rs. 20. Nigerseed Madras quality, after declining from Rs. 29 to Rs. 28.62, recovered gradually to touch Rs. 29.50 at the close today.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	18-6-1958	11-6-1958	4-6-1958
Groundnut—	Rc.	Rs.	Rs
August 1958	168.75	172.37	167.25
Bold ready (per cwt.)	35.25	35.12	34.75
Linseed—			
Sept. 1958	32.31	32.37	31.56
Bold ready (per cwt.)	31.75	31.87	31.12
Castorseed—			
Sept. 1958	157.62	158.00	156.00
Madras (per cwt.)	30.37	30.50	30.37
Cottonseed—			
Sept. 1958	113.75	115.00	111.75
*Groundnut oil**—			
Ex-mill ready (per quarter)	18.75	19.00	18.62
Castor Oil†—			
Commercial (per quarter)	15.37	15.50	15.44
Linseed oil†—			
Ready	16.37	16.31	16.00

* Rates include excise duty,but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR DECLINES FURTHER

(From Our Own Correspondent)

BOMBAY, 18*th June*

The sugar market continued to rule bearish during the week under review and there was a further fall in prices. The Government of India had still not announced the sugar export policy. The co-operative sugar factories were persistently making offers in substantial quantities against the latest release order. Arrivals of sugar by rail into the market continued to be large; they aggregated 20,600 bags, as against 21,600 bags the previous week.

Large grain sugar dropped a rupee to Rs. 110-Rs. 115 per bag. Small grain lost 50 nP to Rs. 106. Medium grain was quiet at Rs. 107-Rs. 109, same as last week.

Production and despatches of indigenous sugar amounted to 1,963,000 tons and 1,174,000 tons up to 31st May 1958 in the current season, as against 1,975,000 tons and 1,227,000 tons, respectively, in the corresponding period of last year. Stocks with factories as on 31st May 1958 stood at 1,212,000 tons, as compared with 1,270,000 tons a year before.

BLACK PEPPER IMPROVES

(Messrs. Parekh & Co.)

BOMBAY, 18*th June*

Despite a number of adverse factors such as dock strike and a complete lack of foreign enquiries, Malabar black pepper during the week showed improvement, in sympathy with Cochin where one or two prominent bulls who were long for July delivery in the forward ring were reported trying to bolster up the prices.

Ungarbled at Alleppey advanced to Rs. 587½, while garbled at Cochin in ready to Rs. 102½, July to Rs. 107½ and August to Rs. 108¾ and Calicut to Rs. 645, as against the lowest of Rs. 590 during the last week. No fresh business with New York was noticed, since Lampong as persistently undercuoting.

New York spot, after improving to $0.25¾, came down to $0.25½ for want of demand from grinders. June shipment, which was once quoted at par with ready, was now quoted at $0.25 without stimulating business. New York dealers seemed to have discounted the news of a smaller Sarawak crop and was moving cautiously, in view of the present recessionary trends.

Singapore rose to Str. $70 before coming down to Str.$69. The volume of business there remained very small, in contrast with the usual activities at this time of the season. Consumers in the world market appeared to be apathetic. They refused to buy at the price quoted by the sellers at the origins. They wanted concession which was not forthcoming, as arrivals in Sarawak were delayed and remained comparatively smaller. The holders of Malabar and Lampong were trying to maintain, in spite of resistance from buyers. The grinders in the consuming markets of the Continent and the U.S.A. appeared to have postponed buying in anticipation of lower price in spite of the approaching autumn.

In specific delivery, the price for June improved to Rs. 605, the main stimulant being the improvement in the local demand. The recent boom in imported spices proved a supporting factor.

In A.S.T.A. section, business remained very very thin, June and July-Aug.-Sept. quoting at $0.25½ and $0.26, respectively.

The future of the market depends upon the demand from the U.S.A., which has so far remained in abeyance, and also on the possible competition from Sarawak with the advance of its harvesting season.

Today's nominal quotations are: Ready Rs. 85 per Bengal maund, June Rs. 605-Rs. 615 and July Rs. 615-Rs. 625 per candy of 5¼ cwts.

LESS DEMAND FOR TEA

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 12*th June*

The catalogues amounted to 1,053,556 lbs. for Sale No. 16 which was held on Tuesday, 10th June. Quality showed a further seasonal decline. Some estates from the lower elevation again showed teas of rush production. The sale opened with much less demand for all descriptions. Exporters were very quiet and internal buyers only showed interest at much lower rates. Low medium and mediums declined 10 to 20 nP. Good mediums were irregularly 10 nP easier. High grown teas met less demand at rates which were 20 to 30 nP lower than last. Pekoes and F.Ps were about steady, but the better OPs were occasionally dearer. The following are the quotations:—

	1958 Rs.
Plain B.P.	1.45
Low medium	1.55 to 1.70
Medium	1.70 to 1.90
Good Medium	2.05 to 2.25
Quality	2.25 to 3.10

London Market: *Sale of 10th June* 1958:—Fair demand, but prices somewhat irregular and 1*d.* to 2*d.* lower for less attractive sorts.

Colombo Market: *Sale of 5th June* 1958:—4.5 million lbs. Good demand strongest at close. Best sorts considerably dearer. Plain high and medium barely steady. More interest Middle East. Good and medium fannings distinctly lower. Off grades dearer, particularly liquoring fannings and dusts.

Calcutta Market: *Export*:—Fair demand. Good liquoring kinds strong. Plainer sorts irregular at 6 to 8 nP below valuation. C.T.C. well supported 13 per cent. large breaks withdrawn.

Export Quota:—Very little business has been transacted in special export quota and the quotation is 8 nP nominal. However, business has been done in new quota at 15 nP.

Forthcoming Auctions:—Sale No. 17 will be held on Tuesday, 17th June.

As we go to press, Messrs. Forbes, Ewart and Figgis (Private) Ltd., wire:

"*Sale* 17:—1,550,000 lbs. Much less demand with exporters quieter. Low medium and medium brokens 10 to 15 nP easier. Highgrowns irregularly 20 nP easier. Fannings, except better types, neglected. Whole leaf easier."

EXPORT SALE IN TEA POSTPONED

(From Our Own Correspondent)

CALCUTTA, 17*th June*

Tea trade and industry circles have been caught with an awe of anxiety in regard to the port workers' strike in Calcutta and other Indian ports. Tea shipments would come to a standstill, and the consequent accumulation in warehouses and in gardens would naturally present itself as a major financial problem to traders and industry alike within a few days. If the strike continues, export sales must be postponed, and this would naturally divert attention of foreign buyers to other producing countries, just as Ceylon and East Africa. There was no export auction yesterday on account of the strike. To what extent the damage caused would be *permanent cannot* be said at present. Already, Indian teas are meeting with stiff competition by cheaper-produced teas in East Africa and elsewhere.

During the internal sales held last week, dusts on offer amounted to 18,690 chests. General demand was good. Following good support from Middle East buyers, black leafy exportable grades from all districts were fully firm with the best lots selling 12 nP above valuations. The balance of orthodox teas opened firm and received more support towards the close of the sales. Demand being irregular, C.T.C. Assams were quiet with the thinner liquoring lots registering the greatest fall. The quotations were: Best Assam C.T.C.—unquoted, medium Assam C.T.C. Re. 1.70 to Re. 1.90, medium Assam grainy dust Re. 1.56 to Re. 1.58, and medium Dooars Re. 1.54 to Re. 1.56.

Leaf on offer was a meagre quantity of 368 chests.

The 1957-58 non-transferable shipping licence changed hands at 7 nP but fell to 6 nP. The 1957-58 transferable special export licence realised 7½ nP, but demand petered out soon. Business was done in the 1958-59 export rights at 15 nP but soon sellers raised the price to 16 nP at which rate there was no interest, however.

Note was taken of the fall in the London stocks by 3 million lbs. to 113.80 million lbs. in the week ended 6th June 1958. The programme for auctions in Mincing Lane has had to be curtailed and postponed in view of the difficulty to obtain samples from warehouses and the docks dispute.

According to a report from Assam, several gardens in the Sibsagar area have been affected by drought.

The Government announced an increase in the release of 1958-59 export quota by 10 per cent. to 60 per cent. of the crop basis. This is pending final declaration of the export allotment for the year.

HESSIAN MARKED DOWN

(From Our Own Correspondent)

CALCUTTA, 17*th June*

Dull conditions were in evidence in the jute markets during the week under review. Prices of jute goods sagged, and for the first time after the Indian Jute Mills Association fixed the minimum prices, the price of hessian 40" 10 oz. declined almost to the floor. In fact, it was known in the market that the Association was considering revision of the minimum prices in view of the reluctance of buyers to support the same and of the huge accumulation of stocks. A week ago, this subject was examined by the I.J.M.A., and as the meeting convened for this purpose was in progress, prices went down. In particular, heavy goods were badly affected. No decision was, however, announced by the I.J.M.A. It has been very unfortunate that, despite sincere and fervent appeals by the Government of India and national leaders, the All-India Port and Dock Workers' Federation did not withdraw their strike call. The strike commenced, as scheduled at midnight of the 16th and loading and unloading came to a standstill. Yesterday, as many as 37 ships were tied up in the Calcutta port. Lack of clearance at ports would affect several industries, and it was feared that prices of imported goods would automatically rise. Of the export industries, the jute industry would be hard hit. Fearing that the strike would materialise, foreign buyers kept out of the market during the week under review, and this was a strong factor for the fall in prices. Jute mills are already faced with the problem of heavy stocks of finished goods in their godowns, and if the strike is not settled soon, the problems created by further accumulation would be difficult of solution. It is to be hoped that the All-India Port and Dock Workers' Federation would call off the strike and give Government more time to come to a decision on their demands.

As stated, very little business was done during the week. Apart from sales against local consumption and against despatch to upcountry centres and some business on Government account, there was no other activity. All concerned realised that, without support from foreign buyers, prices would not stabilise. Had it not been for the port workers' strike, the announcement by the Calcutta/United States Conference of its decision to extend the temporarily reduced freight rates on jute goods to vessels beginning to load not later than 10th October 1958 would have received more attention. It was also announced that effective from this month the freight rate on jute back (backing/wide hessian) for shipment to the Pacific Coast has been revised, the new rate being $45 for one ton. As though the local factors were not sufficient to push down prices, the reports from New York that burlap consumption had declined in May affected sentiment further.

The increase in May output caused concern to stockists, especially the weak holders. Production amounted to 94,900 tons, representing an increase of 6,900 tons. Hessian increased by 3,300 tons, sacking goods by 3,100 tons, and miscellaneous constructions by 500 tons. The increase was due to the greater number of working hours. Adding the stock (97,500 tons) as at the beginning of May, the total availability was 192,400 tons. May-end stock being 112,000 tons, demand in the month was in the order of 80,400 tons, much less than the production during the month.

From 1st to 5th June, hessian shipped was only 6,600 tons against 12,900 tons, and sacking 3,800 tons against 6,300 tons. Consequently, a further increase in stock at the end of this month can be expected.

Ready B. twills gave way to Rs. 97 from Rs. 98, and ready hessian 40" 10 oz. to Rs. 39.95 from Rs. 40.10. It was noted that the fall in price for nearer delivery sacking was more than the fall in ready goods, and the decline in the price for forward was less than the fall in ready goods. On the other hand, the fall in hessian price by 15 nP was uniform in ready, nearer, and forward delivery. Foreign buyers sat on the fence for fear of the port workers' strike holding up consignments. However, on Wednesday news that the Government of India purchased 8,000 bales of B. twills failed to have any effect on the market. B. twills at Rs. 96, touched the lowest level for the week, while ready hessian 40" 10 oz. sank to Rs. 39.60. Speculators became nervous, and the opportunity was used for covering. Some business soon followed, and on Thursday ready B. twills moved up to Rs. 96.65. On Friday, the improvement was maintained to push up the rates to Rs. 97.20 and Rs. 40, respectively. However, at these rates there was no genuine business done and further the news of the fall in U.S. consumption of burlap in May was available. These factors pushed down the quotations for B. twills and hessian 40" 10 oz. to Rs. 97.00 and Rs. 39.80, respectively. Yesterday, the trend was affected by the news of the port workers' strike, and B. twills were unchanged and quiet at Rs. 97.00. However, hessian 40" 10 oz. was fractionally better at Rs. 39.85 following speculative support.

Raw jute prices were depressed in this week, and, in fact, transactions took place at below quoted market rates. This followed reports of satisfactory rains in several jute districts and the expectation that the monsoon would break out in this part of the country in two days' time from now. However, new crop sellers were reserved. Assam northern bottoms declined to Rs. 23.75 from Rs. 24.25, and daissee bottoms to Rs. 27.50 from Rs. 28.00.

FOODGRAINS STEADY

(From Our Own Correspondent)

HAPUR, 16*th June*

Steady to firm conditions were witnessed in the foodgrain markets during the week. The U.P. Government is perturbed by the rising trend in prices for which it does not find adequate justification. The eastern districts of the State have all along been facing chronic food scarcity conditions, but now a distressing situation is also reported from the western region. The Government has applied the Essential Commodities Act in the case of wheat to U.P. and Rajasthan, while, in Madhya Pradesh, it was applied some weeks ago. The Act empowers the Government to have wheat stocks on the average price of the last three months. The Union Government is alive to the situation and about 30,000 tons of wheat have been allotted to the U.P. Besides, the State Government has reserves of 46,000 tons of coarse grains and about 25,000 tons of wheat. Apart from this, about 100,000 tons of foodgrains are available at the moment in the Central storage depots in the State.

Wheat at Hapur recorded peak heights in the mid-session upto Rs. 18 per maund for average quality and Rs. 19.25 for farm produce, but sagged slightly towards the week-end to be quoted at Rs. 17.75 and Rs. 19, respectively, today. Daily arrivals of wheat, which had mounted to about 800 maunds last week due to unauthorised arrivals from Punjab, ran down to about 400 to 500 maunds following strict vigilance on such arrivals. Local stock was small at 5 *khatties*, the corresponding figure last year being 35 *khatties*. With arrivals averaging 1,500 maunds daily, wheat *dara* was quoted at Rs. 14.37 per maund. Stocks of wheat on the corresponding date in 1956 here were 72 *khatties* and arrivals at that time averaged 2,000 maunds daily and wheat *dara* was quoted at Rs. 13.87 per maund. The producer is retaining a part of his produce not with the intention of hoarding but for his consumption for some more months, as *kharif* prospects are still uncertain.

Rice also registered gains during the week, due to shortage of supplies and in line with the bullish trend in the prices of all the cereals. The prevailing prices towards the week-end were: *Basmati sela* Rs. 37 to Rs. 40; *mainpuri* Rs. 28; coarse quality Rs. 24.50 per maund.

Gram after initial gains, eased slightly towards the week-end on Punjab advices, while barley and *bejhar* continued to rule steady on poor crop reports and scanty arrivals. While wheat production in U.P., according to official sources, is less by 13 per cent. as compared with last year, barley production is less by 22 per cent. *Jowar* and *guwar* prices were mostly unchanged during the week and the latest prices (in rupees per maund) were: Gram 12.75 to 12.94; barley 12.62; *bejhar* 12.25; *jowar* 13 to 14; *guwar* white 15.50.

Good demand from east U.P. and Bihar mostly in the form of pulses accounted for the firm trend in the prices of peas during the week. *Arhar* was also steady, due to good offtake by millers for grinding. Daily arrivals averaged 1,000 maunds of *peas* and 250 maunds of *arhar* and stocks are put at 193 *khatties* and 148 *khatties*, respectively. *Urd* and *moong* were also steady during the week and week-end prices (in rupees per maund) were Peas *dara* 11.50; white 12; peas *dal* 13.25; *arhar* 14.50; *arhar dal* 18.25; *urd* 18.50 to 19.50; *moong* 24.50; *massoor* 15.75 to 17.

Pulses future moved both ways on speculative bouts of selling and buying during the week.

LINSEED FIRM

(Messrs. A. Bradley & Co.)

CALCUTTA, 16*th June*

The general tone of the linseed market remained firm during the week and price levels were well maintained. Shortage of supplies was the main feature again. The price of oil advanced slightly more as a result of scarce supplies than increased demand. Enquiries from shippers were negligible.

The latest available quotation for ready and June is Rs. 23 per maund.

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MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	Dec., 1957	3½	6
Austria	17th Nov., 1956	4½	5
Belgium	31st Mar., 1958	4½	4½
Bolivia	30th Sept., 1949	5	6
Burma	Feb., 1948	—	2
Ceylon	11th June, 1954	2	2½
Chile	Feb., 1957	4½	6
Colombia	15th July, 1953	5	4
Costa Rica	1st April 1954	4	5
Denmark	19th April, 1958	5½	5
Ecuador	13th May, 1948	7	10
Egypt	15th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	20th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	3	6
Ireland	30th Sept., 1957	5	6
Italy	7th June, 1958	4	3½
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	13th June, 1958	4	3½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	—	3
Peru	13th Nov., 1947	5	6
Philippines	Sept., 1957	2	4½
Portugal	13th Jan., 1944	2	3½
South Africa	29th Sept., 1955	4	4½
Spain	22nd July, 1957	4½	5
Sweden	3rd May, 1955	5	4½
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	—	7
Turkey	6th June, 1956	4½	6
United Kingdom	22nd May, 1958	6	5½
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	3½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 13th June, 1958		Week ended 6th June, 1958	
	Number of Cheques	Amount	Number of Cheques	Amount
		Rs.		Rs.
Bombay	2,98,160	61,08,46,000	2,91,893	62,36,81,000
Calcutta	1,62,000	35,25,00,000	1,72,000	64,92,00,000
Madras	57,023	8,86,39,810	70,988	10,19,72,735
All Centres—				
1956-57	..	..	40,003,000	87,28,93,00,000
1957-58	..	..	41,637,000	89,51,12,00,000
Feb., 1958	..	..	3,353,000	7,64,27,00,000
Mar., „	..	..	3,781,000	8,72,29,00,000
Apr., „	..	..	3,828,000	7,90,69,00,000

Reserve Bank of India

Statement of Affairs for the week ended 13th June, 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	51,42,12,000
(2) Other Governments	13,35,94,000
(b) Banks	81,09,46,000
(c) Others	113,16,52,000
Bills Payable	18,41,72,000
Other Liabilities	43,85,89,000
Rupees	428,31,56,000

Assets	Rs.
Notes	19,01,25,000
Rupee Coin	10,98,000
Subsidiary Coin	2,55,000
Bills Purchased and Discounted—	
(a) Internal	.....
(b) External	.....
(c) Government Treasury Bills	1,83,48,000
Balances held abroad*	23,61,44,000
Loans and Advances to Governments†	50,33,12,000
Other Loans and Advances	56,80,44,000
Investments	202,45,12,000
Other Assets	14,14,08,000
Rupees	428,31,56,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 14,45,89,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	19,01,25,000	
Notes in circulation	1604,98,99,000	
Total Notes issued		1623,99,24,000
Total Liabilities		1623,99,24,000

Assets	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India		
Foreign Securities	209,67,56,000	
Total of A		327,43,59,000
B. Rupee Coin		128,99,72,000
Government of India Rupee Securities		1167,56,08,000
Internal Bills of Exchange and other commercial paper		.....
Total Assets		1623,99,24,000

Scheduled Banks*

Statement of Affairs for the week ended 6th June 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	21,34,14,000
(ii) Other demand liabilities	727,14,42,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	22,43,88,000
(ii) Other time liabilities	769,73,25,000
Borrowings in India from the State Bank and/or a notified bank :	
(i) Demand liabilities	4,52,62,000
(ii) Time liabilities	1,05,00,000
Borrowings in India from the Reserve Bank of India‡	17,29,36,000 (16,15,89,000)
Cash in India	39,27,52,000
Balances with the Reserve Bank in India	74,44,46,000
Balances with other banks in current account in India	11,63,46,000
Money at call and short notice in India	54,10,19,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	483,78,04,000
Advances in India	774,76,47,000
Inland Bills purchased and discounted in India	106,24,22,000
Foreign Bills purchased and discounted in India	39,43,04,000

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the Reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	18th June 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot	1-5⅛	1-5⅛
Sellers T.T. D.D. upto six months	1-5⅜	1-5⅜
Buyers T.T. spot to nine months	1-6¼	1-6¼
Buyers T.T. 10 to 12 months	1-6¼	1-6¼
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.75	475.50
Buyers T.T. Rs.	472.75	472.50
London on New York	2.81⅛-2.81⅛	2.81⅛-2.81⅛
London on Paris Fcs.	1,180‡	1,180‡
London on Berne Sw. Fcs.	12.23¾-12.23¾	12.22½-12.23
New York on London $	2.81⅛-2.81⅛	2.81⅛-2.81⅛

NATIONAL INCOME*

Country	Year	Population (in millions)	National Income (in millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.68	..	11,010	284
Pakistan††	'56-'57	83.50	..	2,079	249
Burma	1955	19.43	Kyats 4,087	409	210
Ceylon	1955	8.88	..	475	567
Japan	1955	90.00	Y. 7,427,000	9,285	1,031
Philippines	1955	21.85	Ps. 7,954	1,672	357
New Zealand	1956	2.17	£ (N.Z.) 884	1,178	5,423
Australia	1956	9.40	£ (A.) 4,288	4,028	4,018
U.K.	1956	51.20	£ 10,465	21,955	4,287
U.S.A.	1956	168.09	$ 348,500	163,564	9,731
Canada	1956	16.00	$ 22,716	10,787	6,742
France	1956	43.50	F.Fr. 18,990,900	17,540	4,046
W. Germany	1956	51.80	Dm. 147,900	16,589	3,279
Italy	1956	48.10	Lr. 11,476,000	8,760	1,821
Norway	1956	3.46	Kr. 20,999	1,408	4,858
Sweden	1956	7.39	Kr. 44,500	4,127	5,653
Netherlands	1956	10.80	Grs. 25,400	6,215	5,977
Denmark	1956	4.45	Kr. 24,950	1,690	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : *International Financial Statistics*, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the fifth issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 6th June 1958

BANKING DEPARTMENT

Liabilities	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	77,59,75,000
(b) Provincial Governments	
(c) Banks	21,24,75,000
(d) Others	5,24,10,,000
Bills Payable	17,65,000
Other Liabilities	12,46,01,000
Rupees	123,02,26,000

Assets	Rs.
Notes	10,40,74,000
Rupee Coin	35,000
Subsidiary Coin	28,000
Bills Purchased and Discounted :—	
(a) Internal	.....
(b) External	.....
(c) Government Treasury Bills	8,33,000
Balances held outside Pakistan	20,18,56,000
Loans and Advances to Governments	5,01,90,000
Provincial Governments' Debtor Balances	5,00,57,000
Other Loans and Advances	4,13,90,000
Investments	68,74,32,000
Other Assets	9,44,21,000
Rupees	123,02,26,000

ISSUE DEPARTMENT

Liabilities	Rs.	Rs.
Notes held in the Banking Department	10,40,74,000	
Notes in circulation	339,00,62,000	
Total Notes issued	.....	349,41,36,000
Total Liabilities	.....	349,41,36,000

Assets	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	.....	
Approved Foreign Exchange	63,17,83,000	
India Notes representing assets receivable from the Reserve Bank of India	43,02,30,000	
		117,61,06,000
B. Rupee Coin	4,10,86,000	
Government of Pakistan Securities	221,79,38,000	
Internal bills of exchange and other commercial paper	.....	
		225,90,24,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Satisfied Securities	4,40,63,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	
		5,90,06,000
Total Assets	.....	349,41,36,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 35.26 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	6th June 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1608.59	1587.78	1629.96	1587.94
Notes held in Banking Department	35.05	15.11	27.87	9.36	16.30
Foreign Securities	59.50	209.68	209.68	184.83	412.52
Rupee Securities	37.39	1367.56	1357.62	1297.47	949.81
Banking Department					
Deposits of :					
Government of India	14.89	59.36	59.12	53.29	54.65
Other Governments	..	13.91	19.98	15.73	1.41
Balances held abroad	10.08	29.91	32.75	73.63	33.95
SCHEDULED BANKS					
Demand Liabilities	134.36	748.49	746.41	752.17	711.28
		(24.33)†	(17.33)†	(19.81)†	(11.11)†
Time Liabilities	102.24	792.17	793.09	790.29	541.45
		(22.44)†	(15.91)†	(16.24)	(3.18)†
Borrowings from Reserve Bank	..	17.29	16.07	18.64	82.28
		(16.16)‡	(14.95)‡	(17.10)‡	(58.42)‡
Borrowings from State Bank	..	5.58	5.97	6.69	9.43
Cash in India	6.70	39.28	39.00	40.35	39.83
Balances with Reserve Bank	25.17	74.44	74.85	107.31	63.22
Excess over statutory limits	15.52	20.18	21.67	53.90	16.83
Balances with other banks in current account in India	..	11.63	12.19	12.48	9.92
Money at call and short notice in India	..	54.10	55.09	58.61	19.54
Investments at book value	..	483.78	479.16	425.46	339.90
Advances and bills	105.09	920.44	922.82	948.04	938.27
STATE BANK					
Deposits	..	87.76	410.39	420.52	418.28	306.39
Investments	..	51.99	266.57	266.56	171.19	105.51
Advances	..	30.35	192.97	194.77	204.66	188.12
Cash	..	14.69	25.32	29.24	54.30	27.63

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R—Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	January		Ten months, April to Jan.,	
	1957	1958	1956-57	1957-58
Import Duties :				
Revenue	12.69	9.34	105.67	117.65
Protective	1.27	0.87	10.50	8.98
On surplus disposals	..	..	0.04	0.12
Total import duties	13.96	10.21	116.21	126.75
Export Duties	2.96	2.16	25.15	20.63
Land Customs	0.21	0.62	2.03	3.36
*Air customs.**	..	0.12	..	1.85
Miscellaneous	0.10	0.13	0.94	1.29
Gross total customs	17.23	13.24	144.33	153.88
Refunds and drawbacks	0.25	0.61	2.09	3.76
Net Customs	16.98	12.63	142.24	150.12
Gross excise	17.96	29.98	155.81	220.96
Refunds	0.25	0.31	1.75	2.82
Net Excise	17.71	29.67	154.06	218.14
Net total of customs and excise†	34.69	42.30	296.30	368.26

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 13th June 1958

Capital and Liabilities	Rs.	Rs.
CAPITAL—		
Authorised Capital— 20,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		420,73,92,000
Bills Payable		2,00,00,000
Bills for Collection being Bills Receivable as per contra		6,30,06,000
Acceptances, Endorsements and Other Obligations per contra		93,65,000
Other Liabilities (including Inter-Office Adjustments)		81,10,000
		5,16,30,000
Total .. Rs.		448,20,03,000

Property and Assets	Rs.	Rs.
Cash in hand and with Reserve Bank		25,07,50,000
Balances with other Banks		2,70,22,000
Money at Call and Short Notices		1,80,00,000
INVESTMENTS :	Rs.	
Government and other Trustee Securities	196,29,22,000	
Other Authorised Investments	10,48,05,000	
		206,77,27,000
ADVANCES :		
Loans, Cash Credits, Overdrafts, etc.	171,97,57,000	
Bills Discounted and Purchased	18,01,90,000	
		189,99,47,000
Bills Receivable being Bills for Collection as per contra		93,65,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		81,10,000
Premises less Depreciation		1,19,75,000
Furniture and Fixtures less Depreciation		88,30,000
Other Assets (including Inter-Office Adjustments)		18,02,77,000
Total .. Rs.		448,20,03,000

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. † Including purchases from non-electric utilities.
‡ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951—100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	138.6	138.9	142.0	143.5	139.9
Coal	114.9	126.9	139.0	135.4	124.4
Sugar*	166.5	182.8	204.2	161.3	135.6
Tea*	106.0	105.8	107.5	155.9	131.5
Cotton textiles	122.0	127.8	114.2	112.2	122.4
Jute textiles	127.3	120.5	125.0	133.8	123.5
Paper and paperboards	146.6	159.3	176.7	184.5	154.0
Matches	106.6	99.9	101.1	99.7	103.2
Cement	161.4	179.8	215.2	219.0	169.9
Iron and steel	119.4	119.3	121.1	121.4	139.2
Non-ferrous metals	124.7	151.9	161.6	147.7	129.2
Rayon	855.8	489.3	560.1	574.5	572.1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,373,000
1955	1,166	527,767	5,697,845
1956 R	1,203	715,130	6,902,040
January 1957	155	126,490	405 805
February „	124	48,733	269,041
March „	113	40,909	257,850
April „	161	61,250	414,585
May „	163	68,230	455,037
June „	153	100,220	734,545
July „	198	91,749	764,305
August „	205	94,351	831,211
September „	222	144,579	842,506
October „	222	102,884	583,206
November „	175	56,168	338,979
December „	155	82,471	512,381
January 1958	145	54,997†	354,185†
February „	138	79,177††	542,936††

‡ Not known in 6 cases. †† Not known in seven cases.
Minimum duration one month. R = Revised.

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A Outstandings	National Savings Certificates 7-Year B Outstandings	National Savings Certificates 12-Year B Outstandings	12-Year National Plan Savings Certificates C Receipts	12-Year National Plan Savings Certificates C Outstandings	Post Office Savings Bank Deposits Receipts	Post Office Savings Bank Deposits Outstandings	10-Year National Plan Certificates D Outstandings	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F Outstandings	10-Year Treasury Savings Deposit Certificates 4% G Receipts	10-Year Treasury Savings Deposit Certificates 4% G Outstandings	15-Year Annuity Certificates G Receipts	15-Year Annuity Certificates G Outstandings	Total Receipts	Total Outstandings H
1952-53	6.83	3.36	84.17	..	..	113.35	32.05	..	—31.97	25.44	..	..	..	..	146.88	211.93
1953-54	5.91	4.28	104.28	..	..	117.37	106.29	..	—34.29	33.11	..	..	..	..	185.71	356.56
1954-55	4.76	4.99	124.64	..	..	134.94	139.88	Y.28	—36.35	37.18	..	..	..	..	177.25	310.39
1955-56	3.76	5.48	144.37	..	..	158.11	167.85	16.58	—37.86	41.25	..	..	45	95	208.52	380.94
1956-57	3.00	6.01	162.68	..	..	176.97	194.50	25.38	—38.22	44.22	..	..	42	1,52	226.86	446.17
1957-58	2.23	4.73	143.59	71.39	71.39	172.40	207.96	23.13	—39.71	43.58	5.88	5.88	63	1.57	256.80	504.33
1957																
July	2.74	5.81	162.26	5.20	5.20	15.09	209.57	23.16	—39.11	44.42	62	1.24	4	1.39	20.72	462.77
August	2.68	5.49	160.38	5.02	13.21	13.64	201.68	23.61	—39.18	44.32	62	1.78	3	1.42	17.91	454.40
September	2.69	5.32	158.22	6.86	20.17	14.06	203.17	23.17	—39.23	44.14	62	2.39	4	1.46	21.54	462.72
October	2.54	5.26	156.82	6.17	26.29	13.51	202.82	24.61	—39.33	44.07	62	2.81	2	1.47	19.12	465.94
November	2.45	5.14	153.46	5.45	32.25	12.28	202.56	24.47	—39.38	43.94	49	2.29	2	1.49	20.24	469.43
December	2.43	5.06	151.07	6.41	39.23	15.60	202.55	24.14	—39.47	43.59	34	2.74	2	1.50	1 20	473.58
1958																
January	2.37	4.94	148.87	7.95	47.18	13.88	202.54	22.77	—39.55	43.80	63	4.44	16	1.68	22.68	479.29
February	2.31	4.83	146.14	10.24	57.42	14.22	202.12	22.45	—39.62	43.69	74	5.18	9	1.75	25.20	487.29
March	2.23	4.73	143.59	13.97	71.39	19.89	207.96	23.13	—39.71	43.58	70	5.88	12	1.87	24.68	504.33
April	..	..	..	..	..	..	..	..	..	43.47	77	6.65	11	1.97	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 10, 1954 to May 20, 1957. E—Progressive net repayments at the end of period from August 15, 1947. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin columns 9 marked ' E ' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 7th June 1958	31st May 1958	10th May 1958	5th June 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	89.7	89.7	89.7	88.6
1. Government of India	89.5	89.5	89.4	89.4
2. State Governments	90.9	90.9	90.9	90.4
3. Municipal Port Trust, etc.	90.0	90.0	89.9	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.4	97.4	97.3	98.9
1. Electricity	98.7	98.7	98.7	98.8
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	98.4	98.4	98.4	98.5
5. Coal	84.8	84.8	84.8	90.6
6. General Engineering	98.4	98.4	98.4	100.9
7. Shipping	99.9	99.9	99.1	101.8
8. Others	94.2	94.2	94.2	100.2
PREFERENCE SHARES	89.8	89.9	70.3	77.8
1. Electricity	85.8	85.8	85.2	86.6
2. Cotton	66.9	67.0	67.7	78.3
3. Jute	57.5	57.5	58.0	70.2
4. Coal	73.4	71.6	71.6	81.7
5. Iron and Steel	77.9	78.0	78.3	83.0
6. Sugar	67.9	68.9	69.8	77.7
7. Paper	69.6	71.6	71.6	78.5
8. Plantations	86.3	86.3	86.5	95.1
9. Miscellaneous	64.8	64.8	64.9	71.0
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	98.4	98.0	98.2	102.7
(a) Financial	97.9	97.5	97.3	90.8
1. Banks	100.7	100.2	100.1	92.4
2. Insurance	94.3	94.1	92.0	84.9
3. Investment Trust	59.2	59.4	60.4	74.7
(b) Public Utilities	105.2	105.2	105.7	105.1
1. Electricity	102.7	102.7	103.2	105.9
2. Shipping and other Transport	121.1	121.4	122.2	111.3
3. Railways	69.1	68.2	68.7	76.2
(c) Manufacturing industries	102.0	101.5	101.8	107.0
1. Cotton, Woollen and Silk	91.9	92.8	94.4	110.8
2. Jute	54.9	55.1	52.2	53.7
3. Iron and Steel	131.2	130.1	130.7	115.3
4. Paper	231.6	213.0	201.1	226.1
5. Cement	120.4	134.8	139.2	144.1
6. General Engineering	156.3	154.6	157.5	154.6
7. Sugar and Breweries	97.8	97.4	97.1	91.4
8. Chemicals	138.0	137.0	136.1	136.9
(d) Non-Manufacturing industries	109.2	109.0	109.8	124.0
1. Coal	64.0	64.2	63.5	69.6
2. Mining and Oil	155.9	156.0	156.4	174.9
3. Plantations	117.1	117.0	118.4	135.7
(e) Miscellaneous	89.5	88.9	88.4	79.9
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :	89.2	89.1	89.1	89.0
1. Bombay	89.7	89.7	89.6	89.5
2. Calcutta	89.9	89.9	89.8	89.9
3. Madras				
DEBENTURES OF INDUSTRIAL CONCERNS :	97.0	97.0	96.6	99.0
1. Bombay	97.5	97.5	97.5	98.6
2. Calcutta	97.4	97.4	97.4	99.6
3. Madras				
PREFERENCE SHARES :	79.5	79.6	79.8	84.4
1. Bombay	60.8	61.0	61.4	70.6
2. Calcutta	83.7	83.7	84.1	91.4
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES :	114.5	113.8	114.9	112.8
1. Bombay	85.0	84.8	84.0	90.4
2. Calcutta	106.6	106.5	107.7	115.1
3. Madras	119.4	118.8	119.8	110.5
4. Delhi				

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns §	Units Generated‡	Total Units Sold
1954-55	686	7,760.9	6,810.2
1955-56	718	8,666.8	7,185.9
1956-57	769	9,877.5	8,103.1
January 1957	765	868.7	711.7
February „	767	811.9	677.7
March „	769	874.6	716.5
April „	770	901.4	734.5
May „	793	932.2	756.7
June „	799	899.4	736.1
July „	809	923.3	743.9
August „	811	923.6	751.6
September „	814	924.7	739.2
October „	822	917.5	731.3
November „	822	950.2	740.5
December „	832	958.7	779.7
January 1958	825	973.6	788.1
February „	828	919.7	748.2

* Excluding railway, military and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. † Including purchases from non-electric utilities.
‡ At the end of period. *Source:*—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951—100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	138.6	138.9	142.0	143.5	139.9
Coal	114.9	126.9	139.0	135.4	124.4
Sugar*	166.5	182.8	204.2	161.3	135.6
Tea*	106.0	105.8	107.5	155.9	131.5
Cotton textiles	122.0	127.8	114.2	112.2	122.4
Jute textiles	127.3	120.5	125.0	133.8	123.5
Paper and paperboards	146.6	159.3	176.7	184.5	154.0
Matches	106.6	99.9	101.1	99.7	103.2
Cement	161.4	179.8	215.2	219.0	169.9
Iron and steel	119.4	119.3	121.1	121.4	139.2
Non-ferrous metals	124.7	151.9	161.6	147.7	129.2
Rayon	855.8	489.3	560.1	574.5	572.1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,138	3,373,000
1955	1,166	527,767	5,697,845
1956 R	1,203	715,130	6,902,040
January 1957	155	126,490	405 805
February „	124	48,733	269,041
March „	113	40,909	257,850
April „	161	61,250	414,585
May „	163	68,230	455,037
June „	153	100,220	734,545
July „	198	91,749	764,305
August „	205	94,351	831,211
September „	222	144,579	842,506
October „	222	102,884	583,206
November „	175	56,168	338,979
December „	155	82,471	512,381
January 1958	145	54,997†	354,185†
February „	138	79,177††	542,936††

‡ Not known in 6 cases. †† Not known in seven cases.
Minimum duration one month. R = Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	31st May 1958	24th May 1958	1st June 1957	April 1958	April 1957	Percentage of Increase (+) or Decrease(—) in April 1958 as compared with April 1957	Financial Year Average 1957-58	Financial Year Average 1956-57
Food Articles	504	103.8

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

CROP FORECASTS

Crop	Fore-cast	(In thousand acres)		(In thousand tons)	
		1956-57	1957-58	1956-57	1957-58
Cereals—					
Rice	final	79,027†	79,320††	24,821†	25,252††
Wheat	final	32,891	30,386	9,068	8,569
Jowar	final	41 411†	40,367††	8,056†	7,249††
Bajra	final	27,453†	27,884††	3,565†	2,885††
Barley	final	8,594	8,382	2,744	2,749
Maize	final	9,762†	9,197††	3,064†	3,009††
Ragi	final	5,897†	5,851††	1,716†	1,715††
Small millets	final	12,209	12,713	2,010	1,937
Total cereals	final	215,642	214,082	57,251	54,456
Pulses—					
Gram	final	23,990	24,157	5,930	5,331
Tur	final	5,696	5,637	2,047	1,830
Other Kharif pulses†	final	15,832†	16,484††	1,401†	1,515††
Rabi pulses‡	final	11,443	11,703	1,794	2 038
Total pulses	final	57,296	57,064	11 435	10,331
Total foodgrains		272 937	271,146	68,686	65,287
Oilseeds—					
Groundnut	final	14,457†	13,450††	4,271†	4,200††
Castorseed	final	1,325†	1,415††	97†	124††
Sesamum	final	5,268†	5,446††	363†	442††
Rape and Mustard	final	6,211	6,317	1,017	848
Linseed	final	3,783	3,781	349	414
Total oilseeds	final	29,906	29 848	6,032	5 705
Fibres—					
Cotton*	final	19,843	19,975	4,723	4,901
Jute A.	final	1,754†	1,908††	4,038†	4,288††
Mesta A.	final	720†	733††	1,211†	1,473††
Other crops—					
Potato	final	702	491	1,674	1,830
Sugarcane	2nd	4,784†	4,475††	63,501†	58,985††
Ginger (Dry)	final	40	40	15	15
Pepper (Black)	final	234	233	32	32
Chillies (Dry)	final	1,450	1,490	384	355
Tobacco	final	1,022	1,013	306	295

Source: Ministry of Food and Agriculture. ‡ Excluding Tur.
* In thousand bales of 392 lbs. each. ‡ Excluding Gram and Tur.
A. In thousand bales of 400 lbs. each. † Refers to 1957-58.
†† Refers to 1958-57.

INDIAN JUTE STATISTICS

Particulars	Period	Quantity
	JUTE MANUFACTURES	(In 000 tons)
Production	During May 1958	94.9
	Corresponding month, 1957	87.3
	Eleven months ended May, 1958	973.8
	Corresponding period, 1957	945.1
Stocks	At the end of May, 1958	112.0
	Corresponding month, 1957	109.4
	DESPATCHES OF GUNNIES	(In 000 tons)
For Export Purpose	1955-56	857.2
	1956-57	852.9
	April 1957	60.7
	April 1958	65.9
For Internal Consumption	1955-56	190.0
	1956-57	179.0
	April 1957	18.3
	April 1958	18.6
	RAW JUTE	(In lakh bales)
Consumption by Mills	May, 1958	5.50
	Corresponding month, 1957	5.06
	Eleven months ended May 1958	56.47
	Corresponding period, 1957	54.84

IRON AND STEEL PRODUCTION (In tons)

	Pig Iron	Steel Ingots	Saleable Steel
Tata Iron and Steel Co., Ltd.			
Year ended 31st March 1956	11,55,900	10,62,100	7,97,800
Do. 31st March, 1957	11,55,500	10,73,600	7,97,500
Do. 31st March, 1958	10,98,300	11,06,800	7,86,900
Mar., 1957	95,100	93,200	78,600
April ,,	92,300	89,300	62,500
May ,,	91,300	86,600	65,100
Mar., 1958	94,900	100,200	71,300
April ,,	98,000	100,300	68,000
May ,,	57,400	52,900	28,500
Indian Iron and Steel Co., Ltd.			
Year ended 31st March, 1956	7,06,986	5,31,505	4,50,607
Do. 31st March, 1957	6,95,156	5,32,315	4,41,493
Do. 31st March, 1958	7,33,945	5,07,580	4,10,553
Three months ended Mar., 1957	1,83,857	1,39,830	1,20,578
,, ,, ,, June,1957	1,72,225	1,29,651	1,00,995
,, ,, ,, Sept.,1957	1,71,397	1,19,172	96,815
,, ,, ,, Dec., 1957	1,90,484	1,25,194	1,02,146
,, ,, ,, Mar. 1958	1,99,839	1,33,563	1,06,501

FOREIGN TRADE OF INDIA

(In lakhs of rupees)

Particulars	November		Jan. to Nov.	
	1957	1956	1957	1956
Exports	58,74	55,35	596,52	580,29
Re-exports	28	54	4,74	7,81
Total Exports	59,02	55,89	601,26	588,10
Imports	78,18	69,93	912,11	787,42
Overall Balance of Trade	—19,16	—14,04	—310,85	—199,32
Exports—				
Tea	15,90	15,97	113,53	124,17
Jute yarns and manufactures	5,56	12,76	66,03	108,00
Cotton yarns and manufactures	5,66	6,12	65,42	56,14
Metallic ores and scrap iron or steel for re-manufacture	4,58	2,31	46,78	20,03
Cotton, raw and waste	63	1,02	18,02	22,96
Oils—vegetable, mineral and animal	1,15	1,40	18,67	22,91
Fruits and vegetables	1,83	1,52	17,32	16,77
Tobacco	29	35	12,38	12,96
Mica	67	77	7,97	7,37
Wool—Raw	1,33	91	11,45	9,66
Gums, resins and lac	88	1,16	8,25	10,00
Spices	56	61	7,79	8,43
Hides and skins, raw	50	59	6,77	5,21
Imports—				
Machinery of all kinds	22,03	14,89	210,00	140,15
Metals, iron and steel and manufactures thereof	8,98	12,08	138,62	112,00
Oils—vegetable, mineral and animal	7,72	3,09	103,72	58,43
Cotton, raw and waste	85	5,68	46,40	50,50
Chemicals, drugs and medicines	5,42	2,76	71,32	46,13
Electrical goods and apparatus	5,51	1,59	54,60	18,68
Paper, pasteboard, etc.	98	1,17	13,16	14,78
Vehicles (excluding aircraft, ships and boats)	2,41	5,62	61,20	64,17
Fruits and vegetables	1,90	1,12	18,98	13,73
Spices	32	75	2,79	7,42
Dyes and colours	92	1,33	13,07	15,37
Woollen and worsted fabrics	10	13	1,24	5,02
Cotton fabrics	14	22	2,28	22,2

RAILWAY TRAFFIC—WAGON LOADINGS

(In thousands)

Year/Month	Total No. of Wagons Loaded	Coal and Coke	Grains and Pulses	Oil-seeds	Raw Cotton	Cotton Manu-factures	Raw Jute	Jute Manu-factures	Sugar*	Cement	Pig-iron	Iron and Steel (Others)	Tea	Manga-nese Ore
1955-56	12,751	2,763	974	213	111	67	149	29	517	412	41	330	48	148
1956-57	13,526	2,953	1,022	219	109	58	207	24	610	427	39	369	52	180
1957-58	14,335	3,150	1,225	214	104	52	217	25	596	504	39	476	47	194
April 1957	1,245	263	103	22	10	6	16	2	76	39	3	34	2	18
May ,,	2,468	522	219	43	21	13	34	4	129	77	6	69	4	33
June ,,	3,562	756	334	57	30	18	48	5	164	109	9	101	7	45
July ,,	4,663	1,010	438	72	35	21	58	7	183	145	11	138	13	62
August ,,	5,781	1,270	539	84	39	25	67	8	208	183	13	177	19	81
September ,,	6,893	1,542	628	93	42	30	87	10	223	220	15	219	25	101
October ,,	8,056	1,824	736	107	46	34	109	13	241	263	19	261	31	120
November ,,	9,240	2,087	844	129	53	37	137	16	273	309	24	302	37	134
December ,,	10,506	2,351	941	152	64	40	162	18	354	360	28	350	42	146
January 1958	11,814	2,624	1,038	174	80	44	186	21	438	413	32	394	45	161
February ,,	13,011	2,874	1,123	191	93	49	202	23	519	456	36	435	46	176
March ,,	14,335	3,150	1,225	214	104	52	217	25	596	504	39	476	47	194

Note.—The figures relate to broad and metre gauges of Class I Railways. The monthly figures are progressive from April, equated to M. G. Wagons (1 B. G.-2 M. G.) and incorporate revision in respect of earlier months.
* Including sugarcane from November, 1955.
Source :—Ministry of Railways.

RAW COTTON STATISTICS

Particulars	Details of Period	Quantity (Bales of 400 lbs.)
Bombay Island—		
Cotton Receipts	Week ended 12th June, 1958	36,320(J)
	Corresponding week, 1957	43,021(J)
	1st Sept. to 12th June, 1957-58	1,432,336*
	Corresponding period, 1956-57	1,705,625*
Cotton Exports	Week ended 12th June, 1958	11,139
	Corresponding week, 1957	4,125
	1st Sept. to 12th June, 1957-58	223,315
	Corresponding period, 1956-57	257,765
Mill Consumption (Estimated)	1st Sept. to 12th June 1957-58	1,000,433A.
	Corresponding period, 1956-57	1,049,453
Stock (with exporters, dealers and mills) in Bombay (Estimated.)	On 12th June, 1958	762,615
	Corresponding date, 1957	651,491
Cotton Exports from Bombay (by sea)	During March, 1958‡	10,438§
	During March, 1957	29,377
	1st Sept., 57 to 31st March, 1958	59,624
	1st Sept., 56 to 31st March, 1957	170,585
Karachi (Pakistan)—		
Receipts	1st Sept., to 5th June, 1957-58	1,077,963
	Corresponding period, 1956-57	1,157,329
Exports	1st Sept., to 5th June, 1957-58	546,016
	Corresponding period, 1956-57	680,312

J By Rail and Sea. † Incomplete. * By Rail, Sea and Road. ‡ From 1st Sept. to 30th April, 1958. A.—Adjusted. § Includes Zoda and Yellow Pickings, etc
** From 1st Sept., 1956 to 31st May, 1957.

Particulars	From 1st September to 16th June 1957-58 Bales	From 1st September to 16th June 1956-57 Bales
From Bombay		
Coston Shipments to—		
United Kingdom	7,757	22,132
Continent	18,590	21,570
Hongkong	5,019	34,001
China	—	3,437
Japan	120,177	138,407
U.S.A.	7,643	2,324
Other Countries	741	831
Total to all foreign countries	159,927	222,702
Coastal Ports	64,629‡	37,731**
Total	224,556	260,433

Period		Quantity (Bale of 400 lbs.)
Consumption of Cotton—		
Indian	April, 1958	348,743
Foreign		42,954
Indian	Eight months ended Apr., 1957-58	2,999,692
Foreign		383,863
Indian	Same Period 1956-57	3,134,012
Foreign		388,204
Stocks (Mills and Elsewhere)—		
Indian	As on 30th April 1958	1,324,811
Foreign		139,817
Indian	As on 30th April 1957	1,329,986
Foreign		206,650
Cotton Pressed in India† (In running bales)	Week ended 6th June 1958	5,612
	Corresponding week, 1957	75,363
	1st Sept., to 6th June 1957-58	2,600,482
	Corresponding period, 1956-57	3,095,920

GOVERNMENT SECURITIES

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
TERMINABLE LOANS				
4 % Bond	1926-33	63,30,26,000	1969-70	100.30
3 % Loan	1938-39	116,17,46,000	1965-65	95.60
3 % Loan	1950	30,33,10,000	1964	95.45
3 % Fg. Loan	1943	1,10,11,78,000	1966-68	92.95
3 % Dev. Loan	1945	1,15,05,82,000	1970-75	87.30
3 % 2nd V.Loan	1945	1,18,65,64,000	1959-61	97.30
3 % Loan	1951	15,22,64,000	1958	99.10
2½ % Loan	1946	45,83,97,000	1960	99.85
2½ % Loan	1946	57,00,69,000	1961	98.15
2½ % Loan	1946	55,00,00,000	1962	95.60
2½ % Loan	1946	14,77,48,000	1976	83.10
2½ % Loan	1947	75,86,72,000	1962	95.35
3½ % N. P. Bonds	1953	75,29,00,000	1961	99.50
3½ % N. P. Loan	1954	1,58,17,90,000	1964	98.50
3½ % N. P. Bonds (2nd Series)	1955	1,03,67,92,000	1965	98.30
3½ % Loan	1956	57,27,36,000	1962	97.95
3½ % N. P. Bonds	1956	33,81,33,000	1967	97.60
3½ % Loan	1956	66,83,53,000	1974	98.30
3½ % N. P. Bonds (4th Series)	1957	56,86,08,000	1967	99.65
4 % Loan	1957	49,16,87,000	1973	100.35
3½ % Loan	1958	58,00,00,000	1965	98.80
3½ % Loan	1958	34,84,00,000	1968	99.50
4 % Loan	1958	49,47,00,000	1973	100.05
NON-TERMINABLE LOANS				
3% Loan	1896-97	8,93,34,000	M.	71.25
2½ Loan	1946	2,48,91,41,000	K.	71.15
STATE LOANS				
4 % Andhra	1955	5,00,16,000	1st Sept. 1967	97.80
4 % Andhra	1956	6,56,15,000	3rd Sept. 1968	97.75
3 % Bombay	1944	3,04,12,000	15th Aug. 1958	99.75
3 % Bombay	1949	5,49,29,000	1st Aug. 1962	94.25
3 % Bombay	1950	2,83,70,200	31st July 1960	97.75
3½ % Bombay	1951	2,00,05,200	17th Sept. 1962	98.10
4 % Bombay	1953	5,25,90,200	15th July 1963	99.65
4 % Bombay	1953	3,45,56,500	1st Aug. 1964	99.40
4 % Bombay	1955	9,87,51,000	1st Sept. 1967	98.40
4 % Bombay	1956	8,07,06,300	3rd Sept. 1970	98.00
4½ % Bombay	1957	6,60,00,000	16th Sept. 1969	100.10
4 % Bihar	1955	1,54,00,000	1st Sept. 1967	97.80
4 % Bihar	1956	2,13,15,000	3rd Sept. 1968	97.60
3 % Cochin	1945	1,00,00,000	16th Dec. 1955-58	98.00
3½ % Cochin	1956	70,09,000	1st June 1956-61	97.75
3½ % Bombay Bridge (New)	1936-37	1,95,96,700	1956-66	94.12
4 % Hyderabad	1955	2,12,46,000	1st Sept. 1967	97.80
4 % Hyderabad	1956	2,19,02,000	3rd Sept. 1968	97.75
3 % Madras	1939	1,23,96,000	21st June 1959	98.70
3 % Madras	1944	1,07,95,000	15th Aug. 1958	99.60
3 % Madras	1945	2,72,78,4,000	14th Sept. 1960	97.65
3 % Madras	1946	3,81,77,200	1st Sept. 1961	94.60
3 % Madras	1950	4,88,25,400	31st July 1960	97.70
3½ % Madras	1951	3,01,49,300	17th Sept. 1962	97.85
4 % Madras	1953	10,83,51,000	15th July 1963	99.45
4 % Madras	1952	5,24,81,200	1st Aug. 1964	99.42
4 % Madras	1955	10,47,17,000	1st Sept. 1967	98.00
4 % Madras	1956	18,83,56,000	3rd Sept. 1968	98.08
4 % Mysore(f)	1938	2,66,86,500	1st Dec. 1953-63	101.00
3 % Mysore(f)	1939	5,99,73,000	30th Apr. 1956-61	99.25
4 % Mysore	1953	3,33,47,000	15th July 1963	99.25
4 % Mysore	1955	3,34,94,000	1st Sept. 1967	97.80
4 % Mysore	1956	4,11,11,000	3rd Sept. 1968	97.75
4½ % Mysore	1957	3,00,00,000	16th Sept. 1969	100.00
3 % M.P.	1944	25,60,800	15th Aug. 1958	99.50
3 % M.P.	1948	2,03,28,000	15th Sept. 1964	97.25
3 % M.P.	1950	1,01,45,000	31st July 1960	97.20
3½ % M.P.	1951	1,02,18,100	17th Sept. 1962	97.75
4 % M.P.	1953	1,10,18,000	15th July 1963	99.00
4 % M.P.	1955	1,53,12,000	1st Sept. 1967	97.70
4 % M.P.	1956	1,58,42,000	3rd Sept. 1968	97.60
4 % Saurashtra	1955	3,61,65,500	1st Sept. 1967	98.25
4 % Saurashtra	1956	2,74,84,600	3rd Sept. 1968	98.10
4½ Trav. Cochin	1953	2,23,81,000	15th July 1963	97.70
4½ Trav. Cochin	1956	2,24,78,000	3rd Sept. 1968	96.75
2½ U.P.2.A.	1952	41,44,79,000Z		99.75
3 % U.P.	1926	1,58,25,000	15th Sept. 1961-66	90.85
3 % U.P.	1944	2,87,01,000	15th Aug. 1958	99.65
3 % U.P.	1945	2,17,22,000	14th Sept. 1960	97.30
2½ % U.P.	1946	2,16,39,000	1st Sept. 1961	94.50
3½ % U.P.	1951	1,87,38,000	17th Sept. 1962	97.75
4 % U.P.	1952	6,11,45,000	1st Aug. 1964	99.00
4 % U.P.	1953	5,65,16,000	15th July 1963	99.35
4 % U.P.	1955	9,52,54,000	1st Sept. 1967	97.85
4 % U.P.	1956	8,74,72,000	3rd Sept. 1968	97.80
4 % Rajasthan	1956	3,14,19,000	3rd Sept. 1968	97.50
4 % Orissa	1956	3,05,99,000	3rd Sept. 1968	97.40
4 % M. Bharat	1953	1,04,77,000	15th July 1963	99.00
4 % M. Bharat	1956	1,11,26,000	3rd Sept. 1968	97.60

PORT TRUST LOANS

Amount	Interest per cent.	Year of Issue	Repay-able	Market quota-tion
BOMBAY				
Rs.				Rs.
36,40,000	4	1904	1964	
35,00,000	4	1905	1965	
15,00,000	4	1906	1967	
44,00,000	4	1907	1968	
75,00,000	4	1908	1968	96.20N
40,00,000	4	1909	1970	
56,00,000	4	1910	1971	
75,00,000	4	1911	1972	
1,10,00,000	4	1912	1973	
14,35,876	4	1913*	1960	D
80,00,000	4	1913	1974	96.20N
88,25,000	4	1914	1975	96.20N
10,00,000	4	1915*	1960	
55,00,000	4	1915	1975	
61,61,000	4	1922*	1960	
11,61,000	4	1924*	1960	
25,00,000	3½	1926*	1960	
25,00,000	3½	1930*	1960	D
12,50,000	3½	1931*	1961	
12,50,000	3½	1932*	1962	
24,58,000	3½	1935*	1975	
15,00,000	3½	1936*	1966	
48,04,000	3½	1936*	1960	
10,00,000	3½	1938*	1968	
7,00,000	3½	1941	1971	
CALCUTTA				
Rs.				Rs.
90,24,300	4	1914	1974	97.75
76,90,100	4	1915	1975	97.75
1,60,00,000C	3½	1921	1981	82.00
68,08,3300	6½	1921	1981	144.00N
1,49,30,000	5	1928	1958-88	101.00
80,00,000	4½	1931	1991	95.00
80,00,000	3½	1935	1995	97.50
25,00,000	3	1938	1958-68	90.00
50,00,000	3	1945	2005	74.00
50,00,000	3	1945	1975	85.00
50,00,000	3	1946	1976	84.75
50,00,000	3	1946	2006	74.00
50,00,000	2½	1947	1977	79.50
50,00,000	3	1948	1978	88.75
50,00,000	3	1949	1959	98.25
1,00,00,000	3	1949	1959	98.25
50,00,000	3	1950	1980	82.00
50,00,000	3	1950	1960	97.90
1,00,00,000	3	1950	1960	97.90
1,00,00,000†	4	1952	1964	97.85
2,50,00,000	4	1954	1967	97.75
1,50,00,000	4	1955	1967	97.25
	4	1956	1968	97.25
CALCUTTA				
Rs.				Rs.
36,00,000	5	1928	1958	102.00
25,00,000	5	1929	1958	102.00
10,00,000	5½	1932	1962	100.00
23,91,000	5½	1935	1965	94.00
60,00,000	3	1938	1968	90.00
47,50,000	3	1942	1972	95.00
16,33,000	3½	1942	1972	97.50
66,88,000	3½	1951	1966	97.50
97,56,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	100.00
2,22,72,000	4	1955	1985	90.00
87,00,00,000	4½	1958	1970	100.00
MADRAS				
Rs.				Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1963	107.50

IMPR. TRUST LOANS

Amount Sanctioned	Interest per cent.	Year of Issue	Repay-able	Market quota-tion
BOMBAY				
Rs.				Rs.
50,00,000	4	1899	1959	100.00
30,00,000	4	1901	1961	
30,00,000	4	1902	1962	
30,00,000	4	1903	1963	
50,00,000	4	1904	1964	
20,00,000	4	1905	1965	97.75
20,00,000	4	1906	1966	N
15,00,000	4	1907	1967	
80,00,000	4	1908	1968	
28,00,000	4	1912	1972	
20,00,000	4	1913	1973	97.50
50,00,000	4	1914	1974	N
25,00,000	4	1916	1976	
40,00,000	5	1919	1957-79	118.90
66,00,000	5	1926	1955-80	
25,00,000	5	1926	1956-86	115.00N
25,00,000	4	1927	1961-70	98.00N
10,00,000	3	1936	1966	
STERLING LOAN				
£566,600		1909	1968	95.50N
£338,000		1910	1970	£95.50N
CALCUTTA				
Rs.				Rs.
25,00,000	5½	1929	1959	102.00
50,00,000	4	1924	1964	99.06
15,00,000	3½	1935	1965	94.00
30,00,000	3	1936	1966	90.00
50,00,000	3	1937	1962	91.00
20,00,000	3	1938	1968-68	90.00
80,00,000	4	1952	1962	99.25
1,02,00,000	4	1956	1968	99.00
50,00,000	4½	1958	1968	99.75

MUNICIPAL LOANS

Rs.	BOMBAY		Rs.
20,00,000	4	1918-18	1974	97.00
10,00,000	5	1920	1980	113.00
25,00,000	5	1928	1958	101.50
26,21,500	5	1929	1959	101.50
8,25,00,000	3½	1939	1977	84.00
2,50,00,000	3½	1949	1979	84.00
3,00,00,000	3½	1950	1965	92.25
2,50,00,000	3½	1952	1964	97.85
2,00,00,000	3½	1951	1966	97.00
1,30,00,000	4	1953	1963	97.85
1,00,00,000†	4	1952	1964	97.85
1,00,00,000†	4	1954	1967	97.75
2,50,00,000	4	1955	1967	97.25
1,50,00,000	4	1956	1968	97.25
Rs.	CALCUTTA		Rs.
36,00,000	5	1928	1958	102.00
25,00,000	5	1929	1958	102.00
10,00,000	5½	1932	1962	100.00
23,91,000	5½	1935	1965	94.00
60,00,000	3	1938	1968	90.00
47,50,000	3	1942	1972	95.00
17,64,400	3½	1942	1959	96.50
21,10,000	3½	1942	1972	95.00
16,33,000	3½	1942	1972	97.50
66,88,000	3½	1951	1966	97.50
97,56,000	4	1952	1962	99.25
72,50,000	4½	1954	1979	100.00
2,22,72,000	4	1955	1985	90.00
87,00,00,000	4½	1958	1970	100.00
Rs.	MADRAS		Rs.
15,00,000	3½	1951	1961	107.00N
15,00,000	3½	1952	1963	107.50

STERLING LOANS

£				Rs.
£892,500	5	1923	1958-88	£80.00
£901,000	5	1924	1954-84	£80.25
£835,100	5½	1932	1962	£91.00

MADRAS

Rs.				Rs.
28,48,275	3½	1947	1977	
9,88,000†	3	1947	1977	A
3,00,000†	3	1940	1979	
45,00,000†	4½	1954	1984	

STATE LOANS—*Contd.*

Loan	Issued	Outstanding Rs.	Repayable	Latest Available Quotation Rs.
3½% W. Bengal	1951	1,75,00,000	17th Sept. 1962	98.10
4 % W. Bengal	1952	2,00,00,000	1st Aug. 1964	99.25
4 % W. Bengal	1953	3,50,23,000	15th July 1963	99.40
4 % W. Bengal	1955	7,58,72,000	1st Sept. 1967	98.25
4 % W. Bengal	1956	7,11,46,000	3rd Sept. 1968	98.10

ABBREVIATIONS.
A—Held by Government of India. B.—Taken up by State Bank of India. C—Held by Commissioners. D—Domestic Loan not marketable.
(f) Income-tax free. * Loans held entirely by the Trustees. N—Nominal.
† Bombay State Transport. †† Rate of Interest reduced from 6 to 5 per cent. with effect from 1st June 1944.
‡ Rate of Interest reduced from 6% to 4 per cent. with effect from 1st April, 1955. }—Interest-free for first 15 years. t—Interest-free for first 7 years.
§ Ex four instalments but inclusive of accrued interest. M—At the option of Government after three month's notice.
K—On September, 1986, or later at option of Government after three month's notice.

PREFERENCE SHARES

Company.	Amount Issued. Rs. or £	Year of Issue.	Rate per cent.	Approximate Month of Payment.	Latest Available Quotation. Rs.	Paid-up per Share. Rs.
BANK						
Allahabad Bank T.F.C.	15,00,000	1901	6	Mar. Sep.	107.00	100
BREWERIES AND SUGAR						
Bharat Sugar T.R.C.	5,00,000	1931	5	Dec.	70.00	100
Chasw & Co. T.F.R.C.	8,00,000	1875	6½	Mar. Sep.	80.00	100
Cawnpore Sugar Works T.F.C.	10,00,000	1905-24	8	Feb. Aug.	105.00	100
Dcsaea Sugar & Abkhar 'A' T.F.C.	7,00,000	1920	7	July Apr.	5.75	5
‡East India Distilleries T.F.C.	£200,000	1897	7	Jan. July	18.15sd	51
Gwalior Sugar T.R.O.	6,75,000	1940	7	Dec.	55.00	100
Do. (Non-redeem.)	5,00,000	1940	7	Dec.	55.00	100
Furtabpore Co. T.C.	6,00,000	1922	10	Oct.	13.00	10
Ramnagger Cane T.F.C.	4,00,000	1933-36	6	Aug.	65.00N	100
Ravalgaon Sugar	20,00,000	1943	5½	Oct. Apr.	20.00	100
South Behar Sugar T.	5,00,000	1936	7	Oct.	6.25	10
Travancore C.T.F.	15,00,000	1946	5	Dec.	90.00N	100
Upper Ganges T.F.C.	12,00,000	1932	5	Dec.	70.00N	100
Do. T.C.R.O.	15,00,000	1946	5	Dec.		
COAL						
Bengal-Nagpur T.F.C.	1,12,500	1905	7	Jan. July	87.00	100
Borea T.F.C.	4,00,000	1896-97	6½

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. B.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciation is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation	Paid-up Per Share	Dividend Per Ordinary Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BOMBAY CITY AND ISLAND																
50,00,000	5,37,500	1,01,25,505	44,08,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	898	Apollo Mills	1·72	2	0·12(e)	0·19	0·19		12	Y.
40,00,000	24,00,000	1,40,93,494	78,99,035	17,302	M.	20,596	1,031	B. E. Cotton Mills	20·00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.T.
2,50,98,000	3,42,88,483	7,95,30,951	3,93,39,819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Co.	55·00	25	2·00	2·50*	2·50	2·50	12	Y.
10,00,000	43,63,860	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd. ..	4,784	860	Bradbury Mills	154·00	50	75·00†	12·50	20·00	15·00	3	Y.P.
1,99,42,800	2,79,59,276	7,45,32,167	2,60,98,324	9,27,643	Birla Brothers Private Ltd. ..	1,26,752	2,752	Century Spg. & Mfg. ..	441·50	100	22·00	22·00	22·00	22·00	12	Y.
40,00,000	25,42,326	1,19,99,766	65,07,035	—33,08,097	V. J. Pilani (Chairman and Managing Director)			Colaba Land & Mill ..	31·25	100	*Nil*	*Nil*			12	Y.
26,00,000	18,03,380	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd. ..	50,596	698	Coorla Spg. & Wvg. ..	119·00	100	*Nil*	*Nil*			12	Y.
28,00,000	21,65,515	80,01,069	40,34,066	24,840	Ramnarain Sons Private Ltd. ..	30,984	680	Dawn Mills	90·00	50	6·00	15·00	15·00	12·50*	3	Y.
84,00,000	40,06,485	1,13,54,400	62,28,676	2,28,479	Puranmal Bubna Sons ..	41,338	..	Edward Textiles	251·25	200	15·00	18·00	15·00	7·50F	3	Y.
25,98,050	16,71,233	1,20,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	41·50	50	3·00	5·00	15·00		12	Y.
50,00,000	55,54,875	1,67,34,054	89,06,207	87,155	James Finlay & Co., Ltd. ..	52,528	784	Finlay Mills	270·00	100	16·00	20·00	25·00	12·50*	12	Y.P.
50,00,000	48,98,022	94,91,910	61,37,387	10,233	James Finlay & Co., Ltd. ..	45,788	1,018	Gold Mohur Mills Ltd. ..	185·00	100	12·50	15·00	15·00	15·00	12	Y.
11,84,000 / 16,000	1,31,31,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills..	4,090·00 / 992·50	1,000 / 250	225.00 / 56·25	300·00 / 75·00	325.00 / 81·25	350.00* / 87·50*	3	Y.P.
2,50,00,000	56,39,672	4,90,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills ..	9·52 / 1·24	0 100. / 0 1D.	*Nil* / *Nil*	0·94 / 0·19	0·92 / 0·18		12	Y.
3,65,000 / 35,000	1,12,51,256	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	4,510·00	1,000	225.00	300·00	300·00	325.00*	3	Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	500	112·50	150·00	150·00	150·00	162·50*	3	Y.P.
1,00,00,000	1,13,27,791	3,67,76,376	2,84,94,794	52,791	Killick Industries Ltd. ..	1,20,504	1,846	Kohinoor Mills	190·00	100	12·25	12·00	10·00	10·00(e)	6	Y.P.
33,18,800	46,27,870	1,23,83,753	67,99,178	43,271	N. Sirur & Co. Private Ltd. ..	49,000	644	Modern Mills	258·50	100	18·00	18·00	18·00	18·00	12	Y.
51,75,000	38,44,612	2,84,74,625	1,83,16,328	23,529	Piramal Sons Private Ltd. ..	71,604	1,652	Morarjee Goculdas Spg. & Wvg.	235·00	50	5·00	8·00*	8·00*	5·00'C'	12	Y.T.
1,60,53,400	1,42,58,205	10,55,96,105	3,40,00,000	1,23,037	Chinai & Co. Private Ltd. ..	..	..	National Rayon Corporation ..	231·50xd	100	14·00	14·00	15·00	14·00(e)	6	Y.P.
24,00,000	25,82,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd. ..	45,044	432	New City of Bombay Mfg. ..	105·00	100	10·00	12·00	14·00*	14·00	12	Y.P.
30,00,000	11,72,134	101,83,902	63,37,034	..	W. H. Brady & Co., Ltd. ..	49,012	1,018	New Great Spg. & Wvg. ..	105·00	100	10·00	10·00	10·00	5·00	12	Y.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd. ..	69,238	1,190	Phoenix Mills	200·00	100	7·50	10·00	10·00	*Nil*	12	Y.P.
40,00,000	45,64,554	53,92,841	25,34,581	1,63,546	Podar Sons Private Ltd. ..	32,600	930	Podar Mills	116·00	100	8·00	10·00	..	12·50F	3	Y.
10,00,000	1,78,222	24,10,104	18,80,783	..	M.	..	..	Sassoon & Alliance Silk Mill ..	135·00	100	10·00	12·00*	12·00*	10·00	12	Y.P.
37,70,100	1,19,98,715	2,11,34,514	1,36,87,242	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg. ..	9·88	10	0·50	0·50	0·25(e)		12	Y.
80,00,000	48,20,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills ..	47·50	10	1·75	2·00	2·00	2·00	12	Y.
42,00,000	31,94,178	1,20,04,790	76,42,061	8,089	Forbes, Forbes Campbell & Co., Ltd.	34,840	1,274	Simplex Mills	145·50	100	14·00	12·00	12·00		12	Y.P.
87,80,000	2,60,26,472	2,90,16,751	1,87,99,317	1,55,642	Mafatlal Gagrabhai & Sons ..	97,588	2,409	Standard Mills	170·50	50	11·00	10·00	12·00	8·50	3	Y.
1,00,00,000	95,05,854	2,70,30,400	1,44,86,214	29,124	Tata Industries Private Ltd. ..	72,236	2,000	Svadeshi Mills	419·00	200	20·00	20·00	22·50*	22·50*	12	Y.P.
36,00,000	66,13,465	1,52,27,488	96,52,715	26,062	James Finlay & Co., Ltd. ..	40,328	549	Swan Mills	182·00	100	8·00	12·00	14·00*	9·00	12	Y.P.
66,57,875	53,39,412	2,18,16,540	90,53,601	17,925	Tata Industries Private Ltd. ..	70,832	1,800	Tata Mills	365·00	100	20·00	25·00	25·00	25·00	12	Y.
12,00,000	1,21,85,655	1,45,81,207	95,78,967	92,935	M.	54,136	1,212	Western India Spg. & Mfg. ..	4,525·00	25 / 1,000	2·00 / 225.00	4·00 / 300.00	8·50* / 300.00	2·00 / 325.00*	12 / 3	Y.T. / Y.P.
AHMEDABAD																
40,00,000	31,31,987	1,73,25,924	68,65,244	11,155	Tata Industries Private Ltd. ..	49,144	1,016	Ahmedabad Advance Mills ..	155·50	100	5·00	7·00	12·00	5·00	6	Y.P.T
15,00,000	98,23,183	1,29,00,836	73,32,228	....	P. M. Hatheesing & Co., Ltd. ..	44,220	912	Arvana Mills	540·00	100	20·00	30·00	25·00	25·00	12	Y.P.
40,00,000	3,03,12,127	2,17,79,010	1,10,66,897	28,706	M.	66,412	1,216	Arvind Mills	848·00	100	25·00	35·00*	35·00*	35·00*	12	Y.P.
22,00,000	47,41,123	1,22,40,943	77,79,729	1,04,815	Mangaldas & Brother (Pvt.) Ltd. ..	35,908	892	Arvodaya Ginning & Mfg. ..	670·00	200	15·00	25·00*	30·00*	*Nil*	12	Y.P.
12,00,000	1,40,46,694	99,92,464	67,28,819	728	Lalbhai Dalpatbhai & Co. ..	37,368	914	Asoka Mills	555·00xxd	100	22·00	30·00	30·00	30·00	12	Y.P.
1,37,50,000	3,40,54,519	8,14,69,792	2,56,06,236	1,18,338	Kasturchand Premchand Pvt. Ltd. ..	1,39,120	2,400	Calico	491·00	125	18·00	..	30·00	30·00	3	Y.P.
63,00,000	28,51,630	1,44,37,907	1,02,61,820	20,815	Tricumlal Bhoglal & Co., Ltd. ..	45,836	866	New Commercial Mills ..	434·00xxd	250	70·00	80·00	100·00*	25·00*	12	Y.P.
52,00,000	91,54,187	1,55,49,668	1,07,88,296	92,673	Mafatlal Chandulal & Co., Ltd. ..	51,100	907	New Shorrock Spg. & Wvg. ..	730·00	125	35·00	35·00	40·00*	30·00	12	Y.
15,00,000	64,29,775	69,45,065	35,66,652	....	Jagabhai Bhoglal Nanavaty & Co., Ltd.	25,560	572	Nutan Mills	380·00	100	30·00	40·00	20·00	20·00	12	Y.P.
30,00,000	1,08,87,132	1,07,38,484	66,60,480	105	Lalbhai Dalpatbhai & Co. ..	32,823	686	Raipur Mfg.	885·00	100	25·00	35·00*	30·00	35·00*	12	Y.P.
48,75,000	28,46,580	1,33,74,914	73,60,111	9,983	M.	35,196	648	Rohit Mills	138·75	100	9·00	*Nil*	8·00*	8·00*	12	Y.P.
57,96,300	2,88,74,106	2,17,82,370	1,17,57,907	1,76,451	Harivallabhdas Kalidas & Co. ..	94,128	1,789	Shri Ambica Mills	648·00	50	20·00	27·00*	30·00*	25·00	12	Y.P.
29,25,000	69,60,633	1,00,70,063	73,48,312	18,846	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	730	Shorrock Spg. & Mfg. ..	620·00	500	35·00*	35·00*	50·50*	40·00*	12	Y.P.
35,00,000	33,00,929	1,28,90,368	90,20,784	23,300	Hacidas Ambalal & Co., Ltd. ..	41,056	780	Vijaya Mills	450·00	100	25·00*	25·00	30·00*	20·00	12	Y.
WEST BENGAL																
15,00,000	3,05,455	38,27,581	24,03,641	1,14,855	Calcutta Agency Private Ltd. ..	13,044	356	Basanti Cotton Mills ..	6·19	10	0·50	0·50	0·60	0·60	12	Y.P.T.
7,11,280 / 2,60,620†	19,08,297	80,04,522	55,58,258	49,225	D. N. Bhattacharjee, Esq. (Mg. Director)	33,336	985	Bengal Luxmi Cotton Mill ..	25·00N	40	4·00	4·00	4·00	4·00	3	Y.P.
24,00,000	1,50,000	1,06,25,544	51,27,756	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Bowreah Cotton Mills ..	100·00	100	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
19,00,000	28,17,431	1,16,16,740	74,61,293	3,50,353	Kettlewell Bullen & Co., Ltd. ..	42,944	523	Dunbar Mills	104·00	100	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.P.
88,28,000	1,50,000	1,06,25,544	51,27,756	743	Kettlewell Bullen & Co., Ltd. ..	42,960	841	Jay Shree Textiles Ltd. ..	117·00	100	*Nil*	2·50	6·00	6·00	12	Y.P.
1,00,28,000	2,29,91,250	4,09,62,835	1,40,10,479	4,94,772	Birla Brothers Private Ltd. ..	75,040	1,992	Kanoria Cotton Mills	6·66	10	*Nil*	0·37	0·37	0·50	12	Y.P.
19,47,7500 / 5,00,000D	9,50,000	48,59,254	28,75,466	9,888	Hazaramul, Hoora[1]al ..	23,086	795	Rampooria Cotton Mills ..	10·50 / 4·00N	10 / 10	0·37 / 0·62	0·37 / 1·00	1·00 / 1·00	0·75 / 0·75	5 / 6	Y.
SOUTH INDIA AND OTHER CENTRES																
11,26,600	5,57,519	29,87,104	19,12,229	16,613	Setna & Co.	24,800	..	Asher Textiles Ltd. ..	217·00N	100	*Nil*	12·50	15·00	12·50	6	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	9,710	C. E. Tyabjee, Esq.	36,186	716	Asam Jahl Mills	52·00	100	*Nil*	3·50(e)	5·00	3·50	9	Y.
1,21,50,000	1,47,74,579	3,67,98,866	2,76,48,043	2,90,471	Binny & Co. (Madras), Ltd. ..	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	162·00	100	20·00	20·00	20·00	10·00'C'	12	Y.
35,00,000	99,61,544	1,23,11,187	1,03,74,387	2,64,725	Birla Brothers Private Ltd. ..	39,896	1,068	Birla Cotton Spg. & Wvg., Delhi	27·00N	10	2·00	3·00	3·00	1·50	12	Y.P.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd. ..	1,20,288	2,762	Buckingham & Carnatic ..	108·00	100	10·00	10·00	10·00	10·00	12	Y.
32,00,000	15,37,255	50,23,440	26,16,043	....	Peirce, Leslie & Co., Ltd. ..	27,135	4	Cambodia Mills	9·25	10	*Nil*	0·50	0·50	0·50(e)	12	Y.
15,00,000	5,11,500	58,32,411	37,86,987	1,92,792	K. Damodaran, Esq. ..	20,600	..	Cannanore Spg. & Wvg. ..	144·50xd	100	20·00	15·00	15·00	15·00	12	Y.P.T.
20,00,000	32,35,551	70,35,496	56,32,016	48,885	Begg, Sutherland & Co. Private Ltd.	27,624	591	Cawnpore Textile Co. ..	4·06	5	0·50	*Nil*	0·25	0·50(e)	12	Y.
9,37,476	5,00,000	55,16,229	31,85,428	96,559	C. R. Srinivasan, Esq. (Chairman)	31,200	..	Cauvery Spg. & Wvg. Mills Ltd.	12·05	100	1·00	0·25	0·25	0·25	3	Y.
24,21,360	22,00,767	1,91,99,079	90,35,454	698	S. Bhamma Naidu & Co. ..	41,564	..	Coimbatore Cotton Mills ..	134·00	100	25·00	0·62	0·75	0·90	3	Y.P.
18,15,000	7,25,198	39,16,552	24,29,833	....	T. A. R. Chettiar Sons & Co. ..	25,840	160	Coimbatore Kurunga Mills ..	110·00	100	15·00	25·00	25·00	9·00'C'	12	Y.P.
20,00,000	19,20,000	71,42,623	35,30,753	13,514	T. R. N. Naidu & Co. ..	38,226	..	Coimbatore Pioneer Mills ..	220·00	100	17·50	20·00	15·00		12	Y.P.
20,78,900	5,06,375	1,24,76,102	68,06,979	10,418	R. G. S. Naidu & Co. ..	72,188	407	Coimbatore Spg. & Wvg. ..	46·50	100	20·00	20·00	20·00	12·50	12	Y.P.
44,87,500	27,24,735	2,42,10,703	1,54,86,384	....	Tata Industries Private Ltd. ..	67,456	1,680	Colombo Ice & Refrign. Mills ..	94·50	100	6·00	8·00	10·00	10·00	12	Y.P.
24,43,911	15,50,000	92,90,552	40,27,014	15,780	R. Hanumanthappa & Son ..	28,816	300	Davangere Cotton Mills ..	112·00	100	12·00	9·00	9·00	9·00	6	Y.P.
38,36,225	3,10,24,830	11,79,09,468	6,78,07,135	2,77,593	B. B. Charat Ram & Co. Private Ltd.	1,41,180	2,252	Delhi Cloth & General Mills ..	29·19	2½ / 2½	2·25 / 2·25	2·25 / 2·25	2·50 / 2·50	2·00 / 2·00	6	Y.P.T.
1,00,583	..	..	..	..	M. N. Chettiar & Sons ..	..	..	Dhanalakshmi Mills	172·00	100	30·00	30·00	30·00	30·00	12	Y.
47,98,296	26,25,000	84,28,224	49,84,067	1,965	Begg, Sutherland & Co. Private Ltd.	42,212	201	Elgin Mills	125·00	100	10·00	12·00	14·00*	14·00	12	Y.
63,00,000	1,05,56,192	1,59,12,424	1,41,93,839	75,531	Forbes, Forbes Campbell & Co., Ltd.	46,452	1,196	Gokak Mills	150·00	100	12·00	15·00	18·00	8·00	12	Y.
48,31,000	33,55,151	1,35,06,042	77,12,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,236	..	Gwalior Rayon	13·52	10	*Nil*	*Nil*	*Nil*	10·00'C'	12	Y.
2,50,00,000	2,25,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd. ..	..	..	Indore Malwa United	109·50	100	6·00	9·00	11·00	12·00	12	Y.P.
50,00,000	21,27,574	1,48,10,189	1,16,80,184	6,716	K. L. Saksaria, Esq. (Chairman)	51,180	1,356	Jasardhana Mills	73·00	50	5·00	10·00	10·00		12	Y.
3,96,000	10,56,483	31,40,455	19,97,477	....	G. V. Naidu & Co., Ltd. ..	23,784	..	Jam Shri Ranjitsinghji Jiyajlerao Cotton ..	1,450·00	1,000	20·00	50·00	60·00	40·00	6	Y.
15,84,000	15,02,599	57,13,937	33,98,095	7,612	Mr. Bhairavalan Damani (Managing Director)	20,212	512	Kothari & Sons	9·66	10	4·00†	4·00†	0·55	0·25	3	Y.P.
63,65,300	3,24,05,304	4,84,59,294	3,18,64,080	2,65,717	Birla Gwalior Private Ltd. ..	54,876	1,680	M.	9·70	10	0·50	1·00	1·00	1·00	6	Y.P.
42,00,000	19,25,000	1,06,31,567	58,23,076	91,773	Kothari & Sons	41,949	900	Lakshmi Cotton Mills ..	435·00	250	33·75	45·00	45·00	15·00	12	Y.P.
82,00,000	33,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,098	1,243	Lakshmi Cotton Mills ..	98·00cd	50	10·00	12·50	12·50	15·00	12	Y.
71,28,200	66,35,940	2,12,33,787	1,17,06,975	4,183	G. K. Naidu & Co. ..	1,06,600	201	Lakshmi Mills	98·00cd	50	10·00	12·50	12·50	15·00	12	Y.
55,64,100	4,24,40,278	5,90,89,121	3,96,10,817	6,92,368	A. & F. Harvey Ltd. ..	4,83,000	..	Madura Mills	25·00cd	25	5·00	6·25	6·25	5·00	3	Y.
12,00,365	8,67,365	39,19,352	16,76,700	213	V. K. Ramji (Chairman) ..	22,592	108	Malabar Spg. & Wvg. ..	31·00	100	3·00	3·00	2·62	2·25	12	Y.
60,00,000	69,14,000	65,94,131	45,89,145	5,157	W. A. Beardsell & Co. (Private) Ltd.	25,656	608	Master Industries Ltd. ..	89·00	200	*Nil*	2·00	2·00	2·25	12	Y.
29,80,884	19,59,081	92,42,488	53,37,735	19,662	N. Sirur & Co. Private Ltd. ..	39,896	704	Minerva Mills	335·00xd	100	22·50*	25·00	42·50	20·00	12	Y.
94,91,350	21,56,146	1,71,94,789	78,51,536	1,85,708	M.	52,408	952	Model Mills (Nagpur) ..	67·50	100	5·00(e)	6·00	6·00		12	Y.
48,52,500	48,52,478	1,13,48,712	71,02,473	25,037	N. Sirur & Co. Private Ltd. ..	52,092	500	Mysore Spg. & Mfg. ..	167·50	250	5·00(e)	7·50(e)	7·50		6	Y.
13,61,780	..	29,12,641	17,88,314	3,966	K. Tipperadrish (Chairman)	6,000	..	Mysore Spun Silk Mills ..	91·00	50	8·00*	6·00(e)	9·00*	9·00*	3	Y.P.
87,23,200	39,29,081	1,78,83,244	67,86,683	....	M.	37,788	902	Ganasahakari Mills	6·25N	10	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.
5,00,000A / 5,00,000B	13,60,000	65,46,779	25,36,447	8,530	Bhaghyalakshmi & Co. ..	45,600	..	Palani Andavar Mills ..	42·50	100	*Nil*	2·50(e)	3·00(e)	*Nil*	9	Y.
15,00,000	....	34,19,570	18,32,524	—9,29,216	C. S. R. Mudaliar & Sons ..	27,980	..	Pankaja Mills Ltd. ..	180·00 / 190·00	10A / 75B	12·50 / 18·00	12·50 / 18·00	15·00 / 22·50		12	Y.P.
5,81,200A / 10,00,000B	29,95,000	1,00,48,582	54,00,059	3,882	A. G. Gurusamy Naidu & Co. ..	59,264	200	Radhakrishna Mills	45·00	100	*Nil*	4·00(e)	*Nil*		12	Y.
15,00,000	29,19,000	54 56,520	29,01,441	5,070	B. R. Naidu & Sons	37,096	..	Rajalakshmi Mills	121·00	100	16·00	20·00	20·00		12	Y.
16,14,300	12,00,000	32,92,216	17,41,434	10,510	Ramco Agencies Ltd. ..	24,996	..	Rajapalayam Mills	65·50	50B	8·00	10·00	10·00		12	Y.P.
22,82,850	11,50,000	53,72,976	23,15,892	5,286	Rayalaseema Development Co. ..	21,200	..	Rayalaseema Mills	68·00cd	50	10·00	10·00	10·00		3	Y.
15,00,000	1,00,55,917	3,13,49,981	2,05,07,227	—1,85,20,795	Monarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg. ..	129·00	100	6·00	10·00	10·00	10·00	12	Y.
25,00,000	20,26,386	96,28,665	70,67,094	19,548	H. N. Pallegar, Esq. ..	30,744	202	Sri Krishnarajendra Mills ..	175·00	100	6·00	7·00	7·00	7·00	3	Y.P.
15,00,000	3,62,40,700	1,02,21,310	75,33,414	29,39,630	Birla Brothers Private Ltd. ..	36,212	1,244	Sutlej Cotton Mills	70·00N	50	5·00	6·00	6·00	6·00	3	Y.
7,50,00000 / 1,50,00000	2,26,28,051	5,18,52,120	1,81,53,924	3,25,712	Jaipuria Brothers	1,12,216	2,998	Swadeshi Cotton (Kanpur) ..	10·00 / 10·57	10O. / 10P.O.	0·75 / 1·15	0·75 / 1·15	0·75 / 1·15		12	Y.P.
9,00,000	60,00,000	3,88,81,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd.	....	..	Travancore Rayons	13·25	10	0·50	1·00	1·00	1·00	12	Y.P.T.
13,96,728	9,45,940	19,58,239	13,60,120	794	Mooji Ramjee & Sons	18,000	..	Trichinopoly Mills	11·50	10	0·90	0·90	1·12	0·90	12	Y.
21,00,000	29,86,738	96,30,895	51,76,507	12,000	K. K. Chettiy & Brothers ..	44,454	270	Vasanta Mills	227·50	100	15·00	20·00	20·00	12·50	12	Y.P.
32,00,000	18,73,770	1,85,96,983	1,17,44,692	—9,85,569	The Bombay Co. (Private) Ltd. ..	49,660	1,375	Vishnu Cotton	100·00	100	4·00	8·00	8·00	*Nil*	12	Y.P.

‡ Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right.
The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1956.
Made up of 4,384 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § On old capital. 'C'—On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share: 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		
BREWERIES AND DISTILLERIES														
20,24,000	47,43,760	1,15,13,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	3·74	5	*Nil*	0·50	0·75	0·85	6	Y.P.
16,20,630	26,75,014	29,38,961	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	10·56	5	0·50	0·56	0·56		6	Y.
£549,950	£1,197,464	£1,387,940	£101,435	£52,719	Parry's Holdings Private Ltd. ..	East India Distilleries and Sugar	27·80	51	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,60,000	24,40,332	22,66,326	6,022	Vital Mallya, Esq. (Chairman) ..	United Breweries	215.00	75	15.00	15.00	15.00	15.00	3	Y.
CEMENT														
72,59,940	13,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.50 / 4.00	B. 10 / O. 10	1.00	1.00*	1.00		12	Y.P.
43,14,6000 / 14,70,976D	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd. ..	Assam Bengal Cement	0.96	D. 1	*Nil*	*Nil*			3	Y.P.T.
13,71,80,

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
PAPER														
45,00,000	35,91,841	2,13,38,402	1,56,73,314	4,805	M.	Bengal Paper Mills	91.50	25	3.12	4.69	2.50		12	Y.P.T.
83,00,000	43,91,258	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp ‡‡	20.74	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
85,00,000	25,12,500	1,48,27,689	77,87,946	47,698	T. Shamanna, Esq. (Chairman)	Mysore Paper Mills	16.60	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,46,82,500	2,46,75,045	6,04,16,697	1,87,53,942	2,58,477	Birla Brothers Private Ltd. ..	Orient Paper	32.05	10	0.94	1.12	0.62	1.50	3	Y.P.T.
1,36,49,878	67,75,582	1,56,49,302	1,09,79,781	3,15,038	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills	16.24	10	1.50	1.25	1.25		12	Y.P.T.
50,00,000	7,29,122	71,93,586	36,86,550	4,828	Bajoria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
'A' 10,00,000							11.00	A. 10	0.75	1.25	1.05	0.60		
2,18,58,240	48,43,066	3,85,20,949	75,56,139	5,497	Birla Brothers Private Ltd.	Sirpur Paper Mills	11.40	10	Nil	5.00‡	0.50	0.50	6	Y.P.
56,99,000 A.							38.75	A. 10	1.50	2.00*	1.12*	2.37*		
56,94,500 B.							38.75	B. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,37,500 P.O.	3,76,50,474	6,78,46,967	3,51,66,938	92,523	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	4.25	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
3,00,000	3,24,572	13,961	13,853	25,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	50.00N	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,43,622	6,96,409	35,418	Andrew Yule & Co. Ltd.	Central Hydraulic	82.00N	100	5.00	5.00	0.00	10.00*	6	Y.
SAW MILLS AND TIMBER														
13,99,998	22,88,889	32,79,430	13,61,671	—4,90,122	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.95	2	Nil	Nil	Nil	Nil	9	Y.
50,00,000	2,81,14,271	4,60,47,879	1,88,08,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	565.50	Old 125	20.00	37.50	40.00	40.00	5	Y.
42,00,000							217.50	New 50	5.00	15.00	13.75	16.00		
20,00,000	20,43,037	19,96,436	15,76,148	78,140	Gillanders Arbuthnot & Co., Ltd. ..	Indian Wood Products	44.50	10	2.75	3.00	3.00	2.75	9	Y.
SUGAR (U.P. and Bihar)														
14,80,000	15,36,486	42,92,229	31,12,974	57,702	M.	Balrampur Sugar	6.87	5	0.75	0.06	Nil	0.25		Y.
12,00,000 A.	29,89,266	55,40,831	36,32,435	12,13,000	Narang Bros. & Co. Private Ltd. ..	Basti Sugar	116.00N	A. 100	10.00	10.00	10.00		4	Y.T.
3,00,000 B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,500	8,75,000	33,33,770	25,68,270	74,946	Bangrar Bros., Ltd.	Belsund Sugar	10.00	7½	0.75	0.75	1.00	1.00	6	Y.
15,00,000	13,51,513	19,28,777	13,40,840	7,663	Cetton Agents Private Ltd. ..	Bharat Sugar	14.00	10	1.50	1.50	1.50	1.50	6	Y.P.
65,59,400	85,49,806	67,92,760	25,67,388	27,711	Gevan Bros. (Rampur), Private Ltd. ..	Boland Sugar	14.00	10	1.00	1.50	1.50Q		10	Y.
25,00,000	22,22,515	1,45,76,857	96,94,338	—2,23,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	8.10	10	0.75	0.25	Nil	Nil	6	Y.P.T.
80,00,000	54,39,509	1,65,39,057	93,52,334	—8,35,790	Begg, Sutherland & Co. Private Ltd.	Cawnpore Sugar	9.19	10	0.75	0.75	Nil	Nil	10	Y.P.
18 00 000	34,56,103	84,72,400	59,12,605	—3,43,163	Begg, Sutherland & Co. Private Ltd.	Champarun Sugar	19.00	10	1.00	1.50	1.00	Nil	8	Y.
9,38,125	2,69,762	25,14,152	16,93,183	5,464	K. C. Thapar & Bros. Private Ltd. ..	Deoria Sugar	10.00N	10	0.75	0.50	0.50		8	Y.T.
50,00,000 A.	44,95,000	1,02,71,005	67,56,974	53,123	Bashhraj & Co. Private Ltd.	Hindustan Sugar Mills	210.00N	A. 100	15.00*	15.00*	15.00		6	Y.P.
10,00,000 O.							100.00	O. 100	15.00*	15.00*	15.00			
12,00,000	12,51,026	79,88,731	49,86,047	1,06,664	Mr. Tulaidas Kilachand (Chairman) ..	Kesar Sugar	50.00	40	Nil	3.25	4.00	7.00	7	Y.P.
7,89,100	22,50,283	48,60,619	26,90,928	79,525	Cotton Agents Private Ltd.	New India Sugar Mills	22.25	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,000	47,92,961	28,66,316	4,549	K. C. Thapar & Bros Private Ltd. ..	New Savan	4.50	10	0.25	0.25	0.37	0.87	5	Y.
13,21,100	49,91,797	73,75,775	27,02,363	6,855	Cotton Agents Private Ltd.	New Swadeshi Sugar Mill	201.25	100	20.00	20.00	20.00	20.00	6	Y.
52,275							50.00N	25	5.00	5.00	5.00	5.00		
77,48,500	64,48,618	2,15,99,028	1,18,25,000	25,816	Cotton Agents Private Ltd.	Oudh Sugar	125.50	100	11.00	11.00	11.00	12.50	7	Y.P.
18,00,000	12,99,374	21,98,494	21,49,456	24,662	Narang Bros. & Co. Private Ltd. ..	Punjab Sugar	70.00N	100	10.00	6.00			10	Y.
9,00,000	19,54,146	43,88,000	32,94,228	15,962	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	0.75	Nil	10	Y.P.
63,00,000	55,59,866	67,02,760	25,67,388	27,711	Gevan Bros. (Rampur), Private Ltd. ..	Raza Sugar	14.00	10	0.75	1.50	1.50Q		10	Y.
8,00,000	6,21,932	28,74,893	23,31,931	2,175	M.	Ryam Sugar	20.00	10	0.50	Nil	1.75	1.50	6	Y.P.
11,99,000	16,33,214	47,22,583	25,13,422	—2,92,963	M.	Samastipur Central Sugar ..	12.25	10	0.50	Nil	1.75	Nil	6	Y.
99,79,525	23,68,160	1,40,84,541	68,35,007	16,251	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.50	10	1.50	1.75	1.00		8	Y.P.T.
10,02,115	24,068	29,48,609	14,35,491	—8,16,557	H. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	3.37	10	Nil	Nil	Nil		6	Y.
15,80,000	13,52,431	35,59,550	20,56,359	40,666	M.	Shri Sitaram Sugar	11.62	10	1.50*	1.00	1.00	0.50	8	Y.
9,12,900 O.	46,462	29,66,860	11,46,770	—16,37,907	M.	South Behar Sugar	0.75N	O. 10	Nil	Nil				
4,50,000 D.							6.50N	D. 2½	Nil	Nil			10	Y.P.T.
2,00,000	24,74,348	1,27,30,247	80,57,754	9,663	Cotton Agents Private Ltd.	Upper Ganges Sugar	25.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
16,00,000	7,66,589	23,17,080	17,09,105	33,042	M.	United Provinces Sugar	14.25	10	1.25	1.50	0.62		9	Y.
Other Centres														
30,00,000	19,50,000	76,27,620	18,97,501	'15,079	Rangarao & Co.	Andhra Sugars Ltd.	16.50	10	Nil	0.62	1.50	1.25		
78,49,450	1,18,42,980	1,96,77,191	1,09,77,167	9,00,262	W. H. Brady & Co., Ltd. ..	Belapur Company	252.00	50	16.00	16.00	16.00	18.00	9	Y.
18,56,250	18,56,250	41,25,701	22,96,318	20,827	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	{ Bhopal Sugar Industries Ltd.	22.48	10	1.00	1.00	1.00	2.00	9	Y.P.
15,00,000	37,09,165	52,89,214	2,24,998	38,244		{ Shree Changdeo Sugar ..	26.50	12.50	1.00	2.00	2.00		9	Y.P.
10,93,900	16,86,419	48,30,767	25,77,714	6,004	Sir J. P. Srivastava & Sons (M.B.) Ltd.	Gwalior Sugar	90.00N	100	Nil	6.00			6	Y.P.
23,67,600	11,92,669	79,71,515	18,58,255	46,065	India Sugar Agencies Private Ltd. ..	India Sugar and Refineries ..	13.35Cd	10	1.75	1.40	1.12	1.00	9	Y.P.
23,41,137	18,76,871	84,06,482	13,67,910	6,611	B. S. Ind. Corpn. Private Ltd. ..	Jeypore Sugar	13.30	10	1.50	1.40	1.12	1.00	9	Y.P.
10,52,200 O.	8,00,000	8,45,45,156	41,94,129	36,068	K. C. P. Ltd.	Ramakrishna Sugar	120.00	O.100	7.50	7.50	7.50	7.50	6	Y.
8,07,190 D.							124.00	D. 10	10.00	10.00	10.00	10.00		
67,50,000	28,21,978	1,22,47,668	57,87,067	36,428	M. L. Dahanukar & Co. Pvt. Ltd. ..	Maharashtra Sugar Mills	215.00	250			10.00	10.00	6	Y.P.
21,75,000	56,24,043	1,54,89,192	89,25,545	2,19,465	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	36.50	10	2.00	2.00	2.00	100.00*	9	Y.
56,00,000	52,21,480	1,16,88,154	67,30,941	1,47,229	Madalai, Apte and Kantilal Pvt. Ltd.	Phaltan Sugar	153.50	50	5.00	5.00	5.00	12.00*	6	Y.P.
16,59,820	40,00,000		59,42,584	2,22,980	Anderson Wright Ltd.	Ramnagar, Cane and Sugar ..	20.50	10	1.50	2.00	2.00	1.50	8	Y.P.T.
20,00,000 O.	43,07,214	1,04,79,940	59,90,737	70,675	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	{ 125.00	O. 50	2.50	5.00	12.00	12.00	9	Y.P.T.
4,00,000 D.							80.00N	D. 10	Nil	9.07	6.76	8.75		
50,00,000	23,40,000	62,19,329	24,74,879	77,253	Parry Co., Ltd.	Travancore Sugars	19.25	10	Nil	0.75	1.00	1.00	7	Y.P.T.
1,01,00,000	1,98,49,258	2,38,56,448	99,17,719	1,75,736	Walchand & Co. Private Ltd. ..	Walchandnagar Industries	290.00	100	16.00	16.00	51.00		9	Y.P.T.
TRANSPORT														
60,00,000	1,00,69,622	1,24,60,126	18,29,251	1,10,029	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	95.00	100	7.50	7.50	7.50		10	Y.P.
1,00,00,000	82,00,000	4,51,59,543	1,44,59,000	1,22,612	Dinshaw (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		12	Y.
90,00,000	1,00,00,000	4,98,84,346	86,31,845	1,83,539	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	28.00	10	1.00	Nil	1.00	1.50	6	Y.P.
6655,550	5997,736	65,665,854	52,428,068	—6106,393	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co.	45.50	£10	Sh. 10	Sh. 10	Nil			
2,00,00,000	1,74,74,5233	13,78,96,545	2,63,56,759	2,70,984	Lionel Edwards (Private) Ltd. ..	India Steamship Co.	11.16	10	Nil	Nil	1.00	1.00	12	Y.P.
2,25,00,000	10,88,51,843	27,66,48,271	5,79,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	17.68	20	0.50	0.50	1.00	1.00	8	Y.P.
2,00,000							2.06	O. 1	0.12	0.14	0.14	1.25	6	Y.P.
2,50,000 P.O.	18,36,615	12,00,284	7,96,700	1,66,818	R. R. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.50	P.O. 1	0.11	0.12	0.12		12	
UNCLASSIFIED (Bombay)														
35,00,000	1,00,000	26,18,54511		25,5001	M.	Devkaran Nanji Investment Co. ..	11.52	25	0.75	0.75	0.31	0.31	3	Y.
5,87,50,000	2,01,70,510	4,70,50,818	1,35,66,160	89 94,000	A. J. C. Hoskyns-Abrahall (Chairman)	Hindustan Lever	28.12	10	1.00		1.25	1.40	12	Y.
31,97,000	16,59,510	1,09,45,887	97,14,497	14,986	Birla Brothers Private Ltd. ..	Mind Cycles	160.00	100	10.00	10.00		12.50‡	3	Y.P.
14,98,540	9,81,590	23,61,284	19,49,798	22,010	Chocolital Manilal Private Ltd.	Estrela Batteries	38.25	50	3.00	2.00	2.00		12	Y.P.T.
20,00,000	20,12,147	1,25,61,29855		1,74,653	Premchand Roychand & Sons	Industrial Investment Trust ..	71.50	100	4.50	4.50	5.00	5.50	12	Y.P.
99,99,250	20,19,147	29,83,779	11,35,784	2,785	K. G. Mitra, Esq. (Mg. Director)	Kilick Industries	142.50	100	11.00	11.00	11.00	11.00	3	Y.
1,00,00,000	22,99,448	29,83,779	1,09,99,078	6,31,752	Asco-Auto Private Ltd.	Premier Automobiles	84.80	100	Nil	0.00	0.00	11.00*	6	Y.
1,80,25,625 P.O.	63,14,295	8,42,78,324	5,55,506	2,481	Sir Joseph Kay (Chairman)	United Motors (India) Ltd. ..	19.00	20	2.00	2.00	0.00	0.00	6	Y.
10,31,250	4,83,147	5,09,102	5,55,506	2,481	Mr. A. Eyckar & Mr. S. Gothberg	Western India Match Co., Ltd. ..	173.00	100	11.00*	11.00*	11.00*	11.00*	12	Y.
2,75,00,000	1,44,13,441	3,87,52,891	1,06,58,348	89,560	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	150	20.00	20.00	22.50	25.00	12	Y.
45,00,000	60,08,390	5,64,935	5,24,986	76,084										
Other Centers														
97,50,000	1,99,86,718	3,81,21,466	86,96,821	2,33,759	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	11.94	O. 10	Nil	Nil	Nil	0.50	0.00	
3,90,000							5.25	D. 2½	Nil	Nil	Nil	Nil	Nil	Y.P.T.
40,00,000	23,25,000	68,17,670	28,12,925	66,539	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd.	18.50	10	1.25	1.25*	1.25	1.25		
30,00,000	30,20,717	84,97,577	24,97,577	3,61,289	Turner Morrison & Co. Private Ltd.	Angelo Bros., Ltd.	18.19	10	1.25	2.00*	2.00*	1.50*	3	Y.
17,00,000	17,14,795	38,54,872	19,66,872	1,83,944	A. M. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	14.75	10	1.25*	1.25*	1.25*	1.25*	12	Y.
30,00,000	25,94,000	1,05,12,083	39,58,423	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Hotels of India ..	6.25	10	0.20	0.46	1.20	1.25*	12	Y.
99,01,400	98,61,393	98,52,186	27,02,196	5,66,375	M.	Dalmer Lawrie & Co., Ltd. ..	154.00	100	12.00	12.50	15.00	9.00	3	Y.P.T.
11,00,000	17,56,000	34,85,743	27,54,743	2,01,787	Balmer Lawrie & Co., Ltd. ..	Bengal Flour Mills Co., Ltd. ..	30.00	10	2.50	2.25	2.50		12	Y.
20,00,000	9,66,715	62,28,49255		37,612	Lovelock & Lewis	Birds Investment Ltd.	8.87	10	1.25	1.25	1.50	2.50	12	Y.
45,97,925	24,61,814	1,14,21,995	37,97,455	1,84,683	K. Julka Scott, Esq. (Mg. Director)	Britannia Biscuits	13.25	10	1.00	1.00	1.00		8	Y.
2,50,00,000	1,58,55,171	3,66,96,571	2,38,80,181	1,52,551	W. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd. ..	3.62	5	0.00	Nil	0.10	1.00	9	Y.P.
1,50,00,000	17,54,594	3,66,96,94055		8,16,564	Andrew Yule & Co., Ltd.	Clive Row Investment	8.60	10	0.25	0.25	1.50	2.50	12	Y.
1,50,00,000	4,40,29,006	6,56,49,175	2,68,24,548	22,23,643	John Leetham, Esq. (Mg. Director)	Dunlop Rubber Co. (India) Ltd.	26.25	10	1.50	1.50	1.50	0.75	3	Y.
2,00,00,000	54,81,835	1,64,12,90655		54,634	Bird & Co. Private Ltd.	Eastern Investments Ltd.	105.00	100	9.00	9.00	9.00	9.00	12	Y.P.
14,00,000	9,35,000	34,95,194	19,99,199	54,634	MacNeill & Barry Ltd.	Gannes Rose Co., Ltd.	183.00	100	15.00	15.00	15.00	9.00	12	Y.P.
66,00,000	54,20,910	29,25,473	10,66,888	1,66,296	P. E. G. Woodbine Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.62	10	0.75	1.40	4.00	12.50	3	Y.
99,00,000	15,17,554	33,06,321	26,54,653	74,315	B. P. E. Syndicate	Great Eastern Hotel	265.00	250	6.25	6.25	15.00	15.00	3	Y.P.
4,00,00,700	19,00,000	4,57,26,577	61,84,541	7,92,063	Birla Brothers Private Ltd. ..	Hindustan Motors	7.76	10	Nil	Nil	Nil	Nil	3	Y.
2,24,58,000	1,17,49,299	1,31,77,723	31,77,723	7,30,182	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	18.87	10	0.90	Nil	Nil		3	Y.
1,50,99,220	1,49,00,000	2,36,56,681	86,85,002	41,81,883	B. J. Woodley, Esq. (Mg. Director)	Indian Cables	28.00	10	1.00*	1.25*	1.00	0.00	12	Y.
8,37,975	6,62,000	16,74,966	9,99,906	62,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	16.06	10	0.50	0.50	0.62	1.50*	3	Y.P.
15,16,65,220	24,05,91,994	9,25,79,295	1,62,23,990	35,54,572	Mr. G. H. J. Clark (Chairman)	Imperial Tobacco Co. of India Ltd.	12.12	10	0.62	0.62	0.62		3	Y.P.
2,00,00,000	76,27,615	89,92,597	13,86,923	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	54 50	100	7.50	7.50	7.50	2.50	3	Y.P.
2,00,00,000							190.00N	O.100	17.00	22.50	7.50			
3,00,000 O.	82,86,000	48,58,407	10,48,713	2,57,163	M.	McLeod & Co.		D.O.10	1.20	1.75	0.80		12	Y.P.
3,00,000 D.									1.20	1.75	0.80			
1,45,23,500	90,58,561	25,54,464	14,97,222	2,35,212	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	26.25	10	1.25	1.81*	2.12*	2.12*	9	Y.
1,16,99,000	1,17,00,151	2,63,36,203	89,99,793	16,23,569	H. Chiswell Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	24.81	10	1.00	1.25	1.62	1.75	3	Y.
1,50,000	1,50,000	5,97,352	5,97,352	5,849	Mr. J. L. D'Sa (Chairman) ..	Mysore Lamp Works	14.40	10	1.00	0.75	1.00	1.25	3	Y.P.
1,00,00,000	2,78,000	16,47,599	10,19,129	43,884	M. Mallemayya, Esq. (Chairman)	Mysore Tobacco	12.18	10	1.25	1.00	1.50	1.50	3	Y.
1,00,00,000	2,78,000	16,47,599	10,19,129	43,884	J. R. Galloway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	25.75	10	0.40	0.32	1.50	1.40	12	Y.
3,00,00,000	53,55,505	2,14,53,470	61,32,965	23,42,424	Associated Industrial Development Co. (Private) Ltd.									
40,00,000	74,71,172	63,80,914	41,82,901	1,44,443		National Insulated Cable Co. ..	27.19	10	1.00	1.50*	2.00*		8	Y.
					Do.	National Rolling & Steel Repos	10.44	10	0.50	0.50	0.50		3	Y.
40,00,000	15,00,000	26,19,205	21,17,466	75,726	B. N. Bliss & Co. Private Ltd. ..	National Tobacco Co.	11.75	10	1.00	0.75	0.75	0.75	12	Y.P.T.
79,97,000	38,12,000	1,39,51,000	61,76,192	9,92,649	M. P. A. Faspatil, Esq.	Rallis (India) Ltd.	84.00	100	Nil	Nil	Nil	Nil	6	Y.P.
2,25,00,000	1,52,49,000	1,82,29,543	60,08,524	—44,12,938	Sahu Jain Ltd.	Rohtas Industries	20.19	10	1.50	1.50	1.50	Nil	12	Y.P.
2,50,00,000	1,37,76,300	3,00,00,311	2,00,23,765	49,462			100.00N	100					10	Y.P.T.
4,75,200	51,296	91,11,657	0,29,199	19,106	Sathe Food Indl. & Chocolate Co., Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	50.00N	50			5.00	6.00	3	Y.P.
5,13,400							14.87	10	0.60	0.60	0.60	0.60		
70,00,000	17,66,818	1,67,21,608	24,47,040	66,321	M.	Sen-Raleigh Industries	18.25Cd	10	1.50	1.50	1.50	1.50	9	Y.P.
40,00,000	58,61,163	1,21,80,272	72,08,509	9,02,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	11.19	10	1.25	1.50	1.50	1.50	6	Y.P.
75,00,000 O.	17,19,000	97,63,035	7,95,782	9,54,354	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	25.00N	10	2.50	2.50	3.00	5.00	6	Y.P.
9,98,880	19,925	14,58,995	5,19,598	—7,452	Ogale Bros. (Private) Ltd.	Travancore Ogale Glass	2.30	10	Nil	Nil	Nil	Nil	12	Y.

‖ Includes bonus. ‡ On old capital. § Excluding Rs. 1,49 02 900 which represent share in the firm of Shaw Wallace & Co., Ltd.

M.—Managed by Board of Directors. §§ Investments at cost.

† Subject to taxation. F.—Rind Cycles. The latest dividend of Rs. 12-8 per share, is for fifteen months ended 31st March, 1957. ‡‡ India Paper Pulp.—The dividends paid upto 1954 were on shares Rs.of 100 each which subsequent y were divided into shares of Rs. 10 each. Q.—The latest dividend and quotation relates to 'Rana Boland Sugar Co., Ltd.' subsequent to the amalgamation of the Rana and Boland Sugar Companies.

TEA AND OTHER PLANTING COMPANIES

Paid-up Ordinary Capital	Reserves	Gross Block	Depreciation	Carried Forward	Managing Agents, Managing Directors or Secretaries.	Average under Tea	Company	Latest Available Quotation	Paid-up per Share	Dividend per Share 1954	1955	1956	1957	Accounts Closed	Reference
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	Rs. nP	Rs. nP	Rs. nP	Rs. nP		
ASSAM															
4,45,700	9,89,019	15,95,482	5,76,685	....	McLeod & Co., Ltd.	325	Amluckie	25.00N	10	18.00	4.75	5.00		12	Y.P.
2,76,500	5,71,500	11,19,537	3,89,763	22,129	M.	313	Ananda (Assam) Tea ..	17.75	10	7.50	1.00	2.00		12	Y.
7,60,800	6,43,250	12,23,233	3,34,393	42,669	Gillanders Arbuthnot & Co., Ltd.	440	Ananda Bag	19.50	10	8.00*	1.00	1.25		12	Y.
5,50,000	13,21,541	18,70,839	7,47,902	53,593	McLeod & Co., Ltd.	572	Baghamari	20.50	10	3.50	1.00	2.00		12	Y.
5,10,000	9,85,000	12,99,911	5,32,732	1,30,178	Andrew Yule & Co., Ltd.	378	Banmatia	22.12	10	4.00	1.50	2.00		12	Y.
3 50 500	5,18,000	12,75,996	8,09,524	69,105	National Tea Corporation ..	570	Batell	18.75	5	4.00	2.50	3.00		12	Y.
5,40,000	7,40,000	11,16,644	3,51,828	3,10,326	Gillanders Arbuthnot & Co., Ltd.	612	Betjan	23.12	10	10.00*	2.00	2.00		12	Y.
83,00,000	15,33,333	63,88,222	28,40,325	38,931	Williamson Magor & Co., Ltd.	3,967	Bishnauth	10.06	10	5.50	2.00

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,19,000	2,92,506	24,197	15,999	Planting Agencies (Private) Ltd.	Baimadies Plantations	3·45	2	0·25	0·30	0·21	0·45	5	Y.P.
26,91,900	24,50,000	52,61,468	5,60,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4·75	5	0·75	0·45	0·75	0·52	2	Y.P.
18,00,000	21,90,000	39,79,546	5,06,541	1,21,826	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	35·00 cR	10	2·50	1·50	2·50	4·00	6	Y.P.T.
71,55,000	56,12,026	1,25,54,765	10,69,076	1,12,511	E. C. Paterson, Esq.	Consolidated Coffee	25·00	10	1·75	2·25	2·00	4·00	6	Y.P.T.
4,00,000	6,15,725	9,11,782	50,981	6,881	M.	Cotsanad Plantations	14·75cd	10	1·50	1·75*	1·50	1·75	3	Y.P.T.
18,00,000	9,95,543	25,86,790	5,51,442	37,145	A. V. Thomas & Co., Ltd.	Highland Produce	13·50	10	2·50	2·00	2·00		12	Y.P.
4,60,000	10,92,599	18,91,159	2,63,016	18,088	A. V. Thomas & Co., Ltd.	Kaipetta Estates	24·50	10	2·00	2·00	2·00	2·00	4	Y.
18,50,000	2,71,449	19,32,913	1,09,273	6,847	K. T. Thomas Kathanar, Esq.	Malankara Rubber	17·00	10	2·25	2·25	2·00	2·00	4	Y.
27,00,000	28,79,257	50,82,726	9,49,414	1,48,076	A. V. Thomas & Co., Ltd.	Midland Rubber	16·22cR	10	1·75*	2·50	2·25	2·25	3	Y.
3,35,000	3,21,800	14,62,886	2,09,782	25,171	A. V. George & Co. Ltd.	Neameny Rubber	14·25cd	10	1·50	1·50	2·00	2·00	3	Y.P.
2,00,000	2,90,009	5,40,417	58,785	4,371	Associated Planters Private Ltd.	Nilambur Rubber Co.	13·75cd	10	1·00	1·50	1·50		12	Y.P.T.
19,45,980	13,79,415	45,25,982	14,74,565	58,808	Peirce, Leslie & Co., Ltd.	Ouchterlony Valley Estates ..	4·00	2	0·60	0·40	0·20	0·60	12	Y.P.T.
13,50,000	8,60,905	45,97,576	2,95,098	12,299	A. V. Thomas & Co., Ltd.	Rajagiri Rubber	15·50cd	10	1·75*	2·00	2·50	2·00	6	Y.
3,66,780	4,00,000	8,17,112	92,732	708	Peirce, Leslie & Co., Ltd.	Savamala Estates Ltd.	4·72cd	2	2·50	1·00	1·50	0·30	11	Y.P.
10,00,000	2,01,800	22,44,575	1,59,559	9,940	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6·10	10	0·75	0·90	0·90	1·50	12	Y.P.T.
2,50,000	1,40,000	5,53,440	24,741	25,968	A. V. George & Co., Ltd.	Thamarapally Rubber	24·00xd	10	3·00	3·00	3·00	3·00	3	Y.P.T.
9,15,300	4,00,000	22,40,057	1,37,485	29,927	Peirce, Leslie & Co., Ltd.	Thirumbadi Rubber Co., Ltd. ..	1·72	1	0·10	0·12½	0·12½	0·05	12	Y.P.
6,00,000	82,566	7,71,251	1,85,510	2,267	Kepwen Thomas, Esq. (Mg. Director)	Travancore Rubber	15·75cd	10	2·00	0·12½	0·12½		9	Y.T.
41,00,000	12,79,221	84,25,080	14,56,643	1,06,654	Anjuvalli & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd..	0·96cd	10	1·50	1·50	1·50	1·50	12	Y.
20,00,000	36,000	30,13,628	7,73,086	167	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	19·35	25	5·00	4·00	3·00	1·00	12	Y.P.
8,80,910	5,99,069	9,56,590	87,217	872	M.	Vaikundam (Travancore) Rubber ..	20·60	10	2·25	2·50	3·50	3·50‡	12	Y.
6,95,000	1,47,289	13,33,336	39,744	10,239	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	7·80	10	1·50	2·00	1·25	1·00	3	Y.P.T.

J—Final dividend of Re. 1·50 is on the increased capital

*Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
60,60,000	44,25,000	1,20,25,901	52,26,489	16,786	B. N. Elias & Co. Private Ltd. ..	870	Agarpara	8·31	10	0·62	0·62	0·25	0·25	3	Y.
4,00,000	10,25,000	55,02,955	38,46,893	1,70,290	McLeod & Co., Ltd.	446	Alexandra	105·00	100	7·50	10·00	10·00		3	Y.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,381	McLeod & Co., Ltd.	1,264	Alliance	86·00	100	12·00	6·00	Nil	Nil	6.12	H.P.T.
49,50,700	67,00,000	2,11,97,979	2,08,15,000	1,77,831	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	152·00	100	7·50	8·50	8·50	7·00	5	Y.P.
44,00,000	20,84,500	1,40,00,985	55,34,738	—9,79,016,	Bird & Co. Private Ltd.	810	Auckland	86·00	100	8·50	0·00	1·00	Nil	3	Y.P.
20,00,000	23,30,913	90,91,416	46,46,004	65,502	Birla Brothers Private Ltd. ..	959	Bally	147·00	100	Nil	Nil	Nil	Nil	3	Y.P.T.
4878,000	4474,907	51,058,452	29,23,149	.. ..	Sir John H. Kerr (Chairman) ..	1,259	Barnagore	88·00	25	2·50	2·50	Nil		5.9	Y.
30,00,000	24,88,128	94,67,790	51,49,231	1,830	Andrew Yule & Co., Ltd.	820	Belvedere	100·50	100	sh. 15	sh. 15	Nil	Nil	3	Y.P.
45,00,000	23,43,000	57,90,172	21,28,574	2,05,100	Soorajmull Nagarmull	600	Bengal	11·31	10	10·00	7·50	Nil		12	Y.P.
91,26,000	2,17,42,888	2,84,10,402	1,48,88,681	4,97,893	Birla Brothers Private Ltd. ..	1,878	Birla	16·50	10	1·75	1·12			6	Y.P.T.
56,00,000	19,25,026	1,22,33,657	71,78,657	2,799	Andrew Yule & Co., Ltd.	991	Budge-Budge	88·00	100	1·00	1·00	1·00		3	Y.P.
7,47,886	2,00,640	43,13,704	31,62,662	—2 31,478	Dayaram & Sons	502	Calcutta Jute Mfg.	7·00	10	9·00	7·50	Nil	Nil	3	Y.P.
15,00,000	25,40,284	37,43,993	25,04,958	20,830	Andrew Yule & Co., Ltd.	616	Caledonian	9·00	10	0·75	Nil			16	Y.P.
69,16,400	76,46,629	2,33,64,923	1,19,60,948	—7,23,843	Andrew Yule & Co., Ltd.	800	Champdany	119·00	100	9·00	6·50	Nil		3.12	H.P.T.
16,98,000	21,56,232	85,05,201	58,78,175	5,857	Andrew Yule & Co., Ltd.	830	Cheviot	89·30	100	8·00	10·00	2·00	Nil	11	Y.P.
30,15,000	33,75,000	77,94,318	51,54,350	73,099	McLeod & Co., Ltd.	800	Chitavalsah	142·00	100	14·00	10·00	2·00	Nil	3	Y.
24,00,000	9,00,000	31,06,825	17,19,287	25,925	Shree Krishna Investment Co., Ltd	969	Clive	14·50	10	1·12	1·87	0·62½	1·10	7	Y.P.T.
31,42,200	44,50,195	1,25,25,668	81,19,187	—6,75,851	Bird & Co. Private Ltd.	766	Dalhousie	12·25	10	Nil	1·25x	0·50		3	Y.
58,50,000	37,22,179	82,37,464	48,90,766	4,243	Andrew Yule & Co., Ltd.	779	Delta	69·25	100	2·50	4·00	Nil	Nil	3	Y.P.
15,00,000	35,56,600	92,51,058	63,07,045	4,192	McLeod & Co., Ltd.	800	Empire	108·00	100	12·00	10·00	5·00	Nil	11	Y.P.
21,00,000	63,40,686	2,41,58,560	1,69,62,109	2,48,418	Kettlewell Bullen & Co., Ltd.	1,098	Fort Gloster Industries Ltd.	16·75	10	1·25	1·25	0·50	0·75	7	Y.P.T.
81,60,000	14,50,000	1,20,19,248	58,00,792	1,70,922	Bangur Bros., Ltd.	1,014	Fort William	333·00N	100	5·00	15·00	10·00	10·00	3.9	H.P.T.
54,32,100		2,11,07,324	1,32,58,325	—8,07,455	M.	1,709	Ganges Mfg.	19·00	10	20·00	20·00	6·75x	1·50	3	Y.P.T.
10,50,000	28,08,948	76,08,067	50,13,167	11,810	M.	907	Gondalpara	56·00	100	0·50	2·50	Nil		3.9	H.P.
54,00,000	24,50,000	2,23,45,943	1,53,81,965	45,248	Macneill & Barry Ltd.	1,896	Gourepore	500·00	200	Nil	Nil	50·00		3.9	H.P.
48,00,000	40,56,288	1,26,89,127	58,46,619	2,00,026	Bangur Bros., Ltd.	1,078	Hastings	261·00	100	10·00	15·00	2·50	2·50	3	Y.P.
16,50,000	15,61,000	66,27,781	47,72,911	—1,96,256	Balmukh Datta	720	Hoogly	104·00N	100	10·00	11·50	5·00		3	Y.P.
16,50,000	19,45,000	2,84,21,655	1,11,59,561	—24,66,402	Jardine Henderson Ltd.	1,940	Howrah	10·75	10	0·50	1·25	Nil		3	Y.P.
52,65,500	2,86,31,171	4,68,22,848	1,96,45,584	58,601	Bird & Co. Private Ltd.	1,785	New Central†	15·31	10	1·25	0·87	0·25	Nil	3	Y.P.T.
52,50,000	28,87,124	1,04,21,490	58,58,496	2,97,287	Macneill & Barry Ltd.	2,372	Northbrook	17·87	7·50	2·00	2·00	2·00	1·50	3	Y.P.T.
87,90,000	17,20,650	1,27,01,498	50,28,070	2,87,287	M.	1,976	India	184·00	O. 125	3·12	4·62	4·00		3	Y.P.T.
60,000								90·00	100	8·00	2·50	Nil	Nil	3	Y.
24,00,000	21,09,435	1,96,91,608	1,14,05,986	—18,02,112	Jardine Henderson Ltd.	1,797	Kamarhatty	90·00	B' 100	8·00	2·50	Nil	Nil	3	Y.
B'19,20,000								47·00	100	8·00	2·50	Nil	Nil	12	Y.P.T.
80,00,000	9,73,967	1,76,13,612	97,33,167	—41,58,784	Jardine Henderson Ltd.	1,827	Kankarrah	45·50	B' 100	6·50	1·00	Nil	Nil	12	Y.P.T.
B'24,00,000															
21,00,000	55,00,000	1,55,45,082	58,77,786	86,701	McLeod & Co., Ltd.	768	Kelvin	180·00	100	20·00	17·50	5·00†	9·00	5	Y.P.
54,00,000	28,58,575	1,23,09,770	1,23,09,770	27,027	Anderson Wright Ltd.	1,530	Khardah	117·00	100	12·50	11·00	5·00	8·00	5	Y.P.
45,00,000	51,53,606	2,26,10,709	96,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	108·00	100	7·50	10·00	5·00	8·00	3	Y.P.
24,45,000	23,41,335	1,26,71,981	53,19,244	—9,06,449	Bird & Co. Private Ltd.	831	Lansdowne	79·00	100	2·00	2·00	6·00	Nil	3	Y.P.T.
30,00,000	45,58,647	1,41,70,122	65,14,975	—7,75,868	Bird & Co. Private Ltd.	849	Lawrence	78·00	100	6·00	7·00	Nil	Nil	3	Y.P.T.
21,60,100	28,38,145	1,54,15,249	1,26,97,300	1,44,942	M.	1,253	Magna	117·00	100	2·50	9·75	9·75	Nil	3	Y.P.T.
30,96,000	24,42,195	1,65,70,585	98,70,690	—10,00,710	M.	815	Naihati	51·00	100	Nil	Nil	Nil		3.9	Y.
30,00,000	15,85,000	29,01,582	18,81,709	17,816	Howrah Trading Co., Ltd. ..	425	Naskarpara	12·00	10	1·12	1·25	Nil	Nil	3	Y.P.
25,00,000	39,51,326	48,49,727	12,51,378	19,504	Andrew Yule & Co., Ltd.	552	National	22·50	10	2·00	1·75	0·75	0·75	4.10	H.Y.
36,33,900	37,90,000	83,31,475	20,75,256	1,59,411	McLeod & Co., Ltd.	816	Nuddea	12·44	10	1·50	1·50			3	Y.P.
36,00,000	5,56,02,228	4,68,22,848	1,96,45,584	58,601	Sahu Jain Ltd.	1,785	New Central†	15·56	10	0·75	1·00	0·50		6.12	H.P.T.
52,50,000	28,87,124	1,04,21,490	58,58,496	2,97,287	Bird & Co. Private Ltd.	2,372	Northbrook	17·87	10	1·00	2·00	1·50	1·50	3	Y.P.T.
15,79,580	46,68,582	1,58,24,122	1,39,16,567	29,195	Macneill & Barry Ltd.	1,092	Nuddea	14·87	10	1·25	1·50	1·50		12	Y.P.
39,79,150	13,74,449	19,32,913	3,24,03,273	6,847	K. T. Thomas Kathanar, Esq.		Malankara Rubber	41·25	10	2·25	2·75	2·00	2·00	4	Y.
24,91,000	23,04,049	76,55,488	52,45,690	5,981	Andrew Yule & Co., Ltd.	601	Orient	92·00	100	10·00	9·00	Nil	Nil	3	Y.P.T.
25,00,000	7,83,173	36,18,353	67,97,872	7,049	McLeod & Co., Ltd.	409	Presidency	4·22	5	0·31	0·31	2·00	Nil	11	Y.
80,00,000	10,12,189	87,98,784	8,89,136	—8,31,599	Birla Brothers Private Ltd.	305	Rameshwara	4·12	10	Nil	Nil	0·80		7	Y.T.
80,00,000	4,50,552	1,24,75,806	64,70,610	—83,05,290	Jardine Henderson Ltd.	1,276	Reliance	5·75	10	Nil	Nil	Nil	Nil	3	Y.P.
4699,900	21,093,713	81,265,244	.. ..	456,904	Thomas Duff & Co. (India) Ltd.	2,018	Samasangay	8·37	21	10%	Nil	Nil	Nil	3	Y.P.T.
30,00,000	19,14,910	1,15,58,997	79,99,145	7,973	Ramaria Mory & Co., Ltd.	911	Shree Ambica	10·50xdN	10	1·00	0·50			12	Y.P.
14,99,900	11,14,980	68,87,540	47,60,476	40,154	Hindustan Investment Corpn. Ltd.	401	Soorah	14·25	10	1·00	1·50			3.9	H.P.
85,19,600	31,10,501	1,39,68,701	57,89,612	—2,76,068	Bird & Co. Private Ltd.	660	Standard	81·00	100	2·00	1·50	1·50	1·50	12	H.P.
4600,000	4593,119	41,157,660	.. ..	466,548	Thomas Duff & Co. (India) Ltd.	1,784	Titaghur	8·37	21	10%	Nil	Nil	Nil	3	Y.P.T.
25,00,000	66,50,148	2,07,47,895	99,47,895	—13,51,940	Bird & Co. Private Ltd.	1,926	Union	123·00	100	6·00	10·00	1·00	Nil	12	Y.
4460,000	4658,035	41,124,819	.. ..	450,501	Thomas Duff & Co. (India) Ltd.	1,881	Victoria	8·00	21	10%	3%‡			12	Y.P.T.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,285	McLeod & Co., Ltd.	457	Waverley	2·94	1	0·40	0·87	Nil	Nil	12	Y.P.
														5	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
25,50,000	25,28,330	99,36,429	69,36,429	29,782	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	18·12	10	1·81	1·87	0·50	1·25	3	Y.
12,00,000	8,49,990	37,45,978	28,58,193	70,917	Jardine Henderson Ltd.	Barares Coke	16·87	10	1·46	1·46	1·10	0·37	3	Y.
4,49,950	2,05,008	9,25,911	4,84,876	90,876	Kalyanji Mavji & Co.	Bengal-Bhatdee	5·87N	10	0·25	0·62	0·75		3.9	H.
1,00,00,000	1,62,13,157	6,38,72,765	4 41,60,343	11,48,060	Andrew Yule & Co., Ltd.	Bengal Coal	245·00	100	30·00•	25·00•P	17·50	17·50	6.12	H.
2,25,000	4,19,782	24,88,187	22,49,968	.. ..	Andrew Yule & Co., Ltd.	Bengal-Nagpur	18·00	10	Nil	Nil	Nil		3	Y.
15,97,000	4,88,558	48,16,090	—94,979	2,129	M. V. Law & Co. (Private) Ltd...	Bhangore	6·62	10	Nil	Nil	Nil		12	Y.
18,00,000	10,25,259	1,44,25,027	77,59,407	3,179	Sahu Jain Ltd.	Bharat Collieries	6·00	10	0·62	0·62			12	Y.
7,15,000	10,15,172	49,80,948	34,84,101	—4,98,558	M.	Bhulanbarasee	9·50N	10	Nil	Nil	0·62	0·62	3	Y.
7,50,000	24,19,419	45,67,883	37,19,603	19,183	F. W. Heilgers & Co. Private Ltd.	Borrea	17·82	10	Nil	Nil	Nil	0·50	4	Y.
20,92,480	1,70,33,767	4,37,67,723	1,99,09,573	95,339	Bird & Co. Private Ltd.	Burrakur	21·37	10	2·00	2·00	1·50		12	Y.P.
48,97,750		46,89,014	12,50,014	3,491	Hindustan Investment Corpn. Ltd.	Central India	7·69	10	0·25	0·62	0·62	0·37	6.12	H.Y.
3,00,008	13,30,590	49,11,827	35,02,469	69,008	M.	Central Kurkend	11·00N	10	0·25	0·50	0·50	0·50	6.12	H.Y.T.
8,00,000	1,48,986	7,80,081(k)	.. ..	4,240	F. W. Heilgers & Co. Private Ltd.	Charlia	2·66	4	0·12	0·06	0·06		3	Y.
16,00,000		54,47,012	31,85,398	—67,535	Macneill & Barry Ltd.	Dhemo Main	7·00	10	Nil	Nil	Nil		12	Y.
4840,000	4868,875	41,001,816	.. ..	4764,080	Jardine Henderson, Ltd.	East Indian	19·87	21	2·50	2·00	Nil	Nil	12	Y.
29,63,760	93,25,027	4,84,54,587	3,12,09,700	59,732	Macneill & Barry Ltd.	Equitable	26·75	10	1·50	1·50	1·50	1·50	4	Y.
10,00,000	1,40,999	13,81,144	4,58,587	28,888	Bhatter's Agency Ltd.	Ghusick and Muslia	17·00	10	0·50	0·25	1·50	1·50	12	Y.
19,00,000	1,17,509	42,84,409	23,50,978	....	Kilnick Industries Ltd.	Hingir-Rampur	20·75	50	Nil	2·25			12	Y.P.T.
3,00,000	2,50,000	24,57,868	19,66,774	163	Macneill & Barry Ltd.	Hurtladih	14·56	10	1·75	2·50	2·25	Nil	3	Y.
2,50,000	2,48,905	14,19,093	7,93,171	....	Andrew Yule & Co., Ltd.	Kalapahari	13·75	10	Nil	Nil	1·50	Nil	6	Y.P.
5,00,000	2,51,876	18,57,376	14,71,178	1,962	Bird & Co. Private Ltd.	Karanpura Collieries	94·00	100	Nil	Nil	Nil		12	Y.
9,00,000	13,90,998	47,05,511	37,70,923	1,58,586	Andrew Yule & Co., Ltd.	Katras Jherriah	58·75	10	4·00	4·50	3·00	Nil	3	Y.P.
1,58,400	5,72,960	12,58,941	5,72,960	—2,60,286	Bestvale & Co.	Khas Kajora	2·75N	10	Nil	Nil	0·50	0·50	12	Y.
11,00,140	84,84,4	18,58,199	10,66,899	1,660	H. V. Low & Co. (Private) Ltd...	Kharidi	2·75N	10	Nil	0·12			1	Y.
9,80,000	11,11,998	28,38,749	22,85,193	4,708	H. V. Low & Co. (Private) Ltd...	Lakurka	10·50N	10	0·25	0·12			6.12	H.Y.
6,48,540	3,00,008	18,12,508	9,66,219	31,301	Tantia Brothers Ltd.	Nazira	6·94	10	0·50	0·50			6	Y.
7,00,000	26,617	10,82,740	8,50,295	1,660	Amritlal Ojha & Co., Ltd.	New Bansdeopur	9·00N	10	1·25				4	Y.
17,76,320	19,21,814	1,52,45,215	1,26,91,591	85,998	Andrew Yule & Co., Ltd.	New Beerbhoom	14·94	10	1·12	1·00	0·75		12	Y.
8,00,000	75,000	22,85,331	22,85,923	1,45,499	Octavius Steel & Co., Ltd.	New Maubhoom	10·62	10	Nil	Nil	Nil		3.9	H.
1,15,000	3,47,092	18,05,669	8,96,116	17,516	Andrew Yule & Co., Ltd.	North West	18·75	10	Nil	1·87	1·50	0·50	3	Y.
1,87,500							18·50	7·50	Nil	1·03	1·12		3	Y.
7,50,000	15,60,447	2,97,666	2,77,666	87,244	F. W. Heilgers & Co. Private Ltd.	Ondal	12·50	10	1·00	1·00	0·75			
10,00,000	1,10,000	41,54,815	19,79,271	58,420	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	7·06N	10	0·50	0·25			12	Y.P.
3,30,000	30,000	28,49,367	9,26,501	3,080	Deepchand Kishenlal	Parasea	18·00	10	0·75	1·00	0·50		12	Y.Y.
18,75,000	16,50,000	56,17,610	36,02,410	46,282	Shaw Wallace & Co., Ltd.	Pench Valley	20·50	10	1·62	1·50	0·75	1·00	12	Y.P.T.
22,90,500	25,90,361	1,37,52,281	91,58,562	39,000	B. N. Elias & Co. Private Ltd. ..	Ranegunge	12·25	10	1·50	1·50	0·75	2·00	12	Y.P.
18,50,000	18,45,115	58,59,945	29,71,564	15,614	Shaw Wallace & Co., Ltd.	Sawa	15·81	10	1·87	0·87	0·87	0·75	3	Y.
20,00,000	57,12,000	35,58,756	22,17,587	9,297	M.	Semla Collieries	11·00N	10	0·75	1·00	1·25		6.12	H.
2,50,000	1,95,302	12,78,469	12,21,227	21,979	M.	Seobpore	4·75N	10	0·62	0·75			12	Y.
1,00,000	9,11,566	29,92,157	19,75,253	93,320	Andrew Yule & Co., Ltd.	Sendra	22·25	7	2·00	1·50	2·25		1	Y.
1,00,000	1,50,000	....	29,867	5,166	F. W. Heilgers & Co. Private Ltd.		7·25N	10	0·12	0·25	0·25		12	Y.P.
5,00,000	1,50,000	5,50,191	....	1,491	Industrial Trust Fund (Govern- ment of Andhra Pradesh) ..								6.12	H.Y.
68,31,480	94,58,535	5,19,41,849	2,73,46,930	29,587	M.	Singareni	11·00	10	0·75	0·75	1·00		12	Y.Y.
17,50,000	10,89,982	38,95,664	16,19,484	19,407	Bird & Co. Private Ltd.	South Karanpura	10·19	10	0·12	0·12	0·25		12	Y.Y.
8,00,000	14,91,062	1,69,37,570	27,510	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	12·19	10	1·50	1·00	1·00		2.8	H.
16,00,000		31,92,664	15,48,502	—5,02,907	M.	Talcher	1·75	2.50	Nil	Nil	Nil		12	Y.
3,50,000	8,35,000	18,97,594	14,54,254	77,176	Williamson Magor & Co., Ltd. ..	Union	14·00	10	0·75	Nil	Nil		9	Y.Y.
40,95,200	66,784	66,72,208	24,15,366	11,643	Hindustan Investment Corpn. Ltd.	Western Bengal	6·34	10	0·37	0·50	0·50		12	Y.
7,00,000	....	58,61,405	27,57,669	—8,49,103	Macneill & Barry Ltd.	West Jamuria	5·00	10	Nil	Nil	Nil	0·50 Nil	12	Y.

M—Managed by the Board of Directors. ‡ Less income-tax. (a) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1955. • Including bonus. (b) Investments.
† New Central Jute Mills—Dividend for 1955 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954. ‡—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 100 each.
K—Fort William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each.
For 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.

MARKET GOSSIP

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,00,000	1,05,00,000	12,42,552	Allahabad Bank	353.00	100	18.00‡	18.00	18.00	9.00	12	Y.P.
14,40,000				178.00	50	9.00‡	9.00	9.00	4.50		
1,91,000	18,04,000	1,910	Andhra Bank	109.00	100	7.50	6.50	5.00	6.00	6,12	H.
29,75,595				90.00	85	3.75	4.54	5.59	5.10		
1,00,00,000	1,25,00,000	4,10,731	Bank of Baroda	116.00	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	25,00,000	7,000	Bank of Bikaner	21 52sd	25	0.75	0.87	1.12	1.25	12	Y.
2,50,00,000	3,12,00,000	16,02,381	Bank of India	134.00	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000 'A'				135.25	50'A'				8.00		
15,00,375	23,00,000	52,270	Bank of Indore	63.00N	25	2.50	2.50	4.00	4.25	12	Y.
50,00,000	25,00,000	20,476	Bank of Jaipur	37.25	50	2.00	2.00	2.50	3.00	12	Y.
30,00,000	91,25,613	1,87,085	Bank of Mysore	251.50	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
15,00,000	40,00,000	44,788	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.
7,50,000	12,50,000	5,670	Canara Banking Corporation Ltd.	75.50	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P.
5,52,250 'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	170.00	100'A'	12.50	12.50	15.00	15.00	12	Y.P.
23,787 'C'				1.71	1'C'	12½%	12½%	15%	15%		
2,28,11,375	53,70,821	18,44,046	Central Bank of India Ltd.	53.70	25	3.00	3.00	3.50	3.50	12	R.L.Y.
82,43,575				57.50	25	3.00	3.00	3.50	3.50		
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	45.50	50	2.00	2.50	3.00	3.00	12	Y.
2,00,00,000	2,00,00,000	10,46,442	Habib Bank (P)	36.37	5	0.81	0.87	1.37	1.06	12	Y.
50,00,000	28,75,000	1,61,946	Hind Bank	52.50	50	1.50	2.00	3.00		12	Y.
1,25,00,000	6,25,000	18,448	Hindustan Commercial Bank	9.75	50	*Nil*	*Nil*			12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	11.00	50	*Nil*	*Nil*	*Nil*	*Nil*	12	Y.
44,00,000	1,00,00,360	2,04,376	Indian Bank	196.50	100	12.00‡	12.00‡	13.00	15.00‡	6,12	R.L.H.
22,40,000				168.50	80	7.20‡	7.75	9.75	12.00‡		
56,23,250	45,26,200	2,32,067	Indian Overseas Bank	144.50	100	6.00	7.50	10.00	10.00	12	Y.
10,00,000	10,25,000	32,502	Pandyan Bank Ltd.	35.00	25	1.56	1.87	1.87	1.87	12	Y.
1,25,00,000	1,10,00,000	4,51,904	Punjab National Bank	65.50	25	3.00	3.50	4.00	5.00	12	Y.
1,00,00,000	29,17,000	5,628	Travancore Bank	18.25	25	0.75	1.00	1.00	1.25	12	Y.
40,00,000	40,00,000	1,50,332	Union Bank of India	8.28	5	0.24	0.37	0.44	0.44	12	Y.
2,00,00,000	1,24,00,000	49,452	United Commercial Bank	61.00	50	2.50	2.75	3.50	3.75	12	H.

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.					
£4,400,000	£5,700,000	£412,542	Chartered Bank	£2-3-0	£1	15†	15†	15†	15†	12	Y.
H.K. $50,006,000	H.K. $128,000,000	H.K. $2,062,463	Hongkong and Shanghai Banking Corporation	£412	H.K. $125	5*	5*	5*	2 12½*		
£18,565 070	£18,000,000	£826,712	Lloyds Bank	£2-5-3	£1	15†	12†	12†	13†	12	Y.
(S.)40,000	£2,100,000	£231,482	Mercantile Bank Ltd.	£1-10-3	£1	14†	14†	14†	18½†	12	Y.
£2,851,868	£3,104,687	£585,589	National Overseas and Grindlays Bank Ltd.	£1-2-6	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * £ per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
BREWERIES AND SUGAR						
19,50,000	6	1st December and 1st June	Carew & Co.	1958	92.00	1st June .. 1968
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	96.00	25th February .. 1960
16,00,000	6	1st August and 1st February	Ravalgaon Sugar	1942	100.00	27th December .. 1962-63
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00	1st November .. 1959-64
22,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	92.00N	1st November .. 1959-64
COAL						
30,00,000	4½	20th April and 21st October	Bharat Collieries	1944	90.00	20th June .. 1964
50,00,000	4½	20th June and 21st December	Burrakur Coal Co.	1947	87.00	20th June .. 1967 (c)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1953	97.00	14th December .. 1969 (c)‡
COTTON						
2,50,000		30th June and 31st December	Bassani Cotton Mills Ltd.	1942	85.00	30th April .. 1964
4,00,000	6	10th May and 10th November	Bengal-Nagpur	1897	89.00	15th November .. 1964
75,00,000	6	1st April and 1st October	Buckingham and Carnatic	1952	96.00	1st March .. 1972 (c)
40,00,000	6	1st April and 1st October	Gokak Mills	1952	90.00	1st April .. 1967-72
13,71,000	5½	30th June and 31st December	Jaykhrie Textiles (..	1957	100.50	1st January .. 1956-59
99,00,000	5	1st June	Tata Mills‡	1951	97.00	14th December .. 1969 (c)‡
ELECTRICS						
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co., Ltd.	1950	90.00	31st March .. 1965 (c)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co., Ltd.		97.00	14th June .. 1965 (c)
92,50,000	4	1st April and 1st October	Andhra Valley Power Supply Co.	1940	98.00	1st October .. 1959
12,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	96.00	31st December .. 1964 (c)
64,048,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1950	97.50	31st December .. 1970 (c)
25,00,000	4	30th June and 31st December	Gwenyare Electric Supply Co., Ltd.	1945	84.00	31st December .. 1970
12,50,000	5	1st January and 1st July	Sijua (Dhanbad) Electric Supply Co., Ltd.	1951	91.00	30th June .. 1970
2,00,000	5½	31st March and 30th September	South Madras Electric Supply	1950	96.00	1st April .. 1976 (c)
1,00,000	5	3rd April and 3rd October	South Madras Electric Supply	1940	98.50	1st April .. 1960-61
47,72,000	6	15th April and 15th October	Tata Power	1940	99.00	15th September .. 1975-76
2,50,00,000	4	1st April and 1st October	Tata Power		85.00	15th September .. 1965-70
ENGINEERING						
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December .. 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1952	92.00	30th June .. 1966
30,00,000	5½	15th September and 15th March	Indian Hume Pipe (Scarce)	1942	97.00	1st July .. 1967-62
10,00,000	4	31st May and 30th November	Kamardhati Engineering Works Ltd.	1946	80.00	31st May .. 1966
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1940	95.00	1st October .. 1955-65
40,00,000	6	31st December	Textile Machinery Corporation Ltd	1946	97.00	31st December .. 1966 (c)
JUTE						
12,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March .. 1969
6,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June .. 1969
15,00,000	4	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December .. 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1945	90.00	30th June .. 1964
9,00,000	5	31st January and 31st July	Calcutta	1945	86.00	31st July .. 1969
10,50,000	5	30th June and 31st December	Chitavalsah Jute Mills	1951	89.00	30th June .. 1969
30,45,000	5½	31st March and 30th September	Dalhousie Jute Co.	1954	99.00	31st March .. 1966
2,81,000	5	15th January and 15th July	Empire	1951	90.00	15th July .. 1966 (c)
90,00,000	5½	31st March and 30th September	Howrah Mills Co., Ltd.	1955	94.00	31st March .. 1966 (c)
25,00,000	5	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st March .. 1970
25,00,000	5½	30th June and 31st December	Naihati	1952	99.00	31st December .. 1964 (c)
5,00,000	4½	14th November and 14th May	Maheswarie Jute Mills Co., Ltd.	1939	88.00	31st March .. 1967 (c)
20,00,000	4	30th June and 31st December	Northbrook Jute Co., Ltd.	1945	85.00	14th May .. 1959
8,00,000	4	30th June and 31st December	Prasidency	1945	85.00	31st December .. 1964
25,00,000	5	31st March and 30th September	Ralliance Jute Mills Co., Ltd.	1950	85.00	30th June .. 1968
15,00,000	5½	30th June and 31st December	Union	1927	90.00	5th September .. 1955 (c)
10,00,000	5½	31st January and 31st July	Waverly	1923	88.00	31st March .. 1967
						31st July .. 1966
RAILWAYS; STEAMSHIP AND TRAMWAYS						
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	66.50	At 105% at any time on 6 months' notice or at par or every seventh year thereafter
£189,863		1st April and 1st October		1923	874.10N	1st October .. 1974
6,50,000	5½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December .. 1959 (c)
£200,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1926	864	Any time on six months' notice (c)
,54,13,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.50	1st September .. 1968
PLANTING						
11,25,000	6	31st March and 30th September	Nilgiri Tea		99.00	1st April .. 1962-66
1,56,500	5½	31st March and 30th September	Teokey	1944	100.00	31st March .. 1962-66†
MISCELLANEOUS						
18,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December .. 1965
26,50,000	4½	1st January and 1st July	Associated Hotels of India	1946	85.00	31st December .. 1965
60,00,000	5½	1st March and 1st September	Burmah-Shell	1954	97.00	1st September .. 1963
60,00,000	5½	1st April and 1st October	Calcx Oil Refining (India) Ltd.	1955	96.50	1st October .. 1964-69 (c)‡
21,00,000	5½	1st February and 1st August	Cheerimalai Properties	1915	88.00	1st February .. 1970
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	82.00	1st July .. 1964
80,00,000	4	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September .. 1966
60,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	87.00	 1966
80,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	97.25	1st January .. 1965
60,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	101.00N	30th June .. 1971 (c)††
15,75,000	5	2nd January and 2nd July	Motor Chemical Industries	1949	83.00	.. .. 1969 (c)‡
13,97,000	4	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	510.00	30th September .. 1964
45,00,000	4	30th June and 31st December	McLeod & Co., Ltd. (Convertible Notes)	1947	470.00 (per note)	31st December .. 1972 (c)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April .. 1971
80,00,000	5½	30th June and 31st December	National Rayon	1955	98.00	30th June .. 1971
60,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	90.00	31st March .. 1966-76
60,00,000	4	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December .. 1961 (c)
60,00,000	5½	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May .. 1968

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 2 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 12 years. † Rs. 1,00,00,000 debentures will be redeemed at par annually by drawing from 1-9-1965. § Any debenture outstanding on 1-6-1969 will be redeemed on that date with option to redeem at debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1962.

WEEK'S STOCK EXCHANGE TREN

THE following quotations indicate the trend transactions on the Bombay Stock Exchan during the week ended 19th June, 1958.

	Closing quotations 12-6-1958 Rs. nP	High Rs. nP	Low Rs. nP	Closing quotatio 19-6-19 Rs. nP
TEXTILES				
Ahm. Adv. (100)	156.25	156.00	154.50	155.50
Apollo (2)	1.66	1.72	1.68	1.73
Bombay Dyeing (25)	53.60	55.20	53.60	55.06
Bradbury (50)	154.00	—	—	154.00
Central India (100)	86.50	96.00	86.00	94.00
Century Mills (100)	425.50	442.50	425.50	440.00
Colaba (100)	33.75	33.75	30.50	31.25
Edward Textile (200)	252.50	252.50	251.25	251.25
Elphinstone (50)	47.00	47.00	41.50	41.50
Finlay (100)	261.00	271.00	260.00	268.00
Gokak (100)	136.00	152.00	133.00	151.00
Ind. Untd. Defd. (1)	1.18	1.24	1.16	1.2
Ind. Untd. Ord. (10)	9.04	9.56	8.92	9.32
Indore Malwa (100)	108.00	110.50	106.50	110.00
Khatau (100)	191.25	191.25	186.25	186.25
Kohinoor (100)	256.50	260.00	253.75	258.00
Lakshmi (250)	435.00	—	—	435.00
Minerva Mills (100)	67.50	67.50	67.00	67.50
Model Nagpur (250)	167.50	171.25	162.50	165.06
Morarji (100)	136.00	152.00	133.00	233.00
Mysore (50)	91.00	—	—	91.00
National Rayons (100)	239.50	243.75	230.75	233.25
New City (100)	105.00	—	—	105.00
New Great (100)	199.50	202.00	198.00	200.00
Phoenix (100)	115.00	117.50	115.00	115.00
Podar Mills (100)	134.00	135.00	133.25	135.00
Sassoon Spg. (10)	9.88	—	—	9.88
Shahpur (1,000)	45.75	47.50	45.75	47.50
Shirinvas (100)	375.00	—	—	375.00
Simplex (50)	139.00	147.00	139.00	147.00
Standard (100)	164.00	171.50	164.00	171.00
Svadeshi (100)	404.00	424.00	403.00	417.00
Swan (100)	176.50	185.00	176.00	185.00
Tata Mill (25)	343.00	370.00	343.00	365.00
Vishnu (100)	37.50	39.50	37.50	39.00
Western India (1,000)	100.00	—	—	100.00
	4,625.00	—	—	4,625.00
BANKS				
Bank of India (50)	134.50	135.00	133.50	135.00
Do. (New) (50)	135.00	135.50	135.00	135.50
Bank of Baroda (50)	115.50	116.00	115.50	116.00
Central (25)	54.00	54.00	53.50	53.50
Central 'A' (25)	57.30	57.80	57.00	57.80
Dena Bank (50)	45.75	45.75	45.50	45.50
Punjab National (25)	55.00	56.00	55.00	56.50
Union Bank (5)	8.00	8.28	8.00	8.24
United Com. (50)	61.00	61.00	60.50	61.00
ELECTRIC COS.				
Ahmedabad (100)	94.70	95.20	94.70	95.00
Amalgamated (10)	10.48	10.60	10.44	10.60
Andhra Valley (1,000)	1,137.50	1,140.00	1,136.25	1,137.50
Bom. Sub-El. (100)	106.00	—	—	105.75
Surat (100)	108.25	108.75	108.25	108.75
Tata Hydro (100)	117.50	—	—	117.50
Tata Power (1,000)	1,220.00	1,235.00	1,218.75	1,230.00
INSURANCE COS.				
British India (10)	15.24	—	—	15
Empire of India (100)	265.00	—	—	261
Ind. Mercantile (20)	47.50	—	—	4
Jupiter (15)	7.76	—	—	
New India (15)	48.25	47.50	46.75	4
Oriental (200)	3,985.00	—	—	3,98
Universal (10)	12.00	—	—	
Vulcan (10)	17.44	—	—	1
STEEL COS.				
Ind. Iron (10)	21.36	22.08	21.36	2
Tata Steel Ord. (75)	181.25	185.00	181.00	184.00
SUGAR COS.				
Balapur (50)	246.50	254.00	246.50	254.00
Bhopal (10)	21.48	22.48	21.48	22.48
Dhlaiya (10)	148.00	154.50	148.00	152.50
Walchand Ind. (100)	273.75	291.25	276.25	285.00
CEMENT COS.				
Associated Cts. (100)	150.75	156.00	150.50	155.75
Digvijay (100)	147.75	148.25	147.00	148.25
MISCELLANEOUS				
Alcock Ashdown (100)	261.25	267.00	260.00	265.00
Bom. Burmah (125)	552.00	569.00	551.00	565.50
Do. (New) (50)	209.00	217.50	209.00	217.50
Br. B. Petrol (4 sh.)	2.00	2.20	2.00	2.20
Br. I. Corpn. (5)	3.70	3.70	3.52	3.52
C. F. Ely. (100)	60.00	60.00	59.50	59.50
Hindusthan Motors (10)	6.92	7.24	6.92	7.20
Indian Copper (2 sh.)	3.20	3.44	3.24	3.38
Ind. Inv. Tr. (100)	71.50	71.90	71.00	71.90
Killicks (100)	143.50	143.50	142.00	142.25
Polsons (100)	150.00	—	—	150.00
Pre. Automobiles (100)	82.00	85.00	80.00	84.30
Premier Cas. (50)	192.00	204.00	191.75	204.00
G. E. Shipping (10)	17.44	17.92	17.40	17.88
Shivrajpur (10)	22.40	23.08	22.48	23.08
Tata Chemicals (10)	80.50	91.50	82.00	91.50
Tata Locomotive (100)	15.60	16.72	15.60	16.52
Tata Oil (25)	172.00	175.00	169.25	173.00
W. I. Match (100)	39.75	41.00	39.50	41.00
	170.00	174.50	168.50	174.50

GOVERNMENT SECURITIES	12-6-1958 Rs. nP	Gross Yield Earlier Redemption	Later Redemption	19-6-1958 Rs. nP
2½% 1961	95.50	—	4.04	95.60
2½% 1960	98.15	—	3.67	98.20
2½% 1956	95.85	—	3.96	95.40
3% 1978	88.10	—	4.03	88.10
3% 1958	99.85	—	3.94	99.85
3% 1958-61	99.10	3.74	3.29	99.10
3% 1964	95.45	—	3.77	95.60
3% 1963-65	99.55	3.99	3.68	99.60
3% 1966-68	92.95	3.99	3.82	92.95
3% 1970-75	87.80	4.85	4.03	87.80
3% 1966 Con. Loan	71.15	—	4.22*	71.10
4% 1960-70	100.80	3.85	3.97	100.80
2½% 1961 N.P. Bonds	99.50	—	3.65	99.50
2½% 1964 N.P. Loan	98.45	—	3.77	98.50
2½% 1965 N.P. Bonds	98.25	—	3.79	98.35
2½% 1962	97.95	—	3.80	98.00
2½% 1967 N.P. Bonds	97.60	—	3.80	97.60
2½% 1974	98.30	—	3.89	98.30
2½% 1967 N.P. Bonds	99.65	—	3.80	99.65
4% 1972 Loan	100.80	—	3.97	100.95
2½% 1968 N. P. Bonds	98.80	—	3.77	98.80
2½% 1968 N. P. Bonds	99.60	—	3.81	99.50
4% 1973 Loan	100.05	—	4.00	100.05

BRITISH GOVERNMENT SECURITIES

	Closing quotations 11-6-1958 £			Closing quotation 18-6-195 £
2½% Brit. Consols	50½	—	—	50½
3% Savings Bonds 1965-75	73½	—	—	73½
3% War Loan 1955-59	98½	—	—	98½
3½% War Loan	86½	—	—	86½
4% Victory Bonds 1976	94½	—	—	94½
4% Funding 1960-90	87½	—	—	87½

* Current Income xd.—Ex-dividend. xr.—Ex-Right.

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The Editor does not necessarily agree with, or hold himself responsible for, the views expressed by contributors.

COMMERCE

"For Commerce, though the child of Agriculture, fosters his parent Who else must sweat and toil and gain but scanty fare."
William Blake.

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Commerce

A WEEKLY REVIEW OF INDIAN FINANCIAL, COMMERCIAL AND INDUSTRIAL PROGRESS

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DOCK STRIKE ENDS

THE decision of the All-India Port and Dock Workers' Federation to call off the strike by the port workers will be widely welcomed. Any continuation of the strike, which lasted ten days from the 16th inst., would have been fraught with serious consequences to India's national economy, in general, and its foreign trade in particular. There was, as we have ere now indicated in these columns, little justification for the strike, notwithstanding the Government's delay in formulating its decisions on the Chaudhury Commission's recommendations. There were reasons for the delay. And, in any case, all that the Government wanted was only a few more weeks to complete its review of the admittedly complicated issues involved in the fixation of the wages of a large variety of workers distributed among the country's different ports. From this point of view, while the termination of the strike is to be welcomed—all's well that ends well—the workers cannot altogether escape the blame that they attempted to hold the community to ransom, and, for doing that, chose a most critical period in the country's recent economic history.

Under the terms of the settlement reached between the Government and the Federation, the former has agreed to start negotiations at port level for the settlement of the dispute and has accepted the principle of arbitration in the event of breakdown of negotiations. It has assured the Federation that it would implement Mr. Shastri's undertakings on uniformity and rationalisation of pay scales and service conditions without prejudice to existing incomes and benefits. It has promised to consider sympathetically the Federation's claim that heavy manual workers in docks should be distinguished from other categories of workers in industry. Presumably, this is meant to cover the demand for higher wages for these men. While we have the fullest sympathy for this class of workers, it must be recognised that, in railways, factories and construction works too, there are workers who undertake heavy manual labour. The scale of wages for heavy manual workers in ports should bear some relationship with the wages of similar categories of labour elsewhere.

The Federation urged the Government to consider the question of giving retrospective effect to the decisions that may be arrived at as a result of the discussions to be held on 14th July. The Government has agreed to take this point into account, wherever necessary, in fixing the dates from which the different decisions are to be given effect. It has also agreed to fix an equitable formula for the refixation of pay in the revised scales. A notable feature of the agreement is that the Federation has given the assurance that it would do its utmost to increase the output of work. It is also agreeable to the introduction of the piece-rate system of payment of wages in Calcutta and other ports where it is not already in operation. The system, as is well known, has worked very well in ports where it has been introduced; it has invariably meant higher incomes for workers and better output of work.

The aforesaid terms of the settlement clearly show that there is little in them which the workers could not have obtained through mutual discussions. A strike, therefore, was totally uncalled for. And it must be said to the credit of the authorities that they had never slammed the door on voluntary negotiations. This alone should convince any impartial observer what a tragic waste the strike has been. It would, however, be a great gain if the lessons of the strike and its aftermath were borne in mind by the Union leaders. Strike is a delicate weapon which, in the context of the democratic traditions the country is building up, should be used only in the last resort. It is, however, gratifying to note that, instead of prolonging the unjustified strike, the Dock Union leaders yielded to wiser counsels and called off the strike. The country's thanks are due to the patience and the persuasive qualities of Mr. Nehru and the persistent efforts of the Union Minister for Transport and Communications, Mr. S. K. Patil, and the Minister for Commerce and Industry, Mr. Lal Bahadur Shastri. It is to be hoped that the spirit of compromise which manifested itself in the Delhi parleys preceding the termination of the dock strike will continue to prevail in all future negotiations for the settlement of labour disputes.

NOT CRYING FOR THE MOON

IT would need much dry sense of humour to appreciate Bombay's wet weather. This week, the citizens have been treated by Nature to yet another sorry exhibition of its vagaries. In Bombay, on some days, it never rains but it pours. The much-awaited, long-delayed monsoon has announced its arrival with a bang. It has eclipsed not only the sun which no longer shines but, as an item of news, also the dock strike and the dangerous municipal strike, now happily called off. One may complain against strikes. But what can one do against the fury of the monsoon? It brooks no protests, hears no appeals. It gives no quarter, asks none; the pavement-dweller must shift for himself. It leaves the pedestrians, the passengers in the trains, the buses and the cars to themselves. Milton reminds us that "they also serve who only stand and wait." But the millions who stood and waited this Tuesday and Thursday for buses and trains which never arrived served neither themselves nor the offices nor the factories where they work. Perhaps, the fortunate few who determined to stay away in their homes by cashing in on the casual leave to their credit—though there is nothing "casual" about the monsoon—may have meant to serve themselves. But the brave men who, from an oppressive sense of duty, ventured abroad, found themselves literally in deep waters. Nevertheless, we nurse no futile sense of grievance against the imperious monsoon. We refuse to protest.

But

INDO-AMERICAN RELATIONS

By S. V. Rayan

I HAD the good fortune of receiving, towards the close of last year, an invitation from the State Department of the U.S. Government to visit the United States for a couple of months, in order to get a personal appreciation of its people and institutions. This invitation was extended under the U.S. Government's programme for exchange of leaders. In response to this generous offer, I proceeded to the U.S. on 30th March and returned to Bombay last week, after spending two months in the States and two weeks in England. During the two months of my stay in the U.S., I spent a fortnight in Washington and a fortnight in New York. The rest of the period was devoted to a quick tour of the country. I met and talked to several people of eminence in the field of industry, commerce, finance, journalism, politics and civil administration, besides visiting some heavy, light engineering and consumer goods industries.

It is my intention to write a series of articles on what I saw and heard during my tour of the U.S. I propose to begin this series with a general article on the Indo-U.S. relationship, with particular reference to prospects of getting Governmental assistance and private capital for pursuing our plans for economic development. The impressions that I gathered in the City of London on this subject are also included in this article. This will be followed next week by an article on economic trends in the U.S. and by another on some of my outstanding impressions of the American way of life. In the subsequent weeks, I propose to write on some of the specific industrial units in the U.S. visited by me and a few other aspects of that country's economy.

The relationship between the Governments of India and the U.S. has greatly improved. The area of differences has shrunk vastly. The feeling of friendliness between the two Governments was, perhaps, never so high during the last eight years as it has been for some months now. Even those sections of the Press in the U.S. which were hypercritical of the Government of India's political and economic policies have become less critical and very moderate in their criticisms. In fact, there is a better appreciation of India's foreign policy. There is a growing realisation of the value of a policy of non-alignment by India with either of the two power blocs. The balance of power between them is now so finely maintained that, if India were to depart from its present policy in favour of alignment with either the Eastern or the Western powers, it would upset the balance and might precipitate, sooner or later, a world war which every sane human being is anxious to avoid. Not all in the U.S. are, of course, convinced of this argument, but those in authority and the more responsible sections of public opinion appear to recognise its force. In any case, the feeling that once existed, namely, as India is politically neutral and does not want to join the Atlantic community of nations against the Communist bloc, it should not be given any sizable economic assistance, is on the wane, if it has not totally waned. In short, the foreign policy of India is not such a great stumbling block in the way of getting foreign economic assistance as it once appeared to be. But this should not lead one to believe that it is a positive factor. It is not.

The increasing feeling of friendliness towards India and a desire to help it in implementing its plans for economic development are reflected in the recent debates on the Cooper-Kennedy resolution in both houses of the U.S. Congress, favouring large-scale economic aid to India. In the second week of April, when I was in Washington, I was given to understand that this resolution was just an expression of goodwill by a few friends of India in the U.S. Congress and that, for a long time, it might not even come up to the Committee stage for hearing. I was even warned by competent observers that India should not build up any big hopes of U.S. aid on the strength of this resolution, lest it should feel greatly disappointed later. This warning was repeated by the same sources when I went to Washington again in the second week of May. But, as subsequent events have shown, the Cooper-Kennedy resolution met with considerable measure of support in the Senate and was actually incorporated in the general omnibus Bill authorising the U.S. President to give foreign aid to the tune of $3,713 million. The specific mention of India in the Foreign Aid Bill to the effect that India be granted long-term and expanded economic assistance was approved by 47 votes to 35. It is true that 11 days later, on 17th June 1958, when this measure came before the House of Representatives, the special reference to India, the only country to be singled out by the Senate, was deleted by a *tentative* agreement with the Senate. But those who supported this deletion in the House of Representatives made it clear that they were not opposed to India being helped by the U.S. Their only objection to the inclusion of India alone was that it would complicate U.S.'s relations with several other countries, which might feel that it was invidious to pick out India by name. Even the Republican Senator Styles Bridges, who opposed the Cooper-Kennedy resolution and voted against the amendment to the Foreign Aid Bill in the Senate, appeared to be not so much against aid to India as against singling out India for special mention in the policy statement of the Act, on the ground that it would be a slap in the face of every other nation in the world which the U.S. is aiding and which, unlike India, has been actively associating itself with the U.S. in its collective security arrangements.

This stand is only natural. If the Indian leaders are realistic, they will not only not find it difficult to recognise this point but even to reconcile themselves with it. The U.S. Administration's view on this subject was made very clear the other day by Mr. John Foster Dulles, the Secretary of State, who questioned the wisdom of the Congress in singling out India by name in its consideration of the U.S. aid programme for friendly nations. He was clear in his mind that it was in the interests of the U.S. to help India which was trying to develop its economy in an atmosphere of freedom. But "India is not the only free country in the world which deserves our support," he averred. "From the standpoint of our collective security arrangements," he went on to add, "we have closer ties with Pakistan than we have with India. Pakistan has accepted the doctrine that security is best achieved on a collective basis and is a party to the S.E.A.T.O. and the Baghdad Pact I could mention other countries which might feel hurt if India alone were given special recognition in a policy resolution." Thus, it is a question of big politics, closely tied up with the U.S. Government's foreign policy. If India does not like any suggestion of a compromise in its foreign policy, it is only but politic that it should respect a similar desire on the part of the U.S. It would surely be unrealistic to expect economic aid from the U.S. Government in a form and manner calculated to upset its relations with other friendly countries.

The resolution of Mr. Cooper and Mr. Kennedy and their able advocacy of India's case for economic assistance signify that there are good, sincere friends and sympathisers in the U.S. for India. Their number is tending to grow. The Administration itself is keen on helping India's economic development. But all this does not mean that India can expect to get, in the near future, a large credit line from the U.S. which will close its big foreign exchange gap. Even the Cooper-Kennedy resolution was no more than a gesture of goodwill; it did not specify the amount or type of assistance to be given to India. There is little likelihood of this country being given a general line of credit of the order of, say, $1.5 billion or $2 billion.

There is, however, every possibility of India getting assistance of the order of $250 million to $300 million per year from the U.S. for some years to come. This is about the same amount as has been sanctioned for the current year. The Administration, it appears to me, is not yet convinced of the advisability of approaching the Congress with a special Bill for granting a bulk loan to this country. It feels that it can assist India better from the funds at the disposal of the President than in this manner. There is evidence of this view in the latest P.L.480 loan under which India is getting additional supply of foodgrains of the value of $57 million. Special legislation for giving aid to India will take a long time, anything between 12 and 18 months. Further, India is not without its critics in the Congress and their number is not insignificant. The success of Mr. John Sherman Cooper in the Senate three weeks ago might have induced some to think that the Administration was not right in advising India against making special approach to the Congress towards the close of last year. But this opinion is not necessarily correct. Much valuable time might have been lost, without India getting even the $282 million which it has received so far this year.

In any case, with Congressional elections due in November 1958, there is no prospect of a fresh approach being made to the Congress for any large lump-sum assistance to India. The only course left is to negotiate with the U.S. Government from time to time for assistance from the overall funds sanctioned by the Congress for foreign aid. The U.S. Government is fully aware of India's needs, its problems and difficulties, thanks to Mr. Ellsworth Bunker, the U.S. Ambassador in this country, who is doing his best to ensure a sympathetic understanding of our position by his Government. It stands to reason to believe that the U.S. Government is competent enough to realise that, if it does not follow up its assistance to India in 1958 by similar assistance in the coming few years. India's plan for economic development cannot go forward and that the full value of its aid in the current year will not be realised. Much will, however, depend on the ability of our negotiators at New Delhi and Washington in putting forward to the U.S. Administration appropriate and eligible development programmes. An equally important factor will be avoidance of irritating political statements which may make it difficult for the U.S. Government to influence American public opinion in favour of continued assistance to this country.

Viewed thus, it is regrettable that the Government of India has not yet chosen a worthy successor to Mr. G. L. Mehta, who, as India's Ambassador to the U.S., worked hard to promote better relations between the two countries. During his long tenure of a little over five years in the U.S., there were more misunderstandings between the Indian and the American Governments than at any time during the preceding five years of India's independence. Mr. Mehta's task was, therefore, not an enviable one. Yet, it must be said to his credit that he has managed to perform his duties as an ambassador successfully and strengthen the bonds between these two great democracies in the world. During my short stay in the U.S., I came across sufficient evidence of the solid contribution he has made for furthering India's interests in the U.S. He was widely popular and everyone that I talked to spoke highly of him and felt sorry that he could not continue to be India's Ambassador in the U.S. for some more years. In my opinion, far more credit than due has been given to the former Finance Minister, Mr. T. T. Krishnamachari, and the Industrialists' Delegation and far less to Mr. Mehta for the sizable economic assistance which India has received from the U.S. Government during the last six months. It is, indeed, no exaggeration to say that Mr. Mehta has proved himself as an able statesman and diplomat; he has belied the doubts expressed by some on this score when Mr. Nehru chose him to represent India at Washington.

It is common knowledge that Mr. Mehta had been asking Mr. Nehru to relieve him of his ambassadorial duties for nearly a year. It is a pity that, despite this long notice on his part, Mr. Nehru could not make up his mind as to who should take charge of this key post. If Mr. Nehru found no one suitable enough, in his opinion, to take up this job, he should have requested Mr. Mehta to continue for a year more and no Indian with a sense of patriotism, least of all Mr. Mehta, would refuse to comply with such a request. The present time lag is costing India's prestige not only in the U.S. but even in the U.K. One of the few questions that were shot at me wherever I went in these countries was: "Who is going to succeed Mr. G. L. Mehta?" The frequency with which this question was posed to me showed the importance people attach to this post. And Mr. Nehru's failure to fill this vacancy promptly raises doubts in the minds of people in these parts of the world whether India is so bereft of talent that he cannot find a successor to Mr. Mehta, even after several months' notice. Such doubts are not conducive to formation of a favourable opinion about India as an investment market.

While Mr. G. L. Mehta has doubtless performed valuable service to India in the U.S., many other factors have contributed to the welcome change in the U.S. feelings towards India in recent months. It is the cumulative result of several international developments. The successful launching of Sputniks by Russia, the economic offensive of Russia which is a new weapon in the cold war between the two ideologies, the anti-U.S. sentiments frequently voiced in Latin America and Canada in recent months, the lack of definite success of the U.S.

(*Continued on page* 1235)

SHARE MARKETS TOO OPTIMISTIC?

STATE LOANS—SUGAR EXPORTS—METALS

THURSDAY, 5 P.M.

THE feeling of buoyancy in the share markets continues unabated. The rise in values is not confined to the popular speculative counters but embraces several investment scrips also. This is not surprising, because first class equities had remained depressed for a long time, offering attractively high yields. With interest rates moving down all over the world and with talks of special concerted efforts on the part of banks to bring down the interest rates on short-term deposits going on with the blessings of the Reserve Bank of India, it is understandable that the return on equities should tend to fall through a rise in their values. To the extent values had been depressed unduly in the past, a sizable recovery was warranted. It, however, looks as though the present upward movement in certain scrips has gone a little too far. It is in the very nature of stock exchanges to discount well in advance the future possibilities. But even recent history shows that they are capable of overdoing this function and coming to grief.

MARKET GOSSIP

It is, of course, true that, in staging a cheerful play for the investors, the stock exchanges in India are now in good company with their confreres in London, New York, and Montreal. The buoyancy of mood in these latter centres is, however, based on a better rationale than in India. In the U.S., the business recession has flattened out and, on the strength of a series of measures taken by the Eisenhower Administration, the economy of that country is gradually recovering. A policy of reflation is being actively and consciously pursued in the U.S. and it has no balance of payments problem. Canada and Britain, too, have taken special measures to give a fresh stimulus to their economy. Britain's foreign exchange position also has greatly improved and the pound sterling has regained the confidence of the world. In all these three countries, strong and determined efforts are being made to keep prices down through a check on the cost of labour and through adoption of measures for higher productivity. The organised labour in them are on the defensive and its demands for higher wages and increased benefits are not easily granted.

Another important factor in favour of the aforesaid foreign stock exchanges—a factor which is practically absent in India—is the existence of strong and large institutional investors who can afford to take a long-term view of the market for equities and stick to their holdings unperturbed by any temporary setbacks. They have enormous resources at their command and, what is more, their funds are steadily growing. A peculiar feature of the U.S. economic recession is that it has not yet adversely affected the growth of personal savings, most of which are diverted to institutional investors. This is due to a sudden wave of a keen desire among the American masses to save for the rainy day and to reduce their indebtedness arising from hire-purchase system.

Yet another factor that has sustained the bullish trend in New York, London and Montreal stock markets is the possibility of a new wave of inflation stemming from the anti-recession measures already taken and still to be taken. The economy of these countries is based on the system of free enterprise and they have Governments which believe in the virtues of a free enterprise system. Accordingly, the case for equities as a hedge against inflation has a better validity than in a socialist country like India where neither the party-in-power nor its effective opponents believe in a property-owning democracy. Further, the Government of India, in particular, is unpredictable.

In contrast to the U.S., the U.K. and other Western countries, which appear to have successfully tided over the economic crisis, at any rate for the present, India is still in the thick of it and there are yet no signs of our Government taking realistic measures to get out of the mess. The immediate outlook for industrial profits is far from encouraging and the dividends for 1958 by most of the major industries are unlikely to be satisfactory. Again, how is the Government of India going to solve the foreign exchange crisis? The share markets think that liberal concessions will be given to export industries. But how far will they be successful in the present state of heavy competition in world markets, even assuming that their hopes are not misplaced? This question apart, the possibility of a further deterioration in the supply of industrial raw materials also seems to have been ignored. Rumours of a devaluation of the rupee have acted as a spur on the stock exchanges. There is, however, no reason to believe that the Government of India will take this futile step.

Some say that certain sections of trade have already made large profits taking advantage of scarcity conditions and that these easy profits are being diverted to share markets. This explanation sounds convincing, but it cannot by itself support and sustain the sizable appreciation that has already taken place in the value of equities.

Taking all factors into account, it looks as though the share markets in India are building themselves up on thin ice and are tending to present a false picture of prosperity among investors. Nevertheless, as is always the case with stock markets, it is the sentiment that counts more than hard facts. And the sentiment is still bullish. The feeling that the Government of India is bound to do something effective to rescue the country from the economic doldrums is strong among the operators. It is to be hoped that they are right.

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Ten out of 14 State Governments have entered the long-term capital market, the four States that have kept themselves out being Assam, Bihar, the Punjab, and Jammu and Kashmir. Particulars of the States wanting to borrow and the details of their issues can be easily had from the advertisement appearing on page 1,203. It will be seen therefrom that the total amount sought to be raised by them is Rs. 47.50 crores. Since about Rs. 8.50 crores of maturing loans of five State Governments are offered facilities for conversion into the new loans, the net offtake of funds from the market will be of the order of Rs. 39 crores. If, however, all the State Governments exercise their right to retain subscriptions upto 10 per cent. in excess of the notified amounts, the offtake will be about Rs. 43 crores.

The money market has doubtless sufficient floating funds to absorb this offer in full. And the terms of the loans are not unattractive to institutional investors. The success of this borrowing programme of State Governments is, therefore, a foregone conclusion. Even the issue of the Communist Government in Kerala, it seems, will be fully taken up. Our enquiries go to show that there is no antagonism against its loan, even though the Communist Party has openly declared in its election manifesto that it does not believe in private ownership and has expressed itself in favour of the well-known principles of Marxism. Here is concrete evidence of the capital market's support for the Union Government's policy of co-existence with Communists even within the country!

All the ten State loans have a uniform maturity of 12 years. Only the Bombay State has come forward to break the monotony by offering an option to investors of subscribing to a 13-year loan. Apparently, it wanted to ease the problem of repayment in 1970, as it has already a loan of a little over Rs. 8 crores maturing in that year. This forethought on the part of the Bombay Government and its advisers is commendable.

Unlike in the case of maturities, there is a larger variation in yields, for, though the rate of interest is the same for all of them at 4½ per cent., their issue prices are in four categories. The Bombay Government alone accounts for two of them; its twelve-year loan is issued at Rs. 100 to yield 4.25 per cent. and the 13-year loan at a slight discount of As. 4, the yield on it being 4.26 per cent. The Governments of Andhra, Madras, Mysore, Rajasthan, U.P. and West Bengal are offering their loans at Rs. 99.50, the current and redemption yields on them being 4.27 per cent. and 4.30 per cent., respectively. The remaining three out of the ten borrowing States, that is, Kerala, Orissa and Madhya Pradesh, offer a slightly more favourable return; their issue price is Rs. 99, the current and the redemption yields being 4.29 per cent. and 4.36 per cent., respectively.

The major support for all these State loans will, we expect, be forthcoming from the State Bank and the Life Insurance Corporation. Another important source of support for them will be those Provident Funds which are not compelled by the Central Government to invest all their resources only in its loans. The other Indian Scheduled banks will also take sizable interest in them, but their share has invariably been less than that of the bigger institutional investors mentioned earlier. Having regard to the comfortable conditions in the money market, it may not be necessary for the Reserve Bank to go to the rescue of the State Governments this year.

An idea of the improvement in the money market can be had from a comparison of the latest position of Scheduled banks with that a year ago. As on 13th June 1958, the net deposits of banks aggregate Rs. 1,494.53 crores, as against Rs. 1,243.28 crores a year before, the increase over the year being Rs. 251.25 crores. Borrowings from the Reserve Bank are no more than Rs. 15.44 crores, as compared with Rs. 70.02 crores. On the assets side, the ratio of cash to deposits is lower at 7.78 per cent., though the actual balances are larger at Rs. 116.23 crores. Investments in Government securities have moved up from Rs. 334.88 crores to Rs. 484.85 crores, an addition of nearly Rs. 150 crores, resulting in a rise in their ratio to deposits from 26.94 per cent. to 32.44 per cent. In contrast to this, the advances and bills purchased and discounted have scarcely risen, their latest total being Rs. 874 crores, as compared with Rs. 872 crores, a fractional spurt of Rs. 2 crores. The ratio of bank credit to total advances is actually down from 74.77 per cent. to 61.08 per cent. In other words, out of an expansion of Rs. 251 crores in deposits, the Scheduled banks have been able to step up their credit to trade and industry by no more than Rs. 2 crores or a mere 0.8 per cent. Of the balance, they have added Rs. 15 crores to their till, put Rs. 116 crores in Government securities, and utilised about Rs. 55 crores to reduce their indebtedness to the Reserve Bank of India. There is then an addition of about Rs. 40 crores in money at call and short notice and balances with other banks in current accounts. The total of these two items stands at Rs. 68 crores, as against Rs. 30 crores on 14th June 1957. These funds, which must be taken into account in assessing the liquidity of the banking system, should help the banks to participate in the new State loans to a significant extent.

What has enabled the banks as a whole to report such a comfortable position is the negligible rise in their commercial loans and advances, which in turn is the result of forced contraction in the activities of the private sector. It is, therefore, quite pertinent to say that the gain in the monetary resources available to the public sector has been at the expense of the private sector. This is one more instance of the success of the Government's economic policies designed to transfer the resources of the private sector in its favour.

In saying this, we do not suggest that the capital market has become completely dry for the private sector. But what this sector can raise is only a fraction of what the Central Government has already drawn and the State Governments now propose to take up. Quite a few new issues of some well-known joint-stock companies are said to be waiting in the queue, pending the green signal of the Controller of Capital Issues. Prominent among these, it is learned, are the debenture issue of Guest, Keen, Williams, carrying interest at 6 or a little over 6 per cent., and ordinary right shares of Mahindra and Mahindra at par.

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As these lines appear in print, the Government's policy in regard to exports of sugar will have been announced. It may have even come into force through an Ordinance. The main features of this policy, as we understand it at the time of going to press, are as follows:

1. All exports are to be handled by a non-profit-making company to be formed by the Indian Sugar Mills' Association, with an authorised capital of Rs. 1 crore and an initial paid-up capital of Rs. 25 lakhs to be subscribed by all the sugar mills.

2. In view of the failure of production of sugar to come up to earlier expectations, the high level of domestic consumption now running at a rate in excess of production and the consequent fall in the anticipated stocks at the end of the current season, only 100,000 tons are to be exported, instead of 200,000 tons as first contemplated. Even of this 100,000 tons, only half—50,000 tons—will be allowed to be shipped up to December 1958.

3. Each mill will be directed to set apart 5 per cent. of its production for export.

4. Exports of only three fine grades are to be allowed.

5. The loss on exports is to be met by all the mills, but they are not to pass it on to consumers. A novel method of spreading this loss over all mills has been devised.

6. The amount of revenue which the Central and State Governments have to forgo is expected to exceed the value of foreign exchange earned on the exports.

7. Although the mills have given an assurance to the Government that they will not raise their selling prices unduly over the ruling rates, the risk of consumers being forced to foot the bill is great.

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The non-ferrous metals market continues to rule firm and there has been a further rise in prices. As compared with Thursday last, tin has gone up by Rs. 3 to Rs. 149 per quarter. Similarly, zinc and lead have advanced by a rupee each to Rs. 67 and Rs. 68 per cwt., respectively. Copper and brass scraps have also staged an increase; the former is quoted today at Rs. 195 per cwt., as against Rs. 185, and the latter at Rs. 143, as against Rs. 138.

The continued firmness of non-ferrous metals must be attributed principally to fears of growing shortage of supplies in the coming months and rumours that the Government of India is contemplating to extend regulation of distribution order to cover imported lead, tin and zinc. The order, it will be recalled, now applies only to imported copper. In terms of this order, the purchase and sale of imported copper in different forms must be at a price not exceeding 3½ per cent. above the landed cost and no person shall acquire or agree to acquire copper except under and in accordance with a permit issued in this behalf by the Controller. The fears of a bigger shortage of non-ferrous metals supplies are based partly on the reported decision of the Government to extend the foreign exchange allocations for the current half-year to cover the next three months, that is, October-December, and partly on developments that have taken place lately in the world markets.

Of particular interest to the tin trade are the two notable decisions taken by the International Tin Council at its four-day session in Paris on the 20th inst. First, the Council decided that the Soviet Union should be approached to become a producer-member of the Council. Secondly, it agreed in principle to continue the 40 per cent. restriction on member-countries' exports during the fourth quarter of the year, though it postponed the decision about the level of permissible exports by producer-countries until the next meeting in London on 22nd July 1958.

The move to invite Russia to join the Council was a sequel to the need for ensuring stability in the world tin markets. The markets have all along been depressed, the price of cash tin in London remaining practically unchanged at the floor level of £730 per ton, thanks to the downward trend in consumption, especially in the U.S. Even the Council's continued extension of export controls and

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BUOYANCY IN SHARES KEPT UP

ALL-ROUND BUYING FERVOUR

(From Our Own Correspondents)

BOMBAY, *26th June*

THE share market continued to rule buoyant during the week under review also, with the wave of buying enthusiasm gathering momentum. Both speculative counters and cash scrips were keenly sought for. The main reason for the sustained buoyancy was the distinct change in the operators' sentiment. They would appear to be confident that, in the light of the serious foreign exchange position, the Government will do all it can to promote exports by reducing duties and/or subsidising exports. In fact, the Union Minister for Commerce and Industry announced in Naini Tal a few days ago that the Government would do its best to earn foreign exchange by promoting export of tea, jute goods, textiles and sugar, and explore a market for machine tools and other industrial products. He also disclosed that the Reserve Bank of India had decided to reduce the margin on advances to textile industry from 25 per cent. to 10 per cent., so as to make available more funds to the industry, and had instructed all scheduled banks accordingly. There were also rumours of devaluation as a step to boost up export trade. The expectations of an early increase in cement prices, rumours of bonus issues by some companies like Indian Irons and A.C.C. and the withdrawal of the dock strike in all ports, thanks to the intervention of the Prime Minister, were also bullish factors which pushed up prices. Another feature of the activity in the market was the sustained good investment demand for cash scrips.

In the steel section, Tata Ordinaries advanced from Rs. 184 to Rs. 186.75 and closed at Rs. 187.50. The new shares picked up over the week Rs. 2.50 to Rs. 184.50. Indian Irons shaded off early in the week from Rs. 22 to Rs. 21.84, but soon gathered strength to finish at Rs. 22.60.

Textile shares were again well favoured. Bombay Dyeings rose from Rs. 55 to Rs. 56 and, after a slight dip to Rs. 55.70, regained to close at Rs. 56.70. Centurys moved up from Rs. 440 to Rs. 447.25, but declined yesterday to Rs. 443. Today, however, they rallied to Rs. 449 at the close. Kohinoors provided a feature with a sharp rise of Rs. 16 to Rs. 274. Central Indias were unchanged at Rs. 94. Azam Jahis gathered Rs. 3.30 to Rs. 53.50. Edward Textiles were done Rs. 3.75 higher at Rs. 255. Finlays gained Rs. 5 to Rs. 273, Gokaks Re. 1 to Rs. 152 and Indu Ordinaries 40 nP to Rs. 9.72. Indore Malwas were unchanged at Rs. 110. Model Mills were picked up Rs. 3.75 higher at Rs. 168.75. Mysore Spinnings rose by 50 nP to Rs. 91.50, New Greats by Rs. 10 to Rs. 210 and New City Mills by Rs. 7.50 to Rs. 112.50. Osmanshahis were a shade quiet at Rs. 42, while Podars advanced by Rs. 10 to Rs. 145. Shree Niwas Cottons gathered Rs. 5 to Rs. 152. Simplex closed Rs. 8 higher at Rs. 179 and Standards Rs. 3.50 better at Rs. 420.50. Svadeshis gained ground from Rs. 185 to Rs. 193.75 and Swans from Rs. 365 to Rs. 376. Tata Mills gained over the week Rs. 3.25 to Rs. 42.25.

Bank shares were steady with a general rise in prices, which was more marked in some counters. Barodas gained Re. 1.50 to Rs. 117.50, while Central Banks were unchanged at Rs. 53.50. Their new shares rose by 20 nP to Rs. 58. Bank of Indias were maintained at Rs. 133.50, while their new shares were a shade better at Rs. 135. Punjab Nationals jumped by Rs. 5.50 to Rs. 62 and United Commercials by 40 nP to Rs. 61.40.

In the electricity group of shares, Ahmedabad Electrics were marked down by 30 nP to Rs. 94.70, while Bombay Suburbans were a fraction higher at Rs. 106. Surat Electrics rose by as much as Rs. 1.75 to Rs. 110.50, as also Tata Hydros to Rs. 118. Tata Powers moved up by Rs. 5 to Rs. 1,235 and Andhra Valleys by Rs. 6.25 to Rs. 1,143.75.

Sugar shares moved in consonance with the general trend of the market. Belapurs came up to Rs. 260 from Rs. 254 and finished at Rs. 259. Bhopal Sugars gained 24 nP to Rs. 22.24 and Changdeo Sugars 50 nP to Rs. 26.75. Phaltans advanced by Rs. 5.50 to Rs. 158, while Walchandnagars provided an exception with no change in price over the week at Rs. 285. In the cement group, Associated Cements gathered Rs. 2.25 to Rs. 158 and their new shares Rs. 3.50 to Rs. 151.50. Digvijay Cements closed Rs. 4 higher at Rs. 152.25, while Orissa Cements were placed 12 nP lower at Rs. 13.68. Ashok Cements dipped by 48 nP to Rs. 9.76. Jaipur Udyogs gained 60 nP to Rs. 13.64.

In the engineering and mining group, the upward trend in Alcock Ashdowns was maintained with a further rise of Rs. 2.50 to Rs. 267.50 this week. Tata Locomotives advanced from Rs. 173 to Rs. 175 before finishing at Rs. 174. Premier Constructions put on no more than a rupee to Rs. 202. Larsen and Toubros staged a spurt from Rs. 16.56 to Rs. 17.84. Mahindras were, however, unchanged at Rs. 19.40. Structural Engineerings had business at Rs. 217.50, as against Rs. 205 two weeks ago. Shivrajpurs were a shade better at Rs. 92, as also Indian Coppers at Rs. 3.40. B.B. Petrols were quiet at Rs. 2.08.

The end of the dock strike gave a boost to shipping shares. Scindias rallied from Rs. 17.88 to Rs. 18.52. Great Eastern Shippings advanced by no less than Rs. 1.48 to Rs. 24.56. Among automobiles, Premier Automobiles were quiet at Rs. 84, while Hindustan Motors were done 32 nP higher at Rs. 7.52.

In the miscellaneous section, Bombay Burmahs moved up from Rs. 565.50 to Rs. 871.50, but shaded off a little at the close to Rs. 569. The Partly-paids were marked down by Rs. 3.75 to Rs. 213.75. National Rayons were a little erratic, moving between Rs. 234.50 and Rs. 230.50 before closing at Rs. 232.25 with a loss of Re. 1 over the week. Their rights were done a rupee higher at Rs. 92. Gwalior Rayons were unchanged at Rs. 13.76. Tata Chemicals were steady at Rs. 16.56, while Hindustan Levers continued to attract attention and rose by 28 nP to Rs. 23.60. Dhrangadhra Chemicals had business Rs. 11 higher at Rs. 101, while Amar Dyes met profit-taking and lost a rupee to Rs. 117. Alembic Chemicals changed hands Rs. 3 higher at Rs. 158. Tata Oils gained Re 1.25 to Rs. 42.25. Wimcos staged a spurt from Rs. 174.50 to Rs. 184.50. Killick Industries moved up by Re. 1.50 to Rs. 143.75.

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Calcutta Stock Exchange

CALCUTTA, *24th June*

Steady conditions prevailed on the Calcutta Stock Exchange during the week under review. Contrary to expectations, the port workers' strike failed so far to impart any bearish tendency. This had been due to the fact that it had already been discounted in prices. Another favourable factor was the improvement in the situation in the Calcutta port and it looked as though calling off the strike was only a matter of time. The further cut in the British Bank rate to 5 per cent. also provoked the enthusiasm of operators. This led to the rumour that devaluation of the rupee was round the corner, although, on second thoughts, such a step was considered unlikely. For devaluation would only accentuate the country's economic difficulties. But for the anxiety regarding the reported suggestion to ban all imports of commercial items—this would definitely lower industrial production and increase unemployment—buying would have been more widespread. However, reports of the possibility of Mr. Morarjee Desai, the Finance Minister, negotiating a loan of $600 million with the U.S. Government during his forthcoming visit to Washington were encouragingly noted, as circumstances for this were considered propitious, in view of the U.S. Senate's passing of the resolution favouring long-term and expanded economic assistance to India. Yet another encouraging factor was the expectation of an increase in cement price. Early relief to the textile, tea and coal industries was also anticipated.

In textiles, Kesorams were unchanged at Rs. 10.75, while Cawnpores receded to Rs. 3.90 from Rs. 4.06. Dunbars were lower at Rs. 115.

In coals, Bengals at Rs. 248 were higher earlier, but declined towards the close to Rs. 244. Burrakurs closed at Rs. 21.25 after realising Rs. 21.50 earlier, while East Indians improved to Rs. 20.87 from Rs. 20.12. Pench Valleys at Rs. 20.75 put on an improved appearance.

Jutes continued to advance following prospects of increased demand for jute goods. It was also expected that mills would be permitted to rationalise fully and modernise production, with a view to reducing cost of production. The West Bengal Government has appointed a tripartite committee to study this subject. Anglo-Indias, at Rs. 161, added Rs. 9. Megnas moved up to Rs. 120 from Rs. 118. Ballys were asked at Rs. 162, as against Rs. 148 previously. Champdanys changed hands at Rs. 89.50. Unions picked up Rs. 3 to Rs. 126. Howrahs were raised to Rs. 16 from Rs. 15.25. Barnagores were firm at Rs. 91.

Engineering shares were taken at advancing rates. Indian Irons closed at Rs. 22.30 after opening at Rs. 21.83. Texmacos rose to Rs. 19 from Rs. 18.60 and Burn & Cos. to Rs. 340 from Rs. 335.50. Kumardhubis were better at Rs. 9.87, but Indian Standard Wagons were unchanged at Rs. 99.

In view of the postponement of the export auctions consequent on labour troubles in port, very few transactions were recorded in the tea section. East Indias were quiet at Rs. 18.87, as were Tezpores at Rs. 15, while Hantaparas gained one rupee to Rs. 112. Ranicherras changed hands at Rs. 15.62, as against Rs. 16.25 previously.

Miscellaneous industrials accounted for some features. India Steamships at Rs. 11.47 added a further gain. Electric Constructions were better at Rs. 11.31, as were National Tobaccos at Rs. 12.25. Sone Valley Cements were steady at Rs. 5.34. Orissa Cements spurted to Rs. 13.81 from Rs. 13.31. At Rs. 18.87, Indian Oxygens made further headway. Alkali and Chemicals were wanted at the improved rate of Rs. 15.19.

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Madras Stock Exchange

MADRAS, *24th June*

The Madras Stock Exchange depicted a firm trend during the week under review. The firmness was aided by the statement of Mr. Lal Bahadur Shastri, Union Minister for Commerce and Industry, that the Government will do its best to promote exports of tea, textiles, jute, etc., and the decision of the Reserve Bank of India to reduce the margin in respect of advances to textile mills from 25 per cent. to 10 per cent. Planting shares and selected textile scrips were in the limelight. Hardening of tea prices and expectation of better working results of coffee plantations provided additional support to planting shares. Textiles evoked good buying enquiries induced by the consideration that the reduction in margin would make available more money to mills and thus relieve, to some extent at least, the financial difficulties without their having to curtail production drastically. The State Bank was reported to have already reduced the margin in some cases. There was also hope of some early reduction in excise duty on cloth. The expectation that the Textile Inquiry Committee would recommend some interim relief favourably affected market sentiment. Sugar shares encountered investment support. Chemicals and engineering shares were also firm.

In the planting section, tea shares elicited good support. Haileyburias firmed up by 95 nP to Rs. 19.25. United Nilgiris advanced by 85 nP to Rs. 16.25. Devons rallied 60 nP to Rs. 18.10. Emerald Valleys strengthened by 20 nP to Rs. 7.10. Nonsuch improved by 38 nP to Rs. 22.50. Parksides gained 25 nP to Rs. 18.25. Blue Mountains were better by 12 nP at Rs. 3.24. Chandramalais and Neelamalais gained 10 nP each at Rs. 3.35 and Rs. 4.65, respectively. Alageswars were fully maintained Rs. 3.05, Coonoors at Rs. 20.50, Cottonads at Rs. 14.75 *cum-div.*, Talayars at Rs. 8.90 Woodcotes at Rs. 1.56 and Lucky Valleys at Rs. 9.50. Among coffee shares, Cowcoody hardened by 95 nP to Rs. 7.20. Consolidated Coffees were marked up by 70 nP to Rs. 26.50 and Rajendras by 60 nP to Rs. 11.60. Kumergodes rallied 32 nP to Rs. 10.00. Mysore Coffees were better by 7 nP at Rs. 3.45. Ouchterlonys gained 5 nP to Rs. 4.95. Anaparas rose by a like amount to Rs. 4.85. Among rubber shares, Woodlands were quoted 25 nP higher at Rs. 8.05. Velimalais and Tropicals gained 10 nP each to Rs. 5.60 and Rs. 19.45. Malankaras gathered 25 nP to Rs. 17.25. Pullangodes put on 4 nP to Rs. 1.78.

There was sustained buying in selected shares in the textile section. Radhakrishnas rallied Rs. 9 to Rs. 130.00. Coimbatore Spinning firmed up by Rs. 6.50 to Rs. 53.00. Janardanas hardened by Rs. 5 to Rs. 78. Rangavilas advanced by Rs. 3.25 to Rs. 62.00, Loyals by Rs. 2.50 to Rs. 35.50 and Madurais by Rs. 35 to Rs. 34.50. Rajalakshmis Cottons were fully steady at Rs. 134.00, as also Rs. 81.00. Buckinghams, however, were a shade easy at Rs. 167.00.

Among sugars and breweries, Mysores advanced Rs. 2 to Rs. 38.50, E.I.Ds gathered 30 nP to Rs. 28.10. Travancores were better by 51 nP at Rs. 10.76. Deccans were quoted 1 nP higher at Rs. 8.73. Andhras, Cauverys, and United Breweries were unchanged at Rs. 16.50, Rs. 90.50 and Rs. 215.00, respectively.

In the miscellaneous section, Chemicals and Cement shares received good support. Mettur Chemicals were marked up by 70 nP to Rs. 11.30 and F.A.C.Ts. by 75 nP to Rs. 6.75. Mysore Chemicals and Fertilisers advanced by 20 nP to Rs. 7.20. Travancore Chemicals put on 13 nP to Rs. 11.25, *cum-div.* India Cements moved up by Rs. 1.15 to Rs. 27.80. Dalmia Cements gathered 45 nP to Rs. 10.80. Andhra Cements gained 25 nP to Rs. 11.75. Orissa Cements gathered a like amount to Rs. 14.00. Textools hardened by Re. 1.50 to Rs. 183.00. Mysore Papers put on 40 nP to Rs. 17.00.

BHADRA PROJECT

Considerable progress, it is stated, has been made in the construction of the Rs. 24-crore Bhadra multi-purpose project (started in 1947-48), consisting of two main canals and two power houses. The dam has risen to about 102 feet above the river bed, more than half of its total height. The water stored up to the lowest level of the dam so far completed is already feeding the left canal; it has been used for irrigating 6,000 acres. On completion, the left bank canal will serve an area of 17,894 acres. Construction of the right bank canal has been undertaken; its two channels will serve an area of 156,000 acres. It is proposed to construct two power houses, one on the right bank of the river and the other on the left bank. Out of the 33,200 kw. of installed capacity under this project, about 12,000 kw. is expected to become available by the end of the second Plan period.

HIGHER YIELD BY ROTATION

A cotton crop grown after a fallow is found to give the best yield, followed by cotton after *guara*, berseem or gram, in experiments in the Punjab. Cotton after wheat gave the lowest yield. The cotton crop in the rotation wheat-fallow-fallow-cotton gave 16.5 maunds of cotton per acre, and wheat-*guara*-fallow-cotton 16.4 maunds. Cotton in wheat-fallow-berseem-cotton gave 15.8 maunds of cotton, while in wheat-fallow-gram-cotton it gave 14.5 maunds. In the wheat-fallow-wheat-cotton rotation, the yield of cotton was 12.7 maunds.

NEWS IN BRIEF

THE Government of India has decided to establish a coal-mining machinery plant and an optical glass plant at Durgapur with an investment of about Rs. 32 crores.

A rock salt mine has been discovered in the village of Barheta in Narsinghpur tehsil by the Natural Resources Department of the Madhya Pradesh Government. This is the first rock salt mine to be discovered in the country.

The State Trading Corporation of India has signed a contract with Intertrade, a State trading organisation in Yugoslavia, for the export of about 50,000 Indian sewing machines valued at over Rs. 30 lakhs. The first shipment of 8,000 machines is likely to take place next month from Calcutta.

The work relating to the Commission of Inquiry into the affairs of Dalmia concerns has been transferred from the Department of Economic Affairs in the Ministry of Finance to the Department of Company Law Administration in the Ministry of Commerce and Industry.

Lac, other than brood lac and any lac containing living insects, has been brought under control for export purposes. Applications received for their export will be licensed on merit. No application fee will be charged. The export of brood lac and any lac containing living insects will continue to remain prohibited.

The Government of India has sanctioned a scheme of subsidy (of Rs. 500 per ton) on tinplate used in the manufacture of the "open top sanitary cans" for the fruit preservation industry with effect from the 19th inst. Accordingly, the Metal Box Company (India) has been authorised to make supplies of such cans to established canners at the subsidised rates.

The Central Sales Tax (Second Amendment) Bill, 1958, has been referred to a Select Committee of the Lok Sabha. Public bodies, associations or individuals desirous of submitting memoranda on the Bill for the consideration of the Committee are required to send 45 copies of each memorandum so as to reach the Secretary, Lok Sabha Secretariat, Parliament House, New Delhi, on or before 15th July 1958. The Committee will meet next on 2nd August 1958.

The Government of India has decided to allow rebates of customs and Central excise duties paid on raw materials for the manufacture of fatty acids, disinfectants and antiseptics, and hurricane lanterns exported from India. Further, the existing rates of drawback on the export of art silk, roofing felts and crown corks have been revised. Certain changes have also been made in the existing schemes of copper dusting preparations and embroidered goods.

Production of lead and zinc ores in India during the first quarter of 1958 was 23,694 tons, as compared with 24,121 tons in the preceding quarter and 25,242 tons in the corresponding period last year. The entire production of lead and zinc ores was from the Zawar mines of Rajasthan. Lead and zinc concentrates recovered from the ores during the first quarter of 1958 were 1,170 tons and 1,546 tons, as against 1,253 tons and 1,850 tons, respectively, in the previous quarter.

The Government of India has decided that the procedure for export from India of articles under claim for rebate of duty on excisable goods used in their manufacture should be extended to cotton flannel motor car dusters as well. It is already applicable to ready-made apparel, tents, sugar products, cotton bags, umbrella cloth, *chaddars*, pillow cases, table covers embroideries, laces, tarpaulins, mosquito nets, ground sheets and cotton sola hats.

The current economic situation in the country in relation to industrial development will be discussed by the Central Advisory Council of Industries when it meets at New Delhi on 21st July. The Union Minister for Commerce and Industry and Chairman of the Council, Mr. Lal Bahadur Shastri, will preside. The Council will review industrial production, price trends, the present foreign exchange shortage and its impact on industrial production. It will also discuss reports of the Development Councils for different industries.

A Government of India delegation led by Mr. K. M. Sahni, Joint Secretary, Ministry of Steel, Mines and Fuel, left New Delhi for Bucharest on the 21st inst. to negotiate with the Rumanian Government the setting up of the first oil refinery in the public sector. The refinery, which will be located in Assam, will be one of the two plants to be built under the public sector. The other refinery will be set up at Barauni in Bihar. The delegation will hold negotiations on the basis of an offer made by the Rumanian Premier during his visit to India in March last. It is expected to stay in Rumania for about a fortnight.

Discussions on the avoidance of double taxation between the delegations of the Governments of Switzerland and India were held at Berne from 16th to 21st inst. An agreement covering avoidance of double taxation in respect of air enterprises of one country operating in the other has already been initialled. This agreement, which is to be signed at New Delhi shortly, will be applicable to taxation payable for aircraft operation as in the financial year 1957-58. Preliminary discussions on other points have been concluded and it is expected that further discussions thereon will be resumed later in the year.

As a result of the National Malaria Control Programme started in April 1953, the incidence of malaria has declined by 66 per cent. in the past three years, the figure for 1956-57 being 21 million, as compared with 63 million in 1953-54. The programme covered a population of 19.53 million in 1956-57, as against 13.72 million in 1953. With effect from 1st April 1958, the continued control programme has been converted into one of eradication of malaria, covering the entire population of the country in about six years. It aims at reducing the parasite reservoir in human beings to the extent of preventing resumption of local transmission. The estimated cost of the eradication programme during the current and next plan period will be about Rs. 63.24 crores, whereas a control programme for the same period is expected to cost about Rs. 52.02 crores. The DDT plant at Delhi, jointly sponsored by the U.N.I.C.E.F., the W.H.O. and the Government of India, is proposed to step up its existing annual production capacity from 700 tons to 1,400 tons. The second DDT plant with an annual capacity of 1,500 tons is under construction at Alwaye, Kerala State.

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From Abroad

The British Government has removed all restrictions on the shipping industry's sources of raising capital in the U.K.

Ceylon and the U.S. have entered into a P.L. 480 agreement under which the U.S. will sell to Ceylon $4.2 million worth of rice. This amount includes a part of the cost of transportation.

Action on the Tariff Commission's recommendations for the increase in lead and zinc tariffs has been postponed by President Eisenhower until the Congress finally decides on the Administrator's subsidy plan for these and other minerals.

Russia has placed an order for a British gas turbine with Messrs. Ruston and Hornsby. The order is believed to be the first to be placed in the U.K. It will be mounted on a special rail wagon to provide a mobile electrical generating plant.

The British Prime Minister announced in the House of Commons the other day that one of the subjects which he discussed with the U.S. and Canadian officials during his recent tour related to the provision of enough credit to expand world trade.

A survey to assess the national income and balance of payments position is expected to be undertaken by the Malayan Federation Government. The survey will be administered by a Canadian U.N. expert who will be arriving there shortly.

The Government of Spain has imposed a surcharge of 1,500 pesetas (£12-16) on a metric ton of metallic zinc produced in the country. The surcharge is intended to alleviate the economic crisis in the Spanish zinc mines. It is provisional and will be revised every month.

The Chrysler Corporation of the U.S. is arranging for a credit of $150 million with about hundred banks in the country in anticipation of possible short-term credit requirements over the next few years. The agreement will become effective in July and last till 30th September 1961.

The new colour floodlighting system at Niagara Falls was switched on at a ceremony on the 20th inst. The system which is entirely British was designed and supplied by the General Electric Company through its Canadian associate company, the Amalgamated Electric Corporation. The order was secured by the U.K. Company in September last against strong U.S. competition.

A plea for the upward revision in import duties on artificial silk yarns from 12½ per cent. to 27½ per cent. under the British preferential tariff has been put forward by the Australian manufacturers to the Tariff Board. The manufacturers have also pleaded for the fixation of the most-favoured-nation rate at 40 per cent. and the general rate at 45 per cent.

The U.S. Agriculture Department has concluded an agreement with Vietnam under which the latter will purchase $6 million worth of U.S. tobacco. An amount equal to 25 per cent. of the proceeds received in payment for the tobacco will be set aside for loans by the Export-Import Bank to the U.S. and Vietnamese business firms.

The request of the Malayan Government for American financial assistance is being carefully considered by the U.S. Government. Malaya's development plan for 1956-60 envisages a total capital expenditure of about $M1,358 million with an increase of $M90 million in the annual recurrent expenditure. It is said that recession in the rubber and tin industries and the difficulty of raising loans in the open market have compelled the Government to slow down the rate of capital expenditure.

The U.S. Maritime Administration has contracted with the National Academy of Sciences—National Research Council—to conduct a series of studies in all fields of interest to shipping such as sea transport, ship design, power and propulsion systems, and navigational safety and harbour facilities. The Academy Research Council scientists will recommend programme to continue progress in each field, with emphasis on fields requiring priority action.

PERSONAL

MR. E. G. Norris, Deputy High Commissioner for the United Kingdom, in Bombay, left for London on the 20th inst. He is expected to return to India in October next.

Mr. Martin Arostegui will be Director of the United Nations Information Centre to be established in Rome. Mr. Arostegui will take up his new duties towards the end of June.

Mr. W. A. W. Clark, Deputy High Commissioner for the U.K. in India, left New Delhi for London via Bombay on the 19th inst. for consultations. He is expected to return to Delhi in about a month's time.

Mr. G. S. Jabbi, Deputy Chief Inspector of Mines, has been appointed Additional Chief Inspector of Mines in India, a post newly created in terms of the reorganised Department of Mines.

Mr. John V. Lund, Public Affairs Officer of the United States Information Service, Bombay, will be proceeding to New Delhi early next month to take up his new appointment as Deputy Director of Public Affairs of the U.S.I.S. for the whole of India

A survey by the research centre of the University of Michigan has revealed that more than half of America's families now own their own homes. The number of home-owners increased by about two-fifths between 1949 and 1957. Four out of five who bought homes in 1956 did so on credit by making a down payment and incurring mortgage debt which they pay off in monthly instalments. Most of the home buyers are workers in the middle income bracket, earning an average of about $5,000 a year.

Iron ore concrete (that is, concrete mixed with iron ore instead of stone in order to increase the volume weight and thereby the protection against radiation), has been used to a large extent in Sweden's new atomic research station at Studsvik, south of Stockholm. The station is now in its second building stage. The concrete of this type has been used for the 90 cm. thick basement flooring in the hall housing the R2 research reactor and for the 180 cm. thick walls of the reactor pool which is 9 metres high. The reactor building proper, which is 24 metres high, has a framework of prestressed concrete pillars and girders. The walls between the pillars (18 cm. thick), have been sliding-form moulded, the exterior insulation being 10 cm. mineral wool mats and the cladding corrugated light-metal sheets.

The Scandinavian Airlines System has signed a contract for a further six Caravelle jet airliners in Paris recently. Their value is £6.9 million ($19.5 million). This will bring the S.A.S. Caravelle fleet up to 12 units. In addition, the Company has option for a further 13 aircrafts of this type. The first S.A.S. Caravelle, *Finn Viking*, is to be delivered early next year. It is shortly to make its maiden flight. The S.A.S. is to operate the Caravelle aircraft on its European routes and on the services to the Near and Middle East. The travel time between Stockolm and London will be cut from 5 hours to less than 2½ hours and between Stockholm and Rome from 7 hours to 3½ hours.

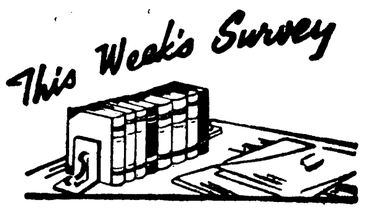
"COMMERCE" 1933

FROM OUR FILES OF TWENTY-FIVE YEARS AGO

CALCUTTA, *1st July*

Reserve Bank for India

The memorandum on the Reserve Bank scheme by Mr. S. N. Pochkhanawala, Managing Director, Central Bank of India, Bombay, referred to in our banking section last week, has been issued. It is divided into two parts. The first explains how indigenous banks stand to suffer in view of the privileges intended to be given to the Imperial Bank of India, and the second unfolds a scheme to convert the existing Imperial Bank of India into (1) The Imperial Reserve Bank and (2) The Imperial Bank of India, Limited. This memorandum contains his personal views and these have been based on the assumption that a Bill somewhat similar to the last Reserve Bank Bill will be placed before the Select Committee. . . . He has also yielded to a request to formulate a scheme whereby reforms pertaining to finance under the new constitution, as contemplated, may be carried out at a minimum of expenditure and with the least difficulty, without the establishment of the new Reserve Bank and consequent additional burden on the taxpayer. Banking business in India, as constituted at present, comprise (1) Imperial Bank, (2) Foreign Exchange Banks, (3) Indigenous Joint-stock Banks, (4) Co-operative Banks, and (5) Sowcars, Multanis and Chettiars. When the Reserve Bank is set up, the banking group will embrace these five with the Reserve Bank at the top. Thus, with the advent of the Reserve Bank, indigenous banks will be relegated to a more subordinate position. The Reserve Bank acting as the Central Bank, will command the currency and note issue; will be a depository of Government funds; will control credit and act as the bankers' bank. If it is allowed to receive deposits at interest, make advances to the public and discount bills of parties other than banks, the business of both the Imperial and indigenous banks is bound to suffer.



FISCAL CONCESSIONS IN U.K. AND WEST GERMANY

THE recent decisions of the U.K. and the West German Governments to provide fiscal incentives to taxpayers reflect a change in the official attitude towards the economic situation in the respective countries. No longer are the Governments prepared to continue restrictionist policies in the name of anti-inflationary drive. Apparently, they are convinced that the time has arrived for giving, rather than withholding, a fillip to the economy. In W. Europe, as a whole, the authorities have for some time now watched with concern the growing signs of a certain slackening in economic growth. The U.N.'s *Economic Survey of Europe in 1957* noted that the 4 per cent. growth of total output in 1957 in W. Europe, as a whole, "was about the same as in 1956, so that for two consecutive years, expansion has been slower than in the period 1953 to 1955." It warned that, in view of the developments in the U.S. and the continued weakening of the position of primary exporting countries, "it is clear both that a continued slowing down of expansion in W. Europe (not to speak of an absolute decline) might have a very serious impact on the world economy and that an early speeding up of W. European expansion will have to come from the economy of W. Europe itself." In the light of this observation as well as of the need for a stimulus to the economy which has been felt since the beginning of the year 1958, it is hardly surprising that there has been a steady trend towards the lowering of interest rates and providing appropriate fiscal concessions.

Fiscal relief, now announced by the U.K. Government, takes the shape of more liberal initial allowances. Thus, initial allowances for plant and machinery are being raised from 20 per cent. to 30 per cent. and for industrial building from 10 per cent. to 15 per cent. At the time of the last budget, the Government had undertaken to raise the allowance by a quarter of the previous levels. It has now agreed to raise it by one-half of these levels so that the cost of the new concession is £46 million in a full year, as against £23 million contemplated by the original proposal. The concessions come into effect from 15th April. Announcing them, Mr. Heathcote Amory, the British Chancellor of the Exchequer, said: "I have come to the conclusion that it would be well to make some increase in the practical encouragement I sought to give to industrial investment by improvements in initial allowances." Naturally enough, the Federation of British Industries has welcomed these concessions, though it feels that there is some doubt "about the extent to which this move will be effective at a time when demand for the product is tending to fall"; it favours the restoration of investment allowance. A similar view has been expressed by the Labour Opposition. Thus, Mr. Harold Wilson welcomed the concessions but argued that it would have been better to reintroduce investment allowances.

Be that as it may, it is noteworthy that not only industry but labour has welcomed the concessions. It is true that a mere increase in initial allowances cannot go far, as the economy is still subject to some of the monetary controls designed to check inflation. The cost of borrowing is still high, despite the recent reduction in the Bank rate to 5 per cent. Further, the capital issues control has been kept intact. Again, the restrictions on bank credit have not been relaxed to any significant extent. Nevertheless, it is significant that, at least in respect of one industry, namely, shipping, the authorities have decided to relax restrictions on the raising of fresh capital. The U.K. Minister for Transport, Mr. Harold Watkinson, announced that all Government restrictions on the shipping industry's sources for raising capital had been removed and hoped that this step would place the industry in a better competitive position. Explaining the effect of this relaxation, the Treasury authorities revealed that British shipping companies wishing to raise capital in the U.K. would still have to apply through the Capital Issues Committee but they would find approval of bank loans for shipbuilding programmes easier to obtain.

Even more striking than the fiscal concessions in the U.K. are the tax reliefs passed last week by the Lower House in W. Germany. Tax concessions in W. Germany involve a loss of £175 million to the Treasury, of which the Federal Treasury will bear half and the ten State Treasuries the remainder. The new Tax Bill, passed by the W. German Lower House, raises the number of tax-exempted gainfully employed people from 7 million to 9.8 million. The tax-free limit for married people is now £300. Income-tax in Germany for married couples will in future be: income £425-tax £28; income £840-tax £112; income £1,700-tax £305; income £2.500-tax £550; income £4,200-tax £1,780; there is a ceiling of 52 per cent. on tax on incomes of £5,000 and above. The profits tax on distributed profits has been reduced from 30 to 15 per cent., though the tax on undistributed profits has been increased from 45 to 51 per cent. The concessions now announced are stated to be the sixth reduction in German taxation in the last ten years.

The lead given by the U.K. and W. Germany is significant for the reason that these two countries, together with France, account for some two-thirds of W. Europe's gross national product and about 40 per cent. of intra-W. European trade. It is not, therefore, unlikely that other W. European countries will soon fall in line with the U.K. and W. Germany. France is, of course, faced with complicated political problems. But its economy is not in bad shape. And once it sets its political house in order, it too may turn its thoughts to giving a fresh fillip to its economy.

WORKERS' PARTICIPATION IN MANAGEMENT

The commendably candid views expressed by Mr. V. V. Giri, Governor of Uttar Pradesh and veteran trade unionist, on some of the labour problems of the day, should provide food for thought to all those who are associated with, or have interest in, the labour movement in India. Mr. Giri did well to emphasise, while inaugurating an Industrial Workers' Camp at Ranikhet, that rights and duties were only two sides of the same medal and that the former should not precede, but only follow, the latter. A firm believer in the art of persuasion that he is, Mr. Giri felt that so long as workers did not consider strike as the first weapon in their armoury, they could, through their organisations, persuade the employers and the Government to improve their economic conditions—wages, hours of work, housing and other reasonable requirements. But do the workers or their so-called representatives consider strike as the last resort? We wonder whether in the light of what has happened recently in Jamshedpur and other places and what is still happening in the country's major ports, organised labour in India can honestly answer the question in the affirmative.

Mr. Giri has no illusions regarding the scheme for workers' participation in management. He is not averse to associating labour in management. Only he is not very optimistic about its success in the current context in India. He enumerated certain prerequisites which should be fulfilled before the scheme could bear fruit. In the first place, there must be a strong trade union organisation ready and willing to take a responsible view of the matter. Secondly, there must be on the staff of these well organised unions a full complement of technical experts who can fully understand the technique and finances of industry, who are in a position to evaluate scientifically the demands of workers and are ready and willing to discuss, on equal terms, with technical advisers of employers, the solution of problems. "Without these," he asserted, "all talk of workers' participation in management will be moonshine and not in the best interest of the working class." He was also of the view that even without participation in management—provided workers' unions were well organised and disciplined and had integrity—employers would not only realise that it was their duty but also in their own interest to discuss any matters with workers and come to just decisions. The time had come, he added, when workers should organise themselves into strong unionism on the "basis of one union for one industry." He also urged the creation of joint standing machinery at all levels in every industrial undertaking "so that representatives of workers and employers may sit at a common table as equals, and iron out differences."

Mr. Giri felt that there should be an effort on the part of workers and employers in every industry, be it in the public or private sector, to come together and fix targets of production and methods of running the industry at all levels in the proper way. They should decide that, for the next five years, both partners in industry should think of greater production, both qualitatively and quantitatively, and share the profits of industry equally and reasonably, keeping in view the interest of consumers and the community. If these principles are well digested and understood by both employers and workers, the stage, as he pointed out, may be well set for establishing enduring industrial peace.

MORE U.S. AID TO INDIA

With the signing of the agreement covering the Rs. 35.70-crore ($75 million) credit from the U.S. Development Loan Fund between the Governments of India and the U.S. early this week, the formalities regarding the utilisation of the American loan assistance of Rs. 107.10 crores ($225 million) announced in March have been completed; the agreement covering the Rs. 71.40-crore ($150 million) loan from the Export-Import Bank was signed on the 12th inst., the details of which were given in our last issue (*vide* page 1154). The Development Loan Fund credit of Rs. 35.70 crores, it is stated, represents one-quarter of the Fund's capital for the current year and is the largest ever made by the Fund. Of this amount, railway development accounts for Rs. 19.04 crores ($40 million), road transport equipment such as truck and jeep parts or assembled vehicles for Rs. 11.90 crores ($25 million), cement plants machinery for Rs. 2.38 crores ($5 million), and jute mill equipment for Rs. 2.38 crores ($5 million). The bulk of the railway loan will be spent on the purchase of steel for goods wagons and locomotives and about Rs. 1.90 crore ($4 million) has been earmarked for structural steel for the repair, maintenance and construction of railway bridges.

Simultaneously with the above agreement, the Governments of India and the U.S. have signed another agreement which provides for the supply by the U.S. of Rs. 27.13 crores ($57 million) worth of agricultural commodities under a new Public Law 480 agreement; the previous P.L. 480 agreement, it will be recalled, was made in August 1956 and provided Rs. 151.36 crores ($360 million) worth of commodities to India. Under the new agreement the U.S. will sell to India wheat worth Rs. 17.61 crores ($37 million), maize worth Rs. 2.38 crores ($5 million) and sorghum worth Rs. 1.90 crore ($4 million), besides providing Rs. 5.24 crores ($11 million) to finance 50 per cent. of the cost of ocean transportation. As under the 1956 agreement, the Indian Supply Mission in the U.S. will purchase most of the commodities in the open market, using purchase authorisations issued by the U.S. Government. The commodities will then be shipped to India and sold. The U.S. will lend the Government of India 60 per cent. of the rupee proceeds (Rs. 16.28 crores) for use in economic development, the balance of Rs. 10.85 crores being kept by the U.S. for its own use in India.

A welcome feature of the $75-million Development Fund loan and the new P.L. 480 agreement is that they do not affect the country's foreign exchange position, since the repayment by the Indian Government will be in rupees. The gesture of the U.S. to supply more agricultural commodities to India will be widely appreciated, inasmuch as it has come at a time when India is confronted with not merely critical foreign exchange position but also an acute shortage of foodgrains, thanks to poor crop harvest in 1957-58. The aggregate production of foodgrains during the current season is estimated at 66.7 million tons, representing a drop of 2.0 million tons as compared with the previous season. The shortage, aggravated by alleged hoarding and speculation by traders, has led to a marked rise in prices of foodgrains. Surely, the supply of about 700,000 tons of foodgrains (wheat, maize and sorghum) by the U.S. under the new P.L. 480 agreement, as well as the import by the Government of India of 500,000 tons of P.L. wheat out of the existing commitments as an interim arrangement, will go a long way towards easing the food situation, besides helping India in its economic development programme. In this connection, it is comforting to be told by the Union Food and Agriculture Minister that the Central Government has sufficient stocks of foodgrains—largest in the last many years—to meet any emergency. According to him, the Government has 1,672,000 tons of foodgrains, comprising 1,057,000 tons wheat and 615,000 tons rice.

NUCLEAR REACTOR FOR JAPAN

An instance of Britain's desire to share with other countries the secrets of nuclear power development for peaceful uses, even at the cost of considerable commercial advantage to itself, is provided by the agreement recently entered into with the U.S., under which the former will make available to the latter all the information concerning Calder Hall. Britain, which stands at the forefront of other nations in the field of nuclear science, has shown considerable readiness to share the fruits of its expert knowledge and unique experience in the commercial utilisation of atomic power. Thus, it concluded, on the 16th inst., a ten-year agreement with the Government of Japan which would enable the latter to buy from Britain power and research reactors together with the nuclear fuel necessary for their operation. It also provides for the exchange of unclassified technical information and for the possibility of assistance to Japan in the construction of plants for manufacturing fuel and processing used fuel.

This is the second such agreement signed by the British Government. The first, with Italy, was concluded in December 1957. The immediate practical significance of the latest agreement is that it provides a suitable intergovernmenal "umbrella" for a contract for a British nuclear-power station which is expected to be awarded before the end of the year.

The agreement marks the clumination of a series of negotiations between the Japanese nuclear energy mission sent out to Britain early this year by the Japan Atomic Power Company, an industrial group formed by Japanese power undertakings and associated firms, and the U.K. Government. It indicates that Japan has decided, after thorough investigation and expert study, that the Calder Hall type reactor is the one that is best suited for general purposes. An earlier mission from Japan, the Ishikawa mission, after investigating the question of the suitability for Japan of the natural uranium graphite-moderated reactor from Britain, had declared that, if the operation of the Calder Hall atomic power plant proved satisfactory, it would be one of the reactors deemed appropriate for import. There were two problems peculiar to Japan to be taken into consideration in the construction of nuclear reactors. One was the problem of earthquakes, frequent in Japan. The other was the question of safety of the reactors. Discussions with nuclear experts in the U.K. led to the conclusion that, if the graphite pile is sufficiently supported by exterior supporting structures inside the reactors and if the pressure vessels and heat exchanges were firmly tied to the shielding concrete structure, the earthquake-resistant design could be achieved without impairing the reactor economics. As regards safety of the reactor, the Japanese mission was convinced by explanations based on experiment and calculation that, by installing the emergency shut-down system and other back-up devices in preparation for the worst, the safety of the plant could be ensured. Specifications of the requirements of the nuclear power plant were issued in February last. Four British nuclear consortia are already preparing tenders for the power station contract due to be submitted by the end of July.

Japan also signed, on the same day, a ten-year agreement with the U.S. which provides for the supply of 2,700 kilograms of enriched U-235 for fuelling Japanese research, experimental and power reactors. It supplants the earlier Japan-U.S. atomic energy agreement, signed in 1955, under which Japan constructed its first 50-kilowatt research reactor. The new agreement also provides for the operation of a larger 10,000-kilowatt Chicago Pile No. 5 research reactor now being constructed by Japan as well as planned construction of a 150,000-kilowatt nuclear power plant.

Both these agreements, which are good examples of international technical co-operation in the development of peaceful uses of atomic energy, are significant in another respect too. They contain safeguards, modelled on the statute of the International Atomic Energy Agency, to ensure that the material and equipment supplied will not be used for military purposes.

ART SILK INDUSTRY

The Tariff Commission is currently examining the question of continuing protection to the artificial silk and cotton and artificial silk fabrics industry beyond 31st December next; a public enquiry into the question was held in Bombay on the 17th inst., Mr. C. Ramasubban, Chairman of the Tariff Commission, presiding. The industry has pleaded for an extension of the protection period by another five to ten years with effect from 1st January 1959 at increased rates of protective duty. The plea is based on the ground that the industry has not yet consolidated itself, that raw material supplies are inadequate, and that there is still keen foreign competition in price, especially from Japan.

Art silk fabrics, it will be recalled, were first subjected to protective duties in 1934 under the scheme of protection formulated for the cotton textile industry. Following this action, the industry has grown steadily in the past 25 years. Although the Government discontinued protection to the cotton industry from 1st April 1947, it continued the protective duties on art silk fabrics. The former Tariff Board undertook the first enquiry into the industry in 1949 and recommended protection up to 31st March 1951 at the then prevailing rates of duty. This recommendation was accepted by the Government. The period of protection was subsequently extended up to 31st March 1953 as a result of the second enquiry and later up to the end of 1955. The third enquiry was held in 1955 and, on the basis of the suggestion made by the Commission, the Government continued protection up to 31st December 1958.

Since the last enquiry by the Tariff Commission in 1955, the art silk industry has expanded considerably. The number of powerlooms engaged in the manufacture of art silk fabrics now stands at 52,500 (including 8,000 looms which are not registered with the Textile Commissioner), as against 37,727 in 1955. The number of handlooms producing art silk and cotton and art silk mixed fabrics, however, has gone down from 150,000 three years ago to 96,132 at present. The decline is an indication that the very structure of the handloom sector is highly uneconomic. The most effective solution to this problem lies, as this journal has so often stressed, in the conversion of handlooms into powerlooms, so that the production operations will be mechanised, thereby leading to a rise in output, improvement in quality and reduction in cost of production. Be that as it may, more than 80 per cent. of the powerlooms weaving art silk fabrics are installed in Bombay and a little less than 10 per cent. in the Punjab, the balance being dispersed in other States. Among the handlooms, the State of Madras alone accounts for nearly 50 per cent., U.P. 17 per cent., Bihar 10 per cent., Orissa 6 per cent. and other States for the rest.

Following the increase in the number of powerlooms, the production of whole or mixed art silk fabrics has registered a notable expansion. The total quantity of fabrics that actually came off the looms in 1957 was 279 million yards. Although this quantity is lower than the previous year's total of 296 million yards, it compares very favourably with 180 million yards in 1954. As against this level of output, the annual demand is estimated at 300 million yards now and at 350 million yards in the next three years. Alongside the increase in output, the quality of fabrics produced is also said to have improved. Since 1955, the industry claims to have made considerable improvements in the texture, finish and design. Indeed, it is even claimed that the domestic fabrics can withstand competition in quality from similar imported fabrics.

It is gratifying to be told by the Tariff Commission's Chairman that the individual units in the industry are conscious of the need for research and that the Silk and Art Silk Mills' Research Association, Bombay, has been formed to cater to the research and developmental needs of the industry. The Association's laboratory has commenced work from January 1958. In addition to a pilot plant, as well as research and testing laboratories, the Association is making arrangements to start a technical college for imparting training in the technology of silk and man-made fibres leading to under-graduate and post-graduate courses.

The principal raw material required for the manufacture of art silk fabrics is viscose yarn, acetate yarn and staple fibre yarn. There are at present four units producing viscose and acetate yarn with an aggregate capacity of 33.90 million lbs., as against three units with a capacity of 13.6 million lbs. in 1954. Actual production in 1957 amounted to 25.18 million lbs., as against 11.58 million lbs. in 1954. During the first quarter of 1958, 7.58 million lbs. of yarn were produced. The existing four units have been allowed to increase their capacity by 14.4 million lbs. Four more units have been licensed for the manufacture of viscose rayon yarn and one new unit for acetate rayon yarn. One of the new units for viscose rayon yarn will also manufacture viscose staple fibre. It is expected that, by the end of 1960, there will be seven units manufacturing viscose yarn, with a total capacity of 68.3 million lbs. There will also be one unit manufacturing acetate yarn with a capacity of 4 million lbs. It is not certain whether the second unit licensed for acetate yarn will come into production before 1960. In 1954, there was one unit manufacturing staple fibre and even today there is only one. It had a capacity of about 10 million lbs. which has been increased to 32 million lbs. a year. Actual production rose from 6.9 million lbs. in 1954 to 12.58 million lbs. in 1955, 17.42 million lbs. in 1956 and 17.65 million lbs. in 1957. Production of this unit during the first quarter of 1958 was 6.07 million lbs.

THE CENTRAL ZONAL COUNCIL

The Central Zonal Council, which met last week at Naini Tal, is one of the Four Zonal Councils that were set up following the reorganisation of States. The object of these Councils, as is well known, is to enable the contiguous States within a zone to find common solutions for a number of inter-State problems, administrative as well as developmental. The States are not mutually exclusive components in a Federation; they are part and parcel of an organic entity, namely, the nation. Naturally enough, the Zonal Councils have sought to emphasise this basic bond of unity among the States, as a prerequisite for the healthy progress of the nation. Seldom was such co-operative endeavour so essential as now when the country is faced with many grave challenges.

It is against this background that one must assess the problems of the Central Zonal Council. Band together in the Central Zonal Council are two States, namely, Madhya Pradesh and Uttar Pradesh. Two of the biggest units of the Republic, they cover a population of over 89 million and an area of about 280,000 sq. miles. The Union Home Minister, Mr. G. B. Pant, inaugurating the meeting of the Central Zonal Council, stressed particularly the food problem within the zone. Alluding to the drought and heat-waves which recently threatened North-Western India, he said that they were bound to affect adversely the food production in the region. He called for earnest efforts to ensure adequate water-supply in these drought-affected areas of the zone. As Mr. Pant pointed out, there is vast scope for improving the food supply by using improved methods of cultivation. There is, of course, the need for assuring a sufficient supply of water. In this connection, he rightly emphasised the importance of stimulating local efforts at the village level in order to extend minor irrigation works. Mr. Pant also did well to stress that no real or lasting improvement could be made without the willing and understanding co-operation of the farmers themselves.

Proceeding, Mr. Pant pointed out that U.P., M.P. and other contiguous areas had a common terrain and the texure of the soil was similar. In this connection, he put forward a very notable suggestion, namely, to have common agencies for conducting research on land problems and animal husbandry, soil analysis and erosion control. He then referred to the transport problem of the two States. He particularly stressed the need for opening up means of communication in Madhya Pradesh, especially Bhundelkhand region and the hill areas. After all, as Mr. Pant himself pointed out, the development of transport and communications implies no heavy draft on the foreign-exchange resources. The problem deserves to be solved as early as possible because not only will it add to the facilities for movement of food but also make good the regional disparities in development.

Another problem confronting the two States is the dacoit menace. Although much has been done to counter it, Mr. Pant warned against any complacency. He said that the Central Zone reserve police could be requisitioned in any case of emergency and could be placed at key places including the dacoit-infected ravine areas. He thought that the creation of such a police force would help in undertaking sustained and co-ordinated action. Surely, the maintenance of law and order is of utmost importance to economic development. And it also calls for maximum co-operation between States.

PROGRESS OF RESEARCH IN IRRIGATION AND POWER SLOW

U.S. ENGINEERS' NOTABLE ACHIEVEMENT

From Our Special Correspondent

NEW DELHI, *24th June*

IN his presidential address to the Research Committee of the Central Board of Irrigation and Power, Prof. M. S. Thacker has admitted that very little research of a fundamental and basic nature in the fields of irrigation and power has been done in the last 25 years of the Committee's existence. Although a crore of rupees has been sanctioned for the purpose under the second Plan, more than two years have been lost already in the implementation of the scheme on account of procedural delays in the allocation of money through different State Governments. The Central research organisations have, however, been conducting work on immediate problems relating to specific projects in different parts of the country.

DELHI LETTER

In the field of hydraulic engineering for example, suitable air-entraining agents have been evolved for use in admixture with cement concrete for dam construction. Studies on sub-soil flows have been successfully carried out for the safe design of structures on permeable foundations. Studies are also in progress on the silting of reservoirs with the aid of model experiments. Research has been conducted on finding out alternative materials for use in flood protection works: one station has evolved soil-cement blocks containing 5 to 10 per cent. of cement; another station is engaged on studies on the stabilisation of sand and soils by chemical methods without the use of cement. Another piece of research has established the suitability of polythene film lining for channels to reduce seepage losses; it is stated that polythene products can be attained as by-products by processing lignite coals which are to be mined at Neiveli in Madras. Similarly, the loss of water through evaporation from reservoirs has also come in for study; in this connection, field experiments for evaporation control by covering the water surface with a mono-molecular film of Cetyl alcohol are under way. As the question of conservation of water-supplies also involves the question of water requirements of different crops, studies are now being conducted on the latter with the help of the Indian Council of Agricultural Research.

Power Engineering

So much about the progress of applied research in the field of hydraulic engineering. In the field of power engineering, however, the progress, according to Prof. Thacker's admission, is by no means satisfactory. The power engineering research programme, drawn up in 1956, is still to be implemented.

Prof. Thacker's review is revealing in the sense that the country has gone in for large-scale irrigation and power projects without any basic research preceding them. Whatever research has been or is being done has come only in the wake of ticklish and unexpected problems created by these projects. Some of these new problems are well-nigh insoluble. This poor research performance in the fields of irrigation and power, after years of construction activity, may be compared with the revolutionary research achievement of Mr. Stevens and his team of American engineers who will soon be completing their model project (*vide Commerce* of 10th and 17th May last) under the auspices of the Ford Foundation in the village of Khanpur near Delhi. The elimination of diesel or electric power for pump irrigation and of diesel, thermal or water power for electricity generation and the use of bullock power for operating pumps and generators with simple mechanical contrivances in the Khanpur project will, sooner or later, provoke a radical change in the familiar approach to irrigation and power generation and to research thereon. It is indeed amazing that Prof. Thacker and the Research Committee of the Central Board of Irrigation and Power have not taken note, in their meeting last week at Srinagar, of the tremendous implications of what is being done so near the Capital. The Khanpur project which should have involved just a few lakhs of rupees on prior research in the course of just a couple of years, constitutes a challenge to our engineers and researchers in irrigation and power and beckons them to think in terms of achieving cheaper and speedier results in the context of the country's poverty of currently mobilisable resources.

Public Sector as a Market

What a growing market the public sector constitutes for a wide variety of industrial goods can be known from the *Directory of Government Purchases during the year* 1956-57, just brought out by the Directorate-General of Supplies and Disposals, Ministry of Works, Housing and Supply. It is stated in the foreword that "the main object in publishing this booklet is to give indigenous manufacturers all available details in regard to the type and volume of stores purchased by the Government. It is hoped that industrialists will find the material of some assistance in planning schemes of expansion where capacity in the country is inadequate and in exploring the possibilities of indigenous production of goods hitherto imported."

A statement of the value of stores purchased by the Government of India during 1956-57 under some major categories of industrial goods is given in the following table:

(Value in Rs. lakhs)

Stores	*Indigenous*	*Imported*
Agricultural tractors and equipment	26	164
Cement and cement products	1,776	13
Chemicals	124	1,645
Cotton and cotton textiles	424	..
Electrical goods	1,273	1,020
General engineering goods	395	48
Hand tools	96	21
Jute and jute products	420	..
Leather and leather products	133	2
Line equipment	281	83
Machine tools	138	303
Mechanical engineering goods	659	3,239
Medical Stores	53	57
Motor vehicles and parts	77	1,320
Paints	179	2
Paper and paper products	702	123
Petroleum, mineral oil, etc.	652	956
Photographic and cinematographic equipment	3	55
Power plant	74	704
Radio equipment	22	243
Railway materials	2,603	2,725
Road dressing materials	319	469
Sanitary fittings	43	1
Scientific instruments, etc.	3	185
Ship-building	12	56
Soap	38	..
Steel sections	179	173
Steel tools and alloy wires	16	57
Miscellaneous textiles	178	6
Timber	361	175
Tyres and tubes for motor vehicles	162	..
Vegetable oils	78	..
Workshop machinery	21	429
Woodware	44	1
Woollen textiles	279	..

The above categories of stores are not exhaustive, nor do they give details of different goods. The total values, as given in the booklet, are Rs. 130 crores in the case of indigenous stores and Rs. 223 crores in the case of imported stores. As far as imported stores are concerned, the leading suppliers are the United States (Rs. 109 crores), the United Kingdom (Rs. 32 crores), France (Rs. 23 crores) and West Germany (Rs. 19 crores) and the Communist bloc countries (Rs. 7 crores).

The West Bengal Government has decided to move the Central Government for permission to impose a terminal tax on goods reaching Howrah by train. This is considered necessary in order to provide additional income for the Howrah Improvement Trust. An aerial survey of the entire town is stated to have already been completed by the Trust and plans are being prepared for the town's improvement. The Trust has a scheme to spend about Rs. 30 lakhs in the next 25 years. It expects to get Rs. 11 lakhs from the transfer of property tax and contribution from the State Government, Howrah Municipality and a few other sources.

Two American scientists have perfected a method of measuring the magnetic forces that originate inside the earth and in outer space. The scientists are Mr. T. L. Skillman of the Survey's Magnetic Observatory and Dr. P. L. Bender of the National Bureau of Standards. Their method involves sending a beam of light through a tube containing a small quantity of rubidium (one of the alkali metals). The development would provide scientists with magnetometers for measuring magnetism far more precise than those now available. The rubidium magnetometer also is expected to be useful in the laboratory and in geophysical prospecting for oil and metals.

An aggregate of S.Frs. 1.6 million is presently available for the operations of the Middle East Industrial Development Project Corporation. Besides this, further remittances of capital and reserves will be received within the next few weeks. It is said that more than a hundred leading industrial companies and banks from Western countries are now shareholders of the Corporation and 57 shareholders from Middle East countries have joined the Corporation.

AMERICAN LETTER

NO DEFINITE TREND HAS YET EMERGED

LOT OF TALK OF SHOWDOWN WITH LABOUR LEADERS BUT POSITIVE ACTION LACKING

From Our Special Correspondent

NEW YORK, *17th June*

CONFUSION is the keyword in economic matters. I just returned from the Annual Convention of the New York State Bankers' Association at Lake Placid, New York. A panel of eminent economists gave their opinions. Some of them foresaw an early upturn, others did not. In the meantime, the New York Stock Exchange has been reaching new 1958 highs, consecutively.

Economists always have pet theories. Some sell "advisory" services which make it profitable for them to be pessimistic, others are born optimists and find it profitable to be so. Thus, much judgment must be used in evaluating the pronouncements of university professors who find it to their advantage serving as economic advisers to banks, steel companies and other big private organisations.

There is also considerable confusion over politics. President Eisenhower's chief assistant, Mr. Sherman Adams, has been accused of accepting favours. Similar accusations are levelled against Mr. Eisenhower. The opposition Press makes the most of it, naturally. The fact is that the Chief Executive of the United States, as a matter of course, accepts many gifts as a matter of courtesy. The same applies to every other head of State.

Such presents range from lions, camels, horses, to household articles and wearing apparel which do not necessarily constitute a bribe. Often, they are a token of affection and of thanks, and of admiration for some measures which make individuals and groups beneficiaries of the end result. Nothing is wrong with such gestures, *per se*. They may be merely expressions of gratitude. And it is extremely difficult to interpret them as misdeeds. For the opposition, it is quite easy to twist and say that "this is an unpardonable sin." What is the criterion? What may be considered virtue in one area, may be held to be a misdemeanour in another. Who is the judge?

Politics, generally, are very much in the news. Most of the State legislatures have recessed until next year save for special sessions. The Congress is still struggling through its last few hectic weeks and days before going home. Much remains to be settled, such as the Indian aid measure, for example.

The Foreign Trade Bill was finally passed, but it contains many dangerous passages. There have been endless debates about the Labour Reform Bill. In this Congressional election year, there has been considerable reluctance, however, to put real teeth into the law. One of them would have been the requirement for secret union elections. The absence of this requirement has made it possible for unsavoury trade union leaders to know who voted against them. The non-conformists have subsequently been subjected to strong-arm tactics and coerced into not doing it again. Thus bad management remained in power and democratic processes were negated.

President Eisenhower himself wants a showdown with those labour leaders but the rank and file of politicians are more or less horror-stricken at such unpolitical behaviour which might lose them votes at the forthcoming November elections.

Despite much discussion about these matters in print and over the air and television waves, there seems to be not much public interest. In fact, if the recent primaries in some of the States are any criterion, there is appreciable apathy and lethargy. Republican voters specifically simply did not turn out to cast their ballots in their usual numbers. In South Dakota, for instance, which is normally Republican, those who voted represented the smallest number since 1946. California was somewhat of an exception. Republicans who voted outnumbered Democrats, even though there are more of the latter species in the State than there are Republicans.

Another source of domestic as well as international political friction is the question of what should be done with General de Gaulle. There is great official desire in the U.S. to do everything possible to help the General cure the ills of France within the allotted time limit of six months. There is that big Algerian problem, however, which is closely related to the unrest in the Middle East. The U.S., traditionally, is anti-colonialist, having been a colony once herself. Yet, how fast can the *status quo* be changed without disturbing what is left of world equilibrium. That is the other question asked by the White House and the State Department in view of the failure of the Eisenhower Doctrine in Asia Minor.

Official Britain, as seen from here, seems to be in no hurry to give de Gaulle active support for two chief reasons. Why hasten the demise of colonialism which must have further deteriorating effects on the United Kingdom's world sphere? Secondly, London enjoys its status as the number one special partner of Washington. It is easier than to restore France into a big-three-league as before.

Barring a further deterioration of East-West relations, foreign questions are still subordinated in American eyes to what is going to happen in the United States' economy. While there has been a better than seasonal improvement in employment in May, the overall economic picture remains more or less unchanged. Business spending for plant and equipment for 1958 is now officially estimated at only $30,800 million which would be off 17 per cent. from the 1957 record. Surveys by various groups suggest that this lower trend will continue into 1959.

The automobile industry is still depressed. In the first place, its labour contracts have run out and no successful formula has been found for renewals.

Another thing which is worrying Detroit is the boost in steel prices which will become effective 1st July 1958. Frantic efforts are now being made to counteract this measure by cutting production costs. There will be fewer style of chassis and doors, for example. There seems to be a desire to hold prices in the face of lagging demand. Whether this can be achieved, remains to be seen. There is still the threat of higher labour costs once a settlement is reached with the United Automobile Workers.

The unemployment situation in the auto industry is one of the worst in the country. The improvement in the overall employment picture is chiefly due to seasonal agricultural pick-ups. But the tell-tale figure is the percentage of unemployed in relation to the labour force employed. This figure in May was 7.2 per cent., against 7.5 per cent. in April and 4.1 per cent. a year ago. It is still uncomfortably high in the opinion of most unbiased students.

There is no immediate relief in sight, unless there develops a major national emergency, or there is a sudden emotional popular buying spree. A minor one came into being in recent weeks with a sudden upsurge in buying of old-style straw hats. It caught manufacturers com-

(*Continued on page* 1235)

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TREND AND PROGRESS OF BANKING IN 1957

RISE IN DEPOSITS THREE TIMES THAT IN ADVANCES

THE year 1957 was noteworthy for the considerable abatement, particularly in the latter part of the year, in the inflationary pressures in India which had manifested in the previous year. This was due to the corrective measures adopted by the Government of India and the Reserve Bank of India. So far as the banking system is concerned, the anti-inflationary measures did not adversely affect the growth of their resources. On the contrary, they, together with other forces which came into play, resulted in a substantial expansion in deposit resources of banks. Though this is a welcome development and afforded a "breathing space to banks," this has been achieved at a higher cost, to some extent, namely, by offering competitive rates of interest on fixed deposits. The Reserve Bank of India has struck a note of caution, in its Annual Report on the *Trend and Progress of Banking during* 1957, against the use of interest rate as a means of augmenting deposits.

In the monetary sphere, there was relatively a smaller expansion of money supply than in the preceding two years. Money supply increased over the year by Rs. 96 crores, as against Rs. 132 crores in 1956 and Rs. 215 crores in 1955. The lower degree of expansion is explained by "the lower deficit on external account which tended to neutralise, in part, the impact of deficit financing." It will be of interest to note that the deposit component of the money supply accounted for a larger share (Rs. 56 crores) of the increase, as a result of which the proportion of currency to total money supply declined slightly from 67.1 per cent. to 66 per cent. "The behaviour of deposits," the Reserve Bank's report points out, "assumes greater significance as time deposits, which are not reckoned as part of money supply, rose spectacularly by Rs. 201 crores.

The exceptionally large deposit expansion was thus the most striking feature of the banking year. The net deposits of Scheduled banks rose by Rs. 245 crores or by 23.3 per cent., as against Rs. 77 crores (7.9 per cent.) in 1956. What is more noteworthy is that this was the largest increase in any year since 1953, when the fall in bank deposits was arrested and the phase of expansion began. The two main short-term factors responsible for the bulk of the increase in deposits during 1957 were: (1) the placement by the U.S. authorities in India of funds representing the initial reimbursement by the Government of the cost of foodgrains imported into the country under P.L. 480 and (2) the tight import restrictions which might also have induced business concerns and other bodies to seek temporary investment of their reserve and other surplus funds in the form of time deposits. The long-term factors were: (1) the hardening of interest rates on fixed and savings deposits during the year, which "might have induced a switch from current to time deposit accounts and possibly also from non-banking to banking accounts," (2) the possible diversion of some of the generated money incomes in the last year or two to bank accounts, albeit with some delay, and (3) the branch expansion of banks, notably that of the State Bank of India. Out of the increase of Rs. 245 crores in total net deposits, Indian Scheduled banks accounted for Rs. 224 crores or over 90 per cent., the share of Exchange banks being small.

Whereas in 1956 the growth in deposits fell short of the increase in credit, in the year under review, the reverse was the case. The rise in deposits was more than three times that in bank advances. Over the year, the advances of Scheduled banks increased by Rs. 75 crores, as against Rs. 151 crores in 1956. This was mainly due to the retarded expansion of the private sector.

There were, however, marked variations in the trend of advances during the year. In the first six months of the year, the rise in advances (exclusive of money at call) was as much as Rs. 135 crores. This was far greater than that in the corresponding period of 1956 and, though seasonal in character, was of significance, in that the busy season demand of 1956-57 was itself superimposed on a high level of bank credit. "Substantial as this increase was," the report observes, "the rise in credit against certain commodities like paddy and rice, wheat, gram and sugar was of particular concern. Speculative holding of some of these commodities financed by bank credit was tending to aggravate inflationary pressures and in order to stem them, the Reserve Bank brought into play a wide range of credit controls." A general restriction on the quantity of credit was sought through raising the cost of borrowings from the Reserve Bank. Though this had a general restraining effect on banks' borrowings from the Reserve Bank, the underlying trend was still one of credit expansion, indicating the need for further restrictive measures.

A ceiling of Rs. 800 crores was fixed, to which the Reserve Bank Governor wanted banks to bring down their credit levels by October 1957. The banks succeeded in bringing about a substantial reduction in outstanding credit, but not to the full extent desired. "The general measures of control and the use of moral suasion," the Report adds, "had primarily the object of bringing about a quantitative reduction of credit." Alongside these, further use was made during the year of selective restriction on credit. As a combined result of these measures of credit control and a delayed onset of the busy season of 1957-58, accompanied by a sharp reduction in the volume of imports, the level of advances at the end of 1957 came down to Rs. 820 crores, barely 10 per cent. higher than at the end of 1956, as against an increase of a little over 25 per cent. in the preceding year. The moderate expansion in advances, as against a record rise in deposits, brought the credit ratio of banks down to 63.2 per cent. at the end of 1957 from 70.8 per cent. in December 1956. The greater part of the increase in bank credit during the year was accounted for by the Indian Scheduled banks, the advances of which rose by as much as Rs. 78.4 crores, while those of foreign banks declined by Rs. 3.8 crores.

The slower growth of advances as compared with the increase in deposits enabled Scheduled banks to strengthen their investment portfolios. Whereas in 1966, these had been reduced by Rs. 18 crores, in 1957 they rose by Rs. 89 crores, mostly in the latter half of the year, though, in terms of ratio to deposits, the change was but fractional. Indian banks, which were the recipients of the largest share of deposits, accounted for bulk of the increase. Among the Indian banks, the largest part of the increase was noted in the State Bank of India. This bank accounted for a considerable part of the growth in deposits, the other banks showing only a moderate increase in their investments.

With the expansion in deposit resources, the Scheduled banks' borrowings from the Reserve Bank were on a diminished scale in 1957. The total outstanding borrowings showed a decline of Rs. 41.6 crores over the year, in contrast to the rise of Rs. 56.3 crores in 1956.

Over the year as a whole, the range within which the inter-bank call money rates varied showed a significant change as compared with last year, with the improvement in the resources position of banks. The weekly weighted average of call money rates in Bombay during the eight of the 17 weeks since September remained below 3 per cent., as against that of over 3½ per cent. during 33 of the remaining 35 weeks. In Calcutta, the call money rate, which was maintained steadily above 3¾ per cent., dropped below 3 per cent. in December. The trend in deposit rates did not, however, conform to those discerned in inter-bank call money rates, despite the fact that the pressure of credit demand on banks was less intense during the year. Whereas the highest rate on three months' deposits in Bombay during 1956, when competition amongst banks was very severe, was 4 per cent., it rose to 4½ per cent. in the beginning of the year, stood at that level throughout the slack season and then further rose to 4½ per cent. in the last quarter of the year. Even the lowest rate at 4⅜ per cent. in December 1957 was also higher than the corresponding rate in 1956.

The difference between the call money rates in Bombay and Calcutta alike and the long-term rate of interest as represented by the average yield on 3 per cent. Conversion Loan 1986 widened during the year under review, in contrast to the trend in the previous year. The average yield on long-term Government securities exceeded the highest call money rate of larger banks in Bombay by as much as 1.23 per cent. in the last three months of the year, as against only 0.56 per cent. in the corresponding period in 1956. In Calcutta, it exceeded the highest corresponding rate by 1.48 per cent. in 1957, as against 0.11 per cent. in December 1956. The gap between these two rates was "an evidence of the abatement during the year of the financial stringency experienced in the previous year."

The Report gives a brief analysis of the profit and loss accounts of 25 larger Indian Scheduled banks each with deposits of Rs. 5 crores and over, which provides an idea of the impact of higher interest rates on the gross earnings and expenses of banks. While the gross earnings went up from Rs. 44 crores to Rs. 53.7 crores, the total expenses increased by Rs. 8.9 crores to Rs. 45.2 crores. Interest and discount earned were higher by Rs. 8.1 crores at Rs. 41 crores, but this increase was offset by an increase of Rs. 6.1 crores to Rs. 20.6 crores in interest paid on deposits mainly due to higher interest paid on savings and fixed deposits and the shift from current to time deposits. Administrative and other expenses rose by Rs. 8.9 crores to Rs. 45.2 crores. Accordingly, net profits showed only a fractional rise from Rs. 7.7 crores to Rs. 8.5 crores.

The pace of branch expansion was considerably speeded up during 1957, the total number of offices of banks rising by 183 to 4,376. While the offices of Scheduled banks increased by 310, those of non-Scheduled banks declined by 127. Of the expansion in the branches of Scheduled banks, the share of the State Bank of India alone was 84.

Briefly surveying the immediate prospects for the banking system, the Report says: "It seems possible that the rate of increase in deposits witnessed in the fiscal year 1957-58 will not be maintained in the coming year. Also, if investment in the private sector remains at a high level and internal production shows improvement, the higher liquidity, which characterised the commercial banking system in the latter half of 1957, might not continue." The Reserve Bank considers that the present time seems to provide an opportunity for banks to take appropriate measures to develop banking so as to keep pace with the growth of the country's economy. This would, however, require intensive effort to spread the banking habit and to attract further deposits in centres where bank branches are already established or where banking is comparatively undeveloped or not at all developed. In this connection, the Report once again recalls the fact that part of the rise in deposits was due to the higher rates of interest offered by most banks on deposits, and advises that in the efforts made by banks to augment deposits the use of interest rate as a means would call for considerable caution.

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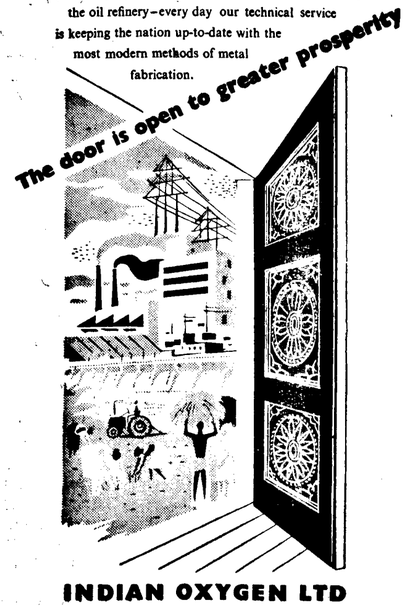

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END OF A PHASE

BANK RATE REDUCED AGAIN

From Our Own Correspondent

LONDON, *21st June*

THE cutting of Bank rate by a further ½ per cent. to 5 per cent. restores the level before the crisis of last September. The top rate of 7 per cent. ruled for six months and the reductions, which began in March and in three steps, have restored the traditionally 'normal' level of 5 per cent. marked a period of relaxation. If further cuts are made, which is by no means impossible, it will be a clear indication not merely that the brakes are off the credit vehicle but that the accelerator is being applied.

LONDON LETTER

As is usual on these occasions, the Treasury makes a point that there is "no necessary connection" between the cut in Bank rate and the easing of credit policy. They would say that, in the post-war context, a 5 per cent. Bank rate, which means an average rate of 6 per cent. for industrial borrowers from banks, is high. The Government still believes that high interest rates are necessary but they want Bank rate to be sufficiently flexible that it can be moved up again in case of temporary crisis, or brought down further in case of need for temporary relief.

However, all this is the usual verbiage to prevent the Government from declaring this particular action as a declaration of policy. By the same token, they would point out that the terms of settlement of the London bus strike announced at the end of this week also indicates no change in wage policy. But the fact is that the bus men have gained their point. The suburban bus drivers are to get their increase as well as the central drivers. There is no precise promise to that effect, but there is a very firm understanding that that is what is going to happen. Mr. Cousins, the head of the Transport Workers Union, has won as substantial a victory as was possible in the circumstances. Earlier in the week, the bus men, by a free vote to continue the strike, demonstrated that they were not being dragooned against their will. They were not supported by the Trades Union Congress, representing the body of trade unionists outside their own union, but, having achieved an adequate assurance from the employers about an increase in wages at the end of the week, they took Mr. Cousins' advice and agreed to go back.

Some Consolation

But the Government can also obtain some consolation from the fact that the transport workers were unable to spread the strike to the petrol and power workers because the Trades Union Congress was against any such sympathetic extension. The T.U.C., and it must be emphasised that means the body of trade unionists, did not want a direct conflict with the Government merely as a development of the wage claim of a particular union.

The Government are also not going to foot the London Transport bill of £2 millions which is the direct result of the strike (the cost to the transport workers of £1½ millions in strike pay, of course, will be borne by the men themselves)—but this sort of victory is no consolation to the London taxpayers at least for it will undoubtedly be met out of higher fares and economies if the latter can stretch sufficiently far.

The Government can, of course, say that the circumstances, now that the dispute is over, are different from those of two months ago when it began and when there were greater fears of the inflationary spiral continuing. The Bank rate has come down and a settlement of this sort with some increase in wages which follows hard upon a settlement with the railway men is not establishing any dangerous trends. So the strike is over, the transport workers feel that their prestige is in no way diminished and if a similar issue arises again it will no doubt follow a similar course!

Falling Interest Rates

Meanwhile, the City is happily watching a combination of falling interest rates, increased strength of sterling and a marked Stock Exchange recovery. A lot of bears have been buying in this week and the firmness of the last few days, which has raised the *Financial Times* ordinary share index over 3 per cent. in a week, is not likely to be maintained but the underlying strength is there and nobody expects a reversal of the present trend. The picture on the other side of the Atlantic is even more exuberant, but, while it is being carefully watched to see if the bubble might be pricked, it serves to support the City in its general mood of optimism.

The only fly in the City ointment at present concerns the Local Authorities who are potentially substantial borrowers for housing and road construction but who are being restrained in what is, after all, essential purpose borrowing by Bank policy, which still seems to belong to three months ago. With the restraint removed for practical purposes for free borrowers, the Local Authorities find the situation more than a little hard. When the Government and the Bank catch up on this front, then one will certainly be able to describe financial policy as liberal.—*All Rights Reserved.*

BRITISH DIESEL ENGINES

A steady, but little known, market for British diesel engines is the eastern seaboard of Canada, where many of the deep sea fishing boats are powered by diesels basically similar to Leyland bus and truck engines. Engines without auxiliaries are shipped by Leyland Motors Ltd. to Acadia Gas Engines Ltd., of Bridgewater, Nova Scotia, which adapts them for marine use. This company has standardised on Leyland 0.600 and 0.680 direct-injection diesels for installation in fishing vessels up to 60 ft. in length and normally manned by a crew of three.

Trials with the Indo-American strains of cotton in the Gujerat area of Bombay State show that high yield and superior fibre quality depend upon a well-distributed rainfall. It was also seen that the Indo-American cotton strains being shallow-rooted, drainage conditions of the soil have much to do with their yield and fibre quality. The strains were found to do better in the *goradu* (or light and well-drained) soils than the black soils under rain-fed conditions, but for a high yield and assured quality, supplementary irrigations were found necessary.

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Reserve Funds .. .. .. Stg. £8,000,000 (Rs. 10,66,66,667)

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4¼ PER CENT STATE GOVERNMENTS LOANS

Name of State	Amount	Year of maturity	Issue Price per cent.
(1) Andhra Pradesh	Rs. 500 lakhs	1970	Rs. 99.50
(2) Bombay	Rs. 1000 lakhs	1970 1971	Rs. 100.00 Rs. 99.75
(3) Kerala	Rs. 300 lakhs	1970	Rs. 99.00
(4) Madhya Pradesh	Rs. 200 lakhs	1970	Rs. 99.00
(5) Madras	Rs. 500 lakhs	1970	Rs. 99.50
(6) Mysore	Rs. 500 lakhs	1970	Rs. 99.50
(7) Orissa	Rs. 300 lakhs	1970	Rs. 99.00
(8) Rajasthan	Rs. 250 lakhs	1970	Rs. 99.50
(9) Uttar Pradesh	Rs. 700 lakhs	1970	Rs. 99.50
(10) West Bengal	Rs. 500 lakhs	1970	Rs. 99.50

All the State Governments reserve the right to retain subscriptions upto ten per cent. in excess of the notified amount.

All the above loans will be repaid at par on 15th July 1970 except the 4¼% 1971 loan of the Government of Bombay which will be repaid at par on 15th July 1971.

THE LOANS WILL OPEN FOR SUBSCRIPTION ON 15TH JULY 1958 AND CLOSE ON 19TH JULY 1958 OR EARLIER WITHOUT NOTICE AS SOON AS SUBSCRIPTIONS APPROXIMATE TO THE AMOUNT OF EACH ISSUE.

All the loans will bear interest from 15th July 1958.

Subscriptions may be in the form of CASH/CHEQUE in respect of all the loans.

3% BOMBAY GOVERNMENT LOAN 1958, 3% COCHIN LOAN 1955-58, 3% MADHYA PRADESH LOAN 1958, 3% MADRAS GOVERNMENT LOAN 1958 and 3% UTTAR PRADESH LOAN 1958 will be accepted AT PAR for conversion into the new loan/s of the Government concerned; interest on the securities of the respective loans tendered for conversion will be paid upto and including 14th July 1958.

APPLICATIONS FOR ALL THE LOANS WILL BE RECEIVED AT THE OFFICES OF THE RESERVE BANK OF INDIA AT BANGALORE, BOMBAY, CALCUTTA, MADRAS AND NEW DELHI.

APPLICATIONS will also be received at PLACES WITHIN THE RESPECTIVE STATES as follows:—

(i) At the office of the Reserve Bank of India at Nagpur in the case of the Bombay loans.

(ii) At the branches of the State Bank of India and at Treasuries and Sub-treasuries in the case of Andhra Pradesh, Bombay, Kerala, Madhya Pradesh, Madras, Orissa, Rajasthan and Uttar Pradesh loans.

(iii) At the branches of the State Bank of India in the case of West Bengal loan.

(iv) At the branches and treasury pay offices of the State Bank of Hyderabad in the case of Andhra Pradesh and Bombay loans.

(v) At the branches of the Bank of Mysore Ltd. except at Bangalore, the State Bank of India, the State Bank of Hyderabad and at Government Taluk treasuries in the case of Mysore loan.

Copies of Notifications and Application Forms may be obtained at any Receiving Office.

EXPORT TRADE IN COTTON TEXTILES

MEASURES FOR IMPROVEMENT SUGGESTED

IT was only last week that we referred in these columns to the distinct setback to cotton textile exports in the current calendar year. This has been due to four important factors, namely, establishment of cotton mills in several countries of the Far East, the Middle East and East Africa, protective measures such as heavy import duties imposed by countries like East Africa, abolition of O.G.L. by Sudan, and tendency to place restrictions on imports by Commonwealth countries like Australia and Canada. Thanks to all these factors, as also to the keen competition offered by Japan and China, the outlook for export trade in Indian cotton textiles, one of the staple earners of foreign exchange, has turned out to be bleaker. What is, therefore, of the utmost importance is that energetic steps should be taken to remove the defects in the structure of the cotton mill industry and enhance its competitive capacity. This aspect has been well brought out by the All-India Exporters' Association, Bombay, in the course of a memorandum submitted to the Special Committee appointed by the Government of India to inquire into the conditions of the cotton mill industry.

At the very outset, the Association emphasises that, although the Committee has been constituted to report on the factors responsible for the present debacle in the mill industry with particular reference to production, management, finance, modernisation, etc., the question of decline in exports has assumed special importance. The relations between the industry and the trade, the Association points out, are so interlinked that it would be necessary to deal generally with the major difficulties facing the industry itself in so far as they affect exports. It has sought to impress upon the Committee the fact that Indian cloth has lost its competitive character in foreign markets on account of high cost of production, thanks to the steep rise in taxation and the severe restrictions on imports of raw materials required by the cotton textile industry.

Automatic Looms

Stressing in particular that price is the key for achieving the objective of augmenting exports of cloth, the Association observes:

"Though at present the price of some of the coarser varieties is lower in comparison to foreign products, yet there are other coarser and medium varieties where Indian cloth is beaten hollow by the better varieties manufactured by Japan, China, Hong Kong and other East European countries which are manufacturing their products on the latest machinery, including automatic looms. The need, therefore, of permitting the Indian mills to use automatic looms is paramount. For this purpose, it is necessary to simplify the conditions attached to the use of automatic looms which in turn have made it difficult for the mills to install them in their factories. Unless the machinery is modernised, the prospects of improving our quality of cloth are slender, and quality is an equally important factor which counts in competing with the products of the foreign countries."

There is considerable force in these observations of the Association. It may be interesting to note in this connection the views of Mr. Naval H. Tata on this subject. Addressing the shareholders of the Svadeshi Mills Company, Ltd., at their annual general meeting early this week, he said:

"According to a recent I.L.O. publication, at the end of January last year, over 35 per cent. of the world's 2.8 million looms were automatic. We appear very badly in this picture. Whether we like it or not, we should take note of the technological changes taking place in other countries which are progressing rapidly. If we do not take steps to improve the quality and reduce the price of our manufactures by rationalisation, there is no possibility of stepping up exports of our surplus cloth for earning vitally needed foreign exchange. . . . Two years ago, Government agreed to sanction an additional installation of 18,000 automatic looms to produce annually an extra 350 million yards of cloth, principally for export. But they laid down a very restrictive condition that, if the mill installing automatic looms diverted its automatic production into the home market, instead of exporting it, the mill would have to pay a penal excise duty of two annas per yard. In addition, the mill concerned was to maintain its previous level of exports. On a rough calculation, the penal excise duty worked out to a cost of Rs. 5 per loom shift. At a time when mills are barely earning about Rs. 2 per loom shift, very few companies are prepared to accept this condition under which the penal duty would be more than double what they expect to earn. Consequently, applications have been received by Government for only about half of the available quota of 18,000 automatic looms. . . .

"This is not all. Our foreign exchange difficulties have led to a virtual ban on imports of up to-date finishing and processing machinery. At a time when the emphasis, both at home and abroad, is on the demand for better and still better finished cloth, our lack of latest processing and finishing plant is putting us to a great disadvantage. Take, for instance, the need to sanforize the superior varieties of cloth produced by us to obtain a satisfactory profit margin. Try as we can, we cannot import this unit, owing to the country's foreign exchange difficulties. We are faced with the same difficulty in respect of a variety of up-to-date processing and finishing plants required by us for the marketing of improved cloth qualities."

To revert to the Association's memorandum to the Committee. It has stressed that all avenues must be explored to bring down the production cost of our mill-made cloth, including revision of taxes and improvement in the efficiency of labour and management. It has urged that the Government machinery attached to the export trade, the Excise Department and the Customs authorities should be advised to give all facilities and help in the matter of exports. It has advocated simplification of the procedure of exports where the exporter has to get his papers passed at several check posts. "This paraphernalia" to quote it, "should be reduced to the minimum, so that unnecessary delays might be avoided. The remedy is to put cloth exports under O.G.L. and the customs examination procedure should be minimised and simplified."

Railway Freight

The Association has put forward a plea for so rationalising the railway freight structure as to give concessional rates on exports of cloth despatched from upcountry mills to port towns. The plea is quite justified. One of the causes for the high export price of Indian cloth is the heavy incidence of transport cost. Surely, concessions in railway freight, together with timely allotment of wagons, will greatly facilitate exports of cloth produced by mills situated in mofussil areas. Incidentally, the Association has drawn the attention to the need for the right type of packing so as to ensure minimum ocean freight. It suggests that the cotton mills must be advised to have modern packing facilities and that the iron and steel factories be persuaded to manufacture hoops whenever indents are placed by the mills.

The Association refers next to the varying and confusing interpretations of section 43 of the Income-tax Act by the officers. Instances, we are told, have been found where the Indian exporters are made liable to pay income-tax on the earnings of their foreign constituents on the ground that the exporters are the agents of foreign buyers, although they are the principals. It is, therefore, urged that clear instructions must be issued to the income-tax officers to implement the recommendations of the Taxation Enquiry Commission on this subject.

Incentives to Exporters

In order to give incentive to exporters, the Association has made three suggestions. First, the Government must devise a procedure under which 10 per cent. profits earned by exporters should be exempted from income-tax as is done by Japan. Secondly, the mills which produce fine, superfine and printed cloth for export must be permitted to import foreign cotton equivalent to its content in cloth manufactured for export. Thirdly, minimum standards should be laid down for the production of coarse and medium cloth for export. This suggestion is specially stressed because several complaints have been received from overseas markets regarding the indiscriminate use of such marks as C, 3 C's, CAT and HAT. The complaint is that, since there is no restriction on the use of these markings, low quality cloth with such markings are sent to foreign markets which has greatly affected not only exports but also the prestige of Indian cotton textiles as a whole.

In this connection, the Association emphasises the need for adopting the random method of pre-inspection of cloth at the manufacturing stage, so that it may create greater confidence in the minds of foreign buyers about the quality

(*Continued on page* 1235)

You can see it in his eye, his bearing and the way he dresses. Such self-confidence often indicates the influence of strong family traditions of refinement and culture.

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FURTHER TALKS ON CLOTH IMPORTS WITH FAR EASTERN MILL INTERESTS

LABOUR FORCE IN COTTON FACTORIES DWINDLING

From A Special Correspondent

MANCHESTER, 17*th June*

FURTHER discussions between the representatives of the Lancashire cotton industry and their Far Eastern competitors on the subject of cotton cloth imports into the United Kingdom are likely to be held in the near future, according to the Hon. J. S. T. Hawke, Chairman of the Cotton and Rayon Merchants' Association. He told the annual meeting in Manchester this week that only a "really trivial gap" divides the views of the British team and the representatives of India and Pakistan. Discussions broke down last month on the details of a pact to limit arrivals of cloth into British ports.

MANCHESTER LETTER

"I hope the gap will be bridged this month and the way set fair for a further visit to Hong Kong," added Mr. Hawke. Any agreement would have to include garments and finished goods, but this aspect could be a severe stumbling block for Hong Kong. Last year, the Colony shipped to Britain 71,000,000 square yards of cotton cloth, 7,300,000 woven shirts and more than 300,000 other garments.

"I have not the slightest doubt that some limitation of these imports from Hong Kong will eventually come about," declared Mr. Hawke, "and, at this juncture, it would be most unfair to Hong Kong to let her reliance on this market go much further than at present." The imports, he said, had caused very real hardship to Britain's old-established textile industry. He had yet to hear of a scheme drawn up in Lancashire which was practicable and could be worked without stimulating the import of finished goods and garments.

Price Regulation Schemes

Commenting on price regulation schemes in operation in the spinning and doubling branches of the cotton textile industry which are shortly to be investigated by the Restrictive Practices Court, Mr. Hawke declared: "Too long, I would say, has one section of the industry featherbedded itself at the expense of the rest of the trade." Since May last year, he pointed out, the Liverpool spot price of American cotton had fallen by about one penny per lb., but Lancashire spinners' prices for certain types of American yarns had actually risen. "This in a time of acute competition from overseas and falling trade hardly seems a realistic effort to keep the spindles humming," he remarked.

Mr. Hawke urged the Cotton Board to start a series of small groups representing both management and workers to draw up a list of all the anomalies and restrictions practised in the trade and decide how to overcome them.

A warning of a new and "very menacing" position for manufacturers of textile goods in the man-made fibres range is given in the Annual Report of the Manchester-based Rayon Weaving Association. Eastern competition is increasing, according to the report, and, in the three months from November 1957 to January 1958, nearly 1,500,000 yards of spun rayon fabric was imported into this country from Hong Kong at an average price of 9d. per square yard. This follows an "enormous" increase in imports of grey rayon cloth from Japan last year when arrivals more than doubled at nearly 22,000,000 square yards. For the first time, imports of rayon cloth from Japan are being retained in the home market. "There is nothing whatever at present to stop Hong Kong from doing, free of any restrictions, what the Japanese have now begun to do, subject to quota restrictions. Hong Kong's position is more favourable than Japanese because their fabrics pay only five-sixths of the duty on Japanese cloth," the report adds.

In such circumstances, Hong Kong is well able to do to the rayon side of Britain's textile industry what it has already done to the cotton side. Describing the position as "very menacing" and promising vigorous action, the Association declares: "There is every reason why Hong Kong should choose to extend its exports to us in this way, especially if current negotiations result in a limitation of their cotton exports to us."

Commonwealth Cotton Crops

Lord Derby, President of the Empire Cotton Growing Corporation, said at the annual meeting held in Manchester that cotton production in the eight territories served by the Corporation had shown a "truly remarkable" increase. In the 1947-48 season, the total crop was just over 500,000 bales. "Today, it is nearly 1,500,000 bales —a threefold increase in the short space of ten years," he said. In a message to the meeting, Sir David Eccles, President of the Board of Trade, said that the production of a crop of good and consistent quality at a reasonable cost remained the greatest selling point for the Commonwealth cotton-growing industries.

In a review of crop prospects for the current season, Mr. James Littlewood, the Chairman, observed, that, in Uganda, the total was expected to be 350,000 bales. This was considerably better than expected after the autumn drought of 1957. "I feel sure it will not be many years before the Uganda crop breaks the previous record of 417,000 bales," said Mr. Littlewood. Uganda cotton was in great demand and its reputation would be strengthened by new strains now being produced.

Because of unfavourable weather and pests, the Sudan crop would be less than half the 1956-57 record of more than 704,000 bales. "I feel sure this is only a temporary setback to be followed by a considerable improvement next season," Mr. Littlewood told the meeting. A slight reduction to about 150,000 bales was also expected in Tanganyika, following four record-breaking seasons. The Kenya crop would be around 11,000 bales, but efforts to persuade growers to plant early and farm well were sure to bring about higher production in the long term. Experiments were also being carried out with irrigated cotton growing. Mr. Littlewood stated that the steady production of 30,000 bales a year in Aden was very satisfactory after only ten years of cotton growing there. At the present time, because of the disturbances in the area, the Corporation's small research team were working under difficulties and having to travel with armed guards whenever they left the station.

Dwindling Labour Force

April was a bad month for overseas trade in British textiles and, from reports now issued, activity in the mills was equally disappointing. Easter always curtails output, but the level of production of yarn and cloth was clearly scaled down by the diminished manpower available. A fall of nearly 4,000 in the number of operatives on the books of spinning and weaving employers during the month brought the total at the beginning of May to 231,910. This compares with a labour force of 241,160 at the end of last year and 239,180 at the end of February.

The sharp decline in available workers during March and April has been concentrated more on the spinning than on the weaving branch. Spinners lost nearly 4,000 operatives during that period, as compared with 2,360 in the manufacturing branch.

Weekly yarn output in April at 15,000,000 lbs. was the lowest since August last year, the reduction being entirely taken up by the drop in cotton yarn spun. The average of 2,930,000 lbs. of yarn made from man-made fibres and mixtures was below the first quarter's level but exceeded several months in 1957. Only in July last year was weaving production lower than in April when weekly average output was 39,800,000 yards. The comparable figure in the same month last year was 44,860,000 yards, the major decline again being in the quantity of cotton cloth woven.—*All Rights Reserved.*

"GREAT OPPORTUNITIES" IN INDIA FOR U.K. ENGINEERING FIRM

"There are great opportunities for our fields of work in India, where the Simon-Carves reputation is gratifyingly high," said the Chairman, Mr. R. B. Potter, at the annual meeting at Stockport, Cheshire, of Simon-Carves Ltd. on 16th June, 1958. The firm are engineers and contractors for coke ovens, coal washeries, boiler and chemical plants, and have wide oversea interests. During 1957, the Chairman said, the emphasis on exports grew more pronounced. The coke-oven department was particularly busy in India, where it started up the first of the two new coke-oven batteries for the Indian Iron and Steel Company, Ltd., at Hirapur; it also made satisfactory progress on coke-oven reconstruction and steel works erection at Jamshedpur for the Tata Iron and Steel Company, and on the new Government of India steelworks at Durgapur. In 1958, the Chairman said, this department was concentrating its major effort in India.

The washery department, designers and contractors for coal-cleaning plant, were "actively engaged in a number of important schemes, especially in India," Mr. Potter stated, and were likely to be fully occupied for the foreseeable future. Speaking of the Company's oversea organisations, he noted that, in view of the heavy commitments in India—especially the Durgapur steel works contract—the firm's Calcutta office had been considerably expanded and strengthened.

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STATISTICAL POSITION OF COTTON

END-SEASON STOCKS MAY BE SLIGHTLY HIGHER

IF present indications are any guide, the current season for Indian cotton, namely, 1957-58, now fast drawing to its end, will show higher closing stocks than at the end of last season. An upward revision of the season's crop estimate and a fall in consumption are the main factors responsible for the higher stocks. There has also been a reduction in the volume of India's international trade in cotton. Both exports and imports so far in the current season have been running below last season's level and the aggregate figures for the whole season may well be smaller than in the previous season.

The latest crop estimate, based on information available till the end of May, places the 1957-58 crop at 5.05 million bales (of 400 lbs. each) which compares with the last season's crop of 4.85 million bales. Carryover stocks at the beginning of the season with trade and mills aggregated 1.12 million bales and 600,000 bales, respectively. The total supply of Indian cotton would thus be of the order of 6.77 million bales. Stocks of foreign cotton at the beginning of the season were 290,000 bales. Imports during the whole of the current season is estimated to aggregate 460,000 bales. Total visible supply of both Indian and foreign cotton during the season will be about 7.51 million bales. This compares with last season's aggregate supply of 7.87 million bales.

As regards consumption, during the first eight months of the season, that is, from 1st September 1957 to 30th April 1958, Indian mills consumed 3,383,555 bales, comprising 2,999,692 bales of indigenous and 383,863 bales of foreign cotton, as compared with 3,517,306 bales consumed during the corresponding period of last season made up of 3,134,012 bales of indigenous and 383,294 bales of foreign cotton. Thus, while consumption of foreign cotton declined only nominally, that of Indian cotton fell sharply. The first steep drop, of as much as about 10 per cent., in cotton consumption by the textile mills occurred in February 1958. March disclosed a similar situation and figures for April indicated a further drop. The lower consumption was mainly the result of curtailment of production by mills through reduction in the number of shifts, power cut in the South and even outright closure of mills due to the continued slump in the piecegoods market. If the present trend continues, consumption of indigenous cotton during the whole season may not exceed 4.5 million bales, as compared with last season's peak of 4.6 million bales.

Exports and imports of cotton, as noted earlier, have been running below last season's level. Exports of Indian cotton to foreign countries during the first nine months of the season, that is, from 1st September 1957 to 31st May 1958, according to preliminary estimates, aggregated 171,495 bales, as compared with 242,664 bales in the same period last season. Imports of foreign cotton into India during the same period aggregated 312,673 bales, as against 478,773 bales in the corresponding period of the previous season. The following table indicates the country-wise breakdown of exports and imports:

(In bales of 392 lbs. nett)

	1st September 1957 to 31st May 1958	
	1957-58	1956-57
Imports (Varieties)—		
American	129,545	310,691
Sudan	60,952	48,081
Egyptian	38,318	38,577
East African	83,848	76,461
Others	10	4,963
Total ..	312,673	478,773
Exports (Destination)—		
U.K.	9,842	21,940
Continent	19,954	27,606
Hongkong	4,129	37,924
China	..	3,437
Japan	127,072	148,525
U.S.A.	9,577	2,359
Others	921	853
Total ..	171,495	242,664

To sum up, the statistical position of cotton during the current season is more or less as follows: Consumption will be about 4.5 million bales. Assuming that exports aggregate 250,000 bales, which is the quantity so far released for export, total disappearance of Indian cotton would be of the order of 4.76 million bales, including 10,000 bales estimated to have been destroyed by fire in May. Consumption of foreign cotton would be 585,000 bales. Aggregate disappearance would, therefore, amount to 5.34 million bales out of a total supply of 7.51 million bales, leaving 2.17 million bales to be carried over into the new season. This compares with last season's closing stocks of 2.01 million bales.

COTTON'S COMPETITIVE POSITION

The future of the American cotton industry depended to a large extent, on decisions which might be taken this year, observed Mr. Halbert M. Jones, President of the American Cotton Manufacturers' Institute, recently. These decisions, according to Mr. Jones, will be influenced by many factors, but the following will be of prime significance: (1) The importance of establishing a pricing system that will make cotton competitive with other fibres; (2) the extent of lost markets which cotton will suffer because of the shortage of quality cotton; (3) the extent to which the domestic markets for cotton and the domestic mills are protected from foreign imports; and (4) the restoration of the movement of cotton to the normal commercial channels of trade.

In the long run, cotton's competitive position will be the most deciding factor. If cotton was not given the opportunity to compete with other fibres, observed Mr. Jones, its future as a principal fibre was indeed uncertain. Cotton continued to be the most important raw material for the mills, but its share of the textile market was slipping away year after year. This conquest of cotton's market by its substitute, Mr. Jones said, could be attributed to a lack of understanding of the basic competitive problem and to unrealistic Government policy. This policy, he added, had been for years a source of concern for the industry. Cotton farmers were now aware that their products have been priced artificially out of many markets. Considering all the basic factors that should operate in cotton's favour, it was almost inconceivable, according to Mr. Jones, that the present situation should have been allowed to develop at all. All interests connected with the industry realised the seriousness of the situation and wanted something to be done.

On the domestic front, he pointed out, cotton had failed to share in the expanding markets of the past few years. In fact, it had not even held its own in the enlarged fibre markets. The trend of cotton consumption had been downward. From 9.8 million bales in 1946 and 9.5 million bales in 1947, it declined to 8.6 million bales during the last season. Consumption during this season (1957-58) would be no more than 8 million bales.

A market lost, the President averred, was not usually gained, except at great expense to every one concerned. The result was that cotton suffered a loss in two ways. In the first place, it lost, and was still losing, its share of the total fibre market. In addition, since 1948, consumer spending in the U.S. increased 28 per cent. but spending for textile products increased only by four per cent.

According to the U.S. Department of Agriculture, in 1957 *per capita* consumption of all fibres dropped to 36.2 lbs., as compared with 38.7 lbs. in 1956 and 40.3 lbs. in 1955. Year after year, the consumption of cotton was falling. This, according to Mr. Jones, was because of the neglect of the price factor. There were, he emphasised, a few hard unavoidable rules in the business world, but one of them could not be ignored. That was the fact that, when an item was priced higher than its competitors, it would be sold in diminishing quantities, and substitutes would spring up to take its place. That, he added, was exactly what happened to cotton's markets. Substitutes poured out in volumes from the laboratories into textile markets. Cotton ignored them in its price structure and it was paying the penalty. Textile manufacturers, the President hastened to add, were not seeking "cheap cotton." As an industry, he emphasised, the manufacturers like cotton, but they must be assured of one thing, namely, cotton must be competitively priced.

COTTON RESEARCH

The Cotton Research centre at Surat has successfully attempted, for the first time in India, the hybridisation of the Asiatic varieties of cotton with the American types. The new breeding technique adopted by the Centre, it is claimed, has resulted in combining the hardiness of Asiatic cotton with the superior characteristic of the American variety. The two-Indo-American strains, T. 170-CO. 2 and 134 CO. 2-M, have not only combined the extra long staple of the American variety with the hardiness and adaptability of the Asiatic cottons but also possess a high degree of resistance to pests and diseases. Their superior qualities have earned for them great popularity in Sabarkantha, Kaira, Panch Mahals, Baroda, Broach and Surat districts, as also the Deccan canals area of Bombay State. The production of these varieties rose from 40,000 bales in 1954-55 to about 120,000 bales in 1955-56.

But despite the long staple which these strains possess, it has been found that their spinning capacity is not very high on account of the weakness of the fibre. Attempts are being made at the Surat research station to isolate types with necessary fibre strength coupled with the required staple length. A few such selections which answer the purpose are now under intensive examination and trial.

The U.S. Department of Agriculture recently announced an agreement with Burma providing for the sale of $18 million worth (including certain ocean transportation costs) of U.S. agricultural commodities for kyats (Burmese currency) under Public Law 480. Included in the agreement is a provision for the sale of about 85,000 bales of cotton worth $13.8 million. The cotton will be shipped to other countries where it will be made into yarn and cloth which will again be shipped to Burma. Burma will pay for the manufacturing cost independently of the agreement. Sales under the programme will be made by private U.S. traders.

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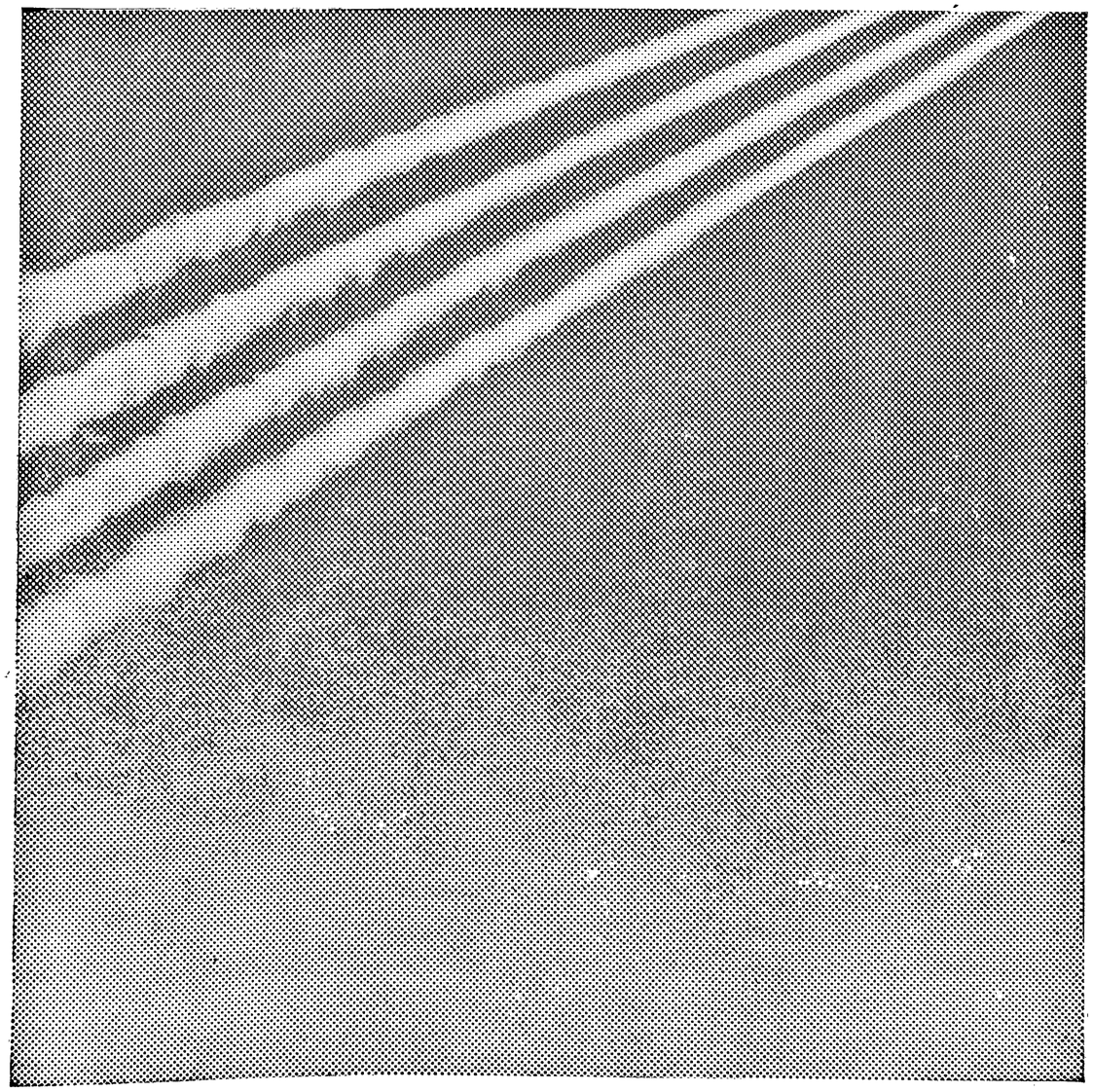

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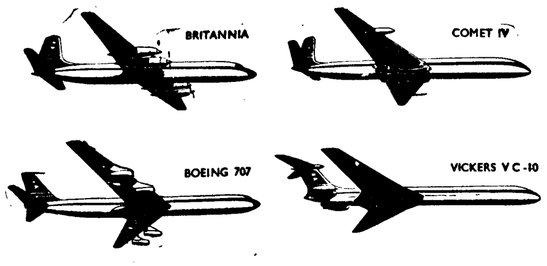

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UNCERTAINTY REGARDING SUGAR EXPORT POLICY

PRICES CONTINUE TO MOVE UP

THE sugar industry and trade are eagerly awaiting the Government of India's sugar export policy. The issue is reported to have been discussed at several meetings between the Union Minister for Food and Agriculture, Mr. Ajit Prasad Jain, and the representatives of the sugar industry, held at Naini Tal recently. Last week-end, the Secretary to the Food Ministry, Mr. B. B. Ghosh, met the spokesmen for the sugar industry to discuss details arising out of the tentative decision taken by the Government with regard to exports. The decision, it is stated, envisages the setting up of a separate statutory corporation by the Indian Sugar Mills Association to handle the export business in sugar. The sugar factories may be asked, on a compulsory basis, to export 5 per cent. of their current season's production, that is, about 100,000 tons out of a total output of 2,000,000 tons. With a view to meeting the loss on exports, a small levy is likely to be imposed on sugar released for domestic consumption. Any mill which fails to export the required quantity may have to pay a special excise duty on its domestic sales out of the export quotas.

The prolonged uncertainty regarding the sugar export policy is unfortunate, inasmuch as it has dislocated the mechanism of trading in the domestic sugar markets. Not only have the price movements been artificial but there are also reports of scarcity pockets in several areas. How else can one explain the persistently upward trend in prices of sugar? The wholesale price of D28 variety sugar in Bombay, for instance, is currently standing at about Rs. 41 per maund, as against Rs. 33 a year before, representing a rise of Rs. 8 (or over 24 per cent.). This rise is more than what is warranted by the increase in excise duty (including the additional levy) which comes to Rs. 6.52.

The following table indicates the latest available sugar prices prevailing in Bombay and Hapur, as compared with those after the additional excise duty was imposed:

	Latest available	After the imposition of additional excise
Hapur (mill delivery rates per maund)—	Rs.	Rs.
Anroha	35.81	32.31
Bijnore	35.56	32.50
Manaurpur	38.75	34.69
Bombay (wholesale prices per bag)—		
Small	106.00	105.00
Medium	107-109	106-108
Large	109-116	109-115

The upward trend in sugar prices is surprising, considering that the supply position is very comfortable. The opening stocks of sugar amounting to 428,610 tons and the estimated production of 2,000,000 tons bring the total available supply for the season as a whole to 2,428,610 tons. Although this quantity is less than the previous season's supply of 2,579,000 tons, it is nevertheless quite large as compared with the estimated consumption of two million tons on a liberal estimate. The estimated output of two million tons in the current season is based on the total production up to the end of May 1958 which aggregated 1,963,000 tons, as against 1,975,000 tons in the corresponding period of 1956-57.

Sugar in Different States

The position in respect of production, despatches and closing stocks of sugar in the different States as on 22nd May 1958 is shown below:

(In tons)

	Production	Despatches	Closing stocks
Northern India—			
Uttar Pradesh	941,946	558,434	607,285
Bihar	275,056	150,602	179,608
Punjab	81,974	41,539	54,388
Madhya Pradesh	33,844	25,423	20,770
Rajasthan	13,821	10,174	8,962
West Bengal	5,575	4,466	3,403
Total Northern India	1,352,216	785,638	874,416
Southern India—			
Bombay	315,260	170,845	208,613
Andhra	150,906	89,873	100,071
Mysore	73,075	40,520	33,717
Madras	53,559	31,508	36,728
Kerala	8,233	4,452	4,565
Orissa	3,903	2,602	2,543
Total Southern India	604,988	339,800	381,237
Grand Total	1,957,204	1,125,438	1,255,653

The production of 1,963,000 tons up to 31st May and the carry over stocks of 428,610 tons from the previous season together brought the total supply of sugar actually available during the first seven months of the season to as much as 2,391,610 tons. As against this quantity, total despatches amounted to 1,174,000 tons, as against 1,227,000 tons in the same period last year. Incidentally, it may be noted that the total quantity of sugar so far released for sale in the free market out of the 1957-58 season's production comes to 983,000 tons. The closing stocks with the mills as on 31st May were 1,212,000 tons, as against 1,270,000 tons a year before. The major portion of the stocks lying unsold with mills is accounted for by the three States of Uttar Pradesh, Bihar and Bombay.

Since the commencement of the season, about 22,000 tons of sugar have been exported. But these exports were against contracts entered into in the previous season. It was only in 1957 that the Government of India decided to allow export of sugar to the tune of 50,000 tons. The quantity was subsequently raised to 1,00,000 tons and still further to 200,000 tons, when it was found that prices in world markets were sufficiently attractive even for our high-cost sugar. Now that the world sugar market has turned weaker, there is no chance of India exporting sugar except at a very heavy loss. World price of sugar is currently ruling at about Rs. 415 per ton, as against the average price of Rs. 746 for Indian sugar, even after the full remission of excise duty (Rs. 291.20) and cane cess (Rs. 50.90). The loss on every ton of sugar exported thus works out to as much as Rs. 331.

SUGAR IN CUBA

It is understood that both France and Holland have renounced their quota rights under the International Sugar Agreement, according to Messrs. Czarnikow & Co., London. This means that 60,000 tons will have to be distributed and, under Article 14(7)(a), Cuba is entitled to 50,000 tons of this relinquishment which will presumably be taken from the world reserve quota. This would bring Cuba's export entitlement under the agreement to 2,465,000 metric tons, or approximately 2,392,000 Spanish tons. All this leaves Cuba with reserves which look to be fairly adequate as far as can be seen at present. It is realised that it may be asked to participate in further quota deficits under the International Agreement, whilst there may be additional reallocations by the United States in respect of further losses in Hawaii. Were a further substantial deterioration of cane to occur in Hawaii, the retained stock mentioned above would not look to be such a comfortable reserve as it does at present.

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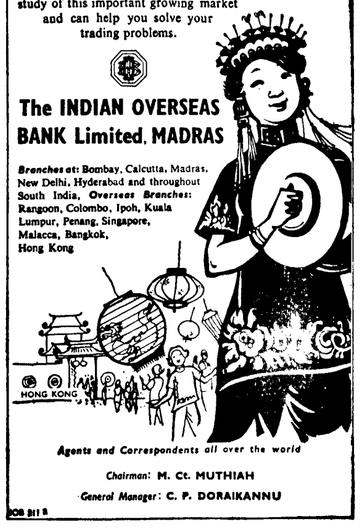

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COAL CONSUMPTION BY RAILWAYS

INTERIM REPORT BY COMMITTEE

THE Committee appointed by the Railway Board in December last under the chairmanship of Mr. Karnail Singh, Member (Engineering), Railway Board, to enquire into the increasing cost of fuel consumption by the railways and to estimate the railways' requirements of high grade coal during the next few years, has submitted an interim report. The Committee has recommended, *inter alia*, that, in order to meet the railways' requirements of high quality coal during the second and third Five-year Plans, three to five central washeries for upgrading non-coking coal, particularly in the outlying coalfields, should be set up.

The Committee has also made some suggestions for reducing the coal consumption. With the increase in load on the railways on account of the industrial development in the country, it will be advantageous for the railways, according to the Karnail Singh Committee, to electrify the major sections and "dieselise" the others. The Committee, however, has stressed that steam traction must still play an important role. The main difficulty in dieselisation is the availability of diesel equipments and indigenous sources of diesel oil. To overcome this difficulty, the Committee has recommended that the Government should take steps towards self-sufficiency in both the items. The Fuel Research Institute has, in this connection, suggested that an integrated project for low temperature carbonisation of non-coking coal with processing of tar for the manufacture of diesel oil would go a long way to meet the railways' requirements of diesel oil.

The Karnail Singh Committee has also suggested the adoption of a technique of hydrogenation of natural crude oil developed at the Fuel Research Institute which can produce maximum quantity of diesel oil from the oil obtained from the Assam Oil Company. It is stated that the Director of the Fuel Research Institute, during his recent visit to the U.S.S.R., visited large-scale units based on a similar process and discussed the possibility of utilising the said technique in India. By this process, more than 60 per cent. of the 1.5 million tons of oil proposed to be refined in the Assam oil refinery can be converted into diesel fuel. The quantity of diesel fuel produced through this process would be equivalent to 10 million tons of high grade coal for the railways.

The Committee has further suggested that the railways should have their own fuel organisation for enforcing standards of quality in coal. Various other suggestions which can bring down the cost of fuel consumed by railways and other connected aspects of coal savings have been made by the Committee.

The Committee's suggestion to electrify and dieselise some sections of railways had been made five years ago by the Driver Committee which submitted its report in March 1953. The Driver Committee had also recommended the use of gas turbine tractions. It was estimated by the Committee that, if all its recommendations were implemented, it would result in a cut of 20 per cent. in coal consumption and a saving of about Rs. 6 crores per annum in expenses in the course of the five years from then, on the basis of the then fuel bill. Though the railways have been gradually increasing the use of diesel locomotives and electric traction, the fuel bill has not shown any decline. On the contrary, it has gone up from Rs. 22.5 crores in 1952-53 to Rs. 53.86 crores in 1957-58 (revised estimate). The budget estimate for 1958-59 is Rs. 57.21 crores. A large part of this must, however, be accounted for by extension of railways to various parts of the country.

MACHINERY FOR COAL MINING

A team of three technical experts of the National Coal Development Corporation left Ranchi last week-end for the United States in connection with the purchase of mining machinery and equipment for the Corporation out of the loan granted by the Export-Import Bank of America. The Bank has sanctioned a loan of $150 million to the Government of India to meet its foreign exchange requirements for the second Five-year Plan. Out of this sum, the Corporation has been allotted $15 million for the purchase of machinery and equipment for its coal mines.

The Corporation which is opening several new coal mines in Bihar, Madhya Pradesh and Orissa, is expected to raise India's annual coal output to 13.5 million tons by the end of the second Plan period. Global tenders for the machinery and equipment needed will also be invited by the Corporation.

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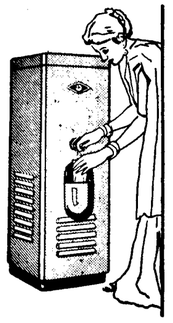

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TEA INDUSTRY IN THE NILGIRIS

FISCAL POLICY AFFECTS PROSPERITY

PROSPERITY does not always grow with age and experience, for it depends on many other factors. This is as much true of the tea industry as of any other. For instance, the tea industry in the Nilgiris is over a hundred years old and produces some of the finest teas in South India and, with the natural advantages it enjoys on the hills, one would normally expect that the lot of the industry should be a happy one. That it is not so is evident from the speech of Mr. M. W. Hoare, Chairman of the Nilgiri Planters' Association, at the sixty-seventh annual meeting of the Association held last week-end. Mr. Hoare feared that he could not produce a very optimistic picture of the possibilities for the industry. He had several grounds on which he based his estimate.

Dealing first with labour, Mr. Hoare felt that the output of time-rated workers in the Nilgiris was falling and that the will to work a six-day week was lacking. This, he said, applied more to men workers than to women. Fortunately, harvesting of crop was in the hands of women who, according to Mr. Hoare, show a uniformly greater sense of responsibility or of the wish to earn more. Nevertheless, he was not sure whether even the women were prepared to make as much effort as was necessary for the continued prosperity of the industry. Alluding to the present-day living conditions of plantation workers and production, Mr. Hoare said:

"Our predecessors in the past used to consider that, in order to get good work from their labour, it was necessary to give them good conditions as compared with standards from the villages from which they came. We are now compelled to adopt standards which have risen beyond anything our predecessors would have dreamt of, and I wonder whether we might further increase our production, and maintenance of our production assets, by a more scientific approach to the study of work methods in plantations, as also a sociological study of living conditions and how the increased income of working families is being spent. We may have our own ideas of the subject, but a scientific study would certainly be helpful in formulating the State's and industry's policy in regard to work and wages."

The increase in wages and salaries has raised the cost of production and this has been offset only to some extent by an increase in crop. For instance, many of the estates in the Nilgiri district produced record crops, the total production of all estates being 17.63 million lbs., a shade less than the record output of 17.64 million lbs. attained in 1955. During the last 10 years, that is from 1947 to 1957, the production in the Nilgiris rose by 23 per cent., as against an increase of 70 per cent. in aggregate South Indian production. The reason for the modest rise is attributed to the fact that "the small holdings, which are so numerous in this district and form a substantial part of the acreage of the district, have not yet reached the yield levels of the large estates in the district." Most of the large estates have achieved increases in crops well up to the average of South India. The record crops in many estates were to some extent due to the favourable climatic conditions, but much of them were due to improved cultural processes, manuring programmes, keeping down of pests and diseases and the coming into bearing of replanted or infilled teas in the fields. In fact, the results achieved in the Nilgiri district have disproved the belief of the Plantation Enquiry Commission that most of the stands of tea in the Nilgiris are exhausted.

Mr. Hoare was, however, distressed to find that the planters who had raised the productivity of the fields did not have the necessary money to expand "the other assets to bring the result of their good work to fruition." In other words, the estates do not find enough money out of their profits for more buildings, more machinery and bigger factories, as this is being absorbed by taxation. A rough idea of the extent to which the fruits of the tea estates' efforts are being taken away by the various Governments —Central, State and Local—can be had from the following statistics given by Mr. Hoare:

"For an estate producing with great skill and care 1,000 lbs. of manufactured tea per acre, the following will be the distribution:

"Out of every 1,000 lbs., about 400 lbs. go to labour in wages, amenities, and other benefits.

"About 180 lbs. go towards paying for the tools, equipment and supplies required to keep the estate in production.

"About 275 lbs. will go towards Central income-tax, agricultural income-tax and sales tax, duties, cesses, road tax, property tax, education cess and a number of other levies.

"The remaining 145 lbs. go towards depreciation or enough funds to provide for the replacement of machinery, buildings and equipment, when they are worn out or too old, towards reserves and paying a return to those whose investment enabled in the first place the development of this industry."

The foregoing figures show that the return to the investor is a meagre fraction and naturally he is less and less attracted to invest in tea plantations. As was rightly pointed out by Mr. Hoare, after being taxed to the limit and to a point that those who have invested in the industry find the value of their shares eroded by successive falls in the market, there is no attraction left to draw savings to plantation investment. "In these circumstances," he added, the industry must look increasingly towards its own internal resources. If taxation levels do not allow this process, I fear that revenue will fall and earning capacity become still less."

Mr. Hoare was of the opinion that it was unfair to compare the tax burdens on Kerala plantations, where they are higher, with those in Madras State and then say that the estates in Madras should feel happier. Nor was it fair to argue that Madras estates had to pay income-tax and agricultural income-tax only, if there was any income. Arguments of this type are by no means a source of comfort to investors in Madras plantations. Speaking on the tax burden on tea industry in general, he made a plea for the reversal of the present fiscal policy, if the Government was genuinely interested in saving the industry from collapse, and encourage it to earn more foreign exchange. Thus he observed:

"This industry reached its present position of being the country's largest earners of foreign exchange and the biggest payers of its taxes by century-long careful nursing, wise husbandry and progressive development. By the return paid to investors, the industry attracted more investments; by the reserves built up by the industry more resources were available for expansion and development of production assets. The expensive period of the plantation industry in India has passed. If the folly of wrong fiscal and labour measures can only be proved by the collapse of the industry, then it is the sign of considerable lack of forethought. I have no doubt that the Government in the States and in the Centre have sufficient vision and practical understanding of the problems of industries to see that this trend of policy is reversed in time."

If the industry has not already suffered a collapse, it is because of some fortuitous circumstances, such as internal political trouble in Indonesia which holds up rehabilitation of the tea industry in that country, repeated internal commotions in Ceylon caused by floods, riots and strikes, adverse weather conditions in North India last year and the boom conditions following the Suez crisis. All these developments have, as Mr. Hoare said, helped to conceal the real problems of the tea industry.

As regards the outlook for tea industry in the Nilgiris in the current year, Mr. Hoare was somewhat pessimistic. He said that the industry was faced with a serious threat to production from a cut in the supply of electricity, because the tea factories are the biggest consumers of electricity in the district. The repercussions of this cut were described by Mr. Hoare thus:

"There are not many among us who have alternative sources of power and most of us must suffer by these sudden cuts, stoppages and enhancement of rates. This year's excellent flush of many estates lately has had to be allowed to grow into hard wood and then must be cut or broken back without benefit to anybody. The increased cost of doing this and laying off workers on half wages will add to the cost of the industry, but the loss to India in foreign exchange for tea alone is probably several lakhs of rupees a day. If a private supplier had done the same thing, there is no doubt that we should have had some redress for our grievance in a court of law. But the State-owned electric undertaking can interrupt supplies without regard to consequence, and enhance rates at will. The departmental heads so free with cuts might spend a night in the vicinity of the Kundah project. From a number of estates, they would be able to see the myriads of high-powered lights twinkling throughout the night."

The picture drawn by Mr. Hoare is certainly disturbing and the State Government would do well to consider seriously his suggestion to make up the deficiency in supply when it occurs by having thermal generators. It may be true that thermal plants are expensive to run, but they are to be used only in an emergency. The initial cost will not, therefore, be a large premium to pay for insurance against losses such as those caused by the present cut in power supply.

DUNDEE JUTE INDUSTRY

PROSPECT OF CUT IN OUTPUT

THE jute industry in Dundee is faced with the prospect of a cut in production, as manufacturers report that the demand for jute cloth has considerably slackened. A considerable part of the machinery is said to remain idle and several factories are reported to be running alternative weeks or three days per week. In short, according to jute traders, there has seldom been such a prolonged spell of idleness in Dundee as is being experienced now.

Britain's jute industry has had a good record in the post-war period. Lord Dundee, who made a reference to the position of the industry in the House of Lords last week, said that it had made a magnificent contribution to the national economy. He said that, since 1947, the production of jute cloth had increased from 48,000 to 80,000 tons per annum and the output of yarn from 73,000 to 137,000 tons per annum. A sum of £10.5 million of new capital had been spent on rehabilitation and modernisation of the jute industry during this period.

Nevertheless, since last year, the position of the Dundee jute industry has suffered a deterioration. Faced with keen competition from cheaper imported hessian cloth, despite a unique system of State trading by which it is protected, the industry had to reduce last year the number of persons employed by 3,000. In fact, the U.K. Government, realising the seriousness of the situation, reduced the basis of its selling prices of hessian from 40 per cent. to 30 per cent., thus making the sacks manufactured by the Dundee industry cheaper. Lord Dundee insisted that it was essential that the peculiar position of the industry in Scotland should not be overlooked at the forthcoming Commonwealth Trade and Economic Conference in Montreal, Canada. Any trade agreement made there, he added, should not be framed in such a way as to make it impossible for them later on to arrive at a fair and reasonable agreement with India.

Replying on behalf of the Government, Lord Strathclyde, Minister of State at the Scottish Office, said that the Government was acutely conscious of the special problems in the jute industry at the present time. The industry was facing competition from paper, and long-term difficulties had been aggravated recently by a general recession overseas.

Manufacturers other than jute goods and non-jute traders are, however, opposed to any step or agreement with other countries which will not allow free competition. They believe that only through competition can the quality of the Dundee industry's products be improved and prices made more competitive. The Federation of British Carpet Manufacturers, for instance, strongly feels that competition from imported jute yarns, if allowed more freely by the Board of Trade, would go a long way towards improving the quality and reducing the price of home spun yarn, supplies of which to carpet manufacturers during 1957 amounted to 23,263 tons, as compared with 1,493 tons imported. The Federation's latest annual report goes on to add:

"Although the supply of jute yarns has been sufficient, there are still carpet manufacturers who feel strongly that some of the British spun yarns supplied to the industry are below standard and that healthy competition from imported yarns would do much to remedy this and to eliminate the poorer types.

"Admittedly the Dundee industry has done much to modernise and render its plants efficient, but lack of competition from overseas leads to higher prices, which are inevitably passed on to the public.

"Since the war all imports of jute yarn have been subject to Board of Trade licence. Beyond the fact that imports of jute yarn are strictly controlled, the Board will not permit even a small stock of imported yarns to be held in this country to make good immediate shortages in supplies—a matter which the Federation has taken up on a number of occasions—unfortunately without success."

The U.K.'s carpet sales reached a record high of £66.8 million and the output, at 46.5 million square yards, was just below the record. Sales are expected to go up even higher. Last year's increase is said to be almost entirely due to larger buying in the domestic market, in which sales amounted to £58 million, a rise of over £7 million or 14 per cent. in two years, thanks to the halving of the purchase tax to 15 per cent. On the export front, sales rose from £8.5 million to £8.8 million only on account of the quota and similar other restrictions. If credit and import restrictions were to be removed throughout the sterling area, the Federation feels, exports might settle down at about £12 million per annum.

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PROGRESS OF IRRIGATION RESEARCH

WORK IN DIFFERENT STATIONS REVIEWED

ALTHOUGH India ranks high among the countries which have developed their irrigation and power potential in right earnest, the research work in the sphere of irrigation is unfortunately less well-developed in India than in the West. Much progress, however, has been made in this field in recent years, thanks to the "research" consciousness in the country and the commendable guidance provided by the Central Board of Irrigation and Power. The Government has accorded its sanction to a Rs. 105-lakh research scheme prepared by the Board. The scheme is designed to encourage research on problems of a basic and fundamental nature pertaining to river valley projects and flood control works and to achieve economies by developing proper irrigation techniques. A notable feature of the Board's activities is the research session it organises every year. Last year, the session was held at Mysore where useful discussions took place on irrigation problems such as flood protection, construction of dams and weirs and tube-well irrigation. Last week, the Research Committee of the Board met at Srinagar where the Union Minister for Irrigation and Power, Mr. Hafiz Mohammad Ibrahim, in the course of his inaugural address, urged the research organisations in India to adjust their methods of work so as to encourage originality and initiative among young workers. He rightly stressed that organised research in the field of science and technology was the foundation of technical progress.

In his presidential address, Professor M. S. Thacker reviewed the irrigation research work which has been done in the various research stations in India. The Hirakud research station has evolved an air-entraining agent for use in admixture with cement concrete. This has led to considerable facility in construction and saving in cost. Research on this subject has been continued in the research laboratory at Rihand Dam in Uttar Pradesh, which has succeeded in evolving another air-entraining agent from indigenous materials. This agent, besides being as efficient as any other material, is also comparatively cheap. The Poona research station has been engaged in the study of the "effect of the horizontal impervious floor on the distribution of uplift pressures." It would appear that the study has established a relationship between the "percentage change in uplift pressure and the length of the floor." Referring to this result, Mr. Thacker said: "This is a valuable contribution to our knowledge on the subject and has proved useful in the designing of intricate structures."

Studies for training and controlling the behaviour of rivers like the Kosi and the Brahmaputra are under continuous study at various research stations, particularly those at Poona, Roorkee and Amritsar. Studies are also in progress on the silting of reservoirs. Research is being conducted on finding out alternative materials for stone for use in flood protection works. Studies at the Mysore Engineering Laboratories indicate that soil-cement blocks, containing 5 to 10 per cent. of cement, can be used economically for river training works. On the other hand, the Punjab Irrigation Research Station is engaged on studies on the stabilisation of sand and soils by chemical methods without the use of cement. The Board has also been concerned with researches on ground water studies and tube-wells.

The Bihar Institute of Hydraulics and Allied Research is engaged on investigations directed to the means of reclaiming tube-wells giving low discharges and has suggested the use of polythene film lining for small channels to reduce seepage losses and improve the overall efficiency of tube-well operations. The use of polythene lining for channels and canals appears to be attractive, but economic aspects would play an important part in considering its practical application on the scale required. In this connection, Mr. Thacker said: "During my visits to Australia and other countries, which are faced with similar problems, I have had occasions to discuss the matter of polythene lining with several engineers and technologists concerned. The technique appears to be simple; but, there is still a lot of investigational work to be done, from both the economic and technological points of view, before it can be generally adapted. I have seen in Germany some of the polythene products obtained as by-products from their brown coal or lignite. Perhaps, similar products can be obtained by processing our own lignites."

In West Bengal, the Kultigong series of rivers have posed the problem of heavy bed erosion. To combat the erosion, the River Research Institute, West Bengal, is studying the effect of introducing controls at different points of the rivers. Another important subject engaging the attention of irrigation engineers all over the country is the loss that takes place through evaporation and seepage in water reservoirs. It is estimated that these losses are very high, particularly in the smaller tanks or reservoirs. Mr. Thacker referred to his experience as a leader of a delegation of engineers and scientists to Australia where they had an opportunity to study the techniques employed in that country for minimising the evaporation losses from open reservoirs by covering the water surface with a mono-molecular film of cetyl alcohol. On their return, they set up a small committee to organise similar work in India. Preliminary field experiments have been planned to try out evaporation-control experiments using cetyl alcohol at three selected centres, namely, one reservoir at Faridabad near Delhi, the Poondi reservoir near Madras and the Krishnarajasagara near Mysore. While these field trials are in progress, laboratory experiments are under way at the National Physical Laboratory on the fundamental aspects of evaporation control, such as efficacy of different long-chain compounds. If these field trials and laboratory investigations led to useful results, Mr. Thacker felt that they might be able to conserve our water resources and release more water for irrigation purposes.

On the academic side of hydraulic engineering, the Indian Institute of Science, Bangalore, according to Mr. Thacker, has taken up studies on basic problems like air-entraining in high velocity jet, branching of flow in open channels, design of high discharge low head centrifugal pumps, determination of parameters which influence axial flow pump characteristics, and cavitation in water turbines. The Institute provides a hydraulic machines laboratory. The Punjab Irrigation Research Institute, at Amritsar, has also installed a turbine laboratory to conduct several studies.

Commendable as all this research work is, it is somewhat disconcerting to note that procedural delays hold up the progress of research. Thus, Mr. Thacker, in the course of his reference to the Rs. 105-lakh research scheme, said: "I am, however, constrained to point out that considerable time has been lost already in the implementation of the scheme. More than two years of the Plan period have gone by, but the work has been held up mainly because of procedural delays in the allocation of money through different State Governments." It is to be hoped that the authorities will take appropriate remedial measures and speed up the progress of irrigation and power research, so vital to the progress of the country in the sphere of agriculture and industry.

(Concluded from next column)

represents a return of 5½ per cent. on the share capital of the Company. The question whether advances from the Government of India should be treated partly or wholly as interest-free or alternatively as addition to share capital is said to be awaiting the decision of the Government of India. But, as stated at the outset, the Directors have made full provision for interest at 4½ per cent. per annum on the advances secured from Government.

NUCLEAR POWER COST

The view that nuclear power could be competitive only if the capital cost of nuclear power stations was reduced considerably by 1966 was expressed by Sir Christopher Hinton, Chairman of the U.K. Central Electricity Generating Board, and till recently Managing Director of the Industrial Group of the U.K. Atomic Energy Authority. He said there could be no doubt now that the credit allowed in the original U.K. nuclear power station costings for the return and re-use (in other subsequent power stations) of the plutonium products had been too high, and as a result, the estimate of cost per unit of electricity sent out had to be increased from 0.6d. per unit to 0.66d. per unit. The achievement of efficient and economic nuclear power, Sir Christopher said, depended upon the development of more efficient fuel elements. The responsibility for achieving this lay with the Atomic Energy Authority and the Central Electricity Generating Board. If it were not achieved, the U.K. would have either to proceed with the installation of nuclear power plants which would produce power more expensively than it could be produced from conventional plants, or, alternatively, to swing back to the use of conventional power plants.

OUTPUT OF MACHINE TOOLS

STATE-OWNED FACTORY MAKES HEADWAY

A SIZABLE increase in production, turnover and profit is revealed by the report and accounts of the State-owned Hindustan Machine Tools (Private) Ltd. (Chairman: Mr. N. R. Pillai) for the year ended 31st March 1958. Thus, whereas in 1956-57, the Company produced only 135 lathes, it produced 313 lathes and 89 milling machines in 1957-58. There is no dearth of orders for the Company's products which, in fact, exceed production. During 1957-58, it had orders for 611 machines, consisting of 315 lathes and 296 milling machines. Sales aggregated Rs. 1.44 crores, as against a mere Rs. 29.36 lakhs in the previous year. The profit (after providing for depreciation but before providing for interest on advances made by the Government to the Company) amounted to Rs. 30.71 lakhs as compared with Rs. 3.99 lakhs in 1956-57. This, together with Rs. 61,457 brought in, amounted in all to Rs. 31.32 lakhs. After providing for Rs. 9.08 lakhs for interest at 4½ per cent. on advances from the Government of India and Rs. 21.63 lakhs for writing down the development expenditure, there is a balance of Rs. 60,223 which has been carried forward to the current year's accounts.

The quality of the output of lathes and milling machines, it is stated, has been maintained at the "highest levels." It is noteworthy that the Company has effected reduction in the prices of its products. The sale price of the standard 1,000 mm. lathe has been reduced from Rs. 39,000 to Rs. 36,000 and still further to Rs. 29,500. The sale price of milling machines and 1,500 mm. lathes has also been reduced. Referring to the progress of construction and manufacturing programme of the Company, the Directors observe:

"Considerable difficulties involving increasing cost were experienced during the year by your Company in the procurement of castings in the absence of a foundry of its own and the increasing volume of diversified production at the factory. Work on the grey iron foundry, which was part of the original sanctioned project, could not be commenced due to foreign exchange scarcity, but it is hoped that an early start can now be made with this vital part of the project. Construction of a new assembly hangar to meet the urgent requirements of additional assembly space for the diversified production programme is nearing completion and the building is expected to be occupied by July 1958. The construction of a stores building has been completed and it has been temporarily employed as a training centre to cope with the augmented training programme necessitated by the extension of the system of multiple-shift working. The timber stores and pattern shop building as also a fireproof stores, were completed during the year. In addition, construction of a town administration building outside the perimeter of the factory has been completed. . . .

"Negotiations for licence rights and technical collaboration for the manufacture of radial drills were conducted during the year with two West German manufacturers, one French manufacturer and one Italian manufacturer. Of the four offers received, your Board has, with the approval of the Government of India, decided to accept the offer of Messrs. Hermann Kolb of Koeln, West Germany, for the manufacture in the Bangalore factory of 10 types of radial drills in 1½" and 2" sizes. The agreement, which unlike previous agreements of collaboration, does not involve the payment of recurring royalties, is expected to be signed during the first week of June 1958 and the first Hindustan radial drills produced in the factory are expected to be on the market by December 1958. The addition of 10 types of radial drills to the range of six types of milling machines and two types of lathes already in production, is expected to give your Company further flexibility in its production programme in relation to demand. This will also enable the country to be self-sufficient in the matter of medium-heavy radial drills, thereby saving considerable foreign exchange on machines, which had been imported hitherto."

The Company, it is stated, established during the year closer collaboration and co-operation with other machine tool factories in the country, such as Mysore Kirloskar Ltd. Harihar, Praga Tools Corporation, Hyderabad, and Cooper Engineering Works, Satara. It is gratifying to note that considerable inter-company mutual aid and assistance was developed during the year whereby deficiencies in the capacities of each factory was made good by other factories to the "general benefit" of the industry as a whole.

The Company's balance-sheet as on 31st March 1958 shows the share capital at Rs. 3.90 crores. Loans aggregate Rs. 2.98 crores, of which unsecured loans from the Government of India account for Rs. 2.35 crores. Assets include fixed assets (Rs. 3.51 crores) and current assets (Rs. 3.38 crores). The net profit for the year

(Continued in previous column)

NEW PRODUCTS AND PROCESSES

Plastipeel

DIFFICULTIES are often experienced in packing, transhipment and storage of fine tools, machine parts such as gears, camshafts, connecting rods, axle assemblies, valves and other precision instruments and equipments. Sometimes damage during transit is irreparable. In many cases a thin coating of 'gloss coat' is applied to partially avoid such damage. Although in foreign countries the use of such coating compositions is common, so far, their use in India has been only limited and the requirements have mostly been met from imports.

In an effort to develop an indigenous product, a formulation, Plastipeel, has been worked out at the Shri Ram Institute for Industrial Research, Delhi. Constituents of the formulation are mixed in suitable proportions in a vessel at high temperature. After thorough mixing the uniform mass obtained is cooled in moulds. The product so obtained is homogeneous and when applied in thin films gives transparent coating. The article to be coated is dipped in molten Plastipeel at 190° C. The excess material is then drained off. A transparent coating 0.09—0.1 inch block is retained on the article.

Use of Plastipeel as a packaging material reduces the packing risks, particularly for delicate components. Risk of minor damages during transit is also minimised. As a corrosion-resistant material it ensures safety in storage even in highly humid atmosphere. It can also be applied to china and glassware for packaging. Manufacture of the compound, it is said, is simple and can be taken up even on a small scale.

New High Temperature Lubricants

Solid lubricants which can withstand higher temperatures than ordinary graphite lubricants have been developed in the U.K. Whereas graphite loses its lubricating properties at high temperatures owing to its releasing the water which has been absorbed in it, and which plays an important role in its lubricating properties, the new lubricants are said to remain fully effective.

At the same time, the new lubricants can, if required, be partly graphite based. Their basic constituent is polytetrafluorethylene. When this material is added in a finely divided form to metallic powders such as bronze and copper, or alternately with graphite, and the resulting mixture is milled together, the PTFE forms a smear-like coating over the particles of other materials. Tests are said to have shown that the resulting material is a fully effective lubricant for use under high-temperature conditions where a solid lubricant is required. The PTFE is used in the proportion of about six parts of PTFE to every one part of the other materials.

"Eyetron"

An electronic device that can "see" the ground from an airplane through fog or clouds has been developed by the Diamond Antenna and Microwave Corporation of Wakefield, Massachusetts, in the United States. According to the Company, it may be the "definitive piece of equipment" to permit genuinely blind landings. The new device "sees" by means of microwave radio waves. These are short waves of extremely high frequency. The device converts the waves into visible light, and this enables it to produce pictures of objects on the ground instantaneously and continuously. The company says that Eyetron is a "revolutionary device" that reproduces the vision of the human eye electronically.

Hard Boards from Wood Waste

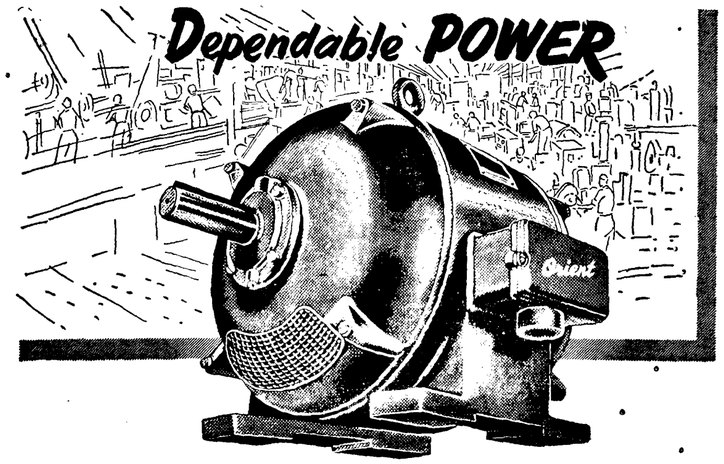
A process has been developed at the Forest Research Institute, Dehra Dun, to convert wood wastes into hard boards. The process is applicable both to soft and hard woods and their wastes. The equipment required consists of a disintegrator, a sieving machine, a mixer, a drawer and a hard press; and work can be undertaken on any scale. Saw mills and plywood factories, with their abundant supply of wood waste, can adopt the process with great advantage. Investigations carried out at the Institute on the boards produced by this new process revealed that the boards so produced are as good as any other type. They are strong, uniform in colour and can be painted, varnished or polished as desired. They can be used in panelling, partitions, ceilings, cupboards, shelves and a variety of furniture.

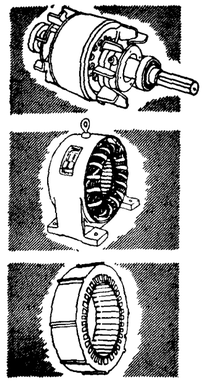
Man-made Diamonds

Man-made diamonds, identical to natural stones, will be in mass production for industrial users before the end of 1958, the General Electric Company of the United States reports. The diamonds are produced by subjecting carbon to high pressure and high temperature in a duplication of the natural process by which diamonds are made. The Company has already produced more than 100,000 carats of man-made diamonds. These have been shown to be identical to natural diamonds on the basis of optical, X-ray and chemical examinations and hardness tests. The largest of these diamonds are about the size of coarse grains of sand, and most of them are about the size of fine particles of sand. The company's synthetic diamonds will be used in cutting tools, grinding wheels, and other industrial equipment.

New Herbicides

The production of a new series of herbicides and weed killers is to be undertaken by the Heyden Newport Chemical Corporation, of U.S.A. The new compounds, which have been tried out experimentally over a number of years, are said to have shown outstanding results in controlling deep-rooted perennial weeds, such as bindweed. The herbicides are based on the use of 2,3,6-trichlorobenzoic acid, and are said to be exceptionally economical to use, having a relatively low cost and requiring a very small dosage rate.





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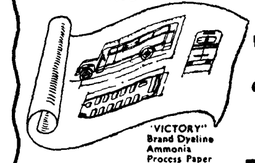

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TRAINING OF LIFE INSURANCE PERSONNEL

L.I.C.'S PLAN LAUDABLE

TRAINED personnel is required by all specialised industries, trades and businesses for their successful operation and development. The old apprentice method is hardly adequate to meet the expanding demand for trained personnel of modern industries and businesses. In this country, the Universities are relied upon, almost exclusively, for the promotion of all branches of knowledge, general or specialised. Universities can, of course, make available young men with trained minds and general knowledge and, in some cases, specially trained for some of the professions. But they cannot be expected to prepare the men needed for special vocations and trades. University training, even if available, can only reach a limited number of young men and the task of specialised training needed for industries and vocations must be undertaken by the industries themselves, by the State or by both in collaboration.

Insurance, in all its branches, is a highly specialised form of business and needs, like any other specialised activity, a large mass of trained staff for its working. The major part of the responsibility to train the required personnel devolves upon the insurance industry itself, whether life or non-life. Insurance is a promising career for young men having qualities of head and heart suited to that profession. To the right type of individual, it offers complete opportunity and real equality—that is, an equal opportunity to prove unequal talents. It is, however, a highly specialised and technical profession requiring sound qualities of character, an understanding of human nature, and good training. Insurance is seldom bought. It has always to be sold. Whether a man makes a success of the business of selling depends as much on the extent to which he possesses the above qualities as on the soundness and adequacy of the training he receives. In advanced countries of the West, insurance agents are never selected at random nor trained perfunctorily. Few insurance salesmen are sent out nowadays with a rate book and a modicum of instructions in the rudiments of insurance to exercise their charm on the public without being given adequate advice as to the procedure they should follow, as to how to dig out prospective clients, assess their needs, evaluate their capacities and advise them on the plans that suit them best.

In India, where insurance is still in its adolescence, proper training of personnel is of utmost importance. The fact that life insurance has been nationalised does not in any way minimise the importance of training. One of the objectives of nationalisation of life insurance is stated to be the popularisation of insurance and to bring it within the reach of the common man. The achievement of such a purpose obviously means a vast expansion of insurance activity. That emphasises all the more the need for the spread of insurance knowledge, education and training and the raising of the necessary personnel required to sell insurance.

Primary Responsibility

It is heartening to note that the Life Insurance Corporation is aware of this. As the sole institution transacting life insurance business in this country, it is the Corporation's primary duty to see that facilities are created for the training of agents, field officers and other staff. Soon after its formation, the Corporation was faced with the task of instituting training facilities for the large development force taken over from private insurers. Two factors made this need all the more urgent. First, a large body of men who belonged to over 200 organisations of varying character and widely differing traits had to be integrated into a disciplined force capable of working in unison. Secondly, they had to be equipped for the sale and servicing of life insurance.

A special committee of the Corporation has finalised training courses for development officers, including branch managers, assistant branch managers in charge of development, field officers, and agents. The programme is for training 400 branch officers, 6,000 field officers and 100,000 agents. Simultaneously, arrangements are under way for setting up permanent training centres at Bombay, Calcutta, Madras, New Delhi and Kanpur. The Corporation also proposes to set up a number of temporary training units, organised exactly on the lines of the permanent training centres, in order to speed up the training of the existing development personnel.

New recruits to the development force of the Corporation will be imparted systematic training at these training centres before they are given assignments. There will also be a system of regular refresher courses for the existing staff. Gradually, training facilities will also be organised at the divisional and branch levels. This, no doubt, is a reform on a large scale necessitated by the need to spread the service of life insurance much more widely and, in particular, to rural areas. Once a trained field force swings into action, many causes which lead to bad, high-pressure selling, poor servicing and undue delays in settlement of claims, may be expected to disappear.

NATIONAL INSURANCE IN CZECHOSLOVAKIA

The National Insurance Act was passed in Czechoslovakia 10 years ago, in April 1948. The enactment meant considerable increase in, and extension of, claims to health insurance and pensions, covering even persons previously uninsured. The various types of insurance then in existence were completely unified by the Act. Pensions were increased up to 90 per cent. of income. Persons not liable to insurance before were granted social security. On the basis of acquired experience, the National Insurance Act was amended as from 1st January 1957. The amendment, bringing about further advantages for working persons, completed the unification of regulations.

Health insurance in Czechoslovakia is compulsory and applies to all employees, including domestic workers, undergraduates, certain students of secondary and vocational schools and apprentices. No contributions are paid by employees, nor are any reductions made from their wages for the purpose of insurance. Contributions are paid solely by employers.

All employees are eligible to the same sickness benefits. They are entitled to draw it from the first day of their sickness. The amount of benefit is graded in accordance with the earnings and length of occupation. When employed for over 10 years, the employee is entitled to 90 per cent. of his net earnings.

Sickness benefits are payable until the termination of incapacity for work but generally for a maximum of one year. The payment may, however, be voluntarily prolonged for another year. In the case of contracted, active tuberculosis, sickness benefits may amount to 100 per cent. of net wages.

Women employees are entitled to maternity leave for 18 weeks, that is, four weeks before confinement and 14 weeks afterwards. For the whole period of 18 weeks, they draw maternity benefits in cash. If they had worked for five years, they are entitled to 90 per cent. of their net earnings; otherwise, they are granted 75 to 80 per cent. of net earnings. The sickness benefits in cash include further special benefits on the birth of a child. This benefit may be claimed both by employed women and the dependants of insured men.

The preventive and therapeutical care of employed persons and pensioners and their dependants is absolutely free, including institutional medical treatment. This service comprises free provision of medicines, and therapeutical and orthopædic appliances. Even spa treatment, if recognised as suitable or necessary from the medical point of view, is given free at the expense of the health insurance scheme. Out of health insurance fund, is also paid certain recreation expenses offered by Czechoslovak trade unions to selected workers or their dependants. Children's recreation in pioneers' camps is also financed at the expense of national insurance.

All employees have a legal claim to family allowances in respect of all their children. Family allowances rise progressively with the number of children. Thus, family allowances of an employee with two children correspond to 13.5 per cent. of his average gross earnings, while those of an employee with four children correspond to 38.9 per cent. of the earnings. Family allowances are payable until the completion of the child's compulsory school attendance. If the child continues his studies or apprenticeship, family allowances may be paid until he reaches the age of 25.

BRITISH SOCIAL SECURITY SYSTEM

Britain's State-controlled social security system was the "nearest thing to perfection" among such schemes operating in the world, observed Prof. Renato Morelli, Chairman of the International Social Security Association. He was speaking at a Press conference called shortly before the close of the 13th general meeting of the Association held recently in London. About 400 delegates from 60 countries attended the meeting. The Association is an organisation for the interchange of information and experience between institutions administering social security schemes all over the world.

The Association's Secretary-General Mr. Leo Wildman, of the International Labour Organisation, also paid tributes to the British system and said it had a great deal to teach other countries. While there could never be slavish imitation of the British pattern, according to him, other countries could adapt their own schemes to incorporate the lessons learned by the United Kingdom in the administration of its social security service.

Reviewing the work of the Association's conference, Mr. Wildman said the reports submitted showed that the initiative for legislation introducing new social security systems had now switched from Europe to the underdeveloped countries of the Middle and Far East. He cited Burma, Indonesia, Iraq, the Lebanon, Thailand, and the United Arab Republic as countries introducing new schemes. India, Iran, and Turkey all reported improvements in their schemes since the last Association meeting three years ago. The Soviet Union had reported introduction of a new pensions and insurance scheme, and Czechoslovakia reorganisation of its social security scheme. The conference also studied the progress made towards the expansion of social security schemes introduced in Latin-American countries since the end of World War II. The delegates had decided, Mr. Wildman said, to set up a special study group of doctors, statisticians, and administrators to probe in detail the costs of medical care, hospital treatment, and medicines, as well as the finances of health insurance schemes. It was also decided to give priority to a study of the administrative problem of partial employment, a means used by some Governments to fight the effects of recession.

INVESTMENT INSURANCE

The U.S. is reported to have offered to conclude an investment guarantee agreement with the Federation of Malaya for protecting American investors and to encourage them to invest in the Federation. The pact will take the form of an insurance arrangement under which U.S. companies investing in Malaya would pay premium to the U.S. Government and can claim indemnity for losses arising from nationalisation or non-convertibility of assets. Subject to diplomatic negotiations, the U.S. Government would meet the claim and then recover it from the Government of the Federation. The U.S. has already concluded 37 similar agreements with other countries.

HEALTH INSURANCE

The non-Governmental Health Insurance Council of the U.S. reports that 72 per cent. of the U.S. population participate in one or more forms of voluntary health insurance plans. During 1957, the greatest increase in coverage was in the field of policies for major medical expenses. Most persons are covered by so-called group policies issued to workers in all types of employment for themselves and their families. The varying plans provide for hospital care expenses, surgical expenses, regular medical expenses, and major medical expenses.

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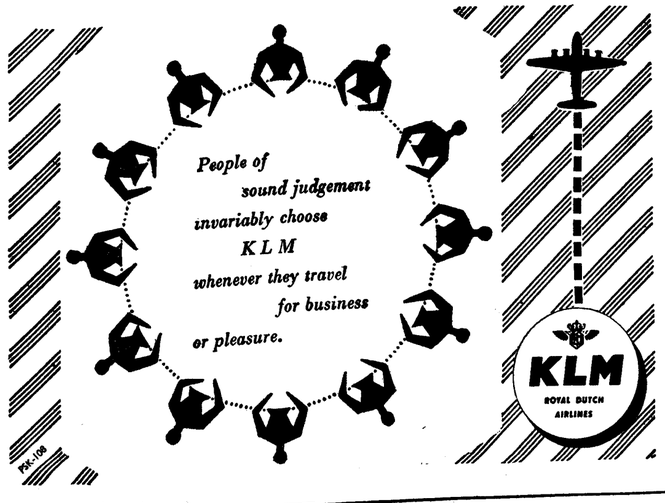

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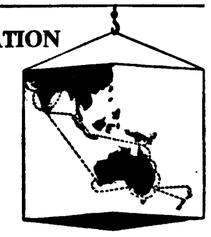

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COMMONWEALTH IN WORLD TRADE

EXPORTS FROM INDIVIDUAL COUNTRIES MOVE UP

A NOTABLE feature of world trade in recent years has been the declining importance of trade among Commonwealth countries. The share of these countries in the aggregate world exports during the year 1956, for instance, was lower at 26 per cent., as against 29 per cent. in 1952. Similarly, as regards imports, the share of Commonwealth countries has gone down, the figure for 1956 being 30, as against 32 four years before. The major factors responsible for such a trend have been analysed in the memorandum *Commonwealth Trade* 1956-57, prepared by the Intelligence Branch of the Commonwealth Economic Committee (published by Her Majesty's Stationery Office, London. Price: 2*s.* net).

The memorandum reveals that the export promotion attributable to the main Commonwealth countries during 1956 was in most cases slightly lower than in 1955. The decline was most marked in the case of India and the Colonial territories. As regards imports, the percentage share of the United Kingdom and Australia fell considerably, whereas that of Canada registered an appreciable increase in 1956. The percentage value of trade accounted for by the individual countries of the Commonwealth in the world total in 1956 as compared with 1955 is given in the following table:

	Exports		Imports	
	1955	1956	1955	1956
World*	100.0	100.0	100.0	100.0
Of which:				
United Kingdom	9.8	9.7	12.3	11.2
Canada	5.3	5.3	6.0	6.6
Australia	2.1	2.0	2.4	1.9
New Zealand	0.9	0.8	0.9	0.8
Union of South Africa	1.1	1.1	1.7	1.6
Rhodesia and Nyasaland	0.6	0.5	0.5	0.6
India	1.5	1.3	1.8	1.7
Pakistan	0.5	0.4	0.3	0.4
Ceylon	0.5	0.4	0.3	0.4
Colonial territories	4.6	4.4	4.8	4.7
Total Commonwealth	26.8	26.0	30.9	29.8

* Excluding the trade of Albania, Bulgaria, China Mainland, Czechoslovakia, E. Germany, Hungary, N. Korea, Poland, Rumania, U.S.S.R.

Despite the decline in the Commonwealth's share in world export trade, there was a substantial increase in the aggregate exports of individual Commonwealth countries in 1956, with the exception of Ceylon which suffered a sharp setback from the high level of the previous year. Exports reached a record level for the U.K., Canada, S. America, N. Zealand, and Rhodesia. Australia, too, made a rapid recovery. Substantial increase in exports was recorded by Pakistan and Colonial territories as well. The rise in exports from India, however, was negligible. There was by and large a concurrent expansion in the imports into the Commonwealth countries during 1956. In the case of Pakistan, the total imports were higher by 50 per cent. as compared with the exceptionally low figure of 1955. The other countries registered varying degrees of increase in imports in the year under review, barring perhaps Australia and New Zealand which accounted for a decline, presumably because of import or credit restrictions.

Exports and Imports

The following table gives in terms of each country's own currency the aggregate outturn for the year 1956 (or in some cases, the trade year 1956-57) with comparable figures for the preceding year:

	Exports*		Imports	
	1955	1956	1955	1956
United Kingdom (£ million)	2,905	3,172	3,881	3,889
Canada ($ million)	4,282	4,790	4,712	5,710
Australia (£A. million)	757	960	818	717
New Zealand (£N.Z. million)	227	273	251	235
Union of S. Africa† (£ million)	328	367	481	495
Rhodesia and Nyasaland (£ million)	170	179	139	159
India (Rs. crores)	5,90 9	5,97.3	6,78 8	8,39 8
Pakistan (Rs. million)	1,505	1,620	1,087	1,690
Ceylon (Rs. million)	1,866	1,648	1,460	1,630
Colonies (£ million)	1,365	1,443	1,501	1,638

All the figures relating to exports are f.o.b. with the exception of Canada the exports of which are exclusive of freight, insurance, etc.
Import figures for U.K., India, Pakistan, Ceylon and Colonies are in c.i.f., while those for Canada, Australia, South Africa, and Rhodesia and Nyasaland are in f.o.b.
New Zealand imports are valued at the current domestic value in the country of export.
Australia: fiscal year ending 30th June year following.
India: fiscal year ending 31st March year following.
* Exports exclude re-exports except for the Colonies and Pakistan.
† Including South-West Africa Territory, 1954-56.

The factors influencing the trade of the Commonwealth countries can best be determined, as the memorandum rightly says, by reference to the index of the volume of trade, on the one hand, and the index of export and import prices, on the other. During 1956, we are told, there was a further marked expansion in the quantum of trade for most of the Commonwealth countries and, in general, an appreciably higher level of prices. The volume of exports from the U.K. and Canada reached a record level. There was also a large increase in the volume of exports from Australia and the Colonial territories. In contrast, India and Ceylon recorded decline from the high level reached in the previous year. On the import side, a striking expansion was noticeable in the case of Canada, India and Ceylon. The index for the U.K. remained steady at the level of the preceding year, whereas that for Australia and New Zealand was considerably lower.

Trend of Prices

The trend of prices varied for a number of Commonwealth countries, although, in most cases, an upward trend was evident for exports as a whole. The U.K.'s index was higher at 106, as against 102 in 1955 (Base: 1954=100). In Canada, a decline in the index of wheat export prices was more than offset by higher prices for metals and other products, so that the price index rose from 118 in 1955 to 121 in 1956 (Base: 1948=100). In Australia, there was a substantial improvement, thanks to the marked recovery in wool prices. The export price of wheat, metals and meat showed relatively little change and there was a sharp decline in prices of butter. In New Zealand, there was little change in the prices of wool and meat, while those of butter declined; the decline was only partly offset by substantially enhanced prices for cheese. The index for Pakistan again reflects the results of the devaluation of the rupee in mid-1955. The prices (in rupee terms) of all the major exports except tea were markedly higher. The data relating to India's trade during the first nine months of 1956-57 indicate a somewhat higher level of prices than in 1955-56. There was, however, a steep decline in Ceylon, where prices of tea and rubber were appreciably lower.

The trade balance of Commonwealth countries reacted in different ways according to the incidence of the various factors referred to before. In the U.K., the year 1956 witnessed a marked recovery from the sharp deterioration of 1955, thanks to the rapid expansion of exports. On the contrary, the striking expansion of Canada's imports occasioned a steep rise in the trade deficit, notwithstanding the further substantial increase in exports. Greatly increased exports and reduced imports both contributed to the large surplus earned by Australia in 1956-57. The same factors were responsible for the handsome improvement recorded for New Zealand in 1956. Rhodesia's surplus was substantially lower than in 1955. South Africa's deficit on merchandise trade (excluding gold) showed a marked improvement as the result mainly of heavier exports; taking into account its gold exports, South Africa's favourable balance for 1956 was £102 million, as against £60 million in 1955. The figures for the remaining Commonwealth countries show a distinct setback. In India and Pakistan, much heavier imports were largely responsible for the adverse trend, but, in Ceylon, there was a marked decline in exports also. Exports from the Colonial territories showed a further substantial recovery, but, here too, unfavourable balance showed a heavy increase, owing to enlarged imports.

The analysis of the trade balance of these countries during the first six months of 1957 will show, in many cases, a noticeable change as compared with the corresponding period of 1956. A pronounced deterioration is evident for the U.K., Canada, Ceylon and Rhodesia, while New Zealand's surplus was appreciably less than the exceptionally high figure recorded a year earlier. Australia, on the other hand, earned a large surplus, as compared with the small deficit shown for January-June 1956, and there was an improvement in South Africa's balance of merchandise trade. The data indicate a very marked deterioration for both India and Pakistan.

The figures relating to the foreign trade of India as given in the memorandum reveal that the total value of exports during 1956-57 was higher at Rs. 597.3 crores, as against Rs. 590.9 crores in 1955-56. A steep rise in the volume of tea shipments brought much greater export returns, though the increase was largely offset by a decline elsewhere. For instance, receipts from exports of raw cotton, vegetable oils and oilseeds fell by over one-half to Rs. 16.3 crores. Lower figures were recorded for hides, skins and leather which together accounted for Rs. 27.2 crores during 1956-57, as against Rs. 29.6 crores in 1955-56. The value of spices exported fell from Rs. 10.7 crores in 1955-56 to Rs. 9.1 crores in 1956-57 and of raw cotton from Rs. 29.7 crores to Rs. 13.5 crores. Exports of cotton manufactures recovered from the previous years' decline; the total of these exports amounted to Rs. 67.9 crores, as against Rs. 63.5 crores. There was, however, a little change in the case of jute goods, the exports of which aggregated Rs. 119.2 crores, as against Rs. 118.3 crores. The brightest spot in India's export trade was provided by tea, the total earnings of which moved up from Rs. 109.1 crores in 1955-56 to Rs. 145.1 crores in 1956-57.

Out of the total exports of Rs. 597.3 crores from India during 1956-57, the Commonwealth countries accounted for as much as 30 per cent.; the actual value of exports was Rs. 301.7 crores, as against a slightly higher rate of Rs. 304.7 crores in 1955-56. Exports from India to sterling area countries remained steady at the previous year's level, that is, Rs. 306.2 crores. There was a slight increase in the receipts from exports to dollar area over the previous year, the total earnings being Rs. 113.4 crores in 1956-57, as compared with Rs. 108.2 crores in the previous year. A marked decline in exports to O.E.E.C. countries was noted in 1956-57, the actual figure being Rs. 55.0 crores, as against the record level of Rs. 64.3 crores in 1955-56.

Country-wise Analysis

The country-wise analysis of India's foreign trade will show that there was a notable recovery in exports to the U.K. in 1956-57, owing to substantially greater exports of tea. Shipments to the U.S., Canada and Egypt also increased. On the contrary, there was a decline in exports to the Netherlands, Italy, Belgium, Pakistan, Australia, Burma, Japan and Ceylon.

While the export earnings on the whole recorded a slight increase in 1956-57 over the previous year, there was a further substantial rise in expenditure on imports which aggregated Rs. 839.8 crores, as against Rs. 678.8 crores. The steep rise in payment for imports was accounted for chiefly by iron and steel, machinery, vehicles and non-ferrous metals. There were larger purchases from all the main sources of supply. The most marked increase was in imports from Continental Europe, particularly Western Germany. There was also a sharp advance in imports into India from the U.K., the U.S.A. and Japan. In contrast, imports from Pakistan suffered a distinct setback, as a result of heavy reduction in purchase of raw jute.

The total value of imports into India during 1956-57 was Rs. 839.8 crores, as against Rs. 678.8 crores in the previous year. Of these imports, Commonwealth countries accounted for Rs. 332.2 crores (Rs. 305.0 crores in 1955-56), representing nearly 40 per cent. of the total, the sterling area for Rs. 334.7 crores (Rs. 297.4 crores), the dollar area for Rs. 116.1 crores (Rs. 97.6 crores), and O.E.E.C. countries for Rs. 219.0 crores (Rs 149.2 crores).

FOREIGN TRADE OF INDIA IN FEBRUARY 1958

India had an adverse balance of trade to the extent of Rs. 24.74 crores during the month of January 1958, according to the provisional figures of foreign trade by all routes—sea, air and land—on private and Government accounts. Exports of merchandise (excluding transit trade of Pakistan and other overland foreign countries, namely, Nepal, Tibet, Sikkim and Bhutan) accounted for Rs. 41.40 crores, re-exports for Rs. 0.56 crore and imports for Rs. 66.56 crores. The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Exports (including re-exports) of currency notes amounted to Rs. 30 lakhs, and current coins (excluding gold coins) to Rs. 2 lakhs, while there was no export of gold. Imports of currency notes aggregated Rs. 2.21 crores and of gold Rs. 14 lakhs. There were no imports of current coins (excluding gold coins) during the month.

The Directorate-General of Supplies and Disposals, Ministry of Works, Housing and Supply, has brought out a booklet entitled *Directory of Government Purchases during the year* 1956-57. The booklet is intended to help industrialists in their plans to establish fresh sources of supply in the country and to expand further capacity of the existing industries. It provides information on the various types and volume of stores purchased by the Government. It also gives figures showing the value of stores procured from indigenous manufacturers and the extent to which they have to be imported.

SOME REFLECTIONS ON NAINI TAL LABOUR CONFERENCE

IMPACT OF HIGH TAXATION AND WAGES ON COTTON INDUSTRY

By A Special Correspondent

THE discussions at the recent labour conference at Naini Tal were most ineffective. It is indeed difficult to believe that they could be otherwise. The dice had been heavily loaded against the employers' representatives whose protests against extravagant proposals were of no avail. The conference was presented with a *fait accompli* and all it was required to do was to ratify the decisions taken earlier at the State Labour Ministers' conference. Political leaders, some of whom had no manner of connection with labour or trade unionism, dominated the proceedings, and the feeling was created that the main object of the conference was to conciliate them. Questions like closure of industrial units were brought on the agenda at a later stage, giving insufficient opportunities to the participants to make a careful study of the relevant documents and to come to considered conclusions on them.

The conference was being held at a crucial time. After making good progress during the first Five-year Plan period, the country's economy had begun to exhibit alarming symptoms of exhaustion. The basic objectives of the second Plan, namely, the attainment of a big increase in production, investment and employment, were in great peril. It was obvious that progress in nearly all the important sectors of the economy had been halted. More and more concerns were finding it difficult to remain in business, while others were seeking deliverance from financial embarrassments by drastically curtailing their activity. According to the Government's own account, 26 cotton mills had completely gone out of business, while 37 others had closed partially.

The conference could have made itself useful by offering helpful suggestions for overcoming the crisis. Far from making any such constructive contribution, it adopted a number of resolutions that can only be characterised as unrealistic and sterile. The cotton mill industry was used as a convenient target for attack and its present distractions were attributed to lack of prudent and efficient management. How such a sweeping indictment could be made against the country's oldest and biggest organised enterprise, passes one's comprehension.

Inquiries

If it is a fact that all or the majority of the mills that have gone out of production were stricken by the malady of "continuous neglect" and "inefficient management," one may well ask why no remedial action was taken by the Government in good time under the Industries (Development and Regulation) Act. Inquiries have been conducted from time to time into the working of many units under the provisions of this legislation, but little is known about the outcome of such investigations. Surely, the Government would not have spared the erring concerns if they had really deserved punishment.

The temptation to raise the slogan of "mismanagement" in order to misrepresent the private sector should be strongly deprecated. If the present economic *malaise* of the country is due entirely or even largely to this evil, the remedy is as simple as it is obvious. But it would be shortsighted to ignore the fact that the country's present difficulties are the result of inflation, food shortage, heavy taxation, the growing rigidity of cost structure and the decline in the purchasing power of the people.

To take the example of the cotton mill industry, cloth prices today are below the pre-December 1955 level and yet mills are burdened with heavy unsold stocks, thus compelling them to reduce their output and labour complement. They are forced to take these steps because consumer resistance even to the reduced prices remains stiff. Thanks to dearer food, the common man has perforce to divert the bulk of his earnings towards the purchase of this commodity by postponing the fulfilment of his other needs.

The producer, who has already scaled down the cloth prices, cannot go further without inviting serious financial difficulties. He is in fact confronted with the intractable problem of cost inflation against which no remedial measures are within his reach. Cotton and wages alone account for nearly 80 per cent. of the production costs. The present distress of the industry is largely due to the inability of many mill concerns to earn sufficient profits to ensure their viability. A number of them are forced to make distress sales in an attempt to reduce their unsold stocks. Even the best managed mill companies, the realisations of which in previous years were commensurate with their efficiency and prudence, have had to be content with negligible profits for last year, the outlook for the current year being even worse.

These are well-known facts and, surely, Mr. Nanda, who is also in charge of planning, cannot be unaware of them. The travails of the industry began in 1956 when the rates of the excise duty were revised upwards twice in order to secure for the Centre an astounding sum of nearly Rs. 45 crores by way of additional revenue over that of 1955-56.

The position of many other industries is no better. In recent years, the tax burdens have become so heavy that few industries can expect to flourish. In the two years 1956-57 and 1957-58, the Centre alone has levied additional taxes amounting to nearly Rs. 130 crores, despite its own admission about the "inadequacy of corporate savings for financing the programmes in the private sector." In its Memorandum entitled *Appraisal and Prospects of the Second Five-year Plan* published in May last, the Planning Commission admits that the scope for additional taxation at the Centre is very limited and adds that "the effort already undertaken has been large" and that "the current rates of direct as well as indirect taxation are high."

One wonders whether any consideration was given to these weighty observations by the Government and labour spokesmen at the Naini Tal conference. The finances of many industrial units in the country are in a parlous condition and even the smallest increase in the burden is likely to prove to be the proverbial last straw. In these circumstances, the suggestion for raising the employers' contribution to the workers' provident fund from 6¼ per cent. to 8⅓ per cent. is almost reckless, as also the proposal for increasing the rate of contribution in respect of the Employees' State Insurance Scheme from 1¼ per cent. to 4½ per cent.

Capacity of Industry

It is the desire of all fair-minded persons that labour should prosper, but further advances in its material well being cannot take place by ignoring the capacity of industry to pay and the claims of the other sections of the population to a higher standard of living. While it is evident from the foregoing discussion that few enterprises are in a position to accept more financial responsibilities, the proposed increase in the expenditure on social security measures for industrial labour will be prohibitively heavy.

This is best illustrated by the fact that the cotton mills of Bombay City alone will be called upon to add another sum of Rs. 1.77 crore per annum to their wage bill of Rs. 31½ crores, if the proposals relating to the provident fund and the Employees' State Insurance Scheme are implemented. The industry as a whole, will have to accept an increase of more than Rs. 5½ crores to its total labour cost of about Rs. 100 crores per annum. Can it do so in a period of cloth accumulations, mill closures and disappointing working results?

It cannot be legitimately urged that labour is in desperate need of relief. The industrial working class in India, numbering some three million out of a population of 390 million, is much better off than the vast majority of the people who are still ill-fed and insufficiently clothed. Besides earning good wages, the workers are the beneficiaries of comprehensive social welfare measures which constitute a substantial part of labour cost. The following break-up of the wage bill for the year 1957 in respect of Bombay City cotton mills deserves careful study:

	(Per worker per month) Rs.
Average basic wage	49.56
Dearness allowance	74.00
Total	123.56
Provident fund	7.72
Employees' State Insurance Scheme: employers' contribution at 1¼ per cent.	1.54
Holidays with pay and four festival holidays	7.52
Gratuity	3.14
Bonus	7.50
Total cost per worker per month	150.98
Non-wage element	27.42
Percentage* of non-wage element to total cost per month per worker	18.17

It is true that non-wage expenditures have become inevitable in order to finance an expanding system of social security, but in no country are "social charges" allowed to make deep inroads into the resources of their industries. Industrial labour in India has made appreciable gains since independence and nothing would be lost if it remained satisfied with its present position until the country and the other elements of the population became more prosperous. Even as it is, the Government's labour policy has become a deterrent to private investment.

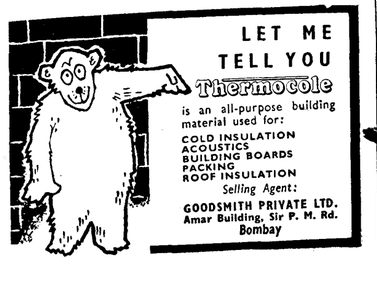
In this connection, the observations of the Committee on Finance for the Private Sector, better known as the Shroff Committee, which reported in April 1954 on the subject, are most appropriate. Says the Committee:

"A major factor impeding private investment today is the enormous change that has occurred in regard to conditions under which labour may be employed in factories and industries covered by the various legislative measures. Along with the increase in the general level of wages during the war and post-war years, a variety of additional obligations to compensate labour have been imposed by legislative measures adopted by the Central and State Governments and by the Tribunal Awards in recent years. Apart from the effect of these measures on the costs of labour to industry, they have greatly reduced the freedom of employers to adjust the labour complement or to enforce disciplinary measures or to rationalise in order to step up productivity."

Industrial labour undoubtedly constitutes an important element of the country's population, but it cannot in fairness claim preferential treatment. The present anomaly is largely the result of the existence of a multiplicity of trade unions in the country competing with one another for the favour of the working class by making absurdly extravagant claims on employers. Since the Naini Tal conference was dominated by rival trade union leaders, determined to outbid each other in securing concessions for labour, moderation and fair-play had little scope in its deliberations. Now that they have descended from the cool heights of the hill-station, they will perhaps realise that it is suicidal folly to impose new burdens on industries in the present circumstances. In any case, the Government should firmly reject all new demands on behalf of labour until the country as a whole makes good progress.

* If retrenchment and lay-off compensation, amounting to Rs. 5.75 per month per worker is taken into account, the percentage of the non-wage element will rise to 21.16.

Personal income in the United States rose during May at an estimated seasonally adjusted annual rate of $344,500 million. The annual rate figure is about $1,000 million higher than the annual rate figure based on April income. Wage and salary disbursements in May advanced by $750 million to an annual rate of $234,000 million. This was the first month-to-month rise in payrolls since August of last year. Most of the remainder of the increase in personal income from April to May occurred in Government transfer payments, which centred largely in old-age benefits. Personal income estimates include wages and salaries, the net income of proprietorships and partnerships (farm and non-farm) as well as dividend and interest, net rents received by landlords, and other types of individual income.



METTUR INDUSTRIES' PROFITS LOWER

DIVIDEND MAINTAINED—FINANCES SOUND

EVEN though power cuts in the Madras State had no adverse effect on the Mettur Industries Ltd. (Managing Agents: Messrs. W. A. Beardsell & Co. Private Ltd., Madras), its results for the year ended 31st March 1958 have suffered a setback. The Company's earnings and profit alike have experienced a further recession. This is not surprising because of the slump in the cotton textile trade and the rise in manufacturing expenses. It is common knowledge that earnings of almost every unit of the cotton mill industry have sustained a sharp fall and this Company has proved no exception. In addition, the Company's working was adversely affected by two illegal strikes which lasted for about seven days. While sale proceeds of the Company have slightly come down, expenses have gone up and the inevitable result is a decline in profit. Thus, the gross profit at Rs. 41.72 lakhs shows a drop of Rs. 5.12 lakhs from Rs. 46.84 lakhs for the previous year. This is the second year in succession the Company has sustained a fall in gross profit after touching Rs. 60.75 lakhs in 1955-56, the highest level to be witnessed since 1948-49.

Net Profit Down

The net profit has also come down from Rs. 17.52 lakhs for 1956-57 to Rs. 16.91 lakhs, a drop of about Rs. 61,000. The decline as compared with 1956-57 is doubtless small but it is more than 50 per cent. as compared with Rs. 31.68 lakhs for 1955-56. The decline in the net profit has led to a reduction in the provision for taxation from Rs. 23.50 lakhs to Rs. 19.40 lakhs. It is stated that this provision includes Rs. 1.10 lakhs relating to the previous year. After setting aside a sum of Rs. 5.09 lakhs for payment of bonus to staff, as against Rs. 5.94 lakhs in the previous year, the balance left over, including the small surplus from the previous year and the amount of Rs. 14,000 transferred from passage reserve, is Rs. 12.01 lakhs. This is just sufficient to pay a dividend of 20 per cent. free of income-tax. Accordingly, the Directors have declared a dividend of 20 per cent. for the year under review which is the same as in the previous year. This compares with 42½ per cent. for 1955-56, 35 per cent. for 1954-55 and 22½ per cent. (consisting of a dividend of 12½ per cent. and a bonus of 10 per cent.) for 1953-54. It may, however, be noted here that the Company declared a special dividend of 50 per cent. tax-free in March 1958 on the shares out of the accumulated profits. The special dividend was paid to shareholders as on 11th April 1958. No amount has been transferred to the reserves for the fourth year in succession.

Progress

The following comparative table gives an idea of the Company's progress during the past four years:

(In lakhs of rupees)

	For the year ended 31st March			
	1958	1957	1956	1955
Sale proceeds	1,51.21	1,51.27	1,56.19	1,53.99
Closing stock of process and finished goods	1.54	1.74	1.87	1.80
Cotton consumed	57.73	55.30	50.98	63.92
Other expenses	54.97	52.31	47.23	47.00
Gross profit	41.72	46.84	60.75	45.64
Managing Agents' commission..	3.50	3.91	5.42	4.22
Provision for—				
Depreciation	1.91	1.91	1.88	1.92
Taxation	19.40	23.50	21.77	13.50
Net profit	16.91	17.52	31.68	26.00
Transfer from passage reserve..	0.14	..	..	..
To reserves	..	..	..	..
„ bonus	5.09	5.94	7.15	4.07
„ dividend	12.00 (20%)	12.00 (20%)	25.50 (42½%)	21.00 (35%)
Carry forward	0.01	0.05	0.46	1.43

At Rs. 151.21 lakhs, the Company's sale proceeds of cloth, yarn and waste show a fractional fall. The report states that the Company's products continued to be popular and that the organisation for distribution maintained the usual efficiency. This is reflected in the closing stocks which are lower at Rs. 1.54 lakhs, as compared with Rs. 1.74 lakhs in the previous year. The cost of cotton consumed increased by Rs. 2.43 lakhs and so also administration and other expenses by Rs. 2.66 lakhs. The rise in the latter has occurred mainly under salaries, wages and bonus.

A sound financial position is disclosed by the Company's latest balance-sheet. Its paid-up capital is Rs. 60 lakhs, all in ordinary shares of Rs. 100 each. Of this capital, as much as Rs. 30 lakhs or 50 per cent. represent the amount capitalised out of reserves in February 1951. Even after this capitalisation, the reserves and surplus aggregate Rs. 69.01 lakhs. Of these, general reserve accounts for Rs. 38 lakhs, raw material fluctuation reserve for Rs. 10 lakhs, fixed assets replacement reserve for Rs. 11 lakhs and dividend equalisation reserve for Rs. 10 lakhs. The provision for taxation stands at Rs. 18.32 lakhs and the current liabilities amount to Rs. 26.14 lakhs. The gross block of Rs. 66.60 lakhs has been well written down to Rs. 19 lakhs, the difference, namely, Rs. 47.60 lakhs, being represented by the total depreciation provided up to the end of the year of review. The current assets amount to Rs. 154.47 lakhs and are equal to more than thrice the current liabilities and provision for taxation. Of the current assets, investments in Government securities stand at Rs. 28.11 lakhs, stores and spare parts at Rs. 18.12 lakhs, stock-in-trade at cost at Rs. 28.64 lakhs, debts, deposits and advances at Rs. 24.44 lakhs and cash balances at Rs. 54.65 lakhs.

The Rs. 100 fully paid-up shares are being currently quoted at Rs. 338 *cum-div.* On an *ex-div.* basis and on the basis of the dividend for the year under review, the shares provide a yield of 6.29 per cent. per annum, free of income-tax.

ASHOK LEYLAND

Uttar Pradesh Roadways, a transport concern that serves the most populous of the Indian States, has placed an order for 100 British-designed Indian-built buses with Ashok Leyland Ltd., of Madras. The order is for 90 Leyland Comet and 10 Leyland Tiger Cub single-deck buses. The 30-ft. long Tiger Cubs will be U.P.'s first underfloor-engined buses intended for inter-city operation on de-luxe coach services. The new buses will be fitted with synchromesh gearboxes and will be powered by Leyland 0.350 horizontal diesel engines. An unusual fitment on the 100 buses will be tachograph equipment instead of speedometers which will help prevent rash driving and economise fuel consumption.

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foreign exchange crisis had caught up with its expansion scheme for bicycle production and instead of recording an increase according to programme, the Company was lucky to maintain its 1956 level of production as, on more than one occasion, the factory had to be laid off due to break-down in supplies caused by the uncertain import licence position in the year. Keeping in view that such conditions might continue for some years to come, your Directors intend to take steps to rationalise the prices of the Company's products till such time as the foreign exchange position will allow it to expand its production to full capacity.

"The expansion sanctioned by the Government in February 1957 was put into effect by placing plant orders for delivery by the middle of 1958. The majority of this plant has now arrived. Although a special case has been put up to the Government for allowing the full capacity to be used, the outlook for the expansion has not so far been very bright.

"Labour relations continued to be generally satisfactory and negotiations were opened with the Employees' Union in connection with implementing the expansion."

The paid-up capital of the Company, as at 30th September 1957, stands raised from Rs. 85.02 lakhs to Rs. 100 lakhs, made up of Rs. 30 lakhs in 5 per cent. cumulative preference shares of Rs. 100 each and Rs. 70 lakhs in ordinary shares of Rs. 10 each. The reserves and surplus, aggregating only Rs. 18.33 lakhs, are no doubt small but it should not be forgotten that the Company is a young one, being no more than eight years in age. Secured loans amount to Rs. 93.70 lakhs and unsecured loans Rs. 6,205. Of the secured loans, as much as Rs. 46 lakhs represent the amount borrowed from the Industrial Finance Corporation of India by a charge on the Company's fixed assets. The other current liabilities aggregate Rs. 70.44 lakhs. The gross block of Rs. 167.22 lakhs, including additions during the year of Rs. 29.24 lakhs, has been written down to a book value of Rs. 132.75 lakhs. The current assets aggregate Rs. 149.77 lakhs.

During the year, an instalment of Rs. 10 lakhs out of a total of Rs. 15 lakhs additional loan sanctioned by the Industrial Finance Corporation was received. The Directors say that this loan, along with the additions to the capital, materially assisted implementation of manufacturing schemes for achieving self-sufficiency but that the benefits would not be visible till a later accounting period.

The Rs. 10 fully paid-up ordinary shares are being currently quoted at Rs. 14.27 *ex-div.*, at which rate the yield works out to 4.2 per cent. per annum.

SEN-RALEIGH FARES BETTER

EXPANSION SCHEME PROGRESSING

YET one more year of successful working is disclosed by the statement of accounts of the Sen-Raleigh Industries of India Ltd. (Chairman of the Board of Directors: Mr. Sudhir Kumar Sen, Calcutta) for the year ended 30th September 1957. In terms of value, the Company's sales during the year recorded a rise of 18 per cent. over the previous year. Its gross profit also shows some improvement, though not commensurate with the rise in sale proceeds, nor with the pace of progress in previous years. Thus, the gross profit at Rs. 23.17 lakhs shows an improvement of only Rs. 2.05 lakhs, or a little less than 10 per cent. In the previous year, the rise in profit was as large as Rs. 4.37 lakhs. The reason for this state of affairs, in the words of the Directors, is that the expansion in sales has resulted entirely from larger production of components and accessories which are sold at little or no margin and the additional production has only helped to offset the rising cost of raw materials.

The net profit, after raising the provision for depreciation from Rs. 6.76 lakhs to Rs. 7.26 lakhs and providing Rs. 63,444 for wealth tax, as against Rs. 45,000, also stands slightly higher at Rs. 15.28 lakhs, as against Rs. 13.91 lakhs in 1955-56. No provision has, however, been made for taxation as the profits of the Company are not yet taxable. The Directors have written off Rs. 1.90 lakhs, being the agency commission due from Raleigh Industries Ltd., Nottingham, for 1955-56, under an amendment to the agreement made in November 1948 between the Company and Raleigh Industries Ltd. Under the amendment, the Company would waive its right to the commission income from Raleigh Industries but in turn would be paying a fixed rate of royalty at a much lower figure than was paid previously. As effect has already been given to the revised rate in calculating royalties in the accounts for 1955-56, the adjustment in respect of commission is stated to have become necessary now. The auditors have, however, objected to this procedure on the ground that the relevant agreement between the Company and Raleigh Industries Ltd. have not yet been ratified by the members of the Company. In view of this adjustment, the amount transferred to reserves is lower at Rs. 7.85 lakhs, as compared with Rs. 9.10 lakhs in the previous year. The distribution to ordinary shareholders has been maintained at 6 per cent. for the third year in succession. The Company, it may be noted, paid the maiden dividend only two years ago. The dividend for the year under review is, however, on a higher ordinary capital of Rs. 70 lakhs.

The following comparative table, giving the salient features of the Company's results for the past four years, will give an idea of its progress:

(In lakhs of rupees)

	For the year ended 30th September			
	1957	1956	1955	1954
Sale proceeds	1,96.58	1,65.77	1,13.60	N.A.
Closing stocks	30.12	23.62	17.45	N.A.
Other income	0.74	2.43	2.01	1.96
Raw materials consumed ..	1,19.49	1,02.73	81.03	N.A.
Other expenses	41.16	50.52	28.90	7.59
Gross profit	23.17	21.12	16.75	8.55
Depreciation	7.26	6.76	5.88	3.76
Provision for taxation ..	0.63*	0.45*	..	..
Net profit	15.28	13.91	11.07	4.82
Income-tax refundable for 1952-53 to 1954-55 ..	0.37	..	..	..
Preliminary expenses written off	..	..	..	0.25
To reserves	7.85	9.10	0.50	..
Agency commission due from Raleigh Industries Ltd. for 1955-56 adjusted ..	1.90	..	..	..
To dividends—				
5 per cent. preference ..	1.46	1.27	1.15	1.84†
Ordinary	4.06 (6%)‡	3.45 (6%)	8.18 (6%)	..
Carry forward	0.66	0.29	0.21	—6.04

*Provision for wealth tax.
† For the year ended 30th September 1953 and 1954.
‡On a higher capital of Rs. 70 lakhs.

The Company's sale proceeds for the year show an imprvement of Rs. 30.81 lakhs to stand at Rs. 1.97 crore. As stated earlier, this is only due to larger production of components and accessories. The cost of raw materials consumed has increased by Rs. 16.76 lakhs and other expenses by Rs. 10.64 lakhs. Of the other expenses, salaries, wages and bonus alone have risen from Rs. 20.55 lakhs to Rs. 24.88 lakhs.

Referring to the Company's operations during the year under review, and its programme for expansion, the Directors observe:

"It is necessary for the Company to increase its bicycle production but the first effects of the

(Continued in previous column)

DUNLOP RUBBER CO., LTD.

MARKED IMPROVEMENT IN RESULTS

THE Fifty-ninth Annual General Meeting of Dunlop Rubber Company, Ltd., was held on 16th June in London.

Mr. G. E. Beharrell, Chairman, in the course of his speech, said:

"It is very gratifying to your Board, and I am sure it must be to all shareholders, that the Group results show such a marked improvement after the unfortunately low figures for 1956. The recovery, you will remember, commenced in the second half of 1956 and continued throughout the year under review, with the results for the second six months of 1957 showing a very satisfactory increase over each of the two previous half-years. Our Group trading balance for the year 1957, at £19.86 million, was the highest we have yet recorded.

"Generally speaking, the improvement during the year was due to two factors. In the first place, we have been much less affected by inventory adjustments, which in 1956 had a very serious effect on the Group, particularly as far as the United Kingdom trading results were concerned. It is true that there have again been movements in the price of natural rubber over the year, but these have been much less violent than in most recent years. In addition, the effect of these movements has been cushioned to a greater extent by our increasing use of synthetic rubber at a stable price.

"The other factor which has improved our position in 1957 has been the remarkable recovery in the British motor industry from the recession of the winter of 1956-57. During 1957 the industry produced 1.15 million vehicles, compared with 1 million in 1956 and 1¼ million in the record year of 1955. Largely due to a substantial increase in shipments of cars to the United States, exports of cars in 1957 were the highest ever achieved while exports of all types of vehicles and components reached a record value of £447 million, £50 million more than in 1956.

Expansion of Turnover

"Our turnover for the year increased by 3 per cent. in value and by approximately 4 per cent. in volume; so that, taking the Group business as a whole, selling price levels were slightly lower than in 1956. Nevertheless, we improved our margin of profit to turnover before tax from 3.6 per cent. to 5.4 per cent. and in the second six months of the year the percentage was 5.8. Satisfactory though these increases are, your Board does not consider the margin of profit to be other than modest, particularly having regard to the fact that such a very large proportion of the profit is subsequently absorbed by taxation. In the year 1957 the total provision for tax represented no less than 60 per cent. of the total profit, compared with 56 per cent. in 1956. Certain countries have increased their taxation rates during the year and these, with the excessive burden of profits tax here at home, are largely responsible for this increase.

Exports

"The Dunlop Group, of course, is particularly concerned with overseas business and even though our United Kingdom trading position has improved substantially during 1957 the greater part of the Group turnover and profit continued to be derived from exports from the United Kingdom and from our activities in overseas markets. If we add to this our indirect exports of tyres on vehicles exported, the total overseas contribution is 70 per cent. of our total turnover, namely, about £161 million. We consider this to be no small achievement because competitive conditions in most overseas markets are becoming increasingly severe, and there has also been some slowing down in the growth of world trade, particularly towards the end of 1957. Industrial activity began to slacken in the countries of Western Europe, and this pattern is even more noticeable in North America. Import restrictions and decreased purchasing have also been evident in the countries producing primarily raw materials and thus trading conditions with them are likely to become increasingly difficult.

"I am sure you would wish me to include in this review of our affairs a message of congratulation and thanks to all Dunlop employees in all the countries in which we operate for their part in the greatly improved results for the year. My colleagues on the Board and I greatly value the opportunity which you thus afford to us of expressing directly to all employees the appreciation of the shareholders. I will, accordingly, send to them all on your behalf a message of warm appreciation and thanks for their continued efforts towards the successful conduct of the Company's affairs.

"The Directors were unanimous in recommending a dividend rate on the ordinary stock of 14 per cent. for the year. This was the rate paid for the three years up to and including 1955; and the Board is particularly glad that after restoring this dividend it has been possible to increase the Group reserves during the year by £3 million."

The report and accounts were adopted.

Points From The Chair

Tea in Ceylon

"It is necessary to make serious comment on what is happening in Ceylon. The whole Island is in a far from satisfactory state, which today shows no signs of clearing up. There are constant strikes which have seriously affected the harbour, but now include much of the port of Colombo from which the whole of our produce has to be despatched, and on which Ceylon's produce must depend. Tea sales have been cancelled for the last three weeks and it is rumoured that serious unrest is reaching the upcountry districts of the Island. There would seem to be a complete absence of vigorous Government action to bring an immediate end to further disorders. Serious harm has already been done by statements in the House of Representatives stating that the British-owned estates should be taken over at a negligible cost, and though this has been denied by the Prime Minister, much harm has already been done in creating uncertainty."

G. H. MASEFIELD,
Ceylon Tea Plantations Co., Ltd., London.

Demand for Yarn

"Although at no time throughout the year were we obliged to carry stocks greater than one month's production, the demand for yarn declined as stocks of handloom cloth accumulated. Added to this was the tendency of composite units to go coarser which has led to gross overproduction in particular items such as coarse *dhotis* and *saris* and it is our understanding that these items account for much of the accumulated stocks lying with mills. This position can be easily traced to the higher rates of excise duty and sales tax levied on finer cloths and the rebate in excise duty offered at the close of 1956 for increased yardage production. For a mill such as ours whose production is almost entirely confined to coarse counts of yarn it is perhaps not difficult to gauge the effect of this go-coarser movement among the composite mills on the demand for our products from the handloom industry. Faced with large accumulations of coarse mill-made cloth the handloom industry had no option but to curtail its production in similar varieties of handloom cloth. Furthermore, the tendency to go coarse led to a greater demand for suitable short-staple cottons which kept the cotton market firm and as yarn prices declined, a stage was reached in the latter half of the year when the sale of yarn of our range of counts was no longer economic."

W. E. NORTHEY,
Cambodia Mills Ltd.

Tax Burden on Cotton Cloth

"When the consumer's capacity to buy is restricted by the inflated price of cloth, due to the large and inequitable burden of excise duties, he either stays away from the market or reduces his purchases to the barest minimum. The result is that cloth does not move. Mills, to avoid mounting unsold stocks, are then compelled to bear a portion, in many cases a substantial portion, of the excise duties by reducing the overall sales price, thus adding to the unremunerative working. This is exactly what has happened in 1957. Excise duties still continue to be disproportionately heavy on coarse and medium cloths in relation to their price levels. As your mills are engaged to the extent of 75 per cent. on the production of coarse and medium varieties, we had to bear the brunt of this uneconomic pricing. In the Central Budget presented in February 1958, the Prime Minister made marginal concessions of excise duty which, of course, have failed to cheer the market. We expected a substantial reduction, but this was not granted. I appeal to Government to revise their notions of the capacity of Indian consumers and the mill industry to bear the heavy burden of excise duties and effect an immediate reduction in the case of medium and finer varieties to at least the pre-September 1956 level which will act as a welcome tonic to revitalise the industry."

N. H. TATA,
Svadeshi Mills Co., Ltd.

COMPANY MEETINGS AND DIVIDENDS

REWA COALFIELDS LTD. Annual General Meeting, Calcutta, 1st July 1958. Dividend: Re. 1.00 per share. Transfer books remain closed from 23rd June to 1st July 1958, both days inclusive.

EQUITABLE COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books remain closed from 20th June to 3rd July 1958, both days inclusive.

DHEMO MAIN COLLIERIES LTD. Annual General Meeting, Calcutta, 3rd July 1958.

HURRILADIH COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958.

WEST JAMURIA COAL CO., LTD. Annual General Meeting, Calcutta, 3rd July 1958.

AJIT MILLS LTD. Annual General Meeting, Ahmedabad, 7th July 1958. Dividend: Rs. 28.00 per share, payable from 24th to 26th July 1958. Transfer books remain closed from 17th June to 7th July 1958, both days inclusive.

BHARTIA ELECTRIC STEEL CO., LTD. Annual General Meeting, Calcutta, 8th July 1958. Transfer books remain closed from 25th June to 8th July 1958, both days inclusive.

NEW SAMANBAGH TEA CO., LTD. Annual General Meeting, Calcutta, 9th July 1958. Transfer books will remain closed from 3rd to 9th July 1958, both days inclusive.

SHAW WALLACE AND CO., LTD. Annual General Meeting, Calcutta, 10th July 1958. Dividend: Re. 1.00 per share or 10 per cent. Transfer books will remain closed from 1st to 10th July 1958, both days inclusive.

METTUR INDUSTRIES LTD. Annual General Meeting, Madras, 11th July 1958. Dividend: Rs. 20.00 per share. Transfer books remain closed from 25th June to 11th July 1958, both days inclusive.

INDORE MALWA UNITED MILLS LTD. Annual General Meeting, Bombay, 14th July 1958. Dividend: Rs. 6.00 per share, payable on and after 21st July 1958. Transfer books remain closed from 9th June to 5th July 1958, both days inclusive.

METAL BOX CO. OF INDIA LTD. Annual General Meeting, Calcutta, 17th July 1958. Dividend: Re. 1.12 per share (final). Transfer books will remain closed from 1st to 17th July 1958, both days inclusive.

BHARAT LINE LTD. Annual General Meeting, Bhavnagar, 26th July 1958. Dividend: Rs. 12.00 per share (includes bonus of Rs. 6.00 per share), payable on and after 2nd August 1958. Transfer books remain closed from 1st to 30th June 1958, both days inclusive.

ORISSA CEMENT LTD. Annual General Meeting, Rajgangpur, Orissa, 16th August 1958. Dividend: Re. 1.50 per share or 15 per cent. Transfer books will remain closed from 21st July to 15th August 1958, both days inclusive.

CANNANORE SPINNING AND WEAVING MILLS LTD. Dividend: 12½ per cent. or Rs. 12.50 per share for the year ended 31st March 1958. Transfer books will remain closed from 18th to 30th July 1958, both days inclusive.

LAKSHMI MILLS CO., LTD. Tax-free dividend of 12 per cent. or Rs. 6.00 per ordinary share and Rs. 3.00 per "A" ordinary share, for the year ended 31st March 1958. Transfer books will remain closed from 19th July to 1st August 1958, both days inclusive.

RAMAKRISHNA MILLS (COIMBATORE) LTD. Dividend of 10 per cent. or Rs. 10.00 per share, for the year ended 31st March 1958. Transfer books will remain closed from 8th to 21st July 1958, both days inclusive.

MYSORE ELECTRICAL INDUSTRIES LTD. Tax-free dividend of 11 per cent. or Rs. 11.00 per share, for the year ended 31st March 1958.

TRAVANCORE CHEMICAL AND MANUFACTURING CO., LTD. Dividend of 7 per cent. or Re. 0.70 per share, for the year ended 31st March 1958. Transfer books will remain closed from 7th to 14th July 1958, both days inclusive.

KELVIN JUTE CO., LTD. Interim dividend of Rs. 5.00 per ordinary share, for the year ended 31st May 1958, payable on or after 31st July 1958 Transfer books will remain closed from 1st to 15th July 1958, both days inclusive.

COMPANY REGISTRATIONS

HIND RECTIFIERS PRIVATE LTD. (First Director: Mr. Rameshwarprasad Nevatia.) Business: Assembling and manufacture of rectifier apparatus etc. Authorised capital: Rs. 30,00,000. Private company. Address: 1st Floor, Kamani Chambers Nicol Road, Ballard Estate, Bombay.

RAITAN PRIVATE LTD. (First Director: Mr Chimanlal Ujamshi Shah.) Business: Manufacturing and marketing of all tanning materials Authorised capital: Rs. 20,00,000. Private company. Address: Hague Building, Sprott Road Ballard Estate, Bombay.

SHREE KRISHNA WOOLLEN MILLS PRIVATE LTD (First Director: Mr. R. Khanna.) Business: Manufacturers of all kinds of woollen, cotton and other textiles. Authorised capital: Rs. 10,00,000 Private company. Address: 166, Hornby Road, 3rd Floor, Fort, Bombay.

SAMA AND SONS PRIVATE LTD. (Managing Director: Mrs. Ahalya Bai Sama.) Business: Merchants, exporters and importers. Authorised capital: Rs. 5,00,000. Private company. Address: Mohan Nagar, Nagpur 1.

EASTERN ELECTRIC AND ENGINEERING CO., LTD (First Director: Mr. V. G. Motwane.) Business: Manufacturers and dealers in radios of all kinds. Authorised capital: Rs. 5,00,000. Private company. Address: 127, Mahatma Gandhi Road, Fort, Bombay.

SHREE GOPAL PAPER EARNS MORE

RESULTS OF MACNEILL AND BARRY GROUP COAL COMPANIES

Shree Gopal Paper Mills Ltd.

THE directors of the above Company (Managing Agents: Messrs. Karamchand Thapar & Bros. Private Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The production during the year was 14,342,211 tons, as compared to 13,420,909 tons during the previous year. The mills maintained their high level of working efficiency and continued to turn out paper of high standard.

The demand for paper during the period remained brisk. On account of increase in the cost of production, the prices of paper were put up in April 1958.

Prices of wood pulp and imported machine furnishings remained steady. There was, however, an increase in the customs duty on machine furnishings from 5½ per cent. to 10 per cent.

Work on all items connected with the first phase of the mills expansion scheme was completed during the year and the directors are glad to say that the effective productive capacity of the three machines has now been raised to 55 tons per day. The mills have made successful attempts in producing superior quality paper matching imported varieties and some of these have been very well received by the market.

Import licence for the equipment needed to expand the power house and the steam generating unit, to which a reference was made in the last report, was received only in February this year. This delay in the grant of the import licence has resulted in the second phase of the expansion programme getting delayed by about 12 months. The delivery of the power house and the steam generating equipments will commence in September next year and the erection would be completed by February 1960. Consequently, additional power and steam needed for running the new mill would not be available before March 1960. The possibilities of running the new pulp and paper mill and the soda recovery house earlier, which are expected to be completed by August 1959, are being examined, and the directors hope that it should be possible to bring this equipment into production at least in a limited manner within a month or two thereafter.

Vanaspati.—The factory having resumed production on 24th December 1956, continued to work intermittently till 17th September 1957, when it had to be stopped for about 2½ months, i.e., upto 1st December 1957, because the oil rates were not within vanaspati price parity. The factory worked for 206 days and produced 1,950 tons of vanaspati. The sales of vanaspati during the period were 1,781 tons.

During the year under review, the Company made a gross profit of Rs. 63,05,628 (Rs. 57,70,848). After providing for interest on debentures and other interest, directors' remuneration, managing agents' remuneration, depreciation (provision for the year being Rs. 10,78,208 against Rs. 9,62,159 in the previous year), contribution to staff welfare fund, etc., the accounts show a net profit of Rs. 44,15,653 (Rs. 39,70,660). A sum of Rs. 22,75,000 (Rs. 19,65,000) has been set aside for taxation (income-tax, super-tax and wealth tax, etc.) and Rs. 6,26,523 provided by way of development rebate (Rs. 70,192) leaving a balance of Rs. 18,38,442 (Rs. 19,46,672) including the balance brought forward in the profit and loss account from the last year. An interim dividend for the year under review was declared by the directors in December 1957 at 62 nP (As. 10) per ordinary share (free of income-tax) and Rs. 4.00 (Rs. 4.00) per first preference share (free of income-tax). This has absorbed Rs. 8,08,073 (Rs. 8,14,317) leaving a balance of Rs. 10,30,369 which the directors propose to dispose of as follows:—

To final dividend for the year 1957 on ordinary shares at 62 nP (As. 10) per share (free of income-tax) Rs. 7,78,073 (Rs. 7,84,317), to final dividend for the year 1957 on first preference shares at Rs. 4.00 (Rs. 4.00) per share (free of income-tax) Rs. 30,000 (Rs. 30,000), and to dividend on second preference shares for the year 1957 at the rate of 7 (*nil*) per cent. per annum (free of income-tax) Rs. 2,01,818 (*nil*) leaving a balance to be carried forward of Rs. 20,477 (Rs. 3,18,038).

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	1,85,14,175	Block ...	73,68,594
Debentures	40,00,000	Capital job in progress	1,04,94,950
Reserves ...	74,23,277	Other assets	23,031
Provision for taxation ...	18,47,553	Stock-in-trade	13,63,110
Share suspense account ...	68,188	Stores and spare parts	89,49,290
Liabilities ...	1,06,55,453	Stock-in-process ...	46,552
Profit and loss account ...	20,477	Debts, deposits and advances ...	70,43,572
		Investments	50,31,996
		Cash ...	21,08,965
		Miscellaneous expenditure	99,063
	Rs. 4,25,29,123		Rs. 4,25,29,123

Equitable Coal Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Macneill and Barry Ltd., Calcutta) submit the audited accounts of the Company) for the year ended 31st December 1957.

The year's working resulted in a profit, before charging depreciation of Rs. 23,25,880 (Rs. 23,20,286). After charging depreciation at normal income-tax rates, amounting to Rs. 11,33,843 (Rs. 11,50,192) there was a balance of Rs. 11,92,037 (Rs. 11,70,094). Adding thereto the amount brought forward from previous year of Rs. 41,728 (Rs. 82,379), sundry adjustments (net) on account of previous years Rs. 1,16,810 (Rs. 71,464), unclaimed liabilities written back Rs. 1,28,489 (Rs. 2,121) and unclaimed dividends forfeited Rs. 4,425 (Rs. 3,044), there is a total amount of Rs. 14,83,489 (Rs. 13,32,817 including Rs. 3,715 transferred from reserve for reduction in valuation of stores). And deducting therefrom provision for cesses (net) Rs. 32,000 (Rs. 694 being forfeited dividends), provision for wealth tax Rs. 1,13,349 (*nil*) and irrecoverable debts written off Rs. 2,09,844 (Rs. 3,715 obsolete stores), there is available for disposal a sum of Rs. 11,28,296 (Rs. 13,28,408). The directors propose that this amount be dealt with as follows:—

By transfer to investment depreciation reserve Rs. 1,00,000 (*nil*), to development reserve Rs. 4,00,000 (Rs. 5,00,000), to debenture redemption sinking fund Rs. 1,00,000 (Rs. 2,00,000) by payment of dividend on preference shares at the rate of 6 per cent. per annum Rs. 24,000 (Rs. 24,000) and by payment of dividend on ordinary shares at the rate of 15 (15) per cent. per annum Rs. 4,44,564 (Rs. 4,44,564) leaving to be carried forward Rs. 59,732 (Rs. 41,728 after transferring Rs. 90,000 to reserve for doubtful debts).

Net raisings during the year were 18,00,651 tons compared with 16,84,813 tons and 16,48,049 tons during 1956 and 1955 respectively. Despatches amounted to 18,10,936 tons against 16,84,549 tons and 17,08,125 tons during the preceding two years. Stocks totalled 56,106 tons. The collieries have been maintained in good condition.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	33,63,760	Block ...	1,22,44,887
Debentures	48,35,000	Stock of coal	11,38,830
Reserves ...	93,25,027	Stores and spare parts	64,22,809
Provision for income-tax	13,64,475	Debts, deposits and advances ...	1,55,24,790
Provision for wealth tax	1,13,349	Investments	15,76,612
Liabilities ...	1,86,72,881	Cash ...	8,26,296
Profit and loss account ...	59,732		
	Rs. 3,77,34,224		Rs. 3,77.34,224

Dhemo Main Collieries Ltd.

The directors of the above Company (Managing Agents: Messrs. Macneill and Barry Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The year's working resulted in a profit, before charging depreciation of Rs. 3,77,699 (loss of Rs. 1,02,206). After charging depreciation at normal income-tax rates, amounting to Rs. 90,238 (Rs. 1,13,884), there was a credit balance of Rs. 2,87,461 (debit of Rs. 2,16,090). Adding thereto hospital grant and other receipts in respect of previous year Rs. 9,262 (debit balance brought forward of Rs. 1,83,318) and unclaimed liabilities written back Rs. 200 (*nil*), there remains an available balance of Rs. 2,96,923 (debit of Rs. 3,99,408). And deducting therefrom the debit balance on profit and loss account brought forward from last year of Rs. 3,36,908, provision for wealth tax Rs. 5,500, provision for cesses Rs. 8,000, forfeited dividends paid Rs. 50 and adjustments in respect of previous year on account of implementation of Tribunal Award Rs. 14,000, there remains a balance at debit on the profit and loss account amounting to Rs. 67,535 (Rs. 3,36,908 after taking into account Rs. 34,519 being sand-stowing rebates relating to previous year; sundry receipts of Rs. 13,569 and Rs. 14,412 being income-tax refund).

Net raisings during the year were 2,74,146 tons compared with 2,12,536 tons and 2,37,928 tons during 1956 and 1955 respectively. Despatches amounted to 2,70,676 tons against 2,10,779 and 2,47,497 tons during the preceding two years. Stocks totalled 8,599 tons. The colliery has been maintained in good condition.

Underground conditions at the colliery were more stable during 1957 than in recent years and the output attained was the highest since the Company was formed. The profit on the year's working was a satisfactory one and the debit balance on the profit and loss account has been considerably reduced as compared with last year.

While the Company's results have been adversely affected by restrictions, imposed by the Mines Inspectorate during the early months of this year, the position is expected to improve.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	16,00,000	Block ...	22,62,214
Provision for wealth tax	5,500	Stock of coal	1,57,137
Provision for cesses ...	8,000	Stores and spare parts	3,64,461
Liabilities ...	29,99,522	Debts, deposits and advances ...	16,95,945
		Cash ...	65,730
		Profit and loss account ...	67,535
	Rs. 46,13,022		Rs. 46,13,022

Hurriladih Coal Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Macneill and Barry Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The year's working resulted in a loss, before depreciation, of Rs. 1,64,822 (profit of Rs. 2,22,743). After charging depreciation at normal income-tax rates, amounting to Rs. 44,879 (Rs. 32,554) the loss for the year was Rs. 2,09,701 (profit of Rs. 1,90,189). Adding thereto provision for wealth tax Rs. 5,320 (*nil*), retrenchment compensation Rs. 3,12,096 (*nil*), adjustments in respect of previous year Rs. 1,947 (*nil*), provision for bad and doubtful debts Rs. 3,500 (*nil*) and provision for taxation in respect of previous year Rs. 36,000 (*nil*), there is a total debt balance of Rs. 5,68,564 (credit of Rs. 2,48,060 including Rs. 45,985 brought forward and Rs. 11,886 being liabilities for brokerage written back). And deducting therefrom the balance brought in from previous year Rs. 45,210, liabilities in respect of previous years written back Rs. 5,091, adjustments in respect of previous year on account of implementation of Tribunal Award Rs. 20,000 (*nil*), unclaimed dividends forfeited Rs. 150 and countervailing grant in respect of Bihar Sales Tax for the year 1947-48 Rs. 23,276 (*nil*), there remains a debit balance of Rs. 4,74,837 (credit of Rs. 1,71,210 after providing for taxation, doubtful debts, etc.) which when set off against stores, not now required Rs. 75,000 (*nil*) and transfer from reserve for reduction in valuation of stores, from general reserve Rs. 4,00,000 (*nil*) leaves a balance at credit of profit and loss account, to be carried forward of Rs. 163 (Rs. 45,210 after paying a dividend at 15 per cent. absorbing Rs. 1,20,000 and Rs. 6,000 being payment of directors' commission on the above dividend).

Net raisings during the year were 1,12,233 tons compared with 1,89,698 tons and 2,35,138 tons during 1956 and 1955 respectively. Despatches amounted to 99,733 tons against 1,89,758 tons and 2,43,428 tons during the preceding two years. Stocks totalled 16,080 tons on 31st December, 1957. The Colliery has been maintained in good condition.

The Company's results for the year were unprofitable because of the increased raising costs during development. In addition there were no raisings for a period of 2½ months and heavy expenditure was incurred on the consequential retrenchment and lay-off compensation to labour.

While satisfactory raisings have been achieved in a remarkably short time the poor availability of wagons for coal movement, particularly for Grade I coal, over the South Eastern Railway which serves the Colliery, has resulted in stocks accumulating rapidly which, in turn, has had an adverse effect on working costs.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	8,00,000	Block ...	4,91,094
Reserves ...	2,50,000	Stock of coal	2,98,856
Provision for taxation ...	60,001	Stores and spare parts	95,178
Provision for wealth tax	5,320	Debts, deposits and advances ...	3,87,943
Liabilities ...	5,78,813	Investments	49,103
Profit and loss account ...	163	Cash ...	3,72,123
	Rs. 16,94,297		Rs. 16,94,297

West Jamuria Coal Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Macneill & Barry Ltd., Calcutta) submit the audited accounts of the Company for the year ended 31st December 1957.

The year's working resulted in a profit, before providing for depreciation of Rs. 1,77,077 (Rs. 50,585). After charging depreciation at normal income-tax rates, amounting to Rs. 1,78,661 (Rs. 1,97,310) there was a debit balance of Rs. 1,584 (Rs. 1,46,725). Adding thereto the debit balance on profit and loss account brought forward from last year of Rs. 3,20,058 (Rs. 1,46,650), adjustments in respect of previous year on account of implementation of Tribunal Award Rs. 87,000 (*nil*) and income-tax in respect of 1952-53 Rs. 290 (*nil*) there remains a total debit balance of Rs. 4,08,932 (debit Rs. 3,20,058 including adjustments) and deducting therefrom unclaimed liabilities written back Rs. 57,120 (*nil*) and provision for doubtful debts no longer required Rs. 2,709 (*nil*) there is a balance at debit on the profit and loss account amounting to Rs. 3,49,103 (Rs. 3,20,058).

Net raisings during the year were 2,54,471 tons compared with 1,67,373 and 2,28,947 tons during 1956 and 1955 respectively. Despatches amounted to 2,48,214 tons against 1,80,640 and 2,34,753 tons during the preceding two years. Stocks totalled 9,330 tons.

The Amalgamated Mining Company relinquished their appointment as managing contractor to West Jamuria Colliery with effect from 28th February, 1957 and the Company took over the working of the colliery. The raisings obtained from this Colliery during January and February are not included in the Company's raisings shown above but the raisings attained during 1957 are the highest since 1940. The working results show an improvement over those of the previous year.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	7,00,000	Block ...	31,03,736
Liabilities ...	44,68,377	Stock of coal	1,60,075
		Stores and spare parts	1,28,785
		Debts, deposits and advances ...	14,12,601
		Cash ...	14,077
		Profit and loss account ...	3,49,103
	Rs. 51,68,377		Rs. 51,68,377

Travancore Ogale Glass Manufacturing Co., Ltd.

The directors of the above Company (Managing Agents: Messrs. Ogale Bros. (Private) Ltd., Manjummel, Alwaye, Kerala State) submit the audited accounts of the Company for the year ended 31st December 1957.

The sales for the year exceeded Rs. 10,00,000 for the first time. The Company is now producing larger number of industrial glass products and it is proposed to develop this line of production. Special efforts are being made to increase exports of the Company's products to foreign countries. A net profit of Rs. 40,000 has been earned after providing for all expenses including depreciation, wealth tax, etc.

The Industrial Tribunal passed awards in respect of the disputes of the workers and staff in November 1957 granting fixed grades and scales to them. This would cast a heavy burden on the industry in future. Writ Petitions are therefore filed by the Company and also by the Workers and the Staff and the High Court was pleased to issue interim stay orders.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	9,98,380	Block	9,65,402
Provision for taxation ...	2,500	Fuel, refractories, stores and spares	1,48,424
Provision for furnace repairs ...	19,925	Stock-in-trade	28,300
Liabilities ...	4,39,050	Raw materials	42,696
		Tools, implements, etc.	1,305
		Goods-in-transit	3,138
		Debts, deposits and advances ...	89,449
		Cash	1,73,709
		Profit and loss account ...	7,432
Rs.	14,59,855	Rs.	14,59,855

Star Paper Mills Ltd.

The directors of the above Company (Managing Agents: Messrs. Bajoria & Co., Calcutta) submit the audited accounts of the Company for the year ended 30th September 1957.

The profit and loss account for this period after allowing managing agents' commission and other charges, shows a credit balance of Rs. 9,23,477. After writing off the sum of Rs. 2,95,735 on account of depreciation, providing a sum of Rs. 2,00,000 for taxation and bringing forward the sum of Rs. 4,234 being the credit balance of the previous half-year, the sum of Rs. 4,31,976 stands at the credit of profit and loss account which, the directors recommend, be disposed of as follows:—

In paying a dividend on preference shares of the Company at 5 per cent. per annum free of income-tax absorbing Rs. 50,000, in paying a dividend on 2nd preference shares of the Company at 6½ per cent. free of income-tax absorbing Rs. 17,148, in paying a dividend on the ordinary shares of the Company at 60 nP per share free of income-tax absorbing Rs. 3,00,000, in paying a dividend on the "A" ordinary shares of the Company at 60 nP per share free of income-tax absorbing Rs. 60,000 and in carrying forward Rs. 4,828.

During the period under review the production at the Mills had been lower than the previous year's figure due to heavy percentage of broke in paper during the early part of the year and due to labour strike in the month of June 1957. Production during the latter part of the year had been satisfactory. Working results for the current year are expected to be better.

Due to further rise in production costs, selling prices of paper have been increased by 3½ nP per lb. with effect from 1st April 1958. The Government however, agreed to give an increase of only 2 nP per lb. for supplies of paper to be made to them during the year 1958-59.

Orders have been placed for almost all the major items of machinery required for the expansion scheme. Orders for the remaining items of motors, pipes, etc., will be placed very shortly. The paper machine will start coming by the end of the current year and it is expected to start the first machine sometime next year. Due to enforcement of deferred payment terms for the issue of import licence, the cost of plant and machinery increased considerably.

Accounts in brief are as under:—

Liabilities	Rs.	Assets	Rs.
Capital ...	87,85,200	Block ...	35,12,036
Reserves ...	7,29,123	Stock-in-trade	1,04,861
Provision ...	12,38,421	Stores, raw materials, etc. ...	31,76,116
Liabilities ...	10,69,988	Stores-in-transit ...	80,408
Profit and loss account ...	4,828	Live stock and canteen outfit	3,937
		Other assets	2,352
		Debts, deposits and advances ...	35,09,294
		Investments	7,742
		Cash ...	12,64,564
		Miscellaneous expenditure and losses	1,66,250
Rs.	1,18,27,560	Rs.	1,18,27,560

N.B.—Figures within brackets relate to the corresponding period of the previous year.

Notices

ORISSA CEMENT LIMITED, RAJGANGPUR

NOTICE

NOTICE IS HEREBY GIVEN THAT THE EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT RAJGANJPUR on Saturday, the 16th August 1958, at 11-30 A.M., to transact the following business:—

1. To receive and adopt the Audited Balance Sheet, Profit and Loss Account and Appropriation Account for the year 1957, the report of the Directors and the Auditors thereon.
2. To declare a Dividend. (The Directors have recommended a dividend of 4½ per cent. on Preference Shares and 15 per cent. on Ordinary Shares free of income-tax to the extent of the tax payable by the Company on its profits.)
3. To elect a Director in place of retiring Director Shri Jaidayal Dalmia.
4. To elect a Director in place of retiring Director Shri Nihar Chandra Roy.
5. To appoint Auditors for the current year and to fix their remuneration. Messrs. V. Sankar Aiyar & Co., the retiring Auditors, are eligible for re-appointment.
6. Any other business that may ordinarily be transacted at an Annual General Meeting.

THE SHARE TRANSFER BOOK OF THE COMPANY WILL REMAIN CLOSED FROM 21ST JULY TO 15TH AUGUST 1958, BOTH DAYS INCLUSIVE. The dividend when sanctioned, will be made payable to those Shareholders whose names appear on the Register of Members on 15th August 1958.

EVERY SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND SUCH PROXY NEED NOT BE A SHAREHOLDER. The proxies should, however, be deposited at the Registered Office of the Company not later than 42 hours before the commencement of the Meeting.

By Order of the Board of Directors,

For ORISSA CEMENT LIMITED,

For DALMIA AGENCIES PRIVATE LIMITED,

J. DALMIA,
Director,
Managing Agents.

DATED 20*th June* 1958.

TRITON INSURANCE COMPANY LIMITED

with which is incorporated

THE EASTERN INSURANCE COMPANY

NOTICE TO MEMBERS

THE BOARD OF DIRECTORS OF THE Triton Insurance Company Limited hereby give notice that the ANNUAL GENERAL MEETING OF MEMBERS will be held at the Company's Registered Office, 4, Clive Row, Calcutta, on Wednesday the thirtieth day of July, 1958, at 11-30 a.m., to receive and consider the Audited Accounts for the year ended 31st December, 1957, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors thereon, to declare a Dividend; to elect Directors and to appoint Auditors and to fix their remuneration.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead and such proxy need not be a Member of the Company.

The Share Transfer Books of the Company will be closed from 14th to 30th July, 1958, both days inclusive.

By Order of the Board,

D. FORDWOOD,
Secretary.

4, CLIVE ROW,
CALCUTTA, 18*th June*, 1958.

KELVIN JUTE COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Board of Directors of the above Company has sanctioned payment of Interim Dividends in respect of the year ended 31st May, 1958, at the rate of Rs. 3.50 nP. (Rupees Three and Naye Paise Fifty only) on each Preference Share and Rs. 5 (Rupees Five only) on each Ordinary Share payable on or after 31st July, 1958, to those persons (or their Mandatees) whose names appear in the Company's Register of Members on 15th July, 1958, as the registered holders of such shares.

The Share Transfer Registers of the Company will be closed from 1st July, 1958, to 15th July, 1958, both days inclusive.

By Order of the Board,
McLEOD & CO., LTD.,
C. HOCKLEY,
Secretary,
Managing Agents.

McLEOD HOUSE,
3, NETAJI SUBHAS ROAD,
CALCUTTA 1, 18*th June*, 1958.

THE BANK OF INDIA LIMITED

BOMBAY

NOTICE

NOTICE IS HEREBY GIVEN THAT THE Share Transfer Books and Register of Members of The Bank of India Limited will be closed from Monday the 7th July, 1958 to Saturday, the 26th July, 1958 (both days inclusive).

The Dividend will be payable on and after Saturday, the 2nd August 1958.

By Order of the Board of Directors,
T. R. LALWANI,
General Manager.

BOMBAY, 20*th June* 1958.

THE DUNBAR MILLS LIMITED

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the Company will be held at the Registered Office, No. 21, Strand Road, Calcutta-1, on Tuesday the 29th July, 1958, at 3 p.m., for the following purposes:—

(1) To receive the Report of the Directors and to pass the audited accounts for the year ended 31st December, 1957.

(2) To elect a Director.

(3) To elect Auditors for the current year and to fix their remuneration.

(4) To transact any other ordinary business of the Annual General Meeting.

The Share Transfer Books of the Company will be closed from the 21st July to 29th July 1958, both days inclusive.

By Order of the Board,
KETTLEWELL BULLEN & CO., LTD.,
Managing Agents.

CALCUTTA, 10*th June*, 1958.

Note:—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

SHAW WALLACE AND COMPANY LIMITED

DIVIDEND ON PREFERENCE SHARES

THE DIRECTORS HAVE DECLARED AN Interim Dividend of 3 per cent., less Income tax, on the Company's Preference Shares in respect of the year 1958, payable to Members whose names appear in the Preference Share Register on the 15th July 1958. Warrants will be posted on or after that date to the addresses or in accordance with the instructions, recorded in the Company's books.

The Transfer Register of the Preference Shares will be closed from the 8th to the 15th July 1958, both days inclusive.

By Order of the Board,
SHAW WALLACE & COMPANY LIMITED,
D. A. HOUGHTON,
Secretary.

4, BANKSHALL STREET,
CALCUTTA, 18*th June*, 1958.

THE INDORE MALWA UNITED MILLS, LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 51st Ordinary General Meeting of Shareholders of the Indore Malwa United Mills, Ltd., will be held at the Registered Office of the Company at 139, Medows Street, Fort, Bombay, on Monday the 14th July, 1958, at 4 p.m., to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1957.
2. To declare a Dividend.
3. To appoint a Director in place of Shri Kudilal Govindram Seksaria, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Shri Sitaram Shivnandrai Parasrampuria, who retires by rotation and is eligible for re-appointment, and to consider, if thought fit, to pass the following Resolution of which a special notice, as required by Section 281 of the Companies' Act, 1956, has been received by the Company:—

   "RESOLVED that Shri Sitaram Shivnandrai Parasrampuria, who was born on 18-1-1893 and has attained the age of 65 years, be and he is hereby appointed a Director of the Company and that the age limit laid down in Section 280 of the Companies' Act, 1956, shall not apply to him."
5. To appoint Auditors for the current year, i.e., for the year 1958, and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution:—

   "RESOLVED that the modification of the Resolution of the Board of Directors of the Company dated 4th November, 1955, relating to the payment of remuneration to the Committee of Wholetime Directors consisting of Shri Kudilal Govindram Seksaria, Shri Piarelal Sheoparshad Seksaria and Shri Chandansinha Sagatmal Bharaktiya (which resolution was confirmed at the Extraordinary General Meeting of the Company held on 30th December, 1955) pursuant to the suggestion of the Government of India be and the same is hereby approved and confirmed. And accordingly the payment to the said Committee of Wholetime Directors with effect from 12th November, 1955, of the remuneration of 7½ per cent. on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Companies' Act, 1956, subject to the minimum of Rs. 50,000 per year in the event of absence or inadequacy of profits to be divided between the members constituting the said Committee of Wholetime Directors in such proportion as the Board of Directors may determine be and the same is hereby confirmed and sanctioned."

The Share Transfer Books of the Company, as previously advertised, will remain closed from Monday, the 9th June, 1958, to Saturday, the 5th July, 1958, both days inclusive.

By Order of the Board,
K. L. SEKSARIA,
Chairman.

Dated 29th April, 1958.

N.B.—1. The Dividend, when sanctioned, will be made payable on and after the 21st July, 1958, to those Shareholders whose names stand on the Register of the Company on the 9th June, 1958, at the Bank of Indore Ltd., Hamam Street, Fort, Bombay 1, upon presentation of Dividend Warrants which will be posted to each shareholder to his last given address.

2. A member of the Company entitled to attend and vote at the said meeting is entitled to appoint any other person (whether a member or not) as his proxy to attend the above meeting and vote instead of himself.

Explanatory Statement as Required by Section 173 of the Companies' Act, 1956

With respect to Item No. 4: The Resolution for the re-appointment of Shri Sitaram Shivnandrai Parasrampuria as a Director of the Company is required to be passed in view of the provisions of Sections 280 and 281 of the Companies' Act, 1956, because he has attained the age of 65 years. Shri Sitaram Shivnandrai Parasrampuria has been a Director of the Company for the past 25 years. As it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be re-appointed a Director.

With respect to Item No. 6: As you are aware that consequent upon the resignation of the Managing Agents of the Company, your Directors appointed a Committee of Wholetime Directors consisting of Shri Kudilal Govindram Seksaria, Shri Piarelal Sheoparshad Seksaria and Shri Chandansinha Sagatmal Bharaktiya and delegated to the said Committee some of their necessary powers to enable the said Committee to look after and administer the day-to-day management of business and affairs of the Company at Indore and Bombay. You are also aware that your Directors having resolved to pay (subject to the sanction of the Company in the General Meeting) the following remuneration to the Members constituting the said Committee of Wholetime Directors, the payment of the said remuneration was confirmed and sanctioned by you at the Extraordinary General Meeting of the Company held on 30th December, 1955:—

(a) To Shri Kudilal Govindram Seksaria, 5 per cent. of the net profits of the Company as defined in Section 87C of the Indian Companies' Act, 1913, or any statutory modification or re-enactment thereof. In case of inadequacy of profits or loss, a minimum sum of Rs. 54,000 per year to be paid to him.

(b) To Shri Piarelal Sheoparshad Seksaria, 1½ per cent. of the net profits of the Company as defined in Section 87C of the Indian Companies' Act, 1913, or any statutory modification or re-enactment thereof. In case of inadequacy of profits or loss, a minimum of Rs. 36,000 per year to be paid to him.

(c) To Shri Chandansinha Sagatmal Bharaktiya, 1 per cent. of the net profits of the Company as defined in Section 87C of the Indian Companies' Act, 1913, or any statutory modification or re-enactment thereof. In case of inadequacy of profits or loss, a minimum sum of Rs. 30,000 per year to be paid to him.

The said remuneration would be payable for the period during which the said Directors act as such on the Committee.

The Company was advised that the approval of the Government of India regarding the appointment of the said Committee of Wholetime Directors was not necessary. The Government of India intimated the Company that their sanction for such appointment was necessary under the new Companies Act, 1956. Therefore the Company was advised that even though the interpretation of the Government was not correct, still with a view to be on the safer side, approval of the Government of India should be obtained. Accordingly, on the application made by the Company seeking the approval of the Government of India as to the appointment of the said Committee of Wholetime Directors, the Government of India indicated that it would approve the said appointment under Section 269 of the Companies' Act, 1956, with effect from 12th November, 1955, provided the total remuneration payable to the three Directors constituting the said Committee was fixed at a commission of 7½ per cent. on the net profits of the Company computed in the manner laid down in Sections 349 to 351 of the Companies' Act, 1956 subject to a minimum remuneration of Rs. 50,000 only per annum in the event of absence or inadequacy of profits, the said remuneration being divided amongst the Wholetime Directors in such proportion as your Directors may choose.

Your Directors have accepted the modification suggested by the Government in regard to the remuneration of the said Committee of Wholetime Directors and they had modified their Resolution dated 4th November, 1955, in so far as it related to the remuneration payable to the said Committee and with the consent of the Directors constituting the said Committee your Directors have determined that until otherwise resolved the said remuneration be divided between the Directors constituting the said Committee as follows:—

(a) 4½ per cent. of net profits to Shri Kudilal Govindram Seksaria.

(b) 1½ per cent of net profits to Shri Piarelal Sheoprasad Seksaria, and

(c) 1½ per cent. of net profits to Shri Chandansinha Sagatmal Bharaktiya.

The minimum remuneration of Rs. 50,000 payable in the event of absence or inadequacy of profits shall be paid and divided between Shri Piarelal Sheoparshad Seksaria and Shri Chandansinha Sagatmal Bharaktiya.

The Government of India has accordingly by its letter dated 17th February, 1958, approved the appointment of the said Committee of Directors with effect from 12th November, 1955.

You are, therefore, requested to confirm the said modification in the remuneration payable to the Directors constituting the said Committee of Wholetime Directors.

THE BOWREAH COTTON MILLS COMPANY, LIMITED

NOTICE IS HEREBY GIVEN THAT THE Annual General Meeting of the Company will be held at the Registered Office, No. 21, Strand Road, Calcutta-1, on Tuesday the 29th July, 1958, at 3-30 p.m., for the following purposes:—

(1) To receive the Report of the Directors and to pass the audited accounts for the year ended 31st December, 1957.

(2) To elect a Director.

(3) To elect Auditors for the current year and to fix their remuneration.

(4) To transact any other ordinary business of the Annual General Meeting.

The Share Transfer Books of the Company will be closed from the 21st July to 29th July 1958, both days inclusive.

By Order of the Board,
KETTLEWELL BULLEN & CO., LTD.,
Managing Agents.

CALCUTTA, *10th June*, 1958.

Note:—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

THE SIMPLEX MILLS COMPANY LIMITED

NOTICE IS HEREBY GIVEN THAT THE Transfer Books of the Company will be closed from 4th July, 1958 to the 17th July, 1958, both days inclusive.

Shareholders are requested to notify immediately any change in address to the undersigned.

For: THE SIMPLEX MILLS CO., LTD.,
For: FORBES FORBES CAMPBELL & CO. PRIVATE LTD.,
F. H. KEMPLE,
Director,
Agents

FORBES BUILDING,
HOME STREET, FORT,
BOMBAY, *20th June*, 1958.

THE TRAVANCORE RUBBER AND TEA COMPANY, LIMITED

(Incorporated in India)

NOTICE IS HEREBY GIVEN THAT THIS Company will pay on the 30th June 1958 to the Registered holders as at that date half-yearly interest due on Preference Shares at the rate of 6 per cent. per annum.

Preference Share Transfer Books will be closed from 26th June to 30th June 1958, both days inclusive.

By Order of the Board,
ASPINWALL & CO. (TRAVANCORE) LTD.,
Managing Agents.

PATHIRAPPALLY, *20th June*, 1958.

TEN STATES TO BORROW

(From Our Own Correspondent)

BOMBAY, *25th June*

The notable development of the week under review was the announcement of the terms of borrowing by ten State Governments for an aggregate sum of Rs. 47.5 crores. These new issues have been announced, as in the case of the Central loan, earlier than usual, because of the comfortable conditions in the short-term money market.

With a further slackening of the demand for bank credit, banks had plentiful cash resources for yet another week. Inter-bank call money rate was, nevertheless, stagnant at 3 per cent. among all sections of banks. House money at call was quoted at 4 to 4½ per cent. and short-term deposits continued to fetch 4½ to 4¾ per cent. for one to six months.

A contraction of Rs. 18.07 crores in notes in circulation is disclosed by the Reserve Bank of India statement for the week ended 20th June 1958. There has been an increase of Rs. 19.50 crores in notes held in the Banking Department, resulting in a rise of Rs. 1.43 crores in total notes issued. The increase in the latter is covered by a corresponding rise in rupee coin. While there is no change in foreign securities, balances held abroad have further shrunk by Rs. 6.20 crores to a low of Rs. 17.42 crores (the total foreign assets at this level being Rs. 227.09 crores). Deposits of the Central Government are lower by Rs. 1.52 crores, but those of other Governments and banks have risen by Rs. 1.89 crores and Rs. 12.58 crores, respectively. Loans and advances to Governments have declined by Rs. 3.70 crores and other loans and advances by Rs. 1.67 crores mainly due to the fall of Rs. 2.70 crores in advances to Scheduled banks against usance bills. Investments are higher by Rs. 4.70 crores.

The Scheduled banks' statement for the week ended 13th June 1958 shows a fall of Rs. 2.44 crores in demand deposits of banks. Time deposits are, however, unchanged. Inter-bank borrowings disclose a sharp rise of Rs. 7.35 crores, while borrowings from the Reserve Bank have contracted by Rs. 1.85 crores. Advances have declined by Rs. 5.79 crores and bills purchased and discounted by Rs. 1.83 crores. A rise of Rs. 1.07 crores in investments and of Rs. 2.51 crores in cash balances is noted. Money at call and short notice has also risen by Rs. 1.93 crores.

The details of the new State loans appear on page 1203 of this issue. Suffice it to record here that all the loans carry a uniform rate of interest of 4¼ per cent. Bombay is the only State to issue two loans for an aggregate sum of Rs. 10 crores. The lists will open for public subscription on 15th July 1958 and close on 19th July or earlier without notice. Five States have offered conversion facilities. The 3 per cent. 1958 loans of Bombay, U.P., Madras and Madhya Pradesh and 3 per cent. Cochin Loan (1955-58) will be accepted for conversion at par. The new issues are expected to have a fairly good response. Their announcement have not had any perceptible effect on the Gilt-edged market, as the yields on the existing issues of corresponding or near maturity are more or less in conformity with those on the new issues. The trend of the market was distinctly firm throughout the week, with good demand for short and medium-dated issues. The Reserve Bank of India stepped up its selling rate of 3½ per cent. 1964 from Rs. 98.50 to Rs. 99.55. 3 per cent. 1986 Conversion Loan was lower at Rs. 71.10, while 3 per cent. 1970-75 continued to attract buyers 10 nP higher at Rs. 87.30. 3 per cent. 1966-68 was in demand and rose by 10 nP to Rs. 93.05. 3 per cent. 1964 and 3 per cent. 1963-65 were sought for at Rs. 95.50 and Rs. 95.55. 3 per cent. 1959-61 picked up 15 nP to Rs. 99.25. 3½ per cent. 1963 changed hands 10 nP higher at Rs. 98.90. 3½ per cent. 1964 rose by 10 nP to the Reserve Bank's selling rate. 3½ per cent. 1965 gained 10 nP to Rs. 98.40. The State Loans were dull, though there were enquiries for short-dated issues.

The weakening of sterling abroad had its effect on rupee in terms of the dollar. Banks' selling rate of ready dollars, after declining from Rs. 476.50 to Rs. 476.25, rose to Rs. 476.75 per $100 and their buying rate from Rs. 473 to Rs. 473.50 per $100. In New York, spot sterling declined from $2.81¼-2.81¼ to $2.80.11/16-2.80⅜ and three months' forward from $2.79-2.79⅛ to $2.78⅜-2.78-13/16. Transferable sterling also dropped from 279.05-279.15 cents to 278.85-278.95 cents.

BASE METALS MOVE UP

(From Our Own Correspondent)

CALCUTTA, *24th June*

Following good demand, prices of base metals recorded an increase during the week under review. The port workers' strike and the fear of dislocation of supplies also contributed to the upward trend. From Rs. 502, tin advanced to Rs. 516, while the price in Bombay was still higher. Until recently, purchases here had been done for small quantities only, in view of the increase in tin stocks. The strike in port shook the feeling of surplus in the market, and a fair quantity changed hands. Electrolytic zinc firmed up from Rs. 56.50 to Rs. 59. Some difficulty was experienced by the trade in getting ready supplies, thanks to prior sales put through by importers. Since big consumers had covered their requirements with importers, the demand that pushed up the price was from small consumers. At Rs. 63, lead gained one point.

A feature of the week was the competition offered by Chinese sellers inviting business for tin and zinc of Chinese origin at prices attractive to buyers. There was good demand for scrap, but the quantity on offer was small. It was noted that the price trend in copper in both New York and London was upward. There was a proposal in the United States for stockpiling 150,000 tons of copper. The futility of control on copper is becoming more and more evident, as prices for products made of copper have lost all relationship with the controlled price for the raw material.

BULLION EASY

(From Our Own Correspondent)

BOMBAY, *25th June*

The bullion market was easy during the week under review, with a drop in values of both silver and gold. The bearish trend in gold was, however, somewhat less pronounced. The decline in prices was attributed to the fall in demand, which was more of a seasonal character, and an increase in arrivals. In silver, a large inflow of unrefined metal and unauthorised Tibetan coins were reported. Gold, too, was adversely affected by sizable arrivals from upcountry centres and the slackness of demand except from Madras. In fact, the offtake from Madras was mainly responsible for checking a larger recession in gold. The increased arrivals and the drop in overall offtake are reflected in the contraction of the premium which the ready metal commanded over the current settlement from Re. 1-4 to As. 12.

Silver forward delivery (July settlement) declined from Rs. 184-13 to Rs. 182-6 before recovering a fraction to Rs. 183 at the close. The August settlement (first delivery) dropped from Rs. 185-3 to Rs. 183-4 and closed at Rs. 183-13. The carry-forward charge against bulls which was As. 6 at the close of the previous week widened to As. 14 today. The August settlement (second delivery) closed today at Rs. 184-5, as against Rs. 185-8 a week ago.

Ready silver was marked down from Rs. 184-5 to Rs. 182-3, but finished today a shade better at Rs. 182-13. The floating stocks of silver are estimated at 450 bars. The daily average arrivals were 35 bars (including unrefined metal), while the offtake was less than 10 bars.

Forward gold (July settlement), after an earlier improvement from Rs. 107-12 to Rs. 108-9, gave way to Rs. 106-10. The closing was done at Rs. 107-7. The August settlement (first delivery) lost over the week As. 7 to Rs. 106-15.

Ready gold dipped from Rs. 109 to Rs. 107-9, but recovered a little to close at Rs. 108-3. The floating stocks of gold are reported to be 25,000 tolas. The daily average arrivals were of the order of 2,600 tolas, while the offtake was 2,400 tolas.

In New York, silver continued to hold ground at 88⅝c., while in London, there was a further drop. After declining from 75½d. to 74⅞d., ready silver improved to 75d. On forward also, the fall over the week was ½d. to 74⅞d. Gold shot up from 249s. 5d. to 249s. 11½d. After a dip to 249s. 8d., it again jumped to 249s. 11½d.

The following comparative table shows at a glance the trend of the market during the week under review:

	25-6-58	Highest	Lowest	18-6-58
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
GOLD				
Ready (.995 fine Mint) ..	108 3	109 13	107 9	109 0
Forward*	107 7	108 9	106 10	107 12
Sovereign	69 12	70 0	69 12	69 12
SILVER				
Ready (.996 fine Mint) ..	182 13	184 14	182 3	184 5
Forward†	183 0	185 0	182 6	184 13
London Silver Ready ..	75d.	75d	74⅞d.	75¼d.
London Forward	74⅞d.	74⅞d.	74⅛d.	75d.
London Gold	249s.11½d.	249s.11½d.	249s.8d.	249s.5d.
New York Silver	88⅛c	—	—	88⅛c.

* 2nd July settlement.
† 3rd July settlement.

N.B.—Foreign bullion prices shown in the above table relate to the previous day.

KIPS WELL SUPPORTED

(From Our Own Correspondent)

BOMBAY, *23rd June*

Arrivals of tanned hides and calves from tanneries were restricted and clearance by shippers were good. There were more enquiries from the U.K. for lightweight cow hides in all grades and fifths of medium and heavy weights, but sellers did not follow U.K. demand, because they were not keen to hold other grades without sales for a long time. There were enquiries for cow calf fourths and inferiors and buff calf seconds, thirds and inferiors, all of which were in poor supply. Trading was selective and small because the U.K. dressers were following a hand-to-mouth policy.

In the tanned goat skins section, demand centred round lightweight goat, while other weights were temporarily neglected. The sheep market was steady for prime class and unchanged for mediums and commons.

LINSEED SUPPLIES SCARCE

(Messrs. A. Bradley and Co.)

CALCUTTA, *23rd June*

The general tone of the linseed market remained steady, thanks to shortage of supplies from upcountry centres. Crushers showed very little interest, owing to lack of parity with oil prices and trading was rather dull on the whole. In the oil section, offtake continued to be very small and sellers were not inclined to reduce prices. Shippers were not showing any interest at prevailing rates, as foreign markets were still dull.

The latest available quotation for ready and June-July is Rs. 23 per maund.

COTTON FUTURES FIRM

(From Our Own Correspondent)

BOMBAY, *25th June*

The cotton futures market, after a quiet start, gathered strength on Friday and ruled firm during the rest of the week. Today, however, the closing was a shade easy. The earlier firmness was influenced by renewed rumours of the possibility of an export quota, and the expectations of some early relief to the textile industry in the form of a reduction in excise duty on medium and coarse cloth and some incentives for export. Hopes were also entertained, in certain quarters, that the Textile Inquiry Committee, which was studying the present crisis facing the industry, would recommend some interim relief to the industry. These considerations led to large-scale buying with the result that prices firmed up. The rise would have been more marked but for reports of favourable monsoon in most cotton tracts, declining trend in mill consumption of cotton, upward revision of this season's crop estimate and continued slackness in the piecegoods markets.

I.C.C. Moglai Jarilla (August 1958) opened the week at Rs. 679.75, as against the previous close of Rs. 681.25, and after declining to Rs. 677 the same day improved to Rs. 682.75 on the 21st inst., and further to Rs. 682.75 on Monday. The market remained closed on Tuesday. Commencing today's session at Rs. 686.50, the contract eased to Rs. 684 and closed at that rate. The following table indicates the trend of prices during the week:

(In rupees per candy of 784 lbs.)

	25-6-58	*High*	*Low*	18-6-58
I.C.C. Moglai Jarilla (August 1958)	684	686.50	676.50	681.25

Trading in new crop contracts is expected to start early next month. The East India Cotton Association, as its meeting yesterday, is reported to have approved the terms and conditions of the new contract submitted by the Board of the E.I.C.A. The new contract remains basically unchanged except for minor modifications in By-Law 55. The amendments will be sent to the Forward Markets Commission for approval. It is generally expected that permission to commence trading will be received by the first week of July.

In the spot section, although mill activity was subdued prices ruled somewhat firm. Volume of business was affected by heavy rains in the city. Enquiry was mostly confined to popular, staple styles such as 197/3, Laxmi, Jaydhar, Vijay and Jarilla. Early in the week a prominent mill group purchased 1,500 bales of Vijay and Jaydhar. Shorter staples were neglected.

On the export front, moderate business in exportable styles was reported. Shippers also purchased sizable quantities of Kala, Wagad, and Kalyan varieties in anticipation of an *ad hoc* quota for China.

The Joint Chief Controller of Exports notified, on the 20th inst., that the ceiling of 35,000 bales fixed for export of cotton not above 23/32" staple on first-come-first-served basis was reached and that no further application would be entertained. This brings to an end all export quotas issued thus far on a first-come-first-served basis.

The validity of export licences, issued against export quotas of Bengal *Deshi* and of cotton stapling 23/32" and below on "quota basis," released on 5th February and 25th March respectively, has been extended till the end of August 1958. The quantity remaining unutilised out of the two quotas is placed at around 35 to 40 thousand bales. As regards extension in the validity of shipping bills issued against "first-come-first-served" quota of 15,000 bales of ¾" and 35,000 bales of 23/32" staple varieties issued on 23rd May, it is reported that this would be readily given, if individual shippers approached the Export Trade Controller and convinced the latter with a satisfactory explanation for the failure to ship within the validity period of 30 days of the shipping bills. A number of shippers, it is said, have been unable to ship cotton due to the dock strike.

In the foreign section, enquiries were small. Some business was reported in Egyptians and Sudanese growths. There were rumours in market circles that an import duty on cotton was going to be imposed. Importers were eagerly awaiting permission for import of East African cotton.

In response to representations made by the trade, the Import Control authorities have notified that the opening of letters of credit for Egyptian cotton licensed for import would not be necessary if the importers got the sales contracts registered with the State Bank of India within a fortnight from the date of the contracts. In the case of previous sales licensed, registration would be allowed to be made within 15 days from the date of the notification, namely, 17th June.

The following are the latest available spot quotations—in rupees per candy of 784 lbs.—from Sewri:

Bengal *Deshi* 600; Berar Jarilla 720; Khandesh 800; Oomra *Deshi* 650; Vijay 875; Hubli Laxmi 1,030; Jaydhar 875. *Delivery Contracts*: Bengal 585; Wagad 634; Kalagin 626.

The Karachi cotton futures market, after ruling firm during the first two days of the week under review, turned easy on Monday. Better foreign inquiries and larger domestic mill demand were responsible for the firmness. But later demand slackened and selling ensued with the result that prices staged a retreat. The distant January contract, however, received some support and made up some of the losses. N.T.R.G. July, after having improved to Rs. 76-12-6 on the 20th inst., declined to Rs. 76-4 yesterday. The January contract firmed up from Rs. 78-8 to Rs. 79-14 before declining to Rs. 78-9-6 yesterday. The spot section ruled steady. Sind *Deshi* was quoted at Rs. 60, the same as last week, while Punjab *Deshi* was quoted As. 8 higher at Rs. 5-6-8. The follow-

ing are the latest available quotations—in rupees per maund of 82 lbs.—for a few popular varieties of Pakistan cotton prevailing at Karachi:

6 F Roller 70-9; S.G. 78-1; Punjab Roller 74-1; S.G. 81-1; 289 F.N.T. Roller 76-13; S.G. 91-9; 289 F Punjab Roller 85-9; S.G. 98-9.

In contrast to last week's steady trend, the Alexandria cotton futures market was easy during the week. The easiness was due mainly to long liquidation in the medium-staple Ashmouni contracts. With the approaching expiry date of Ashmouni June contract, interest shifted to August which was the basis on which shipment offers were made. The Karnak contracts also were quiet, although the nearby July attracted some attention. The following are the latest available quotations—in tallaris per lb.—from Alexandria:

Karnak: July 76.20; November 76.95. *Ashmouni*: June 68.90; August 68.10.

Firm conditions prevailed in the Liverpool Cotton Exchange during the week under review. A fair volume of American buying and short-covering by local operators and occasional mill fixation led to a hardening of values. The turnover, however, was limited, as the uncertainties regarding the U.S. export programme and the flexible export subsidy rate continued to restrict business.

The following are the latest available quotations—in pence per lb.—from Liverpool.

American Cotton One Inch Staple Contract: July-August 25.25; October-November 25.80; December-January 26.15; March-April 26.45. *Sudan*: July-August 31.30.

Reports regarding probable legislative developments and crop news were the major factors influencing the price trend in the New York cotton futures market during the week. Commission House buying and short covering induced by the news that the crop was late, pushed up values. The diminishing prospects of new farm legislation, providing for higher acreage and lower support prices, materialising and the expectation of a higher loan rate for the 1958 crop aided the upswing.

The following are the latest available quotations from New York, as compared with those a week and a fortnight before:

(In cents per lb.)

	24-6-58	17-6-58	10-6-58
Spot	36.35	36.25	36.30
July	36.18	36.02	36.16
October	36.70	36.53	36.62
December	36.95	36.79	36.83

STAPLE FIBRE YARN EXPORTS ALLOWED

(From Our Own Correspondent)

BOMBAY, 25*th June*

Last week's move of the Bombay Yarn Merchants' Association and Exchange Ltd. to curb the unhealthy speculative activity in the staple fibre yarn section through the introduction of margin and fixation of ceiling prices for forward deliveries has met with success. The prices of staple fibre yarn forward deliveries have since suffered a distinct setback. The spot section, however, rules distinctly firm, thanks to buying support induced by the Central Government's decision to allow free exports of staple fibre yarn within a ceiling of 150 million lbs. during the six months ending December 1958. Exports will be on first-come-first-served basis, the licensing being done on shipping bills which will be valid for a period of three months from the date of passing. The Government has clearly warned the trade not to enter into long-term commitments, as the licensing will be stopped immediately after the ceiling is reached. Meanwhile, it is reported that the indigenous producer of staple fibre has informed the cotton mills that it would not be able to supply even one-fourth of their requirements of fibre. Some of the spinning mills which have already sold staple fibre yarn to local dealers have also expressed their inability to supply yarn to buyers, as they are not in a position to cover raw fibre from the indigenous manufacturer against their sales.

In contrast to spot staple fibre yarns, art silk yarns were weak. Demand from actual users was at a low ebb. Advices from art silk fabrics markets were also not encouraging. There was, therefore, selling and prices staged a retreat. Even rumours of a drastic cut in import quota to actual users on account of foreign exchange difficulties failed to have any effect. Cotton yarns continued to rule depressed, despite the Government's decision to permit exports of 60,000 bales of cotton yarn during the half-year July to December 1958. Licensing will be done on shipping bills which will be valid for a period of three months from the date of passing. The Government has also decided to grant export licences against confirmed contracts on *ad hoc* basis within the aforementioned ceiling. The validity period of such licences will be six months with effect from the date of issue.

Staple fibre yarns (40x2) August delivery was subjected to nervous bull liquidation and slumped by Rs. 37 to Rs. 675. June delivery was hammered down by Rs. 36 to Rs. 665. Spot New Greats put on 4 nP to Rs. 3.64. Citys hardened by 8 nP to Rs. 3.78. Kohinoors advanced by a like amount to Rs. 3.84. Centurys gathered a naya paisa to Rs. 3.76. Among foreign yarns, Paramounts spurted by 50 nP to Rs. 8.87. Fujis rallied 63 nP to Rs. 9.

Among rayon yarns spot 120 Japan shed 6 nP to Rs. 7. 150 Japan eased by 18 nP to Rs. 6.69. 150 Italy receded by 25 nP to Rs. 6.75. 120 Italy were dull at Rs. 7. Among indigenous yarns, National Rayons 150 bright cones first grade declined by 13 nP to Rs. 5.75. 120 bright cones first grade, however, rose by 6 nP to Rs. 6.50.

In the cotton yarn section, ten counts Moderns were neglected at Rs. 13.50 and Podars at Rs. 12.62. Twenty counts Indus were dull at Rs. 16.37, as also Moderns at Rs. 16.50 and Gokaks at Rs. 16.75. Thirty counts Hinds were unchanged at Rs. 19.50. Among forty counts, Minaxis receded by 25 nP to Rs. 24.25. Moderns were quiet at Rs. 24. Sixty counts Moderns changed hands at Rs. 60, same as last week. Eighty counts Mahendras were done at Rs. 69.50, Moderns at Rs. 69.50 and Finlays at Rs. 76.

The following table gives the prices of rayon, staple fibre and cotton yarns quoted today, as compared with those a week before:

	25-6-1958	18-6-1958
	Rs.	Rs.
Art silk yarn (per case of 200 lbs.)—		
120 Japan (per lb.)	7.00	7.06
150 Japan (per lb.)	6.69	6.87
120 Italy (per lb.)	7.00	7.00
150 Italy (per lb.)	6.75	7.00
Staple fibre yarn (per case of 200 lbs.)—		
40×2 June	665.00	701.00
40×2 August	675.00	712.00
40×2 New Great (per lb.)	3.64	3.60
40×2 City (per lb.)	3.78	3.70
Cotton yarn (per bundle of 10 lbs.)—		
10s Podar	12.62	12.62
20s Modern	16.50	16.50
30s Hind	19.50	19.50
40s Minaxi	24.25	24.50
60s Raghuvamshi	—	51.00
80s Modern	69.50	69.50

OILSEEDS FIRM

(From Our Own Correspondent)

BOMBAY, 25*th June*

Barring the castorseed section which ruled distinctly easy, the oilseeds market presented a firm trend during the week under review. Groundnuts were particularly strong, thanks to buying fervour fanned by rumours regarding the abolition of export duty on H.P.S. groundnut (Rs. 300 per ton) and groundnut oil (Rs. 150). Offerings in spot section were scarce. There was good buying in groundnut oil by *vanaspati* manufacturers. Linseed also ruled strong on good buying support induced by hopes of enlarged export business with overseas countries. The hopes were based on reports that linseed crop in Canada has been affected by adverse weather. Advices from London were also encouraging. The U.K. quotation for Indian castor oil was higher at Rs. 1,460 (£109-10) per ton, as against Rs. 1,427 (£107) a few days ago. Cottonseeds were fully steady on speculative buying and firmness of raw cotton prices. In sympathy, kardiseed and nigerseed were fully steady. Castorseeds, as already stated, were easy. There was selling pressure induced by fears of keener competition from Brazilian castor oil in overseas markets and increasing arrivals of seeds from Bihar. The reports that the Government might not concede the demand even for a downward revision in the export duty on oil, yet alone complete abolition, also imparted weakness. Today, however, some recovery was in evidence.

Groundnut August contract which stood at Rs. 168.75 last week-end evoked persistent buying support and spurted to touch Rs. 171.75 today. Bold ready rallied 75 nP to Rs. 36. Coromandel and Khandesh quality both advanced from Rs. 35.87 to Rs. 36.75. Groundnut oil railway receipt registered a rise of 31 nP to Rs. 18.81. Ex-mill hardened by 25 nP to Rs. 19.

Castorseed September contract was subjected to selling pressure and came down from Rs. 157.62 to Rs. 155.12 on the 21st inst. After recovering to Rs. 156.50 on Monday, the contract relapsed again to touch Rs. 155.12 today before recovering to Rs. 156. Over the week, ready Madras dropped 31 nP to Rs. 30.06. Kanpur quality shed 12 nP to Rs. 29. Castor oil B.S.S. declined from Rs. 16.62 to Rs. 16.56 on Saturday. It recovered subsequently, today's closing rate being Rs. 16.75. Commercial quality eased from Rs. 15.37 to Rs. 15.25 on Saturday, but thereafter, gradually recovered to Rs. 15.44 at the close today.

Linseed September contract was well favoured at Rs. 32.69 today, as against Rs. 32.31 last week-end. Bold ready strengthened by 25 nP to Rs. 32. Linseed oil evoked good support from shippers, the quotation advancing from Rs. 16.19 on the opening day of the week to Rs. 16.69 today.

Under the impetus of speculative buying, cottonseed September contract moved up from Rs. 113.75 to Rs. 114.50. Among other seeds, nigerseed Madras quality opened the week on a firm note at Rs. 29.75, as against Rs. 29.50. After being steady at Rs. 29.50 till the close yesterday, it moved up to Rs. 30 today on good support. Kardiseed bold ready which had eased from Rs 20 to Rs. 19.50 yesterday evoked enlarged buying enquiries today and wound up at Rs. 20.25.

The following table shows the closing prices of oilseeds and oils today as compared with those a week and two weeks before:

	25-6-1958	18-6-1958	11-6-1958
	Rs	Rs.	Rs.
Groundnut—			
August 1958	171.75	168.75	172.37
Bold ready (per cwt.)	36.00	35.25	35.12
Linseed—			
Sept. 1958	32.69	32.31	32.37
Bold ready (per cwt.)	32.00	31.75	31.87
Castorseed—			
Sept. 1958	156.00	157.62	158.00
Madras (per cwt.)	30.06	30.37	30.50
Cottonseed—			
Sept. 1958	114.50	113.75	115.00
*Groundnut oil**—			
Ex-mill ready (per quarter) ..	19.00	18.75	19.00
Castor Oil†—			
Commercial (per quarter) ..	15.44	15.37	15.50
Linseed oil†—			
Ready	16.69	16.37	16.31

* Rates include excise duty but exclude sales tax.
† Rates exclude both excise duty and sales tax.

SUGAR FIRM

(From Our Own Correspondents)

BOMBAY, 25*th June*

The bearish trend noted in the sugar market in the past two weeks abated during the week under review. In fact, the market put on a distinctly firm appearance and there was a handsome improvement in prices. There were strong reports that the Union Food Ministry had finalised the export policy for sugar and that the official announcement might be made in a couple of days. The ex-mill quotations for U.P. and Bombay-Deccan sugar were raised by 50 nP per maund.

Arrivals of sugar into the market were considerably poor, thanks to dislocation of rail traffic on account of heavy rains. The total quantity that actually arrived by rail amounted to not more than 7,900 bags, as against 20,600 bags in the previous week.

Large grain sugar spurted by Rs. 2 to Rs. 112-Rs. 117 per bag. Medium grain rose by a rupee to Rs. 108-Rs. 110. Small grain gained 50 nP to Rs. 106.50.

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HAPUR, 23*rd June*

Sugar prices continued to rule steady during the week on rumours that the Government would announce the sugar export policy very soon and that some kind of cess was considered as an unavoidable part of the scheme. Demand from the consuming centres was fairly heavy. The Government of India would appear to be anxious to ensure that any scheme of exports designed to make Indian sugar compete in foreign markets does not lead to excessive rise in the domestic prices of sugar.

Export prospects having been again revived, the Muzaffarnagar sugar market ruled steady during the week and the ex-mill delivery prices of different varieties improved by 6 nP to 19 nP per maund. Demand from the Punjab, Delhi, Gujerat and Saurashtra was fairly good. Traders were keenly awaiting the announcement of sugar export policy. The latest ex-mill delivery prices (per maund) were:—Meerut (D28) Rs. 35.56; Simbhauli (E29) Rs. 36.50; Daurala (C29) Rs. 37.56; Mawana (C29) Rs. 37.50; Bijnore (E29) Rs. 36.50; Shamli (C29) Rs. 37.25; Amroha (D29) Rs. 36.06; Modinagar (C29) Rs. 37.12.

The sugar market at Kanpur also ruled steady. The latest prices were (spot and ex-mill, respectively per bag and per maund): (C29) Basti Rs. 105, Rs. 37.25; Gola Rs. 101.50, Rs. 36; Burhwal Rs. 101.50, Rs. 36.25.

The *khandsari* section also recorded gains during the week on good outside support. The latest prices were Rs. 32 to Rs. 34 per maund according to quality. Production in some centres continued from wet *gur*.

Good demand from consuming centres before the advent of monsoon accounted for fairly heavy offtake during the week, reducing the local *gur* stock to 75,000 maunds. Dry *gur* stayed steady to be quoted at Rs. 19 to Rs. 20 per maund, while *kotha* dry-wet quality was quoted at Rs. 18 to Rs. 19 per maund.

The condition of the standing cane crop is satisfactory, but the crop is now reported to be in need of rains.

The *gur* market at Muzaffarnagar displayed a firm tendency during the past week on good support from Punjab and Gujerat. Prices recorded an advance of Re. 1 per maund. *Shakker dara* improved by Re. 2 per maund, due to good demand from Rajasthan, while *masala shakker* rose by a rupee. *Khandsari* improved by 50 nP per maund due to good seasonal demand.

Future *gur* ruled quietly easy during the week. *Fagan* opened at Rs. 13.67 on Monday and was quoted today at Rs. 13.49.

BLACK PEPPER STEADY

(Messrs. Parekh and Co.)

BOMBAY, 25*th June*

Trading in Malabar black pepper during the week was thin, with fluctuations narrow. There being no encouraging news from overseas, price fluctuations depended more upon local developments such as improvement in demand and speculative support by traders who made huge profit on imported spices like cloves, cinnamon and arecanuts. Prices in all imported goods showed sizable rise owing to the restricted import policy by the Government. Outsiders and speculators paid more attention to imported goods at the cost of pepper. Pepper being comparatively cheaper than other imported spices, some investment buying was being done both in Bombay and on the Malabar coast in anticipation of future rise.

Singapore showed sizable improvement in white pepper from Str.$120 to Str.$126, while black advanced by Str.$1 only, as New York, one of the important consumers of black, remained reserved.

The dock strike at Cochin having been called off, the shipment of pepper remained unaffected but without foreign enquiries.

The future of pepper depends upon New York buying which is expected to come in any moment. If New York does not come out within the next month when Sarawak is expected to offer cheaper under pressure of crop movement, Malabar black may not maintain its present level simply on support from local demand or speculators.

Alleppey moved between Rs. 593.75 and Rs. 600, while ready at Cochin came down to Rs. 103 to improve to Rs. 105, July and August deliveries moved from Rs. 107.50 to Rs. 108.25 and from Rs. 108.75 to Rs. 110, respectively.

In specific delivery, July 1st improved to Rs. 610 under hedge lifting to come down to Rs. 592, with present nominal quotation at Rs. 597.

Business in A.S.T.A. was confined to short covering only. June and July-Aug-Sept. were nominally quoted at $0.25½.

Today's nominal quotations are: Ready Rs. 86 per Bengal maund, 1st July Rs. 567-Rs. 607 and 30th July Rs. 607-Rs. 617 per candy of 5½ cwts.

TEA PRICES RECEDE

[Messrs. Forbes, Ewart and Figgis (Private) Ltd.]

COCHIN, 20*th June*

About 1,514,223 lbs. were on offer in sale 17 which was held on Tuesday, the 17th inst. Teas from lower elevations were again very poor in appearance, being fibry and mixed. The quality of highgrowns showed little change from last week. The sale opened to a much less demand, with all exporters much quieter. Internal buyers were rather more active at the lower prices realised. Low medium and medium brokens declined by 10 nP to 15 nP per lb. and some times more. Fannings, except the better types, were the weakest feature of the sale and these types were virtually neglected. Highgrowns were irregularly easier by 20 nP. Whole leaf were irregularly down by 5 nP to 15 nP. Withdrawals were heavy.

The quotations were: Plain B.P. Re. 1.45; low medium Re. 1.50 to 1.60; medium Re. 1.60 to 1.80; good medium Re. 1.90 to 2.20; quality Rs. 2.50 to 2.80.

Dust Sale 'M': Just over 14,00,000 lbs. were offered in dust sale 'M' which was held on Thursday, the 19th inst. This large quantity met with a good general demand. Milled dusts met with some competition, but were easier by 5 nP. Mediums evoked less support and were irregularly lower by 10 nP to 15 nP. The better sorts were easier by 10 nP. Withdrawals were comparatively small.

London Market: Indians, Ceylons and South Indians were fully firm to dearer. Plainest kinds, however, were easier.

Colombo Market: Sale of 16th June 1958.—6.5 million lbs. Active and general demand. All markets, including Russia, except light liquoring sorts; highgrowns considerably dearer, frequently 50 cents up. Plainer mediums firm. Brighter kinds and UVAS up 5-10 cents. Small leaf lowgrowns up 10 cents. Gulf types up 15-20 cents.

Sale of 17th June 1958.—Offgrades active demand 10-15 cents dearer.

Calcutta Market: Internal.—18,500 packages dust. Good general demand. Black leafy types and grainy C.T.C. strongest feature. Dearer remainder irregular.

Export Quota.—With a further release of 10 per cent. making a total of 60 per cent. of the best crop basis, the market has declined. Special quota stands at 7 nP. Business has been transacted in new quota at 13 nP. Today's quotation is sellers 13 nP, with probable buyers at the same price.

Sale No. 18 was held on Tuesday, the 24th inst., when 1.6 million lbs. were offered. Demand was good. Low mediums and mediums were irregular but steady. Good mediums met with enquiry at firm rates. High-growns were irregularly easy, with quality plain and fibry sorts neglected.

NO EXPORT AUCTION IN TEA

(From Our Own Correspondent)

CALCUTTA, 24*th June*

Although the situation following the strike launched by the All-India Port and Dock Workers' Federation showed definite signs of improvement, no export auction in tea was held during the week under review also, in view of uncertainty regarding sailings from the port. The auction scheduled to be held on the 17th inst., was also postponed, as a result of the strike and apprehensions of delay in loading and unloading ships.

Trade circles realised that accumulations of tea in gardens and warehouses, apart from creating financial problems for many, might hit the industry in the long-run. The end of the London dock workers' strike was hailed; it was, however, noted that, when the strike in London was being staged, buyers did not exhibit any tendency to rush and "capture" available supplies. On the other hand, their buying was selective, and, in order to make up for reduced buying as a result of limited availability following the strike, withdrawals were made from stocks built up earlier. It was, therefore, anticipated that further sales in Mincing Lane would bear the impact of the huge accumulations of recent weeks and might affect prices.

Viewed thus, the postponement of export auctions here caused apprehension. However, it was considered as certain that foreign buyers would pay more attention to Ceylon tea, because of the termination of labour troubles in the Colombo port.

In the meantime, it was noted here that the current season has begun well for tea. Exports from 1st April have been substantially higher. Up to 7th June, North-East Indian tea shipped to foreign countries aggregated 25 million lbs., representing a substantial increase of 9 million lbs. as compared with the corresponding previous period and 14 million lbs. in the same period in 1956. A striking feature this year was the smart increase in shipments to Egypt and other Middle East countries and the Irish Republic. Another equally redeeming feature was the enormous interest displayed by Russia to which shipments amounted to more than 1.6 million lbs., as against nothing in the corresponding two previous periods. Usually, Russian interest in Calcutta auctions is shown later in the season, but this year's earlier activity should be attributed to port labour troubles in Ceylon, as also to Russia's anxiety to purchase more from this country in a demonstrative bid to increase Indo-Soviet trade and balance trade. The United Kingdom, the Netherlands, W. Germany, Canada and New Zealand are among other countries to lift more tea from Calcutta in the period 1st April to 7th June, while shipments to the United States, Turkey, Iran and Australia recorded decreases.

In the internal auctions held last week, dusts on offer amounted to 18,237 chests. General demand was good. Orthodox teas fit for export received good attention, and some favoured lines gained 8 nP. Other orthodox lines were firm, although irregular. C.T.C. Assams were fully firm. The quotations were: Medium Assams C.T.C. Re 1.70 to Re. 1.90; medium Assam grainy dust Re. 1.58; medium Dooars Re. 1.56.

Leaf offerings aggregated 178 chests, including 12 chests of 1957-58 manufacture.

Sellers offered the 1957-58 non-transferable shipping licence at 4 nP., but buyers were reserved. Transferable special export licence changed hands at 5 nP. After some business in the 1958-59 export rights at 11½ nP, the price gave way to 11 nP.

JUTE GOODS STEADY

(From Our Own Correspondent)

CALCUTTA, 24*th June*

Fairly steady conditions were in evidence in the jute markets during the week under review. Most of the business in jute goods done was of a speculative nature. Shippers' interest was nominal, in view of the uncertainty of sailing dates, consequent on the port workers' strike. The strike, however, has not yet affected the course of prices as such. The situation in the docks has considerably improved, and it is anticipated normalcy will soon return. However, if this expectation does not materialise and the strike continues beyond the end of the month, jute market would be affected. For, at the end of the month, mills would issue due-date delivery orders, for most of which there would be no shipping instructions. However, registered holders must pay and take delivery, in which event supplies in the market would be considerably in excess of demand. This might lead to selling pressure and depress prices. However, it was noted that after the Prime Minister's appeal from Manali, circumstances were more favourable for ending the strike. As and when the strike ended, it was expected that shippers' interest would revive. It was believed that U.S. buyers were only waiting for the end of the strike to enter the market. For burlap stocks in the United States were low, and the economic recession there had flattened out. Another interesting factor which emerged during the week under review was the report that the temporary lifting of the ban against imports of hessian by the Argentine Government. Indicative of the correctness of this report, a considerable quantity was purchased by a shipper for near delivery shipment to Argentina.

Immediately following the report from Argentina, much speculative interest was shown. The expectation that, when once normalcy returned in the port, foreign buyers would show fair interest, resulted in speculative enthusiasm which maintained prices. Throughout the week, hessian 40" 10 oz. was quoted above the I.J.M.A. floor, while B. twills moved within a narrow groove, much below the minimum price. It was known in this week that contrary to an earlier belief in the market, mills fully favoured the maintenance of the minimum prices at current levels and that there was no thought whatsoever of any revision.

On Tuesday last, prices of jute goods declined on account of speculative activity in the *fatka*. Ready B. twills lost to Rs. 96.25 from Rs. 97 the day previous and ready hessian 40" 10 oz. to Rs. 39.70 from Rs. 39.85. There was, however, no interest shown by buyers on behalf of overseas markets. On the next day, B. twills improved to Rs. 97.30 and hessian 40" 10 oz. to Rs. 39.90 following news of good shipping and the improvement in the port workers' strike. On Thursday, apart from some covering business, there was little other activity, and while hessian 40" 10 oz. was unchanged at Rs. 39.90, ready B. twills were pulled down to Rs. 97.15. On Friday, a definite uptrend was in evidence, as the end of the port workers' strike was considered nearing. It was believed that overseas interests were only waiting for the end of the strike to enter the market. Good speculative interest followed and ready B. twills advanced to Rs. 97.45 with ready hessian 40" 10 oz. spurting to Rs. 40.30. Over the week-end, prices for the above representative constructions rose further to Rs. 97.60 and Rs. 40.35, respectively; no business took place with shippers. Following expectations of the end of the port workers' strike, yesterday there was keen speculative activity which raised B. twills to Rs. 98.15 and hessian 40" 10 oz. to Rs. 40.80.

Prices of raw jute rose and mills bought a fair quantity. Assam upper bottoms advanced to Rs. 24.75 from Rs. 24.25 and local daisee to Rs. 28.50 from Rs. 28. Enthusiasm on reports of the good condition of the crop was checked by the need for plenty of rains to fill in tanks and streams in order that cultivators can have normal steeping and retting facilities. Rains have, of course, been adequate to keep the plants in good condition, but it has been unfortunate that the monsoon has not yet started in right earnest in this part of the country. Harvest is nearing, and unless tanks have sufficient water, the outturn as well as its quality will be affected. Crop reports from districts go to show that this year the proportion of daisee compared to mesta has increased. For, last year the mesta crop was plentiful and export being banned, the price for mesta was affected. It was noted that, as compared to 1947, jute production in West Bengal has increased to such an extent as to meet 50 per cent. of the requirements of mills in the country. This was stated by the West Bengal Agriculture Minister, Dr. Ahmed, in the Assembly; he added that intensive cultivation was being done and that the acreage under jute in the State was now one million as compared to 300,000 ten years ago.

MORE FOODGRAINS IMPORTS

(From Our Own Correspondent)

HAPUR, 23*rd June*

Steady conditions prevailed in the foodgrain markets during the week. The Union Food Minister announced this week that there would be a fresh import of 1.2 million tons of foodgrains. He revealed that the Government of India had in stock 1,672,000 tons of foodgrains (1,057,000 tons of wheat and 615,000 tons of rice) and to this would be added 500,000 tons of wheat to be imported from the U.S. under an interim agreement. He also revealed that the Indian Government had accepted from the U.S. another offer of a consignment of 700,000 tons of foodgrains under P.L.480.

Wheat at Hapur ruled quietly steady to be quoted now at Rs. 17.50 per maund for average quality and up to Rs. 18.75 per maund for farm produce. The U.P. State Government is very much perturbed over the persistent rise in grain prices and attributes this mostly to hoarding tendencies by traders. The State Food Minister has warned that the Government would seize foodgrains stocks in its bid to bring down prices. The Government is also considering to ousting bulk purchasers such as flour mills and co-operatives from the open market by supplying them from out of Government stocks. The number of fair price shops has been increased in east U.P. and they have also been opened in the five Kabal towns of the State, namely, Kanpur, Allahabad, Benares, Agra and Lucknow.

Daily arrivals of wheat mounted to an average of 800 maunds, due to unauthorised arrivals from Punjab side, but local stock continued unchanged at five *khatties*. The latest Government estimate puts the total production of wheat, barley and gram in the State at 5,369,000 tons, as against 6,218,000 tons last year. Apart from poor *rabi* crop yield this year, the cultivators are retaining a part of their produce, due to uncertainties about the next *kharif* crop, the sowings of which has commenced in some areas. Large-scale sowings will, of course, begin after the rains.

Rice registered fractional gains during the week, due to shortage of supplies. The latest prevailing prices were: Basmati *sela* Rs. 42, *mainpuri* Rs. 29, coarse quality upto Rs. 25 per maund.

Firm Punjab advices accounted for slight gains in the prices of gram during the week and stock position improved slightly by two *khatties* to 48 *khatties* owing to fresh arrivals from Punjab. Barley and *bejhar* continued steady at almost unchanged price levels, while *jowar* and *guwar* scored some gains, on account of good demand for seeds in the face of poor local stocks. The latest prevailing prices were: Gram Rs. 12.94 to Rs. 13.12; barley Rs. 12.87; *bejhar* Rs. 12.37; *jowar* Rs. 14 to Rs. 15; *guwar* white Rs. 16.25.

Peas and *arhar* ruled quiet, following slack outside demand at higher rates. Arrivals of peas were about 500 maunds daily and those of *arhar* aggregated 250 maunds. *Urd* and *moong* continued steady. The latest prevailing prices (in rupees per maund) were: Peas *dara* 11.50; white upto 12; peas *dal* 12.69; *arhar* 14.87; *arhar dal* Rs. 18.87; *urd* 19 to 20; *moong* 24.50; *massor* 15.25 to 16.50.

Futures pulses prices declined during the week on Bombay selling influenced by good rain reports there, the latest quotations being near the worst level of the week. Peas *bhadon* was done at Rs. 11.75, *arhar bhadon* at Rs. 14.95 and *urd maha* at Rs. 17.45, as against the week's opening of Rs. 12.24, Rs. 15.45 and Rs. 18, respectively.

HIDES SUPPLIES SCARCE

(From Our Own Correspondent)

KANPUR, 23*rd June*

The week under review witnessed steady condition in the hides and skins market. The market was persistently trying to adjust itself to the scarcity in supplies. As the extreme heat of the season affected supplies, the volume of buff, goat and sheep from the local butcheries continued to dwindle. The main purchasers were the local tanners and the Madras dealers.

The latest available quotations are: Wet salted cow 1st grade Rs. 360 and 2nd grade Rs. 250 per score; wet salted buff 1st grade 1 lb. 6 ozs. and 2nd grade 1 lb. 10 ozs. per rupee; goat 1st grade Rs. 280 and 2nd grade Rs. 240 per 100 pieces; sheep 1st grade Rs. 300 and 2nd grade Rs. 250 per 100 pieces.

MISCELLANEOUS STATISTICAL INFORMATION

PRINCIPAL BANK RATES %

Centre	Changed on	From	To
Argentina	Dec., 1957	3½	6
Austria	17th Nov., 1955	4½	5
Belgium	31st Mar., 1958	4½	4½
Bolivia	30th Sept., 1950	5	6
Burma	Feb., 1948	..	2
Ceylon	11th June, 1954	2	2½
Chile	Feb., 1957	4½	6
Colombia	15th July, 1952	5	6
Costa Rica	1st April, 1954	4	5
Denmark	29th April, 1958	5½	5
Ecuador	15th May, 1945	7	10
Egypt	16th Nov., 1952	3½	3
El Salvador	April, 1957	3	4
Finland	29th April, 1956	5	6½
France	12th Aug., 1957	4	5
Greece	May, 1956	9	10
India	16th May, 1957	3½	4
Indonesia	1st April, 1946	4	8
Ireland	30th Sept. 1957	5	6
Italy	7th June, 1958	4	3½
Japan	8th May, 1957	7.67	8.40
Mexico	4th June, 1942	4	4½
Netherlands	18th June, 1958	4	3½
New Zealand	19th Oct., 1955	6	7
Norway	14th Feb., 1955	2½	3½
Pakistan	1st July, 1948	..	3
Peru	18th Nov., 1947	5	6
Philippines	Sept. 1957	3	4½
Portugal	13th Jan., 1944	3	4½
South Africa	28th Sept., 1955	4½	5
Spain	22nd July, 1957	4½	5
Sweden	3rd May 1956	4	4½
Switzerland	15th May, 1957	1½	2½
Thailand	Feb., 1945	..	7
Turkey	6th June, 1958	4½	6
United Kingdom	20th June, 1958	5½	7
U.S.S.R.	1st July, 1936	3	4
U.S.A.	18th April, 1958	2½	1½‡
West Germany	17th Jan., 1958	4	5½

‡ Five Federal Reserve Banks have lowered the rate.

CLEARING HOUSE RETURNS

Centre	Week ended 20th June, 1958		Week ended 13th June, 1958	
	Number of Cheques	Amount Rs.	Number of Cheques	Amount Rs.
Bombay	3,02,292	69,54,17,000	2,98,160	61,08,46,000
Calcutta	1,63,000	58,05,00,000	1,63,000	55,25,00,000
Madras	89,598	8,99,41,206	87,023	8,86,39,310
All Centres—				
1956-57	..	..	40,003,000	87,28,93,00,000
1957-58	..	..	41,637,000	89,51,12,00,000
Feb., 1958	..	..	3,535,000	7,64,27,00,000
Mar., ,,	..	..	3,781,000	8,72,23,00,000
Apr., ,,	..	..	3,823,000	7,90,89,00,000

Reserve Bank of India

Statement of Affairs for the week ended 20th June, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	5,00,00,000
Reserve Fund	80,00,00,000
National Agricultural Credit (Long-term Operations) Fund	20,00,00,000
National Agricultural Credit (Stabilisation) Fund	2,00,00,000
Deposits :—	
(a) Government—	
(1) Central Government	49,90,26,000
(2) Other Governments	15,24,75,000
(b) Banks	93,68,03,000
(c) Others	112,05,80,000
Bills Payable	17,53,78,000
Other Liabilities	44,45,39,000
Rupees	439,88,01,000

ASSETS	Rs.
Notes	38,51,17,000
Rupee Coin	9,04,000
Subsidiary Coin	2,14,000
Bills Purchased and Discounted—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	70,26,000
Balances held abroad*	17,41,07,000
Loans and Advances to Governments†	45,03,61,000
Other Loans and Advances	55,13,19,000
Investments	267,15,55,000
Other Assets	14,22,38,000
Rupees	439,88,01,000

* Includes Cash and Short-term Securities.
† Includes temporary overdrafts to State Governments.
The item "Other Loans and Advances" includes Rs. 11,75,97,000/- advanced to Scheduled banks against usance bills under Section 17 (4) (c) of the Reserve Bank of India Act.

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	38,51,17,000	
Notes in circulation	1586,91,03,000	
Total Notes issued		1625,42,20,000
Total Liabilities		1625,42,20,000

ASSETS	Rs.	Rs.
A. Gold Coin and Bullion—		
(a) Held in India	117,76,03,000	
(b) Held outside India	....	
Foreign Securities	209,67,56,000	
Total of A		327,43,59,000
B. Rupee Coin		130,42,58,000
Government of India Rupee Securities		1167,56,03,000
Internal Bills of Exchange and other commercial paper		....
Total Assets		1625,42,20,000

Scheduled Banks*

Statement of Affairs for the week ended 13th June 1958

	Rs.
Demand Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	26,15,33,000
(ii) Other demand liabilities	724,70,08,000
Time Liabilities in India :	
(i) Borrowings from banks other than the State Bank and a notified bank†	24,07,42,000
(ii) Other time liabilities	769,82,57,000
Borrowings in India from the State Bank and/or a notified bank:	
(i) Demand liabilities	4,26,52,000
(ii) Time liabilities	1,05,00,000
Borrowings in India from the Reserve Bank of India‡	15,43,96,000 (14,45,89,000)
Cash in India	88,80,32,000
Balances with the Reserve Bank in India	77,42,86,000
Balances with other banks in current account in India	12,03,34,000
Money at call and short notice in India	56,03,30,000
Investments (at book value) in India in Central and State Government securities including Treasury Bills and Treasury Deposit Receipts	484,85,32,000
Advances in India	768,97,39,000
Inland Bills purchased and discounted in India	105,09,38,000
Foreign Bills purchased and discounted in India	38,74,97,000
April	....

* Provisional.
† Excluding borrowings from the Reserve Bank also.
‡ The figures in brackets represent borrowings from the reserve Bank against usance bills and/or promissory notes.

EXCHANGE RATES

	18th June 1958	Previous week
Bombay on London—		
Sellers T.T. D.D. Spot s.	1-5⅝	1-5⅝
Sellers T.T. D.D. upto six months s.	1-5⅜	1-5⅜
Buyers T.T. spot to nine months s.	1-6¼	1-6¼
Buyers T.T. 10 to 12 months s.	1-6⅛	1-6⅛
Bombay on New York—		
Sellers T.T. D.D. Rs.	475.75	475.50
Buyers T.T. Rs.	472.75	472.50
London on New York Rs.	2.81¼-2.81½	2.81¼-2.81½
London on Paris Fcs.	1,180‡	1,180‡
London on Berne Sw. Fcs.	12.23½-12.23¾	12.22½-12.23
New York on London Rs.	2.81¼-2.81½	2.8⅝-2.81⅝

NATIONAL INCOME*

Country	Year	Population (In millions)	National Income (In millions)	In terms of rupee (Crores)	Per capita income (Rs.)
India†	'56-'57	387.58	..	11,618	284
Pakistan††	'56-'57	82.50	..	2,079	248
Burma	1955	19.42	Kyats 4,067	1,492	210
Ceylon	1955	8.83	..	475	567
Japan	1956	90.00	Y. 7,437,000	9,988	1,061
Philippines	1955	21.85	Ps. 7,264	1,875	351
New Zealand	1956	2.17	£ (N.Z.) 864	1,176	5,466
Australia	1956	9.40	£ (A.) 4,536	4,668	4,916
U.K.	1956	51.20	£ 10,465	21,955	4,287
U.S.A.	1956	168.90	$ 348,400	199,364	9,751
Canada	1956	16.00	$ 32,710	19,787	6,742
France	1956	43.60	N.Fr. 19,960,000	17,640	4,046
W. Germany	1956	51.50	Dm. 147,200	14,287	2,773
Italy	1956	48.10	Lr. 11,476,000	5,758	1,221
Norway	1956	3.46	Kr. 22,990	1,466	4,256
Sweden	1956	7.36	Kr. 44,500	4,137	5,643
Netherlands	1956	10.50	Gm. 22,600	8,315	3,977
Denmark	1956	4.46	Kr. 24,000	1,800	3,789
Switzerland	1956	5.00	Sw. Fr. 24,700	2,714	5,428

* National income at factor cost—the aggregate of all incomes earned in the production of goods and services in the course of a year including net income from abroad.
Source : International Financial Statistics, November 1957.
† Preliminary estimates (at 1948-49 prices) are based on the 5th issue of the annual paper on national income issued by the Central Statistical Organisation.
†† According to budget-speech of Pakistan Finance Minister.

State Bank of Pakistan

Statement of Affairs for the week ended 13th June, 1958

BANKING DEPARTMENT

LIABILITIES	Rs.
Capital paid-up	3,00,00,000
Reserve Fund	3,00,00,000
Deposits :—	
(a) Central Government	76,97,27,000
(b) Provincial Governments	....
(c) Banks	23,40,33,000
(d) Others	5,10,63,000
Bills Payable	48,70,000
Other Liabilities	12,77,05,000
Rupees	124,73,98,000

ASSETS	Rs.
Notes	12,50,24,000
Rupee Coin	35,000
Subsidiary Coin	30,000
Bills Purchased and Discounted :—	
(a) Internal	....
(b) External	....
(c) Government Treasury Bills	10,12,000
Balances held outside Pakistan	19,80,68,000
Loans and Advances to Governments	5,01,00,000
Provincial Governments' Debtor Balances	7,21,84,000
Other Loans and Advances	4,29,05,000
Investments	66,29,57,000
Other Assets	9,50,93,000
Rupees	124,73,98,000

ISSUE DEPARTMENT

LIABILITIES	Rs.	Rs.
Notes held in the Banking Department	12,50,24,000	
Notes in circulation	336,99,49,000	
Total Notes issued	....	349,49,73,000
Total Liabilities		349,49,73,000

ASSETS	Rs.	Rs.
I. A. Gold Coin and Bullion	11,40,93,000	
Silver Bullion	....	
Approved Foreign Exchange	63,17,83,000	
India Notes representing assets realisable from the Reserve Bank of India	43,02,80,000	
	4,19,23,000	117,61,06,000
B. Rupee Coin		
Government of Pakistan Securities	221,79,38,000	
Internal bills of exchange and other commercial paper	....	225,98,61,000
II. Held with the Reserve Bank of India pending transfer to Pakistan :—		
Gold Coin and Bullion	19,02,000	
Sterling Securities	4,40,68,000	
Government of India Securities	1,00,90,000	
Rupee Coin	29,51,000	5,90,06,000
Total Assets	....	349,49,73,000

Ratio of Gold Coin and Bullion, Silver Bullion, and approved Foreign Exchange to total notes issued : 35.26 per cent.

COMPARATIVE BANKING STATISTICS*

(In crores of rupees)

	1st Sept., 1939 (pre-war)	13th June 1958	A week ago	A month ago	A year ago R
RESERVE BANK					
Issue Department					
Notes in circulation	172.37	1604.98	1608.59	1614.83	1580.56
Notes held in Banking Department	35.05	10.01	15.11	24.65	23.93
Foreign Securities	59.50	209.68	209.68	209.68	412.52
Rupee Securities	87.39	1167.56	1167.56	1182.62	949.81
Banking Department					
Deposits of :					
Government of India	14.89	51.42	50.86	75.07	52.46
Other Governments	....	13.36	13.91	13.69	1.19
Balances held abroad	10.08	28.61	29.91	42.84	61.19
SCHEDULED BANKS					
Demand Liabilities	134.86	750.85	748.49	743.00	713.06
		(26.15)†	(21.84)†	(17.35)†	(0.80)†
Time Liabilities	102.24	794.80	792.17	787.50	543.62
		(24.97)†	(22.44)†	(16.08)	(3.44)†
Borrowings from Reserve Bank	..	15.44	17.29	31.86	70.03
		(14.46)‡	(16.16)‡	(26.32)‡	(54.75)‡
Borrowings from State Bank	6.70	5.32	5.58	6.43	6.97
Cash in India		38.80	39.28	39.35	41.09
Balances with Reserve Bank	25.17	77.43	74.44	68.07	59.77
Excess over statutory limits	15.52	24.00	20.18	15.17	13.25
Balances with other banks in current accounts in India	..	12.03	11.63	11.78	10.49
Money at call and short notice in India	..	56.03	54.10	51.43	19.71
Investments at book values	105.09	484.85	483.78	440.31	334.88
Advances and bills		912.82	920.44	939.89	920.56
STATE BANK					
Deposits	..	87.76	420.74	419.39	417.66	306.53
Investments	..	51.99	266.77	266.57	171.04	105.52
Advances	..	30.33	189.99	192.97	201.17	186.39
Cash	..	14.69	27.78	25.82	27.32	28.29

† Borrowings from Banks excluding the Reserve Bank and the State Bank. * Figures are provisional. R = Revised.
‡ Borrowings against usance bills and promissory notes.

CUSTOMS AND EXCISE REVENUE GOVERNMENT OF INDIA

(In crores of rupees)

	January		Ten months, April to Jan.,	
	1957	1958	1956-57	1957-58
Import Duties :				
Revenue	12.69	9.34	105.67	117.65
Protective	1.27	0.87	3.50	5.95
Cit surplus disposals	—	—	0.04	0.12
Total import duties	13.96	10.21	116.21	126.75
Export Duties	3.96	2.16	25.15	20.63
Land Customs	0.21	0.02	2.03	3.36
Air customs.	..	0.12	..	1.85
Miscellaneous	0.19	0.13	0.94	1.29
Gross total customs	17.23	12.24	144.33	153.88
Refunds and drawbacks	0.25	0.61	2.09	8.76
Net Customs	16.98	12.63	142.24	150.12
Gross excise	17.96	29.98	155.61	220.95
Refunds	0.25	0.31	1.75	2.82
Net Excise	17.71	29.67	154.06	218.14
Net total of customs and excise†	34.69	42.30	296.30	368.26

† Net Customs plus net Excise.
* Figures for Air customs prior to August 1957 not available.

State Bank of India

Statement of Affairs for the week ended 20th June 1958

CAPITAL AND LIABILITIES	Rs.	Rs.
CAPITAL—		
Authorised Capital— 10,00,000 shares of Rs. 100 each.	20,00,00,000	
Issued, Subscribed and Paid-up : 5,62,500 shares of Rs. 100 each.	5,62,50,000	
Reserve Fund and Other Reserves		5,62,50,000
Deposits and Other Accounts		6,62,50,000
Borrowings from Other Banking Companies, Agents, etc.		417,80,91,000
Bills Payable		....
Bills for Collection being Bills Receivable as per contra		6,12,07,000
Acceptances, Endorsements and Other Obligations per contra		95,41,000
Other Liabilities (including Inter-Office Adjustments)		75,63,000
Total	Rs.	5,24,03,000
		443,13,95,000

PROPERTY AND ASSETS	Rs.	Rs.
Cash in hand and with Reserve Bank		31,00,68,000
Balances with other Banks		2,52,55,000
Money at Call and Short Notice		1,73,33,000
INVESTMENTS :		
Government and other Trustee Securities	196,27,28,000	
Other Authorised Investments	10,68,00,000	206,90,28,000
ADVANCES:		
Loans, Cash Credits, Overdrafts, etc.	169,00,71,000	
Bills Discounted and Purchased	17,65,99,000	186,56,70,000
Bills Receivable being Bills for Collection as per contra		95,41,000
Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		75,63,000
Premises less Depreciation		1,19,75,000
Furniture and Fixtures less Depreciation		88,60,000
Other Assets (including Inter-Office Adjustments)		10,61,02,000
Total	Rs.	443,13,95,000

SMALL SAVINGS

(In lakhs of rupees)

Year/Month	National Savings Certificates 5-Year A	7-Year B	12-Year B	12-Year National Plan Savings Certificates C		Post Office Savings Bank Deposits		10-Year National Plan Certificates D	Post Office Cash Certificates, Defence Savings Certificates and Defence Savings Bank Deposits Outstandings E	10-Year Treasury Savings Deposit Certificates 3½% F	4% G		15-Year Annuity Certificates G		Total Receipts	Total Outstandings H
	Outstandings	Outstandings	Outstandings	Receipts	Outstandings	Receipts	Outstandings	Outstandings		Outstandings	Receipts	Outstandings	Receipts	Outstandings		
1952-53	6.85	3.26	84.17	..	..	113.38	25.25	..	—31.97	25.64	..	..	..	..	146.23	311.52
1953-54	5.91	4.35	104.52	..	..	117.37	106.29	..	—34.39	32.11	..	..	..	..	169.71	392.94
1954-55	4.78	4.99	124.84	..	..	134.94	130.38	Y.S.	—36.15	37.18	..	..	55	1.47	177.25	516.20
1955-56	3.76	5.48	144.37	..	..	148.11	167.35	16.38	—37.06	41.25	..	..	45	95	202.53	650.54
1956-57	2.99	6.01	165.68	..	..	174.97	196.16	23.28	—38.82	44.28	..	..	43	1.32	223.26	440.17
1957-58	2.23	4.78	143.59	71.39	71.36	172.40	207.96	23.13	—39.71	43.58	5.58	5.58	63	1.87	256.80	504.38
1957																
July	2.74	5.61	165.26	5.26	5.26	13.62	206.57	23.16	—39.11	44.42	62	1.24	4	1.39	29.72	483.77
August	2.68	5.49	164.38	5.82	11.21	12.44	207.86	23.21	—39.18	44.27	62	1.76	2	1.42	17.91	464.62
September	2.60	5.39	163.23	9.86	20.17	14.66	203.17	23.17	—39.26	44.14	62	2.39	4	1.48	21.54	442.72
October	2.54	5.26	155.83	6.17	26.23	12.51	202.21	24.21	—39.33	44.07	62	2.21	2	1.47	19.12	425.04
November	2.48	5.14	153.46	5.48	31.62	13.25	202.16	24.47	—39.39	43.96	49	3.29	2	1.49	20.24	409.69
December	2.43	5.06	151.07	5.31	36.82	13.09	202.55	24.14	—39.47	43.89	46	3.76	2	1.50	17.99	472.63
1958																
January	2.37	4.94	148.57	7.96	47.18	13.58	202.54	23.77	—39.55	43.80	66	4.44	18	1.63	22.06	479.39
February	2.31	4.88	146.14	10.24	57.42	14.22	203.13	23.45	—39.62	43.68	74	5.13	9	1.75	25.36	457.69
March	2.23	4.78	143.59	13.97	71.36	19.89	207.96	23.13	—39.71	43.58	79	5.58	12	1.87	34.55	504.38
April	..	..	..	..	..	..	..	..	..	43.47	77	6.55	11	1.97	..	..

Note :—Outstandings relate to end of period and do not include Indian Union's share of pre-partition liabilities: repayments, however, include those from the pre-partition holdings of Indian investors. A—Discontinued from July 1, 1953. B—Discontinued from June 1, 1957. C—Issued from June 1, 1957. D—Issued from May 16, 1954 to May 30, 1957. E—Progressive net repayments at the end of period from August 15, 1947 to June 1, 1957. F—No sales from June 1, 1957. G—From July, 1954. H—Outstandings in respect of itemsin columns 9 marked 'E' are not included.

MISCELLANEOUS STATISTICAL INFORMATION—*Continued.*

INDEX NUMBER OF SECURITY PRICES

(Base : 1949-50=100)

Group and Sub-Group	Week Ended 13th June 1958	7th June 1958	17th May 1958	15th June 1957
ALL-INDIA GOVERNMENT AND SEMI-GOVERNMENT SECURITIES	88.8	88.7	88.7	88.8
1. Government of India	89.5	89.5	89.4	89.3
2. State Governments	90.9	90.9	90.9	90.4
3. Municipal Port Trust, etc.	90.0	90.0	89.9	90.4
DEBENTURES OF INDUSTRIAL CONCERNS	97.4	97.4	97.3	98.9
1. Electricity	98.7	98.7	98.7	98.8
2. Jute	92.2	92.2	92.2	97.0
3. Plantations	97.8	97.8	97.8	98.4
4. Sugar	98.4	98.4	98.4	98.8
5. Coal	84.8	84.8	84.8	90.0
6. General Engineering	98.4	98.4	98.4	100.4
7. Shipping	99.9	99.9	99.1	101.8
8. Others	94.2	94.2	94.2	100.1
PREFERENCE SHARES	89.9	89.8	89.9	97.8
1. Electricity	85.8	85.8	85.3	94.5
2. Cotton	67.9	68.9	67.1	78.0
3. Jute	57.7	57.5	57.5	69.9
4. Coal	73.4	73.4	71.6	81.2
5. Iron and Steel	78.8	77.9	78.1	83.0
6. Sugar	67.9	67.9	68.9	77.3
7. Paper	69.6	69.6	71.6	78.9
8. Plantations	86.3	86.3	86.5	95.1
9. Miscellaneous	61.1	64.8	64.9	71.1
VARIABLE DIVIDEND INDUSTRIAL SECURITIES	99.0	98.4	98.1	101.3
(a) Financial	98.4	97.9	97.1	99.9
1. Banks	101.1	100.7	99.8	99.7
2. Insurance	95.1	94.3	93.0	96.1
3. Investment Trust	99.1	98.7	97.9	101.2
(b) Public Utilities	105.3	105.2	105.3	104.4
1. Electricity	103.0	102.7	102.8	105.3
2. Shipping and other Transport	120.9	121.1	121.8	110.1
3. Railways	68.9	69.1	68.8	75.9
(c) Manufacturing industries	102.7	102.0	101.8	105.3
1. Cotton, Woollen and Silk	92.5	91.9	93.9	108.5
2. Jute	55.2	54.9	52.6	52.7
3. Iron and Steel	131.3	131.2	131.3	114.0
4. Paper	237.3	231.6	235.4	223.8
5. Cement	137.7	136.4	138.1	142.5
6. General Engineering	157.7	156.3	157.6	153.1
7. Sugar and Breweries	98.4	97.8	97.3	90.3
8. Chemicals	139.1	138.0	136.0	136.0
(d) Non-Manufacturing industries	110.6	109.2	109.7	122.9
1. Coal	64.0	64.0	63.5	69.6
2. Mining and Oil	160.3	155.9	157.3	169.7
3. Plantations	118.0	117.1	117.7	133.6
(e) Miscellaneous	89.6	89.5	88.8	77.6
REGIONAL GOVERNMENT AND SEMI-GOVERNMENT SECURITIES :	89.2	89.2	89.1	88.9
1. Bombay	89.7	89.7	89.6	89.5
2. Calcutta	90.0	89.9	89.9	89.8
3. Madras				
PREFERENCE SHARES:	97.0	97.0	96.6	99.0
1. Bombay	97.5	97.5	97.5	98.6
2. Calcutta	97.4	97.4	97.4	99.5
3. Madras				
DEBENTURES:	79.5	79.5	79.6	84.3
1. Bombay	61.1	60.8	61.1	70.4
2. Calcutta	83.7	83.7	83.8	91.3
3. Madras				
VARIABLE DIVIDEND INDUSTRIAL SECURITIES:	115.2	114.5	114.5	111.4
1. Bombay	85.4	85.0	84.3	89.3
2. Calcutta	107.2	106.6	107.0	113.0
3. Madras	120.4	119.4	119.8	110.0
4. Delhi				

ELECTRIC ENERGY GENERATED AND SOLD*

(In millions of kilo-watt-hours)

	No. of Concerns ‡	Units Generated‡	Total Units Sold
1954-55	656	7,760.9	6,810.2
1955-56	715	8,662.8	7,583.5
1956-57	769	9,677.8	8,188.1
January 1957	765	848.7	733.7
February ,,	767	811.6	716.5
March ,,	769	876.6	784.5
April ,,	770	901.4	794.7
May ,,	793	935.2	798.1
June ,,	799	898.4	763.9
July ,,	809	958.5	781.0
August ,,	811	923.9	789.8
September ,,	814	854.7	721.3
October ,,	822	917.5	761.5
November ,,	822	950.2	740.5
December ,,	823	958.7	779.7
January 1958..	825	973.6	788.1
February ,,	828	910.7	748.2

* Excluding railway, millitary and factory power stations. Chola Power Station being interconnected with the Tata Power System, has been included. †Including purchases from non-electric utilities.
‡ At the end of period. *Source*:—Central Water and Power Commission.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(Base : 1951=100)

	1956	1957	Dec., 1957	Jan., 1958	Jan., 1957
General Index	132.6	138.8	142.0	143.5	138.8
Coal	114.9	126.9	139.0	135.4	124.4
Sugar	166.5	182.8	204.2	161.2	156.6
Cotton textiles	106.0	105.5	107.5	105.9	101.5
Jute textiles	127.3	127.1	114.2	112.2	123.4
Paper and paperboards	146.6	159.5	126.0	128.8	153.8
Cement	167.2	179.2	216.3	219.0	169.0
Iron and steel	119.4	119.3	121.1	121.4	129.2
Non-ferrous metals	124.7	151.9	161.8	147.7	139.2
Rayon	355.8	459.8	560.1	576.5	372.1

*Adjusted for seasonal fluctuations.

INDUSTRIAL DISPUTES

(All-India)

Month	Number of disputes‡	Total of average Number of workers involved	Number of man-days lost
1954	840	477,125	2,972,000
1955	1,166	527,767	2,997,845
1956 R	1,203	715,190	6,992,040
February 1957	124	48,733	268,041
March ,,	113	49,999	237,650
April ,,	161	61,250	414,286
May ,,	182	68,230	455,037
June ,,	135	100,220	734,545
July ,,	193	91,749	764,926
August ,,	195	144,551	1,031,511
September ,,	205	144,579	842,508
October ,,	223	109,884	832,906
November ,,	175	86,166	886,979
December ,,	158	85,471	815,881
January 1958 ..	145	54,997	454,185
February ,,	145	99,070†	443,764†
March ,,	165	77,713††	785,167††

† Not known in 5 cases. †† Not known in three cases.
‡ In progress during the month. R = Revised.

INDEX NUMBERS OF WHOLESALE PRICES

(Base : 1952-53=100)

Particulars	Weight	7th June 1958	31st May 1958	8th June 1957	April 1958	April 1957	Percentage of Increase (+) or Decrease (—) in April 1958 as compared with April 1957	Financial Year Average 1957-58	1956-57
Food Articles	504	110.0	108.6	110.1	105.2	104.3	+ 0.9	106.4	102.3R
Cereals	192	103.3	101.9	104.0	97.2	100.6	— 3.4	101	96
Pulses	43	89.0	84.9	85.5	82.4	83.2	— 1.0	83	81
Fruits and Vegetables	23	112.1	110.6	128.5	108.0	119.3	— 9.5	114	112
Milk and Ghee	84	110.4	107.8	109.6	105.2	103.9	+ 1.3	105	100
Edible Oils	47	120.8	120.3	128.3	122.8	122.2	+ 0.5	126	126
Fish, Eggs and Meat	17	107.1	106.3R	95.8	102.3	92.4	+10.7	98	97
Sugar and Gur	48	122.5	120.1	109.1	113.5	95.4	+19.0	108	98
Others	50	130.8	138.4R	138.0	130.7	125.9	+ 3.8	131	126
Liquor and Tobacco	21	91.8	91.5	92.7	93.4	88.0	+ 6.1	94.0	84.3
Tobacco	..	90.0	89.7	91.0	91.7	85.9	+ 6.8	92	82
Fuel, Power, Light and Lubricants	30	114.9	114.9	112.2	114.8	107.7	+ 6.6	113.6	104.2R
Industrial Raw Materials	155	114.2	115.4	121.4	114.2R	110.7	+ 2.1	116.6	116.6
Fibres	61	109.8	109.5	125.9	112.1	119.5	— 6.2	118	116
Oilseeds	12	121.0	119.3	125.2	118.7	119.3	— 0.5	120	120
Minerals	2	107.3*	107.3	102.2	102.2	102.2	0.0	102	102
Others	32	119.3	119.2	110.0	104.4	104.4	+ 5.4	108	109
Manufactures	296	107.7	107.5	108.3	107.9R	106.2	+ 1.6	107.1	106.7
Intermediate Products	41	108.6	108.7	109.2	108.8	108.3	+ 0.5	107.7	107.6
Finished Products	249	107.5	107.4	108.4	107.9	105.9	+ 1.9	106.2	105.6
Textiles	147	104.1	104.4	108.6	105.9	106.9	— 0.9	107	106
Cotton	..	113.6	113.6	115.4	115.4	..	—	115	116.6
Jute	..	86.6	86.7	98.6

STOCK & SHARE QUOTATIONS

Abbreviations :—D.=Deferred shares. P.O.=Preferred Ordinary shares. Y.=Accounts published yearly. H.=Accounts published half-yearly. P.=Company has Preference shares. T.=Company has Debentures N.=Nominal quotations. x.d.=Ex. Dividend. c.d.=Cum. Dividend. i=Interim Dividend. f=Dividend for first half of the year.

Shares :—If a company has different classes of shares—as for example, 'A' shares and 'B' shares—these are indicated by the same letters 'A' and 'B' under the columns 'Paid-up Ordinary Capital' and 'Paid-up per share.'

Accounts :—Figures in the "Accounts Closed" column represent the months of the year in which the respective companies close their accounts. 6 and 12, for instance, indicate the months of June and December respectively. Reserves include general and other reserves and all other funds, which a company may have excluding depreciation fund, reserves for tax liability and provident fund. Block represents actual cost of land, buildings, machinery and all other items on which depreciations is allowed, less sales, if any, and stands for the gross figures except where otherwise indicated.

Dividends :—Dividends for completed years are shown as amount per share per annum, but where quoted for portion of a year they represent the proportionate dividend for that period. In the case of those companies which close their accounts yearly dividends shown are for their financial year.

TEXTILES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Director or Secretaries	Number Installed: Spindles	Number Installed: Looms	Mill	Latest Available Quotation Rs.	Paid-up Per Share Rs.	Dividend Per Ordinary Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
BOMBAY CITY AND ISLAND																
50,00,000	5,27,500	1,01,25,505	44,03,340	4,58,855	Rajputana Text. (Agencies) Pvt. Ltd.	56,468	896	Apollo Mills	1.72	2	0.12(e)	0.19	0.19		12	Y.
40,00,000	24,70,000	1,40,98,494	78,99,035	17,302	P. M. Hathecsing & Co., Ltd.	50,596	1,031	B. R. Cotton Mills	20.00	100	*Nil*	*Nil*	*Nil*	*Nil*	3	Y.P.Y.
2,50,99,000	3,42,88,483	7,99,30,951	3,32,39,819	85,708	Nowrosjee Wadia & Sons (Pvt.) Ltd.	2,23,480	3,646	Bombay Dyeing & Mfg. Co	56.40	25	2.00	2.50*	2.50	2.50	12	Y.
10,00,000	43,53,360	64,14,209	42,32,976	63,115	Ramnarain Sons Private Ltd.	44,784	860	Bradbury Mills	164.50	50	75.00†	12.50	20.00	15.00	3	Y.P.
1,99,42,500	2,79,59,276	7,45,32,167	2,69,98,324	9,27,548	Birla Brothers Private Ltd.	1,26,752	2,752	Century Spg. & Mfg.	444.25	100	22.00	22.00	22.00	22.00	12	Y.
49,00,070	25,42,326	1,19,99,766	55,07,085	—33,08,097	V. J. Pilani (Chairman and Managing Director)	50,596	698	Colaba Land & Mill	29.50	100	*Nil*	*Nil*			12	Y.
26,00,000	13,08,880	90,15,997	57,80,041	17,916	Cowasjee Jehangir & Co., Ltd.	30,984	680	Cooria Spg. & Wvg.	119.00	100	7.50	7.50	12.50*		12	Y.
28,00,000	21,65,515	80,91,069	49,34,966	24,840	Ramnarain Sons Private Ltd.	41,328		Dawn Mills	90.00	50	6.00	15.00	—	7.50F	3	Y.
54,00,000	40,06,466	1,18,54,400	62,28,676	2,28,479	Puranmal Bubna Sons	46,668	928	Edward Textiles	255.00	200	15.00	18.00	15.00		12	Y.
29,98,050	16,71,283	1,20,97,050	78,22,600	95,787	M.	45,996	886	Elphinstone Spg. & Wvg.	41.50	50	3.00	5.00	15.00		12	Y.P.
50,00,000	65,54,875	1,67,34,054	89,06,207	87,155	James Finlay & Co., Ltd.	52,528	784	Finlay Mills	273.00	100	16.00	20.00	20.00	20.00	12	Y
50,00,000	48,98,022	94,91,910	61,37,357	10,233	James Finlay & Co., Ltd.	45,768	1,018	Gold Mohur Mills Ltd.	185.00	100	12.50	15.00	15.00	15.00	12	Y.
11,84,000 / 16,000	1,81,81,482	1,71,88,061	1,16,49,125	86,061	M.	43,080	1,020	Hindoostan Spg. & Wvg. Mills	4,890.00 / 992.50 / 1.24 / 4,510.00	1,000 / 250 / 0 10D. / 1,000	225.00 / 56.25 / *Nil* / 225.00	300.00 / 75.00 / 0.94 / 300.00	300.00 / 81.25 / 0.92 / 300.00	350.00* / 87.50* / / 325.00*	3 / 12 / / 3	Y.P. / Y. / / Y.P.
2,50,66,660	56,39,672	4,00,61,319	3,54,00,000	1,29,969	Agarwal & Co.	2,44,150	6,278	India United Mills	—	0 10D.	*Nil*	0.19	0.18			
3,65,000 / 35,000	1,12,51,255	1,60,59,952	1,06,65,993	75,722	M.	56,784	1,152	Indian Mfg.	1.24 / 4,510.00	0 1D. / 1,000	*Nil* / 225.00	0.94 / 300.00	0.92 / 300.00	325.00*	12 / 3	Y. / Y.P.
59,85,000	46,10,421	3,18,61,680	2,25,81,104	78,146	Khatau Makanji & Co. (Pvt.) Ltd.	99,844	1,487	Khatau Makanji Spg. & Wvg.	—	500	112.50	150.00	150.00	162.50*	3	Y.P.
1,00,00,000	1,12,27,791	3,67,76,376	2,84,94,794	62,791	Killick Industries Ltd.	185.00	100	Kohinoor Mills	271.75	100	12.25	12.50	10.00	10.00(c)	6	Y.P.
33,18,800	46,27,870	1,28,83,753	67,99,178	43,271	N. Sirur & Co. Private Ltd.	49,000	644	Modern Mills	70.00N	100	18.00	18.00	18.00	18.00	12	Y.
51,75,000	38,44,612	2,64,74,625	1,32,16,328	23,520	Piramal Sons Private Ltd.	71,504	1,652	Morarjee Goculdas Spg. & Wvg.	230.00	50	5.00	8.00*	8.00*	5.00*C	10	Y.P.
1,60,53,400	1,42,58,205	10,55,96,135	3,46,00,000	1,23,937	Chinai & Co. Private Ltd.			National Rayon Corporation	231.50	100	14.00	14.00	15.00	14.00(c)	6	Y.P.
24,00,000	25,02,456	82,11,723	48,70,075	1,495	W. H. Brady & Co., Ltd.	45,944	432	New City of Bombay Mfg.	109.50	100	10.00	12.00	14.00*	14.00	12	Y.P.
30,00,000	11,72,134	101,83,002	63,37,084		W. H. Brady & Co., Ltd.	49,012	1,018	New Great Spg. & Wvg.	109.50	100	10.00	10.00	10.00	10.00	12	Y.
48,00,000	54,20,707	1,61,26,302	1,02,32,041	4,06,677	Ramnarain Sons Private Ltd.	69,208	1,190	Phoenix Mills	210.00	100	7.50	10.00	10.00	*Nil*	12	Y.P.
40,00,000	45,64,554	1,32,34,581	1,03,52,881	1,63,546	Podar Sons Private Ltd.	52,600	930	Podar Mills	116.50	100	8.00	10.00		12.50F	3	Y.
10,00,000	1,78,222	24,10,104	18,80,785		M.	140.00	100	Sassoon & Alliance Silk Mill	13.88	10	10.00	12.00*	12.00*	10.00	12	Y.P.
87,70,100	1,19,98,716	2,11,34,614	1,36,87,248	12,182	M. G. Investment Corp. Private Ltd.	94,884	2,127	Sassoon Spg. & Wvg.	9.88	10	0.50	0.50	0.25(c)		12	Y.
80,00,000	48,30,061	1,12,05,790	61,47,202	6,90,705	Marwar Textiles (Agency) Pvt. Ltd.	77,160	1640	Shree Niwas Cotton Mills	47.50	10	1.75	2.00	2.00	2.00	12	Y.
42,00,000	30,80,173	105,80,294	79,84,101	8,089	Forbes F. Campbell & Co. Pvt. Ltd.	48,940	1,274	Simplex Mills	151.00	100	14.00	12.00	12.00		12	Y.P.
87,80,000	2,80,26,472	2,96,16,751	1,87,99,317	1,55,642	Mafatlal Gagalbhai & Sons	97,588	2,409	Standard Mills	177.00	50	11.00	10.00	12.00	8.50	3	Y.P.
1,00,00,000	95,03,854	2,76,30,490	1,44,86,214	39,124	Tata Industries Private Ltd.	72,236	2,000	Svadeshi Mills	190.75	100	20.00	20.00	22.50*	22.50*	12	Y.P.
90,00,000	65,13,465	1,52,27,488	96,52,715	26,063	James Finlay & Co., Ltd.	40,328	549	Swan Mills	365.00	100	8.00	12.00	14.00*	9.00	12	Y.P.
65,57,875	53,20,412	2,18,16,540	90,53,601	17,925	Tata Industries Private Ltd.	70,332	1,800	Tata Mills	41.25	100	20.00	25.00	25.00	25.00	12	Y.
12,00,000	1,21,86,655	1,46,81,207	95,78,967	92,985	M.	54,136	1,212	Western India Spg. & Mfg.	4,025.00	1,000	225.00	300.00	300.00	325.00*	3	Y.P.
AHMEDABAD																
49,00,000	31,31,987	1,78,25,924	68,65,244	11,155	Tata Industries Private Ltd.	49,144	1,016	Ahmedabad Advance Mills	157.00	100	5.00	7.00	12.00	5.00	6	Y.P.
15,00,000	98,23,183	1,29,00,886	78,32,228		P. M. Hathecsing & Co., Ltd.	44,220	912	Arvana Mills	540.00	100	20.00	30.00	25.00	25.00	12	Y.P.
40,00,000	3,03,12,127	2,17,78,010	1,10,63,937	23,706	M.	56,412	1,216	Arvind Mills	867.00	100	25.00	30.00	25.00	25.00	12	Y.P.
22,00,000	47,41,123	1,22,40,943	77,79,729	1,04,815	Mangaldas & Brother (Pvt.) Ltd.	35,908	992	Arvindaya Ginning & Mfg.	470.00	200	15.00	25.00*	30.00*	35.00*	12	Y.P.
12,00,000	1,40,46,694	99,92,464	67,28,819	728	Lalbhai Dalpatbhai & Co.	37,368	914	Asoka Mills	590.50	100	22.00	30.00	30.00	30.00	12	Y.P.
1,37,50,000	5,49,64,619	5,14,09,792	2,56,08,236	1,18,338	Kasamchand Premchand Pvt. Ltd.	1,39,120	2,400	Calico	490.50	100	22.00	30.00	30.00	30.00	12	Y.P.
65,00,000	28,51,630	1,44,37,007	1,02,61,820	20,815	Tejumal Bhoglal & Co., Ltd.	45,336	956	New Commercial Mills	430.00	125	15.00	20.00	30.00	30.00	3	Y.
52,00,000	91,54,187	1,55,49,688	1,07,88,296	92,673	Mafatlal Chandulal & Co., Ltd.	51,100	907	New Shorrock Spg. & Wvg.	735.00	250	70.00	80.00	100.00*	25.00*	12	Y.
15,00,000	64,29,775	69,45,065	35,66,652		Jambhai Bhoglal Kanavaty & Co., Ltd.	25,560	572	Nutan Mills	380.00	125	35.00	35.00	40.00*	30.00	12	Y.
20,00,000	1,08,87,132	1,07,38,484	66,60,480	105	Lalbhai Dalpatbhai & Co.	32,828	636	Rajpur Mfg.	610.00	100	30.00*	20.00	20.00	20.00	12	Y.P.
25,75,000	28,46,580	1,33,74,914	73,60,111	9,988	M.	35,196	648	Rohit Mills	138.75	100	25.00	35.00*	35.00*	35.00*	12	Y.P.
57,98,300	2,88,74,166	2,93,92,810	1,17,57,907	1,76,451	Harivallabhdas Kalidas & Co.	94,128	1,789	Shri Ambica Mills	658.00	100	9.00	*Nil*	8.00*	25.00	12	Y.P.
29,25,000	69,60,633	1,00,70,063	73,48,812	18,846	Mafatlal Chandulal & Co. (Ahmedabad), Ltd.	36,648	720	Shorrock Spg. & Mfg.		50	20.00	27.00*	30.00*	25.00	12	Y.P.
35,00,000	38,00,929	1,28,90,368	90,20,784	22,300	Haridas Ashraial & Co., Ltd.	41,056	780	Vijaya Mills	450.00	100	25.00*	25.00	30.00*	20.00	12	Y.
									620.00	500	35.00*	35.00*	50.50*	40.00*	12	Y.P.
WEST BENGAL																
15,00,000	3,05,455	38,27,581	24,08,641	1,14,855	Calcutta Agency Private Ltd.	13,044	356	Basanti Cotton Mills	6.16	10	0.50	0.50	0.60	0.50	12	Y.P.I.
7,11,200 / 3,60,6301	10,08,297	80,04,552	55,58,258	49,225	D. N. Bhattacherjee, Esq. (Mg. Director)	33,336	935	Bengal Luxmi Cotton Mill	35.00N	40	4.00	4.00	4.00	4.00	3	Y.P.
24,00,000	1,59,000	1,08,25,544	51,27,758	743	Ketkiewalt Bullen & Co., Ltd.	42,960	841	Bowreah Cotton Mills	104.00	100	*Nil*	*Nil*	*Nil*		3	Y.P.
19,00,000	28,17,421	1,15,16,740	74,67,879	3,50,325	Ketkiewalt Bullen & Co., Ltd.	42,944	523	Dunbar Mills	114.00	100	*Nil*	*Nil*	*Nil*		12	Y.
20,06,000	88,968	76,97,325	21,97,295	82,966	Birla Brothers Private Ltd.	4,852	352	Jay Shree Textiles Ltd.	7.00	10	*Nil*	2.50	6.00		12	Y.
1,99,99,980	2,29,91,250	4,00,62,535	1,40,10,478	4,94,779	Birla Brothers Private Ltd.	75,040	1,992	Khardaha Cotton Mills	10.75	10	0.37	0.37	0.37	0.50	12	Y.P.
19,47,7360 / 5,99,9603	9,50,000	48,59,254	28,75,466	9,388	Hanaresmul, Hoorelal	23,066	705	Rampooria Cotton Mills	15.00N / 4.00N	10 / 1D	0.62 / *Nil*	1.00 / 0.34	1.00 / 0.26	0.75 / 0.15	3 / 6	Y.P. / Y.
SOUTH INDIA AND OTHER CENTRES																
11,26,500	5,57,619	39,87,104	19,12,229	16,013	Setna & Co.	24,800	716	Asker Textiles Ltd.	217.00N	100	*Nil*	12.50	15.00	12.50	9	Y.
72,00,000	17,82,554	1,87,65,112	68,45,582	6,710	C. S. Tyabjee, Esq.	36,186		Assam Jahi Mills	63.50	100	*Nil*	3.50(e)	5.00	5.50	9	Y.
1,31,50,000	1,47,74,679	3,67,98,866	2,76,43,043	2,90,471	Binny & Co. (Madras), Ltd.	46,250	1,157	Bangalore Woollen, Cotton and Silk Mills	162.00	100	30.00	30.00	30.00	10.00'C'	12	Y.P.
25,00,000	99,61,544	1,33,11,197	1,03,74,387	2,64,725	Birla Brothers Private Ltd.	39,895	1,068	Birla Cotton Spg. & Wvg., Delhi	27.00N	10	3.00	3.00	30.00	30.00	12	Y.P.
1,78,47,800	2,99,20,000	6,93,67,943	4,19,97,472	1,92,471	Binny & Co. (Madras), Ltd.	1,20,288	2,762	Buckingham & Carnatic	167.00	100	10.00	10.00	10.00	10.00	12	Y.P.
20,00,000	15,37,935	50,23,440	26,18,043		Peirce, Leslie & Co., Ltd.	37,586	4	Cambodia Mills	9.40	100	*Nil*	0.50	0.50	0.50(c)	12	Y.P.T.
15,00,000	5,11,500	53,52,911	27,36,937	1,92,792	K. Damodaran, Esq.	20,600		Cauvanore Spg. & Wvg.	144.50cd	100	20.00	12.00	15.00	15.00	12	Y.P.
80,00,000	32,35,581	70,25,496	56,32,018	48,855	Begg, Sutherland & Co. Private Ltd.	27,024	501	Cawnpore Textiles	3.00	5	0.50	*Nil*	0.25	0.50(c)	12	Y.P.
9,37,470	5,00,000	55,16,220	21,85,420	96,059	C. E. Srinivasan, Esq. (Chairman)	31,200		Cauvery Spg. & Wvg. Mills Ltd.	12.08	10	*Nil*	0.62	0.75	0.25	3	Y.
35,21,362	22,09,767	69,79,002	31,91,699	698	R. Bheema Naidu & Co.	30,864		Coimbatore Cotton Mills	154.00	100	25.00	25.00	25.00	25.00	12	Y.P.
18,15,000	7,25,195	39,16,552	24,29,652		T. A. R. Chettiar Sons & Co.	23,340	100	Coimbatore Murugan Mills	110.00	100	17.50	20.00	20.00	20.00	12	Y.
20,00,000	19,20,000	71,42,628	25,30,753	13,314	T. R. N. Naidu & Co.	38,226		Coimbatore Pioneer Mills	231.00	100	20.00	20.00	20.00	20.00	12	Y.
20,76,900	2,05,076	1,24,06,676	88,06,979	10,415	R. G. S. Naidu & Co.	72,188	407	Coimbatore Spg. & Wvg.	53.00	50	3.00	3.00	3.00	3.00	12	Y.P.
46,87,500	27,24,733	2,42,10,703	1,54,36,854		Tata Industries Private Ltd.	67,452	1,824	Central India	100.00	100	8.00	10.00	10.00	12.50	12	Y.
24,49,911	15,50,000	92,99,552	52,87,301	15,780	R. Hanumanthappa & Son	28,816	800	Davangere Cotton Mills	112.00	100	12.00	*Nil*	*Nil*	*Nil*	6	Y.
2,35,36,225 / 1,00,563	3,10,84,880	11,79,09,463	6,78,07,138	2,77,693	B. R. Charat Ram & Co. Private Ltd.	1,41,180	2,252	Delhi Cloth & General Mills	29.69	100 / 25	12.00 / 2.25	9.00 / 2.25	9.00 / 2.50	9.00 / 2.50	3	Y.
47,98,296	26,25,000	84,28,224	49,84,057	1,965	M. N. Chettiar & Sons	42,212	301	Dhanalakshmi Mills	172.00	50	30.00	0.22	0.25	0.25	6	Y.P.T.
20,00,000	1,06,59,192	1,09,12,424	1,41,93,839	75,531	Begg, Sutherland & Co. Private Ltd.	48,452	1,196	Elgin Mills	12.25	100	1.00	1.00	25.00	10.00'C'	12	Y.
48,81,000	43,55,161	1,36,06,042	77,13,982	4,172	Forbes, Forbes Campbell & Co., Ltd.	74,286		Gokak Mills	152.00	100	15.00	15.00	15.00	15.00	9	Y.
2,50,00,000	2,28,000	4,52,38,795	1,32,00,000	72,17,274	Birla Gwalior Private Ltd.			Gwalior Rayon	13.88	10	1.00	1.00	1.25	1.00	12	Y.
50,00,000	6,94,589	1,66,76,049	1,21,32,272	—11,77,234	K. L. Saksaria, Esq. (Chairman)	51,180	1,356	Indore Malwa United	110.00	100	6.00	9.00	11.00	8.00	12	Y.
2,00,000	19,66,583	81,40,455	19,97,477		G. V. Naidu & Co., Ltd.	28,784		Janardhana Mills	78.00	50	5.00	10.00	10.00	0.00	12	Y.
15,54,900	15,02,599	57,18,937	33,88,005	7,012	Mr. Bhairuratan Damani (Managing Director)	20,212	512	Jam Shri Ranjitsinghji								
4,63,65,800	3,24,08,204	4,34,50,294	3,18,54,060	2,48,717	Birla Gwalior Private Ltd.	54,576	1,680	Jiyajeerao Cotton	1,450.00	1,000	20.00	50.00	60.00	40.00	6	Y.
42,00,000	19,26,000	1,05,81,567	33,28,076	91,772	Kothari & Sons	41,040	300	Kothari Textiles	9.60	10	4.00§	4.00§	0.55	0.35	3	Y.P.
82,00,000	63,39,487	1,84,50,574	1,25,78,615	2,294	M.	51,068	1,248	Lakshmi Cotton Mfg.	9.70	10	0.50	1.00	1.00	1.00	6	Y.P.
71,25,200 / 3,80,000	66,25,969	2,12,88,797	1,17,05,975	4,183	G. K. Naidu & Co.	1,06,600	201	Lakshmi Mills	435.00 / 100.50cd	250 / 50	28.75 / 10.00	42.50 / 12.50	42.50 / 15.00	15.00	12	Y.P.
1,75,02,480	4,24,40,278	5,90,89,121	5,06,10,817	6,92,866	A. & F. Harvey Ltd.	4,58,000		Madura Mills	50.00cd	25	5.00	6.25	6.25	12.50 / 6.25	3	Y.
12,00,000	2,67,368	29,08,352	18,78,700	218	V. K. Ramaswami (Chairman)	22,592	100	Malabar Spg. & Wvg.	84.50	10	3.00	3.00	2.62	2.62	12	Y.
60,00,000	69,14,000	46,99,145	46,99,145	4,187	W. Beardsell & Co. (Private) Ltd.	25,566	608	Maltiaz Industries Ltd.	89.00	200	*Nil*	*Nil*	5.00	2.25	12	Y.
29,50,854	19,58,981	92,42,485	53,37,725	19,662	N. Sirur & Co. Private Ltd.	39,896	704	Minerva Mills	341.00cd	100	22.50*	35.00	45.00	20.00	3	Y.
84,91,850	21,56,146	1,71,94,769	79,81,538	1,85,068	M.	52,406	952	Modal Mills (Nagpur)	67.50	100	5.00(e)	6.00	6.00		12	Y.
24,25,500	48,52,478	1,13,48,711	71,02,473	35,987	M. Sirur & Co. Private Ltd.	50,492	500	Mysore Spg. & Mfg.	168.75	250	5.00(e)	7.50(e)	7.50	6.00	6	Y.
13,61,780			29,12,641	3,966	K. Tipperudriah (Chairman)	91.00	50	Mysore Spun Silk Mills	91.00	50	6.00	6.00(e)	9.00*	9.00*	3	Y.
87,37,200	39,29,981	1,78,33,244	67,36,663		M.	37,788	902	Oazanathali Mills	6.25N	10	*Nil*	*Nil*	*Nil*		3	Y.
4,00,800A / 6,00,000B	13,60,000	66,46,778	25,36,447	8,530	Bhaghyalakshmi & Co.	45,600		Palani Andavar Mills	42.00 / 125.00	100 / 100A	*Nil* / 12.00	2.50(e) / 12.50	*Nil* / 15.00(e)	*Nil*	6	Y.
18,00,000		84,19,570	18,82,524	—9,80,216	C. S. R. Mudaliar & Sons	27,980		Pankaja Mills Ltd.	190.00 / 45.00	75B / 100	18.00 / *Nil*	18.00 / 4.00(e)	20.00 / 22.50		12	Y.P.
6,61,200A / 5,40,600B	29,95,006	1,00,48,582	54,00,059	2,882	A. G. Gurusamy Naidu & Co.	59,264	300	Radhakrishna Mills	130.00 / 65.50	100A / 50B	16.00 / 3.00	20.00 / 3.00	20.00 / 10.00		12	Y.
16,00,000	29,19,000	54,56,290	29,01,441	5,076	B. R. Naidu & Sons	37,096		Rajalakshmi Mills	72.00cd	50	10.00	10.00	10.00		12	Y.
10,14,300	12,00,000	32,99,216	17,41,484	10,519	Ramco Agencies Ltd.	24,996		Rajapalayam Mills	129.00	100	6.00	10.00	7.50		12	Y.P.
22,22,850	11,50,000	53,72,976	22,15,892	5,286	Rayalaseema Development Co.	21,200		Rayalaseema Mills	105.00	100	10.00	10.00	10.00		12	Y.
15,00,000 / 10,000	1,60,55,917	3,13,49,081	2,06,07,227	—1,65,20,726	Morarka & Co.	95,232	2,232	Sholapoor Spg. & Wvg.	375.00 / —	1,000 / 500	10.00 / *Nil*	10.00 / *Nil*	10.00 / *Nil*	10.00	12	Y.P.
26,60,700	20,28,286	96,28,566	70,67,084	19,542	H. N. Pahegar, Esq.	30,744	292	Sri Krishnarajendra Mills	72.00	50	4.50	5.00	7.00	7.00	3	Y.
15,00,000	3,62,40,700	1,02,21,310	75,32,414	29,30,630	Birla Brothers Private Ltd.	36,212	1,244	Sutlej Cotton Mills	70.00N	10	5.00	6.00	6.00	6.00	3	Y.
7,50,0000 / 50,0003	2,36,28,061	5,13,52,120	1,81,83,924	8,35,712	Jaipuria Brothers	1,12,216	2,698	Swadeshi Cotton (Kanpur)	10.00 / 10.00	100. / 10P.O.	0.75 / 1.15	0.75 / 1.15	0.75 / 1.15		12	Y.P.
99,00,000	60,00,000	3,83,31,393	1,95,13,492	1,78,216	Emcete & Sons (Travancore) Ltd.			Travancore Rayons	11.06	10	0.62	0.75	1.15	1.00	12	Y.P.T.
12,86,729	9,45,940	19,58,289	13,60,139	794	Moolji Ramjee & Sons	18,000		Trichinopoly Mills	18.80	10	0.62	0.75	1.15	1.00	12	Y.P.
21,00,000	39,86,738	86,30,895	51,76,507	12,000	R. K. Chetty & Brothers	44,424	270	Vasanta Mills	11.50	10	0.90	0.90	1.12	0.90	12	Y.
32,00,000	18,73,770	1,85,96,063	1,17,44,692	—9,85,589	The Bombay Co. (Private) Ltd.	49,660	1,375	Vishnu Cotton	227.50	100	15.00	20.00	20.00	12.50	12	Y.P.
									102.00	100	4.00	8.00	8.00	8.00	12	Y.

Includes bonus. M—Managed by Board of Directors. X.R.—Ex-Right. (e) Paid out of Reserves. F—For fifteen months ended 31st March, 1958.

The dividends are on the original shares of Rs. 250 each sub-divided into five shares of Rs. 50 each in August 1953. Z—Bombay Dyeing & Mfg. Co., Shares of Rs. 250 each were sub-divided into shares of Rs. 25 each in August 1958.

finds up of 4,854 shares of Rs. 40 each—Rs. 30 per share called up and 8,500 shares of Rs. 40 each—Rs. 20 per share called up. § Oajeld capital. 'C'=On increased Capital.

MISCELLANEOUS COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share: 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
BREWERIES AND DISTILLERIES														
39,84,000	47,43,760	1,15,18,224	62,38,314	1,16,220	Parry & Co., Ltd.	Deccan Sugar & Abkhari	8.73	5	*Nil*	0.50	0.75	0.85	6	Y.P.
16,20,630	26,75,014	29,38,061	16,23,422	38,736	Mr. K. G. Khanna	Dyer Meakin Breweries	10.12	5	0.50	0.56	0.56		6	Y.
£649,950	£1,197,464	£1,387,940	£701,435	£62,719	Parry's Holdings Private Ltd.	East India Distilleries and Sugar	28.40	£1	Sh. 3	Sh. 4	Sh. 3	Sh.3	9	Y.P.
6,00,000	9,80,000	24,40,322	22,65,326	6,022	Vital Mallya, Esq. (Chairman)	United Breweries	215.00	75	15.00	15.00	15.00	15.00	3	Y.
CEMENT														
72,59,940 / 3,14,6000 / 4,70,976D / 2,71,80,070 / 3,07,44,575	15,33,764	1,00,14,799	47,17,446	5,752	Andhra Engineering Co. (Private) Ltd.	Andhra Cement Co.	11.75 / 1.00 / 0.95	B. 10 / O. 10 / D. 1	1.00	1.00*	1.00		12	Y.P.
	13,13,132	1,44,65,792	53,48,079	4,59,343	Eastern Corporation Ltd.	Assam Bengal Cement			*Nil*	*Nil*			3	Y.P.T.
	9,62,91,082	80,81,74,705	11,29,17,763	2,58,821	Cement Agencies (Private) Ltd.	Associated Cement Companies	156.25	100	8.50	10.00	10.00	9.00	7	Y.T.
36,00,0000 / 5,00,0000	60,69,469	1,08,99,911	39,54,983	2,84,608	Hari Brothers Private Ltd.	Dalmia Cement (Bharat)	10.80 / 2.75	O. 10 / D. 1	1.00 / 0.10	1.25 / 0.12	1.25 / 0.12		12	Y.P.
1,02,09,450 / 7,50,000	26,00,000	2,09,03,054	61,98,184	1,80,704	Essen Private Ltd.	India Cements Ltd.	27.50 / 3.75	O. 25 / D. 5	1.25 / *Nil*	1.87 / 0.37	2.06 / 0.41	2.06 / 0.41	3	Y.P.
1,50,00,000	4,00,000	4,72,90,133	89,99,750	21,36,411	Sahu Jain Ltd.	Jaipur

MISCELLANEOUS COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Secretaries, Managing Director or Secretary	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs.	1955 Rs.	1956 Rs.	1957 Rs.	Accounts Closed	Reference
PAPER														
45,00,000	25,91,841	2,13,38,402	1,86,73,814	4,895	M.	Banzal Paper Mills	91.50	25	3.12	4.69	2.50		12	Y.P.T.
65,00,000	65,91,253	1,24,92,173	83,76,687	33,544	Andrew Yule & Co., Ltd.	India Paper Pulp †‡	20.62	10	14.00	1.39 2/5	1.39 2/5	1.40	3	Y.
25,00,000	25,12,500	1,43,27,689	77,87,946	47,698	T. Shamanna, Esq. (Chairman) ..	Mysore Paper Mills	17.00	10	0.75*	0.75*	1.00*	1.00*	3	Y.
1,42,81,580	2,46,75,945	6,04,16,507	1,37,58,942	2,63,477	Birla Brothers Private Ltd. ..	Orient Paper	31.40	10	0.94	1.12	0.62	1.50	8	Y.P.
1,25,49,870	67,75,583	1,58,40,392	1,00,79,761	3,13,035	K. C. Thapar & Bros. Private Ltd. ..	Shree Gopal Paper Mills	16.00	10	1.50	1.25	1.25		12	Y.P.T.
50,00,000	7,29,123	71,92,586	36,66,550	4,828	Baleria & Co.	Star Paper Mills	11.00	O. 10	0.75	1.25	1.05	0.60	9	Y.P.
'A' 10,00,000							11.00	A. 10	0.75	1.25	1.05	0.60		
2,12,55,240	48,43,050	3,85,20,949	75,56,180	5,497	Birla Brothers Private Ltd. ..	Sirpur Paper Mills	11.48	10	Nil	5.00‡	0.50	0.50	9	Y.P.
54,04,900A.							39.00	A. 10	1.50	2.00*	1.12*	2.37*	6	Y.P.
50,04,800B.	3,70,50,474	6,78,46,807	3,51,66,933	92,528	F. W. Heilgers & Co. Private Ltd. ..	Titaghur Paper Mills Co., Ltd. ..	39.00	B. 10	1.50	2.00*	1.12*	2.37*	3	Y.P.
4,87,500P.O.							4.25	P.O. 2½	0.25	0.25	0.12	0.25		
PRESSING														
5,00,000	3,25,572	13,961	13,858	28,272	Andrew Yule & Co. Ltd.	Calcutta Hydraulic	50.00N	100	4.00	Nil	Nil	3.00	6	Y.
5,00,000	2,47,132	8,48,622	6,96,409	55,418	Andrew Yule & Co. Ltd.	Central Hydraulic	82.00N	100	5.00	5.00	6.00	10.00*	6	Y.
SAW MILLS AND TIMBER														
13,99,998	22,88,839	32,79,480	18,61,671	—4,90,122	Bird & Co. (Private) Ltd.	Assam Saw Mills	1.98	2	Nil	Nil	Nil	Nil	9	Y
80,00,000	3,81,14,271	4,60,47,879	1,88,06,404	1,83,542	Wallace & Co.	Bombay-Burmah Trading Corps.	667.00	Old 125	20.00	37.50	40.00	40.00	9	Y
42,00,000							213.75	New 50	8.00	15.00	15.75	16.00	5	Y.
20,00,000	20,43,037	19,96,436	15,76,148	78,140	Gillanders Arbuthnot & Co., Ltd.	Indian Wood Products	44.50	10	2.75	3.00	3.00	2.75	9	Y.
SUGAR (U.P. and Bihar)														
11,00,000	15,96,485	42,92,230	31,12,974	57,702	M.	Balrampur Sugar	6.85	5	0.75	0.06	Nil	0.25		
12,00,000A.	89,59,260	85,60,831	36,32,425	12,13,000	Marang Bros. & Co. Private Ltd.	Basti Sugar	116.00N	A. 100	10.00	10.00	10.00		4	Y.
5,00,000B.							11.50N	B. 10	1.00	1.00	1.00			
19,49,000	8,75,000	33,53,770	25,58,279	74,946	Bangur Bros., Ltd.	Belsund Sugar	10.37	7½	0.75	0.75	1.00			
15,00,000	13,51,513	19,28,777	13,40,840	7,653	Cotton Agents Private Ltd. ..	Bharat Sugar	14.00	10	1.50	1.50	1.50	1.00	9	Y.
68,89,490	85,89,856	67,92,769	25,67,288	27,711	Govan Bros. (Rampur), Private Ltd.	Buland Sugar	14.00	10	1.00	1.50	1.50	1.50	6	Y.P.
99,00,000	23,22,515	1,45,76,557	98,94,325	—2,25,014	Gladstone Lyall & Co., Ltd. ..	Carew & Co.	8.25	10	1.00	1.50	1.50Q		10	Y.
30,00,000	54,39,509	1,65,39,057	93,52,884	—3,85,790	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	9.19	10	0.75	0.75	Nil	0	10	Y.P.T.
18 00 000	54,56,103	84,72,409	59,12,095	—3,43,168	Begg, Sutherland & Co. Private Ltd.	Champaran Sugar	19.00	10	0.75	0.75	0.75	Nil	10	Y.P.
9,93,752	2,59,762	23,16,152	16,98,353	8,464	K. C. Thapar & Bros. Private Ltd.	Deoria Sugar	10.00N	10	1.00	1.50	1.00	Nil	8	Y.
40,00,000A.							10.00N	A. 10	0.75	0.50	0.25		8	Y.T.
10,00,000O.	44,95,000	1,02,71,005	67,56,974	33,123	Bachhraj & Co. Private Ltd. ..	Hindustan Sugar Mills	210.00N	A. 100	15.00*	15.00*	15.00		6	Y.P.
							100.00	O. 100	15.00*	15.00*	15.00			
18,00,000	12,51,626	79,35,731	49,86,047	1,05,664	Mr. Tulsidas Kilachand (Chairman)	Kasar Sugar	53.00	40	Nil	2.25	4.00	7.00	7	Y.P.
7 89,100	22,50,238	43,69,619	28,90,926	79,525	Cotton Agents Private Ltd. ..	New India Sugar Mills	22.25	10	2.50	2.50	2.50	2.50	6	Y.P.
11,00,000	4,45,090	47,92,961	28,66,316	4,649	K. C. Thapar & Bros Private Ltd.	New Savan	4.50	10	0.25	0.25	0.37	0.37	5	Y.
13,21,100	49,91,797	73,75,775	27,02,353	6,355	Cotton Agents Private Ltd. ..	New Swadeshi Sugar Mill	201.25	100	20.00	22.00	20.00	20.00	5	Y.
38,575							80.00N	25	5.00	5.00	5.00	5.00	6	Y.
77,45,500	64,45,618	2,15,99,023	1,18,25,000	35,816	Cotton Agents Private Ltd. ..	Oudh Sugar	130.00	100	11.00	11.00	11.00	12.50	7	Y.P.
18,00,000	18,69,374	21,96,494	21,49,469	24,662	Marang Bros. & Co. Private Ltd.	Punjab Sugar	70.00N	100	10.00	6.00			10	Y.
9 00,000	10,64,146	43,88,990	32,94,228	15,962	Begg, Sutherland & Co. Private Ltd.	Purtabpore Co.	10.25	10	0.75	0.75	Nil		10	Y.
65,59,490	58,50,866	87,09,756	25,07,388	37,711	Govan Bros. (Rampur), Private Ltd.	Rana Sugar	14.00	10	1.50	1.50Q			10	Y.
8,00,000	6,21,982	28,74,892	22,81,981	2,175	M.	Ryam Sugar	20.00	10	0.75	1.50	1.50Q		10	Y.
11,99,000	16,33,214	47,23,583	23,13,422	—2,30,853	M.	Samastipur Central Sugar ..	12.12	10	0.50	Nil	1.75	1.50	6	Y.P.
99,79,215	23,65,160	1,40,54,561	68,55,067	16,881	Sahu Jain Ltd.	Shree Krishna Gyanoday Sugar	9.50	10	1.50	1.75	Nil		6	Y.
10,02,115	24,660	29,48,608	14,38,401	—8,16,557	M. K. Ghosh, Esq., and R. N. Datta, Esq. (Managing Directors)	Sitalpore Sugar	2.37	10	Nil	Nil	Nil		6	Y.
15,80,000	13,52,431	35,59,550	20,58,350	40,666	M.	Shri Biseram Sugar	11.62	10	1.50*	1.00	Nil	0.50	8	Y.
9,15,000O.							0.75N	O. 10	Nil	Nil				
4,49,000D.	46,462	29,66,860	11,46,770	—16,37,997	M.	South Behar Sugar	6.50N	D. 5½	Nil	Nil	1.00	0.50	8	Y.
3,00,000	84,74,343	1,27,80,347	80,57,754	9,653	Cotton Agents Private Ltd. ..	Upper Ganges Sugar	25.00N	10	2.50	2.50	3.00	5.00	10	Y.P.T.
16,00,000	7,66,589	23,17,950	27,09,205	32,042	M.	United Provinces Sugar	13.75	10	1.25	1.50	0.50		6	Y.P.
													9	
Other Centres														
80,00,000	19,50,000	70,27,020	18,97,501	15,079	Ramgarae & Co.	Andhra Sugars Ltd.	16.50	10	Nil	0.50	1.00	1.25	9	Y.
76,40,150	1,16,42,487	1,56,97,798	1,02,77,767	2,00,262	W. H. Brady & Co., Ltd.	Belsar Company	250.00	50	16.00	16.00	16.00	18.00	9	Y.
17,50,000	12,85,235	41,35,701	23,96,315	30,327	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Bhopal Sugar Industries Ltd.	22.14	10	1.00	1.00	1.00	1.00	9	Y.
16,00,000	27,00,165	32,99,914	3,24,393	33,344		Bhore Chandbee Sugar ..	20.75	50	1.00	1.50	1.50	2.00	9	Y.P.
15,93,000	15,86,419	48,30,767	25,77,714	6,691	Sir J. P. Srivastava & Sons (M.D.) Ltd.	Gwalior Sugar	90.00N	100	Nil	Nil	5.00	5.00	9	Y.
63,97,600	11,62,669	78,71,518	18,98,365	45,085	India Sugar Agencies Private Ltd.	India Sugar and Refineries ..	12.35xd	10	1.75	1.40	1.12	1.00	6	Y.P.
22,41,127	15,75,871	94,06,482	12,67,310	6,611	E. S. Ind. Corpn. Private Ltd.	Jeypore Sugar	13 50	10	1.00	1.00	1.00	1.00	9	Y.P.
10,58,700O.	88,00,000	2,48,45,158	41,94,129	28,063	V. Ramakrishna Sons (Private) Ltd...	K. C. P. Ltd.	120.00	O.100	7.50	7.50	8.00	0.50	6	Y.P.
5,97,198D.							134.00	D. 10	7.50	7.50	7.50			
97,50,000	88,21,978	1,22,47,683	57,87,087	36,425	M. L. Dahanukar & Co. Pvt. Ltd.	Maharashtra Sugar Mills	915.00	250	10.00	10.00	10.00	10.00	6	Y.P.
21,79,280	86,24,048	1,54,89,102	89,25,545	2,10,465	B. M. Krishnan, Esq. (Mg. Director)	Mysore Sugar	85.00	10	2.00	2.00	100.00*	100.00*	9	Y.
50,00,000	53,21,480	1,10,88,154	67,30,841	1,47,239	Malalal, Apte and Kasliwal Pvt. Ltd.	Phaltan Sugar	158.00	50	2.00	2.00	2.00	2.00	9	Y.
16,59,820	40,00,000	59,42,584	32,02,020	2,26,380	Anderson Wright Ltd.	Ramnagar, Cane and Sugar ..	18.62	10	1.50	2.00	2.00	12.00*	9	Y.
30,00,000O.							126.00	O. 50	2.50	9.00	12.00	12.00	8	Y.P.T.
4,80,000D.	42,07,214	1,04,79,940	50,80,737	70,575	Walchand & Co. Private Ltd. ..	Ravalgaon Sugar Farm	30.00N	D. 10	2.50	9.00	12.00	12.00		
80,00,000	22,40,000	62,19,329	24,74,879	77,353	Parry Co., Ltd.	Travancore Sugars	10.76	10	Nil	0.07	0.70	3.75	9	Y.P.T.
1,01,00,000	1,03,46,263	2,23,59,683	99,17,710	1,75,780	Walchand & Co. Private Ltd. ..	Walchandnagar Industries ..	285.00	100	16.00	16.00	21.00	1.00	7	Y.P.
													9	Y.P.T.
TRANSPORT														
80,00,000	1,00,69,032	1,24,60,186	18,29,251	1,10,920	Andrew Yule & Co., Ltd.	Bengal-Assam Steamship Co. ..	90.00	100	7.50	7.50	7.50			
1,00,00,000	82,00,000	4,21,65,845	1,45,90,660	1,25,512	Dhakuria (Private) Ltd.	Bharat Line	80.00N	100	5.00	5.00	6.00		10	Y.P.
50,00,000	1,43,34,058	4,06,54,846	1,83,12,345	1,85,539	A. H. Bhiwandiwalla & Co. (Bombay) Private Ltd.	Great Eastern Shipping Co. ..	24.00	10	1.00	Nil	Nil	1.00	12	Y.
4555,580	4097,780	85,665,834	42,428,088	—8106,383	Kilburn & Co. Private Ltd. ..	India General Navigation & Rly. Co.	47.00	210	Sh. 10	Sh. 10	Nil	1.50	6	Y.P.
3,15,00,000	1,74,74,189	12,78,95,545	2,83,37,767	3,70,984	Lionel Edwards (Private) Ltd.	India Steamship Co.	11.60	10	Nil	Nil	Nil		12	Y.P.
9,40,19,975	10,58,51,242	27,66,48,371	5,78,99,812	5,84,102	M.	Scindia Steam Navigation Co. ..	18.35	20	0.50	0.50	1.00	1.00	10	Y.
5,49,960O.							2.00	O. 1	0.12	0.14	0.14			
3,16,360P.O.	18,26,615	12,00,284	7,86,760	1,66,818	R. B. Aiyer, Esq. (Manager) ..	Walford Transport Ltd.	1.50	P.O. 1	0.11	0.12	0.12		12	Y.
UNCLASSIFIED (Bombay)														
25,00,000	1,00,000	26,18,545‡‡		58,589†	M.	Devkaran Nanji Investment Co.	11.32	25	0.75	0.75	0.81	0.81	3	Y.
5,57,00,000	2,01,70,810	4,79,59,518	1,85,62,109	89 94,000	A. J. C. Mackyn-Abrahall (Chairman)	Hindustan Lever	28.60	10			1.25	1.40	12	Y.
21,97,000	10,59,510	1,09,42,989	67,14,497	1,04,000	Birla Brothers Private Ltd. ..	Kesoram Cotton	130.00	100	10.00	10.00		12.50†	3	Y.P.T.
1,00,00,000	1,00,00,000	1,26,61,584	19,49,792	22,010	Chemmilal Mandlal Private Ltd.	Ritnels Batteries	88.25	50	2.00	2.00	3.00		3	Y.P.
10,00,250	20,13,147	1,25,61,896‡‡		1,74,682	Premchand Roychand & Sons	Industrial Investment Trust ..	71.50	50	4.50	4.50	5.00	5.50	12	Y.
1,00,00,000	23,98,446	23,85,179	11,25,784	2,782	K. G. Misso, Esq. (Mg. Director)	Kilnick Industries	144.00	100	11.00	11.00	11.00	11.00	6	Y.
2,20,12,250A.O.	63,14,262	3,42,78,824	1,69,98,978	6,31,752	Aspe-Aire Private Ltd.	Premier Automobiles	84.20	100	Nil	Nil			6	Y.
1,21,11,200	4,82,147	9,09,102	5,85,506	2,421	Sir Joseph Kay (Chairman) ..	United Motors (India) Ltd. ..	10.00	10	2.00	2.00	2.00	1.20	12	Y.
2,75,00,000	1,44,13,441	3,87,52,891	1,66,55,243	39,886	Mr. A. Hydari & Mr. S. Gothberg	Western India Match Co., Ltd.	182.50	100	11.00*	11.00*	11.00*	11.00*	12	Y.
45,00,000	60,58,290	8,64,935	5,24,958	78,084	Sir Joseph Kay, K.B.E. (Mg. Director)	W. H. Brady & Co., Ltd.	280.00	100	20.00	20.00	22.50	25.00	12	Y.
Other Centres														
87,50,000	1,99,96,718	3,81,21,462	86,96,921	2,32,750	J. K. Industries Private Ltd. ..	Aluminium Corporation of India Ltd.	11.81	O. 10	Nil	Nil	0.50	0.50		
2,50,00,000							6.25	D. 2½	Nil	Nil	Nil	Nil	9	Y.P.T.
40,00,000	23,35,000	68,17,870	28,12,985	56,529	Seshasayee Bros. (Trav.) Pvt. Ltd.	Aluminium Industries Ltd. ..	10.50	10	1.25	1.25*	1.25	1.25		
25,00,000	36,30,717	34,87,977	23,60,352	3,61,289	Turner Morrison & Co. Private Ltd.	Angalo Bros., Ltd.	18.50	10	1.25	1.25*	1.25	1.25	9	Y.
80,00,000	17,14,782	39,56,472	19,58,274	1,23,446	M. K. Hydari & Mr. S. Gothberg	Assam Match Co., Ltd.	14.75	10	1.25	1.25*	2.00*	1.50*	6	Y.
30,00,000	54,39,509	1,05,13,083	39,58,423	3,29,986	Oberoi Hotels (India) Private Ltd.	Associated Metals of India ..	6.25	10	0.50	0.50	0.50	0.50*	10	Y.
26,01,400	28,01,295	59,52,106	27,02,106	5,62,375	M.	Balmer Lawrie & Co., Ltd. ..	157.00	100	12.00	12.50	15.00	6.00	12	Y.
13,00,000	17,56,008	34,55,743	27,24,743	5,01,787	Balmer Lawrie & Co., Ltd. ..	Bengal Fibre Mills Co., Ltd. ..	80.00	10	2.50	12.50	15.00		12	Y.
28,00,000	5,95,715	63,49,495‡‡		37,613	Lovelock & Lewis	Bleds Investment Ltd.	8.87	10	1.25	2.50	2.50	2.50	12	Y.
20,97,252	24,61,314	1,14,51,995	57,97,455	1,84,688	K. Julius Scott, Esq. (Mg. Director)	Britannia Biscuits	13.75	10	1.25	1.25	1.00		12	Y.
2,25,00,000	1,93,55,371	3,06,98,577	2,33,59,121	1,33,891	W. H. J. Christie, Esq. (Mg. Director)	British India Corporation Ltd.	8.56	5	1.00	1.00	1.00	1.00	3	Y.T.
1,00,00,000	17,34,884	2,05,98,946‡‡		5,16,586	Andrew Yule & Co., Ltd.	Chva Tea Investment	8.56	10	0.06	Nil	0.10		12	Y.T.
3,00,00,000	4,40,39,000	6,48,49,175	2,68,24,548	23,33,643	Jehu Leatham, Esq. (Mg. Director)	Dunlop Rubber Co. (India) Ltd.	26.37	10	0.38	0.56	1.50	0.75	12	Y.
51,26,000	54,81,635	1,04,12,906‡‡		3,42,272	Bird & Co. Private Ltd.	Eastern Investments Ltd. ..	106.00	10	1.50	1.50	1.50	1.62	12	Y.P.
14,00,000	9,95,000	24,02,164	19,69,239	24,694	MacNeill & Barry Ltd.	Ganges Rope Co. Ltd.	133.00	100	9.00	9.00	9.00	9.00	12	Y.P.
65,00,000	24,20,910	39,25,473	10,86,949	1,63,776	J. E. G. Woodhire Parish, Esq.	Gillanders Arbuthnot & Co., Ltd.	10.62	10	0.75	1.40	4.00	12.50	3	Y.
80,00,000	28,93,554	88,88,331	38,24,663	74,515	B. P. R. Syndicate	Great Eastern Hotel	265.00	250	6.25	6.25	15.00	15.00	3	Y.P.
4,00,25,700	10,00,000	4,37,26,977	1,61,58,541	7,92,993	Birla Brothers Private Ltd. ..	Hindustan Motors	7.56	10	Nil	Nil	Nil	Nil	3	Y.
2,54,55,000	1,17,58,800	7,57,43,618	3,21,77,725	7,30,182	K. C. Mahindra, Esq. (Chairman)	Indian Aluminium Co., Ltd. ..	14.56	10	Nil	Nil	Nil	Nil	3	Y.
1,56,25,320	1,46,00,000	2,56,56,021	86,35,994	41,31,855	B. J. Woodley, Esq. (Mg. Director)	Indian Cables	27.00	10	1.00*	1.25*	1.50*	0.62	12	Y.P.
1,00,00,000	6,62,000	16,74,900	9,50,250	65,722	G. S. Moulton & Co. (India) Ltd.	Indian Rubber Manufacturers ..	16.05	10	0.50	0.50	0.62	1.50*	12	Y.P.
15,10,77,000	24,06,01,004	9,35,79,298	1,02,23,000	23,84,189	Mr. G. N. J. Clarke (Chairman)	Imperial Tobacco Co. of India Ltd.	12.50	10	0.50	0.50	0.62		12	Y.P.
2,00,00,000	76,37,615	89,02,397	12,06,982	4,71,170	J. D. K. Brown, Esq. (Mg. Director)	Jardine Henderson	53 50	100	7.50	6.00	6.00	6.00	3	Y.P.
40,00,000O.	22,85,000	48,53,407	10,42,712	2,57,183	M.	McLeod & Co.	192.00N	O.100	17.50	22.50	25.00	2.50	3	Y.P.
2,00,000D.							265.00	D.O.10	1.20	1.75	0.50		11	
1,45,25,000	90,58,531	25,54,454	14,97,332	2,35,312	T. Leslie Martin, Esq. (Mg. Director)	Martin Burn Ltd.	26.37	10	1.00	1.00	1.81*	2.12*	2.12*	9
1,15,00,000	1,17,00,151	2,02,36,009	89,00,792	16,33,569	M. Chhiwji Jones, Esq. (Chairman)	Metal Box Co. of India, Ltd. ..	29.12	10	1.00	1.00	1.81*	2.12*	2.12*	9
5,36,250	6,92,500	11,29,060	5,97,362	2,345	Mr. P. Hirji (Chairman)	Mysore Lamp Works	14.40	10	1.00	0.75	1.00	1.75	3	Y.
10,00,000	5,79,000	14,47,000	10,15,129	48,584	M. Mallesahayya, Esq. (Chairman)	Mysore Tobacco	24.37	10	1.25	1.00	1.25	1.25	3	Y.
2,00,00,000	58,53,505	2,14,52,470	61,33,962	15,45,424	J. E. Galleway, Esq. (Mg. Director)	National Carbon Co. (India) Ltd.	25.75	10	0.50	0.62	1.50	1.50	3	Y.
40,00,000	74,71,175	68,80,914	41,32,961	1,44,443	Associated Industrial Development Co. (Private) Ltd.	National Insulated Cable Co. ..	27.00	10	1.00	1.50*	2.00*		3	Y.P.
40,00,000	15,00,000	92,19,305	21,17,466	75,726	Do.	National Rolling & Steel Rogue	11.69	10	0.50	0.50	0.50		3	Y.P.
70,97,000	28,13,000	1,39,51,000	61,75,198	9,02,640	B. N. Elias & Co. Private Ltd.	National Tobacco Co.	12.56	10	0.50	0.50	0.50		3	Y.
2,25,00,000	4,23,496	1,22,26,543	60,06,534	—44,12,933	M. P. A. Pragasti, Esq.	Rallis (India) Ltd.	32.25	100	Nil	Nil	0.75	0.75	12	Y.
2,50,00,000	1,57,70,500	10,00,39,311	3,96,32,753	49,462	Bata Jain Ltd.	Relaxa Industries	20.06	10	1.50	1.50	Nil	Nil	12	Y.
4,72,500	51,586	31,11,687	6,39,199	19,106	Sathe Food Inds. (Private) Ltd.	Sathe Biscuit and Chocolate Co., Ltd.	100.00N	100			5.00	6.00	10	Y.P.
5,13,480							50.00N	50			2.50	3.00	3	
70,00,000	17,66,818	1,07,21,608	34,47,040	66,321	M.	Sen-Raleigh Industries	14.37	10	0.60	0.60	2.50	3.00		
60,00,000	28,41,185	1,21,89,272	72,05,999	9,05,978	C. W. Stephenson, Esq.	Spencer & Co., Ltd.	18.25xd	10	1.50	1.50	1.50	1.50	9	Y.P.
2,25,00,000O.	4,23,496	1,22,26,543	60,06,534	—44,12,933	S. M. Smith, Esq. (Mg. Director)	Shaw Wallace & Co., Ltd.	32.25	100	Nil	Nil	0.75	0.75	12	Y.
2,50,00,000	1,57,70,500	10,00,39,311	3,96,32,753	49,462	Ogale Bros. (Private) Ltd. ..	Travancore Ogale Glass

TEA AND OTHER PLANTING COMPANIES—*Continued.*

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
					PLANTING; PRODUCE AND RUBBER									
3,00,000	2,19,000	2,92,506	24,197	15,099	Planting Agencies (Private) Ltd.	Balmadies Plantations	3.45	2	0.25	0.30	0.21	0.45	5	Y.P.
26,91,000	24,50,000	52,61,468	5,89,575	71,795	Peirce, Leslie & Co., Ltd.	Cochin Malabar	4.75	3	0.75	0.45	0.75	0.62	2	Y.P.
18,00,000	21,00,000	39,79,846	8,06,541	1,21,326	Cons. Coffee Estates (Secretaries)	Coffee Lands and Industries ..	30.25 cR	10	1.75	2.25	2.50	4.00	6	Y.P.T.
71,55,000	56,18,026	1,25,84,785	26,69,076	1,13,211	R. C. Paterson, Esq.	Consolidated Coffee	26.50	10	1.75	2.25	2.00	4.00	6	Y.P.T.
4,00,000	6,15,728	9,13,782	50,981	6,881	M.	Cottanad Plantations	14.75cd	10	1.50	1.75*	1.50	1.75	3	Y.P.
18,00,000	9,95,848	25,86,790	5,31,442	37,145	A. V. Thomas & Co., Ltd. ..	Highland Produce	13.40	10	2.50	2.00	2.00		12	Y.P.
4,00,000	10,92,899	13,91,189	2,68,016	19,088	A. V. Thomas & Co., Ltd. ..	Kalpetta Estates	24.00	10	2.00	2.75	2.00	2.00	4	Y.
13,50,000	3,71,449	19,82,913	3,09,273	6,347	K. T. Thomas Kathanar, Esq.	Manakara Rubber	17.25	10	2.25	2.25	2.25	2.25	3	Y.
27,00,000	28,79,357	50,92,726	9,49,414	1,48,978	A. V. Thomas & Co., Ltd. ..	Midland Rubber	16.65cR	10	1.75*	2.50	2.00	2.00	3	Y.P.
3,35,000	3,31,000	14,62,856	2,09,733	25,171	A. V. George & Co. Ltd. ..	Nenmeny Rubber	14.25cd	10	1.50	1.50	1.50		12	Y.P.T.
2,00,000	2,20,000	5,40,417	58,785	4,271	Associated Planters Private Ltd.	Nilambur Rubber Co.	13.75cd	10	1.00	1.50	1.50		12	Y.P.T.
24,81,000	22,79,515	45,25,942	14,74,565	53,868	Peirce, Leslie & Co., Ltd. ..	Oncheterlony Valley Estates ..	4.95	2	0.60	0.40	0.20	0.60	10	Y.
13,50,000	8,60,809	45,67,576	3,96,093	12,299	A. V. Thomas & Co., Ltd. ..	Rajagiri Rubber	11.75xd	10	1.75*	2.00	2.50	x 00	6	Y.P.
3,66,780	4,00,000	8,17,312	92,756	738	Peirce, Leslie & Co., Ltd. ..	Savannais Estates Ltd.	4.50cd	2	2.50	1.00	1.50	0.30	11	Y.
16,00,000	3,01,600	22,44,525	1,59,059	9,949	East India Agencies Private Ltd.	Teekoy Rubber (India) Ltd. ..	6.10	10	0.75	0.90	0.90	0.60	3	Y.P.T.
2,50,000*	1,49,000	5,68,440	74,741	33,968	A. V. George & Co., Ltd. ..	Thamaraipally Rubber	24.00	10	3.00	3.00	3.00		12	Y.P.
9,15,300	4,60,000	22,40,087	1,37,485	22,927	Peirce, Leslie & Co., Ltd. ..	Thirumtadi Rubber Co., Ltd. ..	1.75	1	0.10	0 12½	0.12½	0.05	9	Y.T.
6,00,000	12,566	7,71,251	1,36,216	2,287	Tarapore Thomas, Esq. (Mg. Director)	Travancore Rubber	14.25cd	10	2.00	2.00	2.00		12	Y.
41,00,000	72,79,221	84,25,080	14,50,642	1,06,654	Aspinwall & Co. (Travancore) Ltd.	Travancore Rubber & Tea Co., Ltd.	6.60cd	10	1.50	1.25	0.75	0.40	12	Y.P.
20,00,000	26,000	30,13,628	7,73,086	167	P. T. Thomas, Esq. (Mg. Director)	Tropical Plantations Co.	19.15	25	5.00	4.00	5.00	1.00	12	Y.
29,00,000	2,79,515	8,01,42,357	8,01,42,357	872	M.	Valkumdum (Travancore) Rubber ..	26.00	10	2.25	2.50	3.50	3.50J	12	Y.
8,80,010	5,90,000	9,55,500	27,217	480,561	M. K. Thomas, Esq. (Mg. Director)	Woodland Estates	8.05	10	1.50	2.00	1.25	1.00	3	Y.P.T.
6,95,000	1,47,359	13,85,830	39,744	10,289										

J—Final dividend of Re. 1.50 is on the increased capital *Includes bonus

JUTE COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Number of Looms	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts Closed	Reference
40,80,000	44,25,000	1,20,25,991	53,26,489	18,786	B. N. Ellias & Co. Private Ltd.	879	Agarpara	8.19	10	0.62	0.62	0.25	0.25	3	Y.
6,00,000	10,25,000	50,02,953	28,46,893	1,70,290	McLeod & Co., Ltd. ..	446	Alexandra	105 00	100	7.50	10.00	10.00		6.12	H.P.T.
30,00,000	5,25,000	1,25,28,740	95,78,601	—5,74,331	McLeod & Co., Ltd. ..	1,264	Alliance	81.00	100	12.00	6.00	Nil	Nil	5	Y.P.
46,20,700	67,99,000	3,11,92,079	3,03,16,900	1,77,321	Duncan Brothers & Co., Ltd.	2,561	Anglo-India	161.00	100	7.50	9.50	9.50	7.00	3	Y.P.
48,00,000	59,14,596	1,49,99,985	55,34,725	—2,79,016	Bird & Co. Private Ltd. ..	810	Auckland	84.00	100	3.50	9.00	1.00	Nil	3	Y.P.T.
30,00,000	25,80,915	96,91,416	65,65,094	65,802	Sir John H. Burder (Chairman)	1,889	Barnagore	91.00	45	sh. 15	sh. 15	Nil	Nil	3.9	H.P.
4375,000	4474,807	61,028,482	49,23,169	..	Andrew Yule & Co., Ltd. ..	820	Belvedere	99.00	100	10.00	7.50	Nil	Nil	3	Y.P.
28,80,000	26,56,133	54,47,760	41,49,231	1,830	Andrew Yule & Co., Ltd. ..	600	Bengal	10.75	10	1.12	1.12			12	Y.P.
46,00,000	38,49,000	87,09,173	81,28,574	2,65,100	Birla Brothers Private Ltd.	1,978	Birla	17.00	10	1.00	1.00	1.00		6	Y.P.T.
91,20,000	3,17,43,383	3,34,10,402	1,46,32,681	4,37,889	Birla Brothers Private Ltd.	991	Budge-Budge	88.00	100	9.00	7.50	Nil	Nil	3	Y.P.
36,00,000	19,36,026	1,22,32,479	71,75,657	2,709	Andrew Yule & Co., Ltd. ..	502	Calcutta Jute Mfg. ..	7.00	10	0.75	Nil	Nil	Nil	10	Y.P.
7,47,350	3,09,940	48,18,794	31,88,683	—8 31,470	Dayaram & Sons	516	Caledonian	118.00	100	9.00	6.50	Nil	Nil	6.12	H.P.T.
18,00,000	25,21,234	87,77,057	46,40,856	529	Andrew Yule & Co., Ltd. ..	1,264	Champdany	89.50	100	8.00	6.00	Nil	Nil	11	Y.P.
59,16,400	76,49,289	2,28,64,868	1,19,69,848	—7,24,843	Thomas Finlay & Co., Ltd.	530	Chaviot	142.00	100	14.00	10.00	2.00	Nil	3	Y.
18,95,000	21,56,282	85,02,301	58,79,175	5,857	Andrew Yule & Co., Ltd. ..	500	Chhitavalsah	14.81	10	1.12	1.87	0.621	1.10	11	Y.P.
30,15,000	33,75,000	77,94,318	51,54,350	73,099	McLeod & Co., Ltd. ..	989	Clive	12.25	10	Nil	1.25s	0.50		7	Y.P.T.
24,00,000	9,00,000	51,06,825	37,18,587	25,985	Shree Krishna Investment Co., Ltd	766	Dalhousie	70.00	100	2.50	4.00	Nil	Nil	3	Y.P.
31,49,520	44,80,892	1,89,02,688	51,19,187	—6,75,881	Bird & Co. Private Ltd.	779	Delta	104.00	100	12.00	10.00	5.00	Nil	3	Y.P.T.
58,20,000	87,92,179	92,37,864	48,90,766	4,243	Andrew Yule & Co., Ltd. ..	500	Empire	15.75	10	1.25	1.25	0.50	Nil	111	Y.P.
15,00,000	35,56,000	92,61,058	63,07,045	4,192	McLeod & Co., Ltd. ..	1,098	Fort Gloster Industries Ltd.	340.00N	100	5.00	15.00	10.00	10.00	3.9	H.P.T.
21,00,000	62,40,586	2,61,58,550	1,09,93,109	2,65,418	Kettlewell Bullen & Co., Ltd.	1,527	Kankinarah	19.00	10	20.00	20.00	0.75K	1.50	3	Y.P.T.
21,00,000	14,80,000	1,20,16,848	58,00,792	1,70,922	Bangur Bros., Ltd. ..	1,014	Kelvin	54.00	100	6.50	2.50	Nil		3.9	H.P.
84,35,100		2,11,07,326	1,25,50,926	—2,07,452	M.	1,249	Kinnison	107.00	100	7.00	18.00	6.00	Nil	3	Y.P.T.
19,80,000	29,66,648	70,06,997	41,13,510	1,07,157	Andrew Yule & Co., Ltd. ..	500	Lansdowne	82.00	100	2.00	7.00	Nil	Nil	3	Y.P.
24,00,000	24,00,000	2,22,46,948	1,59,31,965	45,248	Macneill & Barry Ltd. ..	846	Lawrence	79.00	100	6.00	6.00	Nil	Nil	3	Y.P.T.
49,00,000	40,66,223	1,58,36,127	58,68,889	2,00,938	Bangur Bros., Ltd. ..	1,253	Magna	126.00	100	2.50	9.75	3.75	Nil	3	Y.P.
16,80,000	18,61,868	58,68,754	32,17,567	—2,95,253	Baljnath Bajoria	315	Nalhati	51.50	100	Nil	Nil	Nil	Nil	3	Y.P.
65,52,100	29,49,122	1,13,74,490	13,21,227	2,93,890	Jardine Henderson Ltd. ..	1,940	Howrah	15.12	10	0.75	1.00	0.50	Nil	3	Y.P.
52,50,000	58,97,124	2,93,21,907	1,57,21,907	1,14,396	Ramdutt Ramkissendas ..	2,272	Hukumchand	18.50	7.50	2.00	2.00	2.00	1.50	3	Y.P.T.
87,00,000	17,80,650	1,27,01,998	80,28,070	2,87,287	M.	1,076	India	129.00	O. 125	3.12	4.69	4.69		3	Y.
30,000								89.00	100	8.00	2.50	Nil	Nil		
24,00,000	21,09,435	1,96,01,608	1,14,05,986	—18,02,112	Jardine Henderson Ltd. ..	1,797	Kamarhatty	89.00	'B' 100	8.00	2.50	Nil	Nil	12	V.P.T.
B'19,20,000								46.00	100	4.50	1.00	Nil	Nil		
30,00,000	9,73,967	1,76,13,612	97,33,167	—41,58,784	Jardine Henderson Ltd. ..	1,527	Kankinarah	45.00	'B' 100	6.50	1.00	Nil	Nil	12	V.P.T.
B'24,00,000															
21,00,000	55,00,000	1,95,45,052	88,77,736	86,701	McLeod & Co., Ltd. ..	702	Kelvin	180.00	100	20.00	17.50	5.00		3	Y.P.
54,00,000	29,15,875	1,33,08,770	1,33,08,770	27,027	Anderson Wright Ltd. ..	1,580	Khardah	115.00	100	12.50	11.00	9.00	9.00	6	Y.
48,00,000	29,15,875	2,36,10,709	95,60,479	28,774	F. W. Heilgers & Co. Private Ltd.	1,250	Kinnison	107.00	100	7.00	18.00	6.00	Nil	3	Y.P.T.
24,48,000	13,41,385	1,31,71,981	58,10,344	—9,08,449	Bird & Co. Private Ltd. ..	846	Lansdowne	82.00	100	2.00	7.00	Nil	Nil	3	Y.P.
24,00,000	45,85,647	1,41,78,948	65,15,575	—7,72,166	Bird & Co. Private Ltd. ..	846	Lawrence	79.00	100	6.00	6.00	Nil	Nil	3	Y.P.T.
30,00,000	26,96,344	2,94,15,145	1,99,97,809	1,64,842	M.	1,253	Magna	126.00	100	2.50	9.75	3.75	Nil	3	Y.P.
21,46,200	39,51,320	86,70,999	36,70,999	—12,06,710	M.	315	Nalhati	51.50	100	Nil	Nil	Nil	Nil	3	Y.P.
39,96,900	14,62,196	1,05,70,565	39,81,709	17,134	Howrah Trading Co., Ltd.	1,940	Howrah	15.12	10	0.75	1.00	0.50	Nil	3	Y.P.
30,00,000	16,55,000	29,01,668	18,81,709	17,134	Andrew Yule & Co., Ltd. ..	852	National	22.50	10	1.12	1.12			4.10	H.T.
35,00,000	39,51,320	48,49,777	12,31,573	19,004	McLeod & Co., Ltd. ..	816	Nellimarla Jute	24.00	10	2.00	2.75	2.00	0.75	10	Y.
36,25,000	37,90,000	80,72,875	20,75,256	1,39,411	Sahu Jain Ltd.	1,705	New Central†	15.81	10	0.75	1.00	0.50		9.12	H.P.T.
55,00,000	2,56,31,171	4,68,82,548	1,06,43,554	3,35,061	Bird & Co. Private Ltd. ..	1,249	Northbrook	15.25	10	17.00	1.50	1.50		12	Y.P.
16,79,250	49,55,552	1,28,54,122	58,58,196	9,257	Macneill & Barry Ltd. ..	1,092	Nuddea	38.50	50	1.50	1.50	1.50	Nil	3	Y.P.T.
66,79,580	13,74,602	2,74,54,033	1,39,13,557	20,195	Andrew Yule & Co., Ltd. ..	601	Orient	92.00	100	10.00	9.00	2.00	Nil	3	Y.P.
24,81,000	23,04,049	76,55,438	52,45,690	5,981	McLeod & Co., Ltd. ..	409	Prashanty	4.25	1	0.31	0.31	0.20	0.80	11	Y.
25,00,000	7,83,173	86,18,353	67,97,372	7,040	Birla Brothers Private Ltd.	305	Rameshwara	4.19	10	Nil	Nil	Nil	Nil	10	Y.
20,80,000	10,225	27,93,784	8,39,189	—8,81,939	Jardine Henderson Ltd. ..	1,276	Reliance	5.75	10	Nil	Nil	Nil	Nil	7	Y.P.
48,50,000	4,00,000	1,24,75,408	64,70,616	—85,95,290	Thomas Duff & Co. (India) Ltd.	1,213	Ramnagger	7.31	10	10%	8%,21			3	Y.P.T.
4560,000	81,093,718	81,245,244	..	458,994	Begaria Mere & Co., Ltd. ..	911	Shree Ambica	10.50N	10	1.00	1.50			12	Y.P.
20,00,000	19,14,910	1,15,59,877	79,96,145	7,977	Hindustan Investment Corpn Ltd.	401	Seorah	16.00	10	1.00	1.50	1.50	1.50	9.0	H.P.
14,00,000	11,14,980	68,87,540	47,50,476	40,154	Bird & Co. Private Ltd. ..	660	Standard	81.00	100	8.00	1.00	Nil	Nil	12	Y.
55,19,000	51,10,501	1,26,68,701	57,89,612	—8,76,083	Thomas Duff & Co. (India) Ltd.	1,794	Titaghar	7.31	51	10%	8%,21			3	Y.P.T.
4560,000	4925,119	41,187,660	..	682,548	Bird & Co. Private Ltd. ..	1,926	Union	126.00	100	6.00	10.00	1.00	Nil	12	Y.
35,96,600	66,80,142	2,01,42,357	89,47,895	—15,81,940	Thomas Duff & Co. (India) Ltd.	1,881	Victoria	7.31	51	10%	8%,21			12	Y.
4560,000	4568,093	41,138,819	..	480,561	McLeod & Co., Ltd. ..	457	Waverley	2.87	1	0.50	0.37	Nil	Nil	12	Y.
2,50,000	6,35,000	41,78,264	27,76,059	—4,15,285										5	Y.P.T.

COAL COMPANIES

Paid-up Ordinary Capital Rs.	Reserves Rs.	Gross Block Rs.	Depreciation Rs.	Carried Forward Rs.	Managing Agents, Managing Directors or Secretaries	Company	Latest Available Quotation Rs.	Paid-up per Share Rs.	Dividend per Ordinary Share 1954 Rs. nP.	1955 Rs. nP.	1956 Rs. nP.	1957 Rs. nP.	Accounts closed	Reference
85,50,000	85,26,620	99,26,439	69,26,439	29,780	Shaw Wallace & Co., Ltd. ..	Amalgamated Coalfields ..	18.50	10	1.31	1.37	0.50	1.25	3	Y.
12,07,900	8,49,290	27,46,675	25,26,183	70,017	Jardine Henderson Ltd. ..	Barares Coke	16.37	10	1.46	1.46	1.10	0.37	3.9	H.
4,49,350	1,98,000	9,44,378	8,44,378	1,370	Kalyanji Mavji & Co. ..	Bengal-Bhaidee	5.87N	10	0.25	0.62	0.75		6.12	H.
1,00,00,000	1,62,13,157	6,38,15,765	4,41,60,343	11,48,000	Andrew Yule & Co., Ltd. ..	Bengal Coal	244.00	100	20.00*	25.00*F	17.50	17.50	12	Y.P.
					Andrew Yule & Co., Ltd. ..	Bengal-Nagpur	18.00	10	Nil	Nil	Nil		12	Y.P.
2,25,900	4,13,782	24,86,187	22,43,060	—94,879	H. Y. Low & Co. (Private) Ltd.	Bhadora	9.31	10	Nil	Nil			3	Y.
15,97,000	4,86,558	48,14,600	34,22,290	3,128	Sahu Jain Ltd.	Bharat Collieries	5.94	10	0.62	0.62	0.62	0.60	3	Y.P.
40,00,000	10,23,263	49,80,946	24,84,101	—4,92,526	M.	Bhalenbararee	9.50N	10	Nil	Nil	Nil		12	Y.
7,15,000	10,15,172	46,57,382	37,10,602	18,588	N. W. Heilgers & Co. Private Ltd.	Borrea	18.62	10	2.00	2.00	1.50		6.12	H.T.
7,50,000	24,16,419	45,57,382	37,10,602	18,588	Bird & Co. Private Ltd. ..	Barrakur	21.25	10	2.50	0.25	0.50	0.37	6.12	H.P.T.
90,92,480	1,70,33,767	4,57,67,223	1,99,56,075	8,491	Hindustan Investment Corpn. Ltd.	Central India	7.72	10	0.25	0.25	0.50	0.50	3	Y.
49,97,750		44,59,014	13,96,014	69,000	M.	Central Kurkend	10.50N	10	0.25	0.50	0.50l		12	Y.
5,00,000	13,20,599	49,11,837	38,03,469	4,340	F. W. Heilgers & Co. Private Ltd.	Charlie	3.25	4	0.12	0.06	0.06		12	Y.
6,00,000	1,48,926	7,30,061(k)	..	—67,535	Macneill & Barry Ltd. ..	Dhemo Main	7.00	10	Nil	Nil	Nil		12	Y.
16,00,000		54,47,612	31,85,398	526,677	Jardine Henderson, Ltd. ..	East Indian	20.87	51	2.50	2.00	2.50	1.50	12	Y.
4560,000	4565,875	41,001,816	4764,050	59,732	Macneill & Barry Ltd. ..	Equitable	26.50	10	1.50	1.50	1.50	1.50	12	Y.P.T.
29,45,760	93,25,027	4,34,54,587	3,12,09,700	23,585	Thakur's Agency Ltd. ..	Ghusick and Musila	17.00	10	0.50	0.25			3	Y.
19,00,000	1,40,999	19,81,144	4,25,587	..	Kilnick Industries Ltd. ..	Hingir-Rampur	30.75	50	Nil	2.25	2.25	Nil	3	Y.
19,00,000	1,17,000	45,34,409	25,30,978	163	Macneill & Barry Ltd. ..	Hurriadih	14.50	10	1.75	2.50	1.50	Nil	12	Y.
8,00,000	2,50,000	24,57,868	19,66,774	..	Andrew Yule & Co., Ltd. ..	Kalapahari	14.00N	10	Nil	Nil	Nil		12	Y.
5,50,000	2,48,905	14,18,052	7,93,171	..	Bird & Co. Private Ltd. ..	Karanpura Collieries ..	93.00	100	Nil	2.50	5.00	Nil	3	Y.
20,00,000	2,31,375	23,57,376	5,71,179	1,993	Andrew Yule & Co., Ltd. ..	Katras Jharriah	57.50	10	4.00	4.00	5.00	Nil	3	Y.
5,00,000	18,92,288	47,66,511	37,70,923	1,52,326	Bestwala & Co.	Khas Kajora	3.00N	10	Nil	Nil	0.50	0.50	12	Y.
1,80,000	5,72,960	13,25,941	5,72,960	—2,00,326	H. V. Low & Co. (Private) Ltd.	Kusadi	8.75N	10	Nil	0.12			6.12	H.P.
11,00,240	64,[illegible]	16,80,329	10,06,899	10,611	H. V. Low & Co. (Private) Ltd.	Lakurka	10.50N	10	Nil	0.12			6	Y.
9,00,000	11,11,926	28,58,749	22,26,193	31,901	Tantia Brothers Ltd. ..	Kasira	7.00	10	0.50	0.50			4	Y.
7,48,848	2,02,000	13,13,206	9,56,219	4,560	Amritlal Ojha & Co., Ltd. ..	New Bansdeopur	9.00N	10	1.25				12	Y.
7,50,000	26,617	10,33,740	5,30,225	4,243	Andrew Yule & Co., Ltd. ..	New Beerbhoom	14.75	10	1.12	1.00	0.75		3.9	H.
17,76,290	19,51,814	1,24,49,315	91,72,491	55,993	Ostwins Steel & Co., Ltd. ..	New Manbhoom	11.31	10	Nil	Nil	Nil	0.50	10	Y.P.
3,00,000	75,000	83,85,831	83,85,920	17,516	Andrew Yule & Co., Ltd. ..	North West	18.75	10	Nil	1.87	1.50		3	Y.
1,15,000	2,47,602	13,06,630	8,96,110				18.50	7.50	Nil	1.03	1.12			
1,57,500					F. W. Heilgers & Co. Private Ltd.	Ondal	12.50	10	1.00	1.00	0.75		12	Y.P.
7,50,000	15,89,447	3,97,666	2,77,666	37,244	K. C. Thapar & Bros. Private Ltd.	Oriental Coal	7.00N	10	0.50	0.25			12	Y.P.
10,00,000	1,10,000	41,24,512	19,79,271	25,120	Deepchand Kishenlal	Parasea	13.00	10	0.75	0.50	0.50		12	Y.P.
2,24,000	30,000	23,49,567	9,34,541	2,080	Shaw Wallace & Co., Ltd. ..	Pench Valley	20.62	10	1.62	1.50	0.70	2.00	3	Y.
15,75,000	16,50,000	56,17,410	39,02,410	29,060	B. N. Ellias & Co. Private Ltd.	Ramagunga	12.25	10	0.50	0.62	0.37	0.75	3	Y.
22,50,000	25,00,261	1,37,28,031	91,88,582	49,248	Shaw Wallace & Co., Ltd. ..	Rewa	13.31	10	1.37	0.87	0.75l		3.12	H.
13,50,000	10,45,115	38,50,966	29,71,364	9,397	M.	Samla Collieries	11.00N	10	0.75	1.00	1.25		12	Y.
20,00,000	37,12,000	85,58,754	32,17,567	21,078	M.	Searsole	4.75N	2.50	0.62	0.75			1	Y.
3,50,000	1,96,925	13,72,480	12,21,227	52,290	Andrew Yule & Co., Ltd. ..	Seebpore	24.50	7	2.00	2.50	2.25		12	Y.P.
2,50,000	9,11,500	39,92,167	19,75,253	5,164	F. W. Heilgers & Co. Private Ltd.	Sendra	7.25N	10	0.12	0.25	0.25		6.12	H.T.
3,00,000	5,00,216	53,491	28,967	29,557	Industrial Trust Fund (Government of Andhra Pradesh)									
62,21,450	94,58,536	5,19,41,949	2,73,46,639			Singareni	11.00	10	0.70	0.75	1.00		12	Y.P.
17,50,000	10,39,982	28,95,664	10,16,434	10,497	Bird & Co. Private Ltd. ..	South Kasunpura	0.12	10	0.12	0.12	0.25		3.12	H.
3,00,000	14,01,065	1,09,57,570	96,45,513	17,411	F. W. Heilgers & Co. Private Ltd.	Standard	11.00	10	1.50	1.00	1.00		12	Y.
16,50,000		51,72,984	15,43,502	—5,02,907	M.	Talcher	1.75	2.50	Nil	Nil	Nil		9	Y.
3,50,000	2,22,000	13,97,594	14,54,234	77,105	Williamson Magor & Co., Ltd. ..	Union	15.25	10	0.75	Nil	Nil		12	Y.
40,00,000	66,764	66,72,966	24,18,986	11,543	Hindustan Investment Corpn. Ltd.	Western Bengal	6.25	10	0.37	0.50	0.50	0.50	3	Y.
7,50,000	....	58,61,405	27,57,689	—8,49,103	Macneill & Barry Ltd. ..	West Jamuria	5.00	10	Nil	Nil	Nil	Nil	12	Y.

M—Managed by the Board of Directors. † Less income-tax. (a) Clive Mills have paid dividend at As. 10½ on bonus shares, for the year 1956. * Including bonus. (b) Investments.
† New Central Jute Mills.—Dividend for 1956 is on shares of Rs. 10 each. The Albion and Lothian jute companies have been amalgamated with New Central Jute Co., with effect from 1st December 1954.
F.—Bengal Coal Co. Dividend from 1954 to 1956 are on shares of Rs. 200 each. For 1956 the dividend of Rs. 17·5 includes an interim dividend of Rs. 7·5 per share. In 1956 the shares of Rs. 200 were split into shares of Rs. 100 each.
K—West William Jute Co. has sub-divided ordinary shares of Rs. 100 into shares of Rs. 10 each. Dividend for 1956 is on shares of Rs. 10 each.

INDO-AMERICAN RELATIONS

(*Concluded from page 1194*)

Government's policy governing West Asia, the deterioration in the economic and political conditions in Pakistan, the chaos in Indonesia and Ceylon—all these have combined to highlight India favourably in the eyes of Americans and their Government. And the main reasons why these developments have had this advantageous effect on India are three: first, India has firmly established itself as a democratic country. Secondly, there is in India, as compared with many other countries in Asia or Latin America, relative political stability. And, thirdly, India has been genuinely trying to raise the living standards of its citizens and is one of the very few countries which have put the foreign assistance given to them to good use. It is needless to add that, if the present favourable impression that exists about India in the U.S. and, to a large extent, in the U.K., too, is to be sustained, the powers-that-be must see to it that nothing is done or allowed to be done which will bring down India in the esteem of the free world in respect of the three factors alluded to above. On the contrary, every effort must be made to improve the position in all these three respects, as the advantage which India now has is only of a relative nature and may diminish when political circumstances in other parts of the world improve and other countries set their house in order.

As things are today, there are several disconcerting signs which give rise to doubts about the future

BANKS

Paid-up Ordinary Capital Rs. or £	Reserve Fund Rs. or £	Carried Forward Rs. or £	Name of Bank	Latest Available Quotation Rs. or £	Paid-up per Share Rs. or £	Dividend per Share 1954 Rs. nP	1955 Rs. nP	1956 Rs. nP	1957 Rs. nP	Accounts Closed	Reference
15,99,000	1,85,00,000	12,42,652	Allahabad Bank	{360.00	100	18.00‡	18.00	18.00	9.00	12	Y.P.
14,50,000				{180.00	50	9.00‡	9.00	9.00	4.50‡		
1,91,000	18,04,000	1,910	Andhra Bank	{100.00	100	7.50	6.50	5.00	5.00	6,12	H.
39,75,595				90.00	35	3.75	4.54	5.59	5.10		
1,00,00,000	1,25,60,000	4,10,731	Bank of Baroda	116.00	50	6.00‡	6.00‡	7.00	7.00	12	Y.
50,00,000	25,00,000	7,000	Bank of Bikaner	21 52sd	25	0.75	0.87	1.12	1.25	12	Y.
2,50,00,000	3,10,00,000	16,02,381	Bank of India	{134.00	50	7.00	8.00	8.00	8.00	6,12	R.L.Y.
50,00,000'A'				135.50	50'A'	...	...	...	8.00		
15,80,975	25,00,000	52,270	Bank of Indore	63.00N	25	2.50	2.50	4.00	4.25	12	Y.
10,00,000	25,00,000	20,476	Bank of Jaipur	37.25	50	2.00	2.00	2.50	2.50	12	Y.
50,00,000	91,95,513	1,57,085	Bank of Mysore	253.50	100	16.00‡	16.00‡	16.00‡	16.00	12	Y.
50,00,000	1,50,00,000	44,708	Canara Bank Ltd.	86.00	50	4.50	5.00	5.00	5.00	12	Y.P.
1,50,00,000	40,00,000	5,679	Canara Banking Corporation Ltd.	75.50	50	5.00	5.50‡	5.00‡	5.00‡	12	Y.P
7,50,000	13,50,000			170.00	100'A'	12.50	12.50	15.00	15.00		
5,82,950'A'	22,00,000	18,765	Canara Ind. & Bkg. Syndicate Ltd.	1.71	1'C'	12½%	12½%	15%	15%	12	Y.
23,787'C'				53.00	25	3.00	3.00	3.50	3.50		
2,38,11,875	4,03,60,821	18,44,046	Central Bank of India Ltd.	58.00	25	3.00	3.00	3.50	3.50	12	R.L.Y.
23,43,875				46.00	50	2.00	2.50	3.00	3.00	12	Y.
50,00,000	40,00,000	2,80,320	Devkaran Nanjee Banking Co.	26.37	5	0.81	0.87	1.37	1.06	12	Y.
2,00,00,000	2,00,00,000	19,45,442	Habib Bank (P)	52.50	50	1.50	2.00	3.00		12	Y.
50,00,000	29,75,000	1,61,046	Hind Bank	9.50	50	Nil	Nil	Nil	Nil	12	Y.
3,35,00,000	5,93,000	18,643	Hindustan Commercial Bank	10.00	50	Nil	Nil	Nil	Nil	12	Y.
50,00,000	1,80,000	4,233	Hindustan Mercantile Bank	196.50	100	12.00‡	12.00‡	15.00	15.00‡		
44,00,000	1,00,00,359	2,04,876	Indian Bank	168.50	50	7.50‡	7.75	9.75	12.00‡	6,12	R.L.H.
22,40,000				144.50	100	6.00	7.50	10.00	10.00	12	Y.
56,25,250	45,35,200	2,32,067	Indian Overseas Bank	33.50	25	1.56	1.87	1.87	1.87	12	Y.
10,00,000	10,25,000	38,502	Pandyan Bank Ltd.	58.00	25	3.00	3.50	4.00	5.00	12	Y.
1,25,00,000	1,10,00,800	4,51,904	Punjab National Bank	19.50	25	0.75	1.00	1.00	1.25	12	Y.
1,00,00,000	29,17,000	5,598	Travancore Bank	8.24	5	0.24	0.37	0.44	0.44	12	Y.
40,00,000	40,00,000	1,50,832	Union Bank of India	61.50	50	2.50	2.75	3.50	3.75	12	H.
2,90,00,000	1,34,00,000	49,452	United Commercial Bank								

PRINCIPAL EXCHANGE BANKS

						Dividend (per cent.					
£4,400,000	£5,700,802	£412,542	Chartered Bank	£2-3-6	£1	15†	15†	15†	15†	12	Y.
H.K.$40,208,800	H.K.$128,000,000	H.K.$2,062,468	Hongkong and Shanghai Banking Corporation	£42½	H.K.$125	5*	5*	5*	$ 12½*	12	Y.
£18,565,670	£18,000,000	£826,712	Lloyds Bank	£2-6-8	£1	15†	12†	13†	13†	12	Y.
£2,940,000	£3,100,000	£231,452	Mercantile Bank Ltd.	£1-11-6	£1	14†	14†	14†	16½†	12	Y.
£2,951,562	£3,104,687	£265,589	National Overseas and Grindlays Bank Ltd.	£1-3-3	sh. 12½	15†	15†	15†	15†	12	Y.

‡ Includes bonus. † Less Tax. (P) Pakistan Currency. R. L.—Reserve liability on shares. (I) Interim. * 5 per share free of tax. xr—Ex-Right. Z.—The final dividend of £1-12-6 is on the increased Capital.

DEBENTURES

Amount Rs. or £	Rate of Interest per cent.	Interest Payable on	Company	Date of Issue	Latest Available Quotations* (per hundred) Rs. or £	Principal Repayable
			BREWERIES AND SUGAR			
19,50,000	6	1st December and 1st June	Carew & Co.	1926	92.00	1st June 1962
4,00,000	5½	1st March and 15th September	Carew & Co. (2nd mortgage)	1941	99.00	25th February 1960
10,00,000	6	1st April and 1st February	Ravalgaon Sugar	1942	100.00N	27th December 1952-62
10,00,000	4	1st May and 1st November	Ravalgaon Sugar (New)	1944	87.00N	1st November 1959-64
25,00,000	4½	1st May and 1st November	Walchandnagar Industries (New)	1944	94.00N	1st November 1959-64
			COAL			
80,00,000	4½	30th April and 31st October	Bharat Collieries	1944	90.00	30thJune 1964
80,00,000	4½	30th June and 31st December	Parrakur Coal Co.	1947	87.00	30th June 1967 (a)
50,00,000	5½	15th June and 15th December	Equitable Coal Co.	1955	97.00	14thDecember 1969 (a)†
			COTTON			
2,50,000		30th June and 31st December	Basanji Cotton Mills Ltd.	1942	85.00	30th April 1964
4,00,000	6	15th May and 15th November	Bengal-Nagpur	1897	99.00	15th November 1964 (b)
75,00,000	5	1st April and 1st October	Buckingham and Carnatic	1952	90.00	1st March 1972 (a)
40,00,000	6	1st April and 1st October	Gokak Mills	1947	100.50	1st April 1967-72
13,71,000	5½	30th June and 31st December	Jaipore Textiles	1949	90.00N	1st January 1956-69
99,00,000	5	1st June	Tata Mills	1951	93.50	15th November 1966
			ELECTRICS			
10,00,000	4½	31st March and 30th September	Agra Electric Supply Co. Ltd.	1950	90.00	31st March 1964 (a)
1,25,00,000	4½	15th June and 15th December	Ahmedabad Electric Co. Ltd.	1940	97.00	14th June 1960
98,12,000	4½	1st April and 1st October	Andhra Valley Power Supply Co.	1942	98.00	1st October 1965
13,00,000	4½	30th June and 31st December	Benares Electric Light and Power Co., Ltd.	1949	90.00	31st December 1964 (a)
54,645,914	5	1st January and 1st July	Calcutta Electric Supply Corporation Ltd.	1945	97.25	1st January 1970 (a)
25,00,000	4	30th June and 31st December	Cawnpore Electric Supply Co., Ltd.	1945	84.00	31st December 1970
25,00,000	5	1st January and 1st July	Sijua (Dhanbad) Electric Supply Co., Ltd.	1951	91.00	30th June 1970 (a)
12,50,000	5	15th March and 15th September	South Madras Electric Supply	1939	95.00	1st April 1965-81
5,00,000	5½	31st March and 30th September	South Madras Electric Supply	1940	98.50	30th September 1955-65
1,00,000	5	3rd April and 3rd October	Tata Power	1940	99.00	1st July 1970
47,72,000	5	1st April and 1st October	Tata Power		85.00	15th September 1965-70
2,50,00,000	4	1st April and 1st October				
			ENGINEERING			
5,00,000	5½	30th June and 31st December	Britannia Engineering	1945	94.00	31st December 1969
2,00,000	5	30th June and 31st December	Bridge and Roof (India), Ltd.	1922	98.00	30th June 1955
50,00,000	5½	15th September and 15th March	Indian Hume Pipe (Bearer)	1943	97.00	1st July 1961-62
10,00,000	4	31st May and 30th November	Kennedy&Hall Engineering Works Ltd.	1946	80.00	31st May 1971
1,50,00,000	5	1st April and 1st October	Tata Locomotive	1950	95.00	31st October 1966-86
60,00,000	6	31st December	Textile Machinery Corporation Ltd	1950	95.50	31st December 1968 (a)
			JUTE			
15,00,000	5½	1st October and 1st April	Agarpara	1939	90.50	31st March 1969
5,00,000	5½	30th June and 31st December	Alexandra	1939	91.00	30th June 1969
15,00,000	5½	31st December and 30th June	Auckland Jute Co., Ltd.	1945	77.00	31st December 1964
10,00,000	4½	30th June and 31st December	Bengal Jute Mill Co., Ltd.	1949	86.00	30th June 1969
5,00,000	5	31st January and 31st July	Calcutta	1951	88.50	31st July 1959
10,00,000	5	30th June and 31st December	Chitavalsah Jute Mills	1954	90.00	30th June 1966
15,00,000	5	31st March and 30th September	Dalhousie Jute Co.	1951	90.00	31st March 1968 (a)
98,43,000	5½	15th January and 15th July	Empire	1955	94.00	15th July 1966 (a)
5,85,000	5	31st March and 30th September	Howrah Mills Co., Ltd.	1949	90.00	31st March 1970
20,00,000	5½	30th June and 31st December	Kinnison Jute Mills Co., Ltd.	1949	90.00	31st December 1964 (a)
25,00,000	5	30th June and 31st December	Naihati	1952	90.00	31st March 1967 (a)
25,00,000	5½	30th June and 31st December	Shillamarie Jute Mills Co., Ltd.	1939	88.00	14th May 1969
5,00,000	4½	14th November and 14th May	Northbrook Jute Co., Ltd.	1945	89.00	31st December 1964
20,00,000	4	30th June and 31st December	Presidency	1946	85.00	30th June 1965
3,00,000	4	30th June and 31st December	Reliance Jute Mills Co., Ltd.	1950	85.00	5th September 1965 (a)
25,00,000	5	31st March and 30th September	Union	1937	90.00	31st March 1967
15,00,000	5½	30th June and 31st December	Waverly	1925	80.00	31st July 1966
10,00,000	5½	31st January and 31st July				
			RAILWAYS; STEAMSHIP AND TRAMWAYS			
£350,000	4½	1st January and 1st July	Calcutta Tramways	1900	£66.10N	At 105% at any time on 6 months' notice or at par or every seventh year thereafter 1st October 1974
£180,868		1st April and 1st October		1923	£74.10N	
6,50,000	5½	30th June and 31st December	Katakhal-Lalabazar Railway	1945	85.00	31st December 1959 (a)
£300,000	4½	30th June and 31st December	Shahdara-Delhi-Saharanpur Railway	1905	£64	Any time on six months' notice (a)
4,14,18,000	4½	1st March and 1st September	Scindia Steam Navigation	1949	94.50	1st September 1968
			PLANTING			
11,25,000	6	31st March and 30th September	Nilgiri Tea	1944	99.00	1st April 1958-68
1,50,500	5½	31st March and 30th September	Teokey		100 00	31st March 1949-59†
			MISCELLANEOUS			
10,00,000	4	1st January and 1st July	Aluminium Corporation of India Ltd.	1942	92.00	31st December 1965
50,50,000	4½	1st January and 1st July	Associated Hotels of India	1942	85.00	31st December 1963
2,00,00,000	5	1st March and 1st September	Burmah-Shell	1954	97.00	1st September 1964-69 (c)%
5,00,00,000	5½	1st April and 1st October	Calcutta Oil Refining (India) Ltd.	1955	97.75	1st October 1970
21,00,000	5½	1st February and 1st August	Chowringhee Properties	1936	85.00	1st February 1964
19,84,000	4½	1st July and 1st January	Clive Buildings (Calcutta) Ltd.	1936	83.00	1st July 1966
1,00,00,000	5	15th March and 15th September	Dalhousie Properties	1946	78.00	15th September 1969
1,00,00,000	4	31st March and 30th September	Dalmia Cement (Bharat) Ltd.	1946	90.00	1970
1,00,00,000	5	1st January and 1st July	Dunlop Rubber Co. (India) Ltd.	1950	98.00	1st January 1971(c)††
1,00,00,000	5½	1st January and 1st July	Indian Cable Co., Ltd.	1954	98.00N	30th June 1969 (c)‡
1,00,00,000	5½	2nd January and 2nd July	Motour Chemical Industries	1946	83.00	1964
12,75,000	5	31st March and 30th September	Martin Burn Ltd. (Convertible Notes)	1946	515.00	30th September 1976 (c)
13,97,000	4	30th June and 31st December	MacLeod & Co., Ltd. (Convertible Notes)	1947	465.00 (per note)	31st December 1979 (c)
75,00,000	5	1st April and 1st October	Macneill and Barry Ltd.	1951	84.00N	1st April 1971
1,50,00,000	5½	30th June and 31st December	National Rayon (Bharat) Ltd.	1955	98.00	30th June 1965-70
1,00,00,000	5½	31st March	Orient Paper Mills Ltd.	1951	90.50	31st March 1961 (a)
1,00,00,000	5½	30th June and 31st December	Rohtas Industries Ltd.	1946	91.00	31st December 1959
1,00,00,000	5	1st May and 1st November	Standard-Vacuum Refining Co. India, Ltd.	1953	97.25	1st May 1968(a)‡‡

(a) These debentures are registered and are transferable by transfer deeds. (b) Option to repay on 3 months' notice at any time at 2 per cent. premium. ‡ With option to redeem at Rs. 101 per cent. after 10 years or at Rs. 100-8 per cent. after 12 years. † Rs. 1,00,00,000 debentures will be redeemed at par annually by drawing from 1-8-1965. * Any debenture outstanding on 1-8-1960 will be redeemed on that date with option to redeem all debentures at 101 per cent. on 1-9-1964. ‡‡ Rs. 80 lakhs will be redeemed annually by drawings from 1st May 1964 onwards. The Company has option to redeem a debenture at 101 per cent. on 1st May 1963, on six months' notice. †† Option to repay at par on 6 months' notice, on or after 1st January 1961.

WEEK'S STOCK EXCHANGE TREND

THE following quotations indicate the trend of transactions on the Bombay Stock Exchange during the week ended 26th June, 1958.

	Closing quotations 19-6-1958	High	Low	Closing quotations 26-6-1958
TEXTILES	Rs. nP	Rs. nP	Rs. nP	Rs. nP
Ahm. Adv. (100)	155.50	157.00	155.50	157.00
Apollo (2)	1.72	1.74	1.70	1.72
Bombay Dyeing (25)	55.00	56.70	55.10	56.70
Bradbury (50)	154.00	154.50	153.00	154.50
Central India (100)	94.00	97.00	92.00	94.00
Century Mills (100)	440.00	447.25	438.50	440.00
Colaba (100)	31.25	31.25	29.50	30.50
Edward Textile (200)	251.25	255.00	251.25	255.00
Elphinstone (50)	41.50	—	—	41.50
Finlay (100)	268.00	273.00	268.00	273.00
Gokak (100)	151.00	162.00	152.00	152.00
Ind. Unit. Defd. (1)	1.22	1.26	1.22	1.22
Ind. Unit. Ord. (10)	9.32	9.76	9.24	9.72
Indore Malwa (100)	110.00	112.00	109.50	110.00
Khatau (100)	186.25	186.25	185.00	185.00
Kohinoor (100)	258.00	274.00	256.50	274.00
Lakshmi (250)	435.00	—	—	435.00
Minerva Mills (100)	67.50	—	—	67.50
Model Nagpur (250)	165.00	168.75	161.00	168.75
Mutual (100)	233.00	233.00	230.00	230.00
Mysore (50)	91.00	—	—	91.50
National Rayons (100)	233.25xd	91.50	90.50	232.25
New City (100)	105.00	234.50	230.00	112.50
New Great (100)	200.00	112.50	105.00	210.00
Phoenix (100)	115.00	210.00	201.00	116.50
Podar Mills (100)	135.00	117.50	115.00	145.00
Saseoon Silk (10)	9.88	145.00	135.00	9.88
Saseoon Spg. (10)	47.50	—	—	47.50
Shahpur (1,000)	375.00	—	—	375.00
Shivtarsa (100)	147.00	—	—	152.00
Simplex (50)	171.00	152.00	146.00	179.00
Standard (100)	417.00	179.00	170.00	420.50
Swadeshi (100)	185.00	423.00	414.00	193.75
Swan (100)	365.00	193.75	183.75	376.00
Tata Mill (25)	39.00	376.00	365.00	42.25
Vishnu (100)	100.00	42.50	39.00	102.00
Western India (1,000)	4,525.00	102.00	100.00	4,525.00
BANKS				
Bank of India (50)	135.00	134.50	133.50	133.50
Do. (New) (50)	135.50	135.50	135.00	135.00
Bank of Baroda (50)	116.00	117.50	115.00	117.50
Central (25)	53.50	53.70	53.20	53.50
Central 'A' (25)	57.80	58.00	57.50	58.00
Dena Bank (50)	45.50	46.00	45.50	46.00
Punjab National (25)	56.50	62.00	56.50	62.00
Union Bank (5)	8.24	8.28	8.20	8.24
United Com. (50)	61.00	61.50	60.70	61.40
ELECTRIC COS.				
Ahmedabad (100)	95.00	95.20	94.50	94.70
Amalgamated (10)	10.60	10.60	10.50	10.60
Andhra Valley (1,000)	1,137.50	1,143.75	1,137.50	1,143.75
Bom. Sub-El. (100)	105.75	108.50	105.75	106.00
Surat (100)	108.75	110.50	109.00	110.50
Tata Hydro (100)	117.50	118.00	117.50	118.00
Tata Power (1,000)	1,230.00	1,235.00	1,222.50	1,235.00
INSURANCE COS.				
British India (10)	15.24	—	—	15.24
Empire of India (100)	265.00	—	—	265.00
Ind. Mercantile (50)	47.50	—	—	47.50
Jupiter (15)	7.76	—	—	7.76
New India (15)	47.25	48.25	47.50	48.00
Oriental (200)	3,985.00	4,035.00	3,985.00	4,035.00
Universal (10)	12.00	—	—	12.00
Vulcan (10)	17.64	—	—	17.64
STEEL COS.				
Ind. Iron (10)	22.00	22.60	21.84	22.60
Tata Steel Ord. (75)	184.00	187.75	183.50	187.50
SUGAR COS.				
Belapur (50)	254.00	260.50	253.00	259.00
Bhopal (10)	22.48	22.48	22.24	22.24
Phaltan (50)	152.50	159.50	152.00	158.00
Walchand Ind. (100)	285.00	286.25	282.50	285.00
CEMENT COS.				
Associated Cts. (100)	155.75	158.25	155.75	158.00
Digvijay (100)	148.25	162.25	148.50	152.25
MISCELLANEOUS				
Alcock Ashdown (100)	265.00	267.50	262.50	267.50
Bom. Burmah (125)	565.50	571.50	563.00	569.00
Do. (New) (50)	217.50	217.50	212.50	213.00
Br. B. Petrol (4 sh.)	2.16	2.18	2.06	2.08
Br. I. Corpn. (5)	3.52	3.56	3.32	3.40
C. P. Rly. (100)	59.50	—	—	59.50
Hindustan Motors(10)	7.20	7.64	7.12	7.52
Indian Copper (2 sh.)	3.38	3.42	3.32	3.40
Ind. Inv. Tr. (100)	71.90	—	—	71.90
Killicks (100)	142.25	146.00	143.00	143.75
Peteon (100)	150.00	—	—	150.00
Pra. Automobiles (100)	84.30	84.50	83.40	84.00
Premier Cen. (20)	201.00	204.25	200.00	202.00
Scindia (20)	17.88	18.40	17.76	18.25
G. N. Shipping (10)	23.08	24.56	23.04	24.56
Shivrajpur (10)	91.50	92.50	88.00	92.00
Tata Chemicals (10)	15.52	16.68	16.44	16.56
Tata Locomotive (100)	178.00	174.75	172.25	174.00
Tata Oil (25)	41.00	44.00	41.00	42.25
W. I. Match (100)	174.50	184.50	174.00	184.50

GOVERNMENT SECURITIES	19-6-1958	Gross Yield: Earlier Redemption	Gross Yield: Later Redemption	26-6-1958
	Rs. nP			Rs. nP
2½% 1961	95.60	—	4.04	95.60
2½% 1960	98.20	—	3.67	98.20
2½% 1962	95.40	—	3.96	95.40
2½% 1974	88.10	—	4.03	88.10
2 ½% 1953	99.85	—	4.15	99.85
2 ½% 1959-61	99.10	3.79	3.24	99.30
2 ½% 1964	95.60	—	3.77	95.60
2 ½% 1963-65	95.60	3.90	3.68	95.60
2 ½% 1966-68	92.95	3.99	3.82	92.95
2 ½% 1970-75	87.30	4.34	4.03	87.80
3 ½% 1964 Con. Loan	71.10	—	4.22*	71.10
4 ½% 1960-70	100.80	3.85	3.97	100.80
2½% 1961 N.P. Bonds	99.50	—	3.55	99.50
2½% 1964 N.P. Loan	98.50	—	3.76	98.55
2½% 1965 N.P. Bonds	98.35	—	3.76	98.40
2½% 1962	98.90	—	3.89	98.90
2½% 1967 N.P. Bonds	97.60	—	3.80	97.60
4 ½% 1974	98.30	—	3.89	98.30
2½% 1967 N.P. Bonds	99.05	—	3.80	99.05
4 ½% 1972 Loan	100.35	—	3.97	100.35
3½% 1963 N. P. Bonds	98.80	—	3.77	98.80
3½% 1968 N. P. Bonds	99.50	—	3.81	99.50
4 ½% 1973 Loan	100.05	—	4.00	100.00

BRITISH GOVERNMENT SECURITIES

	Closing quotations 18-6-1958 £			Closing quotations 24-6-1958 £
2½% Brit. Consols	50 ⅛	—	—	50
3 % Savings Bonds 1965-75	73 ⅛	—	—	73 ⅛
3% War Loan 1955-59	98⅜	—	—	98⅜
3½% War Loan	66⅛	—	—	66⅛
4% Victory Bonds 1976	94½	—	—	94
4% Funding 1960-90	87½	—	—	87½

* Current Income x.d.—Ex-dividend. x.r.—Ex-Right.

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